

For Immediate Release

Shinsei Bank, Limited
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Shinsei Bank to Launch *Adagio My Goal* Investment-Based Annuity Insurance with Investment Target Function

Tokyo (Thursday, July 24, 2008) – Shinsei Bank, Limited, today announced that it will begin sales of “Adagio My Goal,” an investment-based annuity insurance product¹, at its network of branches from Wednesday, August 6, 2008.

Adagio My Goal allows customers to set their own investment target and lock in this target amount once it is reached, after at least five years have elapsed since the contract date. Even if the target is not achieved, the plan guarantees a minimum basic insurance amount (equivalent to a one-time premium contribution), subject to certain conditions. With no initial contract fees, all premiums are invested directly in an internationally diversified balanced fund, offering customers risk diversification as they work towards a clear investment target.

Shinsei initially began offering the Adagio series in October 2002, shortly after it first became possible for Japanese banks to sell individual annuity insurance products, and the series has enjoyed enduring popularity since.

Main Features of Adagio My Goal

(1) Ability to automatically lock in investment gains once targets are met

Upon entering the plan, customers choose an investment target corresponding to 120%, 130%, 140%, or 150% of the basic insurance amount (equivalent to the one-time premium contribution). If the accumulated amount of the investment reaches this target during the investment term after at least five years have passed since the contract date, investment gains are automatically fixed. This fixed amount may be received as a lump sum or as an annuity (a fixed annuity, a whole life annuity with guaranteed term or a joint-life annuity with guaranteed term). Customers also have the option not to set an investment target, and may set or change the target during the investment term.

(2) Internationally diversified investment in balanced fund

With no initial contract fee to pay, all premiums are invested in a special account. This is managed as a balanced fund making internationally diversified investments in Japanese equities, overseas equities (with foreign exchange hedging), Japanese bonds and overseas bonds, aiming to provide steady asset growth towards customers' individual investment targets.

(3) Minimum total annuity guarantee

Even if the accumulated investment amount falls short of the basic insurance amount (equivalent to the one-time premium contribution) after a term of 10 years, the basic insurance amount is guaranteed as a fixed annuity to be paid over 15 years. If, at the end of a 10-year investment term, the investment target has not been reached but the accumulated investment amount is more than

¹ Official product name: Variable annuity Type II 2003, Guaranteed Annuity with Target Setting Function 1015 Rider, / Underwriter: Hartford Life Insurance K.K.)

the basic insurance amount, customers can choose to receive the accumulated investment amount as a lump sum or as an annuity (a fixed annuity, a whole life annuity with guaranteed term or a joint-life annuity with guaranteed term).

Shinsei Bank's retail banking services aim to enrich and "color" the lives of our customers by providing them with high value-added products and services.

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 individual 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 36 outlets that includes 34 Shinsei Financial Centers and 2 Platinum Centers 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

Adagio My Goal (Variable annuity Type II 2003, Guaranteed Annuity with Target Setting Function 1015 Rider)

Contract Conditions		
Age for eligibility	0 to 80 years old (80 th birthday)	
Premium payment method	One-time premium contribution	
Basic insurance sum (One-time premium contribution)	¥2,000,000 - ¥300,000,000 (in units of ¥1) * If other Hartford Life insurance contracts are held, the aggregate amount may not exceed ¥500,000,000	
Cooling-off	Applicable	
Investment term	10 years	
Annuity type	Fixed annuity (15 years) with minimum guarantee * Other annuity types are available when converting to annuity.	
Increases	At least ¥1,000,000 (in units of ¥1)	
Special Account		
Special account name /	Global Asset H8 SS / State Street Global Balance 40VA (limited to qualified institutional buyer)	
Investment trust name	Investment company: State Street Global Advisors (Japan) Co., Ltd.	
Fund allocation	Japanese equities – 10% / Foreign equities (with FX hedging) – 30% / Japanese bonds – 25% / Foreign bonds – 35%	
Annuity		
When accumulated amount exceeds investment target		
When converting to annuity	Conditions	Converted to fixed annuity if the accumulated amount exceeds the designated amount (investment target) during the period beginning on the policy anniversary five years after the contract date and ending at the end of the preceding day of policy anniversary 10 years after contract date.
	Target amount	Basic insurance amount x designated percentage
	Designated percentage	When concluding the contract, the policyholder will choose one of the following: (1) 120%; (2) 130%; (3) 140%; (4) 150% * No designation is also allowed.
After conversion to annuity	Annuity type	Fixed annuity
	Payment period	10 years
When accumulated amount is less than investment target or investment target has not been set		
When converting to annuity	Conditions	If the date for the commencement of annuity payments arrives and the accumulated amount has not reached the investment target as of the preceding day, or if an investment target has not been set, the basic insurance amount will be converted to a fixed annuity with a minimum guarantee, with the basic insurance amount as the aggregate minimum guaranteed amount.
After conversion to annuity	Annuity type	Fixed annuity with minimum guarantee
	Payment period	15 years

Payment on death of the insured	
Death benefit amount	The larger of the following as of the date of death of the insured will be paid as the death benefit. (1) Basic insurance amount (minimum guaranteed amount in case of death) (2) Accumulated amount in special account
Death benefit amount in case of man-made or natural disaster	A 20% death benefit will be added to the basic insurance amount as of the date of death of the insured.
Payment method	Lump sum payment / Annuity / Deferred payment / Contract taken over by spouse

《Main risks》

Under the Adagio My Goal plan, the basic insurance amount (one-time premium contribution) is managed in a special account. During the investment term, this account will invest in domestic and foreign equities and bonds, primarily through investment trusts. The accumulated amount and the future annuity amount will rise or fall based on the investment performance.

