

January 28, 2022

Daiwa Securities Group Inc.

**Report Regarding Consolidated Capital Adequacy Ratio**  
**and Consolidated Leverage Ratio**  
**Situation of Soundness in Management as of September 30, 2021**

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 September 30, 2021.

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## Key Metrics (at consolidated group level)

### KM1: Key metrics

(Millions of yen, %)

Basel III template number		September 2021	June 2021	March 2021	December 2020	September 2020
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	1,148,768	1,152,962	1,123,656	1,079,983	1,034,222
2	Tier 1	1,314,659	1,327,893	1,305,210	1,214,038	1,162,574
3	Total capital	1,314,659	1,327,893	1,305,210	1,214,038	1,162,574
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	6,514,283	6,271,241	6,008,356	5,160,906	5,174,911
Capital ratio						
5	CET1 ratio (%)	17.63%	18.38%	18.70%	20.92%	19.98%
6	Tier 1 ratio (%)	20.18%	21.17%	21.72%	23.52%	22.46%
7	Total capital ratio (%)	20.18%	21.17%	21.72%	23.52%	22.46%
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 (%)	0.00%	0.00%	0.00%	0.00%	0.00%
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)	3.00%	3.00%	3.00%	3.00%	3.00%
12	CET1 available after meeting the bank's minimum capital requirements (%)	12.18%	13.17%	13.72%	15.52%	14.46%
Leverage ratio						
13	Total leverage ratio exposure measure	18,239,765	18,785,385	18,916,695	18,282,142	18,436,197
14	Leverage ratio (%) including the impact of any applicable temporary exemption of central bank reserves	7.20%	7.06%	6.89%	6.64%	6.30%

## 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	1,260,655	
1a	Common stock and capital surplus	477,934	(i),(j)
2	Retained earnings	924,139	(k)
1c	Treasury stock (Δ)	115,723	(l),(m)
26	Planned distributions (Δ)	25,693	
	Others	-	
1b	Stock subscription rights	9,094	(p)
3	Accumulated other comprehensive income (and other reserves)	58,878	(o)
5	Minority interest after adjustments	-	
6	Common Equity Tier 1 capital before regulatory adjustments (a)	1,328,629	
Common Equity Tier 1 capital: regulatory adjustments (2)			
8+9	Intangible assets other than mortgage-servicing rights (net of related tax liability)	157,850	
8	Goodwill (net of related tax liability)	54,153	(e),(g)
9	Other intangibles other than mortgage-servicing rights(net of related tax liability)	103,696	(f)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	265	(d),(h)
11	Cash-flow hedge reserve	(3,322)	(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	321	
15	Defined-benefit pension fund net assets	-	
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	168	(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)	24,577	(a),(b),(c),(g)
19+20+21	Amount exceeding the 10% threshold	-	
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)	-	
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)	179,860	
Common Equity Tier 1 capital			
29	Common Equity Tier 1 capital (CET1) ((a) - (b)) (c)	1,148,768	

(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	-
	32	Liabilities	149,700
		Instruments issued by Special Purpose Companies	-
34-35	Minority interest after adjustments	48,520	(q)
33+35	Tier 1 capital under Basel II included in Additional Tier 1 capital under transitional Basel III rules	-	
33	Capital instruments issued by Daiwa Securities Group Inc. and its Special Purpose Companies	-	
35	Capital instruments issued by consolidated subsidiaries and affiliates (excluding Special Purpose Companies of Daiwa Securities Group Inc.)	-	
36	Additional Tier 1 capital before regulatory adjustments	(d)	198,220
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)	6,552	(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)	-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	25,776	
43	Total regulatory adjustments to Additional Tier 1 capital	(e)	32,329
Additional Tier 1 capital			
44	Additional Tier 1 capital ((d) - (e))	(f)	165,890
Tier 1 capital			
45	Tier 1 capital ((c) + (f))	(g)	1,314,659
Tier 2 capital: instruments and allowance		(4)	
46	Shareholders' equity	-	
	Stock subscription rights	-	
	Liabilities	-	
	Capital instruments issued by Special Purpose Companies	-	
48-49	Minority interest after adjustments	11,416	(q)
47+49	Tier 2 capital under Basel II included in Tier 2 capital under transitional Basel III rules	-	
47	Capital instruments issued by Daiwa Securities Group Inc. and its Special Purpose Companies	-	
49	Capital instruments issued by consolidated subsidiaries and affiliates (excluding Special Purpose Companies of Daiwa Securities Group Inc.)	-	
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)	11,416

(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)	34,679	(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)	2,513	
57	Total regulatory adjustments to Tier 2 capital (i)	37,193	
Tier 2 capital			
58	Tier 2 capital ((h) - (i)) (j)	-	
Total capital			
59	Total capital ((g) + (j)) (k)	1,314,659	
Risk-weighted assets (5)			
60	Total risk-weighted assets (l)	6,514,283	
Consolidated capital adequacy ratio			
61	Common Equity Tier 1 (as a percentage of risk-weighted assets) ((c) / (l))	17.63%	
62	Tier 1 (as a percentage of risk-weighted assets) ((g) / (l))	20.18%	
63	Total capital (as a percentage of risk-weighted assets) ((k) / (l))	20.18%	
64	CET1 specific buffer requirement	3.00%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: countercyclical buffer requirement	0.00%	
67	of which: G-SIB/D-SIB additional requirement	0.50%	
68	CET1 available after meeting the minimum capital requirements	12.18%	
Amounts below the thresholds for deduction (before risk weighting) (6)			
72	Non-significant investments in the capital of other financials	117,334	(a),(b),(c),(g)
73	Significant investments in the common stock of financials	73,347	(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)	7,923	(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 Standardised approach (prior to application of cap)	-	
77	Cap on inclusion of allowance in Tier 2 under Standardised 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	-	
Capital instruments subject to phase out arrangements (8)			
82	Current cap on AT1 instruments subject to Phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to Phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

