

For Immediate Release

Shinsei Bank, Limited
APLUS FINANCIAL Co., Ltd.
Visa Worldwide (Japan) Co., Ltd.

“Overseas Prepaid Card GAICA” Corresponding to Visa payWave
- Launch of the first prepaid card compatible with Visa payWave in Japan in July 2017 -

Tokyo (Tuesday, May 9, 2017) --- Shinsei Bank, Limited (Chuo-ku, Tokyo; President and CEO: Hideyuki Kudo; hereinafter, “Shinsei Bank,” “the Bank”) announced today that Shinsei Bank and APLUS Co., Ltd. (Tokyo Office: Chiyoda-ku, Tokyo, Representative Director and President: Akira Watanabe, hereinafter, “APLUS”), a Group member company of APLUS FINANCIAL Co., Ltd. (Tokyo Office: Chiyoda-ku, Tokyo; Representative Director and President: Akira Watanabe; hereinafter “APLUS FINANCIAL”), will launch a prepaid card with “Visa payWave,” a contactless payment technology, in July 2017, as the “Overseas Prepaid Card GAICA” (hereinafter, “GAICA”) issued by APLUS, through a business alliance with Visa Worldwide (Japan) Co., Ltd. (Chiyoda-ku, Tokyo; Representative Director: Seiji Yasubuchi; hereinafter, “Visa”). In line with growing needs of contactless IC settlement prepaid cards in Japan, this card will be available at Visa merchants. This is the first prepaid card with Visa payWave in Japan.

Visa payWave is a payment technology based on EMV, an international security standard for electronic payment transactions, and meets ISO14443 Type A/B, an international standard for the contactless IC card. The Visa payWave is available at outlets and transport facilities in 71 and more countries and regions¹, including the US, Australia, and Singapore which are popular overseas trip destinations among Japanese². In Australia and Singapore where the Visa payWave is widely used, transactions using Visa payWave for 76% and 36% of face-to-face transactions respectively³.

Seeking to enlarge the customer base of the entire Shinsei Bank Group, expand foreign currency services in the retail banking business, and establish the new card business in APLUS, Shinsei Bank and APLUS FINANCIAL have developed the overseas prepaid card business. Specifically, APLUS issued GAICA under its partnership with Visa, and APLUS and Shinsei Bank began accepting transactions in July 2015. By corresponding to the Visa payWave settlement service, the GAICA will be more secure and convenient because it enables customers to make payments by holding up the card over a card reader at Visa merchants supporting Visa payWave in Japan as well as in foreign countries. Moreover, since the card is also available at Visa merchants which don't support the Visa payWave in Japan, the ways to use GAICA expands, such as using the outstanding balance on the GAICA at Visa member merchant stores including stores in Internet in Japan after a customer has returned from overseas (this is available when the yen outstanding balance remains in the GAICA).

Prepaid cards have a wider range of users than credit cards because individual credit provisions are not necessary. The GAICA is available to customers who apply for the prepaid card through APLUS's dedicated website, offering them convenient functions such as being able to load the card in yen and withdrawing funds in local currencies from overseas ATMs. Furthermore, it provides customers who have a Shinsei Bank comprehensive *PowerFlex* account (hereinafter, “*PowerFlex*”) with functions such as directly loading GAICA cards in a foreign currency from their *PowerFlex* foreign currency savings accounts and returning the outstanding balance on their GAICA card to the same accounts after their return to Japan. An environment for increasing in merchants which support both contact and contactless payment is gradually developed. For instance, aiming to increase in the number of foreign tourists visiting Japan to 40 million, double the 2015 level, by 2020 when the Tokyo Olympic and Paralympic Games will be held⁴, the Japanese government has shown a policy to promote the

¹ As of March 2016

² See the April 6, 2017 press release of the Japan Association of Travel Agents (JATA) (https://www.jata-net.or.jp/about/release/2017/pdf/170406_chosarepo.pdf)

³ VisaNet, analysis of data for June 2016

⁴ “Tourism Vision to Support the Future of Japan” (prepared on March 30, 2016)

spread of cashless services toward 2020 to improve convenience and efficiency. With Visa payWave enabled GAICA, APLUS will actively propose partnerships to companies and organizations which need to use prepaid cards overseas, such as travel agencies and educational institutions. Moreover, Shinsei Bank will propose the card to foreign customers who are expected to have large needs for foreign-currency services.

■ **Design of Overseas Prepaid Card GAICA (corresponding to Visa payWave)**



■ **Image of Using Visa payWave settlement service**



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