



The Gunma Bank, Ltd.

# Financial Results Briefing Session for the Year Ended March 31, 2026

May 21, 2026

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



The Gunma Bank, Ltd.

(Tokyo Stock Exchange Prime Market : 8334)



GUNMA BANK REPORT 2025

# 目次

<b>I. Summary of Performance</b>	<b>Pages.</b>	<b>IV. Management Strategies, etc. (APPENDIX)</b>	<b>Pages.</b>
Profit and Loss Conditions	4	Strengthening Group Collaboration	26
Status of Deposits and Loans	5	Promoting Use of AI	27
Status of Securities	6	Promoting Data Utilization	28
Status of Non-interest Business Profit	7	Promoting DX and Business Reform	29
Status of Expenses / Net Credit Costs	8	Enhancing Human Capital	30
Business Forecast (for the FY ending March 2027)	9	Initiatives for Decarbonization and Natural Capital	32
		Strengthening External Collaboration	33
		Enhancing Governance	34
		Sustainable Regional Ecosystem	35
		(Reference) The Mid-term Business Plan	36
<b>II. Capital Policy</b>			
Initiatives to Enhancement of Corporate Value	11		
Implementation of RORA Management	12		
Shareholder Return	13		
Reduction Target of Shares for Policy Purposes	14		
<b>III. Progress of the business integration with Daishi Hokuetsu FG</b>			
Overview and Philosophy of the New Financial Group	16		
Purpose of the Business Integration	17		
Overview of the Business Integration	18		
Governance and Organizational Structure of the New Financial Group	19		
Quantitative Plan of the New Financial Group	20		
(Reference) Synergies · Outline of Two companies	21		

# I . Summary of Performance

# Profit and Loss Conditions

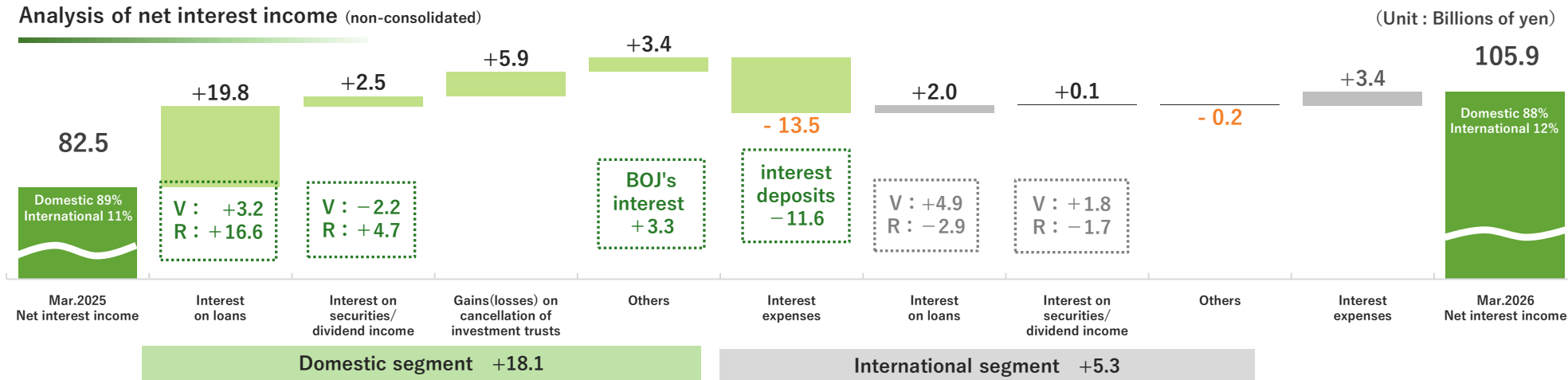
**Consolidated core business net profit** (excluding gains (losses) on cancellation of investment trusts) amounted to 71.1 billion yen, up 15.6 billion yen year-on-year, due to an increase in net interest income. **Profit attributable to owners of parent** amounted to 58.8 billion yen, up 14.9 billion yen year-on-year, **a record high for the third consecutive period**. ROE increased by 2.3 percentage points to 10.0%.

## Financial Summary

< Consolidated >	(Unit : Billions of yen)			Announced plan (Sep. 2025)
	Mar.2026	YoY	compared to announced plan	
Core business gross profit	134.6	+26.8	+5.6	129.0
Net interest income	105.2	+23.1	+5.2	100.0
Gains (losses) on cancellation of investment trusts	3.3	+5.9	+0.6	2.7
Excluding gains (losses) on cancellation of investment trusts	101.8	+17.1	+4.5	97.3
Non-interest business profit	29.3	+3.7	+0.3	29.0
Expenses	60.0	+5.2	-0.2	60.3
Core business net profit	74.5	+21.6	+5.8	68.7
Excluding gains(losses) on cancellation of investment trusts	71.1	+15.6	+5.1	66.0
Net Credit Costs	3.4	+0.3	+0.1	3.3
Ordinary profit	84.8	+22.8	+6.8	78.0
Profit attributable to owners of parent	58.8	+14.9	+3.8	55.0
OHR (excluding gains(losses) on cancellation of investment trusts)	45.7%	-3.9%	-2.0%	47.7%
ROE (annualized rate)	10.0%	+2.3%	+0.5%	9.5%

< Non-consolidated >	(Unit : Billions of yen)	
	Mar.2026	YoY
Core business gross profit	126.1	+25.4
Net interest income	105.9	+23.4
Gains (losses) on cancellation of investment trusts	3.3	+5.9
Excluding gains(losses) on cancellation of investment trusts	102.6	+17.4
Non-interest business profit	20.1	+2.0
Expenses	57.6	+4.8
Core business net profit	68.5	+20.5
Excluding gains(losses) on cancellation of investment trusts	65.1	+14.6
Gains or losses on investment securities	11.3	+2.8
Net credit costs	3.2	+0.8
Others	2.0	-1.4
Ordinary profit	78.7	+21.1
Net profit	54.7	+14.3

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



# Status of Deposits and Loans

Deposits are **steadily increasing** through various initiatives. Loans **increased steadily** by 5.5% year-on-year, and **yields** are also on an **upward trend**.

## Breakdown of deposit balance

(Unit : Billions of yen)

	Mar. 2026	Compared to Mar.2025	
		Increase/decrease amount	Rate of change
Deposits, etc.	8,789.1	+116.7	(+1.3%)
Deposits	8,571.0	+108.1	(+1.2%)
(Individuals)	5,759.6	+24.7	(+0.4%)
(Corporations)	2,164.1	+88.4	(+4.2%)
(Public money)	414.4	+9.4	(+2.3%)
Negotiable Certificate Deposits	218.0	+8.6	(+4.1%)

Mar. 2025 (Compared to Mar. 2024) :  
Individual+0.0% · Corporations+2.3%  
Up from previous period

Deposit Growth Initiatives

**External Environment**  
Slowing growth in deposits  
Population decline  
Inflation...

**Measures / Strategy**  
Customer segment-based initiatives

- [Affluent Seg.] "premium Time deposit"
- [Mass Seg.] "Life Event Time Deposit"
- [Asset management] "Money Plan Time Deposit"

**[Direction]**  
A highly sticky deposit base

- Short term: Deposits acquisition → Segment-specific deposit products
- Medium term: Natural inflow → Becoming customers' primary bank (salary, pension, etc.)
- Long term: Customer retention → Enhanced convenience & benefits (apps, ATMs, etc.)

**[Promoting deposit transactions aligned with loan share]**

- Reviewed performance evaluations and strengthened incentives for branches.
- Deposit balances are growing at particularly high rates in the Tokyo, Saitama areas.

**Promote campaigns etc.**  
< changes in individual time dep. >  
\*past 2 months

Amount (¥ bn)	Rate
Feb.-Apr. in 2026	+6.4 +0.49%
Feb.-Apr. in 2025	-6.0 -0.45%

## Breakdown of loan balance

(Unit : Billions of yen)

	Mar. 2026	Compared to Mar.2025		Loan's RORA ( ) is compared to Mar.2025	
		Increase/decrease amount	Rate of change		
Loans	7,226.1	+381.0	(+5.5%)	1.32%	(+0.38pt)
Large enterprises	1,095.4	+85.5	(+8.4%)	1.73%	(+0.51pt)
Secondtier enterprises/SMEs	2,754.3	+62.6	(+2.3%)	1.21%	(+0.29pt)
Individuals	2,585.7	+92.3	(+3.7%)	1.21%	(+0.37pt)
(Housing)	1,535.3	+73.0	(+4.9%)	1.82%	(+0.61pt)
(Apartment)	706.5	+11.2	(+1.6%)	0.95%	(+0.27pt)
(Unsecured consumer)	87.0	+7.6	(+9.6%)	2.19%	(+0.36pt)
Cross-border loans	269.1	+47.7	(+21.5%)	3.05%	(+1.26pt)
Structured finance	241.1	+68.9	(+40.0%)	1.37%	(+0.47pt)
Overseas branch	180.6	+27.6	(+18.1%)	1.66%	(+0.33pt)
Others(Public,etc.)	99.6	-3.8	(-3.6%)	—	—

## Status of yields

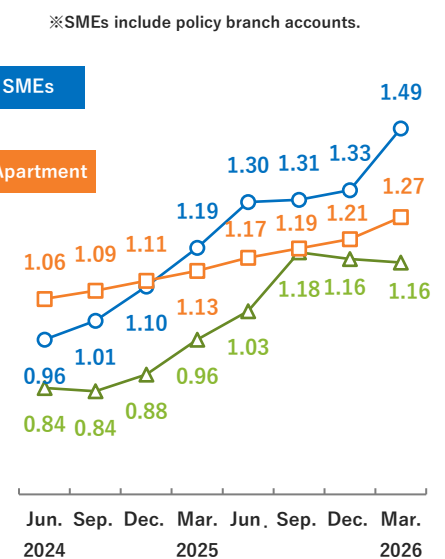
< Interest rates on new loans granted : % >

※SMEs are long-term loan



< Yield on domestic loans : % >

※SMEs include policy branch accounts.

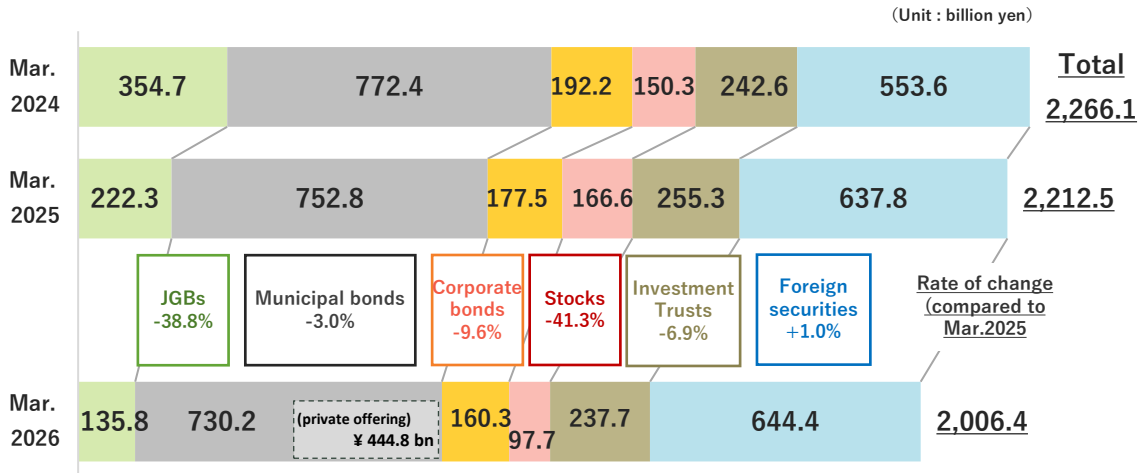


(Reference) 1.27% See p.12 "Implementation of RORA Management"

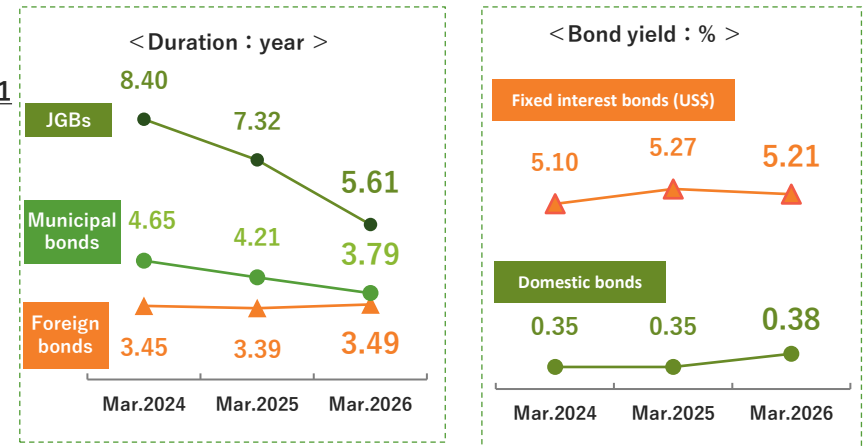
# Status of Securities

To strengthen securities assets that are invested in yen interest rates, the Bank will restructure its government bond portfolio.

## Balance (Book value basis)



## Various index



## Unrealized gains (losses) valuation (BS)

(Unit : Billions of yen)

	Mar. 2025	Mar. 2026	Compared to Mar. 2025
Available-for-sale Securities	-16.1	0.1	+16.3
Domestic bonds	-56.5	-73.6	-17.0
(JGBs)	-17.4	-12.7	+4.7
(Municipal bonds)	-25.6	-33.6	-7.9
(RMBS) ※Corporate bonds	-12.8	-26.4	-13.5
Others	40.3	73.7	+33.4
Foreign securities	5.4	9.4	+4.0
Investment trusts, etc.	-16.6	-12.1	+4.4
Stocks	51.5	76.4	+24.8
(Strategically held stocks)	59.0	78.4	+19.4
(Investment securities)	-7.5	-2.0	+5.4

## Gains (losses) on sales (PL)

(Unit : Billions of yen)

	Mar. 2025	Mar. 2026	YoY
Total (①+②)	5.9	14.7	+8.8
Available-for-sale securities ①	8.5	11.3	+2.8
Gains(losses) on bonds	-11.7	-5.3	+6.4
Of which, losses on sales	-11.0	-7.5	+3.4
(Losses on JGBs)	-8.5	-7.5	+0.9
(Losses on foreign bonds)	-2.5	-	+2.5
Gains(losses) on stocks, etc.	20.2	16.7	-3.5
Of which, gains(losses) on sale of stocks, etc.	20.2	16.7	-3.5
(Strategically held stocks)	3.5	9.5	+5.9
(Investment securities)	16.6	7.1	-9.5
Gains(losses) on cancellation of investment trusts ②	-2.5	3.3	+5.9

# Status of Non-interest Business Profit

Non-interest business profit (YoY +3.7 billion yen), **7th consecutive year of record highs.**

The goal for the FY2026 (Mar. 2027) is to achieve the final year target of the Mid-term business plan (35 billion yen) one year ahead of schedule.

Non-interest business profit	(unit : Billions of yen)		
	Result Mar.2026	YoY	Annual plan Mar.2027
< Consolidated >	29.33	+3.73	35.0
<b>Corporate service revenue</b>	<b>10.74</b>	<b>+1.10</b>	<b>13.9</b>
Syndicate loans	( 2.28)	( +0.80)	( 2.3)
Business matching	( 1.14)	( +0.21)	( 1.3)
M&A	( 0.73)	( +0.01)	( 1.3)
SDGs	( 1.36)	( +0.53)	( 1.6)
Derivatives	( 1.97)	( - 1.10)	( 3.8)
Real estate for sale	( 1.22)	( +0.18)	( 1.4)
Gungin Consulting	( 0.86)	( +0.29)	( 0.8)
Covenant Financing	( 0.31)	( - 0.03)	( 0.2)
Business Insurance for Corporations	( 0.25)	( - 0.08)	( 0.3)
Subsidy support	( 0.29)	( +0.20)	( 0.2)
Others	( 0.28)	( +0.08)	( 0.2)
<b>Deposits financial assets, etc. revenue</b>	<b>9.50</b>	<b>+1.29</b>	<b>11.4</b>
Investment trusts commissions	( 2.09)	( - 0.12)	( 2.5)
Insurance sales commissions (for individuals)	( 2.64)	( +0.12)	( 2.5)
Gungin Securities	( 4.19)	( +1.16)	( 5.4)
Testamentary trusts, estate management, etc.	( 0.58)	( +0.12)	( 0.7)
<b>Others</b>	<b>9.08</b>	<b>+1.33</b>	<b>9.7</b>
Dividends of group credit life insurance	( 1.86)	( +0.66)	( 1.8)
Loan guarantee fee	( - 7.40)	( - 0.36)	( - 7.7)
Basis services	( 8.44)	( +0.17)	( 8.3)
Housing loans	( 2.18)	( +0.84)	( 2.0)
Others	( 4.00)	( +0.00)	( 5.2)

## Main initiatives

### Corporate Consulting

#### ● Solutions via “Connecting Process”※

• “Delivering value-added proposals across the entire process of identifying needs and solving issues (full-spectrum approach). Solutions proposed based on 29,000 identified management issues and needs (cumulative, +5,000 vs. prior fiscal year-end).”

#### Strengthening FX derivatives (to be a core corporate sales function)

**[Issue]** Sales framework centered on Head Office

**[Next steps]** Phased expansion (Head Office + branches) Staff increase & stronger management

**[Action]** Benchmarking Daishi Hokuetsu FG, a leading implementer of these initiatives

#### Subsidy Support Services (high approval rates)

Large-scale growth investment subsidy (cap: ¥5.0bn)

*e.g., a ¥5.0bn subsidy approved for large-scale capex exceeding ¥15bn*

13 approved projects in the first two years since the program's launch : “2nd among regional banks”

Approval rate 75% (FY2025 national avg. : 49%)

Labor-saving investment subsidy (automation/robotics)

Approval rate 100%  
(FY2025 national avg. : 67%)

※Solutions starting from business assessment and client needs

### Personal Consulting

#### ● Implementing asset-based advisory sales

##### Comprehensive Asset Approach

Capturing client's total assets including other deposits and real estate, etc.

##### Goal alignment

Sharing goals based on clients' future objectives and life plans

##### Asset-based advisory

Providing proposals based on a long-term, total portfolio view including deposits

Stable asset growth for clients  
×  
sustainable growth for the Gunma Bank

From flow income to stock income

# Status of Expenses / Net Credit Costs

**Strengthening strategic investments** in areas such as personnel costs, campaigns, and digital initiatives.  
**Net credit costs** are low and stable. Disclosed Claims under the Financial Reconstruction Law continue to decrease.

## Breakdown of consolidated expenses

(Unit : billion yen)

< Consolidated >	Mar. 2026	YoY	Main factors
Personnel exp. (non-consolidated)	31.3	+2.3	Based up +0.7, Related to stock-price-linked compensation+0.5, etc.
Non-personnel exp. (non-consolidated)	22.7	+1.9	Outsourcing+0.5, Campaign advertisement+0.2, Machinery rental+0.2, etc.
Taxes (non-consolidated)	3.6	+0.5	Size based business tax +0.3, Consumption tax +0.2
Subsidiaries	4.5	+0.8	Gungin Securities+0.5, etc.
(offset)	-2.1	-0.4	—
<b>Consolidated Exp.</b>	<b>60.0</b>	<b>+5.2</b>	

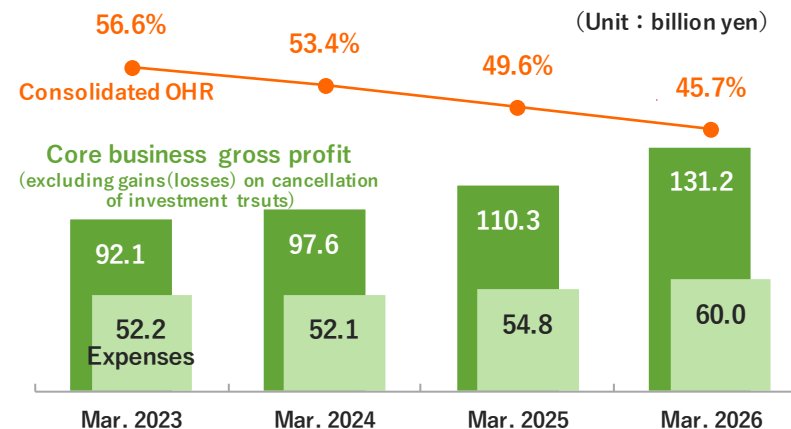
## Breakdown of net credit costs

(Unit : billion yen)

< Consolidated >	Mar. 2024	Mar. 2025	Mar. 2026	Mar.2027 (Plan)
<b>Net credit costs</b>	<b>1.1</b>	<b>3.1</b>	<b>3.4</b>	<b>5.5</b>
<b>Gunma Bank</b>	<b>0.6</b>	<b>2.3</b>	<b>3.2</b>	<b>5.0</b>
Provision of general allowance for loan losses	-1.5	-1.1	0.0	0.1
Change to the actual rate	(-0.1)	(-0.2)	(-0.2)	—
DCF	(-0.9)	(-0.3)	(0.6)	—
Others	(-0.5)	(-0.6)	(-0.4)	(0.1)
Disposal of non-performing loans	2.1	3.7	3.6	4.9
Downgrade	(6.1)	(6.3)	(5.0)	(6.0)
Collection, upgrade, etc.	(-4.2)	(-3.0)	(-2.5)	(-1.5)
Others	(0.2)	(0.4)	(1.1)	(0.4)
Recoveries of written off receivables (-)	0.0	0.2	0.4	—
(consolidation adjustment)	0.1	-0.0	-0.0	-0.0
<b>Consolidated subsidiaries</b>	<b>0.4</b>	<b>0.7</b>	<b>0.2</b>	<b>0.5</b>

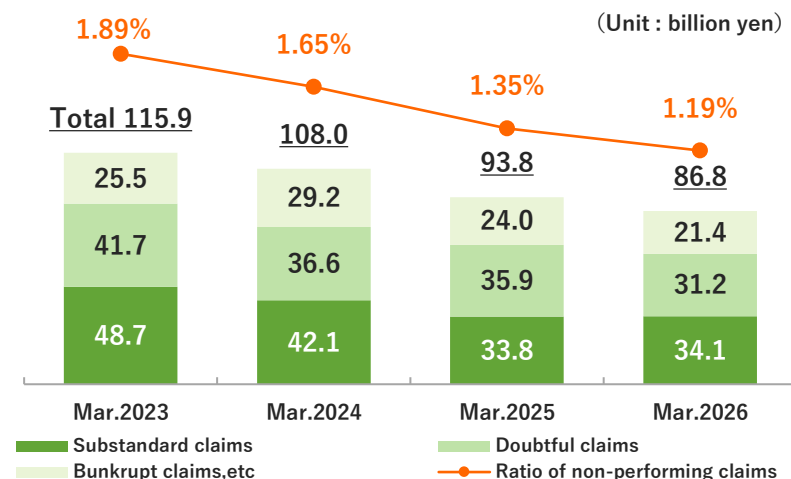
## Status of OHR <consolidated>

(Unit : billion yen)



## Disclosed Claims under the Financial Reconstruction Law and Ratio to the claims <consolidated>

(Unit : billion yen)



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

# Business Forecast (for the FY ending March 2027)

Profit attributable to owners of parent will amount to **65.0 billion yen**.

This means achieving the profit target of 60.0 billion yen for the final year of the Mid-term business plan (FY2027) one year ahead of schedule.

## Business Forecast

(Unit : Billions of yen)

### < Consolidated >

	Mar.2027	YoY	
Core business gross profit	146.7	+12.1	Mid-term business plan "Growth with Purpose" Final year goal (Mar. 2028)
Net interest income	111.7	+6.5	
Excluding gains(losses) on cancellation of investment trusts	111.7	+9.9	
Non-interest business profit	35.0	+5.7	35.0 billion yen
Expenses	64.7	+4.7	
Core business net profit	82.0	+7.5	80.0 billion yen
Excluding gains(losses) on cancellation of investment trusts	82.0	+10.9	
Net credit costs	5.5	+2.1	
Ordinary profit	95.0	+10.2	
Profit attributable to owners of parent	65.0	+6.2	60.0 billion yen
OHR(excluding gains(losses) on cancellation of investment trusts)	44.0%	-1.7%	45% degree
ROE	10.5%	+0.5%	10% or more

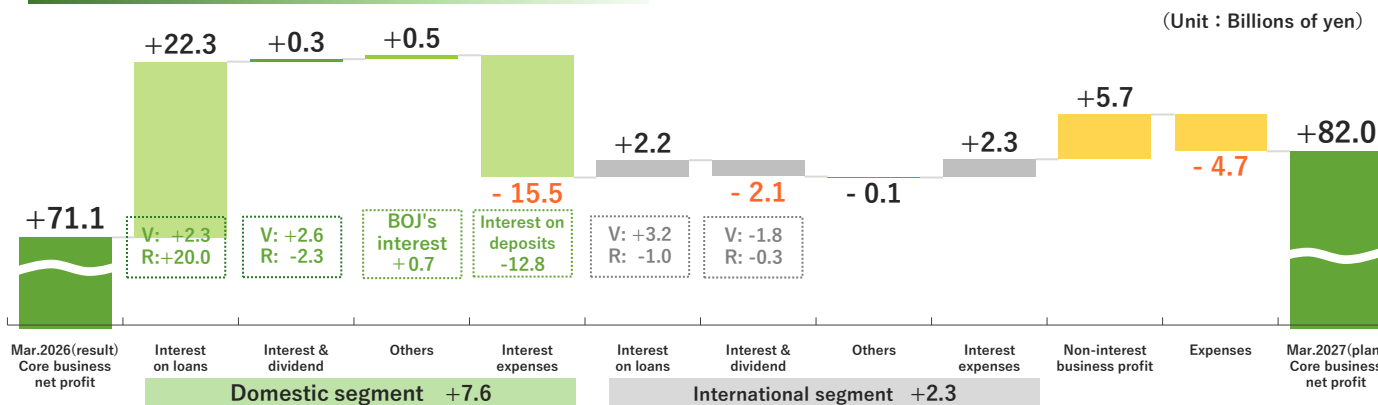
(Unit : Billions of yen)

### < Non-consolidated >

	Mar.2027	YoY
Core business gross profit	136.2	+10.1
Net interest income	113.0	+7.1
Excluding gains(losses) on cancellation of investment trusts	113.0	+10.4
Non-interest business profit	23.3	+3.2
Expenses	61.7	+4.1
Core business net profit	74.5	+6.0
Excluding gains(losses) on cancellation of investment trusts	74.5	+9.4
Gains or losses on investment securities	13.2	+1.9
Net credit costs	5.0	+1.8
Ordinary profit	88.0	+9.3
Net profit	60.0	+5.3

## Breakdown of changes in consolidated core business profit

(excluding gains(losses) on cancellation of investment trusts)



## Average balance and yields

(non-consolidated)

[All branches]	Average balance (¥ bn)	Yields
Loans	7,293.3 (+4.2%)	1.75% (+0.29%)
Securities	2,184.7 (+7.7%)	2.33% (-0.44%)
Deposits	8,516.2 (+0.4%)	0.41% (+0.11%)

[Domestic]	Average balance (¥ bn)	Yields
Loans	6,757.1 (+3.4%)	1.54% (+0.29%)
Securities	1,556.4 (+14.1%)	1.17% (-0.40%)
Deposits	8,348.1 (+1.0%)	0.35% (+0.16%)

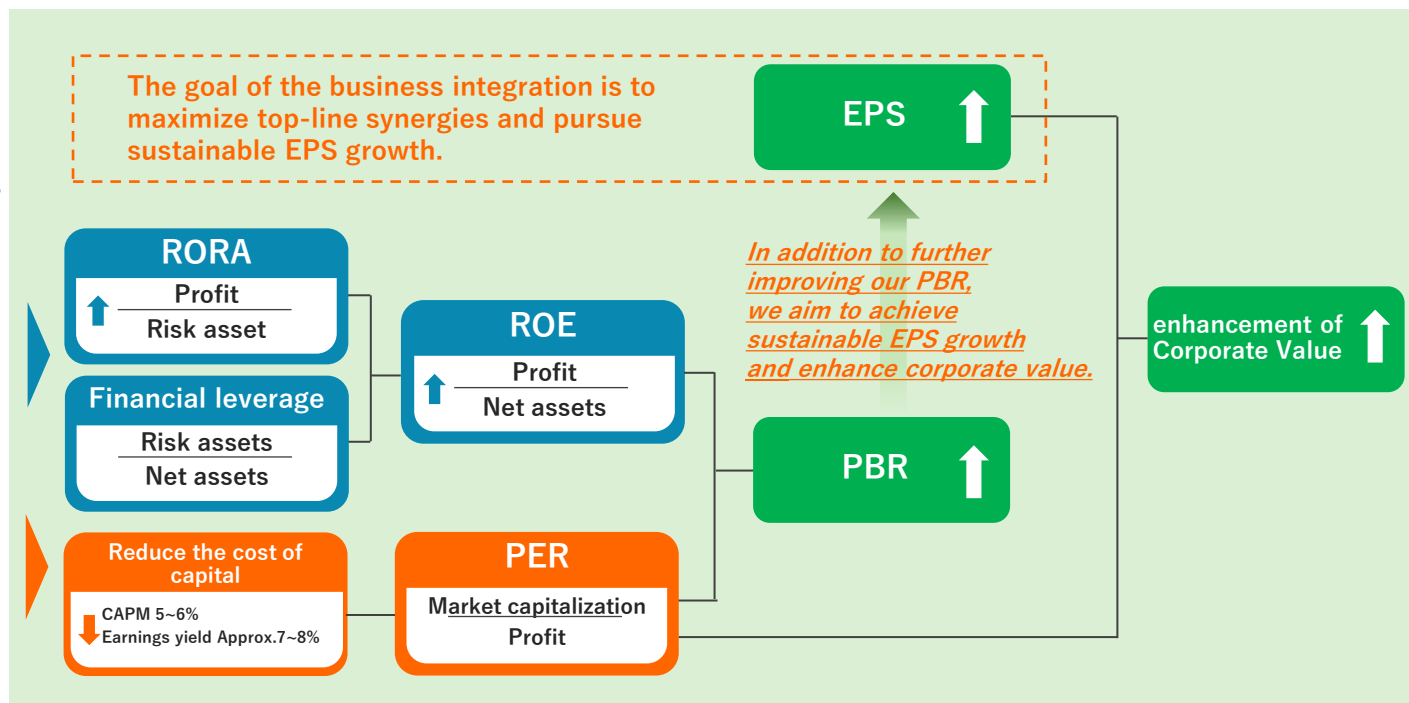
## II. Capital Policy

# Initiatives to Enhancement of Corporate Value

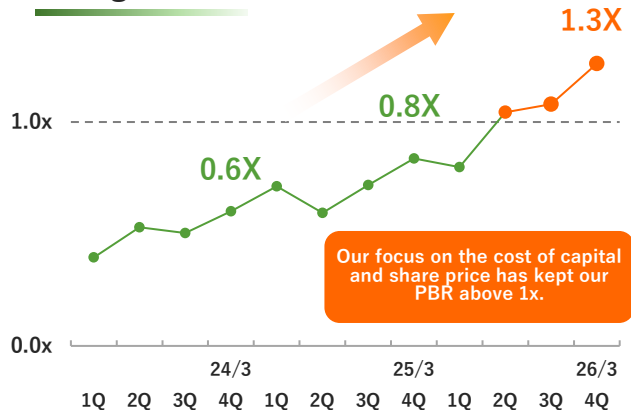
In addition to further improving our **PBR**, we aim to achieve sustainable EPS growth and take corporate value to the next stage.

