



Medium-term Business Plan

Start-up  Kiraboshi

May, 2018 – March, 2021



May 1, 2018

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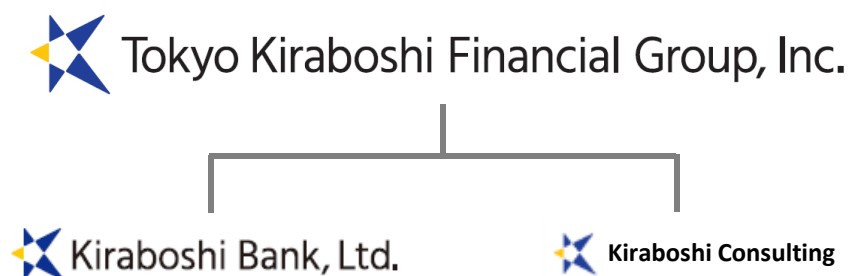
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1. Company profile



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■ Major Group companies



■ Company history

December 1924	Founded The Yachiyo Bank, Limited
December 1951	Established The Tokyo Tomin Bank, Limited
April 2004	Established ShinGinko Tokyo, Limited
October 2014	Business integration by The Tokyo Tomin Bank, Limited and The Yachiyo Bank, Limited Established Tokyo TY Financial Group, Inc.
September 2015	Signed the Agreement on a Comprehensive Affiliation for Industrial Development in Tokyo with the Tokyo metropolitan government
April 2016	Business integration between Tokyo TY Financial Group, Inc., and ShinGinko Tokyo, Limited
June 2016	Business and capital tie-up with Sumitomo Mitsui Trust Bank, Limited
August 2016	Conditional upon obtaining approval from the relevant authorities, it was resolved at a meeting of the board of directors that there would be a merger between the three banks on May 1, 2018, in addition to which announcements were made concerning future business policies and overall strategy.
September 2016	Treated Sky Ocean Asset Management Co., Ltd. as a company accounted for using the equity method
November 2016	Alliance with Jimoto Holdings, Inc.
January 2017	Alliance with Senshu Ikeda Holdings, Inc.
April 2017	Established Kiraboshi Consulting Co., Ltd.
October 2017	Formation of ToKI Meki Oen Fund 1
November 2017	Established Kiraboshi Tech, Inc.
May 2018	Birth of Kiraboshi Bank Change business name to Tokyo Kiraboshi Financial Group, Inc.

■ Management philosophy

To be a financial group for small and medium-sized enterprise customers and individual customers in the Tokyo metropolitan area that will contribute to the development of local communities through comprehensive financial services

■ Management policy

A bank that sparkles

Achieve enduring existence as a local regional bank through the provision of unique financial services

A bank that rises to the challenge

Leverage the special features of the Tokyo area to continue to meet new challenges in order to contribute to the development of our customers and of local economies

A bank that brings together ideas

We put great value on the “ideas” of customers, the region, and our employees so as to become a necessary and always trusted presence

■ Vision aimed for

Become the urban regional bank group most favored by customers in the Tokyo metropolitan area

2. Outline after the three-bank merger

Bank after merger



Holding company



The origin of the bank's name

Constellation. Twinkling stars.
We want to make the dreams of our customers glitter even brighter in the Tokyo area.
Into this name we put our desire for something clean-cut that also feels easy to get to know, that takes the customers' ideas into safekeeping and uses them to bridge the way to the next generation.

The ideas we wanted to put into the logo mark and color

"Kiraboshi" is a design representing somebody facing forward and beginning to walk with head held high, and represents our feeling of wanting to move forward with and contribute to the local community, as a bank that rises to the challenge.
Expressing our desire to become a bank that places great value on the "ideas" of customers and employees, and to become a gleaming presence in local communities, we used dark blue to symbolize "trustworthiness" and "sincerity," while yellow represents "future promise" and "independence."

Merger schedule

Effective date of merger
May 1, 2018



3 Banks Merger

Tokyo Tomin Bank Yachiyo Bank ShinGinko Tokyo



Kiraboshi Bank, Ltd.

Core systems to be consolidated by the target date of the first half of FY2020

○ At the point of merger on May 1, 2018

ShinGinko Tokyo's systems will be consolidated with those of Tokyo Tomin Bank and the systems of Yachiyo Bank and Tokyo Tomin Bank will be connected via a relay system.

○ Unification of core systems

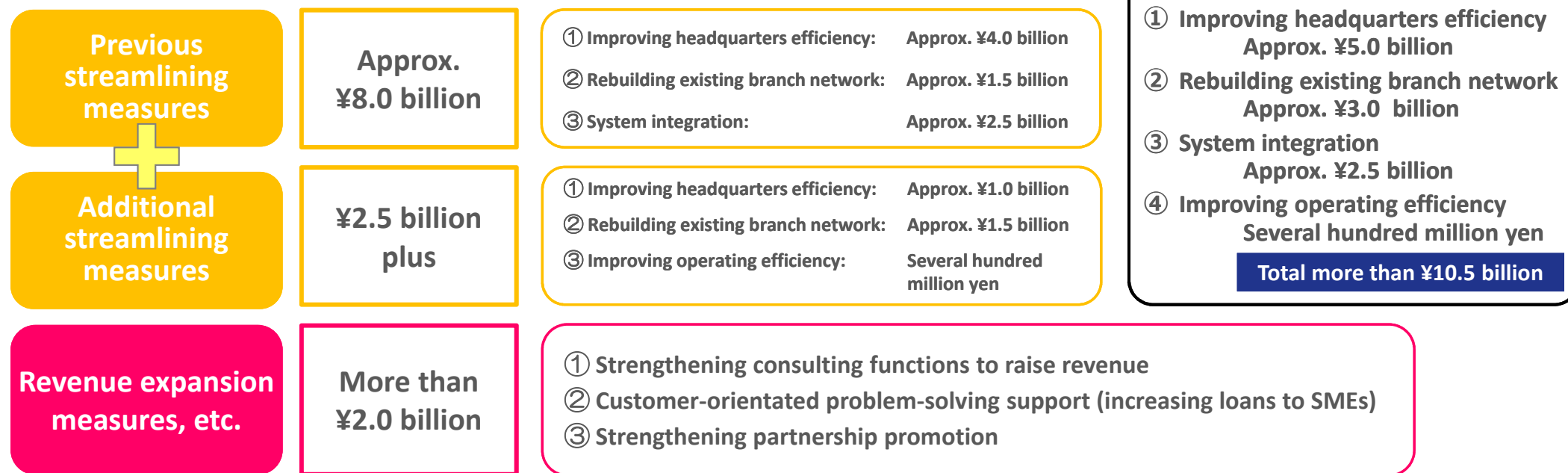
By the target date of the first half of FY2020, Yachiyo Bank systems to be consolidated with those of Tokyo Tomin Bank to unify core systems



3. Synergistic effects from three-bank merger and merger consolidation costs

- With regard to streamlining measures implemented as part of the one-bank approach, we will commit ¥2.5 billion in additional measures to the initial plans for ¥8.0 billion.
- By implementing these in tandem with more than ¥2.0 billion in revenue expansion measures, we will work to expand net core business income.

Synergistic effects from merger * Annual effects forecast to merge by FY2022



Merger consolidation costs

Total investment in merger consolidation Approx. ¥20.0 billion (system integration, replacing signage, and handling customers, etc.)

FY2016 ¥1.1 billion of expenses posted	➡	FY2017 ¥3.0 billion of expenses forecast to be posted	➡	Remaining expenses forecast to be posted in turn
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4. Strategic branch policy and optimization of personnel allocation

- Personnel engaged in overlapping headquarters operations will be reassigned to sales divisions, leading to a reduction in total personnel of about 20% within 2 years after system integration
- Primarily review overlapping regional branches to result in reduction of about 30%

		September 30, 2017		2 years after system integration
Optimization of personnel	Total personnel	3,100	→	Approx. 20% reduction
	Headquarters personnel	700		Over half of headquarters personnel to be switched to sales personnel
	Sales personnel	2,400		
Strategic branch policy	Offices	159	→	Approx. 30% reduction
	Full banking branches	133		Primarily overlapping regional branches
	Specialized branches	26		

Branch policies already implemented

*Results since Tokyo TYFG established

<Branch in branch> 10 branches to be consolidated to 5 offices

<Specialized branches> 14 offices

<Consolidation of headquarters functions into Aoyama/Shinjuku offices> <Shift to central operations center>

Branch policy scheduled to be implemented

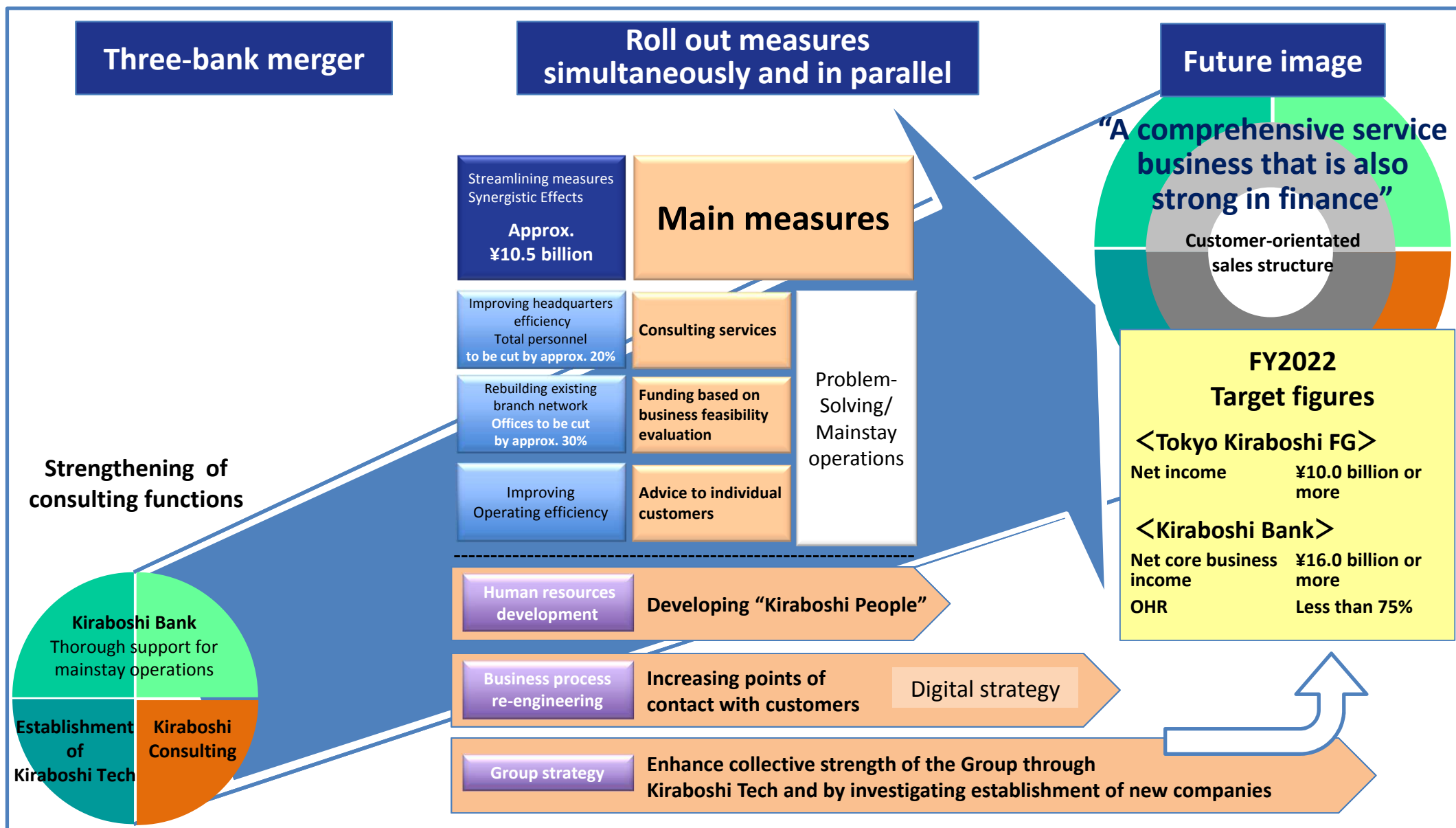
<Branch in branch> 20 branches to be consolidated to 9 offices (scheduled for August - October 2018)

5. The future image of the Group

- Towards a comprehensive service business that is also strong in finance -



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Tokyo Kiraboshi Financial Group Medium-term Business Plan

6. Outline of medium-term business plan



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Name
(Period)

Start-up  **Kiraboshi**

May 2018 - March 2021 (3 years)



【Concept】

- ① Creating “a new kind of urban regional bank for the Tokyo area”
- ② Commitment by the Group to contribute to the development of the Tokyo area (having a tangible presence in the Tokyo area)
- ③ Start-up spirit based on “Challenge & Speed”

Future image

“A comprehensive service business that is also strong in finance”

Kiraboshi
basic strategy

○ **Target for “first calls” 7,000 annually**

1. The consulting business ・ ・ ・ ・ 7,000

- Number of proposals made to support mainstay operations (corporates, owner managers)
- Number of proposals made to support life plans (individuals)

