



ASHIKAGA HOLDINGS CO., LTD



THE ASHIKAGA BANK, LTD

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ASHIKAGA HOLDINGS

ASHIKAGA BANK

CORPORATE PROFILE

## President's Message

First I would like to thank all of our stakeholders for their continuing support for our endeavors.

During the fiscal year under review, a pickup in production activities and clear signs of a demand resurgence were swept aside by the Great East Japan Earthquake and tsunami disaster of March 11<sup>th</sup>, which caused steep cuts in industrial production and steamrolled consumer sentiment.

Against this backdrop, the Bank continued to meet its commitments as a regional financial intermediary and reliable supplier of funding and other financial services tailored to the needs of our customers.

During fiscal 2010, one focus of our efforts was on facilitating loans to small-and-medium-sized enterprises (SMEs) in our area through the Ashigin growth platform support fund and the emergency loan guarantee system for companies hit by the slowdown. In addition, we increased the (nonconsolidated) balance of loans by ¥107.3 billion to ¥3,473.2 billion, largely by expanding lending to individuals, buoyed by a broad range of promotional campaigns. The number of corporate loan customers profiled as "borrower requiring supervision" or with higher credit rankings also increased to 20,551.

Deposits and assets under custody (nonconsolidated basis) climbed ¥141.1 billion year-on-year to ¥4,646.6 billion, supported by the success of our asset management seminars and promotional campaigns, as well as additions to our range of investment trusts and personal insurance products. The total balance of deposits and assets under custody held by individuals increased to ¥3,830.6 billion during the year.

In branch network measures, the Bank relocated the Utsunomiya branch to newly built offices and opened the Ashigin Plaza Utsunomiya consultation facility for individual customers with asset management needs.

In further measures, as part of our regional contribution activities, we launched the *Shokuto No* (food and farming) enterprise support program in alliance with Nomura Securities Co., Ltd. Tochigi Prefecture, and Utsunomiya University. A further initiative was the *Tochigi Shokuno Tenji/Shodankai 2011* (Tochigi Prefecture food exhibition and business confab 2011).

Already difficult business conditions in the local economy were further compounded by the impact of the earthquake disaster, which affected neighboring Fukushima Prefecture very badly. However, based on the medium-term management plan, we remain committed to constructing a solid business foundation as a leading regional bank, and to listing on the Tokyo Stock Exchange, while increasing transaction volumes with customers, strengthening our management, and establishing a strong brand for the Bank. We are also fully committed to upgrading our core computer systems, starting July 2011.

We would like to express our sincere sympathy to everybody who suffered loss or damage in the Great East Japan Earthquake, and our earnest wish for rapid recovery of the region and affected corporate customers. In this commitment, all employees of the Bank from executives down are united. I would like to thank our shareholders for their continued support and encouragement for Ashikaga Bank.

June 2011

Satoshi Fujisawa, President and Chief Executive Officer

SATOSHI FUJISAWA

Ashikaga Holdings Co., Ltd.  
The Ashikaga Bank, Ltd.



## Profile

Ashikaga Holdings Co., Ltd.

- Trade name: Ashikaga Holdings Co., Ltd.
- Representative: Satoshi Fujisawa, President and Chief Executive Officer
- Established: April 1, 2008
- Capital: ¥105.01 billion
- Address of head office: 1-25, Sakura 4-chome, Utsunomiya, Tochigi Prefecture
- Nature of business: Banking and related activities, management and administration through subsidiaries, and ancillary activities, under the Banking Law

The Ashikaga Bank, Ltd.

- Trade name: The Ashikaga Bank, Ltd.
- Representative: Satoshi Fujisawa, President and Chief Executive Officer
- Founded: October 1, 1895
- Capital: ¥135 billion
- Address of head office: 1-25, Sakura 4-chome, Utsunomiya, Tochigi Prefecture
- Number of employees: 2,714

The Ashikaga Bank, Ltd. is a wholly owned subsidiary of Ashikaga Holdings Co., Ltd. (March 31, 2011)

## Management Policy

### Corporate philosophy

All of Ashikaga Holdings and Ashikaga Bank's actions are rooted in the Group corporate philosophy, comprising the three concepts of our mission, our business approach, and our code of conduct.

Based on our corporate philosophy, we are determined as a bank to justify the trust and meet the expectations of our customers in the community, in our role as a comprehensive financial institution for Tochigi Prefecture.

- **Our mission**

To contribute to the creation of affluence

As a comprehensive financial institution for Tochigi Prefecture, the Ashikaga Bank continues to contribute to the generation of affluence for all in the regional community.

- **Business approach**

In harmony with the region

With a customer-oriented focus, the Ashikaga Bank is committed to operational soundness in harmony with the region.

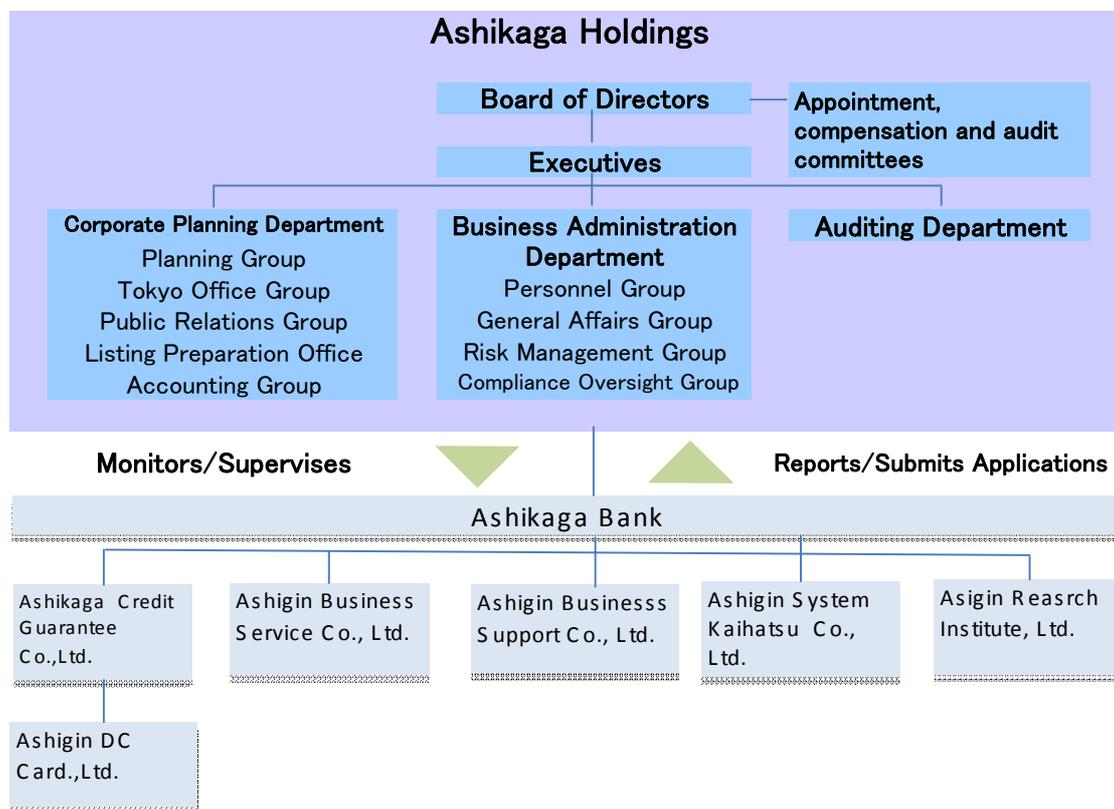
- **Code of conduct**

With pride in our hearts and a smile on our faces

In full awareness of our mission and role, we will tirelessly meet our customers' expectations and justify their trust, with self-improvement as our watchword, with pride in our hearts and a smile on our faces.

