

ESG Data

	(Nonconsolidated)	FY2017	FY2018	FY2019
Corporate Governance	Number of Directors	7	7	7
	Ratio of Female Directors	0%	14.2%	28.6%
	Number of Outside Directors	5	5	5
	Number of Board of Directors Meetings Held	6	6	8
	Attendance Rate for the Board of Directors Meetings	95%	100%	100%
	Note: Governance-related data as of June 30, 2020.			
Employees	Number of Employees	2,188	2,150	2,137
	Male	1,265	1,218	1,203
	Ratio	58%	57%	56%
	Female	923	932	934
	Ratio	42%	43%	44%
	Competitive Ratio in Recruitment (Applicant base)	31.2	27.0	30.4
	Male	26.2	25.8	27.8
	Female	39.5	28.3	33.8
	Average Age	41.3	41.7	42.1
	Male	40.7	41.1	41.5
	Female	42.1	42.5	42.9
	Average Years of Service	12 years 5 months	12 years 11 months	13 years 4 months
	Male	11 years 1 month	11 years 7 months	12 years 2 months
	Female	14 years 2 months	14 years 7 months	14 years 11 months
	Average Monthly Salary	¥479 thousand	¥477 thousand	¥476 thousand
	Number of Business-Limited Employees	—	146	147
	Number of Part-time Employees	267	215	204
	Number of Temporary Employees	113	6	6
	Number of Overseas Locals Recruited	0	0	0
	Number of New University Graduates Hired	53	55	47
	Male	33	28	27
	Ratio	62%	51%	57%
	Female	20	27	20
	Ratio	38%	49%	43%
	Number of Mid-career Personnel Recruited	32	38	58
	Male	18	19	32
	Female	14	19	26
	Number of Managers	643	631	663
	Number of Female Managers			
	Section Leader-Level or Higher	89	96	118
Ratio	13.8%	15.2%	17.8%	
Section Manager-Level or Higher	390	412	440	
Ratio	30.0%	31.6%	32.7%	

	(Nonconsolidated)	FY2017	FY2018	FY2019
Employees	Number of Employed Persons with Disabilities	29	32	33
	Employment Rate of Persons with Disabilities	1.9%	2.1%	2.1%
	Average Overtime Hours per Month	19.9	18.7	18.3
	Average Paid Leave Acquisition Rate	62.5%	63.7%	65.0%
	Number of Employees Taking Childcare Leave	33	35	31
	Male	4	6	5
	Female	29	29	26
	Number of Employees Taking Life Support Leave	6	7	6
	Number of Employees Taking Family Care Leave	4	1	0
	Number of Employees Registering for Concurrent Business or Side Business	—	39	57
	Ratio of Employees Using Teleworking	—	9.5%	70.3%
	Number of Employees Using Continued Employment System	11	10	16
	Number of Employment of Functional Change or Employment Status Change	60	230	43
	Male	19	50	14
	Female	41	180	29
Note: Number of Employees Taking Life Support Leave means the Number of Employees Taking Childcare Leave before January 1, 2018.				
Environment	Arrangement Results of Project Finance for Renewable Energy (Billions of yen)	104.3	142.5	138.5
	Environment Impact Data			
	CO ₂ Emissions (t) ^{1,2}	2,602	2,575	2,425
	Electricity Usage (kWh) ¹	5,069,080	5,027,896	5,013,949
	Gas Usage (m ³) ¹	90,000	114,000	65,000
	Clean Water Usage (t) ³	1,758	1,623	1,513
	Amount of Waste Generated / Recycling Rate ³			
	Waste Generated (t)	206	218	200
	Amount Recycled (t)	123	138	122
	Amount of Waste Disposal (t)	83	80	78
	Recycling Rate	60%	63%	61%
Notes: 1. Data are for all Shinsei Bank Nihonbashi headquarters (excluding affiliated companies), ARCO TOWER (Meguro) and Tokyo Dia Building (Shinkawa). Divisions of the Bank in ARCO TOWER were moved to Tokyo Dia Building (Shinkawa) in September 2019. 2. Calculated using electricity and gas usage according to "Guidelines for Calculating Specified Greenhouse Gas Emissions Volume under the Total Emissions Obligations and the Emissions Trading Framework." 3. Data are for Shinsei Bank Nihonbashi headquarters (excluding affiliated companies).				
Contribution to Society (Consolidated)	Financial Literacy Program (MoneyConnection®)			
	Number of Schools Where the Program was Held (Cumulative)	943	1,058	1,158
	Number of Student Participants (Cumulative)	122,811	136,232	148,577
	Social Contribution Activities			
	Number of Volunteer Activities	31	33	26
	Number of Employee Participants	628	602	721
Compliance	Number of Whistle-Blowing Reports	1	1	1

ESG Management Policy ▶ <https://www.shinseibank.com/corporate/en/policy/esg/policy.html>

ESG Information Index ▶ https://www.shinseibank.com/corporate/en/policy/esg/esg_index.html

Financial Summary

Shinsei Bank, Limited, and Consolidated Subsidiaries
For the fiscal years ended March 31, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020

