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January 27, 2023
SBI Holdings, Inc.
(TOKYO: 8473)

**Announcement of Commencement of Tender Offer for Shares in Morningstar Japan
K.K. (Securities Code: 4765)**

SBI Global Asset Management Co., Ltd. (head office: Minato-ku, Tokyo; Representative Director: Yoshitaka Kitao; the “**Tender Offeror**”), a wholly-owned subsidiary of SBI Holdings, Inc. (the “**SBIHD**”), decided at its board of directors meeting today to acquire shares of common stock in Morningstar Japan K.K. (securities code 4765 on the Prime Market (the “**Prime Market**”) of the Tokyo Stock Exchange, Inc. (“**TSE**”); the “**Target Company**”) (the “**Target Company Shares**”) through a tender offer under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “**Act**”) (the “**Tender Offer**”) as described below.

This document is disclosed by SBIHD in accordance with the Securities Listing Regulations and also constitute an official announcement pursuant to Article 30, Paragraph 1, Item (4) of the Financial Instruments and Exchange Act Enforcement Order (Cabinet Order No. 321 of 1965, as amended; the “**Enforcement Order**”) upon the request of the Tender Offeror to SBIHD (a wholly-owning parent company of the Tender Offer).

1. Outline of SBI Global Asset Management Co., Ltd. (the Tender Offeror)

(i) Name	SBI Global Asset Management Co., Ltd.
(ii) Location	1-6-1 Roppongi, Minato-ku, Tokyo
(iii) Title and name of representative	Yoshitaka Kitao, Representative Director
(iv) Details of business	1) Management and operation of asset management services; 2) Investment business including the holding, administration, management, and acquisition of securities;

	<ol style="list-style-type: none"> 3) Management and administration of investment partnership assets; 4) Offering, sale, and private placement of equity in investment partnership assets, handling of offering and private placement of securities, and other financial instruments business under the Financial Instruments and Exchange Act; 5) Research and planning relating to business transfers, sale and purchase of assets, capital participation, business alliances, and mergers, and brokerage and intermediation thereof; 6) Consulting relating to general management and listing of shares; 7) Provision of credit, including lending of money and credit guarantee and purchase of claims, and brokerage and intermediation thereof; 8) Sale and purchase of monetary claims and services related to intermediation, agency, and proxy thereof; 9) Administrative affairs related to bookkeeping and settlement for corporations and sole proprietorship and examination and guidance related to management and accounting; 10) Investment advisory and agency services under the Financial Instruments and Exchange Act; 11) Sale, purchase, exchange, and lease of real estate, and the intermediation, ownership, management, and use thereof; 12) Sale and purchase of securities, market derivative transactions, or foreign market derivative transactions; 13) Administrative affairs for evaluation and calculation relating to investments and loans, and contracted services for credit screening; 14) Information provision services; 15) Research and development related to biotechnology, contracted services therefor, and any and all consulting related thereto; 16) Acquisition, management, and maintenance of copyrights, neighboring rights, design rights, trademark rights, and industrial property rights; 17) Financial instruments intermediation service under the Financial Instruments and Exchange Act; 18) Credit guarantee services; 19) Marketing research and the collection and analysis of various information; 20) Credit check services;
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	<ul style="list-style-type: none">21) Collection agency services;22) Calculation agency services;23) Agency services for making entries in accounting records for accounts receivable and notes;24) Control and management through shareholding of the business activities of companies engaged in the following businesses:<ul style="list-style-type: none">(1) services as a management company in an investment trust;(2) services pertaining to asset management for investment corporations;(3) investment advisory services;(4) investment advisory services related to particular assets and the like and services pertaining to discretionary investment management contracts;(5) services pertaining to the provision of information concerning securities;(6) services pertaining to the provision of information concerning stock price indexes;(7) consulting services relating to asset management;(8) investment business such as holding, administration, management, acquisition, and the like of securities;(9) management and administration of investment partnership assets;(10) offering, sale, and private placement of equity in investment partnership assets, and handling of offering and private placement of securities, and other financial instruments businesses under the Financial Instruments and Exchange Act;(11) information provision services and information processing services;(12) management consulting services;(13) planning, sale, and purchase of information media for advertising and promotion and advertising agency services;(14) services related to planning and operation of various events;(15) for mail order sales services and intermediation and information provision for mail order sales;
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	<p>(16) sale, purchase, intermediation, and management of real estate;</p> <p>(17) non-life insurance agency services and services related to life insurance solicitation;</p> <p>(18) electric power business;</p> <p>(19) wind power generation, photovoltaic generation, small hydropower generation, fuel cells, biomass power generation, geothermal power generation, and other natural energy power generation businesses;</p> <p>(20) heat supply business;</p> <p>(21) electric power supply business;</p> <p>(22) procurement and sale of facilities, equipment, and related materials relating to the businesses set out in each of the foregoing items and environmental conservation;</p> <p>(23) engineering, consulting, maintenance and inspection, and selling of technology, know-how, and information related to the businesses set out in (19) to (22) above and environmental conservation;</p> <p>(24) holding, purchasing, and selling of securities of companies engaged in any business set out in the foregoing items;</p> <p>(25) any and all services incidental or related to each the foregoing items; and</p> <p>(26) any other business;</p> <p>25) Any and all services incidental or related to each of the foregoing items; and</p> <p>26) Any other business.</p>
(v) Capital	100,000,000 yen (as of January 27, 2023)

2. Purpose of the Tender Offer

(1) Outline of the Tender Offer

The Tender Offeror is a wholly-owned subsidiary of which 100% of the voting rights are held by SBIHD. As of today, the Tender Offeror holds 37,185,200 shares (ownership ratio (Note): 41.47%) of common stock in the Target Company (the “**Target Company Shares**”) listed on the Prime Market of the TSE, and the Target Company is a consolidated subsidiary of the Tender Offeror. SBIHD does not directly hold any Target Company Shares as of today.

(Note): “Ownership ratio” means the percentage (rounded up or down to the nearest two decimal places) of the difference (89,673,430 shares) of the total number of issued shares of the Target Company as of December 31, 2022 (89,673,600 shares) stated in the Q3 Financial Statement (Japanese GAAP) (consolidated) for Y.E. March 2023 filed by the Target Company today (the “**Quarterly Financial Statement**”) less the number of treasury shares held by the Target Company as of today (170 shares); the same applies below.

The Tender Offeror has decided to implement the Tender Offer today for the purpose of acquiring part (10,000,000 shares; ownership ratio: 11.15%) of the Target Company Shares held by Morningstar, Inc. (“**Morningstar, Inc.**”) (19,846,300 shares), which is a corporation established under the laws of Illinois, U.S.A. and is the second largest shareholder of the Target Company.

Upon implementing the Tender Offer, the Tender Offeror has entered into the Tender Offer Agreement today (the “**Tender Agreement**”) with Morningstar, Inc., and Morningstar, Inc. agreed to tender part (10,000,000 shares; ownership ratio: 11.15%) of its Target Company Shares (19,846,300 shares) (the “**Shares Agreed to be Tendered**”) in the Tender Offer. Please refer to “(6) Important Agreements relating to the Tender Offer” below for the outline of the Tender Agreement.

The purpose of the Tender Offer is to acquire only the Shares Agreed to be Tendered as set out in “(2) Purpose and Background of the Tender Offer (Including Decision-Making Process Leading to the Decision to Conduct the Tender Offer for the Listed Subsidiary), and Management Policy After the Completion of the Tender Offer” below, and it is not intended to result in the delisting of the Target Company Shares as set out in “(3) Prospects and Reasons for Delisting” below. The Tender Offeror’s policy is to maintain the listing of the Target Company Shares after the completion of the Tender Offer, and the listing of the Target Company Shares will in principle continue to be maintained even after the Tender Offer.

The Tender Offer will be implemented based on the expectation that Morningstar, Inc. will tender the Shares Agreed to be Tendered under the Tender Agreement, As stated in “(4) Basis of Calculation, etc. of Tender Offer Price” in “3. Outline of the Tender Offer” below, the price for purchase, etc. per Target Company Share offered in the Tender Offer (the “**Tender Offer Price**”) will represent a discount on the closing price of the Target Company Shares in the Prime Market as of the day before the announcement date of the Tender Offer, and it is contemplated that only the Shares Agreed to be Tendered will be tendered. Because the Tender Offeror holds 37,185,200 Target Company Shares (ownership ratio: 41.47%) as of today, and the ownership ratio of share certificates, etc. after the completion of the Tender Offer will exceed one third, the Tender Offeror is required to use the method of a tender offer specified by laws and regulations pursuant to Article 27-2, Paragraph 1, Item (2) of the Act to acquire the Shares Agreed to be Tendered. Therefore, the Tender Offeror will conduct the Tender Offer and provide the shareholders of the Target Company other than Morningstar, Inc. with an equal opportunity to sell their shares.

The purpose of the Tender Offer, is to acquire only the Shares Agreed to be Tendered as set out in “(2) Purpose and Background of the Tender Offer (Including Decision-Making Process Leading to the Decision to Conduct the Tender Offer for the Listed Subsidiary), and Management Policy After the Completion of the Tender Offer” below. Therefore,

the minimum number of shares to be purchased has been set at 10,000,000 shares (ownership ratio: 11.15%), which is the same as the number of the Shares Agreed to be Tendered. Therefore, if the total number of the Target Company Shares tendered in response to the Tender Offer (the “**Tendered Share Certificates, Etc.**”) is less than the minimum number of shares to be purchased, the Tender Offeror will not purchase any of the Tendered Share Certificates, Etc. In addition, the maximum number of shares to be purchased in the Tender Offer has been set at 10,000,000 shares (ownership ratio:11.15%), which is the same as the number of the Shares Agreed to be Tendered. Therefore, if the total number of the Tendered Share Certificates, Etc. exceeds the maximum number of shares to be purchased, the Tender Offeror will not purchase the excess Target Company Shares. Instead, the Tender Offeror shall acquire share certificates, etc. and effect other settlement procedures for their purchase, etc. using the pro rata method specified in Article 27-13, Paragraph 5 of the Act and Article 32 of the Cabinet Ordinance with respect to Disclosure of a Tender Offer for Share Certificates, Etc. by an Offeror other than the Issuing Company (Ministry of Finance Ordinance No. 38 of 1990, as amended; the “**Cabinet Ordinance**”).

According to the “Opinion Regarding the Tender Offer for the Shares of the Company by SBI Global Asset Management Co., Ltd., a Wholly Owned Subsidiary of SBI Holdings, Inc.” released by the Target Company today (the “**Target Company’s Press Release**”), the Target Company resolved at the Target Company’s board of directors meeting held today to express its opinion in favor of the Tender Offer and to take a neutral position regarding whether its shareholders tender shares in the Tender Offer, thereby leaving that decision to the judgment of its shareholders in light of the fact that it is sufficiently reasonable to assume that the shareholders of the Target Company will choose an option to maintain the ownership of the Target Company Shares even after the Tender Offer because the Tender Offer is not intended to result in the delisting of the Target Company Shares and the listing of the Target Company Shares will continue to be maintained even after the Tender Offer, and that the Tender Offer Price will represent a discount on the closing price of the Target Company Shares on the Prime Market as of the day before the announcement date of the Tender Offer.

For the details of the resolution of the Target Company’s board of directors, please refer to the Target Company’s Press Release and “(iii) Consent of All Disinterested Directors of the Target Company and Opinion of All Statutory Auditors that They Had No Objection at the Target Company” in “(Measures to Ensure Fairness of the Tender Offer)” in “(B) Background of Valuation” in “(4) Basis of Calculation, etc. of Tender Offer Price” in “3. Outline of the Tender Offer” below.

