

The Gunma Bank, Ltd.

Financial Results Briefing Session for the Year Ended March 2025

May 23, 2025

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The Gunma Bank, Ltd.

(Tokyo Stock Exchange Prime Market : 8334)

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



The Medium-Term Business Plan 2025 Growth with "Purpose"

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I . Summary of Performance

Profit and Loss Conditions

Consolidated

(Unit : Billions of yen)	Mar.2025	YoY
Core business gross profit	107.7	17.4
Net interest income	82.1	16.1
Excluding gains(losses) on cancellation of investment trusts	84.7	11.2
Non-interest business profit	25.6	1.3
Expenses	54.8	2.6
Core business net profit	52.9	14.8
Excluding gains(losses) on cancellation of investment trusts	55.5	10.0
Ordinary profit	62.0	18.2
Profit attributable to owners of parent	43.9	12.7
Over head ratio (excluding gains(losses) on cancellation of investment trusts)	49.6%	-3.8%
ROE	7.7%	2.0%

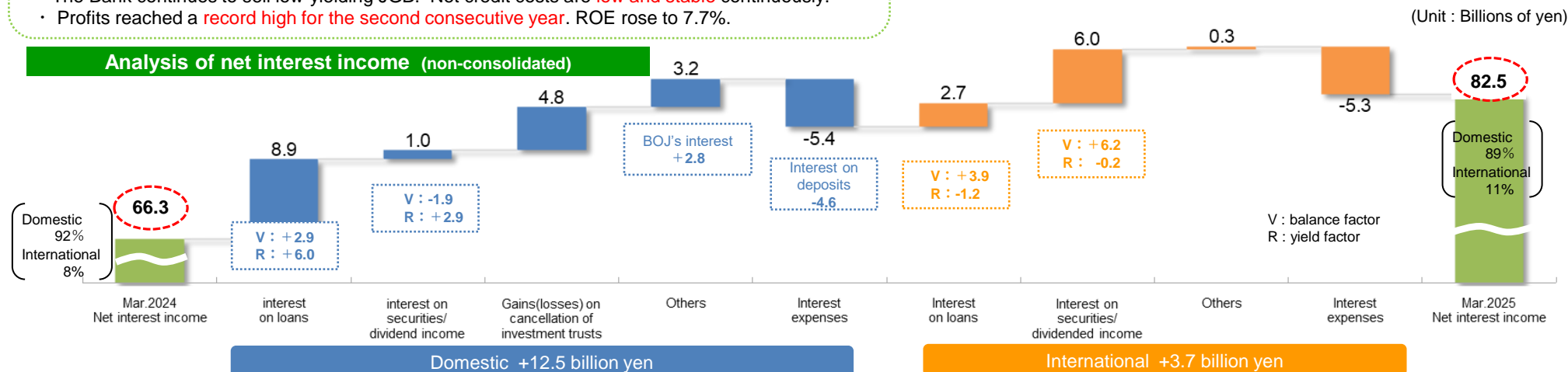
Non-consolidated

(Unit : Billions of yen)	Mar.2025	YoY
Core business gross profit	100.7	17.1
Net interest income	82.5	16.2
Of which, gains(losses) on cancellation of investment trusts	-2.5	4.8
Non-interest business profit	18.1	0.9
Expenses	52.7	2.4
Core business net profit	47.9	14.7
Excluding gains(losses) on cancellation of investment trusts	50.5	9.8
Gains or losses on investment securities	8.5	2.7
Net credit costs	2.3	1.7
Others	3.4	2.5
Ordinary profit	57.5	18.3
Extraordinary income(losses)	-0.6	0.1
Profit	40.4	12.2

<Points of financial results >

- Core business net profit excluding gains (losses) on cancellation of investment trusts amounted to 55.5 billion yen, up 10.0 billion yen YoY, due to **increases in net interest income such as interest on loans, and in non-interest business profit.**
- The Bank continues to sell low-yielding JGB. Net credit costs are **low and stable** continuously.
- Profits reached a **record high for the second consecutive year**. ROE rose to 7.7%.

Analysis of net interest income (non-consolidated)



Status of Deposits, Loans and Yield

Loans are performing well in cross-border loans and structured finance, etc. generally. Also, loan yields are rising.

Breakdown of deposit balance

(Unit : Billions of yen)

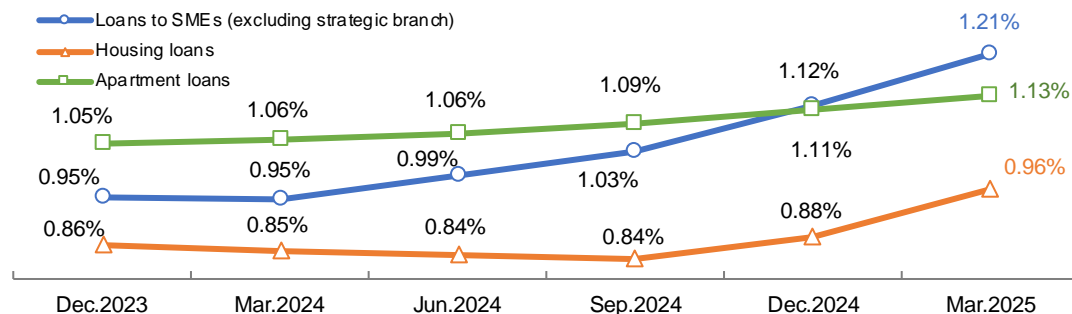
	As of Mar.31, 2025	YoY	Rate of changes
Deposits, etc.	8,672.4	150.1	1.7%
Deposits	8,462.9	146.7	1.7%
Of which, deposits to individuals	5,734.9	2.2	0.0%
Of which, deposits to corporations	2,075.7	47.6	2.3%
Negotiable Certificate deposits	209.4	3.4	1.6%

Breakdown of loan balance

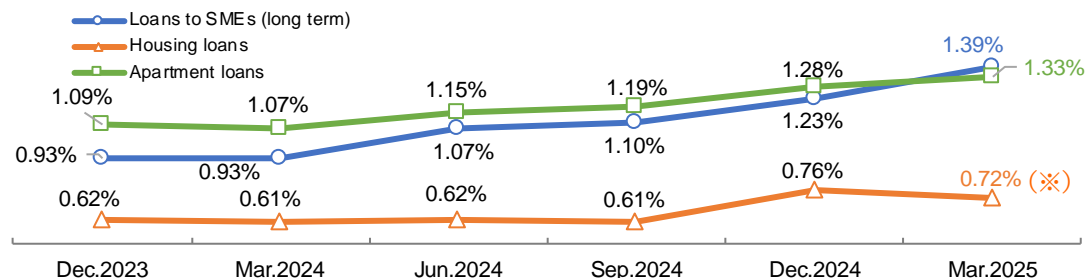
(Unit : Billions of yen)

	As of Mar.31, 2025	YoY	Rate of changes
Loans	6,845.1	377.2	5.8%
Retail	4,951.9	127.3	2.6%
SMEs	2,458.4	59.4	2.4%
Individuals	2,493.4	67.9	2.8%
Of which, Housing loans	1,462.2	46.0	3.2%
Of which, Apartment loans	695.3	17.9	2.6%
Of which, Unsecured loans	79.3	8.0	11.2%
Others	1,639.7	203.2	14.1%
Cross-border loans	221.3	47.4	27.2%
Structured finance	172.2	41.5	31.7%
Domestic large and secondtier enterprises	1,070.8	100.4	10.3%
Others	175.2	13.8	8.5%
Overseas branch	152.9	49.2	47.4%
Public	100.5	-2.6	-2.5%

Yield on loans(domestic)



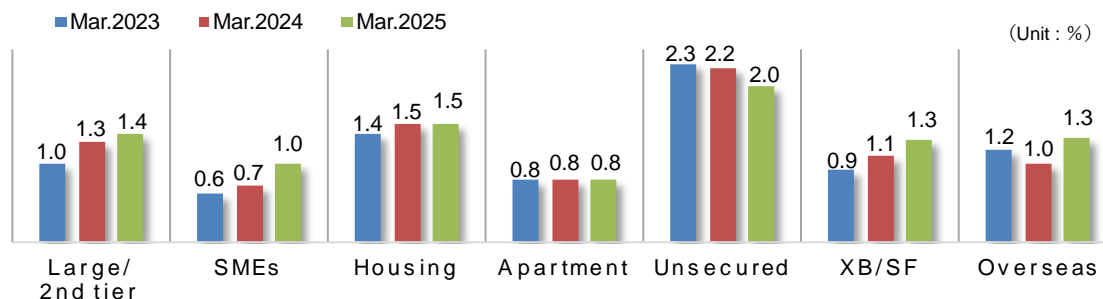
Interest rates of new loans granted



※The main reason for the decline is due to the reduction in interest rates of the "Loan fee-based interest rate plan". (January to March 2025)

Loans' RORA

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



Status of Securities

 The Bank continues to sell low-yielding JGB and is replacing frequently new foreign bonds to increase net interest income.

Balance of securities (Book value basis)

Total

2,630.4

(Unit : Billions of yen)

Rate of change
(compared to Mar.2024)

Foreign securities
+ 15.2%

Investment trusts
+5.2%

Stocks
+10.8%

Corporate bonds
-7.6%

Municipal bonds
-2.5%

Government bonds
-37.3%

2,266.1

2,212.5

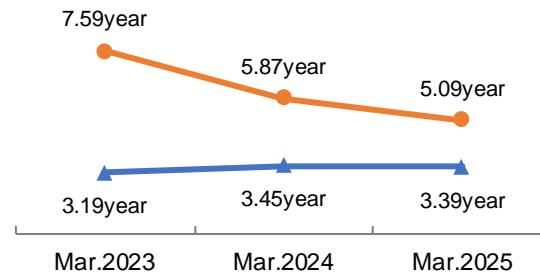
Mar.2023

Mar.2024

Mar.2025

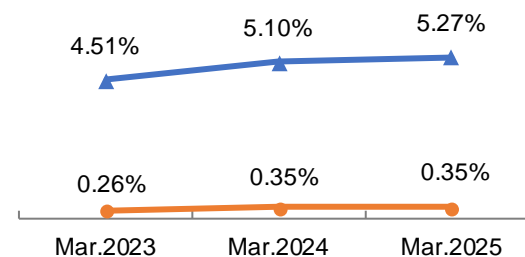
Duration

Domestic bonds Foreign bonds



Bond yield

Domestic bonds Fixed interest bonds(US\$)



Unrealized gains (losses) valuation

(Unit : Billions of yen)

	Mar.2024	Mar.2025	YoY
Unrealized gains (losses) from valuation	30.5	-16.1	-46.7
Excluding domestic bonds	58.9	40.3	-18.6
Foreign securities	3.6	5.4	1.8
Of which, fixed-interest bonds(US\$)	-5.2	-1.2	3.9
Investment trusts, etc.	-20.6	-16.6	3.9
Stocks	75.9	51.5	-24.4
Strategically held stocks	71.1	59.0	-12.1
Investment securities	4.7	-7.5	-12.3
Domestic bonds	-28.3	-56.5	-28.1
Of which, government bonds	-14.2	-17.4	-3.1

(Unit : Billions of yen)

Gains (losses) on sales

	Mar.2024	Mar.2025	YoY
Gains (losses) on investment securities①	5.7	8.5	2.7
Gains(losses) on bonds	-24.5	-11.7	12.8
Of which, losses on sales	-25.3	-11.0	14.3
Of which, losses on JGB	-23.3	-8.5	14.8
Of which, losses on foreign bonds	-2.0	-2.5	-0.5
Gains(losses) on stocks, etc.	30.2	20.2	-10.0
Gains(losses) on sale of stocks, etc.	30.3	20.2	-10.0
Strategically held stocks	12.8	3.5	-9.2
Investment securities	17.4	16.6	-0.7
Losses on devaluation of stocks, etc.	-0.0	-0.0	0.0
Gains(losses) on cancellation of investment trusts②	-7.4	-2.5	4.8
Total(①+②)	-1.7	5.9	7.6

Non-interest Business Profit

● Non-interest business profit amounted to 25.6 billion yen, up 1.38 billion yen YoY, **sixth consecutive record high**.

Consolidated non-interest business profit

(Unit : Billions of yen)

	Mar.2025	YoY	Annual plan Mar.2026
Consolidated non-interest business profit	25.60	1.38	29.0
Corporate service revenue	9.63	2.06	10.8
Of which, syndicate loans	1.47	0.01	1.6
Of which, business matching	0.92	0.10	1.1
Of which, M&A	0.71	-0.07	1.2
Of which, derivatives	3.07	1.42	2.3
Of which, Gungin Consulting	0.57	0.04	0.7
Deposits financial assets, etc. revenue	8.21	0.59	10.2
Of which, investment trusts commissions	2.21	0.01	2.6
Of which, insurance sales commissions(individuals)	2.52	-0.10	2.7
Of which, Gungin Securities	3.02	0.59	4.3
Others	7.75	-1.26	8.0
Of which, dividends of group credit life insurance	1.19	-0.88	1.2

Corporate consulting

Providing high-quality solutions using our “connecting process” as a starting.

- 2.5 years have passed since the start. A total of 9,000 customers (including net deposit customers) have carried out the process.

Status by needs (end of Mar.2025)

Number of projects executed	Understanding of management issues and needs				
Approx. 9,000	Number of needs	Under consideration for project development	Project development	Contract closed, etc.	Postponed
	Approx. 24,000	42%	43%	12%	3%

Top needs	Ratio
Securing human resources business efficiency improvement	23.2%
SDGs initiatives	17.1%
Reinforcement of business facilities	16.2%
Business succession (Consulting, M&A)	12.3%

Strengthening item of Mid-term plan

M&A, Business succession,
Finance “facilities, environment”
Human resources, DX

Personal Consulting

Clarifying the roles of the bank and the securities

【Gungin Securities】

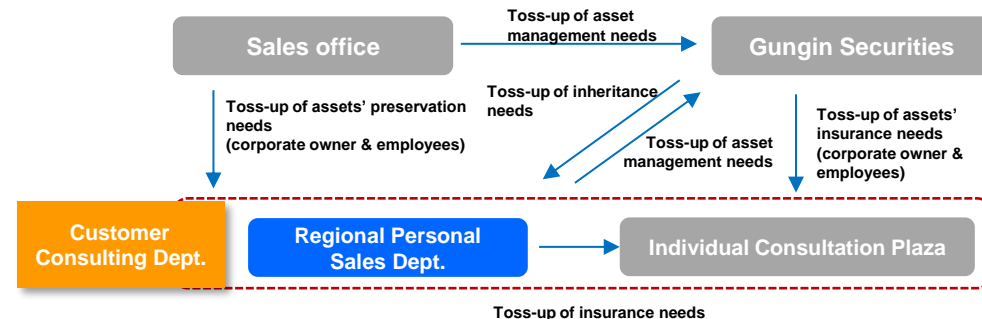
- Aim to increase profits through advisory-style sales to wealthy customers that make use of our high level of expertise. Increase the number of sales staff **by 29** in FY2024
- Management of approximately **5,700 customers** to shift from The bank to Gungin Securities.

【Gunma Bank】

- Accumulation of stock earnings by proposing for asset formation for the working generation (NISA, etc.) and for the needs of the retiring generation for saving.

Establish **Regional Personal Sales Dept.** in **Customer Consulting Dept.** (Apr, 2025)

- Salespeople for financial assets in seven regions (Maebashi, Takasaki, Ota, Isesaki, Kiryu, Tatebayashi, and Kumagaya) have been consolidated into 13 locations.
- By consolidating staff, we will be able to comprehensively manage stores. By building long-term relationships with customers and strengthening channel collaboration, we will be able to provide high-quality proposals.



Personnel Reallocation Plan (for the next 3 years)

(unit : person)

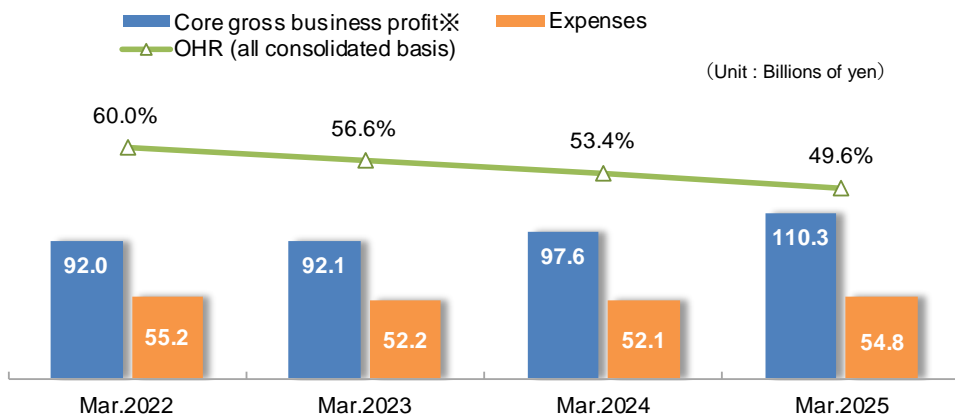
Number of reallocated personnel	1st year	2nd year	3rd year	Total
Corporate consulting (M&A, group companies, etc.)	20 (13)	20	10	50
Consulting for individual clients (inheritance, Gungin Securities, etc.)	60 (42)	10	10	80

() indicates reallocation in April 2025.

Expenses and Net credit costs

Status of expenses and OHR

Overhead ratio is 49.6% below 50%.



※excluding gains (losses) on cancellation of investment trusts

Breakdown of net credit costs(non-consolidated)

Net credit costs are low and stable level. But the Bank will keep an eye on the trend.

(Unit : Billions of yen)

	Mar. 2023	Mar. 2024	Mar. 2025	Mar.2026 plan
Net credit costs	1.0	0.6	2.3	3.5
Provision of general allowance for loan losses	-1.8	-1.5	-1.1	-0.3
Change to the actual rate	-0.8	-0.1	-0.2	0.2
DCF	-0.7	-0.9	-0.3	-
Others	-0.3	-0.5	-0.6	-0.5
Disposal of non-performing loans	2.9	2.1	3.7	3.8
Downgrade	7.2	6.1	6.3	5.1
Collection, upgrade, etc.	-4.5	-4.2	-3.0	-1.6
Others	0.2	0.2	0.4	0.3
Recoveries of written off receivables (-)	0.0	0.0	0.2	0.0

Main Factors of Increase in Expenses (non-consolidated)

Toward Enhancing Human Capital, transitioning to a personnel system.

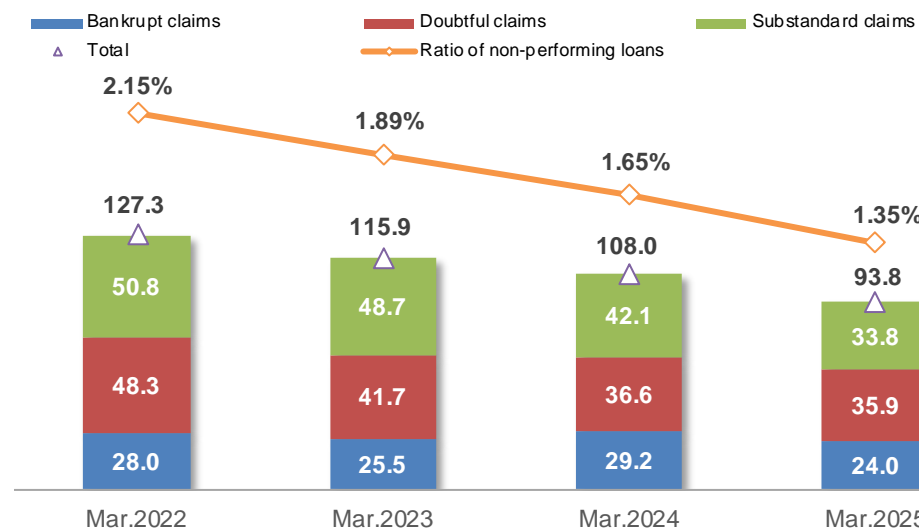
(Unit : Billions of yen)

	Mar. 2025	YoY	Main factors
Personnel exp.	28.9	1.1	Personnel system reform + 0.4, Base-up+0.6
Non-personnel exp.	20.7	1.0	machinery rental fee + 0.25, depreciation& amortization(buildings and personal property) + 0.09, Outsourcing costs+ 0.11, Advertising exp + 0.22,Other miscellaneous exp + 0.28
Taxes	3.0	0.2	Size based business tax + 0.14, consumption tax + 0.06
Total	52.7	2.4	

Disclosed Claims under the Financial Reconstruction Law and Ratio to the claims (consolidated)

※The Bank does not apply partial direct written-off.

(Unit : Billions of yen)



Business Forecast (for the FY ending March 2026)



Consolidated core business net profit excluding gains(losses) on cancellation of investment trusts will be expected to increase by 9.0 billion yen compared with the previous FY to 64.5 billion yen . Profit attributable to owners of parent will be expected to 49.0 billion yen. And ROE will be 8.6%.

Consolidated

(Unit : Billions of yen)	Forecast	
	for Mar. 2026	compared with FY2024
Core business gross profit	122.8	15.1
Net interest income	93.8	11.7
Excluding gains(losses) on cancellation of investment trusts	94.8	10.1
Non-interest business profit	29.0	3.4
Expenses	59.3	4.5
Core business net profit	63.5	10.6
Excluding gains(losses) on cancellation of investment trusts	64.5	9.0
Net credit costs	4.0	0.9
Ordinary profit	70.0	8.0
Profit attributable to owners of parent	49.0	5.1
Over head ratio (excluding gains(losses) on cancellation of investment trusts)	47.8%	-1.8%
Return on equity	8.6%	0.9%

Non-consolidated

(Unit : Billions of yen)	Forecast	
	for Mar. 2026	compared with FY2024
Core business gross profit	113.7	13.0
Net interest income	94.6	12.1
Excluding gains(losses) on cancellation of investment trusts	95.6	10.5
Non-interest business profit	19.1	1.0
Expenses	56.7	4.0
Core business net profit	57.0	9.1
Excluding gains(losses) on cancellation of investment trusts	58.0	7.5
Gains and losses on securities	8.0	-0.5
Net credit costs	3.5	1.2
Ordinary profit	64.0	6.5
Profit	44.5	4.1

Profit basis (main breakdown)

(unit : Billions of yen)	
Net interest income	+12.1
Loans(domestic)	+8.7
Loans(international)	+0.2
Securities(domestic)	-2.2
Securities(international)	+1.1
Gains(losses) on cancellation on investment trusts	+1.6
BOJ's interest, etc.	+2.7

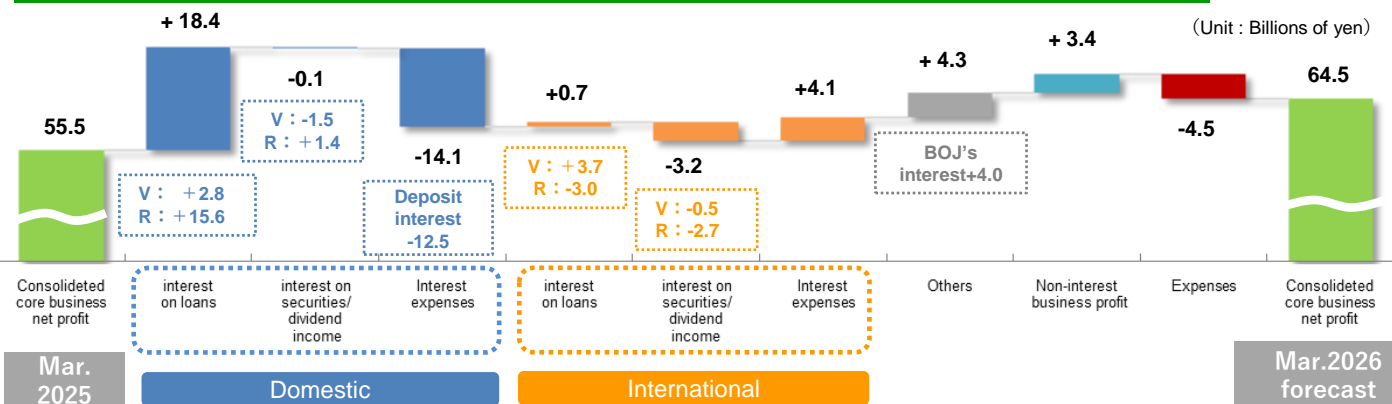
【Interest rate assumption】

Assumed interest rate hike in Oct. 2025
(0.50%⇒0.75%)

Average balance and yields(non-consolidated)

	Average balance		Yields	
	Mar. 2026	Rate of changes	Mar. 2026	compared with FY2024
Loans	6,939.1	5.4%	1.44%	0.21%
(domestic)	6,497.2	4.5%	1.23%	0.24%
Securities	2,056.3	-7.3%	2.23%	0.08%
(domestic)	1,433.4	-9.7%	1.00%	0.19%
Deposits	8,424.2	2.4%	0.29%	0.14%
(domestic)	8,239.5	2.1%	0.20%	0.14%

Breakdown of changes in consolidated core business profit (excluding gains on cancellation of investment trusts)



Consolidated Quantitative Targets

(Unit : Billions of yen)	FY2025 Forecast	FY2027 Target
Core business net profit*	64.5	80.0
Of which, Non-interest income	29.0	35.0
Profit attributable to owners of parent	49.0	60.0
Group companies' profit	4.5	6.0
ROE	8.6%	10.0%
RORA	1.1%	1.2% or more
Over head ratio	47.8%	about 45%
Capital adequacy ratio	13.9%	about 13.5%
Core CET 1 ratio	12.4%	11.5%

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

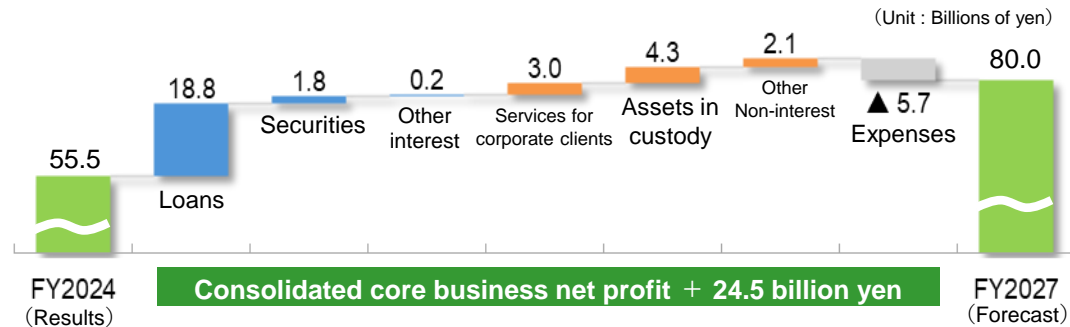
Balance targets

(Unit : Billions of yen)	As of Mar.2026	As of Mar.2027	As of Mar.2028	RORA	Compare d to FY2024	Annual average
Loans	7,140.0	7,230.0	7,400.0			2.6%
Domestic branches	6,500.0	6,490.0	6,580.0			1.4%
Enterprises	3,850.0	3,840.0	3,900.0			1.7%
Large enterprises	1,100.0	1,060.0	1,080.0	2.3%	0.8%	2.3%
Secondtier enterprises/SMEs	2,750.0	2,780.0	2,820.0	1.2%	0.2%	1.5%
Individuals	2,550.0	2,550.0	2,580.0			1.1%
Of which, Housing loans	1,500.0	1,520.0	1,540.0	2.1%	0.6%	1.7%
Of which, Unsecured loans	86.0	93.0	100.0	2.5%	0.5%	8.2%
Public	100.0	100.0	100.0			—
Loans from Headquarters	460.0	540.0	600.0	1.7%	0.4%	15.1%
Cross-border loans	240.0	250.0	280.0	1.9%	0.0%	8.2%
Structured finance	220.0	290.0	320.0	1.3%	0.3%	23.3%
NY branch	180.0	190.0	200.0	1.4%	0.1%	9.5%
Loans to new business domains	—	10.0	20.0			—

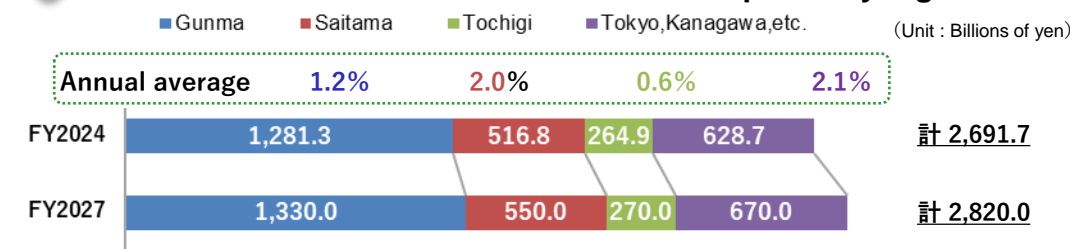
Interest rate assumption

(Unit : %)	FY2025						FY2026		FY2027	
	Apr.	Jun.	Sep.	Oct.	Dec.	Mar.	H1	H2	H1	H2
Policy interest rate	0.50			0.75						
10Y government bond	1.55			1.65						
FF interest rate	4.50	4.25			4.00		3.85	3.60	3.35	3.10

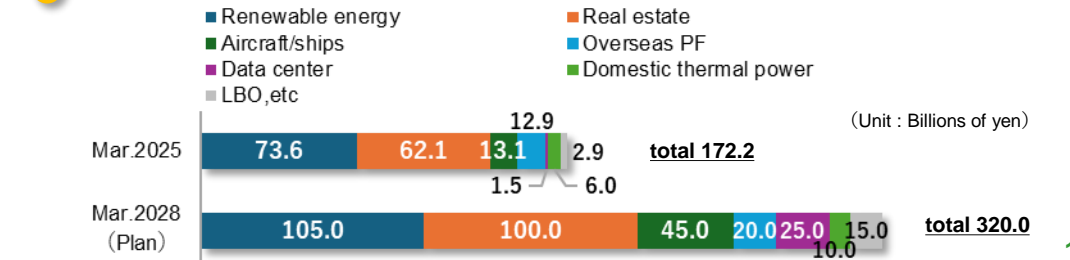
Breakdown of changes in consolidated core business net profit



