

July 30, 2025

Daiwa Securities Group Inc.

Report Regarding Consolidated Capital Adequacy Ratio
and Consolidated Leverage Ratio
Situation of Soundness in Management as of March 31, 2025

In accordance with the Financial Instruments and Exchange Act Article 57-17, “Notification, etc., of Documents Describing Status of Soundness in Management”, Daiwa Securities Group Inc. reports the situation of soundness in management as of March 31, 2025.

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Key Metrics (at consolidated group level)

KM1: Key metrics

(Millions of yen, %)

Basel III template number		March 2025	December 2024	September 2024	June 2024	March 2024
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	1,351,434	1,413,899	1,274,461	1,367,678	1,331,138
2	Tier 1	1,540,625	1,605,012	1,462,684	1,554,875	1,520,820
3	Total capital	1,547,823	1,615,274	1,470,667	1,557,238	1,529,866
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	7,086,475	7,509,731	7,189,880	7,426,777	7,087,470
Capital ratio						
5	CET1 ratio (%)	19.07%	18.82%	17.72%	18.41%	18.78%
6	Tier 1 ratio (%)	21.74%	21.37%	20.34%	20.93%	21.45%
7	Total capital ratio (%)	21.84%	21.50%	20.45%	20.96%	21.58%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0.10%	0.12%	0.11%	0.10%	0.08%
10	Bank G-SIB and/or D-SIB additional requirements (%)	0.50%	0.50%	0.50%	0.50%	0.50%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	3.10%	3.12%	3.11%	3.10%	3.08%
12	CET1 available after meeting the bank's minimum capital requirements (%)	13.84%	13.50%	12.45%	12.96%	13.58%
Leverage ratio						
13	Total leverage ratio exposure measure	28,859,210	29,240,454	26,665,976	28,623,154	24,461,756
14	Leverage ratio (%) including the impact of any applicable temporary exemption of central bank reserves	5.33%	5.48%	5.48%	5.43%	6.21%

Composition of Capital Disclosure

CC1: Composition of regulatory capital

(Millions of yen, %)

Basel III template number	Items	Group Consolidated Quarter-End	Cross-referenced to CC2
Common Equity	Tier 1 capital: Instruments and reserves (1)		
1a+2-1c-26	Shareholders' equity	1,402,376	
1a	Common stock and capital surplus	513,687	(i),(j)
2	Retained earnings	1,041,407	(k)
1c	Treasury stock (Δ)	113,099	(l),(m)
26	Planned distributions (Δ)	39,619	
	Others	-	
1b	Stock subscription rights and stock acquisition rights	6,344	(p)
3	Accumulated other comprehensive income (and other reserves)	197,659	(o)
5	Minority interest after adjustments	-	
6	Common Equity Tier 1 capital before regulatory adjustments (a)	1,606,380	
Common Equity	Tier 1 capital: regulatory adjustments (2)		
8+9	Intangible assets other than mortgage-servicing rights (net of related tax liability)	175,775	
8	Goodwill (net of related tax liability)	53,365	(e)
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	122,409	(f)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	268	(d),(h)
11	Cash-flow hedge reserve	(1,245)	(n)
12	Shortfall of allowance to expected losses	-	
13	Securitization gain on sale (as set out in paragraph 562 of Basel II framework)	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	737	
15	Defined-benefit pension fund net assets	-	
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	89	(b)
17	Reciprocal cross-holdings in common equity	-	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	6,303	(a),(b),(c),(g)
19+20+21	Amount exceeding the 10% threshold	73,016	
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	73,016	
20	Mortgage servicing rights (amount above 10% threshold)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	
22	Amount exceeding the 15% threshold	-	
23	of which: significant investments in the common stock of financials	-	
24	of which: mortgage servicing rights	-	
25	of which: deferred tax assets arising from temporary differences	-	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	Total regulatory adjustments to Common equity Tier 1 (b)	254,946	
Common Equity	Tier 1 capital		
29	Common Equity Tier 1 capital (CET1) ((a) - (b)) (c)	1,351,434	

(Millions of yen, %)

(millions of yen, %)

Basel III template number		Items	Group Consolidated Quarter-End	Cross-referenced to CC2
Additional Tier 1 capital: instruments			(3)	
30	31a	Shareholders' equity	-	
	31b	Stock subscription rights and stock acquisition rights	-	
	32	Liabilities	149,800	
		Instruments issued by Special Purpose Companies	-	
34	Minority interest after adjustments		42,505	(q)
36	Additional Tier 1 capital before regulatory adjustments		(d) 192,305	
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments		-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments		-	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		1,305	(a),(b),(c),(g)
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		1,808	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		-	
43	Total regulatory adjustments to Additional Tier 1 capital		(e) 3,113	
Additional Tier 1 capital				
44	Additional Tier 1 capital ((d) - (e))		(f) 189,191	
Tier 1 capital				
45	Tier 1 capital ((c) + (f))		(g) 1,540,625	
Tier 2 capital: instruments and allowance			(4)	
46	Shareholders' equity		-	
	Stock subscription rights and stock acquisition rights		-	
	Liabilities		-	
	Capital instruments issued by Special Purpose Companies		-	
48	Minority interest after adjustments		10,001	(q)
50	General allowance included and eligible allowance in Tier 2 capital		-	
50a		General allowance	-	
50b		Eligible allowance	-	
51	Tier 2 capital before regulatory adjustments		(h) 10,001	

(Millions of yen, %)

Basel III template number	Items	Group Consolidated Quarter-End	Cross-referenced to CC2
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	-	
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	-	
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	2,803	(a),(b),(c),(g)
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions	-	
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
57	Total regulatory adjustments to Tier 2 capital (i)	2,803	
Tier 2 capital			
58	Tier 2 capital ((h) - (i)) (j)	7,197	
Total capital			
59	Total capital ((g) + (j)) (k)	1,547,823	
Risk-weighted assets (5)			
60	Total risk-weighted assets (l)	7,086,475	
Consolidated capital adequacy ratio			
61	Common Equity Tier 1 (as a percentage of risk-weighted assets) ((c) / (l))	19.07%	
62	Tier 1 (as a percentage of risk-weighted assets) ((g) / (l))	21.74%	
63	Total capital (as a percentage of risk-weighted assets) ((k) / (l))	21.84%	
64	CET1 specific buffer requirement	3.10%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: countercyclical buffer requirement	0.10%	
67	of which: G-SIB/D-SIB additional requirement	0.50%	
68	CET1 available after meeting the minimum capital requirements	13.84%	
Amounts below the thresholds for deduction (before risk weighting) (6)			
72	Non-significant investments in the capital of other financials	143,075	(a),(b),(c),(g)
73	Significant investments in the common stock of financials	142,445	(a),(b),(c),(g)
74	Mortgage servicing rights (net of related tax liability)	-	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	7,640	(d),(h)
Applicable caps on the inclusion of allowance in Tier 2 (7)			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to Standardized approach (prior to application of cap)	-	
77	Cap on inclusion of allowance in Tier 2 under Standardized approach	-	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	
79	Cap for inclusion of allowance in Tier 2 under internal ratings-based approach	-	

Qualitative Disclosure (Consolidated)

1. Scope of consolidation

A). Discrepancy and the reason in the scope of consolidation defined under consolidated financial statements reported and that for consolidated capital adequacy ratio calculation under the provision of Article 3 of the Consolidated Capital Adequacy Ratio Notification published by Japan FSA(hereunder the Notification).

Subsidiaries defined in Ordinance for Enforcement of the Banking Act are included in the corporate group ("Daiwa Securities Group", hereunder the Group), which is equivalent to the scope of consolidated capital adequacy ratio calculation (the regulatory scope of consolidation). The regulatory scope of consolidation has a wider coverage than the scope of consolidation in the financial statements.

B). Number of consolidated subsidiaries, and company names and businesses of major consolidated subsidiaries

Number of consolidated subsidiaries: 122 companies

Major Consolidated Subsidiaries	Businesses
Daiwa Securities Co. Ltd.	Securities-related businesses
	Investment advisory and agency businesses
Daiwa Asset Management Co. Ltd.	Investment management businesses
	Investment advisory and agency businesses
Daiwa Institute of Research Ltd.	Information services
Daiwa Securities Business Center Co. Ltd.	Back office operations
Daiwa Facilities Co.,Ltd.	Lending and borrowing of real estate
	Management of real estate
Daiwa Next Bank, Ltd.	Banking businesses
Daiwa Corporate Investment Co., Ltd.	Investment businesses
Daiwa PI Partners Co. Ltd.	Investment businesses
Daiwa Energy & Infrastructure Co. Ltd.	Investment businesses
Daiwa Real Estate Asset Management Co. Ltd.	Investment management businesses
	Investment advisory and agency businesses
Daiwa Securities Realty Co. Ltd.	Real estate-related businesses
Daiwa Office Investment Corporation	Investment management for specified assets
Samty Residential Investment Corporation	Investment management for specified assets
Daiwa Capital Markets Europe Limited	Securities-related businesses
Daiwa Capital Markets Hong Kong Limited	Securities-related businesses
Daiwa Capital Markets Singapore Limited	Securities-related businesses
Daiwa Capital Markets America Holdings Inc.	Integration and management of subsidiaries
Daiwa Capital Markets America Inc.	Securities-related businesses

C). Number of affiliated companies engaged in financial activities, company names, total assets as well as net assets on balance sheets, and businesses of major affiliated companies that engaged in financial activities under the provision of Article 9 of the Notification.

No company is subject to proportionate consolidation methods.

D). Company names, total assets as well as net assets on balance sheets, and business of companies which belong to the Group but are not included under the scope of consolidation in the financial statements; and companies which are included under the scope of consolidation in the financial statements but do not belong to the Group.

List of subsidiaries not included under the scope of consolidation in the financial statements but belonging to the Group

(Millions of yen)

Subsidiaries belonging to the Group	Businesses	Total Assets	Net Assets
Daiwa Investor Relations Co. Ltd.	Research and consulting regarding corporate management policy, finance policy, shareholder policy, corporate image, and IR activities	790	454
DMS Ltd.	Information services	258	240
	Market research and consulting services		
Asian Energy Investments Pte., Ltd.	Investment management businesses	8	6
	Investment advisory and agency businesses		
Daiwa ACA HealthCare Inc.	Investment funds management businesses	439	360
	Asset management businesses		
	Real estate businesses		
Daiwa Corporate Investment Asia Ltd.	Investment businesses	266	250
ILC inc.	Investment management businesses	249	(797)
	Investment advisory and agency businesses		

There are no companies included under the scope of consolidation in the financial statements but not belonging to the Group.

E). Overview of the restrictions on the transfer of funds and regulatory capital within the Group companies

There is no specific restriction set forth regarding the transfer of funds and regulatory capital within the Group companies.

2. Overview of capital adequacy assessment methods

The Group sets forth “The Rules of Economic Capital Management” and “The Rules of Regulatory Capital Management”, and assesses capital adequacy from economic capital, regulatory capital, and stress testing points of view.

<Economic Capital>

The Group allocates economic capital for major Group companies within the risk appetite framework. The allocated amount takes into account the capital buffer reserved for stress events. Economic capital allocated toward major companies is decided based upon the historical risk amount, business plan/budget, and so on.

The Group computes group companies’ risk associated with businesses, and assesses its capital adequacy by confirming if such result falls within the range of allocated economic capital.

<Regulatory Capital>

The Group monitors regulatory capital against the alert level which is set well above the minimum regulatory capital ratio, and sets the alert level for internal management to evaluate the capital adequacy periodically.

<Stress Testing>

The Group uses the stress testing method to perform analysis on the impact on the soundness of the Group while in a stressed situation, validate the relevancy of plans from the angle of the economic capital and the regulatory capital. The experts and relevant departments conduct discussions on analyzing both the inside and outside environments to make multiple scenarios for the stress test.

3. Overview of the risk characteristics, and the policies, procedures and structure of the Group-wide risk management

The Group has introduced the risk appetite framework to strengthen risk governance from the management level.

Based on the characteristics of various risks held in business, the Group has established basic matters to manage risks appropriately. The risk management structure is established to ensure financial soundness and business adequacy.

<Risk Appetite Framework>

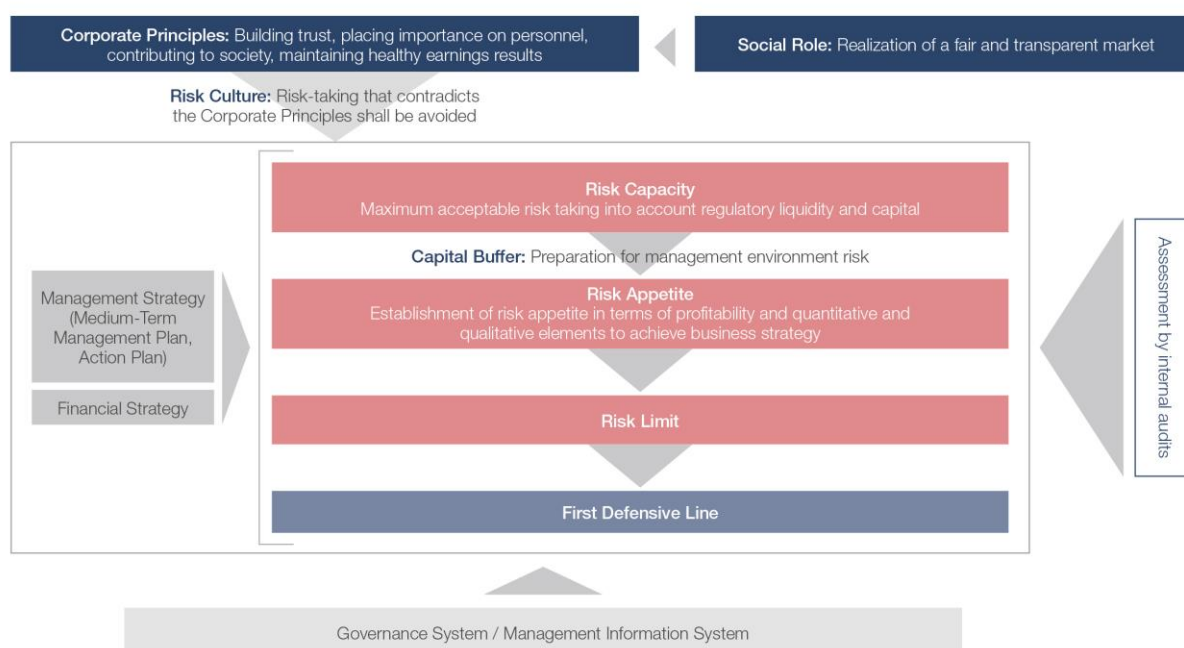
The risk appetite framework defines risk appetite as the type and total amount of risk that should be assumed in order to achieve profit targets and business plans. It is the framework of group-wide risk control.

