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(Securities Code: 8334)
June 5, 2017

To Stockholders with Voting Rights:

Kazuo Saito
President
The Gunma Bank, Ltd.
194 Motosojamachi, Maebashi,
Gunma, Japan

NOTICE OF CONVOCATION OF THE 132ND ANNUAL GENERAL MEETING OF STOCKHOLDERS

You are cordially invited to attend the 132nd Annual General Meeting of Stockholders of The Gunma Bank, Ltd. (the “Bank”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights by either one of the following two methods. Please review the Reference Documents for the General Meeting of Stockholders (described hereinafter) and exercise your voting rights by 5:00 p.m. on Monday, June 26, 2017 Japan time.

[Exercise of Voting Rights in Writing]

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by the time stated above.

[Exercise of Voting Rights via the Internet, etc.]

Please access the Bank’s designated voting website (<http://www.e-sokai.jp>) using the “Voting Rights Exercise Code” and “Password” enclosed with the Voting Rights Exercise Form, follow the instructions on the voting website, and indicate your vote for or against the proposals by the time stated above.

- 1. Date and Time:** Tuesday, June 27, 2017 at 10:00 a.m. Japan time
- 2. Place:** 3F, Main Conference Room, Head Office of the Bank,
194 Motosojamachi, Maebashi, Gunma, Japan
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report and Non-consolidated Financial Statements for the Bank's 132nd Fiscal Year (from April 1, 2016 to March 31, 2017)
 2. Consolidated Financial Statements for the Bank's 132nd Fiscal Year (from April 1, 2016 to March 31, 2017) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board

Proposals to be resolved:

Proposal No. 1: Appropriation of Surplus

Proposal No. 2: Election of Nine (9) Directors

4. Exercise of Voting Rights and Other Notices:

- (1) If you vote both in writing on the Voting Rights Exercise Form and via the Bank's designated voting website on the Internet, etc., only your vote placed via the Internet, etc. will be valid. In addition, if you submit your vote multiple times via the Internet, etc., only the last vote will be valid.
- (2) Of the documents needed to be provided along with this notice of convocation, items in 1) to 3) below are, in accordance with laws and regulations as well as Article 16 of the Articles of Incorporation of the Bank, posted on the Bank's website (<http://www.gunmabank.co.jp/ir/>) and are therefore not included in the documents attached to this notice of convocation.
 - 1) Matters regarding stock acquisition rights, etc., of the Bank in the Business Report
 - 2) Non-Consolidated Statements of Changes in Net Assets and Notes to Non-consolidated Financial Statements in the Non-consolidated Financial Statements
 - 3) Consolidated Statements of Changes in Net Assets and Notes to Consolidated Financial Statements in the Consolidated Financial StatementsThe Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements audited by the Audit & Supervisor Board Members include the Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements attached to this notice of convocation, in addition to the items in 1) to 3) above. The Non-consolidated Financial Statements and Consolidated Financial Statements audited by the Accounting Auditor include the Non-consolidated Financial Statements and Consolidated Financial Statements attached to this notice of convocation, in addition to the items in 2) and 3) above.
- (3) Please note that any updates to the Reference Documents for the General Meeting of Stockholders, the Business Report, the Non-consolidated Financial Statements and Consolidated Financial Statements will be posted on the Bank's website (<http://www.gunmabank.co.jp/ir/>).

End

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- © When attending the meeting, please submit the enclosed "Voting Rights Exercise Form" at the reception desk. In the case of attendance by proxy, please appoint a stockholder holding voting rights of the Bank as a proxy. You can appoint only one stockholder as your proxy.
- © Semiformal dress code (Cool Biz) will be implemented on the day of the meeting. We appreciate your understanding.

Reference Documents for the General Meeting of Stockholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

Concerning return of profits to shareholders, under the basic policy of a stable payment of dividends with the effort for improvement of financial standing, the Bank implements return of profits to shareholders linked with its business results. Additionally, the rate of return to shareholders, the total of dividends and acquisition of treasury stock, will have a target of 40% versus non-consolidated net income for the meantime.

In regards to the appropriation of surplus for the fiscal year, the Bank considers the profitability conditions of the fiscal year and internal reserves. Furthermore, the rate of return to shareholders during the fiscal year will be 39.7%, the total of annual dividends (5.3 billion yen) and acquisition of treasury stock (4.6 billion yen).

