

The Gunma Bank, Ltd.

Overview of Financial Results

for the three months ended Jun. 2025

July 29, 2025



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

(Tokyo Stock Exchange Prime Market : 8334)

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



Profit and Loss Conditions

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

Financial Summary

(Unit : Billions of yen)

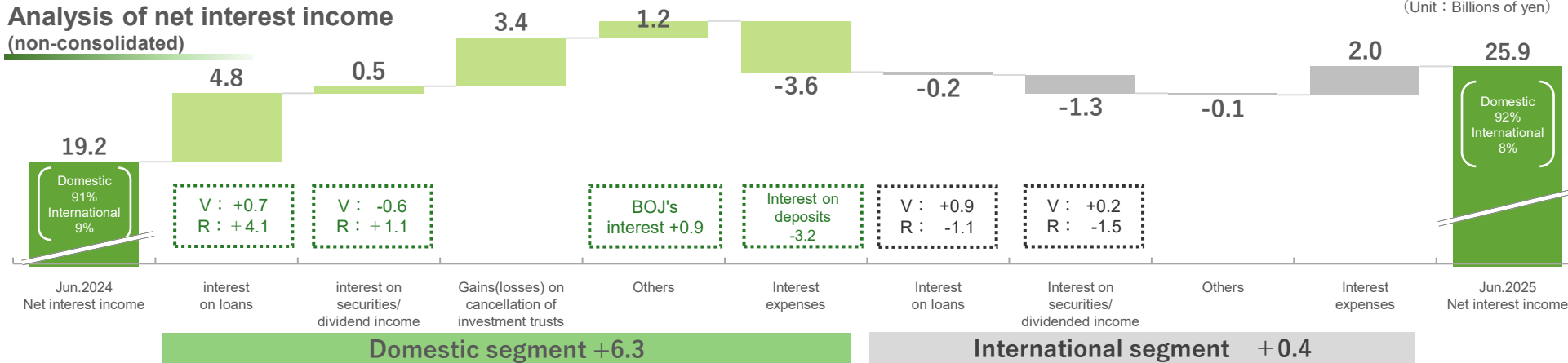
< Consolidated >	Jun.2025	YoY	Annual plan Mar.2026	Progress rate against annual plan
Core business gross profit	32.7	7.0	122.8	26.6%
Net interest income	25.8	6.7	93.8	27.5%
Gains (losses) on cancellation of investment trusts	1.8	3.4	-1.0	—
Excluding gains(losses) on cancellation of investment trusts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

(Unit : Billions of yen)

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

Analysis of net interest income (non-consolidated)

(Unit : Billions of yen)



Status of Deposits and Loans

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

Breakdown of deposit balance

(Unit : Billions of yen)

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

Breakdown of loan balance

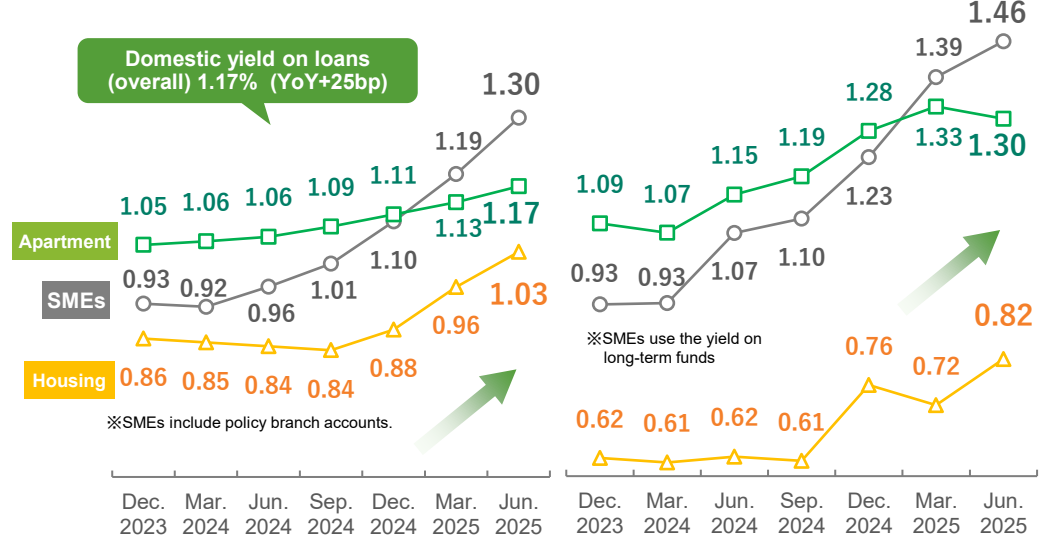
(Unit : Billions of yen)

