



September 30, 2022

To whom it may concern:

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Director and CEO  
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**Notice Regarding Termination of Business Alliances with SBI Securities and SBI Neomobile Securities and Revision of the Full-Year Earnings Forecast**

WealthNavi Inc. (hereinafter, the “Company”) hereby announces that its Board of Directors resolved on September 30, 2022 to terminate the business alliances with SBI SECURITIES Co., Ltd. (hereinafter, “SBI Securities”) and SBI NEOMOBILE SECURITIES Co., Ltd. (hereinafter, “SBI Neomobile Securities”) as well as to revise the full-year earnings forecast for the fiscal year ending December 31, 2022.

1. Rationale for Termination of Business Alliances

The Company has provided “WealthNavi for SBI Securities” for the customers of SBI Securities since January 2017 and “WealthNavi for SBI Neomoba” for the customers of SBI Neomobile Securities since April 2019. The Company could successfully expand its customer base and assets backed by the brand and credibility of SBI Securities and SBI Neomobile Securities (hereinafter, the “Two Companies”) especially in an early stage of the business alliances.

The Company received termination notices of the business alliances from the Two Companies, and the Company’s Board resolved to accept the intent considering the following factors. Please note that the details on procedures regarding the termination of the business alliances shall be separately discussed and agreed upon.

- The direct channel and alliance channels other than the Two Companies have grown steadily and the dependency on the Two Companies has been declining. The percentage of the fee derived from the business alliances with the Two Companies were as follows.  
FY2017: 49.8%  
FY2018: 37.6%  
FY2019: 28.1%  
FY2020: 22.8%  
FY2021: 20.3%  
The first half of FY2022: 19.2%
- The brand and credibility of the Company has improved especially after the listing on TSE Mothers Market (currently TSE Growth), and now it is possible to maintain its growth regardless of the termination of the business alliances with the Two Companies.
- The customers and assets of “WealthNavi for SBI Securities” and “WealthNavi for Neomoba” (hereinafter, “the Two Services”) are to be automatically switched to the Company’s direct service on the termination date of the business alliances. As a result, there is no impact on the Company’s operating revenue, and the operating profit is to increase due to the stop of revenue sharing payments to the Two Companies after the

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termination of the business alliances. The amount of revenue sharing paid to the Two Companies was 235 million yen for the first half of FY2022.

## 2. Details of Termination of the Business Alliances

- To provide “WealthNavi for SBI Securities” for the customers of SBI Securities and to share the revenue from the service
- To provide “WealthNavi for Neomoba” for the customers of SBI Neomobile Securities and to share the revenue from the service

## 3. Overview of SBI Securities and SBI Neomobile Securities

### SBI Securities

1	Company name	SBI SECURITIES Co., Ltd.		
2	Location	1-6-1 Roppongi, Minato-ku, Tokyo		
3	Representative	Masato Takamura, Representative Director		
4	Business activities	Financial services		
5	Capital	48,323 million yen		
6	Established	April 26, 1999 (Date of change in corporate name)		
7	Major shareholders and shareholding ratio	SBI FINANCIAL SERVICES Co., Ltd. 100% (As of the end of March 2022)		
8	Relationship with the Company	Capital relationship	SBI Securities holds 25,200 shares, or 0.05% of shares issued excluding treasury shares, of the Company’s share as of June 30, 2022.	
		Personnel relationship	Not applicable	
		Business relationship	To provide “WealthNavi for SBI Securities” for the customers of SBI Securities and to share the revenue from the service	
		Related party relationship	Not applicable	
9	Consolidated operating results and financial standing over the last three years (JPY in millions except as noted)			
	Fiscal year	Year ended March 2020	Year ended March 2021	Year ended March 2022
	Consolidated net assets	216,516	232,735	248,459
	Consolidated total assets	3,357,613	4,251,690	4,352,986
	Consolidated net assets per share (yen)	62,204.62	67,079.20	70,285.52
	Consolidated revenue	124,466	160,356	166,627
	Consolidated operating profit	42,126	61,641	61,920
	Consolidated Ordinary profit	42,622	61,896	62,057
	Consolidated net profit	27,976	46,106	40,041
	Consolidated net profit per share (yen)	8,063.44	13,288.87	11,540.81

