

Financial Results Briefing Session for the Year Ended March 2021

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Gunma Bank Report 2020
Integrated Report



First Section of the Tokyo
Stock Exchange: 8334

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I. Summary of Financial Results for the Year Ended March 2021



1. Profit and Loss Conditions

Core business net profit increased as a result of increase in net interest income and non-interest business profit, along with decrease in expenses.

Consolidated

(Unit: billion yen; %)				
	No.	Mar. 2020	Mar. 2021	Compared to Mar. 2020
Core business gross profit	1	84.7	86.4	1.6
Non-interest business profit	2	17.1	19.1	2.0
Expenses	3	56.1	55.4	-0.7
Core business net profit	4	28.5	30.9	2.4
OHR	5	66.3	64.1	-2.2
Ordinary profit	6	31.5	20.0	-11.4
Net income attributable to owners of parent	7	22.2	13.5	-8.7

Special comments

[Consolidated]

- Non-interest business profit increased by 2 billion yen year-on-year, due to solid performance by Gungin Securities ⇒ [page 6](#)
- Expenses decreased as well, increasing core business net profit by 2.4 billion yen and OHR improving by 2.2 percentage points to 64.1% ⇒ [page 8](#)
- Consolidated net profit for the full fiscal term decreased by 8.7 billion yen year-on-year to 13.5 billion yen, caused by increase in credit cost.

[Non-consolidated]

- Net interest income increased 800 million yen year-on-year, as a result of improvement in profit/loss from the cancellation of investment trusts, increase in interest on international securities/dividend income and decrease in fund procurement cost. ⇒ [page 2](#)
- Core business net profit increased by 2.5 billion yen year-on-year, with the real net business profit up 5.3 billion yen.
- Breakdown on gain and loss on securities, etc., includes 3.1 billion yen from gain on bonds and 9.3 billion yen from gain on stocks, etc. (3.8 billion yen from investment stocks; 5.5 billion yen from strategically held stocks) ⇒ [page 5](#)
- Credit costs increased by 16.6 billion yen year-on-year for ADR handling regarding major borrowers and addition to the reserve fund as protective action. ⇒ [page 9](#)

Non-consolidated

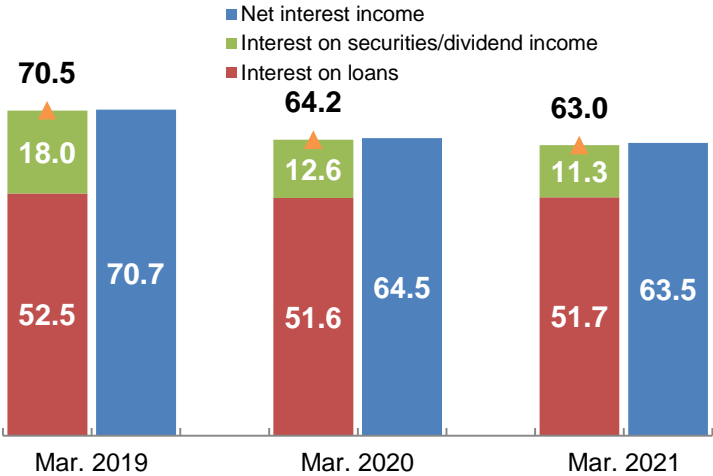
(Unit: billion yen)				
	No.	Mar. 2020	Mar. 2021	Compared to Mar. 2020
Core business gross profit	1	78.4	80.2	1.7
Net interest income	2	67.6	68.5	0.8
Profit/Loss from the cancellation of investment trusts	3	-1.4	0.3	1.8
Non-interest business profit	4	10.7	11.6	0.8
Net fees and commissions	5	9.8	10.9	1.0
Other business profit	6	0.9	0.7	-0.2
Expenses	7	54.4	53.6	-0.8
Core business net profit	8	24.0	26.6	2.5
(Excluding profit/loss from the cancellation of investment trusts)	9	25.4	26.2	0.7
Real net business profit	10	24.4	29.8	5.3
Gain and loss on securities, etc.	11	5.4	12.5	7.0
Credit costs	12	4.3	21.0	16.6
Others	13	0.2	-1.2	-1.4
Ordinary profit	14	25.3	16.8	-8.4
Extraordinary gain/loss	15	-0.6	-0.2	0.4
Net income	16	17.9	11.6	-6.2

2. Status of Net Interest Income

There was reversal in domestic transactions loan income.
In international transactions, increase in interest and dividend from securities and decrease in procurement spending contributed to income.

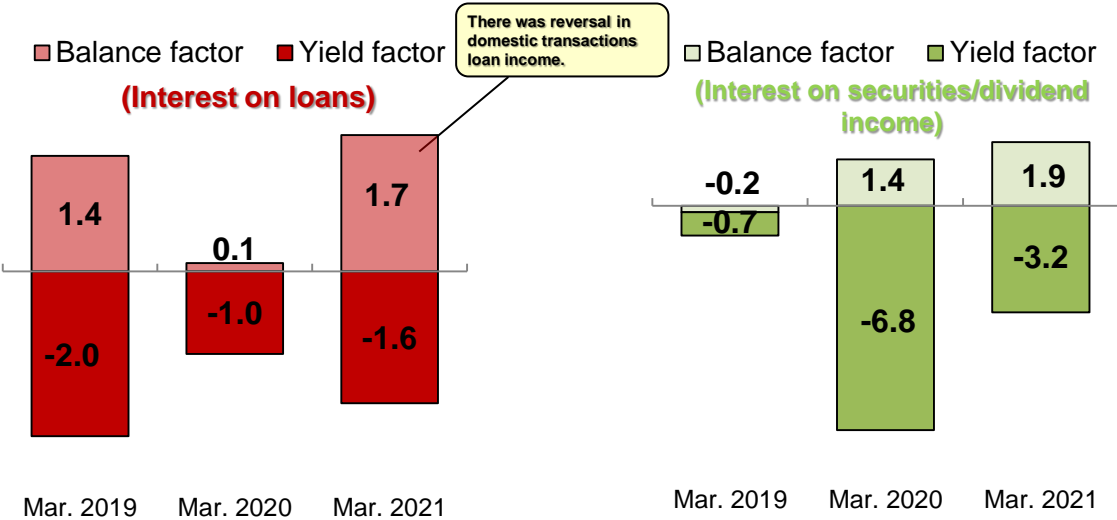
Net interest income in domestic transactions

(Unit: billion yen)



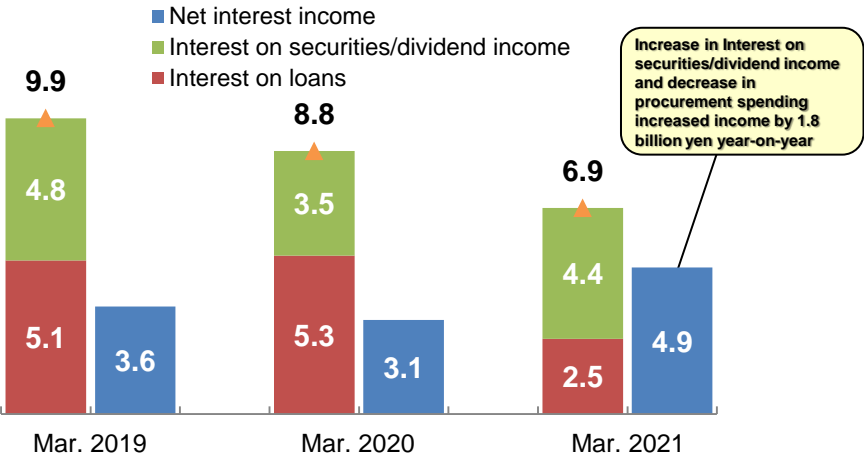
Factor for change

(Unit: billion yen)



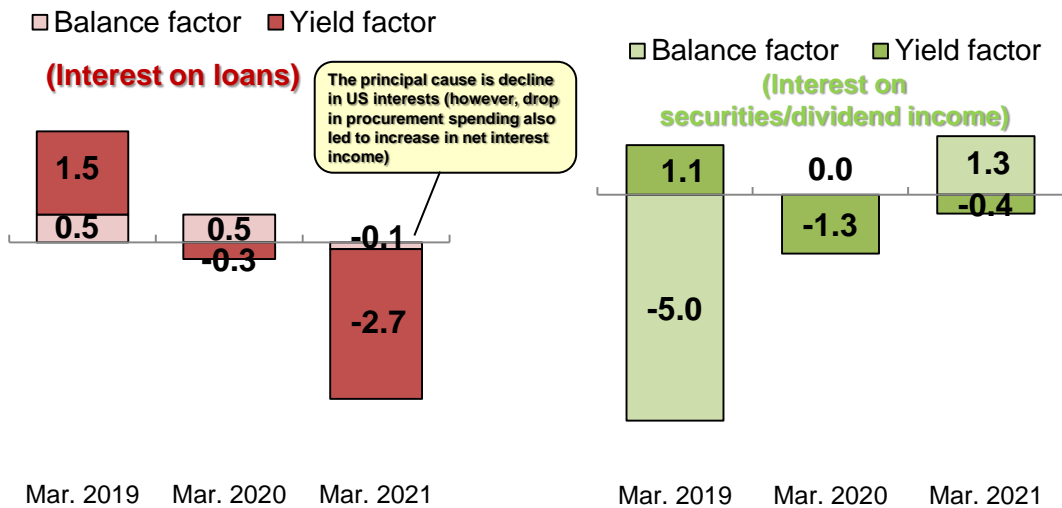
Net interest income in international transactions

(Unit: billion yen)



Factor for change

(Unit: billion yen)



3. Status of Deposits and Loans (1)

Increase in deposits and SME loans was caused by response to COVID-19.
Housing loan business focused chiefly in Gunma Prefecture.

Breakdown of deposits and loans

(Unit: billion yen)

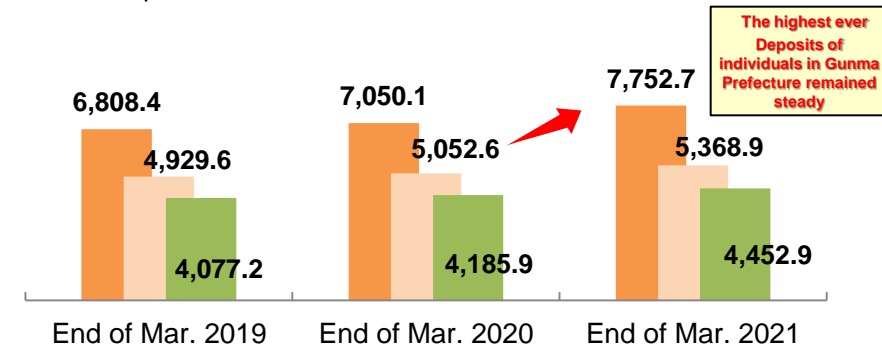
	End of Mar. 2020	End of Mar. 2021	Compared to end of Mar. 2020	
			Change	Rate of change
Deposits, etc.	7,241.6	7,948.8	707.1	9.7
Deposits	7,050.1	7,752.7	702.6	9.9
Deposit by individuals	5,052.6	5,368.9	316.3	6.2
Deposit by corporations	1,607.2	1,908.0	300.7	18.7
Certificate deposits	191.5	196.0	4.5	2.3
Loans	5,602.3	5,749.6	147.3	2.6
Retail	4,550.5	4,657.3	106.7	2.3
SMEs (*1)	2,235.8	2,340.7	104.9	4.6
Individuals	2,314.7	2,316.6	1.8	0.0
Housing loans	1,312.4	1,328.7	16.2	1.2
Apartment loans	651.4	649.8	-1.6	-0.2
Unsecured loans	54.6	54.7	0.1	0.2
Other	912.3	947.8	35.5	3.8
Cross-border	105.3	90.6	-14.6	-13.9
Structured finance	18.0	26.0	8.0	44.8
Domestic large and second-tier enterprises	661.9	682.4	20.4	3.0
Other (*2)	127.0	148.7	21.6	17.0
Overseas branches	54.2	54.2	0.0	0.1
Public entities	85.1	90.0	4.9	5.7

* Regional public corporations and Tokyo/Osaka Branch accounts are not included in SMEs (*1) but are classified into Others (*2).

Changes in deposits

(Unit: billion yen)

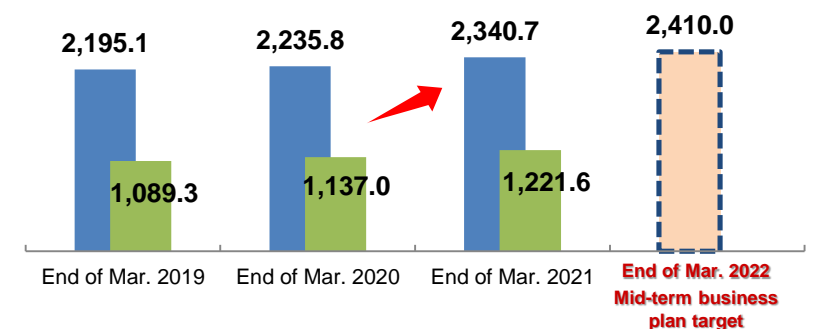
Deposits Individuals Individuals in Gunma Prefecture



Changes in loans to SMEs and individuals

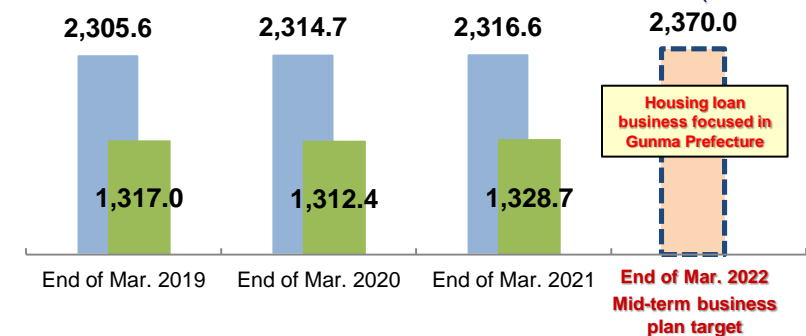
(Unit: billion yen)

SMEs In Gunma Prefecture



Individuals Housing loans

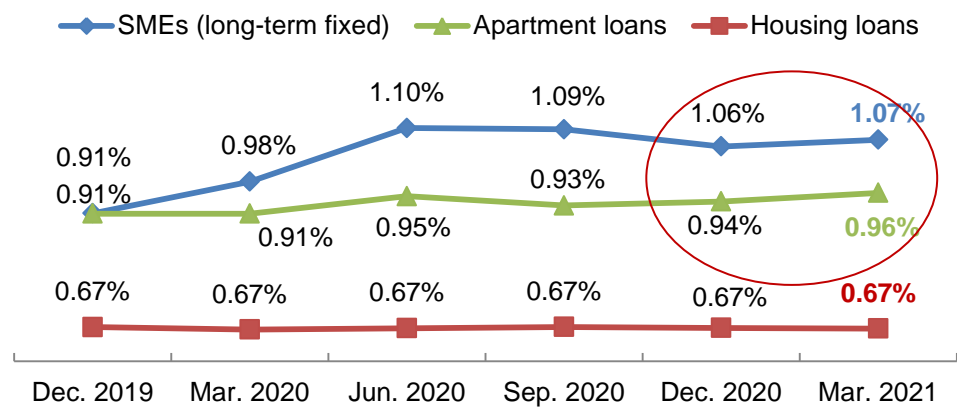
(Unit: billion yen)



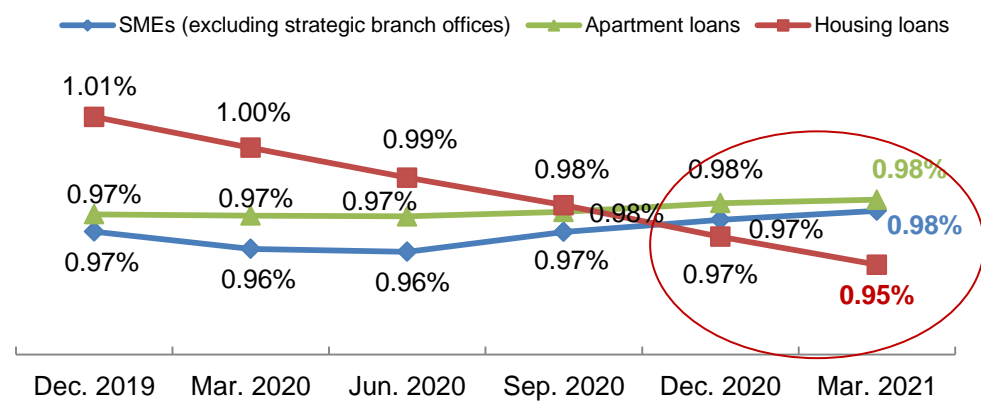
3. Status of Deposits and Loans (2)

Yield on loans to SMEs and that on apartment loans reversed.
The Bank actively responded to the need for COVID-19-related loans.

Changes in interest rates of new loans granted



Changes in yield on loans (domestic)



Status of application for COVID-19-related loans

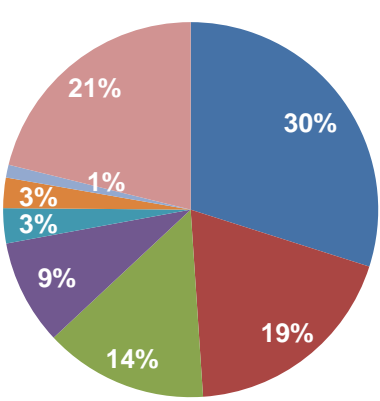
(As of May 13)

Consultation requests		Accepted applications	Loan execution			
New loans	18,290 customers	13,741 cases	Number/amount of loans		15,545 cases	406.7 billion yen
			Proper		878 cases	109.3 billion yen
Change of terms	662 customers	618 cases	Guarantee corporation		14,667 cases	297.4 billion yen
			Number/amount of loans		3,800 cases	126.9 billion yen
			Proper		2,115 cases	102.3 billion yen
			Guarantee corporation		1,685 cases	24.5 billion yen

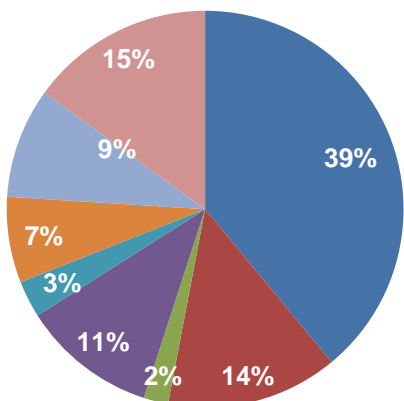
* The number of term changes accepted is calculated based on the number of applicable loans.

- Manufacturing
- Wholesale/retail
- Construction
- Healthcare and public welfare
- Restaurant services
- Real estate
- Hotels and lodging
- Others

Rate of new loans granted (on an amount basis)



Percentage of change of terms (on an amount basis)

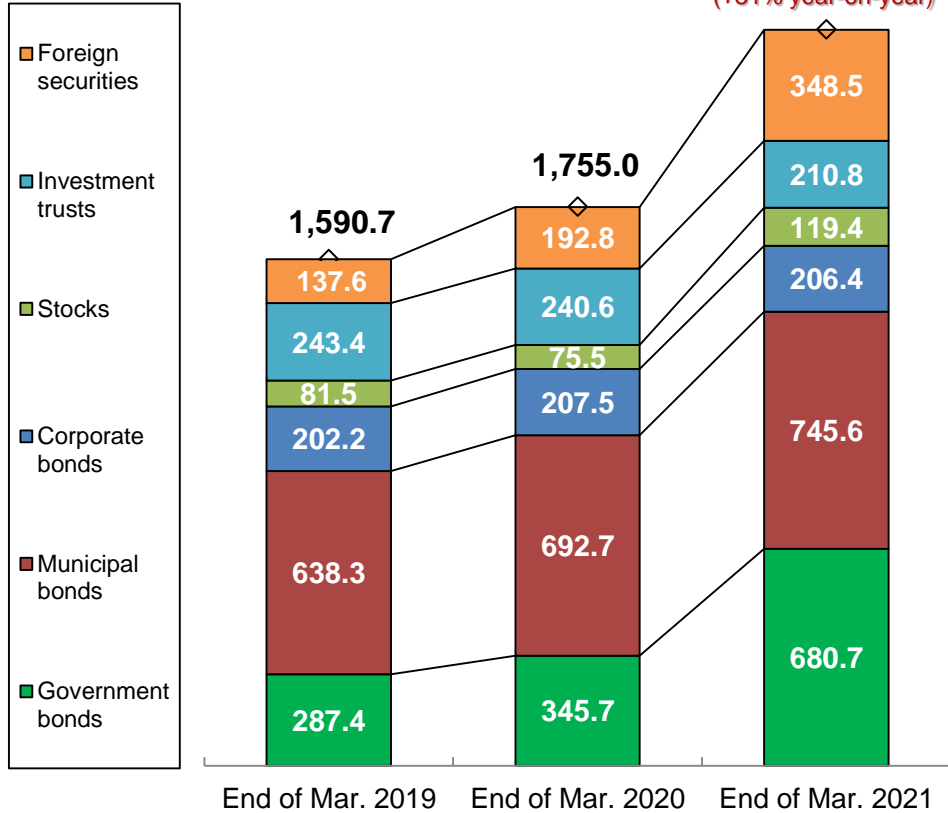


4. Status of Securities

Interest on securities/dividend income bottomed out and improved.
Profit/loss from valuation improved dramatically for national bonds, stocks and foreign securities.

Ending balance of securities (On the basis of not including profit/loss from valuation)

(Unit: billion yen)



Interest on securities dividend income increased as a taking risk positively

Interest on securities/dividend income (Unit: billion yen)

	Mar. 2020	Mar. 2021	Mar. 2022 (plan)
Interest on securities/dividend income (excluding profit/loss from cancellation of investment trusts)	17.4	15.2	16.3

Profit/loss on sale (Unit: billion yen)

	Mar. 2020	Mar. 2021	Compared to Mar. 2020
Gain and loss on securities, etc.	5.4	12.5	7.0
Gain and loss on bonds	0.4	3.1	2.7
Gains/losses on stocks, etc.	5.0	9.3	4.3
Profit/loss on sale of stocks, etc.	6.2	9.3	3.1
Investment stocks	2.6	3.8	1.2
Strategically held stocks	3.6	5.5	1.9
Losses on equity securities charge-offs (decrease)	1.2	0.0	-1.2
Profit/Loss from the cancellation of investment trusts	-1.4	0.3	1.8
Total	4.0	12.9	8.8

Profit/loss from valuation of securities (Excluding held-to-maturity securities) (Unit: billion yen)

	End of Mar. 2020	End of Mar. 2021	Compared to end of Mar. 2020
Foreign securities	-0.6	3.8	4.4
Investment trust, etc.	-20.3	9.5	29.9
Stocks	57.0	83.9	26.9
Strategically held stocks	56.3	76.7	20.4
Investment securities	0.7	7.2	6.5
Bonds	7.8	3.4	-4.3
Government bonds	0.8	-1.5	-2.3
Municipal bonds	5.9	4.5	-1.3
Corporate bonds	1.1	0.4	-0.6
Total	43.8	100.9	57.0

Duration	(Domestic)	4.53 years	5.66 years	7.24 years
	(Foreign)	2.92 years	4.38 years	4.24 years
Bond yield	(Domestic)	0.62%	0.49%	0.31%
	(Foreign)	2.86%	1.91%	1.33%

5. Status of Non-interest Business Profit

Consolidated non-interest business profit increased by 2 billion yen year-on-year.

