

For Immediate Release

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

Conclusion of a Merger Agreement between Japan Senior Living Investment Corporation and Kenedix Residential Investment Corporation

Tokyo (Friday, November 10, 2017) --- Shinsei Bank, Limited (hereinafter, “Shinsei Bank” or “the Bank”) announced today that Japan Senior Living Investment Corporation (Minato-ku, Tokyo; Executive Director Katsue Okuda; hereinafter, “JSL”), entrusting asset management to Japan Senior Living Partners, Inc.(Minato-ku, Tokyo; CEO & President Takashi Fujimura; hereinafter, “JSLP”), which was invested by Shinsei Bank, concluded an absorption-type merger agreement today with Kenedix Residential Investment Corporation (Chuo-ku, Tokyo; Executive Director Keisuke Sato; hereinafter, “KDR”) in which KDR will merge JSL following a resolution by each of executive meetings held today. The effective date of the merger will be March 1, 2018.

Shinsei Bank established JSLP in April 2014 receiving capital participation from other five companies including Kenedix Inc. (Chuo-ku, Tokyo; CEO & President Taisuke Miyajima) in order to establish a REIT that specializes investment in senior healthcare and nursing facilities. Since the listing on the real estate investment trust securities market of the Tokyo Stock Exchange in July 2015, JSL has accumulated its expertise and track records for healthcare assets. KDR has a high affinity with JSL for operating assets based on its operating results mainly for residential facilities including rental houses, and recent consideration to expand its investment target to accommodations. Through this merger, JSL and KDR expect to achieve the further growth and to maximize investment values by evolution of a new REIT which pursues stable profits and continuous growth by investment in various facilities from healthcare facilities to accommodations.

As JSL has had the philosophy to support a growth of the healthcare market and to contribute a society as mediator between the financial market and the healthcare market, Shinsei Bank considers that this merger is the next step for JSL to inherit its philosophy to the new investment corporation¹ and to further develop JSL’s initiatives and efforts. Shinsei Bank will continuously support the new investment corporation by providing the real estate information including healthcare facilities, means of financing, personnel and expertise utilizing its extensive experience in cutting-edge initiatives including operations of JSLP and JSL in the field of healthcare finance. Furthermore, as the medical and healthcare finance is the area that are expected to grow in the medium and long term, Shinsei Bank will continuously engage actively in the non-recourse financing towards healthcare facilities.

¹ Kenedix Residential Investment Corporation plans to change its name to “Kenedix Residential Next Investment Corporation” in January 2018 after necessary institutional resolutions.

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>