Increase in loans to SMEs & second-tier enterprises by region



Breakdown of increase in structured finance



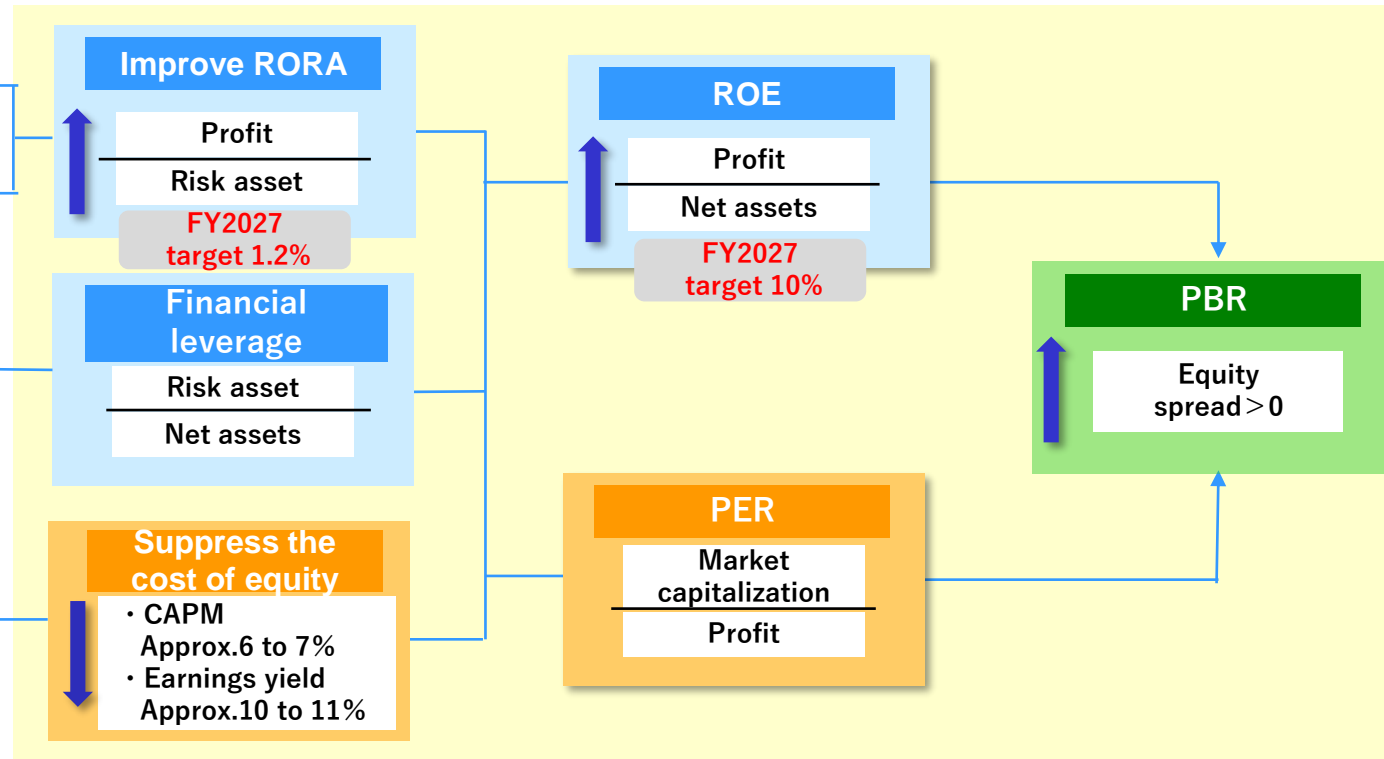
II. Capital Policy

Initiatives to enhancement of Corporate Value

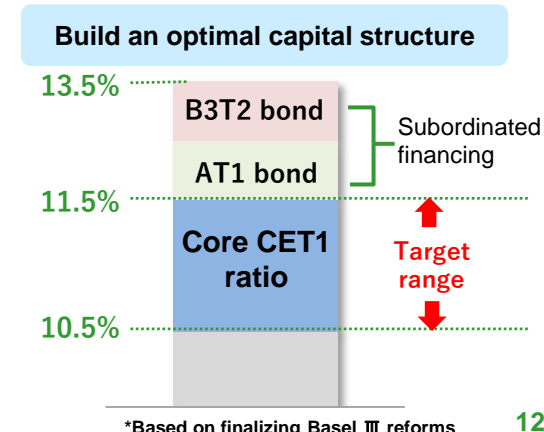
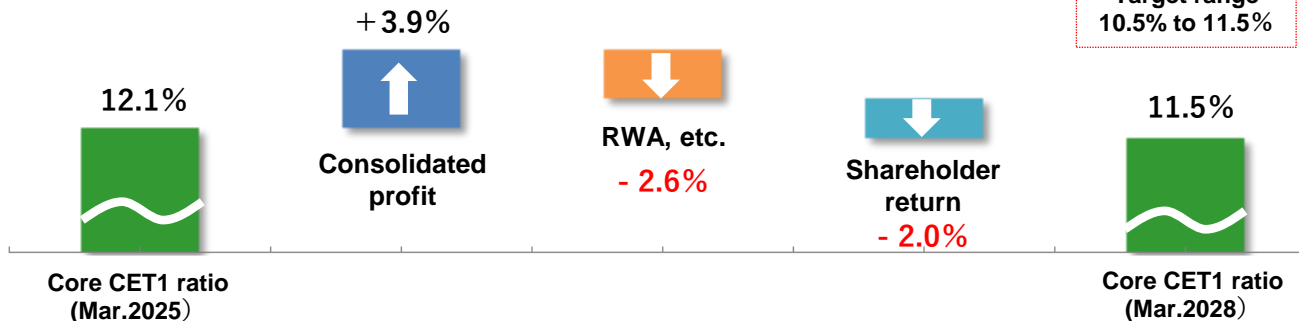
Initiatives to improve PBR

We will reverse the negative equity spread by **improving ROE** and **suppressing the cost of equity** to **improve PBR**.

- Accumulation of highly profitable assets
- Further increase non-interest business income to 35 billion yen in FY2027
- Build an optimal capital structure
 - ➔ Rise the core CET1 ratio to the range of 10.5% to 11.5%
- Improve shareholder returns
 - ➔ Progressive dividend system/
Flexibly implement acquisition of treasury shares
- Reduce information asymmetry
 - ➔ Improve IR activities and disclosure of non-financial information
- Improve expected growth rate
 - ➔ Realize a virtuous cycle of social and economic value

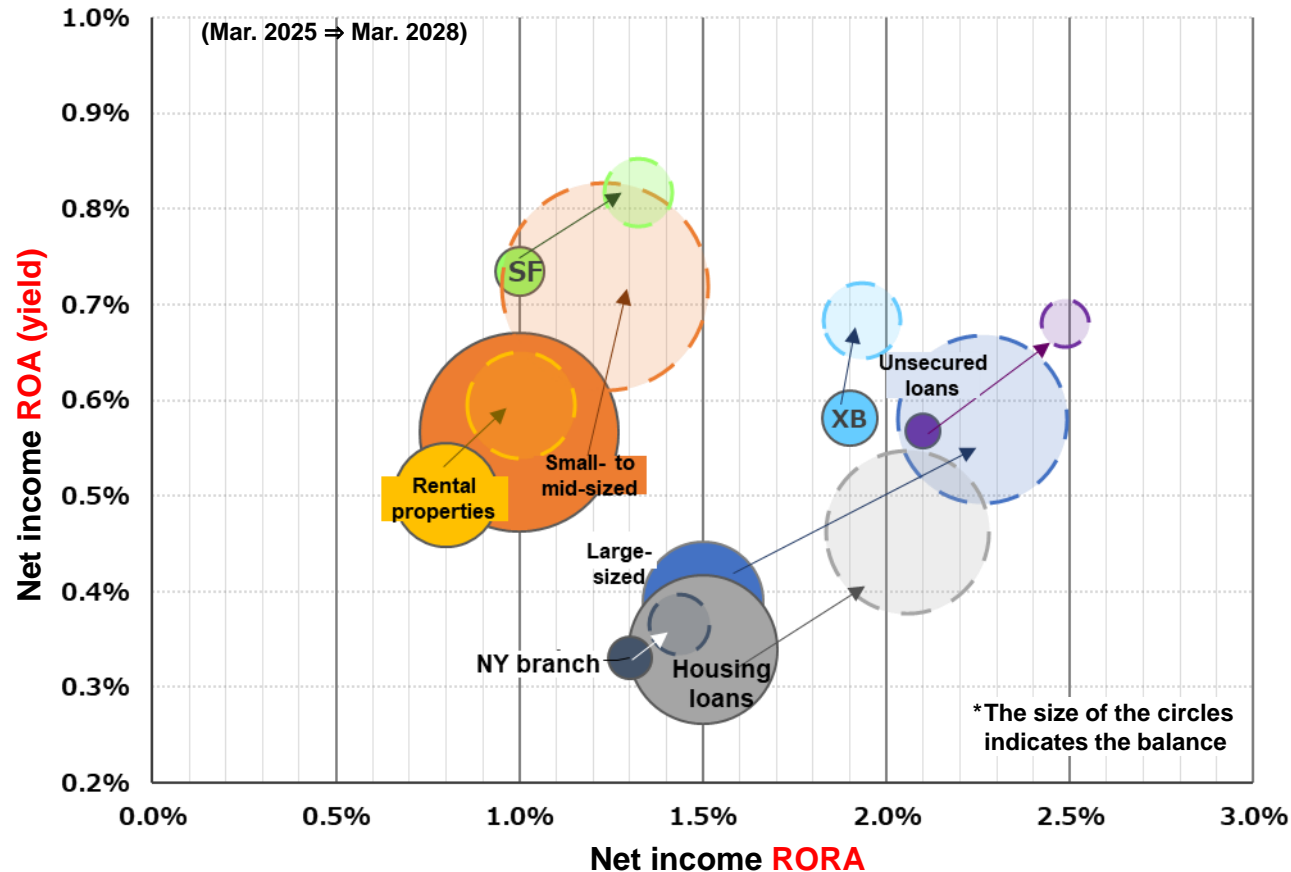


Capital management eyes (Capital allocation)



Implementation of “RORA Management”

RORA of borrowers



Negative interest rate environment

- Accumulating high RORA assets has led to improving profitability while maintaining soundness.

World with interest rates

- Raising RORA target since the deposit and loan profit margin will increase due to interest rate hikes
- Growing importance of deposits, which serve as a source for loans
⇒ Need to establish asset allocation that **uses deposits effectively**

Adapting to a world with interest rates

Deposits and loans

- Raising RORA target (standard profit margin)**
 - Target RORA 1.0% → 1.2%
- Revising profitability logic when engaging in new transactions with highly rated large companies**
 - Also including costs involved in deposit-related services, such as deposit administration costs and ATM costs, in calculations
 - Adding requirement that fixed-interest transactions must secure profitability at least equal to national government bonds with the same maturity
- Raising short-term prime rate (from March 3, 2025)**
- Raising awareness of acquiring deposits**
 - Raising deposit internal transfer rate, providing incentives for acquiring deposits
 - Addition of deposit profits to sales branch commendation items
 - Negotiations aimed at acquiring deposits equal to or greater than loan share
 - Interest rate campaign aimed at acquiring individual deposits and starting special interest rate periods (money plan)

Securities

- While pursuing portfolio management that considers profit/loss from valuation and yield, disposing of low-yield bonds ahead of schedule based on market conditions

Strengthening Deposit Initiatives (Reference)

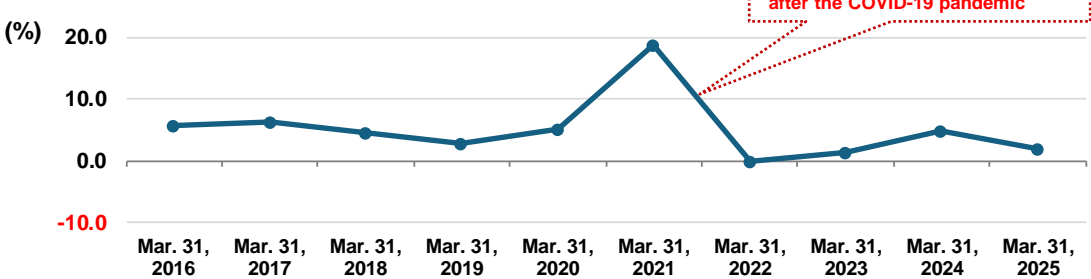
Breakdown of deposit balance

(Unit : Billions of yen)	Mar. 2025	YoY	Rate of Change
Deposits (domestic branches)	8,291.6	75.6	0.9%
• By type			
Of which, demand deposits	6,589.8	97.6	1.5%
Individuals	4,414.6	71.6	1.6%
Corporations	1,748.4	3.0	0.1%
Of which, term deposits	1,657.7	-29.7	-1.7%
Individuals	1,316.3	-66.9	-4.8%
Corporations	305.0	40.1	15.1%
• By depositor type			
Of which, individual deposits	5,734.9	2.2	0.0%
Of which, corporate deposits	2,075.7	47.6	2.3%
• By region			
Gunma	6,774.3	17.9	0.2%
Saitama	752.0	-2.9	-0.3%
Tochigi	407.0	3.8	0.9%
Tokyo, Kanagawa, etc.	358.2	56.8	18.8%

Measures to boost individual deposits

- Improving convenience of **Gungin App**
Opening of ordinary deposit accounts and adding a feature to output PDF with deposit account details
Introducing new app loan feature (scheduled for July 2025)
- Running campaigns aimed at expanding customer base and enhancing transactions **by age group**
- Acquiring deposits by leveraging ordinary deposits for settlement, **targeting wealthy individuals** who diversify their banking based on pay-off measures

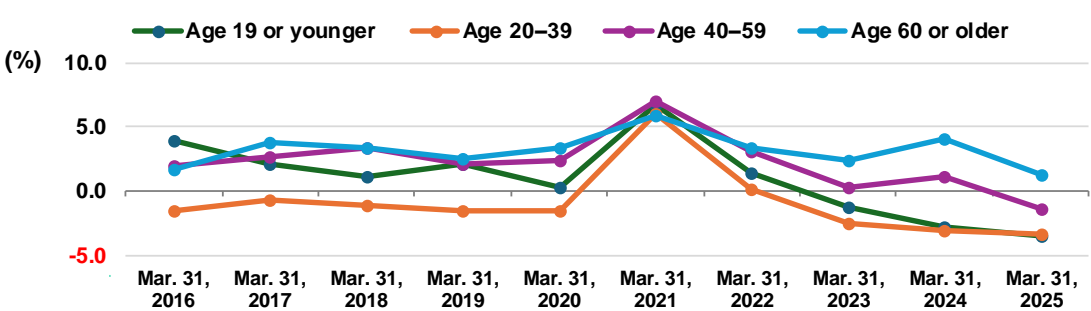
Changes in corporate deposit increase rate



Measures to boost corporate deposits

- Raising the deposit internal transfer rate to **offer an incentive** for acquiring deposits (revising profit management: expanding deposit spread earnings)
- Strengthening the promotion of deposit transactions commensurate with **loan share**
- Revising interest rate add-on measures for certificate deposits and large term deposits

Changes in individual deposit increase rate by age group



Recognized issues

- Share of pension recipients is lower than that of salary transfer recipients. The transaction continuation rate from salary transfer to pension is **around 70%**, indicating there is room for improvement in acquiring new pension deposits.
- The ratio of salary transfer recipients to the number of employed people is trending downward. It is necessary to **improve the stickiness** of transactions.
- Accounts opened at a young age tend to have higher deposit balances in adulthood. Therefore, it is necessary to strengthen efforts to **attract younger generations**, as they are likely to become valuable customers in the future.

Shareholder Return

The bank changed its shareholder return policy from “total shareholder return” to “dividend payout ratio” in Feb. 2025. (The change will be applied from the current year.) The bank introduced a **progressive dividend system** that aims to maintain or increase dividends.

Before

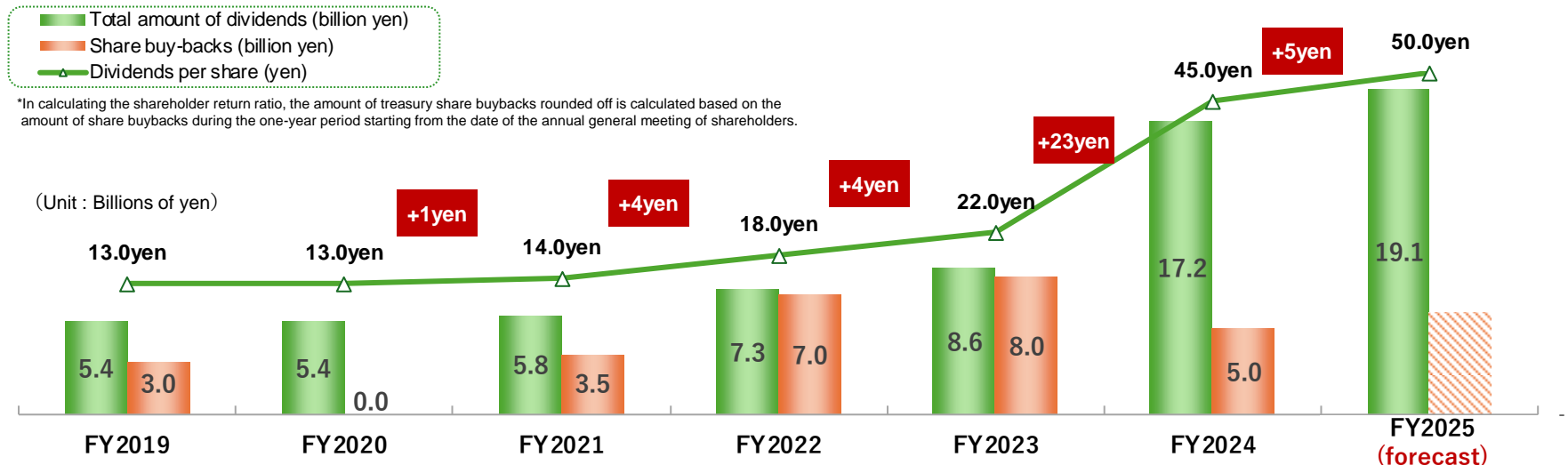
The Bank is setting a target of **40% of profit** attributable to owners of parent for **the ratio of total payout to shareholders** combining stable cash dividend payments and the acquisition cost of treasury shares.

After

The Bank strives to achieve a **payout ratio of 40% of profit** attributable to owners of parent.
The bank will **flexibly implement acquisition of treasury shares**.

Achievements of shareholders return

Total shareholder return will exceed 50% for three consecutive fiscal years. The annual cash dividends per share for FY 2025, ending Mar. 31, 2026 is planned to be 50 yen, up 5 yen compared with the previous year. The dividend has increased for five consecutive fiscal years.



Total amount of shareholder return(billion yen)		8.4	5.4	9.3	14.3	16.6	22.2	—
Total shareholder return ratio	consolidated	To FY2021		Non-consolidated basis		51.4%	53.6%	50.7%
	non-consolidated	47.2%	46.8%	39.9%	From FY2022		Consolidated basis	
Dividend payout ratio		consolidated	24.6%	40.4%	22.1%	26.4%	28.1%	39.5%
								(39.0%)
Profit (billion yen)	consolidated	22.2	13.5	26.4	27.9	31.1	43.9	49.0 (forecast)
	non-consolidated	17.9	11.6	23.3	24.6	28.1	40.4	44.5 (forecast)

Reduction Target of Shares for Policy Purposes

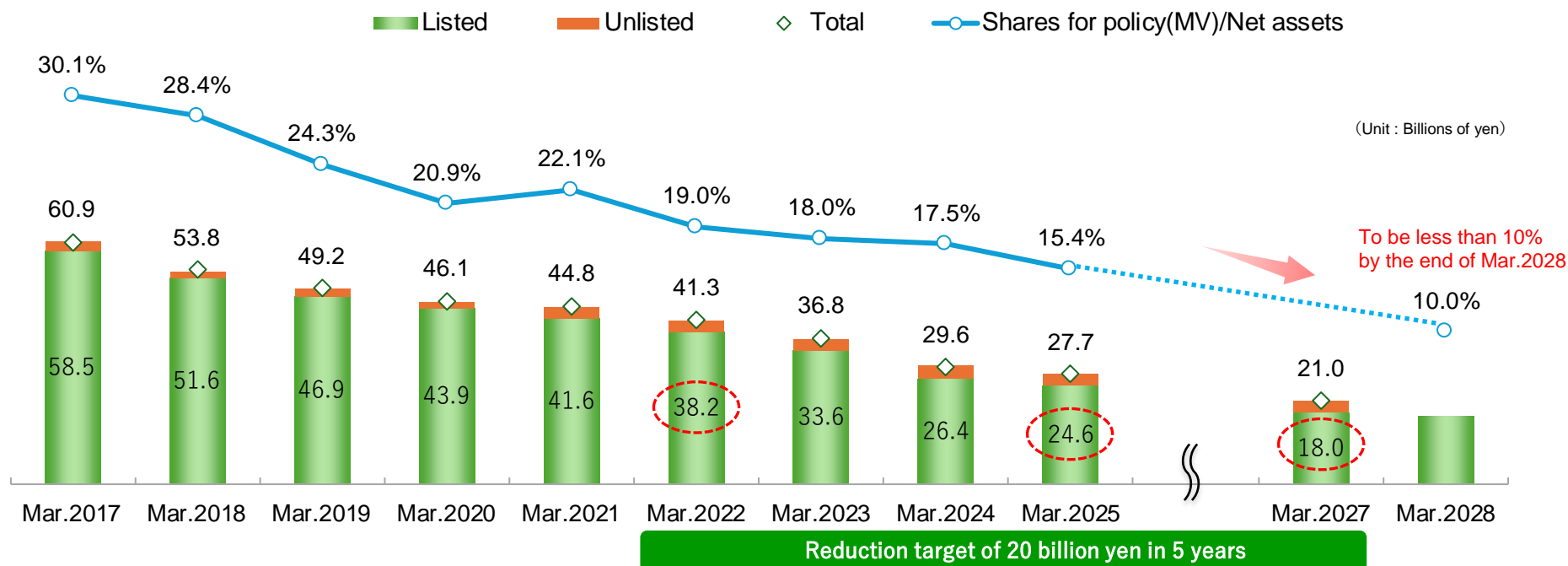
- The Bank plans to reduce listed shares with a book value by **50% (- 20 billion yen)** over 5 years during FY2022 ~ FY2026.
Progress rate as of Mar. 2025 : **68% (-13.5 billion yen)**.

► 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



► Changes in the number of companies (listed)

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

III. Memorandum of Understanding regarding Business Integration

- The growing interest in the progress of depopulation and DX and sustainability, coupled with the ongoing transition to a “world with interest rates” in the financial sector, has led to the emergence of new financial services including entries from other industry sectors. The expected role of regional financial institutions is expanding while the business environment is constantly changing, resulting in intensifying competition and enhanced business opportunities.
- G&DH Group recognizes that its mission as regional banks is to work together for regional revitalization aimed at sustainable growth of Gunma and Niigata prefectures and continuously contribute to the local community.

Changes in the business environment

At the time of launch of
the Alliance in December 2021

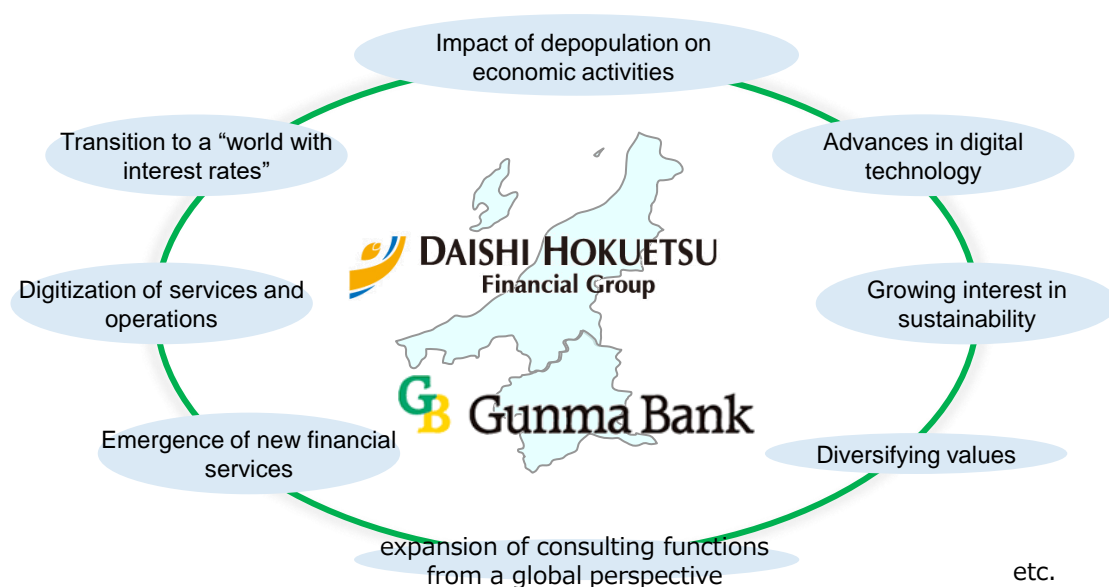


Accelerated changes in the business environment

- ✓ Responding to COVID-19
- ✓ Depopulation due to declining birth rates and aging population
- ✓ Prolonged super low interest rates
- ✓ Accelerated DX
- ✓ Intensifying competition with other industries
- ✓ Pursuit for sustainability etc.

Accelerated change in the environment

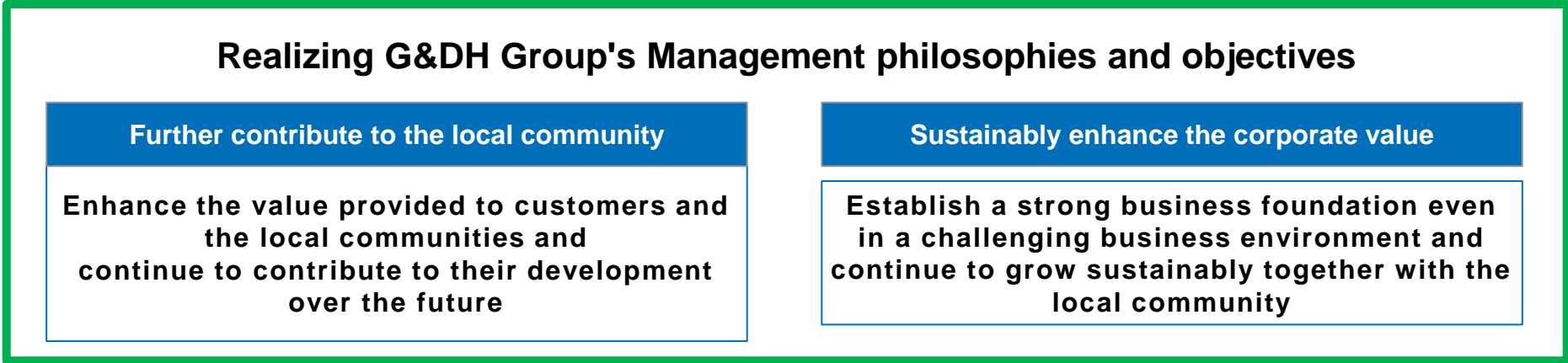
- Changes in the fabric of society are accelerated by various overlapping factors
- The needs of regional communities, and the issues that need to be addressed are becoming increasingly diverse and complex
- The competitive environment for acquiring customers and improving convenience of services is intensifying



※Gunma Bank, Daishi Hokuetsu Bank, and Daishi Hokuetsu Financial Group are collectively referred to as “G&DH Group”

※Gunma Bank and Daishi Hokuetsu Financial Group are collectively referred to as “the two companies”

- Based on such understanding of the changing environment, Gunma Bank and Daishi Hokuetsu Financial Group, which are the top two banks in the region, believe that working together by bringing together each other's strengths is the best approach to meet the expectations of all stakeholders and realize G&DH Group's management philosophy and purpose. Therefore, the two companies have entered into a memorandum of understanding to proceed with discussions toward a business integration (the "Business Integration").

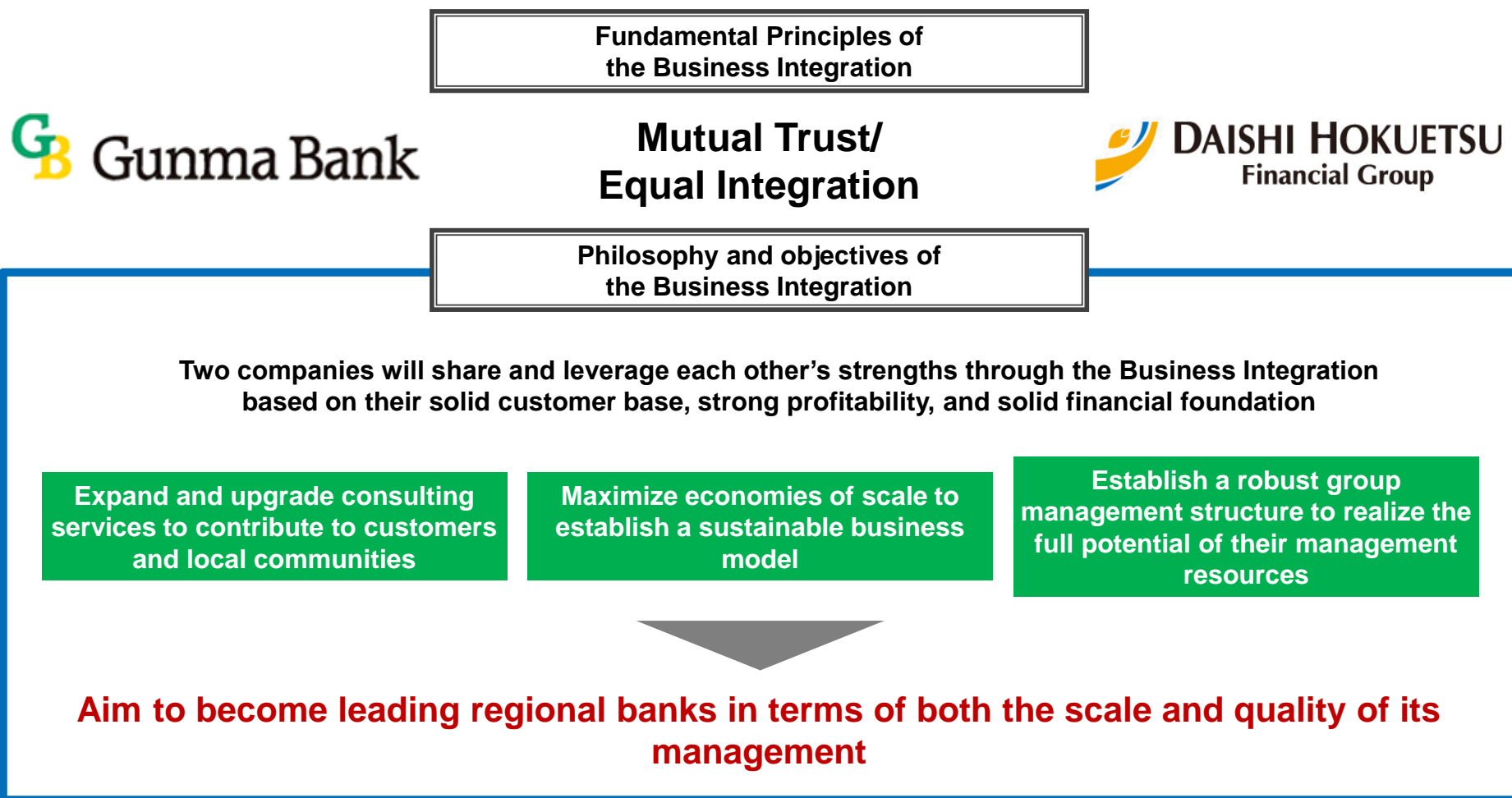


The top two regional banks
working together by bringing
together each other's strengths



Accelerated and multifaceted changes in the environment with increased complexity and uncertainty


- The Business Integration combines the two companies that already have a solid customer base in their respective operating territories, with robust profitability and a strong financial foundation, and aims to enhance scale and quality of management to create a new financial group that ranks among the top regional banks.
- Based on the fundamental principles of mutual trust and Equal Integration, the two companies will continue to contribute to the growth and development of customers and the local communities, while steadily achieving sustainable growth and enhancing corporate value. Its goal is to become a valuable regional financial group that meets the expectations of customers, communities, and shareholders.