## Organization

The Bank comprises a Corporate Planning Department which coordinates overall planning, a Business Administration Department which oversees management roles, and an Auditing Department for internal auditing. These departments work closely with other Bank affiliated units to ensure appropriate business management and monitoring.



## Medium-term Management Plan

### Creating A New Ashikaga Bank Moving to a New Stage of Growth with Regional Communities

Period of plan: April 2009-March 2013

The Ashikaga Holdings Group and The Ashikaga Bank, Ltd. will fulfill the goals of the plan, earning the unshakeable trust of the customer, local society, employees and all other stakeholders and creating sustainable enterprise value.

#### Vision for the Bank

- ◆A reliable, trusted partner for our customers
- ◆Contributor to sustainable regional economic growth
- ◆Robust business foundations

Become a comprehensive financial services provider for the local community

#### Create a business base in our home market, Tochigi Prefecture

- ◆Establish a firm footing in all regional-banking related sectors
- ◆Raise our share of deposits and loans and boost earnings

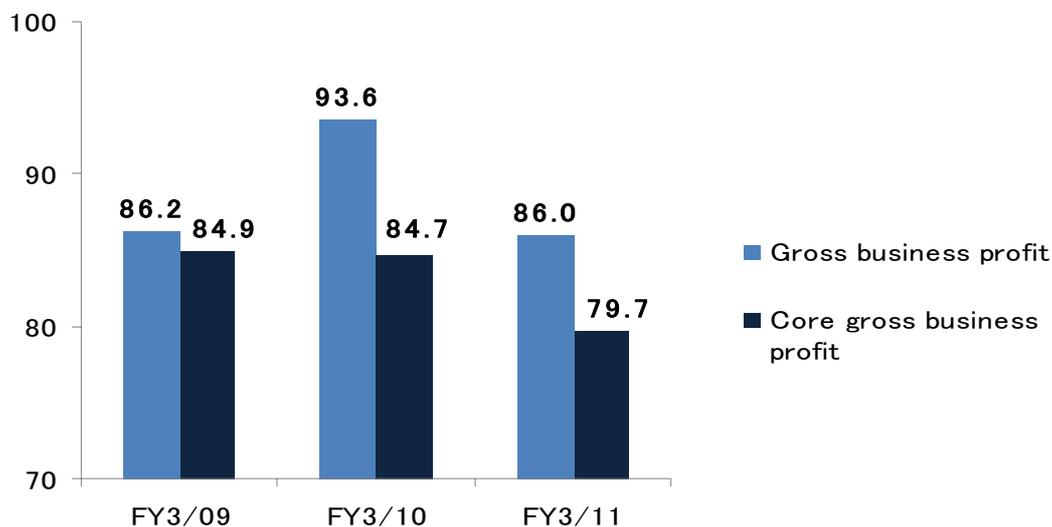
#### Rebuild our business base through the core role of supply financing to Tochigi and neighboring prefectures

- ◆Leverage strength of customer recognition (market share, network history, etc), and increase staff and branch network

## Major business indicators (Ashikaga Bank, nonconsolidated basis)

### Gross business profit

(¥ billion)

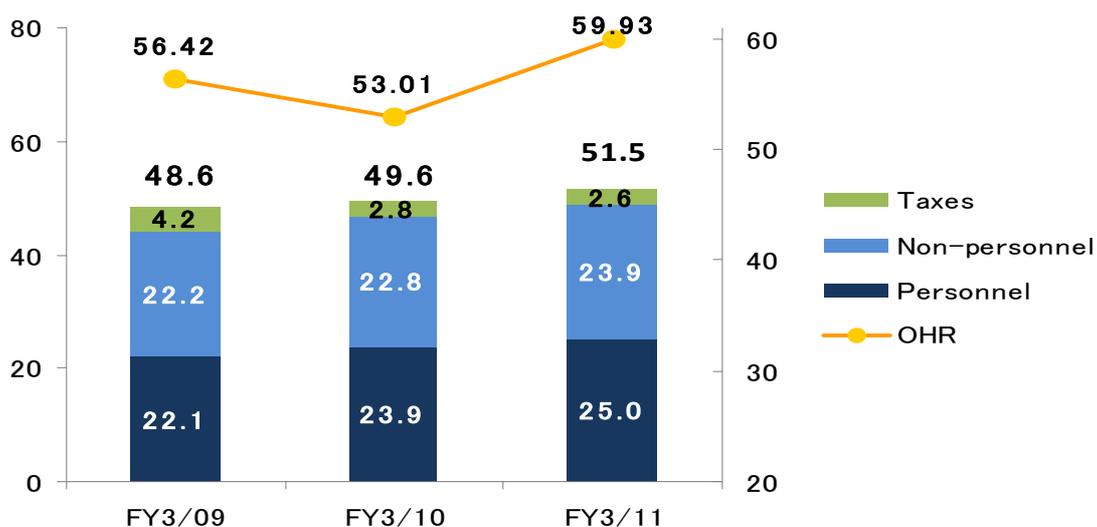


Gross business profit decreased ¥7.5 billion to ¥86.0 billion, due principally to lower returns on loans and securities, leading to a reduction in interest income. Core gross business profit decreased ¥5.0 billion to ¥79.7 billion.

### Overhead costs

(¥ billion)

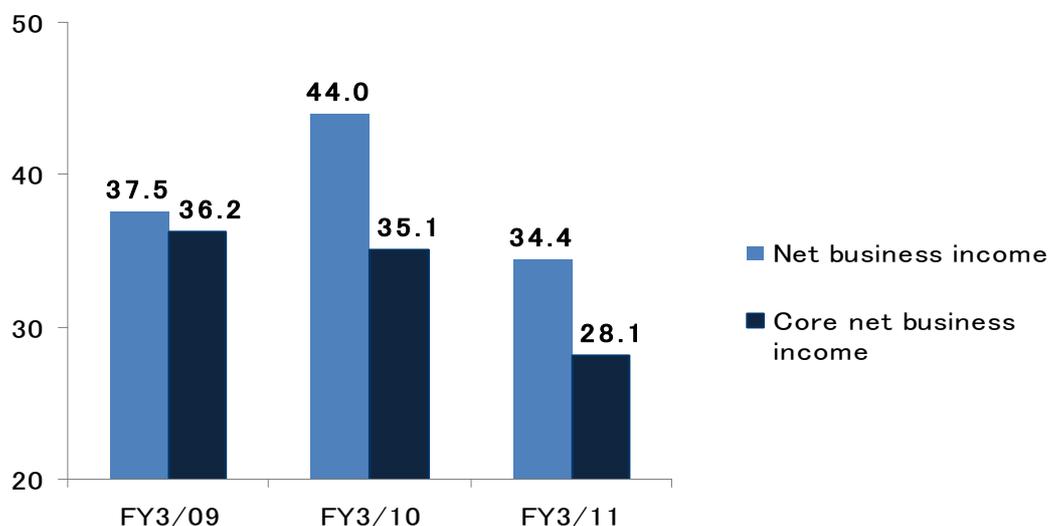
(%)



Overhead costs increased by ¥1.9 billion to ¥51.5 billion due chiefly to an increase in costs related to system migration. The overhead ratio climbed 6.92 points to 59.93%.

