

For Immediate Release

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

**(Revision to Existing Notice) Notice regarding Change of Opinion for TOB (Neutral)
and Cancellation of Extraordinary General Meeting of Shareholders**

Tokyo (November 24, 2021) --- Shinsei Bank, Limited ("the Bank") hereby announces that its Board of Directors unanimously resolved today that it will revise its "opposing" opinion as previously announced in the press release, entitled "Notice Regarding Opposition (with Certain Conditions for Changing Opinion to support) to TOB for Shares of Shinsei Bank by SBI Regional Bank Holdings Co., Ltd.", dated October 21, 2021 ("Opposing Opinion Press Release") to "neutral" to the TOB, and cancel the extraordinary general meeting of shareholders' (General Meeting to Confirm Shareholders' Support) scheduled to be held on November 25, 2021 as the countermeasures under the Takeover Defense Measures have become unnecessary. In arriving at this resolution to change its opinion and cancel the shareholders' meeting; the Board of Directors has obtained a recommendation from the Independent External Directors Council advising and recommending that this decision would be appropriate and respected the Council's recommendation as much as possible. Further, each of the all corporate auditors of the Bank expressed that he/she has no objection to the decision.

In the Opposing Opinion Press Release, Shinsei Bank stated that it intended to express its opinion to support the TOB if the following two conditions ("Requirements for Support") were satisfied or any circumstance where the Board of Directors of the Bank would consider reasonable by November 19, 2021.

- (i) The TOB shall have no maximum number of shares to be purchased (or that a tender offer with no maximum or minimum number of shares to be purchased ("Second TOB") will be initiated by June 8, 2022 or later date which the Bank designates after its discussions with SBIHDs); and
- (ii) The Tender Offer Price (including the tender offer price in the Second TOB, if any) be increased to a level that Shinsei Bank evaluates and judges to be sufficient in light of the intrinsic value of Shinsei Bank based on, among others, the results of value calculation by its financial advisor.

Since then, we have proposed to SBI Holdings Co., Ltd. ("SBIHD"; together with SBI Regional Bank Holdings Co., Ltd., "SBIHDs") to have discussions from the viewpoint of protection and maximization of our general shareholders' interest, but we could not ascertain from SBIHDs' statement that satisfied the Requirements for Support.

Accordingly, we communicated to SBIHD that we could possibly reconsider our stand if the risks involved which harm our general shareholders' common interest could be decreased if SBIHD could confirm that: (i) SBIHD will respect Shinsei Bank Group's management policy and business strategy as was described in our response letter to the Deposit Insurance Corporation of Japan dated November 12, 2021; (ii) as well as SBIHD's intention to implement the transition of our management team taking account of the stability of our business operations, and requested (iii) SBIHD's further consideration on the matter. Today, we have received SBIHD's response agreeing to the above conditions put forward by Shinsei Bank, as well as expressing its intention to mutually cooperate to endeavor to enhance Shinsei Bank's corporate value.

As the TOB is still a partial offer and the tender offer price remains unchanged from the original one, neither: (i) the elimination of the maximum number of shares to be purchased; nor (ii) the tender offer price at or above the intrinsic value, which our Board of Directors requested in the Opposing Opinion Press Release dated October 21, 2021, has been achieved. Therefore, it has not come to the point where the Board should immediately express its opinion as "supporting" the TOB.

However, the main reason why the Board of Directors of the Bank expressed its opposition in the Opposing Opinion Press Release of October 21, 2021 is that there is a risk of so-called coercive effect on shareholders due to the risk of causing damage to the corporate value and the common interests of shareholders' under the control and management of SBIHD. It can be assessed from SBIHD's statements and responses that the risk of damaging the corporate value or the general shareholders' common interest has decreased and the degree of coercive effect has decreased as SBIHD has now expressed its agreement to respect our current management policy and shift our management team taking account of the stability of our Group's business operations as well as our mutual cooperation to endeavor to enhance Shinsei Bank's corporate value. In other words, the Board of Directors of Shinsei Bank are of the opinion that it is no longer necessary to block the Large - scale Purchase in order to protect the common interests of shareholders.

Accordingly, as it is no longer necessary to implement the countermeasures under the Takeover Defense Measures, the extraordinary general meeting of shareholders' (General Meeting to Confirm Shareholders' Support) scheduled to be held on November 25, 2021 will be cancelled. In addition, the Board of Directors of the Shinsei Bank will change its opinion on the TOB to take a neutral position because it is considered appropriate to leave the decision to each shareholder as to whether or not to tender the shares to SBIHDs.

Further, after the expiration of the TOB Period, in order to nominate candidates of independent external directors through transparent and objective process, Shinsei Bank will establish an Independent External Directors Nomination Committee proposed by SBIHD and nominate the candidates of independent

external directors, as well as having necessary internal process to review Messrs. Katsuya Kawashima, Hirofumi Gomi and Katsumi Hatao as candidates of new Directors, whom SBIHD recommends to the Bank, while we respect SBIHD's recommendation of such three director candidates. Shinsei Bank plans to hold an extraordinary general meeting of shareholders around early February 2022 in order to elect such candidates as new Directors. The current Directors intend to retire as soon as the new directors are elected.

Finally, we would like to express our deepest gratitude to our shareholders for their sincere consideration of our proposal for holding an extraordinary general meeting of shareholders', and we apologize for any inconvenience caused due to the cancellation of the meeting. We appreciate your understanding and kind consideration.

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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