

The Gunma Bank, Ltd.

# Overview of Financial Results

for the three months ended Jun. 2025

July 29, 2025



**The Gunma Bank, Ltd.**

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

(Tokyo Stock Exchange Prime Market : 8334)

The Medium-Term Business Plan 2025 Growth with “Purpose”



# Profit and Loss Conditions

**Profit attributable to owners of parent** amounted to 14.0 billion yen, up 2.8 billion yen YoY, due to an increase in net interest income. A good start was made, with a progress rate of 28.6% in relation to the announced profit of 49 billion yen.

## Financial Summary

(Unit : Billions of yen)

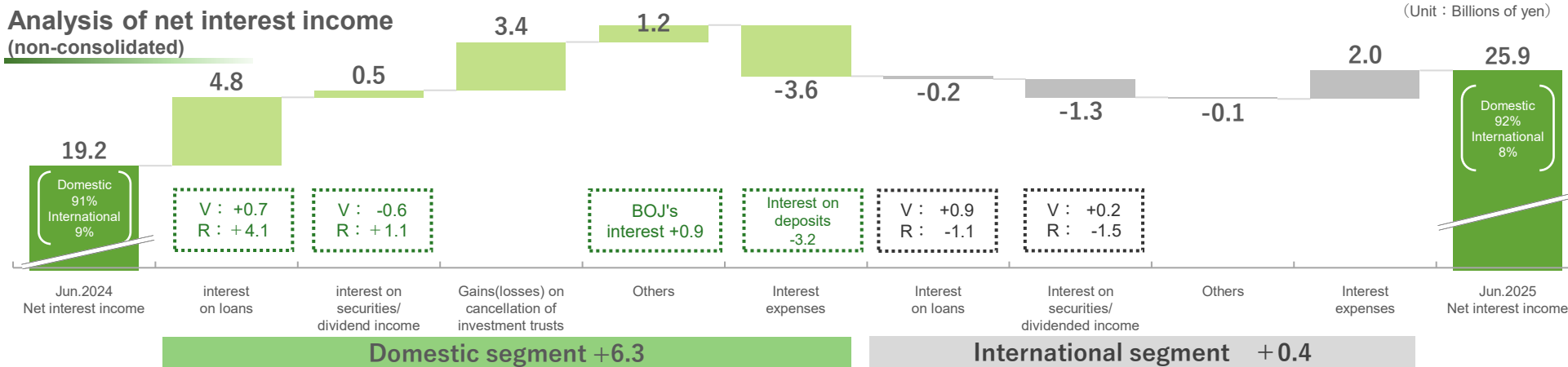
< Consolidated >	Jun.2025	YoY	Annual plan Mar.2026	Progress rate against annual plan
Core business gross profit	32.7	7.0	122.8	26.6%
Net interest income	25.8	6.7	93.8	27.5%
Gains (losses) on cancellation of investment trusts	1.8	3.4	-1.0	—
Excluding gains(losses) on cancellation of investment trusts	24.0	3.3	94.8	25.3%
Non-interest business profit	6.9	0.2	29.0	23.9%
Expenses	14.7	0.8	59.3	24.8%
Core business net profit	18.0	6.1	63.5	28.4%
Excluding gains(losses) on cancellation of investment trusts	16.2	2.7	64.5	25.1%
Ordinary profit	20.0	3.9	70.0	28.5%
Profit attributable to owners of parent	14.0	2.8	49.0	28.6%
Over head ratio (excluding gains on cancellation of investment trusts)	47.6%	-3.0%	47.8%	—
Return on equity(annualized rate)	9.9%	2.0%	8.6%	—

(Unit : Billions of yen)

< Non-consolidated >	Jun.2025	YoY	Annual plan Mar.2026	Progress rate against annual plan
Core business gross profit	31.0	6.9	113.7	27.2%
Net interest income	25.9	6.7	94.6	27.4%
Gains (losses) on cancellation of investment trusts	1.8	3.4	-1.0	—
Excluding gains(losses) on cancellation of investment trusts	24.1	3.3	95.6	25.2%
Non-interest business profit	5.0	0.1	19.1	26.2%
Expenses	14.1	0.8	56.7	24.9%
Core business net profit	16.8	6.0	57.0	29.5%
Excluding gains(losses) on cancellation of investment trusts	15.0	2.6	58.0	25.8%
Gains or losses on investment securities	1.8	-1.9	8.0	23.7%
Net credit costs	0.7	0.3	3.5	20.6%
Others	0.7	-0.0	2.5	29.5%
Ordinary profit	18.7	3.8	64.0	29.3%
Net profit	13.1	2.7	44.5	29.6%

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

(Unit : Billions of yen)



# Status of Deposits and Loans

Promote corporate deposits in proportion to loan share. **Loan balance** is growing steadily. Also, yields are rising.

