

For Immediate Release

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

**Termination of the “Interest Rate Option Service”
for *PowerSmart* Home Mortgage**

Tokyo (Wednesday, October 25, 2006) --- Shinsei Bank, Limited (“Shinsei Bank”) today announced, effective October 31, 2006, it will terminate its “Interest Rate Option Service” for *PowerSmart* Home Mortgage loan as a result of reviewing profitability of the service.

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>.