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Consolidated dividends per share (yen)	-	10,087.74	7,205.53
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#### SBI Neomobile Securities

1	Company name	SBI NEOMOBILE SECURITIES Co., Ltd.		
2	Location	1-6-1 Roppongi, Minato-ku, Tokyo		
3	Representative	Hiroyuki Ogawa, Representative Director		
4	Business activities	Financial services		
5	Capital	100 million yen		
6	Established	October 30, 2018		
7	Major shareholders and shareholding ratio	SBI FINANCIAL SERVICES Co., Ltd. 78.9% Sumitomo Mitsui Financial Group 20.0% CCC Marketing Co., Ltd. 1.1% (As of the end of March 2022)		
8	Relationship with the Company	Capital relationship	Not applicable	
		Personnel relationship	Not applicable	
		Business relationship	To provide “WealthNavi for Neomoba” for the customers of SBI Neomobile Securities and to share the revenue from the service	
		Related party relationship	Not applicable	
9	Operating results and financial standing over the last three years (JPY in millions)			
	Fiscal year	Year ended March 2020	Year ended March 2021	Year ended March 2022
	Net assets	2,531	6,006	3,384
	Total assets	5,348	13,976	14,240
	Net assets per share	-	-	-
	Revenue	112	383	405
	Operating profit	(4,412)	(3,271)	(2,223)
	Ordinary profit	(4,412)	(3,271)	(2,223)
	Net profit	(4,415)	(3,275)	(2,621)
	Net profit per share	-	-	-
	Dividends per share	-	-	-

Note: Net assets per share, net profit per share and dividends per share are not disclosed.

#### 4. Schedule

1	Date of receipt of the termination notices	September 30, 2022
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2	Date of the Board's resolution	September 30, 2022
3	Termination date of the business alliances	November 4, 2022 (planned)

## 5. Outlook

The Two Services will be terminated on the termination date of the business alliances, and the customers and assets of the Two Services are to be automatically switched to the Company's direct service in accordance with the applicable laws and the business alliance contracts. As a result, the impact on the Company's operating revenue is expected to be negligible. The operating profit is to increase due to the termination of revenue sharing payments to the Two Companies after the termination date of the business alliances. The amount of revenue sharing paid to the Two Companies was 235 million yen for the first half of FY2022.

The new customer acquisition through the Two Services will be stopped after the termination of the business alliances. The increase in the number of customers through the Two Services was 10.4% of the total increase in the number of customers for the first half of FY2022. Also, there is a possibility that customers who use one of the Two Services primarily because they are attracted by the brand and credibility of the Two Companies may cease to use our service.

The Company will continue to strengthen the partnership strategy with other alliance partners than the Two Companies and to expand new alliance partners. In addition, the Company will keep its aggressive growth investment including advertising and strive to expand its customers of the direct service.

Please note that the Company will continue to provide sincere support for the customers of the Two Services after the termination date of the business alliances with the Two Companies so that the customers can keep using the Company's service without trouble. After the automatic transition from the Two Services to the Company's direct service on the termination date, the Company plans to offer the loyalty program which discounts fees depending on the period of service use and asset size. When judging the eligibility for the loyalty program, the Company plans to assume that the customers of the Two Services have been using the direct service from the beginning in order to treat its customers equally.

## 6. Revision of Full-Year Earnings Forecast for the Fiscal Year Ending December 31, 2022

With the termination of the business alliances with the Two Companies, the impact on the Company's AuM is expected to be negligible while the payments of revenue sharing to the Two Companies are to stop after the termination date. As a result, the Company has revised its earnings forecast for the fiscal year ending December 31, 2022, which was previously announced on August 12, 2022.

	Operating revenue	Operating profit
Previous forecast (A)	Millions of yen 6,536	Millions of yen 33
New forecast (B)	Millions of yen 6,536	Millions of yen 45
Difference (B-A)	Millions of yen -	Millions of yen 12
Difference (%)	-%	36.4%
Reference: Results for FY2021	Millions of yen 4,647	Millions of yen (432)

\*The above forecasts are based on information available at the time of this disclosure. Actual results may differ from these forecasts due to various factors.