



MEMBERSHIP

September 30, 2026

Company name: Suruga Bank, Ltd.
 Representative: Kosuke Kato, President
 (Code: 8358, Prime Market of the Tokyo Stock Exchange)
 Inquiries: Fujio Sato, Director, Senior Executive Officer, General Manager of General Management Planning Headquarters
 Tel: +81-55-987-8675

Announcement Regarding Revision of Earnings Forecast and Dividend Forecast (Dividend Increase)

In light of our recent business performance trends, Suruga Bank, Ltd. hereby announces that it has revised its earnings forecast and dividend forecast that were announced on May 14, 2026 (hereinafter referred to as “previous forecast” or “initial forecast”) as detailed below.

Note

1. Revision of earnings forecast

Revision of consolidated earnings forecast for the first half of FY3/27

(April 1, 2026 to September 30, 2026)

	Ordinary Profit	Profit Attributable to Owners of Parent	Earnings per Share
	Millions of yen	Millions of yen	Yen
Previous forecast (A)	25,000	17,000	99.72
Current forecast (B)	34,000	29,000	171.02
Change (B-A)	9,000	12,000	
Percent change	36.0	70.6	
(Reference) Results for the first half of FY3/26	16,736	15,826	88.57

Revision of non-consolidated earnings forecast for the first half of FY3/27

(April 1, 2026 to September 30, 2026)

	Ordinary Profit	Net Income	Earnings per Share
	Millions of yen	Millions of yen	Yen
Previous forecast (A)	24,500	17,000	99.72
Current forecast (B)	34,000	28,500	168.08
Change (B-A)	9,500	11,500	
Percent change	38.8	67.6	
(Reference) Results for the first half of FY3/26	16,361	15,668	87.68

Revision of consolidated earnings forecast for FY3/27

(April 1, 2026 to March 31, 2027)

	Ordinary Profit	Profit Attributable to Owners of Parent	Earnings per Share
	Millions of yen	Millions of yen	Yen
Previous forecast (A)	47,500	32,000	187.72
Current forecast (B)	56,000	44,000	262.01
Change (B-A)	8,500	12,000	
Percent change	17.9	37.5	
(Reference) Results for FY3/26	35,518	34,728	198.55

Revision of non-consolidated earnings forecast for FY3/27

(April 1, 2026 to March 31, 2027)

	Ordinary Profit	Net Income	Earnings per Share
	Millions of yen	Millions of yen	Yen
Previous forecast (A)	47,000	32,000	187.72
Current forecast (B)	55,500	43,500	259.03
Change (B-A)	8,500	11,500	
Percent change	18.1	35.9	
(Reference) Results for FY3/26	34,528	34,020	194.51

2. Reasons for the revision of earnings forecast

With respect to the Bank's non-consolidated results for the first half of the fiscal year ending March 31, 2027 (hereinafter referred to as the "current interim period"), core gross operating profit is expected to exceed the previously announced forecast, reflecting, among other factors, steady growth in new loan originations in the Bank's core loan business and the favorable impact of rising interest rates. In addition, actual credit costs are expected to be lower than the previously announced forecast, mainly due to a greater-than-expected reversal of the allowance for loan losses resulting from the change in the property collateral valuation method for whole-building income-producing real estate loans implemented in the first quarter, as well as the effects of precautionary reserves established in prior periods. Accordingly, the Bank is revising upward the non-consolidated earnings forecast.

Regarding the full fiscal year ending March 31, 2027 (hereinafter referred to as the "current fiscal year"), the Bank has decided to revise upward its non-consolidated earnings forecast after taking into consideration the strong business performance achieved through the current interim period, as well as the Bank's careful assessment of the future financial and economic environment and business trends.

The effective tax rate is expected to be approximately 15% for the current interim period and approximately 20% for the current fiscal year.

The revision to the Bank's consolidated earnings forecast is primarily due to the revision of the non-consolidated earnings forecast.

3. Dividend payment (interim dividend) and revision of dividend forecast

In accordance with the Bank's basic policy for shareholder returns, and upon comprehensive consideration of the above earnings forecasts, capital soundness, and future financial conditions, the Bank has decided to increase the interim dividend for the fiscal year ending March 31, 2027 by 10.00 yen per share from the previously announced forecast of 30.00 yen per share to 40.00 yen per share. Additionally, the Bank has decided to increase the year-end dividend forecast by 10.00 yen per share from 30.00 yen per share to 40.00 yen per share. As a result, the annual dividend forecast will be increased by 20.00 yen to 80.00 yen per share.

