

Shinsei IR Day

Shinsei IR Day Overview

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Slide 1: Shinsei IR Day Overview (cover page)

I will give you a bit more context on today's four topics.

The Shinsei Bank Group cannot compete on scale against the megabank groups. Creating niches that are a good fit is more essential for us than for most other companies. We want to highlight two keys to creating such niches.

Slide 2: Group Integration to Create Innovation

The first is Group integration, which does not mean merely intra-Group cross-selling initiatives.

Our Group comprises subsidiaries and affiliates that operate various businesses. While our Group companies are, on the whole, almost entirely owned by Shinsei Bank, each has its own history and background.

Accordingly, when we move forward with Group integration to create innovation, our first step is to bundle and mix functions together. This step figuratively catalyzes chemical reactions that we hope will give rise to various innovations.

We aim for chemical reactions that give full play to their inputs' respective attributes. To use a color analogy, the objective is not to uniformly blend red, blue and yellow to produce solid gray but to end up with green at the borders where blue and yellow meet.

Unbundling and re-bundling of financial functions have been topics of earnest discussion in recent years. By unbundling and re-bundling functions within our Group, we aim to upgrade our capability to rectify suboptimalities and to better fulfill customer needs not being adequately met at present.

Slide 3: Technology to Promote Innovation

The second key is advancing and utilizing technologies.

Existing financial business models are clearly under siege by new entrants from other sectors and the rise of Fintech companies.

Because technological advancements are available to all, technology alone is not a viable differentiator. The important point is how we transform by using technology.

Slide 4: Today's Topics

We have four presentations scheduled today. The numbers on the slide indicate their order.

On the topic of Group integration to create innovation, the first key, Akira Hirasawa, our Chief Officer of Group Organizational Strategy, will explain new initiatives aimed at unbundling and re-bundling Group functions.

Next, Yoshiaki Kozano, our Chief Officer of Group Business Strategy, will explain initiatives to partner with unaffiliated companies and create business opportunities through various approaches. Although unable to reveal specifics of pending deals, he will share as many examples as possible to give you a good idea of the direction in which our Group is headed.

The second key, adoption of digital technologies, is a universal theme throughout the financial sector. It is highly pertinent to businesses that serve individual customers in particular. Our presentations today will focus on customer-related initiatives, with Shinsei Financial's President/CEO Hiroyuki Torigoe explaining our data strategy and Managing Executive Officer Tetsuro Shimizu speaking about user interfaces.