



For Immediate Release

Daiwa Securities Group to Acquire Shinsei AMC

- Reaches agreement to acquire 100% of Shinsei AMC in India -

Mumbai, March 29, 2010: Shinsei Bank, Limited announced today that it has reached an agreement to sell its entire stake in Shinsei Asset Management (India) Private Limited ("the AMC"), the investment manager of Shinsei Mutual Fund, to Daiwa Securities Group Inc. and Daiwa Asset Management Co. Ltd. (jointly "Daiwa Securities Group"). The other domestic shareholders of the AMC, namely Rakesh Jhunjhunwala and Freedom Financial Services Private Limited, will also be divesting their stake.

Under the terms of the agreement, the Daiwa entities propose to acquire a 100 % stake in the AMC from Shinsei Bank, Limited, Rakesh Jhunjhunwala and Freedom Financial Services Private Limited. As part of the transaction, Shinsei Trustee Company (India) Private Limited, the trustee of Shinsei Mutual Fund, will also be acquired by the Daiwa entities.

As part of its management plan, Daiwa Securities Group is looking to expand its business in Asia and emerging markets. The group plans to strengthen its proposition by entering the Indian domestic asset management business and simultaneously enhancing product offerings in Japan. This acquisition is expected to further strengthen its business platforms in Asia.

In light of the divestiture, Sanjay Sachdev, General Manager and Country Manager - India has decided to resign to pursue other entrepreneurial opportunities. Sachdev has been responsible for helping drive Shinsei Bank's business strategy and principal investments business and providing access to a pipeline of opportunities for the investment advisory business in India. He established partnerships for Shinsei with UTI Asset Management Company Private Limited to build a successful offshore business in Singapore and an onshore business for Shinsei in India in partnership with Rakesh Jhunjhunwala.

Rahul Gupta, Senior Managing Executive Officer, Chief Financial Officer and Member of the Board of Directors, Shinsei Bank, Limited, said, "Sanjay Sachdev has positioned Shinsei well in India over the years and we wish him success in his future endeavors." Over the next few months, Sachdev will assist with the closure of the sale of Shinsei Bank's asset management business in India to Daiwa Securities Group.

The transaction is subject to regulatory approvals which the concerned parties shall apply for shortly.



Shinsei Mutual Fund was granted approval from the Securities and Exchange Board of India (SEBI) in February 2009 and its first scheme was launched in June 2009. The AMC currently has three active funds.

Shinsei Asset Management (India) Private Limited (AMC): Shinsei Asset Management (India) Private Limited is the investment manager to Shinsei Mutual Fund. The AMC is promoted by Shinsei Bank, Limited, Japan (75%), Rakesh Jhunjhunwala (15%) and Freedom Financial Services Private Limited (10%).

Shinsei Mutual Fund: Shinsei Mutual Fund is sponsored by Shinsei Bank, Limited of Japan (liability restricted to Rs. 1 lakh) with Shinsei Trustee Company (India) Private Limited (Trustee under the Indian Trusts Act, 1882) as the Trustee. The Mutual Fund was registered with SEBI as a mutual fund (Registration Code: MF/060/09/01) on February 10, 2009.

Shinsei Bank, Limited: Shinsei Bank is a leading diversified Japanese financial institution providing a full range of financial products and services to both institutional and individual customers. The Bank has total assets of 11.5 trillion yen (US\$ 124.9 billion) on a consolidated basis (as of December 2009) and a network of 40 outlets that include 31 Shinsei Financial Centers and 9 Consulting Spots in Japan. Shinsei Bank demands uncompromising levels of integrity and transparency in all its activities to earn the trust of customers, staff and stakeholders. The Bank is committed to delivering long-term profit growth and increasing value for all its stakeholders.

Daiwa Group: The Daiwa Group is a leading financial services group in Japan with presence in 22 locations across Americas, Europe and Asia and collectively employs more than 15,000 employees. Daiwa Securities Group Inc., the ultimate parent company of the Daiwa Group, was established in 1902. In April 1999, the Group was reorganized under a holding company structure, the first listed company to do so in Japan. Daiwa Asset Management, which is the asset management arm of the Daiwa Group was established in 1959, Daiwa is the second largest asset management company in Japan with over US\$ 100 billion of assets under management.

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