For Immediate Release

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

Shinsei Bank Announces Issuance of Preferred Securities
Further measures to strengthen Shinsei Bank's Tier I capital

Tokyo (Wednesday, September 9, 2009) --- Shinsei Bank, Limited ("Shinsei Bank") announced that its Board of Directors, at a meeting held on Wednesday, September 9, 2009, approved the establishment of an overseas special purpose subsidiary, Shinsei Finance V (Cayman) Limited, for private placements of preferred securities to a limited number of select institutional and corporate investors in Japan. The issuance will further strengthen Shinsei Bank's Tier I capital.

In March 2009, Shinsei Bank raised a total of 48.2 billion yen in capital through a 39.1 billion yen private placement of Tier I preferred securities to qualified institutional investors in Japan, and a 9.1 billion yen private placement of Tier I preferred securities to a limited number of select institutional and corporate investors in Japan. This latest issuance of preferred securities is in response to firm interest from institutional and corporate investors, and is aimed at further enhancing Shinsei Bank's Tier I capital.

The securities to be issued are non-step up, non-cumulative perpetual preferred securities that qualify for inclusion in Tier I capital as outlined under the Basel Capital Accord. Specific terms and conditions will be determined at a later date. Please refer to the "Description of Preferred Securities to be Issued" below for an overview of terms and conditions. The decision to issue preferred securities, amount or the terms thereof is subject to market conditions.

Description of Preferred Securities to be Issued

Issuer	Shinsei Finance V (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-step up, non-cumulative perpetual preferred securities
Aggregate Issue Amount	Up to JPY 10 billion
Dividend Rate	To be determined
Use of Proceeds	To enhance the capital base of Shinsei Bank
Liquidation Preference	The preferred securities are intended to rank, as to rights related to the liquidation preferences, effectively *pari passu* 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

******

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$127 billion) on a consolidated basis (as of June 2009) and a network of 39 outlets that includes 32 Shinsei Financial Centers, 2 Platinum Centers and 5 Consulting Spots 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