

The Yamanashi Chuo Bank, Ltd. 17th Analyst Meeting

**Fiscal 2009 First Half Business Results
Forecasts for the Current Term (FY09)
Management Strategies and Marketing Strategies**

December 14, 2009

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■ Profile (as of September 30, 2009)

- Predecessor founded: April, 1877
- Established: December, 1941
- Head Office: 20-8, Marunouchi 1-chome, Kofu, Yamanashi
- Common Stock: ¥15,400 million
- Employees: 1,689
- Branches (including sub-branches): 91 (76 in Yamanashi Pref., 15 in Tokyo), Representative Office in Hong Kong



Head Office

Our Mission

Region-Based Operations and Sound Management

Maintaining a close relationship with the communities in the region where we operate, we will contribute to the prosperity of the region and the development of its economy, with a commitment to sound management that enjoys the trust of our customers, while bolstering our business operations.

I. Fiscal 2009 First Half Business Results

Fiscal 2009 First Half Results (Summary)



| (¥ billion, %) | Previous 1st half (FY08) | Reporting 1st half (FY09) | YoY increase (decrease) |
|--|--------------------------|---------------------------|-------------------------|
| Operating income | 26.6 | 25.4 | (1.2) ((4.5)) |
| Gross banking profit | 20.9 | 20.1 | (0.8) ((3.8)) |
| Interest income | 18.7 | 18.2 | (0.5) ((2.6)) |
| Fees and commissions | 2.2 | 2.2 | 0 (0.0) |
| Other operating income (excluding bond transactions) | 0 | 0 | 0 (—) |
| Gross banking profit on core operations | 21.1 | 20.5 | (0.6) ((2.8)) |
| JGBs and other bond transactions | (0.2) | (0.4) | (0.2) (—) |
| Expenses | 13.6 | 14.3 | 0.7 (5.1) |
| General provision to loan loss reserve | 0.1 | (0.8) | (0.9) ((900.0)) |
| Net business profit | 7.1 | 6.6 | (0.5) ((7.0)) |
| Net business profit on core operations | 7.4 | 6.2 | (1.2) ((16.2)) |
| Non-operating losses | (1.7) | (4.3) | (2.6) (—) |
| NPL disposal amount | 0.7 | 4.0 | 3.3 (471.4) |
| Equity share and similar transactions | (0.6) | (0.5) | 0.1 (—) |
| Ordinary profits | 5.3 | 2.3 | (3.0) ((56.6)) |
| Extraordinary income (losses) | (0.1) | 0 | 0.1 (—) |
| Income before income taxes | 5.2 | 2.2 | (3.0) ((57.6)) |
| Income taxes — basic | 1.6 | 0.8 | (0.8) ((50.0)) |
| Income taxes – deferred | 0.2 | 0.3 | 0.1 (50.0) |
| Net income | 3.3 | 1.1 | (2.2) ((66.6)) |

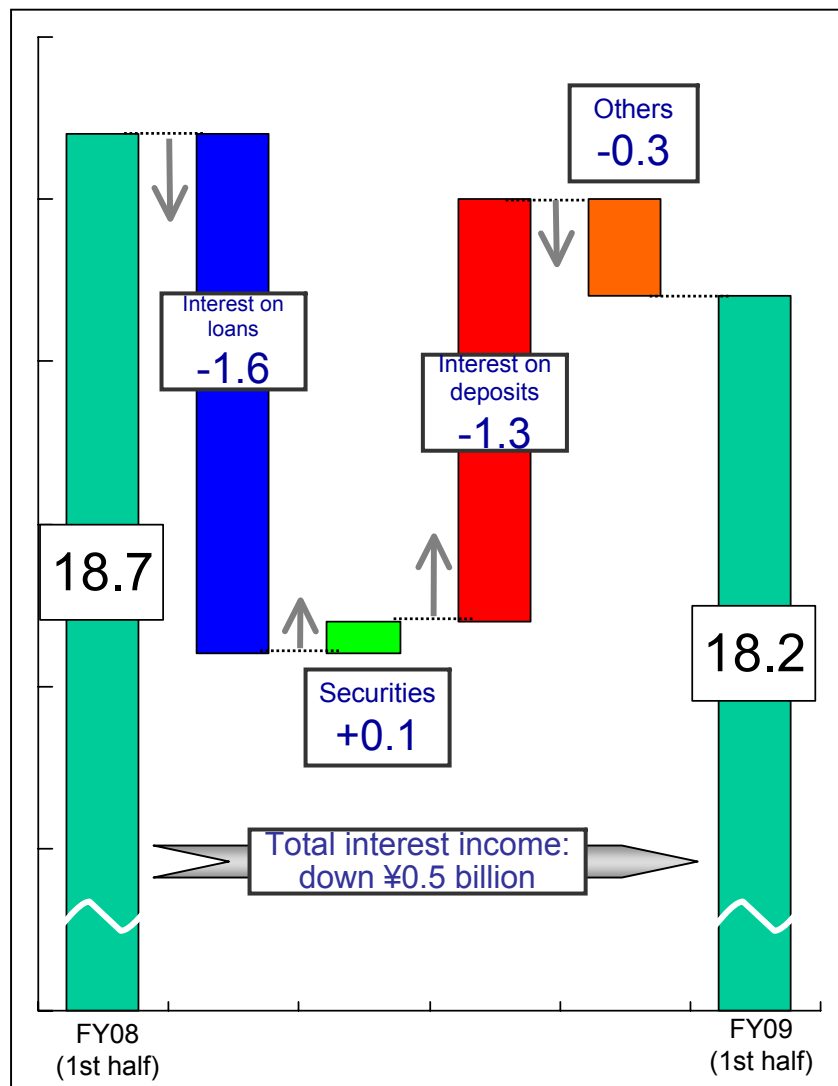
| (¥ billion, %) | Reporting 1st half (FY09) | YoY increase (decrease) |
|------------------------|---------------------------|-------------------------|
| Fund operations | 20.4 | (2.2) ((9.7)) |
| Interest on loans | 14.3 | (1.6) ((10.0)) |
| Interest on securities | 6.0 | 0.1 (1.6) |
| Call loan, etc. | 0.1 | (0.6) ((85.7)) |
| Fund procurement | 2.2 | (1.6) ((42.1)) |
| Interest on deposits | 2.0 | (1.3) ((39.3)) |
| Call money, etc. | 0.1 | (0.4) ((80.0)) |
| Total | 18.2 | (0.5) ((2.6)) |

| (¥ billion) | Reporting 1st half (FY09) | YoY increase (decrease) | Business scale | Yield |
|-------------------------------|---------------------------|-------------------------|----------------|-------|
| Revenues from fund operations | 20.4 | (2.2) | 0.2 | (2.4) |
| Fund procurement cost | 2.2 | (1.6) | 0 | (1.6) |
| Interest income | 18.2 | (0.5) | — | — |

| (¥ billion, %) | Reporting 1st half (FY09) | YoY increase (decrease) |
|-------------------|---------------------------|-------------------------|
| Revenues | 3.3 | 0 (0.0) |
| Investment trusts | 0.2 | (0.1) ((33.3)) |
| JGBs | 0.03 | (0.01) ((25.0)) |
| Life insurance | 0.2 | 0.1 (100.0) |
| Other | 2.7 | 0 (0.0) |
| Cost | 1.0 | 0 (0.0) |
| Total | 2.2 | 0 (0.0) |

Factor Analysis -- Interest Income

Interest income (year-on-year comparison; ¥ billion)



Interest on loans

Average balance: Retail branches; up ¥26.7 billion (Yamanashi Prefecture: up ¥14.5 billion; Others: up ¥12.2 billion)

Head office loan dept.; down ¥59.1 billion

- Decrease in low-interest loans (made by the Head Office loan dept.) for purchasing securities

Yield: Declined due to cut in key policy rates

(¥ billion, %)

| Loans | Balance | YoY comparison | Change in balance | Change in yield |
|-----------------|---------|----------------|-------------------|-----------------|
| Interest | 14.3 | -1.6 | -0.3 | -1.3 |
| Average balance | 1490.7 | -32.4 | | |
| Yield | 1.917 | -0.166 | | |

Placed emphasis on securities operations

Interest on securities

Average balance: More aggressive securities operations primarily bond trading, taking an allowable level of risk on interest-rate fluctuations

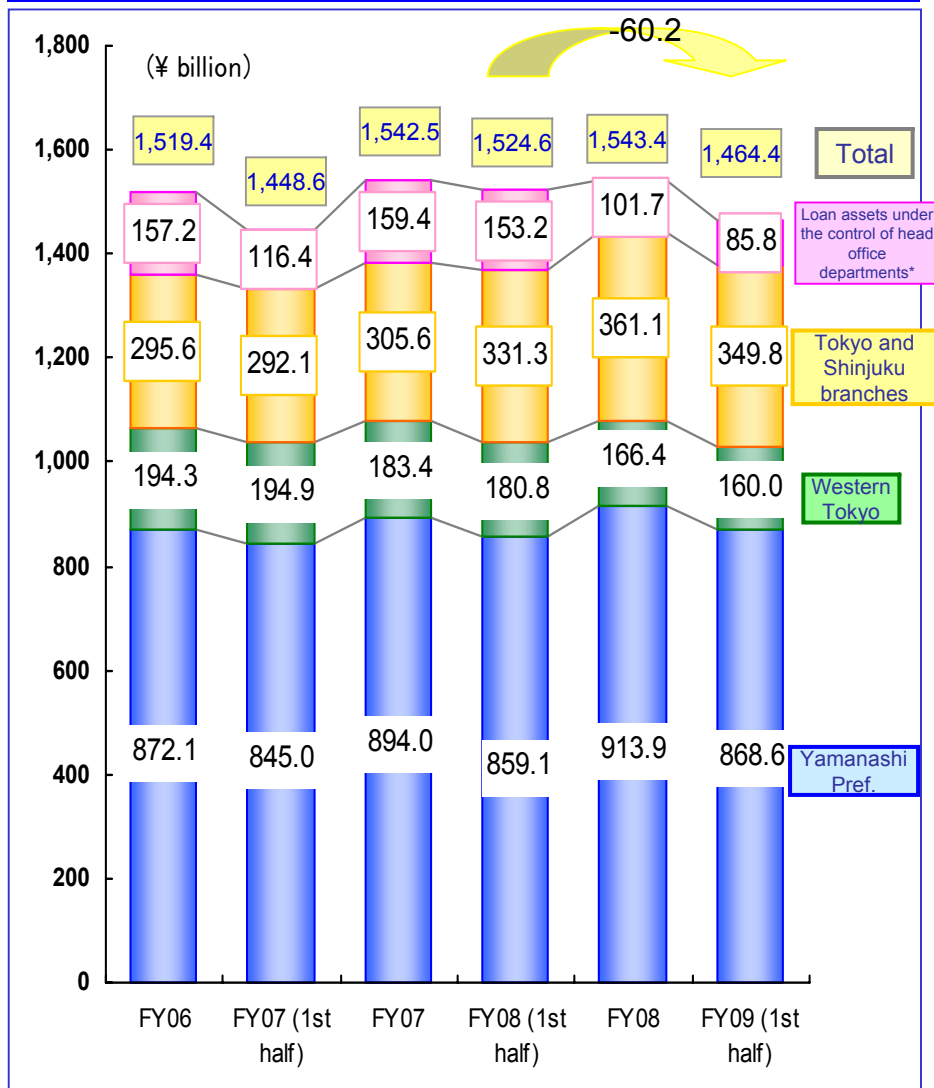
Yield: Shrank in line with decline in market interest rates

(¥ billion, %)

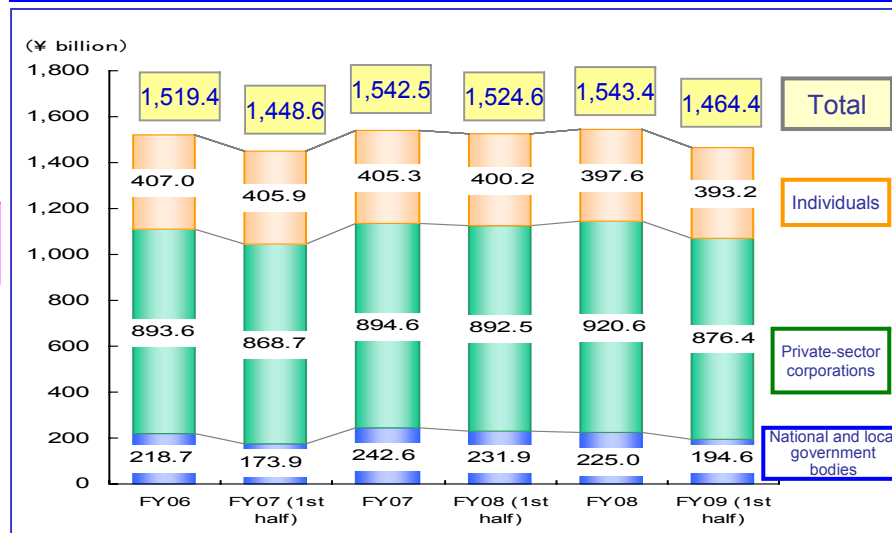
| Securities | Balance | YoY comparison | Change in balance | Change in yield |
|-----------------|---------|----------------|-------------------|-----------------|
| Interest | 6.0 | 0.1 | 0.4 | -0.3 |
| Average balance | 943.2 | 67.3 | | |
| Yield | 1.275 | -0.081 | | |

Loans

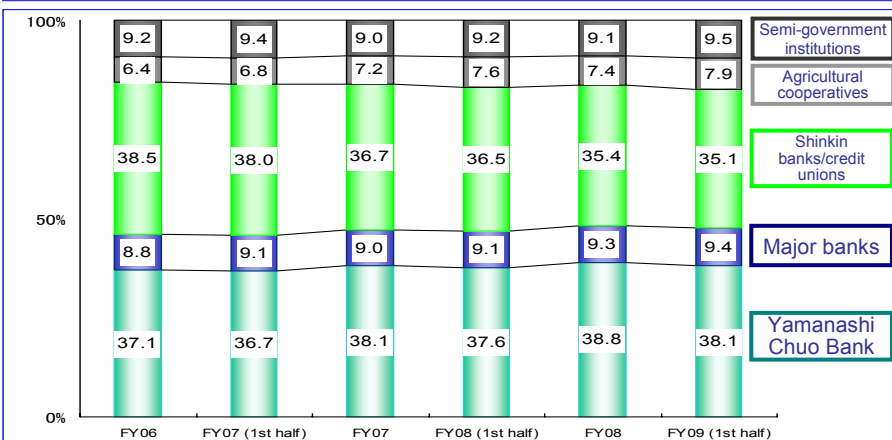
Loan Balance



Balance by Customer Segment



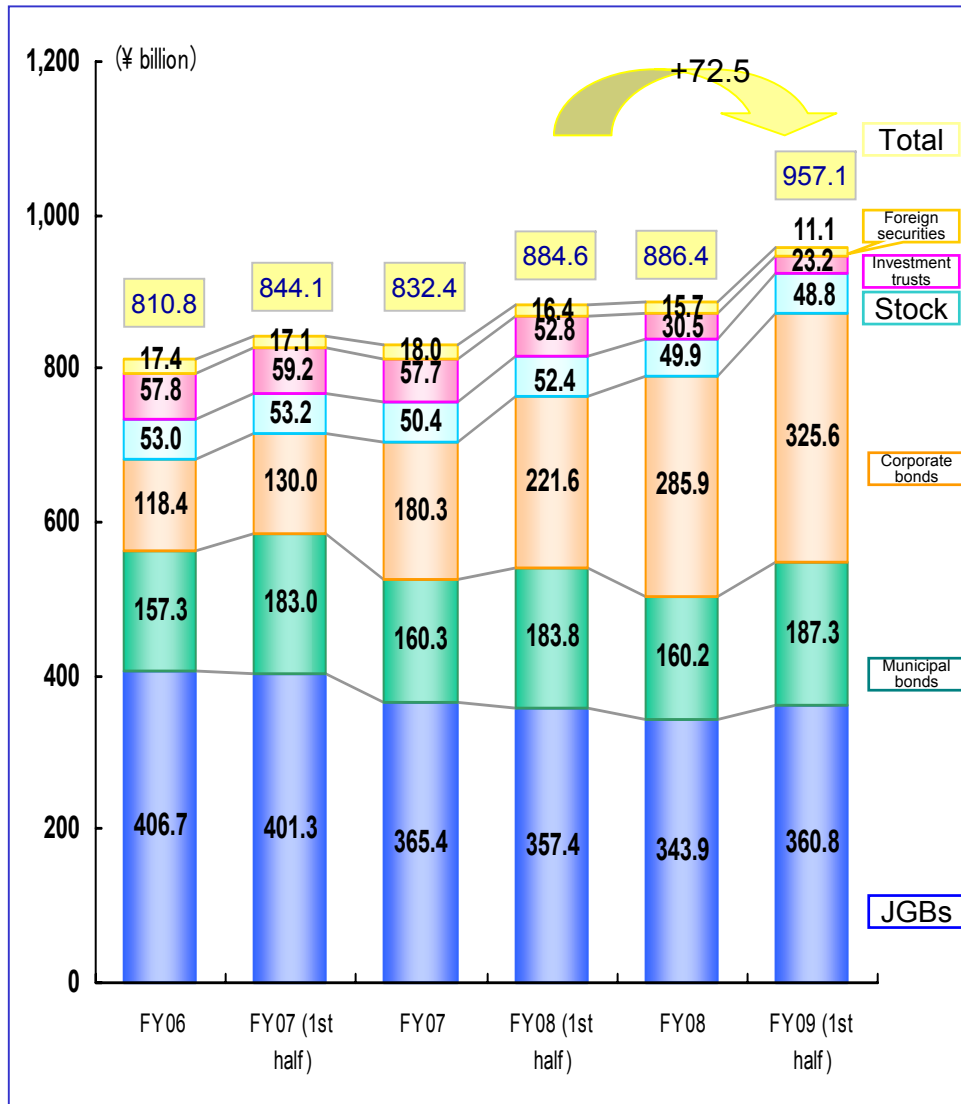
Movements in Loan Shares in Yamanashi Pref.



