

Financial Results for FY2017

May 23, 2018

THE CHIBA BANK, LTD.

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Summary of Financial Results

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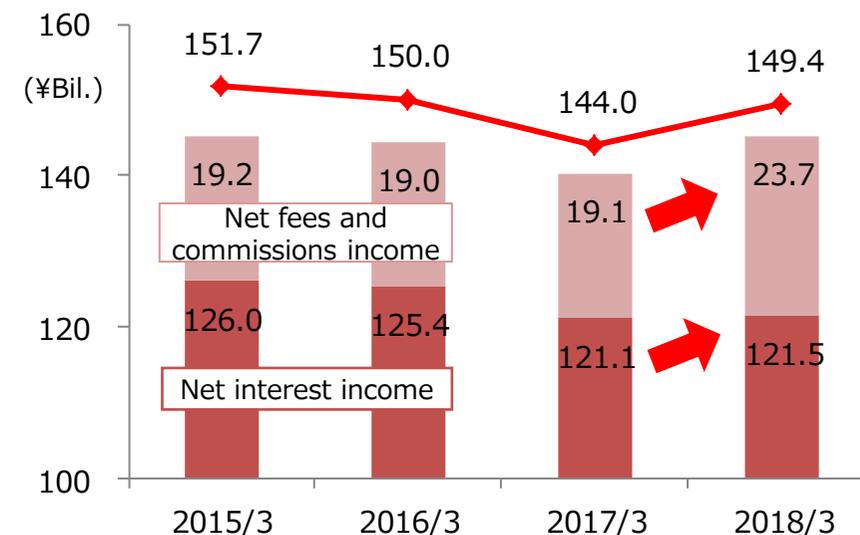
Non-consolidated

(¥Bil.)	2017/3	2018/3	Change	
Gross business profits	144.0	149.4	5.3	
Net interest income	121.1	121.5	0.3	p.4
Net fees and commissions income	19.1	23.7	4.6	p.7
Trading income	2.5	2.0	-0.5	
Profit from other business transactions	1.2	2.1	0.9	
Gains (losses) related to bonds	-1.1	-0.5	0.5	
Expenses (-)	83.1	82.8	-0.2	p.8
Real net business income	60.9	66.5	5.5	
Core net business income	62.1	67.1	4.9	
Net transfer to general allowance for loan losses (-)	-	-	-	p.9
Net business income	60.9	66.5	5.5	
Non-recurrent income and losses	9.0	4.0	-4.9	
Disposal of non-performing loans (-)	-3.7	0.8	4.5	p.9
Gains (losses) related to stocks, etc.	1.5	1.6	0.0	
Ordinary profit	70.0	70.6	0.6	
Extraordinary income (loss)	-1.0	-1.3	-0.3	
Profit	48.6	49.6	1.0	
Net credit costs (-)	-3.7	0.8	4.5	p.9

Consolidated

(¥Bil.)	2017/3	2018/3	Change
Ordinary profit	77.6	78.4	0.8
Profit attributable to owners of parent	52.7	53.7	1.0

Non-consolidated gross business profits



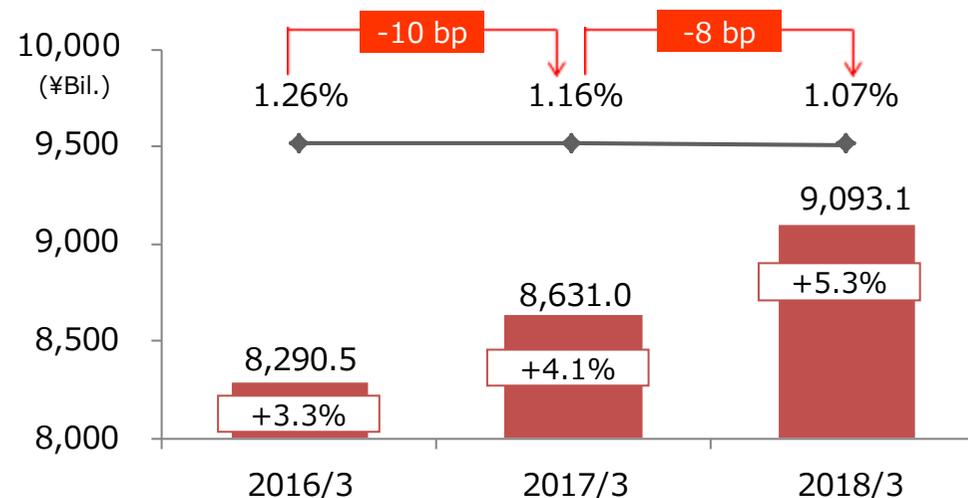
Key Points of FY2017 results

- ◆ Owing to an increase in net interest income and net fees and commissions income, gross business profits increased by ¥5.3Bil. YoY
- ◆ Some foreign securities, etc. were sold to improve the portfolio (¥3.0Bil. in loss due to sale, etc.)
- ◆ Expenses controlled at target level
- ◆ Secured non-consolidated profit and profit attributable to owners of parent at the third highest level ever

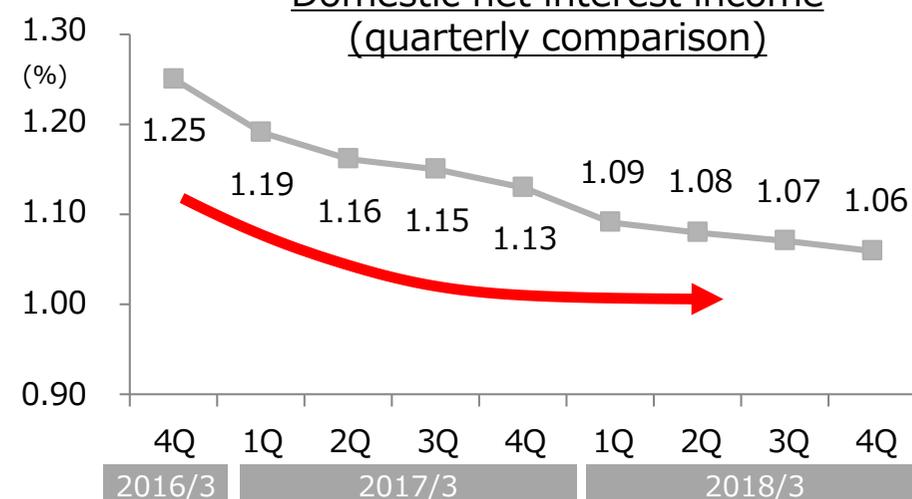
Firm increase in domestic loans and marginal yield declined at a slower pace

(¥Bil.)	2017/3	2018/3	Change
Net interest income	121.1	121.5	0.3
Domestic	115.9	116.6	0.7
Loans and deposits	98.8	97.0	-1.7
Loans	100.1	98.0	-2.0
Deposits (-)	1.3	0.9	-0.3
Securities	17.0	19.3	2.2
Bonds	5.4	3.9	-1.5
Stocks	6.9	8.0	1.1
Investment trusts (dividends)	3.3	3.9	0.6
Investment trusts (sold)	1.3	3.3	1.9
International	5.2	4.8	-0.3
Loans and deposits	2.6	4.5	1.9
Loans	5.7	8.9	3.1
Deposits (-)	3.1	4.3	1.2
Bonds	10.6	9.4	-1.2
Bonds (-)	8.0	9.1	1.0

Average balance and yield of domestic loans



Domestic net interest income (quarterly comparison)



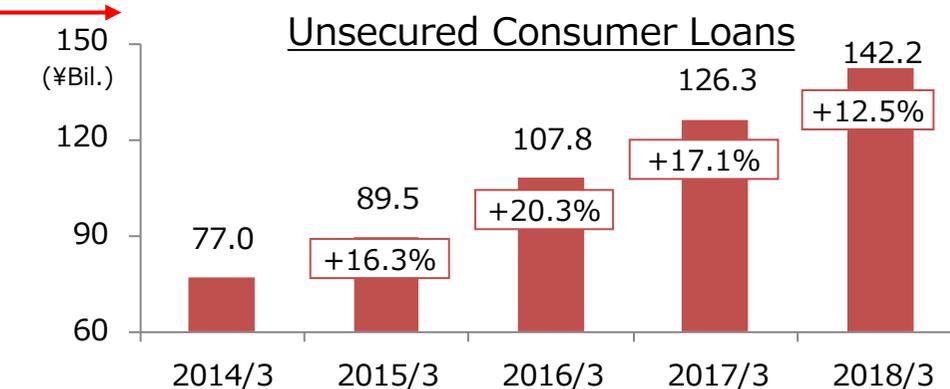
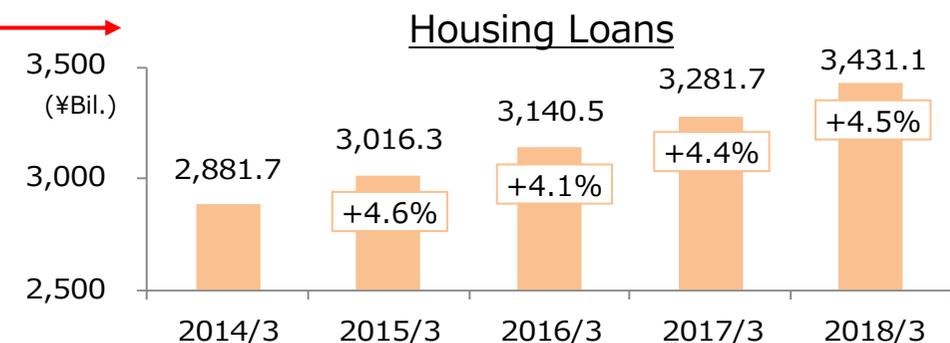
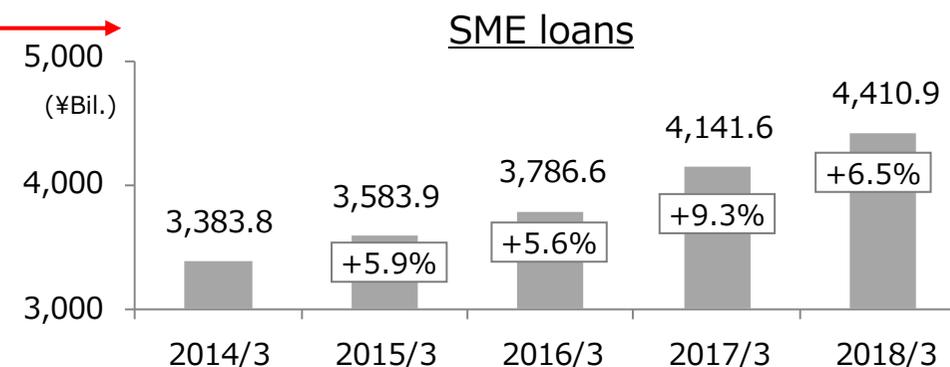
SME loans, housing loans and unsecured consumer loans growth remain strong

(¥Bil.)	2017/3	2018/3	Change	%
Deposits	11,565.7	12,017.0	451.2	3.9%
Domestic deposits	11,116.2	11,604.1	487.9	4.3%
Personal deposits	8,350.3	8,660.6	310.2	3.7%

(¥Bil.)	2017/3	2018/3	Change	%
Loans	9,305.3	9,816.0	510.6	5.4%
Domestic loans	9,115.8	9,606.1	490.2	5.3%
ex. Public sector	8,912.2	9,388.2	476.0	5.3%
Corporate loans	5,491.2	5,803.7	312.4	5.6%
Large corporates	1,349.6	1,392.7	43.1	3.1%
SMEs	4,141.6	4,410.9	269.3	6.5%
Consumer loans	3,420.9	3,584.5	163.6	4.7%
Housing loans	3,281.7	3,431.1	149.3	4.5%
Unsecured consumer loans	126.3	142.2	15.8	12.5%
Public sector	203.6	217.8	14.1	6.9%

Domestic loans	9,115.8	9,606.1	490.2	5.3%
Branches in Chiba	6,536.4	6,797.6	261.2	3.9%
Branches outside Chiba	2,579.4	2,808.4	229.0	8.8%
Special Branches*	1,395.5	1,461.2	65.7	4.7%
Retail Branches	1,183.8	1,347.1	163.2	13.7%

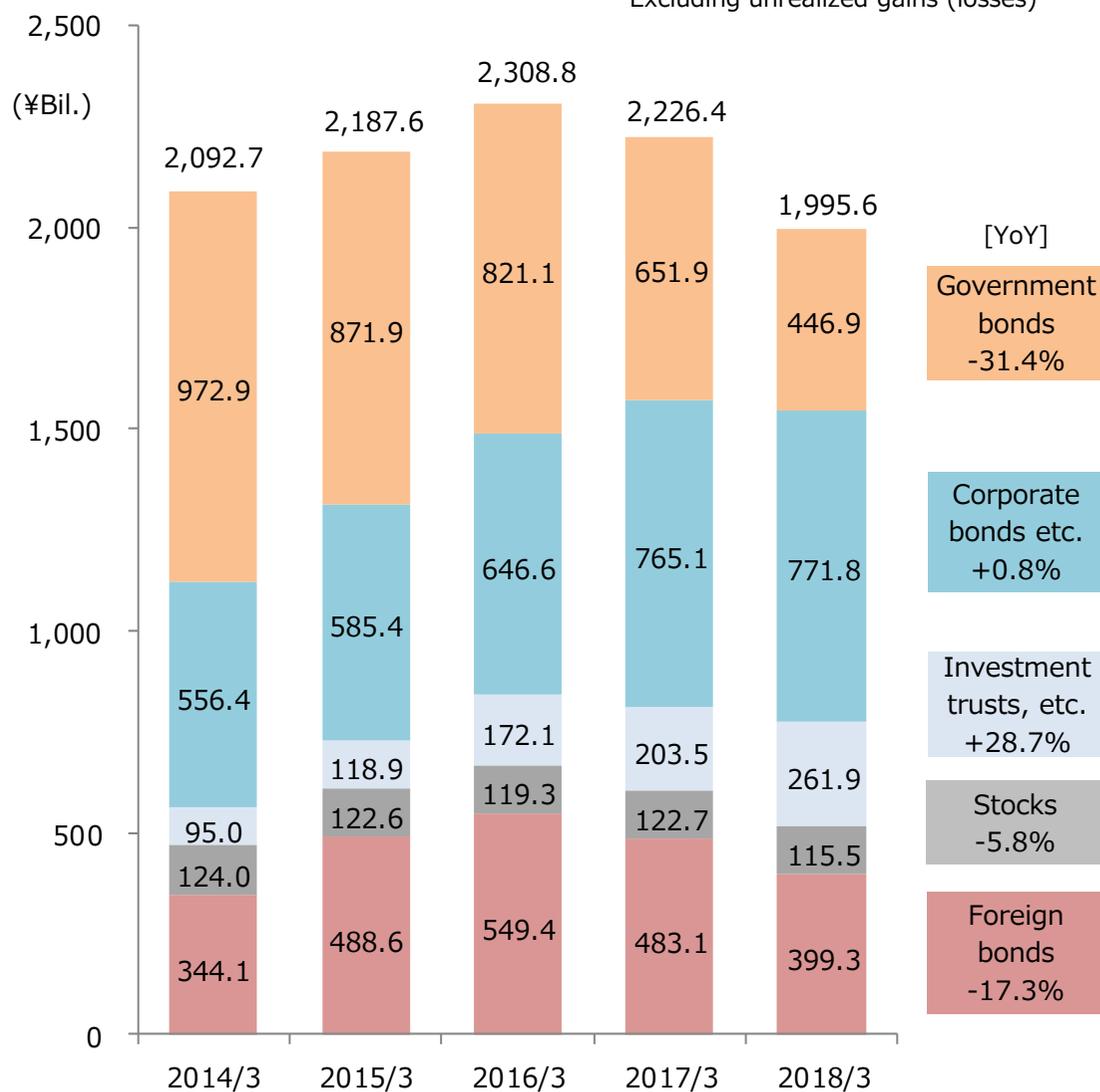
*Tokyo Head Office, Shinjuku Branch and Osaka Branch□



