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(Securities Code: 8358)
June 10, 2022

To Shareholders:

Kosuke Saga
Director and President
Suruga Bank Ltd.
23 Toriyoko-cho, Numazu City,
Shizuoka, Japan

NOTICE OF CONVOCATION OF THE 211TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

We wish to inform you that the 211th Annual General Meeting of Shareholders of Suruga Bank Ltd. (the “Bank”) will be held as described below.

Given the ongoing spread of COVID-19, the Bank has decided to hold this General Meeting of Shareholders while implementing appropriate measures to prevent infection.

In view of preventing the spread of infection, the Bank requests that you exercise your voting rights in advance in writing or via the Internet, etc. as much as possible and refrain from attending this General Meeting of Shareholders regardless of your health condition.

Please review the Reference Documents for the General Meeting of Shareholders below and exercise your voting rights no later than 5:00 p.m. (JST) on Tuesday, June 28, 2022.

Exercise of Voting Rights in Writing

Please indicate your approval or disapproval for each of the proposals on the enclosed Voting Rights Exercise Form and return it so that it will reach the Bank by the aforementioned voting deadline.

Exercise of Voting Rights via the Internet, etc.

Please access the Bank’s designated website for the exercise of voting rights (<https://www.e-sokai.jp>) using the “Voting Rights Exercise Code” and “Password” shown on the enclosed Voting Rights Exercise Form, follow the on-screen guidance, and enter your approval or disapproval for each of the proposals.

Please refer to the “Information on Exercising Voting Rights via the Internet, etc.” on page 4 when voting via the Internet, etc. and exercise your voting rights by the aforementioned deadline.

As the seats at this Meeting will be placed further apart to maintain social distancing as a measure to prevent the spread of COVID-19, seating will be limited. As such, attending the Meeting will require prior registration. For shareholders who wish to attend this General Meeting of Shareholders, please register in advance over the Internet. Please note that only shareholders who have been selected by a lottery system may enter the venue.

1. Date and Time: Wednesday, June 29, 2022 at 10:00 a.m. Japan Standard Time
(Reception opens at 9:00 a.m.)

2. Place: Convention Hall A, 1F,
Plaza Verde
1-1-4 Otemachi, Numazu City, Shizuoka, Japan
* As the seats at this Meeting will be placed further apart to maintain social distancing as a measure to prevent the spread of COVID-19, seating will be limited. As such, attending the Meeting will require prior registration.
* The venue is subject to change depending on the situation of COVID-19 and the opening time may change accordingly. Any change to the venue and other matters will be posted on the Bank's website (<https://www.surugabank.co.jp/>).

3. Meeting Agenda:

Matters to be reported: (1) The Business Report and Consolidated Financial Statements for the Bank's 211th Fiscal Year (from April 1, 2021 to March 31, 2022) and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
(2) Non-consolidated Financial Statements for the Bank's 211th Fiscal Year (from April 1, 2021 to March 31, 2022)

Proposals to be resolved:

<Matters proposed by the Bank (Proposals No. 1, No. 2 and No. 3)>

Proposal No. 1: Partial Amendments to the Articles of Incorporation
Proposal No. 2: Election of Six (6) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
Proposal No. 3: Election of One (1) Director Who Is an Audit and Supervisory Committee Member

<Matters proposed by shareholders (Proposals No. 4 through No. 13)>

Proposal No. 4: Dismissal of Director
Proposal No. 5: Amendment to Article 2, Paragraph 1 of the Articles of Incorporation (Regarding Lending of Funds)
Proposal No. 6: Partial Amendment to the Articles of Incorporation (Regarding Receipt of Financial Screening Documents)
Proposal No. 7: Partial Amendment to the Articles of Incorporation (Regarding Method of Determination of Fraudulent Activities)
Proposal No. 8: Partial Amendment to the Articles of Incorporation (Regarding the Swift and Proper Settlement of Fraudulent Loan Scandal)
Proposal No. 9: Partial Amendment to the Articles of Incorporation (Regarding Clarification of Milestones to Lifting of Business Improvement Order)
Proposal No. 10: Partial Amendment to the Articles of Incorporation (Regarding the Disclosure of Fraudulent Activity by the Bank to Shareholders)
Proposal No. 11: Partial Amendment to the Articles of Incorporation (Regarding the Disclosure of Significant Legal Proceedings)
Proposal No. 12: Partial Amendment to the Articles of Incorporation (Regarding Establishment of a Whistleblowing System to Outside Directors Concerning Fraudulent Loan Activity)
Proposal No. 13: Amendment to Article 14 of the Articles of Incorporation (Regarding Not Holding General Meetings of Shareholders in an Online-only Format)

Proposals No. 4 through No. 13 are proposals made by shareholders (300 shareholders, number of voting rights: 451); the Board of Directors opposes each of the above shareholder proposals.

4. Information on Convocation:

- (1) If you choose to exercise your voting rights in writing and do not indicate your approval or disapproval for each of the proposals on the Voting Rights Exercise Form returned to the Bank, you will be deemed to have indicated approval for the Bank's proposals and disapproval of shareholder proposals.
- (2) If you exercise your voting rights in writing in duplicate, the last Voting Rights Exercise Form to reach the Bank will be deemed to be valid.
- (3) If you exercise your voting rights both in writing and via the Internet, etc., your exercise via the Internet, etc. will be deemed to be valid. In addition, if you exercise your voting rights multiple times via the Internet, etc., your last exercise will be deemed to be valid.
- (4) If you intend to engage in split voting, you are required to notify the Bank indicating your intention to engage in split voting and the reasons for the split voting at least three days prior to the General Meeting of Shareholders.

The Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements, the Copy of the Accounting Auditor's Report concerning Consolidated Financial Statements, and the Copy of the Accounting Auditor's Report are as stated in the "Attached Documents."

- ◎ Of the documents required to be appended to this Notice of Convocation, Matters relating to Subscription Rights to Shares of the Bank, Consolidated Statement of Shareholders' Equity, the Notes to the Consolidated Financial Statements, Non-consolidated Statement of Shareholders' Equity and the Notes to the Non-consolidated Financial Statements are posted on the Bank's website (<https://www.surugabank.co.jp/>) (Japanese only) in accordance with laws and regulations and Article 16 of the Articles of Incorporation of the Bank, and are therefore not included in the documents attached to this Notice of Convocation. The Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements included in the documents attached to this Notice of Convocation are partial extracts of the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements that were subject to audit by the Accounting Auditor and the Audit and Supervisory Committee for the preparation of the Audit Report.
- ◎ Any revisions to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-consolidated Financial Statements will be posted on the Bank's website (<https://www.surugabank.co.jp/>).
- ◎ Exercise of voting rights by proxy is permitted, provided that another shareholder with voting rights is designated as a proxy, in accordance with Article 18 of the Articles of Incorporation of the Bank. A shareholder may designate one proxy. To enable exercise of voting rights by proxy, a document evidencing the proxy's power of representation must be submitted.

To shareholders attending the meeting

- ◎ When attending the meeting, please submit or present the enclosed Voting Rights Exercise Form and either a printed-out copy of the "Notice of Confirmed Attendance" sent by e-mail or such Notice on a smartphone screen at the reception desk.
- ◎ We would appreciate it if you could bring these reference documents with you to the meeting.
- ◎ Please refrain from photographing and/or recording using a camera, smartphone, feature phone, etc. Please also refrain from talking or texting on a smartphone, feature phone, etc.
- ◎ Please note that we no longer hand out gifts to shareholders attending the meeting and have not done so since the 206th Annual General Meeting of Shareholders.

