

NEWS RELEASE

Aozora Bank Reports Financial Results for the First Nine Months of FY2007 and Revised Full-Year Earnings Forecasts

TOKYO January 31, 2008 – Aozora Bank, Ltd (“Aozora” or “the Bank”), a leading Japanese commercial bank, today reported financial results for the nine months ended December 31, 2007.

Based on these results, Aozora revised its earnings forecasts for the full fiscal year ending March 31, 2008.

Aozora earned net revenue of 43.6 billion yen and net income of 24.9 billion yen on a consolidated basis for the first nine months of FY2007. These results fell short of Aozora's expectations as the Bank took decisive action to revalue part of its investment portfolio and sell underperforming holdings in response to deteriorating conditions in global credit markets. Consequently, Aozora recognized unrealized valuation losses of 36.5 billion yen on its previously disclosed portfolio of collateralized debt obligations (of which 2.0 billion yen is in “other losses”). Aozora also realized losses of 7.0 billion yen on the sale of a portfolio of securities that included Japanese Government Bonds and US Treasury Bonds.

Aozora's core lending businesses continued to perform strongly. The Bank generated significant loan book growth with loans and bills discounted expanding 11.8% to 4,119.4 billion yen in the first nine months of FY2007. Loan book growth combined with higher interest margins, resulted in net interest income rising 21.3% to 40.6 billion yen.

Aozora Bank Chairman Kimikazu Noumi commented, “Due to the continued deterioration of global market conditions, we have revised our full year projections. There is no material impact on our capital base, and our core businesses remain profitable. The robustness of our capital base and liquidity position provides us with the financial strength to confidently pursue the sustainable growth of our core businesses, notwithstanding the turbulence in global markets.”

Consolidated basis (April 1, 2007 to December 31, 2007)

(billions of yen)	Net Revenue	Operating Profit	Net Income
FY2007 Q1-Q3	43.6	1.3	24.9
FY2006 Q1-Q3	88.3	50.3	74.8
Percentage Change	-50.6%	-97.5%	-66.8%

Non-consolidated basis (April 1, 2007 to December 31, 2007)

(billions of yen)	Net Revenue	Operating Profit	Net Income
FY2007 Q1-Q3	35.9	-0.9	23.8
FY2006 Q1-Q3	82.8	49.3	74.6
Percentage Change	-56.7%	-	-68.1%

OUTLOOK

Aozora's revised consolidated and non-consolidated forecasts are provided in the table below with a comparison of its previous estimates reported on November 14. Aozora has adjusted its full-year outlook to reflect the Bank's earnings results for the first three quarters of FY2007 as well as our estimate of further valuation losses from the Bank's CDO investment portfolio.

These incorporate the Bank's forecasts based on the current and projected environment surrounding the Bank for expected business performance, the valuation of securities investment positions, credit cost and other items at this point.

Specifically, Aozora's revised full year projection has assumed there will be no requirement for reserves or write-down of the investment in FIM LLC, the 51% owner of GMAC LLC.

However, should GMAC LLC suffer a material deterioration in its financial condition, or should FIM LLC decide to make a fair value adjustment against its investment in GMAC LLC, Aozora may be required to reserve against or write down its investment in FIM LLC in the future.

Consolidated basis (April 1, 2007 to March 31, 2008)

(billions of yen)	Operating Income	Net Revenue	Business Profit	Operating Profits	Net Income	Earnings per share
Previous Forecast (a)	229.0	107.0	51.0	47.6	62.6	36.62Yen
Revised Forecast (b)	216.0	61.0	6.0	3.0	26.5	14.75Yen
Change (b-a)	-13.0	-46.0	-45.0	-44.6	-36.1	-21.87Yen
Percentage Change	-5.7%	-43.0%	-88.2%	-93.7%	-57.7%	-59.7%
(FYI) FY2006 Financial Result	197.5	114.4	61.6	62.4	81.5	52.59 Yen

Non-consolidated basis (April 1, 2007 to March 31, 2008)

(billions of yen)	Operating Income	Business Profit before Credit Costs	Operating Profits	Net Income	Earnings per share
Previous Forecast (a)	213.0	42.0	38.1	56.1	32.68Yen
Revised Forecast (b)	200.0	3.0	0.5	27.0	15.05Yen
Change (b-a)	-13.0	-39.0	-37.6	-29.1	-17.63Yen
Percentage Change	-6.1%	-92.9%	-98.7%	-51.9%	-53.9%
(FYI) FY2006 Financial Result	188.1	61.3	62.0	82.2	53.03Yen

I. Revenue and Expenses

Consolidated net revenue fell 44.7 billion yen to 43.6 billion yen in the first nine months of FY2007 reflecting an 7.1 billion yen increase in net interest income and a 47.3 billion yen decrease in gains (losses) on bond transactions compared with the same period in FY2006. Expenses increased only 0.1 billion yen to 39.0 billion yen. Business profit fell 44.9 billion yen to 4.6 billion yen.

