

November 13, 2017

Company name: Aozora Bank, Ltd.  
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Listed exchange: TSE, Code 8304  
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## Aozora Bank Announces Second Quarter Dividend Payment

The Bank's Board of Directors approved dividend payments from retained earnings for the second quarter of FY2017 at the Board of Directors Meeting held today.

As this is not a year-end payment, the Bank has approved a quarterly dividend per share to common shareholders of 4 yen, which is slightly more conservative than 4.6 yen, or 25% of the 18.4 yen annual dividend forecast announced at the beginning of the fiscal year.

Please refer to the tables below for details.

### Details of Common Stock Dividend Payments from Retained Earnings

	Amount	Most recent forecast	Previous (FY2016 second quarter)
Record date	September 30, 2017	September 30, 2017	September 30, 2016
Dividend per share	4 yen	—	4 yen
Total dividend amount	4,666 million yen	—	4,665 million yen
Payment date	December 15, 2017	—	December 15, 2016
Source of dividend payments	Other retained earnings	—	Other retained earnings

### Reference: Common Stock Dividend

	Dividend per share				
Record date	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	Year-end	Total
Dividend forecast in FY2017			—	—	— (Note2)
Dividend in FY2017	4 yen	4 yen			
Dividend in FY2016	4 yen	4 yen	5 yen	5.7 yen	18.7 yen

(Note1) The Bank will determine the quarterly dividend per share for the 3<sup>rd</sup> quarter of FY2017 onwards in consideration of quarterly financial results.

(Note2) On October 1, 2017, the Bank consolidated every ten common shares into one common share. The above dividend payments per common share for FY2017 are actual amounts before the share consolidation. If not for the share consolidation, the common share dividend forecast for FY2017 would be 18.40 yen per common share, which remains unchanged from the last forecast (taking into consideration the share consolidation, the common share dividend forecast for FY2017 is 184 yen per common share). However, because dividend payments for the 3<sup>rd</sup> quarter and thereafter will be made after the share consolidation, total dividends cannot be correctly calculated by simply adding together dividend payments for each quarter. As a result, the annual dividend forecast for FY2017 is shown as “-”.

Assuming that the share consolidation was effective at the beginning of the previous accounting period, dividend payments per common share are as follows.

	Dividend per share				
Record date	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	Year-end	Total
Dividend forecast in FY2017			—	—	184 yen
Dividend in FY2017	40 yen	40 yen			
Dividend in FY2016	40 yen	40 yen	50 yen	57 yen	187 yen

End