

6th Medium-Term Management Plan

“Timely & Speedy”

— Promptly Offering the Services which our Customers Need —

Our new medium-term management plan, “Timely & Speedy,” which will cover the next three years, began in April 2017. Under the plan, we will strive to establish an unshakable position as a bank that resolutely meets customer expectations through the daily practice of providing highly satisfying services, and with the companies of the Bank of Kyoto Group we will work to make the next three years a time of substantial, robust progress.

Main Theme

Fully Leverage Consulting Capabilities: Connect

Strategic Policies

(1) Increase contact with customers

Face-to-face: Meet with greater numbers of customers

Raise productivity and create ample opportunities to speak with customers, even for one minute more

Non-face-to-face: Provide convenient services

We will increase the transactions that can be performed using a smartphone or the Internet and also allow customers who have not yet been able to make branch visits to use enhanced services.

(2) Strengthen our management foundation

We will strengthen our management foundation, which includes human resources development, earnings power, financial soundness and other aspects, in order to continue meeting the expectations of customers into the future.

For Individual Customers

Connecting to the Future: From Parent to Child and Grandchild

The Group will collectively provide services based on individual life plans.

We will provide financial investment products and advice for asset formation on a comprehensive basis that includes Kyogin Securities.

For Corporate Customers and Individual Business Owners

Connecting Customers to Each Other, and to Business Growth, to Overseas, and to the Next Generation

We will make maximum use of the Bank's broad regional branch network to provide not only financing but other services that include business matching, M&A, business succession, and support for ventures and overseas expansion.

Vision

A Bank That Meets Customers' Expectations

Foundational Stance

Activity Guidelines

Reforming Action and Awareness

Speed: Respect the value of promptness and speed

Proactiveness: Actively take on new challenges without being constrained by past precedent

Coordination: Utilize the collective resources of the Group

Responsibility to Local Industry

We will dependably fulfill the expected roles of a regional bank in supporting the development of locally rooted culture and industry.

Eradication of Scandals

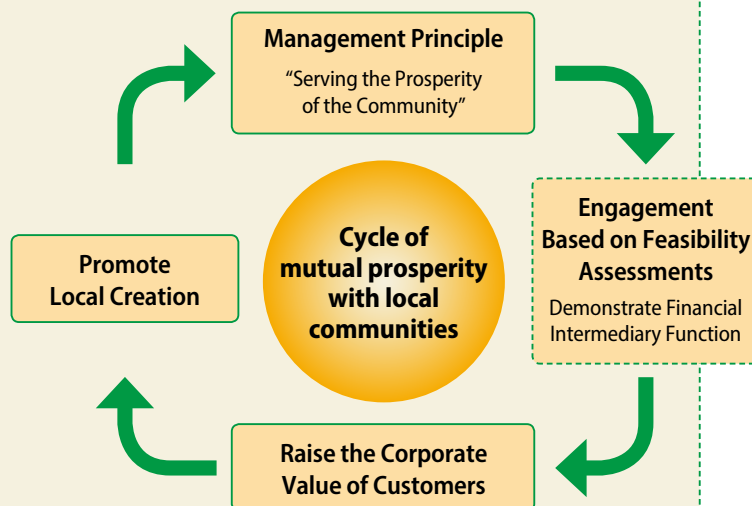
We will absolutely prevent any scandals from being caused by the Group.

Plan Framework

Engagement Based on Feasibility Assessments, Promotion of Local Creation

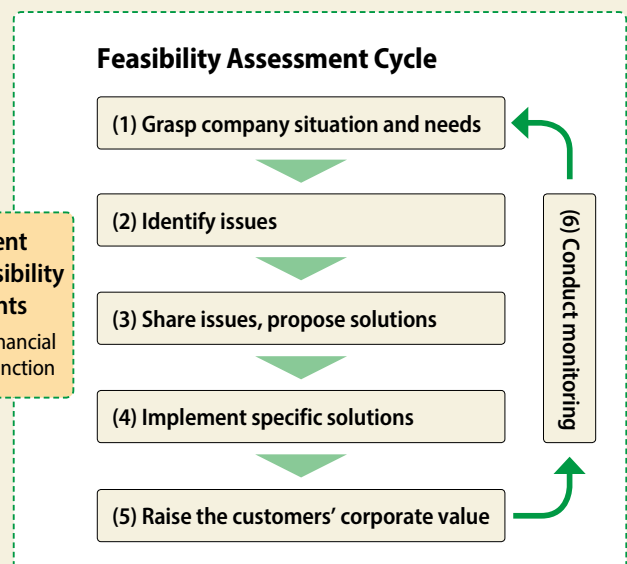
Cycle of Mutual Prosperity with Local Communities

We will promote the development of local economies and local creation through the growth of our customers.



Feasibility Assessment Cycle

We will raise the corporate value of customers through close coordination between the Group and related parties for solutions to customer issues.



