
The 43rd Information Meeting

The 31st Long-Term Management Plan

Dare to Change; Create the Next Generation

(April 2018 ~ March 2021)

May 16, 2019



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- Information contained herein may be changed or revised without prior notice.

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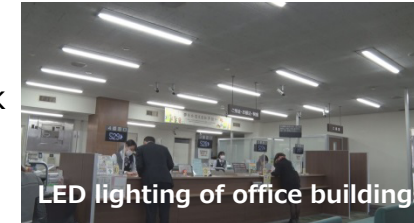
Hachijuni Bank's Profile

Company name	THE HACHIJUNI BANK, LTD.
Head Office	Nagano City, Nagano Prefecture
Date of establishments	August 1st, 1931
Network	Domestic 151 (in Nagano:131, outside Nagano:20) Overseas Branch: 1 (Hong Kong) Representative Offices: 4 (Dalian, Shanghai, Bangkok, Singapore)
No. of employees	3,216
Capital stock	¥52.2bn
Issued shares	511,103 thousand shares
Total asset	¥10,394.6bn
Net asset	¥707.8bn
Deposits	¥6,746.8bn
Loans	¥5,310.5bn
Total capital ratio (Basel III)	Consolidated: 19.82% (preliminary) Non-consolidated: 19.10% (preliminary)
Ratings	S&P Global Ratings : A R&I : A+ JCR (obtained in Apr) : AA (As of Mar 31, 2019)

CDP (Climate Change) Top rank in Japan for 3 straight years

Our replies to CDP (Climate Change) rewarded with No.1 rank in the Japanese banking sector for 3 straight years.

Our long-term goal relating to climate change and steady reduction of GHG emissions were highly evaluated.



LED lighting of office buildings



Head Office

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Main Volume

P.4~26

1. Outlines of FY2018 Financial Results and FY2019 Forecasts
2. Major Accounts and Main Figures
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Topics

Our cost reduction efforts made steady progress.

(¥100mn)	3/2009	3/2010	3/2011	3/2012	3/2013	3/2014	3/2015	3/2016	3/2017	3/2018	3/2019
G&A expenses	603	604	605	600	586	587	583	561	579	563	547
Personnel	302	304	304	303	299	297	291	287	287	282	288
Non personnel	273	273	274	271	261	264	261	243	256	245	226

Outline of the FY2018 Financial Results

■ Consolidated

(¥100mn)	3/2018	3/2019	Change
Consolidated gross business profit	992	983	▲8
Profit on interest	702	690	▲12
Profit on fees & commissions	138	134	▲3
Trading profit	29	20	▲8
Profit from other business transactions	122	138	16
General & administrative expenses	629	609	▲19
Credit related expenses	2	18	15
Gains/losses related to stocks	39	18	▲20
Gains/losses on money held in trust	9	▲41	▲51
Ordinary profit	415	343	▲71
Net income attributable to owners of parent	258	224	▲33
Ratio of consolidated profits to parent company's profits (times)	1.137	1.030	▲0.107

◆ FY2019 Forecasts

Ordinary profit	¥32.0bn
Net income attributable to owners of parent	¥22.0bn

■ Non-Consolidated

(¥100mn)	3/2018	3/2019	Change	From※ Projections	3/2020
Gross business profit (A)	866	868	2	57	814
Profit on interest	700	688	▲12	30	662
Profit on f&c	83	79	▲4	▲13	85
Profit from other business transactions	80	99	19	40	64
Gains/losses related to bonds (B)	73	90	16	50	54
G&A expenses (C)	563	547	▲15	▲19	559
Core net business profit (A-B-C)	228	229	1	24	200
Actual net business profit (A-C)	302	320	17	75	255
Transfer to general reserve for possible loan losses (D)	-	▲30	▲30	-	3
Net business profit (A-C-D)	302	350	47	105	252
Temporary profit/losses					
Gains/losses related to stocks (E)	39	17	▲22	7	56
Gains/losses on money held in trust	9	▲41	▲51	-	-
Disposal of NPL	0	47	46	46	6
Reversal of allowance for loan losses	4	-	▲4	▲12	-
Reversal of general reserve	19	-	▲19	-	-
Reversal of specific reserve	▲15	-	15	-	-
Ordinary profit	348	290	▲58	30	290
Extraordinary gains/losses	▲21	11	33	-	-
Net income	227	218	▲8	18	200
Credit related expenses	▲3	17	21	28	9
Profit/losses related to securities (B+E)	113	108	▲5	58	110

※ Change from the 1st projections disclosed in Apr 2018

Outline of FY2018 Financial Results and FY2019 Forecasts

■ Review of FY2018 Financial Results (Consolidated)

- Ordinary profit was ¥34.3bn (▲¥7.1bn from FY2017) due to decreases in gains/losses on money held in trust (▲¥5.1bn) and gains/losses related to stocks (▲¥2.0bn), and the increase in credit related expenses (+¥1.5bn) despite the decrease in G&A expenses (▲¥1.9bn).
- Net income attributable to owners of the parent was ¥22.4bn (▲¥3.3bn).

■ FY2019 Full Year Forecasts

【Consolidated】

- Ordinary profit will be ¥32.0bn (▲¥2.3bn from FY2018) due to the decrease in profit on interest and the increase in G&A expenses despite the decrease in credit related expenses.

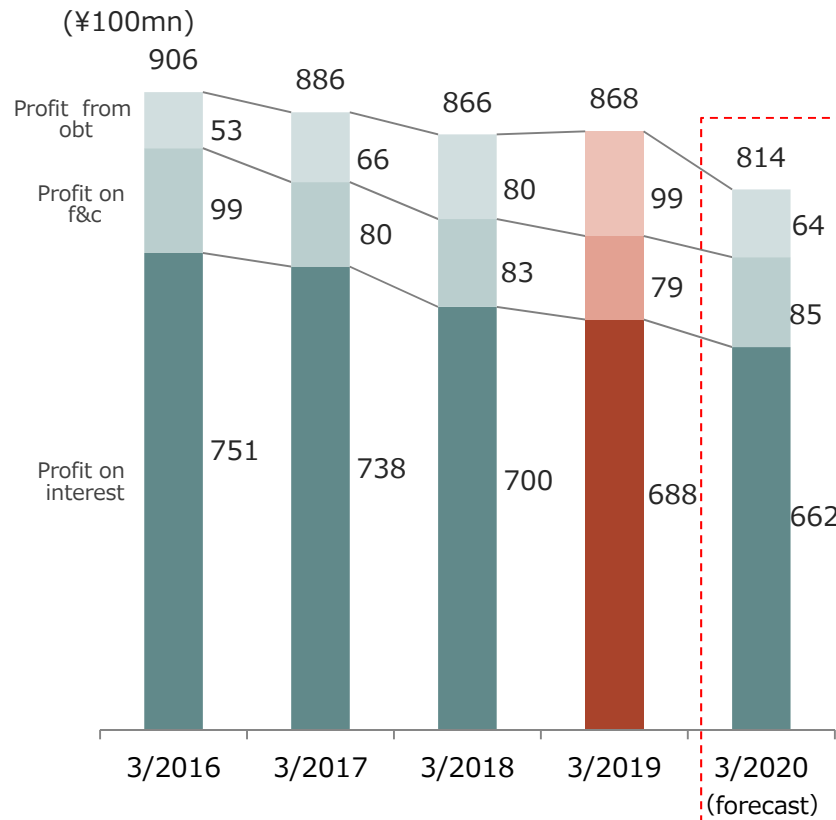
【Non-Consolidated】

- Ordinary profit will be ¥81.4bn (▲¥5.4bn) due to decreases in profit on interest by higher funding costs (▲¥2.6bn) and gains/losses related to bonds (▲¥3.6bn).
- General & administrative expenses will be ¥55.9bn (+¥1.2bn) due to the increase in non personnel expenses mainly by the increase in outsourcing expenses.
- Gain/losses related to stocks will be ¥5.6bn (+¥3.9bn) reflecting unwinding of cross-holding of shares, credit related expenses will be ¥0.9bn (▲¥0.8bn).
- Net income will be ¥20.0bn (▲¥1.8bn).

Gross Business Profit (Non-Consolidated)

- Profit on interest decreased by ¥1.2bn from FY2017 due to the increase in funding cost of foreign currencies.

