

May 11, 2015
SBI Holdings, Inc.

Notice of Business Alliance with International Asset Management, the Leading UK-based Hedge Fund Manager

SBI Holdings, Inc. (Head office: Minato-ku, Tokyo; “SBIH”) is pleased to inform you that it has signed a memorandum of understanding (“MOU”) for collaboration with International Asset Management Limited (Head office: London, United Kingdom; “IAM”), a leading UK-based hedge fund manager. Based on the MOU, IAM will provide a wide range of hedge fund investment products for the SBI Group’s financial institutions for in-house investment purposes and the SBI Group’s customers.

Established in 1989, IAM is a leading hedge fund manager, operating offices in London, New York, and Stockholm. Employing 17 investment professionals, IAM engages in the asset management business in addition to making investments in the fund of funds approach by leveraging a database of nearly 8,300 hedge fund managers. With over 25 years’ experience in alternative investment markets focusing on family offices and institutional investors, IAM has had a stable and competitive track record of 6.8% standard deviation and 9.2% average annual return in the same period and its AUM amounted to USD4.15billion (equivalent to approximately JPY 498billion*, as of the end of March 2015).

Based on the MOU, IAM will set up funds of hedge funds having different risk–return targets for the SBI Group and provide a wide range of options to meet in-house investment needs of the SBI Group’s financial institutions. In addition, IAM will set up exclusive funds for customers of SBI Group companies including SBI SECURITIES Co., Ltd. to provide individual investors and other customers with new opportunities to invest in hedge funds.

Following unprecedented monetary easing by the Bank of Japan in April 2013, the 10-year bond yield, an indicator of long-term interest rates, temporarily fell to the 0.1% level for the first time in January 2015. Institutional investors including insurance companies continue to face challenges in ensuring stable revenue. Through the collaboration with IAM, the SBI Group strives to ensure stable and relatively high investment yield for in-house investments of its financial institutions amid challenging market conditions. In addition, the SBI Group aims to meet a variety of customer needs by providing a broader range of investment products to its customers.

*converted at USD 1=JPY 120

For further information, please contact:

SBI Holdings, Inc. Corporate Communications Dept., Tel: +81 3 6229-0126