

January 30, 2023

Daiwa Securities Group Inc.

Report Regarding Consolidated Capital Adequacy Ratio
and Consolidated Leverage Ratio
Situation of Soundness in Management as of September 30, 2022

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, 2022.

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Key Metrics (at consolidated group level)

KM1: Key metrics

(Millions of yen , %)

Basel III template number		September 2022	June 2022	March 2022	December 2021	September 2021
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	1,258,098	1,246,566	1,189,895	1,166,908	1,148,768
2	Tier 1	1,444,447	1,431,727	1,360,623	1,337,697	1,314,659
3	Total capital	1,444,798	1,437,718	1,360,623	1,337,697	1,314,659
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	6,991,976	7,034,021	6,879,435	6,800,516	6,514,283
Capital ratio						
5	CET1 ratio (%)	17.99%	17.72%	17.29%	17.15%	17.63%
6	Tier 1 ratio (%)	20.65%	20.35%	19.77%	19.67%	20.18%
7	Total capital ratio (%)	20.66%	20.43%	19.77%	19.67%	20.18%
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 (%)	12.66%	12.43%	11.77%	11.67%	12.18%
Leverage ratio						
13	Total leverage ratio exposure measure	25,769,677	22,721,653	20,641,305	19,588,138	18,239,765
14	Leverage ratio (%) including the impact of any applicable temporary exemption of central bank reserves	5.60%	6.30%	6.59%	6.82%	7.20%

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	1,270,397	
1a	Common stock and capital surplus	477,755	(i),(j)
2	Retained earnings	870,263	(k)
1c	Treasury stock (Δ)	61,449	(l),(m)
26	Planned distributions (Δ)	16,172	
	Others	-	
1b	Stock subscription rights	8,561	(p)
3	Accumulated other comprehensive income (and other reserves)	142,339	(o)
5	Minority interest after adjustments	-	
6	Common Equity Tier 1 capital before regulatory adjustments	(a) 1,421,298	
Common Equity Tier 1 capital: regulatory adjustments		(2)	
8+9	Intangible assets other than mortgage-servicing rights (net of related tax liability)	154,024	
8	Goodwill (net of related tax liability)	50,786	(e),(g)
9	Other intangibles other than mortgage-servicing rights(net of related tax liability)	103,237	(f)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	340	(d),(h)
11	Cash-flow hedge reserve	(2,788)	(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	688	
15	Defined-benefit pension fund net assets	-	
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	222	(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)	10,713	(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) 163,200	
Common Equity Tier 1 capital			
29	Common Equity Tier 1 capital (CET1) ((a) - (b))	(c) 1,258,098	

(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	149,400	
	Instruments issued by Special Purpose Companies	-	
34-35	Minority interest after adjustments	38,710	(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) 188,110	
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)	1,761	(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	-	
43	Total regulatory adjustments to Additional Tier 1 capital	(e) 1,761	
Additional Tier 1 capital			
44	Additional Tier 1 capital ((d) - (e))	(f) 186,348	
Tier 1 capital			
45	Tier 1 capital ((c) + (f))	(g) 1,444,447	
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	9,108	(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) 9,108	

