

For Immediate Release

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

**Impairment of Securities Investments on a Non-Consolidated Basis
 - consolidated basis financial results not impacted by impairment -**

Tokyo (October 1, 2007) --- Shinsei Bank, Limited ("Shinsei Bank") today announced an impairment charge of 27.0 billion yen* on investments in APLUS Co., Ltd. ("APLUS"), Shinki Co., Ltd. ("Shinki") and other investments in subsidiaries/affiliates, on a non-consolidated basis.

The impairment will be recorded on a non-consolidated basis in the first half of the fiscal year 2007 ended September 30, 2007.

Shinsei Bank is currently in the process of preparing its non-consolidated financial results for the first half of the fiscal year 2007 and will release a revised forecast for non-consolidated financial results for the half year and full year 2007 in a timely and appropriate manner.

While these impairments charges impact non-consolidated financial results, they do not affect consolidated financial results.

Reference

	Before Impairment	After Impairment	Difference
	As of March 31, 2007	As of September 30, 2007	
APLUS			
Share Price	184 yen	82 yen	102 yen
# of Common Shares	156,690,390	156,690,390	0
Book Value	28.8 billion yen*	12.8 billion yen	15.9 billion yen*
Shinki			
Share Price	333 yen	97 yen	236 yen
# of Common Shares	25,607,524	25,607,524	0
Book Value	8.5 billion yen*	2.4 billion yen	6.0 billion yen*

*After deducting total valuation allowance of 15.9 billion yen for APLUS (9.2 billion yen) and Shinki (6.6 billion yen) as recorded on March 31, 2007.

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>.