



November 14, 2019

To whom it may concern:

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Announcement Regarding the Difference between the Forecast and Actual Results for the Six Months Ended September 30, 2019 and a Revision to the Earnings Forecast for the Fiscal year ending March 31, 2020

Suruga Bank, Ltd. announces that a difference has arisen between the consolidated forecast for the six months ended September 30, 2019, announced on August 14, 2019, and the actual results for the period.

It also announces that it has revised the earnings forecast for the fiscal year ending March 31, 2020, announced on August 14, 2019, as follows:

Note

1. Difference between the forecast and the actual results for the six months ended September 30, 2019.

Consolidated

	Ordinary income	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	yen
Previous forecast (A)	—	8,000	5,000	21.58
Actual results (B)	64,062	20,099	15,972	68.95
Change (B-A)	—	12,099	10,972	
Percent change	—	151.2	219.4	
(Reference) Results for the fiscal year ended September 30, 2018	75,027	(85,726)	(100,785)	(435.08)

Non-consolidated

	Ordinary income	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	yen
Previous forecast (A)	—	7,500	5,000	21.58
Actual results (B)	57,133	19,388	15,638	67.50
Change (B-A)	—	11,888	10,638	
Percent change	—	158.5	212.7	
(Reference) Results for the fiscal year ended September 30, 2018	70,239	(83,737)	(98,280)	(424.26)

2. Revision of earning forecast for the fiscal year ending March 31, 2020.

Consolidated

	Ordinary income	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	yen
Previous forecast (A)	—	16,000	10,500	45.32
Current forecast (B)	116,500	23,000	15,500	66.91
Change (B-A)	—	7,000	5,000	
Percent change	—	43.7	47.6	
(Reference) Results for the fiscal year ended March 31, 2019	139,635	(74,342)	(97,146)	(419.36)

Non-consolidated

	Ordinary income	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	yen
Previous forecast (A)	—	15,000	10,000	43.16
Current forecast (B)	103,000	22,000	15,000	64.75
Change (B-A)	—	7,000	5,000	
Percent change	—	46.6	50.0	
(Reference) Results for the fiscal year ended March 31, 2019	127,407	(74,985)	(97,016)	(418.80)

3. Reasons for difference and revision

Ordinary income decreased as fund management revenue has diminished due to a decline in interests on loans. However, both ordinary profits and interim profits have exceeded earnings forecasts due to a decrease in actual credit costs.

Fiscal year forecasts ending March 31, 2020 have been revised to reflect the results of the interim period.

(Reference)

(1) Non-consolidated earnings forecast (Six months ended September 30, 2019) (Billions of yen)

	Actual results (A)	Previous forecast (B)	Change (A-B)
Ordinary income	57.1	—	—
Core net operating profit	19.8	17.0	2.8
Net operating profit	18.3	16.5	1.8
Ordinary profit	19.3	7.5	11.8
Net income	15.6	5.0	10.6
Actual credit costs	6.3	9.5	(3.2)

(2) Non-consolidated earnings forecast (Fiscal year ending March 31, 2020) (Billions of yen)

	Actual results (A)	Previous forecast (B)	Change (A-B)
Ordinary income	103.0	—	—
Core net operating profit	36.0	34.0	2.0
Net operating profit	33.0	33.0	—
Ordinary profit	22.0	15.0	7.0
Net income	15.0	10.0	5.0
Actual credit costs	19.0	19.0	—

(3) Capital adequacy ratio (domestic standard)

	September 30, 2019
Capital adequacy ratio (non-consolidated)	9.33%
Capital adequacy ratio (consolidated)	9.23%

(Note)The performance forecasts in this report are based on information currently available to the company and on certain assumptions deemed to be reasonable. Actual performance may differ.