

January 31, 2014

Company name: Aozora Bank, Ltd.
Name of representative: Shinsuke Baba, President and CEO
Listed exchange: TSE, Code 8304
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Aozora Bank Announces Third Quarter Dividend Payment

The Bank's Board of Directors approved dividend payments from retained earnings for the third quarter of FY2013. The Bank will pay a dividend of 4 yen per share to common shareholders, an increase of 1 yen per share from the first and second quarter dividend payments. This reflects the steady progress of consolidated net income for the first three quarters of FY2013 (34.1 billion yen) towards the full-year forecast of 41 billion yen. No changes will be made to the annual dividend forecast of 14 yen for FY2013.

The Bank will pay the quarterly preferred dividends as stipulated in its Articles of Incorporation. The super preferred dividend, distributed as an installment repayment of public funds, is paid once annually as a year-end dividend, and as such no third quarter payment will be made.

Please refer to the tables below for details.

1. Details of Common Stock Dividend Payments from Retained Earnings

	Amount	Most recent forecast	Previous (FY2012 third quarter)
Record date	December 31, 2013	December 31, 2013	December 31, 2012
Dividend per share	4 yen	—	—
Total dividend amount	4,666 million yen	—	—
Payment date	March 17, 2014	—	—
Source of dividend payments	Other retained earnings	—	—

2. Details of Class A Series 4 Preferred Stock Dividend Payments from Retained Earnings

	Amount	Most recent forecast	Previous (FY2012 third quarter)
Record date	December 31, 2013	December 31, 2013	December 31, 2012
Dividend per share	2.25 yen	2.25 yen	—
Total dividend amount	54 million yen	—	—
Payment date	March 17, 2014	—	—
Source of dividend payments	Other retained earnings	—	—

3. Details of Class C Series 5 Preferred Stock Dividend Payments from Retained Earnings

	Amount	Most recent forecast	Previous (FY2012 third quarter)
Record date	December 31, 2013	December 31, 2013	December 31, 2012
Dividend per share	1.674 yen	1.674 yen	—
Total dividend amount	359 million yen	—	—
Payment date	March 17, 2014	—	—
Source of dividend payments	Other retained earnings	—	—

Reference: Dividend Forecast

1. Details of Common Stock Dividend Forecast

	Dividend per share				
Record date	1 st quarter	2 nd quarter	3 rd quarter	Year-end	Total
Dividend forecast				4 yen	14.0 yen
Dividend in FY2013	3 yen	3 yen	4 yen		
Dividend in FY2012	—	0 yen	—	13.9 yen	13.9 yen

(Note1) No change will be made to the FY2013 full-year dividend forecast that was announced on May 15, 2013. The annual dividend payment forecast for FY2013 is calculated by dividing the total dividend amount, which is set at 40% of consolidated net income (41 billion yen) for forecast FY2013, by the total number of common shares issued, excluding treasury stock, as of December 31, 2013.

2. Details of Class A Series 4 Preferred Stock Dividend Forecast

	Dividend per share				
Record date	1 st quarter	2 nd quarter	3 rd quarter	Year-end	Total
Dividend forecast				2.25 yen	9 yen
Dividend in FY2013	2.25 yen	2.25 yen	2.25 yen		
Dividend in FY2012	—	0 yen	—	10 yen	10 yen

(Note1) The Bank will pay a quarterly preferred dividend to Series 4 preferred shareholders as stipulated in the Articles of Incorporation.

3. Details of Class C Series 5 Preferred Stock Dividend Forecast

	Dividend per share				
Record date	1 st quarter	2 nd quarter	3 rd quarter	Year-end	Total
Dividend forecast				1.674 yen	6.696 yen
Dividend in FY2013	1.674 yen	1.674 yen	1.674 yen		
Dividend in FY2012	—	0 yen	—	7.44 yen	7.44 yen

(Note1) The Bank will pay a quarterly preferred dividend to Series 5 preferred shareholders as stipulated in the Articles of Incorporation.

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