

For immediate release

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

Shinsei Bank to Introduce New Interest Rate for PowerSmart Home Mortgage

Offering a preferential interest rate upon payment of an upfront fee
equivalent to 2% of principal borrowed

Shinsei Bank, Limited, announced that it will begin offering a new “Value” Type Interest Rate for “Initial Fixed Interest Rate Type” and “Long-Term Interest Rate Type” PowerSmart Home Mortgages from Tuesday, April 1, 2008. The new interest rate is lower than Shinsei’s Base Rates and Standard Type Rates¹ for an initially determined borrowing period. In exchange, customers pay a “Value” Type Administration Fee² equivalent to 2% of the amount borrowed (inclusive of consumption tax) upon execution of the loan.³

The following is a comparison of “Value” Type Interest Rates and Standard Type Rates for Initial Fixed Interest Rate Type and Long-Term Interest Rate Type home mortgages.

Floating Interest Rates/Initial Fixed Interest Rates (10-year fixed interest rate, as of April 1, 2008)

	PowerSmart Home Mortgages with “Value” Type Initial Rate ³	Standard Type		Home Mortgage Base Rate**
		Campaign Initial Rate*	Standard Initial Rate	
10-year fixed	1.793% p.a.	2.050% p.a.	2.600% p.a.	3.000% p.a.
Interest rate after initial rate has expired	Home Mortgage Base Rate [fixed] minus 0.4% p.a.	Home Mortgage Base Rate [fixed] minus 0.4% p.a.	Home Mortgage Base Rate [fixed] minus 0.7% p.a.	--

Long-Term Interest Rates (20-year fixed interest rate, as of April 1, 2008)

	“Value” Type Rate ³	Base Rate
20-year fixed	2.363% p.a.	2.550% p.a.

(Note: Group life insurance premiums will be covered by the bank. Interest rates are reviewed regularly. Please refer to the attachment for details of other rates.)

* The Campaign Initial Rate will be applied only for the duration of the initial fixed term.

** The home mortgage base rate is the rate that will be used to determine the applicable rate for the next interest rate term when the initial fixed term ends (for Floating Interest Rate Type or Initial Fixed Interest Rate Type mortgages. When the Long Term Interest Rate Type is selected, the same interest rate will apply throughout the borrowing term of the loan).

In addition to these three types of interest rate structure, Shinsei offers a “Mix Loan Service” that allows customers to select and combine two different interest rate structures for PowerSmart home mortgages. The addition of the new “Value” Type Interest Rate structure is designed to give customers an even wider choice.

Shinsei Bank’s home mortgages also offer enhanced convenience through PowerDirect Internet banking, which

is available 24 hours, 365 days a year, for services such as making early repayments and changing the designated balance amount for SmartPay (an automatic early repayment option), free of charge.

Shinsei Bank's Retail Banking Group aims to enrich and "color" the lives of our customers by providing them with high value-added products and services.

1. Standard Type rates refer to the standard initial borrowing rate offered for Initial Fixed Interest Rate Type mortgages and the Campaign Initial Rates.
2. The "Value" Type Administration Fee will not, in principle, be refundable even in the event of early repayment. As a result, early repayment may result in an actual borrowing rate that is higher than the applied rate.
3. Mortgage terms for customers who select the "Value" Type Interest Rate are 3, 5, 7 and 10 years for Initial Fixed Interest Rate Type home mortgages and 20, 25, 30 and 35 years for Long-Term Interest Rate Type home mortgages.

*Please refer to the attachment for further details.

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 35 Shinsei Financial Centers, 2 Platinum Centers and 5 BankSpots (as of April 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>.

