

【TRANSLATION】

Securities Code 8304

June 7, 2010

## The Convocation Notice for The 77<sup>th</sup> FY Ordinary General Meeting of Shareholders

Dear Shareholders

Brian F. Prince

President, Representative Director

Aozora Bank, Ltd.

3-1, Kudan-minami 1-chome, Chiyoda-ku, Tokyo

You are cordially invited to attend Aozora Bank, Ltd.'s 77<sup>th</sup> FY Ordinary General Meeting of Shareholders, as described below.

If you are unable to attend the meeting, you may exercise your voting right in writing, via the Internet or other means. We will ask for your cooperation in exercising your voting right, in consideration of the following “Reference Material for the General Meeting of Shareholders” by 5:15 p.m. of June 23<sup>rd</sup> (Wed) 2010.

【In the case of exercise your voting right in writing】

Please write your vote of approval or disapproval on the enclosed “Exercise of Voting Rights Form” and return the form to us by mail.

【In the case of exercise your voting right via the Internet】

If you decide to exercise your voting right via the Internet, please read through the following “Procedure to Exercise the Voting Right via the Internet”.

Thank you.

Best Regards,

1. Date & Time                      Thursday, June 24, 2010 at 10:00 AM-
2. Place                                 Diamond Room on the 2<sup>nd</sup> floor of Hotel Grand Palace  
1-1, Iidabashi 1-chome, Chiyoda-ku, Tokyo

3. Purpose of the meeting

- Reports
1. Business Report, Consolidated Financial Documents and Reports of Audit Results of Consolidated Financial Documents by Accounting Auditor and Board of Auditors for the 77<sup>th</sup> FY (from April 1, 2009 to March 31, 2010)
  2. Reports on the Financial Documents for the 77<sup>th</sup> FY (from April 1, 2009 to March 31, 2010)

Proposals for Resolution:

- Proposal No.1 : Appointment of Twelve Directors
- Proposal No.2 : Appointment of One Auditor
- Proposal No.3 : Appointment of One Alternate Auditor
- Proposal No.4 : Payment of Retirement Allowance to Resigning Auditor

End



- ◎ For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting.
- ◎ In case of substitution, please present a document that proves the delegated authority at the reception desk as well as Voting Rights Exercise Form [Under the Articles of Incorporation, only one (1) other shareholder with the voting right is entitled to attend the General Meeting of Shareholders].
- ◎ Please note that, in the event of any necessary revision to the consolidated and other financial documents, we will inform you of such revision on the company website on the Internet (<http://www.aozorabank.co.jp/>).

### **Procedure to Exercise the Voting Right via the Internet**

If you decide to exercise your voting right via the Internet, please note the following;

1. Exercise of the voting right via the Internet is possible only on the following website dedicated to exercise of the voting right designated by Aozora Bank. You can also exercise your voting right via the Internet from a cell phone.

**【URL of the website dedicated to exercise of the voting right】** <http://www.webdk.net>

※ You can also access to the website from a cell phone and read “QR Code” shown on the right. Please read an operating manual for your cell phone for detailed operating procedure.



2. When you decide to exercise your voting right via the Internet, use the “Voting Right Exercise Code” and the “Password” shown on the Voting Right Exercise Form, and register whether you agree or disagree with the agendas following the instructions displayed on the screen.
3. When you exercised your voting right both in writing and via the Internet redundantly, the exercise made via the Internet shall prevail.
4. When you exercised your voting right more than once, or both from a PC and a cell phone redundantly, the last exercise made shall be the effective.
5. Shareholders shall bear a fee for an Internet connection provider for access and a communication fee (such as telephone charges).