## Net business income and Core net business income

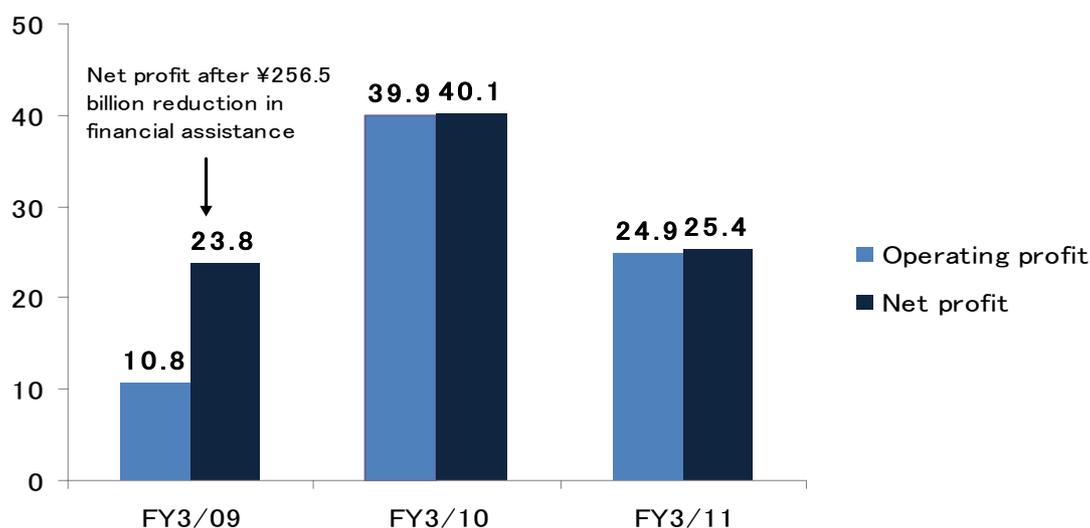
(¥ billion)



Net business income decreased ¥9.5 billion to ¥34.4 billion, on lower gross business profit and an increase in overhead costs. Core net business income after deduction of gains or losses on bonds fell ¥6.9 billion year-on-year to ¥28.1 billion.

## Operating profit and Net profit

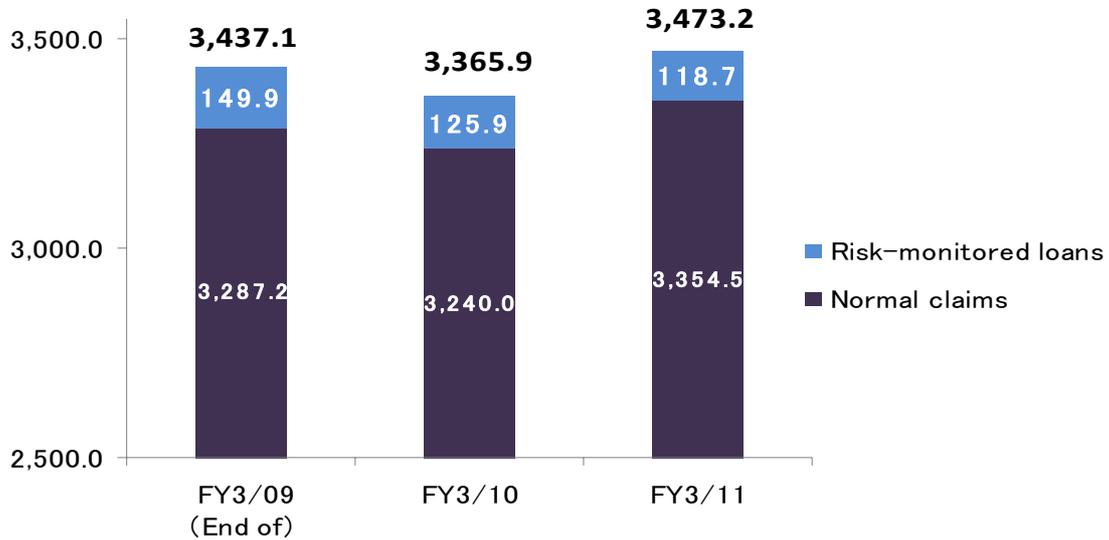
(¥ billion)



Operating profit decreased ¥15.0 billion to ¥24.9 billion year-on-year, and net profit fell ¥14.6 billion to ¥25.4 billion.

## Balance of loans

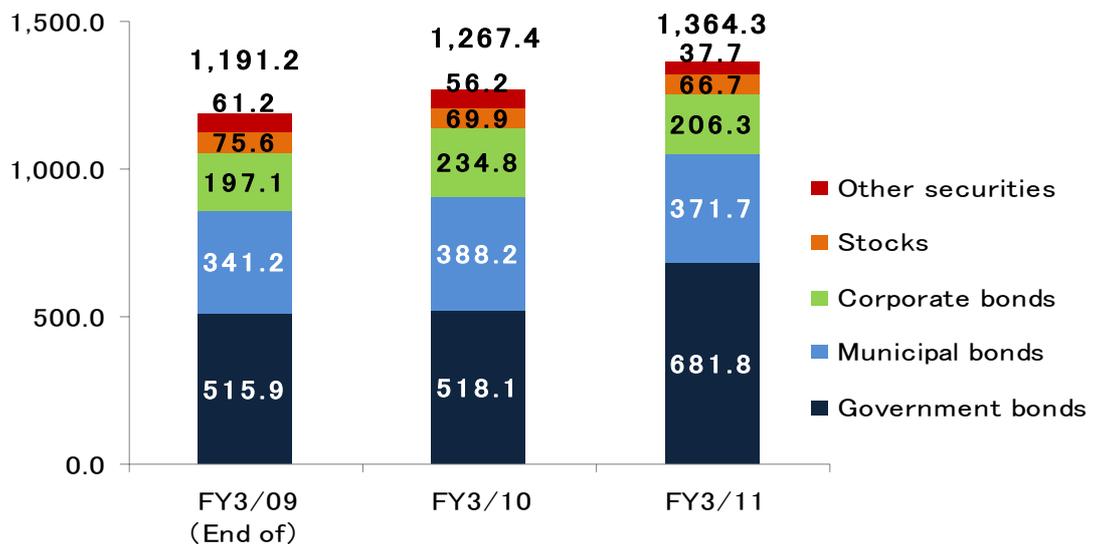
(¥ billion)



The balance of loans increased ¥107.3 billion to ¥3,473.2 billion. Of that sum, the total of normal assets, chiefly comprising business loans, soared ¥114.5 billion to ¥3,354.5 billion.