## To further enhance corporate value

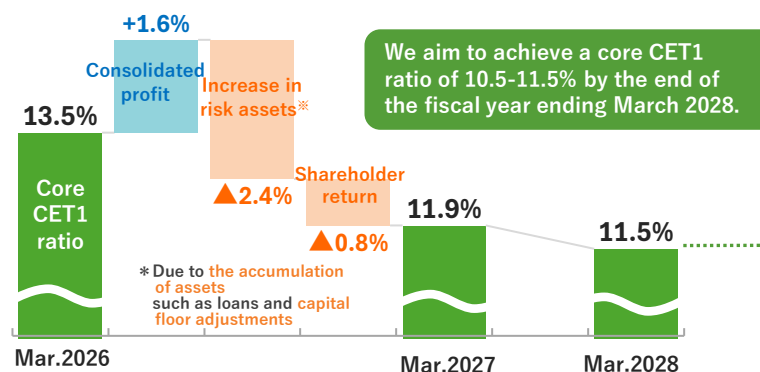
- **Build up highly profitable assets**
- **Further increase non-interest business**  
→ income to 35 billion yen in FY2027
- **Establish an optimal capital structure**  
→ The core CET1 ratio to the range of 10.5% to 11.5%
- **Improve shareholder returns**  
→ Progressive dividend system / Flexible share buybacks
- **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



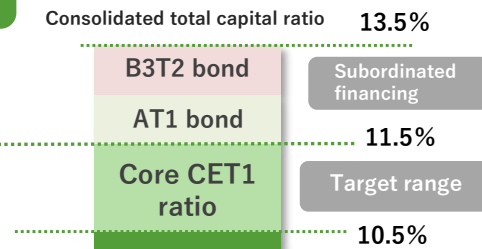
## Change in PBR



## Capital allocation



## Build an optimal capital structure

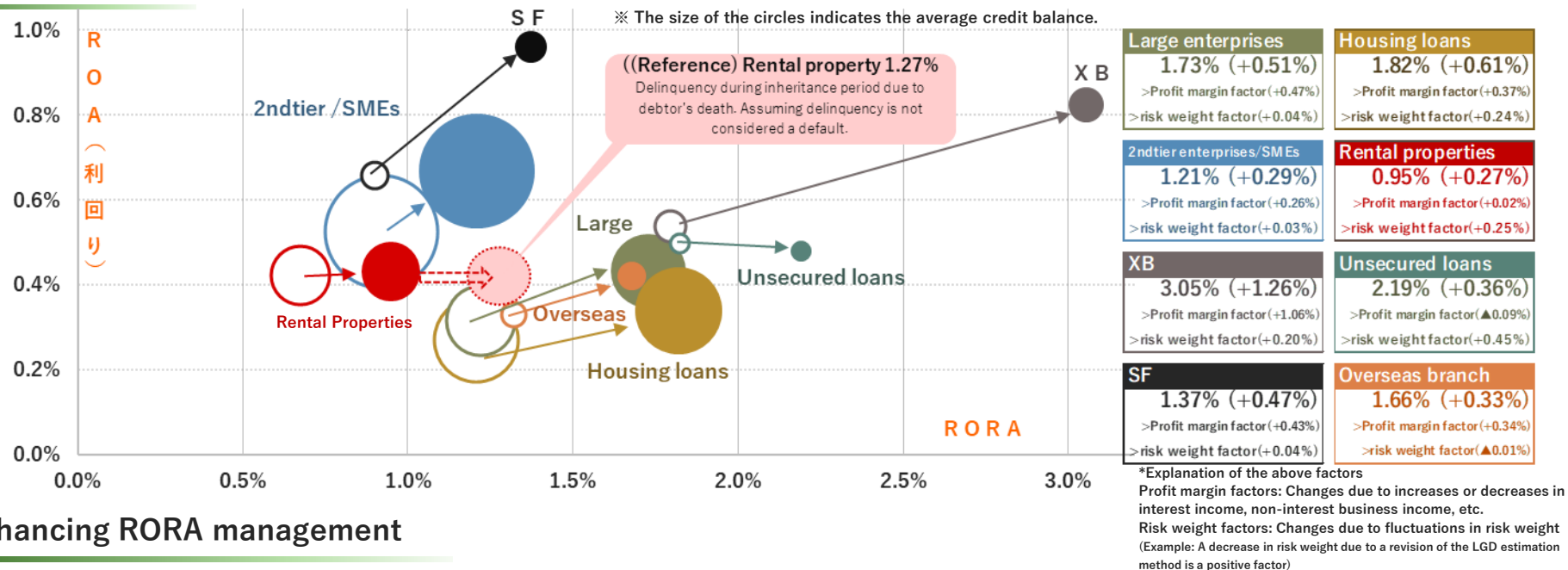


\*Based on finalizing Basel III reforms

# Implementation of RORA Management

In a world where interest rates are becoming entrenched, we are reconsidering the RORA management we have established to date. We intend to further enhance it with the aim of resolving issues.

## RORA of borrowers



## Enhancing RORA management

### Strengthening assessment of profitability in light of rising interest rates (reviewing profitability perspectives, securing appropriate profits)

#### Increasing profitability targets

Highly rated large companies & XB/SF

- RORA: Highly rated large companies &XB (now 1.65%) SF(now 1.35%)
- Spread: Further raising standard and limiting low-spread transactions = improvement of RORA
- Limiting fixed-interest transactions: Maintaining interest rate risk before bond purchases
- Real estate NRL, etc.: Acquiring mezzanine transactions with high RORA and high yield

#### New commendation items related to standard profit margin

Second-tier enterprises/SMEs

- Assessing proportion of clients for which profitability has improved
- Excluding transactions executed with low profitability from performance commendations

### Strengthening stable deposit base (supporting improved RORA via reduced financing costs)

- Raising deposit rates, providing incentives to attract deposits  
Reducing the high valuation of term deposits, especially those with long terms and high stickiness
- Starting to handle deposits with special interest rate periods  
Premium term deposits, term deposits to support life events

### Continued refinement aimed at appropriate risk measurement (aiming for improved RORA by reducing risk weight)

- For rental properties: Revising debtor rating criteria
- Housing, unsecured, etc.: Revising the LGD (loss given default) estimation method

# Shareholder Return

The annual cash dividend per share 62 yen (Year-on-year **+17 yen**) : Dividend payout ratio 40.0% / Total shareholder return ratio 50.1%  
 The annual cash dividends per share for FY2026 (ending Mar. 31 2027) is planned to be 70 yen.

## 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.

The Bank will **flexibly implement** acquisition of treasury shares based on capital levels, capital efficiency, growth investment opportunities, and market trends

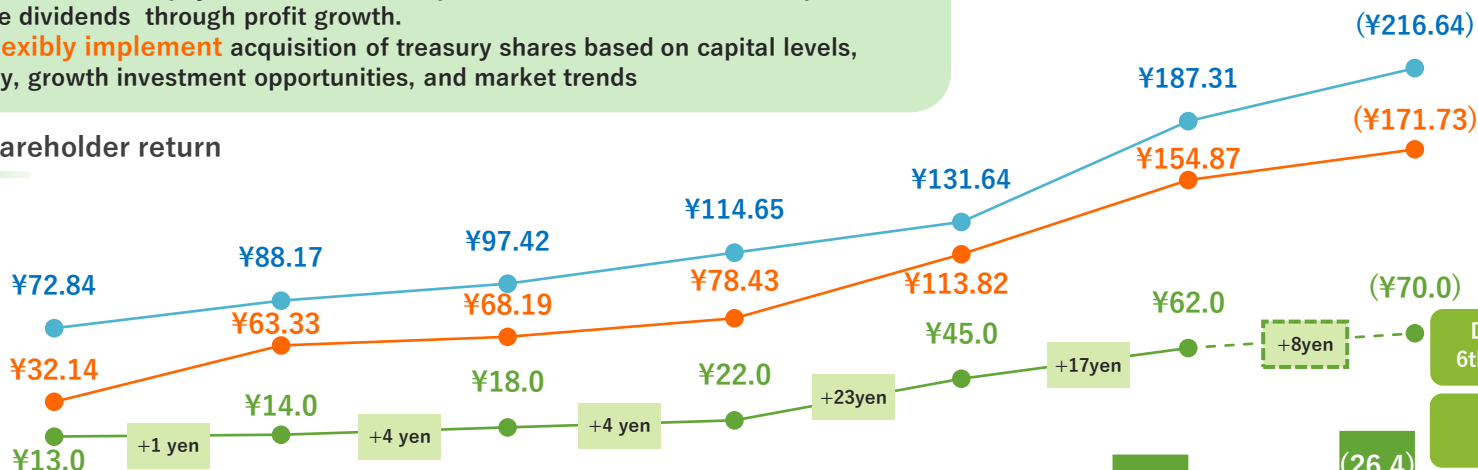
Improving PBR  
 →EPS growth phase

## Achievements of shareholder return

**【Core EPS】**  
 Core net business profit  
 (excl. investment  
 trust gains/losses)

**【EPS】**

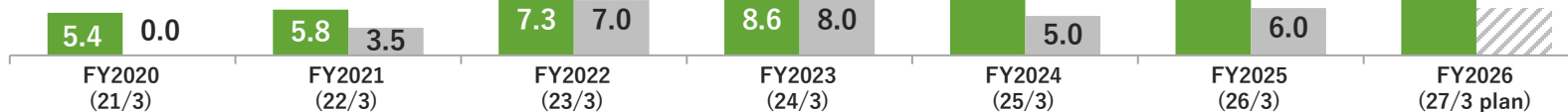
**【DPS】**



Dividend increase  
 6th consecutive year

DPS 5.3 times  
 (over 6 years)

■ Total amount of dividends (¥ bn)  
 ■ Share buy-backs (¥ bn)



	FY2020 (21/3)	FY2021 (22/3)	FY2022 (23/3)	FY2023 (24/3)	FY2024 (25/3)	FY2025 (26/3)	FY2026 (27/3 plan)
Total amount of shareholder return	¥ 5.4 bn	¥ 9.3 bn	¥ 14.3 bn	¥ 16.6 bn	¥ 22.2 bn	¥ 29.4 bn	(¥ 26.4 bn)
Total shareholder return ratio	46.8%	39.9%	51.4%	53.6%	50.7%	50.1%	— %
Dividend payout ratio	40.4%	22.1%	26.4%	28.1%	39.5%	40.0%	(40.8%)
Return policy	Total shareholder return ratio 40% guideline				Dividend payout ratio 40% guideline (Progressive dividend system)		
subject profit	Non-consolidated basis			Consolidated basis			

\*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.

# 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. 2026 : 84% (-16.8 billion yen).

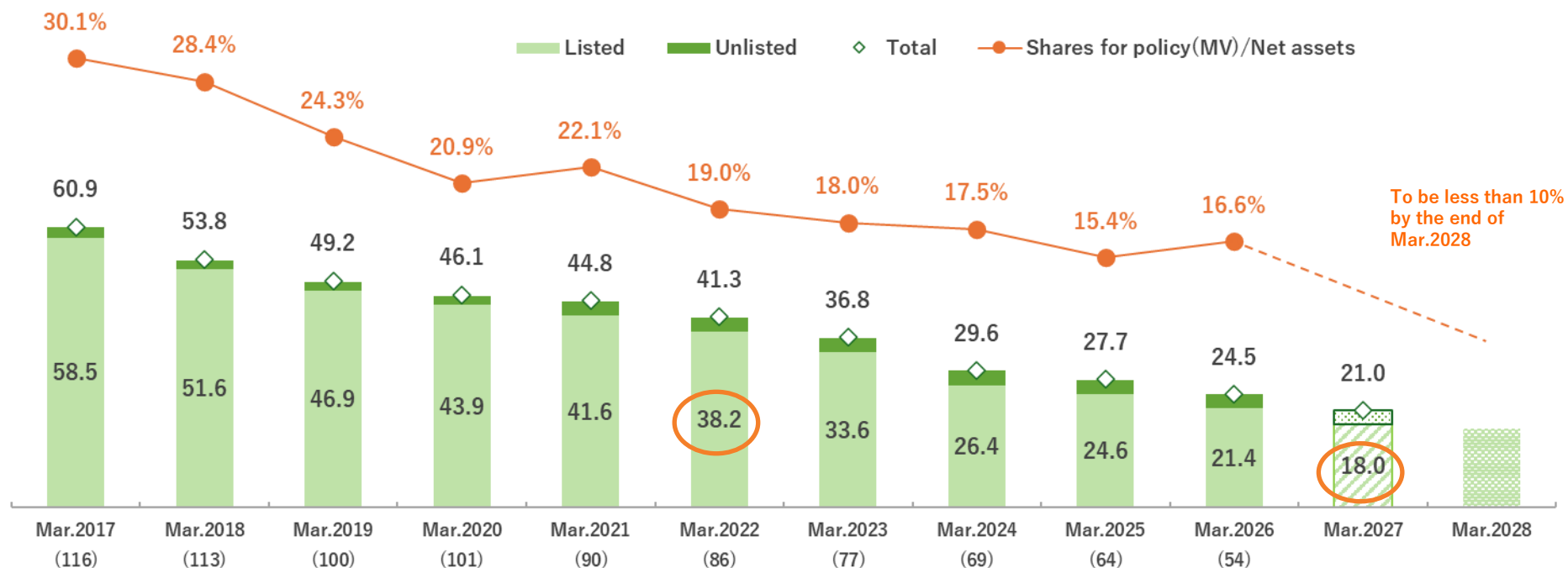
Achieved over 100% of the target on an agreed basis

## 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 shares for policy purposes

Reduction target of 20 billion yen in 5 year

### **III. Progress of the business integration with Daishi Hokuetsu Financial Group**

# Overview and philosophy of the New Financial Group

## Overview of the Business Integration

Trade Name **Gunma Niigata Financial Group, Inc.**  
Abbreviation : GNFG

Representative:  
(planned) **Michiro Ueguri**  
(currently President and Representative Director of Daishi Hokuetsu Financial Group)  
**Chairman and Representative Director**

**Akihiko Fukai**  
(currently President and Representative Director of Gunma Bank)  
**President and Representative Director (Group CEO)**

Head Office **Tekko Building, 1-8-2 Marunouchi, Chiyoda-ku, Tokyo**

### Corporate Mark



*The logo design depicts the two symbols of the regions—the crane, evoked by the shape of Gunma prefecture, and the crested ibis that flies across the skies of Niigata—meeting in the open sky and setting out together on a new journey. It expresses our commitment to crossing prefectural boundaries, connecting our regions to the future, and delivering value that goes beyond the traditional scope of finance.*



\*Based on over 3,400 questionnaires from employees of both companies (regarding the "goals" and "values that the new financial group should cherish"), the decision was made after thorough discussions between both companies.

## Philosophy of the New Financial Group

### MISSION

Creating the Future of Our Communities with Two Wings

### VISION

Becoming a Regional Solutions Group that, grounded in trust, goes beyond the scope of finance to connect and deliver value.

### VALUES

#### (1) Four-way satisfaction

We act to enhance the well-being and prosperity of our customers and communities, our company, our colleagues and business partners, and our shareholders.

#### (2) Integrity

We work with integrity as professionals, steadily building unwavering trust.

#### (3) Challenge

We continue to take on challenges without fear of failure, creating a new wind for the future of our communities.

#### (4) Co-creation

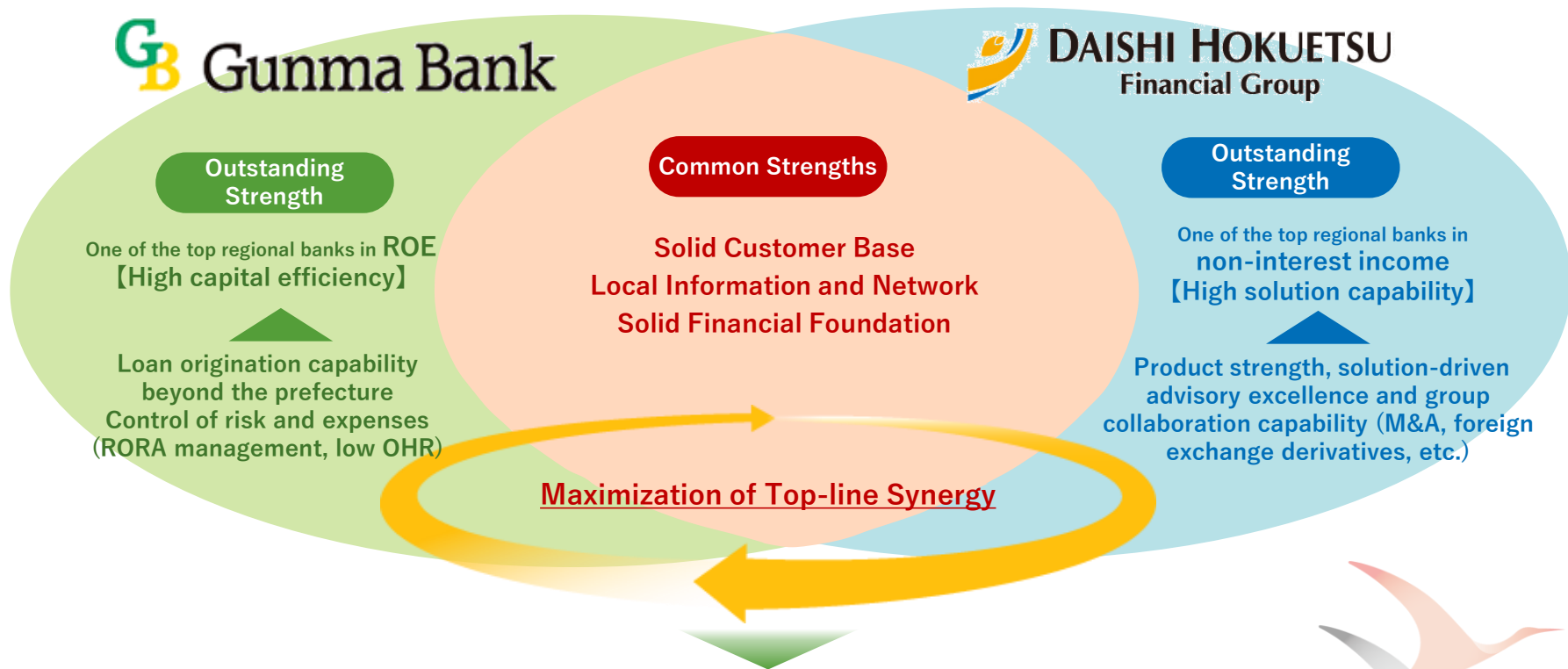
We connect people, goods, and services across regions, creating new value through the power of solutions.

# Purpose of the Business Integration

## Maximization of Top-line Synergy

Stepping up to become a financial group that constitutes one of the top regional banks in terms of both scale and quality of management

by building on the common strengths of both companies and complementing them with each party's outstanding strengths to realize top-line synergies and further sophisticate management and governance

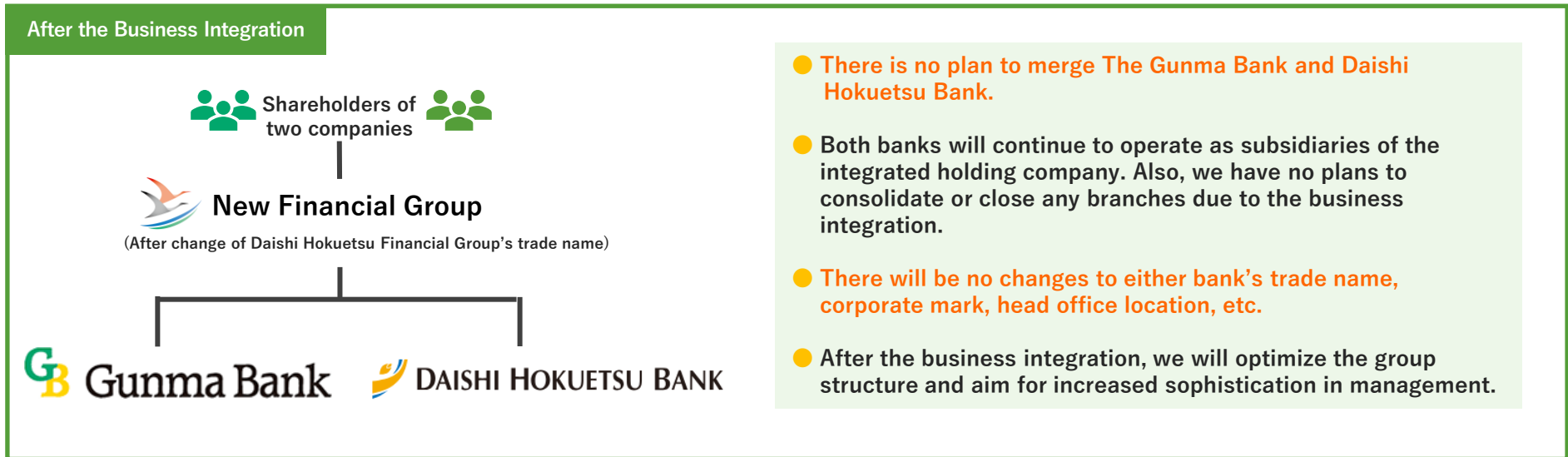
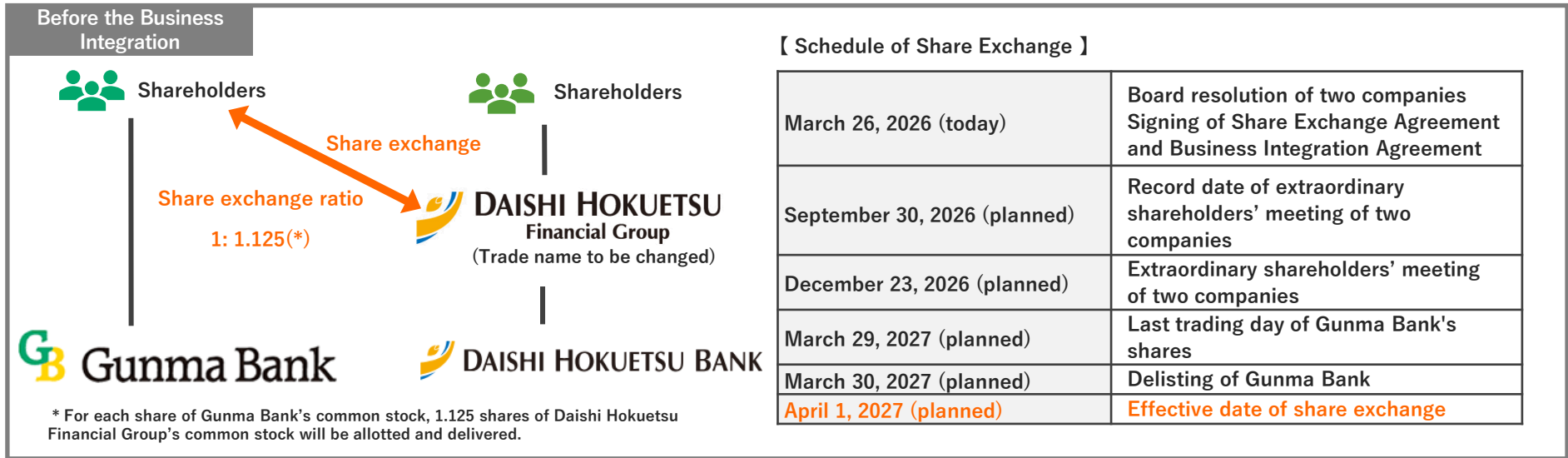


As a result, we aim to enhance the well-being and prosperity of all stakeholders, including our customers and communities, employees and business partners, and shareholders.



# Overview of the Business Integration

## Share Exchange



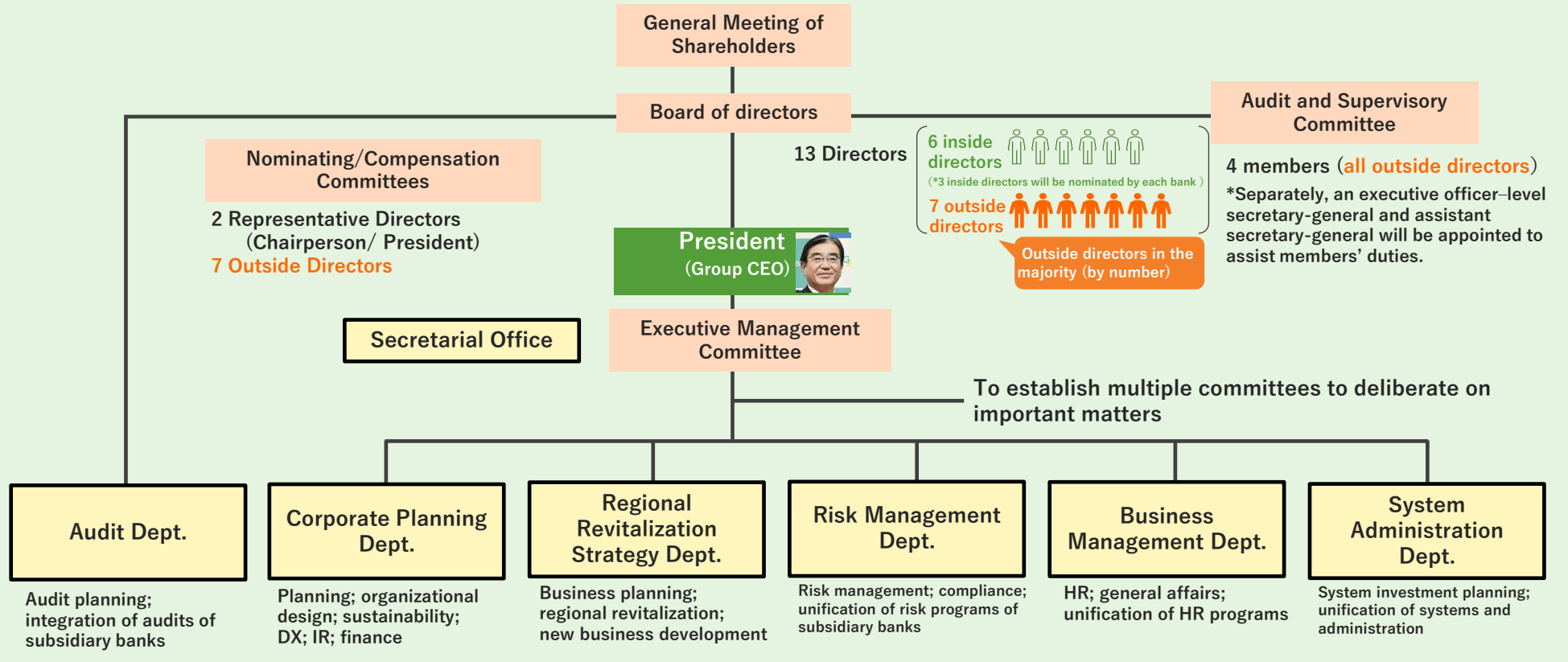
# Governance and Organizational Structure of the New Financial Group

## Governance · organizational structure

The fundamental principles of the business integration is mutual trust and equal integration. We will optimize governance and our organizational structure and work to enhance corporate value.

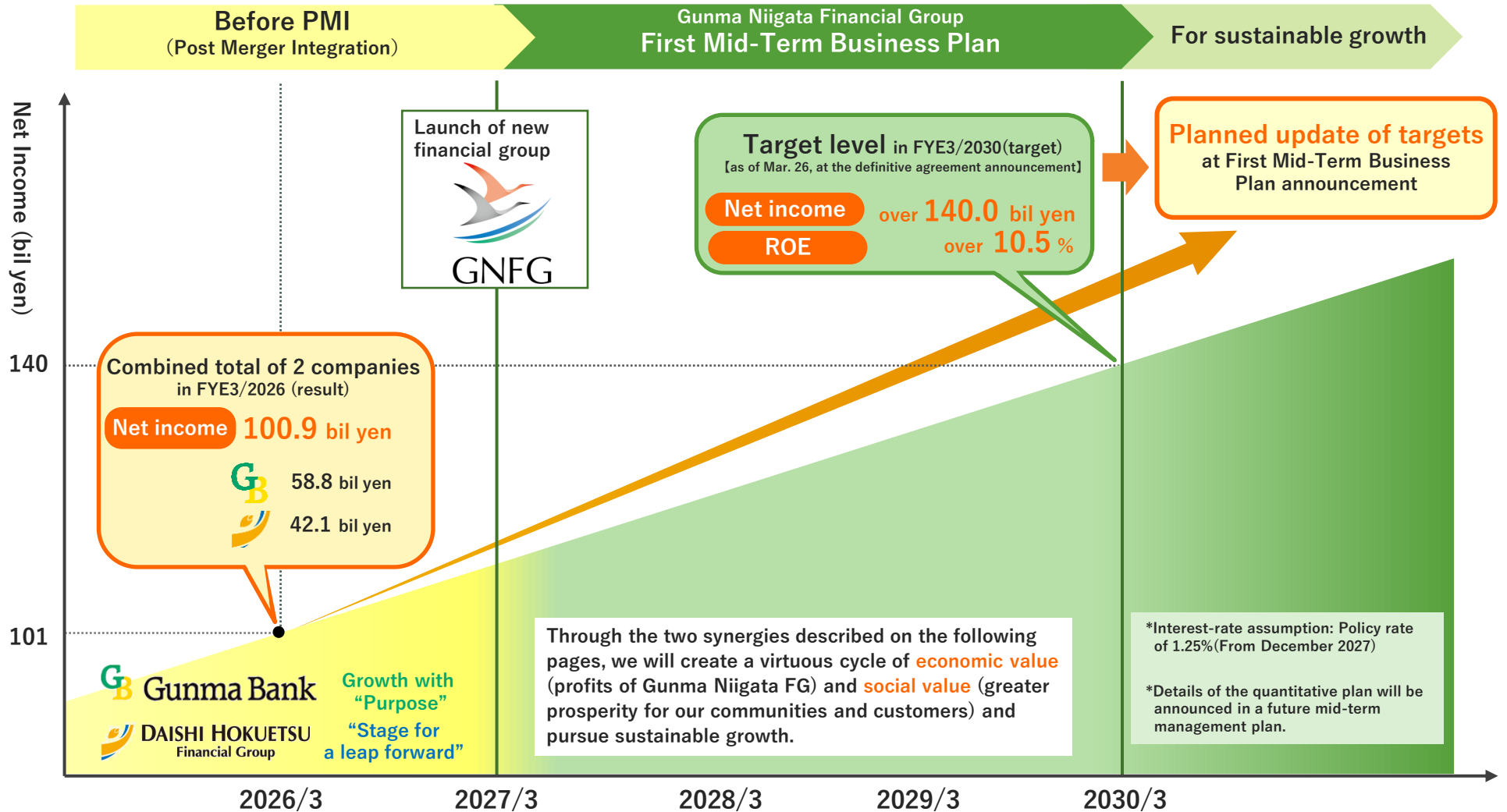
### Organizational Structure of Integrated Holding Company

Around 100 staff will be assigned to serve as the core team for the integrated holding company's operations, to lead the entire group by formulating the group's management policies and plans and strengthening risk management.



# Quantitative Plan of the New Financial Group

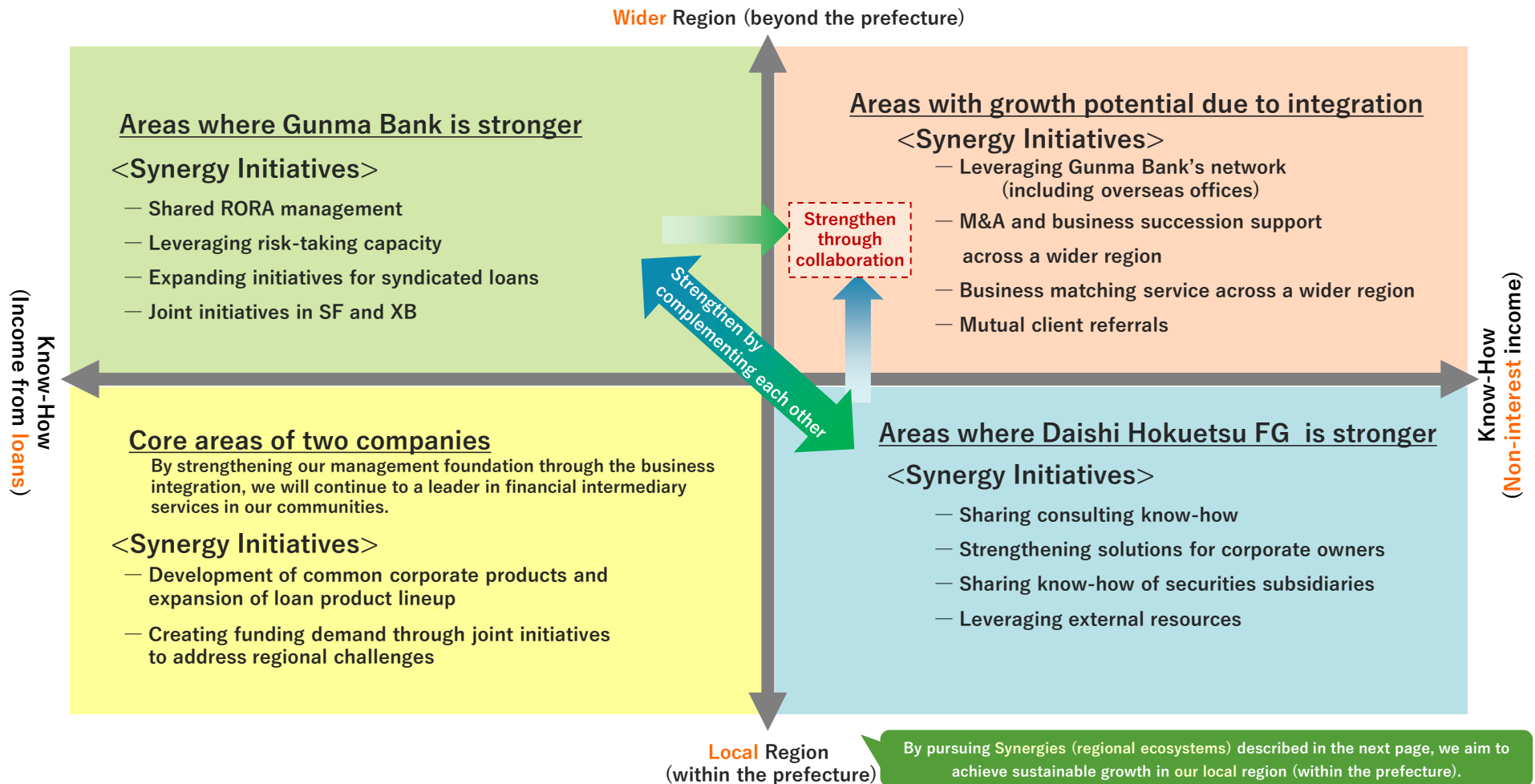
To achieve “maximization of top-line synergies,” which is one of the key objectives of the business integration, we will aim to deliver **net income of over 140 billion yen and ROE of over 10.5%** in the fiscal year ending March 2030 (three years after the business integration)



# (Reference) Synergies I Scale x Know-How

Scale x Know-How = Synergies

We will seek to increase net interest income and non-interest business profits (to realize **top-line synergies**) by **expanding our scale** (including our service area, total assets, risk-taking capacity, and human capital) through the business integration and combining each other's strengths (**know-how**).



# (Reference) Synergies II Region x Challenge

Building **regional ecosystems** ...

Building a virtuous cycle in our communities, with the new financial group serving as a hub and collaborating with external partners.

