

For immediate release

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

Shinsei Bank Announces Allocation of Stock Acquisition Rights as Stock Options

Tokyo (Tuesday, February 28, 2006) --- Shinsei Bank, Limited (the "Bank") announced that at a meeting held on February 28, 2006, its Board of Directors approved the 11th and 12th issuance of Stock Acquisition Rights based on the resolution adopted in accordance with Articles 280-20 and 280-21 of the Commercial Code of Japan at the 5th annual general meeting of shareholders (the "Annual Shareholders' Meeting") held on June 24, 2005. The details are as follows:

		11th	12th
1	Issue date of Stock Acquisition Rights:	March 1, 2006	
2	Total number of Stock Acquisition Rights to be issued (Number of shares that can be purchased through the exercise of 1 Stock Acquisition Right: 1,000) :	53 Stock Acquisition Rights	19 Stock Acquisition Rights
		Each number is ceiling. The concrete number should be determined on March 1, 2006.	
3	Class and number of shares that can be purchased through the exercise of Stock Acquisition Rights:	53,000 Common shares of the Bank	19,000 Common shares of the Bank
		Each number is ceiling. The concrete number should be determined on March 1, 2006	
4	Issue price of stock options:	Free of charge	
5	Amount payable per share when exercising Stock Acquisition Rights (Exercise Price):	To be determined on March 1, 2006	
6	Total value of shares to be issued or transferred through the exercise of Stock Acquisition Rights:	To be determined on March 1, 2006	
7	Amount capitalized from issue price:	An amount calculated by multiplying the Exercise Price (to be determined on March 1, 2006) by 0.5. If any amount less than 1 yen is created as a result of the above calculation, such amount shall be rounded up.	
8	Number of people to whom Stock Acquisition Rights are offered and their details:	2 employees of the Bank	2 employees of the Bank
9	Exercise Period of Stock Acquisition Rights	From July 1, 2007 to June 23, 2015	From July 1, 2007 to June 23, 2015
10	Conditions for Exercising Rights	Basically the Stock Acquisition Rights holders may exercise their rights between July 1, 2007 and June 30, 2008 with respect to only a half of the number of Stock Acquisition Rights granted to them. All the Stock Acquisition Rights, however, may be exercised from the inception date of the exercise period according to the condition of the "Agreement on the Grant of Stock Acquisition Rights"	Basically the Stock Acquisition Rights shall be exercised after July 1, 2008 and also the Stock Acquisition Rights holders may exercise their rights between July 1, 2008 and June 30, 2010 with respect to only a half of the number of Stock Acquisition Rights granted to them. All the Stock Acquisition Rights, however, may be exercised from the inception date of the exercise period according to the condition of the "Agreement on the Grant of Stock Acquisition Rights".

【Reference】

- (1) Resolution date of the Board of Directors meeting for the submission to the Annual Shareholders' Meeting: May 24, 2005
- (2) Resolution date of the Annual Shareholders' Meeting: June 24, 2005

Shinsei Bank is a Japanese financial institution providing a full range of financial products and services to both institutional and retail customers based on a three pillar business model comprising Institutional Banking, Consumer and Commercial Finance and Retail Banking. The Bank has total assets of USD 81 billion on a consolidated basis and a network of 29 Shinsei Bank branches in Japan. Shinsei Bank demands uncompromising levels of integrity and transparency in all its activities to earn the trust of customers, staff and shareholders. The Bank is committed to delivering long-term profit growth and increasing value for all its stakeholders.

*News and other information about Shinsei Bank is available at
<http://www.shinseibank.com/english/index.html>.*