

For Immediate Release

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

Announcement Regarding Public Funds Repayment Shinsei Bank Purchases Own Shares through ToSTNeT-2

Tokyo (Thursday, August 17, 2006) --- Shinsei Bank, Limited ("Shinsei Bank") today confirmed that, as announced on August 16, 2006, it has purchased its own shares as follows:

Type of shares purchased:	Common Shares of Shinsei Bank
Total number of shares purchased:	175,466,000 shares
Amount of purchase price:	¥753 per share
Total amount of purchase price:	¥132,125,898,000
Date of purchase:	August 17, 2006
Manner of purchase:	ToSTNeT-2 (for transactions at closing price) of the Tokyo Stock Exchange

As announced on August 16, 2006, Shinsei Bank placed a purchase order for 200,033,000 shares through ToSTNeT-2 of the Tokyo Stock Exchange today (August 17, 2006). Due to additional orders for Shinsei Bank shares, placed through ToSTNeT-2, our order resulted in the purchase of 175,466,000 shares as detailed above.

Details of the resolution for authorization of a certain facility for purchase of Shinsei Bank's Common Shares adopted at the meeting of the Board of Directors held on July 31, 2006

Type of shares to be purchased:	Common Shares of Shinsei Bank
Total number of shares to be purchased:	up to 201 million shares
Total amount of purchase price for shares:	up to ¥154 billion
Period during which Shinsei Bank's Common Shares can be purchased:	From July 31, 2006 to the closing of the 7 th Annual Shareholder's Meeting, expected to be held in June, 2007

Shinsei Bank reiterates its commitment to both maintaining strong capital ratios and retaining the financial flexibility to approach the capital markets to support its growth plans. Shinsei Bank's target Tier 1 capital ratio remains at 7%-8% and the Bank also targets a share count reduction of at least 5%-6%.

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>.