

The Gunma Bank, Ltd.

Overview of Financial Results

for the Six months Ended September 30, 2025

November 10, 2025



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.*

GUNMA BANK REPORT 2025



Profit and Loss Conditions

Core business net profit excluding gains (losses) on bonds and cancellation of investment trusts amounted to 34.4 billion yen, up 8.2 billion yen year-on-year, due to increases in net interest income and non-interest business profit.

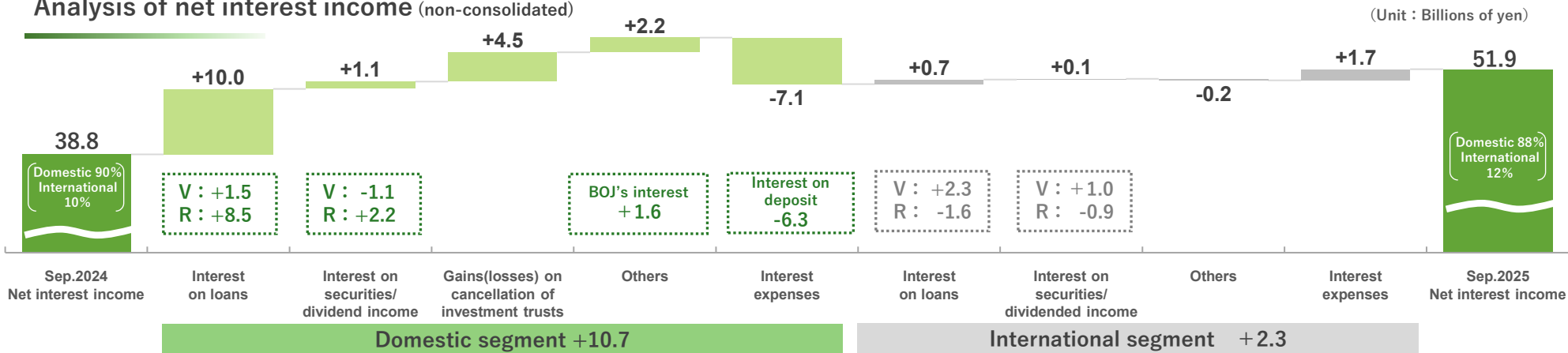
Profit attributable to owners of parent amounted 27.8 billion yen, up 4.9 billion yen year-on-year, a record high for the second consecutive period.

Financial Summary

	(Unit : Billions of yen)		
< Consolidated >	Sep.2025	YoY	Compared to initial plan
Core business gross profit	66.5	14.5	5.4
Net interest income	51.6	12.9	5.3
Gains (losses) on cancellation of investment trusts	2.6	4.5	3.1
Excluding gains(losses) on cancellation of investment trusts	48.9	8.4	2.1
Non-interest business profit	14.8	1.6	0.0
Expenses	29.4	1.8	-0.1
Core business net profit	37.0	12.7	5.5
Excluding gains(losses) on cancellation of investment trusts	34.4	8.2	2.4
Ordinary profit	40.5	8.3	6.0
Profit attributable to owners of parent	27.8	4.9	4.3
OHR(excluding gains on cancellation of investment trusts)	46.0%	-5.3%	
ROE(annualized rate)	9.6%	1.6%	

	(Unit : Billions of yen)		
< Non-consolidated >	Sep.2025	YoY	Compared to initial plan
Core business gross profit	62.6	14.1	5.8
Net interest income	51.9	13.0	5.3
Gains (losses) on cancellation of investment trusts	2.6	4.5	3.1
Excluding gains(losses) on cancellation of investment trusts	49.3	8.5	2.2
Non-interest business profit	10.6	1.1	0.4
Expenses	28.3	1.7	0.0
Core business net profit	34.2	12.3	5.7
Excluding gains(losses) on cancellation of investment trusts	31.6	7.8	2.6
Gains or losses on investment securities	3.4	-3.0	-0.1
Net credit costs	1.5	1.4	-0.3
Others	1.4	0.0	0.1
Ordinary profit	37.5	7.9	6.0
Net profit	25.7	5.0	4.2