■ Non-interest business profit (consolidated)

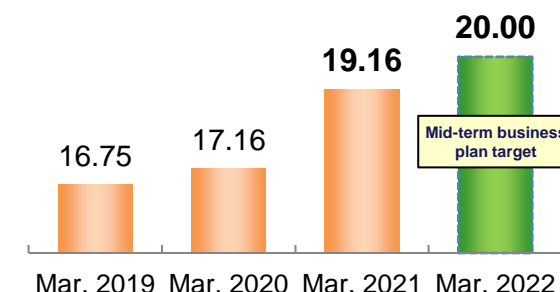
	First half of FY2020		Second half of FY2020		Mar. 2021		Mar. 2022 plan
		Year-on-year		Year-on-year		Year-on-year	
Consolidated non-interest business profit	9.08	0.34	10.07	1.65	19.16	2.00	20.0
Corporate service-related	1.05	-0.27	1.93	0.37	2.98	0.10	4.3
Syndicate loans	0.22	-0.08	0.40	0.00	0.62	-0.08	0.7
Structured covenant loans	0.15	0.10	0.19	0.00	0.34	0.11	0.8
Business matching	0.15	-0.06	0.20	-0.03	0.35	-0.09	0.5
Financial product intermediation (Gunma Bank & Gungin Securities)	0.11	0.03	0.25	0.14	0.36	0.17	0.4
M&A	0.11	-0.05	0.27	0.15	0.38	0.10	0.6
Private placement bonds	0.09	-0.05	0.11	-0.04	0.20	-0.09	0.2
Derivatives (interest and currency)	0.17	-0.15	0.37	0.06	0.54	-0.08	0.8
Others	0.05	-0.01	0.14	0.09	0.19	0.06	0.3
Deposit financial assets-related	2.71	0.11	4.42	1.49	7.14	1.60	7.2
Investment trusts commissions	1.04	-0.03	1.52	0.38	2.56	0.35	3.0
Insurance sales commissions (individuals)	0.50	-0.24	0.66	0.03	1.16	-0.22	1.3
Gungin Securities (for individuals)	1.12	0.37	2.18	1.04	3.30	1.42	2.8
Others	0.05	0.01	0.06	0.04	0.12	0.05	0.1
Others	5.32	0.50	3.72	-0.21	9.04	0.29	8.5
Dividends of group credit life insurance	1.72	0.76	0.00	0.00	1.73	0.76	1.4
Base service commissions (domestic exchange, agency services, etc.)	4.21	-0.04	4.24	-0.02	8.45	-0.06	7.8
Loan insurance premium	-3.31	-0.10	-3.31	-0.07	-6.62	-0.17	-6.9
Gungin Leasing	1.33	0.02	1.36	-0.02	2.69	0.00	2.6
Gunma Credit Guarantee	1.27	0.01	1.27	-0.02	2.55	-0.01	2.6
Other consolidated reconciliation	0.10	-0.15	0.16	-0.08	0.24	-0.23	1.0

(Unit: billion yen)

- Diligent effort to build up business in the second half, notwithstanding COVID-19, resulted in year-on-year increase for both corporate services and deposit financial assets-related business.
- Corporate services fees showed steady growth, driven by Gungin Securities performance.

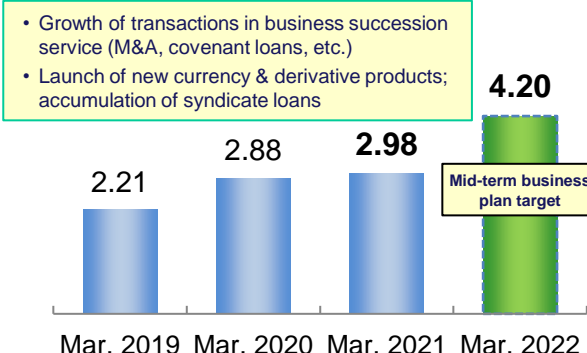
■ Changes in non-interest business profit

(Unit: billion yen)



■ Changes in corporate service fees

(Unit: billion yen)



- Growth of transactions in business succession service (M&A, covenant loans, etc.)
- Launch of new currency & derivative products; accumulation of syndicate loans

6. Status of Core Business Profit

Income from services to customers has been consistently in the black.

Core business profit (Customer service business profit + interest on securities/dividend income)

	Customer service business profit ratio	Customer service business profit (1)	Loan income	Net fees and commissions	Operating expenses	Average loan balance	Deposit and loan direct profit margin
Mar. 2017	0.06%	3.9	55.7	8.7	60.5	5,072.1	1.10%
Mar. 2018	0.09%	6.2	54.8	11.0	59.6	5,332.8	1.03%
Mar. 2019	0.14%	9.2	56.3	10.5	57.6	5,491.3	1.03%
Mar. 2020	0.16%	11.1	56.0	9.8	54.6	5,523.1	1.02%
Mar. 2021	0.12%	9.2	53.9	10.9	55.6	5,689.0	0.94%
Mar. 2022 (plan)	0.15%	11.3	53.6	11.9	54.2	5,719.0	0.94%

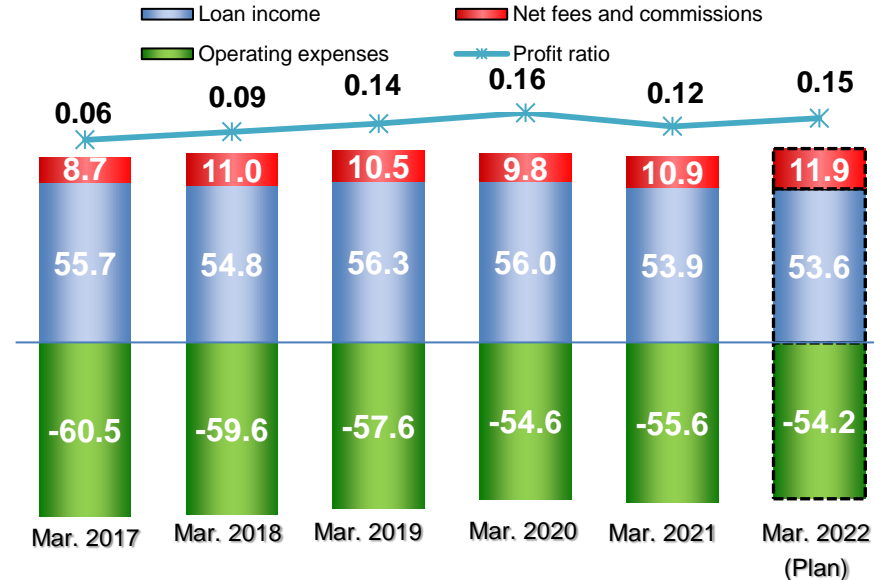
(Unit: billion yen)

Interest on securities/ dividend income (*) 2	Core business profit (1) + (2)
24.7	28.6
23.9	30.1
19.1	28.3
17.4	28.5
15.2	24.5
16.3	27.6

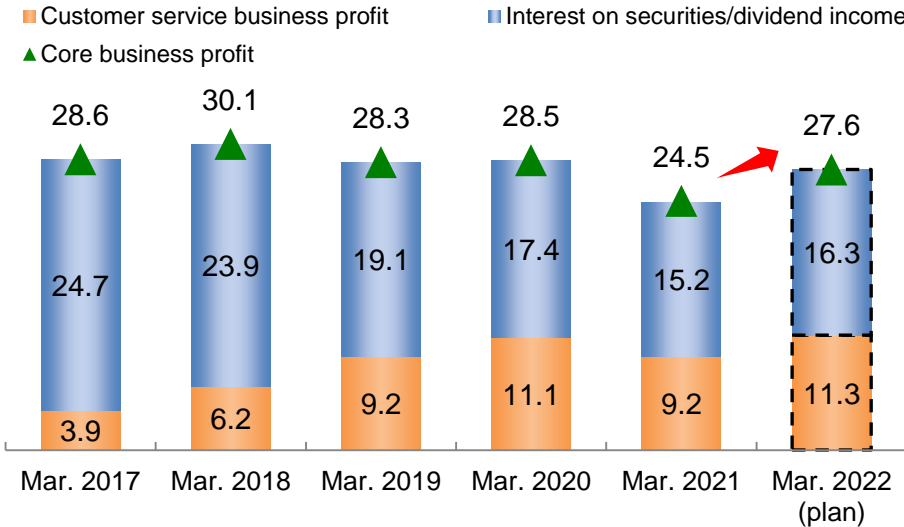
Income from core business is expected to grow dramatically
(1) Income from services for customers—net fees and commissions increased, while retirement benefit expenses declined
(2) Interest on securities/dividend income bottoms out

* Customer service business profit = Loan income (Average loan balance × Deposit and loan direct profit margin) + Net fees and commissions - Operating expenses
* Customer service business profit ratio = Customer service business profit / Average deposit balance

(Unit: billion yen, %)



(Unit: billion yen)

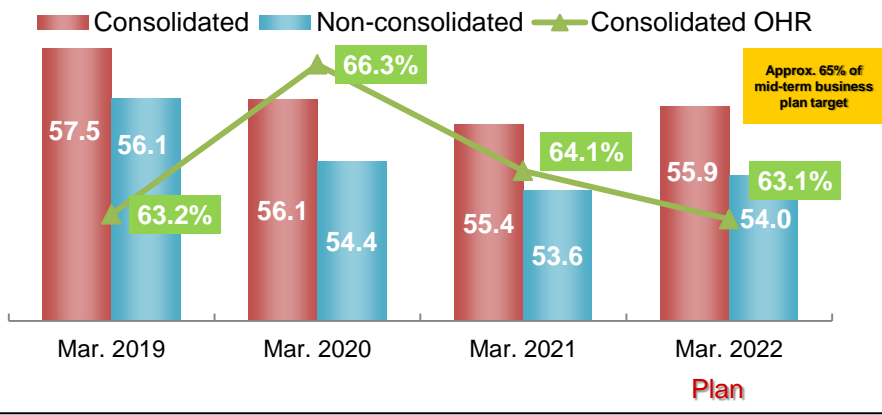


7. Status of Expenses (Consolidated)

Expenses reduced mainly in property expenses.
OHR improved as well.

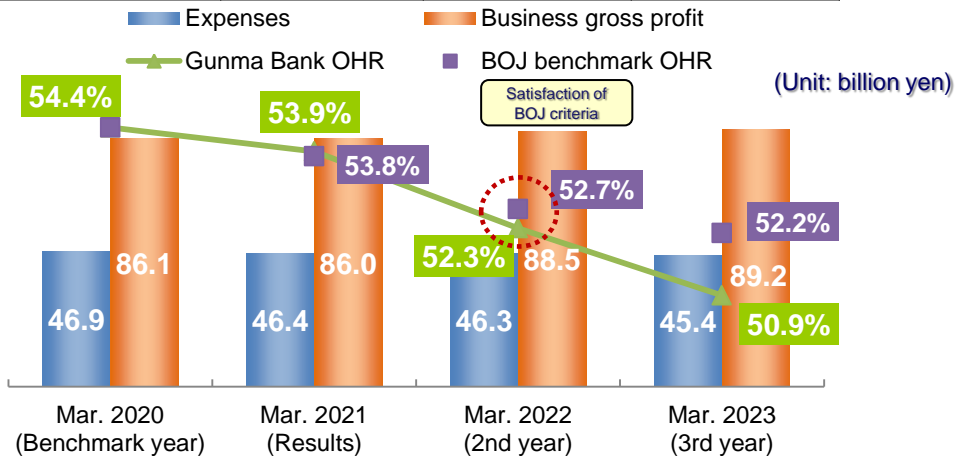
Changes in expenses

(Unit: billion yen)



Response to BOJ's Special Deposit Facility to Enhance the Resilience of the Regional Financial System

	Mar. 2021	Mar. 2022	Mar. 2023
Required improvement rate (compared to Mar. 2020)	-1% or better	-3% or better	-4% or better
BOJ benchmark OHR	53.8%	52.7%	52.2%



<Definition by BOJ>

Expenses = Consolidated expenses - Depreciation expenses - Consumption tax on depreciation - deposit insurance fee

Business gross profit = Consolidated business gross profit - Gain and loss on bonds, etc. - Cancellation of investment trusts

Initiative in OHR improvement (Mar 2021 → Mar 2023)

Principal topline (business gross profit) growth measures	Mar. 2021 → Mar. 2023
• Improvement in customer profitability & aggregation of quality assets	Loan income +0.95 billion yen
• Investment in securities based on appropriate risk-taking	Net interest income +0.71 billion yen
• Strengthening corporate services focused on business succession, etc.	M&A & structure covenant loans +0.59 billion yen
• Boosting sales of bonds, etc., through closer coordination with securities subsidiaries	Corporate & private individual mediation +0.29 billion yen
• Strengthening effort to capture lease projects through joint effort with leasing subsidiaries	Non-interest business profit from leasing +0.13 billion yen



Principal expenses reduction measures	Mar. 2021 → Mar. 2023
• Branch offices streamlining & reduction of off-site ATMs	0.3 billion yen
• Human Resource planning based on the above & overtime reduction	0.3 billion yen
• Reduction of system expenses with termination of legacy EB service	0.09 billion yen
• Consolidation/review/termination of existing systems with system update	0.06 billion yen

Satisfaction of BOJ's OHR criteria
Change from initial target of Mar. 2023 to Mar. 2022

8. Status of Credit Costs

Credit costs caused by COVID-19 are 5 billion yen.

■ Changes in and breakdown of credit costs (non-consolidated)

(Unit: billion yen; %)

	Mar. 2019	Mar. 2020	Mar. 2021	Compared to Mar. 2020	Mar. 2022 plan
(1) Credit costs	7.9	4.3	21.0	16.6	7.0
Transfer to general provision for possible loan losses	0.3	-1.1	14.5	15.6	1.3
Disposal of non-performing loans	7.6	5.4	6.5	1.0	5.7
Gain on the collection of claims written-off (-)	0.0	0.0	0.0	-0.0	-
(2) Loans (average balance)	5,491.3	5,523.1	5,689.0	165.9	5,719.0
Credit cost ratio (= (1)/(2))	0.14	0.08	0.37	0.29	0.12

(Unit: billion yen)

	Mar. 2019	Mar. 2020	Mar. 2021	Compared to Mar. 2020	Mar. 2022 plan
Credit costs	7.9	4.3	21.0	16.7	7.0
Due to changes to the provision ratio	0.4	-0.5	-1.2	-0.7	-1.2
Other factors	7.5	4.8	22.2	17.4	8.2
DCF	-0.3	-1.4	14.0	15.4	0.0
Downgrade	9.7	9.0	10.1	1.1	9.1
Collection, upgrade, etc.	-1.9	-2.8	-1.9	0.9	-0.9

■ Provision ratios for possible loan losses

Provision ratios for possible loan losses

(Unit: %)

			Provision target	Period	Mar. 2019	Mar. 2020	Mar. 2021	Mar. 2022 plan
Normal borrowers			Entire claim amount	1 year	0.070	0.071	0.068	0.052
Borrowers requiring attention other than special attention	Borrowers without realistic, comprehensive business reconstruction plans	Classification 1	Entire claim amount	3 year	0.992	0.957	0.941	0.932
	Borrowers with realistic, comprehensive business reconstruction plans	Classification 2	Entire claim amount	3 year	6.664	6.271	5.764	5.583
Borrowers requiring special attention								
Classification III borrowers threatened with bankruptcy			Entire non-coverage amount	3 year	34.668	32.950	28.736	27.783

- Provision for ADR handling for major borrowers completed in the previous fiscal year.
- Also, additional funds added to the reserve as protective action and reserve fund reinforcement.
(1Q: 5.4 billion yen, 2Q: 0.5 billion yen, 3Q: 0.6 billion yen, 4Q: 14.5 billion yen)
- Credit costs for year ending March 2022 are projected at 7 billion yen.

■ Factor analysis (Unit: billion yen)

	Mar. 2021
General provisions for possible loan losses	14.5
(COVID-19 related)	(2.0)
DCF	14.0
Rental properties	0.3
Disposal of non-performing losses	6.5
(COVID-19 related)	(3.0)
Downfall	1.2
Downgrade	7.7
Collection, upgrade, etc.	-2.4
Credit costs	21.0
Protective reserve	4.0
COVID-19 related	5.0
Downfall	0.7
Downgrade	4.3

9. Business Forecast (for Year Ending March 2022)

Consolidated net income for the last fiscal year of the Mid-term Business Plan is expected to be 24 billion yen as planned.

Consolidated

(Unit: billion yen)

	No.	Mar. 2021	Forecast for Mar. 2022	Compared to Mar. 2021
Core business gross profit	1	86.4	88.5	2.1
Net interest income	2	67.2	68.5	(1)
Non-interest business profit	3	19.1	20.0	(2)
Expenses	4	55.4	55.9	0.5
Core business net profit	5	30.9	32.5	1.6
OHR	6	64.1	63.1	-1.0
Ordinary profit	7	20.0	35.0	15.0
Net income attributable to owners of parent	8	13.5	24.0	10.5

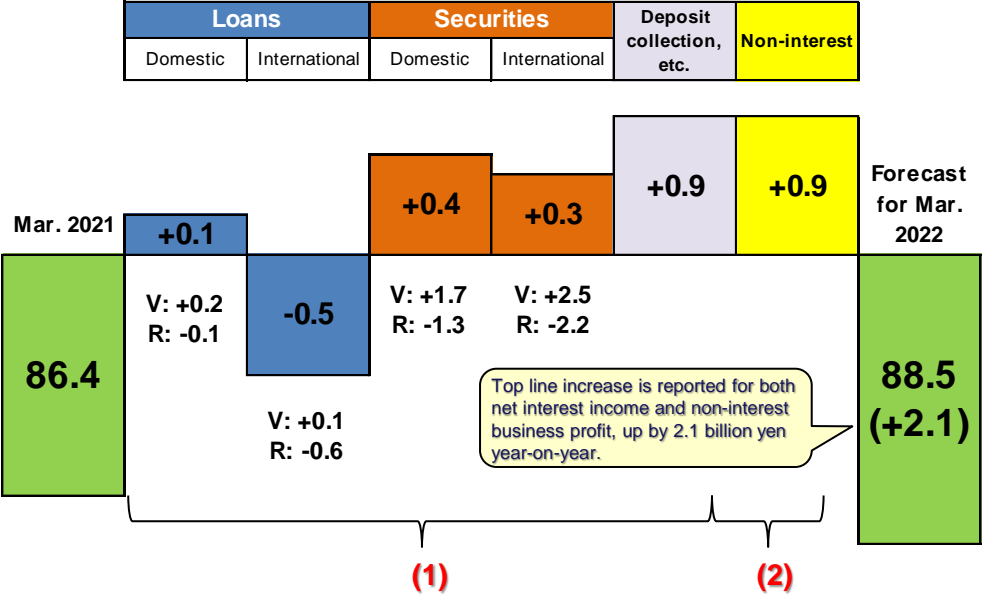
Non-consolidated

(Unit: billion yen)

	No.	Mar. 2021	Forecast for Mar. 2022	Compared to Mar. 2021
Core business gross profit	1	80.2	81.8	1.6
Net interest income	2	68.5	68.8	0.3
Non-interest business profit	3	11.6	12.9	1.3
Net fees and commissions	4	10.9	11.9	1.0
Other business profit	5	0.7	1.0	0.3
Expenses	6	53.6	54.0	0.4
Core business net profit	7	26.6	27.8	1.2
Gain and loss on securities, etc.	8	12.5	10.0	-2.5
Credit costs	9	21.0	7.0	-14.0
Others	10	-1.2	0.2	1.4
Retirement benefit cost	11	1.9	0.2	-1.7
Ordinary profit	12	16.8	31.0	14.2
Net income	13	11.6	21.5	9.9

Breakdown of changes in consolidated core business gross profits

(Unit: billion yen)



Average balance and yields (non-consolidated)

(Unit: billion yen, %)

	Average balance	Compared to Mar. 2021	Yield	Compared to Mar. 2021
Loans	5,719.0	29.9	0.94	-0.01
Domestic transactions	5,519.8	22.4	0.94	-0.00
Securities	2,352.6	396.8	0.69	-0.10
Domestic transactions	1,995.1	267.2	0.58	-0.06
Deposits	7,512.6	202.6	0.00	-0.00
Domestic transactions	7,466.8	205.8	0.00	-0.00

10. Mid-Term Business Plan (Progress)

■ Consolidated numerical targets for the final year of the plan

Item	Mar. 2021 results	Mar. 2022 mid-term business plan target
<Profitability indices>		
Net income attributable to owners of parent	13.5 billion yen	24.0 billion yen
Non-interest business profit	19.1 billion yen	20.0 billion yen
RORA (consolidated net income divided by risk assets)	0.3%	0.5% or higher
ROE (long-term target)	2.6%	5% or higher
<Efficiency index>		
OHR	64.1%	65% or so
<Soundness index>		
Consolidated total capital ratio	12.74%	12% or plus
<Net interest income>		
Ending balance of retail loans	4,657.3 billion yen	4,780.0 billion yen
Ending balance of unsecured consumer loans	54.7 billion yen	60.0 billion yen
<Non-interest business profit>		
Corporate service revenue (consolidated)	3.0 billion yen	4.2 billion yen
Balance of deposit financial assets (consolidated)	0.9 trillion yen	1 trillion yen
<Regional revitalization/SDGs>		
Number of issues resolved according to business assessment	1,312 cases	1,500 cases
Number of business succession aid recipients	5,069 recipients	6,000 recipients
Number of business founding aid recipients	1,489 recipients	2,000 recipients
Number of female managerial employees (compared to end of March 2019)	An increase of 22%	An increase of 20%

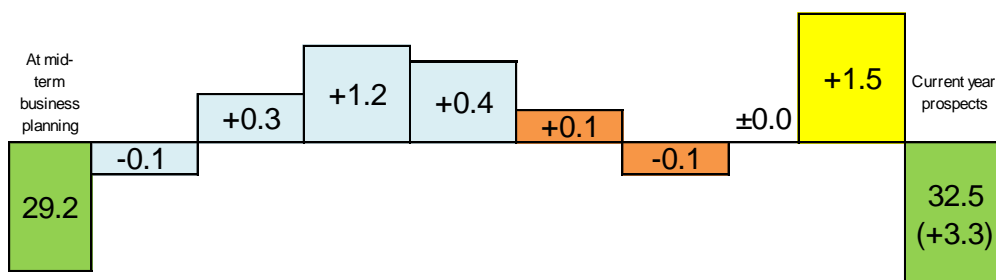
■ Variance analysis with the Mid-term Business Plan (consolidated)

(Unit: billion yen)

	Mar. 2022		Difference
	At mid-term business planning	Current year prospects	
Core business gross profit	86.7	88.5	1.8
Net interest income	66.7	68.5	1.8
Domestic loans	51.6	51.5	-0.1
Domestic securities	11.2	11.5	0.3
International transactions	3.0	4.2	1.2
Non-interest business profit	20.0	20.0	0.0
[Group companies]	[6.2]	[7.0]	[0.8]
Corporate services, etc.	4.2	4.3	0.1
Deposit financial assets	7.3	7.2	-0.1
Expenses	57.5	55.9	-1.6
Core business net profit	29.2	32.5	3.3

(Unit: billion yen)

Net interest income				Non-interest business profit			Expenses
Domestic transactions		International transactions	Interest on deposits, etc.	Corporate services	Deposit financial assets	Others	
Loans	Securities						



II. Management Strategies and Shareholder Returns, etc.



1. Initiatives to Improve RORA

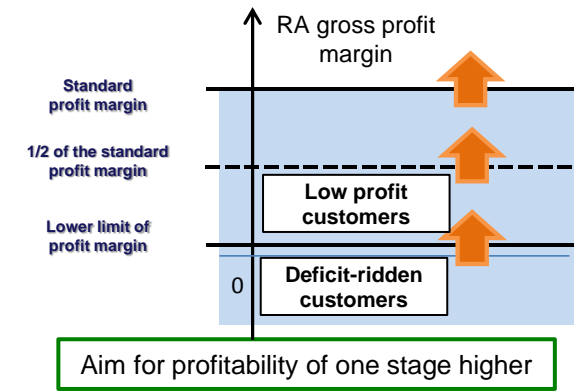
■ Initiatives to improve customer profitability utilizing standard profit margin

Consider and implement profit improvement measures per company for priority targets (*).