Information on Exercising Voting Rights via the Internet, etc.

Voting rights can be exercised via the Internet by accessing the website for the exercise of voting rights designated by the Bank indicated below. You are cordially requested to exercise your voting rights by the voting deadline to facilitate the timely recording of votes.

Voting deadline

5:00 p.m. (JST) on Tuesday, June 28, 2022

Website for the exercise of voting rights

<https://www.e-sokai.jp>

About Smart Exercise

Please scan the “QR Code for Login to the Website for the Exercise of Voting Rights by Smartphone” printed on the enclosed Voting Rights Exercise Form, and you will be able to access the website without entering the Voting Rights Exercise Code or the Password.

*You can exercise your voting rights by “Smart Exercise” only once.

For details, please refer to the enclosed leaflet. (in Japanese)

Notes

- > The website for the exercise of voting rights is not accessible via the Internet from mobile phones except for certain mobile phone terminals (smartphones, etc.).
- > All charges required for accessing the website for the exercise of voting rights, such as service charge by the Internet service provider and communication fees charged by carriers (telephone charges, etc.), shall be borne by shareholders.
- > The Password is a means to identify the voter is the shareholder. You are requested to keep the Password safely until the closure of this General Meeting of Shareholders. Please note that we are unable to respond to any inquiries about the Voting Rights Exercise Code or the Password.

Procedures to Access the Website for the Exercise of Voting Rights

1. Access the website for the exercise of voting rights

Click “Proceed.”

2. Log in

Enter the “Voting Rights Exercise Code” indicated at lower left on the Voting Rights Exercise Form and click “Log in.”

3. Enter the Password

Enter the “Password” indicated on the Voting Rights Exercise Form and click “Proceed.”

Then, follow the instructions on the screen and indicate your vote for or against each proposal.

Inquiries regarding the Exercise of Voting Rights via the Internet

If you have any inquiries about the exercise of voting rights via the Internet, please call the following number.

- Transfer agent: Agency Department, JAPAN SECURITIES AGENTS, LTD.
- Web support direct line: 0120-707-743 (toll-free in Japan)
- Business hours: Open from 9:00 a.m. to 9:00 p.m. (including Saturdays, Sundays, and national holidays)

For institutional investors

By applying in advance to use the Electronic Voting Platform for Institutional Investors managed by ICJ Inc., a company jointly established by the Tokyo Stock Exchange, Inc. and other entities, management trust banks and other nominee shareholders (including standing proxies) are able to use the platform as an alternative to the method for exercising the voting rights via the Internet described above.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Matters proposed by the Bank (Proposals No. 1, No. 2 and No. 3)

Proposal No. 1, Proposal No. 2 and Proposal No. 3 are matters proposed by the Bank.

Proposal No. 1: Partial Amendments to the Articles of Incorporation

1. Reasons for the amendments

As the amending provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will enter into force on September 1, 2022, the Bank proposes the following amendments to the Bank’s Articles of Incorporation in preparation for the implementation of a system for electronic provision of materials for general meetings of shareholders.

- (1) Article 16, Paragraph 1 of the proposed amendments stipulates that measures shall be taken for electronic provision of information that constitutes the content of reference documents for general meetings of shareholders, etc..
- (2) Article 16, Paragraph 2 of the proposed amendments establishes provisions to limit the scope of matters to be stated in physical documents that are delivered to shareholders who request delivery of physical documents.
- (3) As provisions concerning internet disclosure and deemed provision of reference documents for general meetings of shareholders (Article 16 of the current Articles of Incorporation) will no longer be necessary, these shall be deleted.
- (4) Supplementary provisions shall be established concerning the effective date, etc., in line with the new establishments and deletions above.

2. Contents of the amendments

The contents of the amendments are as follows (underlines indicate amended sections).

Current Articles of Incorporation	Proposed amendments
<p><u>(Internet disclosure and deemed provision of reference documents for general meetings of shareholders, etc.)</u></p> <p><u>Article 16</u></p> <p><u>Upon convening a general meeting of shareholders, the Bank may deem that it has provided to shareholders information pertaining to matters that must be indicated in the reference documents for general meetings of shareholders, business report, non-consolidated financial statements, and consolidated financial statements (including accounting audit reports and audit reports for such consolidated financial statements) by disclosing such information via the internet in accordance with the provisions of laws and ordinances.</u></p>	<p>(Deleted)</p>

Proposal No. 2: Election of Six (6) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter the same applies in this Proposal) will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of six (6) Directors is proposed.

Nominations of the candidates for Director were determined by the Board of Directors based on the recommendation by the Nomination and Compensation Committee, an optional committee (chaired by an Independent Outside Director and with Independent Outside Directors constituting a majority of the members). The Audit and Supervisory Committee examined this proposal but identified no special matters on which the Committee should state its opinions at the General Meeting of Shareholders in accordance with the provisions of the Companies Act.

The candidates for Director are as follows:

No.	Name	Positions and responsibilities at the Bank	Candidate attributes	Attendance at Board of Directors' meetings
1	Kosuke Saga	Representative Director and President Responsible for Corporate Administration Division	Reelection	19/19 (100%)
2	Kosuke Kato	Representative Director and Vice President, CCO Responsible for General Management Planning Headquarters, Compliance Department, Systems Department, and Market Finance Department	Reelection	19/19 (100%)
3	Tomoaki Tsutsumi	Managing Director Responsible for Credit Division and Loan Management Division	Reelection	19/19 (100%)
4	Tomoki Toya	Director Responsible for Sales Division and Business Administration Division	Reelection	19/19 (100%)
5	Takeshi Miyajima	Senior Executive Officer, General Manager of Corporate Administration Division	New election	- / -
6	Yoriyuki Kusaki	Outside Director	Reelection Outside Director Independent Director	19/19 (100%)

Candidates for Directors

1 Kosuke Saga

Reelection

Date of birth: July 2, 1964
Attendance at Board of Directors' meetings: 19/19 (100%)
Number of shares of the Bank held: - shares

Career summary, positions, responsibilities and significant concurrent positions

- Apr. 1987 Joined Recruit Cosmos Co., Ltd. (currently, Cosmos Initia Co., Ltd.)
- Jun. 2006 Director (responsible for accounting and finance), Recruit Cosmos Co., Ltd.
- Nov. 2010 Director and Managing Executive Officer, MK Capital Management Corporation (currently, IDERA Capital Management Ltd.)
- Sep. 2012 Director and Vice President, IDERA Capital Management Ltd.
- Nov. 2012 Representative Director and President, IDERA Capital Management Ltd.
- Mar. 2016 Executive Director responsible for strengthening management infrastructure, SG Holdings Co., Ltd.
- Jun. 2018 Director responsible for Corporate Planning, SG Holdings Co., Ltd.
- Jun. 2019 Director and Vice President of the Bank
Responsible for General Management Planning Headquarters and Sales Division
- Oct. 2019 Representative Director and Vice President
Responsible for General Management Planning Headquarters and Sales Division
- Jun. 2020 Representative Director and President (current position)
Responsible for Corporate Administration Division
To present

Reasons for nomination as a candidate for Director

Mr. Kosuke Saga has been exerting leadership in important business execution of the Bank, such as promoting the Mid-term Management Plan and implementing the business improvement plan, by leveraging his wealth of experience and extensive knowledge gained through his career as a management executive at multiple companies, and based on these achievements, the Bank judges that he continues to be indispensable in building a sustainable business model for the Bank, and thus nominated him as a candidate for Director.

