

## Features and Strengths of Chiba Prefecture

Chiba Prefecture boasts one of the largest population and economic scales of the country with rich nature and well-balanced industrial structure. The Bank Group's operating area is in Chiba Prefecture, which is an excellent market, and we are continuing to steadily grow together with Chiba Prefecture. We will continue to play a role as a regional financial institution for further development of Chiba Prefecture.

### Strength 1 Population of over 6 million and Japan's leading economic scale

Chiba Prefecture, which is our main operating area, was created in 1873 through the merger of Inba Prefecture and Kisarazu Prefecture, and celebrated its 150th anniversary on June 15, 2023. Chiba Prefecture has a large land area, blessed with a mild climate and rich nature, and has continued to develop along with Japan's economic growth. Its population is 6.26 million as of March 31, 2023, which is ranked sixth in Japan.



Source: Prepared by Chiba Bank based on "Chiba Prefecture monthly population survey," Statistics Division, Policy and Planning Department, Chiba Prefectural Government, "Population Census" (2020), Statistics Bureau, Ministry of Internal Affairs and Communications, and "Prefectural Accounts" (FY2019), Economic and Social Research Institute, Cabinet Office.

Furthermore, Chiba Prefecture has Japan's leading economic scale with prefectural income of ¥19.2 trillion and gross prefectural product of ¥21.2 trillion, which are ranked sixth and seventh in Japan, respectively.

### Strength 2 Well-balanced industrial structure

Chiba Prefecture has Japan's leading commerce, agriculture, and fishing industries and a high-level and well-balanced industrial structure.

In commerce and industry, Chiba Prefecture has the "Keiyo Industrial Zone" with an industrial complex of oil refineries, petrochemical, steel, and other companies along the Tokyo Bay, and many industrial parks scattered in the area. In "Tokatsu Techno Plaza," "Kazusa Akademia Park," and other facilities, the government, industries and academic institutions are conducting state-of-the-art research and development.

Chiba Prefecture also is foremost among Japan's agricultural prefectures. Various parts of the prefecture operate agriculture in suburban areas with high productivity, utilizing the climate which is warm in winter and cool in summer and the location adjacent to the large consumption area. Chiba Prefecture also has thriving fishing grounds that are surrounded by sea on three sides. Its total fishing aquaculture production is one of the largest in Japan with multiple fishing ports including Choshi Port, which features No.1 volume of fish catches in the country.

Additionally, Chiba Prefecture is famous for tourist spots including Tokyo Disney Resort, many beaches, Minamiboso Quasi-National Park, and Suigo-Tsukuba Quasi-National Park, and boasts one of the largest number of foreign tourists of all Japanese prefectures.

#### Industrial Data of Chiba Prefecture

Primary industry		Secondary industry		Tertiary industry	
Seventh in Japan	¥0.1 trillion	Ninth in Japan	¥5.0 trillion	Sixth in Japan	¥15.9 trillion

