

For Immediate Release

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

Shinsei Bank to Launch Shinsei SmartCard Loan Service

- An unsecured card loan of up to ¥5 million available via Internet application -

Tokyo (Tuesday, June 10, 2008) –Shinsei Bank, Limited, will today launch “Shinsei SmartCard Loan,” a new unsecured card loan¹ service designed to offer Shinsei account holders the flexibility to meet temporary expenses.

Shinsei PowerFlex yen savings account holders can apply for a SmartCard loan via the PowerDirect Internet banking service and have funds deposited directly to their PowerFlex account. Requiring no application fee, collateral or guarantee fee, the service allows customers to borrow up to an aggregate maximum of between ¥500,000 and ¥5,000,000, depending on the results of a credit screening². Once the borrowed funds are deposited to their Shinsei PowerFlex yen savings account, customers can withdraw them free-of-charge from an ATM³ using their PowerFlex cash card or transfer the funds commission-free⁴ to an account at another bank. Customers may repay the loan by monthly direct debit and can make top-up repayments commission-free 24 hours a day 365 days a year using Shinsei PowerDirect.

In fiscal 2008, Shinsei has embarked upon a new corporate strategy that aims to deliver a distinctive set of promises for the bank’s individual and institutional customers. Leveraging the capabilities of APLUS, Shinki and other group companies, Shinsei is now offering integrated retail banking and consumer credit solutions, such as the SmartCard loan, on the multi-channel, 24/7 platform that has set it apart from competitor banks.

1. Applications for and use of this service require a credit screening by Shinsei Bank and its group company APLUS Co., Ltd. (Head office: Osaka City, Osaka; Representative Director: Clark Graninger)
2. In amounts of ¥500,000; ¥600,000; ¥700,000; ¥800,000; ¥900,000; ¥1,000,000; ¥1,500,000; ¥2,000,000; ¥3,000,000; ¥4,000,000; and ¥5,000,000.
3. No commission is charged when using a Shinsei Bank or Seven Bank ATM. Withdrawals from ATMs operated by city banks (Bank of Tokyo-Mitsubishi UFJ, Mizuho Bank, Sumitomo Mitsui Bank, Resona Bank, Saitama Resona Bank), the four trust banks (Chuo Mitsui Trust and Banking, Mitsubishi UFJ Trust and Banking, Sumitomo Trust & Banking, Mizuho Trust & Banking), Aozora Bank, Shoko Chukin Bank, and TRJ Bank Miura Fujisawa are also effectively commission-free as commission charges are reimbursed at a later date.
4. Depending on the transaction, customers are entitled to up to three (one, after July 1, 2008), five or ten commission-free Shinsei PowerDirect funds transfers to other banks (excluding Japan Post Bank) per month. The commission for additional transfers is ¥300 per transfer.

*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. 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 39 outlets that includes 35 Shinsei Financial Centers, 2 Platinum Centers and 2 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>.

[Attachment]

Outline of “Shinsei SmartCard Loan” (As of June 3, 2008)

| | | | |
|---|--|---------------|--|
| Product name | Shinsei SmartCard Loan | | |
| Application fee | None | | |
| Application method | Shinsei PowerDirect Internet banking | | |
| Permitted use of funds | Various non-commercial uses | | |
| Contract period | <p>One year (calendar year from the initial contract date) and in principle, automatically renewed.</p> <p>The contract period concludes upon the first contract renewal date after the customer has reached 65 years of age, and all outstanding claims are to be paid upon the final contract conclusion date.</p> | | |
| Eligible customers | <p>Retail customers who meet the following conditions:</p> <ol style="list-style-type: none"> 1) At least 20 but no more than 60 years of age at the time of application. 2) The applicant or his/her spouse has a stable pre-tax income of at least ¥2 million (part-time employees may apply). 3) Japanese citizens or Japanese-speaking permanent residents and special permanent residents. 4) Have opened a Shinsei PowerFlex account. 5) Are able to receive a guarantee from Shinsei’s designated guarantee company APLUS Co., Ltd. <p>Applications must be made by the actual borrower.</p> | | |
| Maximum Amounts Borrowing interest rates (annual) | Maximum amount | Interest rate | |
| | ¥500,000; ¥600,000; ¥700,000; ¥800,000; ¥900,000 | 14.8% p.a. | |
| | ¥1,000,000 | 12.8% p.a. | |
| | ¥1,500,000 | 11.8% p.a. | |
| | ¥2,000,000 | 9.8% p.a. | |
| | ¥3,000,000 | 7.8% p.a. | |
| | ¥4,000,000 | 6.8% p.a. | |
| | ¥5,000,000 | 5.8% p.a. | |
| | As of June 3, 2008 | | |
| | The borrowing interest rate is a floating rate, and may be adjusted based on financial market conditions. | | |
| Loans are only available in the 11 amounts listed above. | | | |
| Loan applications may be rejected based on the results of the credit screening. | | | |
| Interest calculation method | <p>$\text{Outstanding loan balance} \times \text{Interest rate} \times \text{No. of days borrowed} \div 365$</p> <p>Interest is calculated daily based on the Shinsei SmartCard Loan balance (“current account overdraft”). Interest starts accumulating from the day after loan funds are transferred to the borrower.</p> | | |
| Penalty for late repayment | 19.9% p.a. | | |
| Statements | <p>Details of use can be confirmed via Shinsei PowerDirect Internet banking. Details will also appear in the monthly “Shinsei Transaction Report” statements for months when the SmartCard loan service has been used.</p> <p>Shinsei PowerFlex accounts do not have a bankbook. Please confirm details using</p> | | |

