These documents are partial translations of the Japanese originals for reference purposes only.
In the event of any discrepancy between these translated documents and the Japanese originals, the originals shall prevail. The Bank assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translations.

(Securities Code: 8370)
June 6, 2017

To Shareholders with Voting Rights:

Yasuyuki Matsuoka
President
The Kiyo Bank, Ltd.
1-35, Honmachi, Wakayama City
Wakayama, Japan

NOTICE OF CONVOCATION OF THE 207TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 207th Annual General Meeting of Shareholders of The Kiyo Bank, Ltd. (the "Bank"). 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, or via electromagnetic means (the Internet). Please review the Reference Documents for the General Meeting of Shareholders (described hereinafter) and exercise your voting rights by 5 p.m. on Wednesday, June 28, 2017 Japan time.

1. **Date and Time:** Thursday, June 29, 2017 at 10 a.m. Japan time

2. **Place:** 4F Grande, Daiwa Roynet Hotel Wakayama, 26-1, Shichibancho, Wakayama City, Wakayama, Japan

3. **Meeting Agenda:**

Matters to be reported:

1. The Business Report and Non-consolidated Financial Statements for the Bank's 207th Fiscal Year (from April 1, 2016 to March 31, 2017)
2. Consolidated Financial Statements for the Bank's 207th Fiscal Year (from April 1, 2016 to March 31, 2017) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors

Proposals to be resolved:

Proposal No. 1: Appropriation of Surplus
Proposal No. 2: Partial Amendments to the Articles of Incorporation
Proposal No. 3: Election of Nine (9) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
Proposal No. 4: Election of Six (6) Directors Serving as Audit and Supervisory Committee Members
Proposal No. 5: Determination of Amount of Remuneration, etc. to Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
Proposal No. 6: Determination of Amount of Remuneration, etc. to Directors Serving as Audit and Supervisory Committee Members
Proposal No. 7: Determination of Amount and Details of Stock Option Remuneration, etc.
Proposal No. 8: Payment of Retirement Bonus to Retiring Corporate Auditor

Exercise of Voting Rights in Writing

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by the following deadline.

Deadline for Exercise of Voting Rights**:** 5 p.m., Wednesday, June 28, 2017

Exercise of Voting Rights via Electromagnetic Means (the Internet)

Please access the Bank's designated voting website (http://www.evote.jp/) using a computer, smartphone or cellphone, and follow the instructions on the voting website, and indicate your vote for or against the proposals by the following deadline.

Deadline for Exercise of Voting Rights**:** 5 p.m., Wednesday, June 28, 2017

[Handling of Duplicate Voting]

(1) If you vote both in writing on the Voting Rights Exercise Form and via the Internet, only your vote placed via the Internet will be valid.

(2) If you submit your vote multiple times via the Internet, only the last vote will be valid. In addition, if you submit your vote in duplicate via the computer, smartphone and cellphone, only the last vote will be valid.

End

◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

◎ Please note that a person who is not a shareholder such as a proxy or an accompanying person cannot attend the General Meeting of Shareholders. If exercising voting rights via proxy in accordance with the provisions of the Articles of Incorporation, please submit a document certifying the authority of proxy.

◎ In accordance with laws and regulations as well as Article 18 of the Articles of Incorporation of the Bank, the following documents are posted on the Bank's website and are therefore not included with this document. Therefore, the Attached Documents of this Notice of Convocation are only part of the documents audited by the Corporate Auditors and the Accounting Auditor in the preparation of the Auditor's Report.

1) Non-consolidated Statement of Changes in Net Assets and Notes to the Non-consolidated Financial Statements
2) Consolidated Statement of Changes in Net Assets and Notes to the Consolidated Financial Statements

◎ Any updates to the Business Report, the Non-consolidated Financial Statements, Consolidated Financial Statements, and the Reference Documents for the General Meeting of Shareholders will be posted on the Bank's website

Website of the Bank	http://www.kiyobank.co.jp/investors/ir/meeting/

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

As a basic policy, in light of its public nature as a regional financial institution, the Bank aims to secure both a stable management foundation over the long term, accumulating appropriate internal reserves with the intent of strengthening its financial structure, as well as strengthening returns to shareholders, and as a management index to indicate profitability and capital efficiency, work to improve the stock price.

Based on this basic policy, it is proposed that the surplus be appropriated as follows, giving comprehensive consideration to factors such as the result of the 207th term as well as an internal reserve provided for future business development.

Matters concerning year-end dividends

1) Type of dividend property
   Cash
2) Matters concerning the allotment of dividend property and the total amount
   35 yen per share of common stock, for a total of 2,449,456,520 yen
3) Effective date of distribution of surplus
   June 30, 2017

Reference Regarding Proposal No. 2 to Proposal No. 7

In order to further strengthen the corporate governance structure, the Bank intends to make a transition to a Company with an Audit and Supervisory Committee, as newly established by the "Act for Partial Revision of the Companies Act," which took effect on May 1, 2015 (Act No. 90 of 2014; hereinafter, the "Revised Companies Act"). Proposal No. 2 to Proposal No. 7 on pages 5 to 24 of this Notice are all proposals relating to this transition. Therefore, upon the submission of these proposals, an overview of a Company with an Audit and Supervisory Committee and the reasons for transitioning from a Company with a Board of Corporate Auditors to a Company with an Audit and Supervisory Committee are explained below.

Overview of a Company with an Audit and Supervisory Committee

- ○ A Company with an Audit and Supervisory Committee refers to a stock company that has an Audit and Supervisory Committee, and may not have Corporate Auditors or a Board of Corporate Auditors.
- ○ An Audit and Supervisory Committee must consist of not less than three (3) Directors serving as Audit and Supervisory Committee Members, and a majority must be Outside Directors. In addition, while the term of office of Directors who are not Audit and Supervisory Committee Members is one (1) year, the term of office of Directors serving as Audit and Supervisory Committee Members is two (2) years.
- ○ Directors serving as Audit and Supervisory Committee Members have voting rights at the meetings of the Board of Directors, and participate in the determination of proposals for the election or dismissal of Directors, the selection and dismissal of Representative Directors, and all other decision-making regarding the execution of business (excluding the matters for which decisions have been delegated to Directors). In addition, the Audit and Supervisory Committee has the right to express opinions at meetings of the Board of Directors regarding the election and dismissal, and remuneration of Directors who are not Audit and Supervisory Committee Members. In these respects, the supervisory function of Audit and Supervisory Committee Members and an Audit and Supervisory Committee is stronger than that of Corporate Auditors and a Board of Corporate Auditors.
- ○ A Company with an Audit and Supervisory Committee may delegate all or part of its decisions on the execution of important business operations to Directors by resolution of the Board of Directors, in such cases as when there is a provision of the Articles of Incorporation. Accordingly, Directors to whom decisions have been delegated may swiftly make decisions about business operations, and thus agilely execute business operations. Meanwhile, the Board of Directors may strengthen its supervisory function with regard to persons who execute business.

Reasons for the transition

By transitioning to a Company with an Audit and Supervisory Committee, the Bank will grant Directors serving as Audit and Supervisory Committee Members (including more than one Outside Directors) voting rights at the meetings of the Board of Directors, thereby strengthening the supervisory function of the Board of Directors, in addition to further reinforcing the corporate governance structure, and further enhancing corporate value.