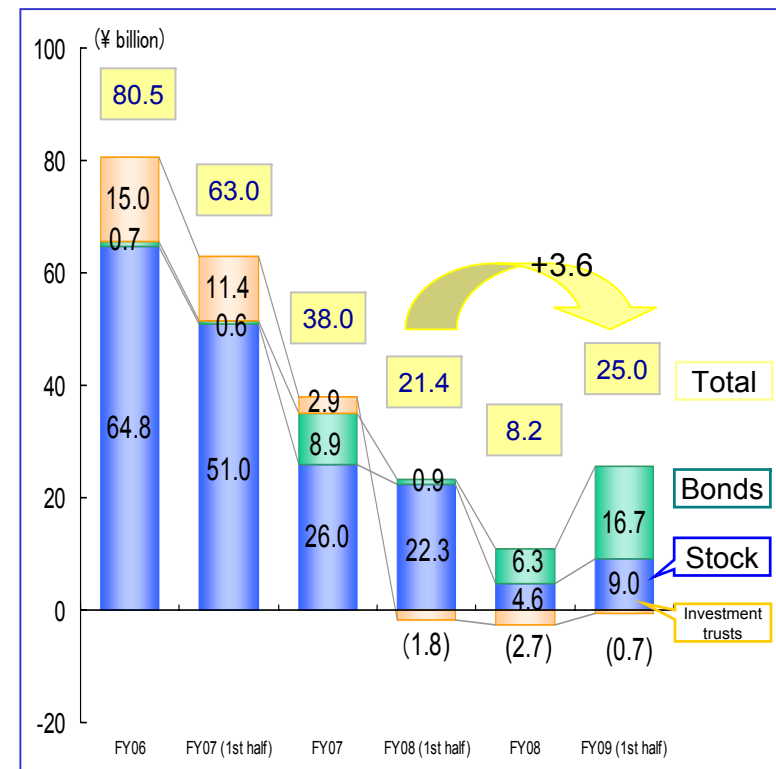
*Note: Loan assets under the control of head office departments refers to loans to the Ministry of Finance, loans made under loan participation agreements and financial receivables transferred from other industries.

Securities

Securities Balance (subject to mark-to-market valuation)



Unrealized Gains (Losses)



Yields

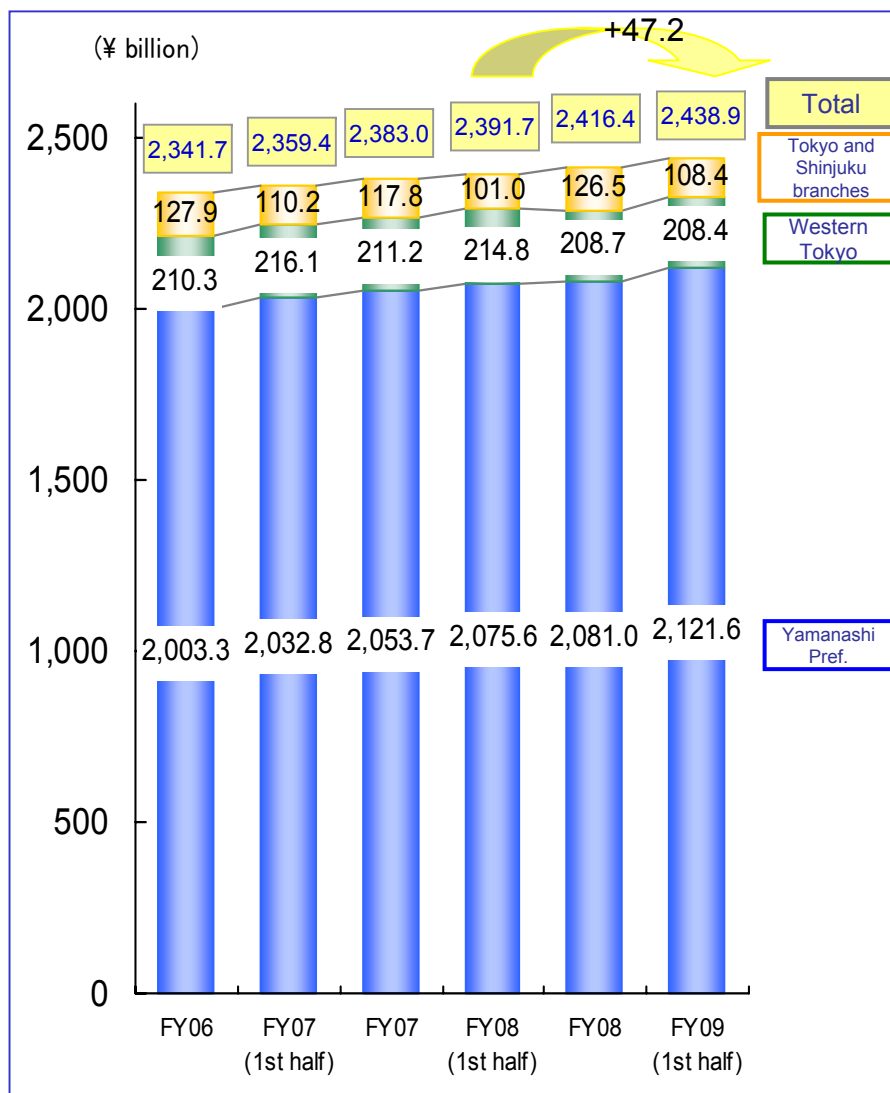
| | FY06 | FY07 (1st half) | FY07 | FY08 (1st half) | FY08 | FY09 (1st half) |
|------------|------|-----------------|------|-----------------|------|-----------------|
| Securities | 1.43 | 1.45 | 1.42 | 1.35 | 1.32 | 1.27 |

Modified duration (Yen-denominated bonds)

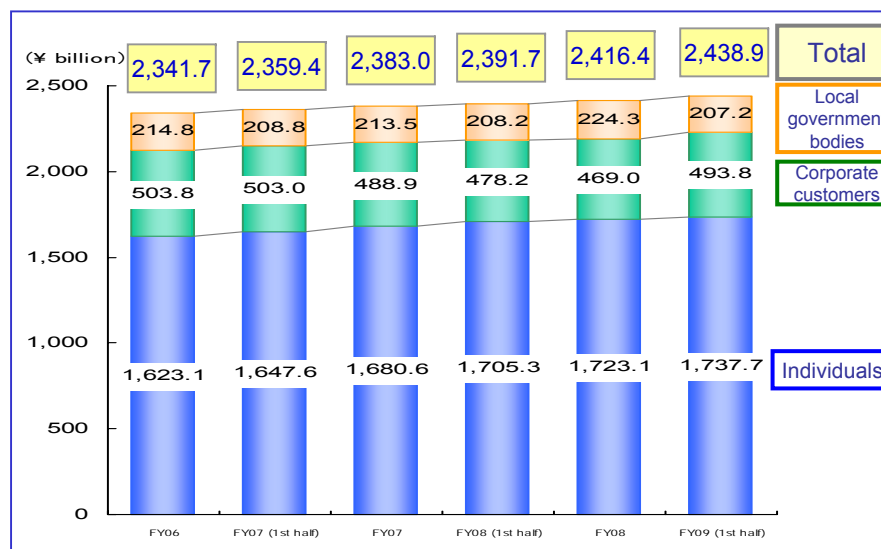
| | FY06 | FY07 (1st half) | FY07 | FY08 (1st half) | FY08 | FY09 (1st half) |
|-----------------------|------|-----------------|------|-----------------|------|-----------------|
| Yen-denominated bonds | 3.1 | 3.2 | 3.4 | 3.4 | 3.7 | 3.9 |

Deposits

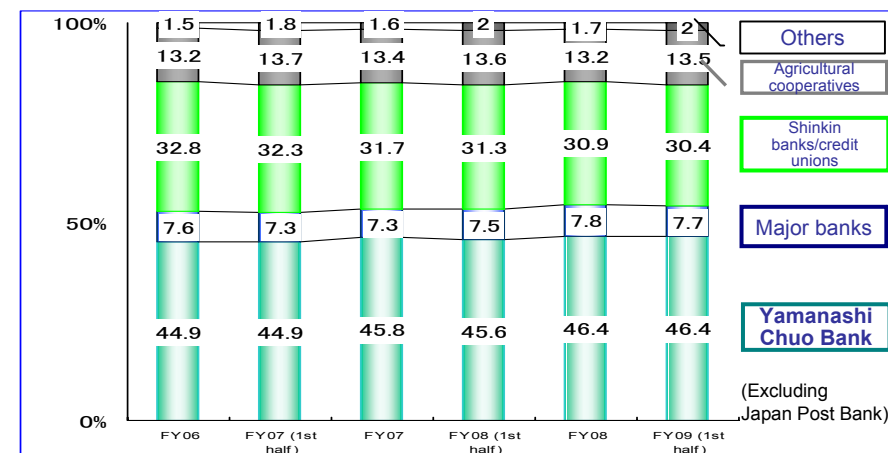
Deposit Balance



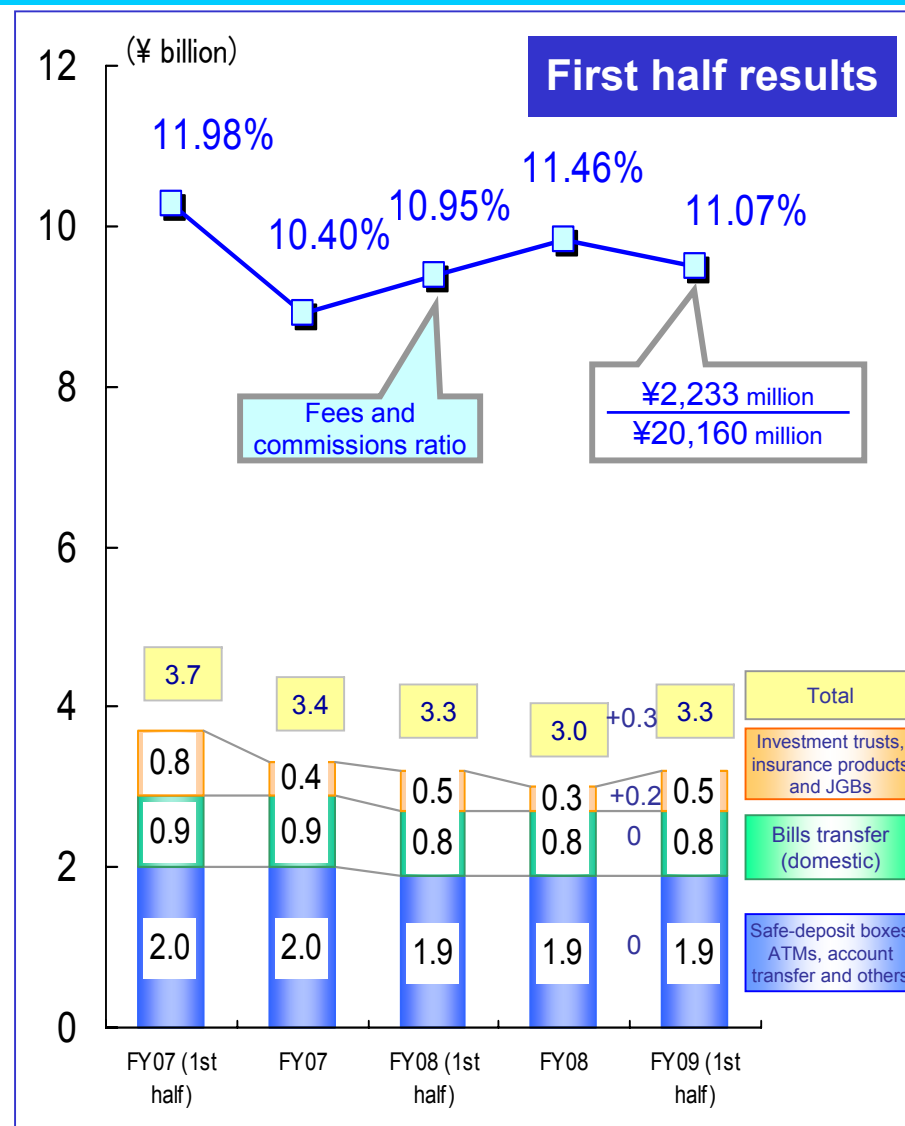
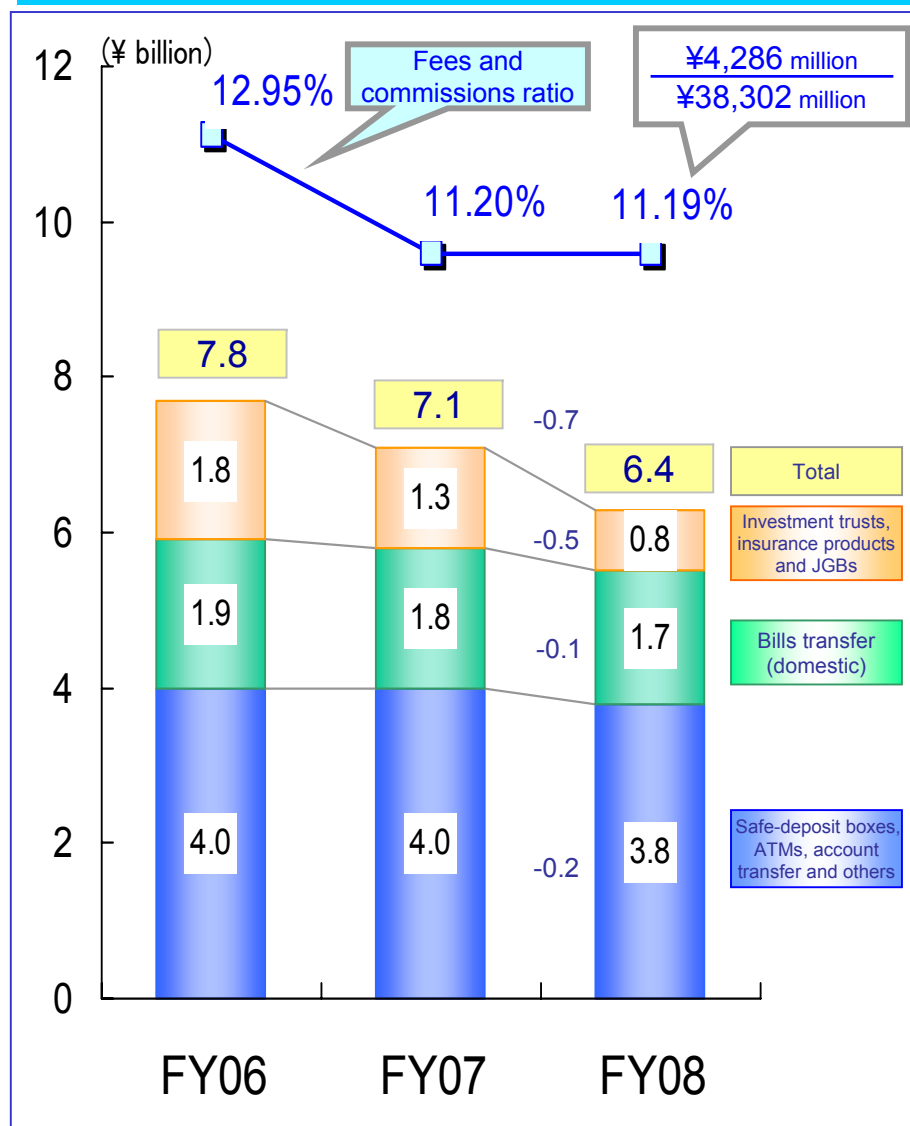
Balance by Customer Segment



Deposit Shares in Yamanashi Pref.



