

For Immediate Release

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

Shinsei Bank to Exercise Call Option for Early Redemption of Two U.S. dollar-denominated Preferred Securities

Tokyo (Tuesday, May 31, 2016) --- Shinsei Bank, Limited (hereinafter, "Shinsei Bank") today announced that it has decided to exercise the call option for early redemption of 1) U.S. dollar-denominated step-up non-cumulative perpetual preferred securities on the first callable date (July 20, 2016), and 2) U.S. dollar-denominated non-cumulative perpetual preferred securities on the first callable date (July 25, 2016).

1. Overview of U.S. dollar-denominated Step-up Non-cumulative Perpetual Preferred Securities

Issuer	Shinsei Finance (Cayman) Limited
Type of Securities	U.S. dollar-denominated step-up non-cumulative perpetual preferred securities (no right to convert into common stock of Shinsei Bank)
Issue Date	February 23, 2006
Original Issue Amount	USD 775,000,000
Amount of Securities Outstanding (As of May 31, 2016)	USD 38,000,000
Redemption Price	USD 1,000 per preferred securities (equal to the issue price)

2. Overview of U.S. dollar-denominated Non-cumulative Perpetual Preferred Securities

Issuer	Shinsei Finance II (Cayman) Limited
Type of Securities	U.S. dollar-denominated non-cumulative perpetual preferred securities (no right to convert into common stock of Shinsei Bank)
Issue Date	March 23, 2006
Original Issue Amount	USD 700,000,000
Amount of Securities Outstanding (As of May 31, 2016)	USD 24,187,000
Redemption Price	USD 1,000 per preferred securities (equal to the issue price)

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 8.9 trillion yen on a consolidated basis (as of March 31, 2016) and a network of outlets throughout 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/corporate/en/index.html>

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