Profit on stock transactions fell 1.4 billion yen to 2.3 billion yen. Credit-related expenses decreased 8.2 billion yen to 9.1 billion yen (income) as the level of credit reserve releases slowed compared to the prior year. Deferred income taxes increased by 13.0 billion yen to 14.9 billion yen as more deferred tax assets were recognized. As a consequence, net income fell 50.0 billion yen to 24.9 billion yen.

1. Net Revenue

(billions of yen)	1 st to 3 rd Q of FY2007 ①	3 rd Q of FY2007	1 st to 3 rd Q of FY2006 ②	3 rd Q of FY2006	Change ①-②
Net revenue	43.6	-5.2	88.3	30.3	-44.7
Net interest income	40.6	12.7	33.5	11.8	7.1
Net fees and commissions	11.0	3.8	11.3	3.5	-0.3
Net trading revenues	5.2	1.4	5.1	2.0	0.1
Gains (losses) on bond transactions	-36.8	-29.1	10.5	3.4	-47.3
Net other operating income	23.5	6.1	27.9	9.6	-4.4

Net revenue fell 50.6%, or 44.7 billion yen, to 43.6 billion yen in the first three quarters of FY2007 reflecting unrealized valuation losses on collateralized debt obligations (CDOs). Net interest income rose 21.3%, or 7.1 billion yen, to 40.6 billion yen, boosted by growth in the Bank's loan book, improved net interest margins, and higher dividends on securities. Net revenue excluding losses on bond transactions increased 3.2%, or 2.5 billion yen, to 80.4 billion yen from 77.9 billion yen in the same period in FY2006.

(1)①Net Interest Income

(billions of yen)	1 st to 3 rd	3 rd Q	1 st to 3 rd	3 rd Q	Change ①-②
	Q of FY2007 ①	of FY2007	Q of FY2006 ②	of FY2006	
Interest income ①	104.3	34.8	80.5	29.5	23.8
Interest on loans and discounts	76.4	27.1	55.6	20.9	20.8
Interest and dividends on securities	21.6	5.7	18.1	6.4	3.5
Other interest income	6.2	2.2	4.2	1.6	2.0
Interest on interest swaps	0.1	-0.3	2.7	0.5	-2.6
Interest expenses ②	63.7	22.1	47.0	17.7	16.6
Interest on deposits and NCDs	16.4	5.9	10.9	4.3	5.5
Interest on debenture	12.1	4.7	5.7	2.3	6.4
Other interest expenses	14.9	4.8	14.4	4.8	0.5
Interest on currency swaps	20.2	6.6	16.1	6.3	4.1
Net interest income ①-②	40.6	12.7	33.5	11.8	7.1

Net interest income rose 21.3%, or 7.1 billion yen, to 40.6 billion yen, comprising of a 0.5 billion yen gain from loan book growth, a 1.9 billion yen rise in dividends on securities and a 4.7 billion yen contribution from other interest income, including enhanced net interest margin.

(1)②Net Interest Margin

	1 st to 3 rd	3 rd Q	1 st to 3 rd	3 rd Q	Change ①-②
	Q of FY2007 ①	of FY2007	Q of FY2006 ②	of FY2006	
Yield on total investments ①	2.18%	2.12%	1.77%	1.91%	0.41%
Yield on funding ②	1.52%	1.53%	1.20%	1.33%	0.32%
Net interest margin ①-②	0.66%	0.59%	0.57%	0.58%	0.09%

Net interest margins rose 9bps as the increase in yield on total investments exceeded the increase in yield on funding, as the increased cost of funds was more than recovered by increased yield on investments.