	FY2009	FY2010	FY2011	FY2012
For the fiscal year (Billions of yen)¹:				
Total revenue	264.2	262.6	202.9	199.0
General and administrative expenses	170.8	145.3	130.3	130.9
Net credit costs	112.2	68.3	12.2	5.5
Income before income taxes	(123.0)	57.7	15.3	53.8
Profit attributable to owners of the parent	(140.1)	42.6	6.4	51.0
Balances at fiscal year-end (Billions of yen):				
Securities	3,233.3	3,286.3	1,873.4	1,842.3
Loans and bills discounted	5,163.7	4,291.4	4,136.8	4,292.4
Lease receivables and leased investment assets	213.7	206.2	197.4	203.5
Total assets	11,376.7	10,231.5	8,609.6	9,029.3
Deposits and negotiable certificates of deposit	6,475.3	5,610.6	5,362.4	5,457.5
Total liabilities	10,741.8	9,620.3	7,982.0	8,345.6
Total equity	634.9	611.1	627.6	683.6
Per share data (Yen):				
Common equity	232.72	205.83	212.67	233.65
Basic earnings	(71.36)	21.36	2.42	19.24
Dividends	—	1.00	1.00	1.00
Ratios (%):				
Return on assets ²	(1.2)	0.4	0.1	0.6
Return on equity ³	(27.6)	8.5	1.2	8.6
Expenses-to-revenue ratio	64.6	55.3	64.2	65.8
Total capital adequacy ratio (Basel II, Domestic Standard)	8.35	9.76	10.27	12.24
Capital ratio (Basel III, Domestic Standard)	—	—	—	—
Ratio of nonperforming claims classified under the Financial Revitalization Law to total claims	6.70	6.78	6.66	5.32

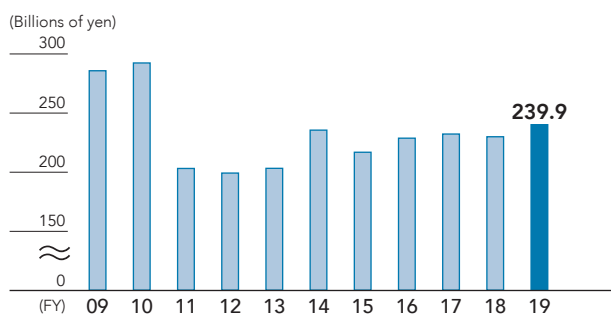
1 Since all yen figures have been truncated rather than rounded, the totals do not necessarily equal the sum of the individual amounts.

2 Return on assets is calculated by dividing profit (loss) attributable to owners of the parent by the average of total assets at the beginning and end of the period presented.

3 Return on equity (fully diluted) is calculated by dividing profit (loss) attributable to owners of the parent by the average amount of (total equity – share warrants – noncontrolling interests) at the beginning and end of the period presented.

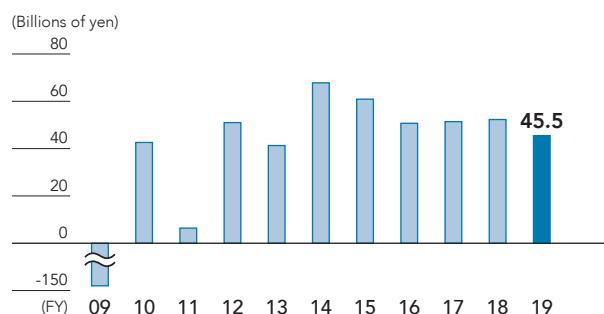
4 Shinsei Bank consolidated its shares with a rate of ten shares of common stock into one share on October 1, 2017. Common equity per share and basic earnings per share are calculated as if the consolidation of shares had occurred at the beginning of FY2016.

Total Revenue



Earnings had been lifted prior to fiscal 2010 on factors such as gains from repurchasing preferred securities and items such as gains on the sale of assets on which loss disposals had been recorded in the past. Total revenue has steadily grown since such one-off gains stopped occurring in fiscal 2011.

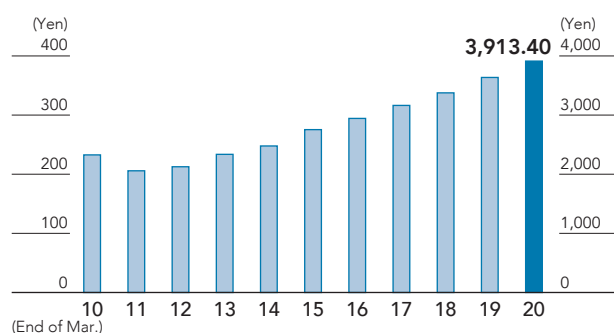
Profit Attributable to Owners of the Parent



The Shinsei Bank Group recorded losses in fiscal 2008 and 2009 on the effects of the global financial crisis sparked by the collapse of Lehman Brothers but the Group has continued to book profits every year since fiscal 2010. The Group is working to improve the quality of earnings by adding more lefth to core profits and limiting profits from nonrecurring and high-volatility sources.