- (2) Purpose and Background of the Tender Offer (Including Decision-Making Process Leading to the Decision to Conduct the Tender Offer for the Listed Subsidiary), and Management Policy After the Completion of the Tender Offer

The purpose and background with respect to the Tender Offeror deciding to conduct the Tender Offer, and the management policy after the completion of the Tender Offer are as follows. The statements regarding the Target Company below are based on the information released by the Target Company and the explanations given by the Target Company.

- (A) Purpose and Background of the Tender Offer

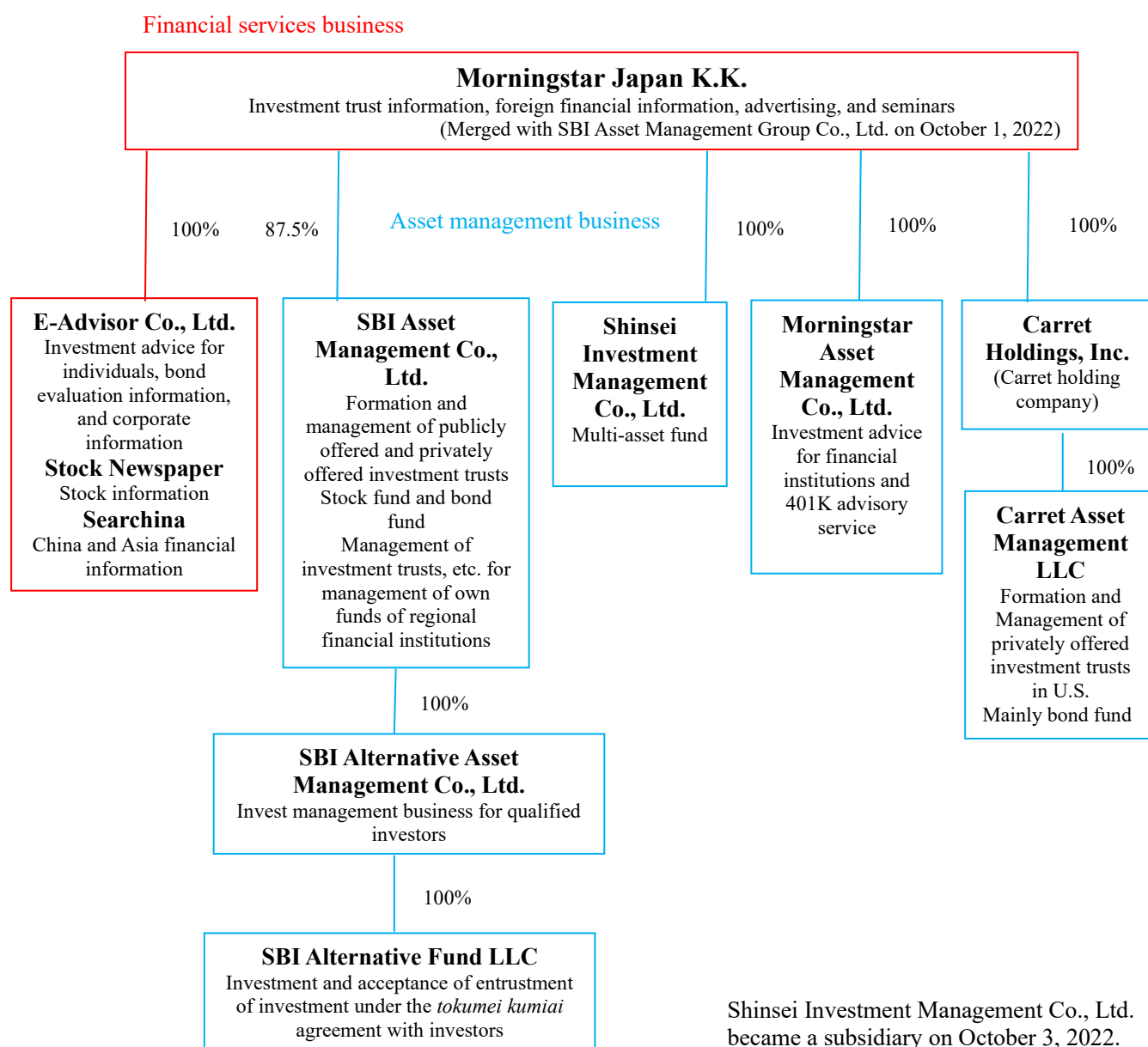
SBIHD, the wholly-owning parent company of the Tender Offeror, was established in July 1999 as SoftBank Investment Corporation, a subsidiary of SoftBank Finance Corporation (currently SoftBank Corp.), to engage in venture capital business. Its shares were listed on the NASDAQ Japan Market of the Osaka Securities Exchange in December 2000 and listed on the First Section of the TSE in February 2002 (transitioned to the Prime Market in April 2022). In June 2003, as a result of the merger with E*TRADE Co., Ltd., SoftBank Investment Corporation made E*TRADE SECURITIES Co., Ltd. (currently SBI SECURITIES Co., Ltd.) its subsidiary. In July 2005, SoftBank Investment Corporation changed its trade name to SBI Holdings, Inc. and spun off and transferred its fund management business and other businesses to SBI VENTURES K.K., whose trade name was changed to SoftBank Investment Corporation (currently SBI Investment Co., Ltd.). The capital relationship with SoftBank Corp. was dissolved in August 2006, and there is no relationship at present.

The corporate group consisting of 538 consolidated subsidiaries including the Tender Offeror and 62 equity method affiliates of SBIHD (as of September 30, 2020; the “**SBI Group**”) mainly conducts the “Financial Services Business” where it focuses on securities business, banking business and insurance business, the “Asset Management Business” where it provides investment management and investment advice, including, but not limited to, establishment, offering and management of investment trusts, the “Investment Business” where it focuses on private equity business in which it operates venture capital funds, etc., the “Crypto-asset Business” where it operates crypto-asset exchange business, etc., and the “Non-financial Business” where it engages in the biotechnology, healthcare & medical informatics business including the development and sale of pharmaceuticals, health food products and cosmetics, the digitalization of medical information, and the utilization of medical big data, the WEB 3-related business such as provision of an NFT (Non-Fungible Token) trading platform based on blockchain technology and traceability services, and the business of exporting used cars to African countries and providing services related thereto.

The Tender Offeror was established in April 2014 as ER THREE Co., Ltd., part of the SBI Group, and after changing its trade name to the current trade name in November 2015, the Tender Offeror, as an intermediary holding company of the asset management services business of the SBI Group, held the Target Company Shares and the shares of SBI Bond Investment Management Co., Ltd. and other companies that conduct the investment management business. The Tender Offeror consolidated the companies conducting the investment management business under the control of the Target Company as the Target Company’s subsidiaries, and otherwise reorganized the SBI Group in December 2019. The Tender Offeror currently holds only the Target Company Shares and conducts business support and business management for the Target Company in relation to risk management and compliance and other internal control according to its circumstances or business conditions. As of today, the Tender Offeror holds 37,185,200 Target Company Shares (ownership ratio: 41.47%).

The Target Company was established in March 1998 as a joint venture company between SBIHD (SoftBank Corp. at that time) and Morningstar, Inc. for the purpose of bridging the digital divide between financial institutions and individual investors by utilizing internet and “providing rich and neutral information based on a neutral and objective standpoint and helping investors build their wealth.” At present, the Target Company engages in the following two businesses: the asset management business,

where it provides investment management and investment advice, including, but not limited to, establishment, offering and management of investment trusts, pursuant to the laws, and the financial services business, where it mainly compares, analyzes and evaluates, and provides to customers general asset management information, and provides consulting and other services. The outline of the business of the Target Company and its subsidiaries (collectively, the “**Target Company Group**”) as of today is as described in the following diagram.



Morningstar, Inc. is a leader in the field of independent investment research in North America, Europe, Australia and Asia. The Target Company executed with Morningstar, Inc. a licensing agreement (the “**License Agreement**”) regarding the use of the trade name and related assets (the “**Licensed Items**”) held by Morningstar, Inc. on April 8, 1998, and obtained a license to use the Licensed Items. However, now, 24 years after

its incorporation, the Target Company has shifted its main business away from the financial services business that mainly uses the Licensed Items to the asset management business in which the Target Company does not use the Licensed Items, except for the use of “Morningstar” for names of certain funds managed by SBI Asset Management Co., Ltd., which is a consolidated subsidiary of the Target Company. The asset management business represents 70% or more of the consolidated net sales and consolidated operating profit for the fiscal year ended March 2022 of the Target Company. In addition, the main service provided by the financial services business is to provide financial data through applications and tools developed by the Target Company, and the substantial details of the valuation and analysis relating to the financial products provided by the Target Company under the name of “Morningstar Category” or “Star Rating” are now based on the Target Company’s own know-how or data. Thus, the Licensed Items are now less important for the business of the Target Company than they were around 1998, when the License Agreement was initially executed.

Under those circumstances, the Target Company and Morningstar, Inc. commenced discussions about the treatment of the License Agreement in late 2021, and reached a general agreement in early November 2022 that the Target Company will cease to use the “Morningstar” brand and the Licensed Items by terminating the License Agreement while continuing to conduct the financial services business. In addition, in light of the fact that the Target Company has worked to increase the value of the “Morningstar” brand in Japan over approximately 25 years since its incorporation and believes that the “Morningstar” brand is widely recognized by investors, financial institutions, media and others in Japan today, and Morningstar, Inc. respects the brand power of the “Morningstar” brand in Japan, the Target Company and Morningstar, Inc. agreed that Morningstar, Inc. will pay 8 billion yen to the Target Company as consideration for the return of “Morningstar” brand by the Target Company to Morningstar, Inc.

Upon the discussions and agreement described above, the Target Company determined that the termination of the License Agreement and the receipt of the associated consideration are expected to contribute to the enhancement of corporate value given that (i) even if Morningstar, Inc. enters the asset management business or financial services business in which the Target Company operates, the effect of the termination of the License Agreement on the business of the Target Company will be limited because the competitive relationship is not expected to be fierce due to reasons including the scale of the asset management market and the financial services know-how held by the Target Company, (ii) retained earnings will significantly increase as a result of recording the consideration of 8 billion yen as earnings, and it is possible to finance dividends for shareholders, new investments, and other spending, and (iii) further growth is expected from a collaboration with Morningstar, Inc. where the Target Company and Morningstar, Inc. independently conduct their respective business and maintain and strengthen the cooperative relationship between them (for the termination of the License Agreement, please refer to “Notice of Return of ‘Morningstar’ Brand and Receipt of Consideration of 8 Billion Yen Upon Termination of License Agreement with Morningstar, Inc., and Record of Special Profits” released by the Target Company on January 27, 2023).

Upon the discussions and agreement described above, Morningstar, Inc. determined that the termination of the License Agreement is an opportunity to seek growth opportunities to further develop services relating to global and independent research, ratings, data,

software, indexes and other matters and asset management services by taking advantage of the “Morningstar” brand’s power through Ibbotson Associates Japan, Inc., which is its subsidiary in the Japanese market. After the termination of the License Agreement, the two parties will continue the favorable relationship between them to develop their brands.

