

The Gunma Bank, Ltd.

# Financial Results Briefing Session for the Year Ended March 2024

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May 23, 2024

Presenter :Akihiko Fukai, President



**The Gunma Bank, Ltd.**

(Tokyo Stock Exchange Prime Market : 8334)

We use our strengths in connections to spin the threads  
of the future for local communities

The Medium-Term Business Plan 2022  
Innovation for "Purpose"



# Contents

## I. Summary of Performance

Profit and Loss Conditions

Status of Deposits, Loans and Yield

Status of Securities

Status of Non-interest Business Profit,  
Expenses and Net credit costs

Business Forecast (for the FY ending March 2025)

## II. Initiatives for Corporate Value Improvement

Initiatives for Corporate Value Improvement

Medium- to Long-term Vision  
(Next Mid-term business plan final target)

Initiatives for Improve RORA

Shareholder Return

Reduction Target of Shares for Policy Purposes

P.

1

2

3

4

5

6

7

9

10

11

## III. Appendix (Management Strategies, etc.)

P.

Medium Term Business Plan

12

The Gunma Bank Group's "Purpose"

13

Progress of Second year result of  
medium-term business plan

14

Initiatives of "Connecting Process"

15

Initiatives for Individuals

17

Implementation of Digital Strategies

18

Innovations in Human Resources to  
Make the Best Use of Creativity

20

Initiatives for Sustainability

22

Effects of External Collaboration

23

Governance

24

# I . Summary of Performance

# Profit and Loss Conditions

## Consolidated

(Unit : Billions of yen)

	Mar. 2023	Mar. 2024	YoY
Core business gross profit	92.4	90.2	-2.2
Net interest income	71.4	66.0	-5.4
Excluding gains(losses) on cancellation of investment trusts	71.0	73.4	2.3
Non-interest business profit	21.0	24.2	3.1
Expenses	52.2	52.1	-0.0
Core business net profit	40.2	38.0	-2.2
Excluding gains(losses) on cancellation of investment trusts	39.9	45.4	5.5
Ordinary profit	38.3	43.7	5.4
Profit attributable to owners of parent	27.9	31.1	3.1
OHR (excluding gains(losses) cancellation of investment trusts)	56.6%	53.4%	-3.2%
ROE	5.3%	5.7%	0.4%

## Non-consolidated

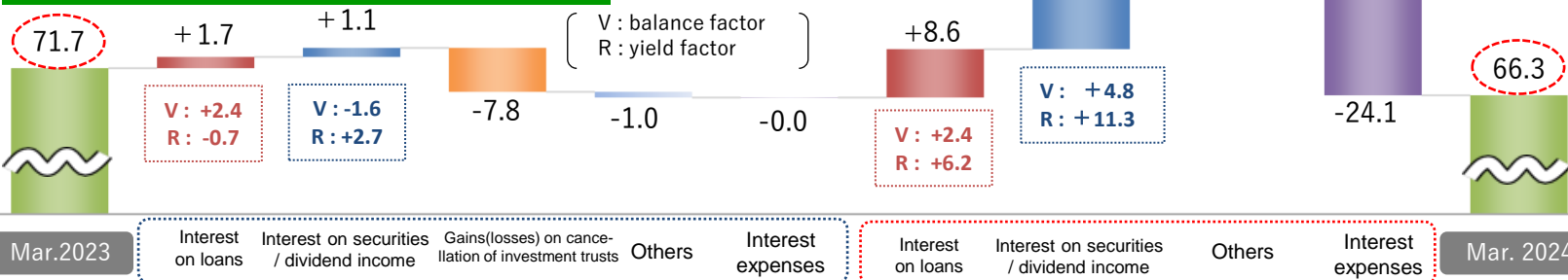
(Unit : Billions of yen)

	Mar.2023	Mar.2024	YoY
Core business gross profit	85.9	83.5	-2.3
Net interest income	71.7	66.3	-5.3
Of which, gains(losses) on cancellation of investment trusts	0.3	-7.4	-7.8
Non-interest business profit	14.2	17.2	2.9
Expenses	50.2	50.3	0.0
Core business net profit	35.6	33.2	-2.4
Excluding gains(losses) on cancellation of investment trusts	35.3	40.6	5.3
Gains or losses on investment securities	-1.7	5.7	7.4
Gains (losses) on bonds	-28.7	-24.5	4.2
Gains (losses) on stocks and other securities	27.0	30.2	3.2
Net credit costs	1.0	0.6	-0.4
Other non-recurrent gains(losses)	0.7	0.8	0.1
Ordinary profit	33.5	39.1	5.6
Extraordinary income(losses)	0.6	-0.8	-1.4
Net profit	24.6	28.1	3.5

### < Points of financial results >

- Core business net profit excluding gains (losses) on cancellation of investment trusts amounted to 45.4 billion yen, up 5.5 billion yen compared with the previous year, due to **increases in interest on loans and in non-interest business profit**.
- In securities-related gains/losses, the loss from the sale of bonds incurred in line with the reduction of interest rate risk was offset by the gain from the sale of stocks.
- Credit costs on a non-consolidated basis decreased by 0.4 billion yen from the previous fiscal year and **remained steady at low levels**.
- The consolidated net **profit reached the highest ever** at 31.1 billion yen, up 3.1 billion yen from the previous fiscal year, achieving the medium-term business target **one year ahead of schedule**.

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



### < Profit-based analysis >

(Unit : Billions of yen)

Net interest income	-5.3
Profit on loans	+2.4
(domestic+1.7, international+0.7)	
Profit on securities	+1.0
(domestic+1.1, international-0.1)	
gains/losses on cancellation of investment trusts	-7.8
BOJ's special interest	-1.0
Others	0.1

# Status of Deposits, Loans and Yield

Deposits, etc., increased by 2.8% from the end of the previous fiscal year. Corporate deposits remained steady, up 4.9% from the end of the previous fiscal year, backed by our efforts to strengthen the promotion. Loans steadily increases 6.9% in cross-border loans, structured finance, etc. Loans to small- to mid-sized enterprises increased by 3.6% from the end of the previous fiscal year, posting rises both in and outside the prefecture.

(Unit : Billions of yen, %)

## Breakdown of deposit balance

	Mar. 2024	YoY	Rate of change
Deposits, etc.	8,522.2	238.1	2.8
Deposits	8,316.2	262.4	3.2
Of which, deposits to individuals	5,732.7	137.9	2.4
Of which, deposits to corporations	2,028.0	94.7	4.9
Negotiable Certificate deposits	206.0	-24.3	-10.5

Strengthen the promotion of deposit transactions corresponding to the share of loans.

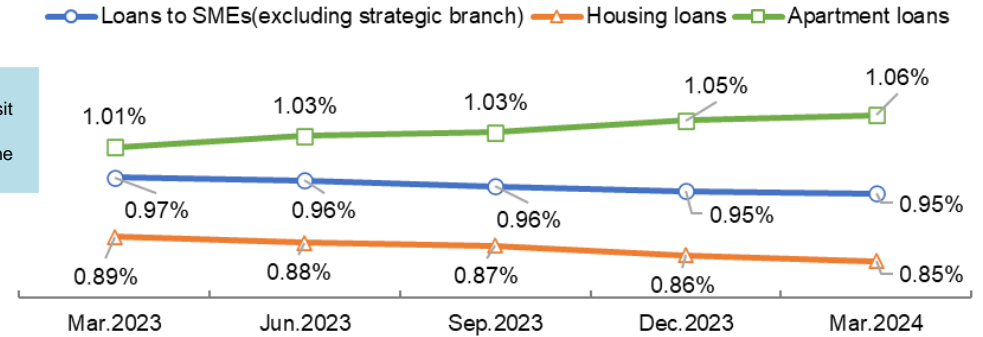
(Unit : Billions of yen, %)

## Breakdown of loan balance

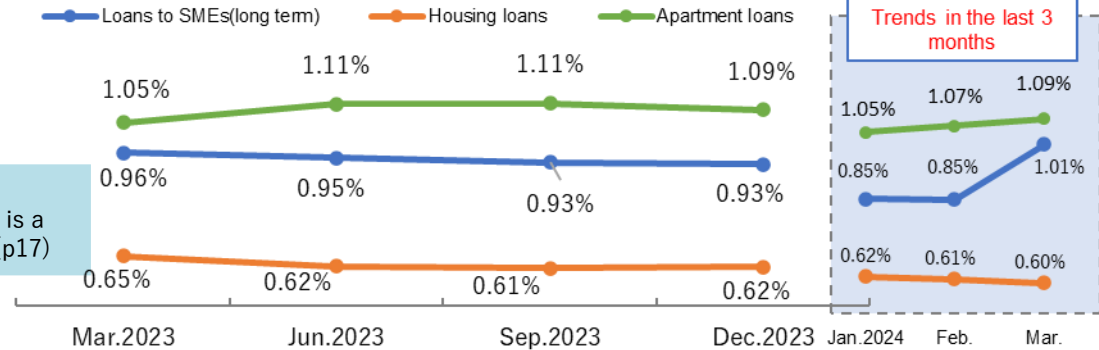
	Mar. 2024	YoY	Rate of change
Loans	6,467.8	418.1	6.9
Retail	4,824.5	135.1	2.8
SMEs	2,399.0	83.4	3.6
Individuals	2,425.4	51.7	2.1
Of which, Housing loans	1,416.2	34.6	2.5
Of which, Apartment loans	677.3	17.1	2.6
Of which, Unsecured loans	71.3	8.3	13.2
Others	1,436.4	258.8	21.9
Cross-border loans	173.9	52.6	43.3
Structured finance	130.6	66.0	102.0
Domestic large and secondtier enterprises	970.4	113.0	13.1
Others *	161.3	27.1	20.2
Overseas branches	103.6	28.0	37.0
Public	103.1	-3.9	-3.6

Digital marketing is a success (p17)

## Yield on loans(domestic)

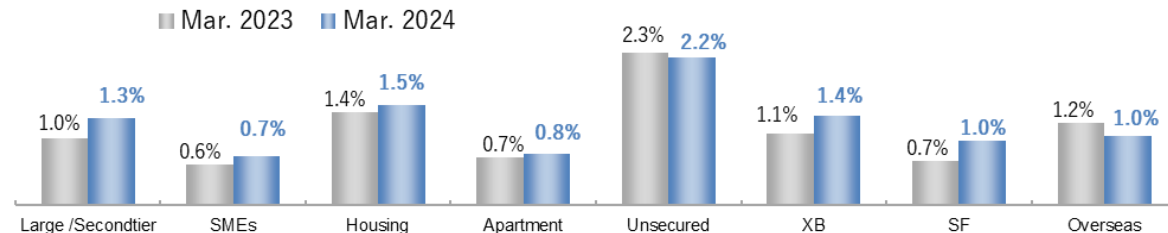


## Interest rates of new loans granted



## Loans' RORA

※RORA = (net interest income + non-interest business profit - expenses - credit cost) × (1-30.5%)/risk weighted assets



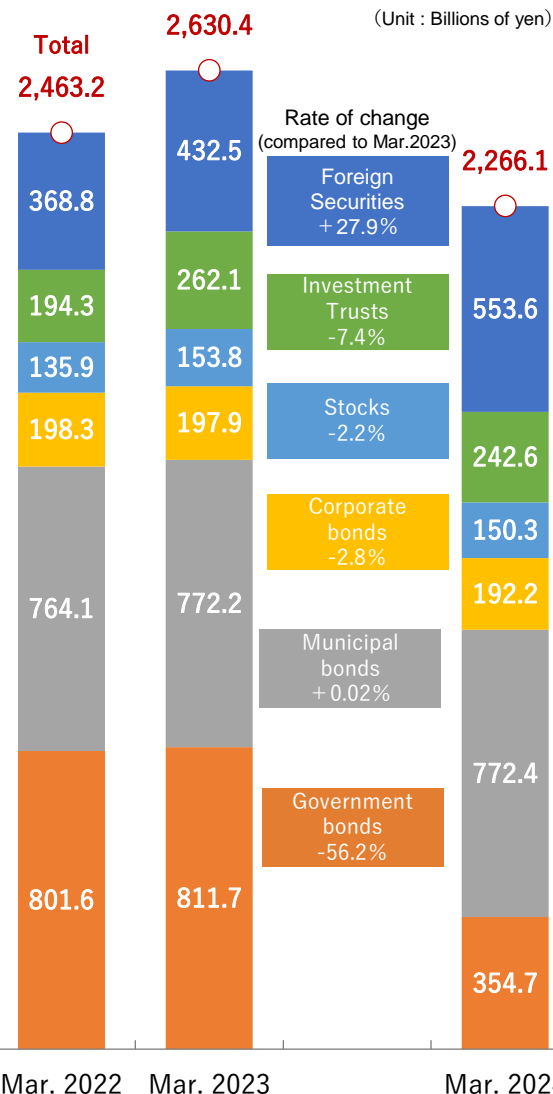
\* Regional public corporations and Tokyo/Osaka Branch accounts are classified into Others

**In light of rising domestic interest rates, the Bank reduced the interest rate risk and secured purchase quotas.**

(Unit : Billions of yen)

## Balance of securities (Book value basis)

(Unit : Billions of yen)



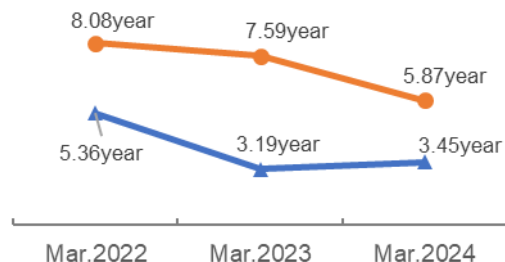
## Bond interest rate risk amount

(Unit : billions of yen)

	Mar. 2023	Mar. 2024	YoY
Domestic bonds (100bpv)	101.2	57.5	- 43.7
Government bonds	78.0	27.2	- 50.8
Bond bear fund	- 24.6	- 15.3	9.3
Municipal bonds	35.9	34.2	- 1.7
Other corporate bonds	11.9	11.4	- 0.5
Foreign bonds (200bpv)	25.1	36.2	11.1

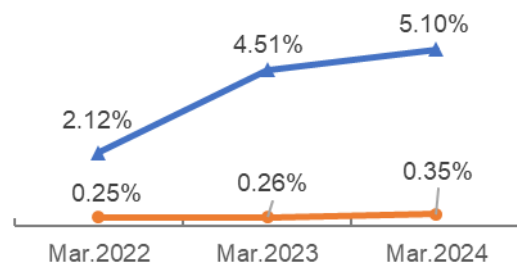
## Duration

— domestic bonds — foreign bonds



## Bond yield

— domestic bonds — fixed-interest bonds(US\$)



## Unrealized gains (losses) valuation

	End of Mar. 2023	End of Mar. 2024	YoY
Unrealized gains (losses) from valuation	-6.6	30.5	37.1
Excluding domestic bonds	28.1	58.9	30.8
Foreign securities	-0.4	3.6	4.0
Of w hich, fixed-interest bonds(US\$)	-2.4	-5.2	-2.8
Investment trust, etc.	-25.9	-20.6	5.3
Stocks	54.5	75.9	21.4
Strategically held stocks	56.2	71.1	14.9
Investment securities	-1.7	4.7	6.5
Domestic bonds	-34.7	-28.3	6.3
Of w hich, government bonds	-27.8	-14.2	13.5

## Gains (losses) on sales

(Unit : Billions of yen)

	Mar. 2023	Mar. 2024	YoY
Gains (losses) on investment securities①	-1.7	5.7	7.4
Gains(losses) on bonds	-28.7	-24.5	4.2
Of w hich, losses on bonds (-)	-31.4	-25.3	6.1
Of w hich, losses on JGB	-1.7	-23.3	-21.5
Of w hich, losses on foreign bonds	-29.7	-2.0	27.7
Gains(losses) on stocks, etc.	27.0	30.2	3.2
Gains(losses) on sale of stocks, etc.	27.1	30.3	3.1
Strategically held stock	11.1	12.8	1.6
Investment securities	16.0	17.4	1.4
Losses on devaluation of stock, etc. (-)	-0.1	-0.0	0.1
Gains (losses) on cancellation of investment trusts②	0.3	-7.4	-7.8
<b>Total(①+②)</b>	<b>-1.4</b>	<b>-1.7</b>	<b>-0.3</b>

# Status of Non-interest Business Profit, Expenses and Net credit costs

Non-interest business income hit the highest for the fifth consecutive term, totaling 24.2 billion yen, up 3.1 billion yen from the previous fiscal year.  
OHR continues to improve. Credit costs remained low.

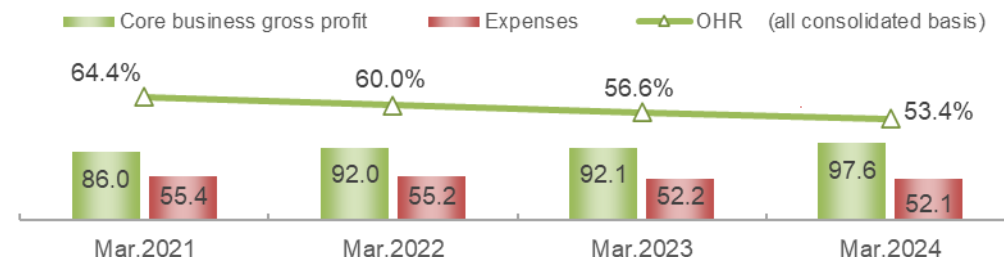
## Consolidated non-interest business profit

(Unit : Billions of yen)	Mar. 2024	YoY	Plan for the ending Mar. 2025
Consolidated non-interest business profit	24.21	3.19	26.0
Corporate service revenue	7.57	1.56	8.2
Syndicate loans	1.46	0.54	1.3
Structured covenant loans	0.41	-0.00	0.4
Business matching	0.82	0.20	0.9
M&A	0.78	0.39	0.9
Private placement bonds	0.22	0.07	0.1
Business insurance for corporations	0.35	0.17	0.3
SDGs related fees	0.27	0.23	0.5
Derivatives(interest rate and foreign exchange)	1.64	-0.92	1.6
Gungin Consulting	0.52	0.37	0.5
Real estate financing for sale	0.76	0.65	0.9
Others	0.27	-0.17	0.3
Deposits financial assets, etc. revenue	7.62	0.77	9.3
Investment trusts commissions	2.19	0.34	2.7
Insurance sales commissions(individuals)	2.62	0.24	2.9
Gungin Securities (for individuals)	2.43	0.11	3.2
Commissions for testamentary trust / inheritance sorting, etc.	0.36	0.06	0.3
Others	9.01	0.85	8.5
Dividend of group credit life insurance	2.07	0.37	1.4
Base service commissions (domestic exchange, agency services, etc.)	8.03	0.01	7.9
Loan insurance premium	-6.66	-0.28	-6.7
Gungin Leasing	2.53	-0.04	3.4
Gunma Credit Guarantee	1.54	-0.06	1.4
Others,consolidated reconciliation	1.48	0.85	1.0

## Status of expenses and OHR

※excluding gains (losses) on  
cancellation of investment trusts

(Unit : Billions of yen)



(Unit : Billions of yen)	Mar. 2024	YoY	Main factors
Expenses (non-consolidated)	50.3	0.0	
Personnel exp.	27.7	-0.2	Base-up+0.36,allow ance+0.15,change in personnel composition-0.36
Non-personnel exp.	19.7	0.1	Depreciation and amortization-0.39, advertising expenses+0.16, maintenance management fee+0.18, macinery rental fee+0.12
Tax	2.8	0.1	Size based Business tax+0.12

## Breakdown of net credit costs(non-consolidated)

(Unit : Billions of yen)

	Mar. 2022	Mar. 2023	Mar. 2024	Mar. 2025 Plan
Net credit costs	7.3	1.0	0.6	3.0
Provision of general allowance for loan losses	-1.5	-1.8	-1.5	-0.2
Change to the actual rate	-0.3	-0.8	-0.1	0.0
DCF	-0.9	-0.7	-0.9	—
Others	-0.2	-0.3	-0.5	-0.2
Disposal of non-performing loans	8.9	2.9	2.1	3.2
Downgrade	12.0	7.2	6.1	4.5
Collection, upgrade, etc.	-3.8	-4.5	-4.2	-1.6
Others	0.7	0.2	0.2	0.3
Recoveries of w ritten off receivables	0.0	0.0	0.0	—



# Business Forecast (for the FY ending March 2025)

Consolidated core business net profit excluding gains(losses) on cancellation of investment trusts will be expected to increase by 4.6 billion yen compared with the previous FY to 50.0 billion yen . Profit attributable to owners of parent will be expected to amount 35.0 billion yen.

Consolidated		
(Unit : Billions of yen)		
	Forecast for Mar. 2025	YoY
Core business gross profit	100.0	9.8
Net interest income	74.0	8.0
Excluding gains(losses) on cancellation of investment trusts	78.0	4.6
Non-interest business profit	26.0	1.8
Of which, corporate service revenue	8.2	0.7
Of which, deposit financial assets, etc. revenue	9.3	1.7
Expenses	54.0	1.9
Core business net profit	46.0	8.0
Excluding gains(losses) on cancellation of investment trusts	50.0	4.6
Net credit costs	3.4	2.3
Ordinary profit	51.5	7.8
Profit attributable to owners of parent	35.0	3.9
OHR (excluding gains(losses) cancellation of investment trusts)	51.9%	-1.5%
ROE	6.0%	0.3%

## Breakdown of changes in consolidated core business profit

Non-consolidated		
(Unit : Billions of yen)		
	Forecast for Mar. 2025	YoY
Core business gross profit	91.9	8.4
Net interest income	74.4	8.1
Excluding gains on cancellation of investment trusts	78.4	4.6
Non-interest business profit	17.5	0.3
Net fees and commissions income	15.6	0.7
Profit from other business transactions	1.9	-0.3
Expenses	51.9	1.6
Core business net profit	40.0	6.8
Excluding gains on cancellation of investment trusts	44.0	3.4
Gains and losses on securities, etc.	6.0	0.3
Net credit costs	3.0	2.4
Ordinary profit	45.5	6.4
Profit	31.0	2.9

Profit basis  
(main breakdown)

Profit on loans  
+ 3.7 billion yen

Profit on securities  
-0.2 billion yen  
"of which, gains/losses on  
cancellation of investment  
trusts +3.4"

BOJ 's interest  
+1.5 billion yen

BOJ 's special interest  
-0.4 billion yen

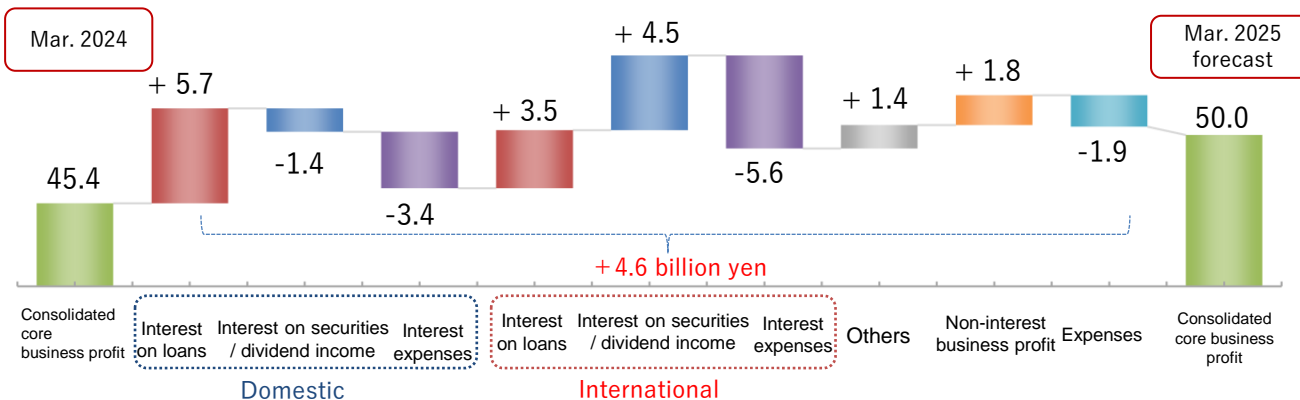
[interest rate assumed]

The policy interest rate  
is expected to increase  
to 0.25% (up 0.15%)  
during the term.

## Average balance and yields(non-consolidated)

(Unit : Billions of yen)

(Unit : Billions of yen, %)

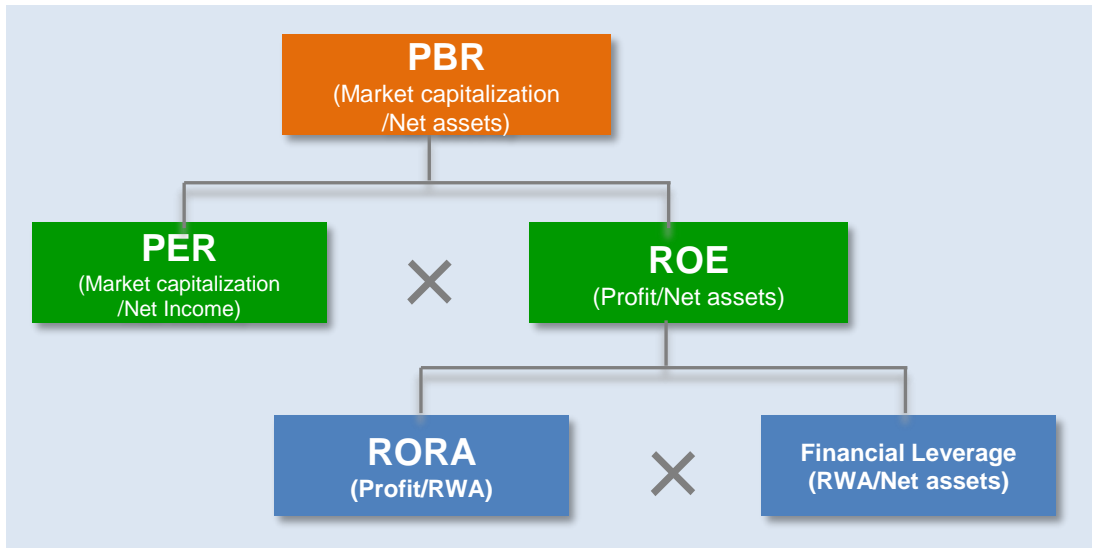


	Average balance	YoY	Rate of change	Yields	YoY
Loans	6,500.4	319.1	5.2%	1.20	0.08
Of which, domestic	6,125.6	241.2	4.1%	0.95	0.05
Securities	2,343.5	-3.9	-0.2%	1.81	0.28
Of which, domestic	1,728.7	-99.0	-5.4%	0.53	0.14
Deposits	8,231.8	166.1	2.1%	0.12	0.07
Of which, domestic	8,080.1	111.5	1.4%	0.03	0.03



## II . Initiatives for Corporate Value Improvement

▶ Eliminate negative equity spread and increase PBR by **improving ROE** and **reducing the cost of shareholders' equity**.



## Recognition of current status of shareholders' equity

<ul style="list-style-type: none"> <li>Calculation based on <b>CAPM</b> = (Risk-free rate + β x risk premium)</li> </ul>	about 6-7%
<ul style="list-style-type: none"> <li>Calculation based on the results of <b>PBR and ROE</b> (earnings yield) = (ROE ÷ PBR)</li> </ul>	about 8-9%

## Status of total shareholder return (TSR)

○ Measure total returns (Profit on price rise + dividends)

	From March 2022 to March 2024 (2 years)	From March 2023 to March 2024 (1 year)
<b>Gunma</b>	<b>159.4%</b>	<b>103.2%</b>
Average among local banks	78.6%	52.7%

Use as an evaluation indicator for **executive remuneration (PS)**.

For improving **equity spread** (ROE – Cost of capital)

- Efforts to improve ROE
  - Efforts to improve RORA  
⇒ Aim to achieve **1.0% or more** of RORA in FY2027.
  - Build an optimal capital structure.  
⇒ Aim to achieve **10.5-11.5%** of the core CET1 ratio.
  - Improve shareholder returns.  
⇒ Achieved a shareholder return ratio of **over 50%** for two consecutive terms, and increased dividends for **four consecutive terms**.
  - Reduce cross-shareholdings.  
⇒ Aim to achieve **8-9%** of the ratio of cross-shareholdings to the consolidated net assets at the end of FY2026.
- Controlling the cost of shareholders' equity
  - Improve IR activities.  
⇒ **Communicate CEO messages in English** and increase opportunities with investors in Japan and abroad.
  - Reduce information asymmetry.  
⇒ Clearly state **medium- to long-term performance targets**.
  - Issue subordinated bonds (B3T2 bonds and AT1 bonds).  
⇒ Build **an optimal capital structure** and diversify procurement.
- Sustainable growth of profits
  - Grow the regional economy sustainably.  
⇒ Realize the Purpose and explore needs with the **"Connecting Process."**
  - Strengthen sustainability initiatives.  
⇒ Enhance **sustainable finance** and achieve **decarbonization**.
  - Work on initiatives for **human capital management** and strengthen alliance.

\*[(Stock price of the current term - Stock price of the previous year) + Per-share dividend] ÷ Stock price of the previous year

# Medium-to Long-term Vision (Next Mid-term business plan final target)

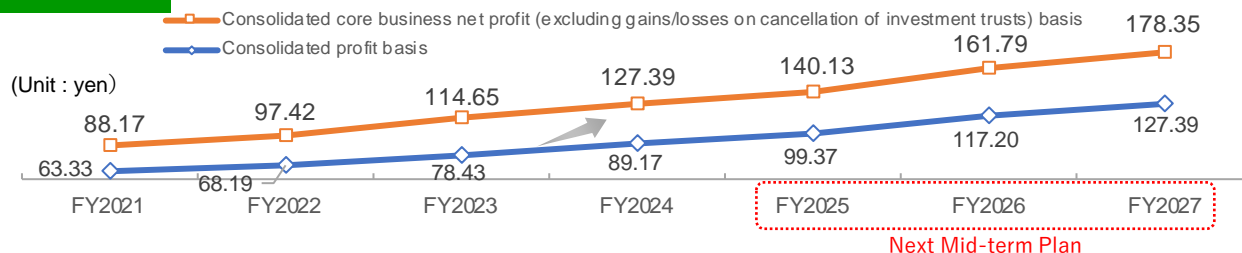
► Consolidated core business net profit **+3.0 billion yen (compared to Nov. 2023 IR announced)**, Non-interest income **+2.0 billion yen (one year ahead of schedule)**. Consolidated Net income **+3.0 billion yen**. The bank plan to achieve net income of **50 billion yen and ROE of 8%** in FY2027.

