(Securities Code: 8358)
June 3, 2024
(Date of commencement of electronic provision measures: May 27, 2024)

To Shareholders:

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

NOTICE OF CONVOCATION OF THE 213TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

We wish to inform you that the 213th Annual General Meeting of Shareholders of Suruga Bank Ltd. (the "Bank") will be held as described below.

When convening this General Meeting of Shareholders, the Bank has taken measures for providing information in electronic format (the "electronic provision measures") and has posted matters subject to the electronic provision measures on the Bank's website as set forth below.

[The Bank's website]
https://www.surugabank.co.jp/surugabank/common/english/shareholders/

In addition to the above, the Bank also has posted this information on the following website on the Internet.
[Tokyo Stock Exchange (TSE) website (Listed Company Search)]
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

To view the information, please access the above website, input the Bank's name (Suruga Bank) or securities code (8358), and click on "Search," and then click on "Basic information" and select "Documents for public inspection/PR information."

There will be sufficient seating capacity at the Meeting venue, but we recommend prior registration for attending the Meeting to alleviate congestion in front of the Meeting venue and for us to know in advance the number of shareholders who wish to attend the Meeting. While shareholders without prior registration may attend the Meeting, shareholders with prior registration will have priority should there be a shortage of seats. Accordingly, for shareholders who wish to attend this General Meeting of Shareholders, please register in advance via the Internet.

If you do not attend the Meeting, you may exercise your voting rights via the Internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders contained in the matters subject to the electronic provision measures and exercise your voting rights no later than 5:00 p.m. (JST) on Tuesday, June 25, 2024.

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 pages 5 through 6 when voting via the Internet, etc. and exercise your voting rights by the aforementioned deadline.

1. **Date and Time:** Wednesday, June 26, 2024 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

3. **Meeting Agenda:**

Matters to be reported:
(1) The Business Report and Consolidated Financial Statements for the Bank's 213th Fiscal Year (from April 1, 2023 to March 31, 2024) 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 213th Fiscal Year (from April 1, 2023 to March 31, 2024)

Proposals to be resolved:

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

Proposal No. 1:	Partial Amendment to the Articles of Incorporation
Proposal No. 2:	Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

<Matters proposed by shareholders (5 shareholders, number of voting rights: 302) (Proposals No. 3 through No. 12)>

Proposal No. 3:	Partial Amendment to the Articles of Incorporation (Regarding Emphasizing Dialogue with Shareholders)
Proposal No. 4:	Partial Amendment to the Articles of Incorporation (Regarding Disclosures of Fees and Setting Deadline for Issues Relating to Fraudulent Loan)
Proposal No. 5:	Partial Amendment to the Articles of Incorporation (Regarding Reinvestigation of All Investment Real Estate Loans)
Proposal No. 6:	Partial Amendment to the Articles of Incorporation (Regarding Returning the Kickbacks the Bank's Employees Received from Real Estate Agents)
Proposal No. 7:	Partial Amendment to the Articles of Incorporation (Regarding Mandatory Verification of Original Financial Asset Verification Documents)
Proposal No. 8:	Partial Amendment to the Articles of Incorporation (Regarding the Establishment of the Third-Party Audit Committee on Business Alliance with Credit Saison)
Proposal No. 9:	Deletion of Article 33 of the Articles of Incorporation (Regarding Decision-making Organ for Dividends of Surplus, etc.)
Proposal No. 10:	Partial Amendment to the Articles of Incorporation (Regarding Audit and Supervisory Committee's Obligation to Disclose Information)
Proposal No. 11:	Partial Amendment to the Articles of Incorporation (Regarding the Individual Disclosure of Executive Compensation)
Proposal No. 12:	Partial Amendment to the Articles of Incorporation (Regarding Disclosure of Customer Comments)

<Matters proposed by shareholders (311 shareholders, number of voting rights: 568) (Proposals No. 13 through No. 22)>

Proposal No. 13:	Amendment to Article 4 of the Articles of Incorporation (Regarding the Transition to Company with a Nominating Committee)
Proposal No. 14:	Partial Amendment to the Articles of Incorporation (Regarding Live Coverage of the General Meeting of Shareholders and Posting of Video)
Proposal No. 15:	Dismissal of Accounting Auditor
Proposal No. 16:	Partial Amendment to the Articles of Incorporation (Regarding Temporary Suspension of a Post-Retirement Delivery-Type Stock Remuneration)

Proposal No. 17: Partial Amendment to the Articles of Incorporation (Regarding Placing a Cap on the Collateral Valuation for Investment Real Estate Loans)
Proposal No. 18: Partial Amendment to the Articles of Incorporation (Regarding the Name Change of "Office to Support Customer Owners of Share Houses and Others")
Proposal No. 19: Partial Amendment to the Articles of Incorporation (Regarding the Disclosure of the Reason the Business Improvement Order by the Financial Services Agency Has Not Been Lifted)
Proposal No. 20: Partial Amendment to the Articles of Incorporation (Regarding the Consistency between the Results of Third-Party Committee Investigations and the Bank's Announcements (IR Materials))
Proposal No. 21: Partial Amendment to the Articles of Incorporation (Regarding Prohibition of Remittance Requests Based on a Request Form That is Not in the Account Holder's Handwriting)
Proposal No. 22: Partial Amendment to the Articles of Incorporation (Regarding the Establishment of "Fraudulent Loan Reflection Center" and "Business Improvement Order Day")

Proposals No. 3 through No. 22 are proposals made by shareholders; 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) Proposal No. 1, the Bank's proposal, and Proposal No. 9, the shareholders' proposal, are at odds with each other. Please note that voting in favor of both proposals will invalidate the exercise of voting rights for Proposals No. 1 and No. 9.
(3) 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.
(4) 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.
(5) 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.

◎ In accordance with laws and regulations and Article 16, Paragraph 2 of the Articles of Incorporation of the Bank, the following matters are not included in the documents sent to shareholders who have requested the delivery of such documents:
(1) Matters relating to Subscription Rights to Shares of the Bank, (2) Consolidated Statement of Shareholders' Equity, (3) the Notes to the Consolidated Financial Statements, (4) Non-consolidated Statement of Shareholders' Equity, and (5) the Notes to the Non-consolidated Financial Statements.
Accordingly, the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements, which have been audited by the Accounting Auditor and the Audit and Supervisory Committee, are comprised of not only the documents referred to in the documents stating the matters subject to the electronic provision measures, but also the items listed in (1) through (5) above posted on each website.

◎ Any revisions to the matters subject to the electronic provision measures will be posted on the relevant website(s).

◎ 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, in addition, for shareholders with prior registration, either a printed-out copy of the "Notice of Seat Number" 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., including before and after the opening of the meeting.
- ◎ 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 25, 2024

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

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

1. Reasons for the amendment

This proposal is to amend the Articles of Incorporation regarding the decision-making on dividends of surplus, etc., so that while the Board of Directors will continue to have authority over the matter, shareholders may make decisions at the General Meeting of Shareholders if they so propose.

The Bank stipulates in its Articles of Incorporation that decisions pertaining to dividends on surplus and related matters shall be made by a resolution of the Board of Directors, rather than the General Meeting of Shareholders. This is based on our belief that, given that the Bank is required to comply with financial regulations, it is in the best interest of shareholders over the medium- to long-term to have the Board of Directors, with its high level of expertise, decide on the dividends of surplus, etc. to enhance shareholder returns while increasing its capital adequacy ratio.

On the other hand, when faced with changes in the Bank's business environment including clearer regulatory frameworks, better capital adequacy of the Bank, and a deeper interest of shareholders toward sustainable enhancement of corporate value from diverse perspectives, we believe engaging in constructive dialogue with our shareholders has become more important than ever on topics such as how we use our capital, including allocating to increase shareholder returns or for future growth. Our proposal to amend the Articles of Incorporation takes into account all of these situations.

2. Details of the amendment

The details of the amendments are as follows (underlines indicate amended section).

Current Articles of Incorporation	Proposed amendment
(Decision-Making Organ for Dividends of Surplus, Etc.) Article 33. The Bank <u>shall</u> determine the matters listed in each item of Article 459, Paragraph 1 of the Companies Act, including dividends of surplus, by a resolution of the Board of Directors, <u>without a resolution of the General Meeting of Shareholders,</u> unless otherwise provided by laws and regulations.	(Decision-Making Organ for Dividends of Surplus, Etc.) Article 33. The Bank <u>may</u> determine the matters listed in each item of Article 459, Paragraph 1 of the Companies Act, including dividends of surplus, by a resolution of the Board of Directors, unless otherwise provided by laws and regulations.