2. Financing based on evaluations of business feasibility ・ ・ ・ ・ 600

- Number of proposals made to resolve issues based on business feasibility evaluations (corporation)

Numerical targets

FY2020

<Tokyo Kiraboshi FG>

Net income **¥6.0 billion**

<Kiraboshi Bank>

Net core business income **¥12.5 billion**

OHR **80%**

The “Getting
the first call”
concept

Through “dialogue”

- ① Understand the customer deeply, and come to share their issues of concern
- ② Provide proposals to resolve those issues
- ③ Gain their trust and become the bank they call first

Aiming as a result to “Create shared value with the customer”

7. Approach to achieving targets (Kiraboshi KPI)

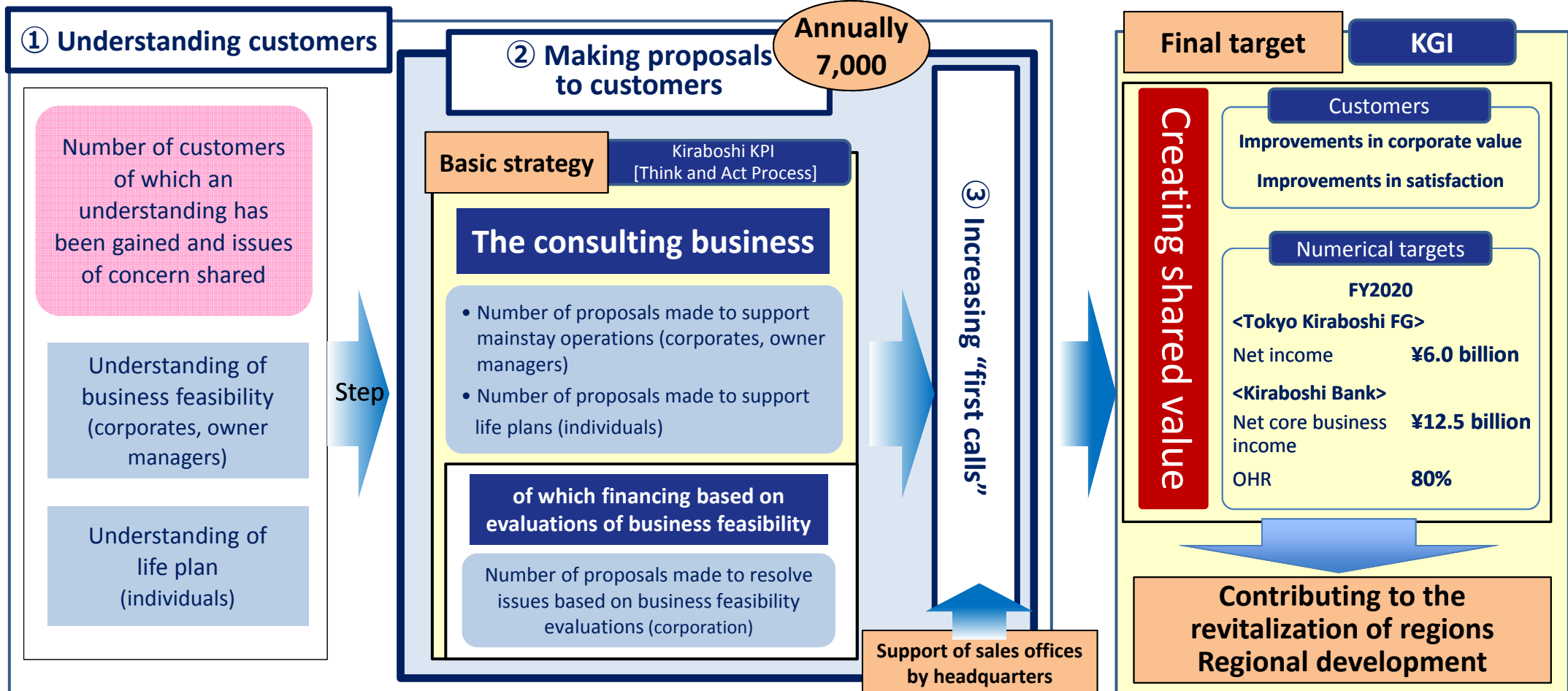
- Understanding the customer and aiming as a result to “Create shared value with the customer” -

Through “dialogue”

- ① Understand the customer deeply, and come to share their issues of concern
- ② Provide proposals to resolve those issues
- ③ Gain their trust and become the bank they call first

[Basic strategy] Kiraboshi KPI (Think and Act process confirmation indicators)

- Intermediate indicators that measure the process by which the final target figures are achieved



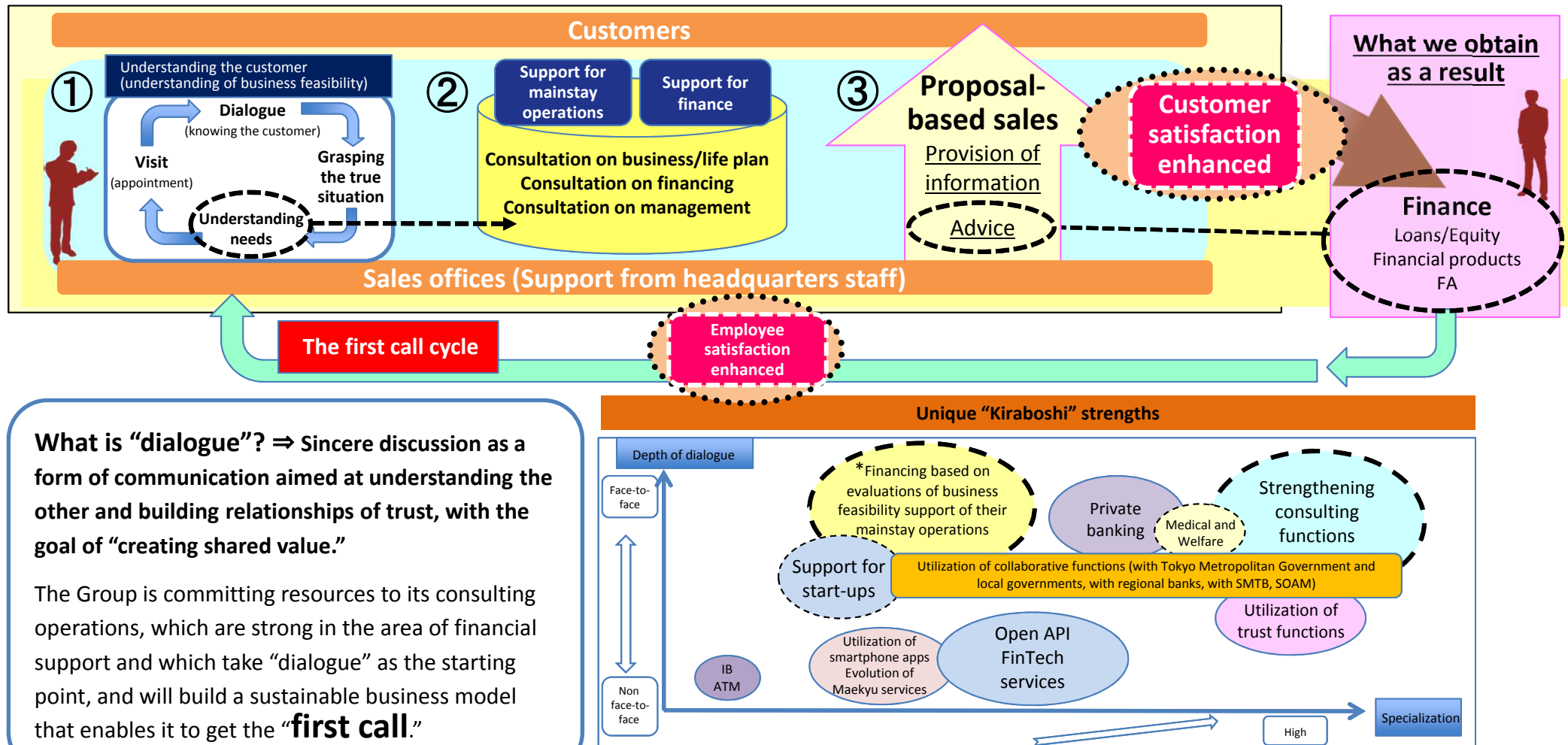
A business model that starts with understanding the customer, and in which being selected by them ultimately leads to profits for the bank

8. A business model that takes “dialogue” as its starting point

- Building a structure in which the customer gives us the first call -

■ Building a customer-orientated sales structure

- By gaining high-quality time with the customer, understanding their real needs and offering information and advice, we will establish a customer-orientated sales structure that will lead to enhanced customer satisfaction



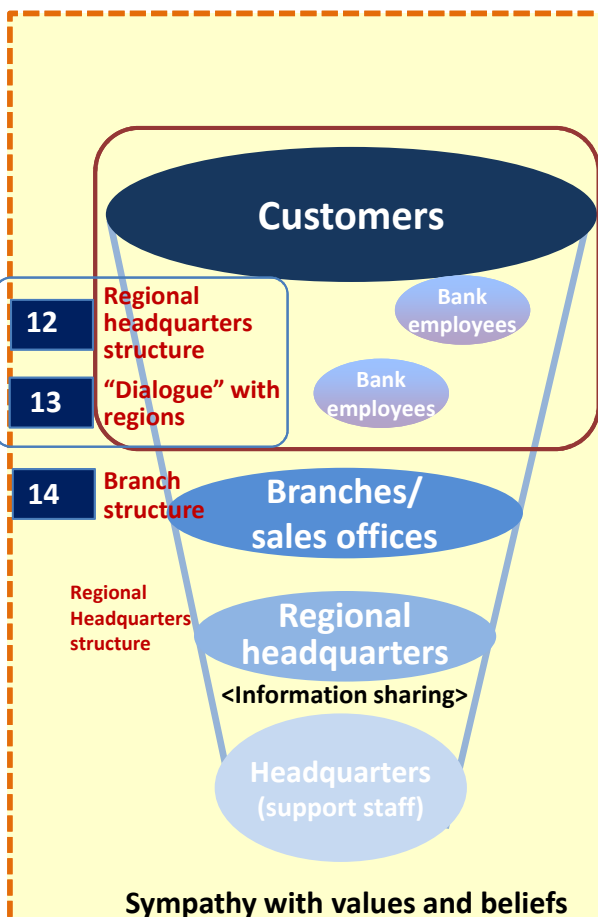
* Financing based on evaluations of business feasibility means financing based on an understanding of the feasibility of the business and that uses both financial and non-financial information.

9. Main measures/functions supporting measures

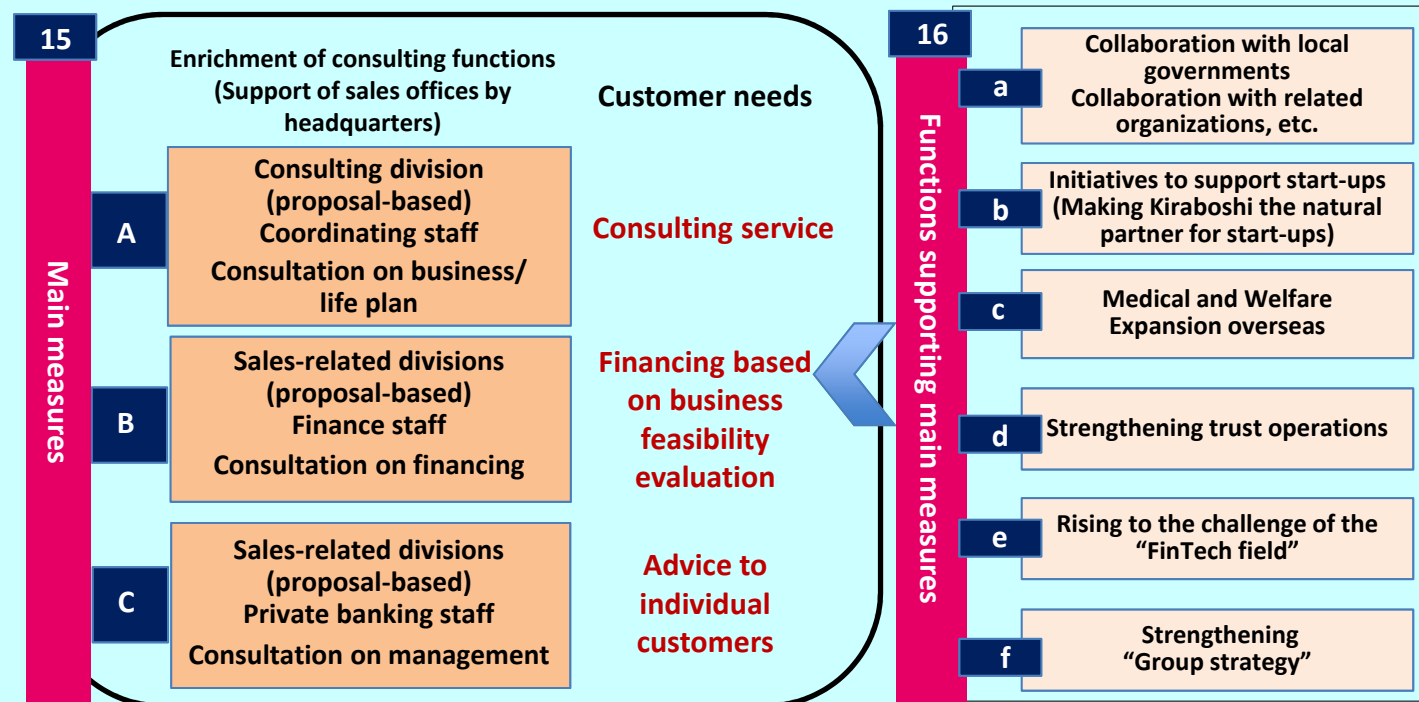
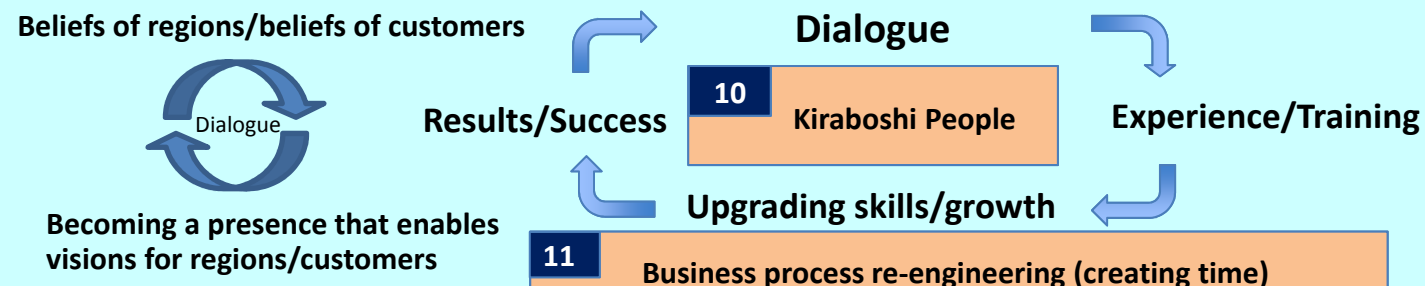