2 Kosuke Kato

Reelection

Date of birth: March 15, 1966

Attendance at Board of Directors' meetings: 19/19 (100%)

Number of shares of the Bank held: - shares

Career summary, positions, responsibilities and significant concurrent positions

Apr. 1989 Joined Nippon Life Insurance Company

Mar. 1997 Joined Boston Consulting Group

Jul. 2003 Partner, Boston Consulting Group

Jan. 2010 Senior Partner & Managing Director, Boston Consulting Group

Oct. 2013 Vice President, American Family Life Assurance Company of Columbus (currently, Aflac Life Insurance Japan Ltd.)

Jan. 2016 Senior Vice President, American Family Life Assurance Company of Columbus (currently, Aflac Life Insurance Japan Ltd.)

Aug. 2018 Chief Executive Officer, AEGON Sony Life Insurance Co., Ltd. (currently, Sony Life Insurance Co., Ltd.)

Jun. 2020 Representative Director and Vice President, CCO of the Bank (current position)
Responsible for General Management Planning Headquarters, Compliance Department,
Systems Department, and Market Finance Department
To present

Reasons for nomination as a candidate for Director

Mr. Kosuke Kato has leveraged his experience in corporate management, knowledge of financial services and his extensive network of relationships in the financial industry in promoting the Mid-term Management Plan and implementing the business improvement plan, and based on these achievements the Bank judges that he will continue to make a significant contribution to enhancing the Bank's corporate value, and thus nominated him as a candidate for Director.

3 Tomoaki Tsutsumi

Reelection

Date of birth: November 23, 1966

Attendance at Board of Directors' meetings: 19/19 (100%)

Number of shares of the Bank held: 3,300 shares

Career summary, positions, responsibilities and significant concurrent positions

Apr. 1990 Joined the Bank

Apr. 2010 General Manager of Integrated Risk Management Department, Corporate Planning Division

Apr. 2013 General Manager of Ito Branch

Apr. 2014 General Manager of Integrated Risk Department, Corporate Administration Division

Apr. 2017 Executive Officer, General Manager of Credit Department

Dec. 2018 Senior Executive Officer, General Manager of Credit Division

Jun. 2019 Director, Senior Executive Officer, General Manager of Credit Division

Responsible for Credit Division, Loan Management Division, and Market Finance Department

Jun. 2020 Managing Director (current position)

Responsible for Credit Division and Loan Management Division

To present

Reasons for nomination as a candidate for Director

Mr. Tomoaki Tsutsumi has leveraged his wealth of experience and deep insight in controlling credit risk to appropriately execute risk-return control, and the Bank judges that he will be indispensable in promoting the Mid-term Management Plan, and thus nominated him as a candidate for Director.

4 Tomoki Toya

Reelection

Date of birth: March 11, 1966

Attendance at Board of Directors' meetings: 19/19 (100%)

Number of shares of the Bank held: 2,400 shares

Career summary, positions, responsibilities and significant concurrent positions

Apr. 1989 Joined the Bank

Apr. 2006 General Manager of Hatano Branch

Apr. 2015 General Manager of Personal Finance Department, Customer Support Division

Jun. 2016 General Manager of Casting Department, Corporate Planning Division

Sep. 2018 Executive Officer, General Manager of Human Resources Department

Oct. 2018 Executive Officer, General Manager of Sales Division

Apr. 2019 Executive Officer, General Manager of Sales Division and General Manager of Kanagawa Community Bank

May 2020 Executive Officer, General Manager of Sales Division

Jun. 2020 Director (current position)

Responsible for Sales Division and Business Administration Division

To present

Reasons for nomination as a candidate for Director

Taking into account Mr. Tomoki Toya's achievements as General Manager of Sales Division such as rebuilding the sales structure, promoting sales activities, and establishing good relationships with prefectural and local governments and business partners, the Bank judges that he will continue to be indispensable in driving sales based on customer-oriented business operations and promoting the Mid-term Management Plan, and thus nominated him as a candidate for Director.

5 Takeshi Miyajima

New election

Date of birth: August 5, 1965

Number of shares of the Bank held: - shares

Career summary, positions, responsibilities and significant concurrent positions

- Apr. 1989 Joined the Bank
- Apr. 2005 General Manager of Yokohama Hiyoshi Branch
- Apr. 2012 General Manager of Yokosuka Branch
- Apr. 2015 General Manager of Quality Support Department, Customer Support Division
- Apr. 2016 Executive Officer, General Manager of Quality Support Department, Customer Support Division
- Apr. 2017 Executive Officer, General Manager of Administration Division
- Apr. 2018 Executive Officer, General Manager of Corporate Planning Division
- Oct. 2018 Executive Officer, General Manager of Corporate Administration Division
- Jun. 2021 Senior Executive Officer, General Manager of Corporate Administration Division
- To present

Reasons for nomination as a candidate for Director

As Senior Executive Officer, General Manager of Corporate Administration Division, Mr. Takeshi Miyajima has shown exceptional business execution abilities and leadership, and the Bank judges that he is indispensable in realizing the Bank's corporate philosophy and promoting the Mid-term Management Plan, and thus nominated him as a candidate for Director.

6 Yoriyuki Kusaki

Reelection / Outside Director / Independent Director

Date of birth: March 31, 1958

Attendance at Board of Directors' meetings: 19/19 (100%)

Number of shares of the Bank held: - shares

Career summary, positions, responsibilities and significant concurrent positions

Apr. 1980 Joined Daiwa Securities Co. Ltd.

May 2004 Senior Managing Director, Daiwa Securities Co. Ltd.

Apr. 2007 Executive Managing Director, Daiwa Securities Co. Ltd.

Apr. 2009 Senior Executive Managing Director, Head of Sales Division of Daiwa Securities Co. Ltd.

Apr. 2012 Representative Director and Deputy President, Head of Sales Division of Daiwa Securities Co. Ltd.;
Corporate Executive Officer, Deputy President, Deputy Head of Retail of Daiwa Securities Group Inc.

Apr. 2016 President and Representative Director of Daiwa Institute of Research Holdings Ltd.;
President and Representative Director of Daiwa Institute of Research Ltd.;
President and Representative Director of Daiwa Institute of Research Business Innovation Ltd.;
Executive Vice President in charge of Thinktanks of Daiwa Securities Group Inc.

Apr. 2020 Adviser of Daiwa Institute of Research Holdings Ltd. (currently, Daiwa Institute of Research Ltd.)

Jun. 2020 Outside Director of the Bank (current position)
To present

Reasons for nomination as a candidate for Outside Director and a summary of expected roles

Mr. Yoriyuki Kusaki, as an Outside Director and Chairperson of the Nomination and Compensation Committee, has demonstrated a wealth of experience, deep insight, and prowess as a management executive, and the Bank judges that his supervision and advice that leverages his knowledge will continue to contribute to the Bank with a view to enhancing the Bank's corporate value, and thus nominated him as a candidate for Outside Director.

