

Regarding discontinuation of distribution in bearer form of Long-Term Credit Debentures (Public Sales Issue)

Tokyo (Thursday, January 24, 2002) --- Shinsei Bank, Limited (“Shinsei Bank”) announced its discontinuation of distribution in the bearer form of its Long-Term Credit Debentures (Public Sales Issue) including “Waricho” over the counter from the issuance of the second half of April, 2002. Additionally, the Bank will discontinue the distribution of “Waricho” via securities companies. Distribution of debentures in the custody account will be continued.

The Bank will discontinue over the counter sales in the bearer form of Discount Long-Term Credit Debenture (Public Sales Issue), “Waricho”, and Interest-Bearing Long-Term Credit Debenture (Public Sales Issue), “Riccho”. In the bearer form, the Bank hands the printed certificate to customers when debentures are purchased. There will be no effects on the redemption of debentures in the bearer form currently held by customers, or on the transaction of bank debentures in custody accounts.

Shinsei Bank launched new comprehensive banking account service, “PowerFlex”, to individual customers in June 2001. With “PowerFlex”, customers can conduct various transactions such as bank debenture, yen- and foreign-denominated deposit, and investment trust with a single account. The Bank also provides services that can meet customers’ needs including free of charge ATM service and wire transaction via the Internet banking service 24-hour-a-day 365-day-a-year.

We hope to maintain the strong relationship with customers who have subscribed our debentures in the bearer form for a long time by providing various transaction services in the custody account included in “PowerFlex”.