Controlling interest rate risk while diversifying investment

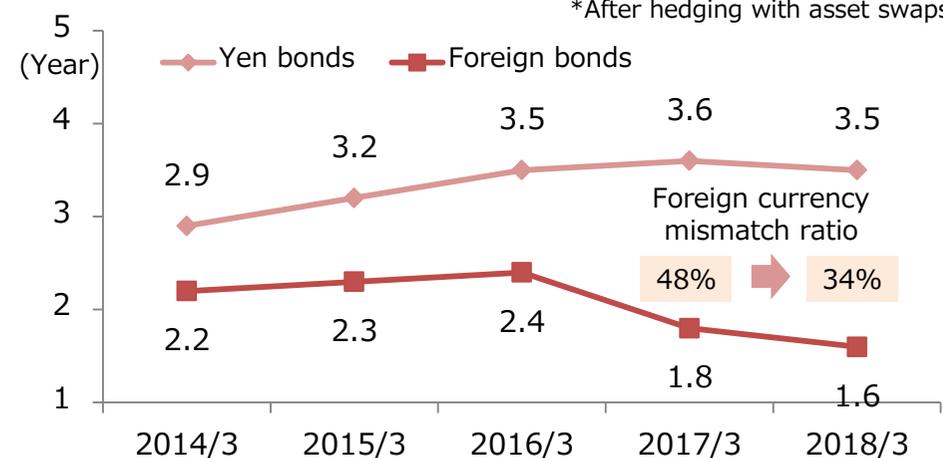
Balance of securities at term-end*

*Excluding unrealized gains (losses)



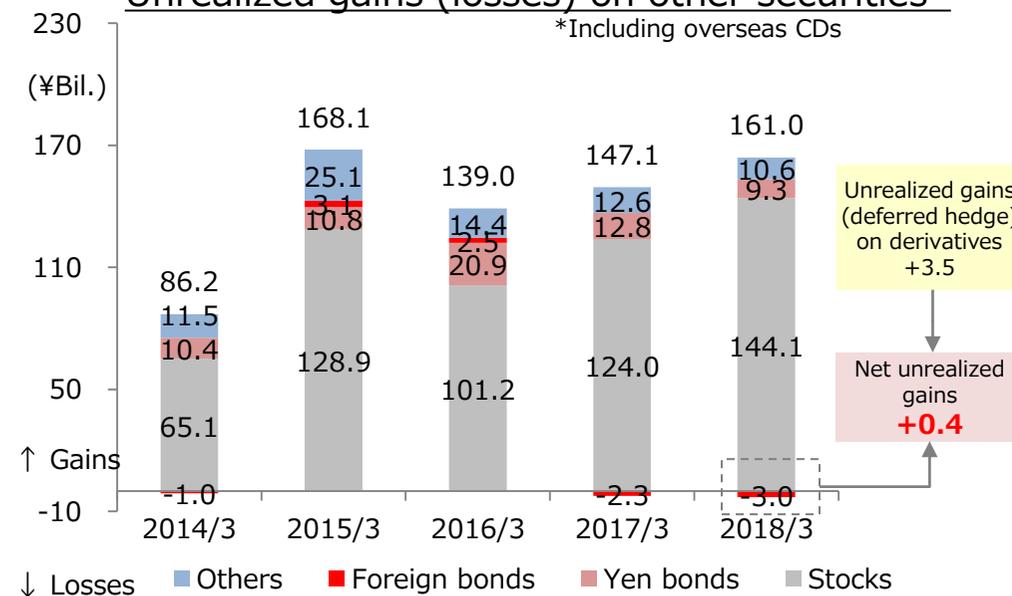
Duration of securities*

*After hedging with asset swaps



Unrealized gains (losses) on other securities*

*Including overseas CDs

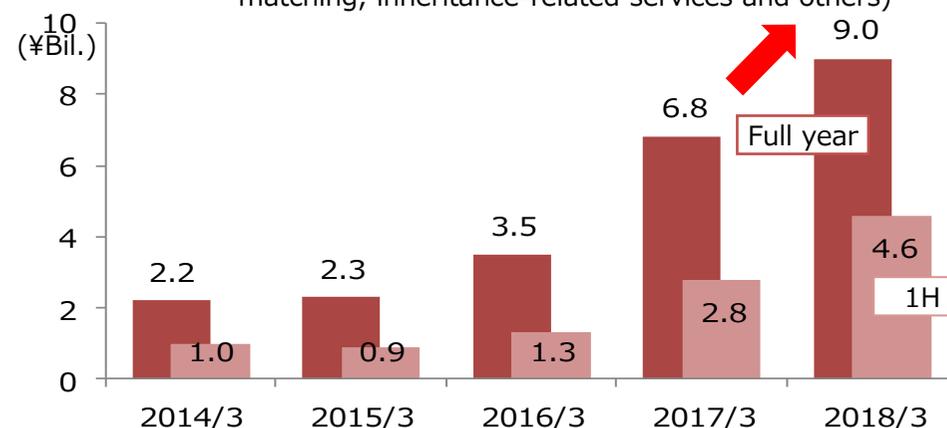


Solution-related fees from corporate customers brought large increase in net fees and commissions income

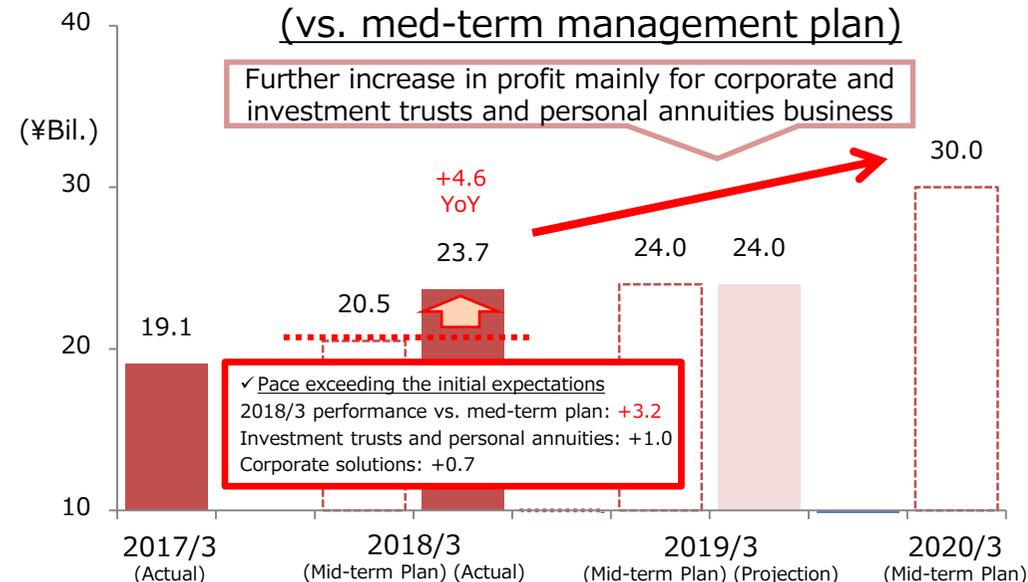
(¥Bil.)	2017/3	2018/3	Change
Net fees and commissions income	19.1	23.7	4.6
Fees and commissions income	39.4	43.4	4.0
Fees and commissions payments (-)	20.3	19.7	-0.6
<Main items>			
Investment trusts and personal annuities	10.3	11.4	1.1
Investment trusts	4.2	5.1	0.9
Annuities and whole life insurance	3.2	2.0	-1.1
Level-paying life insurance	2.2	3.3	1.1
Financial products intermediary	0.5	0.7	0.2
Solution-related fees from corporate customers	6.8	9.0	2.1
Private placement bonds	0.8	0.6	-0.2
Syndicated loans	4.3	6.0	1.7
Business matching	0.9	1.3	0.3
Inheritance	0.4	0.6	0.1
Payment and settlement transactions	11.9	12.2	0.2
Guarantee charges and group insurance costs (-)	13.2	12.7	-0.4
(Reference) Other non-recurrent income and loss			
Dividends from group credit life insurance	3.4	3.0	-0.3

Solution-related fees from corporate customers

(Private placement bonds, syndicated loans, etc., M&A, business matching, inheritance-related services and others)



Net fees and commissions income (vs. med-term management plan)



Further improving work efficiency and controlling expenses

(¥Bil.)	2017/3	2018/3	Change	2019/3 (Projection)	Change
Expenses (-)	83.1	82.8	-0.2	83.0	0.1
Personnel (-)	42.1	42.4	0.3	42.2	-0.2
Non-personnel (-)	35.0	34.5	-0.5	34.9	0.3
Tax (-)	5.9	5.9	0.0	5.9	0.0
OHR	57.59%	55.26%	-2.32%		

OHR

Chiba Bank
55%



Ave. of 3 mega group*1: 68%

Ave. of 64 regional banks*2: 68%

*1 Expenses ÷ (Consolidated gross business profits - Gains/losses related to bonds)
[2018/3]: Calculation based on disclosed information

*2 Expenses ÷ (Non-consolidated gross business profits - Gains/losses related to bonds)
[2017/9]: Disclosed by Regional Banks Association of Japan

Main factors behind increase/decrease in expenses

(¥Bil.)	2018/3 (Actual)	2019/3 (Projection)
Personnel (-)	Salaries +0.2 0.3	Social insurance premium +0.1 -0.2 Cost-cutting initiatives -0.3
Non-personnel (-)	Work style reform +0.1 -0.5 Cost-cutting measures -0.5 Deposit insurance fees -0.3	Work efficiency and digitalization +0.5 0.3 Deposit insurance fee -0.1 Cost-cutting initiatives -0.1
Tax (-)	Business tax +0.1 0.0 Other tax -0.0	0.0 Same as previous term

Strategic investment plan

Key details

- Ebisu Branch
- TSUBASA FinTech Platform
- Improving efficiency of for front-of-branch and in-branch operations
- Improving efficiency for loan operations etc.

2018/3 ¥1.7Bil.

2019/3 (plan) ¥3.9Bil.

Strategic investment (3 years) Total ¥15Bil.

Co-creating customer value
¥7.2Bil.

Realizing work style reform
for all employees
¥2.7Bil.

Strengthening a sustainable
management structure
¥5.1Bil.

2017.4

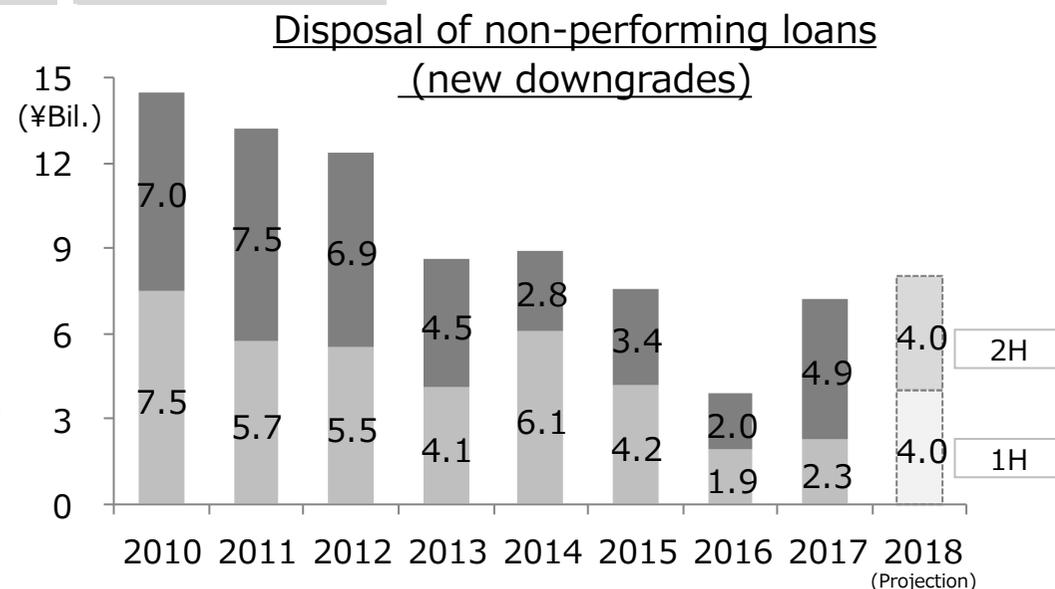
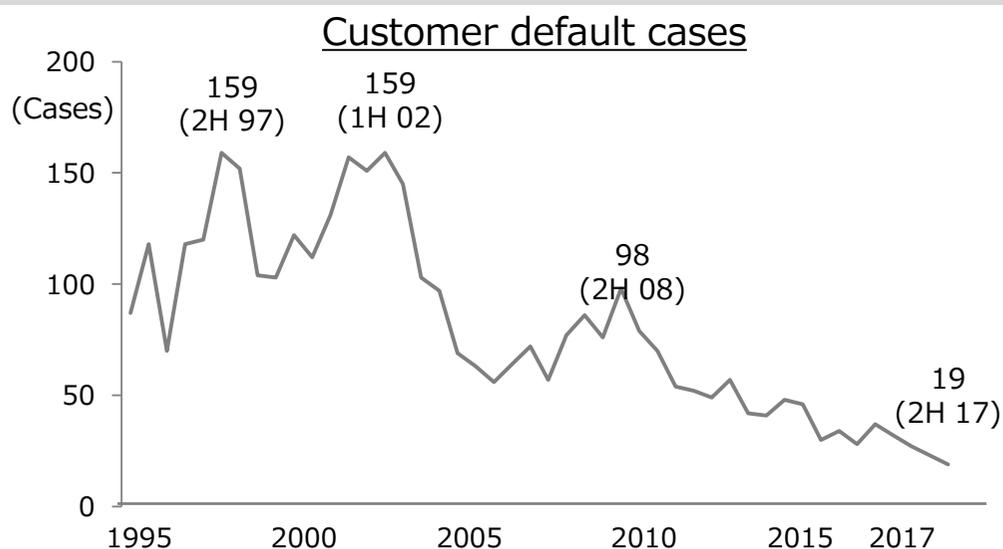
2018.3