Aim to improve profit margins and boost non-interest business profits, etc.

(*) Priority targets: Approx. 6,000 in total, average balance approx. 1.6 trillion yen
Customer whose standard profit margin falls short of average credit balance of 50 million yen or more and at the same time classified as B1 or higher in ranking

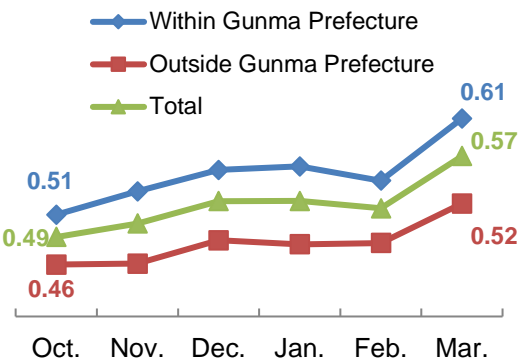


<Profitability improvement status of priority targets at the end of March 2021> (Unit: %)

	Priority targets					
	RA gross profit margin			Loan balance SP		Non-interest business profit rate
		Compared to half year	(Profit amount)		Compared to half year	Compared to half year
Within Gunma Prefecture	0.61	+0.07	+0.31 billion yen	0.52	+0.01	0.21 +0.07
Outside Gunma Prefecture	0.52	+0.09	+0.26 billion yen	0.55	+0.02	0.13 +0.08
Total	0.57	+0.08	+0.58 billion yen	0.53	+0.01	0.18 +0.08

*RA profit ratio = (rental profit - credit cost + deposit profit + non-interest business profit) / average credit balance

<Changes in the RA gross profit margin> (Unit: %)



■ Rebuilding of housing loan promotion system (in place since October 2020)

Specific initiatives

- Reinforcement of the promotion system in Gunma Prefecture
⇒ Promotion personnel increased by 16 persons
- Effective use of guarantee by Zenkoku Hoshō Co., Ltd.
- Attracting high attribute customers by guarantee fees reduction
- Reinforcement of cross-selling by utilizing plazas

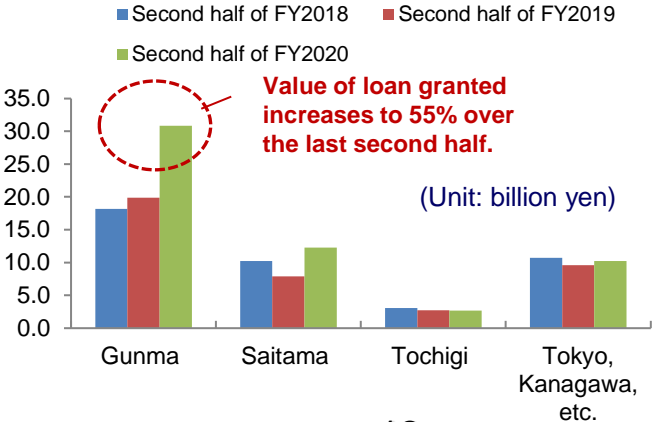


Share in new loan executions in Gunma Prefecture (*)

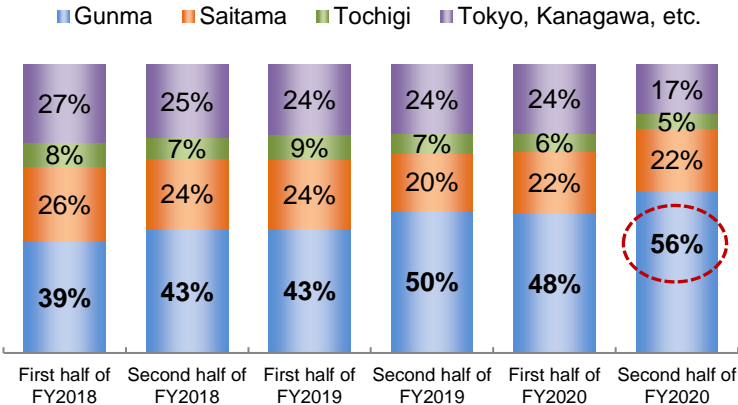
Rise from 18% in the first half of FY2020 to 25% in the second half and growing further

(*) Calculation based on average loan per contractor per customer, the number of new housing startups in Gunma Prefecture, etc.

Changes in loans granted by loan stations by region

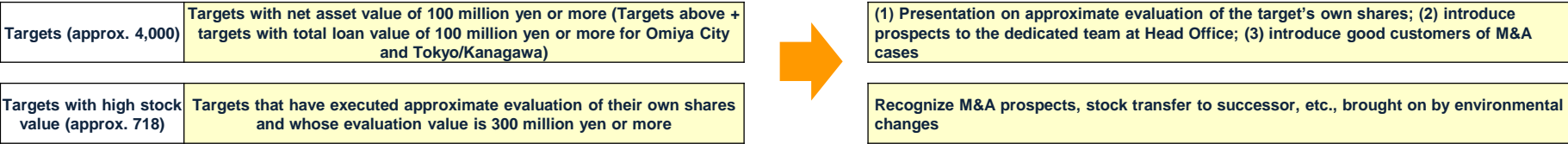


Changes in breakdown of loans granted by region

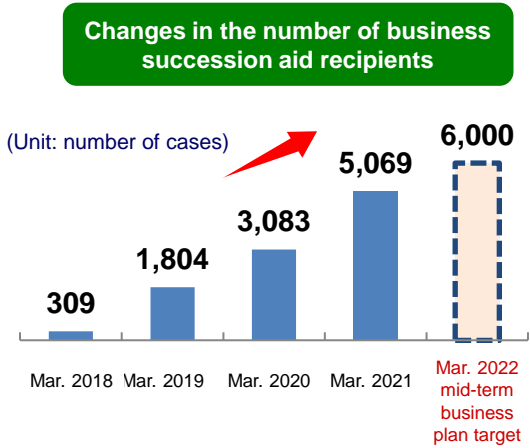
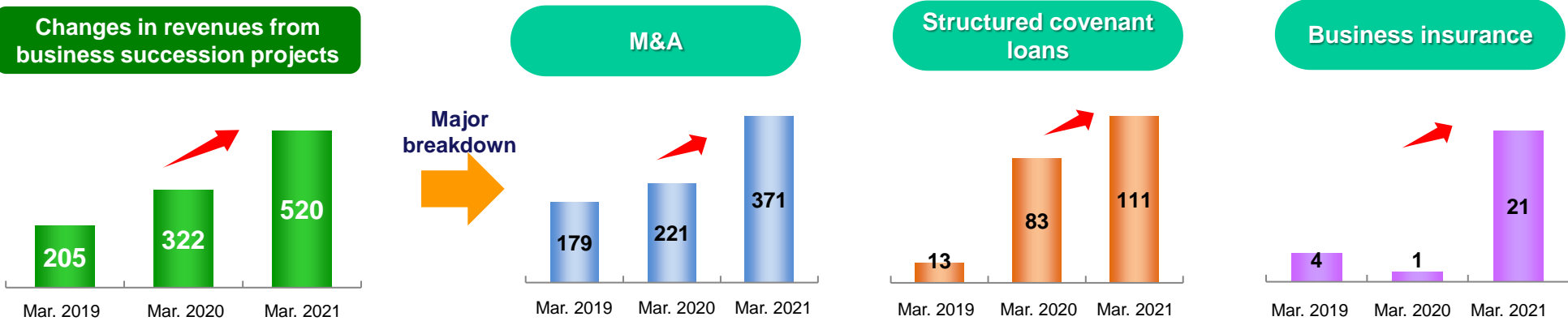


2. Strengthen Business Succession Service

Grasp of customer needs and status of initiative



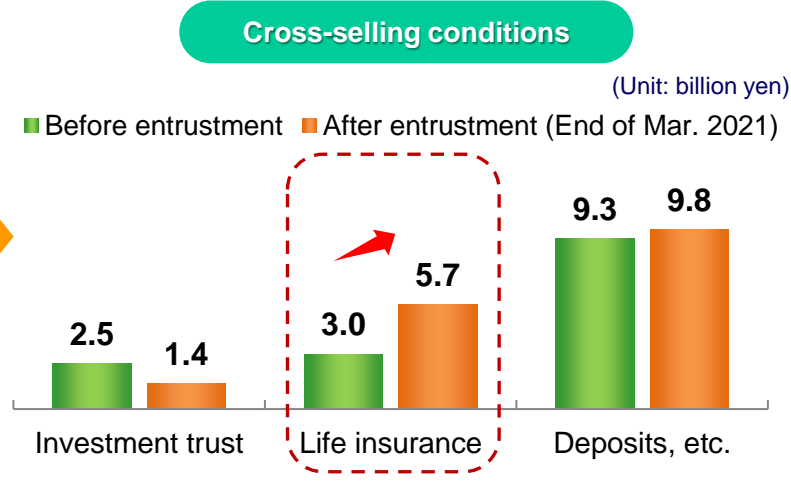
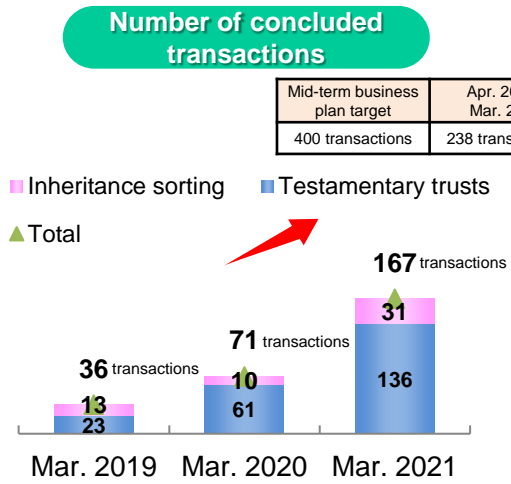
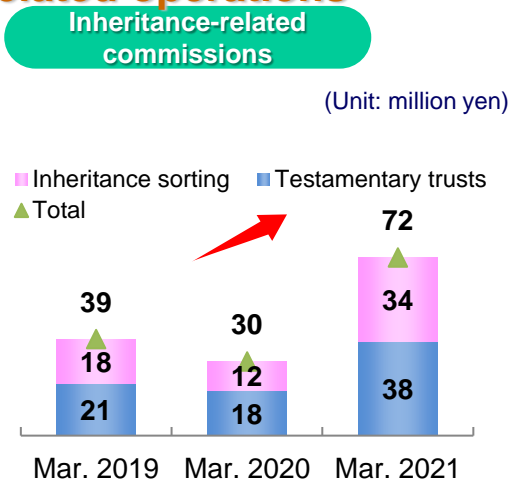
Earnings from business succession service (Unit: million yen)



3. Initiatives in Wealth Management

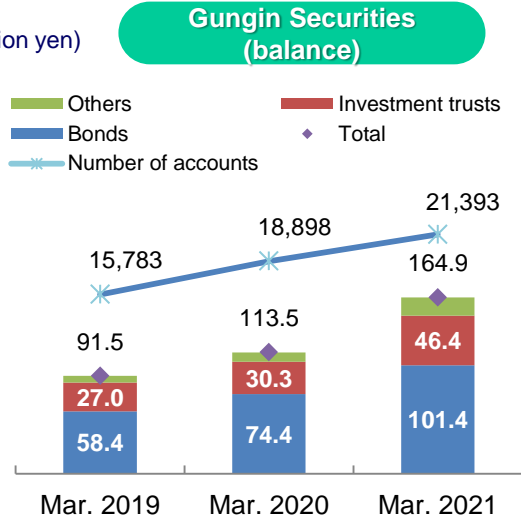
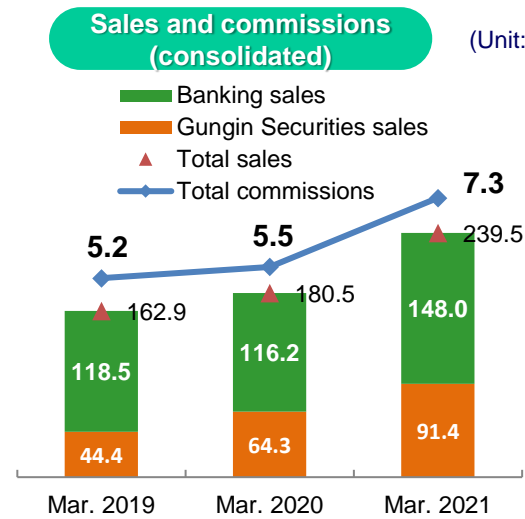
Strengthen initiatives in inheritance-related operations

Cumulative total of 623 concluded transactions. Contribute to increase in life insurance balance with affinity to testaments by cross-selling.



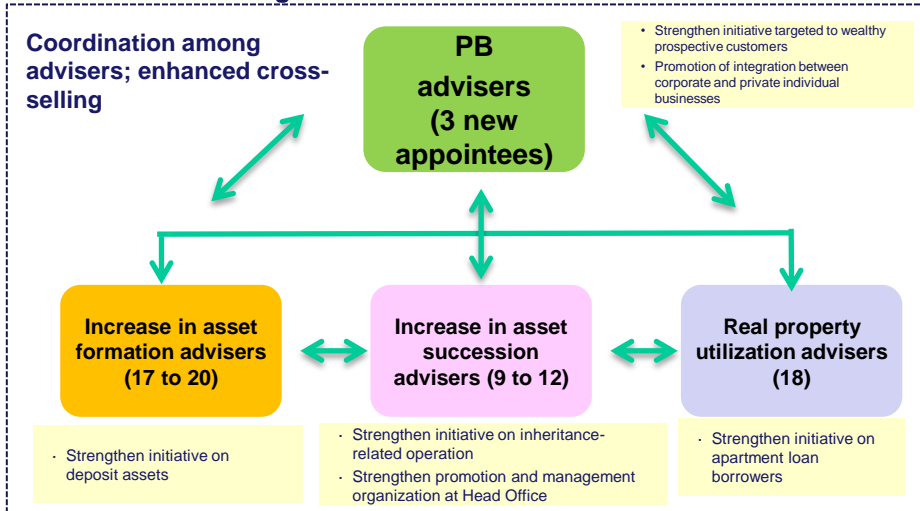
Strengthen promotion of deposit assets

Solid effect of banking & security services integration; creation of promotion organizations by block, centering around managing branch office



Strengthen the wealth management group

Creation of private banking (PB) advisers and increase in number of various other advisers for greater exploration into wealth management business



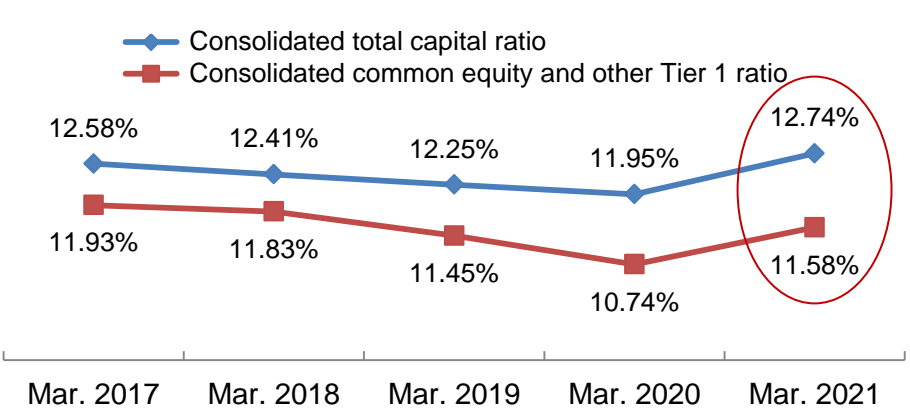
4. Status of Capital, etc.

Adequacy requirement of capital level is acceptable. We continued to reduce holdings of strategically held stocks.

■ Changes in capital ratio

<Basel III international standards>

⇒ Acceptable level in comparison to adequacy requirements



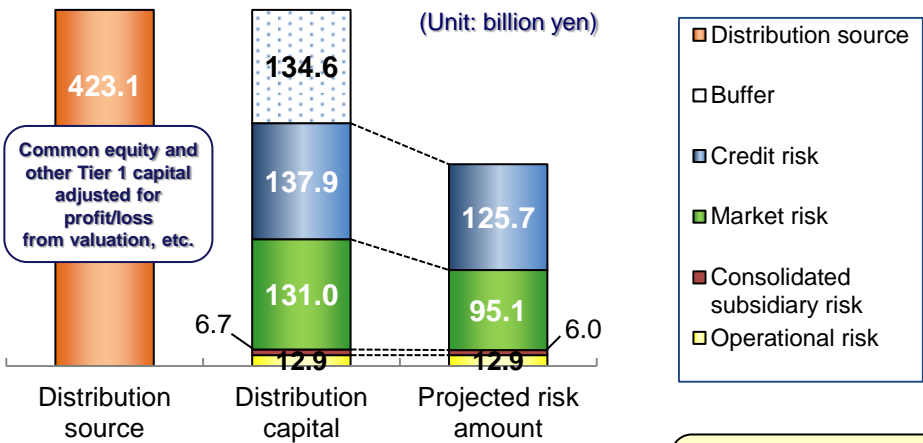
■ Subordinated bonds (B3T2 bonds), other Basel rules

	Cumulative total issued	Purpose	Effect of increasing capital ratio
Subordinated bonds B3T2	50 billion yen	Bolstering capital	Around 1.25%

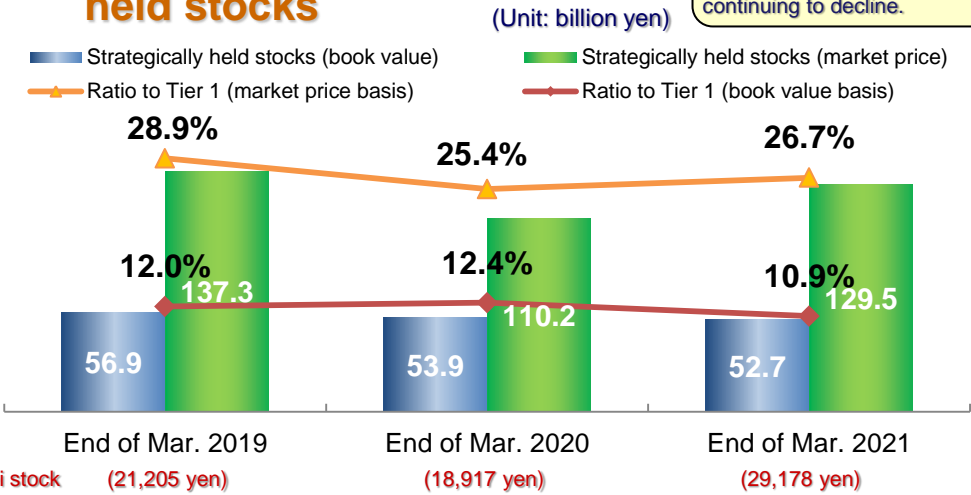
	Mar. 2020	Mar. 2021	Standard set by rules
Consolidated leverage ratio	5.35%	6.09%	3% or more
Consolidated Liquidity Coverage Ratio (LCR)	156.42%	224.50%	100% or more
Interest Rate Risk in the Banking Book (IRRBB)	4.53%	7.56%	15% or less

■ Capital adequacy assessment

<Status of capital distribution (Second half of FY2020)>



■ Status of strategically held stocks



The current target is 25% to Tier 1 (on market value basis), and the figure is continuing to decline.

5. Status of Shareholder Return

The dividend forecast is one yen increase on 13 yen a year to 14 yen a year.

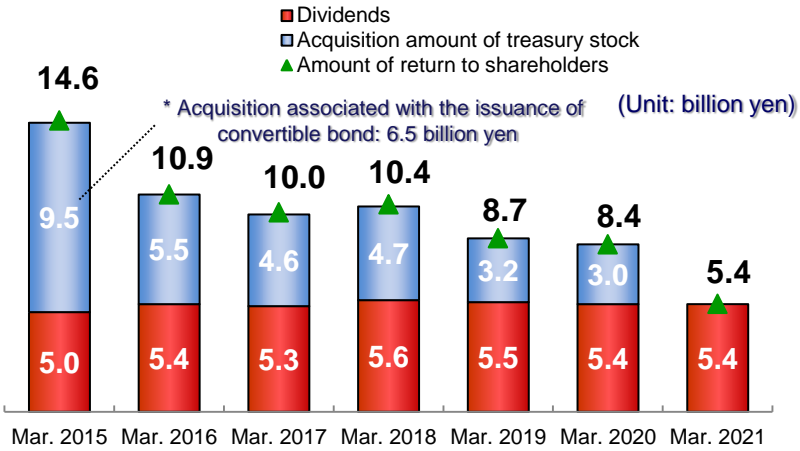
Shareholder return policy

While striving to strengthen our financial position, we aim to return profits to shareholders in line with business performance based on our basic policy of continuing to pay stable dividends.
For the time being, we aim to achieve a shareholder return rate of approximately 40% of non-consolidated net income. The return includes dividends and amount of share buy-backs.

Status of shareholder return

(Unit: billion yen, %)

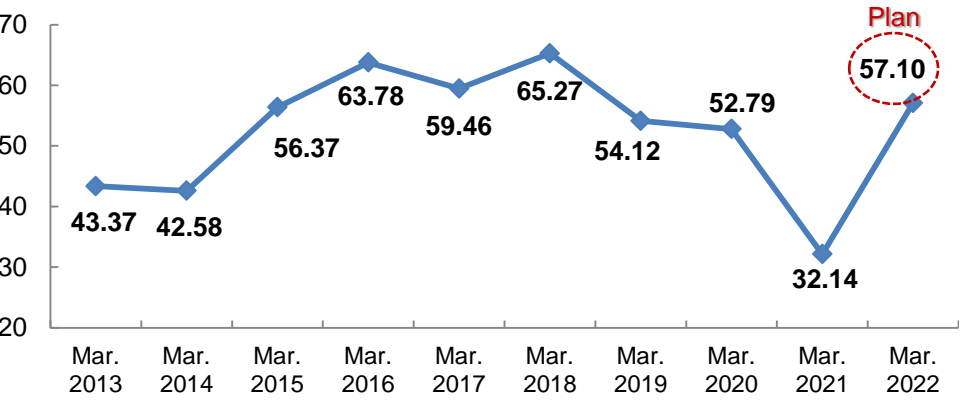
	Mar. 2018	Mar. 2019	Mar. 2020	Mar. 2021 plan	Mar. 2022 plan
Dividends (1)	5.6	5.5	5.4	5.4	5.9
Dividend per share (yen)	13	13	13	13	14
Share buy-backs (2)	4.7	3.2	3.0	Undecided	Undecided
(Number of shares repurchased: million)	(7)	(6)	(8)		
Shareholder return amount (3) = (1) + (2)	10.4	8.7	8.4	5.4	
Non-consolidated	Net income (4)	26.0	20.9	17.9	11.6
	Payout ratio = (1) / (4) x 100	21.7	26.6	30.4	46.7
	Shareholder return rate = (3) / (4) x 100	40.1	41.9	47.2	46.7



*The share buy-backs used for calculating the return rate were carried out during one year starting from the General Meeting of Shareholders.

