

For Immediate Release

Company Name: Shinsei Bank, Limited
Name of Representative: Masamoto Yashiro
President and CEO
(Code: 8303 TSE First Section)
Company Name: GE Consumer Finance Co., Limited
Name of Representative: Shota Umeda
President

Shinsei Bank and GE Consumer Finance Announce Commencement of Tender Offer for Shinki's Shares

Shinsei Bank, Limited (listed on the first section of the Tokyo Stock Exchange, code 8303, hereinafter called "Shinsei") and GE Consumer Finance Co., Ltd., a wholly owned Shinsei Bank Group Company, (hereinafter called "GECF" and collectively called the "Tender Offerors" or the "Companies") hereby announced that they decided today that they would launch a tender offer for the Shares of Common Stock (the "Tender Offer") of SHINKI Co., Ltd., a consolidated subsidiary (listed on the first section of the Tokyo Stock Exchange, code 8568, hereinafter called "SHINKI" or "the "Subject Company").

1 Purpose of the Tender Offer

(1) Summary of the Tender Offer

Shinsei Bank, being a Tender Offeror, currently owns 102,430,096 shares of the Subject Company's common stock (its shareholding ratio to the total number of the issued and outstanding shares of the Subject Company (the "Shareholding Ratio") is 67.77% as of February 3, 2009) and also currently owns, directly or indirectly through the other companies belonging to Shinsei Bank Group, all of the issued and outstanding common shares of GECF, being a Tender Offeror. In light of the possibility that significant business integration and restructuring may be implemented between the Subject Company and GECF, the Tender Offerors shall conduct the Tender Offer for the purpose of acquiring all or part of the issued and outstanding shares of common stock of the Subject Company (excluding those shares already held by the Tender Offerors and the treasury stock held by the Subject Company, the "Target Common Stock") to provide the Subject Company's shareholders as of February 3, 2009 with the opportunity to sell their Target Common Stock. In consideration of the purpose of the Tender Offer, the Tender Offer has no maximum or minimum condition for the number of shares to be purchased.

If the Tender Offerors are not able to acquire all of the Target Common Stock through the Tender Offer, and if the Tender Offerors deem necessary after consulting with the Subject Company and others based on the factors such as the result of the Tender Offer and the substance of the business integration and restructuring between the Subject Company and GECF, which is expected to be implemented after the Tender Offer, the Tender Offerors may carry out a series of procedures (the "Complete Control Procedures," as set out in "(5) Policy for the Complete Control Procedures following the Tender Offer (Matter which relates to the So-called Second-step Takeover)") to acquire all of the Subject Company's issued and outstanding stock (excluding the treasury stock held by the Subject Company) and to thereby put the Subject Company under the complete control of the Shinsei Bank Group. The Tender Offerors plan to carry out the Complete Control Procedures if their Shareholding Ratio following the Tender Offer becomes no less than 90%.

The Tender Offer price for each share of the Target Common Stock (the "Tender Offer Price") is ¥100. As set forth in "(4) Measures to be Taken for the Purpose of Securing the Fairness of the Evaluation of the Tender Offer Price and Avoiding Conflict of Interests, and Other Measures to be Taken for the Purpose of Securing the Fairness of the Tender Offer", on February 3, 2009, the Board of Directors of the Subject Company made a resolution to endorse the Tender Offer and to solicit the shareholders of the Subject Company to apply for the Tender Offer in the opinion statement.

(2) Background of the Tender Offer

Shinsei Bank, originally founded in 1952, is a diversified Japanese financial institution that provides a wide range of financial products and services to both institutional and individual customers. In March 2000, Shinsei Bank emerged from temporary nationalization and in June 2000 changed its name from The Long-Term Credit Bank of Japan, Ltd. to Shinsei Bank, Ltd.. Shinsei Bank relisted on the Tokyo Stock Exchange in February 2004. Shinsei Bank has total assets of ¥11.5 trillion on a consolidated basis as of March 2008.

GECF was originally founded in 1991, and acquired the consumer loan business "Lake" in 1999. Today GECF mainly provides consumer, mortgage, and credit card loans to Japanese individual customers. In 2008, the Shinsei Bank Group acquired all of the issued and outstanding shares of GECF from GE Japan Holdings Corporation, which was GECF's parent company at the time. Today the Shinsei Bank Group owns 100% of GECF's issued and outstanding shares. GECF is scheduled to be renamed Shinsei Financial Co., Ltd. starting April 1, 2009.

The Subject Company, originally founded in 1954, is a consumer finance company that offers consumer loans to individuals and small and medium-sized enterprise owners under the "NoLoan" brand. The Subject Company listed on the Tokyo Stock Exchange in February 1999. The Subject Company entered into a business alliance with Shinsei Bank in March 2002. Shinsei Bank became the Subject Company's largest shareholder in October 2004, and later increased its ownership to 67.77% in December 2007. As of February 3, 2009, the Subject Company is a consolidated subsidiary of Shinsei Bank.

The Japanese consumer finance industry has been rapidly shrinking in size and profitability in recent years stemming from two significant industry transforming events. First, a Supreme Court decision on January 13, 2006, made it difficult to validly receive repayments on loans with interest rates greater than the maximum interest rate under the Interest Rate Restriction Law (15-20%, as applicable), creating a legacy "grey zone" interest refund issue that has significantly obscured future earnings for consumer finance companies. Secondly, the amended Money-Lending Business Law and Investment Deposit and Interest Rate Law enacted and promulgated in 2006 capped absolute maximum lending rates at 15-20% and implemented lending limits for each individual borrower. As a result, the comprehensible total outstanding amount of consumer loans have declined by 13% from 15,149.4 billion yen in September 2006 to 13,211.3 billion yen in March 2008 according to the report of "Research on the business conditions of companies in the money-lending businesses" made by Japan Financial Services Association in October 2008. With such events, the Subject Company's net income declined from 3,866 million yen in the fiscal year ending March 2005 to a net loss of 17,595 million yen in the fiscal year ending March 2008.

(3) Purpose of the Tender Offer and decision-making process that led to the determination to make the Tender Offer

In response to the shrinking consumer finance market, Shinsei Bank plans to maximize its operating efficiency to achieve profit synergies between the Subject Company and GECF. More specifically, in light of the Subject Company's financial situation and business environment, the Tender Offerors believe that it is in the Subject Company's and therefore the Shinsei Bank Group's best interest for the Subject Company to enter into an alliance with GECF and that this will enable the Subject Company to preserve the corporate value of the Subject Company on the long-term basis. Therefore, the Tender Offerors executed a memorandum of understanding regarding the business integration and restructuring as of February 3, 2009 with the Subject Company under which the business integration and restructuring between the Subject Company and GECF will be discussed, and pursuant to the said memorandum of understanding, the Tender Offerors will discuss and consult with the Subject Company to perform certain significant business integrations and restructurings of the Subject Company, including but not limited to, the sharing of various management resources such as infrastructure for customer development and for risk management, and the

integration of overlapping operations and to fundamentally review the functions and resources of the Subject Company and GECF for preparation of their further integration and restructuring in the future as a part of the said business integration and restructuring. Given such possible significant business integration and restructuring, the Tender Offer is intended to provide a liquidity event for the shareholders of the Subject Company as of February 3, 2009.

