

**NOTICE TO THE HOLDERS OF THE OUTSTANDING
THE JOYO BANK, LTD.
U.S.\$300,000,000 Zero Coupon Convertible Bonds due 2019
(ISIN: XS1055030917 / Common Code: 105503091)**

NOTICE IS HEREBY GIVEN by The Joyo Bank, Ltd. (the “**Joyo Bank**”) to the holders (“**Bondholders**”) of the outstanding U.S.\$300,000,000 Zero Coupon Convertible Bonds due 2019 (ISIN: XS1055030917 / Common Code: 105503091) (the “**Bonds**”), of the substitution of Ashikaga Holdings Co., Ltd. (the “**Ashikaga Holdings**”) as issuer under the Bonds in place of Joyo Bank.

As previously communicated in Joyo Bank’s notices to Bondholders dated 7 June 2016 and 28 June 2016, Joyo Bank entered into a Share Exchange Agreement (the “**Share Exchange Agreement**”) on 25 April 2016 with Ashikaga Holdings, pursuant to which Joyo Bank has agreed to become a wholly-owned subsidiary of Ashikaga Holdings with effect from 1 October 2016 (the “**Effective Date**”).

As a consequence of Joyo Bank becoming a wholly-owned subsidiary of Ashikaga Holdings, in accordance with Conditions 6.4 and 12.2 of the Bonds, Joyo Bank, Ashikaga Holdings and the Trustee have entered into a supplemental trust deed (the “**Supplemental Trust Deed**”) dated 30 September 2016 to effectuate, *inter alia*, the following changes in relation to the Bonds as of the Effective Date:

- **Substitution:** Joyo Bank will be substituted for all purposes with Ashikaga Holdings as the issuer and principal debtor under the Bonds as if Ashikaga Holdings had originally been the issuer of the Bonds and, as a result, all references to the “Bank” in the Conditions of the Bonds and in the Trust Deed (as defined below) shall be construed as references to Ashikaga Holdings .
- **Assumption and Release:** Ashikaga Holdings will assume all the liabilities and obligations of Joyo Bank in Joyo Bank’s capacity as issuer under the Conditions of the Bonds and the Trust Deed (including, for the avoidance of doubt, liabilities and obligations accrued prior to the Effective Date) and, upon the assumption by Ashikaga Holdings of such liabilities and obligations, Joyo Bank shall be released and discharged from all of its liabilities and obligations in its capacity as issuer under the Conditions of the Bonds and the Trust Deed.
- **Guarantee:** Joyo Bank will unconditionally and irrevocably guarantee the payment obligations of Ashikaga Holdings under the Trust Deed and the Conditions of the Bonds in accordance with the provisions of the Supplemental Trust Deed.
- **Stock Acquisition Rights**
 - **Transfer of Stock Acquisition Rights:** Pursuant to the Share Exchange Agreement, Ashikaga Holdings has agreed to deliver to the Bondholders on the Effective Date stock acquisition rights exercisable for shares of common stock of Ashikaga Holdings (the “**New Stock Acquisition Rights**”) in place of the Stock Acquisition Rights, in the ratio of one New Stock Acquisition Right for each Stock Acquisition Right outstanding. Upon the delivery of the New Stock Acquisition Rights, the Stock Acquisition Rights shall become void and all references to “Stock Acquisition Rights” in the Bonds, in the Conditions of the Bonds and in the Trust Deed shall be construed as references to the New Stock Acquisition Rights.

- **Terms of the New Stock Acquisition Rights:** Conditions 6.5.1, 6.5.2 and 6.5.4 to 6.5.9 of the Bonds shall apply to the New Stock Acquisition Rights, except that the word “substantially” shall be ignored when construing Conditions 6.5.6 and 6.5.7 of the Bonds.
- **Conversion Price:** The Conversion Price for the New Stock Acquisition Rights shall initially be U.S.\$5.11 per share of Ashikaga Holdings, subject to adjustments in the manner provided in Condition 5.2 of the Bonds, compared to the current Conversion Price of U.S.\$5.98 per share of Joyo Bank.
- **Condition to Conversion:** For the avoidance of doubt, for the purpose of determining whether Bondholders may exercise the Stock Acquisition Rights during the calendar quarter commencing on 1 October 2016 under Condition 5.1.5 of the Bonds, the Closing Prices of the Shares to be used in the calculations under Condition 5.1.5 of the Bonds shall be those of Joyo Bank, and thereafter Ashikaga Holdings.
- **Rating Requirements:** For the avoidance of doubt, that Ashikaga Holdings’ long-term senior debt has not been previously been rated by Moody’s, and the absence of such rating following the Effective Date, will not be deemed to constitute an event described under Condition 5.1.6(iii) of the Bonds by reason of Joyo Bank’s long-term senior debt having been previously so rated.

Ashikaga Holdings will be renamed “Mebuki Financial Group, Inc.” as from 1 October 2016, and the Bonds shall be known as “MEBUKI FINANCIAL GROUP, INC. U.S.\$300,000,000 Zero Coupon Convertible Bonds due 2019” as from such date. The Bonds will remain listed on the Singapore Stock Exchange Securities Trading Limited.

Ashikaga Holdings’ shares of common stock are listed on the First Section of the Tokyo Stock Exchange with the Securities Identification Code 7167.

Capitalised terms used herein not otherwise defined herein have the meanings set out in the Trust Deed dated 24 April 2014 (the “**Trust Deed**”) made between Joyo Bank and MUFG Union Bank, N.A. (formerly Union Bank, N.A.).

This notice is given by
THE JOYO BANK, LTD.

30 September 2016