(2) Net Fees and Commissions

(billions of yen)	1 st to 3 rd	3 rd Q	1 st to 3 rd	3 rd Q	Change ①-②
	Q of FY2007 ①	of FY2007	Q of FY2006 ②	of FY2006	
Fees and commissions received ①	12.2	4.2	12.7	4.0	-0.5
Loan business-related	7.2	2.6	7.8	1.7	-0.6
Securities-related and agency	2.8	0.8	2.1	0.6	0.7
Others	2.2	0.8	2.8	1.7	-0.6
Fees and commission paid ②	1.1	0.4	1.4	0.5	-0.2
Net fees and commissions ①-②	11.0	3.8	11.3	3.5	-0.3

Net fees and commissions fell 0.3 billion yen to 11.0 billion yen reflecting a decrease in fee-based loan business. Whereas fees and commissions decreased year on year, reflecting large transactions in the previous term, a third quarter comparison shows an increase from 3.5 to 3.8 billion yen.

(3) Net Trading Revenues

(billions of yen)	1 st to 3 rd	3 rd Q	1 st to 3 rd	3 rd Q	Change ①-②
	Q of FY2007 ①	of FY2007	Q of FY2006 ②	of FY2006	
Net income on trading-related financial derivatives transactions ①	5.5	1.6	5.0	1.9	0.5
Net other trading income ②	-0.3	-0.2	0.1	0.1	-0.4
Net trading revenues ①-②	5.2	1.4	5.1	2.0	0.1

Net trading revenues increased 2.0%, or 0.1 billion to 5.2 billion yen helped by gains from derivatives transactions, resulting from the increased volatility in global markets.

(4) Gains (Losses) on Bond Transactions

(billions of yen)	1 st to 3 rd	3 rd Q	1 st to 3 rd	3 rd Q	Change
	Q of FY2007 ①	of FY2007	Q of FY2006 ②	of FY2006	①-②
Japanese Government bonds	-2.6	0.3	0.5	0.2	-3.1
Foreign Government bonds and mortgage bonds	-1.6	0.1	0.5	0.2	-2.1
Others	-32.5	-29.5	9.5	3.0	-42.1
Collateralized Debt Obligations (CDOs) only	-34.5	-29.8	-0.0	-	-34.5
REITs only	-0.1	-0.1	6.8	2.4	-6.9
Total	-36.8	-29.1	10.5	3.4	-47.3

Aozora sustained total losses of 36.8 billion yen on bond transactions in the first three quarters of FY2007 compared with a 10.5 billion yen profit in the same period a year earlier. The Bank recorded unrealized valuation losses of 34.5 billion yen on collateralized debt obligations. In addition, Aozora recorded 2.6 billion yen of losses on JGB trading and 1.6 billion yen of losses on trading in foreign bonds such including US treasuries mainly in the first quarter. Gains on the sale of REITs fell 6.9 billion yen to -0.1 million yen due to a reduction in the size of the portfolio.

(5) Net Other Operating Income Other Than Gains (Losses) on Bond Transactions

(billions of yen)	1 st to 3 rd	3 rd Q	1 st to 3 rd	3 rd Q	Change
	Q of FY2007 ①	of FY2007	Q of FY2006 ②	of FY2006	①-②
Gains (losses) on foreign currency transactions	1.2	-1.3	1.4	-0.2	-0.2
Profit from limited partnerships	11.3	3.8	12.7	1.8	-1.4
Profit from Overseas fund investments	9.3	2.7	11.3	7.3	-2.0
Gains on distressed loans	1.7	0.5	2.4	0.9	-0.6
Gains/losses on derivatives other than trading	-0.7	1.1	0.3	-0.0	-1.0
Others	0.6	-0.6	-0.2	-0.2	0.8
Total	23.5	6.1	27.9	9.6	-4.4

Net other operating income excluding net gains (losses) on bond transactions fell 15.8%, or 4.4 billion yen, to 23.5 billion yen. Returns on hedge fund investment fell 17.6%, or 2.0 billion yen, to 9.3 billion yen, and returns on investments in limited partnerships fell 10.8%, or 1.4 billion yen, to 11.3 billion yen. Losses on derivatives mainly resulted from futures transactions.

2. General and Administrative Expenses (G&A Expenses)

(billions of yen)	1 st to 3 rd Q of FY2007 ①	3 rd Q of FY2007	1 st to 3 rd Q of FY2006 ②	3 rd Q of FY2006	Change ①-②
G&A expenses	39.0	13.0	38.9	12.6	0.1

General and administrative expenses increased 0.3%, or 0.1 billion yen, to 39.0 billion yen, comfortably within management targets as the Bank continued to invest in personnel and information technology.

