

March 18, 2016

Company Name: JAPAN POST BANK Co., Ltd.  
Representative: Masatsugu Nagato, Director, President and Representative Executive Officer  
(Securities Code: 7182, Tokyo Stock Exchange First Section)

## **Notice Regarding the Introduction of an Employee Stock Ownership Plan for Management Employees**

JAPAN POST BANK Co., Ltd. (the "Bank") hereby announces that it reached a decision today to introduce an employee stock ownership plan (hereinafter the "Plan"), utilizing a trust, for management employees on April 1, 2016. The Plan is intended for management employees in the Investment Division, particularly those utilizing sophisticated, expert knowledge to execute their business duties. Details are as follows.

### **1. Objective of the Plan**

The objective of the Plan is to motivate the management employees to contribute further to the enhancement of the Bank's earnings performance and corporate value over the medium and long terms.

The Plan is expected to encourage the management employees to be conscious of the Bank's stock price in executing their business duties and raise their work motivation, as it will enable the employees to gain economically when it appreciates.

### **2. Eligible Employees**

The eligible employees for the Plan (the "Eligible Employees") shall be the management employees of the Bank's Investment Division, particularly those utilizing sophisticated, expert knowledge to execute their business duties.

### **3. Overview of the Plan**

The Plan uses a scheme known as an employee stock ownership plan. The employee stock ownership plan is a scheme where the Bank's shares are acquired from the stock market via a trust using funds contributed by the Bank. Based on predetermined rules for granting stock, each year Eligible Employees are awarded points redeemable as a stock grant in proportion to earnings performance and other factors. The employees are granted shares of the Bank's stock corresponding to the number of awarded points.

In light of Japanese and overseas regulations and guidelines, the Bank will introduce an employee stock ownership plan with a three-year deferral for granting stock. In addition, the Bank will be entitled to reduce or confiscate the deferred grant, depending on factors such as the earnings performance of the Bank or the Eligible Employees.