## Main figures

	Current Mid-term Plan			Next Mid-term Plan			
	Mar. 2024	Forecast for Mar. 2025	Compared to mid-term business target	Mar. 2026	Mar. 2027	Mar. 2028 Final year	Compared to Nov. 2023 IR announcement
Consolidated core business net profit*	45.4	50.0	5.0	55.0	63.5	70.0	3.0
Net interest income	73.4	78.0		82.0	88.5	93.5	
Non-interest income	24.2	26.0	1.0	28.0	30.0	32.0	2.0
Net income	31.1	35.0	5.0	39.0	46.0	50.0	3.0
Group companies' profit	2.9	4.0	—	4.5	5.0	6.0	1.0
Capital adequacy ratio	14.8%	13.7%	0.2%	13.9%	13.8%	13.4%	—
Core CET1 ratio	12.9%	12.0%		12.1%	12.0%	11.5%	0.1%
ROE	5.7%	6.0%	1.0%	6.4%	7.5%	8.0%	0.3%
RORA	0.8%	0.8%	0.1%	0.9%	1.0%	1.0%	—

\* excluding gains (losses) on cancellation of the investment trust

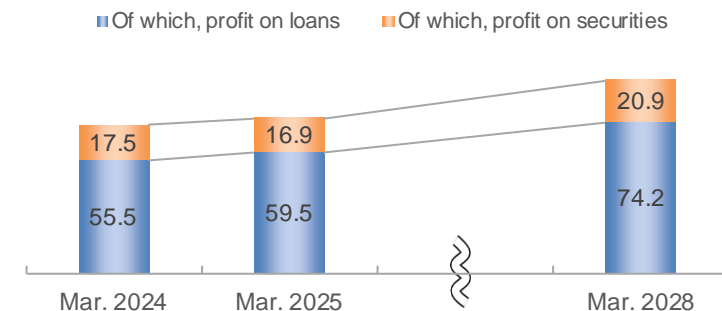
## Trend in EPS



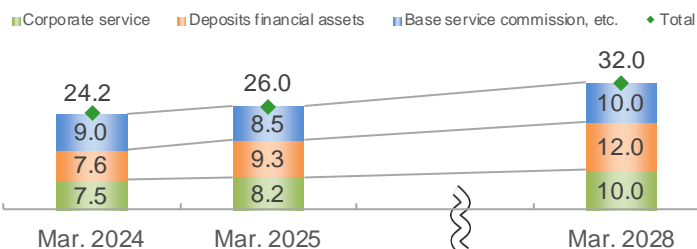
## Interest rate assumption

		FY2024						FY2025		FY2026		FY2027		FY2028	
		Apr.	Sep.	Oct.	Nov.	Dec.	Mar.	H1	H2	H1	H2	H1	H2	H1	H2
Yen	Policy interest rate	0.10	→	0.25	→	→	→	0.50	→	→	→	→	→	→	→
	10Y government bond	0.75	0.90	→	→	→	1.00	1.25	→	→	→	→	→	→	→
Dollar	FF interest rate	5.50	5.25	→	5.00	4.75	→	4.55	4.10	3.80	3.35	3.10	3.00	→	→

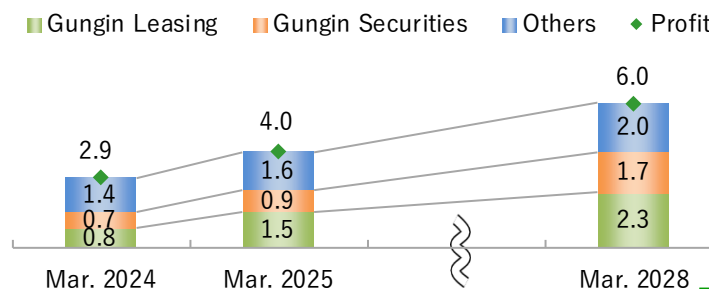
## Net interest income (Unit : Billions of yen)



## Non-interest income (Unit : Billions of yen)



## Group companies' profit (Unit : Billions of yen)



# Medium-to Long-term Vision (Next Mid-term business plan final target)

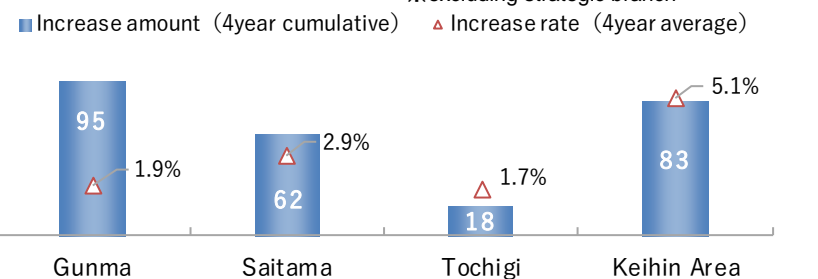
In Mar. 2028, Loans will be 7,410.0 billion yen (Compared to Mar. 2024 +942.2 billion yen), The mezzanine venture debt, planned when the previous Investor Relations was released, has been partially changed to XB and SF. Securities will be 2,620.0 billion yen (Compared to Mar. 2024 + 323.3 billion yen). The average balance of deposits (yen) is expected to **increase by about 2.0%** a year in or after FY2025.

## Balance plan

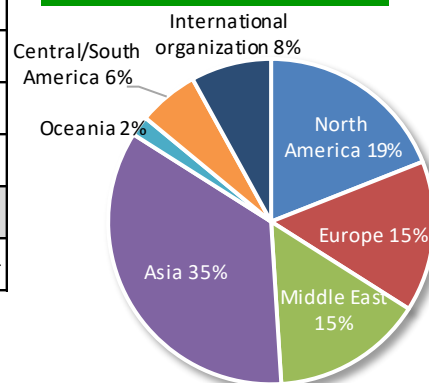
	RORA target	Mar.2028 Balance plan	Compared to Mar.2024	Average annual rate	(Unit : Billions of yen) Risk weighted assets*	Compared to Mar.2024
Loan	—	7,410.0	942.2	3.6%	2,895.0	466.1
Domestic branches	1.0%	6,590.0	530.4	2.2%	2,480.0	224.4
SMEs	0.9%	2,820.0	262.7	2.6%	1,400.0	167.8
Housing loans	1.7%	1,650.0	233.7	4.1%	290.0	37.1
XB・SF	1.5%	600.0	295.4	24.2%	305.0	158.3
Cross-border loans	1.9%	260.0	86.1	12.4%	95.0	41.5
Structured finance	1.4%	340.0	209.3	40.0%	210.0	116.9
Venture・Start-up, etc.	0.8%	20.0	20.0	—	50.0	50.0
NY Branch	1.2%	200.0	96.3	23.2%	60.0	33.3
Securities	—	2,620.0	323.3	3.5%	1,430.0	384.6
Deposits(yen average balance)	—	8,800.0	598.2	1.8%	—	—

\* Based on finalizing Basel III reforms

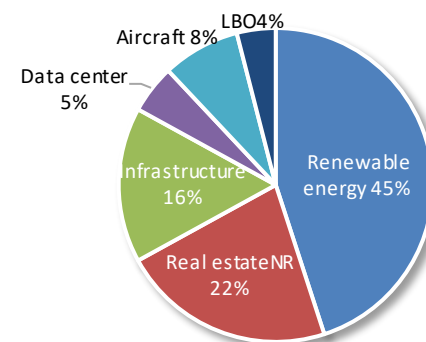
## Regional breakdown of increase in SMEs



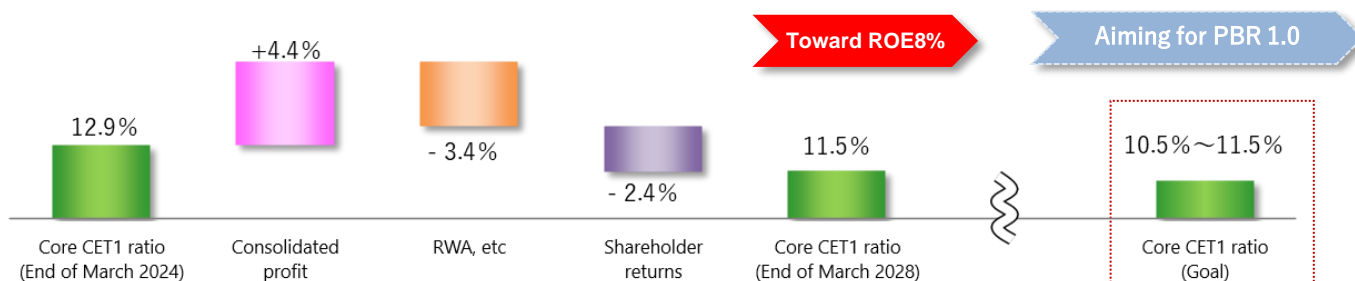
## Cross-border loans balance/ regional ratio (Mar. 2024)



## Structured finance balance/ By sector ratio (Mar. 2024)

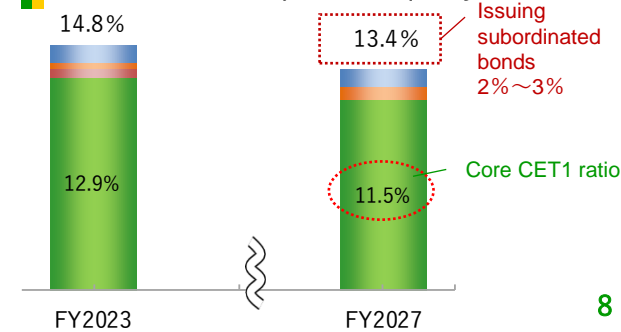


## Capital allocation



※finalizing Basel III basis

## Consolidated capital adequacy ratio



Sales activities based on **standard profit margin** (an internal indicator used in the Bank) have been widely implemented.

## Standard profit margin

This is the target for transaction profitability defined for each credit rating based on the entire Bank's RORA target.

⇒Used to evaluate profitability, including that of individual loans and non-interest business profit.

## Utilization of the profitability evaluation form

This form enables on-site employees to carry out simulations to determine the extent to which profitability can be improved through their efforts on loans or commission income.

## Profitability evaluation form

The form includes sections for:

- 1. Project profitability (0.659)
- 2. Client profitability (0.690)
- 3. Profitability evaluation (B+)
- 4. Summary and remarks

Rating	Target	Standard profit margin	Lower-limit profit margin
A3	0.550	0.800	0.075

Project profitability 0.659 Lower limit to standard

Client profitability 0.690 Lower limit to standard

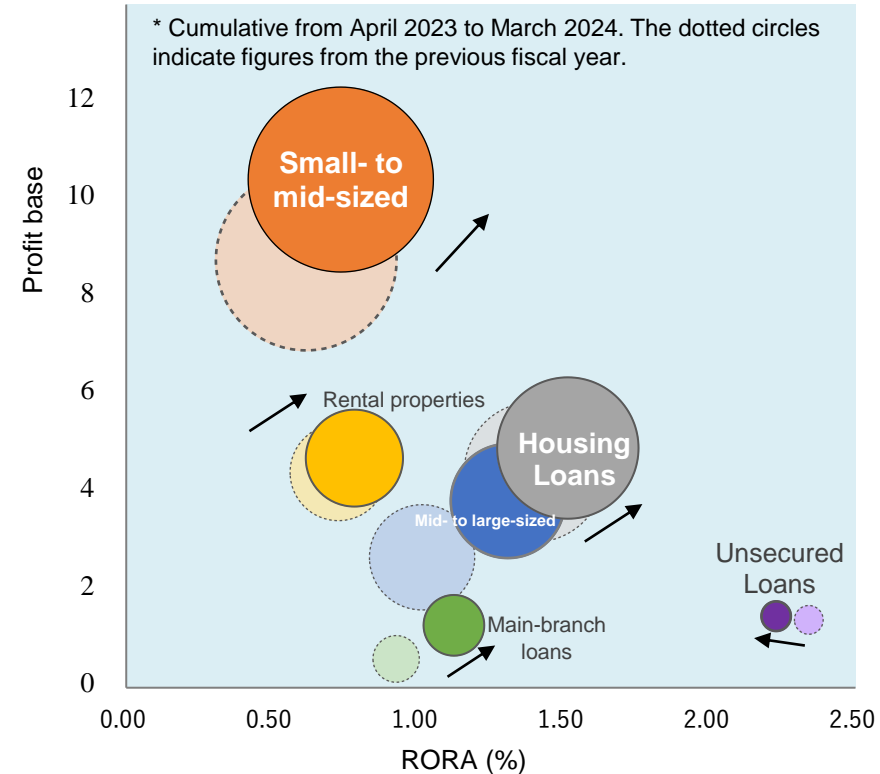
3. Profitability evaluation B+

Profitability matrix

		Project profitability		
		Less than lower limit	Lower limit to standard	Above standard
Client profitability	Above standard	B -	A	A
	Lower limit to standard	B -	B +	A
	Less than lower limit	C	B +	A

## RORA by business segment (FY2023)

(Billions of yen)



\* RORA= (Net interest income + Non-interest business income - Expenses - Credit costs) x (1 - 30.5%) / RWA

\*The size of the circles indicates average credit balance.

Aim to improve RORA by accumulating high RORA assets, improving the profitability from low RORA clients, and increasing non-interest business income through consulting services.

The annual cash dividends per share will be 28 yen in total (up 6 yen compared with the previous year).

(The dividend has increased for four consecutive fiscal years.)

The Bank has resolved to acquire treasury shares (total cost of acquisition : up to 5.0 billion yen). The annual acquisition is 8 billion yen.

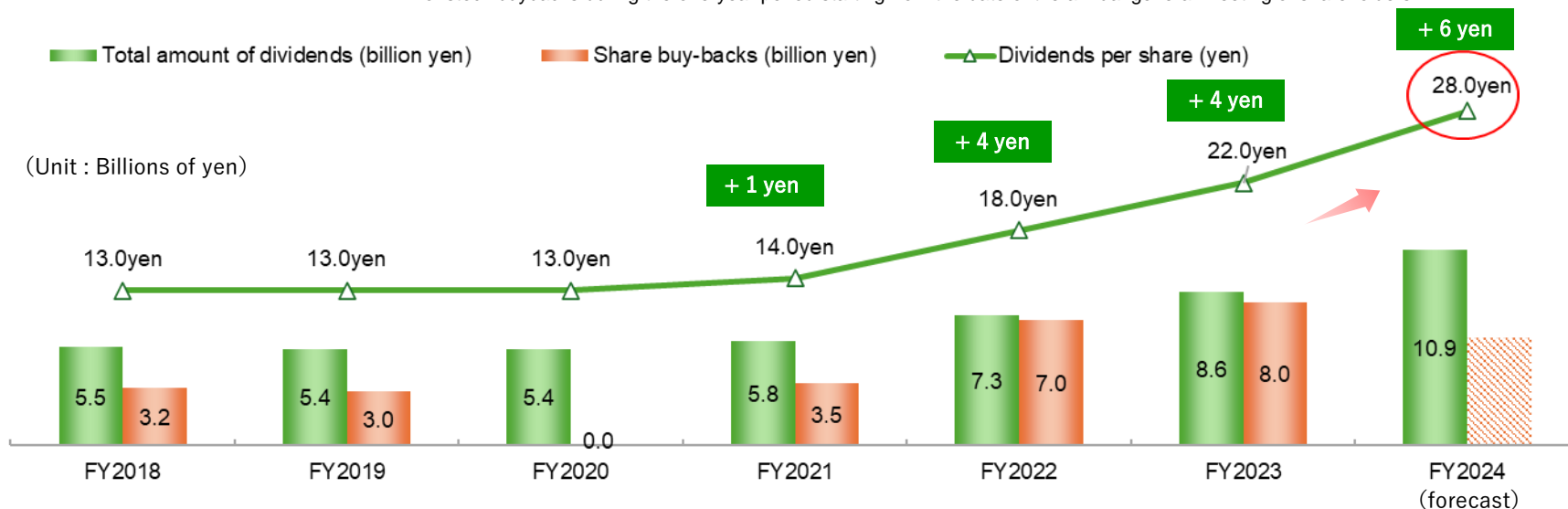
The ratio of shareholder returns has exceeded 50% for two consecutive terms.

## Shareholder return policy

As a regional financial institution, the Bank will strive to increase shareholder returns by striving to enhance equity capital while balancing profitability and investment for growth. Specifically, the Bank is setting a target of 40% of profit attributable to owners of parent for the ratio of total payout to shareholders combining stable cash dividend payments and the acquisition cost of treasury shares.

## Achievements of shareholders return

\*In calculating the shareholder return ratio, the amount of treasury stock buybacks is calculated based on the amount of stock buybacks during the one-year period starting from the date of the annual general meeting of shareholders.



Total amount of dividends ( billion yen)		8.7	8.4	5.4	9.3	14.3	16.6	—	
Total shareholders ratio	consolidated	To FY2021				51.4%	53.6%	—	
	Non-consolidated	41.9%	47.2%	46.8%	39.9%	From FY2022			
Dividend payout ratio		consolidated	24.0%	24.6%	40.4%	22.1%	26.4%	28.1%	31.4%
Profit (billion yen)	consolidated	23.3	22.2	13.5	26.4	27.9	31.1	35.0	(forecast)
	Non-consolidated	20.9	17.9	11.6	23.3	24.6	28.1	31.0	(forecast)

# Reduction Target of Shares for Policy Purposes

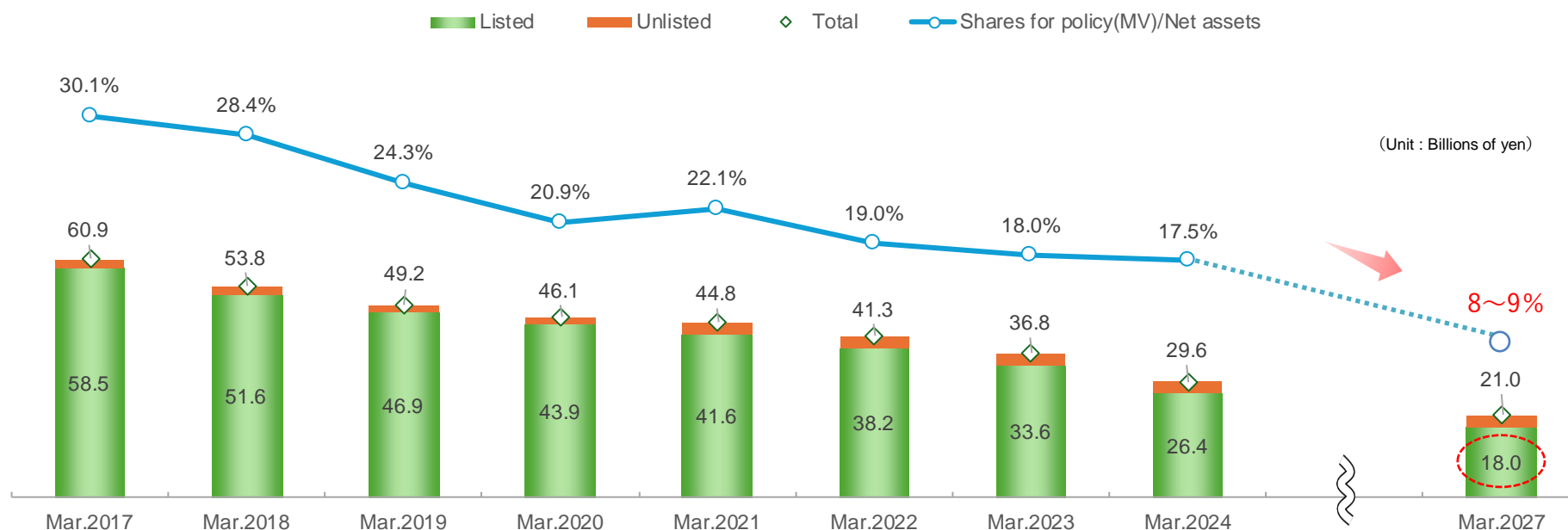
- The Bank plans to reduce listed shares with a book value by **50% ( - 20 billion yen)** over 5 years during FY2022 ~ FY2026.  
Progress rate as of Mar. 2024 : **59% (-11.8 billion yen)**.

## ► Shares for policy purposes policy and verification

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

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

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



Reduction target of 20 billion yen in 5 years

## ► Changes in the number of companies (listed)

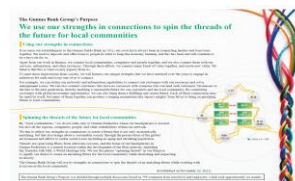
	Mar.2017	Mar.2018	Mar.2019	Mar.2020	Mar.2021	Mar.2022	Mar.2023	Mar.2024
Listed Companies	116	113	100	101	90	86	77	69



### III. Appendix (Management Strategies, etc.)

## The Gunma Bank Group's Purpose

**"We use our strengths in connections to spin the threads of the future for local communities"**



## To-be future

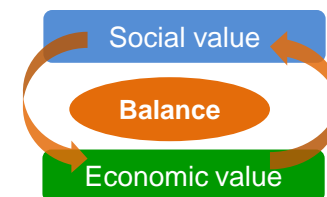
### Sustainable development of local communities and the Group

Customers

Regional society

Shareholders/  
Investors

Employees



## Medium term business plan 2022 Innovation for "Purpose" (plan period : Apr. 2022~Mar. 2025)

### Gunma bank group's strengths

Information, trust, human resources, network, etc.

### Expectations from society and customers

Financial intermediation, consulting, vitalizing regional industries, business matching, etc.

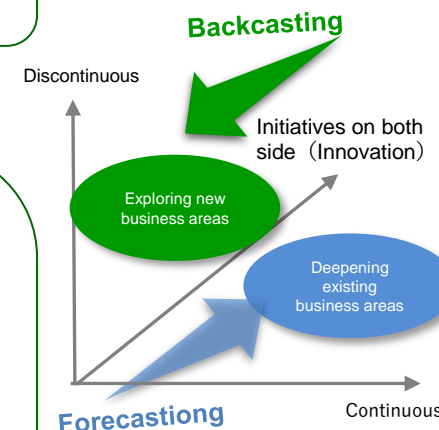
Implementation of digital strategies as the foundation for "Connections and Spinning the Threads"

- Sales process reforms
- Business process reforms
- Channel reforms
- Personnel reforms
- Reforms in collaboration with external parties

**Reinforce strengths in "Connections" with five reform initiatives**

- Involvements or the like in regional sustainability
- Support for finance, core business and succession of the business
- Personalized consulting service
- Exploring and deepening through the Group's comprehensive capabilities
- Reinforcement of the Bank's management structure

**"Spinning the Threads" of the future by exercising our strengths in "Connections"**

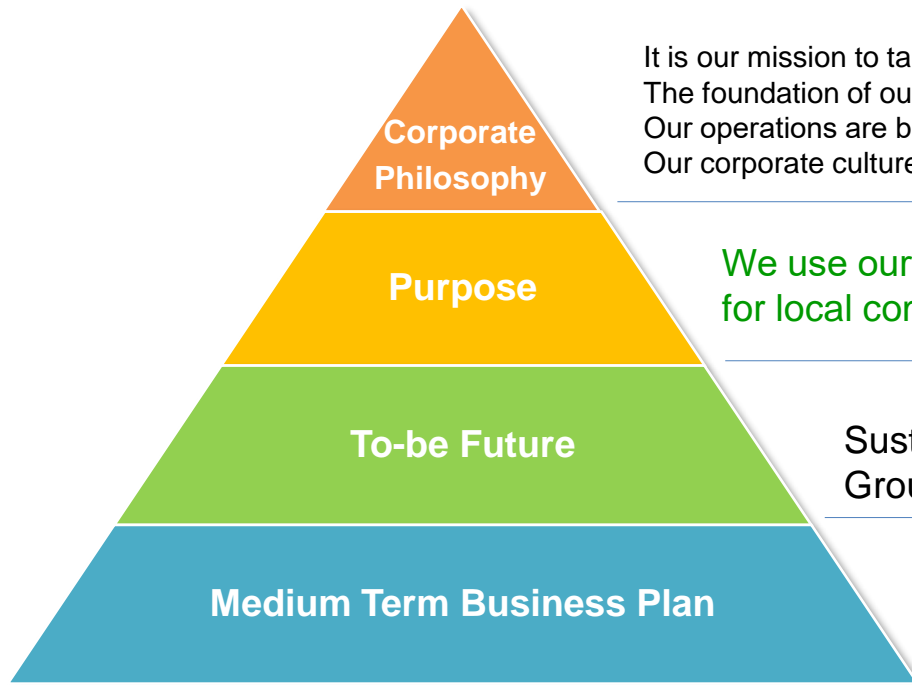


Gunma Bank Group  
SDGs Declaration

1. Sustained development of the regional economy
2. Preservation and creation of global environment
3. Promote successful engagement by diverse personnel
4. Promote partnership

『The results from the Purposes' "Connections" concept are quantified as "KPIs in Connections" with the aim of achieving a core business net profit of 45.0 billion yen through achievement of KPI items.』 ⇒ consolidated core net business profit excluding gains(losses) on cancellation of investment trusts FY2021 36.8 billion yen ⇒ FY2024 (Target) 45.0 billion yen ⇒ 45.4 billion yen (FY2023: one year ahead of schedule)

## Philosophy/Purpose/Vision/Mission



Corporate  
Philosophy

It is our mission to take actions that will foster the development of regional communities.  
The foundation of our business is to strengthen a creative relationship with our customers.  
Our operations are based on the motto "Be a good citizen first to become a good entrepreneur."  
Our corporate culture is based on the value of face-to-face communication within our organization.

Purpose

We use our strengths in "connections" to spin the threads of the future  
for local communities

To-be Future

Sustainable development of local communities and the Gunma Bank  
Group

Medium Term Business Plan

Innovation for "Purpose" (Plan period : April 2022~March 2025)

## Goal of Establishing the Purpose (established in November 2021)

Faced with so many social issues, we reexamined the meaning of our existence and established our Purpose based on the thought, "What is the purpose of our existence in society, and what impact can we have on the future of society?"

Sharing of Decision Axes

Increasing Individual Job Satisfaction

Empathizing with Stakeholders



\*The Gunma Bank Group's Purpose was decided through multiple discussions based on 755 comments from executives and employees, which took approximately six months.

# Progress of Second year result of medium-term business plan

- key figures “Connecting KPI” for realizing the purpose is progressing smoothly.
- Strengthened the promotion of housing loans by opening Utsunomiya Loan Station in January 2024 and so on.

## KPIs in Connections

	Target (during 3y ears) *billion yen	Cumulative total (2y ear) *billion yen	achieving rate	The initial plan of the FY2023 (annual) *billion yen	Result (Mar. 2024) *billion yen	achieving rate
“Connect” lender and borrower						
①Amount of sustainable finance executed	800.0	680.9	85.1%	253.0	414.7	163.9%
Of which, environmental field	450.0	318.2	70.7%	139.0	202.2	145.4%
②Amount of housing loan executed	400.0	236.9	59.2%	135.0	123.4	91.4%
③Balance of unsecured consumer loan	75.0	71.3	—	68.0	71.3	—
“Connect” customers						
④Number of business matching cases closed	3,000cases	2,099cases	69.9%	1,000cases	1,099cases	109.9%
“Connect” businesses and individuals						
⑤Number of staffing cases closed	200cases	182cases	91.0%	90cases	100cases	111.1%
“Connect” customers’ asset with their future						
⑥Balance of consolidated deposit financial assets	1,250.0	1,154.2	—	1,182.0	1,154.2	—
⑦Of which, balance of investment trusts	400.0	411.4	—	370.0	411.4	—
“Connect”for the next generation						
⑧Number of business succession issues resolved	600cases	774cases	129.0%	185cases	444cases	240.0%
⑨Inheritance-related business contracts	1,000cases	648cases	64.8%	320cases	350cases	109.3%

\* Among the targets, ①、②、④、⑤、⑥、⑧ is the cumulative value.

## Strategic themes related figures

	Target	Result
Sales		
Electronic contract service utilization rate		
"general loans Mar. 2024"	100%	73.8%
"housing loans Mar. 2024"	100%	96.4%
Channel		
App users(Number of account holders)	0.3 million people	0.277 million people
Personnel		
Number of IT passport holders	1,000 people	1,253 people
Collaboration with external parties		
Profitability of TSUBASA Alliance	4.5 billion yen	7.19 billion yen
Regional		
Balance of structured finance	130.0 billion yen	130.6 billion yen
Number of proposals to partners in the comprehensive collaborative agreement	20 cases	41 cases
Individual		
Accumulated investment trust contracts per month	2.5 billion yen	2.42 billion yen
Group's comprehensive capabilities		
Number of cashless member stores	16,000 stores	14,133 stores
Cashless transaction volume *single year target	200.0 billion yen	170.8 billion yen

\* The target (excluding cashless transaction volume) is the cumulative value until the end of theMedium-term business plan.

\* Number of cashless member stores is after deducting 1,146 stores that automatically cancel their contracts during the period (long-term non-operation, etc.) by brand.

# Initiatives of “Connecting Process” for Realizing the Purpose

▶ We have proposed solutions utilizing the “Connecting Process” since October 2022.

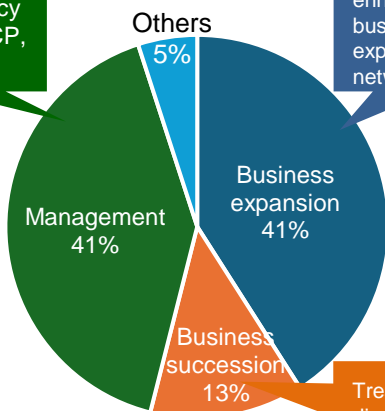
● Conducting a series of sales activities from sharing goals and needs with clients (including pure depositors) to providing appropriate solutions as the “Connecting Process”

● Taking a full-fledged approach to expand revenue opportunities in the Bank’s entire group by utilizing all resources available at group companies

Number of projects executed	Understanding of management issues and needs	
	In progress	Completed
6,000	17,000 57%	11%

## Percentage by needs

Consulting services, business efficiency improvement, BCP, etc.



SDGs initiatives, enhancement of business facilities, expansion of sales networks, etc.

Treasury share transfer, director retirement payment, transfers through M&A, etc.

