

January 31, 2020

SBI Holdings, Inc.

(TOKYO: 8473)

SBI R3 Japan, Co., Ltd.

**Notice Regarding Memorandum of Understanding on Sumitomo Mitsui Financial Group's
Capital Participation in SBI R3 Japan**

SBI Holdings, Inc. (Head office: Minato-ku, Tokyo; Representative Director, President & CEO: Yoshitaka Kitao; SBI Holdings) hereby announces that the company has signed to an MOU to initiate discussion with Sumitomo Mitsui Financial Group, Inc. (Head office: Chiyoda-ku, Tokyo; "SMBC Group" President and Group CEO: Jun Ohta; Sumitomo Mitsui Financial Group) on Sumitomo Mitsui Financial Group to purchase a part of shares of SBI R3 Japan Co., Ltd. (Head office: Minato-ku, Tokyo; Representative Director: Mamoru Fujimoto; SBI R3 Japan), a joint venture between SBI Holdings and R3, a U.S. fintech company..

R3 is a U.S. fintech company which excels in blockchain related technology (distributed ledger technology; DLT) that develop and maintain Corda and its commercialization version Corda Enterprise. With more than 300 partners from various industries around the world, including central banks and regulatory agencies, participating in the R3-led consortium, R3 conducts projects in wide range of business areas utilizing DLT such as finance, i.e. syndicated loans, trade finance, insurance, etc., real estates, supply chains and so on.

Through its investment, SBI Holdings has become the largest outside shareholder of R3. In April 2019, SBI Holdings launched SBI R3 Japan, a joint venture between R3, to support provision and introduction of the Corda license in Japan, arrange schemes for its actual use beforehand, and promote collaboration with Corda partners overseas.

Sumitomo Mitsui Banking Corporation, a member of SMBC Group, has participated in the Marco Polo project, which R3 and TradeIX of the U.K. are promoting using Corda, and is using enterprise blockchain technology in trade financing. After Sumitomo Mitsui Financial Group having a stake in SBI R3 Japan, the SBI Group, R3 and Sumitomo Mitsui Financial Group will build a cooperation system among them and will begin discussing the use of distributed ledger technology platforms.

[About SBI R3 Japan]

Representative	:	Mamoru Fujimoto
Establishment	:	January 2019
Address	:	Izumi Garden Tower, 1-6-1 Roppongi, Minato-ku, Tokyo, 106-6019, Japan
Business	:	Provision of DLT platform Corda, and other related business
Capital	:	JPY 500 million
Shareholders	:	SBI Holdings (51%), R3 (35%), Sumitomo Mitsui Financial Group (14%) (scheduled)



For further information, please contact:

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