Overview of the New Financial Group


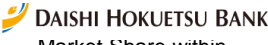
- The asset size of the new financial group to be established will be among the largest of regional banks. The group will contribute to the local communities while pursuing economies of scale and efficiency at the same time.

New Financial Group will be one of the top regional banks in asset size

	
Head Office	Maebashi, Gunma
Establishment	November 1932
Total Assets (Consolidated)	10,557.1 billion yen
Deposits	8,672.4 billion yen
Loans	6,845.1 billion yen
Assets under Custody (Consolidated)	1,252.6 billion yen
Net Income (Consolidated)	43.9 billion yen
Market Capitalization	470.9 billion yen
Employees (Consolidated)	2,927
Banking locations	Japan: 106 Overseas: 4
Group Companies	Financial sector: Bank, securities, lease, credit card, credit guarantee, fund management Non-financial sector: Consulting/regional trading, system development, transportation & maintenance

	
Head Office	Niigata, Niigata
Establishment	November 1873
Total Assets (Consolidated)	10,977.7 billion yen
Deposits	8,780.3 billion yen
Loans	5,614.3 billion yen
Assets under Custody (Consolidated)	1,537.5 billion yen
Net Income (Consolidated)	29.3 billion yen
Market Capitalization	275.3 billion yen
Employees (Consolidated)	3,504
Banking locations	Japan: 139 Overseas: 1
Group Companies	Financial sector: Bank, securities, lease, credit card, credit guarantee, fund management Non-financial sector: Consulting/research, system development, recruiting agency, regional trading



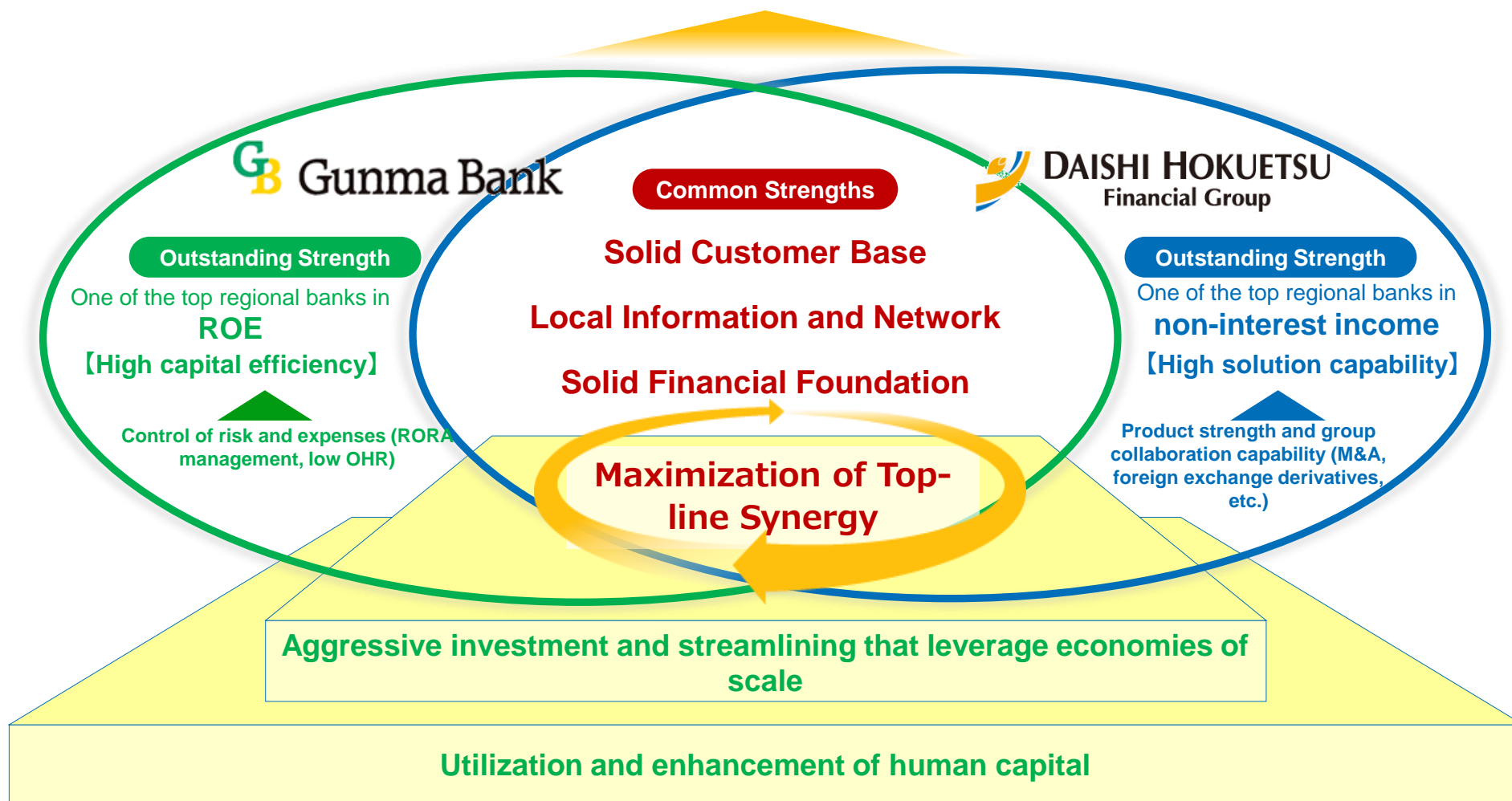
New Financial Group (Simple sum) One of the top regional banks in asset size	
Total Assets (Consolidated)	21,534.9 billion yen
Deposits	17,452.7 billion yen
Loans	12,459.4 billion yen
Assets under Custody (Consolidated)	2,790.1 billion yen
Net Income (consolidated)	73.2 billion yen
Market Capitalization	746.2 billion yen
Employees (Consolidated)	6,431
Banking locations	Japan: 245 Overseas: 5
Group companies (Business domains)	11 businesses
 Market Share within Gunma Prefecture	Share of deposits 38%
	Share of loans 34%
 Market Share within Niigata Prefecture	Share of deposits 43%
	Share of loans 51%

As of March 31, 2025

Synergy effects anticipated from the Business Integration (synergistic effects)

- The two companies will collaborate by bringing together their common strengths and respective strengths, leveraging economies of scale and the advantages of a vast network and information sharing, with the aim of maximizing top-line synergy

Increased contribution to customers and regions



- The two companies will consider specific measures aimed at expeditiously achieving the purpose of the Business Integration and maximizing the corporate value, with a focus on realizing synergies.

Increased contribution to customers and regions

- **Enhance the ability to respond to increasingly diverse and complex needs and challenges and provide high value-added services through the mutual use of know-how, information, and networks**
 - ✓ Strengthen the financial intermediary function (such as expanding risk-taking capabilities, jointly arranging syndicate loans and structured finance)
 - ✓ Enhance proposal capabilities for business matching, business succession, M&A, etc., utilizing a wide-area network; provide start-up support
 - ✓ Support overseas businesses through overseas offices
 - ✓ Jointly develop and promote products and services
 - ✓ Explore new business domains
 - ✓ Provide advanced consulting for asset management needs
- etc.

Aggressive investment and streamlining that leverage economies of scale

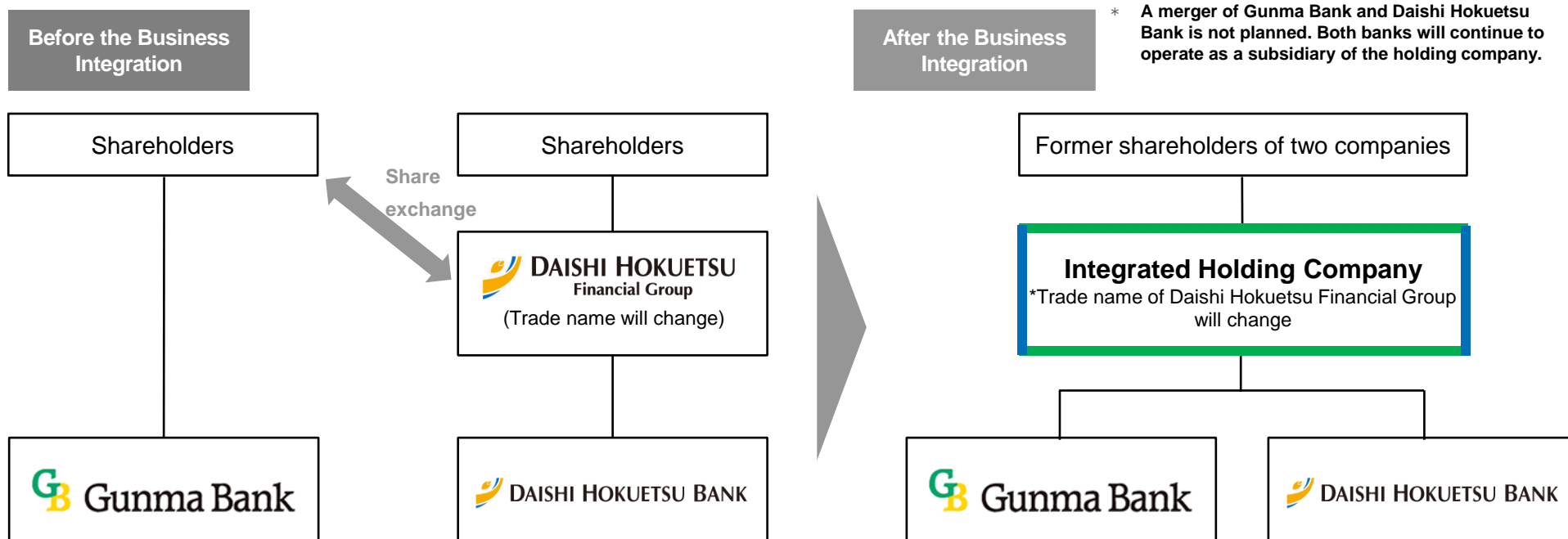
- **Deliberate aggressive investment that leverage the economies of scale in information systems, DX and other priority areas**
 - ✓ Expand customer channels and provide high-quality and convenient services
 - **Streamlined operations and management**
 - ✓ Standardize and centralize administrative procedures
 - ✓ Consolidate and streamline HQ operations
 - ✓ Jointly use office space and facilities
 - ✓ Optimize the group structure
 - ※ Gunma Bank is considering a transition to the TSUBASA core banking system currently used by Daishi Hokuetsu Bank upon renewal of its core banking system scheduled after January 2029. This system is used by 5 banks, including Daishi Hokuetsu Bank.
- etc.

Utilization and enhancement of human capital

- **Improve the value provided across G&DH Group by developing a system that maximizes the skills and expertise of the Two Companies' abundant human resources**
 - **Aim to form a corporate group that is appealing to workers, and where a diverse array of personnel are able to grow through a broad range of careers without being bound by corporate boundaries, by assigning the right people to the right positions and promoting autonomous career development**
- etc.

- The Business Integration will take the form of a holding company via a commonly used approach. To accelerate the process of business integration, the holding company structure of Daishi Hokuetsu Financial Group will be utilized as the holding company for the new financial group.
- To implement the Business Integration, Gunma Bank will conduct a share exchange with the Integrated Holding Company. The trade name of the holding company of the new financial group will be set forth in the definitive agreement for the Business Integration.

✓ In order to realize the new financial group's management philosophy and vision and enhance corporate value, the integrated holding company will serve as the command center of the group, responsible for planning, risk management, and other functions, and lead the formulation of the group's management policies and strategies, as well as the group collaboration efforts to maximize the effects of the integration.



- To facilitate the process of the Business Integration, the two companies set up a preparatory committee for the integration, which will focus on discussions for the Business Integration.

Key Item	Overview
Trade Name	<ul style="list-style-type: none"> ● The name of the integrated holding company at the time of the Business Integration will be specified in the definitive agreement for the Business Integration upon consultation between the two companies.
Head Office	<ul style="list-style-type: none"> ● The location of the head office of the integrated holding company at the time of the Business Integration will be specified in the definitive agreement for the Business Integration upon consultation between the two companies.
Form of Corporate Governance	<ul style="list-style-type: none"> ● Company with an Audit and Supervisory Committee
Share Exchange Ratio	<ul style="list-style-type: none"> ● The ratio will be determined based on the due diligence results and the share exchange ratio calculated by third-party valuation firms retained by each company, using methods deemed appropriate by such valuation firms. The share exchange ratio will be announced once determined.

- The following dates are tentative and subject to change based on future discussions between the two companies.
- In addition, since the Business Integration is contingent upon obtaining necessary regulatory approvals (including the filing of a Form F-4 registration statement with the U.S. Securities and Exchange Commission and having it be declared effective), the process may be delayed depending on the approval status. Any such delays will be promptly made public.

Planned Date	Event
April 24, 2025	Signing of Memorandum of Understanding
May 14, 2025	Setting up a preparatory committee for the integration
March 2026 (tentative)	Signing of a definitive agreement
December 2026 (tentative)	Extraordinary shareholders' meetings of two companies
April 1, 2027 (tentative)	Effective date of share exchange

IV. Appendix (Management Strategies, etc.)

The Mid-Term Business Plan 2022: Innovation for “Purpose”

(Plan period: April 2022–March 2025)

Basic policy

1

Implementation of **digital** strategies as the foundation for **“Connections and Weaving better futures”**

Basic policy

2

Reinforce strengths in **“Connections”** with five reform initiatives

3

“Weaving better futures”

by exercising our strengths in “Connections”

Items

Main results over the past three years

Marketing Process

- Reformed the profit structure “**purpose-driven sales activities** (goal-and needs-based approach)” and “management by **RORA** (utilizing standard profit margin)”, etc.
⇒FY2024 Non-interest business profit 25.6 billion yen (compared to the Mid-term plan +0.6 billion yen), **sixth consecutive record high**.

Digital Channels

- Made progress in developing digital channels and other platforms, such as **the Gungin App** and **the Gungin Business Portal for corporate customers**. ⇒ Number of users of the Gungin App (end of Mar. 2025) approx. **389,000** (compared to plan + 89,000)
- Promoted cashless payments** by issuing **debit cards** and expanding transactions with membership stores
⇒Number of debit card holders (end of Mar. 2025) **53 thousand people**, Payment transaction volume **3.5 billion yen**

Human Capital

- Made progress in the visualization of tasks under the newly introduced **occupation-specific personnel system** and the appointment of the right person to the right position. ⇒ Ratio of female manager (end of Mar. 2025) 21.2% (Target 18% or more)
- In February 2025, the Bank was **selected for the first time** by **the KENKO Investment for Health Stock Selection program** as a company excelling in health management.

Environment Protection (Decarbonization)

- Achieved the Bank’s target to **reduce GHG emissions by 50% from the level in FY2013** one year ahead of the schedule defined in the Mid-Term Business Plan (FY2024:reduction 59% compared to FY2013)
- Achieved **a cumulative total of 800 billion yen** in sustainable finance over three years, way exceeding the figure targeted in the Mid-Term Business Plan “New target 1.2 trillion yen”

New Business
(the Group’s comprehensive capabilities)

- Increased **investment in venture companies** and expanded **business inheritance support, etc.**, through a subsidiary specializing in investment.
⇒number of business succession issues resolved a cumulative total of **1,391 cases**, up 791 cases from the Mid-Term Plan target(New target : 1,500cases)
- Started **personnel agency and regional trading and marketing businesses** through a consulting subsidiary
⇒number of staffing cases closed resolved a cumulative total of **307 cases**, up 107 cases from the Mid-Term Plan target (New target : 350 cases)

Summary of the figures from the previous Mid-term Business plan

Consolidated quantitative targets

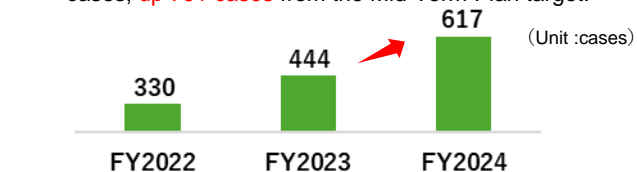
	FY2022 (Result)	FY2023 (Result)	FY2024 (Result)	FY2024 (Target)	compared to target
Core business net profit (excluding gains or losses on cancellation of investment trusts)	¥39.9 billion	¥45.4 billion	¥55.5 billion	¥45.0 billion	¥10.5 billion
Non-interest business profit	¥21.0 billion	¥24.2 billion	¥25.6 billion	¥25.0 billion	¥0.6 billion
Profit attributable to owners of parent	¥27.9 billion	¥31.1 billion	¥43.9 billion	¥30.0 billion	¥13.9 billion
Group companies' profit	¥3.3 billion	¥2.9 billion	¥3.4 billion	¥4.0 billion	-¥0.6 billion
RORA	0.7%	0.8%	1.0%	0.7% or more	0.3%
Overhead ratio	56.6%	53.4%	49.6%	about 55%	-5.4%
ROE	5.3%	5.7%	7.7%	5% or more	2.7%
Consolidated total capital ratio	13.8%	14.8%	13.1%	13.5% or more	-0.4%

KPIs in Connections

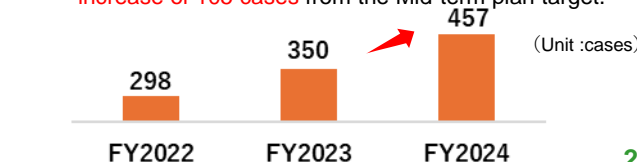
	FY2024 (Result)	FY2024 (Target)	compared to target
“Connect” lender and borrower			
① Amount of sustainable finance executed	¥1,128.4 billion	¥800.0 billion	¥328.4 billion
② Amount of housing loan executed	¥375.2 billion	¥400.0 billion	-¥24.8 billion
③ Balance of unsecured consumer loan	¥79.3 billion	¥75.0 billion	¥4.3 billion
“Connect” customers			
④ Number of business matching cases closed	3,503 cases	3,000 cases	503 cases
“Connect” businesses and individuals			
⑤ Number of staffing cases closed	307 cases	200 cases	107 cases
“Connect” customers’ asset with their future			
⑥ Balance of consolidated deposit financial assets	¥1,252.6 billion	¥1,250.0 billion	¥2.6 billion
⑦ Of which, balance of investment trusts	¥448.7 billion	¥400.0 billion	¥48.7 billion
“Connect” for the next generation			
⑧ Number of business succession issues resolved	1,391 cases	600 cases	791 cases
⑨ Inheritance-related business contracts	1,105 cases	1,000 cases	105 cases

Amount of sustainable finance executed
The result **exceeded** the mid-term plan target of 800 billion yen (revised upward from the initial 500 billion yen) **by 328.4 billion yen**. The new mid-term plan aims to achieve a cumulative total of 1.2 trillion yen over the three years of the plan.

Responding to business succession needs
Developed a connecting process and number of business succession issues resolved a cumulative total of 1,391 cases, **up 791 cases** from the Mid-Term Plan target.



Initiatives to inheritance-related business
Strengthening of the promotion system was successful, resulting in 1,105 cases for testamentary trusts, etc., an **increase of 105 cases** from the Mid-Term plan target.



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

Materiality

(Priority issues for realizing our purpose)

- (1) Sustainable development of the regional economy
- (2) Responding to an aging and declining population with a low birthrate
- (3) Responding to digital transformation (DX)
- (4) Preservation and creation of the global environment
- (5) Enhancing human capital
- (6) Establishing robust governance

For the sustainable **growth** of the region, the Bank, and its executives and employees

Back-casting

Deepening past initiatives to achieve **growth**

Fore-casting

2025 Mid-Term Business Plan

Growth with Purpose

- For the sustainable growth of the region and the Gunma Bank Group -

Basic Policy I Creating a Virtuous Cycle of Social and Economic Values

Strategic Theme 1

Strengthening purpose-driven sales

(balancing social and economic values)

[Social Value]

Solving problems for customers and the local community

[Economic Value]

Enhancing the corporate value of the Gunma Bank Group

Strategic Theme 2

Challenge of building a sustainable regional economic zone

solving regional issues from a medium- to long-term perspective

Basic Policy II Strengthening the Business Foundation to Support Sustainable Growth

Strategic Theme

- (1) DX/Business Process Reform
- (2) Data Utilization
- (3) Human Capital
- (4) RORA Management
- (5) Governance
- (6) Group Collaboration/External Collaboration

Strengthen our business foundation and **enhance our Connection ability** as stated in our purpose

Purpose penetration model

Purpose

[Why was it established?]

Sharing of judgment criteria
Job satisfaction improvement
Empathy with stakeholders



[Vision]

for each company,
department, and branch



[Policy]

for each office and section



[Personal Purpose]

for each executive and employee
of the Group

* The Gunma Bank Group established its purpose in November 2021, based on 755 opinions from its executives and employees.

Mid-term management plan

Growth with “Purpose”

The Bank aims to promote **purpose**-driven management to achieve the three **growths**.

Growth of our customers and the local community
Growth of our Group
Growth of every one of our executives and employees

Basic Policy I

Creating a Virtuous Cycle of Social and Economic Values



A model that embodies the Bank's Purpose

Set quantitative targets that contribute to both social and economic values

[KPIs for Connections]

⇒p. 41

[Sustainability Indicators]

⇒p. 42

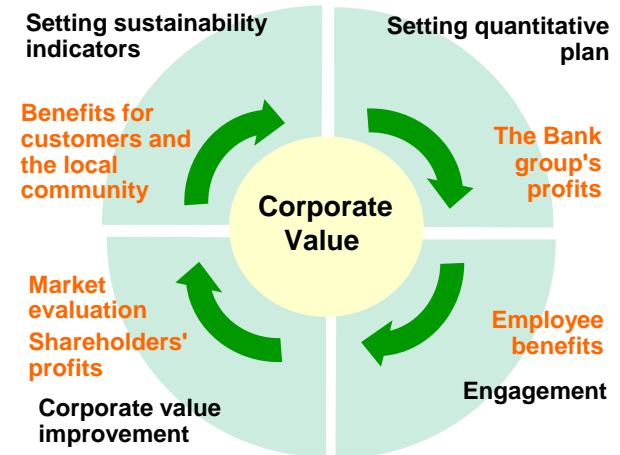


Basic Policy II

Strengthening the Business Foundation to Support Sustainable Growth

Outcome

We will simultaneously achieve
the **four goals** below.



Sustainable growth of the local
community and **our Group**
[Vision]



Realization of our Purpose

Strengthening Purpose-driven Sales

Basic Policy I / Strategic theme (1)

Purpose

Redefining our purpose and business

The Gunma Bank Group's business

[Finance]



[Connections]
including finance

Profit structure

Interest income



Commission income

as an outcome of helping customers

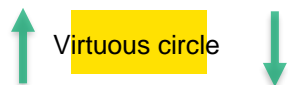
Deposit and loan business

Growth driver

Concept of purpose-driven sales



Contribution to our customers' growth



Employee motivation improvement

Sales activities that balance social and economic values

The Bank's focus in its Mid-Term Business Plan

Strengthen purpose-driven sales

Expand the virtuous cycle of social and economic values



Sales quality improvement

Reorganize the consulting organization

Creation of an organization that can better meet customer needs

Allocate resources to growth areas
M&A, inheritance, asset building

Personnel reallocation plan

Improve consulting skills

Enhancement of consulting and digital talent

Utilize AI & data

Enhancement of human capital

DX/operational reforms

Expand the customer base
(leverage digital technology)

Develop solution offerings
Explore new business domains

Purpose-driven sales

Enhance solutions through payments and deposits

Strengthen collaboration both within our Group and with external partners

Expansion of full-spec approach

Sustainable Regional Ecosystem

Basic Policy I / Strategic theme (2)

Our idea of a sustainable regional ecosystem

The Group will function as a regional hub that connects resources, such as people, goods, money and information in and outside the region to create a virtuous cycle of regional economic activities.

In order to create a sustainable regional ecosystem, we will build the following **three ecosystems** from a medium- to long-term perspective

① An ecosystem that increases the sustainability of regional industries

Strengthening support to key industries in the region, and introducing support services to startup companies and for business succession

- Directly approach regional industries, such as automobile, food, and spa
- Provide support to startup companies and match them with regional businesses in coordination with local governments, local businesses, funds, etc.
- Attract businesses in coordination with local governments
- Facilitate business succession by utilizing a fund

② An ecosystem that increases the productivity of regional businesses

Solve local problems within the region by expanding business domains through external collaboration.

- Consider new business domains that are expected to help improve productivity at local businesses
- Build a regional platform by developing the BPO business, etc.
- Promote an inorganic strategy by collaborating with external businesses

③ An ecosystem that enriches regional life

Promoting cashless transactions, DX, and data utilization within the region

- Conduct more efficient and transparent economic activities within the region
- Provide cashless payment and data utilization
- Increase the productivity of regional businesses
- Increase the convenience for local residents
- Increase the efficiency of local governments, schools, etc.



Active investments to create a sustainable regional ecosystem

- Startup companies: Investment in venture funds, etc.
- Inorganic strategy : investing to expand new business domains
- Investment through Gunma Regional Advanced Solution Partners
- Investments in major industries (automobile, tourism, etc.) and the environmental area

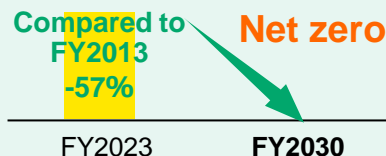
Initiatives for Decarbonization and Natural Capital

Basic Policy I / Strategic theme (2)

Decarbonization of the Bank

The Bank's greenhouse gas emissions (Scopes 1 and 2)

We have achieved the targets of the previous Mid-Term Business Plan (-50% compared to FY2013) one year ahead of schedule.



Aiming to achieve net zero ahead of schedule



Joint purchase of non-fossil fuel certificates by TSUBASA Alliance (March 2025)

⇒ Purchased FIT non-fossil fuel certificates totaling 5 million kWh created in various banks' sales areas.

Customers' and regional decarbonization support

Provide solutions according to the phase on which our client is working

Evaluation

- ✓ SDGs initiative support service
- ✓ SDGs/ESG management evaluation and diagnostic service

Measurement

- ✓ SDGs/ESG management evaluation and diagnostic service (measurement of Scope 1 and Scope 2 emissions is available free of charge)
- ✓ Greenhouse gas emission visualization service

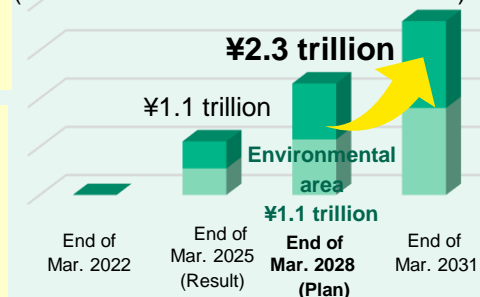
Reduction

- ✓ Sustainable finance
- ✓ Business matching
(In coordination with J-Credit, decarbonization consultants, and regional power producers)

KPI

- ✓ Number of decarbonization support projects: 1,000
- ✓ Sustainable finance

(Cumulative total amount of execution)



Strengthening the decarbonization initiative by obtaining the ZEB certification at newly constructed branches, utilizing the J-Credit scheme, and introducing EVs



Regional decarbonization to achieve net zero

- Reduction in Scope 3, Category 15 emissions (portfolio emissions)
- Continuing to reduce our clients' greenhouse gas emissions (a sustainability indicator)



Natural capital/Biodiversity

- Environmental preservation through finance and the sale of investment trusts
- Disclosure based on the TNFD framework
- Maintenance activities for Gungin Forest, donation to the Oze preservation foundation
- Through Gungin Foundation, provision of awards and grants to activities that contribute to the regional environment and environmental education for local children

* Provide support with regional activities in such areas as arts, culture, sports, and environmental protection, and engage in other social welfare initiatives through the Gungin Foundation.



Promoting DX and Business Reforms

Basic Policy II / Strategic theme (1)

Strengthen customer touchpoints and sales activities

Supporting employees at sales branches with their sales activities

The Bank aims to strengthen customer touchpoints through digital channels and enhance and standardize its sales activities by utilizing generative AI and other technologies.

Gungin App

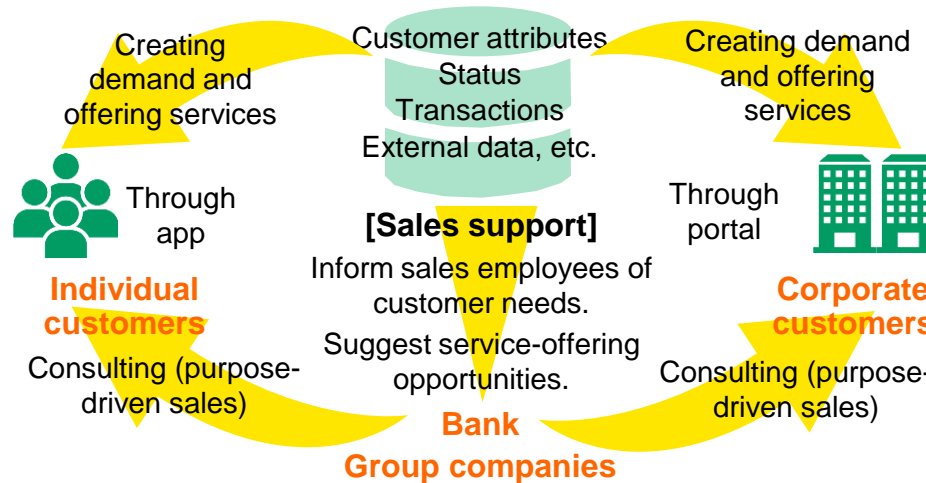


Phase in features that improve convenience and profitability.
Enhance UI/UX thoroughly.

Features/services to be introduced

- App loans (FY2025)
- Point service/family account book service (FY2026)
- Smartphone ATM (FY2026)

Strengthen digital marketing



Gungin Business Portal



Phase in features that facilitate daily transactions and simple procedures, as well as help customers solve problems.

