

March 7, 2007

SURUGA CORPORATION
(TSE2: 1880)

Notice of the Issuance of Public-offered Domestic Straight Bonds

Suruga Corporation (“the Company”) hereby makes the following announcements concerning the conditions of issuance of its second series of unsecured bonds:

This offering enables the Company to diversify and stabilize its financing sources, by raising long-term fund from capital market.

The net proceeds of this bond shall be applied to the Company’s real estate business in Japan and to operation funds for the purpose of the Company’s business expansion.

Summary of the Bonds

Issue amount	JPY10,000,000,000-
Form	Book-entry bond
Interest rate	2.95%
Issue price	100%
Redemption price	100%
Redemption date	15th March 2010 (3 year)
Interest payment dates	Semi-annually on each 15th March and 15th September (First interest payment date 15th September 2007)
Offering date	7th March 2007
Payment date	15th March 2007
Method of offering	Public
Collateral	Unsecured / No guarantee / No reserved collateral
Covenants	Negative pledge
Underwriter	JPMorgan Securities Japan Co ., Ltd.
Fiscal and Paying Agent	Mizuho Bank, Ltd.
Depository Agent	Japan Securities Depository Center, Inc
Rating	BBB- (Japan Credit Rating Agency, Ltd.)