

For Immediate Release

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

**Shinsei Bank Revises Forecasts for Fiscal Year 2008 Interim and Full-Year Earnings***Global financial turmoil impacts Institutional; Individual forecasts strong profitability*

TOKYO, Japan -- September 22, 2008: Shinsei Bank, Limited today announced it has revised its forecasts for consolidated earnings for the interim period ending September 30, 2008; the fiscal year ending March 31, 2009, and its non-consolidated earnings forecast for the fiscal year ending March 31, 2009.

The global economy continues to be impacted by unprecedented events in these extraordinary times beginning with the subprime mortgage crisis in August 2007 that has led to increased volatility in equity markets and wreaked havoc on credit markets in the U.S., Europe and Asia. Several of the largest financial institutions in the world have been rescued or bankrupted while others are seeking mergers for survival. It has become clear that the Japanese economy has also been impacted due to a slowdown of global and domestic demand caused by the turmoil.

While Shinsei's Institutional Group has been adversely affected by the global market turmoil, the Individual Group is well on its way to meeting forecasts with retail banking to break even, Shinki returning to profitability and APLUS improving on its strong positive results it recorded in the previous fiscal year. Furthermore, the addition of GE Consumer Finance to our existing consumer finance operations is expected to enhance revenue and expense synergies with our retail operations which together are operated under one management structure in our Individual Group and will provide better balance with our Institutional Group.

Shinsei Bank revised its full year consolidated forecast for net income for the fiscal year ending March 31, 2009 from 62.0 billion yen to 12.0 billion yen due primarily to the impact on its Institutional Group that included the expected losses to entities of Lehman Brothers Holdings, Inc., which filed for bankruptcy and other exposures as previously made public on September 16, 2008; mark-downs and reserves related mainly to European asset-backed investments and asset-backed securities; and due to our capital markets businesses impacted by the global turmoil. On the other hand, the Individual Group, which now includes the operations of GE Consumer Finance that is expected to contribute 30 billion yen to the above forecast, contributed in part to offset the lower performance of the Institutional Group.

Accordingly, Shinsei Bank also revised its full year non-consolidated forecast for net income for the fiscal year ending March 31, 2009 from 60.0 billion yen to 12.0 billion yen due largely to the reasons explained above.

Shinsei Bank revised its interim consolidated forecast for net income for the interim period ending September 30, 2008 from 28.0 billion yen to a loss of 15.0 billion yen due largely to the expected losses to entities of Lehman Brothers Holdings, Inc., which filed for bankruptcy. This forecast does not include any contribution from the newly acquired GE Consumer Finance that is expected to contribute to earnings only from the second half of this fiscal year.

*"While these last few years have presented us with extraordinary challenges in the financial industry, we believe we have implemented the right strategy to position our company for growth over the medium- and long-term," said Mr. Thierry Porté, President and Chief Executive Officer of Shinsei Bank. "While our business has been impacted in the near term, we will continue to stay focused on meeting the needs and exceeding the expectations of both our institutional and individual customers thereby maximizing shareholder value."*

**Revision of Forecast for the Fiscal Year 2008 Ending March 31, 2009**

(Billions of yen)

(Consolidated)	Net Income
Previous forecast as of May 14, 2008 (A)	62.0
Revised forecast (B)	12.0
Difference (B-A)	-50.0
Difference	-80.6%
(Reference) Results for the fiscal year ended March 31, 2008	60.1

(Billions of yen)

(Non-Consolidated)	OBP(*)	Net Income
Previous forecast as of May 14, 2008 (A)	70.0	60.0
Revised forecast (B)	57.0	12.0
Difference (B-A)	-13.0	-48.0
Difference	-18.6%	-80.0%
(Reference) Results for the fiscal year ended March 31, 2008	67.2	53.2

(\*) Ordinary business profit on a revitalization plan basis

**Revision of Forecast for the Fiscal Year 2008 Interim Period Ending September 30, 2008**

(Billions of yen)

(Consolidated)	Net Income
Previous forecast as of May 14, 2008 (A)	28.0
Revised forecast (B)	-15.0
Difference (B-A)	-43.0
Difference	-153.6%
(Reference) Results for the fiscal year 2007 interim period ended September 30, 2007	23.1

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*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>