1. Matters concerning year-end dividends
 - (1) Type of dividend property
Cash
 - (2) Matters concerning the allotment of dividend property to stockholders and the total amount
6.00 yen per stock of common stock, for a total of 2,639,574,378 yen
Furthermore, as 6.00 yen per stock was paid as an interim dividend, annual dividends will be 12.00 yen per stock.
 - (3) Effective date of distribution of surplus
June 28, 2017
2. Matters concerning appropriation of other retained earnings
 - (1) Item and the amount of surplus to be increased
General reserve 15,000,000,000 yen
 - (2) Item and the amount of surplus to be decreased
Retained earnings brought forward 15,000,000,000 yen

Proposal No. 2: Election of Nine (9) Directors

The terms of office of all eleven (11) Directors will expire at the conclusion of this Annual General Meeting of Stockholders. Accordingly, the election of nine (9) Directors is proposed.

The candidates are as follows:

Candidates for Director

No.	Name		Current position at the Bank
1	<u>Reelection</u>	Kazuo Kibe	Chairman
2	<u>Reelection</u>	Kazuo Saito	President
3	<u>Reelection</u>	Nobuyuki Horie	Managing Director
4	<u>Reelection</u>	Akihiko Fukai	Managing Director
5	<u>Reelection</u>	Shigeyoshi Minami	Managing Director
6	<u>Reelection</u>	Yoichi Hirasawa	Managing Director
7	<u>Reelection</u>	Yuji Kanai	Managing Director
8	<u>Reelection</u>	Eiji Muto <u>Candidate for Outside Director</u>	Outside Director
9	<u>Reelection</u>	Jun Kondo <u>Candidate for Outside Director</u>	Outside Director

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of stocks of the Bank held
1	Kazuo Kibe (September 13, 1950)	<p>April 1974 Joined the Bank</p> <p>April 1996 Deputy General Manager, Personnel Department</p> <p>April 1998 Senior Deputy General Manager, Takasaki Branch</p> <p>January 2001 Senior Deputy General Manager, Credit Department</p> <p>March 2002 General Manager, Prefectural Office Branch</p> <p>June 2004 General Manager, Ota Branch</p> <p>June 2005 Executive Officer and General Manager, Ota Branch</p> <p>June 2007 Director, Executive Officer, Assigned to Tokyo and General Manager, Tokyo Branch and in charge of Tokyo Liaison Office</p> <p>June 2009 Managing Director and in charge of Treasury & Securities Department, Operations Administration Department, Operations Department and Systems Development Department</p> <p>April 2011 Managing Director, General Manager of Operations Administration Department and in charge of Treasury & Securities Department, Operations Administration Department, Operations Department and Systems Development Department</p> <p>June 2011 Senior Managing Director and in charge of Business Planning & Administration Department, Corporate Banking Department, Personal Loan Department and Personal Financial Products Department</p> <p>October 2012 Senior Managing Director and in charge of Business Planning & Administration Department, Corporate Banking Department, Mortgage Loan Department and Personal Banking Department</p> <p>June 2014 Vice President and in charge of Business Planning & Administration Department, Corporate Banking Department, Mortgage Loan Department and Personal Banking Department</p> <p>June 2015 Chairman and in charge of General Operations and Inspection & Audit Department (current position)</p>	24,700 shares
<p>[Reasons for selection as a candidate for Director]</p> <p>Aside from the sales division and credit division, Mr. Kazuo Kibe has a wealth of operational experience through involvement in the market division, etc., and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2007 and as Chairman from June 2015, and is appropriately fulfilling these duties and responsibilities. To utilize this experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has selected him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of stocks of the Bank held
2	Kazuo Saito (January 12, 1949)	<p>April 1972 Joined the Bank</p> <p>June 1995 General Manager, Otanishi Branch</p> <p>April 1998 Senior Deputy General Manager, Corporate Planning Department</p> <p>June 2001 General Manager, Secretariat</p> <p>June 2003 General Manager, Tokyo Branch</p> <p>June 2004 Executive Officer and General Manager, Credit Department</p> <p>June 2005 Director, Executive Officer and General Manager, Credit Department</p> <p>June 2006 Managing Director and General Manager, Credit Department</p> <p>July 2006 Managing Director, General Manager, Credit Department and in charge of Secretariat</p> <p>June 2007 Managing Director and in charge of Risk Management Department and Secretariat</p> <p>June 2009 Senior Managing Director and in charge of Corporate Planning Department, Personnel Department and Secretariat</p> <p>June 2011 President and in charge of General Operations and Inspection & Audit Department</p> <p>June 2015 President and in charge of General Operations (current position)</p>	43,484 shares
<p>[Reasons for selection as a candidate for Director]</p> <p>Aside from the credit division and corporate planning division, Mr. Kazuo Saito has a wealth of operational experience through involvement in the personnel and secretariat divisions, etc., and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2005 and as President from June 2011, and is appropriately fulfilling these duties and responsibilities. To utilize this experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has selected him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of stocks of the Bank held
3	Nobuyuki Horie (January 10, 1956)	April 1978	Joined the Bank	12,335 shares
		February 2000	General Manager, Fukayakamishiba Branch	
		March 2002	Deputy General Manager, Personnel Department	
		June 2004	Senior Deputy General Manager, Personnel Department	
		June 2005	General Manager, Kumagaya Branch	
		June 2007	General Manager, Corporate Banking Department	
		June 2009	Executive Officer and General Manager, Utsunomiya Branch	
		June 2011	Executive Officer and General Manager, Personnel Department	
		June 2012	Director, Executive Officer and General Manager, Personnel Department	
		June 2013	Director and General Manager, Personnel Department	
		June 2014	Managing Director and General Manager, Compliance Department	
		June 2015	Managing Director and in charge of Risk Management Department, Compliance Department and General Affairs Department	
	June 2016	Managing Director and in charge of Personnel Department and Risk Management Department (current position)		
[Reasons for selection as a candidate for Director] Aside from the personnel division, Mr. Nobuyuki Horie has a wealth of operational experience through involvement in the sales division and compliance division, etc., and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2012, and is appropriately fulfilling these duties and responsibilities. To utilize this experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has selected him as a candidate for Director.				
4	Akihiko Fukai (November 3, 1960)	April 1984	Joined the Bank	10,158 shares
		June 2003	General Manager, Osaka Branch	
		June 2005	General Manager, Kiryu Branch	
		June 2007	General Manager, Ota Branch	
		June 2009	General Manager, Risk Management Department	
		June 2011	General Manager, Corporate Planning Department	
		June 2013	Director and General Manager, Corporate Planning Department	
		June 2014	Managing Director and General Manager, Business Planning & Administration Department	
		June 2015	Managing Director and in charge of Corporate Planning Department, Systems Development Department and Tokyo Liaison Office	
	June 2016	Managing Director and in charge of Corporate Planning Department, Systems Development Department, Tokyo Liaison Office and Secretariat (current position)		
[Reasons for selection as a candidate for Director] Aside from the corporate planning division, Mr. Akihiko Fukai has a wealth of operational experience through involvement in the sales division and risk management division, etc., and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2013, and is appropriately fulfilling these duties and responsibilities. To utilize this experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has selected him as a candidate for Director.				