■ Gross Business Profit



◆ FY2018 Increase/Decrease factors

(¥100mn)	3/2018	3/2019	Change	For reference
Profit on interest	700	688	▲12	See page 7
Profit on fees & commissions	83	79	▲4	See page 8
Profit from other business transactions	80	99	19	See page 9

◆ FY2019 (3/2020) Forecast

- Profit on interest: ▲¥2.6bn from FY2018
 - decrease in interest & dividends on securities
 - increase in funding cost of foreign currencies
- Profit on f&c: +¥0.6bn from FY2018

Profit on Interest (Non-Consolidated)

- Interest on loans increased from the previous fiscal year for the first time in 11 years.
The pace of the decline in interest on loans of domestic area will become moderate.

(¥100mn)	3/2017	3/2018	3/2019
Profit on interest	738	700	688
Interest on loans	482	466	474
Domestic	460	443	433
International	21	23	41
Interest & dividends on securities	343	295	302
Domestic	248	199	202
International	95	95	100
Interest on deposits	▲38	▲25	▲32
Domestic	▲11	▲6	▲5
International	▲27	▲19	▲27
Interest payment on interest rate swaps	▲41	▲20	▲23
Domestic	▲30	▲13	▲15
International	▲10	▲7	▲8

(¥100mn)	3/2016	3/2017	3/2018	3/2019	3/2020 (forecast)
Loans to the Japanese government (Average balance)	187	808	1,743	2,335	2,500

■ Yield (%)

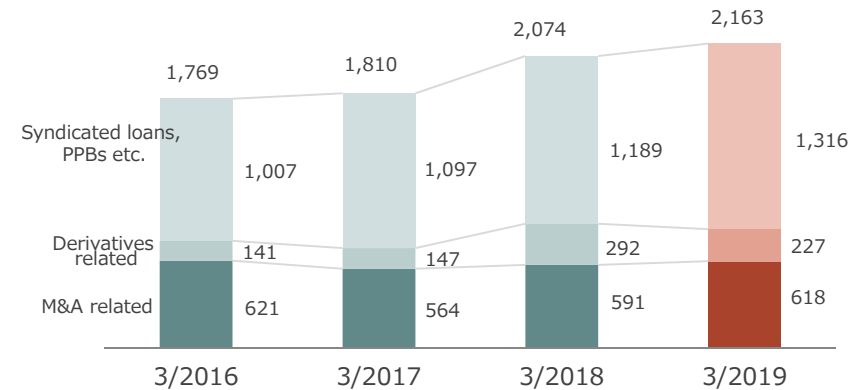
	3/2017	3/2018	3/2019	3/2020 (forecast)
Yield on loans	1.00	0.93	0.90	0.88
Domestic	0.99	0.90	0.84	0.82
Excl. loans to the Japanese government	<u>1.00</u>	<u>0.94</u>	<u>0.88</u>	<u>0.87</u>
International	1.33	1.76	2.81	3.07
Yield on securities	1.44	1.28	1.29	1.20
Domestic	1.27	1.06	1.04	0.94
International	2.20	2.34	2.46	2.36
Funding costs	0.15	0.11	0.13	0.15
Domestic	0.06	0.02	0.02	0.00
International	1.13	1.14	1.64	1.93
Yield on deposits	0.06	0.04	0.04	0.05
Domestic	0.01	0.01	0.01	0.00
International	1.33	1.35	1.90	2.22

Profit on Fees & Commissions (Non-Consolidated)

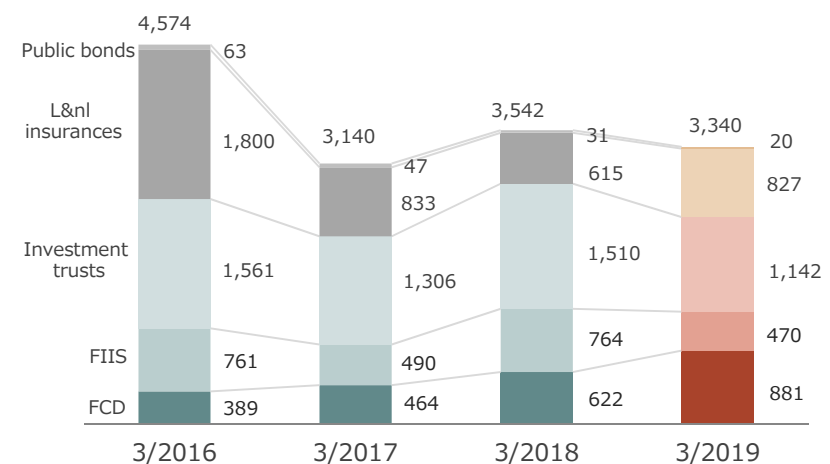
- Consulting income in corporate banking (CB) marked record high because the issuance of Regional Revitalization Support PPBs (private placement bonds) remained solid.
- Income from investment type products in personal banking (PB) decreased by ¥0.2bn from FY2017 due to the deterioration of investors mind.

(¥100mn)		3/2017	3/2018	3/2019
Profit on f&c		80	83	79
Fees & commissions		168	174	173
〈Major items〉	CB: consulting income	18	20	21
	Syndicated loans, PPBs etc.	10	11	13
	Derivatives related	1	2	2
	M&A related	5	5	6
	PB: income from investment type products (ITP)	31	35	33
	Life & non-life insurances	8	6	8
	Investment trusts	13	15	11
	Financial instruments intermediary/introduction services (FIIS)	4	7	4
	Foreign currency deposits (FCD)	4	6	8
	Fees & commissions payments	88	90	94
	Fees related to payment loans	62	64	67

◆ CB: Consulting Income (¥1mn)



◆ PB: Income from ITP (¥1mn)

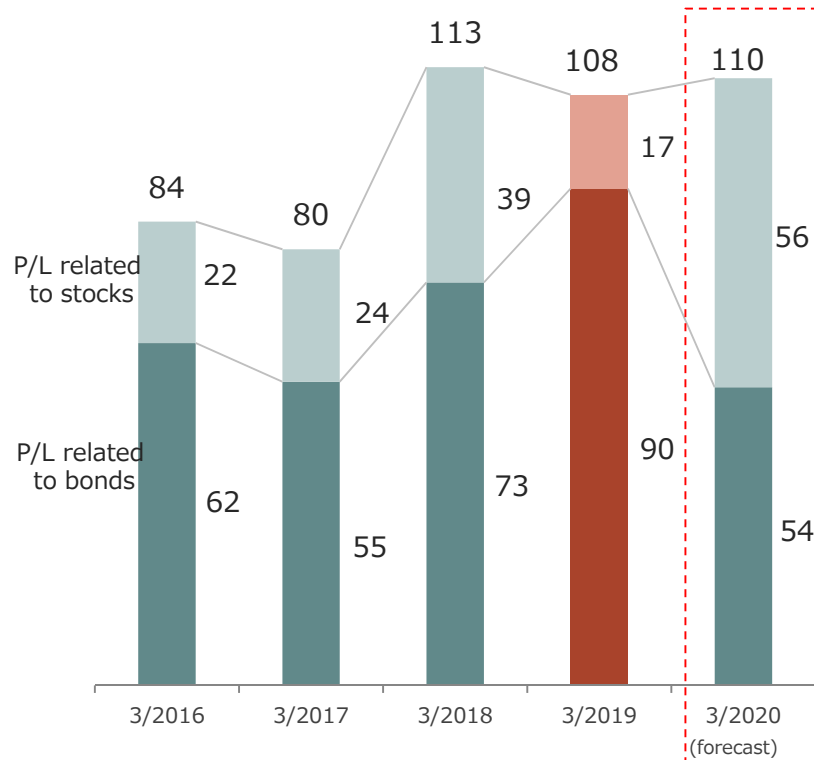


Profit/Losses Related to Securities (Non-Consolidated)

- Profit/losses related to securities decreased by ¥0.5bn from FY2017.
- Average balance of securities increased by ¥49.6bn due to increases in municipal bonds and corporate bonds.

