

For Immediate Release

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

Shinsei Bank to Convert APLUS FINANCIAL Preferred Shares into Common Shares

- Further simplifying APLUS FINANCIAL's capital structure -

Tokyo (Tuesday, September 28, 2010) --- Shinsei Bank, Limited (“Shinsei Bank”; “the Bank”) announced today that it will convert a portion of its holdings of Class B preferred shares and its holdings of Class C preferred shares into common shares of APLUS FINANCIAL Co., Ltd. (“APLUS FINANCIAL”) as a measure to further simplify APLUS FINANCIAL’s capital structure. Shinsei Bank has no plans to sell its holdings of APLUS FINANCIAL common shares.

1. Explanation and Rationale

In order to further simplify APLUS FINANCIAL’s capital structure, Shinsei Bank today submitted conversion requests to APLUS FINANCIAL to convert a portion of the Bank’s holdings of APLUS FINANCIAL Class B preferred shares and its holdings of Class C preferred shares into APLUS FINANCIAL common shares. These conversions will result in Shinsei Bank’s holding of APLUS FINANCIAL common shares increasing from 93.5% to 94.8%. Shinsei Bank has no plans to sell any of its original holdings of APLUS FINANCIAL common shares or any of its additional holdings arising from the conversions. Additionally, there are no plans as of now to delist APLUS FINANCIAL from the Osaka Securities Exchange Co. Ltd.

Shinsei Bank remains committed to promoting its consumer finance operations, including APLUS FINANCIAL, as a core part of its business.

2. Summary of Shinsei Bank’s Conversions of APLUS FINANCIAL Preferred Shares

	Class B preferred shares	Class C preferred shares
Total number of preferred shares outstanding	10,000,000 shares	15,000,000 shares
Number of preferred shares owned by Shinsei before conversions (percentage of ownership)	10,000,000 shares (100%)	15,000,000 shares (100%)
Number of preferred shares to be converted	7,500,000 shares	15,000,000 shares
Number of preferred shares owned by Shinsei post conversions (percentage of ownership)	2,500,000 shares (100%)	0 shares
Number of common shares from conversions	102,040,816 shares	204,081,632 shares

3. Shinsei Bank’s Ownership of APLUS FINANCIAL Common Shares Post Conversions (Excluding Shares Held as Treasury Shares)

Before Conversions:

Shinsei’s holdings of APLUS FINANCIAL common shares	1,139,913,836 shares (93.5%)
Total APLUS FINANCIAL common shares outstanding (as of June 30,2010)	1,218,589,342 shares

After Conversions:

Shinsei’s holdings of APLUS FINANCIAL common shares	1,446,036,284 shares (94.8%)
Total APLUS FINANCIAL common shares outstanding	1,524,211,152 shares

4. Shinsei Bank's Ownership of APLUS FINANCIAL Preferred Shares Post Conversions (Excluding Shares Held as Treasury Shares)

APLUS FINANCIAL Class B Preferred Shares	2,500,000 shares (100.0%)
APLUS FINANCIAL Class D Preferred Shares	8,500,000 shares (100.0%)
APLUS FINANCIAL Class G Preferred Shares	13,000,000 shares (100.0%)
APLUS FINANCIAL Class H Preferred Shares	32,250,000 shares (100.0%)

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.html>