2020.3

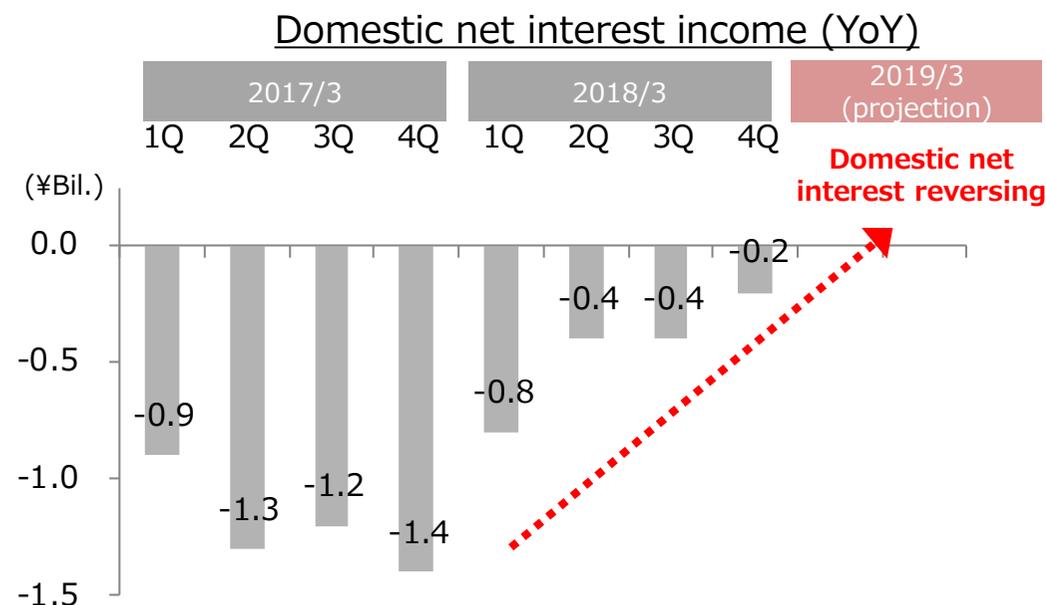
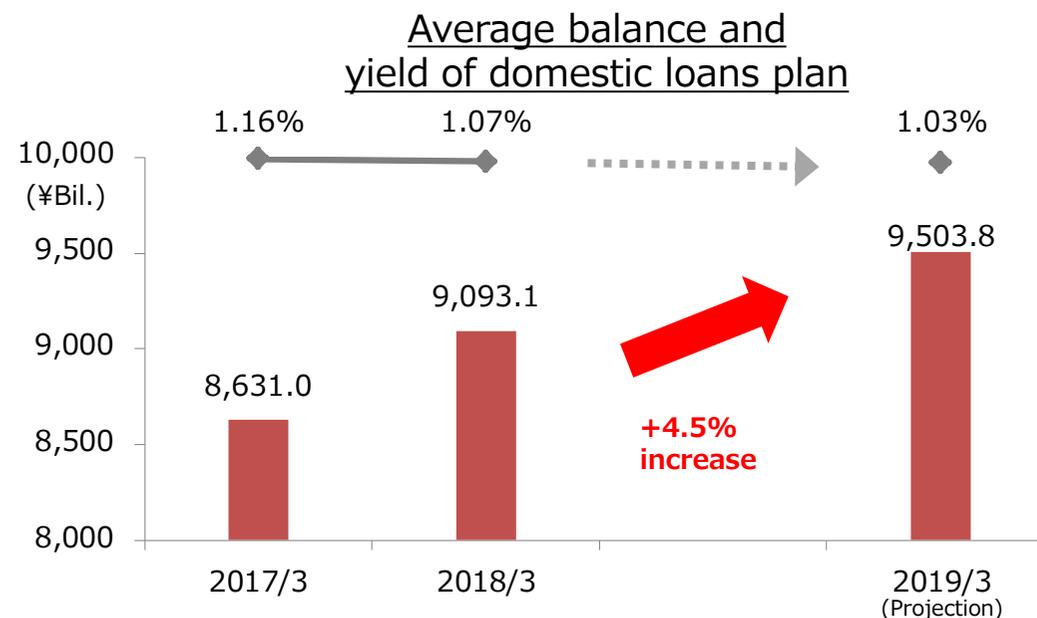
Maintain a sound loan portfolio through strict credit controls

(¥Bil.)	2017/3	2018/3	Change	2019/3 (Projection)	Change
Net credit costs (-)	- 3.7	0.8	4.5	4.5	3.6
Net transfer to general allowance for loan losses (-)	- 0.0	- 3.0	- 3.0	0.3	3.3
Disposal of non-performing loans (-)	- 3.7	3.9	7.6	4.2	0.2
Write-offs / Net transfer to specific allowances, etc. (-)	- 1.6	5.5	7.2	6.2	0.6
New downgrades (-)	3.9	7.3	3.3	8.0	0.6
Decreases in collateral value, etc. (-)	0.2	0.2	- 0.0	0.2	0.0
Collections, etc.	5.8	1.9	- 3.8	2.0	0.0
Recoveries of written-off claims	2.0	1.6	- 0.4	2.0	0.3
Net credit cost ratio (-)	-4bp	0bp	4bp	4bp	4bp

(Note) The total sum of transfer to allowance for loan losses is expressed as "Reversal of allowance for loan losses", in the case of a reversal. However, it is indicated separately as Net transfer to general allowance for loan losses and Net transfer to specific allowance for loan losses in the left hand table to enable comparison with previous figures.



Non-consolidated			
(¥Bil.)	2018/3	2019/3 (Projection)	Change
Gross business profits	149.4	152.5	3.0
Net interest income	121.5	120.8	-0.7
Net fees and commissions income	23.7	24.0	0.2
Trading income	2.0	3.4	1.3
Profit from other business transactions	2.1	4.3	2.1
Gains (losses) related to bonds	-0.5	2.6	3.1
Expenses (-)	82.8	83.0	0.1
Real net business income	66.5	69.5	2.9
Core net business income	67.1	66.9	-0.2
Net transfer to general allowance for loan losses (-)	-	0.3	0.3
Net business income	66.5	69.2	2.6
Non-recurrent income and losses	4.0	3.3	-0.7
Disposal of non-performing loans (-)	0.8	4.2	3.3
Gains (losses) related to stocks, etc.	1.6	4.0	2.3
Ordinary profit	70.6	72.5	1.8
Extraordinary income (loss)	-1.3	-0.7	0.6
Net credit costs (-)	49.6	51.0	1.3
Net credit costs (-)	0.8	4.5	3.6
Consolidated			
(¥Bil.)	2018/3	2019/3 (Projected)	Change
Ordinary profit	78.4	80.0	1.5
Profit attributable to owners of parent	53.7	54.5	0.7



Medium Term Management Plan and Environment Awareness



Creating the "Best Retail" banking group*

"Co-creating value" with a wide variety of stakeholders

*A financial group which provides top-class satisfaction through advanced services and is highly regarded by local customers, both individuals and SMEs.

Key issues involved in "Best Bank 2020 Final Stage – 3 years of value co-creation"

Co-creating customer value

- Further enhancement of initiatives that offer core business support for business partners based on **evaluation of their businesses** and that contribute to **regional revitalization**
- Extensive focus on **"fiduciary duties"** in the asset management business
- Creating advanced services with high added-value that utilize **FinTech**, etc. in response to the digitalization of society as a whole

Realizing work style reforms that allow all employees to shine

- Developing a **professional workforce**
- Promoting further **diversity**
- Review **the way individual employees work** to develop a structure that allows them to specialize in business with a high added-value

Strengthening a sustainable management structure

- Further strengthen alliances with other banks such as **the "Chiba-Musashino Alliance" and the "TSUBASA Alliance"**
- Achieve low-cost operations through drastic reviews of **business processes**
- Positive and pro-active response to **ESG** issues

Progress toward Numerical Targets in the plan

<Target indicators for 2020/3>

Profit attributable to owners of parent
¥60.0Bil.

Consolidated ROE
(based on total shareholders' equity)
7% range

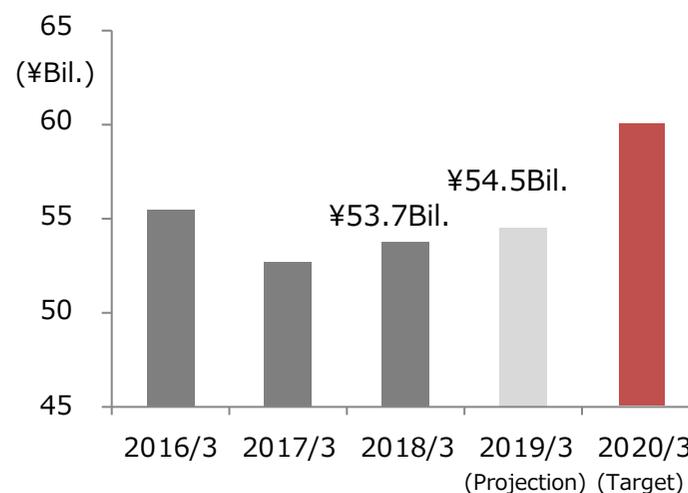
Consolidated CET1 Capital Ratio
12% range

Balance of Loans
¥10.5Tri.

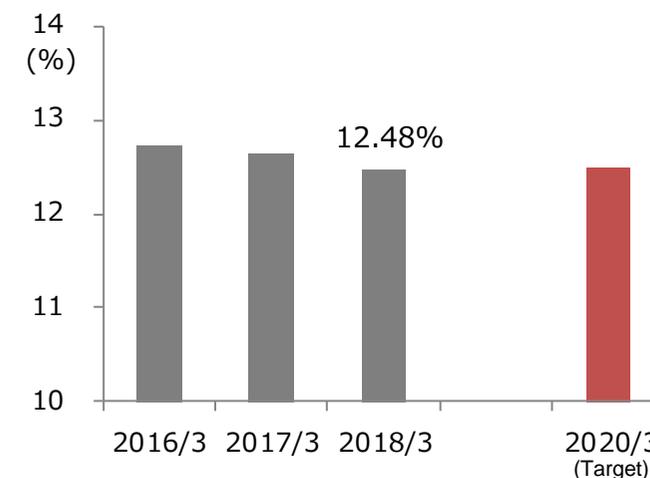
Balance of Deposits
¥12.5Tri.

Group Total Balance of Financial Products
¥2.5Tri.

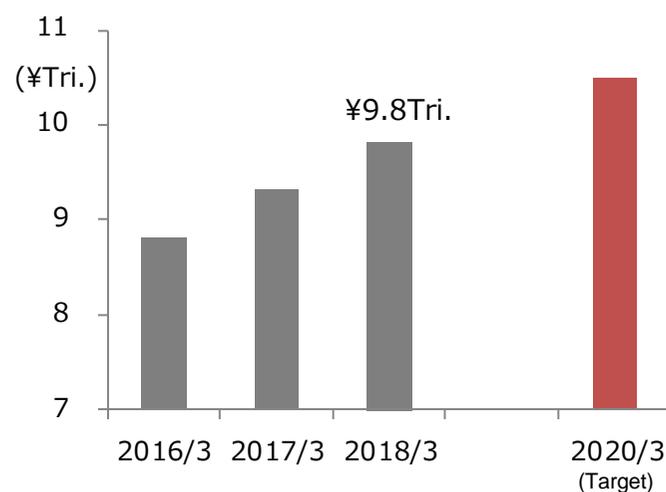
Profit attributable to owners of parent



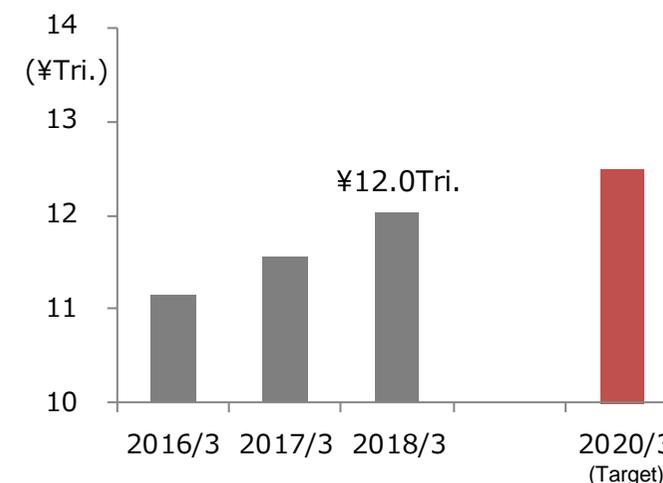
Consolidated CET1 capital ratio



Balance of loans



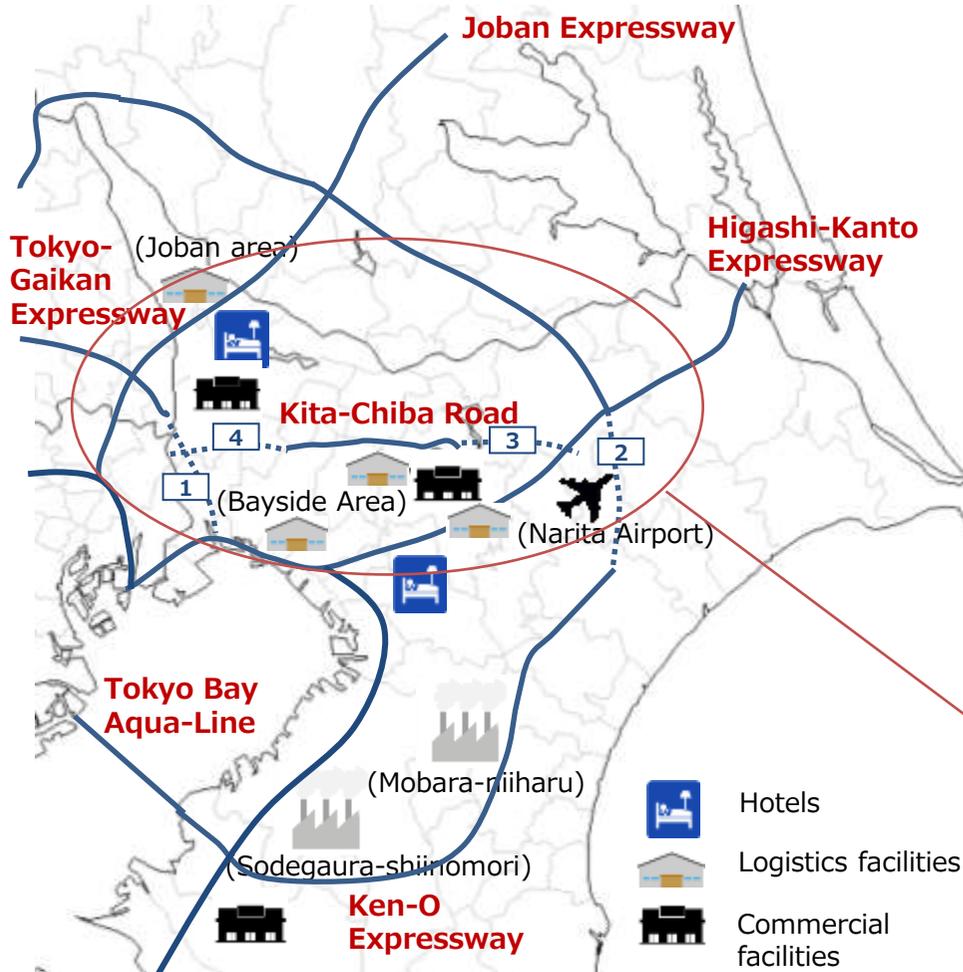
Balance of deposits



* Consolidated ROE = Profit attributable to owners of parent ÷ Total shareholders' equity
(Capital stock + Capital surplus + Retained earnings - Treasury shares)

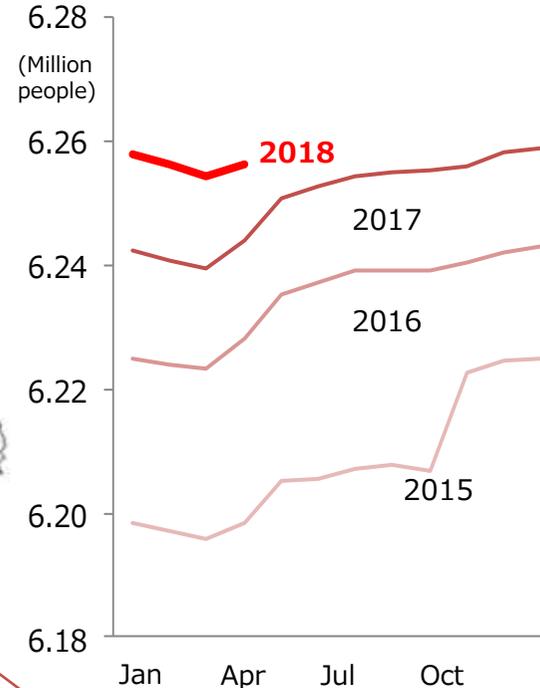
Chiba Prefecture economy remains favorable due to progress in various kinds of projects

Major developments in Chiba



1. Tokyo-Gaikan Exp. Misatominami IC-Koya JCT (opening planned for June 2018)
2. Ken-O Exp. Matsuoyokoshiba IC-Taiei JCT (opening planned for FY2024)
3. Kita-Chiba Rd. Inzai City-Narita City (under construction)
4. Kita-Chiba Rd. Ichikawa City-Kamagaya City (in survey)

