

The Gunma Bank, Ltd.

# Financial Results Briefing Session

for the nine months ended Dec. 2025

February 5, 2026

Presenter : **Takeo Uchibori**  
Senior managing director



**The Gunma Bank, Ltd.**

*By connecting the strands of resources, people, and generations,  
we weave better futures for our communities.*

(Tokyo Stock Exchange Prime Market : 8334)

GUNMA BANK REPORT 2025



# Today's Summary

**Core business net profit** (excluding gains / losses on cancellation of investment trusts) **increased by ¥12.0 bn YoY, due to an increase in net interest income** (Progress of the plan **77.2%**) . **Consolidated profit : ¥44.7 bn (YoY+ ¥12.9bn)** Progress of the plan (¥55.0 bn) **81.4%**

3Q Financial Results	< Profit / Loss >		FY 2025 3Q	YoY	Progress of the annual plan	
	Net interest income (consolidated)	:	¥ 77.6 bn	+¥ 18.1 bn <small>Of which, gains(losses) on cancellation of investment trusts+¥6.0bn</small>	77.6% <small>Excluding gains(losses) on cancellation of investment trusts76.3%</small>	... <i>The smooth growth in loans balance</i> (YoY+5.4%) <i>increase in domestic yields in loans</i> (YoY+26bp→1.22%)
	Non-interest business profit (consolidated)	:	¥ 21.4 bn	+¥ 3.2 bn	74.0%	... <i>In corporate service, deposits financial assets service, we will <b>strengthen promotion</b> in the fourth quarter.</i>
	Expenses (consolidated)	:	¥ 44.8 bn	+¥ 3.3 bn	74.2%	... <i>Personnel exp. +¥ 1.4 bn(non-consolidated), Non-personnel exp.+1.2 bn(non-consolidated) →Increase mainly through strategic investments. OHR <b>continues to improve.</b></i>
	Net credit costs (non-consolidated)	:	¥ 1.8 bn	+¥ 0.4 bn	67.6%	... <i>the recent number of bankruptcies, etc. (legal bankruptcy, lawyer intervention, business closure) <b>remains at a high level.</b> We will continue to monitor the situation.</i>
< Main account >			As of Dec. 2025	YoY		
	Deposits	:	¥ 8,617.4 bn	+2.8%	...	<i>Corporate deposits (YoY+3.8%) Individual deposits (YoY+0.1%)</i>
	Loans	:	¥ 7,158.5 bn	+5.4%	...	<i><b>XB</b> (YoY+22.7%) <b>SF</b> (YoY+29.4%) <b>NY</b> (YoY+25.6%)</i>
	Unrealized gains/losses AFS-sec.	:	¥ 22.9 bn <small>(unrealized gains)</small>	+¥39.1 bn <small>Compared to Mar. 2025</small>	...	<i>Unrealized gains/ losses on domestic bonds-¥63.9 bn (Compared to Mar. 2025 -¥7.4 bn)</i>

## Business Integration

- ✓ Currently in final negotiations toward a final agreement in March.  
In addition to announcing key details such as the representative director, trade name, and integration ratio,  
**we are currently considering the financial plans for the new financial group.**
- ✓ Promoting "**Pre-Action 180**" toward the integration.  
Through various communications, we aim to integrate awareness and culture, accelerating efforts to realize integration synergies.

