

For Immediate Release

Shinsei Bank, Limited
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Shinsei Launches Retirement Benefit Investment Campaign

Tokyo (Friday, August 1, 2008) - Shinsei Bank, Limited, has launched a “retirement benefit investment campaign” targeting new and existing PowerFlex account holders aged between 50 and 69 years of age. Customers who take advantage of this campaign and invest at least 5 million yen in selected investment trusts, structured deposits and other investment products will be able to deposit up to the same amount in a 3-month yen time deposit with a preferential interest rate of 7% (5.6% after tax). Customers must invest at least 5 million yen each in both eligible campaign investment products and the yen time deposit (for a total minimum investment of 10 million yen) at the same time.¹ The campaign will run from Friday August 1 to Sunday November 30, 2008.

The campaign is ideal for customers who may have had relatively few opportunities to actively manage their assets before retirement. Through this campaign, Shinsei Bank hopes to encourage these customers to become more familiar with asset management, and help them use their retirement benefit to enjoy a more fulfilling later life.

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.

Overview of the Retirement Benefit Investment Campaign

Campaign period:	From 09:00 on Friday, August 1, 2008, to 21:00 Sunday November 30, 2008 ² .
Eligible customers:	Those who meet the following conditions: (1) PowerFlex account holders (including those who open an account during the campaign period) (2) Aged between 50 and 69 at the time of application (There is no need to present proof of retirement at the time of application)
Details:	During the “campaign period,” eligible customers who invest a total of at least 5 million yen in the campaign products listed below are entitled to deposit up to the same amount of money in a 3-month yen time deposit which will receive a preferential interest rate of 7% (5.6% after tax). Customers must invest at least 5 million yen each in both eligible campaign investment products and the yen time deposit (for a total minimum investment of 10 million yen) at the same time. ¹
Eligible Investment Products: ³	(1) Structured deposits (Powered Teiki Plus / Powered Teiki Three) (2) Any investment trust (excluding MMF/Switching)

¹ There is no limit to the number of times a customer may apply for eligible investment products and yen time deposits as a set plan during the campaign period. There is no maximum investment limit. If using the Internet, customers may apply for the yen time deposit any time during the same month that they invested in eligible investment products.

² Applications at branches can only be made up until the end of business hours on Sunday 30 November, 2008.

³ Amounts invested in investment trusts will be calculated as the subscription plus fees applicable at the time of subscription. Please check at a branch or with our call center (Shinsei *PowerCall*) for other investment products.

Sales channels: Available through branches, Internet banking (Shinsei PowerDirect) and our Call Center (Shinsei PowerCall)

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 12.5 trillion yen (US\$118 billion) on a consolidated basis (as of June 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>.

Regarding structured deposits

- Structured deposits include forward foreign exchange transactions, and financial and other derivative transactions.
- When a customer requests an early redemption and Shinsei Bank deems the reason to be unavoidable, the early redemption will be allowed, but the amount paid to the customer will have an early redemption penalty subtracted from the principal. This penalty will be calculated using Shinsei Bank's designated calculation method, and will correspond to the amount required to restructure the deposit from the early redemption date to the original maturity date, and other associated costs. As a result, the amount paid upon redemption may be less than the original principal amount, and depending on market conditions, may be significantly less than the original principal.
- For dual-currency time deposits made in yen ("Powered Teiki Plus")) and yen time deposits with a dual currency-type currency option ("Powered Teiki Three"), when the actual market rate two business days prior to maturity represents a stronger yen than in the special provision trigger rate, the funds to be paid at maturity will be converted to the "foreign currency" at the special provision trigger rate determined in advance, and deposited to an ordinary foreign currency deposit (i.e. will not be converted at the market rate). In these instances, the conversion will be made with less favorable conditions than if the conversion to "foreign currency" had been made at the prevailing market rate. In addition, if the funds paid at maturity are paid in the "foreign currency" and subsequently converted to yen, exchange rate movements may result in the yen amount received being less than the original yen principal amount. Furthermore, even if the exchange rate is unchanged, the TTB rate (the market rate for converting foreign currency to yen), which includes a foreign currency commission (in principle, ¥1 per unit of foreign currency), will be applied, and as a result the yen amount received from the conversion of "foreign currency" may be less than the original yen principal amount. Deposit insurance ceases to apply when foreign currency is received upon maturity.
- When purchasing these products, please confirm the details with the explanatory materials at a branch (documents exchanged prior to the conclusion of a contract) and a Shinsei Bank employee. The customer bears full responsibility for understanding the content and making the decision to purchase these products.

Regarding investment trusts

- Investment trusts are sold by Shinsei Bank, and investments are managed by an investment trust trustee (asset management company).
- Investment trusts are subject to a loss of principal (reference price fluctuation risk) due to the following risks. Investment profit and loss is entirely that of the customer purchasing the investment trust.
 - ◎ Price fluctuation risk – risks including fluctuations in the reference price of the fund itself, price

fluctuations in the securities held in the fund, and exchange rate fluctuations.

- ◎ Issuer's (or guarantor's) credit risk – credit risk associated with the issuer of the securities, etc. held in the fund.
- The following commissions and expenses are borne either directly or indirectly by the customer purchasing an investment trust.

Note: The amounts shown are the maximum amounts for the various products handled by Shinsei Bank as of August 1, 2008. Commissions and expenses vary by product, so please confirm the exact amounts in the prospectus (including supplementary materials) prior to purchasing the product.

Upon purchase: A purchase commission (maximum of 3.15%) will be applied.

During the investment period: An investment trust fee or management fee (maximum of 3.0% p.a.) and other expenses arising during the investment trust period (audit expenses, performance bonuses, fees charged by invested funds, etc.) will be applied. As these fees are tied to the investment performance, the rates and maximum fees cannot be indicated in advance.

Redemption fees: A fee based on the amount of trust asset holdings (maximum of 1.0%) and a redemption commission (maximum of 3.0%) will be applied.

- An investment trust is not a bank deposit, and therefore its investment performance fluctuates depending upon various factors including the market environment. Accordingly, neither its principal nor yield are guaranteed, and the unit price may fall below the original principal, depending on its performance.
- An investment trust is not a bank deposit. Therefore, it is not covered by deposit insurance. Furthermore, an investment trust purchased at a bank is not covered by the Investor Protection Fund.
- When redeeming an investment trust, the receipt of the redemption payment may require a considerable amount of time because some investment trusts have a closed period for redemption.
- At Shinsei Bank, the only accepted redemption method of investment trusts domiciled in Japan is a “redemption request” (*kaiyaku-seikyū*). Therefore, a “repurchase request” (*kaitori-seikyū*) will not be accepted.
- When applying to purchase an investment trust, please make your own judgment by reviewing the prospectus (including supplementary documents) in advance or at the time of purchase and confirming its details. The prospectus (including supplementary documents) is available at Shinsei Bank branches or via the Internet (Shinsei *PowerDirect*). We will also send them to you by mail on request. The prospectus (including supplementary documents) for investment trusts offered exclusively via the Internet can only be obtained via Shinsei *PowerDirect*.

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