The Group operates the risk appetite framework as described below.

(Overview of Risk Appetite Framework)

According to the liquidity, capital adequacy, concentration risk, and operational risk, as well as its business plan and risk characteristics, the Group adopts appropriate risk appetite metrics, sets the acceptable level of risk and the response plan in case of excess, and keeps conducting management and monitoring them.

The Group has facilitated documentation of the risk appetite statement for this framework, instilled a risk appetite culture in the Group and improved the level of business and risk management systems, as well as fostered a culture of risk management.



The Roles and Responsibilities in the Risk Appetite Framework

-Board of Directors-

Conduct deliberation and determination of risk appetite statements, which include quantitative indicators of risk appetite of the Group.

-Audit Committee-

Perform audit on execution of duties by the Board of Directors and management regarding the risk appetite framework.

-Group Risk Management Committee-

Conduct the Group's risk limits based upon the approved risk appetite.

In addition, properly grasp the status of risks including the situation of the risk management system and the risk limits violation of the group companies.

-CEO-

The CEO is responsible for the Group's overall management, which includes the group-wide business strategies, risk strategies and development and maintains the risk appetite framework.

-COO-

The COO has responsibility to assist the CEO's overall management which is based on the risk appetite framework.

-CFO-

The CFO is responsible for the Group's overall financial management which is based on the risk appetite framework.

-CRO-

Carry out development of the risk appetite statement and obtain board approval for the statement.

In addition, based on the statement, the CRO is responsible for the Group's overall risk management, which includes consolidating and monitoring the risk management system of each group company.

-CDO-

Based on the risk appetite framework, the CDO has responsibility to manage the overall data governance and the information system.

-Risk Management Department and compliance department of each group company-

As the second line of defense, based on the risk appetite, business size and risk characteristics, consolidate the risk limits for the company.

-Business department of each group company-

As the first line of defense, conduct autonomous risk management.

Detect exceeding of risk limits during daily business. Consolidate the appropriate system to perform countermeasure analysis and report to the Risk Management Department.

- Internal audit department-

As the third line of defense, conduct independent examination and evaluation for the Group's risk management framework. Consolidate an appropriate internal audit system to verify the effectiveness of the risk appetite framework.

(The operating structure of the risk appetite framework)

The Group's Board of Directors reviews the risk appetite statement on a semi-annual basis.

The risk appetite framework is also reviewed properly when business strategies or capital allocation plans are revised or the external environment changes significantly or great excess occurs on the risk profile.

<Risk characteristics and management policy, risk management system >

The Group is exposed to various risks in management. Of particular importance to the Group are the risks associated with its core securities business. Since the Group temporarily holds product positions for sale using its own account and offers products to customers, it is necessary to introduce liquidity risk including foreign currency, market risk resulting from market fluctuations, credit risk to trading partners and issuers, risk for which hedge does not function, operational risk that inevitably arises in executing business and model risk stemming from the use of decision-making models. The Group is also subject to investment risk due to deterioration in the business performance and credit status of investees, as well as to changes in the market environment, that coincide with the execution of growth investments. The Group conducts integrated risk management that measures the impact on capital and liquidity within the Group from a forward-looking perspective.

Based on the risk appetite framework, Daiwa Securities Group Inc. plays a central role in risk governance system consolidation from the integrated management perspective. The Group Risk Management Committee, which is a subcommittee of the Executive Committee of the Group, performs monitoring on the risk management system and the status of risks of the group companies, to strengthen the risk management of the entire group.

The contents of each Group Risk Management Committee meeting are reported to the Audit Committee.



In addition, based on the group-wide risk management and the approved risk appetite framework, the Group Risk Management Committee established the basic policy of risk management in the "Risk Management Regulations," which includes the following components:

(Basic policy of risk management)

1. Management's proactive involvement in risk management.
2. The structure of a risk management system that responds to features of the risks held by the Group.
3. Understand overall risk based on integrated risk management, secure strong capital and the soundness of liquidity.
4. Clarify the risk management process.

In addition, the group assigns the executive management and department to take charge of managing each risk.

(Definitions of Risks)

-Market risk-

Market risk refers to the risk of incurring losses due to market fluctuations, which affect the value of stock prices, interest rates, foreign exchange rates, and commodity prices, or due to the event of significant market liquidity declining, fluctuations occurring and a trade cannot be concluded or a trade is forced under a disadvantageous condition.

-Credit risk-

Credit risk refers to the risk of losses caused in cases where a counterparty of a trade or the issuer of a financial product held by the Group suffers a default, or credibility deteriorates. The credit risk of the Group's trading activities involves counterparty risk and issuer risk.

-Liquidity risk-

Liquidity risk refers to the risk of suffering losses due to cash management difficulties or having to finance at markedly higher costs than usual as a result of a change in market conditions or a deterioration of Group companies' finances.

-Operational risk-

Operational risk is the risk of losses that occur when internal processes, people, and systems do not perform adequately or do not function; it can also arise from external events.

- Model risk -

Model risk refers to the risk that the Group will suffer losses due to model development, implementation errors, or model misuse.

- Investment risk -

Investment risk refers to the risk that the value of the investment made by the Group will be damaged, that additional funding will be required, or that the return on investment will be lower than expected due to deterioration of the business performance and credit status of the investee changes in the market environment.

-Reputational risk-

Reputational risk refers to the possibility of the Group sustaining unforeseen losses and the Group's counterparties being adversely affected due to a deterioration of its reliability, reputation, and assessment caused by the spread of rumors or erroneous information.

-Accounting and tax risk-

Accounting and tax risk is the risk of not conducting appropriate accounting treatment and disclosure in accordance with accounting or taxation standards, laws, and regulations, or of not filing or paying taxes appropriately, as well as the risk of losses arising as a result.

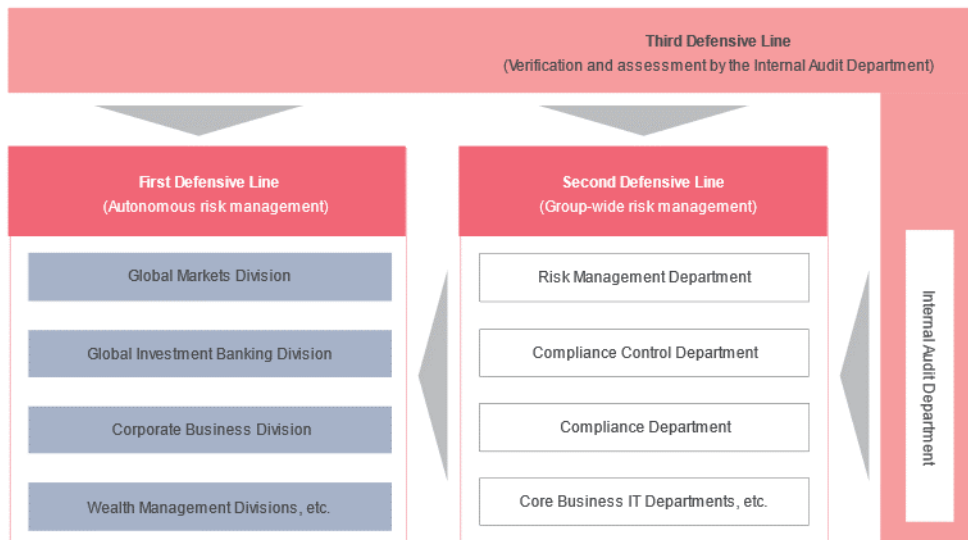
Executive Management, department and committee (to deliberate and decide the policies and specific measures of risk management) in charge of each risk

Risk category	Executive management	Department	Committee
Market risk	CRO	Risk Management Department	Group Risk Management Committee
Credit risk	CRO	Risk Management Department	Group Risk Management Committee
Liquidity risk	CRO	Risk Management Department	Group Risk Management Committee
Operational risk	CRO	Risk Management Department	Group Risk Management Committee
Model risk	CRO	Risk Management Department	Group Risk Management Committee
Investment risk	CRO	Risk Management Department	Group Risk Management Committee
Reputational risk	Executive Managing Director of Corporate Communication Executive Officer responsible for Investor Relations Executive Managing Director of Compliance	Corporate Communication Department Investor Relations Office Compliance Control Department	Disclosure Committee
Accounting and tax risk	CFO	Finance Department	Group Risk Management Committee

(Three lines of defense)

In order to establish an effective risk governance system, the Group consolidates the risk management framework based on the “three lines of defense”.

“Three lines of defense” is the concept of clarifying functions, roles and responsibilities in risk management and performing sound management. The first line is autonomous risk management. The second line is group-wide risk management. The third line is internal audit.



4. Credit risk

A). Overview of the risk characteristics and the policies, procedures and structure of risk management

The Group's credit risk consists of counterparty credit risk and issuer risk.

For counterparty credit risk, the Group assigns a credit limit to each counterparty group, and monitors regularly. Additionally, the Group measures the aggregated counterparty risk. The Group also monitors issuer risk related to the market instruments position held as a result of market making activities.

The Group conducts various activities including product offering, and asset management/investment, and due to this, exposure associated with various financial instruments as well as transactions occasionally concentrate toward a particular counterparty group. Because an unforeseen severe loss may be incurred as a result of credit deterioration of the particular counterparty group, the Group assigns credit limits on a cumulative exposure amount and monitors regularly.

The Group has a structure to appropriately control credit risk. The Group's risk management department measures the amount of credit risk exposure and reports to management daily. In addition, the risk management department also conducts the screening of business partners, setting of credit facilities, measuring the quantity of risk, monitoring of the credit risk situation and reporting to the Group risk management committee.

B). Overview of accounting allowance and write-off standards

In order to prepare for the loss from bad debts on loans and others, allowances are provided, based on the historical default rate for normal claims, and based on individually assessed amounts and cash flow estimation for doubtful and default loans.

The subsidiary bank classifies the normal claims by category, according to the "Practical Guidelines on Self-Assessment of Assets of Financial Institutions of Banks and Others and Impairment of Bankruptcy and Allowance for Doubtful Accounts" (JICPA Special Audit Committee for Banks and Other Financial Institutions Report No. 4 April 14, 2022), and records them on an expected loss ratio basis. Based on the self-assessment criteria of assets, the sales department and credit examination department conduct assessments for all claims.

C). Use of the External Credit Assessment Institutions (hereunder ECAIs) for determining the risk weight under the standardized approach

- Rating & Investment Information, Inc.
- Japan Credit Rating Agency, Ltd.
- Moody's Investors Service
- S&P Global Ratings

5. Overview of the risk characteristics and the policies, procedures and structure for Credit Risk Mitigation (hereunder CRM) techniques (excluding credit risk mitigation-related derivative and repo-style transactions)

A). Overview of the basic characteristics of policies, processes and the usage of netting

In securities-secured loans, loans are made up to the maximum borrowing amount within the market value of the securities received as collateral. After the execution of a loan, a netting agreement is conducted for the amount of the loan and the collateral valuation. Additional collateral is called in response to the deterioration of the ratio of the loan amount to the collateral value. Furthermore, collateral disposal is executed to protect loans when the deterioration is regarded as prolonged.

B). Overview of the basic characteristics of policies and processes of collateral evaluation and collateral management

Collateral is used for CRM techniques. Types of collateral are generally cash or high liquid securities. Eligible collateral type and collateral haircut rate are set in consideration of the creditworthiness and liquidity of each collateral.

The exposure amount and collateral value are, accordingly, calculated and compared daily.

C). Overview of the concentration of market risk and credit risk under applying CRM

Since price fluctuations occur with securities which are posted as collateral, assessment rates are evaluated by such volatility. In order to prevent concentration, for identical securities received from different business partners, an upper limit is set for the number of securities received.

6. Overview of the risk characteristics and the policies, procedures and structure for the counterparty credit risk management of derivative and repo-style transactions (including CRM-related transactions)

A). Policy on how to assign risk capital and credit limits for exposures to counterparties and central clearing houses

For derivative and repo-style transactions, a credit review of the counterparty is conducted in advance, and a credit limit is assigned when the credit soundness is confirmed. The exposure amount and collateral value are calculated and compared daily; accordingly, collateral is pledged or accepted. Likewise, for long settlement transactions, a credit review of the counterparty is required and the transaction can only be conducted if the credit limit is assigned.

B). Overview of the policies of collateral evaluation, collateral management and disposal procedures for collateral, guarantees and netting agreement

Collateral is used for CRM techniques. Types of collateral are generally cash or highly liquid securities. Eligible collateral type and collateral haircut rate are set in consideration of the creditworthiness and liquidity of each collateral. Received collateral is valued mark to market daily and monitored against exposures.

In the event that a business partner defaults, collateral will be sold in the market for claims protection.

For uncollateralized exposures, an allowance amount is calculated based upon the potential exposure calculated by simulation and the CDS spread observed in the market.

For derivative and repo-style transactions, bilateral netting agreements (ISDA Master Agreement, etc.) and collateral agreement (ISDA CSA, etc.) are generally set. For a transaction where a legally enforceable bilateral netting arrangement exists, CRM techniques are applied. The Group uses the Comprehensive Approach for CRM techniques.

C). Explanation of the impact caused by additional collateral needs to be posted due to the deterioration of the creditworthiness of the Group

Upon the time when its own credit rating is downgraded, additional collateral will be required. The Group carefully monitors the additional collateral amount and, accordingly, such amount falls into the allowable level.

7. Securitization exposures

A). Overview of the risk characteristics and the policies, procedures and structure for risk management

The Group is involved in securitization transactions generally as an investor, and, accordingly, holds securitization products under investment, banking and trading business. Securitization products include market risk, credit risk, as well as risks related to the assets, stratified/tranched structure and others. Outstanding exposures and credit soundness of securitization products are periodically monitored by independent risk control departments.

