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(Securities Code 7164)
June 1, 2016

To Shareholders with Voting Rights:

Eiji Ishikawa
President & Representative Director
ZENKOKU HOSHO Co., Ltd.
2-1-1 Otemachi,
Chiyoda-ku, Tokyo, Japan

NOTICE OF CONVOCATION OF THE 36TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our deepest condolences to those who were affected by the Kumamoto Earthquake in April 2016.

You are cordially invited to attend the 36th Annual General Meeting of Shareholders of ZENKOKU HOSHO Co., Ltd. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing by submitting the Voting Rights Exercise Form, or via electromagnetic method (the Internet, etc.). Please review the Reference Documents for the General Meeting of Shareholders (described hereinafter), and cast your vote by 5 p.m. on Thursday, June 16, 2016 Japan time.

1. **Date and Time:** Friday, June 17, 2016 at 10 a.m. Japan time (reception will open at 9 a.m.)

2. **Place:** JP Tower Hall and Conference, Fourth floor of JP Tower, located at 2-7-2 Marunouchi, Chiyoda-ku, Tokyo, Japan

   The venue is different from the previous year.

3. **Meeting Agenda:**

   Matters to be reported: The Business Report and Financial Statements for the Company's 36th Fiscal Year (April 1, 2015 - March 31, 2016)

   Proposals to be resolved:

   Proposal No. 1: Distribution of Surplus
   Proposal No. 2: Election of Six (6) Directors
   Proposal No. 3: Election of Four (4) Audit & Supervisory Board Members

4. Matters concerning the convocation

(1) If there is no indication for or against a proposal on the Voting Rights Exercise Form, the vote will be deemed to be for a proposal.
(2) In the event that voting rights are exercised multiple times via the Voting Rights Exercise Form, the most recent one to arrive will be deemed valid.
(3) In the event that voting rights are exercised multiple times via the Internet, etc., the most recent one to arrive will be deemed valid.
(4) In the event that voting rights are exercised both via the Voting Rights Exercise Form and the Internet, etc., the vote via the Internet, etc., will be deemed valid.

◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. To save resources, please bring this "Notice of Convocation" with you.
◎ If exercising voting rights via proxy, you may designate one (1) other shareholder with voting rights to act as your proxy and exercise your voting rights. However, please understand that documentation proving agency privileges will be required to be submitted.
◎ Any updates to the Reference Documents for the General Meeting of Shareholders, Business Report, or Financial Statements will be posted on the Company's website (http://www.zenkoku.co.jp/).
◎ On the day of the meeting, as a method to conserve electricity, employees will be wearing light clothing ("Cool Biz"). We ask that shareholders attend in light clothing as well.

(Appendix)

Business Report

(April 1, 2015 - March 31, 2016)

I Overview of the Company

1. Business Progress and Results

(1) Economic Environment and Business Environment

In fiscal year 2015, while the underlying uncertainty about the future prospects due to factors including concerns over a slowdown in economic growth in emerging Asian countries still remains, the Japanese economy stayed on a moderate recovery path, with continued improvements in corporate earnings and the employment and income situation alongside a steady stream of consumer spending, against the backdrop of the government-led various economic stimulus measures and monetary easing policies adopted by the Bank of Japan.

Regarding the housing market, signs of recovery were seen with the number of new housing starts exceeding that of the previous year, mainly due to the effects of government policies designed to promote housing acquisitions. In the housing loan market, competition among financial institutions to acquire customers has become increasingly intense against a backdrop of a prolonged low-interest rate environment.

(2) Business Summary

In such a business environment, we have implemented various measures with the focus on "expansion of the credit guarantee business," "utilization of comprehensive risk management system" and "enhancement of the corporate value."

For expansion of the credit guarantee business, we have exerted our efforts to deepen relationships with existing partnering financial institutions, and increase the number of new contracts with new partnering financial institutions. For deepening relationships with existing partnering financial institutions, we have made efforts to respond to more diversified needs by ways of adding a new unsecured product "Smile Ichiban Select" to our product line-up with the aim of enhancing the utilization rate of our credit guarantee products as well as opening Takamatsu Office, our new business base, to expand network within branches and sales offices. Moreover, we expanded the card loan guarantee services, not only to first-time customers utilizing ZENKOKU HOSHO's credit guarantee services, but to established customers. In addition, we have implemented the campaign which has been enjoying a good reputation and supported sales effort to acquire housing loans. Meanwhile, we actively performed our marketing activities to acquire new partnering financial institutions, and as a result, signed new contracts with a total of twenty three financial institutions, including two banks, one credit union, eighteen JA cooperatives, one labour bank, and one other company during the current fiscal year.

Additionally, we have accepted the housing loan guarantee obligations held by other companies and increased our outstanding guarantee exposure. For utilization of comprehensive risk management system, we established the comprehensive risk management system to quantify overall risk associated with major risks such as credit risks, market risks, and operational risks for the purposes of better revenue management and efficient allocation of management resources.

For enhancement of the corporate value, we have considered measures for improving working environment and reinforced the function of the internal control system in order to develop a vigorous corporate culture.

As a result of such efforts, we recorded operating revenue of 31,918 million yen (up 8.2% year-on-year), operating income of 25,125 million yen (up 12.3% year-on-year), ordinary income of 26,303 million yen (up 9.1% year-on-year), and net income of 17,204 million yen (up 13.8% year-on-year), and achieved growth in both revenue and profits.

Additionally, results of guarantees for the 36th fiscal year were as follows.

(Amounts: institutions, guarantees, million yen)

Item	The 33rd fiscal year ended March 31, 2013	The 34th fiscal year ended March 31, 2014	The 35th fiscal year ended March 31, 2015	The 36th fiscal year ended March 31, 2016
Number of partnering financial institutions	682	692	709	726
Number of new guarantees granted	52,646	54,129	54,422	64,228
Amount of new guarantees granted	1,099,909	1,145,458	1,208,434	1,501,805
Outstanding balance of guarantees at the end of the period	8,120,966	8,616,377	9,159,733	10,000,122

(Note) Figures for the number of new guarantees granted and the amount of new guarantees are results of housing loans extended by private financial institutions .

2. Status of Capital Investments

Not applicable.

3. Status of Financing, etc.

Not applicable.

4. Status of Business Transfers, etc.

(1) Status of Business Transfers, Absorption-type Splits, or Incorporation-type Splits

Not applicable.

(2) Status of Acception of Business Transfers From Other Companies

Not applicable.

(3) Status of Continuation of Rights Obligations Regarding Business of Other Companies due to Absorption-type Mergers or Absorption-type Splits

The Company has acquired the credit guarantee business for housing loans of The Seishin Shinkin Bank from Seishin Shinyou Hoshou Kabushikikaisha as of October 1, 2015.

(4) Status of Acquisition or Disposal of Stock, Other Equity, or Stock Acquisition Rights, etc., of Other Companies

Not applicable.

5. Trends in Assets and Income

(Amount: million yen)

Item	The 33rd fiscal year ended March 31, 2013	The 34th fiscal year ended March 31, 2014	The 35th fiscal year ended March 31, 2015	The 36th fiscal year ended March 31, 2016
Operating revenue	25,030	27,039	29,507	31,918
Ordinary income	11,361	15,509	24,115	26,303
Net income	6,807	9,381	15,112	17,204
Net income per share	120.49 yen	136.24 yen	219.68 yen	250.20 yen
Net assets	39,339	47,288	60,524	74,112
Total assets	176,414	195,834	213,970	235,520

(Notes) 1. The Company conducted a 100-for-1 stock split for its common shares on September 25, 2012, and a 2-for-1 stock split for its common shares on March 1, 2014. Net income per share is calculated as if the stock splits had occurred at the beginning of the 33rd fiscal year.

2. Net income per share is calculated using the average number of outstanding shares for the fiscal year, minus treasury shares.

6. Issues to be Addressed

The Company will address the following issues to ensure sustained growth and stable profits in the future.

[Expansion of the credit guarantee business]

We recognize that, in order to expand our business scale continuously, it is necessary to increase the utilization of our credit guarantee products at over 700 existing partnering financial institutions, and increase the number of contracts with new partnering financial institutions. In the banking business, which handles a high volume of housing loans, we are aiming to further deepen transaction relationships by providing attentive services that make full use of our network of 13 bases across the country. Additionally, regarding the receipt of guarantee exposure of other insurance companies, for which a scheme was established during the fiscal year under review, we will continue to gather information in an effort to ascertain client needs.