### **【System Environment to Exercise the Voting Right via the Internet】**

You will need the following system environment to use the website decided to exercise of the voting right:

- ① The accessibility to the Internet.
- ② When you decide to exercise the voting right from a PC, you shall be able to use Microsoft® Internet Explorer 6.0 higher versions, as Internet browser software. You shall be also able to use the above Internet browser software as the hardware environment.
- ③ When you decide to exercise the voting right from a cell phone, you shall be able to use 128bitSSL communications (encrypted communication) from your cell phone model.  
(To ensure security, exercise of the voting right can be made only from models compatible with 128bitSSL communication. Cell phone models without this compatibility cannot be used).

(Microsoft is a registered trade mark of the Microsoft Corporation of the U.S. in the U.S. and other countries.)

### **【Questions about Exercise of the Voting Right via the Internet】**

If you have any question about exercise of the voting right via the Internet, please contact the following manager of register of shareholders.

**Manager of Register of Shareholders:**

**Stock Transfer Agency Department of Sumitomo Trust & Banking Co., Ltd.**

**【Toll Free Number】 0120—186—417 (available 24 hours a day)**

### **【The electronic platform for executing voting rights】**

In addition to above mentioned executing voting rights through Internet, the nominee shareholders (including standing proxy) of trust banks, etc. who registered beforehand to use the electronic platform operated by ICJ Inc. (Joint corporation established by TSE, etc.) shall be able to execute their voting rights through electromagnetic form in our bank's General Meeting of Shareholders.

## Reference Material for The General Meeting of Shareholders

### Proposals and Reference

#### Proposal No.1: Appointment of Twelve Directors

At the close of this Ordinary General Meeting of Shareholders, the term of office of all twelve (12) directors shall expire. This is to propose, therefore, twelve (12) directors be elected.

Candidates are shown below.

#### Candidates for Directors

| Candidate No. | Name<br>(Date of Birth)             | Brief Personal History, Positions,<br>Areas of Responsibility and Concurrent major posts   | Type and per-type number of Bank's shares Owned by Candidate |
|---------------|-------------------------------------|--|--|
| 1             | Yuji Shirakawa<br>(November 3,1935) | Mar. 1958 B.A., the Faculty of Politics and Economics, Gakushuin University<br>Apr. 1958 The Nikko Securities Co., Ltd.<br>June 1966 been transferred to The Nikko International Co., Ltd. in New York<br>Aug. 1974 Chief Representative, Nikko Paris Office<br>Feb. 1979 Managing Director, The Nikko Securities Co., (Europe) Ltd.<br>Dec. 1982 Director, The Nikko Securities Co., Ltd. (stationed in Europe)<br>Sep. 1986 Managing Director<br>Aug. 1987 Chief Operating Officer, Europe Group (stationed in Europe)<br>May 1990 Senior Managing Director, Chief Operating Officer in charge of Investment Services Group-Financial Institutions<br>Feb. 1992 Deputy President in charge of American Group, European Group, Asia and Oceania Group<br>June 1996 Deputy Chairman, The Nikko Research Center, Ltd<br>June 1997 President<br>Mar. 1999 Chairman, Nikko Salomon Smith Barney Limited<br>Apr. 2003 Chairman, Nikko Citigroup Limited (altered trade name of the above)<br>June 2005 Senior Advisor<br>Jan. 2007 Chairman of the Board<br>Apr. 2008 Senior Advisor<br>Nov. 2008 Resigned<br>Feb. 2009 Joined Aozora Bank, Ltd. as Senior Advisor<br>June 2009 Executive Officer and Chairman, Director (present) | —  |

