

INTERIM NON-CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

Shinsei Bank, Limited

For the six months ended September 30, 2008 and 2007, and the fiscal year ended March 31, 2008

	Millions of yen			Thousands of U.S. dollars (Note)
	Sept. 30, 2008 (6 months)	Sept. 30, 2007 (6 months)	Mar. 31, 2008 (1 year)	Sept. 30, 2008 (6 months)
Common stock:				
Balance at beginning of period	¥ 476,296	¥ 291,853	¥ 291,853	\$ 4,563,980
Issuance of new shares of common stock	—	—	25,000	—
Conversion from preferred stock	—	111,000	159,443	—
Balance at end of period	476,296	402,853	476,296	4,563,980
Preferred stock:				
Balance at beginning of period	—	159,443	159,443	—
Conversion into common stock	—	(111,000)	(159,443)	—
Balance at end of period	—	48,443	—	—
Capital surplus:				
Balance at beginning of period	43,558	18,558	18,558	417,385
Issuance of new shares of common stock	—	—	25,000	—
Balance at end of period	43,558	18,558	43,558	417,385
Stock acquisition rights:				
Balance at beginning of period	1,257	517	517	12,053
Net change during the period	250	359	740	2,397
Balance at end of period	1,507	877	1,257	14,450
Retained earnings:				
Legal reserve:				
Balance at beginning of period	9,880	9,266	9,266	94,682
Transfer from unappropriated retained earnings	1,154	517	614	11,065
Balance at end of period	11,035	9,784	9,880	105,747
Unappropriated retained earnings:				
Balance at beginning of period	307,395	257,878	257,878	2,945,530
Appropriation:				
Transfer to legal reserve	(1,154)	(517)	(614)	(11,065)
Dividends paid	(5,773)	(2,587)	(3,072)	(55,327)
Net income (loss)	(36,375)	(2,156)	53,203	(348,556)
Balance at end of period	264,091	252,616	307,395	2,530,582
Unrealized gain (loss) on available-for-sale securities:				
Balance at beginning of period	(35,024)	4,181	4,181	(335,615)
Net change during the period	(23,447)	(8,587)	(39,206)	(224,675)
Balance at end of period	(58,471)	(4,405)	(35,024)	(560,290)
Deferred gain (loss) on derivatives under hedge accounting:				
Balance at beginning of period	1,896	(10,275)	(10,275)	18,169
Net change during the period	(2,067)	(1,371)	12,172	(19,808)
Balance at end of period	(171)	(11,647)	1,896	(1,639)
Treasury stock, at cost:				
Balance at beginning of period	(72,557)	(72,555)	(72,555)	(695,264)
Purchase of treasury stock	(0)	(0)	(1)	(6)
Balance at end of period	(72,558)	(72,556)	(72,557)	(695,270)
Total equity	¥ 665,289	¥ 644,523	¥ 732,703	\$ 6,374,945

Note: U.S. dollar amounts, presented solely for the readers' convenience, are translated at ¥104.36=U.S.\$1.00, the rate of exchange prevailing on the Tokyo Foreign Exchange Market on September 30, 2008.