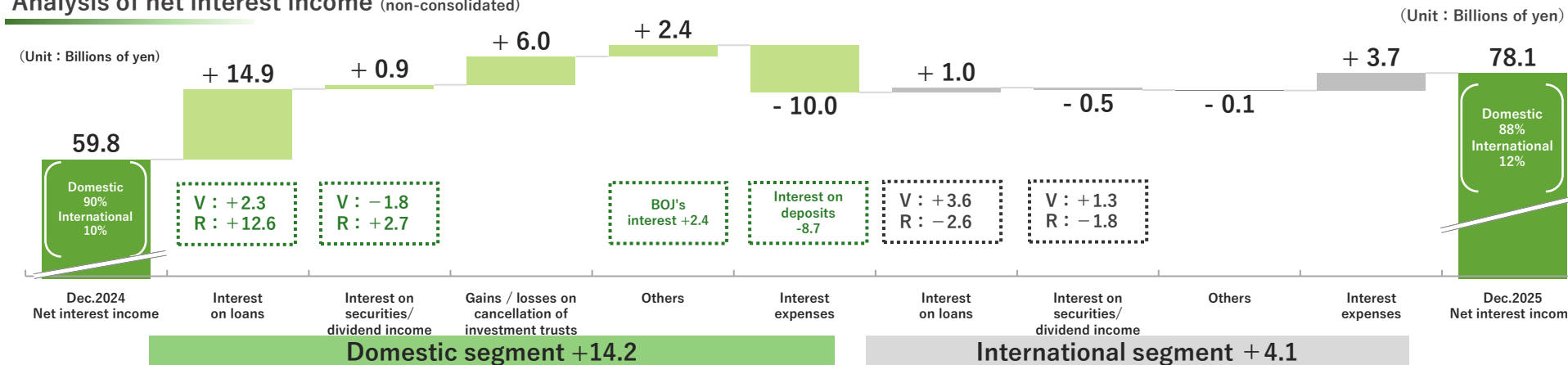
# Profit and Loss Conditions

**Profit attributable to owners of parent** amounted to **44.7 billion yen**, up 12.9 billion yen YoY, which is **81.4%** of the annual plan (55 billion yen), and is progressing smoothly.

## Financial Summary

(Unit : Billions of yen)					(Unit : Billions of yen)				
< Consolidated >	FY2025 3Q	YoY	Annual plan FY2025	Progress rate (annual plan)	< Non-consolidated >	FY2025 3Q	YoY	Annual plan FY2025	Progress rate (annual plan)
Core business gross profit	99.1	21.4	129.0	76.8%	Core business gross profit	93.1	20.5	119.9	77.6%
Net interest income	77.6	18.1	100.0	77.6%	Net interest income	78.1	18.3	100.8	77.5%
Gains / losses on cancellation of investment trusts	3.3	6.0	2.7	124.7%	Gains / losses on cancellation of investment trusts	3.3	6.0	2.7	124.7%
Excluding gains / losses on cancellation of investment trusts	74.3	12.1	97.3	76.3%	Excluding gains / losses on cancellation of investment trusts	74.8	12.2	98.1	76.2%
Non-interest business profit	21.4	3.2	29.0	74.0%	Non-interest business profit	14.9	2.2	19.1	78.2%
Expenses	44.8	3.3	60.3	74.2%	Expenses	43.0	3.1	57.7	74.5%
Core business net profit	54.3	18.0	68.7	79.1%	Core business net profit	50.0	17.3	62.2	80.5%
Excluding gains / losses on cancellation of investment trusts	50.9	12.0	66.0	77.2%	Excluding gains / losses on cancellation of investment trusts	46.7	11.3	59.5	78.5%
Ordinary profit	65.1	20.0	78.0	83.4%	Gains or losses on investment securities	10.7	2.5	11.4	94.0%
Profit attributable to owners of parent	44.7	12.9	55.0	81.4%	Net credit costs	1.8	0.4	2.8	67.6%
					Others	1.8	-0.4	1.2	155.1%
OHR (excluding gains / losses on cancellation of investment trusts)	46.7%	-4.8%	47.7%	—	Ordinary profit	60.7	19.0	72.0	84.4%
ROE (annualized rate)	10.2%	2.8%	9.5%	—	Net profit	41.8	12.7	51.0	82.1%

## Analysis of net interest income (non-consolidated)



# Status of Deposits and Loans

Promote **corporate deposits** in proportion to loan share, etc.. **Loan balance** is growing steadily. Also, yields are rising.

