

February 16, 2016
Daiwa Securities Group Inc.

Report Regarding Consolidated Liquidity Coverage Ratio
Situation of Soundness in Liquidity Management as of third Quarter in Fiscal Year 2015

In accordance with the Financial Instruments and the Exchange Act Article 57-17, “Notification, etc. of Documents Describing Status of Soundness in Management”, Daiwa Securities Group Inc. reports situation of soundness in liquidity management as of third quarter in fiscal year 2015.

*As of March 2, 2016, value associated with “Secured funding” and “Other cash inflows” have been modified.

Quantitative disclosure of consolidated liquidity coverage ratio

(Unit :1 Million Yen,%)

Items		Third Quarter in Fiscal Year 2015		Second Quarter in Fiscal Year 2015	
High Quality Liquid Assets (1)					
1	Total high quality liquid assets	2,120,214		2,025,224	
Cash Outflows (2)		Unweighted Value	Weighted Value	Unweighted Value	Weighted Value
2	Retail deposits and deposits from small business customers	1,808,518	180,851	1,770,903	177,090
3	Stable deposits	-	-	-	-
4	Less stable deposits	1,808,518	180,851	1,770,903	177,090
5	Unsecured wholesale funding	1,503,951	702,453	1,510,093	747,714
6	Operational deposits	-	-	-	-
7	Unsecured wholesale funding other than operational deposits and unsecured debt	1,330,424	528,925	1,360,130	597,751
8	Unsecured debt	173,527	173,527	149,962	149,962
9	Secured funding	8,603,307	488,221	8,257,976	582,837
10	Outflows related to derivative exposures, loss of funding on debt products, committed credit and liquidity facilities	308,747	308,747	336,061	336,061
11	Outflows related to derivative exposures	298,084	298,084	325,516	325,516
12	Outflows related to loss of funding on debt products	-	-	-	-
13	Outflows related to credit and liquidity facilities	10,663	10,663	10,544	10,544
14	Other contractual funding obligations	5,607,674	1,018,803	4,964,298	854,806
15	Other contingent funding obligations	150,250	149,743	136,278	135,770
16	Total cash outflows	2,848,821		2,834,280	
Cash Inflows (3)		Unweighted Value	Weighted Value	Unweighted Value	Weighted Value
17	Secured lending	5,969,088	121,662	6,589,664	155,669
18	Inflows from fully performing exposures	422,258	421,053	461,863	460,657
19	Other cash inflows	5,784,576	1,032,208	5,090,382	894,883
20	Total cash inflows	1,574,924		1,511,210	
Consolidated Liquidity Coverage Ratio (4)					
21	Total high quality liquid assets	2,120,214		2,025,224	
22	Total net cash outflows	1,273,897		1,323,069	
23	Consolidated liquidity coverage ratio	166.4 %		153.0 %	
24	Number of data used for calculation of average value	3		3	

End