



Designed by Yuka Arakaki

Bank of the Ryukyus Management Briefing For the 1H FY2011



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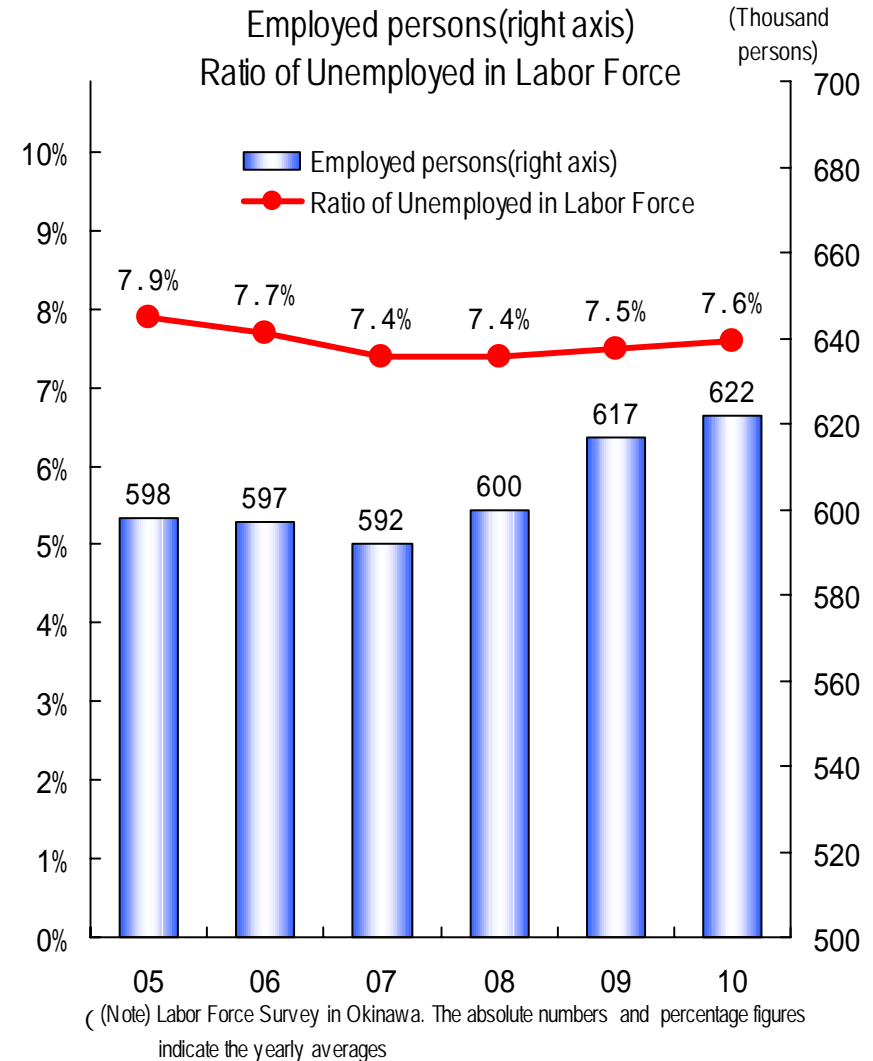
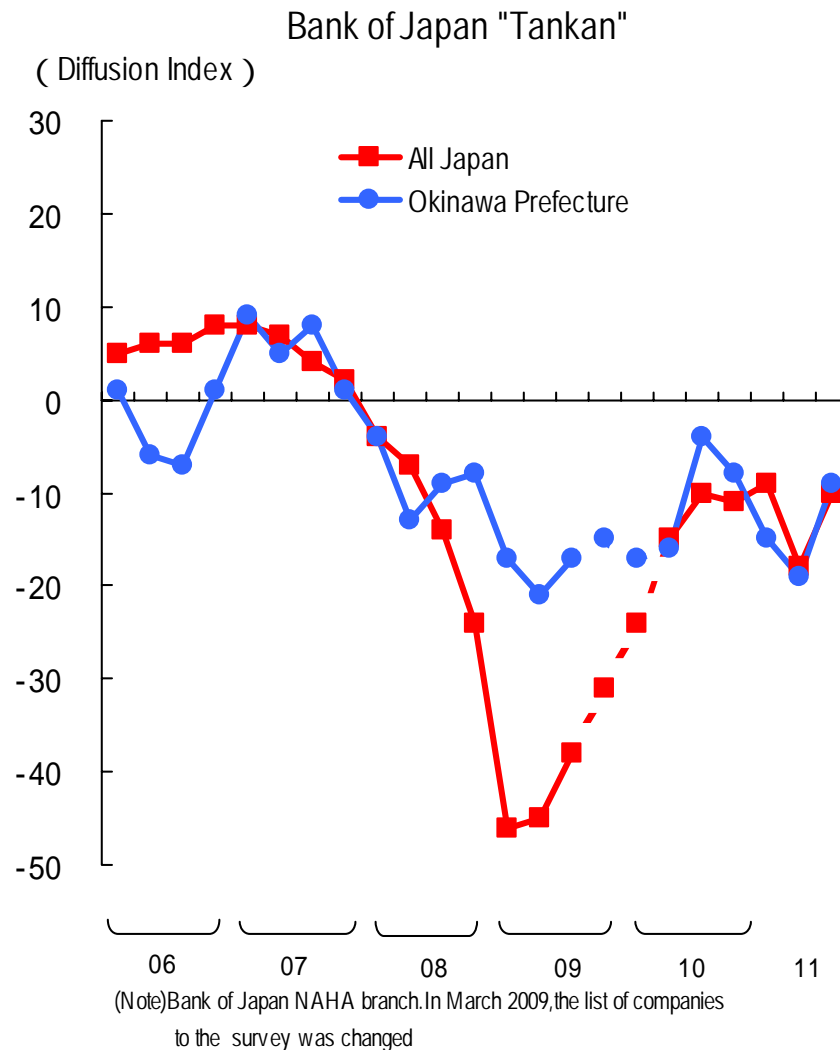
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Economic Trends

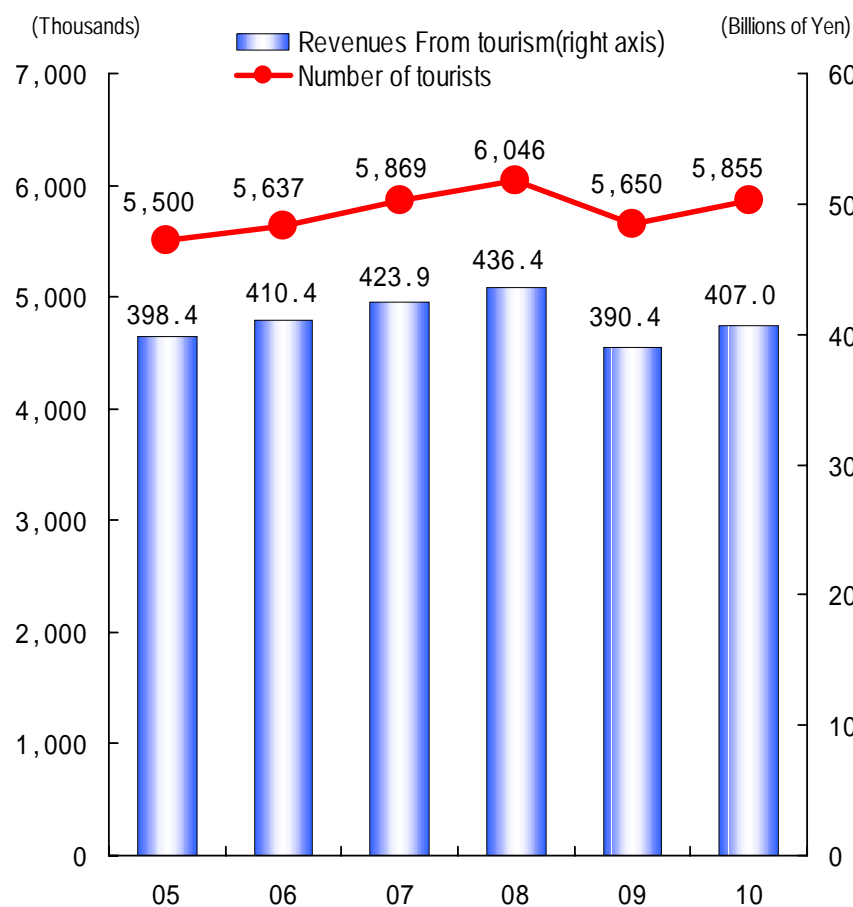
Pickup on recovery in tourism-related industries



Tourism

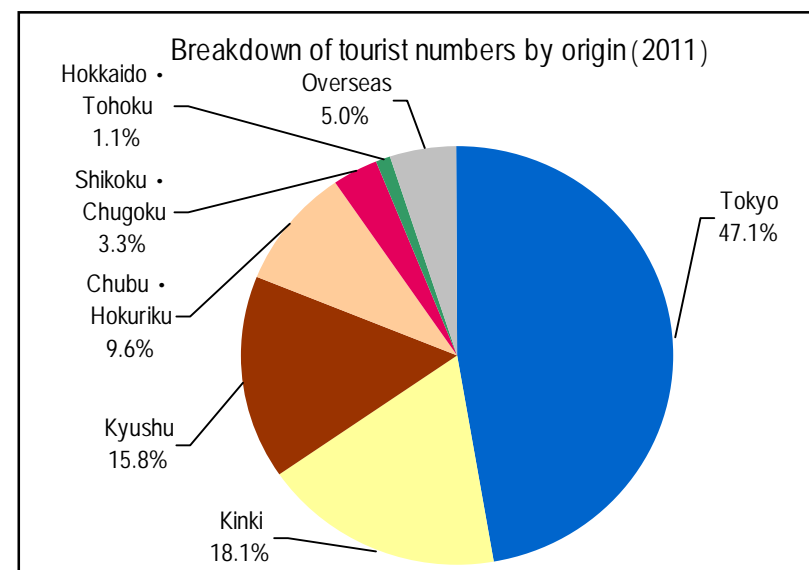
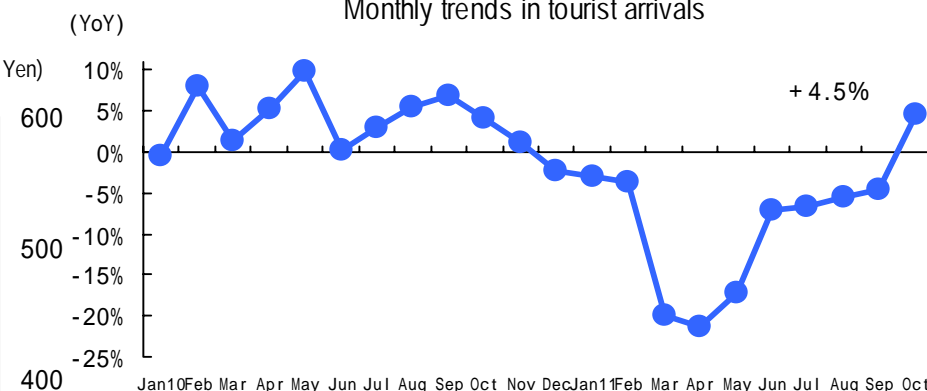
Clear recovery momentum has emerged, following the slump in inbound Okinawa tourists immediately after the Great East Japan Earthquake

Number of tourists and revenues from tourism



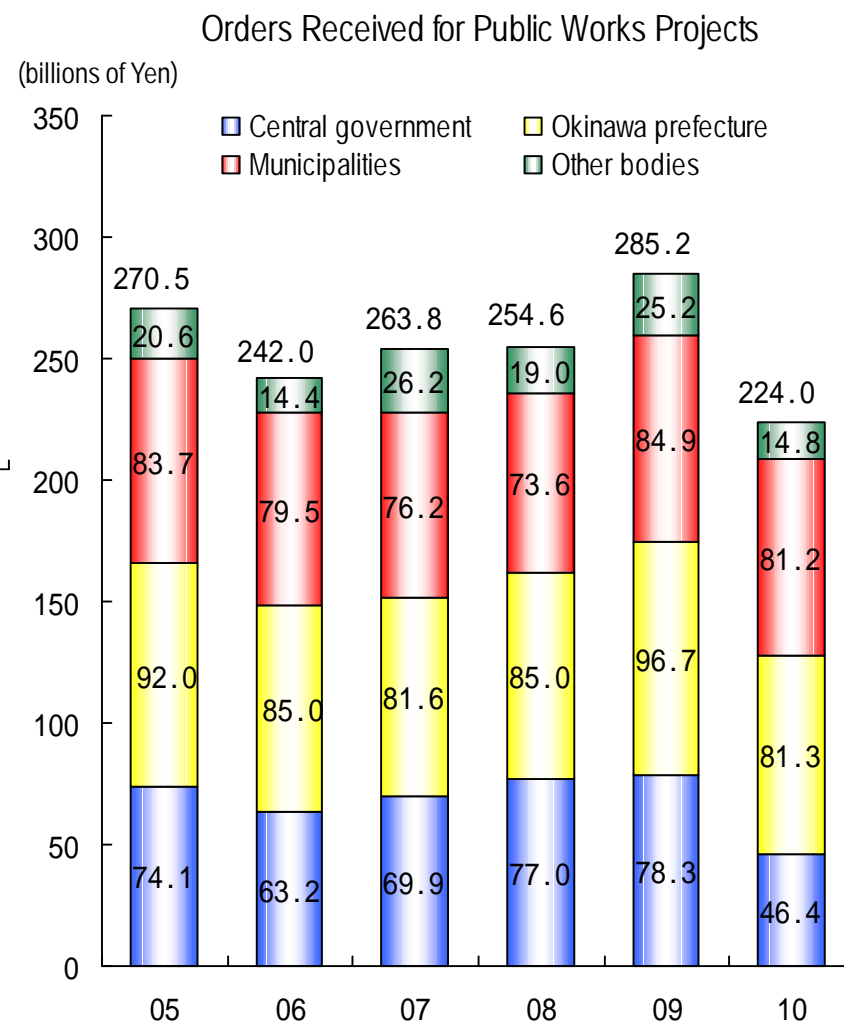
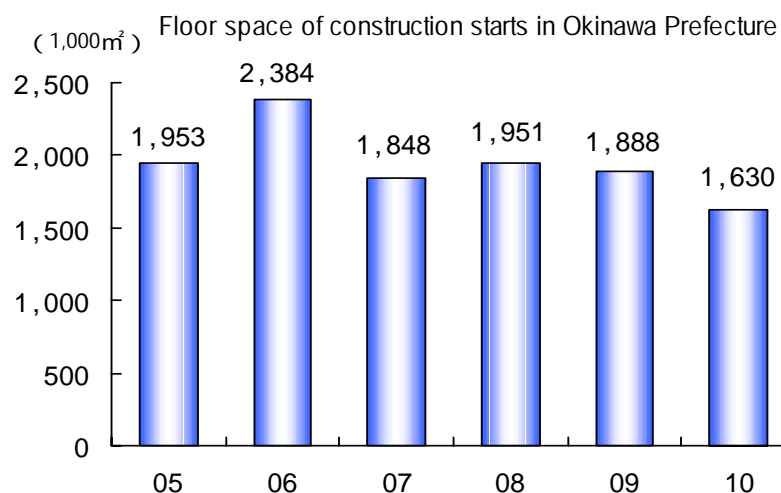
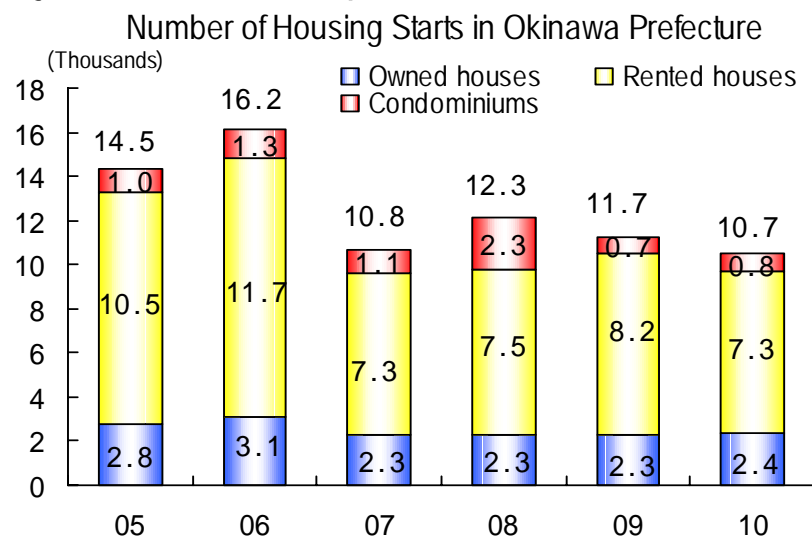
(Note) Statistical overview of number of tourists visiting Okinawa

Monthly trends in tourist arrivals



Construction

Value of public works contracts decreased in reaction to early ordering resulting from last year's economic policies



1HFY2011 Results Summary



Net business profit on core banking operations decreased due mainly to lower net interest income

	1HFY2010	1HFY2011	Change	(Billions of Yen)
Core business gross profit	14.6	13.9	-0.7	
Net interest income	12.4	11.6	-0.8	
Interest and dividend income on securities	1.2	1.4	+0.2	
Fees and commissions	0.8	0.7	-0.0	
E x p e n s e s	-10.9	-10.7	+0.1	
Net business profit on core banking operations	3.7	3.1	-0.6	

(Note 1.Core business gross profit = business gross profit - Gains/losses JGBs and other bonds.

2.Net business profit on core banking operations = Net business profit before provisions to the general reserve for possible loan losses - Gains/losses JGBs and other bonds.

