



The Yamanashi Chuo Bank, Ltd. The 28th Analyst Meeting

- **Fiscal 2014 Business Results**
- **Forecasts for the Current Term (FY2015)**
 - **Medium-Term Management Plan**

**“Best Bank Plan 2016” Progress Report
and Priority Measures for Final Fiscal Year (FY2015)**

June 3, 2015 (Wed)

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■ Profile (as of March 31, 2015)

- Predecessor Founded: April 1877
- Established: December 1941
- Head Office: 20-8, Marunouchi 1-Chome, Kofu, Yamanashi
- Common Stock: ¥15,400 million
- Employees: 1,675
- 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 Business Results and Forecasts for the Current Term (FY2015)

Fiscal 2014 Business Results (summary)



(¥ billion, %)	FY3/14	FY3/15	YoY change [%]
Operating income	45.0	45.4	0.4 [1.0]
Gross banking profit	37.5	38.0	0.5 [1.2]
Interest income	32.7	33.3	0.6 [1.6]
Fees and commissions	4.2	4.6	0.4 [7.1]
Other operating income	0.2	0.1	(0.1) [(50.2)]
Gross banking profit on core operations	37.2	38.0	0.8 [2.0]
JGBs and other bond transactions	0.2	0.0	(0.2) [(96.4)]
Expenses	28.1	27.9	(0.2) [(0.5)]
General provision to loan loss reserve	—	—	— [—]
Net business profit	9.4	10.0	0.6 [6.5]
Net business profit on core operations	9.1	10.0	0.9 [9.7]
Non-operating losses	2.1	2.4	0.3 [17.7]
Gains on reversal of provision to loan loss reserve	1.1	1.5	0.4 [39.8]
Reversal of loan loss reserve	0.1	0.0	(0.1) [(64.7)]
Equity share and similar transactions	0.7	1.0	0.3 [39.6]
Ordinary profits	11.5	12.5	1.0 [8.6]
Extraordinary income (losses)	(0.3)	(0.4)	(0.1) [(23.0)]
Income before income taxes	11.2	12.1	0.9 [8.2]
Income taxes - basic	2.5	2.8	0.3 [11.7]
Income taxes - deferred	0.7	1.0	0.3 [44.0]
Net income	7.8	8.2	0.4 [3.8]

(¥ billion, %)	FY3/15	YoY change [%]	Balance	Yield
Fund operations	35.0	0.5 [1.5]	1.0	(0.4)
Interest on loans	19.3	(1.2) [(6.1)]	0.0	(1.2)
Interest on securities	15.4	1.7 [12.3]	0.2	1.4
Call loan, etc.	0.2	0.0 [58.1]	0.1	(0.0)
Fund procurement	1.7	(0.0) [(1.3)]	0.0	(0.0)
Interest on deposits	1.6	(0.0) [(1.2)]	0.0	(0.0)
Call money, etc.	0.1	(0.0) [(2.9)]	(0.0)	0.0
Interest income	33.3	0.6 [1.6]	—	—

(¥ billion)	FY3/15	YoY change
Revenues	6.9	0.4
Investment trusts	0.9	0.1
JGBs held by individuals	0.0	(0.0)
Life insurance	0.6	0.2
Others	5.3	0.1
Cost	2.3	0.0
Fees and commissions	4.6	0.4

(¥ billion)	FY3/15	YoY change
Personnel	15.1	(0.2)
Premises and equipment	11.5	(0.1)
Taxes	1.2	0.2
Expenses	27.9	(0.2)

Earnings Forecasts for the Current Term (FY 2015)



(¥ billion, %)	FY3/15	FY3/16 (forecast)	YoY change [%]
Operating income	45.4	42.9	(2.5) [(5.6)]
Gross banking profit	38.0	38.0	0.0 [0.1]
Interest income	33.3	33.3	0.0 [0.0]
Fees and commissions	4.6	4.9	0.3 [6.9]
Other operating income	0.1	(0.1)	(0.2) [(245.7)]
Gross banking profit on core operations	38.0	38.0	0.0 [0.0]
JGBs and other bond transactions	0.0	0.0	(0.0) [(100.0)]
Expenses	27.9	27.8	(0.1) [(0.3)]
General provision to loan loss reserve	—	(0.3)	(0.3) [—]
Net business profit	10.0	10.5	0.4 [4.9]
Net business profit on core operations	10.0	10.2	0.2 [1.6]
Non-operating losses	2.4	(1.4)	(3.9) [(157.5)]
NPL disposal amount	0.0	1.4	1.3 [2,846.9]
Equity share and similar transactions	1.0	0.0	(1.0) [(100.0)]
Ordinary profits	12.5	9.1	(3.4) [(27.4)]
Net income	8.2	6.1	(2.1) [(25.6)]

Dividends		FY14	FY15 (plan)	FY16 (plan)
	Dividend per share (annual)	¥6.50	¥7.00	¥7.00

	End of FY3/15	End of FY3/16 (estimate)
Nikkei Stock Average	¥19,206	¥19,206

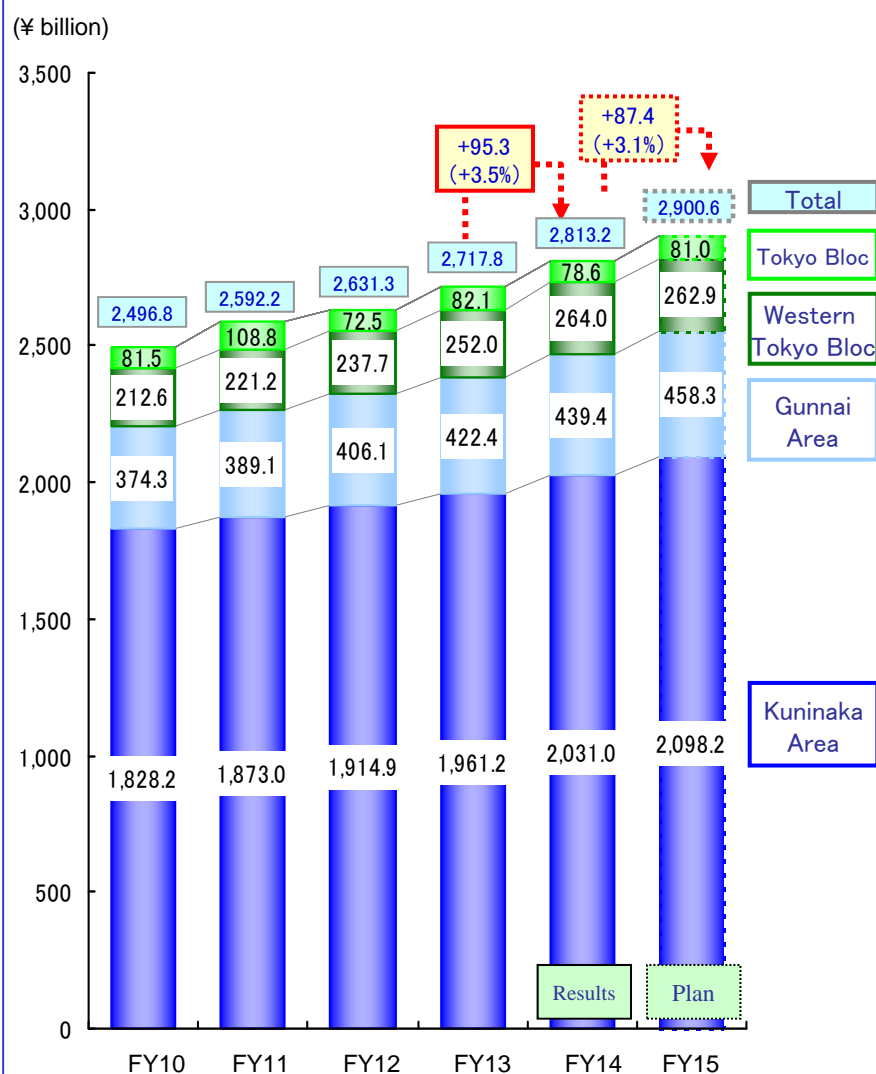
(¥ billion, %)	FY3/16 (forecast)	YoY change [%]	Balance	Yield
Fund operations	35.1	0.1 [0.2]	1.1	(1.0)
Interest on loans	19.0	(0.2) [(1.2)]	0.5	(0.8)
Interest on securities	15.8	0.4 [2.6]	0.6	(0.2)
Call loan, etc.	0.2	(0.0) [(21.2)]	(0.0)	(0.0)
Fund procurement	1.8	0.0 [4.3]	0.0	0.0
Interest on deposits	1.6	0.0 [1.6]	0.0	(0.0)
Call money, etc.	0.1	0.0 [35.2]	0.0	0.0
Interest income	33.3	0.0 [0.0]	—	—

(¥ billion)	FY3/16 (forecast)	YoY change
Revenues	7.2	0.3
Investment trusts	1.0	0.1
JGBs for individual investors	0.0	0.0
Life insurance	0.8	0.2
Others	5.2	(0.1)
Cost	2.3	0.0
Fees and commissions	4.9	0.3

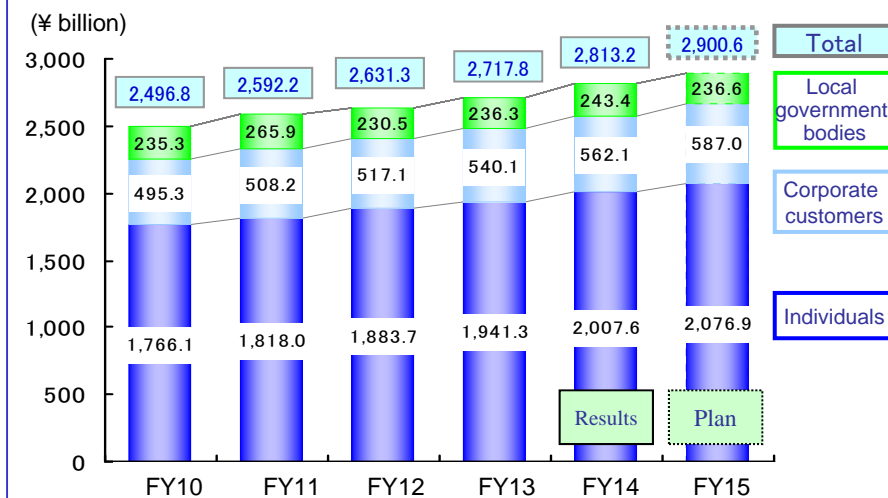
(¥ billion)	FY3/16 (forecast)	YoY change
Personnel	15.1	(0.0)
Premises and equipment	11.4	(0.1)
Taxes	1.3	0.0
Expenses	27.8	(0.1)

Deposits

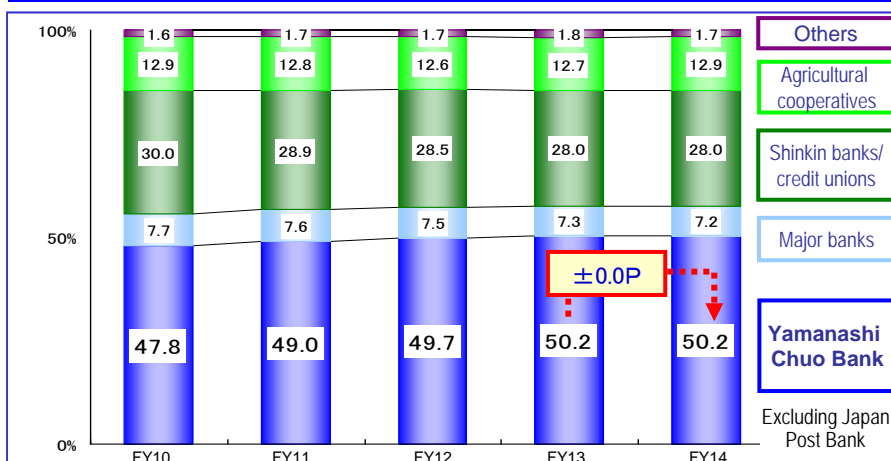
Deposit (average balance)



Balance by Customer Segment (average balance)

