

May 14, 2018

Company name: Aozora Bank, Ltd.
Name of representative: Shinsuke Baba, President and CEO
Listed exchange: TSE, Code 8304
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Reference Information Regarding FY2017 and FY2016 Ordinary Income Results

Aozora Bank, Ltd. (President and CEO: Shinsuke Baba; Head Office: Tokyo) ('Aozora' or 'the Bank') today announced that consolidated and non-consolidated ordinary income for FY2017, announced on May 14, 2018, exceeded the previous year's results by over 10%. Under Tokyo Stock Exchange timely disclosure requirements, issuers are required to provide an explanation in the event that ordinary income varies by 10% or more as compared with the prior year's result.

1. Difference in Ordinary Income Between the FY2017 and FY2016 Actual Results

Consolidated basis

(billion yen)	Ordinary Income
FY2017 results (a)	148.8
FY2016 results (b)	134.7
Change (a) - (b)	14.1
Percentage change ((a)-(b)) / (b)	10.5%

Non-consolidated basis

(billion yen)	Ordinary Income
FY2017 results (a)	143.9
FY2016 results (b)	130.3
Change (a) - (b)	13.7
Percentage change ((a)-(b)) / (b)	10.5%

2. Reason for Difference

Consolidated and non-consolidated ordinary income exceeded the previous year's results by more than 10% mainly due to increased interest income from interest on loans and discounts due to higher U.S. dollar interest rates as well as from increases in other sources of ordinary income such as gains on the sale of equity holdings.

For additional details, please refer to the May 14, 2018 release entitled "Summary of the Financial Statements for FY2017 (Consolidated)".