

Company Name: The Gunma Bank, Ltd.
Representative: Kazuo Saito, President
Stock Exchange Listing: Tokyo (code: 8334)
For Inquiry: Hiroyuki Irisawa, Managing Executive Officer and General Manager,
Corporate Planning Department

**Announcement regarding the determination of terms and conditions
for the issuance of Basel III-compliant Subordinated Bonds**

The Gunma Bank, Ltd. hereby announces that it has determined the following terms and conditions for the issuance of Basel III-compliant Subordinated Bonds which will be issued on April 26, 2019.

「 **JPY 10,000,000,000 Subordinated Unsecured Bond due 26 April 2029** 」

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|-------------------------------------|---|
| 1. Total amount of issue | 10 billion yen |
| 2. Denomination of each bond | 100 million yen |
| 3. Interest rate | (i) For the first five years (until April 26, 2024): 0.48%
per annum (ii) thereafter: 6-month Euroyen LIBOR plus 0.48% |
| 4. Issue price | 100% of the denomination of each bond |
| 5. Redemption price | 100% of the denomination of each bond |
| 6. Term | 10 years |
| 7. Maturity date | April 26, 2029 |
| 8. Callable date | Any interest payment date on or after April 26, 2024 |
| 9. Interest payment date | April 26 and October 26 of each year |
| 10. Type of offering | Public offering in Japan |
| 11. Payment date | April 26, 2019 |
| 12. Book-entry transfer institution | Japan Securities Depository Center, Inc. |
| 13. Underwriters | Nomura Securities Co., Ltd.
Daiwa Securities Co. Ltd.
SMBC Nikko Securities Inc.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Mizuho Securities Co., Ltd |
| 14. Rating | (Notes) Nomura Securities consign part of handling of the offer of
this Subordinated Bonds to Gungin Securities Co., Ltd.
AA- (Japan Credit Rating Agency, Ltd.)
A (Rating and Investment Information, Inc.) |