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SBI HOLDINGS, INC.

(Incorporated in Japan with limited liability)

(Stock code: 6488)

PROPOSED SHARE SUBDIVISION, HDR SUBDIVISION AND CHANGE IN BOARD LOT SIZE

Pursuant to the "Action Plan for Consolidating Trading Units" issued by the Japanese Stock Exchanges on November 27, 2007, the Company is required to consolidate the trading units of its shares into 100 or 1,000 shares per unit by April 1, 2014. The Board has decided to adopt the Share Unit System, under which each unit will represent 100 Subdivided Shares. In addition, each existing Share and HDR will be divided into 10 Subdivided Shares and 10 Subdivided HDRs, respectively.

The amendments to the Articles of Incorporation required for the adoption of the Share Unit System and the Share Subdivision have been approved by the Shareholders at the Ordinary General Meeting.

The HDRs are currently traded in board lots of 50 HDRs. Subject to the Share Subdivision and HDR Subdivision becoming effective, the Board is proposing to change the board lot size of the HDRs from 50 HDRs to 500 Subdivided HDRs.

The Share Unit System, the Share Subdivision, the HDR Subdivision and the Board Lot Change will become effective on October 1, 2012.

The purpose of this announcement is to provide the HDR Holders further information on the trading arrangements in respect to the HDRs and the Subdivided HDRs and the procedure for the free exchange of the Existing Certificates to the New Certificates.

INTRODUCTION

Reference is made to the announcement of the Company dated April 26, 2012 in relation to share split, adoption of a share unit system and partial amendment of the Articles of Incorporation. Further reference is made to the announcements of the Company dated June 29, 2012 and September 5, 2012 in relation to, among other things, the poll results of the Ordinary General Meeting.

The Share Unit System, the Share Subdivision, the HDR Subdivision and the Board Lot Change will become effective on October 1, 2012.

Further information on the trading arrangements in respect to the HDRs and the Subdivided HDRs

and the procedure for the free exchange of the Existing Certificates to the New Certificates are set out below.

SHARE SUBDIVISION AND HDR SUBDIVISION

Pursuant to the "Action Plan for Consolidating Trading Units" issued by the Japanese Stock Exchanges on November 27, 2007, the Company is required to consolidate the trading units of its shares into 100 or 1,000 shares per unit by April 1, 2014. The Board has decided to adopt the Share Unit System, under which each unit will represent 100 Subdivided Shares. In addition, each existing Share and HDR will be divided into 10 Subdivided Shares and 10 Subdivided HDRs, respectively.

As at August 31, 2012, the total number of authorized shares of the Company was 34,169,000, of which 22,451,303 Shares were in issue. Immediately upon the Share Subdivision becoming effective, the authorized shares of the Company will be 341,690,000, of which 224,513,030 will be in issue (assuming that no further Shares are issued or repurchased by the Company after August 31, 2012 and prior to the Share Subdivision becoming effective).

As at August 31, 2012, the total number of HDRs in issue was 159,900, representing 15,990 Shares. Immediately upon the HDR Subdivision becoming effective, the total number of Subdivided HDRs in issue will be 1,599,000, representing 159,900 Subdivided Shares (assuming that no further HDRs are issued by the Company or converted into Shares or vice versa after August 31, 2012 and prior to the HDR Subdivision becoming effective).

The Subdivided Shares represented by the Subdivided HDRs will rank *pari passu* with each other in all respects and the rights attached to the Subdivided Shares and the Subdivided HDRs will not be affected by the Share Subdivision or the HDR Subdivision.

As at the date of this announcement, each HDR represents 0.1 Share. The ratio of the HDRs to the Shares will remain unchanged and upon the Share Subdivision and HDR Subdivision becoming effective, each Subdivided HDR will represent 0.1 Subdivided Share.

The amendments to the Articles of Incorporation required for the adoption of the Share Unit System and the Share Subdivision have been approved by the Shareholders at the Ordinary General Meeting.

CHANGE IN BOARD LOT SIZE

The HDRs are currently traded in board lots of 50 HDRs. Subject to the Share Subdivision and HDR Subdivision becoming effective, the Board is proposing to change the board lot size of the HDRs from 50 HDRs to 500 Subdivided HDRs.

Based on the closing price of the HDRs as at the date of this announcement of HK\$48.5 per HDR, the value of each existing board lot is HK\$2,425. The value of each board lot will remain unchanged upon the HDR Subdivision and the Board Lot Change becoming effective. The Board Lot Change will not result in odd lots of the Subdivided HDRs.