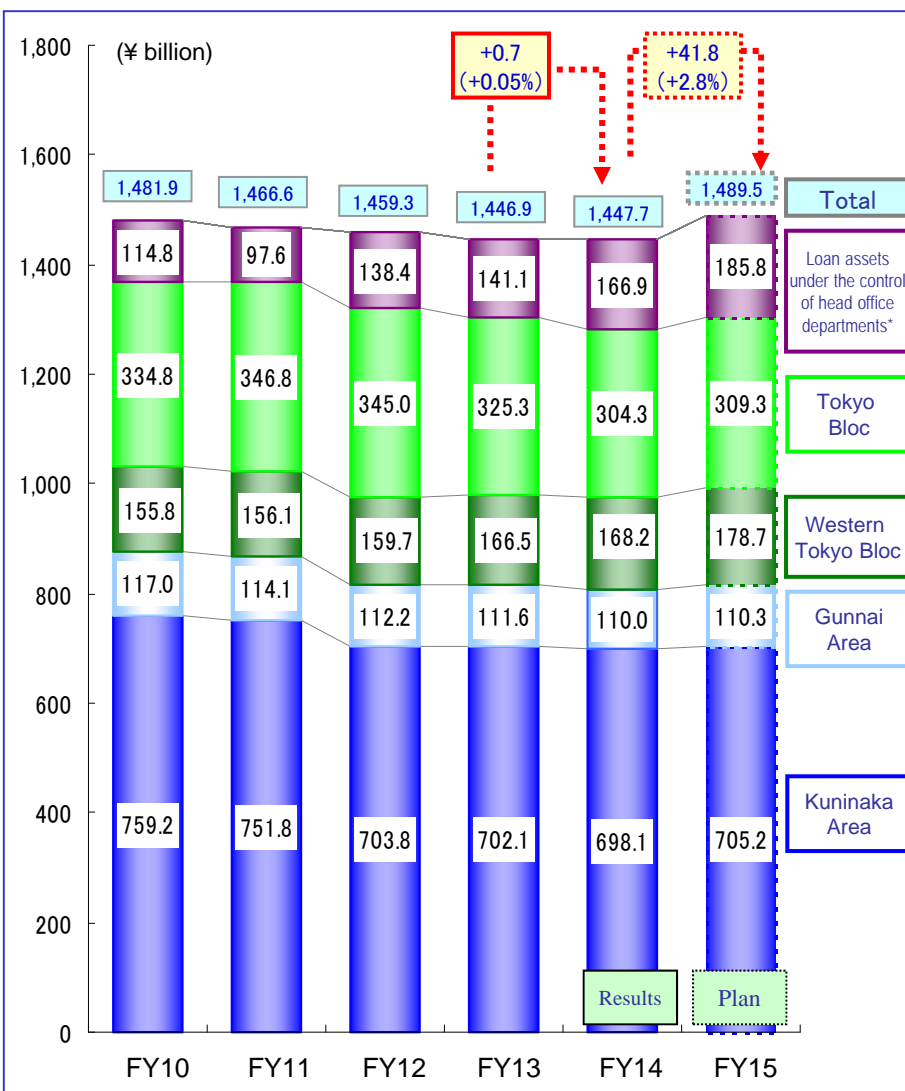


Deposit Shares in Yamanashi Prefecture (term-end)

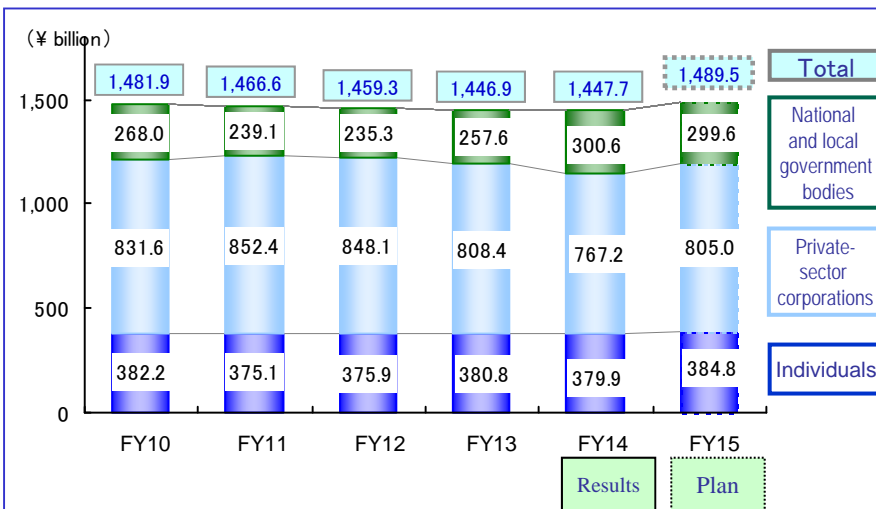


Loans(1)

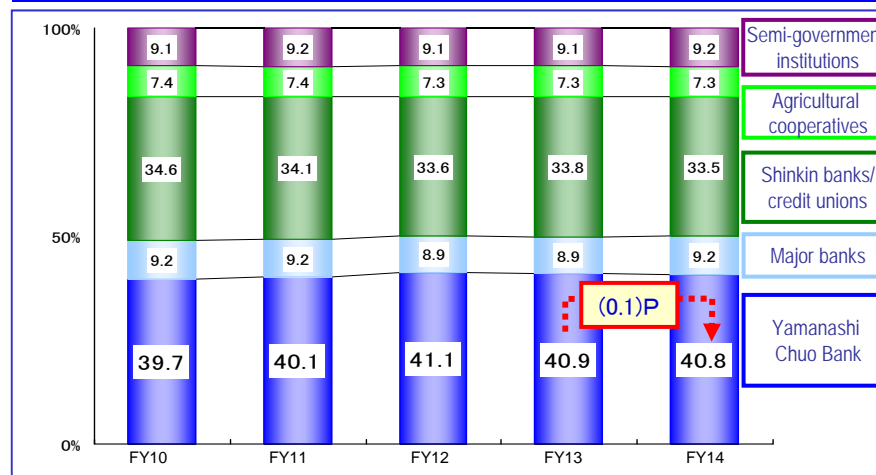
Loan (average balance)



Balance by Customer Segment (average balance)

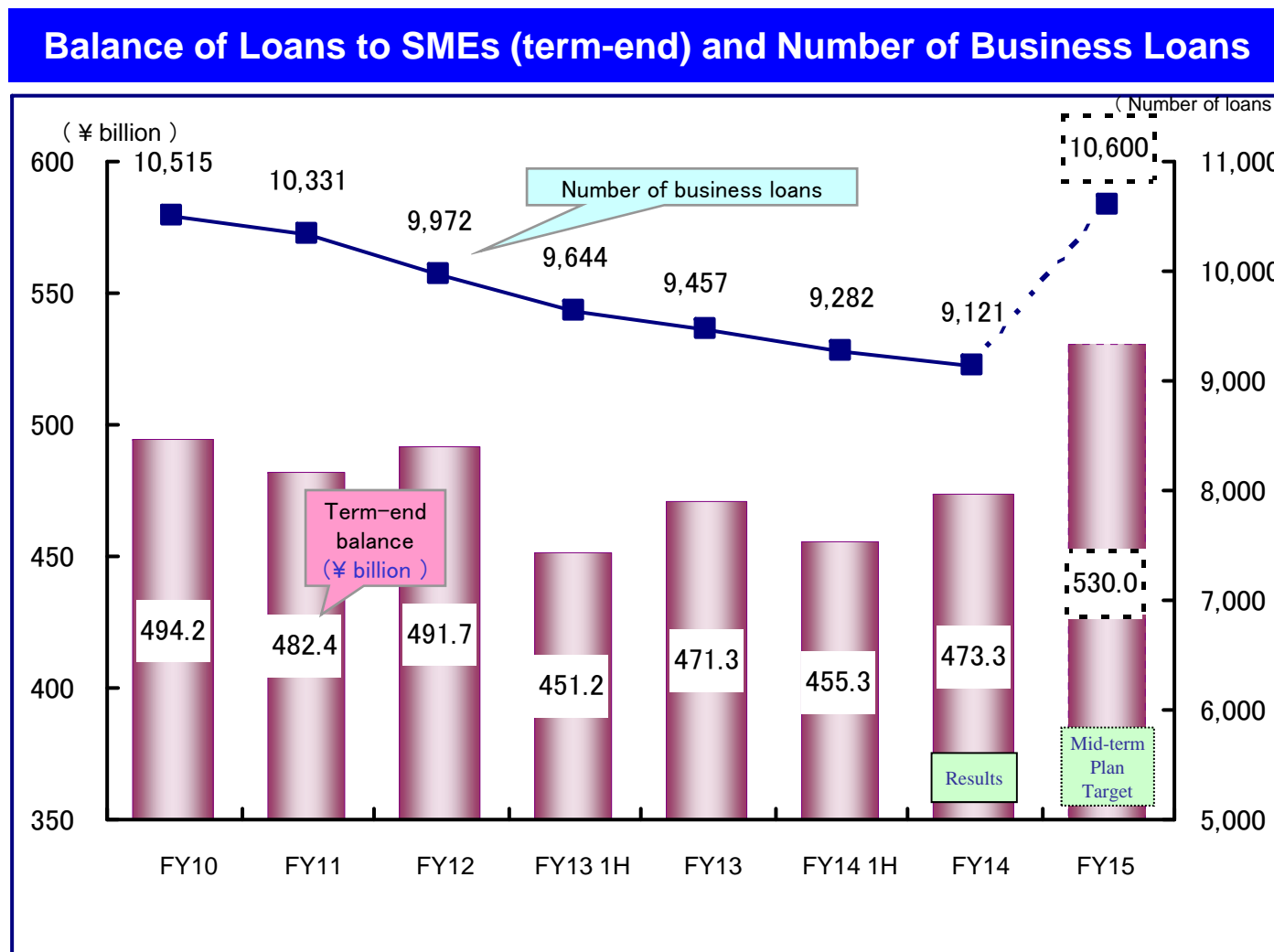


Loan Shares in Yamanashi Prefecture (term-end)



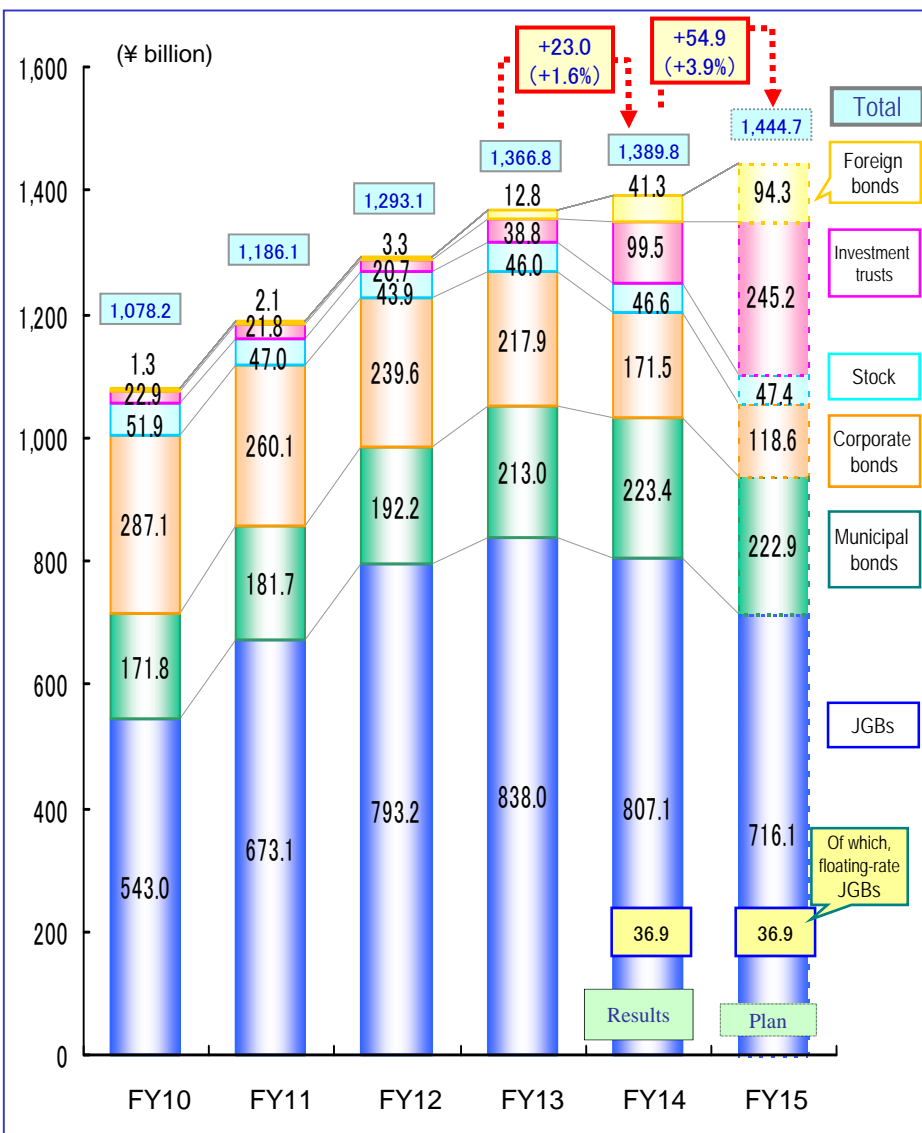
*Note: Loan assets under the control of head office departments refers to loans to the Ministry of Finance, loans made under loan participation agreements and financial receivables transferred from other industries.