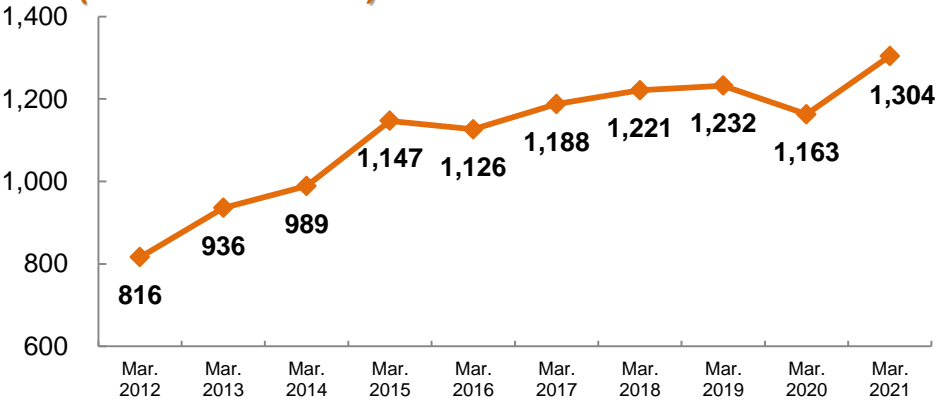
Net income per share (Consolidated EPS)

(Unit: yen)



Amount of net assets per share (Consolidated BPS)

(Unit: yen)



6. TSUBASA Alliance

■ Participation in TSUBASA Alliance

Wide-area collaboration by the top 10 regional banks covering Hokkaido to Okinawa

Top line growth (Development of new services utilizing sales coordination and TSUBASA Fin Tech platform)

Cost reduction (Joint business activity and business administration for money laundering operation utilizing TSUBASA Alliance)

■ Initiatives in year ended March 2021 and results

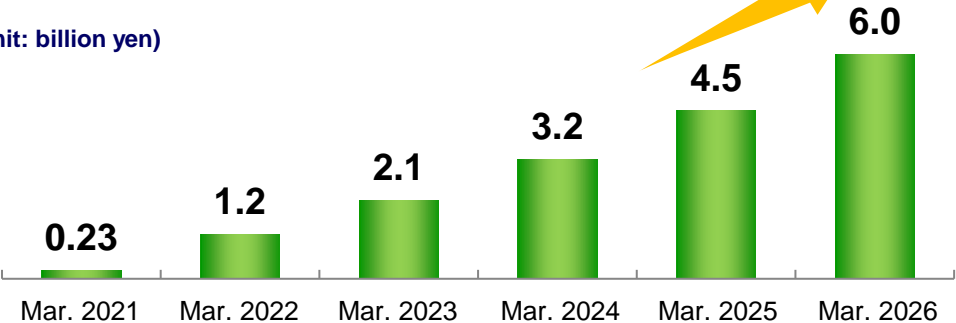
Earnings of **230 million yen** achieved in roughly four months since participation starting in December 2020

- Mutual invitation to syndicate loan among TSUBASA partners
- Cultivation of new customers through mediation by TSUBASA partners

■ Future activity

Effect in earnings worth a cumulative total of **6 billion yen** anticipated in the next 5 years

(Unit: billion yen)



To 8–10 billion yen

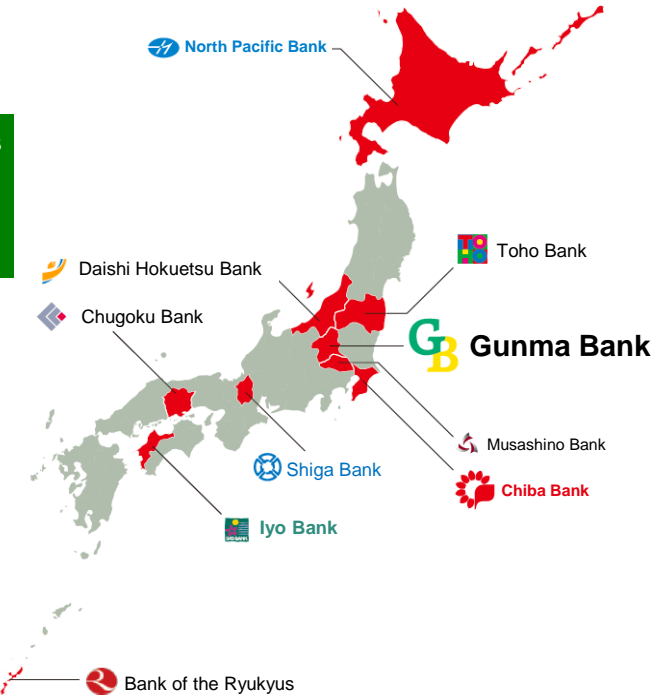
Total assets for 10 banks
90 trillion yen
(Consolidated as of Mar. 31, 2021)

Top line growth: 4.5 billion yen

- Syndicate loans
- Coordinated lending
- Mutual introduction of customers
- Business matching
- New product development and offering

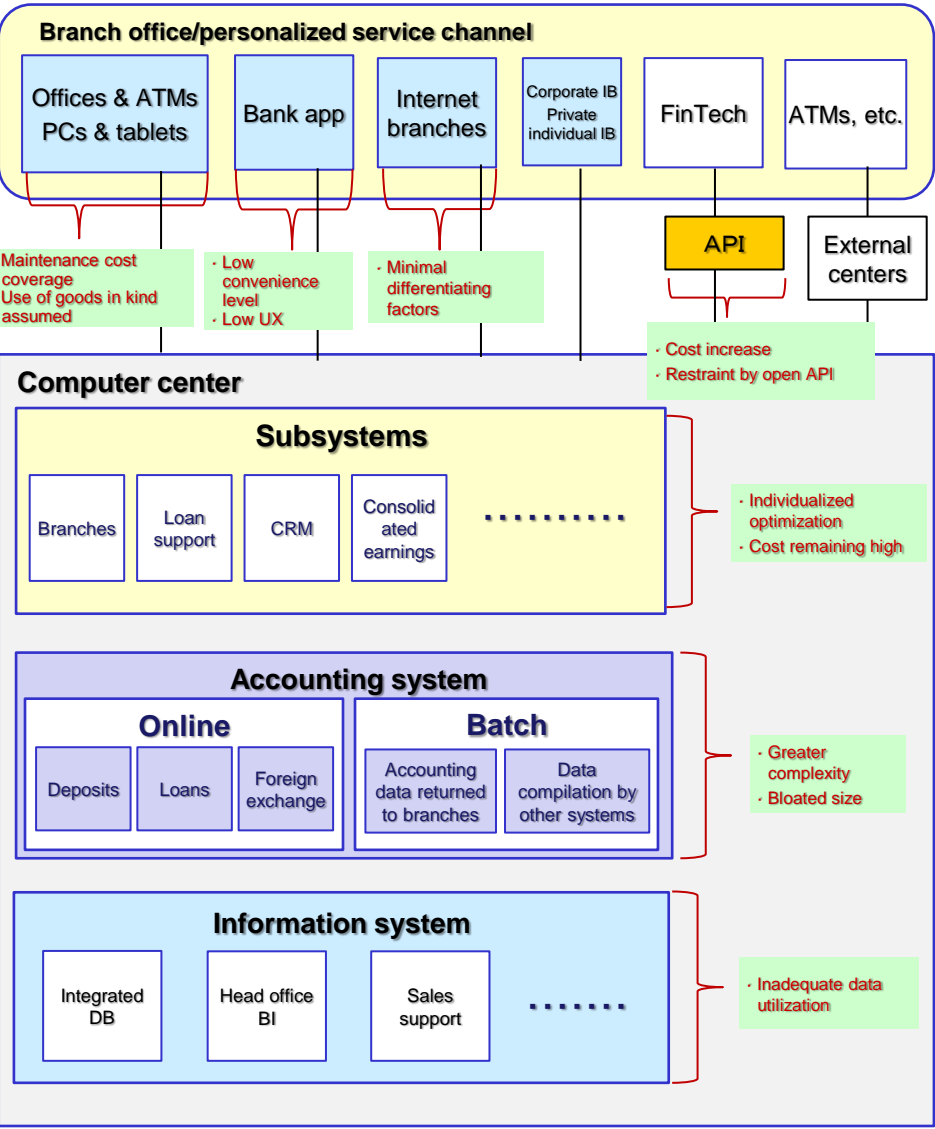
Cost minimization and reduction: 1.5 billion yen

- Introduction of TSUBASA FinTech platform (API)
- Introduction of smartphone app
- Shared use & purchase of subsystems

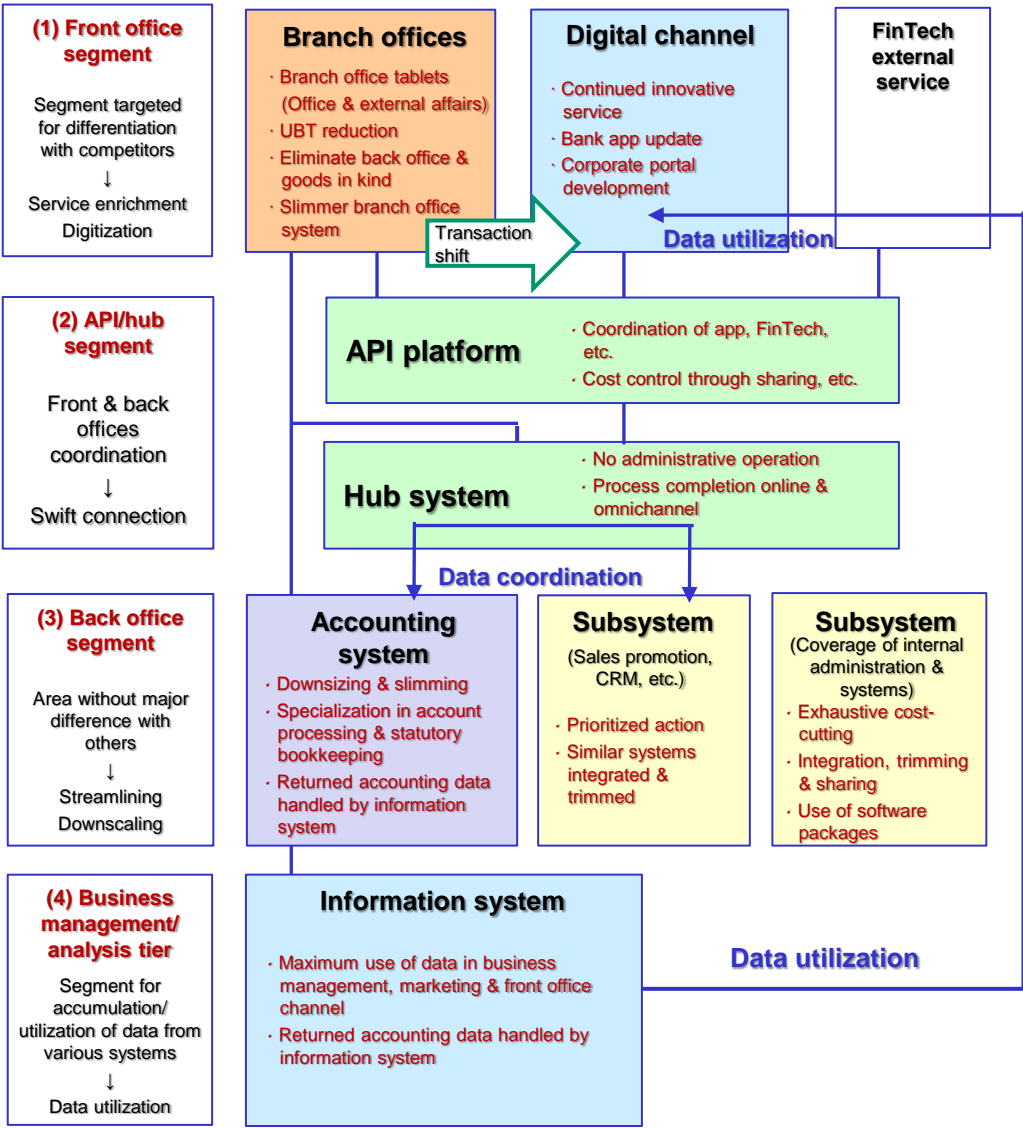


7. Initiative Utilizing Digital Technology (1)

■ Issues in the current Gunma Bank system



■ The future image of the system



7. Initiatives Utilizing Digital Technology (2)

- Reinforcement of personalized and indirect customer contact points, sweeping cost reduction and realization of diverse work styles
- Action on creating new financial services through data utilization and coordination with outside businesses

Expansion of customer contact points and greater convenience

- Reinforcement of customer contact points in indirect contact channels
- Transformation of the banking office from administrative office to counseling venue

Private individuals

App update

Closest contact point
(Scheduled in spring 2022)

400,000 contacts
in 5 years



Corporate customers

Corporate service portal

Gateway to all services
(scheduled in FY2022)

25,000 contacts in 5 years

Banking office

Tablets at banking offices

Over-the-counter conclusion of procedures

Capability to cover 90% of basic transactions

Creation of new financial services

- Promotion of open API and closer coordination with outside businesses
- Utilize data such as concluded transactions, payment data, etc.

TSUBASA Fin Tech platform

API platform
(scheduled in spring 2022)

Cost reduction by 400 million yen in 5 years

Improved productivity and work style reform

- Further improvement in productivity
- Realization of diverse work styles

Mobile PCs

Work style not restrained by location

Operation with 2,000 units

Use of digital contracts

Investment trusts (May 2017)
Unsecured loans (Nov. 2018)
Insurance contracts (scheduled in Jul. 2021)
General loans & housing loans (scheduled in Oct. 2021)

100% digitization in 3 years

RPA

Automation of routine work (Oct. 2018)

Reduction by 13,000 hours/year

Satellite offices

Ota Lab (Mar. 2021)

III. Initiatives for ESG



**Gunma Bank
Report 2020
Integrated Report**



Initiatives for ESG: SDGs Declaration and Priority Issues

- Gunma Bank group has corporate philosophy, “Our business is always thinking about development of local community and acting,” and plans to promote independent approach through business activities to achieve SDGs of social and environmental issues.

“SDGs & ESG management office” is established as a promotion and management division in June 2020 to step up and accelerate initiatives for further achievement of SDGs

Priority issues

1. Sustained development of the regional economy



2. Preservation and creation of global environment



3. Promote successful engagement by diverse personnel



4. Promote partnership



Specific initiatives

- enhancement of business incubation
- exhaustive initiatives to issues of business succession
- holding seminars mainly targeted to customers considering asset formation
- giving monetary economy education lectures in a high schools and universities
- introduction of sustainability-linked loans, etc.

- handling financing for renewable energy, loans for energy saving, etc.
- enhancement of preservation activities of “Gungin’s forest”
- environmental conservation activity support through Gunma Bank Environment Foundation
- paperless promotions through tablet PC utilization and WEB account, etc.

- enhancement of initiatives to promote women in the workforce such as all-women staff team
- facilitation of systems and environment to realize flexible work styles, etc.

- enlightenment by dealing Gunma Bank Private Placement Bond for the SDGs and activity support to contribute to SDGs
- SDGs promotion in whole region through cooperation with municipal authorities, etc. etc.

Major results

	Mar. 2020	Mar. 2021
Number of issues resolved according to business assessment	739 cases	573 cases
Number of business succession aid recipients	1,279 recipients	1,986 recipients
Number of entrustment of inheritance sorting service/testamentary trust	71 cases	167 cases
Donation utilizing SDGs private placement bonds	114 cases 16.4 million yen	112 cases 13.1 million yen

■ Issuance of Green Bonds for the first time among regional banks

- applying to financing for renewable energy facilities, etc.

■ Donation through shareholder benefits of “Donation Course”

- donation to the succession fund for Gunma world heritage and Gunma silk inheritance

■ Various certification acquisition

- received third certification of “Platinum Kurumin Mark” and “Eruboshi Mark”
- Health and Productivity Management 2020 (White 500)

	FY2019	FY2020
Percentage of female managers	11.2%	12.7%

Initiatives for ESG: Environment

- Working on reduction of environmental load by itself and giving environmental conservation education through organized Environment Foundation under the “Gunma Bank Environment Policy and Environmental Action Standard” enacted and announced in May 2009.

<<Environmental Policy>> *The Gunma Bank cares for the natural environment of the home land, aiming to realize a truly rich community where the harmonious balance between the environment and industry is maintained. We will actively engage in environmental conservation and fulfill our responsibilities as citizens.*

■ Issuance of Green Bonds
(issue amount of 10 billion yen)



Appropriation completed
with new issue

■ Setting reduction volume targets for greenhouse gas emission and paper consumption

<<Application status report: as of the end of March 2021>>

Item	Amount (million yen)
Proceeds on Green Bonds	9,950
Applied amount	9,950
Renewable energy	9,900
Solar power business	9,566
Hydro power business	334
Energy efficiency	23
Clean transportation	27
Not-applied balances	0

E
Environment



In view of the announcement by the Japanese government in April to raise the reduction target of 26% over FY2013 to 46%, target revision to be considered, vis-à-vis developments regarding reduction.

<<Reduction target volume of greenhouse gas emission>>

FY2025	Reduction of more than 23% from FY2013
FY2030	Reduction of more than 26% from FY2013

<<Reduction target volume of paper (photocopy paper) consumption>>

FY2025	Reduction of 30% from FY2013
FY2030	Reduction of 40% from FY2013

<<Environmental improvement effect report:
as of the end of March 2021>>

Criteria category	CO2 reduction
Renewable energy	12,128 (t-CO2/year)
Solar power business	4,076 (t-CO2/year)
Hydro power business	8,052 (t-CO2/year)
Energy efficiency	47 (t-CO2/year)
Clean transportation	7,300 (kg-CO2/year)

■ Announcement of support of the TCFD (Task Force on Climate-related Financial Disclosures) recommendation

TCFD
TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

■ introduction of sustainability-linked loans, etc. (July 2021)

⇒ In addition to catering to the diverse financial needs of clients, support will be provided to sustainability management, in order to realize improvement in corporate value and to create a sustainable society.

■ Engagement in forest maintenance activities
(Gungin's forest)

Initiatives for ESG: Social

- Under the corporate philosophy of making greater contribution to industrial and cultural advancement, assisting in enrichment of the quality of life in the regional community and being a good corporate citizen, Gunma Bank is providing support in the arts, culture, sports and financial and economic education, in addition to the preservation of local cultural properties.
- In the area of fund procurement services for our corporate clients, the Bank is engaged in private placement bonds that contribute to achieving the SDGs or support projects that contribute to achievement of SDGs.

Gunma Bank Group Establishment of the Green/Social/Sustainability Bond Framework (*)

- Revision of the framework for Green Bonds issued in November 2019 to cover all ESG bond issuance, covering social bonds and sustainability bonds.
- The framework has added to its financing targets investments/loans to businesses engaged in a wide range of social issues.



Social projects



Maintenance/creation of jobs
Support & recovery from disasters
Recovery & sustainable development
of the regional economy
Healthcare and public welfare services

Green projects



Renewable energy
Energy efficiency
Clean transportation
Green buildings

Efforts to contribute to society

- Support in cultural and artistic activities
- Sale of investment trust funds that support the protection of cultural properties
- Support of sports activities
- Support of financial education



Initiative for Barrier-free design


- Installation of communication tools, etc., at all branch offices
- Introduction of remote sign-language interpreting service
- Introduction of barrier-free designed ATMs

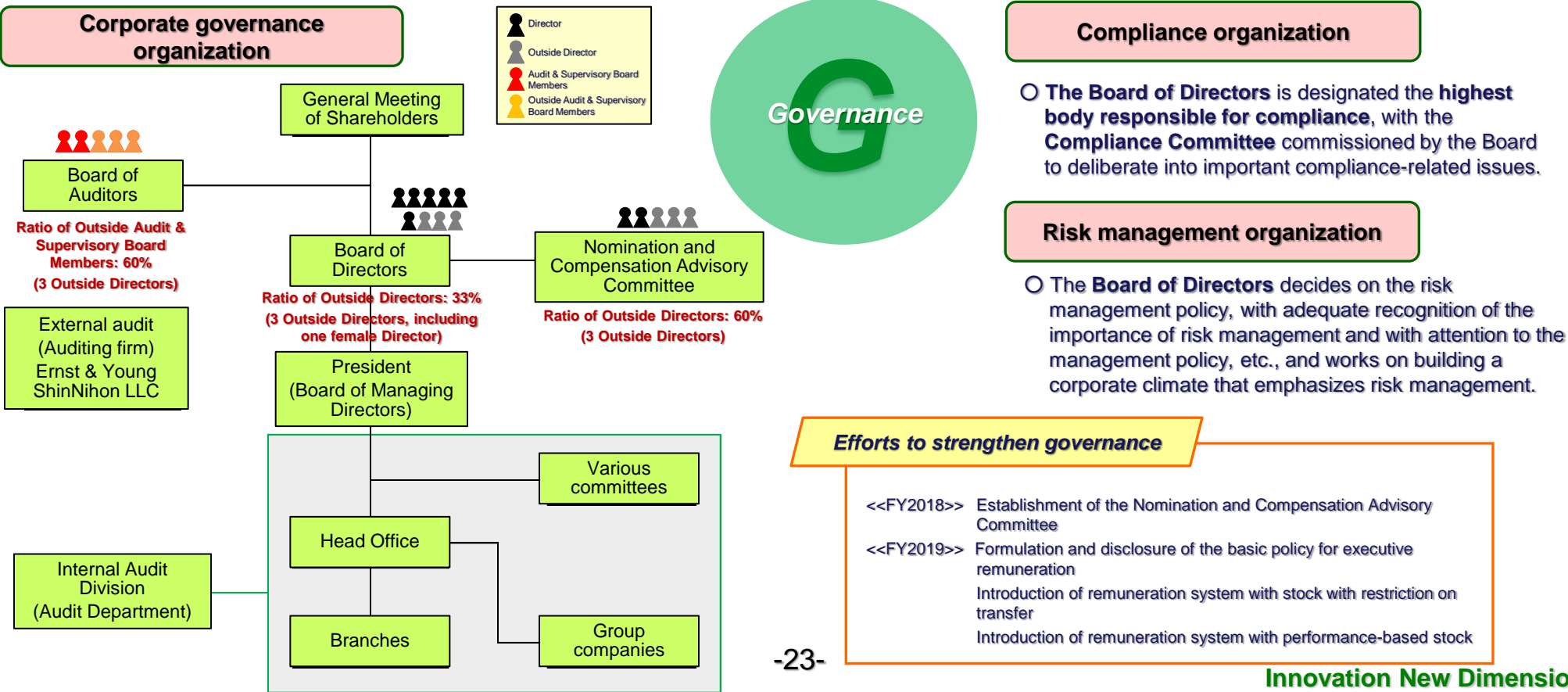


(*) The framework refers to the policy of the issuing body on the issuance of Green Bonds, etc., pertaining to the use of procured funds, project assessment, management and reporting on procured funds, etc.

Initiatives for ESG: Governance

- Our basic management policy is to address the financial needs of our customers with precession, with advancement of the local community constantly in mind, as well as to enhance our corporate value by assuring sound fiscal health of our assets, reinforcement of our earning power, etc., and to gain a high level of evaluation from our shareholders and the market.
In order to implement and realize the goals of our basic policy, the Bank is devoting its energy into the following three, with due attention to the fact that improvement in corporate governance is the top-priority issue in business management.

