

For Immediate Release

Company Name: Shinsei Bank, Limited  
Name of representative: Masamoto Yashiro  
Chairman and CEO  
(Code: 8303 TSE First Section)

## **New Management Structure Under the Company with Committees System**

Tokyo (Thursday, June 24, 2004) --- As part of its conversion to a Company with Committees board model (*iinkai-tou setchi-gaisha*), Shinsei Bank, Limited ("Shinsei Bank") today announced the establishment of and appointed members to the following committees: the Nomination Committee, the Audit Committee and the Compensation Committee. Shinsei Bank also appointed Statutory Executive Officers ("SEO") in charge of business execution.

These three committees and the SEO management structure were put in place in accordance with the amended Japanese Commercial Code. As announced on January 16, 2004, Shinsei Bank decided to adopt a Company with Committees board model effective after its Annual General Meeting of Shareholders held today. The committee members and SEOs were appointed at a Board of Directors Meeting held immediately after the Shareholders Meeting.

The Board also established the Office of Audit Committee to function as the secretariat for the Audit Committee.

Following is an outline of the new committees and SEO management structure:

### **1. Nomination, Audit and Compensation Committee**

#### Nomination Committee

##### *Committee*

*Composition:* 6 members (5 outside directors and 1 executive director)

*Main Role:* Make decisions regarding proposals submitted at Shareholders Meetings for the appointment and removal of directors

*Chairman:* Minoru Makihara\*

*Members:* Michael J. Boskin\*

Timothy C. Collins\*

J. Christopher Flowers\*

David Rockefeller\*

Masamoto Yashiro (Chairman and CEO)

\* = outside directors

## Audit Committee

### *Committee*

<i>Composition:</i>	4 members (all outside directors)
<i>Main Role:</i>	Conduct audits on activities of directors and SEOs
<i>Chairman:</i>	Akira Aoki*
<i>Members:</i>	Shigeru Kani* Yasuharu Nagashima* Nobuaki Ogawa*

\* = outside directors

## Compensation Committee

### *Committee*

<i>Composition:</i>	6 members (all outside directors)
<i>Main Role:</i>	Make decisions regarding compensation of individual director and SEO
<i>Chairman:</i>	J. Christopher Flowers*
<i>Members:</i>	Emilio Botín* Timothy C. Collins* Minoru Makihara* Donald B. Marron* Martin G. McGuinn*

\* = outside directors

## **2. Statutory Executive Officers**

Chairman and CEO	Masamoto Yashiro <sup>1,2</sup>
Vice Chairman	Thierry Porté <sup>1,2</sup>
Senior Managing Executive Officers:	
Head of Institutional Banking Group	Teruaki Yamamoto <sup>2</sup>
Head of Institutional Banking Group	Clark Graninger
Head of Retail Banking Group	K. Sajeeve Thomas
Chief Financial Officer, Head of Finance Group	John E. Mack
Head of Banking Infrastructure Group	Dhananjaya Dvivedi
Head of Risk Management Group	Janak Raj
Managing Executive Officers:	
Head of Corporate Banking Business Sub-Group	Tadashi Ishikuro
Head of Corporate Business Solutions Sub-Group	Junzo Tomii
Head of Financial Institutions & Capital Markets Sub-Group	Masazumi Kato
Deputy Head of Retail Banking Group	Satoru Katayama

1 = Director

2 = Representative SEO

### **3. Office of Audit Committee (“OAC”)**

The OAC functions as the secretariat for the Audit Committee, assisting with the execution of the Audit Committee’s audit activities. As defined in Article 193 of the Rules for Enforcement of the Japanese Commercial Code, the head of the OAC is “an employee who assists in the execution of the duties of the Audit Committee”. In order to ensure the independence of the head of the OAC from Shinsei Bank in accordance with the law, the OAC reports directly to and works solely for the Audit Committee.

Since its launch as a new bank in March 2000, Shinsei Bank has worked to create an effective corporate governance system through the appointment of highly experienced outside directors from both Japan and other countries. Shinsei Bank has also voluntarily established a Nomination and Compensation Committee that reports to the Board of Directors, and an Audit Committee that reports both to the Board of Directors and the Board of Statutory Auditors.

With the change in board model, the function of Statutory Executive Officers to execute business and the function of the Board of Directors to monitor and supervise business execution are more clearly separated. In addition, part of the Board of Directors’ business execution authority has been transferred to the Statutory Executive Officers in accordance with Japanese law. These measures increase Shinsei Bank’s flexibility in business execution and quick decision-making capabilities, while allowing the Board of Directors to focus on long-term management strategy and the supervision of business execution.

Going forward, Shinsei Bank will continue to strengthen its corporate governance framework in order to achieve more effective and transparent management.

(Reference)

Board of Directors (as of June 24, 2004)

Director	Masamoto Yashiro	Representative Statutory Executive Officer Chairman and CEO
Director	Thierry Porté	Representative Statutory Executive Officer Vice Chairman
Director*	Akira Aoki	(Senior Advisor, Japan Securities Finance Co., Ltd.)
Director*	Michael J. Boskin	(Professor, Stanford University)
Director*	Emilio Botín	(Chairman, Banco Santander Central Hispano SA)
Director*	Timothy C. Collins	(CEO, Ripplewood Holdings, LLC)
Director*	J. Christopher Flowers	(Chairman, J.C.Flowers & Co.,LLC)
Director*	Takashi Imai	(Senior Advisor, Honorary Chairman, Nippon Steel Corporation)
Director*	Shigeru Kani	(former Director, Administration Department, The Bank of Japan)
Director*	Minoru Makihara	(Senior Corporate Advisor, Mitsubishi Corporation)
Director*	Donald B. Marron	(former Chairman, UBS Paine Webber)
Director*	Martin G. McGuinn	(Chairman and CEO, Mellon Financial Corporation)
Director*	Yasuharu Nagashima	(Lawyer)
Director*	Nobuaki Ogawa	(Lawyer)
Director*	David Rockefeller	(former Chairman, Rockefeller Group)

\* = outside directors stipulated in Article 188, Paragraph 2, 7-2 of the Japanese Commercial Code

( ) = other or former position