- (4) Measures to be Taken for the Purpose of Securing the Fairness of the Evaluation of the Tender Offer Price and Avoiding Conflict of Interests, and Other Measures to be Taken for the Purpose of Securing the Fairness of the Tender Offer

As Shinsei Bank, one of the Tender Offerors, holds a majority share of the Subject Company and consolidates the Subject Company as a subsidiary as of February 3, 2009, Shinsei Bank has taken the following measures in order to secure the fairness of the Tender Offer such as measures for securing fairness of the evaluation of the Tender Offer Price and avoiding conflict of interests.

The Tender Offerors have requested advice from Nikko Citigroup Limited (hereinafter "NCL") as its financial advisor and Anderson Mori and Tomotsune as its legal adviser and has made careful discussion and consideration by receiving legal advice from Anderson Mori and Tomotsune in order to avoid arbitrariness in the decision making process of the Tender Offer.

In order to determine the Tender Offer Price, the Tender Offerors requested that NCL calculate the valuation of the Subject Company's shares as the third party estimator ("Dai-san-sha Hyouka Kikan") independent from the Tender Offerors and the Subject Company, and obtained a valuation reference report from NCL.

NCL utilized the Historical Trading Range Analysis, Comparable Precedent Tender Offer Premiums Paid Analysis and Comparable Public Companies Reference Valuation in conducting the valuation for the Subject Company shares. The results of the valuation using the relevant valuation methods are as follows.

Historical Trading Range Analysis

Based on the ending date of January 28, 2009, the average stock price for the prior 1 month, 3 month, and 6 month periods led to a range of per share values produced by the Historical Trading Range Analysis of ¥60 to ¥76.

Comparable Precedent Tender Offer Premiums Paid Analysis

The Comparable Precedent Tender Offer Premiums Paid Analysis calculated the premium paid over average pre-tender periods of selected comparable precedent tender offer transactions for parent companies tendering for subsidiary companies that took place after September 2007. The range of premiums applied to the 1 month average stock price, 3 month average and 6 month average stock price was about 42%, 38% and 25% respectively. Applying this range of premiums to the average stock price of the Subject Company for each period results in a per share value range of ¥75 to ¥108.

Comparable Public Companies Reference Valuation

The Comparable Public Companies Reference Valuation considers the relationship between public market share prices and financial performance indicators of companies which are engaged in a similar business of the Subject Company. Implied per share values for the Subject Company are then derived. The range of per share values produced by the Comparable Public Companies Reference Valuation is ¥44 to ¥53 based on price-to-book ratio analysis of actual financials for September 2008, ¥87 to ¥196 based on firm value-to-operating receivables ratio analysis (fully diluted basis) of actual financials for financials as of September 2008 and ¥87 to ¥106 based on price-to-earnings ratio analysis (fully diluted basis) of estimated financials for fiscal year ending March 2010. The Tender Offerors have not done analysis through Discounted Cash Flow Model nor Dividend Discount Model as forecasting earning forecast of the Subject Company is extremely difficult due to the dramatic change in consumer finance business.

The Tender Offerors analyzed and compared the results of the calculations above in determining the Tender Offer Price. The Tender Offerors determined the Tender Offer Price of ¥100 per share after discussion and negotiation with the Subject Company and taking into consideration multiple factors including, the possibility of gaining endorsement from the Subject Company regarding the Tender Offer, and the feasibility of the

Tender Offer.

The Tender Offer Price of ¥100 per share, represents a premium of 33.3% over ¥75, which is the average closing price of the Subject Company's common stock on the First Section of the Tokyo Stock Exchange, Inc. for the six-month period ending February 2, 2009, a premium of 66.7% over ¥60, which is the three month average, a premium of 61.3% over ¥62, which is the one month average and a premium of 56.3% over ¥64, which is the closing price of February 2, 2009.

On the other hand, considering that Shinsei Bank, which is the Subject Company's own parent company, is a Tender Offeror in the Tender Offer, and that some of its own directors were/are officers or employees of Shinsei Bank, the Subject Company has deemed it desirable to decide on the substance of its opinion statement after following a strict process, from the perspective of avoiding conflict of interests and preventing arbitrary judgment in the process of decision-making for its opinion statement concerning the Tender Offer as well as securing the fairness of the purchase conditions and procedures concerning the Tender Offer.

Therefore, first of all, apart from the Tender Offerors, the Subject Company has determined to request Ernst & Young ShinNihon LLC ("ShinNihon"), which is a third-party institution independent from the Tender Offerors and the Subject Company, and is not a party related to the Subject Company, to calculate the stock price of the Subject Company, and to acquire a report on the calculation of its stock price from ShinNihon, using such report as a basic material for judging the fairness of the Tender Offer Price, which has been offered by the Tender Offerors. ShinNihon has calculated the stock price of the Subject Company by using each of the market price method, discounted cash flow method, and comparable public companies reference method, and has comprehensively evaluated the results calculated with such calculation methods, calculating its stock price per share at 78.57 yen.

Moreover, for the purpose of avoiding the occurrence of any conflict of interests or any unfairness harmful to its general shareholders in the procedures for the Tender Offer or the process of the decision-making for the purchase conditions or transaction manner of the Tender Offer, the Subject Company has established an independent committee as a consultative body for its Board of Directors with Mr. Takeo Inaba (Attorney-at-law) as its chairperson, and Mr. Somitsu Takehara (Certified Public Accountant) and Mr. Kazumasa Otsuka (Attorney-at-law) as its members (the "Independent Committee"), and consulted with the Independent Committee concerning the Tender Offer.

Further, the Subject Company requested Hibiya Park Law Offices to give advice on the decision-making process and method regarding opinion statement for the Tender Offer and other matters to be taken into account. Hibiya Park Law Offices has obtained information regarding the Tender Offer and given legal advice at several meetings with the Subject Company, and also submit to the Board of Directors of the Subject Company the opinion letter stating that the decision-making process and method regarding opinion statement for the Tender Offer are legal.

Based on the above, taking into account the number of quorum needed to pass a resolution and based on the matters pointed out by the Independent Committee, the Board of Directors of the Subject Company had the outside directors stay in the board, and two directors came from Shinsei voluntarily refrain from participating to deliberation and votes. By doing this, the Subject Company made the situation that it was impossible to make decision of the Board of Directors by directors came from Shinsei alone. After this, the Subject Company has fully examined the report on the calculation of its stock price obtained from ShinNihon and made careful consultation and discussion respecting the opinion submitted by the Independent Committee as much as possible, and has made, upon unanimous consent of the directors present, a resolution to endorse the Tender Offer and to solicit the shareholders of the Subject Company to apply for the Tender Offer in the opinion statement.

Furthermore, the Tender Offerors have set the period for the tender offer (hereinafter "Tender Offer Period") for the Tender Offer as 30 business days where a minimum of 20 business days are required by law. The Tender Offerors intend to secure the fairness of the Tender Offer Price by ensuring an adequate opportunity to the shareholders of the Subject Company to decide whether or not to tender their shares into the Tender Offer, and at the same time to ensure that a person other than the Tender Offerors would have the opportunity to make another competing tender offer, etc. by setting the Tender Offer Period relatively longer. Further, the Tender Offerors have not entered into an agreement with the Subject Company which prohibit the Subject Company from any contact with a person other than the Tender Offerors, who considers making another

competing tender offer, etc.

- (5) Policy for Complete Control Procedures Following the Tender Offer (Matter which relates to the So-called Second-step Takeover)

If the Tender Offerors are unable to acquire all of the Target Common Stock through the Tender Offer, and if the Tender Offerors deem it necessary after consulting with the Subject Company and others based on the factors such as the result of the Tender Offer and the substance of the business integration and restructuring between the Subject Company and GECF, which is expected to be implemented after the Tender Offer, the Tender Offerors may implement Complete Control Procedures through the methods described below. The Tender Offerors plan to carry out the Complete Control Procedures if their Shareholding Ratio following the Tender Offer becomes no less than 90%.

