

SBI Shinsei Bank became a member of the SBI Group in both name and reality. We will create further synergies and achieve sustainable growth.

Katsuya Kawashima
President and CEO



From Shinsei Bank to SBI Shinsei Bank

We would like to express our sincere gratitude for your continued patronage.

The SBI Shinsei Bank Group became a member of the SBI Group in December 2021, and fiscal 2022 was essentially the first year since joining the SBI Group.

Established in 1999 as a pioneer in Internet financial services in Japan, the SBI Group has built a globally unprecedented business ecosystem that offers financial services, including securities, banking and insurance as its core business. Furthermore, the SBI Group is currently working to evolve this business ecosystem into a “digital space ecosystem” amid projected digitization not only in the financial sector but also in various other fields which serves society. The SBI Group has approximately 19,000 employees on a consolidated basis and a customer base of 46 million (including

the SBI Shinsei Bank Group as of the end of March 2023). The SBI Shinsei Bank Group plays an important role as a core company in the banking business in the Financial Services segment.

During the past year, we have endeavored to expand our customer base and improve profitability under our basic philosophy of “Customer-centric Principle.” The Customer-centric Principle is positioned as the source of the SBI Group’s corporate value creation and is consistent with all

Basic Management Viewpoint of the Business Structure of the SBI Group

1. Thorough Pursuit of the “Customer-centric Principle”
2. Formation of a “Business Ecosystem” and Exhaustive Pursuit of Group Synergies
3. Thorough Devotion to Innovative Technology
4. Formulate and Implement Strategies that Anticipate the Near Future
5. Public Benefit Leads to Private Benefit
6. Going Beyond Finance with Finance as its Core

of the Group’s businesses. Examples include the enhancement and buildup of competitiveness in products and services in the individual business and the Triangle Strategy to realize regional revitalization. As a result of these initiatives, I feel that the expectations of customers and the market have changed significantly.

On January 4, 2023, the Bank changed its corporate name from Shinsei Bank to SBI Shinsei Bank. The new corporate name made it clear that we are a member of the SBI Group in terms of both name and reality, while valuing the Bank Group’s culture and history. On the first day as SBI Shinsei Bank, a ceremony was held at the head office in Nihonbashi-Muromachi to commemorate the new beginning, with the participation of Mr. Yoshitaka Kitao, representative of the SBI Group, and the Bank made a new start under the new name.

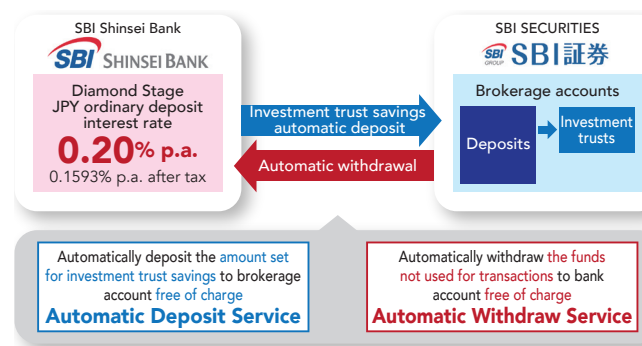
Achievements in the First Year of the Medium-Term Management Plan

In order to achieve the medium-term management plan, the “SBI Shinsei Bank Group Medium-Term Vision” was established in fiscal 2022, the Bank Group has been proactively pursuing sales activities and expanding points of contact with customers. As a result, total revenue for fiscal 2022 was 240.2 billion yen, the highest level in 10 years, and net income was 42.7 billion yen, a significant increase from 20.3 billion yen in the previous fiscal year. In addition, operating assets (including marketable securities) and deposits totaled 10.3 trillion yen (up 2.2 trillion yen year on year) and 9.9 trillion yen (up 3.5 trillion yen year on year), respectively, achieving the targets in the Medium-Term Vision ahead of schedule.