## Breakdown of deposit balance

(Unit : Billions of yen)

	As of Jun.30, 2025	Compared to Mar. 2025(rate of change)	Compared to Jun. 2024(rate of change)
Deposits, etc.	8,819.2	146.7 (1.6%)	154.3 (1.7%)
Deposits	8,592.4	129.5 (1.5%)	205.4 (2.4%)
Of which, individuals	5,780.0	45.1 (0.7%)	-5.9 (-0.1%)
Of which, corporations	2,155.8	80.1 (3.8%)	51.8 (2.4%)
Of which, public money	425.6	20.5 (5.0%)	100.3 (30.8%)
Negotiable Certificate deposits	226.7	17.2 (8.2%)	-51.0 (-18.3%)

## Breakdown of loan balance

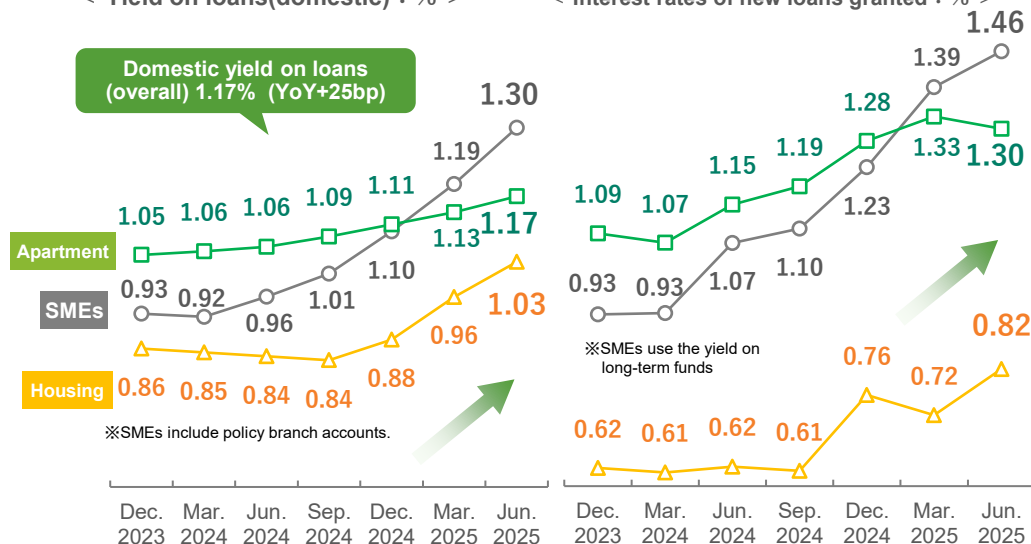
(Unit : Billions of yen)

Loans	6,841.9	-3.1 (-0.0%)	338.3 (5.2%)
Large enterprises	1,027.0	17.1 (1.7%)	119.0 (13.1%)
secondtier enterprises/SMEs	2,655.4	-36.3 (-1.3%)	53.1 (2.0%)
Individuals	2,506.3	12.8 (0.5%)	66.8 (2.7%)
Of which, Housing	1,475.2	12.9 (0.8%)	49.4 (3.4%)
Of which, Apartment	695.7	0.4 (0.0%)	15.3 (2.2%)
Of which, Unsecured consumer	81.4	2.0 (2.5%)	7.7 (10.5%)
Cross-border loans	229.2	7.9 (3.5%)	44.7 (24.2%)
Structured finance	178.7	6.5 (3.8%)	30.8 (20.8%)
Overseas branch	141.5	-11.3 (-7.4%)	26.8 (23.4%)
Others(Public,etc.)	103.5	0.0 (0.0%)	-3.1 (-2.9%)

