

News Release



Japan Credit Rating Agency, Ltd.

24-D-0925
September 25, 2024

Japan Credit Rating Agency, Ltd. (JCR) announces the following credit rating.

SBI SECURITIES Co., Ltd. (security code: -)

<Affirmation>

Long-term Issuer Rating: A
Outlook: Stable
EMTN Program:
(Senior notes): A
(Subordinated notes): A-

SBI Shinsei Bank, Limited (security code: -)

<Affirmation>

Long-term Issuer Rating: A
Outlook: Stable
Short-term Issuer Rating: J-1

Rationale

- (1) SBI Group ("SBIG" or the "Group") is engaged in a variety of businesses, including asset management, investment, and cryptocurrency, with its main financial services business, such as securities and banking operations. JCR evaluates SBIG's creditworthiness to be equivalent to A, taking into account its solid business base, strong downward resistance to profits due to a relatively diversified business structure, and the fact that there are no apparent problems with its financial base as a loss buffer.
- (2) SBIG has built a solid business base in the securities and banking operations. SBI SECURITIES Co., Ltd. ("SBI SECURITIES" or the "Company") maintains the top position in the online securities industry in terms of number of accounts, the balance of client assets, and the market share of retail stock brokerage trading value. SBI Shinsei Bank, Limited ("SBI Shinsei Bank" or the "Bank") is one of the major banks in Japan. In the corporate operations, SBI Shinsei Bank has strengths in structured finance ("SF"), which requires a high level of expertise, and in the retail operations, it has subsidiaries that are major players in areas such as consumer finance and credit sales.
- (3) SBIG's profits have been strong, mainly from its financial services business, with SBI SECURITIES and SBI Shinsei Bank accounting for the majority of the business's profits. SBI SECURITIES has been diversifying its revenue sources, such as margin trading, FX trading, foreign bond trading and corporate-related businesses, and so even taking into account the decline revenues with the elimination of fees for online domestic stock trading, profits are expected to remain solid for the time being. SBI Shinsei Bank is seeing an increase in its basic earning capacity in both its corporate and retail businesses. The business scale is steadily expanding, and JCR believes that the relatively high profit levels are highly likely to be maintained. Given that the Bank's profit contribution, mainly from recurring revenue, is increasing, the financial services business will likely be able to secure reasonable profits even in a market downturn. On the other hand, the earnings of the investment business is prone to fluctuations depending on trends in the market environment, among others. As the investment balance is on an expanding trend, the impact on group profits tends to be large, and JCR will be paying close attention to risk and earnings trends. As for other business segments, although earnings fluctuates significantly, the impact on the SBIG's performance is not significant.
- (4) SBI Shinsei Bank accounts for over 70% of SBIG's loan assets, but the Bank's non-performing loans ratio under the Banking Act and Financial Reconstruction Act remains low and there are no signs of problems with the soundness of its assets. Regarding capital regulations for financial institutions within the Group, each company maintains levels well above the standard. In addition, SBI Holdings, Inc. ("SBIHD") has enhanced its capital through the third-party allocations of share and the conversions of CBs into ordinary shares following a business partnership with SMBC Group, and is controlling various risks within the scope of its capital. Risk management is also being carried out appropriately through the implementation of stress tests, etc. SBIHD is seeing an expansion in investments and associated fundraising, primarily in M&As and the investment business, but it has secured direct funding methods, such as bank loans and corporate bonds, enabling it to stably raise

the necessary funds. Looking ahead, there is a possibility that investment and fundraising will increase in the semiconductor business, and JCR will keep a close eye on the progress of the business.

Issuer: SBI SECURITIES Co., Ltd.