To pursue the initiatives for achieving the Medium-Term Vision, we are focusing on collaboration with the SBI Group in particular. In the individual business, we focused on enhancing products and services and competitiveness,

including collaboration with SBI SECURITIES. We have opened SBI SHINSEIBANK MONEYPLAZA, a joint branch with SBI MONEYPLAZA, a subsidiary of SBI SECURITIES, in three locations, Ikebukuro, Ginza and Umeda. Our ability to provide a wide range of products and leverage the collective strengths of the SBI Group has earned us a strong

reputation among customers. In addition, the number of accounts for individual customers turned to a net increase for the first time in four years. This was a result of our efforts to enhance customers’ convenience and benefits such as a substantial increase in deposit interest rates, the lowest level of housing loan rate in the industry, the full elimination of convenience store ATM fees, simultaneous account openings with SBI SECURITIES. In fiscal 2022, the number of accounts increased by approximately 110,000. In April 2023, we launched a new service, SBI Shinsei Connect, which automates deposits and withdrawals between accounts. We are working to further strengthen our products and services.

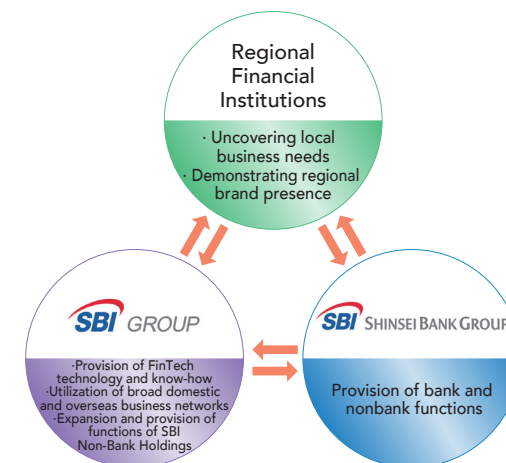


Deepening and advancement of strengths

| | |
|------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Enhancement of the competitiveness | In retail banking business, focused on enhancing products and services and strengthening competitiveness. Started the construction of a new retail banking structure to expand the customer base and improve profitability |
| A platformer for regional financial institutions | In the institutional business, the customer base expanded significantly reflecting revitalization of sales activities. Strengthened presence as a platformer for regional financial institutions and increased collaboration with regional banks, centered on cofinancing |
| Strategic and flexible management of marketable securities | Though in a difficult economic environment, diversified and expanded scale of assets for management of marketable securities. Controlled risk (unrealized loss) at a low level through strategic operations |

In the institutional business, the Bank Group significantly expanded its customer base through introductions of customers and projects. In addition, the Bank Group promoted collaboration to realize regional revitalization based on the Triangle Strategy, which utilizes the functions of regional financial institutions, the SBI Group, and the SBI Shinsei Bank Group in a trinity. Partnerships with regional banks have increased, particularly in co-financing, and our presence as a platformer of regional financial institutions has expanded, as well. In the area of marketable securities, which is the Bank Group’s new area of focus, we are leveraging the knowledge of the SBI Group helping us diversify and expand the scale of assets under management.

As a result of these activities, we believe that collaboration with the SBI Group generated approximately 5 billion yen in revenue in fiscal 2022 and that we are on track to achieve the 15 billion yen target in fiscal 2024 envisioned in the Medium-Term Vision. The cost of generating synergies was approximately 4 billion yen, but this mainly reflected one-time initiatives, including the cost of changing the corporate name. We are also making progress in establishing an organizational structure for sustainable growth, including changing corporate names, reorganizing group companies, strategically allocating human resources and withdrawing from unprofitable businesses and investments.



Development of organizational structure for sustainable growth

| | |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Change of corporate name | Accelerated synergies by leveraging positive effects in brand awareness and brand power Benefits such as an increase in the pace of account openings and an increase in visits to branches by customers having SBI SECURITIES’ accounts |
| Group company reorganization | Promoting advancement and deepening of strengths and improvement of productivity by integrating functions with the SBI Group Active allocation of optimal human resources on a SBI Group-wide basis |
| Review of profitability and growth | Implemented a comprehensive review of the profitability and growth potential of businesses, investments and loans Decided to withdraw from 13 unprofitable businesses, investments and loans |



Promotion of Sustainability Management

We consider sustainability management to be one of the most important elements in the management of the Bank Group. In the Medium-Term Vision, one of the three basic strategies is to “achieve sustainability through business activities.”