Analysis of net interest income (non-consolidated)



Status of Deposits and Loans

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

Breakdown of deposit balance

	Sep.2025	(Unit : Billions of yen)	
		Compared to Sep.2024	
		Increase/decrease amount	(rate of change)
Deposits, etc.	8,757.1	226.9	(2.6%)
Deposits	8,537.8	274.0	(3.3%)
Of which, individuals	5,748.7	13.5	(0.2%)
Of which, corporations	2,169.1	127.1	(6.2%)
Of which, public money	383.5	90.2	(30.7%)
Negotiable Certificate deposits	219.3	-47.1	(-17.6%)

Breakdown of loan balance

	Sep.2025	(Unit : Billions of yen)	
		Compared to Sep.2024	
		Increase/decrease amount	(rate of change)
Loans	7,042.1	441.1	(6.6%)
Large enterprises	1,084.9	135.7	(14.3%)
secondtier enterprises/SMEs	2,709.1	78.4	(2.9%)
Individuals	2,534.1	74.2	(3.0%)
Of which, Housing	1,496.1	56.8	(3.9%)
Of which, Apartment	699.6	12.9	(1.8%)
Of which, Unsecured consumer	83.2	7.7	(10.3%)
Cross-border loans	246.5	59.3	(31.7%)
Structured finance	203.5	52.1	(34.4%)
Overseas branch	162.0	45.6	(39.2%)
Others(Public,etc.)	101.7	-4.4	(-4.2%)

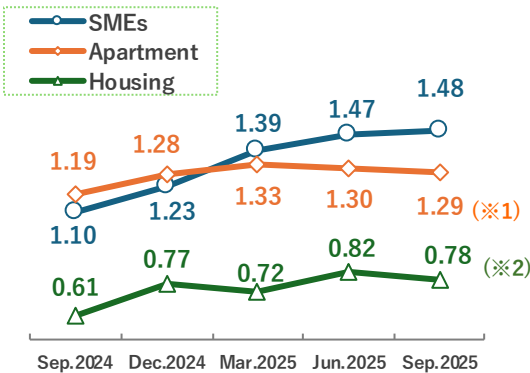
Strengthening Corporate Deposit Initiatives

(Enhancing Customer Engagement and Advancing Sales Activities)

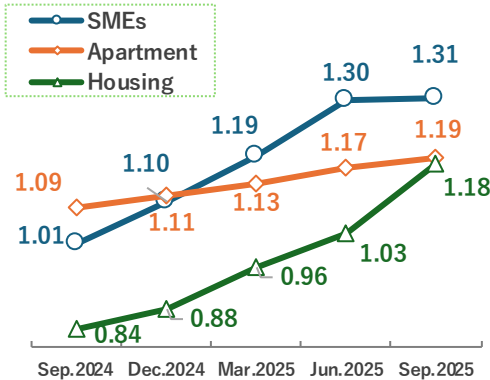
* Major depositor	Promoting interest rate premiums for NCD and large time deposits
* Borrower	Promote corporate deposits in proportion to loan share
* Deposit-only clients	Initiatives to mainstream payment transactions through Non-FTF channels (Corporate Internet Banking system, etc.)

Status of yields

< Interest rates of new loans granted : % >



< Yield on loans(domestic) : % >

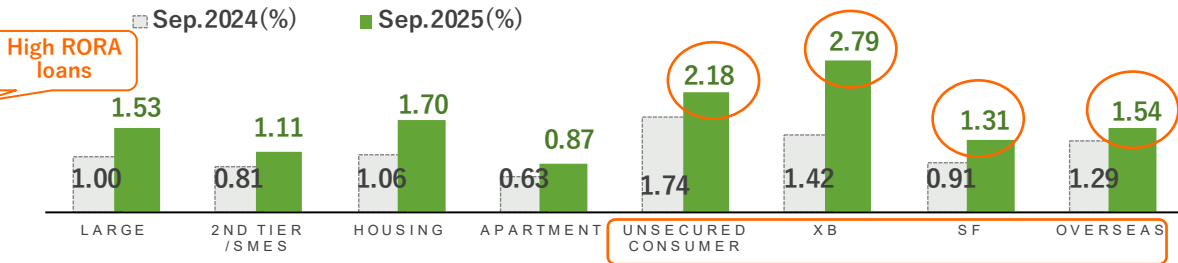


※1 Increase in the proportion of variable-rate borrowing

※2 the reduction in interest rates of the “Loan fee-based interest rate plan”.

