

## *Revision of the Medium Term Management Plan “New Horizon”*

### *【Basic views for revision】*

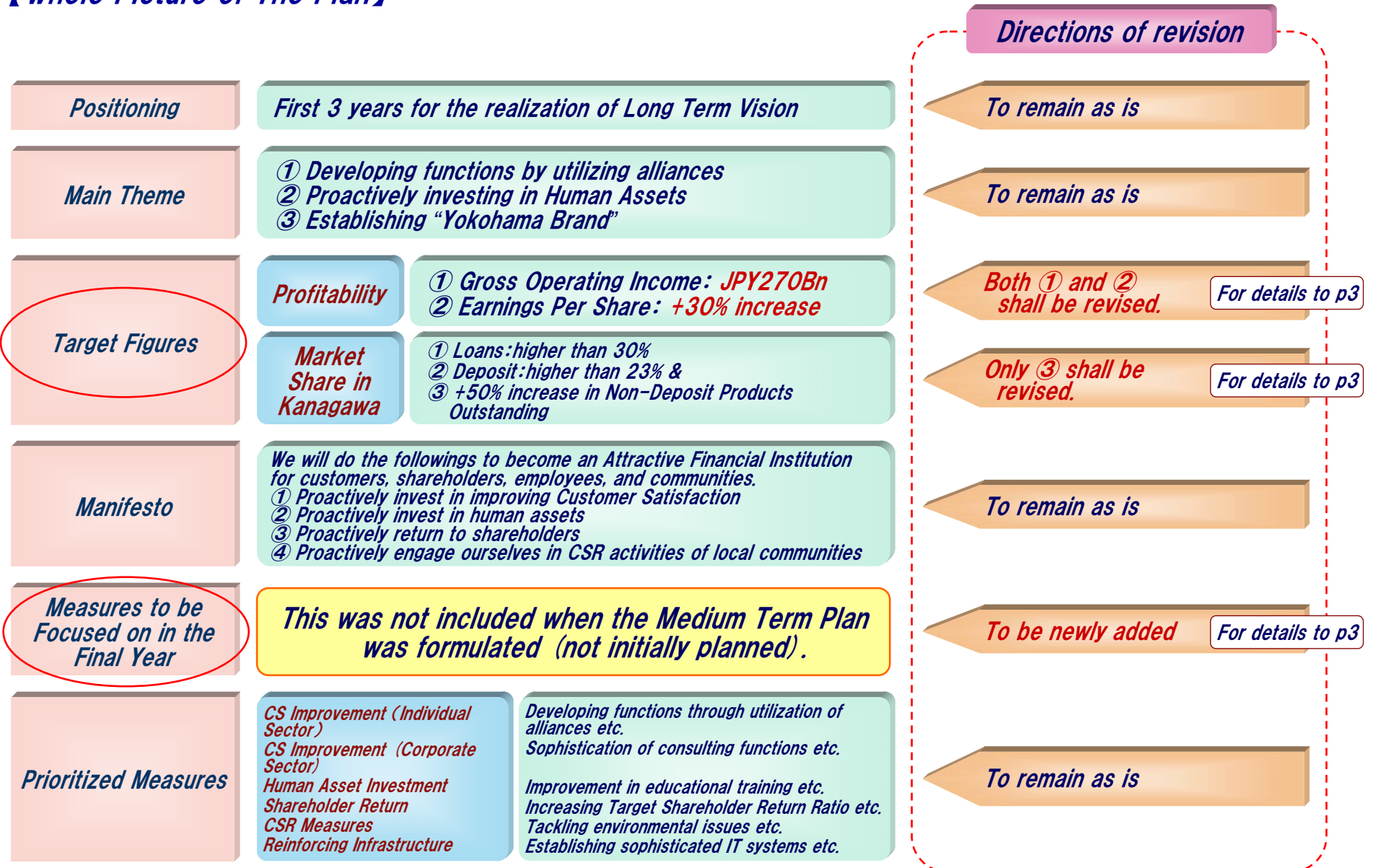
*We wished to become an indispensable existence for all the stakeholders. We were hoisting “To become an Attractive Financial Institution for customers, shareholders, employees, and the communities” (what we aim to become 10 years after) as the Long Term Vision in order to become a financial service institution that is perceived as admired, expected and attached. As the first step toward the Long Term Vision, we launched the New Medium Term Management Plan, “New Horizon”.*

*However, in FY2008, the second year of the Medium Term Management Plan, we faced economic turbulence on a global scale, which totally changed the business environment around us. Under these circumstances, we have decided to revise the Plan as we enter FY2009, the final year of the Medium Term Management Plan, by considering the reality of the economic environment as well as other factors.*

- Among the components in the Medium Term Management Plan, Positioning, three Main Themes and Manifesto are the core stances from our medium to long term point of view. Therefore, they will not be revised this time.*
- Meanwhile, Target Figures will be revised due to significant changes in the interest rate scenario and stock price levels on which the Plan was premised*
- Furthermore, while continuing our efforts on Prioritized Measures by sector, we will add Measures to be Focused on in the Final Year in order to secure profits in a fierce business environment. As we recognize the imminent necessity of reinforcing the management structure and making it capable of withstanding a further deteriorating business environment, a reduction in new investments and efficient use of the existing management resources such as personnel and branch offices will be implemented.*

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## 【Whole Picture of The Plan】



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### 【Target Figures】

		Before revision	After revision (FY09 <Plan>)
Profitability	Gross Operating Income ※1	JPY270Bn (+25% increase in 3 years)	<b>JPY212Bn</b>
	Earnings Per Share ※2	+30% increase	<b>JPY15.8</b>
Market Share in Kanagawa	Loans ※1	higher than 30%	<b>To remain as is</b>
	Deposit ※1	higher than 23%	<b>To remain as is</b>
	Non-Deposit Products Outstanding ※1	+50% increase	<b>+12% from FY08</b>

※1: Non-consolidated basis ※2: Consolidated basis

### 【Measures to be Focused on in the Final Year】

#### *Intensification of low-cost operation*

- ◆ *Intensifying low-cost operation and taking the economic environment into consideration*
- ◆ *Securing profits by focusing on the balance between risk and return*

#### *Enhancement of human resource performance*

- ◆ *Let bank employees exercise their abilities, and strengthen their capabilities.*
- ◆ *Improving organizational productivity*

#### *Enhancement of credit control*

- ◆ *Providing stable supply of funds to SMEs.*
- ◆ *Further efforts toward business reconstruction*
- ◆ *Exercising well thought-out credit control*