While negotiating the above agreement, the Target Company was informed by Morningstar, Inc. in early November 2022 that Morningstar, Inc. were to sell part of the Target Company Shares (19,846,300 shares) that it held in order to apply the sales proceeds to the financing of that payment. Upon receiving that proposal, taking into account that (i) if Morningstar, Inc. were to part of sell its Target Company Shares (19,846,300 shares) in the market, there is a possibility that such sale may affect the stock price, and (ii) while the Target Company is a consolidated subsidiary of SBIHD based on the substantial control in accordance with the International Financial Reporting Standards (IFRS), it is considered that further strengthening their relationship and stably developing the cooperative relationship by causing the Tender Offeror to hold a majority of the voting rights in terms of capital may more closely promote the acquisition and business collaboration of domestic and foreign asset management companies with respect to the asset management business and deepen the collaboration with the SBI Group and domestic and foreign venture companies with next-generation technologies in which the SBI Group invests with respect to the financial services business, and otherwise contribute to the maintenance or enhancement of the Target Company’s corporate value, the Target Company approached the Tender Offeror as to whether the Tender Offeror might acquire the Target Company Shares to be sold by Morningstar, Inc. in the Tender Offer on November 7, 2022.

The Tender Offeror decided to accept the proposal of the Target Company as described above after comprehensively considering the following matters:

- (i) If Morningstar, Inc. were to sell part of its Target Company Shares (19,846,300 shares) in the market, there is a possibility that such sale may adversely affect the stock price.
- (ii) While SBIHD, the wholly-owning parent company of the Tender Offeror, includes the Target Company in the scope of its consolidated accounts based on the substantive ownership standard in light of the ratio of past voting by the Target Company’s shareholders in accordance with the International Financial Reporting Standards (IFRS), the Target Company may definitively include the Target Company in the scope of its consolidated accounts by acquiring a majority of the Target Company Shares through the Tender Offer, irrespective of the ratio of voting by the Target Company’s shareholders.
- (iii) The relationship with the Target Company will become closer by increasing the shareholding ratio of the Tender Offeror in the Target Company thorough the Tender Offer, and it is expected that business synergies will be created including leveraging of the asset management know-how of the Target Company in the strategy of the SBI Group.
- (iv) The effect of the termination of the License Agreement on the asset management business and the financial services business of the Target Company is expected to be limited because the asset management business is mainly conducted under the name of SBI Asset Management Co., Ltd. or

Shinsei Investment Management Co., Ltd., and the impact of the License Agreement is small, and because although the trade name, etc. of the financial services business that mainly uses the Licensed Items will be changed upon the termination of the License Agreement, the nature of the services will not be changed.

The Tender Offeror notified the Target Company that it would be able to examine the proposal described above on November 8, 2022, and retained Mori Hamada & Matsumoto as its legal adviser on November 28, 2022, and retained Daiwa Securities Co., Ltd. as its financial adviser and tender offer agent and Daiwa Institute of Research Ltd. as its financial adviser and third-party appraiser on December 8, 2022. On December 21, 2022, the Tender Offeror accompanied by Daiwa Securities Co., Ltd. and Daiwa Institute of Research Ltd. had discussions with Morningstar, Inc. about the expected outline of the Tender Offer such as (i) the setting of a tender offer price at a discount to the market price in light of the fact that while the maximum number of shares to be purchased in the Tender Offer is the same as the number of the Shares Agreed to be Tendered, it is desirable to minimize the number of shareholders of the Target Company other than Morningstar, Inc. that will tender their shares in the Tender Offer so that all of the Shares Agreed to be Tendered will be purchased from Morningstar, Inc. to the extent possible, and (ii) the number of shares to be purchased being approximately 10,000,000 shares (ownership ratio: 11.15%) in line with the intention of Morningstar, Inc. in light of the possibility that a certain number of shares other than the Shares Agreed to be Tendered may be tendered, taking into account the amount of funds expected to be raised by Morningstar, Inc. The Tender Offeror and Morningstar, Inc. agreed on December 28, 2022 that the Tender Offeror would implement the Tender Offer with the Tender Offer Price, which represents approximately a 5% discount on the closing price of the Target Company Shares in the Prime Market as of the day before the announcement date of the Tender Offer, and executed the Tender Agreement on January 27, 2023.

Also, the Tender Offeror decided at its board of directors meeting held on December 28, 2022 to implement the Tender Offer and acquire the Target Company Shares. Note that because Mr. Tomoya Asakura, who is a director of the Tender Offeror, has a position as representative director, executive officer and president of the Target Company, and Mr. Yoshitaka Kitao, who is a representative director of the Tender Offeror, has a position as director of the Target Company, they were not involved in the decision-making regarding the Tender Offer of the Tender Offeror.

On the other hand, as described above, while the Target Company determined that the termination of the License Agreement and the receipt of the associated consideration are expected to enhance corporate value given that, even if Morningstar, Inc. enters the asset management business or financial services business in which the Target Company operates, the effect of the termination of the License Agreement on the business of the Target Company will be limited because the competitive relationship is not expected to be fierce due to reasons including the scale of the asset management market and the financial services know-how held by the Target Company, and further growth is expected from a collaboration with Morningstar, Inc. where the Target Company and Morningstar, Inc. independently conduct their respective business and maintain and strengthen the cooperative relationship between them, the Target Company determined that it is reasonable to express its opinion in favor of the Tender Offer because the Target

Company received explanations from Morningstar, Inc. that Morningstar, Inc. will sell the Target Company Shares so that Morningstar, Inc. may raise part of the funds necessary for the payment of such consideration and a closer relationship between the Target Company and the Tender Offeror is expected to create business synergies. In addition, the Target Company determined that it is reasonable to take a neutral position regarding whether its shareholders tender shares in the Tender Offer, thereby leaving that decision to the judgment of its shareholders in light of the fact that (i) it is sufficiently reasonable to assume that the shareholders of the Target Company will choose an option to maintain the ownership of the Target Company Shares even after the Tender Offer because while the termination of the License Agreement and the implementation of the Tender Offer will contribute to the enhancement of the corporate value of the Target Company, and the Tender Offeror has already held 37,185,200 shares of common stock in the Target Company (ownership ratio: 41.47 %) and made the Target Company its consolidated subsidiary, the listing of the Target Company Shares will continue to be maintained even after the Tender Offer since the maximum number of shares to be purchased in the Tender Offer is only 10,000,000 shares (ownership ratio: 11.15 %), the ownership ratio of the Target Company Shares that the Tender Offeror will hold after the Tender Offer remains 52.62%, and the status of the Target Company in the SBI Group is not expected to change materially, and (ii) the Tender Offer Price represents approximately a 5% discount on the closing price of the Target Company Shares in the Prime Market as of the day before the announcement date of the Tender Offer.

Based on that judgment, at the Target Company's board of directors meeting held today, which was attended by all seven directors of the Target Company with the exception of Mr. Tomoya Asakura, Mr. Yoshitaka Kitao and Ms. Bevin Desmond (Mr. Motonari Ohtsuru, Mr. Billy Wade Wilder, Mr. Kotaro Yamazawa, and Mr. Akihiro Horie), the board expressed an opinion in favor of the Tender Offer and resolved to take a neutral position regarding whether the shareholders tender shares in the Tender Offer, thereby leaving that decision to the judgment of its shareholders. Note that Mr. Tomoya Asakura, who is a representative director, executive officer and president of the Target Company, has a position as director of the Tender Offeror, Mr. Yoshitaka Kitao, who is a director of the Target Company, has a position as representative director of the Tender Offeror, and Ms. Bevin Desmond, who is a director of the Target Company, has a position as officer of Morningstar, Inc. In order to eliminate arbitrariness in decision-making regarding the Tender Offer, ensure the fairness, transparency, and objectivity of the decision-making process of the Target Company and avoid conflicts of interest, Mr. Tomoya Asakura, Mr. Yoshitaka Kitao and Ms. Bevin Desmond did not participate in deliberations and resolutions on the Tender Offer at the board of directors meetings of the Target Company or participate in the discussions and negotiations with the Tender Offeror on the side of the Target Company.

For the details of that resolution of the Target Company's board of directors, please refer to the Target Company's Press Release and "(iii) Consent of All Disinterested Directors of the Target Company and Opinion of All Statutory Auditors that They Had No Objection at the Target Company" in "(Measures to Ensure Fairness of the Tender Offer)" in "(B) Background of Valuation" in "(4) Basis of Calculation, etc. of Tender Offer Price" in "3. Outline of the Tender Offer" below. In addition, the Target Company executed with Morningstar, Inc. an agreement regarding the termination of the License Agreement on January 27, 2023.

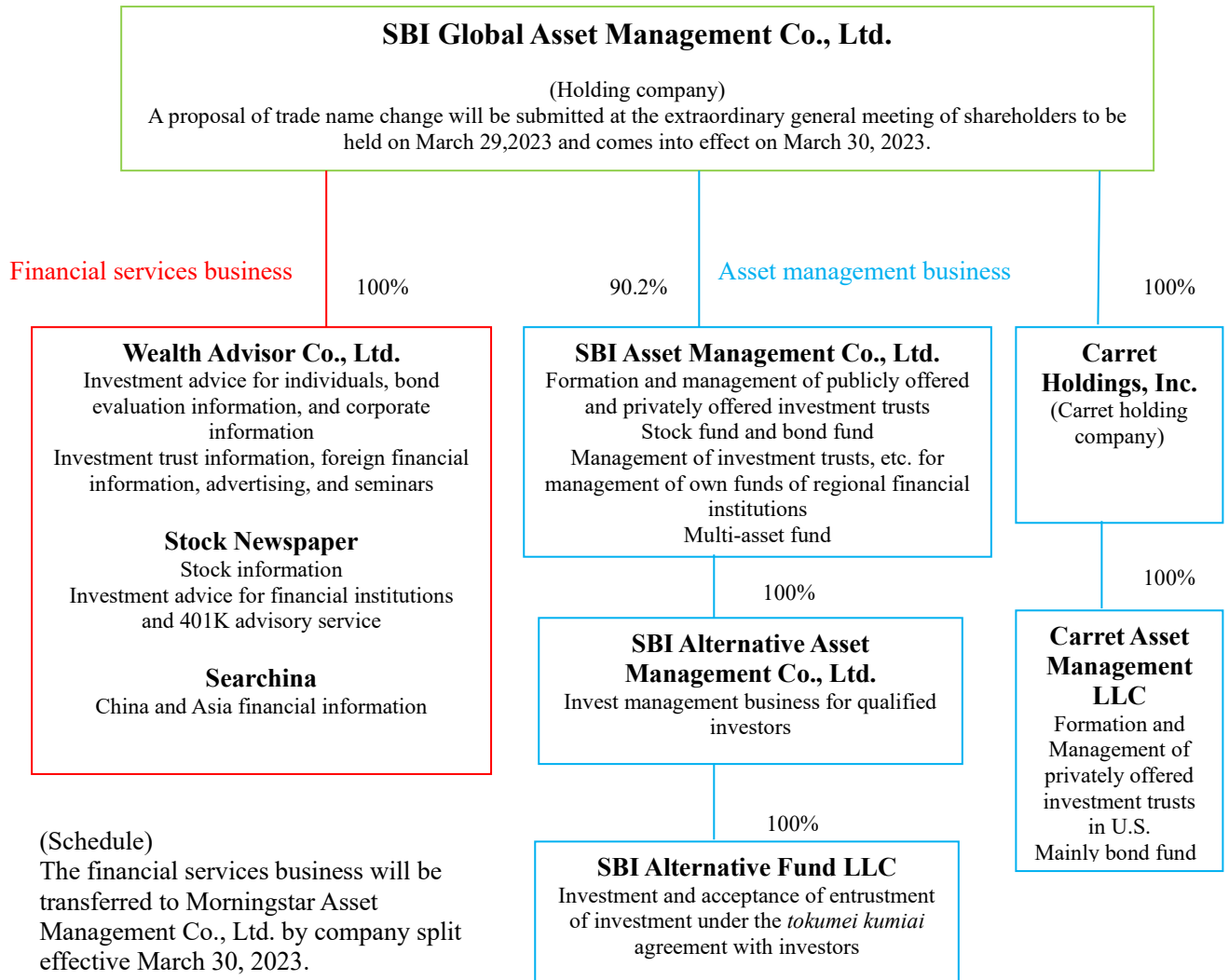
(B) Management Policy After the Completion of the Tender Offer

The Tender Offer is not intended to result in the delisting of the Target Company Shares, and the Tender Offeror has a policy to maintain the listing of the Target Company Shares after the successful completion of the Tender Offer. Therefore, while the continued listing criteria are not expected to be violated as a result of the Tender Offer, if the Target Company Shares do violate the continued listing criteria, the Target Company will consult with the Tender Offeror and take the most appropriate measures to maintain the listing of the Target Company Shares during the grace period before the delisting as stated in “(3) Prospects and Reasons for Delisting” below. However, the specific nature, details of implementation, and terms and conditions of the measures described above have not been determined in any specific manner at present. The Tender Offeror will not change the position of the Target Company as a core asset management business subsidiary in the SBIHD group as a listed subsidiary that is independent from SBIHD to a certain extent after the end of the Tender Offer, and will continue to ensure the independence of the Target Company as a listed company and maintain the current state of the management system of the Target Company. In addition, out of the Target Company’s directors, Ms. Bevin Desmond, who has a position in Morningstar, Inc., will resign from Morningstar, Inc. at the end of January 2023, and will also resign as director of the Target Company at an undetermined future date. Other than that, no matters have been determined as to the change in the officers of the Target Company as of the date of this press release, and no discussions have been performed with Morningstar, Inc. about the transfer of directors after the Tender Offer.