Features/services to be introduced

- Provision of subsidy-related information (FY2025)
- Collaboration with call centers (FY2026)
- Online lending (FY2027)

Concentrate operations within the Bank and eliminate administrative work

Reducing the workload of employees at sales branches

Streamline and systematize administrative work

Build a structure that allows fewer employees to deal with over-the-counter sales

(Vision) Eliminate backoffice operations

✓ Expand operations for which the Bank aims to eliminate paper, seals, operations.

✓ Concentrate and streamline operations by setting up middle offices, etc.

✓ Increase productivity at the counter.

✓ Increase remote meetings with customers.

✓ Concentrate lending operations to the headquarters.



Business Reform Project (since May 2019): The Bank has reduced a total of 700,000 hours of operations annually.

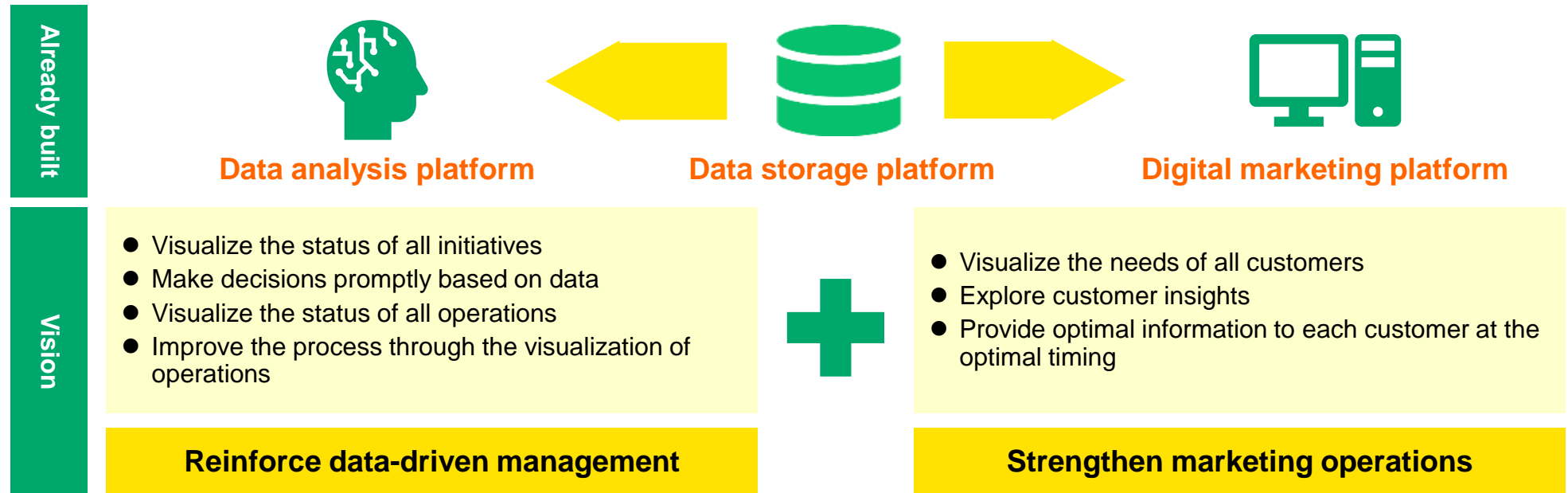
→ The Bank has concentrated and reduced products and ledgers, and streamlined operations by utilizing digital technologies.

- ✓ Concentrate complex procedures and various consultation work to the headquarters.
- ✓ Expand semi-self-service procedures. (No receipts or operations)

Enhancement of Data Utilization

Basic Policy II / Strategic theme (2)

- The Bank plans to establish a new organization as the new Mid-Term Business Plan starts (in April 2025): **AI and Data Strategic Office (Workforce of 8)** in the Digital Innovation Department.
- The new organization will spearhead the initiative to enable all executives and employees to make full use of AI and data.



Strengthen all sections through the utilization of AI (primary use case examples)

Streamline operations

- Respond to inhouse inquiries with AI (FY2025)
- Record audio data of meetings with customers and minutes of the meetings (FY2025)
- Streamline and strengthen reviews to introduce AI reviews (FY2025)
- Provide consultations through an AI chatbot (FY2026)

Support sales activities

- Understand customer needs through AI (FY2025)
- Propose effective customers through AI (FY2026)
- Formulate proposal materials for customers automatically (FY2027)

Enhancing Human Capital

Basic Policy II / Strategic theme (3)

Each officer and employee in the Group is the driving force to help the region and the Group achieve sustainable growth and realize their purposes and is the source of value creation (capital). We will execute human capital strategies that are linked to our management strategy in order to enrich our human capital.

Mid-Term Business Plan Growth with the Purpose: Achieve sustainable growth of the region and the Gunma Bank Group

Basic policy I
Creating a Virtuous Cycle of Social and Economic Values

Basic policy II
Strengthening the Business Foundation to Support Sustainable Growth

Gaps and issues for achieving the goal

● Reconstruction of our human capital portfolio

- Enhance **consulting human capital** to realize a virtuous cycle of social and economic values
- Enhance digital human capital to reinforce our business foundation that supports our sustainable growth

Allocate human resources to priority areas, and encourage the improvement of necessary skills for each person and autonomous career development

Use diverse human capital, create a more comfortable workplace, and increase job satisfaction for each individual

● Human capital strategies to address the issues

- Construct a human capital portfolio that is linked to management strategy
- Implement recruitment, development, and career-development support based on our job-based personnel system
- Promote diversity, equity, and inclusion (DE&I)
Implement initiatives to improve the well-being of our executive and employees

Higher engagement



Human capital
development policy

To achieve our Purpose, we will support employees so that they can 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 in which every officer and employee, who is the source of value creation, can continue to work actively in good physical and mental health, while mutually recognizing the individuality and capabilities of one another, to realize his or her well-being.



Enhancing Human Capital

Basic Policy II / Strategic theme (3)

Selected first time 「the KENKO Investment for Health Stock Selection program」

- Having been jointly selected by the Ministry of Economy, Trade, and Industry and the Tokyo Stock Exchange in **the KENKO Investment for Health Stock Selection program**, the Bank attended the KENKO Investment for Health Awards 2025 (held in March 2025).



○ Points for which the Bank received a positive evaluation

- Generous benefits, such as various leave programs, consultation services, etc.
- High training participation rate, smoking prohibited throughout the premises
- Support for work-life balance, paternity leave usage rate
- Various subsidies through collabo-health (collaboration with health insurance system)



Recruitment, development, and career-development support based on our job-based personnel system

Visualization of internal human capital

Job posting
(based on **personal purpose**)

Career development support
A **50% increase** in investments in training expenses, etc. (3 years)

External
human
capital

Recruitment of **specialists** who are suited to a particular job

A clear picture of jobs



Development of next-generation leaders
(Corporate Human Resources Development Committee)

Establishment of a succession plan

Promotion of DE&I and initiatives to improve the well-being of executive and employees

- The bank has been certified as Health and Productivity Management Organization (white 500) for **the seventh consecutive year**.
- The Bank was the first time in Gunma Prefecture to receive the "platinum Eruboshi" certification.

Health management



Work-life balance support



Active use of diverse human capital



Elimination of gender gaps
Active use of senior citizens and persons with disabilities. Increasing mid-career hires, etc.

KPI item	FY2024 (result)	FY2027 (plan)
Number of employees appointed to specialist positions	181 employees	250 employees
Ratio of mid-career hires	23.3%	30%
Percentage of female managers	21.2%	30%
Percentage of female department and branch managers	6.8%	20%
Average length of childcare leave, etc., taken by men	24.9days	30 days or more

Constructing a human capital portfolio that is linked to management strategy

- Reallocate human capital to the consulting area through sales structure reorganization and business reforms and by increasing mid-career hires, while working to increase the percentage of higher-ranking employees in terms of skills.
- Work to develop human capital that leads DX within the Group (core human capital and middle human capital) and to raise the digital skill levels of all other employees (base human capital).

Area	Current situation	Reallocation (3 years)	Percentage of higher-ranking employees in terms of skill level (3-year plan)
Corporate consulting	550 employees	50 employees	30% or more
Consulting for individuals	450 employees	80 employees	30% or more

- Change the name of the Personnel Department to **the HR Management Department** in April 2025. Assign an outside person to lead the HR Management Department (executive officer) to step up related efforts.

Digital human capital (3-year plan)



Core human capital
30 employees

Middle human capital
300 employees

Base human capital
1,500 employees



Initiatives for enhance governance

- Strengthen organizational development and group governance in accordance with management strategies
- Enhance risk management
- Strengthen cyber security
- Promote initiatives to enhance operational resilience
- Engage in operations with top priority on compliance
- Enhance measures against money laundering, etc., and ensure appropriate and timely compliance with laws and regulations
- Enhance internal audit
- Strengthen communication with stakeholders

Skill matrix (expertise & experience)

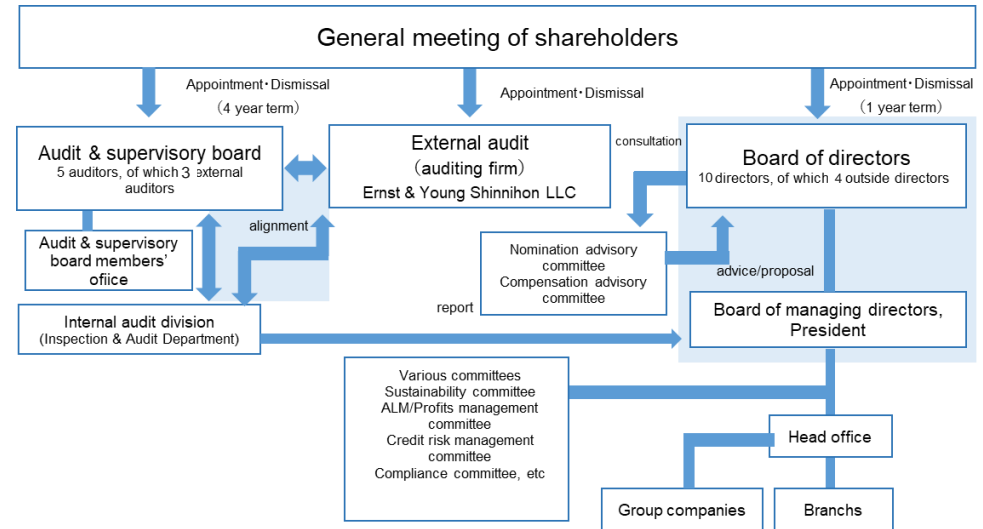
Internal directors / audit & supervisory board members (forecast)

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			○			○	○	

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

Corporate governance system

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).



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	○					○	○	
Kazuhiro 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 auditors.

Strengthening Collaboration within Our Group

Basic Policy II / Strategic theme (6)

Aiming to maximize group profit by leveraging group functions and strengthening group governance

Group company functions and main KPIs

Company name	key KPI	FY2024 Results	FY2027 Targets	unit
【Finance】				
Gungin Leasing	<ul style="list-style-type: none"> Number of new lease and instalment agreements(FY2027) Balance of lease receivables (as of March 31, 2028) 	45.0	60.0	billion yen
Gunma Regional Advanced Solution Partners	<ul style="list-style-type: none"> Total assets under management by funds (as of March 31, 2028) 	9.5	20.0	
Gunma Credit Guarantee	<ul style="list-style-type: none"> Insurance premium income (FY2027) Balance of guarantee obligations (as of March 31, 2028) 	2.3	2.5	
		1,386.7	1,450.0	
【Consulting solutions】				
Gungin Consulting	<ul style="list-style-type: none"> Consulting (FY2027) Staffing (FY2027) 	147	150	cases
		125	130	
Gungin Card	<ul style="list-style-type: none"> Total card payment amount (FY2027) 	261.9	350.0	billion yen
【Asset management】				
Gungin Securities	<ul style="list-style-type: none"> Balance of financial assets under custody (as of March 31, 2028) 	331.2	400.0	billion yen
Gungin System Service	<ul style="list-style-type: none"> Number of business matching transactions (cumulative total) 	22	50	cases

Group companies' profit (FY2027): **6.0 billion yen** (Compare from FY2024: +2.6 billion yen)

Strengthening group governance

Our group governance structure was strengthened as a result of an organizational reform in April 2024 as follows:

1. Establishment of a **Group Business Strategy Department**
 2. Establishment of a **Group Risk Governance Office** within the Risk Management Department
 3. **Increase in the number of employees engaging in group audits in the Inspection & Audit Department**
- We will work to further strengthen group governance under the current Mid-Term Business Plan.

① Group Business Strategy Dep.

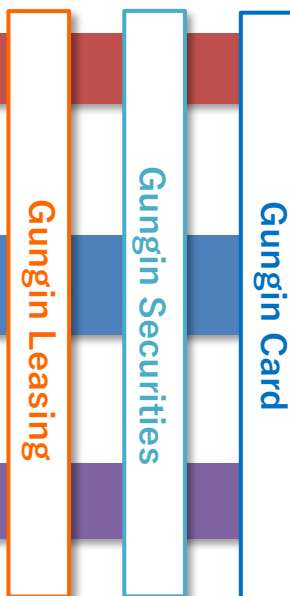
→ Further enhance the unification of sales strategies between the Bank and group companies.

② Group Risk Governance Office (Risk Management Department)

→ Strengthen our risk management capabilities concerning the execution of business plans, sales measures, etc.

③ group audit (Inspection & Audit Dep.)

→ Increase the sophistication of group audits by, for example, conducting audits on themes that are applicable across departments.



Strengthening External Collaboration

Basic Policy II / Strategic Theme 6)

▶ TSUBASA Alliance

Purpose

- Plan and promote collaborative measures for **sustainable regional growth** and **advancement of the financial system**
- Develop measures that contribute to strengthening the top line and reducing costs for participating banks

Initiatives

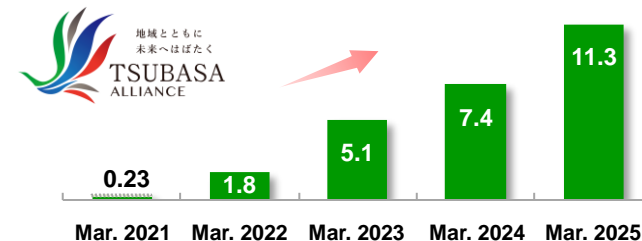
- Feb. 2025: Jointly held bank-wide seminars for customers (asset management for individuals, overseas expansion support)
- Mar. 2025: Jointly purchased non-fossil fuel certificates through bank-wide participation via subsidiary of Chiba Bank
- Based on sponsorship of Expo 2025 in Osaka, running TSUBASA ads in Expo pavilion starting in April 2025



Profit effect (cumulative)

(Unit: billion yen)

Progressing smoothly, exceeding the initial plan
(6 billion yen over 5 years)



▶ Gunma Daishi Hokuetsu Alliance

Purpose

- Further contribute to the local community through collaboration and initiatives aimed at **promoting the region's sustainable growth**
- Sustainable improvement of corporate value through adapting to environmental changes, strengthening the profit structure, etc.

Initiatives

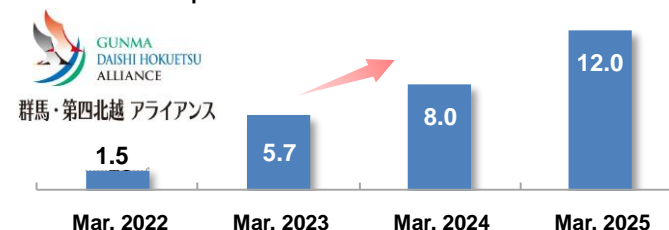
- Accepting one employee from Daishi Hokuetsu Bank at each overseas location of the Bank (New York branch, Ho Chi Minh Representative Office) as a trainee
→ Starting initiative to support Daishi Hokuetsu Bank customers (local U.S. corporations) by NY branch
- Conducting joint research aimed at regional revitalization in Niigata City

Profit effect (cumulative)

(Total of both banks)

The above TSUBASA synergistic effects include the Bank's portion

(Unit: billion yen)



▶ Ryomo Regional Revitalization Partnership

Purpose

- Contribute more to the local community than ever before through **cooperation and collaboration in overlapping business areas** centered on the Ryomo area

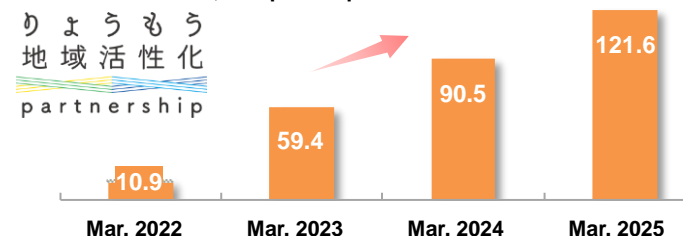
Initiatives

- Collaboration outside the Ryomo region (southern Saitama Prefecture) and support for shared customers, starting with business succession, is progressing
- Along with collaboration between sales branches, information exchange and sharing of expertise by head office managers (M&A, business matching, etc.) is progressing

Trends in loans, etc.

(Unit: billion yen)

* Total of syndicated loans, coordinated lending, structured finance, and private placement bonds



▶ Fincross Partnership (Eight-Bank Collaboration)

Purpose

- Promotion through collaborative development and research for the **digitalization of finance and each bank**

Initiatives

- Advanced data utilization and enhanced digital marketing
- Aggregate data for the eight banks (12.3 million ordinary deposit accounts, approximately 900,000 borrowers)



"Finance" × (クロス)



KPIs for Connections (Quantitative Plans)

KPIs in Connections

KPIs in Connections have been established as quantitative targets for the next three years that we will focus on in order to strengthen **purpose-driven sales** (achieving balance between social and economic values).

	Item	Previous Mid-Term Business Plan projection	Target	Supplementary explanations
Connecting clients' businesses to the future	Number of business succession issues resolved (cumulative for 3 years)	1,391	1,500	Number of cases of resolving issues that generated revenue by contributing to business succession
	Number of business matching cases (cumulative for 3 years)	3,503	4,000	Excluding matches between companies of the Group
	Number of staffing cases closed (cumulative for 3 years)	307	350	Number of "one-handed" or "two-handed" agreements concluded
Connecting clients' assets to the future	Mortgage loan execution amount (cumulative for 3 years)	375.2 billion yen	350 billion yen	Execution amount of mortgage loan
	Unsecured consumer loan balance (as of March 31, 2028)	79.3 billion yen	100 billion yen	Unsecured consumer loan balance, including car loans
	Financial assets under custody (consolidated, as of March 31, 2028)	1,252.6 billion yen	1,600 billion yen	Including Gungin Securities
	Of which, investment trusts (consolidated, as of March 31, 2028)	448.7 billion yen	700 billion yen	Including Gungin Securities
	Monthly amount of savings investment trust agreements (as of March 31, 2028)	2.96 billion yen	6 billion yen	Including Gungin Securities
	Number of active NISA account holders (as of March 31, 2028)	62,000 clients	100,000 clients	Number of NISA account holders with a balance (including Gungin Securities)
	Inheritance-related business contracts (cumulative for 3 years)	1,105	2,000	Number of testamentary trusts or estate liquidation contracts signed
Connecting a prosperous environment and society to the future	Amount of sustainable finance executed (cumulative for 3 years)	1,128.4 billion yen	1,200 billion yen	Amount of investments and loans for the purpose of solving environmental and social issues
	Number of decarbonization support projects (cumulative for 3 years)	553	1,000	Number of decarbonization-related support projects that generated revenue
Connecting money in the region	Amount of cashless payments handled (FY2027)	267.0 billion yen	350 billion yen	Amount of payments using Gungin Card

Sustainability Indicators (Quantitative Plans)

- Indicators for **long-term targets (for the next 10 years)** that we aim to achieve in order to **create social value**. Targets have been set based on **materiality** (priority issues for the realization of our Purpose).



Relationship with Materiality	Item	FY2027 Targets	Long-term targets	Supplementary explanations
Sustainable development of the regional economy	Labor productivity index per corporate client - Disclose changes by setting the index value at 100 as of the end of FY2024.	108.0 Increase +8% from FY2024	Continue to increase at an annual rate of 2.5%	Labor productivity : (Ordinary profit + Personnel expenses + Rent + Depreciation + Financial expenses + Taxes and dues) ÷ employees - The targets have been set at levels that are above domestic labor productivity (which has increased at an average annual rate of 1.2% during the last 5 years*) and the price stabilization target
Responding to DX				
Responding to an aging and declining population with a low birthrate	Financial asset balance index per individual client - Disclose changes by setting the index value at 100 as of the end of FY2024.			Financial assets: Deposits + Financial assets under custody (including Gungin Securities) - The 3-year target has been set based on the Group's plans for personal deposits and financial assets under custody. - The long-term target has been set at levels above the price stabilization target.
Preservation and creation of the global environment	The Bank's greenhouse gas emissions	Net zero (FY2030)		Broken down into Scope 1 and Scope 2.
	Percentage reduction in clients' greenhouse gas emissions compared to the previous year - Disclose average percentage reduction in emissions for measurable clients.	Continued reduction		Strive to increase the number of measurable clients (business partners) and to ensure reduction in their emissions compared to the previous year.
Enhancing human capital	Employee engagement index - Disclose changes by setting the index value at 100 as of the end of FY2024.	Continued improvement		Disclose the results of engagement surveys that are widely used both in Japan and overseas.

* Calculated from "Labor Productivity Trends in Japan 2024," Japan Productivity Center

The Gunma Bank, Ltd.
IR Briefing Session **Data**

May 23, 2025

Presenter : Akihiko Fukai, President



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



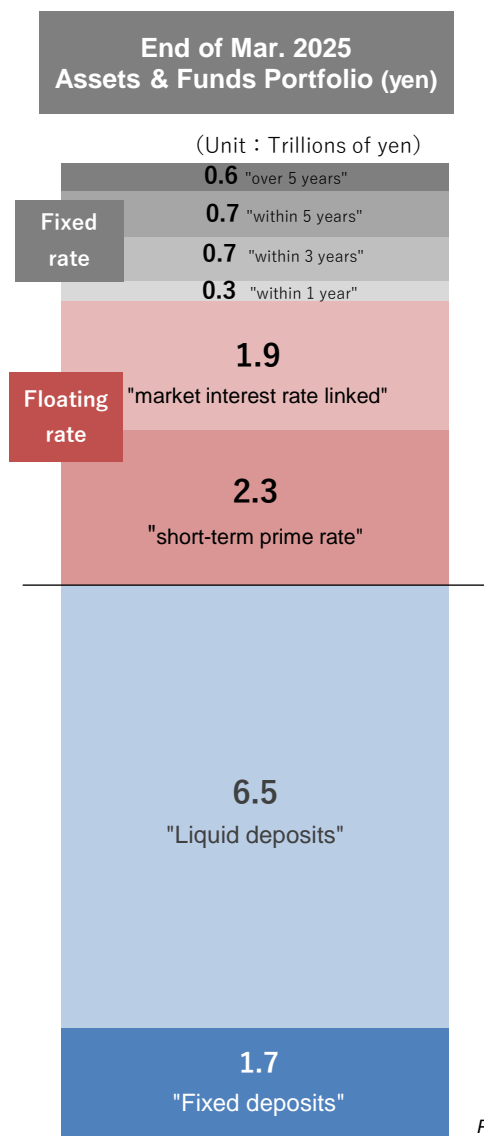
The Medium-Term Business Plan 2025 Growth
with "Purpose"

Financial Results Briefing Session for the Year Ended March 2025 Data 【 Contents 】

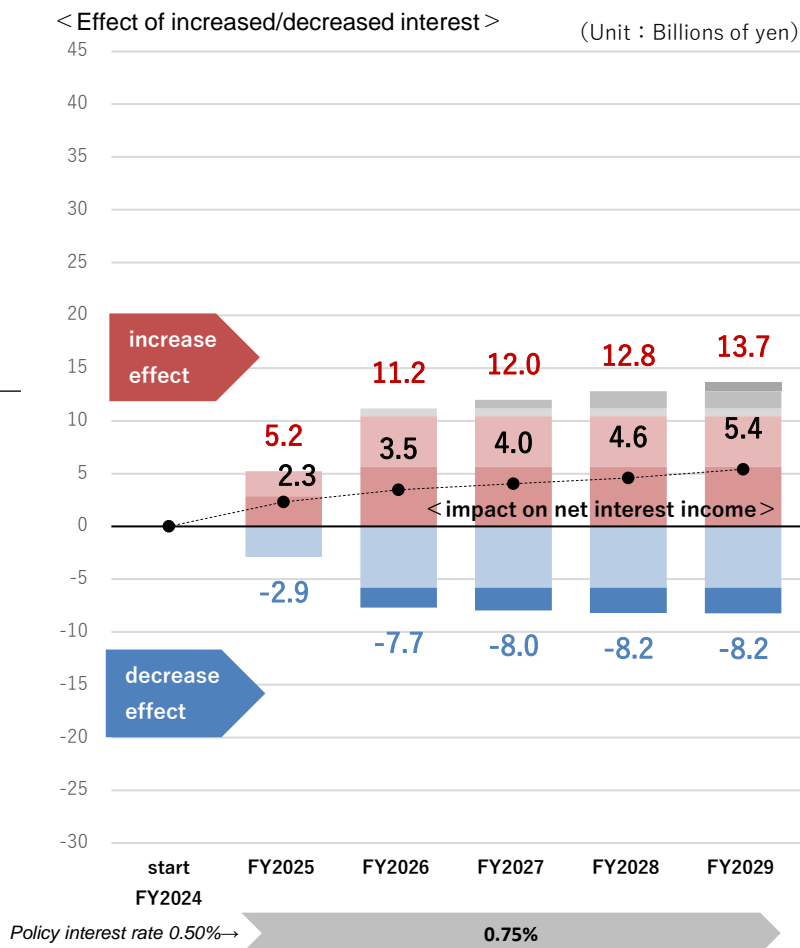
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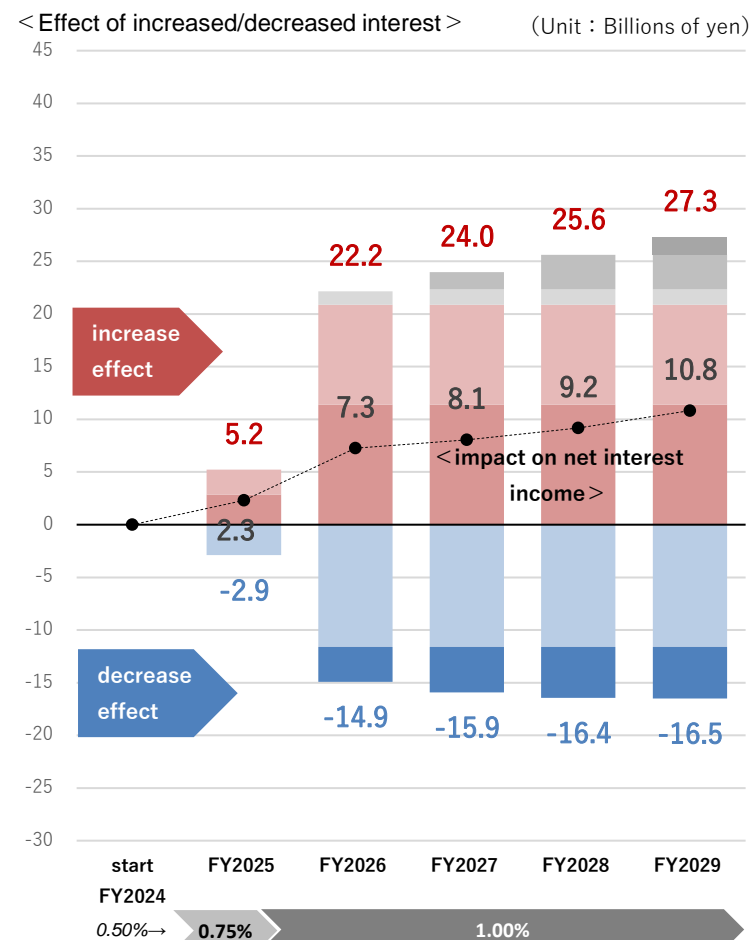
Interest Rate Sensitivity Analysis "Yen (deposits & loans)"



Main scenario simulation Policy interest rate 0.50%→0.75%(Oct. 2025)



Sub scenario simulation Policy interest rate 0.50%→0.75% (Oct. 2025) 0.75%→1.00% (Apr. 2026)



Assumption balance(Mar. 2025)

*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.

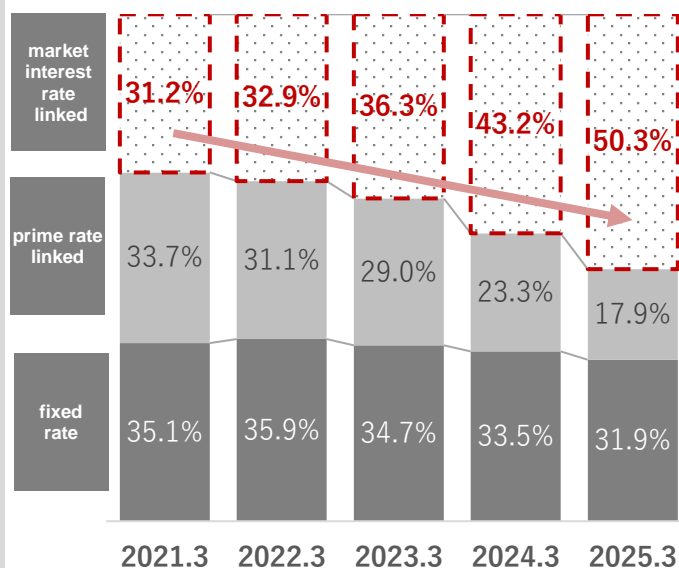
Status of Earning Assets and Funds (Yen)

For corporate loans, we are working to increase interest rate sensitivity.