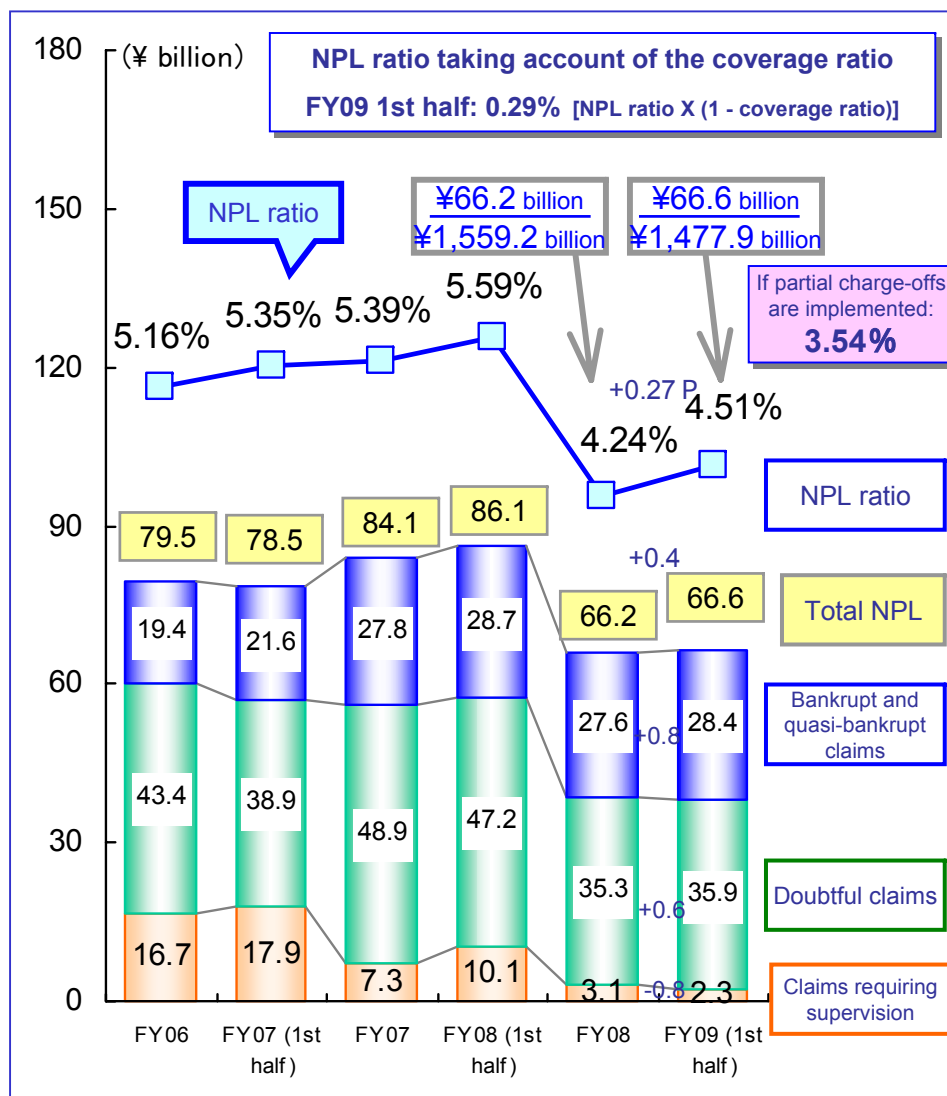
Fees and Commissions



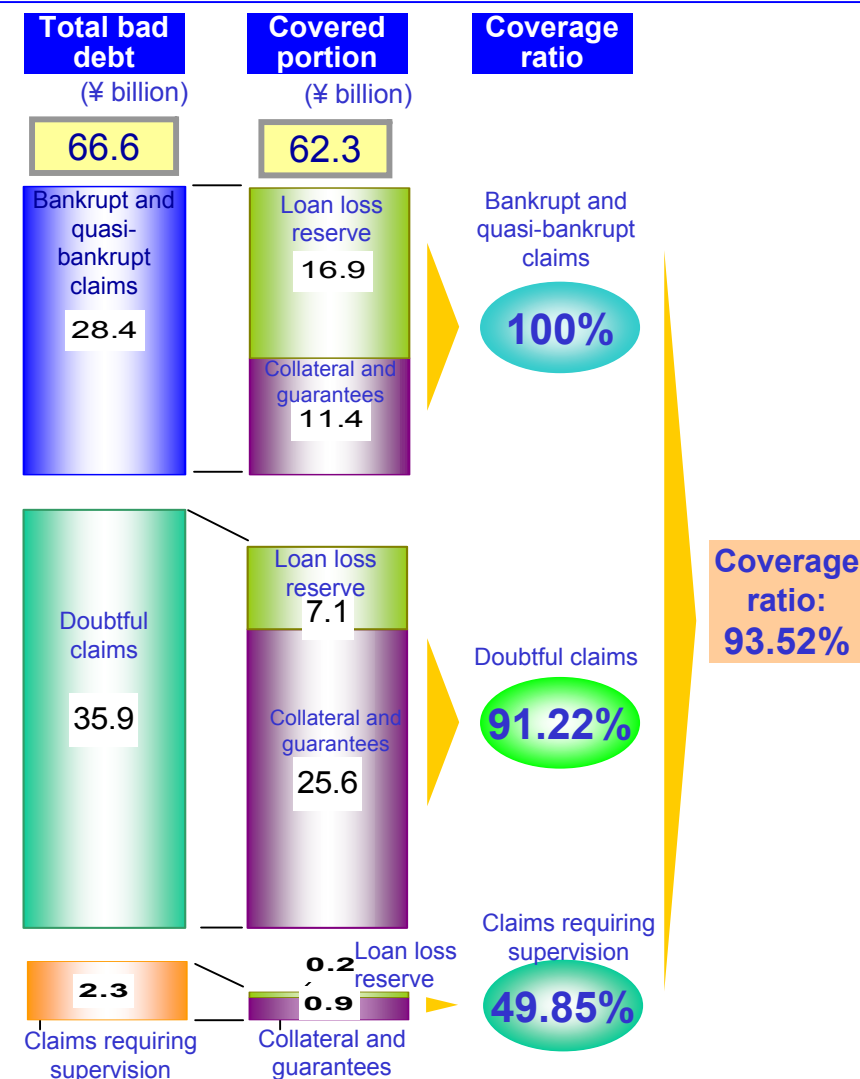
* Fees and commissions ratio = fees and commissions/gross banking profit

Mandatory Disclosure of Bad Debt under the Financial Reconstruction Law

Bad Debt under the Financial Reconstruction Law



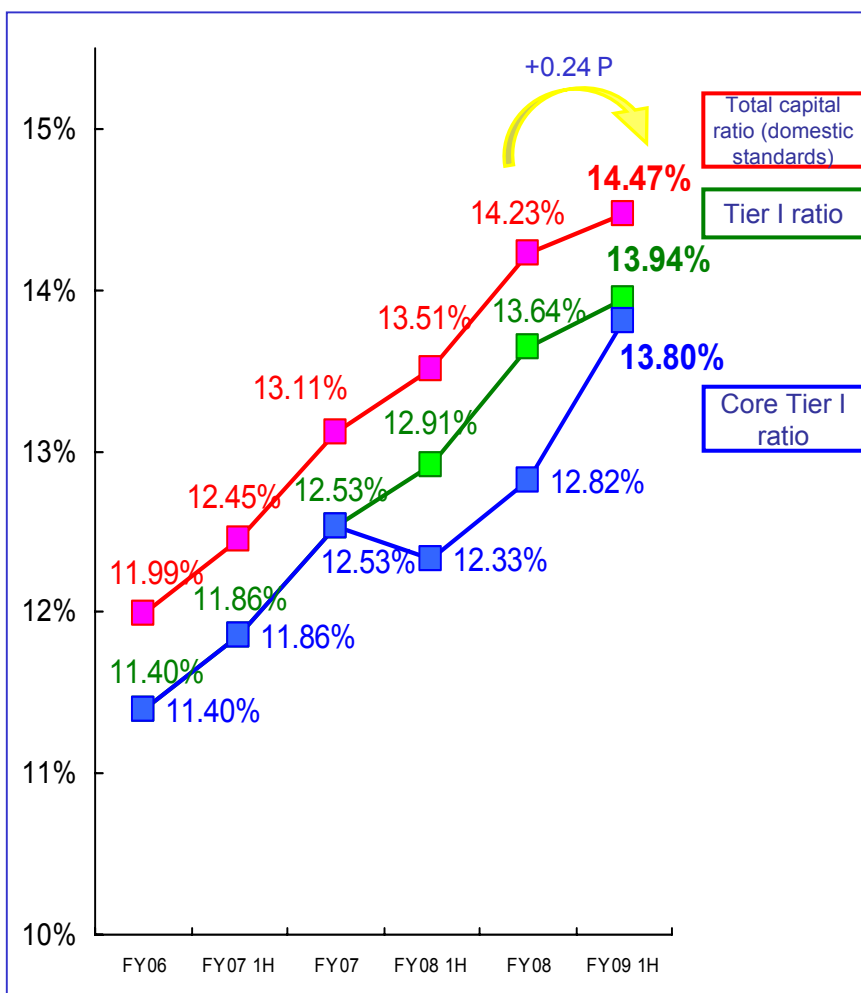
Coverage of Bad Debt under Financial Reconstruction Law



Capital Ratio (nonconsolidated basis)



Capital Ratio



*Tier I: A portion of the regulatory capital, mainly consisting of common stock, capital surplus and retained earnings

Breakdown of Regulatory Capital

| | | (¥ billion) | |
|-----------------------|---|----------------|----------------------|
| | | FY09 1H | Comparison with FY08 |
| Tier I (A) | | | |
| | Tier I | 141.2 | 0.5 |
| | Core Tier I ratio | 139.8 | 7.6 |
| | Net deferred tax assets | 1.4 | (7.0) |
| | Preferred stock/preferred investment certificates | - | - |
| Tier II (B) | | | |
| | Tier II | 5.2 | (0.9) |
| | General provision to loan loss reserve | 5.2 | (0.9) |
| Deductions (C) | | | |
| | Deductions | - | - |
| | Regulatory capital (A)+(B)-(C) | 146.5 | (0.3) |
| | Risk-weighted assets | 1,012.7 | (18.5) |

* The new capital accord (Basel II) has been applied to fiscal 2006 ended March 2007 onward.

| Risk Calculation Methods Employed | |
|-----------------------------------|--------------------------------|
| Credit risk | Standardized Approach (SA) |
| Operational risk | Basic Indicator Approach (BIA) |

II. Forecasts for the Current Term (FY09)

Earnings Forecasts for the Current Term (FY09) 山梨中央銀行

| (¥ billion, %) | Previous term (ended March 2009) | Current term (forecast) | YoY increase (decrease) |
|---|-------------------------------------|----------------------------|-------------------------|
| Operating income | 53.7 | 50.3 | (3.4) ((6.3)) |
| Gross banking profit | 38.3 | 41.4 | 3.1 (8.0) |
| Interest income | 37.6 | 36.9 | (0.7) ((1.8)) |
| Fees and commissions | 4.2 | 4.7 | 0.5 (11.9) |
| Other operating income | 0.1 | 0.2 | 0.1 (100.0) |
| Gross banking profit on core operations | 42.1 | 41.8 | (0.3) ((0.7)) |
| JGBs and other bond transactions | (3.8) | (0.4) | 3.4 (—) |
| Expenses | 27.7 | 28.9 | 1.2 (4.3) |
| General provision to loan loss reserve | (-0.3) — | 0.2 | (0.5) 0.2 (—) |
| Net business profit on core operations | 14.3 | 13.0 | (1.3) ((9.0)) |
| Non-operating losses | (4.4) | (8.3) | (3.9) (—) |
| NPL disposal amount | (-0.6) 0.3 | 7.5 | (8.1) 7.2 (—) |
| Equity share and similar transactions | (2.9) | (0.3) | 2.6 (—) |
| Ordinary profits | 6.0 | 4.0 | (2.0) ((33.3)) |
| Net income | 6.0 | 2.0 | (4.0) ((66.6)) |

Note: The red figures in parentheses exclude the amount of reversal of the loan loss reserve recorded as extraordinary income.

● Commissions on handling of financial products (¥ billion)

| | Ended March 2008 | Ended March 2009 | Current term (forecast) |
|-------------------|------------------|------------------|----------------------------|
| Investment trusts | 0.9 | 0.5 | 0.7 |
| JGBs | 0.06 | 0.08 | 0.05 |
| Life insurance | 0.2 | 0.2 | 0.4 |

| (¥ billion, %) | Current term | YoY increase (decrease) (%) | Avg. balance | Yield |
|------------------------|--------------|-----------------------------|-----------------|-------|
| Fund operations | 40.9 | (3.3) ((7.4)) | 0.8 | (4.1) |
| Interest on loans | 28.5 | (3.0) ((9.5)) | (0.5) | (2.5) |
| Interest on securities | 12.1 | 0.3 (2.5) | 0.9 | (0.6) |
| Call loan, etc. | 0.2 | (0.6) ((75.0)) | 0.0 | (0.6) |
| Fund procurement cost | 3.9 | (2.7) ((40.9)) | 0.1 | (2.8) |
| Interest on deposits | 3.7 | (2.2) ((37.2)) | 0.1 | (2.3) |
| Call money, etc. | 0.1 | (0.6) ((85.7)) | 0 | (0.6) |
| Total | 36.9 | (0.7) ((1.8)) | — | — |

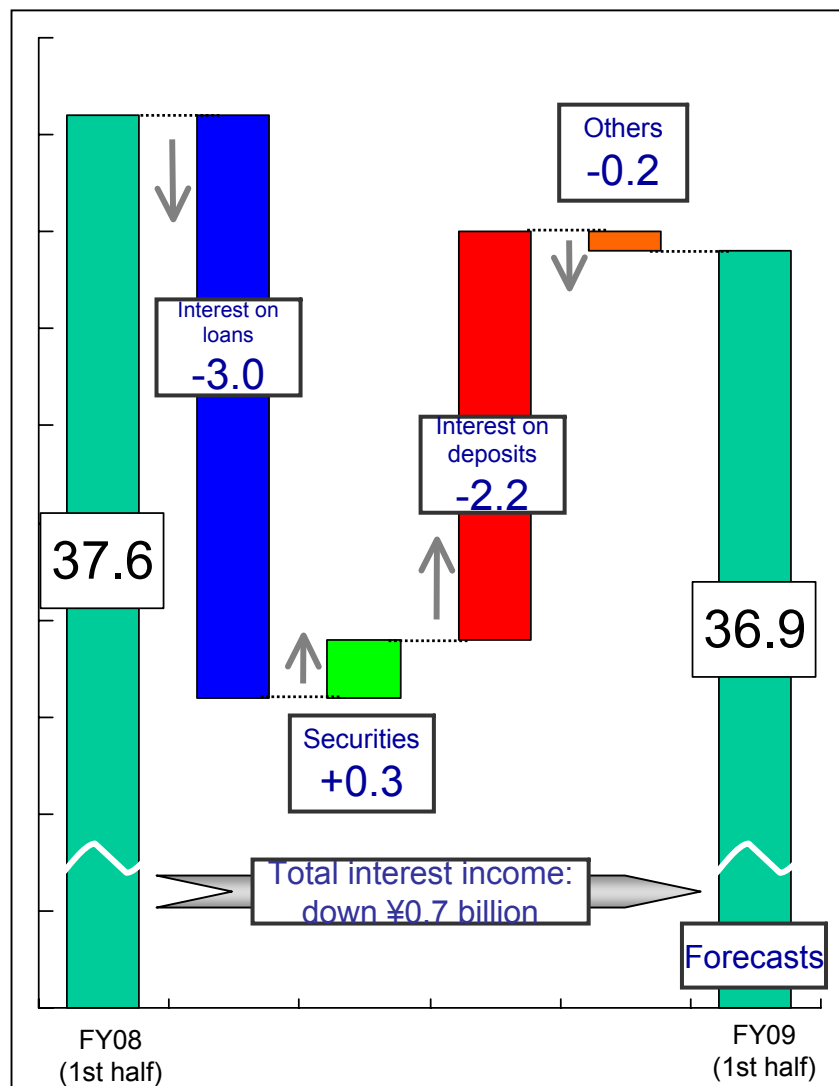
| (¥ billion) | Current term | YoY increase (decrease) |
|-------------------|--------------|----------------------------|
| Revenues | 6.9 | 0.5 |
| Investment trusts | 0.7 | 0.2 |
| JGBs | 0.05 | (0.03) |
| Life insurance | 0.4 | 0.2 |
| Other | 5.6 | 0 |
| Cost | 2.2 | 0.1 |
| Total | 4.7 | 0.5 |

| (¥ billion) | Current term | YoY increase (decrease) |
|----------------|--------------|----------------------------|
| Personnel | 15.0 | 0.2 |
| Non-personnel | 12.5 | 0.9 |
| Enterprise tax | 1.3 | 0.1 |
| Total | 28.9 | 1.2 |

| | Previous term | Reporting term | Current term (forecast) |
|-----------------------------|---------------|----------------|----------------------------|
| Dividend per share (annual) | ¥5.00 | ¥6.00 | ¥6.00 |

Forecasts: Factor Analysis -- Interest Income

Interest income (year-on-year comparison; ¥ billion)



Interest on loans

Average balance: Retail branches; up ¥24.6 billion (Yamanashi Prefecture: up ¥20.5 billion; Others: up ¥4.1 billion)

Head office loan dept.; down ¥51.9 billion

- Decrease in low-interest loans (made by the Head Office loan dept.) for purchasing securities

Yield: Declined due to cut in key policy rates

| (¥ billion, %) | | | | |
|-----------------|---------|----------------|-------------------|-----------------|
| Loans | Balance | YoY comparison | Change in balance | Change in yield |
| Interest | 28.5 | -3.0 | -0.5 | -2.5 |
| Average balance | 1492.2 | -27.3 | | |
| Yield | 1.910 | -0.165 | | |

Placed emphasis on securities operations

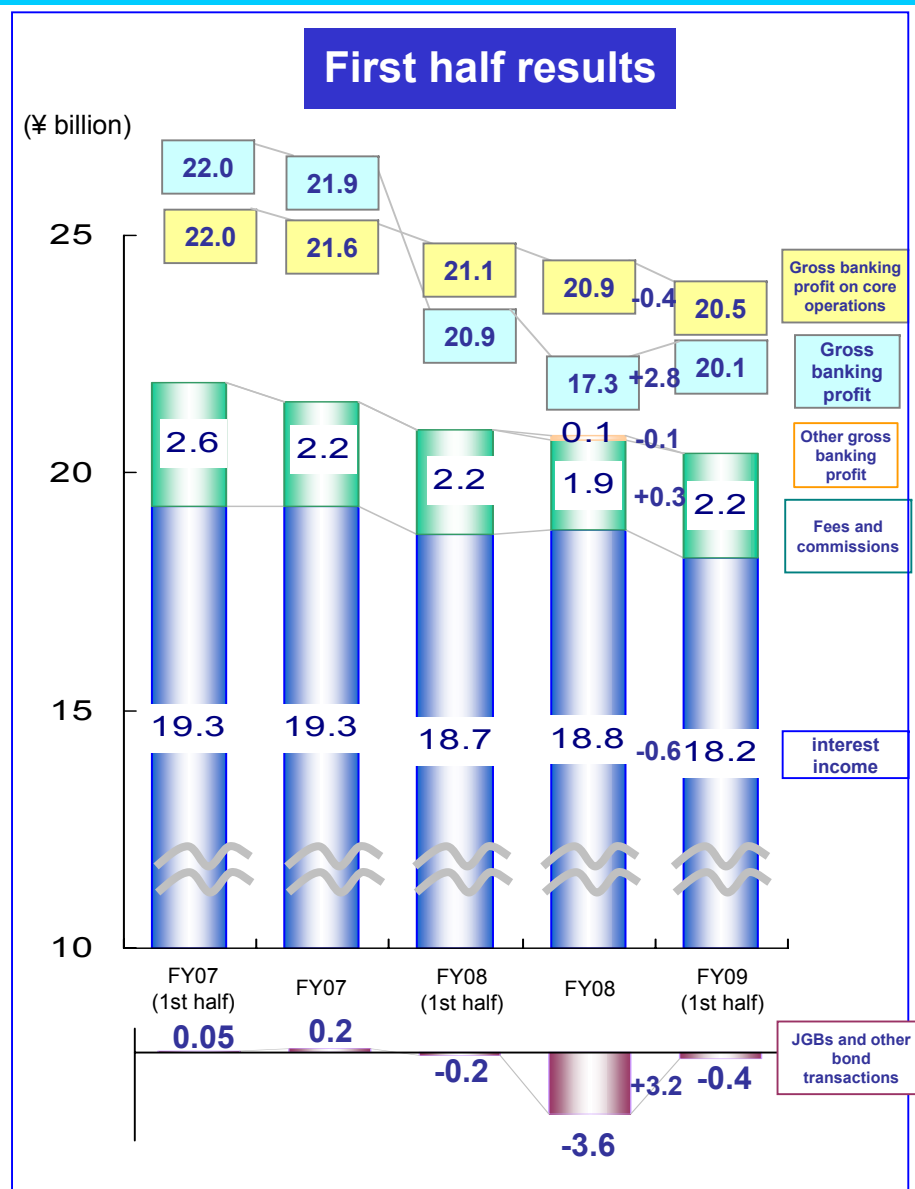
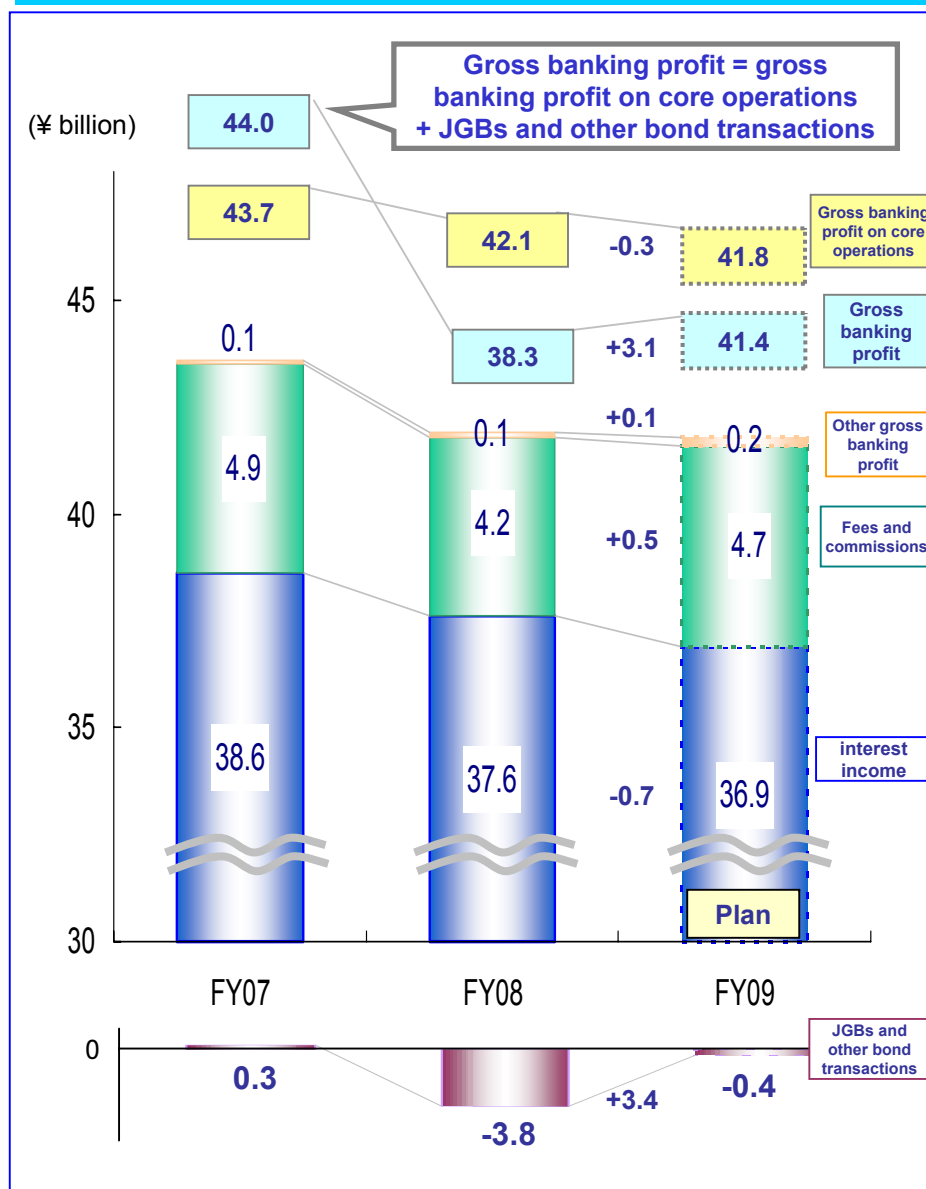
Interest on securities

