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(Securities Code: 8342)  
June 4, 2019

**To Shareholders with Voting Rights:**

Susumu Narita  
President  
The Aomori Bank, Ltd.  
9-30, Hashimoto 1-chome, Aomori City,  
Aomori, Japan

## **NOTICE OF CONVOCAION OF THE 111TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 111th Annual General Meeting of Shareholders of The Aomori Bank, Ltd. (the "Bank"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights by submitting the Voting Rights Exercise Form or via electromagnetic means (the Internet). Please review the Reference Documents for the General Meeting of Shareholders below, and exercise your voting rights by 5:00 p.m. on Tuesday, June 25, 2019, Japan time.

- 1. Date and Time:** Wednesday, June 26, 2019 at 10:00 a.m. Japan time
- 2. Place:** 8F, Main Conference Room, Head Office of the Bank, 9-30, Hashimoto 1-chome, Aomori City, Aomori, Japan
- 3. Meeting Agenda:**  
**Matters to be reported:**
  1. The Business Report and Non-Consolidated Financial Statements for the Bank's 111th Fiscal Year (from April 1, 2018 to March 31, 2019)
  2. Consolidated Financial Statements for the Bank's 111th Fiscal Year (from April 1, 2018 to March 31, 2019) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee

**Proposals to be resolved:**

- Proposal No. 1:** Appropriation of surplus
- Proposal No. 2:** Election of five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members)

- ◎ Requests to the shareholders
  - When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception upon arrival.  
For conservation of resources, please bring this “notice of convocation” with you.
  - In order to save electricity, the air conditioning at the venue will be set moderately. We would appreciate your attendance in light attire.
  
- ◎ Notice
  - Of the documents that should be provided with this notice, “Non-Consolidated Statements of Changes in Net Assets” and “Notes to the Non-Consolidated Financial Statements,” as well as “Consolidated Statements of Changes in Net Assets” and “Notes to the Consolidated Financial Statements” are posted on the Bank’s website (<https://www.a-bank.jp/>) in accordance with laws and regulations as well as Article 16 of the Articles of Incorporation of the Bank. They are therefore not included in the Appendix to this notice. Accordingly, the Non-Consolidated Financial Statements and Consolidated Financial Statements included in the Appendix to this notice are part of the Non-Consolidated Financial Statements and Consolidated Financial Statements that were audited by the Accounting Auditor and Audit and Supervisory Committee in preparing the Accounting Audit Report and Audit Report.
  - In case revisions are required to the Reference Documents for the General Meeting of Shareholders, the Business Report, and the Non-Consolidated Financial Statements, Consolidated Financial Statements, the revised information will be posted on the Bank’s website (<https://www.a-bank.jp/>).
  
- ◎ Handling of Duplicate Voting
  - (1) If you exercise your voting rights both in written form and via the Internet, the vote placed via the Internet will be deemed valid.
  - (2) If you exercise your voting rights multiple times via the Internet, the last vote will be deemed valid. Additionally, if you exercise your voting rights multiple times via personal computer, smartphone, and mobile phone, the last vote will be deemed valid.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal No. 1: Appropriation of surplus

The Bank's basic policy is to maintain stable dividends while striving for long-term enhancement of its business foundation. Under this policy, the Bank proposes that the surplus for the fiscal year under review be appropriated as follows.

1. Matters concerning year-end dividends
  - (1) Type of dividend property  
Cash
  - (2) Matters concerning the allotment of dividend property to shareholders and the total amount  
It is proposed that 30 yen per share of common stock be paid, and that the total amount be 611,543,460 yen.  
The full-year dividends for the fiscal year under review will be 60 yen per share, including an interim dividend of 30 yen that has already been paid.
  - (3) Effective date of distribution of surplus  
June 27, 2019
2. Matters concerning the appropriation of surplus
  - (1) Item and amount of surplus to be decreased  
Unappropriated retained earnings      3,000,000,000 yen
  - (2) Item and amount of surplus to be increased  
Appropriated retained earnings      3,000,000,000 yen

**Proposal No. 2:** Election of five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members)

The terms of office of all five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this meeting.

Accordingly, the election of five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members) is proposed

Additionally, the candidates for Directors were nominated after the appropriate procedures were taken by the Nomination and Remuneration Committee, which consists mainly of Independent Outside Directors, and as a result of deliberation of this Proposal, the Audit and Supervisory Committee determined that these candidates are qualified for the position of Director.