3. Credit-Related Expenses

(billions of yen)	1 st to 3 rd Q of FY2007 ①	3 rd Q of FY2007	1 st to 3 rd Q of FY2006 ②	3 rd Q of FY2006	Change ①-②
Reversal of reserve for possible loan losses, etc	9.1	4.4	17.3	3.0	-8.2

Credit related expenses generated income of 9.1 billion yen compared with income of 17.3 billion yen a year earlier. This is accounted for by a decline in extraordinary profit from the reversal of reserves for possible loans losses compared to the prior year.

4. Stock Transactions

(billions of yen)	1 st to 3 rd Q of FY2007 ①	3 rd Q of FY2007	1 st to 3 rd Q of FY2006 ②	3 rd Q of FY2006	Change ①-②
ETFs	4.2	0.2	1.2	0.5	3.0
Japanese stocks	0.1	0.1	2.6	0.0	-2.5
Others	-2.0	-1.3	-	-	-2.0
CDO equities only	-2.0	-1.3	-	-	-2.0
Total	2.3	-0.9	3.8	0.5	-1.4

Gains on stock transactions were 2.3 billion yen, a 1.4 billion yen decrease from 3.8 billion yen a year earlier. Gains on Exchange Traded Funds stood at 4.2 billion yen, an increased of 3.0 billion yen on last year's total of 1.2 billion yen and the unrealized valuation losses on CDO investments amounted to 2.0 billion yen.

5. Deferred Income Taxes

(billions of yen)	1 st to 3 rd Q of FY2007 ①	3 rd Q of FY2007	1 st to 3 rd Q of FY2006 ②	3 rd Q of FY2006	Change ①-②
Deferred income taxes	14.9	-0.1	2.0	1.5	13.0

The Bank booked a 14.9 billion yen gain on deferred income taxes. Aozora's forecast for sustainable earnings led to a revision of the time frame for booking possible deferred taxes from 1 year to 3 years.

II. Balance Sheet

Total assets amounted to 6,897.4 billion yen as of December 31, 2007, an increase of 5.4%, or 353.4 billion yen compared to the March 31, 2007. Asset growth reflected an increase of 434.8 billion yen in the loan book, which was partially offset by a decrease of 169.9 billion yen in the value of securities. On the funding side, debentures increased by 503.0 billion yen while deposits and negotiable certificates of deposits declined by 135.9 billion yen. Total liabilities rose 339.8 billion yen to 6,091.3 billion yen.

1. Loans

(billions of yen)	Dec. 31, 2006	Mar.31, 2007 ①	Sep.30, 2007	Dec.31, 2007 ②	Change ②-①
Loans outstanding	3,552.0	3,684.6	3,971.7	4,119.4	434.8

The loan book rose 11.8%, or 434.8 billion yen, to 4,119.4 billion yen in the nine months to December 2007, outperforming the 0.4% average growth reported by Japan's banks (*based on publicly available information published by Japanese Bankers Association*). Overseas lending rose by 275.8 billion yen and lending to the financial and insurance industry rose 111.2 billion yen. By contrast, lending to telecommunications firms fell by 15.6 billion yen and loans to the Japanese government declined by 26.5 billion yen.

The loan book rose 3.7%, or 147.7 billion yen, compared with the end of September 2007. Both domestic lending (+119.1 billion yen) and overseas lending (+28.6 billion yen) increased. Aozora's loan book expanded 16.0% from a year earlier, achieving the management target of low double-digit annual growth.

2. Securities

(billions of yen)	Book value				Unrealized gains/losses			
	Mar.31, 2007 ①	Sept.30, 2007	Dec.31, 2007 ②	Change ②-①	Mar.31, 2007 ①	Sept.30, 2007	Dec.31, 2007 ②	Change ②-①
JGBs	1,022.8	816.4	882.8	-140.0	-5.3	-4.9	-3.5	1.8
Municipal bonds	3.8	2.8	2.7	-1.2	-0.0	-0.0	0.0	0.0
Corporate bonds	75.3	64.4	59.6	-15.7	0.0	0.0	0.0	0.0
Equities	38.6	35.6	35.5	-3.2	0.6	0.3	0.2	-0.4
Foreign bonds	377.5	292.1	327.4	-50.1	-6.1	-11.6	-3.6	2.5
CDOs only	38.2	49.6	25.3	-13.0	-1.3	-7.8	-1.5	-0.2
Others	400.9	440.4	441.1	40.3	4.1	-1.3	-9.0	-13.1
Hedge funds	186.1	196.8	196.5	10.5	1.3	0.8	0.2	-1.1
ETFs	56.0	76.9	69.9	13.9	1.1	-3.5	-10.8	-12.0
Investment in limited partnerships	85.4	94.0	102.6	17.2	0.6	1.4	1.6	1.0
Others	73.4	72.7	72.0	-1.3	1.1	0.0	0.0	-1.0
GMAC only	57.5	57.7	57.1	-0.4	-	-	-	-
CDO only	3.5	2.6	1.0	-2.4	-	-	-	-
Total	1,918.9	1,651.6	1,749.0	-169.9	-6.8	-17.5	-16.0	-9.2

