



The Yamanashi Chuo Bank, Ltd. The 27th Analyst Meeting

- **Fiscal 2014 First Half Business Results**
- **Forecasts for the Current Term (FY2014)**
- **Medium-Term Management Plan
“Best Bank Plan 2016” Progress Report**

December 3, 2014 (Wed)

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■ Profile (as of September 30, 2014)

- Predecessor Founded: April 1877
- Established: December 1941
- Head Office: 20-8, Marunouchi 1-Chome, Kofu, Yamanashi
- Common Stock: ¥15,400 million
- Employees: 1,717
- Branches (including sub-branches):
90 (74 in Yamanashi Pref., 15 in Tokyo, 1 in Kanagawa Pref.),
Corporate Sales Office: 1 (Higashimurayama City, Tokyo),
Representative Office: 1 (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 2014 First Half Business Results and Forecasts for the Current Term (FY2014)

Fiscal 2014 First Half Business Results (Summary) 山梨中央銀行

(¥ billion, %)	Previous 1st half	Reporting 1st half	YoY change [%]
Operating income	23.2	22.0	(1.2) ((5.0))
Gross banking profit	19.3	18.5	(0.8) ((4.1))
Interest income	16.5	16.1	(0.4) ((2.1))
Fees and commissions	2.1	2.1	0.0 ((1.6))
Other operating income	0.1	0.0	(0.0) ((31.7))
Gross banking profit on core operations	18.8	18.4	(0.4) ((1.9))
JGBs and other bond transactions	0.5	0.0	(0.5) ((87.5))
Expenses	14.3	14.4	0.1 ((0.4))
General provision to loan loss reserve	—	—	— (—)
Net business profit	4.9	4.0	(0.9) ((17.5))
Net business profit on core operations	4.4	4.0	(0.4) ((9.4))
Non-operating losses	0.9	0.9	0.0 ((1.5))
Gains on reversal of provision to loan loss reserve	0.5	0.6	0.1 ((36.2))
NPL disposal amount	0.0	0.0	0.0 ((3.4))
Equity share and similar transactions	0.3	0.3	0.0 ((2.4))
Ordinary profits	5.9	5.0	(0.9) ((14.4))
Extraordinary income (losses)	(0.1)	(0.3)	(0.2) ((102.6))
Income before income taxes	5.7	4.6	(1.1) ((18.2))
Income taxes - basic	1.5	1.0	(0.5) ((35.3))
Income taxes - deferred	0.1	0.2	0.0 ((51.7))
Net income	4.0	3.4	(0.6) ((14.2))

(¥ billion, %)	Reporting 1st half (FY14)	YoY change [%]	Balance	Yield
Fund Operations	17.0	(0.4) ((2.2))	0.3	(0.7)
Interest on loans	9.7	(0.7) ((6.8))	(0.2)	(0.4)
Interest on securities	7.1	0.2 ((4.0))	(0.0)	0.2
Call loan, etc.	0.1	0.0 ((66.1))	0.1	(0.0)
Fund procurement	0.8	(0.0) ((3.7))	0.0	(0.0)
Interest on deposits	0.8	(0.0) ((1.2))	0.0	(0.0)
Call money, etc.	0.0	(0.0) ((27.9))	(0.0)	0.0
Interest income	16.1	(0.4) ((2.1))	—	—

(¥ billion)	Reporting 1st half (FY14)	YoY change
Revenues	3.3	0.0
Investment trusts	0.4	0.0
JGBs for individuals	0.0	0.0
Life insurance	0.2	0.0
Others	2.6	0.0
Cost	1.1	0.0
Fees and Commissions	2.1	0.0

(¥ billion)	Reporting 1st half (FY14)	YoY change
Personnel	7.6	(0.1)
Premises and equipment	6.0	0.0
Taxes	0.7	0.1
Expenses	14.4	0.1

Earnings Forecasts for the Current Term (FY2014)



(¥ billion, %)	FY13	FY14(forecast)	YoY change [%]
Operating income	45.0	42.5	(2.5) ((5.5))
Gross banking profit	37.5	37.1	(0.3) ((1.0))
Interest income	32.7	32.2	(0.4) ((1.4))
Fees and commissions	4.2	4.7	0.4 (9.6)
Other operating income	0.2	0.1	(0.0) ((41.2))
Gross banking profit on core operations	37.2	37.1	(0.1) ((0.4))
JGBs and other bond transactions	0.2	0.0	(0.2) ((77.3))
Expenses	28.1	27.8	(0.2) ((0.8))
General provision to loan loss reserve	—	—	— (—)
Net business profit	9.4	9.3	(0.1) ((1.3))
Net business profit on core operations	9.1	9.2	0.0 (0.6)
Non-operating losses	2.1	0.1	(1.9) ((91.6))
NPL disposal amount	0.1	0.1	0.0 (0.0)
Equity share and similar transactions	0.7	0.2	(0.5) ((68.6))
Ordinary profits	11.5	9.5	(2.0) ((17.7))
Net income	7.8	6.2	(1.6) ((21.5))

Dividends		FY12	FY13	FY14 (plan)
	Dividend per share (annual)	¥6.00	¥6.50	¥6.50

	End of FY13	End of FY14 (estimate)
Nikkei Stock Average	¥14,827	¥16,173

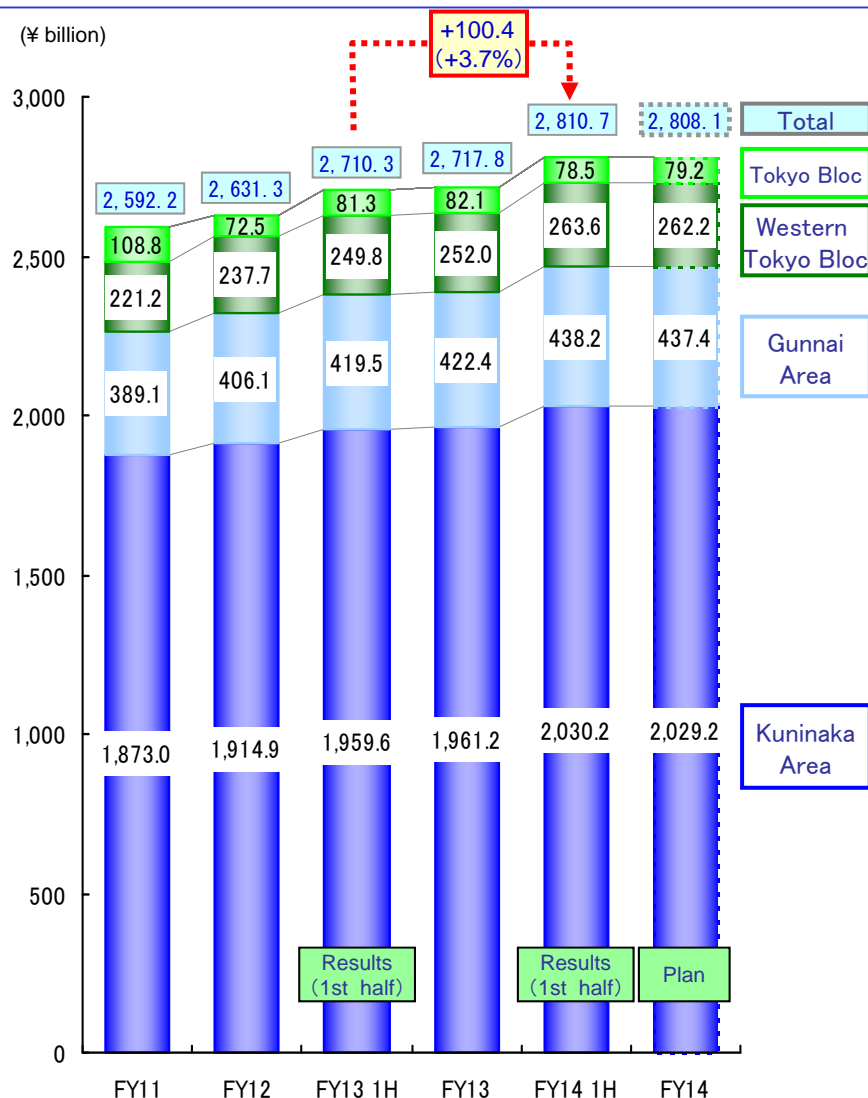
(¥ billion, %)	FY2014 (forecast)	YoY change [%]	Balance	Yield
Fund operations	34.0	(0.5) ((1.4))	0.8	(1.3)
Interest on loans	19.5	(1.1) ((5.3))	0.0	(1.1)
Interest on securities	14.3	0.5 (4.2)	0.3	0.2
Call loan, etc.	0.1	0.0 (7.9)	0.0	(0.0)
Fund procurement	1.7	(0.0) ((1.5))	0.0	(0.0)
Interest on deposits	1.6	0.0 (0.1)	0.0	(0.0)
Call money, etc.	0.1	(0.0) ((20.5))	(0.0)	0.0
Interest income	32.2	(0.4) ((1.4))	—	—

(¥ billion)	FY2014 (forecast)	YoY change
Revenues	7.0	0.4
Investment trusts	0.8	0.1
JGBs for individuals	0.1	0.0
Life insurance	0.4	0.1
Others	5.6	0.2
Cost	2.3	0.0
Fees and commissions	4.7	0.4

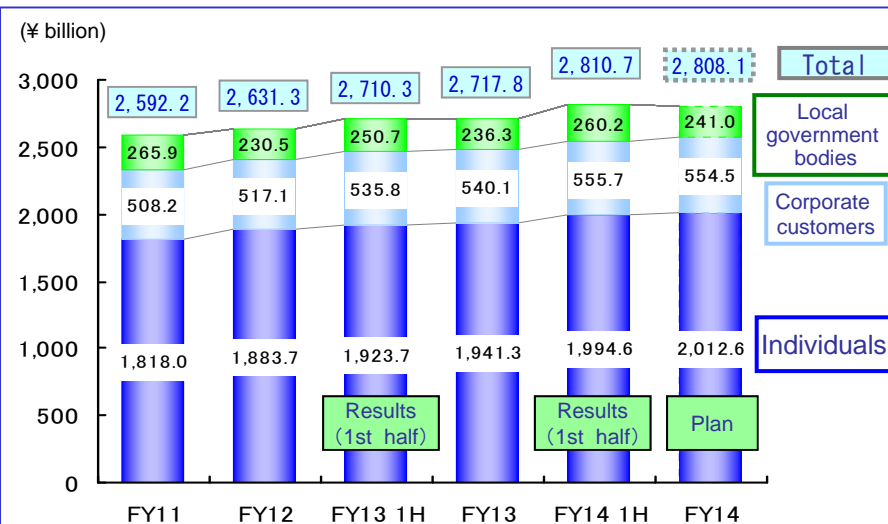
(¥ billion)	FY2014 (forecast)	YoY change
Personnel	15.0	(0.2)
Premises and equipment	11.5	(0.1)
Taxes	1.2	0.2
Expenses	27.8	(0.2)

Deposits

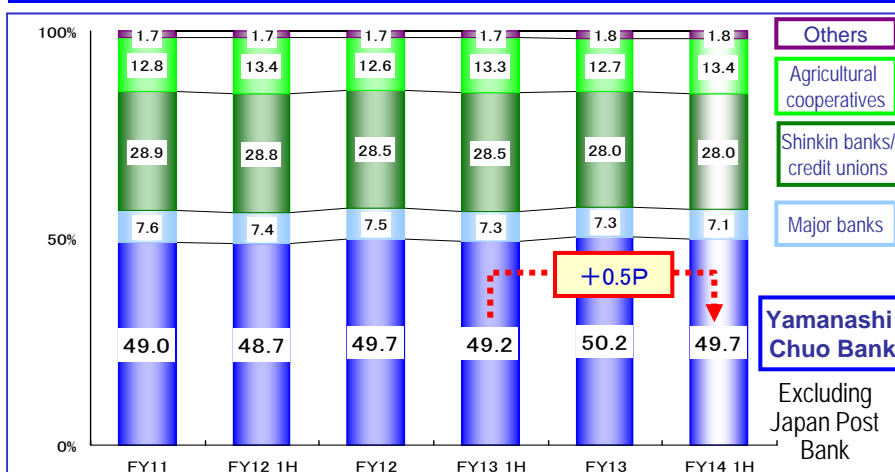
Deposit (average balance)



Balance by Customer Segment (average balance)

