

Reference Material for The General Meeting of Shareholders

Proposals and Reference

Proposal No.1: Partial Amendment to the Articles of Incorporation

(1) The Reasons for Change

- ① Due to the enforcement of “The Partial Amendment Law to the Securities and Exchange Law (2006 Law No.65)” and “Act on improvement of related-laws with the enforcement of the Partial Amendment Law of the Securities and Exchange Law (2006 Law No.66)” in September 2007, as The Securities and Exchange Law (1948 Law No.25) was amended to become The Financial Instruments and Exchange Act, we would like to carry out required changes accordingly.
- ② Due to the repeal of the Law on Recording of Bonds, we would like to carry out required changes accordingly.
- ③ As the electronic public notice system is planned to be adopted, for the purpose of cost reduction of public notice and increasing its publicity, we would like to carry out required changes. Also to respond to contingencies, we would like to specify an alternative way of public notice in the provisional clause.

(2) The Contents of Change

(Proposed Changes are underlined)

| Current Articles of Incorporation | Proposed Changes |
|--|---|
| <p>(Purpose) Article 2</p> <p>The purposes of the Bank shall be to engage in the following businesses:</p> <ol style="list-style-type: none"> 1. The acceptance of deposits or installment savings, the lending of funds or the discounting of notes, and exchange transactions; 2. The guaranteeing of debts or the acceptance of notes, and other businesses incidental to the banking business listed in the previous item; 3. The underwriting, the handling of flotation or resale, the buying and selling of national government bonds, local government bonds, government guaranteed bonds, or other securities, and any of the businesses authorized for banks to carry out under <u>the Securities and Exchange Law</u>; 4. In addition to the businesses listed in any of the foregoing items, any business authorized to be carried out under the Banking Law (<i>ginkou hou</i>), the Secured Bonds Trust Law (<i>tanpo tsuki shasai shintaku hou</i>) <u>and the Law on Recording of Bonds, etc. (<i>shasai-tou touroku hou</i>)</u>, or any other laws; and 5. Any matter incidental or relating to the business mentioned in any of the foregoing items. <p>(Method of Public Notice) Article 5</p> <p><u>Public notices of the Bank shall be given in the “Nihon Keizai Shimbun.”</u></p> | <p>(Purpose) Article 2</p> <p>The purposes of the Bank shall be to engage in the following businesses:</p> <ol style="list-style-type: none"> 1. The acceptance of deposits or installment savings, the lending of funds or the discounting of notes, and exchange transactions; 2. The guaranteeing of debts or the acceptance of notes, and other businesses incidental to the banking business listed in the previous item; 3. The underwriting, the handling of flotation or resale, the buying and selling of national government bonds, local government bonds, government guaranteed bonds, or other securities, and any of the businesses authorized for banks to carry out under <u>the Financial Instruments and Exchange Act</u>; 4. In addition to the businesses listed in any of the foregoing items, any business authorized to be carried out under the Banking Law (<i>ginkou hou</i>), the Secured Bonds Trust Law (<i>tanpo tsuki shasai shintaku hou</i>) <u>(deletion)</u>, or any other laws; and 5. Any matter incidental or relating to the business mentioned in any of the foregoing items. <p>(Method of Public Notice) Article 5</p> <p><u>The Bank shall adopt an electronic Public Notice as its method for Public Notice; provided, however, that in the event that the Bank can not use the electronic Public Notice due to accidents or any other unavoidable cause, the Bank shall publish its Public Notice the “Nihon Keizai Shimbun.”</u></p> |

Proposal No.2 : Appointment of Thirteen Directors

At the close of this Ordinary General Meeting of Shareholders, the term of office of all eleven (11) directors shall expire. This is to propose, therefore, thirteen (13) directors be elected at the meeting to hold office until the next annual election and until their successors are duly elected and qualified.

Candidates are shown below.