Loans' RORA

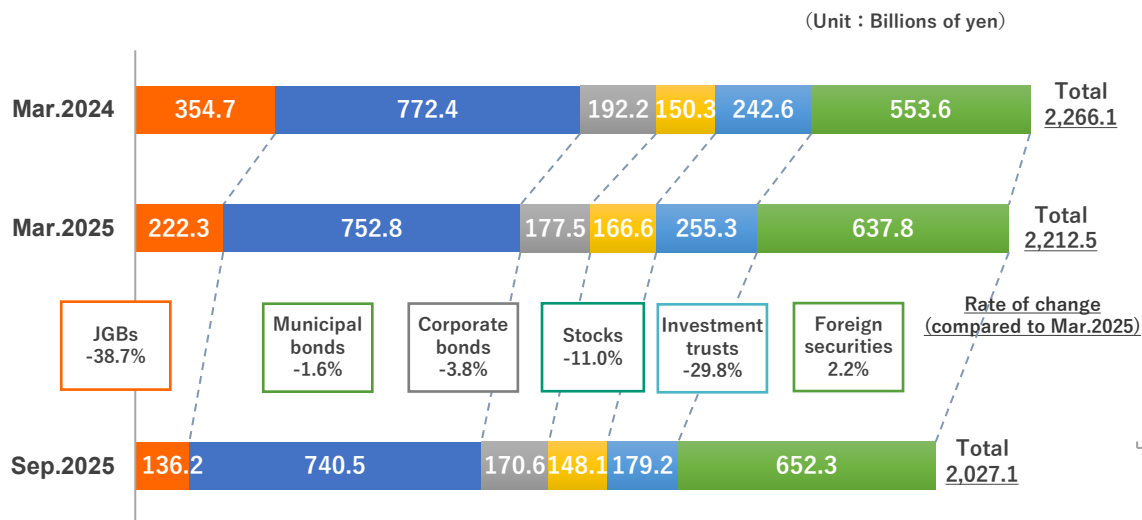
※RORA = (net interest income + non-interest business profit – expenses – credit cost) × (1-30.5%) / risk weighted assets



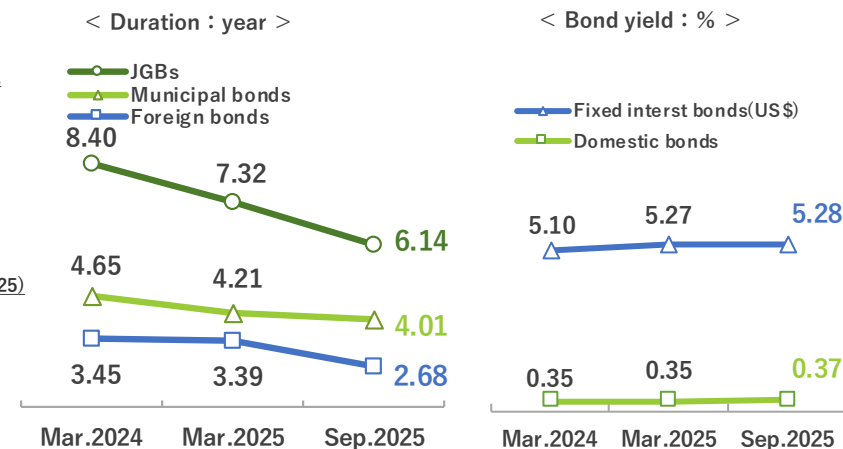
High RORA loans

Status of Securities

Balance (Book value basis)