## Full-fledged approach

Advance into the pre- and post-process (the entire process), not just loans ⇒ expansion of revenue opportunities



## Explore new demands

(virtuous cycle of regional revitalization that leads to the realization of the Purpose)

## Business expansion/enhancement

## Business succession

## Management

SDGs-related commissions

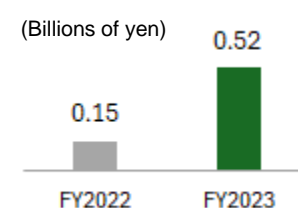
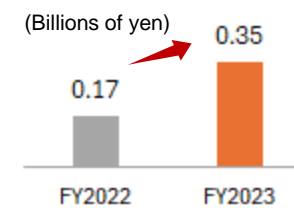
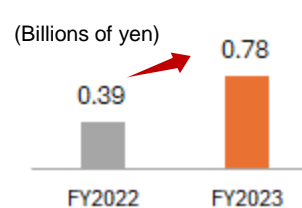
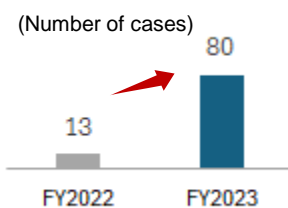
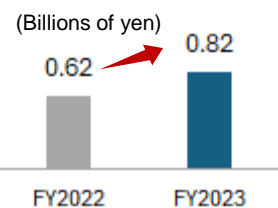
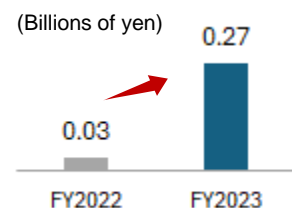
Business matching

Actual number of Gungin SLL

M&A commissions

Business insurance for corporations

Gungin Consulting (corporation service)



# Initiatives of “Connecting Process” for Realizing the Purpose

## ▶ Gunma Regional Advanced Solution Partners (GRASP)

### ● Efforts to revitalize hot spring resorts

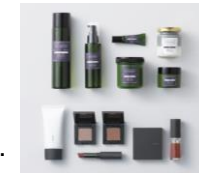
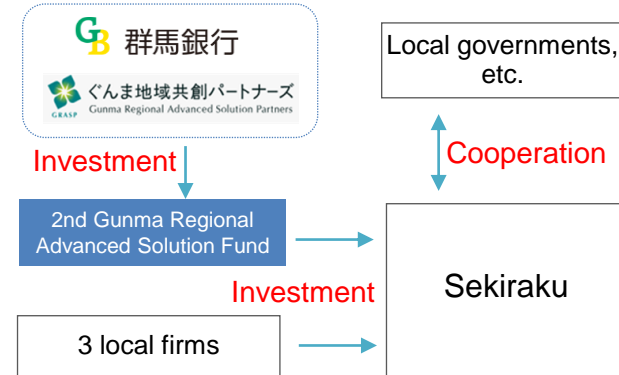
- Established “Sekiraku,” a company designed to revitalize the Ikaho Onsen hot spring resort in cooperation with local businesses using “The 2nd Gunma Regional Advanced Solution Fund” operated by GRASP.



- \* Acquired a ryokan inn (currently out of service) with a history of more than a century, located halfway up the Ikaho Stone Steps.
- \* **Renovated** the building while keeping the original style, and invited restaurants and shops that were needed in the area to join.
- \* Planned and developed **events and projects** together with a tourism association and local businesses.
- \* Promote the resort's attractive features to tourists outside the area using **digital marketing**, etc.

### ● Supporting the growth of the cosmetic brand “OSAJI” through joint investment with Marubeni Corporation, etc.

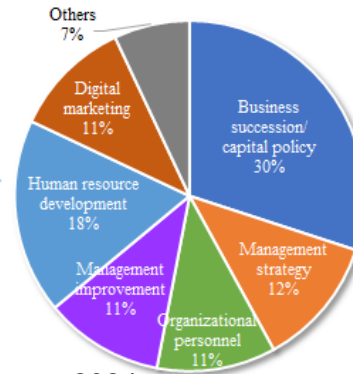
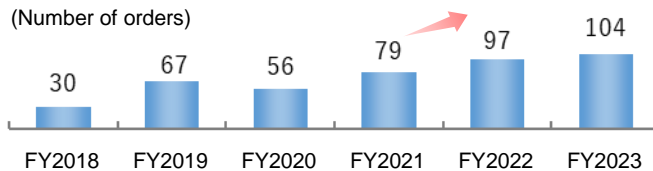
- ⇒ Efforts to support the growth and development of OSAJI Inc.'s cosmetic brand “OSAJI”
- ⇒ In addition to the investment, we support OSAJI in searching for a candidate site for its development and production base in Gunma Prefecture using our group's network. We also work on regional development by collaborating and coordinating with local governments, etc., and supporting the promotion of local industries.



[OSAJI products]

## ▶ Gungin Consulting

### ● Actual orders for consulting (from October 2018 to March 2024)

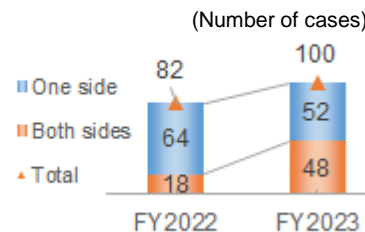


### ● Local trading business

- Launched an online shopping (EC) site “TSUNAGU + Store” in February 2024.
- ⇒ Regularly sell new products and services on the purchase-type crowdfunding site “TSUNAGU +” project and widely promote appealing products from the region.

### ● Human resource solution business

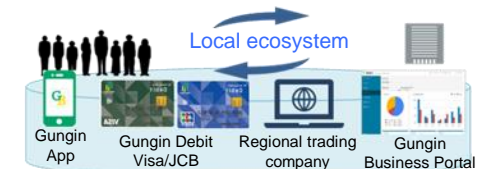
- The number of contracts in the staffing business **increased by 122%**. Enhance proposals by approaching both sides where one salesperson deals with both companies and job seekers.
- Plan to handle specialized human resources targeting banking groups and secondment for customers.



## ▶ Gungin Card

- Strengthen the promotion of cashless services in cooperation with the **Payment Strategy Office** established in April 2024.
- Launched a **debit card (Gungin Debit)** jointly with the Bank in January 2024.

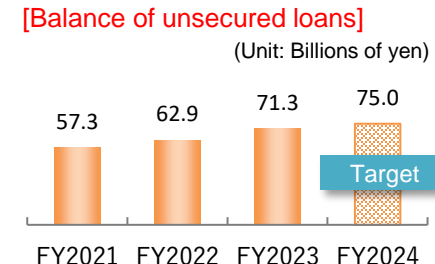
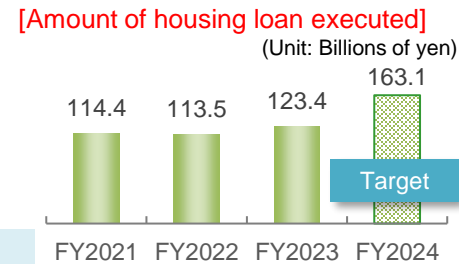
Work to increase the number of debit card members and promote its use in collaboration with Visa/JCB brands to accumulate payment data.  
**Encourage cashless transactions in the region** and increase the operation rate and transaction volume by continuing to increase the number of member shops.





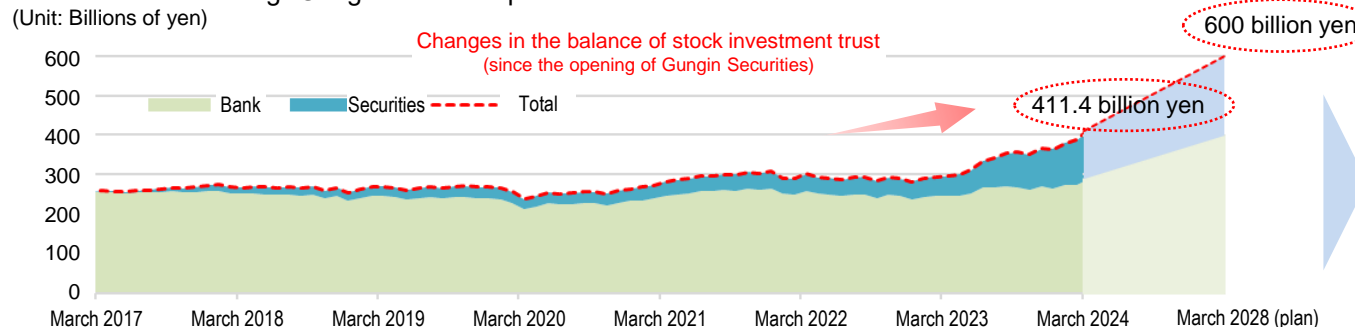
## ▶ Housing Loans and Unsecured Loans

- Housing loans
  - Improve business efficiency by expanding the target of a loan-fee-based interest rate plan, providing comprehensive credit guarantee, and consolidating review operations at the main branch.
- Unsecured loans
  - In-house production of Internet advertisement enables agile advertising operations.  
⇒ The percentage of auto loan applications made via Internet advertisements has **increased 1.3 times over the previous fiscal year.**



## ▶ Collaboration with Gungin Securities and deposited financial assets

- Clarification of customer segments and future promotion structure
  - Review customer segments to enable the Bank and Gungin Securities Co. to work together to establish an efficient and effective promotion structure.  
Introduce 10,000 to 15,000 bank customers to Gungin Securities, and deploy the necessary human resources in the securities firm (**assumed net increase of 60 to 80**).
  - Expand the advisory-based sales utilizing Gungin Securities' various product lineups and its advanced expertise in response to customers with a certain amount of assets and management needs (**customer-oriented operation management**).
- Opening of Gungin Securities Fukaya representative office scheduled for Aug. 2024
  - Scheduled the opening of Gungin Securities Fukaya branch in line with the relocation of the Fukaya branch and establishment of a new building. This will be Gungin Securities' **first branch outside Gunma Prefecture**. Further strengthen the connection with Gungin Securities to increase profits.
- Deposited financial assets
  - Launch campaigns promoting **new NISA** and review product lineups. Implement asset management-based sales using "Gungin Fund Wrap."



- The investment trust balance has steadily moved since the establishment of Gungin Securities in 2016.
- The combined balance of the Bank and Gungin Securities totaled **411.4 billion yen** at the end of March 2024, exceeding the medium-term business plan target of 400 billion yen.
- The combined figure is expected to total **600 billion yen** at the end of March 2028.



For "Purpose"

Promote digitalization as a base for each strategic theme to reinforce strengths in "Connections" and spin the threads of the future

## ► Gungin App (launched in April 2022)

- A customer channel that is the most familiar to individual customers
- ✓ Per-person profits are high for app users

	Number of customers	Per-person profit Sep 2023-Mar 2024
Users of app	280,000	14,000 yen
Non-users of app*	810,000	10,000 yen

\*Aged 20-74 with a balance of 1,000 or more yen

### Inquire

Inquiry of balance, deposits /withdrawals, debit card usage, withdrawal schedule, preferential ATM fees

### Pay

Transfers  
Payment of taxes and public money  
Repayment of card-loan borrowings

### Save and increase

Investment trust transactions

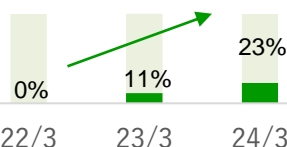
### Others

Termination of fixed deposits  
Recommendations/campaign information

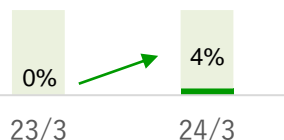


Percentage of app transactions out of the Bank's total transactions

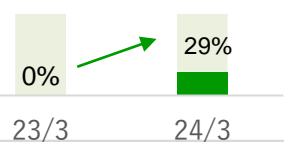
<Transfers>



<Payment of taxes/  
public money >

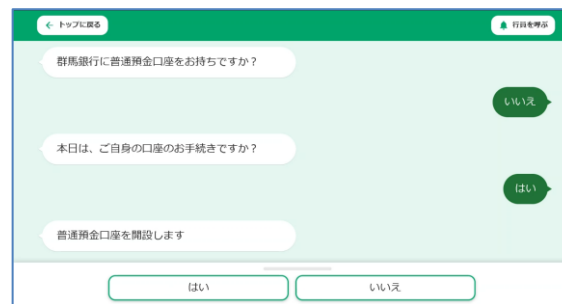


<Purchase of investment trusts>



## ► In-branch tablets (introduced at all branches in March 2024)

- Improved customer convenience, reduced processing time, and increased business efficiency



Highly operational chat-based screen

Simple procedure with no stamp or paper-based document

Can be completed without operation



- Assumed effects

	Reduced processing time	Reduced sheets of forms
Opening of ordinary deposit account	▲45 minutes (60→15)	▲14 sheets (17→3)
Change of address/phone number	▲25 minutes (40→15)	▲4 sheets (Max 5→1)

\* Since it was launched at all branches in March 2024, the most recent average processing time was about 30 minutes for opening an account and about 15 minutes for changing the address and/or phone number.

## Future plans

2nd phase (October 2024)	Fixed deposit, reissuing of lost cards, etc.
3rd phase (March 2025)	Transactions to be made possible on Gungin App



**Transfer data into valuable information and connect the information with customers, communities, and banks at the most suitable timing and method**

Figure 1 consists of two charts. The top chart is a bar graph showing the average number of reads per cell for various cell types. The y-axis is labeled 'reads per cell' and ranges from 0 to 1200. The x-axis lists cell types: endothelial cell, epithelial cell, fibroblast, macrophage, myeloid cell, and T cell. The bottom chart is a line graph showing the average number of reads per cell for each cell type. The y-axis is labeled 'average number of reads per cell' and ranges from 0 to 1200. The x-axis lists cell types: endothelial cell, epithelial cell, fibroblast, macrophage, myeloid cell, and T cell. The line graph shows a general upward trend, with the endothelial cell having the highest average number of reads per cell (~1100) and the epithelial cell having the lowest (~100).

Cell Type	Average Number of Reads per Cell
endothelial cell	~1100
epithelial cell	~100
fibroblast	~250
macrophage	~350
myeloid cell	~450
T cell	~550

## Personnel strategy (Personnel reforms for exercising creativity)

## Linkage to the management strategy

## Realization of the Purpose

(※) Setting new medium- to long-term KPIs

### Priority issues and main measures

### Non-financial KPIs

#### Transition to a job-based personnel system.

- Allocate and compensate "the right personnel in the right positions."
- Provide opportunities for tackling challenges autonomously.
- Proactively recruit mid-career specialist personnel, etc.
- Strengthen talent management.

- Number of job interns
- Mid-career recruitment ratio(※)
- Number of holders of professional qualifications(※)

#### Strengthen comprehensive personnel capabilities.

- Foster "career ownership."
- Improve the digital literacy of employees.
- Strengthen reskilling of employees.
- Develop management personnel.

- Investment in skill-up per employee
- Number of employees who have acquired the IT Passport
- Number of employees using the side job scheme

#### Develop specialist personnel.

- Reinforce initiatives to improve professional skills.
- Develop through external training and secondment.
- Proactively promote becoming specialist personnel.

- Number of advanced employees in Skill Checks
- Number of participants in external training
- Number of appointments of specialist personnel (experts, etc.)

#### Promote D&I.

- Proactively promote women and mid-career recruits.
- Foster an organizational culture that encourages men's participation in childcare.
- Conduct training and other activities to improve D&I literacy.
- Implement bottom-up initiatives through L-NEXT, etc.

- Percentage of female managers(※)
- Percentage of female department managers (※)
- Percentage of mid-career recruits promoted to management positions
- Gender wage gap
- Percentage of male employees taking childcare leave
- Duration of childcare leave taken by male employees

#### Improve well-being.

- Promote comfort and satisfaction in the workplace.
- Improve the effectiveness of 1-on-1 meetings.
- Promote health management.

- Percentage of taken paid leave
- Extent of implementation of Personal Purposes
- Engagement score
- Certified as an Excellent Health and Productivity Management Enterprise

Mid-Term Business Plan 2022  
Innovation for "Purpose"

### Connection with Mid-Term Business Plan

Basic policy for  
realizing "Purpose"

Reinforce strengths  
in "connections"

(Strategic themes)

"Personnel reforms for  
exercising creativity"

(Personnel strategy  
on the left)

Through the active participation of human resources who contribute to "digital", "goal-based and needs-based sales activities", and "exploration of new businesses", which are the key points of the medium-term plan, we will achieve both social and economic value and Aiming to realize the "well-being" of officers, employees, it will lead to the improvement of corporate value.

We use our strengths in "Connections" to spin the threads of the future for local communities

### Social value

Local communities  
Customers

Achieve the "KPIs in Connections."

### Financial value

Shareholders & investors

FY2027(target)  
Net income of 50 billion yen  
Non-interest business profits of 32 billion yen  
ROE 8%

### Realization of well-being

Officers  
Employees

Corporate value improvement

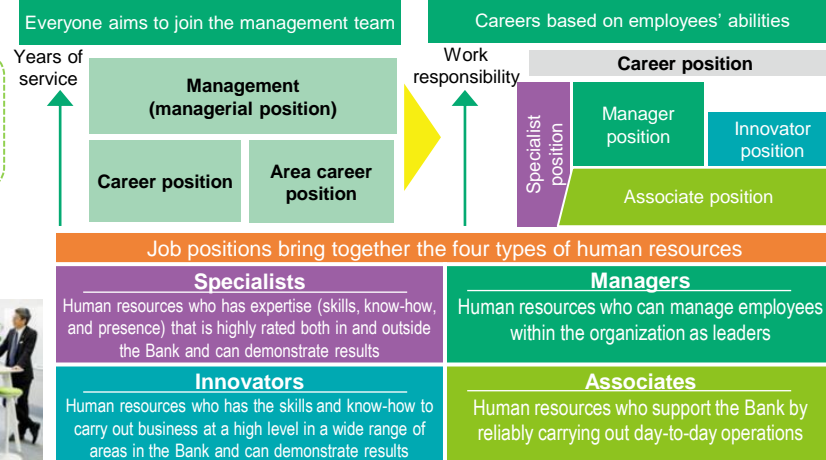
Personnel Development Policy

Internal Environment  
Improvement Policy

## Shift to occupation-specific personnel system set to be introduced in June 2024

- Abolish the qualification system and job retirement age and consolidate into **four job groups**.
- Abolish area career positions and **merge them with regular career positions (with the prospect of promotion)**.
- Shift to a multi-track career development from the conventional single-track system focusing on the development of generalists.

Plan to improve the engagement of employees and stimulate the entire organization



## Strengthening comprehensive HR capabilities and developing professional-level human resources

- Enhance career-designing training and implement **job internships** that allow employees to engage in operations at departments they wish to work for on a trial basis.
- Support the growth of employees by improving their digital literacy, etc.  
⇒ The number of IT passport holders at the end of FY2023 totaled **1,224** (compared with the target of 1,000 for the end of FY2024).
- Set to introduce **by-course recruitment** from new graduates in or after FY2025.  
⇒ Recruit/develop new graduates for courses such as IT and markets as professionals.

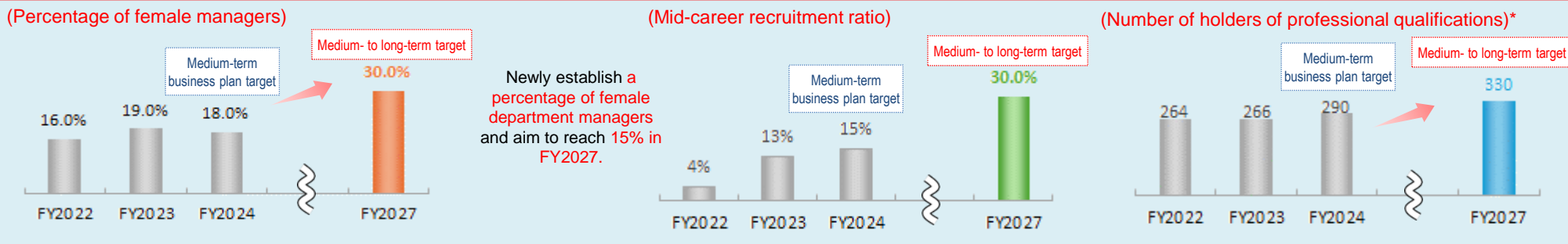
- Utilize the side job program (**29 users** as of the end of FY2023).  
⇒ Promote growth by diversifying the workforce and enhancing its expertise, contributing to regional development.

\* They deliver speeches or write articles using their certificates or skills, work as sports instructors or umpires, or perform as artists.



## Setting medium- to long-term KPIs

- Set **medium- to long-term KPIs** through FY2027 for the following items to acquire and develop diverse human resources.



## Strengthening organizational capabilities by ensuring well-being

- Introduced a leave system to support career continuation in October 2023.  
⇒ Support employees who wish to leave for a certain period for reskilling, infertility treatment, or accompanying their partners for relocation, and to return to work to continue their careers.
- Improve productivity by enhancing efforts for health management.  
⇒ Obtain certification for the **"White 500 of the KENKO Investment for Health Outstanding Organizations."**

\* Professional qualifications include Small and Medium Enterprise Management Consultant, 1st grade Certified Skilled Professional of Financial Planning, Certified Member Analyst of the Securities Analysts Association of Japan Certified AML Specialist, Information Technology Engineers (Advanced) or Registered Information Security Specialist





## For "Purpose"

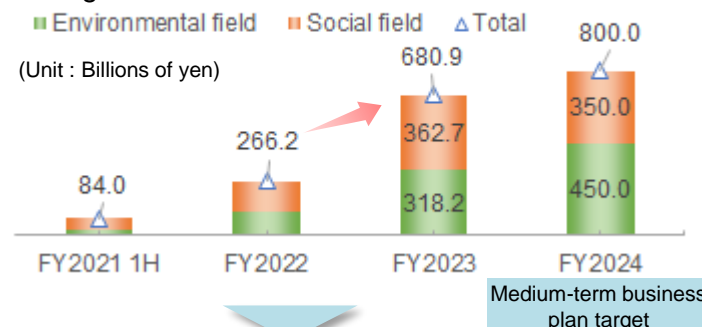
Spin the threads of the future of communities through decarbonization efforts and support for local companies' SDGs initiatives

## Progress of sustainable finance

Amount executed	Medium-term business plan targets for FY2024	Results*	Achievement rate	Target for FY2023
Sustainable finance	800 billion yen	680.9 billion yen	85.1%	3 trillion yen
Social field	350 billion yen	362.7 billion yen	103.6%	1.5 trillion yen
Environmental field	450 billion yen	318.2 billion yen	70.7%	1.5 trillion yen

※Cumulative results from Apr. 2022 to Mar. 2024

## Changes in cumulative amount executed



## Efforts to reduce greenhouse gas emissions

- Emissions in FY2023 were **down 57%** from the level in FY2013, achieving the medium-term business plan target **one year ahead of schedule**

Compared with FY2013	FY2022 result	FY2023 result	FY2024 target	FY2030 target
Reduction of GHG emissions	down 26.2%	down 57.0%	down 50%	Net zero

## Main initiatives

- Provide electricity generated at "Gungin Ozekatahina Power Station" to nine branches and other places in the Hokumo area.
- Install solar power generation facilities based on **onsite PPA** (deployed at four branches in Gunma Prefecture).
- Plan to obtain **ZEB Certification** basically for all branches to be newly built (except for small shops) to accelerate energy saving and generation.



## Effects of sustainable finance in decarbonization in the region (from April 2022 to March 2024)

	Decarbonization effects	Per household
Electricity generation resulting from financing renewable energy-related projects	[Amount of renewable energy generation] 6,433,821MW h	About 1,630,000 households
Status of GHG reduction at customers of sustainable finance products	[GHG] 1,360,293t-CO2	About 780,000 households
Total		About 2,410,000 households

\*Calculated based on the summary of the "Results of Survey on the Actual Conditions of Carbon Dioxide Emissions from Residential Sector (Final Figures) in FY2022" released by the Environment Ministry.

## Response to biodiversity



- Support the Taskforce on Nature-related Financial Disclosures (TNFD) and take part in the "TNFD Forum" endorsing its argument.
- Donate part of the trust fees of the investment trust fund "Oze Kiko" to the Oze Preservation Foundation that is working on the preservation of the environment in Oze.
- Engage in the maintenance and preservation of the Gungin Forest.



## Efforts to solve social issues by issuing the 6th and 7th ESG bonds

- Utilize 10 billion yen of the 20 billion proceeds from the issuance of ESG bonds for investments and loans in projects that support the revitalization and maintenance of the regional economy and contribute to other social issues.

Social projects	Proportion
Maintenance and creation of jobs	50.2%
Recovery from disasters and support for recovery	6.0%
Revitalization of local economies and maintenance support	28.9%
Support in medicine and welfare services	14.9%



For "Purpose"

Enhance our strengths to "connect" by leveraging outside resources

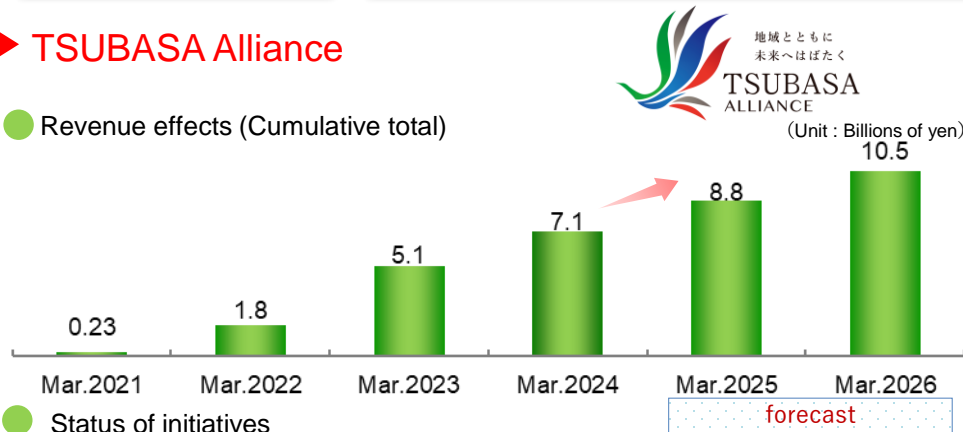


群馬・第四北越 アライアンス

Included in the synergies with  
TSUBASA listed on the left

## ▶ TSUBASA Alliance

### ● Revenue effects (Cumulative total)



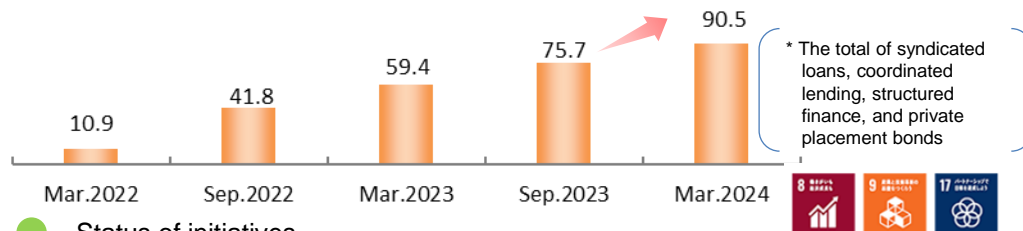
### ● Status of initiatives

- Continued to strengthen co-financing and M&A collaboration, etc.
- Participation in structured finance (real estate NR, ship-finance, etc.)
- Renewal of the API common platform  
⇒ strengthening of measures against possible failures to improve its functions
- Efforts to share know-how  
⇒ collaboration through joint workshops with Juudankai and TSUBASA Alliance Co., Ltd.

## ▶ Ryomo Regional Revitalization Partnership

~Collaboration with Ashikaga Bank to revitalize local industry, solve local issues, etc.~

### ● Trend in accumulated amount of loans, etc.\* (Unit : Billions of yen)

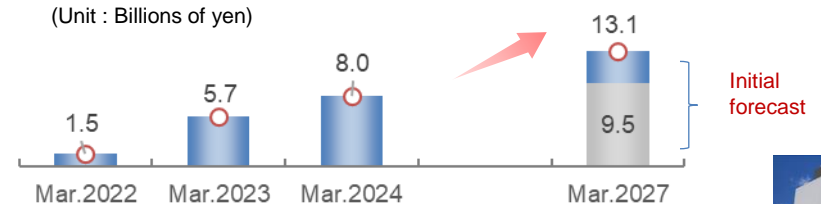


### ● Status of initiatives

- Reinforcement of collaboration in supporting automotive-related industries, sharing of knowhow, regional revitalization initiatives
- Initiatives to improve the top line⇒ Smooth syndicated loan origination and mutual introduction of new borrowers

## ▶ Gunma and Daishi Hokuetsu Alliance

### ● Revenue effects (Combined and cumulative total of both banks)



### ● Status of initiatives

- Branch sharing  
⇒ In January 2024, the Ikebukuro branch of Daishi Hokuetsu Bank, Ltd. moved into the Bank's Ikebukuro building and started its operation (exchange of information between the branches' general managers and between other officials, and introduction of clients)
- Sharing of know-how through the exchange of human resources by holding joint training sessions, etc.
- An endowment-type private placement bond (Green & food support plan2) is progressing steadily.

	cases	amount of issues (million yen)
Part1 : Aug.2022~Mar.2023	81	5,540
part2 : Jul.2023~Mar.2024	116	8,140

## ▶ Fincross partnership (Collaboration among eight regional banks)

- Aim to build a data lake, digital marketing infrastructure, and data analysis infrastructure

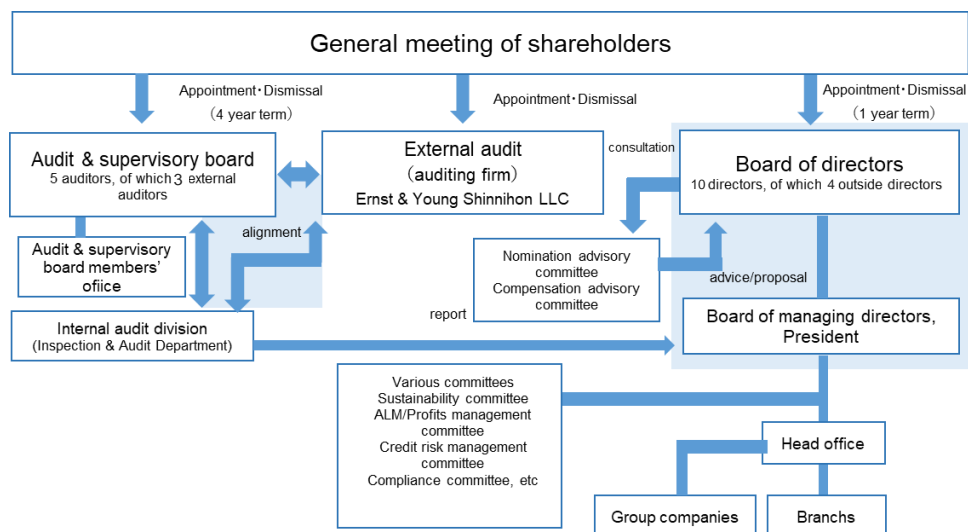


For "Purpose"

Spin the threads of the future for local communities and demonstrate our "strengths in connections" appropriately and consistently by strengthening the Bank's management structure

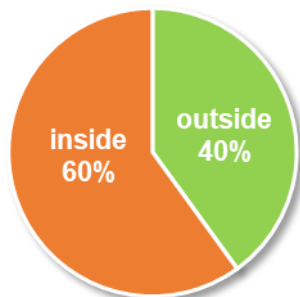
## ► Corporate governance system (forecast)

The Bank has adopted an auditor system. Audit & supervisory board consists of 5 auditors (Of which, 3 outsiders). The Board of directors consists of 10 directors (Of which, 4 outsiders).