Population of Chiba Prefecture (Monthly living population survey)



2017 Population Movement Report (Ministry of Internal Affairs and Communications)

Prefecture	Net inflows of population
Tokyo	75,498
Chiba	16,203
Saitama	14,923
Kanagawa	13,155
Fukuoka	6,388
Aichi	4,839
Osaka	2,961

Seven cities were among the top 20 cities with net inflows of population (highest)

Nagareyama-city, Kashiwa-city, Funabashi-city, Chiba-city, Ichikawa-city, Inzai-city, Matsudo-city

Improvement in transport infrastructure



E-Commerce development

Building rush for large logistics facilities

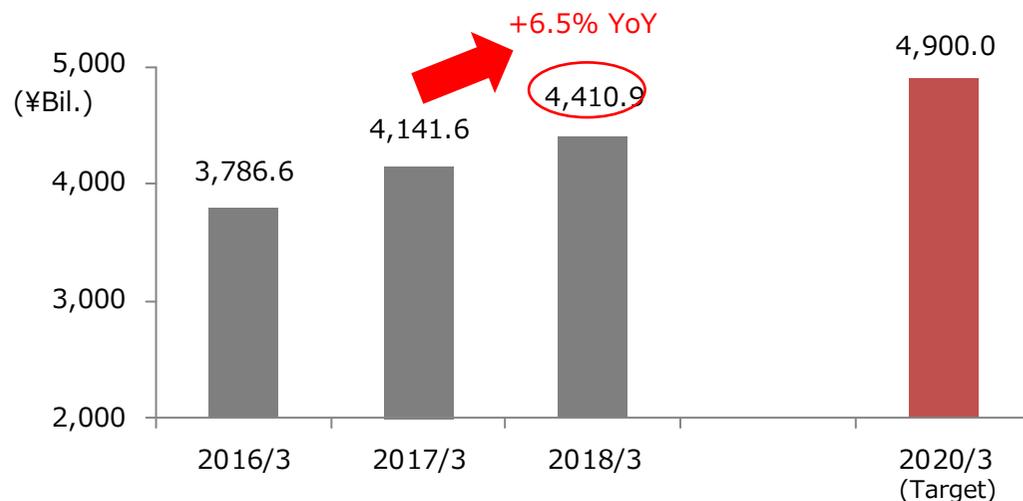


One of the largest logistics facilities in Japan by Daiwa House Industry Co., Ltd, "DPL Nagareyama" (Nagareyama-shi)

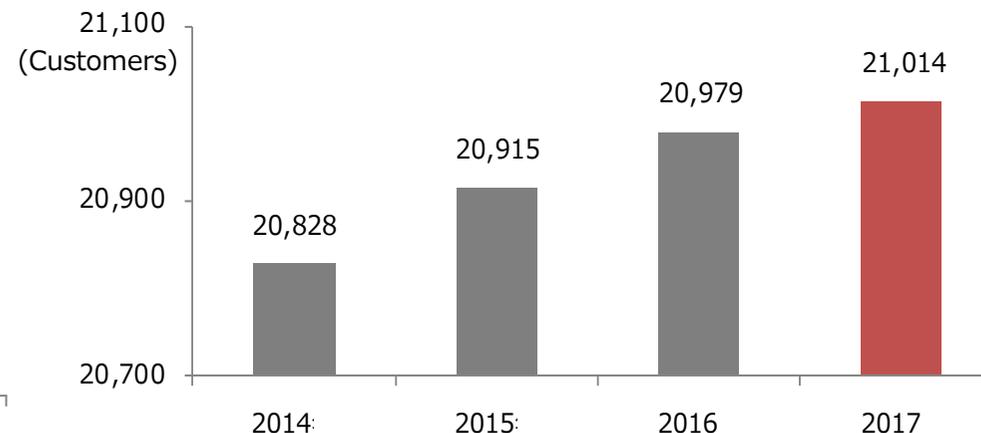
Business strategies

Strengthening corporate loans, proactive approach to meet client's need and provide solutions

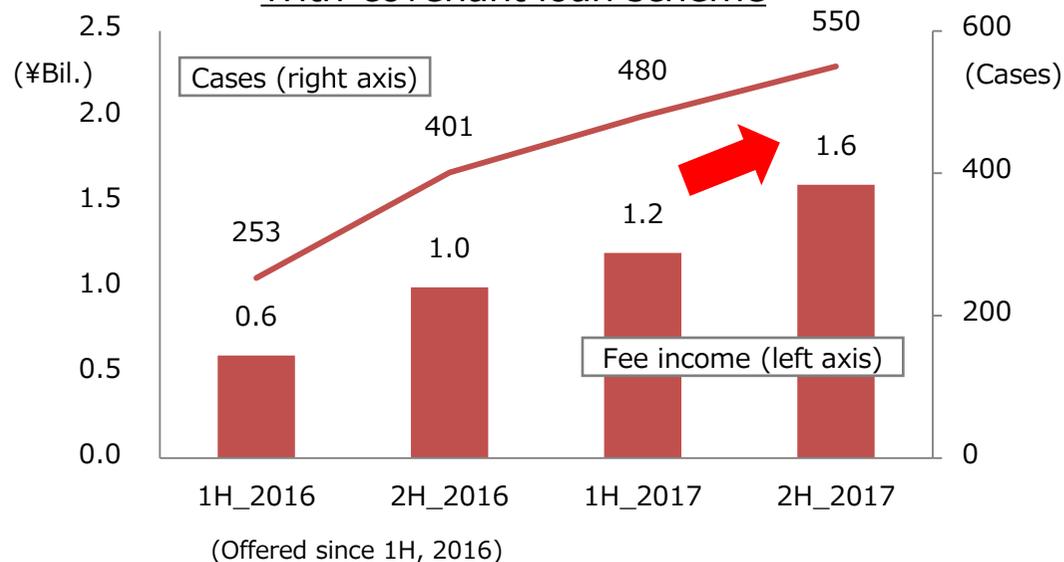
Balance of SME loans



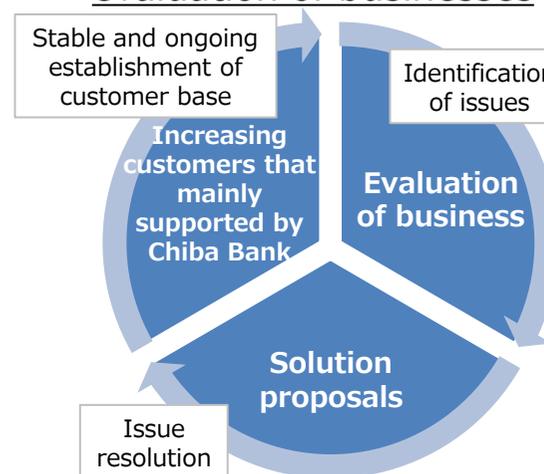
Number of companies using Chiba Bank as a main bank (research by Teikoku Data Bank)



With-covenant loan scheme



PDCA cycle for activities of evaluation of businesses



Initiatives to reinforce our propositions

- Training by position/theme

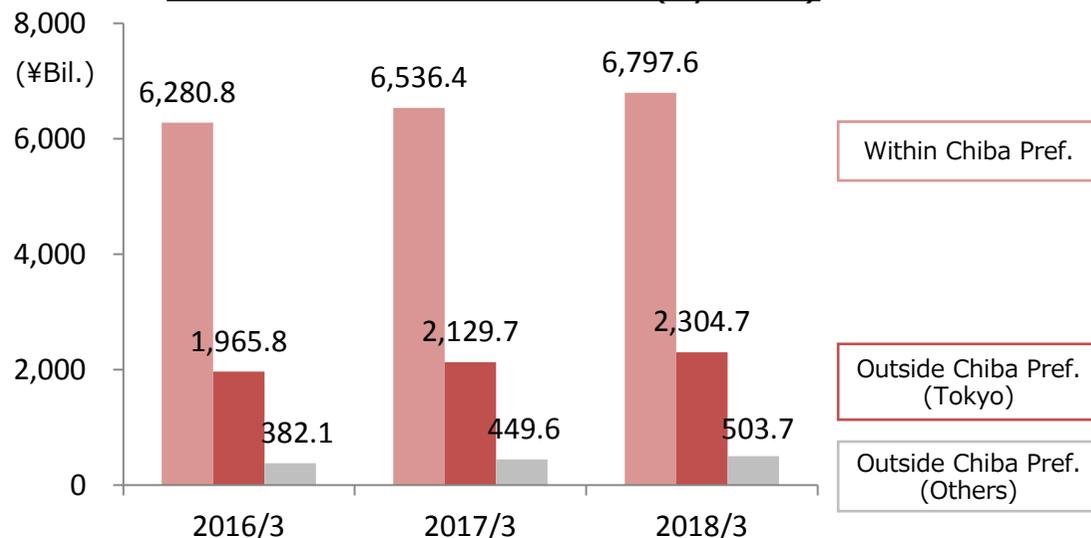


- Special recognition for solution proposals
- Sharing examples of success

Loans for Corporate Customers (2)

Further expansion of retail bases within and outside Chiba Prefecture

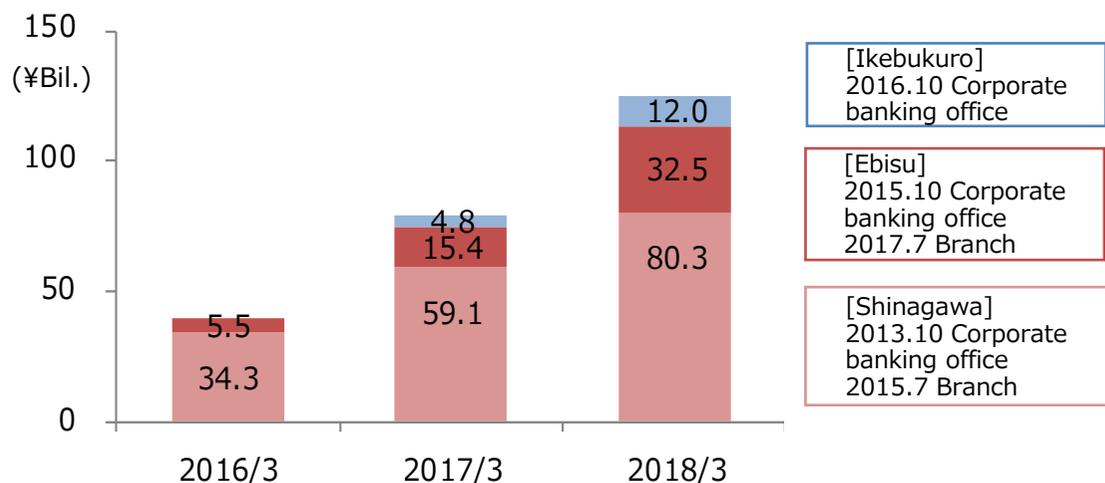
Balance of domestic loans (by area)



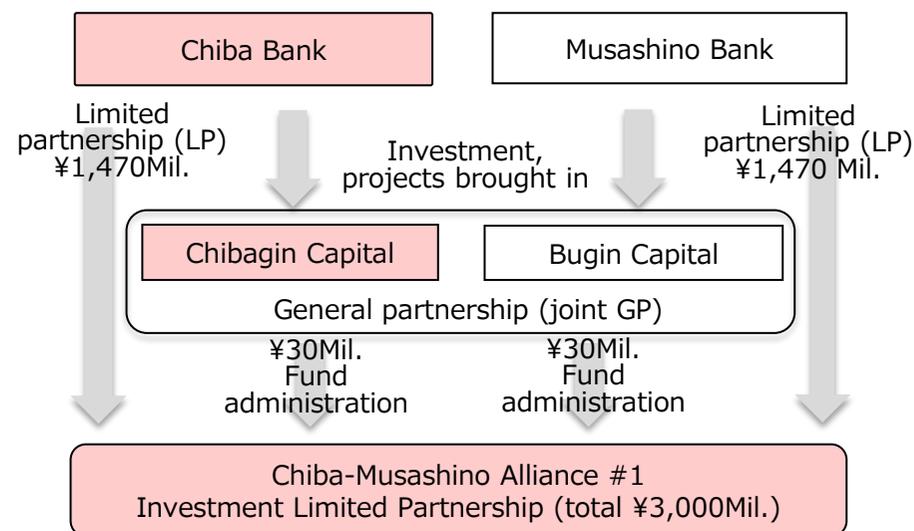
Increase our share in Tokyo

- Expansion of sales bases (sales development in that aspect)
- Propositions for various solutions including support for overseas market entry
- Active utilization of alliances

Loan balances at newly opened branches in Tokyo



Outlines of Business Succession Fund



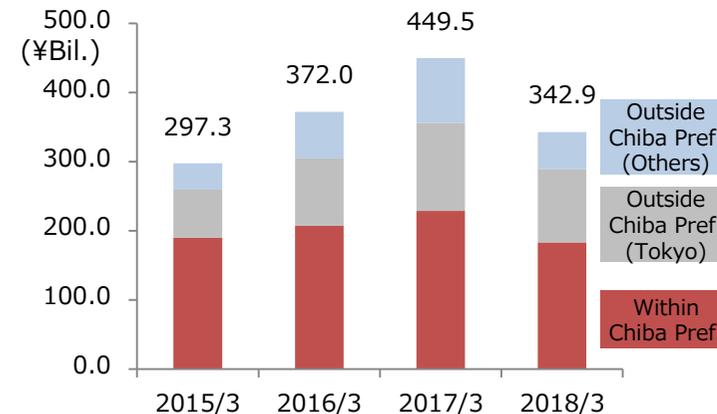
➤ **Support smooth business succession**

Loans to Real Estate Leasing Sector (1)

Review from various points as lending based on business viability

Review system	<ul style="list-style-type: none"> ✓ Lending based on business viability, with screening including asset situations, etc. as well as income and expenditure forecast. ✓ In addition to onboarding review, ongoing credit management will also be carried out including checks on occupancy rate and income and expenditure status, etc.
Strategy Policy	<ul style="list-style-type: none"> ✓ Loans will mainly be provided to landowners and entrepreneurs and we will not be involved in projects that are aimed for short-term resale.
Required documents	<ul style="list-style-type: none"> ✓ Eliminate tampering and falsification, etc. of screening documents by ensuring that the original copies of income certificate and passbooks from other banks, etc. are checked

Amount of new loans for rental real estate (by property location)



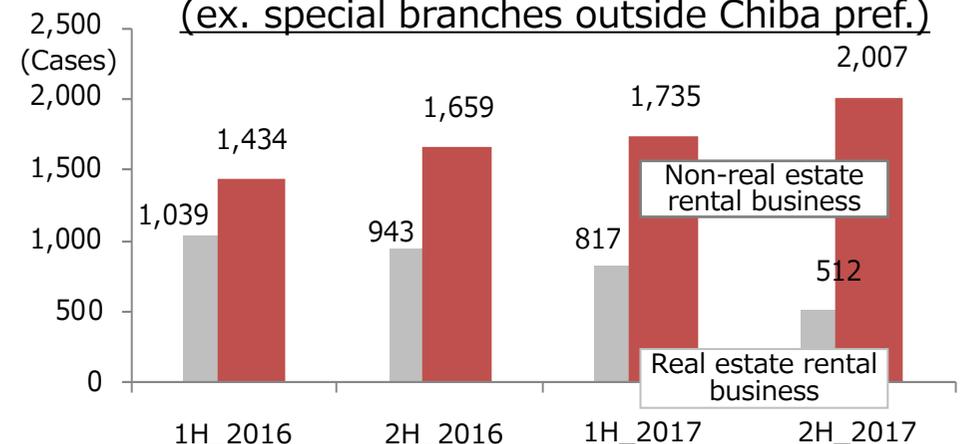
Understanding of the current status

- Increased price of land and materials
- Decrease in good quality projects that we can get involved in
- We maintain strict screening criteria
- Decrease in the executed loan amount for real estate intended for rentals

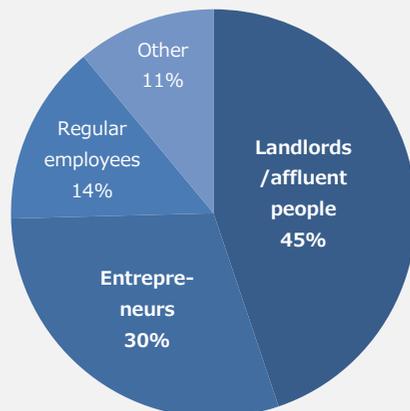
Strengthening of overall lending, etc. has been maintained through efforts by other sectors

* Including the funds for other sectors for obtaining real estate intended for rentals (excluding repair costs and funds for tax payments, etc.)

