

4th Medium-Term Business Plan

Policies

In addition to the three brand-building strategies, we are pursuing the following initiatives to realize the goals of the new business plan.

Strengthening the top line

(1) Marketing strategy

We will get to know our customers even better through communication at the most detailed level, enabling us to fully understand their diversifying needs, resolve their issues and provide high value-added services.

To step up our commitment to relationship banking, we are clarifying the roles of individual Bank employees and optimizing strategic staff deployment within branches.

Corporate banking

To improve enterprise value at our business partners, we will upgrade solution services (such as business matching) and our **consulting services** (under our "Business Currents" concept) mainly in the environmental and tourism sectors. Through this comprehensive approach, we will enhance our role in our region.

Banking for individuals

We are improving services and convenience for customers by strengthening our retail strategy through expansion of consulting functions (asset formation and management), and using "**Shigagin networks.**" (branches, Group resources and products)

(2) Branch strategy

To create a branch network that responds to the diversifying needs of customers, we will review the *modus operandi* of branches mainly in Shiga Prefecture, supplementing conventional banking services with upgraded consulting services. We also have branches specializing in certain services, depending on regional characteristics.

In June 2010, as part of our strategic expansion into growth markets, we will move to Yokkaichi our unit set up at Tsuchiyama Branch dedicated to serving corporate customers in Mie Prefecture.

We continue to unroll our "**seeding strategy.**"*

***Seeding strategy:** Expanding business areas outside prefectural borders based on our existing offices and branches

Managing credit risk

By supporting customers in building up their enterprise value, we will manage Credit Risk. Specific measures include support through our "**Communication Service**" (proprietary internal rating disclosure service in which advice is given to customers on how to improve their profitability, management capability, and financial position, based on disclosure to the customers of their credit rating) and planning support for **management improvement** at customer companies.



Productivity improvement

We plan to reduce administrative costs and enhance operational quality through measures such as procedural overhauls and streamlining, and outsourcing to Group companies. At the same time, we will enhance a comprehensive productivity through strengthened marketing capabilities.

Personnel training

It is extremely important to foster human resources enabling us to respond to customer needs that are growing increasingly diverse and sophisticated. We train staff to provide high value-added services based on the concept of **mutual prosperity** with the customers and regional community.

Numerical targets in our commitment to relationship banking (April 2010 to March 2013)

Specific Initiatives	Targets for the year ending March 31, 2013
Providing expertise and care under three brand-building strategies	
Initiatives for "providing expertise and care"	
Number of times we provided new business support: acting as coordinator	100
Number of times we set up business matching meetings	2,400
Number of proposals submitted for business succession	360
Number of instances of support through our "Communication Service"	3,400
Number of borrowers whose borrower categories have been upgraded*1	60
Number of instances of use of the Small and Medium Enterprise Rehabilitation Support Association	24
Initiatives for "being strong in Asia"	
Number of instances of support being provided by our Asia Desk and overseas offices	3,600
Number of advisory contracts with companies entering China	10
Number of instances of overseas study tours, overseas business talks	3 each
Number of times we arranged business matching meetings with Japanese and overseas companies	100
Initiatives for "being highly CSR-conscious"	
Eco-Plus Time Deposit	650,000
Total number of loans under the PLB Fund/Eco-Clean Loan Program*2	1,400
Total amount made under the PLB Fund/Eco-Clean Loan Program	18 billion yen
Number of instances of assessment for PLB rating BD*3 purposes	3,800
Number of risk consulting cases relating to disasters	100

*1 Number of borrowers whose borrower categories have been upgraded: The Company Management Support Office under the Credit Supervision Department handles extension of support and keeps records of numbers of recipients

*2 PLB Fund: Principles for Lake Biwa Support Fund

*3 PLB rating BD: Interest-rate incentive based on rating customers' measures to protect biodiversity
The aim is to support biodiversity through financial services