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

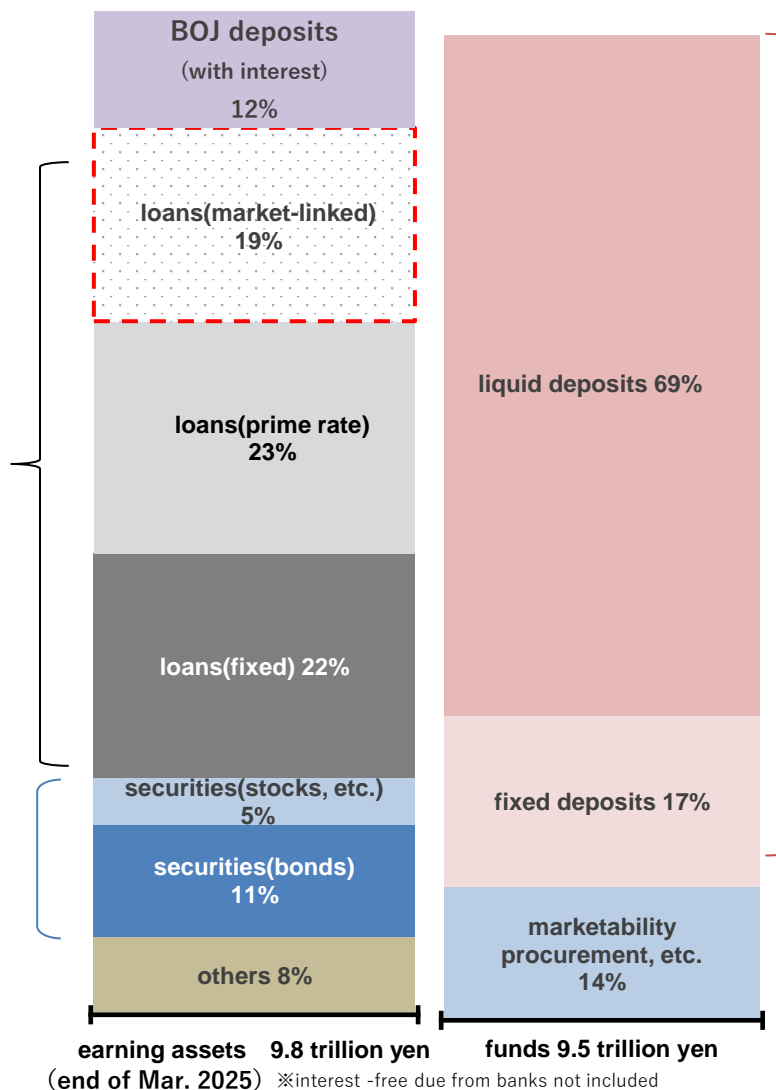
【Initiatives for corporate loans】

Initiatives for increasing interest rate sensitivity



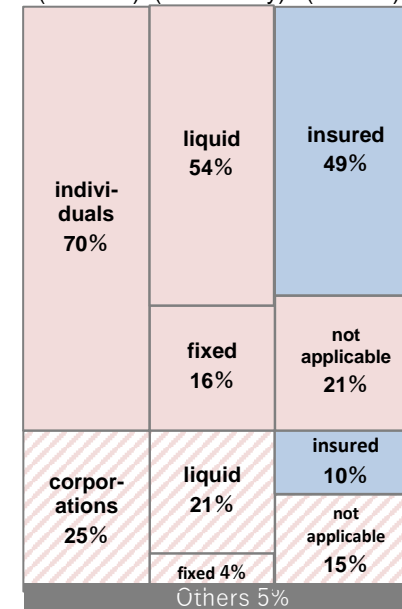
○ Assuming that interest rates will rise in the future, as an effort to increase the interest rate sensitivity of loans, we have promoted **market interest rate-linked loans**.

→ It **rose** from 31.2% to **50.3%** in four years.



【Deposits】

(attribute) (commodity) (insured)



the total ratio of insured deposits is about 60%

【Securities: interest rate sensitivity】

- Securities with foreign exchange risk account for about **3%** of the total.
- Sensitivity analysis "impact on profit/ loss from valuation" Profit / loss from valuation -16.1 billion yen (Of which, Japanese Yen assets -21.6 billion yen)

Estimated value for a 10 basis points rise in parallel in interest rates → **-3.9 billion yen**
 Estimated value if the stock price falls by 10% → **-30.9 billion yen**

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 will consider means of procurement depending on the future interest rate environment.

【Loans】

- Loans are floating rate loans only.

【Securities: interest rate sensitivity】

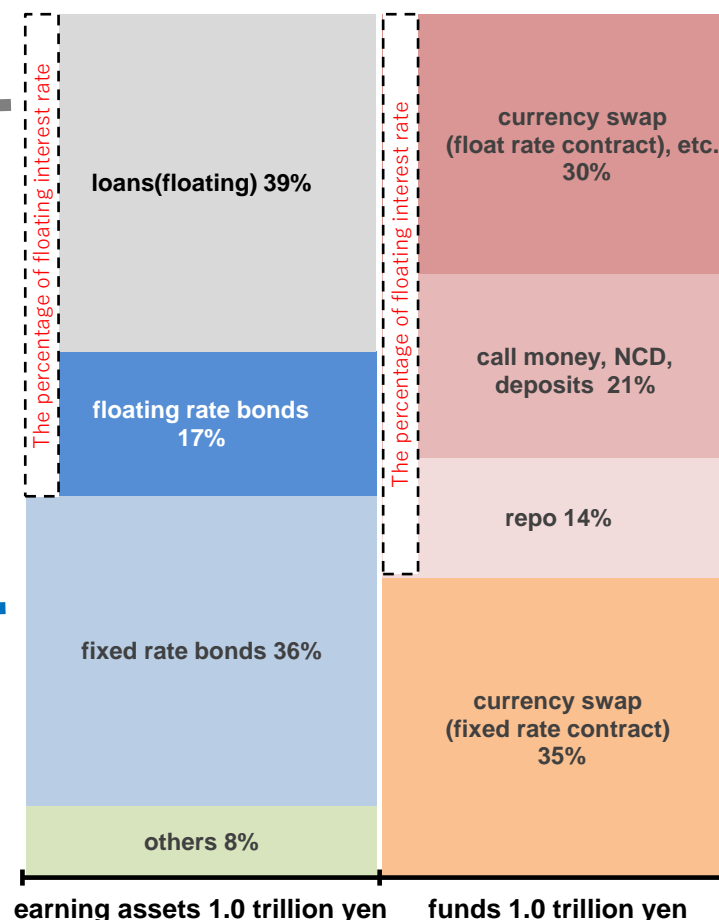
- Sensitivity analysis "impact on profit/ loss from valuation"

Profit / loss from valuation -16.1 billion yen
(Of which, US \$ assets 5.4 billion yen)

Estimated value for a 10 basis points rise in parallel in interest rates
→ **-2.5 billion yen**
Estimated value if the stock price falls by 10% → **-2.1 billion yen**
Estimated value when exchange rate rises by 10% → **-5.1 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 5.2%
(Compared to Mar. 2024 : +0.1%)
- *Euro-denominated bonds (Not owned)



earning assets 1.0 trillion yen funds 1.0 trillion yen
(end of Mar. 2025)

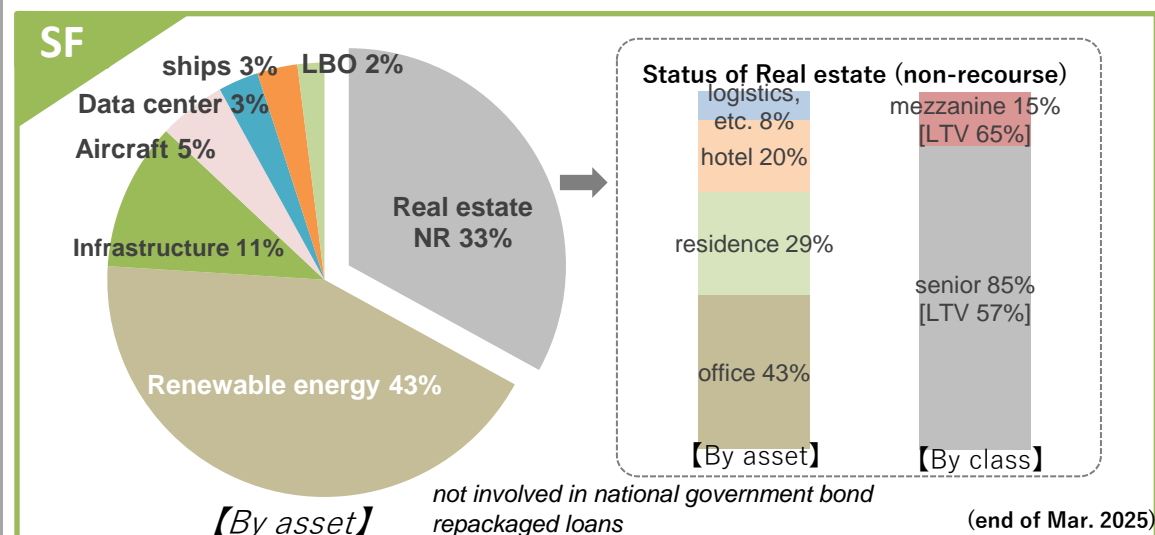
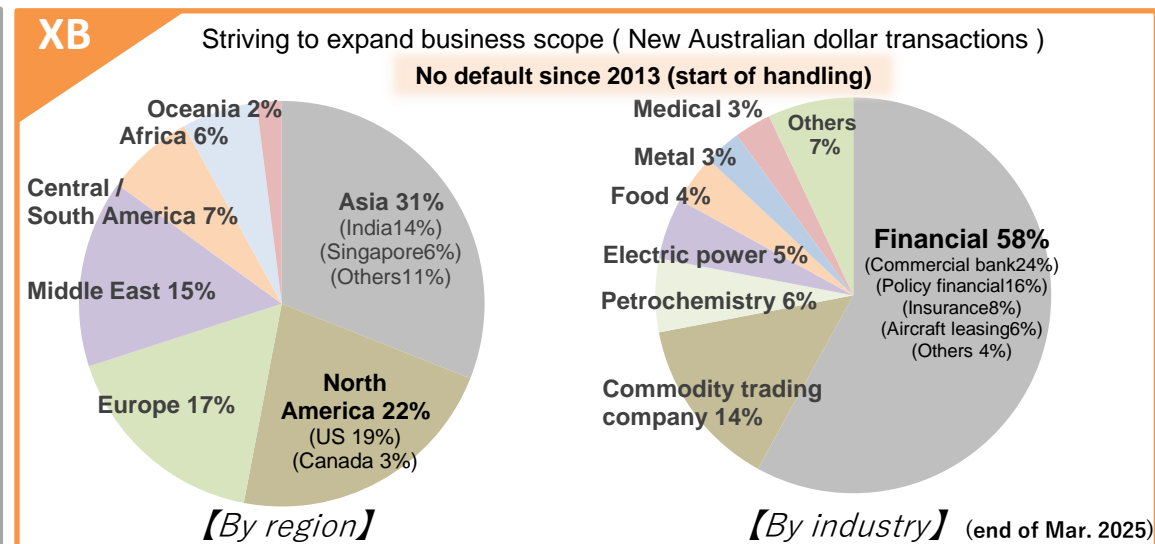
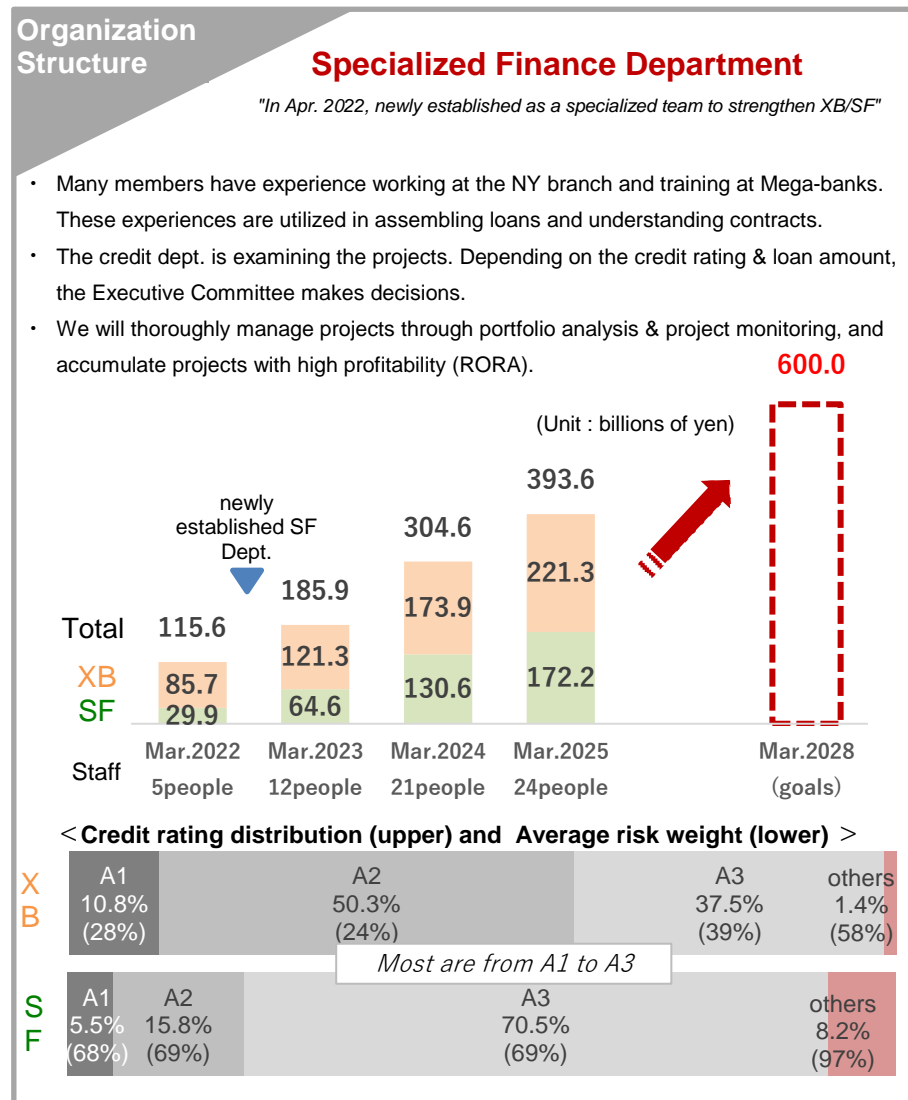
※short term funding with a maturity of one year or less are classified under "call money, NCD, deposits".

【Market procure】

When interest rates rise
→increasing procurement of
fixed interest rates
<fixed-rate currency swap funding>
Mar. 2023 : 13% → Mar. 2025 : 35%

When interest rates decline
→increasing short
funding (call money, repo, etc.)
depending on the future
interest rate environment.

Status of Cross-border Loan and Structured Finance



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. 2021 (results)	Mar. 2022 (results)	Mar. 2023 (results)	Mar. 2024 (results)	Mar. 2025 (results)	Mar. 2025 previous plan	Mar. 2028 current plan
<Shift to a job-based personnel system>							
Number of job interns	*Suspended for COVID-19	33	49	64	84	80	*3
Ratio of mid-career hires	8%	5%	4%	13.8%	23.3%	15.0%	30.0%
Number of specialist qualification holders*	244	257	264	266	294	290	330
(SME consultant, financial planner Lv.1, securities analyst, etc.)							
<Strengthening comprehensive HR capabilities>							
Human resource investment amount per person	88 thou. yen	80 thou. yen	109 thou. yen	127 thou. yen	170 thou. yen	130 thou. yen	250 thou. yen
Number of IT passport holders	—	109	785	1,224	1,355	1,000	*3
Number of people using the side job system	—	—	21	29	28	*3	*3
<Developing professional-level human resources>							
Number of employees dispatched for external training	45	64	68	107	176	100	*3
Number of appointed professionals	3	8	11	12	*1 181	15	250
<Promoting diversity, equity and inclusion>							
Ratio of female manager	12.7%	14.6%	16.0%	19.0%	21.2%	18% or more	30.0%
Promotion rate of mid-career hires to managerial positions	40.2%	36.8%	36.1%	36.1%	47.8%	*3	*3
Promotion rate of new graduates hires to managerial positions	38.1%	37.8%	38.6%	40.7%	50.5%	*3	*3
Gender wage gap (overall)	46.3%	47.5%	49.6%	47.7%	49.9%	*3	*3
Gender wage gap (full-time)	54.0%	54.5%	56.6%	56.5%	59.5%	*3	*3
Ratio of men taking childcare leave, etc.	158.9%	130.1%	133.3%	104.8%	101.8%	100.0%	100.0%
Average length of childcare leave, etc. taken by men	3.5days	6.5days	10.8days	22.4days	24.9days	6.5 days or more	30 days or more
<Improving well-being>							
Percentage of paid leave taken	61.3%	70.2%	80.5%	82.6%	81.4%	70.0%	80% or more
Engagement score (human relations) *2	—	74[+1]	74[+1]	75[+2]	75[+2]	*3	*4 continual improvement
Engagement score (support) *2	—	72[+1]	72[+1]	73[+2]	73[+2]	*3	*4 continual improvement
Engagement score (self-growth) *2	—	65[±0]	65[±0]	66[+1]	66[+1]	*3	*4 continual improvement
Excellent Health and Productivity Management Enterprise certification	Certified White	Certified White	Certified White	Certified White	Certified White & KENKO Investment for Health Stock Selection program		Certified White

- *1 Total appointments in specialist job group (senior experts, experts, primary experts) since reforms to human resources system in June 2024 (until March 2024, it was the total for senior experts only). There were 43 senior expert appointments in the fiscal year ended March 31, 2025.
- *2 Differences from benchmark (average of 1,001-5,000 employees in the financial sector) are shown in [].
- *3 No goals have been set.
- *4 Planning to disclose trends in engagement survey results, taking March 31, 2025, as 100.

<The following items have been set as new goals in the current mid-term plan (~end of March 2028)>

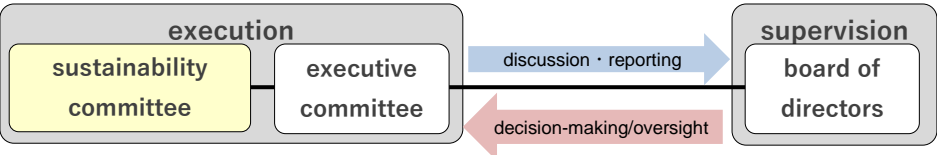
Percentage of higher-ranking employees in terms of skill level	Corporate consulting	30%	Digital human capital	Core human capital	30 employees	Percentage of female department and branch managers
	Consulting for individuals	30%		Middle human capital	300 employees	
*Percentage of employees recognized as the highest of the three assessment levels in the Job Skills Assessment conducted to visualize employee skills, etc.				Base human capital	1,500 employees	
						20%

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.



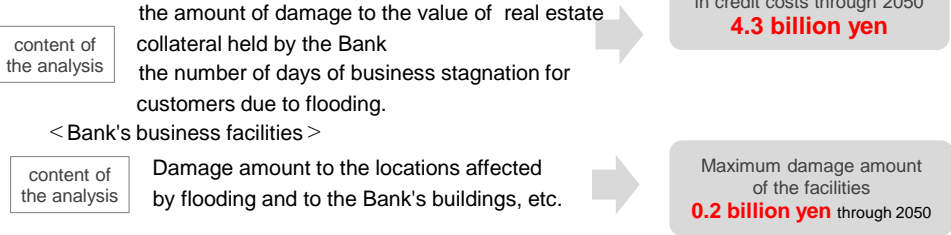
※The matters discussed and considered at each sustainability committee meeting are submitted to the executive committee for discussion at or reported. The committee will make four reports to the board of directors per year.

Strategies

Scenario analysis

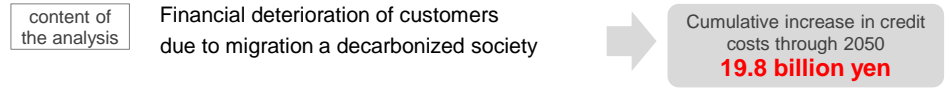
● Physical risk (Scenario:Floods)

※Scenario IPCC/RCP8.5 "4°C scenario"
< Domestic SMEs clients >



● Migration risk (Scenario:Migration to a decarbonized society)

※Scenario NGFS/NetZero2050 (1.5°C scenario) IEA/NZE2050(1.5°C scenario)、IPCC/RCP2.6(2°C scenario)
< Automobile / Energy / Track Service / Metals and mining >



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 assess 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.

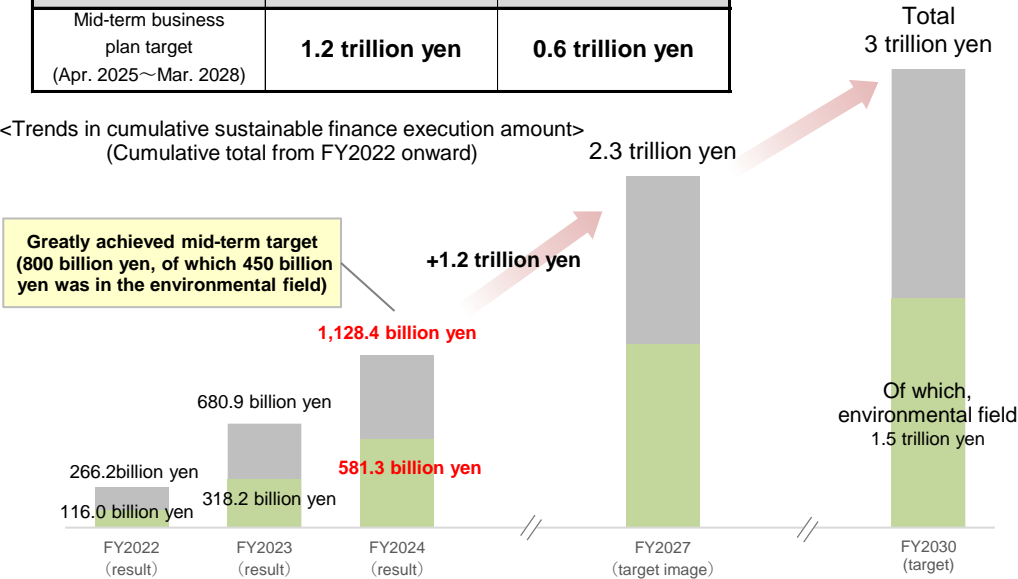
Indicators and targets

Sustainable financing

- The cumulative execution target set for the final year of the Mid-term business plan (end of March 2025) has been achieved. The current plan sets a target cumulative execution amount of 1.2 trillion yen.

	Amount executed of sustainable financing	Of which, environmental field
Mid-term business plan target (Apr. 2025~Mar. 2028)	1.2 trillion yen	0.6 trillion yen

<Trends in cumulative sustainable finance execution amount>
(Cumulative total from FY2022 onward)

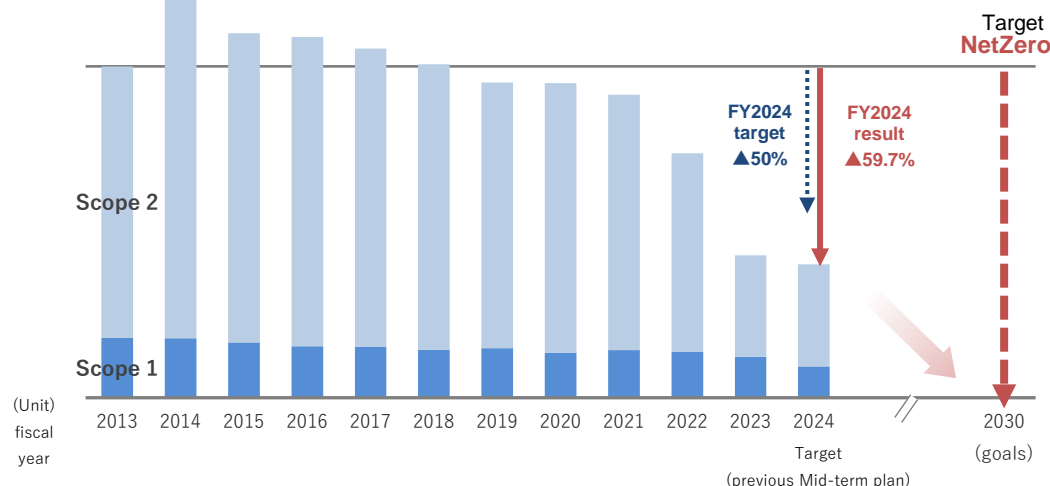


Efforts to Address Climate Change 2

Indicators and targets

Greenhouse gas emissions

- The bank has achieved Mid-term business plan's greenhouse gas emission reduction target (a 50% reduction compared to fiscal 2013). It will continue to strive for net zero emissions by FY 2030.
- *The goal has been achieved by fiscal 2023 (a 57% reduction compared to fiscal 2013) (Unit : t-CO₂)



Expanded measurement range

< FY 2024 >

	Emission(t-CO ₂)
Scope 3 : category1 (purchased goods and services)	14,726
" : category2 (capital goods)	11,526
" : category3 (fuel and energy related activities (not included in scope 1,2))	1,212
" : category4 (upstream transportation and distribution)	314
" : category5 (waste generated in operations)	206
" : category6 (business travel)	739
" : category7 (commuting)	3,147
" : category15 (investment/loan)	14,024,425
Total	14,056,295

*Greenhouse gas emissions for fiscal 2024 are currently being verified by a third-party assurance organization to ensure reliability, accuracy, transparency, etc.

SCOPE 3 (Category15)

- In accordance with PCAF standards, the bank estimated for domestic corporate financing clients (end of FY 2024).

Industry	Carbon intensity (t-CO ₂ / mn yen)	Emissions (t-CO ₂)	Weighted average data quality score
Oil and gas	6.38	727,079	3.34
Coal	0.00	0	—
Electric utilities	27.7	648,292	2.81
Air cargo	12.14	214	4.00
Passenger air transport	0.00	0	—
Maritime transport	12.4	23,544	1.82
Rail transportation	2.02	80,496	1.79
Trucking service	3.07	529,945	3.96
Automobiles and components	6.98	972,620	3.33
Metals and mining	7.13	1,116,639	2.99
Chemicals	11.86	436,105	2.19
Construction materials	12.08	298,026	2.83
Capital goods	4.16	1,545,658	3.54
Real estate management and development	1.43	376,638	3.37
Beverages	3.19	89,430	3.94
Agriculture	6.26	51,168	4.00
Packaged foods and meals	5.62	809,745	3.81
Paper and forest products	4.88	187,871	2.86
Other	2.75	6,130,955	3.43
Total		14,024,425	

Profit and Loss Conditions (Consolidated)

(Unit : Billions of yen)

	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar.2024	Sep. 2024	Mar. 2025
Core gross business profits	84.7	43.3	86.4	48.3	92.5	48.3	92.4	47.6	90.2	51.9	107.7
Net interest income	67.5	34.2	67.2	37.4	72.0	36.6	71.4	34.9	66.0	38.6	82.1
Non-interest business profit	17.1	9.0	19.1	10.8	20.5	11.7	21.0	12.7	24.2	13.2	25.6
Net fees and commissions income	12.4	6.7	13.2	7.4	13.3	7.6	14.4	10.0	19.1	10.3	19.8
Profit from other business transactions (excluding gains (losses) on bonds)	4.7	2.3	5.9	3.4	7.1	4.0	6.5	2.6	5.0	2.9	5.7
Expenses (-) (excluding non-recurrent expenses)	56.1	28.1	55.4	27.7	55.2	26.6	52.2	25.9	52.1	27.6	54.8
Core net business profit	28.5	15.2	30.9	20.6	37.3	21.7	40.2	21.7	38.0	24.3	52.9
*excluding gains/losses on cancellation of investment trusts	30.0	13.9	30.6	18.9	36.8	21.2	39.9	23.4	45.4	26.1	55.5
Gains or losses on investment securities	7.4	8.6	12.6	5.5	9.6	-1.7	-1.7	-3.5	5.7	6.4	8.4
Gains (losses) on bonds	0.5	2.8	3.1	0.7	-1.2	-18.1	-28.7	-21.7	-24.5	-8.1	-11.7
Gains (losses) on stocks and other securities	6.9	5.8	9.4	4.7	10.8	16.3	27.0	18.2	30.2	14.5	20.2
Net credit costs (-)	4.8	6.5	22.4	2.9	8.3	2.3	1.2	-0.8	1.1	-0.0	3.1
Others	0.4	-0.9	-1.0	0.4	0.4	0.6	1.0	0.6	1.1	1.5	3.7
Ordinary profit	31.5	16.4	20.0	23.6	39.1	18.2	38.3	19.6	43.7	32.2	62.0
Extraordinary income (losses)	-0.6	0.1	-0.2	-1.2	0.6	1.2	0.5	-0.2	-0.8	-0.3	-0.6
Total income taxes (-)	8.4	4.2	6.3	7.0	13.3	5.6	10.9	4.5	11.8	8.9	17.4
Profit	22.3	12.3	13.5	15.3	26.4	13.7	27.9	14.8	31.1	22.9	43.9
Profit attributable to non-controlling interests (-)	0.0	—	—	—	—	—	—	—	—	—	—
Profit attributable to owners of parent	22.2	12.3	13.5	15.3	26.4	13.7	27.9	14.8	31.1	22.9	43.9
<Various ratio>											
OHR *including gains/losses on cancellation of investment trusts (%)	66.3	64.8	64.1	57.4	59.6	55.0	56.4	54.3	57.8	53.1	50.8
OHR *excluding gains/losses on cancellation of investment trusts (%)	65.1	66.9	64.4	59.4	60.0	55.5	56.6	52.4	53.4	51.3	49.6
ROE (%)	4.4	4.8	2.6	5.5	4.9	5.3	5.3	5.7	5.7	8.0	7.7
<reference>											
Number of Group employees (person)	3,159	3,224	3,175	3,240	3,153	3,157	3,061	3,057	2,983	3,001	2,923
Of which, Bank's employees (person)	2,960	3,024	2,976	3,035	2,953	2,957	2,860	2,844	2,767	2,787	2,705

Profit and Loss Conditions (Non-consolidated)

	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
(Unit : Billions of yen)											
Core gross business profits	78.4	40.1	80.2	44.7	85.2	44.7	85.9	44.2	83.5	48.4	100.7
Net interest income	67.6	34.4	68.5	37.7	72.3	36.7	71.7	35.0	66.3	38.8	82.5
Of which, Interest on loans and discounts	57.0	27.1	54.2	26.7	53.5	28.1	58.7	33.6	69.1	38.0	80.7
Of which, Interest and dividends on securities	15.9	8.2	15.6	10.9	18.8	12.3	26.3	19.8	35.8	22.4	47.6
Of which, Gain (loss) on cancellation of investment trusts	-1.4	1.3	0.3	1.6	0.5	0.4	0.3	-1.6	-7.4	-1.8	-2.5
Net fees and commissions	9.8	5.4	10.9	6.2	11.0	6.4	11.8	7.9	14.9	7.9	15.0
Others (excluding gain (loss) on bonds)	0.9	0.2	0.7	0.7	1.9	1.4	2.4	1.2	2.2	1.5	3.0
Expenses (-) (excluding non-recurrent expenses)	54.4	27.2	53.6	26.8	53.3	25.6	50.2	24.9	50.3	26.5	52.7
Personnel expenses	29.5	15.0	29.4	14.2	28.3	14.2	27.9	14.0	27.7	14.5	28.9
Non-Personnel expenses	22.0	10.4	21.1	10.9	22.1	9.9	19.5	9.5	19.7	10.3	20.7
Taxes	2.8	1.7	2.9	1.5	2.8	1.4	2.7	1.3	2.8	1.6	3.0
Core net business profit	24.0	12.9	26.6	17.9	31.9	19.0	35.6	19.2	33.2	21.8	47.9
Gains or losses on investment securities	5.4	8.6	12.5	5.5	9.6	-1.7	-1.7	-3.5	5.7	6.4	8.5
Gains (losses) on bonds	0.4	2.8	3.1	0.7	-1.2	-18.1	-28.7	-21.7	-24.5	-8.1	-11.7
Gains (losses) on stocks and other securities	5.0	5.8	9.3	4.8	10.8	16.3	27.0	18.2	30.2	14.5	20.2
Net credit costs (-) i + ii - iii - iv	4.3	5.9	21.0	2.5	7.3	2.3	1.0	-1.1	0.6	0.1	2.3
Net transfer to general allowance for loan losses i	-1.1	4.3	14.5	0.1	-1.5	0.0	-1.8	[-1.6]	-1.5	[-0.4]	-1.1
Disposal of non-performing loans ii	5.4	1.6	6.4	2.4	8.9	2.3	2.9	0.1	2.1	0.1	3.7
Of which, Net transfer to specific allowance for loan losses	4.4	1.4	5.9	2.2	8.1	2.1	2.6	[0.2]	1.8	[0.3]	3.2
Reversal of allowance for loan losses iii	—	—	—	—	—	—	—	1.3	—	0.0	—
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	0.2
(Net credit cost ratio) *Net credit cost / loans(average balance)	(0.07%)	(0.21%)	(0.36%)	(0.08%)	(0.12%)	(0.08%)	(0.01%)	(-0.03%)	(0.00%)	(0.00%)	(0.03%)
Other non-recurrent gains (losses)	0.2	-1.0	-1.2	0.3	0.2	0.4	0.7	0.4	0.8	1.3	3.4
Ordinary profit	25.3	14.6	16.8	21.2	34.4	15.4	33.5	17.3	39.1	29.5	57.5
Extraordinary gains (losses)	-0.6	0.1	-0.2	-1.2	0.6	1.2	0.6	-0.2	-0.8	-0.3	-0.6
Total income taxes (-)	6.7	3.8	4.9	6.1	11.7	4.8	9.5	3.5	10.2	8.5	16.5
Profit	17.9	10.9	11.6	13.8	23.3	11.8	24.6	13.4	28.1	20.6	40.4

Status of Non-interest Business Profit (Consolidated)

(Unit : Millions of yen)

[Breakdown of Main subsidiary]	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Non-interest business profit	20,530	11,707	21,022	12,766	24,214	13,251	25,601
Of which, Gungin Securities	3,549	1,655	2,486	1,373	2,486	1,450	3,024
Of which, Gungin Leasing	2,770	1,339	2,578	1,277	2,537	1,291	2,579
Of which, Gunma Credit Guarantee * 1	2,517	809	1,613	783	1,547	740	1,450

[Breakdown of non-interest business profit] (Composition ratio on the right)	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Non-interest business profit	20,530	11,707	21,022	12,766	24,214	13,251	25,601
Corporate service revenue	4,325	2,984	6,008	3,432	7,571	4,836	9,633
Syndicate loans	602	399	917	643	1,461	691	1,477
Structured Covenant loans	493	204	418	229	416	189	353
Business matching	554	288	625	371	829	432	929
Financial instruments intermediation (including Gungin Securities) *1, 2	302	132	172	35	54	—	—
M&A	308	163	392	364	788	312	717
Private placement bonds	194	45	155	111	229	84	161
Derivatives (interest rate and foreign exchange)	1,581	1,500	2,574	788	1,649	1,796	3,077
Others (including Gungin Consulting) *1	289	251	752	889	2,141	1,329	2,916
Deposit financial assets revenue	7,703	3,685	6,850	3,852	7,624	4,161	8,217
Investment trust	2,886	969	1,848	1,052	2,196	1,189	2,216
Insurance sales commissions (for individuals) *1	1,344	1,043	2,386	1,284	2,628	1,313	2,521
Gungin Securities (for individuals)	3,246	1,523	2,314	1,338	2,431	1,450	3,024
Commissions for testamentary trust /Inheritance sorting	173	126	264	158	330	193	433
Trust fee	52	22	36	18	37	15	22
Others *1	8,501	5,039	8,163	5,481	9,018	4,253	7,750
Of which, Base service commissions (domestic exchange, agency services, etc.)	7,974	3,997	8,014	3,997	8,030	4,103	8,267

* 1 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.