B). Overview of monitoring framework of the regulation set forth under the provision of Article 226 Paragraph 1(i)-(iv) of the Notification

Based on the regulations, periodical monitoring of securitization exposures is being conducted in order to adequately grasp comprehensive risk characteristics of securitization exposures including risk characteristics of underlying assets, performance-related information of underlying assets, and the scheme of the securitization transaction.

C). List of special purpose entities (hereunder SPEs) where the Group acts as the sponsor, indicating whether the Group consolidates the SPEs into its scope of regulatory consolidation, and affiliated entities that the Group manages or advises and that invest either in the securitization exposures that the Group has securitized or in SPEs that the Group sponsors

Not applicable.

D). List of entities to which the Group provides implicit support and the associated capital impact for each of them

Not applicable.

E). Accounting policy applied for the securitization transaction

The Group complies with Accounting Standard Board of Japan Statement No. 10, “Accounting Standard for Financial Instruments” in recognizing, evaluating, and booking the occurrence or extinguishment of financial assets or liabilities related to securitization transactions.

F). Names of ECAIs used for securitizations and the type of securitization exposures for which each agency is used

The following ECAIs are used in order to determine the risk weight for the securitization exposures.

- Rating & Investment Information, Inc.
- Japan Credit Rating Agency, Ltd.
- Moody’s Investors Service
- S&P Global Ratings

G). Overview of the process for implementing the Basel Internal Assessment Approach if applicable

Not applicable.

7-2. CVA risk

A). The name of the approach used to calculate the Credit Valuation Adjustment (hereunder CVA) risk amount (i.e., Standardized Approach for CVA (hereunder SA-CVA), Reduced Basic Approach for CVA (hereunder Reduced BA-CVA), Full Basic Approach for CVA), and overview of the transactions subject to calculation under each approach.

The group measures and manages the CVA for counterparty credit risk in derivative transactions. For derivative transactions where the CVA risk amount for financial accounting purposes is calculated using a CVA measurement model, the CVA risk is calculated using SA-CVA; for others, Reduced BA-CVA is used.

B). Overview of the characteristics of CVA risk and the risk management structure related to CVA (including the hedging policy for CVA risk and the system for continuously monitoring the effectiveness of hedging).

CVA is subject to volatility risk stemming from changes in counterparty creditworthiness and market fluctuations. Entities using SA-CVA establish a CVA desk to monitor volatility risk and control it through hedging operations.

C). Overview of the risk management structure related to CVA (including the involvement of Directors and other executives), and overview of the governance structure ensuring the effective functioning of the risk

management structure (including the status of documentation and reporting regarding CVA risk management, the involvement of the CVA exposure measurement model validation department, and the involvement of the internal audit department.)

As for the CVA risk management structure within the Group, the volatility risk of CVA is managed within the market risk management framework based on the Group's Risk Management Regulations. The risk management department and front office departments set and monitor limits such as loss limits, and the risk status is regularly reported to the CRO, Directors, and other executives through the Group Risk Management Committee and similar committee.

Regarding the CVA measurement model used for SA-CVA calculation, in addition to validation at the time of development and modification of the model, periodic validation is conducted at least once a year by a validation department independent of the model development department. Furthermore, the Internal Audit Department conducts audits of SA-CVA measurement and the CVA risk management structure at least once a year.

8. Market risk

A). Overview of risk management policies, procedures and structure

1. Methods for identifying, assessing, managing, and mitigating risks, as well as for monitoring hedge effectiveness

The Group provides market liquidity through the trading businesses and takes the market risk by holding the assets. The Group engages in hedging activities in order to control profit and loss fluctuations. Toward this end, as hedging activities may not properly work under stress circumstances, taking account of financial soundness, business plan/budget subject to hedging activities, and so on, limits are assigned aiming at the estimated loss computed in VaR (maximum loss anticipated at specified confidence level) and various stress tests fall within the Group's capital. In addition, limits are assigned toward positions, sensitivities, and others.

The trading departments conduct monitoring by calculating positions and sensitivities for the purpose of grasping the market risk. In addition, the risk management department monitors the group-wide market risk condition, and reports to management daily.

2. Policies and procedures for determining the scope of products to be classified into the trading book (including methods for identifying, managing, and monitoring illiquid positions)

In accordance with the Notification, products intended for purposes such as short-term resale or gaining profit from short-term price movements based on market rates or other indicators, as well as products designated for classification into the trading book, are classified into the trading book. (However, some products are classified into the banking book upon notification to the Commissioner of the Financial Services Agency.)

3. In the event of a transfer of products between the trading book and the banking book, the following

matters shall be disclosed:

- (i) The market value and gross fair value of the transferred products
- (ii) The reason for the transfer

The Group has not made any transfers of products between the trading book and the banking book.

4. Status of risk transfer by the internal trading desk

We do not have an internal trading desk.

B). The scope and content of reporting and measurement systems

In measuring the market risk amount, the Standardized Approach is applied to all products classified into the trading book, as well as to foreign exchange risk and commodity risk of products in the banking book.

9. Operational risk

A). Risk management policies and procedures

As the Group's business becomes more sophisticated, diversified, and systemized, various risks may potentially be incurred, and thus, the importance of operational risk management is becoming more important year by year. The Group's major group companies engage in the following framework in compliance with operational risk management rules, and adequately manage operational risk. In addition, due to the diversifying nature of its business, the Group also sets rigid rules concerning authority, automates office work processes to reduce human error, prepares business manuals, and takes other necessary measures. Each Group company strives to reduce operational risk according to the nature of its own business.

<Operational Risk Management Framework>

The Group adopts RCSA (Risk Control Self-Assessment) as the framework for operational risk management. RCSA is a process which includes the following components: employees have the obligation to identify, grasp, and evaluate themselves according to operational risk. According to analysis of the frequency and the impact of the risk, they evaluate and verify the effectiveness of risk mitigation measures. RCSA is conducted among major consolidated subsidiaries, and the results are reported at the Group Risk Management Meeting.

B). Methods for the calculating of BI

The Business Indicator (hereunder BI) is calculated based on the provision of Article 283 of the Notification, and comprises the interest, leases and dividend component (ILDC), the services component (SC), and the financial component (FC).

C). Methods for the calculating of ILM

For the calculation of the group's Internal Loss Multiplier (hereunder ILM), the group adopts the method stipulated in the provision of Article 284 Paragraph 1(i) of the Notification. However, for consolidated subsidiaries and similar entities that do not meet the criteria stipulated in the provision of Article 288 Paragraph 1 of the Notification, the group adopts the method stipulated in the provision of Article 284 Paragraph 1(iv) of the Notification, which uses a conservative estimate for ILM with a floor of 1.

D). For the calculation of the operational risk amount, whether any business divisions were excluded from the BI calculation (and if so, the reasons for such exclusion).

Not applicable.

E). For the calculation of the operational risk amount, whether any specific losses were excluded from the ILM calculation (and if so, the reasons for such exclusion).

Not applicable.

10. Overview of the risk characteristics and the policies, procedures and structure for the exposure of the equities or instruments with equity-like characteristics stipulated in the provision of Article 43 Paragraph 2 of the Notification, which are subject to credit risk

A). Structure of recognizing, assessing, measuring and reporting risks

In addition to trading businesses, the Group holds equities or instruments with equity-like characteristics for the purpose of trading business and banking business as well as business relation purposes. Because those financial instruments have distinct risk profiles for each product, the Group conducts adequate credit as well as market risk management including measurement of risk by the profile.

B). Risk management policy of subsidiaries' stock, affiliated companies' stock and other securities

For the consolidated subsidiaries, the scopes of risk management are assets and liabilities. For the affiliated companies, the scopes of risk management are equity exposures. These are subject to risk management in each classification.

C). Accounting policy of valuation of equity exposure

Marketable available-for-sale securities are stated at their fair values based on quoted market consolidated closing prices (the unrealized gain or loss is fully recognized, and the cost of products sold is mainly pursuant to the moving average method). Non-marketable available-for-sale securities (unlisted stocks, etc.) and partnership investment are carried at cost by the moving average method.

11. Interest rate risk

A). Overview of risk management policies and procedures

In the scope of market risk management, the Group calculates changes in Economic Value of Equity (hereunder EVE) and Net Interest Income (hereunder NII) to reflect the interest rate risk that arises from the non-trading transactions. The result is reported in the group's risk management meeting.

B). Overview of the method for measuring interest rate risk

For financial assets and financial liabilities owned by major subsidiaries and Daiwa Securities Group Inc., based on the shock scenario of interest rate fluctuation assuming certain stress every quarter, the Group computes changes in EVE and NII.

12. Reconciliation of regulatory capital to balance sheet

CC2 – Reconciliation of regulatory capital to balance sheet

(Millions of yen)

	Balance sheets as in published statements	Under regulatory scope of consolidation	Cross-referenced to CC1
Assets			
Current assets			
Cash and deposits	3,756,732	3,757,849	
Cash segregated as deposits	574,551	574,551	
Notes and accounts receivable-trade	33,044	33,044	
Short-term investment securities (a)	1,586,939	1,586,939	8, 18, 39, 54, 72, 73
Trading products (b)	8,327,538	8,327,538	16, 18, 39, 54, 72, 73
Trading date accrual	553,053	553,053	
Operational investment securities (c)	107,364	107,364	18, 39, 54, 72, 73
Allowance for investment loss	(445)	(445)	
Operating loans	2,793,554	2,793,554	
Work in process	759	759	
Margin transaction assets	160,052	160,052	
Loans secured by securities	15,377,587	15,377,587	
Advances paid	50,789	50,789	
Short-term loans receivable	994	994	
Accrued income	100,569	100,725	
Deferred tax assets (d)	-	-	10, 75
Other current assets	865,790	866,289	
Allowance for doubtful accounts	(13,131)	(13,131)	
Total current assets	34,275,746	34,277,517	
Noncurrent assets			
Property, plant and equipment	942,230	942,241	
Intangible assets	137,398	137,438	
Goodwill (e)	15,622	15,622	8
Others (f)	121,775	121,815	9
Investments and other assets	668,972	668,688	
Investment securities (g)	618,456	618,113	8, 18, 39, 54, 72, 73
Deferred tax assets (h)	7,889	7,908	10, 75
Others	42,626	42,666	
Total noncurrent assets	1,748,600	1,748,368	
Total deferred charges	-	-	
Total assets	36,024,346	36,025,885	

(Millions of yen)

	Balance sheets as in published statements	Under regulatory scope of consolidation	Cross-referenced to CCI
Liabilities			
Current liabilities			
Notes and accounts payable-trade	8,471	8,471	
Trading products	7,437,195	7,437,195	
Trading date accrual	-	-	
Margin transaction liabilities	39,891	39,891	
Loans payable secured by securities	15,445,468	15,445,468	
Deposits from banking business	4,297,685	4,297,685	
Deposits received	602,199	602,209	
Guarantee deposits received	495,532	495,532	
Short-term loans payable	1,415,334	1,416,334	
Commercial paper	322,500	322,500	
Current portion of bonds	399,531	399,531	
Income taxes payable	28,724	28,748	
Deferred tax liabilities	-	-	
Provision for bonuses	48,644	48,644	
Other current liabilities	154,219	154,547	
Noncurrent liabilities			
Bonds payable	1,218,490	1,218,490	
Long-term loans payable	2,036,629	2,036,629	
Deferred tax liabilities	45,403	45,403	
Net defined benefit liabilities	43,139	43,139	
Provision for loss on litigation	413	413	
Negative goodwill	-	-	
Other noncurrent liabilities	55,309	55,444	
Reserves under the special laws	6,273	6,273	
Total liabilities	34,101,059	34,102,556	
Net assets			
Shareholders' equity			
Common stock (i)	247,397	247,397	1a
Capital surplus (j)	266,290	266,290	1a
Retained earnings (k)	1,041,490	1,041,407	2
Treasury stock (l)	(113,139)	(113,139)	1c
Advances on subscription of treasury stock (m)	40	40	1c
Total shareholders' equity	1,442,079	1,441,996	
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	50,173	50,173	
Deferred gains or losses on hedges (n)	13,837	13,837	11
Foreign currency translation adjustment	133,623	133,623	
Remeasurements of defined benefit plans	24	24	
Total accumulated other comprehensive income (o)	197,659	197,659	3
Subscription rights to shares (p)	6,344	6,344	1b
Minority interests (q)	277,204	277,329	34-35, 48-49
Total net assets	1,923,287	1,923,329	

13. Main sources of differences between regulatory exposure amounts and carrying values in financial statements

Please refer to the comments under Quantitative Disclosure (Consolidated), 4. Other quantitative disclosure, LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements.

Quantitative Disclosure (Consolidated)

1. List of the Group's subsidiaries applicable to "significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation", the capital of which is less than the capital requirement, as well as the total amount of deficit.

Not applicable.

