

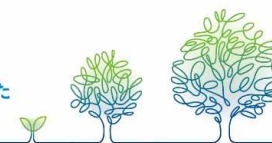
Suruga Bank

# Financial Results for FY2025 (FY3/26)

 *Waku Waku Only One*

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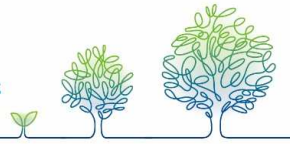
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Definition in this document:

Credit Saison Co., Ltd. Credit Saison



## **I Summary of Financial Results for FY2025 (FY3/26)**

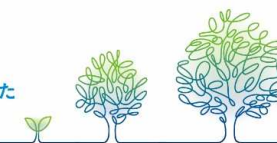
### **II FY2026(FY3/27) Earnings Forecast**

### **III Initiatives for enhancing shareholder value**

### **IV Reference Materials**

# Actual Results for FY2025 (FY3/26)

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## 〈Non-consolidated〉

(billion yen)

	FY3/25 (A)	FY3/26 (B)	YoY comparison (B) - (A)
Core gross operating profit (excluding gains/losses on cancellation of investment trusts)	59.9	65.3	+5.4
Of which, new business gross profit	18.8	28.5	+9.7
Expenses (-)	35.2	33.2	(1.9)
Actual credit costs (-)	(2.1)	(8.9)	(6.8)
Gain (loss) on securities	(1.6)	(7.0)	(5.3)
Ordinary profit	25.6	34.5	+8.8
Net income	19.7	34.0	+14.2

## 〈Consolidated〉

(billion yen)

	FY3/25 (A)	FY3/26 (B)	YoY comparison (B) - (A)
Consolidated ordinary profit	26.1	35.5	+9.3
Profit attributable to owners of parent	20.1	34.7	+14.5
ROE (net income basis)*1	6.8%	11.2%	+4.4 pt

\*1TSE basis

\*2 With regard to the breakdown of net credit costs, starting from FY9/25, we have refined the breakdown of "normal occurrence" and revised the aggregation method to trace back to the causes of occurrence. In line with this change, results for FY3/25 are also presented based on the new standards.

## Both consolidated and non-consolidated ordinary profit and net income up for four consecutive years

- **FY3/26 actual results (non-consolidated YoY comparison)**  
**Ordinary profit up 34%**  
**Net income up 71%**
- **ROE (Consolidated) for FY3/26**  
**11.2%**

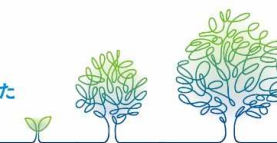
## 〈Actual Credit Costs\*2 : Non-consolidated〉

(billion yen)

		FY3/25	FY3/26
Actual credit costs total		(2.1)	(8.9)
Normal amount	Actual credit costs arising from loans without special factors • Including reversal of allowance for loan losses related to share house loans, etc. (FY3/26: -¥1.4 billion, +¥0.5 billion YoY)	(4.6)	(4.3)
	Preventive allowances	0.2	(5.0)
Corporate	Allowance for new suspension of repayments by some investment real estate loan customers triggered by organizational negotiations	(3.0)	(3.7)
	Allowance for claims for restructured loans that are unlikely to be recovered in the future	3.2	(1.3)
Corporate		2.3	0.4

# Actual Results for FY2025 (FY3/26): Details

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〈Non-consolidated〉

(billion yen)

	FY 3/25 Results (A)	FY 3/26 Results (B)	YoY comparison (B) - (A)
Core gross operating profit (excluding gains/losses from investment trust cancellations)	59.9	65.3	+5.4
Expenses (-)	35.2	33.2	(1.9)
Personnel expenses	13.5	14.6	+1.0
Actual credit costs (-)	(2.1)	(8.9)	(6.8)
Gain (loss) on securities	(1.6)	(7.0)	(5.3)
Other non-recurring gains (losses)	0.3	0.4	+0.0
Ordinary profit	25.6	34.5	+8.8
Extraordinary gains (losses)	(1.4)	0.1	+1.5
Net income	19.7	34.0	+14.2

〈Consolidated〉

(billion yen)

Consolidated ordinary income	91.0	109.9	+18.8
Consolidated ordinary profit	26.1	35.5	+9.3
Profit attributable to owners of parent	20.1	34.7	+14.5

## <Main factors contributing to changes (non-consolidated, YoY comparison)>

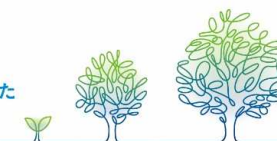
<b>(+4.5 billion yen)</b>	<ul style="list-style-type: none"> <li>· Increase in interest income on loans and deposits +1.2 billion yen Of which, increase in interest on loans and bills discounted +6.4 billion yen (Average balance factor +4.1 billion yen, yield factor +2.2 billion yen)</li> <li>· Of which, increase in interest on deposits +5.1 billion yen (Average balance factor 0.0 billion yen, yield factor +5.1 billion yen)</li> <li>· Increase in interest and dividends on securities +1.4 billion yen</li> <li>· Increase in interest income on deposits with banks +1.0 billion yen</li> </ul>
<b>(+0.8 billion yen)</b>	<ul style="list-style-type: none"> <li>· Increase in loan-related fees +0.4 billion yen</li> <li>· Decrease in group credit life insurance premiums -0.4 billion yen</li> </ul>
<b>(-1.9 billion yen)</b>	<ul style="list-style-type: none"> <li>· Increase in human capital investment (personnel expenses) +1.0 billion yen</li> <li>· Decrease in property expenses -2.8 billion yen</li> </ul>
<b>(-5.3 billion yen)</b>	<ul style="list-style-type: none"> <li>· Gains/losses on government and other bonds -6.8 billion yen (Losses on sales of bonds, etc.)</li> <li>· Gains (losses) on stocks and related investments +1.4 billion yen (Gains on sales of strategic shareholdings, etc.)</li> </ul>
<b>Others</b>	<ul style="list-style-type: none"> <li>· Tax expenses decreased following the recognition of additional deferred tax assets and the transition of certain prior-year provisions to tax-deductible status, supported by solid earnings.</li> </ul>

\* ( ): indicates YoY comparison

\* Actual credit costs : YoY comparison -6.8 billion yen Refer to page 1 for details

# Balance Sheet as of March 31, 2026 (End of FY2025)

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## <Balances of Deposits and Loans and Bills Discounted>

(billion yen)

	End of 3/25	End of 3/26	Change
Deposits	3,154.0	3,203.7	+ 49.7
(Reference: Individual Customer Assets*)	2,663.8	2,660.3	(3.5)
Balance of loans and bills discounted	2,183.8	2,391.5	+ 207.7
Loan-to-Deposit Ratio	69.2%	74.6%	+ 5.4pt

Strengthening the foundation for sustainable profitability by increasing the loans and bills discounted balance and improving the loan-to-deposit ratio.

## <Asset quality>

	End of 3/25	End of 3/26	Change
Disclosed non-performing loan ratio to total credits	8.56%	6.29%	(2.27pt)
Excluding organizational negotiation partners	5.02%	3.86%	(1.16pt)

With the progress of steady efforts toward credit quality improvement, the disclosed non-performing loan ratio decreased to the 3%\*\* range.

## <Securities>

(billion yen)

	End of 3/25		End of 3/26	
	Fair value	Unrealized gains (losses)	Fair value	Unrealized gains (losses)
Available-for-sale securities	324.6	20.4	414.1	37.3
Stocks	50.9	29.2	62.5	42.2
Bonds	220.5	(6.5)	333.6	(5.2)
Multi-asset Fund	37.6	(2.3)		
Others	15.4	0.0	17.9	0.2

As of end-March 2026  
Securities-to-deposits ratio: 13.2%  
Domestic bond duration: 1.8 years  
Domestic bond 100BPV: (-¥6.1 billion)

Shortened duration has improved resilience to interest rate risk

## < Capital adequacy ratio >

(billion yen)

	End of 3/25	End of 3/26
Capital Adequacy Ratio	11.27%	10.84%
Total Capital (Core Capital)	259.2	261.8
Risk-Weighted Assets, etc.	2,300.0	2,415.4

Securing a capital buffer to enable appropriate risk-taking as we transition to a "world with interest rates."

\* Individual Customer Assets include individual deposits and investment products.