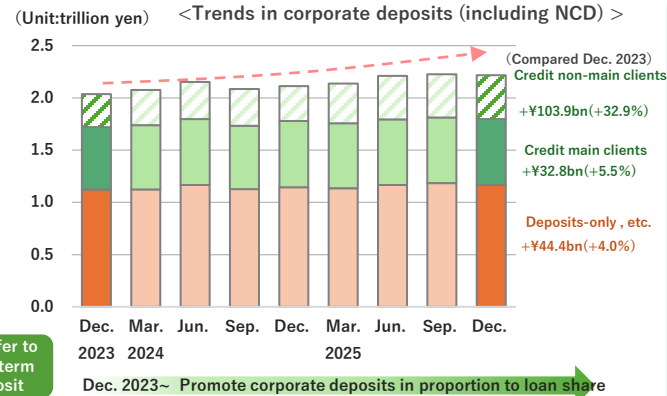
## Breakdown of deposit balance

(Unit : Billions of yen)

	Dec. 2025	Compared to Mar. 2025(rate of change)	Compared to Dec. 2024(rate of change)
Deposits, etc.	8,788.3	115.9 (1.3%)	157.7 (1.8%)
Deposits	8,617.4	154.4 (1.8%)	242.0 (2.8%)
Individuals	5,832.8	97.8 (1.7%)	8.8 (0.1%)
Corporations	2,151.1	75.4 (3.6%)	79.2 (3.8%)
Public money	429.8	24.8 (6.1%)	141.1 (48.9%)
Negotiable certificates of deposit	170.8	- 38.5 (-18.4%)	- 84.3 (-33.0%)

Transfer to large term deposit

## Strengthening Corporate Deposit Initiatives



## < Various initiatives >

**Borrower** (main and non-main client)  
Promote corporate deposits in proportion to loan share

**Deposit-only clients**  
Initiatives to mainstream payment transaction through Non-FTF channels (Corporate Internet Banking system, etc.)

**Sales branches**  
Incentivize deposit acquisition by raising deposit cost rates

## Breakdown of loan balance

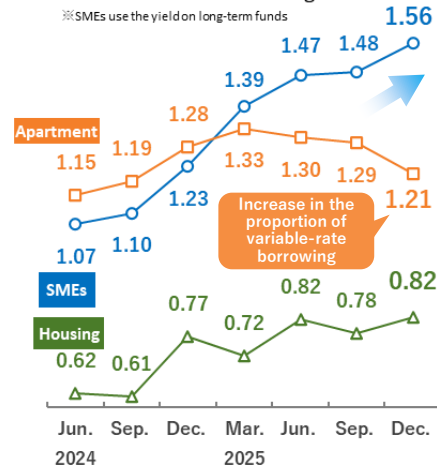
(Unit : Billions of yen)

	Dec. 2025	Compared to Mar. 2025(rate of change)	Compared to Dec. 2024(rate of change)	Loan's RORA ( ) is compared to Dec.2024
Loans	7,158.5	313.4 (4.5%)	368.1 (5.4%)	—
Large enterprises	1,114.5	104.6 (10.3%)	109.6 (10.9%)	1.57% (+0.47pt)
Secondtier enterprises/SMEs	2,731.1	39.3 (1.4%)	59.5 (2.2%)	1.10% (+0.30pt)
Individuals	2,560.2	66.8 (2.6%)	90.6 (3.6%)	—
Housing	1,521.9	59.6 (4.0%)	73.4 (5.0%)	1.81% (+0.72pt)
Apartment	698.8	3.5 (0.5%)	10.6 (1.5%)	0.91% (+0.25pt)
Unsecured consumer	84.9	5.5 (6.9%)	7.5 (9.7%)	2.21% (+0.41pt)
Cross-border loans	262.6	41.2 (18.6%)	48.6 (22.7%)	2.98% (+1.26pt)
Structured finance	215.8	43.6 (25.3%)	49.1 (29.4%)	1.34% (+0.52pt)
Overseas branch	170.2	17.2 (11.3%)	34.7 (25.6%)	1.67% (+0.36pt)
Others(Public,etc.)	103.9	0.4 (0.4%)	- 24.2 (-18.9%)	—

## Status of yields

### < Interest rates of new loans granted : % >

※SMEs use the yield on long-term funds



### < Yield on loans(domestic) : % >

※SMEs include policy/branch accounts.