2. Credit risk (excluding counterparty credit risk and securitization)

A). Breakdown of exposures by geographical areas, industry and residual maturity

【March 2025】

(Millions of yen)

		Credit risk exposures			
			Loans	Securities	Others
	Japan	8,633,286	1,791,115	1,687,535	5,154,636
	Overseas	729,513	145,431	133,828	450,253
Total (by area)		9,362,800	1,936,547	1,821,363	5,604,889
	Sovereign	5,220,259	1,163,968	1,087,563	2,968,728
	Financial institutions	1,194,651	433	55,892	1,138,326
	Corporate	762,236	349,490	218,959	193,787
	Individuals	350,625	350,148	-	477
	CCPs	8,131	-	-	8,131
	Others	1,826,894	72,506	458,948	1,295,439
Total (by industry)		9,362,800	1,936,547	1,821,363	5,604,889
	≤ 1 year	1,710,458	1,425,677	246,701	38,080
	> 1 year ≤ 3 years	168,688	1,380	164,725	2,582
	> 3 years ≤ 5 years	257,737	0	256,134	1,602
	> 5 years ≤ 7 years	59,868	-	58,859	1,009
	> 7 years	466,917	-	442,504	12,683
	Indeterminate	6,699,130	509,489	652,439	5,548,932
Total (by maturity)		9,362,800	1,936,547	1,821,363	5,604,889

B). Amounts of impaired exposures (according to the definition used by the Group for accounting purposes) and related allowances and write-offs, broken down by geographical areas and industry (under the provision of Article 183 Paragraph 1(i)-(iv) of the Notification)

(Millions of yen)

		March 2025		
		Term-end balance	Term-end allowance	Write-offs for the year
	Japan	73,539	16,092	-
	Overseas	4,396	183	-
Total (by area)		77,936	16,275	-
	Sovereign	-	-	-
	Financial institutions	45	-	-
	Corporate	67,941	9,487	-
	Individuals	7	5	-
	CCPs	-	-	-
	Others	9,941	6,781	-
Total (by industry)		77,936	16,275	-

C). Aging analysis of accounting past-due exposures

(Millions of yen)

		Past due exposures				
			< 1 month	≥ 1 month < 2 months	≥ 2 months < 3 months	≥ 3 months
	Japan	55,260	13	0	0	55,246
	Overseas	53	-	-	-	53
Total (by area)		55,314	13	0	0	55,300
	Sovereign	-	-	-	-	-
	Financial institutions	45	-	-	-	45
	Corporate	52,443	-	-	-	52,443
	Individuals	15	13	0	0	1
	CCPs	-	-	-	-	-
	Others	2,809	-	-	-	2,809
Total (by industry)		55,314	13	0	0	55,300

D). Breakdown of restructured exposures between impaired and not impaired exposures

Not applicable.

3. Amount of exposure by approaches for banks' equity investments in funds

(Millions of yen)

	Exposures
Equity investments in funds (look-through approach)	576,404
Equity investments in funds (mandate-based approach)	6,509
Equity investments in funds (subject to 250% risk weight)	-
Equity investments in funds (subject to 400% risk weight)	-
Equity investments in funds (fall-back approach)	140
Total	583,054

4. Other quantitative disclosures

OV1: Overview of RWA

Basel III template number		(Millions of yen)			
		RWA		Minimum capital requirements	
		March 2025	March 2024	March 2025	March 2024
1	Credit risk (excluding counterparty credit risk)	2,669,402	-	213,552	-
2	Of which standardized approach (SA)	1,480,763	-	118,461	-
3	Of which foundation internal ratings-based (F-IRB) approach	-	-	-	-
4	Of which supervisory slotting approach	-	-	-	-
5	Of which advanced internal ratings-based (A-IRB) approach	-	-	-	-
	Of which significant investments	-	-	-	-
	Of which exposures for estimated residual value of lease	-	-	-	-
	Others	1,188,638	-	95,091	-
6	Counterparty credit risk (CCR)	1,012,439	-	80,995	-
7	Of which standardized approach for counterparty credit risk (SA-CCR)	349,838	-	27,987	-
8	Of which internal model method (IMM)	-	-	-	-
	Of which exposures to central counterparties (CCPs)	29,213	-	2,337	-
9	Others	633,387	-	50,671	-
10	Credit valuation adjustment (CVA)	99,244	-	7,939	-
	Of which standardized approach (SA-CVA)	77,898	-	6,231	-
	Of which full basic approach (BA-CVA)	-	-	-	-
	Of which reduced basic approach (BA-CVA)	21,346	-	1,707	-
11	Equity positions under the simple risk weight approach and the internal model method during the five-year linear phase-in period	-	-	-	-
12	Equity investments in funds (look-through approach)	391,984	-	31,358	-
13	Equity investments in funds (mandate-based approach)	7,479	-	598	-
	Equity investments in funds (subject to 250% risk weight)	-	-	-	-
	Equity investments in funds (subject to 400% risk weight)	-	-	-	-
14	Equity investments in funds (fall-back approach)	1,759	-	140	-
15	Settlement risk	2,713	-	217	-
16	Securitization exposures in banking book	231,096	-	18,487	-
17	Of which internal ratings-based approach (SEC-IRBA)	-	-	-	-
18	Of which external ratings-based approach (SEC-ERBA) or internal assessment approach (IAA)	196,520	-	15,721	-
19	Of which standardized approach (SEC-SA)	-	-	-	-
	Of which 1250% risk weight applied	34,576	-	2,766	-
20	Market risk	1,431,421	-	114,513	-
21	Of which standardized approach (SA)	1,428,417	-	114,273	-
22	Of which internal model approaches (IMA)	-	-	-	-
	Of which simplified standardized approach	3,004	-	240	-
23	Capital charge for switch between trading book and banking book	-	-	-	-
24	Operational risk	863,720	-	69,097	-
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	375,214	-	30,017	-
26	Floor adjustment	-	-	-	-
27	Total	7,086,475	-	566,918	-

(Millions of yen)

Basel III template number		RWA		Minimum capital requirements	
		March 2025	December 2024	March 2025	December 2024
1	Credit risk (excluding counterparty credit risk)	2,669,402	-	213,552	-
2	Of which standardized approach (SA)	1,480,763	-	118,461	-
3	Of which foundation internal ratings-based (F-IRB) approach	-	-	-	-
4	Of which supervisory slotting approach	-	-	-	-
5	Of which advanced internal ratings-based (A-IRB) approach	-	-	-	-
	Of which significant investments	-	-	-	-
	Of which exposures for estimated residual value of lease	-	-	-	-
	Others	1,188,638	-	95,091	-
6	Counterparty credit risk (CCR)	1,012,439	-	80,995	-
7	Of which standardized approach for counterparty credit risk (SA-CCR)	349,838	-	27,987	-
8	Of which internal model method (IMM)	-	-	-	-
	Of which exposures to central counterparties (CCPs)	29,213	-	2,337	-
9	Others	633,387	-	50,671	-
10	Credit valuation adjustment (CVA)	99,244	-	7,939	-
	Of which standardized approach (SA-CVA)	77,898	-	6,231	-
	Of which full basic approach (BA-CVA)	-	-	-	-
	Of which reduced approach (BA-CVA)	21,346	-	1,707	-
11	Equity positions under the simple risk weight approach and the internal model method during the five-year linear phase-in period	-	-	-	-
12	Equity investments in funds (look-through approach)	391,984	-	31,358	-
13	Equity investments in funds (mandate-based approach)	7,479	-	598	-
	Equity investments in funds (subject to 250% risk weight)	-	-	-	-
	Equity investments in funds (subject to 400% risk weight)	-	-	-	-
14	Equity investments in funds (fall-back approach)	1,759	-	140	-
15	Settlement risk	2,713	-	217	-
16	Securitization exposures in banking book	231,096	-	18,487	-
17	Of which internal ratings-based approach (SEC-IRBA)	-	-	-	-
18	Of which external ratings-based approach (SEC-ERBA) or internal assessment approach (IAA)	196,520	-	15,721	-
19	Of which standardized approach (SEC-SA)	-	-	-	-
	Of which 1250% risk weight applied	34,576	-	2,766	-
20	Market risk	1,431,421	-	114,513	-
21	Of which standardized approach (SA)	1,428,417	-	114,273	-
22	Of which internal model approaches (IMA)	-	-	-	-
	Of which simplified standardized approach	3,004	-	240	-
23	Capital charge for switch between trading book and banking book	-	-	-	-
24	Operational risk	863,720	-	69,097	-
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	375,214	-	30,017	-
26	Floor adjustment	-	-	-	-
27	Total	7,086,475	-	566,918	-

LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

(Millions of yen)

		Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items:				
				Subject to credit risk framework ¹	Subject to counterparty credit risk framework	Subject to the securitization framework ²	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
	Assets							
1	Cash and deposits	3,756,732	3,757,849	3,757,849	-	-	395,614	-
2	Cash segregated as deposits	574,551	574,551	574,551	-	-	24,352	-
3	Notes and accounts receivable-trade	33,044	33,044	33,044	-	-	54	-
4	Short-term investment securities	1,586,939	1,586,939	1,450,961	-	135,978	886,134	-
5	Trading products	8,327,538	8,327,538	6	2,729,347	-	8,328,837	(1,306)
6	Trading date accrual	553,053	553,053	-	11,111	-	245,619	144,277
7	Operational investment securities	107,364	107,364	107,364	-	-	84,836	-
8	Allowance for investment loss	(445)	(445)	(445)	-	-	0	-
9	Operating loans	2,793,554	2,793,554	1,940,366	-	836,326	737,793	-
10	Work in process	759	759	759	-	-	-	-
11	Margin transaction assets	160,052	160,052	-	160,052	-	-	-
12	Loans secured by securities	15,377,587	15,377,587	-	16,680,392	-	8,144,144	-
13	Advances paid	50,789	50,789	50,789	-	-	291	-
14	Short-term loans receivable	994	994	994	-	-	31,323	-
15	Accrued income	100,569	100,725	96,026	-	-	40,631	-
16	Deferred tax assets	-	-	-	-	-	-	-
17	Other current assets	865,790	866,289	765,201	80,955	-	117,201	21,338
18	Allowance for doubtful accounts	(13,131)	(13,131)	(13,026)	-	-	(3,346)	-
19	Total current assets	34,275,746	34,277,517	8,764,444	19,661,859	972,304	19,033,489	164,309
20	Property, plant and equipment	942,230	942,241	943,442	-	-	20,694	-
21	Intangible assets	137,398	137,438	-	-	-	6,628	137,438
22	Goodwill	15,622	15,622	-	-	-	1,989	15,622
23	Others	121,775	121,815	-	-	-	4,638	121,815
24	Investments and other assets	668,972	668,688	630,098	139	-	98,475	19
25	Investment securities	618,456	618,113	580,371	-	-	93,557	-
26	Deferred tax assets	7,889	7,908	7,889	-	-	3,740	19
27	Others	42,626	42,666	41,837	139	-	1,177	-
28	Total noncurrent assets	1,748,600	1,748,368	1,573,540	139	-	125,798	137,457
29	Total deferred assets	-	-	-	-	-	-	-
30	Total assets	36,024,346	36,025,885	10,337,985	19,661,998	972,304	19,159,287	301,767

1 Amount of "Subject to credit risk framework" excludes amounts of "Subject to counterparty credit risk framework" and "Subject to the securitization framework".

2 Amount of "Subject to the securitization framework" excludes amount of "Subject to the market risk framework".

(Millions of yen)

		Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items:				
				Subject to credit risk framework ¹	Subject to counterparty credit risk framework	Subject to the securitization framework ²	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
	Liabilities							
31	Notes and accounts payable-trade	8,471	8,471	-	-	-	-	8,471
32	Trading products	7,437,195	7,437,195	-	2,625,011	-	7,437,195	-
33	Trading date accrual	-	-	-	17,413	-	18,154	-
34	Margin transaction liabilities	39,891	39,891	-	39,891	-	-	-
35	Loans payable secured by securities	15,445,468	15,445,468	-	16,748,195	-	8,665,129	-
36	Deposits from banking business	4,297,685	4,297,685	-	-	-	-	4,297,685
37	Deposits received	602,199	602,209	-	-	-	103,149	602,209
38	Guarantee deposits received	495,532	495,532	-	3,360	-	5,028	495,532
39	Short-term loans payable	1,415,334	1,416,334	-	-	-	504,254	1,416,334
40	Commercial paper	322,500	322,500	-	-	-	-	322,500
41	Current portion of bonds	399,531	399,531	-	-	-	37,380	399,531
42	Income taxes payable	28,724	28,748	-	-	-	1,044	28,748
43	Deferred tax liabilities	-	-	-	-	-	-	-
44	Provision for bonuses	48,644	48,644	-	-	-	19,612	48,644
45	Other current liabilities	154,219	154,547	2,827	7,100	-	87,488	144,008
46	Bonds payable	1,218,490	1,218,490	-	-	-	256	1,218,490
47	Long-term loans payable	2,036,629	2,036,629	-	-	-	47,315	2,036,629
48	Deferred tax liabilities	45,403	45,403	-	-	-	12	45,097
49	Net defined benefit liabilities	43,139	43,139	-	-	-	-	43,139
50	Provision for loss on litigation	413	413	-	-	-	-	413
51	Negative goodwill	-	-	-	-	-	-	-
52	Other noncurrent liabilities	55,309	55,444	-	-	-	20,840	53,097
53	Reserves under the special laws	6,273	6,273	-	-	-	-	6,273
54	Total liabilities	34,101,059	34,102,556	2,827	19,440,973	-	16,946,862	11,166,807

1 Amount of "Subject to credit risk framework" excludes amounts of "Subject to counterparty credit risk framework" and "Subject to the securitization framework".

2 Amount of "Subject to the securitization framework" excludes amount of "Subject to the market risk framework".

LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

(Millions of yen)

		Total	Items subject to:			
			Credit risk framework ¹	Counterparty credit risk framework	Securitization framework ²	Market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as per template LII)	35,724,118	10,337,985	19,661,998	972,304	19,159,287
2	Liabilities carrying value amount under regulatory scope of consolidation (as per template LII)	22,935,748	2,827	19,440,973	-	16,946,862
3	Total net amount under regulatory scope of consolidation	12,788,370	10,335,158	221,025	972,304	2,212,424
4	Off-balance sheet amounts	1,090,598	79,283	1,011,314	-	-
5	Differences due to derivatives transactions	4,765,575	-	4,765,575	-	-
6	Differences due to netting and CRM for SFTs	32,042,490	-	32,042,490	-	-
7	Other differences	(34,225,549)	(564,326)	(34,635,128)	21,361	-
8	Exposure amounts considered for regulatory purposes	16,461,485	9,850,115	3,405,278	993,666	2,212,424

¹ Amount of "Subject to credit risk framework" excludes amounts of "Subject to counterparty credit risk framework" and "Subject to securitization framework".

² Amount of "Subject to securitization framework" excludes amount of "Subject to market risk framework".

(Note) Differences are mainly due to the following:

- Exposure of derivatives in the trading book is included in both counterparty credit risk and market risk after netting under certain conditions.
- Exposure of SFT assets is computed after netting with SFT liabilities under certain conditions.
- Some off-balance sheet items are included in credit risk.