Proposal No. 2: Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all seven (7) 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 Bank proposes to elect seven (7) Directors.

Nominations of the candidates for Directors 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, and 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 Directors are as follows:

No.	Name	Positions and responsibilities at the Bank	Candidate attributes	Attendance at Board of Directors' meetings
1	Kosuke Kato	Representative Director and President	Reelection Male	17/17 (100%)
2	Tomoki Toya	Representative Director Senior Managing Executive Officer General Manager of Community Bank Division	Reelection Male	17/17 (100%)
3	Tomoaki Tsutsumi	Director Senior Managing Executive Officer General Manager of Credit Division and CCO	Reelection Male	17/17 (100%)
4	Takeshi Miyajima	Director Managing Executive Officer General Manager of IT & Operations Headquarters	Reelection Male	17/17 (100%)
5	Naoki Takahashi	Outside Director	Reelection Male	10/10 (100%)
6	Yoriyuki Kusaki	Outside Director	Reelection Outside Director Independent Director Male	17/17 (100%)
7	Yukiteru Yamamoto	Outside Director	Reelection Outside Director Independent Director Male	13/13 (100%)

Candidates for Directors

1 Kosuke Kato

Reelection / Male

Date of birth:	March 15, 1966
Attendance at Board of Directors' meetings:	17/17 (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 Responsible for General Management Planning Headquarters, Compliance Department, Systems Department, and Market Finance Department
Jun.	2022	Representative Director and Vice President Responsible for General Management Planning Headquarters, Solution Business Promotion Division, and Market Finance Department
Apr.	2023	Representative Director and Vice President
Jun.	2023	Representative Director and President (current position)
Jul.	2023	Director, Credit Saison Co., Ltd. (current position) To present

Reasons for nomination as a candidate for Director

Mr. Kosuke Kato has leveraged his experience as a corporate manager, deep financial sector knowledge, and extensive network in implementing the second phase of the Mid-term Management Plan and demonstrated leadership in addressing the Bank's key management issues. Based on his performance thus far, the Bank believes that he will continue to be indispensable in enhancing the Bank's corporate value and thus nominated him as a candidate for Director.

2 Tomoki Toya

Reelection / Male

Date of birth:	March 11, 1966
Attendance at Board of Directors' meetings:	17/17 (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 Responsible for Sales Division and Business Administration Division
Jun.	2022	Director Responsible for Sales Division
Apr.	2023	Director General Manager of Community Bank
Jun.	2023	Director, Managing Executive Officer General Manager of Community Bank
Apr.	2024	Representative Director, Senior Managing Executive Officer General Manager of Community Bank Division (current position) To present

Reasons for nomination as a candidate for Director

Mr. Tomoki Toya, as General Manager of the Community Bank Division, has a proven track record of building quality, long-term relationships with local customers in Shizuoka and Kanagawa Prefectures. Based on these achievements, the Bank judges that his customer-oriented business operations will continue to be indispensable for the execution of the Bank's Mid-term Management Plan, and he has thus been nominated as a candidate for Director.

3 Tomoaki Tsutsumi

Reelection / Male

Date of birth:	November 23, 1966
Attendance at Board of Directors' meetings:	17/17 (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 Responsible for Credit Division and Loan Management Division
Jun.	2022	Managing Director, CCO Responsible for Credit Division, Loan Management Division, and Compliance Department
Apr.	2023	Managing Director General Manager of Credit Division and CCO
Jun.	2023	Director, Senior Managing Executive Officer General Manager of Credit Division and CCO (current position) To present

Reasons for nomination as a candidate for Director

Mr. Tomoaki Tsutsumi has leveraged his wealth of experience and deep insight in managing credit risk to execute business that appropriately controls risk and return, and as CCO (Chief Compliance Officer), he has been working to thoroughly ensure the Bank's compliance and customer-oriented business operations. Based on these achievements, the Bank judges that he will continue to be indispensable in promoting the Mid-term Management Plan, and thus nominated him as a candidate for Director.

4 Takeshi Miyajima

Reelection / Male

Date of birth:	August 5, 1965
Attendance at Board of Directors' meetings:	17/17 (100%)
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
Jun.	2022	Director Responsible for Corporate Administration Division, Business Administration Division, and Systems Department
Apr.	2023	Director General Manager of IT & Operations Headquarters
Jun.	2023	Director, Managing Executive Officer General Manager of IT & Operations Headquarters (current position) To present

Reasons for nomination as a candidate for Director

Mr. Takeshi Miyajima has shown great leadership skills as General Manager of IT & Operations Headquarters to create new customer contact points using digital technology and reformed and streamlined business operations. Based on these achievements, the Bank judges that he will continue to be indispensable in promoting the Mid-term Management Plan, and thus nominated him as a candidate for Director.

5 Naoki Takahashi

Reelection / Male

Date of birth:	August 5, 1950
Attendance at Board of Directors' meetings:	10/10 (100%)
Number of shares of the Bank held:	– shares

Career summary, positions, responsibilities and significant concurrent positions

Apr.	1974	Joined The Fuji Bank, Limited (currently, Mizuho Financial Group, Inc.)
Apr.	2003	Executive Officer, General Manager, Osaka Corporate Banking Division No. 2 of Mizuho Corporate Bank, Ltd. (currently, Mizuho Bank, Ltd.)
Apr.	2004	Managing Executive Officer, Business Executive Officer of Mizuho Corporate Bank, Ltd.
Apr.	2005	Joined Credit Saison Co., Ltd. as Advisor
Jun.	2005	Managing Director, Credit Saison Co., Ltd.
Mar.	2007	General Manager, Business Strategy Division, Credit Saison Co., Ltd.
Mar.	2010	Senior Managing Director, Credit Saison Co., Ltd.
Mar.	2011	Representative, Senior Managing Director, Credit Saison Co., Ltd.
Mar.	2016	Representative, Executive Vice President, Credit Saison Co., Ltd.
Mar.	2020	Representative, Executive Vice President and CHO, Credit Saison Co., Ltd. (current position)
Jun.	2023	Chairman of the Board, Saison Asset Management Co., Ltd. (current position)
Jun.	2023	Outside Director, Broad-minded Co., Ltd. (current position)
Jul.	2023	Outside Director of the Bank (current position)
		To present

Reasons for nomination as a candidate for Director

Mr. Naoki Takahashi has a wealth of experience and a high degree of insight as Representative Director of Credit Saison Co., Ltd., a capital and business alliance partner of the Bank. Having also served as an executive officer of a bank, he is well-versed in banking operations as well. The Bank judges that his supervision and advice based on his experiences and knowledge will greatly contribute to enhancing the Bank's corporate value, including the creation of a unique retail financial solutions business through collaboration between banks and non-banks, and thus nominated him as a candidate for Director.

Note The Bank entered into a capital and business alliance agreement on May 18, 2023 with Credit Saison Co., Ltd. where Mr. Naoki Takahashi serves as Representative, Executive Vice President and CHO. The ratio of voting rights held by Credit Saison Co., Ltd. to the total number of the Bank's voting rights stands at 18.22%. No special interest exists between Mr. Naoki Takahashi and the Bank.

6 Yoriyuki Kusaki **Reelection / Outside Director / Independent Director / Male**

Date of birth:	March 31, 1958
Attendance at Board of Directors' meetings:	17/17 (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 SMBC Co. Ltd.
Apr.	2007	Executive Managing Director, Daiwa Securities SMBC 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 receiving supervision and advice based on his knowledge will continue to contribute to enhancing the Bank's corporate value, and thus nominated him as a candidate for Outside Director.

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 four (4) years upon the conclusion of this Annual General Meeting of Shareholders.

7 Yukiteru Yamamoto **Reelection / Outside Director / Independent Director / Male**

Date of birth: June 3, 1953
Attendance at Board of Directors' meetings: 13/13 (100%)
Number of shares of the Bank held: – shares

Career summary, positions, responsibilities and significant concurrent positions

Apr.	1977	Joined Mitsui Mutual Life Insurance Company (currently, TAIJU LIFE INSURANCE COMPANY LIMITED)
Apr.	2004	Executive Officer and General Manager of General Affairs and Personnel Division, of Mitsui Life Insurance Company
Apr.	2006	Managing Executive Officer, Mitsui Life Insurance Company
Jun.	2008	Director & Managing Executive Officer, Mitsui Life Insurance Company
Jul.	2008	Director, Japan Association for Financial Planners
Apr.	2009	Representative Director & President and Chief Executive Officer, Mitsui Life Insurance Company
Jun.	2013	Special Advisor, Mitsui Life Insurance Company
Jun.	2014	Outside Director, Sanki Engineering Co., Ltd.
Jul.	2014	Managing Director, Japan Association for Financial Planners
Apr.	2015	Advisor, Mitsui Life Insurance Company
Jul.	2016	Senior Managing Director, Japan Association for Financial Planners (current position)
Jun.	2020	Outside Director & Chairman of the Board of Directors, Sanki Engineering Co., Ltd. (current position)
Jun.	2023	Outside Director of the Bank (current position) To present

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

In addition to his wealth of experience and extensive network as a manager of a financial institution, Mr. Yukiteru Yamamoto is also well-versed in the fields of human resources and labor affairs. The Bank judges that receiving advice and supervision on important management issues based on his knowledge will contribute to enhancing the Bank's corporate value, and thus nominated him as a candidate for Outside Director.