## 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).

Differences between those companies belonging to the corporate group ("Daiwa Securities Group", hereunder the Group), subsidiaries as per Ordinance for Enforcement of the Banking Act are included in 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: 125 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 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 Securities SMBC Principal Investments Co. Ltd.	Investment businesses	1,912	1,903
Daiwa Investor Relations Co. Ltd.	Research and consulting regarding corporate management policy, finance policy, shareholder policy, corporate image, and IR activities	631	421
DMS Ltd.	Information services	230	197
	Market research and consulting services		
Asian Energy Investments Pte., Ltd.	Investment management businesses	296	269
	Investment advisory and agency businesses		
Daiwa ACA HealthCare Inc.	Investment funds management businesses	320	284
	Asset management businesses		
	Real estate businesses		
Daiwa Corporate Investment Asia Ltd.	Investment businesses	116	80

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. 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	4,680,887	4,683,508	
Cash segregated as deposits	602,795	602,795	
Notes and accounts receivable-trade	24,190	24,190	
Short-term investment securities (a)	1,051,844	1,051,844	8, 18, 39, 54, 72, 73
Trading products (b)	6,824,827	6,824,827	16, 18, 39, 54, 72, 73
Trading date accrual	-	-	
Operational investment securities (c)	100,150	100,150	18, 39, 54, 72, 73
Allowance for investment loss	(215)	(215)	
Operating loans	1,938,394	1,938,394	
Work in process	1,225	1,225	
Margin transaction assets	177,643	177,643	
Loans secured by securities	7,832,873	7,832,873	
Advances paid	30,544	30,544	
Short-term loans receivable	796	796	
Accrued income	40,378	40,457	
Deferred tax assets (d)	-	-	10, 75
Other current assets	741,570	741,930	
Allowance for doubtful accounts	(6,959)	(6,959)	
Total current assets	24,040,947	24,044,007	
Noncurrent assets			
Property, plant and equipment	880,893	880,991	
Intangible assets	122,043	122,105	
Goodwill (e)	20,020	20,020	8
Others (f)	102,022	102,084	9
Investments and other assets	466,922	465,569	
Investment securities (g)	428,413	427,025	8, 18, 39, 54, 72, 73
Deferred tax assets (h)	8,185	8,188	10, 75
Others	30,324	30,355	
Total noncurrent assets	1,469,859	1,468,666	
Total deferred charges	-	-	
Total assets	25,510,806	25,512,673	

(Millions of yen)

	Balance sheets as in published statements	Under regulatory scope of consolidation	Cross-referenced to CCI
<b>Liabilities</b>			
<b>Current liabilities</b>			
Notes and accounts payable-trade	5,289	5,289	
Trading products	3,927,318	3,927,318	
Trading date accrual	745,360	745,360	
Margin transaction liabilities	67,567	67,567	
Loans payable secured by securities	8,590,281	8,590,281	
Deposits from banking business	4,291,472	4,291,472	
Deposits received	645,778	645,784	
Guarantee deposits received	349,108	349,108	
Short-term loans payable	1,596,333	1,596,333	
Commercial paper	232,000	232,000	
Current portion of bonds	338,450	338,450	
Income taxes payable	8,073	8,097	
Deferred tax liabilities	-	-	
Provision for bonuses	29,469	29,469	
Other current liabilities	128,776	128,965	
<b>Noncurrent liabilities</b>			
Bonds payable	1,501,302	1,501,302	
Long-term loans payable	1,295,236	1,295,236	
Deferred tax liabilities	42,833	42,833	
Net defined benefit liabilities	44,594	44,594	
Provision for loss on litigation	167	167	
Negative goodwill	-	-	
Other noncurrent liabilities	55,295	55,423	
Reserves under the special laws	3,702	3,702	
<b>Total liabilities</b>	<b>23,898,411</b>	<b>23,898,760</b>	
<b>Net assets</b>			
<b>Shareholders' equity</b>			
Common stock (i)	247,397	247,397	1a
Capital surplus (j)	230,536	230,536	1a
Retained earnings (k)	923,658	924,159	2
Treasury stock (l)	(115,729)	(115,729)	1c
Advances on subscription of treasury stock (m)	5	5	1c
<b>Total shareholders' equity</b>	<b>1,285,869</b>	<b>1,285,869</b>	
<b>Accumulated other comprehensive income</b>			
Valuation difference on available-for-sale securities	45,340	45,340	
Deferred gains or losses on hedges (n)	(4,112)	(4,112)	11
Foreign currency translation adjustment	17,604	17,648	
<b>Total accumulated other comprehensive income</b> (o)	<b>58,833</b>	<b>58,833</b>	<b>3</b>
Subscription rights to shares (p)	9,094	9,094	1b
Minority interests (q)	258,597	259,585	34-35, 48-49
<b>Total net assets</b>	<b>1,612,395</b>	<b>1,613,929</b>	

