For Immediate Release

Shinsei Bank, Limited
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Shinsei Bank Signs MoU with IIT Kanpur,
Plans to Make Bank's IT Methodology Public

- technological first for financial institution -

Tokyo (Thursday, April 10, 2008) – In a technological first for a financial institution, Shinsei Bank, Limited, today announced that it will work with the Indian Institute of Technology Kanpur to make the bank's unique information technology methods freely available to the public. The prominent Indian technical institution plans to create university courses based on Shinsei Bank's IT and make them accessible through Creative Commons, a non-profit organization that works to expand the pool of public intellectual property. As a part of this initiative, IIT Kanpur also plans to use Shinsei technology to enhance its own IT systems.

Shinsei Bank President and CEO Thierry Porté and IIT Kanpur Director Dr. Sanjay G. Dhande signed an MoU earlier this week.

Shinsei Bank's unique IT system has attracted international attention since the bank's Chief Information Officer Dhananjaya Dvivedi turned to India for solutions when the bank was set up in 2000. The team of Indian engineers and companies assembled by Dvivedi built an innovative online retail banking platform that continues to set the standard for banking in Japan. Shinsei sees this partnership with IIT Kanpur as a unique opportunity to give something back to the Indian engineering community, which played such a key role in the birth of Shinsei and continues to contribute to its success.

"This is first of all a way for Shinsei to say 'Thank you' to India," said Shinsei Bank CEO Porté. "It is also a unique opportunity to work with one of India's leading technical institutions on an innovative project – another example of how we are a different kind of Japanese bank."

Shinsei believes it will benefit in a number of ways from disseminating its IT methods through a Creative Commons license. By increasing awareness of its methods around the world, the bank gains access to a larger pool of employees while expanding the number of skilled engineers and technicians proficient in its methods. Shinsei also believes that having others working with its methods will yield improvements and breakthroughs that will benefit all parties.

Arun Shourie, former minister for disinvestment, communication and information technology and a leading Indian journalist, introduced Shinsei to IIT Kanpur in early 2008. IIT Kanpur's Director Dr. Dhande recognized the potential of Shinsei's pioneering approach to IT and agreed to collaborate in making the bank's methods freely available through Creative Commons.

"Like Shinsei, we have a history of innovation in IT," said Dr. Dhande, a senior scientific advisor to the prime minister of India. "This is an exciting opportunity to practice and probably

teach a proven methodology that has enormous potential."

IIT Kanpur pioneered the automation of library services, academic registration, payroll preparation and project management in India, noted Dhande. "With our institution's recent growth, we need to look at successful new models built on information technology," he added.

Shinsei's methodology is best described as the application of industrial engineering techniques to the design of software and IT processes. Historically, banks have moved paperwork from desk to desk, with employees adding stamps and signatures along the way. At Shinsei, paperwork moves 'virtually' as images along an automated production line with minimal staff involvement. Shinsei has replaced all mainframe computers with PC-class servers and off-the-shelf components, creating an IT platform that is cost-efficient, modular and flexible. This unique platform has made it possible to introduce changes quickly and expand into new businesses – such as the sale of Indian mutual funds in Japan – that were not envisioned when the system was first set up. In an article in the March edition of the Harvard Business Review, David Upton and Bradley Staats described Shinsei's methodology as "a model for other companies."

Joi Ito, the chairman of Creative Commons and an innovative IT entrepreneur, has welcomed Shinsei Bank's decision to share its methods and techniques. Creative Commons was founded in San Francisco in 2001 by Lawrence Lessig, a Stanford law professor who founded the university's Center for Internet and Society.

Video footage of a conversation between Creative Commons' Ito and Shinsei CEO Porté will be available on YouTube.com later today. Please visit:
http://www.youtube.com/shinseibankpr
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