In addition, the Tender Offeror contemplates that the Target Company will continue to maintain a favorable business relationship with Morningstar, Inc. after the Tender Offer.

The Target Company will, upon the termination of the License Agreement, cease to use the Licensed Items in the business before March 31, 2023, and submit a proposal to amend the Articles of Incorporation that will change its trade name from Morningstar Japan K.K. to SBI GLOBAL ASSET MANAGEMENT Co., Ltd. at the extraordinary general meeting of shareholders to be held on March 29, 2023 (for the details, please refer to “Notice of Extraordinary General Meeting of Shareholders and Establishment of Record Date for Convening the Extraordinary General Meeting of Shareholders, and Partial Amendment of Articles of Incorporation and Change in Trade Name” released by the Target Company today). Upon the termination of the License Agreement, the Target Company will also reorganize the group (for details, please refer to “Notice of Company Split to a Subsidiary, Merger between Subsidiaries, Change in Trade Names of the Subsidiaries, and Transition to Holding Company Structure” released by the Target Company today), and the financial services business of the Target Company will be transferred to Morningstar Asset Management Co., Ltd. by company split effective March 30, 2023, and after April 2023, Wealth Advisor Co., Ltd. (it is expected to change the trade name from Morningstar Asset Management Co., Ltd. to Wealth Advisor Co., Ltd. after the absorption-type merger (effective March 30, 2023) in which E-Advisor Co., Ltd. is the disappearing company and Morningstar Asset Management Co., Ltd. is the surviving company) will analyze and evaluate the financial products and conduct the financial services business under the trade name of Wealth Advisor. According to the Target Company, the domestic asset management business of the Target Company will be integrated into SBI Asset Management Co., Ltd. (“**SBI Asset Management**”) to

expand and streamline profits (for details, please refer to “Notice of Merger between the Subsidiaries of SBI Asset Management Co., Ltd. and Shinsei Investment Management Co., Ltd.” released by the Target Company today). The outline of the Target Company’s group after the group reorganization described above is as described in the following diagram.



(Schedule)

The financial services business will be transferred to Morningstar Asset Management Co., Ltd. by company split effective March 30, 2023.

Morningstar Asset Management Co., Ltd and E-Advisor Co., Ltd. will be merged. The trade name of Morningstar Asset Management Co., Ltd. will be changed to Wealth Advisor Co., Ltd.

(Schedule)

SBI Asset Management Co., Ltd. and Shinsei Investment Management Co., Ltd. will be merged on April 1, 2023

The Tender Offeror received explanations from the Target Company regarding, and approved after determining to respect the Target Company’s business decision, the measures to be taken upon the termination of the License Agreement as described above in mid-January 2023. Also, concurrent with the change in the Target Company’s trade

name, the Tender Offeror will change its trade name from SBI GLOBAL ASSET MANAGEMENT Co., Ltd. to SBI Asset Management Group Co., Ltd.

(3) Prospects and Reasons for Delisting

The Target Company has the Target Company Shares listed on the Prime Market of the TSE as of today. The purpose of the Tender Offer is to acquire the Shares Agreed to be Tendered from Morningstar, Inc., and the Tender Offeror has set a maximum number of shares to be purchased of 10,000,000 shares (ownership ratio: 11.15%), which is the same as the number of the Shares Agreed to be Tendered, and intends to maintain the listing of the Target Company Shares after the Tender Offer. If only the Shares Agreed to be Tendered held by Morningstar, Inc. are tendered in the Tender Offer, the number of distributed shares will not be changed and the continued listing criteria will not be violated. While the tender offer price in the Tender Offer represents a discount on the market price of the Target Company Shares, if a reasonable number of shareholders who are minority shareholders of the Target Company other than Morningstar, Inc. tender their shares in the Tender Offer (as the ratio of distributed shares is 35.19% as of September 30, 2022 and the ratio of distributed shares in accordance with the continued listing criteria of the Prime Market is 35.00%, meaning shares equivalent to 0.19% (168,170 shares) of the ratio of distributed shares), resulting in an decrease in the number of distributed shares, and the continued listing criteria of the TSE are not met as of March 31, 2023 as a result of the Tender Offer, the Target Company will be subject to transitional measures, and if it fails to meet the continued listing criteria applied as transitional measures within one year from the time when it fails to meet the continued listing criteria in principle, the Target Company Shares will be delisted. The Target Company has determined that it will be necessary to maintain the listing from the perspective of the continuous growth and mid-to-long-term corporate value enhancement, and even if the Target Company is subject to the transitional measures as described above, the Target Company will take the most appropriate measures to maintain the listing of the Target Company Shares upon consultation with the Tender Offeror. However, the specific nature, details of implementation, and terms and conditions of the measures described above have not been determined in any specific manner at present.

(4) Expected Acquisition of Share Certificates, Etc. after the completion of the Tender Offer

The purpose of the Tender Offer is to acquire the Shares Agreed to be Tendered from Morningstar, Inc., and it is not intend to result in the delisting of the Target Company Shares. Therefore, as of today, the Tender Offeror will not additionally acquire the Target Company Shares after the completion of the Tender Offer. In addition, if the total number of Tendered Share Certificates, Etc. exceeds the maximum number of the Share Certificates, Etc. to be purchased (10,000,000 shares), and if the Tender Offeror is not able to acquire all of the Shares Agreed to be Tendered from Morningstar, Inc., the Tender Offeror will not additionally acquire the Target Company Shares from Morningstar, Inc. after the completion of the Tender Offer as of the date of this press release.

(5) Measures to Ensure Fairness of the Tender Offer and Measures to Avoid Conflicts of Interest

In order to eliminate arbitrariness in decision-making regarding the Tender Offer, ensure the fairness, transparency, and objectivity of the decision-making process of the Target Company and avoid conflicts of interest—and in light of the fact that as of today, the Target Company is a consolidated subsidiary of the Tender Offeror and the Tender Offer constitutes a material transaction with a controlling shareholder, and that out of seven directors of the Target Company, Mr. Tomoya Asakura and Mr. Yoshitaka Kitao concurrently serve as directors of the Tender Offeror and Ms. Bevin Desmond concurrently serves as officer of Morningstar, Inc.—the Tender Offeror and the Target Company implemented the following measures. Among the statements below, matters relating to the measures implemented by the Target Company are based on the explanations given by the Target Company.

- (A) Obtainment by the Tender Offeror of a share price valuation report from an independent third-party appraiser.
- (B) Advice to the Target Company received by the Target Company from an independent law firm.
- (C) Consent of all disinterested directors of the Target Company and opinion of all statutory auditors that they had no objection at the Target Company.
- (D) Obtainment by the Target Company of an opinion from independent officers.

For the details of the matters described above, please refer to “(Measures to Ensure Fairness of the Tender Offer)” in “(B) Background of Valuation” in “(4) Basis of Calculation, etc. of Tender Offer Price” in “3. Outline of the Tender Offer” below.

(6) Important Agreements relating to the Tender Offer

(A) Agreement upon the termination of the License Agreement

As stated in “(2) Purpose and Background of the Tender Offer (Including Decision-Making Process Leading to the Decision to Conduct the Tender Offer for the Listed Subsidiary), and Management Policy After the Completion of the Tender Offer” above, the Target Company executed with Morningstar, Inc. an agreement regarding the termination of the License Agreement today.

(B) Tender Agreement

The Tender Offeror executed with Morningstar, Inc. the Tender Agreement today, under which Morningstar, Inc. agreed with the Tender Offeror to tender part (10,000,000 shares; ownership ratio: 11.15%) of the Target Company Shares held by Morningstar, Inc. (19,846,300 shares) in the Tender Offer.

Under the Tender Agreement, Morningstar, Inc. shall conduct such tender on these conditions: (i) the Tender Offer has commenced pursuant to the tender agreement, and has not been withdrawn; (ii) the Target Company resolved at its board of directors meeting to express its opinion in favor of the Tender Offer (it is necessary to attach an

opinion of the independent outside directors that the Tender Offer will not damage the interests of minority shareholders of the Target Company), and to take a neutral position regarding whether its shareholders tender shares in the Tender Offer, and such opinion has not been changed or withdrawn; (iii) the initial period of the Tender Offer (January 30, 2023 to February 28, 2023) has not been extended (unless permitted under the Tender Agreement); (iv) an agreement regarding the termination of the License Agreement has been validly executed and is existing; (v) the representations and warranties of the Tender Offeror (Note 1) are true and accurate in all material respects; (vi) the Tender Offeror has performed or complied with the obligations set out in the Tender Agreement (Note 2) in all material respects; and (vii) no law, regulation, or decision of a judicial or administrative agency restricts or prohibits the Tender Offer. However, Morningstar, Inc. is not restricted from voluntarily waiving those conditions at its own discretion and tendering its shares in the Tender Offer.

(Note 1): The Tender Offeror represents and warrants under the Tender Agreement (a) the lawful and valid incorporation and existence of the Tender Offeror, (b) the lawful and valid execution and performance of the Tender Agreement by the Tender Offeror, (c) the enforceability of the Tender Agreement against the Tender Offeror, (d) the fact that the execution and performance of the Tender Agreement by the Tender Offeror does not conflict with laws and regulations and internal rules of the Tender Offeror, or breach or constitute a default of other agreements entered into by the Tender Offeror, and (e) the non-existence of any petition for bankruptcy proceedings against the Tender Offeror.

(Note 2): The Tender Offeror assumes under the Tender Agreement (a) an obligation to prepare and file the documents required by laws and regulations in cooperation with Morningstar, Inc. in order to implement the Tender Offer, and prepare and file the tender offer registration statement without making any substantial change after Morningstar, Inc. has reviewed the draft of the tender offer registration statement, (b) an obligation to endeavor to obtain a clearance under the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947, as amended the “**Antimonopoly Act**”) within ten business days after the commencement of the Tender Offer, (c) an obligation to explain changes in the conditions of the Tender Offer in advance if such changes become necessary, (d) an obligation to notify material matters such as filing of litigations in relation to the Tender Offer and occurrence or existence of the event that constitutes material breach of the Tender Agreement when the Tender Offeror becomes aware of such material matters, (e) confidentiality obligations, (f) an obligation to consult and agree with Morningstar, Inc. on the announcement concerning the Tender Offer in advance, and (g) an obligation not to transfer any contractual status, or rights or obligations under the Tender Agreement.