© 2026 Suruga Bank Ltd. All rights reserved. \*\* Ratio of disclosed claims based on the Financial Reconstruction Law excluding organizational negotiation partners

# Reference: Status of responses to the Apaman issue



■ **Status of Cases Filed for Civil Mediation by the SI Defense Counsel — Settlement reached for all 600 properties subject to the proceedings**

- ▶ Mediation recommendations for both “Eligible for Compensation Payments” (193 properties / Total Compensation Amount: 12.1 billion yen) and “Not Eligible for Compensation Payments” (407 properties) were accepted by both parties, and **mediation was reached for all properties** subject to the proceedings.
- ▶ Approximately four years after the filing in February 2022, following the court’s diligent and comprehensive deliberation process, the **civil mediation concluded on March 17, 2026**.

**Reference: Overview of the Mediation Recommendation accepted by both parties regarding the “Not Eligible for Compensation Payments” cases**

- (Both parties) agree, on the premise that no wrongful act has been established, to seek resolution through an amicable settlement
  - (Suruga Bank) commits to presenting support measures in accordance with the declaration made at the joint press conference
  - However, both parties agree that the application of these support measures is premised on the assumption that no wrongful act has been established
- ▶ Of the 407 properties classified as “Not Eligible for Compensation Payments,” **settlement agreements including repayment plans** have already been completed for 164 properties.\* Discussions tailored to the individual circumstances of each customer are ongoing for the remaining properties. \*As of May 20, 2026

**Future Actions: A response tailored to individual circumstances based on the court’s mediation outcome.**

Based on the court’s mediation outcome, the Bank’s policy is to continue making its best efforts to propose appropriate repayment plans tailored to the individual circumstances of each customer.

**Reference: Financial Impact — 100% coverage ratio for the subject loans**

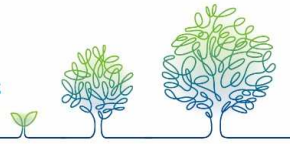
Organizational negotiation partners among Financial Reconstruction Law disclosed claims As of March 31, 2026 (billion yen)

	Balance	Total coverage amount	Portion secured by collateral or guarantees, etc.*		Coverage ratio
			Portion secured by collateral or guarantees, etc.*	Allowance for loan losses	
Organizational negotiation partners, etc.	60.6	60.6	27.1	33.5	100%

\*While collateral valuations for loan-related claims typically use 90% of the value calculated by the cost approach, etc., these figures represent 100% of such valuations. For income-generating properties securing investment real estate loans, the ratio of claim transfer amounts to collateral value in past claim transfers has exceeded 200%.

\*For details regarding the properties in scope and the counting method, etc., please refer to the report published on May 25, 2026, “Progress on Resolution of the Apaman Issue (as of May 20, 2026)”.

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## I Summary of Financial Results for FY2025 (FY3/26)

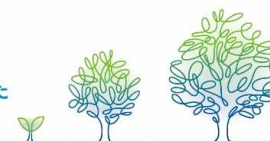
## II FY2026(FY3/27) Earnings Forecast

## III Initiatives for enhancing shareholder value

## IV Reference Materials

# Key Points of FY2026 (FY3/27) Financial Forecast

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## Key Financial Targets

Ordinary profit  
47.0 billion yen



Planned to increase by 36.1%  
year on year  
(non-consolidated basis)

ROE  
9.9%



Targeting a high level of ROE  
(consolidated basis)

Dividends per Share  
60 yen



Planned based on a stable  
dividend policy  
(payout ratio: 31.9%)

## Key Drivers of Earnings Growth

New Loan Disbursements  
416.0 billion yen

Plan to build up high-quality assets



Expansion of interest income  
in a “world with interest rates”

Assuming an increase in market interest rates  
and the short-term prime rate accompanying  
policy rate hikes

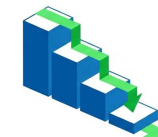
October 2026  
Policy rate raised to 1.0%



Reduction of cross-shareholdings  
Gains on sales  
5.0 billion yen

Start the phased sale of cross-shareholdings

As part of a reduction to  
approximately 2.5% of  
consolidated net assets by the  
end of FY2028



Human capital and AX investment

Assumes human capital measures and  
system investments integrated with  
management strategy for sustainable growth



〈Non-consolidated〉

(billion yen)

	FY3/26 results ①	FY3/27 forecast		YoY comparison ② - ①
		Full year		
		1 <sup>st</sup> half	②	
Core gross operating profit (excluding gains/losses on cancellation of investment trusts)	65.3	34.0	69.5	+4.2
Expenses (-)	33.2	17.5	35.0	+1.8
Actual credit costs (-)	(8.9)	(5.0)	(6.0)	+2.9
Gain (loss) on securities	(7.0)	2.5	5.0	+12.0
Ordinary profit	34.5	24.5	47.0	+12.5
Net income	34.0	17.0	32.0	(2.0)

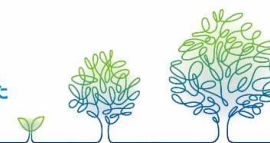
Dividends per share (full year is cumulative)	60 yen	30 yen	60 yen	±0 yen
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〈Consolidated〉

Ordinary profit	35.5	25.0	47.5	+12.0
Profit attributable to owners of parent	34.7	17.0	32.0	(2.7)

# Reference : Key Assumptions for FY2026 (FY3/27) Earnings Forecast

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## Key Assumptions for FY3/27 Earnings Forecast

- Assuming an increase in the short-term prime rate starting October 2026, following a policy rate hike (+25bp to 1.0%).
- New loan disbursements: 416.0 billion yen (refer to the next page)
- Expenses: Expected to increase due to investments in human capital and DX-related costs, including one-time factors.
- Actual credit costs: H1 forecast includes a reversal of allowance for loan losses (totaling approx. 3.0 billion yen) resulting from changes in the collateral valuation methodology for revenue-generating real estate loans.
- Gain (loss) on securities: Anticipate gains on sales of strategic shareholdings (5.0 billion yen).
- Tax rate: Statutory effective tax rate of 31.1%.
- Forecast annual dividend per share: 60 yen (Interim dividend forecast: 30 yen).

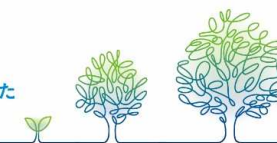
### 〈Assumptions for Actual Credit Cost Forecast, Non-consolidated〉

(billion yen)

		FY3/26 results	FY3/27 forecast	
			1st half	Full year
Actual credit costs		( 8 . 9 )	( 5 . 0 )	( 6 . 0 )
Normal amount	Actual credit costs arising from loans without special factors	( 4 . 3 )	( 0 . 5 )	( 2 . 0 )
Preventive allowances	Eligible allowances as follows	( 5 . 0 )	( 4 . 5 )	( 5 . 5 )
	Allowance for new suspension of repayments by some investment real estate loan customers triggered by organizational negotiations	( 3 . 7 )	( 4 . 0 )	( 5 . 0 )
	Allowance for claims for restructured loans that are unlikely to be recovered in the future	( 1 . 3 )	( 0 . 5 )	( 0 . 5 )
Corporate	Actual credit costs arising from corporate loans	0 . 4	0 . 0	1 . 5

# New Loan Disbursements (FY2026 Plan)

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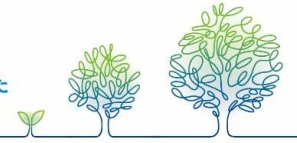
(Billion yen)	FY2025 Results	FY2026 Plan
<b>Real estate related</b>	<b>3 7 9 . 7</b>	<b>3 1 7 . 0</b>
Housing loans	7 9 . 7	6 6 . 0
Investment real estate loans	1 0 3 . 4	1 0 0 . 0
Non-recourse real estate loans	1 4 1 . 2	1 0 8 . 0
Loans to real estate companies	7 . 0	–
Collaboration loans, etc.	4 8 . 3	4 3 . 0
<b>Non-real estate related</b>	<b>1 5 7 . 0</b>	<b>9 9 . 0</b>
Other retail loans	1 4 . 4	1 0 . 0
Loans to large corporations (including LBO financing)	6 0 . 2	6 8 . 0
Loans to business corporations, etc.	3 3 . 9	9 . 0
Collaboration loans, etc.	4 8 . 3	1 2 . 0
<b>Total</b>	<b>5 3 6 . 7</b>	<b>4 1 6 . 0</b>

(Notes)

