

Top Management Seminar of Regional Banks
organized by SBI SECURITIES Co., Ltd.

The Gunma Bank's Near Future

January 20, 2025

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

Numerical plan explained at IR briefing

➡ Considering the current environment, we will consider revising this in the future. (New mid-term business plan IR to be held on March 3rd)

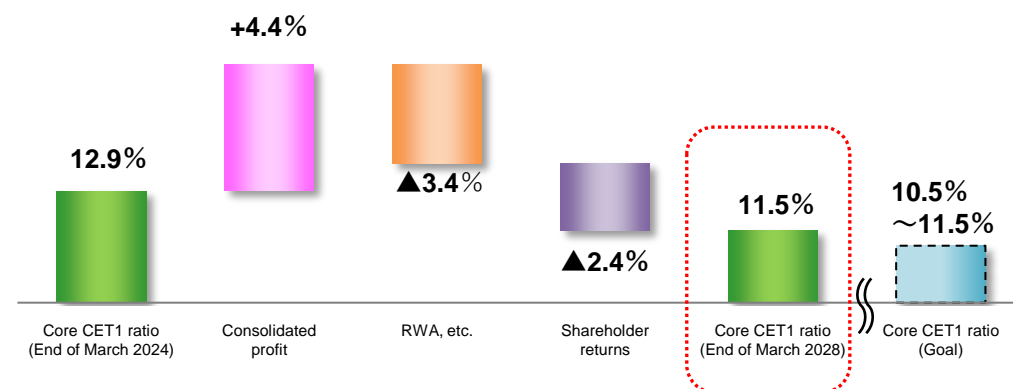
(Unit: Billions of yen)	Next mid-term business plan Mar.2028	Compared to Mar. 2025	Forecast Mar.2025	Compared to mid-term business plan
Consolidated core business net profit*	70.0	16.5	53.5	8.5
Net interest income	93.5	11.5	82.0	—
Non-interest income	32.0	5.0	27.0	2.0
Net income	50.0	10.0	40.0	10.0
Group companies' profit	6.0	2.0	4.0	0.0
Capital adequacy ratio	13.4%	0.2%	13.2%	-0.3%
Core CET1 ratio	11.5%	-0.5%	12.0%	—
ROE	8.0%	1.1%	6.9%	1.9%
RORA	1.0%	0.1%	0.9%	0.2%

* Excluding gains (losses) on cancellation of the investment trust

*Interest rate assumption(next mid-term business plan) : policy interest rate 0.50%, 10Y government bond 1.25%

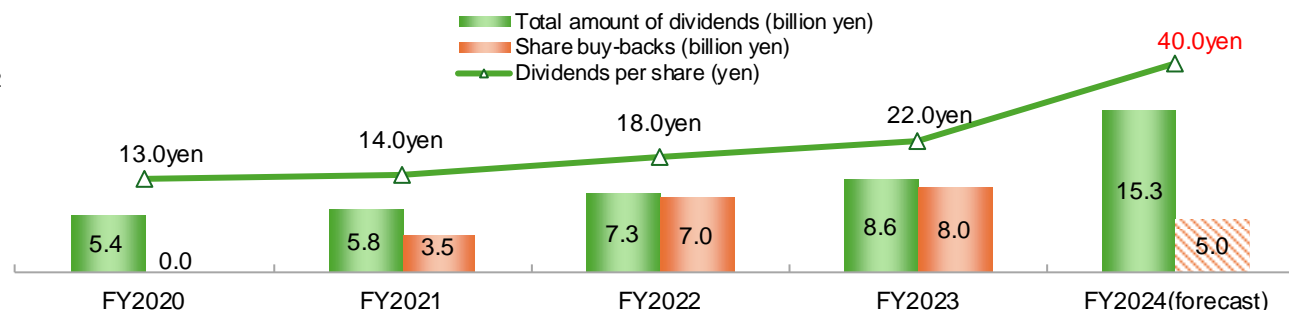
- By increasing RORA, we aim to achieve ROE of 8.0% or more in FY 2027.
- Aim to achieve 10.5-11.5% of the core CET1 ratio (Sep. 2024 13.01%)
- Build an optimal capital structure by diversifying procurement with subordinated bonds.
- Improve shareholder returns.⇒Total shareholders ratio remains above 50%
- Aim to achieve 8-9% of the ratio of cross-shareholdings to the consolidated net assets at the end of FY2026 (Sep. 2024 15.2%)

Capital allocation



Shareholder return

※Consolidated basis from FY2022



Total shareholders ratio	46.8%	39.9%	51.4%	53.6%	(50.9%)
Dividend payout ratio	40.4%	22.1%	26.4%	28.1%	(38.6%)

Positioning

Backcasting

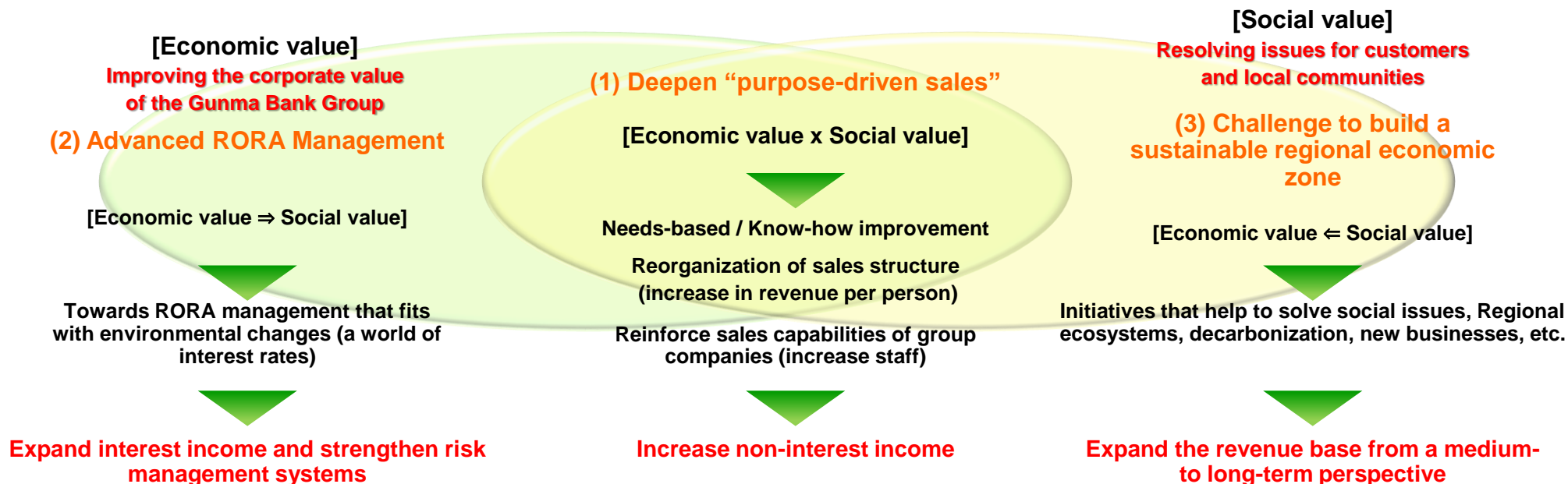
Three years of continuous challenges for the region's and the Bank's sustainable **growth**

Forecasting

Three years of **growth** after six years of “**innovation**”

Strategic theme directions

I. Achieving a virtuous cycle of economic and social value



II. Strengthen the business foundation to support sustainable growth

(1) DX and business reform (2) Data utilization (3) Human capital (4) Governance (5) Collaboration within the group and external collaboration