## Securities

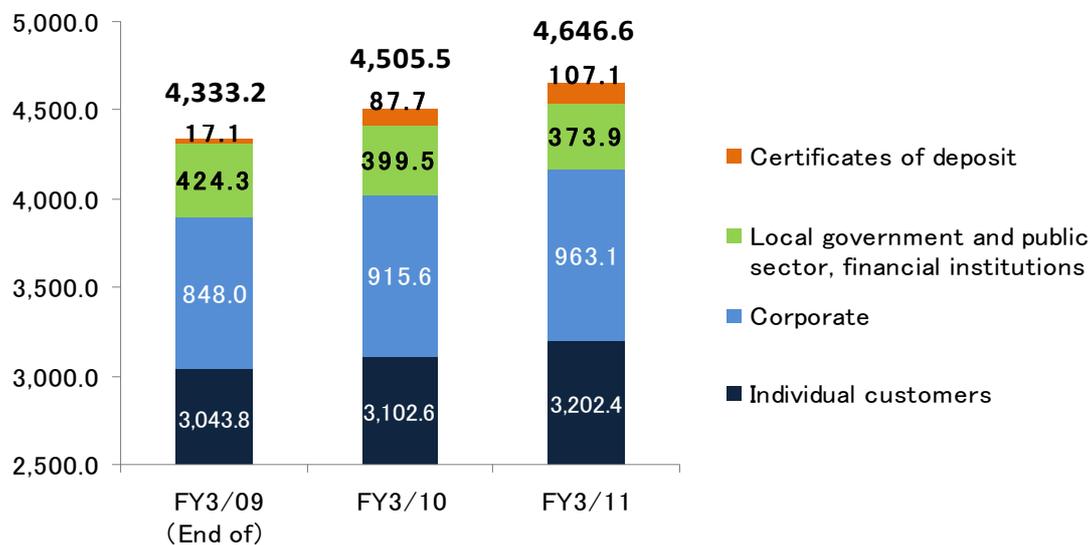
(¥ billion)



The balance of securities increased ¥96.9 billion from the end of the previous fiscal term to ¥1,364.3 billion, reflecting sales of securities in light of interest rate trends and stockpiling of Japanese government bonds.

## Balance of deposits

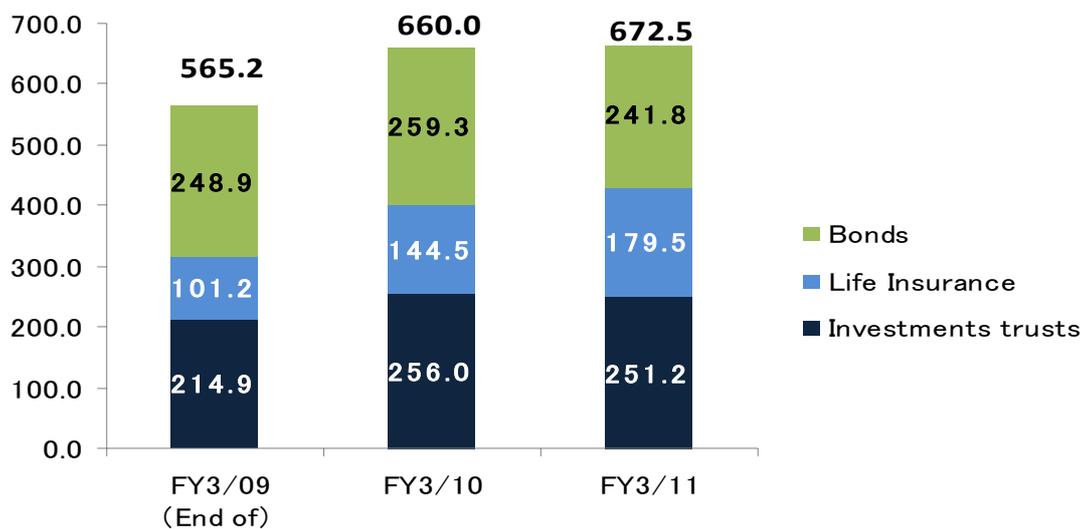
(¥ billion)



The balance of deposits, comprising chiefly deposits held by individuals and by corporations, rose ¥141.1 billion from the end of the previous fiscal term to ¥4,646.6 billion.

## Assets under custody

(¥ billion)

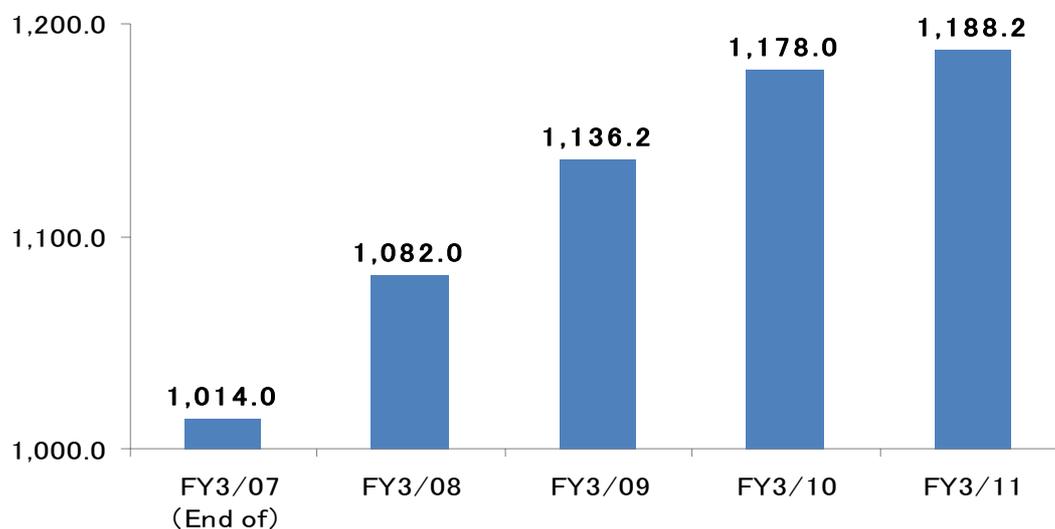


The balance of assets under custody increased ¥12.5 billion from the end of the previous fiscal year to ¥672.5 billion, reflecting an increase in sales of insurance products amid a flat performance by net asset values of investment trust products due to falling stock prices.

## Major business indicators / Capital ratio

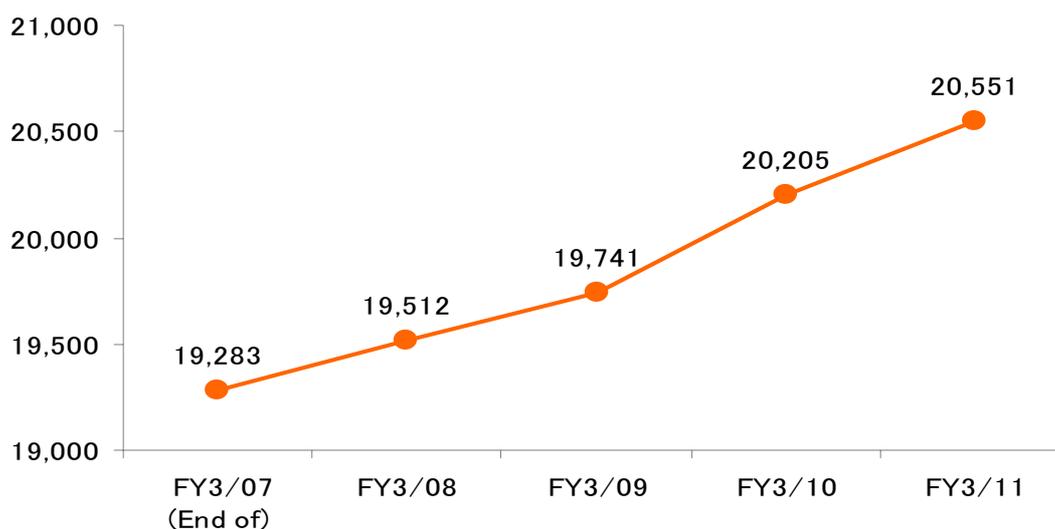
### Balance of housing loans

(¥ billion)



Housing loans increased ¥10.1 billion from the end of the previous fiscal year to ¥1,188.2 billion, on products with eight-illness insurance riders and no linkage with prevailing interest rates, as well as measures to respond to customers' refinancing needs.