Loans (2)

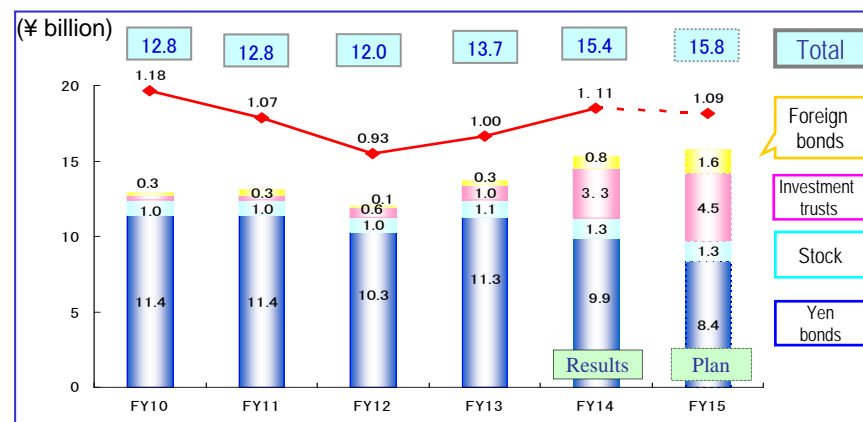


Securities

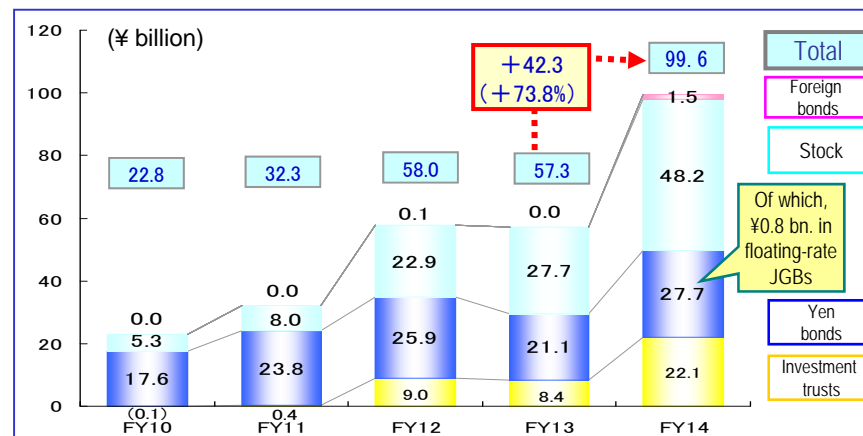
Securities (subject to mark-to-market valuation)



Changes in interest dividend-yield securities



Unrealized Gains (Losses)



Modified Duration (Yen bonds)

	FY10	FY11	FY12	FY13	FY14
Yen bonds	3.8	3.5	3.5	4.4	4.4

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

- Reduce yen-denominated bond investment amid continuing low interest rates
- Target higher returns by actively increasing investment trusts and, foreign bonds

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

(¥ billion)		
	FY12 (average balance)	
	Result	Share①
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%
Interest dividend	12.0	
Yeild	0.93%	

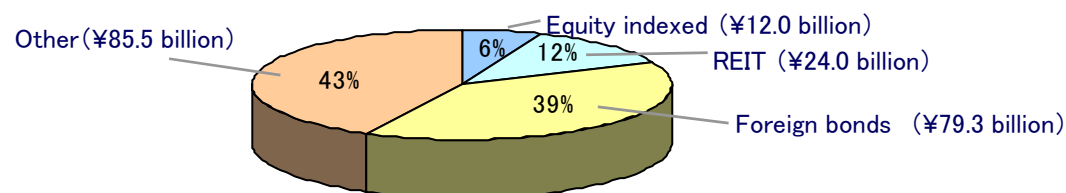
Effective asset allocation based on reallocation of investment trusts by asset category

(¥ billion)			
	FY14 (average balance)		Share Charge
	Result	Share②	②-①
Yen bonds	1,202.3	86%	(9)P
Stocks	56.9	4%	+1P
Investment trusts※	53.4	4%	+2P
Foreign bonds	77.2	6%	+6P
Total	1,389.8	100%	-
Interest dividend	15.4	+3.4	
Yeild	1.11%	+0.18P	

(¥ billion)			
	FY15 1H (average balance)		Share Charge
	Forecast	Share③	③-①
Yen bonds	1,113.2	77%	(18)P
Stocks	58.9	4%	+1P
Investment trusts※	109.7	8%	+6P
Foreign bonds	166.9	11%	+11P
Total	1,448.7	100%	-

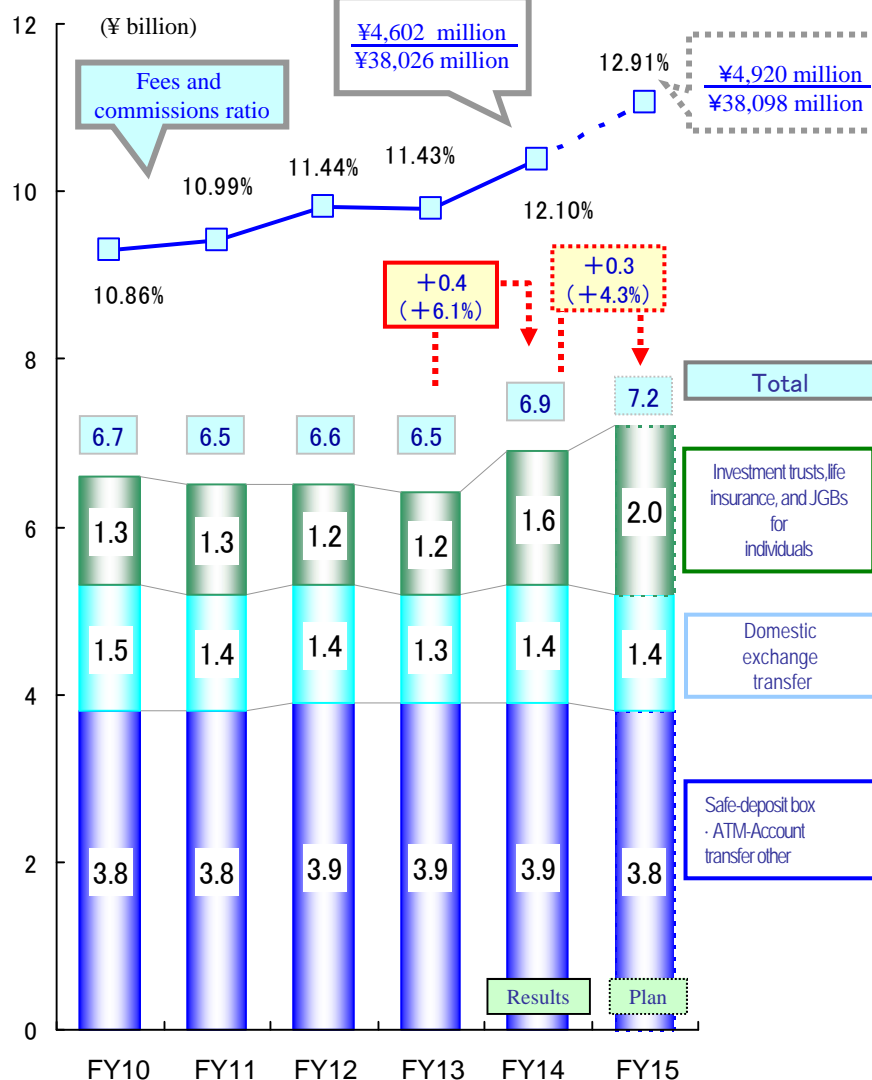
※REIT+Other

Breakdown of FY15 1H investment trust balance
(average balance, ¥200.8 billion)

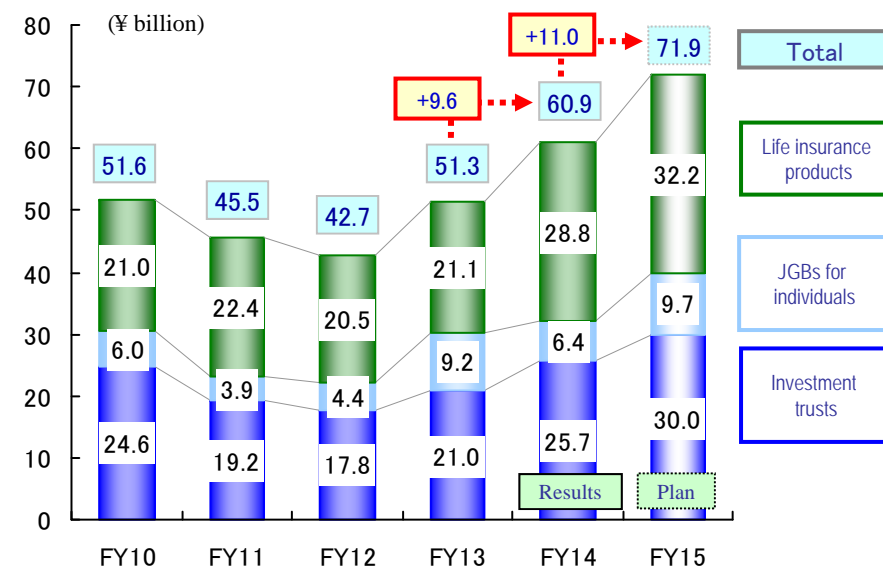


Fees and Commissions

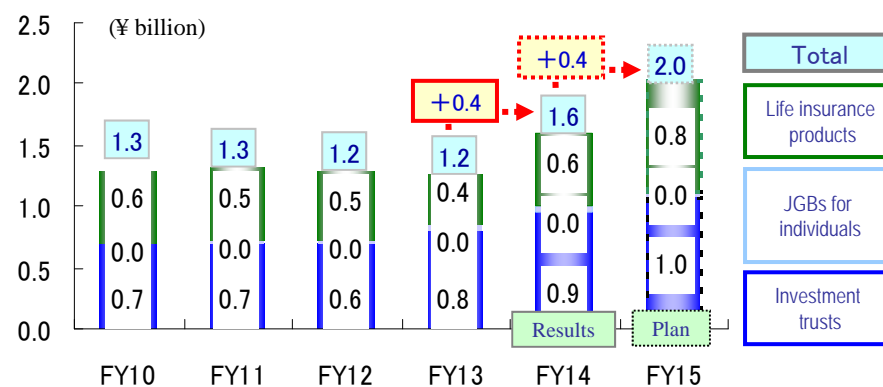
Fees and Commissions / Fees and Commissions Ratio



Sales for Investment Trusts, Life Insurance Products and JGBs

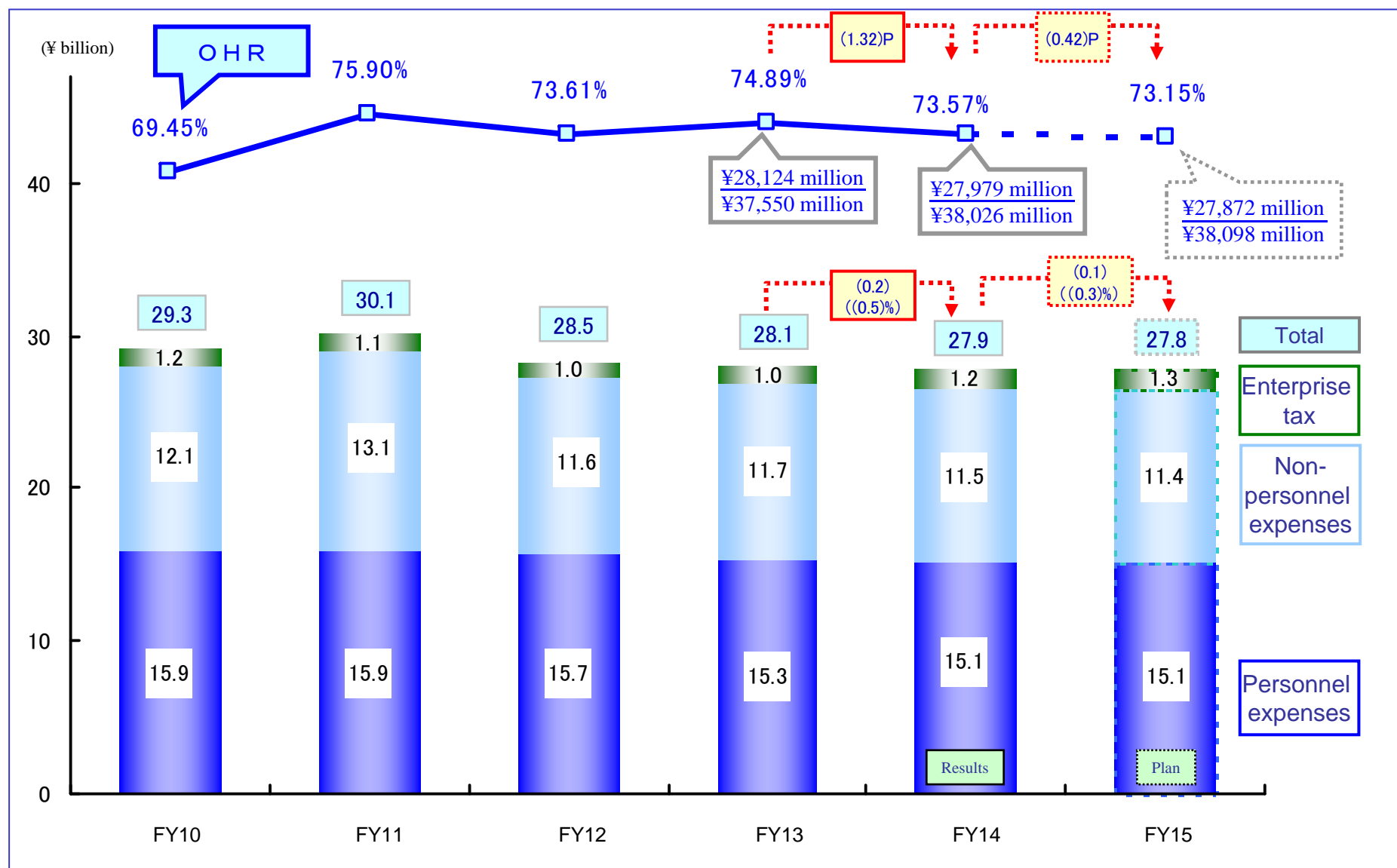


Commissions for Sales of Investment Trusts, Life Insurance Products and JGBs Held by Individuals