(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)	7,644	(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)	1,112	
57	Total regulatory adjustments to Tier 2 capital (i)	8,757	
Tier 2 capital			
58	Tier 2 capital ((h) - (i)) (j)	350	
Total capital			
59	Total capital ((g) + (j)) (k)	1,444,798	
Risk-weighted assets (5)			
60	Total risk-weighted assets (l)	6,991,976	
Consolidated capital adequacy ratio			
61	Common Equity Tier 1 (as a percentage of risk-weighted assets) ((c) / (l))	17.99%	
62	Tier 1 (as a percentage of risk-weighted assets) ((g) / (l))	20.65%	
63	Total capital (as a percentage of risk-weighted assets) ((k) / (l))	20.66%	
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	12.66%	
Amounts below the thresholds for deduction (before risk weighting) (6)			
72	Non-significant investments in the capital of other financials	126,881	(a),(b),(c),(g)
73	Significant investments in the common stock of financials	87,355	(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)	11,378	(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	-	
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: 138 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 Securities SMBC Principal Investments Co. Ltd.	Investment businesses	1,884	1,875
Daiwa Investor Relations Co. Ltd.	Research and consulting regarding corporate management policy, finance policy, shareholder policy, corporate image, and IR activities	616	392
DMS Ltd.	Information services	174	159
	Market research and consulting services		
Asian Energy Investments Pte., Ltd.	Investment management businesses	84	83
	Investment advisory and agency businesses		
Daiwa ACA HealthCare Inc.	Investment funds management businesses	349	319
	Asset management businesses		
	Real estate businesses		
Daiwa Corporate Investment Asia Ltd.	Investment businesses	141	126
ILC inc.	Investment management businesses	54	(78)
	Investment advisory and agency businesses		
Daiwa Asset Management (H.K.) Limited	Investment management businesses	410	175
	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. 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	3,964,637	3,967,494	
Cash segregated as deposits	604,671	604,671	
Notes and accounts receivable-trade	21,015	21,015	
Short-term investment securities (a)	1,097,457	1,097,457	8, 18, 39, 54, 72, 73
Trading products (b)	11,394,506	11,394,506	16, 18, 39, 54, 72, 73
Trading date accrual	-	-	
Operational investment securities (c)	141,712	141,712	18, 39, 54, 72, 73
Allowance for investment loss	(271)	(271)	
Operating loans	1,963,059	1,963,059	
Work in process	1,032	1,032	
Margin transaction assets	171,075	171,075	
Loans secured by securities	9,131,630	9,131,630	
Advances paid	26,461	26,461	
Short-term loans receivable	826	826	
Accrued income	50,750	50,750	
Deferred tax assets (d)	-	-	10, 75
Other current assets	1,352,497	1,352,919	
Allowance for doubtful accounts	(8,715)	(8,715)	
Total current assets	29,912,347	29,915,627	
Noncurrent assets			
Property, plant and equipment	924,124	924,361	
Intangible assets	121,594	121,642	
Goodwill (e)	19,748	19,748	8
Others (f)	101,846	101,894	9
Investments and other assets	503,409	501,851	
Investment securities (g)	460,731	459,111	8, 18, 39, 54, 72, 73
Deferred tax assets (h)	11,716	11,718	10, 75
Others	30,962	31,021	
Total noncurrent assets	1,549,128	1,547,857	
Total deferred charges	-	-	
Total assets	31,461,475	31,463,483	

(Millions of yen)

	Balance sheets as in published statements	Under regulatory scope of consolidation	Cross-referenced to CC1
Liabilities			
Current liabilities			
Notes and accounts payable-trade	6,733	6,733	
Trading products	6,304,799	6,304,799	
Trading date accrual	882,325	882,325	
Margin transaction liabilities	64,272	64,272	
Loans payable secured by securities	12,097,340	12,097,340	
Deposits from banking business	4,126,220	4,126,220	
Deposits received	622,780	622,787	
Guarantee deposits received	486,851	486,851	
Short-term loans payable	1,054,553	1,054,653	
Commercial paper	166,300	166,300	
Current portion of bonds	494,409	494,409	
Income taxes payable	7,188	7,199	
Deferred tax liabilities	-	-	
Provision for bonuses	22,179	22,179	
Other current liabilities	242,902	243,110	
Noncurrent liabilities			
Bonds payable	1,415,880	1,415,880	
Long-term loans payable	1,619,465	1,619,465	
Deferred tax liabilities	43,925	43,925	
Net defined benefit liabilities	44,457	44,457	
Provision for loss on litigation	127	127	
Negative goodwill	-	-	
Other noncurrent liabilities	57,613	57,949	
Reserves under the special laws	3,720	3,720	
Total liabilities	29,764,047	29,764,710	
Net assets			
Shareholders' equity			
Common stock (i)	247,397	247,397	1a
Capital surplus (j)	230,358	230,358	1a
Retained earnings (k)	869,909	870,262	2
Treasury stock (l)	(61,451)	(61,451)	1c
Advances on subscription of treasury stock (m)	1	1	1c
Total shareholders' equity	1,286,215	1,286,568	
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	21,137	21,137	
Deferred gains or losses on hedges (n)	22,196	22,196	11
Foreign currency translation adjustment	98,915	99,005	
Total accumulated other comprehensive income (o)	142,249	142,339	3
Subscription rights to shares (p)	8,561	8,561	1b
Minority interests (q)	260,401	261,301	34-35, 48-49
Total net assets	1,697,428	1,698,772	

