

CONSOLIDATED BALANCE SHEETS

Shinsei Bank, Limited, and Consolidated Subsidiaries
As of March 31, 2008 and 2007

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2008	2007	2008
ASSETS			
Cash and due from banks (Notes 4 and 23)	¥ 505,630	¥ 448,554	\$ 5,069,995
Call loans	—	43,100	—
Receivables under resale agreements	2,014	—	20,200
Collateral related to securities borrowing transactions	18,753	11,050	188,046
Other monetary claims purchased (Notes 5 and 23)	468,880	366,505	4,701,498
Trading assets (Notes 6 and 36)	315,287	303,389	3,161,409
Monetary assets held in trust (Note 7)	371,572	502,332	3,725,785
Securities (Notes 8 and 23)	1,980,292	1,854,682	19,856,534
Loans and bills discounted (Notes 9, 23 and 34)	5,622,266	5,146,306	56,374,876
Foreign exchanges (Note 18)	17,852	15,047	179,011
Other assets (Notes 10, 23 and 36)	1,100,151	870,375	11,031,304
Premises and equipment (Notes 11, 23 and 31)	305,771	382,460	3,065,995
Intangible assets (Note 12)	233,174	244,155	2,338,054
Deferred issuance expenses for debentures	125	103	1,259
Deferred tax assets (Note 33)	28,238	42,474	283,146
Customers' liabilities for acceptances and guarantees (Note 22)	701,717	754,420	7,036,170
Reserve for credit losses (Note 13)	(145,966)	(147,275)	(1,463,620)
Total assets	¥ 11,525,762	¥ 10,837,683	\$ 115,569,662
LIABILITIES AND EQUITY			
Liabilities:			
Deposits, including negotiable certificates of deposit (Notes 14 and 23)	¥ 5,806,634	¥ 5,420,930	\$ 58,223,547
Debentures (Note 15)	662,434	703,298	6,642,279
Call money (Note 23)	632,117	692,792	6,338,284
Collateral related to securities lending transactions (Note 23)	148,421	8,333	1,488,232
Trading liabilities (Notes 16 and 36)	205,011	99,255	2,055,667
Borrowed money (Notes 17 and 23)	1,127,227	1,122,688	11,302,797
Foreign exchanges (Note 18)	39	118	395
Short-term corporate bonds	73,600	171,300	737,993
Corporate bonds (Note 19)	426,286	400,485	4,274,408
Other liabilities (Notes 20 and 36)	708,749	498,358	7,106,687
Accrued employees' bonuses	14,572	13,134	146,115
Accrued directors' bonuses	249	359	2,499
Reserve for employees' retirement benefits (Note 21)	4,660	3,521	46,731
Reserve for directors' retirement benefits	132	—	1,329
Reserve for losses on interest repayments	39,333	10,353	394,402
Reserve for losses on disposal of premises and equipment	5,025	—	50,392
Reserve under special law	4	3	43
Deferred tax liabilities (Note 33)	4,283	5,075	42,949
Acceptances and guarantees (Notes 22 and 23)	701,717	754,420	7,036,170
Total liabilities	10,560,501	9,904,430	105,890,919
Equity:			
Capital stock (Notes 25 and 26):			
Common stock	476,296	291,853	4,775,864
Preferred stock	—	159,443	—
Capital surplus	43,558	18,558	436,763
Stock acquisition rights (Note 26)	1,257	517	12,612
Retained earnings	302,535	245,499	3,033,545
Unrealized gain (loss) on available-for-sale securities	(35,073)	5,091	(351,684)
Deferred gain (loss) on derivatives under hedge accounting	(1,057)	(7,744)	(10,604)
Foreign currency translation adjustments	1,872	2,952	18,778
Treasury stock, at cost (Note 25)	(72,566)	(72,560)	(727,633)
Total	716,823	643,611	7,187,641
Minority interests in subsidiaries (Note 24)	248,437	289,642	2,491,102
Total equity	965,261	933,253	9,678,743
Total liabilities and equity	¥ 11,525,762	¥ 10,837,683	\$ 115,569,662

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.