■ Profit/Losses Related to Securities

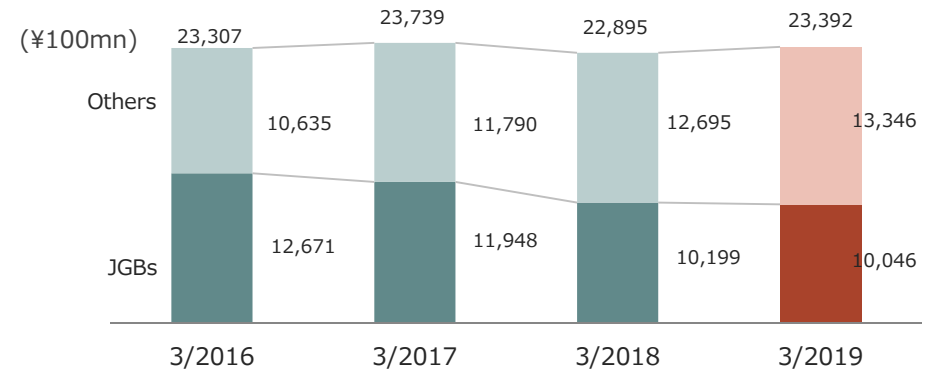
(¥100mn)



G/L on money held in trust	3/2016	3/2017	3/2018	3/2019
	¥0.1bn	¥1.0bn	¥0.9bn	▲¥4.1bn

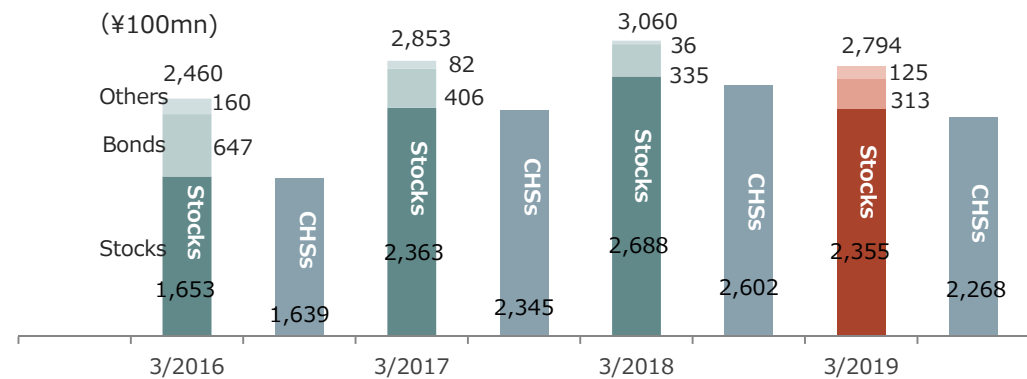
■ Average Balance of Securities

(¥100mn)



■ Valuation Gains/Losses on Securities (after interest rate swap hedge) CHSs: Cross-holding stocks

(¥100mn)



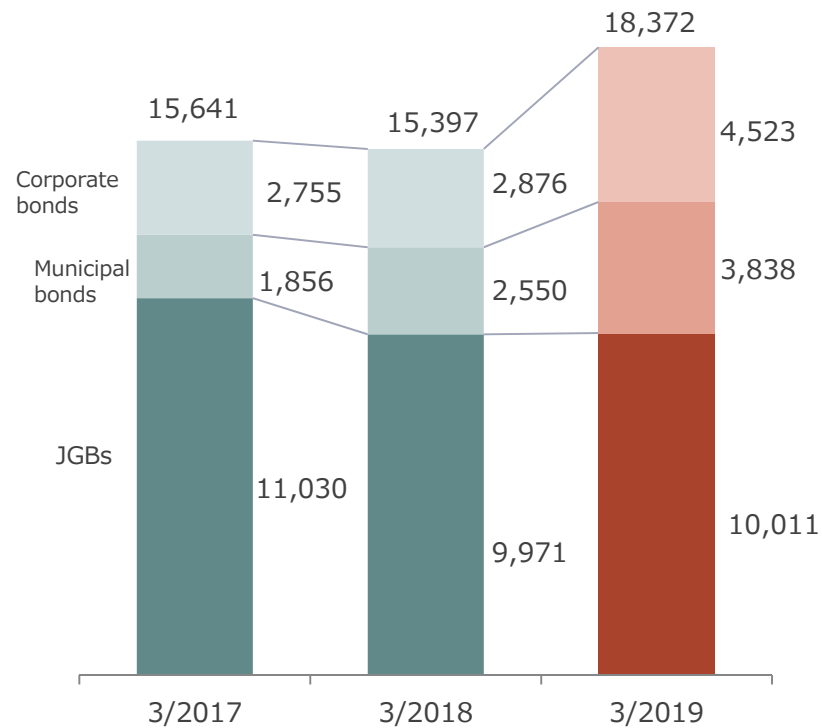
Valuation G/L on interest rate swap with hedge	3/2016	3/2017	3/2018	3/2019
	▲¥64.1bn	▲¥18.2bn	▲¥3.1bn	▲¥13.7bn

Market Investment (Yen-Denominated Bonds)

■ Holding Amounts (Outstanding Balance)

(¥100mn)

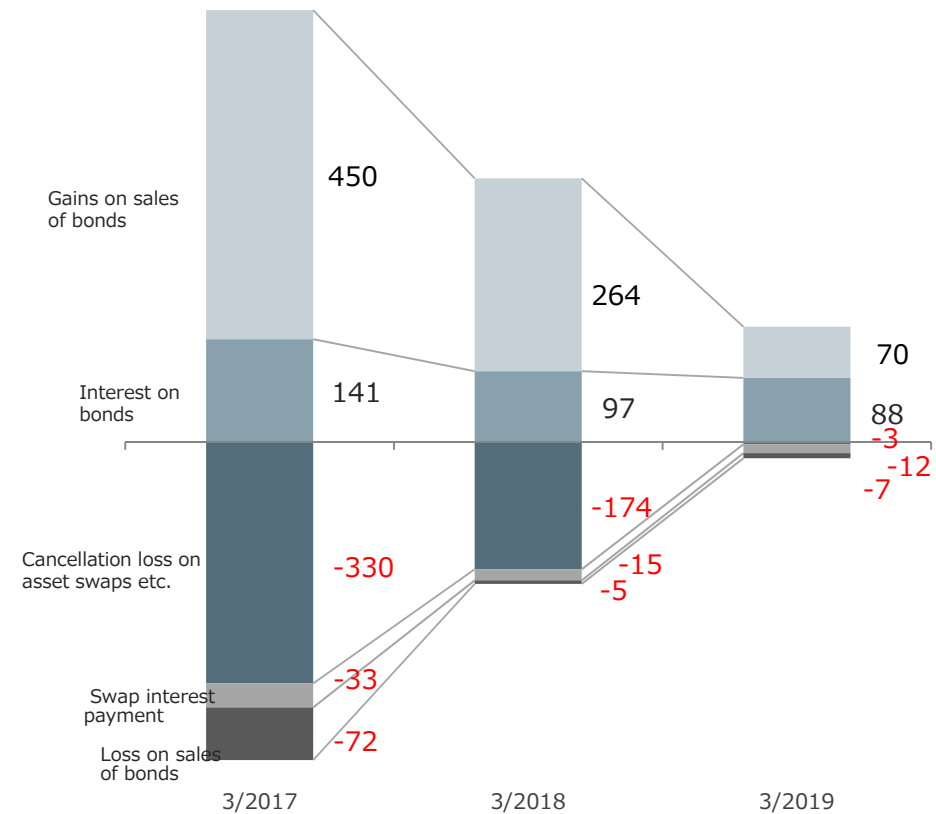
Valuation gains/losses before hedge	600	369	443
Valuation gains/losses after hedge	444	344	297



■ Profit/Losses

(¥100mn)

Total realized P/L	156	167	137
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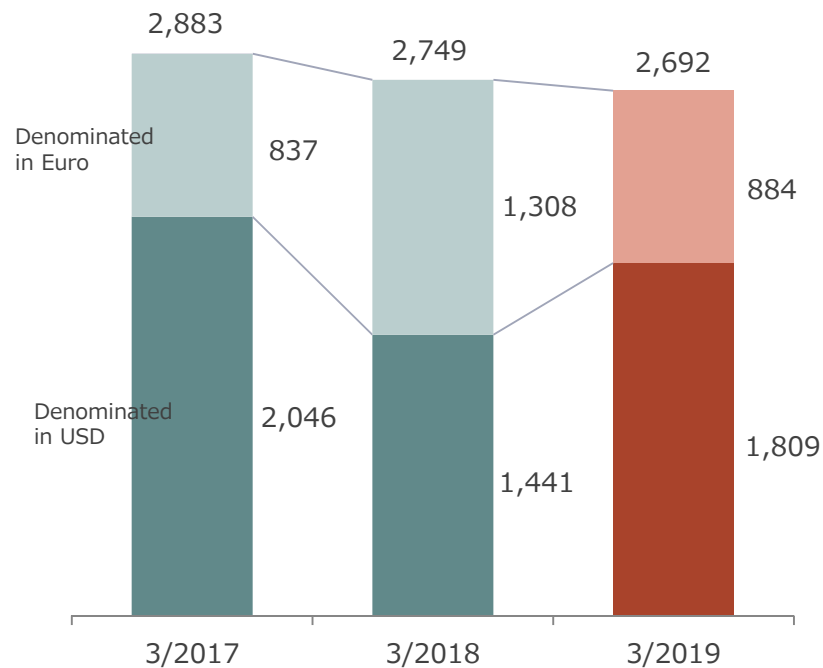
※ The above figures were based on ALM accounting so they were different from the figures on Financial Statements.

