

# Channel Strategy

## Strategic Operating Area

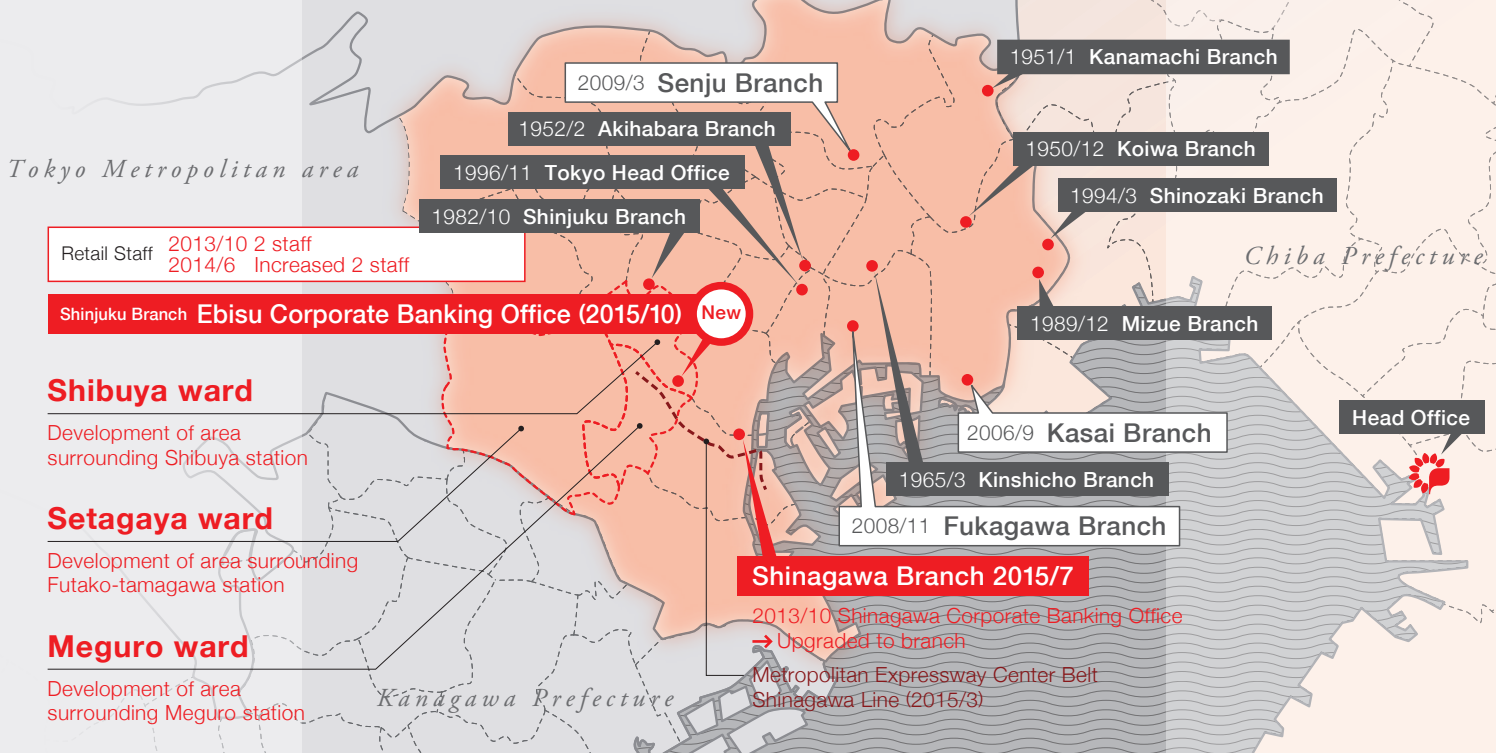
Since 2005, the Chiba Bank has opened 10 new branches outside of Chiba Prefecture, and the balances of loans at branches outside of Chiba Prefecture have increased by around four times over the past 10 years. In particular, we are strengthening our business in the 23 wards of Tokyo, which have been positioned as strategic operating areas.

Shinagawa Corporate Banking Office was established in October 2013, and retail business personnel have also been assigned to our Shinjuku Branch. Since favorable results have been confirmed at these locations, Shinagawa Corporate Banking Office was turned into a branch in July 2015, and Ebisu Corporate Banking Office will be established in October

2015 as a new business location.

