

August 14, 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 June 30, 2012

TOKYO August 14, 2012 - Aozora Bank, Ltd. hereby announces its capital adequacy ratio as of June 30, 2012, based on the Basel II standards as stated below.

【Consolidated (domestic standard)】

(Unit: JPY millions)

	June 30, 2012	March 31, 2012	September 30, 2011
(1)Capital adequacy ratio	18.69%	17.86%	18.07%
(2)Tier I ratio	20.17%	19.37%	19.37%
(3)Tier I	597,463	587,298	578,122
(4)Tier II	18,504	18,943	18,645
(5)Deductions	62,307	64,863	57,511
(6)Regulatory capital (3)+(4)−(5)	553,660	541,379	539,256
(7)Risk-weighted assets	2,960,769	3,030,951	2,983,219
(8)Total required capital	118,430	121,238	119,328

【Non-consolidated (domestic standard)】

(Unit: JPY millions)

	June 30, 2012	March 31, 2012	September 30, 2011
(1)Capital adequacy ratio	18.78%	17.96%	18.24%
(2)Tier I ratio	20.12%	19.32%	19.34%
(3)Tier I	596,940	586,168	578,814
(4)Tier II	18,534	18,956	18,702
(5)Deductions	58,471	60,134	51,652
(6)Regulatory capital (3)+(4)−(5)	557,004	544,990	545,865
(7)Risk-weighted assets	2,965,554	3,033,068	2,992,373
(8)Total required capital	118,622	121,322	119,694

- Note:
1. Consolidated and non-consolidated capital adequacy ratios are calculated using the formula stipulated in a ministerial notification based on Article 14-2 of the Banking Act (FSA Notification Number 19, issued in 2006).
 2. Figures are also calculated in accordance with FSA Notification Number 56, issued in 2012 (special treatment of FSA Notification Number 19, issued in 2006).