

May 28, 2004

Company name: Shinsei Bank, Limited

Name of representative: Masamoto Yashiro

President &amp; CEO

(TSE Code: 8303)

### **Announcement Regarding Purchase of Bank's Common Shares**

Shinsei Bank, Limited (the "Bank") announces that the Board of Directors at its meeting on May 28, 2004, authorized the Bank to purchase up to 2 million shares of the Bank's common shares pursuant to Article 211-3, Paragraph 1, Item 2 of the Commercial Code. Additionally, the Board of Directors approved a proposal to be submitted to the 4th Annual General Meeting of Shareholders to be held on June 24, 2004, authorizing the Bank to purchase up to 25 million shares of the Bank's common shares pursuant to Article 210 of the Commercial Code. Further details of the items are:

#### **I. Purchase of Bank's Common Shares**

##### **pursuant to Article 211-3, Paragraph 1, Item 2 of the Commercial Code**

#### **1. Purpose of Purchasing of the Bank's Shares:**

This purchase of the Bank's shares will be made, authorized by Article 5-2 of the Articles of Incorporation pursuant to Article 211-3, Paragraph 1, Item 2 of the Commercial Code, in order to meet requirements under the employee stock option program which is to be proposed to the 4th Annual General Meeting of Shareholders to be held on June 24, 2004, and to enable the Bank to purchase shares for capital management in response to the changes in business environment.

#### **2. Details of Share Purchase:**

- |                                       |  |
|---------------------------------------|--|
| (1) Type of shares to be purchased:   | Common Shares  |
| (2) Number of shares to be purchased: | 2,000,000 shares as an upper limit   |
| (3) Total cost of purchase:           | 1,600,000,000 yen as an upper limit  |
| (4) Available period for purchase:    | From the closing of the Board Meeting held on May 28, 2004, to the closing of the 4th Annual General Meeting of Shareholders to be held on June 24, 2004 |

## **II. Purchase of Bank's Common Shares pursuant to Article 210 of the Commercial Code**

### **1. Purpose of Purchasing of the Bank's Shares:**

This purchase of the Bank's shares will be made, pursuant to Article 210 of the Commercial Code, in order to meet requirements under the employee stock option program and to enable the Bank to purchase shares for capital management in response to the changes in business environment.

### **2. Details of Share Purchase:**

- |                                       |  |
|---------------------------------------|--|
| (1) Type of shares to be purchased:   | Common Shares  |
| (2) Number of shares to be purchased: | 25,000,000 shares as an upper limit  |
| (3) Total cost of purchase:           | 20,000,000,000 yen as an upper limit   |
| (4) Available period for purchase:    | From the closing of the 4th Annual General Meeting of Shareholders to be held on June 24, 2004, to the closing of the immediately following Annual General Meeting of Shareholders |

**Note:** The share purchase stated under II above will be made under the condition that the proposal of "Purchase of Bank's Shares" be approved at the 4th Annual General Meeting of Shareholders to be held on June 24, 2004

### **Reference:**

Total number of common shares issued as of March 31, 2004:

1,358,536,000 shares (excluding 1,606 shares of Treasury Shares)