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“Customer” and bank



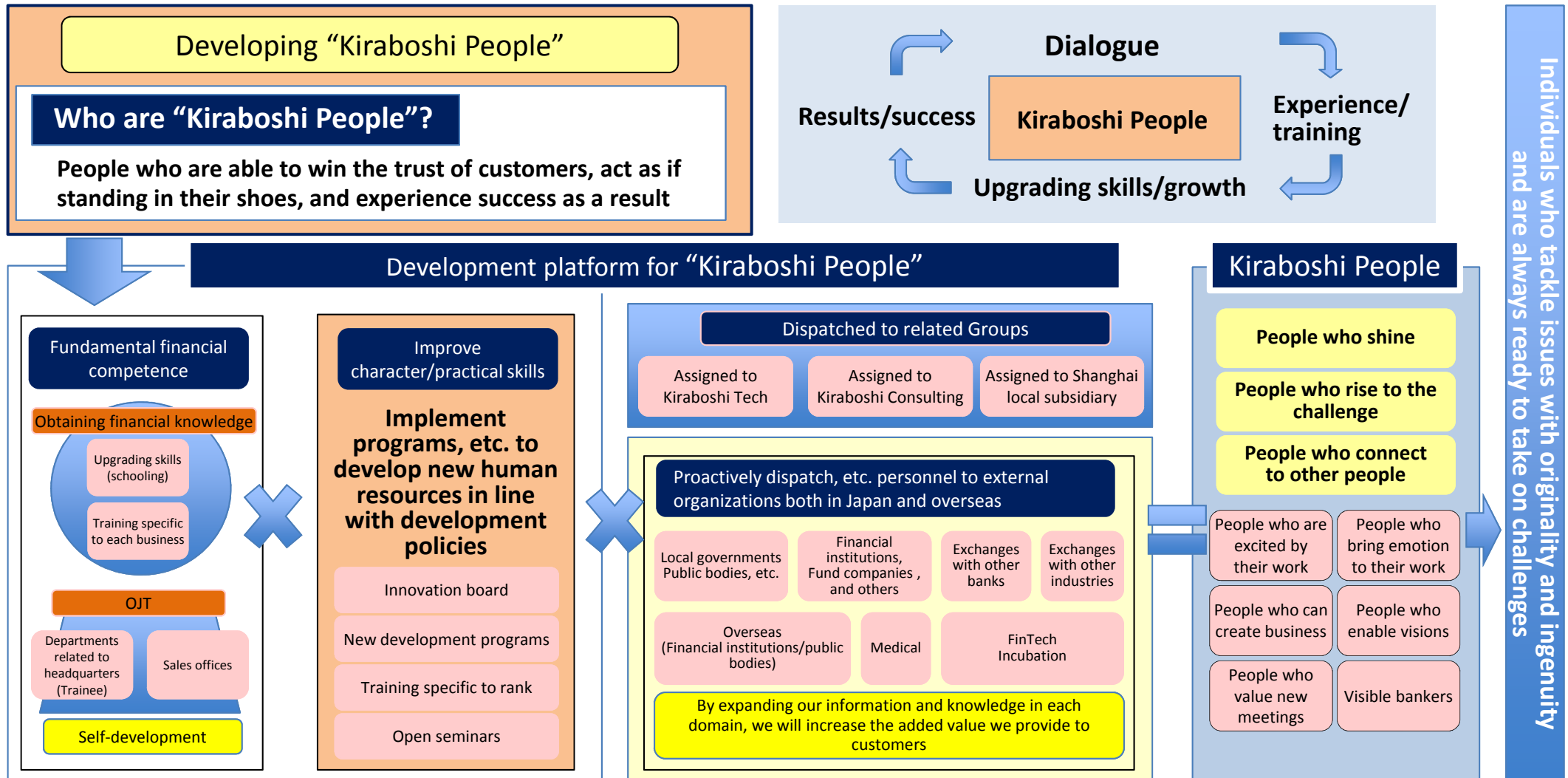
“Main measures and functions”



10. Developing human resources that are trusted and chosen for their “dialogue”

- Kiraboshi People -

- In these rapidly and continuously changing times, we will use the occasion of the birth of Kiraboshi Bank to practice a new style of leadership, and to develop human resources who embody the business philosophy and management policies of the Group



11. Business process re-engineering to strengthen contact with customers and build a digital innovation strategy

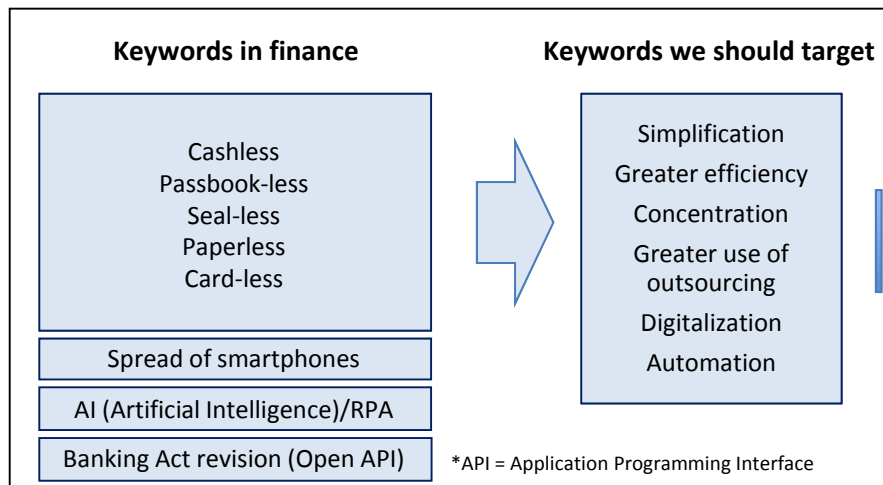
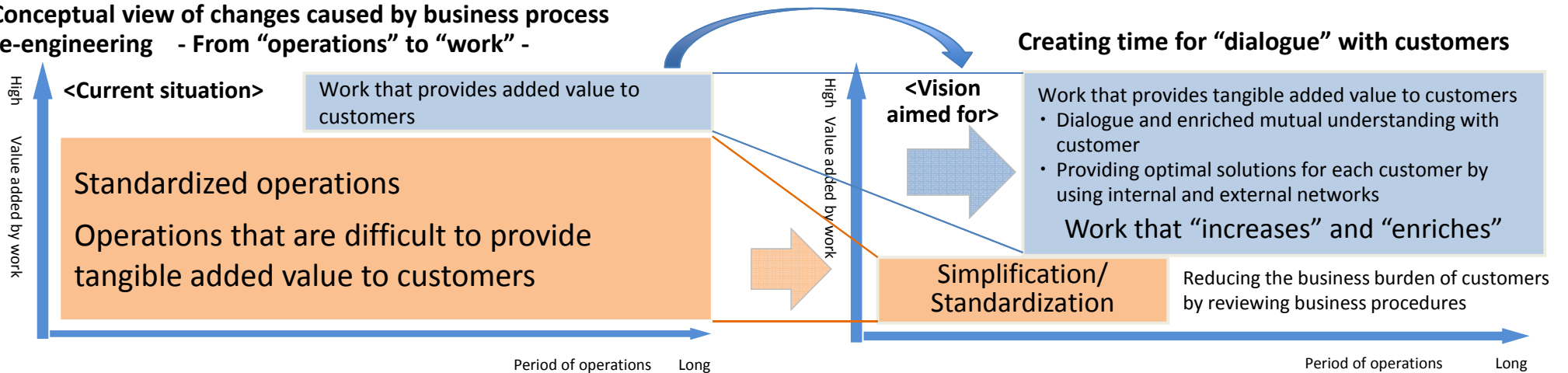
■ Basic concept of business process re-engineering

- Realizing styles of working that make tangible the meaningfulness of work and enable emotional fulfillment

■ Three basic policies for realizing business process re-engineering

- Realizing “business and workflow re-engineering” that uses “abandoning,” “spinning off,” and “discontinuing” to put in place a stress-free operational environment
- Realizing “reform of executive and employee awareness” that results in moving from “ordinary” operations to the pursuit of work that makes people “thankful”
- Realizing styles of working (behavior) that generate new value and resolve issues through dialogue and relationships with many people, both among customers and inside and outside the company

Conceptual view of changes caused by business process re-engineering - From “operations” to “work” -



■ Establishing the business process re-engineering team

Project name: ZERO - Reforming work and the value of working -

<Abandoning operations ⇒ Spinning off operations ⇒ Discontinuing operations>

Reforming awareness of “work” Reforming the value of “work”

■ Building a digital innovation strategy

- Considering the formation of a digital strategy team
- Building a digital innovation strategy for the group as a whole

- Collaboration with FinTech companies by means of Open API
- Business process re-engineering using new technology (AI, RPA, etc.)
- Open innovation with FinTech companies and venture capital companies, etc.

12. Regional headquarters structure to achieve effective customer contact



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Building omnidirectional relationships

- Our sales area is the whole of the Tokyo Metropolitan area, and we are aiming at an omnidirectional sales style.

“Dialogue” with region

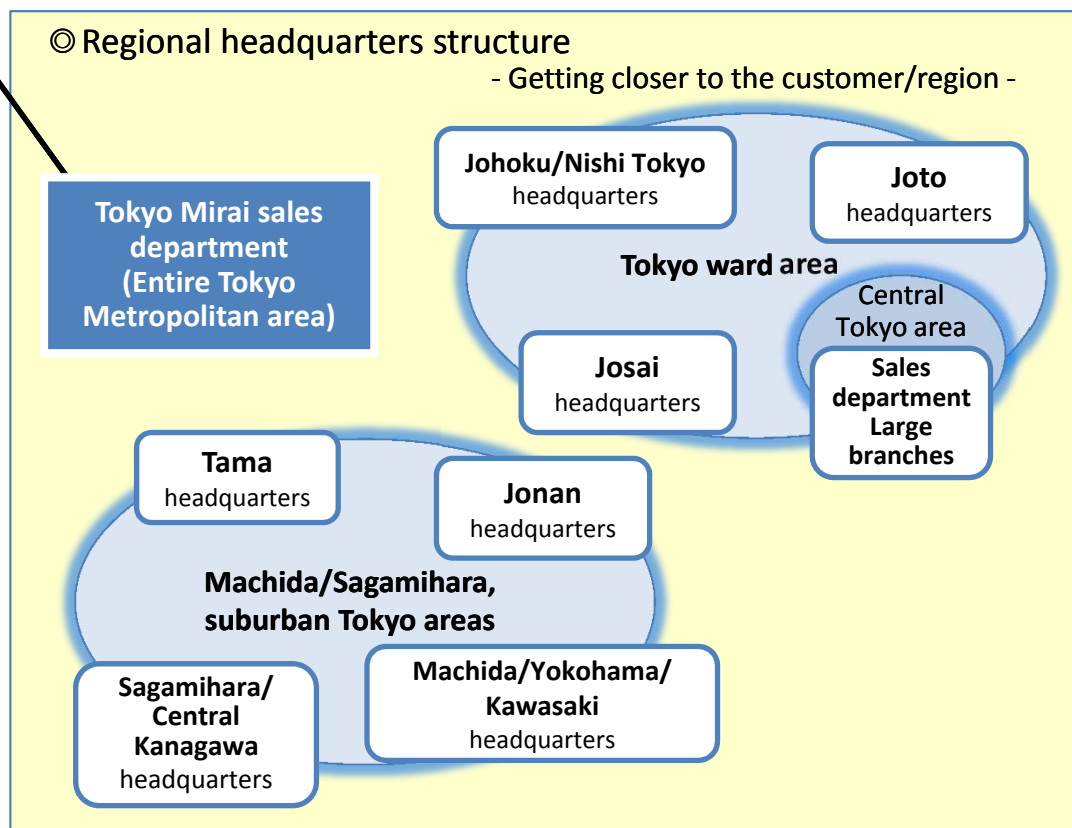
- Many micro-enterprises, landlords, individuals
- Sophisticated fund management needs, consulting on inheritances, etc.
- Further regional collaboration

- > Knowledge regarding loans to real estate
- > Community-based sales
- > Networking with local governments, including Sagamihara City and Machida City

- Development of regional headquarters structure -

◎ Regional headquarters structure

- Getting closer to the customer/region -



Introduce regional headquarters structure to devolve significant authority to local offices to improve the sense of speed in responding to needs specific to the special features of the region (market)

“Dialogue” with corporates

- Small and medium-sized enterprises are concentrated in the Tokyo area.
- Respond to corporate funding needs and business succession issues.