Regarding Proposal No. 2 to Proposal No. 7

In order for the Bank to transition to a Company with an Audit and Supervisory Committee, the Articles of Incorporation needs to be changed, and so these are proposed in Proposal No. 2, "Partial Amendments to the Articles of Incorporation," together with other amendments.

In addition, at a Company with an Audit and Supervisory Committee, as Directors who are not Audit and Supervisory Committee Members must be elected separately from Directors serving as Audit and Supervisory Committee Members, the election of Directors who are not Audit and Supervisory Committee Members is proposed in Proposal No. 3, and the election of Directors serving as Audit and Supervisory Committee Members is proposed in Proposal No. 4.

Furthermore, at a Company with an Audit and Supervisory Committee, the amount of remuneration, etc. of Directors must be determined separately for Directors who are not Audit and Supervisory Committee Members and Directors serving as Audit and Supervisory Committee Members, so the amount of remuneration, etc. for Directors who are not Audit and Supervisory Committee Members is proposed in Proposal No. 5, and the amount of remuneration, etc. for Directors serving as Audit and Supervisory Committee Members is proposed in Proposal No. 6, while the determination of the amount and details of stock option remuneration, etc. for Directors who are not Audit and Supervisory Committee Members are also proposed in Proposal No. 7.

Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

(1) As Companies with an Audit and Supervisory Committee were newly established by the Revised Companies Act, the Bank intends to transition to a Company with an Audit and Supervisory Committee, in order to further reinforce the corporate governance structure, and further enhance corporate value. In accordance with this transition, it is proposed to make necessary changes to the Bank's Articles of Incorporation, including establishing new provisions concerning Audit and Supervisory Committee Members and the Audit and Supervisory Committee, and deleting the provisions concerning Corporate Auditors and the Board of Corporate Auditors.

(2) As prescribed by the Revised Companies Act, since it has also become possible to enter into liability limitation agreements with Directors without executive authority over operations, the Bank shall make partial amendments to its provisions. Furthermore, consent of each Corporate Auditor has been obtained for these amendments (proposed changes to Article 31).

(3) We propose to make other necessary amendments, including changing the numbering of the Articles according to the aforementioned amendments.

2. Details of the amendments

Details of the amendments are as described below.

These amendments to the Articles of Incorporation shall take effect upon the conclusion of this General Meeting of Shareholders.

(Amended parts are underlined.)

Current Articles	Proposed amendments
CHAPTER I GENERAL PROVISIONS	CHAPTER I GENERAL PROVISIONS
Article 1 to Article 3 (Text omitted)	Article 1 to Article 3 (Same as the present)
(Organs)	(Organs)
Article 4 In addition to the General Meeting of Shareholders and Directors, the Bank shall have the following organs: (1) Board of Directors, (2) Corporate Auditors, (3) Board of Corporate Auditors, and (4) Accounting Auditor	Article 4 In addition to the General Meeting of Shareholders and Directors, the Bank shall have the following organs: (1) Board of Directors, (2) Audit and Supervisory Committee, and (Deleted) (3) Accounting Auditor
Article 5 (Text omitted)	Article 5 (Same as the present)
CHAPTER II SHARES	CHAPTER II SHARES
Article 6 to Article 12 (Text omitted)	Article 6 to Article 12 (Same as the present)
CHAPTER III GENERAL MEETING OF SHAREHOLDERS	CHAPTER III GENERAL MEETING OF SHAREHOLDERS
Article 13 to Article 20 (Text omitted)	Article 13 to Article 20 (Same as the present)
CHAPTER IV DIRECTORS AND BOARD OF DIRECTORS	CHAPTER IV DIRECTORS AND BOARD OF DIRECTORS
(Number of Directors)	(Number of Directors)
Article 21 The Bank shall have up to twenty (20) Directors.	Article 21 The Bank shall have up to twenty (20) Directors (excluding Directors serving as Audit and Supervisory Committee Members). 2. The Bank shall have up to six (6) Directors serving as Audit and Supervisory Committee Members.
(Newly established)	

(Election of Directors) Article 22 Directors shall be elected by resolution of the General Meeting of Shareholders.	(Election of Directors) Article 22 Directors serving as Audit and Supervisory Committee Members and other Directors shall be elected separately by resolution of the General Meeting of Shareholders.
2.-3. (Text omitted)	2.-3. (Same as the present)
(Term of Office of Directors) Article 23 The term of office of a Director shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the latest fiscal year ending within one (1) year after his or her election.	(Term of Office of Directors) Article 23 The term of office of a Director (excluding Directors serving as Audit and Supervisory Committee Members) shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the latest fiscal year ending within one (1) year after his or her election.
(Newly established)	2. The term of office of a Director serving as Audit and Supervisory Committee Member shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the latest fiscal year ending within two (2) years after his or her election.
2. The term of office of a Director elected as a substitute or to increase the number of Directors shall be until the term of the Directors in office expires.	3. The term of office of a Director serving as Audit and Supervisory Committee Member elected as a substitute for a Director serving as Audit and Supervisory Committee Member who has retired prior to the termination of his or her term shall be until the term of office of the retired Director serving as Audit and Supervisory Committee Member expires.
(Remuneration for Directors) Article 24 Directors' remuneration, bonuses and other property benefits to be received from the Bank in consideration of their execution of duties (hereinafter referred to as "remuneration and other payment") shall be determined by resolution of the General Meeting of Shareholders.	(Remuneration for Directors) Article 24 Directors' remuneration, bonuses and other property benefits to be received from the Bank in consideration of their execution of duties shall be determined separately for Directors serving as Audit and Supervisory Committee Members and other Directors by resolution of the General Meeting of Shareholders.
(Representative Directors and Executive Directors) Article 25 Representative Directors shall be elected by resolution of the Board of Directors.	(Representative Directors and Executive Directors) Article 25 Representative Directors shall be elected from among Directors (excluding Directors serving as Audit and Supervisory Committee Members) by resolution of the Board of Directors.

2. The Board of Directors may select one (1) Chairman, one (1) President, one (1) Executive Vice President, and a small number of Senior Managing Directors and Managing Directors respectively from among Directors by resolution.	2. The Board of Directors may select one (1) Chairman, one (1) President, and a small number of other Executive Directors from among Directors (excluding Directors serving as Audit and Supervisory Committee Members) by resolution.
3.-4. (Text omitted)	3.-4. (Same as the present)
5. If a Chairman is not selected, or if he or she is unable to act, the President shall serve in his or her place, and if the President is unable to act, another Director shall perform those duties in his or her place, in the order previously determined by the Board of Directors.	5. If a Chairman is not selected, or if he or she is unable to act, the President shall serve in his or her place, and if the President is unable to act, another Director (excluding Directors serving as Audit and Supervisory Committee Members) shall perform those duties in his or her place, in the order previously determined by the Board of Directors.
Article 26 (Text omitted)	Article 26 (Same as the present)
(Convocation of Meetings of the Board of Directors) Article 27 A convocation notice regarding a meeting of the Board of Directors shall be issued to each Director and each Corporate Auditor seven (7) days prior to the date of the meeting. Provided, however, that such period may be shortened in the case of urgent necessity.	(Convocation of Meetings of the Board of Directors) Article 27 A convocation notice regarding a meeting of the Board of Directors shall be issued to each Director by seven (7) days prior to the date of the meeting. Provided, however, that such period may be shortened in the case of urgent necessity.
2. If the consent of all Directors and Corporate Auditors is obtained, meetings of the Board of Directors may be held without conducting the convocation procedure.	2. If the consent of all Directors is obtained, meetings of the Board of Directors may be held without conducting the convocation procedure.
Article 28 (Text omitted)	Article 28 (Same as the present)
(Newly established)	(Delegation of Decisions Regarding Execution of Important Business Operations) Article 29 Pursuant to Article 399-13, Paragraph 6 of the Companies Act, the Bank may delegate all or part of the decisions regarding the execution of important business operations (excluding the matters set forth in each item of Paragraph 5 of the same) to Directors by resolution of the Board of Directors.
Article 29 (Text omitted)	Article 30 (Same as the present)