## Status of yields

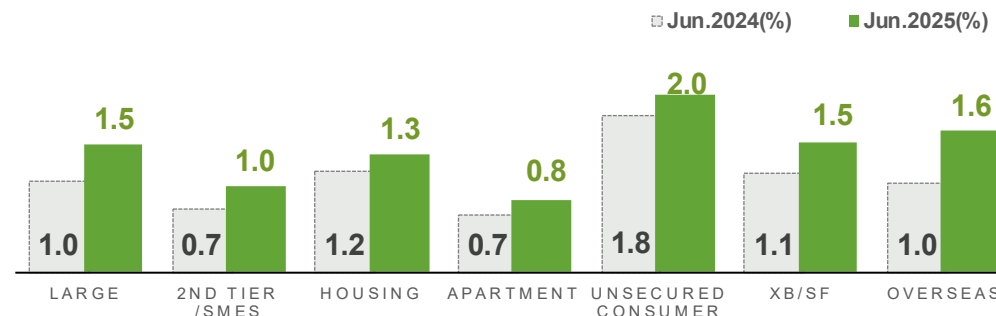
< Yield on loans(domestic) : % >

< Interest rates of new loans granted : % >



## Loans' RORA

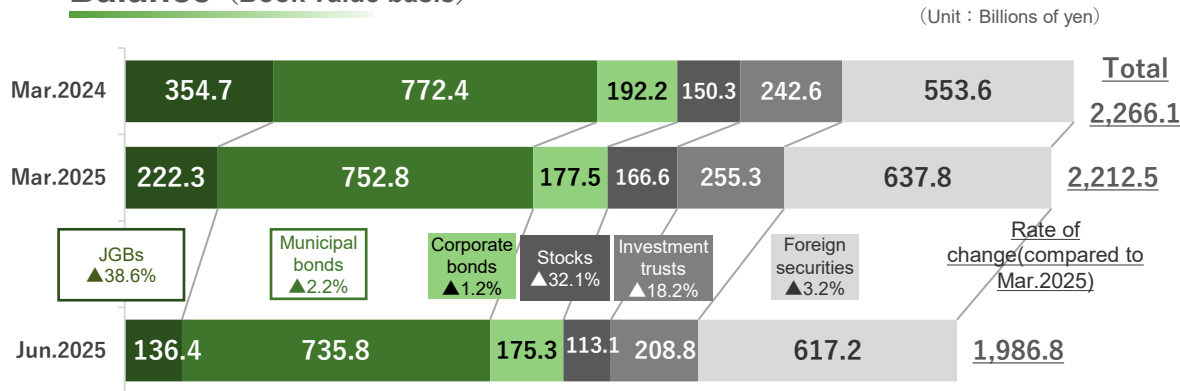
※RORA = (net interest income + non-interest business profit – expenses – credit cost) × (1-30.5%) / risk weighted assets



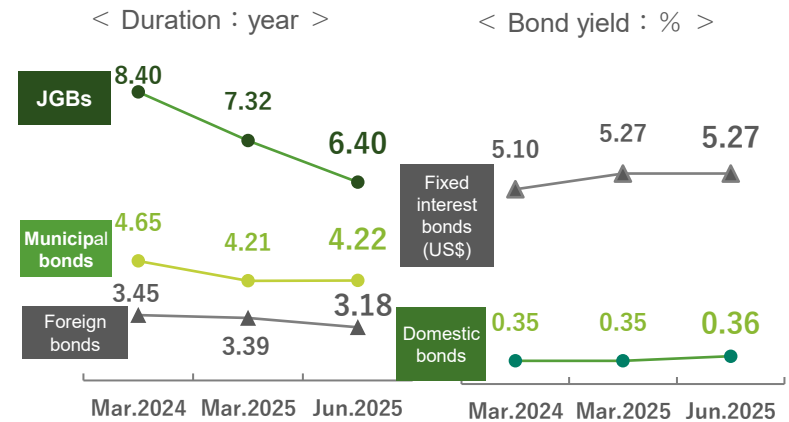
# Status of Securities

The Banks **sold JGBs** at the beginning of the period when interest rates were falling.