In anticipation of increase in volume of operation, we will endeavor to improve efficiency by reviewing the business processes through system renewal and digital promotion, etc. not to mention appropriate personnel allocation.

[Utilization of comprehensive risk management system]

To ensure continued growth as a housing loan guarantee company, we recognize the importance of ensuring sound business management by appropriate risk management. We operate comprehensive risk management system that manages main risks (i.e., credit risks, market risks and operational risks) by quantifying and integrating such risks, and comparing them with the operational capacity of the Company. The Company will strive to strengthen our business management by effectively utilizing such system in continuously monitoring trends and changes in magnitude of risks against earnings projections, and by implementing measures regarding risk control, earnings management, and verification of the Company's capital adequacy.

[Improvement of corporate value]

Our outstanding guarantee exposure has reached the scale of 10 trillion yen, and we recognize that our social responsibilities as a listed company and credit guarantee company are growing even further. We will strive to increase corporate value by establishing a firm financial base as a credit guarantee company, activating an organization that engenders a vigorous company atmosphere, and continuing to strengthen and enrich the function of internal control system.

The Company asks for the continued support of shareholders.

7. Principal Businesses

Business category	Category
Credit guarantee business	Housing loan guarantees Education loan guarantees Apartment loan guarantees Card loan guarantees

8. Principal Business Locations

Category	Store name / Company name	Location
The Company	Headquarters	Chiyoda-ku, Tokyo
	Sales Department I, Head Office	Chiyoda-ku, Tokyo
	Sales Department II, Head Office	Chiyoda-ku, Tokyo
	Sapporo Branch	Chuo-ku, Sapporo-shi, Hokkaido
	Sendai Branch	Aoba-ku, Sendai-shi, Miyagi
	Yokohama Branch	Nishi-ku, Yokohama-shi, Kanagawa
	Niigata Office	Chuo-ku, Niigata-shi, Niigata
	Nagoya Branch	Naka-ku, Nagoya-shi, Aichi
	Kanazawa Branch	Kanazawa-shi, Ishikawa
	Osaka Branch	Chuo-ku, Osaka-shi, Osaka
	Hiroshima Branch	Naka-ku, Hiroshima-shi, Hiroshima
	Takamatsu Office	Takamatsu-shi, Kagawa
	Fukuoka Branch	Hakata-ku, Fukuoka-shi, Fukuoka
	Miyazaki Office	Miyazaki-shi, Miyazaki
	Credit Management Center	Chuo-ku, Tokyo
Subsidiary	Zenkoku Business Partner, K.K.	Chuo-ku, Tokyo

9. Status of Employees

Number of employees	Increase or decrease from previous fiscal year-end	Average age	Average years of service
238 persons	26 persons (increase)	34.6 years	7 years and 5 months

(Notes) 1. Employees refer to all full-time employees, including three Executive Officers, and does not include eight persons seconded to outside the Company.
2. Employees do not include 85 contract, part-time, and temporary employees.

10. Principal Counterparties to Borrowings and Amount of Borrowings

Not applicable.

11. Status of Significant Parent Companies and Subsidiaries

(1) Relationship with Parent Company

Not applicable.

(2) Status of Significant Subsidiaries

Company name	Capital	Ownership	Main businesses
Zenkoku Business Partner, K.K.	9.00 million yen	100%	Contract, entrustment, and agency of clerical operations

(Note) The Company only has the one subsidiary above, and it is not subject to consolidation.

(3) Status of Wholly-owned Specified Subsidiaries as of the end of the fiscal year

Not applicable.

12. Other Significant Items Regarding Status of the Company

At this time, the Company has determined that the 2016 Kumamoto Earthquakes have no significant influence on the Company's finance. The Company will investigate damages concerning loans in the affected regions to which the Company is providing guarantees.

II Status of Shares (As of March 31, 2016)

1. Total number of shares authorized to be issued 160,000,000 shares

2. Total number of shares outstanding 68,860,980 shares

3. Number of shareholders 22,656 persons

4. Major shareholders (Top 10)

Shareholder name	Number of shares held (shares)	Ownership ratio (%)
Fukoku Mutual Life Insurance Company	6,200,000	9.01
Meiji Yasuda Life Insurance Company	5,130,000	7.46
TAIYO LIFE INSURANCE COMPANY	4,271,000	6.21
Japan Trustee Services Bank, Ltd. (Trust account)	3,383,800	4.92
The Gibraltar Life Insurance Co., Ltd. (General account for listed securities)	3,029,000	4.40
MSCO CUSTOMER SECURITIES	2,483,615	3.61
Sumitomo Mitsui Trust Bank, Limited	2,000,000	2.90
The Master Trust Bank of Japan, Ltd. (Trust account)	1,882,900	2.73
BBH FOR MATTHEWS JAPAN FUND	1,244,100	1.80
The Bank of Toyama, Ltd.	1,200,000	1.74

(Note) The ownership ratio is calculated after eliminating 240 shares of treasury stock and 99,650 shares held by the Stock Granting Trust (J-ESOP), and fractional figures are rounded down.

5. Other Important Items Regarding Stock

Not applicable.

III Matters Regarding Stock Acquisition Rights, etc., of the Company

1. Status of Stock Acquisition Rights, etc. Held by Officers of the Company as of the Fiscal Year-end

		First Stock Compensation-type Stock Acquisition Rights	Second Stock Compensation-type Stock Acquisition Rights
Date of resolution for issuance		June 20, 2014	June 19, 2015
Status of holdings of officers		1,057 (three persons)	739 (four persons)
	Directors (excluding Outside Directors)	1,057 (three persons)	739 (four persons)
	Outside Directors	—	—
	Audit & Supervisory Board Members	—	—
Type and number of stock for stock acquisition rights		10,570 shares of common stock	7,390 shares of common stock
Amounts to be paid to exercise stock acquisition rights		1 yen per stock	1 yen per stock
Exercise period for stock acquisition rights		From July 24, 2014 to July 23, 2044	From July 23, 2015 to July 22, 2045
Conditions to exercise stock acquisition rights		(i) The holder of stock acquisition rights, limited to the period from the day after losing status as a Director until the tenth day after the above date, exercise all stock acquisition rights at once. (ii) If the holder of stock acquisition rights dies, and only if the stock acquisition rights are inherited by only one of the original holder's legal heirs (hereinafter "inheritor"), the inheritor may, pursuant to the conditions in each of the following items, exercise stock acquisition rights. However, if it is determined that the person has previously committed a significant criminal offense, then that person may not become an inheritor. a. If the inheritor dies, the heirs to the inheritor may not inherit stock acquisition rights. b. The inheritor must complete inheritance procedures, as defined by the Company, within 10 months and before the final date of the exercise period as defined in "Exercise period for stock acquisition rights" above. c. For a period that is within the "Exercise period for stock acquisition rights" above and within two months of completion of inheritance procedures, the inheritor must exercise all stock acquisition	

2. Status of Stock Acquisition Rights, etc., Granted to Employees, etc., During the Term

Not applicable.

3. Other Significant Items Regarding Stock Acquisition Rights

Not applicable.

IV. Company Officers

1. Status of Directors and Audit & Supervisory Board Members

(1) Directors and Audit & Supervisory Board Members

(As of March 31, 2016)

Name	Position and areas of responsibility within the Company	Significant concurrent positions
Eiji Ishikawa	President & Representative Director	
Tsutomu Matsuda	Representative Executive Director General Manager, Sales Headquarters	
Takashi Yamaguchi	Director General Manager, Operations Headquarters	
Yuichi Aoki	Director General Manager, Management Headquarters General Manager, Corporate Planning Division	Audit & Supervisory Board Member, Zenkoku Business Partner, K.K.
Masayuki Kojima	Director (Outside Director)	
Eiichiro Kobayashi	Director (Outside Director)	
Mamoru Fujino	Full-time Audit & Supervisory Board Member	
Masaharu Hino	Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)	Attorney Outside Director, JAPAN POST INSURANCE Co., Ltd.
Yasushi Haneda	Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)	
Kenichi Meguro	Audit & Supervisory Board Member	

(Notes) 1. Both Directors Masayuki Kojima and Eiichiro Kobayashi are Outside Directors.

2. Both Audit & Supervisory Board Members Masaharu Hino and Yasushi Haneda are Outside Audit & Supervisory Board Members.