- > Management support for M&A, business rehabilitation
- > Collaboration with Tokyo Chamber of Commerce and Industry
- > Knowledge regarding loans to medical/welfare

Strategic opening of new branches

Strategic opening of new branches

(open territories)
Areas in which small and medium-sized enterprises and individuals are concentrated and that we can expect to open up

13. “Dialogue” with region

- Promoting “Thorough support for mainstay operations” for regional customers -



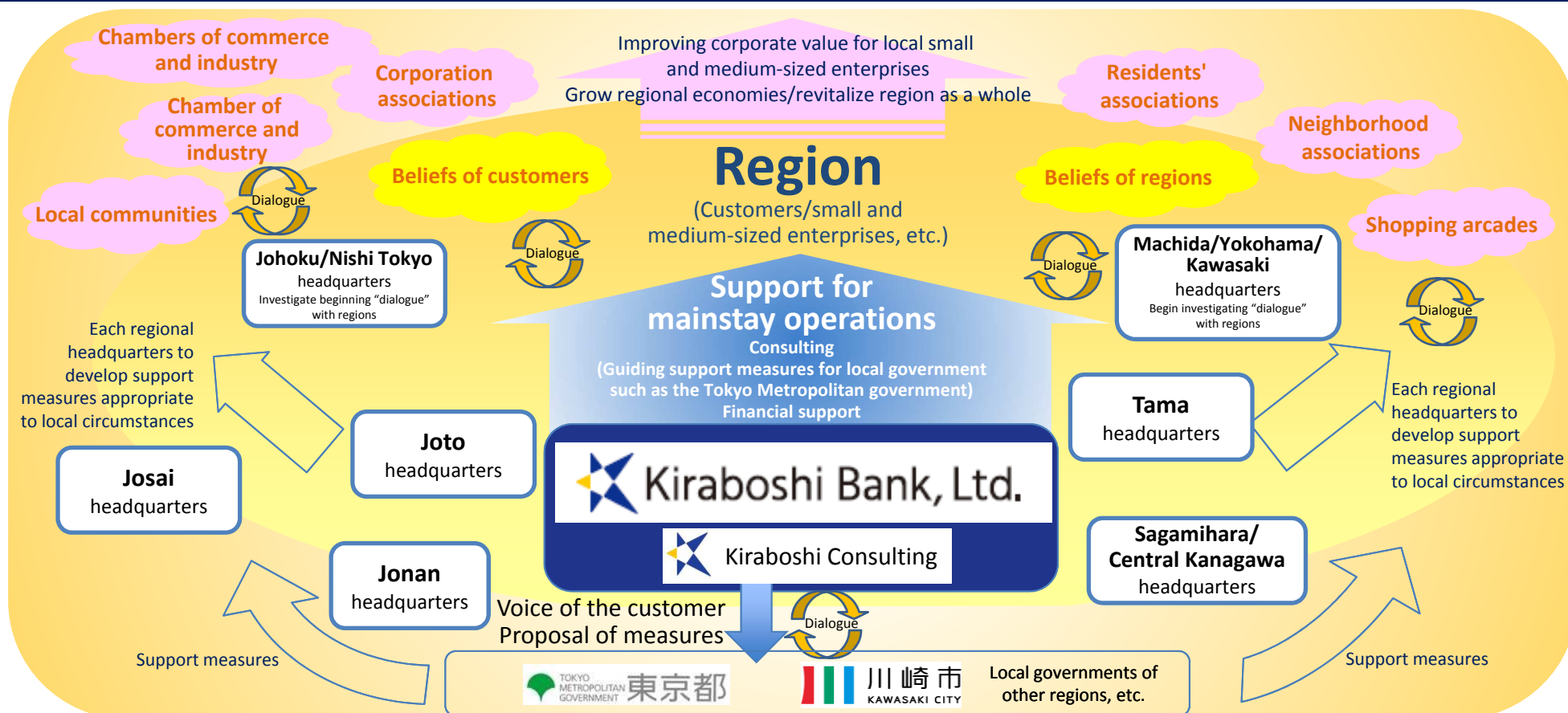
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- With the regional headquarters at the center, we will develop close-knit multilayered “dialogue” with customers and regions, and together consider how to grow regional economies

(We will strengthen our participation and cooperation with business activities conducted by public institutions, with local governments such as the Tokyo Metropolitan Government and Kawasaki City as partners, and demonstrate initiatives aimed at the expansion of regional economies)

<The role played by Kiraboshi Bank>

- ① Develop new financial support menus, and provide consulting and events that are helpful in the context of supporting mainstay operations
(Collaboration with local governments)
- ② Support improvements in corporate value
Support for a richer lifestyle for customers
- ③ Provide proposal activities, etc. to local governments aimed at resolving issues and bringing to light the appeal of individual regions, by taking a broad perspective on the revitalization of the region as a whole



14. Building a branch structure that takes into account “dialogue” with each region



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- Promote a branch-in-branch approach, primarily for overlapping branches, after the merger. Promote the switch from full banking branches to slimmed-down branches that match the special features of the region
- Consolidate highly specialized personnel in full banking branches, create sales personnel, and build a sales structure that emphasizes “dialogue” with customers

Branch strategy

- Contributing to the development of regional society
- Supporting the growth of companies through “dialogue” with small and medium-sized enterprises
- Diverse branch formats
- Put into practice “key satellite” strategy
- Branch in branch (BIB) strategy

Number of offices

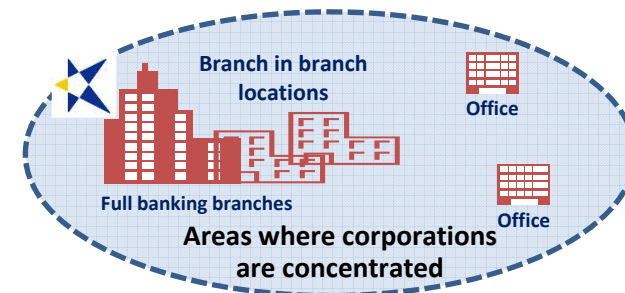
- By FY2022
- Offices to be cut by approx. 30%
 - Approx. 50 full banking branches
 - Approx. 50 slimmed-down branches

Combination of
greater efficiency and
close regional
connections

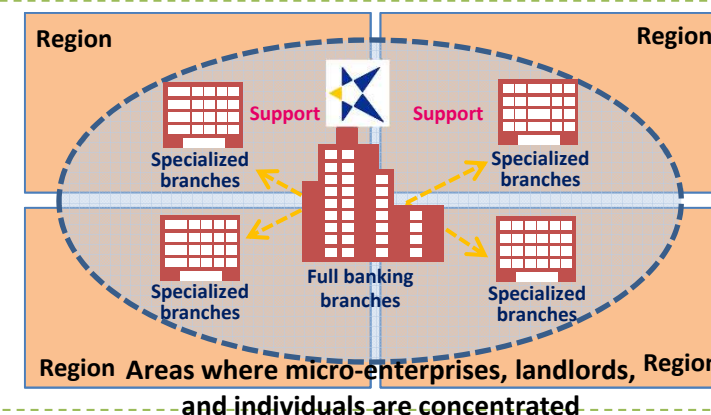
Branch format

- Branch formats that are diverse and appropriate to the characteristics of the region/customers
- * Without being bound by the constraints of a full banking branch, we will develop corporate offices, individual branches (sub-offices), branches on higher floors of buildings, specialized branches, and mini-branches

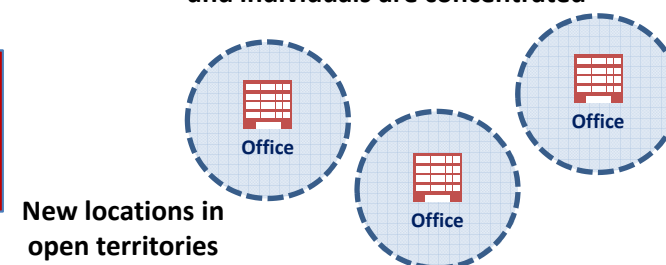
Dialogue with [corporates]



Dialogue with [region]



Strategic opening of new branches

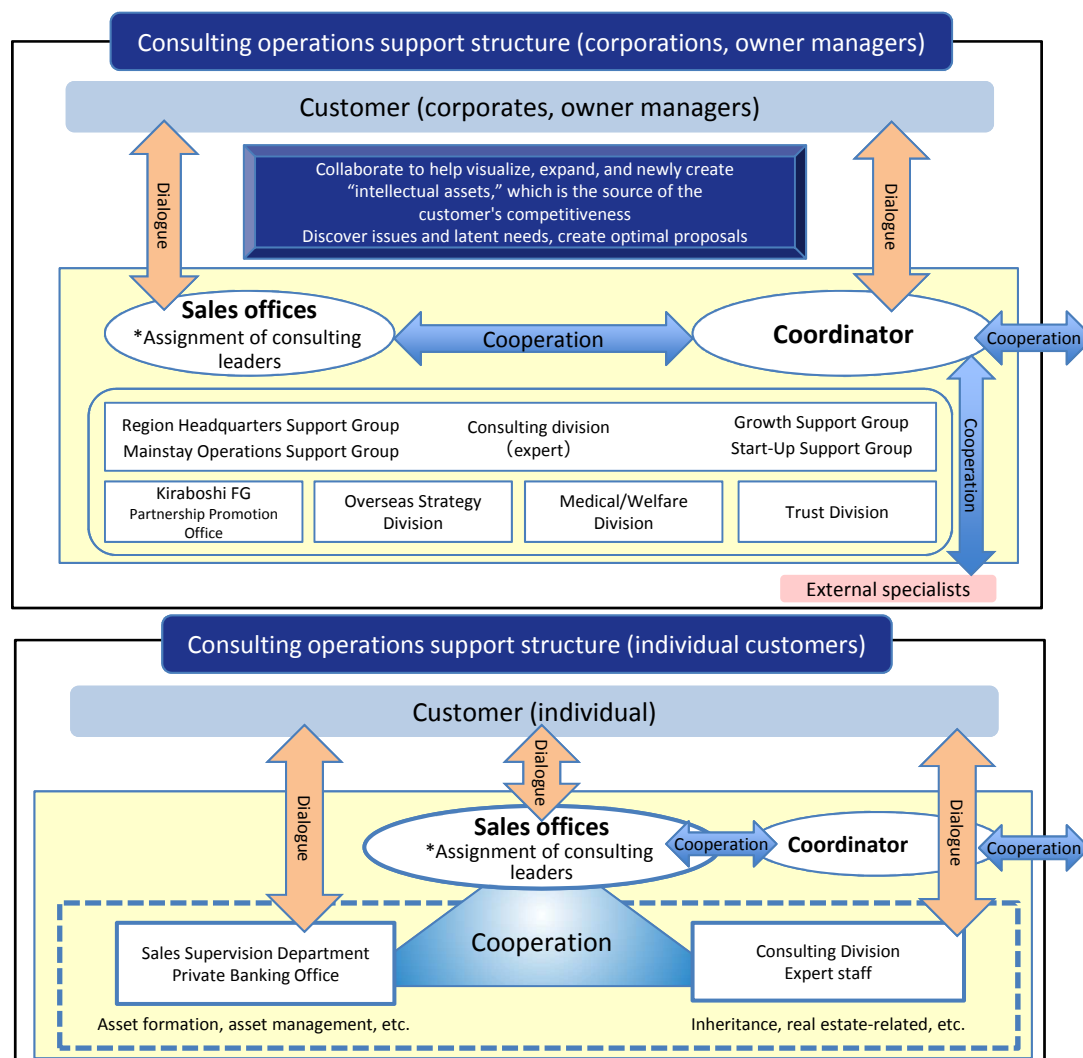




15-A. Provision of consulting services

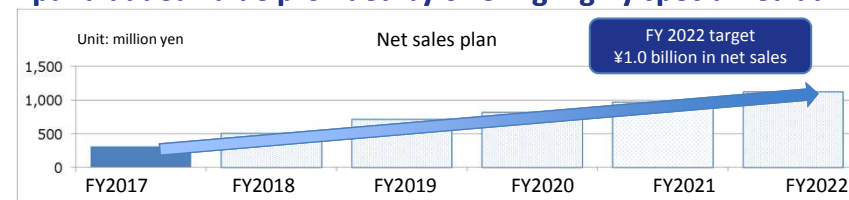
■ Strengthening consulting operations support structure

- Understand the customer through dialogue, and seek to build relationships of trust by providing optimal proposals that utilize the consulting functions
- Various types of support provided by Kiraboshi Consulting Co., Ltd. (IPO, strengthening governance, business succession, M&A, etc.), in addition to collaboration with financial institutions, etc.



