YMFG Medium-Term Management Plan 2019

Social trends

- >> ESG
- >> SDGs/Society 5.0

Regional environment

Declining population and other social issues

YMFG's strengths

- >> Trust and trustworthiness
- >> Networks
- >> Specialization

External environment

Alternative methods for financial functions (Fintech, etc.)

Further accelerate our initiatives to date, taking the regional environment and social trends into consideration

Through our business activities, we aim to address regional social issues. In the process we aim for management focused on **creating shared value (CSV)**, which refers to both social value and economic value.

Goals

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.

Mission

Working with intention to co-create a bountiful future for our region

Basic Goals

By achieving the three basic goals below, realize a CSV management model for YMFG.

Basic Goal 1

Establish a regional co-creation model

- We will produce a regional ecosystem for addressing regional social issues, steadily generating solutions.
- We will configure an ecosystem platform to create new value by realizing numerous ecosystems.

Basic Goal 2

Achieve "shinka" of the financial model

- From the perspectives of acting on behalf of our customers and achieving customer optimization, we will develop the business model on two fronts: deepening the model and extending it. (Both are pronounced "shinka" in Japanese.)
- Meanwhile, to extend the model we will pursue thorough digitization, and expand and increase our sales area and scale of operation. As a result, we will make our existing functions more productive.

Basic Goal 3

Combine banking culture and an entrepreneurial spirit

- ➤ To create value—both economic and social—we must achieve fundamental changes in the way our employees think and act.
- We will retain the best aspects of the banking culture and combine that with an entrepreneurial spirit, establishing a regional co-creation model and a financial model.

Financial Targets

Category (consolidated)	Fiscal Year Ended March 31, 2019 (Results)	Fiscal Year Ending March 31, 2022 (Final Year of the Plan)
ROE	3.5%	5.0% or more
Dividend payout ratio	23.2%	30% or more
Total capital ratio	13.62%	12% or more