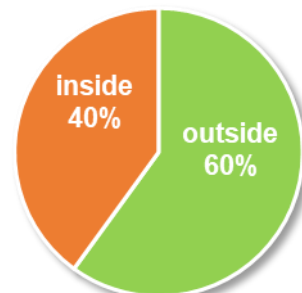
## ► Percentage of outside officers

● 40% Percentage of outside directors  
⇒ 4 people (of which, 1 female)



Outside director  
+1  
33% ⇒ 40%

● 60% Percentage of outside audit & supervisory board members  
⇒ 3 people (of which, 1 female)



## ► Skill matrix (expertise & experience)

### ● Internal directors / audit & supervisory board members (forecast)

Name	Job title	Corporate governance/sustainability	Regional economies	Sales	Market management	Management strategy/planning/compliance/new business development	Human resources	Risk management	IT system
Akihiko Fukai	President & Director	○	○	○	○	○		○	○
Hiroyuki Irisawa	Vice President & Director	○	○	○	○	○			○
Akihiro Goto	Senior Managing Director	○		○		○	○	○	
Tsutomu Takei	Senior Managing Director	○	○	○			○		
Takeo Uchibori	Senior Managing Director	○		○	○	○			○
Akihiko Horie	Managing Director		○	○					
Keita Muto	Audit & Supervisory Board Member			○				○	
Kimitoshi Mashimo	Audit & Supervisory Board Member			○			○	○	

### ● External directors / audit & supervisory board members (forecast)

Name	Job title	Corporate management	Finance(theory regulatory control & compliance)	Corporate finance & accounting (operation & theory)	Corporate legal affairs(operation & theory)	Macro economy	Sustainability	IT/digital/Fintech	Regional economies & governments
Jun Kondo	Director	○		○					○
Kuniko Nishikawa	Director	○					○	○	
Kazuhito Osugi	Director		○			○			
Takuji Kanai	Director	○		○					
Yasuo Kamiya	Audit & Supervisory Board Member				○				○
Hiroshi Kasahara	Audit & Supervisory Board Member						○		○
Sumiko Suzuki	Audit & Supervisory Board Member			○					

※The information above does not necessarily show the entire scope of expertise, experience and knowledge of prospective director's candidates and auditor's candidates.



The Gunma Bank, Ltd.

IR Briefing Session **Data**

May, 2024

Presenter :Akihiko Fukai, President



# Financial Results Briefing Session for the Year Ended March 2024 Data

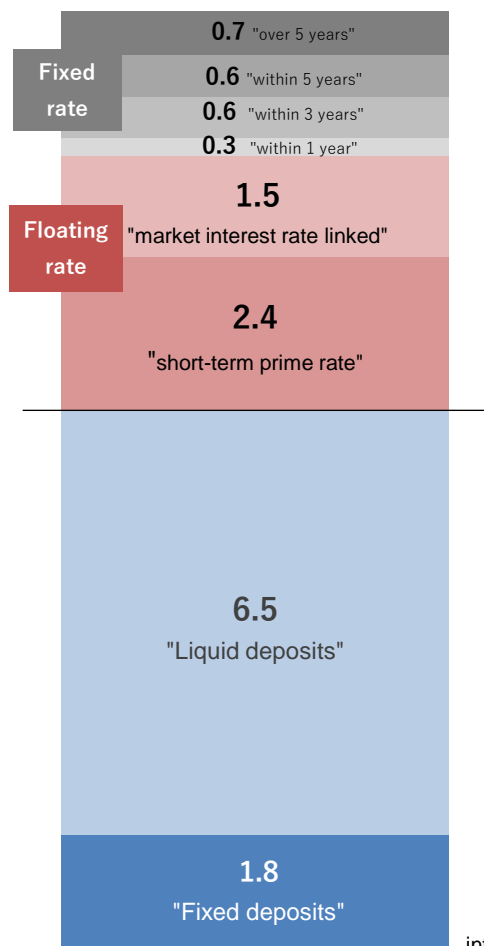
## Contents

Page	
1	Interest Rate Sensitivity Analysis "Yen"
2	Status of Earning Assets and Funds (Yen)
3	Status of Earning Assets and Funds (Foreign currency)
4	Efforts to Address Climate Change
6	Status of Human Capital
7	Status of Cross-border Loan and Structured Finance
8	Profit and Loss Conditions (Consolidated)
9	Profit and Loss Conditions (Non-consolidated)
10	Status of Non-interest Business Profit (Consolidated)
11	Changes in Customer Service Business Profits
12	Changes in the Rates of Yield and the Profit Margins of Interest Rates
13	Changes in Average of Earning Assets and Funds Balance
14	Changes in Loans and Deposits (by Region)
15	Changes in Loans (by Type and by Size)
16	Changes in Loans to SMEs (by Industry)
17	Status of Housing-related Loans
18	Status of Investment in Securities
19	Status of Marketing Capability for Personal Deposit Financial Assets
20	Status of Disclosed Claims under the Financial Reconstruction Law("FRL") and the Self-Assessment Guideline
21	Status of Transition in Loans by Borrower Category
22	Status of Capital
23	Status of Capital Distribution
24	Status of Shareholders
25	Changes in Total Shareholders Return
26	Branch Office Network
27	Status of Overseas Bases
28	List of Group Companies
29	Summary of Financial Results of Group Companies
30	Attractive of Gunma Prefecture
32	Potential of Gunma Prefecture
33	Shares in Loans and Deposits in Gunma Prefecture
34	(reference) Bloomberg article
35	Economic Trends in Gunma Prefecture

# Interest Rate Sensitivity Analysis "Yen"

End of Mar. 2024  
Assets & Funds  
Portfolio (yen)

(Unit : Trillions of yen)



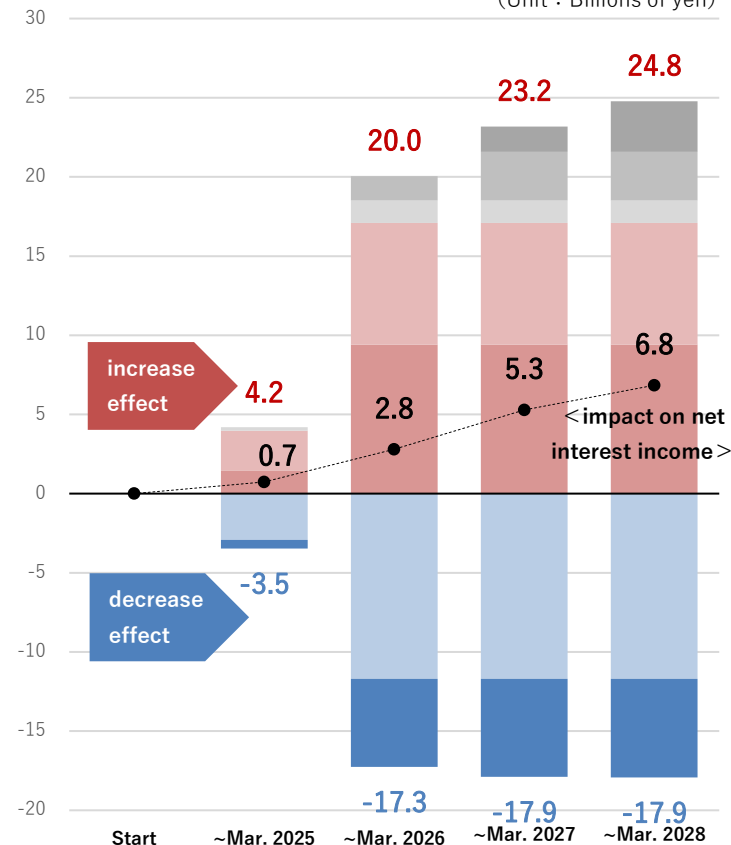
Assumption balance(Mar. 2024)

Main scenario simulation

【Policy interest rate】 0.10%→0.25%(Oct. 2024)  
0.25%→0.50%(Apr. 2025)

< Effect of increased/decreased interest >

(Unit : Billions of yen)



Policy interest rate : Apr. 2024 0.10%→ Oct. 2024 0.25%→ Apr. 2025 0.50%→

\*Fixed interest rate loans estimated based on the assumption that the policy interest rate increase will be added at the time of interest rate revision.

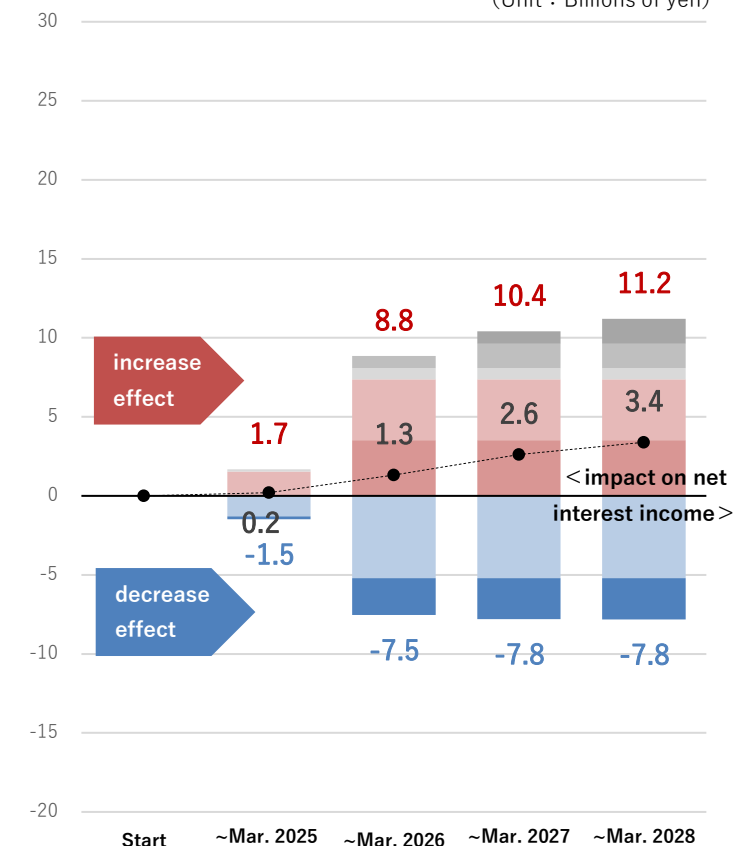
\*For short-term prime rate loans, including housing loans, the calculation is based on the assumption that the increase will be reflected on the same day when the increase is decided.

Sub scenario simulation

【Policy interest rate】 0.10%→0.25% (Apr. 2025)

< Effect of increased/decreased interest >

(Unit : Billions of yen)



Policy interest rate : Apr. 2024 0.10%→ Apr. 2025 0.25%→

# Status of Earning Assets and Funds (Yen)

The percentage of floating interest rate of loans is about 70%. The rise in interest rates has a positive impact.

Deposits are mainly individuals "the insured deposit ratio is highly", and highly sticky.

## 【Loans】

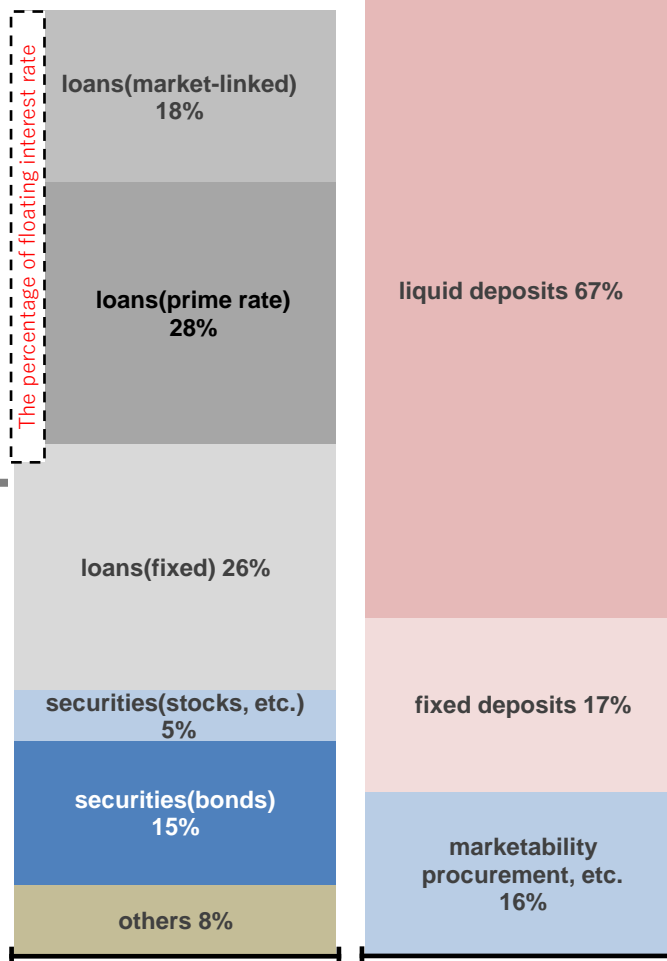
- The percentage of floating interest rate of loans (6.0 trillion yen) is 68%. If the lending rate rise by 10bps, impact on loan interest will be about **+4.1\*** billion yen / year.  
The percentage of floating interest rate of loans  
(market-linked + prime rate + fixed rate (~1y) 4.1trillion yen × 10bp

### ● Fixed rate loans by maturity remaining

by maturity remaining	~1y	1y~3y	3y~5y	5y~
ratio	13%	28%	29%	30%
balance (billion yen)	284.8	614.4	637.3	666.9

## 【Securities】

- Securities with foreign exchange risk account for about **2%** of the total. \*only some of investment trusts
- Sensitivity analysis "impact on profit/ loss from valuation"  
Profit / loss from valuation 30.5 billion yen  
(Of which, Japanese Yen assets 26.9 billion yen)  
Estimated value for a 10 basis points rise in parallel in interest rates → **-6.0 billion yen**  
Estimated value if the stock price falls by 10% → **-18.2 billion yen**

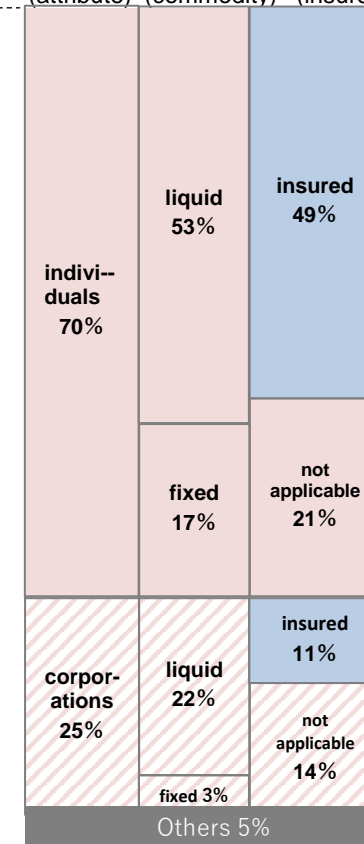


(end of Mar. 2024) earning assets 8.4 trillion yen funds 9.7 trillion yen

※interest-free due from banks not included

## 【Deposits】

domestic deposit(8.1 trillion yen) composition  
(attribute) (commodity) (insured)



the total ratio of insured deposits is about 61%

# Status of Earning Assets and Funds (Foreign currency)

The bank replaced U.S. dollar-denominated bonds. As a result, yields are improving.

In market procure, the bank raise a portion of funds at fixed interest rates to prepare for the risk of rising interest rates.

## 【Loans】

- Loans are floating rate loans only.

## 【Securities】

- Sensitivity analysis "impact on profit/ loss from valuation"

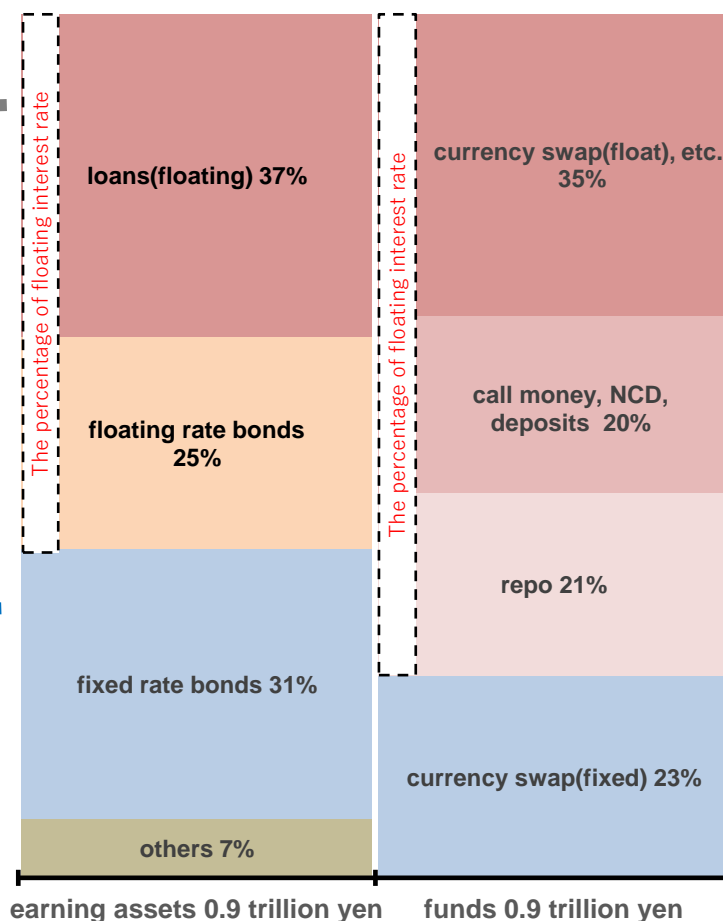
Profit / loss from valuation 30.5 billion yen  
( Of which, US \$ assets 3.6 billion yen)

Estimated value for a 10 basis points rise in parallel in interest rates  
→ **-2.1 billion yen**  
Estimated value if the stock price falls by 10% → **-3.2 billion yen**  
Estimated value when exchange rate rises by 10% → **-2.8 billion yen**

(reference)

- Dollar-denominated fixed bonds  
The bank replaced mainly GNMA bonds with lower interest rates.  
Yield on dollar-denominated fixed bonds improved to 5.1%  
(YoY+0.6%)
- ✕ Euro-denominated bonds (Not owned)

(end of Mar. 2024)



## 【Market procure】

- The bank have introduced fixed-rate currency swap funding to prepare for the risk of rising interest rates.  
\*rise from 13%(Mar. 2023) to 23%

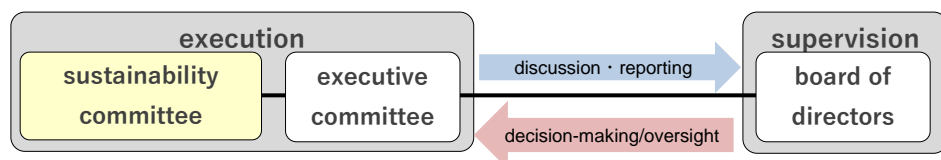
※short term funding with a maturity of one year or less are classified under "call money, NCD, deposits".

# Efforts to Address Climate Change 1

## Governance

### Sustainability committee

- In April 2022, we established the Sustainability Committee. Its goal is to reinforce the Bank's sustainability initiatives, develop management strategies from a mid- to long-term perspective, and enhance the effectiveness of measures.
- The Sustainability Committee chaired by the President will hold four meetings per year, in principle. The main matters it will discuss and consider include the formulation of policies related to sustainability initiatives and reports on the progress of the plan.

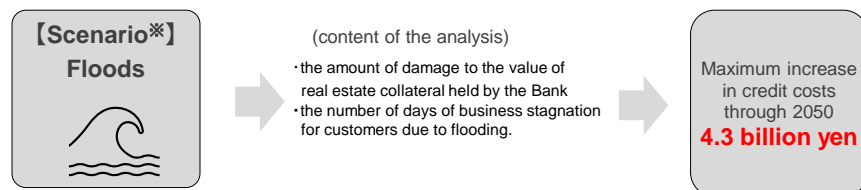


※The matters discussed and considered at each sustainability committee meeting are submitted to the executive committee for discussion at or reported. The committee will make four reports to the board of directors per year.

## Strategies

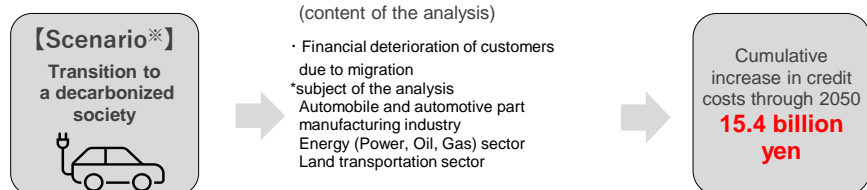
### Scenario analysis

#### Physical risk



※Scenario IPCC/RCP8.5 "4°C scenario"

#### Migration risk



※Scenario NGFS/NetZero2050 (1.5°C scenario) IEA/NZE2050(1.5°C scenario)、IPCC/RCP2.6(2°C scenario)

## Risk management

- The Bank recognizes that the physical and migration risks arising from climate change as a significant risks that could significantly impact the Bank's business operations and strategic and financial plans.
- The impact of the various risks identified through scenario analysis, etc. will be assessed for different categories, such as "credit risks" and "operational risks". The bank will adopt a posture that allows it to manage them within the existing framework.

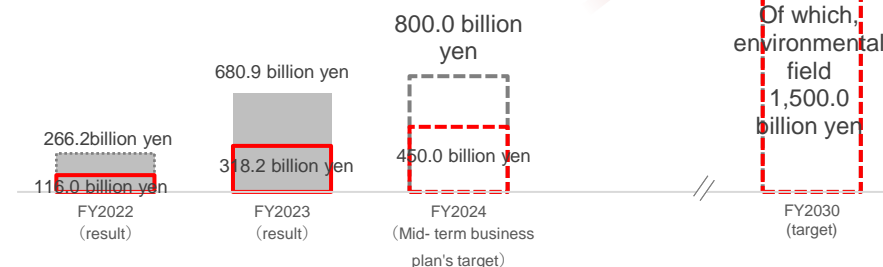
## Indicators and targets

### Sustainable financing

- Due to past performance and the increasing expectations and role of a bank towards decarbonization, the Gunma Bank Group has revised upward the target amount during the Medium-term business plan and Medium/Long term goals.

(unit : Billions of yen)

	Amount executed of sustainable financing	Of which, environmental field
Mid-term business plan target (Mar. 2021~Mar. 2025)	<b>800.0</b> (initial500.0)	<b>450.0</b> (initial300.0)
Medium / Long term goals (Mar.2021~Mar.2031)	<b>3,000.0</b> (initial1,500.0)	<b>1,500.0</b> (initial1,000.0)



# Efforts to Address Climate Change 2

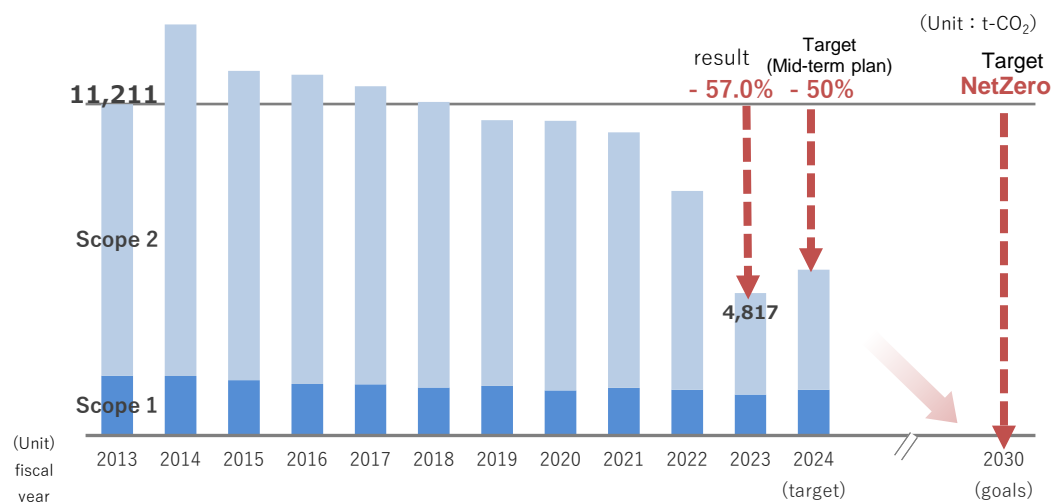
## Indicators and targets

### Greenhouse gas emissions

- The bank set its greenhouse gas emission reduction targets, as follows.

Target : <FY2024 reduction of at least 50% compared to FY2013> <FY2030 Net Zero>

In FY2023, the reduction was 57%, achieving the medium-term plan target one year ahead of schedule.



- Expanded measurement range

< FY 2023 >

	Emission(t-CO <sub>2</sub> )
Scope 3 : category1 ( purchased goods and services )	13,220
" : category2 ( capital goods )	5,621
" : category3 (fuel and energy related activities (not included in scope 1,2))	1,216
" : category4 ( upstream transportation and distribution )	269
" : category5 ( waste generated in operations )	146
" : category6 ( business travel )	303
" : category7 ( commuting )	3,284
" : category15 ( investment/loan )	9,461,139
<b>Total</b>	<b>9,485,198</b>

### SCOPE 3 (Category15)

- In accordance with PCAF standards, the bank estimated for domestic corporate financing clients (end of FY 2023).

Industry	Carbon intensity ( t-CO <sub>2</sub> / mn yen )	Emissions ( t-CO <sub>2</sub> )	Weighted average data quality score
Oil and gas	3.28	357,187	3.50
Coal	0.00	0	—
Electric utilities	21.86	435,413	3.34
Air cargo	12.14	437	4.00
Passenger air transport	0.00	0	—
Maritime transport	7.45	30,045	1.26
Rail transportation	0.95	27,125	1.64
Trucking service	3.78	466,484	3.91
Automobiles and components	2.42	389,242	2.56
Metals and mining	4.62	803,320	2.80
Chemicals	4.54	276,146	2.19
Construction materials	14.57	271,057	2.66
Capital goods	3.56	1,279,925	3.54
Real estate management and development	0.83	177,741	3.19
Beverages	1.62	51,273	2.90
Agriculture	6.26	83,250	4.00
Packaged foods and meals	5.50	831,076	3.89
Paper and forest products	3.70	145,800	2.86
Other	1.60	3,835,618	3.43
<b>Total</b>		<b>9,461,139</b>	



# Status of Human Capital (Non-financial KPI)

## Personnel Development Policy

To achieve our Purpose, we will support employees to build their careers independently and take on challenges based on each individual's Personal Purpose to improve the value of our human resources.

## Internal Environment Improvement Policy

We will create an environment where every executive and employee, who are the source of value creation, can continue to work in good physical and mental health while recognizing each other's individuality and abilities to create a sense of well-being.

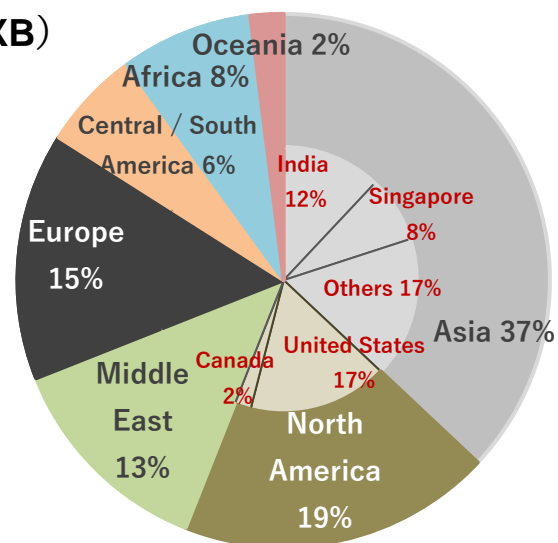
	Mar. 2019	Mar. 2020	Mar. 2021	Mar. 2022	Mar. 2023	Mar. 2024	Mar. 2025(target)
<b>&lt;Shift to a job-based personnel system&gt;</b>							
Number of job interns	64	66 *Suspended for COVID-19		33	49	64	80
Ratio of mid-career hires	4%	3%	8%	5%	4%	13.8%	15%
Number of specialist qualification holders*	—	—	244	257	264	266	290
(SME consultant, financial planner Lv.1, securities analyst, etc.)							
<b>&lt;Strengthening comprehensive HR capabilities&gt;</b>							
Human resource investment amount per person	—	—	88 thou yen	80 thou yen	109 thou yen	127 thou yen	130 thou yen
Number of IT passport holders	—	—	—	109	785	1,224	1,000
Number of people using the side job system	—	—	—	—	21	29	*3
<b>&lt;Developing professional-level human resources&gt;</b>							
Number of employees dispatched for external training	129	129	45	64	68	107	100
Number of appointed professionals *1	—	—	3	8	11	12	15
<b>&lt;Promoting diversity and inclusion&gt;</b>							
<b>Ratio of female manager</b>	<b>10.0%</b>	<b>11.2%</b>	<b>12.7%</b>	<b>14.6%</b>	<b>16.0%</b>	<b>19.0%</b>	<b>18% or more</b>
Promotion rate of mid-career hires to managerial positions	37.0%	38.7%	40.2%	36.8%	36.1%	36.1%	*3
Promotion rate of new graduates hires to managerial positions	39.0%	38.6%	38.1%	37.8%	38.6%	40.7%	*3
<b>Gender wage gap (overall)</b>	<b>45.5%</b>	<b>45.6%</b>	<b>46.3%</b>	<b>47.5%</b>	<b>49.6%</b>	<b>47.7%</b>	<b>*3</b>
Gender wage gap (full-time)	54.3%	54.6%	54.0%	54.5%	56.6%	56.5%	*3
<b>Ratio of men taking childcare leave, etc.</b>	<b>137.5%</b>	<b>119.2%</b>	<b>158.9%</b>	<b>130.1%</b>	<b>133.3%</b>	<b>104.8%</b>	<b>100%</b>
Average length of childcare leave, etc. taken by men	3.0days	3.3days	3.5days	6.5days	10.8days	22.4days	6.5days or more
<b>&lt;Improving well-being&gt;</b>							
Percentage of paid leave taken	60.8%	61.5%	61.3%	70.2%	80.5%	82.6%	70%
Engagement score (human relations) *2	—	—	—	74[+1]	74[+1]	75[+2]	*3
Engagement score (support) *2	—	—	—	72[+1]	72[+1]	73[+2]	*3
Engagement score (self-growth) *2	—	—	—	65[±0]	65[±0]	66[+1]	*3
Excellent Health and Productivity Management Enterprise certification	Certified White	Certified White	Certified White	Certified White	Certified White	Certified White	continue to certify

\*1 Readjustment (end of March → beginning of April) \*2 Differences from benchmark (average of 1,001-5,000 employees in the financial sector) are shown in [ ]. \*3 No goals have been set.