3. Changes to positions and responsibilities for Directors during the fiscal year under review were as follows:

Name	Position and areas of responsibility within the Company		
	Before change	After change	Date of change
Eiji Ishikawa	President & Representative Director General Manager, Management Headquarters	President & Representative Director	June 19, 2015
Yuichi Aoki	Executive Officer General Manager, Corporate Planning Division	Director General Manager, Management Headquarters General Manager, Corporate Planning Division	

4. Audit & Supervisory Board Member Yoshimi Hirai resigned as of June 19, 2015.
5. Audit & Supervisory Board Member Kenichi Meguro has many years of experience at the Ministry of Finance and Financial Services Agency and has knowledge of finance and accounting.
6. Directors Masayuki Kojima and Eiichiro Kobayashi and Audit & Supervisory Board Member Masaharu Hino have been registered as Independent Directors/Auditors as stipulated by the Tokyo Stock Exchange.

(2) Status of Compensation to Directors and Audit & Supervisory Board Members

Category	Persons	Total compensation, etc.	Amount of compensation, etc., by type		
			Basic compensation	Bonuses	Stock options
Directors (Of which, Outside Directors)	6 persons (2 persons)	187million yen (17 million yen)	123 million yen (13 million yen)	32 million yen (3 million yen)	31 million yen (—)
Audit & Supervisory Board Members (Of which, Outside Audit & Supervisory Board Members)	5 persons (3 persons)	42 million yen (19 million yen)	34 million yen (16 million yen)	8 million yen (3 million yen)	— (—)
Total (Of which, Outside Officers)	11 persons (5 persons)	229 million yen (37 million yen)	157 million yen (30 million yen)	40million yen (6 million yen)	31 million yen (—)

(Notes) 1. At the 26th Annual General Meeting of Shareholders on June 28, 2006, a resolution was adopted to establish an upper limit on compensation to Directors of 50 million yen per month as a fixed compensation limit (excluding compensation as employees), and this amount includes bonuses.
2. At the 26th Annual General Meeting of Shareholders on June 28, 2006, a resolution was adopted to establish an upper limit on compensation to Audit & Supervisory Board Members of 20 million yen per month as a fixed compensation limit, and this amount includes bonuses.
3. At the 34th Annual General Meeting of Shareholders on June 20, 2014, a resolution was adopted to establish an upper limit on compensation in the form of stock options to Directors of 92 million yen per year.
4. Amounts for stock options are the amounts recorded as expenses for the fiscal year in which the stock acquisition rights were issued.
5. The number of persons as of March 31, 2016 is 6 Directors and 4 Audit & Supervisory Board Members. The difference between this and the above table is because the above table includes 1 Audit & Supervisory Board Member who retired at the conclusion of the 35th Annual General Meeting of Shareholders on June 19, 2015.

2. Matters Regarding Outside Officers

(1) Status of Significant Concurrent Positions of Outside Officers

Name Position	Status of Concurrent Positions	Relationship with Relevant Parties
Masaharu Hino (Outside Audit & Supervisory Board Member)	Attorney	There are no significant transactions or other relationships between the Company and the relevant parties at which he concurrently serves.
	Outside Director, JAPAN POST INSURANCE Co., Ltd.	

(2) Principal Activities of Outside Officers During the Fiscal Year Under Review

Name	Position	Status of Comments
Masayuki Kojima	Outside Director	Attended all 14 Board of Directors meetings during the fiscal year under review, and primarily utilizing his wealth of experience in the finance industry and wide range of knowledge in corporate management, actively asked questions at the Board of Directors meetings, and provided suggestions from a specialist perspective, adequately fulfilling corporate supervision functions.
Eiichiro Kobayashi	Outside Director	Attended all 14 Board of Directors meetings during the fiscal year under review, and primarily utilizing his wealth of experience and high level of knowledge as a manager in the finance industry, actively asked questions at the Board of Directors meetings, and provided suggestions from a specialist perspective, adequately fulfilling corporate supervision functions.
Masaharu Hino	Outside Audit & Supervisory Board Member	Attended all 14 Board of Directors meetings and all 15 Audit & Supervisory Board meetings during the fiscal year under review. At meetings of the Board of Directors and the Audit & Supervisory Board, he made appropriate comments based on his specialized knowledge and experience primarily in judicial affairs. Furthermore, under the audit policies defined by the Audit & Supervisory Board, he conducted audits, etc., of each department, adequately fulfilling audit functions as an Audit & Supervisory Board Member.
Yasushi Haneda	Outside Audit & Supervisory Board Member	Attended all 14 Board of Directors meetings and all 15 Audit & Supervisory Board meetings during the fiscal year under review. At meetings of the Board of Directors and the Audit & Supervisory Board, he made appropriate comments based on his specialized knowledge and experience primarily through his dealings with financial institutions. Furthermore, under the audit policies defined by the Audit & Supervisory Board, he conducted audits, etc., of each department, adequately fulfilling audit functions as an Audit & Supervisory Board Member.

(3) Conflicts of Interest with Outside Officers

The Company does not have any conflicts of interest with Outside Officers concerning personal relationships, capital relationships, transaction relationships, or other relationships. Furthermore, Officers (excluding Outside Officers), persons involved in business execution, and persons involved in business execution at designated related parties do not have family relationships, transaction relationships, or other relationships that constitute conflicts of interest with Outside Officers.

3. Summary of Liability Limitation Agreements Concluded with Officers

The Company's Articles of Incorporation allows for the limitation of liability of Article 423, Paragraph 1 of the Companies Act, for its Directors and Audit & Supervisory Board Members excluding Executive Directors as stipulated by Article 427, Paragraph 1 of the same Act, and the Company has concluded liability limitation agreements with Messrs. Masayuki Kojima, Eiichiro Kobayashi, Masaharu Hino, Yasushi Haneda, and Kenichi Meguro.

The limit of liability for Directors and Audit & Supervisory Board Members under the liability limitation agreement is 2.00 million yen or the lower liability limit stipulated in laws and regulations, whichever is higher.

4. Other Information Regarding Independence of Outside Officers

Concerning criteria for assessing independence of Outside Directors, the Company determines, under the Basic Policy on Corporate Governance, that an Outside Directors is independent when he or she does not contravene the requirements of the Independence Standard stipulated by the Tokyo Stock Exchange.

V. Accounting Auditor

1. Accounting Auditor's Name

Grant Thornton Taiyo LLC

2. Accounting Auditor's Compensation, etc.

	Amount paid
Compensation, etc., for the Accounting Auditor for the fiscal year under review	32 million yen
Total cash and other profits payable by the Company to Accounting Auditor	32 million yen

(Notes) 1. The Audit & Supervisory Board agreed to compensation, etc. for the Accounting Auditor because the content and hours of the audit are appropriate in consideration of the comparison between previous fiscal year's audit and this fiscal year's audit plan, and the amount of compensation is adequate relative to audit fees of other listed companies.

2. Under the audit agreement between the Company and its Accounting Auditor, compensation for audits pursuant to the Companies Act and audits pursuant to the Financial Instruments and Exchange Act are not strictly separated, and otherwise cannot be separated. Consequently, the above amount reflects total compensation.

3. Description of Non-Audit Services

Not applicable.

4. Policy Regarding Determination of Termination or Nonrenewal of Appointment of Accounting Auditors

In the event that significant doubt is cast upon the ability of the Accounting Auditor to continue to perform its duties, the Company's policy is for a resolution of the Audit & Supervisory Board to present a proposal to a General Meeting of Shareholders to either terminate or not renew the agreement.

5. Liability Limitation Agreement

Not applicable**.**

VI. Company's Systems and Policies

1. System to ensure proper execution of business

At a meeting held on May 1, 2006, the Board of Directors decided upon a basic policy toward creating systems to ensure proper execution of business, based on Article 362, Paragraph 4, Item 6 of the Companies Act and Article 100, Paragraph 1 and Paragraph 3 of the Ordinance for Enforcement of the Companies Act, and partially revised the basic policy at a meeting held on December 14, 2015.

The contents are as follows.

(1) System to ensure that Directors' and employees' execution of duties complies with law and regulations and the Articles of Incorporation

1) The Board of Directors and Directors establish Corporate Code of Ethics and Code of Conduct based on the core principle of compliance with laws and regulations, recognize and practice compliance with laws and regulations as a basic principle of all corporate actions, and ensure officers and employees have a thorough awareness of compliance so that it is established as the corporate culture.
2) The Board of Directors and Directors, in accordance with Compliance Regulations, establish and reinforce compliance systems by means such as the establishment of the General Compliance Department and General Manager in charge of Compliance, and a Compliance Committee, which is a monitoring institution.
3) The Board of Directors and Directors, in accordance with Compliance Regulations, develop a compliance program for each fiscal year, which is a specific implementation plan. In addition, General Compliance Department prepares manuals, etc. for compliance, and enhance effectiveness of compliance by fostering awareness through training, etc.
4) The Board of Directors and Directors, in accordance with the Whistle-blower Regulations, assign third parties as external contact points, in addition to internal contact points. If officers and employees identified material facts concerning compliance, those officers and employees shall take appropriate measures using these contact points.