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

(Millions of yen)

	Exposures
Equity investments in funds (look-through approach)	604,308
Equity investments in funds (mandate-based approach)	31,401
Equity investments in funds (subject to 250% risk weight)	12,784
Equity investments in funds (subject to 400% risk weight)	-
Equity investments in funds (fall-back approach)	374
Total	648,868

### 3. Other quantitative disclosures

#### OV1: Overview of RWA

(Millions of yen)

Basel III template number		RWA		Minimum capital requirements	
		September 2021	September 2020	September 2021	September 2020
1	Credit risk (excluding counterparty credit risk) (CCR)	2,046,491	1,183,817	163,719	94,705
2	Of which standardised approach (SA)	981,349	829,630	78,507	66,370
3	Of which internal rating-based (IRB) approach	-	-	-	-
	Of which significant investments	-	-	-	-
	Of which exposures for estimated residual value of lease	-	-	-	-
	Others	1,065,142	354,187	85,211	28,334
4	Counterparty credit risk	1,265,791	1,007,826	101,263	80,626
5	Of which standardised approach for counterparty credit risk (SA-CCR)	529,115	409,182	42,329	32,734
6	Of which internal model method (IMM)	-	-	-	-
	Of which credit valuation adjustment (CVA) risk	475,370	333,877	38,029	26,710
	Of which exposures to central counterparties (CCPs)	20,081	19,211	1,606	1,536
	Others	241,224	245,554	19,297	19,644
7	Equity positions under market-based approach	-	-	-	-
8	Equity investments in funds (look-through approach)	301,803	468,067	24,144	37,445
9	Equity investments in funds (mandate-based approach)	28,556	20,880	2,284	1,670
	Equity investments in funds (subject to 250% risk weight)	31,960	-	2,556	-
	Equity investments in funds (subject to 400% risk weight)	-	-	-	-
10	Equity investments in funds (fall-back approach)	4,677	983	374	78
11	Settlement risk	4	37	0	3
12	Securitization exposures in banking book	128,212	115,557	10,257	9,244
13	Of which internal ratings-based approach (SEC-IRBA) or internal assessment approach (IAA)	-	-	-	-
14	Of which external ratings-based approach (SEC-ERBA)	125,850	113,190	10,068	9,055
15	Of which standardised approach (SEC-SA)	-	-	-	-
	Of which 1250% risk weight applied	2,362	2,367	189	189
16	Market risk	1,523,775	1,257,934	121,894	100,634
17	Of which standardised approach (SA)	1,020,052	816,921	81,596	65,353
18	Of which internal model approaches (IMM)	503,722	441,012	40,297	35,281
19	Operational risk	979,678	920,366	78,374	73,629
20	Of which basic indicator approach	979,678	920,366	78,374	73,629
21	Of which standardised approach	-	-	-	-
22	Of which advanced measurement approach	-	-	-	-
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	203,330	199,440	16,266	15,955
	Amounts included in risk weighted asset due to transitional arrangements	-	-	-	-
24	Floor adjustment	-	-	-	-
25	Total	6,514,283	5,174,911	521,135	413,992

(Millions of yen)

Basel III template number		RWA		Minimum capital requirements	
		September 2021	June 2021	September 2021	June 2021
1	Credit risk (excluding counterparty credit risk) (CCR)	2,046,491	2,045,484	163,719	163,638
2	Of which standardised approach (SA)	981,349	989,122	78,507	79,129
3	Of which internal rating-based (IRB) approach	-	-	-	-
	Of which significant investments	-	-	-	-
	Of which exposures for estimated residual value of lease	-	-	-	-
	Others	1,065,142	1,056,362	85,211	84,508
4	Counterparty credit risk	1,265,791	1,155,183	101,263	92,414
5	Of which standardised approach for counterparty credit risk (SA-CCR)	529,115	499,747	42,329	39,979
6	Of which internal model method (IMM)	-	-	-	-
	Of which credit valuation adjustment (CVA) risk	475,370	417,110	38,029	33,368
	Of which exposures to central counterparties (CCPs)	20,081	21,728	1,606	1,738
	Others	241,224	216,597	19,297	17,327
7	Equity positions under market-based approach	-	-	-	-
8	Equity investments in funds (look-through approach)	301,803	278,236	24,144	22,258
9	Equity investments in funds (mandate-based approach)	28,556	28,312	2,284	2,264
	Equity investments in funds (subject to 250% risk weight)	31,960	20,405	2,556	1,632
	Equity investments in funds (subject to 400% risk weight)	-	-	-	-
10	Equity investments in funds (fall-back approach)	4,677	4,450	374	356
11	Settlement risk	4	16	0	1
12	Securitization exposures in banking book	128,212	125,473	10,257	10,037
13	Of which internal ratings-based approach (SEC-IRBA) or internal assessment approach (IAA)	-	-	-	-
14	Of which external ratings-based approach (SEC-ERBA)	125,850	123,111	10,068	9,848
15	Of which standardised approach (SEC-SA)	-	-	-	-
	Of which 1250% risk weight applied	2,362	2,362	189	189
16	Market risk	1,523,775	1,455,321	121,894	116,425
17	Of which standardised approach (SA)	1,020,052	993,011	81,596	79,440
18	Of which internal model approaches (IMM)	503,722	462,309	40,297	36,984
19	Operational risk	979,678	962,611	78,374	77,008
20	Of which basic indicator approach	979,678	962,611	78,374	77,008
21	Of which standardised approach	-	-	-	-
22	Of which advanced measurement approach	-	-	-	-
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	203,330	195,745	16,266	15,659
	Amounts included in risk weighted asset due to transitional arrangements	-	-	-	-
24	Floor adjustment	-	-	-	-
25	Total	6,514,283	6,271,241	521,135	501,699

