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SBI Holdings, Inc.

SBI Ripple Asia Co., Ltd.

Launch of Consortium for Considering Using Blockchain Technology to Centrally Provide Domestic and Foreign Exchange Services

SBI Holdings, Inc., (Head office: Minato-ku, Tokyo; Representative Director & CEO: Yoshitaka Kitao; “SBI Holdings”) and its subsidiary SBI Ripple Asia Co., Ltd. (Head office: Minato-ku, Tokyo; Representative Director: Takashi Okita; “SBI Ripple Asia”) have decided to launch a consortium. SBI Ripple Asia is a provider in Asia of next-generation settlement platforms based on distributed financial technology. The consortium will be called the Consortium for Considering Using Blockchain Technology to Centrally Provide Domestic and Foreign Exchange Services (the “Consortium”). Inaugural members will comprise, among others, the Bank of Yokohama, Ltd. (Head office: Yokohama-shi, Kanagawa; Representative Director, President: Kenichi Kawamura; the “Bank of Yokohama”) and SBI Sumishin Net Bank, Ltd. (Head office: Minato-ku, Tokyo; President: Noriaki Maruyama; “SBI Sumishin Net Bank”).

Blockchain technology, representing innovative and key technology in FinTech, offers the potential for the user to build a system of higher flexibility and efficiency while improving the stability of financial institution systems.

While the Bank of Yokohama and SBI Sumishin Net Bank have been implementing various FinTech initiatives at an accelerated pace, the Consortium will begin to consider new types of payment and settlement services that utilize blockchain technology, starting from October 2016. This is designed to address: 1) a trend of 24-hour and real-time settlement resulting from innovative changes occurring in recent years to information and communications technology (ICT), coupled with changing customer behaviors and way of living in society; 2) increasingly diverse needs for remittance concerning small-value settlements; 3) a borderless trend caused by cross-border ecommerce and Japanese companies’ expansion into Asian countries.

SBI Ripple Asia, the provider of distributed financial technology-based next-generation settlement platforms in Asia, will serve as the secretariat of the Consortium, which by March 2017 will create a settlement platform for centrally providing both foreign and domestic exchange services using Ripple . (*1). Ripple solutions lower the total cost of settlement by enabling banks to transact directly with real-time certainty, and the technology has already been utilized mainly by U.S. and European financial institutions.

The Consortium’s member financial institutions will continue to discuss, both from technical and operational perspectives, how to utilize Ripple and talk about the duties that domestic and foreign exchange services should

fulfill.

Starting from late August 2016, financial institutions will be solicited to become members of the Consortium, and at its inception in October of the same year, the inaugural members will likely consist of 15 banks or so with about 30 banks expected to be on the membership list in March 2017.

(* 1)

Ripple provides global financial settlement solutions to ultimately enable the world to exchange value like it already exchanges information – giving rise to an Internet of Value (IoV). Ripple solutions lower the total cost of settlement by enabling banks to transact directly with real-time certainty, optionally using the digital asset XRP to further reduce liquidity costs. Banks around the world are partnering with Ripple to improve their cross-border payment offerings, and to join its growing, global network of financial institutions and market makers.

As the only provider of enterprise blockchain solutions, Ripple’s growing, global network includes 12 of the top 50 global banks, and over 30 bank pilots completed, among many others also using Ripple’s solutions.

(* 2)

Market maker refers to a bank or other financial institution that holds some level of inventories of a given currency, quotes buying and selling rates more or less regularly to participants, and actually carries out transactions with them at a rate quoted.

For further information, please contact:

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

SBI Ripple Asia Co., Ltd. Public Relation, Tel: +81 3 -6229-0710