

Message from the President

Co-Creating a Bountiful Future for Our Region



Thank you for your continued support of the Yamaguchi Financial Group (“YMFG”).

Japan’s outlying regions are affected by declining childbirth and aging populations, the outflow of young people into urban areas and a shortage of workers to shoulder operations. Amid these circumstances, expectations are mounting and regional financial institutions are being called upon to play an even greater role in regional economic development by helping to invigorate local companies and industries, ensure employment and bolster the sustainability of the regional economy.

The business environment in which regional financial institutions operate is characterized by growing social expectations about protecting customers, enhancing accountability, and fulfilling our duty to conduct operations in the spirit the customer intends (fiduciary duty). At the same time, the emergence of fintech, the onward march of artificial intelligence (AI) and other new technologies, and the move toward a cashless society are fueling competition from companies in a host of other sectors.

Amid this climate, in the fiscal year ended March 31, 2019, we formulated YMFG’s 2019 medium-term management plan, which we launched in the aim of further growth. Under the mission of “working

with intention to co-create a bountiful future for our region,” we aim to go beyond the boundaries of finance to address the social issues facing our region, maintaining an awareness closely attuned to businesses. We strive to be a company that adds value to the region.

Going forward, we will continue striving to provide customers in the region we serve with the best possible value-added services. By fostering the development of the regional economy, we aim to enhance our corporate value. We will create a stable and highly effective corporate governance structure for the Group and augment the transparency of Group management to ensure accountability to our stakeholders. We remain unyielding in our aim to be a financial institution that truly benefits the region. We look forward to your continued patronage and support.

August 2019

A handwritten signature in black ink that reads "T. Yoshimura". The signature is written in a cursive, flowing style.

Takeshi Yoshimura
President
Yamaguchi Financial Group, Inc.