



The Gunma Bank, Ltd.

Overview of Financial Results

for the Year Ended March 31, 2026

May 11, 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

Profit and Loss Conditions

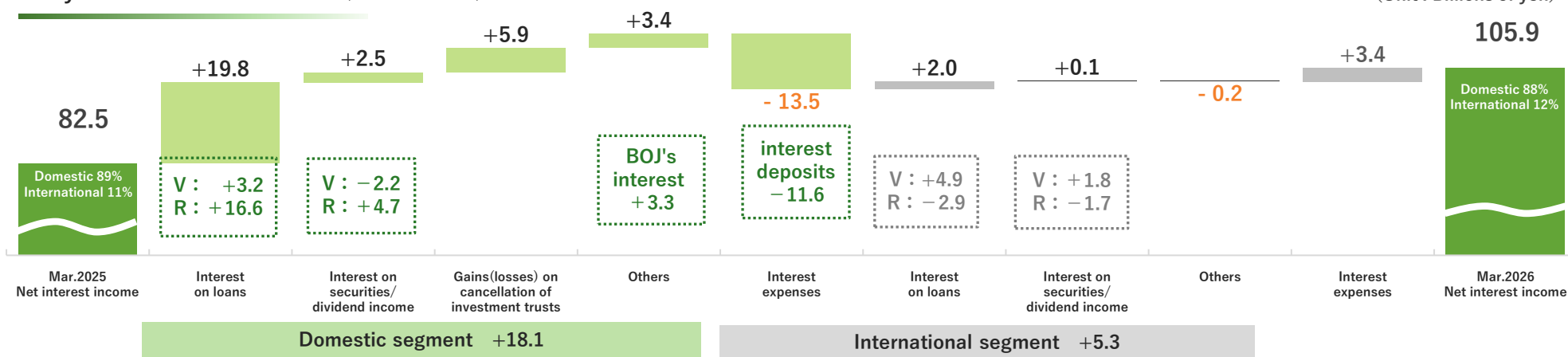
Consolidated core business net profit (excluding gains (losses) on cancellation of investment trusts) amounted to 71.1 billion yen, up 15.6 billion yen year-on-year, due to an increase in net interest income. **Profit attributable to owners of parent** amounted to 58.8 billion yen, up 14.9 billion yen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

Financial Summary

(Unit : Billions of yen)					(Unit : Billions of yen)	
< Consolidated >	Mar.2026	YoY	compared to announced plan	Announced plan (Sep. 2025)		
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		
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%		

(Unit : Billions of yen)			
< Non-consolidated >	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

Individuals

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

Corp.

【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, etc. areas.

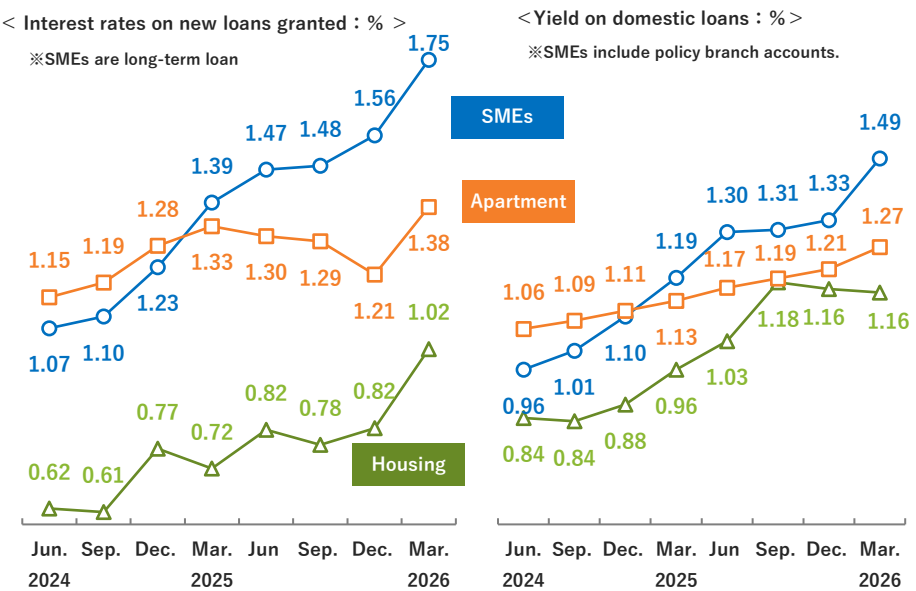
Promote campaigns etc.
< changes in individual time dep. >
*past 2 months
Amount (¥ bn) Rate
Feb.~Apr. in 2026 +6.4 +0.49%
Feb.~Apr. in 2025 -6.0 -0.45%

