

For Immediate Release

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

Announcement of the Exchange Price for the Mandatory Acquisition of Series 3 Class-B Preferred Shares

Tokyo (Monday, July 9, 2007) --- Shinsei Bank, Limited (“Shinsei Bank”) today announced that the exchange price for the mandatory acquisition of Series 3 Class-B Preferred Shares issued by Shinsei Bank was determined as follows.

All relevant preferred shares for which no request for acquisition is made by July 31, 2007, will be acquired by Shinsei Bank on the mandatory acquisition date in exchange for such number of common shares as shall be obtained by dividing the subscription price in respect of the relevant preferred shares by the exchange price for the mandatory acquisition.

1. Exchange price for the mandatory acquisition: 600 yen ⁽¹⁾
2. Mandatory acquisition date: August 1, 2007
3. Reason for the determination: Pursuant to the provisions of Shinsei Bank Articles of Incorporation concerning the mandatory acquisition of the relevant preferred shares

(Reference) The number of common shares to be delivered via mandatory acquisition if there were no further requests for acquisition: 200,000,000 shares
Current exchange price for a request for acquisition: 735 yen

(1) Due to the stipulation that the number of common shares to be delivered in compensation for the mandatory acquisition shall not exceed two-thirds (2/3) of one common share per Series 3 Class-B preferred share.

(Reference)

Series 3 Class-B preferred shares

- (1) Number of shares issued: 300,000,000 shares (Initially 600,000,000 shares)
- (2) Subscription price per share: 400 yen
- (3) Total amount of shares issued: 120 billion yen (Initially 240 billion yen)

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 strategic business model comprising Institutional Banking, Consumer and Commercial Finance and Retail Banking. The Bank has total assets of US\$ 92 billion on a consolidated basis (as of March 2007) and a network of 30 Shinsei Bank branches in Japan. 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>