Securities fell in the nine months from the end of March primarily due to a decrease in Japanese Government Bonds (-140.0 billion yen) and foreign bonds (-50.1 billion yen) such as foreign government bonds and mortgage bonds. Exchange Traded Funds or ETFs (13.9 billion yen), hedge funds (10.5 billion yen) and investment partnerships (17.2 billion yen) all rose compared with March 31, 2007. Total unrealized losses amounted to 16.0 billion yen after Aozora wrote down the value of CDOs and ETFs by 1.5 billion yen and 10.8 billion yen respectively, as of December 31.

In comparison with the end of September, total securities rose 97.4 billion yen, mainly due to increases in Japanese Government Bonds (66.4 billion yen) and foreign bonds (35.3 billion yen). Total unrealized losses decreased from -17.5 billion yen to -16.0 billion yen.

(1) Collateralized Debt Obligation (CDO) Exposure

(billions of yen)	Number of deals	Historical cost as of end Dec.①	Book value as of end Dec.②	Book value to His. cost ②/①	Unrealized valuation loss	
					(P/L)	(Capital)
Debt	27	46.5	16.0	34.3%	-29.0	-1.5
AAA	8	18.3	6.9	37.9%	-10.1	-1.3
AA	5	13.3	5.0	37.5%	-8.3	-
A	9	8.8	2.7	30.4%	-5.8	-0.3
BBB	4	6.0	1.4	22.9%	-4.6	-
BB+or lower	1	0.1	-	0%	-0.1	-
Equity	3	2.7	0.8	30.0%	-1.9	-
ABS CDO						
Total ※1	30	49.2	16.8	34.1%	-30.9	-
SIV ※1	2	3.4	-	0%	-3.4	-
Synthetic						
CDO ※2	3	11.9	9.6	80.4%	-2.2	-
Total	35	64.5	26.3	40.8%	-36.5	-1.5

The CDO balance stood at 26.3 billion yen at the end of December. Within this total, debt securities amounted to 16.0 billion yen, equities were 0.8 billion yen, and synthetic CDOs were 9.6 billion yen. 36.5 billion yen was taken to the P/L as an unrealized valuation loss, and 1.5 billion yen of unrealized valuation losses was charged to capital.

The Bank's US sub-prime related assets are limited to CDOs and its investment in FIM LLC, the 51% owner of GMAC LLC. The Bank has no investment in monoline insurers, Asset Back Commercial Papers (ABCPs), or Hedge Funds with any significant US sub-prime mortgage exposure.

The revision of the Bank's full-year earnings forecast reflects projected further deterioration in the valuation of ABS CDOs including SIV, resulting in a 25.5% book value-to-cost ratio as of March 31, 2008, compared to 31.9% in December 31, 2007. The book value-to-cost ratio of the Bank's total CDO portfolio, including synthetic CDOs, is projected to be 34.7% as of March 2008, in comparison with 40.8% in December 2007.

※1 In the FY2007 Interim Report, the SIV amount is included in the ABS CDO total.

※2 Secured by high grade corporate debt with no exposure to prime or sub-prime RMBS.

3. Investment in Limited Partnerships and Hedge Funds

(billions of yen)	Dec.31, 2006	Mar.31, 2007 ①	Sep.30, 2007	Dec.31, 2007 ②	Change ②-①
Limited partnerships	66.6	85.4	94.0	102.6	17.2
Real estate related	20.6	22.0	21.2	21.7	-0.3
Distressed loan related	20.9	39.7	44.8	51.3	11.6
Others	25.1	23.7	28.0	29.6	5.9
Hedge funds	185.1	186.1	196.8	196.5	10.5

The outstanding investment in limited partnerships rose 20.2%, or 17.2 billion yen, to 102.6 billion yen while hedge fund investment rose 5.6%, or 10.5 billion yen to 196.5 billion yen in the first three quarters of the fiscal year.

(1) Hedge Funds

1 st to 3 rd Q of FY2007 performance	Aozora	HFRX index *
9M return	7.21%	2.61%
Volatility	4.13%	7.07%
Sharp ratio	1.10	-0.24

* HFRX indices are industry standard benchmarks of hedge fund performance.

