

For Immediate Release

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

Shinsei Bank to Change the Number of Online Free Fund Transfer Service

Tokyo (Friday, July 27, 2007) – Shinsei Bank, Limited (“Shinsei Bank”) today announced that it will change the number of free-of-charge¹ domestic fund transfer using the internet banking (Shinsei *PowerDirect*) through Shinsei *PowerFlex* account as of Thursday, November 1, 2007.

Shinsei Bank has been offering the service based on customers’ transaction balance, etc., and will now change the number of free fund transfer service taking into account comprehensively the customers’ usage of the service. The current two tiers of the free fund transfer service will be modified to three tiers of up to 10, 5, or 3 times per month depending on type and balance of transactions between a customer and the Bank. (Please see the table below for details.) Fund transfers to accounts within Shinsei remain free of charge even after Thursday, November 1, 2007 regardless of an account balance.

For a smooth transition of the services, Shinsei Bank provides a transitional period to be started on Wednesday, August 1, 2007 until Wednesday, October 31, 2007. (Please refer to the attachment for the detailed services for current and transitional periods.)

■The number of free¹ domestic fund transfer via Shinsei *PowerDirect* (Effective November 1, 2007)

*Account balance as of the end of October 2007 to be applied

Criteria	Account balance requirements		
	Customers who fulfill <u>at least one of (1), (2), or (3)</u>	Customers who fulfill <u>either (1) or (2)</u>	Customers other than mentioned left
(1) Account balance as of the end of previous month ²	20 million yen or more	2 million yen or more	
(2) Asset balance of the Bank-designated financial products (investment trusts, structured deposits, and foreign currency deposits, etc.) as of the end of previous month ³	3 million yen or more	300,000 yen or more	
(3) Outstanding housing loan balance as of the end of previous month	1 yen or more	—	
Number of free-of-charge¹ domestic fund transfer to other banks	10 times per month⁴	5 times per month⁴	3 times per month

1. Fee will be charged at the time of transfer and reimbursed later up to the applicable number. 300 yen (tax included) will be charged per transfer for the exceeding number of free fund transfer service.
2. The total balance of below assets in *PowerFlex* account, insurance products (individual annuity insurance and whole life insurance) and assets in brokerage account on a yen basis at the end of previous month. As for insurance products, its amount is limited to up to 10 million yen to include in the total balance.
(1)Yen deposits (2)Foreign currency deposits (3)Structured deposits (4)Investment trusts (5) Debentures in *PowerFlex* account
3. The total balance of financial products (foreign currency deposits, structured deposits, and investment trusts) in *PowerFlex* account, insurance products (individual annuity insurance and whole life insurance) and assets in brokerage account on a yen basis at the end of previous month. As for insurance products, its amount is limited to up to 1.5 million yen to include in the total balance.
4. Once the above eligibility requirement is satisfied at the end of each month from March to February every year (at the end of each month from October 2007 to February 2008 only for this year), the applicable number will be applied from the following month until April of the following fiscal year.

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>.

■The number of free domestic fund transfer via Shinsei *PowerDirect* for current and transitional periods (August 1, 2007 - October 31, 2007)

*Account balance until the end of September 2007 to be applied

Eligibility	Current service	During transitional periods
	Number of free-of-charge ⁴ domestic fund transfer to other banks	Number of free-of-charge ⁴ domestic fund transfer to other banks
Customers who fulfill either one of the following requirements (1) Account balance ¹ of 10 million yen or more as of the end of previous month (2) Housing loan initial balance with Shinsei Bank of 50 million yen or more	30 times per month ³	30 times per month ⁵
Customers who fulfill either one of the following requirements (1) Account balance ¹ of less than 10 million yen with assets invested in the Bank-designated financial products ² (investment trust, structured deposits, and foreign currency deposits, etc.) of 3 million yen or more as of the end of previous month (2) Outstanding housing loan balance with Shinsei Bank	5 times per month ³	10 times per month ⁶
Customers other than mentioned above		5 times per month

1. The total balance of below assets in *PowerFlex* account, insurance products (individual annuity insurance and whole life insurance) and assets in brokerage account on a yen basis at the end of previous month.

(1)Yen deposits (2)Foreign currency deposits (3)Structured deposits (4)Investment trusts (5) Debentures in *PowerFlex* account.

2. The total balance of financial products (foreign currency deposits, structured deposits, and investment trusts) in *PowerFlex* account, insurance products (individual annuity insurance and whole life insurance) and assets in brokerage account on a yen basis at the end of previous month. As for insurance products, its amount is limited to up to 1.5 million yen to include in the total balance.

3. When the eligibility requirement is satisfied as of the end of a month, the applicable number will be applied in the following month.

4. Fee will be charged at the time of transfer and reimbursed later up to the applicable number. 300 yen (tax included) will be charged per transfer for the exceeding number of free fund transfer service.

5. When the requirement is satisfied as of the end of July, August, or September 2007, fund transfer fee of up to 30 times per month will be waived in the following month.

6. Once the requirement is satisfied as of the end of July, August, or September 2007, fund transfer fee of up to 10 times per month will be waived until April 2008.