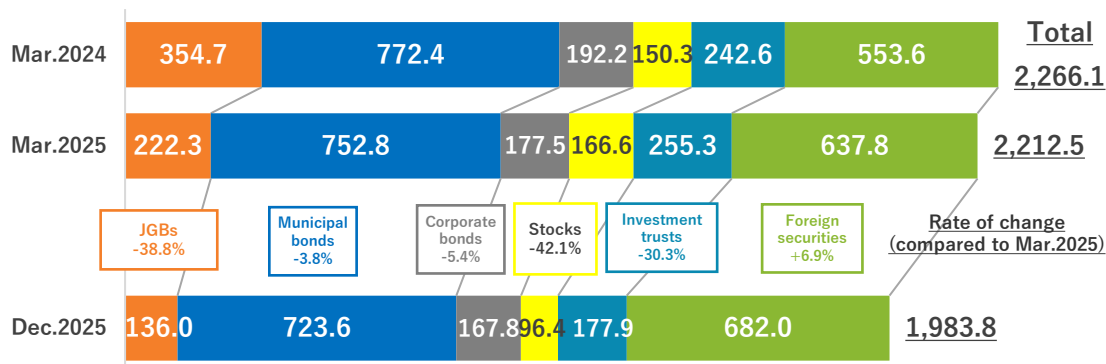


# Status of Securities

The Banks sold JGBs at the 1<sup>st</sup> quarter when interest rates were falling. Consider new JGB purchases and reduction of low-yield assets while monitoring interest rate trends.

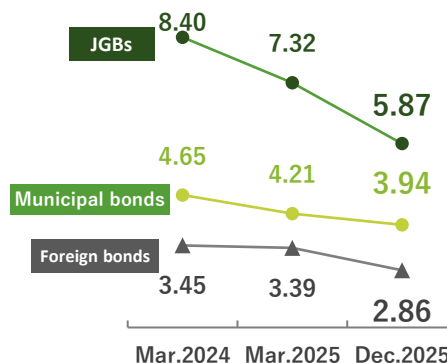
## Balance (Book value basis)

(Unit : Billions of yen)

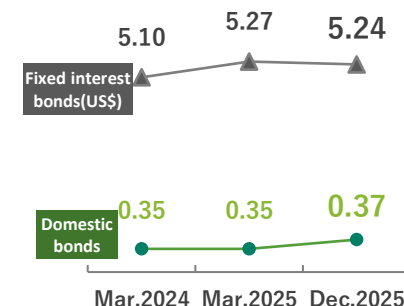


## Various index

< Duration : year >



< Bond yield : % >



## Unrealized gains (losses) valuation (BS)

(Unit : Billions of yen)

	Mar.2025	Dec.2025	Compared to Mar.2025
Available-for-sale securities	-16.1	22.9	39.1
Domestic bonds	-56.5	-63.9	-7.4
(JGBs)	-17.4	-11.5	5.9
(Municipal bonds)	-25.6	-30.3	-4.7
(RMBS)	-12.8	-21.3	-8.5
Others	40.3	86.8	46.5
Foreign securities	5.4	12.8	7.4
Investment trusts, etc.	-16.6	-6.3	10.3
Stocks	51.5	80.2	28.7
(Strategically held stocks)	59.0	81.3	22.2
(Investment securities)	-7.5	-1.0	6.4

## Gains (losses) on sales (PL)

(Unit : Billions of yen)

	FY2024 3Q	FY2025 3Q	YoY
Total (① + ②)	5.4	14.0	8.6
Available-for-sale securities ①	8.1	10.7	2.5
Gains(losses) on bonds	-11.1	-4.7	6.3
losses on sales	-10.7	-7.1	3.6
(Losses on JGBs)	-8.2	-7.1	1.1
(Losses on foreign bonds)	-2.5	—	2.5
Gains(losses) on stocks, etc.	19.2	15.4	-3.8
Gains(losses) on sale of stocks, etc.	19.3	15.4	-3.8
(Strategically held stocks)	3.5	8.8	5.2
(Investment securities)	15.7	6.6	-9.1
Gains(losses) on cancellation of investment trusts ②	-2.6	3.3	6.0

# Non-interest Business Profit / Expenses / Net credit costs

Corporate service revenue · Deposits financial assets, etc. revenue will strive to increase in the 4th quarter. OHR continues to improve. Net credit costs are low and stable.

