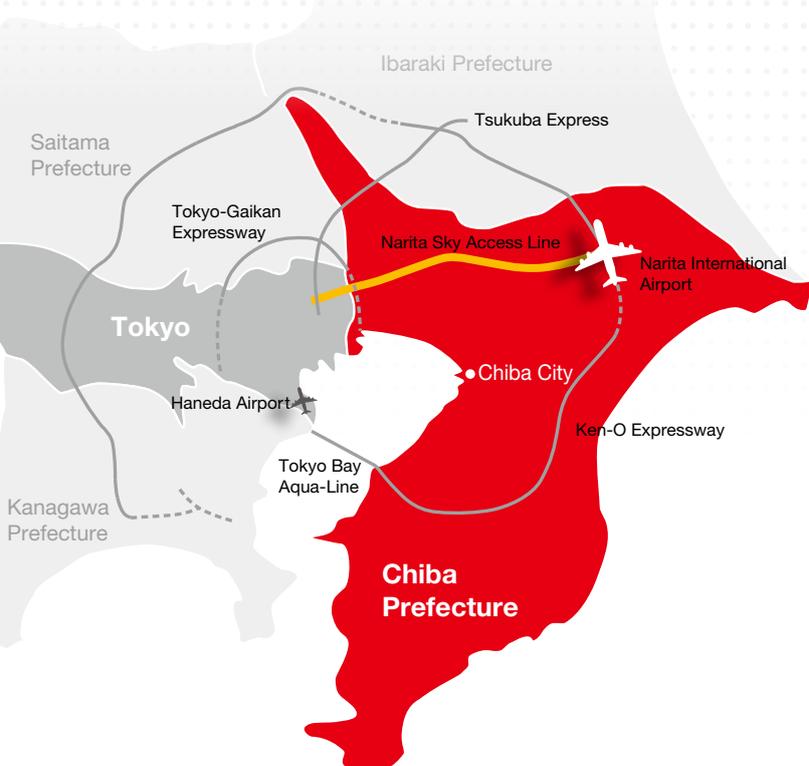


Growth Potential of



About Chiba Prefecture

Chiba Prefecture, the Chiba Bank's primary operating base, is Japan's sixth largest in terms of both population and GDP. With favorable geographic conditions and a warm climate, the prefecture has thriving agriculture and fishing industries, and one of Japan's most prominent industrial areas along the coast of Tokyo Bay, giving the prefecture a well-balanced industrial structure.

In addition, a well-developed transportation network connected with the greater Tokyo metropolitan area, including Narita International Airport, supports people's daily lives and companies' business activities in the region. Moreover, further growth is expected going forward as various infrastructure and other development projects are carried out ahead of the Tokyo Olympic and Paralympic Games in 2020.

*1 Statistics Bureau, Ministry of Internal Affairs and Communications "Population Census" (October 2015)

*2 Economic and Social Research Institute, Cabinet Office "Prefectural Accounts" (FY2013)

*3 The Bank of Japan (As of March 2016)



Population*¹

6.2 million

6th among Japanese Prefectures



Number of Households*¹

2.6 million

6th among Japanese Prefectures



Gross Prefectural Product*²

¥ **19.8** trillion

6th among Japanese Prefectures



Balance of Deposits*³

27.2 trillion

6th among Japanese Prefectures



Balance of Loans*³

13.3 trillion

7th among Japanese Prefectures

Our Operating Area

Increasing Population

Following the Great East Japan Earthquake Disaster, Chiba Prefecture's population decreased briefly, but that trend has reversed, with the population increasing since 2013. The prefecture was just one of eight prefectures in the October 2015 population census to show a population increase compared to five years ago.

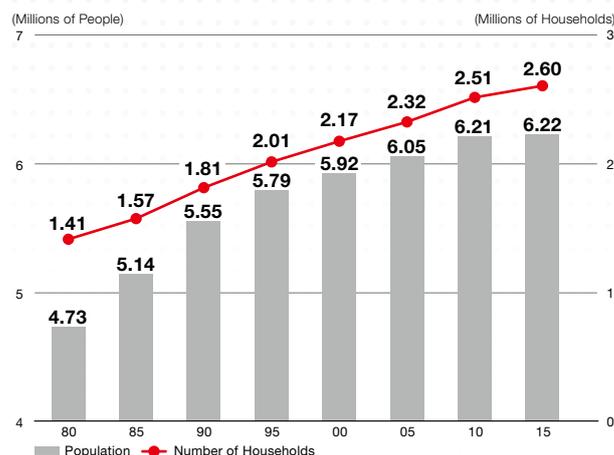
The number of households has also been increasing steadily, and as a neighboring bedroom community of the capital, Tokyo, there has been significant housing demand. New community development projects continue to be carried out, and commercial facilities, like large shopping malls that draw people from a wide area, continue to be established.

Development of Transportation Infrastructure

The Tokyo Bay Aqua-Line that opened in 1997 traverses Tokyo Bay to connect the capital with Kisarazu City in Chiba Prefecture by expressway and constitutes a portion of the network of expressways that ring the Tokyo metropolitan area. Tolls for the expressway were lowered in 2009, and traffic on the Aqua-Line has been increasing each year. The transportation infrastructure continues to be developed, and this includes extension of the Ken-O Expressway.

Based on the Land Market Value Publication released in January 2016, rates of appreciation have been increasing in Chiba Prefecture for residential, commercial and industrial land. In industrial districts in particular, development demand for logistics centers has been boosting land prices against a backdrop of the mounting need for same-day delivery in the Tokyo metropolitan area.

Population & Number of Households in Chiba Prefecture



Sources: Statistics Bureau, Ministry of Internal Affairs and Communications "Population Census"

National Strategic Special Zones

Chiba Prefecture is home to Japan's largest international airport, Narita International Airport, and with the opening of a new terminal (Narita International Airport Terminal 3) for low cost carriers (LCCs) in April 2015, the airport continues to strengthen its functions for the Tokyo metropolitan area.

Narita City is conducting urban development projects that utilize the airport and has been designated a National Strategic Special Zone with the aim of becoming a world-class city in the field of medical services. The city will be responding to increasing aging-related medical needs and further enhancing medical services for foreigners, so a number of medical institutions are expected to be established, including a medical university in April 2017, and medical professionals and other personnel will be trained, and this is expected to generate major economic benefits.

In addition, Chiba City was designated a National Strategic Special Zone in January 2016. Demonstration trials of services that make use of drones were initiated in Makuhari New City, a city complex with both corporate and residential areas.