Specifically, after the completion of the Tender Offer, the Tender Offerors may request that the Subject Company hold a meeting of shareholders with an agenda which includes the following items (i) through (iii) and a meeting of class shareholders for shareholders of common stock with an agenda which includes the item (ii) below; the Subject Company will (i) amend the Articles of Incorporation of the Subject Company to issue class shares separate from the shares of common stock, thereby changing the Subject Company into a Corporation Issuing Class Shares (Shurui-Kabushiki Hakko Gaisha, the "Corporation Issuing Class Shares") as defined in the Company Law of Japan (the "Company Law"), (ii) make additional changes on a part of the amended Articles of Incorporation of the Subject Company set forth in (i) to attach to all shares of common stock issued by the Subject Company a provision for the acquisition of all the shares of common stock (such shares, "Fully Acquirable Class Shares")(which refers to the item prescribed in a provision of Article 108, Paragraph 1, Item 7 of the Company Law, hereinafter the same), and (iii) deliver to shareholders a separate class of shares of the Subject Company in exchange for acquisition of all the shares of common stock to which a provision for acquisition of all the shares of common stock is attached. Further, upon holding of the aforementioned meeting of shareholders, the Tender Offerors may request to the Subject Company that the aforementioned (i) through (iii) be placed on the agenda of the same meeting of shareholders. The Tender Offerors plan to vote in favor of each of the above items at the aforementioned meeting of shareholders and meeting of class shareholders.

If each of the above procedures is implemented, all the shares of common stock issued by the Subject Company will be acquired by the Subject Company after being converted into Fully Acquirable Class Shares, and the shareholders of the Subject Company will, in exchange, receive a separate class of shares of the Subject Company as consideration. However, for shareholders of the Subject Company who are entitled to shares of a separate class which constitute less than a whole share, the cash amount to be obtained by selling the total number of such fractional shares (if the total is a fractional number, such fractional number will be truncated) will be delivered to the shareholders pursuant to the relevant laws and regulations. The amount of cash to be delivered to the relevant shareholders subsequent to the sale will be calculated based on the Tender Offer Price, barring exceptional circumstances; however, dependent upon the factors such as the business, performance, financial status, assets or management of the Subject Company or its prospects as of the calculation date since its calculation date is different, or based on the judgment of a court regarding the Complete Control Procedures, such cash amount may differ from the Tender Offer Price and, therefore, it may exceed, be equivalent to or fall below such Tender Offer Price. In addition, although the class and number of shares of the Subject Company to be delivered to shareholders of the Subject Company in consideration for Fully Acquirable Class Shares have not been determined as of February 3, 2009, the Tender Offerors intend that the number of shares to be delivered in exchange for the Fully Acquirable Class Shares that will be delivered to shareholders of the Subject Company who did not tender their shares in the Tender Offer (except the Tender Offerors) will be a fractional number constituting less than one share in order to enable the Tender Offerors to accomplish their objective to implement the Complete Control Procedures of the Subject Company. With respect to procedure (ii) described above, the Company Law stipulates that to protect the rights of minority shareholders, (a) when the Articles of Incorporation are amended in order to change all common stock into Fully Acquirable Class Shares, as mentioned above in (ii), that a shareholder has the right to demand that the shares he or she holds be purchased in accordance with the provisions of Article 116 and 117 of the Company Law, and other related legislation, etc., and (b) once the delivery of a separate class of share in exchange for the acquisition of the Fully Acquirable Class Shares is resolved at the meeting of shareholders, that a shareholder may petition for the determination of the price of Fully Acquirable Class Shares in accordance with the provisions of Article 172 of the Company Law and other related legislation, etc.. Because the purchase price and the equity value of the methods mentioned above in (a) and (b) will be

ultimately determined by a court, they may differ from the Tender Offer Price. In making a demand or petition under these measures, it is the responsibility of each shareholder to confirm the required procedures and to make the relevant determination of whether to proceed.

The Tender Offer is not meant as an inducement to gain the approval of the shareholders of the Subject Company at the aforementioned meeting of shareholders or meeting of class shareholders.

In the event that the Tender Offeror's Shareholding Ratio results in less than 90%, or that the Tender Offerors deem necessary after consulting with the Subject Company and others based on the factors such as the Tender Offeror's Shareholding Ratio after the Tender Offer, the ownership of the shares in the Subject Company by shareholders of the Subject Company other than the Tender Offerors after the Tender Offer, relationship between the shareholders of the Subject Company other than the Tender Offerors and the Tender Offerors after the Tender Offer (a shareholder agreement dated April 1, 2002 (including amendments thereafter) exists between one of the Tender Offerors, Shinsei Bank, and 9 foundation-related persons, who are major shareholders of the Subject Company (who collectively own approximately 17.5% of the shares of the Subject Company), which stipulates an agreement for Shinsei Bank to cooperate to maintain the listing of the Subject Company), the interpretation by the authorities of the related legislation, etc., or the substance of the business integration and restructuring between the Subject Company and GECF, which is expected to be implemented after the Tender Offer, the Tender Offerors may not implement any Complete Control Procedures with the Subject Company kept listed, or they may request the Subject Company to implement methods differing from the procedures mentioned above (including a share exchange between the Subject Company and Shinsei Bank, one of the Tender Offerors, a merger between the Subject Company and GECF, one of the Tender Offerors, or other restructuring, the same hereafter) in order to accomplish their objective of implementing the Complete Control Procedures of the Subject Company and may require time for implementing the same. Furthermore, in the case where it implements the Complete Control Procedures through methods differing from the procedures mentioned above, the Tender Offerors will request a method by which the Tender Offerors will ultimately deliver to the shareholders of the Subject Company cash or other consideration, the amount or value of which will be calculated based on the Tender Offer Price, barring exceptional circumstances; however, dependent upon the factors such as the business, performance, financial status, assets or management of the Subject Company or its prospects as of the calculation date since its calculation date is different, or based on the judgment of a court regarding the Complete Control Procedures, or further dependent upon the substance of the different methodology to be implemented since such methodology may require calculation of the aforementioned amount or value based on the factors different from those for calculation of the Tender Offer Price, such cash amount may differ from the Tender Offer Price and, therefore, it may exceed, be equivalent to or fall below such Tender Offer Price.

The details (including the details of agenda items (i) through (iii) above) and the period of implementation of the Complete Control Procedures described above have not yet been decided and will be publicly disclosed as soon as they have been decided following discussions between the Tender Offerors and the Subject Company, etc..