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of stocks of the Bank held
5	Shigeyoshi Minami (February 25, 1954)	<p>April 1977 Joined the Bank</p> <p>February 2000 General Manager, Kiryuminami Branch</p> <p>October 2001 Deputy General Manager, Business Planning & Administration Department</p> <p>March 2002 General Manager, Takasakisakaecho Branch</p> <p>February 2004 Senior Deputy General Manager, Public Institution & Corporate Banking Department</p> <p>July 2006 General Manager, Maebashi Branch</p> <p>June 2009 Executive Officer and General Manager, Shibukawa Branch</p> <p>June 2011 Executive Officer and General Manager, Takasaki Branch</p> <p>June 2013 Managing Executive Officer and General Manager, Takasaki Branch</p> <p>June 2014 Director and General Manager, Business Department of Head Office</p> <p>June 2016 Managing Director and General Manager, Business Department of Head Office (current position)</p>	22,579 shares
<p>[Reasons for selection as a candidate for Director]</p> <p>Mr. Shigeyoshi Minami served as the person responsible for the Maebashi Block as Managing Director and General Manager, Business Department of Head Office, and has served as the person responsible for the Takasaki Block and Shibukawa Block, etc., has a strong sense for branch operations and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2014, and is appropriately fulfilling these duties and responsibilities. To utilize this experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has selected him as a candidate for Director.</p>			
6	Yoichi Hirasawa (February 4, 1955)	<p>April 1978 Joined the Bank</p> <p>April 2000 General Manager, Shinkiryu Branch</p> <p>July 2002 Senior Deputy General Manager, Tokyo Branch</p> <p>June 2005 General Manager, Nakanojo Branch</p> <p>June 2007 General Manager, Tomioka Branch</p> <p>February 2010 General Manager, General Affairs Department</p> <p>June 2011 Executive Officer and General Manager, Compliance Department</p> <p>June 2012 Executive Officer and General Manager, Tokyo Branch</p> <p>July 2013 Executive Officer and General Manager, Inspection & Audit Department</p> <p>June 2014 Director and General Manager, Credit Department</p> <p>June 2016 Managing Director and in charge of Credit Department (current position)</p>	12,314 shares
<p>[Reasons for selection as a candidate for Director]</p> <p>Aside from the credit division, Mr. Yoichi Hirasawa has a wealth of operational experience through involvement in the compliance division and inspection & audit division, etc., and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2014, and is appropriately fulfilling these duties and responsibilities. To utilize this experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has selected him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of stocks of the Bank held
7	Yuji Kanai (December 5, 1956)	<p>April 1979 Joined the Bank</p> <p>October 2001 Deputy General Manager, Corporate Planning Department</p> <p>February 2004 Senior Deputy General Manager, Tokyo Liaison Office</p> <p>June 2005 General Manager, Shinjuku-yotsuya Branch</p> <p>June 2008 General Manager, Systems Development Department</p> <p>June 2011 Executive Officer and General Manager, Credit Department</p> <p>June 2014 Director and General Manager, Corporate Planning Department</p> <p>June 2016 Managing Director and in charge of General Affairs Department and Treasury & Securities Department</p> <p>February 2017 Managing Director and in charge of General Affairs Department and Treasury & Securities Department* (current position)</p> <p>*In 2017, the Treasury & Securities Department underwent an organizational revamp but retained its English name.</p>	14,594 shares
<p>[Reasons for selection as a candidate for Director]</p> <p>Aside from the corporate planning division, Mr. Yuji Kanai has a wealth of operational experience through involvement in the systems division and credit division, etc., and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2014, and is appropriately fulfilling these duties and responsibilities. To utilize this experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has selected him as a candidate for Director.</p>			