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- Notes
1. No special interest exists between Mr. Yoriyuki Kusaki and the Bank.
 2. Mr. Yoriyuki Kusaki is a candidate for Outside Director as provided for in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act and satisfies the Bank's criteria for independence of outside directors. Mr. Yoriyuki Kusaki is an independent director as provided for by the Tokyo Stock Exchange, Inc. and the Bank has registered him as an independent director with the same Exchange. The Bank has no transactions with Mr. Yoriyuki Kusaki.
 3. Mr. Yoriyuki Kusaki will have served as Outside Director of the Bank for two (2) years upon the conclusion of this Annual General Meeting of Shareholders.

- Notes - The Bank has entered into a directors and officers liability insurance contract, under which all of its Directors are the insureds, to cover loss or damage that may result from the insured Directors assuming liability for the performance of their duties or being subject to a claim for the pursuit of such liability. However, there are grounds for exemptions, such as that loss or damage caused intentionally or with gross negligence will not be covered. If the election of each candidate for Director is approved and resolved, the Bank intends to renew the insurance contract.
- The Bank has entered into an agreement with Mr. Yoriyuki Kusaki in accordance with the Articles of Incorporation of the Bank and Article 427, Paragraph 1 of the Companies Act, to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act. If the election of Mr. Yoriyuki Kusaki is approved and resolved as originally proposed, the said liability limitation agreement will remain in effect.

Proposal No. 3: Election of One (1) Director Who Is an Audit and Supervisory Committee Member

The terms of office of Director Mr. Yasumine Satake who is an Audit and Supervisory Committee Member will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of one (1) Director who is an Audit and Supervisory Committee Member is proposed.

Nomination of the candidate for Director who is an Audit and Supervisory Committee Member was determined by the Board of Directors based on the recommendation by the Nomination and Compensation Committee, an optional committee (chaired by an Independent Outside Director and with Independent Outside Directors constituting a majority of the members). The approval of the Audit and Supervisory Committee regarding this proposal has been obtained in advance.

The candidate for Director who is an Audit and Supervisory Committee Member is as follows:

Name	Positions and responsibilities at the Bank	Candidate attributes	Attendance at Board of Directors' meetings
Yasumine Satake	Outside Director who is an Audit and Supervisory Committee Member	Reelection Outside Director Independent Director	19/19 (100%)

Candidate for Director who is an Audit and Supervisory Committee Member

Yasumine Satake		Reelection / Outside Director / Independent Director
Date of birth:		December 1, 1953
Attendance at Board of Directors' meetings:		19/19 (100%)
Number of shares of the Bank held:		- shares
Career summary, positions, responsibilities and significant concurrent positions		
Apr.	1976	Joined The Mitsubishi Bank, Ltd. (currently, MUFG Bank, Ltd.)
Jun.	1990	Deputy General Manager of Foreign Exchange and Finance Department, The Mitsubishi Bank, Ltd. (currently, MUFG Bank, Ltd.)
Mar.	1993	Assistant Branch Manager of Singapore Branch, The Mitsubishi Bank, Ltd. (currently, MUFG Bank, Ltd.)
Jul.	1997	Chief of Planning Division of Tokyo Mitsubishi Asset Management Co., Ltd. (currently, Mitsubishi UFJ Kokusai Asset Management Co., Ltd.)
Oct.	2000	Chief of Asset Management Planning Division of The Bank of Tokyo-Mitsubishi, Ltd. (currently, MUFG Bank, Ltd.)
Jul.	2002	Chief of Investment Banking and Asset Management Planning Department of The Bank of Tokyo-Mitsubishi, Ltd. (currently, MUFG Bank, Ltd.)
Jul.	2004	Representative Director and President of Mitsubishi Tokyo Wealth Management Securities, Ltd.
Aug.	2008	Chairman of The Tokyo Star Bank, Limited
Jun.	2015	Outside Director of SBI Holdings, Inc.
Jul.	2017	External Auditor of SBI Sumishin Net Bank, Ltd.
Jun.	2020	Outside Director who is an Audit and Supervisory Committee Member, the Bank (current position) To present

Reasons for nomination as a candidate for Director

Mr. Yasumine Satake has demonstrated a wealth of experience as a management executive and deep insight and prowess as Outside Director and Chairperson of the Audit and Supervisory Committee. The Bank judges that he will continue to contribute greatly to strengthening the management control system from a more diversified perspective, and thus nominated him as a candidate for Director who is an Audit and Supervisory Committee Member.

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- Notes
1. No special interest exists between Mr. Yasumine Satake and the Bank.
 2. Mr. Yasumine Satake is a candidate for Outside Director as provided for in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act and satisfies the Bank's criteria for independence of outside directors. Mr. Yasumine Satake is an independent director as provided for by the Tokyo Stock Exchange, Inc. and the Bank has registered him as an independent director with the same Exchange. The Bank has no transactions with Mr. Yasumine Satake.
 3. Mr. Yasumine Satake will have served as Outside Director who is an Audit and Supervisory Committee Member of the Bank for two (2) years upon the conclusion of this Annual General Meeting of Shareholders.

- Notes -
- The Bank has entered into a directors and officers liability insurance contract, under which all of its Directors are the insureds, to cover loss or damage that may result from the insured Directors assuming liability for the performance of their duties or being subject to a claim for the pursuit of such liability. However, there are grounds for exemptions, such as that loss or damage caused intentionally or with gross negligence will not be covered. If the election of the candidates for Director are approved and resolved, the Bank intends to renew the insurance agreement.
 - The Bank has entered into an agreement with Mr. Yasumine Satake in accordance with the Articles of Incorporation of the Bank and Article 427, Paragraph 1 of the Companies Act, to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act. If the election of Mr. Yasumine Satake is approved and resolved as originally proposed, the said liability limitation agreement will remain in effect.

(Reference) Skills Matrix of the Board of Directors after this General Meeting of Shareholders (tentative)

The principal areas of expertise and experience particularly expected of each Director are as follows.

Name		Corporate Management	Risk Management	Finance / Accounting	Sales / Marketing	HR Management	Marketable activities	Compliance/ Legal	IT/ Digital
Directors who are not Audit and Supervisory Committee Members	Kosuke Saga	●	●	●	●	●			
	Kosuke Kato	●	●	●	●		●		●
	Tomoaki Tsutsumi		●	●				●	
	Tomoki Toya		●		●	●			
	Takeshi Miyajima				●	●			●
	Yoriyuki Kusaki	●			●	●			
Directors who are Audit and Supervisory Committee Members	Emi Noge		●					●	
	Yoichi Namekata		●					●	
	Yasumine Satake	●		●			●		
	Kazumasa Itakura		●		●				

* The above matrix does not reflect the entirety of insight and experience of each Director.

Shareholder Proposals (Proposal No. 4 through Proposal No. 13)

Proposal No. 4 through Proposal No. 13 are proposals made by shareholders (300 shareholders). The number of voting rights held by such shareholders is 451.

The “Reasons for the Proposal” for each proposal, including choice of wording and assertions of facts, are presented in their original form as submitted by the shareholders, except for formal revisions.[Translation Note: This paragraph is not applicable to English translation]

The Board of Directors of the Bank **opposes** all of these proposals as described below.