(Liability Limitation for Outside Directors) Article 30 Pursuant to Article 427, Paragraph 1 of the Companies Act, the Bank may enter into a contract with Outside Directors to apply a limit to liability for damage due to negligence in the performance of their duties. The limit of liability under said contract shall be the amount stipulated by laws and regulations.	(Liability Limitation for Directors) Article 31 Pursuant to Article 427, Paragraph 1 of the Companies Act, the Bank may enter into a contract with Directors (excluding Directors, etc. with executive authority over operations) to apply a limit to liability for damage due to negligence in the performance of their duties. The limit of liability under said contract shall be the amount stipulated by laws and regulations.
CHAPTER V CORPORATE AUDITORS AND BOARD OF CORPORATE AUDITORS	CHAPTER V AUDIT AND SUPERVISORY COMMITTEE
(Number of Corporate Auditors) Article 31 The Bank shall have up to five (5) Corporate Auditors.	(Deleted)
(Election of Corporate Auditors) Article 32 Corporate Auditors shall be elected by resolution of the General Meeting of Shareholders. 2. A resolution for the election of a Corporate Auditor must be made by a majority of the voting rights of shareholders present holding not less than one third of the voting rights of shareholders entitled to exercise voting rights.	(Deleted)
(Term of Office of Corporate Auditors) Article 33 The term of office of a Corporate Auditor shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the latest fiscal year ending within four (4) years after his or her election. 2. The term of office of a Corporate Auditor elected as a substitute for a Corporate Auditor who has retired prior to the termination of his or her term shall be until the term of office of the retired Corporate Auditor expires.	(Deleted)
(Standing Corporate Auditors) Article 34 The Board of Corporate Auditors may select Standing Corporate Auditors by resolution.	(Standing Audit and Supervisory Committee Members) Article 32 The Audit and Supervisory Committee may select Standing Audit and Supervisory Committee Members by resolution.
(Remuneration for Corporate Auditors) Article 35 Corporate Auditors' remuneration, etc. shall be determined by resolution of the General Meeting of Shareholders.	(Deleted)

(Convocation of Meetings of the Board of Corporate Auditors) Article 36 A convocation notice regarding a meeting of the Board of Corporate Auditors shall be issued to each Corporate Auditor seven (7) days prior to the date of the meeting. Provided, however, that such period may be shortened in the case of urgent necessity. 2. If the consent of all Corporate Auditors is obtained, meetings of the Board of Corporate Auditors may be held without conducting the convocation procedure.	(Convocation of Meetings of the Audit and Supervisory Committee) Article 33 A convocation notice regarding a meeting of the Audit and Supervisory Committee shall be issued to each Audit and Supervisory Committee Member by seven (7) days prior to the date of the meeting. Provided, however, that such period may be shortened in the case of urgent necessity. 2. If the consent of all Audit and Supervisory Committee Members is obtained, meetings of the Audit and Supervisory Committee may be held without conducting the convocation procedure.
(Regulations of the Board of Corporate Auditors) Article 37 In addition to laws and regulations and these Articles of Incorporation, matters concerning the Board of Corporate Auditors shall be governed by the Regulations of the Board of Corporate Auditors set forth by the Board of Corporate Auditors.	(Regulations of the Audit and Supervisory Committee) Article 34 In addition to laws and regulations and these Articles of Incorporation, matters concerning the Audit and Supervisory Committee shall be governed by the Regulations of the Audit and Supervisory Committee set forth by the Audit and Supervisory Committee.
(Liability Limitation for Outside Corporate Auditors) Article 38 Pursuant to Article 427, Paragraph 1 of the Companies Act, the Bank may enter into a contract with Outside Corporate Auditors to apply a limit to liability for damage due to negligence in the performance of their duties. The limit of liability under said contract shall be the amount stipulated by laws and regulations.	(Deleted)
CHAPTER VI ACCOUNTS	CHAPTER VI ACCOUNTS
Article 39 to Article 42 (Text omitted)	Article 35 to Article 38 (Same as the present)
(Newly established)	Supplementary Provisions (Transitional Measures for Liability Limitation Agreements for Outside Corporate Auditors) Article 1 Contracts to limit liability pursuant to Article 423, Paragraph 1 of the Companies Act relating to the actions of Outside Corporate Auditors (including persons who were Outside Corporate Auditors) prior to the conclusion of the 207th Annual General Meeting of Shareholders shall be governed by the provisions of Article 38 of these Articles of Incorporation prior to the amendments made by resolution of the same Annual General Meeting of Shareholders.

Proposal No. 3: Election of Nine (9) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

Subject to the approval of Proposal No. 2, "Partial Amendments to the Articles of Incorporation," the Bank will transition to a Company with an Audit and Supervisory Committee, and therefore the terms of office of all eleven (11) Directors will expire when the amendments to the Articles of Incorporation take effect. We therefore propose the election of nine (9) Directors (excluding Directors serving as Audit and Supervisory Committee Members; hereinafter, the same shall apply in this proposal).

The resolution of this proposal will take effect subject to the taking effect of the amendments to the Articles of Incorporation stated in Proposal No. 2, "Partial Amendments to the Articles of Incorporation."

The candidates for Director are as follows.

Furthermore, the selection of candidates for Director has been determined following the deliberation of the Nomination Advisory Committee.

The Nomination Advisory Committee is a voluntary advisory body that deliberates on matters about which it has been consulted by the Board of Directors, in order to enhance transparency in the appointment of Directors, etc.; half or more of its members are Independent Outside Directors, and its Chairperson is also an Independent Outside Director.

No.	Name		Current position at the Bank
1	Hiroomi Katayama	Reappointment	Chairman and Representative Director
2	Yasuyuki Matsuoka	Reappointment	President and Representative Director, President and Executive Officer
3	Keiji Shima	Reappointment	Director, Managing Executive Officer
4	Hideki Tameoka	Reappointment	Director, Managing Executive Officer
5	Yoshito Takenaka	Reappointment	Director, Managing Executive Officer
6	Kazuhiko Hino	Reappointment	Director, Executive Officer
7	Yasuhiko Akira	Reappointment	Director, Executive Officer
8	Soichi Yoshimura	Reappointment	Director, Executive Officer
9	Hiroyuki Haraguchi	New candidate	Executive Officer

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience
(Positions, responsibilities, and significant concurrent positions)</th><th>Number of shares of the Bank held</th></tr>
<tr><td rowspan="2">1</td><td>Reappointment

Hiroomi Katayama
(Jan. 4, 1947)

