

NEWS RELEASE

Aozora Announces Final Closing of Business Succession Fund ‘Succession Investment Limited Partnership, I’

Tokyo October 31, 2018 – Aozora Bank, Ltd. (President and CEO: Shinsuke Baba; Head Office: Tokyo) (‘Aozora’ or ‘the Bank’) today announced the final closing of its business succession fund ‘Succession Investment Limited Partnership, I’ (‘the Fund’). The Fund was jointly established with the Japan Asia Investment Co., Ltd. (President and CEO: Tetsuro Shimomura; Head Office: Tokyo) (‘JAIC’) and reached a total of 3 billion yen as of final closing thanks to investments by 12 corporations, including Aozora, JAIC, and 8 other regional financial institutions.

Overview of Fund

Name:	Succession Investment Limited Partnership, I
Address:	3-11 Kandnishiki-cho, Chiyoda-ku, Tokyo
Capital:	3.0 billion yen
Established:	June 26, 2017
General Partner:	AJ Capital Co., Ltd.*
Limited Partners:	Aozora Bank, Ehime Bank, Kirayaka Bank, Towa Bank, Tottori Bank, Bank of Toyama, JAIC, Hokuto Bank, Miyazaki Taiyo Bank, Japan Post Bank, Financial Products Group, as well as other financial institutions
Main Investment Targets:	Japanese SMEs with business succession challenges

* The Fund is managed by AJ Capital Co., Ltd. (President and CEO: Masayuki Kobayashi; Head Office: Tokyo), a joint venture fund management firm established by the Bank and JAIC on April 24, 2018.

Leveraging Aozora and JAIC’s longstanding track record and expertise in investment and M&A, AJ Capital aims to provide solutions to business succession challenges facing SMEs, which have business relations with regional financial institutions, through the formulation of capital policy, investments and post-investment growth support.

Aozora believes that SMEs will continue to play a central role in regional economic development. By assisting SMEs in achieving smooth business succession, together with regional financial institutions, Aozora aims to contribute to the economic development of Japan, including revitalizing regional economies. The Bank will make ongoing efforts to provide high value-added solutions for its customers while building upon its specialized and differentiated services as the “Primary Secondary Bank; the partner of choice” by further leveraging its core competencies.

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