If a third party other than the Tender Offeror commences a tender offer for the shares of the Target Company (“**Competing Tender Offer**”) after the execution of the Tender Agreement and before the last day of the Tender Offer Period, and the tender offer price of the Competing Tender Offer is higher than that of the Tender Offer, Morningstar, Inc. may request the Tender Offeror to raise the Tender Offer Price to the same amount as that of the Competing Tender Offer. If, no later than 3 p.m. on the last day of the Tender Offer Period, (i) the Tender Offeror does not raise the Tender

Offer Price as requested by Morningstar, Inc. or (ii) a duly authorized organ of Morningstar, Inc. reasonably determines that tendering the shares in the Tender Offer, or not withdrawing the tendering of shares in the Tender Offer may lead to a breach of Morningstar, Inc.'s officers' duty of due care pursuant to applicable laws and regulations, Morningstar, Inc. may withdraw the tendering of shares in accordance with the procedures set out herein without any penalties or obligations to pay compensation to the Tender Offeror or its affiliated companies.

3. Outline of the Tender Offer

(1) Outline of the Target Company

(1) Name	Morningstar Japan K.K.																		
(2) Location	1-6-1 Roppongi, Minato-ku, Tokyo																		
(3) Title and name of representative	Tomoya Asakura, Representative Director																		
(4) Details of business	Asset management business; financial services business																		
(5) Capital	3,363,635 thousand yen (as of March 31, 2022)																		
(6) Date of incorporation	March 1998																		
(7) Major shareholders and shareholding ratios (Note)	<table> <tr> <td>SBI Global Asset Management Co., Ltd.</td> <td>41.5%</td> </tr> <tr> <td>Morningstar, Inc. (Standing proxy: Daiwa Securities Co., Ltd.)</td> <td>22.1%</td> </tr> <tr> <td>The Master Trust Bank of Japan ,Ltd. (Trust Account)</td> <td>6.2%</td> </tr> <tr> <td>BNYM SA/NV FOR BNYM FOR BNYM GCM CLIENT ACCTS M ILM FE (Standing proxy: MUFG Bank, Ltd.)</td> <td>2.3%</td> </tr> <tr> <td>THE BANK OF NEW YORK 134105 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)</td> <td>2.3%</td> </tr> <tr> <td>Tomohiro Suzuki</td> <td>1.8%</td> </tr> <tr> <td>Custody Bank of Japan, Ltd. (Trust Account)</td> <td>1.3%</td> </tr> <tr> <td>MSIP CLIENT SECURITIES (Standing proxy: Morgan Stanley MUFG Securities Co., Ltd.)</td> <td>0.9%</td> </tr> <tr> <td>JPMorgan Securities Japan Co., Ltd.</td> <td>0.6%</td> </tr> </table>	SBI Global Asset Management Co., Ltd.	41.5%	Morningstar, Inc. (Standing proxy: Daiwa Securities Co., Ltd.)	22.1%	The Master Trust Bank of Japan ,Ltd. (Trust Account)	6.2%	BNYM SA/NV FOR BNYM FOR BNYM GCM CLIENT ACCTS M ILM FE (Standing proxy: MUFG Bank, Ltd.)	2.3%	THE BANK OF NEW YORK 134105 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	2.3%	Tomohiro Suzuki	1.8%	Custody Bank of Japan, Ltd. (Trust Account)	1.3%	MSIP CLIENT SECURITIES (Standing proxy: Morgan Stanley MUFG Securities Co., Ltd.)	0.9%	JPMorgan Securities Japan Co., Ltd.	0.6%
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Tomohiro Suzuki	1.8%																		
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MSIP CLIENT SECURITIES (Standing proxy: Morgan Stanley MUFG Securities Co., Ltd.)	0.9%																		
JPMorgan Securities Japan Co., Ltd.	0.6%																		

	Tomoya Asakura		0.4%
(8) Relationship between the Tender Offeror and the Target Company	Capital relationship	The Tender Offeror holds 37,185,200 shares (ownership ratio: 41.47%) of common stock in the Target Company and the Target Company is a consolidated subsidiary of the Tender Offeror as of today.	
	Personnel relationship	Two out of seven directors of the Target Company concurrently serve as directors of the Tender Offeror.	
	Business relationship	In the most recent financial year, there was no business relationship between the Tender Offeror and the Target Company; however, there are transactions between SBIHD, a parent company of the Tender Offeror and the Target Company, such as expenses paid for the other, sublease or lease of real estate, and sale of investment securities, and there are transactions between SBIHD and the Target Company's subsidiaries, such as reimbursement of security deposit, expenses paid for the other, and sublease or lease of real estate.	
	Status as related parties	The Target Company is a consolidated subsidiary of the Tender Offeror, and therefore constitutes a related party.	

Note: The major shareholders and shareholding ratio (ratio of the number of shares held to the total number of issued shares (excluding treasury shares)) as of September 30, 2022, as stated in the Quarterly Securities Report for the second quarter for the 26th fiscal term(the “**Quarterly Securities Report**”) submitted by the Target Company to the Director-General of the Kanto Local Finance Bureau as of November 4, 2022, are shown above.

(2) Schedule, etc.

(A) Schedule

Date of resolution of board of directors	January 27, 2023 (Friday)
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Date of public notice of commencement of tender offer	January 30, 2023 (Monday) An electronic public notice will be conducted, and a notice to that effect will be published in the Nikkei. (URL of the electronic public notice: http://disclosure2.edinet-fsa.go.jp/)
Filing date of tender offer registration statement	January 30, 2023 (Monday)

(B) Period of Purchase, Etc. as of Filing Date

January 30, 2023 (Monday) to February 28, 2023 (Tuesday) (21 Business Days)

(C) Possibility of extension by request of the Target Company

If the Target Company submits a Position Statement in accordance with Article 27-10, Paragraph 3 of the Act to the effect that the Target Company requests an extension of the purchase period of the Tender Offer (the “**Tender Offer Period**”), the Tender Offer Period will be extended to March 13, 2023 (Monday) (30 Business Days).

(3) Price of Tender Offer

439 yen per share of common stock

(4) Basis of Calculation, etc. of Tender Offer Price

(A) Basis of Valuation

In light of the fact that the purpose of the Tender Offer is to acquire only the Shares Agreed to be Tendered, the Tender Offeror held discussions and negotiations with Morningstar, Inc. on the Tender Offer Price, and adopted a policy that the Tender Offer Price would be the price agreed on between the Tender Offeror and Morningstar, Inc. As a result of discussions and negotiations with Morningstar, Inc. based on the results of calculation by Daiwa Institute of Research Ltd. (“**DIR**”), a third-party appraiser (see “(B) Background of Valuation” below), the two parties reached a general agreement on December 28, 2022 that the Tender Offer Price would represent approximately a 5% discount on the closing price of the Target Company Shares in the Prime Market as of the day before the announcement date of the Tender Offer. In the Tender Agreement executed on January 27, 2023, it was finally agreed that the Tender Offer Price would be 439 yen.

As stated above, in deciding the Tender Offer Price, the Tender Offeror requested that DIR evaluate the share value of the Target Company Shares as a third-party appraiser independent from the Tender Offeror and the Target Company. DIR is not a party affiliated with the Tender Offeror or the Target Company and does not have a material interest in the Tender Offer.

After considering which of several calculation methods should be used to calculate the value of the Target Company Shares, DIR calculated the share value of the Target Company Shares using the following valuation methods: (i) the market price method, as the Target Company listed its shares on the Prime Market and there is a market price; and (ii) the DCF method to reflect future business activities in the valuation.

The calculation methods and calculation results of the share value per Target Company Share by DIR are as follows.

Market price method: From 456 yen to 467 yen

DCF method: From 404 yen to 525 yen

The range of share values per Target Company Share obtained from the market price method is 456 yen to 467 yen, which is calculated by using January 26, 2023 as the record date for calculation, based on 458 yen, the simple average closing price over the preceding one-month period (from December 27, 2022 to January 26, 2023) quoted on the Prime Market as of the record date, 456 yen, the simple average closing price over the preceding three-month period (from October 27, 2022 to January 26, 2023), and 467 yen, the simple average closing price over the preceding six-month period (from July 27, 2022 to January 26, 2023).

The range of share values per Target Company Share obtained from the DCF method is 404 yen to 525 yen, which is derived by calculating the Target Company's share value by discounting to the present value, at a certain discount rate, the free cash flow that the Target Company is expected to generate in and after the third quarter of the fiscal year ending March 2023 based on the Target Company's future revenue forecast prepared based on various factors such as the trends of latest performance of the Target Company, publicly released information and results of interviews performed with the Target Company regarding the mid-to-long-term business objectives.

The financial projections made by DIR based on the DCF analysis do not include any fiscal years in which a significant increase or decrease in profit is expected.

The Tender Offer Price of 439 yen represents (i) a discount of 4.98% (rounded to two decimal points; the same applies for calculations of discount rates (%) on the share prices below) on 462 yen, the closing price of the Target Company Shares on the Prime Market as of January 26, 2023, which is the business day before the announcement date of the Tender Offer, (ii) a discount of 4.15% (rounded to two decimal points; the same applies for each calculation of the simple average closing stock prices below) on 458 yen, the simple average closing price for the one-month period prior to January 26, 2023, (iii) a discount of 3.73% on 456 yen, the simple average closing price for the three-month period prior to January 26, 2023, and (iv) a discount of 6.00% on 467 yen, the simple average closing price for the six-month period prior to January 26, 2023.

(B) Background of Valuation

(Background of the Decisions on the Tender Offer Price)

After being approached by the Target Company to acquire the Target Company Shares to be sold by Morningstar, Inc. in the Tender Offer on November 7, 2022, the Tender Offeror notified the Target Company that it would be able to examine such proposal on November 8, 2022. In addition, the Tender Offeror retained Mori Hamada & Matsumoto as its legal adviser on November 28, 2022, and retained Daiwa Securities

Co., Ltd. as its financial adviser and tender offer agent and Daiwa Institute of Research Ltd. as its financial adviser and third-party appraiser on December 8, 2022.

On December 21, 2022, the Tender Offeror, accompanied by Daiwa Securities Co., Ltd. and Daiwa Institute of Research Ltd., held discussions with Morningstar, Inc. about the expected outline of the Tender Offer such as (i) the setting of a tender offer price at a discount to the market price in light of the fact that while the maximum number of shares to be purchased in the Tender Offer is the same as the number of the Shares Agreed to be Tendered, it is desirable to minimize the number of shareholders of the Target Company other than Morningstar, Inc. that will tender their shares in the Tender Offer so that all of the Shares Agreed to be Tendered will be purchased from Morningstar, Inc. to the extent possible, and (ii) the number of shares to be purchased being approximately 10,000,000 shares (ownership ratio: 11.15%) in light of the possibility that a certain number of shares other than the Shares Agreed to be Tendered may be tendered, taking into account the amount of funds expected to be raised by Morningstar, Inc.

In light of the fact that the purpose of the Tender Offer is to acquire only the Shares Agreed to be Tendered from Morningstar, Inc., the Tender Offeror held discussions and negotiations with Morningstar, Inc. on the Tender Offer Price, and determined that the Tender Offer Price would be the price agreed on between the Tender Offeror and Morningstar, Inc.

Considering that it is desirable that the Tender Offer Price represents a discount on the market price of the Target Company Shares so that only the Shares Agreed to be Tendered are tendered to the extent possible, as a result of the discussions and negotiations with Morningstar, Inc. on the Tender Offer Price, the two parties agreed on December 28, 2022 that the Tender Offeror would implement the Tender Offer with the Tender Offer Price, which represents approximately a 5% discount on the closing price of the Target Company Shares in the Prime Market as of the day before the announcement date of the Tender Offer, and executed the Tender Agreement today.

