

## Message from the President

# Realizing Revitalized Regional Society Through Creative Originality



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President

### Regional Revitalization: Time for Regional Areas to Take the Lead

The Japanese economy has escaped from its deflationary state of mind, and we can now see a bright path toward a positive economic cycle. We cannot let this chance get away from us in 2015, and it is a year where we must do everything possible to allow the Japanese economy to recover. Government-promoted “regional revitalization” alongside equal private efforts are key to this recovery.

In order to both overcome the problems of a society with a shrinking population and realize regional revitalization, a cabinet decision was made in December 2014 to approve “long-term vision” and “comprehensive strategy” (for the five years beginning in fiscal 2015) that asks regional municipalities to establish a “regional population vision” and “regional comprehensive strategy” by March 2016.

“Regional revitalization,” by its nature is mainly focused on “regions,” and differs greatly from economic vitalization measures that had previously been led by the “nation.” In the past, “vitalization” could be said to have been dependent upon subsidies provided by the national government, and measures were implemented according to a menu defined on the national level, but “regional revitalization” hopes to provide active execution through the creative will of “regions” themselves, with solutions tailored to the characteristics of regions to foster regional industrial growth.

### The “Comprehensive Strength” of Regional Society is Being Tested

“Regional revitalization” uses close cooperation between the municipalities responsible for undertaking it and the people rooted in those areas to analyze and understand the realities of and questions surrounding individual regions, while also using regions’ varied resources to revitalize both regional economies and the Japanese economy as a whole.

In doing this, it is important to not simply bring a fixed “revitalization model” from outside but to construct a model of regional revitalization unique to each given region. In other words, there is no uniform “answer” when it comes to regional revitalization across Japan. Instead, there are as many answers as there are regions, a true test of the “comprehensive strength” of regional society.

## A “New Wind” Spreading Across Japan

As this happens, various efforts for regional revitalizations are being implemented full-scale across the country. Regions working toward vitalization by, for example, expanding sales routes and renovating processing plants for unique products to promote turning them into sixth-sector industries and brands, and increasing employment and the number of young people moving to a region by attracting satellite offices of startup IT firms, are finding a “new wind” blowing through them, though it may be a gradual process.

Even within Shiga Prefecture, steady efforts are beginning to bear fruit, such as the new construction of a recreational facility in Okuibuki, a project produced through cooperation between public and private industry; Takashima-style local tourism; and regional vitalization via soft contents such as the Koka Ninja. These measures make use of the attractive regional resources and strengths of a lake country, and aim to foster industry, create employment, and invite the younger generation to take root in the region.

## How Shiga Bank Works Together With Individual Regions

Even before calls were made for “regional revitalization,” the Bank has worked to energize and promote regional areas under the belief that the Bank cannot grow without our regions and clients growing as well. In April 2013, we established a Regional Promotion Office in order to promptly strengthen our relationships with regional public organizations and other groups and to spread and create regional brands. Also, when creating the Fund for Communicating Shiga’s Appeal and the Shigagin Hometown Investment Fund, we were the forerunners among other banks in using “crowdfunding” methods to collect small amounts from many individuals through the Internet, assertively supporting the development of new businesses in growth fields through new financing methods.

We are involved in many activities that use regional resources, such as the handling of Agribusiness Loans and the foundation of our “Sixth-Sector Industrialization Fund.” Also, in addition to our business and asset inheritance plans, in which our finance consulting abilities are used, we have also produced steady results in the “Craftsmanship Subsidy,” “Business Establishment / Secondary Business Establishment Promotion Subsidy,” and “Hometown Specialty Support Business” fields.

As a result of these efforts, the amounts put toward our Regional Contribution Goals (for the end of March 2016) of our

5th Medium-Term Business Plan (From April 2013 to March 2016) have reached 4.3 trillion yen in total deposits and 3 trillion yen in total loans, reaching our goals for both one year in advance. I would like to earnestly thank all of you for your loyal patronage and the fruits of your support.

## Realizing Revitalized Regional Society Through Creative Originality

In January 2015, the Bank established a bank policy and internal posture based on “Act for Creating Towns, People, and Jobs” in order to further advance our “Regional Revitalization” initiatives. As Shiga Prefecture as well as towns and cities inside the prefecture hurry to decide on regional versions of comprehensive strategies, we have proactively worked with them in their planning and made full use of the Bank’s network in order to offer and analyze information, putting proposals into action.

Furthermore, it is our intention to further promote efforts toward regional revitalization that cannot be classified by existing concepts and fixed ideas, such as the discovery of local resources, the promotion of matching activities, and the promotion of innovation through the fusion of “Cool Japan” creative industries with regional companies.

By once again confirming that it is our mission as a regional financial institution to smoothly provide funds to regional areas and to act as an “engine” that accelerates regional revitalization through constant creative originality, and by having all officers and employees of the Shiga Bank Group putting their strength together, we will make our utmost efforts to realize regional economic growth and a sustainable society.

