

July 15, 2015

Company name: Aozora Bank, Ltd.  
Name of representative: Shinsuke Baba, President and CEO  
(Listed exchange: TSE, Code 8304)  
Enquiries: Tatsuhiro Nawa, Joint General Manager  
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### **Determination of Terms and Conditions for Issuance of Equity Compensation Type Stock Options**

Tokyo July 15, 2015 - Aozora Bank, Ltd. (President and CEO: Shinsuke Baba; Head Office: Tokyo) ('Aozora' or 'the Bank') today announced that the Bank has determined items pending in relation to the issuance of Equity Compensation Type Stock Options (Stock Acquisition Rights), which was resolved at the Board of Directors meeting held on June 26, 2015, as follows.

1. Total number of stock options: 2,297 units
2. Stock option allotment recipients, number of recipients, and number of stock options:  
Four (4) Full-time Directors of the Bank; 1,021 units in total  
Sixteen (16) Executive Officers of the Bank; 1,276 units in total
3. Class and number of shares: 229,700 Aozora common shares
4. Amount to be paid-in at the allocation of stock options: 43,800 yen per stock option (438 yen per share)

The above amount was calculated on the day of allocation of stock options (July 14, 2015) using the Black-Scholes Model.

At the allocation of stock options to the recipients, their claim to compensation from the Bank will be offset by the amount to be paid in, instead of actual payment to them.

#### Reference

Date of Resolution on the Issuance of Stock Options by the Board of Directors	June 26, 2015
Date of Allotment	July 14, 2015

End