

May 15, 2017

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

Notice Regarding the Details of a Trust Agreement Related to an Employee Stock Ownership Plan for Management Employees

JAPAN POST BANK Co., Ltd. (the “Bank”) hereby announces that the Bank today determined the details of a trust agreement related to an employee stock ownership plan for management employees of the Bank’s Investment Division (the “Plan”). The introduction of the Plan was determined as announced in “Notice Regarding the Introduction of an Employee Stock Ownership Plan for Management Employees” issued on March 18, 2016. The Plan was introduced on April 1, 2016.

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 share prices in executing their business duties and raise their work motivation, as it will enable the employees to gain economically when the Bank’s share price appreciates.

2. Eligible Employees for the Plan

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.

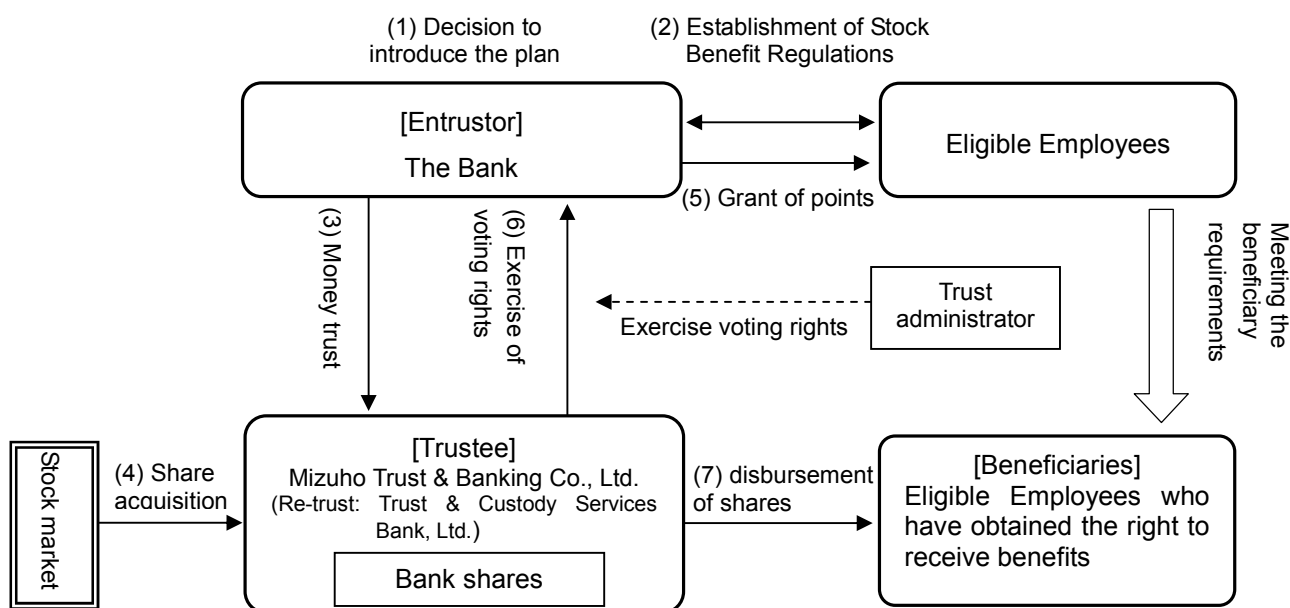
3. Overview of the Plan

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 Stock Benefit Regulations for granting stock, each year Eligible Employees are awarded points redeemable as a grant of shares in proportion to earnings performance and other factors. The employees are granted shares of the Bank’s shares corresponding to the number of awarded points.

In light of Japanese and overseas regulations and guidelines, the Plan is implemented with a three-year deferral for granting the Bank’s shares. 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.

The Bank plans to grant the first award of points redeemable for shares to the Eligible Employees according to earnings performance for the fiscal year beginning on April 1, 2016.

4. Framework of the Plan (Planned)



- (1) The Bank shall decide on the introduction of the Plan.
- (2) The Bank shall establish Stock Benefit Regulations in conjunction with the introduction of the Plan.
- (3) The Bank shall entrust monetary assets based on the decision in Item (1) (hereinafter, the trust established through this entrustment of monetary assets shall be referred to as the "Trust").
- (4) The Trust shall acquire the shares of the Bank from the stock market using monetary assets entrusted in Item (3) as capital.
- (5) The Bank shall grant points to the Eligible Employees based on the Stock Benefit Regulations.
- (6) Voting rights related to the shares of the Bank in the Trust account shall be exercised in accordance with instructions from a Trust Administrator.
- (7) The Trust shall disburse the shares of the Bank according to the number of points granted to each Eligible Employee who fulfills the beneficiary requirements established in the Stock Benefit Regulations (hereinafter, "Beneficiary").

5. Overview of the Trust

(1) Name: Employee Stock Ownership Plan (J-ESOP)

(2) Entrustor: the Bank

(3) Trustee: Mizuho Trust & Banking Co., Ltd.

Mizuho Trust & Banking Co., Ltd. shall enter into a Comprehensive Trust Agreement with Trust & Custody Services Bank, Ltd., under which Trust & Custody Services Bank, Ltd. shall become the re-trustee.

(4) Beneficiaries: Eligible Employees who meet the beneficiary requirements stipulated by the Stock Benefit Regulations.

(5) Trust administrator: Scheduled to be selected from among the employees of the Bank.

(6) Type of trust: Money held in trust other than a monetary trust (third-party benefit trust)

(7) The trust agreement execution date: May 17, 2017

- (8) Monetary entrustment date: May 17, 2017
- (9) Trust period: From May 17, 2017 to March 31, 2018 (However, in the absence of any particular written request from the Entrustor or the Trustee one month or earlier than the termination date of the Trust, the trust period shall be extended for an additional one year, with the same process repeated thereafter.)

6. Details of the Acquisition of Shares of the Bank by the Trust

- (1) Type of shares to be acquired: Common shares of the Bank
- (2) Amount to be contributed as funds to acquire the shares according to earnings performance for the fiscal year beginning on April 1, 2016: ¥451,746,000
- (3) Share acquisition method: Acquisition from the stock market (planned)
- (4) Share acquisition period: From May 17, 2017 to June 23, 2017 (planned)