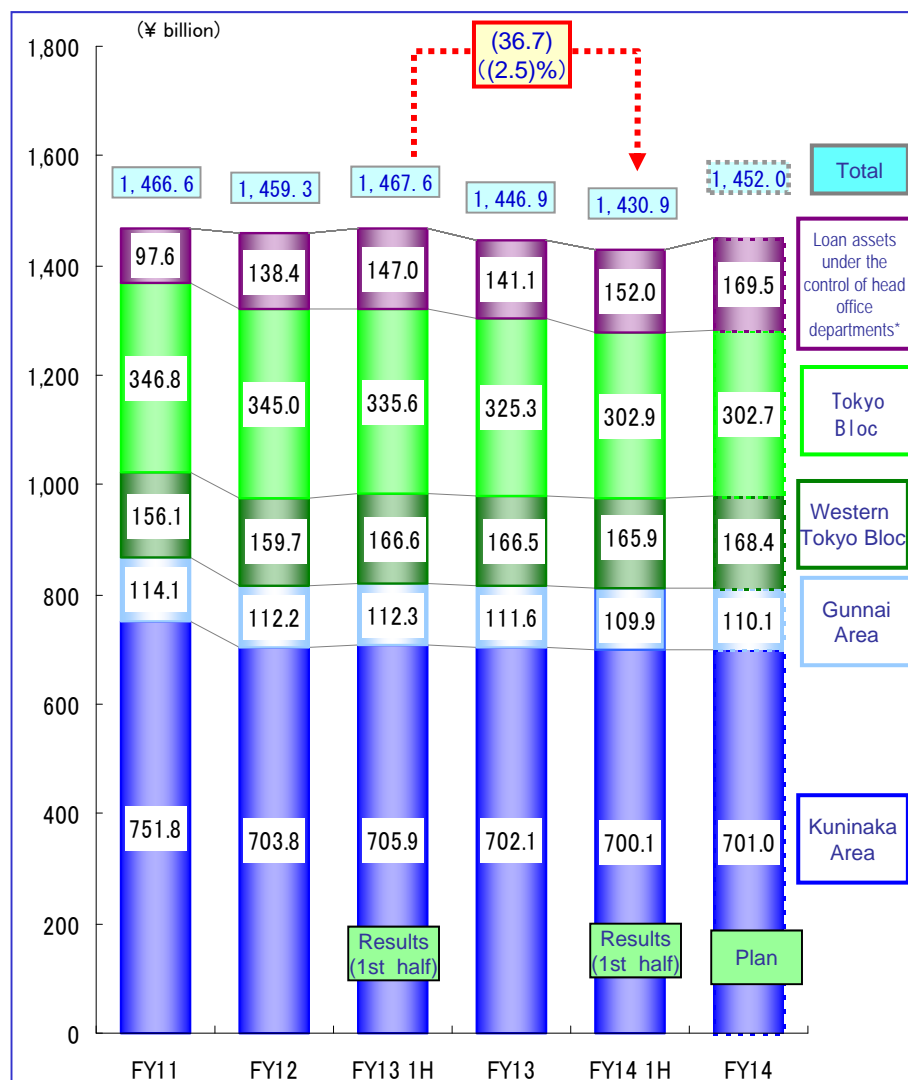


Deposit Shares in Yamanashi Prefecture (term-end)

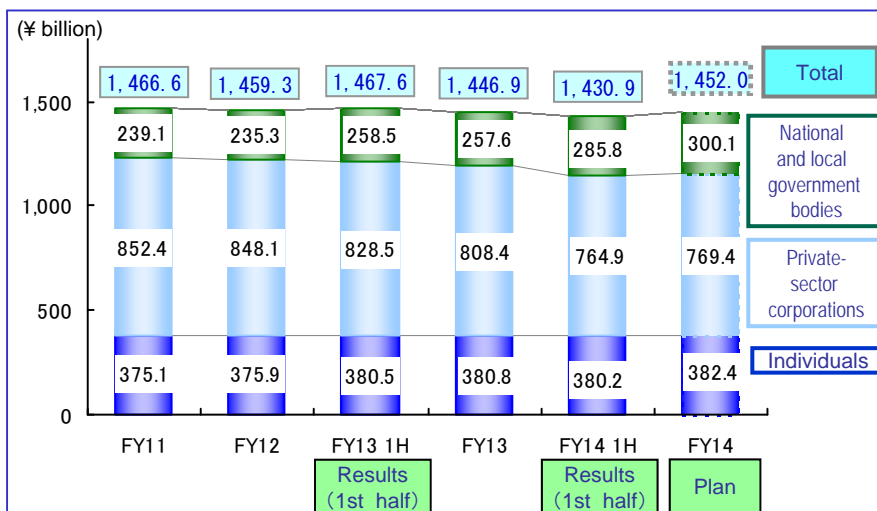


Loans (1)

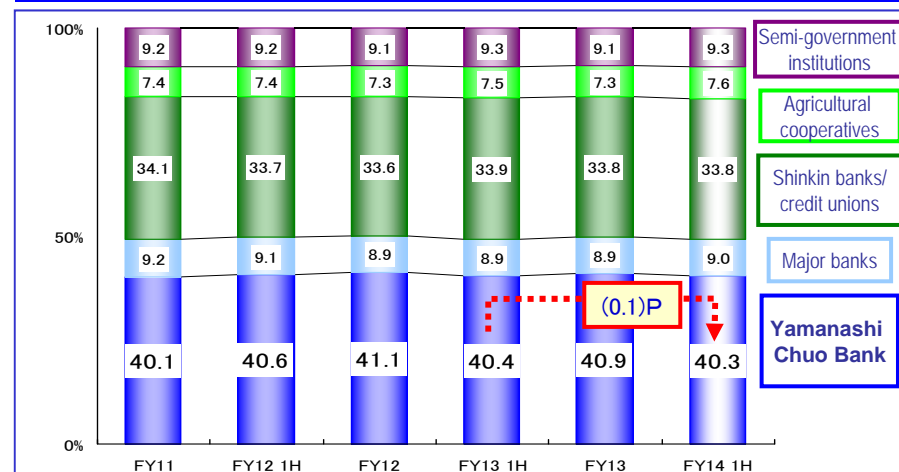
Loan (average balance)



Balance by Customer Segment (average balance)



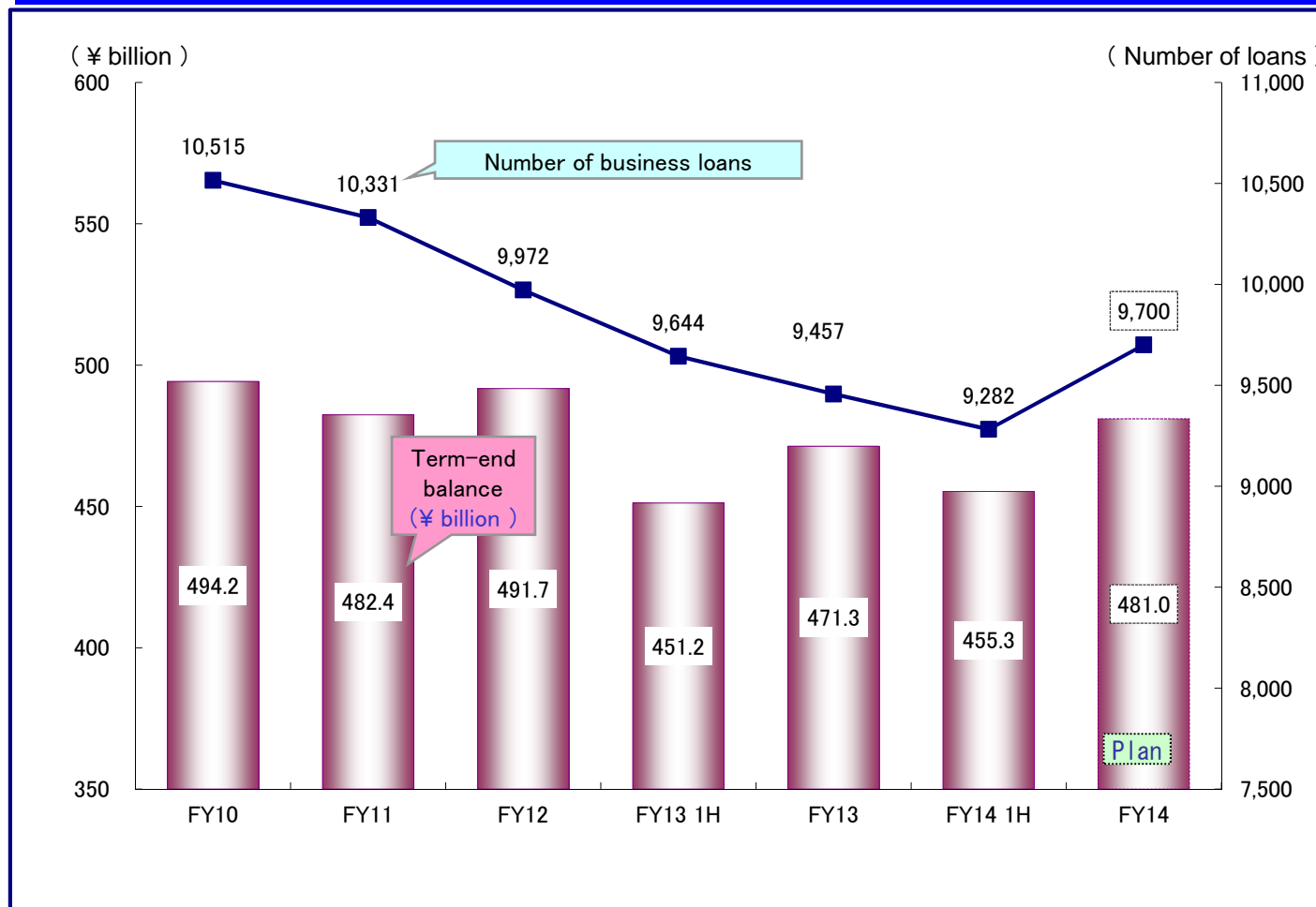
Loan Shares in Yamanashi Prefecture (term-end)



*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.

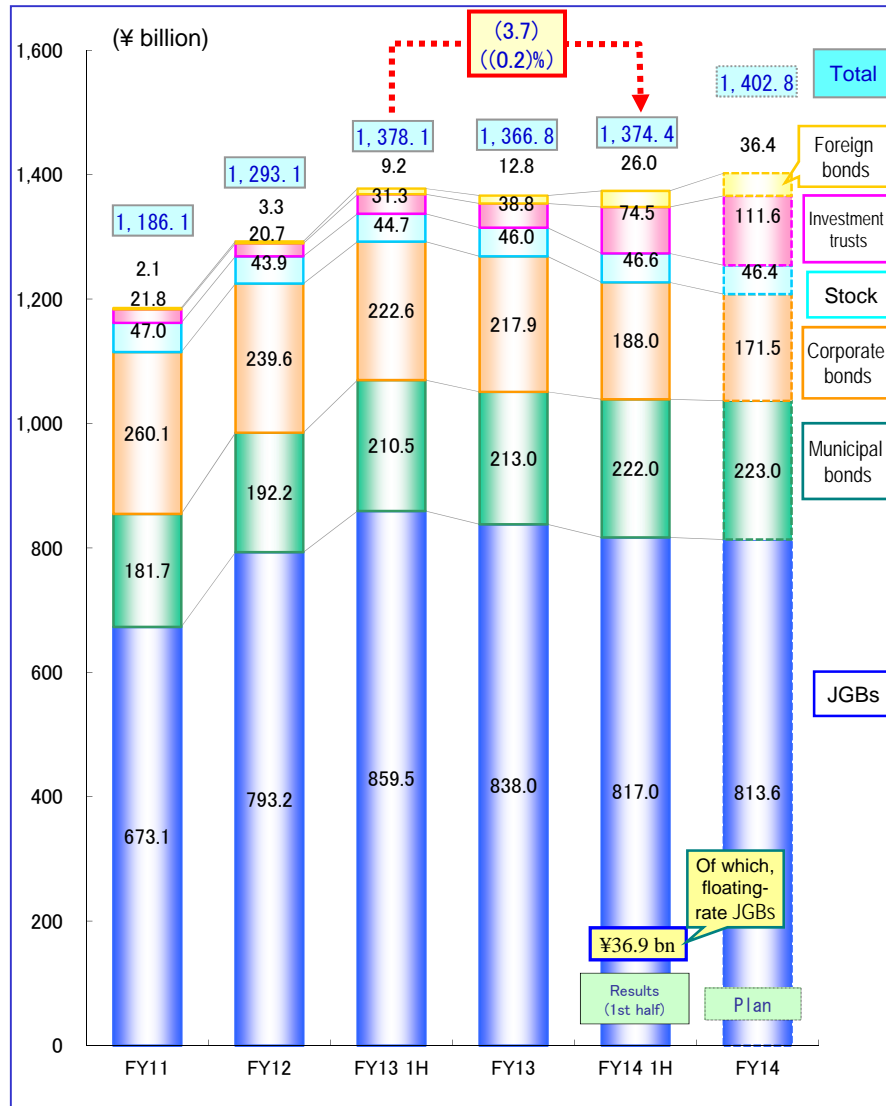
Loans (2)

