

**Notice Regarding Determination of the Terms of Stock Options
Utilizing Stock Acquisition Rights**

Attention

This document is an unofficial translation of a press release announced on August 13, 2018 by Daiwa Securities Group Inc. The original press release is in Japanese.

Daiwa Securities Group Inc. (hereinafter "Company") determined the terms of Stock Options Utilizing Stock Acquisition Rights, resolved by Company's Executive Management Committee held on July 30, 2018.

1. Name of Common Stock Acquisition Rights

Series 15 Stock Acquisition Rights

2. Number of Common Stock Acquisition Rights to be Issued

74,695 (The number of shares to be issued upon exercise of one (1) Common Stock Acquisition Right shall be 100 shares of Common Stock.)

3. To whom and the number of Common Stock Acquisition Rights being allocated

Total of 3,841 persons out of employees of the Company, its subsidiaries and affiliates, and directors, executive officers of the Company's subsidiaries and affiliates

4. Class and Number of Shares to be Issued upon Exercise of Common Stock Acquisition Rights

7,469,500 common stocks

5. Amount to be Paid in upon Exercise of Common Stock Acquisition Rights

68,600 yen per Common Stock Acquisition Right
(Exercise Price) 686 yen per common stock

6. Total Amount of Issue Price of Common Stocks to be Issued upon Exercise of Common Stock Acquisition Rights

5,124,077,000 yen

7. Exercise Period of Common Stock Acquisition Rights

From July 1, 2023 to June 26, 2028

8. Amount of Increase in Capital Stock upon Issuance of Common Stocks by Exercise of Common Stock Acquisition Rights

343 yen per share

The above price shall be 0.5 times of exercise price 686 yen (Any fraction less than one (1) yen shall be rounded up to the nearest yen.). The amount of increase in Capital Stock is 395 yen by adding book value 104.0 yen to exercise price 686 yen.

9. Date of Allocation of Stock Acquisition Rights

August 10, 2018

< Reference >

1. Date of the Board of Directors meeting that resolved to propose this issue to the Ordinary General Meeting of Shareholders: April 27, 2018
2. Date of the 81st Ordinary General Meeting of Shareholders: June 27, 2018
3. Date of the Executive Management Committee that resolved this issue: July 30, 2018