## CR1: Credit quality of assets

(Millions of yen)

		Gross carrying values of		Allowances/ impairments	Net values <sup>1</sup>
		Defaulted exposures	Non- defaulted exposures		
	On-balance sheet assets				
1	Loans	-	1,378,704	10,213	1,368,491
2	Debt securities	-	870,818	-	870,818
3	Other on-balance sheet assets (debt products)	30,729	4,817,611	2,186	4,846,154
4	Sub-total on-balance sheet assets (1+2+3)	30,729	7,067,134	12,399	7,085,463
	Off-balance sheet assets				
5	Acceptances and guarantees	-	13,032	-	13,032
6	Commitments	-	4,023	-	4,023
7	Sub-total off-balance sheet assets (5+6)	-	17,056	-	17,056
	Total				
8	Total (4+7)	30,729	7,084,190	12,399	7,102,520

<sup>1</sup> "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: March 2021 Current reporting period end: September 2021	Amounts
1	Defaulted loans and debt securities at end of previous reporting period	30,862
2	Loans and debt securities that have defaulted since the last reporting period	-
3	Changes in loans and debt securities during the reporting period	Returned to non-defaulted status
4		Amounts written off
5		Other changes <sup>1</sup>
6	Defaulted loans and debt securities at end of reporting period (1+2-3-4+5)	30,729

\* 1 Other changes include a decrease due to collection of exposures.

CR3: Credit risk mitigation techniques – overview

(Millions of yen)

		Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by credit derivatives, of which: secured amount
1	Loans	1,157,578	210,912	210,912	-	-
2	Debt securities	870,818	-	-	-	-
3	Other on-balance sheet assets (debt products)	4,846,149	4	4	-	-
4	Total (1+2+3)	6,874,546	210,916	210,916	-	-
5	Of which defaulted	30,625	-	-	-	-

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		
1	Cash	-	-	-	-	-	-
2	Japanese government and central bank	5,295,772	-	5,295,772	-	-	0.00%
3	Non-Japanese sovereign and central bank	126,743	-	126,743	-	15	0.01%
4	Bank for International Settlements (BIS)	-	-	-	-	-	-
5	Japanese local public authorities	18,061	-	18,061	-	-	0.00%
6	Non-Japanese public sector entities (excluding sovereign)	2,113	-	2,113	-	1,561	73.88%
7	Multilateral Development Banks (MDBs)	12,058	-	12,058	-	-	0.00%
8	Japan Finance Organization for Municipalities (JFM)	8,837	-	8,837	-	1,766	19.99%
9	Japanese government-sponsored entities	341,803	-	341,803	-	36,036	10.54%
10	Three major local public corporations of Japan	0	-	0	-	0	20.00%
11	Financial institutions and securities firms	922,049	3,998	922,049	799	192,030	20.79%
12	Corporates	649,349	14,159	438,432	13,267	434,020	96.09%
13	SMEs and individuals (risk weight 75% applied)	-	-	-	-	-	-
14	Residential mortgage loans	-	-	-	-	-	-
15	Projects including acquisition of real estate properties	17,505	1,042	17,505	1,042	18,547	100.00%
16	Past due exposures for three months or more(excluding residential mortgage loans)	30,625	-	30,625	-	45,921	149.95%
17	Past due exposures for three months or more(residential mortgage loans related)	-	-	-	-	-	-
18	Cash items in process of collection	-	-	-	-	-	-
19	Exposures secured by Credit Guarantee Association in Japan	-	-	-	-	-	-
20	Exposures secured by Enterprise Turnaround Initiative Corporation of Japan	-	-	-	-	-	-
21	Equities (excluding significant investments)	251,449	-	251,449	-	251,449	100.00%
22	Total	7,676,371	19,201	7,465,454	15,109	981,349	13.12%



CR5: Standardized approach – exposures by asset classes and risk weights

(Millions of yen)

