

# 3Q FY2025 Earnings Announcement

Daiwa Securities Group Inc.

February 2, 2026

The purpose of this material is to provide information on our business performance through the third quarter of FY2025 and our management vision for the future, and is not intended as a solicitation to invest in securities issued by the Company. This document was prepared based on information available to the public as of February 2, 2026. The opinions and forecasts contained in this material are based on information available as of February 2, 2026. The opinions, forecasts, and other statements contained in this material are based on our judgment at the time the material was prepared, and we do not guarantee or promise the accuracy or completeness of such information, The Company does not guarantee or promise the accuracy or completeness of the information, and may change its forecasts in the future without notice.

# Financial Results for the Third Quarter of FY2025

● Highlights	3-4
● Financial Summary	5-8
● B/S and Financial Management Summary	9-10
● P/L Summary	11
● Breakdown of SG&A	12-13
● Overseas Operations	14
● Segment Information	15-22
● Reference	24-34

## Definitions of the terms used in this document

WM	Wealth Management
AM	Asset Management
GM&IB	Global Markets & Investment Banking
GM	Global Markets
GIB	Global Investment Banking
Base income	The sum of ordinary income of Wealth Management Division, Securities Asset Management, and Real Estate Asset Management
Asset-based revenues	Agency fee for investment trust, Investment advisory and account managed fees, Bank agency fees and other, revenues from asset-based fee plan for investment trusts, etc.
FICC	Fixed Income, Currency and Commodities

# Highlights (3Q/FY2025, YoY)

**Steady income growth accelerated further. While consolidated ordinary income declined YoY due to the absence of the negative goodwill gain recorded in the previous fiscal year, net income reached its highest level in 12 years.**

Consolidated earnings results	FY2025 1Q-3Q	FY2024 1Q-3Q	% Changes vs 1Q-3Q/FY2024
Net operating revenues	¥522.5 bn	¥471.7 bn	+10.8%
Ordinary income	¥167.4 bn	¥173.6 bn	-3.6%
Profit attributable to owners of parent	¥125.4 bn	¥124.4 bn	+0.8%

- **Base income<sup>\*1</sup>, which we regard as a key indicator of stable earnings, increased by 28.2% to ¥128.3 bn.**
- **Wealth Management Division accurately captured customers' asset management needs through total asset consulting, and WM Division (Daiwa Securities) achieved ordinary income of ¥64.3 bn, marking its highest level in 12 years.**
  - WM Division's (domestic) asset-based revenues<sup>\*2</sup>, a stable source of earnings, reached a record high of ¥89.8 bn.
  - The net inflows into wrap account services and stock investment trusts reached all-time highs, and net asset inflows<sup>\*3</sup> reached a record high of ¥1.06 tn.
  - Assets under custody<sup>\*4</sup> reached a record high of ¥106 tn.
  - At Daiwa Next Bank, deposit balances continued to grow steadily, and ordinary income reached a record high of ¥14.8 bn.
- **Both Securities Asset Management and Real Estate Asset Management achieved record highs in assets under management<sup>\*5,6</sup> and ordinary income.**
- **Global Investment Banking posted a significant increase in income, driven by robust M&A activity, with ordinary income reaching a record high of ¥12.4 bn.**

\*1 For the trend in base income, see p.8

\*2 For the trend in asset-based revenues, see p.28

\*3 For the trend in net asset inflow, see p.27

\*4 Includes GM&IB division

\*5 Publicly offered securities investment trusts assets under management of Daiwa Asset Management

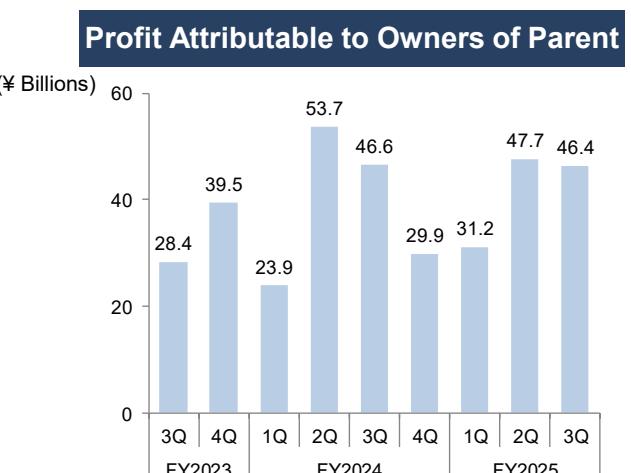
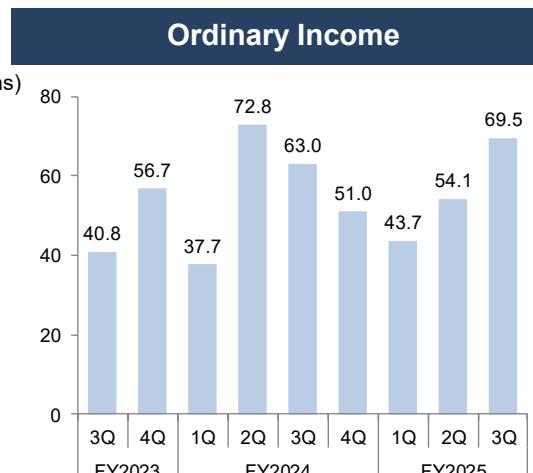
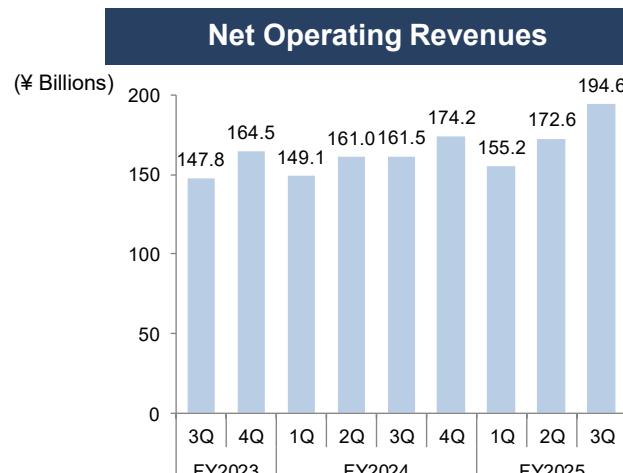
\*6 Assets under management of Daiwa Real Estate Asset Management and Samty Residential Investment Corp. 3