Candidates for Director

| Candidate No. | Name (Date of Birth) | Brief Personal History, Representation at Other Entities, Position and Areas of Responsibility at the Bank | Type and per-type number of Bank's shares Owned by Candidate |
|---------------|--|--|--|
| 1 | Federico J. Sacasa (January 31, 1951) | 1972 BSc in Foreign Service (International Economics), School of Foreign Service, Georgetown University 1972 Banco Nacional de Nicaragua 1975 Wells Fargo Bank International Banking Officer, Vice President 1982 Banco de Credito del Peru Senior Vice President, Executive Vice President 1988 Bank of America, Executive VP, Latin America & Caribbean Division, United States Division, Europe, M.E. & Africa Division 1993 Group Executive VP & Executive Officer, International Trade Bank 1998 President & Executive Officer, Latin America & Car., Global Corp. & Investment Bank 2002 Caribbean Central American Action, Executive Director 2005 President & CEO Feb. 2007 Senior Managing Executive Officer, Aozora Bank, Ltd. June 2007 President of Aozora Bank, Ltd. (Representative Director) (present) | — |
| 2 | James Danforth Quayle (February 4, 1947) | 1969 Graduated from DePauw University 1974 J.D. from Indiana University, School of Law 1977 Member of the House of Representative 1981 Member of the Senate 1989 The 44th Vice President, U.S.A. 1993 Author, Speaker, Visiting Professor of Thunderbird Univ. Chairman, Campaign America Jan. 2000 Senior Advisor, Cerberus Capital Management LP Sep. 2000 Joined The Nippon Credit Bank, Ltd. (Aozora bank, Ltd.) as Director (present) Mar. 2002 Chairman, Cerberus Global Investment Advisors, LLC. May 2007 Chairman, Cerberus Global Investments, LLC (present) | — |

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| 3 | Frank W. Bruno (March 23, 1965) | 1987 Graduated from Cornell University 1987 Japanese Government JET program in Mie Prefecture, Japan 1988 Bank of Tokyo, Ltd. New York Assistant Foreign Exchange Trader 1989 Tiffany & Co. Associate International Business Development 1990 Weber Management Consultants 1996 Graduated Wharton School MBA, University of Pennsylvania 1996 Merrill Lynch Distressed Products Group New York/Tokyo 1998 Cerberus Japan K.K. Managing Director Cerberus Capital Management L.P. Managing Director (present) 1999 Cerberus Japan K.K. President 2002 Cerberus Global Investment Advisors, LLC President (present) Aug. 2003 Cerberus European Investments LLC Managing Director (present) June 2004 Joined Aozora bank, Ltd. as Director (present) Dec. 2005 MP Fiance B.V., Managing Director (present) Nov. 2006 GMAC LLC, Member of Board of Managers (present) Aug. 2007 Chrysler Holdings LLC, Member of Board of Managers (present) | — |
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| 4 | Lawrence B. Lindsey (July 18, 1954) | 1976 Bowdoin College, A.B. Magna Cum Laude 1980 Senior Staff Economist for Tax Policy at the Council of Economic Advisers during President Reagan's first term 1985 Harvard University, M.A. and Ph.D 1988 Special Assistant to the President for Domestic Economic Policy during the first Bush Administration 1991 Governor of the Federal Reserve System 1997 Economics Professor at Harvard University and held the Arthur F. Burns Chair for Economic Research at the American Enterprise Institute 1997 ECONOMIC STRATEGIES, Managing Director 1999 Chief Economic Adviser to candidate George W. Bush during the 2000 Presidential campaign 2001 Assistant to the President and Director of the National Economic Council at the White House 2003 THE LINDSEY GROUP, President and CEO (present) June 2004 Joined Aozora bank, Ltd. as Director (present) | — |
| 5 | John L. (Launny) Steffens (July 7, 1941) | 1963 Dartmouth University, B.A. in Economics 1979 Advanced Management Program of the Harvard Business School 1983 Merrill Lynch Ventures, Board 1985 Private Client Group (former Merrill Lynch Consumer Markets), President 1986 Merrill Lynch, Board of Directors 1994 Securities Industry Association, Chairman Trustee of the Committee for Economic Development 1997 US Private Client Group, Chairman Merrill Lynch, Vice Chairman 1998 National Chairman of the Alliance for Aging Research 2001 Spring Mountain Capital, LP, Founder and Managing Director (present) June 2004 Joined Aozora bank, Ltd. as Director (present) 2006 Chairman-Emeritus of the Alliance for Aging Research (present) May 2007 Chairman of the Board of Cicero, Inc. (present) | — |