	Risk weight	Credit risk exposures (post-CCF and post-CRM)					
		0%	10%	20%	35%	50%	75%
Asset classes							
1	Cash	-	-	-	-	-	-
2	Japanese government and central bank	5,295,772	-	-	-	-	-
3	Non-Japanese sovereign and central bank	126,706	-	11	-	25	-
4	Bank for International Settlements (BIS)	-	-	-	-	-	-
5	Japanese local public authorities	18,061	-	-	-	-	-
6	Non-Japanese public sector entities (excluding sovereign)	-	-	690	-	-	-
7	Multilateral Development Banks (MDBs)	12,058	-	-	-	-	-
8	Japan Finance Organization for Municipalities (JFM)	-	10	8,827	-	-	-
9	Japanese government-sponsored entities	-	323,247	18,556	-	-	-
10	Three major local public corporations of Japan	-	-	0	-	-	-
11	Financial institutions and securities firms	-	-	912,956	-	907	-
12	Corporates	-	-	7,853	-	22,796	-
13	SMEs and individuals (risk weight 75% applied)	-	-	-	-	-	-
14	Residential mortgage loans	-	-	-	-	-	-
15	Projects including acquisition of real estate properties	-	-	-	-	-	-
16	Past due exposures for three months or more(excluding residential mortgage loans)	-	-	-	-	16	-
17	Past due exposures for three months or more(residential mortgage loans related)	-	-	-	-	-	-
18	Cash items in process of collection	-	-	-	-	-	-
19	Exposures secured by Credit Guarantee Association in Japan	-	-	-	-	-	-
20	Exposures secured by Enterprise Turnaround Initiative Corporation of Japan	-	-	-	-	-	-
21	Equities (excluding significant investments)	-	-	-	-	-	-
22	Total	5,452,599	323,257	948,894	-	23,746	-

(Millions of yen)

	Risk weight	Credit risk exposures (post-CCF and post-CRM)				
		100%	150%	250%	1250%	Total
1	Cash	-	-	-	-	-
2	Japanese government and central bank	-	-	-	-	5,295,772
3	Non-Japanese sovereign and central bank	0	-	-	-	126,743
4	Bank for International Settlements (BIS)	-	-	-	-	-
5	Japanese local public authorities	-	-	-	-	18,061
6	Non-Japanese public sector entities (excluding sovereign)	1,423	-	-	-	2,113
7	Multilateral Development Banks (MDBs)	-	-	-	-	12,058
8	Japan Finance Organization for Municipalities (JFM)	-	-	-	-	8,837
9	Japanese government-sponsored entities	-	-	-	-	341,803
10	Three major local public corporations of Japan	-	-	-	-	0
11	Financial institutions and securities firms	8,985	-	-	-	922,849
12	Corporates	421,049	-	-	0	451,699
13	SMEs and individuals (risk weight 75% applied)	-	-	-	-	-
14	Residential mortgage loans	-	-	-	-	-
15	Projects including acquisition of real estate properties	18,547	-	-	-	18,547
16	Past due exposures for three months or more(excluding residential mortgage loans)	-	30,608	-	-	30,625
17	Past due exposures for three months or more(residential mortgage loans related)	-	-	-	-	-
18	Cash items in process of collection	-	-	-	-	-
19	Exposures secured by Credit Guarantee Association in Japan	-	-	-	-	-
20	Exposures secured by Enterprise Turnaround Initiative Corporation of Japan	-	-	-	-	-
21	Equities (excluding significant investments)	251,449	-	-	-	251,449
22	Total	701,456	30,608	-	0	7,480,563

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)	221,947	396,848		1.4	866,314	529,115
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)					474,066	241,224
5	VaR for SFTs					-	-
6	Total						770,340

CCR2: Credit valuation adjustment (CVA) capital charge

(Millions of yen)

		EAD post-CRM	RWA
1	Total portfolios subject to the Advanced CVA capital charge	-	-
2	(i) VaR component (including the 3×multiplier)	-	-
3	(ii) Stressed VaR component (including the 3×multiplier)	-	-
4	All portfolios subject to the Standardised CVA capital charge	763,752	475,370
5	Total subject to the CVA capital charge	763,752	475,370

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

(Millions of yen)

	Regulatory portfolio	EAD (post-CRM)			
		Risk weight	0%	10%	20%
1	Japanese government and central bank		1,341	-	-
2	Non-Japanese sovereign and central bank		17,125	-	11,979
3	Bank for International Settlements (BIS)		71,868	-	-
4	Japanese local public authorities		1,020	-	-
5	Non-Japanese public sector entities (excluding sovereign)		-	-	26,899
6	Multilateral Development Banks (MDBs)		4,552	-	-
7	Japan Finance Organization for Municipalities (JFM)		-	-	2,977
8	Japanese government-sponsored entities		-	3,288	9,224
9	Three major local public corporations of Japan		-	-	-
10	Financial institutions and securities firms		-	-	520,691
11	Corporates		-	-	6,601
12	SMEs and individuals (risk weight 75% applied)		-	-	-
13	Other assets		-	-	-
14	Total		95,907	3,288	578,373

(Millions of yen)

	Regulatory portfolio	EAD (post-CRM)			
		Risk weight	50%	75%	100%
1	Japanese government and central bank		-	-	-
2	Non-Japanese sovereign and central bank		40	-	-
3	Bank for International Settlements (BIS)		-	-	-
4	Japanese local public authorities		-	-	-
5	Non-Japanese public sector entities (excluding sovereign)		3,490	-	-
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 and securities firms		377	-	4
11	Corporates		13,040	-	645,856
12	SMEs and individuals (risk weight 75% applied)		-	-	-
13	Other assets		-	-	-
14	Total		16,949	-	645,861

(Millions of yen)

