

May 26, 2017

Company name: Aozora Bank, Ltd.  
Name of representative: Shinsuke Baba, President and CEO  
(Listed exchange: TSE, Code 8304)  
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## **Revision of FY2017 Dividend Forecast**

Aozora Bank, Ltd. (the "Bank") today announced that its Board of Directors has resolved to propose a change in the number of shares constituting one unit, the consolidation of shares and a partial amendment to its Articles of Incorporation at the annual general meeting of shareholders scheduled to be held on June 27, 2017.

Accordingly, the Bank has revised its dividend forecast released on May 15, 2017, as stated below.

### **I. Reason for Revision**

At the Board of Directors meeting held today, the Bank resolved to consolidate every ten common shares into one common share and change the number of shares constituting one unit of stock from 1,000 shares to 100 shares, subject to approval at the annual general meeting of shareholders scheduled to be held on June 27, 2017. Both resolutions would take effect on October 1, 2017.

Subject to the implementation of the share consolidation, the total number of issuable shares will be reduced to one tenth of the current total. As such, dividend payments per common share forecast for FY2017 for which the record date comes after the effective date of the share consolidation (i.e. third quarter and year-end dividend payments), will increase tenfold in accordance with the share consolidation.

This revision has been made to revise the dividend payment forecast per common share, and there is no change in the total dividend payment forecast for the full-year.

## II. FY2017 Dividend Forecast

The dividend forecast for FY2017 is only disclosed on a full-year basis. As was our practice in FY2016, the Bank will pay common share dividends on a quarterly basis. Quarterly dividend payments are shown in the table below as “—” and will be announced each quarter once determined.

FY2017 Dividend Forecast per Common Share

	Full-year dividend per common share					Total
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter		3 <sup>rd</sup> quarter	Year-end	
Previous forecast (announced on May 15, 2017)	—	—			—	—
Revised forecast	Before share consolidation		Effective date of share consolidation	After share consolidation		—  Since FY2017 dividend payments will be made both before and after the share consolidation, total dividends cannot be correctly calculated simply by adding together the dividend payment for each quarter. As such, the full-year dividend forecast for FY2017 is shown as “—”.
	—	—	October 1, 2017	—	—	
	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> <b>Since the total number of issuable shares will be reduced to one tenth, dividend per common share will increase tenfold after the share consolidation takes effect.</b> </div>					
FY2016 dividend payments	4.00 yen	4.00 yen		5.00 yen	5.70 yen	18.70 yen

For further details regarding the change in the number of shares constituting one unit and the consolidation of shares, please refer to the press release entitled “Change in Number of Shares Constituting One Unit, Consolidation of Shares and Partial Amendment to Articles of Incorporation,” announced separately today.

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