Kiraboshi Consulting

Expand added value provided by offering highly specialized advice



<Main business areas>

Business succession	Business value assessment	Share price measures
	M&A	Inheritance measures, etc.
	Capital policy support	
Creating business value	Support for drawing up business plans	Support for overseas expansion
	M&A	Support for IPO
	Transformation of profit structure, etc.	
Strengthening governance	Support for human resources, labor	Building internal control system
	Risk management	Restructuring of organization, businesses, etc.

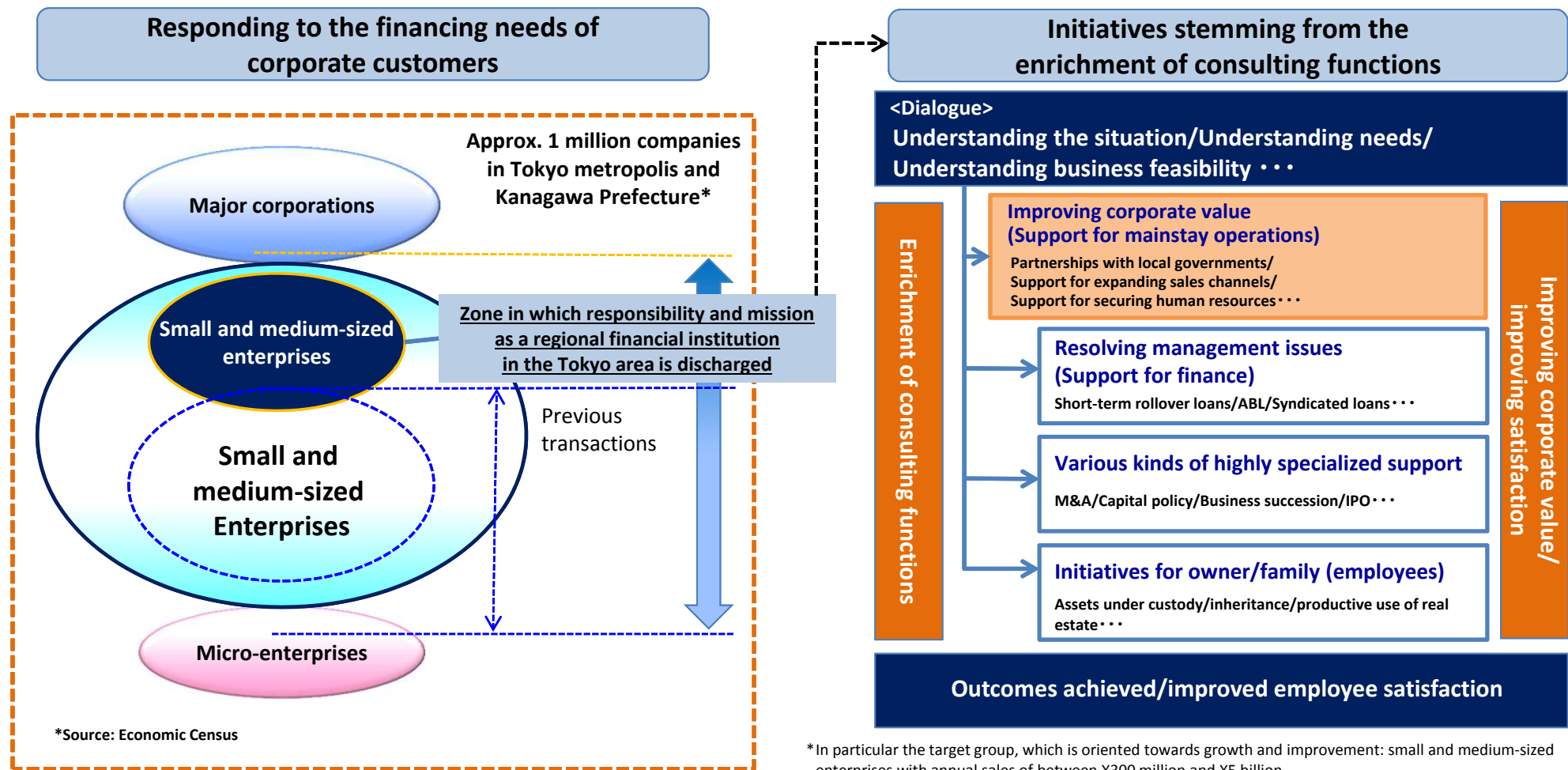
Financial institution partners, etc.

SUMITOMO MITSUI
TRUST BANKSKY OCEAN ASSET
MANAGEMENT CO, LTD.SENSHU IKEDA HOLDINGS,
INC.THE SENSHU IKEDA BANK,
LTD.Jimoto Holdings, Inc.
Kirayaka Bank, Ltd. The Sendai Bank, Ltd.



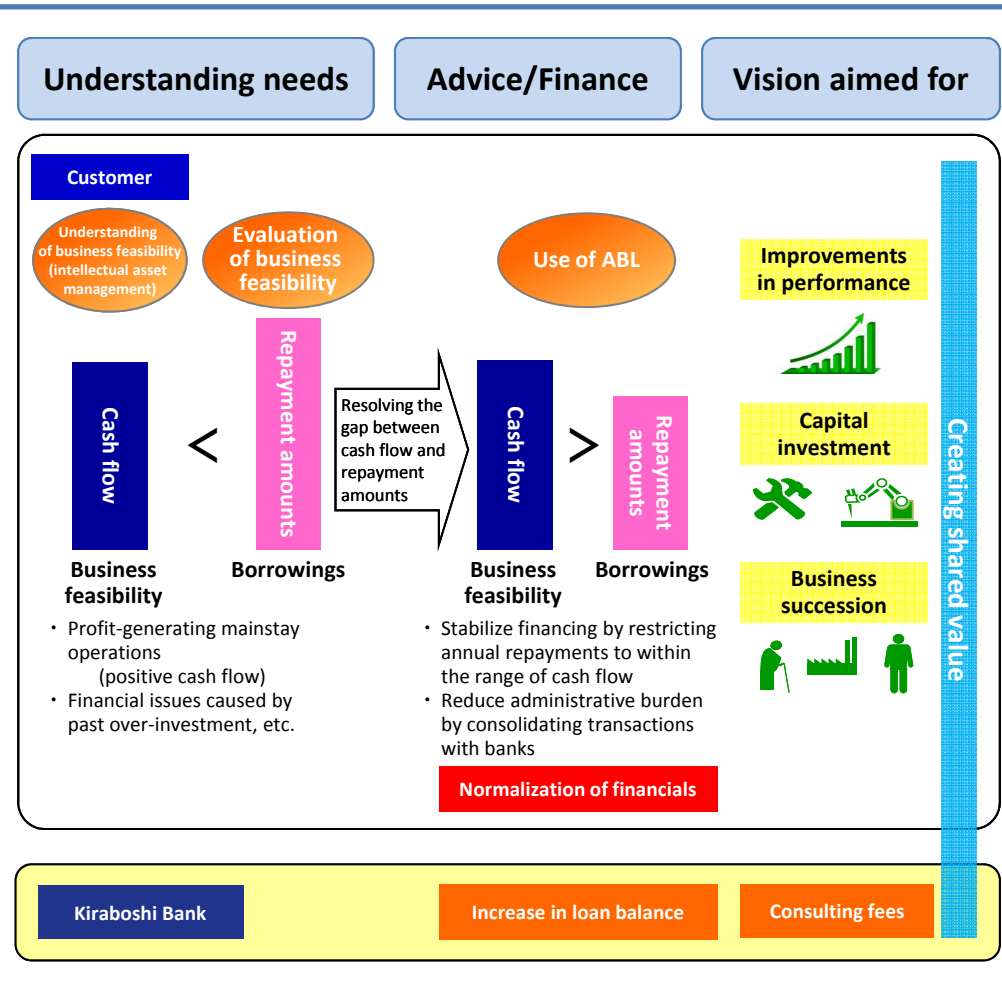
15-B. Leveraging of consulting functions

- Understanding business feasibility (understanding the customer) to discover latent needs and issues, and create optimal proposals
- As a result, we discharge our mission and responsibility as a regional financial institution in the Tokyo area



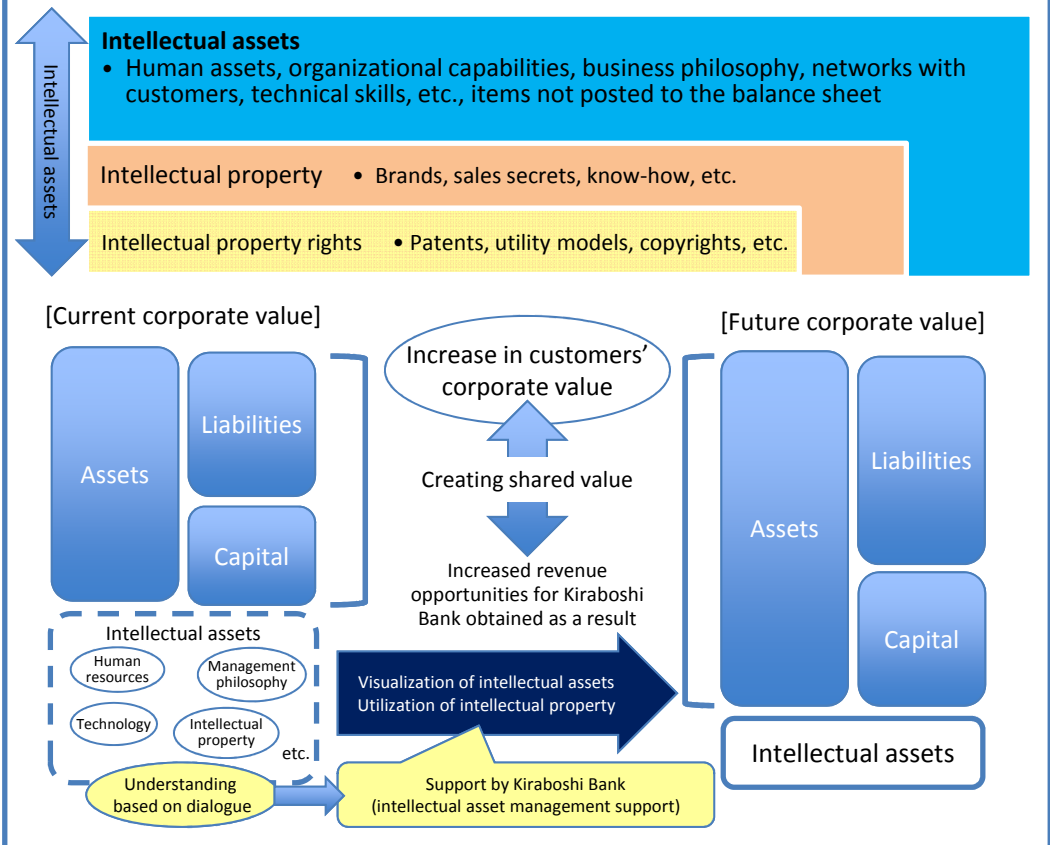
15-B. Leveraging financial intermediary functions based on evaluations of business feasibility

Examples of strengthening initiatives for management support of customers based on evaluations of business feasibility



Initiatives for intellectual asset management support

- Collaborate to help visualize and expand the intellectual assets that is the source of the competitiveness of corporate and owner manager customers.
- Put in place a structure that enables us to discover issues and latent needs, and create optimal proposals
- Build a development/training program for the human resources who will be responsible for visualizing customers' intellectual assets





15-C. Initiatives for individual customers and promotional structure

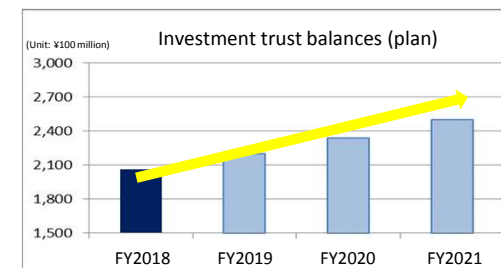
■ Initiatives as “day-to-day financial advisor” in preparation for realizing a customer-oriented sales structure

- Strengthening structures based on strategy for each customer segment/development of highly specialized human resources (cooperative structure between regional headquarters and sales offices)
- Focus on main target groups, including owners of small and medium-sized enterprises with whom it is possible to meet face-to-face, their families, employees of our customers, local people of property, etc. in the “middle-affluent group” and the “core retail group”
- Strengthen support for elderly people in the region

Strategy for each customer segment

	Customer group	Target	Solutions
Super-affluent group	Super-affluent group	People of property (upper) (Estimated financial assets of more than ¥1 billion)	Asset management/ Health management/ Education of sons
Middle-affluent group	Middle-affluent group (Face-to-face sales)	Owners of small and medium-sized enterprises Families of the same Leading regional influencers/people of property (Estimated financial assets of more than ¥100 million)	Asset management/asset administration Inheritance support Business succession Productive use of real estate, etc.
Core retail group	Core retail group (Face-to-face sales)	Customer employees General customers (Estimated financial assets of more than ¥10 million)	Asset formation (core funds) Various loans, etc.
Mass retail group	Mass retail group (Non face-to-face sales)	General customers (Young group)	Asset formation Various loans Transactional lending, etc.

