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Securities identification code: 8369

June 1, 2018

To our shareholders:

Nobuhiro Doi

President

**The Bank of Kyoto, Ltd.**

700, Yakushimae-cho, Karasuma-dori,

Matsubara-Agaru, Shimogyo-ku, Kyoto, Japan

## **NOTICE OF THE 115TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 115th Ordinary General Meeting of Shareholders of The Bank of Kyoto, Ltd. (the “Bank”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights by postal mail or electronic means (the Internet). Please indicate your approval or disapproval of the proposals after reviewing the attached Reference Documents for the General Meeting of Shareholders, and return it by postal mail or the Internet to reach us no later than 5:00 p.m. on Wednesday, June 27, 2018 (Japan Standard Time).

### **Meeting Details**

**1. Date and Time:** Thursday, June 28, 2018 at 10:00 a.m. (Japan Standard Time)

(Reception will open at 9:00 a.m.)

**2. Venue:** 7th floor Hall, Head office of the Bank

700, Yakushimae-cho, Karasuma-dori, Matsubara-Agaru, Shimogyo-ku, Kyoto, Japan

**3. Purposes:**

#### **Items to be reported:**

1. Business Report and Non-Consolidated Financial Statements for the 115th Term (from April 1, 2017 to March 31, 2018)
2. Consolidated Financial Statements, as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 115th Term (from April 1, 2017 to March 31, 2018)

#### **Items to be resolved:**

**Proposal 1:** Appropriation of surplus

**Proposal 2:** Election of eleven (11) Directors

**Proposal 3:** Election of one (1) Substitute Audit & Supervisory Board Member

[Exercise of Voting Rights by Postal Mail]

Please indicate your approval or disapproval of each proposal in the enclosed Voting Rights Exercise Form and return it by mail so that it is received by the deadline as stated above.

[Exercise of Voting Rights via Electronic Means (the Internet)]

Please refer to “the Information About Exercising Voting Rights via the Internet” on the attached sheet and use a personal computer, smartphone, or cellular phone to access the Voting Rights Exercise Site: <https://evote.tr.mufg.jp/>. Follow the instructions on the screen and indicate approval or disapproval of each proposal by the deadline as stated above. (Japanese only)

[Handling of Duplicate Voting]

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

In addition, if you submit your vote more than once via the Internet, only the last vote will be valid.

## Reference Documents for the General Meeting of Shareholders

### Items to be Resolved and Reference Documents

#### Proposal 1: Appropriation of surplus

Based on our policy of continuing stable payment of dividends to shareholders and strengthening our business base by retaining sufficient internal reserve, it is proposed that payment of year-end dividend and appropriation of surplus be conducted as follows:

##### 1. Matters related to year-end dividends

Based on our policy of maintaining return of profits to shareholders, while taking into consideration the performance in the fiscal year under review and the business environment in the future, it is proposed that an amount of year-end dividend for the fiscal year ended March 31, 2018 be ¥30 per share. Furthermore, the Bank conducted a consolidation of common shares with a ratio of five (5) shares to one (1) share on October 1, 2017. Including the interim dividend of 6 yen per share (¥30 per share based on the shares after the consolidation of shares) paid in December 2017, annual dividend amounts will be equivalent to ¥60 per share.

