

For Immediate Release

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

Shinsei Bank Announces Organizational Changes

Tokyo (Thursday, June 29, 2006) --- Shinsei Bank, Limited ("Shinsei Bank") today announced the following organizational changes:

1. Organizational Changes

(A) Institutional Banking Group

(1) To continue to achieve further growth and accomplish our goals going forward the Institutional Banking Group ("IBG"), IBG shall be reorganized as follows.

- (i) A Senior Management Team consisting of multiple Heads of IBG shall be established. These Group Heads will work actively together in the overall management of the Group and each Group Head will also have individual business and management responsibilities.
- (ii) Three new committees shall be established; the IBG Executive Committee where important matters such as IBG's strategy, plans, budget, human resources issues, etc. shall be discussed and resolved, the IBG Client Committee where coordination of execution for transactions and so forth shall be monitored, and the IBG Subsidiary Oversight Committee where subsidiaries of the Group will be discussed and overseen.

(2) In line with the above framework, the following organizational changes shall be implemented.

- (i) Organizations that currently take charge of advisory business for M&A or alliances in the Corporate Banking Business Sub-Group ("CBBSG") i.e. the International Corporate Banking Team, the Corporate Business Unit V and the Corporate Advisory Division, shall be moved into a new Advisory Sub-Group and accordingly the Corporate Business Unit V shall be abolished.
- (ii) Asset Management Division shall be removed from CBBSG and shall report directly to the Group Heads.
- (iii) The Capital Markets Division shall be removed from the Financial Institutions and the Capital Market Sub-Group ("FICMSG") and shall report directly to the Group Heads. FICMSG shall change its name to the Financial Institutions Business Sub-Group ("FIBSG").
- (iv) Aiming at business promotion for the public sector corporations, the Financial Institutions Business Division III and the Osaka Financial Institutions Business Division in FIBSG shall be renamed to the Financial Institutions Business and the Public Sector Finance Division ("FIPD") and the Osaka Financial Institutions Business and the Public Sector Finance Division ("OFPD") respectively, and both of them shall report to both FIBSG and the Public Sector Finance Sub-Group ("PSFSG").
- (v) The Corporate Business Unit IV shall be renamed the Business Development Unit.

B. Finance Group

- (1) The IR function shall be transferred from Corporate Communications Division in the Corporate Affairs Group and the Investor Relations Division shall be established.
- (2) The Office of CFO shall be established.
- (3) The Regulatory Accounting Division shall be renamed the Regulatory Accounting and Tax Division.
- (4) The Capital Markets Product Control Division shall be renamed the Capital Markets and Treasury Product Control Division ("CMTPCD") to better reflect its responsibilities and coverage.

C. Banking Infrastructure Group

To conduct and manage the operation of the Group more effectively, Sub-Group system shall be introduced in the Group. Each Division in the Group shall be reorganized into three newly established Sub-Groups by function, i.e. Control Sub-Group ("CSG"), Technology Sub-Group ("TSG") and Operations Sub-Group ("OSG").

Divisions which each Sub-Group consists of are as follows.

CSG: Operations Planning and Administrations Division

TSG: Information Technology Division, Technology Support Division

OSG: Operations Services Division (Grand Cayman Br.), Operation Support Division

2. Effective Date

July 1, 2006

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 US\$ 80 billion on a consolidated basis and a network of 29 Shinsei Bank branches in Japan (as of March 2006). 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 are available at <http://www.shinseibank.com/english/index.html>.