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| 6 | Kiyoshi Tsugawa (October 20,1933) | 1956 Graduated from University of Tokyo 1956 The Bank of Tokyo, Ltd. 1971 The Bank of Tokyo Trust Company (New York) Vice President & General Manager, National Division 1975 The Bank of Tokyo, Ltd. Deputy General Manager, International Investment Division 1978 Deputy General Manager, Tokyo Main Office 1980 Acting General Manager, Tokyo Main Office 1981 General Manager, Milano Office, Italy 1983 Bank of Tokyo International Plc. In London President & CEO 1984 The Bank of Tokyo, Ltd. General Manager, International Investment Division 1985 Director (Board Member) General Manager, Capital Market Division No.1 1987 S.G.Warburg Securities (Japan) Inc., Chairman & President 1995 Lehman Brothers Japan Inc.,Chairman 2004 Executive Advisor and a Member of Advisory Board (present) June 2004 Joined Aozora bank, Ltd. as Director (present) July 2004 Aramark Asia Management, LLC Chairman June 2005 Director of Aim Service July 2006 Advisor of Hartford Life Insurance K.K. (present) | — |
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| 7 | Marius J.L. Jonkhart (March 16, 1950) | 1975 Business Economics (MBA), Erasmus University 1980 Economics(Ph.d), Erasmus University 1981 Ministry of Finance (The Netherlands) 1984 Director of Domestic Monetary Affairs, Ministry of Finance 1988 Chairman and CEO of De Nationale Investeringsbank N.V. 2000 Chairman and CEO of NOB Holding N.V. (present) 2002 Chairman of the Supervisory Board, Ruimte voor Ruimte Beheer B.V. (present) 2004 Member of the Supervisory Board of De Nederlandsche Bank N. V Member of the Supervisory Board of Connexion Holdings N. V. (present) Member of the Supervisory Board of Corus Netherland N. V. (present) 2005 Member of the Supervisory Board of Staatsbosbeheer (present) Director of AerCap Holdings N. V. (present) Dec. 2005 Managing Director of MP Finance B.V. (present) Feb. 2006 Joined Aozora bank, Ltd. as Director (present) Nov. 2006 Supervisory Director of Saberasu Japan Institutional Holding B.V. (present) May 2007 Member of the Supervisory Board of BAWAG P.S.K. (present) 2007 Member of the Supervisory Board of Orco Bank International N.V. (present) | — |
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| 8 | Lee Millstein (September 10, 1970) | <p>May 1992 University of Pennsylvania Graduated Magna Cum Laude for Dual Degree Program Bachelor of Science in Economics from the Wharton School Bachelor of Arts from the College of Arts & Sciences</p> <p>1992 Legg Mason Wood Walker, Corporate Finance Analyst</p> <p>1994 Morgan Stanley New York, Associate Vice-President, High Yield Credit Research</p> <p>1996 Morgan Stanley New York, Associate Vice-President, High Yield Bond Trading</p> <p>Sep. 1998 Morgan Stanley Japan, Head of Global High Yield for Japan and Asia Pacific</p> <p>2002 Morgan Stanley Japan, Managing Director and Head of Global High Yield for Japan and Asia Pacific</p> <p>Apr. 2004 Joined Aozora bank, Ltd. as Managing Executive Officer & CCO</p> <p>Apr. 2004 Senior Managing Executive Officer & CCO, Aozora Bank, Ltd.</p> <p>Feb. 2005 Senior Managing Executive Officer, Aozora Bank, Ltd.</p> <p>June 2006 Director & Senior Managing Executive Officer, Aozora Bank, Ltd.</p> <p>Apr. 2007 Director of Aozora Bank, Ltd. (present)</p> <p>Oct. 2007 Managing Director of Cerberus Global Investment Advisors, LLC (present) Managing Director of Cerberus Capital Management, L.P. (present)</p> | — |
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| 9 | Gerardus Johannes Schipper (October 24, 1965) | <p>Sep. 1992 Graduated from Erasmus University, Rotterdam Master in Economics</p> <p>Sep. 1997 Associate, Price Waterhouse Coopers, Utrecht</p> <p>Sep. 1999 Manager, Price Waterhouse Coopers, Utrecht</p> <p>Sep. 1999 Graduated as Register Accountant from Erasmus University, Rotterdam (Accountancy)</p> <p>Sep. 2001 Senior Manager, Price Waterhouse Coopers, Utrecht</p> <p>Aug. 2004 Managing Director of Promontoria Holding IV B.V.(present)</p> <p>Managing Director of Cerberus B.V.s' in the Netherlands (present)</p> <p>Nov. 2005 Managing Director of MP Finance B. V. (present)</p> <p>Managing Director of Saberasu Japan Institutional Holding B.V. (present)</p> <p>June 2006 Managing Director of Delos Holding B.V. (present)</p> <p>Dec. 2006 Managing Director of BAWAG Holding GmbH (present)</p> <p>Mar. 2007 Director, Showa Jisho (present)</p> <p>June 2007 Joined Aozora bank, Ltd. as Director (present)</p> | — |
| 10 | Shunsuke Takeda (September 30, 1941) | <p>Mar. 1965 University of Tokyo, Bachelor of Law</p> <p>Apr. 1965 Joined the Nippon Kangyo Bank, Ltd.</p> <p>Sep. 1968 Joined Orient Leasing Co., Ltd. (current Orix Corporation)</p> <p>Mar. 1989 GM of International Capital Markets Department</p> <p>Nov. 1990 GM of International Administration Department and International Account Services Department</p> <p>Sep. 1992 GM of Treasury Department</p> <p>June 1993 Director and GM of Treasury Department</p> <p>May 1997 Managing Director and Chief Financial Officer (CFO)</p> <p>June 1998 Managing Director and CFO</p> <p>Sep. 1998 Senior Managing Director and CFO</p> <p>June 1999 Corporate Executive Vice President CFO Member of the Board</p> <p>Apr. 2000 Deputy President and CFO Member of the Board</p> <p>June 2002 Member of the Board, Director of Fuji Fire and Marine Insurance Co., Ltd.</p> <p>June 2003 Director, Deputy President and CFO of Orix Corporation</p> <p>Feb. 2005 Director, Vice Chairman and CFO</p> <p>June 2007 Senior Advisor of Orix Corporation (present) Joined Aozora bank, Ltd. as Director (present)</p> | — |

