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Japan's financial system has to quickly change to support corporate efforts to pursue profits in various ways. In particular, it will be important to establish a more constructive relationship between management and shareholders, increase the assets of corporate/private pension schemes, and develop a favorable environment for venture capital.

Banks could provide support for corporate revitalization through the utilization of their networks/information, and government sponsored financial institutions could complement the activities of private financial institutions. The sophisticated interbank payment system and global cash management system should promote efficient operations.

Kyoto-based listed companies are unique in Japan, being characterized by three qualitative features: having a cultural tradition, pursuing originality and global management awareness, and comprising a technology-oriented regional group. On the quantitative side, there is a clear tendency for overseas business development. Although the current ROA of Kyoto companies is lower, their ratio of operating profit to sales is higher. In terms of return on equity, the average ratio is slightly lower, but, with their obviously smaller standard deviation, equity investments in Kyoto companies have brought higher performance than general equity investments in Japan.

In Japan, reform of government financial institutions was implemented in 2008, a consequence of their roles being considered to be restricted. With the onslaught of the global financial crisis in fall 2008 and the Great East Japan Earthquake in March 2011, demand for loans from these institutions increased, and their role correspondingly