Balance of Loans to SMEs (term-end) and Number of Business Loans

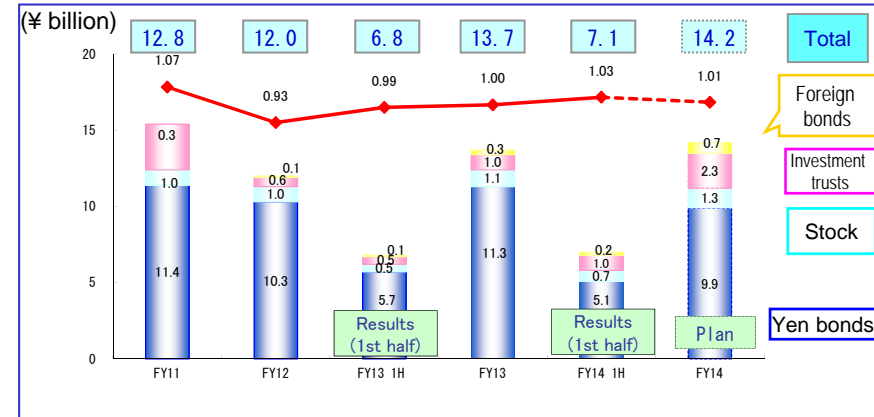


Securities

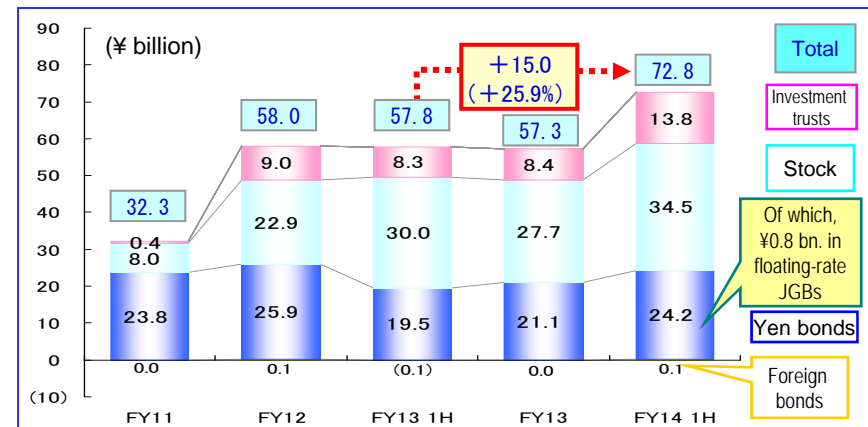
Securities (subject to mark-to-market valuation)



Changes in interest dividend-yield securities



Unrealized Gains (Losses)



Modified Duration (Yen bonds)

FY11	FY12	FY13 (1st half)	FY13	FY14 (1st half)
3.5	3.5	4.5	4.4	4.5

Securities Investment Policy

[Strategic priorities to “increase capabilities in fund operations” under the Medium-Term Management Plan]

Establish high-yield fund management methods and restructure approaches

to ensure flexible responses to changes in the business environment

Increase average balance of securities by approx. ¥80.0 billion (up 6.1% versus FY12) over the three-year mid-term plan

Securities yield of 1.00% in last year of mid-term plan, interest and dividends on securities of ¥13.7 billion

○Reduce yen-denominated bond investment amid continuing low interest rates

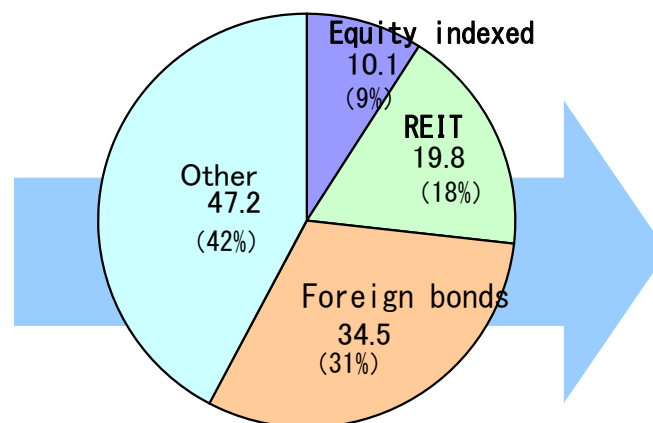
○Target higher returns by actively increasing investment trusts, foreign bonds, and stocks

Asset allocation before mid-term plan,
centered on yen-denominated bonds

(¥ billion)

	FY12 (average balance)	
		Share
Yen bonds	1,225.1	95%
Stocks	43.9	3%
Investment trusts	20.7	2%
Foreign bonds	3.3	0%
Total	1,293.1	100%

Breakdown of FY14 investment trust balance
(average balance, ¥111.6 billion)



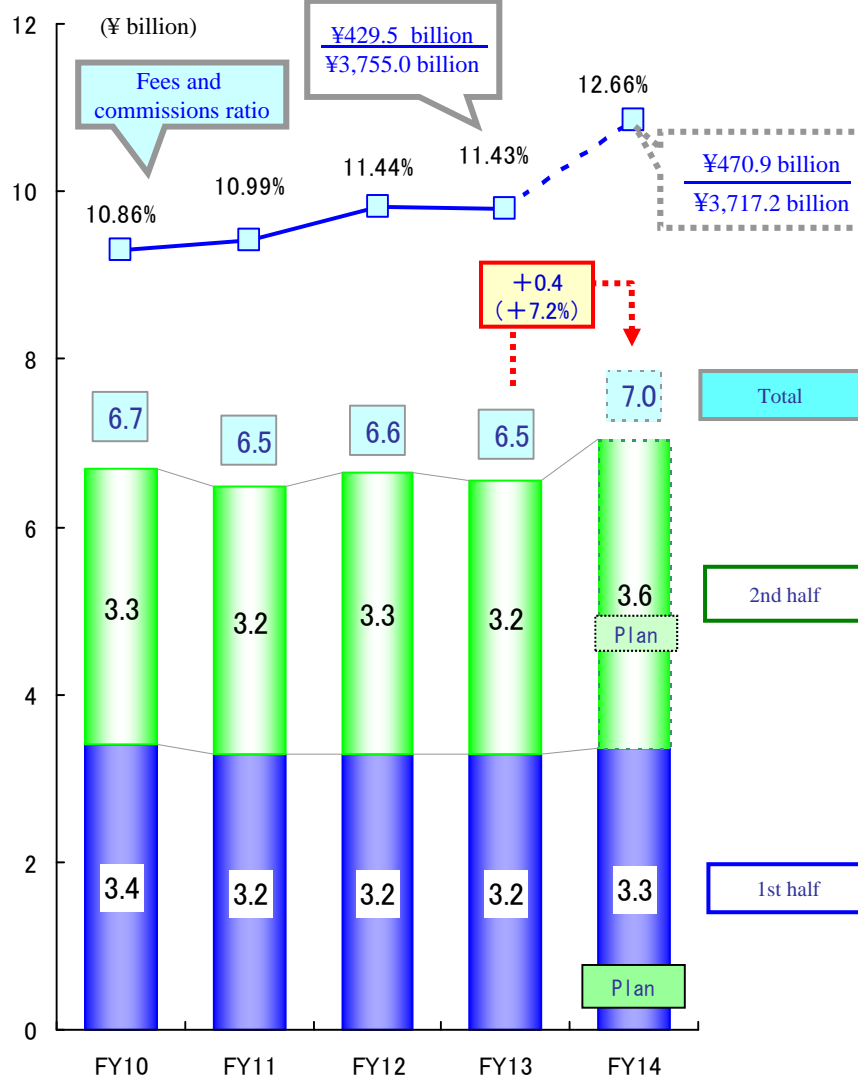
Effective asset allocation based on reallocation
of investment trusts by asset category

(¥ billion)

	FY14 (average balance)		
		Share	Change
Yen bonds	1,208.2	86%	(0.9)P
Stocks	56.5	4%	+1P
Investment trusts	67.0	5%	+3P
Foreign bonds	70.9	5%	+5P
Total	1,402.8	100%	—

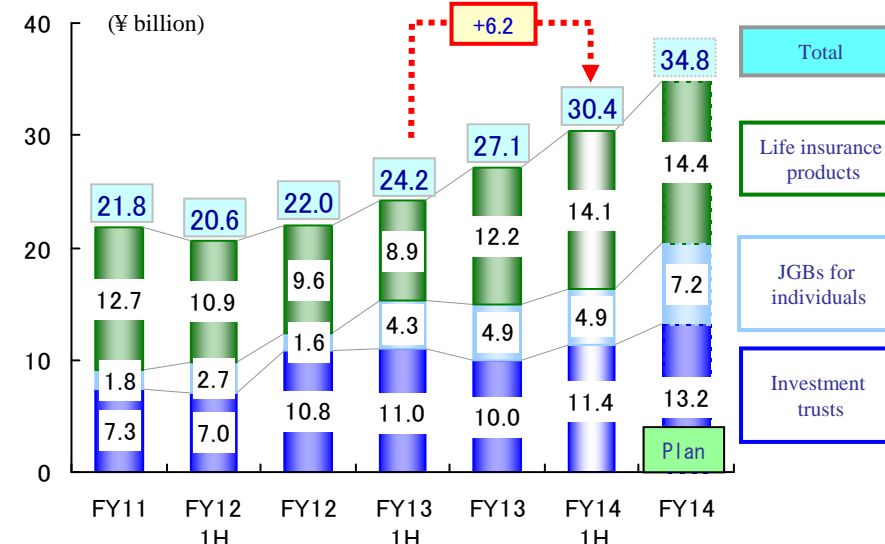
Fees and Commissions

Fees and Commissions / Fees and Commissions Ratio

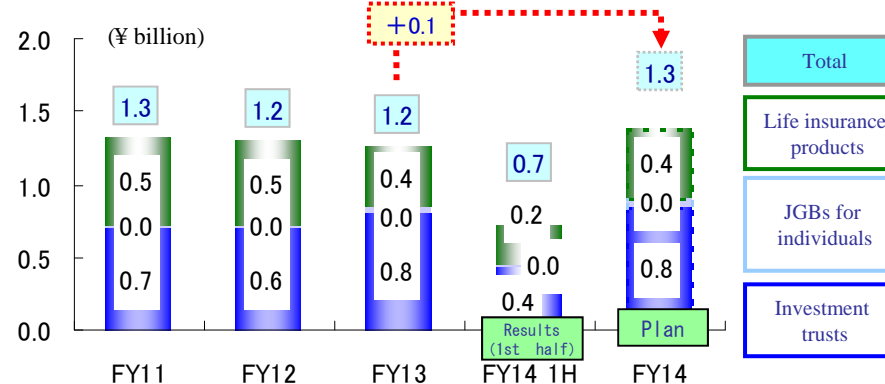


* Fees and commissions ratio= Fees and commissions / Gross banking profit

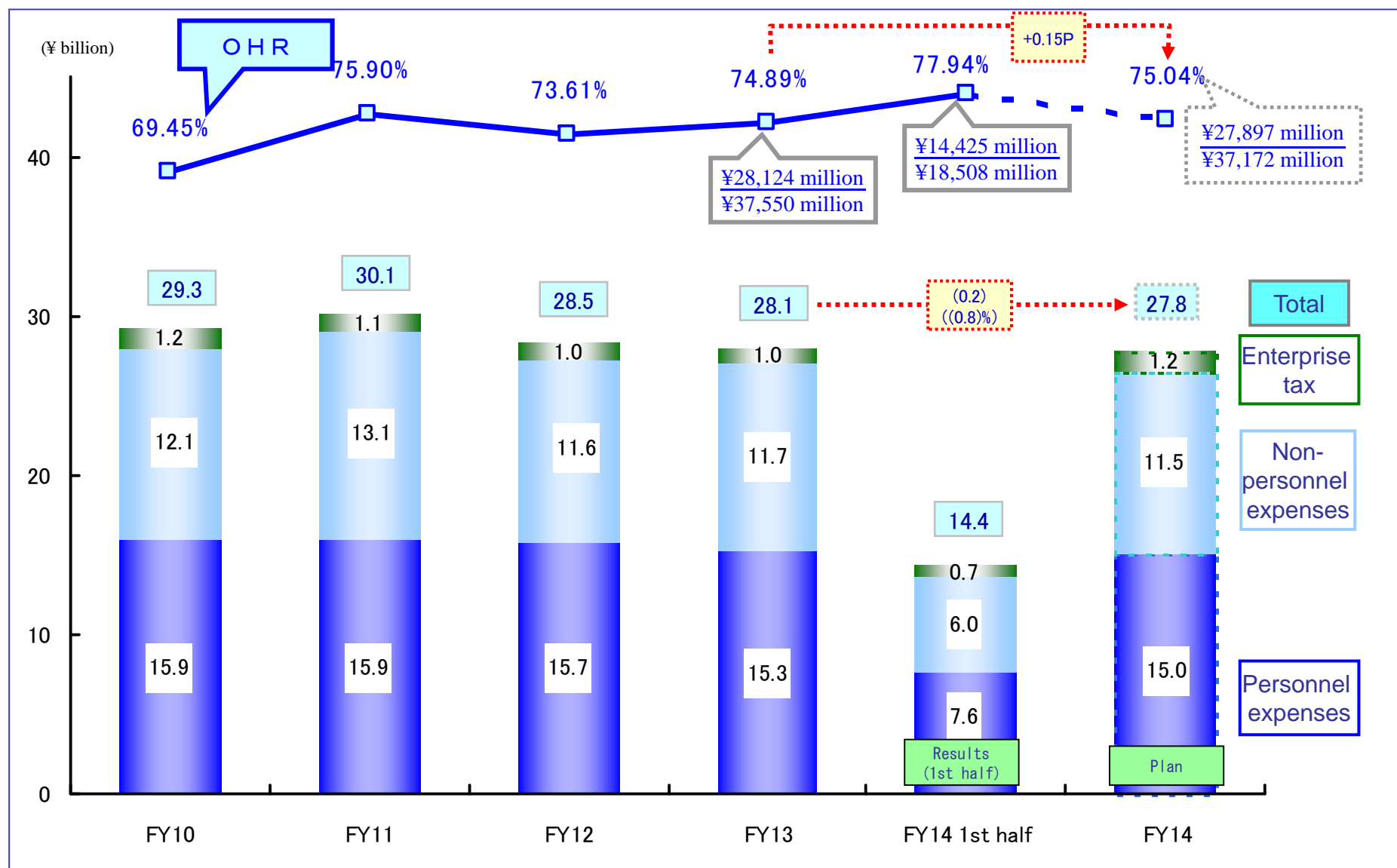
Sales for Investment Trusts, Life Insurance Products and JGBs