(6) Expectation of Delisting and Reasons

The common stock of the Subject Company is currently listed on the Tokyo Stock Exchange Group Inc. (the "Tokyo Stock Exchange"). However, because the Tender Offerors have not limited the maximum number of shares which the Tender Offerors will purchase through the Tender Offer, if delisting standards of the Tokyo Stock Exchange are triggered as a result of the Tender Offer, the shares of the Subject Company may be mandatorily delisted pursuant to the delisting standards of the Securities Listing Regulations of the Tokyo Stock Exchange (the "Delisting Standards"). However, as noted in (5) above, the Tender Offerors may take measures to maintain listing of the Subject Company if the Tender Offerors deem necessary after discussion with the Subject Company and others taking into account issues such as the relationship between the shareholders of the Subject Company other than the Tender Offerors and the Tender Offerors after the Tender Offer. Regardless of the foregoing, in the event that the Tender Offerors, with a separate consultation with the Subject Company and others take measures to implement the Complete Control Procedures after the Tender Offer has been completed in accordance with (5) above, the Delisting Standards will be triggered and the shares in the Subject Company will be delisted. If the shares in the Subject Company are delisted, the shares of the Subject Company will not be traded on the Tokyo Stock Exchange and will be difficult to sell in the future. In addition to above, in case the Complete Control Procedures are implemented, no application is expected to be made for the listing of the separate class of shares of the Subject Company, which is to be

delivered as the consideration for the acquisition of all the shares of common stocks to which a provision for acquisition of all the shares of common stock are attached.

(7) Others

We recommend each of you to consult with a tax adviser, with respect to the tax implications of tendering into the Tender Offer, receipt of consideration to be delivered under the Complete Control Procedures, which may be implemented after the Tender Offer, or sale of shares pursuant to a statutory put option, etc. under the Complete Control Procedures.

2 Information concerning the Subject Company

(1) Profile of the Subject Company

①	The Name of the Subject Company	SHINKI Co., Ltd.	
②	Main Business	Consumer and corporate finance	
③	Established	December, 1954	
④	Head Office	6-1, Nishi-Shinjuku 1-chome, Shinjuku-ku, Tokyo	
⑤	Name and Title of Representatives	Hitoshi Tsunemine President	
⑥	Amount of Paid-in Capital	16,709 million yen (as of September 30, 2008)	
⑦	Major Shareholders and Ownership ratio (as of September 30, 2008)	Shinsei Bank, Limited	67.77%
		The Nomura Trust and Banking Co., Ltd. (3071006)	4.88%
		The Nomura Trust and Banking Co., Ltd. (3071007)	3.87%
		The Nomura Trust and Banking Co., Ltd. (3051003)	3.77%
		The Nomura Trust and Banking Co., Ltd. (3041016)	3.58%
		The Master Trust Bank of Japan, Ltd. (Trust Account)	0.84%
		Japan Securities Finance Co., Ltd.	0.49%
		Success YK	0.39%
		The Nomura Trust and Banking Co., Ltd. (3071008)	0.39%
	The Nomura Trust and Banking Co., Ltd. (3071008)	0.39%	
⑧	Relationship with the Company	Capital Relationship	Shinsei owns 102,430,096 shares of the Subject Company (approximately 67.77% of the outstanding shares as of February 3, 2009).
		Personnel Relationship	Out of the Subject Company's directors, Hitoshi Tsunemine, Yasuhiro Aoki, and Masayuki Shimazaki came from Shinsei. As of February 3, 2009, Shinsei Bank is seconding 7 employees to the Subject Company.
		Business Relationship	Shinsei conducts short term lending to the Subject Company.
		Related Party Status	The Subject Company is a consolidated subsidiary of Shinsei.

(2) Tender Offer Period

(i) Term of Tender Offer Period

Tender Offer Period	From Wednesday, February 4, 2009 to Wednesday, March 18, 2009 (30 business days)
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(ii) Possibility of extension of Tender Offer Period upon request of the Subject Company

N/A

(iii) Contact to Confirm Period Extension

N/A

(3) Price of Tender Offer, Etc.

100 yen per Share of Common Stock

(4) Basis of the tender price

(i) Calculation Basis

In order to determine the Tender Offer Price, the Tender Offerors consulted with and considered various valuation methodologies of the shares of the Subject Company in the context of the Tender Offer prepared by its financial advisor, Nikko Citigroup Limited (“NCL”), including: Historical Trading Range Analysis, Comparable Precedent Tender Offer Premiums Paid Analysis and Comparable Public Companies Reference Valuation. The results of the valuation using the relevant valuation methods are as follows. In addition, the Tender Offerors have not done analysis through Discounted Cash Flow Model nor Dividend Discount Model as forecasting earning forecast of the Subject Company is extremely difficult due to the dramatic change in consumer finance business.

(i) Historical Trading Range Analysis

Based on the ending date of January 28, 2009, the average stock price for the prior 1 month, 3 month, and 6 month periods led to a range of per share values produced by the Historical Trading Range Analysis of ¥60 to ¥76.

(ii) Comparable Precedent Tender Offer Premiums Paid Analysis

The Comparable Precedent Tender Offer Premiums Paid Analysis calculated the premium paid over average pre-tender periods of selected comparable precedent tender offer transactions for parent companies tendering for subsidiary companies that took place after September 2007. The range of premiums applied to the 1 month average stock price, 3 month average stock price and 6 month average stock price was about 42%, 38% and 25%, respectively. Applying this range of premiums to the average stock price of the Subject Company for each period results in a per share value range of ¥75 to ¥108.

(iii) Comparable Public Companies Reference Valuation

The Comparable Public Companies Reference Valuation considers the relationship between public market share prices and financial performance indicators of companies which are engaged in a similar business of the Subject Company. Implied per share values for the Subject Company are then derived. The range of per share values produced by the Comparable Public Companies Reference Valuation is ¥44 to ¥53 based on price-to-book ratio analysis of actual financials for September 2008, ¥87 to ¥196 based on firm value-to-operating receivables ratio analysis (fully diluted basis) of actual financials for financials as of September 2008 and ¥87 to ¥106 based on price-to-earnings ratio analysis (fully diluted basis) of estimated financials for fiscal year ending March 2010.

The Tender Offerors analyzed and compared the results of the calculations above in determining the Tender Offer Price. The Tender Offerors determined the Tender Offer Price of ¥100 per share

after discussion and negotiation with the Subject Company and taking into consideration multiple factors including, the possibility of gaining endorsement from the Subject Company regarding the Tender Offer, and the feasibility of the Tender Offer.

The Tender Offer Price of ¥100 per share, represents a premium of 33.3% over ¥75, which is the average closing price of the Subject Company's common stock on the First Section of the Tokyo Stock Exchange, Inc. for the six-month period ending February 2, 2009, a premium of 66.7% over ¥60, which is the three month average, a premium of 61.3% over ¥62, which is the one month average and a premium of 56.3% over ¥64, which is the closing price of February 2, 2009.

(ii) Calculation Background

The Tender Offerors have analyzed the various issues and necessary business strategy of the Subject Company in the rapidly changing Japanese consumer finance industry. The Tender Offerors have decided to initiate the Tender Offer based on the Subject Company's financial condition and business environment, believing that making the Subject Company a complete subsidiary of the Shinsei Bank Group is in the best interest of both the Subject Company and the Shinsei Bank Group. The tender offer price was decided based on the process outlined below.

(i) Acquisition of a valuation reference report from third party

The Tender Offerors asked Nikko Citigroup Limited ("NCL"), the Tender Offeror's financial advisor for valuation analysis of the shares of the Subject Company in December 2008. The Tender Offerors received their valuation reference report of the shares of the Subject Company on January 29, 2009 from NCL for reference in the determination of the Tender Offer Price.