##### (1) Type of dividend property

Cash

##### (2) Allocation of dividend property to shareholders and total amount thereof

¥30 per common share of the Bank

Total amount of dividends: ¥2,265,262,470

##### (3) Effective date of distribution of dividends of surplus

June 29, 2018

##### 2. Matters related to other appropriation of surplus

##### (1) Item of surplus to be increased and amount of increase thereof

General reserve: ¥14,000,000,000

##### (2) Item of surplus to be decreased and amount of decrease thereof

Retained earnings brought forward: ¥14,000,000,000

**Proposal 2:** Election of eleven (11) Directors

The terms of office of all ten (10) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Bank is increasing the number of Directors by one (1) to enhance and strengthen the Bank's management team, and it proposes the election of eleven (11) Directors, including two (2) Outside Directors.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Bank)	Number of the Bank's shares owned
1	Hideo Takasaki (November 2, 1944)	Apr. 1967      Joined the Bank	12,837
		June 1997      Director, General Manager, Credit Examination Division	
June 1998      Director, General Manager, Head Office Business Department			
June 2001      Managing Director			
June 2008      Senior Managing Director			
June 2010      President			
June 2015      Chairman (present position)			
[Reasons for selection as Director candidate] Hideo Takasaki served as President of the Bank from June 2010 and has served as Chairman since June 2015. He sufficiently fulfills his duties and responsibilities. The Bank believes that Takasaki has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.			
2	Nobuhiro Doi (April 25, 1956)	Apr. 1980      Joined the Bank	6,400
		June 2007      Director, General Manager, Personnel Division	
June 2008      Managing Director			
June 2010      Managing Director, General Manager, Head Office Business Department			
June 2012      Managing Director			
June 2015      President (present position)			
[Reasons for selection as Director candidate] Nobuhiro Doi served as Director in charge of business management, risk management, personnel affairs, and others. He has served as President since June 2015 and sufficiently fulfills his duties and responsibilities. The Bank believes that Doi has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Bank)	Number of the Bank's shares owned	
3	Masahiko Naka (June 20, 1960)	Apr. 1985	Joined the Bank	3,800
		June 2012	Director, General Manager, Public Institutions Division	
		June 2013	Director, General Manager, Credit Examination Division	
		Apr. 2014	Director, General Manager, Credit Examination Division, General Manager, Credit Strategy Office	
		June 2014	Director, General Manager, Credit Examination Division	
		June 2015	Managing Director	
		June 2017	Senior Managing Director (present position) In charge of Public & Regional Affairs Division, Credit Examination Division, International Division, Overseas Representative Offices	
<p>[Reasons for selection as Director candidate] Masahiko Naka served as Manager in charge of sales and served as Director in charge of business management, sales, credit examination, and others. He has served as Senior Managing Director since June 2017 and sufficiently fulfills his duties and responsibilities. The Bank believes that Naka has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.</p>				
4	Hiroshi Hitomi (November 27, 1960)	Apr. 1985	Joined the Bank	3,800
		June 2012	Director, General Manager, Corporate Planning Division	
		June 2014	Director, General Manager, Head Office Business Department	
		June 2015	Managing Director, General Manager, Head Office Business Department	
		June 2016	Managing Director	
		June 2017	Senior Managing Director (present position) In charge of Risk Management Division, Business Administration Division, Business Operations Center, Systems Division, Internal Audit Division, Productivity Innovation Headquarters Secretariat	
<p>[Reasons for selection as Director candidate] Hiroshi Hitomi served as Manager in charge of business management and sales and served as Director in charge of business management, risk management, business administration &amp; system, and others. He has served as Senior Managing Director since June 2017 and sufficiently fulfills his duties and responsibilities. The Bank believes that Hitomi has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.</p>				
5	Masaya Anami (March 27, 1962)	Apr. 1985	Joined the Bank	3,800
		June 2012	Director, General Manager, Corporate Banking Division	
		Apr. 2013	Director, General Manager, Business Support Division	
		June 2015	Managing Director	
		June 2017	Senior Managing Director, General Manager, Business Headquarters (present position)	
<p>[Reasons for selection as Director candidate] Masaya Anami served as Manager in charge of sales and served as Director in charge of sales. He has served as Senior Managing Director since June 2017 and sufficiently fulfills his duties and responsibilities. The Bank believes that Anami has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.</p>				