Average balance: More aggressive securities operations primarily bond trading, taking an allowable level of risk on interest-rate fluctuations

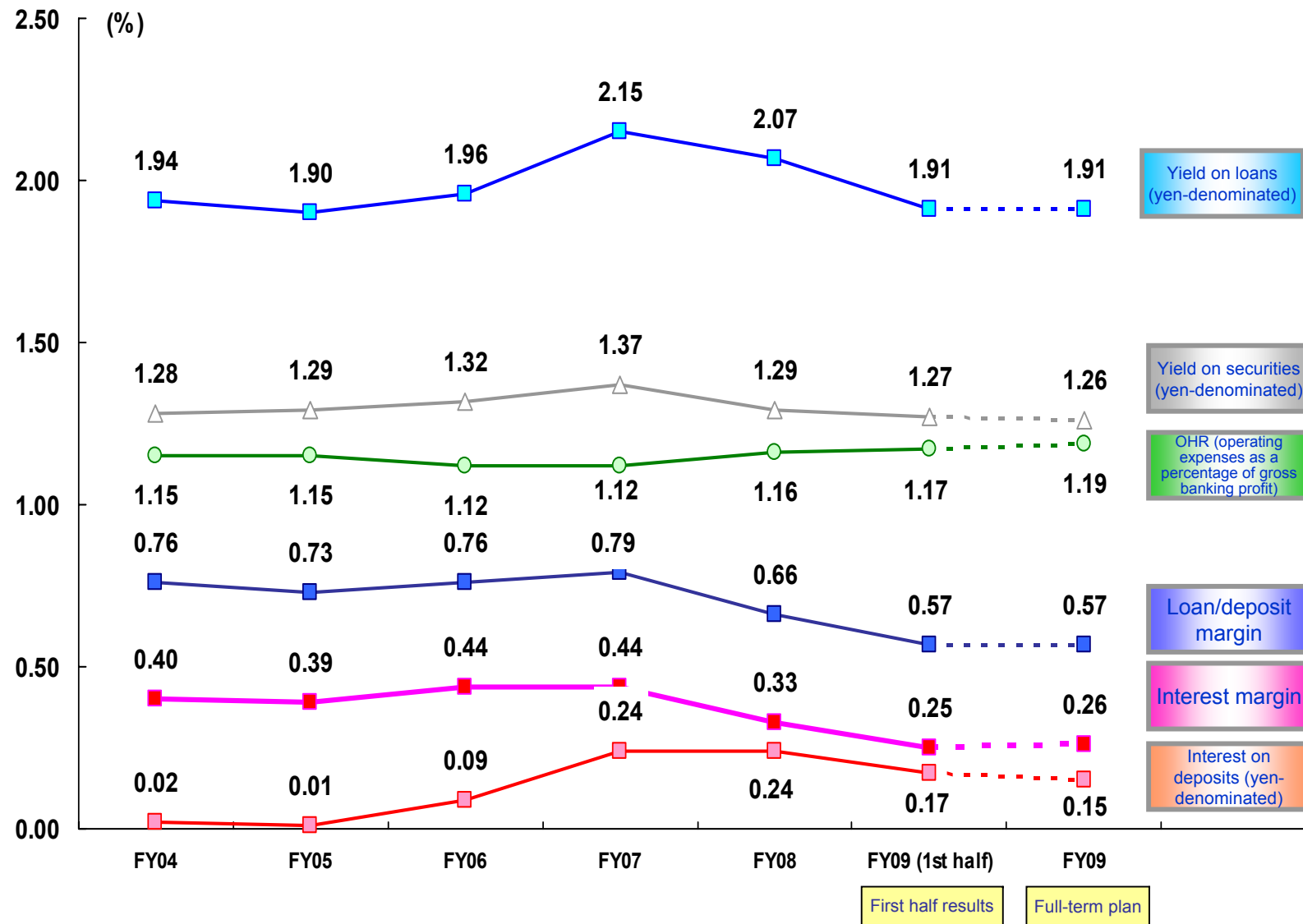
Yield: Shrank in line with decline in market interest rates

| (¥ billion, %) | | | | |
|-----------------|---------|----------------|-------------------|-----------------|
| Securities | Balance | YoY comparison | Change in balance | Change in yield |
| Interest | 12.1 | 0.3 | 0.9 | -0.6 |
| Average balance | 966.2 | 69.8 | | |
| Yield | 1.260 | -0.065 | | |

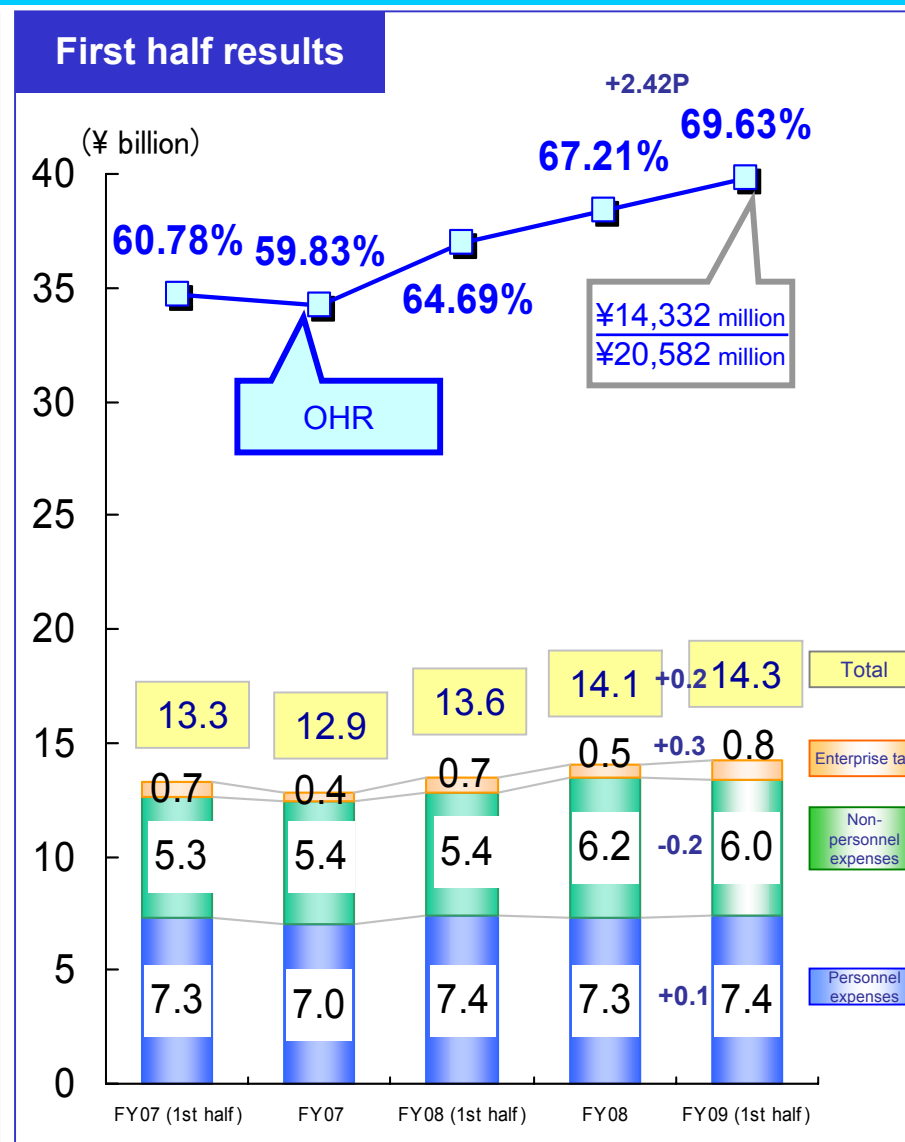
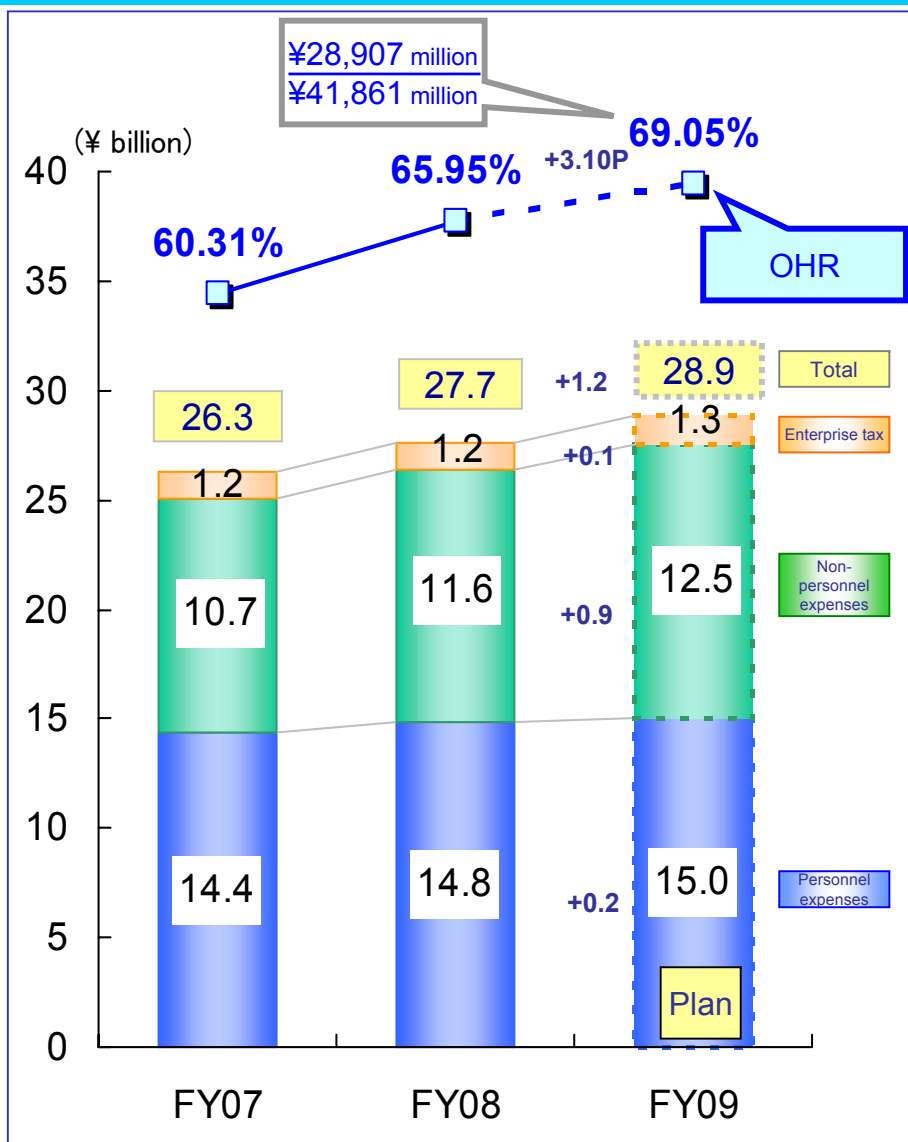
Gross Banking Profit (Trends and Forecasts)



Yields & Interest Margins (Trends and Forecasts)



Operating Expenses and OHR (Trends and Forecasts)

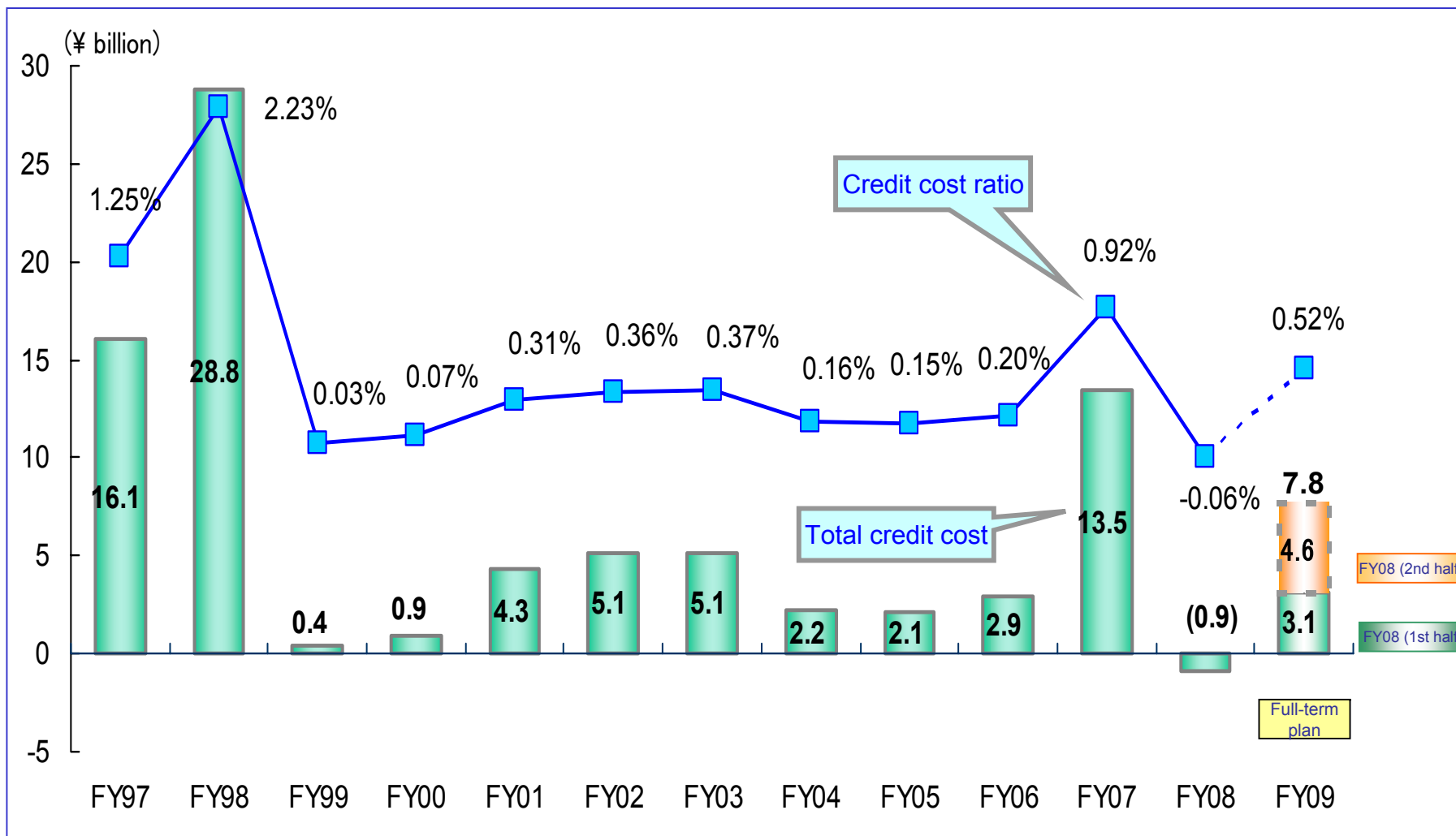


* OHR= Operating expenses/gross banking profit on core operations
 Gross banking profit on core operations = gross banking profit after deduction of bond transactions (primarily JGBs)