ENC1: Asset Encumbrance

(Millions of yen)

		Encumbered assets	Unencumbered assets	Total	Of which securitization exposures
1	Cash and deposits	9,001	3,748,847	3,757,849	-
2	Cash segregated as deposits	-	574,551	574,551	-
3	Notes and accounts receivable-trade	-	33,044	33,044	-
4	Short-term investment securities	198,746	1,388,193	1,586,939	135,978
5	Trading products	548,157	7,779,380	8,327,538	-
6	Trading date accrual	-	553,053	553,053	-
7	Operational investment securities	-	107,364	107,364	-
8	Allowance for investment loss	-	(445)	(445)	-
9	Operating loans	1,253,297	1,540,257	2,793,554	836,326
10	Work in process	-	759	759	-
11	Margin transaction assets	-	160,052	160,052	-
12	Loans secured by securities	-	15,377,587	15,377,587	-
13	Advances paid	-	50,789	50,789	-
14	Short-term loans receivable	-	994	994	-
15	Accrued income	-	100,725	100,725	-
16	Deferred tax assets	-	-	-	-
17	Other current assets	45,043	821,245	866,289	-
18	Allowance for doubtful accounts	-	(13,131)	(13,131)	-
19	Property, plant and equipment	-	942,241	942,241	-
20	Intangible assets	-	137,438	137,438	-
21	Goodwill	-	15,622	15,622	-
22	Others	-	121,815	121,815	-
23	Investments and other assets	16,620	652,068	668,688	-
24	Investment securities	16,620	601,492	618,113	-
25	Deferred tax assets	-	7,908	7,908	-
26	Others	-	42,666	42,666	-
	Total	2,070,865	33,955,020	36,025,885	972,304

CR1: Credit quality of assets

(Millions of yen)

		Gross carrying values of		Allowances/ impairments	Net values ¹
		Defaulted exposures	Non- defaulted exposures		
	On-balance sheet assets				
1	Loans	37,372	1,911,524	12,349	1,936,547
2	Debt securities	-	1,362,438	-	1,362,438
3	Other on-balance sheet assets (debt products)	27,393	3,949,006	937	3,975,462
4	Sub-total on-balance sheet assets (1+2+3)	64,766	7,222,968	13,287	7,274,447
	Off-balance sheet assets				
5	Acceptances and guarantees	-	67,011	-	67,011
6	Commitments	-	-	-	-
7	Sub-total off-balance sheet assets (5+6)	-	67,011	-	67,011
	Total				
8	Total (4+7)	64,766	7,289,980	13,287	7,341,458

¹ "Net values" = "Gross carrying values of defaulted exposures" + "Non-defaulted exposures" - "Allowances/impairments"

CR2: Changes in stock of defaulted loans and debt securities

(Millions of yen)

Previous reporting period end: September 2024 Current reporting period end: March 2025		Amounts
1	Defaulted loans and debt securities at end of previous reporting period	50,471
2	Loans and debt securities that have defaulted since the last reporting period	48
3	Changes in loans and debt securities during the reporting period	
4	Returned to non-defaulted status	51
5	Amounts written off	-
5	Other changes ¹	14,297
6	Defaulted loans and debt securities at end of reporting period (1+2-3-4+5)	64,766

* 1 Other changes include an increase due to additional credit during the default period.

CR3: Credit risk mitigation techniques – overview

(Millions of yen)

		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans	1,285,104	651,442	320,629	330,813	-
2	Debt securities	1,206,304	156,133	-	156,133	-
3	Other on-balance sheet assets (debt products)	3,973,788	1,673	7	1,665	-
4	Total (1+2+3)	6,465,198	809,249	320,636	488,612	-
5	Of which defaulted	55,248	-	-	-	-

CR4: Standardized approach – credit risk exposure and Credit Risk Mitigation (CRM) effects

(Millions of yen, %)

	Asset classes	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA	RWA density
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		
1a	Japanese government and central bank	4,097,155	-	4,097,155	-	-	-
1b	Non-Japanese sovereign and central bank	407,613	-	407,613	-	18	0.00%
1c	Bank for International Settlements (BIS)	-	-	-	-	-	-
2a	Japanese local public authorities	77,045	-	77,045	-	-	-
2b	Non-Japanese public sector entities (excluding sovereign)	26,472	-	26,472	-	4,834	18.26%
2c	Japan Finance Organization for Municipalities (JFM)	15,530	-	15,530	-	3,102	19.98%
2d	Japanese government-sponsored entities	574,997	-	574,997	-	29,157	5.07%
2e	Three major local public corporations of Japan	1	-	1	-	0	20.00%
3	Multilateral Development Banks (MDBs)	21,443	-	21,443	-	1,077	5.03%
4	Financial institutions, Type 1 financial instruments business operators and insurance companies	1,194,606	11,638	1,194,606	11,638	302,390	25.07%
	Of which Type 1 financial instruments business operators and insurance companies	26,254	-	26,254	-	11,252	42.86%
5	Covered bonds	-	-	-	-	-	-
6	Corporates (including specialized lending)	700,287	20,881	623,234	18,134	390,141	60.83%
	Of which specialized lending	6,517	1,204	6,517	481	7,382	105.48%
7a	Subordinated debt and other capital	-	-	-	-	-	-
7b	Equity	325,888	40,687	325,888	21,511	452,134	130.15%
8	SMEs and individuals	350,624	447,781	107,040	15,442	130,371	106.44%
	Of which transactors	-	-	-	-	-	-
9	Real estate	63,234	26,888	63,234	10,755	87,309	118.00%
	Of which general RRE	-	-	-	-	-	-
	Of which IPRRE	45,415	728	45,415	291	45,017	98.49%
	Of which general CRE	303	-	303	-	324	106.88%
	Of which IPCRE	-	-	-	-	-	-
	Of which land acquisition, development and construction	17,514	26,160	17,514	10,464	41,967	150.00%
10a	Past due exposures (excluding general RRE)	55,359	-	55,359	-	80,225	144.92%
10b	Past due exposures for general RRE	-	-	-	-	-	-
11a	Cash	3	-	3	-	-	-
11b	Cash items in process of collection	-	-	-	-	-	-
	Exposures secured by Credit Guarantee Association in Japan	-	-	-	-	-	-
	Exposures secured by Regional Economy Vitalization Corporation of Japan	-	-	-	-	-	-
12	Total	7,910,262	547,878	7,589,625	77,482	1,480,763	19.31%

CR5a: Standardized approach – exposures by asset classes and risk weights

(Millions of yen)

	<div></div>	Credit risk exposures (post-CCF and post-CRM)				
		Risk weight				
		0%	20%	50%	100%	150%
Asset classes						
1a	Japanese government and central bank	4,097,155	-	-	-	-
1b	Non-Japanese sovereign and central bank	407,569	14	25	1	0
1c	Bank for International Settlements (BIS)	-	-	-	-	-
		0%	10%	20%	50%	100%
2a	Japanese local public authorities	77,045	-	-	-	-
2b	Non-Japanese public sector entities (excluding sovereign)	-	4,887	21,548	-	36
2c	Japan Finance Organization for Municipalities (JFM)	-	37	15,493	-	-
2d	Japanese government-sponsored entities	297,760	262,896	14,339	-	-
2e	Three major local public corporations of Japan	-	-	1	-	-
		0%	20%	30%	50%	100%
3	Multilateral Development Banks (MDBs)	16,054	5,389	-	-	-
		20%	30%	40%	50%	75%
4	Financial institutions, Type 1 financial instruments business operators and insurance companies	799,227	365,416	4,380	10,438	-
	Of which Type 1 financial instruments business operators and insurance companies	9,224	9,385	3,180	529	-
		10%	15%	20%	25%	35%
5	Covered bonds	-	-	-	-	-
		20%	50%	75%	80%	85%
6	Corporates (excluding specialized lending)	21,510	138,942	58,097	-	-
	Of which specialized lending	-	-	-	-	-
		100%	125%	150%	130%	160%
7a	Subordinated debt and other capital	-	-	-	-	-
7b	Equity	-	-	-	345,684	1,715
		45%	75%	100%	Others	Total
8	SMEs and individuals	-	-	106,705	15,776	122,482

(Millions of yen)

		Credit risk exposures (post-CCF and post-CRM)				
	Risk weight	Others	Total			
	Asset classes					
1a	Japanese government and central bank	-	4,097,155			
1b	Non-Japanese sovereign and central bank	-	407,613			
1c	Bank for International Settlements (BIS)	-	-			
		150%	Others	Total		
2a	Japanese local public authorities	-	-	77,045		
2b	Non-Japanese public sector entities (excluding sovereign)	-	-	26,472		
2c	Japan Finance Organization for Municipalities (JFM)	-	-	15,530		
2d	Japanese government-sponsored entities	-	-	574,997		
2e	Three major local public corporations of Japan	-	-	1		
		150%	Others	Total		
3	Multilateral Development Banks (MDBs)	-	-	21,443		
		100%	150%	Others	Total	
4	Financial institutions, Type 1 financial instruments business operators and insurance companies	648	16,235	9,896	1,206,244	
	Of which Type 1 financial instruments business operators and insurance companies	392	3,108	433	26,254	
		50%	100%	Others	Total	
5	Covered bonds	-	-	-	-	
		100%	130%	150%	Others	Total
6	Corporates (excluding specialized lending)	271,118	1,277	9	150,411	641,368
	Of which specialized lending	5,721	1,277	-	-	6,998
		Others	Total			
7a	Subordinated debt and other capital	-	-			
7b	Equity	-	347,400			
8	SMEs and individuals					

(Millions of yen)

	Asset classes	Credit risk exposures (post-CCF and post-CRM)				
		Risk weight				
9a		20%	25%	30%	40%	50%
	Real estate of which general RRE	-	-	-	-	-
		20%	31.25%	37.5%	50%	62.5%
	Of which mortgage is lower than second priority and meets eligible requirements	-	-	-	-	-
9b		30%	35%	45%	60%	75%
	Real estate of which IPRRE	183	235	1,097	2,312	19,801
		30%	43.75%	56.25%	75%	93.75%
	Of which mortgage is lower than second priority and meets eligible requirements	-	-	-	-	-
9c		70%	90%	110%	150%	Others
	Real estate of which general CRE	-	47	256	-	-
		70%	112.5%			Others
	Of which mortgage is lower than second priority and meets eligible requirements	-	-			-
9d		60%	Others	Total		
	Real estate of which IPCRE	-	-	-		
	Of which mortgage is lower than second priority and meets eligible requirements	-	-	-		
9e		100%	150%	Others	Total	
	Real estate of which land acquisition, development and construction	-	27,978	-	27,978	
10a		50%	100%	150%	Others	Total
	Past due exposures (excluding general RRE)	2,813	-	52,545	0	55,359
10b	Past due exposures for general RRE	-	-	-	-	-
11a		0%	10%	20%	Others	Total
	Cash	3	-	-	-	3
11b	Cash items in process of collection	-	-	-	-	-
	Exposures secured by Credit Guarantee Association in Japan	-	-	-	-	-
	Exposures secured by Regional Economy Vitalization Corporation of Japan	-	-	-	-	-

(Millions of yen)

	Asset classes	Credit risk exposures (post-CCF and post-CRM)				
		Risk weight				
9a		70%	75%	Others	Total	
	Real estate of which general RRE	-	-	-	-	
	Of which mortgage is lower than second priority and meets eligible requirements			-	-	
9b		105%	150%	Others	Total	
	Real estate of which IPRRE	11,028	11,036	12	45,707	
	Of which mortgage is lower than second priority and meets eligible requirements			-	-	
9c		Total				
	Real estate of which general CRE	303				
	Of which mortgage is lower than second priority and meets eligible requirements	-				
9d	Real estate of which IPCRE					
	Of which mortgage is lower than second priority and meets eligible requirements					
9e	Real estate of which land acquisition, development and construction					
10a	Past due exposures (excluding general RRE)					
10b	Past due exposures for general RRE					
11a	Cash					
11b	Cash items in process of collection					
	Exposures secured by Credit Guarantee Association in Japan					
	Exposures secured by Regional Economy Vitalization Corporation of Japan					

CR5b: Standardized approach – exposures and CCF by risk weight

(Millions of yen, %)

	Risk weight	On-balance sheet exposures	Off-balance sheet exposures	Weighted average CCF	Credit risk exposures (post-CCF and post-CRM)
1	Less than 40%	6,382,858	11,638	100.00%	6,567,080
2	40% – 70%	142,095	-	-	160,012
3	75%	77,899	-	-	77,899
	80%	-	-	-	-
4	85%	-	-	-	-
5	90% – 100%	771,932	224,006	17.00%	378,559
6	105% – 130%	12,090	1,204	40.00%	12,572
7	150%	197,498	270,341	12.98%	123,583
8	130%	324,173	40,687	52.87%	345,684
9	160%	1,715	-	-	1,715
10	1250%	-	-	-	-
11	Total	7,910,262	547,878	19.50%	7,667,108

CCR1 : Analysis of counterparty credit risk (CCR) exposure by approach

(Millions of yen)

		Replacement cost	PFE	EEPE	Alpha used for computing regulatory EAD	EAD post- CRM	RWA
1	SA-CCR (for derivatives)	181,228	232,719		1.4	579,526	349,838
2	Internal Model Method (for derivatives and SFTs)			-	-	-	-
3	Simple Approach for credit risk mitigation (for SFTs)					-	-
4	Comprehensive Approach for credit risk mitigation (for SFTs)					1,926,348	633,387
5	VaR for SFTs					-	-
6	Total						983,225

CCR3 :Standardized approach – CCR exposures by regulatory portfolio and risk weights

(Millions of yen)

	Regulatory portfolio	EAD (post-CRM)				
		0%	10%	20%	30%	40%
1	Japanese government and central bank	893,314	-	-	-	-
2	Non-Japanese sovereign and central bank	6,330	-	643	-	-
3	Bank for International Settlements (BIS)	179,346	-	-	-	-
4	Japanese local public authorities	832	-	-	-	-
5	Non-Japanese public sector entities (excluding sovereign)	-	-	73,668	-	-
6	Multilateral Development Banks (MDBs)	3,048	-	5,346	-	-
7	Japan Finance Organization for Municipalities (JFM)	-	-	2,600	-	-
8	Japanese government-sponsored entities	-	16,349	5,864	-	-
9	Three major local public corporations of Japan	-	-	-	-	-
10	Financial institutions, Type 1 financial instruments business operators and insurance companies	-	-	83,830	348,719	40,547
11	Corporates	-	-	2,608	-	-
12	SMEs and individuals (risk weight 75% applied)	-	-	-	-	-
13	Other assets	-	-	-	-	-
14	Total	1,082,873	16,349	174,562	348,719	40,547

