

For Immediate Release

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

### **Shinsei Bank to invest in Sosei CVC Fund**

*- Equity investment in a fund with the total capital of 2 billion yen to invest in regenerative medicine bio-venture companies in Japan -*

Tokyo (Thursday, June 23, 2016) --- Shinsei Bank, Limited (hereinafter, "Shinsei"; the "Bank") announced today that the Bank would make an equity investment in "Sosei RMF1 Investment Business Limited Partnership" (hereinafter, "Sosei CVC Fund") along with the Organization for Small & Medium Enterprises and Regional Innovation, Japan, Mizuho Bank, Ltd. and other investors. The Sosei CVC Fund is to be established on June 23, 2016 by Sosei Corporate Venture Capital Ltd. (hereinafter, "Sosei CVC"), a wholly-owned subsidiary of Sosei Group Corporation (Chiyoda-ku, Tokyo; Representative Executive Officer and CEO Shinichi Tamura; hereinafter, the "Sosei Group"), a bio-medical company, in order to invest in regenerative medicine bio-venture companies in Japan.

The Sosei Group has expertise and extensive experience in medical research and development (R&D) and in creating chemical compounds that can potentially be used for new medicines. The Sosei Group will establish the Sosei CVC Fund to invest in regenerative medicine bio-venture companies in order to develop new businesses in the field. Sosei CVC will be a General Partner of the fund and raise a total of 2 billion yen from the fund's Limited Partners including Shinsei Bank. In addition, Shinsei Corporate Investment Limited (Chiyoda-ku, Tokyo; CEO: Ippei Matsubara; hereinafter "SCI"), a consolidated subsidiary of the Bank, will acquire 5% of the outstanding shares issued by Sosei CVC, and assist the operation of Sosei CVC Fund through the dispatch of its personnel as staff and investment committee members of Sosei CVC Fund. SCI will utilize its extensive experience in investing in venture companies including biotechnology ventures and its expertise in operating investment funds.

Following the introduction of the Act on the Safety of Regenerative Medicine and the Act on Ensuring Quality, Validity and Safety of Drugs and Medical Devices in November 2014, the approval period required before the practical application of regenerative medicine has been reduced. This has created expectations that various new regenerative medicine related business opportunities will arise in Japan. Utilizing the experience and expertise it has developed through R&D and business activities in the area of pharmaceutical research, the Sosei Group will support the growth of life science companies and broadly contribute to improving people's health and quality of life through the investment activities of Sosei CVC Fund.

SCI has provided growth funds to middle- and later-stage venture companies as pre-IPO investments, and proactively established funds jointly with external partners. Following a joint establishment of the fund along with ReproCELL Inc. in March 2014 to invest in bio-venture companies, this is the second project that SCI has taken part in in the area of bioscience. Through its support to the investment activities of Sosei CVC Fund, Shinsei Bank and SCI will provide risk money and other forms of assistance as the Shinsei Bank Group and contribute to the creation of new industry fields.

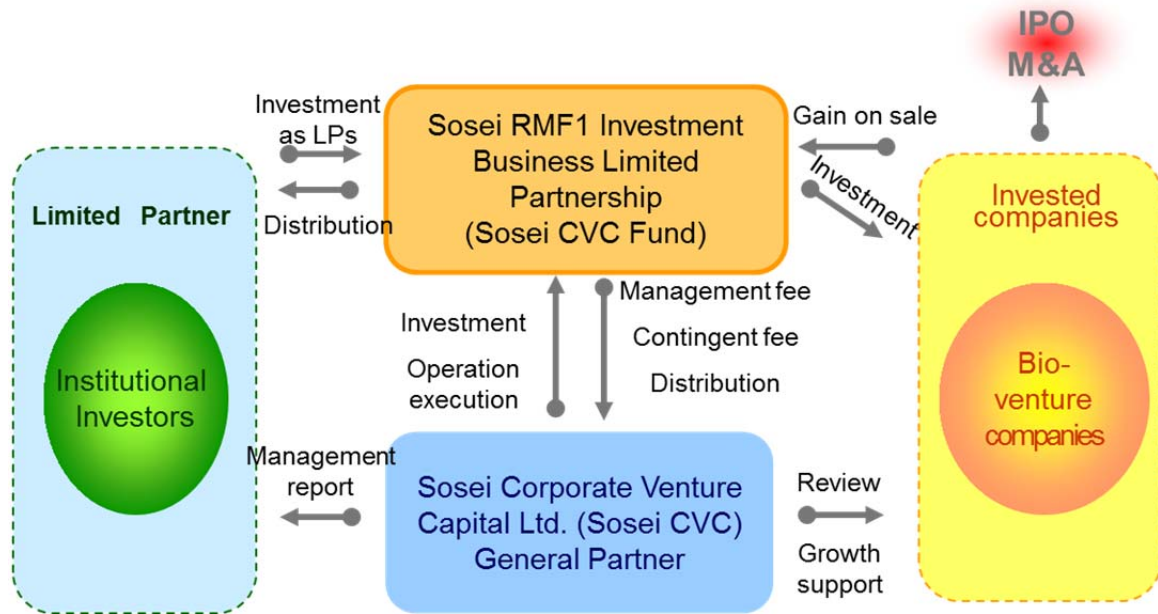
#### **[Summary of Fund]**

Name: Sosei RMF1 Investment Business Limited Partnership (Sosei CVC Fund)  
 Fund Size: 2 billion yen  
 Investors: General Partner: Sosei Corporate Venture Capital Ltd.  
 Limited Partners: Organization for Small & Medium Enterprises and Regional Innovation, Japan, Sosei Group Corporation, Mizuho Bank, Ltd., Mizuho Securities Principal Investment Co., Ltd., Shinsei Bank, Limited  
 Investment target: Regenerative medicine bio-venture companies in Japan

**[Summary of Operating Company]**

Name: Sosei Corporate Venture Capital Ltd. (Sosei CVC)  
 Representative: Representative Director Hidetoshi Torami  
 Established: May 29, 2013  
 Address: Kojimachi Tsuruya Yahata Building 5F, 4 Kojimachi 2-chome, Chiyoda-ku, Tokyo  
 Business: Establishing, operating and managing investment business partnerships  
 Capital: JPY10 million (Sosei Group Corporation 100%) (as of June 23, 2016)

**[Fund's Scheme]**



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*Shinsei Bank is a leading diversified Japanese financial institution providing a full range of financial products and services to both institutional and individual customers. The Bank has total assets of 8.9 trillion yen on a consolidated basis (as of March 31, 2016) and a network of outlets throughout Japan. Shinsei Bank demands uncompromising levels of integrity and transparency in all its activities to earn the trust of customers, staff and shareholders. The Bank is committed to delivering long-term profit growth and increasing value for all its stakeholders. News and other information about Shinsei Bank is available at <http://www.shinseibank.com/corporate/en/index.html>*