The Gunma Bank, Ltd.

Overview of Financial Results

for the three months ended Jun. 2026

August 3, 2026

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 2026
（Japanese）

Profit and Loss Conditions

Profit attributable to owners of parent amounted to **17.5 billion yen**, up 3.5 billion yen YoY, due to an increase in net interest income, with a progress rate of **27.0%** in relation to the announced profit of 65.0 billion yen.

Financial Summary

(Unit：Billions of yen)

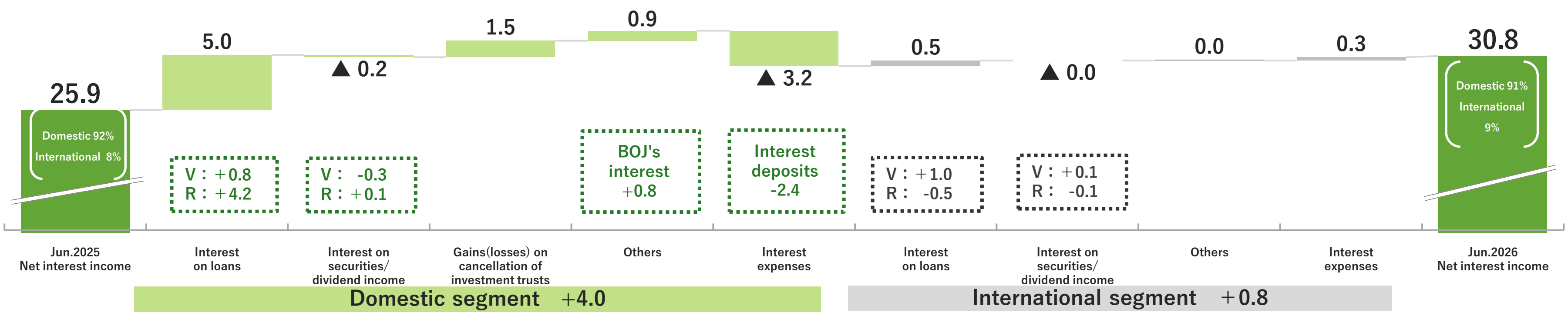
＜Consolidated＞	FY2026 1Q	YoY	Annual plan FY2026	Progress rate (annual plan)
Core business gross profit	38.7	5.9	146.7	26.4%
Net interest income	30.5	4.7	111.7	27.3%
Gains (losses) on cancellation of investment trusts	3.3	1.5	–	–
Excluding gains (losses) on cancellation of investment trusts	27.2	3.2	111.7	24.4%
Non-interest business profit	8.1	1.1	35.0	23.2%
Expenses	15.7	1.0	64.7	24.3%
Core business net profit	22.9	4.9	82.0	28.0%
Excluding gains(losses) on cancellation of investment trusts	19.6	3.4	82.0	23.9%
Net Credit Costs	0.2	-0.5	5.5	4.9%
Ordinary profit	25.1	5.1	95.0	26.5%
Profit attributable to owners of parent	17.5	3.5	65.0	27.0%
OHR (excluding gains(losses) on cancellation of investment trusts)	44.4%	-3.2%	44.0%	–
ROE (annualized rate)	11.3%	1.4%	10.5%	–

(Unit：Billions of yen)

＜Non-consolidated＞	FY2026 1Q	YoY	Annual plan FY2026	Progress rate (annual plan)
Core business gross profit	36.3	5.3	136.2	26.7%
Net interest income	30.8	4.8	113.0	27.3%
Gains (losses) on cancellation of investment trusts	3.3	1.5	–	–
Excluding gains (losses) on cancellation of investment trusts	27.5	3.3	113.0	24.3%
Non-interest business profit	5.4	0.4	23.3	23.5%
Expenses	14.9	0.8	61.7	24.2%
Core business net profit	21.4	4.5	74.5	28.7%
Excluding gains(losses) on cancellation of investment trusts	18.0	3.0	74.5	24.2%
Gains or losses on investment securities	0.9	-0.9	13.2	7.2%
Net credit costs	0.1	-0.5	5.0	3.1%
Others	1.4	0.6	5.3	26.7%
Ordinary profit	23.6	4.8	88.0	26.8%
Net profit	16.5	3.3	60.0	27.5%

Analysis of net interest income (non-consolidated)

(Unit : Billions of yen)



Status of Loans

Loan balances grew strongly, driven by cross-border loans, structured finance, and the overseas branch. Also, loan yields are rising steadily.

