

Message from the Management



I would like to express our sincere appreciation for your continuing patronage of the Gunma Bank. Since its establishment in 1932, the Bank has, throughout the many intervening social and economic changes, played the role of a leading regional bank, always giving consideration to the development of local communities through its activities, while strengthening its management culture and creating the foundation the Bank has today. This has been entirely thanks to the warm understanding and support of all of our clients and customers, to whom we offer our deepest gratitude.

With regard to the economic situation in Japan, while there are uncertainties in the global economy, a moderate recovery is continuing. Meanwhile, the environment surrounding the management of financial institutions is becoming even more severe following the adoption of a negative interest rate policy in response to price trends. On the other hand, faced with the issues of the advancement in the declining birthrate and aging of the population, even more is becoming expected in the role of the regional financial institutions towards regional revitalization.

In this business environment, we started the “2016 Mid-term Business Plan ‘Value for Tomorrow,’ or value-added proposals for tomorrow,” whose plan period is the three years from April 2016 to March 2019. In this Plan, “a regional financial group that supports the regional

community and customers into the future and that grows together with them” is what we aspire to be, and we will put into practice initiatives to realize it.

As part of initiatives aimed at regional revitalization, we are implementing various measures to contribute to regional economy reactivation, including participation in regional revitalization through measures to promote and support regional comprehensive strategies, helping start-ups and second start-ups through the “Gungin Business Support Grand Award,” and enhanced support for companies based on evaluation of customers business potentials (*1).

*1. Evaluation of customers business potentials refers to utilizing the results of analysis conducted on factors such as regional economy and industry trends to appropriately assess the business and growth potential of customer companies.

As initiatives to reinforce consulting-based sales, we will carry on and strive to improve “value-added proposal actions” that we have conducted up until now and utilize Fin-tech (*2) to enhance and improve the convenience of solutions offered to customers.

*2. Fin-tech is a combination of the words finance (fin) and technology (tech), and refers to innovative financial services that mainly utilize IT.

As part of our initiatives towards our corporate customers, we have created a one-stop support structure through the new establishment of the “team to promote corporate customer consulting,” and we will actively provide funds using the “Gunma Bank Business Support Fund” and the “Gunma Medical-Industry Collaboration Revitalization Fund,” and even further expand our overseas support network.

As for our individual customers, we are working to improve asset management proposal capabilities in partnership with Gungin Securities Co., Ltd., enhance inheritance-related consultation services, strengthen marketing functions through the further use of EBM systems (*3), and strengthen proposal capabilities for housing loans and unsecured consumer loans.

*3. Refers to event based marketing, which consists of monitoring changes in the status of customer transactions and offering the optimal products and services at the optimal timing using the optimal channel.

Through these measures we will work to reinforce loan management and even more enhance our fee business through sales of deposit financial assets and corporate service transactions. At the same time, as initiatives aimed at improving profitability, we will strive to open and expand branches in growth markets.

Furthermore, we will pursue productivity improvements through measures for operation streamlining by reviewing business processing systems while also working on reinforcement of the compliance system and enhancement of the customer protection management system, as well as upgrading the risk management system.

In order to implement these new initiatives, in June 2016, we partially revised our organization in headquarters-related divisions including sales departments, compliance and risk management departments, and administrative departments. Under this new organizational structure, we will work to improve competitiveness by “further development” and “new endeavors.”

We will continue to face squarely the diverse needs of the regional community and customers and provide truly helpful financial solutions, and be worthy of the trust and live up to the expectations of all of our stakeholders as a regional financial group. We humbly ask for your continuing support in the years ahead.

July 2016

A handwritten signature in dark ink, reading "K. Saito". The signature is fluid and cursive, with the first letter of the last name being a large, stylized 'S'.

Kazuo Saito
President