Term of office:
20 years</td><td>Feb. 1972 Joined the Bank and served as General Manager of Nagoya Branch and Deputy General Manager of Human Resources Department, etc.
Oct. 1993 General Manager, Business Promotion Department
Jun. 1995 General Manager, Sakai Branch
Apr. 1997 General Manager, Corporate Planning Department
Jun. 1997 Director; General Manager, Corporate Planning Department
Aug. 1997 Director; General Manager, Corporate Planning Department; General Manager, President Office
Dec. 1998 Director; General Manager, Corporate Planning Department
Apr. 1999 Director; General Manager, General Administration Department
Oct. 1999 Director; General Manager, Supervisory Branch; General Manager, Higashi-Wakayama Branch
May 2001 Managing Director; General Manager, Supervisory Branch; General Manager, Higashi-Wakayama Branch
Jun. 2001 Managing Director
Apr. 2002 President and Representative Director
Feb. 2006 President and Representative Director, Kiyo Holdings, Inc.
Oct. 2013 Retired from President and Representative Director, Kiyo Holdings, Inc.
Jun. 2015 Chairman and Representative Director (current position)</td><td rowspan="2">39,514 shares</td></tr>
<tr><td colspan="2">[Reasons for nomination as a candidate for Director]
Mr. Hiroomi Katayama has been appointed as Director since June 1997, served as President from April 2002 to June 2015, and has knowledge and experience to precisely, fairly, and efficiently execute corporate management of banks, and as the Bank has judged that he can continue to contribute to management as a Director of the Bank, he has been selected as a candidate for Director.</td></tr>
<tr><td rowspan="2">2</td><td>Reappointment

Yasuyuki Matsuoka
(Oct. 18, 1955)

Term of office:
12 years</td><td>Apr. 1978 Joined the Bank and served as Deputy Manager of Head Office Marketing Department and General Manager of Shirahama Branch, etc.
Jun. 2002 General Manager, Secretarial Office, Management Planning Department
Oct. 2002 General Manager, Reform Project Promotion Office; General Manager, Secretarial Office
Apr. 2003 Deputy General Manager, Management Planning Division
Apr. 2004 General Manager, Management Planning Division
Jun. 2005 Director; General Manager, Business Promotion Division
Jun. 2009 Managing Director; General Manager, Head Office Marketing Department
Jun. 2012 Managing Director
Jun. 2013 Senior Managing Director
Jun. 2015 President and Representative Director
Jun. 2016 President and Representative Director, President and Executive Officer (current position)</td><td rowspan="2">23,103 shares</td></tr>
<tr><td colspan="2">[Reasons for nomination as a candidate for Director]
Mr. Yasuyuki Matsuoka has been appointed as Director since June 2005, served as President from June 2015, and has knowledge and experience to precisely, fairly, and efficiently execute corporate management of banks, and as the Bank has judged that he can continue to contribute to management as a Director of the Bank, he has been selected as a candidate for Director.</td></tr>
</table>

No.	Name (Date of birth)	Past experience (Positions, responsibilities, and significant concurrent positions)	Number of shares of the Bank held
3	Reappointment Keiji Shima (May 19, 1958) Term of office: 7 years	Apr. 1981 Joined the Bank and served as Deputy General Manager of Business Planning Department, Deputy General Manager of Public Sector Marketing Department, and Deputy General Manager of Management Planning Department, etc. Apr. 2003 General Manager, Horidome Branch Apr. 2005 General Manager, Business Promotion Division Oct. 2006 General Manager, Pyxis Marketing Department, Business Promotion Division; General Manager, Retail Marketing Department Jan. 2007 General Manager, Kainan-Ekimae Branch in charge of Associate Branches Oct. 2008 General Manager, Loan Department Jun. 2009 Executive Officer; General Manager, Loan Department Jun. 2010 Director; General Manager, North Osaka Operations Department; General Manager, South Osaka Operations Department Jun. 2012 Director; General Manager, Tokyo Headquarters; General Manager, Tokyo Branch Jun. 2013 Managing Director; General Manager, Business Promotion Division; General Manager, Osaka Headquarters Jun. 2014 Managing Director; General Manager, Osaka Headquarters; General Manager, Business Promotion Division Oct. 2014 Managing Director; General Manager, Business Promotion Division; General Manager, Wakayama Operations Department Jun. 2015 Managing Director Jun. 2016 Director, Managing Executive Officer; General Manager, Osaka Branch (current position)	12,300 shares
	[Reasons for nomination as a candidate for Director] Mr. Keiji Shima has served as General Manager, Horidome Branch and General Manager, Kainan-Ekimae Branch in charge of Associate Branches, etc., served as Director from June 2010, and has knowledge and experience to precisely, fairly, and efficiently execute corporate management of banks, and as the Bank has judged that he can continue to contribute to management as a Director of the Bank, he has been selected as a candidate for Director.		

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience
(Positions, responsibilities, and significant concurrent positions)</th><th>Number of shares of the Bank held</th></tr>
<tr><td rowspan="2">4</td><td>Reappointment

Hideki Tameoka
(Mar. 6, 1959)

Term of office:
5 years</td><td>Apr. 1982 Joined the Bank
Apr. 2001 Deputy General Manager, Management Planning Department
Oct. 2006 General Manager, Management Planning Department, Management Planning Division
Aug. 2007 General Manager, Higashi-Wakayama Branch in charge of Associate Branches
Oct. 2009 General Manager, Marketing Supervisory Department, Business Promotion Division; General Manager, Retail Marketing Division
Jun. 2010 Executive Officer; General Manager, Marketing Supervisory Department, Business Promotion Division
Jun. 2012 Director; General Manager, Osaka Operations Department
Jun. 2015 Managing Director
Jun. 2016 Director, Managing Executive Officer in charge of Management Planning Department (current position)</td><td>12,200 shares</td></tr>
<tr><td colspan="2">[Reasons for nomination as a candidate for Director]
Mr. Hideki Tameoka has served as General Manager of Management Planning Department and General Manager of Higashi-Wakayama Branch in charge of Associate Branches, etc., served as Director from June 2012, and has knowledge and experience to precisely, fairly, and efficiently execute corporate management of banks, and as the Bank has judged that he can continue to contribute to management as a Director of the Bank, he has been selected as a candidate for Director.</td></tr>
<tr><td rowspan="2">5</td><td>Reappointment

Yoshito Takenaka
(Jul. 13, 1959)

Term of office:
4 years</td><td>Apr. 1983 Joined the Bank and served as General Manager of Senboku Branch and Acting General Manager of Business Promotion Department, etc.
Oct. 2005 Deputy General Manager, Management Planning Division
Apr. 2006 Deputy General Manager, General Administration Division
Oct. 2006 Deputy General Manager, Human Resources Department
Oct. 2007 General Manager, Human Resources Department
Jun. 2011 Executive Officer; General Manager, Human Resources Department
Jun. 2013 Director
Jun. 2015 Director; General Manager, Management Planning Division
Oct. 2015 Director
Jun. 2016 Director, Managing Executive Officer
Apr. 2017 Director, Managing Executive Officer; General Manager, Tokyo Headquarters; General Manager, Tokyo Branch (current position)</td><td>10,600 shares</td></tr>
<tr><td colspan="2">[Reasons for nomination as a candidate for Director]
Mr. Yoshito Takenaka has served as General Manager of Senboku Branch and General Manager of Human Resources Department, etc., served as Director from June 2013, and has knowledge and experience to precisely, fairly, and efficiently execute corporate management of banks, and as the Bank has judged that he can continue to contribute to management as a Director of the Bank, he has been selected as a candidate for Director.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience
(Positions, responsibilities, and significant concurrent positions)</th><th>Number of shares of the Bank held</th></tr>
<tr><td rowspan="2">6</td><td>Reappointment