|   |                                       |  |   |
|---|---------------------------------------|--|---|
| 2 | Brian F. Prince<br>(February 1, 1964) | <p>May 1986 B.S. in Optical Engineering, University of Rochester, NY</p> <p>June 1989 MBA, University of Rochester, NY</p> <p>Aug. 1989 Vice President, the Real Estate and Corporate Banking Group, Chemical Bank (New York)</p> <p>May 1993 Senior Vice President, Finance Group, Lehman Brothers (New York)</p> <p>Sep. 1997 Head, Asia Division, Principal Transaction and Mortgage and ABS Groups, Lehman Brothers (Tokyo)</p> <p>May 2000 Member, Management Committee, Corporate Executive Officer, Shinsei Bank, Ltd.</p> <p>Jan. 2004 Senior Partner, Hegemon Capital, LLC (Florida)</p> <p>Nov.2008 Joined Aozora Bank, Ltd. as Deputy President<br/>Chief Operating Officer<br/>Chief Investment Officer</p> <p>Feb.2009 Executive Officer and Acting President</p> <p>June 2009 Executive Officer and President, Representative Director (present)</p>   | — |
| 3 | Kunimi Tokuoka<br>(November 27, 1951) | <p>Mar. 1976 BA in Economics, Hitotsubashi University</p> <p>Apr. 1976 The Industrial Bank of Japan, Limited</p> <p>May 1987 IBJ International (London)<br/>Director and Head of Fixed Income Department</p> <p>July 1993 IBJ Securities Limited<br/>General Manager of Fixed Income Group and Investment Strategy Group</p> <p>June 1999 Executive Officer and Head of Fixed Income Group</p> <p>July 2000 Managing Executive Officer</p> <p>Oct. 2000 Mizuho Securities Limited<br/>Managing Executive Officer and Head of Fixed Income Group</p> <p>July 2003 Managing Executive Officer and Head of Structured Finance Group</p> <p>Apr. 2005 Managing Executive Officer and Head of Investment Banking Products Group</p> <p>Apr. 2007 Managing Executive Officer and Head of Global Investment Banking Group</p> <p>June 2008 Retired from Mizuho Securities Limited</p> <p>Sep. 2008 Joined Aozora Bank, Ltd. as Senior Managing Executive Officer</p> <p>Nov. 2008 Executive Officer and Deputy President</p> <p>June 2009 Executive Officer and Deputy President, Representative Director (present)</p> | — |

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|---|---|---|---|
| 4 | Shinsuke Baba<br>(August 23, 1954)            | <p>Mar. 1977 BA in Economics, University of Tokyo</p> <p>Apr. 1977 The Nippon Credit Bank, Ltd<br/>(changed name to Aozora Bank, Ltd. in January 2001)</p> <p>Aug. 2000 General Manager of Cross Border Business Division</p> <p>Apr. 2001 General Manager of Investment Banking Division</p> <p>Apr. 2003 General Manager of Structured Credit and Investment Division</p> <p>June 2004 Senior General Manager, General Manager of Structured Credit and Investment Division</p> <p>Sep. 2005 Executive Officer, Head of Corporate Banking Group</p> <p>May 2006 Executive Officer, Head of Corporate Banking Group and concurrently General Manager of Capital Markets Division</p> <p>Apr.2007 Senior Managing Executive Officer, Head of Investment Banking Group, concurrently Acting Head of Corporate Banking Group and concurrently General Manager of Capital Markets Division</p> <p>May 2007 Senior Managing Executive Officer, Head of Investment Banking Group</p> <p>June 2008 Senior Managing Executive Officer, Head of Corporate Banking Group and Head of Investment Banking Group</p> <p>Nov. 2008 Executive Officer and Deputy President</p> <p>June 2009 Executive Officer and Deputy President, Representative Director (present)</p> | — |
| 5 | James Danforth<br>Quayle<br>(February 4,1947) | <p>1969 Graduated from DePauw University</p> <p>1974 J.D. from Indiana University, School of Law</p> <p>1977 Member of the House of Representative</p> <p>1981 Member of the Senate</p> <p>1989 The 44th Vice President, U.S.A.</p> <p>1993 Author, Speaker,<br/>Visiting Professor of Thunderbird Univ.<br/>Chairman, Campaign America</p> <p>Jan. 2000 Senior Advisor, Cerberus Capital Management L.P.</p> <p>Sep. 2000 Joined The Nippon Credit Bank, Ltd. (Aozora Bank, Ltd.) as Director (present)</p> <p>Mar. 2002 Chairman, Cerberus Global Investment Advisors, LLC</p> <p>May 2007 Chairman, Cerberus Global Investments, LLC (present)</p>   | — |

