

13 August 2014
SBI Holdings, Inc.
(TOKYO: 8473)

Results of Subscription to Tender Offer for Purchasing Subsidiary Shares and Change of Subsidiary

As was announced in the press release dated 30 June 2014 “Announcement on Subscription to Tender Offer for Purchasing SBI Mortgage’s Shares,” SBI Holdings, Inc. (hereinafter “SBIH”) subscribed to a tender offer (hereinafter the “Tender Offer”) made by CSM Holdings Co., Ltd. (hereinafter the “Tender Offeror”), which belongs to The Carlyle Group. The Tender Offer was for purchasing the shares, etc. of SBI Mortgage Co., Ltd. (hereinafter “SBI Mortgage”), which is a consolidated subsidiary of SBIH, by converting into common shares all the 12,170,612 Korean Depositary Receipts (hereinafter the “KDR”) that it owns.

SBIH’s consolidated subsidiaries, namely SBI Incubation Co., Ltd., SBI Broadband Fund No. 1 Limited Partnership, SBI Jefferies Asia Fund L.P. and Softbank Internet Fund, also subscribed to the Tender Offer by converting into common shares all the KDRs that they respectively own.

As a result of the successful closing of the Tender Offer on 12 August 2014, all the shares of SBI Mortgage owned by SBIH and its consolidated subsidiaries will be transferred to the Tender Offeror. As a result, SBI Mortgage will no longer be a consolidated subsidiary of SBIH effective 21 August 2014, which is the settlement start date of the Tender Offer. Please see below for details.

1. Outline of SBI Mortgage (as of 31 March 2014)

(1) Name	SBI Mortgage Co., Ltd.	
(2) Address	6-1, 1-chome, Roppongi, Minato-ku, Tokyo	
(3) Title/name of representative	Yoshitaka Kitao, Representative Director, Chairman and CEO Tomoyuki Naomi, Representative Director, President and COO	
(4) Business	Mortgage issuing and intermediary businesses, and fire insurance agent business	
(5) Capital	JPY 4,556 million	
(6) Date of establishment	9 June 2000	
(7) Major shareholder and shareholding ratio	SBI Holdings, Inc.	51.26%
	SBI Broadband Fund No. 1 Limited Partnership	6.97%
	HANABANK [KB ASSET MANAGEMENT]	6.31%
	SBI Incubation Co., Ltd.	5.05%
	SBI Jefferies Asia Fund L.P.	1.82%
	PNB-SBI ASEAN Gateway Fund Ltd. P.	1.82%
(8) Relationship between the listed company and SBI Mortgage	Capital relationship	SBIH owns 51.26% of the total number of issued shares of SBI Mortgage.
	Personal relationship	SBIH’s director is concurrently serving as an executive of SBI Mortgage.

	Business relationship	SBIH is engaged in a lease transaction with SBI Lease, a wholly owned subsidiary of SBI Mortgage.	
(9) Business results and financial conditions of SBI Mortgage in the previous three years			
Fiscal Year Ended	31 March 2012 (Non-consolidated)	31 March 2013 (Non-consolidated)	31 March 2014 (Consolidated)
Net assets	JPY 11,885,255 thousand	JPY 14,994,178 thousand	JPY 16,648,212 thousand
Total assets	JPY 46,109,889 thousand	JPY 43,228,213 thousand	JPY 79,101,340 thousand
Net assets per share	JPY 595.99	JPY 631.57	JPY 701.24
Operating revenue	JPY 9,522,236 thousand	JPY 12,013,024 thousand	JPY 15,787,881 thousand
Ordinary income	JPY 2,615,088 thousand	JPY 3,257,667 thousand	JPY 3,945,745 thousand
Net income	JPY 1,465,009 thousand	JPY 1,995,154 thousand	JPY 2,413,746 thousand
Net income per share	JPY 73.46	JPY 84.74	JPY 101.66
Dividend per share	—	JPY 50.40	JPY 32.00

*The figures for the fiscal years ended 31 March 2012 and 31 March 2013, respectively, are non-consolidated results, while the figures for the fiscal year ended 31 March 2014 are consolidated results, since SBI Mortgage has been preparing its financial statements on a consolidated basis since the fiscal year ended 31 March 2014.

2. Outline of the Tender Offeror (as of 13 August 2014)

(1) Name	CSM Holdings Co., Ltd.		
(2) Address	5-1, 1-chome, Marunouchi, Chiyoda-ku, Tokyo		
(3) Title/name of representative	Tamotsu Adachi, Representative Director		
(4) Business	Control and management of business activities through holding shares, and the associated businesses		
(5) Capital	JPY 9.5 billion		
(6) Date of establishment	20 May 2014		
(7) Net assets	JPY 19 billion		
(8) Total assets	JPY 19 billion		
(9) Major shareholder and shareholding ratio	CJP CSM Holdings, L.P.		89.47%
	SBI Holdings, Inc.		10.53%
(10) Relationship between the listed company and CSM Holdings	Capital relationship	SBIH owns 10.53% of the total number of issued shares of the Tender Offeror	
	Personal relationship	None	
	Business relationship	None	
	Status of relationship with related parties	None	

3. Outline of the subscription to the Tender Offer (Consolidated basis)

(1) Number of shares held before subscription	15,787,906 shares* (Number of voting rights: 15,787,906) (Ownership ratio of voting rights: 66.50%)
(2) Number of shares for subscription	15,787,906 shares (Number of voting rights: 15,787,906) (Share transfer price: JPY 28,166 million (JPY 1,784 per share))
(3) Number of shares held after subscription	0 shares (Number of voting rights: 0) (Ownership ratio of voting rights: 0.00%)

* The figure for the number of shares represents the number of KDRs in terms of the number of common shares.

4. Settlement start date: 21 August 2014

5. Future outlook

As a result of the successful closing of the Tender Offer on 12 August 2014, SBI Mortgage will no longer be a consolidated subsidiary of SBIH effective 21 August 2014, which is the settlement start date of the Tender Offer. Furthermore, as a result of subscribing to the Tender Offer, SBIH will post a gain on sale of shares of approximately JPY 13.9 billion on a consolidated basis for the second quarter of the fiscal year ending 31 March 2015.

For further information, please contact:

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