

For Immediate Release

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Name of Representative: Thierry Porté
President and CEO
(Code: 8303, TSE First Section)

Shinsei Bank to Amend Articles of Incorporation

Tokyo (Wednesday, May 14, 2008) --- At a meeting of the Board of Directors held today, Shinsei Bank, Limited, resolved to propose an amendment to its articles of incorporation at the 8th annual general meeting of shareholders scheduled for June 25, 2008.

1. Reasons for the Proposed Amendments to the Articles of Incorporation

- (1) Deletion of the provisions relating to Class-A and Class-B preferred shares in CHAPTER II-2 and other related articles as these shares have been converted into common shares.
- (2) An amendment to Article 6 in order to increase the aggregate number of shares authorized to be issued to a level that enables effective management of its capital strategy and a stronger financial base. The increase of current issued and outstanding shares to approximately 2,060,346,000 at the end of March 2008 diminished the Bank's ability to raise new funds through the issuance of new shares.

2. Details of the Proposed Amendments

Please refer to the appendix for further details of the proposed amendments.

3. Scheduled Effective Date of Amendment

June 25, 2008

Disclaimer:

This news release is an English-language translation of the original Japanese-language version. In the case of discrepancies between this translation and the original version, the original version shall be considered definitive.

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 11.5 trillion yen (US\$115 billion) on a consolidated basis (as of March 2008) and a network of 41 outlets that includes 35 Shinsei Financial Centers, 2 Platinum Centers and 4 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>

Appendix

Proposed Amendments to Articles of Incorporation

Amended parts are underlined.

| Current Articles of Incorporation | Proposed Amendments |
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| CHAPTER II SHARES | CHAPTER II SHARES |
| Article 6. (Aggregate Number of Shares Authorized to Be Issued) The aggregate number of shares which the Bank shall have the authority to issue shall be <u>three billion one hundred seventy four million five hundred twenty eight thousand (3,174,528,000) shares, out of which two billion five hundred million (2,500,000,000) shares shall be common shares, seventy four million five hundred twenty eight thousand (74,528,000) shares shall be Class-A preferred shares and six hundred million (600,000,000) shares shall be Class-B preferred shares (Class-A preferred shares and Class-B preferred shares being hereinafter collectively referred to as the "Preferred Shares").</u> | Article 6. (Aggregate Number of Shares Authorized to Be Issued) The aggregate number of shares which the Bank shall have the authority to issue shall be <u>four billion (4,000,000,000) shares.</u> |
| Article 8. (Number of Shares Constituting One Predetermined Minimum Unit of Shares (tan-gen kabu)) 1. One predetermined minimum unit of shares (tan-gen kabu) <u>for all the classes of the Bank shall be one thousand (1,000) shares.</u> 2. (Paragraph omitted) 3. (Paragraph omitted) | Article 8. (Number of Shares Constituting One Predetermined Minimum Unit of Shares (tan-gen kabu)) 1. One predetermined minimum unit of shares (tan-gen kabu) shall be one thousand (1,000) shares. 2. (No change) 3. (No change) |
| CHAPTER II-2 PREFERRED SHARES | (Deleted) |
| Article 11-2. (Preferred Dividends) <u>1. In the event that year-end dividends are to be paid by the Bank as provided for in Article 36 Paragraph 1, the Bank shall pay the year-end dividend in respect of a Preferred Share (hereinafter referred to as the "Preferred Dividend") in the amount determined by resolution of the Board of Directors of the Bank at the time of issue of such Preferred Shares which shall not exceed one hundred (100) yen in respect of one Class-A preferred share or ten (10) yen in respect</u> | (Deleted) |

| Current Articles of Incorporation | Proposed Amendments |
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| <p><u>of one Class-B preferred share, as the case may be, to each of the shareholders who hold the Preferred Shares (hereinafter referred to as the "Preferred Shareholders") or each of the registered share pledgees in respect of the Preferred Shares (hereinafter referred to as the "Registered Preferred Share Pledgees") in priority to the shareholders who hold the common shares (hereinafter referred to as the "Common Shareholders") or registered share pledgees in respect of the common shares (hereinafter referred to as the "Registered Common Share Pledgees"); provided, however, that, if the Preferred Interim Dividends as provided for in the following article were paid during the relevant fiscal year, such Preferred Interim Dividends shall be subtracted therefrom. As far as payment of the Preferred Dividends is concerned, Class-A preferred shares and Class-B preferred shares shall rank pari passu.</u></p> <p><u>2. If the amount of year-end dividend paid to a Preferred Shareholder or a Registered Preferred Share Pledgee is less than the amount of the Preferred Dividend to be paid in respect of Class-A preferred shares or Class-B preferred shares, as the case may be, in any fiscal year, the deficiency shall not accumulate to the succeeding fiscal years.</u></p> <p><u>3. Any amount in excess of the Preferred Dividends in respect of Class-A preferred shares or Class-B preferred shares, as the case may be, shall not be paid to any Preferred Shareholder or Registered Preferred Share Pledgee as dividend in any fiscal year.</u></p> | |
| <p>Article 11-3. (Preferred Interim Dividends)</p> <p><u>In the event that the Interim Dividends are to be paid by the Bank as provided for in Article 36, Paragraph 2, the Bank shall make money distribution in the amount determined by resolution of the Board of Directors of the Bank at the time of issue of the Preferred Shares which shall not exceed the amount equal to one half of the Preferred Dividend to be paid in respect of a Preferred Share (which is referred to as the "Preferred Interim Dividend" in these Articles of Incorporation) to each Preferred Shareholder or Registered Preferred Share Pledgee in priority to the Common Shareholders or Registered</u></p> | <p>(Deleted)</p> |