	Regulatory portfolio	EAD (post-CRM)				
		50%	75%	80%	85%	100%
1	Japanese government and central bank	-	-	-	-	-
2	Non-Japanese sovereign and central bank	25	-	-	-	19
3	Bank for International Settlements (BIS)	-	-	-	-	-
4	Japanese local public authorities	-	-	-	-	-
5	Non-Japanese public sector entities (excluding sovereign)	2,226	-	-	-	-
6	Multilateral Development Banks (MDBs)	-	-	-	-	-
7	Japan Finance Organization for Municipalities (JFM)	-	-	-	-	-
8	Japanese government-sponsored entities	-	-	-	-	-
9	Three major local public corporations of Japan	-	-	-	-	-
10	Financial institutions, Type 1 financial instruments business operators and insurance companies	30,254	-	-	-	3,168
11	Corporates	6,081	31,013	-	-	740,701
12	SMEs and individuals (risk weight 75% applied)	-	-	-	-	-
13	Other assets	-	-	-	-	9,193
14	Total	38,588	31,013	-	-	753,082

(Millions of yen)

	Regulatory portfolio	EAD (post-CRM)			
		130%	150%	Others	Total credit exposure
1	Japanese government and central bank	-	-	-	893,314
2	Non-Japanese sovereign and central bank	-	-	-	7,018
3	Bank for International Settlements (BIS)	-	-	-	179,346
4	Japanese local public authorities	-	-	-	832
5	Non-Japanese public sector entities (excluding sovereign)	-	-	-	75,894
6	Multilateral Development Banks (MDBs)	-	-	-	8,395
7	Japan Finance Organization for Municipalities (JFM)	-	-	-	2,600
8	Japanese government-sponsored entities	-	-	-	22,214
9	Three major local public corporations of Japan	-	-	-	-
10	Financial institutions, Type 1 financial instruments business operators and insurance companies	-	18,782	-	525,302
11	Corporates	-	1,355	-	781,761
12	SMEs and individuals (risk weight 75% applied)	-	-	-	-
13	Other assets	-	-	-	9,193
14	Total	-	20,137	-	2,505,875

CCR5:Composition of collateral for CCR exposure

(Millions of yen)

		Collateral used in derivative transactions				Collateral used in SFTs	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash - domestic currency	22,121	252,067	27,012	339,033	8,406,309	8,583,399
2	Cash - other currencies	2,062	76,580	10,881	5,094	9,213,046	8,335,161
3	Domestic sovereign debt	10,739	340,889	15,863	-	7,945,740	7,883,708
4	Other sovereign debt	15,179	2,984	-	-	6,714,461	6,792,983
5	Government agency debt	1,382	109,631	-	-	943,730	2,627,295
6	Corporate bonds	87,882	171,660	-	-	83,789	215,980
7	Equity securities	64,291	-	-	18,621	595,336	477,537
8	Other collateral	1,931	-	-	-	38,698	1,402,523
9	Total	205,591	953,814	53,757	362,749	33,941,111	36,318,591

* Collateral applied to credit risk mitigation techniques

CCR6:Credit derivatives exposures

(Millions of yen)

		Protection bought	Protection sold
	Notionals		
1	Single-name credit default swaps	640,978	914,105
2	Index credit default swaps	3,047,388	2,934,005
3	Total return swaps	-	-
4	Credit options	-	-
5	Other credit derivatives	-	-
6	Total notionals	3,688,367	3,848,110
	Fair values		
7	Positive fair value (asset)	2,401	56,655
8	Negative fair value (liability)	(54,408)	(4,117)

CCR8:Exposures to central counterparties

(Millions of yen)

		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)		29,213
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	754,683	15,068
3	(i) OTC derivatives	230,975	4,663
4	(ii) Exchange-traded derivatives	30,886	617
5	(iii) Securities financing transactions	492,822	9,786
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	84,605	
8	Non-segregated initial margin	30,088	601
9	Pre-funded default fund contributions	30,025	13,543
10	Unfunded default fund contributions	-	-
11	Exposures to non-QCCPs (total)		-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

SEC1 : Securitization exposures in the banking book

(Millions of yen)

	Type of underlying assets	Group acts as originator		
		Traditional	Synthetic	Sub-total
1	Retail (total) - of which	-	-	-
2	residential mortgage	-	-	-
3	credit card	-	-	-
4	other retail exposures	-	-	-
5	re-securitization	-	-	-
6	Wholesale (total) - of which	-	-	-
7	loans to corporates	-	-	-
8	commercial mortgage	-	-	-
9	lease and receivables	-	-	-
10	other wholesale	-	-	-
11	re-securitization	-	-	-

	Type of underlying assets	Group acts as sponsor		
		Traditional	Synthetic	Sub-total
1	Retail (total) - of which	-	-	-
2	residential mortgage	-	-	-
3	credit card	-	-	-
4	other retail exposures	-	-	-
5	re-securitization	-	-	-
6	Wholesale (total) - of which	-	-	-
7	loans to corporates	-	-	-
8	commercial mortgage	-	-	-
9	lease and receivables	-	-	-
10	other wholesale	-	-	-
11	re-securitization	-	-	-

	Type of underlying assets	Group acts as investor		
		Traditional	Synthetic	Sub-total
1	Retail (total) - of which	431,966	-	431,966
2	residential mortgage	170,918	-	170,918
3	credit card	-	-	-
4	other retail exposures	261,048	-	261,048
5	re-securitization	-	-	-
6	Wholesale (total) - of which	561,699	-	561,699
7	loans to corporates	544,103	-	544,103
8	commercial mortgage	-	-	-
9	lease and receivables	17,596	-	17,596
10	other wholesale	-	-	-
11	re-securitization	-	-	-

SEC2: Securitization exposures in the trading book

(Millions of yen)

	Type of underlying assets	Group acts as originator		
		Traditional	Synthetic	Sub-total
1	Retail (total) - of which	490	-	490
2	residential mortgage	490	-	490
3	credit card	-	-	-
4	other retail exposures	-	-	-
5	re-securitization	-	-	-
6	Wholesale (total) - of which	-	-	-
7	loans to corporates	-	-	-
8	commercial mortgage	-	-	-
9	lease and receivables	-	-	-
10	other wholesale	-	-	-
11	re-securitization	-	-	-

	Type of underlying assets	Group acts as sponsor		
		Traditional	Synthetic	Sub-total
1	Retail (total) - of which	-	-	-
2	residential mortgage	-	-	-
3	credit card	-	-	-
4	other retail exposures	-	-	-
5	re-securitization	-	-	-
6	Wholesale (total) - of which	-	-	-
7	loans to corporates	-	-	-
8	commercial mortgage	-	-	-
9	lease and receivables	-	-	-
10	other wholesale	-	-	-
11	re-securitization	-	-	-

	Type of underlying assets	Group acts as investor		
		Traditional	Synthetic	Sub-total
1	Retail (total) - of which	-	-	-
2	residential mortgage	-	-	-
3	credit card	-	-	-
4	other retail exposures	-	-	-
5	re-securitization	-	-	-
6	Wholesale (total) - of which	-	-	-
7	loans to corporates	-	-	-
8	commercial mortgage	-	-	-
9	lease and receivables	-	-	-
10	other wholesale	-	-	-
11	re-securitization	-	-	-

SEC3:Securitization exposures in the banking book and associated regulatory capital requirements –
bank acting as originator or as sponsor
Not applicable.

SEC4: Securitization exposures in the banking book and associated capital requirements – bank acting as investor

(Millions of yen)

		Total exposures	(Millions of yen)			
			Traditional securitization	Of which		
				securitization	Of which retail underlying	Of which wholesale
	Exposure values (by RW bands)					
1	≤20% RW	990,900	990,900	990,900	429,200	561,699
2	>20% to 50% RW	-	-	-	-	-
3	>50% to 100% RW	-	-	-	-	-
4	>100% to <1250% RW	-	-	-	-	-
5	1250% RW	2,766	2,766	2,766	2,766	-
	Exposure values(by regulatory approach)					
6	Of which internal ratings-based approach (SEC-IRBA)	-	-	-	-	-
7	Of which external ratings-based approach (SEC-ERBA) or internal assessment approach (IAA)	990,900	990,900	990,900	429,200	561,699
8	Of which standardized approach (SEC-SA)	-	-	-	-	-
9	Of which 1250% risk weight applied	2,766	2,766	2,766	2,766	-
	RWA(by regulatory approach)					
10	Of which internal ratings-based approach (SEC-IRBA)	-	-	-	-	-
11	Of which external ratings-based approach (SEC-ERBA) or internal assessment approach (IAA)	196,520	196,520	196,520	84,284	112,236
12	Of which standardized approach (SEC-SA)	-	-	-	-	-
13	Of which 1250% risk weight applied	34,576	34,576	34,576	34,576	-
	Capital charge after cap					
14	Of which internal ratings-based approach (SEC-IRBA)	-	-	-	-	-
15	Of which external ratings-based approach (SEC-ERBA) or internal assessment approach (IAA)	15,721	15,721	15,721	6,742	8,978
16	Of which standardized approach (SEC-SA)	-	-	-	-	-
17	Of which 1250% risk weight applied	2,766	2,766	2,766	2,766	-

(Millions of yen)

		Total exposures				
		Traditional securitization			Synthetic securitization	Of which securitization
		Of which re-securitization	Of which senior	Of which non-senior		
	Exposure values (by RW bands)					
1	≤20% RW	-	-	-	-	-
2	>20% to 50% RW	-	-	-	-	-
3	>50% to 100% RW	-	-	-	-	-
4	>100% to <1250% RW	-	-	-	-	-
5	1250% RW	-	-	-	-	-
	Exposure values(by regulatory approach)					
6	Of which internal ratings-based approach (SEC-IRBA)	-	-	-	-	-
7	Of which external ratings-based approach (SEC-ERBA) or internal assessment approach (IAA)	-	-	-	-	-
8	Of which standardized approach (SEC-SA)	-	-	-	-	-
9	Of which 1250% risk weight applied	-	-	-	-	-
	RWA(by regulatory approach)					
10	Of which internal ratings-based approach (SEC-IRBA)	-	-	-	-	-
11	Of which external ratings-based approach (SEC-ERBA) or internal assessment approach (IAA)	-	-	-	-	-
12	Of which standardized approach (SEC-SA)	-	-	-	-	-
13	Of which 1250% risk weight applied	-	-	-	-	-
	Capital charge after cap					
14	Of which internal ratings-based approach (SEC-IRBA)	-	-	-	-	-
15	Of which external ratings-based approach (SEC-ERBA) or internal assessment approach (IAA)	-	-	-	-	-
16	Of which standardized approach (SEC-SA)	-	-	-	-	-
17	Of which 1250% risk weight applied	-	-	-	-	-

(Millions of yen)

		Total exposures				
		Synthetic securitization				
		Of which securitization		Of which re-securitization	Of which senior	Of which non-senior
		Of which retail underlying	Of which wholesale			
	Exposure values (by RW bands)					
1	≤20% RW	-	-	-	-	-
2	>20% to 50% RW	-	-	-	-	-
3	>50% to 100% RW	-	-	-	-	-
4	>100% to <1250% RW	-	-	-	-	-
5	1250% RW	-	-	-	-	-
	Exposure values(by regulatory approach)					
6	Of which internal ratings-based approach (SEC-IRBA)	-	-	-	-	-
7	Of which external ratings-based approach (SEC-ERBA) or internal assessment approach (IAA)	-	-	-	-	-
8	Of which standardized approach (SEC-SA)	-	-	-	-	-
9	Of which 1250% risk weight applied	-	-	-	-	-
	RWA(by regulatory approach)					
10	Of which internal ratings-based approach (SEC-IRBA)	-	-	-	-	-
11	Of which external ratings-based approach (SEC-ERBA) or internal assessment approach (IAA)	-	-	-	-	-
12	Of which standardized approach (SEC-SA)	-	-	-	-	-
13	Of which 1250% risk weight applied	-	-	-	-	-
	Capital charge after cap					
14	Of which internal ratings-based approach (SEC-IRBA)	-	-	-	-	-
15	Of which external ratings-based approach (SEC-ERBA) or internal assessment approach (IAA)	-	-	-	-	-
16	Of which standardized approach (SEC-SA)	-	-	-	-	-
17	Of which 1250% risk weight applied	-	-	-	-	-

MR1 :Market risk under standardized approach

(Millions of yen)

		Capital requirement in Standardized approach
1	General interest rate risk	11,251
2	Equity risk	8,425
3	Commodity risk	148
4	Foreign exchange risk	28,518
5	Credit spread risk -non-securitizations	44,720
6	Credit spread risk -securitizations (non-correlation trading portfolio)	81
7	Credit spread risk -securitization (correlation trading portfolio)	-
8	Default risk -non-securitizations	17,747
9	Default risk -securitizations (non-correlation trading portfolio)	22
10	Default risk -securitizations (correlation trading portfolio)	-
11	Residual risk add-on	3,357
	Others	-
12	Total	114,273

MR3 :Market risk under simplified standardized approach

(Millions of yen)

		Outright Products	Options		
			Simplified approach	Delta-plus method	Scenario approach
1	Interest rate risk	-	-	-	-
2	Equity risk	237	-	-	-
3	Commodity risk	-	-	-	-
4	Foreign exchange risk	3	-	-	-
5	Securitization	-			
6	Total	240	-	-	-

CVA1: The reduced basic approach for CVA (BA-CVA)

(Millions of yen)

		Components	BA-CVA RWA
1	Aggregation of systematic components of CVA risk	4,887	
2	Aggregation of idiosyncratic components of CVA risk	1,113	
3	Total		1,707

CVA3: The standardized approach for CVA (SA-CVA)

(Millions of yen)