- 
1. Development of a structure enabling proper management decision making and efficient business execution
 2. Enhancement of the compliance system and risk management system as the foundation of sound management
 3. Timely and appropriate disclosure of corporate information aiming for transparent management and proactive IR activities



Initiatives for ESG: Governance

■ Skill matrix (expertise & experience)

Assurance of diversity and balance in skills required for efficient performance of the respective roles and responsibilities of the directors and auditors

Internal Directors/Audit & Supervisory Board Members		Skill category							
Name	Job title	Corporate governance/sustainability	Regional economies	Sales	Market management	Management strategy/planning/compliance/new business development	Human resources	Risk management	IT system
Kazuo Saito	Chairman & Director	○	○	○	○	○	○	○	
Akihiko Fukai	President & Director	○	○	○	○	○		○	○
Nobuyuki Horie	Executive Vice President & Director		○	○			○	○	
Yukio Yuasa	Managing Director			○			○	○	
Satoshi Inoue	Managing Director		○	○					
Hiroyuki Irisawa	Managing Director	○		○	○	○			○
Noriyuki Watanabe	Audit & Supervisory Board Member			○			○	○	
Shinya Koitabashi	Audit & Supervisory Board Member			○	○				

Outside Directors/Audit & Supervisory Board Members		Skill category							
Name	Job title	Corporate management	Finance (theory, regulatory control & compliance)	Corporate finance & accounting (operation & theory)	Corporate legal affairs (operation & theory)	Macroeconomy	Sustainability	IT, digital FinTech	Regional economies & governments
Jun Kondo	Director	○		○					○
Kuniko Nishikawa	Director	○					○	○	
Kazuhiro Osugi	Director		○			○			
Kaneo Fukushima	Audit & Supervisory Board Member						○		○
Makoto Tanaka	Audit & Supervisory Board Member			○					○
Yasuo Kamiya	Audit & Supervisory Board Member				○				○



Kazuo Saito



Akihiko Fukai



Nobuyuki Horie



Yukio Yuasa



Satoshi Inoue



Hiroyuki Irisawa



Noriyuki Watanabe



Shinya Koitabashi



Jun Kondo



Kuniko Nishikawa



Kazuhiro Osugi



Kaneo Fukushima



Makoto Tanaka



Yasuo Kamiya

New appointment

* The information above does not necessarily show the entire scope of expertise, experience and knowledge of the prospective directors and auditors.

Financial Results Briefing Session for the Year Ended March 2021

Data



The Gunma Bank, Ltd.

May 24, 2021

First Section of the Tokyo
Stock Exchange: 8334

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12 Changes in Loans to SMEs (by Industry)	24 Branch Office Network

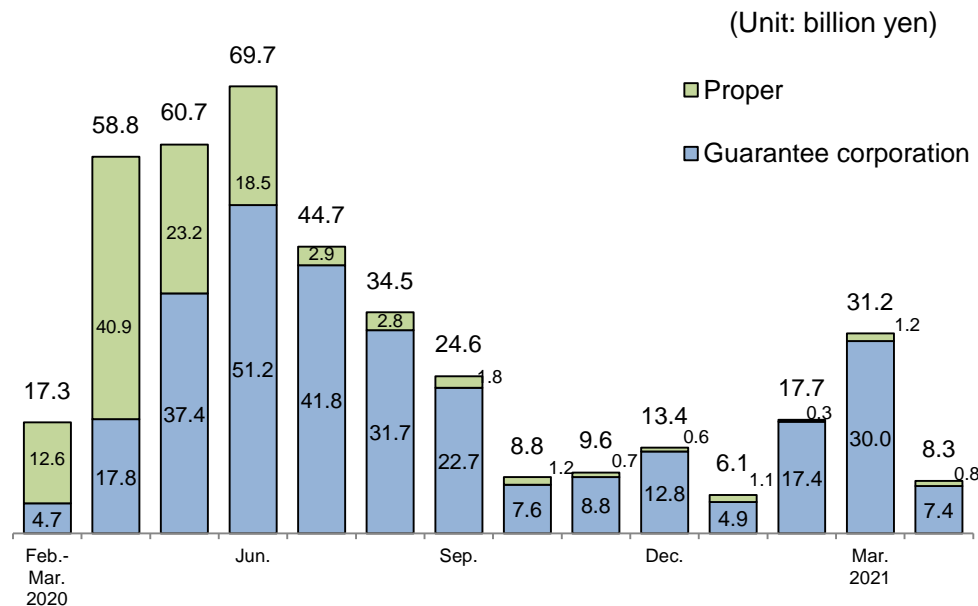
This material has been prepared to provide information, not to solicit the transactions of specific securities. Descriptions in this material are subject to change without notice. Description on future business performance is included in this material. However, future business results are not guaranteed for the securities, which involve risks and uncertainties. Please be advised that future achievements may be different from targets due to changes in business environment, etc.

• Status of COVID-19-related loans (April 30, 2021)

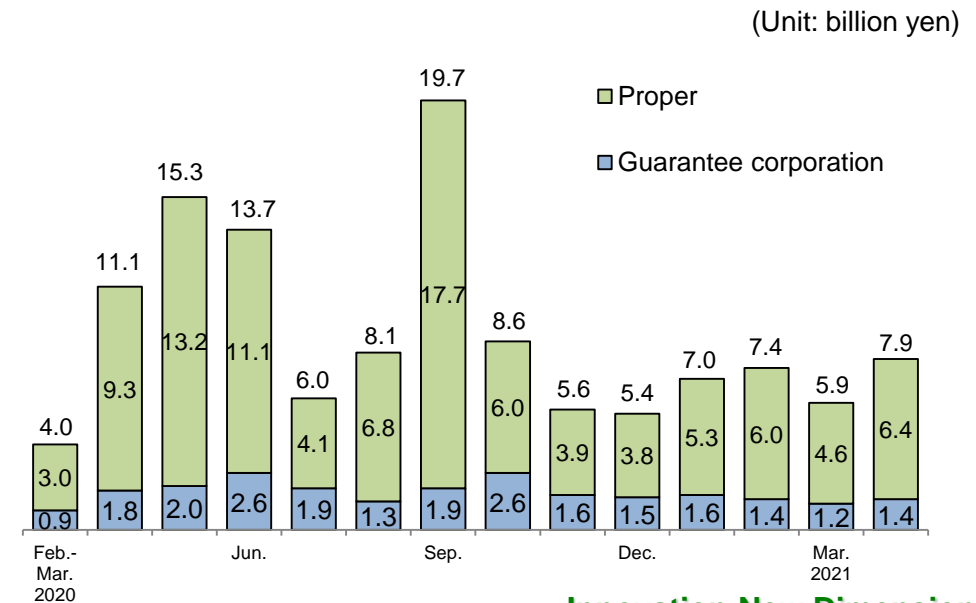
■ Status of loans with guarantee by Credit Guarantee Corporation (new loans)

Loans (value) (Average: 20 million yen)	10 million yen or less 39.7%		Over 10 million yen to 30 million yen 47.5%		Over 30 million yen 12.8%
	5 years or less 14.8%		Over 5 years to 7 years 19.4%	Over 7 years 65.8%	
	Gunma Prefecture 63.6%		Saitama Prefecture 15.3%	Tochigi Prefecture 9.8%	Tokyo, Kanagawa, etc. 11.3%

■ Changes in new loans

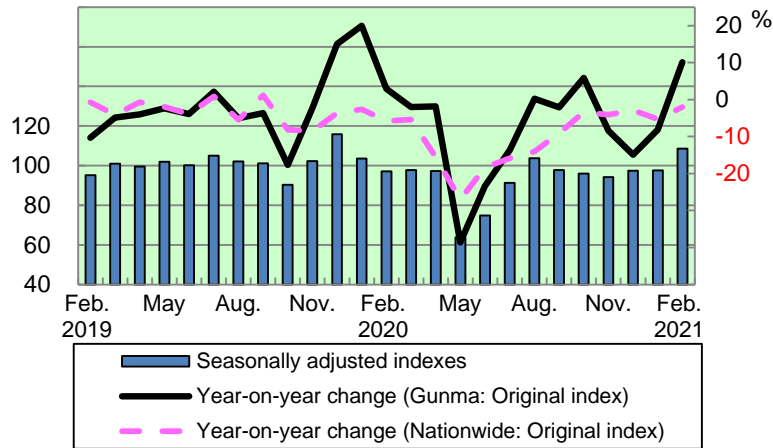


■ Changes in Change of terms



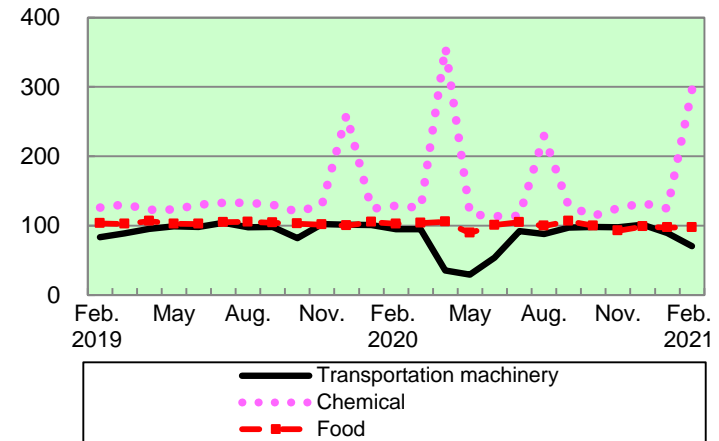
Economic Trends in Gunma Prefecture I

■ Mining and manufacturing production index (Year 2015 = 100)



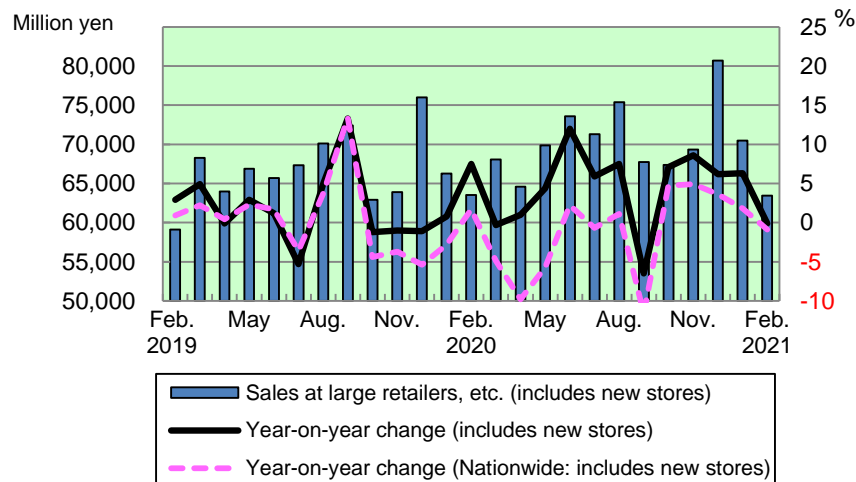
Source: Gunma Prefecture / Ministry of Economy, Trade and Industry

■ Production index by industry classification (Seasonally adjusted) (Year 2015 = 100, Top three industries by share)



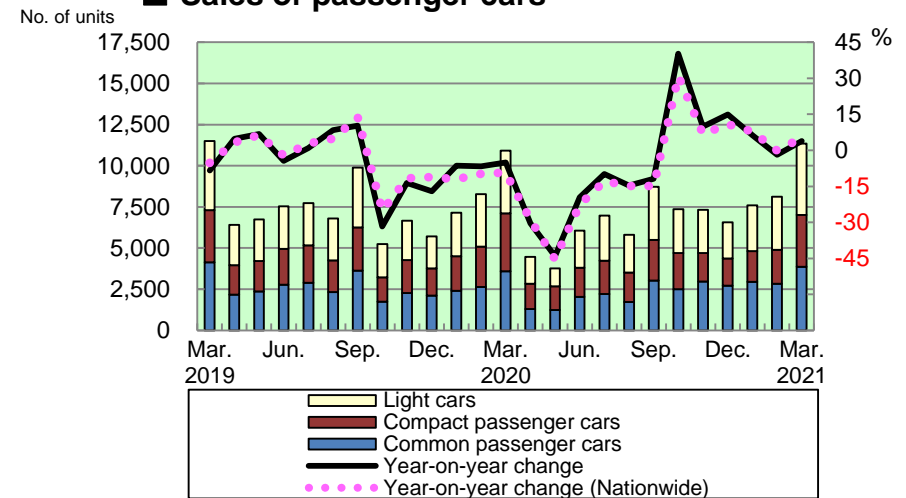
Source: Gunma Prefecture

■ Sales at large retailers, etc.



Source: Ministry of Economy, Trade and Industry

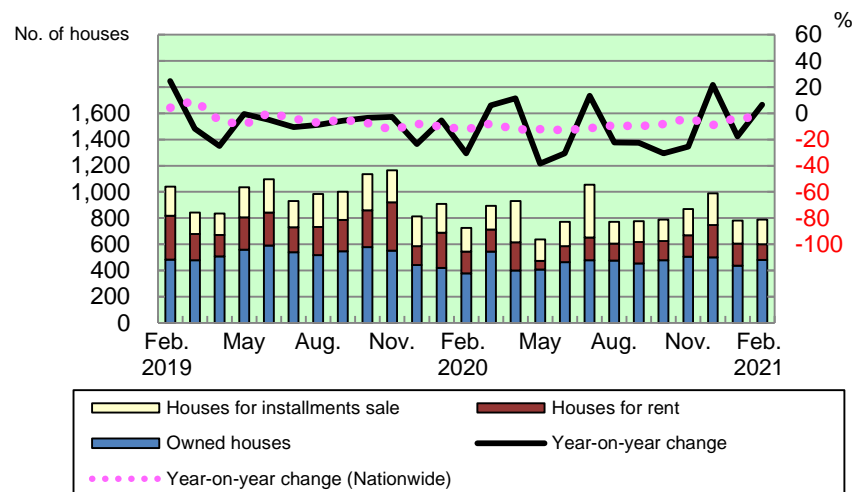
■ Sales of passenger cars



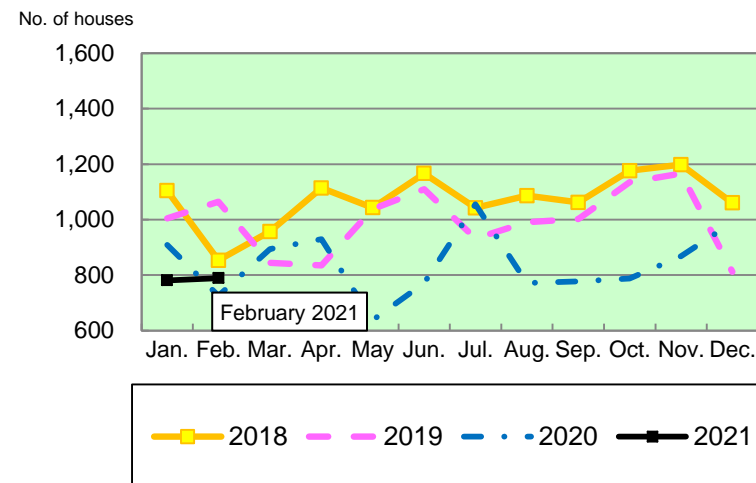
Sources: Japan Automobile Dealers Association / Japan Mini Vehicles Association / Japan Automobile Dealers Association Gunma Branch / Japan Mini Vehicles Association Gunma Branch

Economic Trends in Gunma Prefecture II

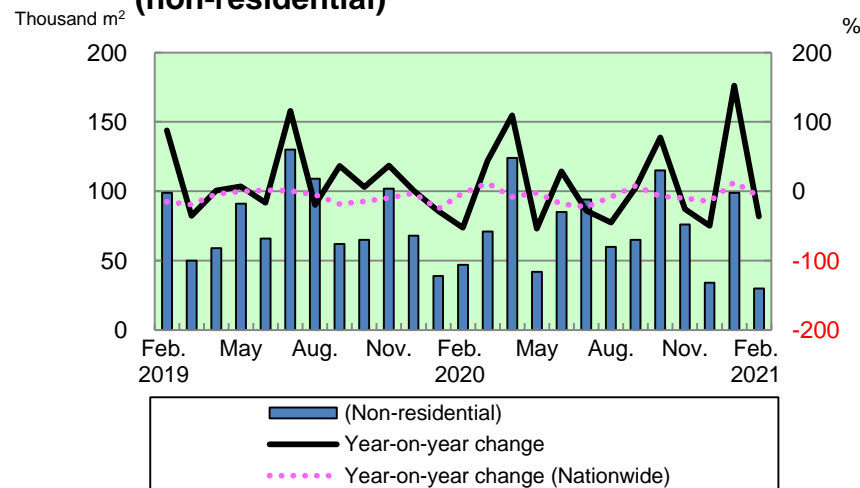
■ New housing starts



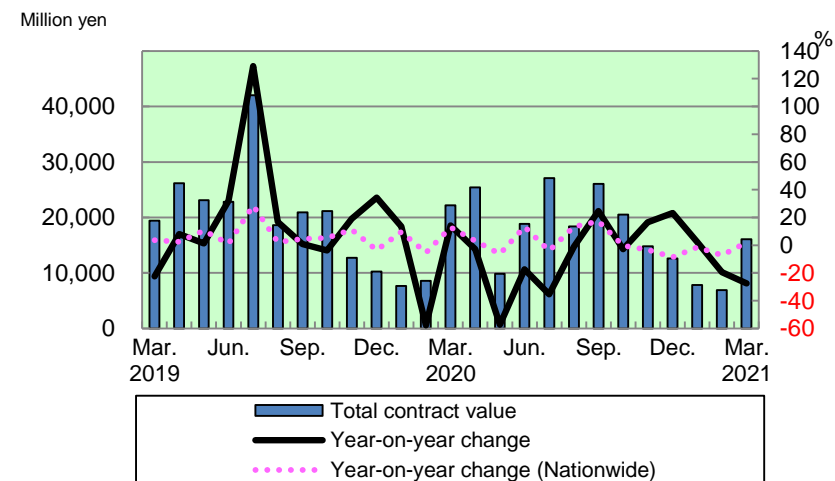
■ Monthly movements in new housing starts



■ Total floor space of construction starts (non-residential)

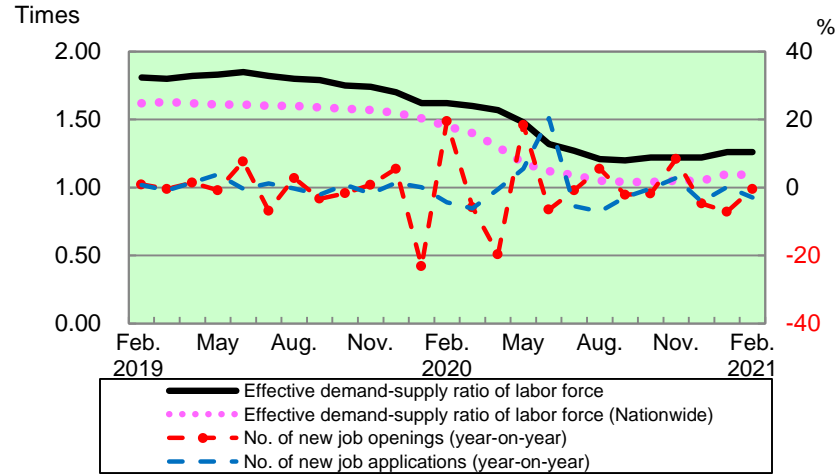


■ Value of public works contracts



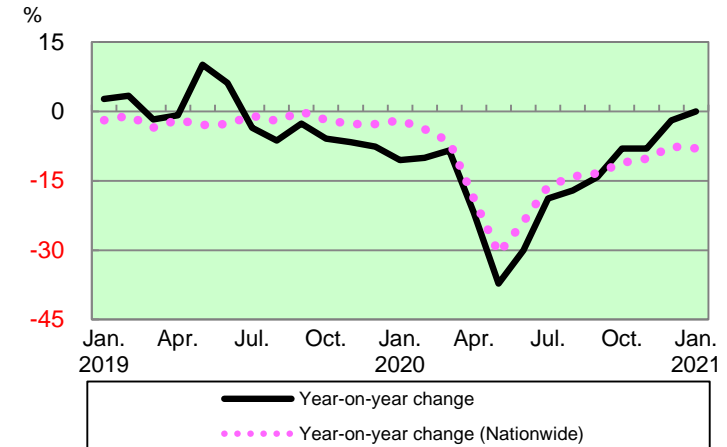
Economic Trends in Gunma Prefecture Ⅲ

■ Effective demand-supply ratio of labor force and number of new job openings and new job applications



Source: Gunma Labor Bureau

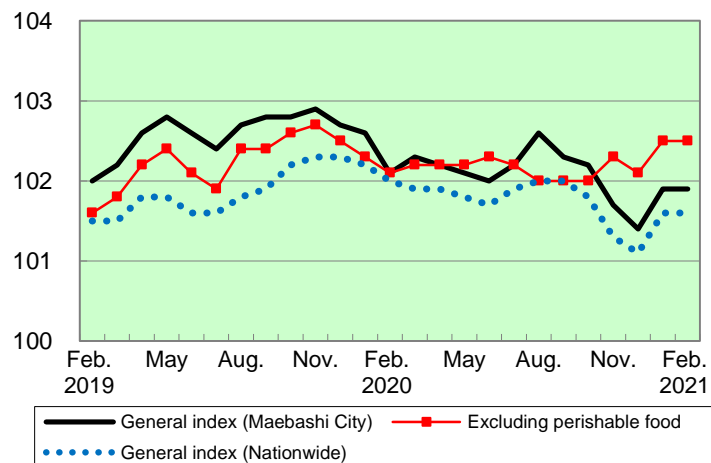
■ Total overtime hours



* All industries and offices with five employees or more

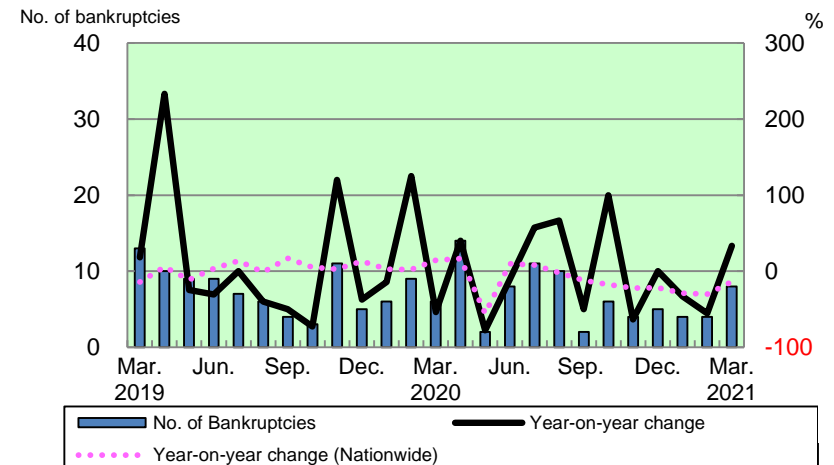
Sources: Ministry of Health, Labor and Welfare / Gunma Prefecture

■ Consumer price index (Year 2015 = 100)