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| 11 | David Hackett (January 4, 1962) | 1982 University of Melbourne, Australia (B.Com. in Accounting) 1997 Australian Graduate School of Management University of NSW, Australia (MBA) Feb. 1983 Touche Ross & Company Aug. 1987 Deutsche Bank Australia Limited, Financial Controller Mar. 1993 SBC Warburg Dillon Read Australia Limited, Head of Finance Operations and Administration Sep. 1998 SBC Warburg Dillon Read Singapore Limited, Asia Pacific Regional Head of Finance Program Management Mar. 1999 UBS AG Tokyo Branch, Chief Financial Officer Aug. 1999 Nikko Salomon Smith Barney Limited, Director and Deputy Financial Controller Dec. 2000 Director and Financial Controller Jan. 2003 Managing Director and Financial Controller Apr. 2003 Nikko Citigroup Limited, Managing Director and Financial Controller Mar. 2004 Joined Aozora Bank, Ltd. as Managing Executive Officer Chief Financial Officer (CFO) Apr. 2004 Senior Managing Executive Officer Chief Financial Officer (CFO) (present) | — |
| 12 | Katsutoshi Ishida (August 17, 1949) | Mar. 1973 BA in Economics, Saitama University Apr. 1973 Joined The Nippon Credit Bank, Ltd (changed name to Aozora Bank, Ltd. In January 2001) May 1996 General Manager, Shibuya Branch June 1999 General Manager, Hiroshima Branch Aug. 2000 Chief Credit Analysis Officer, Credit Analysis Division Apr. 2001 General Manager, Credit Division Apr. 2002 Executive Officer & General Manager, Credit Division Apr. 2002 Executive Officer Sep. 2005 Senior Managing Executive Officer (present) | — |