3.Year-on-year changes are calculated based on the original value, and values of less than 100 million yen have been rounded down

1HFY2011 Results Summary



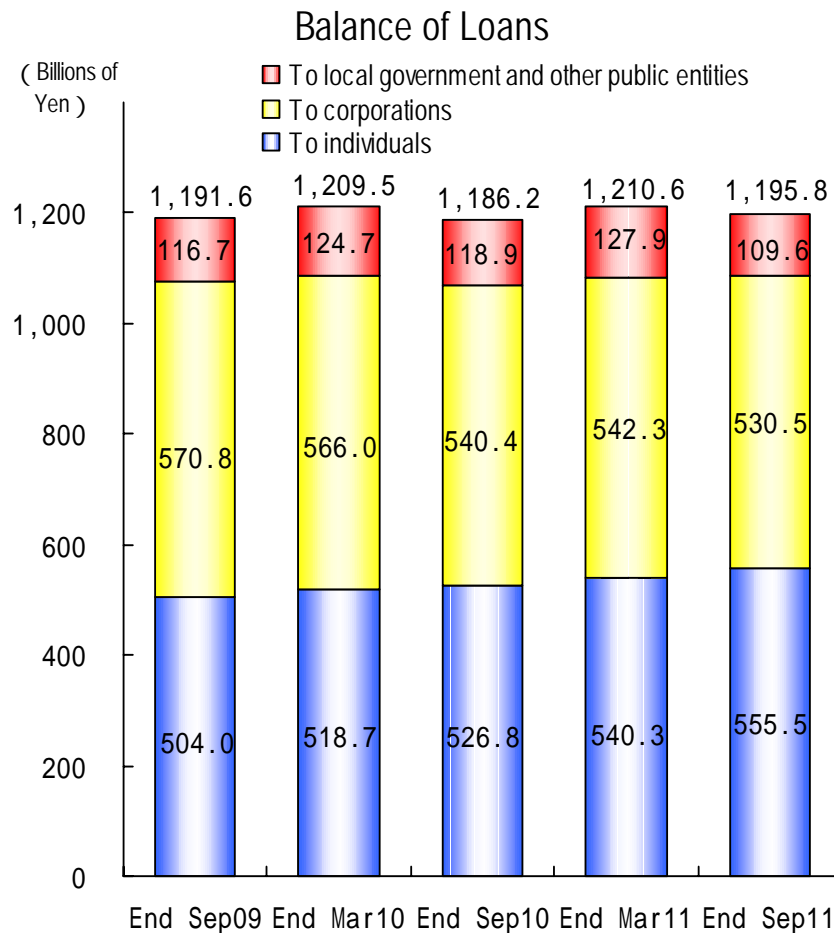
Interim net income was broadly on target

	1HFY2010	1HFY2011	Change	(Billions of Yen)
Net business profit on Core banking operations	3.7	3.1	-0.6	
Loan write-offs, etc. *	-0.5	-0.5	+0.0	
Reversal of reserve for possible loan losses	0.0	0.6	+0.6	
Gains from bad debts recovered	0.0	0.2	+0.2	
Losses on securities	-0.3	-0.0	+0.2	
Ordinary profit	2.8	3.5	+0.6	
Reversal of reserve for possible loan losses	1.3	0.0	-1.3	
Gains from bad debts recovered	0.2	0.0	-0.2	
Total income taxes *	-1.8	-1.5	+0.3	
Net income	2.4	1.9	-0.4	
Credit costs	-0.7	-0.1	+0.6	
Net credit costs	-1.0	-0.3	+0.6	

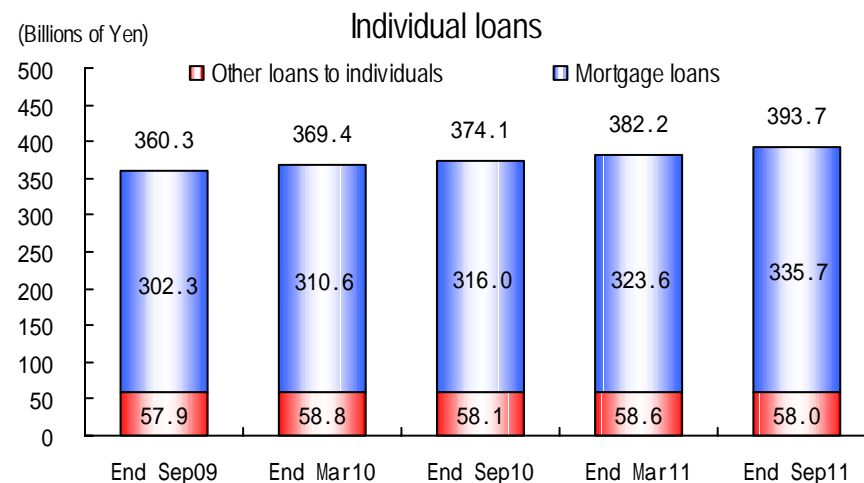
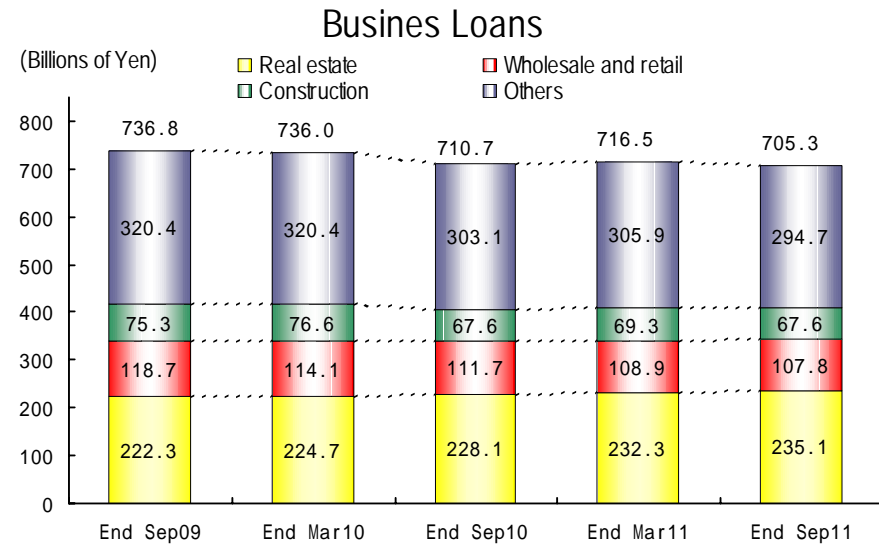
(Note) 1. Provisions to the reserve for possible loan losses and the reversal of allowance for loan losses are the totals for the general reserve for possible loan losses and the individual allowance for doubtful accounts, respectively 2. Expense items with asterisk (*) that contributed to increased profit are shown with a plus (+) sign, while those that contributed to decreased profit are shown with a minus (-) sign. 3. Year-on-year changes are calculated based on the original value, and values of less than 100 million yen have been rounded down

Loans

Loans to individuals including mortgage and apartment development loans performed well

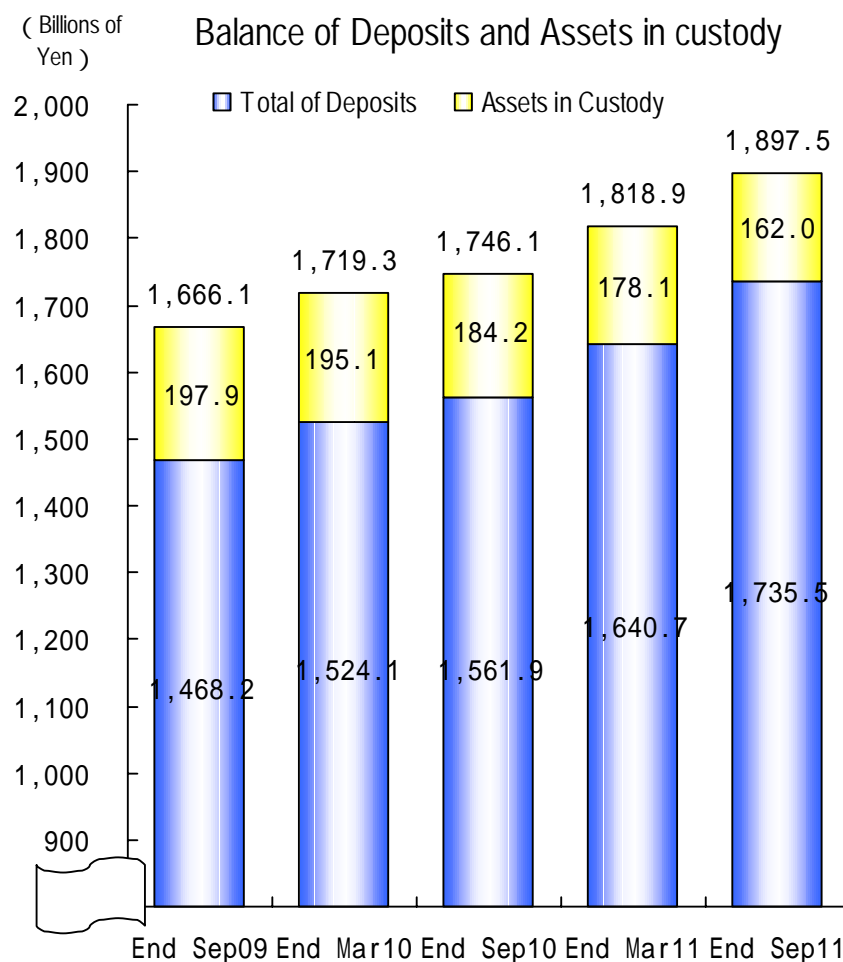


(Note) Due to differences in treatment of loans to business owners, totals for business and individual loans on the right of the slide do not match the grand totals on the left.

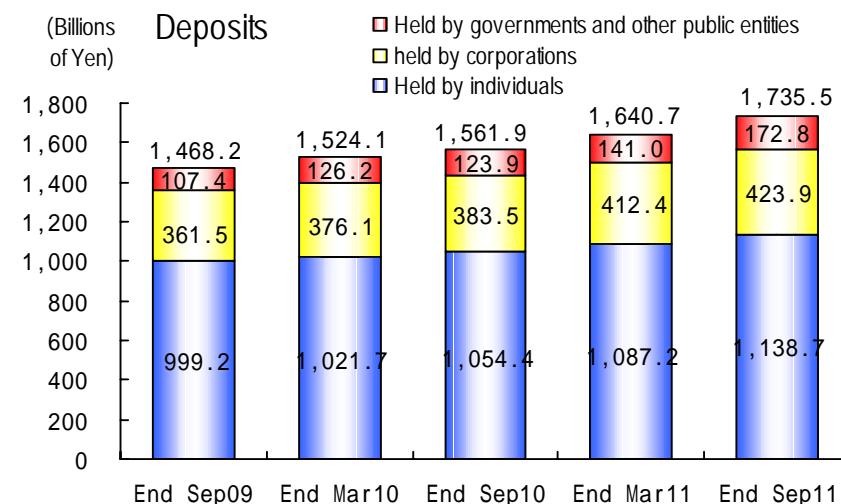
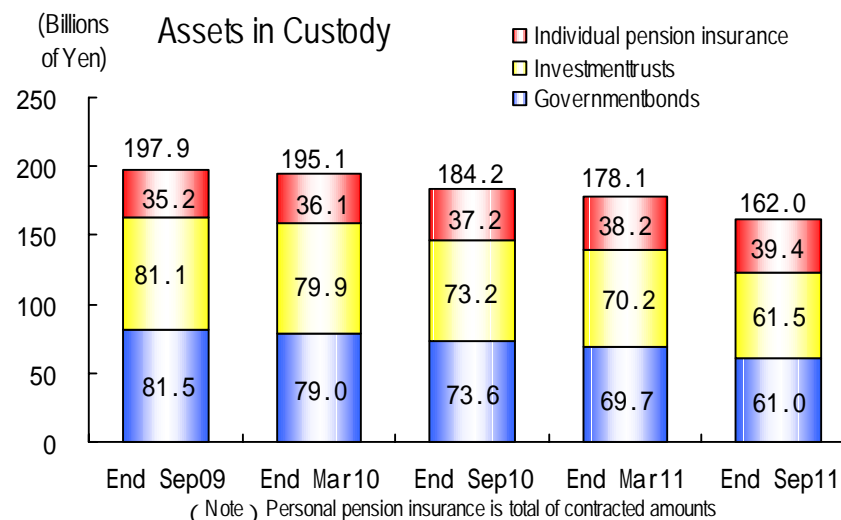


Deposits and Assets in Custody

Individual, corporate and public-sector deposits continued to perform well

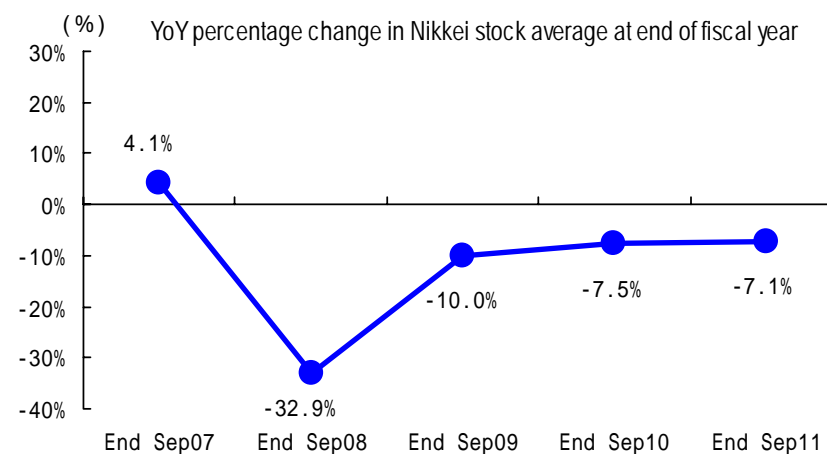
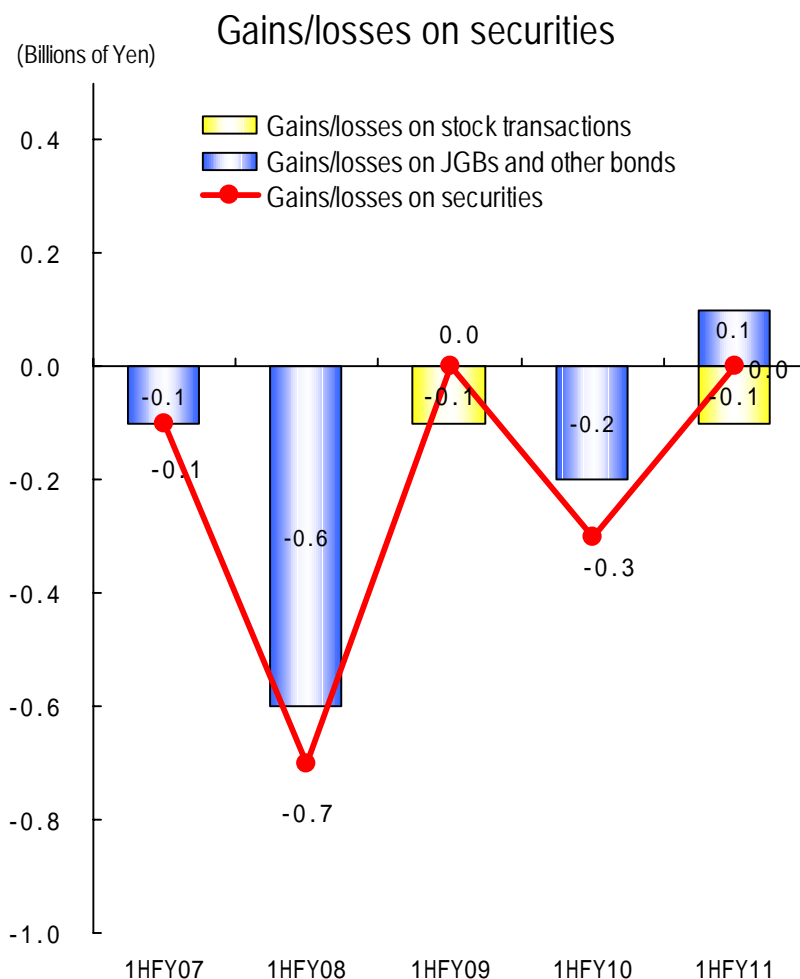


Note: Assets in custody are the total of investment trusts, personal pension insurance plans (contracted amounts) and government bonds



Gains/losses on securities

Limited impact from falling stock prices

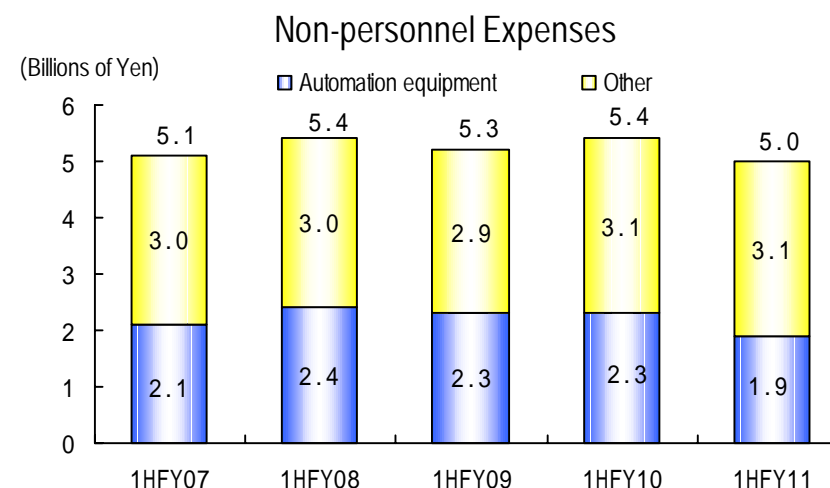
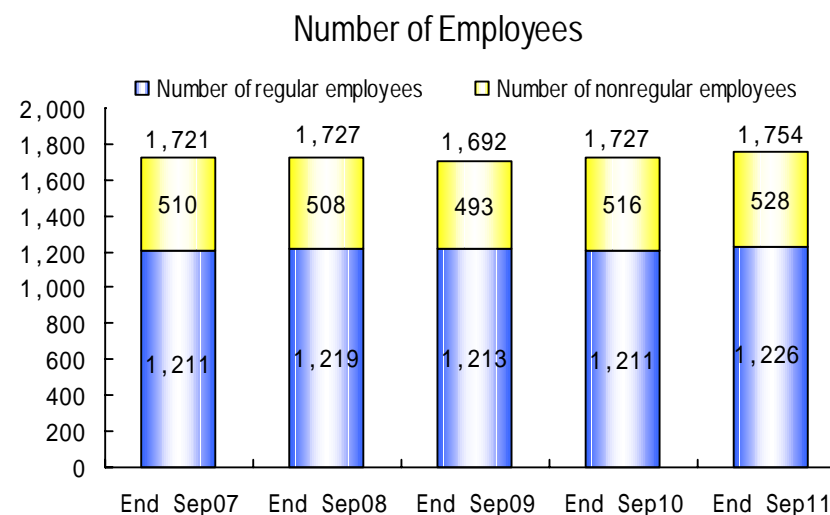
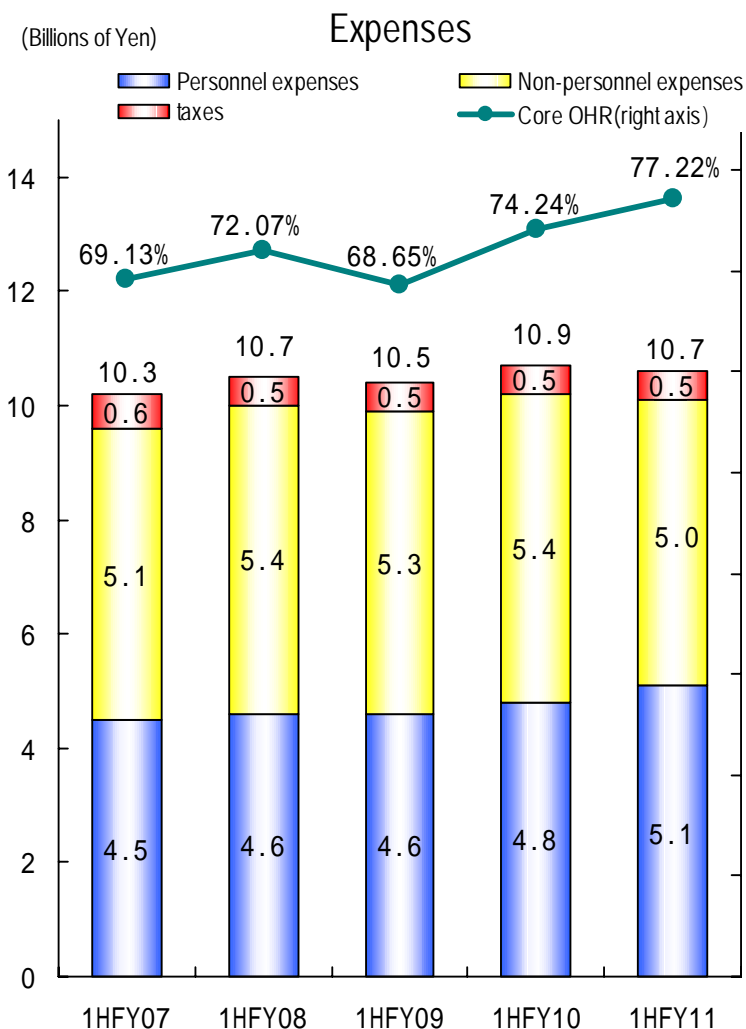