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
	203.0	235.3	216.6	228.5	232.0	229.6	239.9
	135.0	144.2	141.3	144.2	142.9	145.7	150.0
	0.2	11.8	3.7	31.8	37.2	29.3	39.1
	46.0	72.7	62.8	51.7	55.4	54.5	49.2
	41.3	67.8	60.9	50.7	51.4	52.3	45.5
	1,557.0	1,477.3	1,227.8	1,014.6	1,123.5	1,130.2	957.0
	4,319.8	4,461.2	4,562.9	4,833.4	4,895.9	4,986.8	5,110.4
	227.7	227.0	211.4	191.4	171.4	176.5	193.4
	9,321.1	8,889.8	8,928.7	9,258.3	9,456.6	9,571.1	10,226.5
	5,850.4	5,452.7	5,800.9	5,862.9	6,067.0	5,922.1	6,305.1
	8,598.5	8,136.0	8,135.6	8,437.5	8,600.6	8,674.5	9,316.0
	722.5	753.7	793.1	820.7	856.0	896.6	910.4
	247.82	275.45	294.41	3,163.89 ⁴	3,376.39 ⁴	3,636.92	3,913.40
	15.59	25.57	22.96	194.65 ⁴	199.01 ⁴	211.24	190.59
	1.00	1.00	1.00	1.00	10.00 ⁴	10.00	10.00
	0.5	0.7	0.7	0.6	0.5	0.5	0.5
	6.5	9.8	8.1	6.3	6.1	6.0	5.1
	66.5	61.3	65.3	63.1	61.5	63.4	62.5
	—	—	—	—	—	—	—
	13.58	14.86	14.20	13.06	12.83	11.85	11.21
	3.81	1.42	0.79	0.22	0.17	0.20	0.34

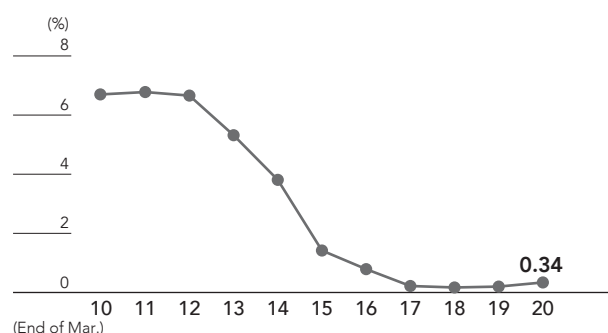
Common Equity Per Share



Common equity per share has continued to increase on a steady buildup of profits.

Note: Shinsei Bank consolidated its shares with a rate of ten shares of common stock into one share on October 1, 2017.

Nonperforming Loan Ratio under the Financial Revitalization Law (Nonconsolidated)



As we have sharply reduced claims classified as nonperforming loans stemming from the global financial crisis sparked by the collapse of Lehman Brothers, the nonperforming loan ratio under the Financial Revitalization Law remains at a low level, and our asset quality has improved.

Review of Fiscal 2019

Results of Operations

(FY)	Billions of yen		
	2019	2018	Change(Amount)
Consolidated (Management Accounting Basis)			
Net interest income	133.5	133.8	-0.3
Noninterest income	106.4	95.9	10.5
Net fees and commissions	32.4	31.3	1.0
Net trading income	15.8	6.6	9.1
Net other business income	58.2	57.8	0.3
Income on lease transactions and installment receivables	40.8	37.5	3.3
Total revenue	239.9	229.7	10.2
General and administrative expenses	-149.5	-144.7	-4.8
Ordinary business profit (OBP)	90.4	84.9	5.4
Net credit costs	-39.1	-29.3	-9.8
OBP after net credit costs	51.2	55.6	-4.4
Amortization of goodwill and other intangible assets	-2.4	-2.8	0.3
Other gains	0.3	1.7	-1.3
Income before income taxes	49.2	54.5	-5.3
Current income tax	-4.1	-3.8	-0.3
Deferred income tax	0.0	1.3	-1.2
Profit attributable to noncontrolling interests	0.4	0.2	0.2
Profit attributable to owners of the parent	45.5	52.3	-6.7

Highlights of Fiscal 2019 Results of Operations (from April 1, 2019 to March 31, 2020)

Total revenue was ¥239.9 billion in the current year, increased by ¥10.2 billion from the previous year.

- **Net interest income** was ¥133.5 billion, a slight decrease of ¥0.3 billion from ¥133.8 billion in the previous year. This was mainly due to a decrease in the housing-related loans in APLUS FINANCIAL and the Retail Banking, despite an increase in the operating assets in the Structured Finance.
- **Noninterest income** was ¥106.4 billion, an increase of ¥10.5 billion from ¥95.9 billion in the previous year. This was mainly due to an increase in major businesses such as shopping credits in APLUS FINANCIAL, steady performance in the securities intermediation and Retail Banking, gains on sales of stocks in the Institutional Business and of government and other bonds in Treasury through our ALM operations.

General and administrative expenses were ¥149.5 billion in the current year, an increase of ¥4.8 billion from the previous year. This was mainly due to the newly-acquired consolidated subsidiaries in the current year and the optimization of the group business sites, in addition to systems expenses associated with the start

of its operations of our new core banking system.