Market Investment (Foreign Currency-Denominated Bonds)

■ Holding Amounts (Outstanding Balance)

(¥100mn)

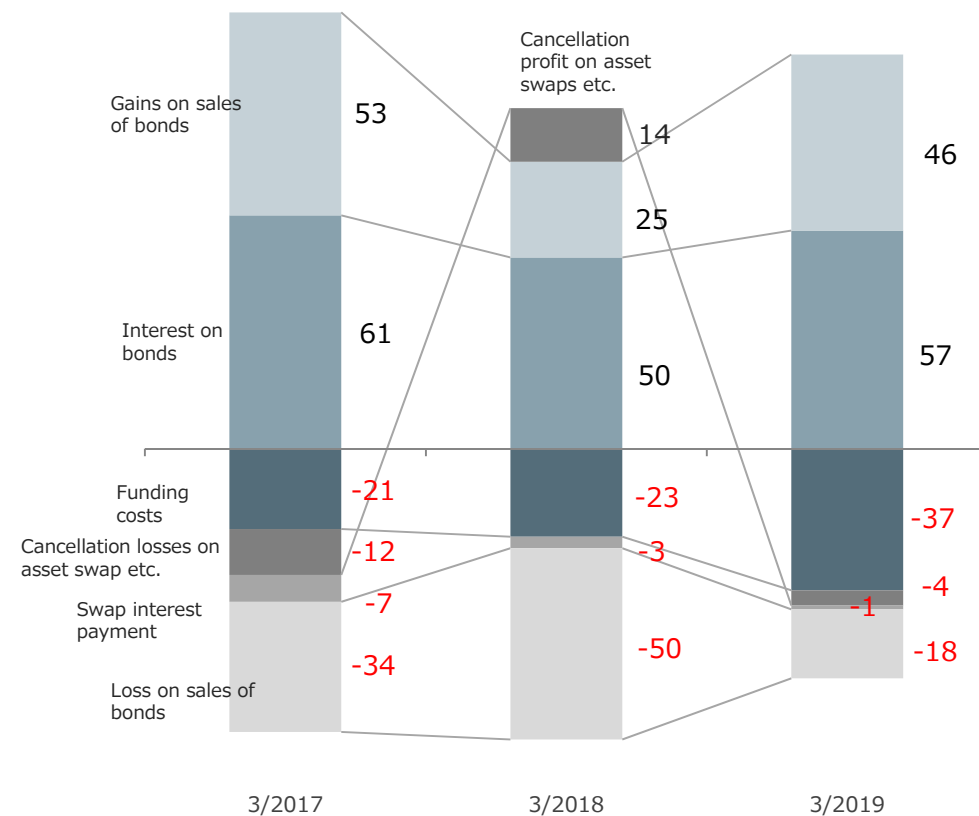
Valuation gains/losses before hedge	▲5	▲8	37
Valuation gains/losses after hedge	3	▲5	27



■ Profit/Losses

(¥100mn)

Total realized P/L	40	13	44
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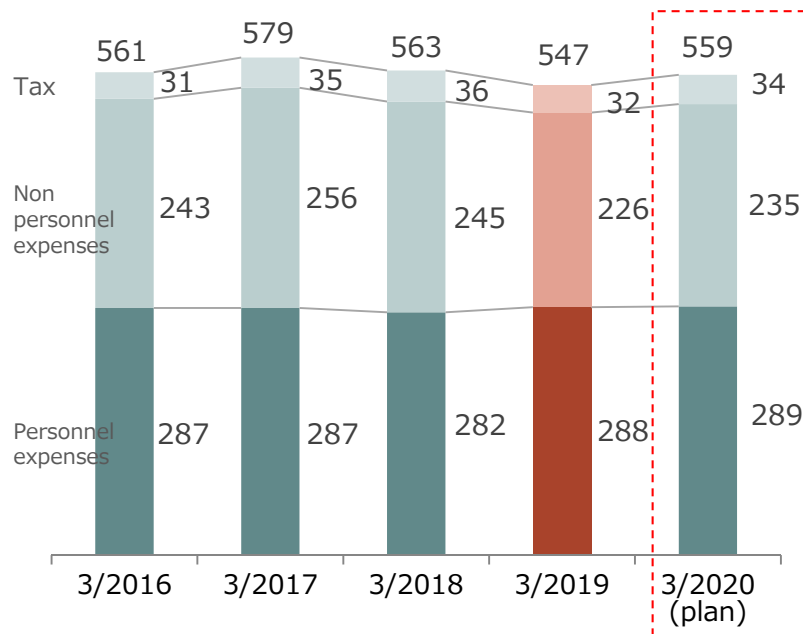
※ The above figures were based on ALM accounting so they were different from the figures on Financial Statements.

General & Administrative Expenses (Non-Consolidated)

- Personnel expenses increased by ¥0.6bn, non personnel expenses decreased by ¥1.8bn, and tax decreased by ¥0.3bn from FY2017.
- The decrease in non personnel expenses was partly offset by the increase in personnel expenses because of the merger with Hachijuni Business Services Co., Ltd.

■ G&A Expenses

(¥100mn)



◆ FY2019 (3/2020) Forecast

- Personnel expenses: the same level as FY2018
- Non personnel expenses: +¥0.9bn due to increases in outsourcing expenses such as cash transport and system-related costs

■ Depreciation and Investment Amounts

(¥100mn)	3/2018	3/2019	3/2020 (plan)
Depreciation	42.4	40.2	38.5
Investment amounts	(original plan : 51.9) 45.1	(original plan : 73.2) 32.8	72.0
Main investments	*Instant issuance machine of card *Next phased system	*Next phased system *Tablets for paperless	*Reconstruction of branches *Next phased system

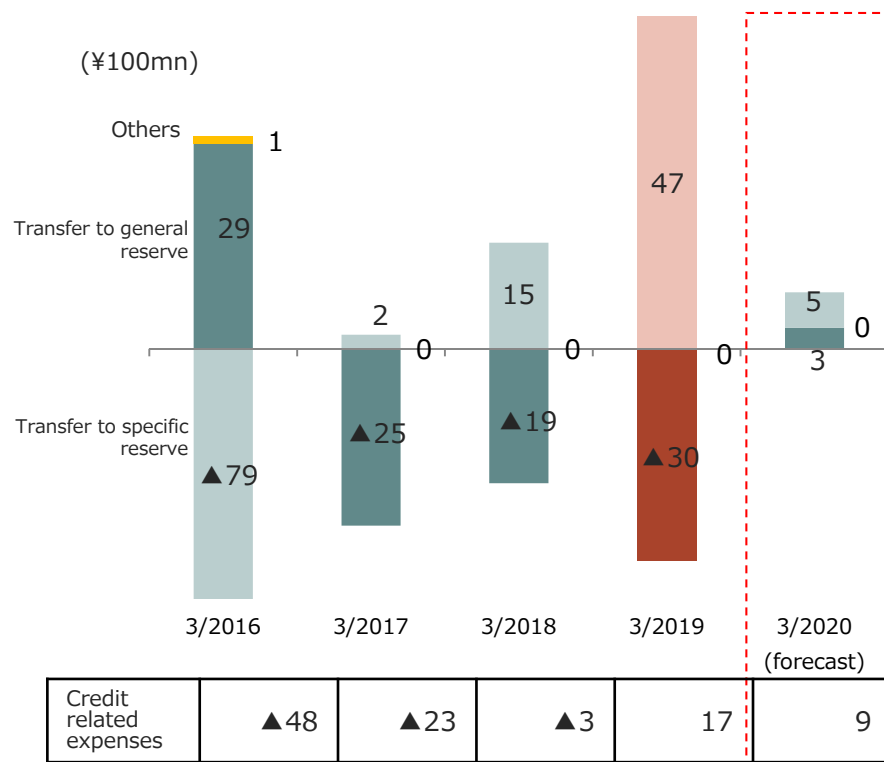
◆ FY2018 Increase/Decrease Factors

(¥100mn)	3/2018	3/2019	Change	Main factors
Personnel expenses	282	288	6	• Increase in wages • Increase in temporary employment costs
Non personnel expenses	245	226	▲18	• Decrease in outsourcing expenses • Decrease in advertising expenses
Tax	36	32	▲3	• Decrease in consumption tax

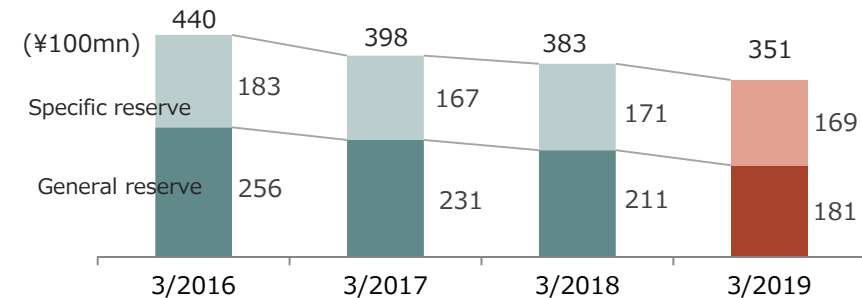
Credit Related Expenses (Non-Consolidated)

- Though credit related expenses increased from FY2017 owing to declines of large borrowers' ratings, outstanding balance of NPLs and NPL ratio decreased as a result of rises of other borrowers' ratings through business improvement supports, and the progress of the disposal of NPLs.
- Credit related expenses of 3/2020 will decrease to ¥0.9bn as some large borrowers' ratings will rise according to the improvement of their business performance despite a downward pressure on the Bank's loan portfolio affected by a economic slowdown.

