

## Shinsei Bank announces Quarterly Information for the 1st Quarter of Fiscal 2003

Tokyo (Friday, August 1, 2003) -- Shinsei Bank, Limited ("Shinsei Bank") today announced its quarterly information of the first quarter of fiscal year 2003 (April 1 to June 30, 2003). The attached information was disclosed voluntarily by Shinsei Bank based on the "Front-Loaded Reform Program" of the Ministerial Meeting on Economic Measures and the "Program for Structural Reform of Securities Markets" of the Financial Services Agency. The information in this press release is unaudited.

### Information as of the end of June 2003

#### 1. Disclosure of Problem Loans ---to be classified in categories under the Financial Revitalization Law

| <Non-consolidated>          |                                | (in billions of Yen)         |                      |
|-----------------------------|--------------------------------|------------------------------|----------------------|
|                             | as of June 03<br><Result* (a)> | as of Mar 03<br><Result (b)> | changes<br><(a)-(b)> |
| Bankrupt and Quasi-Bankrupt | 32.3                           | 35.7                         | (3.4)                |
| Doubtful                    | 104.9                          | 99.0                         | 5.9                  |
| Substandard                 | 68.0                           | 98.4                         | (30.4)               |
| Total                       | 205.2                          | 233.2                        | (28.0)               |

\*Result: based on self-assessment as of the end of June 2003.

#### 2. Capital Adequacy Ratio

| <Consolidated> |                              | (Reference)              |
|----------------|------------------------------|--------------------------|
|                | as of Sep 03<br><Estimated*> | as of Mar 03<br><Result> |
| Capital Ratio  | about 20%                    | 20.10%                   |
| Tier 1 Ratio   | about 14%                    | 14.27%                   |

\* The actual ratios as of September 2003 are subject to change.

#### 3. Deposit & Debenture <Non-consolidated>

|  |               | (in billions of Yen) |         |
|--|---------------|----------------------|---------|
|  | as of June 03 | as of Mar 03         | changes |
| Deposits & Debentures<br>(including NCD) | 4,096.9       | 4,491.3              | (394.5) |
| Deposits from individuals                | 1,537.7       | 1,473.3              | 64.4    |
| Term Deposits                            | 1,145.0       | 1,115.1              | 29.8    |

#### 4. Summary of Unrealized Gains or Losses on Securities & Derivatives

##### 4.1. Securities Available-for-Sale <Non-consolidated>

|                 | (in billions of yen)  |               |             |            | <Reference> (in billions of yen) |               |             |            |
|-----------------|-----------------------|---------------|-------------|------------|----------------------------------|---------------|-------------|------------|
|                 | as of June 30, 2003 * |               |             |            | as of March 31, 2003             |               |             |            |
|                 | Market Value          | Net Appraisal |             | Losses     | Market Value                     | Net Appraisal |             | Losses     |
| Gains           |                       |               | Gains       |            |                                  |               |             |            |
| Japanese Stocks | 3.4                   | 0.0           | 0.1         | 0.1        | 2.0                              | (0.2)         | 0.0         | 0.2        |
| Japanese Bonds  | 1,189.1               | 5.1           | 6.3         | 1.2        | 1,374.3                          | 11.3          | 11.7        | 0.4        |
| Others          | 245.2                 | 18.8          | 24.0        | 5.1        | 269.9                            | 12.4          | 21.6        | 9.2        |
| <b>Total</b>    | <b>1,437.7</b>        | <b>23.9</b>   | <b>30.4</b> | <b>6.4</b> | <b>1,646.2</b>                   | <b>23.5</b>   | <b>33.3</b> | <b>9.8</b> |

\*1: Net Appraisals (Gains/Losses) as of the end of June-2003 are calculated by book value after amortization and before devaluation.

\*2: Shinsei Bank has no Securities Being Held to Maturity.