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

Operating Expenses and OHR



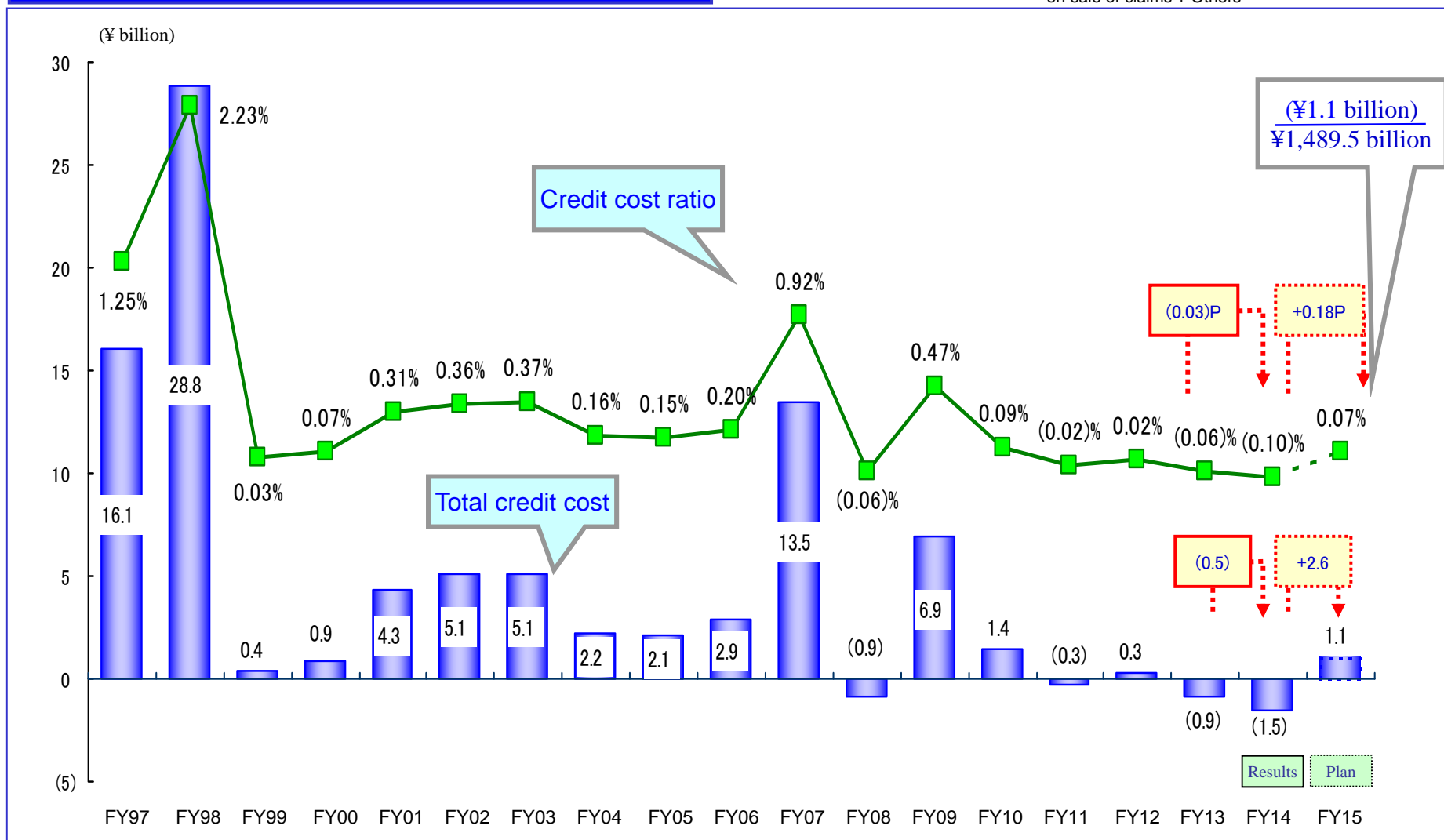
*OHR=Operating expenses / Gross banking profit on core operations

Credit Cost

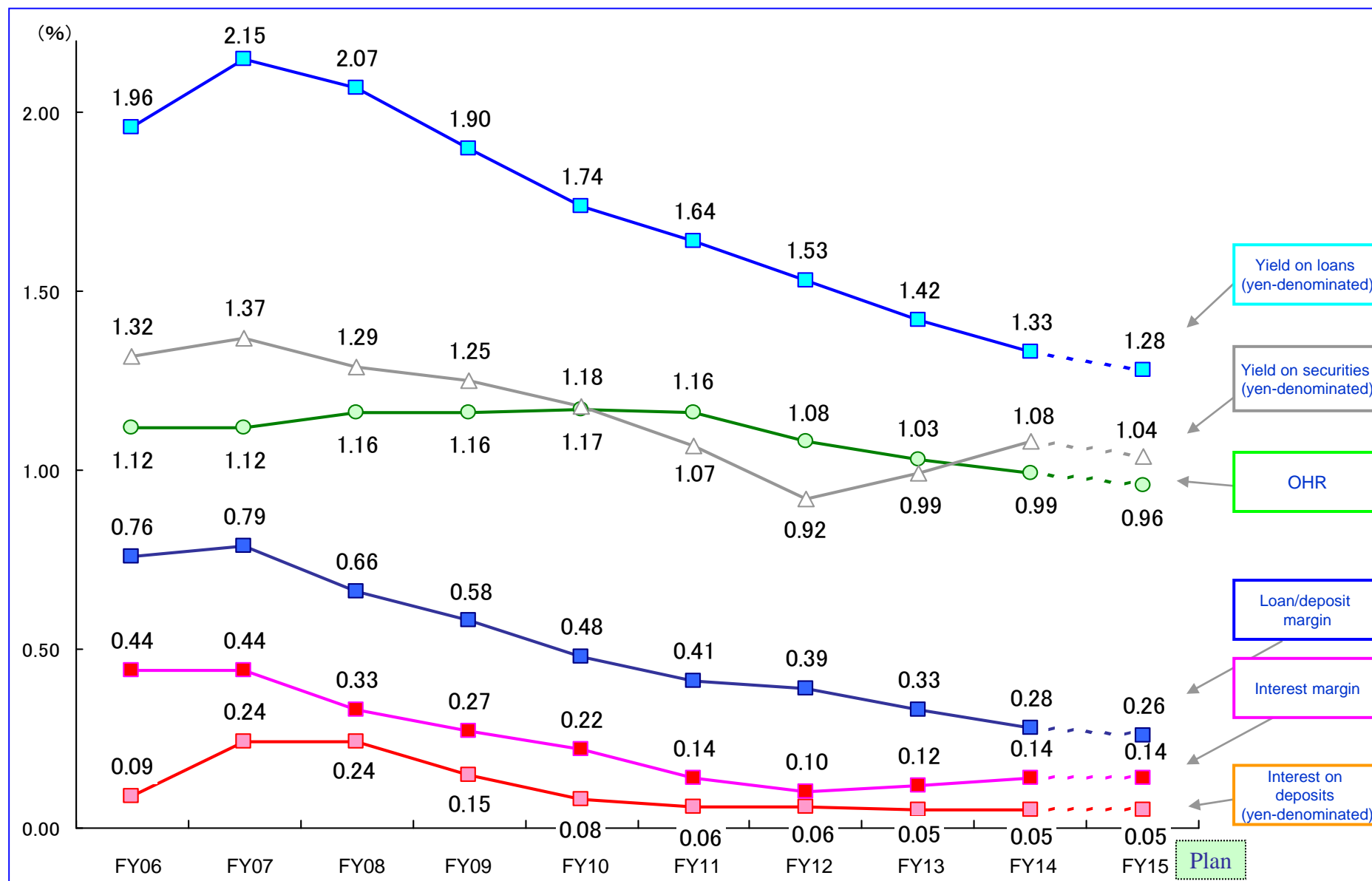
Total Credit Cost and Credit Cost Ratio

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

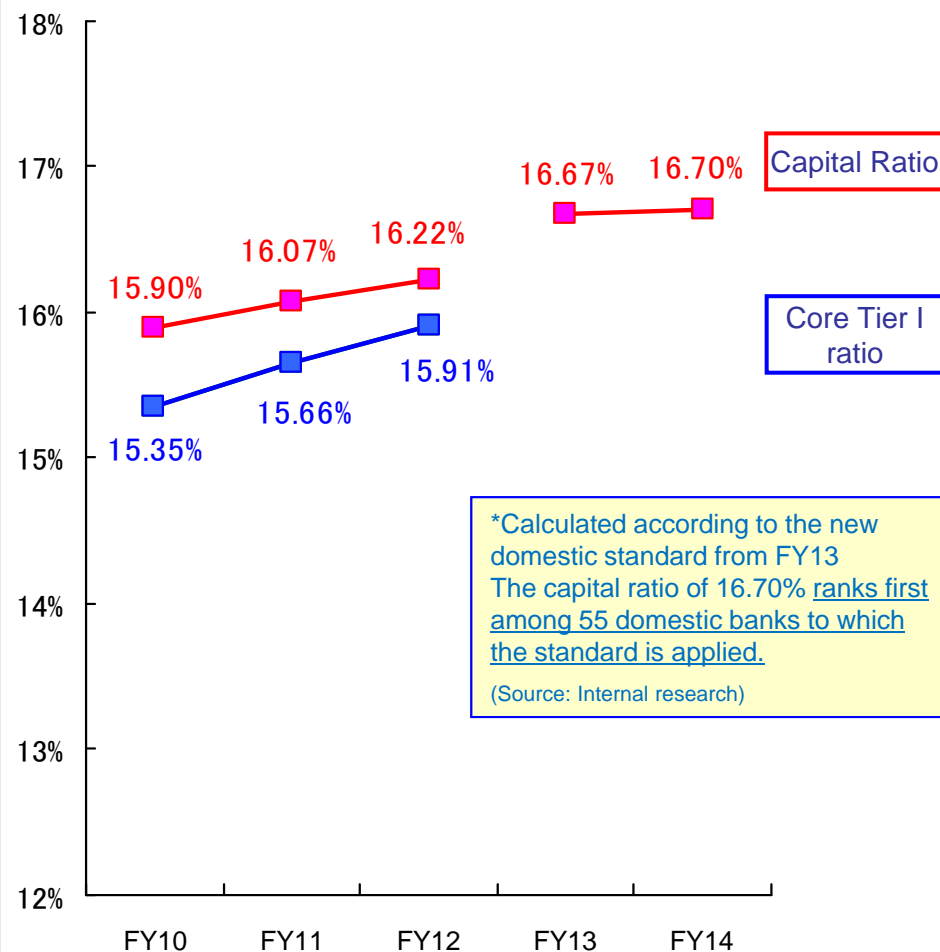


Yields & Interest Margins



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

(¥ billion)

	FY12	FY13	FY14
Tier I	152.6		
Core Tier I capital	152.6		
Net deferred tax assets	—		
Preferred stock / preferred investment certificates	—		
Tier II	2.9		
General provision to loan loss	2.9		
Deductions	—		
Regulatory capital	155.5	161.0	164.8
Risk-weighted assets	958.6	965.8	986.9

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

	FY10	FY11	FY12	FY13	FY14	FY15 (forecast)
Dividend per share (annual)	¥6.00	¥7.00	¥6.00	¥6.50	¥7.00	¥7.00
Period-end share price	¥404	¥368	¥429	¥466	¥526	—
Dividend yield	1.48%	1.90%	1.39%	1.39%	1.33%	—

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)

Dividend increase of ¥0.5
(interim ¥3.25, year-end ¥3.75)

Return to Shareholders

(¥ million)	FY10	FY11	FY12	FY13	FY14	FY15 (forecast)
Annual dividend (1)	1,089	1,256	1,062	1,134	1,211	1,211
Treasury stock acquired (2)	1,433	644	989	835	834	—
Return to shareholders (3)=(1)+(2)	2,522	1,901	2,052	1,970	2,045	1,211
Net income (non-consolidated) (4)	3,861	6,965	5,870	7,898	8,200	6,100
Dividend payout ratio	28.34%	18.08%	18.22%	14.42%	14.77%	19.85%
Shareholder return ratio (3)/(4)x100	65.32%	27.29%	34.95%	24.94%	24.94%	19.85%

