



March 28, 2024

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## (Update on Disclosed Matter) Notice Regarding Recording of Loss due to Sale of Securities, etc.

As announced on February 9, 2024, Suruga Bank reported that it will record securities-related gains/losses due to the sale of some shares held for strategic investment purposes (hereinafter referred to as “cross-shareholdings”) and reductions primarily in multi-asset funds with the aim of improving the quality of our securities portfolio.

### 1. Overview

Securities-related gains (losses) forecast for the fiscal year ending March 2024 (non-consolidated)

(Millions of yen)

|                               | Q3 Results | Full Year Forecast | Change  |
|-------------------------------|------------|--------------------|---------|
| Gains (losses) on securities* | (2,253)    | (5,188)            | (2,934) |

\* Total gains/losses on bonds, such as government bonds, and gains/losses on stocks, etc.

Breakdown of securities-related gains/losses forecast

|                         |                    |          |
|-------------------------|--------------------|----------|
| Multi-asset funds       | Loss on redemption | ¥ 5,500m |
| Bonds                   | Loss on sale       | ¥ 200m   |
| Investment partnerships | Gain on redemption | ¥ 700m   |
| Investment partnerships | Loss on redemption | ¥ 10m    |
| Shares                  | Gain on sale       | ¥ 2,100m |
| Shares                  | Loss on sale       | ¥ 10m    |

Notes: Since January 1, 2024, as of March 27, 2024.

Redemption gains and losses on investment partnerships are not covered by the securities-related gain/loss forecast announced on February 9, 2024.

## **2. Reasons**

Suruga Bank's basic policy is to reduce the balance of its cross-shareholdings. In accordance with this policy, we have been proceeding with the sale of some of these shares. Moreover, with regard to measures to improve the quality of our securities portfolio, we have proceeded to restructure the portfolio through reductions primarily in multi-asset funds that have suffered valuation losses.

There will be no change to our securities investment policy as we intend to progressively build a portfolio centered on yen bonds while taking into account the market environment, with the aim of building a more stable profit structure.

## **3. Impact on results**

The impact on the full-year business results (consolidated and non-consolidated) for the fiscal year ending March 31, 2024, including other factors, is currently being examined and will be promptly announced if any disclosure is required.