

MONEX GROUP

Announcement of Subsidiary's Release

TOKYO, March 24, 2021 – Monex, Inc., a wholly owned subsidiary of Monex Group, Inc., issued the following press release today.

Attachment: Summary of Monex, Inc. press release

Conclusion of a Final Agreement for a Comprehensive Business Partnership in the Financial Instruments Intermediary Business between Monex, Inc. and the Shinsei Bank Group

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March 24, 2021

Shinsei Bank, Limited
Shinsei Securities, Co., Ltd.
Monex, Inc.

**Conclusion of a Final Agreement for a Comprehensive Business Partnership
in the Financial Instruments Intermediary Business between
Monex, Inc. and the Shinsei Bank Group**

Monex, Inc. (Representative Director and President: Yuko Seimei; hereinafter, “Monex”), Shinsei Bank, Limited (President & CEO: Hideyuki Kudo; hereinafter, “Shinsei Bank”) and Shinsei Securities, Co., Ltd., a wholly-owned subsidiary of Shinsei Bank (Representative Director, President: Yasuhiro Iwamoto; hereinafter referred to individually as “Shinsei Securities”, and Shinsei Bank and Shinsei Securities are collectively referred to as the “Shinsei Bank Group” hereinafter) have concluded a three-party Final Agreement for the comprehensive business partnership in the financial instruments intermediary business (hereinafter, the “Partnership”) announced on January 27, 2021.

The Partnership is subject to obtaining the approval of relevant governmental bodies. Services under the new structure is planned to start around January 2022.

(1) Details of the Partnership

The three companies have been discussing for the realization of the partnership since concluding a Letter of Intent.

The rights and obligations for Shinsei Bank’s investment trust accounts and Shinsei Securities’ bond safekeeping accounts of its individual customers mainly related to financial instruments intermediary transactions with Shinsei Bank will be transferred to Monex through a corporate split (absorption-type). In the new structure after the transfer, Shinsei Bank will continue to conduct solicitation, sales and post-sales follow-ups of investment trusts and bonds for both its new and existing customers as the financial instruments intermediary agent entrusted by Monex. Shinsei Securities will act as an intermediary for providing products to Monex. Monex will execute transactions with the customers and manage their accounts. Furthermore, while focusing on the consistency of existing user experience, Monex and the Shinsei Bank Group will build a more convenient platform including the provision of a single-sign-on function which enables customers to sign on from the Shinsei Bank website to the Monex website.

In order to respond to more diverse customer needs, Monex and Monex Group affiliates (hereinafter, collectively referred to as “the Monex Group”) and the Shinsei Bank Group will work as one team in developing new security

business models and products to provide higher-quality services to their customers. This will be achieved by leveraging the advantage of each company such as product origination capability and the extensive product line-up of the Monex Group, and the customer base and consulting capability of the Shinsei Bank Group. The Partnership is in line with the basic philosophy of “customer-oriented business operation” which sets the highest priority on customers’ best interests to provide financial services that meet their needs. The Groups will also develop joint marketing strategies separately from sales promotion individually carried out through the channels of each company and will seek further business synergy in accordance with the concept of the partnership.

(2) Future Schedule

i) Provision of specific information to customers

A special section will be established on the Shinsei Bank website to release information about the procedures and schedule for transferring customer accounts.

Customers subject to the matter will receive a letter related to the transfer in and after April 2021. They may also be requested to submit relevant documents for the transfer.

ii) Migration to Monex financial instrument intermediary accounts

The migration is scheduled for around January 2022.

(3) Profiles of the companies

Trade name	Monex, Inc.	Shinsei Bank, Limited	Shinsei Securities, Inc.
Location	12-32, Akasaka 1-chome, Minato-ku, Tokyo	4-3, Nihonbashi Muromachi 2-chome, Chuo-ku, Tokyo	4-3, Nihonbashi Muromachi 2-chome, Chuo-ku, Tokyo
Representative	Yuko Seimei Representative Director and President	Hideyuki Kudo President & CEO	Yasuhiro Iwamoto Representative Director, President
Business	Securities	Banking	Securities
Capital	JPY12,200 million	JPY512,200 million	JPY8,750 million (Fully-owned by Shinsei Bank)
Established	May 1999	December 1952	December 2000

(4) Outlook

The partnership is expected to have immaterial impact on the consolidated performance of the Monex Group and the Shinsei Bank Group.

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