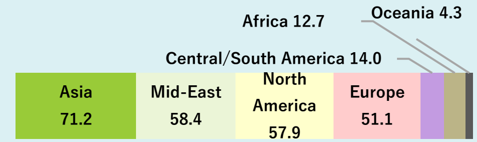
Breakdown of loan balance

(Unit : Billions of yen)

	Jun.2026	Compared to Mar.2026 (rate of change)		Compared to Jun.2025 (rate of change)		Loan's RORA ( )is compared to Jun.2025		Loan's ROA ( )is compared to Jun.2025	
Loans	7,227.7	1.5	(0.0%)	385.7	(5.6%)	–	–	–	–
Large enterprises	1,101.7	6.3	(0.5%)	74.6	(7.2%)	2.07%	(+0.60pt)	0.50%	(+0.11pt)
Secondtier enterprises/SMEs	2,726.0	-28.3	(-1.0%)	70.5	(2.6%)	1.28%	(+0.30pt)	0.70%	(+0.15pt)
Individuals	2,599.2	13.5	(0.5%)	92.9	(3.7%)	–	–	–	–
Housing	1,548.1	12.8	(0.8%)	72.9	(4.9%)	1.70%	(+0.36pt)	0.32%	(+0.07pt)
Apartment	706.6	0.1	(0.0%)	10.8	(1.5%)	1.04%	(+0.23pt)	0.45%	(+0.05pt)
Unsecured consumer	89.0	2.0	(2.3%)	7.6	(9.3%)	1.91%	(-0.09pt)	0.41%	(-0.03pt)
Cross-border loans	269.6	0.4	(0.1%)	40.3	(17.5%)	3.24%	(+0.93pt)	0.91%	(+0.26pt)
Structured finance	262.0	20.9	(8.6%)	83.2	(46.5%)	1.43%	(+0.39pt)	1.01%	(+0.27pt)
Overseas branch	170.3	-10.2	(-5.6%)	28.8	(20.3%)	1.64%	(+0.31pt)	0.41%	(+0.08pt)
Others(Public,etc.)	98.6	-1.0	(-1.0%)	-4.8	(-4.7%)	–	–	–	–

Cross-border loans

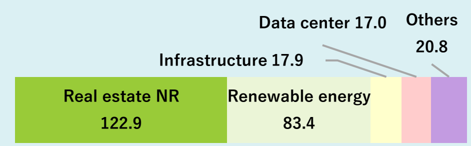
- Building a geographically diversified portfolio.
- New lending to the Middle East remains suspended, while the current portfolio remains sound.



(Billions of yen)

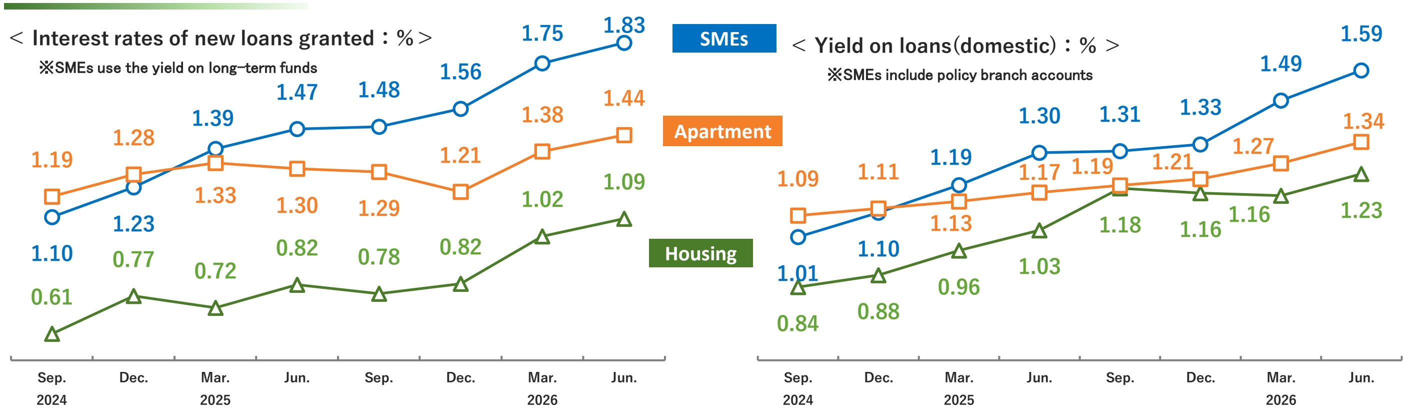
Structured finance

- Increased mainly through real estate non-recourse financing. *(Predominantly senior loans, with LTV averaging approx. 60%)*
- No exposure to JGB repackaged loans