Number of new corporate loan customers (ex. special branches outside Chiba pref.)



■ Borrower attributes



(On the basis of amount as of the end of 2018/3)

■ For share houses

11 cases / ¥2.0Bil.
(As of the end of 2018/3)

■ With sub-lease

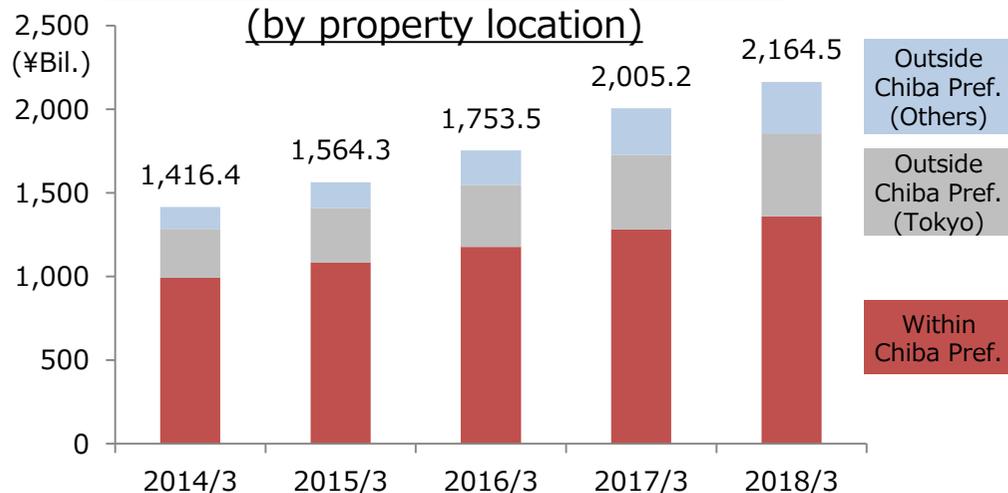
27.7%

*The percentage of new loans at over ¥0.1Bil.

(On the basis of cases for FY2016)

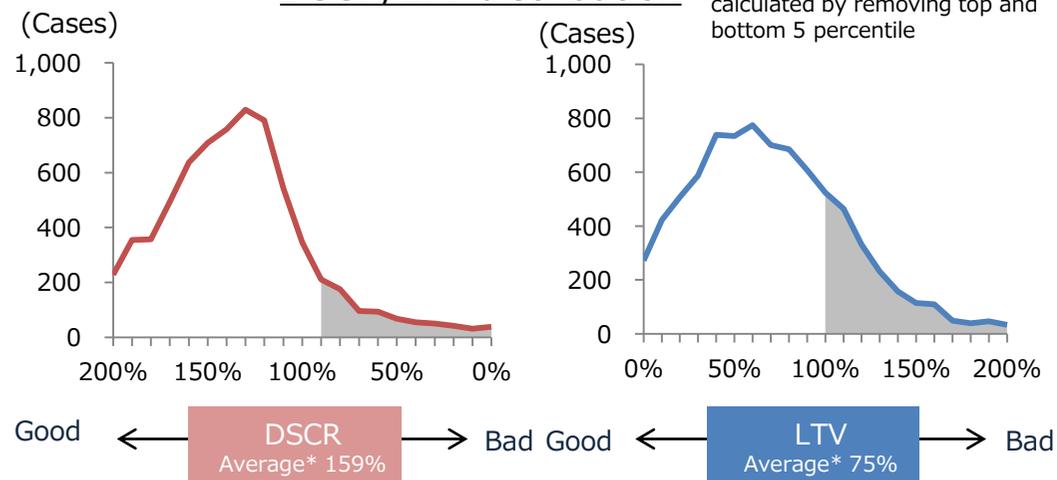
Proactive approach to meet customers' financial needs while ensuring risk management

Balance of loans for rental real estate (by property location)

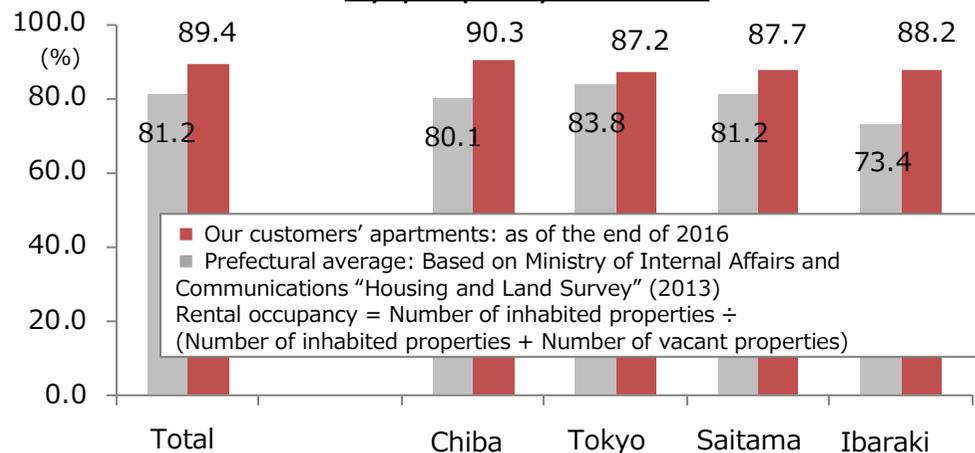


* Including the funds for other sectors for obtaining real estate intended for rentals (Excluding repair costs and funds for tax payments etc.)

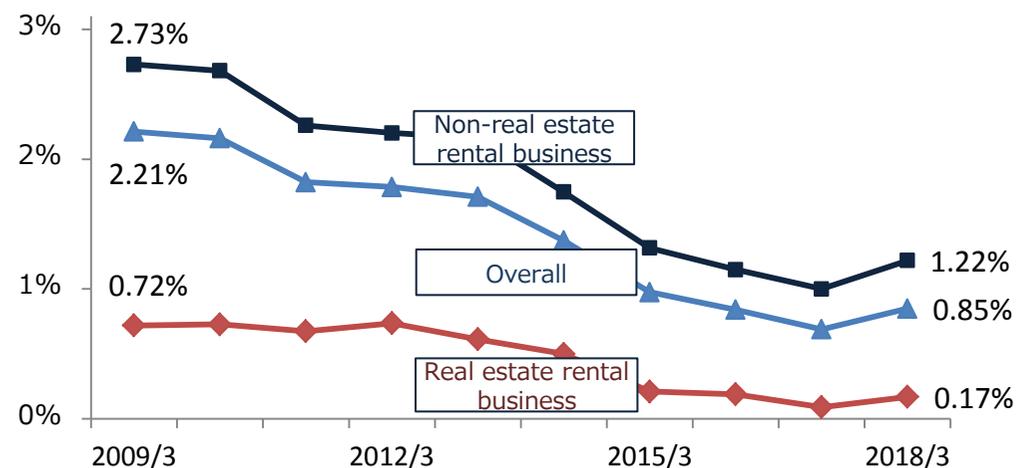
DSCR/LTV distribution



Occupancy rates of our customers' apartments by property location

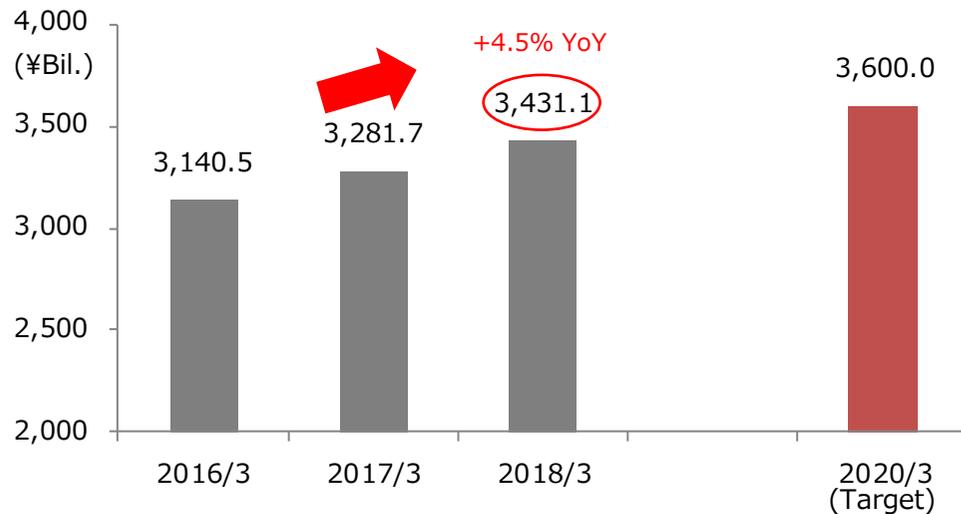


Default* ratio

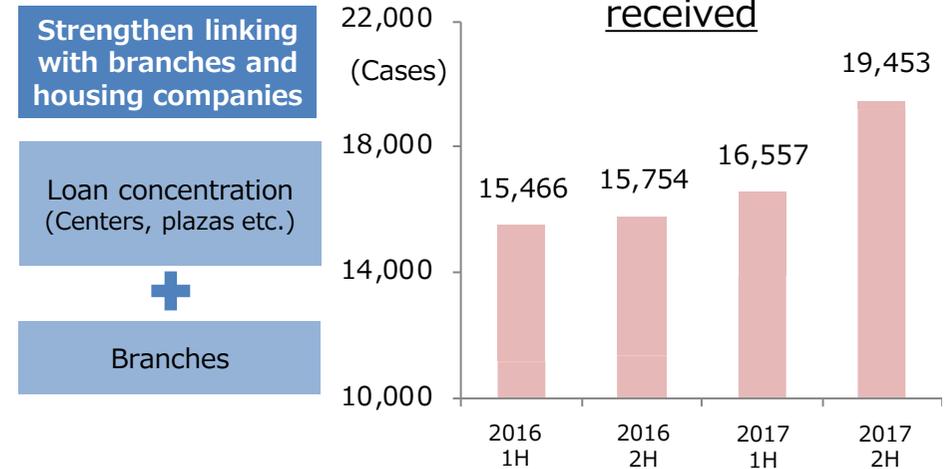


Improving response time by enhancing working efficiency

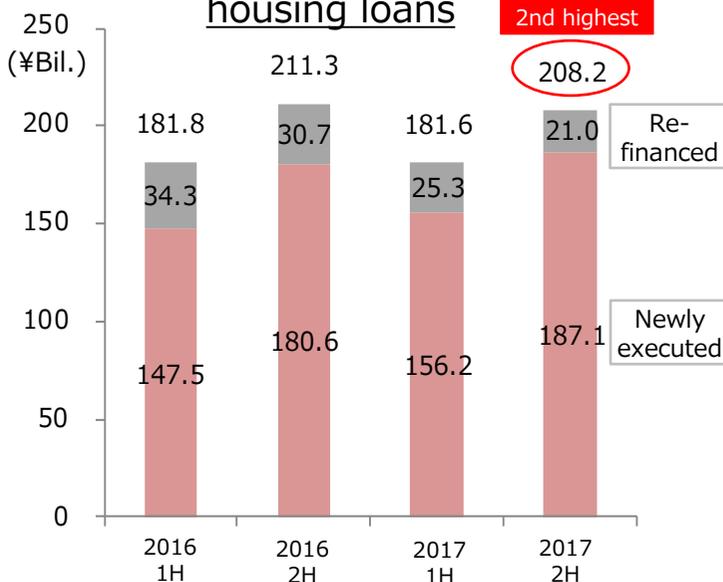
Balance of housing loans



Number of pre-applications received



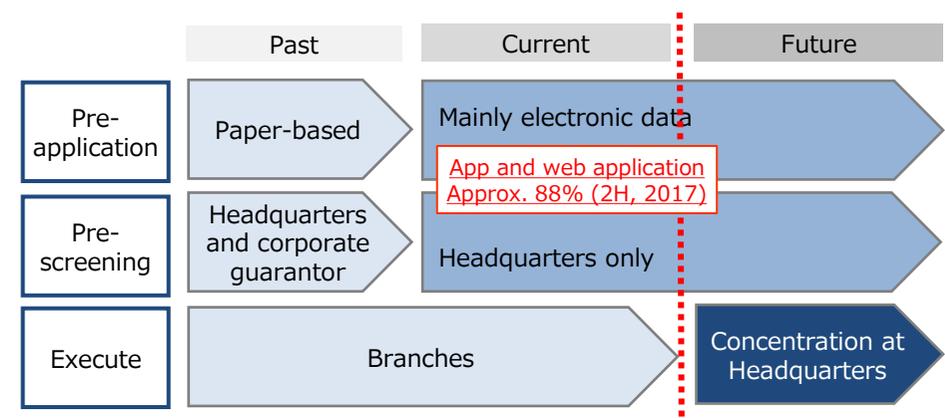
Executed amount of housing loans



Housing start statistics (Ministry of Land, Infrastructure and Transport)

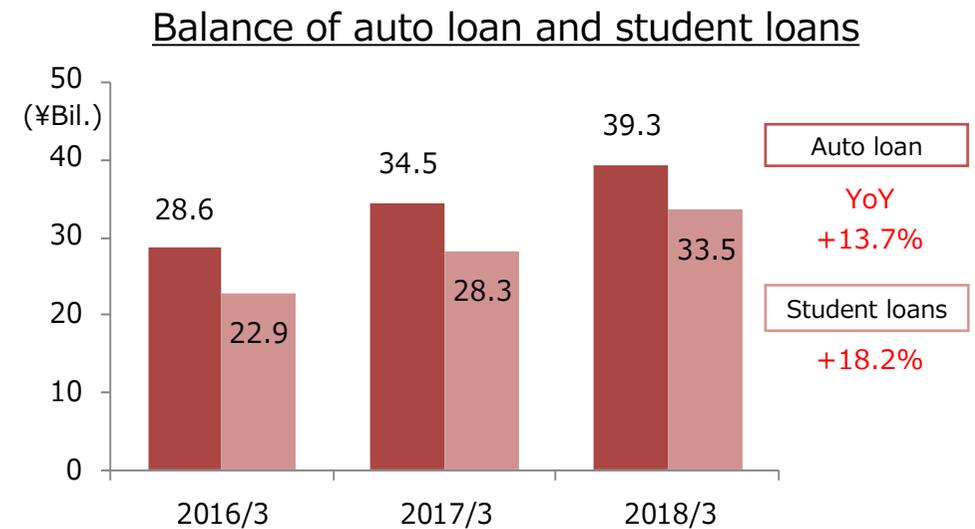
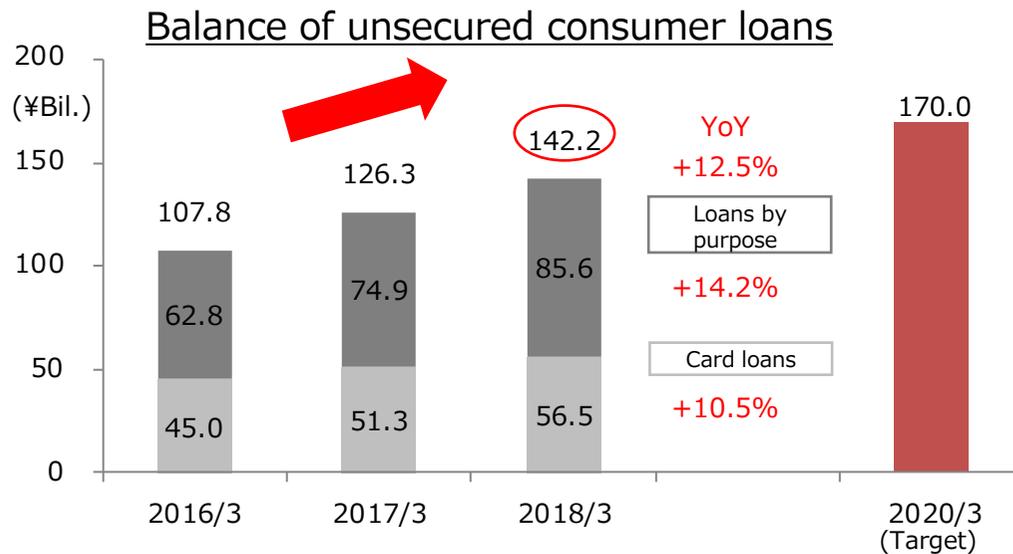
2017 Jan.-Dec.	Number of owner-occupied/built-for-sale units	Change %
Chiba	30,709	+3.9
Tokyo	76,499	+0.8
Saitama	36,315	-4.9
Ibaraki	13,603	-4.3
Kanagawa	43,766	-4.2

Housing Loan operations flow



➤ Improve customer convenience and operations

Responding precisely to the customers' needs with risk management



Our actions

Confirmation of earnings	<ul style="list-style-type: none"> Receiving written proof of income if "lending over ¥0.5Mil." (since October 2017). Reinforcement of the web system for convenience (uploading the identification documents, written proof of income, etc.).
Confirmation of repayment ability	<ul style="list-style-type: none"> Considering competing debts such as card loans from us and other banks, etc., conduct appropriate screening to prevent over-lending.
Control of ongoing credit	<ul style="list-style-type: none"> Regular information exchange with guaranteeing company and build a system that does not depend solely on guaranteeing companies.

