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(Securities Code: 8551)

June 1, 2017

**To Shareholders with Voting Rights:**

Yasunori Sato  
Director and President  
The Kita-Nippon Bank, Ltd.  
6-7, Chuodori 1-chome, Morioka,  
Iwate, Japan

**NOTICE OF CONVOCAION OF  
THE 113TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 113th Annual General Meeting of Shareholders of the Kita-Nippon Bank, Ltd. (the “Bank”). The meeting will be held in the manner described below.

If you are unable to attend the meeting on the day of the meeting, you can exercise your voting rights in writing by submitting the Voting Rights Exercise Form, or via the Internet. In that case, please review the Reference Documents for the General Meeting of Shareholders below and exercise your voting rights by no later than 5:00 p.m. on Thursday, June 22, 2017 Japan time.

- 1. Date and Time:** Friday, June 23, 2017 at 10:00 a.m. Japan time  
(Doors will open at 9:00 a.m. Please arrive early, as the venue will be extremely crowded immediately before opening.)
- 2. Place:** 3F, Large Meeting Room, Head Office of the Bank, 6-7, Chuodori 1-chome, Morioka, Iwate, Japan
- 3. Meeting Agenda:**  
**Matters to be reported:**
  1. The Business Report and the Non-consolidated Financial Statements for the Bank’s 113th Fiscal Year (from April 1, 2016 to March 31, 2017)
  2. The Consolidated Financial Statements for the Bank’s 113th Fiscal Year (from April 1, 2016 to March 31, 2017) and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors  
**Proposals to be resolved:**
  - Proposal No. 1:** Appropriation of Surplus
  - Proposal No. 2:** Election of Eleven (11) Directors

#### 4. Exercise of Voting Rights:

(1) Exercise of Voting Rights in Writing (by mail)

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by no later than 5:00 p.m. on Thursday, June 22, 2017 Japan time.

(2) Exercise of Voting Rights via the Internet

Please access the Bank's designated voting website (<http://www.e-sokai.jp>) and use the "Voting Rights Exercise Code" and "Password" printed on the enclosed Voting Rights Exercise Form, and indicate your vote for or against the proposals following the instructions on the screen no later than 5:00 p.m. on Thursday, June 22, 2017 Japan time.

Before exercising voting rights via the Internet, please read the "Procedures for Exercise of Voting Rights via the Internet" below (from page 43 to page 44). (Japanese version only)

(3) Handling of Duplicate Voting

If you exercise your voting rights both in writing (by mail) and via the Internet, regardless of the dates on which the votes are received, only the vote placed via the Internet is deemed valid.

If you exercise your voting rights more than once via the Internet, only the last vote is deemed valid.

End of Notice

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◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk of the Bank's head office on the day of the meeting for confirmation.

◎ The following items, in accordance with laws and regulations, and Article 16 of the Articles of Incorporation of the Bank, are published on the Bank's website (<http://www.kitagin.co.jp/>) and are thus omitted from this notice.

1) Non-consolidated Statement of Changes in Net Assets

2) Notes to Non-consolidated Financial Statements

3) Consolidated Statement of Changes in Net Assets

4) Notes to Consolidated Financial Statements

Accordingly, the Non-consolidated Financial Statements and the Consolidated Financial Statements attached to this notice are part of the Non-consolidated Financial Statements and Consolidated Financial Statements that have been audited by the Corporate Auditors for the preparation of the Audit Report and by the Accounting Auditor for the preparation of the Accounting Audit Report.

◎ Please note that, if there are any corrections to the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements, the corrected documents will be posted on the Bank's website (<https://www.kitagin.co.jp/>).

# Reference Documents for the General Meeting of Shareholders

## Proposals and Reference Matters

### Proposal No. 1: Appropriation of Surplus

In order to prepare for changes in the business environment surrounding financial institutions, paying heed to internal reserves to strengthen management structure while also taking into account the continuous provision of stable dividends to shareholders and the business results of this fiscal year in a comprehensive manner, the following payout is proposed.

1. Matters concerning year-end dividends
  - (1) Type of dividend property  
Cash
  - (2) Matters concerning the allotment of dividend property and the total amount  
30 yen per share of common stock of the Bank  
The total amount of dividends 256,650,060 yen
  - (3) Effective date of distribution of surplus  
Monday, June 26, 2017
2. Other matters concerning the appropriation of surplus
  - (1) Item and amount of surplus to be decreased  
Retained earnings brought forward 2,000,000,000 yen
  - (2) Item and amount of surplus to be increased  
General reserve 2,000,000,000 yen

**Proposal No. 2:** Election of Eleven (11) Directors

The term of office of the all ten (10) Directors will expire at the conclusion of this General Meeting of Shareholders.

Accordingly, the election of eleven (11) Directors is proposed, with an increase of one (1) Director, in order to enhance and strengthen the management team.