(1HFY11)
Gains/losses on stock transactions : 175(Millions of Yen)
Proceeds from sales of stock : 62(Millions of Yen)
Impairment loss on stock : 237(Millions of Yen)

(1HFY11)
Gains/losses on JGBs and other bonds : +149(Millions of Yen)
Proceeds from sales of securities : 158(Millions of Yen)
loss from sales of securities : 8(Millions of Yen)

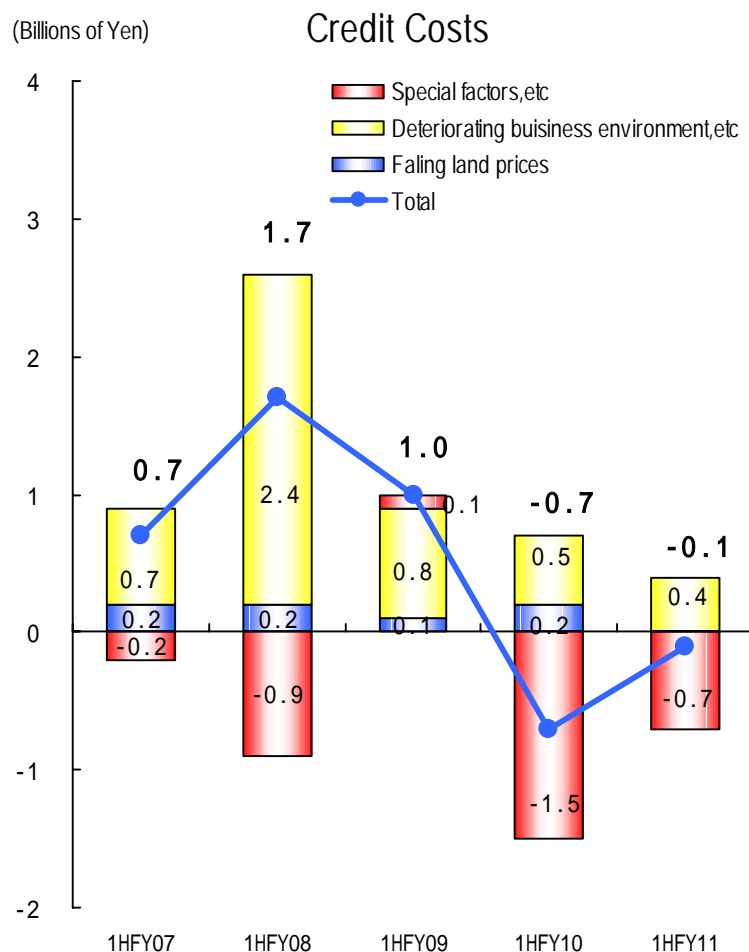
Expenses

Reduction in non-personnel expenses due chiefly to computer system costs

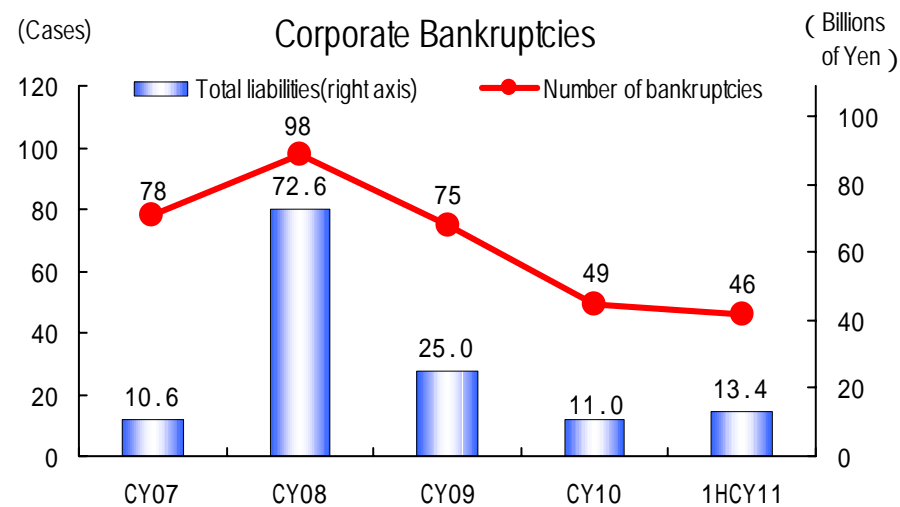
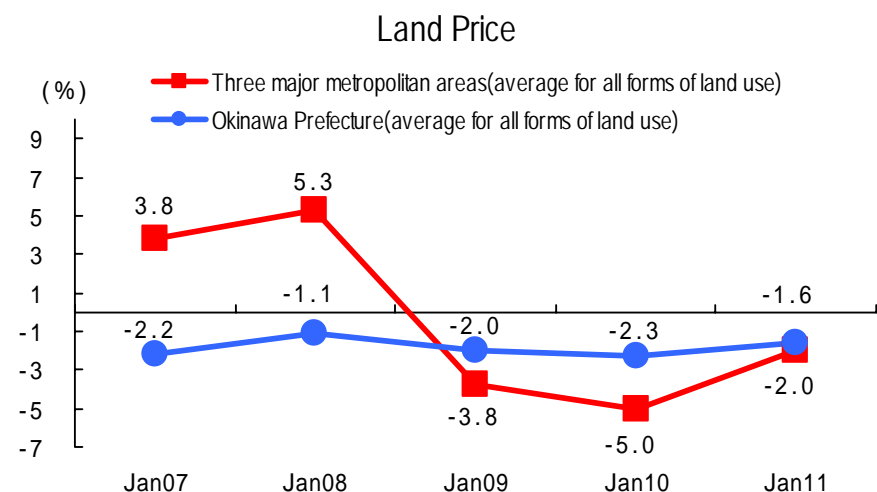


Credit Costs

Even with rising corporate bankruptcies, NPL disposal remained at low levels



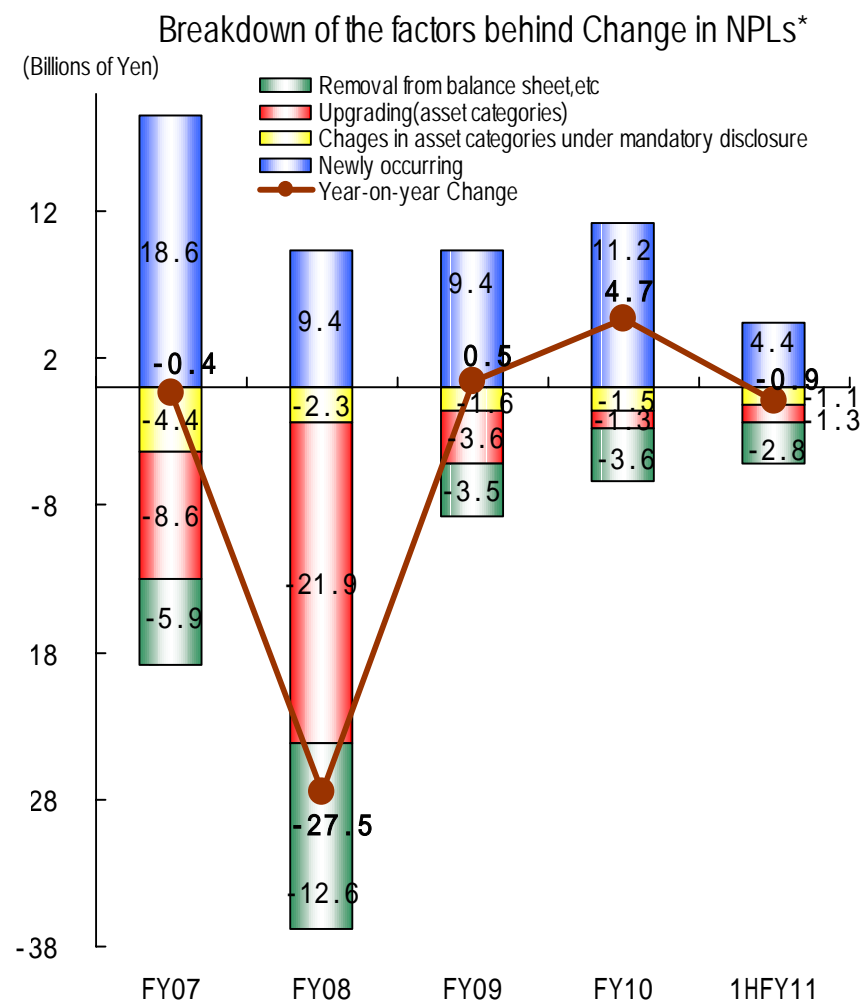
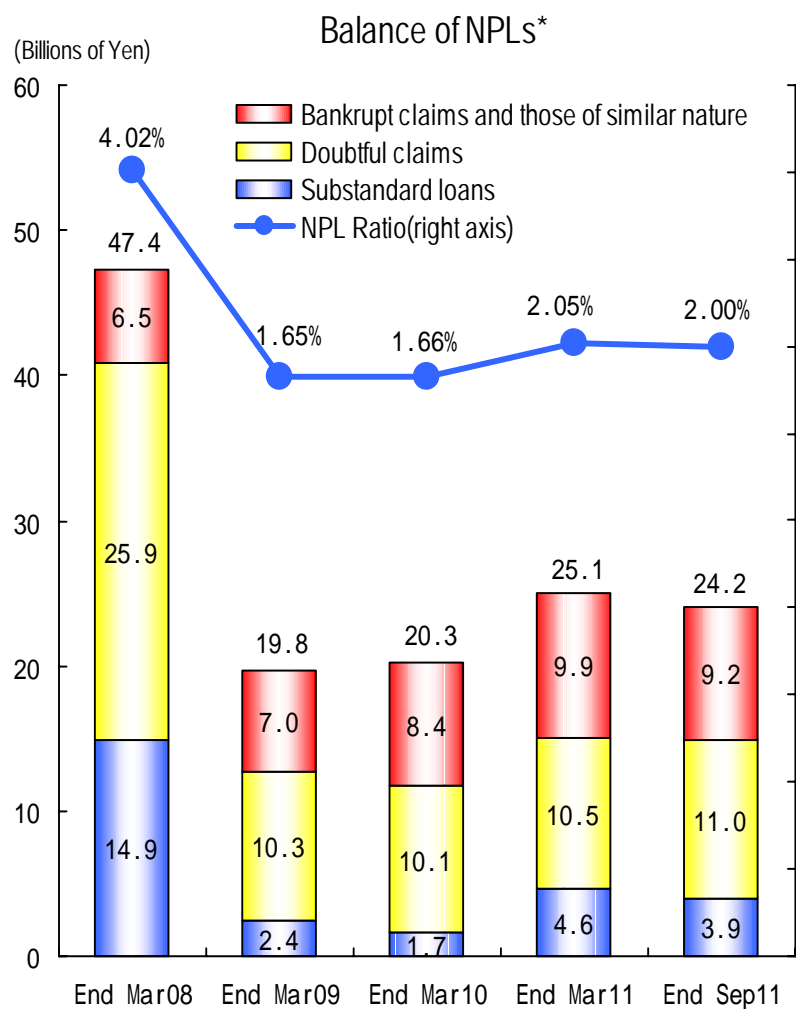
(Note) NPL disposal costs are Credit costs before Gains from bad debts recovered



(Note) source: TOKYO SHOKO RESERCH, LTD.

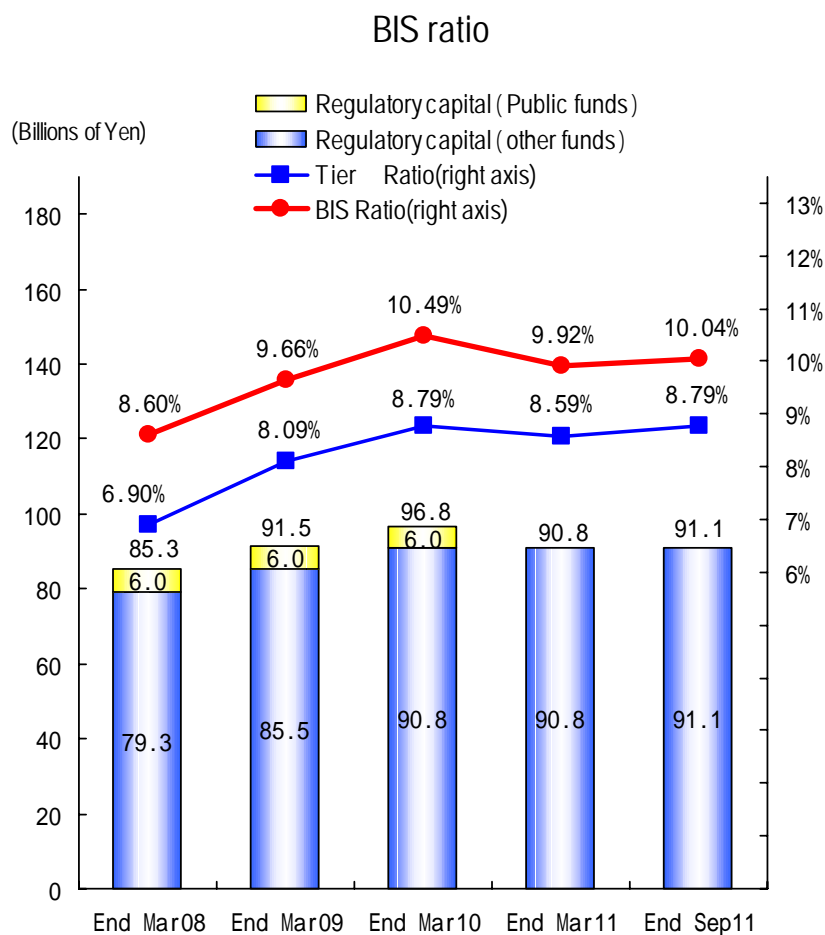
NPLs*

Total and ratio of NPLs kept low



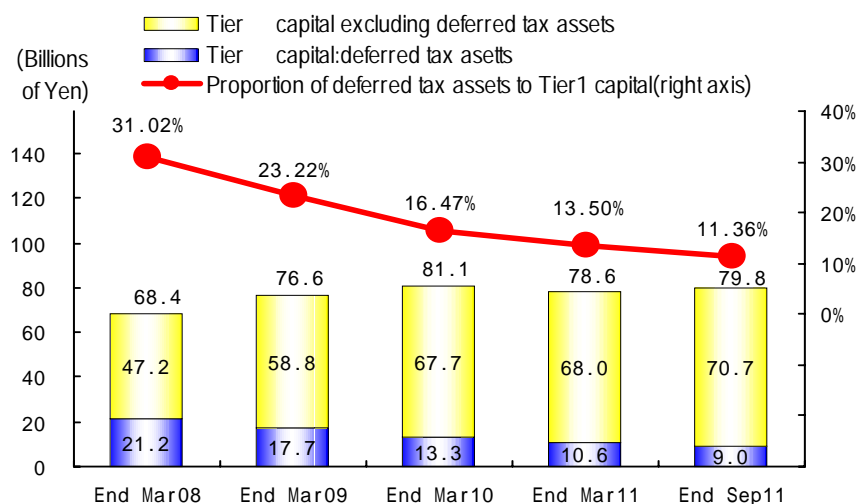
BIS Capital Ratio

Up on earnings accumulation despite a dip due to repayment of public funding and redemption of subordinated bonds



Note: The dotted lines indicate the BIS capital ratio and the Tier1 ratio under the previous BIS standards

Deferred tax assets as a percentage of Tier 1 capital



- Main causes of regulatory capital decrease -

Repayment of public funds	
Maturity date	July 14, 2010
Amount repaid (initial amount)	6 Billions of Yen (40 Billions of Yen)
Refinancing of subordinated bonds	
Date of issue	March 23, 2011
Amount of issue (expected redemption amount)	8 Billions of Yen (10 Billions of Yen)
Estimated date of redemption	June 22, 2011

Earnings Forecast for FY 2011



Higher revenues and earnings expected from strengthened marketing of loans to businesses and individuals, greater use of ATMs in convenience stores for salary remittances, and promotion of cross-selling of different types of financial products

(Billions of Yen)

	FY2010	FY2011	Year-on-year Change
Ordinary income	37.8	38.5	+ 0.7
Core business gross profit	28.9	29.0	+ 0.1
Net business profit on core banking operations	7.2	7.3	+ 0.1
Ordinary profit	5.7	7.0	+ 1.3
Net income	4.2	4.3	+ 0.1
Net Credit Costs	-0.6	0.0	+ 0.6
N P L R a t i o	2.05%	Upper 1 percentile	

Positioning of fiscal 2011 management plan

In fiscal 2011, the second year of the medium-term management plan, new measures will be introduced to assure plan achievement

**RISING
PLAN
2010**

Management Targets

Improve and expand business foundation for next leap forward

~ In a new growth stage, contributing to local economies ~

Plan period April 2010 ~ March 2014

Business innovation

Achieve next leap forward by developing measures unconstrained by conventional ideas about infrastructure of branches, business methods, products, etc.

