

NEWS RELEASE

Postponement of Issuance of Dated Subordinated Notes

Tokyo, July 12, 2007 - Aozora Bank, Ltd. ("Aozora Bank") hereby announces that, due to volatility in the current market conditions, it has decided to postpone its planned Regulation S offering of Dollar-denominated step-up callable dated subordinated notes. Aozora Bank will continue to monitor the market, and intends to execute this international debt offering after market conditions stabilize.