The Bank Group, as a financial institution, supports its customers not only from the financial aspect but also from the viewpoint of risks and opportunities related to sustainability. The Bank Group’s philosophy is to create a positive impact by actively supporting customers who are working to resolve environmental and social issues, which will lead to the realization of a sustainable environment and society and a virtuous cycle for the sustainable growth for the Bank Group.

In institutional business, we are strengthening our efforts for sustainable finance. We have added Positive Impact Finance, Transition Finance and ZEH development fund to our menu. In the

individual business, we have begun handling Sustainability Deposits, in which deposits received from retail customers are used to finance projects that address environmental and social issues.

Initiatives for climate change are one of our priority issues. We are working to reduce greenhouse gas emissions by integrating our offices and switching to power derived from renewable energy sources. We are also working to ascertain the emissions of our loan and investment targets. The status of compliance is disclosed in accordance with the TCFD framework.

The Bank Group believes that the ability of all employees to demonstrate their abilities and work with satisfaction leads to the provision of optimal value to customers, and that it is essential for the organization to grow and transform itself. In addition, we believe that we can continue to create new values as an organization by having human resources with diverse characteristics and values recognize and accept each other and leverage their respective strengths to generate synergies.

To this end, we are pursuing a variety of initiatives to improve human capital, such as proactively working to create systems and a corporate culture that enables us to attract and retain diverse human resources who can realize sustainable value creation.

Achieving the Medium-Term Vision and Further Growth

We are entering an age of turmoil, with unprecedented uncertainty, including changes in domestic and foreign monetary policy, the persistently high level of inflation, and heightened geopolitical risks. Under these circumstances, the SBI Group is actively promoting the use of technologies, including AI and blockchain, as part of its efforts to “going beyond finance with finance as its core,” and working to diversify in three areas (customers, financial products and services and business fields), aiming to evolve into a digital space ecosystem.

Based on this overall strategy, the Bank Group, as a member of the SBI Group, will promote the creation of further synergies within the SBI Group. In addition to making maximum use of the effects of the change in corporate name, in the individual business, we aim to promote collaboration with SBI SECURITIES and other entities, while in the institutional business, we endeavor to expand transactions with regional financial institutions for regional revitalization. In addition, by expanding



our customer base and financial base, we will strive to achieve qualitative improvements and quantitative expansion.

Between May 15 and June 23, 2023, the Bank's parent company, SBI Regional Bank Holdings Co., Ltd., made a tender offer for the Bank's shares, which resulted in SBI Regional Bank Holdings owning 53.74% of the voting rights of the Bank. In the future, due to the share consolidation, the Bank's shareholders will be limited to SBI Regional Bank Holdings, the Resolution and Collection Corporation and the Deposit Insurance Corporation, and the Bank's shares will be delisted. After delisting, we will be able to make more agile and flexible decisions than before, further integrate with the SBI Group, and establish and execute medium- to long-term management strategies. In addition, we believe that synergies and benefits can be realized by further strengthening businesses through mutually complementing functions with

the SBI Group and its customer base, promptly allocating optimal management resources throughout the SBI Group, and reducing listing maintenance costs. Through the realization of synergies and benefits, we will strive to improve the Bank Group's corporate value through consolidation of profitability and enhance equity capital.

