

For Immediate Release

 Shinsei Bank, Limited
 Shinsei Corporate Investment Limited

Establishment of a Secondary Fund for Bio-Venture Companies

Tokyo (Wednesday, April 19, 2017) --- Shinsei Bank, Limited (Chuo-ku, Tokyo; President and CEO: Hideyuki Kudo; hereinafter, "Shinsei Bank") announced today that Shinsei Bank, Shinsei Corporate Investment Limited (Chiyoda-ku, Tokyo; President and CEO: Ippei Matsubara; hereinafter, "SCI") and a consulting company, HIBIKI Partners Co., Ltd. (Chiyoda-ku, Tokyo; President: Yoshiyuki Yamakawa; hereinafter, "HIBIKI Partners") jointly established "Shinsei HIBIKI Bridge Investment Limited Partnership (hereinafter, "Shinsei HIBIKI Bridge Fund")" on March 31, 2017 targeting secondary investments in bio-venture companies.

Shinsei HIBIKI Bridge Fund is the Fund which Shinsei HIBIKI Capital Co., Ltd., established jointly by SCI and HIBIKI Partners, manages and operates as a general partner, and Shinsei Bank makes a limited partnership investment, and the total investment amount of the Fund is 300 million yen. Shinsei HIBIKI Bridge Fund will make secondary investments in bio-venture companies at all stages and in later-stage venture companies in all business areas including biotechnology.

SCI is proactively making pre-IPO investments to provide growth funds to middle- and later-stage venture companies, and establishing joint funds with partners outside the Group. Regarding investments in bio-venture companies, SCI jointly established the fund along with ReproCELL Inc., iPS cells-related biotechnology company, in March 2014 to make investments in domestic and overseas bio-venture companies related to iPS cells and regenerative medicine. In June 2018, SCI made an investment in the fund which was originated by a group member company of Sosei Group, a bio-pharmaceutical company, to invest in domestic regenerative medical bio-venture companies.

With a focus on IPO support to venture companies, HIBIKI Partners, which made a joint investment in Shinsei HIBIKI Bridge Fund, is providing management and business support to venture companies in their various stages, including developing financial strategies and business plans and establishing frameworks for management accounting and legal financial accounting, organization and personnel/labor affairs during the period from business initiation to growth. HIBIKI Partners has the industry's leading track record of IPO support, and has also achieved extensive experiences in many areas such as M&A, corporate value evaluation, group-restructuring and other advisory operations.

The origination of funds for investments in biotechnology venture companies peaked from 2004 to 2007, and many of these funds have reached maturities. Because of this situation, Shinsei Bank and SCI decided to establish a fund jointly with HIBIKI Partners to make secondary investments in bio-venture companies. Shinsei Bank and SCI will contribute to the development of new business fields providing various types of support including risk money through Shinsei HIBIKI Bridge Fund's investment activities.

[Summary of Fund]

Name	: Shinsei HIBIKI Bridge Investment Limited Partnership ("Shinsei HIBIKI Bridge Fund")
Establishment	: March 31, 2017
Fund size	: 300 million yen
Partner	: GP (General Partner): Shinsei HIBIKI Capital Co., Ltd. (Shinsei Corporate Investment Limited (50%); HIBIKI Partners Co., Ltd. (50%) LP (Limited Partner): Shinsei Bank Limited
Partnership period	: 10 years
Investment target	: Secondary investment deals in all-stage biotechnological-area companies, and later-stage venture companies in all business areas including biotechnology

[Summary of HIBIKI Partners Co., Ltd.]

Name : HIBIKI Partners Co., Ltd.
Establishment : December 8, 2006
Representative : President: Yoshiyuki Yamakawa
Headquarters : Koji-machi Nakada Building 9F, 3, Koji-machi 5-chome, Chiyoda-ku, Tokyo
Business : IPO support, management support, financial advisory services, management framework support, and recruiting services
Capital : 30.75 million yen (as of March 31, 2017)

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>