Acquired 1,793 thousand shares on May 27, 2010

Acquired 1,906 thousand shares between Dec. 2010 and Mar. 2011

Acquired 2,079 thousand shares on Dec. 26, 2011

Acquired 2,600 thousand shares between Feb. 2013 and Mar. 2013

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

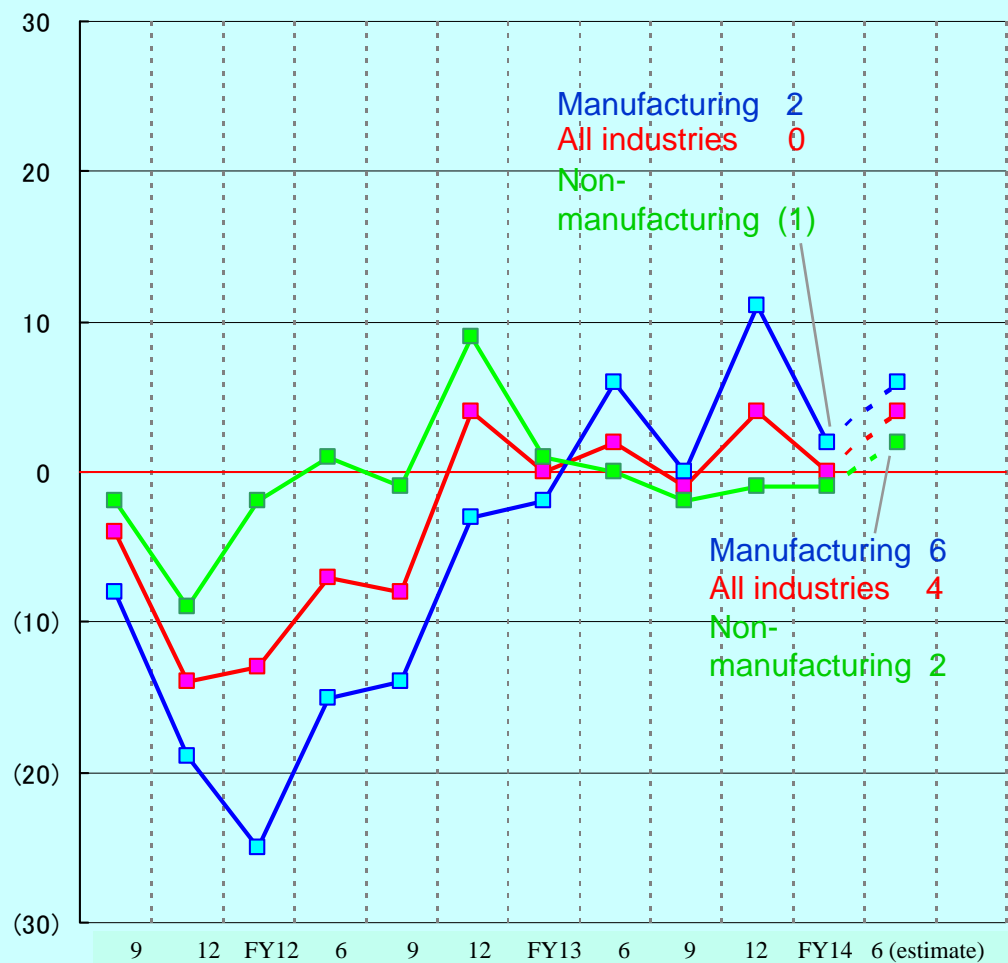
Acquired 1,577 thousand shares in Feb. 2015

(Note) Calculated in yen and rounded down

II Economic Trends in Yamanashi Prefecture

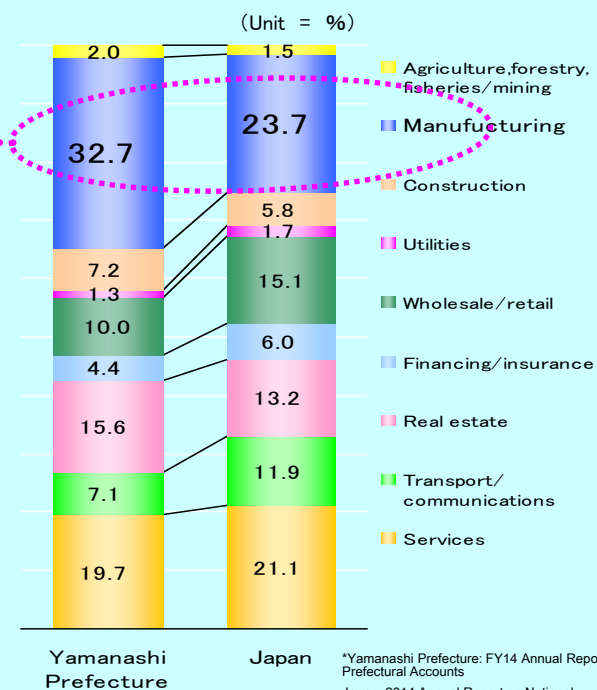
Business Trends

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



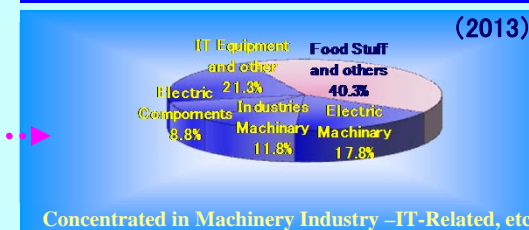
(Bank of Japan, Kofu Branch)

Gross Production by Economic Activity
(Industrial Sector = 100)



*Yamanashi Prefecture: FY14 Annual Report on Prefectural Accounts
Japan: 2014 Annual Report on National Accounts

Percentage of Shipments of Products Manufactured in Yamanashi Prefecture



Concentrated in Machinery Industry –IT-Related, etc

Economic Census

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 - Tourists visiting Yamanashi Prefecture in 2014 nearly double that of 2013, the highest percentage increase in nation	<ul style="list-style-type: none"> - Meeting demand for funds from tourist destinations and facilities - Meeting demand for settlement/currency conversion from foreign tourists <ul style="list-style-type: none"> • Providing credit card settlement terminals for restaurants in Hokuroku free of charge • Relocating foreign currency exchange machines outside branches and expanded service hours
June 2013 Prefectural Government opened Yamanashi Living Assistance Center in Yurakucho March 2014 Began employment service at this center	Increase in residents - People moving to Yamanashi Prefecture in FY2014 increased by 199 (100 households), up nearly 4.0 times y-o-y - Yamanashi Prefecture ranked No. 1 according to "Ranking of countryside regions desirable for living" (Return to Your Hometown Support Center survey)	- Cooperation with the Yamanashi Prefectural Government to increase the resident population
September 2013 Tokyo named as the host of the 2020 Olympic/Paralympic Games	Increase in tourists visiting Yamanashi Prefecture Possibility as a camping destination	- Meeting demand for funds from tourist destinations and facilities, and camping sites
October 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	Increase in attention to wine using Koshu grapes In Europe and Southeast Asia	<ul style="list-style-type: none"> - Strengthening of support for export (such as exhibitions at overseas business meetings 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

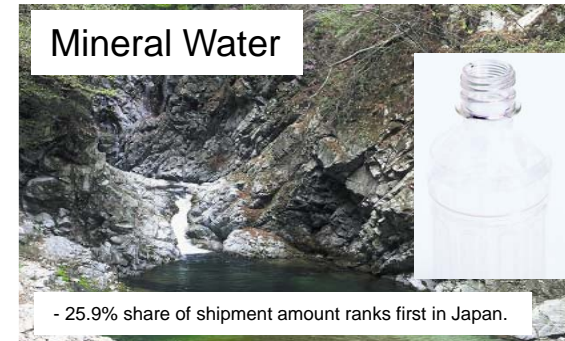


- 21.8% share of shipment amount ranks second in Japan.
- "Yamanashi" wine designated as an indication (National Tax Agency)

Sake



Mineral Water



- 25.9% share of shipment amount ranks first in Japan.

Fruits



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

Jewelry



- 28.3% share of shipment amount ranks first in Japan.

Silk Fabric



- Shipment amount of ties ranks second in Japan.
- Shipment amount of scarves and mufflers ranks seventh 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.

*Source: 2013 Census of Manufacturer, 2014 Census of Crops

Preparations for High-Speed Transportation Network

Expected Effects: Increase in tourists from Kansai and Tokai regions, increase in opportunities for receiving orders, expansion of logistic facilities, and increase in residents due to expanded commuting radius to Greater Tokyo

Maglev Chuo Shinkansen Line

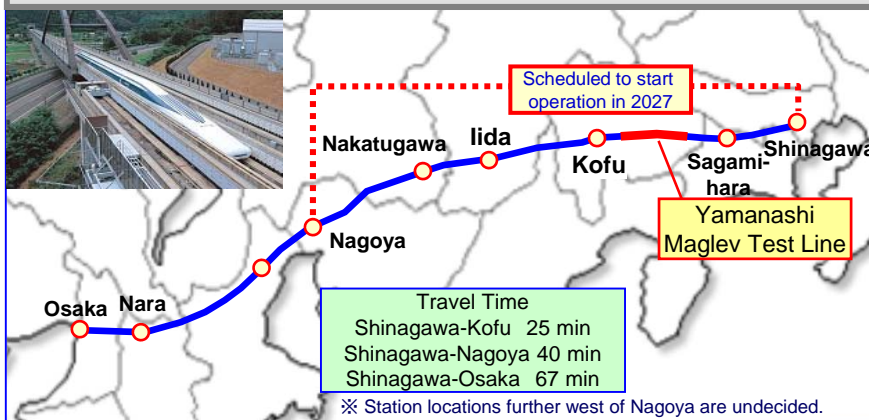
Maglev Test Line extension work completed

- 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

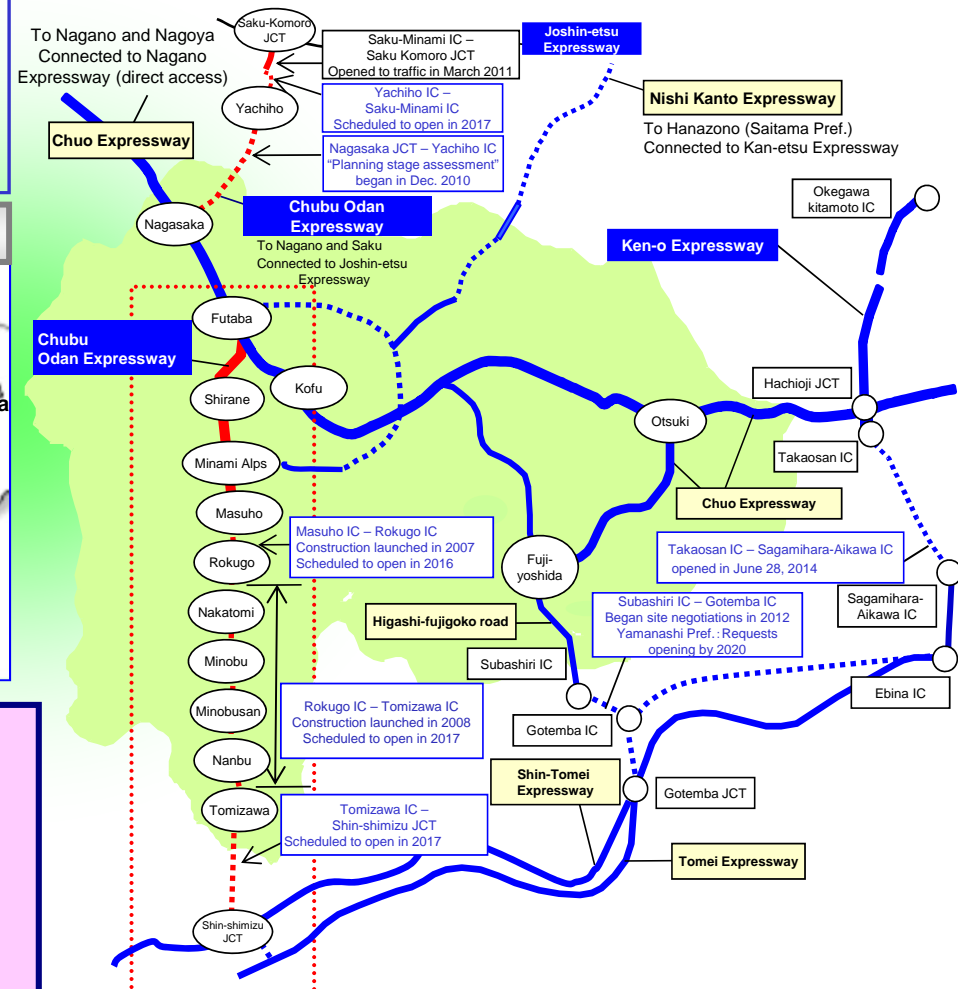
Map of Maglev Chuo Shinkansen Line Route



★ 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 and
Priority Measures for Final Fiscal Year (FY2015)**