Upgrade and expand channel infrastructure

Develop Life Plan marketing for individual transactions

Strengthen marketing capabilities for corporate transactions

Support business innovation by implementing functional and human resource innovation

Human resource innovation

Increase value of human resources, the Bank's core asset and support business innovation

Revise personnel system

Leverage diverse career backgrounds of staff

Strengthen human resources

Functional innovation

Change Bank's systems to quickly spread marketing innovation

Review organization to enhance earning capacity

Support marketing through greater business efficiency

Ensure stable financial foundation

Establish legal compliance structure and solid business structure

**Fiscal year
Management plan**

fiscal 2010



(Pay off public funds)

fiscal 2011



(Introduce new measures for medium-term management plan)

fiscal 2012



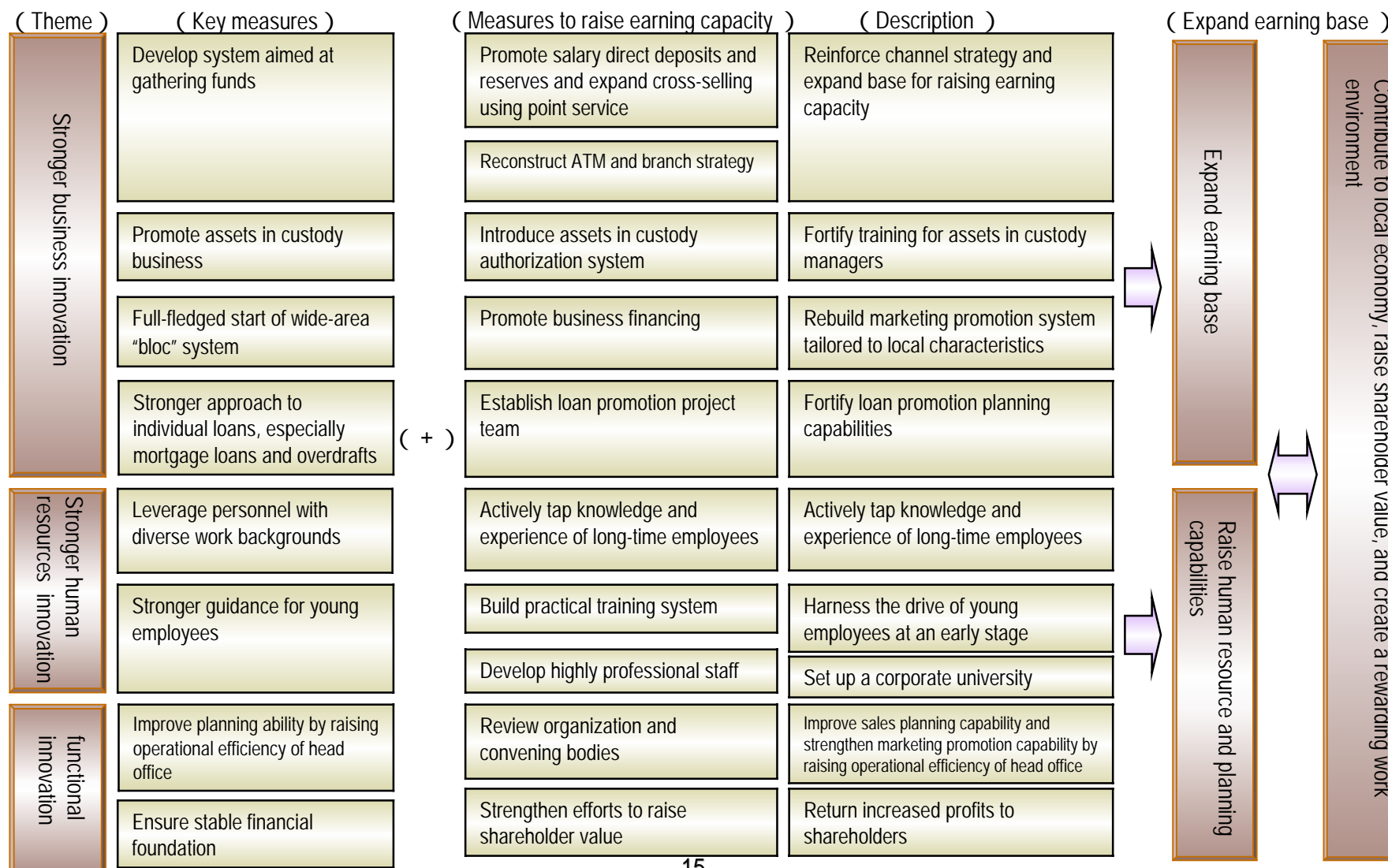
fiscal 2013



Contribute to development of local economy

Theme of fiscal 2011 management plan

The theme selected for our fiscal 2011 management goals is "Stronger marketing, human resources and functional innovation" and the following measures have been set



Strengthened business innovation – Channel strategy



Finished installing ATMs at key convenience stores in Okinawa. Increase contact with customers by establishing more mini branches and opening new Loan Centers

First half – Fiscal 2010

Installed convenience store ATMs in 194 of the 202 FamilyMart stores and in 137 of the 138 Lawson stores, thereby increasing customer convenience

Connected convenience store ATMs to Japan Post Bank system thereby demonstrating Ryugin's convenience to Japan Post Bank cardholders.

Second half – Fiscal 2010

Opened the Ryugin Hello Plaza Ishida Branch, a mini branch for personal banking. A new branch style is being tested with the branch manager operating as a "Concierge."

(Opening ceremony at Hello Plaza Ishida Branch)



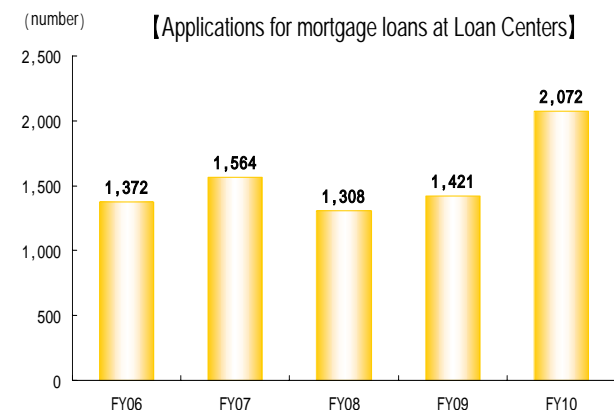
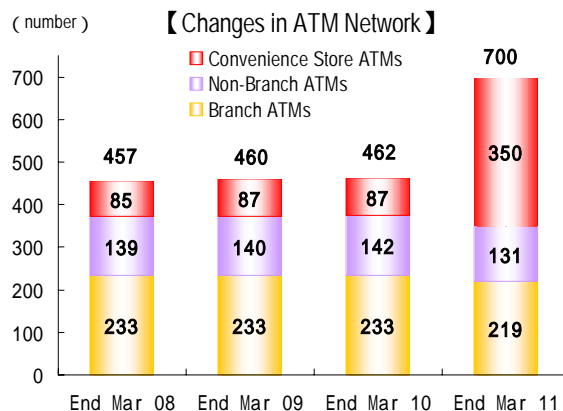
(Branch manager gives greeting in branch)



To be implemented in fiscal 2011

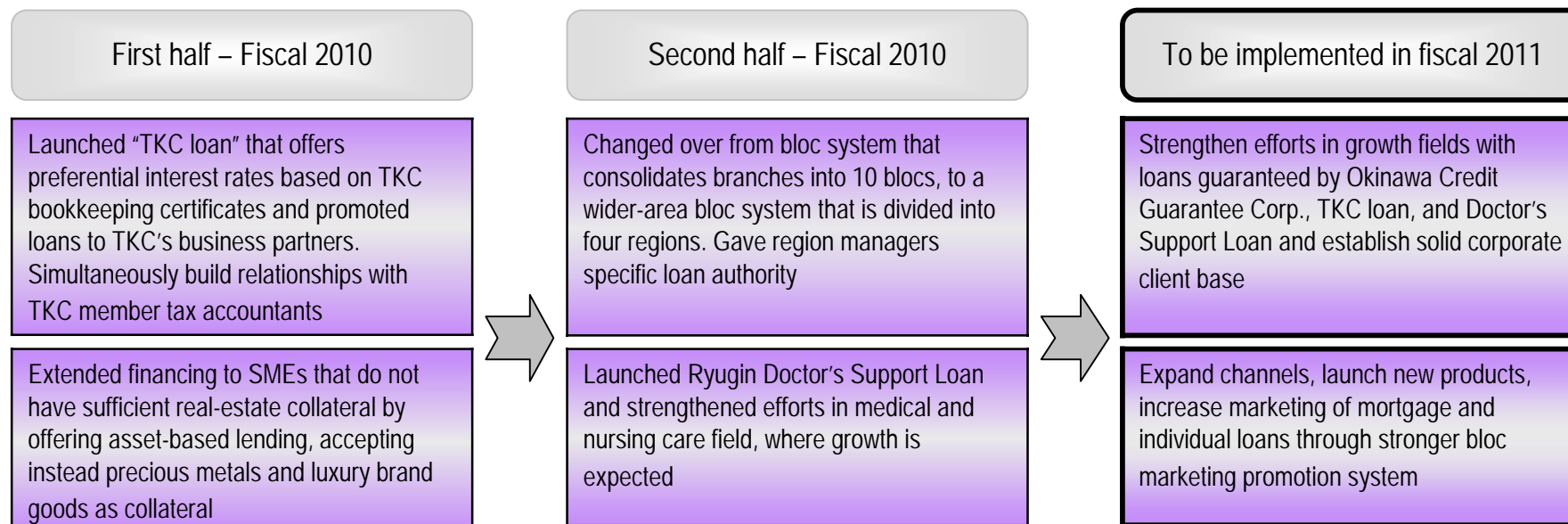
Second mini branch is opened in a space within a Ryugin branch in the southern part of the main island of Okinawa, enabling the marketing of assets in custody and deposits

Set up Loan Centers in regions where development is expected due to land readjustment and road maintenance and improvement and thus increase marketing of mortgage and consumer loans



Strengthened business innovation – Build up loan business

Under wide-area bloc system, increased loan volume through stronger marketing to business clients and promoted mortgage and consumer loans

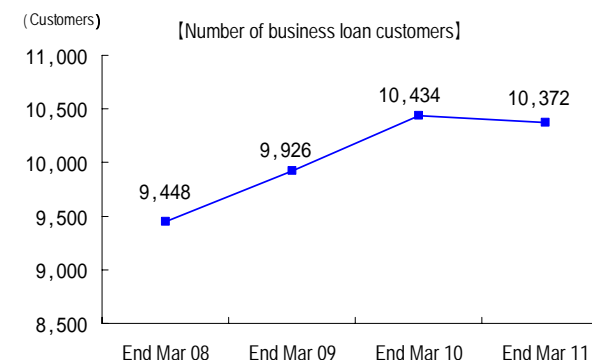


【 Research main banks within prefecture based on amount of corporate client revenue 】

Revenue	Under ￥50 million		￥50 million - ￥99.9 million		￥0.1 billion - ￥0.49 billion	
Rank	Name of financial institution	Percent of total (%)	Name of financial institution	Percent of total (%)	Name of financial institution	Percent of total (%)
1	Ryugin	40.8%	Ryugin	42.4%	Ryugin	42.4%
2	Bank A	36.6%	Bank A	35.8%	Bank A	38.6%
3	Bank B	14.4%	Bank B	16.0%	Bank B	13.5%

Revenue	￥0.5 billion - ￥0.99billion		￥1.0 billion - ￥4.99 billion		￥5.0 billion or above	
Rank	Name of financial institution	Percent of total (%)	Name of financial institution	Percent of total (%)	Name of financial institution	Percent of total (%)
1	Bank A	42.6%	Ryugin	44.0%	Ryugin	44.3%
2	Ryugin	39.6%	Bank A	43.2%	Bank A	37.1%
3	Bank B	11.7%	Bank B	5.4%	Bank B	3.6%

Source: Teikoku Data Bank, Ltd. Excerpt from survey of main banks of corporations in Okinawa

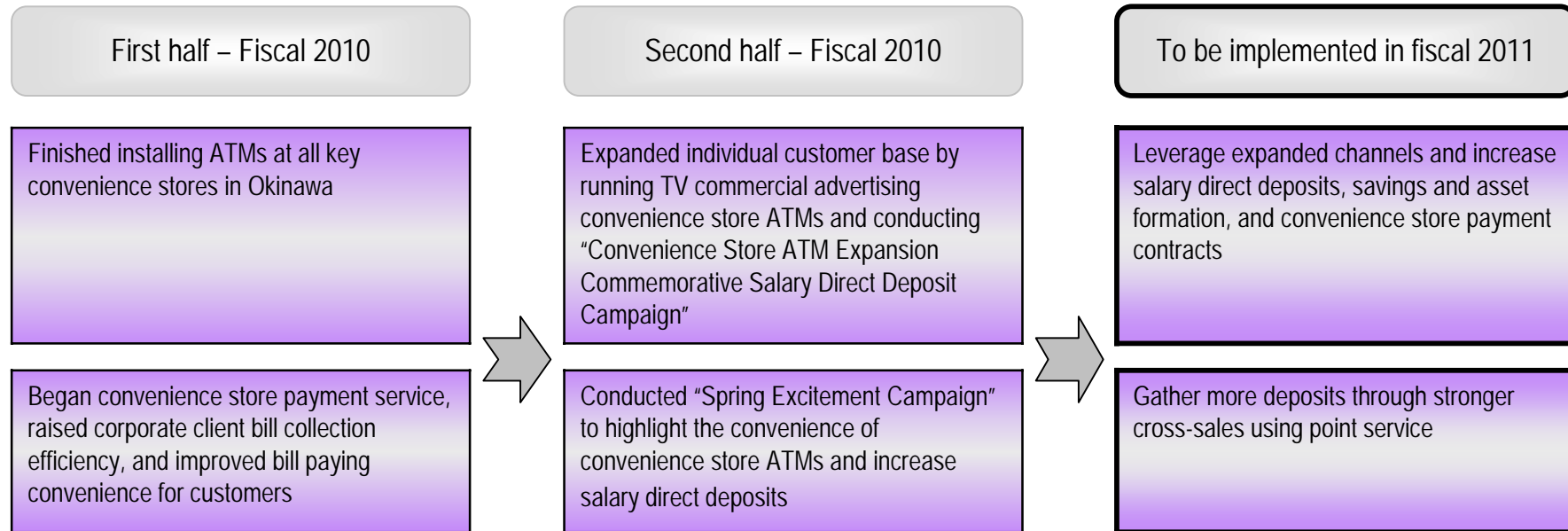


Strengthened business innovation

– Gather additional deposits by developing innovative deposit products

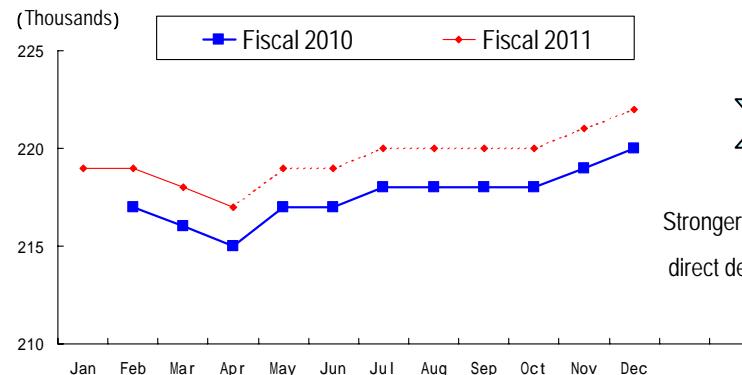


Leverage expanded channels and fortify earning capacity by gathering more deposits



【Number of salary direct deposit accounts】

(Convenience store ATM TV commercial)

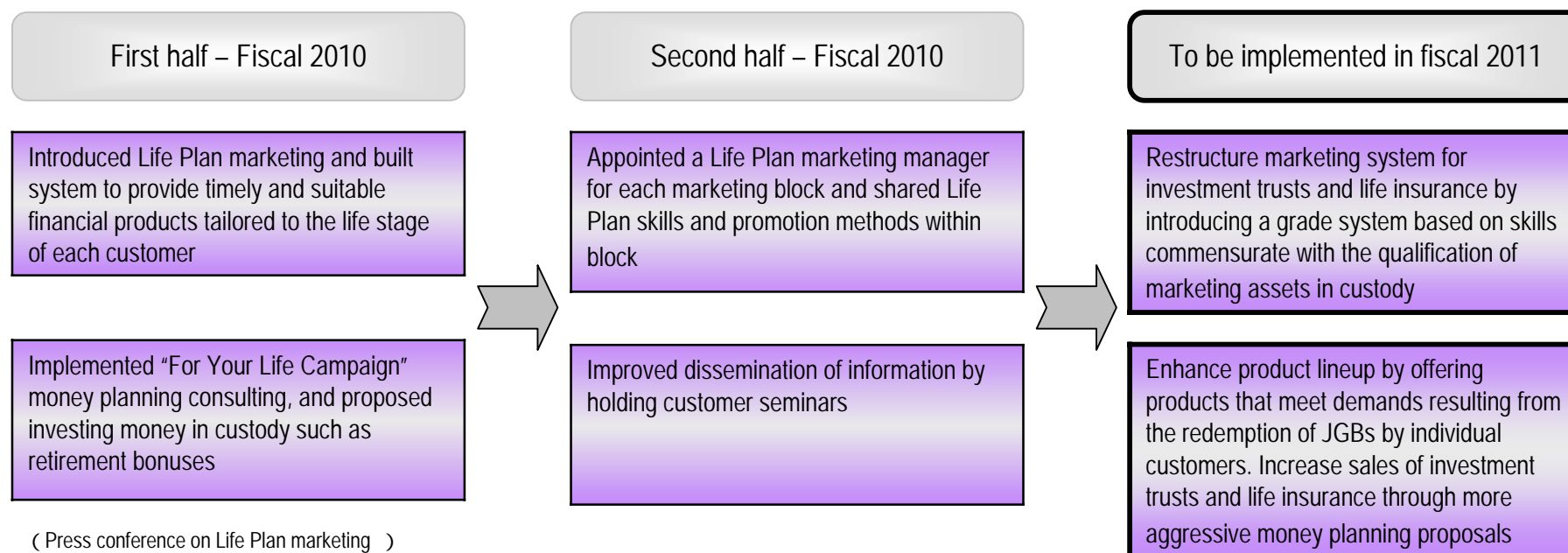


Stronger marketing of salary direct deposits since April 2011



Strengthened business innovation – Enhance service revenue

Increase sales of investment trusts and life insurance by offering products that meet demands resulting from the redemption of JGBs by individual customers, and reorganizing the sales force

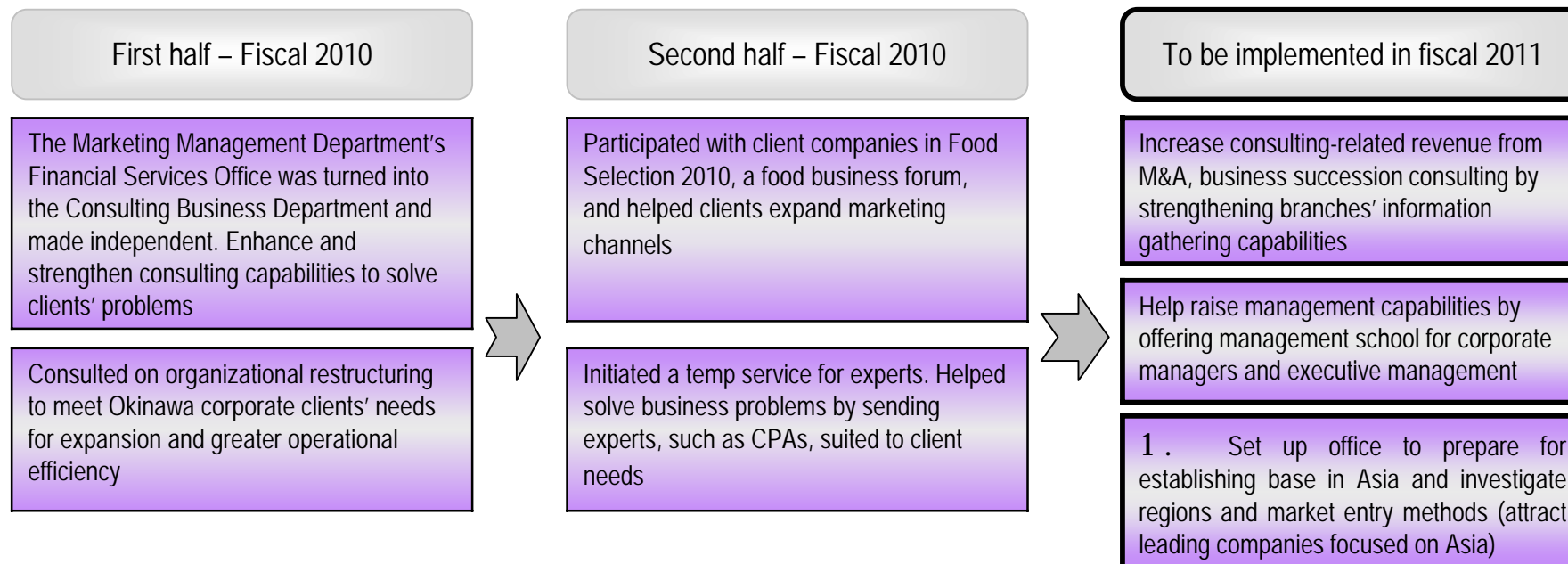


(Press conference on Life Plan marketing)