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| 13 | Cornelis Maas (May 1, 1947) | May 1971 | Graduated from Technical College Heerlen (engineering physics) | — |
| | | June 1976 | Graduated from Erasmus University, Rotterdam (Master in Economics) | |
| | | Aug. 1971 | Assistant-physicist, Rotterdam Radio Therapeutic Institute | |
| | | Feb. 1974 | Assistant-professor for monetary economics, Erasmus University, Rotterdam | |
| | | May 1976 | Ministry of Finance of the Netherlands | |
| | | July 1986 | Treasurer-General at the Ministry of Finance of the Netherlands | |
| | | July 1992 | ING Group N.V., Member of the Executive Board | |
| | | July 1996 | ING Group N.V., Chief Financial Officer | |
| | | May 1997 | FMO N.V. (Financierings Maatschappij voor Ontwikkelingslanden, the Dutch Financial Development Bank), Member of the Supervisory Board and Chairman of Audit Committee (present) | |
| | | May 2002 | International Monetary Fund, Member of the Capital Markets Consultative Group (present) | |
| | | May 2003 | ING Group N.V., Chief Financial Officer & Vice Chairman | |
| | | Apr. 2007 | ING Group N.V., Honorary Vice Chairman (present) | |
| | | May 2007 | Ernst & Young Netherlands N.V., Advisor (present) | |
| | | June 2007 | BCD Holding N.V., Member of the Supervisory Board (present) | |
| | | Sep. 2007 | The Currency Exchange Fund N.V., Chairman of the Supervisory Board (present) | |
| Jan. 2008 | Foundation Erasmus Medical Centre, Chairman of the Supervisory Board (present) National Bank of Kuwait SAK, Member of the International Advisory Board (present) | | | |
| Feb. 2008 | Cerberus Global Investment Advisors, LLC, Senior Advisor (present) | | | |

- (Note)
1. Messrs. James Danforth Quayle, Frank W. Bruno, Lawrence B. Lindsey, John L. Steffens, Kiyoshi Tsugawa, Marius J.L. Jonkhart, Gerardus Johannes Schipper, Shunsuke Takeda and Cornelis Maas meet the conditions of non-executive directors.
 2. Mr. James Danforth Quayle is qualified as a candidate for a non-executive director because he is the former Vice President of the United States, has substantial experience, achievements and expertise in public service and executive management, and his position is independent from the day-to-day management responsibilities of the operations and activities of the bank. He will have served the Bank as a non-executive director for 7 years and 9 months at this Annual General Meeting of Shareholders.
 3. Mr. Frank W. Bruno is qualified as a candidate for a non-executive director because of his strong academic and business background in finance, senior management responsibilities & experience, achievements with internationally recognized financial, consulting and retail institutions, and his position is independent from the day-to-day management responsibilities of the operations and activities of the bank. He will have served the Bank as a non-executive director for 4 years at this Annual General Meeting of Shareholders.