Proposal No. 4: Dismissal of Director

1. Outline of the Proposal

It is proposed that the following Director be dismissed from office.

Representative Director and President Kosuke Saga

2. Reasons of the Proposal

The business improvement order, which was issued by the Financial Services Agency to the Bank in October 2018, has not yet been lifted, and the Bank has repeatedly taken insincere measures in response. This led to a new victims’ group being set up in 2021, which has increased management risks even further.

In addition, not only has the delinquency rate for secured loans exceeded 9% and the Bank has recorded an allowance for loan losses of 64.6 billion yen, the stock price shows no sign of recovery and the outflow of deposits has not been halted, exposing the current management’s lack of risk management capabilities.

Furthermore, while the website of the Bank clearly states that the Bank is “sincerely committed to resolving the illegal loan issue as soon as possible,” a letter sent by President Kosuke Saga to the Bank’s employees reveals a hostile attitude, stating that the Bank “will take a resolute attitude to customers who wish to resolve the illegal loan issue,” and this contradiction between his words and actions has led him to suggest that the Bank “has not changed at all from the past.”

If this situation continues, rather than restructuring, the Bank may revert to the way it was, and we strongly urge the dismissal of President Kosuke Saga in order to achieve a true restructuring of the Bank.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank opposes this Proposal for the following reasons.
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Mr. Kosuke Saga has played a central role in the restructuring of the Bank’s governance structure based on the business improvement plan and the promotion of the Medium-term Management Plan since his appointment as a Director of the Bank in June 2019. During this period, Mr. Kosuke Saga has demonstrated strong leadership in achieving the dissolution of the Bank’s relationship with the founders and their family companies, as well as in resolving the issue using unprecedented methods, such as a bulk transfer substitute performance scheme for shared house-related loans. We believe that this is an achievement that could not have been achieved by anyone else. Mr. Saga is indispensable to the continued steady implementation of the business improvement plan and the Medium-term Management Plan, and as evidenced by the fact that the Nomination and Compensation Committee, of which the majority is composed of Independent Outside Directors, has recommended that he be reelected, we believe that this Proposal to dismiss Mr. Kosuke Saga is unjustified.

Proposal No. 5: Amendment to Article 2, Paragraph 1 of the Articles of Incorporation
(Regarding Lending of Funds)

1. Outline of the Proposal

To amend Article 2, Paragraph 1 of the Articles of Incorporation as follows.

Acceptance of deposits or time deposits, lending of funds or discounting of bills and exchange transactions. However, no loans shall be made for personal investment or business real estate.

2. Reasons of the Proposal

The Bank's active involvement in fraudulent activities, such as its employees personally instructing real estate agents to falsify financial screening documents when lending for personal investment or business real estate, has resulted in the occurrence of the Kabocha no Basha case and the apartment and condominium fraud case, and the Bank's business situation has deteriorated to an extreme level.

In addition, the Bank resumed lending funds for personal investment and purchase of business real estate shortly after the business suspension order by the Financial Services Agency was lifted, and has continued the lending operations in the same old-fashioned manner.

It is obvious that if the Bank lends funds for personal investment and business real estate, fraudulent activity will occur again as long as "Nothing has changed at the Bank," as the Bank's employees themselves stated in an NHK TV program in March. Therefore, in order to prevent the recurrence of fraudulent acts by the Bank, to prevent further victims of fraud, and to prevent further increases in non-performing loans, we hereby propose stipulating in the Articles of Incorporation that the Bank shall not provide loans for personal investment and business real estate.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank opposes this Proposal for the following reasons.
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The Bank is restructuring its compliance system under the business improvement plan. Regarding real estate loans to individuals, the Bank received a business improvement order from the Financial Services Agency on October 5, 2018, to partially suspend business operations. The Bank resumed operations in May 2019 after thorough efforts to ensure compliance, customer-oriented business operations, and strengthened governance functions. As a result of such improvement of our systems, we find that no particular problems have arisen in real estate lending to individuals since the resumption of operations. We believe that this Proposal would be inappropriate from the perspective of restructuring the Bank's operations and improving its corporate value, as it would not only cause inconvenience to customers who need loans from the Bank, but would also restrict the Bank's core business, which currently accounts for approximately 40% of its ordinary income.

Proposal No. 6: Partial Amendment to the Articles of Incorporation (Regarding Receipt of Financial Screening Documents)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that financial screening documents shall be received from the borrowers themselves and not from real estate agents.

2. Reasons of the Proposal

In order to complete the fraudulent loans for investment and business real estate without the employees' own hands getting dirty, the Bank instructed real estate agents to falsify financial screening documents and received falsified documents from the real estate agents. Based on the falsified documents, the Bank made fraudulent loans, resulting in a huge amount of non-performing loans. In order to eliminate such a situation, it is necessary to receive financial screening documents directly from the borrowers themselves, without involving real estate agents. Therefore, it is proposed to stipulate in the Articles of Incorporation that the Bank shall not receive financial screening documents from real estate agents.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank opposes this Proposal for the following reasons.
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The method of receiving so-called financial screening documents is already specifically stipulated in the Bank's manual for loans, and employees are required to comply with said manual as part of the Bank's internal rules. Therefore, there is no need to further stipulate it in the Articles of Incorporation. In addition, the way of conducting business operations should be reviewed in a timely and appropriate manner in response to changes in the environment, and the scope of "financial screening documents" is not clear in the wording, so we do not believe that it is appropriate to stipulate the contents of this Proposal in the Articles of Incorporation.

Proposal No. 7: Partial Amendment to the Articles of Incorporation (Regarding Method of Determination of Fraudulent Activities)

1. Outline of the Proposal

To establish a third party committee to verify and disclose in good faith any cases of falsification or fraud pointed out by customers, and to stipulate such verification and disclosure in the Articles of Incorporation of the Bank.

2. Reasons of the Proposal

The Bank was involved in fraudulent activities, such as instructing real estate agents to falsify financial screening documents, which resulted in the creation of many fraud victims. While the Bank has reported to the Financial Services Agency that it will take a sincere attitude toward the victims, President Saga has instructed internally to take a resolute attitude (meaning a combative attitude) toward victims who point out the Bank's fraud and falsification, rather than a sincere attitude. It is necessary for the Bank to provide shareholders with accurate information on what was done in the past in response to the fraudulent loan issue.

The Third Party Committee report released in 2018 pointed out that fraudulent activities were rampant within the Bank, not only with regard to share house loans, but also with regard to loans for apartments and condominiums. The report was insufficient to clarify the actual situation, and therefore it is necessary to establish a third party committee to conduct another honest verification of fraudulent activities related to loans for apartments and condominiums. To ensure this, it is required to stipulate it in the Articles of Incorporation.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank opposes this Proposal for the following reasons.
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Although the Bank has committed to dealing with cases in which customers have pointed out falsification and fraud, etc., in good faith and with sincerity, with the Compliance Department and other departments of the Bank taking the lead, the specific manner of response to such cases should be on a case-by-case basis. If such a rule were stipulated in the Articles of Incorporation, a third party committee would need to be uniformly established for all cases in which falsification and fraud, etc. are raised by customers, and we do not believe that this is always the best way to respond.