Kazuhiko Hino
(Jul. 1, 1960)

Term of office:
2 years</td><td>Apr. 1984 Joined the Bank and served as General Manager of Wakayamashi-Ekimae Branch and Deputy Manager of Head Office Marketing Department, etc.
Apr. 2005 Deputy General Manager, Management Planning Division
Jan. 2007 General Manager, Marketing Supervisory Department, Business Promotion Division; General Manager, Retail Marketing Department
Apr. 2008 General Manager, Retail Marketing Department, Business Promotion Division
Oct. 2009 General Manager, Kishiwada Branch in charge of Associate Branches
Jun. 2012 Executive Officer; General Manager, Kishiwada Branch in charge of Associate Branches
Oct. 2012 Executive Officer; General Manager, Osaka Branch
Jun. 2015 Director; General Manager, Business Promotion Division; General Manager, Wakayama Operations Department
Jun. 2016 Director; Executive Officer in charge of Regional Development Department (current position)</td><td>8,500 shares</td></tr>
<tr><td colspan="2">[Reasons for nomination as a candidate for Director]
Mr. Kazuhiko Hino has served as General Manager of Kishiwada Branch in charge of Associate Branches and General Manager of Osaka Branch, etc., served as Director from June 2015, and has knowledge and experience to precisely, fairly, and efficiently execute corporate management of banks, and as the Bank has judged that he can continue to contribute to management as a Director of the Bank, he has been selected as a candidate for Director.</td></tr>
<tr><td rowspan="2">7</td><td>Reappointment

Yasuhiko Akira
(Jul. 25, 1961)

Term of office:
2 years</td><td>Apr. 1984 Joined the Bank and served as General Manager of Hirano Branch and Deputy Manager of Head Office Marketing Department, etc.
Apr. 2005 Deputy General Manager, Head Office Marketing Department
Apr. 2006 Deputy General Manager, Business Promotion Division
Oct. 2006 Deputy General Manager, Marketing Supervisory Department, Business Promotion Division
Jan. 2007 General Manager, Horidome Branch
Oct. 2009 General Manager, Tanabe Branch
Jun. 2012 Executive Officer; General Manager, Tanabe Branch
Oct. 2012 Executive Officer; General Manager, Loan Department
Jun. 2015 Director; General Manager, Loan Division
Oct. 2015 Director
Jun. 2016 Director, Executive Officer; General Manager, Head Office Marketing Department (current position)</td><td>6,200 shares</td></tr>
<tr><td colspan="2">[Reasons for nomination as a candidate for Director]
Mr. Yasuhiko Akira has served as General Manager of Horidome Branch and General Manager of Tanabe Branch, etc., served as Director from June 2015, and has knowledge and experience to precisely, fairly, and efficiently execute corporate management of banks, and as the Bank has judged that he can continue to contribute to management as a Director of the Bank, he has been selected as a candidate for Director.</td></tr>
</table>

No.	Name (Date of birth)	Past experience (Positions, responsibilities, and significant concurrent positions)	Number of shares of the Bank held
8	Reappointment Soichi Yoshimura (Feb. 7, 1957) Term of office: 1 year	Apr. 1979 Joined the Ministry of Finance, and served as Second Secretary of Embassy of Japan in Argentina, Acting Director of Asian Development Bank, Director of Research Office, First Insurance Division, Insurance Department of Banking Bureau, General Manager of Corporate Planning Department, Planning Group of Japan Tobacco Inc., and Director of Special Coordination Division, Planning and Coordination Bureau of National Land Agency, etc. Jul. 2001 Director, Insurance Business Division, Supervisory Bureau, Financial Services Agency Jul. 2002 Executive Director, Resolution and Financial Revitalization Department, Deposit Insurance Corporation of Japan Jul. 2004 Director, General Affairs Department, Kanto Local Finance Bureau Jul. 2005 Director, Division Controlling Local Finance Bureaus, Minister's Secretariat Jul. 2006 Head, Resolution and Financial Revitalization Department, Deposit Insurance Corporation of Japan Jul. 2007 Director-General, Fukuoka Local Finance Branch Bureau Jan. 2009 Representative, Inter-American Development Bank Office in Asia Apr. 2010 Deputy Director, Policy Research Institute, Ministry of Finance Jul. 2010 Director-General, Chugoku Local Finance Bureau Jun. 2011 Director-General, Osaka Tax House Aug. 2012 Executive Vice President, Japan External Trade Organization (JETRO) Oct. 2015 Retired from Ministry of Finance Dec. 2015 Executive Officer of the Bank Jun. 2016 Director, Executive Officer in charge of Audit Division, Risk Management Department (current position)	1,400 shares
	[Reasons for nomination as a candidate for Director] Based on Mr. Soichi Yoshimura's wealth of specialized knowledge and operational experience in finance fostered from serving in the Ministry of Finance, the Bank has judged that he can contribute to management as a Director of the Bank, he has been selected as a candidate for Director.		

No.	Name (Date of birth)	Past experience (Positions, responsibilities, and significant concurrent positions)	Number of shares of the Bank held
9	New candidate Hiroyuki Haraguchi (Nov. 25, 1962)	Apr. 1985 Joined the Bank, General Manager, Kibi Branch; General Manager, Sumiyoshi Branch Jun. 2010 General Manager, Computer Systems Department Oct. 2012 General Manager, Tanabe Branch Jun. 2014 Executive Officer; General Manager, Tanabe Branch Jun. 2015 Executive Officer; General Manager, Marketing Supervisory Department, Business Promotion Division Jun. 2016 Executive Officer; General Manager, Business Promotion Division; General Manager, Marketing Supervisory Department; General Manager, Marketing Planning Department Oct. 2016 Executive Officer; General Manager, Business Promotion Division; General Manager, Marketing Supervisory Department Apr. 2017 Executive Officer in charge of Human Resources Department, General Administration Department (current position)	4,700 shares
	[Reasons for nomination as a candidate for Director] Mr. Hiroyuki Haraguchi successively took positions such as General Manager of Sumiyoshi Branch and General Manager of Tanabe Branch and since June 2014, he has been serving as Executive Officer. He has knowledge and experience to precisely, fairly, and efficiently execute corporate management of banks. As the Bank has judged that he can contribute to management as a Director of the Bank, he has been selected as a candidate for Director.		

(Notes)
1. There are no special interests between the candidates for Director and the Bank.
2. Terms of office stated above are those as at the end of this Annual General Meeting of Shareholders.

Proposal No. 4: Election of Six (6) Directors Serving as Audit and Supervisory Committee Members

Subject to the approval of Proposal No. 2, "Partial Amendments to the Articles of Incorporation," the Bank will transition to a Company with an Audit and Supervisory Committee, and therefore the terms of office of all five (5) Corporate Auditors will expire when the amendments to the Articles of Incorporation take effect. We therefore propose the election of six (6) Directors serving as Audit and Supervisory Committee Members.

We have obtained the approval of the Board of Corporate Auditors for this item.

The resolution of this proposal will take effect subject to the taking effect of the amendments to the Articles of Incorporation stated in Proposal No. 2, "Partial Amendments to the Articles of Incorporation."

The candidates for Director serving as Audit and Supervisory Committee Member are as follows.