(ii) Summary of Valuation

NCL used the Historical Trading Range Analysis, Comparable Precedent Tender Offer Premiums Paid Analysis and Comparable Public Companies Reference Valuation for the valuation of the shares of the Subject Company. The results of the valuation are as follows:

Historical Trading Range Analysis: ¥60 to ¥76 per share

Precedent Comparable Tender Offer Premiums Paid Analysis: ¥75 to ¥108 per share

Comparable Public Companies Reference Valuation:

- ① price-to-book ratio analysis of actual financials for September 2008: ¥44~¥53 per share
- ② firm value-to-operating receivables ratio analysis (fully diluted basis) of actual financials for financials as of September 2008: ¥87~¥196 per share
- ③ price-to-earnings ratio analysis (fully diluted basis) of estimated financials for fiscal year ending March 2010: ¥87~¥106 per share

(iii) Determination of the Tender Offer Price

With reference to the calculation results provided by NCL, the Tender Offerors analyzed and compared the results of the calculations above in determining the Tender Offer Price. The Tender Offerors determined the Tender Offer Price of ¥100 per share on February 3, 2009, after discussion and negotiation with the Subject Company and taking into consideration multiple factors including, the possibility of gaining endorsement from the Subject Company regarding the Tender Offer, and the feasibility of the Tender Offer.

(iv) Description of Measures to be Taken for the Purpose of Securing the Fairness of the Evaluation of the Tender Offer Price and Avoiding Conflicts of Interests, and Other Measures to be Taken for the Purpose of Securing the Fairness of the Tender Offer

As Shinsei Bank, one of the Tender Offerors, holds a majority share of the Subject Company and consolidates the Subject Company as a subsidiary as of February 3, 2009, Shinsei Bank has taken

the following measures in order to secure the fairness of the Tender Offer such as measures for securing fairness of the evaluation of the Tender Offer Price and avoiding conflict of interests.

The Tender Offerors have requested advice from Nikko Citigroup Limited (hereinafter "NCL") as its financial advisor and Anderson Mori and Tomotsune as its legal adviser and has made careful discussion and consideration by receiving legal advice from Anderson Mori and Tomotsune in order to avoid arbitrariness in the decision making process of the Tender Offer.

In order to determine the Tender Offer Price, the Tender Offerors requested that NCL calculate the valuation of the Subject Company shares as the third party estimator ("Dai-san-sha Hyouka Kikan") independent from the Tender Offerors and the Subject Company, and obtained a valuation reference report from NCL.

On the other hand, considering that Shinsei Bank, which is the Subject Company's own parent company, is a Tender Offeror in the Tender Offer, and that some of its own directors were/are officers or employees of Shinsei Bank, the Subject Company has deemed it desirable to decide on the substance of its opinion statement after following a strict process, from the perspective of avoiding conflict of interests and preventing arbitrary judgment in the process of decision-making for its opinion statement concerning the Tender Offer as well as securing the fairness of the purchase conditions and procedures concerning the Tender Offer.

Therefore, first of all, apart from the Tender Offerors, the Subject Company has determined to request Ernst & Young ShinNihon LLC ("ShinNihon"), which is a third-party institution independent from the Tender Offerors or the Subject Company, and is not a party related to the Subject Company, to calculate the stock price of the Subject Company, and to acquire a report on the calculation of its stock price from ShinNihon, using such report as a basic material for judging the fairness of the Tender Offer Price, which has been offered by the Tender Offerors. In addition, ShinNihon has calculated the stock price of the Subject Company by using each of the market price method, discounted cash flow method, and comparable public companies reference method, and has comprehensively evaluated the results calculated with such calculation methods, calculating its stock price per share at 78.57 yen.

Moreover, for the purpose of avoiding the occurrence of any conflict of interests or any unfairness harmful to its general shareholders in the procedures for the Tender Offer or the process of the decision-making for the purchase conditions or transaction type of the Tender Offer, the Subject Company has established an independent committee as a consultative body for its Board of Directors with Mr. Takeo Inaba (Attorney-at-law) as its chairperson, and Mr. Somitsu Takehara (Certified Public Accountant) and Mr. Kazumasa Otsuka (Attorney-at-law) as its members (the "Independent Committee"), and consulted with the Independent Committee concerning the Tender Offer.

Further, the Subject Company requested Hibiya Park Law Offices to give advice on the decision-making process and method regarding opinion statement for the Tender Offer and other matters to be taken into account. Hibiya Park Law Offices has obtained information regarding the Tender Offer and given legal advice at several meetings with the Subject Company, and also submit to the Board of Directors of the Subject Company the opinion letter stating that the decision-making process and method regarding opinion statement for the Tender Offer are legal.

Based on the above, taking into account the number of quorum needed to pass a resolution and based on the matters pointed out by the Independent Committee, the Board of Directors of the Subject Company had the outside directors stay in the board, and two directors came from Shinsei voluntarily refrain from participating to deliberation and votes. By doing this, the Subject Company made the situation that it was impossible to make decision of the Board of Directors by directors came from Shinsei alone. After this, the Subject Company has fully examined the report on the calculation of its stock price obtained from ShinNihon and made careful consultation and discussion respecting the opinion submitted by the Independent Committee as much as possible,

and has made, upon unanimous consent of the directors present, a resolution to endorse the Tender Offer and to solicit the shareholders of the Subject Company to apply for the Tender Offer in the opinion statement.

Furthermore, the Tender Offerors have set the period for the tender offer (hereinafter "Tender Offer Period") for the Tender Offer as 30 business days where a minimum of 20 business days are required by law. The Tender Offerors intend to secure the fairness of the Tender Offer Price by ensuring an adequate opportunity to the shareholders of the Subject Company to decide whether or not to tender their shares into the Tender Offer and at the same time, the Tender Offerors to ensure that a person other than the Tender Offerors would have the opportunity to make another tender offer etc. by setting the Tender Offer Period relatively longer. Further, the Tender Offerors have not entered into an agreement with the Subject Company which may hinder another tender offer, etc. by a person other than the Tender Offerors.

(iii) The relationship with the valuation agency

NCL has no relationship with the Companies and the Subject Company.

(5) Number of Share Certificates, Etc. Scheduled for Tender Offer

Expected Number of Shares to be Purchased	Minimum Number of Shares to be Purchased	Maximum Number of Shares to be Purchased
48,708,050 (shares)	— (shares)	— (shares)

(Note 1) The Tender Offer does not satisfy any condition listed in the items of paragraph 4 of article 27-13 of the Law and all of the tendered shares will be purchased. The expected number of shares to be purchased in the Tender Offer is 48,708,050, which is equivalent to the total number of shares outstanding (151,138,278 shares) as of November 14, 2008, as stated in the Second Quarterly Report for the FY 2008 period filed by the Subject Company on November 14, 2008 less the number of treasury stocks held by the Subject Company (132 shares as of September 30, 2008) and shares held by the Tender Offerors as of the release date for this document (102,430,096 shares).

(Note 2) The Tender Offerors will not purchase any of the treasury stocks held by the Subject Company (132 shares, as of September 30, 2009) through the Tender Offer.

(Note 3) Shares constituting less than one unit are also subject to the Tender Offer. However, shares must be enrolled or recorded in the account established for shareholders who tender their shares to the Tender Offer (hereinafter called “Tendering Shareholders”) by the Tender Offer Agent or sub-agent (which are listed in “(11) Tender Offer Agent”). The Subject Company may repurchase its Shares during the Tender Offer Period from any shareholder who exercises a shareholder’s right under the Company Law of Japan to require the Subject Company to repurchase the Subject Company’s shares constituting less than one unit.