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)	595,874
Equity investments in funds (mandate-based approach)	23,093
Equity investments in funds (subject to 250% risk weight)	13,695
Equity investments in funds (subject to 400% risk weight)	-
Equity investments in funds (fall-back approach)	595
Total	633,258

3. Other quantitative disclosures

OV1: Overview of RWA

(Millions of yen)

Basel III template number		RWA		Minimum capital requirements	
		September 2022	September 2021	September 2022	September 2021
1	Credit risk (excluding counterparty credit risk) (CCR)	2,220,601	2,232,300	177,648	178,584
2	Of which standardized approach (SA)	1,062,025	1,314,986	84,962	105,198
3	Of which internal rating-based (IRB) approach	-	-	-	-
	Of which significant investments	-	-	-	-
	Of which exposures for estimated residual value of lease	-	-	-	-
	Others	1,158,576	917,313	92,686	73,385
4	Counterparty credit risk	1,510,464	1,148,241	120,837	91,859
5	Of which standardized approach for counterparty credit risk (SA-CCR)	590,037	428,541	47,203	34,283
6	Of which internal model method (IMM)	-	-	-	-
	Of which credit valuation adjustment (CVA) risk	573,420	451,257	45,873	36,100
	Of which exposures to central counterparties (CCPs)	42,582	27,218	3,406	2,177
	Others	304,423	241,224	24,353	19,297
7	Equity positions under market-based approach	-	-	-	-
8	Equity investments in funds (look-through approach)	311,583	301,803	24,926	24,144
9	Equity investments in funds (mandate-based approach)	22,646	28,556	1,811	2,284
	Equity investments in funds (subject to 250% risk weight)	34,237	31,960	2,739	2,556
	Equity investments in funds (subject to 400% risk weight)	-	-	-	-
10	Equity investments in funds (fall-back approach)	7,445	4,677	595	374
11	Settlement risk	103	4	8	0
12	Securitization exposures in banking book	160,149	125,850	12,811	10,068
13	Of which internal ratings-based approach (SEC-IRBA) or internal assessment approach (IAA)	-	-	-	-
14	Of which external ratings-based approach (SEC-ERBA)	160,149	-	12,811	-
15	Of which standardized approach (SEC-SA)	-	-	-	-
	Of which 1250% risk weight applied	-	-	-	-
16	Market risk	1,454,372	1,523,775	116,349	121,902
17	Of which standardized approach (SA)	760,769	1,020,052	60,861	81,604
18	Of which internal model approaches (IMM)	693,603	503,722	55,488	40,297
19	Operational risk	1,023,317	979,678	81,865	78,374
20	Of which basic indicator approach	1,023,317	979,678	81,865	78,374
21	Of which standardized approach	-	-	-	-
22	Of which advanced measurement approach	-	-	-	-
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	247,055	203,176	19,764	16,254
	Amounts included in risk weighted asset due to transitional arrangements	-	-	-	-
24	Floor adjustment	-	-	-	-
25	Total	6,991,976	6,580,026	559,358	526,402

(Millions of yen)

