

December 18, 2019

Shinsei Bank Limited
APLUS Co., Ltd.
USEN-NEXT HOLDINGS Co., Ltd.

Joint Financial Business Launched by USEN-NEXT HOLDINGS and Shinsei Bank Group
- Providing Financial Services to USEN-NEXT GROUP's 750 thousand Customers -

Shinsei Bank, Limited (Chuo-ku, Tokyo; President and CEO; Hideyuki Kudo), Shinsei Bank Group's APLUS Co., Ltd. (Tokyo Office: Chiyoda-ku, Tokyo; Representative Director and President; Tetsuro Shimizu) and USEN-NEXT HOLDINGS Co., Ltd. (Shinagawa-ku, Tokyo; President and CEO; Yasuhide Uno ; hereinafter "USEN-NEXT HD") have agreed to jointly launch a financial business through a joint venture (hereinafter "the company") to be established in January 2020.

By combining USEN-NEXT GROUP's comprehensive supporting services for the stores with Shinsei Bank Group's value co-creation initiatives with external partners, the company aims to further enhance convenience and provide new value to USEN-NEXT GROUP customers through financial services.

1. Purpose of establishing the company

USEN-NEXT GROUP provides IoT platform services and music streaming services and holds customer base of 750 thousand small businesses (Micro and Small Enterprise, hereinafter "MSE"), such as restaurants, hairdressers, and retailers. The company aims to provide financial services including business credit (installment loans), vendor leasing, business credit cards, lending, etc. to the customers of USEN-NEXT GROUP with the support of APLUS who has know-how in the financial services. By offering these financial services, the company will help new entrants and existing customers introduce a wide variety of products and services offered by USEN-NEXT GROUP.

In the future, the company will consider developing and offering competitive financial services by utilizing the data and know-how obtained through this project. The company will develop a scoring model "U-Score" calculated from various transaction data held by USEN-NEXT GROUP, in order to expand its market share of the financial market for MSEs, and to build USEN-NEXT GROUP's business eco-system. The company will also utilize the technologies of Credit Engine, Inc., (Minato-ku, Tokyo, Founder and CEO; Seiichiro Uchiyama), a FinTech company.

Under the medium-term management plan of USEN-NEXT HD it has defined the further strengthening of its stable earnings base and proactive investment in growth areas as one of its basic strategies. USEN-NEXT HD is working to increase the value of its existing businesses and seeking investment opportunities in new areas where growth is expected.

The Shinsei Bank Group has identified the pursuit of growth through value co-creation as one of its core strategies in its "Medium-Term Strategies". It aims to create new value for customers by upgrading its products and services through the sharing and fusion of data and know-how with external business partners.

Through the company USEN-NEXT HD and the Shinsei Bank Group will work together to create new financial innovations by leveraging USEN-NEXT GROUP's extensive product and customer platforms, the Shinsei Bank

Group's financial know-how, and external FinTech technologies in MSE markets where existing financial functions are underserved.

2. Profile of the company

(1) Name	USEN-NEXT Financial Co., Ltd.
(2) Location	1-1, Kami-Osaki 3-chome, Shinagawa-ku, Tokyo
(3) Job Title/ Name of Representative	Tomohiro Sato, Representative Director (currently Chief Officer of New Business Strategy Group, APLUS Co., Ltd.)
(4) Business description	Credit card business, intermediation of comprehensive and individual credit purchases business, lending business, etc.
(5) Common stock	Capital stock of 200 million yen and capital surplus of 200 million yen
(6) Date of establishment	January, 2020 (scheduled)
(7) Ownership ratio	USEN-NEXT HOLDINGS Co., Ltd. 51.0% Shinsei Bank, Limited 49.0%

※ Scheduled to apply for registration as a money lender

End

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 <https://www.shinseibank.com/corporate/en/index.html>

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