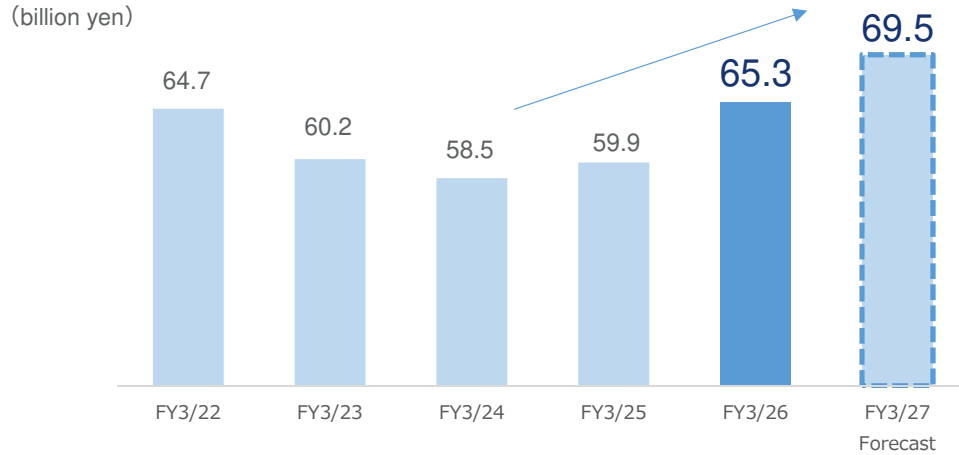
- "Housing loans" and "Investment real estate loans" include loans to corporate customers in addition to loans to individual customers.
- "Structured finance," which was a disclosure category up through FY2025, has been reorganized in this table into "Non-recourse real estate loans" and "Loans to large corporations (including LBO financing)."
- "Non-recourse real estate loans" and "Collaboration loans, etc." include specified corporate bonds and monetary claims bought.

# Changes in multiple efficiencies

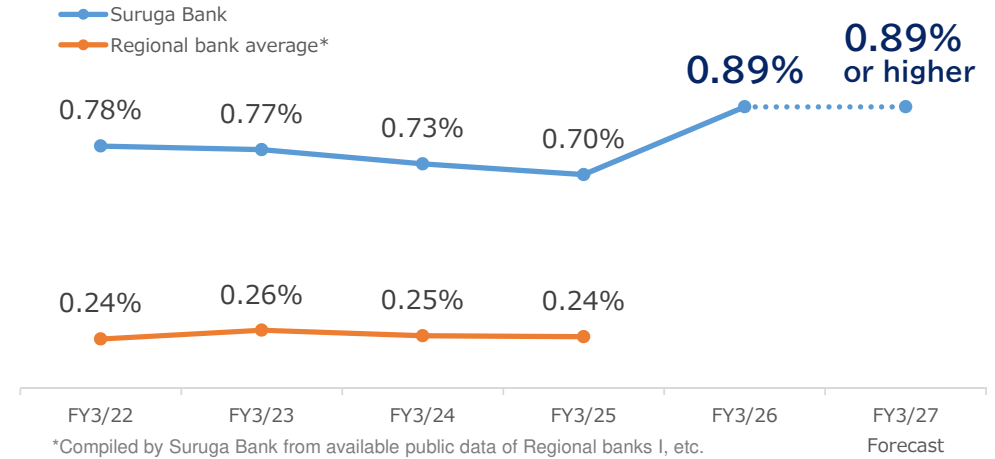
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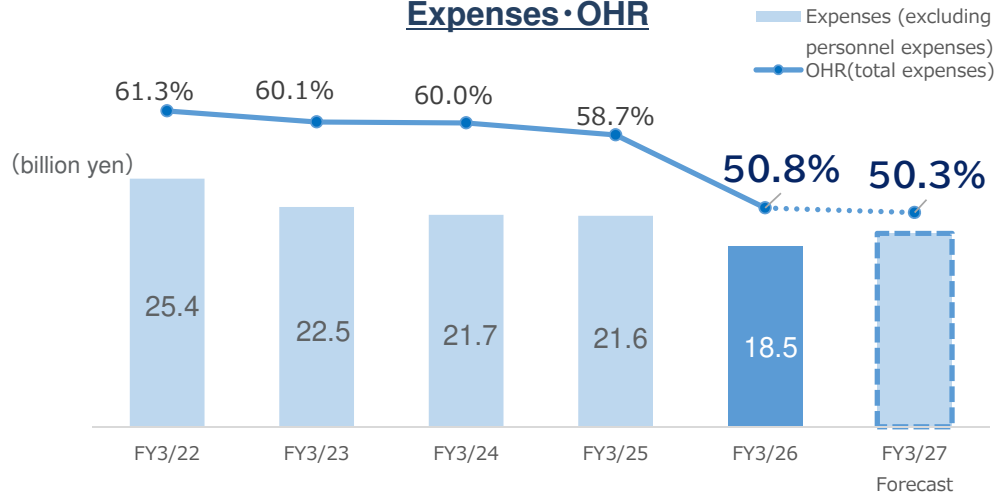
## Core Gross Operating Profit



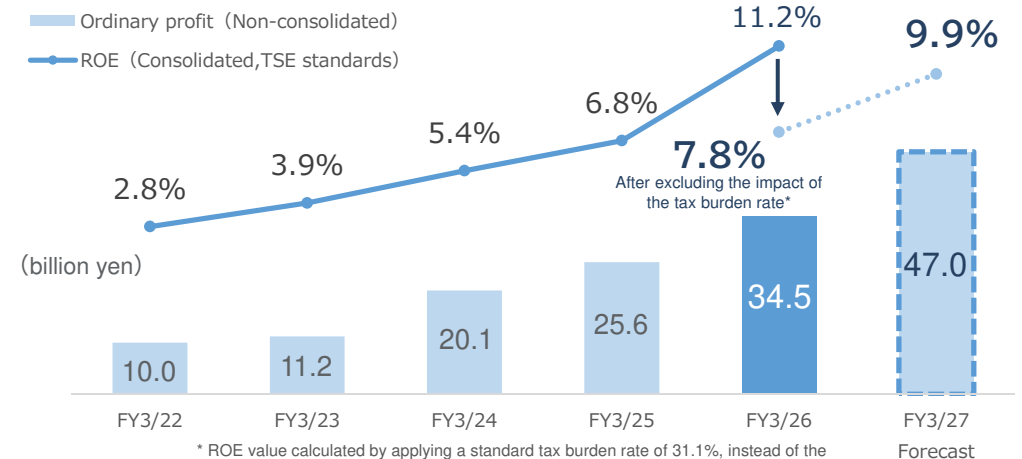
## Net Interest Margin



## Expenses · OHR

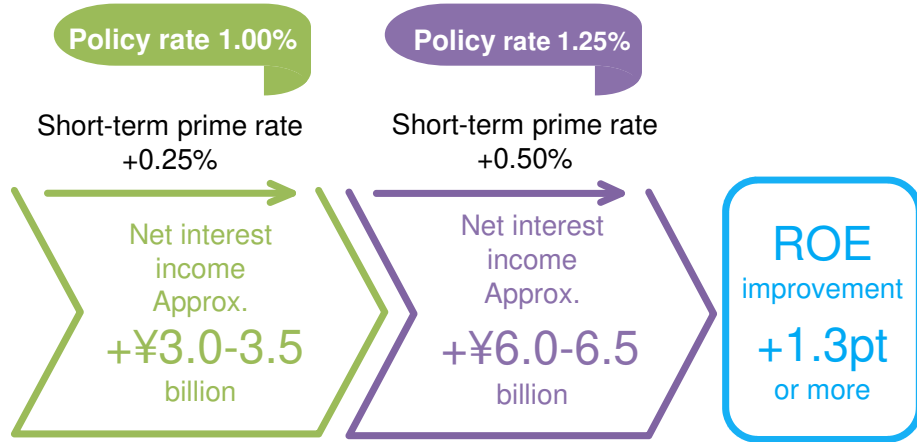
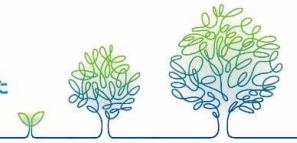


## ROE · Ordinary profit

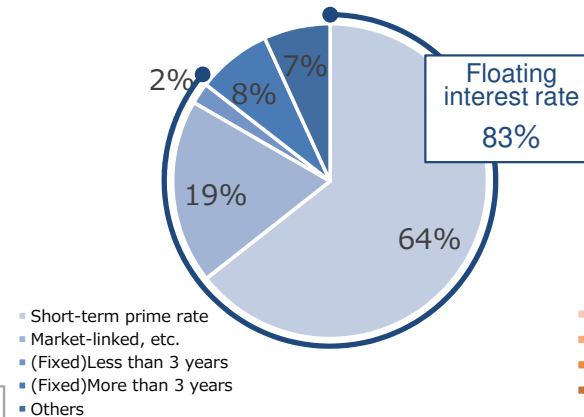


# Impact of Rising Policy Interest Rates on Net Interest Income

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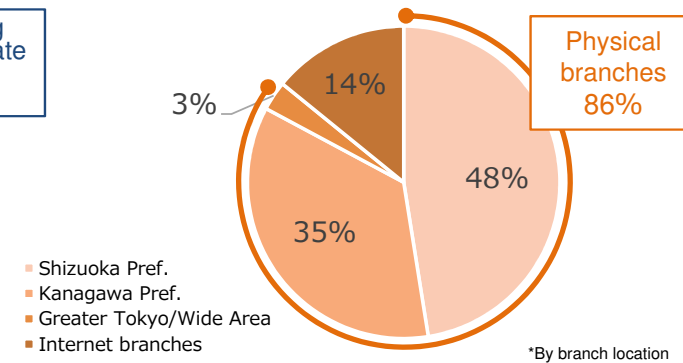


