

For Immediate Release

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

Termination of Merger with Aozora Bank

TOKYO (Friday, May 14, 2010) --- Shinsei Bank, Limited (“Shinsei Bank”) announced that its Board of Directors, at a meeting held today, approved resolutions to terminate the Alliance Agreement with Aozora Bank, Ltd. (“Aozora Bank”), executed on July 1, 2009.

Going forward, Shinsei Bank, as a standalone entity, will strive to strengthen its business franchise and financial base. In addition, Shinsei Bank and Aozora Bank plan to establish a new business alliance and maintain a cooperative relationship.

The termination of the merger with Aozora Bank is not expected to have a material impact on Shinsei Bank’s earnings.

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 11.3 trillion yen (US\$122.0 billion) on a consolidated basis (as of March 2010) and a network of 41 outlets that includes 31 Shinsei Financial Centers and 10 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>