Commissions for Sales of Investment Trusts, Life Insurance Products and JGBs Held by Individuals



Operating Expenses and OHR



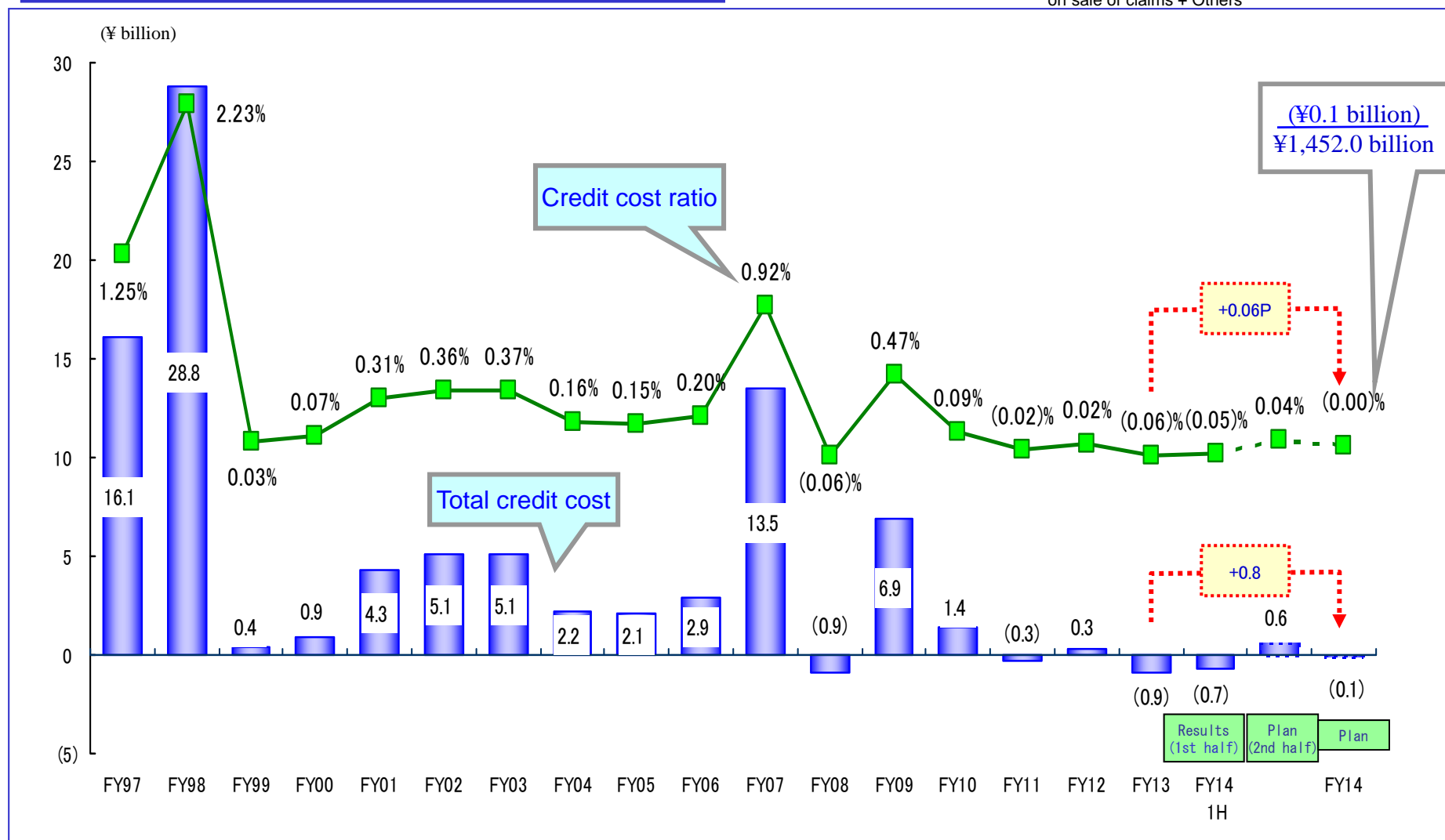
*OHR=Operating expenses / Gross banking profit on core operations

Credit Cost

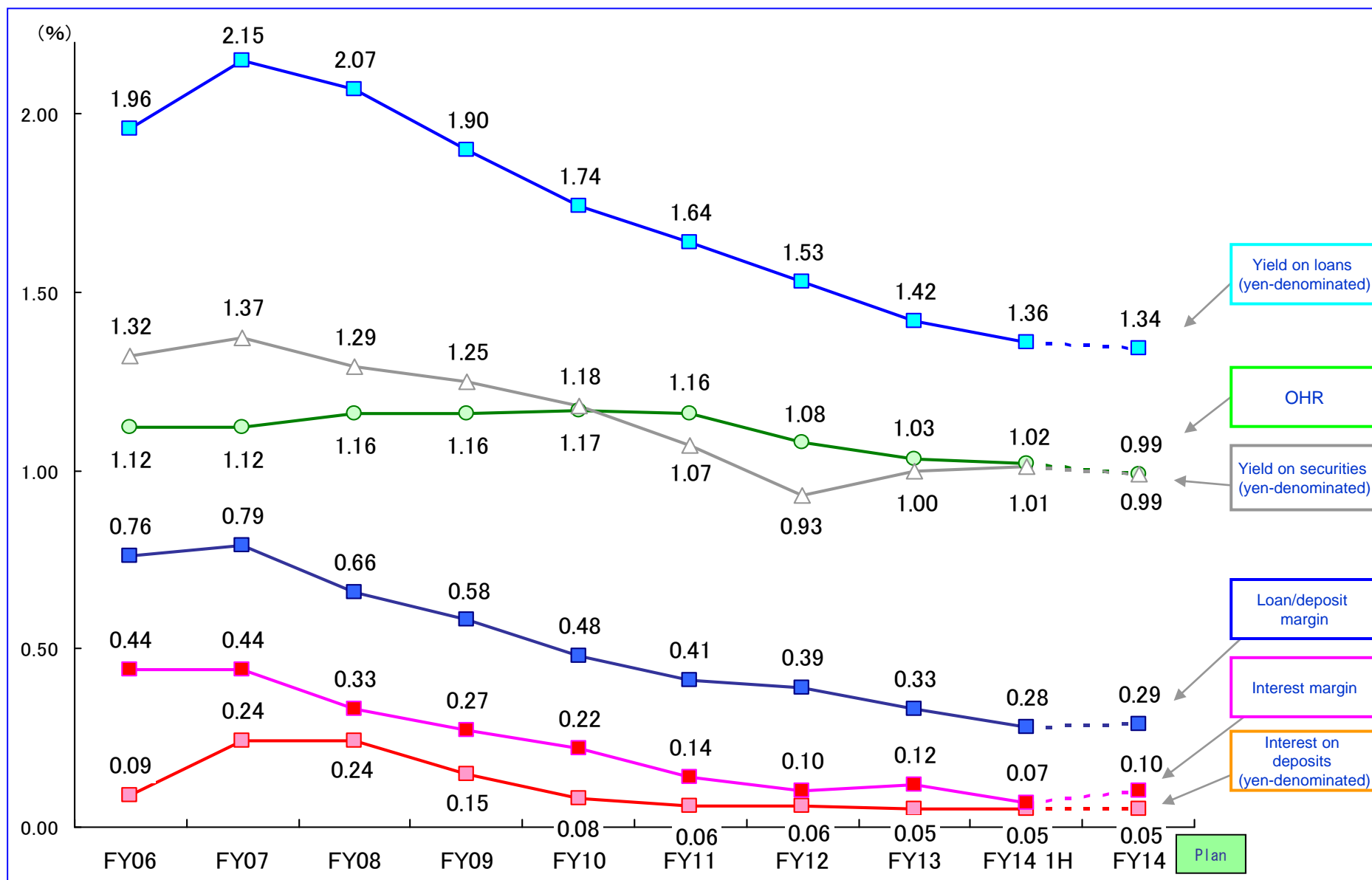
Total Credit Cost and Credit Cost Ratio

Credit cost ratio = Total credit cost / Average loan balance

Total credit cost = General provision to loan loss reserve + Provisions to specific loan loss reserve + Loans written-off + Loss on sale of claims + Others

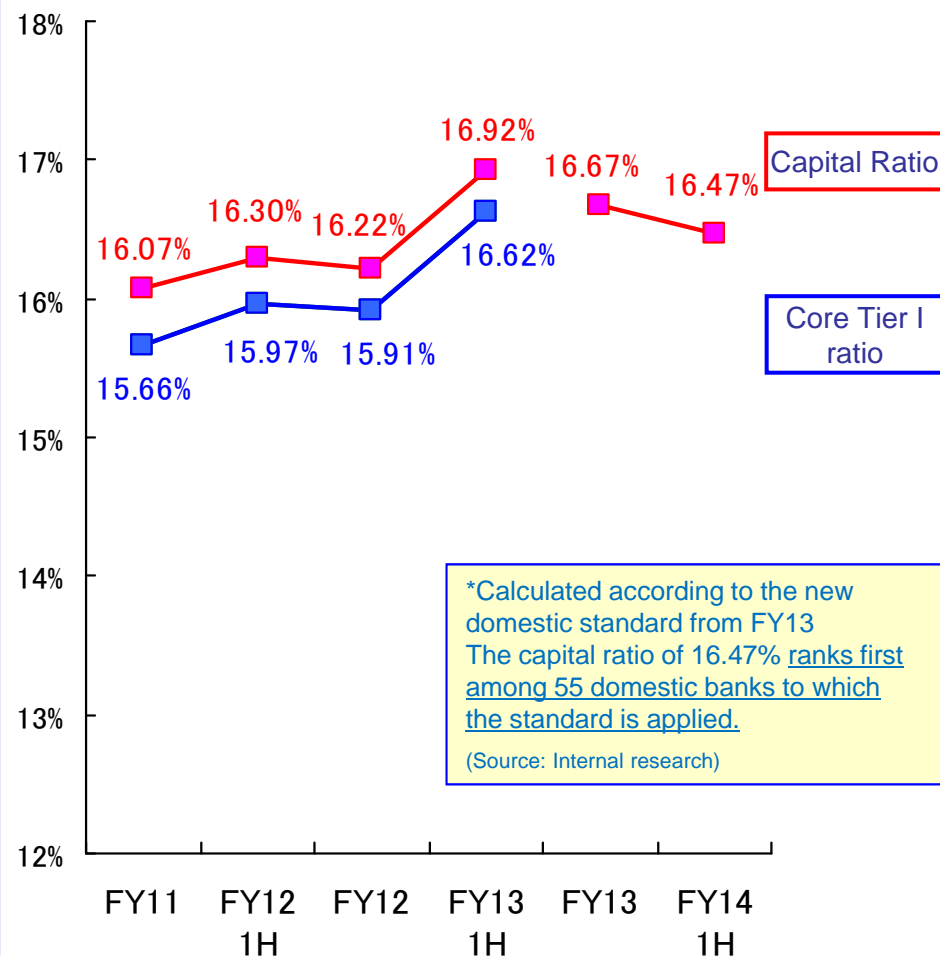


Yields & Interest Margins



Capital Ratio (Non-Consolidated Basis)

Changes in equity ratio



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

Breakdown of Regulatory Capital

	FY13 (1st half)	(¥ billion)	
		FY13	FY14 (1st half)
Tier I	155.8		
Core Tier I capital	155.8		
Net deferred tax assets	—		
Preferred stock / preferred investment certificates	—		
Tier II	2.8		
General provision to loan loss	2.8		
Deductions	—		
Regulatory capital	158.7	161.0	163.1
Risk-weighted assets	937.9	965.8	990.6

Risk-weighted Assets Methods Employed	
Credit risk	Standardized Approach (SA)
Operational risk	Basel II Standardized Approach (TSA)

Return to Shareholders

Basic Dividend Policy

Work toward increasing the level of internal reserves required to maintain sound management while at the same time providing for the stable payment of dividends.