# Summary (3Q/FY2025, QoQ)

**Ordinary income increased significantly, up 28.4%, supported by the recovery in the Global Markets business. M&A-related revenues reached a record high.**

Consolidated earnings results	FY2025 3Q	% Changes vs 2Q/FY2025
Net operating revenues	¥194.6 bn	+12.8%
Ordinary income	¥69.5 bn	+28.4%
Profit attributable to owners of parent	¥46.4 bn	-2.6%

- Wealth Management Division deepened total asset consulting, leading to an increase in sales of a wide range of products. Asset-based revenues<sup>\*1</sup> reached a record high of ¥32.3 bn.
- Securities Asset Management recorded higher profits, driven by an increase in assets under management. Real Estate Asset Management also posted higher profits, reflecting gains on property sales at Samty Holdings.
- Global Markets & Investment Banking Division recorded higher revenue and income. In Global Markets, backed by increased customer flow, equities remained strong, while FICC posted a significant increase in revenue. In Global Investment Banking, M&A-related revenues reached a record high.
- Annualized ROE: 11.0%



# Consolidated

# Financial Summary

PASSION  
FOR THE  
BEST

(\$ Millions)	FY2024		FY2025			% Change vs 2Q/FY25	% Change vs 3Q/FY24	FY2024	FY2025	% Change vs 1Q-3Q/FY24	FY2024
	3Q	4Q	1Q	2Q	3Q			1Q-3Q	1Q-3Q		FY2024
<b>Operating revenues</b>	336,748	345,577	326,400	375,349	<b>373,862</b>	-0.4%	11.0%	1,026,437	<b>1,075,613</b>	4.8%	1,372,014
<b>Net operating revenues</b>	161,532	174,218	155,252	172,628	<b>194,646</b>	12.8%	20.5%	471,771	<b>522,527</b>	10.8%	645,990
<b>SG&amp;A</b>	124,496	121,302	119,074	122,785	<b>132,882</b>	8.2%	6.7%	357,945	<b>374,742</b>	4.7%	479,247
<b>Ordinary income</b>	63,061	51,027	43,716	54,192	<b>69,559</b>	28.4%	10.3%	173,689	<b>167,468</b>	-3.6%	224,716
<b>Profit (loss) attributable to owners of parent</b>	46,628	29,954	31,237	47,726	<b>46,462</b>	-2.6%	-0.4%	124,413	<b>125,426</b>	0.8%	154,368
<b>Total assets</b>	36,708,372	36,024,346	34,617,316	36,915,300	<b>38,595,380</b>			36,708,372	<b>38,595,380</b>		36,024,346
<b>Net assets</b>	1,916,791	1,923,287	1,893,724	1,944,434	<b>1,989,781</b>			1,916,791	<b>1,989,781</b>		1,923,287
<b>Shareholders' equity*</b>	1,632,234	1,639,738	1,614,409	1,667,999	<b>1,706,702</b>			1,632,234	<b>1,706,702</b>		1,639,738
<b>EPS (\$)</b>	33.04	21.19	22.20	34.31	<b>33.66</b>			88.37	<b>90.05</b>		109.53
<b>BPS (\$)</b>	1,156.39	1,158.82	1,154.60	1,201.74	<b>1,235.69</b>			1,156.39	<b>1,235.69</b>		1,158.82
<b>ROE (Annualized)</b>	11.7%	7.3%	7.7%	11.6%	<b>11.0%</b>			10.5%	<b>10.0%</b>		9.8%