Various index



Unrealized gains (losses) valuation (BS)

(Unit : Billions of yen)

	Mar. 2025	Sep. 2025	Compared to Mar. 2025
Unrealized gains (losses) from valuation	-16.1	19.6	35.8
Domestic bonds	-56.5	-50.8	5.6
(Government bonds)	-17.4	-9.3	8.0
(Municipal bonds)	-25.6	-25.3	0.3
Others	40.3	70.5	30.2
Foreign securities	5.4	10.6	5.1
(Fixed-interest bonds(US\$))	-1.2	1.4	2.7
Investment trusts, etc.	-16.6	-9.1	7.4
Stocks	51.5	69.0	17.5
(Strategically held stocks)	59.0	71.5	12.5
(Investment securities)	-7.5	-2.5	5.0

Gains (losses) on sales (PL)

(Unit : Billions of yen)

	Sep. 2024	Sep. 2025	YoY
Total (① + ②)	4.5	6.0	1.5
Unrealized gains (losses) from valuation①	6.4	3.4	-3.0
Gains(losses) on bonds	-8.1	-6.5	1.6
Of which, losses on sales	-7.8	-7.1	0.7
(Losses on JGB)	-5.3	-7.1	-1.7
(Losses on foreign bonds)	-2.5	—	2.5
Gains(losses) on stocks, etc.	14.5	9.9	-4.6
Of which, gains(losses) on sale of stocks, etc.	14.5	9.9	-4.6
(Strategically held stocks)	2.5	6.7	4.1
(Investment securities)	12.0	3.2	-8.8
Gains(losses) on cancellation of investment trusts②	-1.8	2.6	4.5

Non-interest Business Profit

Non-interest business profit amounted to 14.8 billion yen, up 1.6 billion yen year-on-year.

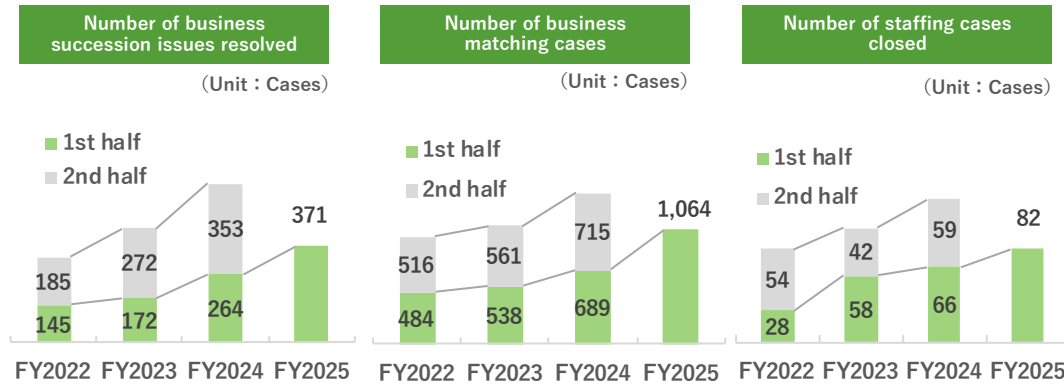
(Unit : Billions of yen)

	Result Sep.2025	YoY	Annual plan Mar.2026	Achieving rate
Consolidated non-interest business profit	14.87	1.62	29.0	51%
Corporate service revenue	5.13	0.30	10.8	48%
Syndicate loans	1.09	0.39	1.8	61%
Business matching	0.60	0.16	1.2	50%
M&A	0.26	-0.04	0.9	29%
SDGs-related	0.62	0.30	1.3	48%
Derivatives	0.96	-0.82	2.2	44%
Real estate for sale	0.57	0.07	1.1	52%
Gungin Consulting	0.42	0.12	0.8	53%
Covenant Financing	0.21	0.02	0.4	53%
Business Insurance for Corporations	0.12	-0.02	0.2	60%
Others	0.24	0.11	0.5	48%
Deposits financial assets, etc. revenue	4.47	0.30	10.2	44%
Investment trusts commissions	0.91	-0.27	2.0	46%
Insurance sales commissions (for individuals)	1.45	0.14	3.2	45%
Gungin Securities	1.82	0.37	4.3	42%
Testamentary trusts, estate management, etc.	0.27	0.06	0.5	54%
Others	5.26	1.01	8.0	66%
Dividends of group credit life insurance	1.80	0.61	1.8	100%
Loan guarantee fee	-3.66	-0.16	-7.3	50%
Basis services	4.22	0.12	8.4	50%
Others	2.90	0.43	5.1	57%