Additionally, in order to increase transparency and fairness, taking into account the recommendation by the Nomination Advisory Committee, this Proposal has been approved by the Board of Directors.

The candidates are as follows:

No.	Name	Current position at the Bank	Attendance at Board of Directors' meetings
1	Reappointment Yasunori Sato	Director and President	100% (12/12)
2	Reappointment Katsuhiro Shibata	Managing Director	100% (12/12)
3	Reappointment Masamichi Ishizuka	Senior Managing Director	100% (12/12)
4	Reappointment Tatsuya Sato	Senior Managing Director	100% (12/12)
5	Reappointment Mitsuo Segawa	Managing Director	100% (12/12)
6	Reappointment External Director Independent Director Minoru Ota	External Director	100% (12/12)
7	Reappointment External Director Independent Director Kaichi Murata	External Director	100% (12/12)
8	Reappointment Katsuhiro Fujita	Director	100% (12/12)
9	Reappointment Atsushi Sakamoto	Director	100% (12/12)
10	New appointment Akira Soma	—	—
11	New appointment Hiroshi Shimomura	—	—

No.	Name (Date of birth)	Career summary (Positions, responsibilities and significant concurrent positions)	Number of shares of the Bank held
1	Yasunori Sato (Feb. 11, 1945)  <u>Reappointment</u>	Apr. 1968 Joined the Bank Jun. 1995 Director, Manager of General Affairs Division Jun. 1997 Managing Director Apr. 1999 Director and President (to present) (In charge of Internal Audit Division)	10,800 shares
	[Reason for Nomination as Candidate for Director] Mr. Yasunori Sato possesses the knowledge, experience, and sufficient social credibility to manage a bank in an accurate, fair, and efficient manner, as he has been demonstrating superior leadership in relation to management as a whole since his appointment as Director and President in April 1999, and therefore the Bank proposes his election as Director.		
	[Special Interests] There are no special interests between candidate Yasunori Sato and the Bank.		
2	Katsuhiro Shibata (Jun. 22, 1961)  <u>Reappointment</u>	Apr. 1984 Joined the Bank Apr. 2002 Manager of Corporate Planning Division Jun. 2012 Director, Manager of Corporate Planning Division Apr. 2015 Director, Assistant to President Jun. 2015 Managing Director (to present) (In charge of Corporate Planning Division and Treasury and International Division)	2,173 shares
	[Reason for Nomination as Candidate for Director] Mr. Katsuhiro Shibata possesses the knowledge, experience, and sufficient social credibility to manage a bank in an accurate, fair, and efficient manner, as he has been demonstrating leadership in supervising the corporate planning division since his appointment as Director in June 2012, and therefore the Bank proposes his election as Director.		
	[Special Interests] There are no special interests between candidate Katsuhiro Shibata and the Bank.		
3	Masamichi Ishizuka (Apr. 18, 1960)  <u>Reappointment</u>	Apr. 1984 Joined the Bank Jun. 2007 Director, Branch Manager of Sendai Branch and Head of Sendai Loan Center Apr. 2008 Director, Branch Manager of Sendai Branch May 2009 Director Jun. 2009 Managing Director May 2011 Managing Director, Manager of Business Management Division Apr. 2013 Managing Director Jun. 2015 Senior Managing Director (to present) (In charge of Personnel Division, Computer Systems and Operations Division, and Risk Management and Assessment Division)	2,600 shares
	[Reason for Nomination as Candidate for Director] Mr. Masamichi Ishizuka has abundant operational experience at Head Office and branches, and possesses the knowledge, experience, and sufficient social credibility to manage a bank in an accurate, fair, and efficient manner, as he has been demonstrating leadership at Head Office and branches since his appointment as Director in June 2007, and therefore the Bank proposes his election as Director.		
	[Special Interests] There are no special interests between candidate Masamichi Ishizuka and the Bank.		

