

October 1, 2026

To all whom it may concern

Company Name: The Yamagata Bank, Ltd.

Representative: Eiji Sato

President

Stock Code: 8344 TSE Prime

Company Name: Daiwa Securities Group Inc.

Representative: Akihiko Ogino

President and CEO

Stock Code: 8601 TSE Prime and NSE Premier

Attention

This is an unofficial translation of a press release announced on October 1, 2026 by The Yamagata Bank, Ltd. and Daiwa Securities Group Inc. The original press release is in Japanese.

The Yamagata Bank, Ltd. and Daiwa Securities Co. Ltd. Sign MOU for Comprehensive Business Alliance to Establish a New Collaborative Framework

The Yamagata Bank, Ltd. (President: Eiji Sato; “Yamagata Bank”) and Daiwa Securities Co. Ltd. (President and CEO: Akihiko Ogino; “Daiwa Securities”), a wholly-owned subsidiary of Daiwa Securities Group Inc. (President and CEO: Akihiko Ogino), hereby announce that their respective boards of directors today resolved to enter into a memorandum of understanding (the “MOU”) for a comprehensive business alliance (the “Alliance”). The purpose of the MOU is to explore the establishment of a new collaborative framework to provide higher value-added financial services and solutions to customers in Yamagata Prefecture and surrounding areas.

The two companies plan to proceed with discussions and deliberations concerning the Alliance, with the aim of entering into a definitive agreement by around spring 2027. The details set forth below reflect the parties' current plans as of the execution of the MOU and may be revised as a result of their discussions and deliberations toward the definitive

agreement. If the definitive agreement for the Alliance is executed, its details will be announced promptly.

1. Background and Purpose of the Alliance

Guided by its management philosophy—“to grow and prosper together with the local community, satisfy all customers, and provide employees with stability and opportunities”—Yamagata Bank has made it its mission to contribute to the development of the regional community and economy. Under its 21st Long-term Business Plan (April 2024 to March 2027), which is positioned as Phase 2 toward realizing its long-term vision, Yamagata Bank aims to enhance corporate value by acting as one group under the theme “Pro-Act.” In particular, in the retail field, Yamagata Bank has identified a “customer-oriented sales framework” and “strengthening of its consulting business and expansion of business domains” as priority strategies. The bank regards them as important management priorities to further strengthen its consulting capabilities so as to address each customer’s individual asset-building and asset-management needs.

Under its medium-term management plan “Passion for the Best” 2026, Daiwa Securities has adopted “maximizing customer asset value” as the Daiwa Securities Group’s basic management policy. Its mission is to enhance customer asset value over the medium to long term by providing high-quality consulting and solutions based on accurate analysis of market conditions and an in-depth understanding of its customers, while accelerating the shift from savings to investment and contributing to the development of society and the economy through the financial and capital markets.

In recent years, as inflation has become entrenched and the impact of rising prices on household finances has become more apparent, the importance of not only “saving” assets but also “protecting and growing” them has increased. However, a look at household financial assets in Yamagata Prefecture reveals that securities account for only about 9% of financial assets, significantly below the national average of approximately 25%, and households continue to rely heavily on deposits and savings.¹ In order for regional customers to preserve and build their assets steadily while adapting to changes in interest rates, prices and other conditions, it is extremely important to improve financial literacy and to make asset-management options that take into account the balance between risk and return more accessible.

In addition, people aged 65 and over account for 35.6% of the population of Yamagata

Prefecture, compared with the national average of 29.3%,² and the prefecture recorded its lowest-ever number of births in 2025.³ These figures show how rapidly the birthrate is declining and the population is aging. Under these circumstances, there is a growing need for smooth transfers of assets to the next generation, including through inheritance and business succession, as well as for carefully tailored advice reflecting each customer's asset profile and stage of life.

Through the Alliance, the two companies will combine Daiwa Securities' expertise, experience, and platform in the securities business with Yamagata Bank's in-depth knowledge of local customers and community-based advisory capabilities. They will establish a framework that offers Yamagata Bank customers a broader range of products and services and Daiwa Securities customers more attentive, tailored consulting, while enhancing the professional expertise of personnel at both companies. Beyond financial instruments intermediary services, the two companies aim to develop advanced consulting capabilities encompassing proposals concerning inheritance, business succession and non-financial assets, thereby further increasing the value delivered to customers.

Through this collaboration, the two companies will make asset-building and asset-management services more accessible and create an environment in which customers can manage their assets with confidence while preparing for future changes. In this way, they will contribute to the circulation, retention, and growth of income from financial assets within the region and, ultimately, to the development of the regional economy.

1 "National Survey of Family Income and Expenditure" by the Ministry of Internal Affairs and Communications

2 "Annual Report on the Aging Society: 2025" by the Cabinet Office (data as of 2024)

3 "Vital Statistics, 2025" by the Ministry of Health, Labour and Welfare

2. Details of the Alliance

The details of the Alliance planned as of the execution of the MOU are as follows.