| | the "Electronic Transaction Report" on Shinsei PowerDirect. A "Shinsei Transaction Report" will also be mailed upon request. | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|---|-------------------------------------|-------------------|--|--------------------|---------|---------------------|---------|-------------------------|---------|-------------------------|---------|-------------------------|---------|-------------------------|---------|-------------------------|---------|-------------------------|---------|-------------------------|---------|----------------------|---------|
| Collateral | Not required | | | | | | | | | | | | | | | | | | | | | | | | |
| Guarantee company | APLUS Co., Ltd. | | | | | | | | | | | | | | | | | | | | | | | | |
| Guarantee fee | None | | | | | | | | | | | | | | | | | | | | | | | | |
| Borrowing method | <ul style="list-style-type: none"> Using Shinsei PowerDirect Internet banking, click on "Card Loan," then "Borrow." The amount required (up to the maximum aggregate limit) will be transferred to the customer's PowerFlex yen savings account. The outstanding card loan balance ('current account overdraft') will then be displayed. | | | | | | | | | | | | | | | | | | | | | | | | |
| Repayment method | <ul style="list-style-type: none"> The monthly repayment will be debited from the customer's PowerFlex yen savings account on a repayment date set by the customer at the time of application (or, on the following business day if the contracted repayment date falls on a bank holiday). The contracted repayment amount will be calculated based on the outstanding card loan balance ('current account overdraft') as of the day prior to the contracted repayment date. <p style="text-align: center;">Repayment Table – Sliding scale based on outstanding loan balance</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Outstanding loan balance as of day prior to contracted repayment date ('final current account overdraft')</th> <th style="text-align: center;">Monthly contracted repayment amount</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Less than ¥10,000</td> <td>Total outstanding loan balance as of the day prior to contracted repayment date ('final current account overdraft') and unpaid interest as of day prior to contracted repayment date</td> </tr> <tr> <td style="text-align: center;">¥10,000 - ¥499,999</td> <td style="text-align: center;">¥10,000</td> </tr> <tr> <td style="text-align: center;">¥500,000 - ¥999,999</td> <td style="text-align: center;">¥20,000</td> </tr> <tr> <td style="text-align: center;">¥1,000,000 - ¥1,490,000</td> <td style="text-align: center;">¥25,000</td> </tr> <tr> <td style="text-align: center;">¥1,500,000 - ¥1,999,999</td> <td style="text-align: center;">¥30,000</td> </tr> <tr> <td style="text-align: center;">¥2,000,000 - ¥2,499,999</td> <td style="text-align: center;">¥35,000</td> </tr> <tr> <td style="text-align: center;">¥2,500,000 - ¥2,999,999</td> <td style="text-align: center;">¥40,000</td> </tr> <tr> <td style="text-align: center;">¥3,000,000 - ¥3,499,999</td> <td style="text-align: center;">¥45,000</td> </tr> <tr> <td style="text-align: center;">¥3,500,000 - ¥3,999,999</td> <td style="text-align: center;">¥50,000</td> </tr> <tr> <td style="text-align: center;">¥4,000,000 - ¥4,499,999</td> <td style="text-align: center;">¥55,000</td> </tr> <tr> <td style="text-align: center;">¥4,500,000 and above</td> <td style="text-align: center;">¥60,000</td> </tr> </tbody> </table> <p>Repayments will not be debited if the balance of the Shinsei PowerFlex yen savings account is less than the repayment amount.</p> <p>If the monthly repayment is not made on the contracted repayment date, applications for additional loans will not be permitted until the repayment has been made.</p> <p>When the amount of unpaid interest as of the contracted repayment date is greater than the contracted repayment amount, the amount of unpaid interest will be charged.</p> <ul style="list-style-type: none"> In addition to the monthly repayment, additional repayments may also be made at any time via Shinsei PowerDirect. Additional repayments are independent of the monthly repayment, which will still be separately debited from the Shinsei PowerFlex | Outstanding loan balance as of day prior to contracted repayment date ('final current account overdraft') | Monthly contracted repayment amount | Less than ¥10,000 | Total outstanding loan balance as of the day prior to contracted repayment date ('final current account overdraft') and unpaid interest as of day prior to contracted repayment date | ¥10,000 - ¥499,999 | ¥10,000 | ¥500,000 - ¥999,999 | ¥20,000 | ¥1,000,000 - ¥1,490,000 | ¥25,000 | ¥1,500,000 - ¥1,999,999 | ¥30,000 | ¥2,000,000 - ¥2,499,999 | ¥35,000 | ¥2,500,000 - ¥2,999,999 | ¥40,000 | ¥3,000,000 - ¥3,499,999 | ¥45,000 | ¥3,500,000 - ¥3,999,999 | ¥50,000 | ¥4,000,000 - ¥4,499,999 | ¥55,000 | ¥4,500,000 and above | ¥60,000 |
| Outstanding loan balance as of day prior to contracted repayment date ('final current account overdraft') | Monthly contracted repayment amount | | | | | | | | | | | | | | | | | | | | | | | | |
| Less than ¥10,000 | Total outstanding loan balance as of the day prior to contracted repayment date ('final current account overdraft') and unpaid interest as of day prior to contracted repayment date | | | | | | | | | | | | | | | | | | | | | | | | |
| ¥10,000 - ¥499,999 | ¥10,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| ¥500,000 - ¥999,999 | ¥20,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| ¥1,000,000 - ¥1,490,000 | ¥25,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| ¥1,500,000 - ¥1,999,999 | ¥30,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| ¥2,000,000 - ¥2,499,999 | ¥35,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| ¥2,500,000 - ¥2,999,999 | ¥40,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| ¥3,000,000 - ¥3,499,999 | ¥45,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| ¥3,500,000 - ¥3,999,999 | ¥50,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| ¥4,000,000 - ¥4,499,999 | ¥55,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| ¥4,500,000 and above | ¥60,000 | | | | | | | | | | | | | | | | | | | | | | | | |