- (1) SBI SECURITIES Co., Ltd. is an online securities company under the umbrella of SBIHD. The issuer rating is equal to SBIG's creditworthiness, taking into account the Company's very strong integration with the Group and its core position within the Group, among others. The Company is responsible for the Group's overall securities strategy and is of great importance to the Group's business strategy. In addition, the Company accounts for a high proportion of the Group's overall profits and also contributes to the growth of the Group's profits by referring customers to the Group's affiliated companies.
- (2) The Company has strengths in low commission fees and collaboration with SBI Sumishin Net Bank, Ltd., as well as versatile customer contact points including face-to-face sales through SBI MONEY PLAZA shops, IFAs (independent financial advisors) and development of joint outlets with SBI Shinsei Bank. The number of accounts and the balance of assets under custody are growing at a very rapid pace, with tailwinds, such as the elimination of fees for online domestic stock trading and the launch of the new NISA system. The Company has also been proactive in expanding the customer base through alliances beyond the boundaries of SBIG. Through its business partnership with SMBC Group, the mutual fund accumulation service using the credit cards of Sumitomo Mitsui Card Company, Limited is steady, and the number of newly acquired accounts on Sumitomo Mitsui Banking Corporation's financial platform is also increasing. In the corporate-related businesses, the Company has a certain presence in IPOs and underwriting operations, and its M&A advisory and the fundraising consulting business are also doing well.
- (3) Earning capacity is relatively high. The Company has been working on the diversification of revenue sources, looking at the elimination of fees for domestic stock trading. Its consolidated ordinary income has been on an upward trend, reaching a record high in the fiscal year ended March 2024 (FY2023). While stock brokerage commissions fell sharply as a result of the elimination of fees for online domestic stock trading in September 2023, profits increased driven by the significant expansion of financial account balance with increased margin trading, and an expansion in trading gains and losses due to the increased sales of foreign bonds, etc. In addition, revenues from corporate-related businesses and FX trading were strong, and trust fees grew on the back of an increase in investment trusts. JCR will pay close attention to whether the Company can maintain and strengthen its earning capacity despite an increase in system-related and other SG&A expenses, in addition to the decline in stock brokerage commissions.
- (4) As of the end of June 2024, consolidated net assets were 273.9 billion yen, and the consolidated capital adequacy ratio was 306.5%, both of which are acceptable levels. The market risk associated with securities operations is small, and the risk associated with FX trading is mitigated through cover transactions. Although counterparty risk is on the rise in margin trading and corporate-related businesses, the Company ensured the capital adequate relative to the risks through capital increases from the parent company, etc. There are no problems with liquidity either. The Company has a wide range of procurement methods and a sufficient credit lines.

Issuer: SBI Shinsei Bank, Ltd.

- (1) SBI Shinsei Bank is a commercial bank under the umbrella of SBIHD. The issuer rating is equal to the Group's creditworthiness, taking into account the Bank's core position within the Group, among others. After the Bank became a consolidated subsidiary of SBIHD in December 2021, following additional share purchases and a squeeze-out, SBIHD now holds over 60% of the Bank's voting rights. The Bank accounts for a large proportion of the Group's overall profits. As the Group strengthens its focus on the banking business, the Bank plays the central role in such business and is very important to its business strategy. Business collaboration with SBIG is progressing steadily, and synergies are expanding, such as increases in operating assets, client assets, and deposit balances. JCR believes that its integration with the Group has become even stronger.
- (2) Earning capacity is relatively high. With the large amount of highly profitable assets such as SF and consumer finance, the Bank's ROA based on substantial net operating income is high among Japanese banks. On the back of the expansion of assets such as loans and securities, substantial net operating income for FY2023 increased by approximately 30% year on year, recovering to the level seen since FY2010. JCR believes that relatively high profit levels will continue to be maintained in the future.

(3) There is no problem with the soundness of the assets. The non-performing loans ratio under the Banking Act and Financial Reconstruction Act was at a relatively good level in the lower 1% range as of the end of March 2024. Credit costs have remained somewhat high, particularly for retail businesses, including nonbank subsidiaries, but are within a range that can be easily absorbed by substantial net operating income. However, attention should be paid to the large balance of SF, such as real estate-related ones and project finance which tend to be relatively large lots. JCR will closely watch whether the Bank can maintain its asset quality amid the changing interest rate environment. Although the balance of securities, mainly JGBs, has been increasing, market risks are not excessive relative to capital.