(1) Integration of customers' securities-related accounts

- The customers' securities accounts at Yamagata Bank related to public bonds and investment trusts will be transferred to Daiwa Securities. The transfer is planned to be by an absorption-type split. Details will be disclosed as soon as they are decided.
- In addition to the above accounts, Daiwa Securities will integrate and manage the accounts of Daiwa Securities' Yamagata Branch (excluding certain accounts, such as those of listed corporations and financial institutions).

(2) Entrustment of financial instruments intermediary services and other services from Daiwa Securities to Yamagata Bank

- Regarding the integrated accounts described above in “(1) Integration of customers’ securities-related accounts,” Daiwa Securities will entrust to Yamagata Bank financial instruments intermediary services for stocks, bonds, investment trusts, and foreign exchange transactions, as well as services related to intermediation of discretionary investment contracts for fund wraps, etc.
- Yamagata Bank will establish a new internal unit to perform financial instruments intermediary services. By facilitating close cooperation between this new unit and the existing divisions within the bank, Yamagata Bank will establish a system to effectively carry out the above-mentioned entrusted services from Daiwa Securities. Yamagata Bank will also provide customers with proposals regarding asset building and asset management, solicit and sell financial products, provide after-sales support, and perform internal management and other operations.

(3) Secondment of employees from Daiwa Securities

- Daiwa Securities will second employees to Yamagata Bank, and the seconded employees will work with employees of Yamagata Bank in the entrusted businesses described above in “(2) Entrustment of financial instruments intermediary services and other services from Daiwa Securities to Yamagata Bank.”

3. Overview of the two companies

(1) Overview of Yamagata Bank (as of March 31, 2026)

Name	The Yamagata Bank, Ltd.	
Address	1-2, Nanokamachi 3-chome, Yamagata	
Representative	President: Eiji Sato	
Business	Commercial banking	
Capital	12,000 million yen	
Date of opening	April 14, 1896	
Major shareholders and shareholding ratio	The Master Trust Bank of Japan, Ltd. (Trust Account)	8.13%
	Meiji Yasuda Life Insurance Company (Permanent agent: Custody Bank of Japan,	3.88%

	Ltd.)	
	Ryoukyowa Co., Ltd.	3.84%
	SUMITOMO LIFE INSURANCE COMPANY (Permanent agent: Custody Bank of Japan, Ltd.)	2.25%
	Sumitomo Realty & Development Co., Ltd.	1.92%
	Custody Bank of Japan, Ltd. (Trust Account)	1.92%
	Nippon Life Insurance Company (Permanent agent: The Master Trust Bank of Japan, Ltd.)	1.58%
	JP MORGAN CHASE BANK 385781 (Permanent agent: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	1.34%
	GODO SHIGEN Co., Ltd.	1.31%
	Yamagata Bank Employee Stock Ownership Association	1.11%

Consolidated operating results and financial position for the last three years
(millions of yen, except per share amounts)

Fiscal year	FY2023	FY2024	FY2025
Net assets	143,805	136,002	150,626
Total assets	3,146,366	3,164,251	3,276,712
Net assets per share	4,489.44yen	4,295.28yen	4,852.00yen
Ordinary income	55,097	52,861	63,330
Ordinary profit	3,762	6,505	9,046
Profit attributable to owners of parent	2,080	4,412	6,528
Earnings per share	65.03 yen	138.17 yen	207.86 yen
Dividends per share	35.0 yen	45.0 yen	84.0 yen

(2) Overview of Daiwa Securities (as of March 31, 2026)

Name	Daiwa Securities Co. Ltd.
Address	9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo
Representative	President and CEO: Akihiko Ogino
Business	Securities business
Capital	100,000 million yen

Date of opening	April 26, 1999		
Major shareholders and shareholding ratio	Daiwa Securities Group Inc.		100%
Operating results and financial position for the last three years (millions of yen, except per share amounts)			
Fiscal year	FY2023	FY2024	FY2025
Net assets	567,943	585,123	606,146
Total assets	15,139,033	18,977,056	17,718,222
Net assets per share	700,991.56 yen	722,196.22 yen	748,144.33 yen
Operating revenues	407,337	470,858	547,621
Ordinary profit	86,369	105,633	138,698
Net income	57,186	75,124	96,207
Earnings per share	70,583.52 yen	92,723.87 yen	118,745.29 yen
Dividends per share	8,826 yen	70,583 yen	92,723 yen

(3) Relationship between the two companies

- There is no personnel or business relationship between Yamagata Bank and Daiwa Securities.
- There is no capital relationship between Yamagata Bank and Daiwa Securities. Daiwa Securities temporarily holds shares in Yamagata Bank to provide liquidity, etc. in connection with its securities business.
- There is no related parties relationship between Yamagata Bank and Daiwa Securities.

4. Schedule for the Alliance

(1) Boards of directors resolution regarding the execution of the MOU (both companies):

October 1, 2026 (Today)

(2) Execution of definitive agreement: By the end of March 2027

(3) Launch of a new operational structure under the Alliance: During 2028

5. Future Outlook

At present, we anticipate that the planned Alliance will have a marginal impact on the consolidated financial results of Yamagata Bank and Daiwa Securities

Group Inc. We will promptly issue an announcement if it becomes apparent that there will be a material impact.

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