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|---|------------------------------------|--|---|
| 6 | Frank W. Bruno<br>(March 23, 1965) | 1987 Graduated from Cornell University<br>1987 Japanese Government JET program in Mie Prefecture, Japan<br>1988 Bank of Tokyo, Ltd. New York<br>Assistant Foreign Exchange Trader<br>1989 Tiffany & Co. Associate<br>International Business Development<br>1990 Weber Management Consultants<br>1996 Graduated Wharton School MBA,<br>University of Pennsylvania<br>1996 Merrill Lynch Distressed Products Group<br>New York/Tokyo<br>1998 Cerberus Japan K.K. Managing Director<br>1999 Cerberus Japan K.K. President<br>Jan. 2002 Cerberus Capital Management L.P. Managing Director<br>(present)<br>Mar. 2002 Cerberus Global Investment Advisors, LLC President<br>(present)<br>Aug. 2003 Cerberus European Investments LLC<br>Managing Director (present)<br>June 2004 Joined Aozora Bank, Ltd. as Director (present)<br>Dec. 2005 MP Fiance B.V., Managing Director (present)<br>Nov. 2006 GMAC LLC, Member of Board of Managers<br>Aug. 2007 Chrysler Holdings LLC(current CGI Holding LLC),<br>Member of Board of Managers (present) | — |
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| 7 | Lawrence B. Lindsey<br>(July 18, 1954) | 1976 Bowdoin College, A.B. Magna Cum Laude<br>1980 Senior Staff Economist for Tax Policy at the Council of Economic Advisers during President Reagan's first term<br>1985 Harvard University, M.A. and Ph.D<br>1988 Special Assistant to the President for Domestic Economic Policy during the first Bush Administration<br>1991 Governor of the Federal Reserve System<br>1997 Economics Professor at Harvard University and held the Arthur F. Burns Chair for Economic Research at the American Enterprise Institute<br>1997 ECONOMIC STRATEGIES, Managing Director<br>1999 Chief Economic Adviser to candidate George W. Bush during the 2000 Presidential campaign<br>2001 Assistant to the President and Director of the National Economic Council at the White House<br>2003 THE LINDSEY GROUP, President and CEO (present)<br>June 2004 Joined Aozora Bank, Ltd. as Director (present) | — |
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| 8 | Kiyoshi Tsugawa<br>(October 20,1933) | 1956 Graduated from University of Tokyo<br>1956 The Bank of Tokyo, Ltd.<br>1971 The Bank of Tokyo Trust Company (New York)<br>Vice President & General Manager, National Division<br>1975 The Bank of Tokyo, Ltd.<br>Deputy General Manager, International Investment<br>Division<br>1978 Deputy General Manager, Tokyo Main Office<br>1980 Acting General Manager, Tokyo Main Office<br>1981 General Manager, Milano Office, Italy<br>1983 Bank of Tokyo International Plc. In London<br>President & CEO<br>1984 The Bank of Tokyo, Ltd.<br>General Manager, International Investment Division<br>1985 Director (Board Member)<br>General Manager, Capital Market Division No.1<br>1987 S.G.Warburg Securities (Japan) Inc.,<br>Chairman & President<br>1995 Lehman Brothers Japan Inc.,Chairman<br>2004 Executive Advisor and a Member of Advisory Board<br>June 2004 Joined Aozora Bank, Ltd. as Director (present)<br>July 2004 Aramark Asia Management, LLC Chairman<br>June 2005 Director of Aim Service<br>July 2006 Special Advisor of Hartford Life Insurance K.K. | — |
|---|--------------------------------------|---|---|