Loans and bills discounted (Composition by base interest rate)



Deposits

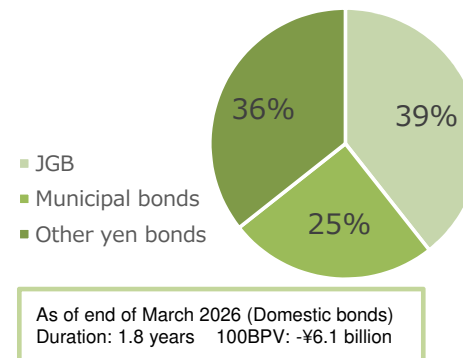
Balance by location



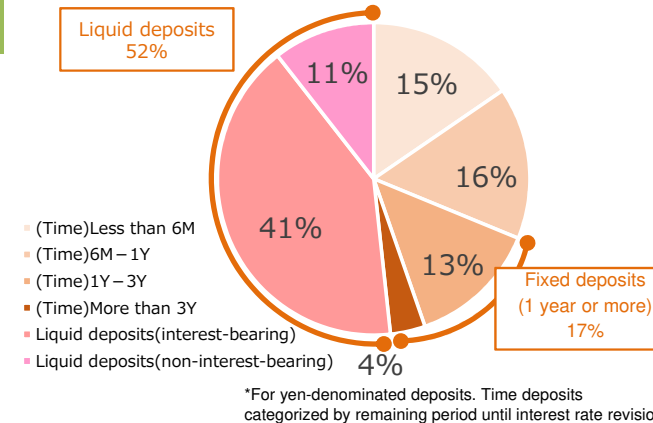
## 【Calculation Assumptions】

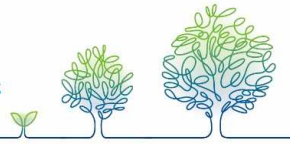
- Base portfolio: As of March 31, 2026 (Non-consolidated: loans and bills discounted, deposits, securities, BOJ current account, etc.)
- Market interest rates in the baseline scenario remain flat at the beginning of FY2026.
- The increase in market interest rates under policy rates of 1.00% and 1.25% (hereinafter "interest rate increase scenario") is the same as the increase in short-term prime rates (parallel shift)
- The difference in net interest income between the baseline scenario and interest rate increase scenarios is calculated as the impact on net interest income
- For interest rate revisions and redemptions, reinvestment in same (or similar) products assumed, reflecting above market rate assumptions
- Estimated pass-through rates for market rate changes (approximate): Loans 90%, Liquid deposits 40%, Time deposits 80%
- Indirect effects of interest rate environment changes, such as increased credit costs due to rising rates, are not included
- ROE calculations use expected consolidated net assets for FY2026 (two-period average)

Securities (Composition of Domestic bonds)



Time deposit ratio





## I Summary of Financial Results for FY2025 (FY3/26)

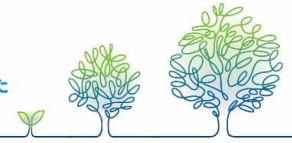
## II FY2026(FY3/27) Earnings Forecast

## III Initiatives for enhancing shareholder value

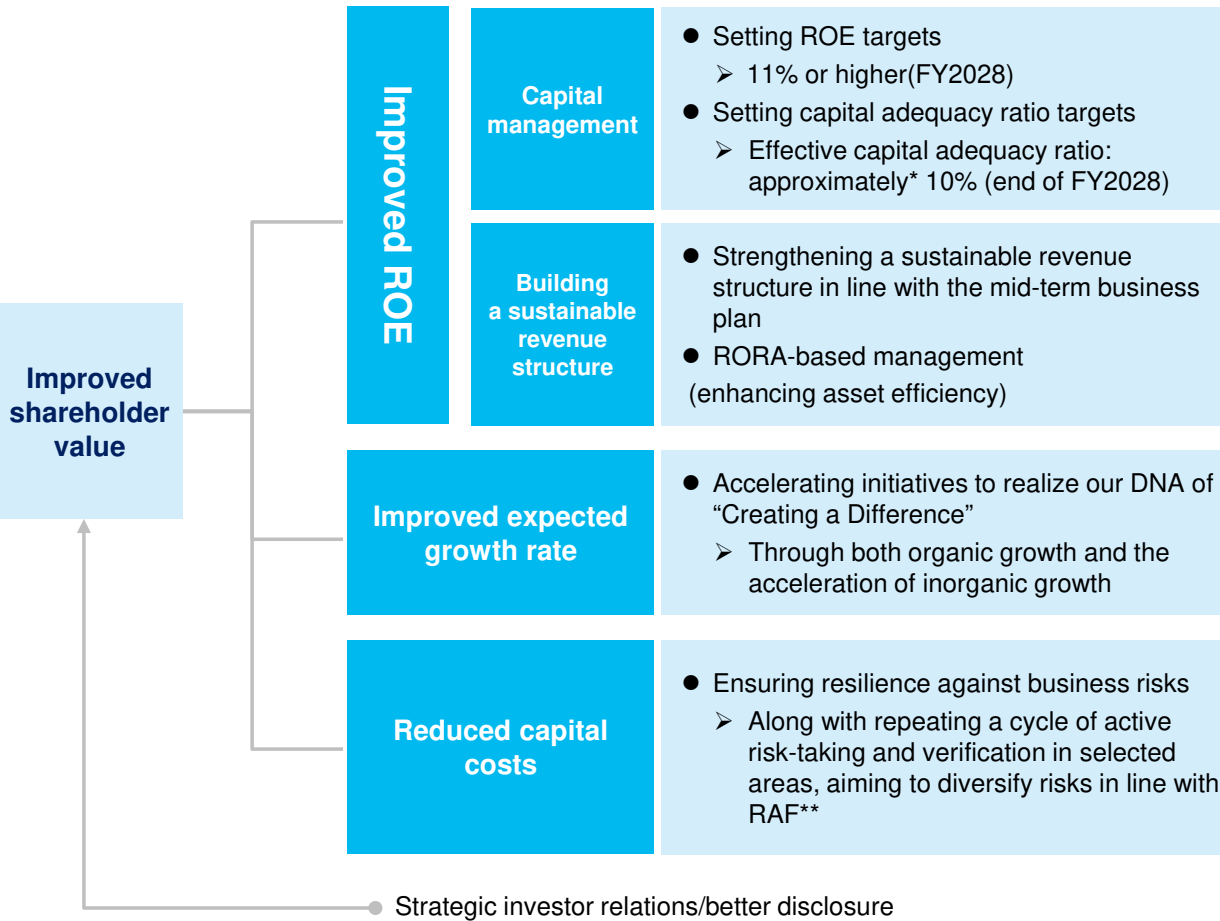
## IV Reference Materials

# Framework for enhancing shareholder value

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## Framework for enhancing shareholder value



## Main initiatives

- **Implementing proactive shareholder returns with ROE targets and capital adequacy ratio targets firmly in mind**
- Reduction of cross-shareholdings
- Driving growth in core business gross profit through five profit centers
- Promoting RORA-based management
- Minimizing and stabilizing actual credit costs through higher credit quality
- Improvement of the loan-to-deposit ratio (enhancing funding efficiency through liquidity management)
- Pioneering blue oceans through pivoting (maintaining a firm strategic focus while shifting perspectives)
- Creating a Neo Finance Solution Company through the evolution of the alliance with Credit Saison
- **Proactive investment in AX, people, and local communities**
- Improvement of external credit ratings
- Enhancement of interest rate and real estate risk management
- Promotion of ESG and SDGs initiatives
- On a non-consolidated basis. If unrealized valuation differences on securities result in a loss, such losses shall be deducted from core capital
- \*\* Risk appetite framework

