

For Immediate Release

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President and CEO
(Code: 8303, TSE First Section)

Shinsei Bank Announces Partial Repurchase and Cancellation of USD Tier I Preferred Securities
Positive impact on retained earnings

Tokyo (Monday, March 30, 2009) --- Shinsei Bank, Limited, ("Shinsei") announced today that it had completed a partial repurchase (using available cash) and cancellation of U.S. dollar-denominated non-cumulative perpetual preferred securities, issued by two of its wholly owned Cayman Islands finance subsidiaries, in the aggregate issue amount of USD 221 million.

The two issues of Tier I preferred securities repurchased in part by Shinsei related to this transaction have recently been trading at a significant discount to their original issue price. The completion of this transaction resulted in an increase in retained earnings.

The repurchased preferred securities include:

- USD 100 million of step-up non-cumulative perpetual preferred securities, issued in February 2006 at 6.418%, issue price USD 1,000 per preferred security, of Shinsei Finance (Cayman) Limited; and
- USD 121 million of non-cumulative perpetual preferred securities, issued in March 2006 at 7.160%, issue price USD 1,000 per preferred security, of Shinsei Finance II (Cayman) Limited.

The repurchased preferred securities listed on the Singapore Exchange were purchased in open-market transactions.

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>