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| | <p>yen savings account.</p> <p>The entire amount of additional repayments will be applied to the outstanding loan balance ('current account overdraft').</p> <p>If the amount of additional repayments deposited exceeds the outstanding loan balance ('current account overdraft'), the surplus portion will automatically be transferred back to the customer's Shinsei PowerFlex yen savings account.</p> |
| Other | <p>When applying, a credit screening will be carried out by Shinsei Bank and its designated guarantee company (APLUS Co., Ltd.). Applications may be declined, or the requested maximum loan amount reduced based on the results of the screening. Details of the screening results and reasons for decisions based on screenings will not be provided.</p> |

[About Shinsei SmartCard Loan]

- Customers are required to have a Shinsei PowerFlex yen savings account when applying for a Shinsei SmartCard Loan.
- In principle, the funds may be used for any non-commercial purpose.
- Customers using the service must meet the following conditions:
 - (1) Are at least 20 but no more than 60 years of age at the time of application.
 - (2) The individual or spouse has a stable pre-tax income of at least ¥2 million (part-time employees may apply).
 - (3) Japanese citizens or Japanese-speaking permanent residents and special permanent residents.
 - (4) Have opened a Shinsei PowerFlex account.
 - (5) Are able to receive a guarantee from Shinsei's designated guarantee company APLUS Co., Ltd.
- The contract period is one year (calendar year from the initial contract date), automatically renewed.
- The contract period concludes upon the first contract renewal date after the customer has reached 65 years of age, and all outstanding claims are to be paid upon the final contract conclusion date.
- The interest calculation method is: Outstanding loan balance x (Annual) interest rate x No. of days ÷ 365. (The outstanding loan balance is calculated in units of ¥1, including interest. Daily calculations are on a 365-day basis) Interest starts accumulating from the day after loan funds are transferred to the borrower.
- The repayment date can be selected as either the 5th or the 26th of the month (due on the following business day when this day falls on a bank holiday).
- Repayment is as per a sliding scale based on the outstanding loan balance (the contracted repayment amount fluctuates based on the outstanding loan balance as of the day prior to the contracted repayment date).
- Shinsei SmartCard Loan repayments may only be made via debits from a Shinsei PowerFlex yen savings account.
- When using Shinsei SmartCard Loan, customers are requested to confirm the maximum amount, applicable interest rate, repayment method (contracted repayment date) and other details in the Shinsei SmartCard Loan contract.
- Before using the service, customers are requested to draw up a repayment plan that is appropriate given their income and expenditures.
- Borrowing interest rates range from 5.8% to 14.8% (p.a.). The penalty rate for late repayments is 19.9% (p.a.).
- Collateral is not required.
- When applying, a credit screening will be carried out by Shinsei Bank and its designated

guarantee company (APLUS Co., Ltd.). Applications may be declined, or the requested maximum loan amount reduced based on the results of this screening.

- Upon application, customers' personal information including their yen savings account balance will be provided to APLUS Co., Ltd. for the purpose of credit screening.
- For confirmation purposes, applicants may be telephoned at their place of employment. Applications may be declined if it is not possible to contact the applicant at his/her stated place of employment.
- Applications cannot be accepted from the following parties or in the following cases:
 - Through businesses or individuals charging a commission for introducing loan companies.
 - Through businesses or individuals that pay a commission to another party who borrows funds on their behalf
 - Through businesses or individuals involved in malicious multi-level marketing of inappropriate goods.
 - Persons coerced to take out a loan by a third party.
 - Any other cases in which the transaction is for purposes that violate laws or regulations, or are inconsistent with public order or morals, or when there is deemed to be such a possibility.

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