Strengthened business innovation – Consulting business

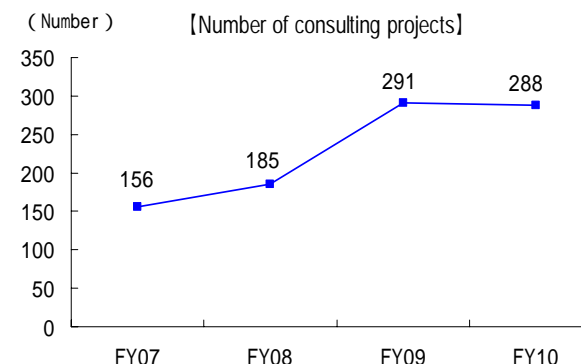
Strengthen relations through stronger ability to solve customers' problems. Increase consulting revenue through M&A, business succession, and other consulting services



(Seminar on business and organizational restructuring)

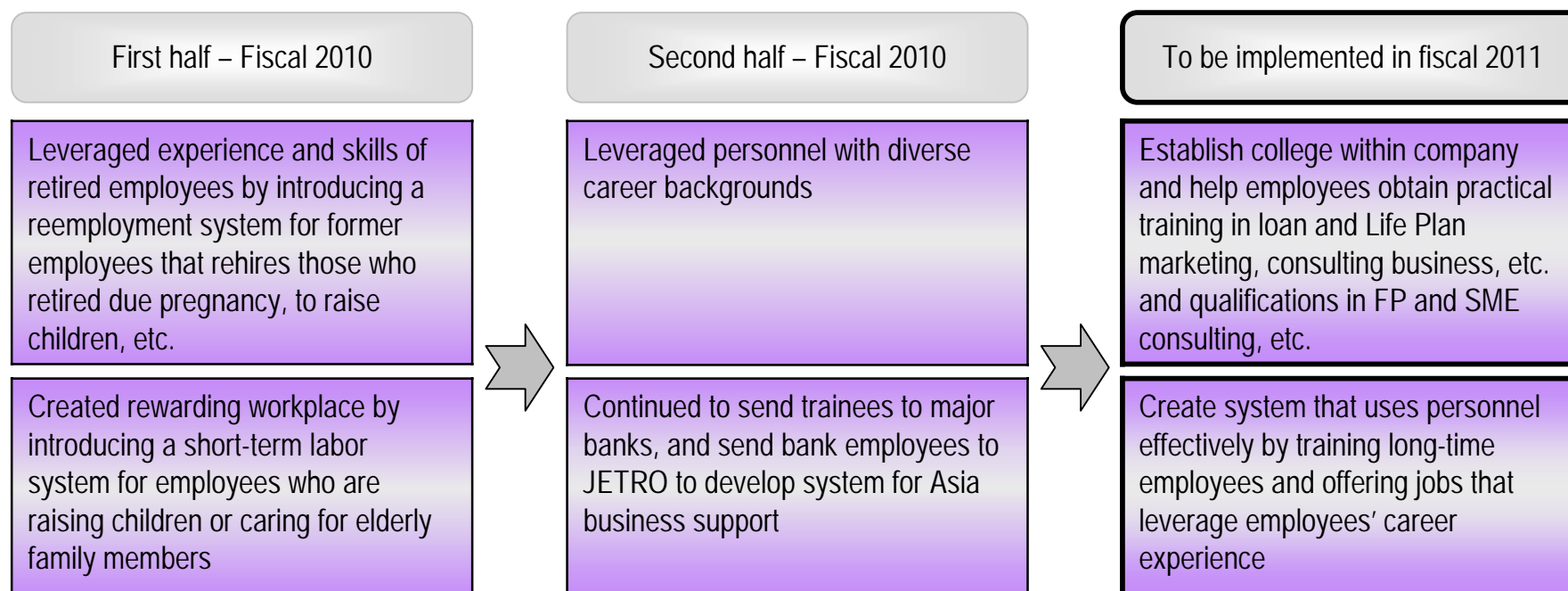


(Food Selection 2010)



Strengthened human resources innovation

Establish college within company and train highly professional staff. Revitalize organization by creating positions that take advantage of employees with long working experience



(Trainee dispatch)

	FY06	FY07	FY08	FY09	FY10	FY11	Total since 2006
Major banks	2	2	2	2	1	1	10
Overseas subsidiary of major bank	0	2	2	1	2	2	9
JETRO	0	0	0	0	0	1	1
(Total)	2	4	4	3	3	4	20

Strengthened Functional innovation

Increase earning capacity and secure a stable financial base by strengthening marketing capabilities based on organization review

First half – Fiscal 2010

Acquired and retired public preferred stock and paid off public funds. Secured a sufficient capital adequacy ratio of 9.92% after repayment.

Paid interim dividend of ¥8 and returned increased profits to shareholders

Second half – Fiscal 2010

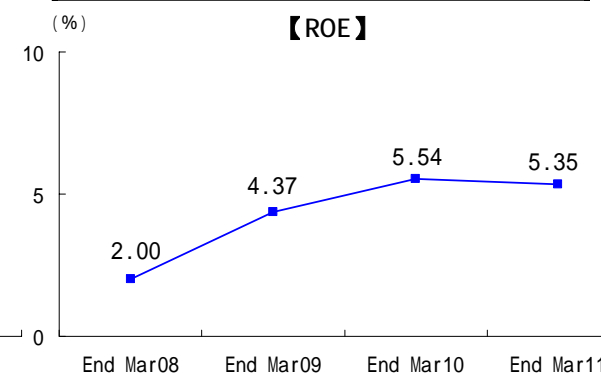
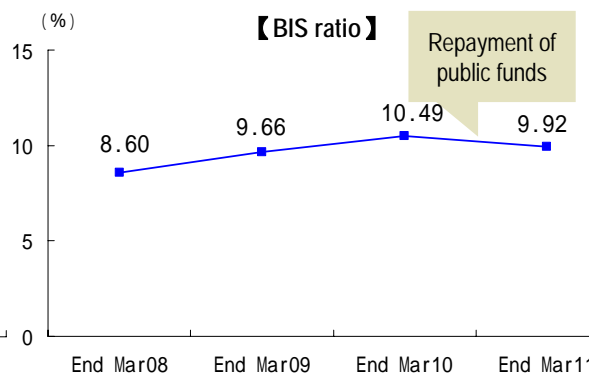
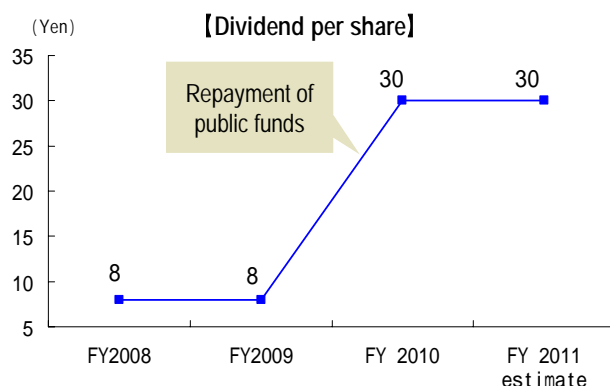
Since we secured a sufficient level of capital adequacy, we refinanced ¥10.0 billion in subordinated bonds for ¥8.0 billion, a discount of ¥2.0 billion

Resolved to buy back treasury stock with a total repurchase value of ¥500 million. Repurchase was carried out between April and May 2011 and profits were distributed to shareholders.

To be implemented in fiscal 2011

Increase earning capacity and secure a stable financial base by strengthening marketing capabilities based on organization review

We will raise our fiscal 2010 year-end dividend from our previous estimate of ¥10 to ¥22 (and the annual dividend from ¥18 to ¥30) and return additional profits to shareholders



* ROE= Net income / Tier 1 capital

Key Numerical Forecasts

Key Numerical	FY2010	FY2011	Increase
Average balance of deposits	¥1,541.4 billion	¥1,640.0 billion	+ ¥98.6 billion
Average balance of loans and bills discounted	¥1,163.6 billion	¥1,170.0 billion	+ ¥6.4 billion
Loans guaranteed by Okinawa Credit Guarantee Corp	¥25.1 billion	¥30.0 billion	+ ¥4.9 billion
Mortgage loans	¥36.1 billion	¥38.0 billion	+ ¥1.9 billion
Consumer loans (Note)	¥7.1 billion	¥10.0 billion	+ ¥2.9 billion
Value of assets in custody (Note)	¥9.4 billion	¥20.0 billion	+ ¥10.6 billion
Net Business Profit Core Banking Operations	¥7.2 billion	¥7.3 billion	+ ¥0.1 billion
Ordinary profit	¥5.7 billion	¥7.0 billion	+ ¥1.3 billion
Net income	¥4.2 billion	¥4.3 billion	+ ¥0.1 billion
BIS Capital Ratio	9.92%	Lower 10 percentile	-

(Note) 1. Consumer loans = secured and unsecured loans excluding credit card loans

2. Value of assets in custody = total of investment trusts and life insurance

About This Presentation



All enquiries regarding this presentation should be addressed to:

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The information in this presentation is on a non-consolidated basis unless otherwise specified.

Information is based on summaries of published data, and some totals presented in this presentation may not add up due to rounding. Values for year-on-year change are computed on the basis of rounded figures. However, year-on-year percentage changes are calculated based on original values prior to rounding.

This material contains information about the future (forward-looking information) such as forecasts, outlooks, objectives and plans concerning the Bank. The forward-looking information was created based on information available as of Nov 11, 2011 and does not represent a guarantee of future performance. Certain assumptions and hypotheses are used for the description of forward-looking information, but these assumptions and hypotheses could be inaccurate from an objective perspective and may not materialize in the future. Forward-looking information involves risks and uncertainties, and we ask readers to refer to the brief notes on the settlement of accounts and securities report of the Bank for more details. The Bank will not update the forward-looking information contained in this material.



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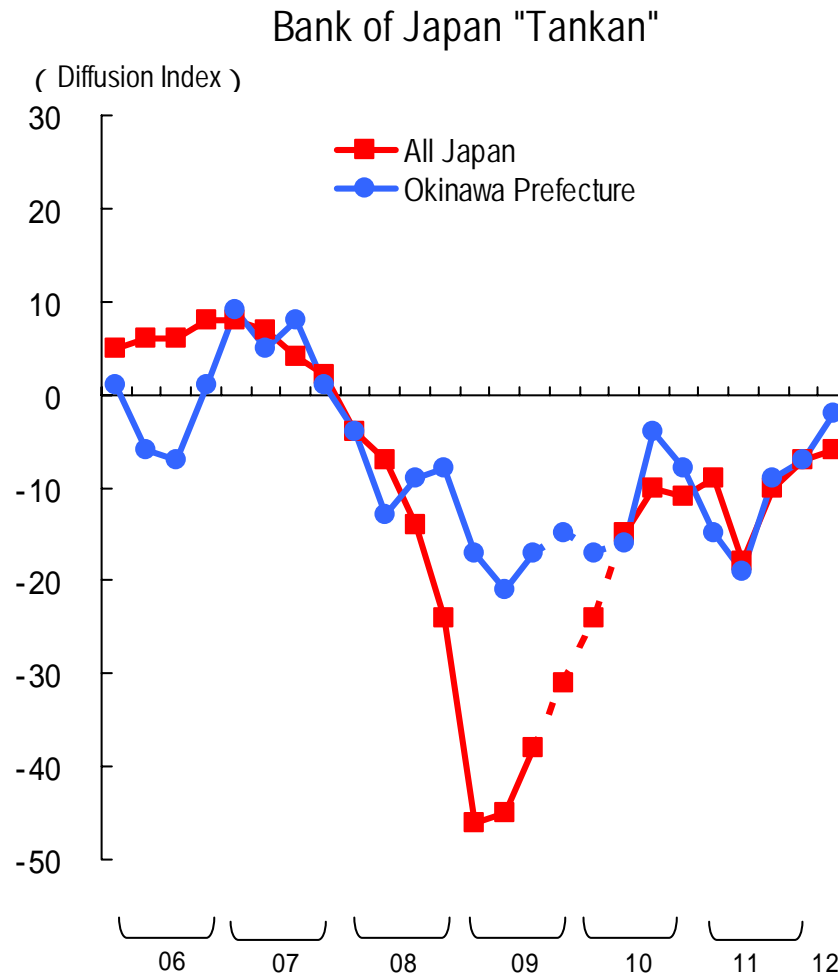
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. Medium-term management plan

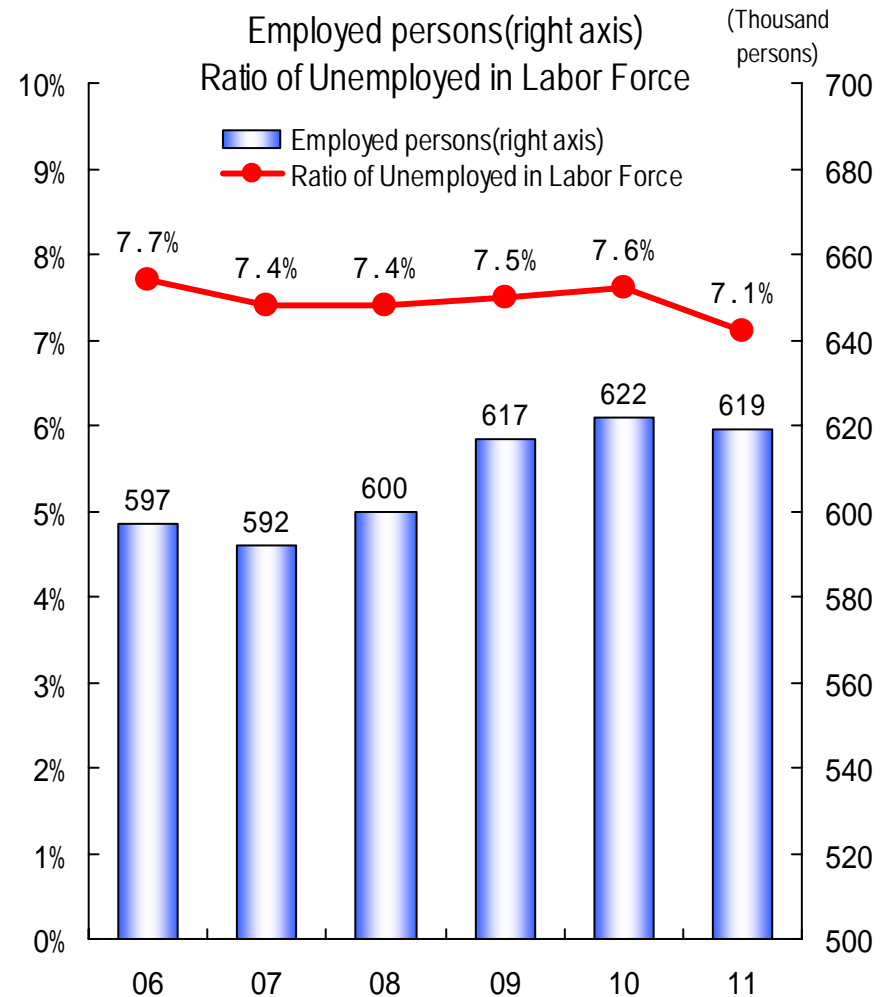
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Economic Trends

Economy continues to recover on back of firm trends in consumer spending and tourism



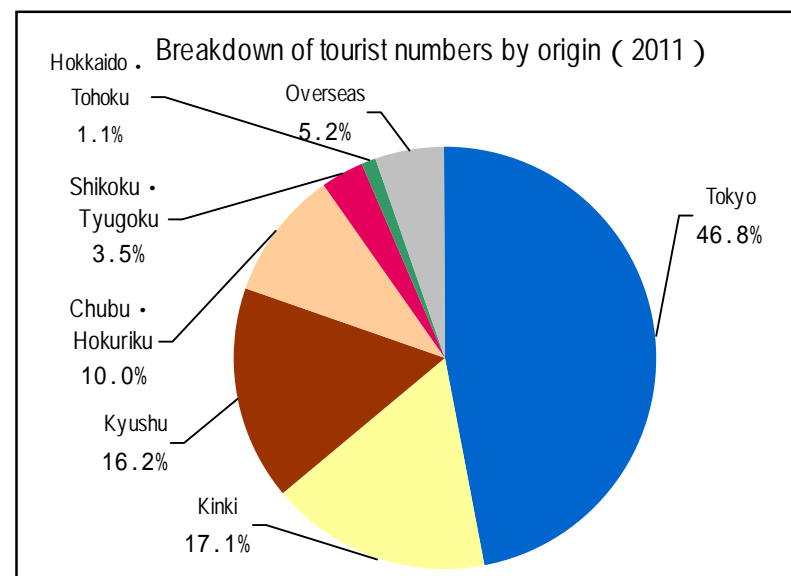
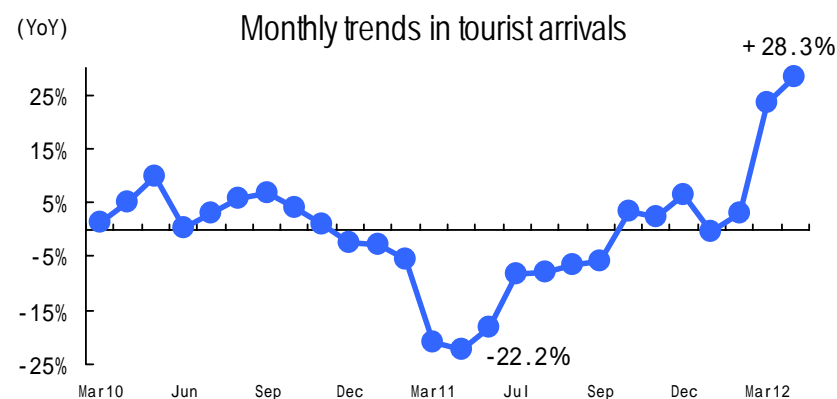
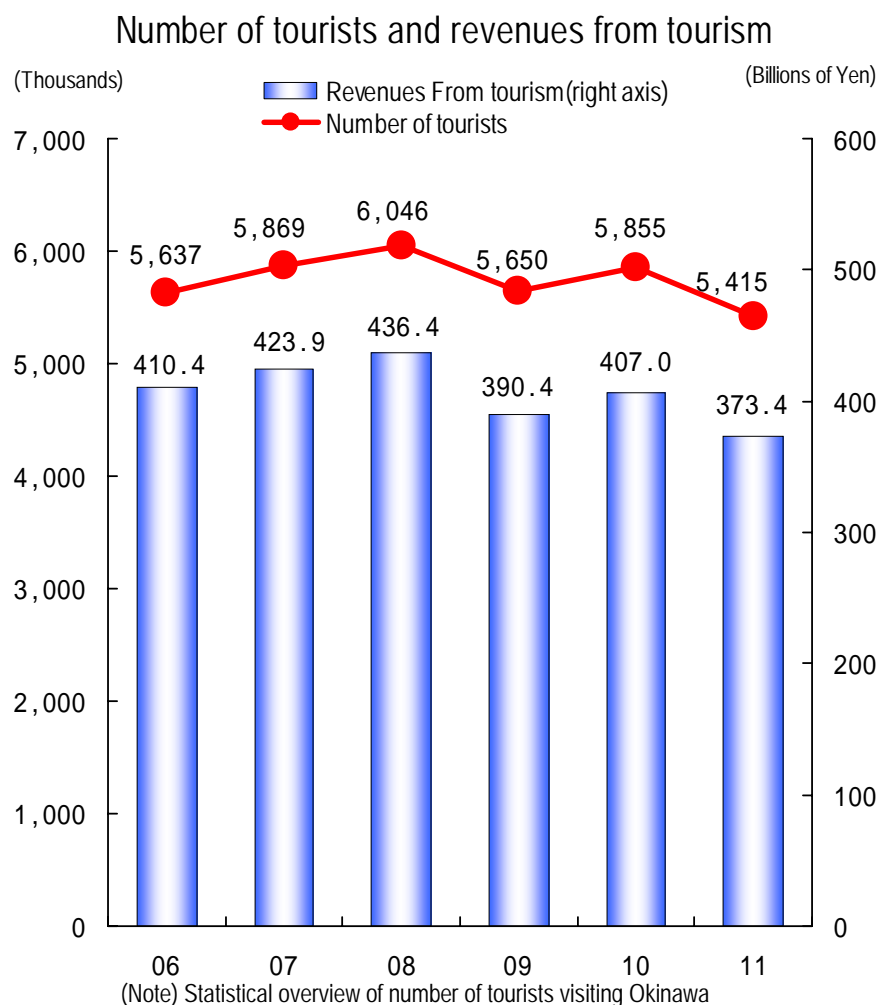
(Note) Bank of Japan NAHA branch. In March 2009, the list of companies to the survey was changed