Attachment: About PowerSmart Home Mortgages

- Loan amount: From JPY 5MM to 100MM (in units of ¥100,000)
- Loan term: From 5 to 35 years (in units of one year)
- Interest rate types: Floating Interest Rate (reviewed semiannually or 10-year Convertible Floating Rate (reviewed daily)), Initial Fixed Interest Rate (1, 3, 5, 7 or 10 years), Long-Term Interest Rate (20, 25, 30 or 35 years)
- The interest rate applied to a home mortgage will be the rate as of the contract date, not the rate at the time of application, and for 10-year Convertible Floating Rate (reviewed daily) mortgages, the interest rate on the date the loan is made will be applied. Therefore, interest rate movements may result in the application of an interest rate that differs from the rate at the time of application. When concluding a contract for a home mortgage, please be sure to confirm the specific rate that will be applied. The applicable rates as of today are available by telephone (Shinsei *PowerCall*: 0120-456-515).
- Collateral: A 1st lien with either standard collateral or revolving collateral will be registered against the property (land and structure) financed by the mortgage.
- Borrowers will be required to join a group life insurance policy designated by Shinsei Bank. Insurance premiums will be borne by Shinsei Bank.
- A handling fee of ¥50,000 will be charged (this includes an appraisal fee of ¥8,000–¥40,000, an individual credit inquiry fee of ¥500, and consumption taxes).
- Provisional calculations of the monthly repayment amount for specific mortgage amounts and terms are available by telephone (Shinsei *PowerCall*).
- Please request a product explanation for PowerSmart Home Mortgages by calling the telephone number shown above (Shinsei *PowerCall*).
- Prior to extending a loan, Shinsei Bank will carry out an examination to ensure that the borrower meets the conditions set by the Bank.
- For further details, please visit a Shinsei Bank branch, or enquire by telephone (Shinsei *PowerCall*) or via our Internet site.
- Applicants must meet certain conditions. Please call Shinsei *PowerCall* at the number listed above for more details.

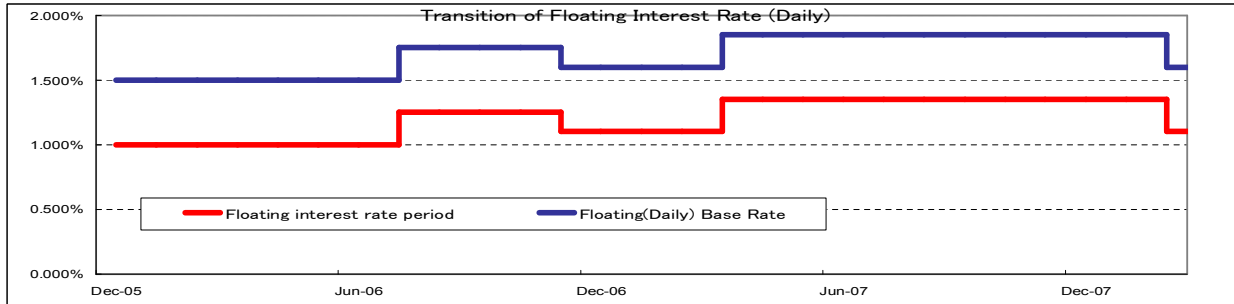
Shinsei Bank Ltd. / No. 10 Registered financial institution of Kanto Local Finance Bureau

Member of Japan Securities Dealers Association / The Financial Futures Association of Japan

Power Smart Home Mortgage

10 Year Convertible Floating Rate

Interest Rate Type	Special contract period (10 year)		After special contract period*	Floating (Daily) Type Home Mortgage Base Rate (as of Apr 1, 2008)
	Floating interest rate period (Before Powerfreeze Option)	Fixed interest rate period (After Powerfreeze Option)		
10-year convertible floating rate (daily)	Floating (Daily) Type Home Mortgage Base Rate -0.5%p.a.	Depending on the residual term of the special contract period, Home Mortgage Base Rate [Fixed] -1.0%p.a.	Home Mortgage Base Rate [Fixed] -0.4%p.a.	1.600 % p.a.
	(As of Apr 1, 2008: 1.100 % p.a.) ※			