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)
(Apatment)	706.5	+11.2	(+1.6%)	0.95%	(+0.27pt)
(Unsecured consermer)	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%)	—	—

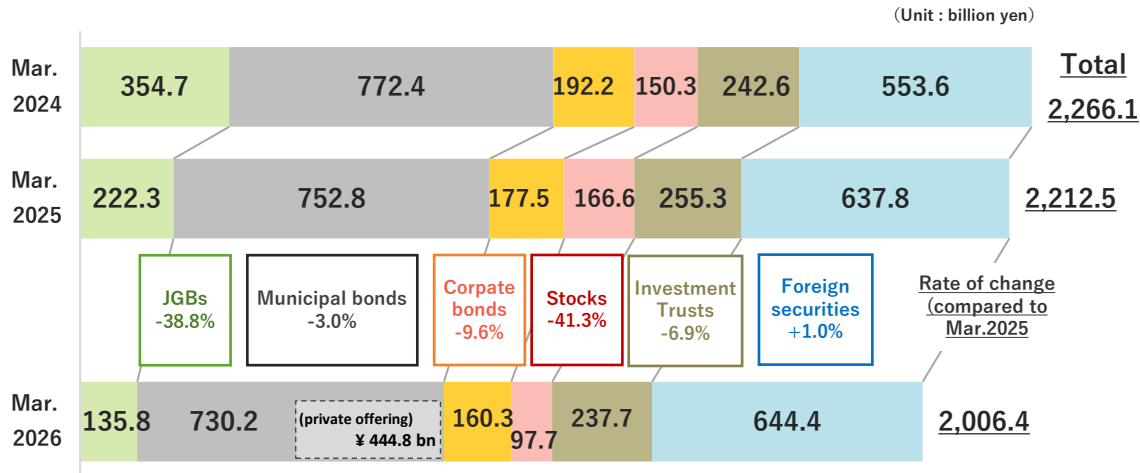
Status of yields



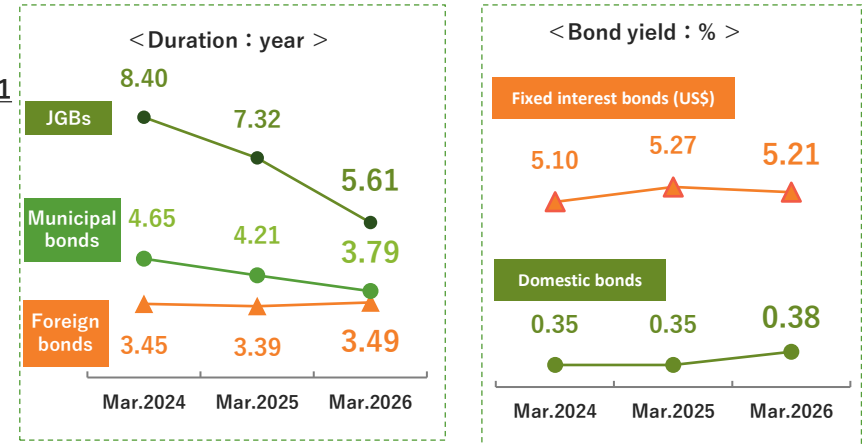
Status of Securities

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 next FY 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)	
< Consolidated >	Result		Annual plan
	Mar.2026	YoY	Mar.2027
Non-interest business profit	29.33	+3.73	35.0
Corporate service revenue	10.74	+1.10	13.9
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-related	(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)
Deposits financial assets, etc. revenue	9.50	+1.29	11.4
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)
Others	9.08	+1.33	9.7
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※”

- 1,698 needs identified / 917 solutions delivered (151% vs target)

Value creation throughout the process via a **full-spec approach**

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

『Labor-saving investment subsidy (automation / robotics)』

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

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	—
Consolidated Exp.	60.0	+5.2	

