

For Immediate Release

Shinsei Bank, Limited
Name of Representative: Thierry Porté
President and CEO
(Code: 8303, TSE First Section)

Conclusion of a Letter of Understanding Regarding the Assignment of Shinsei Sales Finance Stocks

Tokyo (Tuesday, November 29, 2005)--- Shinsei Bank, Limited ("Shinsei Bank") has determined at its Management Committee Meeting today to sign a letter of understanding with APLUS Co., Ltd. ("APLUS", a subsidiary of Shinsei Bank) with respect to assignment of the entire shares of Shinsei Sales Finance Co., Ltd. ("Shinsei Sales Finance", wholly owned subsidiary of Shinsei Bank). Based on the agreement set forth in the letter, Shinsei Bank shall determine detailed conditions with APLUS, and plans to complete the assignment in March 2006. This assignment will be conditional on authorization of Shinsei Bank's Board of Directors meeting.

1. Reason for the conclusion of the letter

APLUS actively conducts business development focusing on shopping credit business as Shinsei Bank's core consumer and commercial finance group company, and leads efforts in expanding the corporate value of Shinsei Bank Group.

Shinsei Bank believes that it is appropriate to sign a letter of understanding and turn Shinsei Sales Finance into a whole subsidiary of Shinsei Bank by transferring the 100% shares currently held by Shinsei Bank in order to improve efficiency of this retail shopping credit business, which is one of the main consumer and commercial finance businesses of Shinsei Bank Group.

2. Overview of Shinsei Sales Finance

Please refer to the attached table.

3. Shareholding status before and after the assignment

- (1) Number of shares held by Shinsei Bank before assignment: 60,200 shares
- (2) Number of shares to be transferred to APLUS: All shares (60,200 shares)
- (3) Number of shares held by Shinsei Bank after the assignment: 0 share

4. Future plans

APLUS plans to improve the efficiency of the business through an assignment of business or of receivables after the assignment of shares.

Shinsei Bank is a Japanese banking institution founded on global standards of governance and management. With over \$61 billion in assets and 30 Shinsei Financial Centers throughout Japan (non-consolidated, as of September 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, 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 is available at <http://www.shinseibank.com/english/index.html>.

[Overview of Shinsei Sales Finance]

Company Name	Shinsei Sales Finance Co., Ltd.
Representative	President and Representative Director, Masahiro Hirai
Address	1-8, Uchisaiwaicho, 2-Chome, Chiyoda-ku, Tokyo 100-8501
Establishment	August 1986 (As Teijin Finance Limited)
Capitalization	350 million yen
Shareholder	Shinsei Bank, Limited (100%)
Operating Revenue	2,808 million yen (Fiscal year ended March 2005)
Operating Loss	1,172 million yen (Fiscal year ended March 2005)
Gross Assets	39,387 million yen (March 2005)
Main Business	Shopping credit