Full-year minimum dividend  
FY2024-FY2026

**44 yen**

# Consolidated

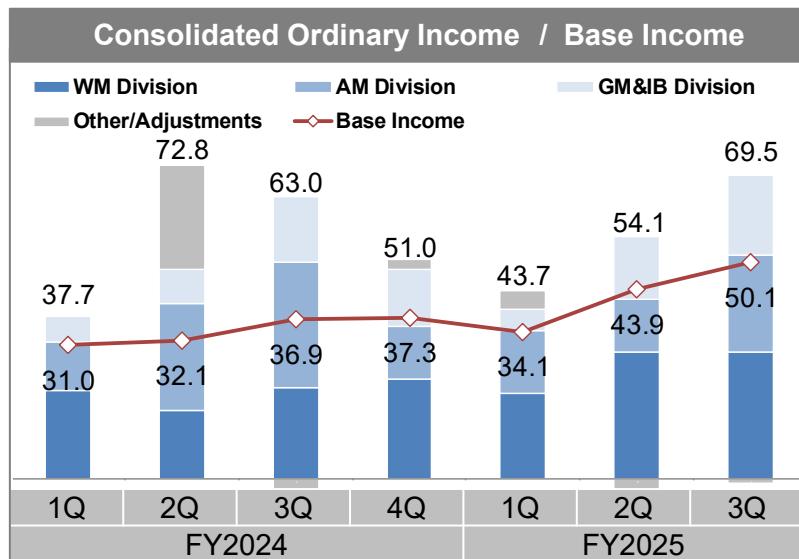
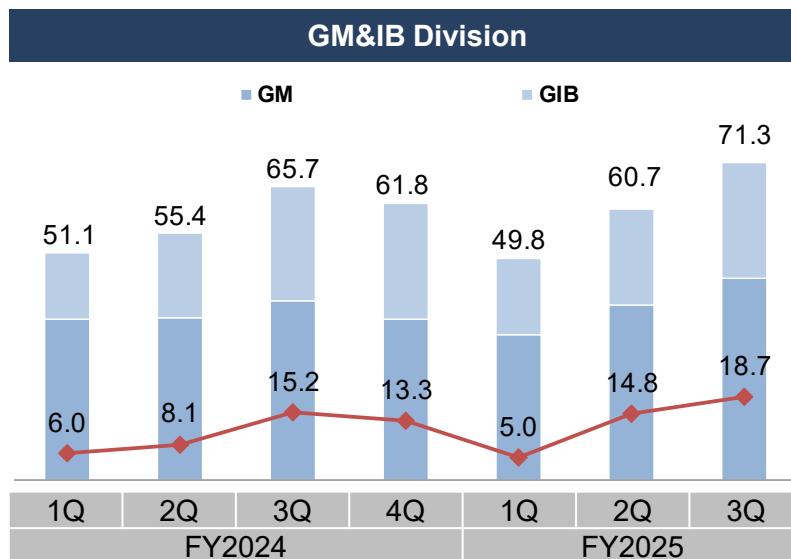
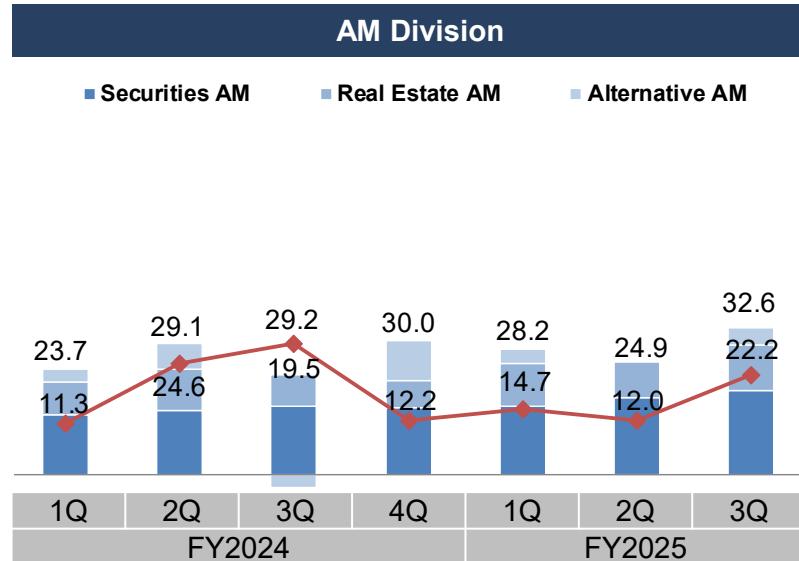
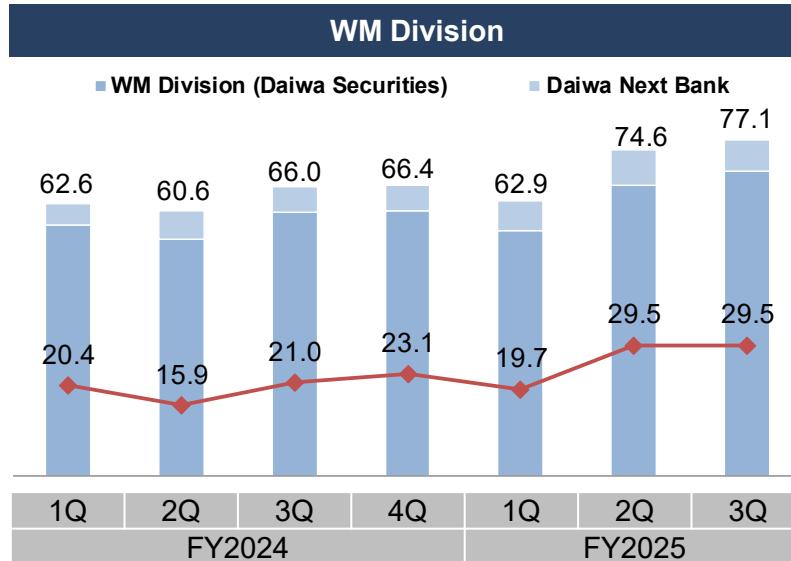
# Segment Summary