Basel III template number		RWA		Minimum capital requirements	
		September 2022	June 2022	September 2022	June 2022
1	Credit risk (excluding counterparty credit risk) (CCR)	2,220,601	2,166,067	177,648	173,285
2	Of which standardized approach (SA)	1,062,025	1,034,825	84,962	82,786
3	Of which internal rating-based (IRB) approach	-	-	-	-
	Of which significant investments	-	-	-	-
	Of which exposures for estimated residual value of lease	-	-	-	-
	Others	1,158,576	1,131,241	92,686	90,499
4	Counterparty credit risk	1,510,464	1,448,322	120,837	115,865
5	Of which standardized approach for counterparty credit risk (SA-CCR)	590,037	578,181	47,203	46,254
6	Of which internal model method (IMM)	-	-	-	-
	Of which credit valuation adjustment (CVA) risk	573,420	565,819	45,873	45,265
	Of which exposures to central counterparties (CCPs)	42,582	35,369	3,406	2,829
	Others	304,423	268,951	24,353	21,516
7	Equity positions under market-based approach	-	-	-	-
8	Equity investments in funds (look-through approach)	311,583	319,058	24,926	25,524
9	Equity investments in funds (mandate-based approach)	22,646	30,500	1,811	2,440
	Equity investments in funds (subject to 250% risk weight)	34,237	36,488	2,739	2,919
	Equity investments in funds (subject to 400% risk weight)	-	-	-	-
10	Equity investments in funds (fall-back approach)	7,445	8,271	595	661
11	Settlement risk	103	5	8	-
12	Securitization exposures in banking book	160,149	154,912	12,811	12,393
13	Of which internal ratings-based approach (SEC-IRBA) or internal assessment approach (IAA)	-	-	-	-
14	Of which external ratings-based approach (SEC-ERBA)	160,149	154,912	12,811	12,393
15	Of which standardized approach (SEC-SA)	-	-	-	-
	Of which 1250% risk weight applied	-	-	-	-
16	Market risk	1,454,372	1,647,869	116,349	131,829
17	Of which standardized approach (SA)	760,769	830,050	60,861	66,404
18	Of which internal model approaches (IMM)	693,603	817,819	55,488	65,425
19	Operational risk	1,023,317	1,002,639	81,865	80,211
20	Of which basic indicator approach	1,023,317	1,002,639	81,865	80,211
21	Of which standardized approach	-	-	-	-
22	Of which advanced measurement approach	-	-	-	-
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	247,055	219,885	19,764	17,590
	Amounts included in risk weighted asset due to transitional arrangements	-	-	-	-
24	Floor adjustment	-	-	-	-
25	Total	6,991,976	7,034,021	559,358	562,721

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	263	1,253,462	12,521	1,241,203
2	Debt securities	-	852,123	-	852,123
3	Other on-balance sheet assets (debt products)	27,882	4,092,340	2,243	4,117,979
4	Sub-total on-balance sheet assets (1+2+3)	28,146	6,197,926	14,765	6,211,307
	Off-balance sheet assets				
5	Acceptances and guarantees	-	29,903	-	29,903
6	Commitments	-	-	-	-
7	Sub-total off-balance sheet assets (5+6)	-	29,903	-	29,903
	Total				
8	Total (4+7)	28,146	6,227,830	14,765	6,241,210

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: March 2022 Current reporting period end: September 2022	Amounts
1	Defaulted loans and debt securities at end of previous reporting period	30,168
2	Loans and debt securities that have defaulted since the last reporting period	-
3	Changes in loans and debt securities during the reporting period	-
4	Returned to non-defaulted status	-
5	Amounts written off	-
5	Other changes ¹	(2,022)
6	Defaulted loans and debt securities at end of reporting period (1+2-3-4+5)	28,146

* 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	990,619	250,584	250,584	-	-
2	Debt securities	852,123	-	-	-	-
3	Other on-balance sheet assets (debt products)	4,117,964	15	15	-	-
4	Total (1+2+3)	5,960,707	250,599	250,599	-	-
5	Of which defaulted	27,986	-	-	-	-

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	4,132,275	-	4,132,275	-	-	0.00%
3	Non-Japanese sovereign and central bank	130,844	-	130,844	-	21	0.02%
4	Bank for International Settlements (BIS)	-	-	-	-	-	-
5	Japanese local public authorities	16,953	-	16,953	-	-	0.00%
6	Non-Japanese public sector entities (excluding sovereign)	2,122	-	2,122	-	480	22.66%
7	Multilateral Development Banks (MDBs)	3,575	-	3,575	-	-	0.00%
8	Japan Finance Organization for Municipalities (JFM)	8,414	-	8,414	-	1,682	20.00%
9	Japanese government-sponsored entities	470,259	-	470,259	-	50,202	10.68%
10	Three major local public corporations of Japan	1	-	1	-	0	20.00%
11	Financial institutions and securities firms	1,217,062	91	1,217,062	91	247,673	20.35%
12	Corporates	646,136	39,564	395,536	35,804	398,528	92.39%
13	SMEs and individuals (risk weight 75% applied)	-	-	-	-	-	-
14	Residential mortgage loans	-	-	-	-	-	-
15	Projects including acquisition of real estate properties	13,443	272	13,443	272	13,716	100.00%
16	Past due exposures for three months or more(excluding residential mortgage loans)	27,986	-	27,986	-	41,978	149.99%
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)	304,310	6,860	304,310	3,430	307,740	100.00%
22	Total	6,973,384	46,788	6,722,784	39,598	1,062,025	15.70%