##### 4.2. Derivatives <Consolidated>

| (a) Interest Rate-Related Transactions | (in billions of Yen)                           |              |                       | <Reference> (in billions of Yen)               |              |                       |
|--|--|--------------|-----------------------|--|--------------|-----------------------|
|  | as of June 30, 2003                            |              |                       | as of March 31, 2003                           |              |                       |
|  | Contractual Value or Notional Principal Amount | Market Value | Unrealized Gain(Loss) | Contractual Value or Notional Principal Amount | Market Value | Unrealized Gain(Loss) |
| Interest Rate Futures (Listed)         | 227.0  | (0.1)        | (0.1)                 | 34.4   | (0.0)        | (0.0)                 |
| Interest Rate Options (Listed)         | 884.9  | 1.4          | (0.0)                 | —  | —            | —                     |
| Interest Rate Swaps (OTC)              | 6,449.3  | (12.4)       | (12.4)                | 6,038.8  | 20.1         | 20.1                  |
| Interest Rate Options (OTC)            | 2,999.2  | 2.1          | 3.5                   | 1,853.2  | 2.3          | 3.4                   |
| <b>Total</b>                           |  | <b>(8.9)</b> | <b>(9.0)</b>          |  | <b>22.4</b>  | <b>23.5</b>           |

\*1 Derivatives for which hedge accounting was adopted are excluded from the above table.

\*2 The market values (listed) represent the closing price on the Tokyo Financial Future Exchange and other exchange at the date. The market values of over-the-counter transactions are calculated mainly by using the discounted present value or an option pricing model.

| (b) Currency-Related Transactions | (in billions of Yen)                           |              |                       | <Reference> (in billions of Yen)               |              |                       |
|-----------------------------------|--|--------------|-----------------------|--|--------------|-----------------------|
|                                   | as of June 30, 2003                            |              |                       | as of March 31, 2003                           |              |                       |
|                                   | Contractual Value or Notional Principal Amount | Market Value | Unrealized Gain(Loss) | Contractual Value or Notional Principal Amount | Market Value | Unrealized Gain(Loss) |
| Currency Swaps (OTC)              | 457.6  | (3.1)        | (3.1)                 | 492.4  | (2.5)        | (2.5)                 |

\*1 Swaps for which hedge accounting was adopted and mentioned in \*3 below were excluded from the table above.

\*2 Market values are calculated by using the present value of estimated cash flows.

\*3 Contract value or notional principal of the currency swap which were accounted for an accrual basis were as follows:

( Currency Swaps which were accounted for an accrual basis were excluded from the table below because of application of hedge accounting from this quarter. )

| <Reference>              | (in billions of Yen)                           |              |                       |
|--------------------------|--|--------------|-----------------------|
|                          | as of March 31, 2003                           |              |                       |
|                          | Contractual Value or Notional Principal Amount | Market Value | Unrealized Gain(Loss) |
| Currency Swaps (accrued) | 95.7   | 0.2          | 0.2                   |

And contractual values of the forward foreign exchange contracts and currency options that were marked to market were as follows:

( Forward foreign exchange contracts and currency options that were marked to market were excluded from the table below because of application of hedge accounting from this quarter. )

| <Reference>              | (in billions of Yen)                           |
|--------------------------|--|
|                          | as of March 31, 2003                           |
|                          | Contractual Value or Notional Principal Amount |
| Forward Foreign Exchange | 333.8  |
| Currency Options         | 111.5  |

4.2. Derivatives <Consolidated> --continued--

(c) Equity --Related Transactions (in billions of Yen)

|                                     | as of June 30, 2003                            |              |                       |
|-------------------------------------|--|--------------|-----------------------|
|                                     | Contractual Value or Notional Principal Amount | Market Value | Unrealized Gain(Loss) |
| Equity Price Index Futures (Listed) | 3.6  | 0.0          | 0.0                   |
| Equity Price Index Options (Listed) | 10.8   | 0.6          | (0.2)                 |
| Equity Options (Listed)             | 1.0  | 0.1          | (0.0)                 |
| Equity Options (OTC)                | —  | —            | —                     |
| Equity Swaps (OTC)                  | —  | —            | —                     |
| Other (OTC)                         | 1.5  | 0.2          | (0.2)                 |
| <b>Total</b>                        |  | <b>0.9</b>   | <b>(0.4)</b>          |