1. Sales Strategy

Key Strategy:

Expand customer base, gradually deepen relationships to become the customers' main bank

Numerical Targets (Final Year of Plan)

Balance of deposits + NDCs	¥8.0 trillion
Balance of investment trusts + assets in custody of Kyogin Securities	¥500.0 billion
Increase balance of deposits, investment trusts, Kyogin Securities assets in custody, etc.	+¥1.0 trillion
Total loan balance	¥5.7 trillion
Retail loan balance	¥3.4 trillion (Increase by ¥450.0 billion over 3 years)
Share of loans in Kyoto Prefecture	30% or more

Net income (consolidated)	¥20.0 billion or more
Individual customers whose main bank is Bank of Kyoto	400,000 (Increase by 50,000 over 3 years)
Consultations on inheritance and asset succession (3 years)	10,000 consultations
Business customers	50,000 customers (Increase by 8,000 over 3 years)
Instance of business matching talks established (3 years)	5,000 instances

► Strengthen consulting and service capabilities

Retail Strategy

Strengthen proposals for various customer scenarios: saving and accumulating, borrowing, preparing and passing on

All bank employees will further enhance relationships with individual customers and develop activities at the customer level

Corporate Strategy

Strengthen sales to know customers better, get closer to their main business and respond to their needs and issues

We will develop activities to become a first class regional bank

► Enhance channels and develop region-based strategies

Branch System

Increase customer convenience and enhance presence through provision of high-quality services

We will revise our system of branches based on changes in conditions faced by regions, branches and overseas offices

Non-face-to-face Channels

Utilize all channels to create new contact points with various customers

2. Human Resources Strategy

Personnel Vision: People that are truly helpful to local communities

Action Guidelines: Demonstrate autonomy and engage in higher quality work

- Strengthen consulting capabilities in the area of asset formation
 - ➡ Promote acquisition of CFP certification (1,000 people over 3 years)
- Promote Bank of Kyoto's work style reform program (7 Up Thoughts and Acts for Improvement)
- Promote women's workplace participation and advancement through the Kirameki Career Support Program

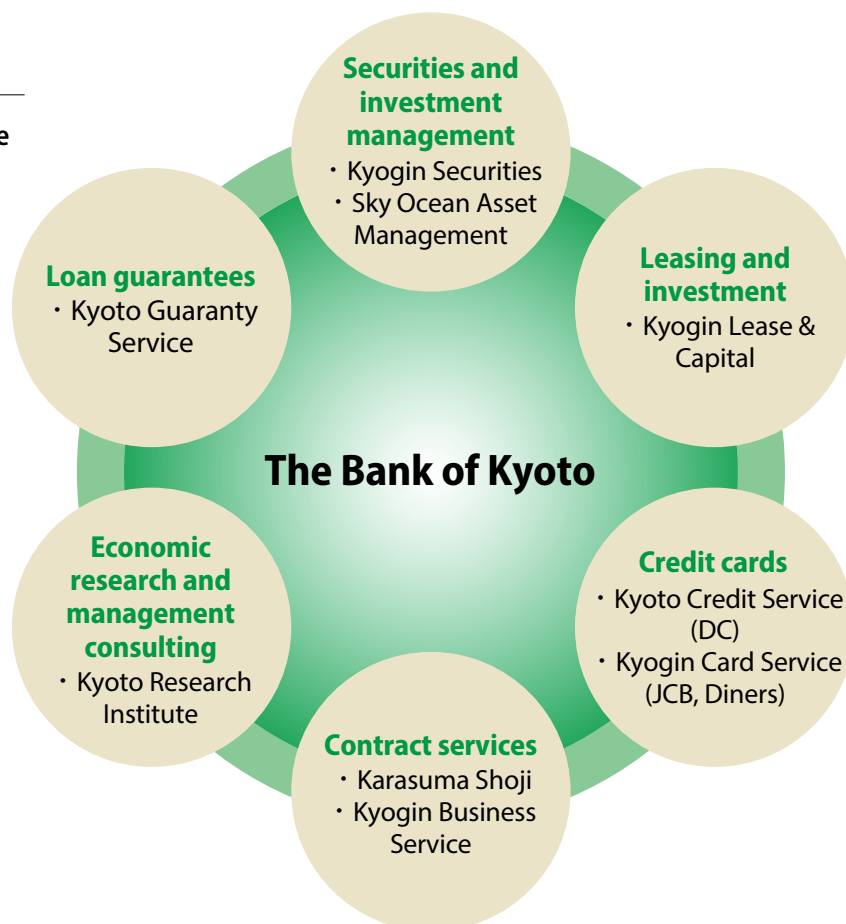
3. Strategy for Raising Productivity

- Establish productivity innovation headquarters
- Reform headquarters structure
 - ➡ Work to maximize operational capabilities by reforming administration overall and the organizational structure

The Bank of Kyoto Group

4. Group Strategy

- Including Kyogin Securities, we will utilize enhanced Group functions to make timely and speedy proposals



TOPICS

Strengthen consulting and service capabilities

Kyogin Securities Opens for Business

In May 2017, Kyogin Securities Co., Ltd., a wholly-owned securities subsidiary of the Bank of Kyoto, opened for business.

As conditions surrounding the financial industry shift significantly from savings to asset formation, the Bank of Kyoto will collaborate with Kyogin Securities through the Bank's financial products brokerage business, offering our customers one-stop, over-the-counter answers to their diverse asset management needs.

Utilizing the Bank's network of 173 branches, we will provide one-stop access via our tellers to the diverse products and services handled by Kyogin Securities, allowing us to take even greater advantage of our consulting function.