## ① Ecosystem that enhances the sustainability of regional industries

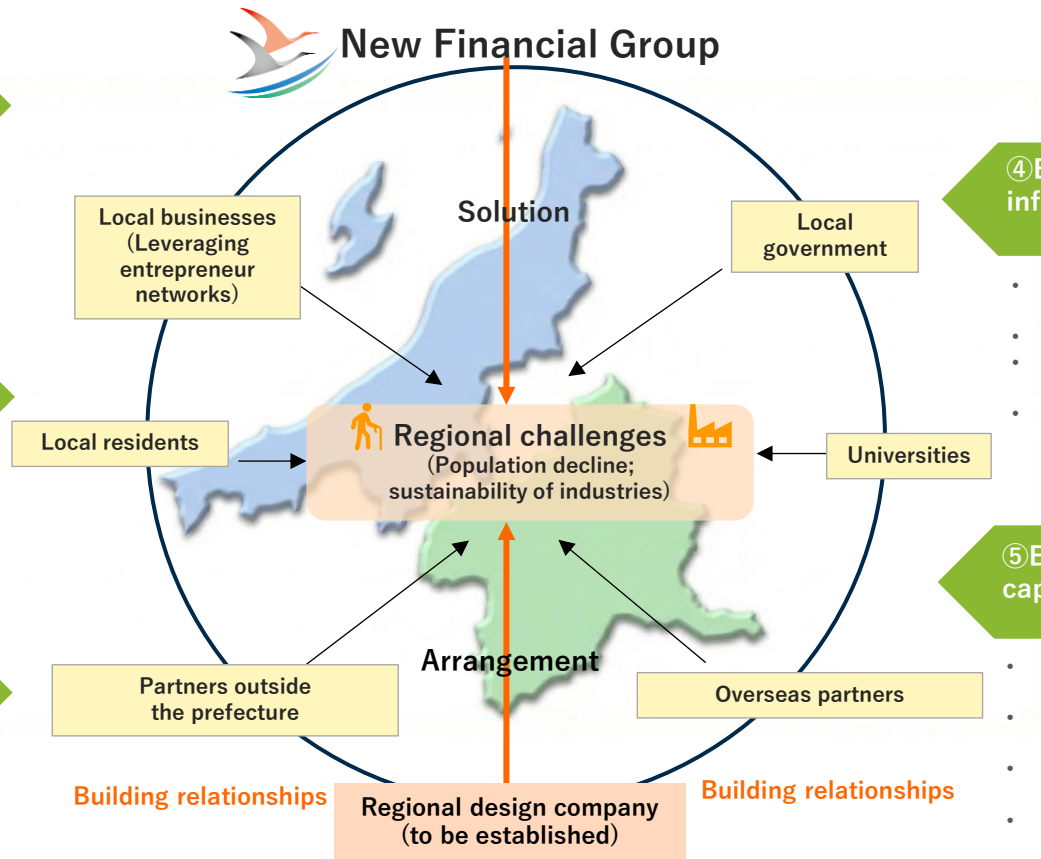
- Business succession
- Talent referral
- Industry reorganization
- Formation and utilization of regional funds
- Open innovation

## ② Ecosystem that enhances regional productivity

- Expansion of BPO business
- Support for digitalization
- AI adoption
- Joint back-office operations among regional financial institutions

## ③ Ecosystem that enriches life in our communities

- Promoting cashless payments
- Leveraging payments data and circulating local information
- Promoting local products (functioning as a regional trading company)



## ④ Ecosystem that sustains regional infrastructure

- Cross-regional/ cross-sector collaboration with local governments
- Promoting renewable energy
- Rebuilding regional medical care systems
- Tourism infrastructure (e.g., transportation, personnel, revitalization)

## ⑤ Ecosystem that leverages global capabilities for our communities

- Leveraging overseas talent and know-how → arranging deals for regional projects
- Investments and financing overseas, and inbound investment from overseas
- Supporting overseas expansion and developing distribution channels
- Approaching and attracting overseas companies

Important mechanism for accelerating ecosystem building

**[Goal]** Collaborate with external partners from the **initial stage** to address regional challenges, which will enhance regional sustainability while creating new needs and revenue opportunities.

(Reference)

# Progress of Initiatives Undertaken since April 24, 2025 MOU

- The two companies have held discussions at various organizational levels with a view to reaching a definitive agreement and pursuing integration synergies. (Number of meetings as of end-April)

## Integration Preparatory Committee

Led by the top management of the two companies, the committee has met **8 times** to date to discuss key matters.

## Specialist Subcommittees

Ten subcommittees (including corporate planning, sales, system administration, and risk management) were set up to conduct Fit & Gap analyses and consider standardizing operations and way to realize synergies. To date, **101** subcommittee meetings have been held.



- To realize synergies at an early stage, the period from October 2025 to March 2026 was designated as “**Pre-Action 180**,” and efforts were made to align employees’ mindsets (“**mindset integration**”) and to launch studies for “**operational integration**” aimed at upgrading our operations.

## Mindset Integration

We held joint training sessions and co-hosted events and carried out an employee survey on the business integration (with responses from more than 3,400 employees).



Joint training sessions by business level/function (e.g., branch manager training, women’s management training, overseas training sessions)



Regular distribution of joint newsletters



Viewing regional sports game together (with more than 1,200 participants)



Co-hosting the “Gunma-Niigata Marche”



## Operational Integration




We began examining the standardization of functions such as risk management, revenue management, and auditing, and launched joint research on the use of generative AI.

- After signing of the definitive agreement (after April 2026), we will accelerate discussions on joint initiatives, such as in the area of sales, so that we can deliver **top-line synergies** immediately after the integration.

# (Reference) Outline of Two Companies

- A financial group that constitutes one of the top regional banks

	 <b>Gunma Bank</b>	 <b>DAISHI HOKUETSU Financial Group</b>
Head Office	Maebashi, Gunma	Niigata, Niigata
Establishment	September 1932	November 1873
Total Assets (Consolidated)	10,855.9 bil yen	10,840.2 bil yen
Deposits	8,789.1 bil yen	8,732.5 bil yen
Loans	7,226.1 bil yen	5,915.0 bil yen
Assets under Custody (Consolidated)	1,487.0 bil yen	1,874.9 bil yen
Net Income (Consolidated)	58.8 bil yen	42.1 bil yen
Market Capitalization	780.6 bil yen	490.5 bil yen
Employees (Consolidated)	2,899	3,456
Banking locations	Japan: 103, Overseas: 4	Japan: 134, Overseas: 1
Group Companies	< Financial sector > Bank, securities, lease, credit card, credit guarantee, fund management  < Non-financial sector > Consulting/regional trading, system development, transportation & maintenance	< Financial sector > Bank, securities, lease, credit card, credit guarantee, fund management  < Non-financial sector > Consulting/research, system development, recruiting agency, regional trading

 <b>New Financial Group (Simple sum)</b>	
Total Assets (Consolidated)	21,696.2 bil yen
Deposits	17,521.6 bil yen
Loans	13,141.1 bil yen
Assets under Custody (Consolidated)	3,361.9 bil yen
Net Income (consolidated)	100.9 bil yen
Market Capitalization	1,271.1 bil yen
Employees (Consolidated)	6,355
Banking locations	Japan: 237 Overseas: 5
Group companies (Business domains)	11 businesses
 <b>Gunma Bank</b>	Share of deposits <b>38%</b>
Market Share within Gunma Prefecture	Share of Loans <b>34%</b>
 <b>DAISHI HOKUETSU Financial Group</b>	Share of deposits <b>43%</b>
Market Share within Niigata Prefecture	Share of Loans <b>50%</b>

※As of March 31, 2026

Market share in prefecture:  
(Source) Finance Journal "Finance Map 2026" (March 31, 2025)

## IV. Management Strategies, etc.

# Strengthening Group Collaboration

Aiming to **maximize group profit** by leveraging group functions

## Main KPI of Group's companies

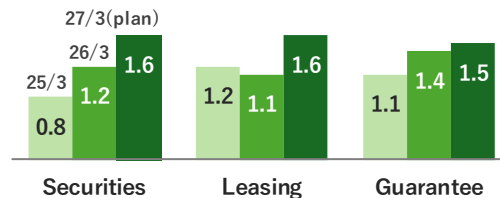
Company name	Key KPI	FY2025 Result	FY2027 Targets	Unit
<b>Finance</b>				
Gungin Leasing	·Number of new lease and installment agreements (FY2027)	60.1	※ 60.0	
	·Balance of lease receivables (as of Mar. 2028)	120.5	120.0	
Gunma Regional Advanced Solution Partners	·Total assets under management by funds (as of Mar. 2028)	10.5	※ 20.0	¥ bn
Gunma Credit Guarantee	·Insurance premium income (FY2027)	2.4	2.5	
	·Balance of guarantee obligations (as of Mar. 2028)	1,427.6	1,450.0	
<b>Consulting solutions</b>				
Gungin Consulting	·Consulting (FY2027)	200	※ 150	cases
	·Staffing (FY2027)	165	※ 130	
Gungin Card	·Total card payment amount (FY2027)	291.5	※ 350.0	¥ bn
<b>Asset management</b>				
Gungin Securities	·Balance of financial assets under custody (as of Mar. 2028)	464.1	400.0	¥ bn
<b>System</b>				
Gungin System Service	·Number of business matching transactions (cumulative total)	10	50	cases

※Single-year targets for the final year of the medium-term plan (FY2027)

## Group companies' profit

Group companies' profit  
**FY2027 : 6.0 billion yen**  
 FY2025 : 4.1 billion yen

< net income of major subsidiaries (¥ bil ) >



## Key initiatives

### Gunma Regional Advanced Solution Partners

#### ● Initiatives to develop sustainable tourism in the region

- Signed a comprehensive partnership agreement with the Gunma Association of Tourism, Local Products & International Exchange (January 2026)
- Created the **Gunma Sustainable Tourism Fund** (total of ¥1.0 billion) (Mar. 2026)

#### Japan-first initiative

Impact investing using dormant deposits

×

Theme: Revitalizing tourism at the prefectural level

×

Prefecture-related organizations × Local financial institutions × Tourism-related businesses

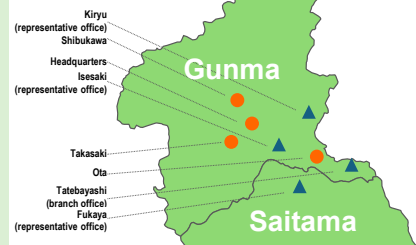


## Gungin Securities

#### ● Opening Tatebayashi branch office

Opened in November 2025 as the 8<sup>th</sup> site.  
 Also covers part of Ibaraki Prefecture.

#### Gungin Securities branch network



## Gungin Card

#### ● Rolling out a corporate card

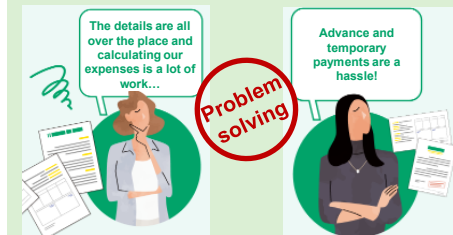
Introduced in 9 municipalities in prefecture

Local governments

→improving operational efficiency/digital transformation

Bank Group

→acquiring accounts linked to card settlement (effective in securing deposits)



# Promoting Use of AI

Created an AI policy to balance enhancing AI use and responsible use (decided at the Board of Directors meeting on April 28)

## Enhancing sales activities

### AI Buddy: AI support for loan negotiation tasks (May 2026)

- Supporting project planning as a consultant by leveraging accumulated data, manuals, etc.
- Also has promise as an advanced tool for negotiating activities
- Supports inexperienced employees by enabling seamless sharing of experts' knowledge

The screenshot shows a web interface with two main sections: 'データソース' (Data Sources) and 'チャット' (Chat). In the 'データソース' section, there is a search bar for 'CIF番号' and a list of data sources including '借入履歴', '返済履歴', '返済計画', etc. A callout box labeled 'Selection of target data' points to this search area. The 'チャット' section shows a conversation with an AI assistant. A callout box labeled 'Conversation with AI' contains the text: 'Generating a talk script' and 'Check items, noticing alarm events'. Below the chat, there is a 'プロンプトを入力 (Ctrl+Enterで送信)' field. A callout box labeled 'Checking reference sources' points to the chat area.

### Voice-based role-playing with AI (October 2025)

- Improving employees' practical capabilities and rapid response capabilities in asset management sales and housing loan promotion by conducting AI-based role-play training, which enables self-directed development tailored to individuals, with no time constraints
- Promoting improved customer service quality and strengthening sales capabilities by using AI to conduct assessments and suggest improvements

The illustration shows a person sitting at a computer with a headset, representing a customer service or sales role. To the right, there is a screenshot of an AI assessment report. A callout box labeled 'Assessment from AI and improvement advice' points to the report, which shows a score of 90.0 and various feedback points.

## Increasing operational efficiency

### Internal inquiry AI chatbot (December 2025)

- AI generates responses based on internal regulations, manuals, etc., handling business inquiries that were previously answered by people (reduces headquarters workload for handling inquiries by 3,500 hours a year)
- Shortening the time spent on inquiries frees up time to improve service quality

The screenshot shows a chatbot interface with a search bar and a list of categories. A callout box labeled 'Question in chat' points to a user's question. Another callout box labeled 'AI responds' points to the chatbot's answer. A third callout box labeled 'Displaying reference sources (regulations, detailed rules, etc.)' points to a list of links provided by the chatbot.

### AI automatically creates minutes, etc. based on audio of meetings (September 2025)

- Used 2,308 times in 6 months since it was begun, reducing minutes creation time by 75%
- Along with its introduction, workflows (rules for creating minutes, etc.) were also revised to promote maximizing the benefits (98% of users felt that productivity improved)
- Going forward, use will be expanded to include meetings with customers, promoting further efficiency increases and enhancements

The screenshot shows a meeting transcript with a callout box labeled 'Automatically separating statements by speaker based on analysis by AI' pointing to the speaker names. Another callout box labeled 'Summarizing key points, including topics, Q&As, etc.' points to a summary section. A third callout box labeled 'Meeting minutes taken automatically' points to the overall transcript.

Actively taking advantage of AI in work processes and customer service to provide high-quality services and achieve increased operational efficiency and higher productivity

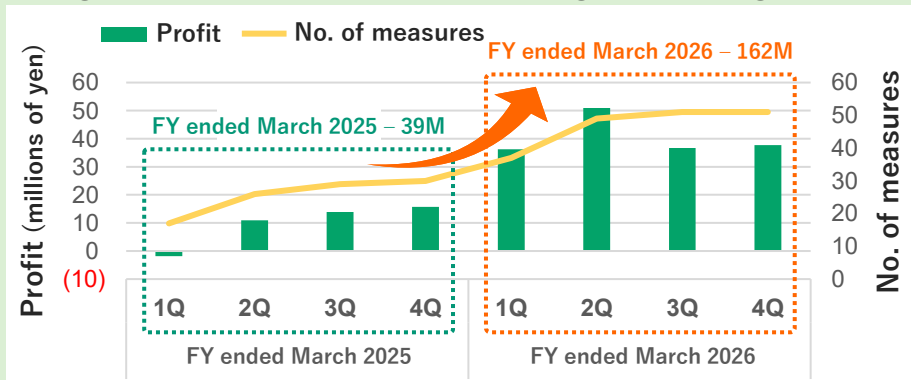
# Promoting Data Utilization

## Enhancing digital marketing

Providing the optimal information at the right time to each individual customer

- Expanding **measures to provide information to customers** based on transaction statuses and behavior logs (automatic provision of emails, apps, ad banners, etc.) **by around 1.5 times**
- Profits from these transactions in the FY ended March 2026 (no. of closed transactions × average expected revenue per transaction) increased by around **4 times year-on-year**
- Policy of pursuing expansion of measures, focusing on unsecured loans, to further increase revenue in FY ending March 2027

Changes in unsecured loan profits due to digital marketing



Use in marketing based on visualization of customer behavior data

- **Visualizing customer behavior data** on websites and apps and using it for UI/UX improvement and marketing activities
- ➔ More effective one-to-one marketing



## Enhancing data-driven management

Rapid decision-making based on data

- Created 23 **dashboards** that enable centralized management of sales promotion results and risk management indicators
- Reduced the time required to create materials by 1,600 hours and **strengthened data-based decision-making and governance**



Visualizing negotiation activities

- **Visualizing the status of negotiation activities in dashboards from quantity, quality, and timing perspectives**  
Aiming to **optimize sales activities** by monitoring the current situation and rapidly identifying problems based on behavior management and implementing the PDCA cycle via daily feedback



Data-based feedback



Improving various elements

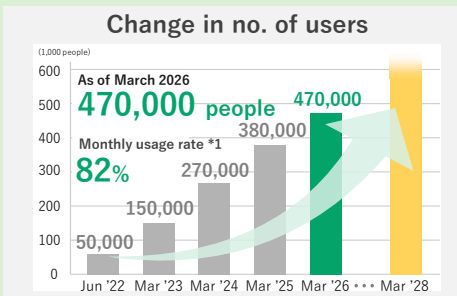
Improving sales productivity

# Promoting DX and Business Reform

Working to **strengthen customer touchpoints** and **enhance and standardize sales activities** through digital channels.

## Gungin App

- \*Gradually rolling out features leading to improved customer convenience and top line
- \*Equipping the app with in-store tablet features



\*1) Ratio of app users logging in to app in 1 month (as of March 2026)

### \*Introduced features and services

- **App loans**
  - Revised the product features of existing ATM card loans and began providing loan products that can be applied for via the Gungin app
  - \*No. of applications has increased by around 2 times
- **Electronic delivery service** (investment trust-related ledgers)
  - Possible to view customer ledgers anytime, anywhere, in paperless format
  - Helps reduce creation/transmission costs and contributes to SDGs
  - \*No. of app electronic delivery service users: 230,000 (as of Mar. 31, 2026)
- Various procedures using **official personal authentication service**

Opening ordinary deposit account, changing address/phone number, debit applications, My Number notifications, Gungin ID/app change or deletion notifications

→ Enables safe, reliable transactions using the My Number card

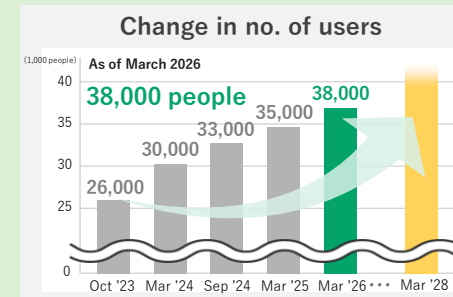
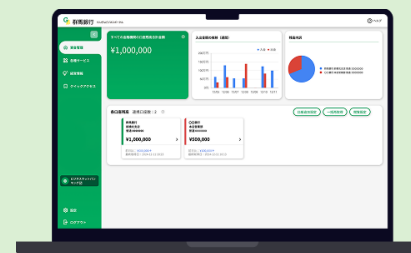


### \*Features and services to be introduced

- **Feature to raise transfer upper limits** (scheduled for H2 2026)
- **Family account/life plan simulation service** (scheduled for H1 2027)

## Gungin Business Portal

- \* Gradually rolling out features that help with daily transactions, simple procedures, and problem solving



### \* Introduced features and services

- **Subsidy diagnostic service**
  - Users can **apply for a free diagnosis and consultation service** about available subsidies
  - The Bank will support users in financing and business execution through this service

### \*Features and services to be introduced

- Contactless reception of **business debit cards** (April 2026)

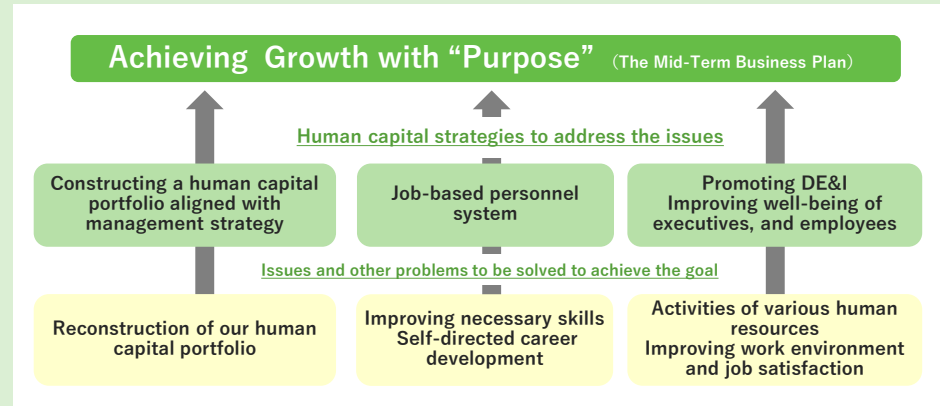
## Initiatives to streamline operations and enhance customer convenience and UX

- Improving customer convenience by **adding feature for official online application function for housing loans** (scheduled for May 2026)
- Streamlining operations by **introducing cloud-based systems for expense reimbursement** (scheduled for August 2026)
- Providing new financial experience through **cardless transactions using ATMs located inside convenience stores** (scheduled for October 2026)
- Enhancing call centers through an **omni-channel approach using AI** (scheduled for September 2026)
- Development of digital human resources (as of March 31, 2026) (**1,397 IT passport holders, 1,112 generative AI passport holders**, etc.)

# Enhancing Human Capital

We will work on human resource strategies that are linked to our business strategy, aiming to further **enhance our human capital**.

## Human capital strategies aimed at realizing our management strategy



## Building a human capital portfolio aligned with management strategy

### Visualizing and improving job skills (job skills assessment system)

→ the jobs in the Bank are categorized into each employee's skills are assessed with a three-level scale. We will work to increase the number of highly skilled individuals.



Ratio of employees with high-level skills*	Mar.2025	Mar.2026	Mar.2028(target)
Corporate consulting	24.5%	26.6%	30.0%
Individual consulting	26.9%	29.9%	30.0%

\*Ratio of employees who have been recognized as standing at the highest level in the inhouse assessment that evaluates their job skills and attributes.

### Introduction of a certification system related to Digital talent

→ Implemented its system in which we designate employees who make changes in the Bank by utilizing information technology.



Digital talent	Mar.2025	Mar.2026	Mar.2028(target)
Core talent	10	19	30
Middle talent	174	277	300
Base talent	996	1,650	1,500

## Promoting DE&I/Efforts to improve the well-being of executives and employees

### Strengthening efforts in human resource development

#### Newly Establishment of the Mentoring System by Top Management

the management team (top management) supports female managers in advancing their careers to management positions (top management)

#### The Support System for Newly Appointed Branch General Managers

It was newly established to eliminate the concerns of newly appointed female branch general managers. They have interviews with current branch general managers on a regular basis and consult with them as necessary.

### childcare and family care leave

#### Sales Branch Support Team

an effort to support sales branches in the event of their members taking short-term leave due to childcare, family care, or other reasons.



### DE&I Non-financialKPI

	Mar.2025	Mar.2026	Mar.2028(target)
Percentage of female managers	21.2%	23.4%	30.0%
Percentage of female department and branch managers	6.8%	14.0%	20.0%
Percentage of mid-career recruits promoted to management positions	47.8%	47.3%	30.0%
Percentage of male employees taking childcare leave (※)	101.8%	100.0%	100.0%
Duration of childcare leave taken by male employees (days)	24.9	20.2	30 or more
Percentage of taken paid leave	81.4%	80.8%	80% or more

※\*If a male employee whose spouse gives birth within the fiscal year takes childcare leave, etc., in the year he takes up his position, the calculation will show a percentage exceeding 100%.

## Selected by KENKO Investment for Health program for the 2nd consecutive year based on evaluation of health management

### External assessment



**Platinum eruboshi**  
1st company in northern Kanto to acquire it

Acquired certification based on positive assessment of empowering female employees and supporting work-life balance

\*Met 5 certification criteria, including ratio of female managers

[Others]



### KENKO Investment for Health

1st company in prefecture selected in 2 consecutive years

Received the highest rating (standard score) among the 4,157 evaluated companies. The Bank has established a system that can contribute to realizing employee well-being and revitalization, and development of local communities on a lasting basis.



# Enhancing Human Capital

Further promoting the **job-based personnel system** initiative and aiming to support self-directed career development to make the organization more dynamic.

## Job-based personnel system

### Introduction (June 2024)

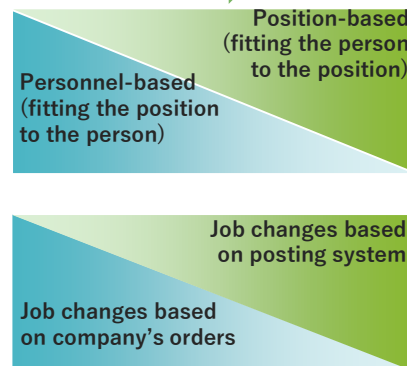
- Shifted from single-track career development (premised on generalist training) to the **multi-track system**
- Abandoned the **qualification system, which strongly resembles seniority-based system** → clarifying positions and evaluating specialized knowledge

Abandoned the qualification system and mandatory executive retirement age, and consolidated **jobs into 4 groups**

#### Job Groups: Collected into 4 “Human Resource Types”

<b>Specialist human resources</b> People who possess and can deliver results with specialized knowledge that is highly valued internally and externally (skills, expertise, presence)	<b>Management human resources</b> People who can implement organizational management as team leaders
<b>Innovator human resources</b> People who possess and can deliver results with skills and expertise that enable them to perform tasks at a high level in various fields at the Bank	<b>Associate human resources</b> People who support banks and who can reliably perform tasks at the Bank

To next phase



Maintaining position at age 60+ (empowering seniors)  
 Full-scale implementation of executive age limit system (optimal assignment of personnel)

→ **In collaboration with management personnel development committee**  
**Realizing optimal assignment of personnel based on position**

Job postings (challenging oneself by applying for positions)

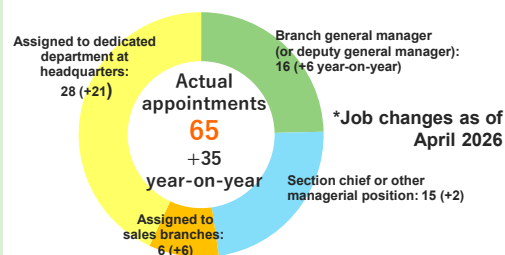
Introduction of FA system (reflecting evaluations in in-house market)

→ **Promoting career autonomy for employees and making organization more dynamic**

### Management status of the job-based personnel system

#### Job postings

System in which employees who want to be assigned to open positions apply for them (supporting self-directed, diversified career development)



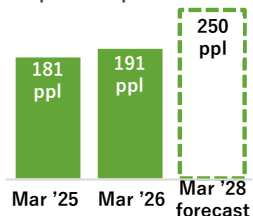
#### \*Internal FA system

Employees can freely express up to 3 preferred positions/departments/branches (\*HR evaluation and meeting certain conditions, such as having specialized qualifications, is required)

#### Professional job posting system

System aimed at actively utilizing the abilities of employees with advanced specialized knowledge and extensive practical experience, aimed at employing the **right people in the right positions** (enabling career development and treatment that utilizes advanced specialized knowledge)

No. of personnel appointed to specialist positions



### Expanding and upgrading recruitment methods to attract diverse human resources

#### Course-based recruitment

Assigning new graduates to dedicated departments at headquarters when they join the Bank

Available courses:  
 Wealth management  
 Systems/digital  
 Risk management  
 Markets

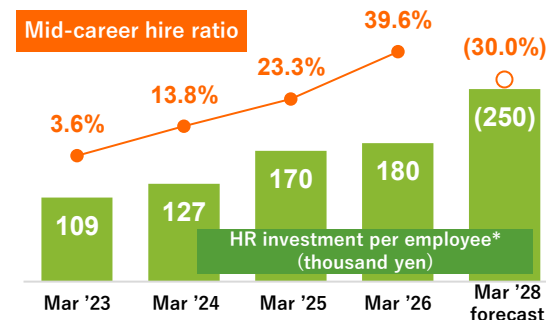
#### Alumni recruitment

Re-entry of former employees who left the Bank

#### Referral-based recruitment

Referral of friends and acquaintances by employees

### KPIs related to recruitment and HR investment

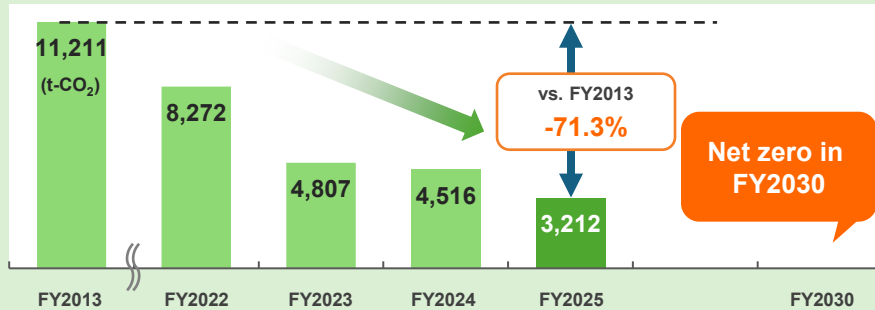


\* Training-related expenses (expenses for seminars, etc. associated with acquiring qualifications, personnel costs for dispatching trainees, training location expenses, etc.) ÷ average annual number of employees in business positions

# Initiatives for Decarbonization and Natural Capital

Aiming to accelerate initiatives for the Bank and community aimed at sustainable regional development and resolution of social and environmental issues, as well as to strengthen related disclosure.

## Decarbonization by the Bank (greenhouse gas emissions)



- **FY2025 emissions: 3,212 t-CO<sub>2</sub> (-71.3% vs. FY2013)**
  - ➔ Enhancing initiatives aimed at achieving net-zero emissions in FY2030
  - \* To ensure the reliability, accuracy, transparency, etc. of the above emission amounts, they are being verified by a third-party certification organization as of May 2026.
- **Opening environmentally friendly branches**
  - ➔ New branches that have **acquired ZEB certification** have opened \*Kaneko branch, Kuragano branch (March 2026)
- **Environmentally friendly sales activities**
  - ➔ **100 electric vehicles** introduced across all branches to be used as sales vehicles (August 2025)
- **Switching power used at all the Bank's branches to renewable energy sources**
  - ➔ Using "local production for local consumption"-type PPA (Gunma Model \*Provided by Gunma Prefecture Enterprise Bureau), Green Basic Plan (Gunma Prefecture Non-Fossil Certificate \*Provided by TEPCO Energy Partner, Inc.), etc.

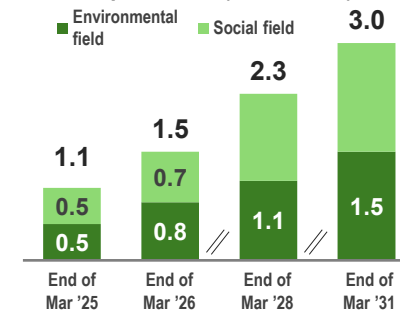
## Natural capital and biodiversity

- **Environmental preservation** through finance and the sale of investment trusts
- Disclosure based on the **TNFD framework**
- Provision of awards and grants to activities that contribute to the regional environment and environmental education for children (**Gungin Foundation**)

\*Also supporting regional arts, culture, and sports activities and involved in social welfare business

## Supporting decarbonization by customers and communities (sustainable financing)

### Total Amount of Sustainable Financing Implemented (Trillion Yen)



### Various kinds of support and services in each phase

- Considering**
  - Support for SDG initiatives
  - SDG/ESG management evaluation and diagnosis (measurement of Scope 1 and Scope 2 possible free of charge)
- Measuring**
  - Visualization of greenhouse gas emissions
- Reducing**
  - Sustainable financing
  - Business matching

### No. of cases of supporting decarbonization (KPI)

FY ended March 2026: 440 cases (actual), FY ending March 2028: 1,000 cases (cumulative target)

- **Launch of Gungin SLL Plus and Gungin SX Support Loans initiatives (April 2025)**
- **Collaboration to generate J-Credits (April 2025 – March 2026)**
  - ➔ The Bank and BYWILL inc. entered a three-party collaboration with four local governments in the prefecture to realize carbon neutrality (striving for local production and local consumption of environmental value).
- **Launch of business matching with Sustech Inc. (enhanced decarbonization support for customers) (April 2026)**
  - ➔ Providing greenhouse gas emission visualization tools and a decarbonization starter package

## Participation in initiatives/ external assessment



## A-rated Certification from CDP

Regarding environmental information disclosure, in a climate change survey conducted in 2025 by the international non-profit CDP, the Bank's climate change initiatives, information disclosure transparency, etc. were evaluated, and it **obtained the highest rating (A)**



# Strengthening External Collaboration

## TSUBASA Alliance (wide-area collaboration)

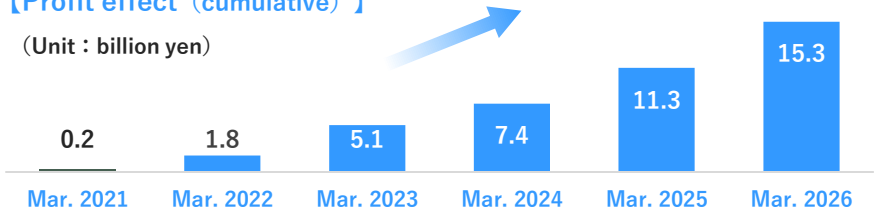
### Major initiatives (FY 2025)



- Presidents of all member banks jointly took an inspection trip to Singapore (Jul. 2025)
- A syndicated loan was created for a large company with the Bank as the arranger (Sep. 2025)
- Signed a memorandum of understanding aimed at joint use of the TSUBASA core banking system in FY2029 (Jan. 2026)
- Seminars for customers were co-hosted by all member banks: DX support for medical institutions (Jul. 2025), iDeCo (Jan. 2026), revision of medical fees in FY2026 (Feb. 2026)

### 【Profit effect (cumulative)】

(Unit : billion yen)



## Gunma Daishi Hokuetsu Alliance (regional collaboration)

### Accelerated strengthening of collaboration toward the business integration



- Customers of both banks (transport industry) executed an M&A together (Sep. 2025)
- Employees (trainees) accepted at the Bank's overseas locations  
➔ Using New York branch to support Daishi Hokuetsu Bank customers
- Campaign to promote cashless transactions run by both banks (Feb. 2026)
- Joint Gungin SDGs Private Placement Bonds: started handling Local Industry Support type (with support for donation recipients) (Apr. 2026)
- Held joint workshop aimed at promoting use of generative AI (Apr. 2026)

### 【Profit effect (cumulative)】

(Unit : billion yen)



※ The TSUBASA synergistic effects described on the left include the Bank's portion.