## Non-interest Business Profit

	FY2025		(Unit : Billions of yen)	
	3Q	YoY	Annual plan FY2025	Progress rate
Consolidated non-interest business profit	21.48	3.26	29.0	74%
Corporate service revenue	7.21	1.05	10.8	66%
Syndicate loans	1.56	0.66	1.8	85%
Business matching	0.79	0.16	1.2	64%
SDGs-related	0.94	0.46	1.3	72%
Derivatives	1.23	-0.78	2.2	55%
Gungin Consulting	0.58	0.18	0.8	71%
Deposits financial assets, etc. revenue	6.79	0.77	10.2	66%
Investment trusts commissions	1.44	-0.26	2.0	70%
Insurance sales commissions	2.09	0.22	3.2	63%
Gungin Securities	2.88	0.72	4.3	66%
Others	7.46	1.43	8.0	93%
Dividends of group credit life insurance	1.86	0.66	1.8	102%
Basis services(domestic exchange, etc.)	6.34	0.16	8.4	75%

## Net credit costs

< Breakdown of non-consolidated net credit costs >

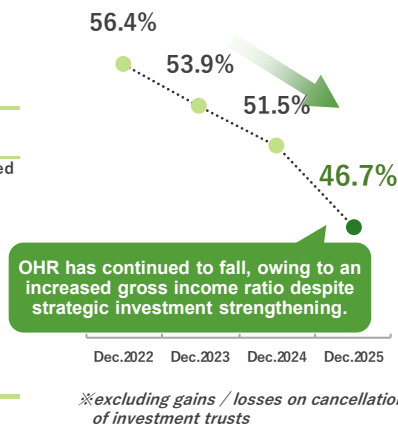
	(Unit : Billions of yen)				
	FY2022	FY2023	FY2024	FY2025 3Q	FY2025 (Plan)
Net credit costs	1.0	0.6	2.3	1.8	2.8
Provision of general allowance for loan losses	-1.8	-1.5	-1.1	-0.2	-0.3
Change to the actual rate	-0.8	-0.1	-0.2	0.0	0.1
DCF	-0.7	-0.9	-0.3	-0.0	0.2
Others	-0.3	-0.5	-0.6	-0.2	-0.6
Disposal of non-performing loans	2.9	2.1	3.7	2.1	3.1
Downgrade	7.2	6.1	6.3	3.3	4.7
Collection, upgrade, etc.	-4.5	-4.2	-3.0	-2.0	-1.9
Others	0.2	0.2	0.4	0.8	0.3
Recoveries of written off receivables (-)	0.0	0.0	0.2	0.0	0.0

## Expenses

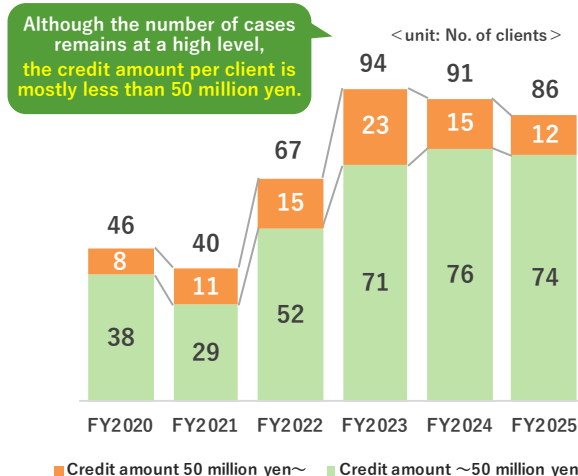
< Breakdown of consolidated expenses >

	FY2025		Main increase factors
	3Q	YoY	
Consolidated expenses	44.8	+3.3	—
Personnel exp.	23.3	+1.4	Base-up, Stock price linked lump sum, etc.
Non-personnel exp.	16.9	+1.2	System-related, Advertising exp., etc.
Taxes	2.7	+0.3	Size based business tax
Subsidiaries	3.3	+0.5	Gungin securities, Gungin consulting, etc.
(Consolidated offset)	-1.5	-0.3	—