■ Credit Related Expenses



■ Outstanding Balance of Reserve for Loan Losses



■ Non-Performing Loans (NPLs)

(¥100mn)	3/2016	3/2017	3/2018	3/2019
Bankrupt and quasi-bankrupt assets	109	101	120	101
Doubtful assets	729	640	542	492
Substandard assets	274	226	207	167
Total	1,113	967	869	761
NPL ratio	2.34%	1.94%	1.68%	1.41%
After partial direct charge-off※	2.22%	1.83%	1.53%	1.30%

※Partial direct charge-off was not executed. This figure was disclosed only for the reference.

Return to Shareholders

- Dividend payout ratio of FY2018 achieved “over 30%”, which is one of the target of 31st Long-Term Management Plan.
- Dividend per share of FY2019 (3/2020) will be ¥14.0 and consolidated payout ratio will be 31.5%.

(¥100mn)	3/2016	3/2017	3/2018	3/2019	3/2020 (forecast)
Annual dividends①	75	70	65	69	69
Dividend per share (full year)	¥15.0	¥14.0	¥13.0	¥14.0	¥14.0
Interim dividend	¥6.0	¥6.0	¥6.0	¥6.0	¥6.0
Purchase of own stocks②	30	0	Note 29	28	—
Shareholder returns ③ = ① + ②	105	70	95	98	—
Net income (non-consolidated) ④	277	231	227	224※	220※
Dividend payout ratio (non-consolidated) ① ÷ ④	27.2%	30.6%	28.9%	30.9%※	31.5%※
Ratio of shareholder returns (non-consolidated) ③ ÷ ④	37.9%	30.6%	41.9%	43.7%※	—※

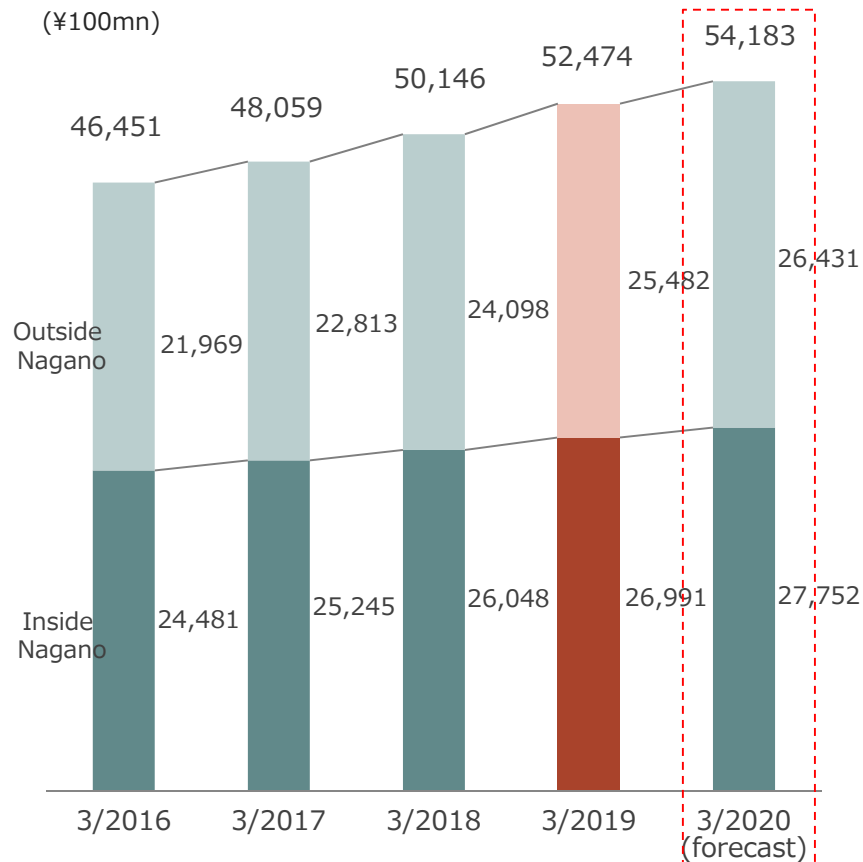
※: Consolidated basis

Note: Based on the resolution of Feb 2018

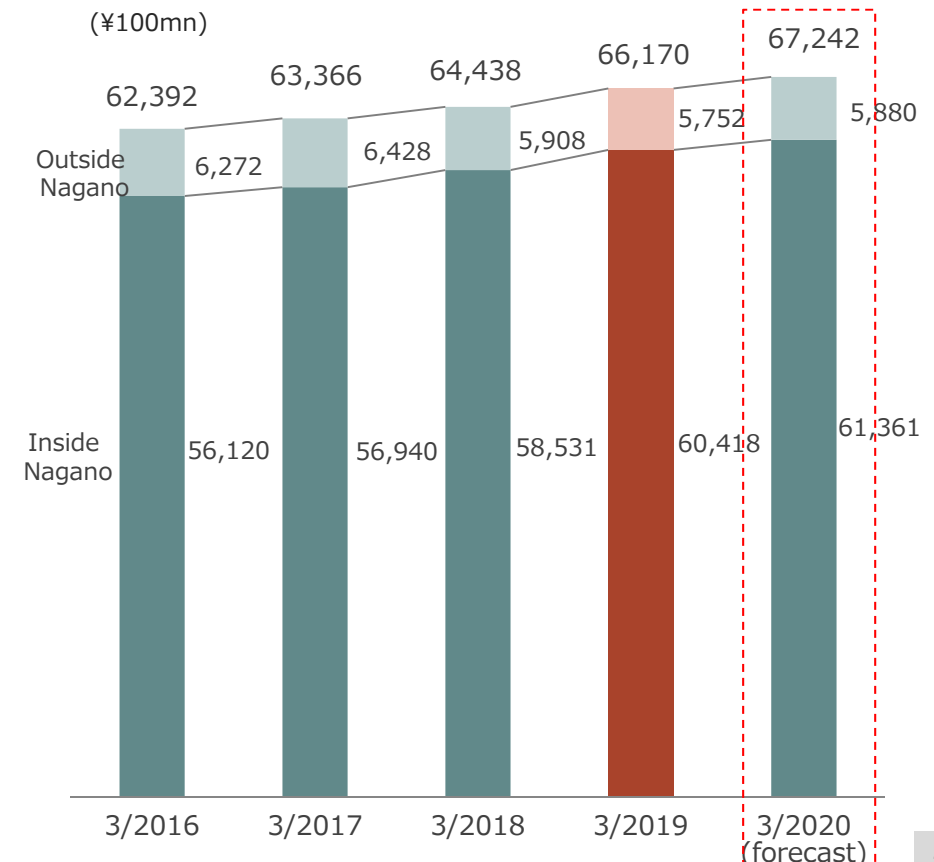
Major Accounts (Loans/Deposits)

- Loans and deposits continued to increase, hitting new record highs.
- Loans both inside and outside Nagano increased firmly and the increase trend will continue.