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

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

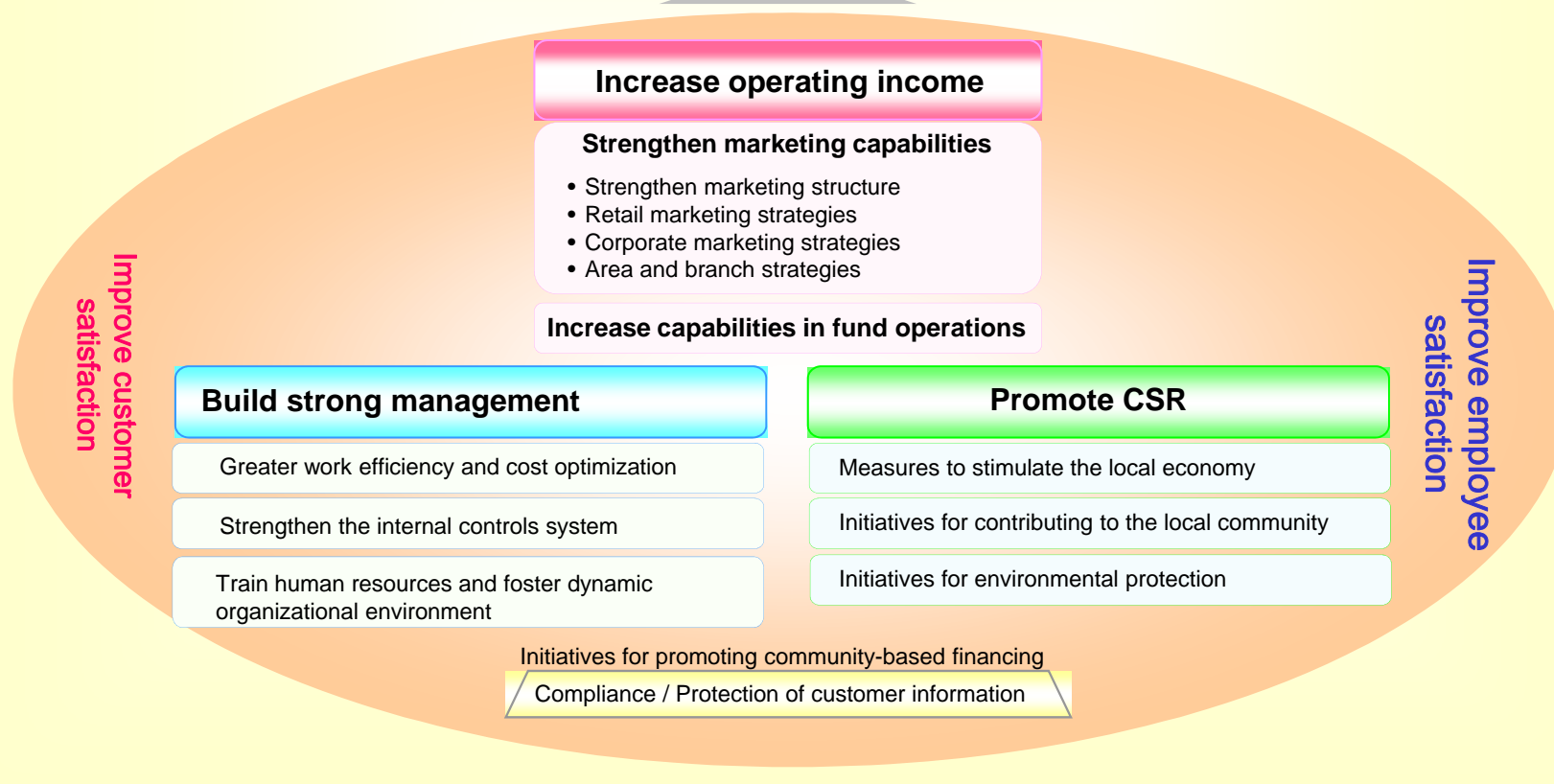
Our Mission: Region-Based Operations and Sound Management

Management Vision

A bank that satisfies customers and earns their unwavering trust

Slogan

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



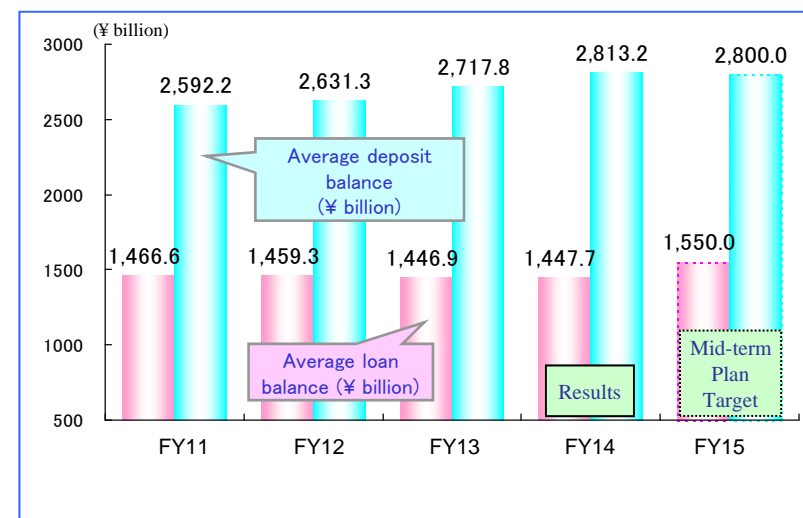
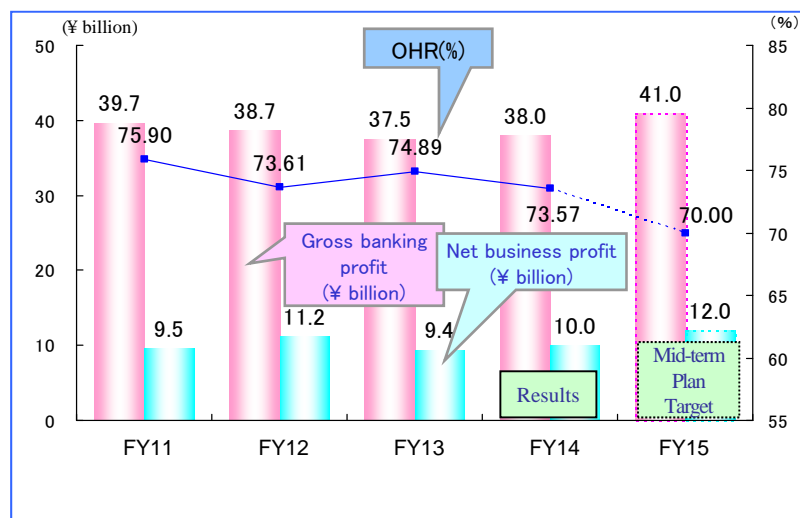
Operating income = gross banking profit [interest income + fees and commissions + other operating income (including JGBs and other bond transactions)]

Medium-Term Management Plan “Best Bank Plan 2016”

Quantitative Targets



Item	FY13 Results	FY14 Results	(¥ billion)		FY15 (Forecast)	Mid-Term Plan Target (FY15)
			vs.FY14 Plan	Y to Y change		
Gross banking profit	37.5	38.0	0.0	+0.5	38.0	41.0
Net business profit	9.4	10.0	(0.3)	+0.6	10.5	12.0
OHR (Operating expenses / Gross banking profit)	74.89%	73.57%	(0.55)P	(1.32)P	73.15%	70% or under
Capital ratio (domestic standard)	16.67%	16.70%	—	+0.03P	—	15% or above
Average loan balance	1,446.9	1,447.7	(29.2)	+0.7	1,489.5	1,550.0
Average deposit balance	2,717.8	2,813.2	+9.5	+95.3	2,900.6	2,800.0



※ FY15 “target middle-meter” is counting at the time the medium-term management plan.

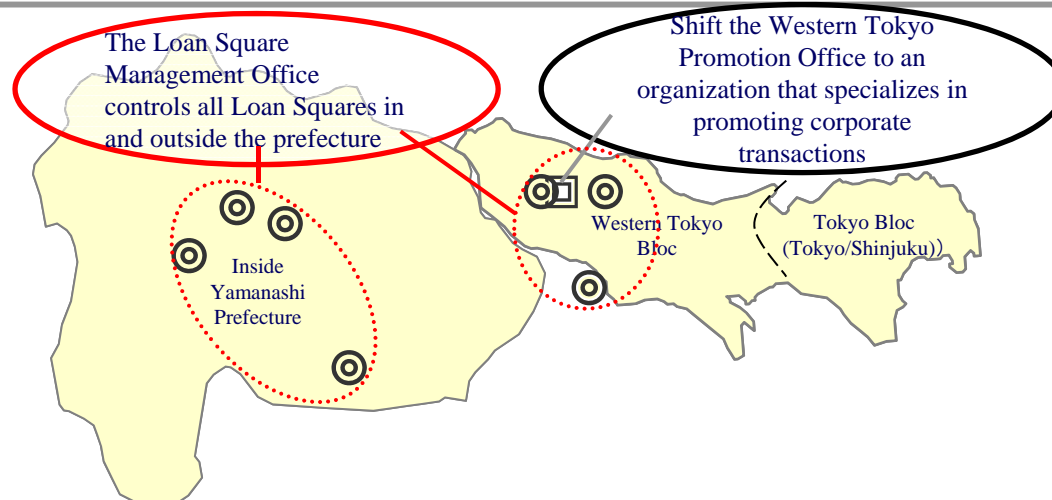
Response to Priority Measures as a Result of Head Office Department Reorganization

● Reinforce earning capacity of Western Tokyo Bloc and “strengthen ‘Regional Revitalization’ efforts” through Head Office department reorganization

Reexamine the role of Western Tokyo Promotion Office and establish Loan Square Management Office

Shift Western Tokyo Promotion Office to an organization that specializes in promoting corporate transactions

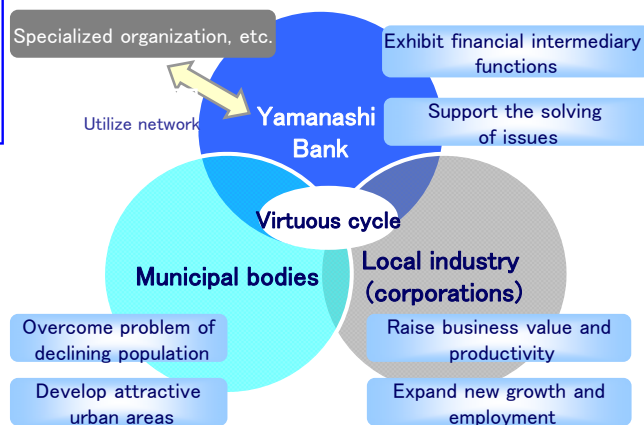
Establish Loan Square Management Office to unify control of the Loan Squares in Yamanashi and Western Tokyo Bloc



Prepare by establishing Public Affairs/Regional Revitalization Office and setting up a Regional Revitalization Committee

Establish Public Affairs/Regional Revitalization Office to strengthen regional revitalization efforts

Set up a Regional Revitalization Committee to conduct an in-house review of regional revitalization efforts



Basic goal of comprehensive strategy for city, people and business creation
Build region to be in line with the times and cooperate between regions
Create employment in regions

Expand business base
Increase loyal customers
Increase operating income

Basic Policy I “Increase Operating Income”—Strengthening of the Sales Force Measures— Corporate Marketing Strategy 1



Strengthen efforts toward new loans focused on business and growth potential

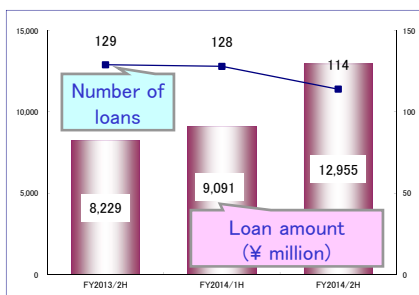
Promote transactions responsive to customer segments and regional characteristics

- 「Promote targeting of core corporate customers in Yamanashi Prefecture」
【Actual loans of ¥30.2 billion (Oct. 2013 - Mar. 2015)】
- Approach customers who have decreasing loan balances and have ended transactions
【Target about 5,400 customers】
【¥1.7 billion net increase in loan balance (July 2014 - Mar. 2015)】

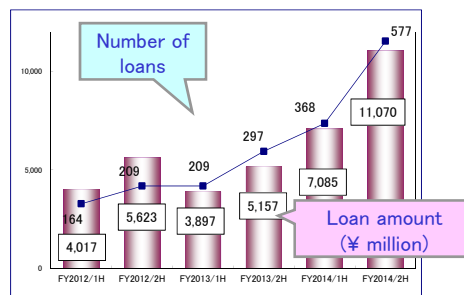
Promote loans with solution business as gateway

- Support the management needs of corporate customers by fostering cooperation between Head Office department specialist staff and thirdparty 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
【Actual loans: ¥36.8 billion (Apr. 2012 – Mar. 2015)】

Number of Loans and Loan Amount
During the Period from
Promoting Targeting of Core
Corporate Customers



Number of Loans and Loan Amount During the Period
for the Regional Revitalization
Enhancement Fund



Initiate loan creation by setting up “Loan Creation Staff”

- Accumulate knowhow in loan proposal creation and share throughout the Bank
- Development of the capability to make good judgment and respond to new industries
- Provide practical instruction and training to branches
- Holding of seminars for loan creation
(Support photovoltaic power generation projects, business succession, use of subsidies, healthcare and nursing care fields and overseas expansion)

Boost loans to SMEs

Establish “Corporate Solutions Office” to build highly effective sales system

- Consolidate Head Office commissioned sales by type of business, asset succession and business succession services
- Efforts to support branches and individual projects

Basic Policy I “Increase Operating Income”—Strengthening of the Sales Force Measures— Corporate Marketing Strategy 2



