



# For the Future with You

Basic Vision (the kind of bank we should ideally be)

**A bank journeying into the future together with its customers and region**

Main Theme

**Awareness-raising and behavioral improvement for improving customer satisfaction**

Behavioral Guidelines

**Faithfulness, imagination, and enthusiasm**

**Awareness-raising and behavioral improvement of the Group employees that gives top priority to the development of our customers**

Basic strategy

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## Provision of solutions matching the customers

< Providing expertise and care > — Deepening of the “three brand-building strategies” —

### <Being strong in Networks>

- (i) Strengthen support systems dedicated to the development of our customers
- (ii) Revise channel functions that improve the convenience of our customers
- (iii) Utilize IT that meets the needs of our customers

### <Being strong in Asia>

- (iv) Support the overseas businesses of our customers

### <Being highly CSR-conscious>

- (v) Develop CSR activities together with our customers

### Strengthening of profitability

- We will secure appropriate revenues and aim to strengthen profitability by increasing points of contact with our customers and providing solutions based on ascertaining the needs of our customers.
- We will expand our service revenues by offering suitable services for asset management needs and strengthening our settlement functions.

### Reduction of expenses

- We will develop each BPR and suitably deploy and effectively utilize human and physical resources, in order to improve productivity and thereby reduce costs.

### Risk management

- We will focus our energies on sharing issues and on consulting activities in order to reduce the risks faced by our customers.
- We will perceive risk appropriately based on the principle of self-responsibility and control risk strategically and rationally.

Bank motto:

**Be tough on ourselves, kind to others and serve society**

CSR Charter (Management Principles):

**Mutual prosperity with the regional community,**

#### ROE (return on equity)

An indicator showing the extent to which the company is using the invested capital of the shareholders efficiently to generate profits

$$\frac{\text{Net profits}}{\text{Beginning of year and end of year average value of (net assets - share options - minority shareholders' equity)}} \times 100$$

#### OHR (Overhead ratio)

An indicator showing how efficiently the bank is being managed

$$\frac{\text{Expenses}}{\text{Gross profit}} \times 100$$



## — Aiming for the sustainable growth of our region with our customers —

[Name and the concept of the basic vision]

The Shiga Bank Group will journey forward with our customers in a future-oriented manner in order to create new values and the sustainable growth of our region with our customers.

**Faithfulness:** the feeling of thinking about customers' needs at all times

**Imagination:** a keen sensibility and abundant ideas

**Enthusiasm:** full dedication and strong will

We will expand, enhance and upgrade our services to our customers by developing each BPR (operation of SUCCESS)

Basic strategy

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### Further contributions to the regional economy

- (i) Proactively tackle the development of our customers and the regional economy
- (ii) Strengthen support systems for working on the new businesses of our customers
- (iii) Work together with our customers on increasing the appeal of the regional brand

Basic strategy

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### Construction of a resilient business foundation

- (i) Develop and utilize the human resources that will contribute to the development of our customers
- (ii) Strengthen the internal control system in order to enable our customers to conduct transactions with the bank with even greater peace of mind
- (iii) Reform our operations with the objective of improving the convenience of our customers

#### Our numerical targets for each indicator (by the final fiscal year)

- ROE (consolidated) ..... 3.0% or more
- OHR (non-consolidated) ..... Less than 70%
- Common equity Tier 1 ratio (consolidated) ..... 10.0% or more
- Reduction in greenhouse gas emissions ..... 20% reduction (\*)

(\*) An average 20% reduction compared to fiscal year 2006 over the three years from fiscal year 2013 to fiscal year 2015

#### Regional contribution goals (by the final fiscal year)

Total deposits (end of year balance) ..... ¥4.3 trillion  
Total loans (end of year balance) ..... ¥3.0 trillion

<Promotion of relationship banking> (cumulative over the period of the plan)

**Network:** number of customers for which we provide the ratings communication service: ..... 3,200 customers  
Number of instances of business matching meetings: ..... 3,000 instances

**Asia:** number of instances of overseas business support: ..... 4,300 instances

**CSR:** total number of people participating in volunteer activities: ..... 7,500 people

mutual prosperity with all employees,

harmonious coexistence with the environment

#### Common equity Tier 1 ratio

Beginning from the fiscal year ended March 31, 2013 the new capital adequacy requirements (Basel III) have been applied to international uniform standard banks possessing a branch overseas.

It is reported that of the capital adequacy requirements the top priority is given to the "common equity Tier 1 ratio," the core capital comprised of common equity, internal reserves, etc. and the level that is desired after full implementation is 7.0% or more (including the capital conservation buffer).