The main target areas of Ebisu Corporate Banking Office will be the three wards of Shibuya, Meguro and Setagaya, which are areas with potential for wide-ranging business activities involving superior enterprises and high net worth individuals, and where further growth is anticipated thanks to the opening of the Shinagawa Route on the Central Circular Route of the Metropolitan Expressway, together with development of the neighboring Shibuya Station, Meguro Station and Futakotamagawa Station.

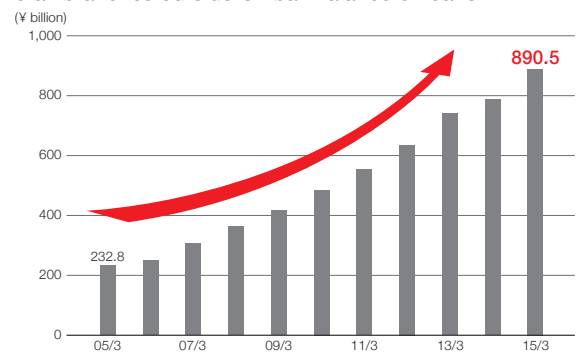
Going forward, we will consider opening even more new locations as we aim to further reinforce our business.



Number of domestic branches

	15/3	Change from 05/3
<b>Domestic Branches</b>	<b>179</b>	<b>+20</b>
<b>Chiba</b>	<b>160</b>	<b>+10</b>
Tokyo	12	+4
Saitama	3	+3
Ibaraki	3	+3
Osaka	1	0

Retail branches outside Chiba\* Balance of loans



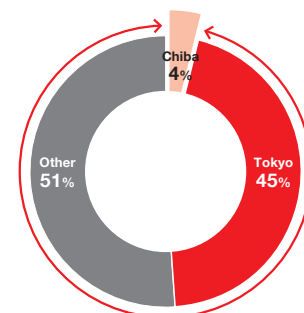
\*Excluding wholesale branches (Tokyo Head Office, Shinjuku Branch and Osaka Branch)

## Internet Branch

With the popularity of smartphones and similar electronic devices, internet-based channels are becoming important points of contact with customers. We are focusing our efforts on the development of channels using IT.

Our Internet Branch, which was opened in August 2014, is positioned as a channel that mainly promotes unsecured consumer loans. We are reaching new customers, with the branch steadily increasing its achievements with unsecured consumer loans since opening. Customers outside of Chiba Prefecture accounted for 96% of the actual amount of loans made by area at the end of March 2015. In April 2015, we launched a service enabling internet-based application through execution of contracts on some card loans, further improving convenience. Going forward, we will reinforce this with effective advertising and PR to increase the balance of unsecured consumer loans.

New unsecured consumer loans by area (14/8-15/3)



Ratio of outside Chiba 96%

## Asset Management Consulting

In Japan, customer interest in asset management is rising, and needs are diversifying amid the accelerating shift away from savings toward investments, as exemplified by the introduction of the Nippon (Japan) Individual Savings Account (NISA).

Chibagin Consulting Plaza has facilities in four locations (Chiba, Kashiwa, Funabashi, and Ichikawa), operates on Saturdays and holidays, and has specialized staff deployed to provide comprehensive responses to a range of customer needs. There are private booths that enable customers to have detailed consultations on issues such as asset management and insurance products; it also convenes seminars and provides customers with the latest financial and economic information.

Chibagin Securities has the most locations within Chiba Prefecture among securities companies. In 2014, two facilities were opened—the Tokyo Branch Ichikawa Office and the Kashiwa Branch (linked to branches of the Bank)—and in January 2016, we are planning to start online trading as well. We will continue to provide high-quality consulting services combining banking and securities.



Chibagin Consulting Plaza Ichikawa

## Overseas Network

The Chiba Bank has three overseas branches, located in New York, London and Hong Kong. In addition to overseas representative offices in Shanghai and Singapore, a third office was opened in September 2014 in Bangkok. Particularly in Asia, which is a region with remarkable growth, we will assist our customers with expanding their businesses by working with cooperative organizations, as well as by holding business conferences to support foreign trade, provide the latest overseas information, and create new market openings.

In September 2014, the banks participating in the TSUBASA Project\* concluded an agreement titled “Cooperation in Markets and International Business.” Under the agreement, the participants will mutually cooperate to exchange personnel and carry out effective activities at overseas bases.

\* The TSUBASA Project is a scheme for cooperating on mainframe systems and exchanging human resources and information with the participation of six banks (The Chiba Bank, Ltd., The Toho Bank, Ltd., The Daishi Bank, Ltd., The Hokkoku Bank, Ltd., The Chugoku Bank, Ltd. and The Iyo Bank, Ltd.).