

June 28, 2012

Company name: Aozora Bank, Ltd.

Name of representative: Brian F. Prince, President and CEO

Listed exchange: TSE, Code 8304

Enquiries: Ichiro Mizuno, Joint General Manager

Financial Control Division (03 3263 1111)

Capital Adequacy Ratio as of March 31, 2012

Aozora Bank, Ltd. hereby announces its finalized capital adequacy ratio as of March 31, 2012, updating the preliminary figures announced on May 14, 2012.

The amount of regulatory capital and Tier 1 capital on a consolidated basis as of March 31, 2012, decreased from the preliminary figures by 10 million yen, respectively. There were no changes to the preliminary figures for the capital adequacy ratio, Tier 1 ratio and risk-weighted assets on a consolidated basis, or other figures related to the capital adequacy ratio on a non-consolidated basis.

The Bank has updated its 'Financial Results for FY2011', published on May 14, 2012, accordingly.

1. Reason for the revisions

The consolidated and non-consolidated capital adequacy ratios as of March 31, 2012, were disclosed as preliminary figures on May 14, 2012. These figures have now been finalized.

2. Revisions in detail

'Financial Results for FY2011'

Page 7 'Capital Adequacy Ratio (under Japanese domestic standards)'

End

'Financial Results for FY 2011'

Page 7 '9. Capital Adequacy Ratio (under Japanese domestic standards)'

(Before revision)

【Consolidated】

(Unit: JPY millions)

	March 31, 2012			March 31, 2011	September 30, 2011
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
(1) Capital adequacy ratio	17.86%	0.93%	(0.21%)	16.93%	18.07%
Tier I ratio	19.37%	0.94%	0.00%	18.43%	19.37%
(2) Tier I	<u>587,308</u>	<u>31,160</u>	<u>9,186</u>	556,148	578,122
(3) Tier II (qualifying as capital)	18,943	91	298	18,852	18,645
(a) General allowance for loan losses	18,943	91	298	18,852	18,645
(b) Subordinated debt	-	-	-	-	-
(a) + (b)	18,943	91	298	18,852	18,645
(4) Deductions	64,863	783	7,352	64,080	57,511
Amounts equivalent to funding of other financial institutions	19,029	(53)	(71)	19,082	19,100
(5) Regulatory Capital (2)+(3)-(4)	<u>541,389</u>	<u>30,469</u>	<u>2,133</u>	510,920	539,256
(6) Risk-weighted assets	3,030,951	14,490	47,732	3,016,461	2,983,219

(After revision)

【Consolidated】

(Unit: JPY millions)

	March 31, 2012			March 31, 2011	September 30, 2011
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
(1) Capital adequacy ratio	17.86%	0.93%	(0.21%)	16.93%	18.07%
Tier I ratio	19.37%	0.94%	0.00%	18.43%	19.37%
(2) Tier I	<u>587,298</u>	<u>31,150</u>	<u>9,176</u>	556,148	578,122
(3) Tier II (qualifying as capital)	18,943	91	298	18,852	18,645
(a) General allowance for loan losses	18,943	91	298	18,852	18,645
(b) Subordinated debt	-	-	-	-	-
(a) + (b)	18,943	91	298	18,852	18,645
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Amounts equivalent to funding of other financial institutions	19,029	(53)	(71)	19,082	19,100
(5) Regulatory Capital (2)+(3)-(4)	<u>541,379</u>	<u>30,459</u>	<u>2,123</u>	510,920	539,256
(6) Risk-weighted assets	3,030,951	14,490	47,732	3,016,461	2,983,219