No.	Name (Date of birth)	Career summary (Positions, responsibilities and significant concurrent positions)		Number of shares of the Bank held
4	Tatsuya Sato (Feb. 4, 1959) <u>Reappointment</u>	Apr. 1981	Joined the Bank	2,800 shares
		Jun. 2009	Director, Manager of Personnel Division	
		Jun. 2012	Managing Director, Manager of Personnel Division	
		Oct. 2012	Managing Director	
		Apr. 2013	Managing Director, Manager of Risk Management and Assessment Division	
		Apr. 2015	Managing Director	
		Jun. 2015	Senior Managing Director (to present) (In charge of Credit Supervision Division)	
[Reason for Nomination as Candidate for Director] Mr. Tatsuya Sato possesses the knowledge, experience, and sufficient social credibility to manage a bank in an accurate, fair, and efficient manner, as he has been demonstrating leadership in supervising the personnel and compliance divisions since his appointment as Director in June 2009, and therefore the Bank proposes his election as Director.				
[Special Interests] There are no special interests between candidate Tatsuya Sato and the Bank.				
5	Mitsuo Segawa (Nov. 26, 1956) <u>Reappointment</u>	Apr. 1975	Joined the Bank	1,900 shares
		Jun. 2007	Director, Manager of Head Office Business Division	
		Apr. 2011	Director, Manager of General Affairs Division	
		Apr. 2012	Director, Assistant to President	
		Jun. 2012	Managing Director, Manager of General Affairs Division	
		Apr. 2013	Managing Director	
		Jun. 2016	Managing Director, Manager of General Affairs Division (to present) (In charge of General Affairs Division and Business Management Division)	
[Reason for Nomination as Candidate for Director] Mr. Mitsuo Segawa has participated in the management of branches for many years, and possesses abundant experience and achievements. He possesses the knowledge, experience, and sufficient social credibility to manage a bank in an accurate, fair, and efficient manner, as he has been demonstrating leadership in supervising the business management and general affairs divisions since his appointment as Director in June 2007, and therefore the Bank proposes his election as Director.				
[Special Interests] There are no special interests between candidate Mitsuo Segawa and the Bank.				

No.	Name (Date of birth)	Career summary (Positions, responsibilities and significant concurrent positions)		Number of shares of the Bank held
	Minoru Ota (Jul. 19, 1930)	Mar. 1983	Professor of School of Dentistry, Iwate Medical University	5,800 shares
	<u>Reappointment</u>	Apr. 1996	Emeritus Professor of Iwate Medical University	
		Aug. 1997	Director of Morioka University	
	<u>External Director</u>	Apr. 1998	President of Morioka University and Morioka Daigaku Junior College	
		Jun. 2002	Director of the Bank (to present)	
	<u>Independent Director</u>	Oct. 2011	Chief Director of Morioka University (to present)	
6	[Reason for Nomination as Candidate for External Director] To utilize Mr. Minoru Ota’s knowledge and experience, etc., fostered as a Chief Director of a university in the management of the Bank from a wide perspective, the Bank proposes his election as External Director. Additionally, although he has not been involved in corporate management in the past other than through serving as External Director, the Bank has determined that he will be able to appropriately execute the duties of External Director due to the above reasons.			
	[Term of Office] Mr. Minoru Ota has served as External Director for fifteen (15) years as of the conclusion of this General Meeting of Shareholders.			
	[Special Interests and Independence] There are no special interests between candidate Minoru Ota and the Bank.			
	Kaichi Murata (Mar. 6, 1941)	Apr. 1963	Joined Hitachi, Ltd.	2,600 shares
	<u>Reappointment</u>	Jun. 1997	Director, General Manager of Finance Department of Hitachi, Ltd.	
		Apr. 1999	Senior Managing Director, General Manager of Finance Department of Hitachi, Ltd.	
	<u>External Director</u>	Jun. 2001	President and Representative Director of Hitachi Capital Corporation	
		Jun. 2006	Honorary Advisor of Hitachi, Ltd.	
	<u>Independent Director</u>	Apr. 2008	Director of Meiji University	
7		Jun. 2011	Director of the Bank (to present)	
	[Reason for Nomination as Candidate for External Director] After retiring as Senior Managing Director at Hitachi, Ltd., Mr. Kaichi Murata served as President and Representative Director of Hitachi Capital Corporation. To utilize his knowledge and experience, etc., fostered at a core financial company of the Hitachi group in the management of the Bank from a wide perspective, the Bank proposes his election as External Director.			
	[Term of Office] Mr. Kaichi Murata has served as External Director for six (6) years as of the conclusion of this General Meeting of Shareholders.			
	[Special Interests and Independence] There are no special interests between candidate Kaichi Murata and the Bank.			