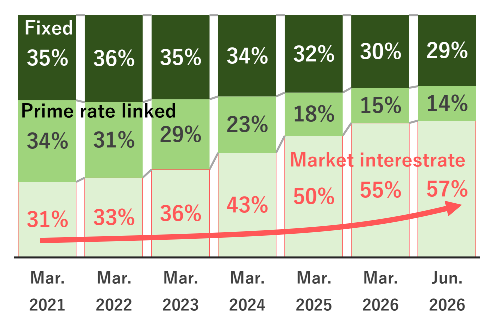


(Billions of yen)

Status of yields



(Ref.) Corporate loans by interest rate type



Status of Deposits

Deposits increased steadily, driven primarily by growth in corporate deposits. To strengthen individual deposits, we aim to acquire stable, sticky deposits by offering attractive deposit products and Implementing asset-based advisory sales.

Breakdown of deposit balance

(Unit : Billions of yen)

		Jun.2026	Compared to Mar.2026 (rate of change)		Compared to Jun.2025 (rate of change)	
Deposits, etc.		8,919.6	130.5	(1.4%)	100.4	(1.1%)
Total deposits		8,683.3	112.2	(1.3%)	90.8	(1.0%)
Domestic deposits		8,572.4	163.3	(1.9%)	143.9	(1.7%)
(By Entity)	Individuals	5,798.7	39.0	(0.6%)	18.6	(0.3%)
	Corporations	2,267.5	103.4	(4.7%)	111.6	(5.1%)
	Public money	446.7	32.2	(7.7%)	21.1	(4.9%)
(By Type)	Liquid	6,671.2	98.1	(1.4%)	42.2	(0.6%)
	Fixed-term	1,848.9	63.7	(3.5%)	95.9	(5.4%)
(By Region)	Gunma Prefecture	6,893.9	97.8	(1.4%)	69.6	(1.0%)
	Outside Gunma Prefecture, etc.	1,643.8	64.1	(4.0%)	72.6	(4.6%)
Overseas branch deposits		110.9	-51.0	(-31.5%)	-53.0	(-32.3%)
Negotiable certificates of deposit		236.3	18.2	(8.3%)	9.6	(4.2%)

Deposits balance plan

(Target +3% YoY, as of Mar. 31, 2027) (Unit : billions of yen)

Balance plan	Mar. 2026 (result)	Mar. 2027 (plan)	Increase amount (YoY)
Domestic Dep.	8,409.0	8,688.5	+279.4 (+3.3%)
>individuals	5,759.6	5,881.0	+121.3 (+2.1%)
>corporations	2,164.1	2,267.0	+102.8 (+4.8%)

Strengthening individual deposits

Strategic interest rate setting by customer segment

- **premium time deposit** <Affluent Seg.>
- **Life event time deposit** <Mass Seg.>

Dep. inflows since launch in Feb. (through Jul. 13)
- *Premium time deposit: JPY 28.0bn*
- *Life event time deposit: JPY 4.2bn*
- *1Q (Apr-Jun) total inflows: JPY 21.0bn*

"Utsukushiki" Niigata Premium Rice Gift Time Deposit

✓In collaboration with Daishi Hokuetsu FG
*✓Enhancing attractiveness by providing **value beyond interest rates***
(Launched on Jul. 17)

Strengthening Corporate deposits

Promoting deposit transactions aligned with loan share.
(Continued focus on the metropolitan area, supported by its large market size and strong growth potential.)

Initiatives and approaches to strengthen individual deposits

Toward building a highly sticky deposit base

- **Short term: Deposits acquisition** — Segment-specific deposit products
- **Medium term: Natural inflow** — Becoming customers' primary bank (salary, pension, etc.)
- **Long term: Customer retention** — Enhanced convenience & benefits (apps, ATMs, etc.)
- **Toward building a highly sticky deposit base**