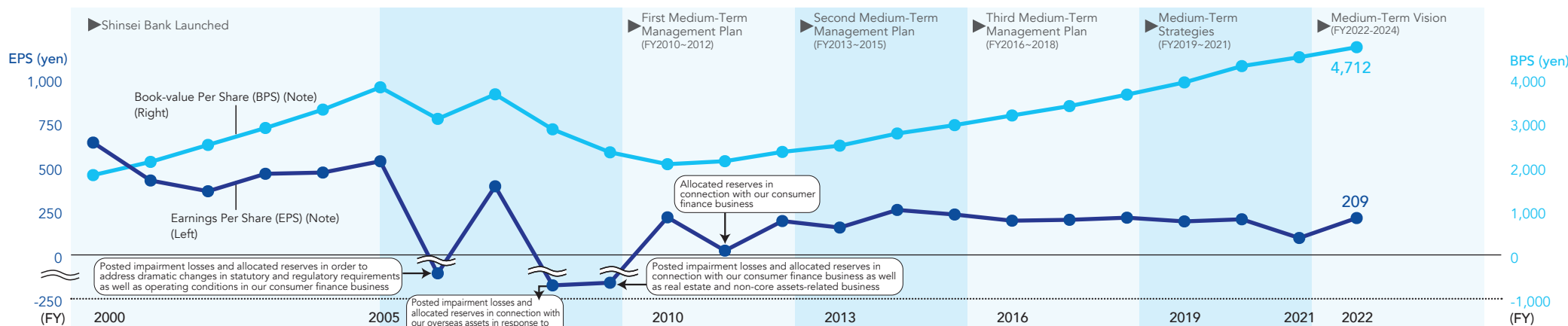
As a member of the SBI Group, the SBI Shinsei Bank Group will continue to thoroughly implement a "Customer-centric Principle" with the aim of achieving the Medium-Term Vision and achieving sustainable growth.

July 2023

President and CEO
Katsuya Kawashima

Evolution of the SBI Shinsei Bank Group

Since our launch as Shinsei Bank, Limited in 2000, the Group has expanded its financial functions. We became a consolidated subsidiary of the SBI Group in December 2021, and changed our corporate name to SBI Shinsei Bank on January 4th, 2023. We aim to further expand our customer base, utilize technology and evolve into a leading banking group providing pioneering and advanced finance.



External Environment 2000 Collapse of the IT bubble economy

2005 End of the government guarantee on full savings deposits
2008 Bankruptcy of Lehman Brothers

2016 Introduction of negative interest rate policy
2020 COVID-19 crisis

Note: Shinsei Bank executed a 1-for-10 reverse stock split on October 1, 2017. Per share data is calculated on the assumption that this reverse stock split was executed prior to fiscal 2016.

Transition of the SBI Shinsei Bank Group

1952 The Long-Term Credit Bank of Japan, Limited established
1998 Due to business failures, temporary nationalization and special public management began based on the Financial Revitalization Law
2021 Shinsei Bank, Limited became a consolidated subsidiary as a result of a tender offer by SBI Holdings, which is involved in a wide range of financial services, including securities, banking, and insurance.

2000 Shinsei Bank launched
Name changed from The Long-Term Credit Bank of Japan, Limited (LTCB), to Shinsei Bank, Limited
2001 Shinsei Securities Co., Ltd. commenced operations
2003 Shinsei Investment Management Co., Ltd. commenced operations

2004 APLUS Co., Ltd. converted into a consolidated subsidiary. Listed the Bank's common stock on the First Section of the Tokyo Stock Exchange. Converted the Bank's long-term credit bank charter to an ordinary bank charter
2005 Showa Leasing Co., Ltd. converted into a consolidated subsidiary
2007 SHINKI Co., Ltd. (now Shinsei Personal Loan Co., Ltd.) converted into a consolidated subsidiary
2008 GE Consumer Finance Co., Ltd. (now Shinsei Financial Co., Ltd.) converted into a consolidated subsidiary

