

## Nara prefecture, the Nanto Bank Group's core business base

Nara prefecture, the Group's primary base of operations, is an inland prefecture situated in the middle of the Kii Peninsula in central Japan and distinguished by a range of towering mountains known as the "roof of the Kinki region" in the south. Although it has no airport or port facilities, the prefecture is characterized by strong resistance to natural disasters.

### Characteristics of Nara prefecture

#### Tourism resources

- Number of rooms in Japanese inns and hotels **10,232** 44<sup>th</sup> place in Japan

#### Challenges

The region is currently attracting a relatively small number of overnight visitors, an important segment of the tourism industry. This raises the challenge of transforming the prefecture from a daytime tourist destination to a tourism hub that visitors choose as a home base for visiting various destinations in the region.

- World Heritage sites **3** No.1 in Japan
- National Treasures/ Important Cultural Properties **1,334** 3<sup>rd</sup> place in Japan
- Historic sites and natural monuments **149** No.1 in Japan
- Number of annual tourists **24.15** million

#### Potential

Blessed with numerous world-famous cultural and historic sites, including World Heritage sites and National Treasures, Nara has the potential to attract many more tourists and travelers than it does now, thus generating such economic benefits as revitalization of the local economy and job creation.

#### Economy and industry

- GDP (real) **3,631.0** billion yen 37<sup>th</sup> place in Japan
- Number of private businesses **47** thousand 40<sup>th</sup> place in Japan
- Number of employed residents **491,084** 37<sup>th</sup> place in Japan
- Per capita income **2,501** thousand yen 39<sup>th</sup> place in Japan
- Agricultural output **39.1** billion yen 45<sup>th</sup> place in Japan

#### Challenges

Nara prefecture's economy remains among the smallest in Japan. To improve this situation, job creation and local economic revitalization by promoting local industries and establishing new businesses and startups will be required.

- Ratio of forest area **76.8%** 6<sup>th</sup> place in Japan

#### Potential

The prefecture has an abundance of forest resources, which provide it with the potential to create new economic value by leveraging its wealth of natural resources, especially under current circumstances in which interest in its natural resources is growing.

Sources: "FY2020 Prefectural Accounts," Cabinet Office; "2021 Economic Census," Ministry of Internal Affairs and Communications (MIC); "Nara Prefecture Today: 2023"; "2023 Basic School Survey," Ministry of Education, Culture, Sports, Science and Technology (MEXT); "2019 National Household Survey," MIC; "National Census for 2020," MIC; "2023 Report on Survey of Construction Starts," Ministry of Land, Infrastructure, Transport and Tourism (MLIT)



## Household finances and living conditions



- Percentage of consumer spending (purchasing) outside the prefecture

**19.1 %**
**No.1**  
in Japan

### Challenges

With consumer spending flowing out to neighboring regions such as Osaka and Kyoto, Nara prefecture faces the challenge of revitalizing personal consumption within the prefecture.

- Financial assets per household

**15,645** thousand yen

**2nd**  
place in Japan

- Ratio of owner-occupied households

**74.1 %**
**6th**  
place in Japan

### Potential

The standard of living in the prefecture is relatively high. An affluent population with ample per-household financial assets and a high percentage of owner-occupied homes offers the potential to increase consumer spending and accelerate the flow from savings to investment.

## Human resources



- Ratio of women in the labor force

**46.8 %**
**47th**  
place in Japan

- Nara prefecture's overall employment rate

**72.7 %**
**45th**  
place in Japan

### Challenges

In addition to the problems raised by a shrinking working-age population due to a declining birthrate and aging population, a large number of Nara's human resources have been leaving for neighboring prefectures such as Osaka and Kyoto. This makes the creation of employment opportunities, improvement of the working environment, and human resources development high-priority challenges for Nara prefecture.

- Percentage of high school graduates obtaining higher education

**64.5 %**
**8th**  
place in Japan

### Potential

The prefecture's high educational level provides rich soil for producing excellent human resources, thus supporting the potential to diversify the region's industrial structure and increase its companies' competitiveness.

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