Credit Cost (Trends and Forecasts)

Credit Cost

Credit cost ratio = total credit costs/average loan balance
Total credit costs = General provision to loan loss reserve + provisions to specific loan loss reserve + loans written-off + loss on sale of claims + others

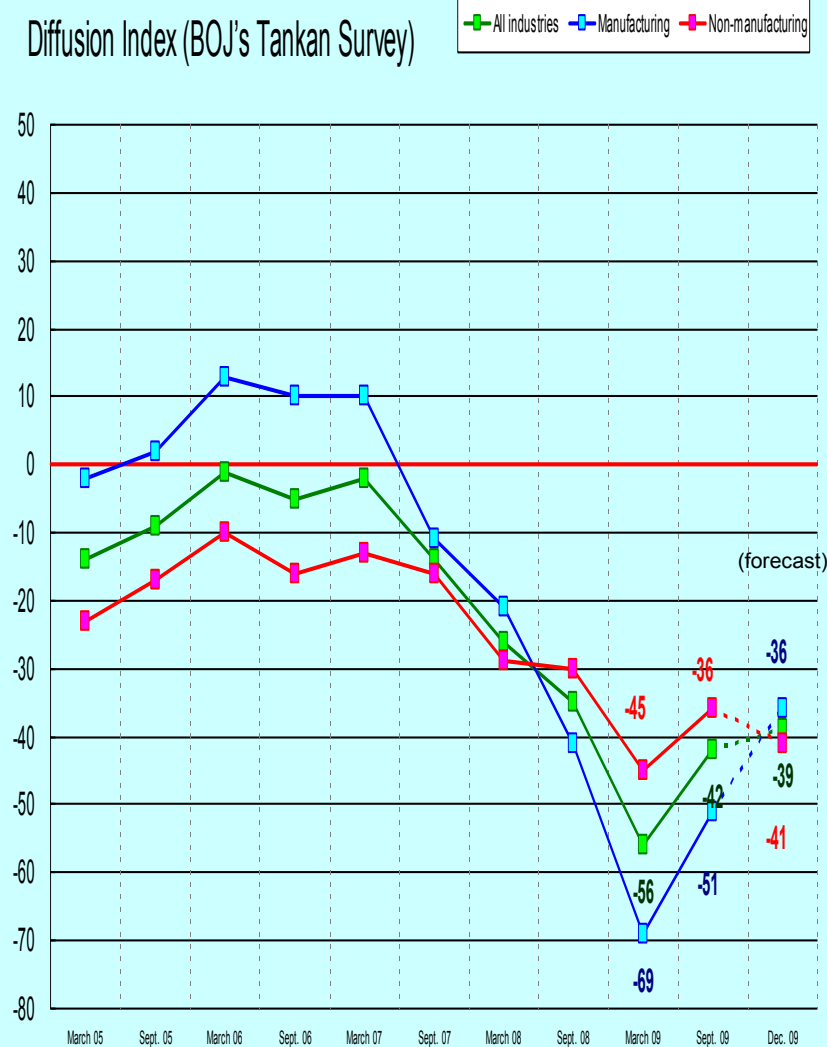


III. Management Strategies and Marketing Strategies

Economies in Yamanashi Prefecture

(1) Business Trends and Creation of New Industries

Diffusion Index (BOJ's Tankan Survey)



Source: Bank of Japan, Kofu Branch

Creation of New Industries

- Basic research for the commercialization of fuel cell batteries
NEDO (New Energy Development Organization) has commissioned the University of Yamanashi to undertake cutting-edge research; research commenced with a budget of ¥7 billion over a seven-year period.
- "Conference to promote widespread use of fuel cells in Yamanashi Prefecture"
Participation by 30 groups, including leading automakers and universities outside the prefecture
- Opening of the Fuel Cell Nanomaterials Center at University of Yamanashi
Completion of research facility featuring world-class testing equipment (September 2009)

-Trends in the Auto Industry-

Toyota, Nissan, Honda
Participated in a project to test fuel cell vehicles
Toyota
Announced plans to commercialize fuel cell vehicles by 2015

Fuel Cell Nanomaterials Center at University of Yamanashi



Fuel cells

Clean Energy Development

Conceptual drawing of solar-power generation system



- Yamanashi Prefectural government and Tokyo Electric Power Company, Japan's leading utility company, have jointly constructed a solar-power generator at Komekurayama in Kofu City.

Output: Approx. 10,000kW
Annual amount of electricity:
Approx. 12,000,000kW/year
Construction cost: ¥6 billion
Construction begins in fiscal 2010; operations scheduled to commence in fiscal 2011

Solar-power generation

- Large-scale photovoltaic (PV) power generation system tests underway in Hokuto City
NEDO (New Energy Development Organization) has commissioned the Hokuto municipal government to conduct viability tests of the PV power generation system

- Joint development of manufacturing equipment for thin-film solar cells underway by Sharp and Tokyo Electron

Economies in Yamanashi Prefecture

(2) Preparations for High-Speed Transportation Network

Maglev Chuo Shinkansen Line

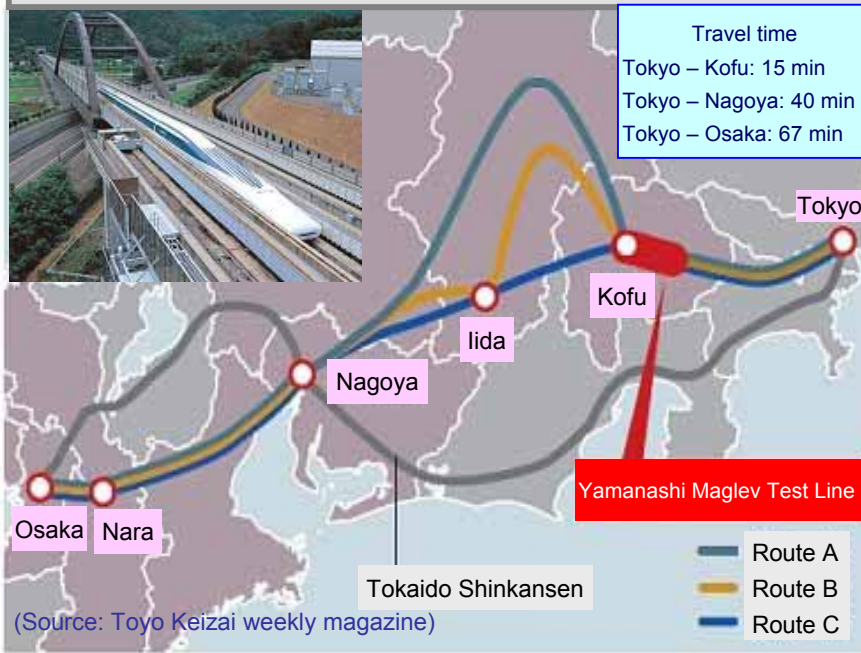
○Schedule for commencement of operations

- Estimated construction costs: Approx. ¥8.4 trillion (Minami Alps Route) (To be borne by JR Tokai)
- Operational launch planned on Tokyo–Nagoya route in 2025
- Economic impact of maglev stations operating within the prefecture (Yamanashi Prefecture estimate):
 - An increase of ¥14.6 billion in annual production for the prefecture's industrial sector
 - An increase in passenger traffic of 20,000 people per day

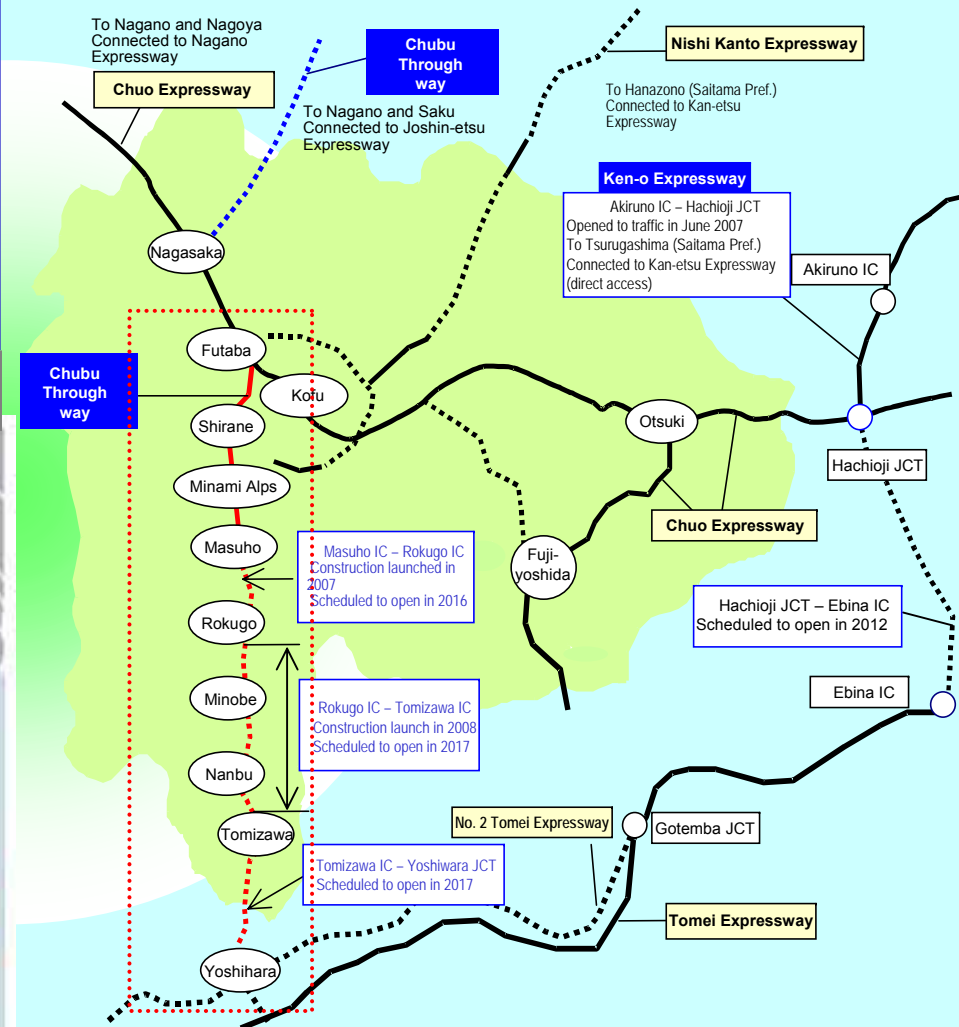
○Maglev Test Line Line extension work

- Length of extension work: 42.8km
- Began construction of remaining 24.4km section
- Total cost of line extension work: ¥350 billion (est.)
- Scheduled for completion in 2013

Map of Maglev Chuo Shinkansen Line Route

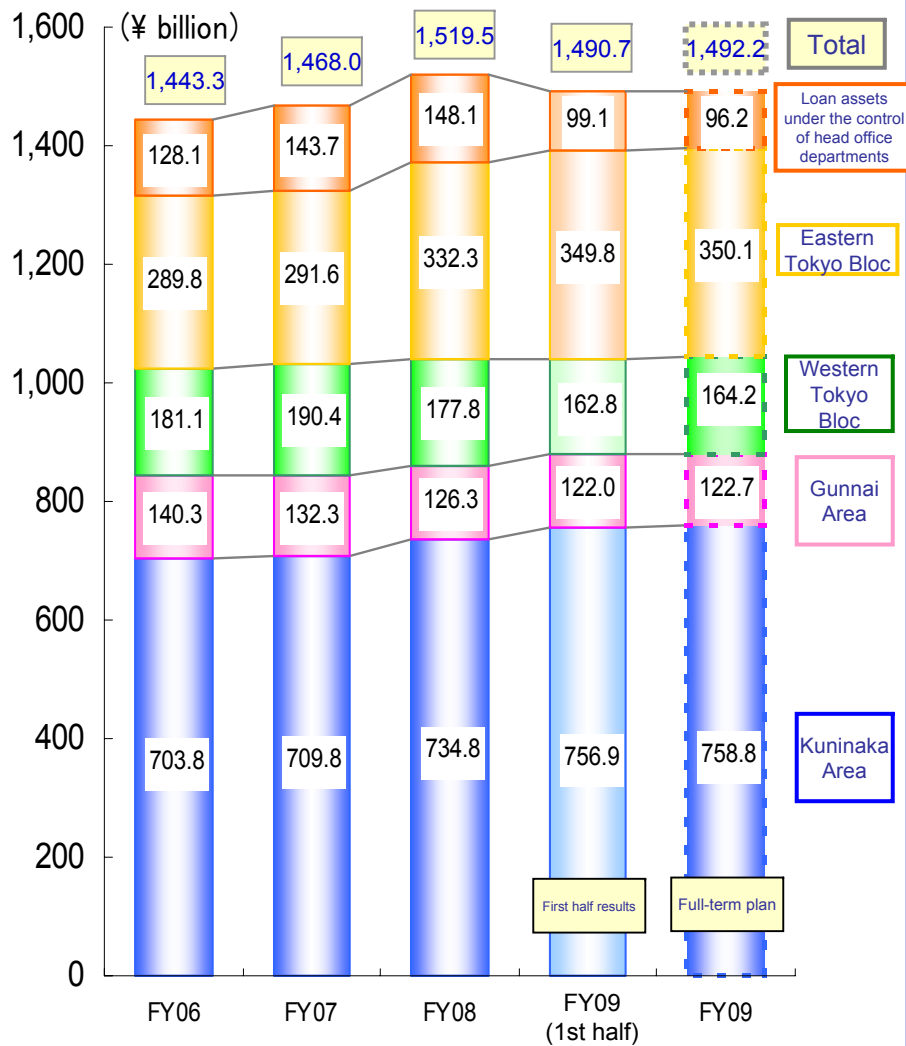


Chubu Throughway

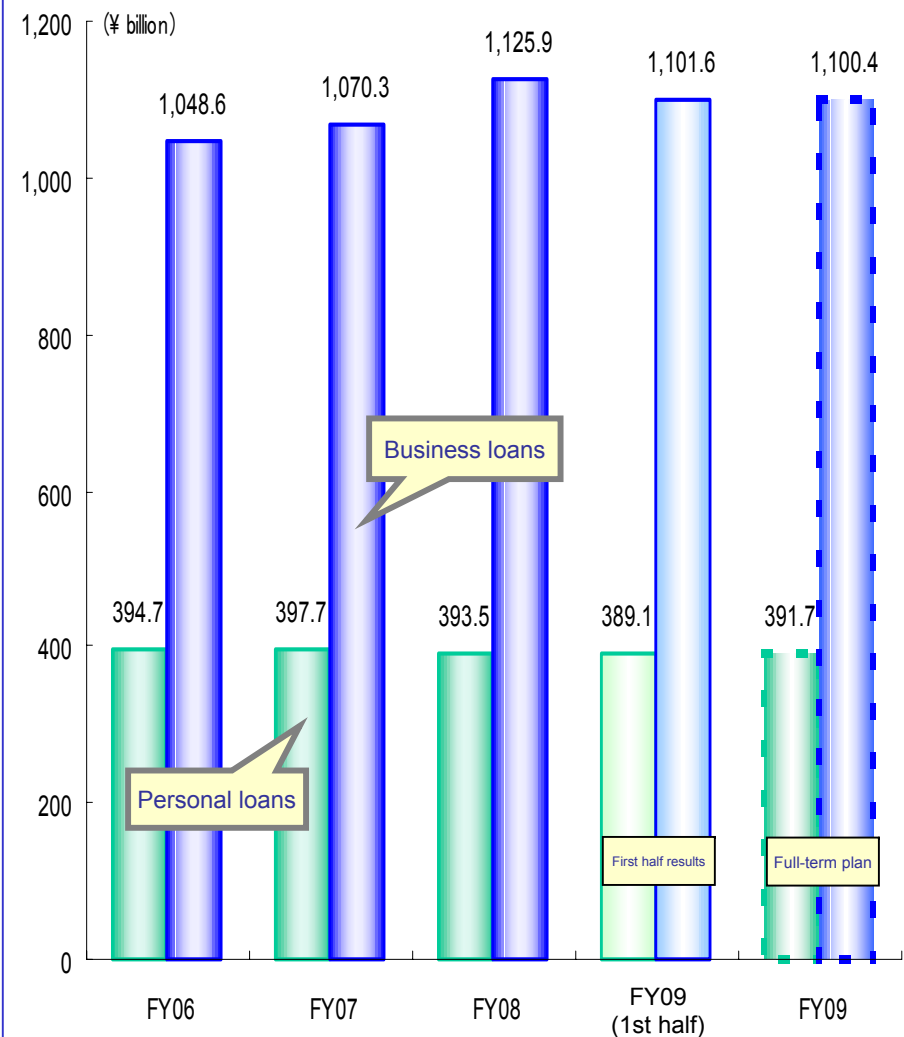


Plan for Loans

Average Loan Balance



Balance by Customer Segment (average balance)



Plan for Investment in Marketable Securities

Basic policy

- ◆ Give top priority to investments in low-risk financial instruments
- ◆ Flexible asset allocation in response to changing market conditions