* 2 From Sep. 2024, this item has been aggregated under deposit financial assets revenue "Gungin Securities (for individuals)".

Changes in Customer Service Business Profits

(Unit : Billions of yen)

	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Customer service business profit ratio (①÷②) ※	0.16%	0.11%	0.12%	0.15%	0.13%	0.22%	0.25%	0.38%	0.38%	0.41%	0.43%
①Customer service business profit (i + ii - iii)	11.1	4.2	9.2	5.9	10.6	8.8	19.8	15.5	30.8	17.1	35.9
Loan income (i) (See reference below)	56.0	26.9	53.9	26.6	53.2	27.7	57.6	32.2	65.6	34.4	70.7
Net fees and commissions income (ii)	9.8	5.4	10.9	6.2	11.0	6.4	11.8	7.9	14.9	7.9	15.0
General and administrative expenses (-) (iii)	54.6	28.2	55.6	26.9	53.6	25.3	49.6	24.6	49.7	25.2	49.8
②Average deposit balance	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	8,216.7	8,223.4

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

Core business profit (① + ③)	28.5	11.1	24.5	15.1	29.0	20.7	45.8	37.0	74.1	41.4	86.2
①Customer service business profit (see above)	11.1	4.2	9.2	5.9	10.6	8.8	19.8	15.5	30.8	17.1	35.9
③Interest and dividends on securities (excluding gains(losses) on cancellation of investment trusts)	17.4	6.9	15.2	9.2	18.3	11.8	26.0	21.5	43.2	24.3	50.2

<Reference>

Loan income (④×⑤) ※	56.0	26.9	53.9	26.6	53.2	27.7	57.6	32.2	65.6	34.4	70.7
④Deposit and loan direct profit margin (iv - v)	1.014%	0.955%	0.948%	0.932%	0.935%	0.955%	0.988%	1.058%	1.062%	1.062%	1.075%
Average yield on loans and bills discounted(iv)	1.033%	0.962%	0.954%	0.936%	0.939%	0.967%	1.007%	1.105%	1.119%	1.172%	1.227%
Average yield on deposit (v)	0.019%	0.007%	0.006%	0.004%	0.004%	0.012%	0.019%	0.047%	0.057%	0.110%	0.152%
⑤Average loan balance	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	6,467.2	6,581.0

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

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

<Profit margins are calculated on the table.>

(Unit : %)

[All branches]		Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Average yield on interest earning assets	(i)	1.01	0.94	0.91	0.85	0.81	0.92	1.00	1.24	1.22	1.20	1.29
Of which, Average yield on loans and bills discounted	(ii)	1.03	0.96	0.95	0.93	0.93	0.96	1.00	1.10	1.11	1.17	1.22
Of which, Average yield on securities		0.96	0.91	0.80	0.93	0.78	1.01	1.07	1.61	1.52	1.98	2.14
Funding yield	(iii)	0.08	0.03	0.02	0.01	0.01	0.08	0.15	0.37	0.38	0.46	0.50
Of which, Average yield on deposits and negotiable certificates of deposit	(iv)	0.03	0.01	0.00	0.00	0.00	0.02	0.03	0.05	0.06	0.11	0.15
Overall direct profit margin	(i)-(iii)	0.93	0.91	0.89	0.84	0.80	0.84	0.85	0.87	0.84	0.74	0.79
Deposit and loan direct profit margin	(ii)-(iv)	1.00	0.95	0.95	0.93	0.93	0.94	0.97	1.05	1.05	1.06	1.07
Ratio of expenses		0.76	0.72	0.70	0.67	0.67	0.62	0.61	0.60	0.60	0.62	0.62
Average interest rate spread		0.22	0.25	0.28	0.32	0.29	0.34	0.34	0.38	0.35	0.21	0.26

(Unit : %)

[Domestic transactions]		Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Average yield on interest earning assets	(i)	0.91	0.89	0.85	0.81	0.77	0.79	0.80	0.78	0.74	※ 0.72	※ 0.80
Of which, Average yield on loans and bills discounted	(ii)	0.97	0.94	0.94	0.93	0.93	0.91	0.91	0.89	0.90	0.93	0.99
Of which, Average yield on securities		0.83	0.85	0.65	0.87	0.68	0.74	0.66	0.60	0.39	0.68	0.81
Funding yield	(iii)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.06
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	0.02	0.05
Overall direct profit margin	(i)-(iii)	0.91	0.89	0.85	0.81	0.77	0.79	0.80	0.78	0.74	0.70	0.74
Deposit and loan direct profit margin	(ii)-(iv)	0.97	0.94	0.94	0.93	0.93	0.91	0.91	0.89	0.90	0.91	0.94
Ratio of expenses		0.75	0.71	0.68	0.65	0.65	0.60	0.60	0.58	0.58	0.60	0.60
Average interest rate spread		0.20	0.23	0.25	0.30	0.27	0.29	0.29	0.30	0.25	0.17	0.22

"Average yield on interest earning assets" is calculated by adding the average balance of the BOJ deposits (with interest). The trends of the average balance of the BOJ deposits (with interest) were as follows.

End of Sep. 2023 : 113.2 billion yen → End of Mar. 2024 : 98.1 billion yen → End of Sep. 2024 : 1,585.7 billion yen → End of Mar. 2025 : 1,430.4 billion yen

Changes in Average of Earning Assets and Funds Balance

(Unit : Billions of yen)

Average of earning assets balance [All branches]	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Earning assets in total	7,320.9	7,597.6	7,791.9	8,969.0	9,058.7	8,842.2	8,683.9	8,676.6	8,659.7	10,349.2	10,275.0
Loans	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	6,467.2	6,581.0
Of which, Large enterprises	652.8	681.6	675.4	695.6	696.8	763.3	789.5	922.4	973.7	1,073.5	1,164.3
Of which, Second-tier enterprises	99.9	97.8	96.2	92.5	90.2	83.6	81.6	76.7	72.1	62.4	60.9
Of which, SMEs	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	2,664.8	2,739.4
Of which, Individuals	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	2,437.3	2,467.7
Of which, Public loans	96.3	90.6	125.8	110.2	107.4	122.7	122.7	113.6	111.3	124.5	126.1
Securities	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	2,250.8	2,219.9
Others	137.5	179.3	147.0	943.5	970.9	623.8	400.1	142.9	130.8	1,631.1	1,474.1

* Average balances totaled from all domestic branches are shown as breakdowns. Loans to regional public corporations are included in public loans.

(Unit : Billions of yen)

Average of funds balance [All branches]	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Funds in total	7,668.0	8,216.3	8,827.0	10,403.7	10,514.0	10,099.2	9,884.2	10,192.2	10,256.2	10,054.5	9,973.4
Deposits	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	8,216.7	8,223.4
Of which, Individuals	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	5,738.2	5,744.3
Of which, Corporations	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	2,019.5	2,011.9
Liquid deposits	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	6,398.3	6,399.5
Fixed deposits	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	1,818.4	1,823.9
Call money	16.0	16.5	134.9	373.3	359.5	210.6	167.2	200.1	289.5	36.0	32.8
Borrowings	430.2	584.5	789.8	1,391.1	1,425.6	1,136.5	992.3	1,006.2	1,052.6	1,119.7	1,105.0
Others	441.7	445.7	592.2	961.3	1,011.9	845.7	833.1	949.3	848.3	681.8	612.0

* 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. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Total (domestic branches)	5,548.0	5,650.2	5,695.3	5,671.7	5,757.8	5,786.8	5,974.0	6,156.1	6,364.1	6,484.6	6,692.1
*percentage indicates year-on-year change.	0.64%		2.66%		1.10%		3.75%		6.52%		5.15%
Gunma	2,372.1	2,429.2	2,439.6	2,436.7	2,431.2	2,421.7	2,441.2	2,454.6	2,486.2	2,502.4	2,507.7
Saitama	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	1,116.5	1,130.7
Tochigi	509.4	513.1	509.5	504.0	505.9	501.6	505.5	502.8	512.8	514.0	517.2
Tokyo, Kanagawa, and Osaka	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	1,914.5	2,044.8
Head Office, etc.	212.3	208.1	209.0	211.2	210.0	242.6	282.2	355.0	402.4	436.9	491.6

[Deposits (ending balance)]	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Total (domestic branches)	7,030.7	7,355.8	7,734.7	7,693.8	7,943.1	7,859.3	8,025.5	8,032.3	8,216.0	8,148.4	8,291.6
*percentage indicates year-on-year change.	3.43%		10.01%		2.69%		1.04%		2.37%		0.92%
Gunma	5,752.1	5,988.2	6,317.1	6,255.7	6,505.8	6,412.9	6,591.2	6,549.8	6,756.3	6,625.0	6,774.3
Saitama	662.4	708.4	731.2	733.1	739.6	743.2	740.3	759.3	755.0	755.6	752.0
Tochigi	369.8	391.4	400.0	405.6	400.1	406.6	397.7	409.2	403.2	409.0	407.0
Tokyo, Kanagawa, and Osaka	215.2	216.5	227.6	235.8	247.1	245.7	248.7	268.1	261.4	307.2	308.0
Head Office, etc.	30.9	51.1	58.6	63.4	50.4	50.6	47.4	45.7	40.0	51.3	50.2

Changes in Loans (by Type and by Size)

	(Unit : Billions of yen)										
	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Loans	5,602.3	5,702.3	5,749.6	5,733.9	5,818.1	5,861.1	6,049.7	6,244.7	6,467.8	6,601.0	6,845.1
Domestic branches	5,548.0	5,650.2	5,695.3	5,671.7	5,757.8	5,786.8	5,974.0	6,156.1	6,364.1	6,484.6	6,692.1
Corporations	3,022.3	3,139.6	3,169.4	3,117.5	3,188.3	3,175.9	3,306.0	3,397.3	3,527.8	3,579.9	3,701.6
Large enterprises	566.8	579.8	591.5	610.8	676.4	691.8	781.1	853.1	908.7	949.2	1,009.9
Second-tier enterprises	95.0	95.1	90.8	89.7	81.0	77.4	76.1	71.1	61.7	61.8	60.9
SMEs	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	2,568.8	2,630.7
Of which, Excluding strategic branch offices	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	2,414.2	2,458.4
Public entities	87.6	86.3	92.4	110.8	116.7	112.2	110.2	105.9	106.2	106.1	103.5
Regional public corporations	2.4	1.8	2.3	2.0	2.3	1.6	3.1	2.3	3.0	2.3	2.9
Municipal authorities	85.1	84.5	90.0	108.8	114.4	110.6	107.1	103.6	103.1	103.8	100.5
Central government	—	—	—	—	—	—	—	—	—	—	—
Individuals	2,314.7	2,307.5	2,316.6	2,324.7	2,337.0	2,351.0	2,373.7	2,394.6	2,425.4	2,459.9	2,493.4
Housing-related loans	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	2,363.9	2,394.1
Housing loans	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	1,439.3	1,462.2
Apartment loans	651.4	649.7	649.8	649.4	650.0	653.6	660.1	666.8	677.3	686.7	695.3
Others	269.4	264.4	258.7	255.5	251.5	248.7	246.7	223.2	239.7	237.9	236.5
Unsecured consumer loans	54.6	53.7	54.7	55.4	57.3	58.7	62.9	66.6	71.3	75.4	79.3
Other loans to individuals	26.7	24.6	24.4	23.0	22.5	22.4	22.2	39.5	20.8	20.5	19.9
Cross-border loans, etc.	123.3	116.6	116.7	118.5	115.7	147.7	183.9	258.2	304.6	338.5	393.6
Overseas branch	54.2	52.1	54.2	62.1	60.2	74.2	75.6	88.5	103.6	116.3	152.9

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

Changes in Loans to SMEs (by Industry)

(Unit : Billions of yen)

	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Manufacturing	463.2	480.8	482.1	475.6	472.8	475.1	480.6	485.0	485.0	481.0	480.6
Gunma	279.1	296.3	300.3	297.1	298.0	300.1	301.4	305.9	305.3	302.2	298.7
Saitama	93.6	92.0	91.3	88.9	85.0	83.8	84.3	83.2	82.5	81.3	82.3
Tochigi	62.8	63.6	62.1	61.4	62.1	63.3	66.0	66.0	67.5	68.5	69.2
Tokyo and Kanagawa	21.8	23.0	22.6	22.6	22.4	22.1	22.3	22.7	22.2	21.7	22.9
Others	5.6	5.7	5.7	5.4	5.0	5.6	6.5	7.1	7.3	7.2	7.3
Construction	165.0	176.2	188.6	183.1	185.5	181.1	187.8	181.7	189.8	184.4	194.7
Gunma	102.8	109.2	118.0	112.2	114.5	108.9	115.0	109.9	115.3	111.0	118.3
Saitama	28.5	29.8	30.5	30.6	30.7	30.6	30.6	30.6	32.1	31.1	32.6
Tochigi	17.4	19.8	21.9	21.8	21.6	21.7	22.2	21.5	21.6	21.2	21.0
Tokyo and Kanagawa	14.1	15.1	15.2	15.8	15.9	17.4	17.5	17.4	18.3	18.6	20.4
Others	2.0	2.2	2.7	2.4	2.6	2.4	2.3	2.1	2.3	2.2	2.1
Wholesaling and retailing	332.1	350.6	352.7	352.2	355.3	352.9	358.6	367.0	385.6	387.5	388.7
Gunma	177.1	186.5	189.7	191.4	193.9	196.9	197.0	202.1	217.3	219.4	215.3
Saitama	76.5	83.0	83.5	80.3	78.4	74.9	79.0	78.0	81.2	79.3	80.9
Tochigi	35.7	37.7	38.1	38.8	40.5	40.3	41.6	41.7	42.5	43.5	43.6
Tokyo and Kanagawa	38.3	39.2	37.6	38.0	38.7	37.2	37.7	41.7	41.2	41.8	45.2
Others	4.3	3.9	3.7	3.6	3.5	3.3	3.1	3.2	3.2	3.3	3.4
Real estate	464.8	452.8	448.7	438.3	441.9	450.3	459.8	477.4	498.3	511.3	530.5
Gunma	126.9	126.0	128.3	127.1	128.6	127.8	131.3	130.8	132.9	132.5	131.6
Saitama	155.4	151.3	148.4	139.4	139.0	139.9	140.2	141.8	144.5	146.1	151.4
Tochigi	51.1	49.7	48.0	47.0	48.1	48.1	48.8	50.1	52.7	53.7	54.5
Tokyo and Kanagawa	127.1	121.1	119.2	120.1	120.8	129.3	134.1	149.0	162.2	172.5	186.7
Others	4.1	4.4	4.7	4.5	5.2	5.0	5.2	5.4	5.9	6.3	6.1
Healthcare and public welfare	271.0	293.5	292.6	289.9	291.1	285.0	283.5	282.9	285.6	288.9	283.4
Gunma	115.7	124.8	122.7	122.5	122.3	118.3	116.7	116.2	115.3	117.9	114.6
Saitama	62.8	65.8	64.5	64.2	65.6	64.7	64.5	64.9	66.1	65.4	62.6
Tochigi	14.9	15.5	15.2	15.1	14.8	14.5	14.6	14.5	14.2	14.0	13.5
Tokyo and Kanagawa	74.8	84.7	87.2	86.6	87.0	86.1	86.3	85.9	88.5	90.2	91.1
Others	2.6	2.6	2.6	1.3	1.3	1.3	1.3	1.2	1.3	1.3	1.4
Other services	238.1	266.4	268.4	264.3	260.7	247.3	247.7	246.3	250.2	253.4	255.1
Gunma	129.2	148.1	151.1	148.8	147.7	138.6	139.4	139.7	139.6	141.7	141.6
Saitama	49.4	53.5	54.7	53.7	50.9	49.1	50.2	48.7	51.1	52.6	51.3
Tochigi	29.2	31.2	31.7	30.7	30.5	28.4	28.8	28.4	28.4	27.7	28.6
Tokyo and Kanagawa	28.3	31.3	28.6	28.8	28.5	28.2	26.3	26.4	27.9	28.1	30.5
Others	1.9	2.1	2.2	2.2	2.9	2.9	2.9	2.8	2.9	2.9	2.9

Status of Housing-related Loans

(Unit : Billions of yen)

[outstanding loan by region]	Sep. 2019	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Housing loans	1,313.7	1,312.4	1,314.9	1,328.7	1,341.2	1,348.9	1,367.4	1,381.6	1,398.4	1,416.2	1,439.3	1,462.2
Gunma	698.3	698.1	699.2	709.3	721.7	728.9	747.1	760.3	772.8	784.1	797.6	803.7
Saitama	324.1	320.9	318.8	318.2	317.0	317.4	317.2	317.8	319.4	322.1	323.5	327.7
Tochigi	113.1	111.2	110.1	108.9	107.7	107.3	104.7	103.5	102.0	101.5	101.5	102.9
Tokyo and Kanagawa	178.0	182.0	186.6	192.2	194.6	195.2	198.2	199.8	204.1	208.3	216.5	227.8
Apartment loans	641.7	651.4	649.7	649.8	649.4	647.9	653.6	660.1	666.8	677.3	686.7	695.3
Gunma	259.6	259.9	256.7	250.4	247.5	245.4	243.1	241.4	239.8	234.4	234.0	233.0
Saitama	150.2	154.0	154.2	158.8	160.2	160.8	163.8	166.0	170.5	177.7	180.6	183.5
Tochigi	116.1	116.0	115.5	115.2	114.2	113.5	112.3	111.8	110.6	113.1	113.1	112.8
Tokyo and Kanagawa	115.6	121.3	123.1	125.3	127.3	128.0	134.3	140.7	145.7	152.0	158.9	165.9

【DTI on Housing loan】	Mar. 2024	Mar. 2025
Total(Based on number of executions)	100%	100%
0~29%	48%	48%
30%~39%	41%	43%
40%~	11%	9%

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

【LTV on Housing loan】	Mar. 2024	Mar. 2025
Total(Based on number of executions)	100%	100%
0%~79%	12%	11%
80%~99%	11%	11%
100%~119%	27%	23%
120%~	50%	55%

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

	Mar. 2023		Mar. 2024		Mar. 2025	
[Status of loans for investment real estate]	balance	composition ratio	balance	composition ratio	balance	composition ratio
For investment real estate	998.6	16.5%	1,003.0	15.5%	1,008.2	14.7%
Of which, whole building	186.4	3.1%	177.1	2.7%	168.4	2.4%
Of which, asset management companies	50.9	0.8%	49.4	0.7%	47.8	0.7%
Of which, salaried workers	29.1	0.5%	26.0	0.4%	21.9	0.3%
Default rate	0.01%	—	0.08%	—	—	—
Of which, apartment loans	0.02%	—	0.10%	—	—	—
Vacancy rate	2.8%	—	2.4%	—	—	—
Of which, Maebashi area	4.5%	—	4.0%	—	—	—
Of which, Tokyo, Kanagawa	2.1%	—	1.2%	—	—	—
DSCR	1.35times	—	1.35times	—	—	—
Of which, Maebashi area	1.35times	—	1.33times	—	—	—
Of which, Tokyo, Kanagawa	1.44times	—	1.40times	—	—	—

* 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. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Gains or losses on investment securities	-1,740	-1,768	-3,562	5,725	6,416	8,500
Gains (losses) on bonds	-18,139	-28,793	-21,781	-24,561	-8,147	-11,735
Gain on sales	3,158	3,220	1,216	1,317	117	117
Gain on redemption	—	—	—	—	0	0
Loss on sales (-)	21,044	31,483	22,625	25,376	7,891	11,071
Loss on redemption (-)	252	530	371	501	359	781
Loss on devaluation (-)	—	—	1	0	13	—
Gains (losses) on stocks and other securities	16,398	27,025	18,219	30,286	14,563	20,235
Gain on sales	17,360	28,578	19,003	32,059	15,677	22,625
Loss on sales (-)	814	1,382	784	1,749	1,091	2,367
Loss on devaluation (-)	146	170	—	23	22	22

(Unit : Billions of yen)

[Breakdown of other securities]	Sep. 2022		Mar. 2023		Sep. 2023		Mar. 2024		Sep. 2024		Mar. 2025	
	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses	Book value	Unrealized gains/losses
Other securities	2,372.4	(-14.5)	2,618.3	(-6.6)	2,323.5	(-8.2)	2,213.8	(30.5)	2,183.4	(13.0)	2,129.5	(-16.1)
Domestic bonds	1,728.1	(-32.9)	1,780.0	(-34.7)	1,376.1	(-36.0)	1,278.4	(-28.3)	1,191.0	(-30.1)	1,080.8	(-56.5)
Government bonds	775.8	(-27.7)	811.7	(-27.8)	406.1	(-19.7)	354.7	(-14.2)	291.5	(-11.7)	222.3	(-17.4)
Municipal bonds	761.1	(-3.1)	772.2	(-3.8)	773.2	(-10.1)	732.9	(-7.7)	716.2	(-10.6)	682.4	(-25.6)
Corporate bonds	191.1	(-2.1)	196.0	(-2.9)	196.7	(-6.1)	190.7	(-6.3)	183.2	(-7.7)	176.0	(-13.4)
Stocks	130.8	(49.8)	145.9	(54.5)	145.3	(62.7)	142.4	(75.9)	143.3	(55.2)	158.7	(51.5)
Investment trusts	150.6	(-16.7)	253.3	(-26.3)	261.7	(-23.0)	231.7	(-20.7)	233.3	(-21.2)	244.1	(-16.7)
Foreign securities	356.1	(-15.1)	432.5	(-0.4)	534.4	(-12.1)	553.6	(3.6)	607.9	(9.0)	637.8	(5.4)
Yen-denominated securities	4.1	(0.0)	4.1	(0.0)	6.6	(0.0)	6.8	(0.0)	3.6	(0.0)	4.6	(-0.0)
Foreign-currency securities	351.9	(-15.1)	428.3	(-0.4)	527.7	(-12.1)	546.7	(3.6)	604.2	(9.0)	633.1	(5.4)
Others	6.7	(0.4)	6.4	(0.4)	5.8	(0.2)	7.6	(0.1)	7.9	(0.1)	7.9	(0.0)

[Bond average yield and duration]	Sep. 2022		Mar. 2023		Sep. 2023		Mar. 2024		Sep. 2024		Mar. 2025	
	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 (%)	0.25	2.18	0.26	3.18	0.35	5.35	0.35	5.48	0.32	5.61	0.35	5.42
Modified duration (year)	7.91	3.69	7.59	3.19	6.09	4.01	5.87	3.45	5.41	2.48	5.09	3.39

Status of Marketing Capability for Personal Deposit Financial Assets

(Unit : Billions of yen)

[Balance of deposit financial assets]	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Individuals	926.0	940.1	966.1	1,012.3	1,063.6	1,091.6	1,143.8
Investment trust	255.7	238.0	241.2	261.2	281.6	280.7	268.0
Pension insurance, etc.	492.5	512.6	520.7	553.9	573.3	578.1	604.0
Public bonds (JGBs)	33.3	30.0	27.4	25.7	24.1	24.2	27.3
Gungin Securities (directly sale and intermediation)	144.4	159.4	176.6	171.3	184.5	208.4	244.4
Corporations, etc.	80.6	88.6	93.0	89.1	90.6	97.8	108.7
Bank, non-consolidated	14.6	14.6	15.3	17.4	19.4	21.4	21.9
Gungin Securities (directly sale and intermediation)	65.9	74.0	77.7	71.6	71.1	76.3	86.7
Total	1,006.6	1,028.8	1,059.2	1,101.4	1,154.2	1,189.4	1,252.6

[Sales amount for marketing capability for deposit financial assets]	Mar. 2023	Mar.2024			Mar.2025		
	Total	First half	Second half	Total	First half	First half	Total
Investment trust	50.7	38.1	44.0	82.1	49.0	42.7	91.7
Pension insurance, etc.	67.5	33.0	36.5	69.6	44.1	38.8	83.0
Gungin Securities (directly sale and intermediation)	95.6	61.2	43.0	104.2	60.0	61.4	121.5
Total	213.8	132.3	123.5	255.9	153.1	143.1	296.3

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. 2022		Mar. 2023		Sep. 2023		Mar. 2024		Sep. 2024		Mar. 2025	
Disclosed Claims under the FRL	115.4	100.0%	110.7	100.0%	106.6	100.0%	103.5	100.0%	97.0	100.0%	89.8	100.0%
(By industry)												
Of which, Manufacturing	33.9	29.4%	33.2	30.1%	32.6	30.6%	28.8	27.9%	27.1	27.9%	22.7	25.4%
Of which, Wholesaling and retailing	17.4	15.1%	16.7	15.1%	15.8	14.9%	14.7	14.2%	14.1	14.6%	13.4	15.0%
Of which, Healthcare and public welfare	12.8	11.2%	13.2	12.0%	13.2	12.4%	14.0	13.5%	12.9	13.3%	12.8	14.3%
Of which, Real estate and goods rental	8.8	7.7%	8.6	7.8%	7.6	7.1%	7.6	7.4%	6.0	6.2%	5.8	6.6%
Of which, Other services	20.0	17.4%	16.6	15.1%	15.5	14.6%	15.7	15.2%	15.4	15.9%	14.1	15.8%
Ratio of Disclosed Claims under the FRL	1.94%		1.81%		1.69%		1.58%		1.45%		1.29%	
* Ratio in the case where partial direct write-offs are executed	1.68%		1.55%		1.39%		1.31%		1.21%		1.11%	

* The table above shows domestic branch's loans excluding loans booked at offshore markets.

