

Company Name: The Gunma Bank, Ltd.  
Representative: Kazuo Saito, President  
Stock Exchange Listing: Tokyo (code: 8334)  
For Inquiry: Yuji Kanai, Director and General Manager, Corporate Planning Department

### **Notice on Establishment of Securities Subsidiary**

The Gunma Bank, Ltd. (“Gunma Bank”) (President, Kazuo Saito) resolved at its Board of Directors meeting held on November 6, 2015 to establish a wholly-owned securities subsidiary subject to regulatory approval, as follows.

#### **1. Outline of the securities subsidiary to be established**

Company name: Gungin Securities Co., Ltd.  
Headquarters: 2-2-11 Honmachi, Maebashi-shi, Gunma, Japan  
Paid-in capital: 3,000 million yen  
Equity participation: 100% Gunma Bank  
Planned operational launch: October 2016

#### **2. Purpose of establishing the securities subsidiary**

The Gunma Bank Group, comprising Gunma Bank and six group companies, has been striving to deliver a wide range of financial services such as banking, our principal business line, as well as leasing and credit services.

As for its securities business, the Group has been pursuing over-the-counter sales of investment trust products since 1998. We decided to establish the above-mentioned securities subsidiary for the purpose of meeting customers’ investment needs extensively by delivering a securities service that has a greater added-value at a time when their needs for securities services are becoming increasingly sophisticated and diverse.

#### **3. Principal business activities**

The securities subsidiary concerned will provide mainly Gunma Bank’s customers with diverse and specialized product and service offerings such as stocks and bonds. By working together appropriately, Gunma Bank and its planned securities subsidiary will strive to identify customers’ needs, thus assisting them in investing and asset buildings.

#### **4. Schedule**

Gunma Bank will submit an application to the regulatory authority for an approval of its establishment of the planned securities subsidiary, as well as other relevant

procedures. At the same time, we will continue to develop the relevant platform, preparing for the subsidiary coming into operation in October 2016.

#### **5. Outlook on financial results**

Gunma Bank expects that the planned securities subsidiary will have only a negligible effect on its consolidated financial results for the fiscal year ending March 31, 2016.