<Reference> (in billions of Yen)

|              | as of March 31, 2003                           |              |                       |
|--------------|--|--------------|-----------------------|
|              | Contractual Value or Notional Principal Amount | Market Value | Unrealized Gain(Loss) |
|              | 0.3  | (0.0)        | (0.0)                 |
|              | 16.9   | 0.0          | (0.0)                 |
|              | 3.6  | 0.2          | (0.0)                 |
|              | —  | —            | —                     |
|              | —  | —            | —                     |
|              | 0.1  | 0.0          | (0.0)                 |
| <b>Total</b> |  | <b>0.2</b>   | <b>(0.1)</b>          |

\*1 Derivatives mentioned above were marked to market.

\*2 The market values (listed) represent the closing price on the Tokyo Stock Exchange and other exchange at the time. The market values of over-the-counter transactions are calculated by using an option pricing model.

(d) Bond --Related Transactions (in billions of Yen)

|                              | as of June 30, 2003                            |              |                       |
|------------------------------|--|--------------|-----------------------|
|                              | Contractual Value or Notional Principal Amount | Market Value | Unrealized Gain(Loss) |
| Bond Futures (Listed)        | 96.3   | 0.6          | 0.6                   |
| Bond Future Options (Listed) | 48.1   | 0.2          | 0.0                   |

<Reference> (in billions of Yen)

|  | as of March 31, 2003                           |              |                       |
|--|--|--------------|-----------------------|
|  | Contractual Value or Notional Principal Amount | Market Value | Unrealized Gain(Loss) |
|  | 21.5   | 0.0          | 0.0                   |
|  | —  | —            | —                     |

\*1 Derivatives mentioned above were marked to market.

\*2 The market values represent the closing price on the Tokyo Stock Exchange and other exchange at the time.

(e) Commodity --Related Transactions ... No outstanding positions

(f) Credit-Related Transactions (in billions of Yen)

|                              | as of June 30, 2003                            |              |                       |
|------------------------------|--|--------------|-----------------------|
|                              | Contractual Value or Notional Principal Amount | Market Value | Unrealized Gain(Loss) |
| Credit Default Options (OTC) | 86.5   | 0.4          | 0.4                   |

<Reference> (in billions of Yen)

|  | as of March 31, 2003                           |              |                       |
|--|--|--------------|-----------------------|
|  | Contractual Value or Notional Principal Amount | Market Value | Unrealized Gain(Loss) |
|  | 90.2   | 0.3          | 0.3                   |

\*1 Derivatives mentioned above were marked to market.

\*2 The market values are calculated by using the present value of estimated cash flows.

4.3. Derivatives for which hedge accounting was adopted <Consolidated>

[Contract amount of interest rate swaps (to which deferred hedge accounting is applied), classified by maturity.]

|  | (in billions of yen) |              |              |       |
|--|----------------------|--------------|--------------|-------|
|  | as of June 30, 2003  |              |              |       |
|  | 1 year or less       | 1 to 5 years | Over 5 years | Total |
| Interest Rate Swaps / Total contract amount    | 52.6                 | 237.7        | 223.0        | 513.3 |
| Receivable fixed rate / Payable floating rate  | 47.6                 | 200.6        | 6.7          | 254.9 |
| Receivable floating rate / Payable fixed rate  | 3.0                  | 37.1         | 216.3        | 256.4 |
| Receivable floating rate/Payable floating rate | 2.0                  | —            | —            | 2.0   |
| Currency Swaps / Total contract amount         | 111.3                | 217.0        | 79.0         | 407.3 |

|  | <Reference> (in billions of yen) |              |              |         |
|--|----------------------------------|--------------|--------------|---------|
|  | as of March 31, 2003             |              |              |         |
|  | 1 year or less                   | 1 to 5 years | Over 5 years | Total   |
|  | 343.0                            | 442.7        | 290.5        | 1,076.3 |
|  | 297.5                            | 258.0        | 14.6         | 570.3   |
|  | 43.5                             | 184.7        | 275.8        | 504.0   |
|  | 2.0                              | —            | —            | 2.0     |
|  | 113.8                            | 248.6        | 95.0         | 457.4   |