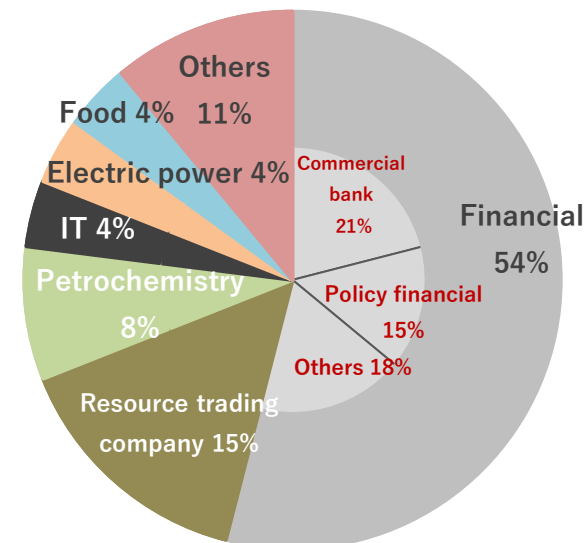
# Status of Cross-border Loan and Structured Finance (contract amount basis)

## Cross-border Loan (XB)

【By region】

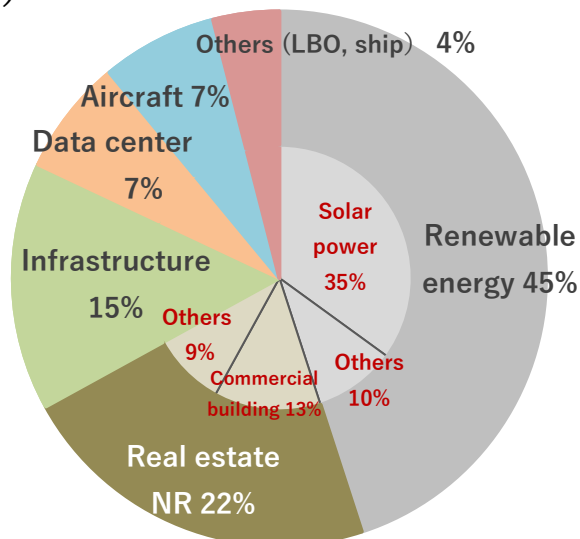


【By industry】



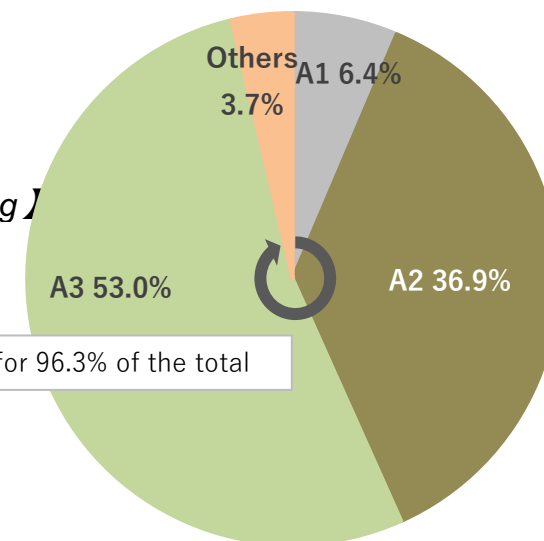
## Structured Finance (SF)

【By asset】



## Sum of XB & SF

【By Banks's rating】



A1 to A3 for 96.3% of the total

# Profit and Loss Conditions (Consolidated)

(Unit : Billions of yen)

	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Core gross business profits</b>	<b>91.0</b>	<b>44.5</b>	<b>84.7</b>	<b>43.3</b>	<b>86.4</b>	<b>48.3</b>	<b>92.5</b>	<b>48.3</b>	<b>92.4</b>	<b>47.6</b>	<b>90.2</b>
Net interest income	74.3	35.8	67.5	34.2	67.2	37.4	72.0	36.6	71.4	34.9	66.0
Non-interest business profit	16.7	8.7	17.1	9.0	19.1	10.8	20.5	11.7	21.0	12.7	24.2
Net fees and commissions income	13.1	6.6	12.4	6.7	13.2	7.4	13.3	7.6	14.4	10.0	19.1
Profit from other business transactions (excluding gains (losses) on bonds)	3.5	2.1	4.7	2.3	5.9	3.4	7.1	4.0	6.5	2.6	5.0
Expenses ( - ) (excluding non-recurrent expenses)	57.5	28.8	56.1	28.1	55.4	27.7	55.2	26.6	52.2	25.9	52.1
<b>Core net business profit</b>	<b>33.4</b>	<b>15.7</b>	<b>28.5</b>	<b>15.2</b>	<b>30.9</b>	<b>20.6</b>	<b>37.3</b>	<b>21.7</b>	<b>40.2</b>	<b>21.7</b>	<b>38.0</b>
*excluding gains/losses on cancellation of investment trusts	<b>29.8</b>	<b>15.2</b>	<b>30.0</b>	<b>13.9</b>	<b>30.6</b>	<b>18.9</b>	<b>36.8</b>	<b>21.2</b>	<b>39.9</b>	<b>23.4</b>	<b>45.4</b>
Gains or losses on investment securities	11.8	5.7	7.4	8.6	12.6	5.5	9.6	-1.7	-1.7	-3.5	5.7
Gains (losses) on bonds	-2.7	1.2	0.5	2.8	3.1	0.7	-1.2	-18.1	-28.7	-21.7	-24.5
Gains (losses) on stocks and other securities	14.5	4.4	6.9	5.8	9.4	4.7	10.8	16.3	27.0	18.2	30.2
Net credit costs ( - )	8.7	2.6	4.8	6.5	22.4	2.9	8.3	2.3	1.2	-0.8	1.1
Others	-0.8	0.0	0.4	-0.9	-1.0	0.4	0.4	0.6	1.0	0.6	1.1
<b>Ordinary profit</b>	<b>35.7</b>	<b>18.8</b>	<b>31.5</b>	<b>16.4</b>	<b>20.0</b>	<b>23.6</b>	<b>39.1</b>	<b>18.2</b>	<b>38.3</b>	<b>19.6</b>	<b>43.7</b>
Extraordinary income (losses)	-0.4	-0.1	-0.6	0.1	-0.2	-1.2	0.6	1.2	0.5	-0.2	-0.8
Total income taxes ( - )	11.7	5.2	8.4	4.2	6.3	7.0	13.3	5.6	10.9	4.5	11.8
Profit	23.6	13.4	22.3	12.3	13.5	15.3	26.4	13.7	27.9	14.8	31.1
Profit attributable to non-controlling interests ( - )	0.2	0.0	0.0	—	—	—	—	—	—	—	—
<b>Profit attributable to owners of parent</b>	<b>23.3</b>	<b>13.4</b>	<b>22.2</b>	<b>12.3</b>	<b>13.5</b>	<b>15.3</b>	<b>26.4</b>	<b>13.7</b>	<b>27.9</b>	<b>14.8</b>	<b>31.1</b>
<Various ratio>											
OHR *including gains/losses on cancellation of investment trusts (%)	63.2	64.7	66.3	64.8	64.1	57.4	59.6	55.0	56.4	54.3	57.8
OHR *excluding gains/losses on cancellation of investment trusts (%)	65.8	65.4	65.1	66.9	64.4	59.4	60.0	55.5	56.6	52.4	53.4
ROE (%)	4.4	5.0	4.4	4.8	2.6	5.5	4.9	5.4	5.3	5.7	5.7
<reference>											
Number of Group employees (person)	3,185	3,268	3,159	3,224	3,175	3,240	3,153	3,157	3,061	3,057	2,984
Of which, Bank's employees (person)	2,995	3,066	2,960	3,024	2,976	3,035	2,953	2,957	2,860	2,844	2,768

# Profit and Loss Conditions (Non-consolidated)

	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
(Unit : Billions of yen)											
<b>Core gross business profits</b>	<b>85.6</b>	<b>41.6</b>	<b>78.4</b>	<b>40.1</b>	<b>80.2</b>	<b>44.7</b>	<b>85.2</b>	<b>44.7</b>	<b>85.9</b>	<b>44.2</b>	<b>83.5</b>
Net interest income	74.4	35.8	67.6	34.4	68.5	37.7	72.3	36.7	71.7	35.0	66.3
Of which, Interest on loans and discounts	57.6	28.8	57.0	27.1	54.2	26.7	53.5	28.1	58.7	33.6	69.1
Of which, Interest and dividends on securities	22.7	9.8	15.9	8.2	15.6	10.9	18.8	12.3	26.3	19.8	35.8
Of which, Gain (loss) on cancellation of investment trusts	3.6	0.4	-1.4	1.3	0.3	1.6	0.5	0.4	0.3	-1.6	-7.4
Net fees and commissions	10.5	5.3	9.8	5.4	10.9	6.2	11.0	6.4	11.8	7.9	14.9
Others (excluding gain (loss) on bonds)	0.7	0.4	0.9	0.2	0.7	0.7	1.9	1.4	2.4	1.2	2.2
<b>Expenses ( - ) (excluding non-recurrent expenses)</b>	<b>56.1</b>	<b>28.0</b>	<b>54.4</b>	<b>27.2</b>	<b>53.6</b>	<b>26.8</b>	<b>53.3</b>	<b>25.6</b>	<b>50.2</b>	<b>24.9</b>	<b>50.3</b>
Personnel expenses	30.2	14.9	29.5	15.0	29.4	14.2	28.3	14.2	27.9	14.0	27.7
Non-Personnel expenses	22.7	11.1	22.0	10.4	21.1	10.9	22.1	9.9	19.5	9.5	19.7
Taxes	3.1	1.8	2.8	1.7	2.9	1.5	2.8	1.4	2.7	1.3	2.8
<b>Core net business profit</b>	<b>29.5</b>	<b>13.6</b>	<b>24.0</b>	<b>12.9</b>	<b>26.6</b>	<b>17.9</b>	<b>31.9</b>	<b>19.0</b>	<b>35.6</b>	<b>19.2</b>	<b>33.2</b>
Gains or losses on investment securities	11.7	5.7	5.4	8.6	12.5	5.5	9.6	-1.7	-1.7	-3.5	5.7
Gains (losses) on bonds	-2.7	1.2	0.4	2.8	3.1	0.7	-1.2	-18.1	-28.7	-21.7	-24.5
Gains (losses) on stocks and other securities	14.4	4.4	5.0	5.8	9.3	4.8	10.8	16.3	27.0	18.2	30.2
Net credit costs ( - ) i + ii - iii - iv	7.9	2.3	4.3	5.9	21.0	2.5	7.3	2.3	1.0	-1.1	0.6
Net transfer to general allowance for loan losses i	0.3	-0.6	-1.1	4.3	14.5	0.1	-1.5	0.0	-1.8	-1.6	-1.5
Disposal of non-performing loans ii	7.6	3.0	5.4	1.6	6.4	2.4	8.9	2.3	2.9	0.1	2.1
Of which, Net transfer to specific allowance for loan losses	7.1	2.3	4.4	1.4	5.9	2.2	8.1	2.1	2.6	0.2	1.8
Reversal of allowance for loan losses iii	—	—	—	—	—	—	—	—	—	1.3	—
Recoveries of written off claims ( - ) iv	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-recurrent gains (losses)	-1.3	-0.0	0.2	-1.0	-1.2	0.3	0.2	0.4	0.7	0.4	0.8
<b>Ordinary profit</b>	<b>31.9</b>	<b>17.0</b>	<b>25.3</b>	<b>14.6</b>	<b>16.8</b>	<b>21.2</b>	<b>34.4</b>	<b>15.4</b>	<b>33.5</b>	<b>17.3</b>	<b>39.1</b>
Extraordinary gains (losses)	-0.4	-0.1	-0.6	0.1	-0.2	-1.2	0.6	1.2	0.6	-0.2	-0.8
Total income taxes ( - )	10.5	4.6	6.7	3.8	4.9	6.1	11.7	4.8	9.5	3.5	10.2
<b>Profit</b>	<b>20.9</b>	<b>12.2</b>	<b>17.9</b>	<b>10.9</b>	<b>11.6</b>	<b>13.8</b>	<b>23.3</b>	<b>11.8</b>	<b>24.6</b>	<b>13.4</b>	<b>28.1</b>

# Status of Non-interest Business Profit (Consolidated)

(Unit : Millions of yen)

[Breakdown of Main subsidiary]	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Non-interest business profit</b>	<b>19,162</b>	<b>10,875</b>	<b>20,530</b>	<b>11,707</b>	<b>21,022</b>	<b>12,766</b>	<b>24,214</b>
Of which, Gungin Securities	3,659	1,836	3,549	1,655	2,486	1,373	2,486
Of which, Gungin Leasing	2,685	1,374	2,770	1,339	2,578	1,277	2,537
Of which, Gunma Credit Guarantee *	2,545	1,267	2,517	809	1,613	783	1,547

[Breakdown of non-interest business profit] (Composition ratio on the right)	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Non-interest business profit</b>	<b>19,162</b>	<b>10,875</b>	<b>20,530</b>	<b>11,707</b>	<b>21,022</b>	<b>12,766</b>	<b>24,214</b>
<b>Corporate service revenue</b>	<b>2,983</b>	<b>1,808</b>	<b>4,325</b>	<b>2,984</b>	<b>6,008</b>	<b>3,432</b>	<b>7,571</b>
Syndicate loans	624	346	602	399	917	643	1,461
Structured Covenant loans	343	171	493	204	418	229	416
Business matching	346	241	554	288	625	371	829
Financial instruments intermediation (including Gungin Securities) *	361	140	302	132	172	35	54
M & A	377	157	308	163	392	364	788
Private placement bonds	199	94	194	45	155	111	229
Derivatives (interest rate and foreign exchange)	537	542	1,581	1,500	2,574	788	1,649
Others (including Gungin Consulting) *	191	114	289	251	752	889	2,141
<b>Deposit financial assets revenue</b>	<b>7,140</b>	<b>3,948</b>	<b>7,703</b>	<b>3,685</b>	<b>6,850</b>	<b>3,852</b>	<b>7,624</b>
Investment trust	2,558	1,515	2,886	969	1,848	1,052	2,196
Insurance sales commissions (for individuals) *	1,159	652	1,344	1,043	2,386	1,284	2,628
Gungin Securities (for individuals)	3,297	1,695	3,246	1,523	2,314	1,338	2,431
Commissions for testamentary trust /Inheritance sorting	72	59	173	126	264	158	330
Trust fee	53	25	52	22	36	18	37
<b>Others *</b>	<b>9,038</b>	<b>5,118</b>	<b>8,501</b>	<b>5,039</b>	<b>8,163</b>	<b>5,481</b>	<b>9,018</b>
Of which, Base service commissions (domestic exchange, agency services, etc.)	8,452	4,240	7,974	3,997	8,014	3,997	8,030

\* Based on the Medium-term business plan "Innovation for 'Purpose'" that started in April 2022, the Bank has partially changed the aggregation categories from FY2022.

# Changes in Customer Service Business Profits

(Unit : Billions of yen)

	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Customer service business profit ratio (①÷②) ※</b>	<b>0.14%</b>	<b>0.16%</b>	<b>0.16%</b>	<b>0.11%</b>	<b>0.12%</b>	<b>0.15%</b>	<b>0.13%</b>	<b>0.22%</b>	<b>0.25%</b>	<b>0.38%</b>	<b>0.38%</b>
①Customer service business profit ( i + ii - iii)	9.2	5.4	11.1	4.2	9.2	5.9	10.6	8.8	19.8	15.5	30.8
<b>Loan income ( i ) (See reference below)</b>	<b>56.3</b>	<b>28.2</b>	<b>56.0</b>	<b>26.9</b>	<b>53.9</b>	<b>26.6</b>	<b>53.2</b>	<b>27.7</b>	<b>57.6</b>	<b>32.2</b>	<b>65.6</b>
Net fees and commissions income ( ii )	10.5	5.3	9.8	5.4	10.9	6.2	11.0	6.4	11.8	7.9	14.9
General and administrative expenses ( - ) (iii)	57.6	28.1	54.6	28.2	55.6	26.9	53.6	25.3	49.6	24.6	49.7
②Average deposit balance	6,610.9	6,735.9	6,780.0	7,169.5	7,309.9	7,677.8	7,716.8	7,906.1	7,891.4	8,036.4	8,065.7

\* Each interim period is annualized(365days ÷ 183days).

<b>Core business profit (① + ③)</b>	28.3	14.7	28.5	11.1	24.5	15.1	29	20.7	45.8	37	74.1
①Customer service business profit (see above)	9.2	5.4	11.1	4.2	9.2	5.9	10.6	8.8	19.8	15.5	30.8
③Interest and dividends on securities (excluding gains(losses) on cancellation of investment trusts)	19.1	9.3	17.4	6.9	15.2	9.2	18.3	11.8	26.0	21.5	43.2

<Reference>

<b>Loan income (④×⑤) ※</b>	<b>56.3</b>	<b>28.2</b>	<b>56.0</b>	<b>26.9</b>	<b>53.9</b>	<b>26.6</b>	<b>53.2</b>	<b>27.7</b>	<b>57.6</b>	<b>32.2</b>	<b>65.6</b>
④Deposit and loan direct profit margin ( iv - v )	1.027%	1.023%	1.014%	0.955%	0.948%	0.932%	0.935%	0.955%	0.988%	1.058%	1.062%
Average yield on loans and bills discounted( iv )	1.050%	1.044%	1.033%	0.962%	0.954%	0.936%	0.939%	0.967%	1.007%	1.105%	1.119%
Average yield on deposit ( v )	0.023%	0.021%	0.019%	0.007%	0.006%	0.004%	0.004%	0.012%	0.019%	0.047%	0.057%
⑤Average loan balance	5,491.3	5,509.5	5,523.1	5,634.8	5,689.0	5,694.8	5,700.0	5,799.6	5,835.5	6,077.6	6,181.3

\* Each interim period is annualized(365days ÷ 183days).



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

		(Unit : %)										
[ All branches ]		Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Average yield on interest earning assets</b>	( i )	<b>1.13</b>	<b>1.07</b>	<b>1.01</b>	<b>0.94</b>	<b>0.91</b>	<b>0.85</b>	<b>0.81</b>	<b>0.92</b>	<b>1.00</b>	<b>1.24</b>	<b>1.22</b>
Of which, Average yield on loans and bills discounted	( ii )	1.05	1.04	1.03	0.96	0.95	0.93	0.93	0.96	1.00	1.10	1.11
Of which, Average yield on securities		1.46	1.19	0.96	0.91	0.80	0.93	0.78	1.01	1.07	1.61	1.52
<b>Funding yield</b>	( iii )	<b>0.09</b>	<b>0.08</b>	<b>0.08</b>	<b>0.03</b>	<b>0.02</b>	<b>0.01</b>	<b>0.01</b>	<b>0.08</b>	<b>0.15</b>	<b>0.37</b>	<b>0.38</b>
Of which, Average yield on deposits and negotiable certificates of deposit	( iv )	0.03	0.03	0.03	0.01	0.00	0.00	0.00	0.02	0.03	0.05	0.06
<b>Overall direct profit margin</b>	( i )-(iii)	<b>1.04</b>	<b>0.99</b>	<b>0.93</b>	<b>0.91</b>	<b>0.89</b>	<b>0.84</b>	<b>0.80</b>	<b>0.84</b>	<b>0.85</b>	<b>0.87</b>	<b>0.84</b>
Deposit and loan direct profit margin	( ii )-(iv)	1.02	1.01	1.00	0.95	0.95	0.93	0.93	0.94	0.97	1.05	1.05
Ratio of expenses		0.81	0.79	0.76	0.72	0.70	0.67	0.67	0.62	0.61	0.60	0.60
Average interest rate spread		0.28	0.25	0.22	0.25	0.28	0.32	0.29	0.33	0.34	0.38	0.34

\* Profit margins are calculated on the table.

		(Unit : %)										
[ Domestic transactions ]		Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Average yield on interest earning assets</b>	( i )	<b>1.02</b>	<b>0.97</b>	<b>0.91</b>	<b>0.89</b>	<b>0.85</b>	<b>0.81</b>	<b>0.77</b>	<b>0.79</b>	<b>0.80</b>	<b>0.78</b>	<b>0.74</b>
Of which, Average yield on loans and bills discounted	( ii )	0.98	0.97	0.97	0.94	0.94	0.93	0.93	0.91	0.91	0.89	0.90
Of which, Average yield on securities		1.29	1.08	0.83	0.85	0.65	0.87	0.68	0.74	0.66	0.60	0.39
<b>Funding yield</b>	( iii )	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Of which, Average yield on deposits and negotiable certificates of deposit	( iv )	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Overall direct profit margin</b>	( i )-(iii)	<b>1.01</b>	<b>0.97</b>	<b>0.91</b>	<b>0.89</b>	<b>0.85</b>	<b>0.81</b>	<b>0.77</b>	<b>0.79</b>	<b>0.80</b>	<b>0.78</b>	<b>0.74</b>
Deposit and loan direct profit margin	( ii )-(iv)	0.98	0.97	0.97	0.94	0.94	0.93	0.93	0.91	0.91	0.89	0.90
Ratio of expenses		0.79	0.77	0.75	0.71	0.68	0.65	0.65	0.60	0.60	0.58	0.58
Average interest rate spread		0.26	0.23	0.20	0.23	0.25	0.30	0.27	0.28	0.29	0.29	0.24

\* Profit margins are calculated on the table.

# Changes in Average of Earning Assets and Funds Balance

(Unit : Billions of yen)

Average of earning assets balance [All branches]	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Earning assets in total</b>	<b>7,198.5</b>	<b>7,284.8</b>	<b>7,320.9</b>	<b>7,597.6</b>	<b>7,791.9</b>	<b>8,969.0</b>	<b>9,058.7</b>	<b>8,842.2</b>	<b>8,683.9</b>	<b>8,676.6</b>	<b>8,659.7</b>
Loans	5,491.3	5,509.5	5,523.1	5,634.8	5,689.0	5,694.8	5,700.0	5,799.6	5,835.5	6,077.6	6,181.3
Of which, Large enterprises	657.1	648.9	652.8	681.6	675.4	695.6	696.8	763.3	789.5	922.4	973.7
Of which, Second-tier enterprises	116.8	104.4	99.9	97.8	96.2	92.5	90.2	83.6	81.6	76.7	72.1
Of which, SMEs	2,246.4	2,300.3	2,315.6	2,405.8	2,429.4	2,423.6	2,420.6	2,419.4	2,427.0	2,498.9	2,538.6
Of which, Individuals	2,273.9	2,302.6	2,304.6	2,306.8	2,307.7	2,317.1	2,321.8	2,339.3	2,347.4	2,377.7	2,391.3
Of which, Public loans	142.1	99.5	96.3	90.6	125.8	110.2	107.4	122.7	122.7	113.6	111.3
Securities	1,555.4	1,640.7	1,660.2	1,783.5	1,955.8	2,330.6	2,387.6	2,418.7	2,448.2	2,455.9	2,347.5
Others	151.7	134.5	137.5	179.3	147.0	943.5	970.9	623.8	400.1	142.9	130.8

\* 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.

(Unit : Billions of yen)

Average of funds balance [All branches]	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Funds in total</b>	<b>7,409.4</b>	<b>7,626.0</b>	<b>7,668.0</b>	<b>8,216.3</b>	<b>8,827.0</b>	<b>10,403.7</b>	<b>10,514.0</b>	<b>10,099.2</b>	<b>9,884.2</b>	<b>10,192.2</b>	<b>10,256.2</b>
Deposits	6,610.9	6,735.9	6,780.0	7,169.5	7,309.9	7,677.8	7,716.8	7,906.1	7,891.4	8,036.4	8,065.7
Of which, Individuals	4,885.8	4,958.3	4,995.9	5,179.3	5,249.5	5,419.8	5,456.6	5,553.3	5,572.0	5,628.9	5,665.1
Of which, Corporations	1,465.3	1,519.2	1,534.4	1,704.2	1,761.9	1,903.1	1,895.9	1,925.6	1,918.5	1,977.7	1,972.0
Liquid deposits	4,502.0	4,667.2	4,725.5	5,186.3	5,324.6	5,709.5	5,757.9	6,009.0	6,017.4	6,204.6	6,234.9
Fixed deposits	2,108.9	2,068.7	2,054.5	1,983.1	1,985.3	1,968.2	1,958.8	1,897.1	1,874.0	1,831.8	1,830.8
Call money	26.1	17.8	16.0	16.5	134.9	373.3	359.5	210.6	167.2	200.1	28.9
Borrowings	356.7	425.2	430.2	584.5	789.8	1,391.1	1,425.6	1,136.5	992.3	1,006.2	1,052.6
Others	415.5	447.0	441.7	445.7	592.2	961.3	1,011.9	845.7	833.1	949.3	848.3

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

# Changes in Loans and Deposits (by Region)

(Unit : Billions of yen)

[Loans (ending balance) ]	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Total (domestic branches)</b>	<b>5,512.7</b>	<b>5,509.2</b>	<b>5,548.0</b>	<b>5,650.2</b>	<b>5,695.3</b>	<b>5,671.7</b>	<b>5,757.8</b>	<b>5,786.8</b>	<b>5,974.0</b>	<b>6,156.1</b>	<b>6,364.1</b>
<b>*percentage indicates year-on-year change.</b>	<b>0.79%</b>		<b>0.64%</b>		<b>2.66%</b>		<b>1.10%</b>		<b>3.75%</b>		<b>6.52%</b>
<b>Gunma</b>	<b>2,356.8</b>	<b>2,356.7</b>	<b>2,372.1</b>	<b>2,429.2</b>	<b>2,439.6</b>	<b>2,436.7</b>	<b>2,431.2</b>	<b>2,421.7</b>	<b>2,441.2</b>	<b>2,454.6</b>	<b>2,486.2</b>
Saitama	1,139.4	1,134.6	1,133.1	1,136.7	1,132.5	1,115.3	1,101.7	1,093.3	1,098.5	1,101.4	1,114.0
Tochigi	514.2	510.3	509.4	513.1	509.5	504.0	505.9	501.6	505.5	502.8	512.8
Tokyo, Kanagawa, and Osaka	1,299.8	1,301.5	1,320.9	1,362.9	1,404.5	1,404.3	1,508.7	1,527.4	1,646.5	1,742.2	1,848.5
Head Office, etc.	202.3	205.9	212.3	208.1	209.0	211.2	210.0	242.6	282.2	355.0	402.4

[Deposits (ending balance)]	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Total (domestic branches)</b>	<b>6,797.7</b>	<b>6,785.1</b>	<b>7,030.7</b>	<b>7,355.8</b>	<b>7,734.7</b>	<b>7,693.8</b>	<b>7,943.1</b>	<b>7,859.3</b>	<b>8,025.5</b>	<b>8,032.3</b>	<b>8,216.0</b>
<b>*percentage indicates year-on-year change.</b>	<b>2.18%</b>		<b>3.43%</b>		<b>10.01%</b>		<b>2.69%</b>		<b>1.04%</b>		<b>2.37%</b>
<b>Gunma</b>	<b>5,537.7</b>	<b>5,500.7</b>	<b>5,752.1</b>	<b>5,988.2</b>	<b>6,317.1</b>	<b>6,255.7</b>	<b>6,505.8</b>	<b>6,412.9</b>	<b>6,591.2</b>	<b>6,549.8</b>	<b>6,756.3</b>
Saitama	654.5	654.2	662.4	708.4	731.2	733.1	739.6	743.2	740.3	759.3	755.0
Tochigi	364.9	364.1	369.8	391.4	400.0	405.6	400.1	406.6	397.7	409.2	403.2
Tokyo, Kanagawa, and Osaka	217.6	237.1	215.2	216.5	227.6	235.8	247.1	245.7	248.7	268.1	261.4
Head Office, etc.	22.8	28.9	30.9	51.1	58.6	63.4	50.4	50.6	47.4	45.7	40.0

# Changes in Loans (by Type and by Size)

	(Unit : Billions of yen)										
	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Loans</b>	<b>5,565.4</b>	<b>5,557.3</b>	<b>5,602.3</b>	<b>5,702.3</b>	<b>5,749.6</b>	<b>5,733.9</b>	<b>5,818.1</b>	<b>5,861.1</b>	<b>6,049.7</b>	<b>6,244.7</b>	<b>6,467.8</b>
<b>Domestic branches</b>	<b>5,512.7</b>	<b>5,509.2</b>	<b>5,548.0</b>	<b>5,650.2</b>	<b>5,695.3</b>	<b>5,671.7</b>	<b>5,757.8</b>	<b>5,786.8</b>	<b>5,974.0</b>	<b>6,156.1</b>	<b>6,364.1</b>
<b>Corporations</b>	<b>2,991.5</b>	<b>2,986.3</b>	<b>3,022.3</b>	<b>3,139.6</b>	<b>3,169.4</b>	<b>3,117.5</b>	<b>3,188.3</b>	<b>3,175.9</b>	<b>3,306.0</b>	<b>3,397.3</b>	<b>3,527.8</b>
Large enterprises	554.2	558.0	566.8	579.8	591.5	610.8	676.4	691.8	781.1	853.1	908.7
Second-tier enterprises	110.8	93.6	95.0	95.1	90.8	89.7	81.0	77.4	76.1	71.1	61.7
SMEs	2,326.4	2,334.6	2,360.4	2,464.6	2,487.0	2,416.9	2,430.8	2,406.6	2,448.6	2,473.0	2,557.3
Of which, Excluding strategic branch offices	2,195.1	2,215.5	2,235.8	2,330.6	2,340.7	2,314.8	2,313.2	2,287.7	2,315.5	2,337.4	2,399.0
<b>Public entities</b>	<b>97.8</b>	<b>94.7</b>	<b>87.6</b>	<b>86.3</b>	<b>92.4</b>	<b>110.8</b>	<b>116.7</b>	<b>112.2</b>	<b>110.2</b>	<b>105.9</b>	<b>106.2</b>
Regional public corporations	2.5	1.7	2.4	1.8	2.3	2.0	2.3	1.6	3.1	2.3	3.0
Municipal authorities	95.3	93.0	85.1	84.5	90.0	108.8	114.4	110.6	107.1	103.6	103.1
<b>Central government</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Individuals</b>	<b>2,305.6</b>	<b>2,309.5</b>	<b>2,314.7</b>	<b>2,307.5</b>	<b>2,316.6</b>	<b>2,324.7</b>	<b>2,337.0</b>	<b>2,351.0</b>	<b>2,373.7</b>	<b>2,394.6</b>	<b>2,425.4</b>
Housing-related loans	2,230.2	2,228.3	2,233.3	2,229.1	2,237.3	2,246.2	2,257.0	2,269.8	2,288.5	2,288.5	2,333.3
Housing loans	1,317.0	1,313.7	1,312.4	1,314.9	1,328.7	1,341.2	1,355.4	1,367.4	1,381.6	1,398.4	1,416.2
Apartment loans	631.6	641.7	651.4	649.7	649.8	649.4	650.0	653.6	660.1	666.8	677.3
Others	281.5	272.8	269.4	264.4	258.7	255.5	251.5	248.7	246.7	223.2	239.7
Unsecured consumer loans	51.5	53.2	54.6	53.7	54.7	55.4	57.3	58.7	62.9	66.6	71.3
Other loans to individuals	23.9	27.9	26.7	24.6	24.4	23.0	22.5	22.4	22.2	39.5	20.8
<b>Cross-border loans, etc.</b>	<b>117.6</b>	<b>118.5</b>	<b>123.3</b>	<b>116.6</b>	<b>116.7</b>	<b>118.5</b>	<b>115.7</b>	<b>147.7</b>	<b>183.9</b>	<b>258.2</b>	<b>304.6</b>
<b>Overseas branch</b>	<b>52.7</b>	<b>48.0</b>	<b>54.2</b>	<b>52.1</b>	<b>54.2</b>	<b>62.1</b>	<b>60.2</b>	<b>74.2</b>	<b>75.6</b>	<b>88.5</b>	<b>103.6</b>

\* Cross-border loans, etc. includes structured finance.