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

| No. | Candidate name   | Current position at the Bank   | Attendance at meetings of the Board of Directors |
|-----|------------------|--|--|
| 1   | Susumu Narita    | Director / President<br>(Representative Director)<br><u>Reappointment</u>                  | 14 / 14<br>(100%)                                |
| 2   | Akihiro Kawamura | Director / Senior Managing Executive Officer<br><u>Reappointment</u>                       | 14 / 14<br>(100%)                                |
| 3   | Tomohiko Sasaki  | Managing Executive Officer<br><u>New candidate</u>   | —  |
| 4   | Keitaro Ishikawa | Managing Executive Officer<br><u>New candidate</u>   | —  |
| 5   | Naotake Atsumi   | Director<br><u>Reappointment</u><br><u>Outside Director</u><br><u>Independent Director</u> | 11 / 11<br>(100%)                                |

(Note) Candidate for Director Mr. Naotake Atsumi was newly elected as a Director at the Annual General Meeting of Shareholders for the previous year (held on June 26, 2018). Accordingly, his attendance at meetings of the Board of Directors refers to meetings of the Board of Directors held from that day onward.

| No.  | Name<br>(Date of birth)   | Career summary, positions, responsibilities,<br>and significant concurrent positions   | Number of<br>shares of<br>the Bank<br>held |
|--|---|--|--|
| 1  | Susumu Narita<br>(Sep. 27, 1954)<br><br><u>Reappointment</u>    | Apr. 1978 Joined the Bank<br>Jun. 2008 Executive Officer / General Manager of Credit<br>Supervision Division<br>Jun. 2010 Executive Officer / General Manager of<br>Hirosaki Branch<br>Apr. 2011 Executive Officer / Hirosaki Area Supervisor<br>Jun. 2011 Managing Director<br>Jun. 2014 Senior Managing Director<br>Apr. 2015 Director / President (current position)<br>In charge of Auditing Division  | 5,720<br>shares                            |
| <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Susumu Narita is well versed in operations both of branches and headquarters, backed by abundant experience. He has driven the management of the Bank with precision since his assumption of office as Representative Director in June 2014, and has accumulated adequate social credibility. The Bank has nominated him as a candidate for Director in the expectation that he will fulfill his role as the chief officer in charge of management, administration and business execution.</p>   |   |  |  |
| 2  | Akihiro Kawamura<br>(Sep. 11, 1957)<br><br><u>Reappointment</u> | Apr. 1981 Joined the Bank<br>Apr. 2005 General Manager of Minato Branch<br>Apr. 2007 General Manager of General Planning Division<br>and General Manager of Public Relations<br>Office<br>Jan. 2008 General Manager of Personal Banking Division<br>Jun. 2009 General Manager of General Planning Division<br>Apr. 2011 Executive Officer / General Manager of<br>Business Administration Division<br>Jun. 2012 Executive Officer / General Manager of Credit<br>Supervision Division<br>Jun. 2013 Director / Hirosaki Area Supervisor<br>Jun. 2015 Managing Director<br>Jun. 2018 Director / Senior Managing Executive Officer<br>(current position)<br>In charge of General Planning Division, Tokyo<br>Liaison Office, Treasury & International<br>Division, and Personnel Division | 3,640<br>shares                            |
| <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Akihiro Kawamura has served as General Manager of four headquarters divisions. He assumed the office of Director in June 2013 and has supervised four headquarters divisions in recent years. He has the knowledge and experience to execute management and administration in general in an accurate, fair manner, and the Bank has nominated him as a candidate for Director in the expectation that his knowledge and experience may contribute to the enhancement of the management structure through the improvement of the decision-making and supervisory functions of the Board of Directors.</p> |   |  |  |

| No.  | Name<br>(Date of birth)   | Career summary, positions, responsibilities,<br>and significant concurrent positions  | Number of<br>shares of<br>the Bank<br>held |
|--|---|---|--|
| 3  | Tomohiko Sasaki<br>(Apr. 25, 1960)<br><br><u>New candidate</u>  | Apr. 1983 Joined the Bank<br>Apr. 2004 General Manager of Matsuzonocho Branch<br>Oct. 2009 General Manager of Sendai Branch<br>Jun. 2011 General Manager of Treasury & International Division<br>Jun. 2012 General Manager of Hachinohe Branch<br>Jun. 2014 Executive Officer / General Manager of General Planning Division<br>Jun. 2015 Director / General Manager of General Planning Division<br>Jun. 2017 Managing Director / Executive General Manager of Regional Headquarters (Aomori Area)<br>Jun. 2018 Managing Executive Officer / Executive General Manager of Regional Headquarters (Aomori Area) (current position)   | 1,700 shares                               |
| <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Tomohiko Sasaki has served as General Manager of three branches and General Manager of two headquarters divisions. He assumed the office of Director in June 2015 and has supervised the Aomori Area as Managing Executive Officer since June 2018. Based on his balanced qualities as an executive, the Bank has nominated him as a candidate for Director in the expectation that he will deliver swift and flexible decision-making as Director.</p>  |   |   |  |
| 4  | Keitaro Ishikawa<br>(Apr. 26, 1961)<br><br><u>New candidate</u> | Apr. 1984 Joined the Bank<br>Jun. 2005 General Manager of Oominato Branch<br>Jun. 2008 General Manager of Minato Branch<br>Nov. 2009 General Manager of Minato Branch and Honchou Branch<br>Apr. 2010 General Manager of Personnel Division<br>Apr. 2011 General Manager of General Planning Division<br>Jun. 2013 General Manager of Head Office<br>Jun. 2014 Executive Officer / General Manager of Head Office<br>Jun. 2015 Executive Officer / General Manager of Business Administration Division<br>Jun. 2016 Director / Executive General Manager of Regional Headquarters (Hirosaki Area)<br>Jun. 2018 Managing Executive Officer / Executive General Manager of Regional Headquarters (Hirosaki Area) (current position) | 2,060 shares                               |
| <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Keitaro Ishikawa has served as General Manager of three branches and General Manager of three headquarters divisions. He assumed the office of Director in June 2016 and has supervised the Hirosaki Area as Managing Executive Officer since June 2018. The Bank has nominated him as a candidate for Director as it has judged that he will be able to contribute sufficiently to the Bank's business development and enhancing the management structure, based on his experience in a broad range of areas.</p> |   |   |  |