8	Eiji Muto (January 2, 1949) Outside Director	<p>July 1971 Joined Bank of Japan</p> <p>May 1993 General Manager, Shimonoseki Branch, Bank of Japan</p> <p>September 1998 General Manager, Examination Department, Bank of Japan</p> <p>May 2000 General Manager, Nagoya Branch, Bank of Japan</p> <p>February 2002 Director, Bank of Japan</p> <p>June 2006 Chairman, NTT DATA INSTITUTE OF MANAGEMENT CONSULTING, Inc.</p> <p>May 2007 Outside Corporate Auditor, Takashimaya Company, Limited (current position)</p> <p>June 2010 Outside Director, Mizuho Trust & Banking Co., Ltd.</p> <p>November 2010 Chairman, Organization for Promoting Urban Development</p> <p>June 2015 Director of the Bank (current position)</p>	2,500 shares
<p>[Reasons for selection as a candidate for Outside Director]</p> <p>Mr. Eiji Muto has advanced specialization and wide insights on overall finance, having served as General Manager, Examination Department and Director, etc., of the Bank of Japan. To utilize this experience and knowledge as Outside Director from June 2015, the Bank has judged that he is a person that can contribute to the management of the Bank, and has selected him as a candidate for Director. His term of office as Outside Director of the Bank will be two years at the conclusion of this Annual General Meeting of Stockholders. As he satisfies the standards for independence for Independent Directors stipulated by the Tokyo Stock Exchange, Inc. and the Standards for Determining Independence of Outside Officers of the Bank and has been judged to not have potential for conflicts of interest with ordinary shareholders, the Bank has submitted him as an Independent Director to the Tokyo Stock Exchange, Inc.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of stocks of the Bank held
9	Jun Kondo (July 20, 1950) Outside Director	<p>April 1976 Joined SUBARU CORPORATION (trade name at the time: Fuji Heavy Industries Ltd.)</p> <p>June 2003 Corporate Vice President, Chief General Manager of Subaru Manufacturing Division and Chief General Manager of Gunma Plant, Fuji Heavy Industries Ltd.</p> <p>May 2004 Corporate Vice President, Chief General Manager of Subaru Cost Planning & Management Division and General Manager of Cost Planning Department, Fuji Heavy Industries Ltd.</p> <p>June 2004 Corporate Senior Vice President, Chief General Manager of Subaru Cost Planning & Management Division, Fuji Heavy Industries Ltd.</p> <p>June 2006 Corporate Senior Vice President, Chief General Manager of Subaru Cost Planning & Management Division and Senior General Manager of Subaru Purchasing Division, Fuji Heavy Industries Ltd.</p> <p>April 2007 Corporate Senior Vice President, Chief General Manager of Strategy Development Division and Chief General Manager of Subaru Cost Planning & Management Division, Fuji Heavy Industries Ltd.</p> <p>June 2008 Director of the Board and Corporate Executive Vice President, Chief General Manager of Strategy Development Division, Fuji Heavy Industries Ltd.</p> <p>April 2009 Director of the Board and Corporate Executive Vice President, Fuji Heavy Industries Ltd.</p> <p>June 2010 Outside Director of Gunma Television Co., Ltd. (current position)</p> <p>June 2011 Representative Director of the Board and Deputy President, SUBARU CORPORATION (current position)</p> <p>June 2016 Director of the Bank (current position)</p>	2,800 shares
<p>[Reasons for selection as a candidate for Outside Director]</p> <p>Mr. Jun Kondo serves as Representative Director of the Board and Deputy President of SUBARU CORPORATION, and has a wealth of experience and wide insights on corporate management. To utilize this experience and knowledge as Outside Director from June 2016, the Bank has judged that he is a person that can contribute to the management of the Bank, and has selected him as a candidate for Director. His term of office as Outside Director of the Bank will be one year at the conclusion of this Annual General Meeting of Stockholders. As he satisfies the standards for independence for Independent Directors stipulated by the Tokyo Stock Exchange, Inc. and the Standards for Determining Independence of Outside Officers of the Bank and has been judged to not have potential for conflicts of interest with ordinary shareholders, the Bank has submitted him as an Independent Director to the Tokyo Stock Exchange, Inc.</p>			