Source: Ministry of Internal Affairs and Communications

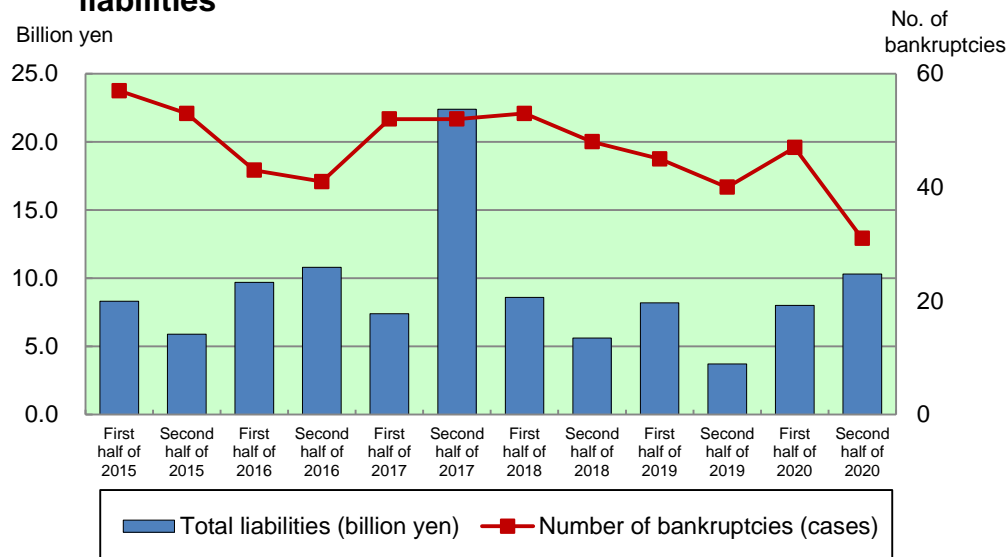
■ Number of bankruptcies



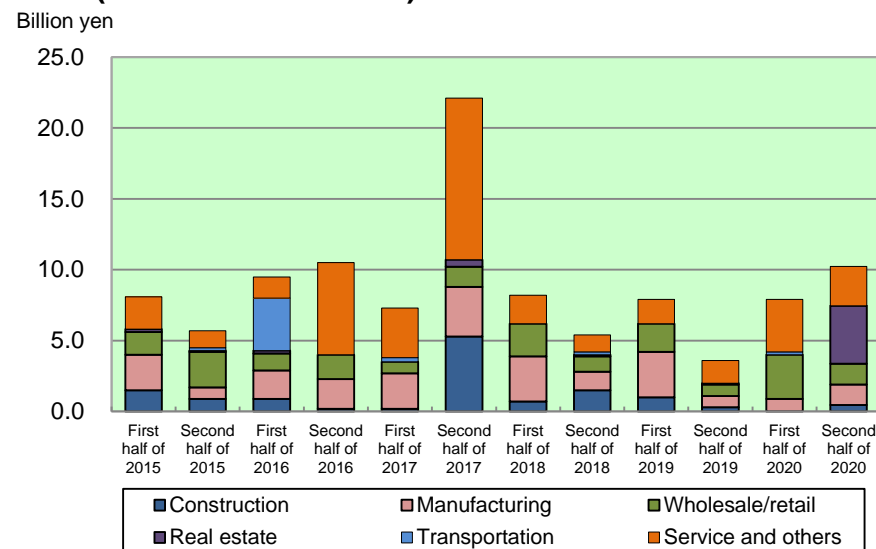
Source: Teikoku Databank

Economic Trends in Gunma Prefecture IV

■ Number of bankruptcies of companies and total liabilities



■ Industry breakdown of bankruptcies (amount of liabilities)



Unit: billion yen

	FY2015		FY2016		FY2017		FY2018		FY2019		FY2020	
	Apr.- Sep.	Oct.- Mar.	Apr.- Sep.	Oct.- Mar.	Apr.- Sep.	Oct.- Mar.	Apr.- Sep.	Oct.- Mar.	Apr.- Sep.	Oct.- Mar.	Apr.- Sep.	Oct.- Mar.
No. of Bankruptcies	57 cases	53 cases	43 cases	41 cases	52 cases	52 cases	53 cases	48 cases	45 cases	40 cases	47 cases	31 cases
Total liabilities	8.3	5.9	9.7	10.8	7.4	22.4	8.6	5.6	8.2	3.7	8.0	10.3
Construction	1.5	0.9	0.9	0.2	0.2	5.3	0.7	1.5	1.0	0.3	0.0	0.4
Manufacturing	2.5	0.8	2.0	2.1	2.5	3.5	3.2	1.3	3.2	0.8	0.9	1.4
Wholesale/retail	1.6	2.5	1.2	1.7	0.8	1.4	2.3	1.1	2.0	0.8	3.1	1.4
Real estate	0.2	0.1	0.2	-	-	0.5	-	0.1	-	0.1	0.0	4.0
Transportation	-	0.2	3.7	0.0	0.3	0.0	0.0	0.2	0.0	0.0	0.2	0.0
Services and others	2.3	1.2	1.5	6.5	3.5	11.4	2.0	1.2	1.7	1.6	3.7	2.7

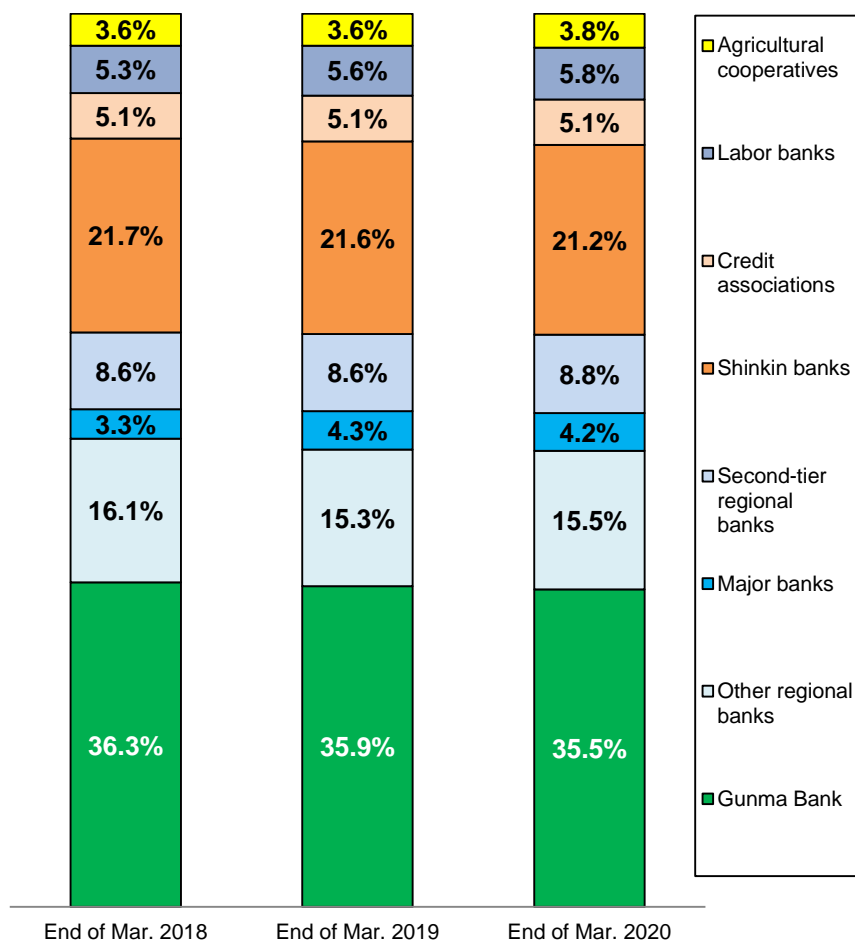
(*) Based on Teikoku Databank figures, includes only bankruptcies with liabilities of 10 million yen or more.

Excludes voluntary liquidations (e.g., suspension of banking transactions) and includes only bankruptcies under the five bankruptcy laws (e.g., Corporate Rehabilitation Act).

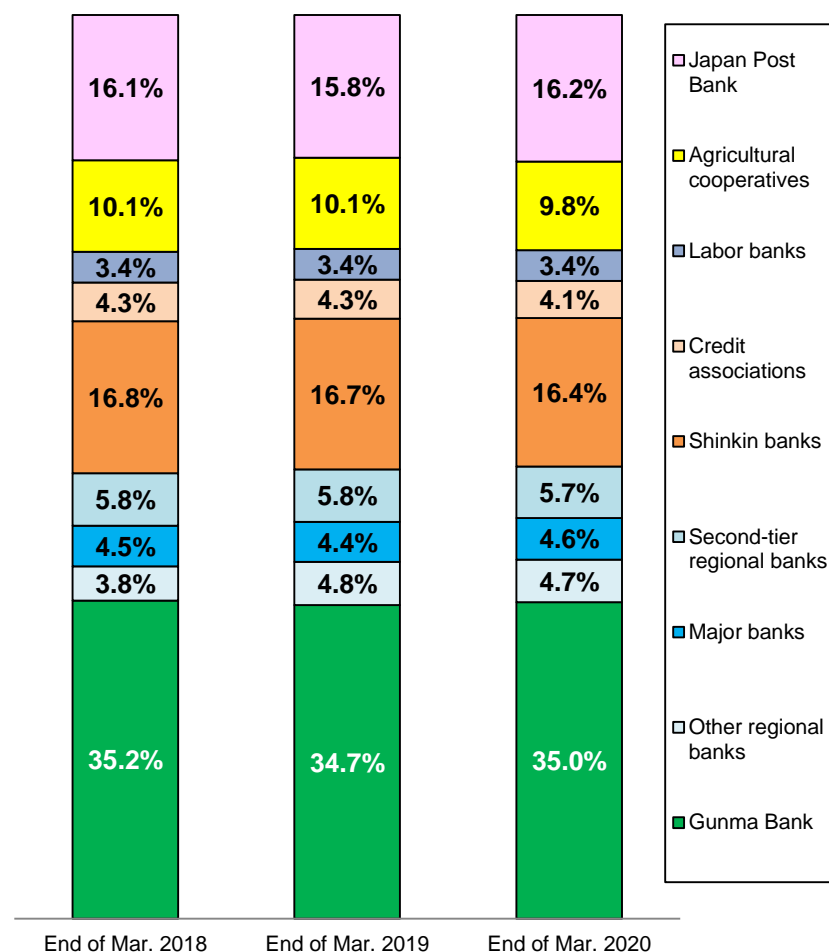
(*) First half: April–September, Second half: October–March

Economic Trends in Gunma Prefecture V

Shares in loans



Shares in deposits



(Note) Source: "Financial Map" from an extra number of the "Financial Journal" 2021 edition

Profit and Loss Conditions

[Profit and loss conditions (consolidated)]

(Unit: billion yen)

	Mar. 2016		Mar. 2017		Mar. 2018		Mar. 2019		Mar. 2020		Mar. 2021	
	Sep.2015		Sep.2016		Sep.2017		Sep.2018		Sep.2019		Sep.2020	
Core business gross profit	48.2	96.0	46.9	93.0	50.5	95.0	48.6	91.0	44.5	84.7	43.3	86.4
Net interest income	41.0	81.3	39.9	78.9	41.3	77.2	39.4	74.3	35.8	67.5	34.2	67.2
Non-interest business profit	7.2	14.7	7.0	14.1	9.1	17.8	9.1	16.7	8.7	17.1	9.0	19.1
Expenses (-) (excluding extraordinary expenses)	29.0	56.9	29.2	57.7	29.4	57.5	29.3	57.5	28.8	56.1	28.1	55.4
Credit costs	-1.0	-0.4	2.1	6.1	0.4	2.8	1.6	8.7	2.6	4.8	6.5	22.4
Ordinary profit	25.0	43.6	21.8	36.5	29.2	42.4	25.3	35.7	18.8	31.5	16.4	20.0
Net income attributable to owners of parent	16.7	28.6	17.5	26.3	20.1	28.3	17.4	23.3	13.4	22.2	12.3	13.5
OHR (%)	60.2	59.3	62.2	62.0	58.2	60.5	60.3	63.2	64.7	66.3	64.8	64.1
ROE (%)	6.4	5.6	6.9	5.1	7.6	5.4	6.4	4.4	5.0	4.4	4.8	2.6

[Profit and loss conditions (non-consolidated)]

(Unit: billion yen)

	Mar. 2016		Mar. 2017		Mar. 2018		Mar. 2019		Mar. 2020		Mar. 2021	
	Sep.2015		Sep.2016		Sep.2017		Sep.2018		Sep.2019		Sep.2020	
Core business gross profit	46.0	91.6	44.9	88.6	47.8	89.5	45.9	85.6	41.6	78.4	40.1	80.2
Net interest income	41.0	81.4	40.0	79.0	41.4	77.3	39.5	74.4	35.8	67.6	34.4	68.5
(Breakdown: profit/loss on cancellation of investment trusts)	1.0	1.9	1.0	2.0	3.9	3.6	3.4	3.6	0.4	-1.4	1.3	0.3
Net fees and commissions	4.6	9.3	4.3	8.7	5.9	11.0	6.0	10.5	5.3	9.8	5.4	10.9
Others (excluding gains (losses) on bonds, etc.)	0.3	0.8	0.5	0.8	0.4	1.1	0.3	0.7	0.4	0.9	0.2	0.7
Expenses (-) (excluding extraordinary expenses)	28.9	56.7	28.7	56.6	28.8	56.2	28.6	56.1	28.0	54.4	27.2	53.6
Personnel expenses	16.3	32.4	16.2	32.0	15.5	30.7	15.3	30.2	14.9	29.5	15.0	29.4
Non-Personnel expenses	10.9	21.7	10.5	21.3	11.3	22.4	11.3	22.7	11.1	22.0	10.4	21.1
Tax	1.6	2.5	1.9	3.2	1.9	3.0	1.9	3.1	1.8	2.8	1.7	2.9
Core business net profit	17.1	34.9	16.1	31.9	19.0	33.2	17.3	29.5	13.6	24.0	12.9	26.6
Ordinary profit	23.2	39.7	20.9	34.5	27.2	38.5	23.7	31.9	17.0	25.3	14.6	16.8
Net income	15.6	26.6	17.0	25.2	18.9	26.0	16.4	20.9	12.2	17.9	10.9	11.6
Credit costs	-1.2	-0.5	1.4	4.7	0.3	2.3	1.2	7.9	2.3	4.3	5.9	21.0
Transfer to general provision for possible loan losses	-	-	0.5	0.4	-1.0	-1.0	-1.2	0.3	-0.6	-1.1	4.3	14.5
Disposal of non-performing loans	0.0	0.9	0.8	4.3	1.4	3.4	2.5	7.6	3.0	5.4	1.6	6.4
(Breakdown: transfer to specific provision for possible loan losses)	-	-	0.7	3.5	1.2	2.9	2.3	7.1	2.3	4.4	1.4	5.9
(Breakdown: loss on sales of loans)	0.1	0.4	0.0	0.4	0.0	0.1	0.0	0.1	0.4	0.7	0.0	0.1
Reversal of provision for possible loan losses (-)	1.2	1.5	-	-	-	-	-	-	-	-	-	-
Gain on the collection of claims written-off (-)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Changes in Customer Service Business Profits

[Customer service business profit ratio]

(Unit: billion yen)

	Mar. 2016		Mar. 2017		Mar. 2018		Mar. 2019		Mar. 2020		Mar. 2021	
	Sep. 2015		Sep. 2016		Sep. 2017		Sep. 2018		Sep. 2019		Sep. 2020	
Cusmtmer service business profit ratio (* Annal ratio: (i)/(ii) X Number of days for adjustment)	0.13%	0.16%	0.05%	0.06%	0.08%	0.09%	0.13%	0.14%	0.16%	0.16%	0.11%	0.12%
Custmer service business profit (i)	4.0	9.6	1.6	3.9	2.7	6.2	4.6	9.2	5.4	11.1	4.2	9.2
Loan income	28.4	57.1	27.9	55.7	27.3	54.8	27.9	56.3	28.2	56.0	26.9	53.9
Net fees and commissions	4.6	9.3	4.3	8.7	5.9	11.0	6.0	10.5	5.3	9.8	5.4	10.9
Operating expenses (-)	29.0	56.8	30.7	60.5	30.5	59.6	29.4	57.6	28.1	54.6	28.2	55.6
Average deposit balance (ii)	6,078.0	6,089.8	6,206.1	6,243.5	6,426.0	6,448.1	6,607.5	6,610.9	6,735.9	6,780.0	7,169.5	7,309.9

(i) Average loan balance x Deposit and loan direct profit margin + Net fees and commissions – Operating expenses

< Reference data >

(Unit: billion yen)

	Mar. 2016		Mar. 2017		Mar. 2018		Mar. 2019		Mar. 2020		Mar. 2021	
	Sep. 2015		Sep. 2016		Sep. 2017		Sep. 2018		Sep. 2019		Sep. 2020	
Loan income ((iii)/(iv) X Number of days for adjustment)	28.4	57.1	27.9	55.7	27.3	54.8	27.9	56.3	28.2	56.0	26.9	53.9
Deposit and loan direct profit margin (iii)	1.170%	1.165%	1.111%	1.099%	1.029%	1.029%	1.019%	1.027%	1.023%	1.014%	0.955%	0.948%
Loans yield	1.208%	1.202%	1.136%	1.125%	1.057%	1.054%	1.045%	1.050%	1.044%	1.033%	0.962%	0.954%
Deposit cost	0.038%	0.037%	0.025%	0.026%	0.028%	0.025%	0.026%	0.023%	0.021%	0.019%	0.007%	0.006%
Average loan balance (iv)	4,853.9	4,905.6	5,026.3	5,072.1	5,292.7	5,332.8	5,473.8	5,491.3	5,509.5	5,523.1	5,634.8	5,689.0

Changes in Average of Earning Assets and Funds Balance

[Average of earning assets balance]

(Unit: billion yen)

[All branches]	Mar. 2016		Mar. 2017		Mar. 2018		Mar. 2019		Mar. 2020		Mar. 2021	
	Sep. 2015		Sep. 2016		Sep. 2017		Sep. 2018		Sep. 2019		Sep. 2020	
Loans	4,853.9	4,905.6	5,026.3	5,072.1	5,292.7	5,332.8	5,473.8	5,491.3	5,509.5	5,523.1	5,634.8	5,689.0
Breakdown: large enterprises	781.1	771.9	702.9	685.2	643.6	640.2	653.4	657.1	648.9	652.8	681.6	675.4
Breakdown: second-tier enterprises	111.0	110.4	113.8	114.4	113.7	112.8	116.5	116.8	104.4	99.9	97.8	96.2
Breakdown: SMEs	1,841.9	1,880.7	1,982.0	2,014.8	2,098.3	2,134.0	2,218.6	2,246.4	2,300.3	2,315.6	2,405.8	2,429.4
Breakdown: individuals	1,932.9	1,964.7	2,058.7	2,087.9	2,172.3	2,197.2	2,260.3	2,273.9	2,302.6	2,304.6	2,306.8	2,307.7
Breakdown: public loans	130.9	125.1	121.1	120.5	214.1	200.1	169.8	142.1	99.5	96.3	90.6	125.8
Securities	2,100.8	2,053.6	1,974.5	1,978.5	1,851.5	1,791.4	1,572.4	1,555.4	1,640.7	1,660.2	1,783.5	1,955.8
Others	166.5	183.5	133.9	140.8	136.6	140.0	161.9	151.7	134.5	137.5	179.3	147.0
Earning assets in total	7,121.2	7,142.9	7,134.7	7,191.6	7,280.8	7,264.3	7,208.1	7,198.5	7,284.8	7,320.9	7,597.6	7,791.9

* Average balances totaled from all domestic branches are shown as breakdowns. Loans to regional public corporations and the Ministry of Finance (MOF) are included in public loans.

[Average of funds balance]

(Unit: billion yen)

[All branches]	Mar. 2016		Mar. 2017		Mar. 2018		Mar. 2019		Mar. 2020		Mar. 2021	
	Sep. 2015		Sep. 2016		Sep. 2017		Sep. 2018		Sep. 2019		Sep. 2020	
Deposits	6,078.0	6,089.8	6,206.1	6,243.5	6,426.0	6,448.1	6,607.5	6,610.9	6,735.9	6,780.0	7,169.5	7,309.9
(Breakdown: individuals)	4,540.9	4,553.2	4,599.5	4,635.5	4,743.8	4,779.3	4,865.7	4,885.8	4,958.3	4,995.9	5,179.3	5,249.5
(Breakdown: corporations)	1,262.7	1,267.5	1,342.0	1,351.2	1,421.4	1,427.3	1,465.4	1,465.3	1,519.2	1,534.4	1,704.2	1,761.9
Liquid deposits	3,866.7	3,881.7	4,011.9	4,055.7	4,264.5	4,303.5	4,483.1	4,502.0	4,667.2	4,725.5	5,186.3	5,324.6
Fixed deposits	2,211.3	2,208.1	2,194.1	2,187.8	2,161.5	2,144.6	2,124.4	2,108.9	2,068.7	2,054.5	1,983.1	1,985.3
Call money	78.6	66.1	69.2	72.9	48.8	45.3	19.7	26.1	17.8	16.0	16.5	134.9
Borrowings	189.4	219.6	255.7	263.6	320.6	321.5	339.9	356.7	425.2	430.2	584.5	789.8
Others	520.8	523.4	573.3	609.0	626.8	597.6	424.7	415.5	447.0	441.7	445.7	592.2
Funds in total	6,866.8	6,899.1	7,104.3	7,189.2	7,422.2	7,412.8	7,391.8	7,409.4	7,626.0	7,668.0	8,216.3	8,827.0

* Average balances totaled from all domestic branches are shown as breakdowns.

Changes in the Rates of Yield and the Profit Margins of Interest Rates

[Rates of yield and profit margins of interest rates (all branches)]

(Unit: %)

[All branches]		Mar. 2016		Mar. 2017		Mar. 2018		Mar. 2019		Mar. 2020		Mar. 2021	
		Sep. 2015		Sep. 2016		Sep. 2017		Sep. 2018		Sep. 2019		Sep. 2020	
Earning assets yield	(i)	1.21	1.20	1.18	1.18	1.23	1.16	1.19	1.13	1.07	1.01	0.94	0.91
Breakdown: loans yield	(ii)	1.20	1.20	1.13	1.12	1.05	1.05	1.04	1.05	1.04	1.03	0.96	0.95
Breakdown: securities yield		1.25	1.25	1.35	1.35	1.78	1.54	1.78	1.46	1.19	0.96	0.91	0.80
Funding cost	(iii)	0.06	0.06	0.06	0.08	0.10	0.10	0.10	0.09	0.08	0.08	0.03	0.02
Deposit cost	(iv)	0.04	0.03	0.02	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.01	0.00
Overall direct profit margin	(i) — (iii)	1.15	1.14	1.12	1.10	1.13	1.06	1.09	1.04	0.99	0.93	0.91	0.89
Deposit and loan direct profit margin	(ii) — (iv)	1.16	1.17	1.11	1.10	1.02	1.02	1.01	1.02	1.01	1.00	0.95	0.95
Ratio of expenses		0.91	0.89	0.88	0.86	0.85	0.83	0.82	0.81	0.79	0.76	0.72	0.70
Overall profit margin		0.31	0.32	0.31	0.32	0.36	0.30	0.32	0.28	0.25	0.22	0.25	0.28

* Profit margins are calculated on the table.

[Rates of yield and profit margins of interest rates (domestic transactions)]

(Unit: %)

[Domestic transactions]		Mar. 2016		Mar. 2017		Mar. 2018		Mar. 2019		Mar. 2020		Mar. 2021	
		Sep. 2015		Sep. 2016		Sep. 2017		Sep. 2018		Sep. 2019		Sep. 2020	
Earning assets yield	(i)	1.17	1.15	1.12	1.10	1.13	1.06	1.08	1.02	0.97	0.91	0.89	0.85
Breakdown: loans yield	(ii)	1.21	1.20	1.12	1.11	1.03	1.02	0.99	0.98	0.97	0.97	0.94	0.94
Breakdown: securities yield		1.19	1.18	1.25	1.20	1.66	1.34	1.61	1.29	1.08	0.83	0.85	0.65
Funding cost	(iii)	0.03	0.03	0.02	0.01	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00
Deposit cost	(iv)	0.03	0.03	0.01	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00
Overall direct profit margin	(i) — (iii)	1.14	1.12	1.10	1.09	1.12	1.05	1.07	1.01	0.97	0.91	0.89	0.85
Deposit and loan direct profit margin	(ii) — (iv)	1.18	1.17	1.11	1.10	1.02	1.01	0.98	0.98	0.97	0.97	0.94	0.94
Ratio of expenses		0.89	0.88	0.86	0.85	0.83	0.81	0.81	0.79	0.77	0.75	0.71	0.68
Overall profit margin		0.27	0.27	0.27	0.27	0.32	0.27	0.30	0.26	0.23	0.20	0.23	0.25

* Profit margins are calculated on the table.

