

For Immediate Release

4-3, Nihonbashi-muromachi 2-chome, Chuo-ku, Tokyo 103-8303 Japan  
TEL: 03-6880-7000Name of Representative: Shigeki Toma  
President and CEO  
(Code: 8303, TSE First Section)**Shinsei Bank Participates in Establishment of Healthcare Infrastructure Fund***- Considering launch of series of funds as forerunner to healthcare REIT -*

Tokyo (Wednesday, January 16, 2013) --- Shinsei Bank, Limited ("Shinsei Bank"; "the Bank") today announced that it has partnered with Sapporo, Hokkaido-based Joko Securities Co., Ltd. and Okazaki, Aichi prefecture-based Nobata Securities Co., Ltd. to establish the "Tokutei Mokuteki Gaisha Healthcare Infura Fund Kobe" ("Healthcare Infrastructure Fund Kobe"; "the Fund") on December 21, 2012, as part of efforts to pave the way for healthcare facilities in the senior care and welfare sector to raise funds via securitization. The Bank has provided a non-recourse loan of approximately 1 billion yen via a subscription to specified bonds issued by the Fund in order to purchase a private senior home as an investment asset. This marks the establishment of Japan's first privately placed real estate fund for individual investors where healthcare facilities constitute the underlying investment assets.

The Healthcare Infrastructure Fund Kobe has invested in one 100-room private senior home with care facilities run by a major operator, and is distinctive because it uses real estate securitization to raise funds from individual investors, rather than large institutional investors or foreign-affiliated funds. As the Fund will pay dividends from long term fixed rents received from the healthcare facility's operator, investors can expect relatively stable income compared to securitized products in which the underlying assets are offices or other real estate classes. Shinsei Bank will leverage its broad range of capabilities to support the Fund's operation; in addition to Shinsei Bank's loans to the Fund, Shinsei Trust and Banking Co., Ltd. ("Shinsei Trust") will act as trustee for the real estate assets.

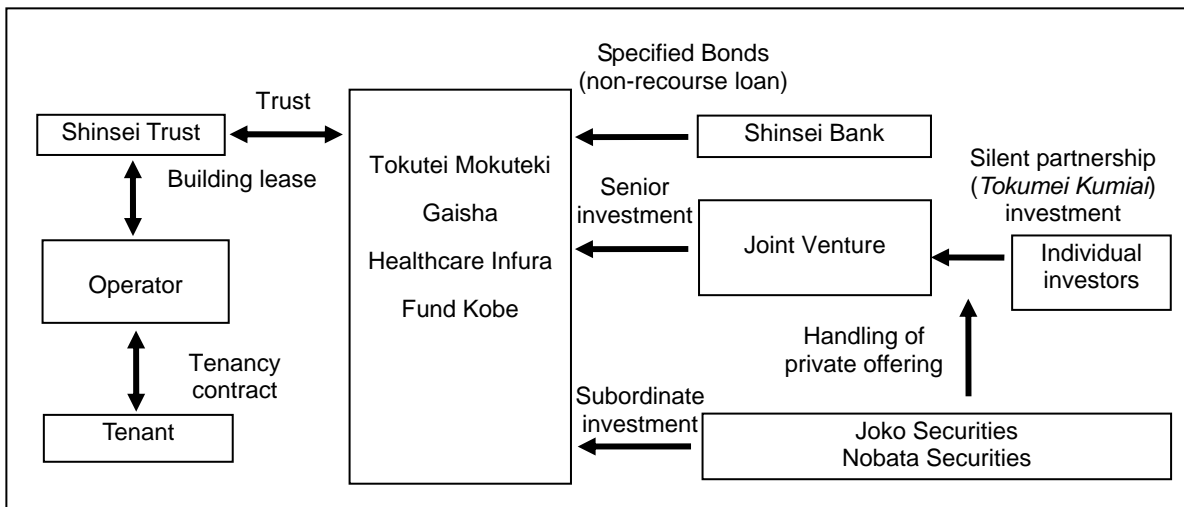
Growing demand for facility-based care services for senior citizens in Japan currently outstrips supply. As such, an increase in the supply of new facilities is expected, primarily from the private sector. Preparing the conditions for fund raising via securitization of healthcare facilities is one effective way to encourage the development of these facilities. Initiatives toward this end are already underway, and in October 2012, Japan's Ministry of Land, Infrastructure, Transport and Tourism set up a dedicated committee tasked with investigating issues including the introduction of healthcare REITs.

As part of its Medium-Term Management Plan, Shinsei Bank established a dedicated division to provide financing to support healthcare facilities and operators in July 2010, and has been active in extending asset-based finance secured by cashflows from healthcare facilities and businesses, as well as offering corporate loans and financial advisory services to facility operators. In the sense that it harnesses funds from individual investors to finance the development of new healthcare facilities, this privately placed healthcare real estate fund may be seen as a forerunner to a fully fledged Japanese healthcare REIT. Going forward, Shinsei Bank will continue to engage proactively in this business, and investigate the potential to produce a series of similar funds.

**[Outline of Non-Recourse Loan]**

Borrower: Tokutei Mokuteki Gaisha Healthcare Infura Fund Kobe  
Lender: Shinsei Bank, Limited  
Amount: Specified Bonds of 1,006,000,000 yen (non-recourse loan)

**[Fund Scheme]**



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 8.8 trillion yen (US\$114.6 billion) on a consolidated basis (as of September 2012) 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>

For further information, please contact:  
 Raymond Spencer or James Seddon  
 Investor Relations & Corporate Communications Division  
 Shinsei Bank, Limited ([www.shinseibank.com](http://www.shinseibank.com))  
 Tel: (+81)-3-6880-8303/Fax: (+81)-3-4560-1706