Notes
1. No special interest exists between Mr. Yukiteru Yamamoto and the Bank.
2. Mr. Yukiteru Yamamoto 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. Yukiteru Yamamoto 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. Yukiteru Yamamoto.
3. Mr. Yukiteru Yamamoto will have served as Outside Director of the Bank for one (1) year 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. Naoki Takahashi, Mr. Yoriyuki Kusaki and Mr. Yukiteru Yamamoto in accordance with the Articles of Incorporation of the Bank and Article 427, Paragraph 1 of the Companies Act, to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act. If the election of Mr. Naoki Takahashi, Mr. Yoriyuki Kusaki and Mr. Yukiteru Yamamoto 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	Gender	Corporate Management	Risk Management	Finance / Accounting	Sales / Marketing	HR Management	Marketable activities	Compliance/ Legal	IT/ Digital
Directors who are not Audit and Supervisory Committee	Kosuke Kato	Male	●	●	●	●		●		●
	Tomoki Toya	Male		●		●	●			
	Tomoaki Tsutsumi	Male		●	●				●	
	Takeshi Miyajima	Male				●	●			●
	Naoki Takahashi	Male	●			●	●			
	Yoriyuki Kusaki	Male	●			●	●			
	Yukiteru Yamamoto	Male	●		●		●			
Directors who are Audit and Supervisory Committee Members	Tatsuya Akita	Male		●	●			●		
	Emi Noge	Female		●					●	
	Yoichi Namekata	Male		●					●	

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

Shareholder Proposals (Proposal No. 3 through Proposal No. 12)

Proposal No. 3 through Proposal No. 12 are proposals made by shareholders (5 shareholders). The number of voting rights held by such shareholders is 302.

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]

Since the number of proposals from these shareholders exceeded ten, the Bank has adopted the first ten proposals in the order they were listed in the shareholders' proposal exercise form and not adopted the remaining proposals, in accordance with Article 305, Paragraph 5 of the Companies Act.

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

Proposal No. 3: Partial Amendment to the Articles of Incorporation (Regarding Emphasizing Dialogue with Shareholders)

1. Outline of the Proposal

To clearly state in the Articles of Incorporation that the Bank will emphasize dialogue with shareholders and not set up an iron fence at the General Meeting of Shareholders, and stipulate specific policies and measures for this purpose.

2. Reasons for the Proposal

The Bank continues to obstruct dialogue with shareholders by putting up iron fences at the General Meeting of Shareholders, cutting off the Q&A sessions, and not accepting questions in advance online. This deprives shareholders of their right to know and the opportunity to express opinions, and this also shows that the Bank is not implementing its policy of "emphasizing dialogue with shareholders," as stated in its Corporate Governance Report.

Dialogue with shareholders is essential to gain shareholders' understanding and support for the Bank's management policies and its performance. Listening to the shareholders' opinions and requests will also lead to improving the Bank's management and increasing shareholder value. Therefore, the following two points shall be stipulated in the Articles of Incorporation.

1. The Bank shall remove the iron fence at the General Meeting of Shareholders to enhance dialogue with shareholders, ensure sufficient time for questions, and accept questions in advance online.
2. Besides the General Meeting of Shareholders, the Bank shall provide regular opportunities for shareholder briefings and individual meetings to actively engage in 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.

The iron fence at the venue of the General Meeting of Shareholders is installed to prevent unforeseen accidents, to stabilize order in the venue, and to ensure smooth proceedings. This is because, in past years, the proceedings were interrupted as many shareholders left their seats and moved to the front part of the venue. We believe that the presence of the iron fence does not prevent shareholders from asking questions or expressing their opinions at the meeting. In addition, we allow sufficient time for deliberations, taking into account the progress and the content of the proceedings, and we actively engage in dialogue with shareholders. For these reasons, we believe that it is unnecessary to amend the Articles of Incorporation as proposed in this Proposal.

Proposal No. 4: Partial Amendment to the Articles of Incorporation (Regarding Disclosures of Fees and Setting Deadline for Issues Relating to Fraudulent Loan)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that the Bank will regularly disclose the amounts paid to the Bank's retained law firm in relation to entrusting matters pertaining to lawsuits and mediations initiated by the victims of the fraudulent loan issue, and that it will cut their fees or change contracts if the matter cannot be resolved within the set deadline.

2. Reasons for the Proposal

At the 212th General Meeting of Shareholders, Mr. Kosuke Kato stated, "The problem of fraudulent loans for apartments and condominiums is the Bank's most critical management issue, and the Bank and the management team will work to resolve this issue as swiftly as possible." The Bank has paid a large sum of hourly fees to many attorneys for the early resolution of this most critical management issue, and has engaged in negotiations with many victims, but we have seen no progress. If things continue as they are, the Bank's assets will continue to decline, and the interests of its shareholders will be undermined.
Therefore, it is necessary to set a specific deadline to resolve the fraudulent loan issue and strictly demand that the attorneys adhere to the deadline. If the problem cannot be resolved by the deadline, the fees should be reduced or their contract be changed.
The cost of the attorneys is currently undisclosed. Shareholders are unable to check the appropriateness of the use of the Bank's assets, and thus we must point out that information from the Bank lacks transparency and reliability. Therefore, the total amount of fees paid to attorneys should be disclosed regularly so that accountability can be maintained and unnecessary expenses can be curbed.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

The Bank appropriately discloses information to investors following laws, regulations, and stock exchange rules. Fixing a specific deadline for lawsuits and mediation is not realistic because the timing and content of the claim, the other party's arguments and the background vary from one case to another. We believe that setting a specific deadline and demanding to adhere to such deadline will not necessarily maximize shareholders' interests. Regularly disclosing the total amount of attorney fees and reducing its amount if deadlines are not met would impose excessive disclosure obligations to the Bank that go beyond the scope of the laws and regulations, and such actions could impose restrictions on the Bank's proper business operations. Therefore, we do not believe that it would be appropriate to stipulate the content of this Proposal in the Articles of Incorporation.

Proposal No. 5: Partial Amendment to the Articles of Incorporation (Regarding Reinvestigation of All Investment Real Estate Loans)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation to conduct individual investigations of all loans made by the Bank to all borrowers and report the results of such investigations to shareholders.

2. Reasons for the Proposal

More than five and a half years have passed since the Bank received a business improvement order from the Financial Services Agency regarding the problem of fraudulent loans for apartments, condominiums, and share houses, but the order has yet to be lifted. This is evidence that the Bank's management reforms have been inadequate and its business compliance has not been sufficiently strengthened, and thus is causing significant damage to the interests and trust of shareholders.
The Bank conducted an investigation of all investment real estate loans in May 2019 and published the results. However, that investigation was based on responses from only 30.7% of the 23,185 borrowers, which is hardly an investigation of all loans.
This is insufficient to accurately grasp the whole picture of the fraudulent loans and the solutions to the problem. It lacks transparency to shareholders and trivializes the facts. Individual investigations must be conducted on all borrowers and the results must be reported to shareholders to bring the truth to light and restore shareholder confidence. This will prevent fraudulent loans, benefit shareholders, and increase corporate value.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

The report on investigation of all investment real estate loans, published in May 2019, was a comprehensive survey, covering not only loans to share houses, but to single building income loans, studio apartment loans, and other investment real estate loans. We asked our customers to provide us with information and applied multiple approaches to analyze the results. For those who did not respond, we have done everything possible to investigate their cases by using outside experts to examine all the in-house documents we have on file. As such, we do not believe that the investigation was inadequate.
In addition, the Bank is continuing to make every effort to quickly resolve the issue of fraudulent loans for apartments and condominiums in accordance with the three policies* announced in April 2023. Moreover, the Bank conducts investigations of individual cases as appropriate if judged necessary in the course of such effort. Therefore, we believe that it is unnecessary to amend the Articles of Incorporation as proposed in this Proposal.
*The three policies are: offering early resolution plans; reducing debtors' burdens through voluntary sale support measures, etc.; and making decisions on an individual case basis.
Web site: https://www.surugabank.co.jp/surugabank/kojin/topics/pdf/240404_05.pdf (available only in Japanese)

Proposal No. 6: Partial Amendment to the Articles of Incorporation (Regarding Returning the Kickbacks the Bank’s Employees Received from Real Estate Agents)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation the duty to return to victims the amount of kickback the Bank's employees received from real estate agents concerning real estate loans.