PASSION  
FOR THE  
BEST

(\$ Millions)	Net operating revenues	FY2024		FY2025			% Change vs 2Q/FY25	% Change vs 3Q/FY24	FY2024	FY2025	% Change vs 1Q-3Q/FY24	FY2024
		3Q	4Q	1Q	2Q	3Q			1Q-3Q	1Q-3Q		
		WM	66,068	66,455	62,905	74,689	77,100	3.2%	16.7%	189,385	214,695	13.4%
WM Division (Daiwa Securities)		59,655	59,837	55,500	65,759	68,988	4.9%	15.6%	169,851	190,248	12.0%	229,688
Daiwa Next Bank		5,629	5,842	6,599	7,922	7,080	-10.6%	25.8%	17,041	21,602	26.8%	22,884
AM		19,562	30,062	28,213	24,996	32,605	30.4%	66.7%	72,455	85,815	18.4%	102,517
Securities AM		15,143	14,963	15,192	17,158	18,637	8.6%	23.1%	42,997	50,988	18.6%	57,960
Real Estate AM		7,225	6,142	9,665	8,039	10,125	26.0%	40.1%	23,476	27,830	18.5%	29,619
Alternative AM		-2,806	8,956	3,355	-201	3,841	-	-	5,982	6,996	17.0%	14,938
GM&IB		65,714	61,837	49,827	60,745	71,339	17.4%	8.6%	172,359	181,912	5.5%	234,196
GM		40,321	36,031	32,554	39,281	45,289	15.3%	12.3%	113,012	117,125	3.6%	149,044
GIB		25,393	25,805	17,272	21,464	26,050	21.4%	2.6%	59,346	64,787	9.2%	85,151
Other/Adjustments		10,186	15,863	14,304	12,197	13,601	-	-	37,571	40,103	-	53,435
Consolidated total		161,532	174,218	155,252	172,628	194,646	12.8%	20.5%	471,771	522,527	10.8%	645,990
Ordinary income	FY2024		FY2025			% Change vs 2Q/FY25	% Change vs 3Q/FY24	FY2024	FY2025	% Change vs 1Q-3Q/FY24	FY2024	
	3Q	4Q	1Q	2Q	3Q			1Q-3Q	1Q-3Q			
	WM	21,057	23,179	19,734	29,565	29,573	0.0%	40.4%	57,484	78,873	37.2%	80,664
WM Division (Daiwa Securities)		18,283	20,038	15,610	23,933	24,804	3.6%	35.7%	48,585	64,348	32.4%	68,623
Daiwa Next Bank		3,316	3,679	4,355	5,702	4,818	-15.5%	45.3%	10,429	14,876	42.6%	14,108
AM		29,217	12,216	14,772	12,072	22,232	84.2%	-23.9%	65,201	49,076	-24.7%	77,418
Securities AM		7,037	7,038	7,517	8,493	10,227	20.4%	45.3%	20,803	26,238	26.1%	27,841
Real Estate AM		8,883	7,163	6,935	5,905	10,394	76.0%	17.0%	21,865	23,235	6.3%	29,029
Alternative AM		13,296	-1,985	318	-2,326	1,609	-	-87.9%	22,532	-397	-	20,547
GM&IB		15,229	13,319	5,001	14,861	18,731	26.0%	23.0%	29,419	38,594	31.2%	42,738
GM		9,072	6,323	2,639	8,414	11,968	42.2%	31.9%	22,681	23,022	1.5%	29,005
GIB		5,566	6,985	903	6,086	5,430	-10.8%	-2.4%	4,619	12,420	168.8%	11,605
Other/Adjustments		-2,443	2,311	4,207	-2,306	-978	-	-	21,583	922	-	23,895
Consolidated total		63,061	51,027	43,716	54,192	69,559	28.4%	10.3%	173,689	167,468	-3.6%	224,716
Base Income		36,978	37,381	34,188	43,963	50,195	14.2%	35.7%	100,153	128,347	28.2%	137,535