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Bank)	Number of the Bank's shares owned	
6	Toshiro Iwahashi (December 12, 1961)	Apr. 1986	Joined the Bank	2,900
		June 2012	Sanjo Branch Manager	
June 2014	Director, Sanjo Branch Manager			
June 2015	Director, General Manager, Credit Examination Division			
June 2016	Managing Director, General Manager, Head Office Business Department (present position)			
<p>[Reasons for selection as Director candidate] Toshiro Iwahashi served as Manager in charge of business management, sales and credit examination. He has served as Managing Director since June 2016 and sufficiently fulfills his duties and responsibilities. The Bank believes that Iwahashi has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.</p>				
7	Yasuo Kashihara (July 14, 1939)	Apr. 1963	Joined the Bank	25,020
		June 1992	Director, General Manager, Business Development Division	
		Feb. 1993	Director, General Manager, Personnel Division	
		June 1994	Managing Director	
		June 1997	Deputy President	
		June 1998	President	
		June 2010	Chairman	
		June 2015	Director & Counselor (present position)	
<p>[Reasons for selection as Director candidate] Yasuo Kashihara served as President of the Bank from June 1998 and Chairman from June 2010. He has served as Director &amp; Counselor since June 2015 and sufficiently fulfills his duties and responsibilities. The Bank believes that Kashihara has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.</p>				
8	Mikiya Yasui (February 8, 1965)	Apr. 1987	Joined the Bank	2,860
		Apr. 2011	General Manager, General Secretariat	
		Nov. 2014	General Manager, Personnel Division	
		June 2015	Executive Officer (commissioned General Manager of Personnel Division)	
		June 2017	Director (present position) In charge of Treasury & Investment Division, General Secretariat, Human Resources and General Affairs Division, Kyoto Banking College	
<p>[Reasons for selection as Director candidate] Mikiya Yasui served as Manager in charge of business management, sales and personnel. He has served as Director in charge of business management, human resources and general affairs and treasury &amp; investment since June 2017 and sufficiently fulfills his duties and responsibilities. The Bank believes that Yasui has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.</p>				

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Bank)	Number of the Bank's shares owned
*9	Hiroyuki Hata (April 16, 1963)	<p>Apr. 1987    Joined the Bank</p> <p>June 2010    General Manager, Personnel Division</p> <p>June 2012    Kujo Branch Manager</p> <p>June 2015    Executive Officer (commissioned General Manager of Compliance Management Division and Customer Service Office, Compliance Management Division)</p> <p>June 2016    Executive Officer (commissioned General Manager of Risk Management Division)</p> <p>Feb. 2017    Executive Officer (commissioned General Manager of Productivity Innovation Headquarters Secretariat) (present position)</p>	3,060
<p>[Reasons for selection as Director candidate]</p> <p>Hiroyuki Hata served as Manager in charge of sales and personnel. He has served as Executive Officer since June 2015 and sufficiently fulfills his duties and responsibilities. The Bank believes that Hata has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.</p>			
10	Norikazu Koishihara (June 11, 1945)	<p>May 1964    Member of Kyoto Prefectural Board of Education</p> <p>Apr. 1988    Manager, Land Division, Department of Civil Engineering and Construction, Kyoto Prefecture</p> <p>June 1998    Chief, Sonobe Regional Development Bureau, Kyoto Prefecture</p> <p>June 2002    Chief, Finance Management Bureau, Kyoto Prefecture</p> <p>May 2004    Planning Director, Crisis Management Supervisor, Kyoto Prefecture</p> <p>May 2006    Deputy Governor, Kyoto Prefecture</p> <p>July 2010    Director, Kyoto Prefecture Housing Supply Corporation (present position)</p> <p>June 2015    Director, the Bank (present position)</p>	800
<p>[Reasons for selection as Outside Director candidate]</p> <p>Norikazu Koishihara has served as Outside Director since June 2015 and sufficiently fulfills his duties and responsibilities. The Bank hereby proposes the election of Koishihara as Outside Director due to his affluent experience and extensive knowledge accumulated through his long career as a chief of public administration. The Bank would like to have Koishihara continue to utilize his experience and knowledge for the management of the Bank from an independent standpoint as Outside Director. Even though Koishihara has never been involved in corporate management, he has adequately carried out his duties as Outside Director since taking office of Director of the Bank.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Bank)	Number of the Bank's shares owned
11	Junko Otagiri (June 24, 1952)	<p>Apr. 1979     Assistant, Junior College of Economics, Shiga University</p> <p>Apr. 1980     Instructor, Junior College of Economics, Shiga University</p> <p>Apr. 1987     Assistant Professor, Junior College of Economics, Shiga University</p> <p>Apr. 1993     Assistant Professor, Faculty of Economics, Shiga University</p> <p>Apr. 1998     Professor, Faculty of Economics, Shiga University</p> <p>June 2017     Director, the Bank (present position)</p> <p>Apr. 2018     Professor Emeritus, Shiga University (present position)</p>	200
<p>[Reasons for selection as Outside Director candidate]</p> <p>Junko Otagiri has served as Outside Director since June 2017 and sufficiently fulfills her duties and responsibilities. As a university professor with cost accounting and managerial accounting as her main research field, Otagiri has professional and extensive knowledge about her research field and other areas. The Bank would like to have Otagiri continue to utilize her knowledge for the management of the Bank from an independent standpoint as Outside Director. Even though Otagiri has never been involved in corporate management, she has adequately carried out her duties as Outside Director since taking office of Director of the Bank.</p>			