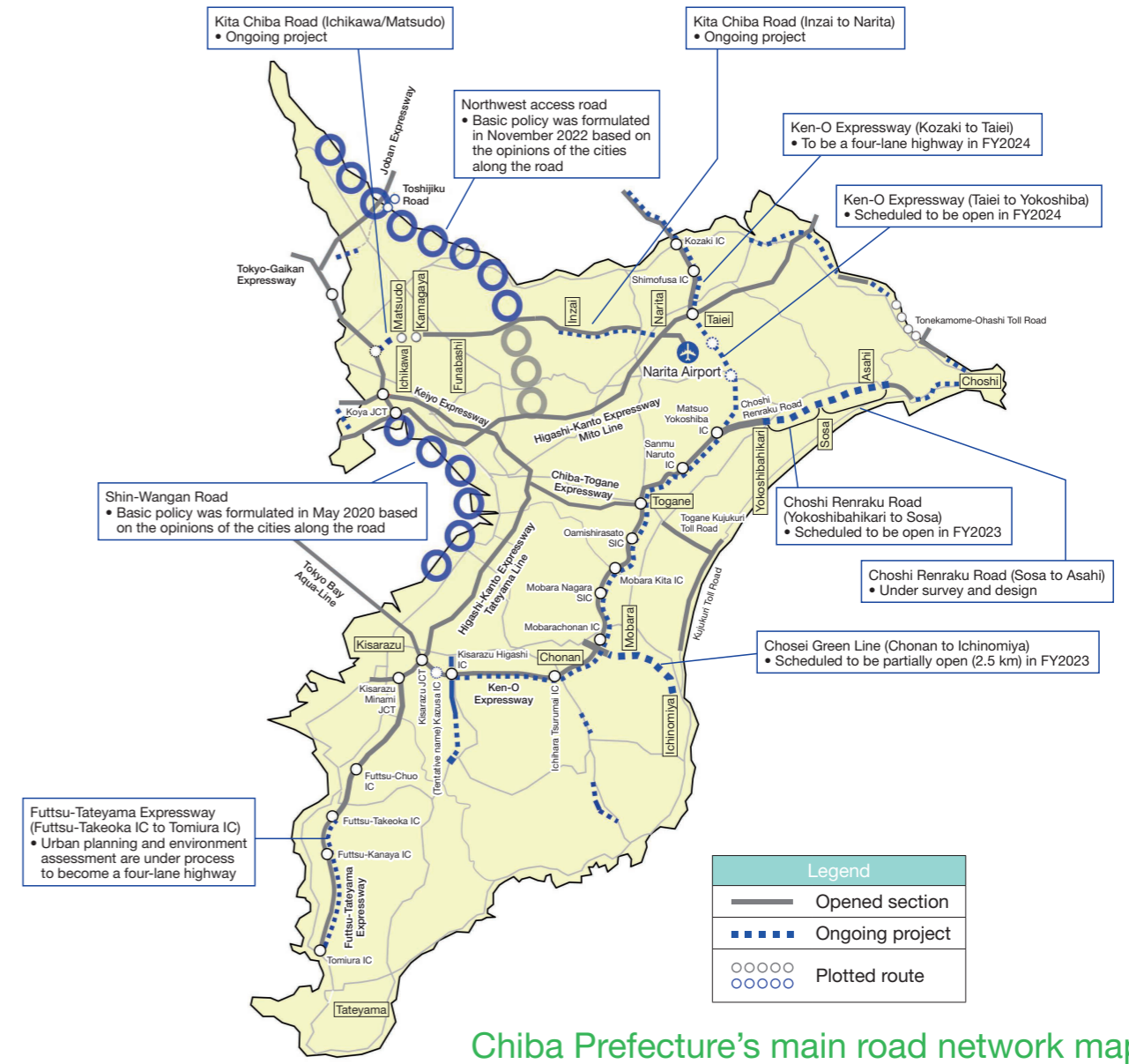
Source: "Prefectural Accounts" (FY2019), Economic and Social Research Institute, Cabinet Office

### Strength 3 High potential in economic growth

In Chiba Prefecture, the development of public infrastructure, which is indispensable for economic development, is also underway. In addition to the Ken-O Expressway, which is scheduled to be fully open after FY2024, plans are underway for the opening of the Kita Chiba Road, a northwest access road (Chiba Kashiwa Road) and other roads.