Reference

Basic Policy for Shareholder Returns

Our policy is to strive to enhance shareholder returns after considering the optimal balance between capital soundness and investment for growth

Dividends

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

Details of revised dividend forecast

	Annual dividend (yen)		
	H1	Year-end	Total
Previous Forecast (Disclosed May 14, 2026)	Yen 30.00	Yen 30.00	Yen 60.00
Revised Forecast	40.00	40.00	80.00
Current Year Results			
Previous Year Results (FY3/26)	22.00	38.00	60.00

[Reference]

Earnings forecast for FY3/27

〈Non-consolidated〉

(billion yen)

	Initial forecast (Previous Forecast)		Current forecast		Change	
	1H FY3/27	FY3/27	1H FY3/27	FY3/27	1H FY3/27	FY3/27
Core gross operating profit (excluding gains/loss on cancellation of investment trusts)	34.0	69.5	37.0	74.5	+ 3.0	+ 5.0
Expenses (-)	17.5	35.0	17.5	35.0	0.0	0.0
Gain (loss) on securities	2.5	5.0	1.5	1.5	(1.0)	(3.5)
Actual credit costs (-)	(5.0)	(6.0)	(12.0)	(13.0)	(7.0)	(7.0)
Ordinary profit	24.5	47.0	34.0	55.5	+ 9.5	+ 8.5
Net income	17.0	32.0	28.5	43.5	+ 11.5	+ 11.5

〈Consolidated〉

(billion yen)

Ordinary profit	25.0	47.5	34.0	56.0	+ 9.0	+ 8.5
Profit attributable to owners of parent	17.0	32.0	29.0	44.0	+ 12.0	+ 12.0
Dividends per share	30.0 yen	60.0 yen	40.0 yen	80.0 yen	+10.0 yen	+20.0 yen

Forecast annual dividend per share (cumulative): 80 yen = forecast interim dividend per share of 40 yen + forecast year-end dividend per share of 40 yen

Main Factors (Non-Consolidated)

Core Gross Operating Profit

Core gross operating profit is expected to exceed the initial forecast, reflecting steady growth in new loan originations in the Bank's core loan business and the successful incorporation of higher interest rates during the interim period, as well as the incorporation of an additional policy rate hike in the second half of the fiscal year (assuming a 0.25% increase in January 2027), among other factors.

Gains/Losses on Securities

In light of developments in the financial markets, the Bank now expects to record losses on sales of domestic bonds (approximately 3.0 billion yen for the full fiscal year), which were not factored into the initial forecast at the beginning of the fiscal year. However, for the second half of the fiscal year, the Bank expects to record gains on sales of strategically held equities in an amount equivalent to the losses on sales of domestic bonds. As a result, gains/losses on securities are expected to be approximately zero.

Actual Credit Costs

Actual credit costs are expected to be lower than the initial forecast. This is primarily attributable to a greater-than-expected reversal of the allowance for loan losses (5.6 billion yen) associated with the one-time change in the property collateral valuation method for whole-building income-producing real estate loans during the interim period, as well as the effects of precautionary reserves established in prior periods. Please refer to the table below for details of actual credit costs.

(billion yen)

		Initial forecast (Previous Forecast)		Current forecast		Change	
		1H FY3/27	FY3/27	1H FY3/27	FY3/27	1H FY3/27	FY3/27
Actual credit costs total		(5.0)	(6.0)	(12.0)	(13.0)	(7.0)	(7.0)
Normal amount	Actual credit costs arising from loans without special factors	(0.5)	(2.0)	(1.0)	(3.5)	(0.5)	(1.5)
Preventive allowances	Eligible allowances as follows	(4.5)	(5.5)	(12.5)	(12.5)	(8.0)	(7.0)
	Allowance for new suspension of repayments by some investment real estate loan customers triggered by organizational negotiations	(4.0)	(5.0)	(10.5)	(10.5)	(6.5)	(5.5)
	Allowance for claims for restructured loans that are unlikely to be recovered in the future	(0.5)	(0.5)	(2.0)	(2.0)	(1.5)	(1.5)
Corporate	Actual credit costs arising from corporate loans	0.0	1.5	1.5	3.0	+1.5	+1.5

Net Income

In addition to the improvement in ordinary profit, the effective tax rate is expected to be lower than the initial forecast (approximately 15% for the interim period and approximately 20% for the full fiscal year). As a result, net income is expected to exceed the initial forecast.

Note: The above earnings forecasts and related information are based on certain assumptions that the Bank considers reasonable at this time. Actual performance may differ from these forecasts.

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