

Mid-Term Business Plan

Mid-Term Business Plan “Innovation for Purpose”

We have entered the final year of our Innovation for Purpose mid-term business plan which runs from April 2022 to March 2025. The mid-term plan clarifies that we will work on management based on the Purpose established in November 2021, “We use our strengths in connections to spin the threads of the future for local communities.” Its goal is to accelerate innovation, which was the goal of the last mid-term plan.

The Gunma Bank Group will aim to achieve sustainable growth by proactively working to resolve issues faced by soci-

ety and customers (social value) based on our Purpose, and as a result, generate appropriate profits (economic value).

Along with working to strengthen our ability to “connect” by implementing five reforms while making use of digital technology, with this plan we are making efforts to demonstrate our ability to “connect” through investments and loans, and consulting activities, that help to solve the issues faced by society and our customers.

Basic Policy	1 Implementation of Digital Strategies as the Foundation for “Connections and Spinning the Threads” ...P62		
	2 Reinforce Strengths in “Connections” by Five Reform Initiatives	3 “Spinning the Threads” of the Future by Exercising Our Strengths in “Connections”	
Strategic Theme	● Sales Process Reforms with Emphasis on Progress and Autonomy ————— P60	● Involvement or the like in Regional Sustainability /Initiatives for SDGs and ESGs ————— P32	
	● Business Process Reforms that Contribute to Increasing Productivity ————— P60	● Coronavirus-ready Support for Finance, Core Business and Succession of the Businesses ————— P42	
	● Channel Reforms that Adapt to Changes in the Environment and Customer Needs ————— P61	● Personalized Consulting Service for Each Individual Customer ————— P44	
	● Innovations in Human Resources aimed at Making the Best Use of Creativity ————— P54	● Exploring New Business Opportunities through the Group's Comprehensive Capabilities and Deepening Existing Businesses ————— P48	
	● Reforms in Collaboration with External Parties for Improving Strengths ————— P52	● Reinforcement of Our Management Structure to Consistently Demonstrate Our Strengths in “Connections” ————— P64	

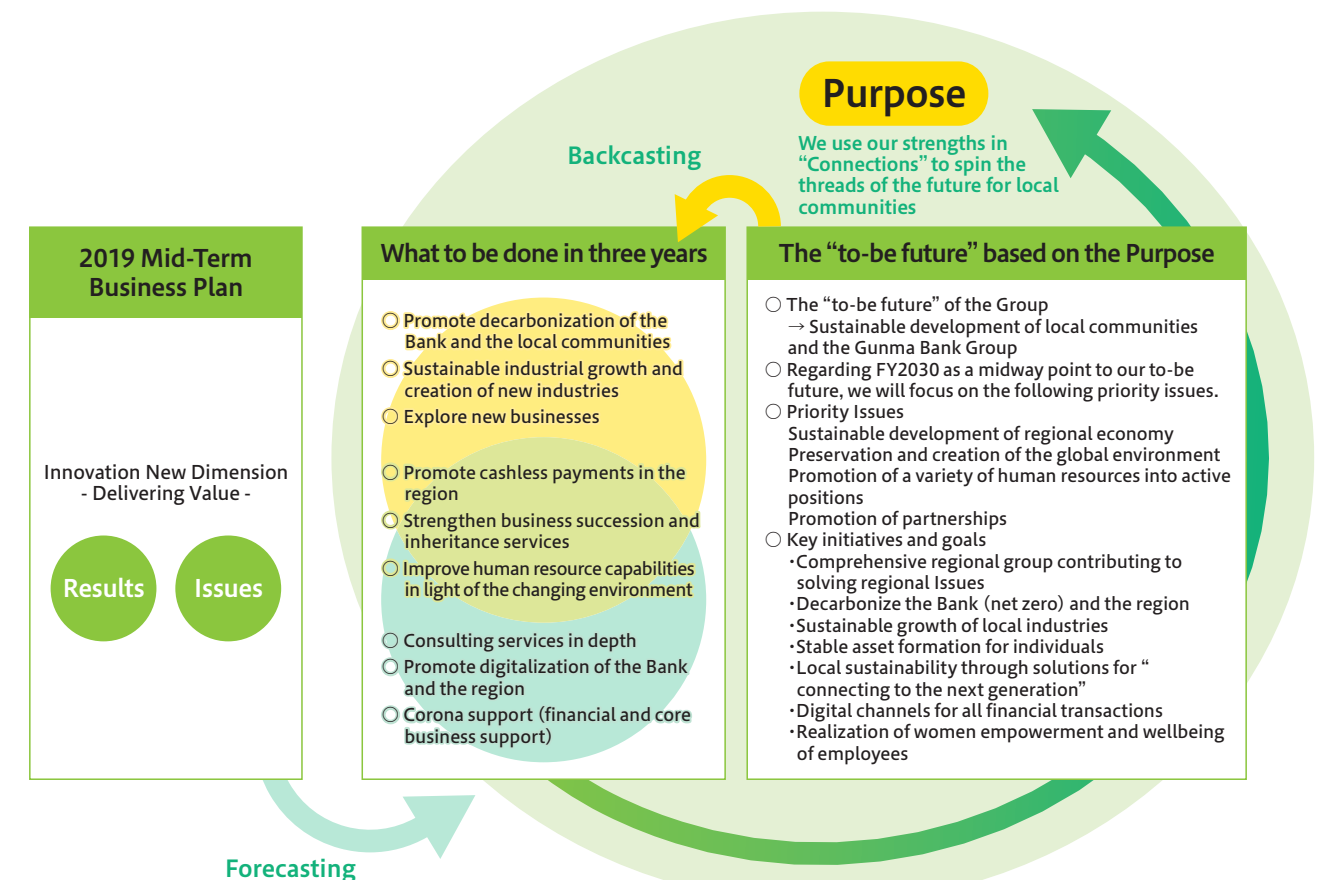
Reinforce strengths in “Connections” by five reform initiatives in order to “deepen” and “extend (new strengths)”