In deciding the Tender Offer Price, the Tender Offeror requested that DIR evaluate the share value of the Target Company Shares as a third-party appraiser independent from the Tender Offeror and the Target Company. DIR is not a party affiliated with the Tender Offeror or the Target Company and does not have a material interest in the Tender Offer. After considering which of several share value calculation methods should be used to calculate the share value of the Target Company Shares, DIR calculated the share value of the Target Company Shares using the market price method and the DCF method, and the Tender Offeror obtained a share price valuation report (the “**Share Price Valuation Report**”) regarding the Target Company Shares from DIR on January 26, 2023. Since the Tender Offer is to be conducted at a discount on the market price, with basically no expectation of tendering by general shareholders, and there is relatively little room for fairness issues compared to ordinary tender offers, the Tender Offeror did not obtain an opinion letter regarding the fairness of the Tender Offer Price (a fairness opinion) from DIR.

According to the Share Price Valuation Report, the calculation methods used and the range of share values per Target Company Share obtained from such methods are as follows.

Market price method: From 456 yen to 467 yen

DCF method: From 404 yen to 525 yen

The Tender Offeror finally resolved at its board of directors meeting held on January 27, 2023 that the Tender Offer Price per share is to be 439 yen comprehensively taking into account the calculation results of the Share Price Valuation Report obtained from DIR as well as the possibility of approval of the Tender Offer by the Target Company's board of directors, trends of market prices of the Target Company Shares and the prospect of tender in the Tender Offer.

(Measures to Ensure Fairness of the Tender Offer)

In light of the fact that as of today, the Target Company is a consolidated subsidiary of the Tender Offeror and the Tender Offer constitutes a material transaction with the controlling shareholder, and out of seven directors of the Target Company, Mr. Tomoya Asakura and Mr. Yoshitaka Kitao concurrently serve as directors of the Tender Offeror and Ms. Bevin Desmond concurrently serves as an officer of Morningstar, Inc., the Tender Offeror and the Target Company implemented the following measures to eliminate arbitrariness in decision-making regarding the Tender Offer, ensure the fairness, transparency and objectivity of the decision-making process of the Target Company and avoid conflicts of interest. Among the statements below, matters relating to the measures implemented by the Target Company are based on the explanations given by the Target Company.

The Target Company did not obtain a share price valuation report when expressing an opinion on the Tender Offer, given that the Tender Offer Price is the price determined and agreed on between the Tender Offeror and Morningstar, Inc., the purpose of the Tender Offer is only to acquire the Shares Agreed to be Tendered from Morningstar, Inc., the maximum number of shares to be purchased in the Tender Offer has been set and the listing of the Target Company Shares is to be maintained after the Tender Offer, the Tender Offer Price represents a discount on the closing price of the Target Company Shares in the Prime Market as of the day before the announcement date of the Tender Offer, and the Target Company has taken a neutral position regarding whether or not to tender shares in the Tender Offer, because it is not expected that shareholders other than Morningstar, Inc. will tender their shares.

(i) Obtainment by the Tender Offeror of a Share Price Valuation Report from an Independent Third-Party Appraiser

In deciding the Tender Offer Price, the Tender Offeror requested DRI, which is a financial advisor, to evaluate the share value of the Target Company Shares as a third-party appraiser independent from the Tender Offeror and the Target Company, and obtained the Share Price Valuation Report on January 26. For the details, please refer to “(Background of the Decisions on the Tender Offer Price)” above.

(ii) Advice to the Target Company received by the Target Company from an Independent Law Firm

According to the Target Company's Press Release, in order to ensure the transparency and reasonableness of the decision-making process regarding the Tender Offer, the Target Company appointed Shin Saiwai Law Office as a legal advisor independent from the Target Company, SBIHD, and the Tender Offeror and received necessary legal advice from that law firm on methods of decision-making of the board of directors of

the Target Company regarding the Tender Offer, its decision-making process, and other matters to be noted.

(iii) Consent of All Disinterested Directors of the Target Company and Opinion of All Statutory Auditors that They Had No Objection at the Target Company

According to the Target Company's Press Release, at the Target Company's board of directors meeting held today, which was attended by all seven directors of the Target Company with the exception of Mr. Tomoya Asakura, Mr. Yoshitaka Kitao and Ms. Bevin Desmond (Mr. Motonari Ohtsuru, Mr. Billy Wade Wilder, Mr. Kotaro Yamazawa, and Mr. Akihiro Horie), the board expressed an opinion in favor of the Tender Offer based on the grounds and reasons set out in "(2) Purpose and Background of the Tender Offer (Including Decision-Making Process Leading to the Decision to Conduct the Tender Offer for the Listed Subsidiary), and Management Policy After the Completion of the Tender Offer" in "2. Purpose of the Tender Offer" above with the unanimous approval of all directors present. Note that Mr. Tomoya Asakura, who is a representative director, executive officer and president of the Target Company, has a position as director of the Tender Offeror, Mr. Yoshitaka Kitao, who is a director of the Target Company, has a position as representative director of the Tender Offeror, and Ms. Bevin Desmond, who is a director of the Target Company, has a position as an officer of Morningstar, Inc. In order to eliminate arbitrariness in decision-making regarding the Tender Offer, ensure the fairness, transparency, and objectivity of the decision-making process of the Target Company and avoid conflicts of interest, Mr. Tomoya Asakura, Mr. Yoshitaka Kitao and Ms. Bevin Desmond did not participate in deliberations and resolutions on the Tender Offer at the board of directors meetings of the Target Company or participate in the discussions and negotiations with the Tender Offeror on the side of the Target Company.

The Target Company also resolved at its board of directors meeting described above that the Tender Offer is not intended to result in the delisting of the shares, and the Target Company will take a neutral position regarding whether the shareholders of the Target Company tender shares in the Tender Offer, thereby leaving that decision to the judgment of its shareholders.

Three statutory auditors of the Target Company (Mr. Atsuo Goto, Mr. Kazuro Nagano and Mr. Masanobu Kotake) attended the board of directors meeting described above, and all of the statutory auditors expressed the opinion that they have no objection to the fact that the Target Company's board of directors expresses an opinion in favor of the Tender Offer, and takes a neutral position regarding whether or not to tender shares in the Tender Offer, thereby leaving that decision to the judgment of its shareholders.

(iv) Obtainment by the Target Company of an Opinion from Independent Officers

According to the Target Company's Press Release, because the Tender Offer constitutes a material transaction with a controlling shareholder as prescribed in Article 441-2 of the Securities Listing Regulations of the TSE, the Tender Offer obtained a written opinion today from Mr. Motonari Ohtsuru, an outside director, Mr. Billy Wade Wilder, an outside director, Mr. Kotaro Yamazawa, an outside director, Mr. Akihiro Horie, an outside director, Mr. Kazuro Nagano, an outside statutory auditor, and Mr. Masanobu Kotake, an outside statutory auditor who are independent officers of the Target Company that do not have any conflicts of interest with the Tender Offeror, to the effect

that to support of the Tender Offer and to take a neutral position regarding whether the shareholders of the Target Company tender shares in the Tender Offer, thereby leaving that decision to the judgment of its shareholders, would not be disadvantageous to the minority shareholders of the Target Company. The outline of such opinion is as follows.

- (i) The advantages of the Tender Offer are that (a) provided that Morningstar, Inc. is able to raise the funds necessary for the payment through the Tender Offer, the Target Company will record a revenue of 8 billion yen as consideration for the brand value to be returned to Morningstar, Inc., which will greatly increase retained earnings and can finance measures for maintaining and expanding dividends to shareholders, M&A, system investment and other business expansion measures, and (b) the closer relationship between the Target Company and the Tender Offeror is expected to create business synergies due to the Tender Offeror holding the majority of voting rights of the Target Company. Meanwhile, the disadvantages of the Tender Offer are limited because (c) the Licensed Items are now considered to be less important than before in light of the transition of the Target Company's main business away from the financial services business, which uses the Licensed Items held by Morningstar, Inc., to the asset management business, (d) the Target Company would be able to continue the financial services business based on the Target Company's own know-how and data even after the termination of the License Agreement, and (e) even if Morningstar, Inc. were to enter the asset management business or financial services business in which the Target Company operates, the effect of the termination of the License Agreement on the business of the Target Company would be limited, among other reasons. Therefore, the advantages of the Tender Offer outweigh the disadvantages, the Tender Offer will contribute to the enhancement of the Target Company's corporate value, and its purpose is justifiable and reasonable.
- (ii) Because the Tender Offeror's policy is to maintain the listing of the Target Company Shares after the completion of the Tender Offer, and the freedom of the minority shareholders of the Target Company to tender their shares in the Tender Offer is secured, the Tender Offer is not disadvantageous to the minority shareholders, irrespective of whether the Tender Offer Price is high or low. In addition, there is no reason to doubt the fairness of the period of the Tender Offer, the number of shares to be purchased, and other terms and conditions of the Tender Offer, so the terms of the Tender Offer other than the Tender Offer Price are considered to be fair.
- (iii) There is no fact that implies that the Tender Offeror had undue influence over the Target Company in the process of the discussions, examinations and negotiations of the Tender Offer, and the procedures are considered to be fair. The Tender Offer is not intended to result in the delisting of the Target Company Shares, and the Tender Offeror's policy is to maintain the listing of the Target Company Shares after the completion of the Tender Offer. The Target Company has determined that it will be necessary to maintain the listing from the perspective of continuous growth and mid-to-long-term corporate value enhancement. Even if a significant number of shareholders other than Morningstar, Inc. tender their shares in the Tender Offer,

causing the number of distributed shares to decrease and violating the continued listing criteria of the TSE (the ratio of distributed shares) as of the end of March 2023, the Target Company will consult with the Tender Offeror and take the most appropriate measures to maintain the listing of the Target Company Shares by recovering the ratio of distributed shares to meet the continued listing criteria or by other means. Therefore, the probability that the shares of the Target Company will be delisted to the detriment of the minority shareholders as a result of the Tender Offer is considered to be low

(C) Relations with Appraisers

Not applicable.

(5) Number of Share Certificates, Etc. to be Purchased

Number of Share Certificates, Etc. to be purchased	Minimum number of Share Certificates, Etc. to be purchased	Maximum number of Share Certificates, Etc. to be purchased
10,000,000 shares	10,000,000 shares	10,000,000 shares

(Note 1): Because the Tender Offeror has set the minimum number of Share Certificates, Etc. to be purchased in the Tender Offer, if the total number of Tendered Share Certificates, Etc. is less than the minimum number of the Share Certificates, Etc. to be purchased (10,000,000 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates, Etc. If the total number of Tendered Share Certificates, Etc. is more than the maximum number of the Share Certificates, Etc. to be purchased (10,000,000 shares), the Tender Offeror will not purchase all or part of the excess shares. The Tender Offeror will acquire share certificates, etc. and effect other settlement procedures for their purchase, etc. using the pro rata method specified in Article 27-13, Paragraph 5 of the Act and Article 32 of the Cabinet Ordinance.

(Note 2): “Number of Share Certificates, Etc. to be purchased” is stated as the maximum number of Share Certificates, Etc. that may be acquired by the Tender Offeror through the Tender Offer (10,000,000 shares).

(Note 3): The Tender Offeror does not intend to acquire the treasury shares (170 shares) held by the Target Company through the Tender Offer.