## Balance (Book value basis)



## Various index



## Unrealized gains (losses) valuation (BS)

(Unit : Billions of yen)

	Mar.2025	Jun.2026	Compared to Mar. 2025
Unrealized gains (losses) from valuation	-16.1	1.8	18.0
Domestic bonds	-56.5	-43.1	13.4
(Government bonds)	-17.4	-7.9	9.4
(Municipal bonds)	-25.6	-21.6	4.0
Others	40.3	44.9	4.6
Foreign securities	5.4	5.2	-0.1
(Fixed-interest bonds(US\$))	-1.2	-0.8	0.4
Investment trusts, etc.	-16.6	-15.1	1.5
Stocks	51.5	54.8	3.2
(Strategically held stocks)	59.0	59.9	0.8
(Investment securities)	-7.5	-5.1	2.4

## Gains (losses) on sales (PL)

(Unit : Billions of yen)

	Jun.2024	Jun.2025	YoY
Total (① + ②)	2.2	3.7	1.4
Unrealized gains (losses) from valuation①	3.8	1.8	-1.9
Gains(losses) on bonds	-4.4	-6.9	-2.4
Of which, losses on sales	-4.4	-7.0	-2.5
(Losses on JGB)	-1.9	-7.0	-5.1
(Losses on foreign bonds)	-2.5	—	2.5
Gains(losses) on stocks, etc.	8.2	8.8	0.5
Of which, gains(losses) on sale of stocks, etc.	8.2	8.8	0.5
(Strategically held stocks)	0.7	5.5	4.8
(Investment securities)	7.5	3.2	-4.3
Gains(losses) on cancellation of investment trusts ②	-1.5	1.8	3.4

# Non-interest Business Profit / Expenses / Net credit costs

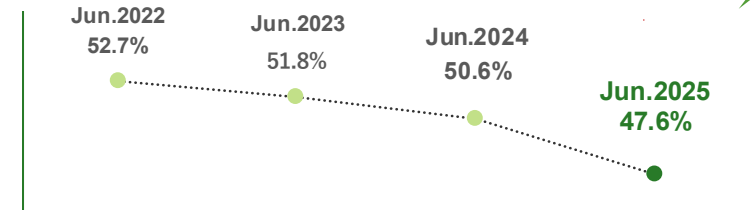
Corporate service revenue • Deposits financial assets, etc. revenue will strive to increase in the 2nd quarter and beyond.  
OHR continues to improve. Net credit costs are low and stable.

## Non-interest business profit

	Jun.2025	YoY	Annual plan Mar.2026	Achieving rate
(Unit : Billions of yen)				
Consolidated non-interest business profit	6.93	0.27	29.0	23.9%
Corporate service revenue	1.79	-0.07	10.8	17%
Of which, syndicate loans	0.25	-0.02	1.6	15%
Of which, business matching	0.21	0.06	1.1	19%
Of which, SDGs	0.19	0.08	1.1	18%
Of which, derivatives	0.46	-0.26	2.3	20%
Of which, Gungin Consulting	0.21	0.11	0.7	30%
Deposits financial assets, etc. revenue	1.94	0.05	10.2	19%
Of which, investment trusts commissions	0.42	-0.19	2.6	16%
Of which, insurance sales commissions	0.69	0.13	2.7	26%
Of which, Gungin Securities	0.74	0.09	4.3	17%
Others	3.20	0.28	8.0	40%
Of which, dividends of group credit life insurance	1.74	0.61	1.3	137%
Of which, basis services(domestic exchange, etc.)	2.12	0.06	8.3	25%

## Expenses

### < Trend in consolidated OHR >



OHR has continued to fall, owing to an increased gross income ratio despite strategic investment strengthening.