Net credit costs was ¥39.1 billion (expense), an increase of ¥9.8 billion from the previous year. This was mainly due to the reserves for loan losses to prepare for credit deterioration of the borrowers caused by the COVID-19 pandemic, in addition to the absence of the reversal of reserves for loan losses recorded in the previous year in the Institutional Business as well as the elimination of disposal costs associated with the bulk sale of delinquent loans recorded in the previous year in APLUS FINANCIAL.

Reserve for excess interest repayment (Kabarai) was reversed by ¥2.6 billion (gain). This includes ¥4.5 billion reversal in Shinsei Financial, ¥1.7 billion provisioning in APLUS and ¥0.1 billion provisioning in Shinsei Personal Loan.

Profit attributable to owners of parent resulted in ¥45.5 billion.

Financial Ratios

Net interest margin improved to 2.47% from 2.46% in fiscal 2018, reflecting reduction of deposit related funding costs.

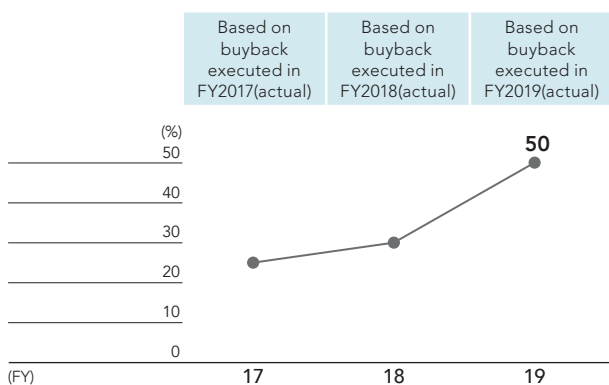
In **asset quality**, the ratio of nonperforming loans disclosed under the Financial Revitalization Law (non-consolidated basis) remained low at 0.34%. The Risk-Monitored Loan Ratio (consolidated basis) stood at 1.71%.

In **capital adequacy**, common equity Tier 1 (CET 1) ratio under the Basel III international standards (fully loaded basis) was 11.3%, down from 12.0% at the end of March 2019. The CET 1 capital increased due to the steady increase of net income while risk assets increased in the Structured Finance and Consumer Finance businesses as well as the consolidation of Shinko Lease by Showa Leasing. CET 1 ratio continues to be maintained at ample levels.

Shareholder Return

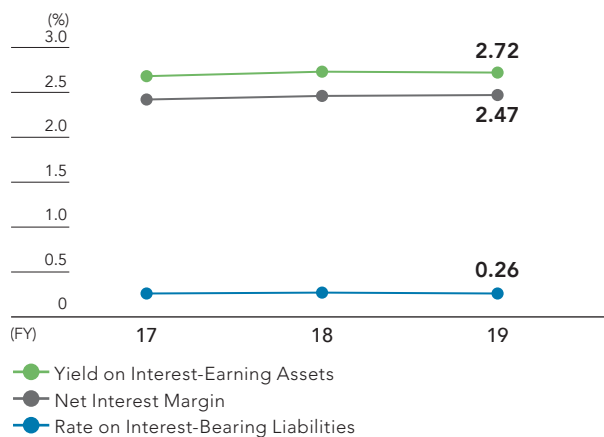
During fiscal 2019, a total of ¥23.5 billion in acquisition of treasury shares was completed, aiming to improve per share value, considering current share price, financial/capital condition and market environment. Fiscal 2019 total shareholder return ratio based on the earnings in fiscal 2018 resulted in 50% including the share buyback and year-end dividends.

Total Shareholder Return



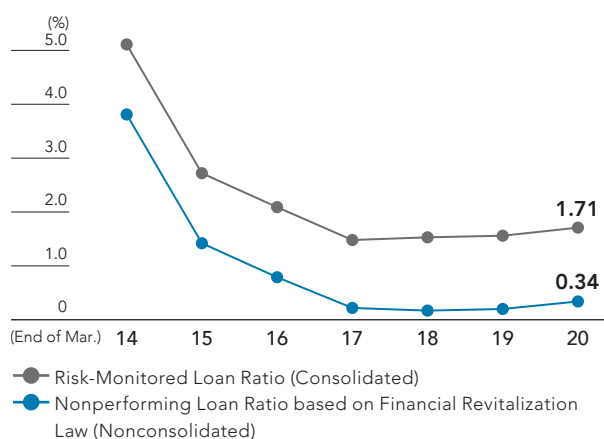
	(Billions of yen, %)		
	FY17 Shareholder return based on FY16 net income	FY18 Shareholder return based on FY17 net income	FY19 Shareholder return based on FY18 net income
Total Shareholder Return (A)	12.5	15.5	25.9
Net Income (B)	50.7	51.4	52.3
Total Shareholder Return Ratio (A / B)	25%	30%	50%