(Note 4) The tendered shares will be purchased by Shinsei and GECF in accordance with the following: (1) Shinsei and GECF will purchase the tendered shares with the ratio of 50 to 50 up to 33,945,400 shares. (2) All of the tendered shares exceeding 33,945,400 shares will be purchased by Shinsei. The tender offerors will purchase the following number of shares when the maximum number of shares is tendered:

Tender Offeror	Expected Number of Shares to be purchased
Shinsei	31,910,850 shares
GECF	16,797,200 shares

(6) Proportion of Ownership of Shares Certificate after the Tender Offer

Number of Voting Rights represented by Shares, etc. Owned by the Tender Offerors	1,024,300	(Percentage of Voting Rights represented by Shares, etc. to be Purchased divided by the Number of Voting Rights of All Shareholders, etc. 67.77%)
Number of Voting Rights represented by Shares, etc. Owned by the Special Relationship with the Tender Offerors	1,203	(Percentage of Voting Rights represented by Shares, etc. to be Purchased divided by the Number of Voting Rights of All Shareholders, etc. 0.08%)
Number of Voting Rights represented by Shares, etc. to be Purchased	487,080	(Percentage of Ownership of Shares, etc., after the Tender Offer 100.00%)
Total Number of Voting Rights of All Shareholders, etc. of the Subject Company	1,511,201	

(Note 1) “Number of Voting Rights represented by Shares, etc. to be Purchased” is the number of voting rights represented by “Expected Number of Shares to be Purchased”.

(Note 2) “Number of Voting Rights represented by Shares, etc. Owned by Parties having Special Relationship with the Tender Offerors” is the number of voting rights represented by the shares held by Parties having Special Relationships with the Tender Offerors (excluding the treasury stocks owned by the Subject Company).

(Note 3) “Total Number of Voting Rights of All Shareholders, etc. of the Subject Company” includes the

number of voting rights represented by the shares owned by Parties having a Special Relationship with the Tender Offerors (but excluding shares owned by the Tender Offerors and treasury stocks held by the Subject Company).

(Note 4) “Total Number of Voting Rights of All Shareholders, etc. of the Subject Company” is based on the total number of voting rights of the shareholders as of September 30, 2008, as stated in the Second Quarterly Report for the FY 2008 period filed by the Subject Company on November 14, 2008. However, since shares constituting less than one unit are subject to the Tender Offer, for the purposes of the calculation of the “Percentage of Voting Rights represented by Shares, etc. to be Purchased divided by the Number of Voting Rights of All Shareholders, etc.” and the “Percentage of Ownership of Shares, etc., after the Tender Offer”, the denominator is 1,511,381, which is the number of voting rights represented by the number of shares (151,138,278 shares) where the treasury stocks held by the Subject Company (132 shares as of September 30, 2008) are subtracted from the total shares outstanding (151,138,146 shares) as of November 14, 2008, as stated in the above-mentioned Report. (1 voting unit is composed of 100 shares)

(Note 5) The maximum shareholding ratios for each Tender Offeror calculated as set forth in “2 Information concerning the Subject Company (5) Number of Share Certificates, Etc. Scheduled for Tender Offer” (Note 4) are as follows:

Tender Offeror	Shareholding Ratio
Shinsei	88.89%
GECF	11.11%

(Note 6) The “Percentage of Voting Rights represented by Shares, etc. to be Purchased divided by the Number of Voting Rights of All Shareholders, etc.” and the Percentage of Ownership of Shares, etc., after the Tender Offer” are rounded to two decimal points.

(7) Funds, Etc. Required for the Tender Offer, Etc.

Purchase Price (yen)	Approximately 4,870,805,000 yen
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(8) Commencement Date of Settlement

(i) Name and Location of Head Office of Securities Company, Bank, etc. to Settle the Tender Offer.

Nikko Citigroup Limited	1-5-1 Marunouchi, Chiyoda-Ku, Tokyo
Nikko Cordial Securities Inc.	3-3-1 Marunouchi, Chiyoda-Ku, Tokyo

(ii) Commencement Date of Settlement

March 26, 2009 (Thursday)

(iii) Settlement Procedure

A notice of purchase will be mailed to the address or location of shareholders wishing to tender their share certificates in the Tender Offer (the “Tendering Shareholders”) (or the standing proxy in the case of shareholders and other parties who reside outside of Japan (including corporate shareholders, hereinafter referred to as the “Non-Resident Shareholders”)) promptly after the end of the Tender Offer Period. Payment of the purchase price will be made in cash. The Tender Offer Agent or the Sub-Agent will, in accordance with the shareholder’s instructions, remit the purchase price for share certificates promptly after the settlement commencement date to the account designated by the Tendering Shareholder (or the standing proxy in the case of Non-Resident Shareholders).

(9) Other Conditions and Procedures Relating to the Tender Offer.

- (i) Existence and Details of Conditions Listed in the Items of Paragraph 4 of Article 27-13 of the Law

N/A

- (ii) Existence of Conditions for Withdrawal, etc. of the Tender Offer, Details thereof, and Manner of Disclosing Withdrawal, etc.

Upon the occurrence of any event listed in Article 14, Paragraph 1, Items 1.1 through 1.9 and Items 1.12 through 1.18, Item 2, Items 3.1 through 3.8 and Item 5, as well as Article 14, Paragraph 2, Items 3 through 6 of the Enforcement Order of the Financial Instruments and Exchange Law (Cabinet Order No. 321 of 1965, as amended)(the “Enforcement Order”), the Tender Offerors may withdraw the Tender Offer during the Tender Offer Period. Should the Tender Offerors intend to withdraw the Tender Offer, the Tender Offerors will give notice through electronic disclosure and notify the disclosure in The Nihon Keizai Shimbun; provided, however, that, if it is impracticable to give such notice within the Tender Offer Period, the Tender Offerors will make a public announcement pursuant to Article 20 of the Cabinet Office Ordinance and give public notice forthwith.

- (iii) Existence of Conditions for Reducing the Tender Offer Price, Details thereof, and Manner of Disclosing Reduction

Pursuant to Article 27-6, Paragraph 1, Section 1 of the Law, if the Subject Company takes any action enumerated in Article 13, Paragraph 1 of the Enforcement Order, the Tender Offerors may reduce the purchase price of the Tender Offer through the methods provided in Article 19, Paragraph 1 of the Cabinet Office Ordinance. Should the Tender Offerors intend to reduce the purchase price of the Tender Offer, the Tender Offerors will give notice through electronic disclosure and notify the disclosure in The Nihon Keizai Shimbun; provided, however, that, if it is impracticable to give such notice within the Tender Offer Period, the Tender Offerors will make a public announcement pursuant to Article 20 of the Cabinet Office Ordinance and give public notice forthwith. If the purchase price is reduced, the Tender Offerors will purchase any and all shares or other securities tendered prior to the announcement of such change at the reduced purchase price.

- (iv) Matters regarding Right of Tendering Shareholders, etc. to Cancel Agreement

The Tendering Shareholders may, at any time during the Tender Offer Period, cancel an application for the Tender Offer. In case of such cancellation, the Tendering Shareholders must deliver or mail a written request for the cancellation of the application for the Tender Offer (the “Written Request for Cancellation”), enclosing the Receipt of Application for the Tender Offer (if one was received), to one of the entities listed below by 15:30 on the last day of the Tender Offer Period. If by mail, the cancellation of the acceptance of the Tender Offer will not be effective unless the Written Request for Cancellation is delivered to one of the entities listed below by 15:30 on the last day of the Tender Offer Period. (The hours in which each branch office of Nikko Cordial Securities Inc. operates and manages investment securities differ. Please confirm, in advance, details such as the business hours of the branch office you wish to visit).