# Changes in Loans to SMEs (by Industry)

(Unit : Billions of yen)

	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Manufacturing</b>	<b>453.2</b>	<b>457.9</b>	<b>463.2</b>	<b>480.8</b>	<b>482.1</b>	<b>475.6</b>	<b>472.8</b>	<b>475.1</b>	<b>480.6</b>	<b>485.0</b>	<b>485.0</b>
Gunma	268.3	276.4	279.1	296.3	300.3	297.1	298.0	300.1	301.4	305.9	305.3
Saitama	93.8	92.2	93.6	92.0	91.3	88.9	85.0	83.8	84.3	83.2	82.5
Tochigi	62.6	61.3	62.8	63.6	62.1	61.4	62.1	63.3	66.0	66.0	67.5
Tokyo and Kanagawa	22.8	22.3	21.8	23.0	22.6	22.6	22.4	22.1	22.3	22.7	22.2
Others	5.6	5.6	5.6	5.7	5.7	5.4	5.0	5.6	6.5	7.1	7.3
<b>Construction</b>	<b>168.0</b>	<b>159.9</b>	<b>165.0</b>	<b>176.2</b>	<b>188.6</b>	<b>183.1</b>	<b>185.5</b>	<b>181.1</b>	<b>187.8</b>	<b>181.7</b>	<b>189.8</b>
Gunma	101.9	97.8	102.8	109.2	118.0	112.2	114.5	108.9	115.0	109.9	115.3
Saitama	30.9	27.5	28.5	29.8	30.5	30.6	30.7	30.6	30.6	30.6	32.1
Tochigi	18.5	17.6	17.4	19.8	21.9	21.8	21.6	21.7	22.2	21.5	21.6
Tokyo and Kanagawa	15.2	15.3	14.1	15.1	15.2	15.8	15.9	17.4	17.5	17.4	18.3
Others	1.5	1.7	2.0	2.2	2.7	2.4	2.6	2.4	2.3	2.1	2.3
<b>Wholesaling and retailing</b>	<b>324.2</b>	<b>336.4</b>	<b>332.1</b>	<b>350.6</b>	<b>352.7</b>	<b>352.2</b>	<b>355.3</b>	<b>352.9</b>	<b>358.6</b>	<b>367.0</b>	<b>385.6</b>
Gunma	168.3	180.2	177.1	186.5	189.7	191.4	193.9	196.9	197.0	202.1	217.3
Saitama	74.5	76.5	76.5	83.0	83.5	80.3	78.4	74.9	79.0	78.0	81.2
Tochigi	36.0	35.8	35.7	37.7	38.1	38.8	40.5	40.3	41.6	41.7	42.5
Tokyo and Kanagawa	41.2	39.7	38.3	39.2	37.6	38.0	38.7	37.2	37.7	41.7	41.2
Others	4.2	4.2	4.3	3.9	3.7	3.6	3.5	3.3	3.1	3.2	3.2
<b>Real estate</b>	<b>469.5</b>	<b>465.0</b>	<b>464.8</b>	<b>452.8</b>	<b>448.7</b>	<b>438.3</b>	<b>441.9</b>	<b>450.3</b>	<b>459.8</b>	<b>477.4</b>	<b>498.3</b>
Gunma	124.3	123.5	126.9	126.0	128.3	127.1	128.6	127.8	131.3	130.8	132.9
Saitama	155.6	155.6	155.4	151.3	148.4	139.4	139.0	139.9	140.2	141.8	144.5
Tochigi	53.9	52.9	51.1	49.7	48.0	47.0	48.1	48.1	48.8	50.1	52.7
Tokyo and Kanagawa	132.1	128.8	127.1	121.1	119.2	120.1	120.8	129.3	134.1	149.0	162.2
Others	3.6	4.2	4.1	4.4	4.7	4.5	5.2	5.0	5.2	5.4	5.9
<b>Healthcare and public welfare</b>	<b>267.3</b>	<b>269.4</b>	<b>271.0</b>	<b>293.5</b>	<b>292.6</b>	<b>289.9</b>	<b>291.1</b>	<b>285.0</b>	<b>283.5</b>	<b>282.9</b>	<b>285.6</b>
Gunma	114.4	114.2	115.7	124.8	122.7	122.5	122.3	118.3	116.7	116.2	115.3
Saitama	64.9	64.9	62.8	65.8	64.5	64.2	65.6	64.7	64.5	64.9	66.1
Tochigi	14.4	14.6	14.9	15.5	15.2	15.1	14.8	14.5	14.6	14.5	14.2
Tokyo and Kanagawa	70.6	73.0	74.8	84.7	87.2	86.6	87.0	86.1	86.3	85.9	88.5
Others	2.9	2.7	2.6	2.6	2.6	1.3	1.3	1.3	1.3	1.2	1.3
<b>Other services</b>	<b>238.8</b>	<b>241.5</b>	<b>238.1</b>	<b>266.4</b>	<b>268.4</b>	<b>264.3</b>	<b>260.7</b>	<b>247.3</b>	<b>247.7</b>	<b>246.3</b>	<b>250.2</b>
Gunma	129.9	130.1	129.2	148.1	151.1	148.8	147.7	138.6	139.4	139.7	139.6
Saitama	50.2	49.9	49.4	53.5	54.7	53.7	50.9	49.1	50.2	48.7	51.1
Tochigi	28.6	30.1	29.2	31.2	31.7	30.7	30.5	28.4	28.8	28.4	28.4
Tokyo and Kanagawa	27.4	29.5	28.3	31.3	28.6	28.8	28.5	28.2	26.3	26.4	27.9
Others	2.6	1.8	1.9	2.1	2.2	2.2	2.9	2.9	2.9	2.8	2.9

# Status of Housing-related Loans

(Unit : Billions of yen)

[outstanding loan by region]	Sep. 2018	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Housing loans</b>	<b>1,316.3</b>	<b>1,317.0</b>	<b>1,313.7</b>	<b>1,312.4</b>	<b>1,314.9</b>	<b>1,328.7</b>	<b>1,341.2</b>	<b>1,348.9</b>	<b>1,367.4</b>	<b>1,381.6</b>	<b>1,398.4</b>	<b>1,416.2</b>
Gunma	703.4	701.5	698.3	698.1	699.2	709.3	721.7	728.9	747.1	760.3	772.8	784.1
Saitama	327.7	326.5	324.1	320.9	318.8	318.2	317.0	317.4	317.2	317.8	319.4	322.1
Tochigi	115.8	114.4	113.1	111.2	110.1	108.9	107.7	107.3	104.7	103.5	102.0	101.5
Tokyo and Kanagawa	169.4	174.4	178.0	182.0	186.6	192.2	194.6	195.2	198.2	199.8	204.1	208.3
<b>Apartment loans</b>	<b>613.3</b>	<b>631.6</b>	<b>641.7</b>	<b>651.4</b>	<b>649.7</b>	<b>649.8</b>	<b>649.4</b>	<b>647.9</b>	<b>653.6</b>	<b>660.1</b>	<b>666.8</b>	<b>677.3</b>
Gunma	257.8	259.3	259.6	259.9	256.7	250.4	247.5	245.4	243.1	241.4	239.8	234.4
Saitama	141.4	147.7	150.2	154.0	154.2	158.8	160.2	160.8	163.8	166.0	170.5	177.7
Tochigi	112.4	114.6	116.1	116.0	115.5	115.2	114.2	113.5	112.3	111.8	110.6	113.1
Tokyo and Kanagawa	101.6	109.8	115.6	121.3	123.1	125.3	127.3	128.0	134.3	140.7	145.7	152.0

<b>【DTI on Housing loan】</b>	Mar. 2023	Mar. 2024
Total(Based on number of executions)	100%	100%
0~29%	54%	48%
30%~39%	38%	41%
40%~	8%	11%

DTI : Annual repayment amount / Total annual income  
(Including annual income of joint and several debtors, etc.)

<b>【LTV on Housing loan】</b>	Mar. 2023	Mar. 2024
Total(Based on number of executions)	100%	100%
0%~79%	13%	12%
80%~99%	13%	11%
100%~119%	30%	27%
120%~	44%	50%

LTV : (This loan amount+Priority amount) / Collateral valuation

	Mar. 2022		Mar. 2023		Mar. 2024	
[Status of loans for investment real estate]	balance	composition ratio	balance	composition ratio	balance	composition ratio
<b>For investment real estate</b>	<b>999.2</b>	<b>17.2%</b>	<b>998.6</b>	<b>16.5%</b>	<b>1,003.0</b>	<b>15.5%</b>
Of which, whole building	197.0	3.4%	186.4	3.1%	177.1	2.7%
Of which, asset management companies	53.6	0.9%	50.9	0.8%	49.4	0.7%
Of which, salaried workers	31.2	0.5%	29.1	0.5%	26.0	0.4%
<b>Default rate</b>	<b>0.25%</b>	—	<b>0.01%</b>	—	—	—
Of which, apartment loans	0.04%	—	0.02%	—	—	—
<b>Vacancy rate</b>	<b>3.4%</b>	—	<b>2.8%</b>	—	—	—
Of which, Maebashi area	5.8%	—	4.5%	—	—	—
Of which, Tokyo, Kanagawa	1.8%	—	2.1%	—	—	—
<b>DSCR</b>	<b>1.36times</b>	—	<b>1.35times</b>	—	—	—
Of which, Maebashi area	1.33times	—	1.35times	—	—	—
Of which, Tokyo, Kanagawa	1.47times	—	1.44times	—	—	—

\* 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, for investment purposes.

\* Default rate is based on amount. Cases in inheritance proceedings are excluded.



# Status of Investment in Securities

(Unit : Millions of yen)

[Breakdown of gains or losses on investment securities]	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Gains or losses on investment securities</b>	<b>5,549</b>	<b>9,641</b>	<b>-1,740</b>	<b>-1,768</b>	<b>-3,562</b>	<b>5,725</b>
<b>Gains (losses) on bonds</b>	<b>742</b>	<b>-1,216</b>	<b>-18,139</b>	<b>-28,793</b>	<b>-21,781</b>	<b>-24,561</b>
Gain on sales	3,547	4,453	3,158	3,220	1,216	1,317
Gain on redemption	—	—	—	—	—	—
Loss on sales ( - )	2,805	5,670	21,044	31,483	22,625	25,376
Loss on redemption ( - )	—	—	252	530	371	501
Loss on devaluation ( - )	—	—	—	—	1	0
<b>Gains (losses) on stocks and other securities</b>	<b>4,807</b>	<b>10,858</b>	<b>16,398</b>	<b>27,025</b>	<b>18,219</b>	<b>30,286</b>
Gain on sales	6,076	14,634	17,360	28,578	19,003	32,059
Loss on sales ( - )	1,194	3,701	814	1,382	784	1,749
Loss on devaluation ( - )	74	74	146	170	—	23

(Unit : Billions of yen)

[Breakdown of other securities]	Sep. 2021		Mar. 2022		Sep. 2022		Mar. 2023		Sep. 2023		Mar. 2024	
	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
<b>Other securities</b>	<b>2,363.5</b>	<b>(104.3)</b>	<b>2,450.9</b>	<b>(45.7)</b>	<b>2,372.4</b>	<b>(-14.5)</b>	<b>2,618.3</b>	<b>(-6.6)</b>	<b>2,323.5</b>	<b>(-8.2)</b>	<b>2,213.8</b>	<b>(30.5)</b>
<b>Domestic bonds</b>	<b>1,783.9</b>	<b>(6.4)</b>	<b>1,761.7</b>	<b>(-13.8)</b>	<b>1,728.1</b>	<b>(-32.9)</b>	<b>1,780.0</b>	<b>(-34.7)</b>	<b>1,376.1</b>	<b>(-36.0)</b>	<b>1,278.4</b>	<b>(-28.3)</b>
Government bonds	838.6	(1.2)	801.6	(-13.1)	775.8	(-27.7)	811.7	(-27.8)	406.1	(-19.7)	354.7	(-14.2)
Municipal bonds	747.5	(4.0)	764.1	(0.0)	761.1	(-3.1)	772.2	(-3.8)	773.2	(-10.1)	732.9	(-7.7)
Corporate bonds	197.7	(1.0)	195.9	(-0.6)	191.1	(-2.1)	196.0	(-2.9)	196.7	(-6.1)	190.7	(-6.3)
<b>Stocks</b>	<b>130.8</b>	<b>(83.3)</b>	<b>128.0</b>	<b>(67.7)</b>	<b>130.8</b>	<b>(49.8)</b>	<b>145.9</b>	<b>(54.5)</b>	<b>145.3</b>	<b>(62.7)</b>	<b>142.4</b>	<b>(75.9)</b>
<b>Investment trusts</b>	<b>163.0</b>	<b>(7.2)</b>	<b>187.1</b>	<b>(-0.2)</b>	<b>150.6</b>	<b>(-16.7)</b>	<b>253.3</b>	<b>(-26.3)</b>	<b>261.7</b>	<b>(-23.0)</b>	<b>231.7</b>	<b>(-20.7)</b>
<b>Foreign securities</b>	<b>280.5</b>	<b>(6.6)</b>	<b>367.6</b>	<b>(-8.3)</b>	<b>356.1</b>	<b>(-15.1)</b>	<b>432.5</b>	<b>(-0.4)</b>	<b>534.4</b>	<b>(-12.1)</b>	<b>553.6</b>	<b>(3.6)</b>
Yen-denominated securities	4.1	(0.0)	4.1	(0.0)	4.1	(0.0)	4.1	(0.0)	6.6	(0.0)	6.8	(0.0)
Foreign-currency securities	276.3	(6.6)	363.4	(-8.3)	351.9	(-15.1)	428.3	(-0.4)	527.7	(-12.1)	546.7	(3.6)
<b>Others</b>	<b>5.0</b>	<b>(0.6)</b>	<b>6.3</b>	<b>(0.4)</b>	<b>6.7</b>	<b>(0.4)</b>	<b>6.4</b>	<b>(0.4)</b>	<b>5.8</b>	<b>(0.2)</b>	<b>7.6</b>	<b>(0.1)</b>

[Bond average yield and duration]	Sep. 2021		Mar. 2022		Sep. 2022		Mar. 2023		Sep. 2023		Mar. 2024	
	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 (%)	0.29	1.19	0.25	1.27	0.25	2.18	0.26	3.18	0.35	5.35	0.35	5.48
Modified duration (year)	7.86	4.03	8.08	5.36	7.91	3.69	7.59	3.19	6.09	4.01	5.87	3.45

# Status of Marketing Capability for Personal Deposit Financial Assets

(Unit : Billions of yen)

[ Balance of deposit financial assets ]	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Individuals</b>	<b>870.7</b>	<b>901.5</b>	<b>926.0</b>	<b>940.1</b>	<b>966.1</b>	<b>1,012.3</b>	<b>1,063.6</b>
Investment trust	244.5	256.7	255.7	238.0	241.2	261.2	281.6
Pension insurance, etc.	474.8	481.4	492.5	512.6	520.7	553.9	573.3
Public bonds (JGBs)	37.1	36.3	33.3	30.0	27.4	25.7	24.1
Gungin Securities (directly sale and intermediation)	114.1	127.0	144.4	159.4	176.6	171.3	184.5
<b>Corporations, etc.</b>	<b>65.1</b>	<b>71.6</b>	<b>80.6</b>	<b>88.6</b>	<b>93.0</b>	<b>89.1</b>	<b>90.6</b>
Bank, non-consolidated	14.5	14.6	14.6	14.6	15.3	17.4	19.4
Gungin Securities (directly sale and intermediation)	50.5	57.0	65.9	74.0	77.7	71.6	71.1
<b>Total</b>	<b>935.8</b>	<b>973.2</b>	<b>1,006.6</b>	<b>1,028.8</b>	<b>1,059.2</b>	<b>1,101.4</b>	<b>1,154.2</b>

[Sales amount for marketing capability for deposit financial assets]	Mar. 2022	Mar. 2023			Mar.2024		
	Total	First half	Second half	Total	First half	Second half	Total
Investment trust	89.1	26.5	24.1	50.7	38.1	44.0	82.1
Pension insurance, etc.	42.7	30.9	36.5	67.5	33.0	36.5	69.6
Public bonds (JGBs)	31.4	18.5	13.0	31.5	8.8	5.6	14.4
Gungin Securities (directly sale and intermediation)	117.1	57.5	38.1	95.6	61.2	43.0	104.2
<b>Total</b>	<b>280.5</b>	<b>133.5</b>	<b>111.9</b>	<b>245.4</b>	<b>141.2</b>	<b>129.3</b>	<b>270.6</b>

\*1 From the second half of Mar. 2021, "Investment trust" and "Pension insurance, etc." include the sales amount of corporations, etc.

\*2 From the first half of Mar. 2022 (Sep. 2021), "Public bonds (JGBs) " includes the sales amount of corporations, etc. and bond intermediation, and "Gungin Securities" includes the sales amount of corporations, etc.

# Status of Disclosed Claims under the Financial Reconstruction Law ("FRL") and the Self - Assessment Guideline

(Unit : Billions of yen)

[Breakdown of disclosed claims under the FRL]	Sep. 2021		Mar. 2022		Sep. 2022		Mar. 2023		Sep. 2023		Mar. 2024	
<b>Disclosed Claims under the FRL</b>	<b>119.9</b>	<b>100.0%</b>	<b>120.3</b>	<b>100.0%</b>	<b>115.4</b>	<b>100.0%</b>	<b>110.7</b>	<b>100.0%</b>	<b>106.6</b>	<b>100.0%</b>	<b>103.5</b>	<b>100.0%</b>
(By industry)												
Of which, Manufacturing	30.1	25.1%	35.2	29.3%	33.9	29.4%	33.2	30.1%	32.6	30.6%	28.8	27.9%
Of which, Wholesaling and retailing	21.2	17.7%	18.5	15.4%	17.4	15.1%	16.7	15.1%	15.8	14.9%	14.7	14.2%
Of which, Healthcare and public welfare	12.3	10.3%	13.0	10.9%	12.8	11.2%	13.2	12.0%	13.2	12.4%	14.0	13.5%
Of which, Real estate and goods rental	10.5	8.8%	10.2	8.5%	8.8	7.7%	8.6	7.8%	7.6	7.1%	7.6	7.4%
Of which, Other services	21.4	17.9%	20.0	16.7%	20.0	17.4%	16.6	15.1%	15.5	14.6%	15.7	15.2%
<b>Ratio of Disclosed Claims under the FRL</b>	<b>2.09%</b>		<b>2.03%</b>		<b>1.94%</b>		<b>1.81%</b>		<b>1.69%</b>		<b>1.58%</b>	
* Ratio in the case where partial direct write-offs are executed	1.77%		1.73%		1.68%		1.55%		1.39%		1.31%	

\* The table above shows domestic branch's loans excluding loans booked at offshore markets. And only loans are covered.

[Status of coverage]	Sep. 2021		Mar. 2022		Sep. 2022		Mar. 2023		Sep. 2023		Mar. 2024	
<b>Coverage ratio</b>	<b>69.5%</b>		<b>71.0%</b>		<b>69.7%</b>		<b>70.4%</b>		<b>73.1%</b>		<b>73.2%</b>	
Total coverage	83.4		85.4		80.5		78.0		78.0		75.8	
Value coverage by collateral and guarantees	50.8		51.4		48.8		48.4		50.3		49.6	
Allowance for loan losses	32.6		34.0		31.6		29.6		27.6		26.1	
Disclosed claims under the "FRL"	120.0		120.3		115.4		110.7		106.7		103.5	

[Credit balance under the self-assessment guideline]	Sep. 2021		Mar. 2022		Sep. 2022		Mar. 2023		Sep. 2023		Mar. 2024	
<b>Total</b>	<b>5,814.3</b>	<b>100.0%</b>	<b>5,905.5</b>	<b>100.0%</b>	<b>5,926.2</b>	<b>100.0%</b>	<b>6,108.6</b>	<b>100.0%</b>	<b>6,305.4</b>	<b>100.0%</b>	<b>6,526.6</b>	<b>100.0%</b>
( by borrower classification )												
Normal borrowers	5,131.0	88.2%	5,237.1	88.7%	5,288.6	89.2%	5,492.1	89.9%	5,730.7	90.9%	5,963.8	91.4%
Borrowers requiring caution	502.9	8.7%	478.0	8.1%	456.1	7.7%	442.5	7.2%	402.9	6.4%	394.3	6.0%
Potentially bankrupt borrowers	43.4	0.7%	48.3	0.8%	45.5	0.8%	41.6	0.7%	37.2	0.6%	36.6	0.6%
Effectively bankrupt borrowers	19.1	0.3%	16.8	0.3%	15.5	0.3%	15.9	0.3%	20.9	0.3%	21.2	0.3%
Bankrupt borrowers	8.9	0.2%	10.5	0.2%	9.6	0.2%	9.0	0.1%	9.7	0.2%	7.3	0.1%
Others (municipal authorities, etc.)	108.9	1.9%	114.5	1.9%	110.6	1.9%	107.1	1.8%	103.6	1.6%	103.2	1.6%

[Allowance for loan losses]	Sep. 2021		Mar. 2022		Sep. 2022		Mar. 2023		Sep. 2023		Mar. 2024	
<b>Allowance for loan losses</b>	<b>45.9</b>		<b>46.2</b>		<b>43.9</b>		<b>40.0</b>		<b>36.9</b>		<b>35.4</b>	
General allowance	16.9		15.3		15.3		13.4		11.8		11.8	
Specific allowance	28.9		30.9		28.5		26.6		25.1		23.5	

# Status of Transition in Loans by Borrower Category

[Numbers of borrowers] (Unit : ahead)			Mar. 2024									Total	
			Normal borrowers	Expected loss( i )	Expected loss( ii )	Potentially bankrupt borrowers	Effectively bankrupt borrowers	Bankrupt borrowers	Others	Breakdown: full recovery/ repayment	Breakdown: sale and write-off of loans	Upgrade	Down grade
Mar. 2023	Normal borrowers	21,910	19,398	930	30	9	17	4	1,522	1,522	—	—	990
	Expected loss ( i )	6,141	873	4,609	34	58	52	21	494	493	1	873	165
	Expected loss ( ii )	492	23	42	363	25	11	11	17	17	—	65	47
	Potentially bankrupt borrowers	529	—	8	9	459	20	9	24	23	1	* Below potentially bankrupt borrowers	
	Effectively bankrupt borrowers	242	—	—	—	1	146	6	89	45	44	17	—
	Bankrupt borrowers	74	—	—	—	—	—	31	43	8	35		
	Total	29,388	20,294	5,589	436	552	246	82	2,189	2,108	81	955	1,202

[Amount] (Unit : Billions of yen)			Mar. 2024									Total	
			Normal borrowers	Expected loss( i )	Expected loss( ii )	Potentially bankrupt borrowers	Effectively bankrupt borrowers	Bankrupt borrowers	Others	Breakdown: full recovery/ repayment	Breakdown: sale and write-off of loans	Upgrade	Down grade
Mar. 2023	Normal borrowers	3,174.8	3,066.1	44.7	3.6	0.6	0.5	1.7	57.2	57.2	—	—	51.4
	Expected loss ( i )	293.9	49.6	228.7	3.6	2.8	1.6	1.2	6.0	6.0	0.0	49.6	9.5
	Expected loss ( ii )	80.0	5.3	6.9	59.6	5.0	1.2	0.9	0.9	0.9	—	12.2	7.2
	Potentially bankrupt borrowers	38.4	—	0.9	0.3	27.0	9.2	0.5	0.3	0.2	0.0	* Below potentially bankrupt borrowers	
	Effectively bankrupt borrowers	13.5	—	—	—	0.0	10.0	0.2	3.2	1.6	1.5	1.3	—
	Bankrupt borrowers	8.8	—	—	—	—	—	6.4	2.4	0.5	1.9		
	Total	3,609.7	3,121.1	281.3	67.3	35.6	22.8	11.1	70.2	66.8	3.4	63.2	68.1

(Notes) 1. What is shown here is transition in borrower categories from the end of March 2023 to the end of March 2024.

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. "Others" in the table above is the number of borrowers who have resolved outstanding balances in FY2023 by full collection or repayment, final disposal (such as sale of loans), or other means.

The table below calculates the reduced amount.

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

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

# Status of Capital

(Unit : Billions of yen)

[Consolidated]	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Total capital</b>	<b>529.9</b>	<b>557.4</b>	<b>505.7</b>	<b>536.4</b>	<b>564.9</b>	<b>574.9</b>	<b>541.3</b>	<b>507.4</b>	<b>529.9</b>	<b>523.9</b>	<b>570.6</b>
Common equity Tier1 capital	495.6	512.9	454.5	485.1	513.8	523.7	490.1	458.4	478.7	482.8	519.5
Other Tier1 capital	2.7	2.9	—	—	—	—	—	—	—	—	10.0
Tier2 capital	31.5	41.6	51.2	51.2	51.1	51.1	51.2	49.0	51.1	41.1	41.1
<b>Risk assets</b>	<b>4,325.8</b>	<b>4,296.8</b>	<b>4,232.1</b>	<b>4,265.9</b>	<b>4,433.4</b>	<b>4,352.9</b>	<b>4,362.2</b>	<b>4,146.2</b>	<b>3,834.6</b>	<b>3,901.3</b>	<b>3,840.1</b>
<b>Total capital ratio</b>	<b>12.25%</b>	<b>12.97%</b>	<b>11.95%</b>	<b>12.57%</b>	<b>12.74%</b>	<b>13.20%</b>	<b>12.40%</b>	<b>12.23%</b>	<b>13.82%</b>	<b>13.43%</b>	<b>14.86%</b>
Tier1 ratio	11.52%	12.00%	10.74%	11.37%	11.58%	12.03%	11.23%	11.05%	12.48%	12.37%	13.79%
Common equity Tier1 ratio	11.45%	11.93%	10.74%	11.37%	11.58%	12.03%	11.23%	11.05%	12.48%	12.37%	13.52%
* excluding valuation difference on available-for-sale securities	(9.65%)	(9.85%)	(9.99%)	(10.18%)	(9.97%)	(10.33%)	(10.46%)	(11.05%)	(12.48%)	(12.37%)	(12.91%)

\*deduct if valuation difference on available-for-sale securities are positive.

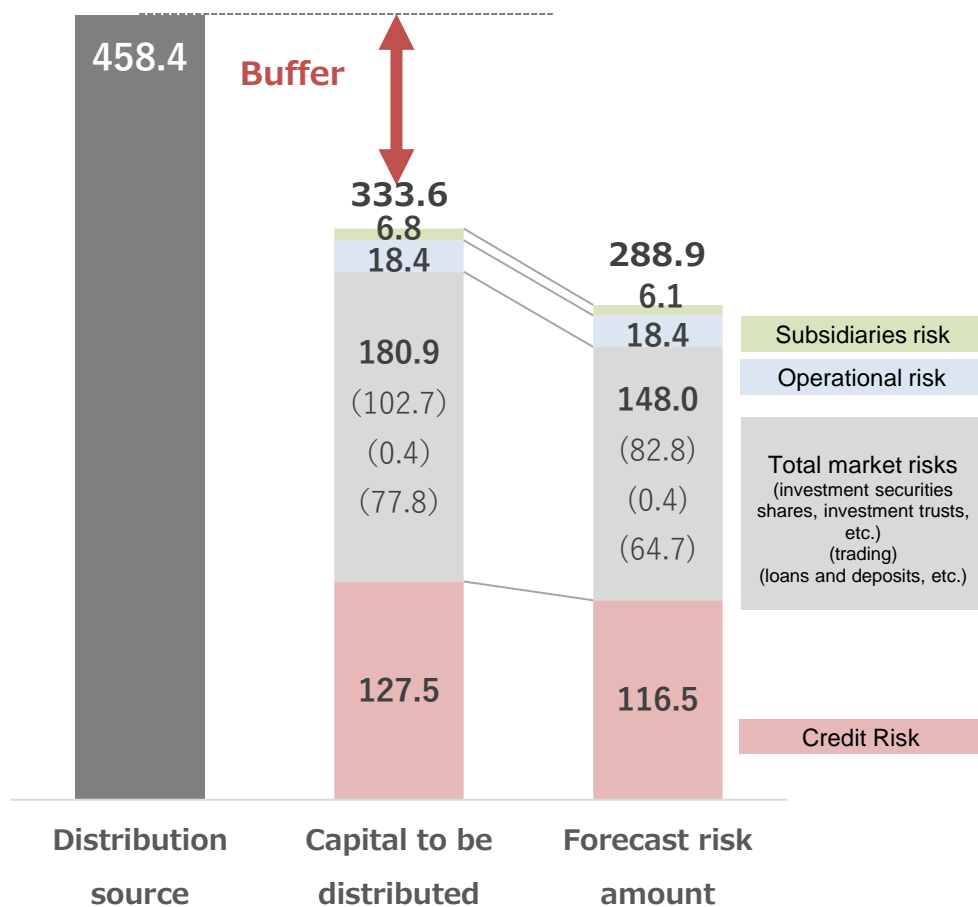
[Non-consolidated]	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024
<b>Total capital</b>	<b>504.8</b>	<b>530.9</b>	<b>483.4</b>	<b>512.2</b>	<b>533.6</b>	<b>542.0</b>	<b>506.0</b>	<b>466.0</b>	<b>492.0</b>	<b>484.6</b>	<b>529.1</b>
Common equity Tier1 capital	474.7	490.9	433.4	462.1	483.5	491.9	456.3	421.4	442.0	444.6	479.1
Other Tier1 capital	—	—	—	—	—	—	—	—	—	—	10.0
Tier2 capital	30.0	40.0	50.0	50.0	50.1	50.0	49.6	44.6	50.0	40.0	40.0
<b>Risk assets</b>	<b>4,263.2</b>	<b>4,230.2</b>	<b>4,175.5</b>	<b>4,209.7</b>	<b>4,378.2</b>	<b>4,292.6</b>	<b>4,300.2</b>	<b>4,072.8</b>	<b>3,718.0</b>	<b>3,780.3</b>	<b>3,741.3</b>
<b>Total capital ratio</b>	<b>11.84%</b>	<b>12.55%</b>	<b>11.57%</b>	<b>12.16%</b>	<b>12.18%</b>	<b>12.62%</b>	<b>11.76%</b>	<b>11.44%</b>	<b>13.23%</b>	<b>12.82%</b>	<b>14.14%</b>
Tier1 ratio	11.13%	11.60%	10.37%	10.97%	11.04%	11.46%	10.61%	10.34%	11.88%	11.76%	13.07%
Common equity Tier1 ratio	11.13%	11.60%	10.37%	10.97%	11.04%	11.46%	10.61%	10.34%	11.88%	11.76%	12.80%
* excluding valuation difference on available-for-sale securities	(9.32%)	(9.51%)	(9.64%)	(9.80%)	(9.43%)	(9.76%)	(9.86%)	(10.34%)	(11.88%)	(11.76%)	(12.23%)

\*deduct if valuation difference on available-for-sale securities are positive.