### Corporate borrowers (from normal borrowers to borrowers requiring supervision)



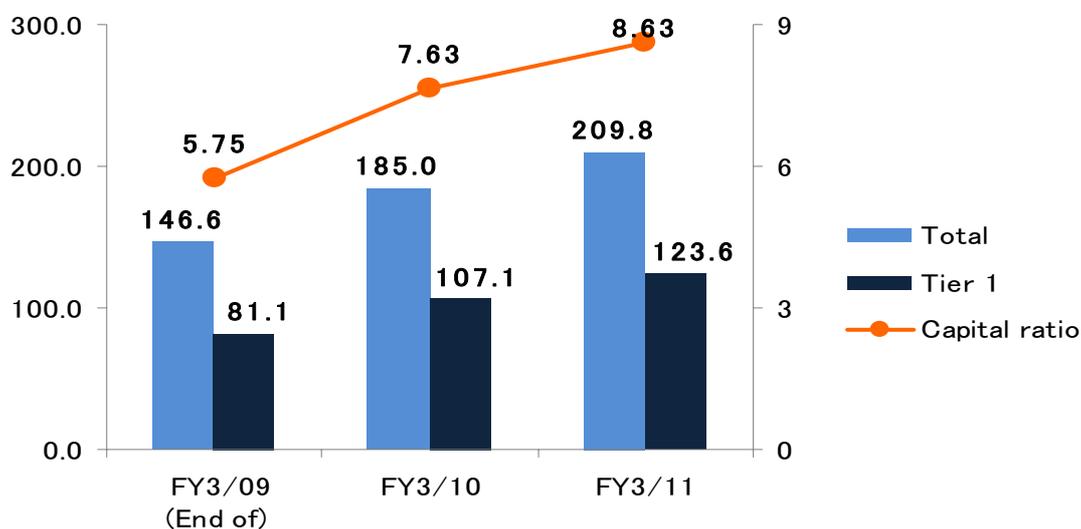
The number of borrowers increased by 346 from the previous term-end to 20,551 (borrowers meaning those requiring supervision or with higher credit rankings), reflecting Bank measures to better service funding needs.

### Capital ratio

Ashikaga Holdings (consolidated)

(¥ billion)

(%)

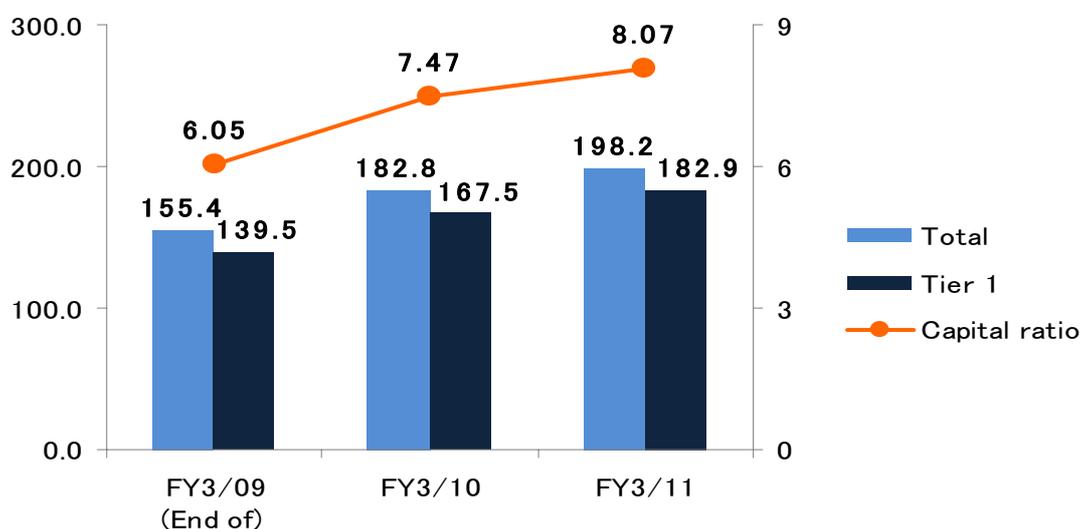


### Capital ratio

Ashikaga Bank (nonconsolidated)

(¥ billion)

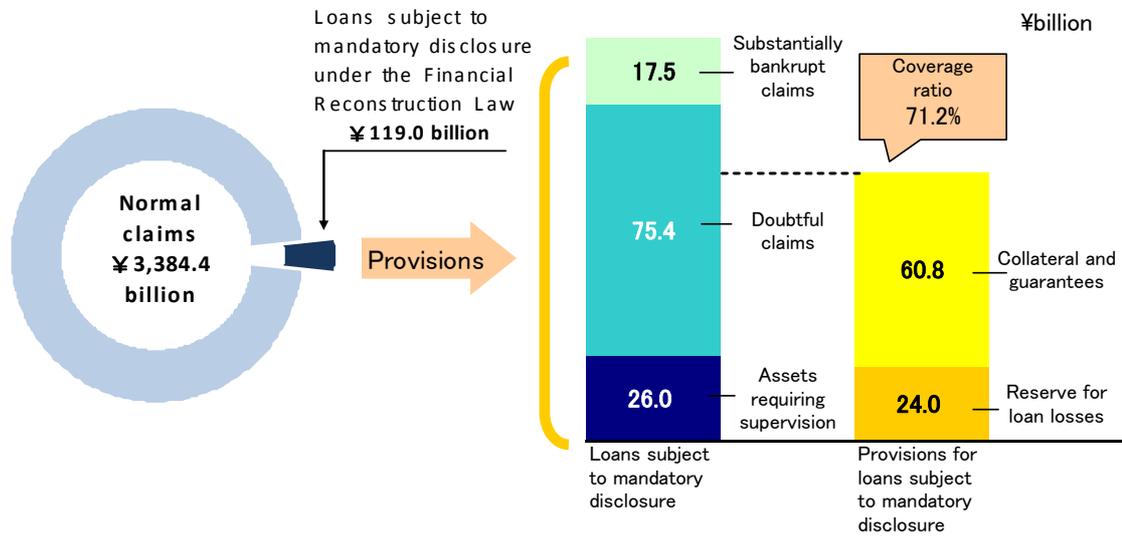
(%)



The capital ratio at Ashikaga Holdings (consolidated basis) increased 1.00% from the previous term end to 8.63%, and 0.60% to 8.07% at Ashikaga Bank, on a nonconsolidated basis, due to steady growth in net profit.