Furthermore, the selection of candidates for Director serving as Audit and Supervisory Committee Member has been determined following the deliberation of the Nomination Advisory Committee.

No.	Name		Current position at the Bank
1	Masahiro Haito	New candidate	Corporate Auditor (Full-time)
2	Kazuya Tamura	New candidate	Executive Officer
3	Hachiro Mizuno	New candidate Outside	Director (Outside)
4	Yutaka Yamano	New candidate Outside	Corporate Auditor (Outside)
5	Toshihiro Yamanaka	New candidate Outside	Director (Outside)
6	Megumi Nishida	New candidate Outside	

No.	Name (Date of birth)	Past experience (Positions, responsibilities, and significant concurrent positions)	Number of shares of the Bank held
1	New candidate Masahiro Haito (May 9, 1960)	Apr. 1983 Joined the Bank and served as Acting General Manager of Treasury and Securities Division, etc. Apr. 2007 Deputy General Manager, Treasury and Securities Division, Tokyo Headquarters Oct. 2009 General Manager, Risk Management Department, Jun. 2013 General Manager, Management Planning Department Jun. 2014 Executive Officer; General Manager, Management Planning Department Jun. 2015 Executive Officer; General Manager, Management Planning Department; General Manager, Strategy Planning Department Oct. 2015 Executive Officer; General Manager, Corporate Planning Department Jun. 2016 Corporate Auditor (current position)	6,300 shares
	[Reasons for nomination as a candidate for Director] Mr. Masahiro Haito has been involved in the banking business for over 30 years. He successively took the positions of General Manager of Risk Management Department, General Manager of Management Planning Department, and Executive Officer, General Manager of Management Planning Department in June 2014. Since 2016, he has been serving as Corporate Auditor of the Bank. As a Director of the Bank, since he possesses adequate experience and insights for strengthening the effectiveness of the decision-making function and supervisory function of the Board of Directors from an independent viewpoint from management, he has been selected as a candidate for Director.		
2	New candidate Kazuya Tamura (Apr. 14, 1962)	Apr. 1985 Joined the Bank, General Manager, Musota Branch Oct. 2007 Deputy General Manager, Computer Systems Department Jun. 2010 General Manager, Retail Marketing Department, Business Promotion Division Apr. 2013 General Manager, Treasury and Securities Division, Tokyo Headquarters Jun. 2015 Executive Officer; General Manager, Tokyo Headquarters; General Manager, Tokyo Branch Apr. 2017 Executive Officer (current position)	8,096 shares
	[Reasons for nomination as a candidate for Director] Mr. Kazuya Tamura has been involved in the banking business for over 30 years. He successively took the positions of General Manager of Musota Branch and General Manager of Treasury and Securities Division, Tokyo Headquarters. Since taking the positions of Executive Officer, General Manager of Tokyo Headquarters and General Manager of Tokyo Branch in June 2015, he has been serving as Executive Officer of the Bank for two years. As a Director of the Bank, since he possesses adequate experience and insights for strengthening the effectiveness of the decision-making function and supervisory function of the Board of Directors from an independent viewpoint from management, he has been selected as a candidate for Director.		

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience
(Positions, responsibilities, and significant concurrent positions)</th><th>Number of shares of the Bank held</th></tr>
<tr><td rowspan="2">3</td><td>New candidate
Outside

Hachiro Mizuno
(Sep. 27, 1942)</td><td>Apr. 1972 Registered as Attorney-at-Law (Tokyo Bar Association)
Apr. 1974 Transferred registration to Wakayama Bar Association
Apr. 1987 Chairman, Wakayama Bar Association; Governor, Japan Federation of Bar Associations
Apr. 2003 President, Kinki Federation of Bar Associations
Jun. 2007 Director, Kiyo Holdings, Inc.
Oct. 2013 Retired from Director, Kiyo Holdings, Inc.
Oct. 2013 Director of the Bank (current position)
(Significant concurrent positions)
Representative, Attorney at Law, Mizuno Law Office</td><td rowspan="2">3,700 shares</td></tr>
<tr><td colspan="2">[Reasons for nomination as a candidate for Outside Director]
Mr. Hachiro Mizuno has a wealth of experience and insights as an attorney-at-law and possesses, as Director of the Bank, adequate experience and insights for strengthening the effectiveness of the decision-making function and supervisory function of the Board of Directors from an independent viewpoint from management. The Bank expects him to contribute securing the soundness of corporate management and lead the promotion of compliance management, and has selected him as a candidate for Outside Director.
His term of office as an Outside Director of the Bank will be three years and nine months at the conclusion of this Annual General Meeting of Shareholders.
Although he has not been involved in corporate management other than through serving as Outside Director or Outside Corporate Auditor, the Bank judges that he is able to adequately execute the duties of Outside Director serving as Audit and Supervisory Committee Member for the above reasons.</td></tr>
<tr><td rowspan="2">4</td><td>New candidate
Outside

Yutaka Yamano
(Oct. 5, 1941)</td><td>Apr. 1964 Joined Nankai Electric Railway Co., Ltd.
Jun. 1994 Chief Manager, Accounting & Finance Department
Jun. 1995 Director; Chief Manager, Accounting & Finance Department
Jun. 1997 Managing Director; Chief Manager, Accounting & Finance Department
Jun. 1999 Managing Director; General Manager, Accounting & Finance Department
Jun. 2001 Representative Senior Managing Director; General Manager, Accounting & Finance Department
Jun. 2005 Advisor of Nankai Electric Railway Co., Ltd.
Chairman and Representative Director, Nankai Management Service Co., Ltd.
Jun. 2007 Resigned from Advisor of Nankai Management Service Co., Ltd.
Jun. 2009 Resigned from Chairman and Representative Director of Nankai Management Service Co.
Jun. 2015 Corporate Auditor of the Bank (current position)</td><td rowspan="2">3,000 shares</td></tr>
<tr><td colspan="2">[Reasons for nomination as a candidate for Outside Director]
After serving as the Chief Manager of Accounting & Finance Department of Nankai Electric Railway Co., Ltd. for seven years, Mr. Yutaka Yamano successively took positions including Representative Senior Managing Director of the company. He has an experience as a corporate executive and abundant experience and insights on financing and accounting. As a Director of the Bank, since he possesses adequate experience and insights to strengthen the effectiveness of the decision-making function and supervisory function of the Board of Directors from an independent viewpoint from management, he has been selected as a candidate for Outside Director.
His term of office as an Outside Director of the Bank will be two years at the conclusion of the Annual General Meeting of Shareholders.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience
(Positions, responsibilities, and significant concurrent positions)</th><th>Number of shares of the Bank held</th></tr>
<tr><td rowspan="2">5</td><td>New candidate
Outside