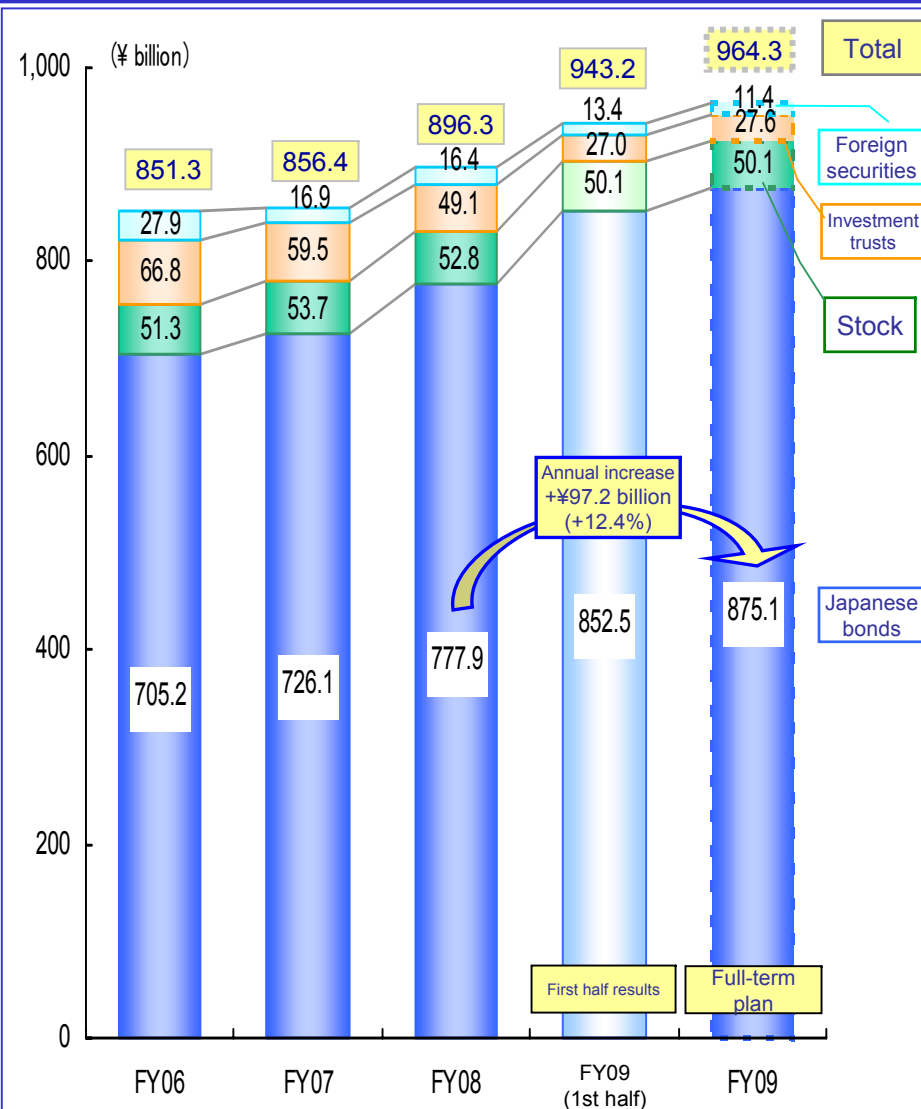


Current term investment strategy

● Continue investing primarily in Japanese bonds

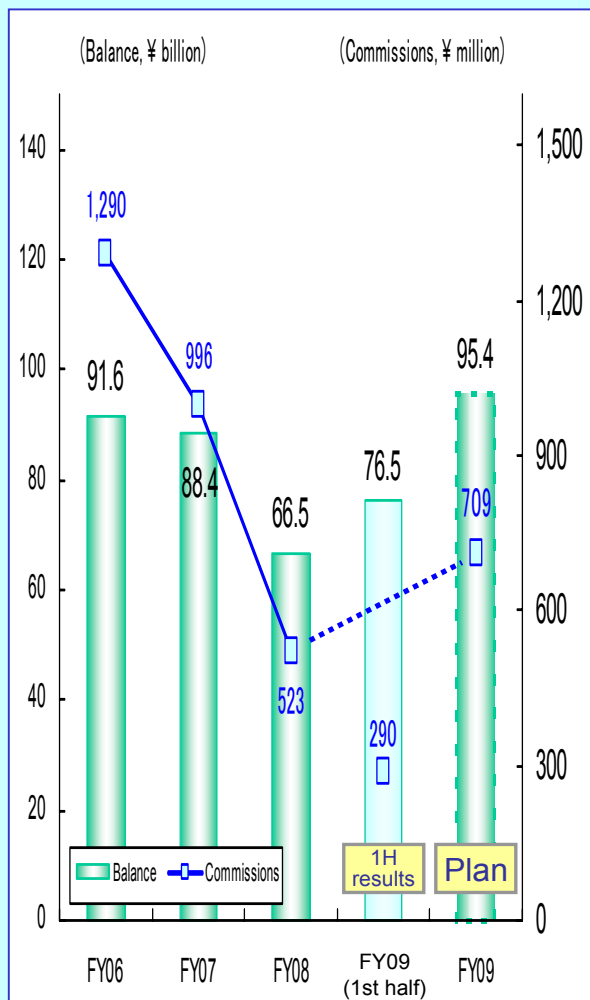
- ◆ Bonds
 - Invest in Japanese bonds, government-backed bonds and highly rated corporate bonds
- ◆ Stocks
 - Invest in income stocks with the intention of holding over the medium-to-long term
- ◆ Investment trusts
 - Reallocate funds to generate a higher investment yield

Average Balance of Securities

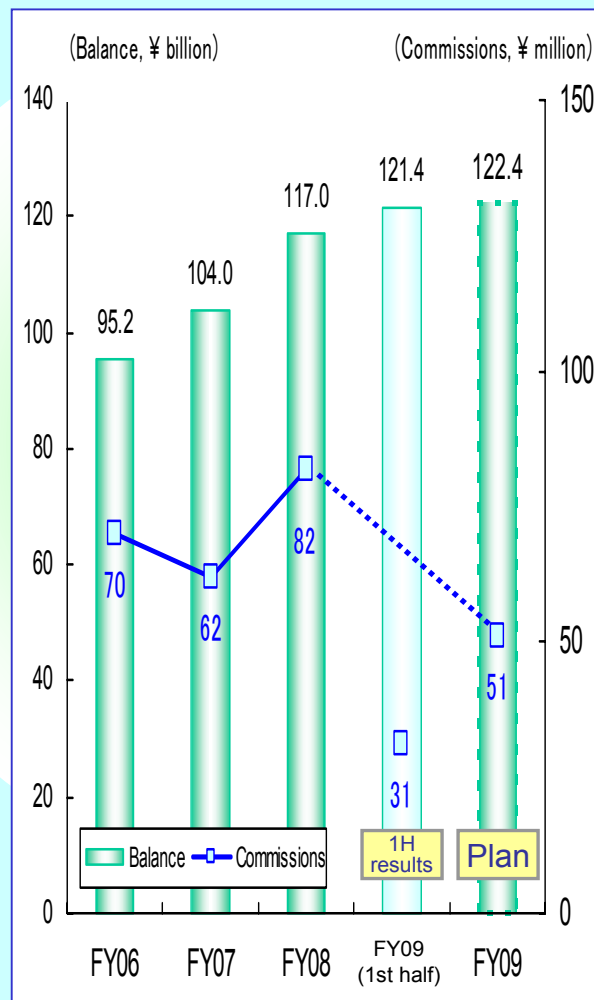


Plan for Sale of Financial Products

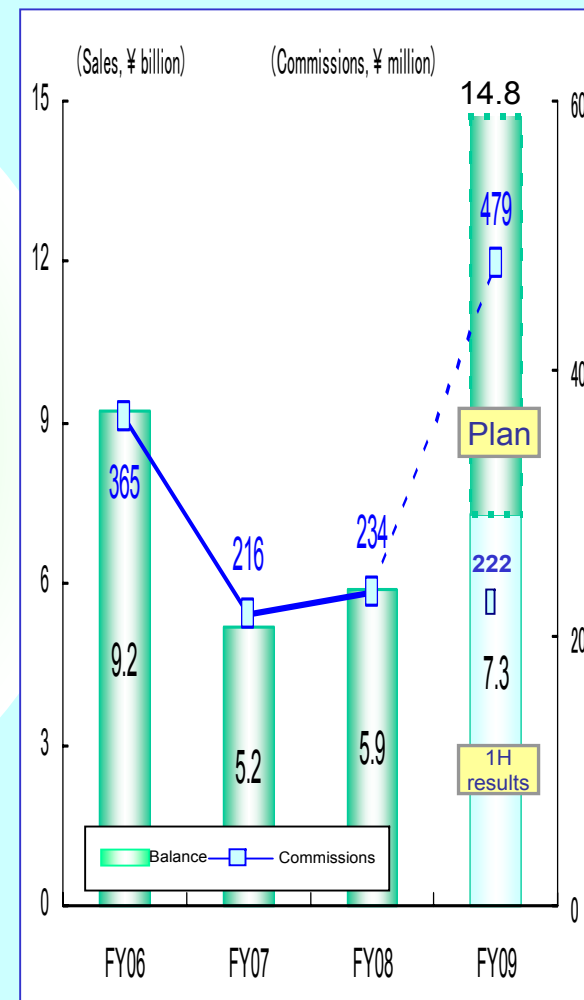
Balance and commissions on investment trusts



Balance and commissions on JGBs held by individuals



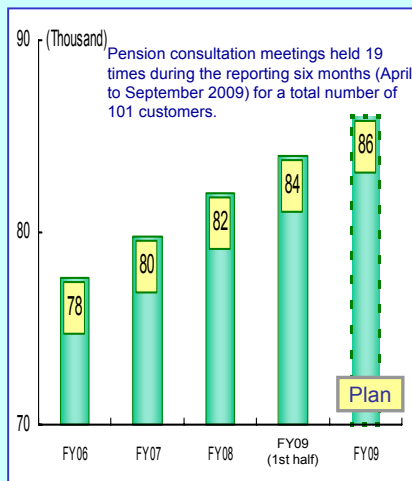
Life insurance sales and commissions



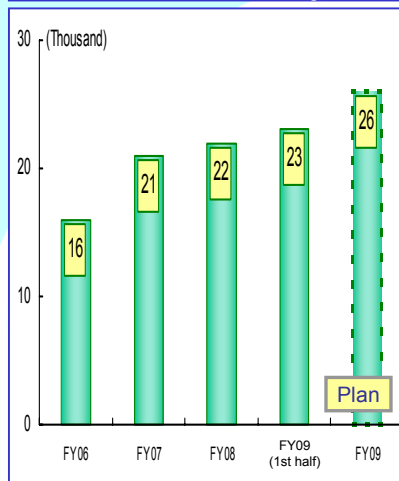
Retail Banking Strategy (1)

1. Increasing customers who select Yamanashi Chuo as their main bank

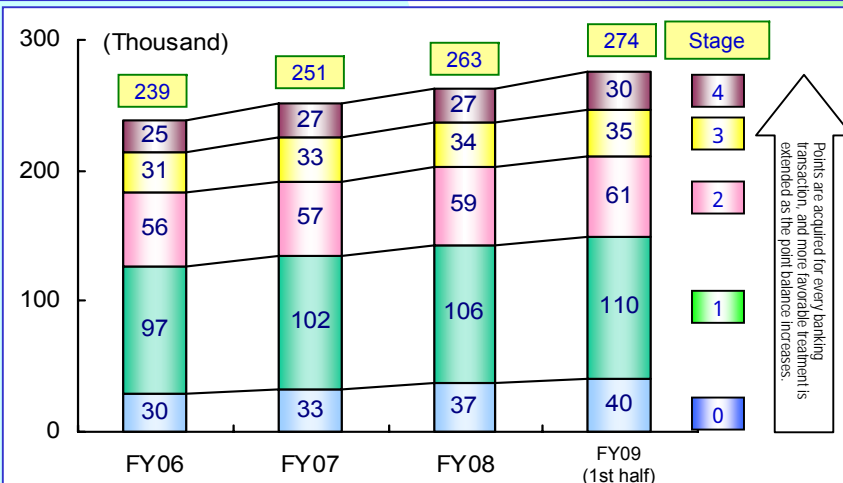
Pension payment accounts



Individual customers of online & mobile banking transactions ("Yamanashi Chugin Direct" online & mobile banking services)

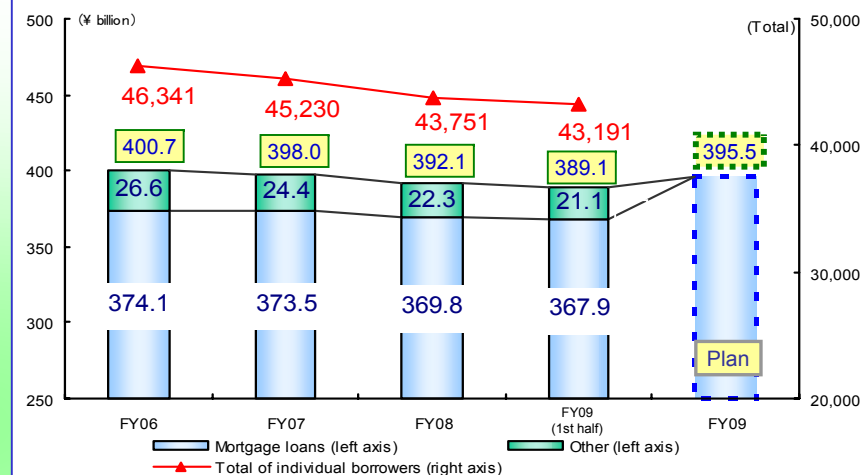


Point program ("Yamanashi Chugin Tokutoku Club") contracts

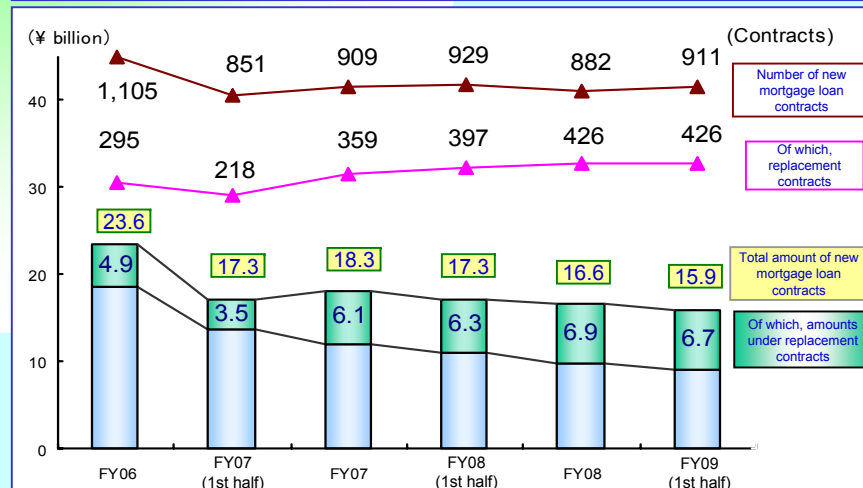


2. Bolstering mortgage loan initiatives

Balance of loans to individuals (term-end) and total number of individual borrowers



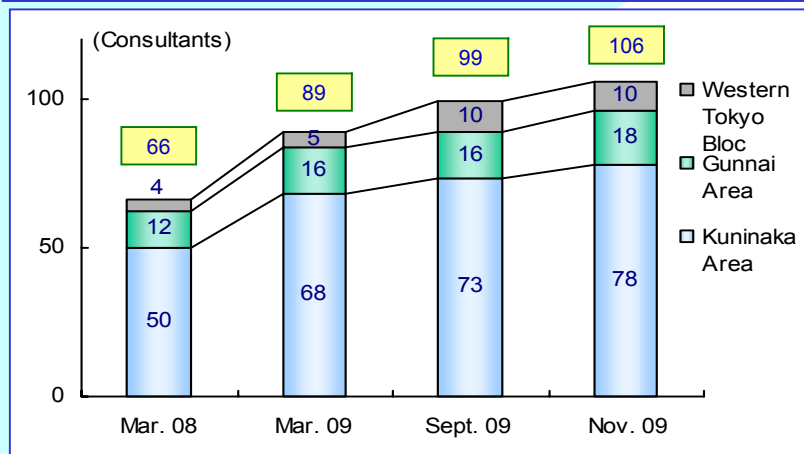
New mortgage loans (amounts and contracts)



Retail Banking Strategy (2)

3. Improving the promotion of financial products so as to enhance the balances of these products

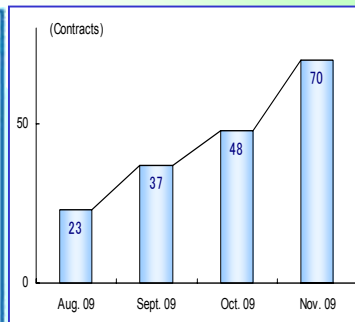
Increase in the number of senior consultants



Proposals incorporating "Life Plan Simulation"



Monthly sales of contracts for "Tuition Insurance" (Commenced sales on August 10, 2009)



Asset management seminar held April–September 2009 15 times, with 228 participants

Services Targeting Women – Our "Repre" (Replenish) Project

●"Repre" Housing Loan

96 loans, ¥1.3 billion

(February 2008–September 2009)

●Hospitalization Insurance for Women (Feminine, Neo)

184 policies

(August 2008 – September 2009)

●"Skylight Repre" (Credit card)

257 contracts

(July 2008 – September 2009)

●Asset management seminars for women

Held three times

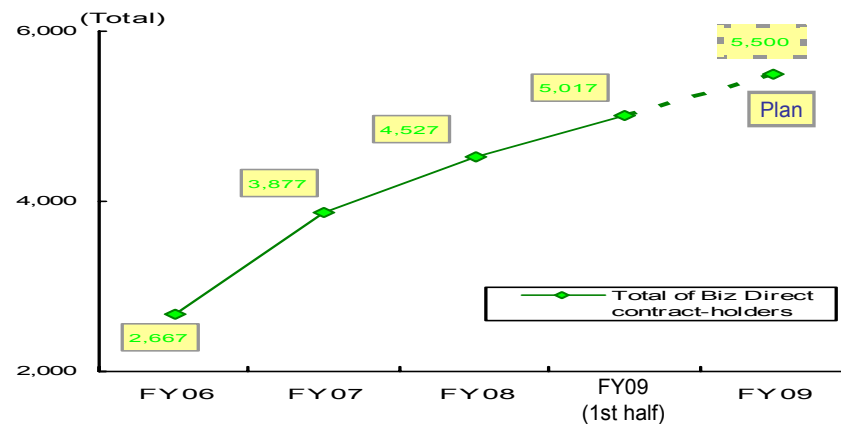
(July 2008 – September 2009)



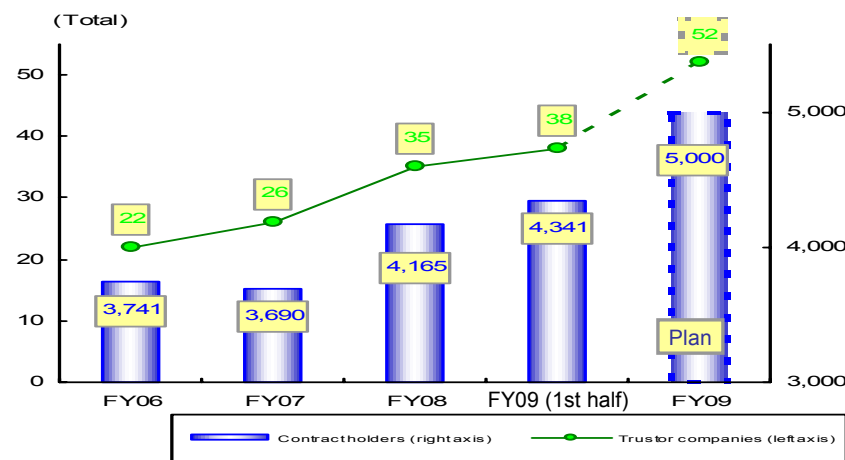
Corporate Banking Strategy (1)