## Fincross Partnership (wide-area collaboration)



The partnership provides solutions for online advertising, social media management, and other digital marketing through support for partner banks in advanced data utilization, as well as information exchange and training sessions for them.

Partner banks (in the order of the Japanese syllabary)



【Numbers for reference on big data held by the eight banks combined】

Number of ordinary deposit accounts	Approx. 12.30 million accounts	Borrowers	Approx. 0.9 million accounts
-------------------------------------	--------------------------------	-----------	------------------------------

## Ryomo Regional Revitalization Partnership (regional collaboration)

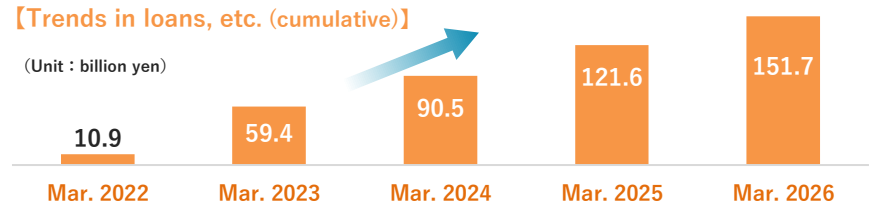
### Major initiatives (FY 2025)

- Conducted joint site visits to shared customers and training sessions for junior employees at branches of both banks, aimed at developing employees and building connections between them.
- Enhanced the cooperation system between headquarters of both banks with aim of enhancing core business and financial support.



### 【Trends in loans, etc. (cumulative)】

(Unit : billion yen)

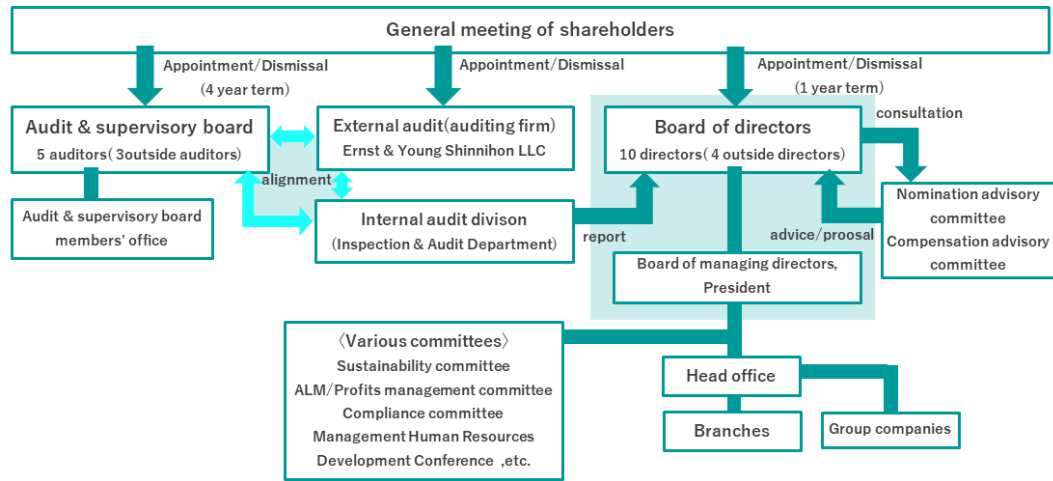


\*Total of syndicated loans, coordinated lending, structured finance, and private placement bonds

# Enhancing Governance

## Corporate governance system

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



## Initiatives for enhance governance

Ongoing initiatives	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	

Key initiatives to date	2005	Appointment of Outside Directors	:2020 Appointment of female Outside Director
	2015	Start of effectiveness assessments for Board of Directors	
	2018	Establishment of Nomination Advisory Committee & Compensation Advisory Committee	
	2019	Foundation and release of basic policy for executive remuneration	
	2019	Introduction of Restricted Share Remuneration Plan and Performance-linked Share Remuneration Plan	
	2021	Preparation and disclosure of skills matrix	
	2022	Establishment of the Sustainability Committee	
	2023	Establishment of the Managerial Career Development Committee	

## Skill matrix

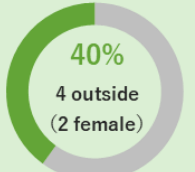
### Internal directors / audit & supervisory board members (Plan)

Name	Job title	Corporate governance/sustainability	Regional economies		Sales	Market management	Management strategy/planning/compliance/new business development	Human resources	Risk management	IT system
			Regional economies	Sales						
Akihiko Fukai	President & Director	●	●	●	●	●	●	●	●	●
Akihiro Goto	Vice President & Director	●	●	●	●	●	●	●	●	●
Takeo Uchibori	Senior Managing Director	●	●	●	●	●	●	●	●	●
Akihiko Horie	Senior Managing Director	●	●	●	●	●	●	●	●	●
Hideyuki Saito	Managing Director	●	●	●	●	●	●	●	●	●
Shizuo Otani	Managing Director	●	●	●	●	●	●	●	●	●
Kimitoshi Mashimo	Audit & Supervisory Board Member	●	●	●	●	●	●	●	●	●
Masayoshi Watanabe	Audit & Supervisory Board Member	●	●	●	●	●	●	●	●	●

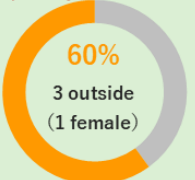
### External directors / audit & supervisory board members (Plan)

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
Kazuhiro Osugi		●			●				
Takuji Kanai	●		●						
Mari Kano			●			●			
Yasuo Kamiya	Audit & Supervisory Board Member				●			●	
Hiroshi Kasahara						●		●	
Sumiko Suzuki				●					

< Ratio of Outside Directors >



< Ratio of Outside Audit & Supervisory Board Members >



※The information above does not necessarily show the entire scope of expertise, experience and knowledge of directors and auditors.

# Sustainable Regional Ecosystem

## Development 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

- Launching collaboration with startup companies through investment in external funds  
→ Aiming to create innovation through collaboration with regional companies
- Created the Gunma Sustainable Tourism Fund in collaboration with financial institutions, etc. in Gunma Prefecture  
→ Contributing to sustainable regional development by reusing vacant shops, etc. in tourism areas, etc.

### ② An ecosystem that increases the productivity of regional businesses

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

- Together with Daishi Hokuetsu Bank, considering BPO services for human resources and labor relations  
→ Helping to increase operational efficiency and improve productivity at regional companies by handling payroll accounting, etc.
- Currently considering sharing and streamlining of operations with TSUBASA banks and financial institutions in Gunma Prefecture

### ③ An ecosystem that enriches regional life

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

- Currently establishing a system for running ads, etc. for regional companies in the Gungin App  
→ Increasing local consumption by sharing information on special offers (coupons, etc.)
- Promoting use of cashless transactions by local governments  
(Supporting 30 out of 35 municipalities in Gunma Prefecture with switching to online bank transfers)

# (Reference) The Mid-Term Business Plan (Overview)

## Positioning and Background of the Mid-Term Business Plan



## Basic Policy

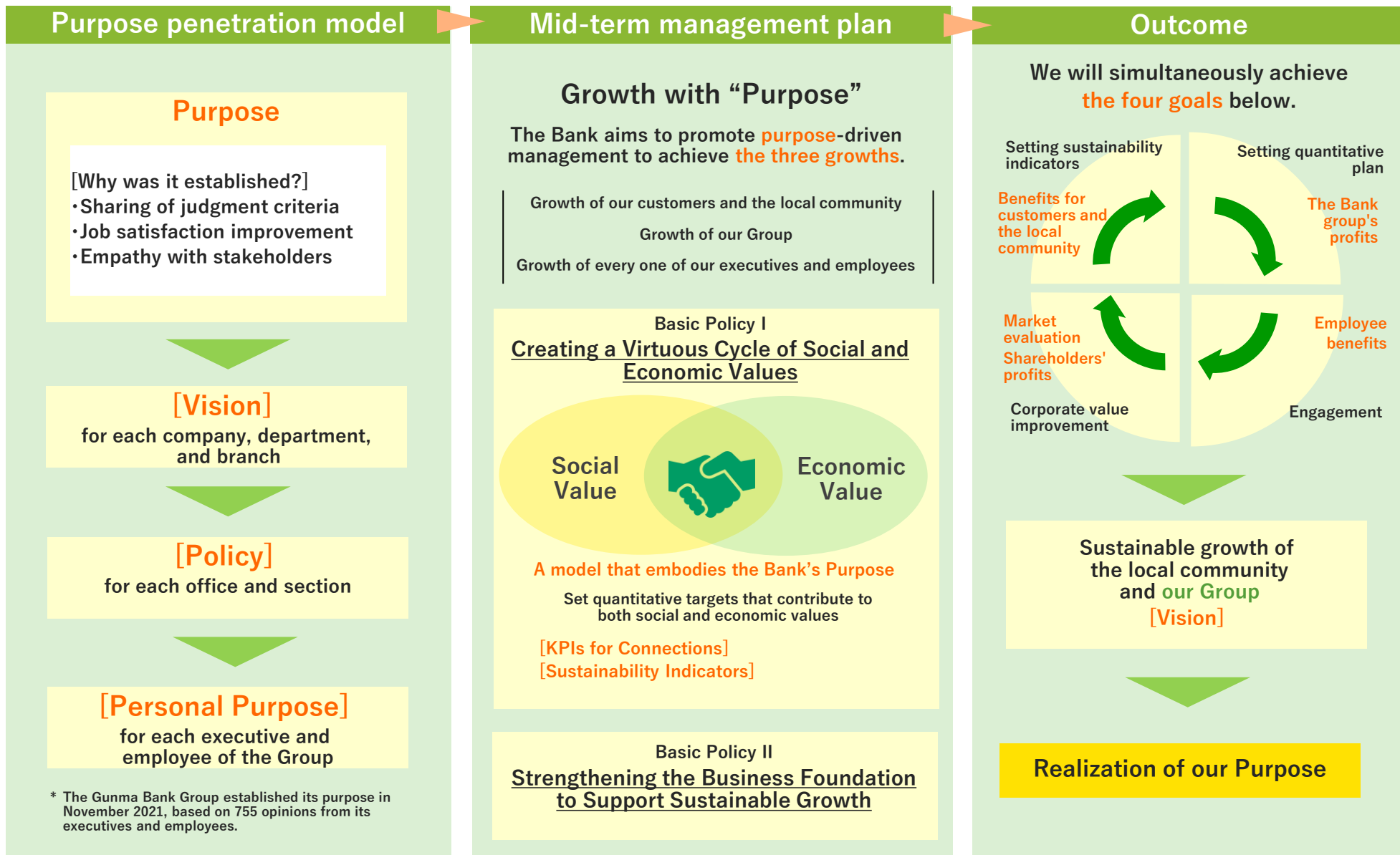
### Basic Policy I Creating a Virtuous Cycle of Social and Economic Values



### 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

# The Mid-Term Business Plan (Purpose-driven Management)



(Reference)

# The Mid-Term Business Plan (Strengthening Purpose-driven Sales)

## Redefining our purpose and business

**Purpose**  
Redefining our purpose and business

### The Gunma Bank Group's business

[Finance]  [Connections] including finance

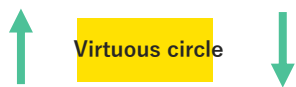
### Profit structure

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  
\*Enhancement of human capital

Utilize AI & data

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

# The Mid-Term Business Plan (KPIs in Connections and Sustainability Indicators)

## KPIs in Connections

**KPIs in Connections** have been established as quantitative targets for the next three years (until Mar.2028) that we will focus on in order to strengthen **purpose-driven sales** (achieving balance between social and economic values).

KPIs in Connections	Item (Apr.2025 ~ Mar.2028)	3 years cumulative	As of the end of March 28th	FY2027 Targets	FY2025 Results	achieving rate
Connecting clients' businesses to the future	Number of business succession issues resolved	○		1,500	754	50.3%
	Number of business matching cases	○		4,000	1978	49.5%
	Number of staffing cases closed	○		350	165	47.1%
Connecting clients' assets to the future	Mortgage loan execution amount	○		350 bil yen	163.4 bil yen	46.7%
	Unsecured consumer loan balance		○*	100 bil yen	87.0 bil yen	37.0%
	Financial assets under custody(consolidated)		○*	1,600 bil yen	1,487.0 bil yen	67.5%
	Of which, investment trusts (consolidated)		○*	700 bil yen	549.6 bil yen	40.3%
	Monthly amount of savings investment trust agreements		○*	6 bil yen	3.1 bil yen	4.3%
	Number of active NISA account holders		○*	100,000	64,000	5.6%
	Inheritance-related business contracts	○		2,000	546	27.3%
Connecting a prosperous environment and society to the future	Amount of sustainable finance executed	○		1,200 bil yen	453.5 bil yen	37.8%
	Number of decarbonization support projects	○		1,000	440	44.0%
Connecting money in the region	Amount of cashless payments handled		○	350 bil yen	291.5 bil yen	30.3%

※The balance item indicates the progress rate towards the growth target.

## Sustainability Indicators

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	FY2025 Results	FY2027 Targets	Long-term targets
Sustainable development of the regional economy	Labor productivity index per corporate client <sup>*1</sup>	104.7	108.0 (Increase +8% from FY2024)	Continue to increase at an annual rate of 2.5%
Responding to DX				
Responding to an aging and declining population with a low birthrate	Financial asset balance index per individual client <sup>*1</sup>	103.6		
Preservation and creation of the global environment	The Bank's greenhouse gas emissions	3,212 t-co <sub>2</sub>		Net zero (FY 2030)
	Percentage reduction in clients' greenhouse gas emissions compared to the previous year <sup>*2</sup>	-1.5%		Continued reduction
Enhancing human capital	Employee engagement index <sup>*1</sup>	102.8		Continued improvement

\*1 Disclose changes by setting the index value at 100 as of the end of FY2024.

\*2 Disclose the average reduction rate of emissions per 1 million yen of sales for measurable customers.

**Please refer to the medium-term business plan document for measurement methods and supplementary explanations. →**



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](mailto:gbir@gunmabank.co.jp)*

The Gunma Bank, Ltd.

# Data Book

Financial Results Briefing Session for the Year Ended March 31,  
2026

May 21, 2026

Presenter : Akihiko Fukai, President

*By connecting the strands of resources, people, and generations,*

*we weave better futures for our communities.*



The Gunma Bank, Ltd.

(Tokyo Stock Exchange Prime Market : 8334)



GUNMA BANK REPORT 2025

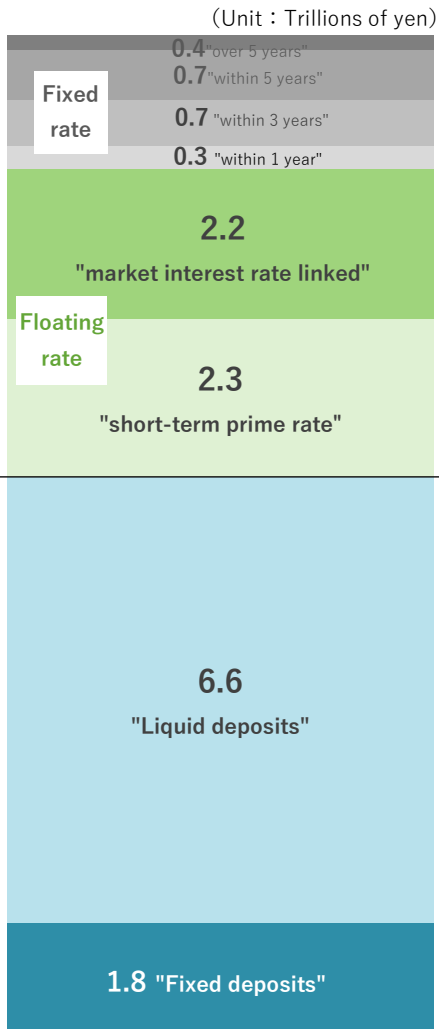
# Data Book Contents

Financial Results Briefing Session for the Year Ended March 31, 2026

Page			
3	Interest Rate Sensitivity Analysis "Yen (deposits & loans)"	16	Disclosed Claims under the "FRL" and the Self-Assessment Guideline
4	Earning Assets and Funds	17	Transition in Loans by Borrower Category
5	Cross-border Loan and Structured Finance	18	Capital
6	Profit and Loss Conditions (Consolidated)	19	Capital Distribution
7	Profit and Loss Conditions (Non-consolidated)	20	Shareholders Return
8	Non-interest Business Profit	21	Shareholders Structure
9	Loans (by business field and region)	22	Branch Network
10	Loans (SMEs by Industry)	23	Group Companies
11	Loans (Housing-related)	24	Materials to Help You Understand the Gunma Bank through Graphs
12	Earning Assets and Funds Balance	28	Efforts to Address Climate Change
13	Rates of Yield and the Profit Margins of Interest Rates	30	Human Capital
14	Deposits · Deposit Financial Assets	31	Attractiveness of Gunma Prefecture
15	Securities	34	Economic Trends in Gunma Prefecture

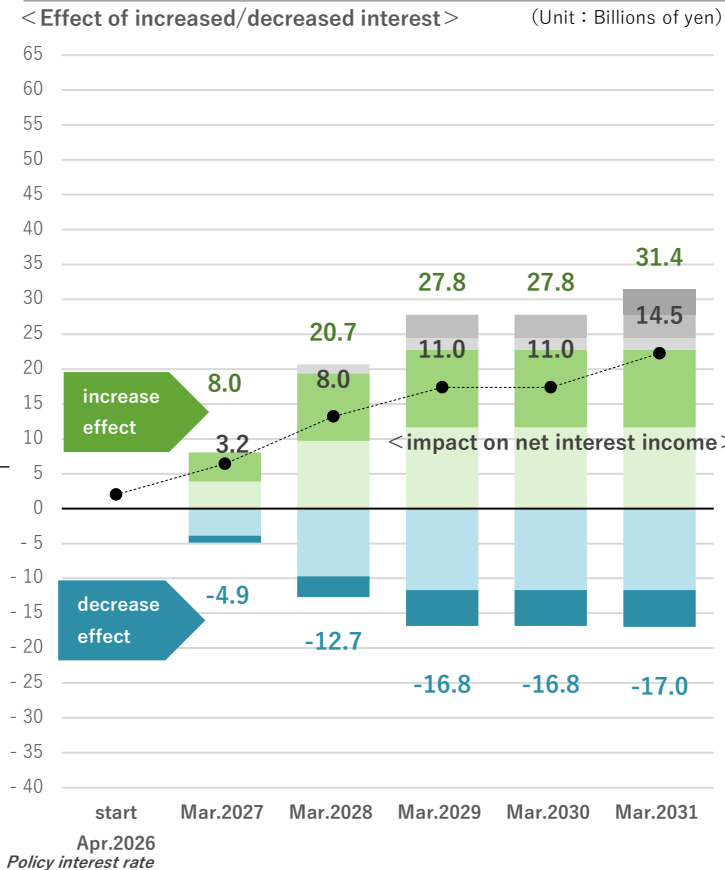
# Interest Rate Sensitivity Analysis "Yen (deposits & loans)"

End of Mar. 2026  
**Assets & Funds Portfolio (yen)**  
 (Balances assumed in the calculations on the right)



**Main scenario simulation**

Policy interest rate	0.75% → 1.00% (Jun. 2026)
	1.00% → 1.25% (Jun. 2027)

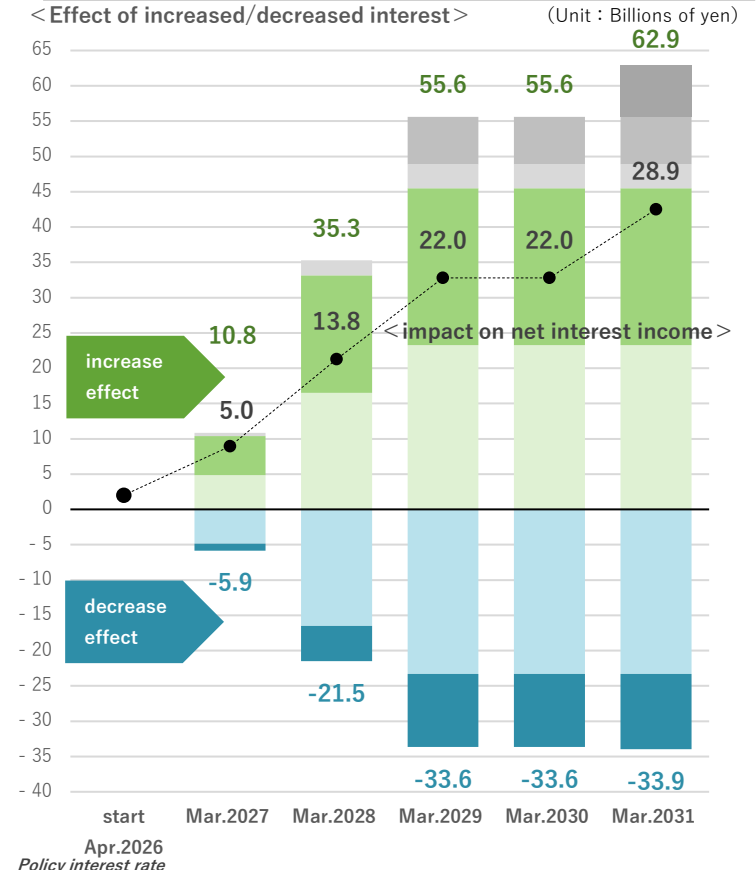


0.75% → 1.00% → 1.25%

\*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 two months after the month in which it is decided.

**Sub scenario simulation**

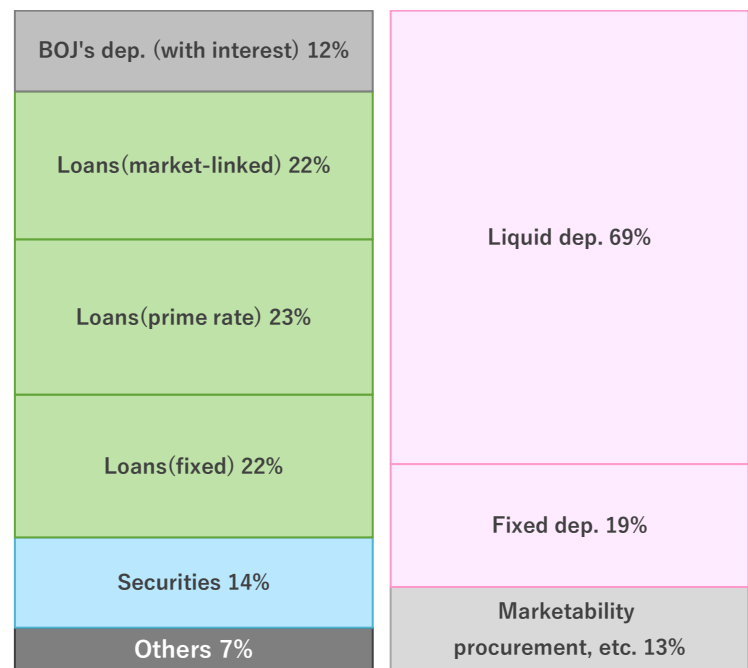
Policy interest rate	0.75% → 1.00% (Jun. 2026)
	1.00% → 1.25% (Dec. 2026)
	1.25% → 1.50% (Jun. 2027)
	1.50% → 1.75% (Dec. 2027)



0.75% → 1.00% → 1.25% → 1.75%

# Earning Assets and Funds

## Yen account (ending balance)



Earning assets 9.9 trillion yen

Funds 9.5 trillion yen

※interest -free due from banks not included

### 【Loans】

In anticipation of rising interest rates, we have promoted market interest rate-linked loans, as an effort to increase **the interest rate sensitivity of loans**.

→It **rose** from 31% to **55%** in 5 years.

### 【Securities】

Unrealized gains "yen" -9.3 billion yen

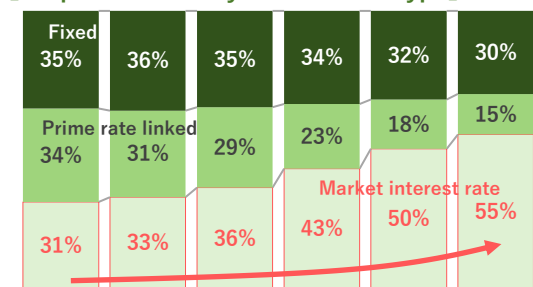
Estimated value for a 10 basis points rise in parallel in interest rates →-2.6 billion yen

Estimated value if the stock price falls by 10% →-24.2 billion yen

### 【Deposits】

Deposits are **mainly from individuals**, have a high insured deposit ratio and **highly sticky**.

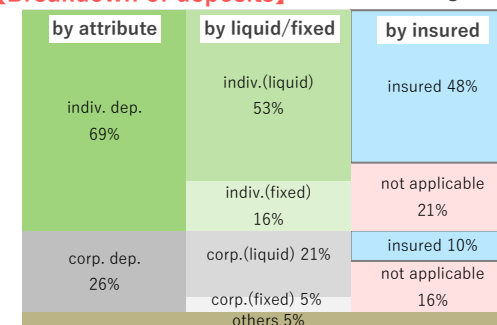
### 【Corporate loans by interest rate type】



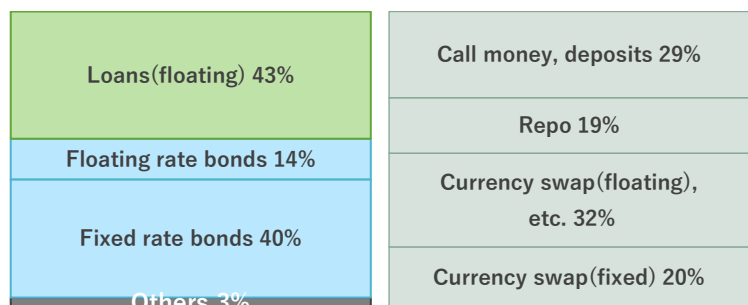
Mar.2021 Mar.2022 Mar.2023 Mar.2024 Mar.2025 Mar.2026

### 【Breakdown of deposits】

Insurance coverage is 58%



## Foreign currency account (ending balance)



Earning assets 1.1 trillion yen

Funds 1.1 trillion yen

### 【Loans】

Loans are floating rate loans only.

### 【Securities】

Unrealized gains "dollar" 9.4 billion yen

Estimated value for a 10 basis points rise in parallel in interest rates → -2.6 billion yen

Estimated value if the stock price falls by 10% → - billion yen

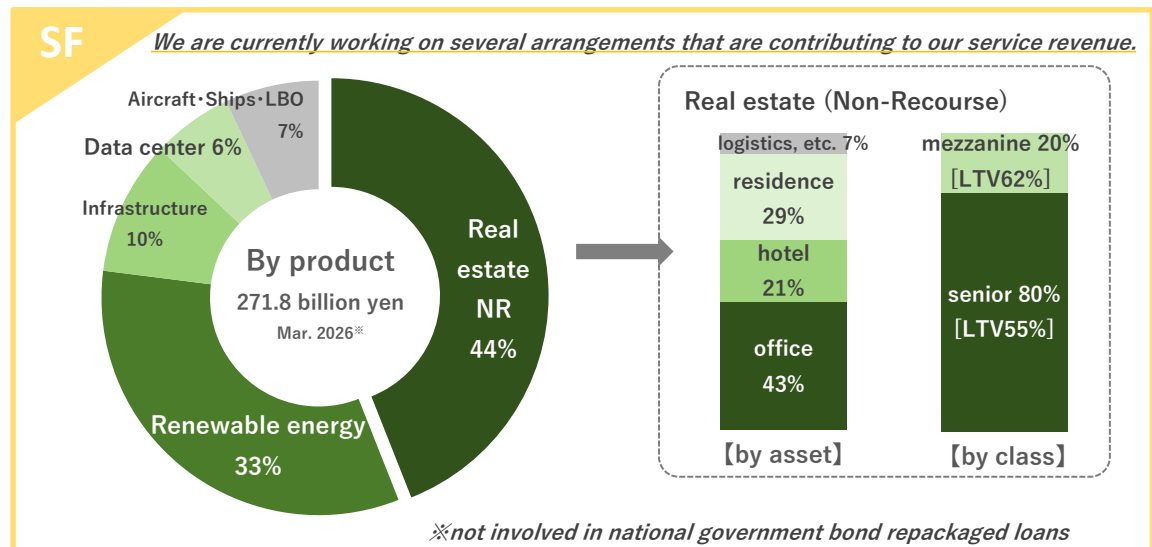
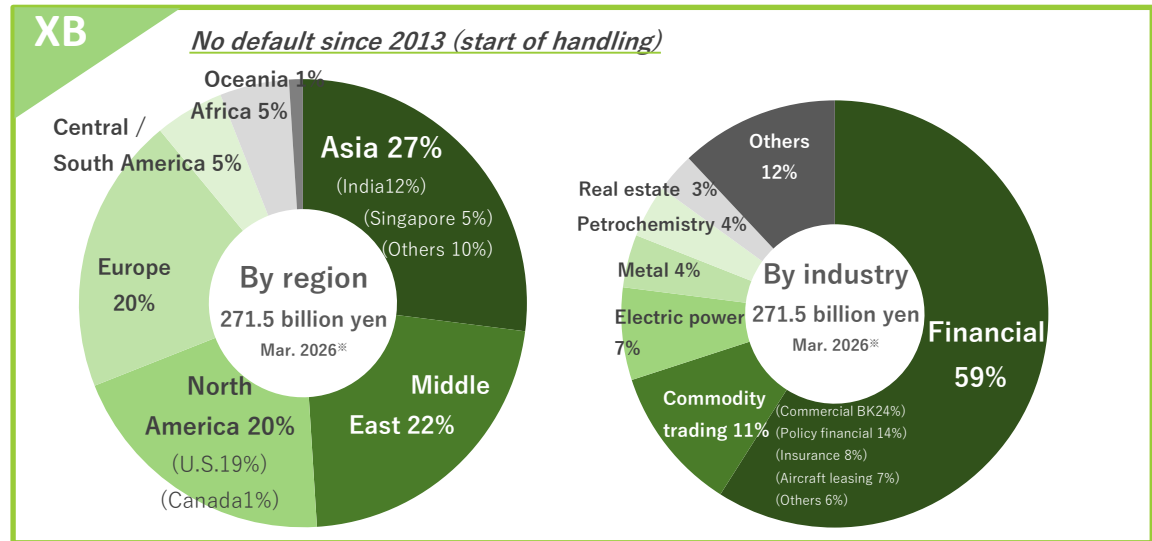
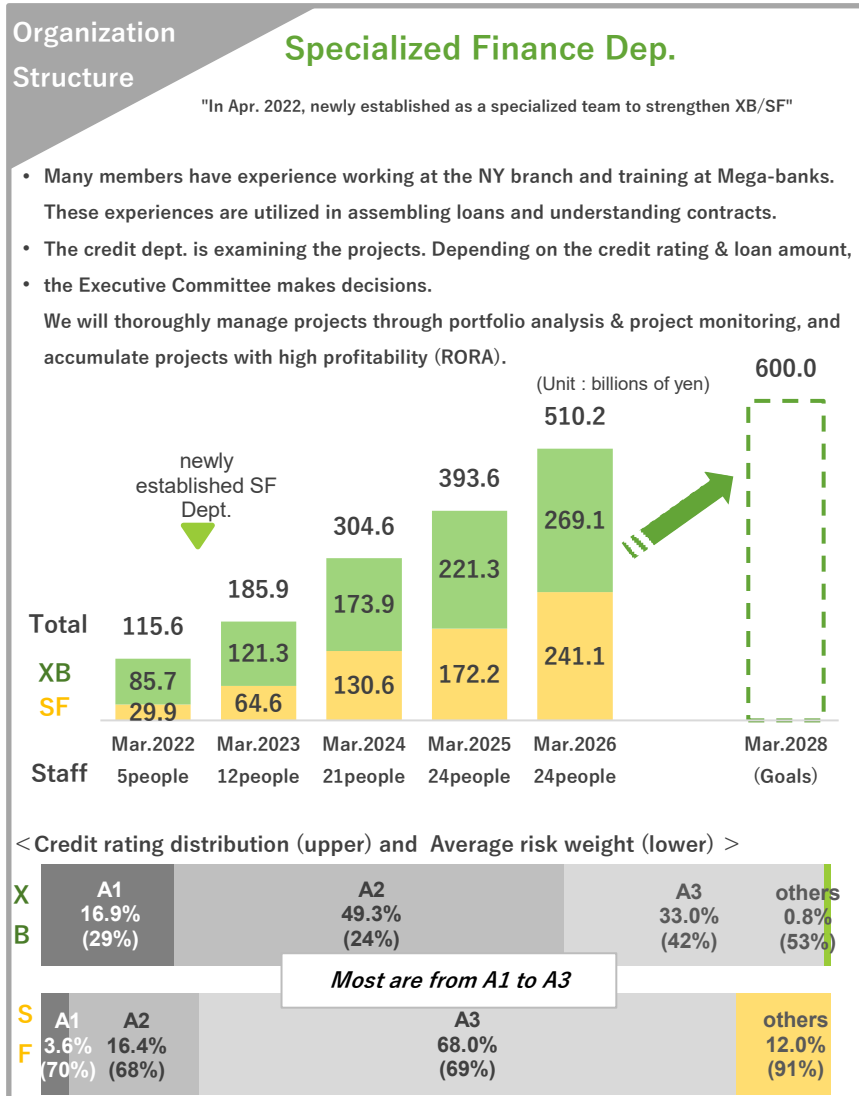
Estimated value when exchange rate rises by 10% → -0.5 billion yen

### 【Market procure】

Until now : increasing procurement of fixed interest rates (fixed currency swap).

From now : We will monitor interest rate trends, increase short funding, and aim to expand interest spreads on dollar-denominated fixed income bonds (GNMA) .

# Cross-border Loan and Structured Finance



※Contract amount basis : Includes amounts scheduled for future execution under contract.

