

For Immediate Release

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

Announcement Regarding Purchase of Shinsei Bank's Common Shares

Tokyo (Tuesday, May 24, 2005) --- Shinsei Bank, Limited (the "Bank") announces that the Board of Directors at its meeting on May 24, 2005, approved a proposal to be submitted to the 5th annual general meeting of shareholders (the "Annual Shareholders' Meeting") to be held on June 24, 2005, 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 item are:

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

This purchase of the Bank's shares will be made 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: | 17,500,000,000 yen as an upper limit |
| (4) Available period for purchase: | From the closing of the 5th Annual Shareholders' Meeting to be held on June 24, 2005, to the closing of the immediately following Annual Shareholders' Meeting |

Note: The share purchase stated above will be made under the condition that the proposal of "Purchase of Bank's Shares" be approved at the 5th Annual Shareholders' Meeting to be held on June 24, 2005.

Reference:

1. Bank's share purchase authorized at the 4th Annual Shareholders' Meeting held on June 24, 2004:

- | | |
|---------------------------------------|--------------------------------------|
| (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 |

2. Shares purchased after the date of approval at the 4th Annual Shareholders' Meeting (as of May 24, 2005):

- | | |
|---------------------------------|----------|
| (1) Number of shares purchased: | 0 shares |
| (2) Total cost of purchase: | 0 yen |

3. Total numbers of common shares issued and treasury shares as of April 30, 2005:

- | | |
|---|--|
| (1) Total number of common shares issued: | 1,358,537,606 shares |
| (2) Total number of treasury shares: | 7,854 shares (all shares were purchased as less-than-one-unit shares and included in the total number of common shares issued) |

Shinsei Bank is a Japanese banking institution founded on global standards of governance and management. With over \$59 billion in assets and 29 branches throughout Japan (non-consolidated, as of March 2005), 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 along with our 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>.*