(4) The substantial capital level, taking into account the equity content of public funds, is low compared to the rating. The consolidated core capital ratio after JCR adjustment has been declining due to the rapid expansion of assets and the purchase of odd lots upon delisting, and was in the mid-7% range as of the end of March 2024. The specific framework for repaying public funds is expected to be made clear by June 2025, but is undecided at this time. That said, JCR believes that the repayments will not be made in a manner that would significantly reduce the Bank's capital level in the short term.

Kengo Sakaguchi, Akira Minamisawa, Naoki Shimura for SBI SECURITIES Co., Ltd.
Kengo Sakaguchi, Ippei Koga for SBI Shinsei Bank, Limited

Rating

Issuer: SBI SECURITIES Co., Ltd.

<Affirmation>

Long-term Issuer Rating: A	Outlook: Stable
Program Name:	Euro Medium Term Note Programme
Maximum Issuable Amount:	Equivalent of JPY 150 billion
Rating:	A (senior notes), A- (subordinated notes)

Issuer: SBI Shinsei Bank, Limited

<Affirmation>

Long-term Issuer Rating: A	Outlook: Stable
Short-term Issuer Rating: J-1	

Rating Assignment Date: September 19, 2024

The assumptions for the credit ratings and the definitions of the rating symbols are published as "Types of Credit Ratings and Definitions of Rating Symbols" (January 6, 2014) in Information about JCR Ratings on JCR's website (<https://www.jcr.co.jp/en/>).

Outline of the rating methodology is shown as "JCR's Rating Methodology" (February 1, 2024), "Securities" (May 8, 2014), "Banks" (October 1, 2021) and "Rating Methodology for Financial Groups' Holding Companies and Group Companies" (September 1, 2022) in Information about JCR Ratings on JCR's website (<https://www.jcr.co.jp/en/>).

The rating stakeholder participated in the rating process of the aforementioned credit ratings.

A program rating is assigned to evaluate the creditworthiness of a program. The credit standing of an individual note issued under the program may be regarded as the same as that of the rated program. However, JCR does not consider the credit standing of the individual note as the same as that of the program, in the cases where the principal and interest payments of the individual note rely on the credit standing of a third party rather than the issuer of the program and notes (e.g. credit linked notes and exchangeable notes). JCR usually does not assign a rating to the individual note issued under the program, unless the issuer solicits a rating.

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JCR publishes its press releases regarding the rating actions both in Japanese and in English on the same day. In case that it takes time to translate rating rationale, JCR may publicize the summary version, which will be replaced by the full translated version within three business days. (Regarding Structured Finance products, JCR only publicize the summary version in English.)

Disclosure Required by Paragraph (a)(1)(ii) of Rule 17g-7

Issuer:	SBI SECURITIES Co., Ltd. SBI Shinsei Bank, Limited
Rating Publication Date:	September 25, 2024

1 The Symbol, Number, or Score in the Rating Scale used to Denote Credit Rating Categories and Notches and, the Identity of the Obligor or the Identity and a Description of the Security or Money Market Instrument as Required by Paragraph (a)(1)(ii)(A) of Rule 17g-7

- Please see the news release. If the credit rating is a private rating, please see the report for private rating.

2 The version of the procedure or methodology used to determine the credit rating; as Required by Paragraph (a)(1)(ii)(B) of Rule 17g-7

- Please see the news release. If the credit rating is a private rating, please see the report for private rating.

3 The Main Assumptions and Principles used in Constructing the Procedures and Methodologies used to Determine the Credit Rating as Required by Paragraph (a)(1)(ii)(C) of Rule 17g-7

- The credit rating methodology assumes, in principle, to be applied to assess the likelihood of a given debt payment in light of its issuer's condition and business environment, etc. in the relevant future. There is certain limitation, however, in the time horizon that the rating foresees.
- The credit rating methodology assumes, in principle, that the factors posted in the below are particularly important for such likelihood to be determined, and that the rating determination is made by evaluating each of them not only quantitatively but also employing qualitative analyses.

A) Business Bases

The likelihood of a given debt payment is highly conditional to its issuer's business bases - how they can be maintained/ expanded into the future and thereby secure earnings and cash flows in adequacy and in a sustainable way.

B) Financial Grounds and Asset Quality

The likelihood of debt payment is highly dependent on the degree of the issuer's indebtedness and loss absorption capacity in terms of equity capital. Also notable is that a financial institution might see a significant loss of financial grounds as a result of changes in value of the assets under its possession.