Monthly performance	Apr.2007	May 2007	Jun.2007	Jul.2007	Aug.2007	Sep.2007
Aozora	1.40%	1.90%	1.10%	1.18%	-1.27%	0.98%
HFRX Index	2.21%	2.55%	-0.07%	-0.93%	-2.55%	1.28%

Monthly performance	Oct.2007	Nov.2007	Dec.2007
Aozora	2.34%	-0.78%	0.19%
HFRX Index	2.82%	-2.41%	-0.14%

Aozora's policy is to limit hedge fund investments to 3% of total assets. The Bank's hedge fund portfolio has earned sustainable profit and the results have exceeded the HFRX Index, consistently demonstrating the quality of the portfolio. Aozora's hedge fund portfolio does not include any funds investing materially in US sub-prime loan-related assets.

4. Deposits and Debentures

(billions of yen)	Dec.31, 2006	Mar.31, 2007 ①	Sep.30, 2007	Dec.31, 2007 ②	Change ②-①
Deposits	2,206.3	2,330.9	2,291.4	2,319.3	-11.7
NCDs	687.9	903.0	749.5	778.7	-124.3
Debentures	1,364.6	1,450.5	1,783.5	1,953.5	503.0
Corporate bonds	99.5	99.5	124.0	124.0	24.5
Retail Funding	1,445.9	1,448.4	1,508.3	1,505.8	57.3

Debentures rose by 503.0 billion yen while deposits and negotiable certificates of deposit fell by 135.9 billion yen. The Bank continued to attract new deposits from retail customers and retail funding remains strong.

III. Disclosed Claims under the Financial Reconstruction Law (Non-consolidated)

(billions of yen)	Dec.31, 2006	Mar.31, 2007 ①	Sep.30, 2007	Dec.31, 2007 ②	Change ②-①
Bankrupt and similar credit	3.0	0.4	0.2	0.1	-0.3
Doubtful credit	11.8	29.2	31.4	33.9	4.7
Special attention credit	4.1	3.4	6.2	3.1	-0.4
FRL credit, total ①	18.8	33.0	37.8	37.0	4.1
Normal credit ②	3,276.4	3,373.4	3,532.1	3,764.2	390.7
Total credit ③ (①+②)	3,295.2	3,406.4	3,569.9	3,801.2	394.8
FRL credit ratio ①/③	0.57%	0.96%	1.05%	0.97%	0.01%

Non-performing claims as defined by the Financial Reconstruction Law (FRL) increased 4.1 billion yen to 37.0 billion yen. The FRL Ratio was up 0.01% from March 31, 2007, to 0.97%, and is well within the acceptable range of up to 3.00%.

THIRD QUARTER RESULTS GLOBAL CONFERENCE CALL

Aozora will hold a global conference call to discuss the interim financial results and answer questions on Monday, February 4, 2008. The call will begin at 11.00pm in Tokyo, 10.00pm in Hong Kong, 2.00pm in London and 9.00am in New York. To register, please call Taylor Rafferty on the following numbers:

James Hawrylak, Tokyo +81 3 3221 9513
Maria Ruiz, London +44 20 7614 2900
Reema Parikh, New York +1 212 889 4350

Alternatively, you can register online at; http://invite.taylor-rafferty.com/_aozorabank/global

This announcement is also available on Aozora Bank's website at; <http://www.aozorabank.co.jp/en/company/>

* * *

Aozora Bank, Ltd. is a leading provider of lending, securitization, business and asset revitalization, asset management, loan syndication and investment advisory services to financial institutions, corporate and retail customers. Originally established in 1957 as the Nippon Fudosan Bank, Ltd., the Bank changed its name to Aozora Bank, Ltd. in 2001. In 2003, it became majority owned by Cerberus NCB Acquisition, L.P. Aozora is proud of its heritage and the long-term relationships it has developed with corporate, financial and individual customers over the years. Building on this heritage, Aozora has created a strong customer-oriented and performance-based culture that will contribute to both innovative business solutions for customers and sustainable earnings growth for investors and shareholders.

News and other information about Aozora Bank, Ltd. is available at <http://www.aozorabank.co.jp/en/company/>

Forward-Looking Statements

This announcement contains forward-looking statements regarding the Bank's financial condition and results of operations. These forward-looking statements, which include the Bank's views and assumptions with respect to future events, involve certain risks and uncertainties. Actual results may differ from forecasts due to changes in economic conditions and other factors.