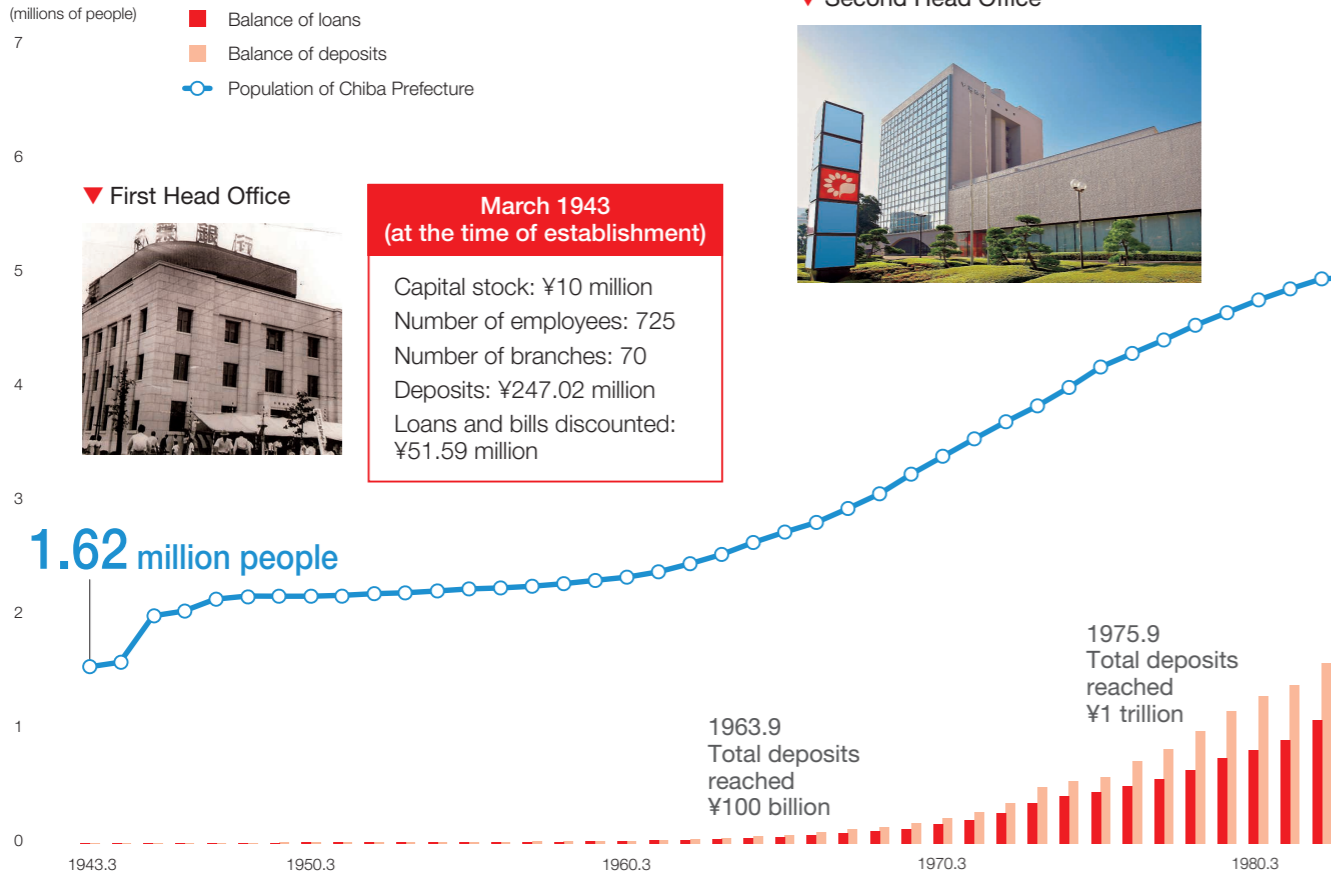
In March 2023, a new station "Makuhari Toyosuna Station" opened between Shin-Narashino Station and Kaihimmakuhari Station on the Japan Railways Keiyo Line. In addition, at Narita International Airport, a new third runway is scheduled to be constructed in FY2028. At Chiba Port, which handles one of the largest volumes of cargo in Japan, and other trade ports such as Kisarazu Port, investments continue to be made to expand their functions and to prepare for disaster.

Chiba Prefecture, with various high-level industries and high potential for economic growth due to ongoing infrastructure development as stated above, is the excellent market that supports sustainable growth of the Bank Group.



# History of the Chiba Bank Group

Chiba Bank marked the 80th anniversary of its establishment in March 2023. The scale of our business is growing, meeting the diverse needs of our customers as a regional financial institution. Looking ahead, the Chiba Bank Group will pursue continuous growth together with our regional communities.



