

For Immediate Release

4-3, Nihonbashi-muromachi 2-chome, Chuo-ku, Tokyo 103-8303 Japan
TEL: 03-6880-7000Company Name: Shinsei Bank, Limited
Name of Representative: Hideyuki Kudo
President and CEO
(Code: 8303, TSE First Section)

Provision of an LBO Loan for Nippon Mirai Capital Co., Ltd.'s Acquisition of Hitachi Metals, Ltd.'s Information System Business

Tokyo (Thursday, December 1, 2016) --- Shinsei Bank, Limited (hereinafter, "Shinsei Bank" or "the Bank") announced today that the Bank has provided an LBO (leveraged buy-out) loan to a wholly-owned special purpose company (SPC) invested in by an investment fund advised by Nippon Mirai Capital, Co., Ltd. (Chiyoda-ku, Tokyo; CEO: Akira Yasujima; hereinafter, "Nippon Mirai Capital"), for the purpose of acquiring the information system business of Hitachi Metals, Ltd. (Minato-ku, Tokyo; President and CEO: Hideaki Takahashi; hereinafter, "Hitachi Metals").

As part of efforts to renew its business portfolio, Hitachi Metals has transferred its information network business, wireless antenna business and all outstanding shares of HC Networks, Ltd. (former company name: Hitachi Cable Networks, Ltd.; hereinafter, "HC Networks") it owned to AAA Holdings, Ltd. (hereinafter, "AAA Holdings") via APRESIA Systems, Ltd. (hereinafter, "APRESIA Systems"), its wholly-owned subsidiary, through a company split (a simple absorption-type company split), effective today, December 1, 2016. AAA Holdings is a wholly-owned subsidiary of NMC No.3 Investment Limited Partnership (hereinafter, "NMC Fund") advised by Nippon Mirai Capital. Shinsei Bank concluded agreements related to the provision of an 18.9 billion yen LBO loan to AAA Holdings on November 24, 2016, and executed the loan today, December 1, 2016.

Leveraging its extensive knowledge related to supporting the execution of growth strategies of businesses, particularly manufacturers, and the establishment of a management structure following carve-out transactions (e.g., the spin-off, divestitures or sales of divisions or business unites), Nippon Mirai Capital plans to support the growth of APRESIA Systems and HC Networks, APRESIA Systems' wholly-owned subsidiary, by supporting the enhancement of their new management system and the development and execution of their growth strategies.

Shinsei Bank has been promoting structured finance including LBO finance as one of its growth areas in its Third Medium-Term Management Plan, and has been engaging in the business area leveraging its strengths. The Bank will continue to engage in the business proactively given the opportunity presented by the increasing frequency of strategic divestitures of competitive businesses in order to focus on selected businesses undertaken by major companies.

[Summary of the LBO Loan]

Borrower:	AAA Holdings, Ltd.
Lender:	Shinsei Bank, Limited
Loan agreement amount:	Approximately 18.9 billion yen
Closing date:	November 24, 2016
Loan execution date:	December 1, 2016

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 a network of outlets throughout Japan and is committed in its pursuit of uncompromising levels of integrity and transparency in all of its activities in order to earn the trust of its 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>