

26 June 2019

THE SHIGA BANK, LTD. (Code No. 8366 of TSE 1st Section)

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NOTICE TO THE HOLDERS OF THE SHIGA BANK, LTD.

U.S.\$200,000,000 Subordinated Zero Coupon Convertible Bonds due 2020 (the “Bonds”)

NOTICE IS HEREBY GIVEN by THE SHIGA BANK, LTD. (the “**Bank**”) to the holders (the “**Bondholders**”) of the outstanding U.S.\$ 200,000,000 Subordinated Zero Coupon Convertible Bonds due 2020 (the “**Bonds**”), of an adjustment of the Conversion Price (as defined in the terms and conditions of the Bonds (the “**Conditions**”)) of the Bonds as follows:

Reason for the adjustment:	Adjustment of Conversion Price pursuant to Condition 5.2.4 due to the Extraordinary Dividend (as defined in such Condition 5.2.4) during the Annual Fiscal Period (as defined in the Conditions). The Bank previously paid an interim dividend of ¥4 per Share (before a consolidation of Shares effective as of 1 October 2018 on the basis of five Shares into one Share) and the Bank’s general meeting of shareholders approved a year-end dividend of ¥22.5 per Share on 26 June 2019.
Old Conversion Price:	U.S.\$ 29.425
New Conversion Price:	U.S.\$ 29.278
Record Date:	31 March 2019 (Japan time)
Effective Date for the new Conversion Price:	Retroactively from the day immediately after the Record Date set out above (Japan time)

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