[Status of coverage]	Sep. 2022		Mar. 2023		Sep. 2023		Mar. 2024		Sep. 2024		Mar. 2025
Coverage ratio	69.7%		70.4%		73.1%		73.2%		72.3%		72.9%
Total coverage	80.5		78.0		78.0		75.8		70.2		65.4
Value coverage by collateral and guarantees	48.8		48.4		50.3		49.6		46.5		45.5
Allowance for loan losses	31.6		29.6		27.6		26.1		23.7		19.9
Disclosed claims under the "FRL"	115.4		110.7		106.6		103.5		97.0		89.8

[Credit balance under the self-assessment guideline]	Sep. 2022		Mar. 2023		Sep. 2023		Mar. 2024		Sep. 2024		Mar. 2025	
Total	5,926.2	100.0%	6,108.6	100.0%	6,305.4	100.0%	6,526.6	100.0%	6,662.7	100.0%	6,911.0	100.0%
(by borrower classification)												
Normal borrowers	5,288.6	89.2%	5,492.1	89.9%	5,730.7	90.9%	5,963.8	91.4%	6,121.1	91.9%	6,397.8	92.6%
Borrowers requiring caution	456.1	7.7%	442.5	7.2%	402.9	6.4%	394.3	6.0%	375.4	5.6%	353.3	5.1%
Potentially bankrupt borrowers	45.5	0.8%	41.6	0.7%	37.2	0.6%	36.6	0.6%	36.2	0.5%	35.9	0.5%
Effectively bankrupt borrowers	15.5	0.3%	15.9	0.3%	20.9	0.3%	21.2	0.3%	18.6	0.3%	17.3	0.3%
Bankrupt borrowers	9.6	0.2%	9.0	0.1%	9.7	0.2%	7.3	0.1%	7.2	0.1%	6.0	0.1%
Others (municipal authorities, etc.)	110.6	1.9%	107.1	1.8%	103.6	1.6%	103.2	1.6%	103.9	1.6%	100.6	1.5%

[Allowance for loan losses]	Sep. 2022		Mar. 2023		Sep. 2023		Mar. 2024		Sep. 2024		Mar. 2025
Allowance for loan losses	43.9		40.0		36.9		35.4		32.7		28.6
General allowance	15.3		13.4		11.8		11.8		11.4		10.7
Specific allowance	28.5		26.6		25.1		23.5		21.3		17.8

Status of Transition in Loans by Borrower Category

[Numbers of borrowers] (Unit : ahead)			Mar. 2025									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. 2024	Normal borrowers	21,914	19,486	881	28	6	23	10	1,480	1,479	1	—	948
	Expected loss (i)	5,659	801	4,287	28	58	55	14	416	416	—	801	155
	Expected loss (ii)	438	23	43	329	19	7	3	14	14	—	66	29
	Potentially bankrupt borrowers	550	—	13	8	446	49	7	27	23	4	* Below potentially bankrupt borrowers	
	Effectively bankrupt borrowers	244	—	3	1	1	119	9	111	59	52	21	—
	Bankrupt borrowers	81	—	—	—	—	—	24	57	12	45		
	Total	28,886	20,310	5,227	394	530	253	67	2,105	2,003	102	888	1,132

[Amount] (Unit : Billions of yen)			Mar. 2025									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. 2024	Normal borrowers	3,561.4	3,424.3	50.0	2.4	0.6	0.8	2.4	80.7	80.6	0.0	—	56.3
	Expected loss (i)	261.4	43.0	200.1	3.7	5.6	1.3	0.4	7.0	7.0	—	43.0	11.2
	Expected loss (ii)	65.3	4.8	5.9	50.0	1.7	0.9	0.6	1.0	1.0	—	10.8	3.3
	Potentially bankrupt borrowers	34.0	—	0.7	0.8	27.1	3.9	0.6	0.5	0.5	0.0	* Below potentially bankrupt borrowers	
	Effectively bankrupt borrowers	18.2	—	0.0	0.0	0.0	9.2	0.6	8.3	1.8	6.5	1.6	—
	Bankrupt borrowers	7.3	—	—	—	—	—	2.7	4.5	1.6	2.8		
	Total	3,947.8	3,472.2	256.9	57.1	35.1	16.3	7.6	102.2	92.8	9.4	55.5	70.9

(Notes) 1. What is shown here is transition in borrower categories from the end of March 2024 to the end of March 2025.

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 FY2024 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. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Total capital	505.7	536.4	564.9	574.9	541.3	507.4	529.9	523.9	570.6	566.8	541.4
Common equity Tier1 capital	454.5	485.1	513.8	523.7	490.1	458.4	478.7	482.8	519.5	515.8	500.2
Other Tier1 capital	—	—	—	—	—	—	—	—	10.0	20.0	20.0
Tier2 capital	51.2	51.2	51.1	51.1	51.2	49.0	51.1	41.1	41.1	31.0	21.1
Risk assets	4,232.1	4,265.9	4,433.4	4,352.9	4,362.2	4,146.2	3,834.6	3,901.3	3,840.1	3,875.8	4,123.4
Total capital ratio	11.95%	12.57%	12.74%	13.20%	12.40%	12.23%	13.82%	13.43%	14.86%	14.62%	13.12%
Tier1 ratio	10.74%	11.37%	11.58%	12.03%	11.23%	11.05%	12.48%	12.37%	13.79%	13.82%	12.61%
Common equity Tier1 ratio	10.74%	11.37%	11.58%	12.03%	11.23%	11.05%	12.48%	12.37%	13.52%	13.30%	12.13%
* excluding valuation difference on available-for-sale securities	(9.99%)	(10.18%)	(9.97%)	(10.33%)	(10.46%)	(11.05%)	(12.48%)	(12.37%)	(12.91%)	(13.01%)	(12.13%)
*deduct if valuation difference on available-for-sale securities are positive.											
[Non-consolidated]	Mar. 2020	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025
Total capital	483.4	512.2	533.6	542.0	506.0	466.0	492.0	484.6	529.1	523.3	495.6
Common equity Tier1 capital	433.4	462.1	483.5	491.9	456.3	421.4	442.0	444.6	479.1	473.2	455.5
Other Tier1 capital	—	—	—	—	—	—	—	—	10.0	20.0	20.0
Tier2 capital	50.0	50.0	50.1	50.0	49.6	44.6	50.0	40.0	40.0	30.0	20.0
Risk assets	4,175.5	4,209.7	4,378.2	4,292.6	4,300.2	4,072.8	3,718.0	3,780.3	3,741.3	3,764.9	3,999.4
Total capital ratio	11.57%	12.16%	12.18%	12.62%	11.76%	11.44%	13.23%	12.82%	14.14%	13.89%	12.39%
Tier1 ratio	10.37%	10.97%	11.04%	11.46%	10.61%	10.34%	11.88%	11.76%	13.07%	13.10%	11.89%
Common equity Tier1 ratio	10.37%	10.97%	11.04%	11.46%	10.61%	10.34%	11.88%	11.76%	12.80%	12.57%	11.39%
* excluding valuation difference on available-for-sale securities	(9.64%)	(9.80%)	(9.43%)	(9.76%)	(9.86%)	(10.34%)	(11.88%)	(11.76%)	(12.23%)	(12.32%)	(11.39%)

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

Status of Capital Distribution

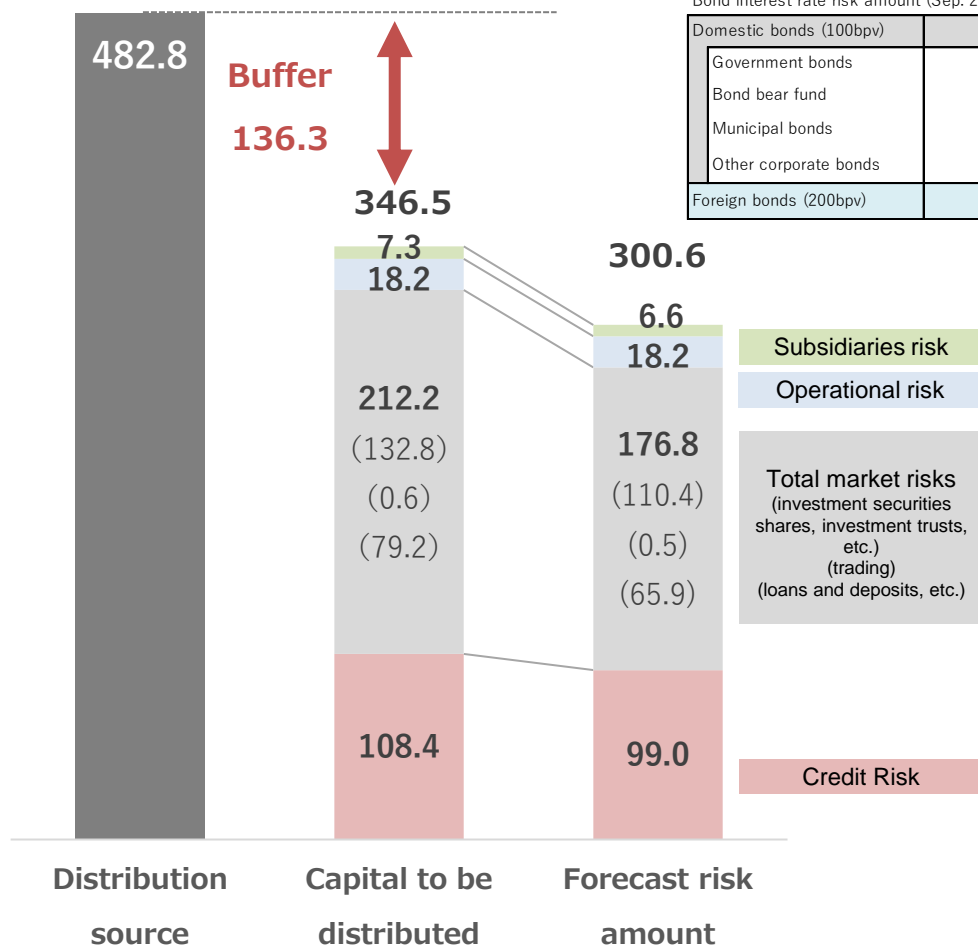
First half of FY2024

(Unit : Billions of yen)

<Ref.>

Bond interest rate risk amount (Sep. 2024)

Domestic bonds (100bpv)	46.6
Government bonds	20.6
Bond bear fund	-16.7
Municipal bonds	31.8
Other corporate bonds	10.9
Foreign bonds (200bpv)	29.9

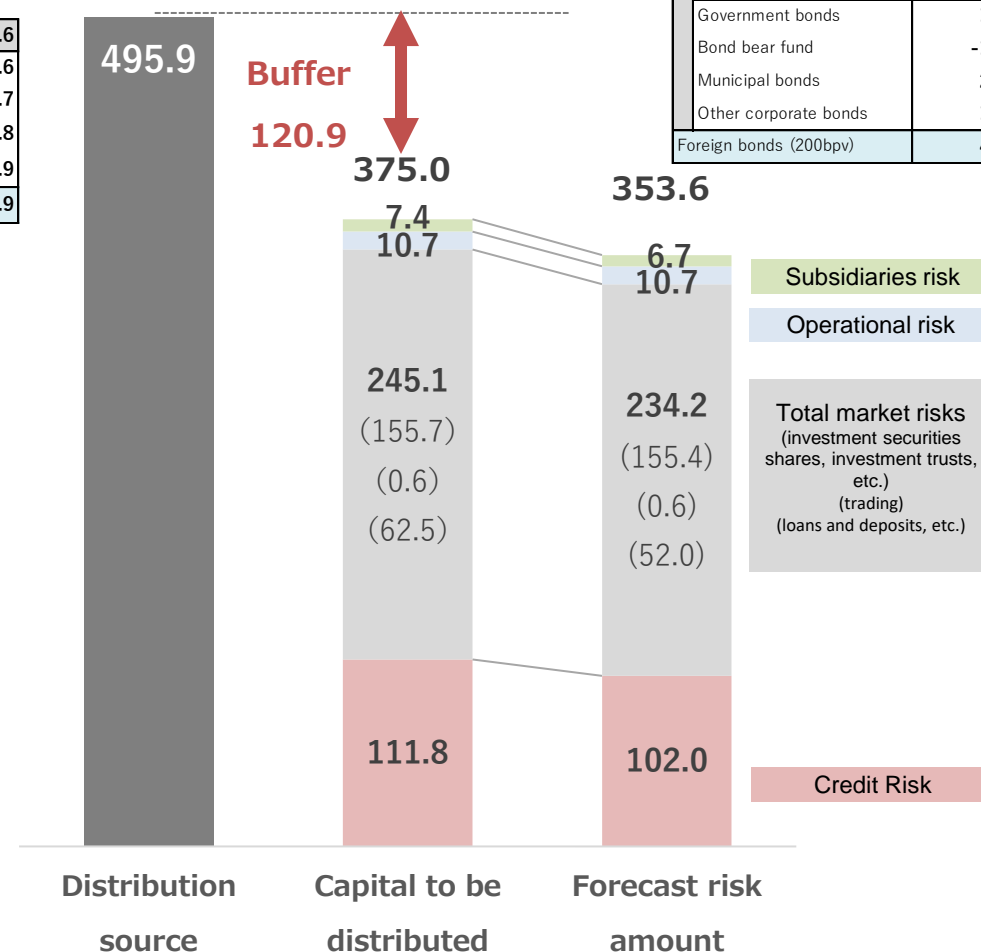


Second half of FY2024

(Unit : Billions of yen)

<Ref.> Bond interest rate risk amount (Mar. 2025)

Domestic bonds (100bpv)	40.3
Government bonds	14.6
Bond bear fund	-14.3
Municipal bonds	29.9
Other corporate bonds	10.1
Foreign bonds (200bpv)	41.0



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. 2021		Mar. 2022		Mar. 2023		Mar. 2024		(Unit : 1,000 shares) Mar. 2025	
	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	157,158	36.05%	142,105	33.37%	134,233	31.52%	131,019	30.76%	126,965	31.28%
Securities companies	5,828	1.34%	10,296	2.42%	8,733	2.05%	9,805	2.30%	10,258	2.53%
Other domestic corporations	75,818	17.39%	74,055	17.39%	71,496	16.79%	66,514	15.62%	61,057	15.04%
Government and municipalities	8,332	1.91%	8,332	1.96%	8,335	1.96%	8,335	1.96%	8,335	2.05%
Foreign corporations/ Foreign individuals	75,082	17.23%	72,552	17.03%	79,016	18.55%	81,628	19.17%	84,892	20.92%
Individuals/others (employees,etc.)	98,118	22.51%	103,320	24.26%	104,728	24.59%	95,185	22.35%	90,879	22.39%
Treasury shares	15,548	3.57%	15,224	3.57%	19,344	4.54%	33,399	7.84%	23,499	5.79%
Total	435,888	100%	425,888	100%	425,888	100%	425,888	100%	405,888	100%

[Status of major shareholders (Mar. 2024)]			(Unit : 1,000 shares)	
	Ownership of shares	Ratio of shareholding		
The Master Trust bank of Japan, Ltd. (Account in trust)	54,056	13.77%		
Custody Bank of Japan, Ltd. (Account in trust)	26,047	6.63%		
Gunma Bank Employees' Shareholding Association	11,396	2.90%		
Sumitomo Life Insurance Company	10,657	2.71%		
Meiji Yasuda Life Insurance Company	9,398	2.39%		
Toyo Seikan Group Holdings, Ltd.	7,330	1.86%		
Nippon Life Insurance Company	6,467	1.64%		
DFA INTL SMALL CAP VALUE PORTFOLIO	5,461	1.39%		
STATE STREET BANK AND TRUST COMPANY 505103	5,174	1.31%		
STATE STREET BANK AND TRUST COMPANY 505223	5,174	1.31%		
Total	141,164	35.96%		

[Status of major shareholders (Mar. 2025)]			(Unit : 1,000 shares)	
	Ownership of shares	Ratio of shareholding		
The Master Trust bank of Japan, Ltd. (Account in trust)	53,461	13.98%		
Custody Bank of Japan, Ltd. (Account in trust)	25,061	6.55%		
Sumitomo Life Insurance Company	10,657	2.78%		
Meiji Yasuda Life Insurance Company	10,015	2.61%		
Gunma Bank Employees' Shareholding Association	9,872	2.58%		
STATE STREET BANK AND TRUST COMPANY 505001	8,746	2.28%		
Toyo Seikan Group Holdings, Ltd.	7,330	1.91%		
Nippon Life Insurance Company	6,467	1.69%		
DFA INTL SMALL CAP VALUE PORTFOLIO	5,461	1.42%		
JP MORGAN CHASE BANK 385781	4,931	1.28%		
Total	142,004	37.13%		

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

Changes in Total Shareholders Return

The bank changed its shareholder return policy from total shareholder return to dividend payout ratio in Feb. 2025. (The change will be applied from the current year.)
The bank introduced a **progressive dividend system** that aims to maintain or increase dividends.

(Unit : Millions of yen)

		Mar. 2019	Mar. 2020	Mar. 2021	Mar. 2022	Mar. 2023	Mar. 2024	Mar. 2025
<Amount of return>								
Total amount of shareholders return	③=①+②	8,785	8,453	5,464	9,318	14,352	16,677	22,257
Total amount of dividends	①	5,584	5,453	5,464	5,818	7,352	8,677	17,257
Total amount of acquisition treasury shares *	②	3,201	3,000	—	3,500	7,000	8,000	5,000
<Various ratio>								
		Non-consolidated basis				change of policy	Consolidated basis	
(Consolidated)		shareholder return (40%)					dividend payout (40%)	
Shareholder return ratio	③÷④	37.7%	37.9%	40.5%	35.2%	51.4%	53.6%	50.7%
Dividend payout ratio	①÷④	24.0%	24.6%	40.4%	22.1%	26.4%	28.1%	39.5%
※Profit attributable of owners of parent	④	23,321	22,280	13,501	26,436	27,933	31,125	43,900
(Non-consolidated)								
Shareholder return ratio	③÷⑤	41.9%	47.1%	46.8%	39.9%	58.3%	59.2%	55.1%
Dividend payout ratio	①÷⑤	26.7%	30.6%	46.7%	25.0%	29.9%	31.0%	42.9%
※Profit	⑤	20,972	17,918	11,680	23,378	24,622	28,153	40,427
<Per share information>								
(Consolidated)								
EPS		54.12yen	52.79yen	32.14yen	63.33yen	68.19yen	78.43yen	113.82yen
BPS		1,232.16yen	1,162.64yen	1,303.93yen	1,288.78yen	1,268.77yen	1,460.16yen	1,472.16yen
(Non-consolidated)								
EPS		48.67yen	42.45yen	27.81yen	56.01yen	60.11yen	70.94yen	104.82yen
BPS		1,189.98yen	1,122.21yen	1,230.11yen	1,200.18yen	1,164.42yen	1,304.86yen	1,297.46yen
(Dividends)								
Annual cash dividends		13.00yen	13.00yen	13.00yen	14.00yen	18.00yen	22.00yen	45.00yen
Interim cash dividends		6.00yen	6.00yen	6.00yen	7.00yen	8.00yen	10.00yen	20.00yen
Year-end cash dividends		7.00yen	7.00yen	7.00yen	7.00yen	10.00yen	12.00yen	25.00yen
(Total number of issued share)		453,888,177shares	435,888,177shares	435,888,177shares	425,888,177shares	425,888,177shares	425,888,177shares	405,888,177shares

* In calculating the shareholder return ratio, the amount of treasury shares buyback 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.

The announcement May 9. 2024 (acquired 5 billion yen) was included Mar. 2024. In addition, the announcement Aug.28 2024 (acquired 5 billion yen) is included Mar. 2025. Note the amount of treasury shares acquisition is rounded.

Branch Office Network

161 offices

(including 1 overseas branch)

Gunma Prefecture
111 branch offices

Nagano Prefecture
1 branch office

Tochigi Prefecture
10 branch offices

**USA 1 branch office
(New York)**

(Mexico)
Banco Nacional De México, S.A., Integrante
Estade de Aguascalientes
Estade de Jalisco, Estade de Guanajuato
Estade de Nuevo Leon

New York Branch

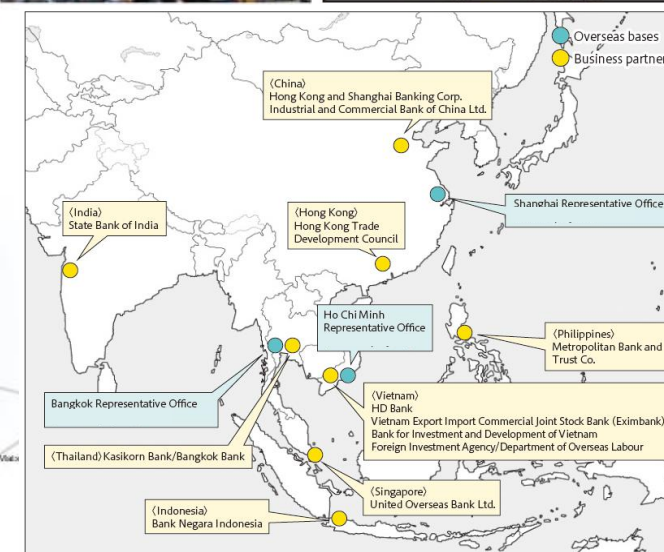
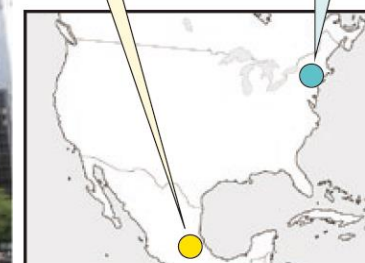
Saitama Prefecture
24 branch offices

Tokyo Metropolis
9 branch offices

Kanagawa Prefecture
3 branch offices

Osaka Prefecture
1 branch office

Chiba Prefecture
1 branch office



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 11 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	1,555	232.6	Funds balance	1,587	237.3
Foreign loans	806	120.5	Short-term market procurement	857	128.2
Foreign securities	743	111.2	Repo	414	61.9
(floating rate bond)			interoffice borrowing	315	47.1

► 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.



Shanghai

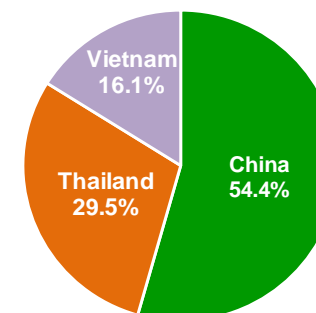


Bangkok



Ho Chi Minh

Strengthening support for regional clients' Asian business



※The ratio of regional client expanding Asia(As of Mar.2025)

- Profit from the New York branch in FY2024 was \$4.5 million, driven by steady loan growth. (Unit : Millions of dollars)

	Mar. 2016	Mar. 2017	Mar. 2018	Mar. 2019	Mar. 2020	Mar. 2021	Mar. 2022	Mar. 2023	Mar. 2024	Mar. 2025
Business gross profit	4.6	4.6	4.8	5.6	5.4	5.1	5.5	4.9	5.3	8.3
of which, net interest income	5.0	4.6	4.9	6.0	5.6	5.3	5.7	5.1	5.4	8.3
expenses	3.3	3.5	3.3	3.3	3.6	3.6	3.6	3.5	3.7	3.8
business net profit	1.3	1.1	1.5	2.3	1.7	1.4	1.9	1.3	1.5	4.4
profit before income taxes	1.3	1.1	1.5	2.4	1.7	1.4	1.8	1.4	1.5	4.5
Yen base (Billions of yen)	0.14	0.12	0.16	0.26	0.19	0.16	0.22	0.18	0.24	0.67

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. 2025]	Bank, non-consolidated	Total of subsidiaries	(Gungin Securities)	(Gungin Leasing)	(Gunma Credit Guarantee)	(Others)	Consolidation offset	Consolidated financial statements
Core gross business profits	100.7	8.6	(3.0)	(2.4)	(2.4)	(0.6)	-1.6	107.7
Net interest income	82.5	-0.3	(0.0)	(-0.4)	(0.0)	(0.0)	-0.0	82.1
Non-interest business profit	18.1	9.0	(3.0)	(2.8)	(2.4)	(0.6)	-1.6	25.6
Net fees and commissions income	15.0	5.8	(2.7)	(—)	(2.4)	(0.6)	-1.0	19.8
Profit from other business transactions	3.0	3.2	(0.2)	(2.8)	(—)	(0.0)	-0.5	5.7
Expenses (-) (excluding non-recurrent expenses)	52.7	3.7	(1.8)	(1.0)	(0.2)	(0.6)	-1.6	54.8
Others	9.6	-0.5	(0.0)	(-0.2)	(-0.4)	(0.1)	0.0	9.1
Of which, Gain or loss on investment securities	8.5	-0.0	(—)	(—)	(—)	(-0.0)	—	8.4
Of which net credit costs (-)	2.3	0.7	(—)	(0.2)	(0.4)	(—)	-0.0	3.1
Ordinary profit	57.5	4.4	(1.2)	(1.1)	(1.7)	(0.2)	0.0	62.0
Profit	40.4	3.4	(0.8)	(1.2)	(1.1)	(0.1)	0.0	43.9

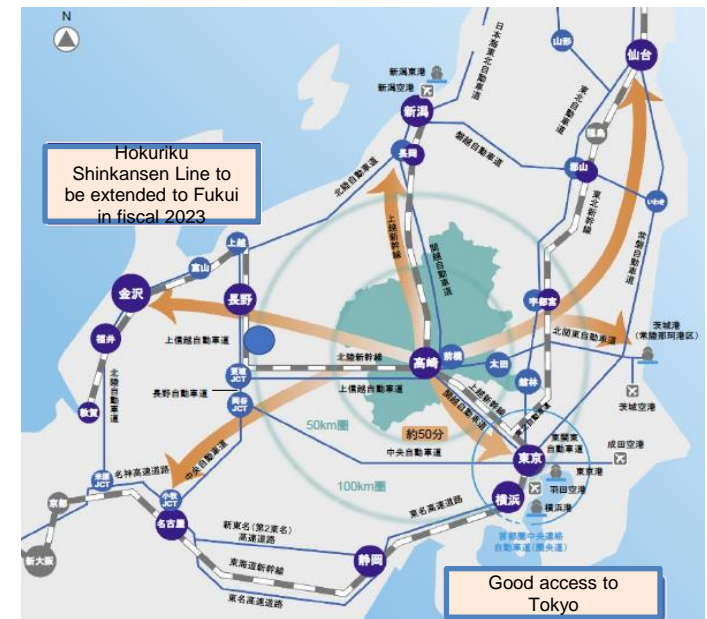
[Mar. 2024]	Bank, non-consolidated	Total of subsidiaries	(Gungin Securities)	(Gungin Leasing)	(Gunma Credit Guarantee)	(Others)	Consolidation offset	Consolidated financial statements
Core gross business profits	83.5	8.1	(2.4)	(2.5)	(2.5)	(0.5)	-1.4	90.2
Net interest income	66.3	-0.2	(0.0)	(-0.3)	(0.0)	(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
Expenses (-) (excluding non-recurrent expenses)	50.3	3.2	(1.5)	(1.0)	(0.2)	(0.5)	-1.4	52.1
Others	5.9	-0.2	(-0.0)	(-0.1)	(-0.2)	(0.2)	-0.0	5.7
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
Ordinary profit	39.1	4.6	(0.9)	(1.3)	(2.0)	(0.2)	(0.0)	43.7
Profit	28.1	2.9	(0.6)	(0.7)	(1.3)	(0.1)	(0.0)	31.1

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 97, **ranking first in the Kanto region and 8th in Japan.** (From the Ministry of the Environment "Hot Spring Usage Situation in Fiscal 2023")
 - 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(Oct. 2024 edition) 」
Gunma Prefecture, Industry and Economy Department, "Gunma Ga Ichiban! (Mar. 2021)"

Low seismic hazard risk

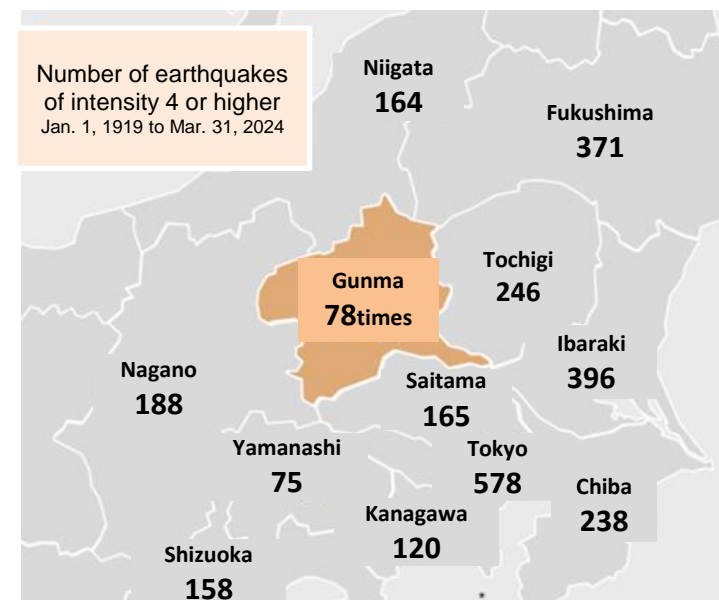
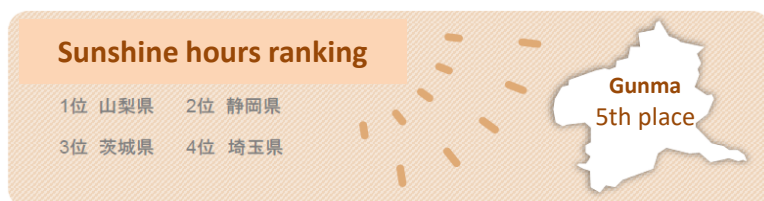
Statistically, it is an area with relatively few earthquakes (78 earthquakes at an intensity 4 or higher over a period of 100 years) and indicates favorable conditions for establishing factories and logistics base.

【Major investment trends in Gunma Prefecture (recent years)】

Year	Company name	Overview
2022	NTT	Partial relocation of head office (Takasaki)
	SUBARU	Announcement of new factory construction (Oizumi)
	Deloitte Tohmatsu Group	New office opening (Maebashi)
2023	Accenture	New office opening (Maebashi)
	Michelin Japan	Head office relocation (Ota)
2024	IHI aerospace	Head office relocation (Tomioka)
	JINS HD	Satellite Office (Maebashi)
	Shin-Etsu Chemical	Announcement of new factory construction (Isesaki)
	TSUMURA	Announcement of new factory construction (Meiwa)

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.



【Number of households affected by natural disasters, etc.(2013~2022)】

Damage(less)	Ranking	Prefecture	Number
	1	Gunma	444
	2	Tokyo	2,560
	3	Kanagawa	3,089
	4	Saitama	5,947
	5	Tochigi	7,487
	6	Ibaraki	7,833
	7	Chiba	8,657
Damage(more)			

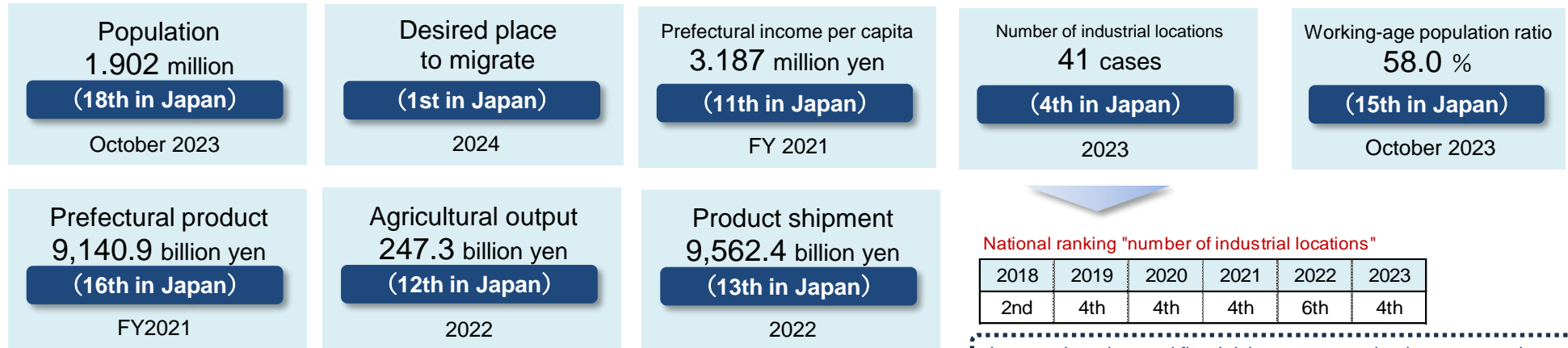
The damage (Earthquakes, floods, landslides, etc.) is the lowest in Japan.