- (Notes)
1. There is no special interest between each of the candidates and the Bank.
 2. Mr. Eiji Muto and Mr. Jun Kondo are candidates for Outside Director.
 3. The Bank has regular sales transactions with SUBARU CORPORATION, where Mr. Jun Kondo is appointed as Representative Director of the Board and Deputy President.
 4. About liability limitation agreements
The Bank stipulated in its Articles of Incorporation that it may conclude liability limitation agreements with Outside Directors to allow them to adequately fulfill their expected duties. The Bank has concluded liability limitation agreements with both Mr. Eiji Muto and Mr. Jun Kondo, and if their reelection is approved, the Bank plans to continue with this agreement with each of them.
Furthermore, a summary of that agreement is as follows.
 - Concerning liability as described in Article 423, Paragraph 1 of the Companies Act, the maximum amount of liability borne under the agreement shall be limited to the lower limit amount stipulated in Article 425, Paragraph 1 of the Companies Act, assuming that there is no willful misconduct or gross negligence during the execution of duties.

(Reference) The Standards for Determining Independence of Outside Officers of the Bank is provided on page 11.

(Reference)

< Summary of the Standards for Determining Independence of Outside Officers>

- Candidates for Outside Directors and Outside Audit & Supervisory Board Members of the Bank will be determined to possess independence toward the Bank in the event that none of the following items applies.

- (1) The party holds the Bank as a major transaction partner, or if the party is a corporation, etc., a business executor thereof.
- (2) The party is a major transaction partner of the Bank, or if the party is a corporation, etc., a business executor thereof.
- (3) The party is a consultant, accounting specialist, or legal specialist that receives a significant amount (Note 1) of cash or other assets from the Bank aside from officer remuneration.
- (4) (1), (2), or (3) applied recently (Note 2) to the party.
- (5) A close relative (Note 4) of a party to which any of A to D below applies (excludes non-significant (Note 3) parties).
 - A. Parties to which (1) to (4) above apply
 - B. A business executor of a subsidiary of the Bank
 - C. A Director that is not a business executor of a subsidiary of the Bank
 - D. A party to which B or C above applied, or who was a business executor of the Bank recently

(Note 1) Significant amount: An amount of 10 million yen or more averaged over the past three years.

(Note 2) Recent: A case where the timing can be seen as essentially the present time; i.e., the time at which the content of a proposal to elect an Outside Director or Outside Audit & Supervisory Board Member of the Bank at a General Meeting of Stockholders is determined.

(Note 3) Significant: For business executors, persons who are executive or managerial class, and for accounting specialists and legal specialists, persons who hold certified public accountant and attorney certifications.

(Note 4) Close relative: A relative to within the second degree.