

For Immediate Release

SHINSEI BANK, LIMITED
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Company Name: Shinsei Bank, Limited
 Name of Representative: Shigeki Toma
 President and CEO
 (Code: 8303, TSE First Section)

Shinsei Bank Subsidiary Shinsei Financial Partners with Towa Bank in Guarantee Business
 - *Shinsei Financial's first unsecured personal loan guarantee business alliance with regional banks* -

Tokyo (Tuesday, August 31, 2010) – Shinsei Bank, Limited (“Shinsei Bank,” “the Bank”), today announced that its consolidated subsidiary, Shinsei Financial Co., Ltd. (“Shinsei Financial,” “the company”) concluded a business alliance agreement with The Towa Bank, Ltd. (“Towa Bank”) in the unsecured personal loan guarantee business. Through this partnership, Shinsei Financial will provide guarantees for Towa Bank’s unsecured personal loans, “*Speed Oh*,” which will be launched September 1, 2010.

Leveraging its vast network and relationship with regional financial institutions developed over the years, Shinsei Bank has been strengthening its partnership with regional financial institutions to contribute to local finance. This partnership between Shinsei Financial and Towa Bank is part of Shinsei Bank’s Group-wide efforts of presenting new business opportunities to meet the needs of regional financial institutions and supporting the start-up of these businesses. This marks Shinsei Financial’s first business alliance for guarantee business with a regional bank.

Under this partnership, Shinsei Financial will handle loan applications for Towa Bank’s “*Speed Oh*” made over outlets such as the Internet and phone and provide credit screening for loan guarantees. Customers will then fill out the guarantee commission contract, which doubles as the guarantee application for Shinsei Financial. In addition, Shinsei Financial will support the “*Speed Oh*” marketing strategy and product design through discussions with Towa Bank, utilizing marketing know-how of the Lake brand.

This alliance allows Towa Bank to leverage Shinsei Financial’s proven experience and track record in the unsecured personal loan business to strengthen and expand its consumer finance operations. Shinsei Financial will maximize its risk analysis and servicing expertise to strategically support Towa Bank by providing advice on marketing and operational process management, in addition to providing loan guarantees for Towa Bank’s unsecured personal loan products.

Going forward, the Shinsei Bank Group will actively leverage the know-how and experience of its Group companies to support the smooth and efficient provision of financial services by regional financial institutions.

【Product Overview of “*Service Oh*”】

“*Speed Oh*,” aimed at Towa Bank’s unsecured personal loan customers, will have a loan amount between ¥100,000 to ¥3,000,000 (¥100,000 increments). “*Speed Oh*” will be launched September 1, 2010.

【Overview of Towa Bank】

Name:	The Towa Bank, Ltd.
Representative:	Kunimitsu Yoshinaga, President and Chief Executive Officer
Headquarters Location:	12-6, Honmachi 2-chome, Maebashi, Gunma 371-8560, Japan
Paid in Capital:	¥38.6 billion (As of March 31, 2010)

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 10.9 trillion yen (US\$123.5 billion) on a consolidated basis (as of June 2010) and a network of 41 outlets that includes 30 branches and 11 annexes 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.htm>