Promote investment trusts in preparation for the shift from saving to asset formation



- In preparation for “the shift from saving to asset formation,” accumulate investment trust balances

- ◆ Strengthen proposals for long-term management
- ◆ Review evaluation of sales offices for core fund initiatives

Approach young group

- ◆ Utilize the “Maekyu” platform of Kiraboshi Tech
- ◆ Collaboration with FinTech companies by utilizing Open API strategy

Implement consulting that begins with dialogue (day-to-day financial advisor)

<Asset management/asset administration needs>

- Strengthen initiatives aimed at shift from deposits to core funds. **Towards “the shift from saving to asset formation”**
- Expand number of highly specialized human resources and product line-up. Strengthen sophisticated consulting sales.

<Financing (loan) needs>

- Speedy response to projects/demonstrate dominance in W loans/strengthen activities within area of responsibility

Build a support structure for elderly people in the region

- Kiraboshi Bank's goal is to be a bank that supports the active seniors of the region -

- Consider allocating partners to act as consultants for active seniors in ways appropriate to local characteristics

- Support for senior founders

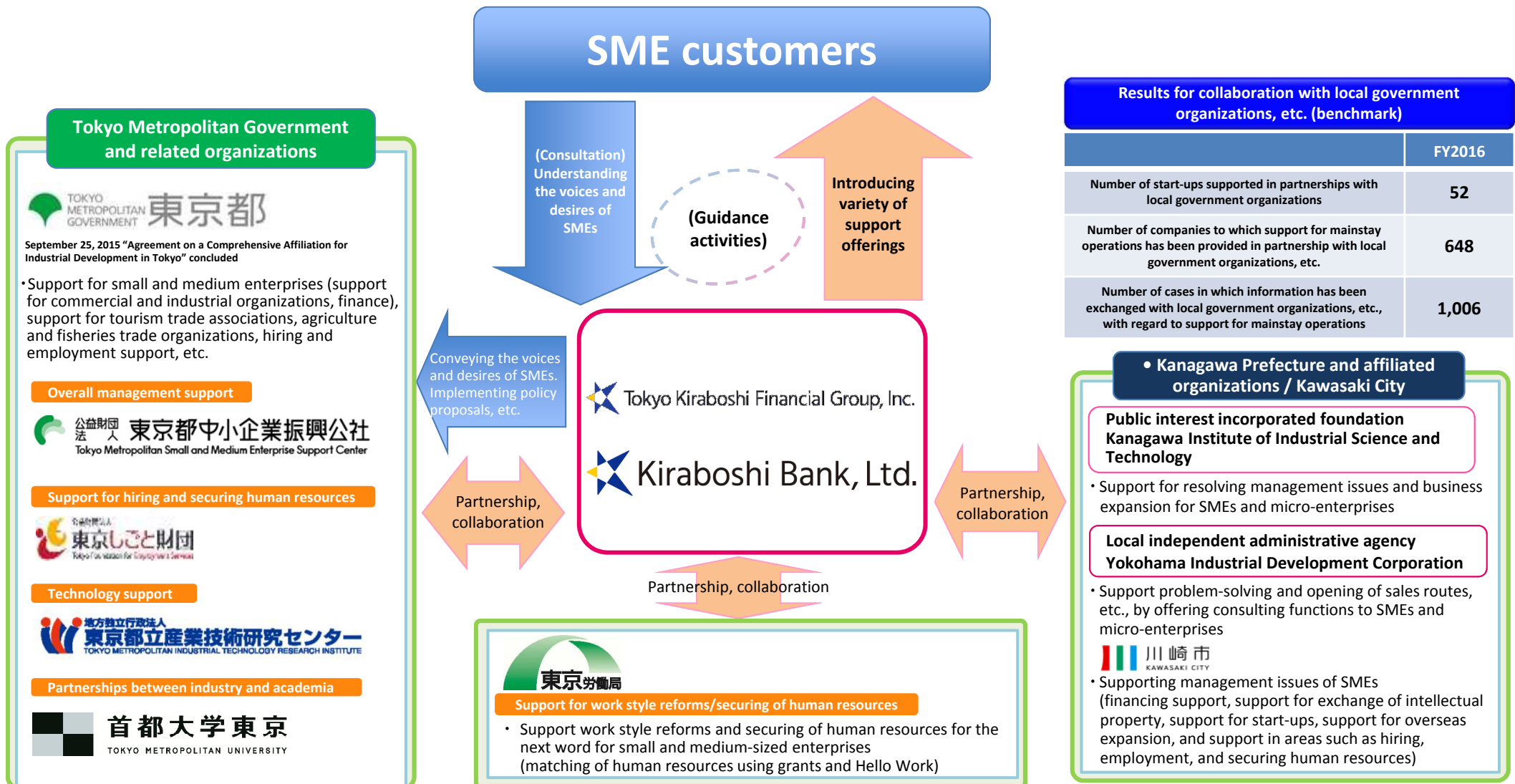
Strengthen support for seniors

16-a. Strengthening collaboration with local governments, etc.



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Strengthening partnerships with local governments, such as the Tokyo Metropolitan Government and related organizations



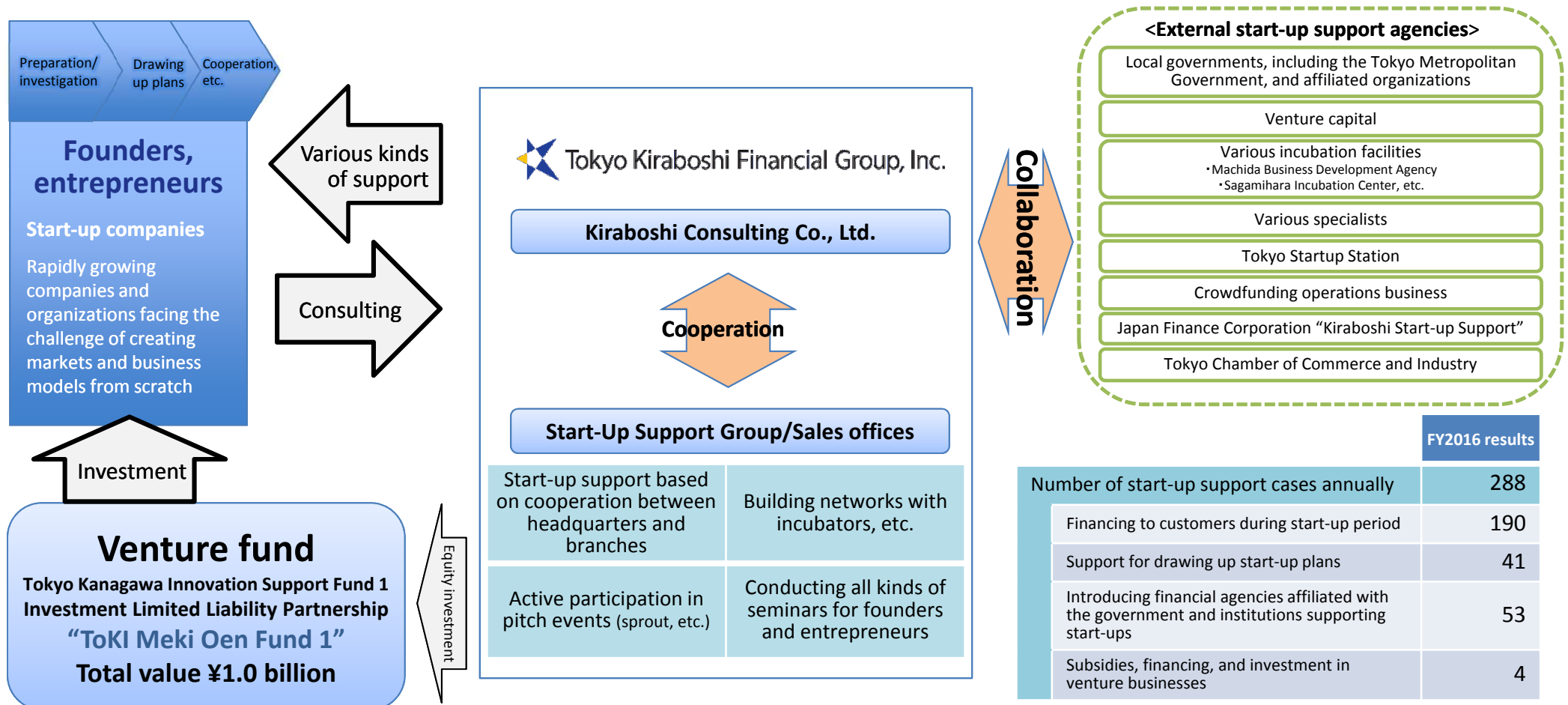
* Display those with which an "Agreement on a Comprehensive Affiliation" have been concluded

16-b. Initiatives to support start-ups

- Working to make Kiraboshi Bank the natural partner for start-ups -

■ Collaborate with Tokyo Metropolitan Government and external networks, and strengthen support structure for start-ups

- Provide a variety of solutions from the public, private, and banking sectors.
- We will respond to the various needs of founders with a fusion of direct and indirect finance.
- With the aim of making Kiraboshi Bank recognized among founders, entrepreneurs, and stakeholders as the natural partner for start-ups, we will reinforce our structures while developing various related measures.



16-c. Strengthening support in the areas of medical/welfare and overseas expansion

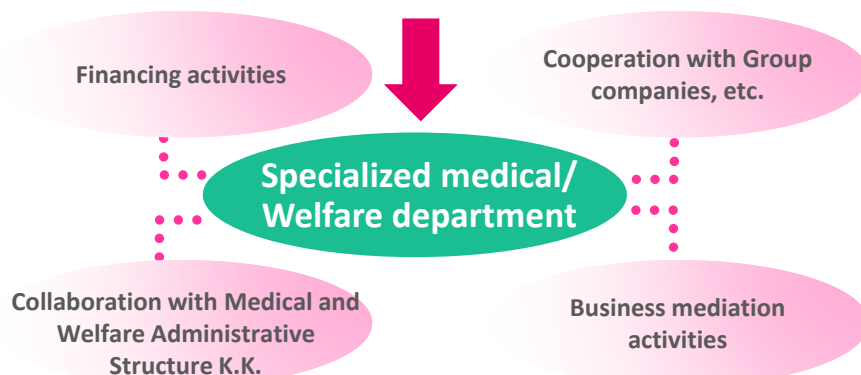


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- In the specialized department for the medical/welfare field, we will provide not only finance, but also multifaceted assistance by supporting mainstay operations

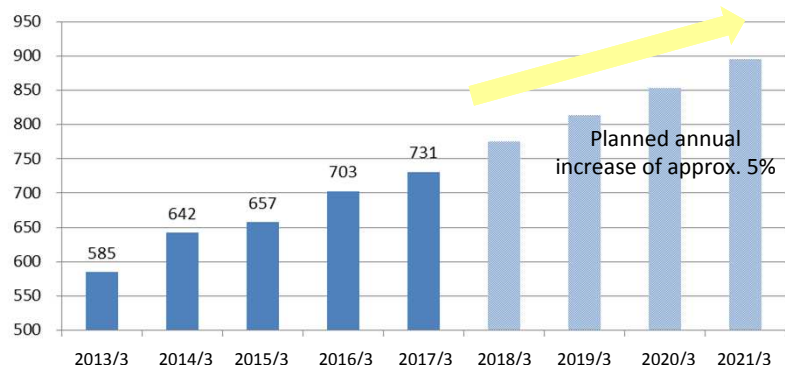
- We will also utilize alliances with Tomin Business Consulting Shanghai Co., Ltd, and the overseas branches of public bodies

Medical corporations, private practitioners, and business operators in areas related to caregiving



Loan balance in medical/welfare field (result/plan)

Unit: ¥100 million



The number of counterparties for Tokyo Kiraboshi FG foreign exchange-related transactions (corporates, owner managers) was approximately 2,900 (FY2017 first half)

Our track record in terms of trade transactions handled is one of the best of all regional banks nationwide. (Results of the fiscal year ending March 31, 2017)