## Loans subject to mandatory disclosure under the Financial Reconstruction Law

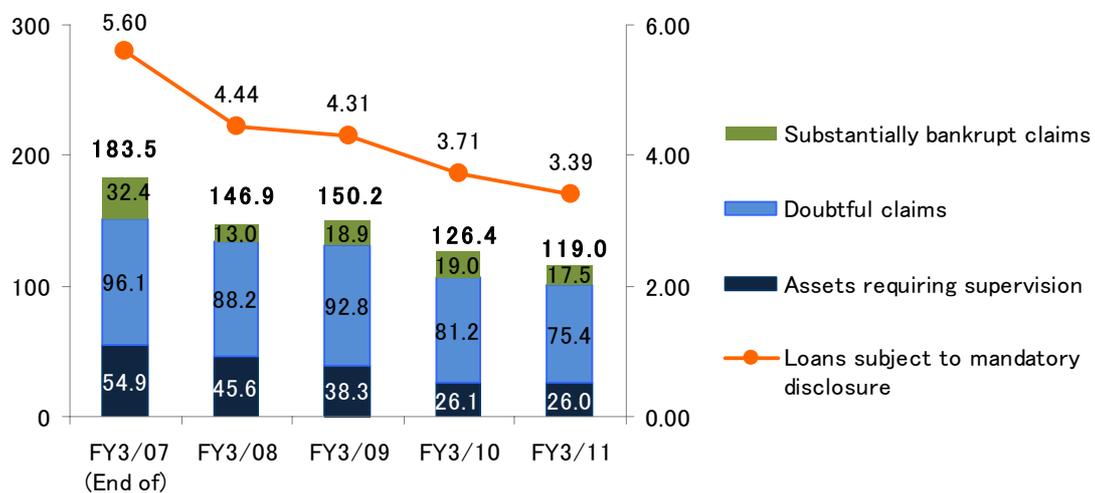
### Loans subject to mandatory disclosure under the Banking Law as of March 31, 2011



### Changes in loans subject to mandatory disclosure under the Financial Reconstruction Law

(¥ billion)

(%)



The total of loans subject to mandatory disclosure decreased ¥7.4 billion compared with March 31, 2010, to ¥119 billion, reflecting ongoing measures to support management improvement at our corporate customers and remove NPLs from the balance sheet.

The Bank will continue its policy of removing all effectively bankrupt borrowers and assets in bankruptcy from the balance sheet, and is committed to improving the quality of loan assets by extending support to customers trying to improve their management.

## Services for individual customers

### Asset management consultation services

#### Smile Desk

To meet our customers' asset management and other needs, we have established consultation booths in our branches selling financial products, and specialist staff advise customers on asset creation. We call these booths Smile Desks and their staff Customer Advisors. As the name implies, we take care to ensure that customers are greeted with a friendly smile when they come to us with their various asset management issues.



#### Establishment of Ashigin Plaza Utsunomiya

In January 2011, we built a new branch office in Utsunomiya and opened Ashigin Plaza Utsunomiya, a branch with upgraded asset management consultancy services. The office has five consulting booths where customers can take their time over consultation sessions. It includes a seminar hall capable of holding some 25 people. At the same time, to encourage customer visits to our branches, we extended opening hours until seven o'clock in the evening on weekdays, and now open on weekends.



### "Loan Center" services

#### Loan Center

To provide a safe, convenient environment for customers to consult on borrowing at leisure, we opened "Loan Center" offices in 22 locations. At these offices, we offer a range of loan products designed to facilitate daily living, including housing, car and college financing. Specialist staff explain each class of product in detail and provide consulting services on fund procurement and repayment plans.

### Improving convenience

#### Internet and mobile banking

The Bank's 24/7 Internet and mobile banking services enable customers to access transaction details, deal with transfers and payments, manage time deposits and investment trusts and pay tax, utility and other bills online or using their mobile phones.

#### Opening general deposit accounts by mail

For those who cannot easily come to a bank branch during weekday working hours, we have allowed account-opening applications to be made by mail since October 2010.

#### Seven Bank and E-net ATMs

Through an alliance with ATM operators Seven Bank and E-net we have made available to our customers, as of the end of March 2011, Seven Bank ATMs in 14,036 locations (of which 374 are in Tochigi Prefecture) and 11,056 E-net ATMs (of which 174 are located in Tochigi Prefecture). To further improve customer convenience, in February 2009, we scrapped usage charges for both kinds of ATM during weekdays (8:45 to 18:00).



## Services for corporate customers

### Solutions business

- Provision of business information
- Support for business succession
- M&A services
- Services for defined contribution pensions
- Loan syndication services
- Support for corporate bond issues, and other services

Our business support activities comprise meeting customer's needs proactively and promptly, and providing non-financial information and consulting services.

#### Information services

We provide a prompt and effective business advisory system for our corporate customers using the in-house "organic information system" that we have developed. By leveraging our business network based in the North Kanto area, we can respond to customer's needs and provide information through the Ashigin informationBOX membership-based service enabling customers to access and share management and business-related information themselves.



### Support for customers moving overseas and international operations

The Bank supports globalization of local business customers, including consultancy services for trade and overseas direct investors offered at any time by specialist advisors at our head office. We also provide the latest news on overseas markets through various kinds of seminar as well as case-by-case support through partnerships with outside entities specializing in this area.

### Electronic banking and online services

These are services that cover payment procedures, deposit and withdrawal, and account balance queries using online, PC, fax and other tools. We support the rationalization and streamlining of customers' administrative operations through a lineup of diversified services including payment collection and convenience-store payments.

### Ashigin Business Center

Working through partnerships with our branches, we propose products tailored to the needs of SMEs and sole proprietors, and offer a range of telephone and fax consulting services relating to financing and other matters.



## Relationship banking

### Progress in fiscal 2010

#### 1 Strengthening support for business life-cycle management

##### (A) Support for establishment of new companies and businesses

|   |              |              |
|---|--------------|--------------|
| Financing extended under new company and business startup program | 110 startups | ¥628 million |
|---|--------------|--------------|

##### (B) Support for management improvement and business rehabilitation

|   |     |
|---|-----|
| Number of customers for which management improvement programs were devised                                | 365 |
| Number of customers assisted through the Small and Medium-size Enterprise Revitalization Support Councils | 46  |
| Number of customers who have used the corporate restructuring support program                             | 1   |
| Debt-Debt-Swap  | 3   |

##### (C) Business succession

|  |     |
|--|-----|
| Number of cases in which the Bank offered consultancy services on business succession matters such as transfer of own stock to a successor | 118 |
| Number of cases in which M&A consultation services were offered  | 38  |

- Organized 12th New Leader Training Dojo (Ashigin Research Institute, Ltd.), a seminar to support nurturing of business successors
- Organized business succession seminar



Business succession seminar

#### 2 Developing financing channels for SMEs, including identification of real business value

|  |   |                            |
|--|---|----------------------------|
| Total of cases of syndicated loan arrangement in which the Bank acted as both arranger and agent | 4 | total value: ¥70.3 billion |
| Number of private placements underwritten  | 7 | ¥600 million               |
| Cases in which financing was offered with current assets used as collateral                      | 1 | ¥14 million                |
| Asset-based lending  | 1 | ¥283 million               |

#### 3 Contributing to a sustainable regional economy using our business expertise

##### (A) Provision of local business support information

###### (a) Keeping companies informed

- Use of in-house intranet system for receiving and passing on business information
- In the wake of the Great East Japan Earthquake, early stage recovery support for customers' corporate activities through identification of needs and provision of business-matching services

###### (b) Providing opportunities for business matching

- FOOD SELECTION 2010 business confab arranged by the Bank and 31 other regional banks in November 2010, with 17 Bank customers exhibiting
- In an initiative to support business matching for food and



FOOD SELECTION 2010

agricultural organizations, in January 2011 the Bank and prefecture jointly arranged the Tochigi Shokuno Tenji/Shodankai 2011 (Tochigi Prefecture food exhibition and business confab 2011), with 112 companies exhibiting

(c) Information services through Ashigin Research Institute, Ltd.

