

For Immediate Release

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

Business Partnership with Japan Asia Investment Co., Ltd. and Subscription to its Private Placement of New Shares

Tokyo (Friday, July 20, 2007) – Shinsei Bank, Limited (“Shinsei Bank”) today announced that it has reached an agreement with Japan Asia Investment Co., Ltd. (“JAIC”) to form a business partnership and will subscribe to a capital increase by private placement of JAIC.

1. Purpose of the business partnership

By a combination of Shinsei Bank’s extensive experience in private equity investments and various financial services and JAIC’s track record of investments and its networks, both parties will aim to expand their business through the creation of the synergy in expanding investment opportunities, increasing the values of invested companies and providing financial services.

2. Background of the business partnership

Shinsei Bank has established favorable business relationships with JAIC by, for example, participating as a joint investor in equity funds that are managed by JAIC. Shinsei Bank positions Institutional Banking business as one of its core business lines and has been providing various financial services to corporate and financial institutions. Shinsei Bank has actively promoted private equity investments through buyouts, growth funds, Pre-IPO, corporate revitalization and investments to listed shares and also provided other various financial services including M&A advisory service.

JAIC, on the other hand, has been mainly engaged in venture capital investments by providing financial and managerial support to companies with high growth potential. JAIC also actively engaged in various investment businesses such as buyouts investment, business revitalization investment and financing, secondary investment business. JAIC’s active engagements has succeeded in enlarging its business portfolio and dispersing business risk, contributing the steady growth of its business.

Shinsei bank believes this partnership will further strengthen its institutional banking business.

3. Details of the business partnership

- (1) Establishment of an investment vehicle which aims to invest in listed shares via joint investments by Shinsei Bank and JAIC.
- (2) Mutual introduction for both domestic and overseas buyouts, Pre-IPO and venture capital investments.
- (3) Provision of financial advisory services from Shinsei Bank to the companies which JAIC is investing or listed companies after JAIC’s investment.
- (4) Consideration in mutual offering of financial products and services by Shinsei Securities Co., Ltd. and JAIC Securities Co., Ltd, a subsidiary of JAIC.

4. Details of subscription

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| (1) Number of shares to be acquired: | 4,166,000 shares of common stock |
| (2) Acquisition value: | 2,999,520 thousand yen |
| (3) Ownership percentage: | 3.47% |

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>.

About Japan Asia Investment Co., Ltd.

Japan Asia Investment Co., Ltd. (JAIC) (Code: 8518, JASDAQ), was established in 1981 by the Japan Association of Corporate Executives (Keizai Doyukai) as an independent venture capital company. JAIC's investment targets including unlisted growth-oriented companies, medium-sized firms grappling with ownership succession issues and corporations seeking to revitalize their businesses through restructuring. The JAIC Group helps these companies grow and raise their corporate value by offering a full lineup of financial and managerial support services as well as consulting in such specialized areas as initial public offerings (IPOs), management buyouts (MBOs) and mergers and acquisitions (M&As). In addition, JAIC has built its business around three geographic hubs, —Japan, other parts of Asia and the United States, through the expansion of its geographical coverage from ASEAN countries to Hong Kong, Taiwan, Northeast Asia, and the United States.

The Company's mission is to "serve as a bridge between financial and industrial capital, contributing to the development of new ventures and industries". The JAIC Group aims to become a "unique financial group with venture capital business as a core" by offering a wider selection of opportunities for investors in the private equity field as well as finance for companies with high growth potential.

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| (1) Company Name | Japan Asia Investment Co., Ltd. |
| (2) Representative | President and CEO, Toyoji Tatsuoka |
| (3) Address | AKASAKA Eight-One Building, 13-5 Nagata-cho 2-chome, Chiyoda-ku, Tokyo |
| (4) Established | July, 1981 |
| (5) Main business | Venture capital investment |
| (6) Paid-in Capital | 24,293 million yen (as of the end of March, 2007) |