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

Status of yields

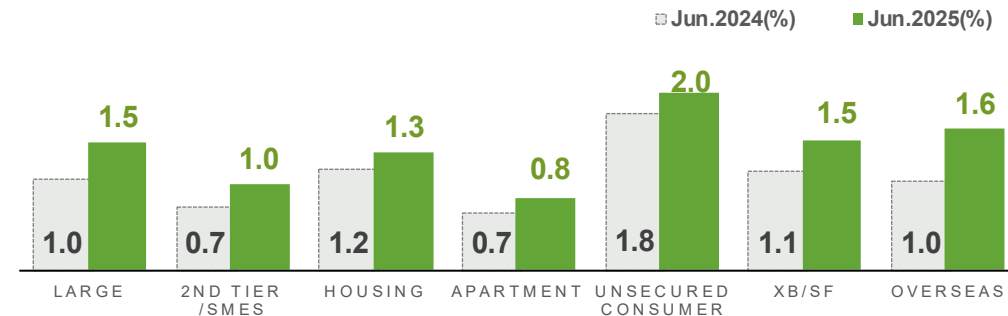
< Yield on loans(domestic) : % >

< Interest rates of new loans granted : % >



Loans' RORA

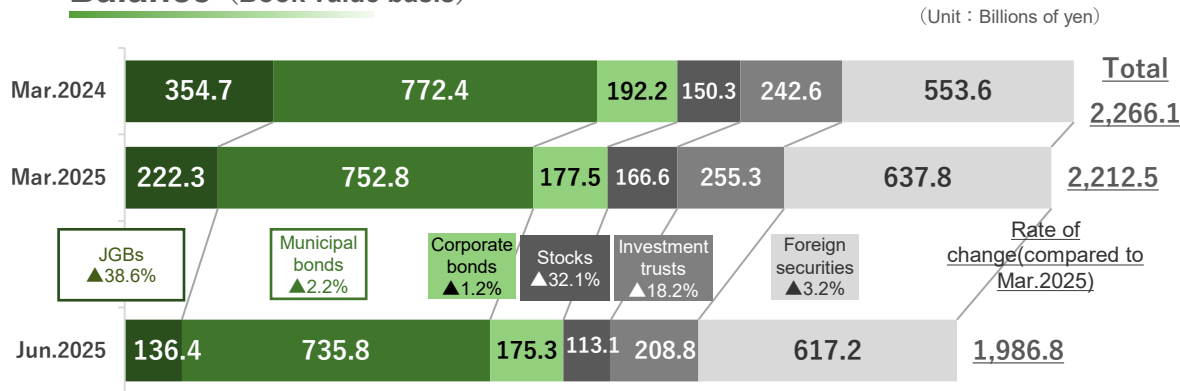
※RORA = (net interest income + non-interest business profit - expenses - credit cost) × (1-30.5%) / risk weighted assets



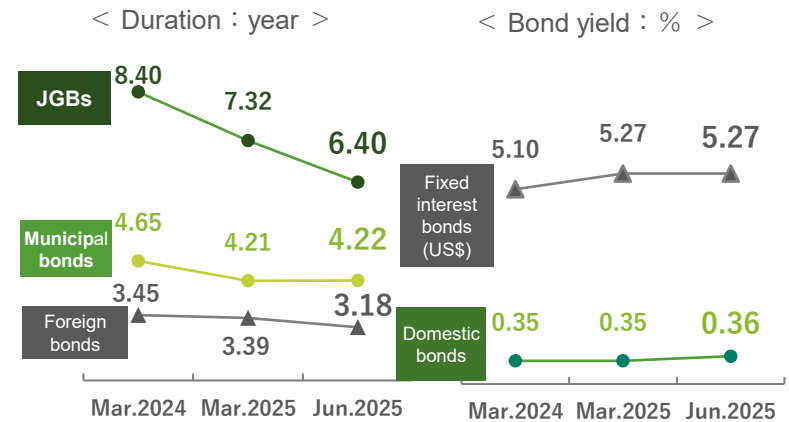
Status of Securities

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

Balance (Book value basis)