1. Increasing customers who select Yamanashi Chuo as their main bank

Online banking transaction (Biz Direct) contracts



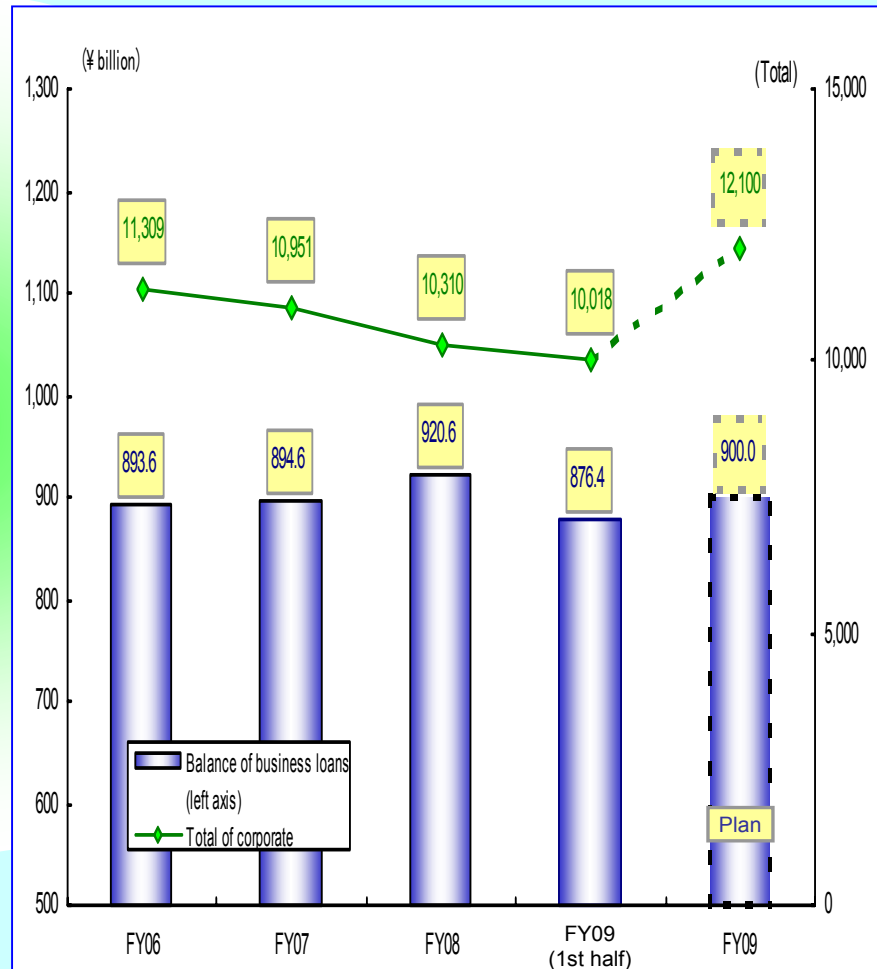
Defined contribution pension plan (Japanese version of 401K) contracts -- Trustor companies and contract holders (participants)



* Includes individual-type pension plans

2. Increasing the number of corporate borrowers

Balance of business loans (term-end) and total of corporate borrowers



* Business loans do not include public-sector (national or local government borrowing).

Corporate Banking Strategy (2)

3. Further strengthening system for marketing tailored to individual industrial segments

●Medical care

- Held seminar on medical and nursing care
- Collaboration with medical services consulting company
- Dedicated staff from the Head Office make sales calls to medical institutions on an ongoing basis

●Agriculture

- Held "Yamanashi Food Matching Fair 2009"
- Held "Yamanashi Food Sector Trade Fair in Hong Kong in 2009"
- Hosted training sessions to promote sales channel expansion under the name of the "Yamanashi Food Ingredients Market"
- Held a meeting to share information on Yamanashi food products with members of the food industry and representatives of the municipal and prefectural governments

●Manufacturing

- Monozukuri (manufacturing) Support Team provides solutions to manufacturers

Total: 31 contracts (April – September 2009)

●Seminars

- Held "Seminar on Energy Conservation"
- Held case study seminar on IT management
- Held seminar on the drafting of crisis management and business contingency plans



●Assigned qualified staff for coordination between University of Yamanashi and local industries

- To introduce to local manufacturers the latest technologies developed by university researchers (There are currently 55 members of our staff actively working on-site as intermediaries for the university and the private sector)

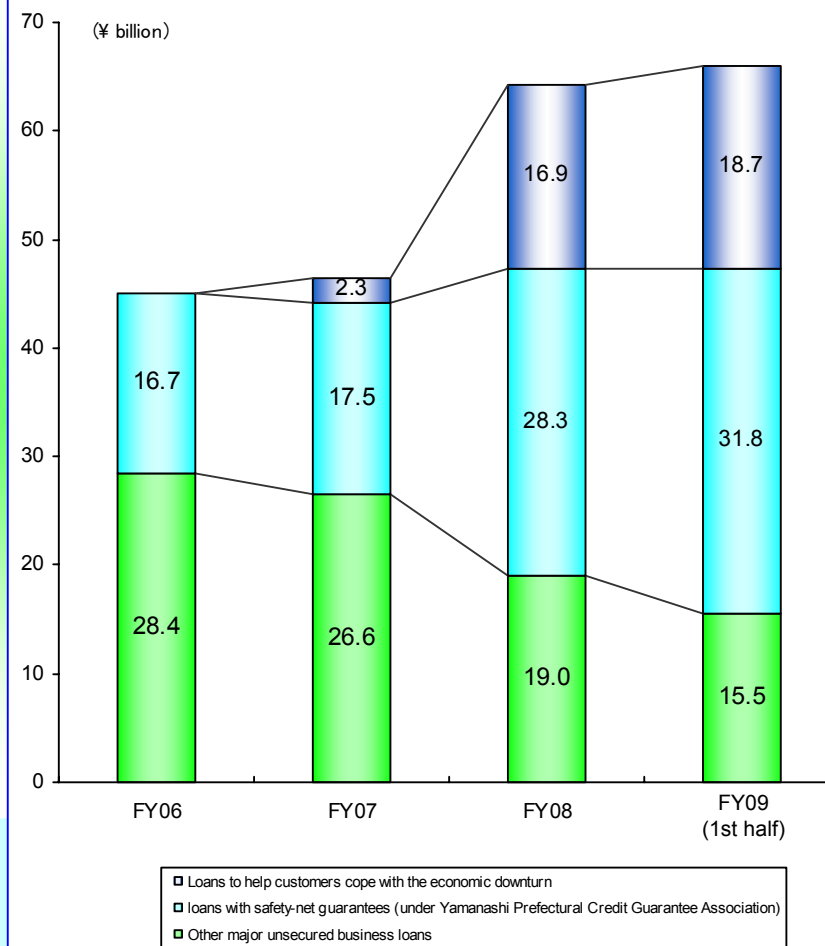
●Publication of the 27th issue of "Business Chances Directly from the University of Yamanashi" (1st issue on June. 28, 2006)

- Provides explanations of research projects in an easy-to-understand manner for the general public, thereby serving as an intermediary for the university and the private sector



4. Increasing loans to SMEs

Balance of loans with safety-net guarantees, loans to help customers cope with the economic downturn, and other major unsecured business loans



Solutions Strategies

Sponsoring of Yamanashi Food Matching Fair

Sponsoring of Yamanashi Food Matching Fair

(May 23, 2006), (June 5, 2007), (July 9, 2008), (July 8, 2009)

Preparation of a detailed business schedule

Find out from external buyers the best ways of displaying food products

Exhibitors: 87 companies
Buyers: 308 companies, 580 individuals
Number of visitors: Approx. 1,200
Number of business meetings held: 1,383
Matches made at business meetings (contracts concluded): 78 (as of November 30, 2009)



Hosted a follow-up meeting

Held "Yamanashi Food Sector Trade Fair in Hong Kong in 2009"

Aiming to expand marketing channels in Hong Kong and mainland China for Yamanashi's superior food products (July 31, 2009)

Exhibitors: 8 companies
Number of visitors: 125
Number of business meetings held: 117
Matches made at business meetings (contracts concluded): 6
(as of November 30, 2009)



Initiatives as a regional collaboration support center functions

Regional collaboration support center functions

The Yamanashi Chuo Bank has been approved by the Ministry of Economy, Trade and Industry (METI) as an institution to fulfill "regional collaboration support center" functions. The Bank's "Support Coordinators" primarily fulfill this function, working in collaboration with specialized local organizations and experts to provide SME customers with solutions to the various management issues they face.

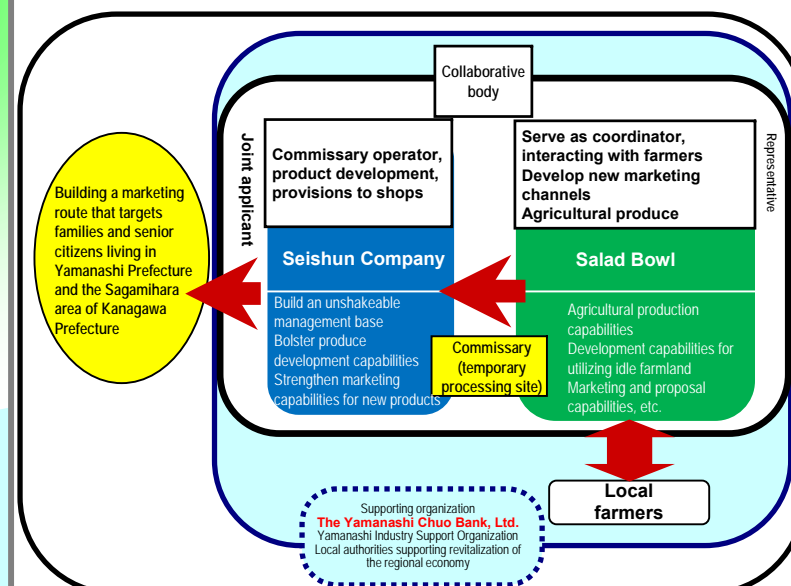
Solutions provided

130 cases

(as of November 30, 2009)

Business description

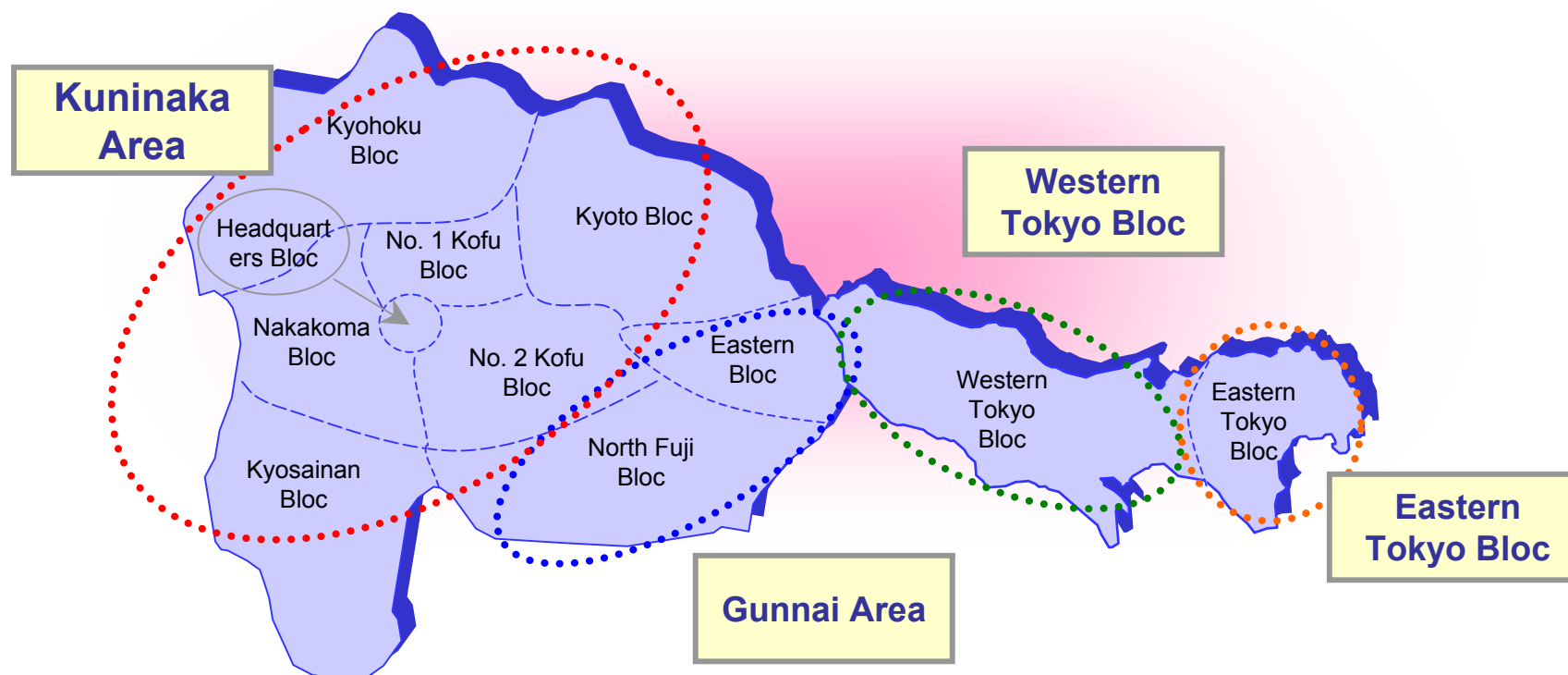
Development and operation of a local-model business using locally produced vegetables, centered on the commissary business (i.e. the primary processing of food products)



District Strategies (1) Basic Strategy of Each District

District Strategies

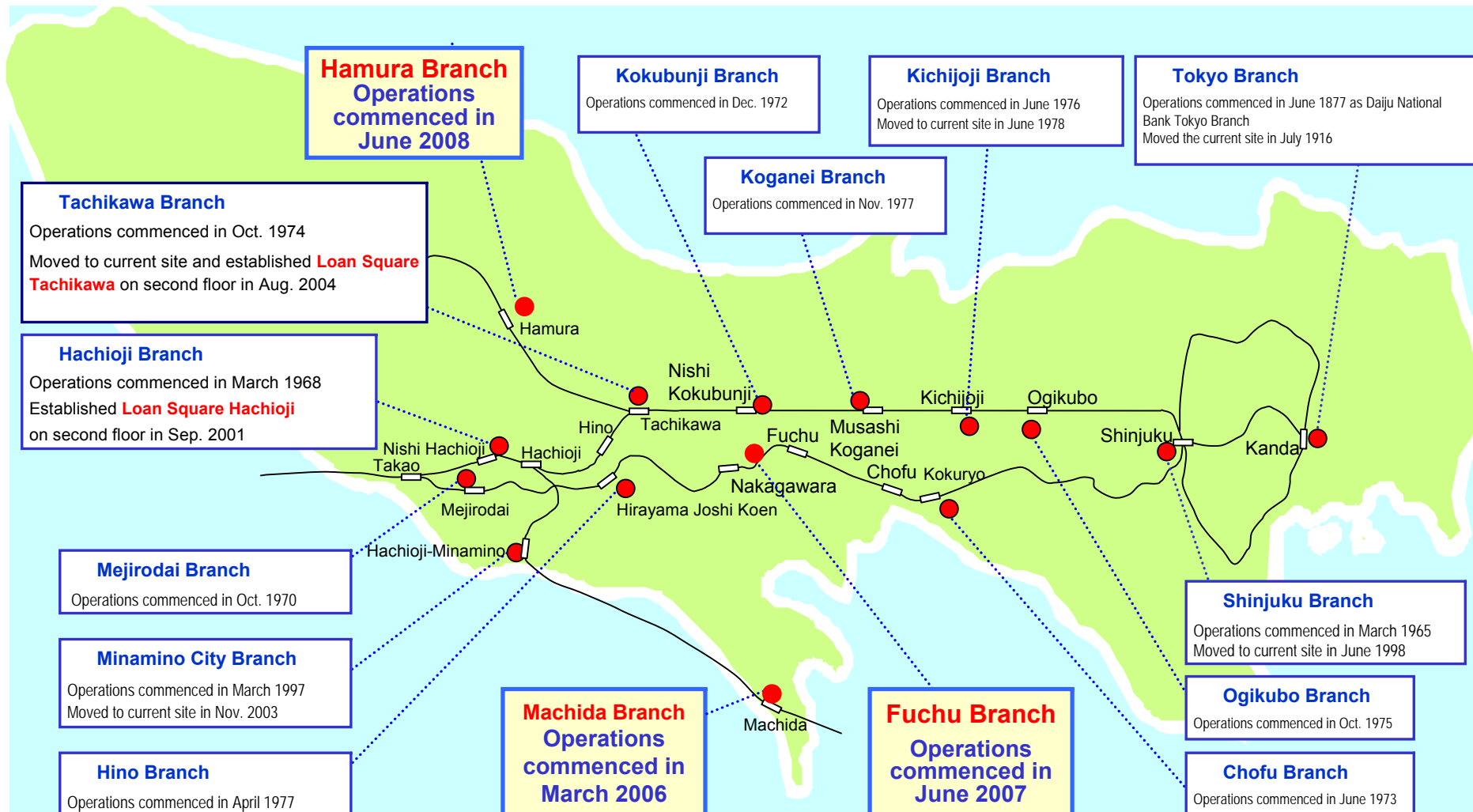
- Kuninaka Area Expand transactions with existing customers; increase customers who select Yamanashi Chuo as their main bank; and make greater efforts to stimulate the regional economy.
- Gunnai Area Strengthen marketing by investing management resources
- Western Tokyo Bloc ... Enhance marketing activities.
- Eastern Tokyo Bloc ... Strengthen fund-operation capabilities by attracting new customers (to increase the balance of deposits); and develop closer ties with companies outside Yamanashi Prefecture that conduct business with local companies.



District Strategies (2) Branch Operation in Tokyo

Branches in Tokyo: 15; branches in Western Tokyo Bloc: 13

Most branches have engaged operations for 30 to 40 years. They are well established in local communities.