Regulatory portfolio	Risk weight	EAD (post-CRM)		
		150%	Others	Total credit exposure
1	Japanese government and central bank	-	-	1,341
2	Non-Japanese sovereign and central bank	-	-	29,144
3	Bank for International Settlements (BIS)	-	-	71,868
4	Japanese local public authorities	-	-	1,020
5	Non-Japanese public sector entities (excluding sovereign)	-	-	30,390
6	Multilateral Development Banks (MDBs)	-	-	4,552
7	Japan Finance Organization for Municipalities (JFM)	-	-	2,977
8	Japanese government-sponsored entities	-	-	12,513
9	Three major local public corporations of Japan	-	-	-
10	Financial institutions and securities firms	-	-	521,073
11	Corporates	-	-	665,499
12	SMEs and individuals (risk weight 75% applied)	-	-	-
13	Other assets	-	-	-
14	Total	-	-	1,340,381

## 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	28,223	179,352	83,954	236,529	5,767,133	4,283,658
2	Cash - other currencies	28,031	12,685	1,989	16,695	4,272,487	3,548,906
3	Domestic sovereign debt	777	17,690	-	5,785	3,291,785	4,231,164
4	Other sovereign debt	457	-	-	-	3,183,624	3,465,288
5	Government agency debt	1,228	-	-	-	534,613	762,526
6	Corporate bonds	42,023	-	-	-	26,177	122,190
7	Equity securities	15,232	1,983	38,280	37,109	569,946	264,842
8	Other collateral	2,967	-	-	-	36,496	62,090
9	Total	118,942	211,711	124,224	296,119	17,682,264	16,740,668

\* 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	591,144	815,550
2	Index credit default swaps	904,055	687,635
3	Total return swaps	-	-
4	Credit options	-	-
5	Other credit derivatives	-	-
6	Total notionals	1,495,199	1,503,185
	Fair values		
7	Positive fair value (asset)	1,837	26,362
8	Negative fair value (liability)	(28,941)	(6,519)

CCR8: Exposures to central counterparties

(Millions of yen)

		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)		20,081
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	563,770	11,672
3	(i) OTC derivatives	310,627	6,697
4	(ii) Exchange-traded derivatives	81,632	1,632
5	(iii) Securities financing transactions	171,510	3,342
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	125,902	
8	Non-segregated initial margin	15,135	300
9	Pre-funded default fund contributions	42,119	8,108
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	195,904	-	195,904
2	residential mortgage	121,220	-	121,220
3	credit card	-	-	-
4	other retail exposures	74,684	-	74,684
5	re-securitization	-	-	-
6	Wholesale (total) - of which	429,890	-	429,890
7	loans to corporates	429,701	-	429,701
8	commercial mortgage	-	-	-
9	lease and receivables	-	-	-
10	other wholesale	189	-	189
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	1,121	-	1,121
2	residential mortgage	1,121	-	1,121
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				
		Traditional securitization	Of which securitization			
			Of which retail underlying	Of which wholesale		
Exposure values (by RW bands)						
1	≤20% RW	621,526	621,526	621,526	191,824	429,701
2	>20% to 50% RW	500	500	500	500	-
3	>50% to 100% RW	3,580	3,580	3,580	3,580	-
4	>100% to <1250% RW	-	-	-	-	-
5	1250% RW	189	189	189	-	189
Exposure values (by regulatory approach)						
6	Of which internal ratings-based approach (SEC-IRBA) or internal assessment approach (IAA)	-	-	-	-	-
7	Of which external ratings-based approach (SEC-ERBA)	625,606	625,606	625,606	195,904	429,701
8	Of which standardised approach (SEC-SA)	-	-	-	-	-
9	Of which 1250% risk weight applied	189	189	189	-	189
RWA (by regulatory approach)						
10	Of which internal ratings-based approach (SEC-IRBA) or internal assessment approach (IAA)	-	-	-	-	-
11	Of which external ratings-based approach (SEC-ERBA)	125,850	125,850	125,850	39,910	85,940
12	Of which standardised approach (SEC-SA)	-	-	-	-	-
13	Of which 1250% risk weight applied	2,362	2,362	2,362	-	2,362
Capital charge after cap						
14	Of which internal ratings-based approach (SEC-IRBA) or internal assessment approach (IAA)	-	-	-	-	-
15	Of which external ratings-based approach (SEC-ERBA)	10,068	10,068	10,068	3,192	6,875
16	Of which standardised approach (SEC-SA)	-	-	-	-	-
17	Of which 1250% risk weight applied	189	189	189	-	189

(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) or internal assessment approach (IAA)	-	-	-	-	-
7	Of which external ratings-based approach (SEC-ERBA)	-	-	-	-	-
8	Of which standardised approach (SEC-SA)	-	-	-	-	-
9	Of which 1250% risk weight applied	-	-	-	-	-
RWA (by regulatory approach)						
10	Of which internal ratings-based approach (SEC-IRBA) or internal assessment approach (IAA)	-	-	-	-	-
11	Of which external ratings-based approach (SEC-ERBA)	-	-	-	-	-
12	Of which standardised approach (SEC-SA)	-	-	-	-	-
13	Of which 1250% risk weight applied	-	-	-	-	-
Capital charge after cap						
14	Of which internal ratings-based approach (SEC-IRBA) or internal assessment approach (IAA)	-	-	-	-	-
15	Of which external ratings-based approach (SEC-ERBA)	-	-	-	-	-
16	Of which standardised 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	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) or internal assessment approach (IAA)	-	-	-	-	-
7	Of which external ratings-based approach (SEC-ERBA)	-	-	-	-	-
8	Of which standardised approach (SEC-SA)	-	-	-	-	-
9	Of which 1250% risk weight applied	-	-	-	-	-
RWA (by regulatory approach)						
10	Of which internal ratings-based approach (SEC-IRBA) or internal assessment approach (IAA)	-	-	-	-	-
11	Of which external ratings-based approach (SEC-ERBA)	-	-	-	-	-
12	Of which standardised approach (SEC-SA)	-	-	-	-	-
13	Of which 1250% risk weight applied	-	-	-	-	-
Capital charge after cap						
14	Of which internal ratings-based approach (SEC-IRBA) or internal assessment approach (IAA)	-	-	-	-	-
15	Of which external ratings-based approach (SEC-ERBA)	-	-	-	-	-
16	Of which standardised approach (SEC-SA)	-	-	-	-	-
17	Of which 1250% risk weight applied	-	-	-	-	-

