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SBI HOLDINGS, INC.

(Incorporated in Japan with limited liability)

(Stock code: 6488)

NOTIFIABLE TRANSACTION SUBSCRIPTION OF SHARES IN HYUNDAI SWISS SAVINGS BANK

Reference is made to the announcement dated 21 December 2012 regarding notice on filing a written pledge to underwrite a capital increase, etc., with HSB1 of Korea.

The Company wishes to announce that the Board resolved to acquire the new shares issued by HSB1 at a meeting of its Board of Directors held on 7 February 2013.

Thereafter, HSB group will begin to be the Company's consolidated company, if Financial Services Commission of Korea approves this issuance of new shares.

As the application ratio with respect to the Subscription transaction exceed 25% but is less than 100% in both the revenue and assets ratio, this transaction constitutes a major transaction for the Company under Chapter 14 of the Listing Rules.

INTRODUCTION

Reference is made to the announcement dated 21 December 2012 regarding notice on filing a written pledge to underwrite a capital increase, etc., with HSB1 of Korea.

The Company wishes to announce that the Board resolved to acquire the new shares issued by HSB1 at a meeting of its Board of Directors held on 7 February 2013.

The Company already filed a written pledge with HSB1 in which its subsidiary, SBI Finance Korea, holds 20.9% to both HSB1 and the regulatory authorities, committing itself to subscribe new shares/subordinated bond to be issued by HSB1 and its subsidiaries on 21 December 2012.

On 5 February 2013, as HSB1 resolved the issuance of new shares (approximately KRW 194.1 billion) to existing shareholders, the Company decided to let SBI Finance Korea subscribe the new shares allocated based on the assumption that some conditions precedent the Company's requests are satisfied. Moreover, the Company decided to let its subsidiary subscribe all such forfeited shares based on the assumption that some conditions precedent the Company's requests are satisfied in the

case that existing shareholders other than SBI Finance Korea do not participate in the subscription of their shares allocated and such allocated shares are forfeited. In the event that the shares allocated to existing shareholders other than SBI Finance Korea are forfeited, it follows that the Group will hold 89.4% of shares of HSB1. Accordingly, this will cause the Company to turn HSB group, which includes subsidiary banks of HSB1 into its subsidiaries subject to the approval from Financial Services Commission of Korea.

In addition, on 5 February 2013, HSB2 in which HSB1 holds 80.0% of shares also resolved the issuance of new shares (approximately KRW 43.4 billion) to existing shareholders. The Company decided to let its subsidiary subscribe all such forfeited shares based on the assumption that some conditions precedent the Company's requests are satisfied in the case that existing shareholders gave up the right to subscribe their shares allocated and such shares are forfeited.

As the application ratio with respect to the Subscription transaction exceed 25% but is less than 100% in both the revenue and assets ratio, this transaction constitutes a major transaction for the Company under Chapter 14 of the Listing Rules.

THE SUBSCRIPTION

Parties:

(a) The Group

(b) HSB1 and HSB2

To the best of the knowledge, information and belief of the Board and having made all reasonable enquiries, HSB1, HSB2 and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Further information of the Subscription transaction is set out as below:

Consideration

HSB1 and HSB2 set the offer price at nominal value and the subscription price is determined based on nominal value. The maximum number of HSB1's new shares to be held by the Group and the maximum amount of subscription to be underwritten by the Group is 38,820,002 shares and KRW 194.1 billion respectively (shareholding ratio : 89.4% at maximum) . Also, the maximum number of HSB2's new shares to be held by the Group and the maximum number of subscription to be underwritten by the Group is 8,680,002 shares and KRW 43.4 billion respectively (shareholding ratio ※ : 94.0% at maximum) . To decide details of Subscription, further announcements will be made by the Company.

※including shareholding owned by HSB1

Summary of resolution on the issuance of new shares to existing shareholders by HSB group

	HSB1	HSB2	HSB3	HSB4
Number of new shares issued (shares of common stock)	38,820,002	8,680,002		
Number of new shares subscribed by SBI Finance Korea	8,113,361	—		

Amount of Capital Increase Resolved (KRW billion)	194.1	43.4	/
Amount SBI Finance Korea spends (KRW billion)	40.6	—	

Shareholders list of HSB group as of 7 February 2013

	HSB1	HSB2	HSB3	HSB4
Numbers of shares outstanding	6,000,000	3,750,000	16,010,033	15,886,000
SBI Finance Korea	1,253,997 (20.9%)	—	—	—
HSB1	—	3,000,000 (80.0%)	16,010,033 (100.0%)	9,660,080 (60.8%)
Other shareholders	4,746,003 (79.1%)	750,000 (20.0%)	—	6,225,920 (39.2%)