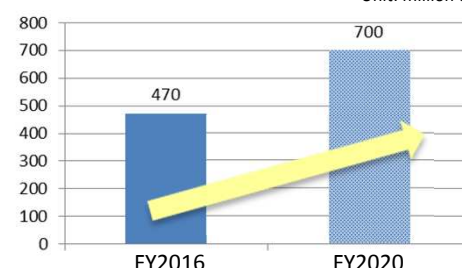
Import transactions (outward remittances/import settlements) Approx. 39,000

Export Transactions (incoming remittances/purchase of export bills) Approx. 10,800

Further enhance our track record in the top class of regional banks for trade transactions by strengthening export transactions

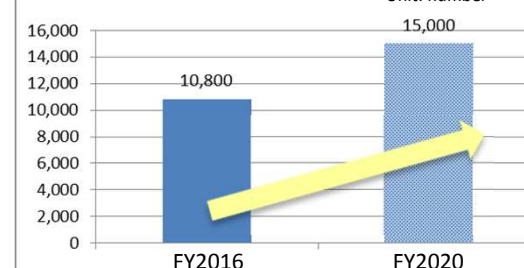
Export value

Unit: million dollars



Number of exports

Unit: number



16-d. Strengthening solutions that make use of the trusts function

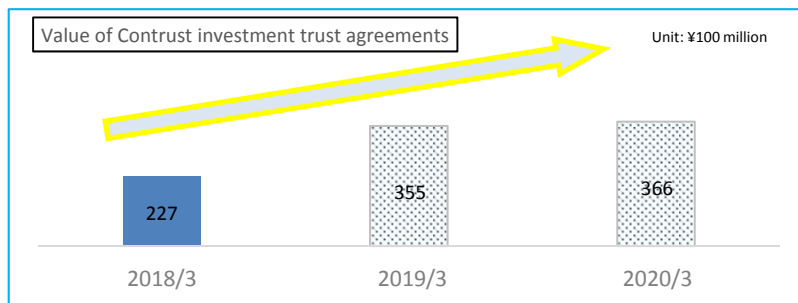
■ Utilize strength/know-how in trust functions within the Kiraboshi Bank branch network

- Strive to strengthen structural aspects, and further reinforce the products that differentiate us from other banks (Contrust)
- Expand revenue opportunities in real estate management trusts and create new revenue opportunities by developing new products

“Contrust,” a public construction cost credit trust

Differentiation from and dominance over other banks

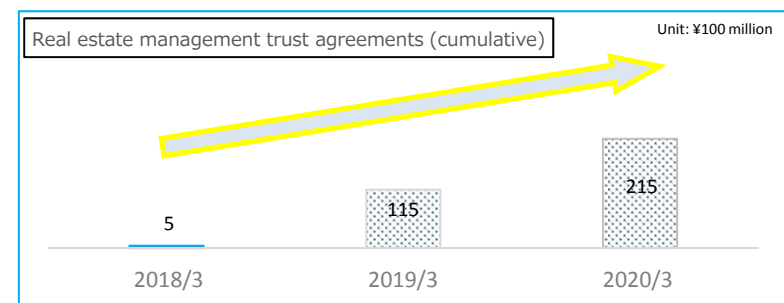
- This is a trust product that is backed by the credit strength of the entity placing orders for public works, enabling contract payments for public works to be converted into funds quickly and with agility
- On April 1, 2017, ordering entities covered by this product were expanded to allow it to be used with public works construction orders placed by Taito Ward, Meguro Ward, Nakano Ward (all part of Tokyo) and Kawasaki City (Kanagawa Prefecture.)
(as of April 1, 2017, 48 local governments, etc.)
- **Due to the merger, it becomes possible to develop services within the Kiraboshi Bank network (increasing our dominance in the product that differentiates us from other banks)**



Real estate management trust

Expanded revenue opportunities

- **Enhance real estate-related solutions menu of Kiraboshi Bank (expand revenue opportunities)**
- Advantages of real estate trusts
 - ① Because the real estate can be converted to a trust beneficiary right and transferred to a third party, the off-balance sheet effect improves financial indicators
 - ② Converting the real estate to a trust beneficiary right enables diversification of funding measures
 - ③ By outsourcing administration related to possession of real estate, the burden of clerical work is reduced



16-e. Rising to the challenge of new business domains such as FinTech, by using Kiraboshi Tech



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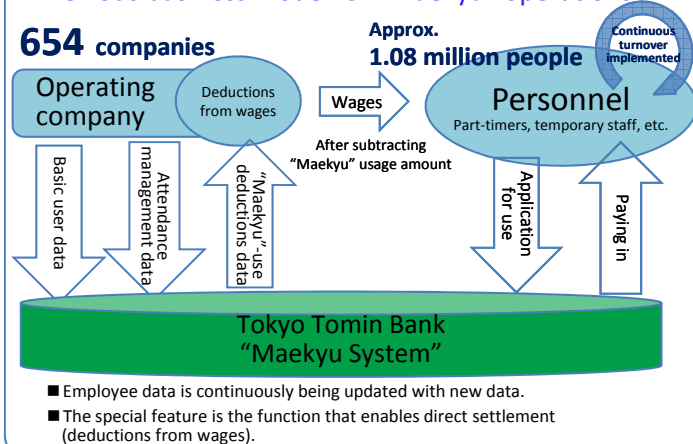
■ Strengthening the functionality of the Maekyu platform / utilizing it to challenge new business areas.

○Kiraboshi Tech, Inc., established in November, 2017

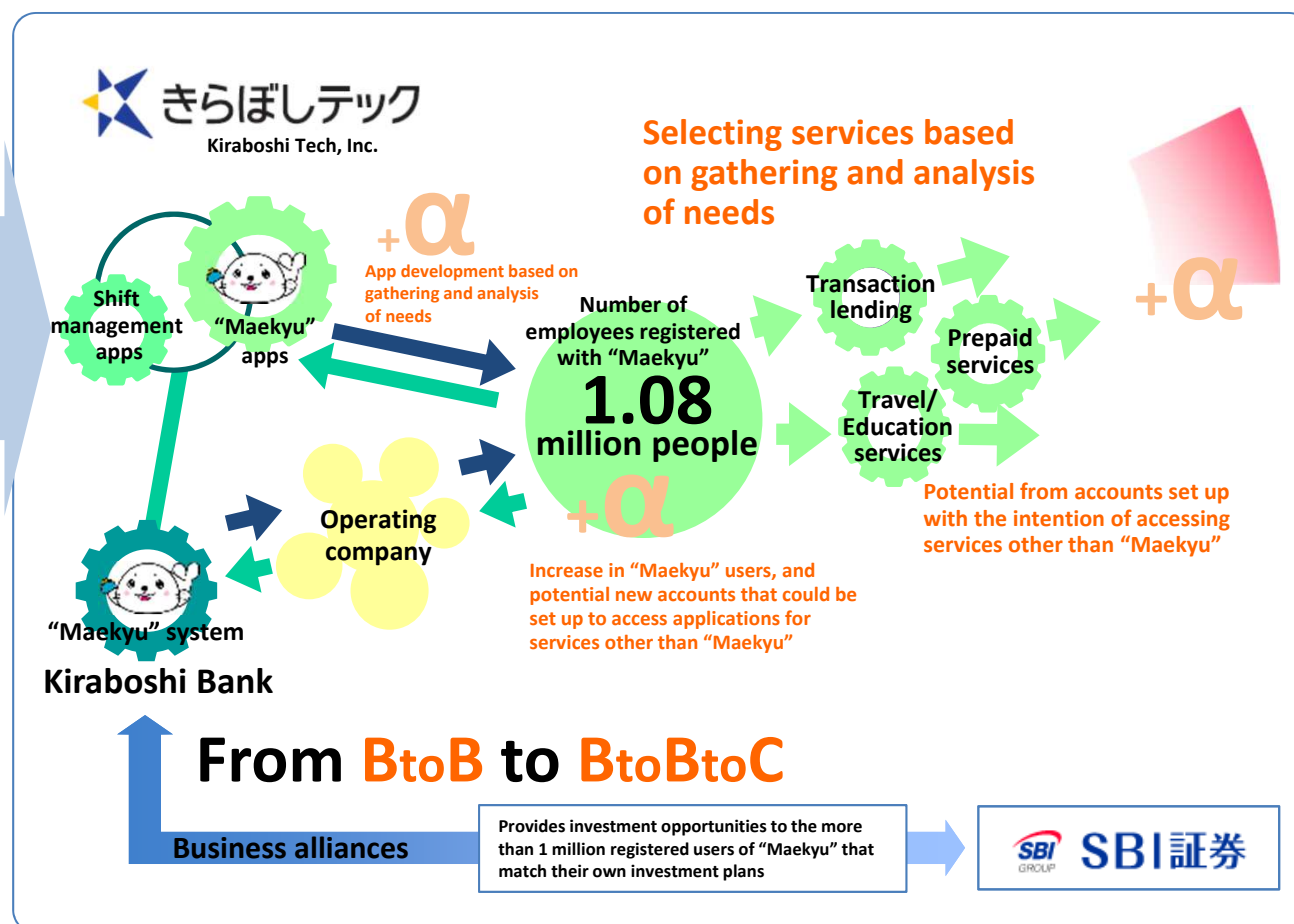
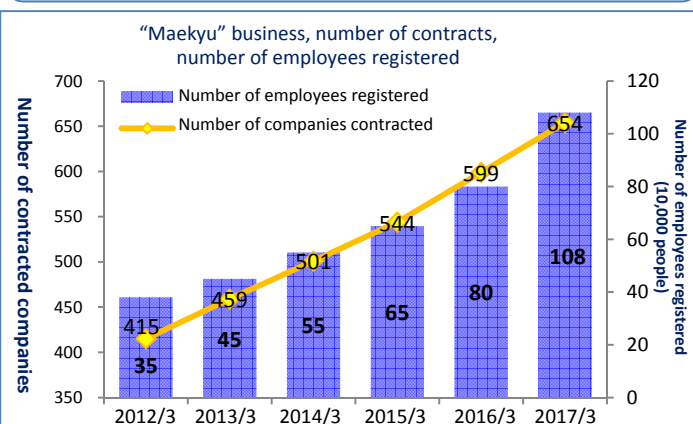
○Partnership with SBI Securities

- The Maekyu business is a service that allows part-time and temporary staff working at companies to fulfill their various funding needs before payday*. Against the backdrop of recent labor shortages, it is being deployed by an increasing number of companies aiming to secure staff and improve retention ratios through offering generous benefits, and has grown into an important source of income for the Group.

Previous business model for "Maekyu" operations



Towards new business domains



* A service whereby, even if an employee does not have an account with the Group, provided that the operating company at which they are employed has a contract with Kiraboshi Bank, if the employee submits an application, funds will be paid into the account into which the employee's wages are paid as soon as the next working day.

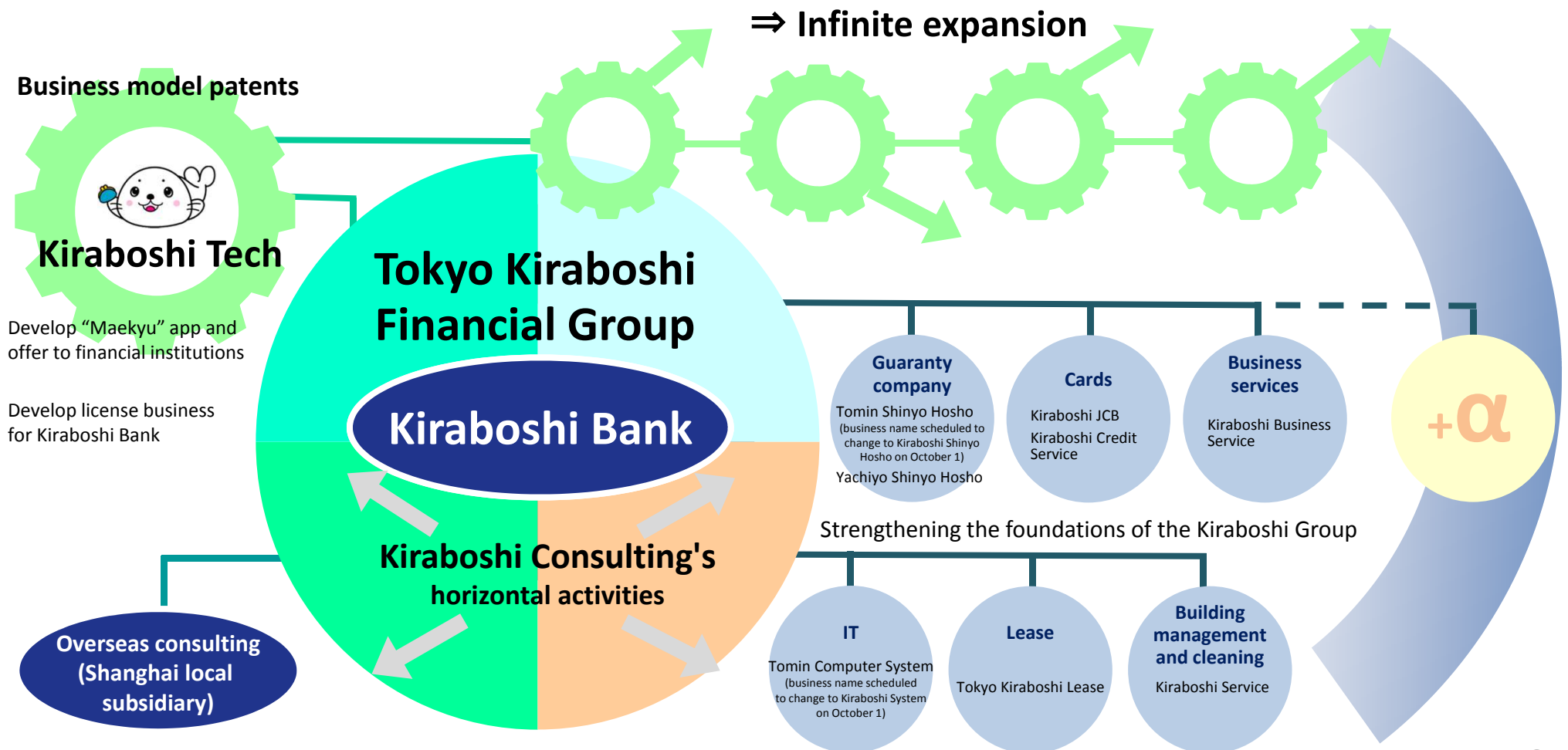
16-f. Strengthening group strategy through “dialogue”



東京きらぼしFG

■ Restructuring and rebuilding of Group companies in preparation for “A comprehensive service business that is also strong in finance,” as well as establishing the Group brand

- With the goal of providing solutions appropriate to the customer's life cycle, we seek to strengthen consulting functions, and to utilize the human resources of all Group companies to improve service (human resource development by transfers within the group).
- Accelerating the restructuring of Group companies with the aim of expanding and diversifying Group revenue streams.