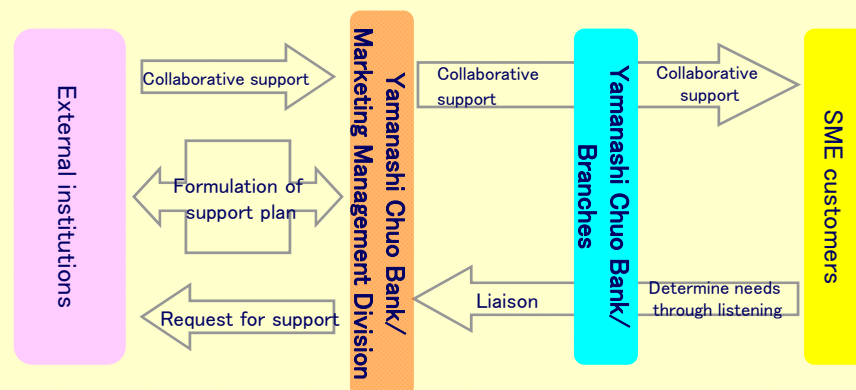
Strengthen the solution business

Management support coordination service

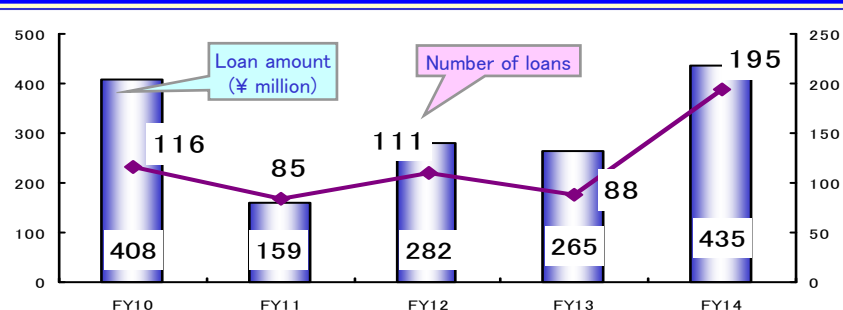
Support for the solution of management issues for customers through a one-stop service using the network of the Bank group and various institutions in industry, government and academia

◆Support menu

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



Coordination service results



Initiatives in Agricultural Field

◆Established “Yamanashi Sixth Industrialization Support Investment Limited Partnership”

Support for business entities dealing with the sixth industrialization

◆Yamanashi Food Business Liaison Conference

Membership organization that provides information and interaction opportunities for food-related business operators

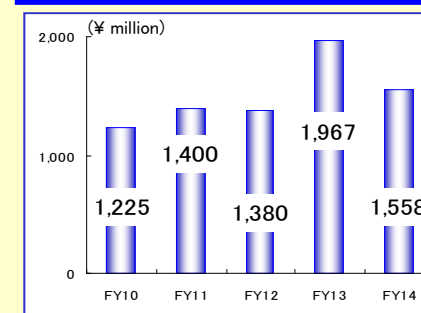
◆Agri-Business School

New agri-business school with managerial and entrepreneurial spirit that trains managers to promote the sixth industrialization

◆Yamanashi Food Sector Business Matching Fair

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

Balance of loans to agricultural field



Initiatives in Healthcare and Nursing Care Fields

◆Assignment of Head Office Departments Specialist Staff

Assignment of Head Office departments specialist staff in October 2009 and brought them along on customer visits

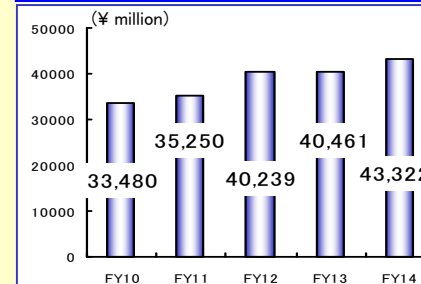
◆Channel Expansion

Install medical exam area analysis system and begin operation of Internet-based channel for consultation

◆Conduct Healthcare and Nursing Care Seminar

Provide information to customers at two seminars in Yamanashi Prefecture and Tokyo

Balance of Loans to Healthcare and Nursing Care Fields



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

◆Expand partner financial institutions to six banks in five Asian countries

• Bangkok Bank (Thailand), Bank of Communications Co., Ltd. (China), Bank Negara Indonesia, Metropolitan Bank (Philippines), Vietcombank (Vietnam), The Bank of East Asia, Limited (Hong Kong)

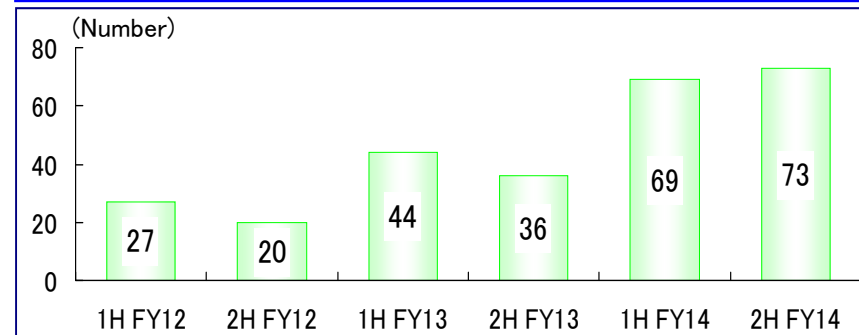
◆Domestic business partner institutions

• Incorporated Administrative Agency, Nippon Export and Investment Insurance (NEXI), Tokio Marine & Nichido Fire Insurance Co., Ltd., Mitsui Sumitomo Insurance Company, Limited, Sompo Japan Nipponkoa 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)

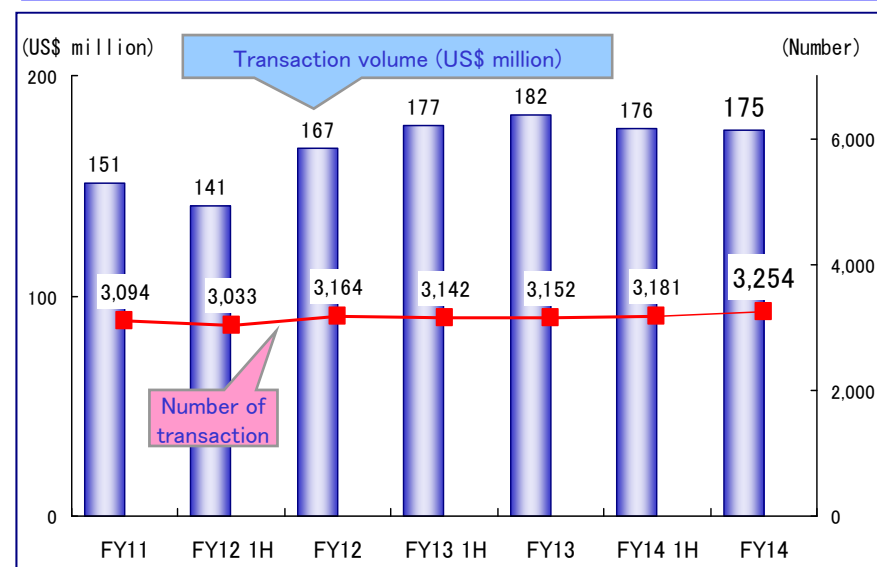
【Implemented Businesses】

- ◆Holding of business meeting for the export of food from Yamanashi in Bangkok (May 2015)
Support for exports to Thailand for customers engaging in agriculture and food related business (7 companies)
- ◆Jointly held the “Thai Economy Observation Mission” (Aug. 2014)
Research on the potential for business expansion in Thailand for customers (10 companies)
- ◆Jointly held the FBC Shanghai 2014 (Japan–China Manufacturing Business Fair) (Sept. 2014)
Support the development and expansion of customer (10 companies) sales channels in China
- ◆Held the “Yamanashi Chugin Overseas Business Expansion Support Seminar in Hong Kong” (Sept. 2014)

Overseas business support results



Volume and number of trade transactions (export + import transactions)

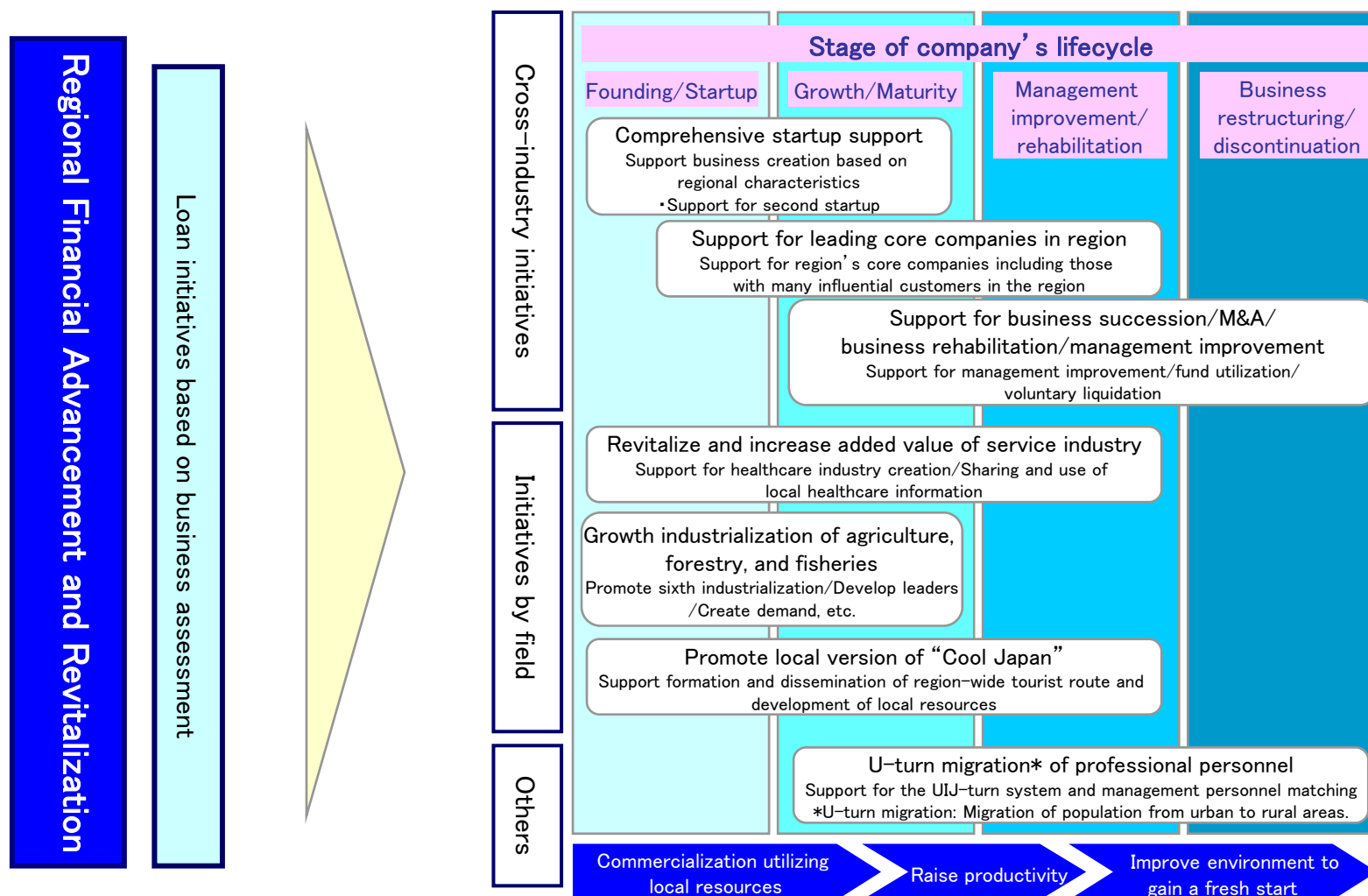


Basic Policy I “Increase Operating Income”—Strengthening of the Sales Force Measures— Corporate Marketing Strategy 4



Regional Financial Revitalization Initiatives ~ Based on Region Creation ~

■ Leading to regional financial revitalization through initiatives to support the solving of problems appropriate to the stage of the company's lifecycle



Basic Policy I “Increase Operating Income”—Strengthening of the Sales Force Measures— —Retail Marketing Strategy —



■ Increase transactions over lifetime with segment-based strategy

Strengthen the promotion of personal loans and life planning

◎ Strengthen response to home financing

- Strengthen home financing efforts using our mortgage interest rate plan and mixed interest rate plan

◎ Strengthen the promotion of life insurance consulting business

- Household budget review” proposals focused on life events

Strengthen consulting business centered on total assets business

◎ Proposal of business succession,

Inheritance measures to wealthy layer

- Respond to diversifying asset succession (inheritance) needs through individual consultation meetings

