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## **SBI Shinsei Bank, Ltd.: FY2025 Third Quarter Financial Results**

### **Summary of Q&A**

- **Date and Time:** February 4, 2026, 17:30–18:30(JST)
  - **Speaker:** Katsuya Kawashima, President and CEO
  - **Participants:**  
Eisuke Terasawa, Senior Managing Executive Officer, Group CFO  
Tsuyoshi Miyake, Executive Officer, Group Deputy CFO, General Manager of  
Group Financial and Regulatory Accounting Division
  - **Format:** Webinar (with telephone audio), advance registration required
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#### **[Q1]**

The balance of the SBI Hyper Deposits has remained strong at approximately JPY1.1 trillion. Could you explain the main channels through which these funds have flowed in? Specifically, how does management analyze the inflows in terms of contributions from existing customers, new customer acquisitions, or potential shifts from the SBI Hybrid Deposits offered by SBI Sumishin Net Bank, Ltd.?

In addition, regarding the ongoing promotional campaign for the SBI Hyper Deposits, will the campaign conclude this coming April and revert to the standard interest rate? If so, what is management's expectation for the deposit retention rate once the promotional period ends?

#### **[Kawashima]**

Regarding the inflow routes of customer deposits, sufficient time has not yet passed to conduct a detailed analysis. However, based on the trends observed to date, we estimate that inflows are split roughly evenly between existing customers and newly acquired customers. As for potential shifts from the SBI Hybrid Deposits offered by SBI Sumishin Net Bank, Ltd., it is difficult for us to

accurately determine this on our side.

With respect to deposit stickiness, new deposits resulting from fresh account settings consistently contribute to net inflows. At the same time, customers who already hold balances frequently make deposits and withdrawals in line with their daily securities trading activities, resulting in fluctuations in balances. Recently, customer buying and selling appetite has increased, leading to highly active day-to-day cash movements. While these flows vary depending on stock market conditions, we have not observed a decline in average balances per account, and we believe deposit stickiness remains high.

The policy for the SBI Hyper Deposits campaign beyond April has not yet been determined. However, we intend to continue expanding the SBI Hyper Deposits balance to JPY3 trillion in the next phase, and to JPY5 trillion thereafter. We recognize that relying solely on promotional campaigns poses the risk of a sharp reversal once such campaigns end. Therefore, we aim to further strengthen communication of the structure and inherent benefits of the SBI Hyper Deposits itself, with the objective of building a more stable and sustainable customer base.

**[Q2]**

Regarding the capital raised through the capital increase, my understanding is that it will mainly be allocated to the expansion of risk assets. I would also like to ask for your position on the possibility of SBI Shinsei Bank, Ltd. acquiring equity stakes in regional banks and applying the equity method. Such a structure could facilitate synergies in product distribution and structured-finance origination & distribution (O&D). Please state your current outlook on this matter.

**[Kawashima]**

Currently, there are nine regional banks in which the SBI Group has equity relationships. With respect to whether our bank should directly hold shares in these institutions, we consider it necessary to evaluate the matter on a case-by-case basis through individual discussions.

Furthermore, we do not assume that direct investment by our bank would significantly accelerate synergies.

Regardless of capital relationships, we already engage in broad operational collaboration with 96 regional banks, and in day-to-day operations we do not recognize major differences arising from the presence or absence of equity stakes.

On the other hand, direct investment could facilitate personnel exchange and support structures, which may lead to deeper relationships from a human-resource standpoint.

**【Q3】**

Looking only at the third quarter on standalone three-month basis, the effective tax rate appears to have normalized. Should we expect a similar level from the fourth quarter onward? In addition, please explain your policy on shareholder returns.

**【Kawashima】**

Regarding shareholder returns, For the current fiscal year, our earnings forecast remains unchanged, with net income projected at JPY100 billion and an annual dividend forecast of JPY34 per share. As of the end of December, we have not revised our full-year outlook, and accordingly, our dividend forecast also remains unchanged at this time. However, as we assess our final results toward the end of March, we will consider whether any adjustments to the dividend forecast are warranted. In addition, we intend to continue examining various shareholder return initiatives at the group level.