District Strategies

(3) Western Tokyo Bloc - Results and Plans



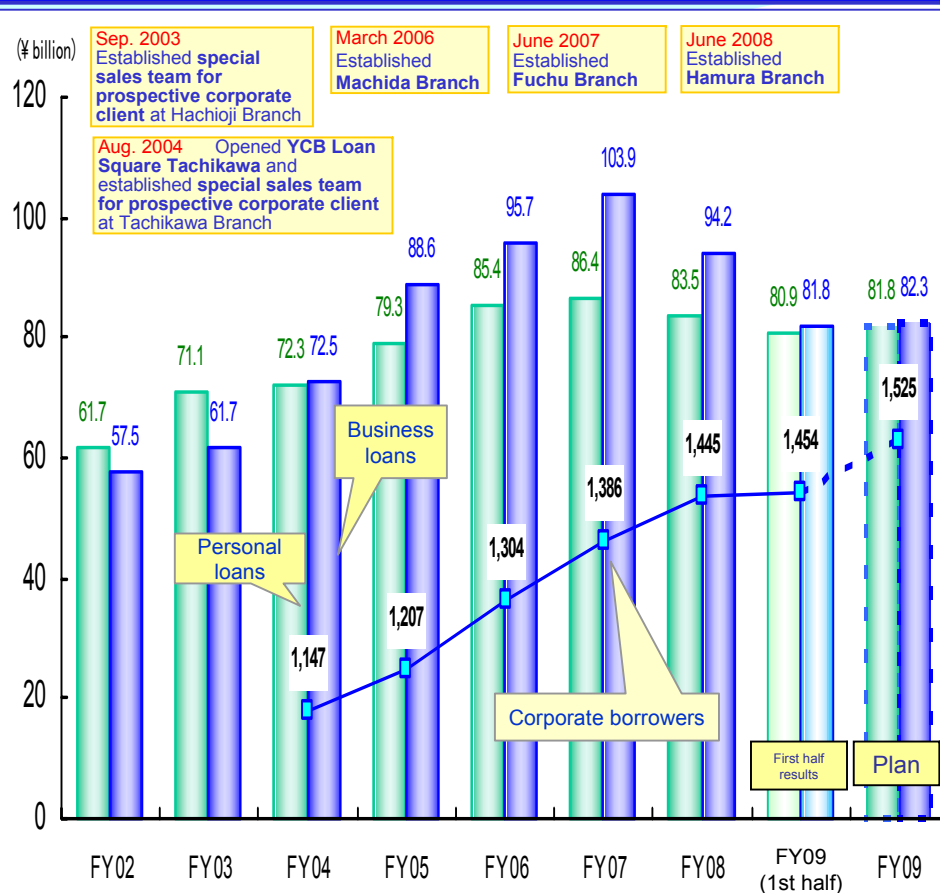
Vision

Create the bloc as a revenue base in the 21st century and achieve profitability and efficiency greater than that of the facilities in Yamanashi Prefecture.

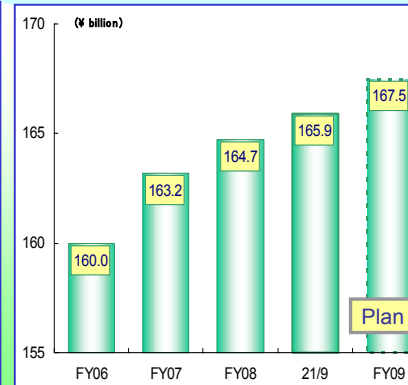
Western Tokyo Bloc

Population: app. 4,130,000
Households: app. 1,840,000
Offices, factories and shops: app. 127,000

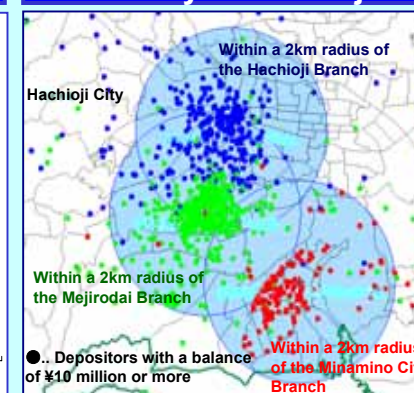
Average loan balance and corporate borrowers



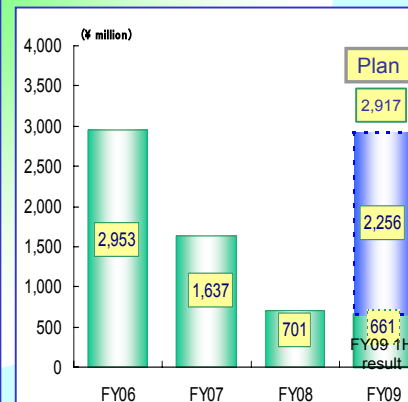
Balance of deposits for individuals (term-end)



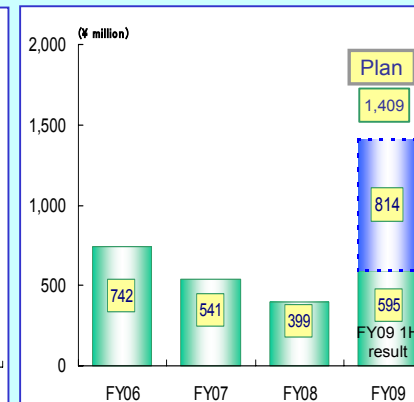
Customer distribution in the city of Hachioji



Sale of investment trusts



Sale of pension plan premiums to individuals



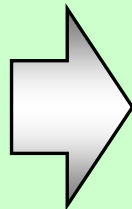
Retail Branch and Personnel Strategies

Retail Branch Strategy

Maximize the strengths of the retail branch network and simultaneously enhance the efficiency of the Bank's retail channel

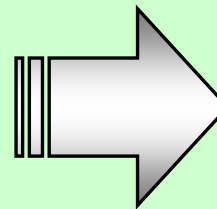
Phases 1 & 2
April 03 – June 07

Closed 9 branches
Converted 26 branches
Opened 1 new branch



Phase 3
Nov. 06 – June 08

Converted 9 branches
Opened 2 new branches



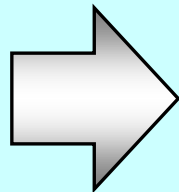
Phase 4
April 10 - onward

- ☆Expand retail branch functions and channels
Western Tokyo Bloc
Gunnai Area
- ☆Enhance efficiency branches and channels
Kuninaka Area

Personnel Strategy

Shift to Front Line Operations from Back Office Work

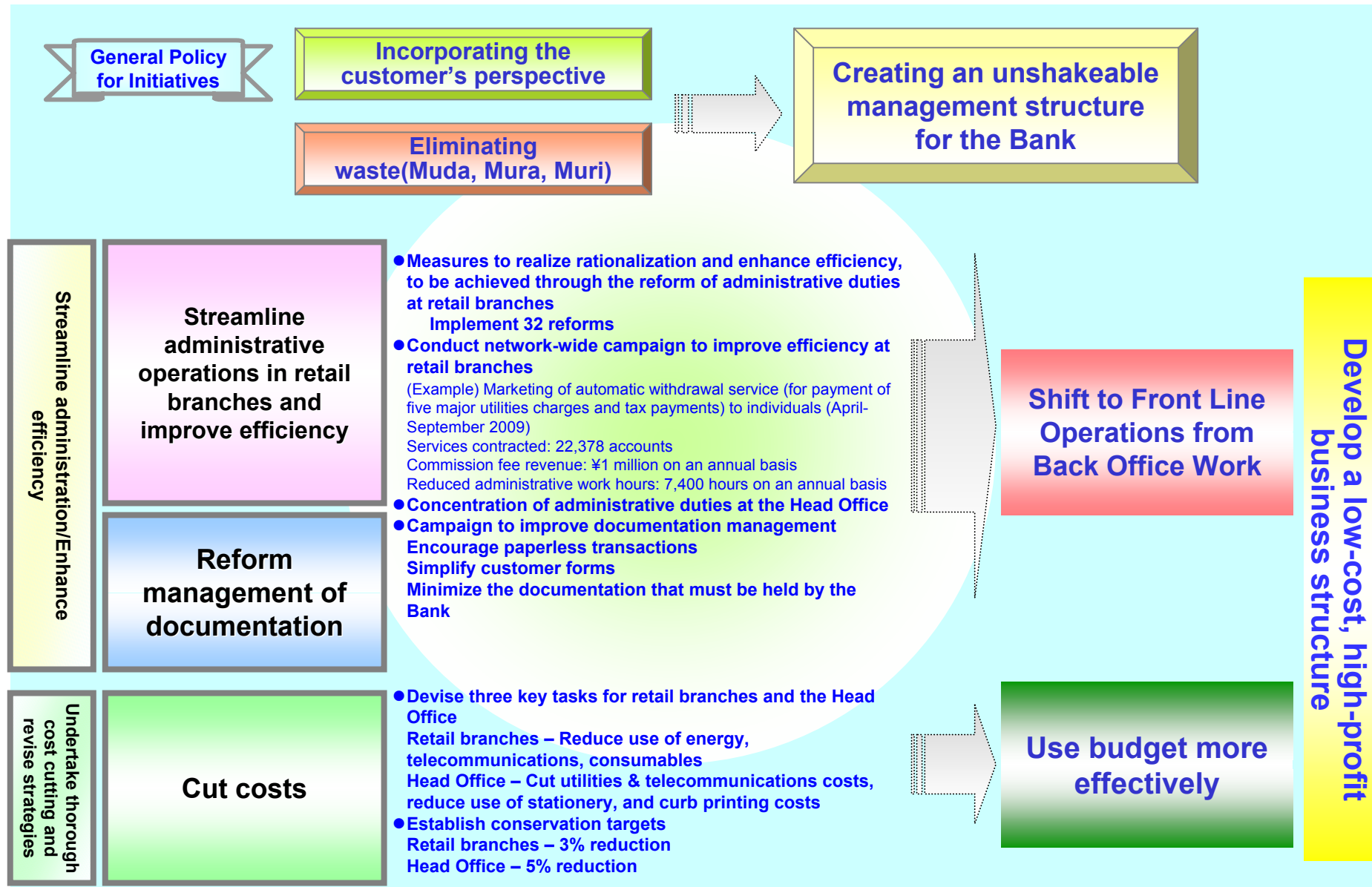
Reconsider the role of retail branches



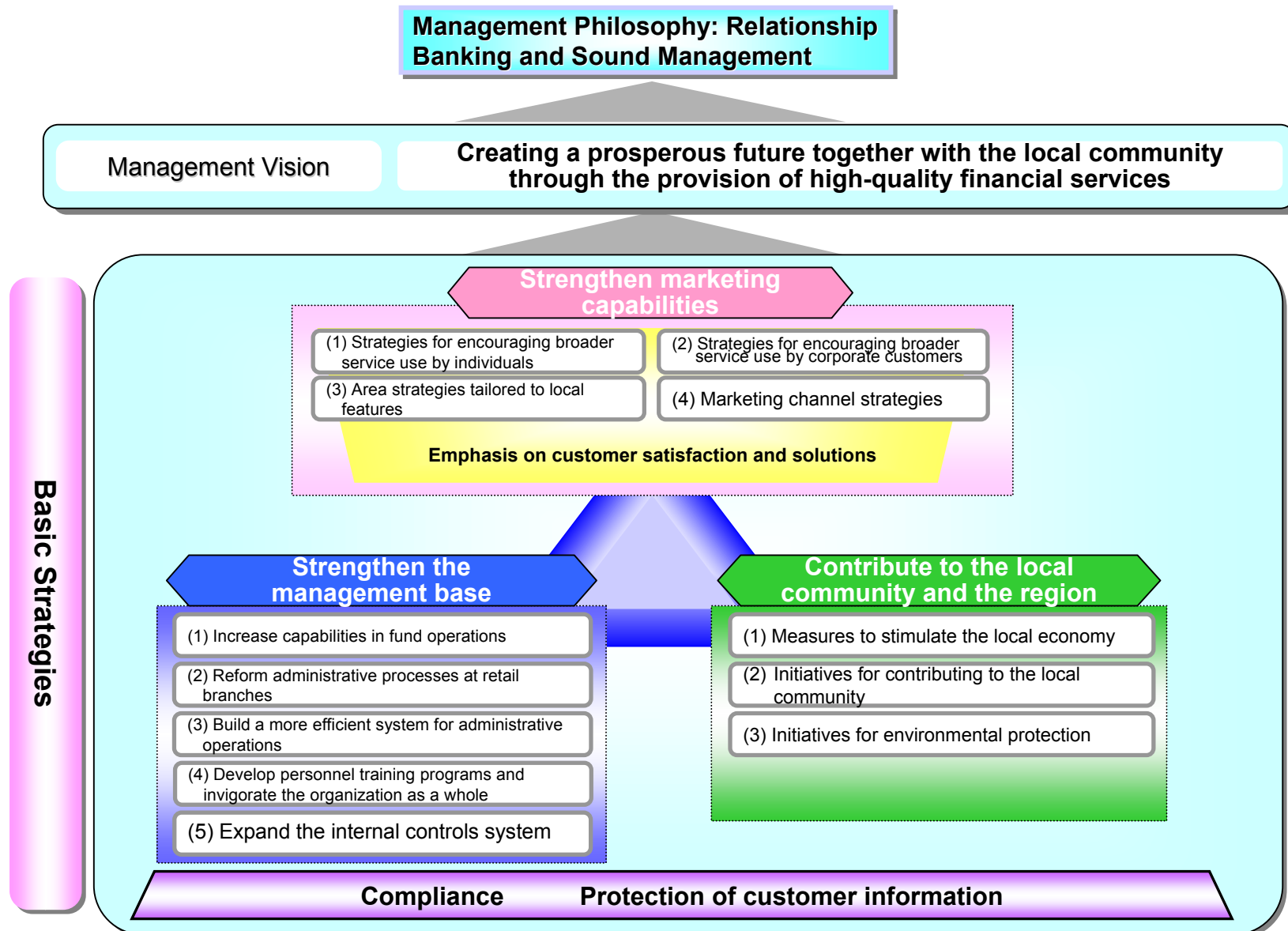
Strategic placement of staff in marketing territories with highest growth potential

Shift personnel from back-office operations to marketing positions

Business Process Reengineering



Overview of the Next-Term Medium-Term Management Plan (1)



Overview of the Next-Term Medium-Term Management Plan (2)

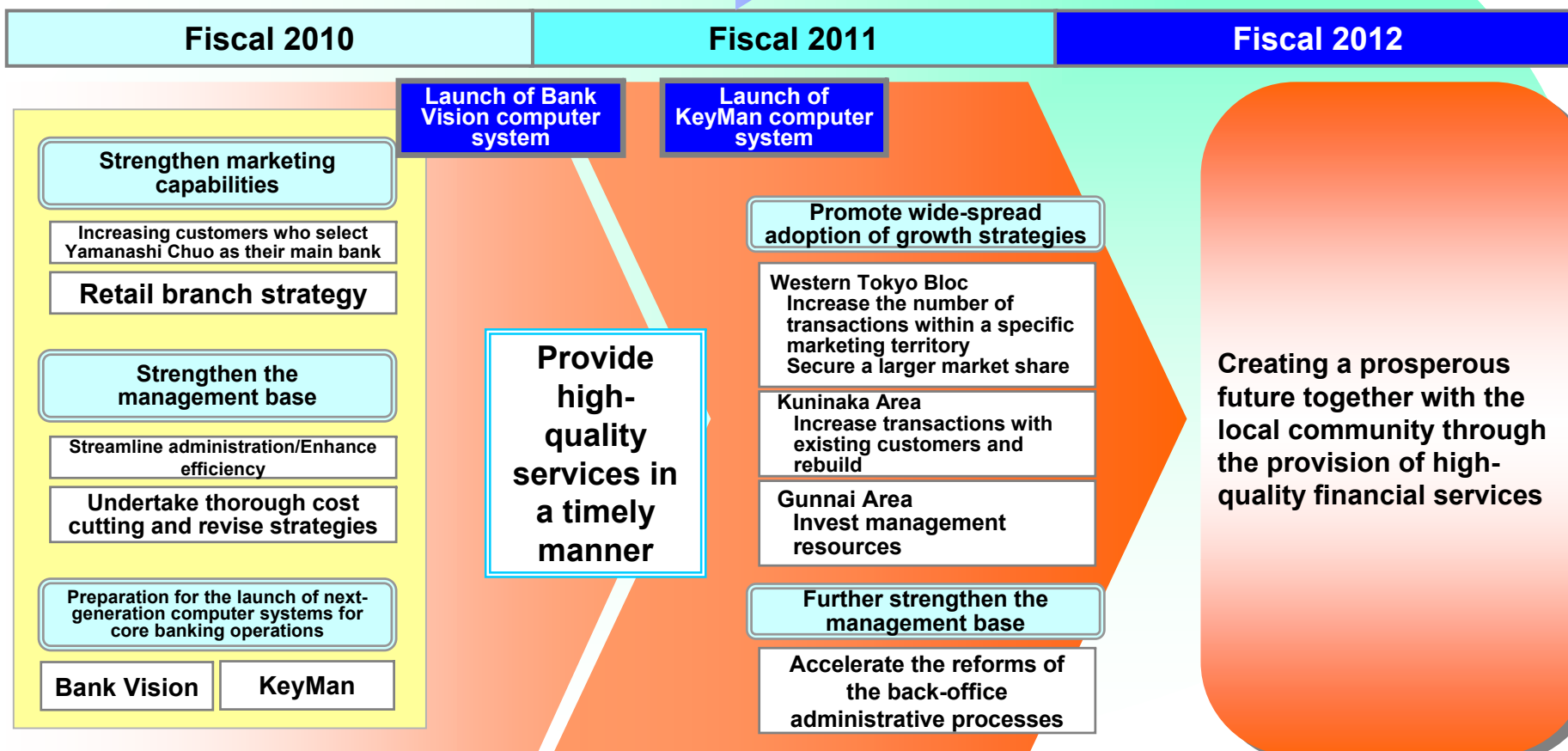
“Kutsu kutsu shin*” (Growth after great patience)

**Kutsu kutsu shin” – This phrase created by the late Go Master Shuko Fujisawa literally means “Endure, endure, grow.”

Secure one’s foothold in the first stage

Up-front investment, to prepare for action later

Realize huge growth in the second stage



Thank you for coming to our analyst meeting. If you have any further questions, please don't hesitate to make inquiries at the following address.

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