Expected Timetable

Resolution on the issuance of new shares to existing shareholders in HSB1	5 February 2013
Resolution on the issuance of new shares to existing shareholders in HSB2	5 February 2013
Resolution of the Board of the Company meeting	7 February 2013
Resolution on allocation of forfeited shares of HSB2	7 February 2013 (tentative)
Signing on the share subscription (forfeited shares) agreement of HSB2	8 February 2013 (tentative)
Signing on the share subscription agreement of HSB1	12 February 2013 (tentative)
Resolution on allocation of forfeited shares of HSB1	12 February 2013 (tentative)
Signing on the share subscription (forfeited shares) agreement of HSB1	13 February 2013 (tentative)
Filing of share acquisition to Financial Services Commission	13 February 2013 (tentative)
Approval of share acquisition from Financial Services Commission	Late March 2013 (tentative)

Deadline of capital injection to HSB2	25 March 2013 (tentative)
Deadline of capital injection to HSB1	26 March 2013 (tentative)

REASONS AND BENEFITS FOR ENTERING INTO THE TRANSACTION

The regulatory authority requests HSB group to strengthen the financial base, and this causes the Company to support HSB group to operate stably through the acquisition of new share by its subsidiary. From now, the Company will carefully consider setting up the target fund with its subsidiary being the general partner and by inviting third party investors in order to diverse risks and to enhance investment return from this transaction. Furthermore, through the launch of internet banking service in HSB group and/or the alliance with SBI Mortgage Co., Ltd. listing in KOSPI Market of the Korea Exchange for mortgage business, the Group aims at maximizing the enterprise value of HSB group.

The Directors consider that the terms thereof are fair and reasonable and in the interests of the shareholders as a whole.

FINANCIAL EFFECTS OF THE SUBSCRIPTION

The subscription will have little effect on consolidated earnings for the fiscal year ending 31 March 2013.

Save as disclosed herein, the Subscription will not have any material impact on the earnings and assets and liability.

INFORMATION OF THE GROUP

The Company is a holding company incorporated under laws of Japan in July 1999 and was listed on the Tokyo Stock Exchange (First section) and Osaka Securities Exchange (First section) in February 2002 and November 2002, respectively. The Company listed its Hong Kong depositary receipts (by way of secondary listing) on the Main Board of the Stock Exchange of Hong Kong Limited on 14 April 2011. The Group consists of four business segments as follows:

- (i) Financial service business, which offers various financial related services and provides information of the financial products. It primarily involves in the securities business, banking business and insurance services;
- (ii) Asset management business, which primarily involves the operation of investment funds;
- (iii) Biotechnology business, which involves developing and offering medical products, health foods and cosmetics;
- (iv) Other businesses.

INFORMATION OF HYUNDAI SWISS SAVINGS BANK GROUP

HSB1 commenced operations in October 1971 and its core business is provision of financial

products, such as deposit products and lending services. HSB group consists of HSB1 as a leading bank, HSB2 (HSB1's shareholding ratio : 80.0%) ,HSB3 (HSB1's shareholding ratio : 100.0%) , and HSB4 (HSB1's shareholding ratio : 60.8%) . And it is the largest savings bank in Korea with KRW 5.5 trillion (approximately JPY 481.8 billion) of total assets as of the end of September 2012 and owns operation network nationwide excluding Busan and Gyeongsang-do, leading to more than 11% of market shares of savings bank sector in respect of total deposit and credit amount.

According to the audited consolidated financial statements of HSB1, the net loss before and after tax for the year ended 30 June 2011 were approximately KRW 85,453 million and KRW 61,818 million respectively. The net loss before and after tax for the year ended 30 June 2012 were approximately KRW 13,424 million and KRW 60,688 million respectively.

GENERAL

The Holders of HDRs of the Company and potential investors are reminded that regardless to the contents of this announcement, care should be exercised when dealing in the securities of the Company.

DEFINITIONS

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

“Board”	The Board of directors of the Company
“Company”	SBI Holdings, Inc., a company incorporated in Japan with limited liability
“Director(s)”	The director(s) of the Company
“Financial Services Commission”	Financial Services Commission of Korea
“Group”	The Company and its subsidiaries
“HSB1”	Hyundai Swiss Savings Bank, a company incorporated in Korea with limited liability
“HSB2”	Hyundai Swiss 2 Savings Bank, a company incorporated in Korea with limited liability
“HSB3”	Hyundai Swiss 3 Savings Bank, a company incorporated in Korea with limited liability
“HSB4”	Hyundai Swiss 4 Savings Bank, a company incorporated in Korea with limited liability
“HSB group”	HSB1 and its subsidiaries
“JPY”	Japanese Yen, the lawful currency of Japan
“Korea”	The Republic of Korea
“KRW”	Korea Won, the lawful currency of the Republic of Korea

“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“SBI Finance Korea”	SBI Finance Korea Co., Ltd. a subsidiary of the Company incorporated in Korea with limited liability
“Subscription”	Both a subscription of new shares allotted to the Group and a subscription of other shareholders’ forfeited shares by the Group in HSB1 and HSB2
“%”	Per cent

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

Japan, 7 February 2013

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