No.	Name (Date of birth)	Career summary (Positions, responsibilities and significant concurrent positions)	Number of shares of the Bank held
8	Katsuhiro Fujita (Dec. 2, 1958) <u>Reappointment</u>	Apr. 1981 Joined the Bank	1,600 shares
		Oct. 2008 Manager of Credit Supervision Division	
		Apr. 2013 Manager of Head Office Business Division	
		Jun. 2013 Director, Manager of Head Office Business Division	
9	Atsushi Sakamoto (Sep. 19, 1959) <u>Reappointment</u>	Oct. 2014 Director, Branch Manager of Tokyo Branch and Head of Tokyo Liaison Office (to present)	600 shares
		[Reason for Nomination as Candidate for Director] Mr. Katsuhiro Fujita has participated in the management of branches for many years, and possesses abundant experience and achievements. He possesses the knowledge, experience, and sufficient social credibility to manage a bank in an accurate, fair, and efficient manner, as he has been demonstrating leadership in the management of branches since his appointment as Director in June 2013, and therefore the Bank proposes his election as Director.	
		[Special Interests] There are no special interests between candidate Katsuhiro Fujita and the Bank.	
		Apr. 1983 Joined the Bank	
10	Akira Soma (Apr. 26, 1961) <u>New appointment</u>	May 2009 Branch Manager of Oodori Branch	700 shares
		Apr. 2013 Manager of Business Management Division	
		Apr. 2014 Manager of Business Management Division and Head of Regional Businesses Support Office	
		Jun. 2014 Director, Manager of Business Management Division and Head of Regional Businesses Support Office	
		Apr. 2015 Director, Manager of Business Management Division (to present)	
		[Reason for Nomination as Candidate for Director] Mr. Atsushi Sakamoto has abundant operational experience at Head Office and branches, and possesses the knowledge, experience, and sufficient social credibility to manage a bank in an accurate, fair, and efficient manner, as he has been continuing to serve as a manager in the business management division since his appointment as Director in June 2014, and therefore the Bank proposes his election as Director.	
		[Special Interests] There are no special interests between candidate Atsushi Sakamoto and the Bank.	
		Apr. 1984 Joined the Bank	
		Apr. 2006 Branch Manager of Matsuzono Branch	
		Oct. 2008 Branch Manager of Akita Branch	
		Jun. 2010 Manager of Treasury and International Division (to present)	
		[Reason for Nomination as Candidate for Director] Mr. Akira Soma has participated in the management of branches for many years, and possesses abundant experience and achievements. He possesses the knowledge, experience, and sufficient social credibility to manage a bank in an accurate, fair, and efficient manner, as he has been serving as a manager in the market finance division since June 2010, and therefore the Bank proposes his election as Director.	
		[Special Interests] There are no special interests between candidate Akira Soma and the Bank.	



No.	Name (Date of birth)	Career summary (Positions, responsibilities and significant concurrent positions)	Number of shares of the Bank held
11	Hiroshi Shimomura (Nov. 22, 1966)	Apr. 1990    Joined the Bank Oct. 2008    Manager of Secretariat Apr. 2012    Branch Manager of Mizusawa Branch Apr. 2015    Manager of Corporate Planning Division (to present)	600 shares
	<div>New appointment</div>		
	[Reason for Nomination as Candidate for Director] Mr. Hiroshi Shimomura has participated in the management of branches for many years, and possesses abundant experience and achievements. He possesses the knowledge, experience, and sufficient social credibility to manage a bank in an accurate, fair, and efficient manner, as he has been serving as a manager in the corporate planning division since April 2015, and therefore the Bank proposes his election as Director.		
	[Special Interests] There are no special interests between candidate Hiroshi Shimomura and the Bank.		

(Notes) 1. Messrs. Minoru Ota and Kaichi Murata have been notified as Independent Directors to the Tokyo Stock Exchange.

2. Regarding Liability Limitation Agreements with External Directors

The Bank has entered into a liability limitation agreement with each of Messrs. Minoru Ota and Kaichi Murata in accordance with Article 427, Paragraph 1 of the Companies Act (the “Act”) and the Articles of Incorporation to limit their liabilities for damages under Article 423, Paragraph 1 of the Act. The amount of their liabilities under the agreements is the minimum liability amount stipulated by laws and regulations in cases where their actions were made in good faith and no gross negligence is found.

If this proposal is approved, the Bank intends to continue the said agreements.

(Reference)

#### Independence Criteria for Outside Officers

In cases where the results of the Bank's investigation of a reasonably possible scope determine that an External Director or Outside Auditor (hereinafter collectively referred to as "Outside Officer") does not fall under any of the following, said Outside Officer shall be judged to be independent.

1. An officer or employee of the corporate group consisting of the Bank and its subsidiaries (hereinafter the "Group")
2. A major shareholder with 5% or greater stake of the Bank, or its executive officers (Note 1)
3. A business partner whose sum of transactions with the Group exceeds 2% of the consolidated sales volume of that business partner's group in the most recent fiscal year, or its executive officers
4. An individual who, as of the end of the most recent fiscal year, has transactions with the Bank in the form of deposits or loans and the remaining balance of such deposits and loans with whom exceeds 1% of the Group's consolidated total assets, or its executive officers
5. A consultant, accounting professional, or legal professional who receives over 10 million yen in a year in monetary or other compensation from the Group aside from officer's compensation, or a legal entity or association that he/she belongs to
6. An individual who has fallen under any of the above items 1 through 5 in the past 10 years
7. A close relative of an individual who has fallen under any of items 1 through 6 (a spouse or relative within the second degree)

(Note 1)

"Executive officers" refer to executive officers as stipulated in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act and includes not only executive directors but employees as well.