

For Immediate Release

4-3, Nihonbashi-muromachi 2-chome, Chuo-ku, Tokyo 103-8303 Japan
TEL: 03-6880-7000

Company Name: Shinsei Bank, Limited
Name of Representative: Shigeki Toma
President and CEO
(Code: 8303, TSE First Section)

Shinsei Bank to Launch the Shinsei Principal Investments Group

- Restructuring consolidated subsidiaries and the Principal Transactions Sub-Group's business
in line with the Second Medium-Term Management Plan Strategy -

Tokyo (Friday, June 21, 2013) --- Shinsei Bank, Limited ("Shinsei Bank"; the "Bank") today announced that effective July 1, 2013, it will be forming the "Shinsei Principal Investments Group" (the "Shinsei PI Group") through the integration of Shinsei Principal Investments Ltd., the Bank's consolidated subsidiary, Shinsei Corporate Investment Limited, Shinsei Investment & Finance Limited, and Shinsei Servicing & Consulting Limited, which will come under the umbrella of Shinsei Principal Investments.

In line with the fundamental strategy of the Second Medium-Term Management Plan ("Second MTMP") commenced in April 2013, the Bank has decided to transfer the key functions of credit trading and private equity business from the Principal Transactions Sub-Group of the Bank to the newly consolidated subsidiary in order to further strengthen the restructured consolidated subsidiary with the aim of deploying a new financial solution business. Through this new business, the Bank seeks to upgrade its ability to flexibly respond to the needs of customers, while at the same time maximizing the profit of the Shinsei Bank Group's earnings.

No revisions will be made to earnings forecasts (consolidated and non-consolidated bases) for the current fiscal year as a result of the launch of the Shinsei PI Group.

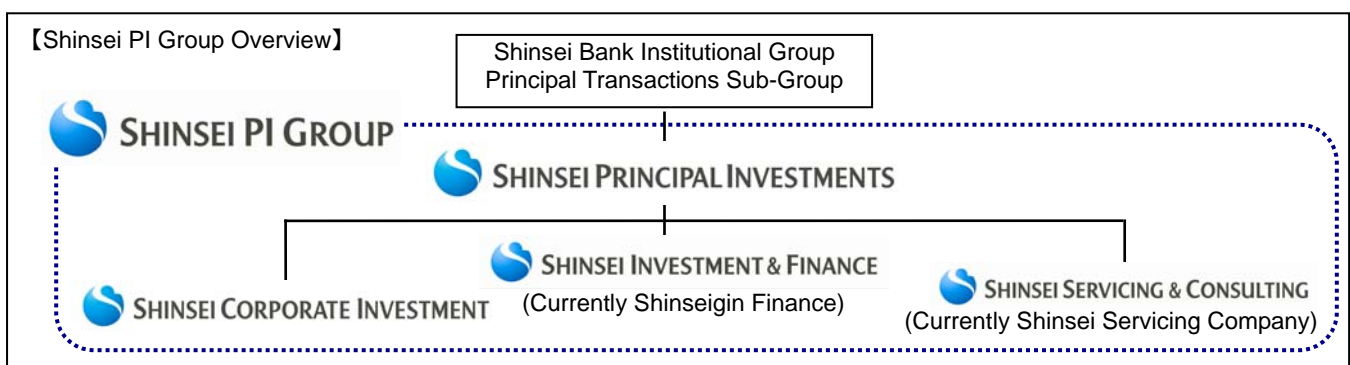
1. Purpose of the Creation of the Shinsei PI Group

For over the last decade, Shinsei Bank has actively expanded its credit trading business by making investments in various monetary claims that include non-performing loans by leveraging its debt collections subsidiary which holds the highest available credit rating as well as its private equity business that has actively focused on providing growth capital in the form of pre-IPO investments to middle/late stage venture enterprises.

In implementing the Second MTMP, the Bank has chosen to consolidate its management resources and know-how within the Shinsei PI subsidiary in order to allow the organization to improve its efficiency and expertise to swiftly and appropriately respond to the rapidly changing business environment, business/social trends and population demographics.

Specifically, in the credit trading business, Shinsei Bank will actively strengthen and utilize the consulting function of its servicing subsidiary ahead of the expected medium- to long-term increase in corporate rehabilitation and debt restructuring needs and the projected rise in business succession needs due to the aging of the Japanese population. Furthermore, the Bank will address diverse needs arising from changes to the business environment on a case-by-case basis, and offer, as its new business, solutions to improve the situation of customers through order-made investments and loans.

In the private equity business, given the growing risk money demands for the creation and growth of companies in a more supportive environment for starting up new businesses and a more activate IPO market, the Bank will actively promote private equity investments for a wide range of businesses at various growth stages centered on venture investment and buy-out investment related to business succession. This is to be done in various ways: participation in the fund's operation business that uses the functions of the subsidiaries; development of professional human resources and their dispatch to investees; and, active use of external networks and know-how.