(2) System for storage and management of information related to Directors' execution of duties

1) In line with Regulations on the Storage of Documents and related detailed regulations, etc., the Company will record information relating to Directors' execution of duties in document form or as electronic media, and store, manage, and utilize such information in an appropriate manner.
2) Directors and Audit & Supervisory Board Members may consult these records in the form of documents and electronic media at any time.

(3) Regulations or any other systems for management of risk of loss (risk management)

1) The Board of Directors and Directors, under Risk Management Regulations, establish and reinforce risk management systems by means such as the General Risk Department and General Manager in Charge of Risk Management, methods for ensuring ongoing understanding, monitoring, and reporting, and the establishment of a Risk Management Committee, which is a monitoring institution.

2) In order to address each risk intrinsic to our business operation, the Board of Directors and Directors, striking an appropriate balance with return, etc., conduct risk management by quantifying and integrating credit risks, market risks and operational risks (system risk and administrative risk) to compare them with the operational capacity (risk capital) of the Company.
3) Based on the "Regulations for Emergency Response," a system will be maintained for the establishment of an Emergency Response Headquarters, and the Company will strive to strengthen and enrich its risk management for resuming and continuing operations by working to assess situations at an early stage and minimize damage if unexpected circumstances arise.

(4) System to ensure that Directors' execution of duties is efficient
1) In order to establish company-wide targets shared by Directors and employees, the Company clarifies management issues in light of changes in the external and internal environments, and formulates a Medium-term Management Plan for a period of three fiscal years.
2) Based on the Medium-term Management Plan, the Board of Directors and Directors set business results targets and efficient budgets for each business division (branch office) every fiscal year, and in order to make functional a PDCA cycle to advance and achieve these goals, appropriate distribution of management resources will be made to each business division according to the basic risks and profitability of operation.
3) The status of business execution at each business department (branch office) is reported regularly to the Board of Directors, deliberations are held, and measures are taken as necessary.
4) Regarding monthly business performance, performance against targets is reported to the Board of Directors each month, and in the event that the result differs from the target figure, the reason for the difference is reported and measures to ensure the achievement of targets are discussed.
5) The Director in charge of each business division (branch office) will maintain regulations regarding division of operations and delegation of duties, and while cooperating with each business division (branch office), implement efficient operational management such that control functions are effectively exhibited.

(5) System to ensure proper business execution within the Company group
1) The Company establishes a system concerning reporting to the Company of matters regarding execution of duties by Directors of subsidiaries. Particularly, to build internal control systems at subsidiaries, the Company takes measures to increase the effectiveness of internal control systems at subsidiaries, and provides the necessary guidance and support to subsidiaries to establish a reporting system that enables reporting form Directors of subsidiaries of such matters to the Parent.
2) The Company establishes regulations or any other systems for management of risk of loss at subsidiaries.
3) The Company establishes a system that ensures efficient execution of duties by Directors, etc. of its subsidiaries.
4) The Company establishes a system that ensures execution of duties by Directors, etc. and employees of subsidiaries is in compliance with laws and regulations and the Articles of Incorporations.

(6) Matters relating to employees assigned to assist Audit & Supervisory Board Members in their duties, in the event that Audit & Supervisory Board Members have requested such employees

1) Directors appoint Audit & Supervisory Board Member staff whose duty is to assist Audit & Supervisory Board Members with audits.
2) Employees appointed as Audit & Supervisory Board Member staff focus solely on their duty to assist Audit & Supervisory Board Members with audits.

(7) Matters relating to the independence of employees assigned to assist Audit & Supervisory Board Members from Directors, and matters relating to ensuring effectiveness of directions to employees assigned to assist Audit & Supervisory Board Members

1) Concerning personnel transfers, etc. regarding Audit & Supervisory Board Member staff, the Company hears and respects views of Audit and Supervisory Board Members, and ensure independence from Directors.
2) Audit & Supervisory Board Member staff shall carry out their duties under the direction of Audit & Supervisory Board Member, and do not receive directions from Directors etc. However, in the event that Audit & Supervisory Board Member staff concurrently holds other duties, the directions of Audit & Supervisory Board Members are limited to the duty of assisting Audit & Supervisory Board Members with audits.

(8) Systems described below and other systems related to reports to Audit & Supervisory Board Members of the Company

1) The Company establishes systems to allow Directors and employees to report to Audit & Supervisory Board Members. Especially, a system shall be established that allows legal matters to be quickly reported to Audit & Supervisory Board Members, as well as the matters that have a significant impact on the Company or its subsidiaries, the status of the implementation of internal audits, and the status of matters that raise suspicions related to compliance.
2) The Company establishes systems to allow Directors, Audit & Supervisory Board Members and employees of subsidiaries or persons that receive reports therefrom to report to Audit & Supervisory Board Members. Especially, a system shall be established that allows Directors or employees of subsidiaries to quickly report to Audit & Supervisory Board Members legal matters of subsidiaries, as well as the matters that have a significant impact on the Company or its subsidiaries, the status of the implementation of internal audits, and the status of matters that raise suspicions related to compliance.

(9) System to ensure that persons reporting to Audit & Supervisory Board Members not be treated unfavorably because of the report

1) In order to assure reliability of the whistle-blower system, the Company prohibits to treat whistle-blowers that made the report unfavorably, and thoroughly inform Directors and employees to that effect.

(10) Matters concerning a policy with regard to treatment of costs and liabilities incurred on execution of duties by Audit & Supervisory Board Members

1) Audit & Supervisory Board Members, in accordance with Standards for Audits by Audit & Supervisory Board Members, appropriate a budget for costs that are necessary for their execution of duties in advance. However, Audit & Supervisory Board Members may subsequently request reimbursement for costs incurred in emergent or incidental circumstances.

(11) Other systems to ensure Audit & Supervisory Board Members' audits are effective

1) The Representative Director regularly holds meetings with Audit & Supervisory Board Members to exchange opinions on matters such as issues that the Company should address, the status of improvement of environment for audit by Audit & Supervisory Board Members, and important audit issues.
2) A three-pronged Auditor Liaison Committee comprised of Audit & Supervisory Board Members, the Internal Auditing Department, and the Accounting Auditor is regularly held to exchange opinions on the results of audits and other businesses.

(12) System to ensure reliability of financial reporting and to provide such reporting in an appropriate and timely manner

1) The Company provides reliable financial reporting to all stakeholders including shareholders in an appropriate and timely manner, in response to the internal control reporting system regarding financial reporting under the Financial Instruments and Exchange Act.
2) The Company recognizes importance of the role of internal control over financial reporting, and appropriately establishes and operates basic components of internal control (i.e., control environment, risk assessment and response, control activities, information and communication, monitoring, and response to IT).
3) Internal control system over financial reporting shall be as follows:
   a. Determine a department in charge of the establishment of the internal control system and other related businesses so that the internal control works effectively.
   b. Clarify segregation of duties in the Regulations for Assignment of Duties. In addition, appropriately determine assignment of authorities and duties in the Regulations for Responsibilities.
   c. Establish a system that enables management policy and directions by Directors to be communicated to employees, and frauds or errors, etc. to be communicated to Directors and relevant mangers within the organization, in a timely and appropriate manner.

(13) System to eliminate antisocial forces

1) The Company establishes a basic policy and strives to establish an internal consensus for dealing with antisocial forces, in order to prevent the damage caused by so-called antisocial forces, namely groups or individuals that use violence, force, and fraudulent methods in the pursuit of economic gain.
2) The Company ensures Directors and employees have a thorough awareness of the basic policy for dealing with antisocial forces, while also taking a firm stance against antisocial forces and completely forbidding any relationship with such forces.

2. Overview of the status of implementation of systems to ensure proper execution of business

Overview of the status of implementation of systems to ensure proper execution of business is as follows:

(1) Matters concerning compliance

- Under the Compliance Regulations, the Company, by developing a compliance program, has held regular internal training sessions, position-based education sessions and periodic testing according to job classes, and has made efforts to ensure thorough understanding and awareness among officers and employees.
- Compliance Committee has met monthly in principle to monitor the status of implementation of the compliance program, and to discuss and determine important matters concerning compliance to report to the Board of Directors.
- Under the Whistle-blower Regulations, the Company has set up internal and external contact points. During the fiscal year, the Company has added a law firm as an external contact to reinforce consulting system.