Net Interest Margin

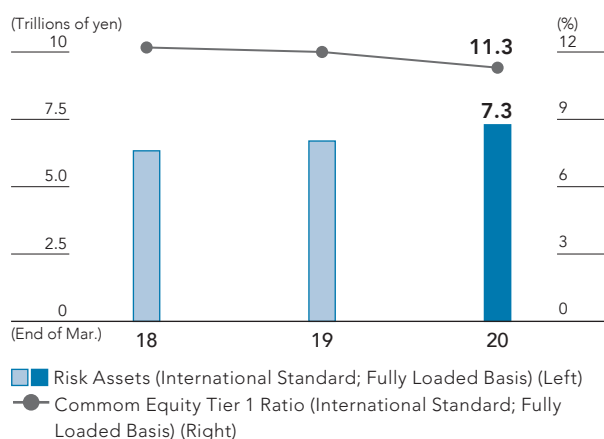


Risk-Monitored Loan Ratio

NPL Ratio based on Financial Revitalization Law



Common Equity Tier 1 Ratio



Glossary

ESG

ESG

An acronym for Environment, Social and Corporate Governance, which refers to perspectives important to the long-term growth and development of a company.

GHG Emissions

CO₂ and other greenhouse gas emissions. Classified into direct emissions by the operator itself (Scope 1), indirect emissions associated with the use of electricity and other materials supplied by other companies (Scope 2), and joint emissions outside the Scope 1 and Scope 2 positions (Scope 3).

Sustainable Finance

Financial methods for global environmental sustainability.

Business

Advisory

Shinsei Bank's advisory business proposes solutions to meet customers' diverse needs in areas such as M&A, corporate restructuring and fundraising in Japan and overseas.

Alternative Investment

Alternative investment is a new investment method, such as private equity and real estate investment, not traditional asset management such as equity or bond.

API

API, abbreviation of Application Programming Interface, means to link and coordinate more than one software.

Business Succession Support

The provision of investments and loans to meet capital requirements for the transfer of shares, etc. to customers considering family members or employees as business successors in order to facilitate the smooth handover of business ownership.

Cloud (Cloud Service, Cloud Computing)

A utility form in which computer resources are provided in the form of services via the internet and other computer networks.

DDoS Attack

A method of server attack in which a number of devices on the internet send simultaneous connection requests to a specific network or computer, overburdening it and causing it to malfunction.

Derivative

Derivative is a collective term referring to transactions that are derived from or linked to other underlying transactions such as interest rate, bond, foreign exchange and equity transactions. They are also called "financial derivatives" since most of the transactions originate from financial products.

Economic Ecosystem

The Economic Ecosystem refers to the entire industry environment and all of its constituent moving parts and their interactions, much like the ecosystems of the natural world.

Fiduciary Duty

The responsibility held by a trustee towards their beneficiary. In finance, this refers to the responsibility that financial institutions have towards their customers and their entrusted assets.

Finance as a Service

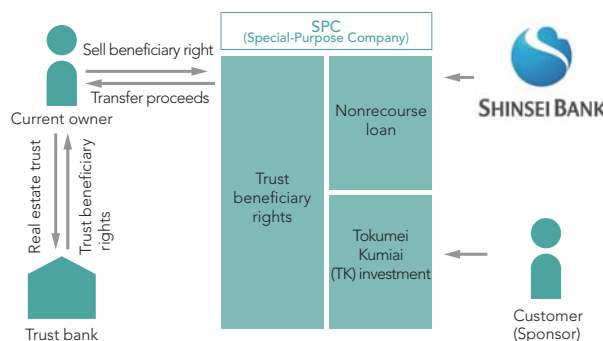
Financial product is unbundled and provided as each of functions rather than as a package.

Neobank

A company that provides financial services in a nonbank industry but through partnerships with existing banks.

Nonrecourse Loan

Nonrecourse Loans are finances for which repayment is made solely from the cash flows generated from specific businesses or assets (typically, but not always real estate), with no recourse to the sponsor.



Platformer

A provider of platform and system for users.

Principal Transactions

Principal Transactions generally refer to a bank's proprietary investments. Shinsei Bank proactively makes proprietary investments in the Credit Trading and Private Equity businesses in order to meet customers' needs for corporate restructuring, business succession and growth funds.

Private Equity

In general, Private Equity refers to privately placed shares and shares that are not traded in stock exchanges or over-the-counter markets. Private equity investments can be classified into venture capital, which is an investment to growing companies, and investments to acquire control of mature companies in order to implement restructuring. Shinsei Bank is proactively engaged in venture capital investments, investing in up to 5% of total shares with representative rights of customers planning a public share offering as well as making buyout investments related to business divestments from mature companies.

Project Finance

Project Finance refers to loans to finance specific projects for which the principal source of repayment is the cash flow generated from the project itself. Project Finance is often used for medium- to long-term projects in energy, natural resources and infrastructure.

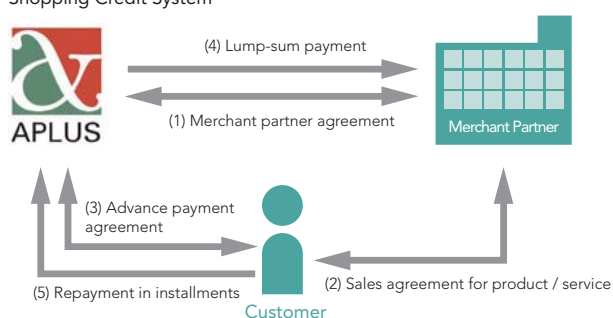
RPA (Robotic Process Automation)

RPA refers to technology that allows for the streamlining and automation of the simple tasks such as white-collar labor.

