

# ***NEWS RELEASE***

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## **Aozora Bank Launches Corporate Rehabilitation Fund with Regional Japanese Lender The San-in Godo Bank**

**TOKYO, April 11, 2007** – Aozora Bank, Ltd., a leading Japanese commercial bank, today announced the launch of a new corporate rehabilitation fund with The San-in Godo Bank, Ltd., dedicated to assisting small and medium-sized businesses based in Japan’s regional markets.

This initiative marks a significant step in Aozora’s medium-term growth strategy of partnering with Japanese regional lenders in the area of corporate rehabilitation. Leveraging the core competences of both partners, Aozora believes the launch of such funds will lead to new business opportunities for the Bank. San-in Godo Bank, is a major regional lender based in Shimane Prefecture in Western Japan. The bank is listed on the First Section of the Tokyo Stock Exchange (TSE code: 8381).

Beyond the prospect of new business, Aozora also views the “San-in Fund” as an opportunity to facilitate the speedy recovery of small and medium-sized enterprises struggling with over-indebtedness and make a contribution to the revitalization of Japan’s regional economies. Under the partnership, Aozora and San-in Godo will pool their collective expertise in corporate rehabilitation to actively support fast-track financial recovery plans for borrowers.

### Fund Overview

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|------------------------|---|
| (1) Fund name          | San-in Recovery Fund  |
| (2) Target investments | Loans to small and medium-sized enterprises in San-in region.   |
| (3) Investor           | Aozora Bank (100%)  |
| (4) Servicer, Advisor  | San-in Loan Services will manage recovery procedures and claims. Aozora Loan Services will provide advisory services. |
| (5) Fund structure     | *See the appended diagram on the page following   |