Proposal No. 8: Partial Amendment to the Articles of Incorporation (Regarding the Swift and Proper Settlement of Fraudulent Loan Scandal)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that the fraudulent loan scandal shall be resolved swiftly and properly.

2. Reasons of the Proposal

It is unprecedented and outrageous that a public-sector bank, especially one listed on the Prime Market, would collude with real estate agents to falsify customers' bank books and withholding tax slips and be deeply involved in fraudulent loans.

Although the case of share house fraudulent loans has been resolved, the case of apartment condominium fraudulent loans has not been resolved at all. Moreover, it has become clear that damage has been done to foreigners as well. The number of victims in the case of apartment condominium fraudulent loans is extremely large and amounts to a huge sum of money. If this is left unresolved, the Bank will continue to face uncertainty in its management, and this will be extremely detrimental to its shareholders. Therefore, it is necessary to swiftly and properly resolve any fraudulent loan cases, and for the Articles of Incorporation to stipulate to that effect, for the maintenance and development of the Bank.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank opposes this Proposal for the following reasons.
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The Bank strives to take swift and proper action in all of its business operations, and it is not appropriate for the Articles of Incorporation to stipulate "swift and proper resolution" by focusing only on the fraudulent loan scandal in particular. In addition, "swift and proper resolution" is a very abstract phrase, and we do not find it appropriate to include it in the provisions of the Articles of Incorporation, which should set forth the Bank's basic rules.

Proposal No. 9: Partial Amendment to the Articles of Incorporation (Regarding Clarification of Milestones to Lifting of Business Improvement Order)

1. Outline of the Proposal

To clearly indicate milestones for lifting the business improvement order issued by the Financial Services Agency and to report the progress thereof at the financial results briefings, and to stipulate to this effect in the Articles of Incorporation.

2. Reasons of the Proposal

The Bank received the business improvement order from the Financial Services Agency in 2018, and three and a half years have elapsed since the order was issued, yet it has not been lifted. This is because the apartment and condominium loan case has not been resolved. This is a disgraceful fact and a serious problem for a financial institution listed on the Prime Market.

If shareholders monitor the management team of the Bank, it will be possible for the Bank to restructure its management and have the business improvement order lifted as soon as possible.

The first step toward lifting the business improvement order is to clearly indicate what dialogue the Bank has had with the Financial Services Agency since the order was issued, as well as all of the issues currently facing the Bank, and to clearly set milestones for actions to lift the business improvement plan. It is important to report the progress against the milestones in the quarterly announcement of financial results and in the financial results briefings. To ensure this, these matters should be stipulated in the Articles of Incorporation.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank opposes this Proposal for the following reasons.
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The Bank regularly reports to the Financial Services Agency on the progress of its response to the business improvement order, which includes many confidential business-related matters. In addition, the Bank appropriately discloses information to investors in accordance with laws and regulations, and stock exchange rules, but to go beyond this and stipulate in the Articles of Incorporation that the Bank must report such information at financial results briefings would impose an excessive obligation to disclose information beyond the scope of laws and regulations, and we believe that this is not reasonable from the perspective of smooth and proper business operations.

Proposal No. 10: Partial Amendment to the Articles of Incorporation (Regarding the Disclosure of Fraudulent Activity by the Bank to Shareholders)

1. Outline of the Proposal

That in the event of any fraudulent activity by an employee of the Bank, the Bank shall disclose the details of such fraudulent activity to its shareholders, and to stipulate to that effect in its Articles of Incorporation.

2. Reasons of the Proposal

In a lawsuit brought against the Bank by a former executive officer of the Bank, it was revealed that the Bank had colluded with unscrupulous real estate agents in order to achieve its sales quota, falsified documents, and extended loans to customers to whom it should not have extended loans. In some cases, the Sales Division intimidated the Credit Department into extending loans despite the fact that the Credit Department had rejected the loans. The employee who committed these frauds is now the general manager of a branch.

The Bank belongs to the shareholders. Therefore, all the fraudulent activities that the Bank has committed should be disclosed to the shareholders.

Kickbacks received by the Bank employees from the real estate agents, falsification of financial screening documents, instructions to falsify such documents, including a message “what about the evidence?” sent by the Bank employees to the real estate agents via LINE (a messaging app), loans made without interviews between the Bank employees and customers, evasion of inspections by administrative agencies, forced tie-in sales of life insurance, compulsory deposit as condition for loans, and other fraudulent activities should all be disclosed. To ensure this, these matters should be stipulated in the Articles of Incorporation.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank opposes this Proposal for the following reasons.
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In the event that any fraudulent activity by one of our employees is discovered, we will report it to the Financial Services Agency (the Local Finance Bureaus) in accordance with laws and regulations, and will also consider taking such measures as issuing a press release on our own initiative in light of the materiality of the matter, not to mention the fact that disclosure is required under laws and regulations and stock exchange rules. If the Articles of Incorporation stipulate that the Bank must disclose to shareholders every time a fraudulent activity occurs, regardless of its materiality, etc., this would impose an excessive obligation to disclose information beyond the scope of laws and regulations, etc., and is not appropriate from the perspective of smooth and proper business operations.

Proposal No. 11: Partial Amendment to the Articles of Incorporation (Regarding the Disclosure of Significant Legal Proceedings)

1. Outline of the Proposal

That in the event of a lawsuit against or by a former officer or former executive officer, a full account of the lawsuit shall be provided to the shareholders, and to stipulate to such effect in the Articles of Incorporation.

2. Reasons of the Proposal

The Bank fired former Executive Officer Aso (Co-COO) after he took full responsibility for the fraudulent loans, and Mr. Aso filed a lawsuit against the Bank in protest.

We assume that the Bank's argument is that the amount of a compensation claim does not fall under the category of "material lawsuits" to be included in the securities report, but the fact that a former Executive Officer, who was the Bank's top earner, is taking the Bank to court (claiming that he was not the only one involved in the fraudulent loans) is indeed a "material lawsuit" in terms of corporate governance. The Bank has also filed a lawsuit against the Okano family, the former owner of the Bank, alleging governance irregularities. This is also an extremely material lawsuit. The Articles of Incorporation should provide for disclosure of such material lawsuits.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank opposes this Proposal for the following reasons.
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With regard to lawsuits in which the Bank is a party, we will also consider taking such measures as issuing a press release on our own initiative in light of the materiality of the matter, not to mention the fact that disclosure is required under laws and regulations and stock exchange rules. However, there are various types of possible lawsuits that could theoretically be filed against and by former officers and former executive officers, and if the Articles of Incorporation require the Bank to uniformly disclose all of them to shareholders, it would impose an excessive obligation to disclose information beyond the scope of laws and regulations, and we believe that this would not be appropriate from the perspective of smooth and proper business operations.

Proposal No. 12: Partial Amendment to the Articles of Incorporation (Regarding Establishment of a Whistleblowing System to Outside Directors Concerning Fraudulent Loan Activity)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that the Bank shall establish a strict whistleblowing system for all loans made by the Bank, including those made in the past, in order to receive whistleblowing reports on any fraudulent activities.

2. Reasons of the Proposal

To date, there have been many employees who, due to internal power harassment and other factors, have been reluctant to speak out about the fraudulent loans that have been spreading within the Bank, even though they were aware of the fraudulent activities. As a result, this has caused the Bank significant damage, both in terms of money and credit.