- Number of announcements of regional economic trends and results of economic surveys etc: 26
- Publication of survey into tourism market in Tochigi Prefecture
- Consulting services for SMEs on problem resolution
- Training and seminars to foster personnel, and hands-on seminars with invited external lecturers
- Appearance on Tochigi Television current affairs programs



"Evening 6" show (Tochigi Television)

**(B) Partnership activities with industry, government and universities**

(a) Major partnerships with industry and universities

- Employees of the Bank (currently seven) appointed as coordinators at the Utsunomiya University regional joint research and development center exchange information and make proposals, enabling linkup of customer companies undertaking technological developments with University research "seeding" programs.
- Successful introductions: 34 (of which 13 occurred within fiscal 2010)
- Provision of business matching and other consultation services through participation in Utsunomiya University enterprise exchange forum

(b) Establishment of a regional economic revitalization office

- In October 2010, a Public Sector Business Group to oversee transactions with local public authorities was established, with the upgrading of the Public Sector Business Office into the Public Sector Business Division. Also established was a Regional Economic Recovery Promotion Group (referred to as the Office of Regional Development) to oversee operations relating to regional economic revival in partnership with local public authorities and other entities.
- Through establishment of the Office of Regional Development, the Bank is considering support and measures for partnerships and affiliations regarding tourist resources and local industry in Tochigi Prefecture, to strengthen efforts to create regional industrial hub functions and support regional economic vitality.

**Our response to enactment for the Act on Temporary Measures to Facilitate Financing for Small and Medium-Sized Enterprises**

In line with the enactment of the Act on Temporary Measures to Facilitate Financing for Small and Medium-Sized Enterprises on December 4, 2009, the Bank offers all kinds of detailed, timely and customized financing consultation services to customers, in the belief that funding facilitation is an important management priority.

Basic Policy (excerpted)

When requests are made for a change of repayment terms, we pay careful attention to the customer in question, and take whatever steps we can to alleviate the payment burden

Change of repayment terms and other matters

Complaints: Toll-free number: 0120-550-760  
Open: Weekdays 9:00-17:00 (except Bank holidays)

Requests for change of repayment terms and other matters: Please contact the branch in question

## ADR system for financial institutions

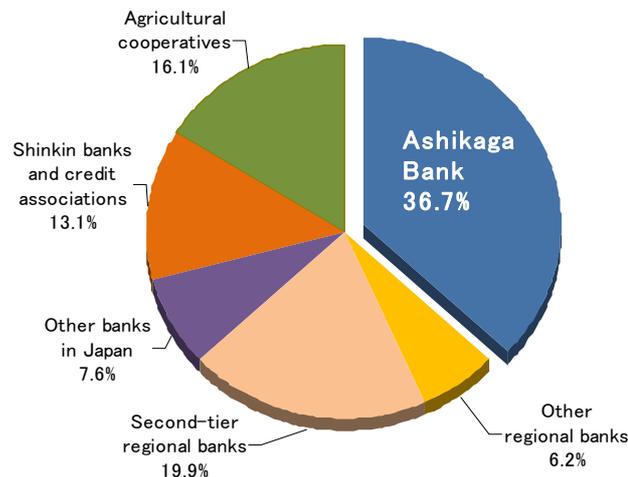
The Alternative Dispute Resolution (ADR) system for financial institutions is a prompt, convenient and flexible approach to dispute resolution tailored to the nature of the dispute and situation of the parties involved, based on agreement by all sides to avoid litigation and instead work through mediation.

The Bank has adopted this approach and signed a basic procedural agreement with Japanese Bankers Association (JBA), a designated dispute resolution body. It has kept customers informed of the establishment and the role of JBA Customer Relations Center. The Bank deals appropriately with customer issues through a customer consultation office, with the mediation of the JBA Customer Relations Center and other external offices.

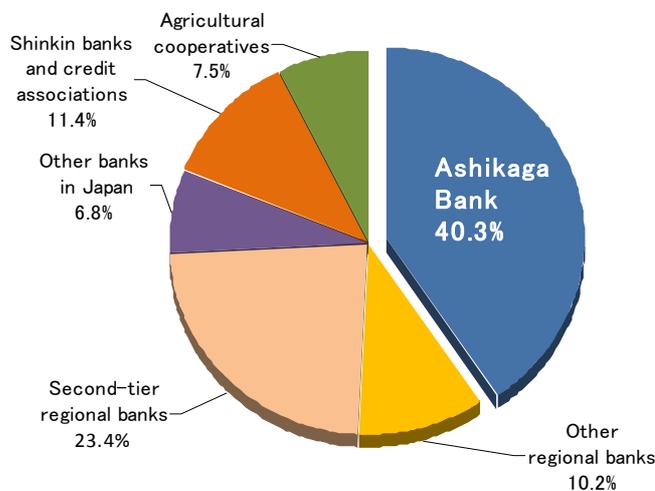
## Our regional record

### The Bank's positioning in Tochigi Prefecture

#### Deposits (March 2010)



#### Loans (March 2010)



The financial institutions covered by these statistics are banks in Japan, *Shinkin* banks and credit associations, and agricultural cooperatives (in-house research).

| <b>balance of loans, and loans made to regional borrowers</b> |                          |                          | <b>(¥ billion, %)</b>    |
|---|--------------------------|--------------------------|--------------------------|
|   | Year ended<br>March 2009 | Year ended<br>March 2010 | Year ended<br>March 2011 |
| Balance of loans  | 3,437.1                  | 3,365.9                  | 3,473.2                  |
| Balance of loans to regional borrowers                        | 3,030.1                  | 2,967.3                  | 3,019.7                  |
| Proportion of all regional loans                              | 88.1                     | 88.1                     | 86.9                     |

| <b>Balance of loans made to SMEs, Balance of loans made to regional SMEs</b>      |                          |                          | <b>(¥ billion, %)</b>    |
|---|--------------------------|--------------------------|--------------------------|
|   | Year ended<br>March 2009 | Year ended<br>March 2010 | Year ended<br>March 2011 |
| Balance of loans made to SMEs   | 2,599.2                  | 2,531.4                  | 2,571.8                  |
| Proportion of all loans to SMEs   | 75.6                     | 75.2                     | 74.0                     |
| Balance of loans made to regional SMEs  | 2,497.3                  | 2,442.7                  | 2,465.2                  |
| Proportion of loans made to regional SMEs vs all loans made to regional borrowers | 82.4                     | 82.3                     | 81.6                     |

| <b>Balance of deposits, and deposits held locally</b> |                          |                          | <b>(¥ billion, %)</b>    |
|---|--------------------------|--------------------------|--------------------------|
|   | Year ended<br>March 2009 | Year ended<br>March 2010 | Year ended<br>March 2011 |
| Deposits  | 4,316.1                  | 4,417.7                  | 4,539.5                  |
| Deposits held locally                                 | 4,229.3                  | 4,365.9                  | 4,490.7                  |
| Proportion of all deposits                            | 97.9                     | 98.8                     | 98.9                     |

| <b>Balance of assets under custody, and assets under custody held locally</b> |                          |                          | <b>(¥ billion, %)</b>    |
|---|--------------------------|--------------------------|--------------------------|
|   | Year ended<br>March 2009 | Year ended<br>March 2010 | Year ended<br>March 2011 |
| Assets under custody  | 565.2                    | 660.0                    | 672.5                    |
| Assets under custody held locally   | 564.2                    | 659.0                    | 671.6                    |
| Proportion of all assets under custody  | 99.8                     | 99.8                     | 99.8                     |

The region covered by the Bank refers to its business base in North Kanto (Tochigi, Gunma, Ibaraki and Saitama prefectures).