2016 Showa Leasing Co., Ltd. converted into a wholly owned consolidated subsidiary
Shinsei Financial Co., Ltd. entered into the unsecured personal loan business in Vietnam
2019 Acquired all shares of Financial Japan Co., Ltd. Showa Leasing Co., Ltd. acquired the shares of SHINKO LEASE CO., LTD. Formulated "Redesigning Finance" Medium-Term Strategies (fiscal 2019 to 2021)
2020 Concluded an agreement to acquire stocks of UDC Finance Limited to make it a wholly owned subsidiary
APLUS Co., Ltd. converted into a wholly owned consolidated subsidiary
2021 Shinsei Bank became a consolidated subsidiary of SBI Holdings
2022 Transferred to "Standard Market" of the Tokyo Stock Exchange
2023 Name changed from Shinsei Bank, Limited to "SBI Shinsei Bank, Limited"

Transition of Stock

2000 Preferred stock capital injection and a partial reduction of preferred stock capital without compensation
2003 Reduction of capital through the merger of two shares of common stock into one share

2006 Partial repayment of public funds / Cancellation of treasury shares
2007 Conversion of preferred stock into common stock
2008 Issuance of new shares by third-party allotment / Conversion of preferred stock into common stock

2011 Issuance of new shares through international offering
2016 Acquisition of treasury shares
2017 Acquisition of treasury shares / Merger of 10 shares of common stock into one share
2018 Acquisition and cancellation of treasury shares

2019 Implemented a secondary offering of shares of common stock of the Bank
Acquired treasury shares
2020 Acquired treasury shares
2021 Acquired treasury shares
2022 Acquired treasury shares
2023 Cancellation of treasury shares

Topics in Fiscal 2022

April

- Formed business alliance with IDOM CaaS Technology

May

- Renewal of the preferential service, i.e. "Step Up Program"
- Achieved triple crown in the survey of the brand image of housing loans by JMRO, Inc.

June

- Significant increase in interest rates on time deposits
- Achieved triple crown in the foreign currency deposit brand image survey by JMRO, Inc.
- Established the Group's sustainability goals
- Executed green loan to Hokuriku Electric Power Company
- Executed green loan to a special purpose company formed by Daiwa Energy & Infrastructure Co., Ltd.

July

- Strengthened provision of BANKIT® with the introduction of white label method
- Commenced providing comprehensive solutions to customers' sustainability issues, including support in nonfinancial areas

August

- Launched financial product intermediary and banking agency service with SBI SECURITIES
- Launched first joint branch with SBI MONEYPLAZA (Ikebukuro)
- APLUS's Code Payment Service (StarPayAplus) was adopted in the Kosai City Shopping DX Infrastructure Development Project

September

- Showa Leasing concluded a product management contract with OpenStreet Co., Ltd. for a share-cycle business
- Established the first fund to develop ZEH rental apartment development funds by Showa Leasing

October

- Launched the second joint branch with SBI MONEYPLAZA (Umeda)
- Launched SBI Wrap x SBI Shinsei Bank, a discretionary investment service, in collaboration with SBI SECURITIES
- Commenced simultaneous account openings with SBI SECURITIES
- Transferred shares of Shinsei Investment Management Co., Ltd. to Morningstar Japan K.K. (Currently SBI Wealth Advisor Co., Ltd.)

November

- Established Regional Revitalization Healthcare Corporate Loan Program
- Received the highest "Gold" status in the PRIDE Index, an initiative indicator related to LGBTQ+

December

- Received the "Excellence Award" at the 8th Sustainable Finance Awards

January

- Changed the corporate name to SBI Shinsei Bank, Limited
- Began offering housing loan products of SBI Shinsei Bank at SBI MONEYPLAZA.
- Changed brand name of unsecured card loan to "Lake" from "Lake ALSA"

February

- Launched the third joint branch with SBI MONEYPLAZA (Ginza)
- Concluded an absorption-type merger contract with SBI SECURITIES for the reorganization of Shinsei Securities
- Executed the first positive impact finance to ISHIHARA SANGYO KAISHA, LTD.
- Achieved three crowns in the "Good Housing Loan Ranking Selected by Users 2023" survey

