

August 18, 2015

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 June 30, 2015

TOKYO August 18, 2015 - Aozora Bank, Ltd. hereby announces its capital adequacy ratio as of June 30, 2015, based on the Basel III standards as stated below.

The consolidated capital adequacy ratio as of June 30, 2015 was 10.56%.

Aozora has set its target capital adequacy ratio at 10% or higher for the mid-term (FY2015-FY2017), as announced in our May 15 press release entitled "Aozora Announces Early and Full Repayment of Public Funds; Establishes Updated Business Model and Mid-term Financial Targets". The Bank's capital adequacy ratio as of June 30, 2015 remained at an adequate level following the full repayment of public funds in June 2015, also exceeding our target ratio.

【Consolidated (domestic standard)】

(million yen)

		Jun. 30, 2015	Mar. 31, 2015
(1) Capital adequacy ratio	(4)÷(5)	10.56%	14.45%
(2) Core capital: instruments and reserves		411,052	545,269
(3) Core capital: regulatory adjustments		2,358	2,360
(4) Regulatory capital	(2)-(3)	408,694	542,909
(5) Risk-weighted assets		3,869,646	3,756,884
(6) Total required capital	(5)×4%	154,785	150,275

【Non-consolidated (domestic standard)】

(million yen)

		Jun. 30, 2015	Mar. 31, 2015
(1) Capital adequacy ratio	(4)÷(5)	10.32%	14.23%
(2) Core capital: instruments and reserves		401,873	536,464
(3) Core capital: regulatory adjustments		1,615	1,535
(4) Regulatory capital	(2)-(3)	400,257	534,928
(5) Risk-weighted assets		3,874,816	3,758,784
(6) Total required capital	(5)×4%	154,992	150,351

Note: Consolidated and non-consolidated capital adequacy ratios are calculated based on the FSA Notice Number 19, issued in 2006.

The 'Composition of Capital Disclosure' is available on our website at

<http://www.aozorabank.co.jp/english/ir/library/>.

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