

For Immediate Release

Shinsei Bank, Limited  
 (Code: 8303 TSE First Section)

## Shinsei Bank Announces Projections for the 1st Half of Fiscal Year 2004 Results

Tokyo (Tuesday, October 26, 2004) --- Shinsei Bank, Limited ("Shinsei Bank") announced today its projected results for the 1st Half of Fiscal Year 2004 ended September 30, 2004, as below.

### 1. Profit

<Consolidated>

	Results for 1st half of FY2003	Projections of results for 1st half of FY2004
Actual Net Business Profit * (Consolidated)	28.1 billion yen	34.0 billion yen
Net Operating Income (Consolidated)	24.4 billion yen	29.0 billion yen
Net Income(Consolidated)	34.0 billion yen	41.0 billion yen

(Reference)

Projections of results for FY2004  
 (previously announced on May 28, 2004)

1st half of FY2004    Full year FY2004

30.0 billion yen	62.0 billion yen
32.0 billion yen	66.0 billion yen

\* Actual Net Business Profit: Net Business Profit before General Reserve for Loan Losses for management accounting essentially based on the Revitalization Plan standard.

<Non-consolidated>

Actual Net Business Profit * (Non-consolidated)	24.7 billion yen	29.0 billion yen
Net Operating Income (Non-consolidated)	22.3 billion yen	25.0 billion yen
Net Income (Non-consolidated)	31.8 billion yen	37.5 billion yen

29.0 billion yen	60.0 billion yen
29.0 billion yen	60.0 billion yen
32.0 billion yen	66.0 billion yen

\* Actual Net Business Profit: Net Business Profit before General Reserve for Loan Losses based on the Revitalization Plan standard.

For the six month period ended September 30, 2004, the Bank posted higher Net Business Profit (jissitsu gyomu jun-eki), Net Operating Income (keijo rieki) and Net Income, respectively and both on consolidated and non-consolidated basis, compared to the six month period ended September 30, 2003. This is partly due to the retail banking business becoming profitable as well as improved performance in the investment banking business. The Bank recorded net credit recovery partly due to the reduction of problem claims.

The Bank plans to pay interim dividends as forecasted at the beginning of the term subject to the approval by the board at the next board meeting. Interim common dividends will be 1.29 yen per share, an increase of 0.18 yen per share, as compared to the interim common dividends of 1.11 yen per share paid in the previous fiscal year.

## 2. Amount of major account

<Non-consolidated>		(in billions of Yen)		
	as of Sep.-2003	as of Mar.-2004 (a)	as of Sep.-2004 (b)	changes (b-a)
Loans	3,466.4	3,217.8	3,372.5	154.7
Securities	1,458.0	1,508.2	1,396.9	(111.3)
Total Assets	6,549.3	6,406.3	6,534.1	127.8
Deposits & NCD	2,793.2	2,778.4	3,238.2	459.8
Debentures	1,411.3	1,362.2	1,337.4	(24.8)
Total Capital	698.7	729.2	759.4	30.2

## 3. Problem Claims to be classified in categories under the Financial Revitalization Law

<Non-consolidated>		(in billions of Yen)		
	as of Sep.-2003	as of Mar.-2004 (a)	as of Sep.-2004 (b)	changes (b-a)
Problem Claims Total	154.2	97.3	73.7	(23.6)
Problem Claims Ratio	4.11%	2.78%	2.01%	(0.77%)

*Shinsei Bank is a Japanese banking institution founded on global standards of governance and management. With over \$61 billion in assets and 29 branches throughout Japan, Shinsei provides a broad range of value-added financial solutions to institutional and individual customers under the banner of "Better Banking." Our PowerFlex account, free ATM network and internet banking service, and customer friendly financial centers have redefined the Japanese retail banking experience. Shinsei is committed to long-term growth and profitability by expanding its customer-focused business model. News and other information about Shinsei Bank are available at <http://www.shinseibank.com/english/index.html>.*