Trends in Dividend Payment

Paid 70th Anniversary Commemorative dividend of ¥1.00 (interim ¥3.5, year-end ¥3.5)

Dividend increase of ¥0.5 (interim ¥3.0, year-end ¥3.5)

	FY09	FY10	FY11	FY12	FY13	FY14 (forecast)
Dividend per share (annual)	¥6.00	¥6.00	¥7.00	¥6.00	¥6.50	¥6.50
Period-end share price	¥411	¥404	¥368	¥429	¥466	—
Dividend yield	1.45%	1.48%	1.90%	1.39%	1.39%	—

Return to Shareholders

Acquired 1,793 thousand shares, equivalent to ¥638 mn, on May 27, 2010

Acquired 1,906 thousand shares, equivalent to ¥795 mn between Dec. 2010 and Mar. 2011

Acquired 2,079 thousand shares, equivalent to ¥644 mn, on Dec. 26, 2011

Acquired 2,600 thousand shares, equivalent to ¥989 mn between Feb. 2013 and Mar. 2013

Acquired 550 thousand shares in April 2013 and 1,378 thousand shares in Feb. 2014

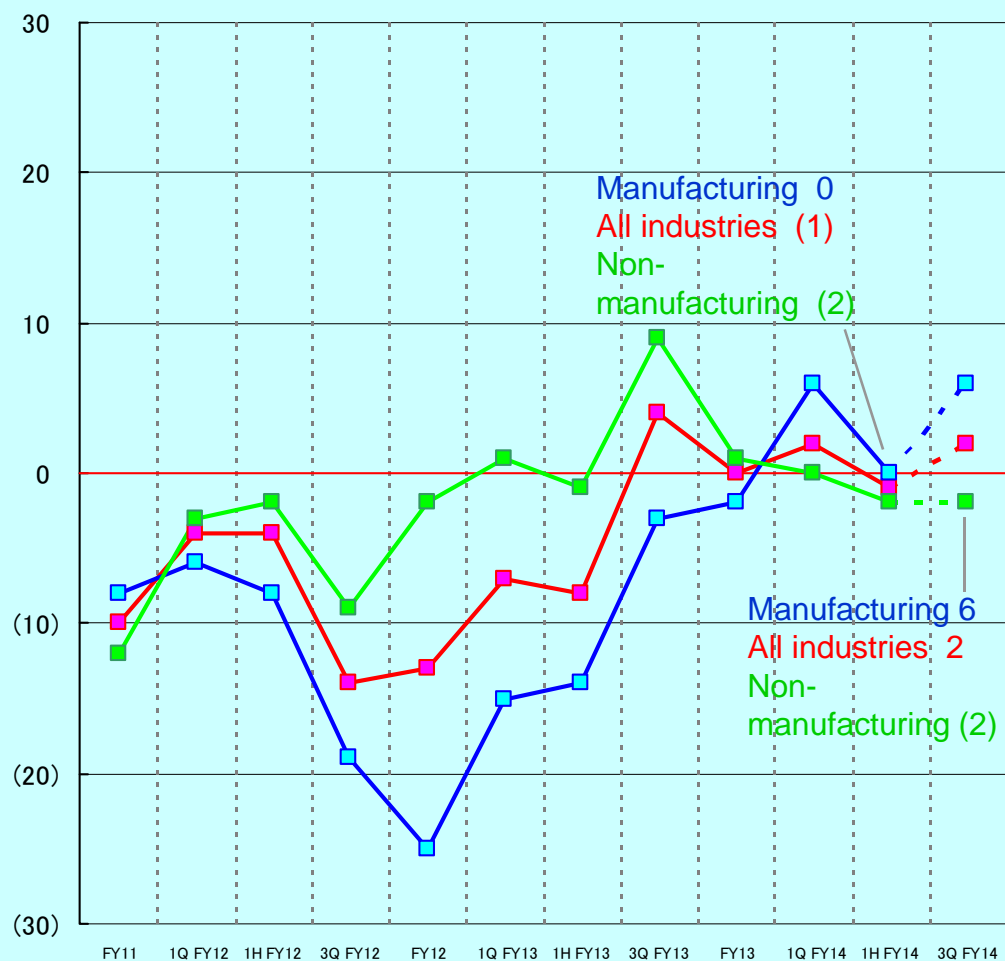
(¥ million)	FY09	FY10	FY11	FY12	FY13	FY14 (forecast)
Annual dividend (1)	1,105	1,089	1,256	1,062	1,134	1,095
Treasury stock acquired (2)	—	1,433	644	989	835	—
Return to shareholders (3)=(1)+(2)	1,105	2,522	1,901	2,052	1,970	1,095
Net income (non-consolidated) (4)	2,744	3,861	6,965	5,870	7,898	6,200
Dividend payout ratio (1)/(4)×100	40.28%	28.34%	18.08%	18.22%	14.42%	17.66%
Shareholder return ratio (3)/(4)×100	40.28%	65.32%	27.29%	34.95%	24.94%	17.66%

(Note) Calculated in yen and rounded down

II Economic Trends in Yamanashi Prefecture

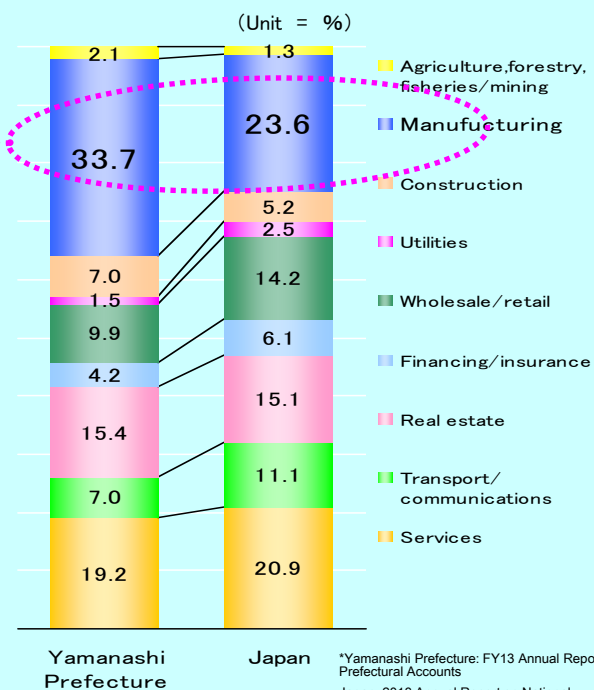
Business Trends

Diffusion Index for Yamanashi Prefecture (BOJ's Tankan Survey)

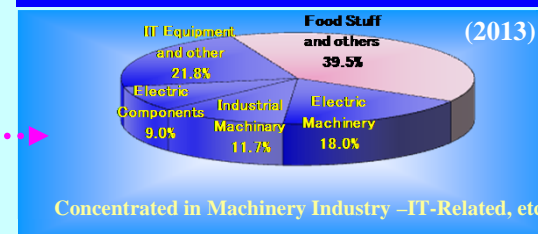


(Bank of Japan, Kofu Branch)

Gross Production by Economic Activity (Industrial Sector = 100)



Percentage of Shipments of Products Manufactured in Yamanashi Prefecture



Yamanashi Prefecture industrial statistics survey results

Yamanashi Prefecture Economic Topics



Topics	Effects on Yamanashi Prefecture	The Bank's Initiatives for Economic Revitalization for Yamanashi Prefecture
June 2013 Mt. Fuji designated as a World Heritage Site	Increase in tourists (Foreign lodgers of the first half to two times the same period last year)	<ul style="list-style-type: none"> - Meeting demand for funds from tourist sites and facilities - Meeting demand for currency conversion from foreign tourists
September 2013 Tokyo named as the host of the 2020 Olympic/Paralympic Games	Increase in tourists visiting Yamanashi Prefecture Possibility as a camping destination	<ul style="list-style-type: none"> - Meeting demand for funds from tourist destinations and facilities, and camping sites
April 2014 Start of broadcasting of NHK morning drama series, <i>Hanako to Anne</i>	Increase in tourists	<ul style="list-style-type: none"> - Meeting demand for funds from tourist destinations and facilities
November 2014 Maglev Chuo Shinkansen construction approval	Progress developing areas surrounding stations (such as new housing areas)	<ul style="list-style-type: none"> - Meeting demand for funds for the development of areas surrounding stations - Provision of loans to those who intend to move to Yamanashi Prefecture - Cooperation with the Yamanashi prefectural government to increase the resident population
July 2013 "Yamanashi" wine designated by the National Tax Agency as a geographical indication	Increased interest in wine using Koshu grapes in Europe and Southeast Asia	<ul style="list-style-type: none"> - Strengthening of support for exports (such as exhibitions at overseas conferences and cooperation with foreign partner banks) - Continual dispatch of Bank staff to wineries => improving the capability of making good judgment and meeting demand for funds

Local Industries in Yamanashi Prefecture

Wine

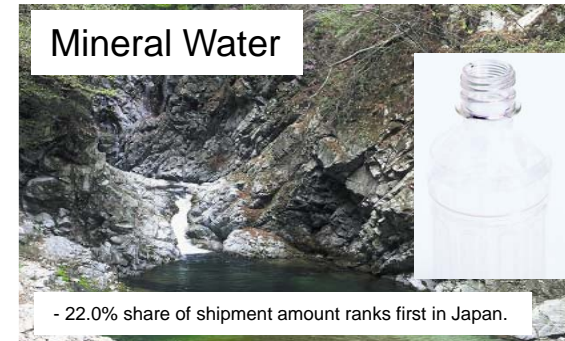


- 22.3% share of shipment amount ranks second in Japan.
- "Yamanashi" wine designated as an indication (National Tax Agency)

Sake



Mineral Water



- 22.0% share of shipment amount ranks first in Japan.

Fruits



- Harvest of grapes, peaches and Japanese plums ranks first in Japan

Jewelry



- 28.4% share of shipment amount ranks first in Japan.

Silk Fabric



- Shipment amount of ties ranks fourth in Japan.
- Shipment amount of scarves and mufflers ranks sixth in Japan.
- Shipment amount of down quilts ranks first in Japan.

Knit Products



Inden Leather



Traditional Japanese Paper



- Shipment amount of shoji paper and calligraphy paper ranks second in Japan.
- Shipment amount of Japanese handmade paper ranks sixth in Japan.

*Source: 2012 Economic Census, 2012 Census of Manufacturer, 2013 Census of Crops

Preparations for High-Speed Transportation Network

Expected Effects: Increase in tourists from Kansai region, growth in opportunities receiving orders and increase in residents due to expanded scope of commuting to Greater Tokyo

Maglev Chuo Shinkansen Line

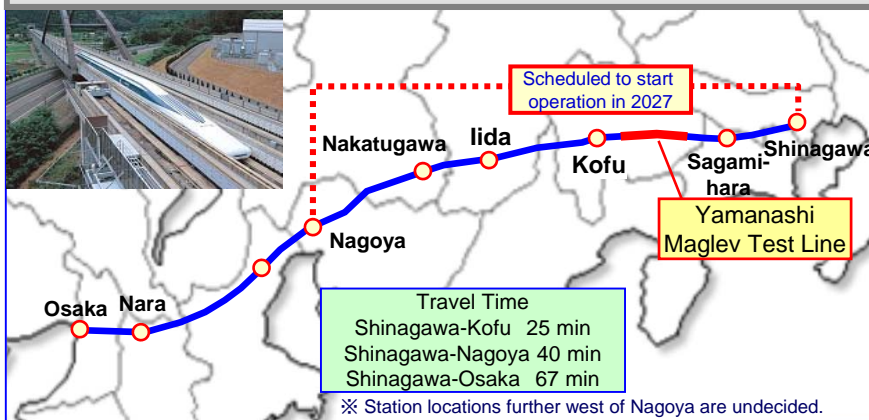
Maglev Test Line extension work completed

- Full-scale test runs resumed on Aug. 29, 2013

Maglev Chuo Shinkansen Line

- Route and train station location details decided on Sep. 18, 2013
- October 17, 2014: Minister of Land, Infrastructure, Transport and Tourism approved the start of construction, with opening planned for 2027
- ⇒ Request for certain segments to enter service by the start of the 2020 Tokyo Olympic Games

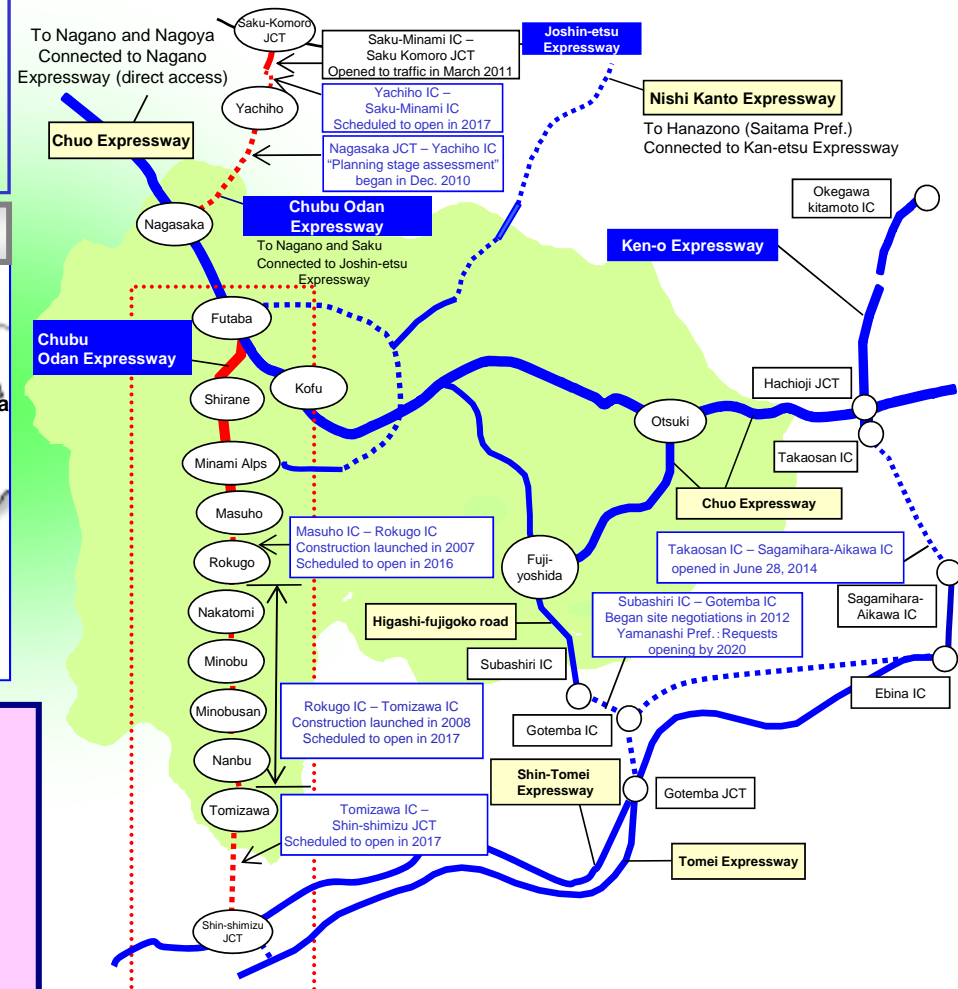
Map of Maglev Chuo Shinkansen Line Route