MR1 : Market risk under standardized approach

(Millions of yen)

		RWA
1	Interest rate risk (general and specific)	712,082
2	Equity risk (general and specific)	186,072
3	Foreign exchange risk	111,775
4	Commodity risk	-
	Options	
5	Simplified approach	-
6	Delta-plus method	-
7	Scenario approach	-
8	Securitization	10,122
9	Total	1,020,052

MR2 : RWA flow statements of market risk exposures under an IMA

(Millions of yen)

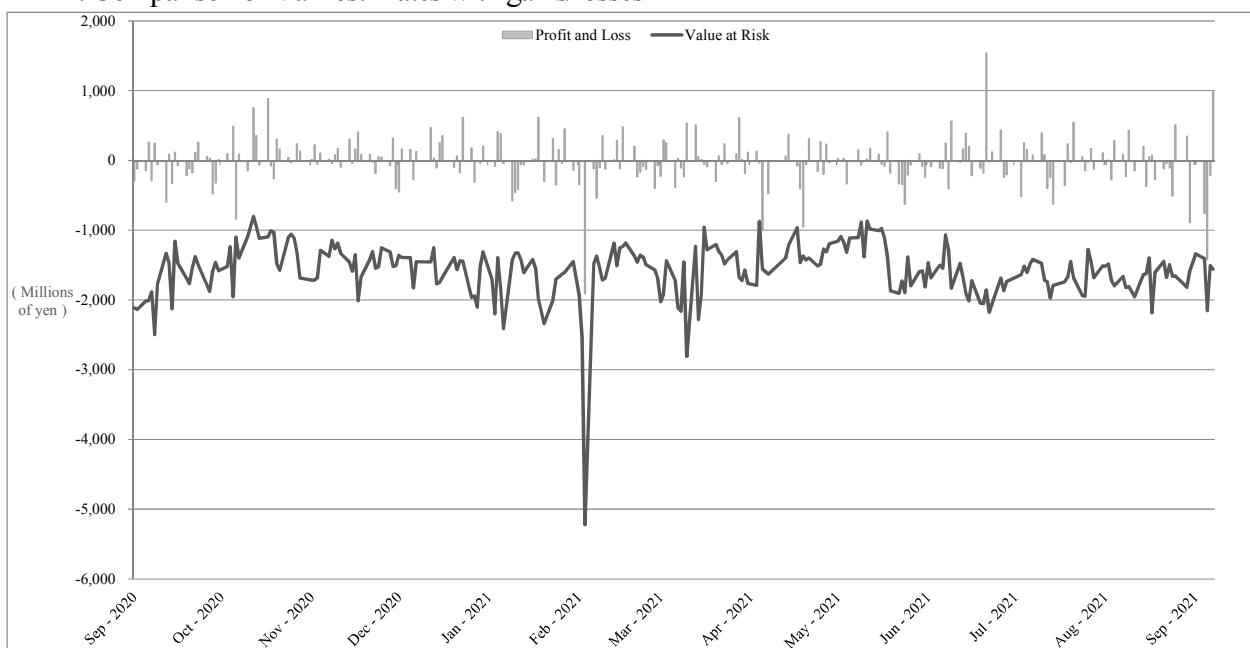
		VaR	Stressed VaR	IRC	CRM	Other	Total RWA
1a	RWA at previous quarter-end	162,118	300,190	-	-		462,309
1b	Adjustments to RWA based on the regulatory consolidated capital at previous quarter-end	2.14	2.35	-	-		2.27
1c	Amounts of IMA at previous quarter-end	75,727	127,479	-	-		203,207
2	Change in reporting period	Movement in risk levels	(14,988)	(19,656)	-	-	(34,644)
3		Model updates/changes	-	-	-	-	-
4		Methodology and policy	-	-	-	-	-
5		Acquisitions and disposals	-	-	-	-	-
6		Foreign exchange movements	-	-	-	-	-
7	Other	-	-	-	-	-	-
8a	Amounts of IMA at end of reporting period	60,739	107,823	-	-		168,562
8b	Adjustments to RWA based on the regulatory consolidated capital at end of reporting period	3.23	2.84	-	-		2.98
8c	RWA at end of reporting period	196,666	307,056	-	-		503,722

## MR3 : IMA values for trading portfolios

(Millions of yen)

	VaR (10 day 99%) –	
1	Maximum value	20,204
2	Average value	4,177
3	Minimum value	1,500
4	Period end	4,859
	Stressed VaR (10 day 99%)	
5	Maximum value	16,136
6	Average value	6,510
7	Minimum value	1,980
8	Period end	8,625
	Incremental Risk Charge (99.9%)	
9	Maximum value	-
10	Average value	-
11	Minimum value	-
12	Period end	-
	Comprehensive Risk capital charge (99.9%)	
13	Maximum value	-
14	Average value	-
15	Minimum value	-
16	Period end	-
17	Floor (standardised measurement method)	-