Corporate consulting

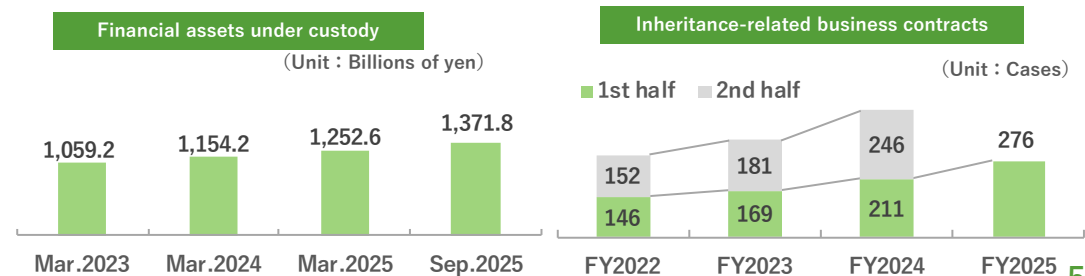
- We provide solutions by understanding customer needs and business issues (“connecting process”). In the two and a half years since its launch, we have implemented this for a total of 10,000 companies. We have accumulated up to 26,000 needs.

The top addressed needs are securing human resources, business efficiency improvement, reinforcement of business facilities, SDGs, treasury share transfer, channel development, M&A, etc.



Consulting for individual clients

- In April 2025, we newly established **Regional Personal Sales Dept.** in seven out of 12 districts as sales bases that specialize in consulting services for asset building, asset management and asset succession.
- Gungin Securities expanded its operations (adding 9 employees in April 2025 and 14 in October; establishing a branch office within the Tatebayashi Branch in November). Its sales network grew to 8 locations: 7 within the prefecture and 1 outside.



Expenses / Net credit costs

While strengthening strategic investments in areas such as personnel costs, campaigns, and digital initiatives, **OHR** continues to improve. **Net credit costs** are low and stable.

Breakdown of consolidated expenses

(Unit : Billions of yen)

	Sep. 2025	YoY	Main factors
Personnel exp.	15.4	0.8	Personnel system reform +0.2, Base-up +0.3
Non-personnel exp.	11.0	0.7	Campaign advertisement +0.24, Outsourcing costs +0.17, Depreciation (buildings and personal property) +0.04
Taxes	1.9	0.2	Size based business tax +0.18, Consumption tax +0.09, Stamp tax -0.01
Subsidiaries	1.1	0.1	Gungin securities+0.16, Gungin leasing +0.04 Gungin consulting +0.05, Consolidated offset -0.16
Total	29.4	1.8	

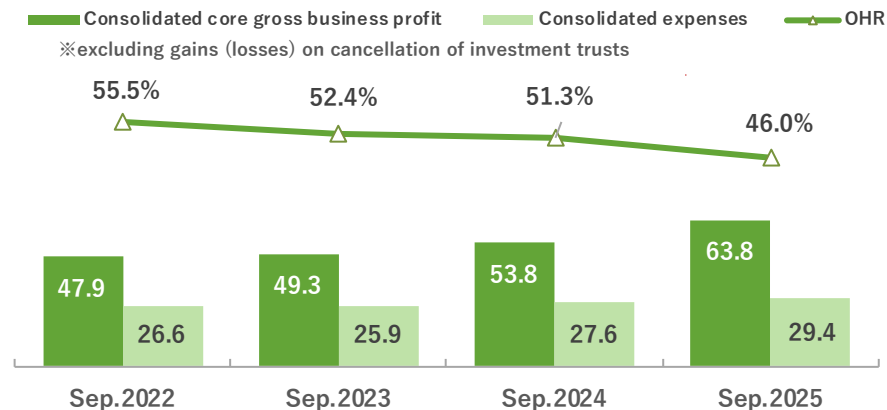
Breakdown of net credit costs

(Unit : Billions of yen)

