

December 14, 2012

Company name: Aozora Bank, Ltd.
Name of Representative: Shinsuke Baba, 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 September 30, 2012

Aozora Bank, Ltd. hereby announces its finalized capital adequacy ratio as of September 30, 2012, updating the preliminary figures announced on November 15, 2012.

		Final	Preliminary
Consolidated	Capital Adequacy Ratio	19.16%	19.18%
	Tier 1 Ratio	20.43%	20.44%
Non-consolidated	Capital Adequacy Ratio	19.21%	19.22%
	Tier 1 Ratio	20.36%	20.37%

The Bank has updated its 'Summary of the 1st Half Financial Statements for the First Six Months of FY2012' and 'Financial Results for 1st Half of FY2012', published on November 15, 2012, accordingly.

1. Reason for the revisions

The consolidated and non-consolidated capital adequacy ratios as of September 30, 2012, were disclosed as preliminary figures on November 15, 2012. These figures have now been finalized.

2. Revisions in detail

'Summary of the 1st Half Financial Statements for the First Six Months of FY2012'

Page 1 '1. Business highlights for the first six months of FY2012 (2) Consolidated financial condition'

Page 3 (Summary of non-consolidated financial statements) '1. Business highlights for the first six months of FY2012 (2) Financial condition'

'Financial Results for 1st Half of FY2012'

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

Refer to attachment for detailed revisions.

End

'Summary of the 1st Half Financial Statements for the First Six Months of FY2012'

Page 1

1. Business highlights for the first six months of FY2012

(2) Consolidated financial condition

(Before revision)

	Total assets	Total net assets	Net assets to total assets ratio	Net assets per common share	Consolidated BIS Capital adequacy ratio (domestic standard)
	Million Yen	Million Yen	%	Yen	%
Sep. 30, 2012	5,130,112	616,511	12.0	291.64	<u>19.18</u>
Mar. 31, 2012	5,097,427	607,579	11.9	284.22	17.86

<Omission>

(Note) "Consolidated BIS capital adequacy ratio (domestic standard) " is calculated based on the FSA Notice No. 19, issued in 2006. The ratio of Sep. 30, 2012 is on a preliminary basis.

(After revision)

	Total assets	Total net assets	Net assets to total assets ratio	Net assets per common share	Consolidated BIS Capital adequacy ratio (domestic standard)
	Million Yen	Million Yen	%	Yen	%
Sep. 30, 2012	5,130,112	616,511	12.0	291.64	<u>19.16</u>
Mar. 31, 2012	5,097,427	607,579	11.9	284.22	17.86

<Omission>

(Note) "Consolidated BIS capital adequacy ratio (domestic standard) " is calculated based on the FSA Notice No. 19, issued in 2006. (deleted)

Page 3

(Summary of non-consolidated financial statements)

1. Business highlights for the first six months of FY2012

(2) Financial condition

(Before revision)

	Total assets	Total net assets	Net assets to total assets ratio	Net assets per common share	BIS capital adequacy ratio (domestic standard)
	Million Yen	Million Yen	%	Yen	%
Sep. 30, 2012	5,133,594	615,739	12.0	291.62	<u>19.22</u>
Mar. 31, 2012	5,101,003	606,504	11.9	284.00	17.96

<Omission>

(Note) "BIS capital adequacy ratio (domestic standard) " is calculated based on the FSA Notice No. 19, issued in 2006. The ratio of Sep. 30, 2012 is on a preliminary basis.

(After revision)

	Total assets	Total net assets	Net assets to total assets ratio	Net assets per common share	BIS capital adequacy ratio (domestic standard)
	Million Yen	Million Yen	%	Yen	%
Sep. 30, 2012	5,133,594	615,739	12.0	291.62	<u>19.21</u>
Mar. 31, 2012	5,101,003	606,504	11.9	284.00	17.96

<Omission>

(Note) "BIS capital adequacy ratio (domestic standard) " is calculated based on the FSA Notice No. 19, issued in 2006. (deleted)

'Financial Results for 1st Half of FY2012'

Page7 9. Capital Adequacy Ratio (under Japanese domestic standards)

(Before revision)

9. Capital Adequacy Ratio (under Japanese domestic standards)

【Consolidated】

(Unit: JPY millions)

	September 30, 2012			March 31, 2012 (B)	September 30, 2011 (C)
	(A) (preliminary)	(A) - (B)	(A) - (C)		
(1) Capital adequacy ratio	<u>19.18%</u>	<u>1.32%</u>	<u>1.11%</u>	17.86%	18.07%
Tier I ratio	<u>20.44%</u>	<u>1.07%</u>	<u>1.07%</u>	19.37%	19.37%
(2) Tier I	607,657	20,359	29,535	587,298	578,122
(3) Tier II (qualifying as capital)	<u>18,576</u>	<u>(367)</u>	<u>(69)</u>	18,943	18,645
(a) General allowance for loan losses	<u>18,576</u>	<u>(367)</u>	<u>(69)</u>	18,943	18,645
(b) Subordinated debt	-	-	-	-	-
(a) + (b)	<u>18,576</u>	<u>(367)</u>	<u>(69)</u>	18,943	18,645
(4) Deductions	56,115	(8,748)	(1,396)	64,863	57,511
Amounts equivalent to funding of other financial institutions	15,037	(3,992)	(4,063)	19,029	19,100
(5) Regulatory Capital (2)+(3)-(4)	<u>570,118</u>	<u>28,739</u>	<u>30,862</u>	541,379	539,256
(6) Risk-weighted assets	<u>2,972,277</u>	<u>(58,674)</u>	<u>(10,942)</u>	3,030,951	2,983,219