▼ Chibagin Head Office Building (completed construction in September 2020)



▼ Second Head Office



## Establishment-



**1943.3** Founded as a result of the merger of Chiba Godo Bank, Omigawa Agricultural and Commercial Bank, and the Kujuhachi Bank

## 1960s-

- 1960-** Deposits and loans grew in response to high economic growth
- 1964.2** Set a sunflower as the bank flower
- 1970.10** Listed on the 2nd section of the Tokyo Stock Exchange (changed to 1st section in August 1971)
- 1971.10** Started the first online system
- 1973.3** Built the new Head Office building and relocated the Head Office from Chuo to Chiba-minato

## 1980s-

- 1986.10** Appointed the first female Branch General Manager in Japan
- 1987.4** Opened New York Branch
- 1989.4** Opened Hong Kong Branch
- 1991.2** Opened London Branch
- 1995.11** Opened Shanghai Representative Office
- 1998.3** Acquired Chuo Securities (currently Chibagin Securities) as a Group company

## 2000s-

- 2006.12** Established Chibagin Heartful as a special subsidiary for the employment of people with disabilities
- 2008.3** Launched the TSUBASA project
- 2011.3** Opened Representative Office Registered in Singapore
- 2014.9** Opened Bangkok Representative Office
- 2015.10** Launched the TSUBASA Alliance
- 2016.3** Launched the Chiba-Musashino Alliance
- 2016.5 - 9** 9 group companies relocated to Chibagin Makuhari Building
- 2016.7** Established T&I Innovation Center
- 2019.7** Launched the Chiba-Yokohama Partnership
- 2020.9** Completed construction of Chibagin Head Office Building
- 2021.5** Established Chibagin Market
- 2023.4** Established Himawari Green Energy



## The 80th Anniversary Project

### Developing Space above National Road and Holding a Market

In May 2023, the space above the national road adjacent to the head office building was developed as a place for local residents to relax by installing benches and a wood deck, as well as applying heat-shielding coating to some parts of the ground. A market was also held in the same month using the newly created space.



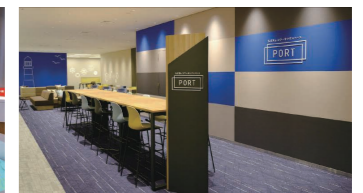
▲ Market

### Establishing a Financial Reference Center and Co-working Space

In May 2023, FinTERRACE, a Chiba Bank financial reference center, and PORT, a Chiba Bank co-working space, were established in the head office. We aim to use these facilities as regional hubs to nurture financial education and develop new business opportunities.



▲ Chiba Bank financial reference center



▲ Chiba Bank co-working space

# Strengths of the Chiba Bank Group

## Solid Operating Base

The Bank has a branch network of 184 domestic locations, mainly in Chiba Prefecture, and 6 overseas locations.

In Japan, we have secured contact points with customers, and provided optimal services that meet customers' needs in the region by opening new branches in Ibaraki Prefecture and Saitama Prefecture in addition to central Tokyo, which is adjacent to Chiba Prefecture, while also consolidating existing branches and integrating functions of branches.

In overseas, we have branches in New York, Hong Kong, and London and representative offices in various locations in Asia (Shanghai, Singapore, and Bangkok), which constitute a top-level overseas branch network as a regional bank.

With this branch network, we have won an overwhelming share of the market in Chiba Prefecture (41.0% share of lending and 27.9% share of deposits in the prefecture), our main operating area, as we serve as a main bank of over 20,000 companies to support business activities of customers, and are designated financial institution of 44 out of 55 local governments in the prefecture.