4. Mr. Lawrence B. Lindsey is qualified as a candidate for a non-executive director because he is a former Governor of the Federal Reserve Board of the United States, was an economics professor and is considered an expert in the field of economics, was an assistant to the President for domestic economic policy, and is President/CEO of a consulting company and his position is independent from the day-to-day management responsibilities of the bank's operations and activities. He will have served the Bank as a non-executive director for 4 years at this Annual General Meeting of Shareholders.
5. Mr. John L. Steffens is qualified as a candidate for a non-executive director because of his strong academic background in economics, over 15 years in senior executive positions with one of the world's largest investment brokerage and wealth management firms and outside directorships and current position as a Managing Director of an investment fund and he is independent from the day-to-day management responsibilities of the bank's operations and activities. He will have served the Bank as a non-executive director for 4 years at this Annual General Meeting of Shareholders.
6. We have dealings with Spring Mountain Capital LP, of which candidate Mr. John L. Steffens is a director, such as sales of private placement investment funds and sourcing a new hedge fund investment opportunities.
7. Mr. Kiyoshi Tsugawa is qualified as candidate for a non-executive director because of his long and distinguished career of progressively responsible positions with an internationally recognized Japanese bank, and subsequently the Chairman & President of a respected British securities firm based in Japan and Chairman in Japan of one of world's largest investment banks and an advisor to a well regarded international insurance company, he is independent from the day to day management responsibilities of the bank's operations and activities. He will have served the Bank as a non-executive director for 4 years this Annual General Meeting of Shareholders.
8. Mr. Marius J. L. Jonkhart is qualified as a candidate for a non-executive director because of his strong academic background in economics and a variety of senior level positions and Directorships with financial institutions, investment banks and banking regulatory agencies in the Netherlands, , and his position is independent from the day-to-day management responsibilities of the bank's operations. He serves as the Chairman of the bank's Audit & Compliance Committee and will have served the Bank as a non-executive director for 2 year and 4 months at this Annual General Meeting of Shareholders.
9. Mr. Gerardus Johannes Schipper is qualified as a candidate for a non-executive director because he has extensive experience, achievements and specialized knowledge and expertise as an accountant in Holland, is experienced in management, and his position is independent from the day-to-day management responsibilities for the bank's operations and activities. He will have served the Bank as a non-executive director for 1 years this Annual General Meeting of Shareholders.
10. We have transactions in extending loans to the following companies: Saberas Japan Institutional Holding B.V. and Showa Jisho where Mr. Gerardus Johannes Schipper serves as a Director.
11. Mr. Shunsuke Takeda is qualified as a candidate for a non-executive director because of his background, first in banking and then a distinguished 40 year career with Orix Corporation, where he held progressively responsible positions in various Departments, including Treasury, and Finance and is currently a Director, the Vice Chairman and CFO of Orix. His position as a Director is independent from the day-to-day management responsibilities for the bank's business operations. He will have served the Bank as a non-executive director for 1 years this Annual General Meeting of Shareholders.
12. ORIX Corporation, of which Candidate Mr. Shunsuke Takeda was a Director, engages in various business activities including those in the same line of business as ours. We, at the same time, have dealings with the company, extending loans. Other candidates and the Bank do not have any particular common interests with Orix Corporation.
13. Fuji Fire and Marine Insurance Co., Ltd. (where Mr. Shunsuke Takeda, a candidate for director of the Aozora Bank and who served as a director of Fuji Fire), experienced inappropriate non-payment of third-sector insurance products, and was sentenced to an administrative penalty (including suspension of business in several business fields) for the particular incident by the Financial Services Agency in FY2006. Mr. Takeda was a Director during the time of this incident.
14. Mr. Cornelis Maas is qualified as a candidate for a non-executive director because of his strong academic background in economics and a variety of senior level positions and Directorships with financial institutions, investment banks and banking regulatory agencies in the Netherlands, , and his position is independent from the day-to-day management responsibilities of the bank's operations.
15. Except for the above-mentioned items 6, 10 and 12 , there is no particular common interests between a candidate and the Bank.

Proposal No.3 : Appointment of two Auditors

At the close of this Ordinary General Meeting of Shareholders, the term of office of two (2) auditors shall expire. This is to propose, therefore, two (2) auditors be elected at the meeting, with the consent of the Board of Auditors, to hold office until the next election and until their successors are duly elected and qualified.

Candidates are shown below.