C) Liquidity Positions

The likelihood of debt payment is highly dependent on the adequacy of the issuer's cash and other sources of repayment (liquidity positions).

D) Related Parties' Status and Stance of Support/ Assistance for the Issuer

The likelihood of debt payment is affected one way or the other by the issuer's related parties such as parent company, subsidiary, guarantor, and the government of the issuer's business domicile, etc. - by their own conditions and/ or position of support/ assistance for the issuer.

E) Order of Seniority in Debt Payment

The likelihood of debt payment can be different between given debts of the same issuer. The likelihood of debt payment for an individual debt is dependent on the issuer's discretion, and/ or its rank relative to other debts of the same issuer in the order of seniority in principal/ interest payment which is determined by design as financial product or by laws, etc.

4

The Potential Limitations of the Credit Rating as Required by Paragraph (a)(1)(ii)(D) of Rule 17g-7

- The credit rating herewith presented by JCR is its summary opinion with regard to the likelihood of given debt payment and hence not necessarily a perfect representation of such likelihood. The credit rating is not intended to estimate the probability of default or the loss on given default, either.
- The objective of the credit rating herewith presented does not include any concerns other than the likelihood of debt payment, such as risks of price changes, market liquidity, etc.
- The credit rating herewith presented is necessary to be reviewed along with possible changes of the issuer of rated objects in its business performance and/ or circumstances which include regulatory environment, and hence subject to possible alteration.

5

Information on the Uncertainty of the Credit Rating as Required by Paragraph (a)(1)(ii)(E) of Rule 17g-7

- The information used for the determination of credit rating as herewith presented is obtained by JCR from the issuer of rated objects and other sources that JCR trusts in terms of accuracy and reliability but possibly contains errors due to human, non-human or other causes. Consequently, the credit rating determined on the grounds of such information does not constitute, explicitly or implicitly, any representation or warrant of JCR on the information itself or any consequences of its use in terms of accuracy, relevance, timeliness, wholeness, market value, or usefulness for any specific purposes.

6

Use of Due Diligence Services of a Third Party in Taking the Rating Action as Required by Paragraph (a)(1)(ii)(F) of Rule 17g-7

- There is no use of any third-party due diligence service in the determination of the credit rating herewith presented.

7

Use of Servicer or Remittance Reports to Conduct Surveillance of the Credit Rating Required by Paragraph (a)(1)(ii)(G) of Rule 17g-7

- There is no use of any servicer or remittance report to conduct surveillance of the credit rating herewith presented.

8

The Types of Data Relied Upon for the Purpose of Determining the Credit Rating as Required by Paragraph (a)(1)(ii)(H) of Rule17g-7

- The information posted in the below, which includes data, is used for the determination of the credit rating herewith presented.
 - A) Audited financial statements presented by the rating stakeholders
 - B) Explanations of business performance, management plans, etc. presented by the rating stakeholders

9

Overall assessment of the Quality of Information Available and Considered in Determining the Credit Rating as Required by Paragraph (a)(1)(ii)(I) of Rule 17g-7

- JCR holds its basic policies for securing the quality of information as a base of due diligence for the determination of credit ratings. The information used as a base for the determination of credit rating herewith presented satisfies such policies, which include the audit by an independent auditor, the warranty made by the issuer, the publication by the issuer, some independent media or, otherwise, JCR analyst's scrutiny, etc.
- JCR sees no particular weakness in the quality of information used for the determination of the credit rating herewith presented as compared to the information used in other cases of the credit rating for comparable issuers or ratable objects.
- If the credit rating is an Indication, please see the report for Indication.

10

Information Relating to Conflicts of Interest as Required by Paragraph (a)(1)(ii)(J) of Rule 17g-7

- JCR receives payment of compensation for the determination of the credit rating herewith presented from either one of those parties who are issuer, underwriter, depositor or sponsor.
- JCR did not receive in the last fiscal year in the past payment of compensation from SBI SECURITIES Co., Ltd. for any kind of JCR's service other than the determination of public or private credit rating, such as one in the ancillary business.
- JCR received in the last fiscal year in the past payment of compensation from SBI Shinsei Bank, Limited for any kind of JCR's service other than the determination of public or private credit rating, such as one in the ancillary business.