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| <p><u>Common Share Pledges. As far as payment of the Interim Dividends is concerned, Class-A preferred shares and Class-B preferred shares shall rank pari passu.</u></p> | |
| <p><u>Article 11-4. (Distribution of Residual Assets)</u></p> <p><u>1. In the event of distribution of residual assets of the Bank, one thousand three hundred (1,300) yen in respect of Class-A preferred shares and four hundred (400) yen in respect of Class-B preferred shares shall be payable to each Preferred Shareholder or Registered Preferred Share Pledgee in priority to the Common Shareholders or Registered Common Share Pledges. As far as distribution of residual assets is concerned, Class-A preferred shares and Class-B preferred shares shall rank pari passu.</u></p> <p><u>2. No other distribution of surplus assets shall be made to any Preferred Shareholder and Registered Preferred Share Pledgee.</u></p> | <p>(Deleted)</p> |
| <p><u>Article 11-5. (Cancellation of Preferred Shares)</u></p> <p><u>The Bank may at any time purchase Preferred Shares and cancel them at the purchase prices thereof out of surplus to the shareholders.</u></p> | <p>(Deleted)</p> |
| <p><u>Article 11-6. (Voting Rights)</u></p> <p><u>No Preferred Shareholder shall be entitled to vote at a meeting of shareholders. Provided, however, that Preferred Shareholder shall be entitled to vote from the time of an annual meeting if, by the time of dispatching a convocation notice for an annual meeting of shareholders of each fiscal year, the Board of Directors has neither</u></p> | <p>(Deleted)</p> |

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| <p><u>approved the agenda item to the effect that the Preferred Shareholders shall receive a preferred dividend nor resolved to submit it to that annual meeting of shareholders or from the time of the close of the annual meeting of shareholders if the agenda item has been rejected at that annual meeting of shareholders, to the time when a resolution to the effect that the Preferred Shareholder shall receive a preferred dividend has been adopted by the Board of Directors or annual meeting of shareholders.</u></p> | |
| <p><u>Article 11-7. (Consolidation or Split, Right to be Allotted Shares in Proportion to Number of Shares Held by Shareholders, Etc.)</u></p> <p><u>1. No consolidation or split in respect of the Preferred Shares shall be made by the Bank unless otherwise provided for in laws or ordinances.</u></p> <p><u>2. No rights to be allotted offered shares or offered share purchase rights in proportion to number of shares held by shareholders shall be granted to the Preferred Shareholders.</u></p> | (Deleted) |
| <p><u>Article 11-8. (Request for Acquisition of Preferred Shares)</u></p> <p><u>Any Preferred Shareholder may request the Bank to deliver common shares in compensation for acquisition of Preferred Shares by the Bank on the terms and conditions determined by the Board of Directors of the Bank at the time of issue of such Preferred Shares; such request shall be made during the specified period (hereinafter referred to as the "Acquisition Request Period") determined by the same meeting of the Board of Directors of the Bank.</u></p> | (Deleted) |
| <p><u>Article 11-9. (Mandatory Acquisition of Preferred Shares)</u></p> | (Deleted) |

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| <p><u>1. The Bank shall mandatorily acquire each Preferred Share in respect of which a request for acquisition has not been made during the Acquisition Request Period on the day (hereinafter referred to as the "Mandatory Acquisition Date") next following the expiry date of the Acquisition Request Period for Class-A preferred shares or Class-B preferred shares, as the case may be, and shall deliver such number of common shares as shall be obtained by dividing the subscription price in respect of the relevant Preferred Share by a certain amount stipulated in the following paragraph for Class-A preferred shares and Class-B preferred shares respectively.</u></p> <p><u>2. A certain amount referred to in the immediately preceding paragraph means, with respect to Class-A preferred shares, the average of the daily closing prices (including closing bid or offered price if no closing price is reported) of the common shares of the Bank traded in regular way and as reported by the Tokyo Stock Exchange for the 30 consecutive trading days (excluding those trading days on which no such closing price or closing bid or offered price is reported) commencing on the 45th trading day prior to the Mandatory Acquisition Date, and, with respect to Class-B preferred shares, if common shares of the Bank are listed on any Stock Exchange or registered on any Register Book of Securities Traded Over-the-Counter on the 45th trading day prior to the Mandatory Acquisition Date, the average of the daily closing prices (including closing bid or offered price if no closing price is reported) of the common shares of the Bank traded in regular way as reported by the Stock Exchange concerned or Over-the-Counter</u></p> | |