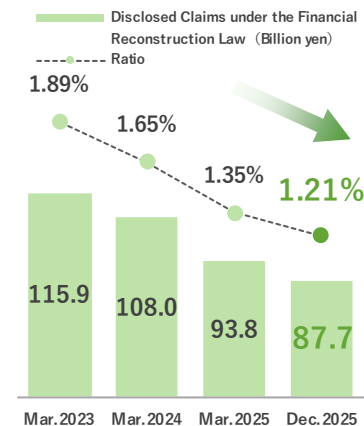
< Trends in consolidated Over Head ratio >



< Status of customer bankruptcy, etc. in Gunma Pref. >



< Consolidated disclosed Claims under the Financial Reconstruction Law >



# Shareholder Return

The annual cash dividend per share will be 60\* yen, increase of 15 yen YoY(Interim 30 yen , End 30 yen). This fiscal year, we have already repurchased ¥6 billion worth of treasury stock (Jul. 2025 ~Sep. 2025).

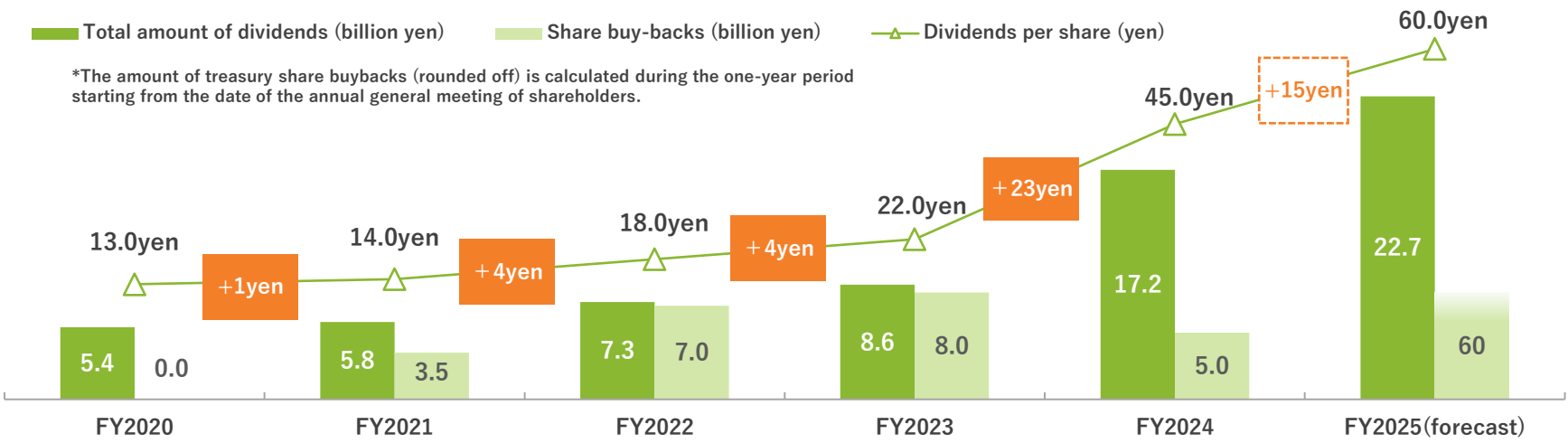
\* The initial annual dividend forecast of 50 yen announced at the beginning of the fiscal year (May 2025) was revised upward to 60 yen in Sep. 2025 (an increase of 10 yen compared to the initial forecast).

## Shareholder return policy

The bank’s basic policy on dividends is a **progressive dividend system** that aims to maintain or increase dividends. The bank strives to achieve a payout ratio of **40%** of profit attributable to owners of parent and will increase dividends through profit growth. In addition, the bank will flexibly implement acquisition of treasury shares based on capital levels, capital efficiency, growth investment opportunities, and market trends.

## Achievements of shareholder return

Dividends per share have increased 4.6 times over the past 5 years.



\*The amount of treasury share buybacks (rounded off) is calculated during the one-year period starting from the date of the annual general meeting of shareholders.