(2) Matters concerning risks

- Risk Management Committee has met monthly in principle to review the status of occurrence of each risk, status of management and status of implementation of risk management system, analyze risks from various viewpoints including an analysis utilizing the comprehensive risk management system, and make reports to the Board of Directors.
- The Company has formulated Regulations for Emergency Response that stipulates establishment of emergency headquarters in the event of emergency caused by natural disasters, catastrophes, and scandals, etc., and has established a system in preparation for eventualities.

(3) Matters concerning execution of duties by Directors

- The Company has appropriately been storing and managing documents related to Directors' execution of duties in accordance with Regulations on the Storage of Documents and related detailed regulations, etc. Such documents have been made available to Directors and Audit & Supervisory Board Members at any time.
- The Board of Directors has been receiving reports regarding the status of implementation of the business plan for every quarter, and regarding comparison of budget plan and actual results for every month, and has been overseeing efficient execution of duties by Directors. In addition, the Board of Directors has discussed measures to be taken as necessary, in the event that the result differs from the budget plan.

(4) Matters concerning Audit & Supervisory Board Members

- In order to facilitate activities of Audit & Supervisory Board Members, the Company has appointed one dedicated Audit & Supervisory Board Member staff whose duty is to assist Audit & Supervisory Board Members with audits. The appointment of the Audit & Supervisory Board Member staff has been decided in consultation with Audit & Supervisory Board Members, and independence has been ensured for such appointment.
- Full-time Audit & Supervisory Board Members, under the audit policies and plan developed by the Audit & Supervisory Board, have attended important meetings including the meetings of the Board of Directors and the management meetings, and conducted audits of execution of duties by Directors regarding overall management and individual matters, through conducting interviews to, and receiving reports from, each department as necessary. Also monthly meetings have been held among President & Representative Director, Accounting Auditor and the Internal Auditing Department to exchange opinions.

Balance Sheets

(As of March 31, 2016)

(Amount: million yen)

Description	Amount	Description	Amount
Assets		**Liabilities**	
Current assets	**176,377**	**Current liabilities**	**27,071**
Cash and deposits	149,289	Unearned revenue	13,476
Right to reimbursement	11,989	Deposits received	33
Securities	7,077	Accounts payable - other	853
Money held in trust	10,291	Income taxes payable	4,357
Accounts receivable - other	352	Provision for bonuses	209
Prepaid expenses	45	Provision for loss on guarantees	8,006
Deferred tax assets	3,870	Provision for shareholder benefit program	126
Other	262	Other	8
Allowance for doubtful accounts	(6,802)	**Non-current liabilities**	**134,336**
Non-current assets	**59,143**	Long-term unearned revenue	134,302
Property, plant and equipment	**206**	Provision For Stocks Payment	33
Buildings	194	**Total liabilities**	**161,407**
Accumulated depreciation	(121)	**Net assets**	
Vehicles	55	**Shareholders' equity**	**74,278**
Accumulated depreciation	(26)	**Capital stock**	**10,684**
Tools, furniture and fixtures	350	**Capital surplus**	**618**
Accumulated depreciation	(249)	Legal capital surplus	618
Land	4	**Retained earnings**	**63,242**
Intangible assets	**409**	Legal retained earnings	2,055
Software	405	Other retained earnings	61,187
Other	3	Reserve for loss on guarantees	43,900
Investments and other assets	**58,527**	Retained earnings brought forward	17,287
Investment securities	50,374	**Treasury shares**	**(267)**
Shares of subsidiaries and associates	9	**Valuation and translation adjustments**	**(221)**
Long-term time deposits	6,000	Valuation difference on available-for-sale securities	(221)
Long-term prepaid expenses	72	**Subscription rights to shares**	**56**
Prepaid pension costs	5		
Deferred tax assets	1,451		
Other	614	**Total net assets**	**74,112**
Total assets	**235,520**	**Total liabilities and net assets**	**235,520**

Statements of Income

(April 1, 2015 - March 31, 2016)

(Amount: million yen)

Description	Amount	
Operating revenue		
Income guarantee fee	31,817	
Other	100	**31,918**
Operating expenses		
Provision for loss on guarantees	1,800	
Provision of allowance for doubtful accounts	(419)	
Salaries, allowances and bonuses	1,546	
Provision for bonuses	209	
Depreciation	200	
Other	3,456	**6,793**
Operating income		**25,125**
Non-operating income		
Interest income	226	
Interest on securities	574	
Dividend income	171	
Gain on investments in money held in trust	140	
Other	93	**1,205**
Non-operating expenses		
Commission fee	17	
Other	10	**27**
Ordinary income		**26,303**
Income before income taxes		**26,303**
Income taxes - current	7,678	
Income taxes - deferred	1,420	**9,098**
Net income		**17,204**

Statements of Changes in Equity

(April 1, 2015 - March 31, 2016)

(Amount: million yen)

	Shareholders' equity								
	Capital stock	Capital surplus		Retained earnings				Treasury shares	Total Shareholders' equity
		Legal capital surplus	Total capital surpluses	Legal retained earnings	Other retained earnings		Total retained earnings		
					Reserve for loss on guarantees	Retained earnings brought forward			
Balance at beginning of current period	10,681	615	615	2,055	32,100	15,188	49,343	(270)	60,370
Changes of items during period									
Issuance of new shares (exercise of subscription rights to shares)	3	3	3						6
Dividends of surplus						(3,305)	(3,305)		(3,305)
Provision of reserve for loss on guarantees					11,800	(11,800)	-		-
Net income						17,204	17,204		17,204
Disposal of treasury shares								2	2
Net changes of items other than shareholders' equity									
Total changes of items during period	3	3	3	-	11,800	2,099	13,899	2	13,908
Balance at end of current period	10,684	618	618	2,055	43,900	17,287	63,242	(267)	74,278

	Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of current period	123	123	30	60,524
Changes of items during period				
Issuance of new shares (exercise of subscription rights to shares)				6
Dividends of surplus				(3,305)
Provision of reserve for loss on guarantees				-
Net income				17,204
Disposal of treasury shares				2
Net changes of items other than shareholders' equity	(344)	(344)	25	(319)
Total changes of items during period	(344)	(344)	25	13,588
Balance at end of current period	(221)	(221)	56	74,112

Accounting Auditor's Audit Report on the Financial Statements (duplicated copy)

Independent Auditor's Report
(English Translation)

May 9, 2016

To the Board of Directors
ZENKOKU HOSHO Co., Ltd.

Grant Thornton Taiyo LLC

Certified Public Accountant
Designated Limited Liability Partner Satoshi Kirikawa [Seal]
Engagement Partner
Certified Public Accountant
Designated Limited Liability Partner Masaya Ishii [Seal]
Engagement Partner

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the financial statements, namely, the balance sheets, the statements of income, the statements of changes in equity, the notes to financial statements and the related supplementary schedules of ZENKOKU HOSHO Co., Ltd. (hereinafter the "Company") applicable to the 36th fiscal year from April 1, 2015 to March 31, 2016.

Management responsibility in respect of non-consolidated financial statements

Management of the Company is responsible for the preparation and appropriate presentation of financial statements and the related supplementary schedules, pursuant to the corporate accounting standards generally accepted in Japan. This includes development and operation of internal control as deemed necessary by the management in ensuring preparation and appropriate presentation of the financial statements and the related supplementary schedules that are free from any material misstatements due to fraud or error.

Responsibility of Accounting Auditor

We as Accounting Auditor are responsible for expressing our opinion in respect of the financial statements and the related supplementary schedules from an independent standpoint, based on the audit we conducted. Our audit was conducted in accordance with auditing standards generally accepted in Japan. The auditing standards require us to develop audit plan and conduct our audit according to the plan in order to obtain reasonable assurance whether any material misstatement exists in the financial statements and the related supplementary schedules or not.

Our audit involves the procedures to obtain audit evidence that verifies if the accurate amounts were duly disclosed in the financial statements and the related supplementary schedules. Audit procedures are selected and applied at our discretion, based on the risk assessment of material misstatements in the financial statements and the related supplementary schedules due to fraud or error. Although expressing our opinion in respect of the effectiveness of the Company's internal control does not constitute the purpose of accounting audit, we examine the internal control in respect of the preparation and appropriate presentation of the financial statements and the related supplementary schedules, with the purpose to develop appropriate audit procedures depending on the situation, when we implement the risk assessment. Our audit also involves examination of the overall presentation of the financial statements and the related supplementary schedules, including assessment of the accounting policies and its application methods as adopted by the management, along with the estimates made by the management.