Candidates for Auditors

| Candidate No. | Name (Date of Birth) | Brief Personal History, Representation at Other Entities, Position and Areas of Responsibility at the Bank | Type and per-type number of Bank's shares Owned by Candidate |
|---------------|--|---|--|
| 1 | Mitch R. Fulscher (August 18, 1941) | 1963 University of Wisconsin – BBA in Accounting and Finance 1963 ARTHUR ANDERSEN (Chicago) 1969 ARTHUR ANDERSEN (Chicago), Audit Manager 1974 ARTHUR ANDERSEN (Chicago), Audit Partner 1986 ARTHUR ANDERSEN (Tokyo), Managing Partner 1991 ARTHUR ANDERSEN (Los Angeles), Partner 1997 ASAHI & CO., US GAAP Expert 2002 STEVENSON & MELAMED, Japan Representative 2003 PROTIVITI JAPAN, Senior Advisor June 2004 Aozora bank, Ltd., Auditor (present) 2005 Showa Jisho and subsidiaries non-executive auditor (present) | — |
| 2 | Akira Tachimoto (December 9, 1937) | 1960 Graduated from University of Tokyo, Bachelor degree in Law 1960 Sumitomo Trust & Banking Company 1973 Division Head of Finance Department 1977 Division Head of Planning Department 1982 Transferred to Life Corporation Co., Executive Director 1985 Sumitomo Trust & Banking Company, Division Head of Real Estate Department 1991 Senior Advisor of Corporate Finance Department 1995 Asahi & Co., Partner (Azusa & Co.) 2002 Head of Division 7 2003 Head of Corporate Revitalization Division June 2004 Azusa & Co., Advisor(present) June 2004 Aozora bank, Ltd., Auditor(present) July 2005 Heisei Kaikei-sha, Advisor(present) National Federation Agricultural Co-operative Associations (Zen-Noh), Member of Supervisory Board(present) | — |

(Note) 1. Messrs. Mitch R. Fulscher and Akira Tachimoto are candidates for external auditors.

2. Mr. Mitch R. Fulscher is qualified as a candidate for external corporate auditor because he can be judged to contribute largely to the Bank's management from the following his background: Holding the U.S. CPA, he has extensive experience, achievements and specialized knowledge as an accounting specialist and is independent from the day-to-day management responsibilities for the bank's operations and activities. He will have served the Bank as an external corporate auditor for 4 years this at Annual General Meeting of Shareholders.
3. Mr. Akira Tachimoto is qualified as a candidate for external corporate auditor because he can be judged to contribute largely to the Bank's management from the following his background: He has extensive experience, achievements and specialized knowledge in accounting as a certified public accountant, including now serving as a member of Supervisory Board of the "National Federation of Agricultural Co-operative Associations" and is independent from the day-to-day management responsibilities for the bank's operations and activities. He will have served as an external corporate auditor for 4 years at this Annual General Meeting of Shareholders.
4. There is no particular common interests between both candidates and the Bank.

Proposal No.4 : Appointment of One Alternate Auditor

In order to prepare for a vacancy in the number of Auditors as fixed by laws, it is proposed to appoint one (1) alternate auditor, with the consent of the Board of Auditors.

Candidate is shown below.

Candidate for Alternate Auditor

| Name (Date of Birth) | Brief Personal History, Representation at other Entities, Position and Areas of Responsibility at the Bank | Type and per-type number of Bank's shares Owned by Candidate |
|----------------------------------|--|--|
| Tomiaki Nagase (May 12, 1935) | Mar. 1958 Gakushuin University, B.A. Economics Apr. 1958 Fuji Bank Ltd., Tokyo Nov. 1973 Senior Operations Officer, Asian Development Bank July 1977 KAO Corporation, Tokyo 1978 Harvard Business School, Advanced Management Program June 1980 Director, KAO Corporation, Tokyo June 1984 Managing Director, KAO Corporation, Tokyo June 1990 Senior Managing Director, KAO Corporation, Tokyo July 1995 Senior Vice President and Representative Director, COO AMWAY Japan Ltd. Nov. 1999 Supreme Advisor to the President, AMWAY Japan Ltd. | — |

- (Note)
1. Mr. Tomiaki Nagase is candidate for alternate external auditor.
 2. Mr. Tomiaki Nagase is qualified for the conditions as an outside auditor and is a candidate for Alternate Corporate Auditor because he is a corporate manager with abundant experiences, achievements and expertise.
 3. There is no particular common interests a candidate and the Bank.