11

Explanation or Measure of the Potential Volatility of the Credit Rating as Required by Paragraph (a)(1)(ii)(K) of Rule 17g-7

A) Business Bases

The credit rating is subject to alteration if there is improvement or deterioration of the issuer's business bases, since its revenue, etc. may improve or deteriorate by the change in its business management policies, clients' preferences, competitive situation, or a technological innovation. The resultant alteration of the credit rating is usually by a notch, with possibility of a few notches if and when the change in the business bases is large.

B) Financial Grounds and Asset Quality

The credit rating is subject to alteration if the issuer increases/ decreases its debt/ capital or vice versa and thereby makes its individual debt payment liability less or more bearable and its loss absorption capacity into the future decreased or increased. Also, the changes in the quality of asset under the issuer's holding may affect the credit rating, since such changes could raise or lower the likelihood of future loss of the issuer's financial grounds. The resultant alteration of the credit rating is usually by a notch, with possibility of a few notches if and when the change in the financial grounds and/ or asset quality is large.

C) Liquidity Positions

The credit rating is subject to alteration if there is a change in the issuer's financial management policy or in the relations with fund procurement sources and the change thereby makes its liquidity positions improve or deteriorate. The resultant alteration of the credit rating is usually by a notch, with possibility of a few notches if and when the change is large.

D) Related Parties' Status and Stance of Support/ Assistance for the Issuer

The credit rating is subject to alteration if there is a change in the issuer's parent company or subsidiary, guarantor or other provider of credit enhancement, or the government of the issuer's business domicile, or other related parties' own conditions and/ or position of support/ assistance for the issuer, and the change thereby makes its business bases, financial grounds and/ or liquidity positions improve or deteriorate, and/ or making the effectiveness of guarantee and other credit enhancement improve or deteriorate. The resultant alteration of the credit rating is usually a notch, with possibility of a few notches if and when the change is large.

E) Order of Seniority in Debt Payment and Non-Payment Forgiven by Contract

The credit rating is subject to alteration if there is a change in the rated debt's status in the order of seniority relative to other debts caused by the improvement/ deterioration of the issuer's financial condition. The resultant alteration of the credit rating is usually a notch, with possibility of a few notches if and when the change is large. Also, in case of the financial products for which non-payment of interest/ principal is contractually permissible, the credit rating is subject to alteration if and when the likelihood of such non-payment is projected to increase or decrease. The resultant alteration of the credit rating could be by a notch but often as much as a few notches.

F) Rise and Fall in General Economy and Markets

The credit rating is subject to alteration if there is a rise/ fall in the general economy and/ or the markets inducing the issuer's revenues/ expenses to increase/ decrease and vice versa, etc. The resultant alteration of the credit rating is usually by a notch, with possibility of a few notches if and when the change is exceptionally large.

G) Various Events

The credit rating is subject to alteration on occurrence of various events, such as change in the issuer's major shareholders, M&A and other organizational change, accident, violation of the law, litigation, legal/ regulatory change, natural disaster, etc., which are unforeseeable at the time when the credit rating is determined, causing a significant change on the issuer's business bases, financial grounds, etc. The resultant alteration of the credit rating could be by a notch but more often than not as much as a few notches.

12

Information on the Content of the Credit Rating, Including the Historical Performance of the Credit Rating and the Expected Probability of Default and the Expected Loss in the Event of Default as Required by Paragraph (a)(1)(ii)(L) of Rule 17g-7

- Historical records of the credit rating herewith presented are posted in the end of this paper.
- The credit rating herewith presented by JCR is its summary opinion with regard to the likelihood of given debt payment and hence not necessarily a perfect representation of such likelihood. The credit rating is not intended to estimate the probability of default or the loss on given default, either.
- Facts of the probability of default are posted as Form NRSRO Exhibit 1 on the JCR website under the URL:

<https://www.jcr.co.jp/en/service/company/regu/nrsro/>

13

Information on the Sensitivity of the Credit Rating to Assumptions Made as Required by Paragraph (a)(1)(ii)(M) of Rule 17g-7

A) Business Bases

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the issuer's business bases and powers of earning or cash flow generation, etc. The resultant change of the credit rating is most likely by a notch,

as JCR speculates, but possibly as much as a few notches if the development is rapid in improvement or deterioration of the issuer's business bases on some drastic change in the operational environments, etc.