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|---|--|--|---|
| 9 | Marius J.L. Jonkhart<br>(March 16, 1950) | 1975 Business Economics (MBA), Erasmus University<br>1980 Economics(Ph.d), Erasmus University<br>1981 Ministry of Finance (The Netherlands)<br>1984 Director of Domestic Monetary Affairs, Ministry of Finance<br>1988 Chairman and CEO of De Nationale Investeringsbank N.V.<br>2000 Chairman and CEO of NOB Holding N.V.<br>2002 Chairman of the Supervisory Board, Ruimte voor Ruimte Beheer B.V.<br>2004 Member of the Supervisory Board of De Nederlandsche Bank N. V<br>Member of the Supervisory Board of Connexion Holdings N. V.<br>Member of the Supervisory Board of Corus Netherland N. V. (present)<br>2005 Member of the Supervisory Board of Staatsbosbeheer (present)<br>Director of AerCap Holdings N. V. (present)<br>Dec. 2005 Managing Director of MP Finance B.V. (present)<br>Feb. 2006 Joined Aozora Bank, Ltd. as Director (present)<br>Dec. 2006 Supervisory Director of Saberasu Japan Institutional Holding B.V. (present)<br>June 2007 Member of the Supervisory Board of BAWAG P.S.K. (present)<br>2007 Member of the Supervisory Board of Orco Bank International N.V. (present) | — |
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|----|---|--|---|
| 10 | Lee Millstein<br>(September 10, 1970)   | <p>May 1992 University of Pennsylvania<br/>Graduated Magna Cum Laude for Dual Degree Program<br/>Bachelor of Science in Economics from the Wharton School<br/>Bachelor of Arts from the College of Arts &amp; 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 &amp; CCO</p> <p>Apr.2004 Senior Managing Executive Officer &amp;CCO, Aozora Bank, Ltd.</p> <p>Feb.2005 Senior Managing Executive Officer, Aozora Bank, Ltd.</p> <p>June 2006 Director &amp; 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)</p> <p>Managing Director of Cerberus Capital Management, L.P. (present)</p> | — |
| 11 | Shunsuke Takeda<br>(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<br/>CFO Member of the Board</p> <p>Apr. 2000 Deputy President and CFO<br/>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 (present)<br/>Joined Aozora Bank, Ltd. as Director (present)</p>   | — |

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|-----------|---|-----------|---|---|
| 12        | Cornelis Maas<br>(May 1, 1947)                            | May 1971  | Graduated from Technical College Heerlen (engineering physics)  | — |
|           |   | 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  |   |
|           |   | June 1976 | Graduated from Erasmus University, Rotterdam (Master in Economics)  |   |
|           |   | 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 |   |
|           |   | May 2002  | International Monetary Fund, Member of the Capital Markets Consultative Group   |   |
|           |   | May 2003  | ING Group N.V., Chief Financial Officer & Vice Chairman   |   |
|           |   | Apr. 2007 | ING Group N.V., Honorary Vice Chairman  |   |
|           |   | 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 | Erasmus Medical Centre, Chairman of the Supervisory Board (present)<br>National Bank of Kuwait SAK, Member of the International Advisory Board (present)              |   |
|           |   | Feb. 2008 | Cerberus Global Investment Advisors, LLC, Senior Advisor (present)  |   |
| June 2008 | Joined Aozora Bank, Ltd. as Director (present)            |           |   |   |
| Oct. 2009 | BAWAG P.S.K., Chairman of the Supervisory Board (present) |           |   |   |