■ Average Balance of Loans



■ Average Balance of Deposits

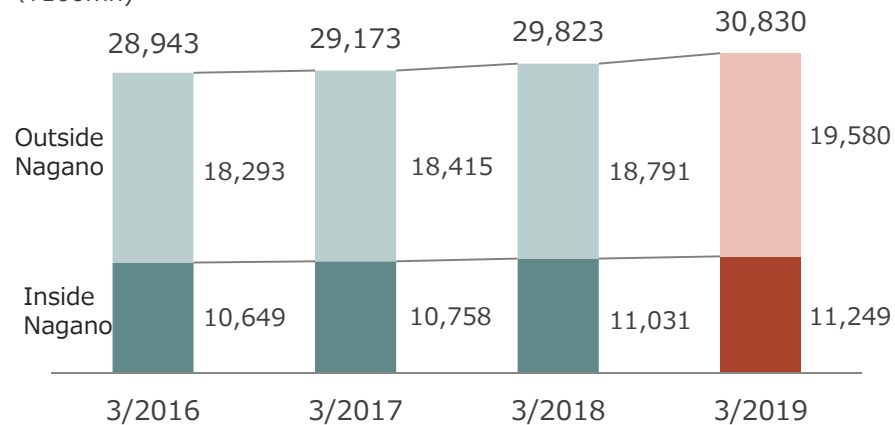


Main Figures (Business Loans)

- Business loans increased by ¥100.7bn from FY2017 because demand for funds of capital investment increased both inside and outside Nagano.
- Business loans to SMEs increased by ¥15.2bn, mainly in loans inside Nagano.

■ Business Loans by District (Outstanding Balance)

(¥100mn)



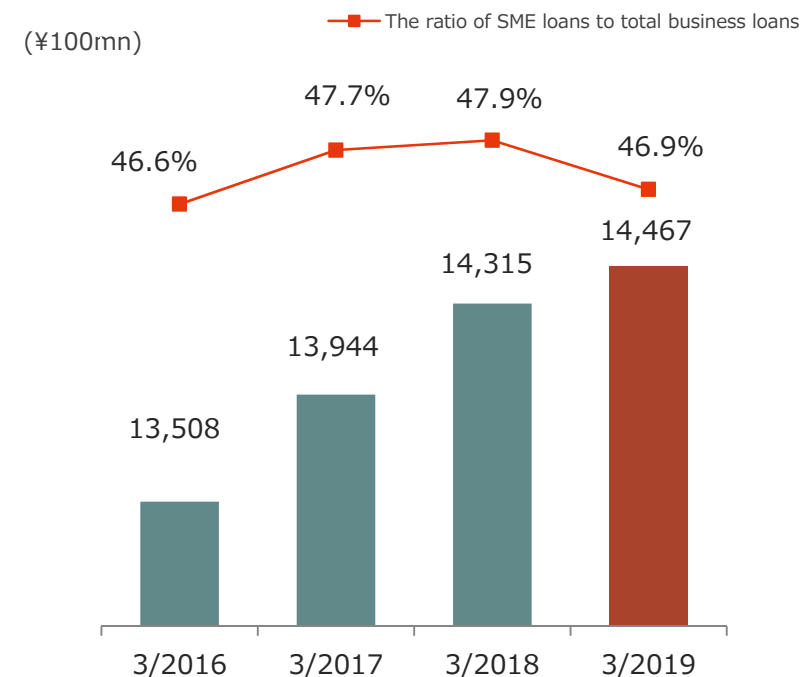
■ Business Loans for Real Estate Sector (Outstanding Balance)

	3/2016	3/2017	3/2018	3/2019
(¥100mn)				
Inside Nagano	1,521	1,549	1,658	1,712
Total	3,420	3,495	3,732	3,969
(Loans to large companies)	1,246	1,136	1,212	1,348

※ Large companies: ¥1bn or more capital with 300 or over employees

■ Business Loans to SMEs※ (Outstanding Balance)

(¥100mn)



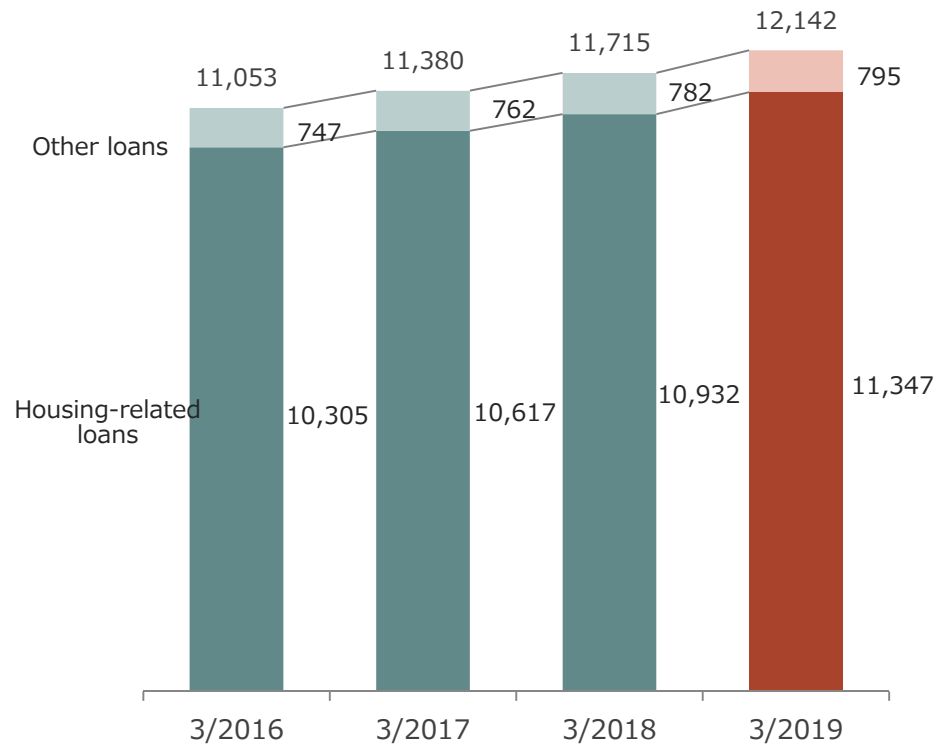
※ SMEs (excl. local public entities) + self-employed company owner

Main Figures (Personal Loans)

- Personal loans increased by ¥42.7bn from FY2017 to ¥1,214.2bn (record high).
- Housing-related loans increased by ¥41.4bn to ¥1,134.7bn (record high) due to the increase of demand for funds of new homes.

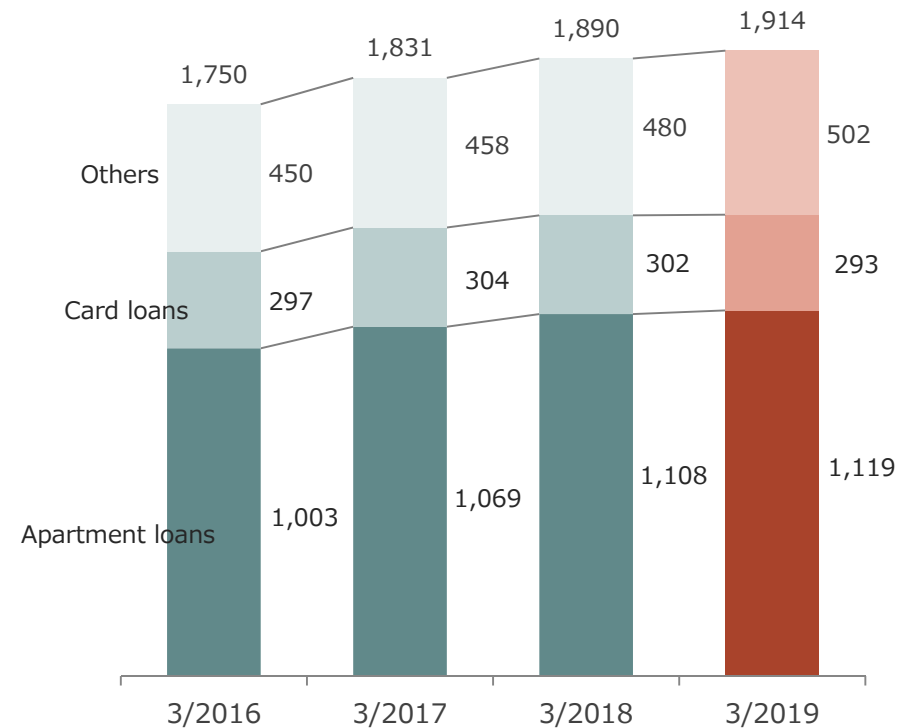
■ Personal Loans (Outstanding Balance)

(¥100mn)



■ Apartment Loans, Other Loans (Outstanding Balance)

(¥100mn)

