



March 8, 2022

To whom it may concern:

Name of Company: Suruga Bank, Ltd.
Name of Representative: Director and President: Kosuke Saga
(Code No. 8358 First Section of Tokyo Stock Exchange)
Contact Person: Senior Executive Officer
General Manager of General Management Planning
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Announcement Regarding the Dissolution of Agreement on Capital and Business Alliance with Nojima Co., Ltd. and Repurchase of Own Shares and Repurchase of Own Shares through Off-Auction Own Share Repurchase Trading (ToSTNeT-3)

Suruga Bank, Ltd. announces that the Board of Directors (hereinafter referred to as “Board of Directors”) has resolved at a meeting held on March 8, 2022, to dissolve the agreement (hereinafter referred to as “this Agreement”) on capital and business alliance with Nojima Co., Ltd. (hereinafter referred to as “Nojima”).

In addition, it is announced that the Board of Directors has resolved at this meeting to acquire its own shares in accordance with Article 459, Paragraph 1, Item 1 and Article 156, Paragraph 1 of the Companies Act, and Article 33 of the company’s Articles of Incorporation, as well as the specific method of acquisition, as described below.

Notes

I. Dissolution of this Agreement with Nojima

1. Reason for dissolution of this Agreement

Suruga Bank, Ltd. and Nojima have entered into a basic agreement on business alliance dated May 15, 2019, and an agreement on capital and business alliance dated May 19, 2020 (collectively, the “Agreements”). On June 26 of the same year, Hiroshi Nojima, President and Representative Executive Director of Nojima (hereinafter referred to as “Hiroshi Nojima”) was appointed as director of the Company. However, this Agreement did not lead to a substantial alliance, and on June 1, 2021, Hiroshi Nojima resigned as director of the Company.

Nojima then made an offer of disposition of the Company’s shares, and after consideration of various options, the Company has proposed to purchase its own shares with the total acquisition amount of 17,908 million yen. Nojima has proposed to terminate the Agreements by accepting this offer, which was agreed on March 8, 2022.

2. Details of the termination of the Agreement, etc.

Nojima holds 42,854,107 shares of the Company’s common shares (18.46% of the total number of issued shares) and plans to tender all of its shares in repurchase of own shares (Please refer to “II. Repurchase of Own Shares and Repurchase of Own Shares through Off-Auction Own Share Repurchase Trading (ToSTNeT-3)” below) to be conducted by the Company. Hiroshi Nojima, who was appointed as Vice Chairman of the Board of Directors of the Company in connection with the Agreement, has already resigned from the Board of Directors of the Company as of June 1, 2021.

3. Outline of the counterparty to the dissolution of the Agreement

(1) Name of Company	Nojima Co., Ltd.		
(2) Location	1-1-1 Yokoyama, Chuo-ku, Sagami-hara, Kanagawa		
(3) Title and Name of Representative	Hiroshi Nojima President and Representative Executive Director		
(4) Business Description	Digital consumer electronics specialty store operation business, mobile carrier store operation business, Internet business, etc.		
(5) Capital (As of March 31, 2021)	6,330 million yen		
(6) Date of Establishment	April 28, 1962		
(7) Major Shareholders and Shareholding Ratios (As of September 30, 2021)	Nojima Hiroshi Corporation		14.75%
	The Master Trust Bank of Japan, Ltd. (Trust account)		10.31%
	TN HOLDINGS CO.,LTD		5.34%
	Custody Bank of Japan, Ltd. (Trust account)		4.10%
	MAGARA FUKUSHIZAI DAN		3.42%
	NEX Employee Stock Ownership		3.20%
	Noma Corporation		3.01%
	Hiroshi Nojima		2.82%
	Takahisa Nojima		2.45%
	MUFG Bank, Ltd.		2.25%
(8) Relationship between the Listed Company and the Shareholder	Capital ties	This company holds 42,854,107 shares of the Company's common shares (18.46% of the total number of issued shares).	
	Personal ties	None	
	Business ties	None	
	Applicability to related parties	None	
(9) Consolidated Financial Position and Results of Operations for the Past Three Years			
Accounting period	FY ending March 2019	FY ending March 2020	FY ending March 2021
Amount of net assets (million yen)	81,608	90,268	144,296
Total assets (million yen)	307,735	286,247	340,183
Net asset worth per share (yen)	1,594.23	1,759.32	2,879.19
Sales (million yen)	513,057	523,968	523,327
Operating income (million yen)	19,212	22,582	33,826
Ordinary profit (million yen)	21,046	24,218	64,647
Current net income belonging to the shareholders of the parent company (million yen)	14,817	15,911	52,827
Earnings per share (yen)	296.83	317.12	1,068.42
Dividend per share (yen)	34	40	46

4. Schedule for termination of this Agreement

(1) Date of Board of Directors resolution	March 8, 2022
(2) Date of conclusion of the agreements regarding the termination of this Agreement	March 8, 2022

5. Future prospects

The impact of this matter on the Company's consolidated financial results is expected to be minimal.

II. Repurchase of Own Shares and Repurchase of Own Shares through Off-Auction Own Share Repurchase Trading (ToSTNeT-3)

1. Reason for own share repurchase

In connection with the dissolution of the Agreement described in I.1 above, Nojima intends to sell all of its shares in the Company, and the Company intends to avoid any impact of such sale on supply and demand in the stock market, to improve capital efficiency, and to respond to future changes in the business and market environment. The Company has decided to repurchase its own shares (hereinafter referred to as "own share repurchase") for the purpose of implementing a capital policy that meets the needs of the Company. Nojima has informed that it intends to tender for this own share purchase with all of its shares held by the Company.

2. Method of share repurchase

The purchase will be consigned at the closing price (including the final special quote) of 407 yen on March 8, 2022, at 8:45 am on March 9, 2022, in the Tokyo Stock Exchange's Off-Auction Own Share Repurchase Trading (ToSTNeT-3). No changes will be made to other trading systems or trading hours. Such purchase orders will be placed only during the said trading hours.

3. Details of share repurchase

(1) Type of shares to be acquired	Common shares
(2) Total number of shares that may be acquired	44,000,000 shares (maximum) Ratio to total number of issued shares (excluding own shares): 18.98%
(3) Total acquisition price of shares	17,908 million yen (maximum)
(4) Announcement of acquisition results	The results of the acquisition will be announced after the close of trading at 8:45 a.m. on March 9, 2022.

(Note 1) The number of said shares will not be changed. However, there is a possibility that some or all of the shares may not be acquired due to factors such as market trends.

(Note 2) The purchase will be made with sell orders equivalent to the number of shares to be acquired.

4. Other

Depending on the results of the share repurchase, there may be a change in the Company's major shareholders. It will be promptly announced if it is made aware of the occurrence of such an event.

(Reference) Our own shareholdings as of March 7, 2022

Total number of issued shares (excluding own shares)	231,735,145 shares
Number of own shares	404,103 shares