### Solid Business Base

Domestic Network*1	<b>184</b> locations
Overseas Network	<b>6</b> locations
Branches: New York, Hong Kong, London Representative Offices: Shanghai, Singapore, Bangkok	
Market Share of Loans in Chiba*2	<b>41.0%</b>
Market Share of Deposits and Savings in Chiba Prefecture*2	<b>27.9%</b>
Designated Financial Institution for	<b>44</b> out of 55 local governments
Coordination Agreement for Regional Revitalization Concluded with	<b>25</b> out of 55 local governments

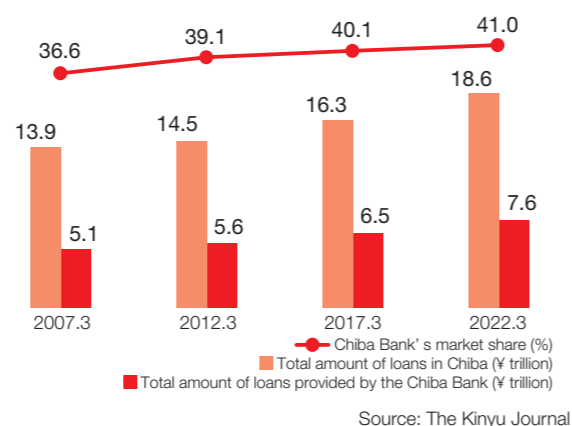
\*1 181 branches and 3 money exchange counters  
\*2 Source: The Kinyu Journal, as of March 31, 2022

### Deeply Diverse Customer Base

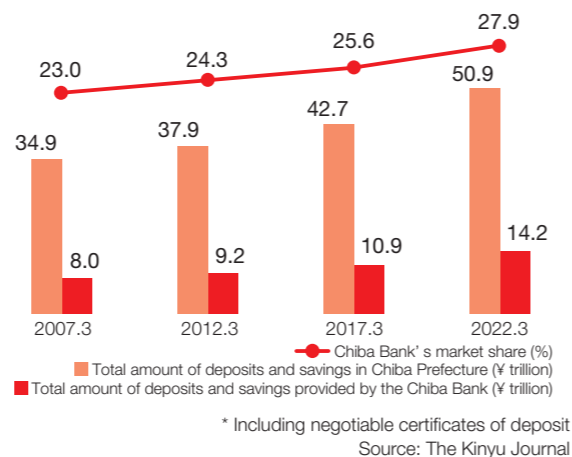
Number of Accounts Used to Receive Salaries	<b>864 thousand</b> accounts
Number of Accounts Used to Receive Pensions	<b>494 thousand</b> accounts
Number of Customers Receiving Housing Loans	<b>205 thousand</b> customers
Number of Companies Using Chiba Bank as Their Main Bank*	<b>21 thousand</b> companies

\* Source: Teikoku Databank  
(As of March 31, 2023 or for the fiscal year ended March 31, 2023, unless otherwise noted)

### Loans in Chiba



### Deposits and savings in Chiba Prefecture\*



## Strong Financial Base

The total assets (consolidated) of the Bank amounts to approximately ¥19.8 trillion, and loans and bills discounted (non-consolidated) exceeds ¥12 trillion. In addition, our consolidated profit (profit attributable to owners of parent) is ¥60.2 billion, boasting a top-class asset size and profitability among the regional banks.

Meanwhile, the low expense ratio is our major feature, with ROE (consolidated) being 6.38%, increasing for two consecutive terms, and OHR (non-consolidated) being 47.73%, in the upper 40% range. The stable ROE and low OHR show our efficient business operations.

Our total capital ratio (consolidated) is 11.63% and Tier 1 common equity capital ratio (consolidated) is 11.54%, and we also maintain high level of financial soundness with non-performing loan ratio (non-consolidated) of 0.93%, which is less than 1%.

Thanks to these figures, the Bank remains high in external credit ratings (long-term) performed by credit rating agencies, such as A1 in Moody's, A- in Standard & Poor's, and AA- in Rating and Investment Information.