## Segment Summary

(¥ Billions) █ Net operating revenues ◆ Ordinary income

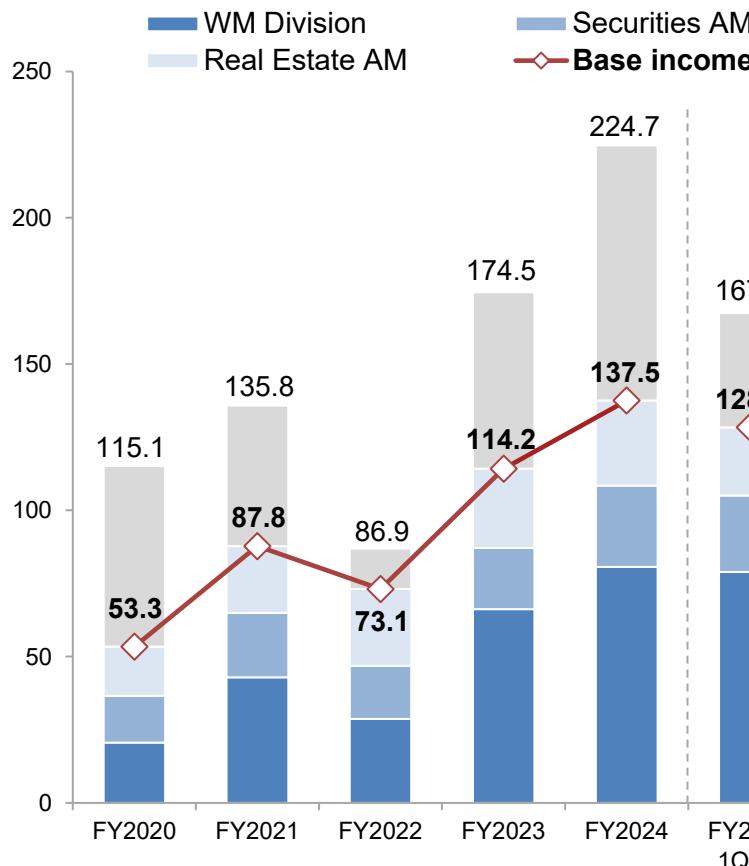


# Trends in Consolidated Ordinary Income and Base Income

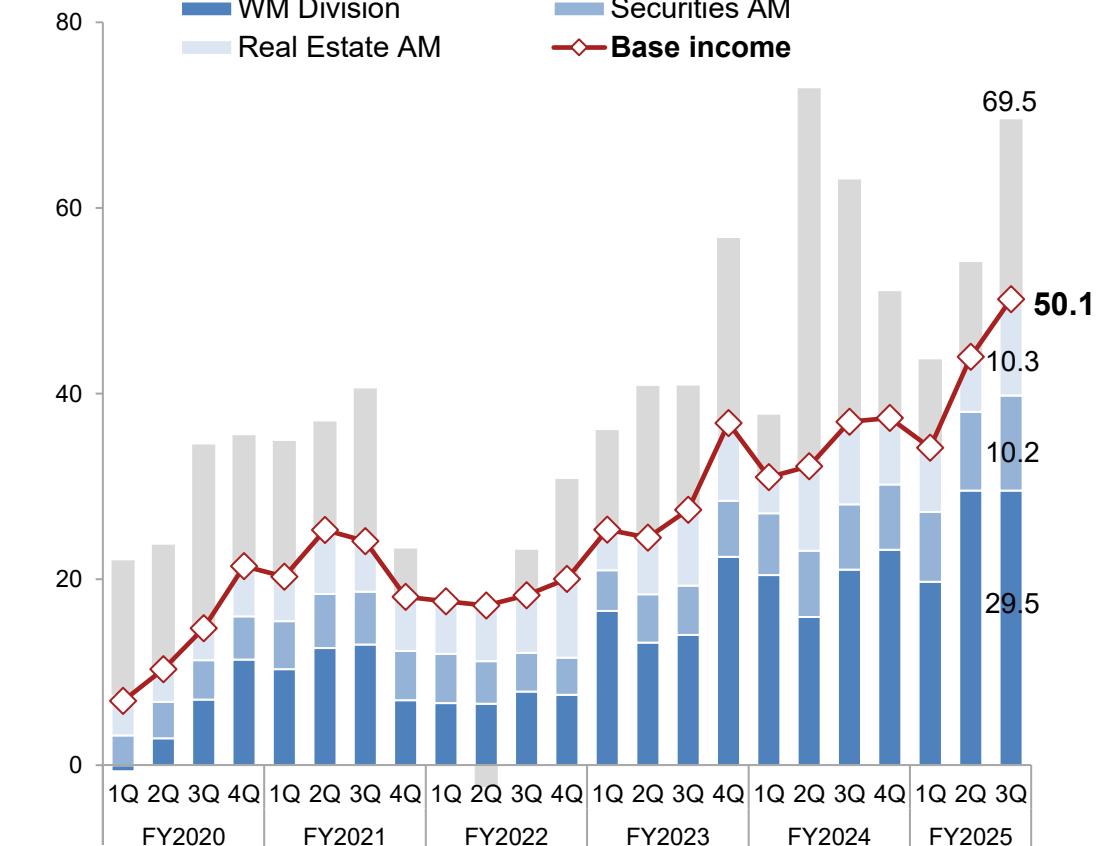
- Cumulative base income until the third quarter totaled ¥128.3 bn, +28.2% YoY.
- On track to surpass the Medium-term Management Plan's final-fiscal year target of ¥150.0 bn.