Spinning the threads of the future by exercising our strengths in “Connections” in order to meet expectations from society and customers, and both apparent and inapparent needs



Numerical Plan: Consolidated quantitative target as of the final fiscal year of the plan (fiscal year ending March 31, 2025)

Parameter	Target	Results (Mar. 2024)
Core business net income (excluding gain (loss) on cancellation of investment trusts)	45 billion yen	45.4 billion yen
Non-interest Business Income	25 billion yen	24.2 billion yen
Profit attributable to owners of parent	30 billion yen	31.1 billion yen
Consolidated final profit	4.0 billion yen	2.9 billion yen
RORA	0.7% or above	0.81%
OHR	Around 55%	53.4%
ROE	5% or above	5.7%
Total capital ratio	13.5% or above	14.86%



Numerical Plan (KPIs in Connections)*1

KPIs in Connections	Parameter	Target	Results (Mar. 2024)
“Connect” lender and borrower	Amount of sustainable finance executed (three-year cumulative total)	800.0 billion yen*2	680.9 billion yen (two-year cumulative total)
	Amount of housing loan executed (three-year cumulative total)	400.0 billion yen	236.9 billion yen (two-year cumulative total)
	Balance of unsecured consumer loan (as of March 31, 2025)	75.0 billion yen	71.3 billion yen
“Connect” customers	Number of business matching cases (cumulative for three years)	3,000 cases	2,099 cases (cumulative for two years)
“Connect” businesses and individuals	Number of staffing cases closed (cumulative for three years)	200 cases	182 cases (cumulative for two years)
“Connect” customers’ asset with their Future	Balance of customers’ deposited financial assets (consolidated, as of March 31, 2025)	1,250.0 billion yen	1,154.2 billion yen
	Of which, investment trusts (consolidated, as of March 31, 2025)	400.0 billion yen	411.4 billion yen
“Connect” for the next generation	Number of business succession issues resolved (cumulative for three years)	600 cases	774 cases (cumulative for two years)
	Number of contracts for inheritance-related services (cumulative for three years)	1,000 cases	648 cases (cumulative for two years)
Key figures for Purpose-based sales operation	Profit on loans (FY2025)	54.5 billion yen	55.8 billion yen
	Corporate service revenue (FY2025, consolidated)	6.5 billion yen	7.5 billion yen
	Customers’ deposited financial asset revenue (FY2025, consolidated)	9.0 billion yen	7.6 billion yen

*1 KPIs in Connections are concrete quantitative targets established in order to achieve both the realization of Purpose and the Bank’s profit targets.

*2 Revised upward from 500 billion yen in September 2023.

1 The Gunma Bank

2 Strategy for Realizing Our Purpose

3 Management Base That Supports the Realization of Purpose