

October 18, 2012

To whom it may concern

Aozora Bank, Ltd.

Representative Director and President

Shinsuke Baba

(Code number: 8304 The First Section of Tokyo Stock Exchange)

Contact information: General Manager, Corporate Communication Division.

Hiroyuki Kajitani (Tel: 03 3263 1111)

Notice of Change in Major Shareholder

We hereby provide notification of the change in our major shareholder as of October 9, 2012.

1. Background to change

The Bank received a copy of a Report of Possession of Large Volume (a Change Report), dated October 15, 2012, submitted by the standing proxy of shareholder, CERBERUS NCB ACQUISITION, L.P., GENERAL PARTNER CERBERUS AOZORA GP L.L.C. (hereinafter referred to as 'CNCBALP'). The report stated that CNCBALP sold 92,439,000 common shares of the Bank on October 9, 2012, resulting in a shareholding of 729,030,000 common shares as of the same date.

As announced on September 27, 2012 in the news release entitled '*Re: Buyback of Own Shares (Common Shares)*', the Bank has begun the buyback of its own shares throughout the period of October 1, 2012 to September 30, 2013. As of the news release dated October 9, 2012, '*Re: Result of the Buyback of Own Shares (Common Shares) through Off-Auction Own Share Repurchase Trading (the ToSTNeT-3)*', the Bank has announced the progress of the buyback until October 9, 2012.

Based on the Report of Possession of Large Volume (the Change Report), submitted by CNCBALP, dated October 15, 2012 and '*Re: Result of the Buyback of Own Shares (Common Shares) through Off-Auction Own Share Repurchase Trading (the ToSTNeT-3)*', dated October 9, 2012, the Bank judged that as of October 9, 2012, CA Limited B.V., the limited partner of CNCBALP, came under the category of Major Shareholder, set forth in Paragraph 1 of Article 163 of the Financial Instruments and Exchange Act.

2. Outline of change in major shareholder

(1) Name	CA Limited B.V.
(2) Address	Oude Utrechtseweg 16, 3743 KN Baarn, The Netherlands
(3) Name of representative	Johan C.A. van Beek
(4) Title of representative	Managing Director
(5) Business	Investment

3. Before and after the change, number of voting rights and shares held by the aforementioned major shareholder and proportion of the number of voting rights of all shareholders

	Number of voting rights (Number of shares held)	Proportion of the number of voting rights of all shareholders
Before change (as of October 2, 2012)	148,514 (148,514,201 shares)	9.9419 %
After change	131,802 (131,802,062 shares)	10.0607 %

Note:

CA Limited B.V. is the Limited Partner of CNCBALP, one of the Bank's shareholders. In accordance with the Limited Partnership Agreement with CNCBALP dated September 5, 2012, the investment ratio of CA Limited B.V. to CNCBALP is 18.0791%.

As of October 2, 2012, the number of voting rights of CNCBALP was 821,468. Accordingly, as of the same date, the number of voting rights held by CA Limited B.V. in proportion to the investment ratio to CNCBALP was 148,514, and the ratio to the number of voting rights of all shareholders (1,493,818) was 9.9419%. The Bank received a copy of a Report of Possession of Large Volume (a Change Report) (Date of occurrence of reporting obligation : October 9, 2012), dated October 15, 2012, submitted by the standing proxy of CNCBALP. The report stated that CNCBALP sold 92,439,000 common shares of the Bank on October 9, 2012, resulting in a shareholding of 729,030,000 common shares as of the same date.

As announced on September 27, 2012 in the news release entitled '*Re: Buyback of Own Shares (Common Shares)*', the Bank has begun the buyback of its own shares throughout the period of October 1, 2012 to September 30, 2013. In the news release

dated October 9, 2012, '*Re: Result of the Buyback of Own Shares (Common Shares) through Off-Auction Own Share Repurchase Trading (the ToSTNeT-3)*', the Bank has announced the progress of the buyback until October 9, 2012. As a result of the buyback conducted until October 9, 2012, the total number of voting rights decreased from 1,493,818 to 1,310,068 (as of October 9, 2012).

As a result, the number of voting rights held by CA Limited B.V. in proportion to the investment ratio to CNCBALP decreased from 148,514 to 131,802, and the proportion of the number of voting rights of all shareholders increased from 9.9419% to 10.0607%. The Bank therefore judged that CA Limited B.V. came under the category of Major Shareholder, set forth in Paragraph 1 of Article 163 of the Financial Instruments and Exchange Act.

The aforementioned information related to the number of voting rights held by CNCBALP and the investment ratio of CA Limited B.V. to CNCBALP as of October 2, 2012 before the change is based on the Report of Possession of Large Volume (the Change Report), dated October 4, 2012, submitted by the standing proxy of CNCBALP, and the information related to the number of voting rights held by CNCBALP and the investment ratio of CA Limited B.V. to CNCBALP as of October 9, 2012 after the change is based on the Report of Possession of Large Volume (the Change Report), dated October 15, 2012, submitted by the standing proxy of CNCBALP.

In addition, the proportion of the number of voting rights of all shareholders before the change is calculated by subtracting the number of voting rights of the shares acquired by the Bank on October 1 and 2, 2012 from the number of voting rights of all shareholders as of September 30, 2012. The proportion of the number of voting rights of all shareholders after the change is calculated by subtracting the number of voting rights of the shares acquired by the Bank over the period of October 3 to 9, 2012 from the number of voting rights of all shareholders as of October 2, 2012.

Reference: Basis for the calculation of the number of voting rights of all shareholders

1. Number of voting rights of all shareholders as of October 2, 2012: 1,493,818
 - Total number of common shares issued and outstanding: 1,650,147,352 shares
 - Number of shares without voting rights deducted from the total number of

common shares issued and outstanding: 156,329,352 shares

2. Number of voting rights of all shareholders as of October 9, 2012: 1,310,068

- Total number of common shares issued and outstanding: 1,650,147,352 shares
- Number of shares without voting rights deducted from the total number of common shares issued and outstanding: 340,079,352 shares

4. Date of change in major shareholder

October 9, 2012

5. Future outlook

This change will have no effect on the Bank's business results.

The Bank will continue to buyback its own shares as announced in the news release entitled '*Re: Buyback of Own Shares (Common Shares)*', dated September 27, 2012.

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