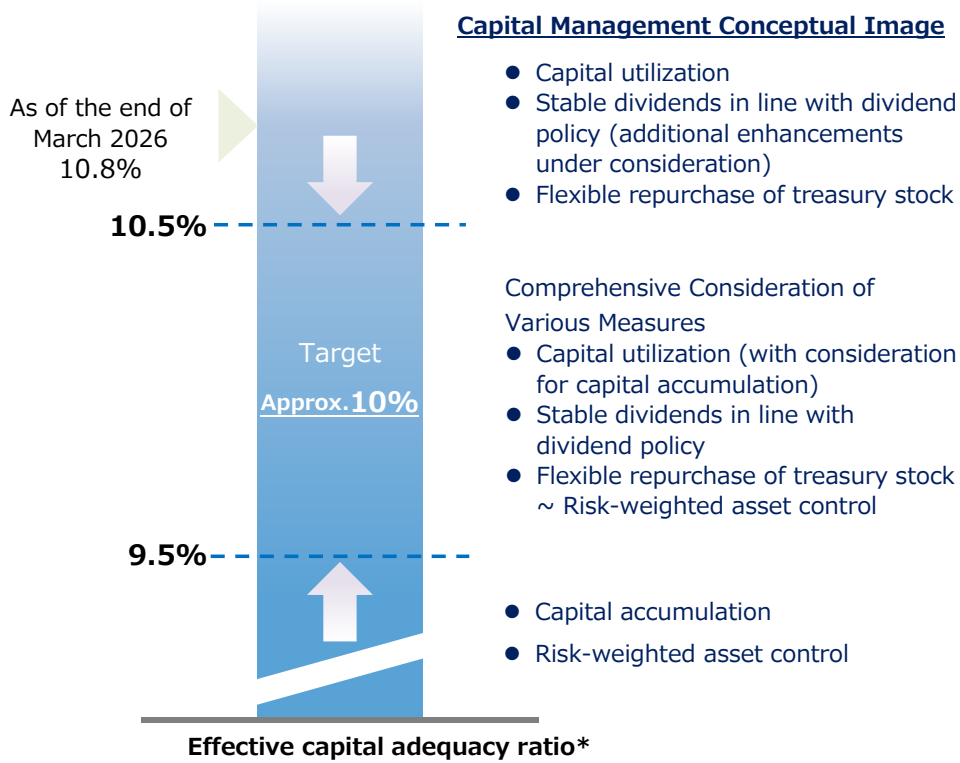
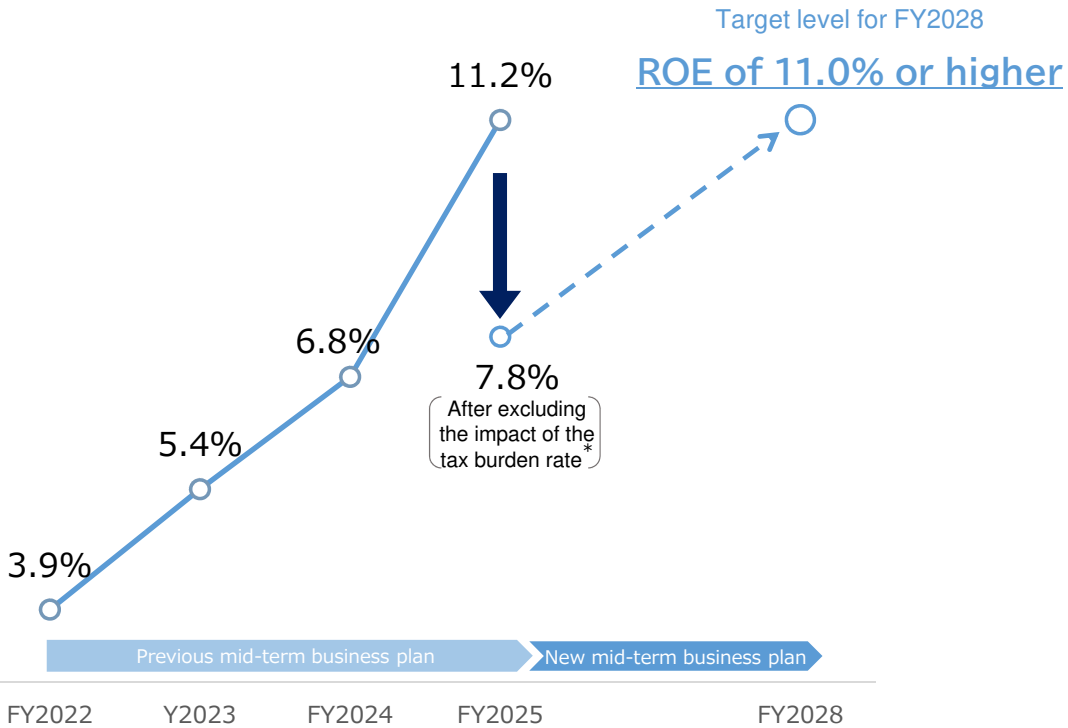
# ROE Targets and Capital Adequacy Ratio Targets



- We have set “ROE of 11% or higher” as the FY2028 target level and will steadily improve ROE throughout the period of the new mid-term business plan.
- In addition, we have set the target capital adequacy ratio at approximately 10% and aim to balance the maintenance of financial soundness with proactive shareholder returns.

## ROE trends and mid-term targets

## Capital adequacy ratio target (end of FY2028)

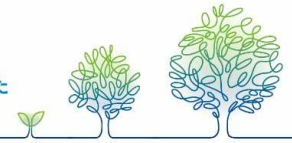


ROE value calculated by applying a standard tax burden rate of 31.1%, instead of the FY2025 tax burden rate of Approx. 2%.

\* On a non-consolidated basis. If unrealized valuation differences on securities result in a loss, such losses shall be deducted from core capital  
 Note: Capital Adequacy Ratio Target Range = 9.5%~10.5%

# Shareholder Returns

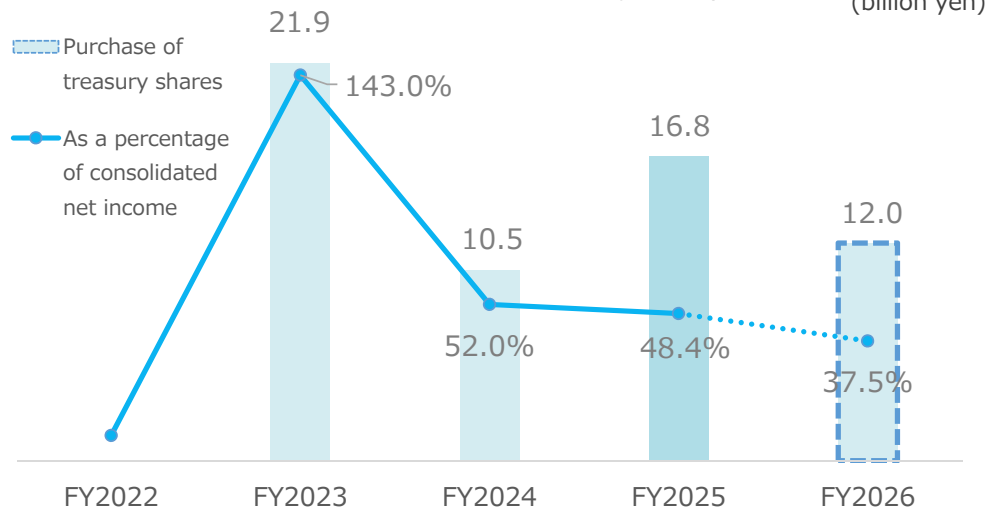
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With ROE targets and the capital adequacy ratio target in mind, we will carefully assess the optimal balance between capital soundness and investments for growth, and pursue enhanced shareholder returns.