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	4,132,275	-	-	-	-	-
3	Non-Japanese sovereign and central bank	130,800	-	2	-	41	-
4	Bank for International Settlements (BIS)	-	-	-	-	-	-
5	Japanese local public authorities	16,953	-	-	-	-	-
6	Non-Japanese public sector entities (excluding sovereign)	-	-	2,051	-	-	-
7	Multilateral Development Banks (MDBs)	3,575	-	-	-	-	-
8	Japan Finance Organization for Municipalities (JFM)	-	2	8,411	-	-	-
9	Japanese government-sponsored entities	-	438,489	31,769	-	-	-
10	Three major local public corporations of Japan	-	-	1	-	-	-
11	Financial institutions and securities firms	-	-	1,211,280	-	912	-
12	Corporates	-	-	11,428	-	47,340	-
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)	-	-	-	-	1	-
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	4,283,604	438,492	1,264,945	-	48,296	-

(Millions of yen)

	Risk weight	Credit risk exposures (post-CCF and post-CRM)				
		100%	150%	250%	1250%	Total
Asset classes						
1	Cash	-	-	-	-	-
2	Japanese government and central bank	-	-	-	-	4,132,275
3	Non-Japanese sovereign and central bank	0	-	-	-	130,844
4	Bank for International Settlements (BIS)	-	-	-	-	-
5	Japanese local public authorities	-	-	-	-	16,953
6	Non-Japanese public sector entities (excluding sovereign)	70	-	-	-	2,122
7	Multilateral Development Banks (MDBs)	-	-	-	-	3,575
8	Japan Finance Organization for Municipalities (JFM)	-	-	-	-	8,414
9	Japanese government-sponsored entities	-	-	-	-	470,259
10	Three major local public corporations of Japan	-	-	-	-	1
11	Financial institutions and securities firms	4,961	-	-	-	1,217,154
12	Corporates	372,572	-	-	-	431,341
13	SMEs and individuals (risk weight 75% applied)	-	-	-	-	-
14	Residential mortgage loans	-	-	-	-	-
15	Projects including acquisition of real estate properties	13,716	-	-	-	13,716
16	Past due exposures for three months or more(excluding residential mortgage loans)	-	27,984	-	-	27,986
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)	307,740	-	-	-	307,740
22	Total	699,061	27,984	-	-	6,762,383

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)	300,695	497,341		1.4	1,117,251	590,037
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)					1,116,266	304,423
5	VaR for SFTs					-	-
6	Total						894,461

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 standardized CVA capital charge	1,016,960	573,420
5	Total subject to the CVA capital charge	1,016,960	573,420

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

(Millions of yen)

		EAD (post-CRM)		
		0%	10%	20%
Regulatory portfolio		Risk weight		
1	Japanese government and central bank	551,490	-	-
2	Non-Japanese sovereign and central bank	20,579	-	13,914
3	Bank for International Settlements (BIS)	59,086	-	-
4	Japanese local public authorities	3,431	-	-
5	Non-Japanese public sector entities (excluding sovereign)	-	-	35,345
6	Multilateral Development Banks (MDBs)	11,779	-	-
7	Japan Finance Organization for Municipalities (JFM)	-	-	2,614
8	Japanese government-sponsored entities	-	12,574	7,332
9	Three major local public corporations of Japan	-	-	-
10	Financial institutions and securities firms	-	-	764,514
11	Corporates	-	-	15,465
12	SMEs and individuals (risk weight 75% applied)	-	-	-
13	Other assets	-	-	-
14	Total	646,367	12,574	839,186

(Millions of yen)

