

## Banking Infrastructure Group: Builder and Driver of Business Growth

Our continuing goal is to maintain best-in-class technology infrastructure to drive growth, provide optimal solutions that enable the delivery of the best quality products and services for our customers, and maintain cost leadership. In each of our business units, technology provides Shinsei Bank a distinct competitive advantage and improves the service and value we offer our customers. Our automated, paperless system supports our Institutional Banking business by providing credit analysis quickly and efficiently, enabling the business to take on more customers. The flexibility and convenience of our information technology (IT) platform powers the rapid growth of our Retail Banking business.

Shinsei Bank has become the industry leader in customer satisfaction, launching new products and services that our customers want. The focus on excellence never ends. We continually review our operations and increase the use of automated processes to ensure we have the resources to support our growth. We expanded the coverage of ISMS and BS7799 information security management certifications to cover both our technology and operations.

### Shinsei's IT Platform:

#### Flexible, Scalable and Secure

Shinsei Bank's investment in IT over the past five years has created a banking platform that is unique in Japan. It was created to be flexible, enabling the Bank to move quickly to seize opportunities and offer new products and services to our customers. It is scalable, allowing the Bank to grow rapidly without straining personnel and resources. Most importantly, it is secure. Our customers' personal data is of paramount importance, and they can be assured their information is safe. The redundancy we have built into the system ensures our customers' experience, whether online or at a branch, is the best in the industry.

Our IT systems and operations are built to be flexible and interchangeable, leveraging the strength of existing systems and continuously incorporating new developments and innovations. The modular platform is designed to be continually updated and improved. As a result, building blocks can be added seamlessly to enable the Bank to

handle complex transactions effortlessly. The design allows Shinsei Bank to quickly and cheaply update new technology or software needed to support a new product offering. Our systems are designed for self-service, allowing customers to initiate and complete their transactions quickly.

As the Bank grows, our document handling system increases efficiency and quality of service. In 2002, Shinsei Bank launched a digital document capability throughout the Bank. As documents can be viewed from any location and processed by multiple parties simultaneously, rather than sequentially, the process improved efficiency and enables Shinsei Bank to offer better service to our customers.

We focus on safety and security and managing all business risk. Our teams continually review our systems for potential threats, building countermeasures for each to ensure safety. In addition, the Bank's technology platform has multiple levels of redundancy, with back-up systems located in a number of facilities. If any of



# Flexible, Scalable and Secure

Attributes that best describe our IT capability are "Flexibility," "Speed" and "Low Cost." To support business growth, we must have the ability to launch new products and services and the capacity to handle growing business volumes.

Yoshikazu Sato  
Banking Infrastructure Group



We have built a highly flexible and low cost IT platform that provides solutions to support growth at a low cost. Capacity and scalability of our platform are a result of the automation of our processes. Taken together, this gives our Bank an unmatched ability to respond to the needs of the customer and to competition.

Michiyuki Okano  
Banking Infrastructure Group



# Technology



# Digital Documents



our sites go down, there are several other sites positioned to take over to ensure the customer experience is not interrupted.

#### Technology Leadership Drives Business Growth

Shinsei Bank's technology leadership provides unsurpassed convenience and value for our customers, and the Bank continually seeks new applications of technology to offer new products and better solutions to accelerate growth.

From its roots in the old LTCB, the Institutional Banking business has been the foundation of Shinsei Bank. Technology has supported the business's traditional areas and enabled new opportunities for growth. Shinsei Bank's paperless environment automates credit analysis and approval processes, making it more efficient and cost-effective for the Bank to serve new and existing customers. By increasing the capability to handle securities transactions, technology played a key role in the success of several award-winning securitization transactions.

Our Retail Banking business has grown rapidly over the past five years. This growth would not have been possible without Shinsei Bank's flexible and scalable IT platform. The Bank launched a series of innovative products and services, and the scalability of the system provided the capacity to handle ever-increasing customer transactions. We continue to improve the customer experience. We expanded our ATM services to include customers that are members of the PLUS and Cirrus networks. As each network has millions of

customers, we are prepared for a significant increase in transaction volume and confident that our IT platform can manage the growth.

#### Shinsei Technology Opens Up New Opportunities

In fiscal 2004, the Bank acquired controlling interests in APLUS and Showa Leasing, significantly increasing its presence in the Consumer and Commercial Finance business. Shinsei Bank began using its methods, technologies and knowledge to transform IT operations of acquired subsidiaries and offer improved products and services to their customers.