# Status of Capital Distribution

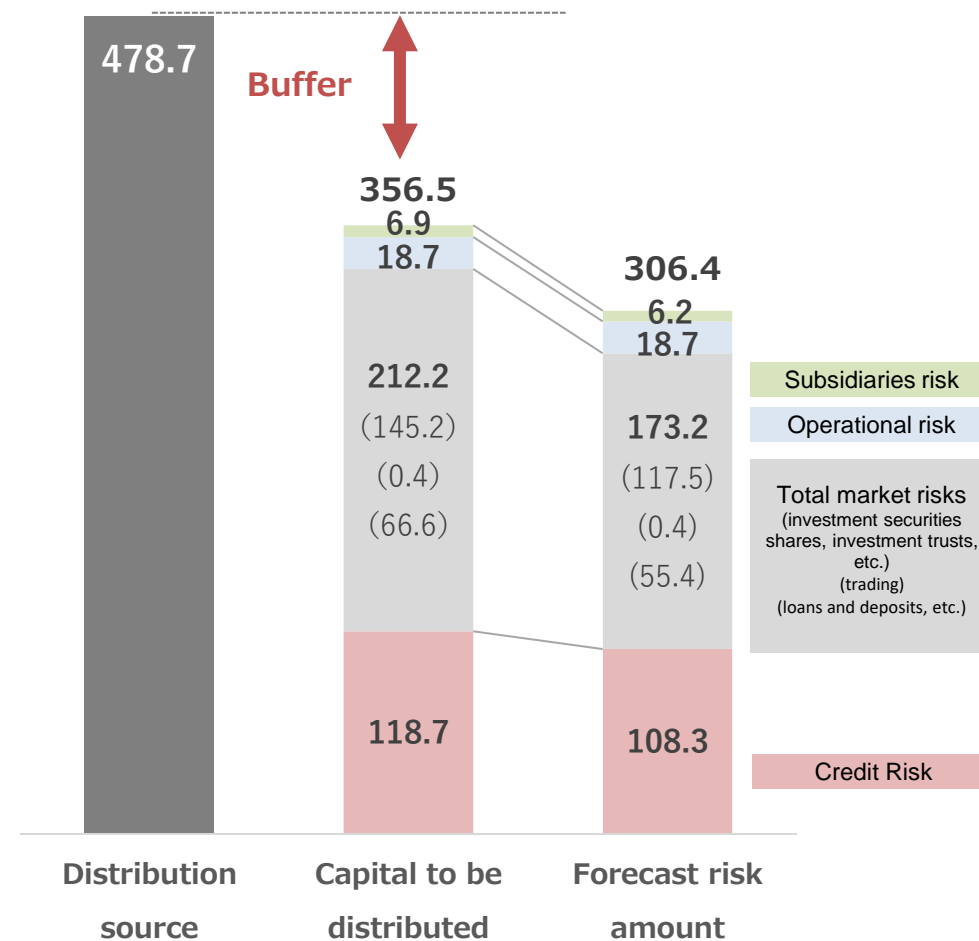
## First half of FY2023

(Unit : Billions of yen)



## Second half of FY2023

(Unit : Billions of yen)



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 gains/losses from valuation, etc."



# Status of Shareholders

[Shareholder composition]	Mar. 2020		Mar. 2021		Mar. 2022		Mar. 2023		(Unit : 1,000 shares) Mar. 2024	
	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 institutions	153,409	35.19%	157,158	36.05%	142,105	33.37%	134,233	31.52%	131,019	30.76%
Securities companies	4,509	1.04%	5,828	1.34%	10,296	2.42%	8,733	2.05%	9,805	2.30%
Other domestic corporations	78,415	17.99%	75,818	17.39%	74,055	17.39%	71,496	16.79%	66,514	15.62%
Government and municipalities	8,332	1.91%	8,332	1.91%	8,332	1.96%	8,335	1.96%	8,335	1.96%
Foreign corporations/ Foreign individuals	77,547	17.79%	75,082	17.23%	72,552	17.03%	79,016	18.55%	81,628	19.17%
Individuals/others (employees,etc.)	97,297	22.32%	98,118	22.51%	103,320	24.26%	104,728	24.59%	95,185	22.35%
Treasury shares	16,375	3.76%	15,548	3.57%	15,224	3.57%	19,344	4.54%	33,399	7.84%
<b>Total</b>	<b>435,888</b>	<b>100%</b>	<b>435,888</b>	<b>100%</b>	<b>425,888</b>	<b>100%</b>	<b>425,888</b>	<b>100%</b>	<b>425,888</b>	<b>100%</b>

			(Unit : 1,000 shares)		
[Status of major shareholders (Mar. 2023)]	Ownership of shares	Ratio of shareholding	[Status of major shareholders (Mar. 2024)]	Ownership of shares	Ratio of shareholding
The Master Trust bank of Japan, Ltd. (Account in trust)	57,338	14.10%	The Master Trust bank of Japan, Ltd. (Account in trust)	54,056	13.77%
Custody Bank of Japan, Ltd. (Account in trust)	20,074	4.93%	Custody Bank of Japan, Ltd. (Account in trust)	26,047	6.63%
Gunma Bank Employees' Shareholding Association	13,019	3.20%	Gunma Bank Employees' Shareholding Association	11,396	2.90%
Sumitomo Life Insurance Company	10,657	2.62%	Sumitomo Life Insurance Company	10,657	2.71%
Meiji Yasuda Life Insurance Company	10,504	2.58%	Meiji Yasuda Life Insurance Company	9,398	2.39%
Toyo Seikan Group Holdings, Ltd.	7,330	1.80%	Toyo Seikan Group Holdings, Ltd.	7,330	1.86%
Nippon Life Insurance Company	6,467	1.59%	Nippon Life Insurance Company	6,467	1.64%
DFA INTL SMALL CAP VALUE PORTFOLIO	5,541	1.36%	DFA INTL SMALL CAP VALUE PORTFOLIO	5,461	1.39%
JP MORGAN CHASE BANK 385781	5,397	1.32%	STATE STREET BANK AND TRUST COMPANY 505103	5,174	1.31%
Custody Bank of Japan, Ltd. (Account in trust 4)	5,319	1.30%	STATE STREET BANK AND TRUST COMPANY 505223	5,174	1.31%
Total	141,649	34.84%	Total	141,164	35.96%

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

# Changes in Total Shareholders Return

The Bank is setting a target of **40% of the profit** for the shareholders return ratio. From the fiscal year ended Mar. 31, 2023, the Bank changed its profit, which is the basis for shareholder returns, from **a non-consolidated basis** to **a consolidated basis**.

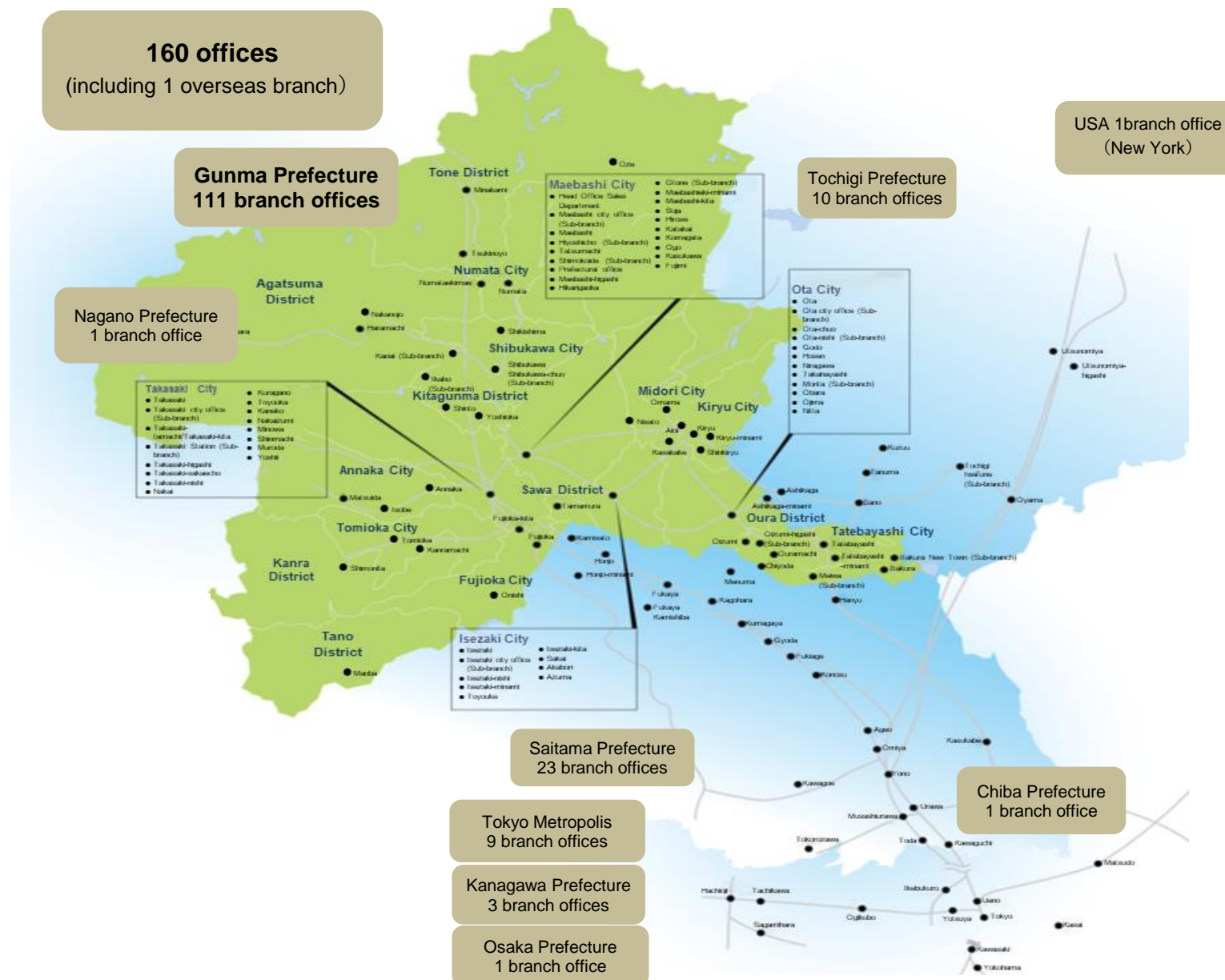
		(Unit : Millions of yen)						
		Mar. 2018	Mar. 2019	Mar. 2020	Mar. 2021	Mar. 2022	Mar. 2023	Mar. 2024
<Amount of return>								
Total amount of shareholders return	③=①+②	10,444	8,785	8,453	5,464	9,318	14,352	16,677
Total amount of dividends	①	5,655	5,584	5,453	5,464	5,818	7,352	8,677
Total amount of acquisition treasury shares *2	②	4,789	3,201	3,000	—	3,499	7,000	8,000
<Various ratio>								
(Consolidated)					Non-consolidated basis	change of shareholder return policy	Consolidated basis	
Shareholder return ratio	③÷④	36.8%	37.7%	37.9%	40.5%	35.2%	51.4%	53.6%
Dividend payout ratio	①÷④	19.9%	24.0%	24.6%	40.4%	22.1%	26.4%	28.1%
※Profit attributable of owners of parent	④	28,366	23,321	22,280	13,501	26,436	27,933	31,125
(Non-consolidated)								
Shareholder return ratio	③÷⑤	40.1%	41.9%	47.1%	46.8%	39.9%	58.3%	59.2%
Dividend payout ratio	①÷⑤	21.7%	26.7%	30.6%	46.7%	25.0%	29.9%	31.0%
※Profit	⑤	26,056	20,972	17,918	11,680	23,378	24,622	28,153
<Per share information>								
(Consolidated)								
EPS		65.27yen	54.12yen	52.79yen	32.14yen	63.33yen	68.19yen	78.43yen
BPS		1,221.04yen	1,232.16yen	1,162.64yen	1,303.93yen	1,288.78yen	1,268.77yen	1,460.16yen
(Non-consolidated)								
EPS		59.96yen	48.67yen	42.45yen	27.81yen	56.01yen	60.11yen	70.94yen
BPS		1,182.75yen	1,189.98yen	1,122.21yen	1,230.11yen	1,200.18yen	1,164.42yen	1,304.86yen
(Dividends)								
Annual cash dividends		13.00yen	13.00yen	13.00yen	13.00yen	14.00yen	18.00yen	22.00yen
Interim cash dividends		6.00yen	6.00yen	6.00yen	6.00yen	7.00yen	8.00yen	10.00yen
Year-end cash dividends		7.00yen	7.00yen	7.00yen	7.00yen	7.00yen	10.00yen	12.00yen
(Total number of issued share)		460,888,177shares	453,888,177shares	435,888,177shares	435,888,177shares	425,888,177shares	425,888,177shares	425,888,177shares

\*1 In calculating the shareholder return ratio, the amount of treasury shares buybacks is calculated based on the amount of shares buybacks during the one-year period starting from the date of the annual general meeting of shareholders.

\*2 The amount of acquisition treasury shares is rounded up.

\*3 The amount of 5.0 billion yen (up to) announced May 9, 2024 is included in the FY 2023, ended Mar. 31, 2024.

## Branch Office Network



# Status of Overseas Bases

- As an overseas base that supports the overseas expansion of the automotive industry in the Gunma Prefecture, our New York branch is the only one of the three regional banks to have a branch in New York.

## ► New York Branch

### ● Overview

[Establishment] Established in 1988 to support the expansion of SUBARU and other automobile-related companies from the prefecture into the North American market.

[Operations] There are currently 13 employees (including local staff), mainly engaged in lending and market operations.

[Staff] Employees with experience gained at the branch are active in a wide range of areas such as support for borderless corporate activities, market operations, and planning.

### ● Branch financial status and profit / loss status

- The main operations are loans and investment in floating rate bonds. The main sources of funding are market funding, etc.

(Unit : left column Million \$, right column Billion ¥)

Earning assets balance	1,383	209.5	Funds balance	1,383	209.5
Foreign loans	621	94.1	Short-term market procurement	511	77.3
Foreign securities	746	113.0	Repo	473	71.6
(floating rate bond)			interoffice borrow ing	393	59.5

- The branch has a stable profit of 1 to 2 million dollars every period.

(Unit : Millions of dollars)

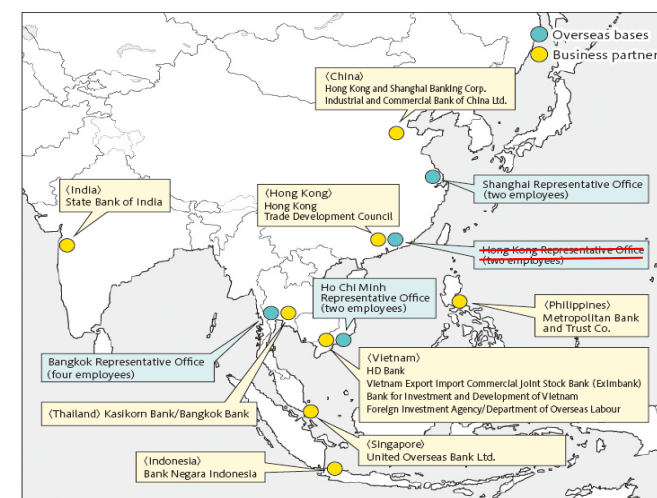
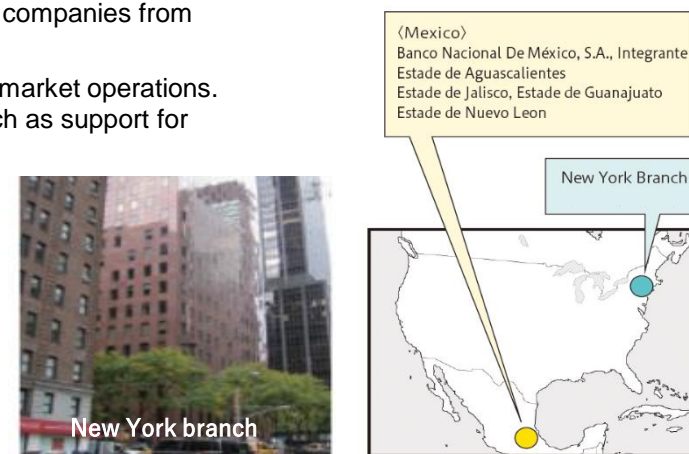
	Mar. 2015	Mar. 2016	Mar. 2017	Mar. 2018	Mar. 2019	Mar. 2020	Mar. 2021	Mar. 2022	Mar. 2023	Mar. 2024
Business gross profit	5.4	4.6	4.6	4.8	5.6	5.4	5.1	5.5	4.9	5.3
of which, net interest income	5.4	5.0	4.6	4.9	6.0	5.6	5.3	5.7	5.1	5.4
expenses	3.5	3.3	3.5	3.3	3.3	3.6	3.6	3.6	3.5	3.7
business net profit	1.8	1.3	1.1	1.5	2.3	1.7	1.4	1.9	1.3	1.5
profit before income taxes	1.8	1.3	1.1	1.5	2.4	1.7	1.4	1.8	1.4	1.5
Yen base (Billions of yen)	0.22	0.14	0.12	0.16	0.26	0.19	0.16	0.22	0.18	0.24

## ► Asia bases (Representative Office)

### ● Overview

[Offices] Three offices in Bangkok, Shanghai and Ho Chi Minh City provide comprehensive coverage of the Asian region.

[Operations] Support for business partners in the prefecture to expand their business in Asia, webinars by staff assigned there, support for exchanges with local business partners, etc.



\*Hong Kong representative office was closed on November 30, 2023. Support in the China area is centralized in the Shanghai representative office.

# List of Group Companies



Developing diverse financial solutions through innovation in services to provide



Gungin Securities Co., Ltd.

【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】

Promoting asset formation through the core and satellite management strategy

# Summary of Financial Results of Group Companies

(Unit : Billions of yen)

[Mar. 2024]	Bank, non-consolidated	Total of subsidiaries	(Gungin Securities)	(Gungin Leasing)	(Gunma Credit Guarantee)	(Others)	Consolidation offset	Consolidated financial statements
<b>Core gross business profits</b>	<b>83.5</b>	<b>8.1</b>	<b>(2.4)</b>	<b>(2.5)</b>	<b>(2.5)</b>	<b>(0.5)</b>	<b>-1.4</b>	<b>90.2</b>
Net interest income	66.3	-0.2	(0.0)	(-0.3)	(0.0)	(0.0)	-0.0	66.0
Non-interest business profit	17.2	8.4	(2.4)	(2.8)	(2.4)	(0.5)	-1.4	24.2
Net fees and commissions income	14.9	5.0	(2.0)	(—)	(2.4)	(0.5)	-0.8	19.1
Profit from other business transactions	2.2	3.3	(0.4)	(2.8)	(—)	(0.0)	-0.5	5.0
<b>Expenses (-) (excluding non-recurrent expenses)</b>	<b>50.3</b>	<b>3.2</b>	<b>(1.5)</b>	<b>(1.0)</b>	<b>(0.2)</b>	<b>(0.5)</b>	<b>-1.4</b>	<b>52.1</b>
<b>Others</b>	<b>5.9</b>	<b>-0.2</b>	<b>(-0.0)</b>	<b>(-0.1)</b>	<b>(-0.2)</b>	<b>(0.2)</b>	<b>-0.0</b>	<b>5.7</b>
Of which, Gain or loss on investment securities	5.7	-0.0	(—)	(—)	(—)	(-0.0)	—	5.7
Of which net credit costs (-)	0.6	0.4	(—)	(0.2)	(0.2)	(—)	0.1	1.1
<b>Ordinary profit</b>	<b>39.1</b>	<b>4.6</b>	<b>(0.9)</b>	<b>(1.3)</b>	<b>(2.0)</b>	<b>(0.2)</b>	<b>-0.0</b>	<b>43.7</b>
<b>Profit</b>	<b>28.1</b>	<b>2.9</b>	<b>(0.6)</b>	<b>(0.7)</b>	<b>(1.3)</b>	<b>(0.1)</b>	<b>0.0</b>	<b>31.1</b>

[Mar. 2023]	Bank, non-consolidated	Total of subsidiaries	Gungin Securities	Gungin Leasing	Gunma Credit Guarantee	Others	Consolidation offset	Consolidated financial statements
<b>Core gross business profits</b>	<b>85.9</b>	<b>7.8</b>	<b>(2.4)</b>	<b>(2.5)</b>	<b>(2.4)</b>	<b>(0.2)</b>	<b>-1.3</b>	<b>92.4</b>
Net interest income	71.7	-0.2	(-0.0)	(-0.2)	(0.0)	(0.0)	-0.0	71.4
Non-interest business profit	14.2	8.0	(2.4)	(2.8)	(2.4)	(0.2)	-1.2	21.0
Net fees and commissions income	11.8	3.4	(0.7)	(—)	(2.4)	(0.1)	-0.7	14.4
Profit from other business transactions	2.4	4.6	(1.7)	(2.8)	(—)	(0.0)	-0.5	6.5
<b>Expenses (-) (excluding non-recurrent expenses)</b>	<b>50.2</b>	<b>3.2</b>	<b>(1.6)</b>	<b>(0.9)</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>-1.3</b>	<b>52.2</b>
<b>Others</b>	<b>-2.0</b>	<b>0.0</b>	<b>(-0.0)</b>	<b>(0.0)</b>	<b>(-0.2)</b>	<b>(0.1)</b>	<b>0.1</b>	<b>-1.9</b>
Of which, Gain or loss on investment securities	-1.7	-0.0	(—)	(—)	(—)	(—)	—	-1.7
Of which net credit costs (-)	1.0	0.1	(—)	(0.0)	(—)	(—)	—	1.2
<b>Ordinary profit</b>	<b>33.5</b>	<b>4.5</b>	<b>(0.7)</b>	<b>(1.6)</b>	<b>(2.0)</b>	<b>(0.0)</b>	<b>0.1</b>	<b>38.3</b>
<b>Profit</b>	<b>24.6</b>	<b>3.1</b>	<b>(0.5)</b>	<b>(1.2)</b>	<b>(1.3)</b>	<b>(0.0)</b>	<b>0.1</b>	<b>27.9</b>



## Major features of Gunma Prefecture

- Located roughly at the center of Honshu and **approx. 100km** from Tokyo (well-developed transportation network)
- Manufacturing, world-class **technology**
- Abundant **water resources** (The headwaters of the Tone River flow through the region and serve as a water source for the Tokyo metropolitan area.)
- Stable climate and **few seismic disasters**
- **As the kitchen of the Tokyo metropolitan area**, diverse and varied agriculture is flourishing.

## Attractive local resources

- Japan's leading hot spring kingdom
  - The number of hot spring resorts is 96, **ranking first in the Kanto region and 8th in Japan.** (From the Ministry of the Environment "Hot Spring Usage Situation in Fiscal 2022")
  - Kusatsu Onsen has been **ranked first for 21 consecutive years** in the "100 Best Hot Springs in Japan" list.
- World Heritage Site, Tomioka Silk Mill
  - Established as Japan's first full-scale model spinning mill.
  - As an industrial heritage, it became the first national treasure in Japan.
- A treasure house of renewable energy
  - Utilizing abundant water resources, the maximum power output of "hydroelectric power generation" **ranks 8th in Japan** (From the Ministry of Economy, Trade and Industry "Results of Electric Power Investigation Statistics in Jan. 2024")
- An environment suitable for the production of agricultural and livestock products
  - Many agricultural products such as Konjac potatoes (Shimonita-town), cabbage (Tsumagoi-village) have the highest yields in Japan.



No.1 in harvest	No.2 in harvest	No.3 in harvest
Konjac potato	cucumber	lettuce
cabbage	plum	chinese cabbage
cocoon	butterbur	eggplant



Sources : Gunma Prefecture 「IR information of Gunma Prefecture(May 2024 edition) 」  
Gunma Prefecture, Industry and Economy Department, "Gunma Ga Ichiban! (Mar. 2021)"

# Attractive of Gunma Prefecture (Favorable natural conditions)

## Low seismic hazard risk

Statistically, it is an area with relatively few earthquakes(78 earthquakes at an intensity 4 or higher over a period of 100 years) and indicates favorable conditions for establishing factories and logistics base.

Companies are relocating their headquarters and main factories to Gunma Prefecture where stable operations are possible

Nippon Telegraph and Telephone East Co., Ltd and Nihon Michelin Tire Co., Ltd relocated headquarters functions to Gunma Prefecture.

○National ranking of headquarters relocation excess in-migration\* (2022)

ranking	1st	2nd	3rd	4th	5th
prefecture	Saitama	Kanagawa	Hyogo	Chiba	<b>Gunma</b>
excess in-migration	68	50	44	34	<b>19</b>

※companies that relocated to Gunma – companies that relocated to other prefectures  
From Teikoku Databank(2023)

## Low flood risk

The amount of flood damage over the past 10 years (2012 to 2021) is much lower than the average of the Kanto region and the National.

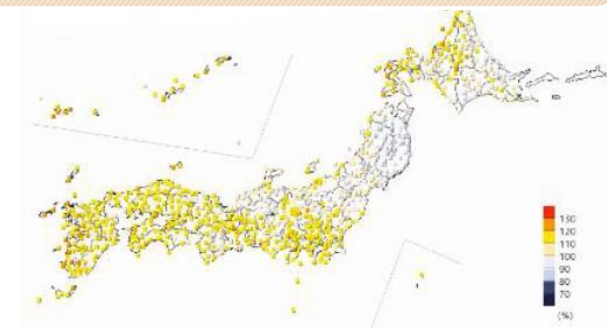
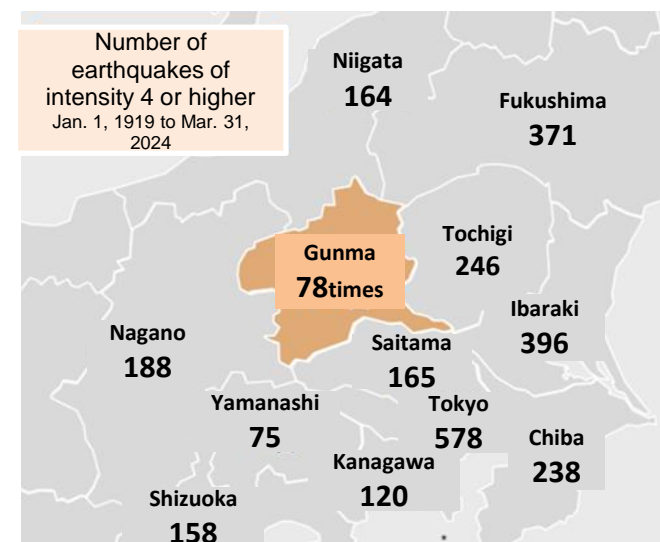
	national average	Kanto average	Gunma Pref.
flood damage	149.8 billion yen	157.1 billion yen	<b>51.9 billion yen</b>

source: from the Ministry of Land, Infrastructure, Transport and Tourism "Statistical Survey on Flood Damage(2021)"

## Favorable sunshine hours

Rank 5th in Japan in terms of number of annual hours of sunshine.

In addition, snowfall is relatively low in the plains, and the region is blessed with favorable climate conditions.

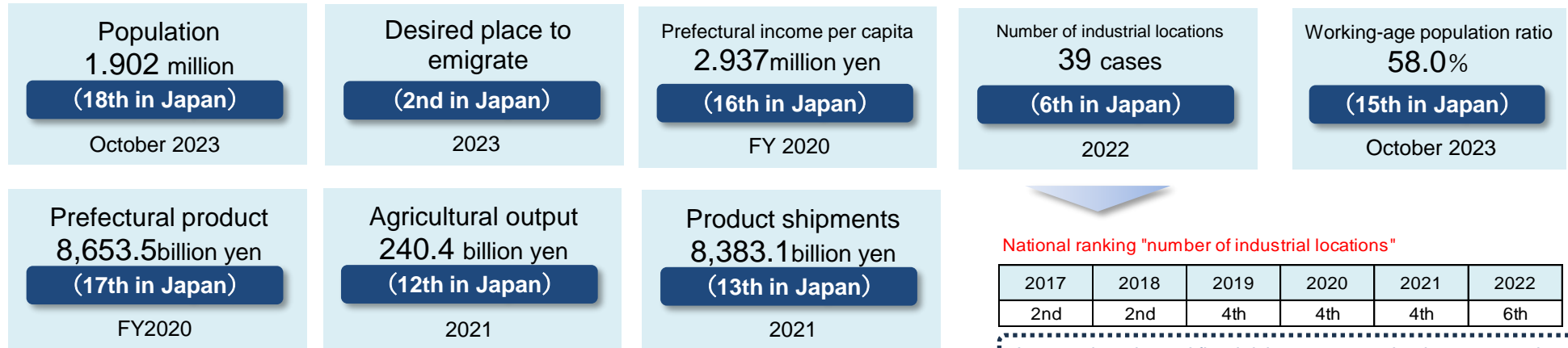


Sources : Gunma Prefecture 「IR information of Gunma Prefecture(May. 2024) 」

# Potential of Gunma Prefecture (Gunma Power)

## Main data of Gunma Prefecture

Sources  
Gunma Prefecture「IR information of Gunma Prefecture (May 2024 edition)」  
「FY2021 Gunma Prefecture economic statistics」



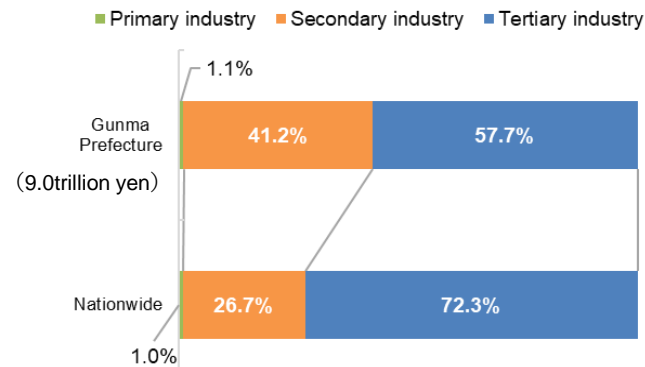
National ranking "number of industrial locations"

2017	2018	2019	2020	2021	2022
2nd	2nd	4th	4th	4th	6th

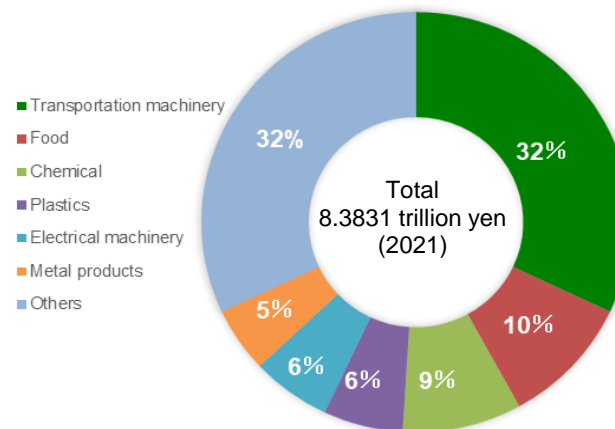
Low earthquake and flood risks → promote business expansion

## Manufacturing industries drive Gunma economy

- Nominal (domestic) gross production output for Gunma type of industry
  - Gross prefectural product is 9.0 trillion yen, of which **about 40% is secondary industry**.
  - Gunma Prefecture has one of the highest percentages of **secondary industry** in the nation.