Shopping Credit

Shopping Credit is a service that allows customers to pay for goods or services in installments without using a credit card. The Shinsei Bank Group offers this service primarily through APLUS.

Shopping Credit System



- (1) APLUS concludes a merchant partner agreement with the merchant partner
- (2) Customer purchases a product or a service from the merchant partner
- (3) Customer applies to APLUS for installment sales credit
- (4) APLUS pays the purchase price for the product / service as a lump sum to the merchant partner
- (5) Customer repays the purchase price to APLUS in installments

Specialty Finance

Specialty Finance at Shinsei Bank refers to M&A finance, LBO finance and other types of finance that focus on the cash flows and value generated by businesses and assets. It is a type of structured finance.

Structured Finance

Structured Finance refers to finance requiring special structures. In general, it takes the form of project finance or nonrecourse finance which focuses on the cash flows or value generated by a specific project or asset. Shinsei Bank is primarily active in real estate finance, project finance, M&A finance and corporate restructuring finance.

Syndicated Loans

Syndicated Loans are loans provided jointly by a syndication of multiple financial institutions (lender group) based on a single loan agreement.

UI / UX

UI (User Interface) is the space where interactions between humans and machines occur, such as font or graphical content. UX (User Experience) refers to a person's experience by using a particular product or service.

Unsecured Loan

A type of loan / product offered by financial institutions such as banks and consumer finance companies that enables a consumer to borrow without security.

Finance

Common equity per share

Common equity per share is calculated by dividing common equity by the total number of common shares outstanding at the end of the term.

Earnings per share

Earnings per share is calculated by dividing net income by the total number of common shares.

Excess Interest Repayment (Kabarai)

Prior to the interest rate reduction implemented as part of the revisions to the Money Lending Business Law, the interest rates on some consumer finance products offered by the Shinsei Bank Group's subsidiaries exceeded the upper limit stipulated by the Investment Law. Following a ruling by the Supreme Court in January 2006, customers who paid more than the upper limit stipulated by the Investment Law have been allowed to request a refund of the extra interest paid. Accordingly, consumer finance companies have recorded reserves in order to cover losses on (grey zone) excess interest repayments.

Net Credit Costs

Net Credit Costs are the sum of reserves for loan losses set aside (credit costs) according to the credit standing of borrowers, write-off (losses), reversal (gains) of reserves for loan losses and recoveries of written-off claims resulting from their disposal.

Nonperforming loan ratio under the Financial Revitalization Law

Nonperforming loan ratio is the ratio of nonperforming claims under the Financial Revitalization Law to total claims.

Ordinary Business Profit (Loss)

Ordinary Business Profit (Loss)—the indicator of profit (loss) from core business after expenses—is calculated by subtracting "expenses" from "total revenue." "Net credit costs" are excluded from this calculation.

Profit attributable to owners of the parent

Profit attributable to owners of the parent indicates the final profit over a twelve-month fiscal term in accounting terms.

Total Return Ratio

The Total Return Ratio shows the magnitude of a company's shareholder returns.

Total Revenue

Total Revenue is composed of "Net interest income" such as interest from loans and "Noninterest income" such as fee income, as indicated by gross profit from core business operations.

Financial Statements (Consolidated)

Please see Shinsei Bank's Integrated Report 2020 Data Appendix for supplemental financial information (including Notes).