### < Breakdown of Expenses >

*non-consolidated	Jun. 2025	YoY	Main factors
Expenses	14.1	0.8	
Personnel exp.	7.6	0.4	Base-up, Personnel system reform + 0.43
Non-personnel exp.	5.5	0.2	campaign advertisement +0.13
Taxes	0.9	0.1	Size based business tax + 0.11

## Net credit costs

	Mar.2023	Mar.2024	Mar.2025	Jun.2025
(Unit : Billions of yen)				
Net credit costs	1.0	0.6	2.3	0.7
Provision of general allowance for loan losses	-1.8	-1.5	-1.1	-0.2
Change to the actual rate	-0.8	-0.1	-0.2	—
DCF	-0.7	-0.9	-0.3	-0.0
Others	-0.3	-0.5	-0.6	-0.2
Disposal of non-performing loans	2.9	2.1	3.7	0.9
Downgrade	7.2	6.1	6.3	1.2
Collection, upgrade, etc.	-4.5	-4.2	-3.0	-0.4
Others	0.2	0.2	0.4	0.1
Recoveries of written off receivables(-)	0.0	0.0	0.2	0.0

Annual plan 3.5 bn yen  
(achievement rate20.6%)

# Shareholder Return

## Acquisition of treasury shares

On July 28, the Bank resolved to **acquire treasury shares** (up to **6 billion yen**). (acquisition period : Jul. 30 ~ Sep. 19)

Total shareholder return ratio against announced profit 51.2%. Total shareholder return will **exceed 50% for four consecutive fiscal years**.

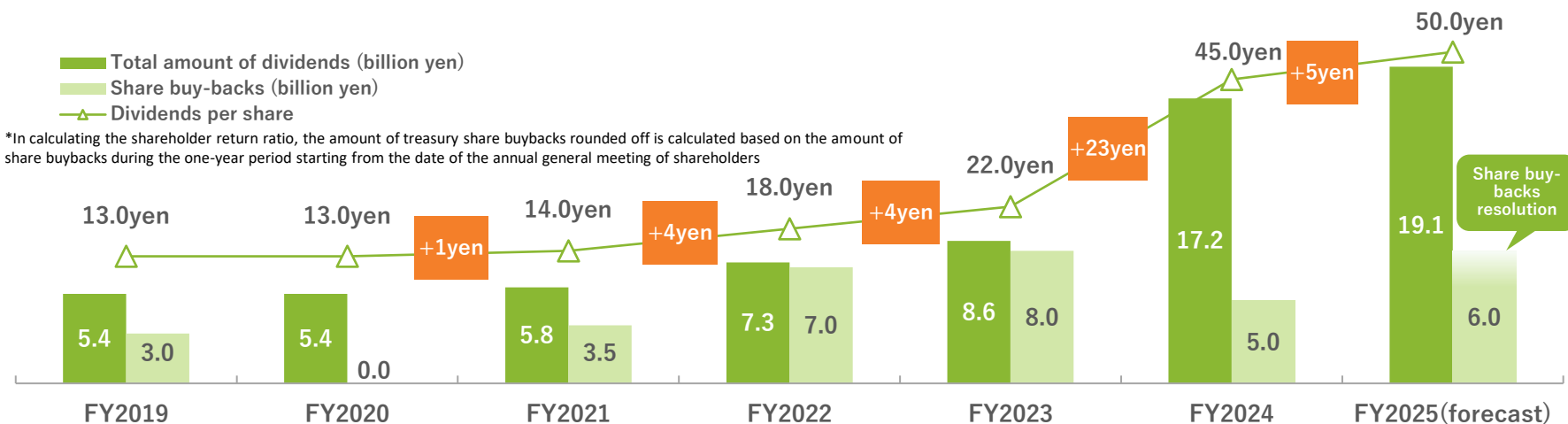
## Shareholders return

### < Shareholder return policy >

The bank changed its shareholder return policy from “total shareholder return(40% guideline)” to “**dividend payout ratio(40% guideline)**” on Feb. 2025. Applied from the previous FY. The bank introduced **a progressive dividend system** that aims to maintain or increase dividends.


### < Achievements of returns >

The annual cash dividends per share for FY 2025 is planned to be 50 yen, up 5 yen YoY. (The dividend has increased for five consecutive fiscal years)



		FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025(forecast)
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%	(51.2% expected)
	non-consolidated	47.2%	46.8%	39.9%	From FY2022 Consolidated basis			
Dividend payout ratio		24.6%	40.4%	22.1%	26.4%	28.1%	39.5%	(39.0% expected)
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)



The background of the slide is a blurred photograph of a cityscape. In the foreground, there are several buildings, including a prominent white building with a grid of windows and a taller, darker building. In the background, a range of blue mountains is visible under a light sky.

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