## Treasury Stock Repurchase

As a shareholder return policy that contributes to improved capital efficiency, implementation will be conducted flexibly, taking into consideration business performance and capital conditions, growth investment opportunities, and market environment including stock price. (billion yen)



- "Announcement Regarding the Establishment of a Quota for the Repurchase of Treasury Stock" published on April 24, 2026

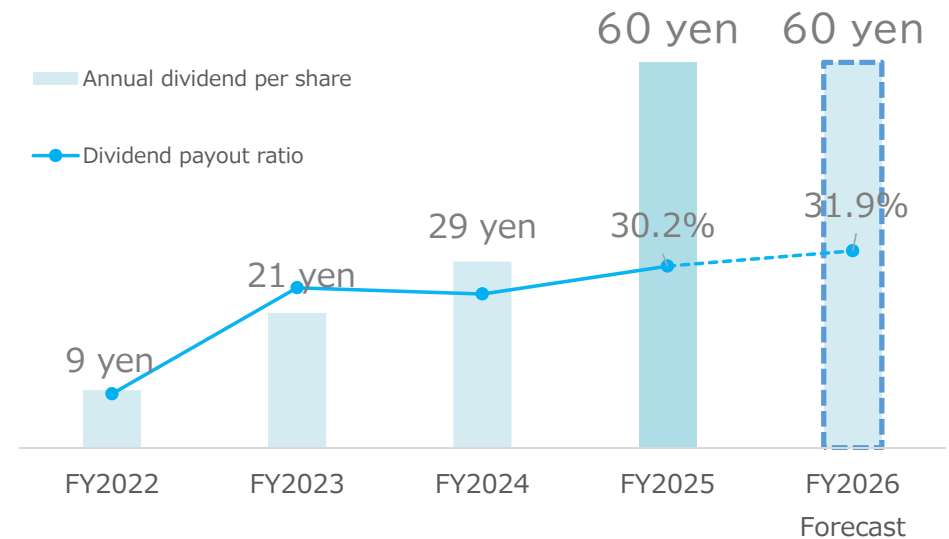
Plan Total number of shares to be acquired: 5,000,000 shares (maximum)

Total acquisition cost: 12,000 million yen (maximum)

Acquisition period: May 15, 2026 to December 31, 2026

## Dividend

Our basic policy is to maintain stable dividends targeting a dividend payout ratio of approximately 30%



- On April 24, 2026, we published the "Announcement Regarding Revision of Earnings Forecast, Expected Differences from Previous Year's Results, and Revision of Dividend Forecast (Dividend Increase)," and revised the annual dividend per share to 60 yen (up 31 yen from FY2024).

# Active investment in AX — Advancing AX with All Employees

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By engaging with AI, using it as a tool, and ultimately co-creating “difference” with AI as a partner, we will drive AX (AI Transformation) across the entire organization.

## Basic Policy

By treating AI as a partner, we evolve the creativity of both our employees and organization while co-creating differentiation.

AI applications to customer services

Cost optimization through operational efficiency

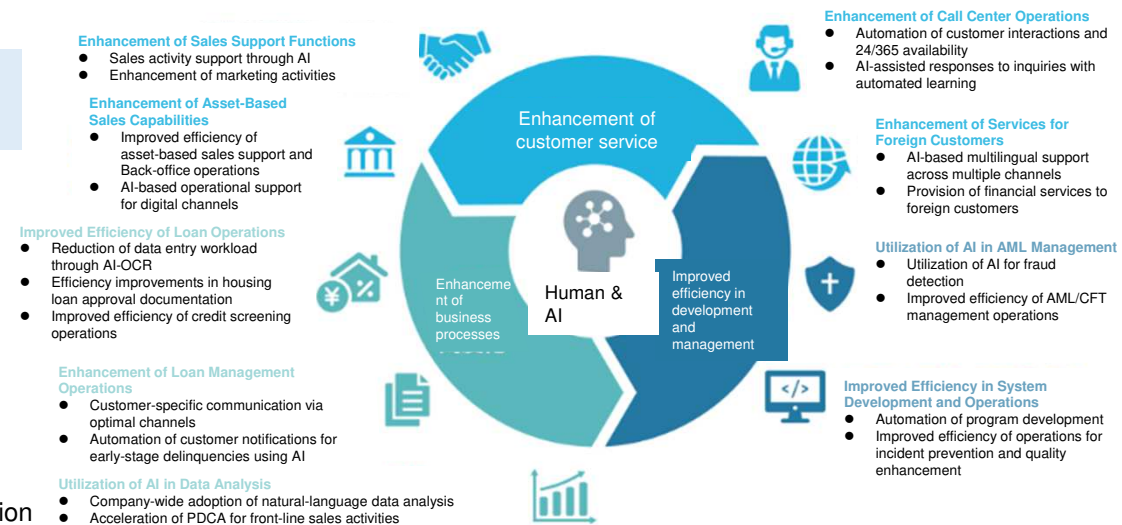
Thorough governance and compliance

## AI talent capability enhancement plan — Establishment of an AI talent development training program—



- ✓ Improve operational efficiency by applying AI to daily work
- ✓ Understand basic AI literacy and use AI effectively
- |                                 |                                    |
|---------------------------------|------------------------------------|
| Company-wide AI basics training | Role-based AI utilization training |
|---------------------------------|------------------------------------|
- ✓ Establish a user-driven AI promotion framework
- ✓ Analyze business processes and plan and drive AI adoption initiatives
- |                                       |   |
|---------------------------------------|---|
| Department-based AI adoption training | Business-specific AI utilization workshop |
|---------------------------------------|---|
- ✓ Drive the design, in-house development, and operation of the company-wide AI platform
- ✓ Stay up to date with the latest AI technologies and evaluate their potential for business adoption
- |                             |   |
|-----------------------------|---|
| AI development and modeling | External collaboration and joint research |
|-----------------------------|---|

## AX (AI Transformation)



## Monitoring Indicators

Enhancement and developing AI talent

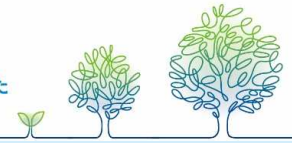
AI talent capability enhancement training: 100% participation rate  
Number of AI adoption initiatives: 30

Operational efficiency and productivity improvement

Approximately 30% improvement in operational efficiency  
(Equivalent to approximately 500,000 hours of work)

# Active investment in people — Investing in Human Capital

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Deploying human capital initiatives integrated with management strategy to enhance sustainable corporate value Spreading a sense of excitement (“Waku Waku”) throughout the organization and working to build a strong team where people with diverse areas of expertise come together

## Monitoring Indicators

Item	Target
Engagement Score* (FY2028)	70 or more
Human Capital Investment Amount (3-Year Cumulative)	1.0 billion yen or more
Number of Certified Professionals (3-Year Cumulative)	500 people or more

\* Overall score of the engagement survey “Wevox” provided by Atræ, Inc.

FY2025 Wage Increase Results	Regular pay raise and Base Salary Increases	Total Compensation Basis*
Average Wage Increase Rate (General Employees)	5.5% or more	7.5% or more

\*Includes regular pay raises, base salary increases, bonuses, and one-time payments, etc.

### Promotion of women’s advancement (promotion of DE&I)

- Expansion of opportunities for women’s advancement
- Promotion of women’s advancement projects and external networking initiatives
- Implementation of DE&I training programs, including unconscious bias training

### Securing a diverse talent pool

- Building diverse recruitment channels
- Providing training to strengthen bonds and opportunities for Cross-departmental interaction

### An organization that leverages individual expertise

Each individual establishes their own area of expertise aligned with business strategy

#### Talent development centered on professional expertise

- Provision of talent development programs to strengthen individual areas of expertise
- Strategic talent development through certification programs

#### Strategic allocation of talent

- Optimizing personnel placement by matching professional expertise with business strategy

#### Career development support

- Provision of internal internship programs and external training opportunities through open application and nomination processes
- Career development support through communication and data utilization

### An organization where veteran employees thrive

Expansion of systems and support that enable everyone to remain active long term

#### Support for the Active Engagement of Veteran Employees

- Promotion of various certification programs for veteran employees in management positions, skilled professionals, and personnel in key focus areas

#### Reskilling Training

- Implementation of knowledge career training programs aimed at skills and business knowledge acquisition to expand individuals’ work scope

#### Promotion of Health Management

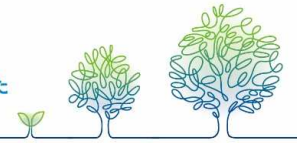
- Development of an environment and systems that enable employees to remain active until age 70

### An organization where women and diverse talent can thrive

Evolving into a stronger organization through the promotion of diversity

# Active investment in local communities — Contributing to Local Communities

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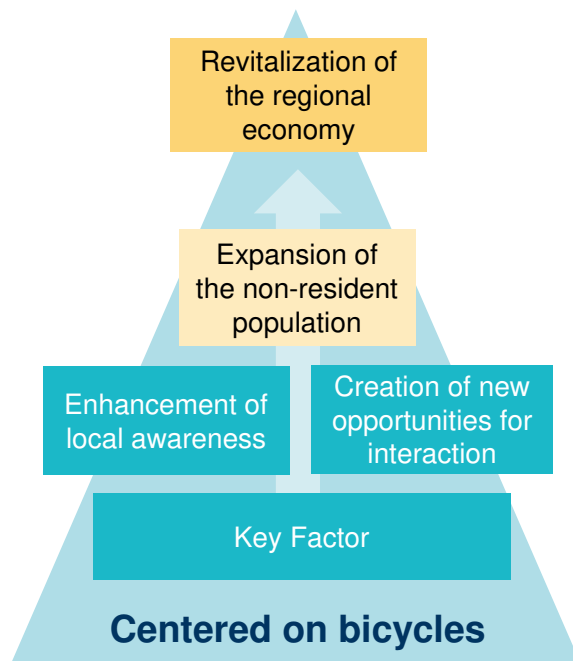
## Contributing to the development of a sustainable regional economy through community collaboration centered on bicycles

### Mission

By placing bicycles at the center and collaborating with a diverse range of partners, we create vibrancy in local communities and contribute to the development of a sustainable regional economy.