We believe we have obtained sufficient and appropriate audit evidence that serves as the basis for expression of our opinion.

Audit opinion

In our opinion, the financial statements and the related supplementary schedules referred to above present

fairly, in every significant aspect, the financial position and operating results of the Company for the fiscal year under review in conformity with corporate accounting standards generally accepted in Japan.

Interest

Neither Grant Thornton Taiyo LLC nor any of the Engagement Partners has any interest in the Company which should be disclosed under the provisions of the Certified Public Accountants Act.

Audit Report

The Audit & Supervisory Board, upon deliberation, prepared this audit report regarding the Directors' execution of their duties during the 36th fiscal year from April 1, 2015 to March 31, 2016, based on the audit reports prepared by each Audit & Supervisory Board Member and hereby reports as follows:

1. Auditing Method Employed by Audit & Supervisory Board Members and the Audit & Supervisory Board and Details Thereof
   (1) The Audit & Supervisory Board established audit policies, division of duties, etc. and received reports from all the Audit & Supervisory Board Members regarding the execution of audits and the results thereof. In addition, we requested reports, and explanations as necessary, from Directors, etc. and the Accounting Auditor regarding the execution of their duties.
   (2) In accordance with the audit policies, established by the Audit & Supervisory Board, and pursuant to audit policies, division of duties, etc., we attempted communication with Directors, the Audit Department, and other employees, etc., and worked to gather information and establish an auditing environment, and carried out audits in the following manner:
      1. We attended the Board of Directors' meetings and other important meetings, received reports from the Directors and other employees, etc. regarding the execution of their duties, requested explanations as necessary, inspected documents, etc., related to important decisions, and examined the operations and assets at the Company's headquarters and principal offices. With regard to the Company's subsidiary, the Audit & Supervisory Board attempted communication with its Directors, Audit & Supervisory Board Members, etc., and received report as necessary from the subsidiary.
      2. With respect to the resolution of the Board of Directors concerning the development of the system to ensure the compliance of Directors with laws, regulations and the Articles of Incorporation in the execution of their duties described in the Business Report and other systems required to ensure the properness of the operations of corporate group consisting of joint stock company (kabushiki-kaisha) and its subsidiaries as stipulated in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act, as well as the system (internal control system) developed based on said resolution of the Board of Directors, we received regular reports regarding the status of implementation and operation thereof from the Directors and other employees, sought explanations as necessary, and expressed opinion thereon.
      3. We monitored and verified whether the Accounting Auditor had maintained its independence and conducted audits appropriately, and received reports, and sought explanations as necessary, from the Accounting Auditor regarding the execution of its duties. The Audit & Supervisory Board received notification from the Accounting Auditor to the effect that "systems for ensuring appropriate execution of duties" (matters listed in each item of Article 131 of the Ordinance on Accounting of Companies) has been established in accordance with "Quality Control Standards for Auditing" (dated October 28, 2005 by Business Accounting Council), etc., and we requested explanations as necessary.

Based on the above, we examined the Business Report and the related supplementary schedules, the financial statements (the balance sheets, the statements of income, the statements of changes in net assets, and the notes to financial statements) and the related supplementary schedules for the fiscal year under review.

2. Audit Results
   (1) Results of Audit of Business Report, etc.
      1. In our opinion, the business report and the supplementary schedules are in accordance with the related laws and regulations and Articles of Incorporation, and fairly represent the Company's condition.
      2. No inappropriate conduct concerning the execution of duties by Directors or material facts in violation of laws, regulations or the Articles of Incorporation were found.
      3. We found that the Board of Directors' resolutions concerning the internal control system are appropriate in content. We also found no matters requiring note with respect to the description of

the Business Report and the execution of duties by Directors concerning the said internal control system.

(2) Results of Audit of Non-consolidated Financial Statements and Related Supplementary Schedules
We found that the methods and the results of the audit conducted by Accounting Auditor, Grant Thornton Taiyo LLC, are appropriate.

May 11, 2016

Audit & Supervisory Board
ZENKOKU HOSHO Co., Ltd.

Full-time Audit & Supervisory Board Member	Mamoru Fujino
Outside Audit & Supervisory Board Member	Masaharu Hino
Outside Audit & Supervisory Board Member	Yasushi Haneda
Audit & Supervisory Board Member	Kenichi Meguro

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Distribution of Surplus

The Company considers profit distribution to its shareholders as one of the important aspects of its business. Its basic dividend policy is to pay stable, continuous cash dividends based on comprehensive consideration of the entire business, while securing internal reserves to maintain a solid financial foundation as a housing loan guarantee company. Under this policy, the Company proposes the following year-end dividends and distribution of surplus for the fiscal year under review.

1. Matters concerning year-end dividends
   (1) Type of dividend property
   Cash
   (2) Matters concerning the allotment of dividend property and the total amount
   55 yen per share of common stock
   Total amount of 3,787,340,700 yen
   (3) Effective date of distribution of surplus
   June 20, 2016
2. Other matters concerning the distribution of surplus
   (1) Item and the amount of surplus to be increased
   Reserve for loss on guarantees 13,400,000,000 yen
   (2) Item and amount of surplus to be decreased
   Retained earnings brought forward 13,400,000,000 yen

Proposal No. 2: Election of Six (6) Directors

The term of office of all six (6) Directors will have expired as of the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of six (6) Directors is proposed.

The candidates are as follows:

[Reference] List of candidates for Directors

No.	Name	Positions and responsibilities at the Company	Category
1	Eiji Ishikawa	President & Representative Director	Reappointment
2	Tsutomu Matsuda	Representative Executive Director General Manager, Sales Headquarters	Reappointment
3	Takashi Yamaguchi	Director General Manager, Operations Headquarters	Reappointment
4	Yuichi Aoki	Director General Manager, Management Headquarters General Manager, Corporate Planning Division	Reappointment
5	Masayuki Kojima	Director	Reappointment Outside Independent
6	Eiichiro Kobayashi	Director	Reappointment Outside Independent