		EAD (post-CRM)		
		50%	75%	100%
Regulatory portfolio		Risk weight		
1	Japanese government and central bank	-	-	-
2	Non-Japanese sovereign and central bank	386	-	-
3	Bank for International Settlements (BIS)	-	-	-
4	Japanese local public authorities	-	-	-
5	Non-Japanese public sector entities (excluding sovereign)	3,187	-	-
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	121	-	-
11	Corporates	16,394	-	715,253
12	SMEs and individuals (risk weight 75% applied)	-	-	-
13	Other assets	-	-	-
14	Total	20,089	-	715,253

(Millions of yen)

Regulatory portfolio	Risk weight	EAD (post-CRM)		
		150%	Others	Total credit exposure
1	Japanese government and central bank	-	-	551,490
2	Non-Japanese sovereign and central bank	-	-	34,880
3	Bank for International Settlements (BIS)	-	-	59,086
4	Japanese local public authorities	-	-	3,431
5	Non-Japanese public sector entities (excluding sovereign)	-	-	38,532
6	Multilateral Development Banks (MDBs)	-	-	11,779
7	Japan Finance Organization for Municipalities (JFM)	-	-	2,614
8	Japanese government-sponsored entities	-	-	19,907
9	Three major local public corporations of Japan	-	-	-
10	Financial institutions and securities firms	-	-	764,636
11	Corporates	45	-	747,159
12	SMEs and individuals (risk weight 75% applied)	-	-	-
13	Other assets	-	-	-
14	Total	45	-	2,233,518

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	39,493	236,044	117,832	505,644	6,986,522	4,935,474
2	Cash - other currencies	10,779	80,248	-	36,096	7,778,462	6,437,346
3	Domestic sovereign debt	112,928	49,460	154,496	7,331	3,843,640	6,492,990
4	Other sovereign debt	2,756	-	-	-	5,728,827	6,616,402
5	Government agency debt	2,177	-	-	-	721,835	1,261,577
6	Corporate bonds	62,101	-	-	-	37,496	92,694
7	Equity securities	21,144	1,619	-	165,857	622,611	355,095
8	Other collateral	2,754	-	-	-	49,798	871,904
9	Total	254,135	367,373	272,328	714,928	25,769,196	27,063,485

* 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	530,605	905,402
2	Index credit default swaps	850,205	817,957
3	Total return swaps	-	-
4	Credit options	-	-
5	Other credit derivatives	870	870
6	Total notionals	1,381,681	1,724,229
	Fair values		
7	Positive fair value (asset)	12,414	7,775
8	Negative fair value (liability)	(5,681)	(30,952)

CCR8: Exposures to central counterparties

(Millions of yen)

		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)		42,582
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1,086,646	21,484
3	(i) OTC derivatives	360,378	7,207
4	(ii) Exchange-traded derivatives	412,997	8,259
5	(iii) Securities financing transactions	313,270	6,016
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	147,632	
8	Non-segregated initial margin	35,840	716
9	Pre-funded default fund contributions	49,534	20,381
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	260,081	-	260,081
2	residential mortgage	144,152	-	144,152
3	credit card	-	-	-
4	other retail exposures	115,928	-	115,928
5	re-securitization	-	-	-
6	Wholesale (total) - of which	543,053	-	543,053
7	loans to corporates	543,053	-	543,053
8	commercial mortgage	-	-	-
9	lease and receivables	-	-	-
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	896	-	896
2	residential mortgage	896	-	896
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	
					Of which retail underlying	Of which wholesale
Exposure values (by RW bands)						
1	≤20% RW	800,759	800,759	800,759	257,706	543,053
2	>20% to 50% RW	500	500	500	500	-
3	>50% to 100% RW	1,874	1,874	1,874	1,874	-
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)	803,134	803,134	803,134	260,081	543,053
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) or internal assessment approach (IAA)	-	-	-	-	-
11	Of which external ratings-based approach (SEC-ERBA)	160,149	160,149	160,149	51,539	108,610
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) or internal assessment approach (IAA)	-	-	-	-	-
15	Of which external ratings-based approach (SEC-ERBA)	12,811	12,811	12,811	4,123	8,688
16	Of which standardized approach (SEC-SA)	-	-	-	-	-
17	Of which 1250% risk weight applied	-	-	-	-	-

