

For Immediate Release

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

### Notice Concerning Change of Specified Subsidiary

Tokyo (Wednesday, March 15, 2006) --- Shinsei Bank, Limited (“Shinsei Bank”) hereby announces that its special purpose company in the Cayman Islands named Shinsei Finance II (Cayman) Limited (“Shinsei Finance II”) will become a Specified Subsidiary (*tokutei kogaisha*) of Shinsei Bank due to the issuance of Preferred Securities (as defined below). As announced today, Shinsei Finance II was established for the purpose of issuing U.S. dollar-denominated non-cumulative perpetual preferred securities (the “Preferred Securities”) outside Japan. The voting rights in the special purpose company held by Shinsei Bank and the percentage of such rights against total voting rights will not change as a result of the issuance because the Preferred Securities to be issued will, except in certain limited circumstances, be nonvoting securities.

#### 1. Reason for the change

Shinsei Bank holds all of the ordinary shares of Shinsei Finance II. Due to the payment for Preferred Securities which is expected to occur on March 23, 2006, the value of the capital stock of Shinsei Finance II is expected to exceed 10% of the value of the capital stock of Shinsei Bank. Therefore, Shinsei Finance II is expected to become a Specified Subsidiary of Shinsei Bank.

#### 2. Profile of the Specified Subsidiary

Shinsei Finance II (Cayman) Limited

Registered office	PO Box 309GT, Uglan House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies	
Date of change	March 23, 2006	
Details of business	Issuance of Preferred Securities, etc.	
Closing date of fiscal year	December 31 of each year	
Number of directors and employees	3 directors, no employees	
Capital stock	USD 719 million	
Total outstanding shares and Preferred Securities	4,001,000 Ordinary shares	(par value \$0.01 per share)
	700,000 Preferred Securities	(liquidation preference \$1,000)
Shareholders	Ordinary shares:	100% owned by Shinsei Bank
	Preferred Securities:	100% owned by entities other than Shinsei Bank

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