(¥ Billions)

Consolidated Ordinary Income / Base Income (annually)



Consolidated Ordinary Income / Base Income (quarterly)



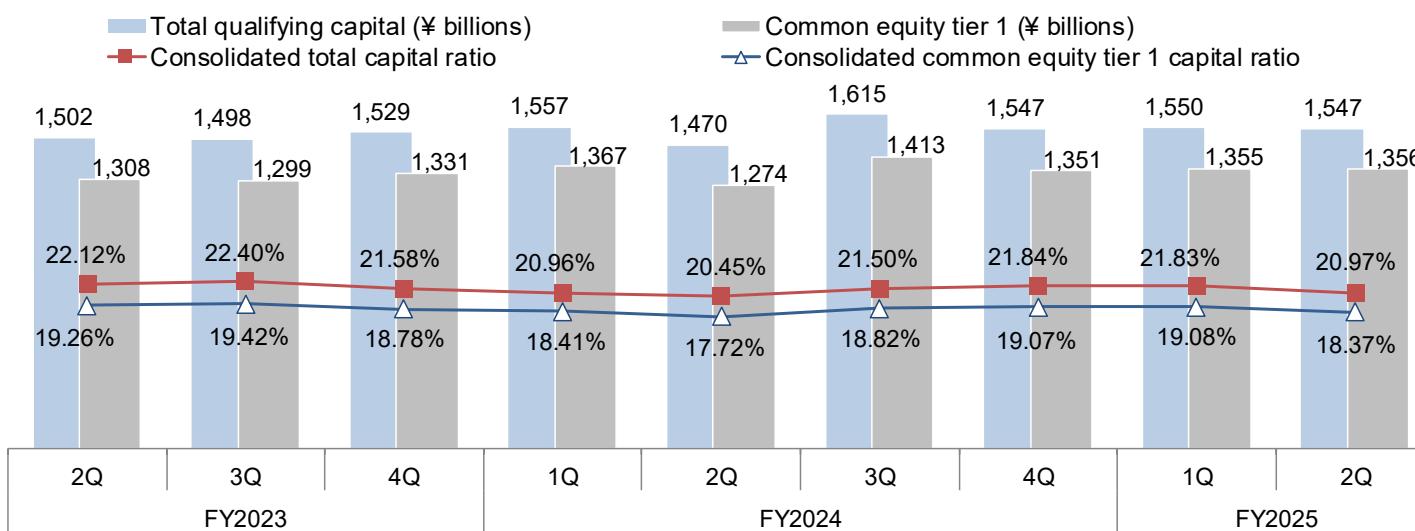
## Consolidated Balance Sheet (December 31, 2025)

(¥ Billions)

Current assets	36,769	(2,494)	Current liabilities	33,566	(2,871)	Total assets:	¥38.59 tn
Cash and deposits	4,758	(1,001)	Trading products	7,280	(-156)	Net assets:	¥1.98 tn
Short-term investment securities	2,054	(467)	Trading securities and other	3,457	(-1,353)	Shareholders' equity**:	¥1.70 tn
Trading products	11,358	(3,030)	Stocks, Convertible bonds	188	(32)		
Trading securities and other	7,561	(2,016)	Bonds	3,106	(-1,178)		
Stocks, Convertible bonds	368	(142)	Other	162	(-208)		
Bonds	4,493	(396)	Derivatives transactions	3,823	(1,196)		
Beneficiary certificates	48	(17)	Loans payable secured by securities	15,273	(-171)	■ 82.8% of total assets have high liquidity*.	
Other	2,651	(1,459)	Deposits for banking business	4,942	(644)	* Cash and deposits + Short-term	
Derivatives transactions	3,797	(1,014)	Short-term loans payable	1,973	(558)	investment securities + Trading products +	
Operational investment securities	123	(16)	Current portion of bonds	432	(33)	Loans secured by securities	
(after allowance for possible investment losses)							
Loans secured by securities	13,775	(-1,601)	Long-term liabilities	3,032	(-367)	■ Shareholders' equity** increased by	
<b>Non-current assets</b>	<b>1,825</b>	<b>(76)</b>	Bonds payable	1,042	(-176)	<b>¥66.9 bn from March 31, 2025.</b>	
Property, plant and equipment	967	(25)	Long-term loans payable	1,826	(-210)	** Shareholders' equity = Owners' equity +	
Intangible assets	149	(12)	<b>Total liabilities</b>	<b>36,605</b>	<b>(2,504)</b>	Accumulated other comprehensive income	
Investments and other assets	708	(39)	<b>Net assets</b>	<b>1,989</b>	<b>(66)</b>		
Listed stocks	162	(29)	Owners' equity	1,447	(5)		
Unlisted stocks	38	(-0)	Accumulated other comprehensive income	259	(61)		
Affiliated company stocks, etc.	343	(9)	Non-controlling interests	277	(-0)		
Other	162	(0)					
<b>Total Assets</b>	<b>38,595</b>	<b>(2,571)</b>	<b>Total liabilities and net assets</b>	<b>38,595</b>	<b>(2,571)</b>		

※ Figures in parentheses indicate changes from March 31, 2025.

