

For Immediate Release

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

Arrangement of Project Financing for a Mega-Solar Project in Hiji-machi, Oita

Tokyo (Monday, March 12, 2018) --- Shinsei Bank, Limited (hereinafter, "Shinsei Bank," "the Bank") announced today that it has arranged project financing for a large-scale solar (hereinafter, "mega-solar") power plant with a total generation capacity of approximately 53.4 megawatts to be build and operated in Hiji-machi, Oita Prefecture, by a special purpose company sponsored by Canadian Solar Inc. Shinsei Bank has concluded relevant loan agreements on February 28, 2018, and will provide financing of up to approximately 16 billion yen.

In this project, Canadian Solar Projects K.K. (Shinjuku-ku, Tokyo; President: Jeff Roy), as the main business developer, started construction in January 2017, and will start operation in May 2019. Shinsei Bank has adopted a finance structure in this project financing which allows the possible transfer of the mega-solar plant to others such as an infrastructure fund in the future while providing the long-term financing for the construction costs.

Shinsei Bank has designated project financing, including project financing for renewable energy projects, as growth area in its Third Medium-Term Management Plan. By leveraging its expertise in financing for the mega solar projects executed by domestic players since 2012, Shinsei Bank is proactively arranging project financing for quality mega solar projects mainly sponsored by foreign investors. Utilizing its sophisticated risk analysis and deal structuring capabilities, Shinsei Bank will continue to satisfy the broad range of financial needs of the business operators in order to support the stable growth of renewable energy sources in Japan.

[Project Summary]

Project name: Oita Hiji-machi Mega Solar Project
Power generation capacity: Approximately 53.4 megawatts
Sponsor: Canadian Solar Inc.
Commercial operation: May 2019

Note: All the power generated after commencement of full scale operation will be sold to Kyushu Electric Power Co., Inc. at a fixed price for 20 years under the power receiving agreement concluded in accordance with the "Act on Special Measures Concerning Procurement of Renewable Energy by Operators of Electric Utilities" which came into effect in July 2012.

[Loan Arrangement Summary]

Contract amount: Approximately 16 billion yen
Contract date: February 28, 2018
Lender: Shinsei Bank, Limited

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>