Changes in Loans and Deposits (by Region)

[Loans (ending balance)]

(Unit: billion yen)

[Domestic branches]	End of Mar. 2016		End of Mar. 2017		End of Mar. 2018		End of Mar. 2019		End of Mar. 2020		End of Mar. 2021	
	Sep.2015		Sep.2016		Sep.2017		Sep.2018		Sep.2019		Sep.2020	
Gunma	2,242.4	2,265.8	2,282.0	2,294.9	2,302.1	2,339.1	2,347.7	2,356.8	2,356.7	2,372.1	2,429.2	2,439.6
Saitama	939.7	983.7	1,016.8	1,053.0	1,069.2	1,101.2	1,119.2	1,139.4	1,134.6	1,133.1	1,136.7	1,132.5
Tochigi	422.8	443.0	456.5	471.4	484.1	495.0	506.6	514.2	510.3	509.4	513.1	509.5
Tokyo,Kanagawa and Osaka	1,179.3	1,177.7	1,171.7	1,186.1	1,236.8	1,270.9	1,305.7	1,299.8	1,301.5	1,320.9	1,362.9	1,404.5
Head Office, etc.	109.9	123.6	130.7	170.5	298.9	262.9	212.3	202.3	205.9	212.3	208.1	209.0
Total	4,894.4	4,994.0	5,057.8	5,176.0	5,391.3	5,469.3	5,491.6	5,512.7	5,509.2	5,548.0	5,650.2	5,695.3

[Deposits (ending balance)]

(Unit: billion yen)

[Domestic branches]	End of Mar. 2016		End of Mar. 2017		End of Mar. 2018		End of Mar. 2019		End of Mar. 2020		End of Mar. 2021	
	Sep.2015		Sep.2016		Sep.2017		Sep.2018		Sep.2019		Sep.2020	
Gunma	4,929.6	5,083.9	5,010.6	5,253.6	5,209.0	5,407.9	5,375.0	5,537.7	5,500.7	5,752.1	5,988.2	6,317.1
Saitama	603.3	605.3	613.6	629.3	639.2	646.6	655.6	654.5	654.2	662.4	708.4	731.2
Tochigi	354.2	352.6	351.5	356.3	360.4	362.3	365.3	364.9	364.1	369.8	391.4	400.0
Tokyo,Kanagawa and Osaka	137.8	160.3	169.3	176.9	192.5	202.7	224.6	217.6	237.1	215.2	216.5	227.6
Head Office, etc.	37.1	33.0	23.3	39.7	29.9	33.2	22.0	22.8	28.9	30.9	51.1	58.6
Total	6,062.2	6,235.2	6,168.4	6,455.8	6,431.3	6,652.7	6,642.7	6,797.7	6,785.1	7,030.7	7,355.8	7,734.7

Changes in Loans (by Type and by Size)

[Loan balances (by type and by size)]

(Unit: billion yen)

	End of Mar. 2016		End of Mar. 2017		End of Mar. 2018		End of Mar. 2019		End of Mar. 2020		End of Mar. 2021	
	Sep.2015		Sep.2016		Sep.2017		Sep.2018		Sep.2019		Sep.2020	
Loans	4,950.0	5,047.3	5,100.0	5,224.2	5,442.1	5,518.6	5,549.5	5,565.4	5,557.3	5,602.3	5,702.3	5,749.6
Domestic branches	4,894.4	4,994.0	5,057.8	5,176.0	5,391.3	5,469.3	5,491.6	5,512.7	5,509.2	5,548.0	5,650.2	5,695.3
Corporations	2,744.3	2,781.8	2,776.3	2,808.6	2,852.5	2,927.3	2,976.7	2,991.5	2,986.3	3,022.3	3,139.6	3,169.4
Large enterprises	719.2	680.2	611.3	579.1	567.4	564.9	579.5	554.2	558.0	566.8	579.8	591.5
Second-tier enterprises	111.4	108.0	115.4	114.4	113.4	112.1	119.6	110.8	93.6	95.0	95.1	90.8
SMEs	1,913.7	1,993.6	2,049.5	2,115.0	2,171.7	2,250.2	2,277.5	2,326.4	2,334.6	2,360.4	2,464.6	2,487.0
Breakdown: excluding strategic branch offices	1,746.8	1,841.9	1,892.8	1,962.1	2,020.8	2,099.9	2,140.5	2,195.1	2,215.5	2,235.8	2,330.6	2,340.7
Public entities	120.1	109.5	114.5	106.7	106.0	102.2	102.4	97.8	94.7	87.6	86.3	92.4
Regional public corporations	2.1	3.0	1.9	2.9	1.9	2.7	1.8	2.5	1.7	2.4	1.8	2.3
Municipal authorities	117.9	106.5	112.6	103.8	104.1	99.5	100.5	95.3	93.0	85.1	84.5	90.0
Central government	–	–	–	20.9	136.7	89.4	22.6	–	–	–	–	–
Individuals	1,975.2	2,039.4	2,100.7	2,159.3	2,207.1	2,254.5	2,281.8	2,305.6	2,309.5	2,314.7	2,307.5	2,316.6
Housing-related loans	1,910.7	1,972.2	2,031.2	2,087.6	2,134.7	2,180.9	2,207.3	2,230.2	2,228.3	2,233.3	2,229.1	2,237.3
Housing loans	1,270.2	1,285.1	1,293.6	1,300.5	1,307.4	1,314.8	1,316.3	1,317.0	1,313.7	1,312.4	1,314.9	1,328.7
Apartment loans	466.1	491.9	519.8	546.9	568.4	593.4	613.3	631.6	641.7	651.4	649.7	649.8
Others	174.4	195.1	217.7	240.1	258.8	272.5	277.6	281.5	272.8	269.4	264.4	258.7
Unsecured consumer loans	34.8	38.6	41.6	44.8	46.6	48.8	50.0	51.5	53.2	54.6	53.7	54.7
Other loans to individuals	29.5	28.5	27.8	26.8	25.6	24.6	24.5	23.9	27.9	26.7	24.6	24.4
Cross-border, etc.	54.7	63.2	66.1	80.3	88.8	95.8	107.9	117.6	118.5	123.3	116.6	116.7
Overseas branch	55.6	53.2	42.2	48.2	50.7	49.2	57.9	52.7	48.0	54.2	52.1	54.2

* Cross-border, etc. includes structured finance.

Changes in Loans to SMEs (by Industry)

[Breakdown of loans to SMEs (outstanding loan by industry)]

(Unit: billion yen)						
SMEs (domestic branches) [Breakdown: by industry(1)]	End of Mar. 2019		End of Mar. 2020		End of Mar. 2021	
	Sep.2018		Sep.2019		Sep.2020	
Manufacturing	444.5	453.2	457.9	463.2	480.8	482.1
Gunma	265.1	268.3	276.4	279.1	296.3	300.3
Saitama	90.4	93.8	92.2	93.6	92.0	91.3
Tochigi	61.3	62.6	61.3	62.8	63.6	62.1
Tokyo and Kanagawa	22.5	22.8	22.3	21.8	23.0	22.6
Others	5.2	5.6	5.6	5.6	5.7	5.7
Construction	159.9	168.0	159.9	165.0	176.2	188.6
Gunma	95.7	101.9	97.8	102.8	109.2	118.0
Saitama	30.1	30.9	27.5	28.5	29.8	30.5
Tochigi	17.8	18.5	17.6	17.4	19.8	21.9
Tokyo and Kanagawa	14.9	15.2	15.3	14.1	15.1	15.2
Others	1.4	1.5	1.7	2.0	2.2	2.7
Wholesaling and retailing	323.7	324.2	336.4	332.1	350.6	352.7
Gunma	173.2	168.3	180.2	177.1	186.5	189.7
Saitama	72.6	74.5	76.5	76.5	83.0	83.5
Tochigi	35.4	36.0	35.8	35.7	37.7	38.1
Tokyo and Kanagawa	38.2	41.2	39.7	38.3	39.2	37.6
Others	4.3	4.2	4.2	4.3	3.9	3.7

(Unit: billion yen)						
SMEs (domestic branches) [Breakdown: by industry(2)]	End of Mar. 2019		End of Mar. 2020		End of Mar. 2021	
	Sep.2018		Sep.2019		Sep.2020	
Real estate	456.6	469.5	465.0	464.8	452.8	448.7
Gunma	120.4	124.3	123.5	126.9	126.0	128.3
Saitama	151.1	155.6	155.6	155.4	151.3	148.4
Tochigi	52.4	53.9	52.9	51.1	49.7	48.0
Tokyo and Kanagawa	129.2	132.1	128.8	127.1	121.1	119.2
Others	3.5	3.6	4.2	4.1	4.4	4.7
Healthcare and public welfare	261.3	267.3	269.4	271.0	293.5	292.6
Gunma	113.7	114.4	114.2	115.7	124.8	122.7
Saitama	63.7	64.9	64.9	62.8	65.8	64.5
Tochigi	14.0	14.4	14.6	14.9	15.5	15.2
Tokyo and Kanagawa	67.1	70.6	73.0	74.8	84.7	87.2
Others	2.8	2.9	2.7	2.6	2.6	2.6
Other services	232.0	238.8	241.5	238.1	266.4	268.4
Gunma	125.5	129.9	130.1	129.2	148.1	151.1
Saitama	49.5	50.2	49.9	49.4	53.5	54.7
Tochigi	27.1	28.6	30.1	29.2	31.2	31.7
Tokyo and Kanagawa	27.3	27.4	29.5	28.3	31.3	28.6
Others	2.6	2.6	1.8	1.9	2.1	2.2

Status of Housing-related Loans

[Breakdown of housing loans/apartment loans (outstanding loan by region)]

(Unit: billion yen)

	End of Mar. 2016		End of Mar. 2017		End of Mar. 2018		End of Mar. 2019		End of Mar. 2020		End of Mar. 2021	
	Sep.2015		Sep.2016		Sep.2017		Sep.2018		Sep.2019		Sep.2020	
Housing loans	1,270.2	1,285.1	1,293.6	1,300.5	1,307.4	1,314.8	1,316.3	1,317.0	1,313.7	1,312.4	1,314.9	1,328.7
Gunma	720.5	720.4	716.8	712.8	708.5	706.7	703.4	701.5	698.3	698.1	699.2	709.3
Saitama	315.9	320.0	321.8	323.8	325.8	327.7	327.7	326.5	324.1	320.9	318.8	318.2
Tochigi	119.4	119.9	119.2	118.1	117.2	116.5	115.8	114.4	113.1	111.2	110.1	108.9
Tokyo and Kanagawa	114.2	124.6	135.7	145.6	155.8	163.7	169.4	174.4	178.0	182.0	186.6	192.2
Apartment loans	466.1	491.9	519.8	546.9	568.4	593.4	613.3	631.6	641.7	651.4	649.7	649.8
Gunma	226.5	233.1	240.0	247.0	251.4	255.6	257.8	259.3	259.6	259.9	256.7	250.4
Saitama	107.2	113.5	119.5	126.5	129.5	135.4	141.4	147.7	150.2	154.0	154.2	158.8
Tochigi	89.6	94.3	99.6	103.1	106.1	110.0	112.4	114.6	116.1	116.0	115.5	115.2
Tokyo and Kanagawa	42.7	50.8	60.5	70.3	81.2	92.3	101.6	109.8	115.6	121.3	123.1	125.3

[Status of loans for investment real estate]

(Unit: billion yen)

	Mar. 2019				Mar. 2020				Mar. 2021			
	Year-end balance	Change	Rate of change	Composition ratio	Year-end balance	Change	Rate of change	Composition ratio	Year-end balance	Change	Rate of change	Composition ratio
Total loan balance	5,565.4	46.8	0.8%	100.0%	5,602.3	36.8	0.7%	100.0%	5,749.6	147.3	2.6%	100.0%
Breakdown: for investment real estate	1,026.6	69.0	7.2%	18.4%	1,038.4	11.8	1.2%	18.5%	1,021.8	-16.6	-1.6%	17.8%
Breakdown: whole building	227.2	20.1	9.7%	4.0%	220.8	-6.3	-2.8%	3.9%	211.5	-9.3	-4.2%	3.7%
Breakdown: asset management companies	61.0	9.1	17.6%	1.0%	59.1	-1.9	-3.1%	1.1%	57.4	-1.7	-3.0%	1.0%
Breakdown: salaried workers	32.5	0.7	2.2%	0.5%	31.7	-0.8	-2.6%	0.6%	31.5	-0.1	-0.6%	0.5%

* Loans for investment real estate: loans for funds used by individuals (including asset management companies, etc.) to purchase residential and lodging real estate, such as apartments, condominiums, and guest houses.

< DSCR and vacancy rate >

	Mar. 2019				Mar. 2020			
	Total	Maebashi city	Takasaki city	Tokyo and Kanagawa	Total	Maebashi city	Takasaki city	Tokyo and Kanagawa
Vacancy rate (%)	5.0	9.2	5.1	2.1	4.5	7.4	4.5	2.8
DSCR (times)	1.36	1.30	1.34	1.45	1.36	1.33	1.36	1.45

< Default rate >

(Unit: %)

	Mar. 2019	Mar. 2020
For investment real estate	0.32	0.26
Breakdown: apartment loans	0.07	0.13

* Cases in inheritance proceedings are excluded.

Status of Non-interest Business Profit

[Breakdown non-interest business profit (excluding gains(losses) on bonds, etc.) (non-consolidated)] (Unit: million yen)

	Mar. 2019		Mar. 2020		Mar. 2021	
	Sep. 2018		Sep. 2019		Sep. 2020	
Non-interest business profit	6,436	11,284	5,822	10,775	5,768	11,662
Breakdown: fees and commissions	10,362	19,103	9,803	18,727	9,996	19,860
Breakdown: hee and commission expenses (-)	4,297	8,566	4,476	8,903	4,508	8,941

[Breakdown non-interest business profits (non-consolidated)] (Unit: million yen)

	Mar. 2019				Mar. 2020				Mar. 2021			
	Sep.2018	(Composition ratio)	(Composition ratio)		Sep.2019	(Composition ratio)	(Composition ratio)		Sep.2020	(Composition ratio)	(Composition ratio)	
Corporate service-related	1,148	100.0%	2,157	100.0%	1,269	100.0%	2,760	100.0%	1,002	100.0%	2,821	100.0%
Syndicate loans	275	23.9%	532	24.7%	305	24.1%	702	25.5%	220	22.0%	624	22.2%
Private placement bonds	137	12.0%	257	11.9%	135	10.7%	290	10.5%	87	8.7%	199	7.1%
Business insurance for corporations	187	16.3%	315	14.6%	32	2.5%	50	1.8%	34	3.5%	90	3.2%
M&A	89	7.8%	181	8.4%	152	12.0%	277	10.0%	105	10.6%	377	13.4%
Business matching	145	12.6%	307	14.2%	210	16.6%	439	15.9%	146	14.6%	346	12.3%
Covenant loans	49	4.3%	63	2.9%	53	4.2%	236	8.6%	154	15.4%	343	12.2%
Short-term continuous loans	-	-	-	-	19	1.5%	36	1.3%	4	0.5%	9	0.3%
Derivatives (interest and currency)	229	20.0%	434	20.2%	316	24.9%	623	22.6%	166	16.6%	537	19.1%
Financial product intermediation for corporations, oters	34	3.1%	65	3.0%	43	3.5%	104	3.8%	81	8.1%	291	10.2%
Assets under custody-related, etc.	2,247	100.0%	4,275	100%	1,949	100.0%	3,858	100.0%	1,761	100.0%	4,341	100.0%
Investment trust	1,325	59.0%	2,397	56.1%	1,073	55.1%	2,211	57.3%	1,039	59.0%	2,558	58.9%
Insurance (for individuals)	833	37.1%	1,686	39.4%	757	38.8%	1,397	36.2%	513	29.2%	1,186	27.3%
Financial product intermediation (for individuals)	67	3.0%	130	3.1%	75	3.9%	181	4.7%	149	8.5%	470	10.9%
Testamentary trust/Inheritance sorting	13	0.6%	39	0.9%	18	0.9%	30	0.8%	27	1.6%	72	1.7%
Trust fee	7	0.3%	20	0.5%	24	1.3%	36	1.0%	30	1.7%	53	1.2%
Base service commissions	4,120	100.0%	8,322	100%	4,247	100.0%	8,509	100.0%	4,208	100.0%	8,452	100.0%
Breakdown: domestic exchange	2,324	56.4%	4,695	56.4%	2,348	55.3%	4,736	55.7%	2,319	55.1%	4,711	55.7%
Breakdown: agency services	1,256	30.5%	2,517	30.3%	1,274	30.0%	2,565	30.2%	1,263	30.0%	2,538	30.0%
Breakdown: banking services	476	11.6%	984	11.8%	562	13.3%	1,085	12.8%	564	13.4%	1,080	12.8%

* The ratio of each breakdown item to the respective non-interest business profit is calculated as the composition ratio.

Status of Marketing Capability for Personal Deposit Financial Assets

[Balance of deposit financial assets]

(Unit: billion yen)

	End of Mar. 2018		End of Mar. 2019		End of Mar. 2020		End of Mar. 2021	
	Sep. 2017		Sep. 2018		Sep. 2019		Sep. 2020	
Individuals	829.1	819.0	828.4	828.9	833.5	798.9	834.5	870.7
Investment trust	254.7	248.4	246.7	243.4	240.6	210.5	224.2	244.5
Pension insurance, etc.	487.6	474.9	473.9	473.9	472.4	469.6	469.8	474.8
Public bonds (JGBs)	64.3	58.6	55.0	48.4	44.3	40.9	39.1	37.1
Gungin Securities (directry sale or intermediation)	22.4	37.0	52.6	63.1	76.0	77.8	101.3	114.1
Corporations, etc.	38.9	39.2	44.8	48.6	54.1	51.8	61.5	65.1
Bank, non-consolidated	25.1	22.5	20.5	20.2	17.8	16.4	15.8	14.5
Gungin Securities (directry sale or intermediation)	13.7	16.7	24.2	28.3	36.2	35.4	45.6	50.5
Total	868.0	858.3	873.2	877.6	887.6	850.8	896.1	935.8

[Sales amount for marketing capability for deposit financial assets (individuals)]

(Unit: billion yen)

	Mar. 2018	Mar. 2019	Mar. 2020			Mar. 2021		
			First half	Second half		First half	Second half	
Investment trust	87.9	64.4	28.7	38.0	66.8	30.4	53.0	83.4
Pension insurance, etc.	29.7	37.3	17.5	14.3	31.9	12.4	20.2	32.6
Public bonds (JGBs)	6.6	6.2	3.6	2.5	6.2	2.7	2.8	5.6
Gungin Securities (directry sale or intermediation)	31.0	39.5	21.7	30.8	52.6	28.0	54.2	82.2
Total	155.3	147.5	71.6	85.9	157.5	73.6	130.4	204.0

Status of Investment in Securities

[Breakdown of gain and loss on securities, etc.]

(Unit: million yen)

	Sep. 2018	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021
Gain (loss) on securities	8,257	11,773	5,737	5,470	8,698	12,547
Gain (loss) on bonds	-2,352	-2,704	1,295	432	2,851	3,193
Gain on sale	421	584	1,295	3,717	3,150	3,652
Gain on redemption	35	35	29	39	29	29
Loss on sales (-)	2,804	3,284	-	3,295	329	489
Loss on devaluation (-)	5	39	29	29	-	-
Gain (loss) on stocks and other securities	10,609	14,478	4,442	5,038	5,846	9,354
Gain on sale	11,079	16,159	5,849	8,125	7,216	12,310
Loss on sale (-)	469	1,680	1,017	1,861	1,306	2,933
Loss on devaluation (-)	-	-	389	1,225	63	21

[Breakdown of other securities]

(Unit: billion yen)

	End of Sep. 2018		End of Mar. 2019		End of Sep. 2019		End of Mar. 2020		End of Sep. 2020		End of Mar. 2021	
	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses
Other securities	1,518.1	125.2	1,576.6	111.0	1,621.3	127.0	1,741.1	43.8	1,870.6	71.0	2,297.4	100.9
Government bonds	295.7	5.8	287.4	5.8	275.0	6.1	345.7	0.8	446.3	1.1	680.7	-1.5
Municipal bonds	616.3	7.2	638.3	9.4	651.6	8.3	692.7	5.9	714.9	5.4	745.6	4.5
Corporate bonds	199.0	0.8	199.3	2.3	190.8	3.0	204.8	1.0	204.9	1.0	203.9	0.4
Stocks	81.8	108.7	73.7	85.2	69.9	85.6	67.7	57.0	87.2	62.7	111.4	83.9
Investment trusts	166.5	1.5	241.2	5.5	270.9	17.8	236.6	-20.7	217.5	-3.9	205.8	9.2
Foreign securities	157.4	1.0	133.5	2.5	158.8	5.9	186.8	-0.6	195.9	4.6	345.3	3.8
Yen-denominated securities	10.4	0.0	9.9	0.0	9.8	0.0	10.1	0.0	5.1	0.0	4.1	0.0
Foreign-currency securities	146.9	0.9	123.5	2.5	149.0	5.8	176.6	-0.6	190.7	4.5	341.1	3.8
Others	1.1	0.0	2.9	0.0	4.0	0.1	6.5	0.3	3.7	0.0	4.3	0.3

[Bond average yield and duration]

	Sep. 2018		Mar. 2019		Sep. 2019		Mar. 2020		Sep. 2020		Mar. 2021	
	Domestic bonds	Foreign bonds	Domestic bonds	Foreign bonds	Domestic bonds	Foreign bonds	Domestic bonds	Foreign bonds	Domestic bonds	Foreign bonds	Domestic bonds	Foreign bonds
Bond average yield (%)	0.66	2.92	0.62	2.86	0.54	2.14	0.49	1.91	0.36	1.30	0.31	1.33
Modified duration (year)	3.94	2.74	4.53	2.92	5.02	4.21	5.66	4.38	6.22	3.72	7.24	4.24

Status of Capital

[Breakdown of gain and loss on securities, etc.]