2. Reasons for the Proposal

The third-party committee report identifies many fraudulent cases where an employee of the Bank estimated a higher real estate purchase and sale price when making a real estate loan and received a kickback from real estate agent for a part of the difference. These kickbacks are an unfair benefit to the Bank's employees, as the victims of the unfairly high loan amounts bear the burden of repaying the principal and interest.

The Bank has decided to return customers' deposits embezzled by the Bank's employees at the Odawara Branch and other branches. However, the Bank's actions concerning the kickbacks from real estate agents remain unclear. It is therefore essential to stipulate in the Articles of Incorporation that the Bank's employees who received kickbacks from real estate agents are obligated to return the amounts to the victims. This will eradicate any incentive for an employee to commit fraud. Opposing this proposal would mean that the Board of Directors is endorsing fraud in 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.

Since receiving the business improvement order in October 2018, the Bank has undertaken fundamental measures, based on the business improvement plan, to realize thorough compliance and customer-oriented business operations to restore trust. Receiving kickbacks or other forms of money and goods is prohibited in our manual, and employees must comply with it. If a kickback is discovered, the Bank will take appropriate action against the employee in question in accordance with the laws and regulations. Therefore, we believe that it is unnecessary to stipulate the content of this Proposal in the Articles of Incorporation.

Proposal No. 7: Partial Amendment to the Articles of Incorporation (Regarding Mandatory Verification of Original Financial Asset Verification Documents)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that when providing loans for real estate, etc., it shall be obligated to receive directly from the borrower the deposit passbook and other financial asset verification documents, and its originality shall be verified in the presence of the loan officer and the supervisor.

2. Reasons for the Proposal

More than five and a half years have passed since the Financial Services Agency issued a business improvement order to the Bank due to fraudulent loans for share houses, etc. that took place in the past, but the order has yet to be lifted. This indicates that the Bank has not done enough to reform its management or strengthen its business compliance and has caused significant damage to the interests and trust of shareholders. The Bank was engaged in fraudulent activities such as the falsification and forgery of assessment documents that led to the fraudulent loans. However, falsification of deposit passbooks and online banking balances, especially, could have been prevented if the originality of documents had been thoroughly verified. The Bank did not have explicit rules in place that imposed the mandatory verification of the originality of these documents, and the procedure lacked thoroughness.

Therefore, it is necessary to stipulate in the Articles of Incorporation that it shall be obligated to verify the originality of financial asset verification documents. This would prevent fraudulent loans and improve the quality of the Bank's loans. In addition, by clearly stating this in the Articles of Incorporation, the Bank can raise awareness of compliance among employees, which is currently lacking.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

The methods for checking whether a financial asset verification document is original are already specifically defined in our business procedures, and employees must comply with these methods. While Articles of Incorporation should set forth the basic rules and regulations of the bank, the business operation methods related to loan screening are something that require being reviewed in a timely and appropriate manner in response to changes in the environment, such as the development of digital transformation (DX). Therefore, we do not believe that it would be appropriate to stipulate the content of this Proposal in the Articles of Incorporation.

Proposal No. 8: Partial Amendment to the Articles of Incorporation (Regarding the Establishment of the Third-Party Audit Committee on Business Alliance with Credit Saison)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that it shall establish an audit committee specially composed of third parties to prevent conflict-of-interest transactions and fraud and ensure impartiality in the business operations conducted in partnership with Credit Saison, and that it shall regularly report to shareholders on the status of its activities and the results of its evaluation.

2. Reasons for the Proposal

Business alliances carry the risk of inviting conflict-of-interest transactions and fraud. The Bank has yet to be released from the business improvement order from the Financial Services Agency that it received over five and a half years ago on its fraudulent activities including improper financing for share houses. This indicates that the Bank has not done enough to reform its management or strengthen its business compliance, and has caused significant damage to the interests and trust of shareholders. In accordance with the report of the third-party committee's investigation, the Bank is required to fundamentally correct the fraudulent practices that caused the share house problem, but the Bank has made no progress. Therefore, an audit committee consisting of third parties should be established to objectively evaluate the status and problems of the Bank’s alliance operation with Credit Saison, and the results should be reported to 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.

Credit Saison Co., Ltd. and the Bank are listed companies with an Audit and Supervisory Committee. From the standpoint of confidentiality obligations and insider trading regulations, we believe it is not appropriate to regularly report the status of its activities and audit results to shareholders. The Bank has established an internal audit department under the direct control of the President, which checks the adequacy and effectiveness of internal controls from an independent standpoint following internal audit regulations and other internal rules. On top of this, the Bank's Audit and Supervisory Committee is organized to strengthen its supervisory function with a highly transparent composition, with a majority being independent outside directors. The Committee also works closely with the internal audit department to conduct independent audits of the Directors' execution of duties, thereby serving to protect the interests of shareholders. Accordingly, sufficient measures are being taken to prevent fraud and ensure impartiality. Therefore, we do not believe that it would be appropriate to amend the Articles of Incorporation as proposed in this Proposal.

Proposal No. 9: Deletion of Article 33 of the Articles of Incorporation (Regarding Decision-making Organ for Dividends of Surplus, etc.)

1. Outline of the Proposal

To delete Article 33 of the Articles of Incorporation (Regarding Decision-making Organ for Dividends of Surplus, etc.).

2. Reasons for the Proposal

Each item of Article 459, Paragraph 1 of the Companies Act provide for the matters, such as shareholder dividends, that should, as a general rule, be decided by a resolution at a shareholders meeting. Through the establishment of Article 33 of its Articles of Incorporation, the Bank has changed the decision-making body for these matters to the Board of Directors, instead of the General Meeting of Shareholders. The Bank should reaffirm the fact that the Bank is owned by its shareholders and matters that the Companies Act stipulates as "matters decided by a resolution at a shareholders' meeting as a general rule" should be resolved by a General Meeting of Shareholders. Accordingly, we propose that Article 33 of the Articles of Incorporation, which is the basis for allowing resolutions by the Board of Directors, be deleted.
It should be noted that Credit Saison, with which the Bank entered into a business alliance in 2023 and where President Kosuke Kato serves as a director, passed the company's proposal for the appropriation of surplus as Proposal No. 1 of the 73rd Ordinary General Meeting of Shareholders held on June 21, 2023.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

At this General Meeting of Shareholders, we are proposing to amend the Articles of Incorporation regarding the decision-making organ for dividends of surplus, etc., so that the Board of Directors will continue to have the authority, while shareholders may make decisions at the General Meeting of Shareholders if they so propose. We believe engaging in constructive dialogue with our shareholders has become more important on topics such as how we use capital in order to increase shareholder returns and allocate capital for investment in future growth. At the same time, we believe in the importance of the Board of Directors continuing to make decisions from a professional standpoint, as highly technical judgments, such as compliance with capital adequacy regulations for depositor protection, are also required. Therefore, making the General Meeting of Shareholders the sole decision-making organ for the dividend of surplus, etc., as proposed by this Proposal, we believe, is not appropriate.

Proposal No. 10: Partial Amendment to the Articles of Incorporation (Regarding Audit and Supervisory Committee's Obligation to Disclose Information)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that the Audit and Supervisory Committee shall disclose information on deficiencies in auditing firms and internal audits upon the request of a shareholder.

2. Reasons for the Proposal

The Bank's fraudulent and inappropriate business operations, including the issue of fraudulent loans for apartments, condominiums, and share houses, have resulted in significant losses and a deterioration of credibility. These problems should be detected and corrected by internal and external audits, but the process and results are not sufficiently disclosed to shareholders.

Shareholders have the right to be accurately informed of the Bank's business conditions and its risk management. The Audit and Supervisory Committee is obligated to disclose to shareholders, as necessary, information on deficiencies in auditing firms and internal audits to protect such shareholders' rights. Establishing this obligation in the Articles of Incorporation would increase the transparency and responsibility of the Audit and Supervisory Committee, which in turn would increase trust with shareholders and the Bank’s corporate value.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

The Bank properly and adequately discloses its business conditions and the status of risk management, including the audit process, in accordance with laws, regulations, and stock exchange rules, etc. And the Audit and Supervisory Committee's audit results are disclosed to shareholders in the audit report.