Various index



Unrealized gains (losses) valuation (BS)

(Unit : Billions of yen)

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

Gains (losses) on sales (PL)

(Unit : Billions of yen)

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

Non-interest Business Profit / Expenses / Net credit costs

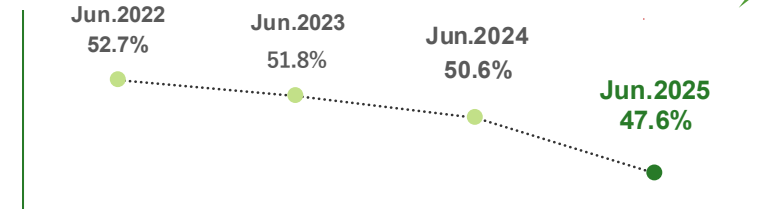
Corporate service revenue・**Deposits financial assets, etc. revenue** will strive to increase in the 2nd quarter and beyond.
OHR continues to improve. **Net credit costs** are low and stable.

Non-interest business profit

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

Expenses

< Trend in consolidated OHR >



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

< Breakdown of Expenses >

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

Net credit costs

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

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

Shareholder Return

Acquisition of treasury shares

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

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

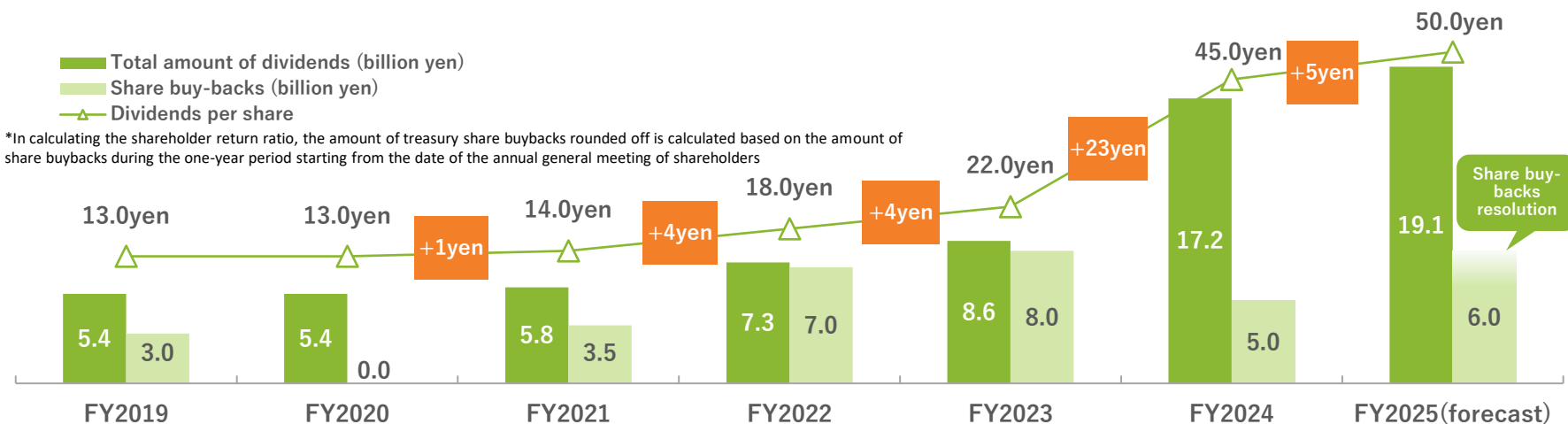
Shareholders return

< Shareholder return policy >

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

< Achievements of returns >

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



		FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025(forecast)
Total amount of shareholder return(billion yen)		8.4	5.4	9.3	14.3	16.6	22.2	—
Total shareholder return ratio	consolidated	To FY2021 Non-consolidated basis			51.4%	53.6%	50.7%	(51.2% expected)
	non-consolidated	47.2%	46.8%	39.9%	From FY2022 Consolidated basis			
Dividend payout ratio		24.6%	40.4%	22.1%	26.4%	28.1%	39.5%	(39.0% expected)
Profit (billion yen)	consolidated	22.2	13.5	26.4	27.9	31.1	43.9	49.0(forecast)
	non-consolidated	17.9	11.6	23.3	24.6	28.1	40.4	44.5(forecast)

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

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