- Notes:
1. New candidates for Directors are indicated by an asterisk (\*).
  2. None of the above candidates have any special interest in the Bank.
  3. Norikazu Koishihara and Junko Otagiri are candidates for Outside Directors as defined in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. The terms of office for Koishihara and Otagiri will be three (3) years and one (1) year, respectively, as of the conclusion of this Ordinary General Meeting of Shareholders. The name, Junko Otagiri, is as written as she uses it for her profession, but the name on her family register is Junko Hayashi.
  4. Conclusion of Agreement Limiting Liability  
The Bank has entered into an Agreement Limiting Liability with each of Norikazu Koishihara and Junko Otagiri. Limits on liability for damages under these agreements shall be set at liability amounts stipulated by laws and regulations. If the election of Koishihara and Otagiri as Outside Directors is approved at this Ordinary General Meeting of Shareholders, the Bank plans to continue the said agreements with them.
  5. Registration as Independent Officers  
Norikazu Koishihara and Junko Otagiri are registered with the Tokyo Stock Exchange (TSE) as Independent Officer in accordance with the TSE's rules and regulations. If the election of Koishihara and Otagiri as Outside Directors is approved at this Ordinary General Meeting of Shareholders, the Bank plans to continue the appointments of Koishihara and Otagiri as independent officers.
  6. Please refer to the Bank's website for details (career summaries, photographs, and others) of the eleven (11) candidates for Directors.

**Proposal 3:** Election of one (1) Substitute Audit & Supervisory Board Member

The validity of the election of Substitute Audit & Supervisory Board Member Akio Kioi will expire at the commencement of this Ordinary General Meeting of Shareholders. Accordingly, the Bank proposes the election of one (1) Substitute Audit & Supervisory Board Member to maintain continuity of auditing even in the event the number of Outside Audit & Supervisory Board Members falls below the number required by laws and regulations.

The election of Substitute Audit & Supervisory Board Member can be nullified by resolution of the Board of Directors if the consent of the Audit & Supervisory Board has been obtained; provided, however, that it is only in a time before assuming office.

Furthermore, the consent of the Audit & Supervisory Board has been obtained in advance for this proposal.

The candidate for Substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and position (significant concurrent positions outside the Bank)	Number of the Bank's shares owned
Jun Demizu (April 18, 1947)	Apr. 1974 Registered as an attorney at law (Osaka Bar Association) Jan. 1980 Established Kita Sogo Law Offices (present position) June 2006 Outside Audit & Supervisory Board Member, PanaHome Corporation (currently Panasonic Homes Co., Ltd.) Aug. 2008 Outside Audit & Supervisory Board Member, UENO FINE CHEMICALS INDUSTRY, LTD. (present position) Apr. 2011 Visiting Professor, Osaka University Law School (present position)	0
[Reasons for selection as Substitute Audit & Supervisory Board Member candidate] Jun Demizu is thoroughly experienced in legal affairs as an attorney-at-law. The Bank expects that Demizu will utilize his experience and extensive knowledge to execute an objective and neutral audit for bank management. Even though Demizu has never been involved in corporate management except as an Outside Officer, the Bank believes that he could adequately carry out his duties as Substitute Audit & Supervisory Board Member according to the above-mentioned reasons.		

- Notes:
1. Jun Demizu doesn't have any special interest in the Bank.
  2. Jun Demizu is a candidate for Substitute Outside Audit & Supervisory Board Member.
  3. Conclusion of Agreement Limiting Liability  
 If Jun Demizu assumes the office of Audit & Supervisory Board Member, the Bank plans to enter into an Agreement Limiting Liability with him. Limits on liability for damages under this agreement shall be set at liability amounts stipulated by laws and regulations.
  4. Please refer to the Bank's website for details (career summary, photograph, and others) of the one (1) candidate for Substitute Audit & Supervisory Board Member.