This proposal would impose excessive disclosure obligations on the Bank that go beyond the scope of the laws and regulations and could harm the Bank’s smooth and proper business operations and is therefore not appropriate.

Proposal No. 11: Partial Amendment to the Articles of Incorporation (Regarding the Individual Disclosure of Executive Compensation)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that compensation, bonuses, and other financial benefits received by Directors and Executive Officers from the Bank in consideration for the execution of their duties be disclosed for each individual.

2. Reasons for the Proposal

Individual disclosure of executive compensation is essential for shareholders to evaluate each executive's performance and the appropriateness of his or her compensation. This disclosure ensures transparency in the company's operations and provides shareholders with a clear understanding of the responsibilities and accomplishments of the executives.
Clarification of compensation will also motivate executives, which in turn will contribute to further growth of the company and maximization of shareholders' interests. Individual disclosure makes it easier to evaluate cost-effectiveness and to propose appropriate remuneration to directors and officers. This will directly lead to sustainable development of the company and increase in shareholder value.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

Compensation of the Bank’s Director is determined within the maximum amount of compensation resolved at a General Meeting of Shareholders upon full deliberation of the basic policy for directors’ compensation, details of the compensation schemes, and other factors by the Nomination and Compensation Committee, which is chaired by an Independent Outside Director and with Independent Outside Directors constituting a majority of the members, via procedures based on laws and regulations. Moreover, regarding disclosure, the method of calculation of Directors’ compensation, and the total amounts of compensation and number of payees per officer category are properly disclosed in accordance with laws and regulations in the Business Report and Annual Securities Report. Therefore, we believe that it is unnecessary to amend the Articles of Incorporation as proposed in this Proposal.

Proposal No. 12: Partial Amendment to the Articles of Incorporation (Regarding Disclosure of Customer Comments)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that the Bank shall collectively manage and analyze information related to customer comments by an analytical body under the direct control of the Directors and disclose the results of such analysis to shareholders.

2. Reasons for the Proposal

More than five and a half years have passed since the Bank received a business improvement order from the Financial Services Agency, but the Bank has yet to have this order lifted. This indicates serious deficiencies in the Bank's internal controls. One of the Bank's managerial challenges is that customer feedback is screened out onsite and does not reach the Board of Directors. This was one of the factors that contributed to the escalation of the fraudulent financing problem not only in the share houses issue but also in real estate investments as a whole, including apartments and condominiums, as indicated by the third-party committee investigation report released on September 7, 2018. To prevent the reoccurrence of such failures, a new analytical body should be established under the direct control of the Board of Directors to ensure that external information reaches the Directors without being screened out onsite. This is essential to increase the transparency and credibility in the Bank's management and to protect the shareholders' interests.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

The Bank views customer comments as a valuable business resource. It helps us to effectively review our operations from the customer's perspective, such as improving convenience. We also continuously collect and analyze internal and external information, not limited to customer comments, and share it internally for management decision-making. Such information that the Bank handles often includes information unsuitable for public disclosure, such as information about customers' personal information, information that helps the Bank analyze its competitiveness, and information that requires strict security controls. Therefore, we believe that it is unnecessary to amend the Articles of Incorporation as proposed in this Proposal.

Shareholder Proposals (Proposal No. 13 through Proposal No. 22)

Proposal No. 13 through Proposal No. 22 are proposals made by shareholders (311 shareholders). The number of voting rights held by such shareholders is 568.

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 the English translation.]

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

Proposal No. 13: Amendment to Article 4 of the Articles of Incorporation (Regarding the Transition to Company with a Nominating Committee)

1. Outline of the Proposal

To amend Article 4 of the Articles of Incorporation as follows:

The Bank shall have the following organs in addition to the General Meeting of Shareholders and Directors:

(1) Board of Directors
(2) Nominating Committee, Audit Committee, and Compensation Committee
(3) Executive Officers
(4) Accounting Auditor

2. Reasons for the Proposal

Although the Bank has been ordered to improve its business operations due to the fraudulent loan issue, the management structure and lack of compliance awareness that caused the problem have not been corrected. If this situation continues, shareholders and other stakeholders may lose trust in the Bank and may negatively impact the Bank's performance and stock price. Therefore, the Bank shall stipulate in its Articles of Incorporation that it shall be a Company with a Nominating Committee, etc. This will strengthen external monitoring and provide more advice to the Bank.

If the Bank becomes a Company with a Nominating Committee, etc., it will have a Nominating Committee, an Audit Committee, and a Compensation Committee, all with a majority of Outside Directors, and these committees will be involved in important management decisions such as the election and dismissal of Directors and Officers, conducting audits, and deciding their compensation. This is expected to increase the transparency and credibility of the Bank's management, leading to higher business performance and greater shareholder returns. In addition, the former management's self-serving business structure that disregarded customers was taken to an extreme. As a result, the Bank is in a legal quagmire suing the former management over responsibility for the fraudulent loan incident, but the transition to a Company with a Nominating Committee will prevent such a situation from arising.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

The transition to a Company with Audit and Supervisory Committee was approved at the 208th Annual General Meeting of Shareholders. The Bank has then established a Nominating and Compensation Committee, chaired by an independent outside director and composed of a majority of independent outside directors, to strengthen its governance structure comparable to that of a Company with a Nominating Committee, etc. Moreover, the current institutional design is preferable to that of a Company with a Nominating Committee, etc., given that the audit committee members in the Company with Audit and Supervisory Committee have a greater guarantee of status and more independence than the Company with a Nominating Committee, etc. Therefore, we do not believe that it would be appropriate to amend the Articles of Incorporation as proposed in this Proposal.

Proposal No. 14: Partial Amendment to the Articles of Incorporation (Regarding Live Coverage of the General Meeting of Shareholders and Posting of Video)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that the General Meeting of Shareholders shall be broadcast live on the Internet and that its video shall be posted on the Bank's website for a certain period of time after the meeting.

2. Reasons for the Proposal

The Bank did not record in its minutes Mr. Kosuke Kato's statement at the General Meeting of Shareholders that "the problem of fraudulent loans for apartments and condominiums is the Bank’s most critical management issue, and the Bank and the management team will work to resolve this issue as swiftly as possible.” This could be taken as a sign of disregard for the statement, which is extremely regrettable as a shareholder.

This would not only further damage the Bank's credibility and reputation, which have been damaged by the fraudulent loan issue but could also infringe on the interests and rights of shareholders. Therefore, the Bank will stipulate in its Articles of Incorporation that the General Meeting of Shareholders shall be broadcast live on the Internet and the video will be posted on the Bank's website for a certain period of time after the meeting. This is expected to increase the transparency of the Bank's information, fulfill its accountability, and encourage shareholders to participate and express their opinions.

It should be noted that Credit Saison broadcasts the General Meeting of Shareholders live and provides a video stream of the meeting for a certain period of time after the meeting.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

If the Bank's General Meeting of Shareholders were to be widely broadcast live over the Internet, not only could shareholders be caught in the video and their rights of publicity unintentionally violated, but some shareholders may hesitate to ask questions or raise questions out of fear that the meeting would be widely distributed over the Internet. Streaming video for long hours on the Bank's website, etc., places a heavy burden on IT systems, may cause communication failures, etc., and requires new cyber security measures. Therefore, at this time, we believe it is appropriate not to livestream the Bank's General Meeting of Shareholders online or post the video on our website after the meeting. In any case, we believe that such decisions should be made flexibly in response to changes in the environment. Therefore, we do not believe that it would be appropriate to amend the Articles of Incorporation as proposed in this Proposal.

Proposal No. 15: Dismissal of Accounting Auditor

1. Outline of the Proposal

It is proposed that the accounting auditor, Ernst & Young ShinNihon LLC, be dismissed.

2. Reasons for the Proposal

The Bank has received a business improvement order from the Financial Services Agency due to the fraudulent loan issue, and Ernst & Young ShinNihon LLC, which has been auditing the Bank, bears a serious responsibility.

We believe that Ernst & Young ShinNihon LLC has not conducted an appropriate audit of the Banks management system and internal controls. This could not only be regarded as condoning and facilitating the Bank's fraudulent loans, but also could risk infringing on the interests and rights of the Bank's shareholders.

Therefore, Ernst & Young ShinNihon LLC shall be dismissed and another auditing firm shall be appointed as the accounting auditor. This is expected to improve the quality and credibility of the Bank's audits and to ensure shareholders' rights to oversee and participate. In addition, appointing an auditing firm other than Ernst & Young ShinNihon LLC and conducting a rigorous audit will enable the Bank to reflect the results in its management and operational improvements. This is expected to contribute to the Bank's restructuring and enhance the interests of 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.