★ Boost collaboration with Yamanashi Living Assistance Center (established by the Yamanashi prefectural government in Yurakucho, Tokyo in June 2013)

★ Offer housing loans to those purchasing subdivisions (sale of 171 lots commenced in July 2013) near train stations along the Maglev Chuo Shinkansen Line, known as Asahi Linear Town

Chubu Odan Expressway



III Medium-Term Management Plan “Best Bank Plan 2016” Progress Report

Medium-Term Management Plan “Best Bank Plan 2016” Outline

Medium-Term Management Plan “Best Bank Plan 2016” (Plan duration: April 2013 to March 2016)

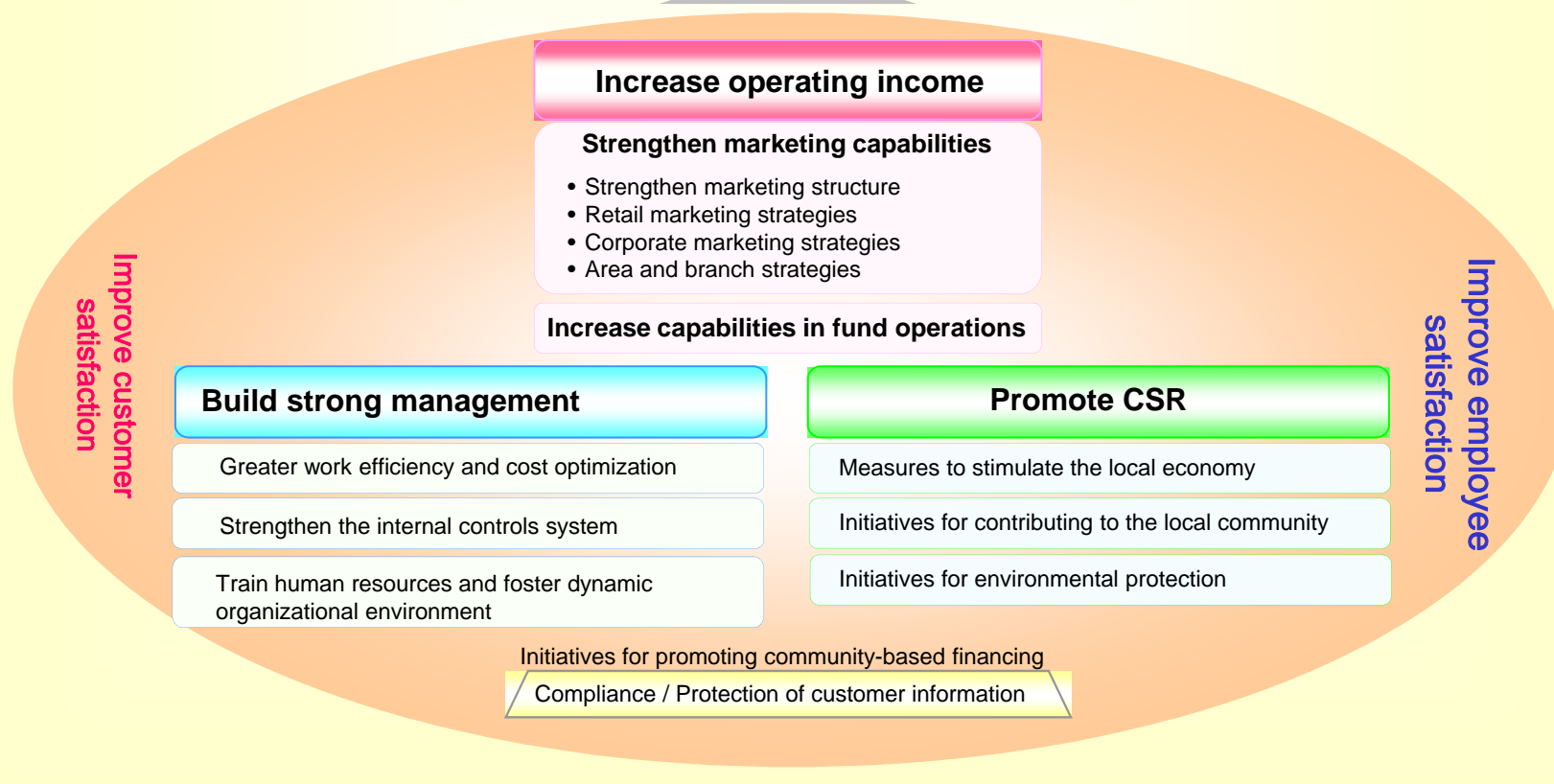
Our Mission: Region-Based Operations and Sound Management

Management Vision

A bank that satisfies customers and earns their unwavering trust

Slogan

Becoming the No.1 Regional Bank for Customer and Employee Satisfaction



Operating income = gross banking profit [interest income + fees and commissions + other operating income (including JGBs and other bond transactions)]

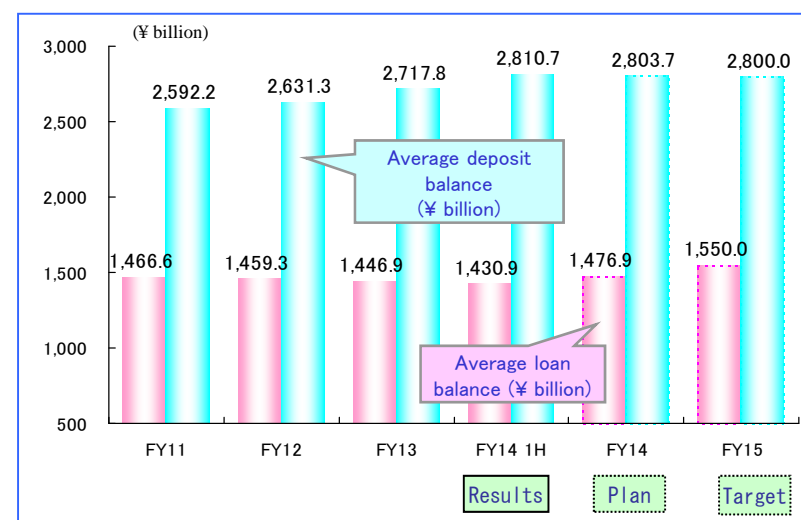
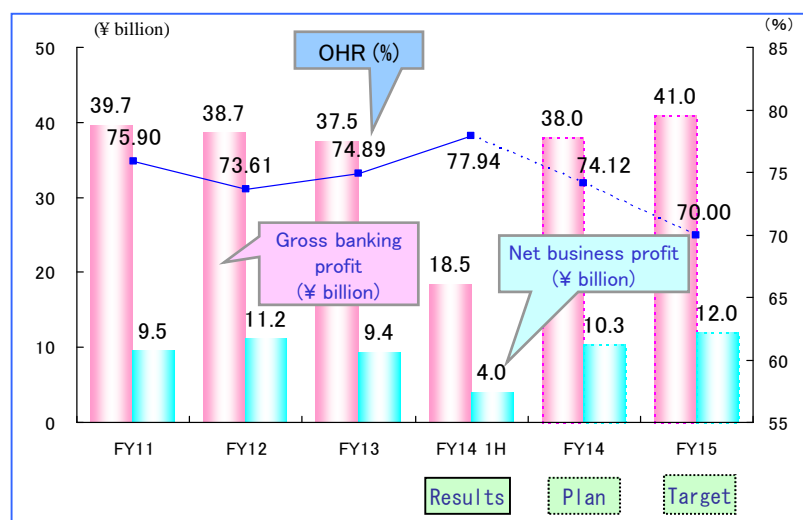
Medium-Term Management Plan “Best Bank Plan 2016”

Quantitative targets



(¥ billion)

Item	FY13 Results	FY14 1st half Results	vs. FY13 Results	FY14 Plan	Mid-Term Plan Target (FY15)
Gross banking profit	37.5	18.5	—	38.0	41.0
Net business profit	9.4	4.0	—	10.3	12.0
OHR (Operating expenses / Gross banking profit)	74.89%	77.94%	3.05P	74.12%	70% or under
Capital ratio (domestic standard)	16.67%	16.47%	(0.20)P	—	15% or above
Average loan balance	1,446.9	1,430.9	(16.0)	1,476.9	1,550.0
Average deposit balance	2,717.8	2,810.7	92.9	2,803.7	2,800.0



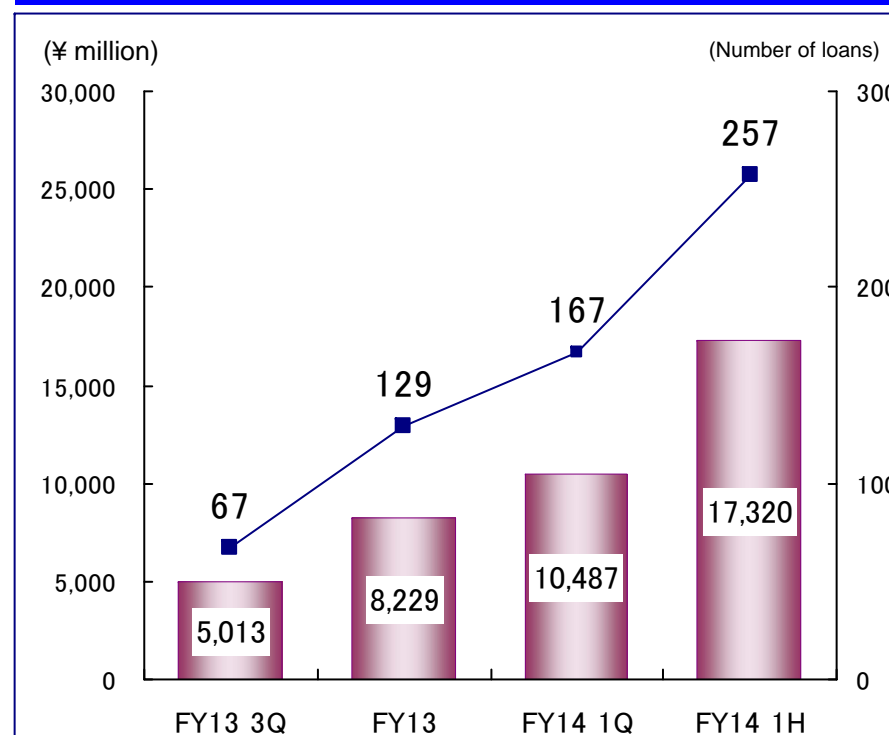
* “Full-year plan” for FY14 represents initial figures set forth in the Medium-term Management Plan. The latest planned figures are shown on pages 5-7 and page 11 of these presentation materials.