# Profit and Loss Conditions (Consolidated)

(Unit : Billions of yen)

	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar.2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
<b>Core gross business profits</b>	<b>86.4</b>	<b>48.3</b>	<b>92.5</b>	<b>48.3</b>	<b>92.4</b>	<b>47.6</b>	<b>90.2</b>	<b>51.9</b>	<b>107.7</b>	<b>66.5</b>	<b>134.6</b>
Net interest income	67.2	37.4	72.0	36.6	71.4	34.9	66.0	38.6	82.1	51.6	105.2
Non-interest business profit	19.1	10.8	20.5	11.7	21.0	12.7	24.2	13.2	25.6	14.8	29.3
<b>Expenses ( - ) (excluding non-recurrent expenses)</b>	<b>55.4</b>	<b>27.7</b>	<b>55.2</b>	<b>26.6</b>	<b>52.2</b>	<b>25.9</b>	<b>52.1</b>	<b>27.6</b>	<b>54.8</b>	<b>29.4</b>	<b>60.0</b>
<b>Core net business profit</b>	<b>30.9</b>	<b>20.6</b>	<b>37.3</b>	<b>21.7</b>	<b>40.2</b>	<b>21.7</b>	<b>38.0</b>	<b>24.3</b>	<b>52.9</b>	<b>37.0</b>	<b>74.5</b>
*excluding gains/losses on cancellation of investment trusts	<b>30.6</b>	<b>18.9</b>	<b>36.8</b>	<b>21.2</b>	<b>39.9</b>	<b>23.4</b>	<b>45.4</b>	<b>26.1</b>	<b>55.5</b>	<b>34.4</b>	<b>71.1</b>
<b>Gains or losses on investment securities</b>	<b>12.6</b>	<b>5.5</b>	<b>9.6</b>	<b>-1.7</b>	<b>-1.7</b>	<b>-3.5</b>	<b>5.7</b>	<b>6.4</b>	<b>8.4</b>	<b>3.4</b>	<b>11.3</b>
Gains (losses) on bonds	3.1	0.7	-1.2	-18.1	-28.7	-21.7	-24.5	-8.1	-11.7	-6.5	-5.3
Gains (losses) on stocks and other securities	9.4	4.7	10.8	16.3	27.0	18.2	30.2	14.5	20.2	9.9	16.7
<b>Net credit costs ( - )</b>	<b>22.4</b>	<b>2.9</b>	<b>8.3</b>	<b>2.3</b>	<b>1.2</b>	<b>-0.8</b>	<b>1.1</b>	<b>-0.0</b>	<b>3.1</b>	<b>1.5</b>	<b>3.4</b>
<b>Others</b>	<b>-1.0</b>	<b>0.4</b>	<b>0.4</b>	<b>0.6</b>	<b>1.0</b>	<b>0.6</b>	<b>1.1</b>	<b>1.5</b>	<b>3.7</b>	<b>1.6</b>	<b>2.3</b>
<b>Ordinary profit</b>	<b>20.0</b>	<b>23.6</b>	<b>39.1</b>	<b>18.2</b>	<b>38.3</b>	<b>19.6</b>	<b>43.7</b>	<b>32.2</b>	<b>62.0</b>	<b>40.5</b>	<b>84.8</b>
<b>Extraordinary income (losses)</b>	<b>-0.2</b>	<b>-1.2</b>	<b>0.6</b>	<b>1.2</b>	<b>0.5</b>	<b>-0.2</b>	<b>-0.8</b>	<b>-0.3</b>	<b>-0.6</b>	<b>-0.5</b>	<b>-1.0</b>
<b>Total income taxes ( - )</b>	<b>6.3</b>	<b>7.0</b>	<b>13.3</b>	<b>5.6</b>	<b>10.9</b>	<b>4.5</b>	<b>11.8</b>	<b>8.9</b>	<b>17.4</b>	<b>12.1</b>	<b>24.9</b>
<b>Profit attributable to owners of parent</b>	<b>13.5</b>	<b>15.3</b>	<b>26.4</b>	<b>13.7</b>	<b>27.9</b>	<b>14.8</b>	<b>31.1</b>	<b>22.9</b>	<b>43.9</b>	<b>27.8</b>	<b>58.8</b>

## Various ratios

<b>OHR</b> *including gains/losses on cancellation of investment trusts (%)	<b>64.1</b>	<b>57.4</b>	<b>59.6</b>	<b>55.0</b>	<b>56.4</b>	<b>54.3</b>	<b>57.8</b>	<b>53.1</b>	<b>50.8</b>	<b>44.2</b>	<b>44.6</b>
<b>OHR</b> *excluding gains/losses on cancellation of investment trusts (%)	<b>64.4</b>	<b>59.4</b>	<b>60.0</b>	<b>55.5</b>	<b>56.6</b>	<b>52.4</b>	<b>53.4</b>	<b>51.3</b>	<b>49.6</b>	<b>46.0</b>	<b>45.7</b>
<b>ROE</b> (%)	<b>2.6</b>	<b>5.5</b>	<b>4.9</b>	<b>5.3</b>	<b>5.3</b>	<b>5.7</b>	<b>5.7</b>	<b>8.0</b>	<b>7.7</b>	<b>9.6</b>	<b>10.0</b>

## Reference : Employees

<b>Number of Group employees</b> (person)	<b>3,175</b>	<b>3,240</b>	<b>3,153</b>	<b>3,157</b>	<b>3,061</b>	<b>3,057</b>	<b>2,983</b>	<b>3,001</b>	<b>2,927</b>	<b>2,979</b>	<b>2,899</b>
<b>Of which, Bank's employees</b> (person)	<b>2,976</b>	<b>3,035</b>	<b>2,953</b>	<b>2,957</b>	<b>2,860</b>	<b>2,844</b>	<b>2,767</b>	<b>2,787</b>	<b>2,705</b>	<b>2,742</b>	<b>2,650</b>

# Profit and Loss Conditions (Non-consolidated)

(Unit : Billions of yen)

	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
<b>Core gross business profits</b>	<b>80.2</b>	<b>44.7</b>	<b>85.2</b>	<b>44.7</b>	<b>85.9</b>	<b>44.2</b>	<b>83.5</b>	<b>48.4</b>	<b>100.7</b>	<b>62.6</b>	<b>126.1</b>
Net interest income	68.5	37.7	72.3	36.7	71.7	35.0	66.3	38.8	82.5	51.9	105.9
Of which, Interest on loans and discounts	54.2	26.7	53.5	28.1	58.7	33.6	69.1	38.0	80.7	48.7	102.6
Of which, Interest and dividends on securities	15.6	10.9	18.8	12.3	26.3	19.8	35.8	22.4	47.6	28.1	56.2
Of which, Gain (loss) on cancellation of investment trusts	0.3	1.6	0.5	0.4	0.3	-1.6	-7.4	-1.8	-2.5	2.6	3.3
Net fees and commissions	10.9	6.2	11.0	6.4	11.8	7.9	14.9	7.9	15.0	9.5	17.8
Others (excluding gain (loss) on bonds)	0.7	0.7	1.9	1.4	2.4	1.2	2.2	1.5	3.0	1.0	2.3
<b>Expenses ( - ) (excluding non-recurrent expenses)</b>	<b>53.6</b>	<b>26.8</b>	<b>53.3</b>	<b>25.6</b>	<b>50.2</b>	<b>24.9</b>	<b>50.3</b>	<b>26.5</b>	<b>52.7</b>	<b>28.3</b>	<b>57.6</b>
Personnel expenses	29.4	14.2	28.3	14.2	27.9	14.0	27.7	14.5	28.9	15.4	31.3
Non-Personnel expenses	21.1	10.9	22.1	9.9	19.5	9.5	19.7	10.3	20.7	11.0	22.7
Taxes	2.9	1.5	2.8	1.4	2.7	1.3	2.8	1.6	3.0	1.9	3.6
<b>Core net business profit</b>	<b>26.6</b>	<b>17.9</b>	<b>31.9</b>	<b>19.0</b>	<b>35.6</b>	<b>19.2</b>	<b>33.2</b>	<b>21.8</b>	<b>47.9</b>	<b>34.2</b>	<b>68.5</b>
<i>*excluding gains/losses on cancellation of investment trusts</i>	<i>26.2</i>	<i>16.2</i>	<i>31.4</i>	<i>18.6</i>	<i>35.3</i>	<i>20.9</i>	<i>40.6</i>	<i>23.7</i>	<i>50.5</i>	<i>31.6</i>	<i>65.1</i>
Gains or losses on investment securities See table below	12.5	5.5	9.6	-1.7	-1.7	-3.5	5.7	6.4	8.5	3.4	11.3
Net credit costs ( - ) See table below	21.0	2.5	7.3	2.3	1.0	-1.1	0.6	0.1	2.3	1.5	3.2
Other non-recurrent gains (losses)	-1.2	0.3	0.2	0.4	0.7	0.4	0.8	1.3	3.4	1.4	2.0
<b>Ordinary profit</b>	<b>16.8</b>	<b>21.2</b>	<b>34.4</b>	<b>15.4</b>	<b>33.5</b>	<b>17.3</b>	<b>39.1</b>	<b>29.5</b>	<b>57.5</b>	<b>37.5</b>	<b>78.7</b>
Extraordinary gains (losses)	-0.2	-1.2	0.6	1.2	0.6	-0.2	-0.8	-0.3	-0.6	-0.5	-1.0
Total income taxes ( - )	4.9	6.1	11.7	4.8	9.5	3.5	10.2	8.5	16.5	11.1	22.9
<b>Profit</b>	<b>11.6</b>	<b>13.8</b>	<b>23.3</b>	<b>11.8</b>	<b>24.6</b>	<b>13.4</b>	<b>28.1</b>	<b>20.6</b>	<b>40.4</b>	<b>25.7</b>	<b>54.7</b>
<b>Gains or losses on investment securities</b>	<b>12.5</b>	<b>5.5</b>	<b>9.6</b>	<b>-1.7</b>	<b>-1.7</b>	<b>-3.5</b>	<b>5.7</b>	<b>6.4</b>	<b>8.5</b>	<b>3.4</b>	<b>11.3</b>
Gains (losses) on bonds	3.1	0.7	-1.2	-18.1	-28.7	-21.7	-24.5	-8.1	-11.7	-6.5	-5.3
Gain on sales	3.6	3.5	4.4	3.1	3.2	1.2	1.3	0.1	0.1	1.1	3.0
Gain on redemption	0.0	-	-	-	-	-	-	0.0	0.0	-	-
Loss on sales ( - )	0.4	2.8	5.6	21.0	31.4	22.6	25.3	7.8	11.0	7.1	7.5
Loss on redemption ( - )	-	-	-	0.2	0.5	0.3	0.5	0.3	0.7	0.5	0.8
Loss on devaluation ( - )	-	-	-	-	-	0.0	0.0	0.0	-	-	0.0
Gains (losses) on stocks and other securities	9.3	4.8	10.8	16.3	27.0	18.2	30.2	14.5	20.2	9.9	16.7
Gain on sales	12.3	6.0	14.6	17.3	28.5	19.0	32.0	15.6	22.6	13.9	22.6
Loss on sales ( - )	2.9	1.1	3.7	0.8	1.3	0.7	1.7	1.0	2.3	4.0	5.8
Loss on devaluation ( - )	0.0	0.0	0.0	0.1	0.1	-	0.0	0.0	0.0	0.0	0.0
<b>Net credit costs ( - )</b> i + ii - iii - iv	<b>21.0</b>	<b>2.5</b>	<b>7.3</b>	<b>2.3</b>	<b>1.0</b>	<b>-1.1</b>	<b>0.6</b>	<b>0.1</b>	<b>2.3</b>	<b>1.5</b>	<b>3.2</b>
Net transfer to general allowance for loan losses i	14.5	0.1	-1.5	0.0	-1.8	[-1.6]	-1.5	[-0.4]	-1.1	0.1	0.0
Disposal of non-performing loans ii	6.4	2.4	8.9	2.3	2.9	0.1	2.1	0.1	3.7	1.4	3.6
(Net transfer to specific allowance for loan losses)	5.9	2.2	8.1	2.1	2.6	[-0.2]	1.8	[0.3]	3.2	1.2	2.4
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	0.2	0.0	0.4
(Net credit cost ratio)	(0.36%)	(0.08%)	(0.12%)	(0.08%)	(0.01%)	(-0.03%)	(0.00%)	(0.00%)	(0.03%)	(0.04%)	(0.04%)

# Non-interest Business Profit

(Unit : Millions of yen)

	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
<b>Non-interest business profit (consolidated)</b>	<b>11,709</b>	<b>21,022</b>	<b>12,766</b>	<b>24,214</b>	<b>13,251</b>	<b>25,601</b>	<b>14,877</b>	<b>29,339</b>
Net fees and commissions income	(7,624)	(14,442)	(10,079)	(19,147)	(10,318)	(19,830)	(12,227)	(23,777)
Profit from other business transactions	(4,085)	(6,580)	(2,687)	(5,067)	(2,933)	(5,771)	(2,649)	(5,561)
<b>Corporate service revenue</b>	<b>2,984</b>	<b>6,008</b>	<b>3,432</b>	<b>7,571</b>	<b>4,836</b>	<b>9,633</b>	<b>5,139</b>	<b>10,742</b>
Syndicate loans	399	917	643	1,461	691	1,477	1,090	2,287
Business matching	288	625	371	829	432	929	600	1,142
M & A	163	392	364	788	312	717	267	733
SDGs-related ※1	6	39	46	273	319	828	624	1,361
Derivatives (interest rate and foreign exchange)	1,500	2,574	788	1,649	1,796	3,077	969	1,973
Real estate for sale	–	113	370	769	500	1,045	572	1,227
Gungin Consulting	50	150	213	526	304	573	428	868
Structured Covenant loans	204	418	229	416	189	353	210	314
Business Insurance for Corporations	79	175	154	354	154	338	129	252
Subsidy Support service	68	142	91	183	29	90	94	295
Others ※2	224	457	159	317	105	201	151	285
<b>Deposit financial assets revenue</b>	<b>3,685</b>	<b>6,850</b>	<b>3,852</b>	<b>7,624</b>	<b>4,161</b>	<b>8,217</b>	<b>4,471</b>	<b>9,507</b>
Investment trust	969	1,848	1,052	2,196	1,189	2,216	914	2,090
Insurance sales commissions (for individuals)	1,043	2,386	1,284	2,628	1,313	2,521	1,455	2,646
Gungin Securities	1,523	2,314	1,338	2,431	1,450	3,024	1,824	4,190
Commissions for testamentary trust /Inheritance sorting, etc.	148	301	177	367	208	456	277	580
<b>Others</b>	<b>5,039</b>	<b>8,163</b>	<b>5,481</b>	<b>9,018</b>	<b>4,253</b>	<b>7,750</b>	<b>5,266</b>	<b>9,089</b>
Dividends of group credit life insurance	1,705	1,706	1,906	2,077	1,186	1,197	1,802	1,862
Loan guarantee fee (expenses)	-3,167	-6,375	-3,332	-6,660	-3,498	-7,045	-3,660	-7,409
Base service commissions	3,997	8,014	3,997	8,030	4,103	8,267	4,224	8,446
Gungin Leasing	1,339	2,578	1,277	2,537	1,291	2,579	1,512	3,152
Gunma Credit Guarantee	809	1,613	783	1,547	740	1,450	689	1,359
Others	356	626	848	1,486	430	1,302	698	1,677

※1 "SDGs-related (Mar.2026)" includes "Gungin SLL, SLL", "SDGs initiative support service", "Positive Impact Finance", "SDGs/ESG management evaluation and diagnostic service".

※2 "Others (Mar.2026)" includes "Specific Loan Facility Agreements", "Private placement bonds", "401k", "Crowdfunding", "Mikatano service", etc. .

# Loans (by business field and region)

(Unit : Billions of yen)

By business field (ending balance)	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
<b>Loans (ending balance)</b>	<b>5,749.6</b>	<b>5,733.9</b>	<b>5,818.1</b>	<b>5,861.1</b>	<b>6,049.7</b>	<b>6,244.7</b>	<b>6,467.8</b>	<b>6,601.0</b>	<b>6,845.1</b>	<b>7,042.1</b>	<b>7,226.1</b>
Domestic branches	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	6,880.0	7,045.5
<b>Corporations</b>	<b>3,169.4</b>	<b>3,117.5</b>	<b>3,188.3</b>	<b>3,175.9</b>	<b>3,306.0</b>	<b>3,397.3</b>	<b>3,527.8</b>	<b>3,579.9</b>	<b>3,701.6</b>	<b>3,794.1</b>	<b>3,849.8</b>
Large enterprises	591.5	610.8	676.4	691.8	781.1	853.1	908.7	949.2	1,009.9	1,084.9	1,095.4
Second-tier enterprises	90.8	89.7	81.0	77.4	76.1	71.1	61.7	61.8	60.9	66.8	61.0
SMEs	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	2,642.3	2,693.3
<b>Public entities, etc. ※</b>	<b>92.4</b>	<b>110.8</b>	<b>116.7</b>	<b>112.2</b>	<b>110.2</b>	<b>105.9</b>	<b>106.2</b>	<b>106.1</b>	<b>103.5</b>	<b>101.7</b>	<b>99.6</b>
<b>Individuals</b>	<b>2,316.6</b>	<b>2,324.7</b>	<b>2,337.0</b>	<b>2,351.0</b>	<b>2,373.7</b>	<b>2,394.6</b>	<b>2,425.4</b>	<b>2,459.9</b>	<b>2,493.4</b>	<b>2,534.1</b>	<b>2,585.7</b>
Housing loans	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	1,496.1	1,535.3
Apartment loans	649.8	649.4	650.0	653.6	660.1	666.8	677.3	686.7	695.3	699.6	706.5
Unsecured consumer loans	54.7	55.4	57.3	58.7	62.9	66.6	71.3	75.4	79.3	83.2	87.0
<b>Cross-border loans</b>	<b>90.7</b>	<b>90.0</b>	<b>85.7</b>	<b>108.8</b>	<b>121.3</b>	<b>155.4</b>	<b>173.9</b>	<b>187.1</b>	<b>221.3</b>	<b>246.5</b>	<b>269.1</b>
<b>Structured finance</b>	<b>26.0</b>	<b>28.5</b>	<b>30.0</b>	<b>38.9</b>	<b>64.6</b>	<b>102.8</b>	<b>130.6</b>	<b>151.3</b>	<b>172.2</b>	<b>203.5</b>	<b>241.1</b>
Overseas branch	54.2	62.1	60.2	74.2	75.6	88.5	103.6	116.3	152.9	162.0	180.6

※ The balance includes loans to local public corporations, and there are no loans to the central government.

## By region (ending balance : domestic branches)

<b>Total (domestic branches)</b>	<b>5,695.3</b>	<b>5,671.7</b>	<b>5,757.8</b>	<b>5,786.8</b>	<b>5,974.0</b>	<b>6,156.1</b>	<b>6,364.1</b>	<b>6,484.6</b>	<b>6,692.1</b>	<b>6,880.0</b>	<b>7,045.5</b>
<b>*percentage indicates YoY change.</b>	<b>2.66%</b>		<b>1.10%</b>		<b>3.75%</b>		<b>6.52%</b>		<b>5.15%</b>		<b>5.28%</b>
<b>Gunma</b>	<b>2,439.6</b>	<b>2,436.7</b>	<b>2,431.2</b>	<b>2,421.7</b>	<b>2,441.2</b>	<b>2,454.6</b>	<b>2,486.2</b>	<b>2,502.4</b>	<b>2,507.7</b>	<b>2,525.5</b>	<b>2,541.0</b>
Saitama	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	1,140.3	1,160.5
Tochigi	509.5	504.0	505.9	501.6	505.5	502.8	512.8	514.0	517.2	518.9	518.4
Tokyo, Kanagawa, and Osaka	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	2,147.7	2,217.7
Head Office, etc.	209.0	211.2	210.0	242.6	282.2	355.0	402.4	436.9	491.6	547.6	607.7

# Loans (SMEs by Industry)

(Unit : Billions of yen)

(ending balance)	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
<b>Manufacturing</b>	<b>482.1</b>	<b>475.6</b>	<b>472.8</b>	<b>475.1</b>	<b>480.6</b>	<b>485.0</b>	<b>485.0</b>	<b>481.0</b>	<b>480.6</b>	<b>476.0</b>	<b>475.6</b>
Gunma	300.3	297.1	298.0	300.1	301.4	305.9	305.3	302.2	298.7	296.9	293.8
Saitama	91.3	88.9	85.0	83.8	84.3	83.2	82.5	81.3	82.3	79.8	80.6
Tochigi	62.1	61.4	62.1	63.3	66.0	66.0	67.5	68.5	69.2	68.0	69.8
Tokyo and Kanagawa	22.6	22.6	22.4	22.1	22.3	22.7	22.2	21.7	22.9	23.9	24.3
Others	5.7	5.4	5.0	5.6	6.5	7.1	7.3	7.2	7.3	7.1	7.0
<b>Construction</b>	<b>188.6</b>	<b>183.1</b>	<b>185.5</b>	<b>181.1</b>	<b>187.8</b>	<b>181.7</b>	<b>189.8</b>	<b>184.4</b>	<b>194.7</b>	<b>186.5</b>	<b>190.7</b>
Gunma	118.0	112.2	114.5	108.9	115.0	109.9	115.3	111.0	118.3	110.1	112.3
Saitama	30.5	30.6	30.7	30.6	30.6	30.6	32.1	31.1	32.6	33.9	34.5
Tochigi	21.9	21.8	21.6	21.7	22.2	21.5	21.6	21.2	21.0	20.4	19.8
Tokyo and Kanagawa	15.2	15.8	15.9	17.4	17.5	17.4	18.3	18.6	20.4	19.6	21.5
Others	2.7	2.4	2.6	2.4	2.3	2.1	2.3	2.2	2.1	2.4	2.4
<b>Wholesaling and retailing</b>	<b>352.7</b>	<b>352.2</b>	<b>355.3</b>	<b>352.9</b>	<b>358.6</b>	<b>367.0</b>	<b>385.6</b>	<b>387.5</b>	<b>388.7</b>	<b>388.7</b>	<b>384.5</b>
Gunma	189.7	191.4	193.9	196.9	197.0	202.1	217.3	219.4	215.3	213.3	209.2
Saitama	83.5	80.3	78.4	74.9	79.0	78.0	81.2	79.3	80.9	79.7	79.5
Tochigi	38.1	38.8	40.5	40.3	41.6	41.7	42.5	43.5	43.6	45.3	43.3
Tokyo and Kanagawa	37.6	38.0	38.7	37.2	37.7	41.7	41.2	41.8	45.2	46.5	48.5
Others	3.7	3.6	3.5	3.3	3.1	3.2	3.2	3.3	3.4	3.7	3.8
<b>Real estate</b>	<b>448.7</b>	<b>438.3</b>	<b>441.9</b>	<b>450.3</b>	<b>459.8</b>	<b>477.4</b>	<b>498.3</b>	<b>511.3</b>	<b>530.5</b>	<b>535.9</b>	<b>554.3</b>
Gunma	128.3	127.1	128.6	127.8	131.3	130.8	132.9	132.5	131.6	129.4	132.6
Saitama	148.4	139.4	139.0	139.9	140.2	141.8	144.5	146.1	151.4	148.4	150.0
Tochigi	48.0	47.0	48.1	48.1	48.8	50.1	52.7	53.7	54.5	55.3	55.5
Tokyo and Kanagawa	119.2	120.1	120.8	129.3	134.1	149.0	162.2	172.5	186.7	196.7	209.8
Others	4.7	4.5	5.2	5.0	5.2	5.4	5.9	6.3	6.1	6.0	6.2
<b>Healthcare and public welfare</b>	<b>292.6</b>	<b>289.9</b>	<b>291.1</b>	<b>285.0</b>	<b>283.5</b>	<b>282.9</b>	<b>285.6</b>	<b>288.9</b>	<b>283.4</b>	<b>284.1</b>	<b>285.0</b>
Gunma	122.7	122.5	122.3	118.3	116.7	116.2	115.3	117.9	114.6	114.7	115.0
Saitama	64.5	64.2	65.6	64.7	64.5	64.9	66.1	65.4	62.6	62.7	62.6
Tochigi	15.2	15.1	14.8	14.5	14.6	14.5	14.2	14.0	13.5	13.5	13.2
Tokyo and Kanagawa	87.2	86.6	87.0	86.1	86.3	85.9	88.5	90.2	91.1	91.5	92.5
Others	2.6	1.3	1.3	1.3	1.3	1.2	1.3	1.3	1.4	1.5	1.5
<b>Other services</b>	<b>268.4</b>	<b>264.3</b>	<b>260.7</b>	<b>247.3</b>	<b>247.7</b>	<b>246.3</b>	<b>250.2</b>	<b>253.4</b>	<b>255.1</b>	<b>256.3</b>	<b>260.3</b>
Gunma	151.1	148.8	147.7	138.6	139.4	139.7	139.6	141.7	141.6	139.8	141.8
Saitama	54.7	53.7	50.9	49.1	50.2	48.7	51.1	52.6	51.3	53.2	53.8
Tochigi	31.7	30.7	30.5	28.4	28.8	28.4	28.4	27.7	28.6	27.6	28.4
Tokyo and Kanagawa	28.6	28.8	28.5	28.2	26.3	26.4	27.9	28.1	30.5	32.4	33.1
Others	2.2	2.2	2.9	2.9	2.9	2.8	2.9	2.9	2.9	3.0	3.0

# Loans (Housing-related)

(Unit : Billions of yen)

Housing-related loans (ending balance)	Sep. 2020	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
<b>Housing loans</b>	<b>1,348.9</b>	<b>1,328.7</b>	<b>1,341.2</b>	<b>1,348.9</b>	<b>1,367.4</b>	<b>1,381.6</b>	<b>1,398.4</b>	<b>1,416.2</b>	<b>1,439.3</b>	<b>1,462.2</b>	<b>1,496.1</b>	<b>1,535.3</b>
Gunma	699.2	709.3	721.7	728.9	747.1	760.3	772.8	784.1	797.6	803.7	810.8	825.8
Saitama	318.8	318.2	317.0	317.4	317.2	317.8	319.4	322.1	323.5	327.7	340.2	351.7
Tochigi	110.1	108.9	107.7	107.3	104.7	103.5	102.0	101.5	101.5	102.9	104.7	106.7
Tokyo and Kanagawa	186.6	192.2	194.6	195.2	198.2	199.8	204.1	208.3	216.5	227.8	240.3	250.9
<b>Apartment loans</b>	<b>649.7</b>	<b>649.8</b>	<b>649.4</b>	<b>647.9</b>	<b>653.6</b>	<b>660.1</b>	<b>666.8</b>	<b>677.3</b>	<b>686.7</b>	<b>695.3</b>	<b>699.6</b>	<b>706.5</b>
Gunma	256.7	250.4	247.5	245.4	243.1	241.4	239.8	234.4	234.0	233.0	231.0	230.0
Saitama	154.2	158.8	160.2	160.8	163.8	166.0	170.5	177.7	180.6	183.5	187.3	191.7
Tochigi	115.5	115.2	114.2	113.5	112.3	111.8	110.6	113.1	113.1	112.8	111.4	110.1
Tokyo and Kanagawa	123.1	125.3	127.3	128.0	134.3	140.7	145.7	152.0	158.9	165.9	169.7	174.6

Status of loans for investment real estate	Mar. 2021		Mar. 2022		Mar. 2023		Mar. 2024		Mar. 2025		Mar. 2026	
	balance	composition ratio	balance	composition ratio	balance	composition ratio	balance	composition ratio	balance	composition ratio	balance	composition ratio
<b>For investment real estate</b>	<b>1,021.8</b>	<b>17.8%</b>	<b>999.2</b>	<b>17.2%</b>	<b>998.6</b>	<b>16.5%</b>	<b>1,003.0</b>	<b>15.5%</b>	<b>1,008.2</b>	<b>14.7%</b>	<b>1,008.0</b>	<b>13.9%</b>
Of which, whole building	211.5	3.7%	197.0	3.4%	186.4	3.1%	177.1	2.7%	168.4	2.4%	161.8	2.2%
Of which, asset management companies	57.4	1.0%	53.6	0.9%	50.9	0.8%	49.4	0.7%	47.8	0.7%	45.5	0.6%
Of which, salaried workers	31.5	0.5%	31.2	0.5%	29.1	0.5%	26.0	0.4%	21.9	0.3%	20.8	0.2%
<b>Default rate</b>	<b>0.27%</b>	—	<b>0.25%</b>	—	<b>0.01%</b>	—	<b>0.08%</b>	—	<b>0.02%</b>	—	—	—
Of which, apartment loans	0.09%	—	0.04%	—	0.02%	—	0.10%	—	0.01%	—	—	—
<b>Vacancy rate</b>	<b>4.1%</b>	—	<b>3.4%</b>	—	<b>2.8%</b>	—	<b>2.4%</b>	—	<b>2.1%</b>	—	—	—
Of which, Maebashi area	7.0%	—	5.8%	—	4.5%	—	4.0%	—	2.9%	—	—	—
Of which, Tokyo, Kanagawa	2.5%	—	1.8%	—	2.1%	—	1.2%	—	1.1%	—	—	—
<b>DSCR</b>	<b>1.35times</b>	—	<b>1.36times</b>	—	<b>1.35times</b>	—	<b>1.35times</b>	—	<b>1.34times</b>	—	—	—
Of which, Maebashi area	1.32times	—	1.33times	—	1.35times	—	1.33times	—	1.34times	—	—	—
Of which, Tokyo, Kanagawa	1.45times	—	1.47times	—	1.44times	—	1.40times	—	1.39times	—	—	—

\* 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.

# Earning Assets and Funds Balance

(Unit : Billions of yen)

Earning assets & Funds balance [All branches]	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
<b>Earning assets in total average balance</b>	<b>7,791.9</b>	<b>8,969.0</b>	<b>9,058.7</b>	<b>8,842.2</b>	<b>8,683.9</b>	<b>8,676.6</b>	<b>8,659.7</b>	<b>10,349.2</b>	<b>10,275.0</b>	<b>10,241.2</b>	<b>10,306.6</b>
Loans	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	6,867.8	6,996.1
Securities	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	2,036.4	2,026.7
BOJ's deposits (with interest)	91.3	910.7	940.6	587.3	367.9	113.2	98.1	1,585.7	1,430.4	1,315.1	1,255.5
Others	55.6	32.7	30.2	36.4	32.1	29.7	32.6	45.4	43.6	21.6	28.2
<b>Funds in total average balance</b>	<b>8,827.0</b>	<b>10,403.7</b>	<b>10,514.0</b>	<b>10,099.2</b>	<b>9,884.2</b>	<b>10,192.2</b>	<b>10,256.2</b>	<b>10,054.5</b>	<b>9,973.4</b>	<b>9,947.8</b>	<b>9,995.0</b>
Deposits	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	8,458.4	8,481.2
NCD	272.3	245.4	241.0	276.9	260.9	254.6	244.5	268.4	265.1	235.5	213.3
Call money	134.9	373.3	359.5	210.6	167.2	200.1	289.5	36.0	32.8	34.2	78.1
Securities sold under repurchase agreements	10.3	4.4	4.2	10.7	25.3	96.8	116.5	127.8	125.9	110.4	136.8
Cash collateral received for securities lent	248.2	649.1	703.4	500.5	483.6	540.5	427.8	224.1	160.0	34.4	33.0
Borrowings	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	1,011.2	982.7
Others	61.3	62.3	63.2	57.6	63.1	57.3	59.4	61.3	60.9	63.4	69.7

## Ref. Customer Service Business Profits

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

<b>Customer service business profit ratio</b>	<b>0.12%</b>	<b>0.15%</b>	<b>0.13%</b>	<b>0.22%</b>	<b>0.25%</b>	<b>0.38%</b>	<b>0.38%</b>	<b>0.41%</b>	<b>0.43%</b>	<b>0.51%</b>	<b>0.52%</b>
<b>Customer service business profit (a+b-c)</b>	<b>9.2</b>	<b>5.9</b>	<b>10.6</b>	<b>8.8</b>	<b>19.8</b>	<b>15.5</b>	<b>30.8</b>	<b>17.1</b>	<b>35.9</b>	<b>21.7</b>	<b>44.5</b>
Loan income (a)	53.9	26.6	53.2	27.7	57.6	32.2	65.6	34.4	70.7	39.0	81.4
Net fees and commissions income (b)	10.9	6.2	11.0	6.4	11.8	7.9	14.9	7.9	15.0	9.5	17.8
General and administrative expenses (c) (-)	55.6	26.9	53.6	25.3	49.6	24.6	49.7	25.2	49.8	26.9	54.7
Average deposit balance	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	8,458.4	8,481.2

# Rates of Yield and the Profit Margins of Interest Rates

(Unit : %)

All branches		Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
<Profit margins are calculated on the table.>												
Average yield on interest earning assets ※	①	0.91	0.85	0.81	0.92	1.00	1.24	1.22	1.20	1.29	1.56	1.61
Average yield on loans	②	0.95	0.93	0.93	0.96	1.00	1.10	1.11	1.17	1.22	1.41	1.46
Average yield on securities		0.80	0.93	0.78	1.01	1.07	1.61	1.52	1.98	2.14	2.75	2.77
<b>Funding yield</b>	③	0.02	0.01	0.01	0.08	0.15	0.37	0.38	0.46	0.50	0.56	0.60
Average yield on deposits and NCD	④	0.00	0.00	0.00	0.02	0.03	0.05	0.06	0.11	0.15	0.28	0.30
<b>Overall direct profit margin</b>	①-③	0.89	0.84	0.80	0.84	0.85	0.87	0.84	0.74	0.79	1.00	1.01
Deposit and loan direct profit margin	②-④	0.95	0.93	0.93	0.94	0.97	1.05	1.05	1.06	1.07	1.13	1.16
Ratio of expenses		0.70	0.67	0.67	0.62	0.61	0.60	0.60	0.62	0.62	0.65	0.66
Average interest rate spread		0.28	0.32	0.29	0.34	0.34	0.38	0.35	0.21	0.26	0.43	0.43

## Domestic transactions

(Unit : %)

Average yield on interest earning assets ※	①	0.85	0.81	0.77	0.79	0.80	0.78	0.74	0.72	0.80	1.09	1.14
Average yield on loans	②	0.94	0.93	0.93	0.91	0.91	0.89	0.90	0.93	0.99	1.20	1.25
Average yield on securities		0.65	0.87	0.68	0.74	0.66	0.60	0.39	0.68	0.81	1.60	1.57
<b>Funding yield</b>	③	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.06	0.17	0.20
Average yield on deposits and NCD	④	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.05	0.17	0.20
<b>Overall direct profit margin</b>	①-③	0.85	0.81	0.77	0.79	0.80	0.78	0.74	0.70	0.74	0.92	0.94
Deposit and loan direct profit margin	②-④	0.94	0.93	0.93	0.91	0.91	0.89	0.90	0.91	0.94	1.03	1.05
Ratio of expenses		0.68	0.65	0.65	0.60	0.60	0.58	0.58	0.60	0.60	0.63	0.65
Average interest rate spread		0.25	0.30	0.27	0.29	0.29	0.30	0.25	0.17	0.22	0.35	0.36

※When calculating the average yield on interest earning assets, the average balance of BOJ's deposits(with interest) is included in the earning assets account.