Toshihiro Yamanaka
(Mar. 17, 1950)</td><td>Dec. 1972 Joined Asahi & Co. (currently KPMG AZSA LLC)
Oct. 1974 Registered as Certified Public Accountant
Sep. 1996 Representative Partner, Asahi & Co. (currently KPMG AZSA LLC)
Jun. 2012 Retired from KPMG AZSA LLC
Representative, Toshihiro Yamanaka Certified Public Accountant Office (current position)
May 2014 Standing Auditor, OSAKA SEIKEI GAKUEN (current position)
Jun. 2015 Auditor (part-time), TAKADAKIKO Co., Ltd. (current position)
Jun. 2016 Director of the Bank (current position)
(Significant concurrent positions)
Representative, Toshihiro Yamanaka Certified Public Accountant Office
Standing Auditor, OSAKA SEIKEI GAKUEN
Auditor (part time), TAKADAKIKO Co., Ltd.</td><td rowspan="2">200 shares</td></tr>
<tr><td colspan="2">[Reasons for nomination as a candidate for Outside Director]
Mr. Toshihiro Yamanaka has professional knowledge and abundant experience and insights on finance and accounting as a certified public accountant. As a Director of the Bank, since he has adequate experience and insights in strengthening the effectiveness of the decision-making function and supervisory function of the Board of Directors from an independent viewpoint from management, he has been selected as a candidate for Outside Director.
His term of office as an Outside Director of the Bank will be one year at the conclusion of the Annual General Meeting of Shareholders.
Although he has not been involved in corporate management other than through serving as Outside Director or Outside Corporate Auditor, the Bank judges that he is able to adequately execute the duties of Outside Director serving as Audit and Supervisory Committee Member for the above reasons.</td></tr>
<tr><td rowspan="2">6</td><td>New candidate
Outside

Megumi Nishida
(Dec. 25, 1975)</td><td>Oct. 2003 Registered as Attorney-at-Law (Osaka Bar Association)
Joined Yodoyabashi & Yamagami Legal Professional Corporation
Apr. 2011 Partner, Yodoyabashi & Yamagami Legal Professional Corporation (current position)
(Significant concurrent positions)
Partner, Yodoyabashi & Yamagami Legal Professional Corporation</td><td rowspan="2">- shares</td></tr>
<tr><td colspan="2">[Reasons for nomination as a candidate for Outside Director]
Ms. Megumi Nishida has abundant experience and insights as an attorney-at-law. As a Director of the Bank, since she he has adequate experience and insights in strengthening the effectiveness of the decision-making function and supervisory function of the Board of Directors from an independent viewpoint from management, and the Bank expects her to contribute securing the soundness of corporate management and lead the promotion of compliance management, she has been selected as a candidate for Outside Director.
Although she has not been involved in corporate management other than through serving as Outside Director or Outside Corporate Auditor, the Bank has judged that she can adequately execute the duties of Outside Director serving as Audit and Supervisory Committee Member for the above reasons.</td></tr>
</table>

(Note)

1. Messrs. Hachiro Mizuno, Yutaka Yamano, Toshihiro Yamanaka, and Ms. Megumi Nishida are candidates for Outside Directors.
2. There are regular banking transactions between the Bank and OSAKA SEIKEI GAKUEN where candidate for Director Toshihiro Yamanaka is concurrently serving as Standing Auditor and TAKADAKIKO Co., Ltd. where he is concurrently serving as Auditor. There are no special interests between the candidates for Director other than the above and the Bank.
3. Based on Article 427, Paragraph 1 of the Companies Act, the Bank has entered into a liability limitation agreement with Messrs. Hachiro Mizuno, Yutaka Yamano, and Toshihiro Yamanaka. If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” and this proposal are approved, the Bank intends to maintain the agreement with those three, and enter into the same liability limitation agreement with Ms. Megumi Nishida.
   The overview of the agreement is as follows:
   - If Outside Directors are held liable for damages caused to the Bank due to negligence of duties, the Outside Directors will be held liable for such liability to the extent of the minimum liability amount set forth in Article 425, Paragraph 1 of the Companies Act, if the Outside Directors have acted in good faith and is not grossly negligent in performing their duties.
4. In order to ensure independence of Outside Directors, the Bank has set forth the criteria for independence of Outside Directors (please see page 26) in addition to the criteria for independence stipulated by the Tokyo Stock Exchange. Since Messrs. Hachiro Mizuno, Yutaka Yamano, and Toshihiro Yamanaka satisfy both criteria, if this proposal is approved, the Bank continues to designate those three as Independent Officers as stipulated by the Tokyo Stock Exchange.

Since Ms. Megumi Nishida also satisfies both criteria, if this proposal is approved, the Bank intends to designate her as an Independent Officer as stipulated by the Tokyo Stock Exchange.

Proposal No. 5: Determination of Amount of Remuneration, etc. to Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The amount of remuneration to Directors was determined by a resolution of the 203rd Annual General Meeting of Shareholders held on June 27, 2013 to be within 500 million yen annually (including 20 million yen for Outside Directors) and has not been changed to the present. The Bank, however, will transition to a Company with an Audit and Supervisory Committee, subject to the approval of Proposal No. 2, "Partial Amendments to the Articles of Incorporation." Therefore, we propose to abolish the existing provisions regarding the amount of remuneration, etc. to Directors, and determine an amount of remuneration, etc. for Directors (excluding Directors serving as Audit and Supervisory Committee Members; hereinafter, the same shall apply in this proposal) to be within 500 million yen annually, taking into consideration various factors, such as economic conditions. Furthermore, the amount of remuneration, etc. for Directors shall not include the salary as an employee for Directors serving concurrently as employees.

There are currently eleven (11) Directors. If Proposal No. 2 and Proposal No. 3 are approved as proposed, there will be nine (9) Directors.

The resolution of this proposal will take effect subject to the taking effect of the amendments to the Articles of Incorporation stated in Proposal No. 2, "Partial Amendments to the Articles of Incorporation."

Furthermore, the amount of remuneration, etc. has been determined following the deliberation of the Remuneration Advisory Committee.

The Remuneration Advisory Committee is a voluntary advisory body that deliberates on matters about which it has been consulted by the Board of Directors, in order to enhance transparency in the determination of important matters relating to Directors' remuneration, etc.; half or more of its members are Independent Outside Directors, and its Chairperson is also an Independent Outside Director.

Proposal No. 6: Determination of Amount of Remuneration, etc. to Directors Serving as Audit and Supervisory Committee Members

The total amount of remuneration to Corporate Auditors was determined by a resolution of the 203rd Annual General Meeting of Shareholders held on June 27, 2013 to be within 100 million yen annually and has not been changed to the present. The Bank, however, will transition to a Company with an Audit and Supervisory Committee, subject to the approval of Proposal No. 2, "Partial Amendments to the Articles of Incorporation." Therefore, we propose to determine an amount of remuneration, etc. for Directors serving as Audit and Supervisory Committee Members to be within 100 million yen annually, taking into consideration various factors, such as economic conditions. If Proposal No. 2 and Proposal No. 4 are approved as proposed, there will be six (6) Directors serving as Audit and Supervisory Committee Members.

The resolution of this proposal will take effect subject to the taking effect of the amendments to the Articles of Incorporation stated in Proposal No. 2, "Partial Amendments to the Articles of Incorporation."

Furthermore, the amount of remuneration, etc. has been determined following the deliberation of the Remuneration Advisory Committee.

Proposal No. 7: Determination of Amount and Details of Stock Option Remuneration, etc.