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

Potential of Gunma Prefecture (Gunma Power)

Main data of Gunma Prefecture

Sources
Gunma Prefecture「IR information of Gunma Prefecture (Oct. 2024)」
Cabinet Office [2021 system of National Accounts]
NPO Furusato kaiki center「desired place to migrate 2024」

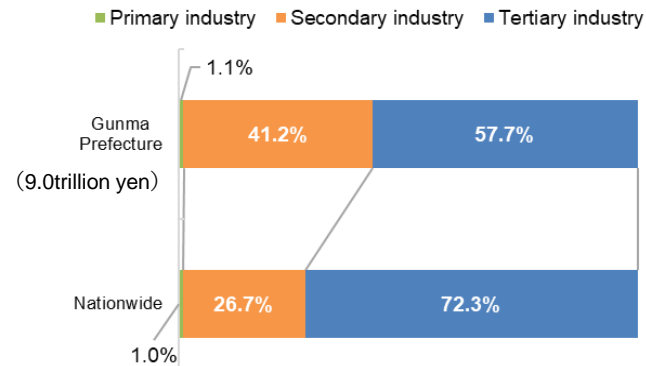


Low earthquakes and flood risks → promote business expansion

Sources Ministry of Economy, Trade and Industry

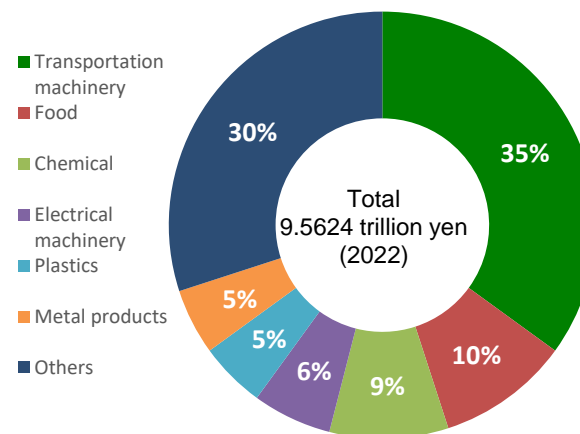
Manufacturing industries drive Gunma economy

- 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 product shipment, etc.

Transportation machinery products account for a large share of shipments.



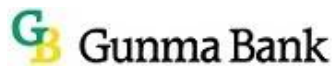
- Ratio of transportation machinery production

Ranks 3rd in Japan at ratio of transportation machinery production in gross output for the prefecture

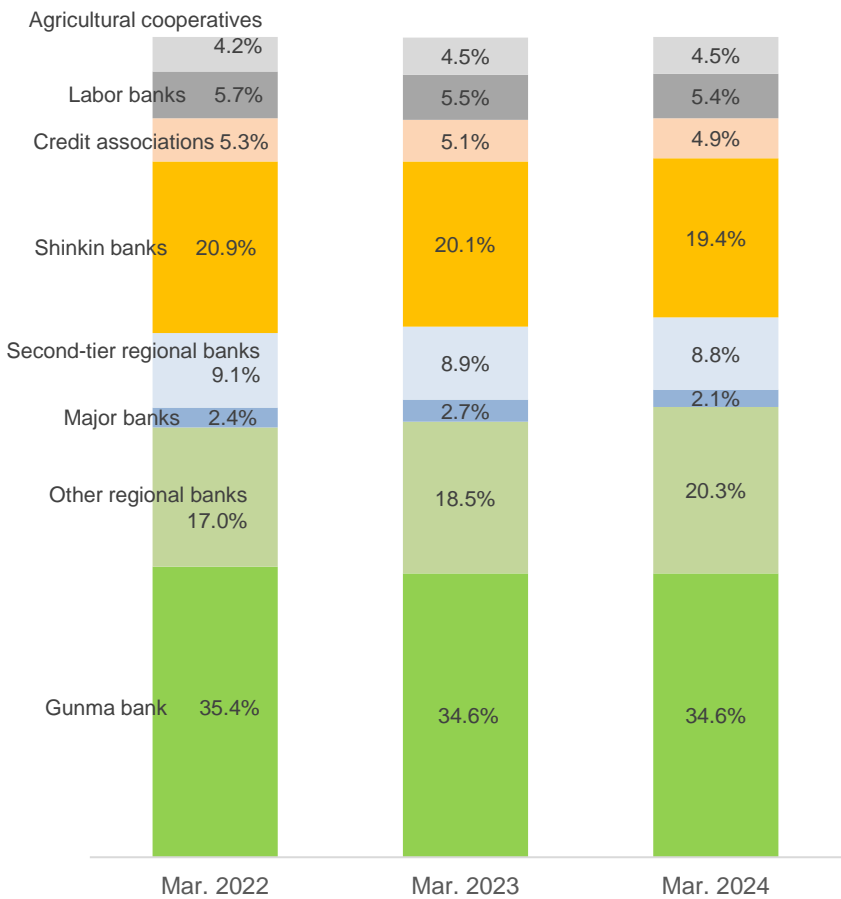
Rank	Prefecture	Gross output ratio
1	Aichi	16.2%
2	Shizuoka	9.7%
3	Gunma	8.4%
4	Mie	6.6%
5	Hiroshima	6.5%
6	Gifu	5.2%
7	Tochigi	4.9%
8	Ibaraki	4.5%
9	Shiga	3.8%
10	Yamaguchi	3.5%

※FY2021data

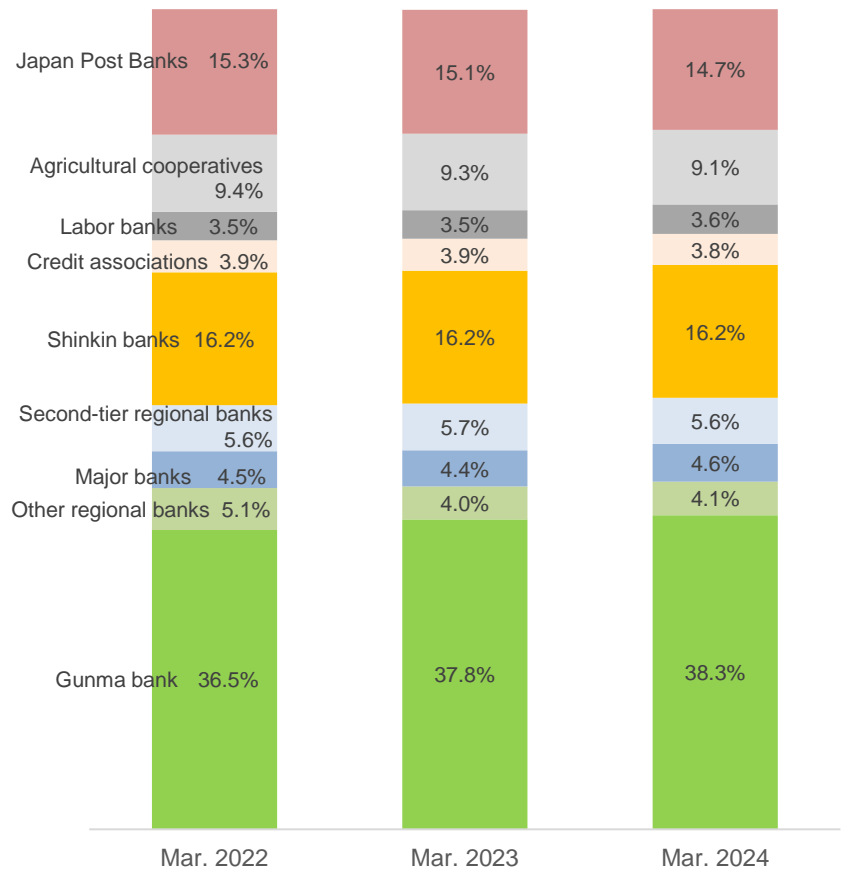
Shares in Loans and Deposits in Gunma Prefecture



Shares in loans



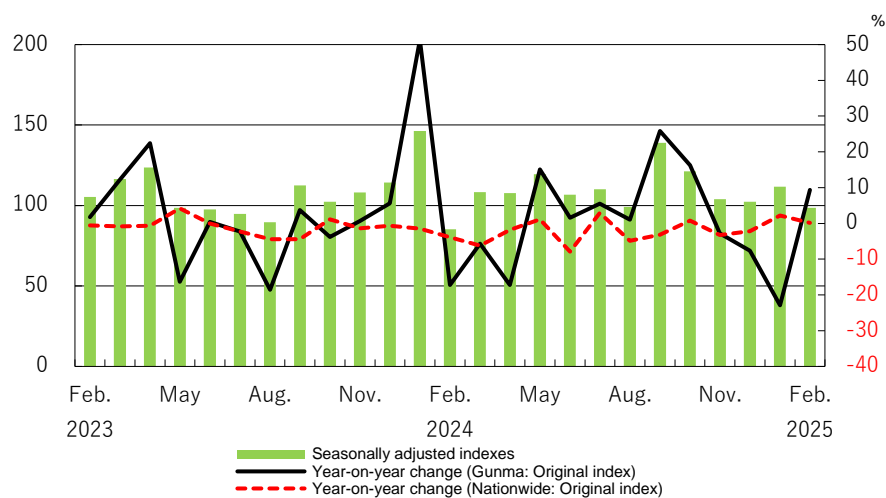
Shares in deposits



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

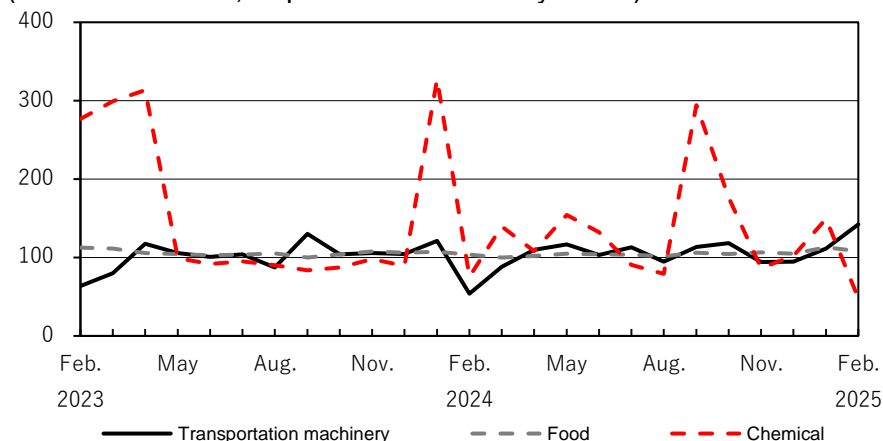
Economic Trends in Gunma Prefecture I

Mining and manufacturing production index (Year 2020=100)



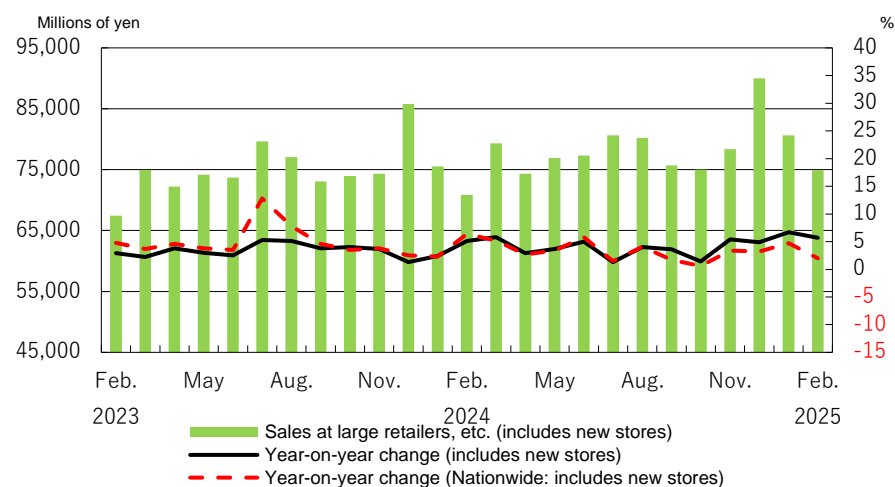
Source: Gunma Prefecture, Ministry of Economy, Trade and Industry

Production index by industry classification (seasonally adjusted)
(Year 2020 = 100, Top three industries by share)



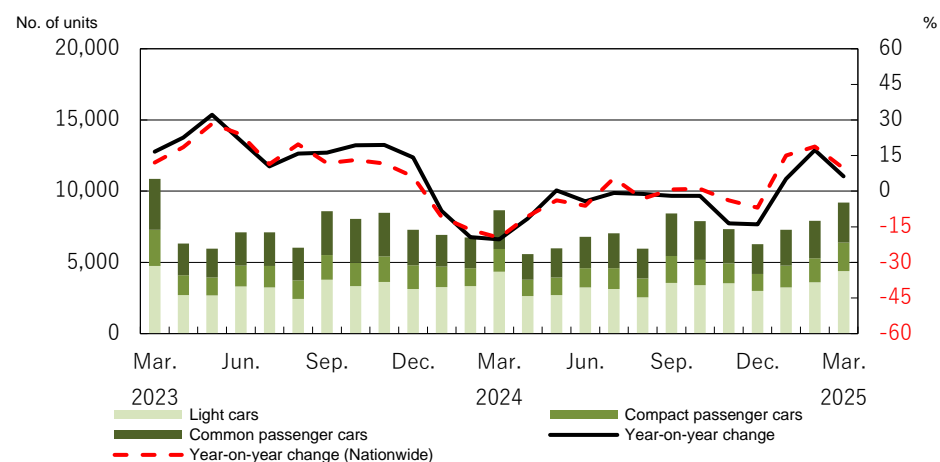
Source: Gunma Prefecture

Sales at large retailers, etc.



Source: Ministry of Economy, Trade and Industry

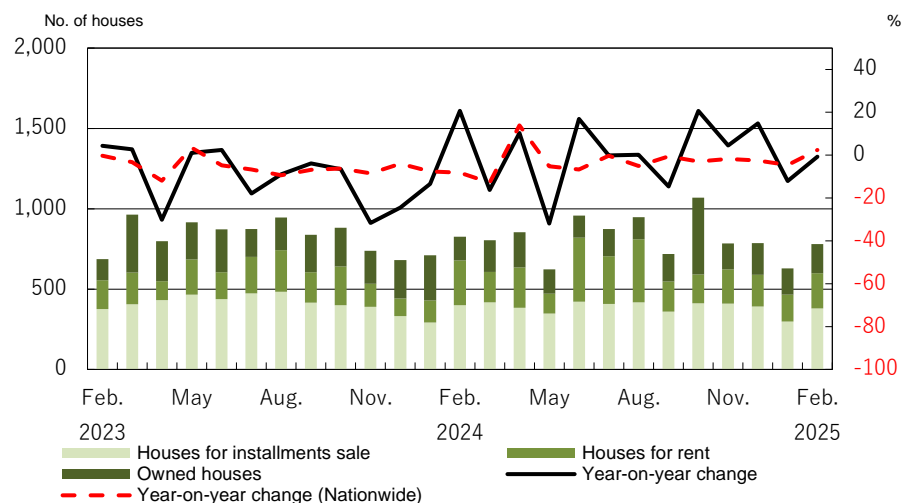
Sales of passenger cars



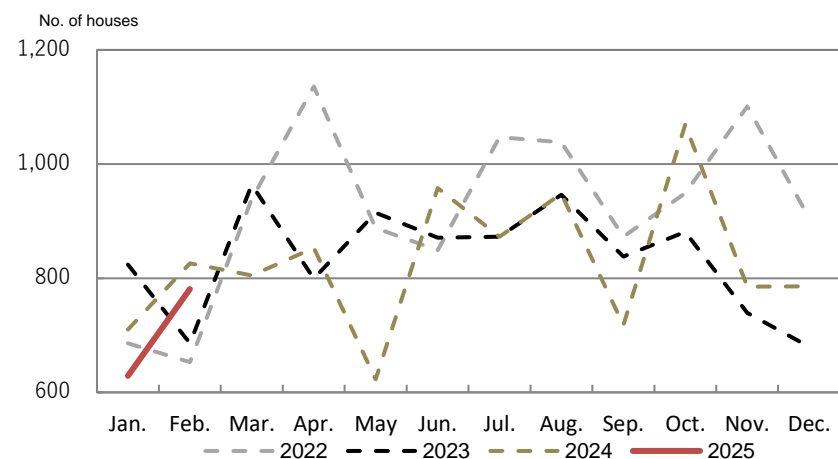
Sources: Japan Automobile Dealers Association, Japan Mini Vehicles Association, Japan Automobile Dealers Association Gunma Branch, Japan Mini Vehicles Association Gunma Branch

Economic Trends in Gunma Prefecture II

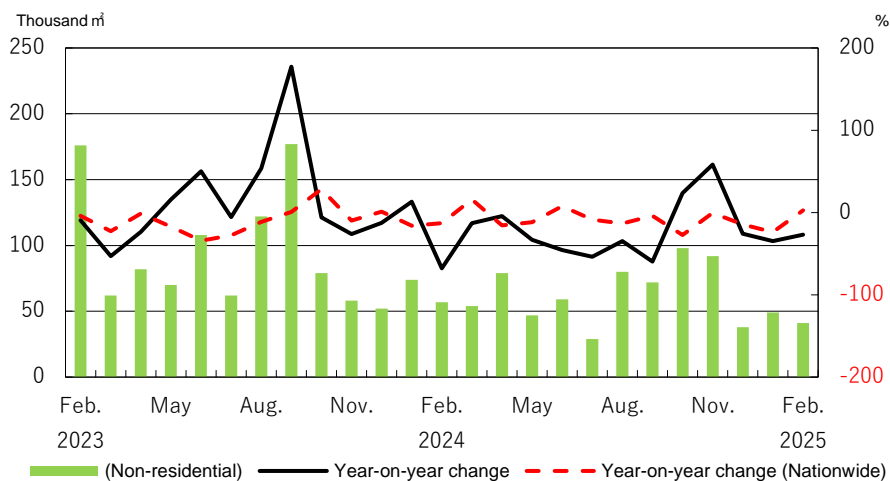
New housing starts



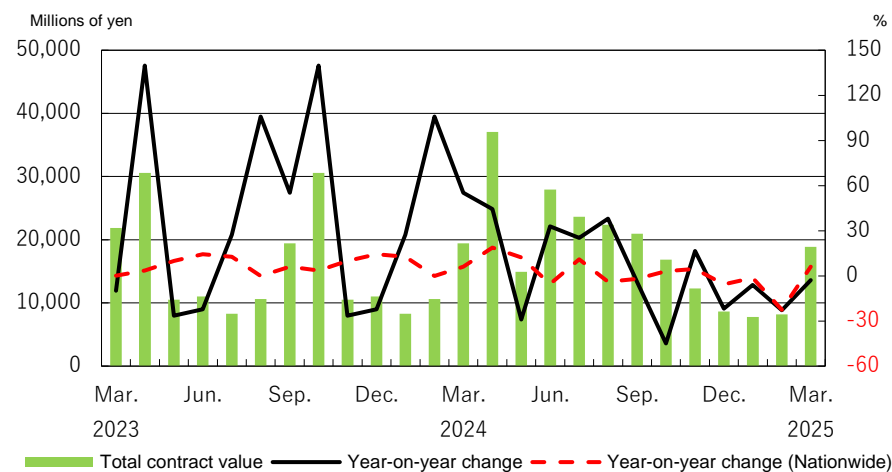
Monthly movements in new housing starts



Total floor space of construction starts (non-residential)

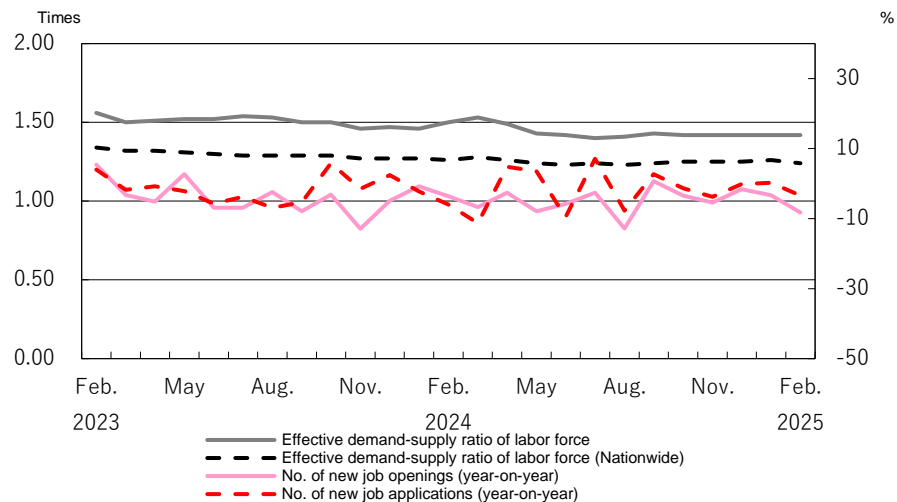


Value of public works contracts

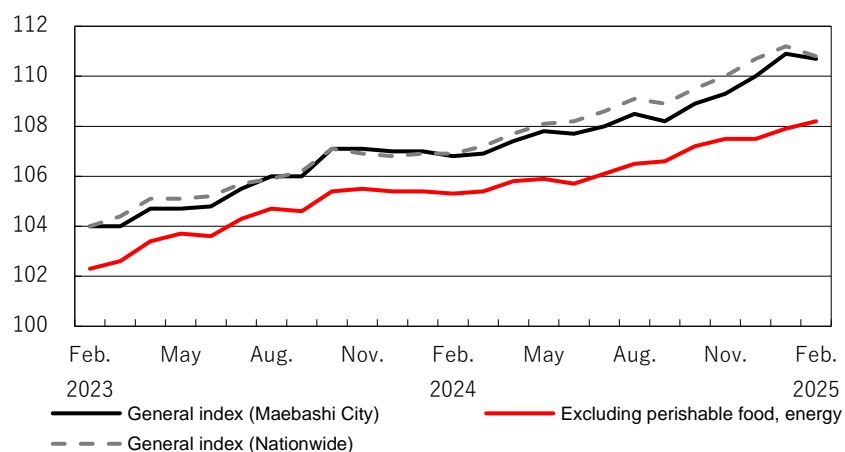


Economic Trends in Gunma Prefecture III

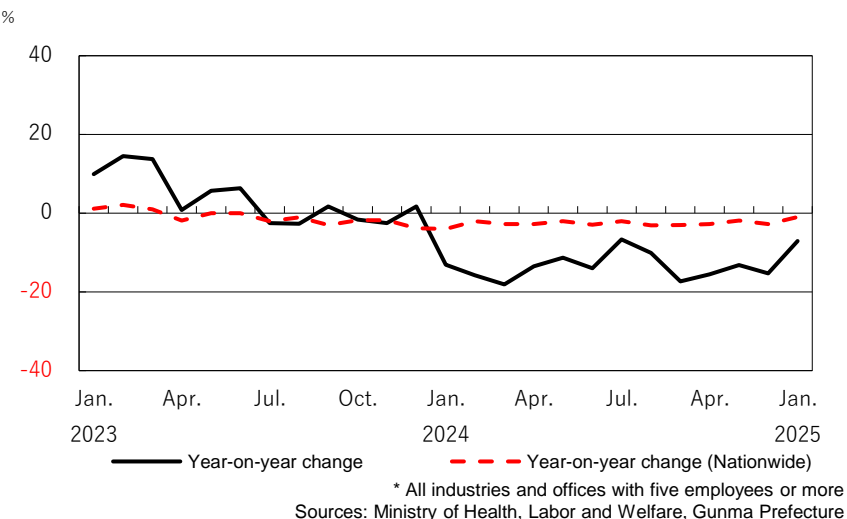
Effective demand-supply ratio of labor force and number of new job openings and new job applications



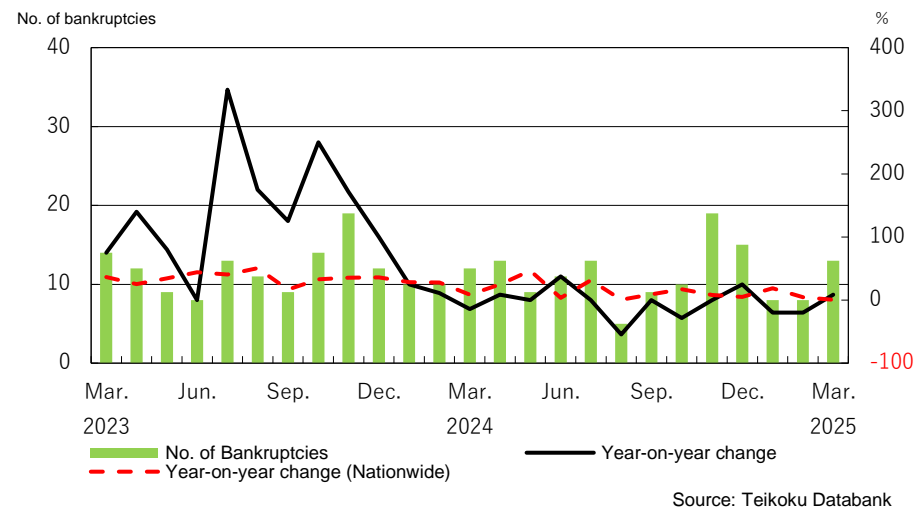
Consumer price index (Year 2020 = 100)



Total overtime hours

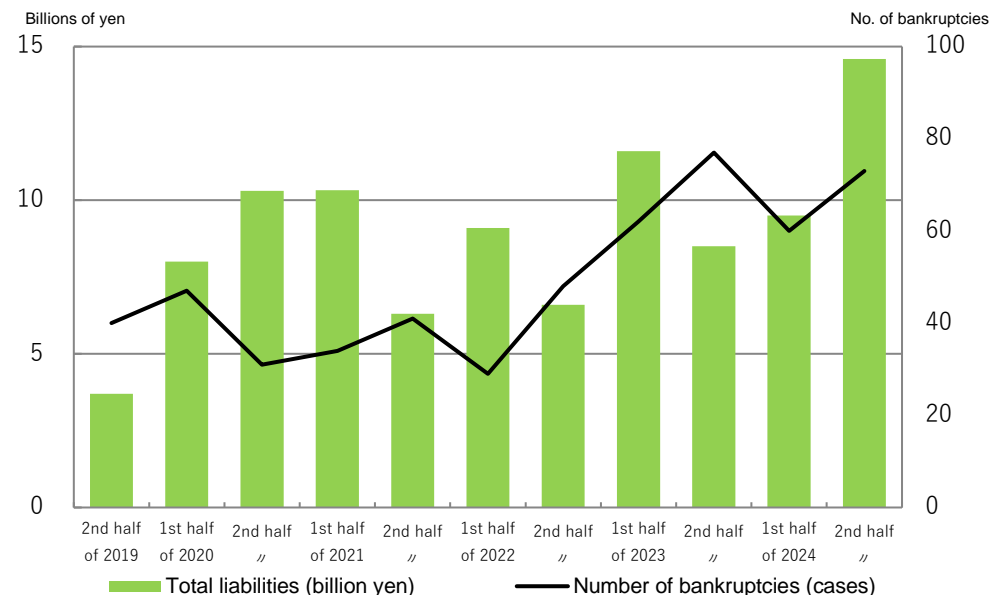


Number of bankruptcies

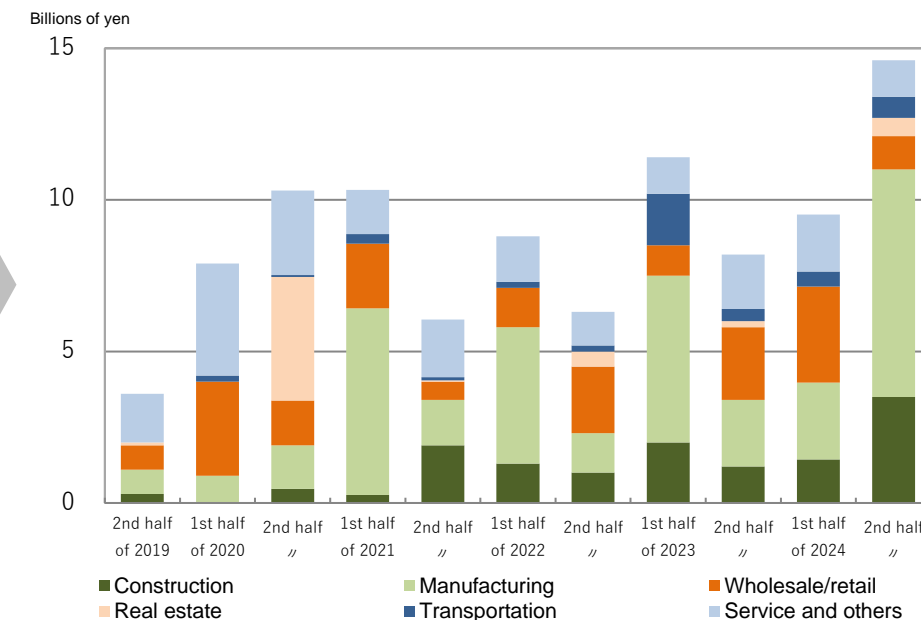


Economic Trends in Gunma Prefecture IV

■ Number of bankruptcies of companies and total liabilities



■ Breakdown of total liabilities from left table (Industry breakdown of bankruptcies)



(Unit : Billions of yen)

	FY2019		FY2020		FY2021		FY2022		FY2023		FY2024	
	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half	2nd half
No. of Bankruptcies	45cases	40cases	47cases	31cases	34cases	41cases	29cases	48cases	62cases	77cases	60cases	73cases
Total liabilities	8.2	3.7	8.0	10.3	10.3	6.3	9.1	6.6	11.6	8.5	9.5	14.6
Construction	1.0	0.3	0.0	0.4	0.2	1.9	1.3	1.0	2.0	1.2	1.4	3.5
Manufacturing	3.2	0.8	0.9	1.4	6.1	1.5	4.5	1.3	5.5	2.2	2.5	7.4
Wholesale/retail	2.0	0.8	3.1	1.4	2.1	0.6	1.3	2.2	1.0	2.4	3.1	1.1
Real estate	—	0.1	0.0	4.0	—	0.0	—	0.5	0.0	0.2	—	0.5
Transportation	0.0	0.0	0.2	0.0	0.3	0.1	0.2	0.2	1.7	0.4	0.4	0.7
Services and others	1.7	1.6	3.7	2.7	1.4	1.9	1.5	1.1	1.2	1.8	1.8	1.2

* 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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