

May 15, 2019

Press Release

Japan Post Holdings Co., Ltd.  
Japan Post Bank Co., Ltd.  
Daiwa Securities Group Inc.  
Daiwa Securities Co. Ltd.

*Attention*

*This document is an unofficial translation of a press release announced on May 15, 2019 by Daiwa Securities Group Inc. The original press release is in Japanese.*

Memorandum of Understanding on the partnership to strengthen collaboration between Japan Post Group and Daiwa Securities Group.

Japan Post Holdings Co., Ltd. (Japan Post Holdings; Director and Representative Executive Officer, President & CEO: Masatsugu Nagato), Japan Post Bank Co., Ltd. (Japan Post Bank; Director, President and Representative Executive Officer: Norito Ikeda), Daiwa Securities Group Inc. (Daiwa Securities Group; President and CEO: Seiji Nakata), and Daiwa Securities Co. Ltd. (Daiwa Securities; President and CEO: Seiji Nakata) have signed a Memorandum of Understanding (MOU) today to enter a partnership to strengthen collaboration in supporting asset building of Japanese individuals.

Japan Post Group aims to continue developing as a “Total Lifestyle Support Group” to provide various products and services in accordance with the varied lifestyles and life stages of each and every customer, and to support them to realize safe, secure, comfortable and affluent lifestyles and lives.

Daiwa Securities Group is going to provide “New Value” as an “Integrated Securities Group with Hybrid Business Model” by leveraging its traditional securities business and expanding/strengthening the external network and neighboring business areas, as planned in the new medium-term management plan, “Passion for the Best 2020” (“medium-term plan”), which was put into action from April 2018.

In Japan, more than half of household assets remain in cash and deposits and “The Shift From Savings To Asset Formation” makes little progress compared to the US and the UK, while asset formation throughout a lifetime is getting more important in the era of the 100-year life.<sup>1</sup>

Japan Post Group and Daiwa Securities Group are going to collaborate in developing new consulting services which meet the lifestyles and needs of each customer, such as discretionary investment management services<sup>23</sup>. In this way, we will support “The Shift From Savings To Asset Formation” and contribute to the realization of making people’s life better by using each field of expertise and management resources.

#### Endnotes

1. An excerpt from the agenda and handouts of the first meeting of “Council of Experts on Stable Asset Accumulation of the Household Sector” in FSA.  
(<http://www.fsa.go.jp/singi/kakei/siryoku/20170203/03.pdf>)
2. Japan Post Bank needs the approval of regulatory authorities to provide new services, such as discretionary investment management services.
3. Discretionary investment management services are the form of investment management in which buy and sell decisions are fully or partially made by a portfolio manager for the client's account based on investment discretionary contracts.