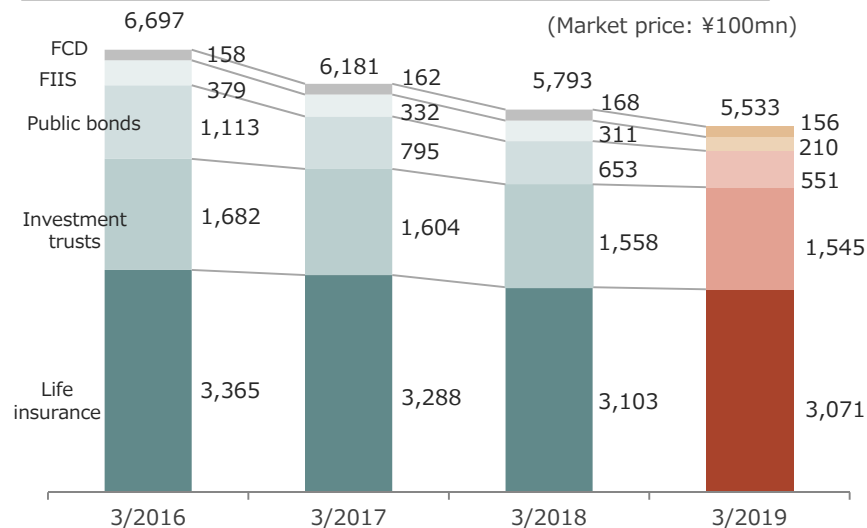


※ Loans to corporates were excluded from the above figures.

Main Figures (Investment Type Products in Personal Banking)

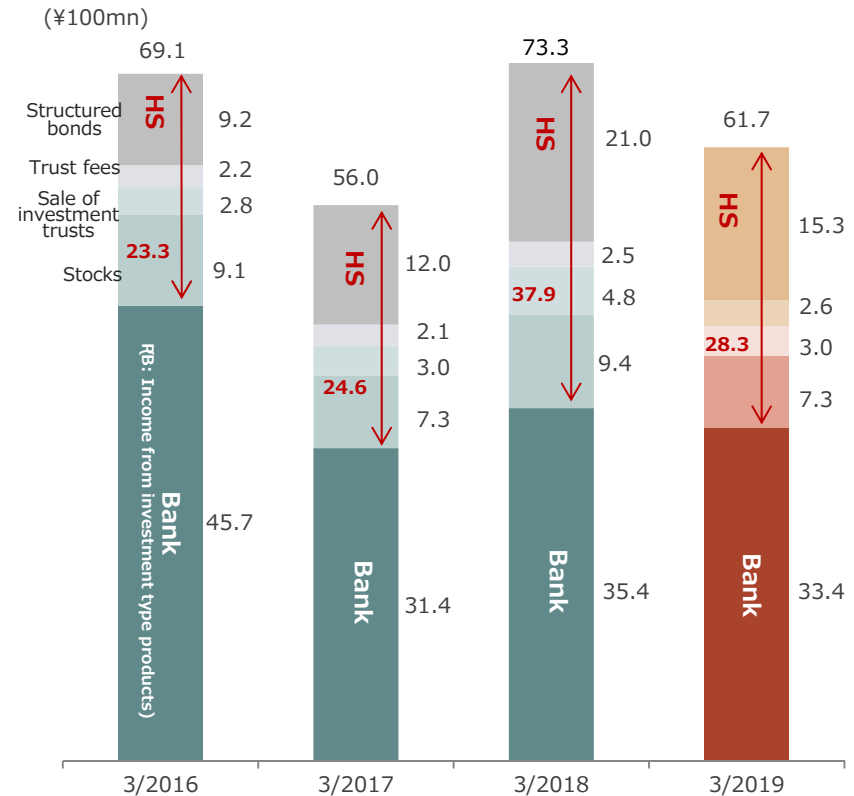
- Outstanding balance (market price) of investment type products in personal banking decreased by ¥26.0bn from FY2017 due to the decrease in sales as products became less attractive in recent conditions of lower interest rates.
- Income from investment type products decreased by ¥1.1bn due to the slump of sales of the Bank and Hachijuni Securities Co., Ltd.(HS), reflecting volatile market conditions.

Investment Type Products (Outstanding Balance)



Income from ITP

(Bank+HS) ※after deduction of the Bank's intermediary fee



◆ Installment-type Investment Trusts (IIT)

	3/2016	3/2017	3/2018	3/2019
No. of IIT accounts	11,721	18,691	22,175	25,676
(Installment NISA)	-	-	2,675	5,460
Monthly installments (¥1mn)	203	247	361	480

Market Investment (the Change in Outstanding Balance of Securities)

➤ Promoting diversified investment while continuing yen-denominated securities investment

(Cost basis, ¥100mn)		3/2017	9/2017	3/2018	9/2018	3/2019	Direction of FY2019
Bonds	Interest-bearing JGBs	8,295	8,309	8,013	8,684	8,413	→
	Floating-rate JGBs	1,855	1,845	1,656	1,256	1,101	→
	Inflation-protected JGBs	365	350	0	11	167	→
	Other domestic bonds	3,797	4,862	4,651	4,816	7,236	→
	Yen-denominated securitized products	701	624	581	582	598	→
	Structured bonds etc.	30	156	126	59	87	→
	CLO	30	26	46	39	67	→
Stocks	Domestic stocks	1,173	1,150	1,148	1,162	1,138	↑
Yen-denominated investment trusts	Domestic ETF	144	191	161	184	165	→
	J-REIT	213	219	263	273	268	→
	Other investment trusts	1,676	1,733	1,796	1,740	2,047	↑
	Union-type of funds etc.	152	159	185	178	193	→
	Hedge funds	147	166	224	229	238	→
Foreign securities	Hedge funds	50	50	47	50	49	→
	Yen-denominated foreign bonds	79	206	342	352	357	→
	Foreign stocks, ETF etc.	39	108	103	87	105	→
	Foreign currency-denominated bonds	2,775	3,216	2,492	2,499	2,123	→
	Foreign currency-denominated securitized products	123	274	263	398	533	→
	Foreign currency-denominated CLO	0	0	0	0	0	→
Total		21,614	23,620	22,052	22,558	24,885	
Bond durations (years)		4.17	3.94	3.62	3.68	3.62	

Outline of the 31st Long-Term Management Plan

“Dare to change; Create the Next Generation”

April 2018 ~ March 2021

Strengthening and Expansion of “Face-to-Face Sales” in Order to Realize Customer Profits

⇒ P.23

- ◆ Strengthening quantity in “face-to-face sales”
- ◆ Strengthening quality in “face-to-face sales”
- ◆ Expansion of the scope of “face-to-face sales”
- ◆ Strengthening “face-to-face sales” of the whole Hachijuni Group

Reform of Sales Promotion Structure and Operational Processes

⇒ P.25

- ◆ Reorganization of operational sections
(change of organization, review of business, outsourcing)
- ◆ Reduction of operational processes
- ◆ Increasing operational efficiency by IT
- ◆ Review of structure (branch/staff)
- ◆ Reducing burden on the customer/
improving convenience

Expansion of Investment in Developing “Human Resources” and More Opportunities for Their Active Participation

⇒ P.24

- ◆ Career path/program of nurturing human resources
- ◆ Staff support system according to their age
- ◆ Personnel exchanges within the Hachijuni Group
- ◆ Nurturing human resources in specialized fields
- ◆ Work style reform

Progress in the 31st Long-Term Management Plan [Numerical Targets]

Management Targets			Environmental Targets		
	Targets	FY2018 (3/2019)		Targets	FY2018 (3/2019)
Net income attributable to owners of the parent	¥25.0bn (FY2020)	¥22.4bn	Amount of greenhouse gas emissions reduced (compared to FY2013)	15% (FY2020)	14.4%
Ratio of consolidated profits to parent company's profits	1.25 times (FY2020)	1.03 times	No. of new contracts for electronic delivery services: cases	3,000 (over 3 years)	3,655
Dividend payout ratio (consolidated)	Over 30% (annual)	30.9%	No. of new contracts for and renewals to e-livret: cases	100,000 (over 3 years)	44,876
			No. of environmental investments and loans: cases	3,000 (over 3 years)	982
Regional Vitality Targets					
	Targets	FY2018 (3/2019)			
No. of new business launches : companies	1,000 (over 3 years)	374			
No. of cases through business matching (sales channel development, etc.)	6,000 (over 3 years)	2,064			
No. of cases utilizing private placement bonds, funds, etc.	500 (over 3 years)	283			
No. of business successions, M&As, and change/discontinuation of businesses	1,000 (over 3 years)	435			