### Top-Class Asset Size Among the Regional Banks

Total Assets (Consolidated):	<b>¥19,787.8</b> billion
Loans and Bills Discounted (Non-Consolidated):	<b>¥12,153.6</b> billion
Deposits (Non-Consolidated):	<b>¥15,424.4</b> billion

### Robust Capital

Total Capital Ratio (Consolidated)	<b>11.63%</b>
Tier 1 Common Equity Capital Ratio (Consolidated)	<b>11.54%</b>

### Excellent Ratings\*

Moody's	<b>A1</b> (Long-term) <b>P-1</b> (Short-term)
Standard & Poor's	<b>A-</b> (Long-term) <b>A-2</b> (Short-term)
Rating and Investment Information	<b>AA-</b> (Long-term)

\* As of July 1, 2023

### Top-Class Profitability Among the Regional Banks

Profit Attributable to Owners of Parent (Consolidated)	<b>¥60.2</b> billion
ROE (Consolidated, Based on Shareholders' Equity)	<b>6.38%</b>

### Low Expense Ratio

OHR (Non-Consolidated)	<b>47.73%</b>
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### Sound Loan Assets

Non-Performing Loan Ratio (Non-Consolidated and based on the Financial Reconstruction Act)	<b>0.93%</b>
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# Value Creation Process