Promote targeting of core corporate customers in Yamanashi Prefecture

Implement promotion activities targeting core corporate customers in Yamanashi Prefecture through a joint effort by Head Office departments and branches

- Select targets such as corporate customers of a certain size that have established a solid industry position and customers with whom the Bank has a low share of business
- Solve issues faced by corporate customers and identify unmet needs by promoting collaboration between Head Office departments and branches
- Targeted customers: 702
Actual loans: 257 loans, ¥17.3 billion

Actual Loans from Promoting Targeting of Core Corporate Customers

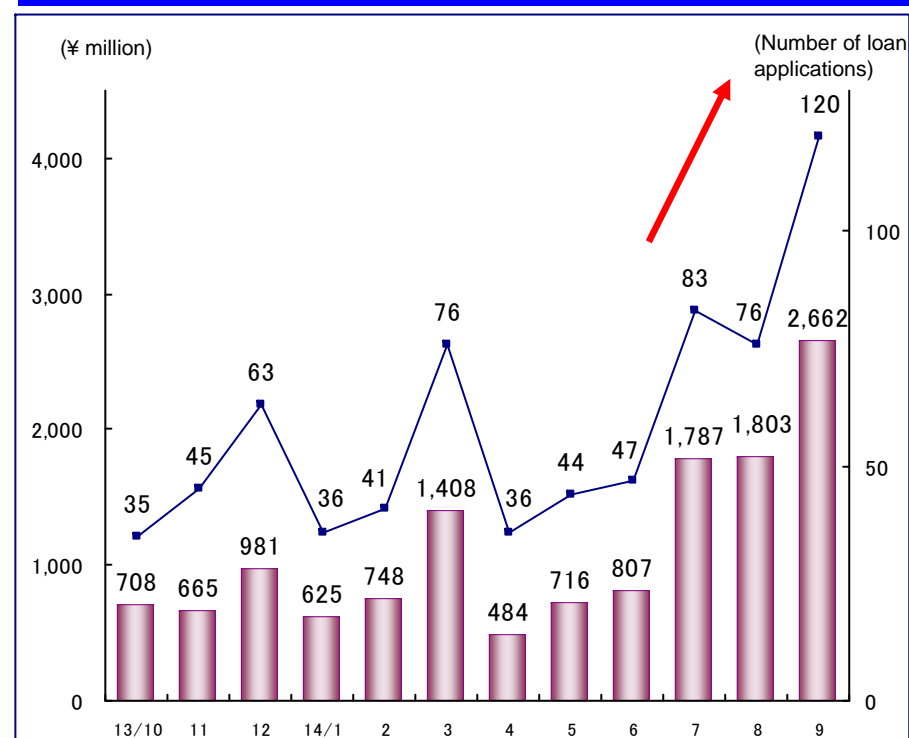


Strengthen Promotion of Growth Fields

Strengthen Promotion of Loan Business Centered on Growth Fields and Local Industries

- Support the management needs of corporate customers by fostering cooperation between Head Office department specialist staff and third-party organizations in fields such as healthcare, nursing care, environment, manufacturing, business succession, and international operations
- Utilize the Regional Revitalization Enhancement Fund, a loan product for growth fields

Number of Loan Applications and Loan Amount
for the Regional Revitalization Enhancement Fund



Loan Creation Staff

Establish a Constructive Lending Stance

■ Contribute to regional economic revitalization

- Consolidate knowhow in loan proposal creation and share throughout the Bank
- Foster good judgment capabilities and respond to new industries
- Provide practical instruction and training to branches

⇒ Hold seminars for loan creation (for Bank staff)

(Photovoltaic power generation projects, business succession,
use of subsidies, healthcare and nursing care fields)

Held 30 seminars, attended by 1,570 employees in total (Dec. 2013 - Oct. 2014)

Management Support Staff by Field

Efforts to Provide Highly Effective Management Support

■ Provide support by pooling the knowledge of Bank staff across organizational boundaries to address the diversifying and increasingly sophisticated management issues SMEs face

- Utilize the expertise of Bank staff transferred or dispatched to external companies (Staff with work experience in industries such as hotels and Japanese inns, wine, jewelry, inden leather, and knit products)
- Form consulting teams for each business project
- Collaborate with external experts

Management Support Loan “Jikkoryoku”

Full Support for Companies Receiving Management Support Through Loan Products

- Support the funding needs of corporate customers that have formulated business plans and are making self-initiated management improvements
 - Provide support based on simpler business plans than before while identifying the main points in cooperation with SME Business Rehabilitation Support Co-operative and Credit Guarantee Corporation
 - Provide preferential loan rates according to accomplishment of management plans (up to 1.0%)
 - These measures also contribute to the training of young Bank staff.

Mechanical and Electronic Engineering: Yamanashi Prefecture’s Leading Industry
How to Provide Solutions to Corporate Customers that Possess Excellent Master Craftsmanship Skills



Concluded business advisory agreements with former leaders of major manufacturers
Strengthen management consulting with Bank customers

Mr. Zenju Kazama

- Entered into agreement in 2001
- Former Senior Executive Vice President of Tokyo Electron Limited
- Former President of three U.S. joint venture companies of Tokyo Electron Limited
- Support for technology development and expansion of sales channels
- Strengths in providing support for founding companies, based on experience in starting up a company

Mr. Ryuji Kobayashi

- Entered into agreement in 2010
- Former Senior Executive Director of NISCA CORPORATION (major office equipment manufacturer in Yamanashi Prefecture)
- Technical advice, support for product development and sales channel creation
- Support in the fields of business administration and personnel training
- Strengths in providing support for entering overseas markets, based on experience in establishing an overseas subsidiary

(Accomplishments of both business advisors)

- Number of companies visited: over 560, Investment and financing (loans, private bond placements, etc.): over ¥13.5 billion
- Advised the Bank by offering expertise in supporting companies ⇒ Enhanced the judgment of Bank staff

Business Matching Through Various Business Conferences and Other Initiatives

Yamanashi Food Sector Business Matching Fair

- Held once yearly since 2006
- An exhibition and business conference to support the development and expansion of sales channels by providing food-related business operators with opportunities to hold business meetings with corporate buyers from within and outside Yamanashi Prefecture
- The Bank provides “detailed business talk scheduling,” an original system for arranging business meetings in advance to effectively conduct negotiations. The system has been commended highly for its “efficiency.”
- From 2013, the event has been held in the Shinjuku district of Tokyo for the purpose of expanding sales channels on a larger scale. The Bank has provided opportunities for customers to meet with new corporate buyers.

Meeting	Date	Venue	Number of exhibitors	Number of visitors	Number of business meetings	Number of successful deals
1	May 23, 2006	Apio Kofu	39	500	364	41
2	June 5, 2007	i-Messe Yamanashi	75	800	918	99
3	July 9, 2008	i-Messe Yamanashi	81	1,100	1,134	128
4	July 8, 2009	i-Messe Yamanashi	87	1,200	1,383	135
5	July 22, 2010	i-Messe Yamanashi	90	1,200	1,554	149
6	July 6, 2011	i-Messe Yamanashi	77	1,100	1,838	131
7	July 24, 2012	i-Messe Yamanashi	86	1,300	2,336	147
8	July 23, 2013	Keio Plaza Hotel (Shinjuku)	65	1,000	2,031	(As of Jan. 2014) 91
9	July 17, 2014	Keio Plaza Hotel (Shinjuku)	69	1,100	2,250	(As of Aug. 2014) 38

Yamanashi Food Business Liaison Conference

- Established in November 2006
- Aims to expand the business of members and create new businesses by forming an expansive organization spanning the food sector and providing opportunities for members to interact with one another
- There are currently 289 member organizations, including agriculture and livestock farmers, food processors and wholesalers, hotels, restaurants, and sellers of agricultural products
- Twenty events have been held so far, including lectures by experts, group discussions among members, and study tours of innovative sites
- The Liaison Conference has provided members with the opportunity to create new businesses. One example is the development of a business that operates a new buffet-style restaurant focused on vegetables grown in Yamanashi Prefecture, using the network established through the Liaison Conference.

Number of Registered Members and Liaison Conference Participants in the Past Three Years

	13th Meeting (May 27, 2011)	14th Meeting (Oct. 26, 2011)	15th Meeting (Feb. 24, 2012)	16th Meeting (Sep. 26, 2012)	17th Meeting (Mar. 1, 2013)	18th Meeting (Sep. 25, 2013)	19th Meeting (Feb. 27, 2014)	20th Meeting (Sep. 24, 2014)
Number of members (companies)	222	227	230	249	261	269	272	289
Number of participants (companies)	30	32	53	43	50	41	30	33
Number of participants (people)	37	36	72	77	81	65	46	43

Support for Agri-Business

Agri-Business School

- Opened in April 2011
- Aims to promote regional revitalization by creating new businesses and nurturing managers who possess the management ability and entrepreneurial spirit needed to promote new agri-business and the sixth industrialization
- Seminars are held 24 times a year in cooperation with Yamanashi Gakuin University, to ensure that students acquire the basic approaches needed to be a corporate agricultural manager, and obtain knowledge of finance, personnel development, distribution, production, marketing and other subjects.
- Students come from all stripes, including grape and peach producers, as well as the employees of companies that entered the vegetable plant management business from other industries, along with the employees of agricultural production corporations that seek to become independent.
- The Agri-Business School is extremely popular among students, with comments including “The seminars cover a wide range of topics closely linked to our worksites and are easy to understand,” and, “I was able to see the agri-business from new perspectives through discussions with students from other industries.”

	FY2011	FY2012	FY2013	FY2014
Number of students	33	56	53	44

Basic Policy I “Increase Operating Income”—Strengthen Marketing Capabilities— Corporate Marketing Strategy 10



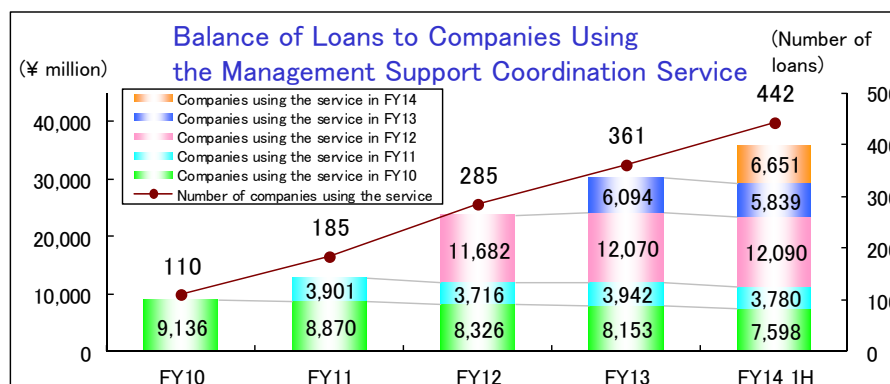
Strengthen the Solution Business

Management support coordination service

Support for the solution of management issues for customers through a one-stop service using the network of the Bank group and various institutions in industry, government and academia

◆ Support menu

Selection of external institutions • Proposal of support menu and utilization • Management consulting, business matching



Established the “Yamanashi New Business Support Investment Limited Partnership”

- Together with Yamanashi Prefecture, along with two chambers of commerce and one private-sector company in the prefecture, the Bank established and invested in a fund targeting investment in companies at the founding, startup, and initial growth phases.
- The fund will be managed by Group company Yamanashi Chugin Management Consulting Co., Ltd.

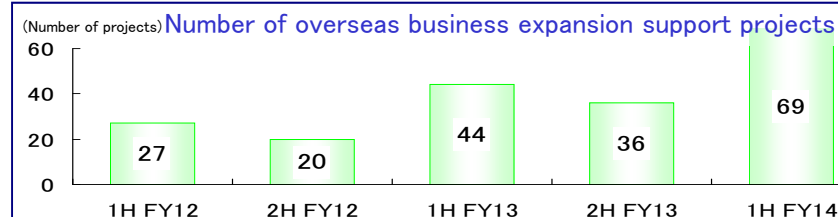
Assist and promote transactions with companies that want to expand overseas

Strengthen the customer support framework by expanding the overseas network

Expand customer support utilizing the overseas network, with efforts led by the Asia desk

◆ Business partner institutions

- Bangkok Bank (Thailand), Bank of Communications Co., Ltd. (China), Bank Negara Indonesia, Metropolitan Bank (Philippines), Vietcombank (Vietnam)
- Incorporated Administrative Agency, Nippon Export and Investment Insurance (NEXI), Tokio Marine & Nichido Fire Insurance Co., Ltd., Mitsui Sumitomo Insurance Company, Limited, Sampo Japan Insurance Inc.
- SECOM YAMANASHI Co., Ltd., SOHGO SECURITY SERVICES CO., LTD., Mitsubishi UFJ Lease & Finance Company Limited
- Daiwa Securities Co. Ltd. • NIPPON EXPRESS CO., LTD.
- MYTS Co., Ltd. (tax accountants' corporation)



【Projects Implemented】

- ◆ Held business meeting for the export of food from Yamanashi in Bangkok (May 2014)
Support for exports to Thailand for customers engaged in agriculture- and food-related businesses (10 companies)
- ◆ Jointly held the “Thai Economy Observation Mission” (Aug. 2014)
Conducted business development feasibility study in Thailand for customers (10 companies)
- ◆ Jointly held the FBC Shanghai 2014 (Japan-China Manufacturing Business Fair) (Sep. 2014)
Support for the development and expansion of sales channels in China for customers (10 companies)
- ◆ Held the Yamanashi Chugin Overseas Business Expansion Support Seminar in Hong Kong (Sep. 2014)

Basic Policy I “Increase Operating Income”—Strengthen Marketing Capabilities— —Retail Marketing Strategy —



■ Increase transactions over lifetime with segment-based strategy

Strengthen the promotion of personal loans and life planning

◎ Strengthen promotion of mortgage loans

- Strengthen efforts to capture demand for mortgage loans using our mortgage interest rate plan
- Promote business based on “household budget review” proposals

◎ Expansion of life insurance consulting business

- Stimulate demand for revising insurance protection by holding life plan seminars
- Strengthen cooperation between Loan Squares and branches

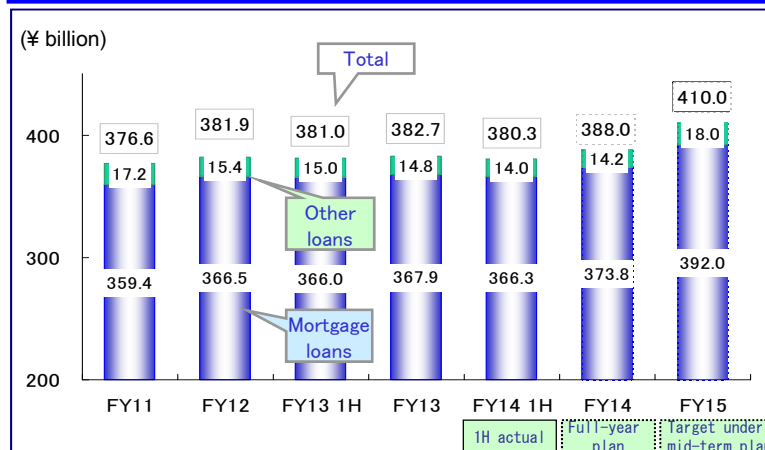
Strengthen consulting business centered on total assets business

◎ Proposal of business succession and inheritance measures for owners of companies and wealthy persons by asset inheritance advisors

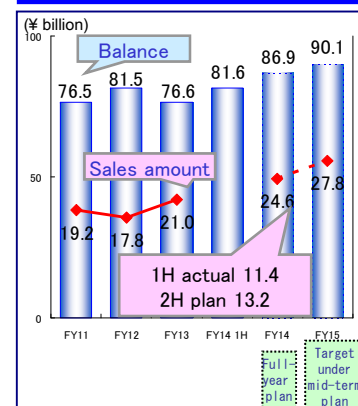
- Hold individual consultation meetings on asset succession (inheritance) at units of blocs
- Address diversifying needs for testamentary trusts and inheritance measures, etc.

