

# Initiatives for Relationship Banking

## State of progress (April 2010 to March 2011)

The Bank is committed to enhancement and application of the marketing strategies in the 4th Medium-Term Business Plan we started in April 2010, namely “providing expertise and care under three brand-building strategies” (“being strong in networks,” “being strong in Asia,” and “being highly CSR-conscious”). We have set various specific numerical targets aimed at promoting relationship banking, and we are working hard to achieve them.

### 1. Initiatives for “being strong in networks”

The Bank is utilizing its networks to create new “business currents” and help the development of new businesses going forward by connecting our customers to each other.

### 2. Initiatives for “being strong in Asia”

As the only regional bank in the Kinki region having a branch overseas, we supported the overseas transactions of our customers,

holding business talks in Shanghai and the Asia Seminars which had the theme of the latest business information about India.

### 3. Initiatives for “being highly CSR-conscious”

We have positioned the pursuit of CSR (corporate social responsibility) with an environmental focus as the “essence of bank management.” Under our motto “Clean Bank Shigagin,” we have implemented and enhanced “environmental management,” which incorporates the environment in management, and “environmental finance,” which embeds the environment in finance with such tools as the “Eco-Plus Time Deposit” and the “biodiversity rating (PLB rating BD).”



## Numerical Targets in Our Commitment to Relationship Banking

Specific initiatives	Targets for the year ending March 31, 2013	Results as of March 31, 2011	Progress toward goal as of March 31, 2011 (%)
<b>● Numerical targets in the 4th Medium-Term Business Plan</b>			
Tier 1 ratio (consolidated)	9.0% or higher	9.58%	
ROE (consolidated)	3.5% or higher	1.99%	
OHR (non-consolidated)	65% or lower	65.73%	
Emissions of CO <sub>2</sub> [*1]	25% cut (from FY06)	56.38%	
<b>● Initiatives for “providing expertise and care under three brand-building strategies”</b>			
<b>● Initiatives for “being strong in networks”</b>			
Number of times we provided new business support: acting as coordinator	100	26	26.0%
Number of times we set up business matching meetings	2,400	1,750	72.9%
Number of proposals submitted for business succession	360	128	35.5%
Number of instances of support through our “Communication Service”	3,400	1,589	46.7%
Number of borrowers whose borrower categories have been upgraded [*2]	60	8	13.3%
Number of instances of use of the Small and Medium Enterprise Rehabilitation Support Association	24	5	20.8%
<b>● Initiatives for “being strong in Asia”</b>			
Number of instances of support being provided by our Asia Desk and overseas offices	3,600	1,572	43.6%
Number of advisory contracts with companies entering China	10	1	10.0%
Number of instances of overseas study tours, overseas business talks	3 each	2 each	66.6%
Number of times we arranged business matching meetings with Japanese and overseas companies	100	32	32.0%
<b>● Initiatives for “being highly CSR-conscious”</b>			
Eco-Plus Time Deposit	650,000	193,187	29.7%
Total number of loans under the PLB Fund/Eco-Clean Loan Program [*3]	1,400	170	12.1%
Total amount made under the PLB Fund/Eco-Clean Loan Program	18 billion yen	6.27 billion yen	34.8%
Number of instances of assessment for PLB rating BD purposes [*4]	3,800	1,760	46.3%
Number of risk consulting cases relating to disasters	100	182	182.0%

\* 1 The results for emissions of CO<sub>2</sub> include a cut of 31.45% from the carbon offset effect due to our purchase of emissions credits.

\* 2 Number of borrowers whose borrower categories have been upgraded: Only customers handled by the Company Management Support Office under the Credit Supervision Department are counted (136 customers).

\* 3 PLB Fund: Principles for Lake Biwa Support Fund

\* 4 PLB rating BD: Interest-rate incentive based on rating customers’ measures to protect biodiversity. The aim is to support biodiversity through financial services.