

Message from the President

During fiscal 2006 the economy of Aomori Prefecture showed increased production and substantial capital investment on the part of some companies with the Japanese economy enjoying a gradual recovery overall, led by exports. Nevertheless growth in areas such as personal consumption and housing investments remained sluggish, and the local economy remained unable to emerge from its stagnation.

Within this environment The Aomori Bank, Ltd., worked to address the increasing demand for financing on the part of individual customers, and to provide a full lineup of mutual fund and insurance related products. Moreover, in order to improve our convenience and enhance our various advisory functions towards individual customers, we have opened the Aogin Loan Plaza in three locations within Aomori Prefecture. These offices are open for business on Saturdays, Sundays and holidays.

To address the financing needs of our corporate customers we are working to enhance our lines of products that do not require collateral or a personal guarantee by a third party, and we have established a Corporate Loan Division in three cities within Aomori Prefecture, staffing these units with individuals who have specialized expertise. Continuing from last year, we sponsored the third business meeting in cooperation with Akita Bank and Iwate Bank, in order to support the creation of business opportunities, and to promote vibrancy in the local economy as well as to support SMEs.

In the future as well we will continue to make efforts to improve our transparency as a company, as we thoroughly implement legal and regulatory compliance and enhance our disclosure of information. At Aomori Bank we will give our utmost support to building the future of Aomori Prefecture, and in contributing to the development of the local community.

I would like to express my appreciation to all of our stakeholders for their continued support and ask for their further support and assistance in the future as well.

July 2006



Akio Iбата, *President*