◎ Accumulation of financial instruments balance

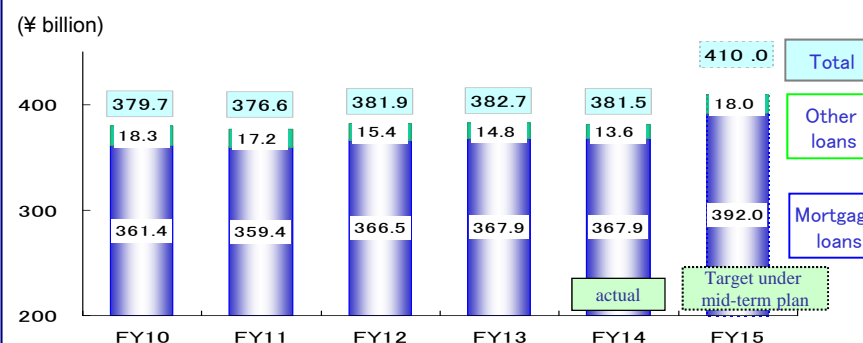
- Expand and deepen customer base

Accelerate creation of highly effective business structure and decision-making

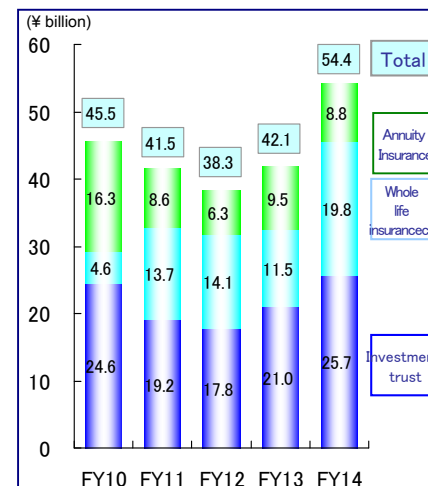
Establish “Retail Promotion Division” (June 2015)

- Retail Promotion Planning Section, Retail Solutions Office, Loan Square Management Office

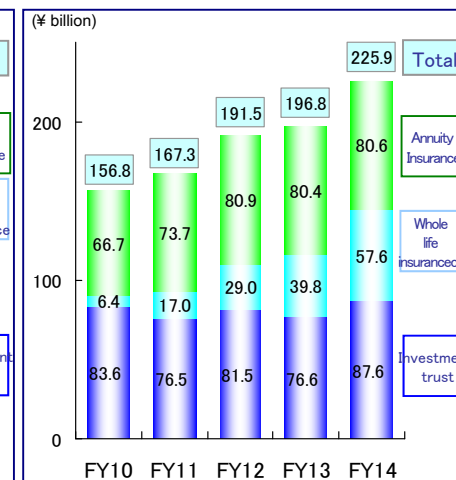
Target Individual Loan Balance (term-end)



Investment trust and insurance product sales amounts



Investment trust and insurance product balance

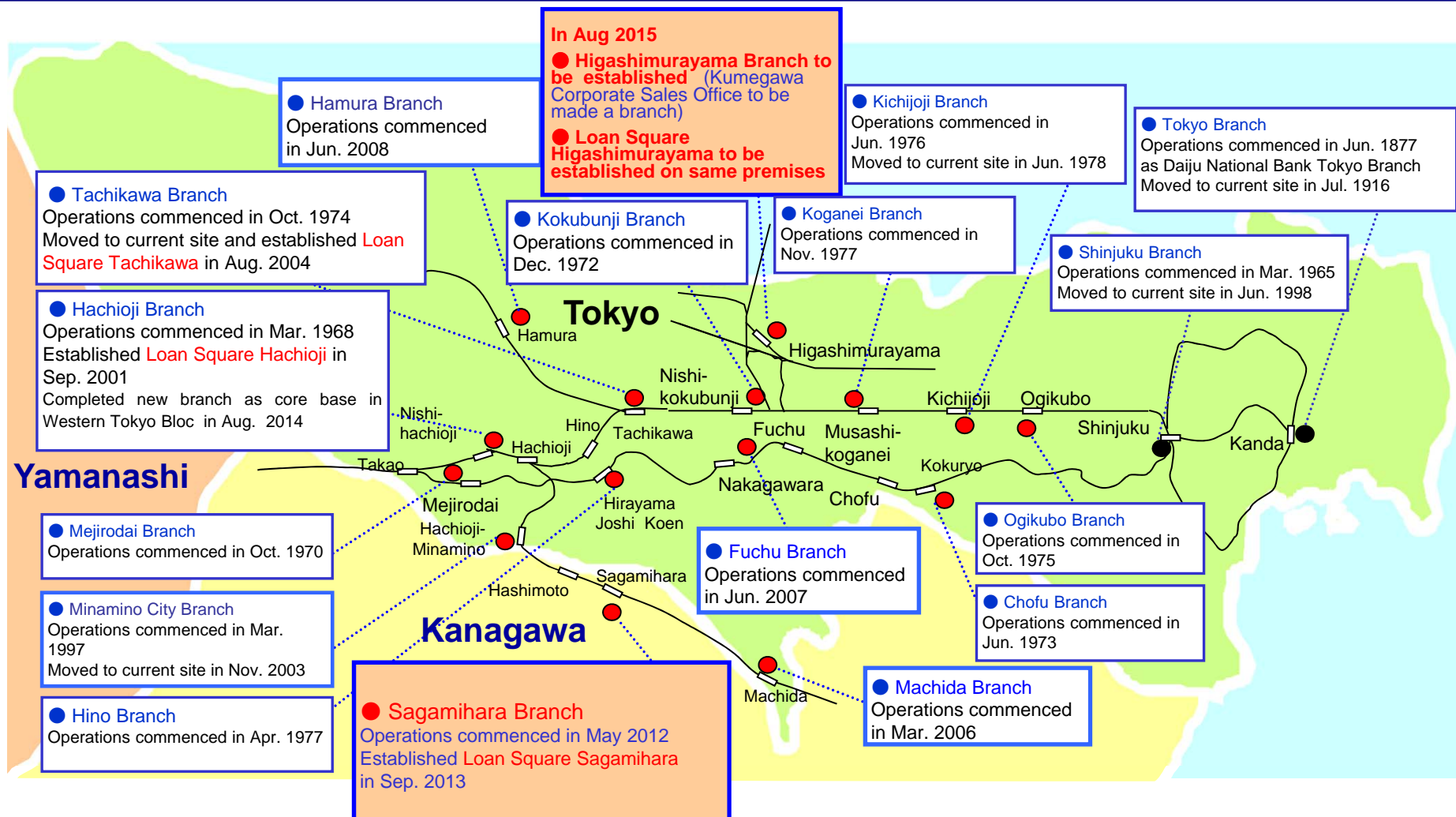


Basic Policy I “Increase Operating Income”—Strengthening of the Sales Force Measures— —Western Tokyo Bloc Strategy—Status of Expansion of Branches and Other Offices in the Western Tokyo Bloc



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
- Kumegawa Corporate Sales Office to be made a branch in Aug. 2015 as Higashimurayama Branch



Basic Policy I “Increase Operating Income”—Strengthen Marketing Capabilities— —Western Tokyo Bloc Strategy—



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 6.6 times more than in Yamanashi Prefecture)
- Households: 2,560,000
(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 Apr. 2015 “Estimated Population”)

- Strengthen promotion of Western Tokyo Bloc by reorganizing Head Office departments
- ★ Take full advantage of Head Office and branch networks

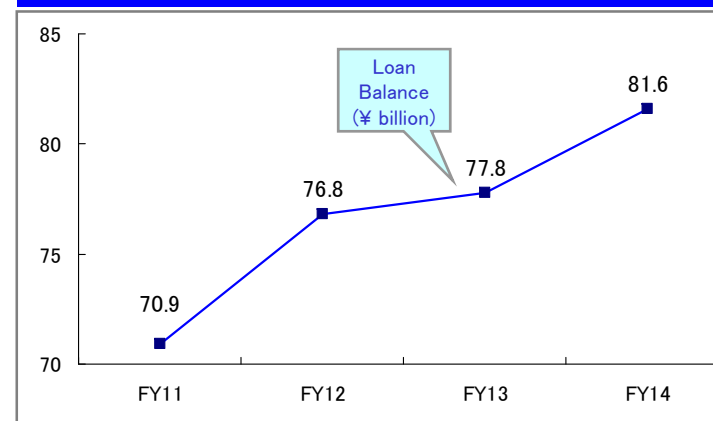


Measures to increase transactions

- Promote transactions in collaboration with Furusato Yamanashi Linkage 200
 - Targets approached Approx. 1,100 customers
 - Existing points of contact 728 (as of Mar. 31, 2015)
 - Performance from May 2012 to Mar. 2015
New customers 53 Amount of new loans ¥5.2 billion
Increase in balance of loans among existing customers 45
Amount of increase ¥7.1 billion
- Strengthen business succession and inheritance consulting business to company owners and others
- Strengthen the promotion of healthcare and nursing care fields



Western Tokyo Bloc Loan Balance to SMEs

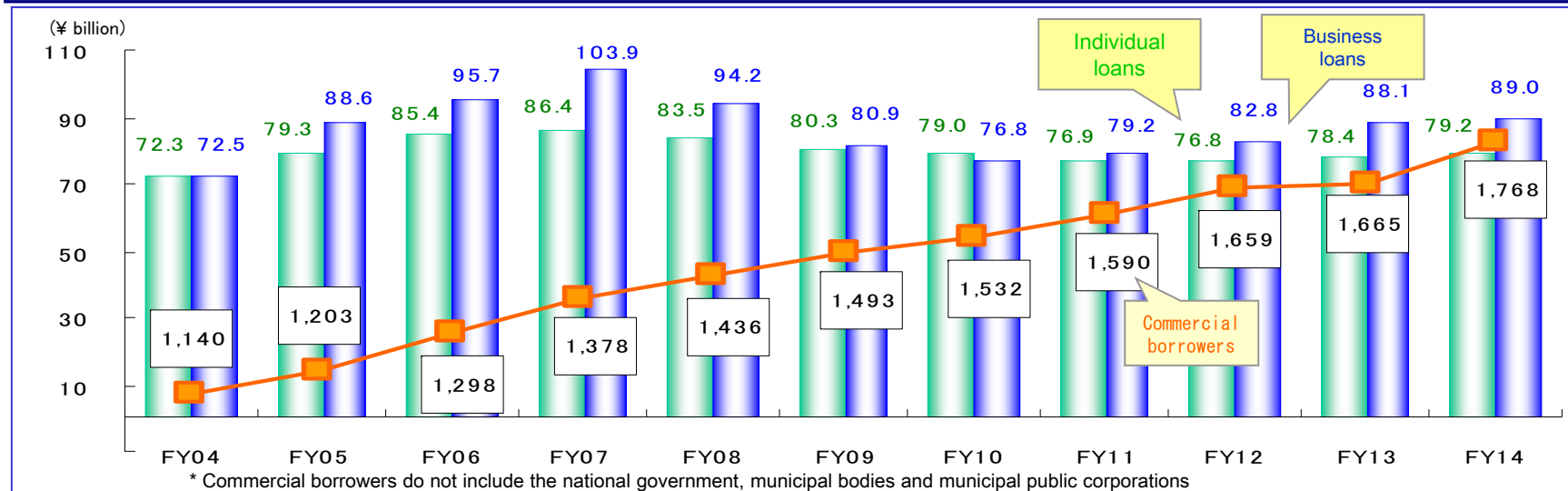


Basic Policy I “Increase Operating Income”—Strengthen Marketing Capabilities—

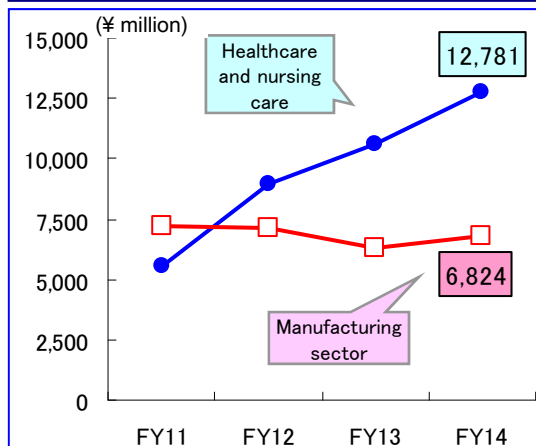
—Western Tokyo Bloc Strategy—Trend in Key Performance Indicators for the Western Tokyo Bloc



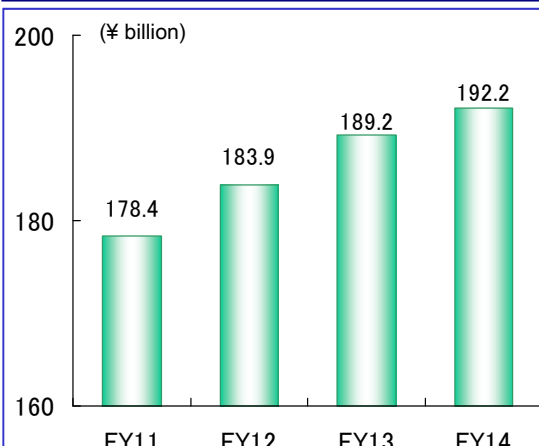
Loan (average balance) and Number of Commercial Borrowers



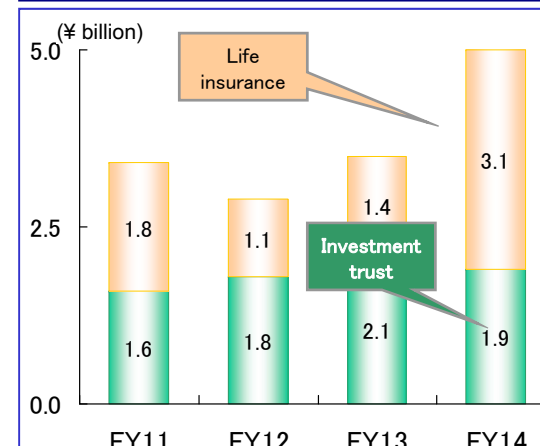
Term-end balance of loans to the healthcare and nursing care fields, and manufacturing sector



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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