There is therefore a possibility of a loss resulting from falls in equity or bond prices, or foreign exchange rate movements that cause the accumulated amount and redemption amount upon surrender to fall below the amount of the premium payment.

The risks associated with such movements in securities prices and foreign exchange rates are those of the policyholder.

* The special account is an account for the management and investment of assets related to investment-based annuity insurance. These assets are segregated, and managed and invested independently from assets related to other types of insurance.

《Expenses to be borne by the customer》

The total commissions for this product are the sum of the fees during the investment term (insurance-related fee and investment-related fees) and the fees during receipt of the annuity (annuity management fee) as shown below. For certain customers, however, an additional surrender / partial redemption fee may apply.

Upon enrollment:	
Initial contract fee	None
During investment term:	
* During the investment term, the following fees (calculated as 1/365 of the annual rate) will be deducted daily from the accumulated amount.	
Insurance-related fee	Fees required for the establishment or maintenance of the contract, and for the payment of the death benefit or death benefit amount in case of man-made or natural disaster. A fee of 2.55% p.a. on the total assets in the special account will be deducted.
Investment-related fee	Fees required for the operation of the special account. About 0.5195% p.a. (0.50% p.a. plus tax) on the investment trust assets will be deducted as an investment trust management fee for the investment trusts in which the special account primarily invests. * The exact amount and percentage rate of

	<p>investment-related fees other than the investment trust management fee (investment trust operational processing fees, securities brokerage commissions, taxes including consumption tax, etc.) are difficult to determine prior to their occurrence, and therefore cannot be shown in these amounts and expenses.</p> <p>* Investment-related fees are subject to change depending on future changes in investment methods, changes in the amount of invested assets, etc.</p>
While receiving annuity:	
Annuity management fee	<p>Fees incurred in the administration of annuity payments. During the period the annuity is being received, 1% of the annuity amount will be deducted from the policy reserve.</p> <p>* Subject to change.</p>
Upon surrender / partial redemption:	
Surrender / Partial redemption fee	<p>Applicable when the policy is surrendered or partially redeemed within seven years of the contract date (or of the date of increase in cases where the basic insurance amount has been increased). The surrender / partial redemption fee will range from 7% to 1% of the surrender / partial redemption deduction amount* depending on the period elapsed since the contract date, and will be deducted from the accumulated amount of the contract cancellation date / requested partial redemption amount.</p>

* The surrender / partial redemption deduction amount is the one-time premium contribution in the case of surrender, and in the case of partial redemption, the lesser of the requested redemption amount or the one-time premium contribution. In cases where there has been a previous partial redemption, the amount deducted for that redemption will be deducted from the one-time premium contribution.

Insurance products

- Please refer to the “product brochure,” “documents exchanged prior to concluding a contract (contract overview / cautionary notes),” and “contract guide and stipulations” when considering an insurance product.
- The decision on whether or not to conclude a contract for an insurance product will have absolutely no effect on a customer’s other transactions with Shinsei Bank.
- Please contact the underwriting insurance company or Shinsei Bank immediately when an event occurs that is eligible for an insurance payment or benefit under the terms of the contract. Please refer to the “product brochure,” “documents exchanged prior to concluding a contract (contract overview / cautionary notes),” and “contract guide and stipulations” for the respective product to determine whether an insurance payment, benefit, etc. may or may not be paid.
- Insurance products are underwritten by an underwriting insurance company. They are not a bank deposit, and are therefore not covered by deposit insurance or the Investor Protection Fund. Neither the principal nor interest is guaranteed by Shinsei Bank.

- In the case of bankruptcy of the underwriting insurance company, protective measures will be taken by the Life Insurance Policyholders Protection Corporation of Japan, but the full amount of the contracted annuity, insurance payment or benefit may not be paid.
- There may be cases in which Shinsei Bank is prohibited under the Insurance Business Law from accepting an application for an insurance product because of the customer's place of employment or status of loan applications to Shinsei Bank.
- The representative of Shinsei Bank (the life insurance salesperson) is an intermediary for the conclusion of an insurance contract between the customer and the underwriting insurance company, and does not have authority as an agent to conclude insurance contracts. Accordingly, insurance policies become effective when the underwriting insurance company has approved the contract application made by the customer. Shinsei Bank does not guarantee the ability of the underwriting insurance company to make payments under the contracted product.
- For further details, please consult with a life insurance salesperson accredited as a variable insurance salesperson for the respective product.

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