

March 12, 2004  
Shinsei Bank, Limited  
(Code No. 8303)

**Shinsei Bank Enters Advisory Services Agreement with Taiwan's Chiao Tung Bank**  
- CTB to Transform Technology and Operations to Drive Growth -

Shinsei Bank, Limited ("Shinsei Bank") and Shinsei Information Technology Co., Ltd. ("SIT"), a wholly owned subsidiary of Shinsei Bank, have agreed to enter into an advisory services agreement with Chiao Tung Bank ("CTB"), a part of the Taiwanese finance holding company Mega Financial Holding, to improve CTB's IT systems and operations processes.

To achieve its business growth objectives, CTB has identified the transformation of its IT systems and operations process as a key step. For this, CTB has been considering several options, including working with institutions that have achieved similar results. CTB has been in discussions with Shinsei Bank to explore the possibility of the two organizations working together in this regard.

Since Shinsei Bank re-launched its business in March 2000, it has made innovative use of IT to develop systems and processes that enables Shinsei Bank to respond quickly to customers' needs, while keeping costs low. At the same time, Shinsei Bank has streamlined its processes, making them more efficient. By leveraging its experience and accumulated know-how, Shinsei will work with CTB to transform its IT systems and operations processes.

An overview of the agreement is as follows:

1. Shinsei Bank and SIT will offer a range of advisory services to CTB, including:
  - a. Strategic advice for transforming IT systems and operations processes
  - b. Selection/recommendation of vendors to help accomplish the desired transformation
  - c. Support of CTB's efforts to achieve its objectives
2. A steering committee will be created, made up of members from SIT and CTB's management to coordinate the project and review recommendations made as part of the advisory services.
3. The agreement will be valid for two years, beginning April 1, 2004.

CTB believes that this alliance will enable it to create competitive services for customers in its traditional corporate banking business, as well as in its retail business. The Shinsei Bank group plans to offer similar IT advisory services to customers in Japan and overseas.

### **Company Profile of Shinsei Information Technology Co., Ltd.**

SIT is a wholly-owned subsidiary of Shinsei Bank specializing in IT services -- including the development, deployment, maintenance and operations of Information Systems -- to Shinsei Bank and its affiliates. SIT is expanding its IT transformation business to Corporations.

Established in:	August 1983
Capital Stock:	JPY 100 million
Head Office:	Shinagawa-ku, Tokyo
President:	Osamu Shimamura
Sales:	JPY 2,194 million (as of March 31, 2003)
Number of Employees:	212 (as of March 31, 2003)

### **Company Profile of Chiao Tung Bank (CTB)**

CTB, a subsidiary of Mega, is a leading Taiwanese commercial bank, with one of the largest major corporate lending and equity investment portfolios of Taiwan's commercial banks. CTB is closely linked to the economic environment and continues to enlarge the scale of operations by developing its four core businesses: lending, investment, foreign exchange and consumer banking business.

Established in:	1907
Capital Stock:	NT 27,148 million (as of December 31, 2002)
Total Assets:	NT 589,837 million
Number of Employees:	1,319

### **Company Profile of Mega Financial Holding**

Mega Financial Holding Company, a leading financial holding company in Taiwan, includes two major banks, CTB and ICBC (The International Commercial Bank of China), and companies spanning the entire financial services field, including insurance and securities.

Established in:	February 2002
Capital Stock:	NT 110,488 million (as of December 31, 2002)
Total Assets:	NT 1,649,624 million

Note: NT 1 is about JPY 3.3 (as of March 12, 2004)