(Unit: million yen)

	Sep. 2018	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021
Gain (loss) on securities	8,257	11,773	5,737	5,470	8,698	12,547
Gain (loss) on bonds	-2,352	-2,704	1,295	432	2,851	3,193
Gain on sale	421	584	1,295	3,717	3,150	3,652
Gain on redemption	35	35	29	39	29	29
Loss on sales (-)	2,804	3,284	-	3,295	329	489
Loss on devaluation (-)	5	39	29	29	-	-
Gain (loss) on stocks and other securities	10,609	14,478	4,442	5,038	5,846	9,354
Gain on sale	11,079	16,159	5,849	8,125	7,216	12,310
Loss on sale (-)	469	1,680	1,017	1,861	1,306	2,933
Loss on devaluation (-)	-	-	389	1,225	63	21

[Breakdown of other securities]

(Unit: billion yen)

	End of Sep. 2018		End of Mar. 2019		End of Sep. 2019		End of Mar. 2020		End of Sep. 2020		End of Mar. 2021	
	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses
Other securities	1,518.1	125.2	1,576.6	111.0	1,621.3	127.0	1,741.1	43.8	1,870.6	71.0	2,297.4	100.9
Government bonds	295.7	5.8	287.4	5.8	275.0	6.1	345.7	0.8	446.3	1.1	680.7	-1.5
Municipal bonds	616.3	7.2	638.3	9.4	651.6	8.3	692.7	5.9	714.9	5.4	745.6	4.5
Corporate bonds	199.0	0.8	199.3	2.3	190.8	3.0	204.8	1.0	204.9	1.0	203.9	0.4
Stocks	81.8	108.7	73.7	85.2	69.9	85.6	67.7	57.0	87.2	62.7	111.4	83.9
Investment trusts	166.5	1.5	241.2	5.5	270.9	17.8	236.6	-20.7	217.5	-3.9	205.8	9.2
Foreign securities	157.4	1.0	133.5	2.5	158.8	5.9	186.8	-0.6	195.9	4.6	345.3	3.8
Yen-denominated securities	10.4	0.0	9.9	0.0	9.8	0.0	10.1	0.0	5.1	0.0	4.1	0.0
Foreign-currency securities	146.9	0.9	123.5	2.5	149.0	5.8	176.6	-0.6	190.7	4.5	341.1	3.8
Others	1.1	0.0	2.9	0.0	4.0	0.1	6.5	0.3	3.7	0.0	4.3	0.3

[Bond average yield and duration]

	Sep. 2018		Mar. 2019		Sep. 2019		Mar. 2020		Sep. 2020		Mar. 2021	
	Domestic bonds	Foreign bonds	Domestic bonds	Foreign bonds	Domestic bonds	Foreign bonds	Domestic bonds	Foreign bonds	Domestic bonds	Foreign bonds	Domestic bonds	Foreign bonds
Bond average yield (%)	0.66	2.92	0.62	2.86	0.54	2.14	0.49	1.91	0.36	1.30	0.31	1.33
Modified duration (year)	3.94	2.74	4.53	2.92	5.02	4.21	5.66	4.38	6.22	3.72	7.24	4.24

Status of Risk Management Loans

[Risk management loans by industry and risk management loans) (Unit: billion yen)

	End of Mar. 2019				End of Mar. 2020				End of Mar. 2021			
	Sep. 2018	(Composition ratio)	(Composition ratio)		Sep. 2019	(Composition ratio)	(Composition ratio)		Sep. 2020	(Composition ratio)	(Composition ratio)	
Risk management loans	96.4	100.0%	99.4	100.0%	104.8	100.0%	107.1	100.0%	113.6	100.0%	134.0	100.0%
Breakdown: manufacturing	22.8	23.7%	20.7	20.9%	22.1	21.1%	21.6	20.2%	25.0	22.0%	41.5	31.0%
Breakdown: wholesaling and retailing	14.9	15.5%	15.7	15.8%	18.1	17.3%	17.9	16.8%	20.0	17.7%	22.1	16.5%
Breakdown: healthcare and public welfare	16.3	17.0%	14.8	15.0%	16.5	15.8%	16.7	15.7%	15.6	13.8%	14.9	11.2%
Breakdown: real estate and goods rental	10.4	10.9%	11.0	11.1%	10.1	9.7%	10.3	9.7%	10.7	9.4%	10.8	8.1%
Breakdown: other services	10.8	11.3%	15.1	15.2%	16.0	15.3%	15.6	14.6%	19.1	16.8%	19.8	14.8%
Ratio of risk management loans	1.73%		1.78%		1.88%		1.91%		1.99%		2.33%	

* The ratio of risk management loans in the case where partial direct write-offs are executed

Ratio of risk management loans	1.46%		1.46%		1.56%		1.57%		1.65%		2.00%	
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[Credit balance by borrower category] (Unit: billion yen)

	End of Mar. 2019				End of Mar. 2020				End of Mar. 2021			
	Sep. 2018	(Composition ratio)	(Composition ratio)		Sep. 2019	(Composition ratio)	(Composition ratio)		Sep. 2020	(Composition ratio)	(Composition ratio)	
Normal borrowers	5,137.8	91.3%	5,158.8	91.5%	5,133.8	91.2%	5,148.1	90.5%	5,147.6	88.8%	5,148.9	88.4%
Borrowers requiring attention	305.1	5.4%	321.7	5.7%	338.8	6.0%	386.3	6.8%	493.1	8.5%	511.4	8.8%
Borrowers threatened with bankruptcy	33.2	0.6%	34.5	0.6%	37.2	0.7%	35.8	0.6%	39.3	0.7%	45.1	0.8%
Virtually bankrupt borrowers	19.9	0.4%	24.0	0.4%	20.8	0.4%	21.6	0.4%	18.0	0.3%	19.8	0.3%
Bankrupt borrowers	6.1	0.1%	5.8	0.1%	8.2	0.1%	8.2	0.1%	10.1	0.2%	8.4	0.1%
Others (municipal authorities, etc.)	123.3	2.2%	95.4	1.7%	93.1	1.6%	85.2	1.6%	84.6	1.5%	90.2	1.6%
Total	5,625.6	100.0%	5,640.4	100.0%	5,632.1	100.0%	5,685.5	100.0%	5,793.0	100.0%	5,824.1	100.0%

Transition in Loans by Borrower Category

[Transition in loans by borrower category]

(The numbers of borrowers are shown in parentheses in the upper columns, and the amounts are shown in billions of yen in the lower columns.)

			End of Mar.2021									Total	
			Normal borrowers	Expected loss (i)	Expected loss (ii)	Borrowers threatened with bankruptcy	Virtually bankrupt borrowers	Bankrupt borrowers	Others	Breakdown: full recovery/repayment	Breakdown: sale and write-off of loans	Upgrade	Down grade
End of Mar. 2020	Normal borrowers	(24,661)	(20,462)	(1,943)	(77)	(23)	(13)	(11)	(2,132)	(2,132)	(0)	-	(2,067)
		2,911.5	2,685.6	135.8	13.2	3.3	0.6	0.5	72.3	72.3	0.0	-	153.4
	Expected loss (i)	(5,791)	(769)	(4,236)	(56)	(56)	(32)	(5)	(637)	(637)	(0)	(769)	(149)
		252.5	30.7	183.4	21.0	7.3	3.3	0.6	5.9	5.9	0.0	30.7	32.2
	Expected loss (ii)	(433)	(17)	(73)	(301)	(23)	(4)	(0)	(15)	(15)	(0)	(90)	(27)
		76.2	2.6	27.0	41.9	3.5	0.2	0.0	0.8	0.8	0.0	29.6	3.7
	Borrowers threatened with bankruptcy	(581)	(0)	(6)	(2)	(497)	(28)	(5)	(43)	(31)	(12)	(Below borrowers threatened with bankruptcy)	
		31.8	0.0	0.4	0.1	28.0	1.3	0.2	1.6	1.3	0.3		
	Virtually bankrupt borrowers	(290)	(0)	(0)	(0)	(4)	(193)	(10)	(83)	(55)	(28)	(8)	-
		18.0	0.0	0.0	0.0	0.4	12.6	2.0	2.8	0.9	1.8	0.5	-
	Bankrupt borrowers	(72)	(0)	(0)	(0)	(0)	(0)	(43)	(29)	(6)	(23)		
		7.6	0.0	0.0	0.0	0.0	0.0	5.6	1.9	0.3	1.6		
	Total	(31,828)	(21,248)	(6,258)	(436)	(603)	(270)	(74)	(2,939)	(2,876)	(63)	(867)	(2,243)
		3,297.8	2,719.0	346.7	76.3	42.6	18.1	9.2	85.6	81.7	3.8	60.8	189.3

(Notes) 1. What is shown here is transition in borrower categories from the end of March 2020 to the end of March 2021.

2. Outstanding balances are calculated based on self-assessments, including loans, acceptances and guarantees, and foreign exchanges (excluding overseas balances, government/municipal authorities, and individual borrowers).

Those with outstanding balances not calculated based on self-assessments are aggregated into the "Normal" category.

3. The figures in the upper columns for "Others" indicate the number of borrowers who have resolved outstanding balances in FY2020 by full collection or repayment, final disposal (such as sale of loans), or other means.

4. The figures in the lower columns for "Others" indicate the amount decreased in FY2020.

5. Expected loss classification (i) is calculated as borrowers requiring attention other than special attention, excluding those with realistic, comprehensive business reconstruction plans.

Expected loss classification (ii) is calculated as borrowers requiring attention other than special attention who have realistic, comprehensive business reconstruction plans and borrower requiring special attention.

Status of Capital Distribution

- As the distribution source, a sufficient level in preparation for unexpected economic environment changes, disaster risks, etc. is secured for “common equity and other Tier 1 capital adjusted for profit/loss from valuation, etc.”

(Unit: billion yen)

Risk categories	First half of FY2020			Second half of FY2020		
	Forecast risk amount	Capital to be distributed	Composition ratio	Forecast risk amount	Capital to be distributed	Composition ratio
Credit Risk	114.5	125.6	29.7%	125.7	137.9	32.6%
Total market risks	87.7	109.9	26.0%	95.1	131.0	31.0%
Market risk (investment securities shares, investment trusts, etc.)	64.4	82.0	19.4%	70.9	98.2	23.2%
Market risk (trading)	0.5	0.5	0.1%	0.5	0.5	0.1%
Market risk (loans and deposits, etc.)	22.7	27.4	6.5%	23.7	32.3	7.6%
Strategically held stocks	—	—	—	—	—	—
Operational risk	13.2	13.2	3.1%	12.9	12.9	3.0%
Subsidiaries risk	6.2	6.9	1.6%	6.0	6.7	1.6%
Total capital distribution ♦♦♦ (a)	221.6	255.6	60.4%	239.7	288.5	68.2%
Distribution source ♦♦♦ (b)	—	423.4	100.0%	—	423.1	100.0%
Buffer (b) – (a)	—	167.8	39.6%	—	134.6	31.8%

List of Group Companies



Banking business

- Developing diverse financial solutions through innovation in services to provide



Securities business

- Supporting diverse needs for the management of equities, bonds, and other assets



Leasing business

- Supporting needs for effective introduction of equipment



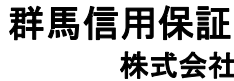
Management consulting services

- Providing the optimal solutions for the issues of each individual company



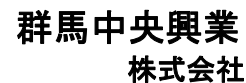
Investment fund management

- Supporting business succession and business revitalization



Credit guarantee services

- Assisting customers realizing their dreams, such as housing and vehicles



Transport of goods
Maintenance of ATMs

- Supporting banking infrastructure through transportation and maintenance



System development
System sales

- Supporting improvement of productivity through systematization



Credit services

- Realizing diverse payment methods and cashless transactions



Investment trust management services

Sky Ocean Asset Management Co., Ltd.

- Promoting asset formation through the core and satellite management strategy

Summary of Financial Results of Group Companies

[Summary of financial results of group companies for the year ended March 2021]

(Unit: billion yen)

	Bank, non-consolidated	Total of subsidiaries	Gungin Securities	Gungin Leasing	Gunma Credit Guarantee	Others	Consolidation offset	Consolidated financial statements
Core business gross profit	80.2	8.8	3.6	2.4	2.5	0.2	-2.6	86.4
Net interest income	68.5	-0.2	-0.0	-0.2	0.0	0.0	-1.0	67.2
Non-interest business profit	11.6	9.0	3.6	2.6	2.5	0.1	-1.5	19.1
Net fees and commissions	10.9	3.1	0.5	-	2.5	0.0	-0.8	13.2
Other business profit	0.7	5.8	3.1	2.6	-	0.0	-0.6	5.9
Expenses	53.6	3.3	1.8	1.0	0.2	0.2	-1.4	55.4
Others	-9.7	-1.2	-0.0	-1.1	-0.2	0.1	0.1	-10.8
Breakdown: gain and loss on securities, etc.	12.5	0.0	-	0.0	-	-0.0	-	12.6
Breakdown: credit costs (-)	21.0	1.4	-	1.2	0.2	0.0	0.0	22.4
Ordinary profit	16.8	4.2	1.7	0.2	2.1	0.0	-1.0	20.0
Net income	11.6	2.8	1.2	0.1	1.3	0.0	-1.0	13.5

[Summary of financial results of group companies for the year ended March 2020]

(Unit: billion yen)

	Bank, non-consolidated	Total of subsidiaries	Gungin Securities	Gungin Leasing	Gunma Credit Guarantee	Others	Consolidation offset	Consolidated financial statements
Core business gross profit	78.4	7.3	2.0	2.4	2.5	0.3	-1.0	84.7
Net interest income	67.6	-0.1	0.0	-0.2	0.0	0.1	0.0	67.5
Non-interest business profit	10.7	7.4	2.0	2.6	2.5	0.1	-1.0	17.1
Net fees and commissions	9.8	3.0	0.4	-	2.5	0.0	-0.4	12.4
Other business profit	0.9	4.3	1.6	2.6	-	0.0	-0.6	4.7
Expenses	54.4	2.8	1.3	1.0	0.2	0.3	-1.1	56.1
Others	1.3	-0.2	0.0	-0.2	-0.1	0.0	1.8	2.9
Breakdown: gain and loss on securities, etc.	5.4	0.0	-	-	-	0.0	1.8	7.4
Breakdown: credit costs (-)	4.4	0.4	-	0.3	0.1	0.0	0.0	4.8
Ordinary profit	25.3	4.1	0.7	1.0	2.2	0.0	2.0	31.5
Net income	17.9	4.2	0.5	2.2	1.4	0.0	0.0	22.2

Status of Shareholders

[Shareholder composition]

(Unit: 1,000 shares)

	End of Mar. 2019				End of Mar. 2020				End of Mar. 2021			
	End of Sep. 2018				End of Sep. 2019				End of Sep. 2020			
	Number of shares	Composition ratio	Number of shares	Composition ratio	Number of shares	Composition ratio	Number of shares	Composition ratio	Number of shares	Composition ratio	Number of shares	Composition ratio
Financial insititutions	164,298	36.20%	165,783	36.52%	153,607	34.45%	153,409	35.19%	158,750	36.42%	157,158	36.05%
Securities companies	7,436	1.64%	10,243	2.26%	8,913	2.00%	4,509	1.04%	5,097	1.17%	5,828	1.34%
Other domestic corporations	80,639	17.77%	80,148	17.66%	78,235	17.55%	78,415	17.99%	77,660	17.81%	75,818	17.39%
Government and municipalities	8,332	1.83%	8,332	1.84%	8,332	1.87%	8,332	1.91%	8,332	1.91%	8,332	1.91%
Foreign corporations/ Foreign individuals	88,175	19.43%	75,927	16.73%	78,501	17.60%	77,547	17.79%	74,573	17.11%	75,082	17.23%
Individuals/others (employees,etc.)	83,941	18.49%	86,386	19.03%	91,898	20.61%	97,297	22.32%	95,926	22.01%	98,118	22.51%
Treasury stock	21,064	4.64%	27,065	5.96%	26,398	5.92%	16,375	3.76%	15,547	3.57%	15,548	3.57%
Total	453,888	100.00%	453,888	100.00%	445,888	100.00%	435,888	100.00%	435,888	100.00%	435,888	100.00%

[Status of major shareholders]

(Unit: 1,000 shares)

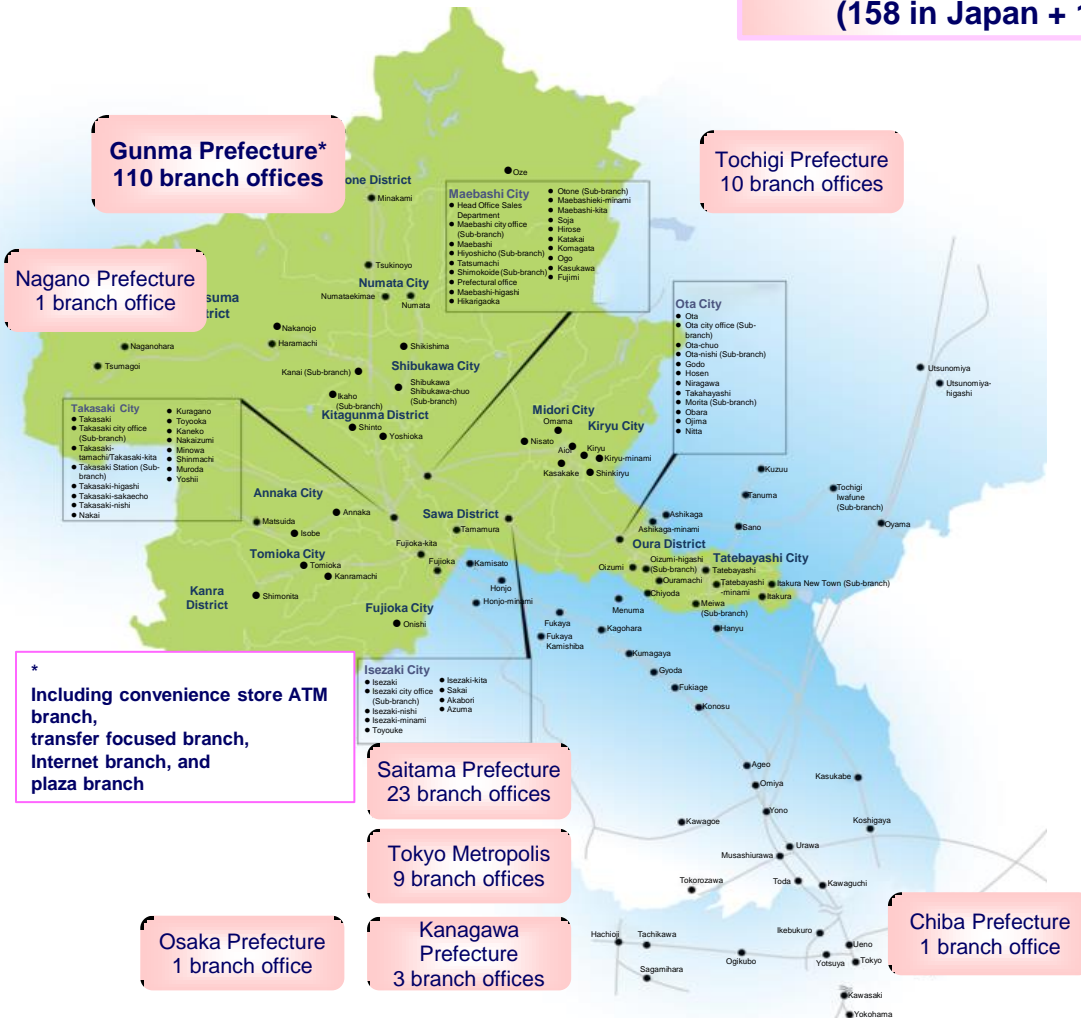
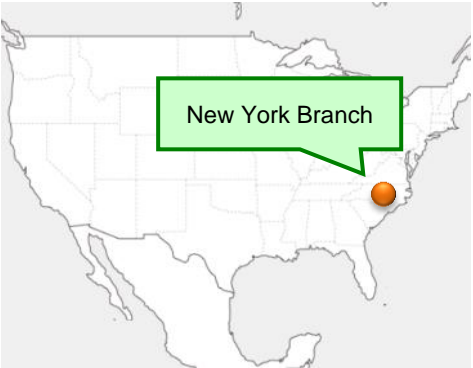
End of Mar. 2020			End of Mar. 2021		
	Ownership of shares	Ratio of shareholding		Ownership of shares	Ratio of shareholding
The Master Trust bank of Japan, Ltd. (Account in trust)	22,404	5.34%	The Master Trust bank of Japan, Ltd. (Account in trust)	29,024	6.90%
Japan Trustee Services Bank, Ltd. (Account in trust)	19,998	4.76%	Custody Bank of Japan, Ltd. (Account in trust)	21,069	5.01%
Gunma Bank Employees' Shareholding Association	12,633	3.01%	Gunma Bank Employees' Shareholding Association	13,146	3.12%
Japan Trustee Services Bank, Ltd. (Account in trust 9)	11,815	2.81%	Meiji Yasuda Life Insurance Company	11,056	2.63%
Meiji Yasuda Life Insurance Company	11,056	2.63%	Sumitomo Life Insurance Company	10,657	2.53%
Sumitomo Life Insurance Company	10,657	2.54%	Custody Bank of Japan, Ltd. (Account in trust 4)	8,117	1.93%
Japan Trustee Services Bank, Ltd. (Account in trust 5)	7,887	1.88%	Nippon Life Insurance Company	7,608	1.81%
Japan Trustee Services Bank, Ltd. (Account in trust 4)	7,747	1.84%	Toyo Seikan Group Holdings, Ltd.	7,330	1.74%
Nippon Life Insurance Company	7,608	1.81%	Custody Bank of Japan, Ltd. (Account in trust 9)	6,970	1.65%
JP MORGAN CHASE BANK 385151	7,380	1.75%	Custody Bank of Japan, Ltd. (Account in trust 5)	6,224	1.48%
Total	119,188	28.41%	Total	121,204	28.83%

* The above excludes treasury stock. (The ratio of shareholding is calculated by excluding treasury stock.)

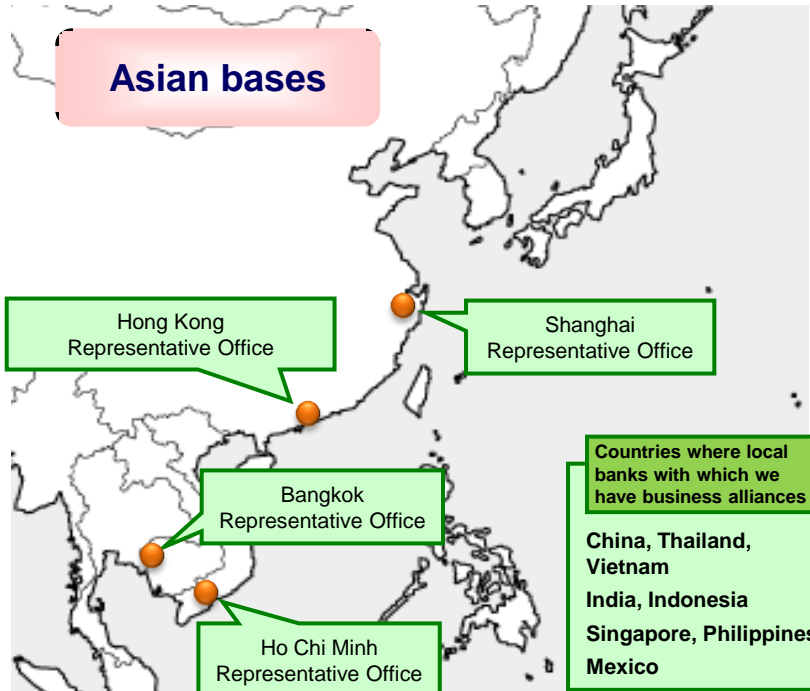
** Japan Trustee Services Bank, Ltd., JTC Holdings, Ltd. and Trust & Custody Services Bank, Ltd. merged on July 27, 2020, and the trade name was changed to Custody Bank of Japan, Ltd.

Branch Office Network

**159 offices including overseas branches
(158 in Japan + 1 overseas)**



Asian bases



*** The above as of end of March 2021.**



This document contains descriptions on the future performance of the banking group. These descriptions do not guarantee such future performance, for which naturally there are risks and uncertainty. Please note that future performance may deviate from the targets due to changes in the business environment and other reasons.

If you have further inquiries, please contact:

Business Management Office (in charge of IR), Corporate Planning Department,
The Gunma Bank, Ltd.

<https://www.gunmabank.co.jp/>