		SA-CVA RWA	Number of counterparties
1	Interest rate risk	398	
2	Foreign exchange risk	727	
3	Reference credit spread risk	26	
4	Equity risk	2	
5	Commodity risk	-	
6	Counterparty credit spread risk	5,077	
7	Total	6,231	1,244

CVA4: RWA flow statements of CVA risk exposures

(Millions of yen)

	Previous reporting period end: March 2024 Current reporting period end: March 2025	CVA RWA
1	Total RWA for CVA at end of previous reporting period	-
2	Total RWA for CVA at end of reporting period	7,939
	Factor of variation	-

OR1: Historical losses

(Millions of yen)

		March 2025	March 2024	March 2023	March 2022
Using ¥2,000,000 threshold					
1	Total amount of operational losses net of recoveries (no exclusions)	2,485	176	430	190
2	Total number of operational risk losses	33	27	34	29
3	Total amount of excluded operational risk losses	-	-	-	-
4	Total number of exclusions	-	-	-	-
5	Total amount of operational losses net of recoveries and net of excluded losses	2,485	176	430	190
Using ¥10,000,000 threshold					
6	Total amount of operational losses net of recoveries (no exclusions)	2,381	91	303	92
7	Total number of operational risk losses	12	5	8	3
8	Total amount of excluded operational risk losses	-	-	-	-
9	Total number of exclusions	-	-	-	-
10	Total amount of operational losses net of recoveries and net of excluded losses	2,381	91	303	92
Details of operational risk capital calculation					
11	Are losses used to calculate the ILM (yes/no)?	yes	yes	yes	yes
12	If "no" in row 11, is the exclusion of internal loss data due to non-compliance with the minimum loss data standards (yes/no)?	-	-	-	-

* 1 Conservative estimates are used for ILM as regards certain consolidated subsidiaries not meeting the standards stipulated in the Notification Regarding Capital Adequacy Ratio, Article 287-1 as of March 31, 2025

		March 2021	March 2020	March 2019	March 2018
Using ¥2,000,000 threshold					
1	Total amount of operational losses net of recoveries (no exclusions)	288	-	-	-
2	Total number of operational risk losses	37	-	-	-
3	Total amount of excluded operational risk losses	-	-	-	-
4	Total number of exclusions	-	-	-	-
5	Total amount of operational losses net of recoveries and net of excluded losses	288	-	-	-
Using ¥10,000,000 threshold					
6	Total amount of operational losses net of recoveries (no exclusions)	152	-	-	-
7	Total number of operational risk losses	5	-	-	-
8	Total amount of excluded operational risk losses	-	-	-	-
9	Total number of exclusions	-	-	-	-
10	Total amount of operational losses net of recoveries and net of excluded losses	152	-	-	-
Details of operational risk capital calculation					
11	Are losses used to calculate the ILM (yes/no)?	yes	-	-	-
12	If "no" in row 11, is the exclusion of internal loss data due to non-compliance with the minimum loss data standards (yes/no)?	-	-	-	-

(Millions of yen)

		March 2017	March 2016	Ten-year average
Using ¥2,000,000 threshold				
1	Total amount of operational losses net of recoveries (no exclusions)	-	-	714
2	Total number of operational risk losses	-	-	32
3	Total amount of excluded operational risk losses	-	-	-
4	Total number of exclusions	-	-	-
5	Total amount of operational losses net of recoveries and net of excluded losses	-	-	714
Using ¥10,000,000 threshold				
6	Total amount of operational losses net of recoveries (no exclusions)	-	-	604
7	Total number of operational risk losses	-	-	6
8	Total amount of excluded operational risk losses	-	-	-
9	Total number of exclusions	-	-	-
10	Total amount of operational losses net of recoveries and net of excluded losses	-	-	604
Details of operational risk capital calculation				
11	Are losses used to calculate the ILM (yes/no)?	-	-	yes
12	If "no" in row 11, is the exclusion of internal loss data due to non-compliance with the minimum loss data standards (yes/no)?	-	-	-

OR2: Business indicator and subcomponents

(Millions of yen)

		March 2025	March 2024	March 2023
1	Interest, lease and dividend component	79,642		
2	Interest and lease income	677,592	604,635	326,802
3	Interest and lease expense	603,940	525,853	268,498
4	Interest earning assets	6,978,556	6,225,339	6,526,140
5	Dividend income	9,617	9,467	9,282
6	Services component	542,201		
7	Fee and commission income	417,999	360,155	281,602
8	Fee and commission expense	47,629	40,489	35,754
9	Other operating income	153,839	198,816	179,619
10	Other operating expense	123,774	162,666	135,063
11	Financial component	102,074		
12	Net P&L on the trading book	107,373	98,160	70,253
13	Net P&L on the banking book	12,360	14,381	3,692
14	BI	723,918		
15	Business indicator component (BIC)	103,459		
16	BI gross of excluded divested activities	723,918		
17	Reduction in BI due to excluded divested activities	-		

OR3: Minimum required operational risk capital

(Millions of yen)

1	Business indicator component (BIC)	103,459
2	Internal loss multiplier (ILM)	0.66
3	Minimum required operational risk capital (ORC)	69,097
4	Operational risk RWA	863,720

IRRBB1 : Quantitative information on IRRBB

(Millions of yen)

		ΔEVE	
		March 2025	March 2024
1	Parallel up	10,586	13,703
2	Parallel down	32,618	24,556
3	Steepener	4,711	9,257
4	Flattener	652	530
5	Short rate up	3,517	4,219
6	Short rate down	15,470	14,431
7	Maximum	32,618	24,556
		March 2025	March 2024
8	Tier 1 capital	1,540,625	1,520,820

ANII is not disclosed because there is only minimal impact from the changes in net income subject to the interest rate risk which occurs from the non-trading business.

CCyB1: Geographical distribution of credit exposures used in the countercyclical buffer

(Millions of yen)

Geographical breakdown	Countercyclical capital buffer rate	Risk-weighted assets used in the computation of the countercyclical buffer	Bank-specific countercyclical capital buffer rate	Countercyclical buffer amount
Australia	1.00%	90,932		
Belgium	1.00%	8,981		
France	1.00%	4,692		
Germany	0.75%	10,659		
Hong Kong SAR	0.50%	21,944		
Korea	1.00%	51,443		
Luxembourg	0.50%	35,440		
Netherlands	2.00%	21,161		
Sweden	2.00%	8		
United Kingdom	2.00%	84,895		
Sum		330,159		
Total		3,971,734	0.10%	7,223

* Basically, Risk-weighted assets used in the computation of the countercyclical capital buffer are calculated on an "ultimate risk" basis. For a part of assets which are difficult to allocate jurisdictions by the ultimate risk method, we adopt the jurisdictions which are recorded in the balance sheet to the calculation.

Consolidated Leverage Ratio

1. Composition of consolidated leverage ratio

LR1: Summary comparison of accounting assets vs leverage ratio exposure measure

(Millions of yen)

Basel III template number	Items	March 2025	March 2024
1	Total assets in the consolidated balance sheet statements	36,024,346	-
2	Total assets held by group companies which are not included in the scope of the consolidated leverage ratio (Δ)	-	-
3	Adjustment for securitized exposures that meet the operational requirements for the recognition of risk transference	-	-
4	Adjustments for temporary exemption of central bank reserves (Δ)	2,941,611	-
5	Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure (Δ)	-	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	2,098	-
7	Adjustments for eligible cash pooling transactions	-	-
8	Adjustments for derivative financial instruments	(834,999)	-
8a	Total derivative exposures	2,027,709	-
8b	The accounting value of derivatives recognized as assets (Δ)	2,862,708	-
9	Adjustment for securities financing transactions (i.e., repurchase agreements and similar secured lending)	(3,235,859)	-
9a	Total exposures related to repo transactions, etc.	12,301,780	-
9b	The accounting value of the SFTs recognized as assets (Δ)	15,537,639	-
10	Off-balance sheet exposures	224,636	-
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital (Δ)	-	-
12	Other adjustments	(379,401)	-
12a	Adjustments for Tier 1 capital (excluding specific and general provisions) (Δ)	258,567	-
12b	The amount of customers' liabilities for acceptances and guarantees (Δ)	-	-
12c	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-
12d	Deductions of receivables assets for cash variation margin provided in derivatives transactions (Δ)	122,373	-
12e	Total assets held by group companies which are included in the scope of the consolidated leverage ratio (except for the assets included in the total assets in the consolidated balance sheet)	1,539	-
13	Total exposures	28,859,210	-

LR2: Leverage ratio common disclosure template

(Millions of yen, %)

Basel III template number	Items	March 2025	March 2024
On-balance sheet exposures (1)			
1	On-balance sheet items before adjustments	14,686,024	-
2	Receivables assets for cash variation margin provided in derivatives transactions	-	-
3	Deductions of receivables assets for cash variation margin provided in derivatives transactions (Δ)	122,373	-
4	Adjustments for securities received under securities financing transactions that are recognized as an asset (Δ)	-	-
5	Adjustments for Tier 1 capital (specific and general provisions) (Δ)	-	-
6	Adjustments for Tier 1 capital (excluding specific and general provisions) (Δ)	258,567	-
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (A)	14,305,083	-
Derivative exposures (2)			
8	Replacement cost associated with all derivatives transactions (with the 1.4 alpha factor applied)	653,049	-
9	Add-on amounts for PFE associated with all derivatives transactions (with the 1.4 alpha factor applied)	474,127	-
10	Exempted central counterparty (CCP) leg of client-cleared trade exposures (Δ)		
11	Adjusted effective notional amount of written credit derivatives	3,852,960	-
12	Adjusted effective notional offsets and add-on deductions for written credit derivatives (Δ)	2,952,428	-
13	Total derivative exposures (B)	2,027,709	-
Securities financing transaction exposures (3)			
14	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	16,940,445	-
15	Netted amounts of cash payables and cash receivables of gross SFT assets (Δ)	4,999,723	-
16	CCR exposure for SFT assets	361,058	-
17	Agent transaction exposures		
18	Total securities financing transaction exposures (C)	12,301,780	-
Other off-balance sheet exposures (4)			
19	Off-balance sheet exposure at gross notional amount	672,350	-
20	Adjustment for conversion to credit equivalent amounts (Δ)	447,714	-
22	Off-balance sheet items (D)	224,636	-
Leverage ratio (5)			
23	Tier 1 capital (E)	1,540,625	-
24	Total exposures ((A)+(B)+(C)+(D)) (F)	28,859,210	-
25	Leverage ratio on a consolidated basis (E)/(F)	5.33%	-
26	National minimum leverage ratio requirement	3.15%	-
27	Applicable leverage buffers	-	-

(Millions of yen, %)

Basel III template number	Items	March 2025	March 2024
Leverage ratio (including amount of the central bank reserves) (6)			
	Total exposures (F)	28,859,210	-
	Amount of the central bank reserves	2,941,611	-
	Total exposures (including amount of the central bank reserves) (F')	31,800,822	-
	Leverage ratio (including amount of the central bank reserves) (E) / (F')	4.84%	-
Disclosure of mean values (7)			
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables (G)+(H)	11,756,808	-
	Mean value of gross SFT assets (G)	15,096,236	-
	Mean value of netted amounts of cash payables and cash receivables of gross SFT assets (Δ) (H)	3,339,428	-
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables (I)+(J)	11,940,722	-
14	Quarter-end value of gross SFT assets (I)	16,940,445	-
15	Quarter-end value of netted amounts of cash payables and cash receivables of gross SFT assets (J)	4,999,723	-
30	Total exposures (excluding the amount of the central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables) (K)	28,675,296	-
30a	Total exposures (including the amount of the central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables) (L)	31,616,908	-
31	Leverage ratio on a consolidated basis (excluding the amount of the central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables) (E)/(K)	5.37%	-
31a	Leverage ratio on a consolidated basis (including the amount of the central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables) (E)/(L)	4.87%	-

Overview of Main Features of Regulatory Capital Instruments

CCA: Main features of regulatory capital instruments

1	Issuer	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	NA
3	Governing law(s) of the instrument	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—
	Regulatory treatment	
4	Transitional Basel III rules	Common Equity Tier 1 capital
5	Post-transitional Basel III rules	Common Equity Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Common stock
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)	
	Consolidated Capital Adequacy Ratio	1,402,376 million Yen
9	Par value of instrument	—
10	Accounting classification	
	Consolidated balance sheets	Shareholders' equity
11	Original date of issuance	—
12	Perpetual or dated	NA
13	Original maturity date	—
14	Issuer call subject to prior supervisory approval	NA
15	Optional call date and redemption amount	—
	Contingent call dates and redemption amount	—
16	Subsequent call dates, if applicable	—
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	—
19	Existence of a dividend stopper	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	NA
22	Noncumulative or cumulative	NA
23	Convertible or non-convertible	NA
24	If convertible, conversion trigger(s)	—
25	If convertible, fully or partially	—
26	If convertible, conversion rate	—
27	If convertible, mandatory or optional conversion	—
28	If convertible, specify instrument type convertible into	—
29	If convertible, specify issuer of instrument it converts into	—
30	Write-down feature	NA
31	If write-down, write-down trigger(s)	—
32	If write-down, full or partial	—
33	If write-down, permanent or temporary	—
34	If temporary write-down, description of write-up mechanism	—
34a	Type of subordination	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA
37	If yes, specify non-compliant features	—

1	Issuer	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
5	Post-transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Stock subscription right issued in July 2006	Stock subscription right issued in July 2007
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	25 million Yen	35 million Yen
9	Par value of instrument	—	—
10	Accounting classification		
	Consolidated balance sheets	Stock subscription right	Stock subscription right
11	Original date of issuance	July 1, 2006	July 1, 2007
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	NA	NA
15	Optional call date and redemption amount	—	—
	Contingent call dates and redemption amount	—	—
16	Subsequent call dates, if applicable	—	—
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	—	—
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	NA	NA
31	If write-down, write-down trigger(s)	—	—
32	If write-down, full or partial	—	—
33	If write-down, permanent or temporary	—	—
34	If temporary write-down, description of write-up mechanism	—	—
34a	Type of subordination	—	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—