The Audit and Supervisory Committee has confirmed that the quality control structure of the accounting auditor, Ernst & Young ShinNihon LLC, is appropriate and that there is no question about the independence of the accounting auditor. The Committee checked its audit implementation system, including the audit plan, organization of the audit team, and rotation of employees, and concluded that the audit methods and results were appropriate. As a result of deliberations based on the policy for dismissal or non-reappointment of accounting auditors, the Bank has determined that the reappointment of Ernst & Young ShinNihon LLC is appropriate. In addition to the quality of their audits, we do not see the need to replace the accounting auditor due to the benefits of high audit efficiency from continuous audits.

Proposal No. 16: Partial Amendment to the Articles of Incorporation (Regarding Temporary Suspension of a Post-Retirement Delivery-Type Stock Remuneration)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that no post-retirement delivery-type stock remuneration would be paid to retiring Directors and Officers until all instances of fraudulent financing of apartments and condominiums have been resolved.

2. Reasons for the Proposal

The Bank has received a business improvement order from the Financial Services Agency, one of the causes of which is the problem of fraudulent loans for apartments and condominiums. This is a serious management issue involving the supervisory responsibility of the Directors and has had a significant impact on the Bank's stock price and credibility, but the Bank has not taken steps to resolve the issue.

Currently, the Bank has introduced a post-retirement delivery-type stock remuneration for Directors. However, as Kosuke Kato stated at the 212th annual general meeting of shareholders, "the problem of fraudulent loans for apartments and condominiums is the Bank's most critical management issue," there is no need to pay compensation to Directors who have not addressed this issue. Therefore, it should be stipulated in the Articles of Incorporation that the payment of post-retirement delivery-type stock remuneration to retiring Directors be suspended until the issue of fraudulent loans to apartments and condominiums is resolved.

This is expected to encourage the early resolution of the problem of fraudulent loans to apartments and condominiums under the Directors' responsibility and will help the Bank restructure its management system and increase shareholder profits. Payment of post-retirement delivery-type stock remuneration shall be reinstated once this issue is resolved.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

Compensation to the Bank's Directors consists of basic remuneration, bonuses as short-term incentive, and stock remuneration as medium- to long-term incentive. The post-retirement delivery-type stock compensation plan was approved at the 209th annual General Meeting of Shareholders as a medium- to long-term incentive and was initiated with the understanding of shareholders. The plan links the remuneration of the Bank's Directors to the Bank's stock price, thereby motivating them to enhance its corporate value. At the same time, prevention of fraud is intended by stipulating the malus and clawback clauses, etc., as shown on page 16 of the 213th Report posted on the Bank's website. Accordingly, transparency is ensured in the payment of stock-based compensation to retiring directors, which the Nomination and Compensation Committee deliberates, with a majority of the members being independent outside directors. In addition, we are continuing to make every effort to quickly resolve the problem of fraudulent loans for apartments and condominiums following the three policies we announced in April 2023. Thus, we do not think it is appropriate to suspend the payment of post-retirement delivery-type stock remuneration while the issues are being resolved. Therefore, we believe that it is unnecessary to amend the Articles of Incorporation as proposed in this Proposal

Proposal No. 17: Partial Amendment to the Articles of Incorporation (Regarding Placing a Cap on the Collateral Valuation for Investment Real Estate Loans)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that the collateral value of all investment real estate loans shall be capped at 70% of the total loan value.

2. Reasons for the Proposal

The third-party committee's investigation report states that although the administrative procedure for asset-building loans stipulated that 100% of the collateral valuation shall be the maximum loan amount, from mid-2015 to the spring of 2016, the de facto operating rule was to set the maximum loan amount at around 120% of the collateral valuation. The Bank thus continued to execute loans in excess of the collateral valuation at its own discretion. As a result, the non-performing loan (NPL) ratio as of the end of September 2023, as announced by the Bank in November 2023, stood at 10.16%. This is a situation of great concern given that the second largest NPL ratio is 5.21% for the MINAMI NIPPON BANK, LTD.

For the Bank to get out of this critical situation, it must disassociate itself from the unscrupulous real estate agents that once collaborated with the Bank to provide fraudulent loans. Therefore, by stipulating in its Articles of Incorporation that the maximum loan amount for investment real estate loans shall be 70% of the collateral value, the Bank, strictly examining real estate loans, can expect to reduce the ratio of non-performing loans.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

The Bank is currently taking steps to ensure soundness, such as adopting stressed DSCRs and other measures when screening new loans for investment real estate. The collateral valuation method and loan limit for real estate loans should be based on the characteristics of each individual case and the borrower's situation, and it is not appropriate to apply a uniform ceiling of 70% of the collateral valuation. Therefore, we do not believe that it would be appropriate to stipulate the content of this Proposal in the Articles of Incorporation.

Proposal No. 18: Partial Amendment to the Articles of Incorporation (Regarding the Name Change of "Office to Support Customer Owners of Share Houses and Others")

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that the name of the "Office to Support Customer Owners of Share Houses and Others" shall be changed to the "Office to Support Customer Owners of Apartments, Condominiums, and Others."

2. Reasons for the Proposal

The report on investigation of all investment real estate loans, released on May 15, 2019, lists the breakdown of the 7,813 cases in which misconduct was found in 886 cases for share houses and 6,927 cases for non-share houses.

Although the overwhelming majority of these frauds involved non-share houses, the Bank has established an "Office to Support Customer Owners of Share Houses and Others." We must say that this name gives the impression that the problem of fraudulent loans is limited to share houses and that the Bank is trivializing the case.

Accordingly, the Articles of Incorporation shall provide that the name of the office shall be changed to the "Office to Support Customer Owners of Apartments, Condominiums, and Others." This would demonstrate the Bank's willingness to address broader issues and increase its transparency. In addition, the Bank's brand and shareholder value can be enhanced by demonstrating externally its willingness to solve problems and by clarifying management policies and priorities for operational improvements.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

The "Office to Support Customer Owners of Share House and Others" was set up after the scandal. We included "Share Houses and Others" in its name because it also responds to the so-called apartment and condominium problem. Concerning the status of our handling of loans for investment real estate other than share houses, we are continuing to make every effort to quickly resolve the issue under the three policies we announced in April 2023. We do not believe that changing the name will necessarily demonstrate our commitment to address the problem and increase the transparency of our management. Therefore, we believe that the proposed name change and stipulation of this in the Articles of Incorporation is unnecessary.

Proposal No. 19: Partial Amendment to the Articles of Incorporation (Regarding the Disclosure of the Reason the Business Improvement Order by the Financial Services Agency Has Not Been Lifted)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that until the business improvement order is lifted by the Financial Services Agency, the Bank shall provide an opportunity to periodically explain to shareholders the reasons why the order remains in place and status updates for efforts made to address said order.

2. Reasons for the Proposal

The Financial Services Agency states on its website the details and reasons for the business improvement order against the Bank. However, more than five and a half years has passed, and this order has not been lifted. Although the Bank regularly publishes the status of its response in this matter, the details are insufficient and unclear for shareholders to understand the Bank's business situation and the level of risk management. In addition, the lack of clarity in the Bank's response to the Financial Services Agency's order, a response which has been carried out for more than five and a half years, as well as the Bank's policy for future actions in response to the unresolved order, is likely to diminish the Bank's credibility and competitiveness as a financial institution.
Therefore, the Bank needs to stipulate in its Articles of Incorporation that it shall explain to its shareholders the reasons why this order has not been lifted, the reasons for not completing the response, and the current status of the response. Doing so is essential to enhance the transparency and soundness of the Bank's management, and to protect the interests of 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.

It is not for us to determine the reason the business improvement order has not been lifted. The Bank regularly reports the progress of its business improvement plan to the Financial Services Agency, which includes confidential business matters.
The Bank discloses information to its shareholders and investors appropriately in accordance with laws, regulations, and the rules of the stock exchanges. Regularly disclosing information to shareholders in excess of this would place excessive disclosure obligations on the Bank beyond the scope of the laws and regulations and could harm the Bank’s smooth and proper business operations. Therefore, we do not believe that it would be appropriate to stipulate the content of this Proposal in the Articles of Incorporation.

Proposal No. 20: Partial Amendment to the Articles of Incorporation (Regarding the Consistency between the Results of Third-Party Committee Investigations and the Bank's Announcements (IR materials))

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that the Bank shall have a system to conduct audits by an external organization and report monthly to the shareholders to ensure consistency between the results of the third-party committee's investigation and the Bank's announcements (IR materials).

