

June 26, 2018

Company Name: The Gunma Bank, Ltd.
Representative: Kazuo Saito, President
Stock Exchange Listing: Tokyo (code: 8334)
For Inquiry: Hiroyuki Irisawa, Managing Executive Officer and General Manager,
Corporate Planning Department

**Notice regarding Adjustment of Conversion Price for
U.S.\$200,000,000 Zero Coupon Convertible Bonds due 2019**

With respect to The Gunma Bank, Ltd. U.S.\$200,000,000 Zero Coupon Convertible Bonds due 2019 issued on October 14, 2014 (the “Bonds”), The Gunma Bank, Ltd. (the “Bank”) hereby announces an adjustment of the Conversion Price (as defined in the terms and conditions of the Bonds) of the Bonds as follows:

Reason for the Adjustment: The 133th ordinary general meeting of shareholders of the Bank held on June 26, 2018 approved the payment of a year-end dividend in the amount of ¥7 per share, and accordingly the aggregate amount of dividend for the fiscal year ended March 31, 2018 has become ¥13 per share. As a result, the Conversion Price has been adjusted pursuant to Condition 5.2.4 of the terms and conditions of the Bonds (adjustment of Conversion Price due to distribution to shareholders of Extraordinary Dividends (as defined in Condition 5.2.4 of the terms and conditions of the Bonds)).

Old Conversion Price: U.S.\$6.451

New Conversion Price: U.S.\$6.416

Effective Date for

New Conversion Price: Retroactively from April 1, 2018 (Japan time)

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