B) Financial Grounds and Asset Quality

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the issuer's financial grounds and asset quality. The resultant change of the credit rating is most likely by a notch, as JCR speculates, but possibly as much as a few notches if the development is rapid in improvement or deterioration of the issuer's financial grounds and/ or asset quality on some drastic change in its business bases.

C) Liquidity Risks

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the issuer's liquidity positions. The resultant change of the credit rating is most likely by a notch, as JCR speculates, but possibly as much as a few notches if the development is rapid in improvement or deterioration of the issuer's liquidity positions on some drastic change in its financial management policy or relations with fund procurement sources, etc.

D) Related Parties' Status and Stance of Support/ Assistance for the Issuer

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the issuer's parent company or subsidiaries, guarantor or other providers of credit enhancement, the government of the issuer's business domicile or other related parties' status and stance of support/ assistance for the issuer. The resultant change of the credit rating is most likely by a notch, as JCR speculates, but possibly as much as a few notches if there is a major change on the part of related parties, such as replacement, disappearance, some drastic improvement/ deterioration of financial grounds/ balances, etc.

E) Order of Seniority in Debt Payment and Non-Payment Forgiven by Contract

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the order of seniority in repayment of interests and principal. JCR assumes the resultant change of the credit rating is most likely by a notch. The change could be as much as a few notches if the issuer's financial structure differs so much and thereby the balance between debts shifted so greatly. Rating change is also possible in case of the financial products for which non-payment of interest/ principal is contractually permissible, if and when the assumptions made at the time of its determination turns out to be inaccurate. The change of the credit rating is assumed to be by a notch but often as much as a few notches.

14

Information on the Representations, Warranties, and Enforcement Mechanisms of an Asset-backed Security as Required by Paragraph (a)(1)(ii)(N) of rule 17g-7

- The credit rating herewith presented is not for an ABS product, and hence no relevant issue.

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The Historical Performance of the Credit Rating

Issuer Name	Issue Name	Publication Date	Rating	Outlook/Direction
SBI SECURITIES Co., Ltd.	Issuer(Long-term)	December 1, 2017	A-	Stable
SBI SECURITIES Co., Ltd.	Issuer(Long-term)	September 28, 2018	A-	Stable
SBI SECURITIES Co., Ltd.	Issuer(Long-term)	October 10, 2019	A-	Stable
SBI SECURITIES Co., Ltd.	Issuer(Long-term)	October 23, 2020	A-	Stable
SBI SECURITIES Co., Ltd.	Issuer(Long-term)	October 25, 2021	A-	Stable
SBI SECURITIES Co., Ltd.	Issuer(Long-term)	July 14, 2022	A	Stable
SBI SECURITIES Co., Ltd.	Issuer(Long-term)	July 13, 2023	A	Stable
SBI SECURITIES Co., Ltd.	Euro Medium Term Note	January 19, 2018	A-	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note	September 28, 2018	A-	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note	October 1, 2018	A-	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note	October 10, 2019	A-	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note	October 23, 2020	A-	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note	October 25, 2021	A-	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note	July 14, 2022	A	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note	July 13, 2023	A	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note Programme(subordinated)	October 1, 2018	BBB+	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note Programme(subordinated)	October 10, 2019	BBB+	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note Programme(subordinated)	October 23, 2020	BBB+	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note Programme(subordinated)	October 25, 2021	BBB+	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note Programme(subordinated)	July 14, 2022	A-	
SBI SECURITIES Co., Ltd.	Euro Medium Term Note Programme(subordinated)	July 13, 2023	A-	

