

For Immediate Release

Company Name: Shinsei Bank, Limited
Name of Representative: Shigeki Toma
President and CEO
(Code: 8303, TSE First Section)

Regarding Actions in Response to the Citation by the Labor Standards Supervision Office

Tokyo (Thursday, January 29, 2015) --- Shinsei Bank, Limited (“Shinsei Bank”, “the Bank”) today announced that it has decided upon actions in response to the citation and corrective action guidance received from the Ikebukuro Labor Standards Supervision Office on October 30, 2014, regarding the payment of additional wages for overtime work, as was announced on December 25, 2014.

Shinsei Bank takes the citation and guidance very seriously, and remains committed to further strengthening compliance and internal control systems to strictly manage working hours as well as follow the Labor Standard Law and all related laws.

1. Outline of Citation and Corrective Action

Shinsei Bank shall take measures to figure out an appropriate working time and pay unpaid wages for overtime work up to April 1, 2013.

2. Payment of Additional Wages

Period	: From April 1, 2013 to December 31, 2014
Number of employees	: Approximately 650 of employees with the title of “Manager”
Total amount of payment	: Approximately 900 million yen
Payment date	: February 2015 (scheduled)

3. Measures for Improvement

(1) Rigorous management of working hours

In order to ensure the rigorous management of working hours, Shinsei Bank has already made the logging of actual work hours in its attendance control system mandatory for all employees. Going forward, Shinsei Bank will establish a system to facilitate the appropriate management of working hours through more careful communication between attendance authorizing managers and employees, including furthering managers’ understanding of the office environment and to requiring clearer instructions regarding overtime work.

(2) Reduction of overtime work

Shinsei Bank will continue to engage in efforts to reduce overtime work, and encourage amongst its employees a corporate culture that emphasizes strict working hour management.

4. Disciplinary Actions

Shinsei Bank takes the citation and the guidance received very seriously and in an effort to clarify management responsibility, the Representative Director and President and the Representative Director and Deputy President of Shinsei Bank will each relinquish 20% of basic remuneration for one month. The Executive Officer and General Manager of the Human Resources Division of Shinsei Bank will also voluntarily relinquish 10% of basic remuneration for one month.