(Note 4): Shares less than one unit are also subject to the Tender Offer. If a right to demand purchase of shares less than one unit is exercised by a shareholder in accordance with the Companies Act (Act No. 86 of 2005, as amended), the Target Company may purchase its own shares during the Tender Offer Period in accordance with procedures under laws and regulations.

(6) Change in Ownership Ratio of Share Certificates, Etc. as a Result of Tender Offer

Number of voting rights represented by the Share	371,852	(Ownership ratio of Share Certificates, Etc. before the Tender Offer: 41.51%)
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Certificates, Etc. held by the Tender Offeror before the Tender Offer		
Number of voting rights represented by the Share Certificates, Etc. held by specially related parties before the Tender Offer	5,616	(Ownership ratio of Share Certificates, Etc. before the Tender Offer: 0.63%)
Number of voting rights represented by the Share Certificates, Etc. held by the Tender Offeror after the Tender Offer	471,852	(Ownership ratio of Share Certificates, Etc. after the Tender Offer: 52.62%)
Number of voting rights represented by the Share Certificates, Etc. held by specially related parties after the Tender Offer	5,616	(Ownership ratio of Share Certificates, Etc. after the Tender Offer: 0.63%)
Total number of voting rights of all shareholders, etc. of the Target Company	895,755	

Note 1: “Number of voting rights represented by the Share Certificates, Etc. held by specially related parties before the Tender Offer” states the total number of voting rights represented by Share Certificates, Etc. held by each specially related party (other than Share Certificates, Etc. held by persons who are not considered specially related parties pursuant to Article 3, Paragraph 2, Item (1) of the Cabinet Office Ordinance for the purpose of calculating the ownership ratio of Share Certificates, Etc. set out in each item under Article 27-2, Paragraph 1 of the Act). If it is necessary for the Tender Offeror to revise this announcement upon confirming the Share Certificates, Etc. of the Target Company owned by specially related parties in the future, the Tender Offeror will promptly disclose the details of such revision to this announcement.

Note 2: “Total number of voting rights of all shareholders, etc. of the Target Company” is the number of voting rights of all shareholders of the Target Company as of September 30, 2022 stated in the Quarterly Report. However, since shares less than one unit are subject to the Tender Offer, when calculating “Ownership ratio of Share Certificates, Etc. after the Tender Offer,” the number of voting rights (896,734) represented by 89,673,430 shares, which is the total number of issued shares (89,673,600 shares) of the Target Company as of September 30, 2022 stated in the Quarterly Report less the number of treasury shares held by the Target Company (170 shares) as of

September 30, 2022, is used as “Total number of voting rights of all shareholders, etc. of the Target Company”.

Note 3: “Ownership ratio of Share Certificates, Etc. before the Tender Offer” and “Ownership ratio of Share Certificates, Etc. after the Tender Offer” have been rounded to two decimal places.

(7) Purchase Price
4,390,000,000 yen

(8) Method of Settlement

(i) Name and address of head office of financial instruments business operator, bank, etc. in charge of settlement of tender offer

Daiwa Securities Co. Ltd. 9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

(ii) Commencement date of settlement

March 7, 2023 (Tuesday)

(iii) Method of settlement

A notice regarding the purchase under the Tender Offer will be mailed to the address or location of the Tendering Shareholders, Etc. (or the address of the standing proxy in the case of Non-Resident Shareholders, Etc.) without delay after the expiration of the Tender Offer period.

The purchase will be settled in cash. The tender offer agent will remit the sales proceeds from the Share Certificates, Etc. purchased (a remittance fee may be charged) to the place designated by the Tendering Shareholders, Etc. (or the standing proxy in the case of Non-Resident Shareholders, Etc.) by the instruction of the Tendering Shareholders, Etc. or pay such sales proceeds to the account of the Tendering Shareholders, Etc. where the tender offer agent accepted the tender in the Tender Offer, without delay after the commencement date of the settlement.

(iv) Method of return of Share Certificates, Etc.

In the event that all of the Share Certificates, Etc. will not be purchased under the terms set forth in “(i) Conditions set forth in each item of Article 27-13, Paragraph 4 of the Act and the details thereof” or “(ii) Conditions of withdrawal, etc. of the tender offer, details thereof and method of disclosure of withdrawal, etc.” in “(9) Other Conditions and Methods of Purchase” below, the Share Certificates, Etc. that are to be returned will be returned by restoring the status of the Tendering Shareholder Account opened with the tender offer agent at the time of the tendering of those Share Certificates, Etc. without delay after the Business Day that is two days after the last day of the Tender

Offer Period (or the day of withdrawal, etc. if the Tender Offeror withdraws the Tender Offer).

(9) Other Conditions and Methods of Purchase

(i) Conditions set forth in each item of Article 27-13, Paragraph 4 of the Act and the details thereof

If the number of Tendered Share Certificates, Etc. is less than the minimum number of Share Certificates, Etc. to be purchased (10,000,000 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates, Etc. If the total number of Tendered Share Certificates, Etc. is equal to or more than the minimum number of Share Certificates, Etc. to be purchased (10,000,000 shares), the Tender Offeror will purchase all of the Tendered Share Certificates, Etc. If the number of Tendered Share Certificates, Etc. exceeds the maximum number of Share Certificates, Etc. to be purchased (10,000,000 shares), the Tender Offeror will not purchase all or part of the excess shares. The Tender Offeror will acquire share certificates, etc. and effect other settlement procedures for their purchase, etc. using the pro rata method specified in Article 27-13, Paragraph 5 of the Act and Article 32 of the Cabinet Ordinance.

(ii) Conditions of withdrawal, etc. of the tender offer, details thereof and method of disclosure of withdrawal, etc.

If any event listed in Article 14, Paragraph 1, Items (1)1 through (1)10 and Items (1)13 through (1)19, and Items (3)1 through (3)8 and (3)10 as well as Article 14, Paragraph 2, Items (3) through (6) of the Enforcement Order occurs, the Tender Offeror may withdraw the Tender Offer.

In the Tender Offer, the “events which are equivalent to those listed in Items (3)1 through (3)9” set out in Article 14, Paragraph 1, Item (3)10 of the Financial Instruments and Exchange Act Enforcement Order (Cabinet Order No. 321 of 1965, as amended) (the “**Enforcement Order**”) refers to either (i) the case where any of the statutory disclosure documents submitted by the Target Company in the past is found to contain a false statement on a material fact, or omit a statement on a material fact that should have been stated, and in which the Tender Offeror was not aware of the false statement or the omission and, despite using due care, the Tender Offeror was unable to be aware of the false statement or the omission, or (ii) the case where any of the facts listed in Article 14, Paragraph 1, Items (3)1 through (3)7 of the Enforcement Order occurs in respect of a significant subsidiary of the Target Company.

If the Tender Offeror intends to withdraw the Tender Offer, the Tender Offeror will give an electronic public notice and publish a notice to that effect in the Nikkei. However, if it is deemed difficult to give the public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement by the method set out in Article 20 of the Cabinet Ordinance and give a public notice immediately after the announcement.

- (iii) Conditions to reduce purchase price, details thereof and method of disclosure of reduction

Under Article 27-6, Paragraph 1, Item (1) of the Act, if the Target Company conducts any act set out in Article 13, Paragraph 1 of the Enforcement Order during the Tender Offer Period, the Tender Offeror may reduce the purchase price in accordance with the standards set out in the provision of Article 19, Paragraph 1 of the Cabinet Ordinance.

If the Tender Offeror intends to reduce the purchase price, the Tender Offeror will give an electronic public notice and publish a notice to that effect in the Nikkei. However, if it is deemed difficult to give the public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement by the method set out in Article 20 of the Cabinet Ordinance and give public notice immediately after the announcement. If the purchase price is reduced, the Tender Offeror will also purchase the Share Certificates, Etc. tendered on or before the date of the public notice at the reduced purchase price.

- (iv) Matters concerning right of Tendering Shareholders, Etc. to terminate the agreement

The Tendering Shareholders, Etc. may, at any time during the Tender Offer Period, terminate their agreement under the tender offer. If a Tendering Shareholder, Etc. intends to cancel the agreement, he/she will be requested to deliver or mail a cancellation document (meaning the acceptance slip for shares tendered in tender offer and a document stating the intention to cancel the agreement for the Tender Offer) to the head office or domestic branch office of the tender offer agent that accepted the tendering of Share Certificates, Etc. by 4:00 p.m. on the last day of the Tender Offer Period. However, if a cancellation document is sent by mail, it will become effective on the condition that it arrives by 4:00 p.m. on the last day of the Tender Offer Period. Business hours differ depending on the head office and each domestic branch office, so please contact the head office or your domestic branch office in advance to confirm.

If Share Certificates, Etc. were tendered through Online Trade, please request the cancellation of the agreement for the tendering of Share Certificates, Etc. through Online Trade or by delivering or mailing a Cancellation Document. If canceling through Online Trade, please follow the methods described on the web page and complete the cancellation procedures by 4:00 p.m. on the last day of the Tender Offer Period. Any agreement for the tendering of Share Certificates, Etc. accepted at the handling branch can also be canceled by the cancellation procedures through Online Trade, provided that Share Certificates, Etc. are allowed to be tendered through Online Trade. If requesting the cancellation of the agreement for the tendering of Share Certificates, Etc. including shares less than one unit or stock acquisition rights, please visit the handling branch.

Note: Due to measures for the prevention of the spread of COVID-19, services at the head office and branch offices may be suspended, or other special measures may be taken during the Tender Offer Period. For details, please contact the head office or any domestic branch office of the tender offer agent. Also, for details of special measures and head and branch offices subject to such measures, see the website of the tender offer agent (<https://www.daiwa.jp/>).

Party authorized to receive the Cancellation Document:

Daiwa Securities Co. Ltd. 9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

(or any other domestic branch of Daiwa Securities Co. Ltd.)

The Tender Offeror will not make any claim for damages or a penalty payment due to the Tendering Shareholders, Etc.'s cancellation of their agreements. Further, the cost of returning Tendered Share Certificates, Etc. to the Tendering Shareholders, Etc. will be borne by the Tender Offeror. If a Tendering Shareholder, Etc. terminates their agreement under the Tender Offer, the Tendered Share Certificates, Etc. will be returned promptly after the completion of the termination procedures by the method stated in "(iv) Method of return of Share Certificates, Etc." in "(8) Method of Settlement" above.

(v) Method of disclosure if the conditions of the Tender Offer are changed

The Tender Offeror may change the conditions, etc. of the Tender Offer during the Tender Offer Period unless such change is prohibited under Article 27-6, Paragraph 1 of the Act or Article 13, Paragraph 2 of the Enforcement Order. If the Tender Offeror intends to change any conditions, etc. of the Tender Offer, the Tender Offeror will give an electronic public notice and publish a notice to that effect in the Nikkei. However, if it is deemed difficult to give the notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement in the manner set out in Article 20 of the Cabinet Ordinance and give a public notice immediately after the announcement. If the conditions, etc. of the Tender Offer are changed, the Tender Offeror will also purchase the Share Certificates, Etc. tendered on or before the date of the public notice in accordance with the changed conditions, etc. of the Tender Offer.

(vi) Method of disclosure if amendment statement is filed

If the Tender Offeror submits an amendment of the tender offer registration statement to the Director-General of the Kanto Local Finance Bureau (unless otherwise provided for in the proviso in Article 27-8, Paragraph 11 of the Act), the Tender Offeror will immediately make a public announcement of the content of that amendment statement that is relevant to the content of the public notice of the commencement of the Tender Offer in the manner set out in Article 20 of the Cabinet Ordinance. The Tender Offeror will also immediately amend the explanatory statement of the Tender Offer and deliver the amended explanatory statement to the Tendering Shareholders, Etc. who have already received the previous explanatory statement. However, if the amendments are limited in scope, the Tender Offeror may instead prepare and deliver to Tendering Shareholders, Etc. a document stating the reason for the amendments, the matters amended, and the details thereof.