The Historical Performance of the Credit Rating

Issuer Name	Issue Name	Publication Date	Rating	Outlook/Direction
SBI Shinsei Bank, Limited	Issuer(Long-term)	August 27, 2003	A-	
SBI Shinsei Bank, Limited	Issuer(Long-term)	April 25, 2005	A-	
SBI Shinsei Bank, Limited	Issuer(Long-term)	June 28, 2006	A	Stable
SBI Shinsei Bank, Limited	Issuer(Long-term)	March 11, 2008	A	Stable
SBI Shinsei Bank, Limited	Issuer(Long-term)	July 14, 2008	#A	Developing
SBI Shinsei Bank, Limited	Issuer(Long-term)	October 6, 2008	A	Negative
SBI Shinsei Bank, Limited	Issuer(Long-term)	February 3, 2009	A-	Negative
SBI Shinsei Bank, Limited	Issuer(Long-term)	May 14, 2009	BBB+	Negative
SBI Shinsei Bank, Limited	Issuer(Long-term)	November 26, 2010	BBB	Stable
SBI Shinsei Bank, Limited	Issuer(Long-term)	December 8, 2011	BBB	Stable
SBI Shinsei Bank, Limited	Issuer(Long-term)	December 21, 2012	BBB	Positive
SBI Shinsei Bank, Limited	Issuer(Long-term)	December 5, 2013	BBB+	Stable
SBI Shinsei Bank, Limited	Issuer(Long-term)	December 18, 2014	BBB+	Stable
SBI Shinsei Bank, Limited	Issuer(Long-term)	March 23, 2016	BBB+	Stable
SBI Shinsei Bank, Limited	Issuer(Long-term)	May 8, 2017	BBB+	Positive
SBI Shinsei Bank, Limited	Issuer(Long-term)	May 29, 2018	A-	Stable
SBI Shinsei Bank, Limited	Issuer(Long-term)	May 28, 2019	A-	Stable
SBI Shinsei Bank, Limited	Issuer(Long-term)	May 29, 2020	A-	Stable
SBI Shinsei Bank, Limited	Issuer(Long-term)	May 28, 2021	A-	Stable
SBI Shinsei Bank, Limited	Issuer(Long-term)	July 14, 2022	A-	Positive
SBI Shinsei Bank, Limited	Issuer(Long-term)	July 13, 2023	A	Stable
SBI Shinsei Bank, Limited	Issuer(Short-term)	December 10, 2008	J-1	
SBI Shinsei Bank, Limited	Issuer(Short-term)	February 3, 2009	J-1	
SBI Shinsei Bank, Limited	Issuer(Short-term)	May 14, 2009	J-2	
SBI Shinsei Bank, Limited	Issuer(Short-term)	November 26, 2010	J-2	
SBI Shinsei Bank, Limited	Issuer(Short-term)	December 8, 2011	J-2	
SBI Shinsei Bank, Limited	Issuer(Short-term)	December 21, 2012	J-2	
SBI Shinsei Bank, Limited	Issuer(Short-term)	December 5, 2013	J-2	
SBI Shinsei Bank, Limited	Issuer(Short-term)	December 18, 2014	J-2	
SBI Shinsei Bank, Limited	Issuer(Short-term)	March 23, 2016	J-2	
SBI Shinsei Bank, Limited	Issuer(Short-term)	May 8, 2017	J-2	
SBI Shinsei Bank, Limited	Issuer(Short-term)	May 29, 2018	J-1	
SBI Shinsei Bank, Limited	Issuer(Short-term)	May 28, 2019	J-1	
SBI Shinsei Bank, Limited	Issuer(Short-term)	May 29, 2020	J-1	
SBI Shinsei Bank, Limited	Issuer(Short-term)	May 28, 2021	J-1	
SBI Shinsei Bank, Limited	Issuer(Short-term)	July 14, 2022	J-1	
SBI Shinsei Bank, Limited	Issuer(Short-term)	July 13, 2023	J-1	

Attestation Required by Paragraph (a)(1)(iii) of Rule 17g-7

I, Tomohiro Miyao, have responsibility to this Rating Action and to the best of my knowledge:

- A) No part of the credit rating was influenced by any other business activities.
- B) The credit rating was based solely upon the merits of the obligor, security, or money market instrument being rated.
- C) The credit rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument.



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