	Mar.2024	Mar.2025	Plan Mar.2026	Sep.2025
Net credit costs(non-consolidated)	0.6	2.3	2.8	1.5
Provision of general allowance for loan losses	-1.5	-1.1	-0.3	0.1
Change to the actual rate	-0.1	-0.2	0.1	0.0
DCF	-0.9	-0.3	0.2	0.2
Others	-0.5	-0.6	-0.6	-0.1
Disposal of non-performing loans	2.1	3.7	3.1	1.4
Downgrade	6.1	6.3	4.7	2.3
Collection, upgrade, etc.	-4.2	-3.0	-1.9	-1.1
Others	0.2	0.4	0.3	0.2
Recoveries of written off receivables (-)	0.0	0.2	0.0	0.0

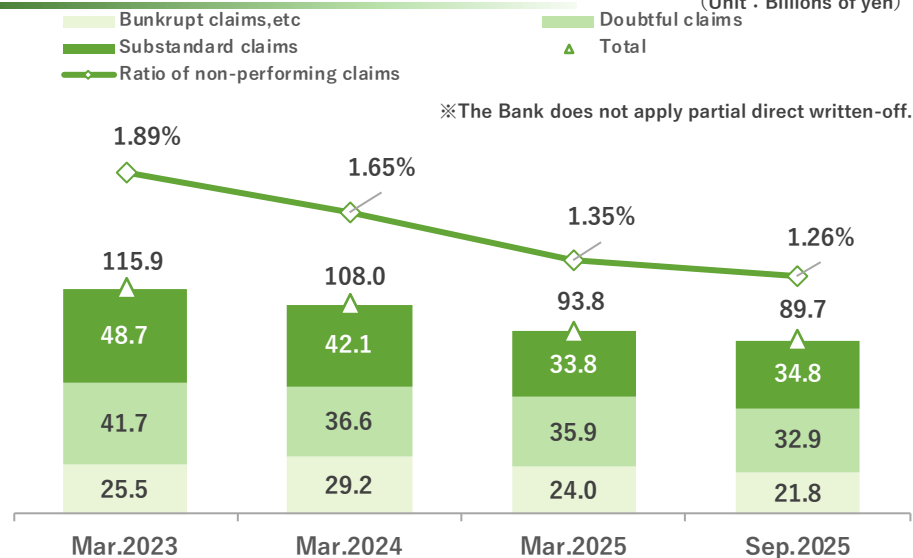
Status of expenses and OHR

(Unit : Billions of yen)



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

(Unit : Billions of yen)



Business Forecast (for the FY ending March 2026)

Profit attributable to owners of parent will amount to **55.0 billion yen**. OHR will be **47.7%**. ROE will be **9.5%**.

(Unit : Billions of yen)			
< Consolidated >	Mar. 2026	YoY	Compared to initial plan
Core business gross profit	129.0	21.3	6.2
Net interest income	100.0	17.9	6.2
Excluding gains(losses) on cancellation of investment trusts	97.3	12.6	2.5
Non-interest business profit	29.0	3.4	—
Expenses	60.3	5.5	1.0
Core business net profit	68.7	15.8	5.2
Excluding gains(losses) on cancellation of investment trusts	66.0	10.5	1.5
Net credit costs	3.3	0.2	-0.7
Ordinary profit	78.0	16.0	8.0
Profit attributable to owners of parent	55.0	11.1	6.0
OHR (excluding gains(losses) on cancellation of investment trusts)	47.7%	-1.9%	-0.1%
ROE	9.5%	1.8%	0.9%