Implementing asset-based advisory sales

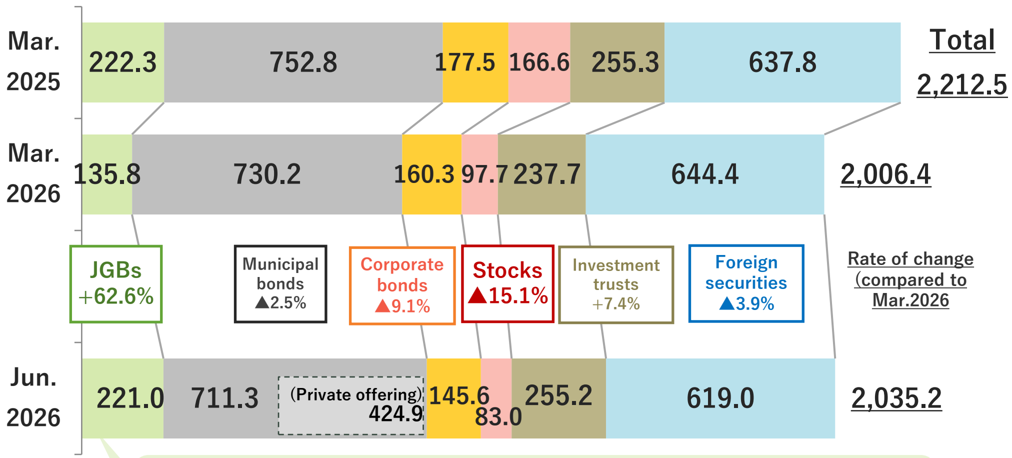
- **Comprehensive Asset Approach** — Capturing client's total assets including other deposits and real estate, etc.
- **Goal alignment** — Sharing goals based on clients' future objectives and life plans
- **Asset-based advisory** — Providing proposals based on a long-term, total portfolio view including deposits
- **Stable asset growth for clients × sustainable growth for the Gunma Bank** — From flow income to stock income

Status of Securities

We resumed JGBs investments in response to interest rate developments. Additionally, gains from investment trust redemptions (the reallocation of domestic bond bear funds) were utilized to offset the partial disposal of low-yield RMBS.

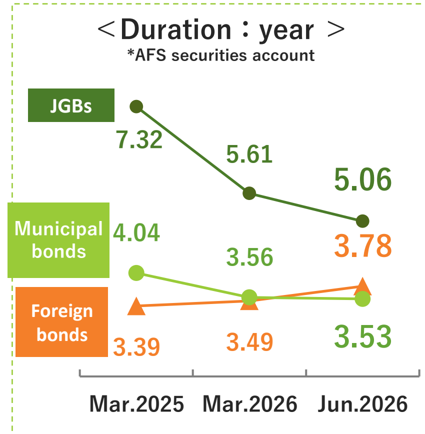
Balance (Book value basis)

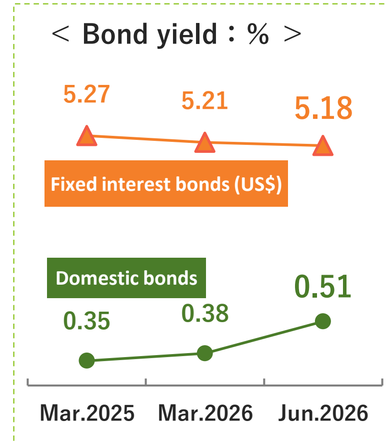
(Unit : Billions of yen)



Built up JGB holdings in the 3- to 7-year maturity range while keeping duration under control. (Average yield on new purchases: approx. 1.9%)

Various index





Unrealized gains (losses) valuation (BS)

(Unit : Billions of yen)

	Mar.2026	Jun.2026	Compared to Mar. 2026
Available-for-sale Securities	0.1	11.7	＋11.6
Domestic bonds	-73.6	-72.7	＋0.8
(JGBs)	-12.7	-13.4	-0.7
(Municipal bonds)	-33.6	-33.3	＋0.3
(RMBS ※Corporate bonds)	-26.4	-25.2	＋1.2
Others	73.7	84.4	＋10.7
Foreign securities	9.4	9.2	-0.2
Investment trusts, etc.	-12.1	-9.5	＋2.6
Stocks	76.4	84.7	＋8.3
(Strategically held stocks)	78.4	86.3	＋7.8
(Investment securities)	-2.0	-1.5	＋0.4

Gains (losses) on sales (PL)

(Unit : Billions of yen)

	FY2025 1Q	FY2026 1Q	YoY
Total (①＋②)	3.7	4.2	＋0.5
Available-for-sale securities ①	1.8	0.9	-0.9
Gains(losses)on bonds	-6.9	-3.4	＋3.4
Of which, losses on sales	-7.0	-3.4	＋3.6
(Losses on JGBs)	-7.0	-3.3	＋3.6
Gains(losses) on stocks, etc.	8.8	4.4	-4.4
Of which, gains(losses) on sale of stocks, etc.	8.8	4.4	-4.4
(Strategically held stocks)	5.5	2.0	-3.5
(Investment securities)	3.2	2.3	-0.8
Gains(losses) on cancellation of investment trusts ②	1.8	3.3	＋1.5

Non-interest Business Profit / Expenses / Net credit costs

Non-interest business profit increased by 1.1 billion yen YoY. **Expenses** increased due to continued investments in strategic areas, including personnel costs. **Net credit costs** are low and stable.