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| <p><u>Securities Market established by the Securities Dealers' Association holding the Register Book of Securities Traded Over-the-Counter concerned (hereinafter referred to as "Over-the-Counter Market") for the 30 consecutive trading days (excluding those trading days on which no such closing price or closing bid or offered price is reported) commencing on the 45th trading day prior to the Mandatory Acquisition Date, and if common shares of the Bank are neither listed on any Stock Exchange nor registered on any Register Book of Securities Traded Over-the-Counter on the 45th trading day prior to the Mandatory Acquisition Date, the amount of net assets per share calculated pursuant to a certain formula to be separately decided by the Board of Directors based on the consolidated financial statements prepared according to the Regulation concerning the Terms, Form and Method of Preparation of Consolidated Financial Statements as of the last day of fiscal year or semi-annual fiscal year. Provided, however, that there are two (2) or more Stock Exchanges or Over-the-Counter Markets in total where common shares of the Bank are listed or traded as of the 45th trading day prior to the Mandatory Acquisition Date, the average price shall be calculated based on the daily closing prices of the common shares of the Bank traded in regular way on the Exchange or in the Over-the-Counter Market where the volume of trade was the largest during the period commencing on the 45th trading day prior to the Mandatory Acquisition Date up to the day immediately preceding the Mandatory Acquisition Date. The average price shall be calculated by rounding to the nearest first decimal with less than five-hundredth of one (0.05) yen being</u></p> | |

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| <p><u>disregarded.</u></p> <p><u>3. The number of common shares to be delivered in compensation for the acquisition as provided for in the two preceding paragraphs shall not exceed two (2) common shares per Class-A preferred share, and shall not exceed two-thirds (2/3) of one common share per Class-B preferred share and shall not fall below one-half (1/2) common share per Class-B preferred share. Provided, however, that in case of consolidation or split in respect of common shares after the issue of the relevant Preferred Shares, the number of common shares so issued by the mandatory conversion shall not exceed the number obtained by multiplying two (2) shares with respect to Class-A preferred share or two-thirds (2/3) of one share with respect to Class-B preferred share by the number (or fraction) of shares assigned to an common share as a result of such consolidation or split, and shall not fall with respect to Class-B preferred share below the number obtained by multiplying one half (1/2) share by the number (or fraction) of shares assigned to an common share as a result of such consolidation or split.</u></p> <p><u>4. In the calculation of the number of common shares as aforesaid in the preceding three paragraphs, any number less than one (1) share shall be dealt with in the manner applied to share consolidation as provided for in the Corporation Act, mutatis mutandis.</u></p> | |
| CHAPTER III MEETINGS OF SHAREHOLDERS | CHAPTER III MEETINGS OF SHAREHOLDERS |
| <p><u>Article 17-2. (Meetings of Holders of Particular Classes of Shares)</u></p> <p><u>_____The provisions of Article 12, paragraphs 3</u></p> | <p>(Deleted)</p> |

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| <p><u>and 4 of Articles 15 and the preceding article shall be applied, mutatis mutandis, to meetings of holders of particular classes of shares.</u></p> | |
| <p>CHAPTER VII ACCOUNTING</p> | <p>CHAPTER VII ACCOUNTING</p> |
| <p>Article 35. (Decision-Making Body concerning Dividend from the Surplus, Etc)</p> <p>Unless otherwise provided for by laws and regulations, the Bank shall make decisions concerning dividend from the surplus and any other matters set forth in Article 459, Paragraph 1, Item 1 <u>(other than those matters referred to in each Item of Paragraph 1 of Section 156 of the Corporation Act with respect to preferred shares,)</u> and Items 2 through 4 of the Corporation Act by a resolution of the Board of Directors and not by a resolution of a meeting of shareholders.</p> | <p>Article 35. (Decision-Making Body concerning Dividend from the Surplus, Etc)</p> <p>Unless otherwise provided for by laws and regulations, the Bank shall make decisions concerning dividend from the surplus and any other matters set forth in Article 459, Paragraph 1, Items 1 through 4 of the Corporation Act by a resolution of the Board of Directors and not by a resolution of a meeting of shareholders.</p> |