

For Immediate Release

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

### **Completion of Third-Party Allotment, Successful Conclusion of Capital-Raising**

Tokyo (February 4, 2008) – Shinsei Bank, Limited, a leading diversified financial group, today announced the completion of a third-party allotment of its common stock, the culmination of a multi-step initiative to raise fresh capital, strengthen financial stability and deepen ties with new and existing shareholders. Shinsei plans to deploy new capital across its three pillars - institutional banking, consumer and commercial finance and retail banking - as it continues to set the standard for banking in Japan.

The initiative began November 20, 2007 when Shinsei's Board of Directors accepted a tender offer bid from a newly formed group of investors, including affiliates of J.C. Flowers & Co. LLC. The four tender offerors acquired 358,456,000 shares at a price of 425 yen per share through the tender offer on January 24, 2008. Shinsei Bank then issued 50 billion yen of new common shares by third-party allotment to these investors, also at 425 yen per common share. After these transactions, the investors hold approximately 32.6% of Shinsei's outstanding shares on a fully diluted basis. J.C. Flowers & Co.'s CEO and founder, J. Christopher Flowers, has taken a leading role as an investor and advisor to Shinsei since its creation.

"This marks the successful completion of a capital-raising initiative begun last fall," said Thierry Porté, President and CEO of Shinsei Bank. "This is a vote of confidence by key investors and positions us to put Shinsei Bank on a new growth trajectory."

The new capital bolsters the bank's financial resources and improves its capital ratios, positioning Shinsei's institutional banking arm to take advantage of new investment and acquisition opportunities as they arise. Shinsei also plans to expand its trendsetting retail banking network, enhancing services that have won numerous awards for customer satisfaction. In consumer and commercial finance, Shinsei is building a transparent, customer-friendly model for the Japanese market, applying its financial expertise and cutting-edge technologies to a business with long-term growth prospects. The application of Shinsei's IT infrastructure, capital base and risk management skills across all these businesses will drive the development of new products and services and create economies of scale.

Details of the payment for the new shares issued through a third party allotment pursuant to the resolution at a Shinsei Bank Board of Directors meeting held on January 18, 2008, completed today as follows:

1. Terms of Issuance of New Shares

(1)	Number of Common Shares to Be Issued	117,647,059 shares
(2)	Issue Price	¥425 per share
(3)	Aggregate Issue Price	¥50,000,000,075 (¥425 per share)
(4)	Amount to be Appropriated into Capital	¥25,000,000,038
(5)	Method of Offering or Allotment	Third party allotment to the allottees listed in (9) below
(6)	Offering Period	February 1, 2008
(7)	Payment Date	February 4, 2008
(8)	Delivery Date of New Share Certificates	February 5, 2008 (scheduled)
(9)	Allottees and Allotted Shares	
	Saturn I Sub (Cayman) Exempt Ltd.	5,056,452 shares
	Saturn Japan II Sub C.V.	5,492,190 shares
	Saturn Japan III Sub C.V.	27,292,678 shares
	Saturn IV Sub L.P.	79,805,739 shares

2. Change in Total Number of Shares due to Issuance of New Shares:

(1)	Before the issuance	1,673,570,944 shares
(2)	Increase from the issuance	117,647,059 shares
(3)	After the issuance	1,791,218,003 shares

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*Shinsei Bank is a leading diversified 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\$104 billion on a consolidated basis (as of December 2007) and a network of 43 outlets that includes 36 Shinsei Financial Centers, 2 Platinum Centers and 5 BankSpots 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 is available at <http://www.shinseibank.com/english/index.html>.