March

- Renewed Lake's official smartphone app namely "Lake App"
- AUM exceeded 10 billion yen at the joint branches, SBI SHINSEIBANK MONEYPLAZA
- Renewed the Bank's official smartphone app, called "SBI Shinsei Bank App"

Achieved triple crown in foreign currency deposit brand image survey



Launched "SBI Wrap x SBI Shinsei Bank"



Card loan brand changed from Lake ALSA to Lake



2022

2023

May

June

August

October

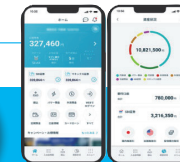
November

December

January

February

March



Renewed Step Up Program



Launched a joint branch with SBI MONEYPLAZA in Ikebukuro Branch



Received the highest "Gold" status in the PRIDE Index



Received the "Excellence Award" at the 8th Sustainable Finance Grand Awards



Changed corporate name to SBI Shinsei Bank, Limited



Achieved three crowns in the "Good Housing Loan Ranking Selected by Users 2023" survey

Renewed "SBI Shinsei Bank App"

Topic

Change of Corporate Name

New corporate name “SBI Shinsei Bank” on January 4, 2023

On January 4, 2023, the Bank changed its corporate name from Shinsei Bank, Limited to SBI Shinsei Bank, Limited. The new corporate name is meant to clarify that we are a member of the SBI Group both in name and reality, while valuing the culture and history of the SBI Bank Group thus far.

On the same day following the corporate name change, we redesigned our corporate brand logo and advertised the change via newspaper outlet.



The new corporate name and corporate brand logo

SBI Shinsei Bank, Limited



Ceremony for the New Corporate Name

A ceremony to commemorate the new corporate name and a brand-new start as SBI Shinsei Bank was held at the Head Office of the Bank at Nihonbashi-Muromachi. SBI Shinsei Bank’s executive officers as well as Mr. Yoshitaka Kitao, Representative Director, Chairman, President & CEO of SBI Holdings, Inc., Hirofumi Gomi, Chairman of the Bank, and Katsuya Kawashima, President and CEO of the Bank attended the ceremony. Several members of the press, such as television and newspapers, were in attendance covering the ceremony.

President Kawashima expressed his determination that “as a core bank of the SBI Group, we will maximize synergies within the corporate ecosystem while thoroughly adhering to the Customer-centric Principle.”



Newspaper Advertisement

Along with expanding recognition of the new corporate name “SBI Shinsei Bank,” we made a newspaper advertisement with the purpose to express our commitment to customers with the “Customer-centric Principle” of SBI Shinsei Bank.

The catch-copy “A Bank that creates new experiences. SBI Shinsei Bank Starts.” is a phrase that promises to create new experiences for customers as we are reborn and advance our existing DNA to SBI Shinsei Bank’s mind. We would like to convey the mind of SBI Shinsei Bank to all stakeholders and to the whole of society. With this in mind, we created and displayed this advertisement.