- Breakdown of manufactured goods shipment, etc.
  - Transportation machinery products** account for a large share of shipments.



- Ratio of transportation machinery production
  - Ranks 4th in nation** at ratio of transportation machinery production in gross output for the prefecture

Ranking	prefecture	Gross output
1	Aichi	16.6%
2	Shizuoka	9.9%
3	Mie	6.5%
4	Gunma	6.3%
5	Hiroshima	6.2%
6	Gifu	4.9%
7	Yamaguchi	4.6%
8	Tochigi	4.1%
9	Ibaraki	4.0%
10	Okayama	3.5%

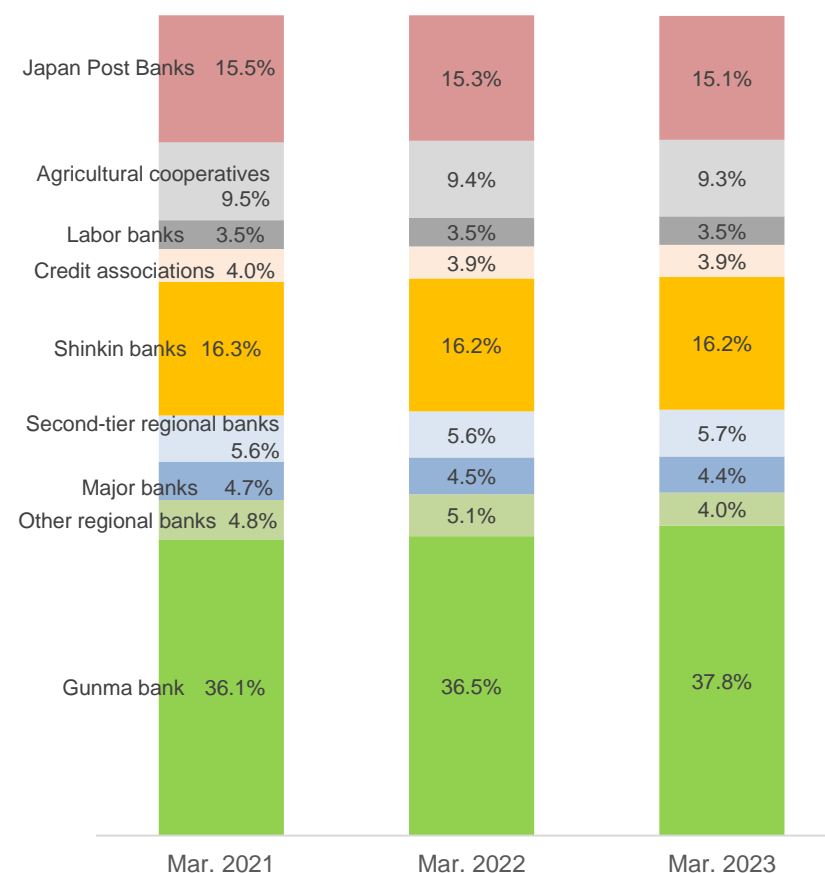
※FY2020 data

# Shares in loans and deposits in Gunma Prefecture

## Shares in loans



## Shares in deposits



Source: "Financial Map" from an extra number of the "Financial Journal" 2024 edition



## English Video Shows Japan Regional Banks Opening Up to Investors

- Gunma Bank President Fukai makes rare appeal in English
- Regional banks are attracting more interest as stocks surge

By Taiga Uranaka February 22, 2024 at 10:55 JST

A brief video message in English from the head of a small Japanese bank is turning heads, mostly because it's never been done before.

Gunma Bank Ltd. posted a clip on its website this week of President Akihiko Fukai extolling everything from the firm's profit outlook to the hot springs that dot its business area outside Tokyo.

"That's something no other regional banks have done," said Toyoki Sameshima, an analyst at SBI Securities Co., noting small Japanese lenders are starting to attract interest from overseas investors that used to only focus on the nation's biggest banks.

The pitch was geared to foreigners who are flocking to Japan to buy up stocks, bonds and real estate as the nation's assets emerge from decades of slumber. Shares are poised to hit a record high, eclipsing the 1980s bubble era, as investors shift away from China and long-awaited inflation gives the central bank room to raise interest rates for the first time since 2007.

"Given overseas interest in the Bank of Japan policy and the banking industry, we see it is a great opportunity to make an appeal to overseas investors," said Kazunori Nishimura, general manager at Gunma Bank's corporate planning department, referring to the video.

In his six-minute, 36-second monologue posted on Feb. 20, Fukai is clearly aware of his global audience, who may not necessarily find virtue in the reticence that's expected of executives in Japan. He speaks in clear, measured English, a rarity given the lack of content in the language on the websites of many Japanese regional banks.

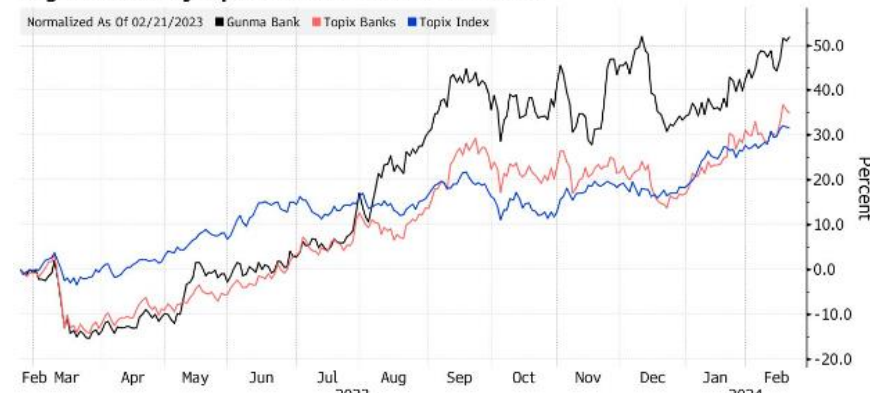
Fukai, 63, has an advantage over his peers when it comes to English. He has an MBA from Stanford University in the US and worked at the bank's New York branch, rare international experience for a regional bank head. He became president in 2019, and has been with the firm for four decades.

Wearing a red tie and blue suit, with the bank's financial charts as a backdrop, Fukai starts with a plug for Gunma prefecture, noting its hot springs and historic silk mill, and that it's relatively safe from natural disasters like flooding and earthquakes.

Fukai goes on to say the bank expects to post profit of ¥30 billion (\$200 million) in the year ending March 2025, rising to ¥47 billion three years after that.

"No other regional bank in Japan has a vision as clear as ours," he said, a claim not usually made in public by a local bank head.

### Gunma Tops Japanese Bank Rivals Regional lender jumps more than 50% in 12 months



Investors are starting to buy the story. Gunma Bank shares rose more than 50% in the past 12 months, outperforming the TOPIX Bank Index and the main equity gauge in Japan. Overseas investors own about 20% of the bank, which has a market value of about \$2.3 billion.

"When they invest in Japanese banks, overseas investors look first at major lenders," said SBI's Sameshima. "But I think regional banks are starting to attract their interest."

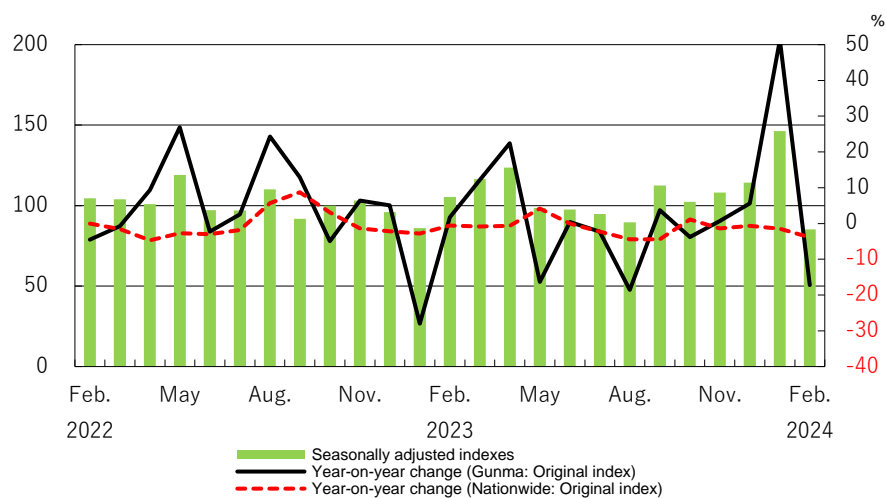
(Source : Bloomberg)

Photo taken when appearing on a famous Japanese economic TV program  
「NEWS Morning satellite」 (March 7, 2024)



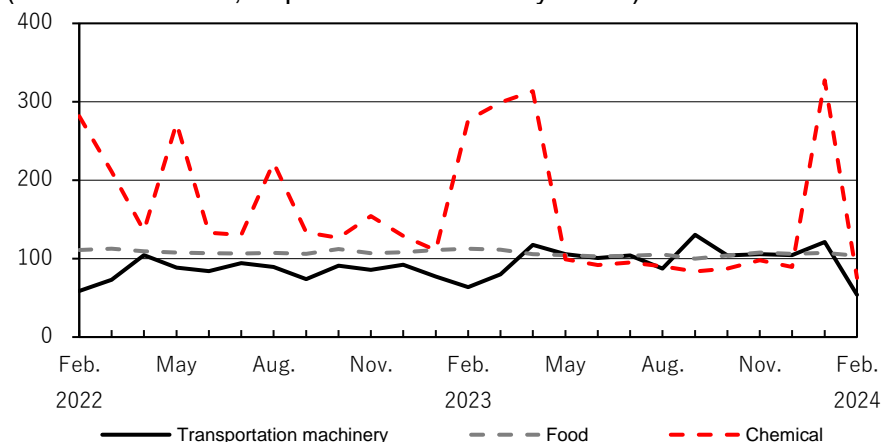
# Economic Trends in Gunma Prefecture |

Mining and manufacturing production index (Year 2015=100)



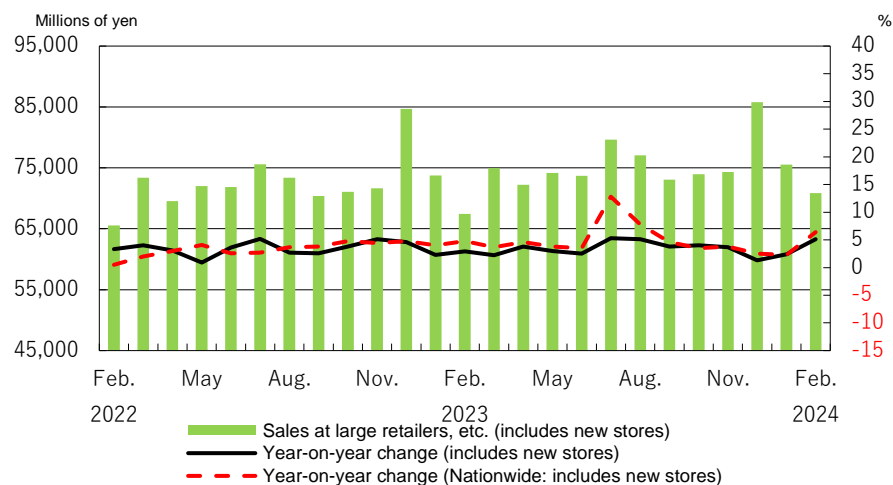
Source: Gunma Prefecture, Ministry of Economy, Trade and Industry

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



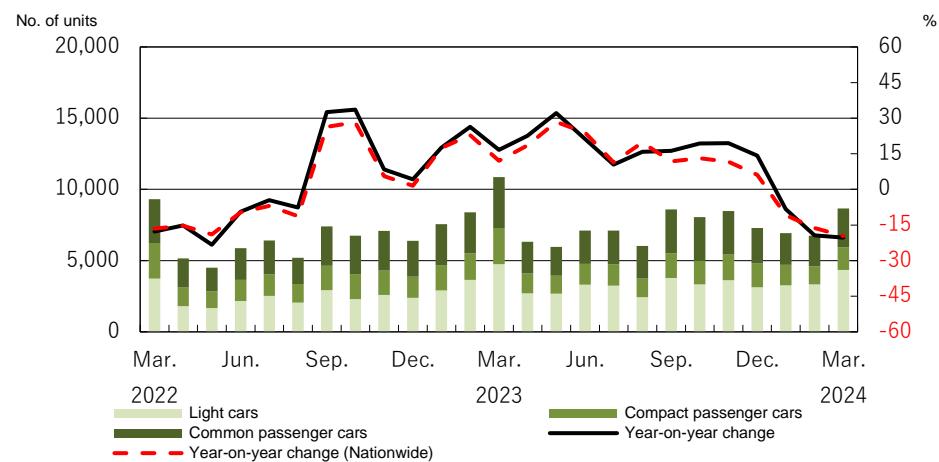
Source: Gunma Prefecture

Sales at large retailers, etc.



Source: Ministry of Economy, Trade and Industry

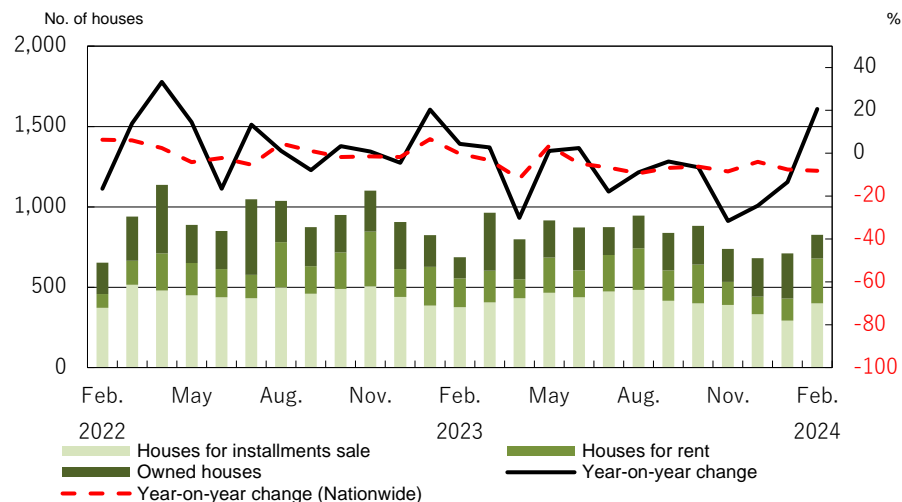
Sales of passenger cars



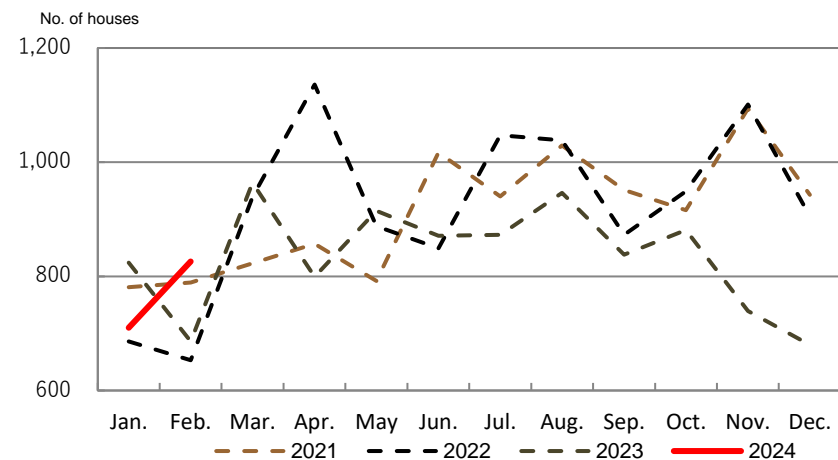
Sources: Japan Automobile Dealers Association, Japan Mini Vehicles Association, Japan Automobile Dealers Association Gunma Branch, Japan Mini Vehicles Association Gunma Branch

# Economic Trends in Gunma Prefecture II

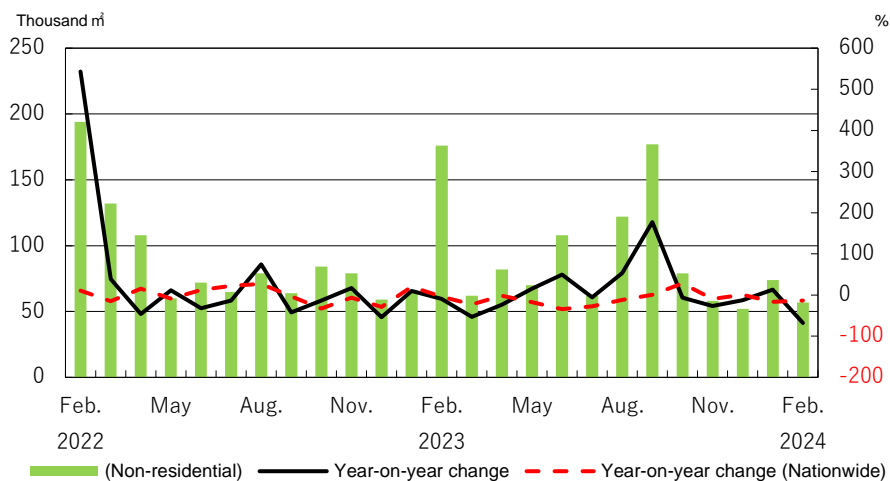
## New housing starts



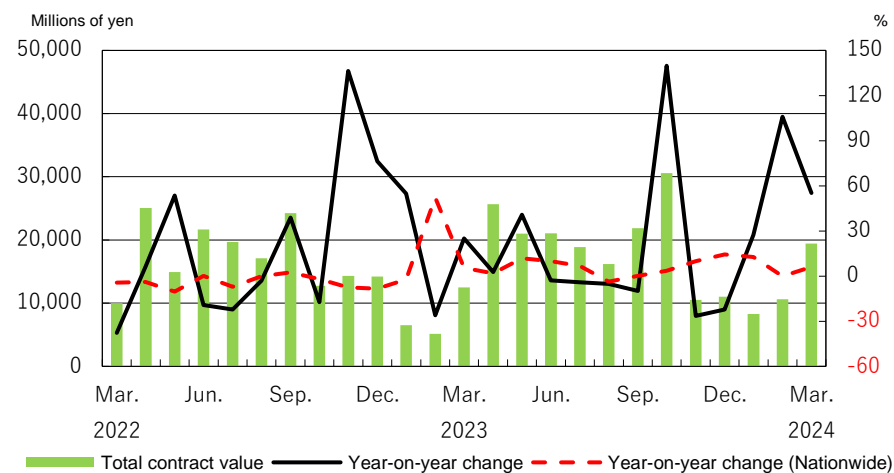
## Monthly movements in new housing starts



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

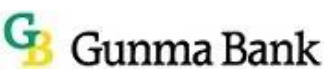


## Value of public works contracts

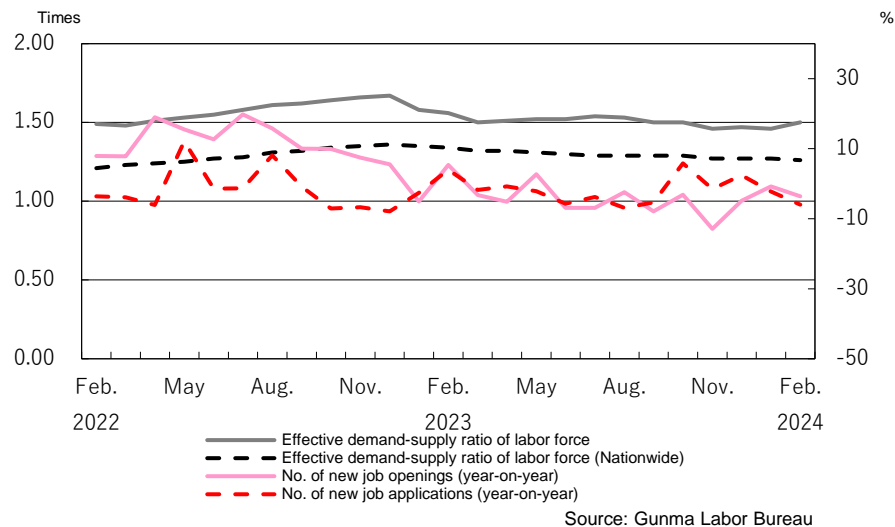




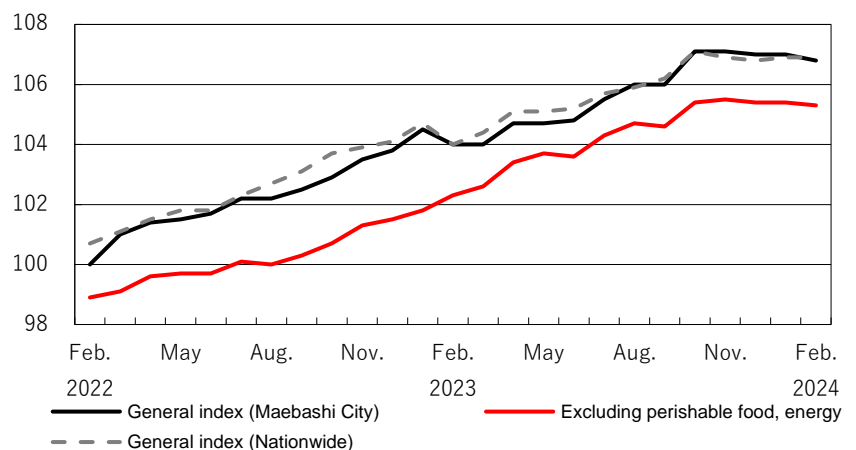
# Economic Trends in Gunma Prefecture III



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

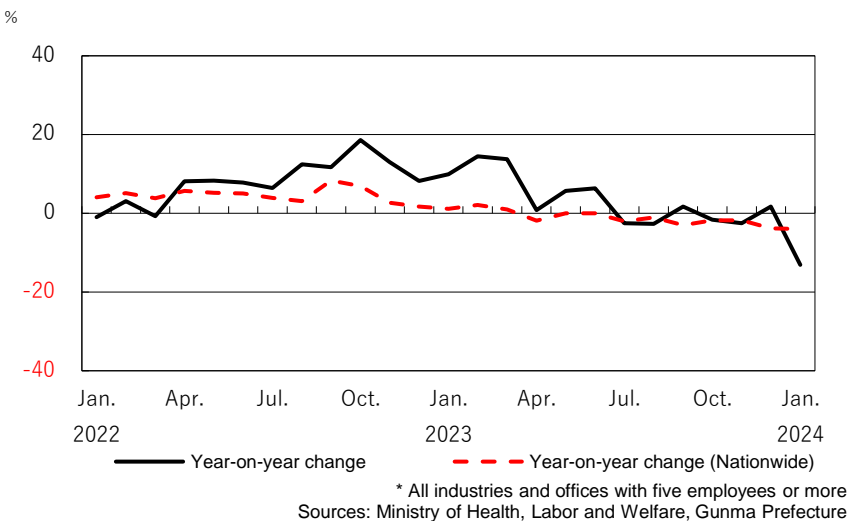


Consumer price index (Year 2020 = 100)



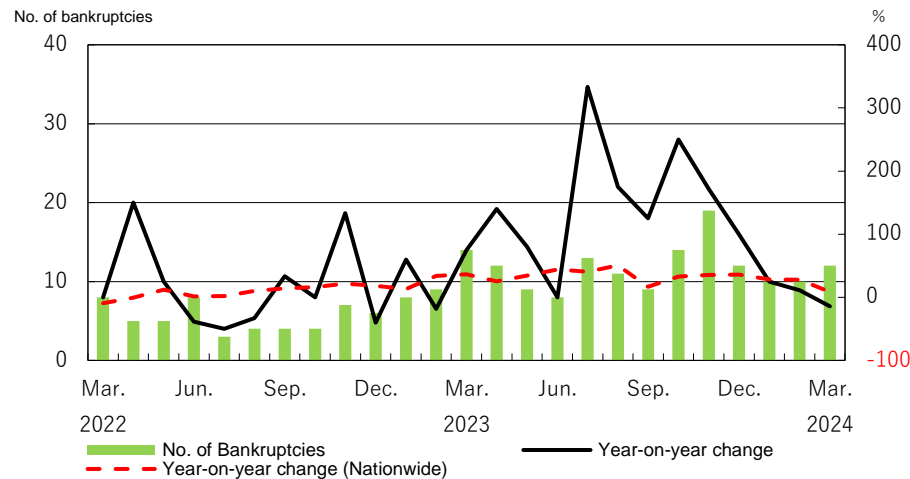
Source: Ministry of Internal Affairs and Communications

Total overtime hours



\* All industries and offices with five employees or more  
Sources: Ministry of Health, Labor and Welfare, Gunma Prefecture

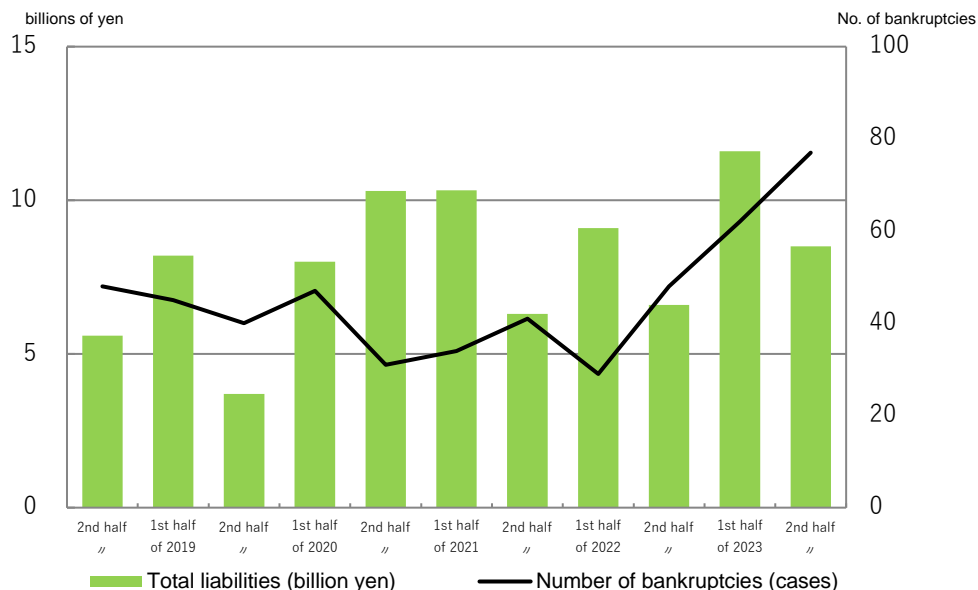
Number of bankruptcies



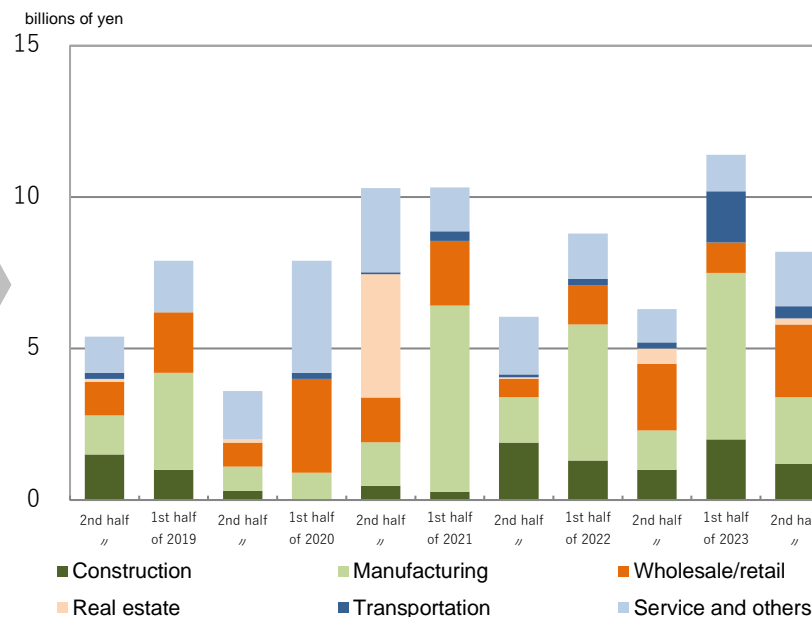
Source: Teikoku Databank

# Economic Trends in Gunma Prefecture IV

## ■Number of bankruptcies of companies and total liabilities



## ■Left table : breakdown of total liabilities(Industry breakdown of bankruptcies)



(Unit : Billions of yen)

	FY2018		FY2019		FY2020		FY2021		FY2022		FY2023	
	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	53cases	48cases	45cases	40cases	47cases	31cases	34cases	41cases	29cases	48cases	62cases	77cases
Total liabilities	8.6	5.6	8.2	3.7	8.0	10.3	10.3	6.3	9.1	6.6	11.6	8.5
Construction	0.7	1.5	1.0	0.3	0.0	0.4	0.2	1.9	1.3	1.0	2.0	1.2
Manufacturing	3.2	1.3	3.2	0.8	0.9	1.4	6.1	1.5	4.5	1.3	5.5	2.2
Wholesale/retail	2.3	1.1	2.0	0.8	3.1	1.4	2.1	0.6	1.3	2.2	1.0	2.4
Real estate	—	0.1	—	0.1	0.0	4.0	—	0.0	—	0.5	0.0	0.2
Transportation	0.0	0.2	0.0	0.0	0.2	0.0	0.3	0.1	0.2	0.2	1.7	0.4
Services and others	2.0	1.2	1.7	1.6	3.7	2.7	1.4	1.9	1.5	1.1	1.2	1.8

\* 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

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If you have further inquiries, please contact:

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