**【Miyake】**

Regarding the effective tax rate, we recorded a significant amount of deferred tax assets in the first quarter, which resulted in tax expenses contributing positively to earnings through the second quarter. This treatment was completed in the first quarter, and beginning in the third quarter, tax expenses

have returned to the normal pattern of being recognized as costs. At this point, we expect the full-year tax burden ratio to be approximately 10%.

For the next fiscal year, we do not anticipate factors similar to those seen this year. Therefore, we expect the effective tax rate to return to the normal level of around 30%.

**[Q4]**

Regarding the “Interest Rate Spread Between Deposits and Loans” shown on page 9, I would like to confirm my understanding. Your interpretation is that the figures disclosed represent the yield as of the end of December, rather than the average yield for the December quarter. Looking ahead to the fourth quarter (the January–March period), I understand that loan yields are unlikely to rise significantly from current levels, as the impact of the policy rate hike implemented in December has already been partially reflected. In contrast, deposit yields are expected to increase, both due to the advance increase in deposit interest rates implemented in January and the additional cost associated with the promotional rate offered under the SBI Hyper Deposits campaign. As a result, the current deposit-loan spread of 0.54% would likely narrow. Is this understanding generally correct?

**[Kawashima]**

As you pointed out, the figures disclosed represent the yield as of the end of December. On the other hand, regarding how much the current funding cost of 0.63% will rise—or whether it will rise at all—in the fourth quarter, we would like to note that this will vary depending on our deposit acquisition trends going forward.

**[Q5]**

Could you explain what changes you have observed in your customer base—

both individual and institutional—following the listing? Specifically, I would like to understand whether the number of individual customers increased as a result of the listing and whether there have been any changes in the characteristics of newly acquired individual customers. In addition, please describe how institutional clients have reacted to the listing and what impact, if any, it has had on institutional customer acquisition.

**【Kawashima】**

Although it is difficult to present clear quantitative figures, we have seen a notable increase in account openings and deposit balances in the individual segment since the launch of the SBI Hyper Deposits at the end of September and, to some extent, following our stock market listing on December 17. Therefore, we believe that the listing may have had a positive impact. However, given the very active equity market conditions at the time, it is difficult to isolate and assess the degree to which each factor contributed.

We also assume that there is a meaningful overlap between our shareholders and our customers, and we have not observed any negative impact resulting from the listing. While we have not received direct feedback indicating that the listing has changed perceptions of our creditworthiness, we do see signs of a slightly more positive shift in our customer base. As such, it is possible that some effects may emerge over time.

For institutional clients as well, we hold a broadly similar view. With our credit rating having been positively reassessed, we believe the listing has contributed to a generally favorable environment for institutional customer engagement.

**【Q6】**

I would like to ask about the expenses related to the listing. To what extent do listing-related costs account for the expenses disclosed this time? In addition, overall expenses appear to have increased at a slightly faster pace in the current fiscal year. Could you explain how I should think about the outlook for expense growth from the next fiscal year onward?

**[Kawashima]**

The costs associated with the listing were one-time in nature and not of a scale that would materially impact our earnings. We would prefer not to disclose the detailed breakdown at this time.

Aside from listing-related costs, we expect expenses—particularly IT-related expenses—to continue increasing. Preparations for the implementation of our next-generation core banking system, recently announced, will begin in earnest. In addition, enhancing the quality of our non-branch channels, especially our online channels, and improving UI/UX will require a meaningful level of investment and time. As a result, some upward pressure on expenses is unavoidable.

At the same time, we are undertaking ongoing cost-efficiency initiatives, including improving call center operations through the use of AI, in an effort to contain total expenses as much as possible.

Personnel costs remain our largest expense category. To prevent excessive increases, we aim to optimize costs through flexible redeployment of existing staff and ensuring the right people are positioned in the right roles.

Overall, we expect IT-related expenses to be the primary driver of cost increases going forward.

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