

For Immediate Release

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APLUS FINANCIAL Revises FY2009 Earnings and Dividend Forecasts and Announces Mid-Term Business Plan

-Strengthening operational structure of consumer finance business ahead of full implementation of MLBL-

TOKYO (Monday, May 10, 2010) --- Shinsei Bank, Limited ("Shinsei Bank") today announced that its consolidated subsidiary, APLUS FINANCIAL Co., Ltd. ("APLUS FINANCIAL") has revised its forecasts for consolidated and non-consolidated earnings as well as for dividends on common and preferred shares for the fiscal year ended March 31, 2010, and announced a mid-term business plan.

Shinsei Bank is continuing to realign its consumer finance business in order to provide customers with an integrated value proposition. As one step in this strategy, its subsidiary APLUS FINANCIAL established a holding company structure as of April 1, 2010, in order to expedite rapid implementation of a mid-term business plan. Shinsei Bank is actively supporting APLUS FINANCIAL as it focuses on steady execution of this mid-term business plan by pursuing further operational efficiencies. This includes streamlining operational procedures through the implementation of Shinsei Bank's low-cost and highly flexible IT infrastructure across the consumer finance subsidiaries to integrate functions and reduce expenses. As a result, we aim to become the leading provider of responsible consumer finance services in Japan under the revised Money Lending Business Control and Regulation Law (MLBL) to be fully implemented in June 2010.

1. APLUS FINANCIAL Revision of Earnings and Dividend Forecasts for the FY2009 Ended March 31, 2010

(Billions of yen)	Consolidated Net Income	Non-Consolidated Net Income
Previous forecast as of May 13, 2009 (A)	7.0	7.0
Revised forecast as of May 10, 2010 (B)	-7.7	-7.0
Difference (B-A)	-14.7	-14.0
Difference (%)	-210.0%	-200.0%
Results for the fiscal year ended March 31, 2009	1.5	2.3

APLUS FINANCIAL has revised its earnings forecast for the fiscal year ended March 31, 2010 for the following three major reasons that will position it strongly from fiscal year 2010 onward:

- Given that claims for repayment of "grey zone" interest remain at a high level, and the revised MLBL will be fully implemented from June 2010, APLUS FINANCIAL has recorded incremental reserves for losses on interest repayments (by adding 10.8 billion yen on a consolidated basis which increases the grey zone reserves to 15.1 billion yen);
- In the process of drawing up its new business plan, APLUS FINANCIAL has made a drastic review of the software assets in its current systems, including the duration of use. As a result, APLUS FINANCIAL will post a non-recurring loss of 3.0 billion yen related to software write-downs; and
- APLUS FINANCIAL has taken a conservative stance with regard to estimates for deferred tax assets and made a reversal of 2.0 billion yen.

APLUS FINANCIAL's forecast for dividends on its common and preferred shares was previously undecided. However, in light of the revised earnings forecasts, APLUS FINANCIAL now plans not to pay a year-end dividend on its common or preferred shares for fiscal year 2009.

2. APLUS FINANCIAL Group Mid-Term Business Plan Outline

In light of current operating conditions, APLUS FINANCIAL has set itself the vision of "becoming a *shinpan* company chosen by customers, supported by business partners and fit for the new age" in its mid-term business plan. In terms of strategic direction, the mid-term business plan calls for "breaking away from dependence on consumer finance loan income, to increase income from core operations including installment sales credit business, credit card business and guarantee and settlement business through a business model that only a *shinpan* company can achieve". As the core concepts of its mid-term business plan, APLUS FINANCIAL aims to "establish a sales structure that will grow the volume and quality of its business" and "establish a system of low-cost operations that outstrips the competition."

3. APLUS FINANCIAL Group FY2010 Net Income Forecast

For the fiscal year ending March 31, 2011, APLUS FINANCIAL forecasts consolidated net income of 4.0 billion yen.

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 11.5 trillion yen (US\$124.9 billion) on a consolidated basis (as of December 2009) and a network of 40 outlets that includes 31 Shinsei Financial Centers and 9 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>