

For immediate release

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President and CEO  
(Code: 8303, TSE First Section)

## Operational Alliance Agreement with Towa Bank

Tokyo (Thursday, February 28, 2008) Shinsei Bank, Limited (“Shinsei Bank”) has concluded an Operational Alliance Agreement with Towa Bank, Ltd. (“Towa Bank”) (Representative Director and President, Kunimitsu Yoshinaga). The two banks agreed to mutually cooperate in developing and promoting high value-added financial products and services, as listed below, which are offered to Towa Bank customers.

In November 2007, Towa Bank announced its “Plan Phoenix,” with the aim of contributing to the Japan’s regional economy through the provision of loans and high-quality financial services. In order to ensure the effective implementation of the Plan, Towa Bank has established the Operational Alliance Promotion Department, which will play a central role in making alliances with leading banks.

Shinsei Bank wishes to contribute to Japan’s regional economy by strengthening alliances with its longstanding wide network of regional financial institutions. Shinsei Bank has adopted a business model whereby, for example, regional financial institutions and Shinsei Bank cooperate in the development of products and services which are then actively offered to customers by these financial institutions with Shinsei Bank’s support. The alliance with Towa Bank conforms with Shinsei Bank’s business model.

The current alliance is not intended to create an exclusive-basis relationship with Towa Bank. Shinsei Bank intends to actively form alliances with other regional financial institutions.

[Details of the alliance – currently under consideration]

The following products will be jointly developed with Towa Bank who will undertake distribution activities:

- (1) Loans - for retail and corporate customers
- (2) Investment products – to increase assets under management, such as deposits and investment trusts
- (3) Foreign exchange products - to increase income from foreign exchange fees

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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>.