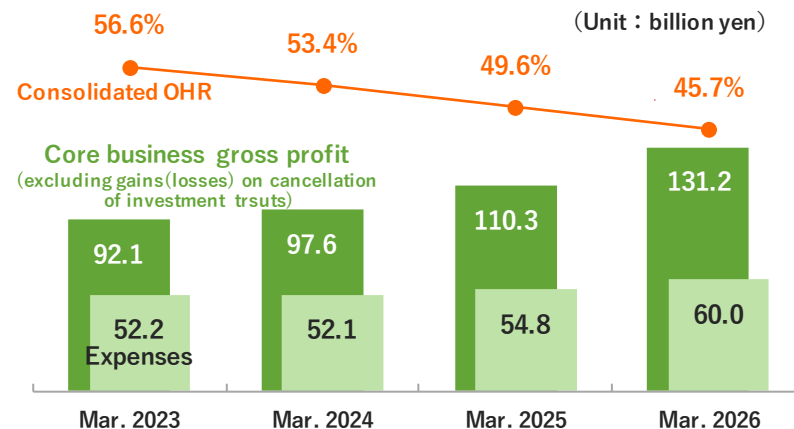
Breakdown of net credit costs

(Unit : billion yen)

< Non-consolidated >	Mar. 2024	Mar. 2025	Mar. 2026	Mar.2027 (Plan)
Net credit costs	0.6	2.3	3.2	5.0
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	—

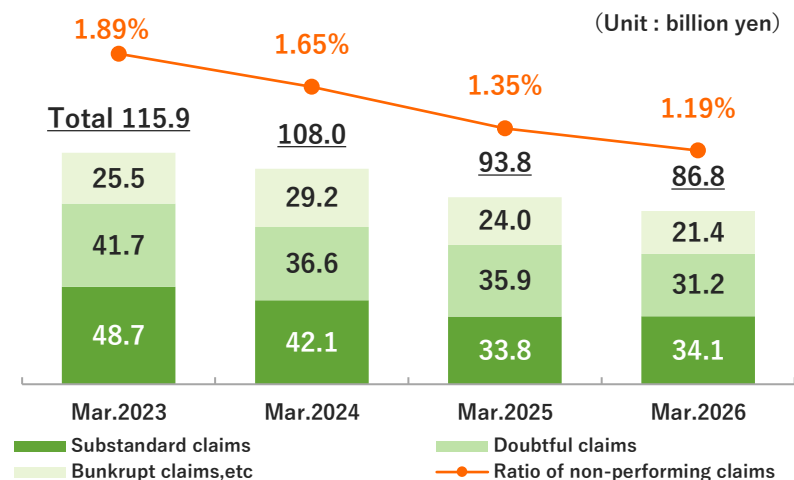
Status of OHR (consolidated)

(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%	10.0%

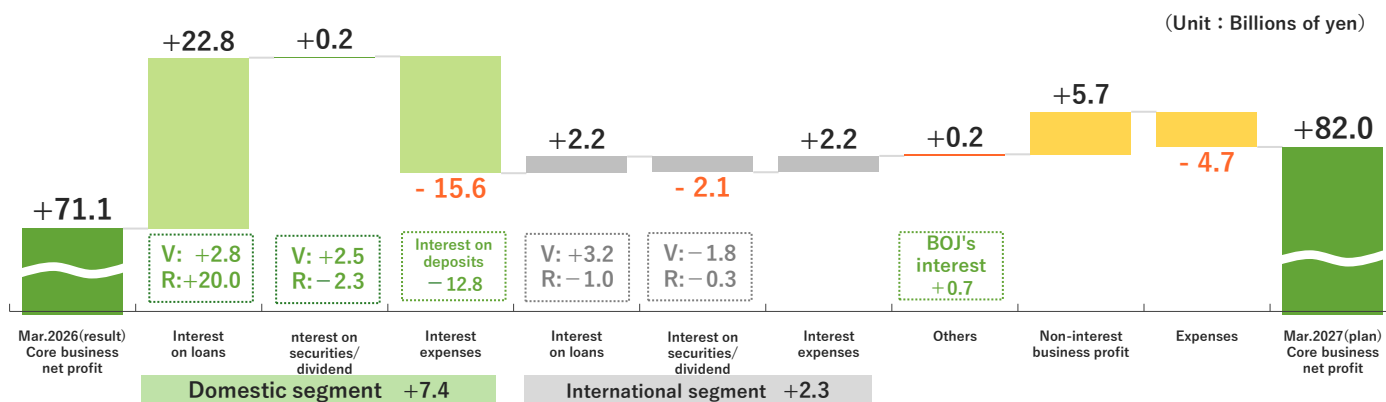
(Unit : Billions of yen)

< 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%)

Shareholder Return

The annual cash dividend per share 62yen (compared to published **+2 yen**) : Dividend payout ratio 40.0% / Total shareholder return ratio 50.1%
The annual cash dividends per share for FY 2026 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.