(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 standardized 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 standardized 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 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	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 standardized 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 standardized 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 standardized 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)	467,430
2	Equity risk (general and specific)	122,288
3	Foreign exchange risk	162,634
4	Commodity risk	1,105
	Options	
5	Simplified approach	-
6	Delta-plus method	-
7	Scenario approach	-
8	Securitization	7,309
9	Total	760,769

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

(Millions of yen)

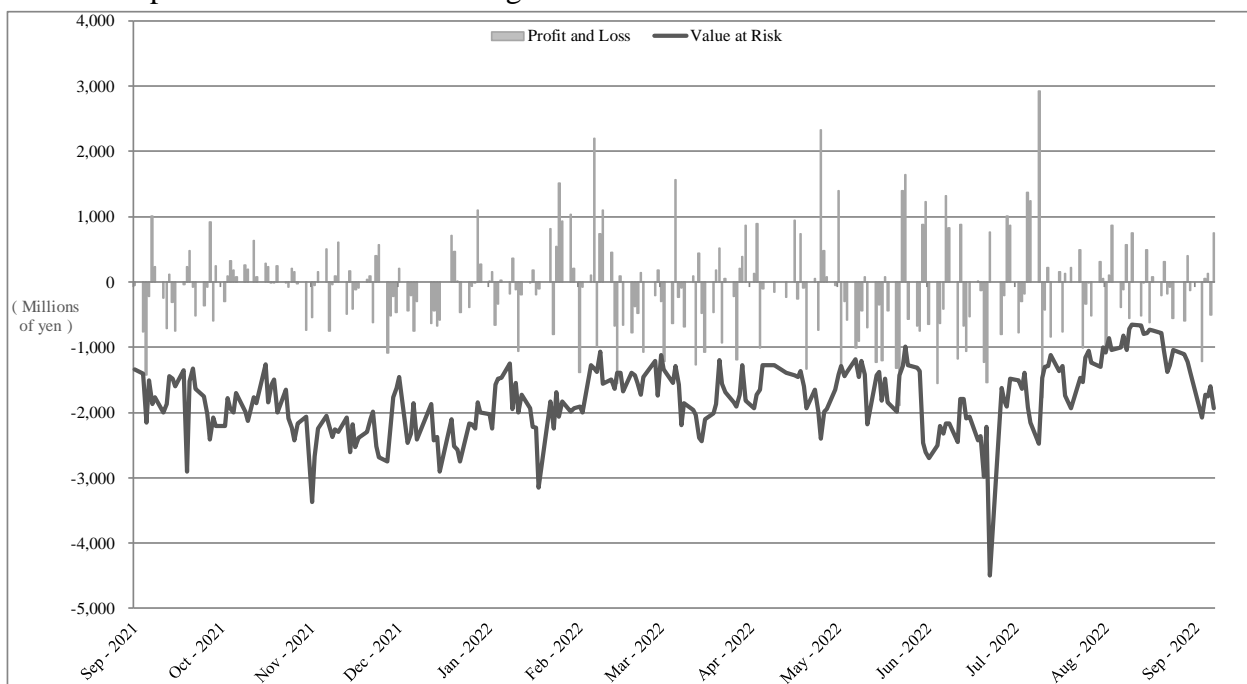
		VaR	Stressed VaR	IRC	CRM	Other	Total RWA
1a	RWA at previous quarter-end	305,552	512,266	-	-		817,819
1b	Adjustments to RWA based on the regulatory consolidated capital at previous quarter-end	1.55	2.22	-	-		1.91
1c	Amounts of IMA at previous quarter-end	195,916	230,155	-	-		426,071
2	Change in reporting period	Movement in risk levels	(98,048)	(52,610)	-	-	(150,658)
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	97,867	177,545	-	-		275,413
8b	Adjustments to RWA based on the regulatory consolidated capital at end of reporting period	2.58	2.48	-	-		2.51
8c	RWA at end of reporting period	253,219	440,383	-	-		693,603

MR3 : IMA values for trading portfolios

(Millions of yen)

	VaR (10 day 99%) –	
1	Maximum value	16,820
2	Average value	5,952
3	Minimum value	1,466
4	Period end	5,344
	Stressed VaR (10 day 99%)	
5	Maximum value	22,086
6	Average value	11,009
7	Minimum value	2,031
8	Period end	10,385
	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 (standardized measurement method)	-