The Bank appears to have a whistleblowing system, but it is completely dysfunctional due to rampant suppression of information and leakage of information. In order to improve this situation, it is necessary to establish a stricter whistleblowing system. To this end, it is imperative to set up a contact point with an outside director, entrust it to an independent law firm or a company specializing in receiving whistleblowing reports, strictly maintain the confidentiality of information sources, and require the Bank to respond to such reports in good faith.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank opposes this Proposal for the following reasons.
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As a business with more than 300 employees, the Bank is required to have a whistleblowing system in place, and we believe that a provision in the Articles of Incorporation for a whistleblowing system is merely a reaffirmation of the legal obligation and is unnecessary. The Bank has a whistleblowing system that complies with the Whistleblower Protection Act and the latest guidelines, and a reasonable number of reports have actually been made, and we believe that there is nothing to indicate that the Bank's whistleblowing system is dysfunctional. Specifically, the Bank has established multiple independent contact points, including one by an external professional firm, one by an external law firm, and one by Audit and Supervisory Committee members (including Outside Directors), to ensure the anonymity of whistleblowers and to receive a wide range of reports. In the event that a report is received, the Compliance Department responds to the report appropriately and rigorously, in cooperation with the Audit and Supervisory Committee members (including Outside Directors) and external law firm as appropriate.

Proposal No. 13: Amendment to Article 14 of the Articles of Incorporation (Regarding Not Holding General Meetings of Shareholders in an Online-only Format)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that general meetings of shareholders of the Bank shall be held in Numazu City and shall not be held in an online-only format.

2. Reasons of the Proposal

Given the current abnormal circumstances where the business improvement order has been in force for more than three and a half years, we propose that the Bank's Articles of Incorporation stipulate that the general meeting of shareholders be held in Numazu City and not be held solely online, so that the management has an opportunity to hear directly the opinions of as many shareholders as possible. In particular, in consideration of shareholders who are not accustomed to online meetings, meetings in an online-only format should not be held.

Under the circumstances where the business improvement order is still in effect, holding an online-only meeting for facile reasons is tantamount to abandoning dialogue with shareholders.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank opposes this Proposal for the following reasons.
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Under the current legislation, an amendment to the Articles of Incorporation is required to enable the holding of so-called virtual-only general meeting of shareholders. Therefore, even if the Bank does not go as far as stipulating in its Articles of Incorporation that it will not hold online-only general meeting of shareholders, unless the Bank has obtained shareholders' approval for an amendment to the Articles of Incorporation to enable the holding of virtual-only general meeting of shareholders, the Bank cannot implement this (even if the Bank were to hold a general meeting of shareholders before June 16, 2023, the Bank has no plan to use the transitional measures under the Act on Strengthening Industrial Competitiveness after receiving confirmation by the Minister of Economy, Trade and Industry and the Minister of Justice in accordance with such Act). Therefore, we believe that it is unnecessary to amend the Articles of Incorporation as proposed in this Proposal.

Consolidated Balance Sheet

(As of March 31, 2022)

(Millions of yen)

Accounts	Amount	Accounts	Amount
(Assets)		(Liabilities)	
Cash and due from banks	874,184	Deposits	3,307,307
Call loans and bills bought	40,244	Foreign exchanges	41
Monetary claims bought	59,739	Other liabilities	14,479
Trading account securities	82	Provision for bonuses	486
Money held in trust	99	Provision for directors' bonuses	41
Securities	463,432	Net defined benefit liability	292
Loans and bills discounted	2,148,079	Provision for share-based compensation	205
Foreign exchanges	2,292	Provision for reimbursement of deposits	247
Lease receivables and investment assets	5,066	Provision for contingent loss	75
Other assets	45,241	Deferred tax liabilities	1,102
Tangible fixed assets	35,227	Acceptances and guarantees	1,474
Buildings	10,741	Total liabilities	3,325,753
Land	20,738		
Leased assets	46	(Net assets)	
Construction in progress	806	Capital stock	30,043
Other tangible fixed assets	2,893	Capital surplus	1,976
Intangible fixed assets	18,474	Retained earnings	245,595
Software	16,380	Treasury stock	(18,131)
Goodwill	1,294	Total shareholders' equity	259,484
Leased assets	132	Valuation difference on available-for-sale securities	1,324
Software development in progress	301	Deferred gains or losses on hedges	(3)
Other intangible fixed assets	365	Remeasurements of defined benefit plans	3,324
Net defined benefit asset	20,509	Total accumulated other comprehensive income	4,645
Deferred tax assets	14,751	Non-controlling interests	100
Customers' liabilities for acceptances and guarantees	1,474	Total net assets	264,229
Allowance for loan losses	(138,917)	Total liabilities and net assets	3,589,982
Total assets	3,589,982		

Consolidated Statement of Income

(From April 1, 2021 to March 31, 2022)

(Millions of yen)

Accounts	Amount	
Ordinary income		92,072
Interest income	75,030	
Interest on loans and discounts	71,906	
Interest and dividends on securities	2,038	
Interest on call loans and bills bought	1	
Interest on deposits with banks	820	
Other interest income	263	
Fees and commissions	7,683	
Other ordinary income	3,741	
Gains on redemption of bonds	616	
Other	3,124	
Other income	5,617	
Recoveries of written off claims	5,035	
Gain on sales of stocks and other securities	5	
Other	576	
Ordinary expenses		81,476
Interest expenses	1,489	
Interest on deposits	1,461	
Other interest expenses	27	
Fees and commissions payments	11,620	
Other ordinary expenses	2,922	
Loss on redemption of bonds	72	
Other	2,850	
General and administrative expenses	41,186	
Other expenses	24,258	
Provision for allowance for loan losses	14,250	
Written-off of loans	5,654	
Losses on devaluation of stocks and other securities	27	
Other	4,325	
Ordinary profit		10,596
Extraordinary income		76
Gain on disposal of fixed assets	76	
Extraordinary loss		1,611
Loss on disposal of fixed assets	957	
Impairment loss	653	
Profit before income taxes		9,061
Income taxes - current	161	
Income taxes - deferred	943	
Total income taxes		1,105
Profit		7,955
Profit (loss) attributable to non-controlling interests		(4)
Profit attributable to owners of parent		7,960

Consolidated Statement of Shareholders' Equity

(From April 1, 2021 to March 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	30,043	2,045	238,863	(561)	270,391
Cumulative effects of changes in accounting policies			(69)		(69)
Restated balance	30,043	2,045	238,794	(561)	270,321
Changes of items during the year					
Dividends of surplus			(1,158)		(1,158)
Profit attributable to owners of parent			7,960		7,960
Purchase of treasury stock				(17,669)	(17,669)
Disposal of treasury stock		(69)		99	30
Net changes of items other than shareholders' equity					
Total changes of items during the year	—	(69)	6,801	(17,570)	(10,837)
Balance at the end of the year	30,043	1,976	245,595	(18,131)	259,484

(Millions of yen)

	Accumulated other comprehensive income			
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance at the beginning of the year	8,954	(20)	6,341	15,274
Cumulative effects of changes in accounting policies				
Restated balance	8,954	(20)	6,341	15,274
Changes of items during the year				
Dividends of surplus				
Profit attributable to owners of parent				
Purchase of treasury stock				
Disposal of treasury stock				
Net changes of items other than shareholders' equity	(7,629)	16	(3,016)	(10,629)
Total changes of items during the year	(7,629)	16	(3,016)	(10,629)
Balance at the end of the year	1,324	(3)	3,324	4,645