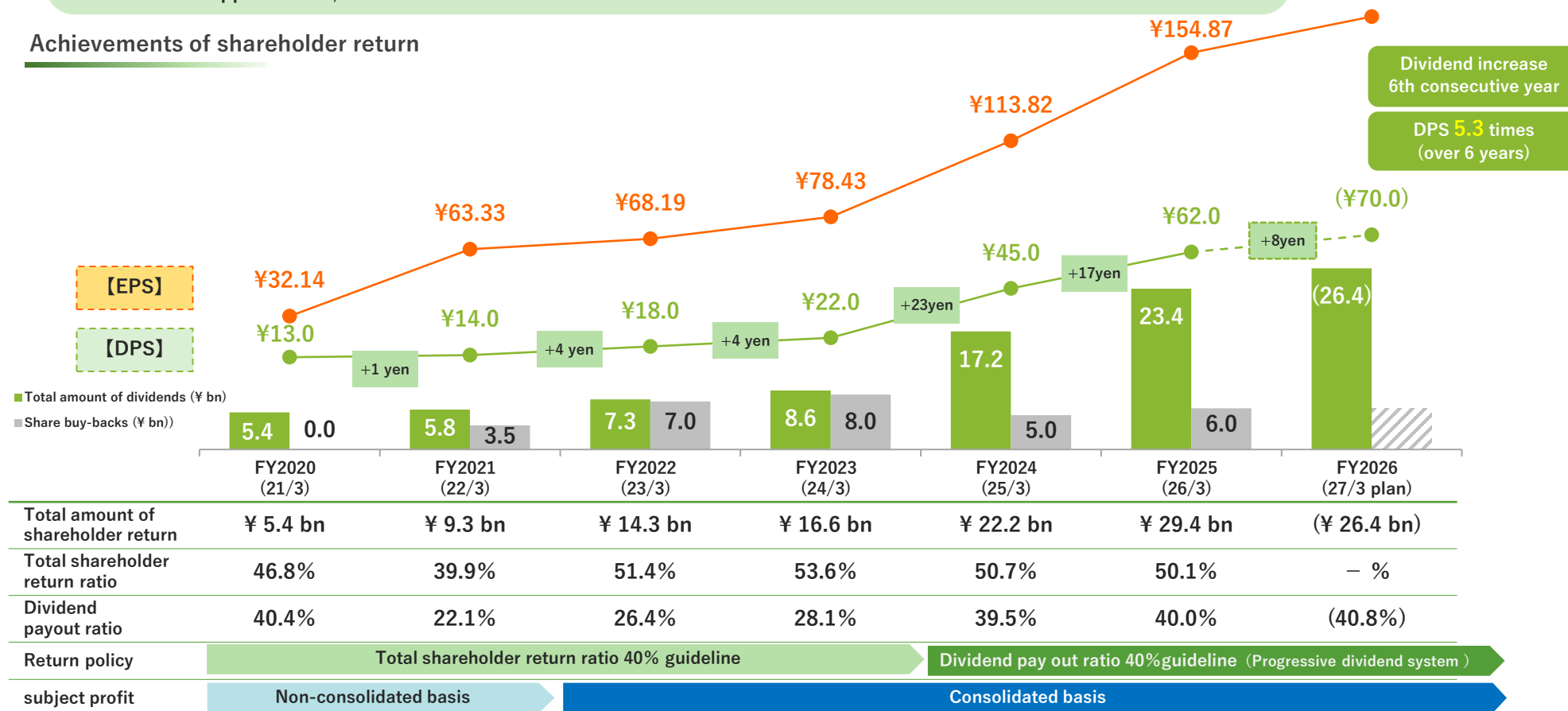
The bank strives to achieve a payout ratio of **40%** of profit attributable to owners of parent and will increase dividends through profit growth.

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**

(¥171.73)

Achievements of shareholder return



*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.

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