2. Reasons for the Proposal

Information on the Bank's management situation and risk management is provided by third-party committee investigation reports and investor relations materials. However, many discrepancies and inconsistencies exist between them. For example, in the third-party committee's investigation report, several employees stated, "Of all cases, only 1% or so had no misconduct at all." In contradiction to this, the IR material released by the Bank on April 21, 2023 states "misconduct in about 20% of the cases."
Shareholders cannot make investment decisions based on these pieces of information, and the Bank is at risk of being identified as committing a breach of timely disclosure. For the Bank to provide IR information that can serve as a basis for correct investment decisions, its credibility must be guaranteed by a third party. Accordingly, the Bank shall stipulate in its Articles of Incorporation that the following actions shall be taken.
-If there is a discrepancy between a third-party committee report and IR information, the fact and cause of the discrepancy shall be investigated and disclosed.
-Third-party investigation, including a forensic investigation, shall be conducted to confirm the consistency between the results of the investigation and the IR information.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

The purpose of the third-party committee established in 2018 is to thoroughly investigate the incident, analyze its causes, countermeasures, etc. from the perspective of governance, internal controls, etc., and recommend measures to prevent recurrence. The Bank takes the results of the investigation very seriously and is working to establish a system to prevent the recurrence of fraudulent loan incidents. In the investigation of all investment real estate loans subsequently conducted by the Bank, the results of which were announced in May 2019, about 20% of the investment real estate loans were found to be fraudulent, where acts such as the falsification or forgery of screening documents occurred.
We believe that the Bank's disclosure materials are based on the results of such investigation and that the descriptions are appropriate. In addition, our information disclosure is conducted in accordance with laws and regulations and appropriate internal control processes. Implementing external audits and establishing a system for monthly reporting to shareholders would impose excessive obligations beyond the scope of the laws and regulations. Therefore, we do not believe it would be appropriate to stipulate the content of this proposal in the Articles of Incorporation.

Proposal No. 21: Partial Amendment to the Articles of Incorporation (Regarding Prohibition of Remittance Requests Based on a Request Form That is Not in the Account Holder's Handwriting)

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that when processing remittance upon receipt of a remittance request form from the Bank’s customers, no employee of the Bank shall do so unless all items on the remittance request form are in the account holder’s handwriting.

2. Reasons for the Proposal

In the issue of fraudulent loans to apartments, condominiums, and share houses, the Bank's employees abused the credibility of the Bank and made the victims fill in solely their names and affix their seals on the money transfer request forms. Then, without the victims' knowledge, the employees filled out the remittee and the amount at their discretion. As a result, numerous money transfers have been made to real estate agents who were not listed in the real estate sales contracts kept by the victims and Suruga Bank.
This suggests that the branch manager him/herself is also involved in the fraud and indicates serious deficiencies in internal rules and compliance. Making employees fill in the transfer request form and letting them process the remittance without permission provides a breeding ground for fraud and can bring an enormous negative impact on the Bank's credibility.
Employees' misconduct could be eliminated if the Articles of Incorporation prohibit the processing of remittances that are based on remittance request forms that are not in the account holder's own handwriting for all items. Opposition to this proposal would mean that our Board of Directors encourages misconduct in 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.

The handling of remittance request forms is already specified in the Bank's business procedures, and employees must comply with these prescribed procedures. The Articles of Incorporation should set forth the basic rules of the Bank, and it is not appropriate to stipulate in the Articles of Incorporation the handling of remittance request forms, especially since business operation methods should be reviewed in a timely and appropriate manner in response to changes in the environment, such as the development of digital transformation (DX).

Proposal No. 22: Partial Amendment to the Articles of Incorporation (Regarding the Establishment of "Fraudulent Loan Reflection Center" and "Business Improvement Order Day")

1. Outline of the Proposal

To stipulate in the Articles of Incorporation that a "Fraudulent Loan Reflection Center" shall be established to thoroughly educate employees on legal compliance and to disclose the true picture of the fraudulent loans to the general public. Also stipulate in the Articles of Incorporation that October 5 be designated as "Business Improvement Order Day" and that all Bank employees shall sincerely reflect on the situation.

2. Reasons for the Proposal

Companies that have brought about corporate scandals need to share and "hand down" the real picture of the misconduct internally and externally, to those who come after them and others. In order to accurately pass on the lessons from corporate scandals, companies such as Megmilk Snow Brand and Mitsubishi Motors have chosen to "preserve them in a tangible manner" rather than relying on verbal transmission, and are implementing ongoing efforts to pass them on through training and other means (Snow Brand through the Megmilk Snow Brand Museum, Mitsubishi Motors through the Training Room to Learn from Mistakes).

We propose that the Bank establish a "Fraudulent Loan Reflection Center" to preserve corporate scandals in a tangible manner. This would be effective in thoroughly educating bank employees on legal compliance and in disclosing to the public the true picture of the fraudulent loan issue. The "Fraudulent Loan Reflection Center" would exhibit the details of the Bank's fraudulent loan problem, the number of victims who committed suicide, lessons learned, etc., and express the Bank’s apology and remorse to the employees, shareholders, customers, and society as well as its determination to prevent recurrence. In addition, October 5, the day the Bank received the business suspension order and the business improvement order, shall be designated as "Business Improvement Order Day," on which all employees shall be reminded of the weight and significance of the business improvement order by reflecting on it sincerely.

Opinion of the Board of Directors of the Bank

Oppose	The Board of Directors of the Bank **opposes** this Proposal for the following reasons.

Following the business improvement order received in October 2018, we have been working on fundamental measures for improvement based on the business improvement plan to realize thorough compliance and customer-oriented business operations to regain trust, and to realize a healthy organizational climate and corporate culture. As part of these measures, our corporate philosophy and Compliance Charter are posted on our website and Intranet, and we also conduct regular training for all employees. We will continue these efforts to prevent the recurrence of fraudulent loan incidents. However, the Articles of Incorporation should set forth the basic rules and regulations of the Bank. 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, 2024)

(Millions of yen)

Accounts	Amount	Accounts	Amount
(Assets)		(Liabilities)	
Cash and due from banks	**982,204**	**Deposits**	**3,244,907**
Call loans and bills bought	**85,000**	**Foreign exchanges**	**180**
Monetary claims bought	**125,353**	**Other liabilities**	**17,332**
Trading account securities	**42**	**Provision for bonuses**	**464**
Money held in trust	**99**	**Provision for directors' bonuses**	**19**
Securities	**276,081**	**Net defined benefit liability**	**282**
Loans and bills discounted	**2,076,613**	**Provision for share-based compensation**	**676**
Foreign exchanges	**6,366**	**Provision for reimbursement of deposits**	**198**
Lease receivables and investment assets	**4,948**	**Provision for contingent loss**	**44**
Other assets	**40,340**	**Deferred tax liabilities**	**248**
Tangible fixed assets	**31,950**	**Acceptances and guarantees**	**1,265**
Buildings	9,995	**Total liabilities**	**3,265,621**
Land	18,516		
Leased assets	60		
Construction in progress	12	(Net assets)	
Other tangible fixed assets	3,366	**Capital stock**	**30,043**
Intangible fixed assets	**13,358**	**Capital surplus**	**4,579**
Software	11,870	**Retained earnings**	**267,190**
Goodwill	1,035	**Treasury stock**	**(25,735)**
Leased assets	71	**Total shareholders' equity**	**276,077**
Software development in progress	124	**Valuation difference on available-for-sale securities**	**16,114**
Other intangible fixed assets	256	**Deferred gains or losses on hedges**	**4**
Net defined benefit asset	**22,916**	**Remeasurements of defined benefit plans**	**2,815**
Deferred tax assets	**7,052**	**Total accumulated other comprehensive income**	**18,934**
Customers' liabilities for acceptances and guarantees	**1,265**	**Non-controlling interests**	**108**
Allowance for loan losses	**(112,852)**	**Total net assets**	**295,120**
Total assets	**3,560,741**	**Total liabilities and net assets**	**3,560,741**

Consolidated Statement of Income

(From April 1, 2023 to March 31, 2024)

(Millions of yen)