### Monitoring Indicators

Economic ripple effects  
1.0 billion yen or more  
(3 years cumulative)



### Creation of new opportunities for interaction

In local areas, various events are organized with the cooperation of regional partners to attract cyclists and other visitors.

- ① Participatory events
- ② Visitor-based events
- ③ Time-limited events utilizing smartphones



### Enhancement of local awareness

Jointly implementing bicycle-based town tour programs in collaboration with Municipalities and local businesses.

Communicating the charms of the region, including tourism and culinary experiences uniquely accessible by bicycle, through social media.



### Building a Partner Base

Building networks and promoting collaboration across industry, government, and academia, centered on partner organizations under bicycle promotion agreements.

<Partner Organizations> (as of March 2026) Local governments (including regional councils): 16 Local companies: 11 Local educational institutions: 1



# Reference: Mid-term Business Plan Monitoring Indicators (List)

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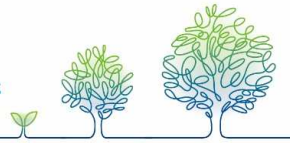


		Indicators	FY2028 Plan	Notes
Financial indicators	Main KPIs	Ordinary profit	52.5 billion yen	
		ROE (consolidated)	11.0% or higher	• On a consolidated basis (TSE standards)
		Capital adequacy ratio	Approx. 10% (effective)	• Target range: 9.5%–10.5% • On a non-consolidated basis. If unrealized valuation differences on securities result in a loss, such losses shall be deducted from core capital.
	Secondary KPIs	Core gross operating profit	77.0 billion yen	• Excludes gains from investment trust redemptions
		Core expense ratio (OHR)	Approx. 50%	• Denominator: Core gross operating profit (excluding gains/losses on cancellation of investment trusts)
		Disclosed non-performing loan ratio	In the 2% range	• Ratio excluding counterparties under structured negotiations that are largely fully-collateralized
Non-financial indicators	Investing in Human Capital	Engagement Score	70 or more	• Overall score of the engagement survey “Wevox” provided by Atræ, Inc.
		Human Capital Investment Amount	1.0 billion yen or more	• 3-Year Cumulative Investment
		Number of Certified Professionals	500 people or more	• 3-Year Cumulative Number of People
	Compliance	Compliance Awareness Survey: Agreement Rate	85% or more	• Agreement rate with the statement “I believe the company’s initiatives toward compliance are sufficient” in the compliance awareness survey
	AX (AI Transformation)	AI talent capability enhancement training: participation rate	100%	
		Number of AI adoption initiatives	30	
		improvement in operational efficiency	Approximately 30% improvement	• Equivalent to approximately 500,000 hours of work
	Contributing to Local Communities	Economic ripple effects	1.0 billion yen or more	• 3-Year Cumulative Economic ripple effects

Note: All figures and indicators are for Suruga Bank non-consolidated unless otherwise stated

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## I Summary of Financial Results for FY2025 (FY3/26)

## II FY2026(FY3/27) Earnings Forecast

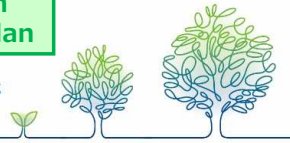
## III Initiatives for enhancing shareholder value

## IV Reference Materials

# New Mid-Term Business Plan Overview and Long-Term Vision

Mid-Term  
Business Plan

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## Corporate Philosophy

“I’m glad you’re here... I’m glad we met...”  
This perception is our goal.

## Long-Term Vision

Every employee committed to embracing the challenge of “creating differentiation,” we transform that effort into excitement (Waku Waku) for our customers and proudly discuss it together. That is the bank we are striving to become—the most exciting bank there is.



## Management strategy of the new mid-term business plan

Management  
Strategy  
I

**Deepening the Yatsugatake Model — refining differentiation through pivots**

By incorporating a “Pivot” perspective into Suruga’s DNA of “Creating a Difference,” we further deepen each domain of the Yatsugatake Model.

Management  
Strategy  
II

**Sustainable growth through an alliance strategy — from 4 PC to 5 PC**

In addition to the four autonomous profit centers, we have positioned the “Alliance Business” as a new engine of revenue growth to accelerate overall growth.

Management  
Strategy  
III

**Co-creation with AI — advancing AX with all employees**

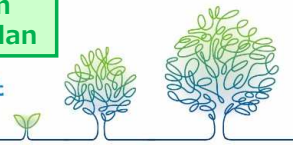
By engaging with AI, using it as a tool, and ultimately co-creating “difference” with AI as a partner, we will drive AX (AI Transformation) across the entire organization.

# Management Strategy I Deepening the Yatsugatake Model

— Refining Differentiation Through Pivots

Mid-Term Business Plan

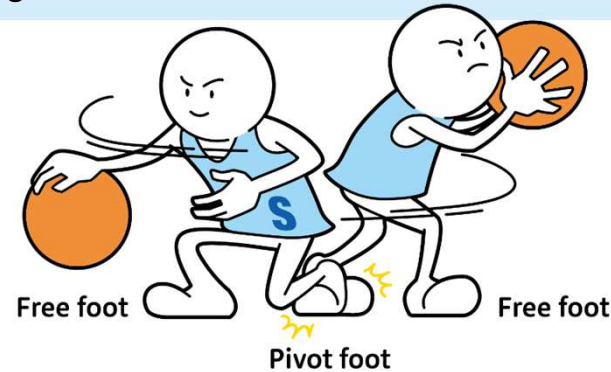
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By incorporating a “pivot” perspective into Suruga’s DNA of “creating a difference,” we further deepen the Yatsugatake Model.

## “Pivot” that creates a difference

By making our own strengths the pivot foot, we deepen differentiation by shifting our perspectives and angles.



The “pivot foot” for creating a difference

Pivot directions and examples

### Community Bank

— Shizuoka, Kanagawa —

The ability to build trust as a “lifelong partner” through long term, multi layered relationships with customers—rather than through single proposals.

Expanding the scope of trust-based relationships from individual customers to include sole proprietors, freelancers, and corporate entities.

### Greater Tokyo/Wide Area Bank

— Tokyo and major Japanese cities

Consultative capability to deliver real estate-related financial solutions tailored to customers with unique needs, including high-net-worth individuals.

Evolution from a real estate company-focused sales approach to a customer-direct model (targeting ultra-high-net-worth individuals and other clients through the Wealth Advisory Department)

### Direct Bank

— Nationwide business utilizing digital technologies —

Product and service development capability that leverages a low-cost and highly-adaptable digital platform.

Accelerating digital financial services tailored to customers’ lifestyles by combining AI with our digital platform.

### Market Finance Division

— Structured finance, etc. —

Accurate and swift organizational decision making, execution, and risk management enabled by the development of professional teams.

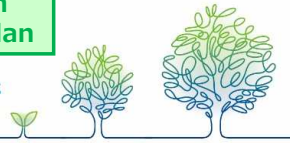
In addition to our traditional loan areas, the scope is being expanded to include receivables acquisition, asset-based lending (ABL), and loans to large and blue-chip corporations.

# Management Strategy II Sustainable Growth Through an Alliance Strategy

— From 4 PC to 5 PC

Mid-Term  
Business Plan

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In addition to the four autonomous profit centers,  
we have positioned the “Alliance Business” as a new engine of revenue growth to accelerate overall growth.

01

**Community Bank**  
(Shizuoka, Kanagawa)

A lifelong partner that builds long-term relationships and stands close to our customers.

02

**Greater Tokyo/Wide Area Bank**  
(Tokyo and major Japanese cities)

By delivering real estate-related financial solutions, we aim to realize a richer quality of life and become a trusted lifelong partner.

03

**Direct Bank**  
(Nationwide business utilizing digital technologies)

By leveraging our strength in product and service development built on a low-cost, highly-adaptable digital platform, we deliver digital financial services that are closely aligned with our customers' lifestyles.