(Note) Labor Force Survey in Okinawa. The absolute numbers and percentage figures indicate the yearly averages

Tourism

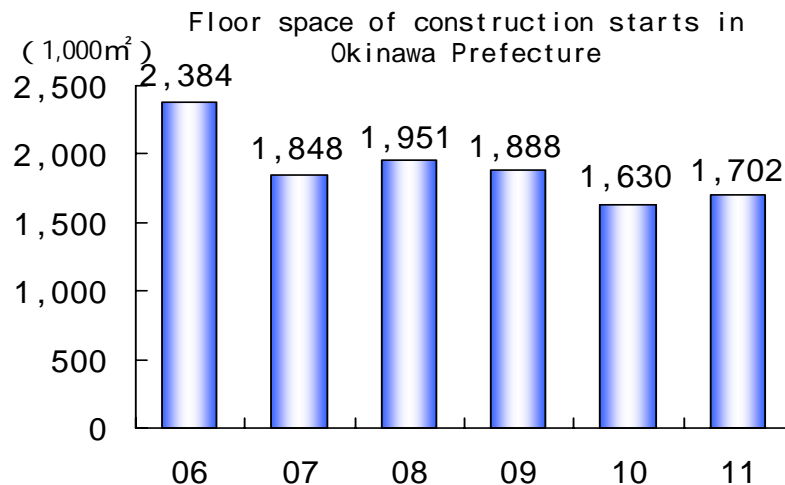
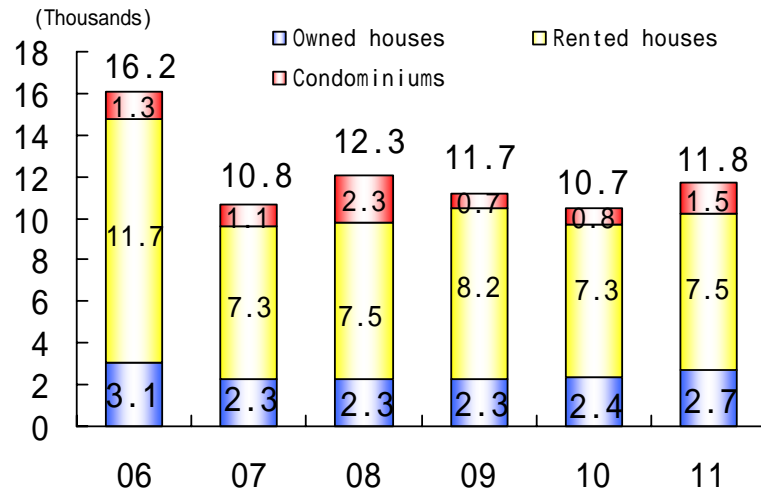
Number of tourists visiting Okinawa dropped sharply in 2011 due to impact of March 11 earthquake and tsunami, but recovery to pre-disaster level seen recently



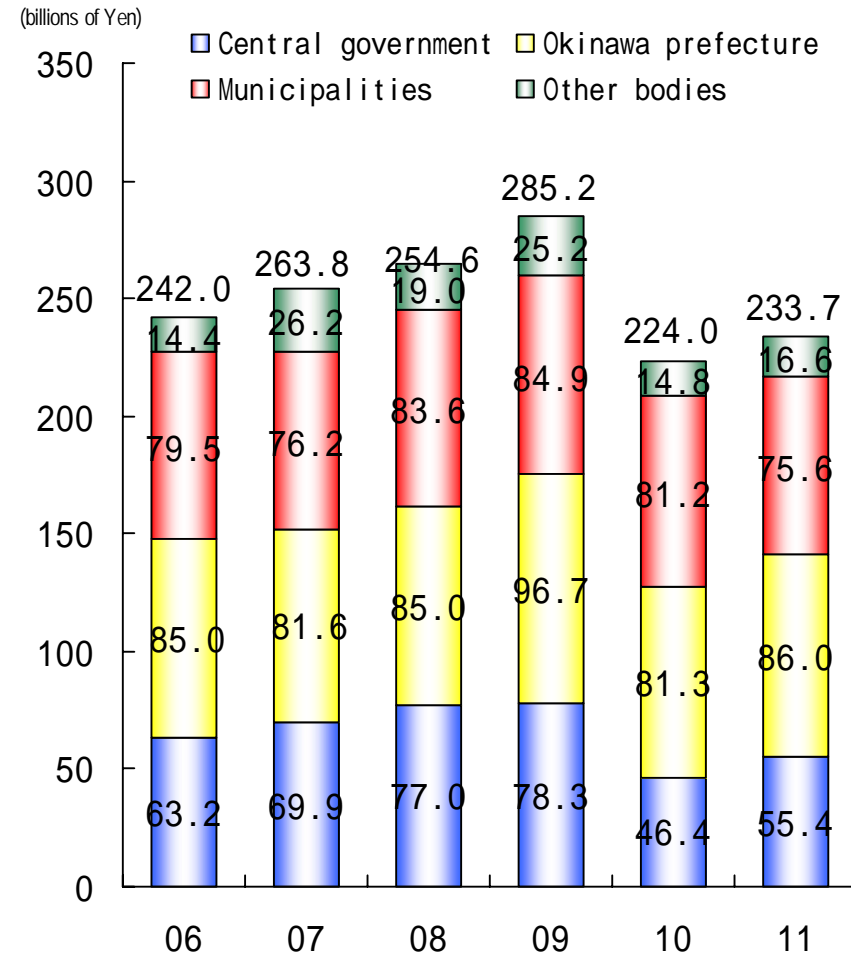
Construction

Number of housing starts rose against backdrop of increases in population and number of households

Number of Housing Starts in Okinawa Prefecture



Orders Received for Public Works Projects



FY2011 Results Summary



Net business profit on core banking operations decreased due to lower net interest income resulting from decline in interest rate on loans

	FY2011	FY2010	Change	(Billions of Yen)
Core business gross profit	28.2	28.9	-0.7	
Net interest income	23.7	24.8	-1.1	
Interest and dividend income on securities	2.7	2.5	+0.2	
Fees and commissions	1.3	1.4	-0.1	
E x p e n s e s	-21.3	-21.7	-0.4	
Net business profit on core banking operations	6.9	7.2	-0.3	

(Note) 1.Net business profit on core banking operations = Net business profit before provisions to the general reserve for possible loan losses - Gains/losses JGBs and other bonds.

2.Year-on-year changes are calculated based on the original value, and values of less than 100 million yen have been rounded down

FY2011 Results Summary

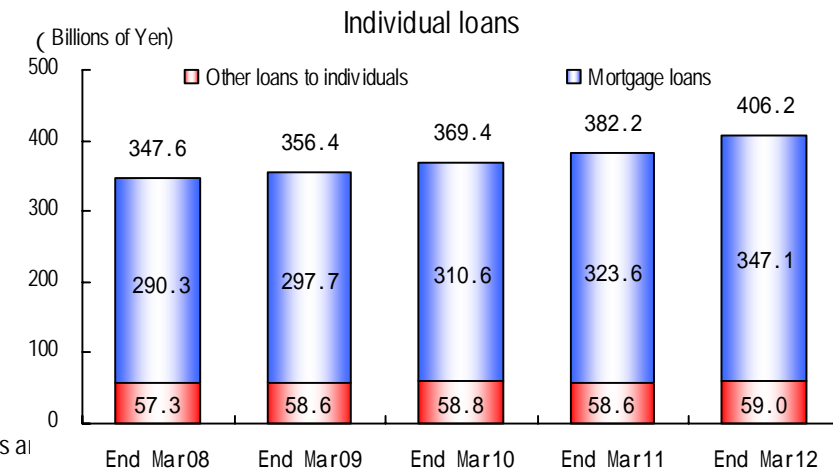
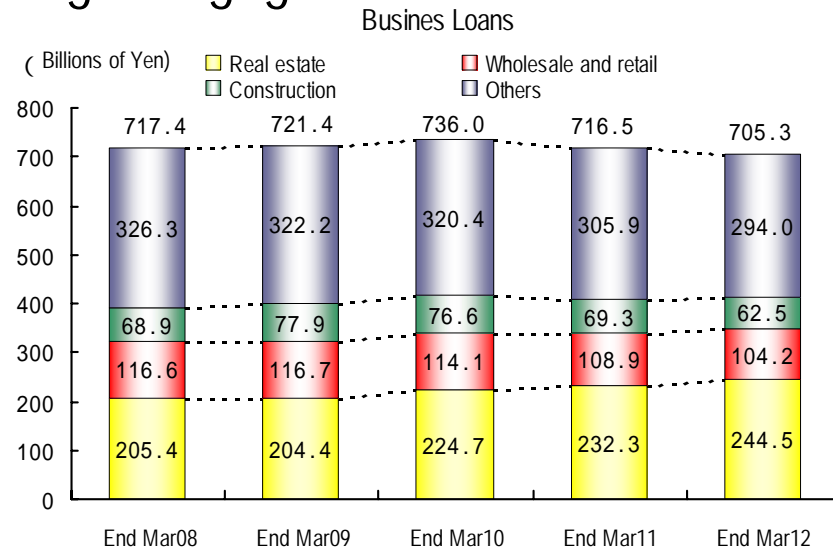
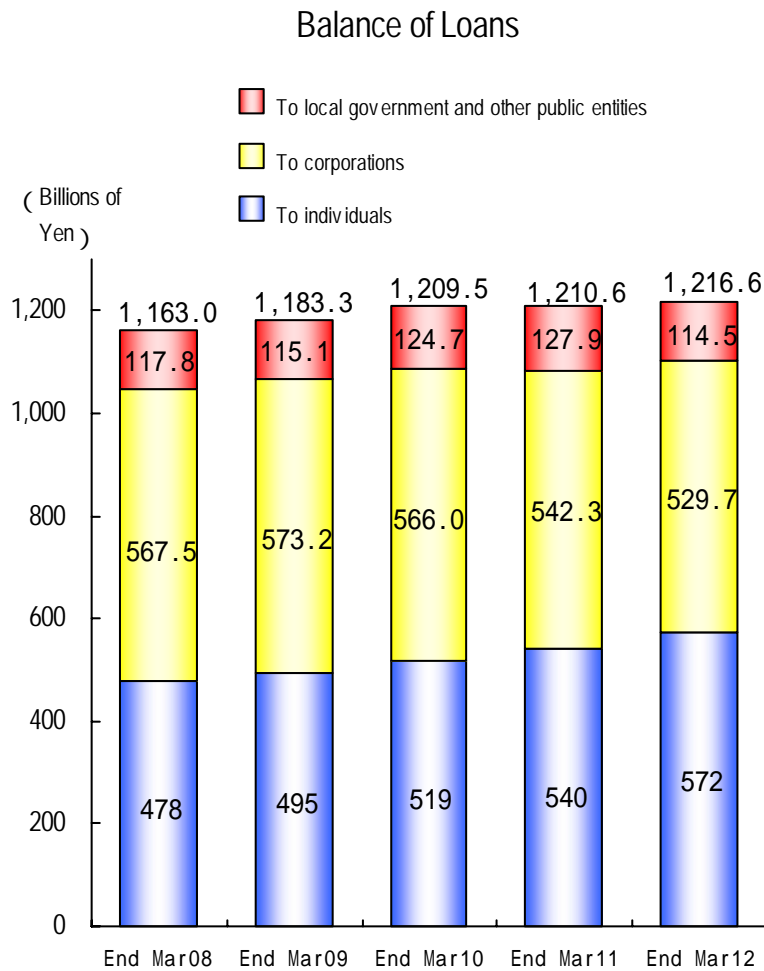


Net income decreased due to one-time factors including drawdown of deferred tax assets due to impact of impairment losses on securities and lowering of corporate income tax rate

	FY2011	FY2010	Change (Billions of Yen)
Net business profit on core banking operations	6.9	7.2	-0.3
Loan write-offs, etc.	1.3	1.2	+0.1
Reversal of reserve for possible loan losses	1.0	-	+1.0
Gains from bad debts recovered	0.6	-	+0.6
Losses on securities	-2.2	-0.2	-2.0
Ordinary profit	5.2	5.7	-0.5
Reversal of reserve for possible loan losses	-	1.2	-1.2
Gains from bad debts recovered	-	0.6	-0.6
Income before income taxes	5.2	7.4	-2.2
Total income taxes	2.9	3.2	-0.3
Net income	2.3	4.2	-1.9
Credit costs	0.2	0.0	+0.2
Net credit costs	-0.3	-0.6	+0.3

Loans

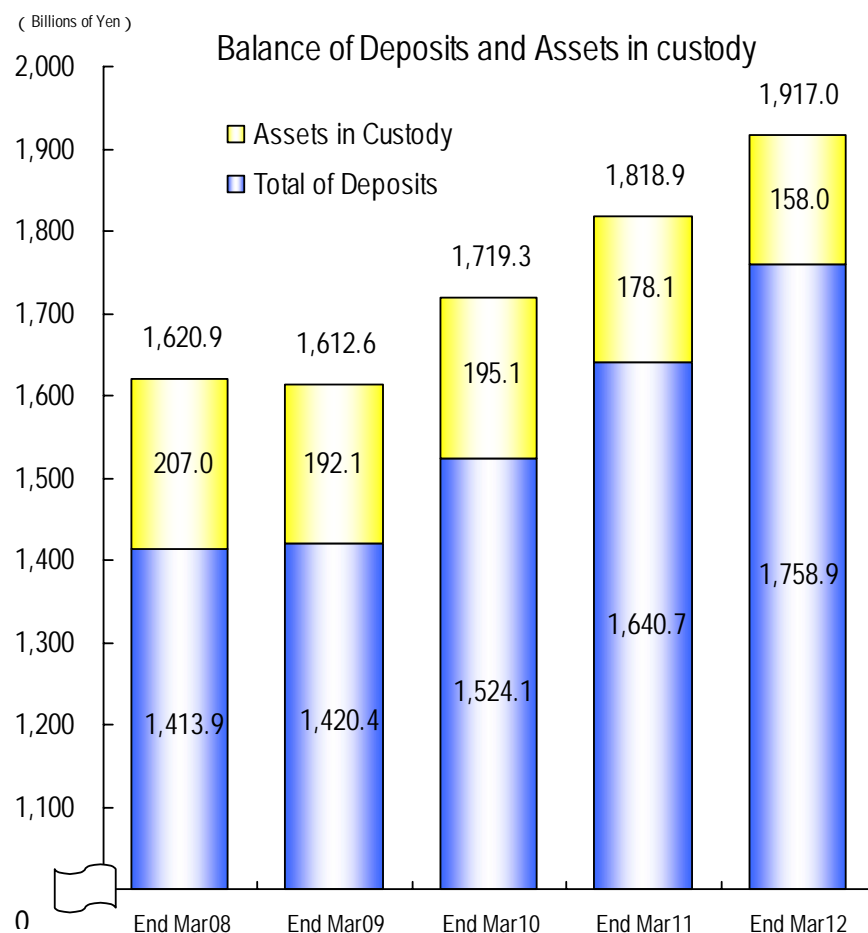
Loans to individuals increased, including mortgage loans and card loans



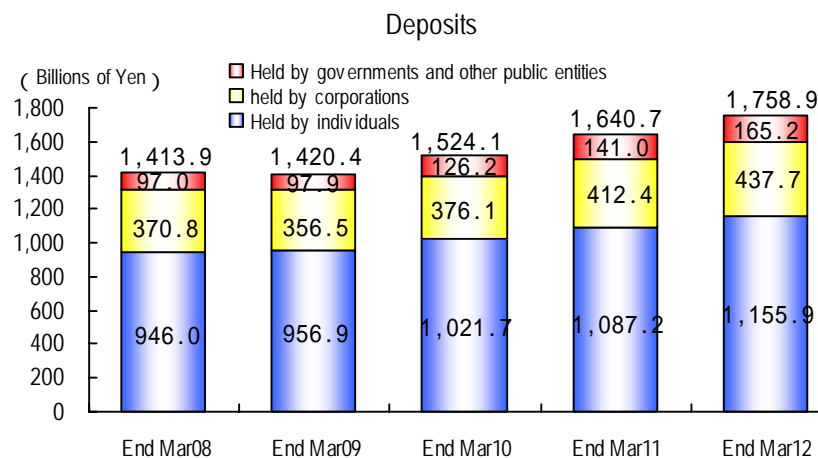
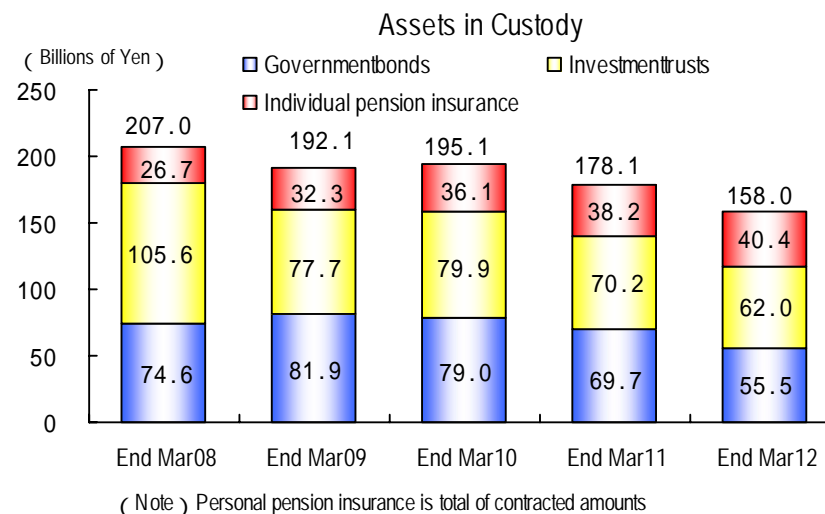
(Note) Due to differences in treatment of loans to business owners, totals for business and individual loans on the right of the slide do not match the grand totals on the left.