【Non-consolidated】

(Unit: JPY millions)

	September 30, 2012			March 31, 2012 (B)	September 30, 2011 (C)
	(A) (preliminary)	(A) - (B)	(A) - (C)		
(1) Capital adequacy ratio	<u>19.22%</u>	<u>1.26%</u>	<u>0.98%</u>	17.96%	18.24%
Tier I ratio	<u>20.37%</u>	<u>1.05%</u>	<u>1.03%</u>	19.32%	19.34%
(2) Tier I	606,766	20,598	27,952	586,168	578,814
(3) Tier II (qualifying as capital)	<u>18,612</u>	<u>(344)</u>	<u>(90)</u>	18,956	18,702
(a) General allowance for loan losses	<u>18,612</u>	<u>(344)</u>	<u>(90)</u>	18,956	18,702
(b) Subordinated debt	-	-	-	-	-
(a) + (b)	<u>18,612</u>	<u>(344)</u>	<u>(90)</u>	18,956	18,702
(4) Deductions	52,828	(7,306)	1,176	60,134	51,652
Amounts equivalent to funding of other financial institutions	15,037	(3,992)	(4,063)	19,029	19,100
(5) Regulatory Capital (2)+(3)-(4)	<u>572,551</u>	<u>27,561</u>	<u>26,686</u>	544,990	545,865
(6) Risk-weighted assets	<u>2,978,066</u>	<u>(55,002)</u>	<u>(14,307)</u>	3,033,068	2,992,373

(After revision)

9. Capital Adequacy Ratio (under Japanese domestic standards)

【Consolidated】

(Unit: JPY millions)

	September 30, 2012			March 31, 2012	September 30, 2011
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
(1) Capital adequacy ratio	<u>19.16%</u>	<u>1.30%</u>	<u>1.09%</u>	17.86%	18.07%
Tier I ratio	<u>20.43%</u>	<u>1.06%</u>	<u>1.06%</u>	19.37%	19.37%
(2) Tier I	607,657	20,359	29,535	587,298	578,122
(3) Tier II (qualifying as capital)	<u>18,589</u>	<u>(354)</u>	<u>(56)</u>	18,943	18,645
(a) General allowance for loan losses	<u>18,589</u>	<u>(354)</u>	<u>(56)</u>	18,943	18,645
(b) Subordinated debt	-	-	-	-	-
(a) + (b)	<u>18,589</u>	<u>(354)</u>	<u>(56)</u>	18,943	18,645
(4) Deductions	56,115	(8,748)	(1,396)	64,863	57,511
Amounts equivalent to funding of other financial institutions	15,037	(3,992)	(4,063)	19,029	19,100
(5) Regulatory Capital (2)+(3)-(4)	<u>570,131</u>	<u>28,752</u>	<u>30,875</u>	541,379	539,256
(6) Risk-weighted assets	<u>2,974,279</u>	<u>(56,672)</u>	<u>(8,940)</u>	3,030,951	2,983,219

【Non-consolidated】

(Unit: JPY millions)

	September 30, 2012			March 31, 2012	September 30, 2011
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
(1) Capital adequacy ratio	<u>19.21%</u>	<u>1.25%</u>	<u>0.97%</u>	17.96%	18.24%
Tier I ratio	<u>20.36%</u>	<u>1.04%</u>	<u>1.02%</u>	19.32%	19.34%
(2) Tier I	606,766	20,598	27,952	586,168	578,814
(3) Tier II (qualifying as capital)	<u>18,625</u>	<u>(331)</u>	<u>(77)</u>	18,956	18,702
(a) General allowance for loan losses	<u>18,625</u>	<u>(331)</u>	<u>(77)</u>	18,956	18,702
(b) Subordinated debt	-	-	-	-	-
(a) + (b)	<u>18,625</u>	<u>(331)</u>	<u>(77)</u>	18,956	18,702
(4) Deductions	52,828	(7,306)	1,176	60,134	51,652
Amounts equivalent to funding of other financial institutions	15,037	(3,992)	(4,063)	19,029	19,100
(5) Regulatory Capital (2)+(3)-(4)	<u>572,563</u>	<u>27,573</u>	<u>26,698</u>	544,990	545,865
(6) Risk-weighted assets	<u>2,980,083</u>	<u>(52,985)</u>	<u>(12,290)</u>	3,033,068	2,992,373