(vii) Method of disclosure of results of the Tender Offer

Tender Offeror will make public the Tender Offer on the day following the last day of the Tender Offer Period in the manner set out in Article 9-4 of the Enforcement Order and Article 30-2 of the Cabinet Ordinance.

- (10) Date of Public Notice of Commencement of the Tender Offer
January 30, 2023 (Monday)

(11) Tender offer agent

Daiwa Securities Co. Ltd. 9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

4. Policies after Tender Offer and Future Prospects

(1) Policies after Tender Offer

Regarding policies after the Tender Offer, please see “(2) Purpose and Background of the Tender Offer (Including Decision-Making Process Leading to the Decision to Conduct the Tender Offer for the Listed Subsidiary), and Management Policy After the Completion of the Tender Offer” in “2. Purpose of Tender Offer, Etc.” above.

(2) Future Prospects

The effect of the Tender Offer on SBIHD’s consolidated performance will be minor. If the revision of performance forecast is needed the Tender Offeror will promptly announce such revision.

5. Others

(1) Agreements between the Tender Offeror and the Target Company or its Directors or Officers, and the Contents Thereof

According to the Target Company’s Press Release, the Target Company resolved at its board of directors meeting held today, to express its opinion in favor of the Tender Offer and to leave the decision regarding whether the shareholders of the Target Company tender shares in the Tender Offer or not to the judgment of the shareholders. Regarding details of decision-making process, see the Target Company’s Press Release or “(ii) Background of Valuation” in “(4) Basis of Calculation, etc. of Tender Offer Price” in “3. Outline of the Tender Offer” above.

(2) Other Information that is Deemed to be Required by Investors when Determining Whether it is Appropriate to Tender Shares in Response to Tender Offer

(i) Release of “Q3 Financial Statement (Japanese GAAP) (consolidated) for Y.E. March 2023”

The Target Company released the Quarterly Financial Statement today. A summary of financial results based on the release is as follows. According to the Target Company, the summary of financial results has not been audited by an audit firm for a quarterly review as provided for in Article 193, Paragraph 2, Item (1) of the Act. The following summary is a partial excerpt of the contents released by the Target Company. For details, see the contents of the press release of the Target Company.

(A) Profit and loss (consolidated)

Fiscal Period

Y.E. March 2023

(third quarter cumulative period)

(Unit: Thousand yen)

Sales	6,526,688
Cost of sales	3,054,325
Selling, general and administrative expenses	1,955,232
Non-operating income	301,108
Non-operating expense	18,366
Quarterly net profit attributable to shareholders of the parent company	1,091,945

(B) Figures per share (consolidated)

Fiscal Period	Y.E. March 2023 (third quarter cumulative period)
Quarterly net profit per share	12.18 yen
Dividends per share	8.25 yen

- (ii) Release of “Notice of Performance Forecast for the Y.E. March 2023; Significant Increase in Quarterly Net Profit Attributable to Shareholders of the Parent Company, and Calculation of Extraordinary Profit and Extraordinary Loss”

The Target Company released “Notice of Performance Forecast for the Y.E. March 2023; Significant Increase in Quarterly Net Profit Attributable to Shareholders of the Parent Company, and Calculation of Extraordinary Profit and Extraordinary Loss” today. Summary of numerical information based on the release is as follows. For details, see the release mentioned above.

(Unit: million yen, excluding Consolidated net profit per share)

	Consolidated sales	Consolidated operating profit	Consolidated ordinary profit	Net profit attributable to the shareholders of the parent company	Consolidated net profit per share
Announced forecast (A)	undecided	undecided	undecided	undecided	undecided
Revised forecast (B)	9,000	2,150	2,500	5,700	63.56 yen
Difference (B-A)	—	—	—	—	—

Difference (%)	—	—	—	—	—
(Reference) Actual consolidated results for the previous fiscal year (Y.E. March 2022)	8,123	2,129	2,403	1,454	15.61 yen

- (iii) Release of “Notice of Return of ‘Morningstar’ Brand and Receipt of Consideration of 8 Billion Yen Upon Termination of License Agreement with Morningstar, Inc., and Record of Special Profits”

The Target Company resolved at its board of directors meeting held today to terminate the License Agreement with Morningstar, Inc. and receive 8 billion yen as consideration for returning the “Morningstar” brand to Morningstar, Inc. The Target Company also executed an agreement with Morningstar, Inc. to terminate the License Agreement. For details, please see “Notice of Return of ‘Morningstar’ Brand and Receipt of Consideration of 8 Billion Yen Upon Termination of License Agreement with Morningstar, Inc., and Record of Special Profits” released by the Target Company today.

- (iv) Release of “Notice of Company Split to a Subsidiary, Merger between Subsidiaries, Change in Subsidiary’s Trade Name, and Shift to a holding company structure”

The Target Company resolved at its board of directors meeting held today to (i) conduct an absorption-type company split so that rights and obligations which the Target Company has with respect to its financial services business will be assigned to Morningstar Asset Management Co., Ltd., (ii) conduct an absorption-type merger in which Morningstar Asset Management Co., Ltd. is the surviving company and E-Advisor Co., Ltd. is the disappearing company, and (iii) change the trade name of Morningstar Asset Management Co., Ltd to Wealth Advisor Co., Ltd. After these actions, the Target Company will shift to a holding company structure. For details, please see “Notice of Company Split to a Subsidiary, Merger between Subsidiaries, Change in Subsidiary’s Trade Name, and Shift to a holding company structure” released by the Target Company today.

- (v) Announcement of “Notice of Extraordinary General Meeting of Shareholders and Establishment of Record Date for Convening the Extraordinary General Meeting of Shareholders, and Partial Amendment of Articles of Incorporation and Change in Trade Name”

The Target Company resolved at its board of directors meeting held today to (i) hold an extraordinary general meeting of shareholders on March 29, 2023, and (ii) submit proposals at such extraordinary general meeting of shareholders to partially amend the Articles of Incorporation that will change its trade name from Morningstar Japan K.K. to SBI GLOBAL ASSET MANAGEMENT Co., Ltd. and to approve the company split to a subsidiary as stated in “(4) Announcement of “Notice of Company Split to a Subsidiary, Merger between Subsidiaries, Change in Trade Names of the Subsidiaries, and Transition to Holding Company Structure” above. For details, please refer to “Notice of Extraordinary General Meeting of Shareholders and Establishment of Record Date for Convening the Extraordinary General Meeting of Shareholders, and Partial Amendment of Articles of Incorporation and Change in Trade Name” released by the Target Company today.

- (vi) Release of “Notice of Merger between the Subsidiaries of SBI Asset Management Co., Ltd. and Shinsei Investment Management Co., Ltd.”

The Target Company resolved at its board of directors meeting held today to carry out the absorption-type merger between SBI Asset Management Co., Ltd. and Shinsei Investment Management Co., Ltd., consolidated subsidiaries of the Target Company, in which SBI Asset Management Co., Ltd. is a surviving company (effective April 1, 2023 (scheduled)). For details, see “Notice of Merger between the Subsidiaries of SBI Asset Management Co., Ltd. and Shinsei Investment Management Co., Ltd.” released by the Target Company today.

End

Restrictions on Solicitation

This document is to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting an offer to sell shares. If shareholders wish to make an offer to sell their shares, they should first read the Tender Offer Explanatory Statement for the Tender Offer and make their own independent decision. This document does not constitute, nor form part of, any offer to sell, solicitation of a sale of, or any solicitation of any offer to buy, any securities. In addition, neither this document (or any part of it) nor the fact of its distribution shall form the basis for any agreement on the Tender Offer or be relied on when executing such an agreement.

Forward-Looking Statements

This document and the reference documents describe prospective business development based on the view of the management team of the Tender Offeror, SBIHD or the Company in the event of the acquisition of the Company Shares. This document and the reference documents, including the information concerning the future business of the Tender Offeror, SBIHD, the Company, other companies, etc., may include the forward-looking statements such as “anticipate,” “expect,” “intend,” “plan,” “believe,” and “assume”. These statements are based on the outlook for the business of the Tender Offeror, SBIHD or the Company at this time, and the actual results may change depending on various factors and significantly deviate from those predictions. The Tender Offeror, SBIHD and their affiliates are not obligated to update or revise those statements to reflect future events or situations.

US Regulations

The Tender Offer will be conducted in compliance with the procedures and information disclosure standards provided under the Financial Instruments and Exchange Act of Japan, and those procedures and standards are not always the same as those applicable in the United States. In particular, neither Section 13(e) nor Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended; the same applies below) or the rules under these sections apply to the Tender Offer; therefore, the Tender Offer is not conducted in accordance with those procedures or standards.

All procedures regarding the Tender Offer will be conducted in Japanese unless specifically set forth otherwise. All or part of the documents regarding the Tender Offer will be prepared in English. However, if there is any discrepancy between the documents in English and those in Japanese, the documents in Japanese shall prevail.

Prediction of the Future

This document and the reference documents include forward-looking statements as defined in Section 27A of the U.S. Securities Act of 1933 (as amended, the “U.S. Securities Exchange Act of 1933”) and Section 21E of the U.S. Securities Exchange Act of 1934. The actual results may be significantly different from the predictions expressly or impliedly indicated in the forward-looking statements, due to known or unknown risks, uncertainty, or other factors. The Tender Offeror and the Company or their affiliates do not guarantee that the predictions

expressly or impliedly indicated as the forward-looking statements will turn out to be correct. The forward-looking statements included in this document and the reference documents were prepared based on the information held by the Tender Offeror and the Company or their affiliates as of the date indicated in this document and the reference documents, and unless obligated by laws or regulations or the rules of a financial instruments exchange, the Tender Offeror, the Company or their affiliates shall not be obligated to update or revise the statements to reflect future incidents or situations. The financial information included in this document and the reference documents is the information based on the Japanese accounting standards and such accounting standards may be significantly different from the general accounting standards in the United States or other countries. Also, because the Tender Offeror and the Company are corporations incorporated outside the United States and some or all of their directors are non-U.S. residents, it may be difficult to exercise or demand rights against them under the U.S. securities laws. It also may be impossible to bring an action against a company that is based outside of the United States or its directors in a court outside of the United States on the grounds of a violation of the federal securities laws of the United States. There is also no guarantee that a company that is based outside of the United States or its subsidiaries or affiliates may be compelled to submit themselves to the jurisdiction of a U.S. court.

Before the commencement of the Tender Offer or during the tender offer period, the Tender Offeror and its affiliate, the financial advisor of each of the Tender Offeror and the Company, and the tender offer agent (including their affiliates) might purchase by means other than the Tender Offer or conduct an act aimed at such a purchase of the Company Shares listed on the Prime Market of the TSE on their own account or the account of their client to the extent permitted by Japanese laws and regulations related to financial instruments transactions and other applicable laws and regulations in the scope of their ordinary business and in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934. Such purchase might be conducted at the market price through a market transaction or decided through off-market negotiation. If information regarding such a purchase is disclosed in Japan, that information will also be disclosed in the English language on a website (or by any other means of public disclosure) of the person that conducted that purchase or its affiliates.

In other countries

Some countries or regions may impose restrictions on the announcement, issue, or distribution of this document. In such cases, please take note of such restrictions and comply with them. The announcement, issue, or distribution of this press release shall not constitute a solicitation of an offer to sell or an offer to buy shares relating to the Tender Offer and shall be deemed a distribution of materials for informative purposes only.

For further information, please contact:

SBI Holdings, Inc. (Corporate Communications Dept.): Tel: 03-6229-0126