No compensation for damages or penalty payments shall be claimed against any tendering shareholder by the Tender Offerors in the event that the application by the tendering shareholder is canceled. The cost of returning the share certificates held in custody by the Tender Offeror will be borne by the Tender Offerors.

Entities authorized to receive the Written Request for Cancellation:

Nikko Citigroup Limited

1-5-1 Marunouchi, Chiyoda-Ku, Tokyo

Nikko Cordial Securities Inc.

3-3-1 Marunouchi, Chiyoda-Ku, Tokyo

(and other branch offices of Nikko Cordial Securities Inc. located in Japan)

(v) Manner of Disclosure in case of a Modification of Conditions, etc. of the Tender Offer

Except in an instance forbidden by Article 27-6 of the Law and Article 13 of the Cabinet Office Ordinance, the Tender Offerors may change the conditions or other terms of the Tender Offer. Should any terms or conditions of the Tender Offer be changed, the Tender Offerors will give public notice thereof through electronic disclosure and notify the disclosure in The Nihon Keizai Shimbun; provided, however, that, if it is impracticable to make such notice within the Tender Offer Period, the Tender Offerors will make a public announcement in accordance with Article 20 of the Cabinet Office Ordinance and give public notice forthwith. The purchase of the shares tendered on or prior to such public notice will also be made in accordance with the terms and conditions, as amended.

(vi) Manner of Disclosure upon Filing of an Amendment to the Registration Statement

If an Amendment Statement is submitted to the Director-General of the Kanto Local Finance Bureau, except in the circumstances provided for under the proviso of Article 27-8, Paragraph 11 of the Law, the Tender Offerors will forthwith make a public announcement of the contents thereof to the extent relevant to the contents of the public notice of the Tender Offer, in accordance with the manner set forth in Article 20 of the Cabinet Office Ordinance. The Tender Offerors will also forthwith amend the Tender Offer Explanatory Statement and provide an Amended Tender Offer Explanatory Statement to the Tendering Shareholders who have received the previous Tender Offer Explanatory Statement. If, however, the amendments are limited, the Tender Offerors, instead of providing an Amended Tender Offer Explanatory Statement, may prepare and deliver, to the tendering shareholders, a document stating the reason(s) for the amendments, the matters amended and the details thereof.

(vii) Manner of Disclosure of Results of the Tender Offer:

The Tender Offerors will make a public announcement regarding the results of the Tender Offer, in accordance with Article 9-4 of the Enforcement Order and Article 30-2 of the Cabinet Office Ordinance, on the day following the last day of the Tender Offer Period.

(viii) This Tender Offer is neither, directly or indirectly, being conducted in nor targeted at the U.S. Nor may the U.S. mail or other methods/means of interstate commerce or international commerce (including, without limitation, telephone, telex, facsimile, e-mail and internet connection) be used or the Tender Offer be conducted through any U.S. stock exchange facilities. No application for this Tender Offer may be made by any of the aforementioned methods/means or through the aforementioned facilities, or from the U.S. Additionally, the Tender Offer Registration Statement or the tender documents related to this Registration Statement may not be sent or distributed in or to or from the U.S. by mail or any other methods. Any application for the Tender Offer in violation of any the aforementioned restriction, either directly or indirectly, will not be accepted.

At the time of tender, tendering shareholders and relevant others (standing proxies for Non-Resident Shareholders) (the “tendering shareholders, etc.”) may be requested to provide the Tender Offer Agent with representations and warranties to the following effect:

- ① The tendering shareholders, etc. are not located or reside in the U.S., both at the time of applying for the tender and sending the Application Form for the Tender Offer.
- ② The tendering shareholders, etc. are not, directly or indirectly, receiving or sending out any information or documents (including the copy) related to this Tender Offer to or in, or from the U.S.
- ③ The tendering shareholders, etc. have not and will not use, directly or indirectly, the U.S. mail or other methods/means of interstate commerce or international commerce (including, without limitation, telephone, telex, facsimile, e-mail and Internet communication) as well as any U.S. stock exchange facilities in connection with the signature or delivery of the Application Form for the Tender Offer.
- ④ The tendering shareholders, etc. are not acting as proxy for any other person without investment discretion or trustee/fiduciary of any other person (except for those who are giving all the instructions on the tender of shares from the outside of the U.S.).

(10) Date of Public Notice

February 4, 2009 (Wednesday)

Public notice will be made electronically, and notice to such effect will be made in the Nihon Keizai Shimbun.

(EDINET (Electronic Disclosure for Investors' NETwork) address <http://info.edinet-fsa.go.jp/>)

(11) Tender Offer Agent

Nikko Citigroup Limited

1-5-1 Marunouchi, Chiyoda-Ku, Tokyo

The tender offer agent appointed the following sub-agent and delegated part of its business:

Nikko Cordial Securities Inc.

3-3-1 Marunouchi, Chiyoda-Ku, Tokyo

3 Policy Following the Tender Offer and Future Outlook

If the Tender Offerors are unable to acquire all of the Target Common Stock through the Tender Offer, and if the Tender Offerors deem it necessary after consulting with the Subject Company and others based on the result of the Tender Offer and the substance of the business integration and restructuring between the Subject Company and GECF, which is expected to be implemented after the Tender Offer, the Tender Offerors may implement Complete Control Procedures through the methods described below. The Tender Offerors plan to carry out the Complete Control Procedures if their shareholding ratio following the Tender Offer exceeds 90%.

Specifically, after the completion of the Tender Offer, the Tender Offerors may request that the Subject Company hold a meeting of shareholders with an agenda which includes the following items (i) through (iii) and a meeting of class shareholders for shareholders of common stock with an agenda which includes the item (ii) below; the Subject Company will (i) amend the Articles of Incorporation of the Subject Company to change the Subject Company into a Corporation Issuing Class Shares (Shurui-Kabushiki Hakko Gaisha, the “Corporation Issuing Class Shares”) as defined in the Company Law of Japan (the “Company Law”), (ii) make additional changes on a part of the amended Articles of Incorporation of the Subject Company set forth in (i) to attach to all shares of common stock issued by the Subject Company a provision for the acquisition of common stock (such shares, “Fully Acquirable Class Shares”) (which refers to the item prescribed in a provision of Article 108, Paragraph 1, Item 7 of the Company Law, hereinafter the same), and (iii) deliver to shareholders a separate class of shares of the Subject Company in exchange for acquisition of all the shares of common stock to which a provision for acquisition of common stock is attached. Further, upon holding of the aforementioned meeting of shareholders, the Tender Offerors may request that the aforementioned (i) through (iii) be placed on the agenda of the same meeting of shareholders. The Tender Offerors plan to vote in favor of each of the above items at the aforementioned meeting of shareholders and meeting of class shareholders.