# Deposits • Deposit Financial Assets

(Unit : Billions of yen)

Deposits (ending balance)	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
<b>Total deposits (ending balance)</b>	<b>7,752.7</b>	<b>7,722.1</b>	<b>7,970.4</b>	<b>7,897.3</b>	<b>8,053.7</b>	<b>8,096.9</b>	<b>8,316.2</b>	<b>8,263.7</b>	<b>8,462.9</b>	<b>8,537.8</b>	<b>8,571.0</b>
<b>domestic branches balance</b>	<b>7,734.7</b>	<b>7,693.8</b>	<b>7,943.1</b>	<b>7,859.3</b>	<b>8,025.5</b>	<b>8,032.3</b>	<b>8,216.0</b>	<b>8,148.4</b>	<b>8,291.6</b>	<b>8,374.1</b>	<b>8,409.0</b>
By customer											
: Individuals	5,368.9	5,450.7	5,524.1	5,567.1	5,594.7	5,664.0	5,732.7	5,735.2	5,734.9	5,748.7	5,759.6
: Corporations	1,908.0	1,893.5	1,904.0	1,919.1	1,933.2	2,016.3	2,028.0	2,042.0	2,075.7	2,169.1	2,164.1
By type											
: Liquid deposits	5,775.4	5,724.3	6,069.3	5,985.8	6,230.5	6,240.1	6,492.1	6,433.0	6,589.8	6,561.2	6,573.1
: Fixed deposits	1,904.7	1,915.6	1,828.8	1,831.4	1,754.4	1,753.1	1,687.5	1,672.2	1,657.7	1,768.1	1,785.2
By region											
: Gunma	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	6,735.4	6,796.0
: Saitama	731.2	733.1	739.6	743.2	740.3	759.3	755.0	755.6	752.0	783.3	771.8
: Tochigi	400.0	405.6	400.1	406.6	397.7	409.2	403.2	409.0	407.0	407.6	403.5
: Tokyo, Kanagawa, Osaka	227.6	235.8	247.1	245.7	248.7	268.1	261.4	307.2	308.0	396.1	391.9
: Head Office, etc.	58.6	63.4	50.4	50.6	47.4	45.7	40.0	51.3	50.2	51.4	45.5
Overseas branch balance	18.0	28.3	27.2	38.0	28.2	64.5	100.2	115.3	171.3	163.7	162.0
(ref.) NCD	196.0	240.0	238.9	252.4	230.3	256.7	206.0	266.4	209.4	219.3	218.0

## Deposit Financial Assets (ending balance)

<b>Individuals</b>	<b>870.7</b>	<b>901.5</b>	<b>926.0</b>	<b>940.1</b>	<b>966.1</b>	<b>1,012.3</b>	<b>1,063.6</b>	<b>1,091.6</b>	<b>1,143.8</b>	<b>1,244.2</b>	<b>1,334.8</b>
Investment trust	244.5	256.7	255.7	238.0	241.2	261.2	281.6	280.7	268.0	287.1	302.5
Pension insurance, etc.	474.8	481.4	492.5	512.6	520.7	553.9	573.3	578.1	604.0	633.6	659.6
Public bonds (JGBs)	37.1	36.3	33.3	30.0	27.4	25.7	24.1	24.2	27.3	30.5	37.0
Gungin Securities (directly sale and intermediation)	114.1	127.0	144.4	159.4	176.6	171.3	184.5	208.4	244.4	292.9	335.6
<b>Corporations, etc.</b>	<b>65.1</b>	<b>71.6</b>	<b>80.6</b>	<b>88.6</b>	<b>93.0</b>	<b>89.1</b>	<b>90.6</b>	<b>97.8</b>	<b>108.7</b>	<b>127.5</b>	<b>152.1</b>
Bank	14.5	14.6	14.6	14.6	15.3	17.4	19.4	21.4	21.9	23.2	23.6
Gungin Securities (directly sale and intermediation)	50.5	57.0	65.9	74.0	77.7	71.6	71.1	76.3	86.7	104.2	128.5
<b>Total</b>	<b>935.8</b>	<b>973.2</b>	<b>1,006.6</b>	<b>1,028.8</b>	<b>1,059.2</b>	<b>1,101.4</b>	<b>1,154.2</b>	<b>1,189.4</b>	<b>1,252.6</b>	<b>1,371.8</b>	<b>1,487.0</b>

Sales amount for deposit financial assets	FY2022		FY2023		FY2024		FY2025	
	2nd half	Total	1st half	2nd half	1st half	2nd half	1st half	2nd half
Investment trust	24.1	50.7	38.1	44.0	49.0	42.7	33.4	53.5
Pension insurance, etc.	36.5	67.5	33.0	36.5	44.1	38.8	45.8	36.2
Gungin Securities (directly sale and intermediation)	38.1	95.6	61.2	43.0	60.0	61.4	70.6	104.4
<b>Total</b>	<b>98.7</b>	<b>213.8</b>	<b>132.3</b>	<b>123.5</b>	<b>153.1</b>	<b>143.1</b>	<b>149.9</b>	<b>194.2</b>

# Securities

(Unit : Billions of yen)

Book balance (ending balance of securities)	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
<b>AFS (available for sale) securities</b> ①	2,297.4	2,363.5	2,450.9	2,372.4	2,618.3	2,323.5	2,213.8	2,183.4	2,129.5	1,934.6	1,895.7
<b>Domestic bonds</b>	1,630.3	1,783.9	1,761.7	1,728.1	1,780.0	1,376.1	1,278.4	1,191.0	1,080.8	966.4	927.2
JGBs	680.7	838.6	801.6	775.8	811.7	406.1	354.7	291.5	222.3	136.2	135.8
Municipal bonds	745.6	747.5	764.1	761.1	772.2	773.2	732.9	716.2	682.4	660.9	632.2
Corporate bonds	203.9	197.7	195.9	191.1	196.0	196.7	190.7	183.2	176.0	169.2	159.0
<b>Stocks</b>	111.4	130.8	128.0	130.8	145.9	145.3	142.4	143.3	158.7	140.2	89.8
<b>Investment trusts</b>	205.8	163.0	187.1	150.6	253.3	261.7	231.7	233.3	244.1	167.4	225.0
<b>Foreign securities</b>	345.3	280.5	367.6	356.1	432.5	534.4	553.6	607.9	637.8	652.3	644.4
Yen-denominated securities	4.1	4.1	4.1	4.1	4.1	6.6	6.8	3.6	4.6	3.1	4.1
Foreign-currency securities	341.1	276.3	363.4	351.9	428.3	527.7	546.7	604.2	633.1	649.1	640.2
<b>Others</b>	4.3	5.0	6.3	6.7	6.4	5.8	7.6	7.9	7.9	8.0	9.0
Held-to-maturity bonds ②	2.4	2.2	2.3	2.0	1.8	7.3	41.0	46.4	71.9	80.9	99.2
Shares of subsidiaries & affiliated corp. ③	11.7	8.7	8.7	10.1	10.2	10.1	11.1	11.2	11.1	11.5	11.4
<b>Total securities</b> ①+②+③	2,311.6	2,374.4	2,462.1	2,384.5	2,630.4	2,341.0	2,266.1	2,241.1	2,212.5	2,027.1	2,006.4

## Unrealized gains & losses (AFS securities)

<b>AFS securities</b>	100.9	104.3	45.7	-14.5	-6.6	-8.2	30.5	13.0	-16.1	19.6	0.1
<b>Domestic bonds</b>	3.4	6.4	-13.8	-32.9	-34.7	-36.0	-28.3	-30.1	-56.5	-50.8	-73.6
JGBs	-1.5	1.2	-13.1	-27.7	-27.8	-19.7	-14.2	-11.7	-17.4	-9.3	-12.7
Municipal bonds	4.5	4.0	0.0	-3.1	-3.8	-10.1	-7.7	-10.6	-25.6	-25.3	-33.6
Corporate bonds	0.4	1.0	-0.6	-2.1	-2.9	-6.1	-6.3	-7.7	-13.4	-16.1	-27.2
<b>Stocks</b>	83.9	83.3	67.7	49.8	54.5	62.7	75.9	55.2	51.5	69.0	76.4
<b>Investment trusts</b>	9.2	7.2	-0.2	-16.7	-26.3	-23.0	-20.7	-21.2	-16.7	-9.2	-12.6
<b>Foreign securities</b>	3.8	6.6	-8.3	-15.1	-0.4	-12.1	3.6	9.0	5.4	10.6	9.4
Yen-denominated securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0	-0.0	-0.0
Foreign-currency securities	3.8	6.6	-8.3	-15.1	-0.4	-12.1	3.6	9.0	5.4	10.6	9.5
<b>Others</b>	0.3	0.6	0.4	0.4	0.4	0.2	0.1	0.1	0.0	0.0	0.4

## Various ratios

Domestic	Bond average yield	0.31%	0.29%	0.25%	0.25%	0.26%	0.35%	0.35%	0.32%	0.35%	0.37%	0.38%
Bonds	Modified duration	7.24year	7.86year	8.08year	7.91year	7.59year	6.09year	5.87year	5.41year	5.09year	4.61year	4.36year
Foreign	Bond average yield	1.33%	1.19%	1.27%	2.18%	3.18%	5.35%	5.48%	5.61%	5.42%	5.04%	5.03%
Bonds	Modified duration	4.24year	4.03year	5.36year	3.69year	3.19year	4.01year	3.45year	2.48year	3.39year	2.68year	3.49year

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

(Unit : Billions of yen)

Disclosed claims under the FRL & ratio	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
<b>Disclosed Claims under the FRL</b>	<b>134.0</b>	<b>119.9</b>	<b>120.3</b>	<b>115.4</b>	<b>110.7</b>	<b>106.6</b>	<b>103.5</b>	<b>97.0</b>	<b>89.8</b>	<b>85.9</b>	<b>83.2</b>
(By industry)											
Manufacturing	41.5	30.1	35.2	33.9	33.2	32.6	28.8	27.1	22.7	21.8	22.5
Wholesaling and retailing	22.1	21.2	18.5	17.4	16.7	15.8	14.7	14.1	13.4	12.9	12.6
Healthcare and public welfare	14.9	12.3	13.0	12.8	13.2	13.2	14.0	12.9	12.8	11.6	11.0
Real estate and goods rental	10.8	10.5	10.2	8.8	8.6	7.6	7.6	6.0	5.8	5.3	4.9
Other services	19.8	21.4	20.0	20.0	16.6	15.5	15.7	15.4	14.1	13.7	13.8
<b>Ratio of Disclosed Claims under the FRL</b>	<b>2.33%</b>	<b>2.09%</b>	<b>2.03%</b>	<b>1.94%</b>	<b>1.81%</b>	<b>1.69%</b>	<b>1.58%</b>	<b>1.45%</b>	<b>1.29%</b>	<b>1.20%</b>	<b>1.14%</b>
* Ratio in the case where partial direct write-offs are executed	2.00%	1.77%	1.73%	1.68%	1.55%	1.39%	1.31%	1.21%	1.11%	1.05%	0.99%
<b>Same ratio (Consolidated)</b>	<b>2.43%</b>	<b>2.18%</b>	<b>2.15%</b>	<b>2.04%</b>	<b>1.89%</b>	<b>1.77%</b>	<b>1.65%</b>	<b>1.52%</b>	<b>1.35%</b>	<b>1.26%</b>	<b>1.19%</b>
* Ratio in the case where partial direct write-offs are executed	2.09%	1.86%	1.84%	1.77%	1.63%	1.47%	1.37%	1.27%	1.16%	1.10%	1.03%
<b>Status of coverage</b>											
<b>Coverage ratio</b>	<b>71.3%</b>	<b>69.5%</b>	<b>71.0%</b>	<b>69.7%</b>	<b>70.4%</b>	<b>73.1%</b>	<b>73.2%</b>	<b>72.3%</b>	<b>72.9%</b>	<b>71.4%</b>	<b>71.5%</b>
Total coverage	95.7	83.4	85.4	80.5	78.0	78.0	75.8	70.2	65.4	61.3	59.5
Value coverage by collateral and guarantees	52.9	50.8	51.4	48.8	48.4	50.3	49.6	46.5	45.5	43.7	41.7
Allowance for loan losses	42.7	32.6	34.0	31.6	29.6	27.6	26.1	23.7	19.9	17.6	17.8
Disclosed claims under the "FRL"	134.1	120.0	120.3	115.4	110.7	106.6	103.5	97.0	89.8	85.9	83.2
<b>Credit balance under the self-assessment guideline</b>											
<b>Total</b>	<b>5,824.1</b>	<b>5,814.3</b>	<b>5,905.5</b>	<b>5,926.2</b>	<b>6,108.6</b>	<b>6,305.4</b>	<b>6,526.6</b>	<b>6,662.7</b>	<b>6,911.0</b>	<b>7,103.8</b>	<b>7,285.7</b>
( by borrower classification )											
Normal borrowers	5,148.9	5,131.0	5,237.1	5,288.6	5,492.1	5,730.7	5,963.8	6,121.1	6,397.8	6,610.8	6,807.0
Borrowers requiring caution	511.4	502.9	478.0	456.1	442.5	402.9	394.3	375.4	353.3	339.1	329.7
Potentially bankrupt borrowers	45.1	43.4	48.3	45.5	41.6	37.2	36.6	36.2	35.9	32.9	31.2
Effectively bankrupt borrowers	19.8	19.1	16.8	15.5	15.9	20.9	21.2	18.6	17.3	16.3	14.2
Bankrupt borrowers	8.4	8.9	10.5	9.6	9.0	9.7	7.3	7.2	6.0	4.9	6.5
Others (municipal authorities, etc.)	90.2	108.9	114.5	110.6	107.1	103.6	103.2	103.9	100.6	99.5	96.9
<b>Allowance for loan losses</b>											
<b>Allowance for loan losses</b>	<b>57.1</b>	<b>45.9</b>	<b>46.2</b>	<b>43.9</b>	<b>40.0</b>	<b>36.9</b>	<b>35.4</b>	<b>32.7</b>	<b>28.6</b>	<b>26.3</b>	<b>26.2</b>
General allowance	27.7	16.9	15.3	15.3	13.4	11.8	11.8	11.4	10.7	10.8	10.7
Specific allowance	29.3	28.9	30.9	28.5	26.6	25.1	23.5	21.3	17.8	15.4	15.4

# Transition in Loans by Borrower Category

What is shown here is transition in borrower categories from the end of March 2025 to the end of March 2026.

Upper section : <ahead> Lower section : billions of yen	Mar. 2025	Mar. 2026							Upgrade	Down grade	Others ※2		
		Normal borrowers	Expected loss category ( i )	Expected loss category ( ii )	Potentially bankrupt borrowers	Effectively bankrupt borrowers	Bankrupt borrowers	full recovery repayment			sale & write-off of loans		
Normal borrowers	<21,988> 3,857.7	<20,589> 3,778.3	<19,687> 3,722.8	<849> 46.6	<26> 6.8	<3> 0.1	<19> 1.5	<5> 0.3	-	<902> 55.5	<1,399> 79.1	<1,393> 78.7	<6> 0.4
Expected loss category ( i ) ※3	<5,291> 237.4	<4,927> 230.3	<723> 32.6	<4,059> 190.0	<38> 3.7	<50> 2.0	<51> 1.6	<6> 0.1	<723> 32.6	<145> 7.6	<364> 7.1	<355> 6.9	<9> 0.1
Expected loss category ( ii ) ※3	<394> 54.6	<373> 53.9	<24> 4.3	<26> 2.7	<296> 44.8	<15> 0.7	<8> 0.5	<4> 0.7	<50> 7.0	<27> 2.0	<21> 0.6	<17> 0.6	<4> 0.0
Potentially bankrupt borrowers	<529> 33.3	<499> 32.4	<2> 0.0	<8> 0.3	<5> 0.4	<445> 27.0	<31> 3.1	8 13億円	<15> 0.9	<39> 4.5	<30> 0.8	<22> 0.6	<8> 0.1
Effectively bankrupt borrowers	<251> 14.2	<132> 9.8	-	-	-	<2> 0.0	<122> 7.4	<8> 2.3	<2> 0.0	<8> 2.3	<119> 4.4	<60> 2.1	<59> 2.3
Bankrupt borrowers	<67> 5.7	<21> 3.2	-	-	-	-	-	<21> 3.2	-	-	<46> 2.5	<15> 0.5	<31> 1.9
<b>Total</b>	<b>&lt;28,520&gt;</b> <b>4,203.0</b>	<b>&lt;26,541&gt;</b> <b>4,108.2</b>	<b>&lt;20,436&gt;</b> <b>3,759.9</b>	<b>&lt;4,942&gt;</b> <b>239.7</b>	<b>&lt;365&gt;</b> <b>55.8</b>	<b>&lt;515&gt;</b> <b>30.0</b>	<b>&lt;231&gt;</b> <b>14.3</b>	<b>&lt;52&gt;</b> <b>8.2</b>	<b>&lt;790&gt;</b> <b>40.6</b>	<b>&lt;1,121&gt;</b> <b>72.0</b>	<b>&lt;1,979&gt;</b> <b>94.8</b>	<b>&lt;1,862&gt;</b> <b>89.6</b>	<b>&lt;117&gt;</b> <b>5.1</b>

Note 1. 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.

2. "Others" in the table above is the number of borrowers who have resolved outstanding balances in FY2025 by full collection or repayment, final disposal (such as sale of loans), or other means. The table below calculates the reduced amount.

3. 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.

# Capital

(Unit : Billions of yen)

Consolidated	Mar. 2021	Sep. 2021	Mar. 2022	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
<b>Total capital</b>	<b>564.9</b>	<b>574.9</b>	<b>541.3</b>	<b>507.4</b>	<b>529.9</b>	<b>523.9</b>	<b>570.6</b>	<b>566.8</b>	<b>541.4</b>	<b>585.6</b>	<b>599.5</b>
Common equity Tier1 capital	513.8	523.7	490.1	458.4	478.7	482.8	519.5	515.8	500.2	534.5	538.2
Other Tier1 capital	—	—	—	—	—	—	10.0	20.0	20.0	20.0	30.0
Tier2 capital	51.1	51.1	51.2	49.0	51.1	41.1	41.1	31.0	21.1	31.1	31.2
<b>Risk assets</b>	<b>4,433.4</b>	<b>4,352.9</b>	<b>4,362.2</b>	<b>4,146.2</b>	<b>3,834.6</b>	<b>3,901.3</b>	<b>3,840.1</b>	<b>3,875.8</b>	<b>4,123.4</b>	<b>3,964.1</b>	<b>3,962.3</b>
<b>Total capital ratio</b>	<b>12.74%</b>	<b>13.20%</b>	<b>12.40%</b>	<b>12.23%</b>	<b>13.82%</b>	<b>13.43%</b>	<b>14.86%</b>	<b>14.62%</b>	<b>13.12%</b>	<b>14.77%</b>	<b>15.13%</b>
Tier1 ratio	11.58%	12.03%	11.23%	11.05%	12.48%	12.37%	13.79%	13.82%	12.61%	13.98%	14.34%
Common equity Tier1 ratio	11.58%	12.03%	11.23%	11.05%	12.48%	12.37%	13.52%	13.30%	12.13%	13.48%	13.58%
* excluding valuation difference on AFS securities	(9.97%)	(10.33%)	(10.46%)	(11.05%)	(12.48%)	(12.37%)	(12.91%)	(13.01%)	(12.13%)	(13.07%)	(13.50%)

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

## Non-consolidated

<b>Total capital</b>	<b>533.6</b>	<b>542.0</b>	<b>506.0</b>	<b>466.0</b>	<b>492.0</b>	<b>484.6</b>	<b>529.1</b>	<b>523.3</b>	<b>495.6</b>	<b>537.8</b>	<b>549.5</b>
Common equity Tier1 capital	483.5	491.9	456.3	421.4	442.0	444.6	479.1	473.2	455.5	487.8	519.5
Other Tier1 capital	—	—	—	—	—	—	10.0	20.0	20.0	20.0	30.0
Tier2 capital	50.1	50.0	49.6	44.6	50.0	40.0	40.0	30.0	20.0	30.0	30.0
<b>Risk assets</b>	<b>4,378.2</b>	<b>4,292.6</b>	<b>4,300.2</b>	<b>4,072.8</b>	<b>3,718.0</b>	<b>3,780.3</b>	<b>3,741.3</b>	<b>3,764.9</b>	<b>3,999.4</b>	<b>3,833.0</b>	<b>3,904.9</b>
<b>Total capital ratio</b>	<b>12.18%</b>	<b>12.62%</b>	<b>11.76%</b>	<b>11.44%</b>	<b>13.23%</b>	<b>12.82%</b>	<b>14.14%</b>	<b>13.89%</b>	<b>12.39%</b>	<b>14.03%</b>	<b>14.07%</b>
Tier1 ratio	11.04%	11.46%	10.61%	10.34%	11.88%	11.76%	13.07%	13.10%	11.89%	13.24%	13.30%
Common equity Tier1 ratio	11.04%	11.46%	10.61%	10.34%	11.88%	11.76%	12.80%	12.57%	11.39%	12.72%	12.53%
* excluding valuation difference on AFS securities	(9.43%)	(9.76%)	(9.86%)	(10.34%)	(11.88%)	(11.76%)	(12.23%)	(12.32%)	(11.39%)	(12.37%)	(12.53%)

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

# Capital Distribution

Capital to be distributed (Unit : Billions of yen)	Sep. 2022	Mar. 2023	Sep. 2023	Mar. 2024	Sep. 2024	Mar. 2025	Sep. 2025	Mar. 2026
Credit Risk	130.5	123.4	127.5	118.7	108.4	111.8	109.4	104.7
Market risks	158.5	159.5	180.9	212.2	212.6	245.1	228.6	232.3
(investment securities shares, investment trusts, etc.)	(103.6)	(99.2)	(102.7)	(145.2)	(132.8)	(155.7)	(169.3)	(172.3)
(trading)	(0.8)	(0.9)	(0.4)	(0.4)	(0.6)	(0.6)	(0.6)	(0.8)
(loans and deposits, etc.)	(54.1)	(59.4)	(77.8)	(66.6)	(79.2)	(62.5)	(58.7)	(59.2)
Operational risk	12.4	12.5	18.4	18.7	18.2	10.7	10.9	10.9
Subsidiaries risk	6.7	6.7	6.8	6.9	7.3	7.4	8.0	9.3
<b>Capital to be distributed</b>	<b>① 308.1</b>	<b>302.1</b>	<b>333.6</b>	<b>356.5</b>	<b>346.5</b>	<b>375.0</b>	<b>356.9</b>	<b>357.2</b>
<b>Distribution source</b>	<b>② 449.7</b>	<b>456.7</b>	<b>458.4</b>	<b>478.7</b>	<b>482.8</b>	<b>495.9</b>	<b>504.5</b>	<b>500.2</b>
<b>Buffer</b>	<b>②-① 141.6</b>	<b>154.6</b>	<b>124.8</b>	<b>122.2</b>	<b>136.3</b>	<b>120.9</b>	<b>147.6</b>	<b>143.0</b>

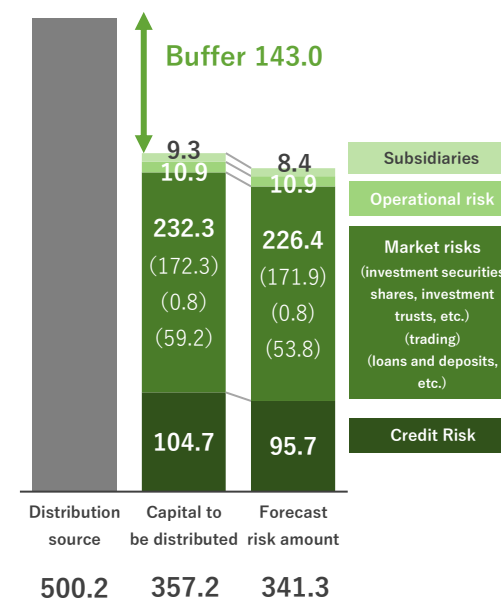
## Forecast risk amount (Unit : Billions of yen)

Credit Risk	116.7	112.7	116.5	108.3	99.0	102.0	99.9	95.7
Market risks	135.3	130.2	148.0	173.2	176.8	234.2	222.8	226.4
(investment securities shares, investment trusts, etc.)	(85.3)	(79.8)	(82.8)	(117.5)	(110.4)	(155.4)	(169.0)	(171.9)
(trading)	(0.8)	(0.9)	(0.4)	(0.4)	(0.5)	(0.6)	(0.6)	(0.8)
(loans and deposits, etc.)	(49.2)	(49.5)	(64.7)	(55.4)	(65.9)	(52.0)	(53.3)	(53.8)
Operational risk	12.4	12.5	18.4	18.7	18.2	10.7	10.9	10.9
Subsidiaries risk	6.0	6.0	6.1	6.2	6.6	6.7	7.2	8.4
<b>Forecast risk amount</b>	<b>270.4</b>	<b>261.5</b>	<b>288.9</b>	<b>306.4</b>	<b>300.6</b>	<b>353.6</b>	<b>340.8</b>	<b>341.3</b>

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.”

## 【Mar. 2026 Image diagram】

(Unit : Billions of yen)



## 【ref. : Bond interest rate risk amount】

(Unit : Billions of yen)

	Mar. 2025	Mar. 2026
Domestic bonds (100bpv)	40.3	28.9
Government bonds	14.6	6.7
Bond bear fund	-14.3	-12.4
Municipal bonds	29.9	25.7
Other corporate bonds	10.1	8.9
Foreign bonds (200bpv)	41.0	46.4

# Shareholders Return

(Unit : Millions of yen)

Amount of return	Mar. 2019	Mar. 2020	Mar. 2021	Mar. 2022	Mar. 2023	Mar. 2024	Mar. 2025	Mar. 2026
Total amount of shareholders return <sup>③=①+②</sup>	8,785	8,453	5,464	9,318	14,352	16,677	22,257	29,466
Total amount of dividends <sup>①</sup>	5,584	5,453	5,464	5,818	7,352	8,677	17,257	23,467
Total amount of acquisition treasury shares* <sup>②</sup>	3,201	3,000	—	3,500	7,000	8,000	5,000	6,000

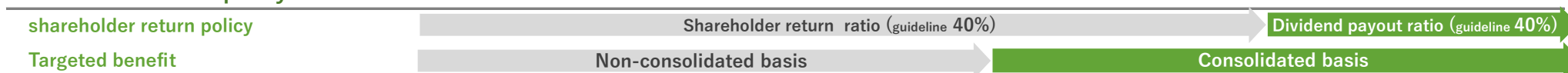
## Various ratio

Consol.	Shareholder return ratio <sup>③÷④</sup>	37.7%	37.9%	40.5%	35.2%	51.4%	53.6%	50.7%	50.1%
	Dividend payout ratio <sup>①÷④</sup>	24.0%	24.6%	40.4%	22.1%	26.4%	28.1%	39.5%	40.0%
	Profit attributable of owners of parent <sup>④</sup>	23,321	22,280	13,501	26,436	27,933	31,125	43,900	58,863
Non-consol.	Shareholder return ratio <sup>③÷⑤</sup>	41.9%	47.1%	46.8%	39.9%	58.3%	59.2%	55.1%	53.8%
	Dividend payout ratio <sup>①÷⑤</sup>	26.7%	30.6%	46.7%	25.0%	29.9%	31.0%	42.9%	43.1%
	Profit <sup>⑤</sup>	20,972	17,918	11,680	23,378	24,622	28,153	40,427	54,727

## Per share information

Consolidated EPS	54.12yen	52.79yen	32.14yen	63.33yen	68.19yen	78.43yen	113.82yen	154.87yen
Consolidated BPS	1,232.16yen	1,162.64yen	1,303.93yen	1,288.78yen	1,268.77yen	1,460.16yen	1,472.16yen	1,636.25yen
Non-consolidated EPS	48.67yen	42.45yen	27.81yen	56.01yen	60.11yen	70.94yen	104.82yen	143.99yen
Non-consolidated BPS	1,189.98yen	1,122.21yen	1,230.11yen	1,200.18yen	1,164.42yen	1,304.86yen	1,297.46yen	1,416.08yen
Annual cash dividends (DPS)	13.00yen	13.00yen	13.00yen	14.00yen	18.00yen	22.00yen	45.00yen	62.00yen
Interim cash dividends	6.00yen	6.00yen	6.00yen	7.00yen	8.00yen	10.00yen	20.00yen	30.00yen
Year-end cash dividends	7.00yen	7.00yen	7.00yen	7.00yen	10.00yen	12.00yen	25.00yen	32.00yen
Total number of issued share	453,888	435,888	435,888	425,888	425,888	425,888	405,888	395,888

## shareholder return policy



\* Total amount of acquisition treasury shares is rounded and calculated for each year based on the one-year period starting from the date of the annual shareholders' meeting.

# Shareholders Structure

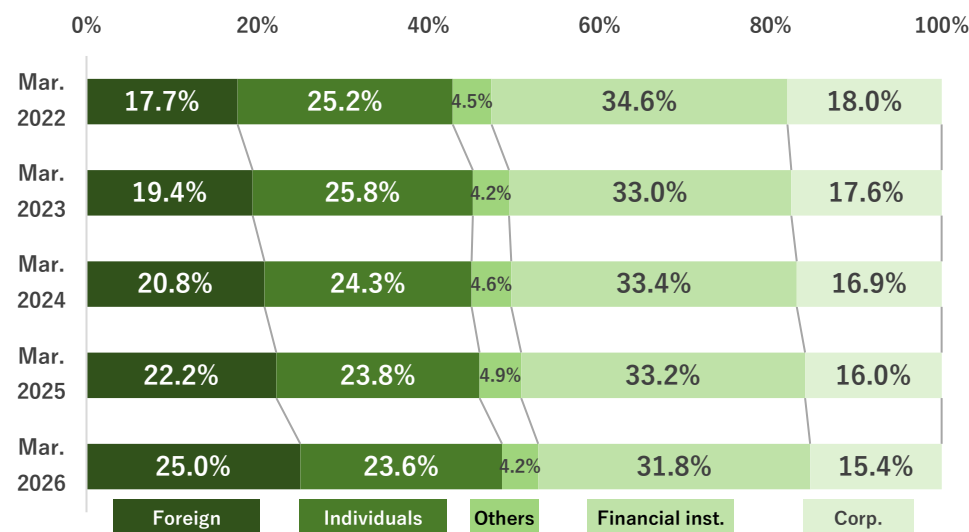
Shareholders structure (Unit : 1,000 shares)	Mar.2022		Mar.2023		Mar.2024		Mar.2025		Mar.2026	
	Number of shares	Composition ratio	Number of shares	Composition ratio	Number of shares	Composition ratio	Number of shares	Composition ratio	Number of shares	Composition ratio
Financial institutions	142,105	33.37%	134,233	31.52%	131,019	30.76%	126,965	31.28%	120,348	30.40%
Securities companies	10,296	2.42%	8,733	2.05%	9,805	2.30%	10,258	2.53%	7,682	1.94%
Other domestic corporations	74,055	17.39%	71,496	16.79%	66,514	15.62%	61,057	15.04%	58,214	14.70%
Government and municipalities	8,332	1.96%	8,335	1.96%	8,335	1.96%	8,335	2.05%	8,335	2.11%
Foreign corporations/ Foreign individuals	72,552	17.03%	79,016	18.55%	81,628	19.17%	84,892	20.92%	94,636	23.91%
Individuals/others (employees,etc.)	103,320	24.26%	104,728	24.59%	95,185	22.35%	90,879	22.39%	89,282	22.55%
Treasury shares	15,224	3.57%	19,344	4.54%	33,399	7.84%	23,499	5.79%	17,387	4.39%
<b>Total</b>	<b>425,888</b>	<b>100%</b>	<b>425,888</b>	<b>100%</b>	<b>425,888</b>	<b>100%</b>	<b>405,888</b>	<b>100%</b>	<b>395,888</b>	<b>100%</b>

(Unit : 1,000 shares)

Status of major shareholders (Mar. 2026)	Ownership of shares	Ratio of shareholding
The Master Trust bank of Japan, Ltd. (Account in trust)	51,354	13.56%
STATE STREET BANK AND TRUST COMPANY 505001	23,959	6.33%
Custody Bank of Japan, Ltd. (Account in trust)	21,661	5.72%
Meiji Yasuda Life Insurance Company	10,898	2.87%
Sumitomo Life Insurance Company	10,657	2.81%
Gunma Bank Employees' Shareholding Association	9,241	2.44%
Toyo Seikan Group Holdings, Ltd.	7,330	1.93%
Nippon Life Insurance Company	6,467	1.70%
STATE STREET BANK AND TRUST COMPANY 505103	5,097	1.34%
JP MORGAN CHASE BANK 385781	5,058	1.33%
<b>Total</b>	<b>15,172</b>	<b>40.08%</b>

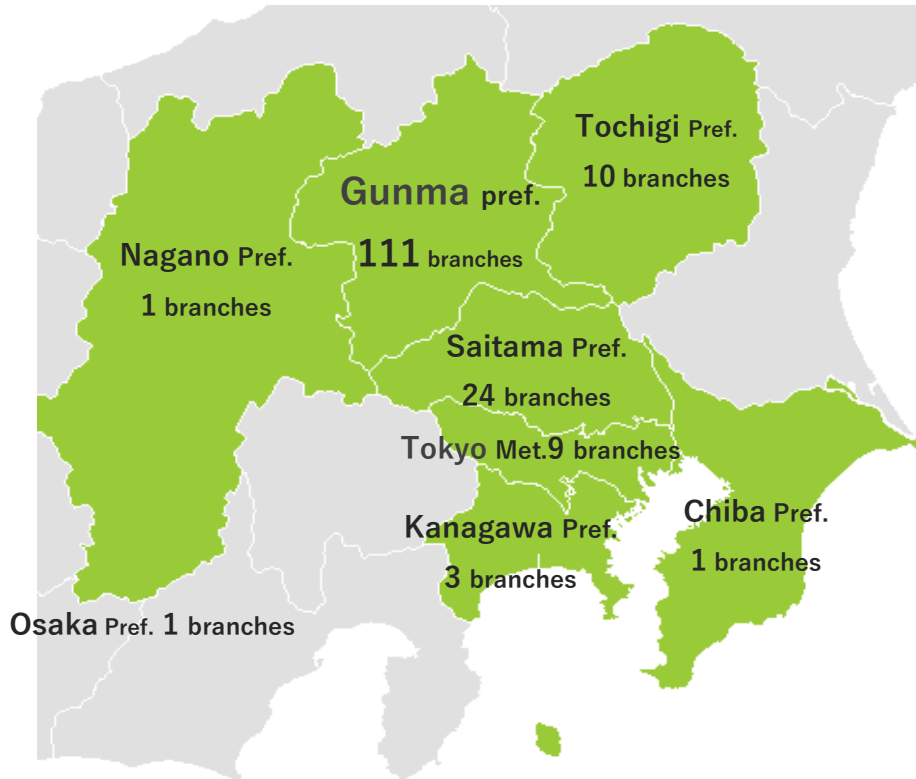
\* The above excludes treasury shares. (The ratio of shareholding is calculated by excluding treasury shares.)

