Aozora Bank Announces Quarterly Dividend Payments

Last year the Bank announced and began the implementation of its Comprehensive Recapitalization Plan toward a full repayment of public funds over time which will benefit all of its shareholders (the "Recapitalization Plan"). Amendments to the Bank's Articles of Incorporation were approved at a general meeting of shareholders held in June 2013. As a result, the Bank will begin the quarterly payment of dividends to common and preferred shareholders from the first quarter of FY2013 as part of the Recapitalization Plan.

On July 30, 2013, the Bank's Board of Directors approved dividend payments from retained earnings for the first quarter of FY2013. As this is not a year-end payment, the Bank has approved a quarterly dividend per share to common shareholders of 3 yen, which is slightly more conservative than 3.5 yen, or 25% of the 14 yen annual dividend forecast.

The Bank will pay the quarterly preferred dividends as stipulated in its Articles of Incorporation. No changes will be made to the annual payment of the super preferred dividend distributed as an installment repayment of public funds.

Please refer to the tables below for details.

1. Details of Common Stock Dividend Payments from Retained Earnings

	Amount	Most recent forecast	Previous （FY2012 full-year）
Record date	June 30, 2013	June 30, 2013	March 31, 2013
Dividend per share	3 yen	－	13.9 yen
Total dividend amount	3,499 million yen	－	16,212 million yen
Payment date	September 17, 2013	－	June 27, 2013
Source of dividend payments	Other retained earnings	－	Other retained earnings

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

	Amount	Most recent forecast	Previous (FY2012 full-year)
Record date	June 30, 2013	June 30, 2013	March 31, 2013
Dividend per share	2.25 yen	－	10 yen
Total dividend amount	54 million yen	－	240 million yen
Payment date	September 17, 2013	－	June 27, 2013
Source of dividend payments	Other retained earnings	－	Other retained earnings

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

	Amount	Most recent forecast	Previous (FY2012 full-year)
Record date	June 30, 2013	June 30, 2013	March 31, 2013
Dividend per share	1.674 yen	－	7.44 yen
Total dividend amount	359 million yen	－	1,596 million yen
Payment date	September 17, 2013	－	June 27, 2013
Source of dividend payments	Other retained earnings	－	Other retained earnings

Reference: Dividend Forecast

1. Details of Common Stock Dividend Forecast

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

(Note1) The Bank will determine the quarterly dividend per share for the 2nd quarter of FY2013 onwards in consideration of quarterly financial results.

(Note2) No change will be made to the FY2013 full-year dividend forecast that was announced on May 15, 2013.

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

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

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