

March 23, 2007

To Whom It May Concern:

Company Name: The Bank of Yokohama Ltd.

Representative: President Tadashi Ogawa

(Code No. 8332: Listed on the 1st Section of the Tokyo Stock Exchange)

**Re: Conclusion of Basic Agreement for Joint Development
between NTT Data Regional Bank Integrated Services Center**

The 3 banks, the Bank of Yokohama (President: Tadashi Ogawa, hereafter referred to as BOY), Hokuohoku Financial Group, Inc.'s subsidiaries Hokuriku Bank, Ltd. (President: Shigeo Takagi) and Hokkaido Bank, Ltd. (President: Yoshihiro Sekihachi), as of March 23, 2007, and NTT DATA Corporation (NTT DATA; President and CEO: Tomokazu Hamaguchi) have concluded a basic agreement for joint development between the NTT DATA Regional Bank Integrated Services Center. We hereby announce it as follows;

By so doing, not only the 3 banks but also 11 other regional banks (note 1) that participate in the Center, the total of 14 regional banks, will be able to jointly develop banking systems, by which the banks can afford to allot the management resources, obtained through the cost merits, to their strategic investment respectively.

Upon this occasion, the 14 banks are proactively exploring the possibility of alliances other than banking systems.

(Note 1) The Aomori Bank, Ltd., Shonai Bank, Ltd., The Bank of Iwate, Ltd., The Chiba Kogyo Bank, Ltd., The Hokuetsu Bank, Ltd., The Fukui Bank, Ltd., Bank of Kyoto, Ltd., The Bank of Ikeda, Ltd., Shikoku Bank, Ltd., The Nishi-Nippon City Bank, Ltd., The Aichi Bank, Ltd. (in order of bank code)

1. Background

- (1) Under the circumstance where it has become an urgent mission for financial institutions to promptly provide superior services by strategically and efficiently utilizing IT, the 3 banks, BOY, the Hokuriku Bank and the Hokkaido Bank concluded the basic agreement on shared utilization of next-generation banking systems. Aiming to launch the new banking systems from January 2010 (by BOY), the 3 banks entered into the system development since then after concrete discussions.

- (2) Since the NTT DATA Regional Bank Integrated Services Center commenced its operations in January 2004, starting from the Bank of Kyoto, 11 banks have begun using its services to date, among which 6 banks have already started up operations.
- (3) The “shared use system” (called MEJAR (Note 2)) established by BOY, Hokuriku Bank and Hokkaido Bank adopt the BeSTA[®] banking application system developed by NTT DATA, which enables the 3 banks to jointly develop with the Center. Based on this clear advantage, today’s agreement was negotiated with the goal of further expanding the cost merits of both systems for the participating 14 banks.

(Note 2) MEJAR: Most Efficient Joint Advanced Regional Banking-system

2. Developing System and Operation System

- (1) In addition to system changes to handle amendments in legal systems shared across the banking industry, responses to dealings with outside financial centers, the contents of the joint development will also cover the functions envisioned to serve as the foundation for new products and services, and improvements in back office type of jobs.
- (2) In determining the areas of joint development, representative banks from among BOY, Hokuriku Bank and Hokkaido Bank, representative banks participating in the Regional Bank Integrated Services Center, and NTT DATA will establish a council regarding the joint development(tentatively named the “Regional Bank and Three Bank Integrated Development Council”), which will engage in specific deliberations to be advanced on a regular basis