

NEWS RELEASE

Notice of Domestic Straight Bonds Issuance

Aozora Bank, Ltd. has determined the terms and conditions for its newly issued unsecured corporate bonds (Series 22) as follows:

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| Bonds to be Issued | Aozora Bank, Ltd. Unsecured Corporate Bonds Series 22 |
| Issue Amount | JPY 10 billion |
| Term | 3 years |
| Coupon | 0.100% per annum |
| Issue Price | 100% of the nominal amount |
| Issue Date | December 11 , 2018 |
| Maturity Date | December 10 , 2021 |
| Coupon Payment Dates | June 11 and December 11 of each year including the maturity date |
| Underwriters | Mizuho Securities Co., Ltd. , Aozora Securities Co., Ltd. , Daiwa Securities Co., Ltd. , Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. , SMBC Nikko Securities Inc. , Nomura Securities Co., Ltd. , Okasan Securities Co., Ltd. , Tokai Tokyo Securities Co., Ltd. |
| Collateral | None |
| Rating | A- by Rating and Investment Information, Inc. |

This document is prepared for the purpose of public disclosure of the issuance of Aozora Bank, Ltd. Unsecured Bonds Series 22 and does not constitute a solicitation of an offer for acquisition or an offer for sale of any securities in or outside of the United States or Japan.