Deposits and Assets in Custody

Deposits from individuals, corporations, and public funds all continued growing steadily; balance of deposits tops ¥1,700 billion

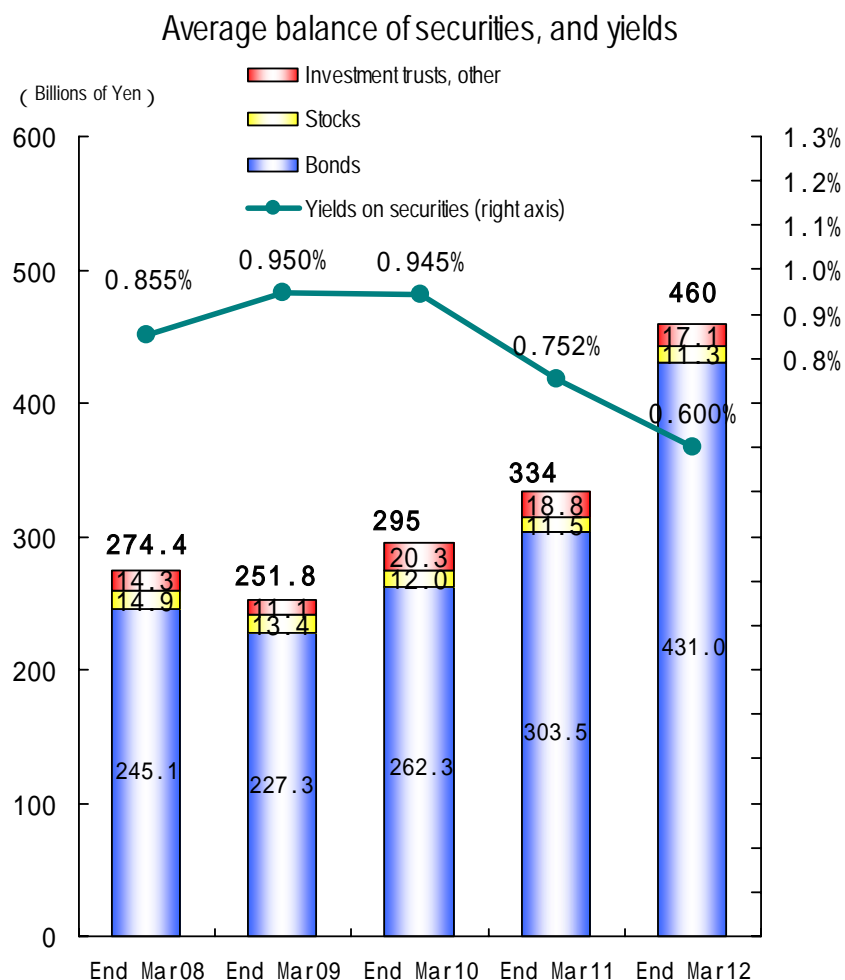
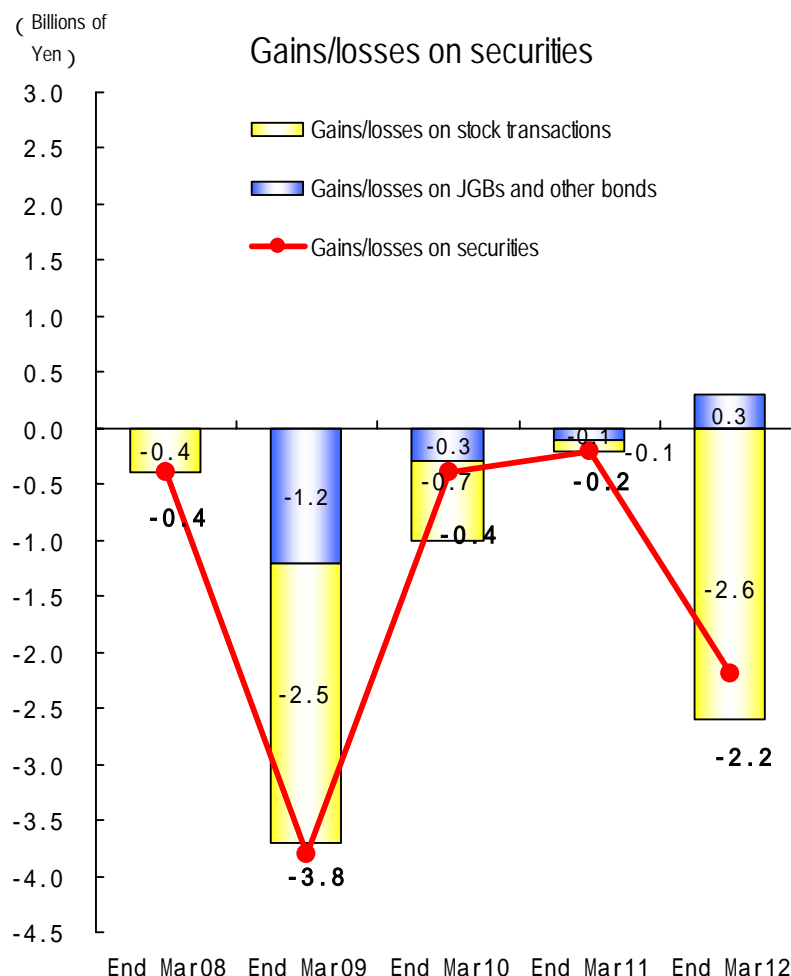


Note: Assets in custody are the total of investment trusts, personal pension insurance plans (contracted amounts) and government bonds



Gains/losses on securities

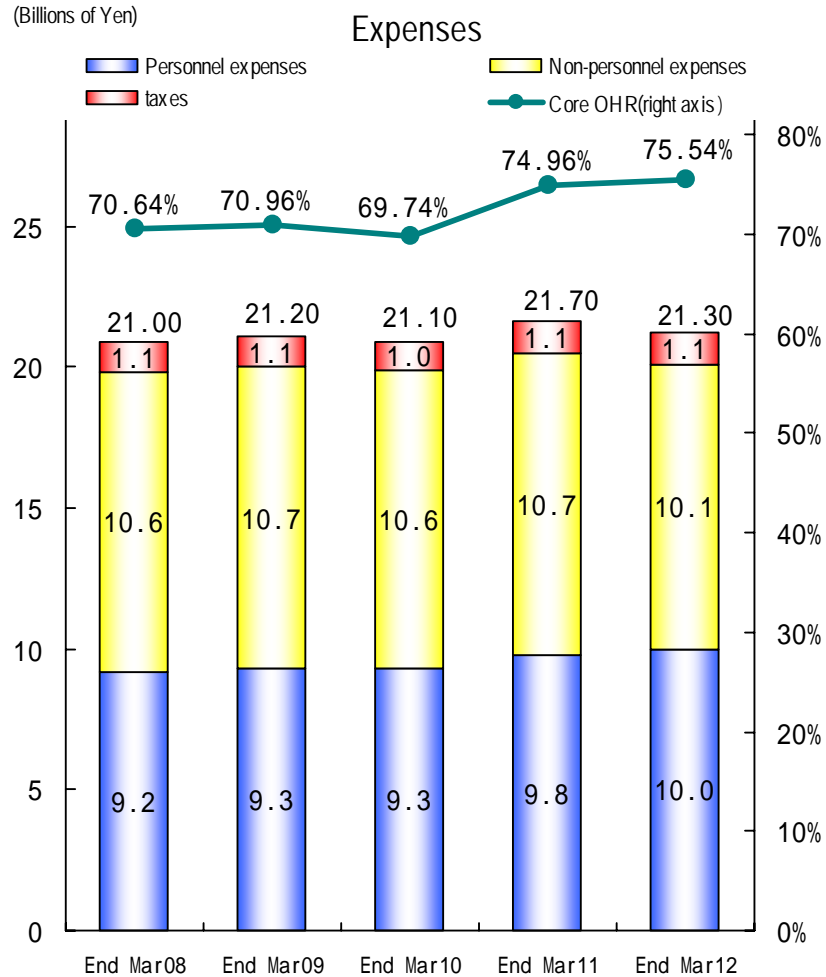
Impairment losses booked due to increase in valuation loss on holdings of stocks



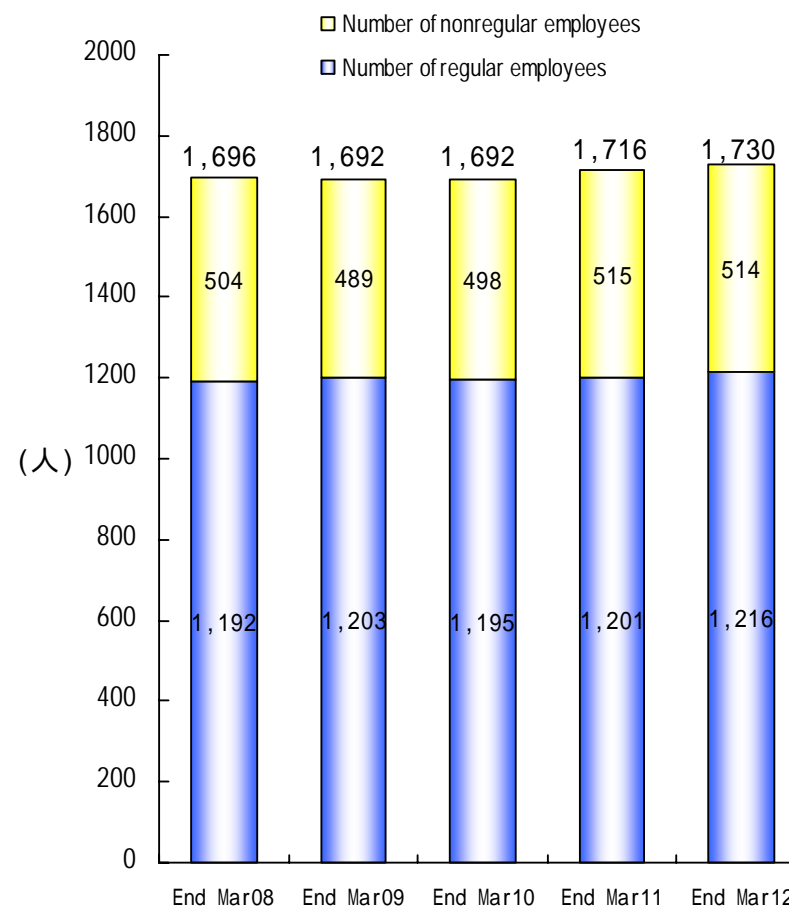
Expenses

Non-personnel expenses reduced by ¥600 mn. through reduction in computer system costs

(Billions of Yen)



Number of Employees

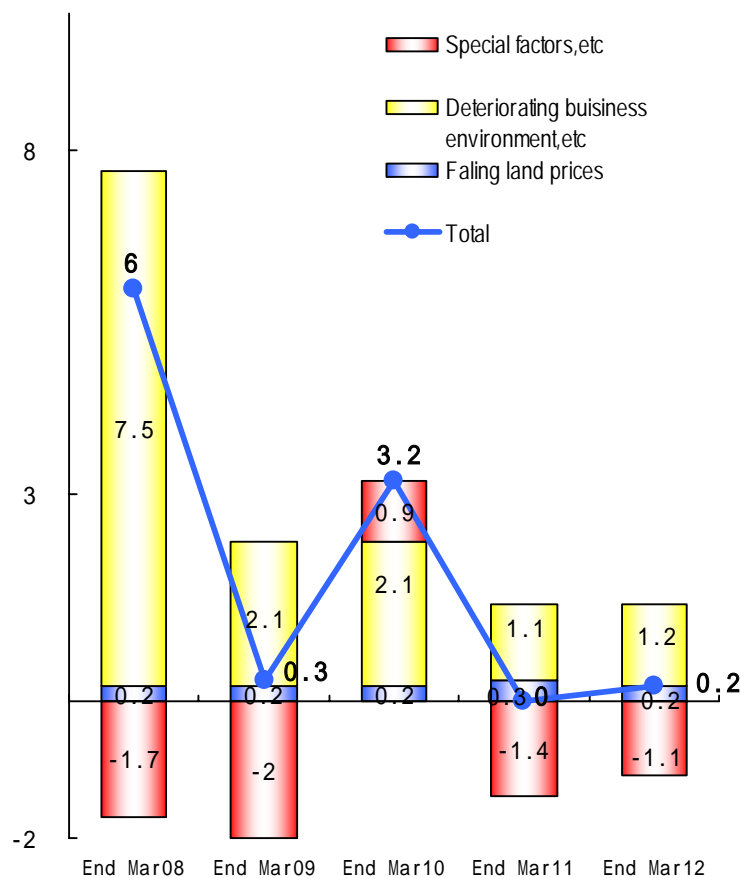


Credit Costs

NPL disposal at low level due to reversal of general reserve for possible loan losses

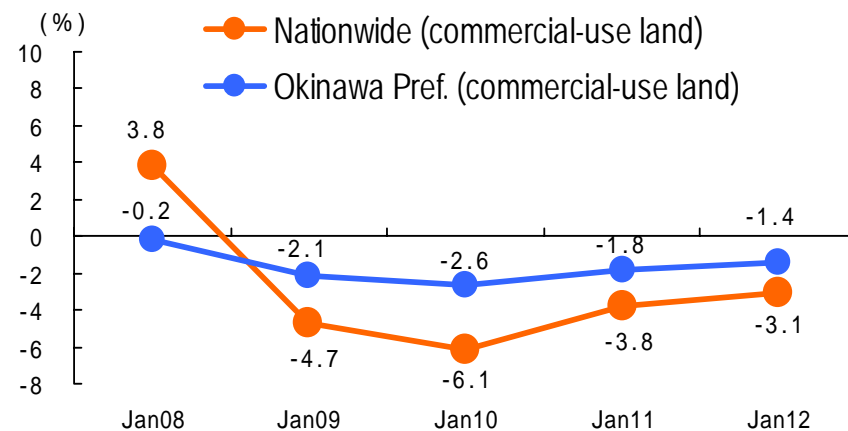
(Billions of Yen)

Credit Costs

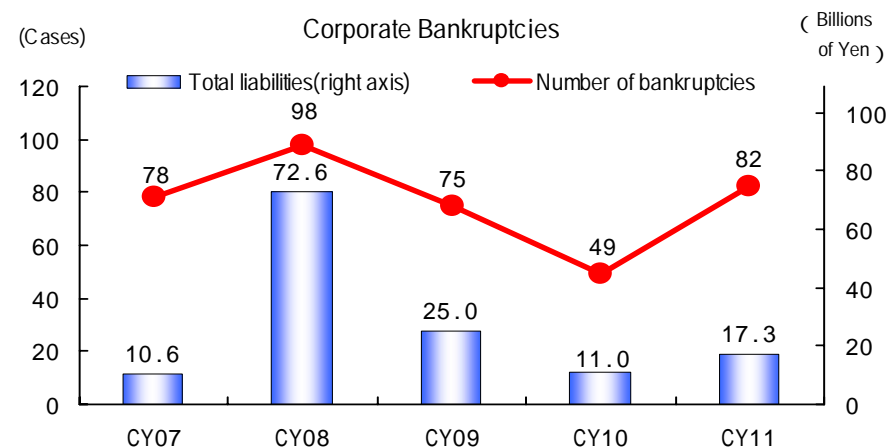


(Note) NPL disposal costs are Credit costs before Gains from bad debts recovered

Land Price



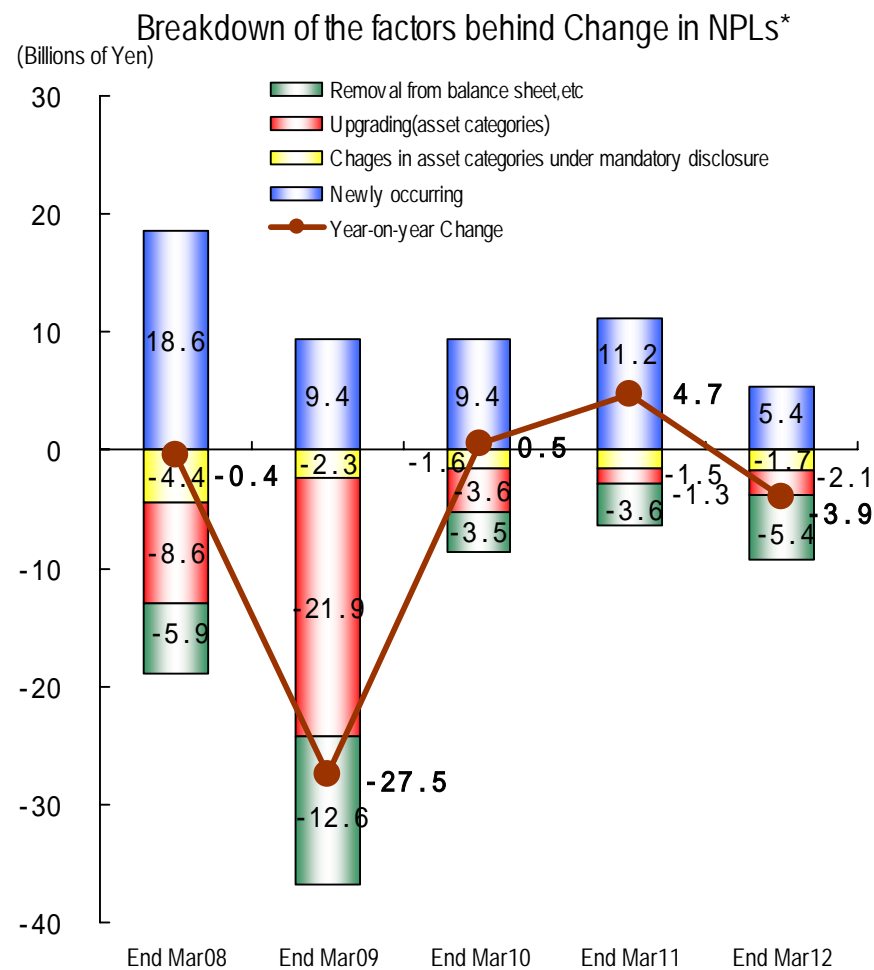
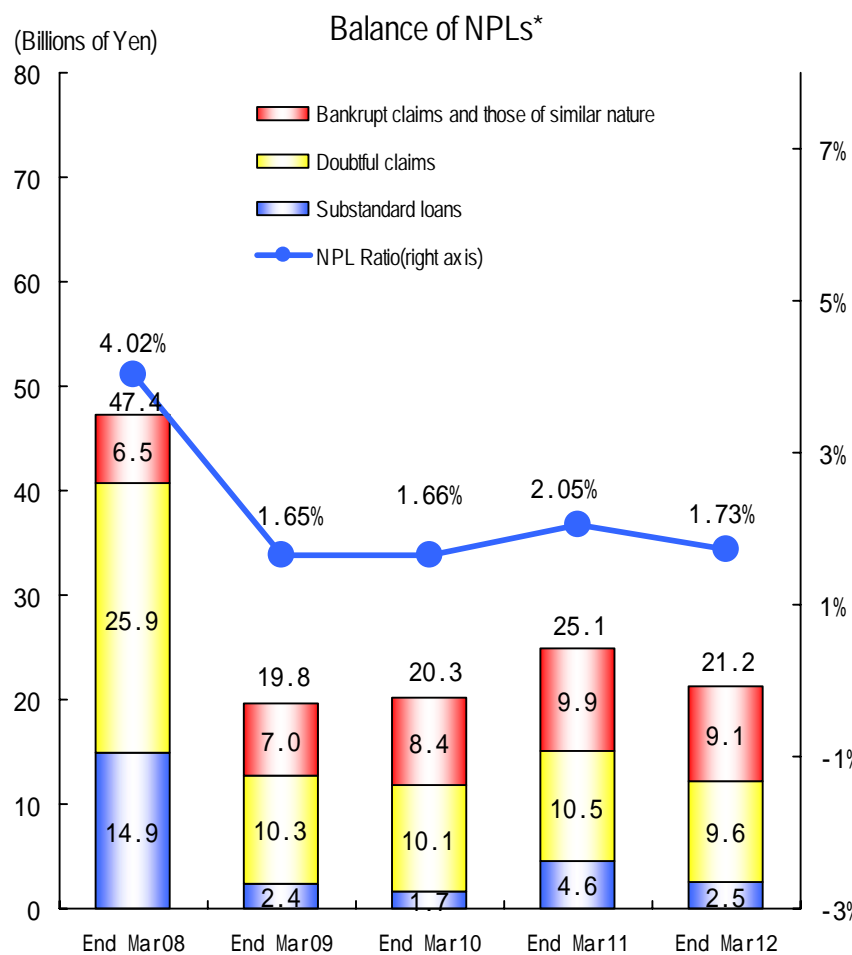
Corporate Bankruptcies



(Note) source: TOKYO SHOKO RESERCH, LTD.

