

For Immediate Release

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

Notice of Change in Holdings of Shinsei Bank Shares by Major Shareholder

Tokyo (Thursday, August 17, 2006) --- Please be informed that a change in the holdings of shares of Shinsei Bank, Limited ("Shinsei Bank") by a major shareholder (the "Change") has occurred as follows.

1. Reason for the Change

The Change is associated with the sale by The Resolution and Collection Corporation ("RCC") of its holdings of Shinsei Bank Common Shares. These Common Shares were acquired on July 31, 2006 upon RCC's request for conversion of 300 million of Shinsei Bank Series 3 Class B Preferred Shares to Shinsei Bank Common Shares. The sale was executed using ToSTNeT-2 of the Tokyo Stock Exchange on August 17, 2006.

2. Details of the Change

(1) Name of Shareholder of the Change

| | |
|----------------------|---|
| (i) Name | The Resolution and Collection Corporation ("RCC") |
| (ii) Address | 46-1, Honcho 2-chome, Nakano-ku, Tokyo |
| (iii) Representative | Yoshihiko Okuno |
| (iv) Major business | Servicing (debt collection) |

(2) Number of Common Shares and Voting Rights Before and After the Change

The Resolution and Collection Corporation ("RCC")

(Before: as of July 31, 2006)

Number of the voting rights (Number of common shares): 200,033 (200,033,338 shares)

Ratio of the voting rights to total voting rights: 12.89%

(After)

Number of the voting rights (Number of common shares): NIL (0 shares)

Ratio of the voting rights to total voting rights: 0%

Note:

Number of non-voting shares deducted from total outstanding common shares for calculating the ratio of the voting rights to total voting rights before the Change: 6,187,944 shares

Number of total outstanding common shares as of August 17, 2006: 1,558,570,944 shares

RCC has requested Shinsei Bank to purchase 338 shares, the shares representing any fraction of one unit of shares, (*tangen-kabu*) pursuant to Article 192 of the Corporation Act on August 16, 2006.

(3) Date of Change

August 17, 2006 (Expected settlement date: August 22, 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\$ 84 billion on a consolidated basis and a network of 29 Shinsei Bank branches in Japan (as of June 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 is available at <http://www.shinseibank.com/english/index.html>.