## Consolidated Capital Adequacy Ratio



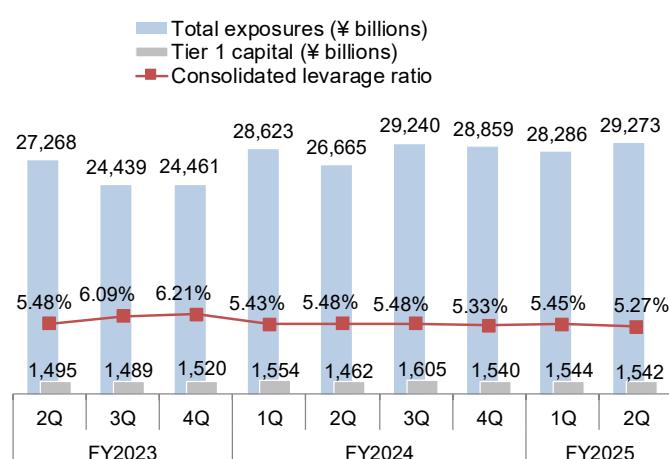
## [Regulatory Capital (Basel III)]

(As at September 30, 2025)

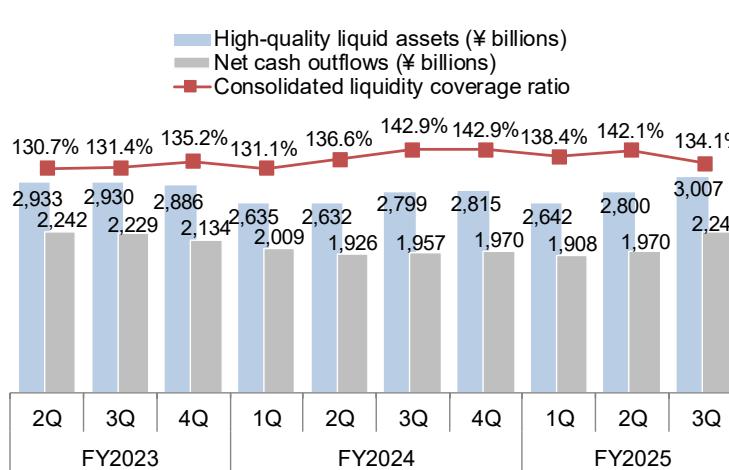
- Consolidated Total Capital Ratio: 20.97%
- Consolidated Tier 1 Capital Ratio: 20.90%
- Consolidated Common Equity Tier 1 Capital Ratio: 18.37%
- Consolidated Leverage Ratio: 5.27%

※ Figures are as at the end of each quarter

## Consolidated leverage ratio



## Consolidated Liquidity Coverage Ratio



## [Regulatory Liquidity (Basel III)]

(Daily average Oct. – Dec. 2025)

- Consolidated Liquidity Coverage Ratio: 134.1%

# Consolidated

## P/L Summary

PASSION  
FOR THE  
BEST

※ Comparisons of increase/decrease are quarter-on-quarter unless otherwise noted from this page onward.