Total amount of shareholder return	5.4billion yen	9.3billion yen	14.3billion yen	16.6billion yen	22.2billion yen	—
Total shareholder return ratio	46.8%	39.9%	51.4%	53.6%	50.7%	(52.2%forecast)
Dividend payout ratio	40.4%	22.1%	26.4%	28.1%	39.5%	(41.5%forecast)
Return policy	Total shareholder return ratio 40% guideline				Dividend pay out ratio 40%guideline (Progressive dividend system )	
subject profit	Non-consolidated basis		Consolidated basis			



# Reduction Target of Shares for Policy Purposes

The Bank plans to reduce listed shares with a book value by 50% ( - 20 billion yen) over 5 years during FY2022 ~ FY2026.  
Progress rate as of Dec. 2025 : 83% (-16.7 billion yen).

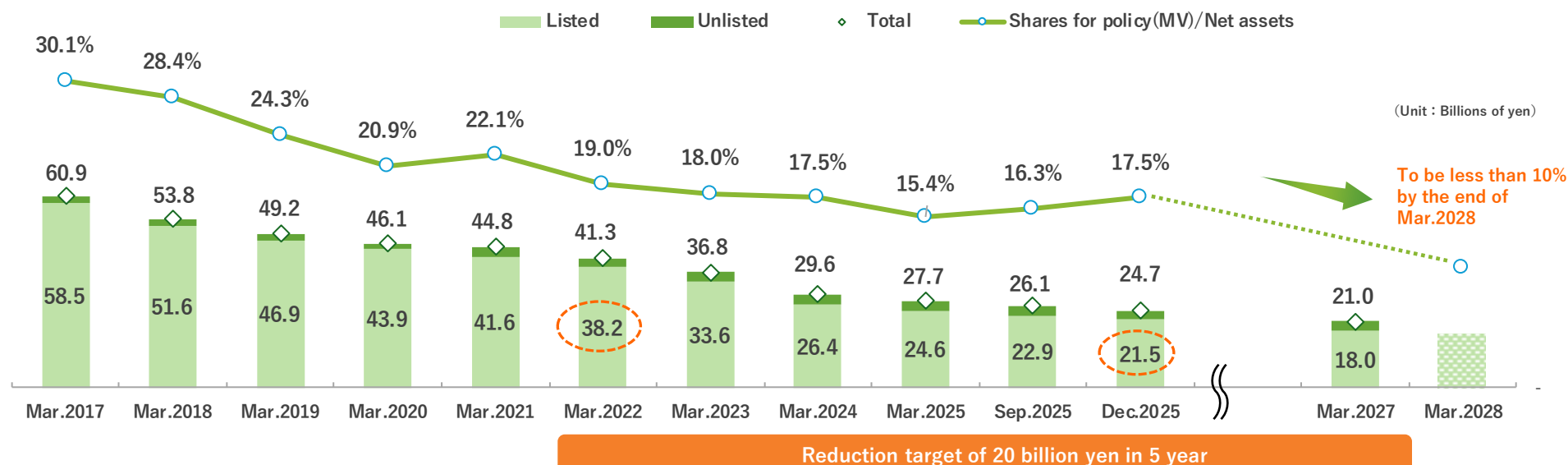
## Shares for policy purposes policy and verification

※97% progress on an agreed basis

- The Bank's **policy is** to hold shares for policy purposes when the significance of such holdings is recognized, such as to maintain and strengthen business relationships with customers and to revitalize the local economy, and to **basically reduce** the number of such holdings.
- With regard to each equity security held for policy purposes, the Bank examines the appropriateness of holding such shares comprehensively after examining economic rationality, using medium-long-term business relationships, RORA\*

(※) RORA = (Profit after deducting expenses and credit costs + dividends received) × (1-30.5%) / Risk assets of loans and shares

