

For Immediate Release

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

Shinsei Bank to Move
- consolidated, non-consolidated earnings forecast revised
to reflect headquarters sale -

Tokyo (Thursday, March 13, 2008) – Shinsei Bank, Limited, today announced that it has agreed to the sale of its headquarters building in the Uchisaiwaicho district of Tokyo and will move to a new, more cost-efficient location within three years. This is a strategic move that positions Shinsei Bank to deploy assets and staff more effectively and will contribute to a broader re-engineering of business processes. Shinsei has revised its full-year consolidated and non-consolidated earnings forecasts to reflect the sale (see table below).

The Shinsei Group is always looking at how best to utilize its assets and in this context the sale of the headquarters building has been under consideration in the past. However, following the recent receipt of an attractive offer, one of a number of unsolicited proposals, the group considered this option again. Like many of the world's biggest corporations and financial institutions, including some in Japan, Shinsei believes that ownership of a headquarters building is not the most efficient way to deploy its capital.

"This simply makes good economic sense," said Thierry Porté, President and CEO of Shinsei Bank. "It's an opportunity to realign our front- and back-office operations, invest in Japanese assets and better position ourselves to build greater shareholder value going forward."

The Shinsei Group has expanded in recent years and as a result Shinsei Bank's current headquarters building no longer meets the needs of the Bank's staff and its various businesses. The Bank plans to significantly improve efficiency by securing a space that is closely aligned with its current strategic priorities. That includes organizing the Bank and its subsidiaries to provide optimal service to our customers.

Dolphin Japan Investment, a special purpose company and a consolidated entity within the Shinsei Group, currently holds a beneficiary interest in the headquarters building. As a result of this transaction, Dolphin Japan Investment expects to record a gross gain of 66 billion yen and Shinsei Bank, as an equity investor in Dolphin Japan Investment through a silent partnership ("Tokumei Kumiai"), expects to record a net gain of approximately 56 billion yen on a net income basis.

The revision of Shinsei Bank's earnings forecast on both a consolidated and non-consolidated basis for the fiscal year ending March 31, 2008, which were announced on January 30, 2008, is due mainly to the sale of its headquarters building. This more than balanced the increased costs related to our exposure to the U.S. residential mortgage market and other factors such as the impact from recent turmoil in overseas credit markets. As a result, we have revised our consolidated earnings forecast

from 50 billion yen to 65 billion yen and non-consolidated earnings forecast from 43 billion yen to 50 billion yen, respectively, for the fiscal year ending March 31, 2008.

Revision of forecast for the fiscal year ending March 31, 2008

(Billions of yen)	
(Consolidated)	Net income
Previous forecast as of January 30, 2008 (A)	50.0
Revised forecast (B)	65.0
Difference (B-A)	15.0
Difference	30.0%
(Reference) Results for the fiscal year ended March 31, 2007	-60.9

(Billions of yen)		
(Non-Consolidated)	OBP(*)	Net income
Previous forecast as of January 30, 2008 (A)	70.0	43.0
Revised forecast (B)	51.0	50.0
Difference (B-A)	-19.0	7.0
Difference	-27.1%	16.3%
(Reference) Results for the fiscal year ended March 31, 2007	54.9	-41.9

(*) Ordinary business profit on a revitalization plan basis

Reference:

1. Summary of the building (asset in trust) to be sold

Address	16-1, Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo
Land area	5,998.50 m ²
Floor Area	62,423.66 m ²
Sales Value	JPY 118 billion
Book Value	JPY 52 billion

2. Summary of the Purchaser

Name	Fujisawa Holding TMK (A special purpose company established and owned by a real estate fund managed by Morgan Stanley)
Head office	56-15, Kameido 6-chome, Kohto-ku, Tokyo
Director	Tomoaki Yamada
Capital	JPY 3,000,000
Relationship with the bank	None

3. Timeline of the transaction

March 12, 2008	Signing of the contract
March 24, 2008	Expected transfer of the benefit

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 42 outlets that includes 36 Shinsei Financial Centers, 2 Platinum Centers and 4 BankSpots (as of February 2008) 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>.