February 12, 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: +81-3-3279-5536

Notice Regarding Recording of Loss due to Sale of Securities, etc.

Suruga Bank, Ltd. (the "Bank") hereby announces that it expects to record losses resulting from the sale of securities, etc., in the fourth quarter of the fiscal year ending March 31, 2026, as described below.

Please note that at this time, the Bank does not expect any changes to the full-year consolidated and non-consolidated earnings forecasts for the fiscal year ending March 31, 2026, which were previously announced on November 7, 2025.

Note

1. Overview

In light of recent trends in financial markets, the Bank has decided to reduce a portion of its bond holdings, primarily long-term bonds with valuation losses, in order to further improve the quality of its securities portfolio. As a result of these efforts, the Bank expects to record a loss of approximately 3.0 billion yen in securities-related gains/losses for the fourth quarter of the fiscal year ending March 31, 2026 (January 1, 2026 to March 31, 2026).

There is no change to the Bank's securities investment policy; the Bank intends to progressively build a portfolio centered on yen bonds while taking into account the market environment, with the aim of building a more stable earnings structure.

Expected gains (losses) on securities for FY3/26 (non-consolidated)

(Millions of yen)

	Results for the 3rd quarter	Full-year forecast	Change
Gains (losses) on securities*	(4,029)	(7,029)	(3,000)

* Sum of gains (losses) on bonds and gains (losses) on stocks

2. Impact on results

In the third quarter financial results for the fiscal year ending March 31, 2026, announced today (February 12, 2026), the Bank's core loan business has been performing steadily. Furthermore, actual credit costs are trending below expectations due to improvements in asset quality.

Although the Bank expects to record losses due to the sale of securities as described above, in light of the performance through the third quarter, the Bank anticipates that it will be able to achieve the full-year consolidated and non-consolidated earnings forecasts announced previously (on November 7, 2025). Therefore, the Bank does not expect to revise its earnings forecasts at this time.

The Bank will promptly disclose any matters that require further announcement in the future.

Note: The performance forecasts in this report are based on information currently available to the Bank and on certain assumptions deemed to be reasonable. Actual performance may differ from these forecasts.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.