#### MR4: Comparison of VaR estimates with gains/losses



#### IRRBB1 : Quantitative information on IRRBB

(Millions of yen)

		$\Delta$ EVE	
		September 2021	September 2020
1	Parallel up	3,339	4,277
2	Parallel down	19,576	21,436
3	Steepener	1,447	562
4	Flattener	388	644
5	Short rate up	1,158	2,065
6	Short rate down	12,274	12,782
7	Maximum	19,576	21,436
8	Tier 1 capital	1,314,659	1,162,574

$\Delta$ NI 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 capital buffer	Bank-specific countercyclical capital buffer rate	Countercyclical buffer amount
Hong Kong SAR	1.00%	15,473		
Luxembourg	0.50%	1,840		
Sum		17,314		
Total		3,324,526	0.00%	321

\* 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

(Millions of yen, %)

Basel III template number (2)	Basel III template number (1)	Items	September 2021	September 2020
On-balance sheet exposures			(1)	
1		On-balance sheet items before adjustments	11,256,916	11,866,680
1a	1	Total assets in the consolidated balance sheet	21,446,862	21,934,491
1b	2	Total assets held by group companies which are not included in the scope of the consolidated leverage ratio	-	-
1c	7	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)	1,867	12,365
1d	3	Assets other than the adjustments that are excluded from the total assets in the consolidated balance sheet	10,191,813	10,080,176
2	7	Tier 1 capital: regulatory adjustments	189,415	202,818
3		Total on-balance sheet exposures (excluding derivatives and SFTs) (A)	11,067,501	11,663,862
Derivative exposures			(2)	
4		Replacement cost associated with all derivatives transactions (with the 1.4 alpha factor applied)	459,256	481,299
5		Add-on amounts for PFE associated with all derivatives transactions (with the 1.4 alpha factor applied)	808,356	619,133
6		Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-
7		Deductions of receivables assets for cash variation margin provided in derivatives transactions	64,957	89,461
8		Exempted CCP leg of client-cleared trade exposures		
9		Adjusted effective notional amount of written credit derivatives	1,503,185	1,309,134
10		Adjusted effective notional offsets and add-on deductions for written credit derivatives	1,206,774	965,198
11	4	Total derivative exposures (B)	1,499,066	1,354,907
Securities financing transaction exposures			(3)	
12		Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	8,806,037	7,541,687
13		Netted amounts of cash payables and cash receivables of gross SFT assets	3,402,918	2,411,994
14		CCR exposure for SFT assets	171,028	157,217
15		Agent transaction exposures		
16	5	Total securities financing transaction exposures (C)	5,574,147	5,286,910
Other off-balance sheet exposures			(4)	
17		Off-balance sheet exposure at gross notional amount	167,071	209,798
18		Adjustments for conversion to credit equivalent amounts	68,020	79,280
19	6	Off-balance sheet items (D)	99,051	130,518
Capital and total exposures			(5)	
20		Tier 1 capital (E)	1,314,659	1,162,574
21	8	Total exposures (A)+(B)+(C)+(D) (F)	18,239,765	18,436,197
22		Leverage ratio on a consolidated basis (E) / (F)	7.20%	6.30%
Leverage ratio (including amount of the central bank reserves)			(6)	
		Total exposures (F)	18,239,765	18,436,197
		Amount of the central bank reserves	4,063,944	3,649,118
		Total exposures (including amount of the central bank reserves) (F')	22,303,709	22,085,315
		Leverage ratio (including amount of the central bank reserves) (E) / (F')	5.89%	5.26%

### 2. Reasons for significant differences in the consolidated leverage ratio over previous year

There was a significant difference in the consolidated leverage ratio over previous year. The reason of the difference is due to increase of “Tier 1 capital” by 152,085 million yen. Increase in Tier 1 capital is due to increase in “Common Equity Tier 1 capital” and “Additional Tier 1 capital” by 114,546 million yen and 37,539 million yen respectfully.

## 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	1,260,655 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	88 million Yen	116 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	110 million Yen	187 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	244 million Yen	336 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 series 9
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	394 million Yen	866 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 12, 2013
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 2014	Stock subscription right series 10
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	335 million Yen	1,043 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 10, 2014	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 series 11
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	361 million Yen	910 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 9, 2015
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 2016	Stock subscription right series 12
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	366 million Yen	457 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 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 issued in February 2017	Stock subscription right series 13
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	393 million Yen	832 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, 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 issued in February 2018	Stock subscription right series 14
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	429 million Yen	757 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	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 15	Stock subscription right series 16
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	501 million Yen	202 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 10, 2018	August 15, 2019
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 17	Stock subscription right series 18
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	141 million Yen	16 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 17, 2020	August 13, 2021
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 Office Investment Corporation	Samty Residential Investment Corporation
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	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 40,616 million Yen Tier 2 capital 9,556million Yen	Additional Tier 1 capital 7,904 million Yen Tier 2 capital 1,859 million 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	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)	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	124,700 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 Tier1 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 Tier1 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 Tier1 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 Tier1 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	—	—