

May 14, 2010

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 of Execution of the Dividend Payment for the Term ended March 31, 2010

And Revision of the Shareholder Return Policy

The Bank has adopted a resolution, at the Board of Directors' Meeting held as of this day (May 14, 2010), to execute the payment of the dividend out of its retained earning as of the record date, March 31, 2010 (End of the Term Dividend for the Term ended March 31, 2010), and to revise its current Shareholder Return Policy for FY2010, and we hereby inform you as follows;

1. Dividend Payment for the Term ended March 31, 2010

| | Resolved | Latest Forecast (February 3, 2010) | Previous Term (Term ended March 2009) |
|-------------------------------------|--------------------|---------------------------------------|--|
| Record Date | March 31, 2010 | March 31, 2010 | March 31, 2009 |
| Dividend Per Share | 5.00 yen per share | 5.00 yen per share | 5.00 yen per share |
| Total Amount of Dividend to be paid | 6,799 million yen | - | 6,799 million yen |
| Effective Date (Date of Payment) | June 1, 2010 | - | June 1, 2009 |
| Source of Dividend | Retained Earnings | - | Retained Earnings |

Consequently, the dividend payments for the FY2009 are as follows;

| | Interim | End of the Term | Annual |
|--------------------|------------------------|------------------------|--------------------------|
| Ordinary Dividends | 5.00 yen (5.00 yen) | 5.00 yen (5.00 yen) | 10.00 yen (10.00 yen) |
| Special Dividends | - (-) | - (-) | - (-) |
| Total Dividends | 5.00 yen (5.00 yen) | 5.00 yen (5.00 yen) | 10.00 yen (10.00 yen) |

(Note) The figures in brackets represent the dividend per share paid in FY 2008.

2. Shareholder Return Policy for FY2010

As a measure to reward shareholders, the Bank has introduced the performance-based dividend policy, focusing on Stable Dividend, in May 2005, and has made it a policy to make public the calculation method and the target level of its shareholder return ratio, including share buyback.

As for FY2010, the Bank will make changes in the Shareholder Return Policy to flexibly return to our shareholders and to further improve our management and financial stability, and we hereby inform you as follows;

(1) Contents of the changes made in the Shareholder Return Policy

| Before | | After | |
|--------------------------|---|--------------------|---|
| Ordinary Dividends | 10 yen per share per annum is to be paid out stably regardless of business results. 5 yen is to be paid out as an Interim Dividend, and the other 5 yen is to be paid out as an End of the Term Dividend. | Ordinary Dividends | 10 yen per share per annum is to be paid out stably regardless of business results. 5 yen is to be paid out as an Interim Dividend, and the other 5 yen is to be paid out as an End of the Term Dividend. |
| Special Dividends | Around <u>35%</u> of the amount exceeding <u>60</u> billion yen in Net Income is to be <u>paid out as a portion</u> linked to business results. | Special Returns | Around <u>40%</u> of the amount exceeding <u>50</u> billion yen in Net Income is to be returned (special dividends or share buyback) to <u>shareholders</u> as a portion linked to business results. |
| Shareholder Return Ratio | Targeting at higher than 40% | | |

(Note) Figures underlined are the changes made.

(2) The forecast for dividends per share per annum for the FY2010 is as follows;

| | Interim | End of the Term | Annual |
|--------------------|---------|-----------------|--------|
| Ordinary Dividends | 5 yen | 5 yen | 10 yen |
| Special Dividends | - | - | - |
| Annual Dividends | 5 yen | 5 yen | 10 yen |

(3) Payout Ratio

| | FY2009 (Actual) | FY2010 (Forecast) |
|--------------|--------------------|----------------------|
| Payout Ratio | 43.8% | 35.3% |

(Note 1) Payout Ratio is calculated as;

Total Dividends Paid divided by Net Income. (Non-consolidated)

(Note 2) Payout Ratio for FY2010 (Forecast) is calculated on condition that the Bank achieves its officially forecasted Net Income for FY2010. (Non-consolidated)