(Millions of yen)

	Non-controlling interests	Total net assets
Balance at the beginning of the year	104	285,770
Cumulative effects of changes in accounting policies		(69)
Restated balance	104	285,700
Changes of items during the year		
Dividends of surplus		(1,158)
Profit attributable to owners of parent		7,960
Purchase of treasury stock		(17,669)
Disposal of treasury stock		30
Net changes of items other than shareholders' equity	(4)	(10,633)
Total changes of items during the year	(4)	(21,471)
Balance at the end of the year	100	264,229

Non-consolidated Balance Sheet

(As of March 31, 2022)

(Millions of yen)

Accounts	Amount	Accounts	Amount
(Assets)		(Liabilities)	
Cash and due from banks	873,583	Deposits	3,312,181
Cash	27,216	Current deposits	67,268
Due from banks	846,366	Ordinary deposits	1,381,613
Call loans	40,244	Saving deposits	13,513
Monetary claims bought	59,739	Deposits at notice	219
Trading account securities	82	Time deposits	1,794,306
Trading government bonds	14	Other deposits	55,259
Trading local government bonds	68	Foreign exchanges	41
Money held in trust	99	Foreign bills sold	9
Securities	466,243	Foreign bills payable	31
Local government bonds	138,991	Other liabilities	7,725
Corporate bonds	4,565	Accrued expenses	2,767
Stocks	23,981	Unearned revenue	57
Other securities	298,705	Deposits received from employees	745
Loans and bills discounted	2,138,587	Lease obligations	150
Bills discounted	1,633	Derivatives other than for trading – liabilities	389
Loans on bills	8,604	Other	3,613
Loans on deeds	1,954,674	Provision for bonuses	433
Overdrafts	173,674	Provision for directors' bonuses	41
Foreign exchanges	2,292	Provision for share-based compensation	205
Due from foreign banks (our accounts)	1,129	Provision for reimbursement of deposits	247
Foreign bills receivable	1,162	Provision for contingent loss	75
Other assets	36,971	Acceptances and guarantees	1,474
Prepaid expenses	1,218	Total liabilities	3,322,425
Accrued income	5,600		
Derivatives other than for trading – assets	2	(Net assets)	
Other	30,151	Capital stock	30,043
Tangible fixed assets	34,418	Capital surplus	18,585
Buildings	10,275	Legal capital surplus	18,585
Land	20,522	Retained earnings	216,461
Leased assets	134	Legal retained earnings	30,043
Construction in progress	806	Other retained earnings	186,418
Other tangible fixed assets	2,678	(Reserve for advanced depreciation of fixed assets)	59
Intangible fixed assets	16,782	(General reserve)	103,032
Software	16,151	(Retained earnings brought forward)	83,326
Software in progress	270	Treasury stock	(18,131)
Other intangible fixed assets	359	Total shareholders' equity	246,958
Prepaid pension cost	15,746	Valuation difference on available-for-sale securities	(598)
Deferred tax assets	15,639	Deferred gains or losses on hedges	(3)
Customers' liabilities for acceptances and guarantees	1,474	Total valuation and translation adjustments	(602)
Allowance for loan losses	(133,124)	Total net assets	246,356
Total assets	3,568,782	Total liabilities and net assets	3,568,782

Non-consolidated Statement of Income

(From April 1, 2021 to March 31, 2022)

(Millions of yen)

Accounts	Amount	
Ordinary income		83,658
Interest income	70,904	
Interest on loans and discounts	67,825	
Interest and dividends on securities	1,993	
Interest on call loans	1	
Interest on deposits with banks	820	
Other interest income	263	
Trust fees	0	
Fees and commissions	6,734	
Fees and commissions on domestic and foreign exchanges	1,683	
Other fees and commissions	5,050	
Other ordinary income	663	
Gains on foreign exchange transactions	46	
Gains on redemption of bonds	616	
Other income	5,356	
Recoveries of written off claims	4,957	
Gain on sales of stocks and other securities	5	
Gain on investments in money held in trust	0	
Other	394	
Ordinary expenses		73,564
Interest expenses	1,487	
Interest on deposits	1,461	
Interest on interest swaps	3	
Other interest expenses	22	
Fees and commissions payments	11,438	
Fees and commissions on domestic and foreign exchanges	644	
Other fees and commissions	10,794	
Other ordinary expenses	73	
Loss on trading account securities transactions	0	
Loss on redemption of bonds	72	
General and administrative expenses	38,247	
Other expenses	22,317	
Provision for allowance for loan losses	14,223	
Written-off of loans	5,502	
Losses on devaluation of stocks and other securities	27	
Other	2,563	
Ordinary profit		10,093
Extraordinary income		20
Gain on disposal of fixed assets	20	
Extraordinary loss		1,502
Loss on disposal of fixed assets	848	
Impairment loss	653	
Profit before income taxes		8,612
Income taxes - current	60	
Income taxes - deferred	697	
Total income taxes		757
Profit		7,854

Non-consolidated Statement of Shareholders' Equity

(From April 1, 2021 to March 31, 2022)

(Millions of yen)

	Shareholders' equity			
	Capital stock	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at the beginning of the year	30,043	18,585	3	18,589
Cumulative effects of changes in accounting policies				
Restated balance	30,043	18,585	3	18,589
Changes of items during the year				
Dividends of surplus				
Profit				
Purchase of treasury stock				
Disposal of treasury stock			(3)	(3)
Net changes of items other than shareholders' equity				
Total changes of items during the year	—	—	(3)	(3)
Balance at the end of the year	30,043	18,585	—	18,585

(Millions of yen)

	Shareholders' equity						
	Retained earnings					Treasury stock	Total shareholders' equity
	Legal retained earnings	Other retained earnings			Total retained earnings		
		Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward			
Balance at the beginning of the year	30,043	59	103,032	76,764	209,899	(561)	257,970
Cumulative effects of changes in accounting policies				(69)	(69)		(69)
Restated balance	30,043	59	103,032	76,695	209,830	(561)	257,901
Changes of items during the year							
Dividends of surplus				(1,158)	(1,158)		(1,158)
Profit				7,854	7,854		7,854
Purchase of treasury stock						(17,669)	(17,669)
Disposal of treasury stock				(65)	(65)	99	30
Net changes of items other than shareholders' equity							
Total changes of items during the year	—	—	—	6,631	6,631	(17,570)	(10,942)
Balance at the end of the year	30,043	59	103,032	83,326	216,461	(18,131)	246,958

(Millions of yen)

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at the beginning of the year	7,211	(20)	7,191	265,162
Cumulative effects of changes in accounting policies				(69)
Restated balance	7,211	(20)	7,191	265,092
Changes of items during the year				
Dividends of surplus				(1,158)
Profit				7,854
Purchase of treasury stock				(17,669)
Disposal of treasury stock				30
Net changes of items other than shareholders' equity	(7,809)	16	(7,793)	(7,793)
Total changes of items during the year	(7,809)	16	(7,793)	(18,736)
Balance at the end of the year	(598)	(3)	(602)	246,356