## Community revitalization

### Supporting recovery after the earthquake disaster

#### Establishment of project team

Our business area includes, or is close to, some of the prefectures worst affected by the Great East Japan Earthquake.

We have established a project team within the Corporate Banking Division to support the recovery effort in the aftermath of the disaster, and are gathering information on how much damage the region and our customers have sustained. Using this data, we are supporting affected corporate customers in their business activities across the board.

### Financing for recovery

To better serve all of those affected by the Great East Japan Earthquake, we are offering our Ashigin recovery housing loan to promote home-building and –repair, and the Ashigin disaster recovery support fund, which helps companies ensure cash flow and repair and replace damaged equipment.

### Cooperation with disaster recovery efforts in Tochigi Prefecture (support for industry and tourism)

To cooperate with disaster recovery measures in Tochigi Prefecture, the Bank has decided to provide ¥50 million to finance suspension of road tolls during the Golden Week spring holiday period, to spur tourism to the area. We have already contributed eight radiation-monitoring devices for use in the prefecture. In addition, the Bank contributed ¥30 million in March to the “Tochimaru donation fund” for victims of the earthquake and tsunami.

## “Food and Agriculture” Enterprise Support Project

### “Food and Agriculture” Enterprise Support Project committee founded

In October 2010, the “Food and Agriculture” Enterprise Support Project committee was established by the Bank, Tochigi Prefecture and Nomura Securities Co., Ltd. Six local companies were selected to receive support under the “Food and Agriculture” program. In an alliance also involving Utsunomiya University, the four organizations’ networks and support expertise were combined to provide comprehensive support for the business expansion and growth of the recipient companies.



### “Food and Agriculture” Business seminar

In February 2011, approximately 170 customers came to the “Food and Agriculture” business seminar organized by the Bank, with the themes of future prospects for agribusiness and developing overseas marketing channels for agricultural produce.



## Corporate Social Responsibility Activities

### Environmental Initiatives (CO<sub>2</sub> reduction)

#### Protection of Nikko Cedar Avenues

The Bank supports the Nikko Cedar Avenue Ownership System operated by Tochigi Prefecture to protect this world-famous arboreal asset at the Nikko cluster of temples and halls.

The Bank became a tree-owner in 1996. Since then we have continuously stepped up purchases, and as a group now own the maximum of 63 cedar trees. Each tree costs ¥10 million.

In November 2010, we bought another five trees and President Fujisawa received ownership credentials from the Governor of the prefecture.



Nikko Cedar owned by the Bank



Handover of tree ownership credentials

### Tree-planting at Ashio

In July 2010, with the co-operation of the non-profit organization committee Nurture Greenery in the Ashio Mountains, 133 new bank employees planted 280 tree seedlings in the mountain range.



Tree-planting in the Ashio range

### Quick-charging station for electric vehicles

In March 2011, the Bank installed quick-charging facilities for electric passenger cars at its Head Office car park. By making the station freely available to customers of the Bank and other local users, we aim to support the spread of electric vehicles. The Bank has introduced one electric car to its fleet.



EV quick-charging facilities

### Extension of dressing-down period

As part of electricity-saving measures, we have extended the period during which employees are encouraged to dress down to reduce the need for air-conditioning, from June-September to May-end of October.

During this period, male employees will no longer have to wear neckties and female employees will be able to remove scarves and ribbons from their uniforms.

## Training, welfare, industry and culture

### Financial education

#### Banking lectures at universities

In April 2010, we began arranging lectures at Utsunomiya University on the history of regional banking, representing two credits for students.



Learning about banking

#### “Kids’ School” lectures at the Bank

In August 2010, during the summer holidays, we organized lectures at our Head Office with the title Ashigin “Kids’ School”: Learning hands-on about money. It was attended by 58 parents and children (24 family units)



“Kids’ school” lecture

#### Accepting school field-trip groups

We accept students from elementary to university level on a wide range of field trips and workplace experience programs. In addition to hosting around 260 children and older students from 17 local schools and showing them around the Bank in fiscal 2010, 16 university and junior college students participated in internships.

### Creating barrier-free environments

#### Equipping branches for customers with senile dementia

As part of efforts to create a regional community in which those suffering dementia and their families can live in greater comfort, the Bank has adopted an in-house training program to enable employees to better support customers with this ailment. The program was introduced at all branches, and at the end of March 2011, 633 employees were designated supporters under the program.

### Helping customers with disabilities

In January 2011, the Bank reduced over-the-counter transfer fees for people with disabilities who have difficulty in using ATMs, and cut their ATM usage fees by the same margin.

In future, the Bank will install ATMs with voice-guidance handsets for sight-impaired customers.



Dementia support class

### Tochigi Prefecture Industrial Cooperation Council

In 1981, this organization was established as an influential grouping of business managers in Tochigi Prefecture. Through regular study sessions, it promotes information and cross-sector exchange and training for business succession.

Serving as secretariat, the Bank actively supports this initiative.



The Industrial Cooperation Council meets

### Ashigin International Exchange Foundation

The Ashigin International Exchange Foundation, established in 1985 by the Bank, provides support to self-financing overseas students studying within Tochigi Prefecture and to international exchange organizations. Up to fiscal 2010, it had disbursed a total of ¥108.44 million among 284 recipients.



International Exchange Foundation event

### You-I campaign

The You-I campaign and independent volunteer organization was set up in 1990 by Bank employees. Activities undertaken in the campaign number 588, covering all branches of the Bank up to fiscal 2010.

### Participation in community events



Ceramics fair (Mashiko-machi)



Rice-dedication ceremony at Nikko



Yukemuri marathon



Utsunomiya festival

### Community cleanups



Local cleaning activity near branches



Cleaning up after a Miya-matsuri festival

### Fund-raising and recycling



Disaster donation



Collection of pull-tabs and used stamps

| Network as of March 31, 2011 |  |              |              |
|------------------------------|--|--------------|--------------|
|                              | Branches                                       | Outside ATMs | Loan Centers |
| Tochigi Prefecture           | 107 (of which 41 are sub-branch-level offices) | 150          | 15           |
| Gunma Prefecture             | 14 ( 4 )                                       | 9            | 5            |
| Ibaraki Prefecture           | 8 ( 2 )  | 2            | 1            |
| Saitama Prefecture           | 16 ( 1 )                                       | 1            | 1            |
| Tokyo                        | 1 ( - )  | -            | -            |
| Fukushima Prefecture         | 1 ( - )  | 1            | -            |
| 合 計                          | 147 ( 48 )                                     | 163          | 22           |

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