(Unit : Billions of yen)			
< Non-consolidated >	Mar. 2026	YoY	Compared to initial plan
Core business gross profit	119.9	19.2	6.2
Net interest income	100.8	18.3	6.2
Excluding gains(losses) on cancellation of investment trusts	98.1	13.0	2.5
Non-interest business profit	19.1	1.0	—
Expenses	57.7	5.0	1.0
Core business net profit	62.2	14.3	5.2
Excluding gains(losses) on cancellation of investment trusts	59.5	9.0	1.5
Gains or losses on investment securities	11.4	2.9	3.4
Net credit costs	2.8	0.5	-0.7
Ordinary profit	72.0	14.5	8.0
Net profit	51.0	10.6	6.5

【Interest rate assumption】

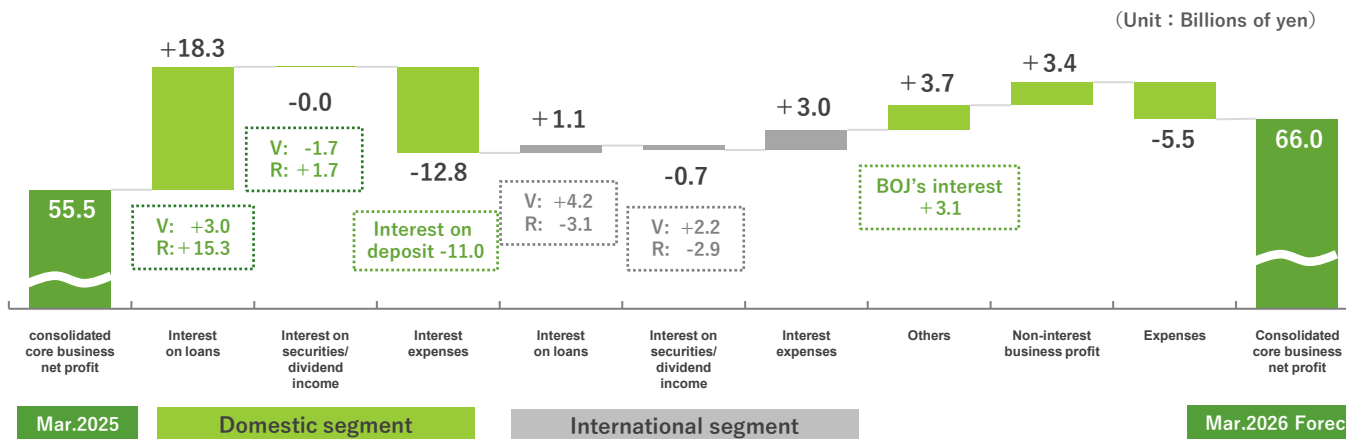
Assumed interest rate hike in Jan. 2026 (0.50% ⇒ 0.75%)

The impact of no interest rate hike

※ Net interest income(-0.7 billion yen)
Net profit(-0.5 billion yen)
⇒ The impact is insignificant.

(Unit : Billions of yen)	
Net interest income	- 0.7
Domestic interest on loans	- 0.4
Domestic interest on deposit	+ 0.5
Interest on BOJ(NET)	- 0.6
Others	- 0.2

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



Average balance and yields(non-consolidated)

	Average balance		Yields	
	Mar. 2026	Rate of changes	Mar. 2026	YoY
Loans	6,969.9	5.9%	1.43%	0.21%
(domestic)	6,517.4	4.9%	1.23%	0.23%
Securities	2,078.6	-6.3%	2.50%	0.36%
(domestic)	1,405.7	-11.4%	1.29%	0.47%
Deposits	8,507.0	3.4%	0.28%	0.13%
(domestic)	8,300.8	2.9%	0.19%	0.13%

Shareholder Return

The annual cash dividends per share will be revised to 60 yen, due to increases 5 yen in interim and in year-end. The dividends increased by 15 yen compared to the FY2024. This fiscal year, we have already repurchased ¥6 billion worth of treasury stock.