Floating Interest Rate / Initial Fixed Interest Rate

As of April 1, 2008 (Following rates will be applied when contracted between April 1 thru April 30, 2008)

Interest Rate Type	"Value" Type Initial Rates(*)	Standard Type		Home Mortgage Base Rates
		Campaign Initial Rates	Standard Initial Rates	
6 month floating rate	-	-	1.900 %p.a.	1.900 %p.a.
1 year fixed	-	-	1.800 %p.a.	2.600 %p.a.
3 year fixed	1.163 %p.a.	-	1.850 %p.a.	2.650 %p.a.
5 year fixed	1.498 %p.a.	1.950 %p.a.	2.350 %p.a.	2.700 %p.a.
7 year fixed	1.798 %p.a.	2.100 %p.a.	2.400 %p.a.	2.800 %p.a.
10 year fixed	1.793 %p.a.	2.050 %p.a.	2.600 %p.a.	3.000 %p.a.
Interest rate after initial rate has expired *	Home Mortgage Base rate [Fixed] - 0.4%p.a.	Home Mortgage Base rate [Fixed] - 0.4%p.a.	Home Mortgage Base rate [Fixed] - 0.7%p.a.	-

(*)When "Value" Type Initial Rate is selected, "Value" Type Administration Fee of 2% (including consumption tax) on the principal amount will be payable at loan execution.

Long-Term Interest Rate

As of April 1, 2008 (Following rates will be applied when contracted between April 1 thru April 30, 2008)

Term	"Value" Type Rates(*)	Base Rates
20 Years	2.363 % p.a.	2.550 % p.a.
Over 20 to 25 years and under (in one year increments)	2.503 % p.a.	2.650 % p.a.
Over 25 to 30 years and under (in one year increments)	2.628 % p.a.	2.750 % p.a.
Over 30 to 35 years and under (in one year increments)	2.698 % p.a.	2.800 % p.a.

(*)When "Value" Type Rate is selected, "Value" Type Administration Fee of 2% (including consumption tax) on the principal amount will be payable at loan execution.

Please refer to the following page for details on each interest rate types.

Power Smart Home Mortgage

10 Year Convertible Floating Rate

- This interest rate is for reference only. Interest rates are reviewed daily, based on the movement of "Floating (Daily) Type Home Mortgage Base Rate". Please note that the interest rate applicable at time of disbursement and not application date nor contract day.
- The floating rate will start on the disbursement date. The customer may choose to fix the rate with applicable fixed rate type depending on remaining years of the initial special contracted 10 years (may fix one time only.)
- Applied interest rate (annual) for "Floating Rate Applied Tenor," "Fixed Rate Applied Tenor," or "Tenor After the Special Contracted Term (10yrs)" will be the following (1) through (3).
 - (1) Floating Rate Applied Tenor
"Floating (Daily) Type Home Mortgage Base Rate" minus 0.5% p.a. *Floating rate is subject to change on daily basis.
 - (2) Fixed Rate Applied Tenor
1,3,5,7,&10 year fixed interest rate applied depending on the remaining tenor of special contracted term; Fixed Interest Rate "Home Mortgage Base Rate" minus 1.0% p.a.
 - (3) Tenor After the Special Contracted Term
Unless instructed by the customer, "Floating Rate (reviewed semi-annually)" will be automatically applied. Customers may choose fixed interest rate type again.
If customer selects the fixed interest rate type, Fixed Interest Rate "Home Mortgage Base Rate" will be applied.
In addition, if fixed interest rate type is selected and the outstanding balance is over 5MM, Initial Fixed Interest Rate "Home Mortgage Base Rate" minus 0.4% p.a. will be applied. (For the Mix Loan Service, each loan condition must be met in order to receive special discount rate.)