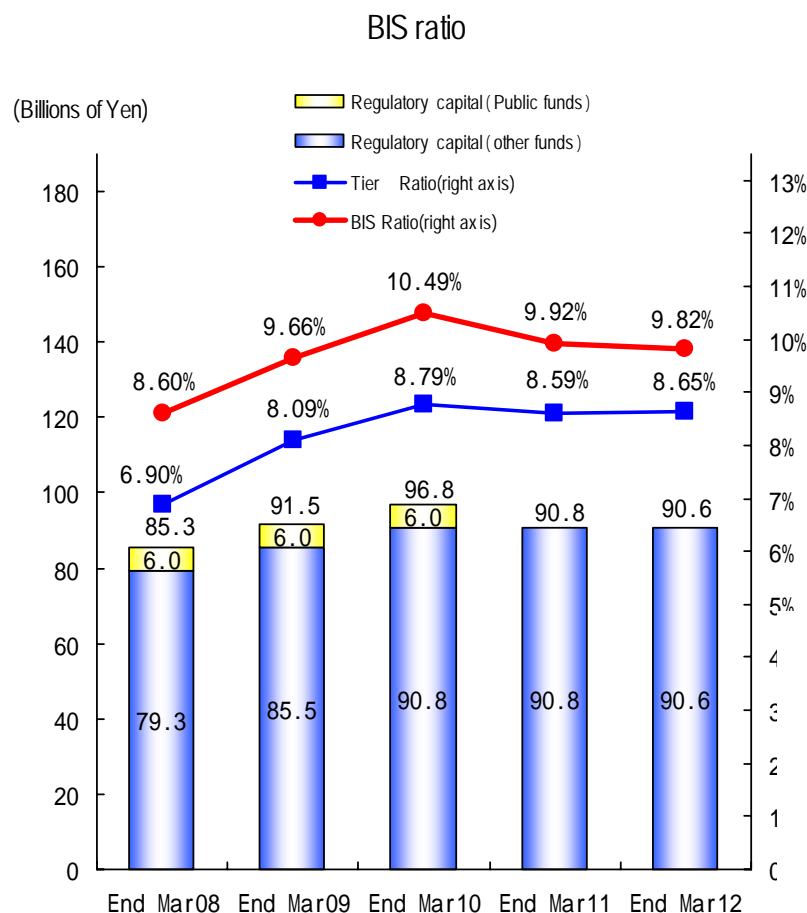
NPLs*

Total and ratio of NPLs kept low



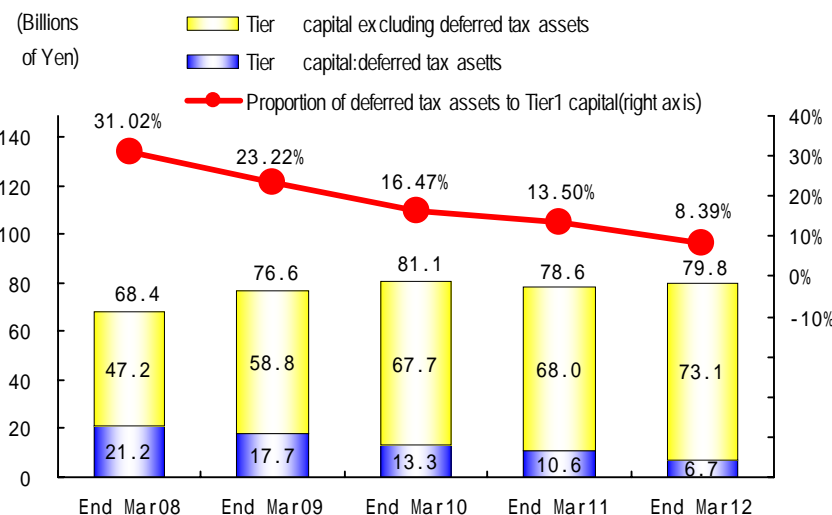
BIS Capital Ratio

Declined due to increase in risk assets such as loans, but remains at satisfactory level



Note: The dotted lines indicate the BIS capital ratio and the Tier1 ratio under the previous BIS standards

Deferred tax assets as a percentage of Tier 1 capital



- Main causes of regulatory capital decrease -

Repayment of public funds	
Maturity date	July 14, 2010
Amount repaid (Initial amount)	6 Billions of Yen (40 Billions of Yen)
Refinancing of subordinated bonds	
Date of issue	March 23, 2011
Amount of issue (expected redemption amount)	8 Billions of Yen (10 Billions of Yen)
Estimated date of redemption	June 22, 2011

Earnings Forecast for FY 2012



Revenue expected to maintain previous year ' s level

Higher net income expected despite forecast increase in net credit costs

	(Billions of Yen)		
	FY2012	FY2011	Year-on-year Change
Business gross profit	28.5	28.5	0
Net business profit on core banking operations	6.5	6.9	-0.4
Ordinary profit	5.0	5.2	-0.2
Net income	3.0	2.3	+0.7
Net Credit Costs	2.0	-0.3	+2.3
N P L R a t i o	Upper 1 percentile		1.73%

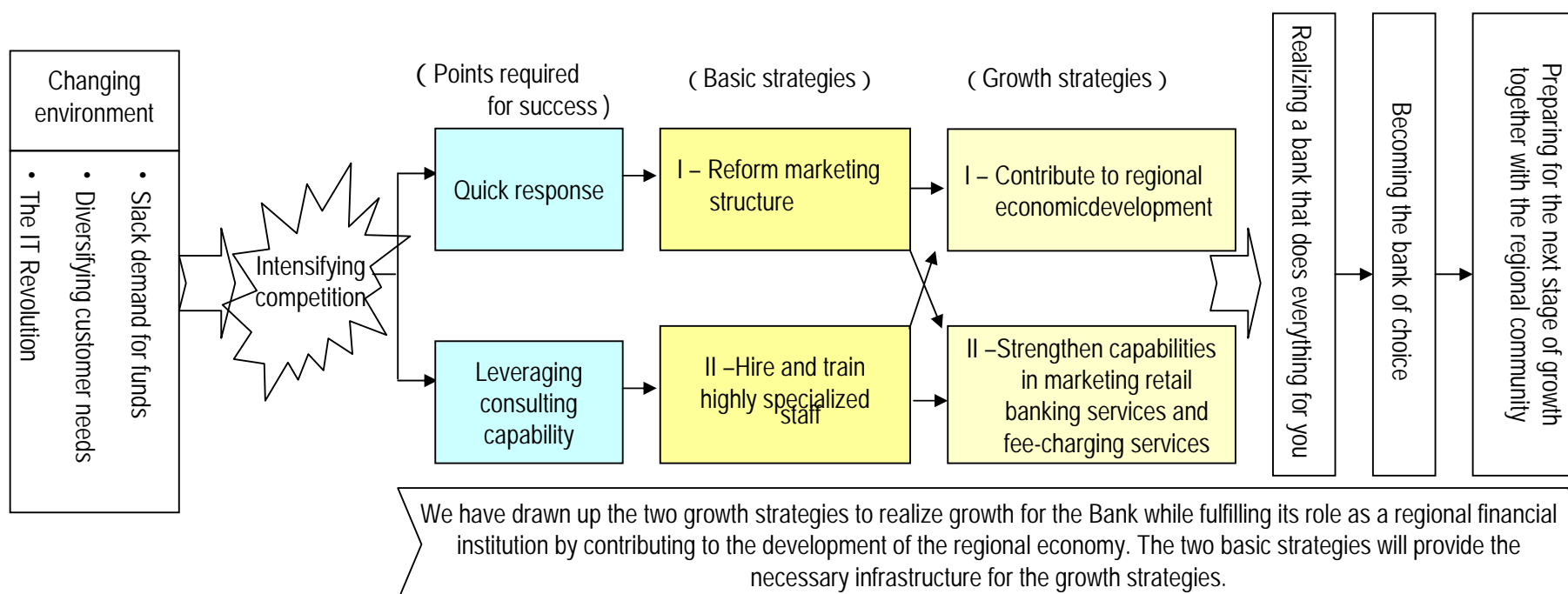
Overview of new medium-term management plan

The operating environment for banks continues to undergo dramatic change. At the Bank of the Ryukyus, we need to create a new business model that will enable us overcome the difficulties posed by this severe environment. In devising such a business model, we must work hand-in-hand with the community of which we are a part, so that the Bank may achieve growth while fulfilling its role as a regional financial institution by making a significant contribution to the economy of the region.

As a member of the financial services industry, the Bank of the Ryukyus aims to be the bank of choice for the people of Okinawa by responding promptly to changing customer needs. For this purpose we must make the most of our strengths in the field of financial consulting, and must effectively address the urgent issues of business restructuring focused on meeting customer 's real needs and nurturing qualified and motivated human resources.

To reach these goals, we have drawn up two basic strategies – to reform our marketing structure, and to hire and train highly specialized staff. With these as the basis, we have also drawn up two growth strategies, namely to make a contribution to the development of the regional economy, and to strengthen our capabilities in the marketing of retail banking services and in fee-charging services.

As a result, we are now aiming to transform the Bank into a financial institution that performs the full range of financial services for its customers. Together with the regional community, the Bank is preparing itself for the next stage of growth.



Our medium-term management target 「 Establish a new business model that will enable the Bank to survive the current severe situation 」
~ Preparing for the next stage of growth together with the regional community ~

Basic Strategy I – Reforming our marketing structure

~ Establish quick-response structure through radical reorganization of work processes; improve ability to pay frequent visits to customers and offer consulting services at our branch offices ~

- Radical rethinking of work processes
- Effective use of human resources, streamlining of head office work processes
- Stronger front-line marketing capability
- Stronger planning ability and management

- Faster response through IT innovation
- Establishment of support structure for branch offices
- Aggressive branch network development
- More effective securities investment

Growth Strategy I – Contribute to regional economic development

~ Leverage consulting capabilities to expand business loans to realize Okinawa's high potential ~

- Diverse efforts including support for growth, entry into new markets, involvement in regional development and PFIs, strengthen consulting business, support for management improvement, and support for business recovery

Growth Strategy II – Strengthen capabilities in marketing retail banking services and fee-charging services

~ Offer optimal retail banking products and services for all customers, from young people (who will be the engine of the economy in the next generation) to elderly customers ~

Stronger image strategy, more thorough efforts to push “main bank” strategy, restructuring of system for sale of assets in custody, strengthening transactions with business owners and prestige corporates, development of new fee-charging services

Basic Strategy II – Hiring and training highly specialized staff

~ Aiming to expand business in fields of consulting services and assets in custody by training staff to possess high-level abilities in consulting, as well as hiring already qualified staff from outside ~

- Making use of persons holding official qualifications
- Securing human resources capable of coping with a varied range of work processes
- Expansion of courses offered at the Ryugin Financial College
- Creating a rewarding working environment

Establish legal compliance structure and solid business structure

Basic Strategy I – Reforming our marketing structure



Establish quick-response structure through radical reorganization of work processes; improve ability to pay frequent visits to customers and offer consulting services at our branch offices

Radical rethinking of work processes

- Rethink work processes to enable quick response, and introduce automatic screening system for mortgage loan applications to speed up process even more
- Enable more efficient marketing through adoption of customer relationship management system

Faster response through IT innovation

- Establish quick-response system by radically streamlining and centralizing loaning operations through use of Yushi-Shien Plus system. At same time, secure time for loan managers to pay visits to customers
- Improve ability to offer consulting and promote sales at branch offices through simplification of over-the-counter procedures

Streamlining of head office work processes

- Amalgamate or abolish certain head office committees and other bodies, and rethink the frequency of meetings. Delegate authority for decisions made by Board of Directors and Executive Committee to streamline work processes at head office, allowing transfer of staff to strategic fields.

Basic Strategy II – Hiring and training highly specialized staff

Aiming to expand business in fields of consulting services and assets in custody by training staff to possess high-level abilities in consulting, as well as hiring already qualified staff from outside

Making use of persons holding official qualifications

- Aiming to expand business in fields of consulting services and assets in custody by training staff to possess high-level abilities in consulting, as well as hiring already qualified staff from outside

Secure human resources capable of coping with a varied range of work processes

- Actively seek out and hire staff from megabanks, major securities companies, and insurance companies, and make effective use of their specialist expertise

Expand courses offered at the Ryugin Financial College

- Include courses in specialist fields such as medical treatment, nursing care, agriculture, and M&A, to educate staff with specialist knowledge needed to implement the Bank's strategies
- As well as offering specialized courses, send more staff as trainees to specialist institutions

- Improve early on-the-job training for young staff by sending them on customer visits accompanied by staff with trainee experience and/or official qualifications

Growth Strategy I – Contribute to regional economic development



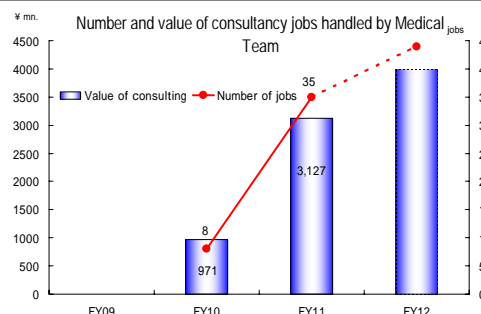
Leverage consulting capabilities to expand business loans to realize Okinawa's high potential

Support for growth

- Increase number and value of business loans through support in growth fields such as medical treatment, nursing care, and agriculture
- Enter markets on Japanese mainland and other Asian countries, and strengthen corporate transaction base through support for expansion of customers' marketing channels

Measures in medical and nursing care fields

Strengthen capabilities of Medical Team set up within Consulting Business Department in December 2010, and take active steps to expand operations in medical treatment and nursing care fields



Measures in agriculture field

Concluded business collaboration agreement with Nomura Agri Planning & Advisory under which joint agricultural operations are being pursued

Expand menu of business conferences and Asian market support services

< Business conferences scheduled for this year >

Month/Year	Name of business conference
June 2012	Ito-Yokado "Sweets Meshi Tomo"
Oct. 2012	Regional Banks – Food Selection (7th event)

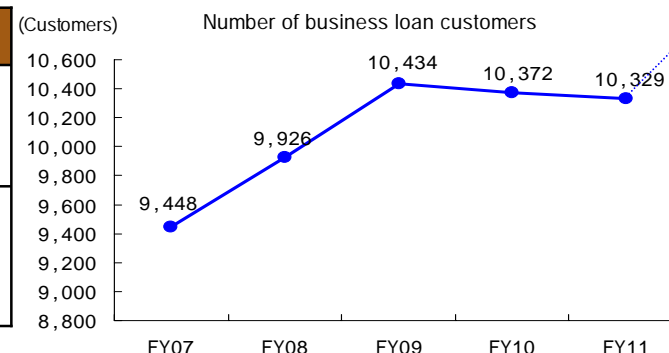
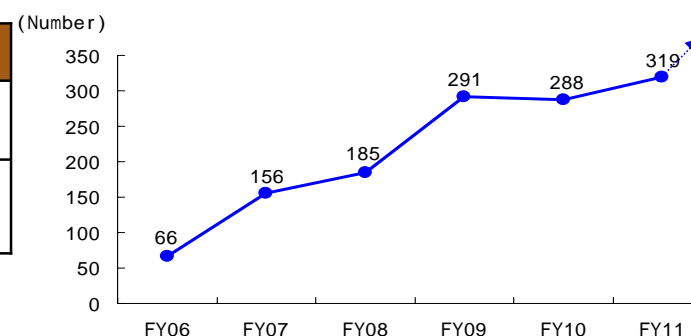
< Menu of Asian market support services >

Content	Counterparty
Business collaboration	DBJ Asia Financial Support Center Kasikorn Bank Asison (Trade Consultant)
Staff dispatch	Okinawa Industry Promotion Public Corporation Hong Kong Office JETRO Mizuho Corporate Bank

Strengthen consulting business

- Identify management issues faced by customers of branch offices, and make solution proposals. Also expand number of customers through marketing of solutions to customers of other banks.

Increase number of consulting projects and business loan customers



Growth Strategy II – Strengthen capabilities in marketing retail banking services and fee-charging services

Offer optimal retail banking products and services for all customers, from young people (who will be the engine of the economy in the next generation) to elderly customers

Strengthen image strategy and “main bank” strategy

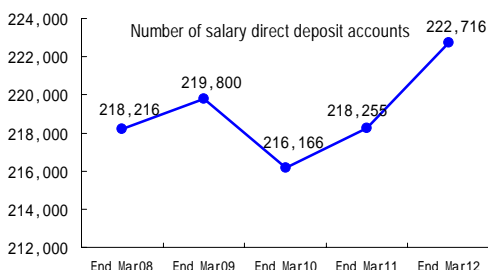
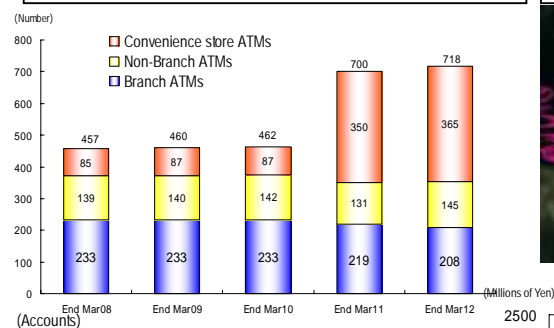
- Acquire wider business base through expansion of ATMs at convenience stores and card strategy, based on marketing and data analysis. Thoroughly implement “main bank” strategy through strengthened cross-selling, etc., to expand potential transactions with core customers
- Use TV commercials and ATM operations at convenience stores to raise Bank’s public image and expand business through direct channels

Restructure system for sale of assets in custody

- Set up promotion support team(s) at head office to strengthen marketing of personal pension insurance products and investment trusts and follow-up services
- Strengthen consulting capabilities at branch offices

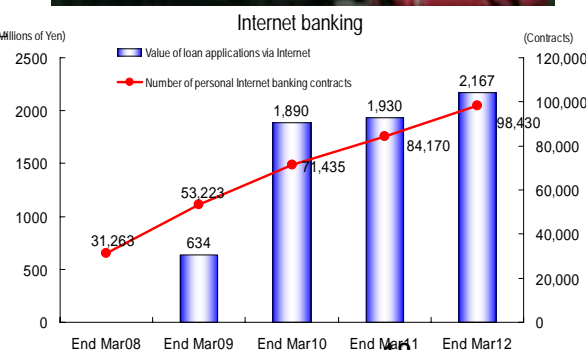
Fully leverage extensive ATM network

Install ATMs at all outlets of major convenience store chains to expand personal banking



Strengthen direct channels

Strengthen Internet banking, including smartphone access



Expand sale of assets in custody services

Strengthen support system through promotion support team(s) at head office; simplify over-the-counter procedures to raise consulting capabilities and marketing capabilities at branch offices; expand sale of assets in custody

In May 2012 the Bank held the Ryugin Spring Investment Trust Fair 2012 at the Okinawa Convention Center, with an attendance of 270.



About This Presentation



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Information is based on summaries of published data, and some totals presented in this presentation may not add up due to rounding. Values for year-on-year change are computed on the basis of rounded figures. However, year-on-year percentage changes are calculated based on original values prior to rounding.

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