17. Securities investment strategy

- [Basic strategy]
 - Deal with high volumes of yen-bond redemptions by practising flexible buying and selling, and diversified investing across a variety of assets
 - More sophisticated portfolio management by revenue management, based on comprehensive income

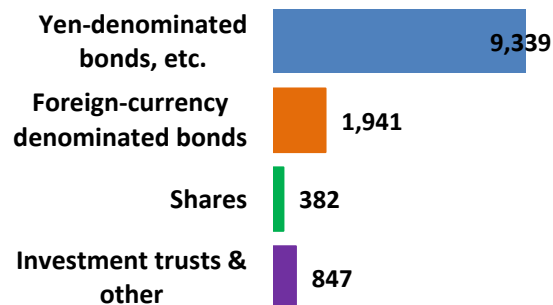
Assets under management to expand as a result of the three-bank merger

Value of securities managed by Kiraboshi Bank: ¥1,251.0 billion

(Three-bank total, first half of FY2017 base)

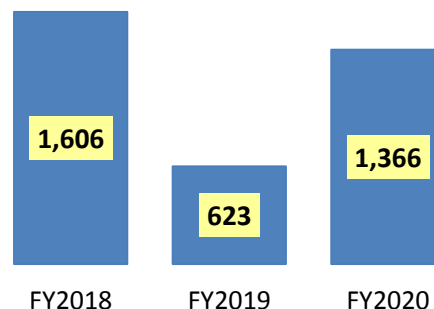
Three-bank total portfolio, end of September 2017 base

Unit: ¥100 million



Practice diversified investment by reinvesting redeemed yen bonds

■ Yen bonds redemption value (¥100 million)



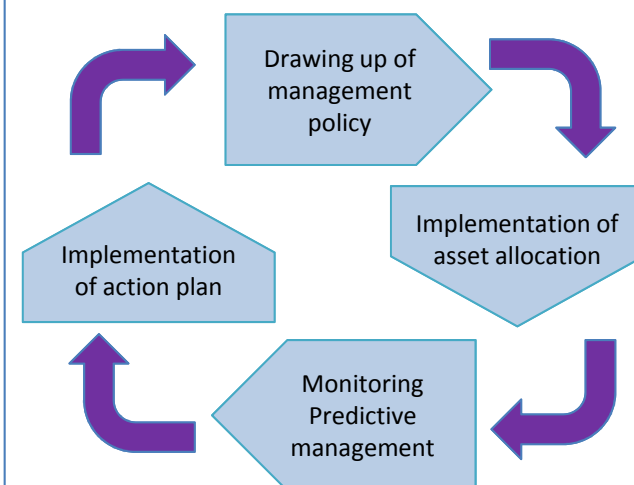
Major measures

- Committing funds to risk assets with volatile prices (Diversified investments in shares, REITs, alternative instruments)
- Promotion of portfolio dealing (swing trades in Japanese, US, and European government bonds)
- Development of specialized human resources (reinforcing employees working on the front desk by means of the merger, dispatching trainees externally)

More sophisticated portfolio management

- Introduction of portfolio management system conforming to risk appetite framework
- Strengthened ability to respond to market fluctuations by using predictive management system
- Prompt drawing-up of action plans in times of volatile markets
- Thorough revenue management based on comprehensive income

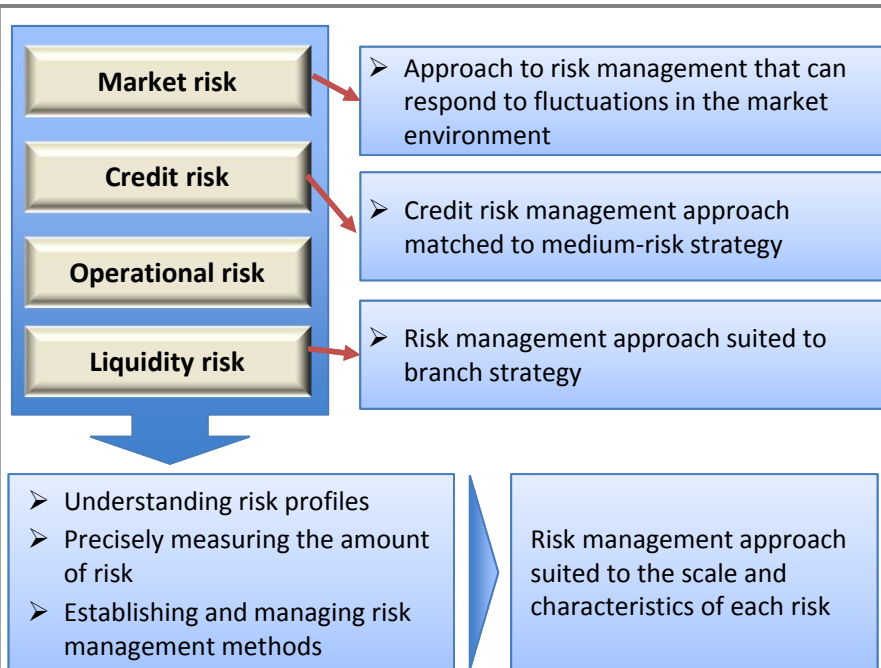
Management policy PDCA cycle



18. Building strategic risk management approach

- [Basic strategy] Build a strategic approach to risk management aimed at enabling a sustainable business model/Thoroughgoing review of compliance

Building Kiraboshi Bank's integrated risk management approach



Building risk management approach that takes into account the need to comply with various regulations

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Money laundering countermeasures

Review of fund capital requirements

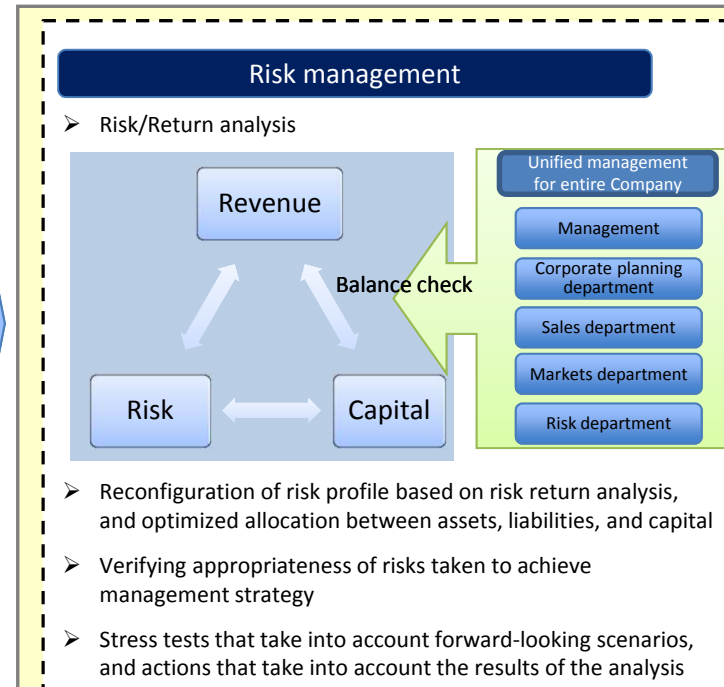
Stable funding ratio

Building an approach in preparation for Basel III

Initiatives taken in preparation for shift to internal credit rating methods

Basel III

More sophisticated risk management approach



Towards more sophistication

Expansion to risk appetite framework



Building Kiraboshi Bank's compliance approach

Unified risk-compliance management approach matched to new risk profile, in accordance with Group strategy/business expansion into FinTech, etc.

Thoroughgoing review of compliance

Nurturing a genuine customer-oriented mindset

19. Strengthening governance

Issues for the Company

- Early demonstration of synergies post merger
- appropriate response to changes in management environment
- strengthening of holding company business management approach

Strengthening of group management approach and prompt execution of duties

- Prompt execution of duties as holding company, based on group business management approach centered around the bank
- Plan, do, check, act (PDCA) for each kind of measure

Revitalizing Board of Directors, utilization of external experts

- Increase effectiveness of Board of Directors by securing sufficient time to deliberate important resolutions
- Utilization of “Business Strategy Committee,” etc. that includes external officers and external experts
- Management that takes into account diverse viewpoints by utilizing the knowledge of external officers

Utilization of Nomination/Remuneration Committee

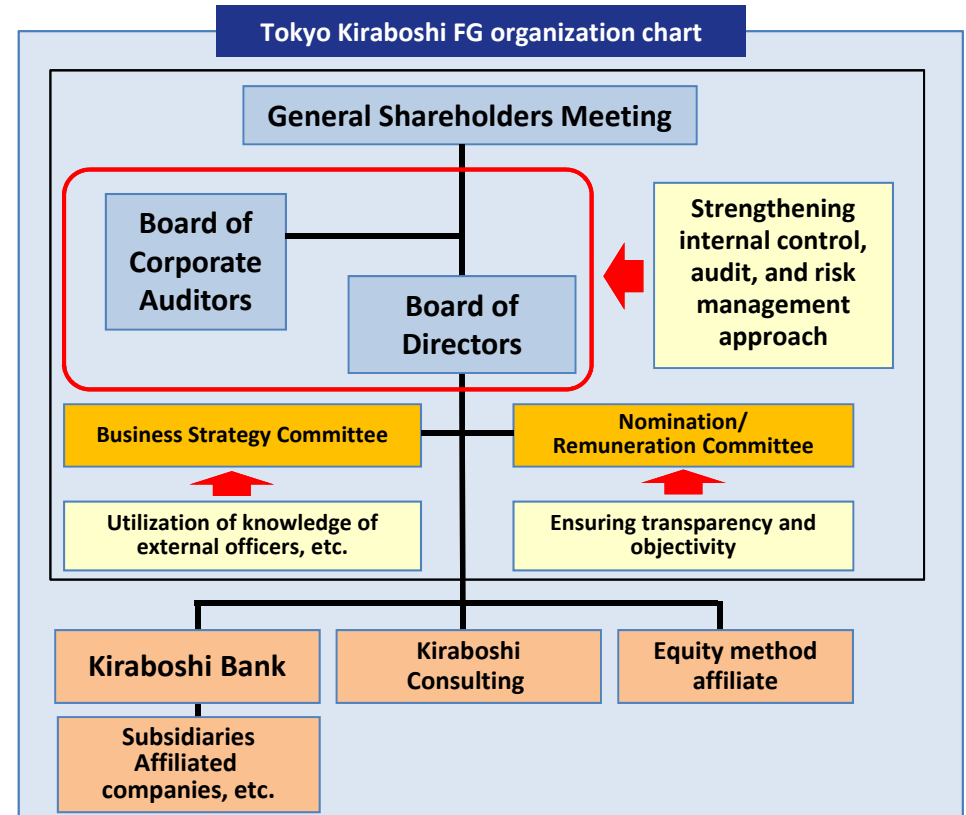
- External officers make up a majority
- Considering introduction of performance-based remuneration for executives in FY2018
- Ensuring transparency of director HR decisions/executive remuneration decisions

Promotion of dialogue with stakeholders

- Dialogue with stakeholders by means of timely and appropriate information disclosure
- Gain understanding of issues and resolve them by implementing surveys among customers and employees

Strengthen internal control/internal audit functions, etc.

- Strengthen functions of internal control/audit/risk management departments





- Please direct any comments or questions about these briefing materials or other IR topics to the IR office below.

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This document contains forward-looking statements on the Group's results. These statements are not intended to guarantee future results, as they are subject to risks and contain uncertainties. Please keep in mind that future results may differ due to factors including changes in the business environment.