Floating Interest Rate / Initial Fixed Interest Rate

- When either "Floating Interest Rate (6 month)" or "Initial Fixed Interest Rate" is selected, "Standard Initial Rate", "Campaign Initial Rate" or "'Value' Type Initial Rate" will be applied until the day prior to the first interest change date depending on the rate selected at the time of contract.
 - Unless otherwise instructed by the customer, at the end of the special contract or initial interest rate periods, the 6 month floating interest rate will be automatically applied. Customers may choose a fixed interest rate again. The "Home Mortgage Base Rate" will apply for those customers that have selected a fixed interest rate.
Further, when the fixed interest rate is selected and the outstanding balance is 5 million yen or more, the following interest rates will be applied.
 - (1) Fixed interest rate "Home Mortgage Base Rate" minus 0.4% when "'Value' Type Initial Rate" and "Campaign Initial Rate" is initially selected.
 - (2) Fixed interest rate "Home Mortgage Base Rate" minus 0.7% when "Standard Initial Rate" was initially selected.
(For the Mix Loan Service, each loan condition must be met in order to receive special discount rate)
 - The 6 month floating interest rate will be reviewed and be effective as of the 27th of the interest rate review month based on "Home Mortgage Base Rate", determined on May 1 and November 1 of each year.
 - If a fixed interest rate is selected in the interest rate review month, the applicable interest rate will be based on the "Home Mortgage Base Rate" of the same month taking effect from the 27th.
- Note: Service charge of 5,000 yen will incur when fixed interest rate is selected.
- Home Mortgage Base Rate is the rate that will be used to determine the applicable rate for next interest rate term when the initial fixed term ends.
 - When "Value" Type Initial Rate is selected, "Value" Type Administration Fee of 2% (including consumption tax) on the principal amount will be payable at loan execution.

Long-Term Interest Rate

- The interest rate will apply throughout the borrowing term of the loan (no interest rate changes will be allowed during the contract borrowing period).
- Either "Base rate" or "'Value' Type Interest Rate" will be selected for the terms of 20, 25, 30, or 35 years.
- If "Long-Term Fixed Interest Rate" is selected, the applicable rate will be determined at the time of contract closing, and not at the time of mortgage application. Please check the applicable interest rate upon contract closing.
- Please note that once this home mortgage loan is contracted, terms and interest rates cannot be changed during the loan contract period.
- When "Value" Type Initial Rate is selected, "Value" Type Administration Fee of 2% (including consumption tax) on the principal amount will be payable at loan execution.

【Note: "Value" Type Interest Rates】

- "'Value' Type Administration Fee" will not be refundable though early financial settlement is made.
- If early repayments are actively made, it is possible that the actual applied rate may appreciate more than the other offered interest rate types for the same term.

【Note: All Interest Rate Types Common Points other than "Value" Type Interest Rates】

- Product Description is available at our Shinsei Financial Centers and Home Mortgage Centers.
- "10-year Convertible Floating Rate" & "Long-Term Fixed Interest Rate Type" are campaign products. Depending on economic conditions, these campaign products may change.
- As a general rule, the Bank reviews the initial interest rate every month; however, based on the interest rate movements, interest rates may be reviewed during the month. Please confirm the borrowing terms and applied interest rate at the time of contract.
- Disbursement date of the loan may be decided by the customer. Please select the disbursement date from the period between the contract month until the last business day of the following month.
- Existing Shinsei Bank Home Mortgage customers may not refinance their current home mortgage loans.
- The loan purpose for this home mortgage is limited to finance existing housing loan (refinancing a loan from another financial institution,) purchase of new/second hand property (house · apartment), construction of a building on owned land (lump sum disbursement at time of completion only), and land only purchase (with plans to complete construction of residence within a year) are available. Please note that finance for construction in installed payments, remodeling or refinance with plans to remodel are not available.
- Please note that monthly scheduled payment amount will be recalculated and is subject to change upon interest rate revisions or due to interest rate movements. If the monthly repayment amount is reviewed, a new repayment schedule will be posted.