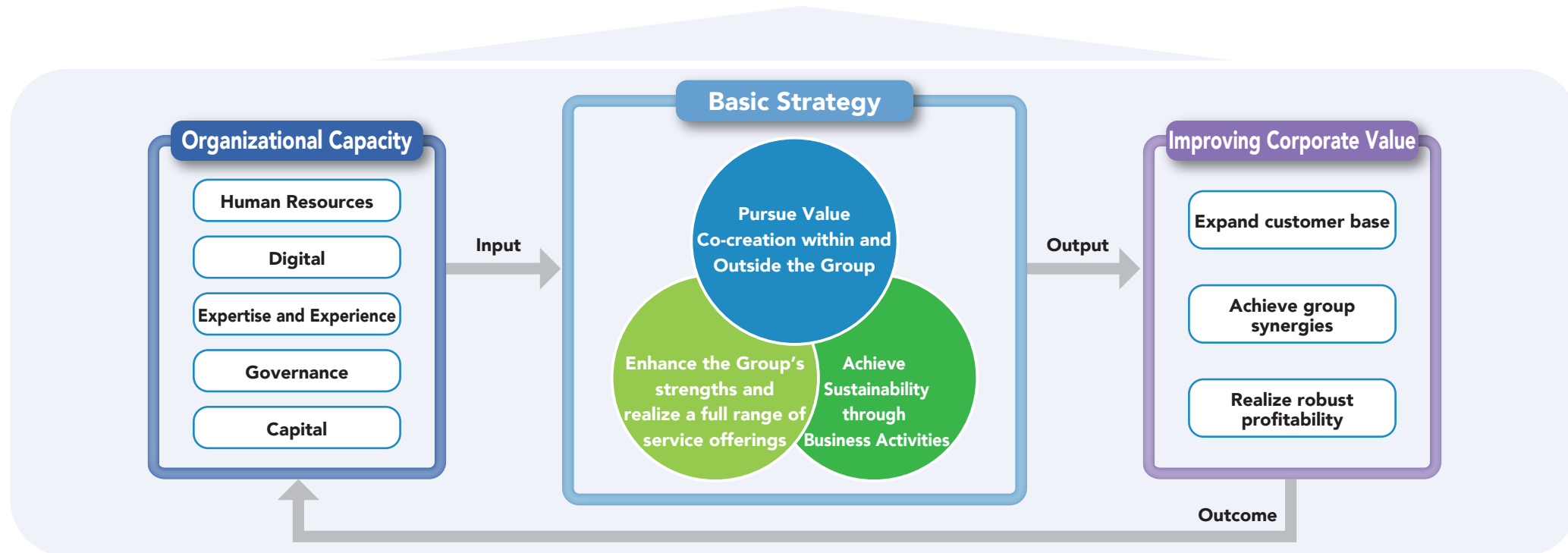
Corporate Value Creation Mechanism

Realize JPY 70 billion of consolidated net income and establish a foundation for further growth

Evolve into a leading banking group providing pioneering and advanced finance

Show the path toward repayment of public funds

Achieving the Medium-Term Vision



— Fundamentals of the SBI Group's Business Structure —

1. Adherence to the "Customer-centric Principle"
2. Forming a "corporate ecosystem" and comprehensively pursuing Group synergies
3. Thorough devotion to innovative technology
4. Formulate and execute strategies encompassing anticipated challenges in the near future
5. Public Benefit Leads to Private Benefit
6. Going Beyond Finance with Finance as its Core

Progress of the Medium-Term Vision and Summary of the First Year

The SBI Shinsei Bank Group has developed the Medium-Term Vision of the SBI Shinsei Bank Group (the “Medium-Term Vision”), a medium-term business plan covering from fiscal 2022 to 2024. Based on the SBI Group’s universally fundamental management viewpoint relating to business development, the Medium-Term Vision consists of three targets to be achieved and three core strategies that enable the achievement of those goals.

Medium-Term Vision (Targets to be achieved in three years’ time)

1. Realize JPY 70 billion of consolidated net income and establish a foundation for further growth
2. Evolve into a leading banking group providing pioneering and advanced finance
3. Show the path toward repayment of public funds

Strategies for achieving the Medium-Term Vision

The SBI Group’s universally fundamental management viewpoint relating to business construction

1. Adherence to the “Customer-centric Principle” — Public benefits lead to private benefits —
2. Forming a “corporate ecosystem” and comprehensively pursuing Group synergies
3. Thorough devotion to innovative technology
4. Formulate and execute strategies encompassing anticipated challenges in the near future



Core Strategy 1

Pursue value co-creation inside and outside the Group



Core Strategy 2

Enhance the Group’s strengths and realize a full range of service offerings



Core Strategy 3

Achieve sustainability through business activities

In fiscal 2022, the first year of the Medium-Term Vision, we realized to expand our balance sheet and customer base and built a foundation to increase future profit opportunities by gaining a foothold from joining SBI Group. Going forward, we will steadily advance both the expansion of volume and the improvement of quality, which will lead to the achievement of our Medium-Term Vision.

Financial Targets (KPI)