Non-interest Business Profit (consolidated)

(Unit：Billions of yen)

	FY2026 1Q	YoY	Annual plan FY2026	Progress rate
Total non-interest business profit	8.13	1.19	35.0	23%
Corporate service revenue	2.09	0.29	13.9	15%
Syndicate loans	0.22	-0.02	2.3	9%
Business matching	0.25	0.03	1.3	18%
SDGs	0.18	-0.01	1.6	10%
Derivatives	0.64	0.18	3.8	16%
Gungin Consulting	0.24	0.02	0.8	29%
Deposits financial assets, etc. revenue	2.59	0.65	11.4	22%
Investment trusts commissions	0.61	0.19	2.5	24%
Insurance sales commissions	0.56	-0.12	2.5	21%
Gungin Securities	1.29	0.55	5.4	23%
Others	3.44	0.24	9.7	35%
Dividends of group credit life insurance	1.63	-0.11	1.8	88%
Basis services(domestic exchange, etc.)	2.13	0.01	8.3	25%

Non-interest Business Profit（Key Initiatives）

1Q performance progressed at a typical pace, with initiatives being accelerated to drive further growth.

<Corporate service>

	1Q	2Q	3Q	4Q
FY2026 1Q	15.0%			
Average of past three periods	16.8%	31.2%	17.4%	34.6%

<Deposits financial assets, etc. revenue>

	1Q	2Q	3Q	4Q
FY2026 1Q	22.8%			
Average of past three periods	21.7%	27.5%	23.3%	27.5%

*Revenue recognition timing by quarter

Full-Scale Rollout of FX Derivatives Business

April: Strengthened head office staffing and established sales promotion and risk management frameworks.
July: Began offering FX derivatives through key branches, including those in the Southern Saitama and Keihin regions. Also started approaching customers with surplus deposits.
Promoted the business using Daishi Hokuetsu FG, a leader among regional banks in FX derivatives expertise, as a benchmark.

Practicing Asset based advisory sales through a comprehensive assets approach

・To leverage the high level of expertise offered by Gungin Securities, we continue to refer customers from the Bank to the securities company.
・Across the Group, we have established an optimal proposal framework tailored to each customer segment.
・By gaining a comprehensive understanding of customers' total assets, including assets held outside the Bank, we provide asset management-focused solutions designed to meet their overall financial needs.

Expenses (consolidated)

(Unit : Billions of yen)

	FY2026 1Q	YoY	Main factors
Expenses	15.7	＋1.0	
Personnel exp. (non-consolidated)	8.1	＋0.4	Base-up・Bonus+0.4,etc
Non-personnel exp. (non-consolidated)	5.8	＋0.3	Outsourcing+0.22, Campaign advertisement+0.06, Deposit insurance-0.05,etc
Taxes (non-consolidated)	0.9	＋0.0	Consumption tax＋0.04
Consolidated subsidiaries	1.3	＋0.2	Gungin Securities+0.14, Gungin Leasing+0.04,etc
(Consolidated offset)	-0.5	-0.0	—

Net credit costs (consolidated)

(Unit：Billions of yen)

	Mar. 2025	Mar. 2026	Jun. 2026	Mar.2027 (Plan)
Net credit costs	3.1	3.4	0.2	5.5
Gunma Bank	2.3	3.2	0.1	5.0
Provision of general allowance for loan losses	-1.1	0.0	-0.3	0.1
Change to the actual rate	(-0.2)	(-0.2)	—	—
DCF	(-0.3)	(0.6)	(-0.1)	—
Others	(-0.6)	(-0.4)	(-0.2)	(0.1)
Disposal of non-performing loans	3.7	3.6	0.4	4.9
Downgrade	(6.3)	(5.0)	(0.6)	(6.0)
Collection, upgrade, etc.	(-3.0)	(-2.5)	(-0.4)	(-1.5)
Others	(0.4)	(1.1)	(0.2)	(0.4)
Recoveries of written off receivables (-)	0.2	0.4	0.0	—
Consolidated subsidiaries	0.7	0.2	0.1	0.5
(Consolidated offset)	-0.0	-0.0	-0.0	-0.0

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