- (Note)
1. Messrs. James Danforth Quayle, Frank W. Bruno, Lawrence B. Lindsey, Kiyoshi Tsugawa, Marius J.L. Jonkhart, 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 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 9 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 he has substantial experience, achievements and expertise in 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 6 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 the former Governor of the Federal Reserve Board of the United States, has substantial experience, achievements and expertise as economics expert, 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 6 years at this Annual General Meeting of Shareholders.
5. Mr. Kiyoshi Tsugawa is qualified as candidate for a non-executive director because he has substantial experience, achievements and expertise in executive management, 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 6 years this Annual General Meeting of Shareholders.
6. Mr. Marius J. L. Jonkhart is qualified as a candidate for a non-executive director because he has served a variety of government posts in the Netherlands, has substantial experience, achievements and expertise in executive management, and his position is independent from the day-to-day management responsibilities of the Bank's operations. He will have served the Bank as a non-executive director for 4 years and 4 months at this Annual General Meeting of Shareholders.
7. Mr. Shunsuke Takeda is qualified as a candidate for a non-executive director because he has substantial experience, achievements and expertise in executive management, and 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 3 years this Annual General Meeting of Shareholders.
8. 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. Mr. Shunsuke Takeda is to be assigned as Advisor of Orix in June 2010.
9. 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.
10. Mr. Shunsuke Takeda is to be assigned as Chairman and Representative Executive Officer of Daikyo Incorporated in June 2010. We have dealings with the company, extending loans.
11. Mr. Cornelis Maas is qualified as a candidate for a non-executive director because he has served a variety of government posts in the Netherlands, has substantial experience, achievements and expertise in executive management, and his position is independent from the day-to-day management responsibilities of the Bank's operations. He will have served the Bank as a non-executive director for 2 year this Annual General Meeting of Shareholders.
12. Except for the above-mentioned items 8 and 10, there is no particular common interests between each candidate and the Bank.
13. The Bank has contracts with James Danforth Quayle, Frank W. Bruno, Lawrence B. Lindsey, Kiyoshi Tsugawa ,Marius J.L. Jonkhart, Shunsuke Takeda and Cornelis Maas, to the effect that, if these non-executive directors are without knowledge and are not grossly negligent in performing the duties of non-executive directors, the liabilities of the non-executive directors under Article 423 (1) of the Companies Act shall be limited to the amount stipulated by Article 425(1) of the Companies Act in accordance with the provisions of Article 427 (1) of the Companies Act. When these candidates assume the offices of non-executive directors with the adoption of the proposal, the said contracts shall continue to be effective.

## Proposal No.2 : Appointment of One Auditor

At the close of this Ordinary General Meeting of Shareholders, the term of office of one (1) auditor shall expire. This is to propose, therefore, one (1) auditor be elected at the meeting, with the consent of the Board of Auditors. Candidate is shown below.

### Candidate for Auditor

| Name<br>(Date of Birth)                  | Brief Personal History, Positions and Concurrent major posts   | Type and per-type number of Bank's shares Owned by Candidate |
|--|--|--|
| Shinichi Fujihira<br>(September 7, 1955) | Mar. 1978 Graduated from College of Social Sciences, University of<br>Apr. 1978 Tsukuba<br>The Nippon Credit Bank, Ltd<br>(changed name to Aozora Bank, Ltd. in January 2001)<br>Aug. 2000 General Manager of Compliance Division<br>Sep. 2005 General Manager of Legal & Compliance<br>Division (present) | —  |

- (Note) 1. There is no particular common interests between the candidate and the Bank.  
2. In addition to the number entered in "Type and per-type number of Bank's shares owned by Candidate", Mr. Shinichi Fujihira holds 5,780 common stocks through the employee share holding program as of the end of March, 2010.

## Proposal No.3 : 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<br>(Date of Birth)          | Brief Personal History, Positions and Concurrent major posts  | Type and per-type number of Bank's shares Owned by Candidate |
|----------------------------------|---|--|
| Tomiaki Nagase<br>(May 12, 1935) | Mar. 1958 Gakushuin University, B.A. Economics<br>Apr. 1958 Fuji Bank Ltd., Tokyo<br>Nov. 1973 Senior Operations Officer, Asian Development Bank<br>June 1977 KAO Corporation, Tokyo<br>1978 Harvard Business School, Advanced Management Program<br>June 1980 Director, KAO Corporation, Tokyo<br>June 1984 Managing Director, KAO Corporation, Tokyo<br>June 1990 Senior Managing Director, KAO Corporation, Tokyo<br>July 1995 Senior Vice President and Representative Director, COO AMWAY Japan Ltd.<br>Nov. 1999 Supreme Advisor to the President, AMWAY Japan Ltd. | —  |