CONSOLIDATED BALANCE SHEET

Shinsei Bank, Limited, and its Consolidated Subsidiaries
As of March 31, 2020

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2020	2019	2020
ASSETS			
Cash and due from banks (Notes 4, 23 and 36)	¥ 1,614,134	¥ 1,355,966	\$ 14,912,550
Receivables under securities borrowing transactions (Note 36)	—	2,119	—
Other monetary claims purchased (Notes 5 and 36)	63,575	30,994	587,354
Trading assets (Notes 6, 23, 36 and 37)	213,707	204,415	1,974,385
Monetary assets held in trust (Notes 7, 23 and 36)	415,107	305,879	3,835,062
Securities (Notes 8, 23 and 36)	957,040	1,130,286	8,841,834
Loans and bills discounted (Notes 9, 23 and 36)	5,110,404	4,986,839	47,213,640
Foreign exchanges (Note 10)	73,879	29,546	682,551
Lease receivables and leased investment assets (Notes 23, 33 and 36)	193,445	176,553	1,787,186
Other assets (Notes 11, 23, 36 and 37)	1,007,605	851,287	9,308,998
Premises and equipment (Notes 12, 23 and 33)	69,414	45,341	641,300
Intangible assets (Notes 13 and 33)	67,073	67,189	619,676
Assets for retirement benefits (Note 20)	5,683	10,931	52,511
Deferred tax assets (Note 30)	16,977	15,096	156,854
Customers' liabilities for acceptances and guarantees (Note 21)	526,520	456,759	4,864,384
Reserve for credit losses (Note 14)	(107,998)	(98,034)	(997,766)
Total assets	¥ 10,226,571	¥ 9,571,172	\$ 94,480,520
LIABILITIES AND EQUITY			
Liabilities:			
Deposits, including negotiable certificates of deposit (Notes 15, 23 and 36)	¥ 6,305,161	¥ 5,922,145	\$ 58,251,673
Call money (Notes 36)	165,000	145,000	1,524,390
Payables under repurchase agreements (Notes 23 and 36)	38,956	59,098	359,908
Payables under securities lending transactions (Notes 23 and 36)	350,407	510,229	3,237,321
Trading liabilities (Notes 16, 36 and 37)	183,943	182,363	1,699,400
Borrowed money (Notes 17, 23 and 36)	881,991	684,077	8,148,482
Foreign exchanges (Note 10)	687	471	6,356
Short-term corporate bonds (Note 36)	221,300	191,000	2,044,531
Corporate bonds (Notes 18 and 36)	166,500	92,335	1,538,248
Other liabilities (Notes 19, 23, 36 and 37)	404,973	347,383	3,741,437
Accrued employees' bonuses	8,560	8,598	79,086
Accrued directors' bonuses	47	44	443
Liabilities for retirement benefits (Note 20)	8,422	8,232	77,811
Reserve for directors' retirement benefits	50	—	465
Reserve for reimbursement of deposits	621	—	5,746
Reserve for reimbursement of debentures	3,513	3,764	32,456
Reserve for losses on interest repayments	49,308	63,025	455,550
Deferred tax liabilities (Note 30)	119	—	1,107
Acceptances and guarantees (Notes 21, 23 and 36)	526,520	456,759	4,864,384
Total liabilities	9,316,086	8,674,529	86,068,796
Equity:			
Common stock (Note 24)	512,204	512,204	4,732,119
Capital surplus	78,506	78,506	725,299
Stock acquisition rights (Note 25)	125	99	1,164
Retained earnings	389,600	346,562	3,599,412
Treasury stock, at cost (Note 24)	(61,097)	(37,729)	(564,460)
Accumulated other comprehensive income:			
Unrealized gain (loss) on available-for-sale securities (Note 8)	4,755	10,041	43,936
Deferred gain (loss) on derivatives under hedge accounting	(15,719)	(16,391)	(145,230)
Foreign currency translation adjustments	(1,670)	(1,527)	(15,430)
Defined retirement benefit plans (Note 20)	(3,585)	378	(33,123)
Total	903,120	892,143	8,343,686
Noncontrolling interests	7,364	4,498	68,038
Total equity	910,485	896,642	8,411,724
Total liabilities and equity	¥ 10,226,571	¥ 9,571,172	\$ 94,480,520

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

CONSOLIDATED STATEMENT OF INCOME

Shinsei Bank, Limited, and its Consolidated Subsidiaries
For the fiscal year ended March 31, 2020

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2020	2019	2020
Interest income:			
Interest on loans and bills discounted	¥ 140,216	¥ 140,177	\$ 1,295,418
Interest and dividends on securities	10,794	12,531	99,727
Interest on deposits with banks	1,121	1,162	10,362
Other interest income	1,645	971	15,203
Total interest income	153,777	154,843	1,420,711
Interest expenses:			
Interest on deposits, including negotiable certificates of deposit	6,357	7,802	58,733
Interest and discounts on debentures	—	0	—
Interest on other borrowings	2,918	3,356	26,965
Interest on corporate bonds	283	466	2,616
Other interest expenses	10,707	9,401	98,925
Total interest expenses	20,266	21,027	187,239
Net interest income	133,510	133,816	1,233,471
Fees and commissions income	59,213	55,332	547,057
Fees and commissions expenses	26,782	23,981	247,434
Net fees and commissions	32,431	31,351	299,623
Net trading income (loss) (Note 26)	15,821	6,673	146,174
Other business income (loss), net:			
Income on lease transactions and installment receivables, net	40,840	37,525	377,314
Net gain (loss) on monetary assets held in trust	3,407	2,535	31,483
Net gain (loss) on foreign exchanges	64	6,719	598
Net gain (loss) on securities	4,787	378	44,229
Net gain (loss) on other monetary claims purchased	194	809	1,801
Other, net (Note 27)	8,937	9,886	82,568
Net other business income (loss)	58,232	57,854	537,993
Total revenue	239,996	229,696	2,217,261
General and administrative expenses:			
Personnel expenses	58,065	56,509	536,449
Premises expenses	20,134	19,679	186,016
Technology and data processing expenses	24,952	23,265	230,526
Advertising expenses	11,433	10,951	105,629
Consumption and property taxes	10,489	10,406	96,914
Deposit insurance premium	1,581	1,645	14,613
Other general and administrative expenses	23,400	23,275	216,194
General and administrative expenses	150,057	145,734	1,386,341
Amortization of goodwill and intangible assets acquired in business combinations	2,436	2,811	22,510
Total general and administrative expenses	152,494	148,545	1,408,851
Net business profit (loss)	87,502	81,150	808,409
Net credit costs (recoveries) (Note 28)	39,183	29,348	362,003
Other gains (losses), net (Note 29)	881	2,782	8,139
Income (loss) before income taxes	49,200	54,584	454,546
Income taxes (benefit) (Note 30):			
Current	4,119	3,810	38,056
Deferred	(45)	(1,306)	(419)
Profit	45,126	52,080	416,909
Profit (loss) attributable to noncontrolling interests	(449)	(239)	(4,154)
Profit attributable to owners of the parent	¥ 45,575	¥ 52,319	\$ 421,063
		Yen	U.S. dollars (Note 1)
Basic earnings per share (Note 31)	¥ 190.59	¥ 211.24	\$ 1.76
Diluted earnings per share (Note 31)	¥ 190.55	¥ 211.22	\$ 1.76