◎ Increase the financial product balance

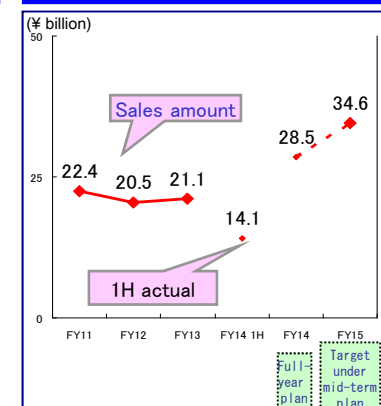
Target Individual Loan Balance (term-end)



Investment Trust Sales Amount and Balance



Life Insurance Sales Amount



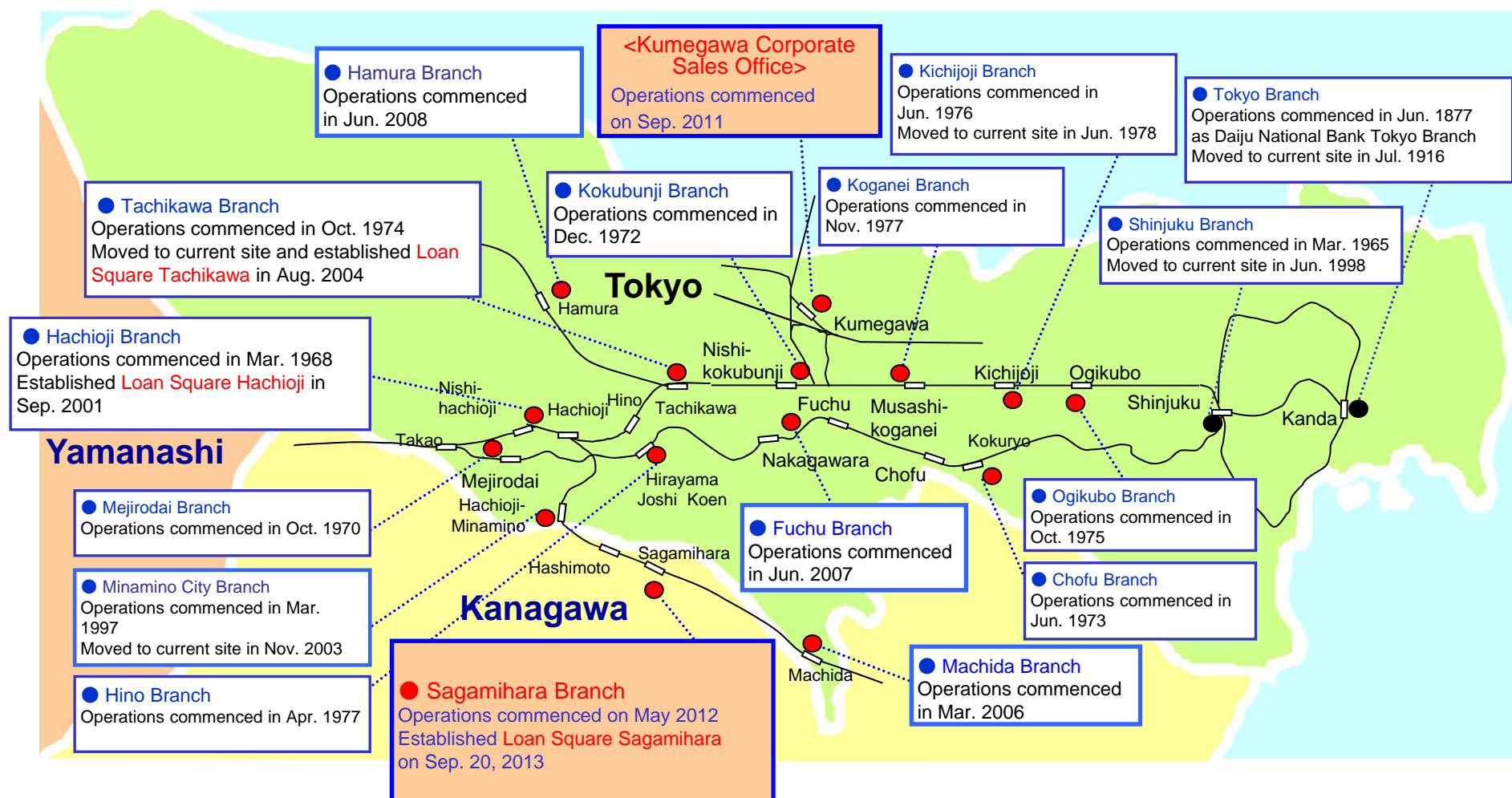
Basic Policy I “Increase Operating Income”—Strengthen Marketing Capabilities—

—Western Tokyo Bloc Strategy—Status of Expansion of Branches and Other Offices in the Western Tokyo Bloc



Office Network Expansion in the Western Tokyo Bloc

Since launch of Hachioji Branch in 1968,
the Bank has launched 14 branches and 1 corporate sales offices



Western Tokyo Area strategy

- Achieve greater profitability and efficiency exceeding that within Yamanashi Prefecture
- Expand marketing base multidimensionally

Western Tokyo Area Market Size

- No. of private companies: 170,000
(about 3.8 times more than in Yamanashi Prefecture)
- Population: 5,490,000
(about 6.5 times more than in Yamanashi Prefecture)
- Households: 2,550,000
(about 7.7 times more than in Yamanashi Prefecture)
- Western Tokyo Area includes the suburban cities, Nishitama County, and Suginami Ward of Metropolitan Tokyo, and Sagami-hara City in Kanagawa Prefecture
(Source: Number of private companies as of 2012 “Economic Census”, population and households as of Oct. 2014 “Estimated Population”)

- Sales operation in the area since 1968
- Current network of 14 branches and one corporate sales office

Further expansion of sales bases

Increase of loans and commissioned sales staff
Increase of 28 persons from Oct. 2012 (as of Oct. 2014)
Scheduled to increase staff by 32 employees by March 2015

Promotion of Transactions with Individual and Corporate Customers

- Promote transactions in collaboration with Furusato Yamanashi Linkage 200

- Targets approached Approx. 1,100 customers
- Existing points of contact 709 (as of Sep. 31, 2014)
- Performance from May 2012 to Sep. 2014
New customers 55 Amount of new loans ¥5.5 billion
Increase in balance of loans among existing customers 45
Amount of increase ¥6.6 billion

- Strengthen business succession and inheritance consulting business to company owners and others

- Expand consulting business by asset inheritance advisors
- Enhance inheritance-related services through a business alliance with Asahi Chuo
- Strengthen sales of corporate insurance
- Strengthen consulting-based marketing capabilities through external and internal training sessions

Ratio of Loan Balance Occupied by SMEs and Other Individuals (As of the end of September 2014)

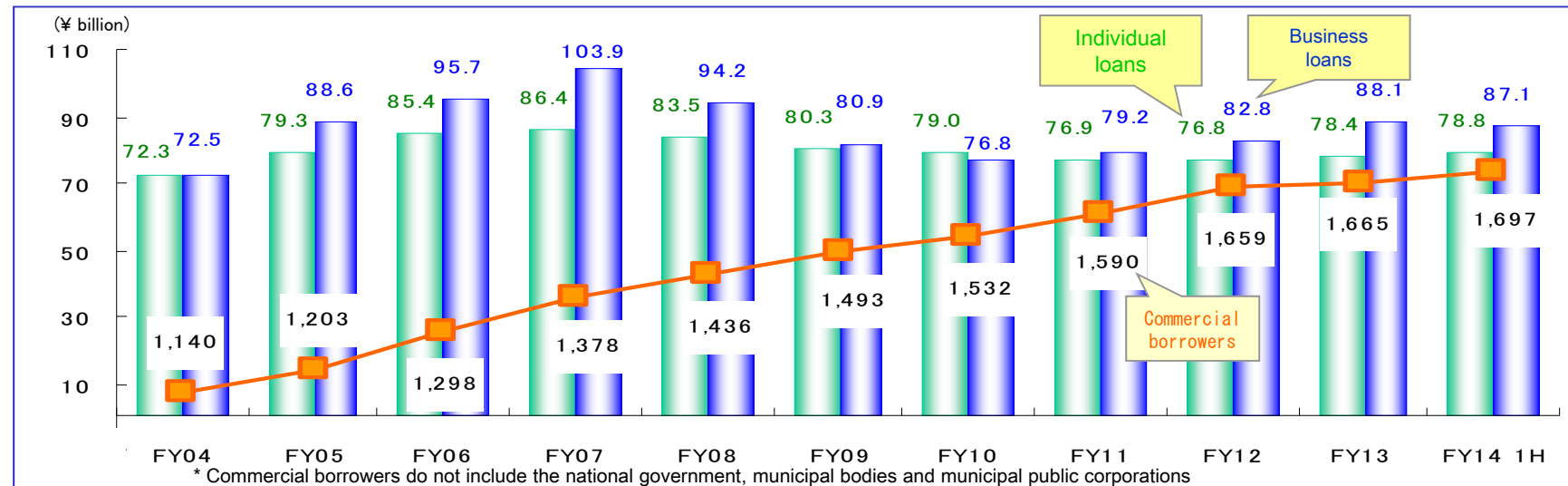
	SMEs	Other Individuals	Total
Western Tokyo Area	47.3%	45.3%	92.6%
Yamanashi Prefecture	32.6%	36.5%	69.1%

Basic Policy I “Increase Operating Income”—Strengthen Marketing Capabilities—

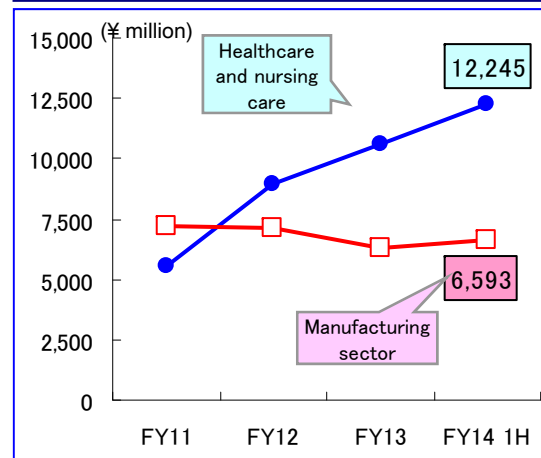
—Western Tokyo Bloc Strategy—Trend in Key Performance Indicators for the Western Tokyo Bloc



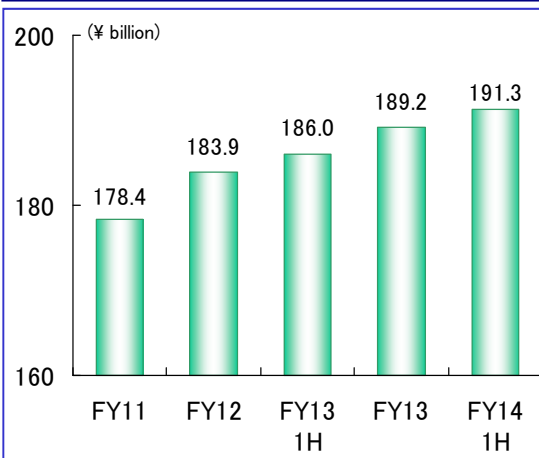
Loan (average balance) and Number of Commercial Borrowers



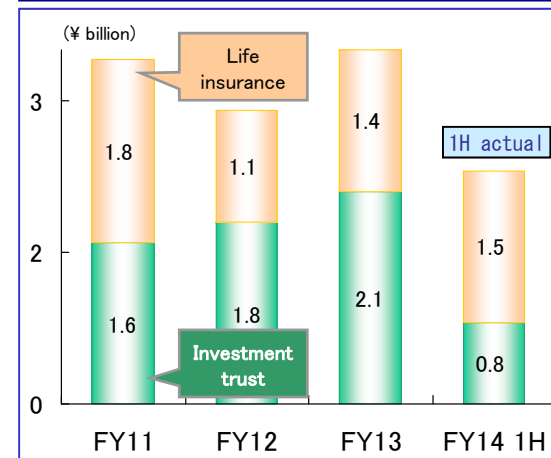
Term-end balance of loans to the healthcare and nursing care fields, and manufacturing sector



Individual deposit balance (term-end)



Investment trust and life insurance sales amounts



* Loans to the manufacturing sector represent loans to SMEs.

Thank you for attending our analyst meeting. If you have any further questions, please do not hesitate to contact us at the following telephone number, email address or website.

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