Reinforcement of non-face-to-face channels

- ✓ Utilization of the internet and Loan Direct (call center)
- ✓ Also available in the evening on weekdays and on weekends and holidays

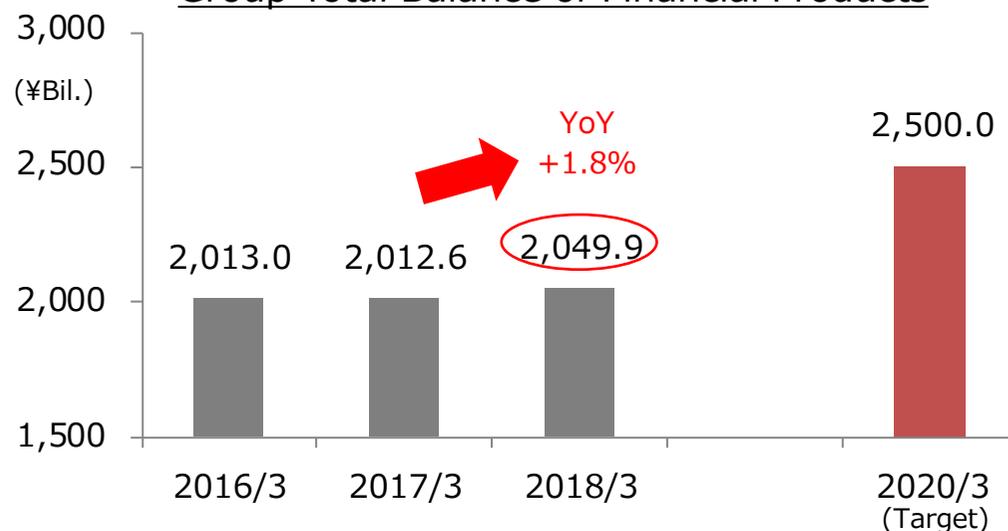


Cross-selling

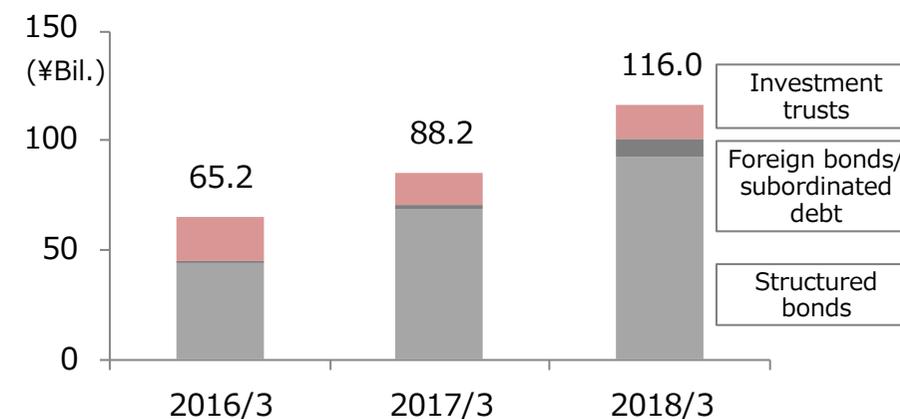
- ✓ Cross-selling to housing loan customers, etc.

Ensuring "customer-focused" business management (fiduciary duties)

Group Total Balance of Financial Products



Financial product sales through intermediary services of Chibagin Securities



Growing the customer base

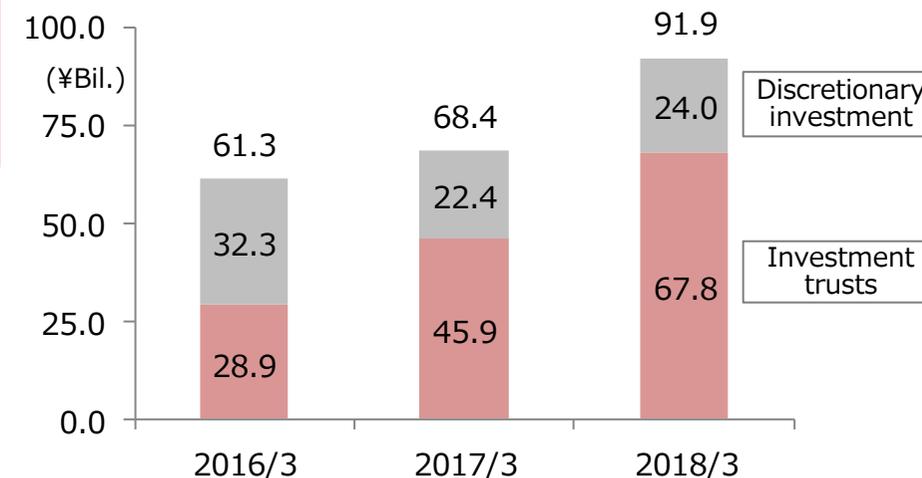
- Seminars for beginner investors
- Introduction of entirely web-based scheme for opening an investment trust account and funded investment trust
- Core and satellite proposition

Human resource development for sales personnel

- Sales personnel development program (Training, temporary branch-based support, information transmission, "Holiday College")
- Facilitation of skill improvement within specialist teams

Newly opened investment trust account 8,070
New application for funded investment trust 12,281 (2H_2017)

Balance of assets under management of Chibagin Asset Management



AC Team

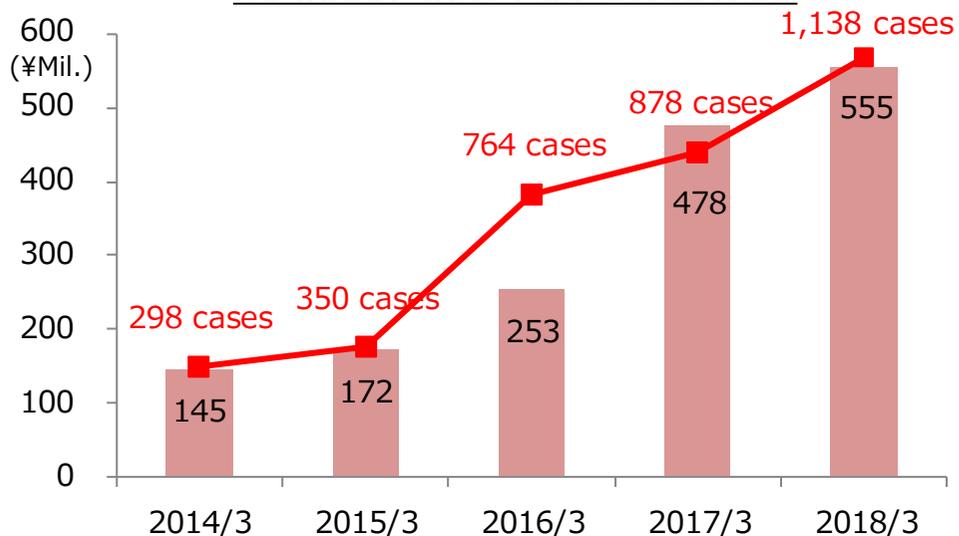
The team head supervises promotion activities in each area (10 bases)

PB Team

Assigned to high net worth people in 20 blocks within the prefecture

Further expanding business with alliance banks, broadening products to address aging society

Number of contracts and income for inheritance-related services



Inheritance-related services*

- Testamentary trust
- Will preparation support service
- Inheritance sorting service
- Management succession support service
- Family trust support service

Testamentary trust
- cases held in trust
1,345
(As of the end of 2018/3)

Trust businesses

- Land trust
- Public interest trust
- Specified gift trust
- Guardianship support trust
- Alternative testamentary trust

Alternative testamentary trust - cases held in trust
262
(Total as of the end of 2018/3)

Since June 2006
Banks themselves started offering trust services

Since October 2015
Establishment of Trust Business Division

Since October 2016
Commenced alliance with other banks

Since October 2017
Increased handling of alternative testamentary trust

Alliances with other banks

Daishi Bank
Since October 2016

Musashino Bank
Since April 2017

Chugoku Bank
Since October 2016

Toho Bank
Since June 2017

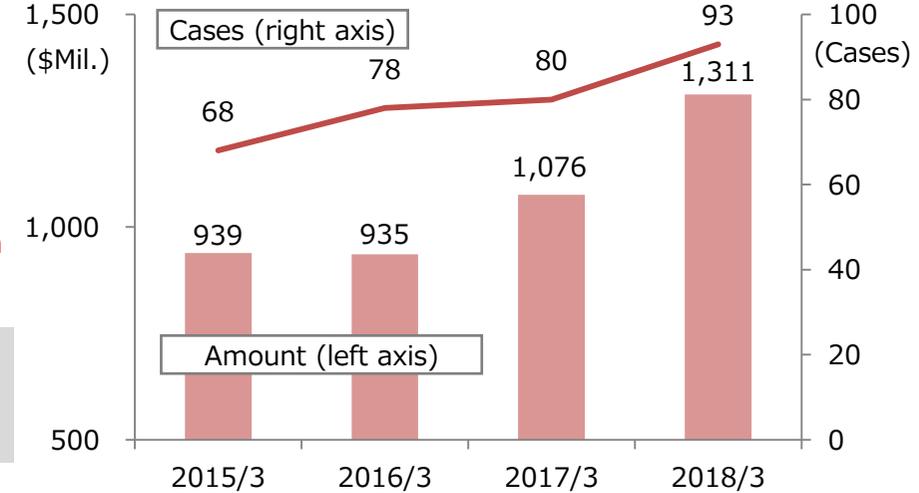
Tie-up method	(Agency method) Customer-facing operations, etc. are contracted out by Chiba Bank	(Contracting out method) Chiba Bank is the subcontractor for administrative tasks such as clerical work
Advantages for alliance banks	Being able to directly respond to customer inquiries	They can enter the market without needing to have an administrative division
Advantages for Chiba Bank	Utilization of accumulated operational know-how and access to new business opportunities and increased profitability	
Number of applications	Cumulative total since the start of tie-up until March 2018: 800 applications / 430 applicants	

Expanding income sources while diversifying funding

Overseas Office network

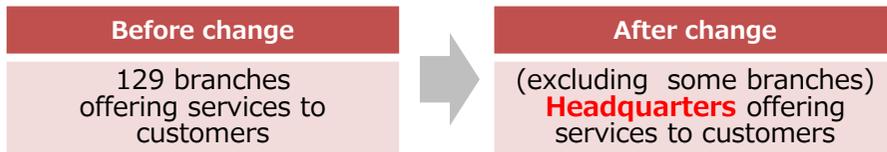


Lending to Japanese companies at our overseas branches (balance and number of cases)



Enhancement of foreign exchange businesses operations

(1) Review of branches offering foreign trades (since October 2017)



(2) Foreign transfer via Web-EB (since April 2018)



Consolidation of operations in back office, establishing the "foreign exchange business support desk"

USD funding (as of the end of 2018/3)

Investment	Funding
<p>Lower liquidity assets \$2,933 Mil.</p> <p>Loans over one year</p>	<p>Stable funding \$4,244 Mil.</p> <p>Deposits Currency Swaps BOJ operation Foreign bonds, etc.</p>
<p>Loans of one year or less Foreign bonds, etc.</p>	<p>Repo, Money Market Central Bank deposits, etc.</p>

Long-term stable funding ratio*

As of the end of 2018/3
144.7%

*Long-term stable funding ratio:
Ratio of stable funding (incl. foreign-currency deposits, bonds and terms of more than one year) to loans of more than one year

Accelerate the alliance to realize further results



Year 4 and 5

Wider tie-up

Steady achievement of alliance effects

Stable operation of realized initiatives and deeper tie-up from the long-term perspective

Year 3

- Co-location of branches (Akihabara Branch Hamamatsucho Corporate Banking Office, Singapore Rep.)
- API (TSUBASA FinTech Platform)

Building a "New tie-up model for regional banks" and achieve major initiatives such as inheritance and securities

Year 2

- Chiba-Musashino Alliance Co., Ltd.
- Inheritance-related services
- Intermediary services
- Insurance call center
- Business Succession Funds
- Joint ATM

Quickly implement initiatives through mainly work groups

Year 1

- Asset management
- Lease intermediary
- Private placement
- Customer introduction
- Syndicate loans
- Joint purchase of ATM/deposit machines
- Reduction in rent for branches
- Screening tools
- Partner fund
- Establishment of foreign currency lines etc.



Chibagin Securities; Saitama (Omiya), Urawa, Soka, Tokorozawa

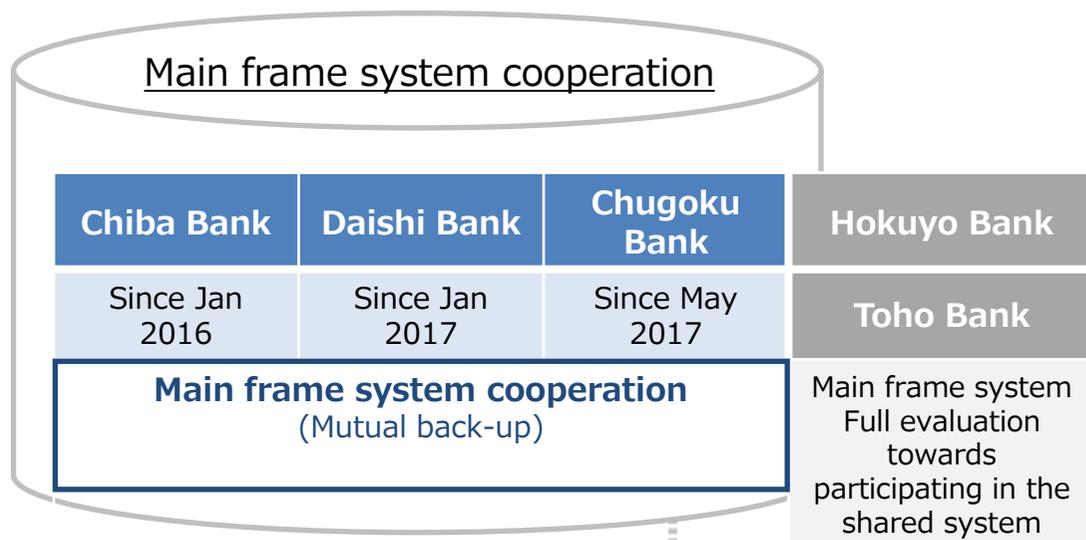


Funds handled by Musashino Bank



"1st Alliance Promotion Committee"

Deepen cooperation in a wide range of fields



Chiba Bank	Daishi Bank
<p>Sharing administrative operations</p> <ul style="list-style-type: none"> Administration establishment, changes and abolishment Inquiries from branches Training Service center centralization, etc. 	