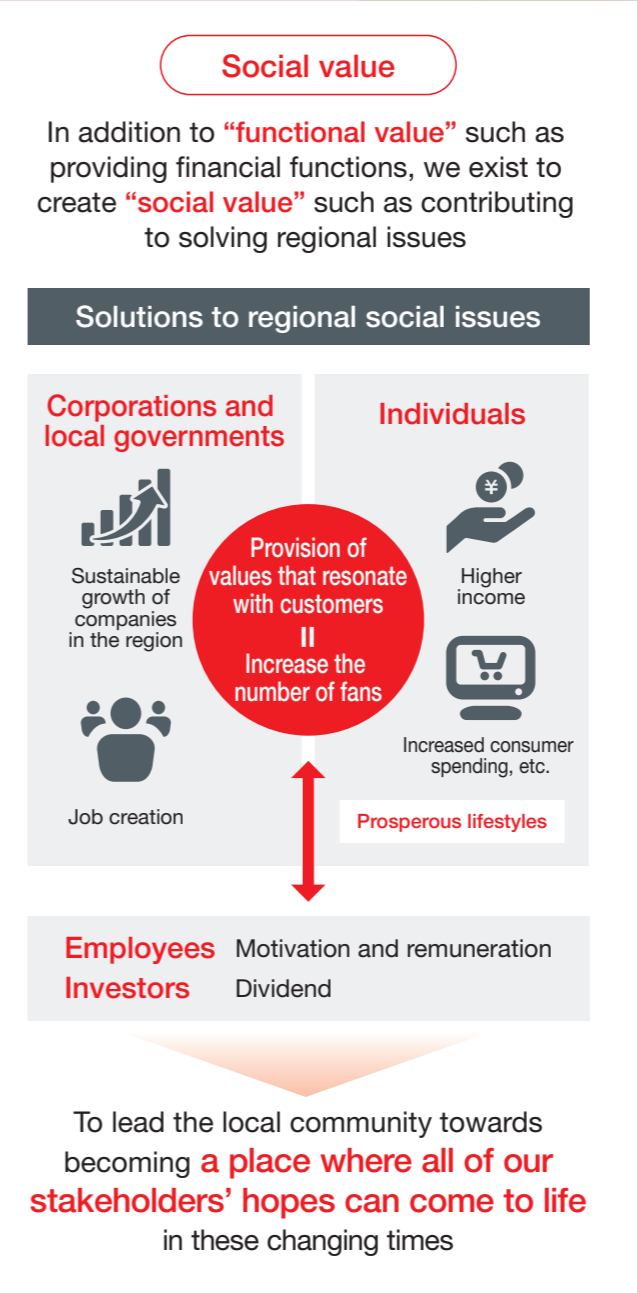
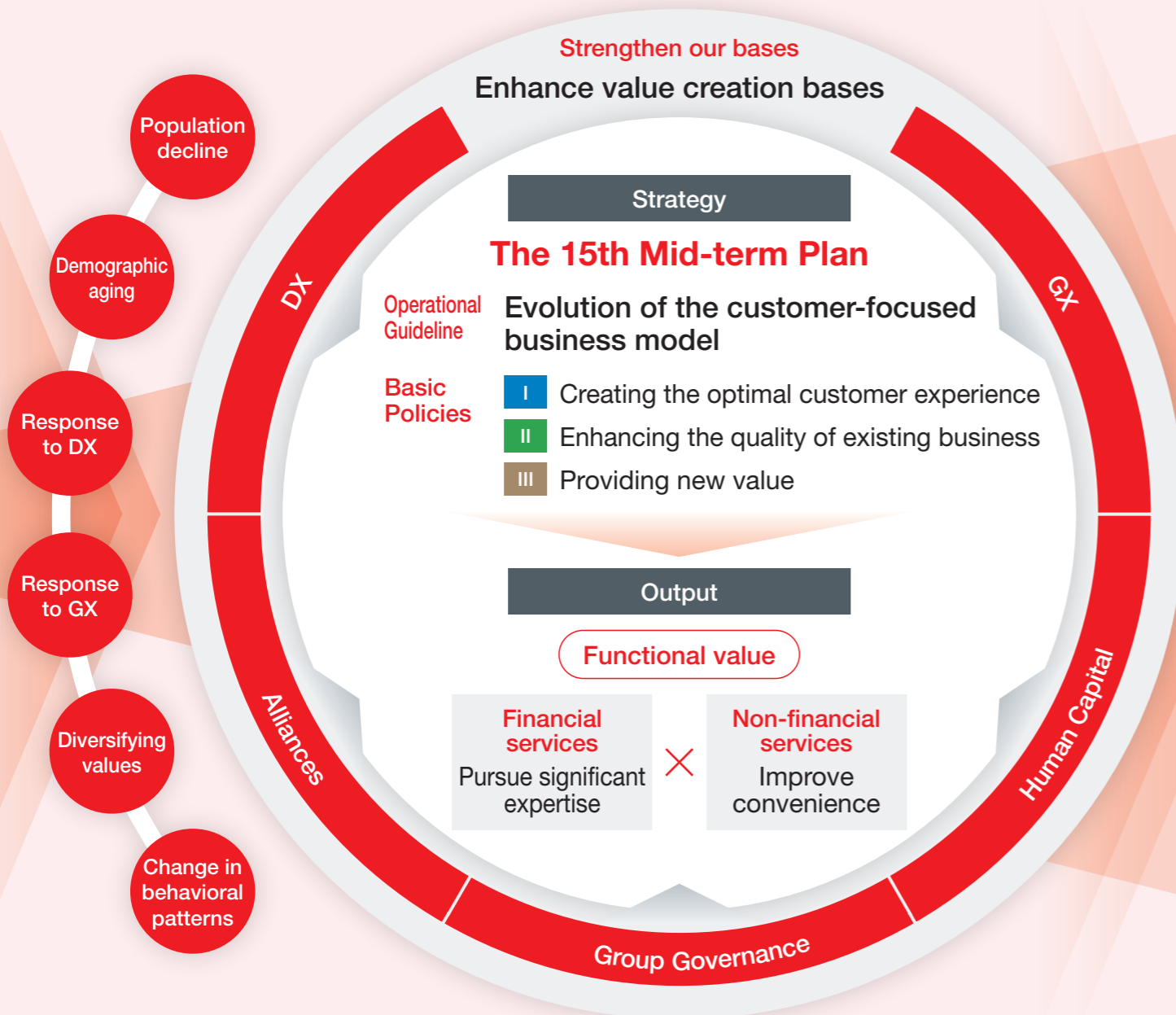
Social Issues

Vision

Purpose

**An Engagement Bank Group that works closely with the community**

**To create a local community better suited to bringing each person's hope to life**



**Contributing to achieving the SDGs  
Achievement of sustainable society**



Improve engagement

Improve corporate value