The amount of remuneration, etc., regarding subscription rights to shares in the form of stock-based remuneration-type stock options for Directors was resolved at the 205th Annual General Meeting of Shareholders held on June 26, 2015 to be within 50 million yen annually, separate from remuneration, etc., for Directors and this has continued to the present. The Bank will transition to a Company with an Audit and Supervisory Committee, subject to the approval of Proposal No. 2, "Partial Amendments to the Articles of Incorporation." Therefore, provisions for the current amount of remuneration, etc., regarding subscription rights to shares in the form of stock-based remuneration-type stock options for Directors shall be abolished. At the same time, pursuant to the provisions of Article 361 of the Companies Act and separately from the amount of remuneration, etc. approved for Directors (excluding Directors serving as Audit and Supervisory Committee Members; hereinafter, the same shall apply in this proposal) in Proposal No. 5, we propose to allocate subscription rights to shares in the form of stock-based remuneration-type stock options within the amount of 50 million yen annually to Directors, taking into consideration various factors, such as economic conditions.

The specific amount of remuneration, etc. shall be the fair value per subscription right to shares calculated on the day the subscription rights to shares are allocated, multiplied by the total number of subscription rights to shares allocated. We request that details regarding such matters as the distribution and timing of payment thereof be delegated to the Board of Directors.

There are currently eleven (11) Directors. If Proposal No. 2 and Proposal No. 3 are approved as proposed, there shall be nine (9) Directors.

The resolution of this proposal will take effect subject to the taking effect of the amendments to the Articles of Incorporation stated in Proposal No. 2, "Partial Amendments to the Articles of Incorporation."

The reasons for the allocation of subscription rights to shares and the details thereof are as follows.

1. Reasons for the allocation of subscription rights to shares as remuneration

By further strengthening the linkage of the Bank's business performance and the share price, the Bank intends to further increase Directors' appetite to contribute to the enhancement of corporate value, and the awareness of management from the perspective of shareholders.

2. Details of the subscription rights to shares as remuneration

(1) Type and number of shares underlying the subscription rights to shares

The type of shares underlying the subscription rights to shares shall be shares of common stock of the Bank, and the number of shares underlying the subscription rights to shares (hereinafter, the "number of shares granted") shall be 100 shares per subscription right to shares.

However, in the event the Bank conducts a share split (including a gratis allocation of shares of common stock of the Bank; hereinafter, the same shall apply with regard to mention to share splits) or a consolidation of shares with regard to shares of common stock of the Bank after the date the subscription rights to shares are allocated (hereinafter, the "allocation date"), the number of shares granted for subscription rights to shares that have not been exercised as of the time of the share split or consolidation of shares shall be adjusted based on the following formula.

$$\text{Post-adjustment number of shares granted} = \text{Pre-adjustment number of shares granted} \times \text{Ratio of share split or consolidation of shares}$$

In addition to the above, if circumstances occur where an adjustment to the number of shares granted is inevitable, the Bank shall adjust the number of shares granted as deemed necessary by the Board of Directors.

Furthermore, fractions less than one share generated as a result of the above adjustment shall be rounded down.

(2) Total number of subscription rights to shares

The maximum number of subscription rights to shares allocated within one (1) year of the date of the Annual General Meeting of Shareholders for each fiscal year shall be 500.

(3) Amount of payment for subscription rights to shares

The amount of payment for each subscription right to shares shall be an amount determined by the Board of Directors, based on the fair value of the subscription rights to shares calculated using fair

calculation methods such as the Black-Scholes model, etc. at the time of allocation of subscription rights to shares.

Furthermore, persons to whom subscription rights to shares are allocated (hereinafter, "subscription rights to shares holders") shall not be required to make monetary payment, as the payment shall be offset against their claims for remuneration against the Bank.

(4) Value of assets to be contributed upon the exercise of subscription rights to shares

The value of assets to be contributed upon the exercise of subscription rights to shares shall be one (1) yen for each share that may be delivered upon the exercise of the subscription rights to shares, multiplied by the number of shares granted.

(5) Period during which subscription rights to shares may be exercised

The period during which the subscription rights to shares may be exercised shall be defined by the Board of Directors of the Bank within a range of thirty (30) years from the day following the allocation date of the subscription rights to shares.

(6) Conditions for the exercise of subscription rights to shares

Subscription rights to shares holders may only exercise subscription rights to shares on a lump-sum basis, only during the period from the day following the day the Director or Executive Officer loses his or her position to the day when ten (10) days have passed.

(7) Restrictions on the acquisition of subscription rights to shares by transfer

The acquisition of subscription rights to shares by transfer shall require approval by the Board of Directors of the Bank.

(8) Other details regarding subscription rights to shares

Other details regarding the subscription rights to shares shall be determined by the Board of Directors, which shall determine the subscription matters for the subscription rights to shares.

(Reference)

Subsequently to the conclusion of this Annual General Meeting of Shareholders, the Bank also intends to issue subscription rights to shares with the same details as those described above to Executive Officers, by resolution of the Board of Directors.

Proposal No. 8: Payment of Retirement Bonus to Retiring Corporate Auditor

Mr. Masanori Matsukawa will retire from his position as Corporate Auditor at the conclusion of this General Meeting of Shareholders, and we therefore propose the payment of a retirement bonus within an appropriate range based on certain standards set forth by the Bank, for his services while in office from the date of his appointment until June 29, 2004.

Subject to the approval of Proposal No. 2, "Partial Amendments to the Articles of Incorporation," the Bank will transition to a Company with an Audit and Supervisory Committee. We request that the details such as the specific amount and the timing and method of payment be delegated to the deliberation of Directors serving as Audit and Supervisory Committee Members.

In a resolution at a meeting of the Board of Directors held in May 2004 and deliberations of Corporate Auditors, the Bank abolished the retirement bonus system as of the conclusion of the Annual General Meeting of Shareholders held on June 29, 2004. Therefore, this proposal is for the payment of a retirement bonus for Mr. Matsukawa's services during his time in office until the time when the retirement bonus system was abolished (two (2) years from June 2002 to June 2004).

The past experience of the retiring Corporate Auditor to whom the retirement bonus will be paid is as follows.

Name	Past experience
Masanori Matsukawa	Jun. 2002 Corporate Auditor of the Bank to present

[Reference]

<Criteria for Assessing Independence of Outside Officers>

A candidate for Outside Officer (Outside Director and Outside Corporate Auditor) shall not fall under any of the following, both currently and, in principle, for past three years:

(1) A person whose major business partner (*1) is the Bank, or in a case of a juridical person, its executing person;
(2) A major business partner (*2) of the Bank, or in a case of a juridical person, its executing person;
(3) A person who is a consultant, accountant and legal specialist, etc. that receives the average of 10 million yen or more of cash or other assets annually from the Bank for the past three years other than remuneration as an Officer;
(4) A person who is a partner, etc. of a consulting firm, accounting firm, and law firm, etc. whose major business partner (*1) is the Bank;
(5) A person who receives donation of 10 million yen or more annually from the Bank for the past three years, or in a case of a juridical person, its executing person;
(6) A person who is a major shareholder (*3) of the Bank, or in a case of a juridical person, its executing person;
(7) A person who is a close relative (*5) of the following (excluding a person who is not significant (*4)):
   A) A person who falls under any of the items (1) - (6) above.
   B) A person who is a Director, Corporate Auditor, Executive Officer, etc. and important employee, etc. of the Bank and its subsidiaries

*1 A person who received 2 % or more of consolidated annual net sales for the previous fiscal year from the Bank
*2 A party that made payment to the Bank of 2 % or more of the Bank's consolidated gross profit for the previous fiscal year
*3 A shareholder who holds 10% or more of voting rights
*4 A person whose rank is officer or general manager of a company, or if a person belongs to an accounting firm or law firm, certified public accountant or attorney-at-law
*5 A close relative within the second degree of kinship