

For Immediate Release

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

Shinsei Bank Announces Terms and Conditions of Tier I Preferred Securities

Implementation of measures to strengthen Shinsei Bank's Tier I capital

Tokyo (Tuesday, March 24, 2009) --- Shinsei Bank, Limited, ("Shinsei") announced today that it has decided the terms and conditions, as described below, for private placements of Tier I preferred securities to qualified institutional investors in Japan as well as private placements of Tier I preferred securities to a limited number of select institutional and corporate investors in Japan as previously announced on March 6, 2009 to strengthen Shinsei's Tier I capital.

The 48.2 billion yen of capital scheduled to be raised on March 30, 2009 through these transactions qualifies for inclusion in Tier I capital as outlined under the Basel Capital Accord. The preferred securities below are not convertible into common stock of Shinsei Bank.

Issuer	Shinsei Finance III (Cayman) Limited An overseas special purpose subsidiary to be newly established in the Cayman Islands under the laws of the Cayman Islands, and in which the voting rights will be wholly owned by Shinsei Bank	
Type of Security	Japanese Yen-denominated non-cumulative perpetual preferred securities (Series A)	Japanese Yen-denominated non-cumulative perpetual preferred securities (Series B)
	(not convertible into common stock of Shinsei Bank)	
Aggregate Issue Amount	19.0 billion yen	20.1 billion yen
Dividend Rate	5.5% per annum until July 2014 Floating rate per annum after July 2014 (Non-step up)	5.0% per annum until July 2019 Floating rate per annum after July 2019 (Step-up)
Use of Proceeds	To strengthen the Tier I capital base of Shinsei Bank	
Liquidation Preference	The preferred securities are intended to rank, as to rights related to the liquidation preferences, effectively <i>pari passu</i> with preferred shares issued by Shinsei Bank	
Method of Offering	Private placements to qualified institutional investors in Japan	
Listing	None	
Closing Date	March 30, 2009 (scheduled)	

Issuer	Shinsei Finance IV (Cayman) Limited An overseas special purpose subsidiary to be newly established in the Cayman Islands under the laws of the Cayman Islands, and in which the voting rights will be wholly owned by Shinsei Bank	
Type of Security	Japanese Yen-denominated non-cumulative perpetual preferred securities (Series A)	Japanese Yen-denominated non-cumulative perpetual preferred securities (Series B)
	(not convertible into common stock of Shinsei Bank)	
Aggregate Issue Amount	2.5 billion yen	6.6 billion yen
Dividend Rate	5.0% per annum until July 2019 Floating rate per annum after July 2019 (Step-up)	5.5% per annum until July 2014 Floating rate per annum after July 2014 (Non-step up)
Use of Proceeds	To strengthen the Tier I capital base of Shinsei Bank	
Liquidation Preference	The preferred securities are intended to rank, as to rights related to the liquidation preferences, effectively <i>pari passu</i> with preferred shares issued by Shinsei Bank	
Method of Offering	Private placements to a limited number of select institutional and corporate investors in Japan	
Listing	None	
Closing Date	March 30, 2009 (scheduled)	

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 12.2 trillion yen (US\$135 billion) on a consolidated basis (as of December 2008) and a network of 35 outlets that includes 33 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>