## ※Changes in shareholders structure



\* The above excludes treasury shares.

## [Domestic network]



### Domestic branches 160 branches

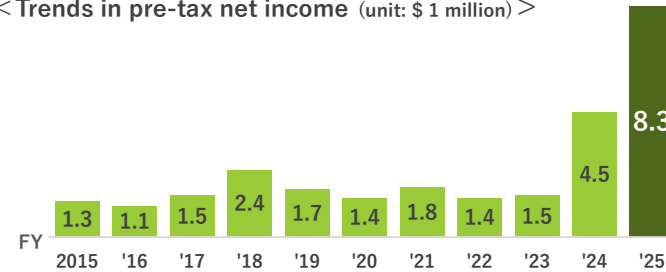
- ※Branch in Branch consolidation:48 branches
- ※In addition, the Bank has 10 outlets of "Loan stations" & 1 moving outlet car.

## [International network]

### ●New York branch

- ✓Established in 1988 to support the expansion of SUBARU and other automobile-related companies from the prefecture into the North American market.
- ✓There are currently 13 employees, mainly engaged in lending and market operations. Employees with experience gained at the NY are active in a wide range of areas such as market operations, and planning.
- ✓Recorded profits of \$1-2 million each FY. Profits are on the rise due to increased lending.

< Trends in pre-tax net income (unit: \$ 1 million) >



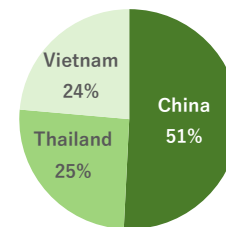
< NY branch Operations & procurement account (Mar. 2026) >

(Unit : \$ 1million) (Left : Average balance in Mar.2026, Right : YoY)

Earning assets balance		Funds balance	
	1,769	+213	1,797
Foreign loans	1,049	+242	1,099
Foreign securities	714	-29	322
(floating rate bond)			373
			+209
			+276
			-91
			+57

### ●Asia bases

- ✓Three offices in Shanghai, Bangkok and Ho Chi Minh City provide comprehensive coverage of the Asian region.



[※The ratio of regional client expanded Asia(As of Mar.2026)]



Shanghai



Bangkok



Ho chi Minh

# Group Companies

## List of Group Companies

【consolidated subsidiary】

### Leasing business



### Management consulting service



【Equity method affiliates】

### Credit services



### Securities business



### Investment fund management



### System development, System sales



### Credit guarantee services

**群馬信用保証**

*Gunma Credit Guarantee Co., Ltd.*

### Transport of goods Maintenance of ATMs

**群馬中央興業**

*Gunma Chuo Kogyo Co., Ltd.*

### Investment trust management services



*Sky Ocean Asset Management Co., Ltd.*

(Unit : Billions of yen)

## Financial results of Group companies

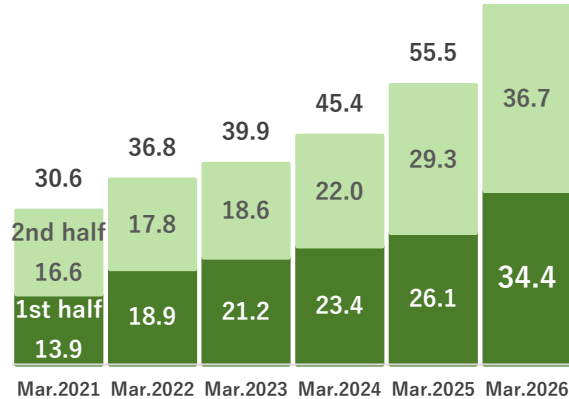
(Mar. 2026)

	Bank		Total of subsidiaries								Consolidation offset		Consolidated financial statements			
		YoY		YoY	Gungin Securities	YoY	Gungin Leasing	YoY	Gunma Credit Guarantee	YoY	Others	YoY		YoY		
<b>Core gross business profits</b>	<b>126.1</b>	(25.4)	<b>10.5</b>	(1.9)	<b>4.2</b>	(1.1)	<b>2.7</b>	(0.2)	<b>2.6</b>	(0.1)	<b>0.9</b>	(0.2)	<b>-2.1</b>	(-0.4)	<b>134.6</b>	(26.8)
Net interest income	105.9	(23.4)	-0.6	(-0.2)	0.0	(0.0)	-0.7	(-0.3)	0.0	(0.0)	0.0	(0.0)	-0.0	(0.0)	105.2	(23.1)
Non-interest business profit	20.1	(2.0)	11.2	(2.2)	4.1	(1.1)	3.5	(0.6)	2.6	(0.1)	0.9	(0.2)	-2.1	(-0.5)	29.3	(3.7)
Net fees and commissions income	17.8	(2.8)	7.3	(1.5)	3.8	(1.1)	—	—	2.6	(0.1)	0.8	(0.2)	-1.4	(-0.4)	23.7	(3.9)
Profit from other business transactions	2.3	(-0.7)	3.9	(0.6)	0.3	(0.0)	3.5	(0.6)	—	—	0.0	(0.0)	-0.6	(-0.0)	5.5	(-0.2)
Expenses (-)	57.6	(4.8)	4.5	(0.8)	2.4	(0.5)	1.1	(0.1)	0.1	(-0.0)	0.7	(0.1)	-2.1	(-0.4)	60.0	(5.2)
Others	10.2	(0.5)	0.0	(0.6)	0.0	(0.0)	0.1	(0.3)	-0.3	(0.1)	0.2	(0.0)	0.0	(-0.0)	10.3	(1.2)
(Gain or loss on investment securities)	11.3	(2.8)	-0.0	(-0.0)	—	—	—	—	—	—	-0.0	(-0.0)	—	—	11.3	(2.8)
(Net credit costs (-))	3.2	(0.8)	0.2	(-0.5)	—	—	-0.0	(-0.3)	0.3	(-0.1)	—	—	-0.0	(-0.0)	3.4	(0.3)
<b>Ordinary profit</b>	<b>78.7</b>	(21.1)	<b>6.1</b>	(1.7)	<b>1.8</b>	(0.5)	<b>1.6</b>	(0.5)	<b>2.1</b>	(0.3)	<b>0.4</b>	(0.2)	<b>0.0</b>	(-0.0)	<b>84.8</b>	(22.8)
<b>Profit</b>	<b>54.7</b>	(14.3)	<b>4.1</b>	(0.6)	<b>1.2</b>	(0.4)	<b>1.1</b>	(-0.1)	<b>1.4</b>	(0.2)	<b>0.2</b>	(0.1)	<b>0.0</b>	(-0.0)	<b>58.8</b>	(14.9)

# Materials to Help You Understand the Gunma Bank through Graphs (Main P/L)

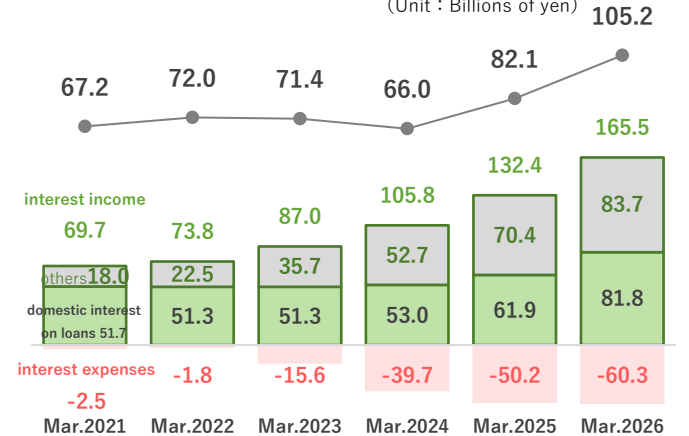
## Consolidated core net business profit ...See 6P

(excluding gains/losses on cancellation of investment trust)  
(Unit : Billions of yen)



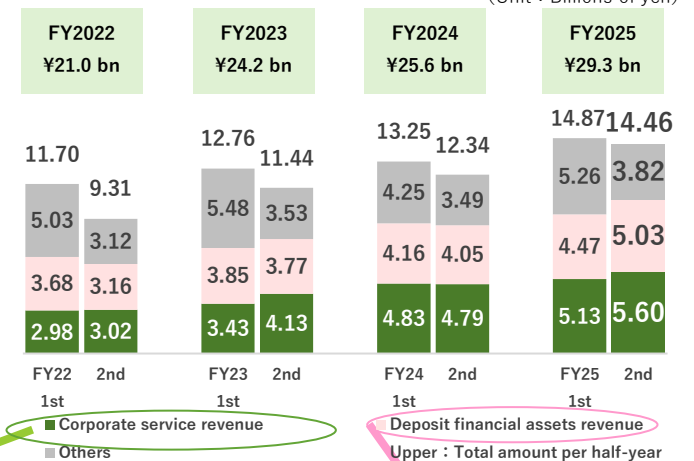
## Consolidated net interest income ...See 6P

(Unit : Billions of yen)



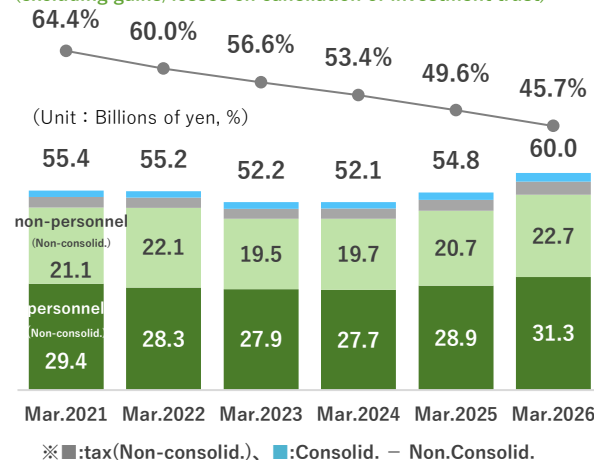
## Consolidated non-interest business profit ...See 6P

(Unit : Billions of yen)



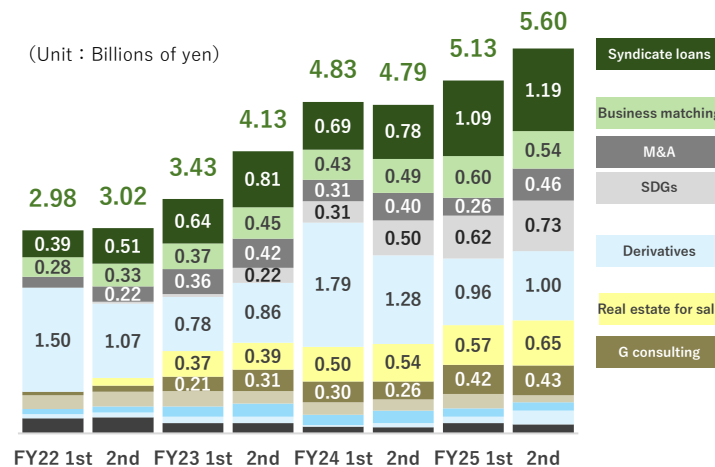
## Consolidated Expenses and Over Head Ratio ...See 6P

(excluding gains/losses on cancellation of investment trust)



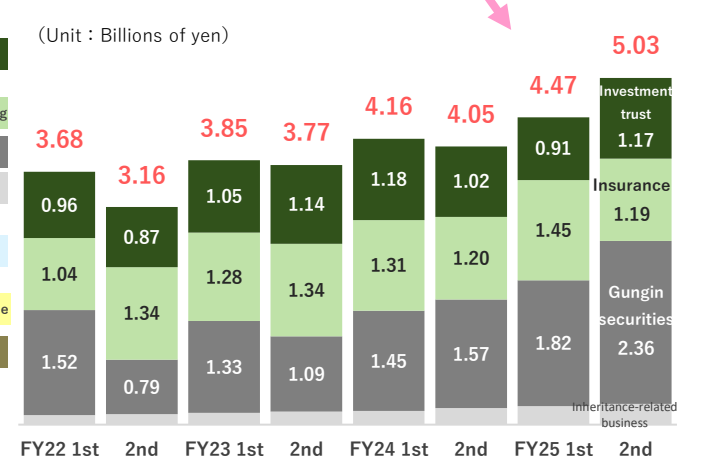
## Corporate service revenue ...See 8P

(Unit : Billions of yen)



## Deposit financial assets revenue ...See 8P

(Unit : Billions of yen)



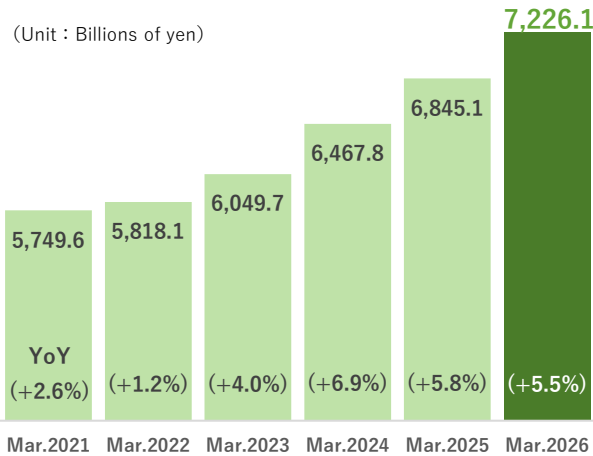
for details

for details

# Materials to Help You Understand the Gunma Bank through Graphs (Loans)

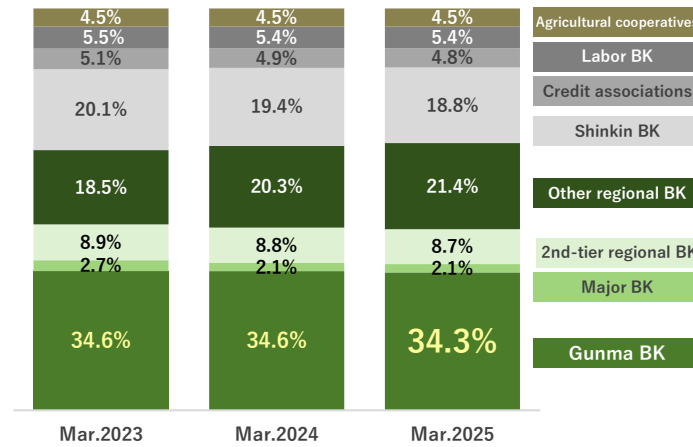
## Trends in Loans balance

...See 9P



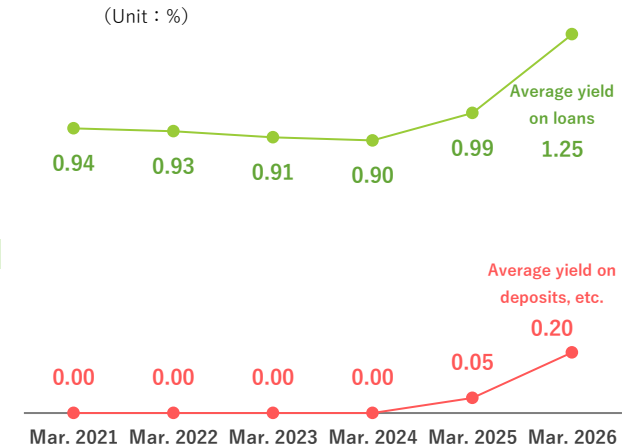
## Shares in Loans in Gunma Pre.

Source: "Financial Map" from the "Financial Journal" 2026 edition



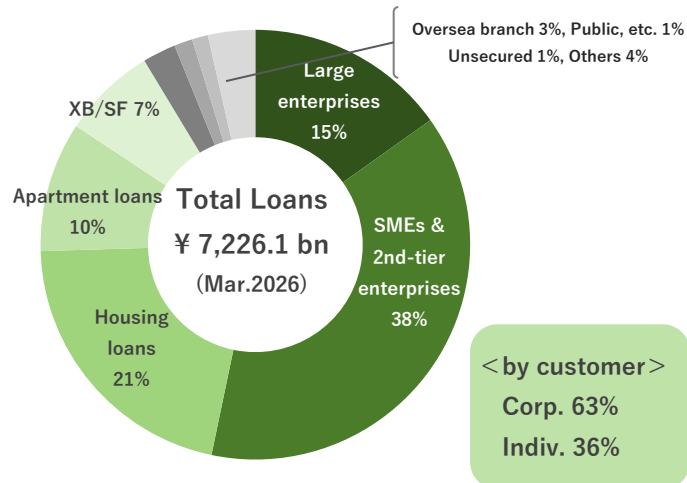
## Average yield on loans (Domestic division)

...See 13P



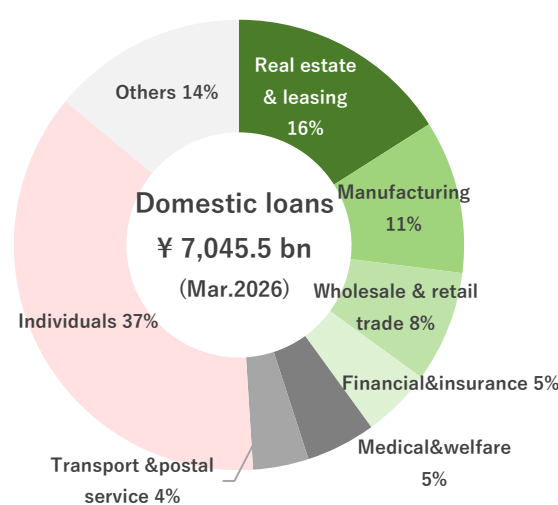
## Loans (by business field)

...See 9P



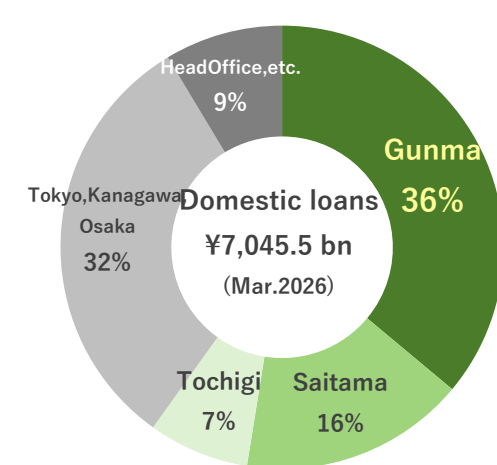
## Loans (by industry)

...See 10P



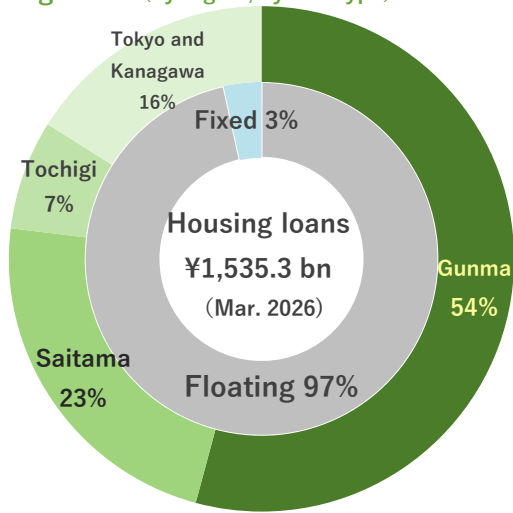
## Loans (by region)

...See 9P

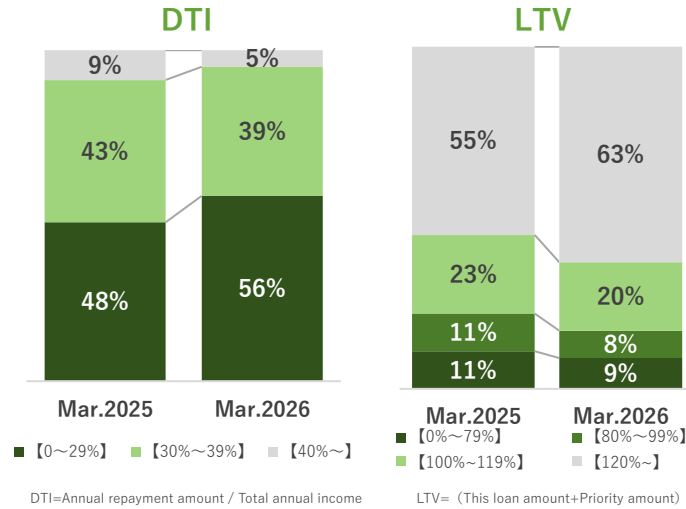


# Materials to Help You Understand the Gunma Bank through Graphs (Loans, Securities)

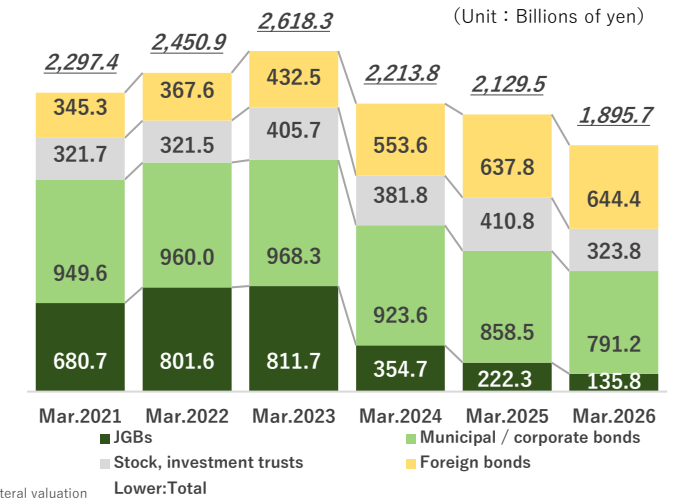
Housing loans (by region, by rate type) ...See 11P



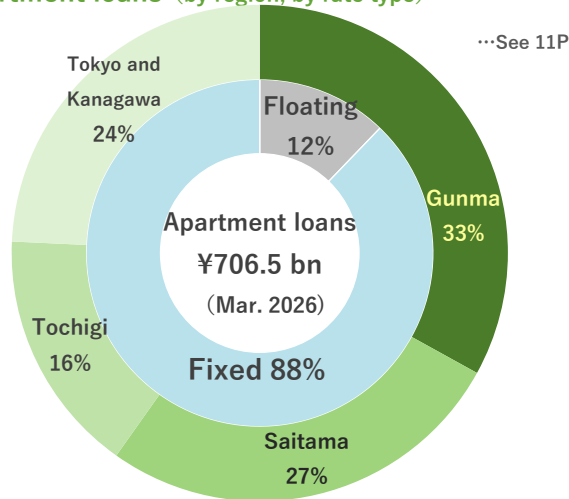
Housing loans (DTI/LTV) ...See 11P



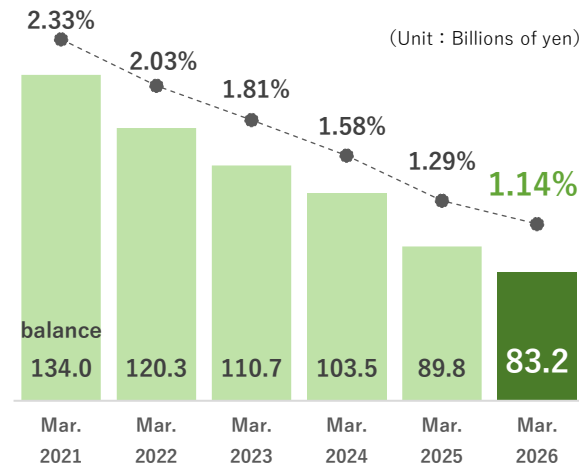
Available for sale Securities (book balance) ...See 15P



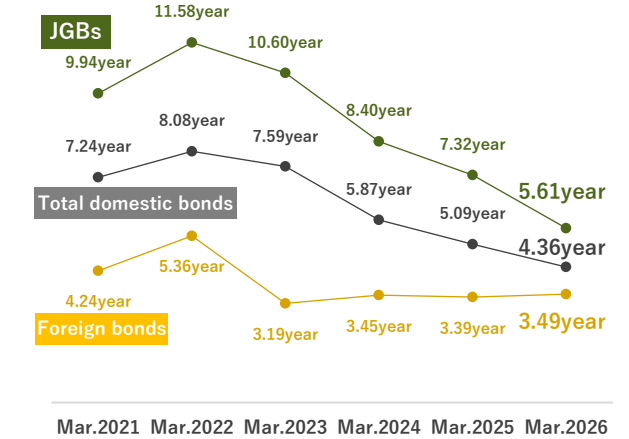
Apartment loans (by region, by rate type) ...See 11P



Disclosed Claims under the "FRL" ...See 16P



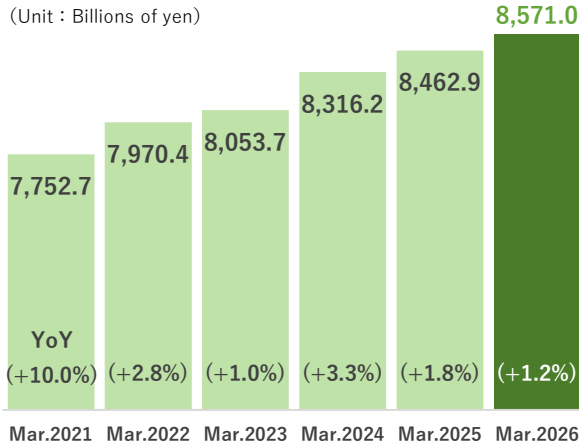
Securities (duration) ...See 15P



# Materials to Help You Understand the Gunma Bank through Graphs (Deposits, etc.) Gunma Bank

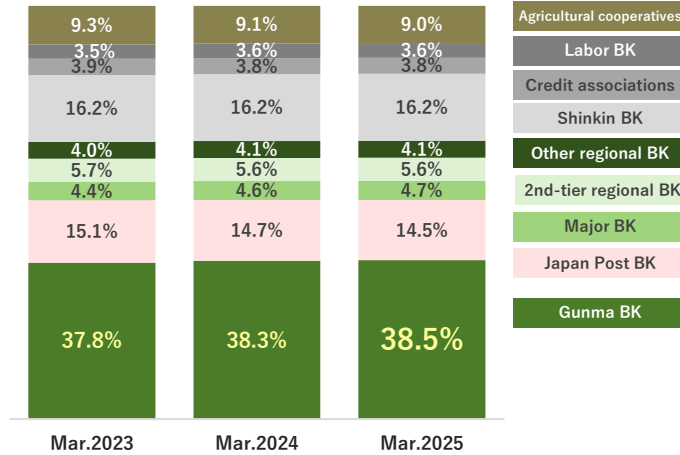
## Trends in Deposits balance ...See 14P

(Unit : Billions of yen)

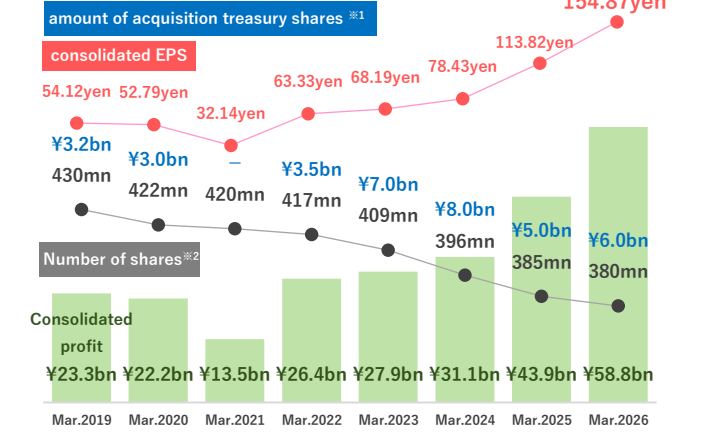


## Shares in Deposits in Gunma Pre. ...See 14P

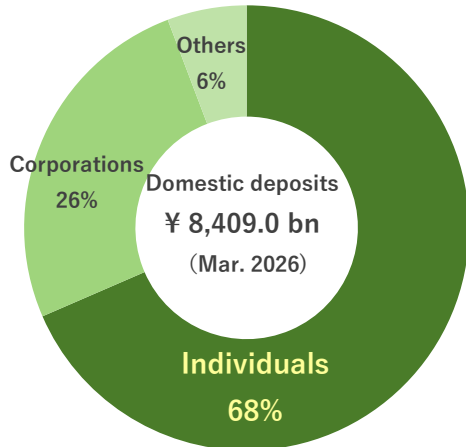
Source: "Financial Map" from the "Financial Journal" 2026 edition



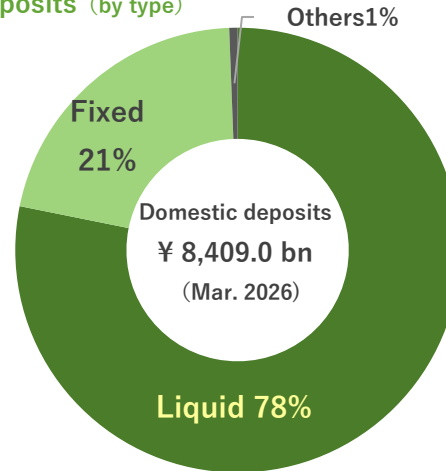
## Enhancing Corporate Value (EPS) ...See 20P



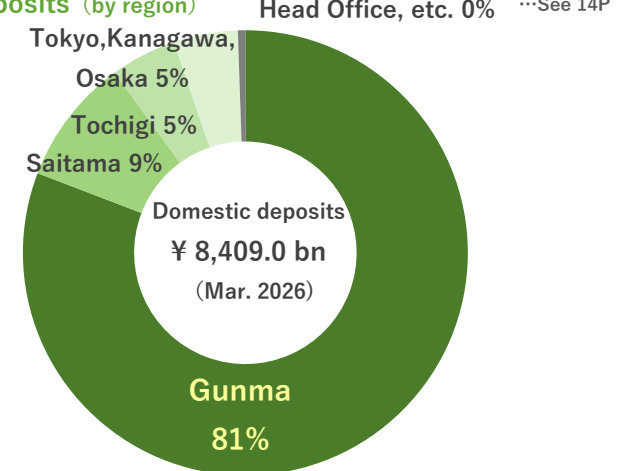
## Deposits (by customer) ...See 14P



## Deposits (by type) ...See 14P



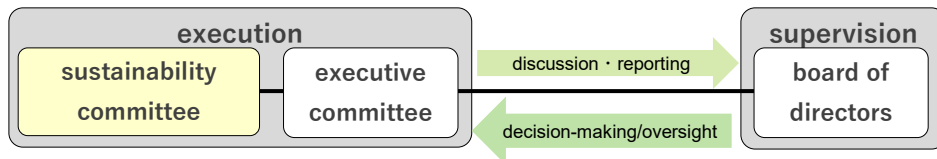
## Deposits (by region) ...See 14P



## 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.



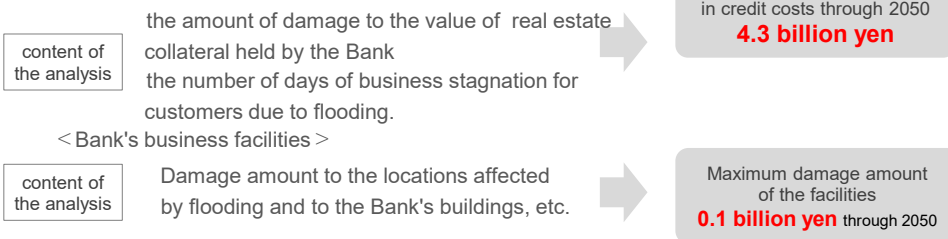
※The matters discussed and considered at each sustainability committee meeting are submitted to the executive committee for discussion at or reported. The committee will make four reports to the board of directors per year.

