

For Immediate Release

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Shinsei Bank to Launch Home Mortgage with a Special Agreement on Debt Forgiveness in Case of Natural Disasters

- Commencement of “PowerSmart Home Mortgage Anshin Pack S” from Monday, October 2, 2017, with debt forgiveness for up to 24 months when customer’s house suffers from a natural disaster -

Tokyo (Tuesday, October 3, 2017) --- Shinsei Bank, Limited (hereinafter, “Shinsei Bank” or “the Bank”) announced today that it launches the “PowerSmart Home Mortgage Anshin Pack S” (hereinafter, “Anshin Pack S”) with a special agreement on debt forgiveness in case of natural disasters from Monday, October 2, 2017. In case a customer’s house suffers from a natural disaster, Shinsei Bank will start debt forgiveness immediately after the disaster when the customer’s spending is increased by receiving a call from the customer in order to support his/her early rehabilitation of livelihood.

Through leveraging a non-life insurance product developed by Swiss Re International SE, Japan Branch and Marsh Japan, Inc., *Anshin Pack S* will forgive¹ scheduled payments, in the event that a customer’s house suffers from a disaster, such as an earthquake, a typhoon, or a tsunami, starting the month or the next month after receiving a call from the customer. More specifically, *Anshin Pack S* will forgive 24 times of scheduled payments for a “completely destroyed” house (including by fire or flood), 12 times for a “largely destroyed” house, and six times for a “partially destroyed” house (including by fire), in accordance with the disaster level specified in a disaster certificate issued by the municipality after the disaster takes place. Because Shinsei Bank will pay insurance premiums for the special agreement on debt forgiveness attached to *Anshin Pack S*, a customer will not be asked to bear expenses equivalent to the insurance premiums, such as an additional loan interest rate².

Many houses have suffered serious damage in torrential rains in the Kanto and Tohoku areas occurred in September 2015 and in the northern part of Kyushu area in July 2017 in addition to the earthquakes such as the Great East Japan Earthquake and the Kumamoto Earthquake. According to a survey by the Cabinet Office³, among increased expenditures as a result of disasters, the “purchase of food and convenience goods” and “housing expenses (e.g., rents (excluding loans))” account for 68.7% and 29.2%, respectively. Shinsei Bank believes that, in case of disasters, the immediate forgiveness of housing loan payments, accounting for a certain percentage of household expenses, will support the customer’s early rehabilitation of livelihood.

In December 2012, Shinsei Bank launched the “PowerSmart Home Mortgage Anshin Pack” (“Anshin Pack”) which provides a function to control the monthly payment amount (controlled repayment) and insurance for designated nursing care (group nursing care protection insurance) to deal with life change risks, such as changes in household income and expenditures or in health condition. In January 2014, the Bank launched “PowerSmart Home Mortgage Anshin Pack W” which provides sick child care services and house care services in addition to the services of *Anshin Pack* in order to support the working population and families with children. By launching *Anshin Pack S*, Shinsei Bank will meet the needs of customers who wish to prepare for natural disasters, which have occurred frequently in recent years.

¹ If a disaster certificate is not submitted by the designated deadline, debt forgiveness under the special agreement may lose effect retroactively. In such a case, the due amount may be requested to be paid immediately.

² Designated handling fee (162,000 yen) will be charged.

³ Cabinet Office “FY2015 Report on a Survey Related to the Act on Support for Reconstructing Livelihoods of Disaster Victims”

Shinsei Bank is a leading diversified Japanese financial institution providing a various 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>