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1 Reappointment	Eiji Ishikawa (September 20, 1964)	January 1990 Joined the Company February 1997 General Manager, Yokohama Branch April 2002 General Manager, Claims Management Division October 2002 General Manager, Fukuoka Branch June 2003 Executive Officer and General Manager, Fukuoka Branch October 2004 Executive Officer and General Manager, General Affairs Division, Executive Secretary April 2005 Executive Officer and General Manager, Management Headquarters, General Manager, Related Business Division September 2005 Executive Officer and General Manager, Listing Preparation Headquarters, General Manager, Related Business Division June 2006 Director and Managing Executive Officer July 2006 President & Representative Director March 2015 President & Representative Director and General Manager, Management Headquarters June 2015 President & Representative Director (current position)	39,788 shares
<Reasons for nomination as a candidate for Director> Mr. Eiji Ishikawa has appropriately conducted direction and supervision of management as President & Representative Director, and demonstrates ability as a leader of the management team. Additionally, he serves as President, the responsible person for business execution, directs and integrates all corporate business execution, and works to advance the corporate management plan, possessing a wealth of experience and insights in the Company. Due to the above, the Company has judged that he is suitable for continuous growth and improvement of corporate value of the Company, and requests his continued election as Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2 Reappointment	Tsutomu Matsuda (October 1, 1955)	April 1979 Joined Zenkoku Shakai Hoken Kyosaikai Foundation (currently Zenkoku Shakai Hoken Kyosaikai, General Foundation) October 1995 General Manager, Loan Division October 1998 General Manager, Planning and Research Division and General Manager, Claims Management Division October 2001 Director September 2006 Advisor, the Company December 2006 Managing Director January 2007 Managing Director and General Manager, Sales Headquarters June 2009 Senior Managing Director and General Manager, Sales Headquarters April 2010 President & Representative Director, Zenkoku Business Partner, K.K. June 2011 Director February 2012 Senior Managing Director and General Manager, Management Headquarters, the Company June 2013 Representative Executive Director and General Manager, Management Headquarters April 2014 Representative Executive Director and General Manager, Sales Headquarters (current position) [Responsibilities] Sales Headquarters	11,588 shares
<Reasons for nomination as a candidate for Director> Mr. Tsutomu Matsuda has appropriately conducted direction and supervision of management as Representative Director. Additionally, as General Manager, Sales Headquarters, he is working to expand the sales foundation through strengthening relationships with existing transaction partners and foster growth of sales representatives, and possesses a wealth of experience and insights in the Company. Due to the above, the Company has judged that he is suitable for continuous growth and improvement of corporate value of the Company, and requests his continued election as Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3 Reappointment	Takashi Yamaguchi (January 3, 1970)	November 1995 Joined the Company April 2002 General Manager, Nagoya Branch June 2006 Executive Officer and General Manager, Nagoya Branch April 2007 Executive Officer and General Manager, Head Office February 2009 Executive Officer and General Manager, Corporate Planning Division April 2010 Audit & Supervisory Board Member, Zenkoku Business Partner, K.K. June 2011 Director and General Manager, Operations Headquarters (current position) [Responsibilities] Operations Headquarters	25,181 shares
<Reasons for nomination as a candidate for Director> Mr. Takashi Yamaguchi engages in corporate management as Director, and is fulfilling his duties and responsibilities. Additionally, as General Manager, Operations Headquarters, he is working to respond to customer needs and improve efficiency of operations through product planning and development and maintaining a credit evaluation system, and possesses a wealth of experience and insights in the Company. Due to the above, the Company has judged that he is suitable for continuous growth and improvement of corporate value of the Company, and requests his continued election as Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4 Reappointment	Yuichi Aoki (September 10, 1971)	August 2002 Joined the Company June 2011 General Manager, Corporate Planning Division June 2013 Executive Officer and General Manager, Corporate Planning Division December 2014 Audit & Supervisory Board Member, Zenkoku Business Partner, K.K. (current position) June 2015 Director and General Manager, Management Headquarters, General Manager, Corporate Planning Division (current position) [Responsibilities] Management Headquarters [Significant concurrent position] Audit & Supervisory Board Member, Zenkoku Business Partner, K.K.	12,918 shares
<Reasons for nomination as a candidate for Director> Mr. Yuichi Aoki engages in corporate management as Director, and is fulfilling his duties and responsibilities. Additionally, as General Manager, Management Headquarters and General Manager, Corporate Planning Division, he is working to strengthen corporate management through refining risk management systems and effective use of personnel that serve as management resources, and possesses a wealth of experience and insights in the Company. Due to the above, the Company has judged that he is suitable for continuous growth and improvement of corporate value of the Company, and requests his continued election as Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
5 Reappointment Outside Independent	Masayuki Kojima (April 24, 1942)	June 1963 May 1977 December 1983 April 1986 April 1997 July 1999 June 2001 December 2006	Joined Tokyo-To Shinyo Kinko Kyokai, Incorporated Association (currently Tokyo-To Shinyo Kinko Kyokai, General Incorporated Association) Manager, General Affairs Division Seconded to Shinkin Bank Leasing Co., Ltd. as General Manager, General Affairs Division General Manager, Business Operations Division, Tokyo-To Shinyo Kinko Kyokai, Incorporated Association (currently Tokyo-To Shinyo Kinko Kyokai, General Incorporated Association) General Manager, Credit Division Seconded to Shinkin Card Business Co., Ltd. as Senior Managing Director Director, Shinkin Credit Service Co., Ltd. (currently Shinkin Card Co., Ltd.) Outside Director, the Company (current position)	848 shares

<Reasons for nomination as a candidate for Director>
Mr. Masayuki Kojima possesses a wealth of experience and wide insights regarding corporate management through serving in important posts in the financial industry, and he provides appropriate recommendations and supervision toward the Company's management as Outside Director. By continuing to have him fulfill the supervisory and check functions toward the Company's overall management from an objective, extensive, and advanced perspective, the Company has judged that he can contribute to the Company's management system, and requests his election as Outside Director.
Additionally, although Mr. Masayuki Kojima has been the Company's Outside Director since December 2006 and will be in office for approximately 9 years and 6 months as of the conclusion of this Annual General Meeting of Shareholders, the Company proposes his continued election in consideration of the current situation of the Company and the fact that he has maintained independence from the Company.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6 Reappointment Outside Independent	Eiichiro Kobayashi (January 29, 1938)	April 1961 Joined The Kyowa Bank, Ltd. (currently Resona Bank, Limited) June 1997 Representative Director and Vice President, The Asahi Bank, Ltd. (currently Resona Bank, Limited) June 1998 President and Representative Director, Asahi Bank Research Institute Co., Ltd. (currently Resona Research Institute Co., Ltd.) January 2002 Advisor, AIG Star Life Insurance Co., Ltd. (currently The Gibraltar Life Insurance Co., Ltd.) Outside Director, S・K・I. CORPORATION February 2003 Special Advisor, CNS CONSULTING GROUP Inc. (current position) May 2004 Advisor, AIG Edison Life Insurance Company (currently The Gibraltar Life Insurance Co., Ltd.) November 2004 Councilor and Advisor to Alumni Association, Waseda University (current position) July 2006 Member of Management Advisory Committee, Resorttrust, Inc. (current position) June 2009 Outside Director, the Company (current position) April 2011 Advisor, The Prudential Gibraltar Financial Life Insurance Co., Ltd. (current position) December 2012 Advisor, S・K・I. CORPORATION	977 shares

<Reasons for nomination as a candidate for Director>
Mr. Eiichiro Kobayashi possesses a wealth of experience and advanced specialized knowledge regarding corporate management of large-scale financial firms, as well as wide insights, and he provides appropriate recommendations and supervision toward the Company's management as Outside Director. By continuing to have him provide recommendations and suggestions to secure legality and appropriateness regarding decisions on important matters by the Company's management, the Company has judged that further enrichment of corporate governance will be possible, and requests his election as Outside Director.
Additionally, although Mr. Eiichiro Kobayashi has been the Company's Outside Director since June 2009 and will be in office for approximately 7 years as of the conclusion of this Annual General Meeting of Shareholders, the Company proposes his continued election in consideration of the current situation of the Company and the fact that he has maintained independence from the Company.

(Notes)

1. No material conflict of interest exists between the Company and each candidate for Director.
2. Messrs. Masayuki Kojima and Eiichiro Kobayashi are candidates for Outside Director.
3. Liability limitation agreements with Directors
   In order to invite capable individuals as Directors, and to allow them to adequately fulfill their expected duties, the Company has stipulated in its Articles of Incorporation, pursuant to Article 427, Paragraph 1 of the Companies Act, that the Company may conclude agreements with Directors not involved in the execution of business to limit their liabilities for damages caused by their negligence of duties as Directors within a certain range.
   Accordingly, the Company has concluded above agreements with Messrs. Masayuki Kojima and Eiichiro Kobayashi, and if they are reappointed at this Annual General Meeting of Shareholders as Directors, the Company intends to maintain said agreements with Messrs. Masayuki Kojima and Eiichiro Kobayashi. The agreements stipulate that the liabilities specified in Article 423, Paragraph 1 of the Companies Act will be limited to the higher of 2.00 million yen or the amount provided by laws and regulations, if they have acted in good faith and without gross negligence in performing their duties.
4. The Company has registered Messrs. Masayuki Kojima and Eiichiro Kobayashi as Independent Directors/Auditors as stipulated by the Tokyo Stock Exchange.
5. The number of shares held by candidates for Director includes those held by them under the ZENKOKU HOSHO Officer's Shareholding Association.

Proposal No. 3: Election of Four (4) Audit & Supervisory Board Members

The term of office of four (4) Audit & Supervisory Board Members will have expired as of the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of four (4) Audit & Supervisory Board Members is proposed.

This proposal has received approval from the Audit & Supervisory Board.

The candidates are as follows:

[Reference] List of candidates for Audit & Supervisory Board Members

No.	Name	Positions and responsibilities at the Company	Category
1	Mamoru Fujino	Full-time Audit & Supervisory Board Member	Reappointment
2	Masaharu Hino	Audit & Supervisory Board Member	Reappointment Outside Independent
3	Yasushi Haneda	Audit & Supervisory Board Member	Reappointment Outside
4	Kenichi Meguro	Audit & Supervisory Board Member	Reappointment

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
1 Reappointment	Mamoru Fujino (September 24, 1956)	April 1980 October 1997 October 2003 March 2007 March 2009 July 2012 April 2013 July 2014 April 2015 June 2015	Joined The Dai-Ichi Kangyo Bank, Ltd. (currently Mizuho Bank, Ltd.) Seconded to Dai-Ichi Kangyo Asahi Asset Management Co., Ltd. as General Manager, Corporate Operations Department (currently Mizuho Asset Management Co., Ltd.) Advisor, Mizuho Financial Group, Inc. Seconded to Mizuho Securities Co., Ltd. as General Manager, Auditing Office Advisor, Mizuho Bank, Ltd. Seconded to Oenon Holdings, Inc. as Full-time Corporate Auditor Seconded to GODO SHUSEI CO., LTD. as Corporate Auditor Seconded to Mizuho Capital Co., Ltd. as Full-time Corporate Auditor Joined Japan imagination Co. Ltd. as General Manager, Management Headquarters Executive Officer and General Manager, Management Headquarters Joined Mizuho Business Partner Co., Ltd. as General Manager in charge of Personnel and General Affairs Department Joined the Company as Advisor Full-time Audit & Supervisory Board Member (current position)	455 shares
<Reasons for nomination as a candidate for Audit & Supervisory Board Member> Mr. Mamoru Fujino possesses a wealth of experience and wide insights through serving in important posts such as Corporate Auditor and audit divisions of large-scale financial institution and business companies for many years, and he is demonstrating audit functions regarding the execution of duties by Directors as Full-time Audit & Supervisory Board Member. The Company has judged that he will continue to contribute to maintaining compliance and internal controls of the Company as Full-time Audit & Supervisory Board Member from an objective viewpoint, and requests his election as Audit & Supervisory Board Member.				