Progress in the 31st Long-Term Management Plan

【Challenge Targets/Long-Term Management Guideline】

Challenge Targets

	FY2017	Targets	Target Year	FY2018 (3/2019)
Business loans to SMEs (outstanding balance)	¥1,431.5bn	¥2,000bn	FY2027	¥1,446.7bn
No. of SME borrowers	25,777	30,000	FY2027	26,250
Income from investment type products (Bank + HS)	¥6.8bn	¥10.0bn	FY2022	¥5.4bn
OHR (gross business profit basis)	65.0%	Under 60%	FY2022	63.1%
Amount of greenhouse gas emissions reduced (compared to FY2013)	11.2%	30%	FY2030	14.4%

Long-Term Management Guideline

	Guideline	FY2018 (3/2019)
ROE	5% or higher	3.06%

Progress in the 31st Long-Term Management Plan ①

Theme① Strengthening and Expansion of “Face-to-Face Sales” in Order to Realize Customer Profits

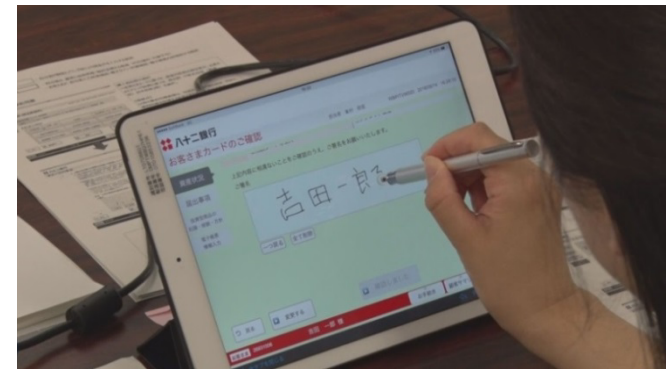
Providing financial services most suited to customer needs

Introduction of Tablet Terminals

Expansion of paperless

- ✓ Aug 2018: applications/cancellations of investment trusts, applications of life insurance
- ✓ Apr 2019: 5 transactions including account opening, change of registered items, etc.

Reducing burden on the customer as well as enhancing operational efficiency/soundness, creating more time for consultation with customers



Reducing Burden on the Customer

New Small Branch “Hachini-no-Madoguchi”



Open 9 : 30 ~ 15 : 30 (weekdays)
※ close 12 : 30 ~ 13 : 30

Nov 2018: “Hachini-no-Madoguchi”, the first small branch opened after the integration of branches in Ueda City.

- ✓ Operation staff: 1~2 staff
- ✓ ATMs: deposit/withdrawal, and transfer
- ✓ Original tablets: other transactions such as account opening, change of registered items

Achieving both customer convenience and efficient sales promotion structure of the Bank

**No. of Integrated Branches : 7 (as of Mar 31, 2019)
by Branch-in-Branch Integration**

Progress in the 31st Long-Term Management Plan ②

Theme② Expansion of Investment in Developing “Human Resources” and More Opportunities for Their Active Participation

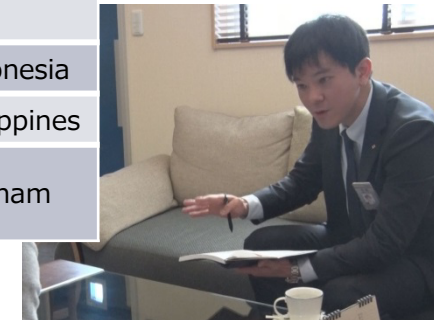
Creating personnel system focused on each staff’s growth and worthwhileness of working

Financial Professional Group Trusted by Customers

- ✓ Supporting career formation and extension of each staff’s capability in order to improve satisfaction and confidence of customers.
- ✓ New 15 training seminar were added in Apr 2018.
- ✓ Expansion of opportunities for dispatching trainees of young staff to external organizations and expansion of personnel exchanges within group companies

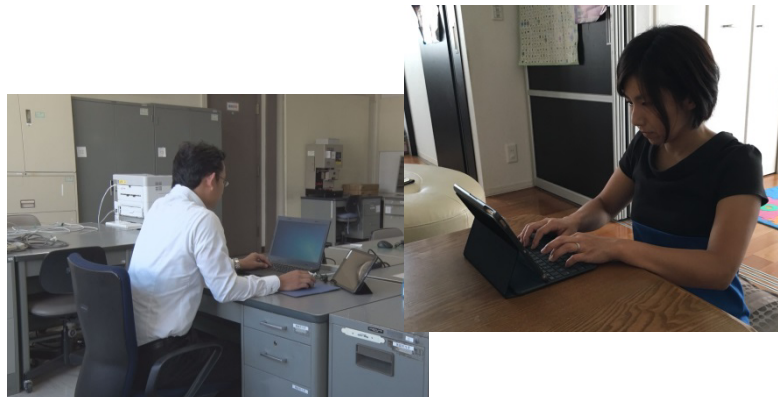
Overseas trainees (tie-up banks)

KASHIKORNBANK	Thai
PT Bank CIMB Niaga Tbk	Indonesia
BDO Unibank, Inc.	Philippines
Joint stock Commercial Bank for Foreign Trade of Vietnam	Vietnam



27 Trainees Dispatched to 23 External Organizations (as of Mar 31, 2019)

Work Style Reform (Trial of Telecommuting /Satellite Office)



- ✓ Trial of telecommuting by arranging appropriate environment in which staff can make or submit reports outside the office
- ✓ Started utilization of unnecessary space that were generated through the reorganization of operational sections

The Bank continues to support flexible work style by making use of ICT.

Work Style Unconstrained by Time and Location

Progress in the 31st Long-Term Management Plan ③

Theme③ Reform of Sales Promotion Structure and Operational Processes

Reinforcement of counter sales structure by raising operational efficiency

Introduction of RPA

- ✓ RPA※ was introduced for routine works from May 2018.
- ✓ Labor-saving by RPA: 10 operations (approximately 15,000-hour burden) were reduced from the process of loan document preparations and investment trusts settlements by the end of Mar 2019.

※Using robot technology incorporated in software, RPA automated routine works and enhanced business efficiency.

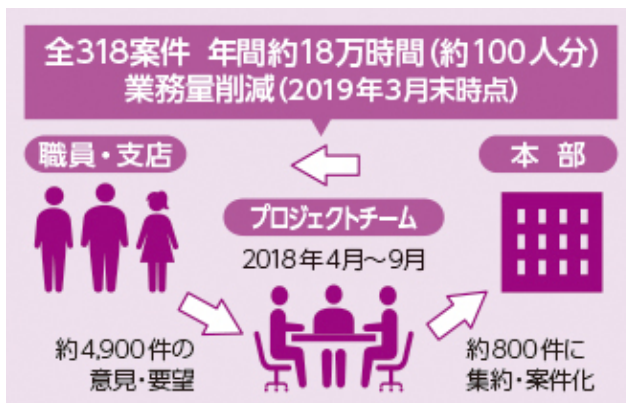
- ✓ The range of using RPA will be expanded to promote the automation in business operation.

Creating More Time for Consultation with Customers

<Labor-saving>

FY2018[full year]
10 operations
15,000 hours/a year
FY2018[1H]
6 operations
4,250 hours/a year

Operation Reform Project



- ✓ All officers & employees, in a body, promote the rationalization of business operation through "Operation Reform Project" started in Apr 2018.
- ✓ "Operation Reform Project" achieved the significant reduction of work volumes by the end of Mar 2019: about 4,900 of staffs' requests were summarized to 800 issues, leading to the reduction of 318 operations (approximately 180,000-hour work volumes)

Reducing 180,000-Hour Work Volumes/a year

Progress in the 31st Long-Term Management Plan ④

Deepening of Environmental Management

CDP2018 (Climate Change) : Rating “B (management)”

**No.1 rank in Japanese banks
for 3 straight years**

“Hachijuni Bank Group SDGs Declaration” (Apr 2019)



- ✓ The Bank, as a top runner of the CSR activity focusing on environmental management, published its Hachijuni Bank Group SDGs Declaration.
- ✓ All officers and employees are committed to contributing to the 17 goals of SDGs through their ongoing business activities. The Bank makes efforts to realize the sustainable society together with regional communities.

**The 1st company
in Nagano Pref.**

The 2nd “Eco-First Company” in Japanese Banks (Aug 2018)

In August 2018, the Bank was certified as an “Eco-First Company” by the Ministry of Environment, highly evaluated the Bank’s advanced and sustainable programs.

- ✓ High level of the FY2030 target of GHG emissions
- ✓ Biodiversity protection such as forest maintenance work called “Hachijuni-no-Mori” activities and extermination of bur cucumber etc.

Challenge Target

- GHG emissions of FY2030:
30% reduction compared
to FY2013