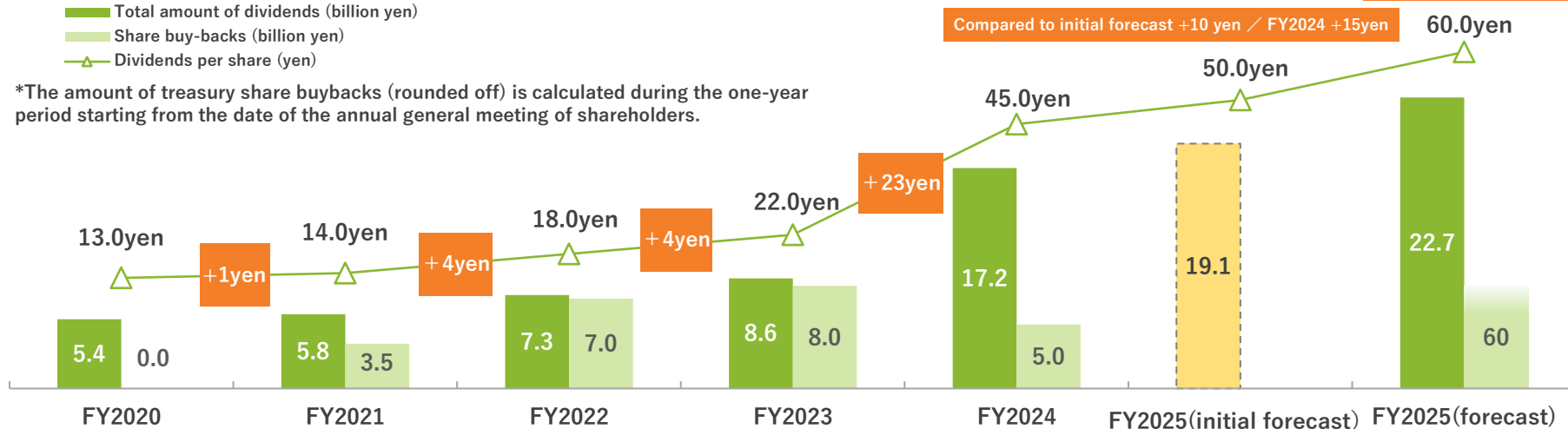
Shareholder return policy

The bank's basic policy on dividends is a **progressive dividend system** that aims to maintain or increase dividends. The bank strives to achieve a payout ratio of **40%** of profit attributable to owners of parent and will increase dividends through profit growth. In addition, the bank will flexibly implement acquisition of treasury shares based on capital levels, capital efficiency, growth investment opportunities, and market trends.

Achievements of shareholder returns

■ Total amount of dividends (billion yen)
■ Share buy-backs (billion yen)
▲ Dividends per share (yen)

*The amount of treasury share buybacks (rounded off) is calculated during the one-year period starting from the date of the annual general meeting of shareholders.



Total amount of shareholder return	5.4billion yen	9.3billion yen	14.3billion yen	16.6billion yen	22.2billion yen	—	—
Total shareholder return ratio	46.8%	39.9%	51.4%	53.6%	50.7%	—	(52.2%forecast)
Dividend payout ratio	40.4%	22.1%	26.4%	28.1%	39.5%	39.0%	(41.5%forecast)
Return policy	Total shareholder return ratio 40% guideline				Dividend pay out ratio 40%guideline (a progressive dividend system)		
subject profit	Non-consolidated basis		Consolidated basis				

The background of the slide is a soft-focus 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 blue sky with some white clouds.

This material was prepared only for the purpose of providing information and does not solicit the purchase or sale of any specific securities.

All or part of the matters described in this material may be revised or changed without prior notice. This materials contains forward looking statements. These statements are not represented as providing a guarantee of the Bank's future performance, and actual results may be subject to risks and uncertainties. Please note that future performance may differ due to change in business environment, etc.

*Contact for inquiries on this matter:
Business Management Office (in charge of IR),
Corporate Planning Department, Gunma bank, Ltd.
gbir@gunmabank.co.jp*