If each of the above procedures is implemented, all the shares of common stock issued by the Subject Company will be acquired by the Subject Company after being converted into Fully Acquirable Class Shares, and the shareholders of the Subject Company will, in exchange, receive a separate class of shares of the Subject Company as consideration. However, for shareholders of the Subject Company who are entitled to shares of a separate class which constitute less than a whole share, the cash amount to be obtained by selling the total number of such fractional shares (if the total is a fractional number, such fractional number will be truncated) will be delivered to the shareholders pursuant to the relevant laws and regulations. The amount of cash to be delivered to the relevant shareholders subsequent to the sale) will be calculated based on the Tender Offer Price, barring exceptional circumstances; however, since its calculation date is different, dependent upon the business, performance, financial status, assets or management of the Subject Company or its prospects as of the calculation date, or based on the judgment of a court regarding the Complete Control Procedures, such cash amount may differ from the Tender Offer Price and, therefore, it may exceed, be equivalent to or fall below such Tender Offer Price. In addition, although the class and number of shares of the Subject Company to be delivered to shareholders of the Subject Company in consideration for Fully Acquirable Class Shares have not been determined as of February 3, 2009, the Tender Offerors intend that the number of shares to be delivered in exchange for the Fully Acquirable Class Shares that will be delivered to shareholders of the Subject Company who did not tender their shares in the Tender Offer (except the Tender Offerors) will be a fractional number constituting less than one share in order to enable the Tender Offerors to accomplish their objective to implement the Complete Control Procedures of the Subject Company. With respect to procedure (ii) described above, the Company Law stipulates that to protect the rights of minority shareholders, (a) when the Articles of Incorporation are amended in order to change all common stock into Fully Acquirable Class Shares, as mentioned above in (ii), that a shareholder has the right to demand that the shares he or she holds be purchased in accordance with the provisions of Article 116 and 117 of the Company Law, and other related legislation, etc., and (b) once the delivery of a separate class of share in exchange for the acquisition of the Fully Acquirable Class Shares is resolved at the meeting of shareholders, that a shareholder may petition for the determination of the price of Fully Acquirable Class Shares in accordance with the provisions of Article 172 of the Company Law and other related legislation, etc.. Because the purchase price and the equity value of the methods mentioned above in (a) and (b) will be ultimately determined by a court, they may differ from the Tender Offer Price. In making a demand or petition under these measures, it is the responsibility of each shareholder to confirm the required procedures and to make the

relevant determination of whether to proceed.

The Tender Offer is not meant as an inducement to gain the approval of the shareholders of the Subject Company at the aforementioned meeting of shareholders or meeting of class shareholders.

Dependent upon factors such as the Tender Offeror's shareholding ratio of shares of the Subject Company results in less than 90%, the shareholding ratio of the shares of the Subject Company by the Tender Offerors after the Tender Offer, the ownership of the shares in the Subject Company by shareholders of the Subject Company other than the Tender Offerors, relationship between the shareholders of the Subject Company other than the Tender Offerors and the Tender Offerors (a shareholder agreement dated April 1st, 2002 (including amendments thereafter) exists between one of the Tender Offerors, Shinsei Bank, and 9 foundation-related persons, who are major shareholders of the Subject Company (who collectively own approximately 17.5% of the shares of the subject company), which stipulates an agreement to cooperate to maintain the listing of the Subject Company), the interpretation by the authorities of the related legislation, etc., or if the Tender Offerors decide on the necessity after discussion with the Subject Company based on the substance of the business integration and restructuring between the Subject Company and GECF, which is expected to be implemented after the Tender Offer, the Tender Offerors may not implement any Complete Control Procedures with the Subject Company kept listed, or they may request the Subject Company to implement methods differing from the procedures mentioned above (including a share exchange between the Subject Company and Shinsei Bank, one of the Tender Offerors, or a merger or other restructuring between the Subject Company and GECF, one of the Tender Offerors, the same hereafter) in order to accomplish their objective of implementing the Complete Control Procedures of the Subject Company and may require time for implementing the same. Furthermore, even in the case where it implements the Complete Control Procedures through methods differing from the procedures mentioned above, the Tender Offerors will request a method by which the Tender Offerors will ultimately deliver to the shareholders of the Subject Company cash or other consideration, the amount or value of which will be calculated based on the Tender Offer Price, barring exceptional circumstances; however, since its calculation date is different, dependent upon the business performance, financial status, assets or management of the Subject Company or its prospects as of the calculation date, or based on the judgment of a court regarding the Complete Control Procedures, or a different methodology may be utilized to calculate the aforementioned amount or value then the Tender Offer Price based on different elements, such cash amount may differ from the Tender Offer Price and, therefore, it may exceed, be equivalent to or fall below such Tender Offer Price.

The details (including the details of agenda items (i) through (iii) above) and the period of implementation of the Complete Control Procedures described above have not yet been decided and will be publicly disclosed as soon as they have been decided following discussions between the Tender Offerors and the Subject Company, etc..

The common stock of the Subject Company is currently listed on the Tokyo Stock Exchange Group Inc. (the "Tokyo Stock Exchange"). However, because the Tender Offerors have not limited the maximum number of shares which the Tender Offerors will purchase through the Tender Offer, if the delisting standards of the Tokyo Stock Exchange are triggered as a result of the Tender Offer, the shares of the Subject Company may be mandatorily delisted pursuant to the delisting standards of the Securities Listing Regulations of the Tokyo Stock Exchange (the "Delisting Standards"). However, as noted above, the Tender Offerors may take measures to maintain listing of the Subject Company if the Tender Offerors deem necessary after discussion with the Subject Company, etc. taking into account issues such as the relationship between the shareholders of the Subject Company other than the Tender Offerors and the Tender Offerors. Regardless of the foregoing, in the event that the Tender Offerors, with a separate consultation with the Subject Company, etc., take measures to implement the Complete Control Procedures after the Tender Offer as stated above, has been completed, the Delisting Standards will be triggered and the shares in the Subject Company will be delisted. If the shares in the Subject Company are delisted, the shares of the Subject Company will not be traded on the Tokyo Stock Exchange and will be difficult to sell in the future. In addition to above, in case the Complete Control Procedures are implemented, no application is expected to be made for the listing of the separate class of shares in of the Subject Company, which is to be delivered as the consideration for the acquisition of all the shares of common stocks to which a provision for acquisition of all common stock are attached.

4 Other

- (1) Existence of Agreements Between the Offeror and the Subject Company or its Directors and the Details of any such Agreements

The following are the content of the significant agreements between Shinsei Bank (Offeror) and the Subject Company at the fiscal year end of the 3 most recent fiscal years:

FY2005 Overdraft Agreement (Max JPY 25 billion) Lender: the Tender Offeror (Shinsei) Borrower: the Subject Company

FY2006 Overdraft Agreement (Max JPY 25 billion) Lender: the Tender Offeror (Shinsei) Borrower: the Subject Company

FY2007 Overdraft Agreement (Max JPY 25 billion) Lender: the Tender Offeror (Shinsei) Borrower: the Subject Company

Also, the above agreement still exists as of February 3, 2009.

In addition to the above, the Tender Offeror has underwritten 76,822,572 shares of newly issued common stock on December 13, 2007 through allotment to shareholders. There are no material transactions between the Tender Offerors and the Subject Company's directors

- (2) Other information that is useful for investors to conclude the application
N/A

SHINKI shareholders:

SHINKI shareholders seeking further information on the procedures for tendering may contact the tender offer agent, Nikko Citigroup Limited, or the tender offer sub-agent, Nikko Cordial Securities Inc. For individual shareholders, Nikko Contact Center which is operated by Nikko Cordial Securities Inc. is in service to respond to shareholders' queries regarding the procedures for tendering.

▶ Nikko Contact Center for individual shareholders use only

Toll Free Dial: 0120-250-959

Period: Tender offer period (expected to be from February 4, 2009 to March 18, 2009)
from 9 a.m. to 5 p.m. (Except for Saturday, Sunday and national holidays in Japan.)

(Note) To request application forms for the tender offer, shareholders should contact the call center in person.

(Note) Please also refer to the web-site of Nikko Cordial Securities Inc and make a search within the site with key word of “koukai kaitsuke” (the tender offer).