Shared subsystem

- Branch system
- CRM
- Call center system
- Zengin Moretime support, etc.

Since March 2018: Trial outsourcing of foreign exchange operations

Workload reduction through full operations

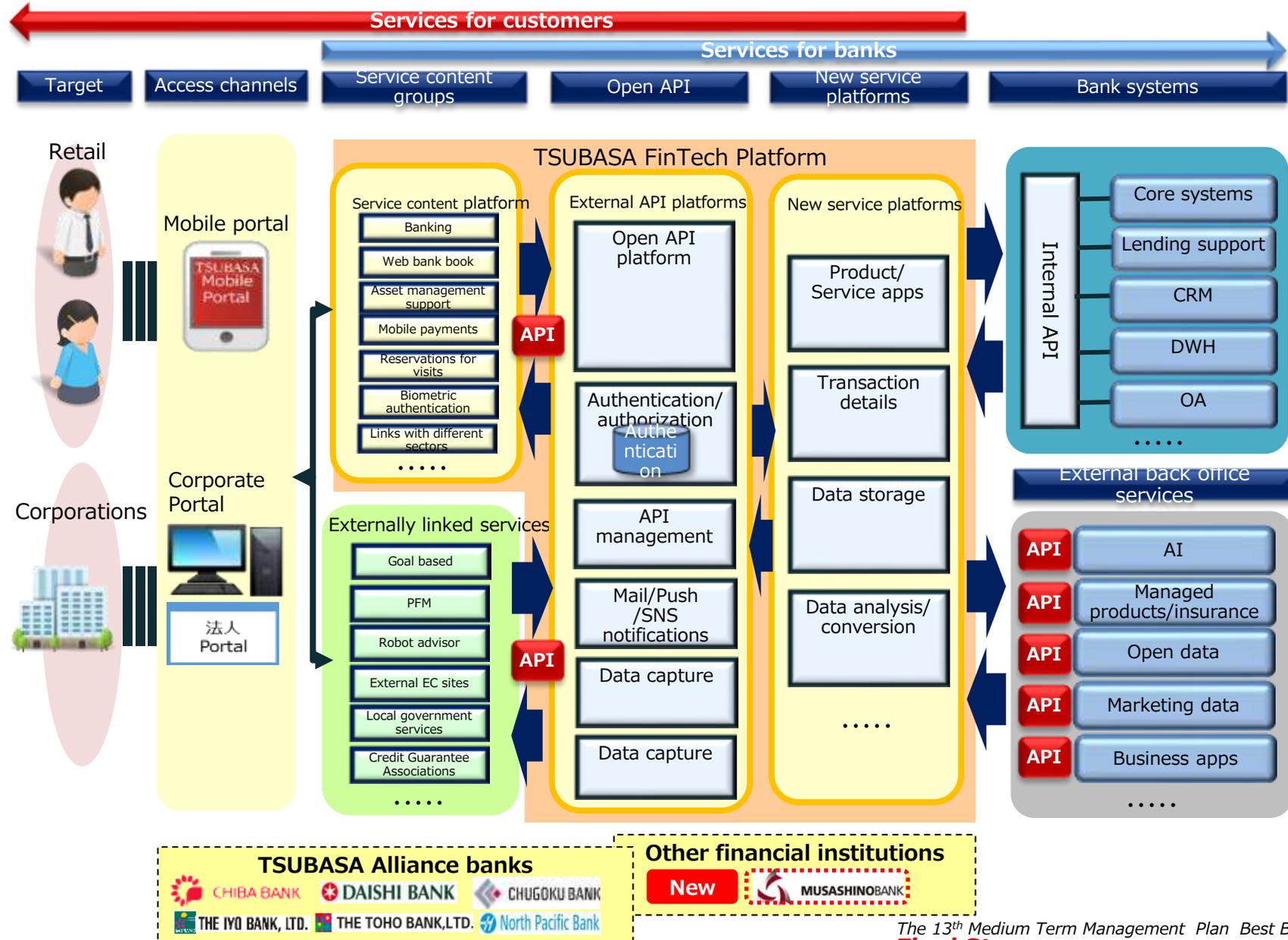
Creation of reassigned staff

- Staff capacity creation, cost reduction
- Collective know-how and succession
- Maintenance and development of professional staff

Research into FinTech

Name	T&I Innovation Center Co., Ltd.	
Investment ratio	Chiba Bank	40%
	Daishi Bank, Chugoku Bank, Iyo Bank, Toho Bank, Hokuyo Bank, IBM Japan	10% each

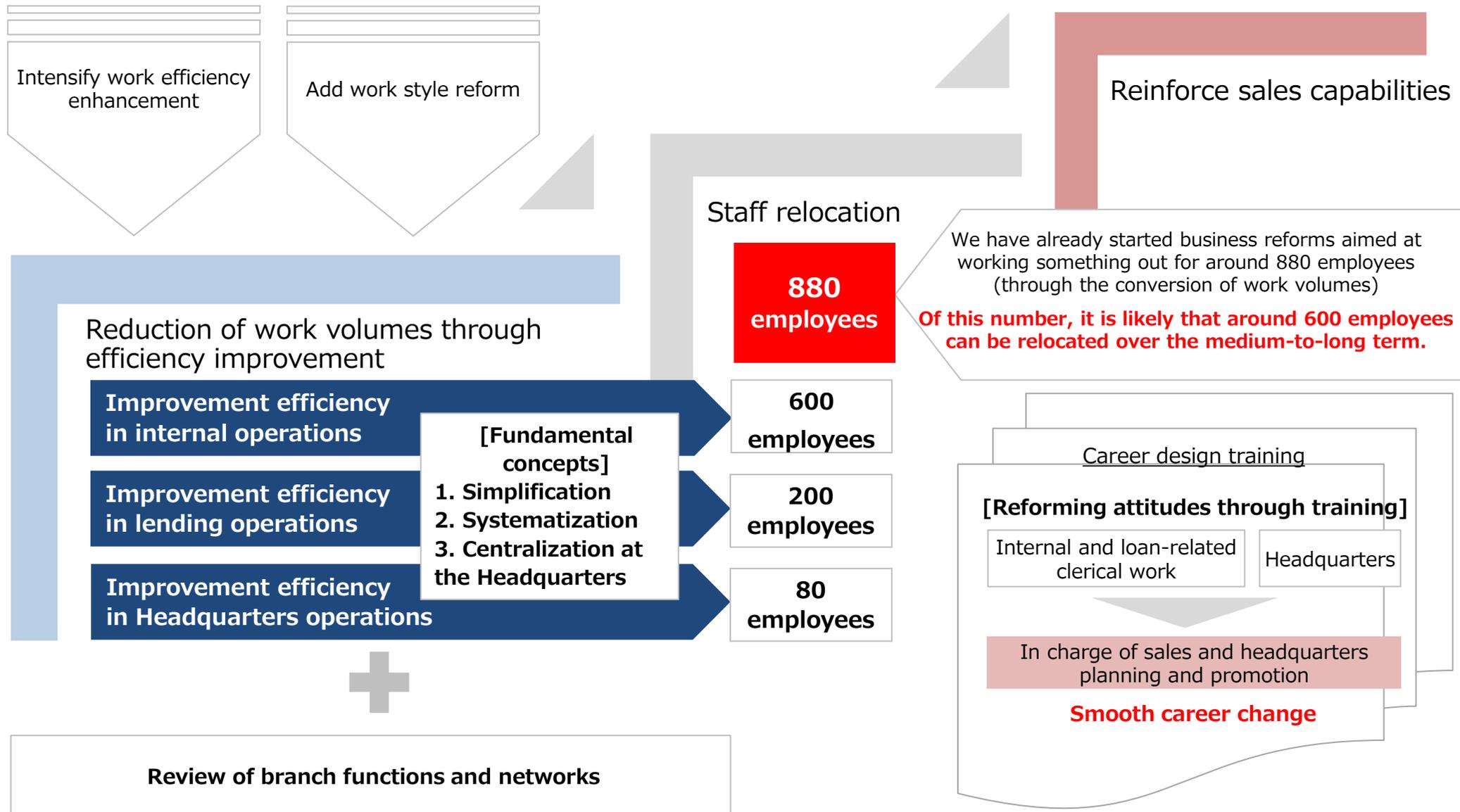
Building a common API platform with a high degree of system freedom to increase the use case



Initiatives Aimed at Efficiency and Productivity Enhancement

Improved work efficiency and personnel strategy

Maintain the total number of personnel and reassign to growth fields through business reforms



Improve efficiency in branch operation based on customers' needs

Review of branch functions and networks

Branch type	Services	No. of domestic branches as of Apr. 2018	Direction
General branch	All services	128	↓
Personal finance specialization	Deposits, financial products and consumer loans	12	↓
Money plaza format	Deposits and financial products	14	↑
Others (Rep. office, plaza, branch-in-store, etc.)		27	—

Joban Area
3 blocks

Akihabara Block

Chiba Area I
5 blocks

Kinto Area
7 blocks

Chiba Area II
5 blocks

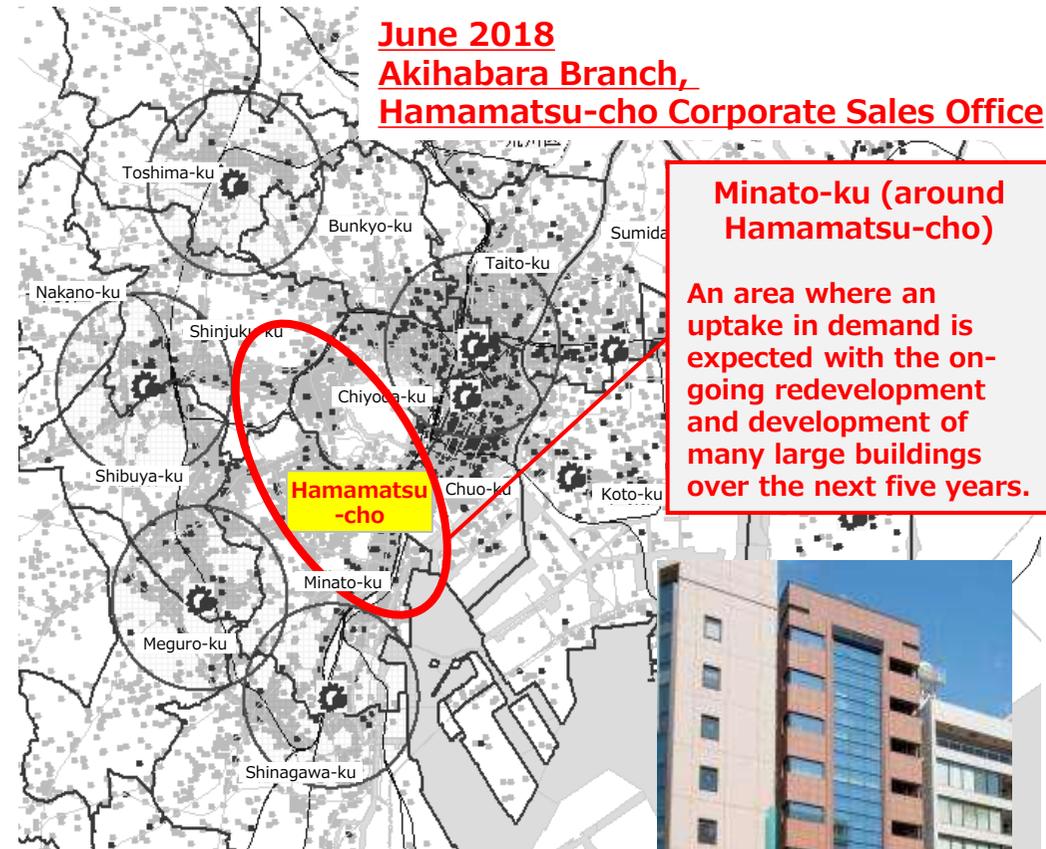
Special branches

- H.O.
- Tokyo branches
- Shinjuku branch
- Osaka branch etc.

- Review of opening hours, introducing lunch break (11:30-12:30)
Since Apr 2018: Shirahama Branch, Wada Branch

Newly establish bases in Tokyo

June 2018
Akihabara Branch,
Hamamatsu-cho Corporate Sales Office



Minato-ku (around Hamamatsu-cho)

An area where an uptake in demand is expected with the ongoing redevelopment and development of many large buildings over the next five years.

Utilization of Chiba-Musashino Alliance

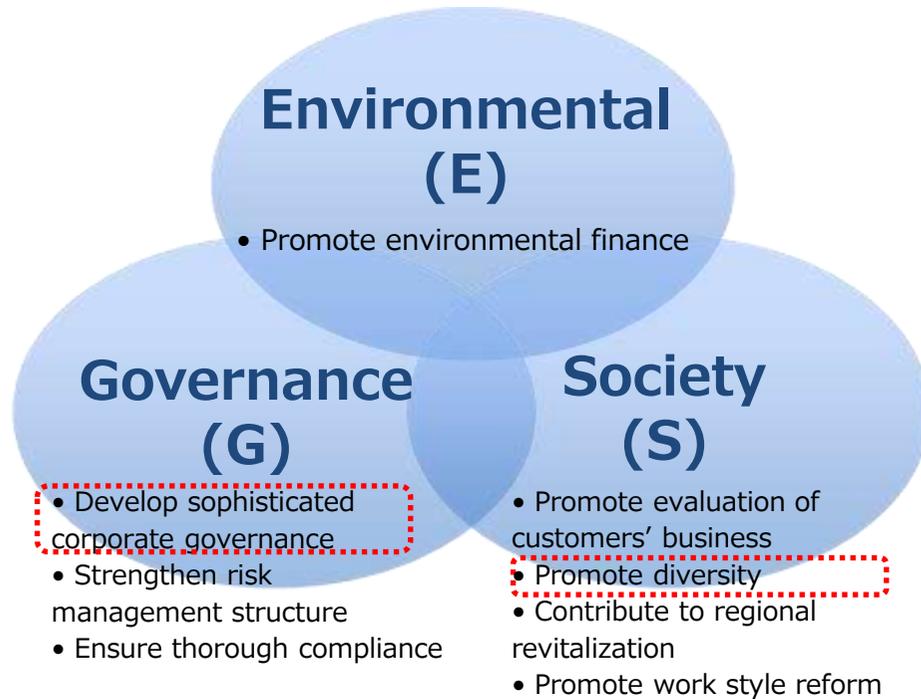
- Increase in co-financing, syndicate loan formation
- Reinforcement of introductory activities and information cooperation