In the area of human resources, the subsidiaries will facilitate personnel exchange through collaboration with partners outside the Shinsei PI Group leveraging their broad networks, in order to improve the group's intellectual productivity, investment and loan mobility, and flexibility.

Upon the restructuring, Shinseigin Finance Co., Ltd. and Shinsei Servicing Company will be renamed as Shinsei Investment & Finance Limited and Shinsei Servicing & Consulting Limited respectively, and Shinsei Corporate Investment, Shinsei Investment & Finance, and Shinsei Servicing & Consulting will become wholly-owned subsidiaries of Shinsei Principal Investments. The head offices of these four companies will move from the Shinsei Bank Headquarters to Otemachi, Chiyoda-ku, Tokyo.

(*) In July 2012, Standard & Poor's assigned Shinsei Servicing Company a "Strong (Outlook: Stable)" ranking (the highest of the five rankings) in its commercial loan special servicer opinion.

2. Shinsei PI Group Company Profile

Shinsei Principal Investments Ltd.

Succeeded Shinseigin Finance's businesses (excluding the loan business) in April 2013 in a company split, Shinsei Principal Investments will become an umbrella company wholly owned by Shinsei Bank responsible for business planning and operations for the entire Shinsei PI Group. Accordingly, it will undertake overall administrative tasks for the Group's subsidiaries in the areas of human resources, general services, information technology systems, accounting, legal issues, and business promotion assistance. In addition, the company will take full advantage of its license as the Type II Financial Instruments Business Operator to contribute to the Shinsei PI Group's transaction acquisition.

Shinsei Corporate Investment Limited

Established as an investment company of the Shinsei Bank Group in November 2012 within the Bank's Private Equity Division, Shinsei Corporate Investment will be responsible for the private equity business in the Shinsei PI Group. In April 2013, the company, jointly with Mr. Tetsuya Isozaki, launched its first fund in order to invest in and provide support to early-stage companies in Japan's Internet sector. Going forward, the company will utilize the resources of the funds to expand its investment fields in collaboration with outside partners in such areas as buy-out investment in SMEs (small and medium-sized enterprises) with business succession needs, venture investment such as mezzanine and Pre-IPO investment, and secondary investment.

Shinsei Investment & Finance Limited (currently Shinseigin Finance Co., Ltd.)

Succeeded Shinseigin Finance's loan business, Shinsei Investment & Finance will promote investment and loan businesses both within and outside Japan by combining the monetary claim purchase function of Shinsei Bank's Credit Trading Division and the business promotion function of the International Principal Finance Division. In Japan, the company will offer loan purchase and finance solutions tailored to customers' needs including the purchase of loan claims owned by financial institutions and monetary claims owned by business corporations, provision of business funds to companies under reconstruction including DIP finance, and financing for business restructuring of listed companies. Furthermore, the company will actively promote partnerships and personnel exchanges with outside business corporations and professionals as an investment of management resources, in an attempt to further expand its investment targets. Overseas, it will continue purchasing monetary claims in South Korea.

Shinsei Servicing & Consulting Limited (currently Shinsei Servicing Company)

For over a decade, Shinsei Servicing, a predecessor of Shinsei Servicing & Consulting, has provided high quality services in a wide range of areas including special servicing for non-performing loans, primary servicing in securitization schemes, and backup servicing, while accumulating experience and know-how. To further improve its function as "claims" professionals, the claim investigation function of the Credit Trading Division will be transferred to Shinsei Servicing & Consulting in order to organize a structure for implementing highly accurate value assessment integrating theories and practices. Furthermore, the company will develop advanced consulting functions that only servicers can demonstrate. While vigorously pursuing cooperation with outside experts, Shinsei Servicing & Consulting will take an active role in providing solutions to business rehabilitation and debt restructuring problems of corporations.

[Shinsei PI Group Company Profile (from July 1, 2013)]

Company Name:	Shinsei Principal Investments Limited	Shinsei Corporate Investment Ltd.	Shinsei Investment & Finance Limited	Shinsei Servicing & Consulting Limited
Business:	Financial instrument transaction business	Investment business	Finance business	Servicing business
Established:	April 11, 2006	November 21, 2012	January 7, 1993	October 19, 2001
Headquarters:	16 th Floor, Otemachi Financial City South Tower, 1-9-7 Otemachi, Chiyoda-ku, Tokyo			
Representative:	Yoshiaki Kozano, President and Representative Director	Ippei Matsubara, President and Representative Director	Shigeru Yamada, President and Representative Director	Masatoshi Masui, President and Representative Director
Capital:	100 million yen	50 million yen	50 million yen	500 million yen
Shareholder:	Shinsei Bank (100%)	Shinsei Principal Investments (100%)	Shinsei Principal Investments (100%)	Shinsei Principal Investments (100%)
Number of Employees	40	13	30	56

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 9.0 trillion yen (US\$96.0 billion) on a consolidated basis (as of March 2013) 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>