

May 27, 2016

Company name: Aozora Bank, Ltd.  
Name of representative: Shinsuke Baba, President and CEO  
Listed exchange: TSE, Code 8304  
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## **Memorandum of Agreement on Joint Venture Internet Bank with GMO Internet, Inc.**

Aozora Bank, Ltd. (President and CEO: Shinsuke Baba; Head Office: Tokyo) ('Aozora' or 'the Bank') and Aozora Trust Bank, Ltd. ('Aozora Trust') today announced the signing of a memorandum of agreement with GMO Internet, Inc. ('GMO') regarding a joint venture Internet bank. The parties have agreed to conduct negotiations towards concluding a final agreement on the Internet bank, which will be operated by Aozora Trust.

### 1. Concept

"Offer new experiences and convenience to our customers through simple and highly sophisticated services leveraging banking and IT"

- (1) Provide SME customers and other small e-commerce businesses with cost effective and productivity enhancing banking services incorporating shopping cart and settlement agent services.
- (2) Take full advantage of IT in providing smart next-generation functions to our retail customers, and collaborate with GMO CLICK Securities, Inc. to offer attractive services integrating banking and securities.
- (3) Ensure timely development of unique services through partnerships with external FinTech companies, in addition to collaborations between the Aozora and GMO Internet groups.
- (4) Leverage the latest system technology in order to provide services at a significantly reduced cost.

### 2. Schedule

Going forward, the parties will discuss and negotiate the details of the joint venture Internet bank, with the aim of concluding a final agreement in late June of this year.

The Bank will immediately announce the details of any agreement reached, as well as any projected impact on our consolidated results.

## Overview of Aozora Bank

①	Name	Aozora Bank, Ltd.
②	Location	3-1 Kudan-Minami 1-chome, Chiyoda-ku, Tokyo
③	Representative	Shinsuke Baba, President and CEO
④	Operations	Banking services
⑤	Capital	100 billion yen (As of March 31, 2016)
⑥	Established	April 1, 1957
⑦	Consolidated total assets	4,592 billion yen (As of March 31, 2016)

## Overview of Aozora Trust Bank

①	Name	Aozora Trust Bank, Ltd.
②	Location	3-1 Kudan-Minami 1-chome, Chiyoda-ku, Tokyo
③	Representative	Masaki Yamagata, Director and President
④	Operations	Banking, trust services
⑤	Capital	5.4 billion yen (As of March 31, 2016)
⑥	Established	February 28, 1994
⑦	Total assets	6.7 billion yen (As of March 31, 2016)

## Overview of GMO Internet

①	Name	GMO Internet, Inc.
②	Location	26-1 Sakuragaoka-cho, Shibuya-ku, Tokyo
③	Representative	Masatoshi Kumagai, Founder and Group CEO
④	Operations	Internet infrastructure, online advertising and media, Internet securities, mobile entertainment
⑤	Capital	5 billion yen (As of March 31, 2016)
⑥	Established	May 24, 1991
⑦	Consolidated total assets	560 billion yen (As of March 31, 2016)

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