ESG and Capital Policy

Promoting initiatives aimed at realization of sustainable society

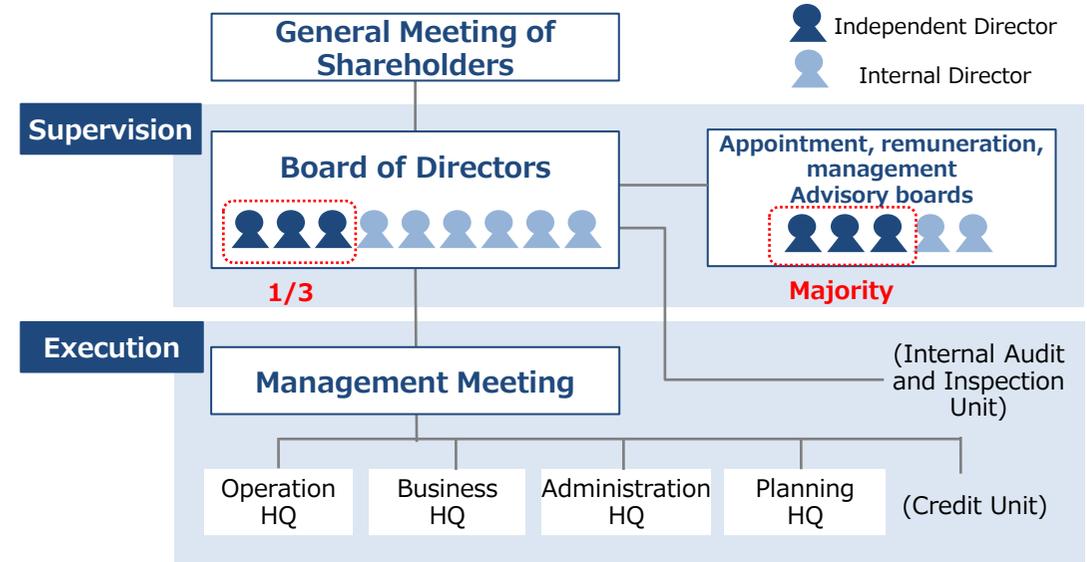
ESG initiatives



ESG Promotion Committee

(Chair) President
 (Committee Members) Members of the Management Board;
 general managers of Corporate Planning Division;
 Public Relations Division; Human Resources Division;
 Diversity Management Division; Corporate Business Division;
 Regional Revitalization Division, etc.
 (Secretariat) Corporate Planning Division

Develop sophisticated corporate governance



New

Group Chief Office system

Group CEO Chief Executive Officer	Bank	14 Group Companies Each group company will be allocated an executive officer
Group COO Chief Operating Officer	Oversight of operational execution	
Group CSO Chief Strategy Officer	Oversight of management strategies, personnel, investments and expense allocation	
Group CRO Chief Risk Officer	Oversight of risk management, compliance, human resource development	
Group CBO Chief Business Officer	Oversight of sales strategies and implementation	
Group CIO Chief Information Officer	Oversight of back office work and systems	

Effective on June 27, 2018 (scheduled)

Actual activity examples

Diversity promotion

Promote women in the workplace
as a management strategy

Proportion by women	2006 End of March	2017 As of July	FY2020 Target
Management positions (No. of persons)	2.0% (17)	11.4% (118)	20%
Leadership positions (No. of persons) *	9.4% (98)	29.9% (260)	30%

* Staff members who are in a position with subordinates such as deputy branch managers, etc. and those in an equivalent position with organizational management responsibilities as the person in charge of assigned work.

First regional bank



FY2017 - the "Nadeshiko Brand"



"MSCI Japan Empowering Women Index"



Ministry of Health, Labor and Welfare
"Eruboshi" (top ranked)



Ministry of Health, Labor and Welfare
"Platinum Kurumin"

Contribution to regional revitalization

Supporting restoration of old Japanese-style houses

Support for restoration of old Japanese-style houses and businesses utilizing disused schools and facilities in collaboration with local governments "Chibagin Local Revitalization Lending Scheme"



Private placement bonds for regional revitalization

We donate goods such as books and musical instruments to schools designated by the issuer for the purpose of contributing to the local community via the development of school environments.

1H 2016	2H 2016	1H 2017	2H 2017
98/¥9.6Bil.	102/¥10.4Bil.	71/¥7.1Bil.	71/¥6.6Bil.

Establishment of agricultural corporations

Resolving issues such as increase in disused agricultural land, lack of successor for farmers, aging farm workers, etc., and contributing to establishing sustainable agricultural mechanisms and development of regional agriculture and revitalization of regional economy.

"Fresh Farm Chiba Co., Ltd."

- Large-scale commercial farming through the consolidation of farm land
- More efficient farming using large agricultural machinery
- Development of corporate management in agriculture
- Development of sales channels for produce

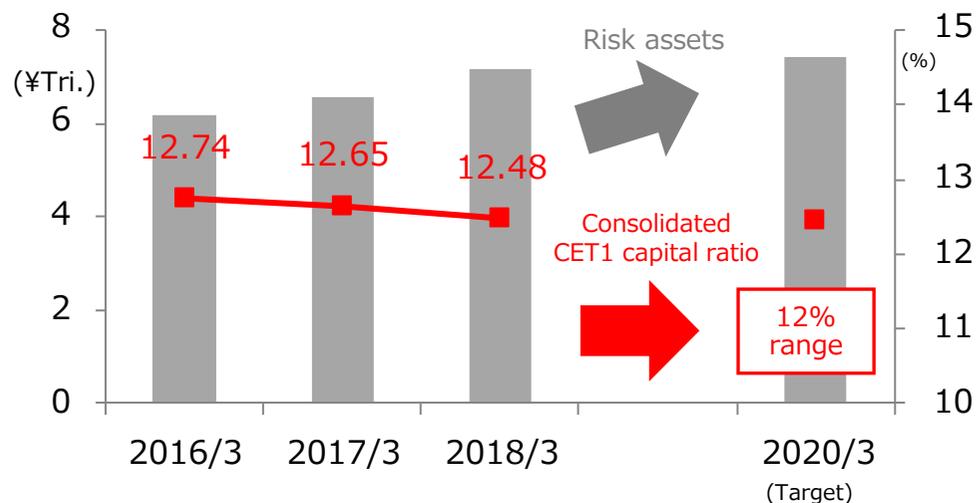
Working together

- Local companies and residents
- Local farm employees
- Shareholders
- Local government

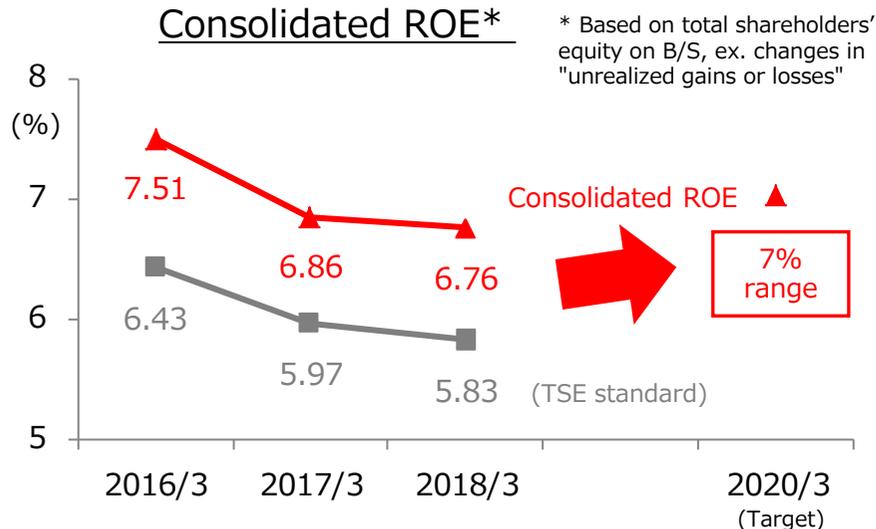
(14.5% investment by the Chiba Bank Group)

Maintain solid capital ratio and improve capital efficiency

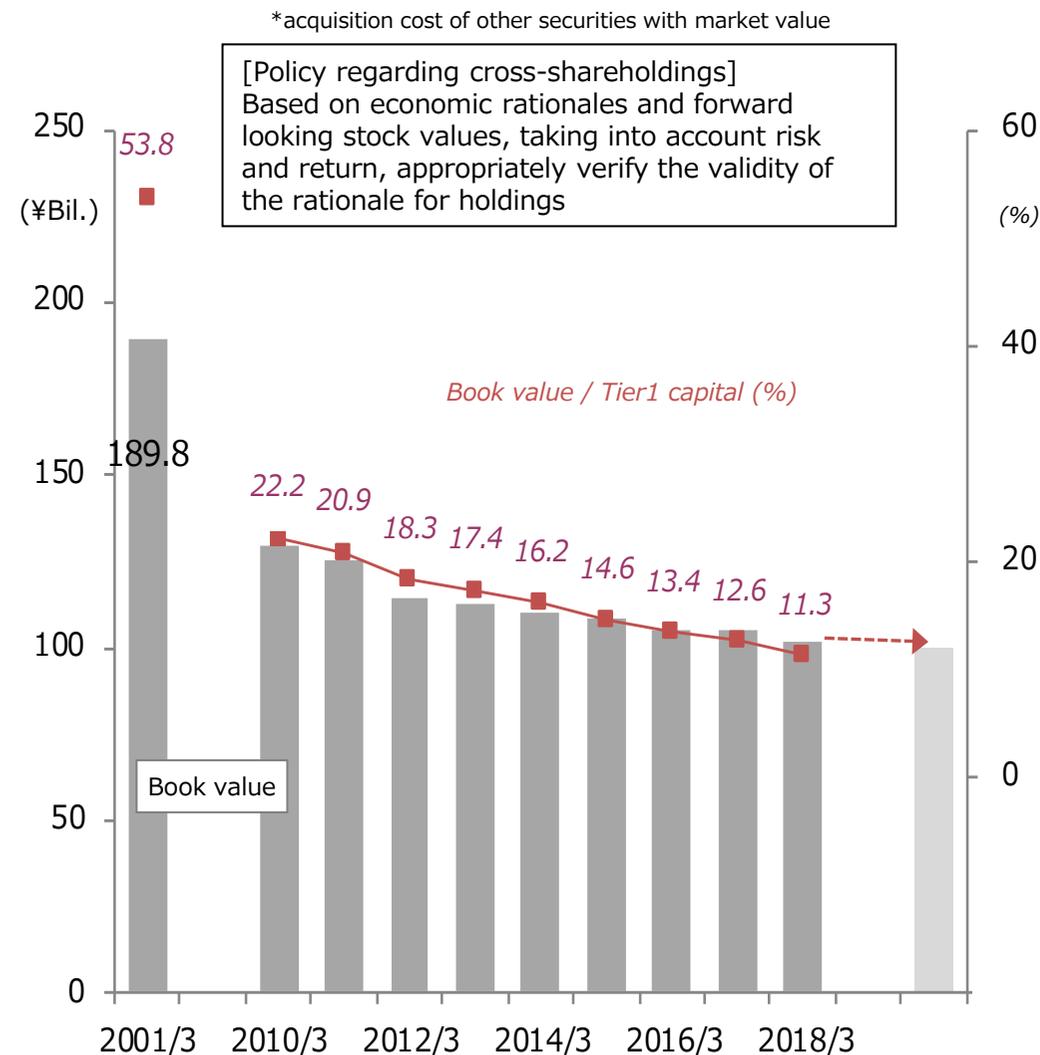
Consolidated CET1 capital ratio



Consolidated ROE*



Book value* of stocks and ratio to Tier1 capital (Consolidated)



Active approach toward shareholder returns, targeting around 50% of profit

Shareholder returns

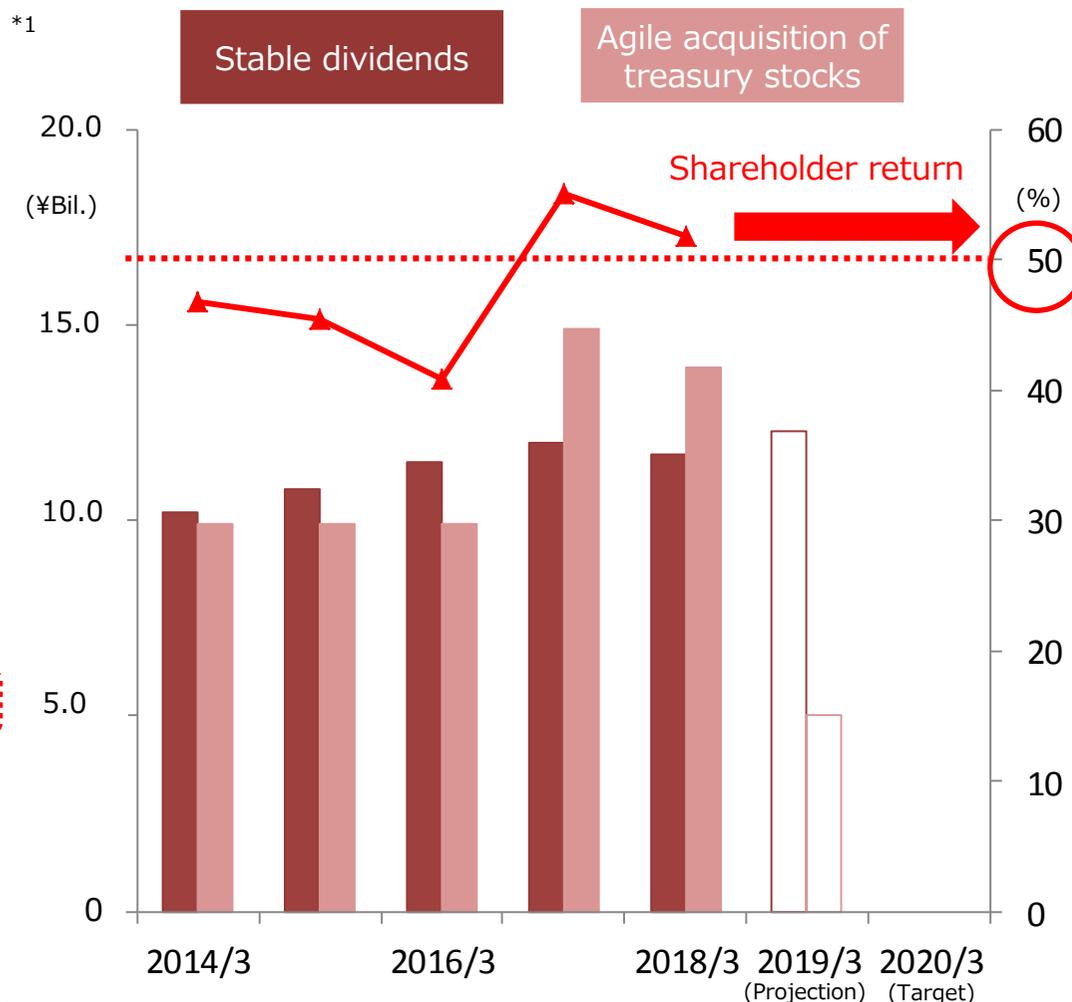
(¥)	2014/3	2015/3	2016/3	2017/3	2018/3	2019/3 (Projection)
Dividend per stock	12	13	14	15	15	16
		Increase	Increase	Increase		Increase
(¥Bil.)						
Non-consolidated profit	43.2	45.8	52.5	48.6	49.6	51.0
Annual cash dividends	10.2	10.8	11.5	12.0	11.7	12.4
Payout ratio	23.6%	23.6%	21.9%	24.7%	23.7%	24.3%
Acquisition of own shares	9.9	9.9	9.9	14.9	13.9	5.0
Total shareholder return	20.2	20.8	21.5	27.0	25.7	17.4
Shareholder return ratio	46.8%	45.4%	40.9%	55.5%	51.9%	34.1%

During the current medium term management plan

Shareholder return ratio* **Around 50%**

*1 Acquisition of own shares includes only the amount of ¥5.0Bil. announced in May 2018

*2 Shareholder return = $\frac{\text{Total shareholder return (amount of dividend payout + amount of acquiring treasury stocks, etc.)}}{\text{Non-consolidated net income}}$



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