The Directors consider that the adoption of the Share Unit System and the implementation of the Share Subdivision, the HDR Subdivision and the Board Lot Change are in the interests of the Company, the Shareholders and the HDR Holders as a whole and would not have any adverse effect on the financial position of the Company.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Subdivision, the HDR Subdivision and the Board Lot Change is set out below¹:

Latest time for lodging cancellation notice of HDRs	12:00 noon on Tuesday, September 25, 2012
Latest time for lodging conversion notice of HDRs	4:00 p.m. on Tuesday, September 25, 2012
Blackout period for application for conversion or cancellation of HDRs commences	Wednesday, September 26, 2012
Effective date of the Share Subdivision, the HDR Subdivision and the Board Lot Change	Monday, October 1, 2012 ²
Dealing in the Subdivided HDRs commences	9:00 a.m. on Wednesday, October 3, 2012
Original counter for trading in HDRs in board lots of 50 HDRs temporarily closes.....	9:00 a.m. on Wednesday, October 3, 2012
Temporary counter for trading in Subdivided HDRs in board lots of 500 HDRs (in the form of Existing Certificates) opens.....	9:00 a.m. on Wednesday, October 3, 2012
First day for free exchange of Existing Certificates for New Certificates	Wednesday, October 3, 2012
Blackout period for application for conversion or cancellation of HDRs ends	Tuesday, October 16, 2012
Original counter for trading in Subdivided HDRs in board lots of 500 HDRs (in the form of New Certificates) re-opens	9:00 a.m. on Wednesday, October 17, 2012
Parallel trading in Subdivided HDRs (in the form of New Certificates and Existing Certificates) commences.....	9:00 a.m. on Wednesday, October 17, 2012
Temporary counter for trading in Subdivided HDRs in board lot of 500 HDRs (in the form of Existing Certificates) closes	4:00 p.m. on Wednesday, November 7, 2012
Parallel trading in Subdivided HDRs (in the form of New Certificates and Existing Certificates) ends.....	4:00 p.m. on Wednesday, November 7, 2012
Last day for free exchange of Existing Certificates for New Certificates	Friday, November 9, 2012

Notes:

1. All times and dates refer to Hong Kong local times and dates.
2. The Hong Kong Stock Exchange will be closed for the public holidays on October 1, 2012 and October 2, 2012.

EXCHANGE OF EXISTING CERTIFICATES TO NEW CERTIFICATES

Subject to the Share Subdivision and HDR Subdivision becoming effective, HDR Holders can exchange their Existing Certificates to New Certificates free of charge between 9:00 a.m. and 4:00 p.m. on any Business Day from Wednesday, October 3, 2012 to Friday, November 9, 2012 (both days inclusive) at the Company's HDR registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. It is expected that the New Certificates will be available for collection within 10 Business Days from the submission of the Existing Certificates for exchange. The New Certificates will be in green colour so as to be distinguishable from the Existing Certificates which are in blue colour.

The Existing Certificates will be accepted for exchange after Friday, November 9, 2012 only on payment of a fee of HK\$2.5 (or such other amount as may from time to time be prescribed by the Hong Kong Stock Exchange) for each New Certificate issued or each Existing Certificate submitted, whichever number of share certificates involved is higher.

The Existing Certificates will cease to be valid for trading and settlement purposes after 4:00 p.m. on Wednesday, November 7, 2012 but will continue to be good evidence of legal title to the Subdivided HDRs on the basis that each HDR represents 0.1 Share and each Share in turn represents 10 Subdivided Shares.

DEFINITIONS

In this announcement, unless the context indicates or specifies otherwise, the following defined expressions have the following meanings:

"Articles of Incorporation"	the articles of incorporation of the Company
"Board"	the board of directors of the Company
"Board Lot Change"	the change of the board lot size from 50 HDRs to 500 Subdivided HDRs upon the Share Subdivision becoming effective
"Business Day"	a day (other than a Saturday, Sunday or a public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
"Company"	SBI Holdings, Inc., a company incorporated in Japan with limited liability
"Directors"	the directors of the Company
"Existing Certificate(s)"	the existing form of certificates of the HDRs
"HDR(s)"	existing Hong Kong depositary receipt(s) of the Company
"HDR Holders"	holders of HDR(s) or Subdivided HDR(s) (as the case may be)
"HDR Subdivision"	the subdivision of each HDR into 10 Subdivided HDRs
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China

"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Japanese Stock Exchanges"	the stock exchanges in Japan comprising Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange, Fukuoka Stock Exchange and Sapporo Securities Exchange
"New Certificate(s)"	the new form of certificates of the Subdivided HDRs
"Ordinary General Meeting"	the 14 th ordinary general meeting of the Shareholders held on June 28, 2012
"Share(s)"	existing ordinary share(s) of the Company
"Share Subdivision"	the subdivision of each Share into 10 Subdivided Shares
"Share Unit System"	the share unit system under which each unit will represent 100 Subdivided Shares
"Shareholders"	holders of Share(s) or Subdivided Share(s) (as the case may be)
"Subdivided HDR(s)"	new depositary receipt(s) of the Company following the HDR Subdivision
"Subdivided Share(s)"	new ordinary share(s) of the Company following the Share Subdivision

On behalf of the Board
SBI Holdings, Inc.
Yoshitaka Kitao
*Representative Director,
 President & Chief Executive Officer*

Japan, September 14, 2012

As of the date of this announcement, the executive Directors are Mr. Yoshitaka Kitao, Mr. Taro Izuchi, Mr. Takashi Nakagawa, Mr. Tomoya Asakura, Mr. Shumpei Morita, Mr. Noriaki Maruyama and Mr. Peilung Li, the non-executive Directors are Mr. Yasutaro Sawada, Mr. Hiroyoshi Kido, Mr. Noriyoshi Kimura, Mr. Hiroshi Tasaka and Mr. Takashi Okita and the independent non-executive Directors are Mr. Masaki Yoshida, Mr. Kiyoshi Nagano, Mr. Keiji Watanabe, Mr. Akihiro Tamaki and Mr. Masanao Marumono.