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Stock and Credit Rating Information

Stock Information

(As of March 31, 2020)

Shares Outstanding and Capital

(1,000 shares, millions of yen)

Date	Shares outstanding		Capital		Capital surplus		Notes
	Change	Balance	Change	Balance	Change	Balance	
July 29, 2003	(1,358,537)	2,033,065 ¹	—	451,296	—	18,558	2-for-1 reverse share split for common shares Post reverse split common shares outstanding 1,358,537 thousand shares
July 31, 2006	(99,966)	1,933,098 ¹	—	451,296	—	18,558	Use of call feature for Series 3 Class-B preferred shares Issuance of 200,033 thousand common shares Retirement of Series 3 Class-B preferred shares -300,000 thousand shares
November 16, 2006	(85,000)	1,848,098 ¹	—	451,296	—	18,558	Cancellation of treasury shares (common) -85,000 thousand shares
August 1, 2007	(100,000)	1,748,098 ¹	—	451,296	—	18,558	Mandatory acquisition of Series 3 Class-B preferred shares Issuance of 200,000 thousand common shares Retirement of Series 3 Class-B preferred shares -300,000 thousand shares
February 4, 2008	117,647	1,865,746 ¹	25,000	476,296	25,000	43,558	Third-party allocation of shares (common shares) Subscription price ¥425, par value ¥212.5
March 31, 2008	194,600	2,060,346	—	476,296	—	43,558	Use of call feature for Series 2 Class-A preferred shares Issuance of 269,128 thousand common shares Retirement of Series 2 Class-A preferred shares -74,528 thousand shares
March 15, 2011	690,000	2,750,346	35,907	512,204	35,907	79,465	New shares issued through International Offering (common shares) Subscription price ¥108, par value ¥52.04
October 1, 2017	(2,475,312)	275,034	—	512,204	—	79,465	10-for-1 reverse share split for common shares Post reverse split common shares outstanding 275,034 thousand shares
May 18, 2018	(16,000)	259,034	—	512,204	—	79,465	Cancellation of treasury shares (common) -16,000 thousand shares

1 Figures include number of preferred shares outstanding

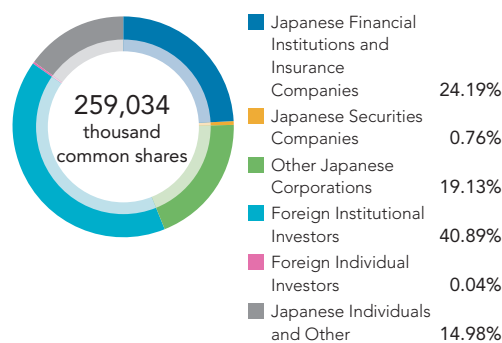
Largest Shareholders

Common Stock

Rank	Shareholders	Thousands of Common Shares	%
1	SHINSEI BANK, LIMITED	28,290	10.92%
2	Deposit Insurance Corporation of Japan	26,912	10.38%
3	SBI Holdings, Inc.	21,926	8.46%
4	THE RESOLUTION AND COLLECTION CORPORATION	20,000	7.72%
5	THE MASTER TRUST BANK OF JAPAN, LTD. (TRUST ACCOUNT)	14,013	5.40%
6	SSBTC CLIENT OMNIBUS ACCOUNT	9,110	3.51%
7	JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT 9)	8,131	3.13%
8	JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT)	6,062	2.34%
9	GOLDMAN SACHS & CO.	6,044	2.33%
10	STATE STREET BANK AND TRUST COMPANY 505103	4,047	1.56%
11	JPMORGAN CHASE BANK 385151	3,385	1.30%
Total (includes treasury shares)		259,034	100.00%

Note: As of March 31, 2020, in total, the Deposit Insurance Corporation and the Resolution and Collection Corporation hold 46,912,888 common shares or 20.33% of Shinsei Bank's outstanding common shares, excluding treasury shares.

Beneficial Ownership / Type of Shareholder



Notes: 1 "Japanese Financial Institutions and Insurance Companies" includes the Resolution and Collection Corporation.
2 "Other Japanese Corporations" includes the Deposit Insurance Corporation.
3 "Japanese Individuals and Other" includes treasury shares.

Ratings Information

(As of June 30, 2020)

	Long-Term (Outlook)	Short-Term
R&I	A- (Stable)	a-1
JCR	A- (Stable)	J-1
S&P	BBB (Stable)	A-2
Moody's	Baa1 (Stable)	Prime-2