

For Immediate Release

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(Code: 8303, TSE First Section)

Shinsei Bank Announces Organizational Changes

Tokyo (Tuesday, March 29, 2011) --- Shinsei Bank (“Shinsei”; “the Bank”) has announced the following organizational changes as part of its efforts to achieve an even more appropriate provision of financial products and services that meet customer needs, by building a more strategic and systematic business promotion structure for growth businesses centered around institutional customers.

1. Details of Organizational Changes

To better serve our customers, the structure of the existing Institutional Group and Markets and Investment Banking Group will be reorganized into a newly defined Institutional Group and a newly established Global Markets Group. The Institutional Group will be focusing primarily on corporate and public sector finance and advisory business, while the Global Markets Group will be concentrating on financial markets business and serving financial institution clients.

There will also be organizational changes relating to the transfer of functions in the Finance Group and Corporate Staff Group.

(1) Institutional Group

The Institutional Group will comprise the following four Sub-Groups and the Asset Backed Investments Division.

(i) Institutional Business Sub-Group

The Institutional Business Sub-Group will be newly established comprising Corporate Banking Business Divisions I to IV, the Osaka Corporate Banking Business Division, the Public Sector Finance Division and the Healthcare Finance Division, as well as the corporate banking functions of Sapporo, Sendai, Kanazawa, Nagoya, Hiroshima, Takamatsu and Fukuoka branches. The new business development activities targeting small- and medium-sized enterprises (SMEs) that were undertaken by Corporate Banking Business Division IV will be consolidated into Corporate Banking Business Division I, while the newly established Corporate Banking Business Division IV will be responsible for providing support for the development of new industries. In addition to supporting the activities of the Corporate Banking Business Divisions, the Institutional Business Division will, together with the Financial Institutions Sub-Group and the Retail Sales and Distribution Division, provide comprehensive support functions including support for regional branches (excluding Osaka Branch) that have corporate banking functions in their operations related to the Global Markets Group and the Individual Group.

(ii) Advisory Sub-Group

This Sub-Group comprises three divisions: the Corporate Advisory Division and Solution Advisory Division, which will continue to provide M&A and corporate restructuring advisory services; and the newly established Asset Solutions Division, which will provide solutions, including a variety of advisory and finance arrangement services, for customers' balance sheet and asset-related needs.

(iii) **Structured Finance Sub-Group**
The newly established Structured Finance Sub-Group will consolidate all structured finance businesses including asset-based finance, project-based finance and M&A finance. Specifically, it will comprise the Real Estate Finance Division, which provides real estate non-recourse finance services; the Real Estate Business Division, which provides corporate finance to real estate companies, construction companies, and REITs; the Specialty Finance Division, which is involved in M&A and project finance; and the Corporate Support Division, which provides loans and investments related to corporate restructuring.

(iv) **Principal Transactions Sub-Group**
The Principal Transactions Sub-Group will comprise three divisions: the Credit Trading Division and the International Principal Finance Division, which are involved in domestic and international credit trading operations; and the Private Equity Division, which provides capital for business succession and growth financing.

(2) **Global Markets Group**

The Global Markets Group will comprise the following four Sub-Groups and the Global Markets Business Management Division.

(i) **Markets Sub-Group**
The Markets Sub-Group will comprise three newly established divisions: the Trading Division, which operates the trading business; the Markets Division, which is responsible for development of financial products for customers and for sales of foreign currency, derivatives and other products; and the Credit Products Division, which provides loan syndication services as well as managing the Bank's credit product portfolio.

(ii) **Financial Institutions Sub-Group**
The Financial Institutions Sub-Group will be newly positioned within the Global Markets Group in order to enhance the Bank's ability to deliver products and services to these customers. The Osaka Financial Institutions Business and Public Sector Finance Division will be renamed the Osaka Financial Institutions Business Division and positioned together with the Financial Institutions Business Division in the Financial Institutions Sub-Group.

(iii) **Asset Management Sub-Group**
The Asset Management Sub-Group will be newly established to build out the Bank's asset management business for individual customers. The Asset Management Products Division will be newly established under this Sub-Group and will work with Shinsei Investment Management Co., Ltd. to plan and develop asset management products. The Asset Management Sub-Group will aim to provide attractive products to Individual Group customers in addition to high-net-worth individuals through the Wealth Management Division, which will also be positioned within this Sub-Group, to offer asset management products and various consulting services.

(iv) **Treasury Sub-Group**
The Treasury Sub-Group will continue to comprise the Treasury Funding Division and ALM Division.

(3) **Corporate Staff Group**

The functions of the Financial Planning Division, currently positioned in the Finance Group, will be transferred to the Corporate Planning Division to create a planning function that encompasses financial and capital policy.

(4) **Finance Group**

(i) The Finance Group's two Sub-Group structure, comprising the Financial Controlling Sub-Group and the Treasury and Corporate Sub-Group, will be abolished.

- (ii) The Financial Planning Division and the Treasury Division will be abolished and their functions transferred to the Corporate Planning Division and the Treasury Funding Division respectively.

2. Effective Date

April 1, 2011

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 10.4 trillion yen (US\$128.0 billion) on a consolidated basis (as of December 2010) and a network of outlets throughout Japan. Shinsei Bank demands uncompromising levels of integrity and transparency in all its activities to earn the trust of customers, staff and shareholders. The Bank is committed to delivering long-term profit growth and increasing value for all its stakeholders.

News and other information about Shinsei Bank is available at <http://www.shinseibank.com/english/index.html>