## Strategies

### Scenario analysis

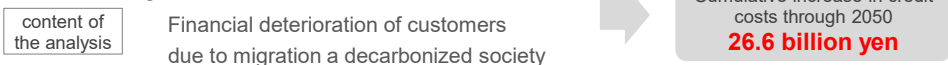
#### ● Physical risk (Scenario:Floods)

※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 / Real estate management & development / Packaged foods and meals >



## Risk management

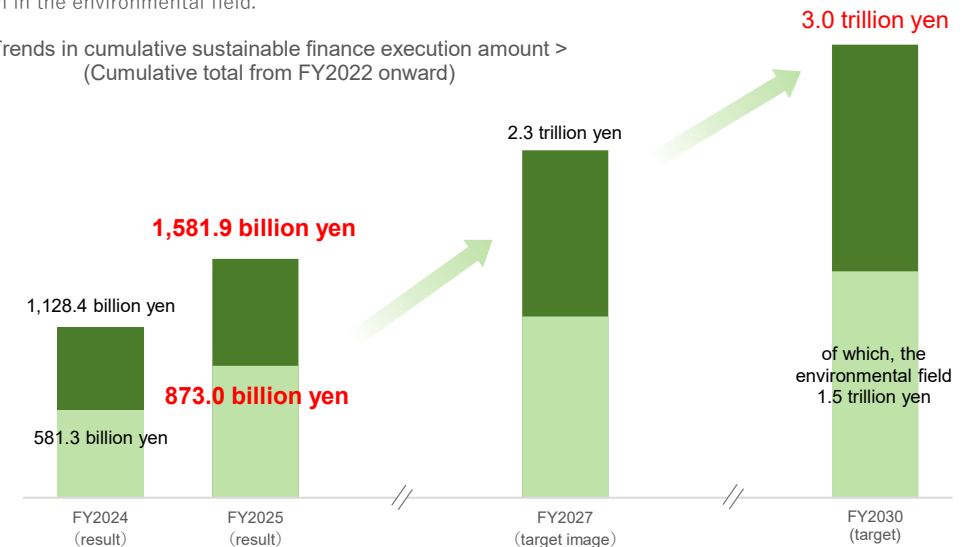
- The Bank recognizes that the physical and migration risks arising from climate change as a significant risks that could significantly impact the Bank's business operations and strategic and financial plans.
- The impact of the various risks identified through scenario analysis, etc. will be assess 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 plan sets a cumulative execution target of 3 trillion yen by the end of March 2031, including 1.5 trillion yen in the environmental field.

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



Mid-term business plan (Apr. 2025~Mar. 2028)

The cumulative execution target of **1.2 trillion yen**, including **0.6 trillion yen in the environmental field**

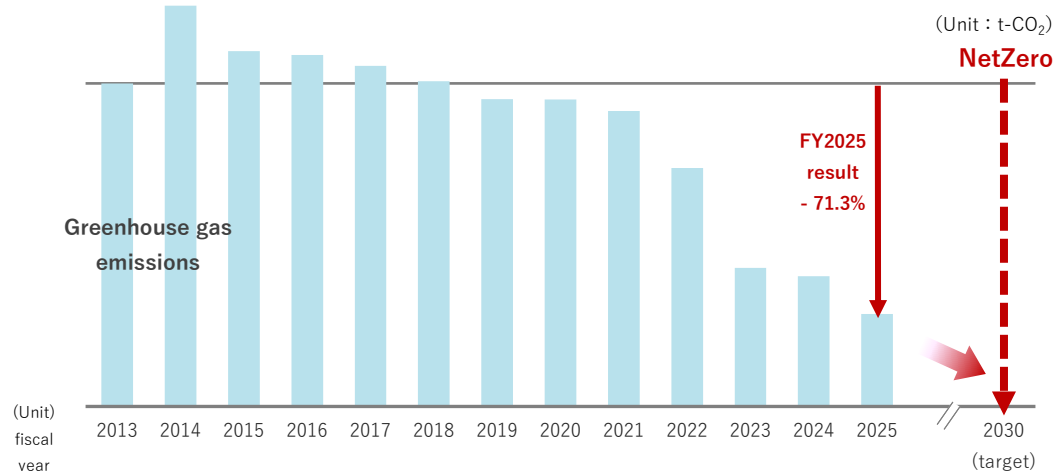
# Efforts to Address Climate Change 2

## Indicators and target

### Greenhouse gas emission

● We have set a greenhouse gas emission reduction target of achieving net zero by FY2030.

In FY2025, greenhouse gas emission were reduced by 3,212 t-CO<sub>2</sub> (after offsets), representing a 71.3% reduction compared to FY2013.



● Expanded measurement range

< FY 2025 >

	Emission(t-CO <sub>2</sub> )
Scope 3 : category1 ( purchased goods and services )	16,433
// : category2 ( capital goods )	15,501
// : category3 (fuel and energy related activities (not included in scope 1,2))	1,967
// : category4 ( upstream transportation and distribution )	393
// : category5 ( waste generated in operations )	169
// : category6 ( business travel )	886
// : category7 ( commuting )	3,253
// : category15 ( investment/loan )	16,442,907
<b>Total</b>	<b>16,481,509</b>

### SCOPE 3 (Category15)

● In accordance with PCAF standards, the bank estimated for domestic corporate financing clients (end of FY 2025).

Industry	Carbon intensity ( t-CO <sub>2</sub> / mn yen )	Emissions ( t-CO <sub>2</sub> )	Weighted average data quality score
Oil and gas	5.69	733,665	3.42
Coal	—	—	—
Electric utilities	27.12	699,956	2.84
Air cargo	12.14	186	4.00
Passenger air transport	—	—	—
Maritime transport	14.13	58,238	1.38
Rail transportation	2.67	113,043	1.53
Trucking service	3.07	518,890	3.94
Automobiles and components	12.88	2,083,816	3.10
Metals and mining	6.91	1,024,932	3.05
Chemicals	12.96	486,736	2.21
Construction materials	11.88	292,306	3.09
Capital goods	4.15	1,522,552	3.52
Real estate management & development	1.42	421,320	3.42
Beverages	2.67	86,285	3.60
Agriculture	5.87	45,266	3.87
Packaged foods and meals	5.68	867,456	3.81
Paper and forest products	4.65	181,096	2.97
Other	3.17	7,307,165	3.40
<b>Total</b>		<b>16,442,907</b>	<b>3.34</b>

\*Greenhouse gas emissions for fiscal 2025 are currently being verified by a third-party assurance organization to ensure reliability, accuracy, transparency, etc.

\*The total values are aggregated results for each sector that include figures with decimal places, and therefore may not match the aggregated figures for each sector when rounded.

# Human Capital

## < 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 >

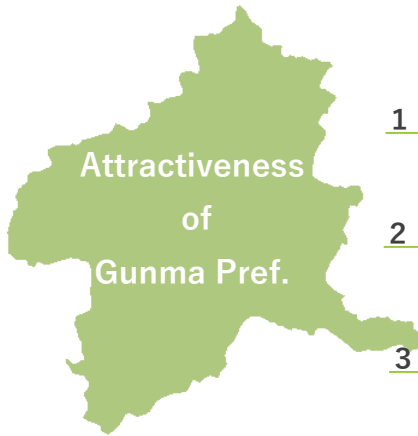
We will create an environment where every executive and employee, who are the source of value creation, can continue to work in good physical and mental health while recognizing each other's individuality and abilities to create a sense of well-being.

Priority issues and major initiatives	Non-financial KPIs	Mar. 2022	Mar. 2023	Mar. 2024	Mar. 2025	Mar. 2026	Mar. 2028 (Mid-Term Plan target)
<b>&lt;Building human capital portfolio in ways aligned with management strategy&gt;</b> ✓Understanding the gap between the current status and the goal through skill assessment ✓Strengthening the development of digital talent ✓Providing various training for higher-ranking employees and accepting trainees	Skill level: Corporate consulting *1	–	–	–	24.5%	26.6%	30%
	Skill level: Consulting for individual clients *1	–	–	–	26.9%	29.9%	30%
	Digital talent: Core human capital *2	–	–	–	10 employees	19 employees	30 employees
	Digital talent: Middle human capital *2	–	–	–	174 employees	277 employees	300 employees
	Digital talent: Base human capital *2	–	–	–	996 employees	1,650 employees	1,500 employees
	Number of holders of professional qualifications *3	257 employees	264 employees	266 employees	294 employees	308 employees	330 employees
<b>&lt;Implementing recruitment, talent development, and career development support based on a job-based personnel system&gt;</b> ✓Securing specialist personnel in a carefully planned manner ✓Increasing mid-career hires and developing and advancing new recruiting methods ✓Diversifying trainings and promoting self-directed learning to support employees in achieving their career goals ✓Strengthening initiatives to develop next-generation leaders (including use of the Managerial Career Development Committee) ✓Making sure that the job posting system takes root across a wide range of positions	Investment in skill-up per employee *4	80 thousand yen	109 thousand yen	127 thousand yen	170 thousand yen	180 thousand yen	250 thousand yen
	Mid-career recruitment ratio	5%	4%	13.8%	23.3%	39.6%	30%
	Number of employees appointed to specialist positions *5	8 employees	11 employees	12 employees	181 employees	191 employees	250 employees
<b>&lt;Promoting DE&amp;I&gt;</b> ✓Accelerating the development of female employees with the aim of promoting them to management positions ✓Enhancing systems and work styles to enable female employees to pursue higher positions ✓Improving support for balancing work with childcare or family care ✓Increasing mid-career hires to enhance diversity and expertise ✓Providing new opportunities for career development through the provision of reskilling programs, etc.	Percentage of female managers	14.6%	16.0%	19.0%	21.2%	23.4%	30%
	Percentage of female department and branch managers	–	–	–	6.8%	14.0%	20%
	Percentage of mid-career recruits promoted to management positions	36.8%	36.1%	36.1%	47.8%	47.3%	30.0%
	Percentage of male employees taking childcare leave	130.1%	133.3%	104.8%	101.8%	100.0%	100.0%
	Duration of childcare leave taken by male employees *6	6.5 days	10.8 days	22.4 days	24.9 days	20.2 days	at least 30 days
<b>&lt;Efforts to improve the well-being of executives and employees&gt;</b> ✓Pursuing a more comfortable workplace and greater job satisfaction ✓Improving financial wellness ✓Improving employee engagement by enhancing the work environment ✓Increasing productivity and re-energizing the organization by promoting health management	Percentage of taken paid leave	70.2%	80.5%	82.6%	81.4%	80.8%	at least 80%
	Certified KENKO Investment for Health Outstanding Organization	White Certification	White Certification	White Certification	White Certification + the KENKO Investment for Health Stock Selection program	White Certification + the KENKO Investment for Health Stock Selection program	White Certification

\*1 Ratio of employees who have been recognized at the highest level in the in-house assessment that evaluates job skills and attributes on a three-level scale: (Corporate consulting: Human resources who can contribute to enhancing the customer's corporate value by providing consulting services utilizing high-level skills (1st grade Certified Skilled Professional of Financial Planning, Small and Medium Enterprise Management Consultant, etc.); Consulting for individual clients: Human resources with high-level professional knowledge about asset management who can conduct business in a customer-centric manner (1st grade Certified Skilled Professional of Financial Planning, Certified Member Analyst of the Securities Analysts Association of Japan, etc.)). \*2 We designate employees who drive change in the Bank by utilizing information technology as "digital talent." They are categorized into the following three levels based on the standards: Core talent: Leading changes in the Gunma Bank Group, including new businesses, products and services, and business reforms, by leveraging information technology (Information Technology Engineer (advanced), 2nd-grade Japan Statistical Society Certificate holder, etc.); Middle talent: Proposing the utilization of information technology to customers and supporting customers' efforts to introduce and consolidate information technology within their organization (IT Coordinator, Level 1 or higher Information Technology Engineer, etc.); and Base talent: Having basic knowledge about information technology and efficiently performing work utilizing information technology (IT passport holders, etc.). \*3 Small and Medium Enterprise Management Consultant, 1st grade Certified Skilled Professional of Financial Planning, CFP, Certified Member Analyst of the Securities Analysts Association of Japan, Certified AML Specialist, Information Technology Engineer (Advanced), etc. \*4 Investment in skill-up per employee is calculated using the following formula: Expenses related to training (including seminars and other costs for acquiring qualifications, personnel expenses for employees dispatched for training, and training center expenses) divided by the average annual enrollment of operational employees. \*5 For this item, "the end of March" should be interpreted as "the beginning of the following April." \*6 The average number of days of childcare leave taken by male employees by the time their children, born two fiscal years before a given fiscal year, reach one year of age.

# Attractiveness of Gunma Prefecture 1

Sources : Gunma Prefecture 「IR information of Gunma Prefecture(Oct. 2025 edition) 」

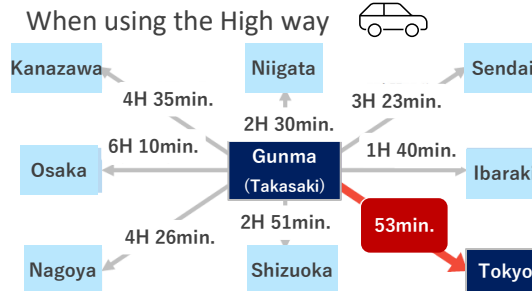
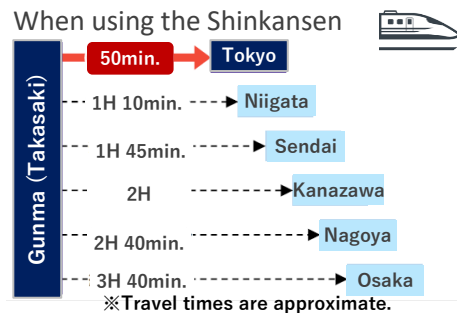


- 1 Well-developed transportation network
- 2 Favorable natural environment
- 3 Manufacturing and high technical capabilities

Attractiveness of Gunma Prefecture 1 :

## Well-developed transportation network

- Located roughly at the center of Honshu
- Approx. 100 km from Tokyo, the capital
- About 50 minutes to Tokyo by Shinkansen or via the expressway
- Easy access to the Tokyo metropolitan area offers favorable conditions for establishing factories and logistics bases



Backed by its excellent location, convenience, and natural environment,



Consistently ranked as one of the top prefectures for industrial sites

Year	2019	2020	2021	2022	2023	2024
	4th	4th	4th	6th	4th	8th

【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 (Tomioaka)
	JINS HD	Satellite Office (Maebashi)
	Shin-Etsu Chemical	Announcement of new factory construction (Isesaki)
	TSUMURA	Announcement of new factory construction (Meiwa)



Ranked 1st as the most desirable prefecture for relocation



# Attractiveness of Gunma Prefecture 2

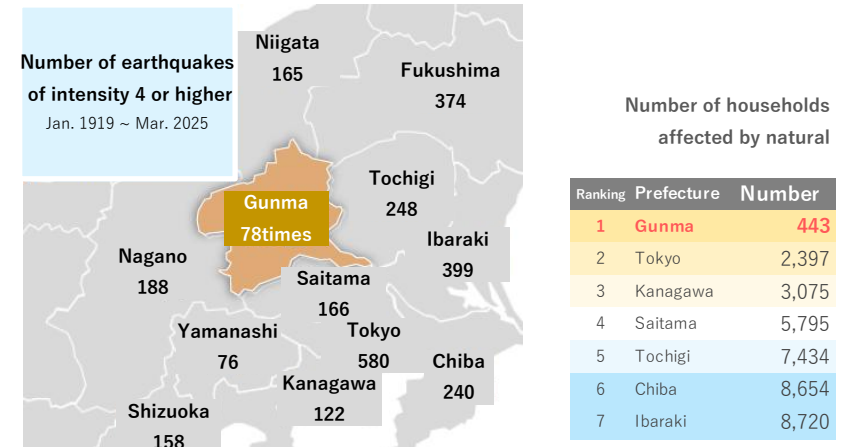
Sources : Gunma Prefecture 「IR information of Gunma Prefecture(Oct, 2025 edition) 」  
 Ministry of Economy, Trade and Industry “Number of power plants and output by prefecture”

## Attractiveness of Gunma Prefecture 2 :

### Favorable natural environmental

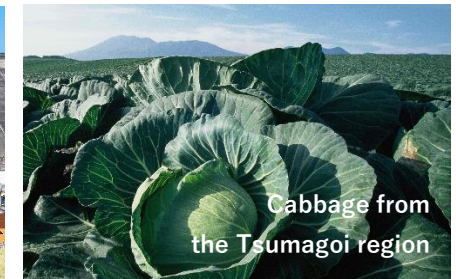
#### Few natural disasters

- The smallest number of earthquakes in the Kanto region (statistically, 78 earthquakes at an intensity 4 or higher over approx. 100 years)
- The smallest number of households affected by natural disasters (earthquakes, floods, landslides, etc.) in the Kanto region
- Favorable conditions for establishing factories and logistics bases because of fewer disasters
- Functions as a backup site for the Tokyo metropolitan area



#### Favorable regional resources

- A treasure house of renewable energy (ranked 2nd in Japan for annual hours of sunshine)
- Abundant water resources (maximum hydroelectric power output ranks 6th in Japan) \*Oct, 2025
- An environment suitable for agricultural and livestock production (local specialties include cabbage and konjac potatoes)
- Effective utilization of a stable climate and abundant water resources
- As the "kitchen" of the Tokyo metropolitan area, diverse agriculture and food manufacturing are flourishing.



#### Favorable tourism resources

- Tourism: **Tomioka Silk Mill** was listed as a World Heritage Site in 2014
- Hot springs: **Kusatsu Onsen** has been ranked 1st for 23 consecutive years on the "100 Best Hot Springs in Japan" list
- Nature: Mountains and forests account for 2/3 of the land in Gunma Prefecture  
(11 of the 100 Famous Japanese Mountains are located here) with **Oze** (designated as a Special Natural Monument)



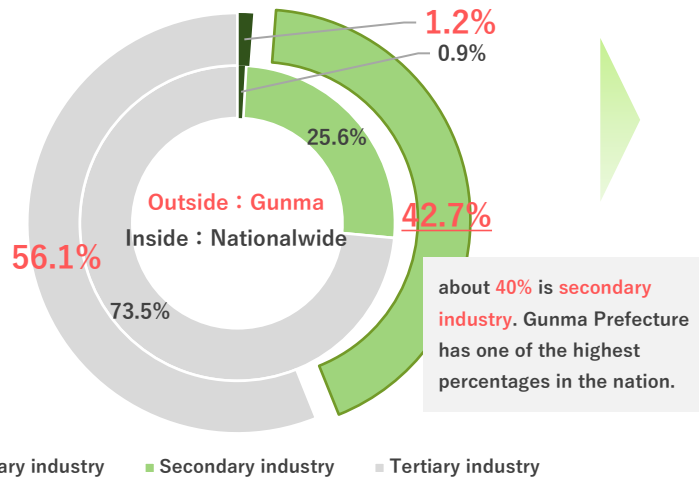
# Attractiveness of Gunma Prefecture 3

Attractiveness of Gunma Prefecture 2 :

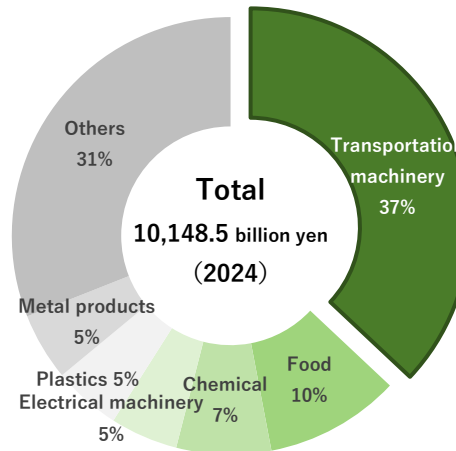
Sources : Gunma Prefecture 「IR information of Gunma Prefecture (Jun. 2025) 」

## Manufacturing and high technical capabilities

Nominal gross production output for Gunma type of industry(FY2022)



Breakdown of manufactured product shipment, etc.



Ratio of transportation machinery production

Rank	Prefecture	Ratio
1	Aichi	18.6%
2	Gunma	13.2%
3	Shizuoka	10.1%
4	Hiroshima	7.3%
5	Mie	7.3%
6	Tochigi	5.1%
7	Gifu	5.0%
8	Yamaguchi	4.9%
9	Okayama	4.0%
10	Kanagawa	3.4%

High proportion of transportation machinery

※FY2022 data

## (Ref.) Main data of Gunma Prefecture

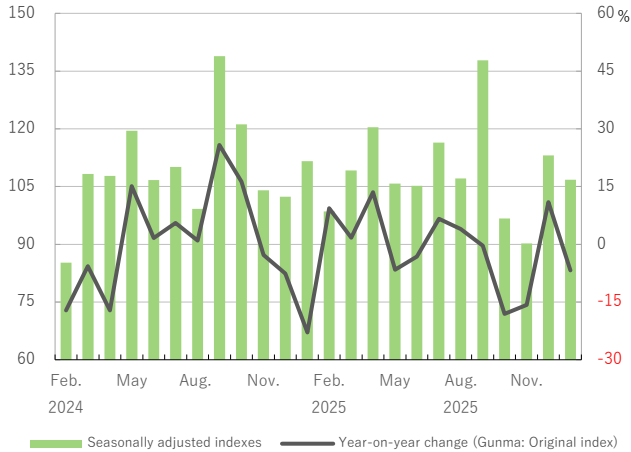
<p>Population</p> <p>1.89 million</p> <p>(18th in Japan)</p> <p>(Oct. 2024)</p>	<p>Product shipment</p> <p>9,762.0 billion yen</p> <p>(14th in Japan)</p> <p>(2022)</p>	<p>Prefectural product</p> <p>10,148.5 billion yen</p> <p>(12th in Japan)</p> <p>(FY 2023)</p>	<p>Agricultural output</p> <p>265.5 billion yen</p> <p>(12th in Japan)</p> <p>(2023)</p>
<p>Prefectural income per capita</p> <p>3.467 million yen</p> <p>(5th in Japan)</p> <p>(FY 2022)</p>	<p>Nominal economic growth rate</p> <p>6.7%</p> <p>(1st in Japan)</p> <p>(FY 2022)</p>	<p>Real wage growth rate</p> <p>+0.6%</p> <p>(1st in Japan)</p> <p>(1 year until Oct. 2023)</p>	<p>Desired place to migrate</p> <p>(1st in Japan)</p> <p>(2024)</p>

Announced in Jan, 2026: National average 2.9%

# Economic Trends in Gunma Prefecture 1

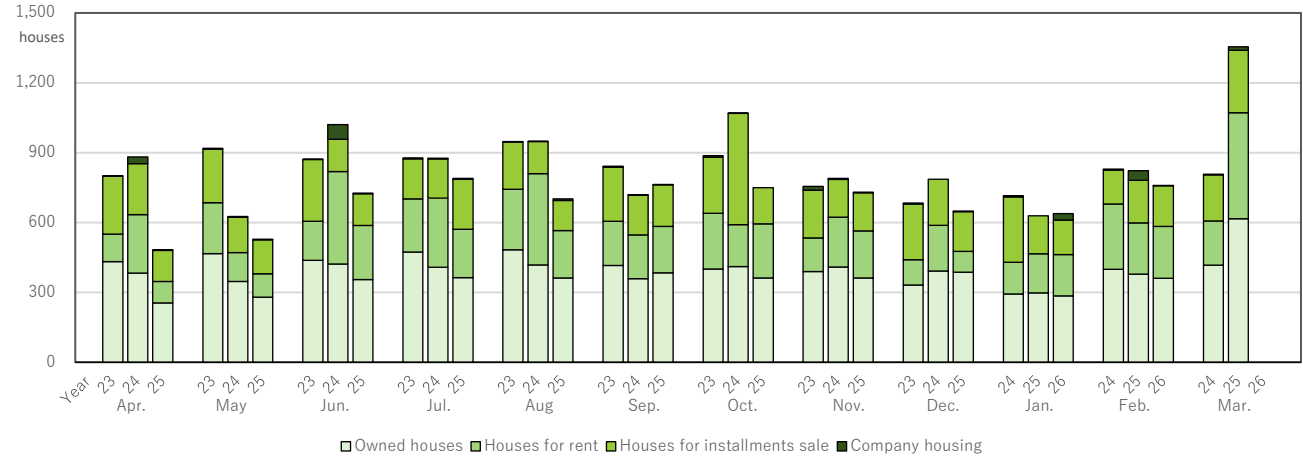
### Mining and manufacturing production index

(Year 2020=100)



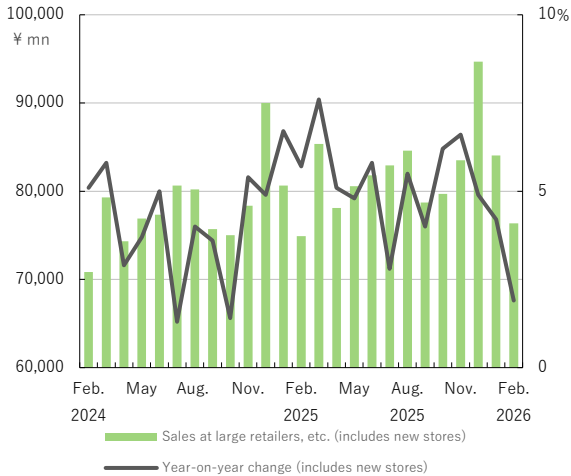
Source: Gunma Prefecture

### Number of new housing starts



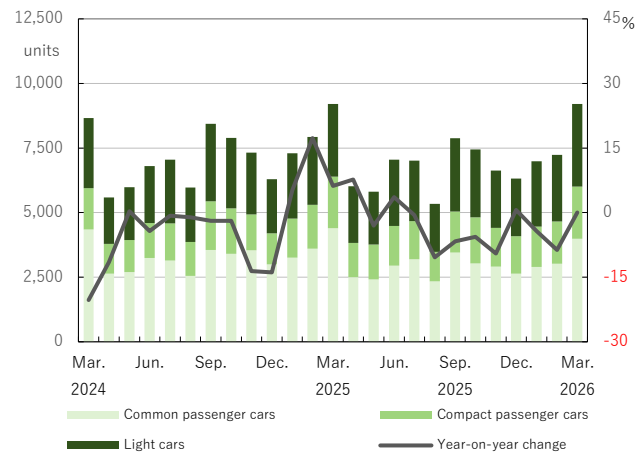
Source: Ministry of Land, Infrastructure, Transport and Tourism

### Sales at large retailers, etc.



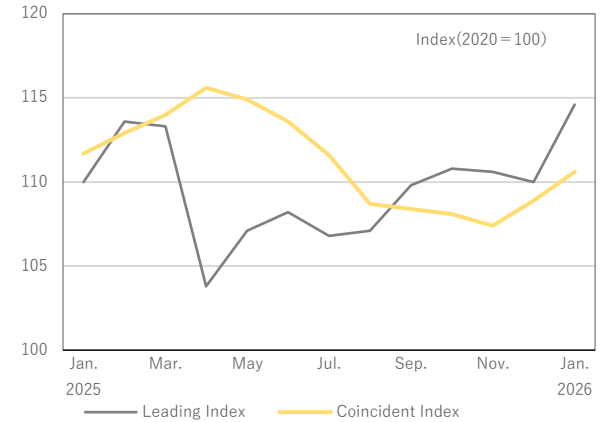
Source: Ministry of Economy, Trade and Industry

### Sales of passenger cars



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

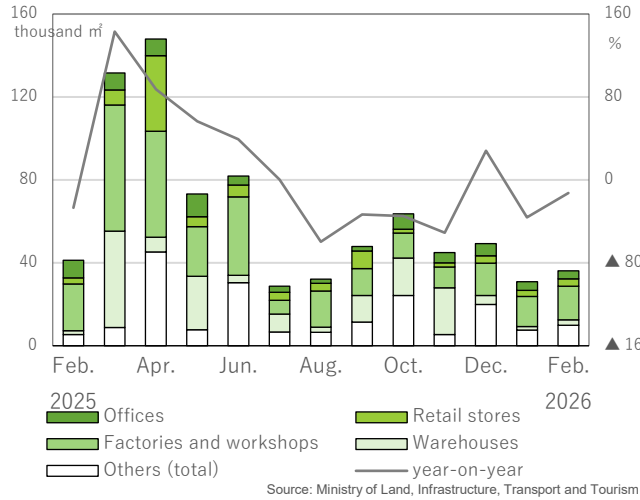
### Composite Index of Business Conditions



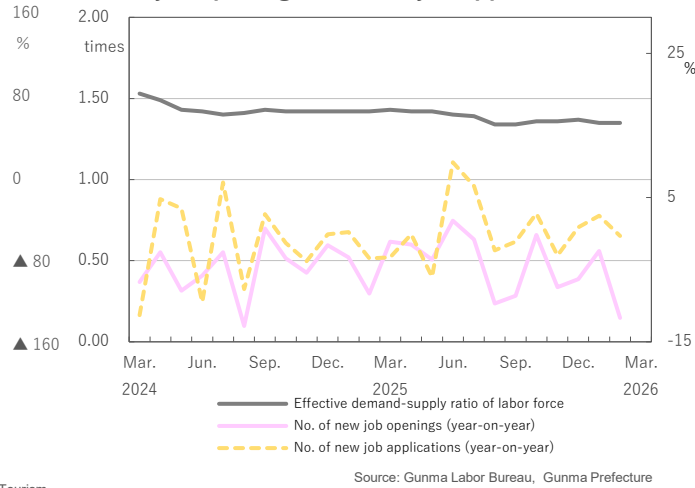
Source: Gunma Prefecture

# Economic Trends in Gunma Prefecture 2

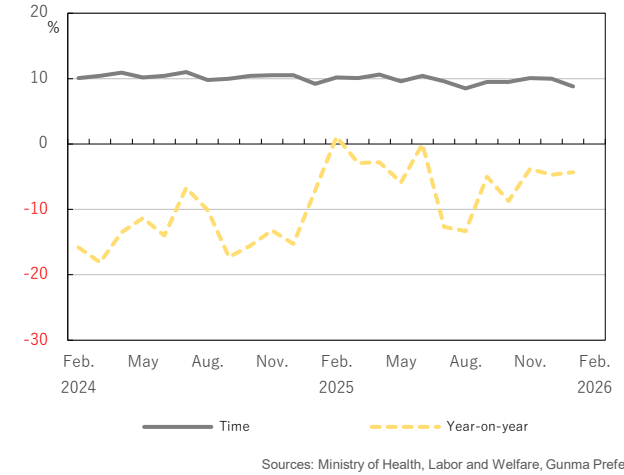
### Total floor area of non-residential building starts



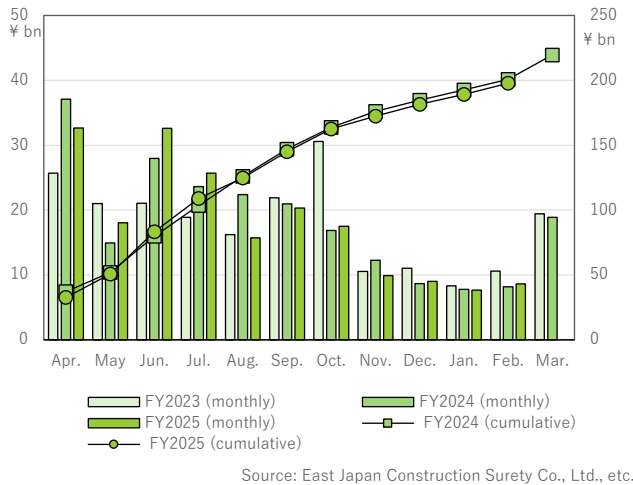
### Effective demand-supply ratio of labor force and number of new job openings and new job applications



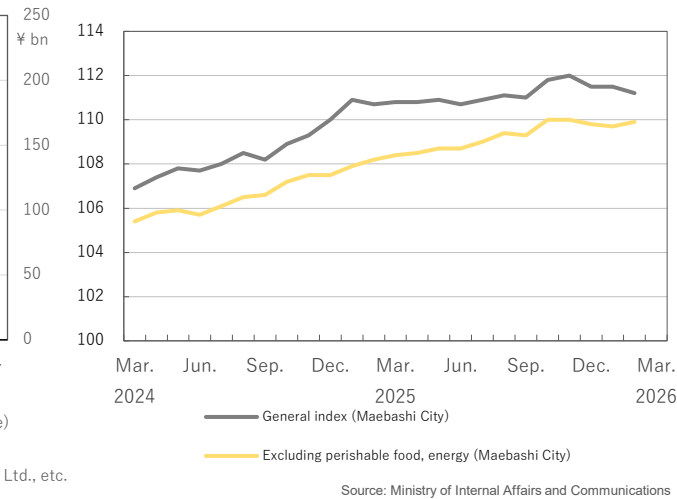
### Total overtime hours



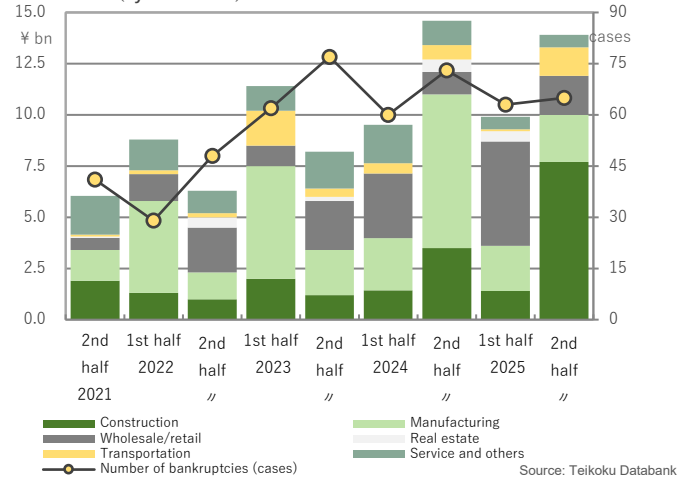
### Value of public works contracts



### Consumer price index (Year 2020 = 100)



### Number of bankruptcies and total liabilities from left table (by industries)



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