## Changes in book value of shares for policy purposes and market value ratio to consolidated net assets



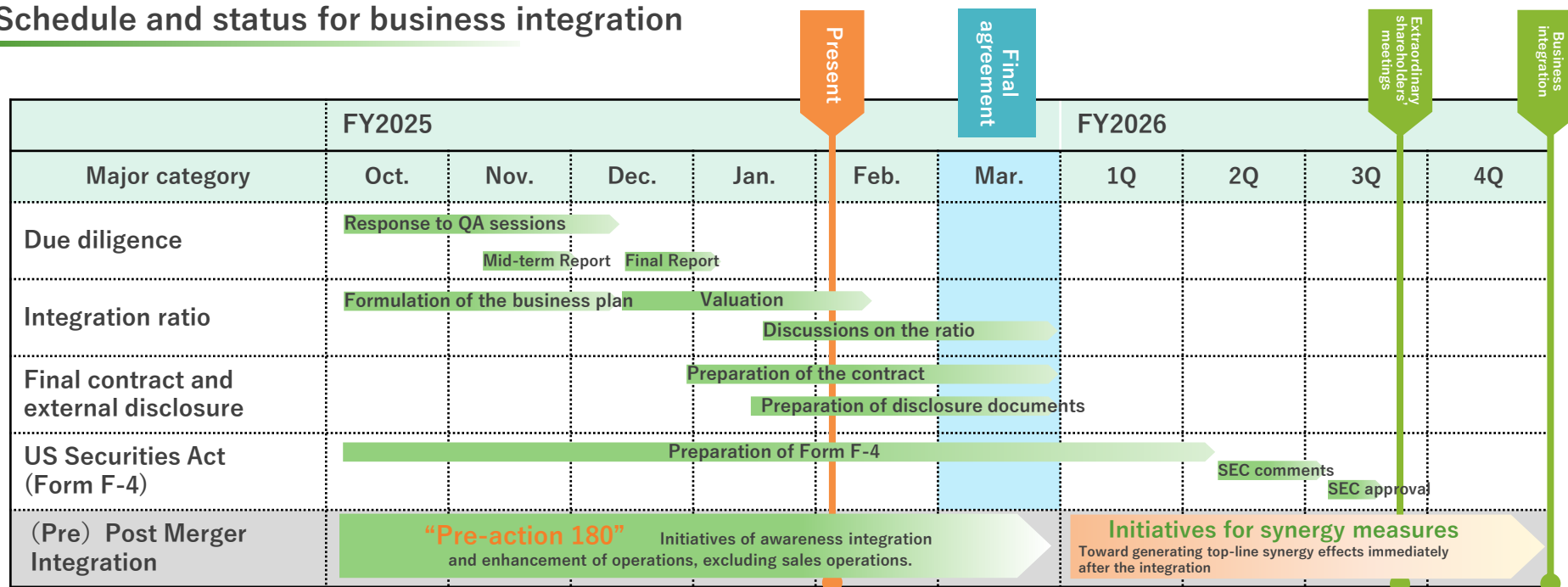
## Changes in the number of shares for policy purposes (listed)

	Mar.2017	Mar.2018	Mar.2019	Mar.2020	Mar.2021	Mar.2022	Mar.2023	Mar.2024	Mar.2025	Sep.2025	Dec.2025
Listed Companies	116	113	100	101	90	86	77	69	64	61	56



# Progress of the Business Integration

## Schedule and status for business integration



### About the final agreement

**【Items scheduled to be announced**  
(including those under consideration)】

**Basic information** such as representative director, trade name, and logo

**Information shaping the integration structure**, such as share exchange ratio and outline of the headquarters organization

**Information on the vision after integration**, such as philosophy and financial plans for the new financial group

**Other information** such as the accounting acquirer, accounting auditor, and shareholder registry administrator

### (Pre) Post Merger Integration

#### "Pre-action 180"

**【Awareness Integration】**

Jointly held events and joint training

**【Operational Integration】**

Start considering of joint research in the generative AI area




#### Initiatives for synergy measures

- Standardization of know-how
- Common products
- Mutual use of channels
- The introduction of clients

...etc.

*"Maximize synergy effects immediately after the integration"*

The background of the slide is a faded, artistic rendering of a cityscape. In the foreground, there are several tall buildings, including a prominent orange one and a grey one. In the background, a range of blue mountains is visible under a light sky.

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