

**THE INTRODUCTION OF THE SHARED SYSTEMS IN
JAPANESE REGIONAL BANKS AND ITS EFFECTS
ON THE BANKING BUSINESS**

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〈SUMMARY〉

Recently Japanese Regional Banks aim to cut the IT system costs and rationalize the Banking Business by the Promotion of the Shared System. But there are several types of the Shared System : for example, one is for every member bank to manage its own computer using the program software which is planned and developed mainly by the core member bank and customized by each member bank (“Shared Software Using Type”); and the other is for the IT developer to manage a computer using the system which is planned and developed mainly by itself (“Multi-Bank System Type”).

By estimating the effects and difference of the above-mentioned Types on the Management Cost and the Lending Rates of the Regional Banks, this report shows that the core banks and the IT developer, which take a risk, can get the fruit of financial retrenchment and as a result it makes these banks reduce the lending rates.