| No.  | Name<br>(Date of birth)  | Career summary, positions, responsibilities,<br>and significant concurrent positions  | Number of<br>shares of<br>the Bank<br>held |
|--|--|---|--|
| 5  | Naotake Atsumi<br>(Jun. 6, 1945)<br><br><u>Reappointment</u><br><br><u>Outside Director</u><br><br><u>Independent Director</u> | Apr. 1968 Joined Nippon Aluminum Corporation<br>Nov. 1984 Joined Sumitomo Business Consulting Co., Ltd.<br>Apr. 1989 General Manager and Chief Consultant of Osaka Consultant Division III, Sumitomo Business Consulting Co., Ltd.<br>Apr. 1995 General Manager and Chief Researcher of Marketing Strategy Division, Research Business Headquarters, The Japan Research Institute, Limited<br>Jul. 2005 Partner and Chief Researcher of Integrated Research Division, The Japan Research Institute, Limited<br>Apr. 2013 Representative of Anz Consulting (current position)<br>Jun. 2018 Director of the Bank (current position) | 300 shares                                 |
| <p>[Reason for nomination as a candidate for Outside Director]</p> <p>Mr. Naotake Atsumi has accumulated a high level of expertise in areas such as management strategy and marketing strategy as a management consultant. The Bank has nominated him as a candidate for Outside Director in the expectation that his knowledge and experience may contribute to further enhancement of the decision-making and supervisory functions of the Board of Directors.</p> <p>Furthermore, Mr. Atsumi does not have experience of participating directly in corporate management, but based on the above reasons, the Bank has judged that he will be able to appropriately execute his duties as Outside Director.</p> <p>Mr. Atsumi will have served as Outside Director of the Bank for one (1) year at the conclusion of this meeting.</p> |  |   |  |

- (Notes)
1. There is no special interest relationship between each candidate for Director and the Bank.
  2. Mr. Naotake Atsumi is a candidate for Outside Director.
  3. The Bank has registered Mr. Naotake Atsumi as an Independent Director with the Tokyo Stock Exchange as set forth in the regulations of the Exchange, and if the reappointment of Mr. Naotake Atsumi is approved, the Bank intends for him to continue as an Independent Director.
  4. Liability limitation agreement with Directors  
 The Bank has entered into an agreement with Mr. Naotake Atsumi to limit his liability pursuant to Article 427, paragraph (1) of the Companies Act, and if the reappointment of Mr. Naotake Atsumi is approved, the Bank intends to continue the agreement with him.  
 An overview of the content of the liability limitation agreement is as follows:
    - In the event that a Director is liable for damages to the Bank owing to failure to perform his or her duties, his or her liability shall be limited to the total amount provided for in each item of Article 425, paragraph (1) of the Companies Act.
    - The aforementioned limitation of liability shall only be recognized in cases when the performance of duties by the Director that is the cause of the liability is done so in good faith and without serious negligence.

(Reference)

## Independence Standards for Outside Directors

The Bank designates all Outside Directors who qualify as Independent Directors as Independent Directors.

(Independence Standards for Outside Directors)

The Bank has formulated its Independence Standards as follows:

- (1) The party shall not be a party whose major business partner is the Bank or an executive thereof.
- (2) The party shall not be a major business partner of the Bank or an executive thereof.
- (3) The party shall not be a consultant, accounting specialist, or legal specialist who receives significant money or benefits from the Bank (excluding the Bank's executive remuneration).
- (4) The party shall not be a major shareholder or an executive thereof.
- (5) The party shall not be a party that receives significant donations from the Bank or an executive thereof.
- (6) The party shall not have fallen under any of the criteria in (1) to (5) above within the past three (3) years.
- (7) The party shall not be a close relative of anyone falling under any of the criteria (1) to (6) above.

\*1 "A party whose major business partner is the Bank": Refers to a business partner for which transactions with the Bank make up 2% or more of the business partner's consolidated net sales in the most recent fiscal year.

\*2 "A major business partner of the Bank": Refers to a business partner for which income from transactions with the business partner makes up 2% or more of the Bank's consolidated gross profit in the most recent fiscal year.

\*3 "Significant": An amount exceeding 10 million yen per year over the past three (3) years on average

\*4 "A major shareholder": A shareholder that holds 10% or more in direct or indirect voting rights of the Bank

\*5 "A close relative": A relative within the second degree of kinship

End