

Frequently Asked Questions



Below are FAQs in and after the IR of the 14th Medium-Term Business Plan on April 20th, 2020.

Q1	What are the points to achieve targeted consolidated ordinary profit of JPY 80.0bn? (Qualitative aspect)
A1	<p>There are two main points. One is to early complete “3 structural reforms; earning-based, people-based, and channel-based” in the 13th Medium-Term Business Plan. Especially, we focus on securing personnel through sales structural reform and placing those personnel in services generating high added value.</p> <p>The other is human resources development. While all banks intend to promote sales of problem-solving and consulting type, we recognize that skill development of employees is the key for differentiation.</p>

Q2	What are the investment criteria for strategic alliance (such as ROE and ROI)?
A2	<p>We do not establish any specific criteria. We intend to conduct strategic alliance for the purpose of enhancing our function and services necessary to promote the 14th Medium-Term Business Plan.</p> <p>In strategic alliance, our interest is not only alliance with banks but also in M&A between our Group Companies and firms in the same business in such fields as securities and lease. Especially, we think that lease is a growth field. We will broadly consider target of M&A both in financial and non-financial fields.</p>

Q3	What is the effect of COVID-19 pandemic on economy in Shizuoka Pref.?
A3	<p>Effect on economy in Shizuoka Pref. is seen in wide range of industries including tourism, retail, and service industry.</p> <p>Especially, in manufacturing related to automobiles, while so far we saw effect from production adjustment and stagnation of import of parts by major manufacturers, recently worldwide decrease in order and decline of willingness to buy have strong impact.</p> <p>As of Apr. 10th, we extended 549 loans of JPY 43.4bn in order to support customers' cash position (420 new loan contracts of JPY 13.2bn, use of 129 existing credit facilities of JPY 30.1bn).</p> <p>We recognize support of customers' cash position to be top-priority issue as a regional financial institution, and concentrate our energy on preventing customers' bankruptcy.</p>

Q4	What is the Banks's policy with regard to balance between dividend and share buyback?
A4	<p>In the 14th Medium-term Business Plan, we aim at shareholders return ratio of 50% or higher on consolidated basis in medium and long term.</p> <p>On the other hand, we have to secure sufficient capital for support of cash position in the region based on the current situation before returning to shareholders.</p> <p>We do not change our policy to strike a balance between dividend and share buyback. We will disclose concrete way another time during period of the Medium-term Business Plan.</p>

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