Proposal No. 5: Payment of Retirement Allowance to Resigning Director

To reward services, rendered to Aozora Bank, Ltd. by Mr. Kimikazu Noumi who resigned from the office of director in May 2008, Aozora Bank would like to give him an appropriate amount of money in accordance with the Bank's internal regulations.

The amount, payment schedule, and payment method for the director shall be entrusted to the Board of Directors.

Brief personal history of the retiring director is as follows:

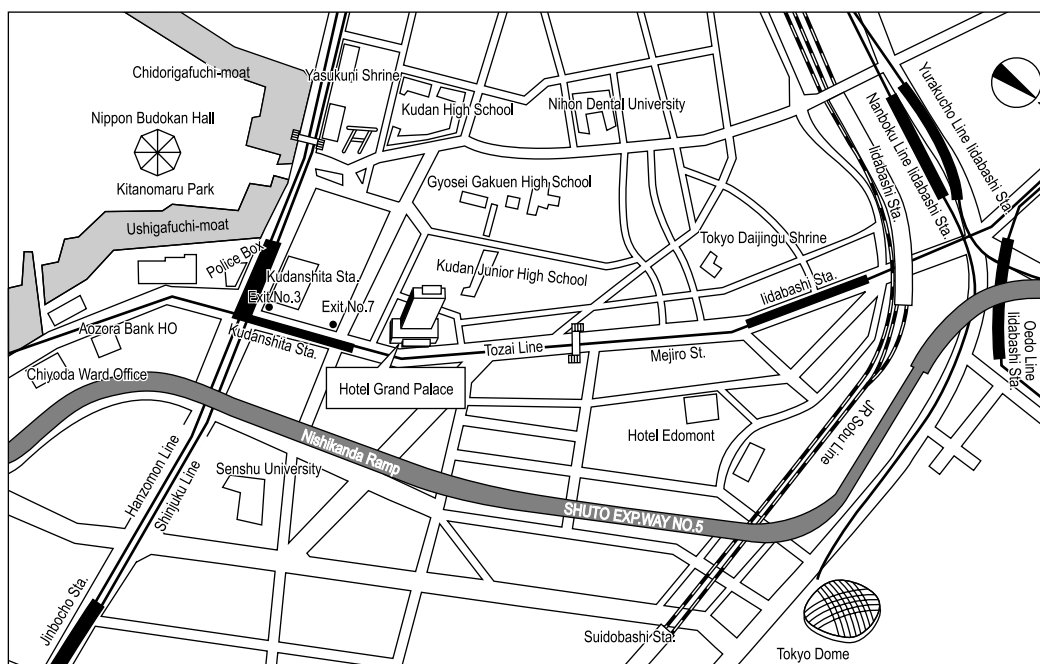
| Name | Brief Personal History | | |
|----------------|------------------------|------|---|
| Kimikazu Noumi | June | 2006 | Vice Chairman |
| | Sep. | 2006 | Vice Chairman (Representative Director) |
| | Feb. | 2007 | Chairman (Representative Director) |
| | May | 2008 | Resigned |

End

Guide to the Venue for The 75th FY Ordinary General Meeting of Shareholders

Place : **Diamond Room on the 2nd floor of Hotel Grand Palace**
1-1, Iidabashi 1-chome, Chiyoda-ku, Tokyo

Phone : 03-3264-1111 (General Number for Hotel)



Access : **“Kudanshita” Station** One(1)minute walk
Subway Tozai Line(Exit No.7)
Hanzomon Line, Toei Shinjuku Line(Exit No.3)

“Iidabashi” Station Seven(7)minutes’ walk
JR Line Sobu Line(East Exit)
Subway Tozai Line, Yurakucho Line, Nanboku Line,
Toei Oedo Line(Exit No.A4)