

March 16, 2006

To Whom It May Concern:

Company Name: The Bank of Yokohama, Ltd.
Representative: President Tadashi Ogawa
(Code No. 8332: Listed on the 1st Section of the Tokyo Stock Exchange)

RE: Notice concerning change of Specified Subsidiary

The Bank of Yokohama, Ltd. ("Bank") hereby announces that its special purpose company named "Yokohama Preferred Capital Cayman Limited" which was established for the purpose of issuance of preferred securities ("Non-dilutive Preferred Securities") on March 8, 2006, will become Specified Subsidiary (*Tokutei Kogaisha*) of the Bank due to the issuance of Non-dilutive Preferred Securities. The number of voting rights of the special purpose company held by the Bank and the percentage of such rights against the total number of voting rights will not change because the Non-dilutive Preferred Securities to be issued by the special purpose company are nonvoting securities.

1. Reason for the change

The Bank holds all of the common stock of the special purpose company mentioned above. Due to the payment for Non-dilutive Preferred Securities which is planned for March 28, 2006, the capital amount of the special purpose company will exceed 10% of the capital amount of the Bank. Therefore, the special purpose company is expected to become a Specified Subsidiary of the Bank.

2. Profile of the Specified Subsidiary

Yokohama Preferred Capital Cayman Limited

Location	Ugland House, PO Box 309GT, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies
Date of change	March 28, 2006
Details of business	Issuance of preferred securities, etc.
Closing date of fiscal year	March 31 of each year
Number of directors and employees	Three directors and no employees
Capital amount	¥41,000,000,000
Total number of outstanding shares and preferred securities	100,000 Ordinary Shares (¥10,000 per share) 4,000 Preferred Securities (¥10,000,000 per security)
Shareholders	Ordinary Shares: 100% owned by the Bank Preferred Securities: 100% owned by entities other than the Bank

This notice with regard to the establishment of a subsidiary for the issuance of Non-dilutive Preferred Securities is published in order to publicly announce specific facts relating to the establishment, and does not constitute a solicitation of investment, solicitation of sale or purchase of any type of securities, in or outside of Japan. The Non-dilutive Preferred Securities have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States, absent registration or an applicable exemption from registration requirements.