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2 Reappointment Outside Independent	Masaharu Hino (January 9, 1936)	April 1961 Appointed as public prosecutor April 1980 Deputy Director-General, General Affairs Division, Tokyo District Public Prosecutors Office March 1981 Deputy Director-General, Trial Department March 1984 Director, the United Nations Asia and Far East Institute for the Prevention of Crime and the Treatment of Offenders September 1986 Assistant Vice-Minister of Justice (in charge of Criminal Affairs Bureau) July 1993 Director-General, Public Security Department, Supreme Public Prosecutors Office November 1994 Director, Research and Training Institute of the Ministry of Justice June 1996 Superintending Prosecutor, Sendai High Public Prosecutors Office February 1997 Superintending Prosecutor, Nagoya High Public Prosecutors Office June 1998 Commissioner, Financial Supervisory Agency (currently Financial Services Agency) July 2000 Commissioner, Financial Services Agency January 2001 Counselor, Financial Services Agency February 2001 Registered as an attorney Admitted to Daiichi Tokyo BAR Association (current position) June 2005 Outside Audit & Supervisory Board Member, Seven Bank, Ltd. September 2006 Outside Director, JAPAN POST INSURANCE Co., Ltd. (current position) December 2006 Outside Audit & Supervisory Board Member, the Company (current position) June 2008 Outside Director, Fujita Corporation [Significant concurrent position] Attorney at law Outside Director, JAPAN POST INSURANCE Co., Ltd.	4,889 shares

<Reasons for nomination as a candidate for Audit & Supervisory Board Member>
Mr. Masaharu Hino possesses specialized viewpoints and advanced insights as a legal specialist through serving as Superintending Prosecutor and Commissioner, Financial Services Agency, etc., and he is demonstrating audit functions regarding the execution of duties by Directors as Outside Audit & Supervisory Board Member. The Company has judged that he will continue to demonstrate management audit functions from an objective viewpoint, and requests his election as Outside Audit & Supervisory Board Member.
Though he has had no experience of involvement in corporate management other than as an Outside Director or Outside Audit & Supervisory Board Member, the Company determines that he is capable of executing the duty of Outside Audit & Supervisory Board Member for the reasons above.
Furthermore, although Mr. Masaharu Hino has been the Company's Outside Audit & Supervisory Board Member since December 2006 and will be in office for approximately 9 years and 6 months as of the conclusion of this Annual General Meeting of Shareholders, the Company proposes his continued election in consideration of the current situation of the Company, and the fact that the Company has no dealings with entities in which he holds significant concurrent positions, as well as the fact that he has maintained independence from the Company.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
3 Reappointment Outside	Yasushi Haneda (August 7, 1939)	April 1969 July 1988 July 1990 July 1991 July 1992 June 1993 June 1994 June 2007 December 2007 June 2009	Joined the Ministry of Finance Deputy Manager, Local Financial Department, Hokuriku Local Finance Bureau Deputy Manager, Local Administration Department Unit 1, Kanto Local Finance Bureau General Manager, Local Financial Department, Hokuriku Local Finance Bureau Joined the Kanto Association of Shinkin Banks as Chief of the Secretariat Managing Director, the Kanto Association of Shinkin Banks Senior Managing Director, the Kanto Association of Shinkin Banks Advisor, the Kanto Association of Shinkin Banks Full-time Corporate Auditor (Outside Corporate Auditor), Shinozakiya, INC. Outside Audit & Supervisory Board Member, the Company (current position)	2,489 shares

<Reasons for nomination as a candidate for Audit & Supervisory Board Member>
Mr. Yasushi Haneda possesses a wealth of experience and wide insights through serving in important posts in financial administration and Senior Managing Director, the Kanto Association of Shinkin Banks, and he is demonstrating audit functions regarding the execution of duties by Directors as Outside Audit & Supervisory Board Member. The Company has judged that he will continue to contribute to strengthening management audit functions from an objective viewpoint, and requests his election as Outside Audit & Supervisory Board Member.
Though he has had no experience of involvement in corporate management other than as an Outside Director or Outside Audit & Supervisory Board Member, the Company determines that he is capable of executing the duty of Outside Audit & Supervisory Board Member for the reasons above.
Furthermore, although Mr. Yasushi Haneda has been the Company's Outside Audit & Supervisory Board Member since June 2009 and will be in office for approximately 7 years as of the conclusion of this Annual General Meeting of Shareholders, the Company proposes his continued election in consideration of the current situation of the Company and the fact that he has maintained independence from the Company.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
4 Reappointment	Kenichi Meguro (May 17, 1947)	April 1966 July 1980 July 1991 July 1993 June 1998 July 1999 July 2000 June 2003 July 2007 August 2009 June 2010	Joined the Ministry of Finance Finance Inspector, Inspection Department, Bureau of Banking Chief, Finance Inspection Section, Local Financial Department, Fukuoka Local Finance Branch Bureau Finance and Securities Inspector, Administration Section, Financial Inspection Department, Minister's Secretariat Senior Finance and Securities Inspector, Inspection Coordination Division, Inspection Department, Financial Supervisory Agency (currently Financial Services Agency) Chief Financial Inspector (Unit 1), Inspection Coordination Division, Inspection Department Chief Financial Inspector (Unit 1), Inspection Coordination Division, Inspection Bureau, Financial Services Agency Inspection Administrator, Inspection Bureau Advisor Joined the Company as Advisor Audit & Supervisory Board Member (current position)	1,396 shares
<Reasons for nomination as a candidate for Audit & Supervisory Board Member> Mr. Kenichi Meguro was engaged for many years at the Ministry of Finance and Financial Services Agency, possesses specialized viewpoints and advanced insights regarding financial supervision as a financial inspector, and he is demonstrating audit functions regarding the execution of duties by Directors as Audit & Supervisory Board Member. The Company has judged that he can continue to contribute to the maintenance of internal controls and further enrichment of corporate governance of the Company from an objective viewpoint, and requests his election as Audit & Supervisory Board Member.				

(Notes)

1. No material conflict of interest exists between the Company and each candidate for Audit & Supervisory Board Member.
2. Messrs. Masaharu Hino and Yasushi Haneda are candidates for Outside Audit & Supervisory Board Members.
3. Liability limitation agreements with Audit & Supervisory Board Members
   In order to invite capable individuals as Audit & Supervisory Board Members, and to allow them to adequately fulfill their expected duties, the Company has stipulated in its Articles of Incorporation, pursuant to Article 427, Paragraph 1 of the Companies Act, that the Company may conclude agreements with Audit & Supervisory Board Members to limit their liabilities for damages caused by their negligence of duties within a certain range.
   Accordingly, the Company has concluded above agreements with Messrs. Masaharu Hino, Yasushi Haneda and Kenichi Meguro, and if they are reappointed at this Annual General Meeting of Shareholders as Audit & Supervisory Board Members, the Company intends to maintain said agreements with Messrs. Masaharu Hino, Yasushi Haneda and Kenichi Meguro. The agreements stipulate that the liabilities specified in Article 423, Paragraph 1 of the Companies Act will be limited to the higher of 2.00 million yen or the amount provided by laws and regulations, if they have acted in good faith and without gross negligence in performing their duties.
4. The Company has registered Mr. Masaharu Hino as an Independent Director/Auditor as stipulated by the Tokyo Stock Exchange.
5. The number of shares held by candidates for Audit & Supervisory Board Members includes those held by them under the ZENKOKU HOSHO Officer’s Shareholding Association.