1	Issuer	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
5	Post-transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Stock subscription right issued in July 2008	Stock subscription right issued in July 2009
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	45 million Yen	99 million Yen
9	Par value of instrument	—	—
10	Accounting classification		
	Consolidated balance sheets	Stock subscription right	Stock subscription right
11	Original date of issuance	July 1, 2008	July 1, 2009
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	NA	NA
15	Optional call date and redemption amount	—	—
	Contingent call dates and redemption amount	—	—
16	Subsequent call dates, if applicable	—	—
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	—	—
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	NA	NA
31	If write-down, write-down trigger(s)	—	—
32	If write-down, full or partial	—	—
33	If write-down, permanent or temporary	—	—
34	If temporary write-down, description of write-up mechanism	—	—
34a	Type of subordination	—	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—

1	Issuer	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
5	Post-transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Stock subscription right issued in July 2010	Stock subscription right issued in July 2011
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	139 million Yen	249 million Yen
9	Par value of instrument	—	—
10	Accounting classification		
	Consolidated balance sheets	Stock subscription right	Stock subscription right
11	Original date of issuance	July 1, 2010	July 1, 2011
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	NA	NA
15	Optional call date and redemption amount	—	—
	Contingent call dates and redemption amount	—	—
16	Subsequent call dates, if applicable	—	—
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	—	—
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	NA	NA
31	If write-down, write-down trigger(s)	—	—
32	If write-down, full or partial	—	—
33	If write-down, permanent or temporary	—	—
34	If temporary write-down, description of write-up mechanism	—	—
34a	Type of subordination	—	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—

1	Issuer	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
5	Post-transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Stock subscription right issued in February 2013	Stock subscription right issued in February 2014
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	322 million Yen	265 million Yen
9	Par value of instrument	—	—
10	Accounting classification		
	Consolidated balance sheets	Stock subscription right	Stock subscription right
11	Original date of issuance	February 12, 2013	February 10, 2014
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	NA	NA
15	Optional call date and redemption amount	—	—
	Contingent call dates and redemption amount	—	—
16	Subsequent call dates, if applicable	—	—
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	—	—
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	NA	NA
31	If write-down, write-down trigger(s)	—	—
32	If write-down, full or partial	—	—
33	If write-down, permanent or temporary	—	—
34	If temporary write-down, description of write-up mechanism	—	—
34a	Type of subordination	—	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—

1	Issuer	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
5	Post-transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Stock subscription right issued in February 2015	Stock subscription right issued in February 2016
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	314 million Yen	333 million Yen
9	Par value of instrument	—	—
10	Accounting classification		
	Consolidated balance sheets	Stock subscription right	Stock subscription right
11	Original date of issuance	February 9, 2015	February 16, 2016
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	NA	NA
15	Optional call date and redemption amount	—	—
	Contingent call dates and redemption amount	—	—
16	Subsequent call dates, if applicable	—	—
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	—	—
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	NA	NA
31	If write-down, write-down trigger(s)	—	—
32	If write-down, full or partial	—	—
33	If write-down, permanent or temporary	—	—
34	If temporary write-down, description of write-up mechanism	—	—
34a	Type of subordination	—	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—

1	Issuer	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
5	Post-transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Stock subscription right series 12	Stock subscription right issued in February 2017
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	126 million Yen	370 million Yen
9	Par value of instrument	—	—
10	Accounting classification		
	Consolidated balance sheets	Stock subscription right	Stock subscription right
11	Original date of issuance	February 16, 2016	February 8, 2017
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	NA	NA
15	Optional call date and redemption amount	—	—
	Contingent call dates and redemption amount	—	—
16	Subsequent call dates, if applicable	—	—
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	—	—
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	NA	NA
31	If write-down, write-down trigger(s)	—	—
32	If write-down, full or partial	—	—
33	If write-down, permanent or temporary	—	—
34	If temporary write-down, description of write-up mechanism	—	—
34a	Type of subordination	—	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—

1	Issuer	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
5	Post-transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Stock subscription right series 13	Stock subscription right issued in February 2018
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	331 million Yen	403 million Yen
9	Par value of instrument	—	—
10	Accounting classification		
	Consolidated balance sheets	Stock subscription right	Stock subscription right
11	Original date of issuance	February 8, 2017	February 8, 2018
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	NA	NA
15	Optional call date and redemption amount	—	—
	Contingent call dates and redemption amount	—	—
16	Subsequent call dates, if applicable	—	—
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	—	—
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	NA	NA
31	If write-down, write-down trigger(s)	—	—
32	If write-down, full or partial	—	—
33	If write-down, permanent or temporary	—	—
34	If temporary write-down, description of write-up mechanism	—	—
34a	Type of subordination	—	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—

1	Issuer	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
5	Post-transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Stock subscription right series 14	Stock subscription right series 15
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	437 million Yen	301 million Yen
9	Par value of instrument	—	—
10	Accounting classification		
	Consolidated balance sheets	Stock subscription right	Stock subscription right
11	Original date of issuance	February 8, 2018	August 10, 2018
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	NA	NA
15	Optional call date and redemption amount	—	—
	Contingent call dates and redemption amount	—	—
16	Subsequent call dates, if applicable	—	—
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	—	—
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	NA	NA
31	If write-down, write-down trigger(s)	—	—
32	If write-down, full or partial	—	—
33	If write-down, permanent or temporary	—	—
34	If temporary write-down, description of write-up mechanism	—	—
34a	Type of subordination	—	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—

1	Issuer	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
5	Post-transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Stock subscription right series 16	Stock subscription right series 17
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	214 million Yen	565 million Yen
9	Par value of instrument	—	—
10	Accounting classification		
	Consolidated balance sheets	Stock subscription right	Stock subscription right
11	Original date of issuance	August 15, 2019	August 17, 2020
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	NA	NA
15	Optional call date and redemption amount	—	—
	Contingent call dates and redemption amount	—	—
16	Subsequent call dates, if applicable	—	—
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	—	—
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	NA	NA
31	If write-down, write-down trigger(s)	—	—
32	If write-down, full or partial	—	—
33	If write-down, permanent or temporary	—	—
34	If temporary write-down, description of write-up mechanism	—	—
34a	Type of subordination	—	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—

1	Issuer	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
5	Post-transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Stock subscription right series 18	Stock subscription right series 19
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	360 million Yen	329 million Yen
9	Par value of instrument	—	—
10	Accounting classification		
	Consolidated balance sheets	Stock subscription right	Stock subscription right
11	Original date of issuance	August 13, 2021	August 15, 2022
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	NA	NA
15	Optional call date and redemption amount	—	—
	Contingent call dates and redemption amount	—	—
16	Subsequent call dates, if applicable	—	—
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	—	—
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	NA	NA
31	If write-down, write-down trigger(s)	—	—
32	If write-down, full or partial	—	—
33	If write-down, permanent or temporary	—	—
34	If temporary write-down, description of write-up mechanism	—	—
34a	Type of subordination	—	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—

1	Issuer	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
5	Post-transitional Basel III rules	Common Equity Tier 1 capital	Common Equity Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Stock subscription right series 20	Stock subscription right series 21
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	732 million Yen	340 million Yen
9	Par value of instrument	—	—
10	Accounting classification		
	Consolidated balance sheets	Stock subscription right	Stock subscription right
11	Original date of issuance	August 15, 2023	August 16, 2024
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	NA	NA
15	Optional call date and redemption amount	—	—
	Contingent call dates and redemption amount	—	—
16	Subsequent call dates, if applicable	—	—
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	—	—
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	NA	NA
31	If write-down, write-down trigger(s)	—	—
32	If write-down, full or partial	—	—
33	If write-down, permanent or temporary	—	—
34	If temporary write-down, description of write-up mechanism	—	—
34a	Type of subordination	—	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—

1	Issuer	Daiwa Asset Management Co. Ltd.	Daiwa Office Investment Corporation
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	—	—
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Additional Tier 1 capital Tier 2 capital	Additional Tier 1 capital Tier 2 capital
5	Post-transitional Basel III rules	Additional Tier 1 capital Tier 2 capital	Additional Tier 1 capital Tier 2 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Common stock	Common stock
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	Additional Tier 1 capital 2,382million yen Tier 2 capital 560million yen	Additional Tier 1 capital 30,269million yen Tier 2 capital 7,122million yen
9	Par value of instrument	—	—
10	Accounting classification		
	Consolidated balance sheets	Non-controlling interest	Non-controlling interest
11	Original date of issuance	—	—
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	—	—
15	Optional call date and redemption amount	—	—
	Contingent call dates and redemption amount	—	—
16	Subsequent call dates, if applicable	—	—
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	—	—
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	NA	NA
31	If write-down, write-down trigger(s)	—	—
32	If write-down, full or partial	—	—
33	If write-down, permanent or temporary	—	—
34	If temporary write-down, description of write-up mechanism	—	—
34a	Type of subordination	—	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—

1	Issuer	Samty Residential Investment Corporation
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	—
3	Governing law(s) of the instrument	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—
	Regulatory treatment	
4	Transitional Basel III rules	Additional Tier 1 capital Tier 2 capital
5	Post-transitional Basel III rules	Additional Tier 1 capital Tier 2 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Common stock
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)	
	Consolidated Capital Adequacy Ratio	Additional Tier 1 capital 9,853million yen Tier 2 capital 2,318million yen
9	Par value of instrument	—
10	Accounting classification	
	Consolidated balance sheets	Non-controlling interest
11	Original date of issuance	—
12	Perpetual or dated	NA
13	Original maturity date	—
14	Issuer call subject to prior supervisory approval	—
15	Optional call date and redemption amount	—
	Contingent call dates and redemption amount	—
16	Subsequent call dates, if applicable	—
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	—
19	Existence of a dividend stopper	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	NA
22	Noncumulative or cumulative	NA
23	Convertible or non-convertible	NA
24	If convertible, conversion trigger(s)	—
25	If convertible, fully or partially	—
26	If convertible, conversion rate	—
27	If convertible, mandatory or optional conversion	—
28	If convertible, specify instrument type convertible into	—
29	If convertible, specify issuer of instrument it converts into	—
30	Write-down feature	NA
31	If write-down, write-down trigger(s)	—
32	If write-down, full or partial	—
33	If write-down, permanent or temporary	—
34	If temporary write-down, description of write-up mechanism	—
34a	Type of subordination	—
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual Subordinated Bonds
36	Non-compliant transitioned features	NA
37	If yes, specify non-compliant features	—

1	Issuer	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	JP350220AL30	JP350220BL39
3	Governing law(s) of the instrument	Japanese Law	Japanese Law
3a	Other TLAC-eligible instruments governed by foreign law	—	—
	Regulatory treatment		
4	Transitional Basel III rules	Additional Tier 1 capital	Additional Tier 1 capital
5	Post-transitional Basel III rules	Additional Tier 1 capital	Additional Tier 1 capital
6	Eligible at solo/group/group&solo	Daiwa Securities Group Inc.	Daiwa Securities Group Inc.
7	Instrument type (types to be specified by each jurisdiction)	Daiwa Securities Group Inc. first series of unsecured perpetual subordinated bonds with optional-redemption clause and write-down clause	Daiwa Securities Group Inc. second series of unsecured perpetual subordinated bonds with optional-redemption clause and write-down clause
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	124,800 million Yen	25,000 million Yen
9	Par value of instrument	125,000 million Yen	25,000 million Yen
10	Accounting classification		
	Consolidated balance sheets	Liabilities	Liabilities
11	Original date of issuance	March 16, 2020	March 16, 2020
12	Perpetual or dated	NA	NA
13	Original maturity date	—	—
14	Issuer call subject to prior supervisory approval	YES	YES
15	Optional call date and redemption amount	June 5, 2025 at par	June 5, 2030 at par
	Contingent call dates and redemption amount	Tax event or Regulatory event at par	Tax event or Regulatory event at par
16	Subsequent call dates, if applicable	Each interest payment date after first call date	Each interest payment date after first call date
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Fixed to floating	Fixed to floating
18	Coupon rate and any related index	From the day immediately following March 16, 2020 until June 5, 2025 : 1.20% per annum From the day immediately following June 5, 2025 : 6-month euro-yen LIBOR + 1.40%	From the day immediately following March 16, 2020 until June 5, 2030 : 1.39% per annum From the day immediately following June 5, 2030 : 6-month euro-yen LIBOR + 1.50%
19	Existence of a dividend stopper	YES	YES
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA
22	Noncumulative or cumulative	NA	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	—	—
25	If convertible, fully or partially	—	—
26	If convertible, conversion rate	—	—
27	If convertible, mandatory or optional conversion	—	—
28	If convertible, specify instrument type convertible into	—	—
29	If convertible, specify issuer of instrument it converts into	—	—
30	Write-down feature	YES	YES
31	If write-down, write-down trigger(s)	Events(1), (2) or (3) below: (1)When the Company's consolidated Common Equity Tier 1 capital ratio falls below 5.125%. (2)When the principal amount of and interest on the bonds shall be written down to zero when it is confirmed that the "specified item 2 measures". (3)When the Company becomes subject to bankruptcy and other insolvency proceedings.	Events(1), (2) or (3) below: (1)When the Company's consolidated Common Equity Tier 1 capital ratio falls below 5.125%. (2)When the principal amount of and interest on the bonds shall be written down to zero when it is confirmed that the "specified item 2 measures". (3)When the Company becomes subject to bankruptcy and other insolvency proceedings.
32	If write-down, full or partial	Full or Partial	Full or Partial
33	If write-down, permanent or temporary	Temporary	Temporary
34	If temporary write-down, description of write-up mechanism	When the Company determines that the principal amount of the bonds that have been written-down be reinstated after prior confirmation of the Financial Services Agency of Japan and any other relevant Japanese governmental organizations that the Company's consolidated Common Equity Tier 1 capital ratio remains at a sufficiently high level immediately after giving effect to the relevant reinstatement of the bonds.	When the Company determines that the principal amount of the bonds that have been written-down be reinstated after prior confirmation of the Financial Services Agency of Japan and any other relevant Japanese governmental organizations that the Company's consolidated Common Equity Tier 1 capital ratio remains at a sufficiently high level immediately after giving effect to the relevant reinstatement of the bonds.
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Debts	Debts
36	Non-compliant transitioned features	NA	NA
37	If yes, specify non-compliant features	—	—