MR4: Comparison of VaR estimates with gains/losses



IRRBB1 : Quantitative information on IRRBB

(Millions of yen)

		Δ EVE	
		September 2022	September 2021
1	Parallel up	3,564	3,339
2	Parallel down	14,064	19,576
3	Steepener	9,823	1,447
4	Flattener	878	388
5	Short rate up	1,879	1,158
6	Short rate down	12,468	12,274
7	Maximum	14,064	19,576
		September 2022	September 2021
8	Tier 1 capital	1,444,447	1,314,659

Δ NII 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%	12,128		
Luxembourg	0.50%	10,652		
Sweden	1.00%	0		
Sum		22,780		
Total		3,333,284	0.00%	366

* 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 2022	September 2021
On-balance sheet exposures (1)				
1		On-balance sheet items before adjustments	16,058,102	11,256,916
1a	1	Total assets in the consolidated balance sheet	28,218,521	21,446,862
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)	2,008	1,867
1d	3	Assets other than the adjustments that are excluded from the total assets in the consolidated balance sheet	12,162,427	10,191,813
2	7	Tier 1 capital: regulatory adjustments	167,061	189,415
3		Total on-balance sheet exposures (excluding derivatives and SFTs) (A)	15,891,041	11,067,501
Derivative exposures (2)				
4		Replacement cost associated with all derivatives transactions (with the 1.4 alpha factor applied)	923,912	459,256
5		Add-on amounts for PFE associated with all derivatives transactions (with the 1.4 alpha factor applied)	1,080,220	808,356
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	61,986	64,957
8		Exempted CCP leg of client-cleared trade exposures		
9		Adjusted effective notional amount of written credit derivatives	1,724,229	1,503,185
10		Adjusted effective notional offsets and add-on deductions for written credit derivatives	1,319,978	1,206,774
11	4	Total derivative exposures (B)	2,346,397	1,499,066
Securities financing transaction exposures (3)				
12		Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	11,349,585	8,806,037
13		Netted amounts of cash payables and cash receivables of gross SFT assets	4,153,517	3,402,918
14		CCR exposure for SFT assets	243,966	171,028
15		Agent transaction exposures		
16	5	Total securities financing transaction exposures (C)	7,440,034	5,574,147
Other off-balance sheet exposures (4)				
17		Off-balance sheet exposure at gross notional amount	159,670	167,071
18		Adjustments for conversion to credit equivalent amounts	67,465	68,020
19	6	Off-balance sheet items (D)	92,205	99,051
Capital and total exposures (5)				
20		Tier 1 capital (E)	1,444,447	1,314,659
21	8	Total exposures (A)+(B)+(C)+(D) (F)	25,769,677	18,239,765
22		Leverage ratio on a consolidated basis (E) / (F)	5.60%	7.20%
Leverage ratio (including amount of the central bank reserves) (6)				
		Total exposures (F)	25,769,677	18,239,765
		Amount of the central bank reserves	3,242,954	4,063,944
		Total exposures (including amount of the central bank reserves) (F')	29,012,631	22,303,709
		Leverage ratio (including amount of the central bank reserves) (E) / (F')	4.97%	5.89%

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 "Total exposures" by 7,529,912 million yen. Increase in Total exposures is due to increase in "Total on-balance sheet exposures" and "Total securities financing transaction exposures" by 4,823,540 million yen and 1,865,887 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	1,270,397 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	79 million Yen	95 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	93 million Yen	167 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	215 million Yen	316 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	378 million Yen	325 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 series 10	Stock subscription right issued in February 2015
8	Amount recognized in regulatory capital (Currency in millions, as of the most recent reporting date)		
	Consolidated Capital Adequacy Ratio	1,020 million Yen	356 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 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 series 11	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	887 million Yen	363 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	445 million Yen	390 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	812 million Yen	421 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	823 million Yen	660 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	296 million Yen	262 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	114 million Yen	37 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 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 30,205 million Yen Tier 2 capital 7,107 million Yen	Additional Tier 1 capital 8,504 million Yen Tier 2 capital 2,001 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	124,400 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	—	—