Accounts	Amount	
Ordinary income		**91,447**
Interest income	**66,288**	
Interest on loans and discounts	61,171	
Interest and dividends on securities	1,291	
Interest on call loans and bills bought	48	
Interest on deposits with banks	822	
Other interest income	2,954	
Fees and commissions	**7,525**	
Other ordinary income	**3,764**	
Gains on redemption of bonds	821	
Other	2,942	
Other income	**13,868**	
Reversal of allowance for loan losses	4,374	
Recoveries of written off claims	6,365	
Gain on sales of stocks and other securities	2,284	
Other	844	
Ordinary expenses		**70,805**
Interest expenses	**1,155**	
Interest on deposits	1,131	
Interest on payables under security lending transactions	0	
Other interest expenses	23	
Fees and commissions payments	**9,643**	
Other ordinary expenses	**10,801**	
Loss on sales of bonds	1,851	
Loss on redemption of bonds	6,309	
Other	2,641	
General and administrative expenses	**38,013**	
Other expenses	**11,191**	
Written-off of loans	8,356	
Losses on sales of stocks and other securities	19	
Losses on devaluation of stocks and other securities	0	
Other	2,814	
Ordinary profit		**20,641**
Extraordinary income		**90**
Gain on disposal of fixed assets	90	
Extraordinary loss		**1,251**
Loss on disposal of fixed assets	691	
Impairment loss	559	
Profit before income taxes		**19,480**
Income taxes - current	**3,081**	
Income taxes - deferred	**1,017**	
Total income taxes		**4,099**
Profit		**15,381**
Profit attributable to non-controlling interests		**6**
Profit attributable to owners of parent		**15,375**

Consolidated Statement of Shareholders' Equity

(From April 1, 2023 to March 31, 2024)

(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	1,974	255,042	(18,111)	268,949
Changes of items during the year					
Dividends of surplus			(3,227)		(3,227)
Profit attributable to owners of parent			15,375		15,375
Purchase of treasury stock				(22,149)	(22,149)
Disposal of treasury stock		2,605		14,525	17,130
Net changes of items other than shareholders' equity					
Total changes of items during the year	–	2,605	12,147	(7,624)	7,128
Balance at the end of the year	30,043	4,579	267,190	(25,735)	276,077

(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	167	(0)	1,823	1,990
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	15,946	5	992	16,944
Total changes of items during the year	15,946	5	992	16,944
Balance at the end of the year	16,114	4	2,815	18,934

(Millions of yen)

	Non-controlling interests	Total net assets
Balance at the beginning of the year	101	271,040
Changes of items during the year		
Dividends of surplus		(3,227)
Profit attributable to owners of parent		15,375
Purchase of treasury stock		(22,149)
Disposal of treasury stock		17,130
Net changes of items other than shareholders' equity	6	16,950
Total changes of items during the year	6	24,079
Balance at the end of the year	108	295,120

Non-consolidated Balance Sheet

(As of March 31, 2024)

(Millions of yen)

Accounts	Amount	Accounts	Amount
(Assets)		(Liabilities)	
Cash and due from banks	**981,509**	**Deposits**	**3,250,493**
Cash	22,585	Current deposits	70,715
Due from banks	958,924	Ordinary deposits	1,479,369
Call loans	**85,000**	Saving deposits	12,982
Monetary claims bought	**125,353**	Deposits at notice	752
Trading account securities	**42**	Time deposits	1,618,181
Trading government bonds	16	Other deposits	68,492
Trading local government bonds	26	**Foreign exchanges**	**180**
Money held in trust	**99**	Foreign bills sold	8
Securities	**281,675**	Foreign bills payable	171
Government bonds	21,406	**Other liabilities**	**9,392**
Local government bonds	115,524	Income taxes payable	3,364
Corporate bonds	22,163	Accrued expenses	2,213
Stocks	55,030	Unearned revenue	66
Other securities	67,550	Deposits received from employees	726
Loans and bills discounted	**2,066,732**	Lease obligations	113
Bills discounted	852	Derivatives other than for trading – liabilities	37
Loans on bills	3,739	Other	2,870
Loans on deeds	1,885,438	**Provision for bonuses**	**410**
Overdrafts	176,701	**Provision for directors' bonuses**	**19**
Foreign exchanges	**6,366**	**Provision for share-based compensation**	**676**
Due from foreign banks (our accounts)	5,728	**Provision for reimbursement of deposits**	**198**
Foreign bills receivable	638	**Provision for contingent loss**	**44**
Other assets	**30,506**	**Acceptances and guarantees**	**1,265**
Prepaid expenses	1,925	**Total liabilities**	**3,262,682**
Accrued income	4,847	(Net assets)	
Derivatives other than for trading – assets	7	**Capital stock**	**30,043**
Other	23,725	**Capital surplus**	**21,191**
Tangible fixed assets	**31,186**	Legal capital surplus	18,585
Buildings	9,482	Other capital surplus	2,605
Land	18,364	**Retained earnings**	**236,664**
Leased assets	104	Legal retained earnings	30,043
Other tangible fixed assets	3,234	Other retained earnings	206,621
Intangible fixed assets	**12,073**	Reserve for advanced depreciation of fixed assets	59
Software	11,698	General reserve	103,032
Software in progress	124	Retained earnings brought forward	103,529
Other intangible fixed assets	251	**Treasury stock**	**(25,735)**
Prepaid pension cost	**18,883**	**Total shareholders' equity**	**262,163**
Deferred tax assets	**7,476**	**Valuation difference on available-for-sale securities**	**15,625**
Customers' liabilities for acceptances and guarantees	**1,265**	**Deferred gains or losses on hedges**	**4**
Allowance for loan losses	**(107,695)**	**Total valuation and translation adjustments**	**15,630**
		Total net assets	**277,793**
Total assets	**3,540,476**	**Total liabilities and net assets**	**3,540,476**

Non-consolidated Statement of Income

(From April 1, 2023 to March 31, 2024)

(Millions of yen)

Accounts	Amount	
Ordinary income		**83,619**
Interest income	**62,627**	
Interest on loans and discounts	57,554	
Interest and dividends on securities	1,248	
Interest on call loans	48	
Interest on deposits with banks	822	
Other interest income	2,954	
Trust fees	**0**	
Fees and commissions	**6,447**	
Fees and commissions on domestic and foreign exchanges	1,217	
Other fees and commissions	5,230	
Other ordinary income	**847**	
Gains on foreign exchange transactions	25	
Gains on redemption of bonds	821	
Other income	**13,696**	
Reversal of allowance for loan losses	4,547	
Recoveries of written off claims	6,308	
Gain on sales of stocks and other securities	2,170	
Gain on investments in money held in trust	0	
Other	669	
Ordinary expenses		**63,462**
Interest expenses	**1,153**	
Interest on deposits	1,132	
Interest on payables under securities lending transactions	0	
Interest on interest swaps	2	
Other interest expenses	19	
Fees and commissions payments	**9,432**	
Fees and commissions on domestic and foreign exchanges	546	
Other fees and commissions	8,886	
Other ordinary expenses	**8,161**	
Loss on trading account securities transactions	0	
Loss on sales of bonds	1,851	
Loss on redemption of bonds	6,309	
General and administrative expenses	**34,992**	
Other expenses	**9,722**	
Written-off of loans	8,194	
Losses on sales of stocks and other securities	19	
Losses on devaluation of stocks and other securities	0	
Other	1,507	
Ordinary profit		**20,156**
Extraordinary income		**89**
Gain on disposal of fixed assets	89	
Extraordinary loss		**1,242**
Loss on disposal of fixed assets	690	
Impairment loss	552	
Profit before income taxes		**19,003**
Income taxes - current	**2,958**	
Income taxes - deferred	**1,019**	
Total income taxes		**3,977**
Profit		**15,025**

Non-consolidated Statement of Shareholders' Equity

(From April 1, 2023 to March 31, 2024)

(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	–	18,585
Changes of items during the year				
Dividends of surplus				
Profit				
Purchase of treasury stock				
Disposal of treasury stock			2,605	2,605
Net changes of items other than shareholders' equity				
Total changes of items during the year	–	–	2,605	2,605
Balance at the end of the year	30,043	18,585	2,605	21,191

(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	91,731	224,866	(18,111)	255,384
Changes of items during the year							
Dividends of surplus				(3,227)	(3,227)		(3,227)
Profit				15,025	15,025		15,025
Purchase of treasury stock						(22,149)	(22,149)
Disposal of treasury stock						14,525	17,130
Net changes of items other than shareholders' equity							
Total changes of items during the year	–	–	–	11,798	11,798	(7,624)	6,779
Balance at the end of the year	30,043	59	103,032	103,529	236,664	(25,735)	262,163

(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	(214)	(0)	(215)	255,169
Changes of items during the year				
Dividends of surplus				(3,227)
Profit				15,025
Purchase of treasury stock				(22,149)
Disposal of treasury stock				17,130
Net changes of items other than shareholders' equity	15,839	5	15,845	15,845
Total changes of items during the year	15,839	5	15,845	22,624
Balance at the end of the year	15,625	4	15,630	277,793