- (Note) 1. Mr. Tomiaki Nagase is the candidate for alternate external auditor.  
2. Mr. Tomiaki Nagase is qualified for the conditions as an outside auditor and is the candidate for Alternate Corporate Auditor because he is a corporate manager with abundant experiences, achievements and expertise.  
3. There is no particular common interests between the candidate and the Bank.  
4. When Mr. Tomiaki Nagase assumes the office of external auditor, the Bank is to enter into contracts with him, to the effect that, if he is without knowledge and is not grossly negligent in performing the duties of external auditors, the liabilities of the external auditors under Article 423 (1) of the Companies Act shall be limited to the amount stipulated by Article 425(1) of the Companies Act in accordance with the provisions of Article 427 (1) of the Companies Act.

#### **Proposal No.4 : Payment of Retirement Allowance to Resigning Auditor**

To reward services, rendered to Aozora Bank, Ltd. by Mr. Tadaaki Satoyoshi who shall retire upon the expiration of the term from the office of corporate Auditor, 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 auditor shall be entrusted to the Auditors respectively.

Shown below is his career at the Bank.

| Name              | History of Service |                  |
|-------------------|--------------------|------------------|
| Tadaaki Satoyoshi | June 2006          | Standing Auditor |

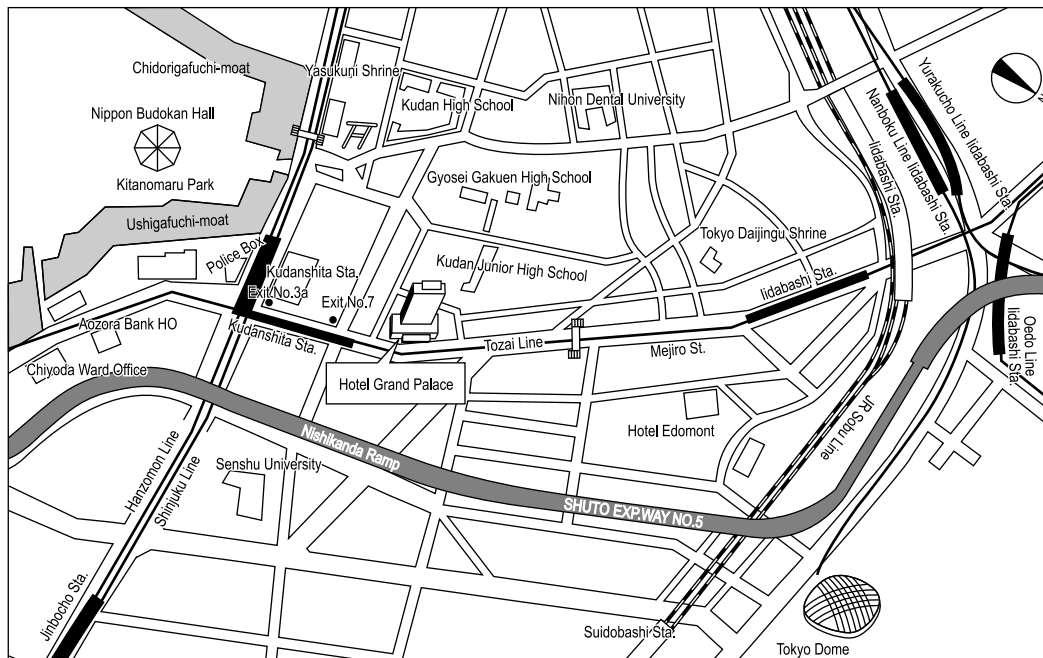
End

The Board of Directors have resolved to pay a year-end common share dividend of 0.70 yen per share for FY2009, as indicated on page 36 of the Attached Documents.

# Guide to the Venue for The 77<sup>th</sup> FY Ordinary General Meeting of Shareholders

Place : **Diamond Room on the 2<sup>nd</sup> 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.3a)

**“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)