04

**Market Finance Division**  
(Structured finance, etc.)

A professional team that continues to create a difference through a market-in approach

+

NEW

05

**Alliance Promotion Headquarters**

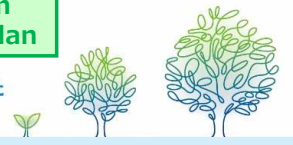
Deepening collaboration with cross-industry players (including Credit Saison) to pursue new forms of financial services.

# Management Strategy III Co-Creation with AI

## — Advancing AX with All Employees

Mid-Term Business Plan

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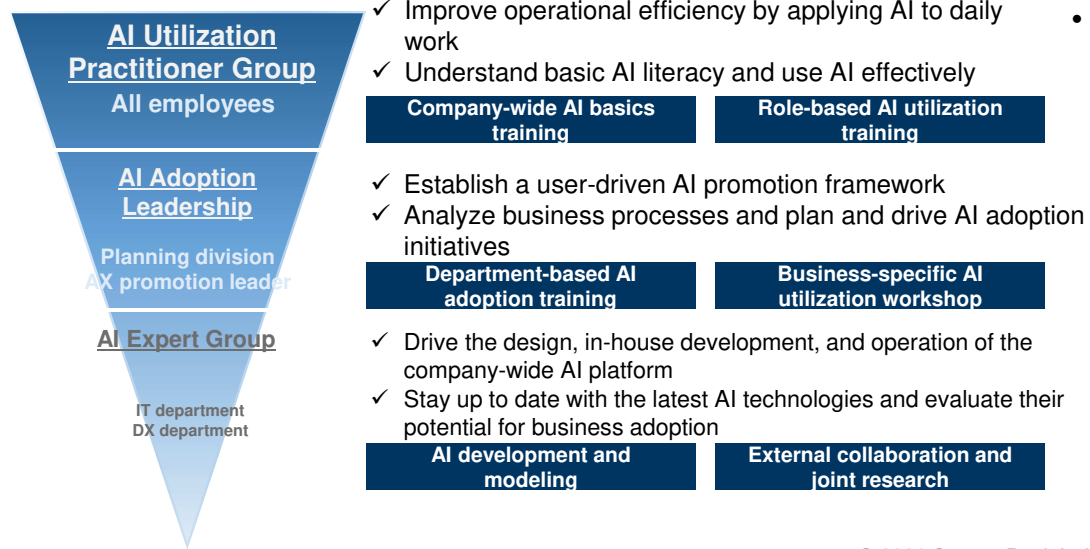
By engaging with AI, using it as a tool, and ultimately co-creating “difference” with AI as a partner, we will drive AX (AI Transformation) across the entire organization.

### Basic Policy

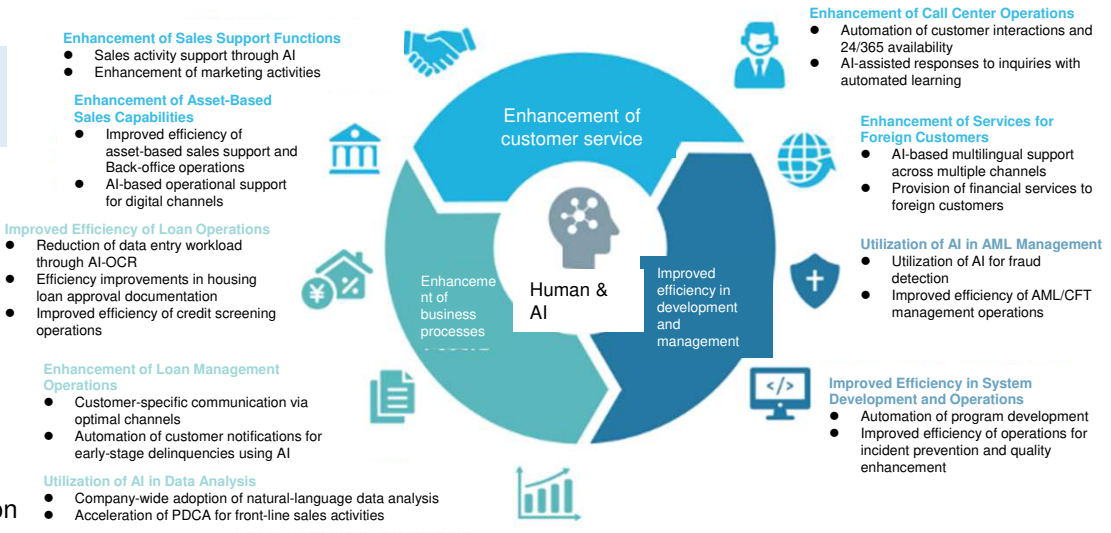
By treating AI as a partner, we evolve the creativity of both our employees and organization while co-creating differentiation.

AI applications to customer services	Cost optimization through operational efficiency	Thorough governance and compliance
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### AI talent capability enhancement plan —Establishment of an AI talent development training program—



### AX (AI Transformation)



### Monitoring Indicators

<b>Enhancement and developing AI talent</b> AI talent capability enhancement training: 100% participation rate Number of AI adoption initiatives: 30	<b>Operational efficiency and productivity improvement</b> Approximately 30% improvement in operational efficiency (Equivalent to approximately 500,000 hours of work)
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		FY2025 Forecast	FY2028 Plan	Notes
Main KPIs	Ordinary profit	34.5 billion yen	52.5 billion yen	
	ROE (consolidated)	11.2% (After excluding the impact of the tax burden rate 7.8%*)	11.0% or higher	<ul style="list-style-type: none"> <li>On a consolidated basis (TSE standards)</li> </ul>
	Capital adequacy ratio	10.8%	Approx. 10% (effective)	<ul style="list-style-type: none"> <li>Target range: 9.5%–10.5%</li> <li>On a non-consolidated basis. If unrealized valuation differences on securities result in a loss, such losses shall be deducted from core capital.</li> </ul>
Secondary KPIs Key action indicators for achieving main KPIs	Core gross operating profit	65.3 billion yen	77.0 billion yen	<ul style="list-style-type: none"> <li>Excludes gains from investment trust redemptions</li> </ul>
	Core expense ratio (OHR)	50.8%	Approx. 50%	<ul style="list-style-type: none"> <li>Denominator: Core gross operating profit (excluding gains/losses on cancellation of investment trusts)</li> </ul>
	Disclosed non-performing loan ratio	3.8%	In the 2% range	<ul style="list-style-type: none"> <li>Ratio excluding counterparties under structured negotiations that are largely fully-collateralized</li> </ul>

ROE value calculated by applying a standard tax burden rate of 31.1%, instead of the FY2025 tax burden rate of Approx.2%.

Note: Items not marked as “consolidated” are figures and indicators for Suruga Bank on a non-consolidated basis.

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# Previous Mid-Term Business Plan (FY2023–FY2025) — KPI Targets and Results

Mid-Term  
Business Plan

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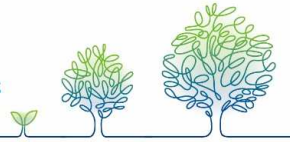
Achieved KPI targets for all main KPIs and secondary KPIs.

		FY2022	FY2023	FY2024	FY2025 Results		FY2025 Revised Mid-Term Business Plan -Announced on April 4, 2024-
Main KPIs	Ordinary profit	¥11.2 bn	¥20.1 bn	¥25.6 bn	¥34.5 bn	>>	¥17.0 bn
	Net income (Consolidated)	¥10.5 bn	¥15.3 bn	¥20.1 bn	¥34.7 bn	>>	¥13.5 bn
	Capital adequacy ratio (Finalized Basel III basis)	11.39%	11.87%	11.27%	10.84%	≒	10% or more (effective)
Secondary KPIs Key action indicators for achieving main KPIs	New business gross profit	¥7.7 bn	¥11.3 bn	¥18.8 bn	¥28.5 bn	>>	¥19.0 bn or more
	Expenses [Ref. Excluding personnel expenses]	¥36.2 bn [¥22.5 bn]	¥35.1 bn [¥21.7 bn]	¥35.2 bn [¥21.6 bn]	¥33.2 bn [¥18.5 bn]	<	¥34.0 bn or less
	Actual credit cost ratio	- 5bps	- 9bps	- 9bps	- 37bps	<<	Approx. 10bps

Note: All figures and indicators are for Suruga Bank non-consolidated unless otherwise stated

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These statements are not intended as guarantees of any specific future performance, and involve various risks and uncertainties. Actual future business results may differ from the plans described in the present material due to changes in economic conditions, the business environment, and other factors. Please be advised of this in advance.

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