(\$ Millions)	FY2024		FY2025			% Change vs 2Q/FY25	% Change vs 3Q/FY24	FY2024	FY2025	% Change vs 1Q-3Q/FY24	FY2024
	3Q	4Q	1Q	2Q	3Q			1Q-3Q	1Q-3Q		FY2024
<b>Operating revenues</b>	336,748	345,577	326,400	375,349	<b>373,862</b>	-0.4%	11.0%	1,026,437	<b>1,075,613</b>	4.8%	1,372,014
Commission received	109,796	114,899	100,398	118,300	<b>128,579</b>	8.7%	17.1%	301,590	<b>347,277</b>	15.1%	416,489
Net trading income	28,021	23,133	22,310	23,375	<b>28,249</b>	20.9%	0.8%	84,239	<b>73,935</b>	-12.2%	107,373
Net gain (loss) on private equity	-195	8,490	1,797	-1,164	<b>3,921</b>	-	-	3,869	<b>4,554</b>	17.7%	12,360
Financial revenue	171,885	163,482	160,616	175,175	<b>177,115</b>	1.1%	3.0%	518,469	<b>512,907</b>	-1.1%	681,952
Other operating revenue	27,240	35,571	41,277	59,662	<b>35,996</b>	-39.7%	32.1%	118,267	<b>136,936</b>	15.8%	153,839
<b>Financial expenses</b>	153,661	142,541	140,821	155,261	<b>152,824</b>	-1.6%	-0.5%	461,399	<b>448,907</b>	-2.7%	603,940
<b>Other operating expenses</b>	21,554	28,817	30,326	47,459	<b>26,392</b>	-44.4%	22.4%	93,266	<b>104,178</b>	11.7%	122,084
<b>Net operating revenues</b>	161,532	174,218	155,252	172,628	<b>194,646</b>	12.8%	20.5%	471,771	<b>522,527</b>	10.8%	645,990
<b>SG&amp;A</b>	124,496	121,302	119,074	122,785	<b>132,882</b>	8.2%	6.7%	357,945	<b>374,742</b>	4.7%	479,247
<b>Operating income</b>	37,036	52,916	36,177	49,842	<b>61,764</b>	23.9%	66.8%	113,826	<b>147,785</b>	29.8%	166,742
<b>Non-operating income</b>	26,024	-1,888	7,538	4,349	<b>7,795</b>	79.2%	-70.0%	59,862	<b>19,683</b>	-67.1%	57,973
<b>Ordinary income/loss</b>	63,061	51,027	43,716	54,192	<b>69,559</b>	28.4%	10.3%	173,689	<b>167,468</b>	-3.6%	224,716
<b>Extraordinary income/loss</b>	1,852	-4,027	1,078	21,438	<b>201</b>	-99.1%	-89.1%	-1,662	<b>22,718</b>	-	-5,689
<b>Income before income taxes</b>	64,913	47,000	44,794	75,631	<b>69,760</b>	-7.8%	7.5%	172,026	<b>190,186</b>	10.6%	219,026
<b>Total income taxes</b>	15,229	14,076	10,754	23,205	<b>18,963</b>	-18.3%	24.5%	39,856	<b>52,923</b>	32.8%	53,932
<b>Profit (loss) attributable to owners of parent</b>	46,628	29,954	31,237	47,726	<b>46,462</b>	-2.6%	-0.4%	124,413	<b>125,426</b>	0.8%	154,368

- Commissions received increased (+8.7%).
- Brokerage commission\* was ¥29.5 bn (+9.7%).
- Underwriting and secondary offering commissions\* were ¥11.0 bn (+2.0%).
- Distribution commission\* was ¥7.7 bn (+23.4%).
- M&A related commission\* was ¥18.8 bn (+36.6%).

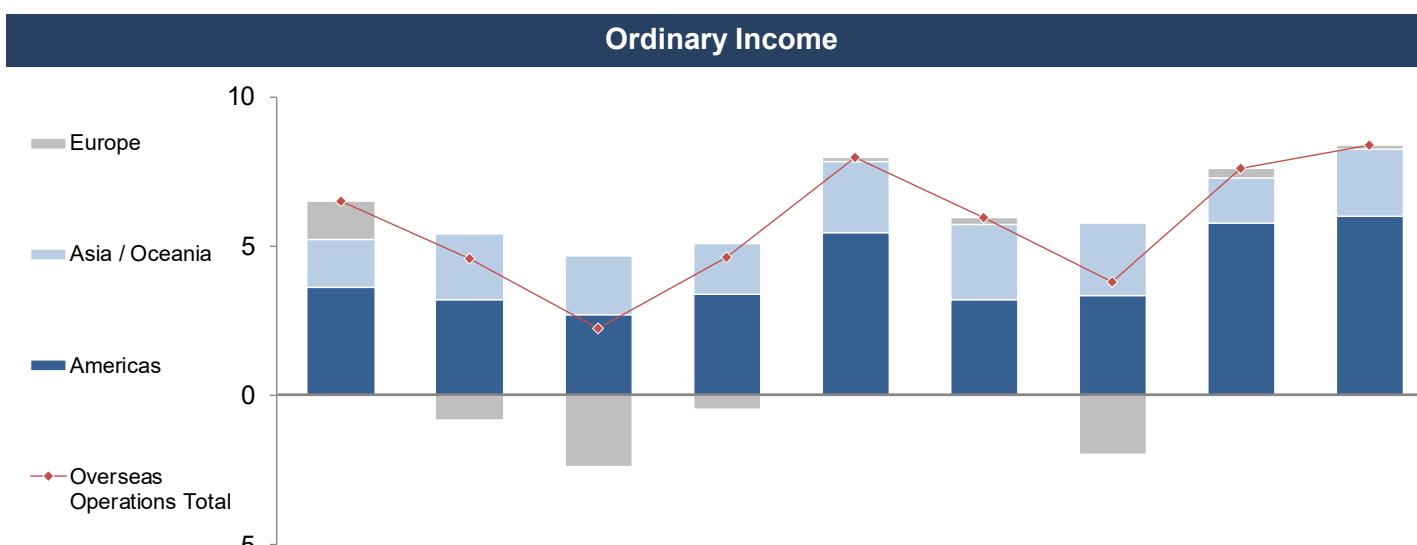
\* Breakdown of total commission received  
(See p.24).

(\$ Millions)	FY2024		FY2025			% Change vs 2Q/FY25	% Change vs 3Q/FY24	FY2024	FY2025	% Change vs 1Q-3Q/FY24	FY2024
	3Q	4Q	1Q	2Q	3Q			1Q-3Q	1Q-3Q		1Q-3Q
<b>SG&amp;A</b>	124,496	121,302	119,074	122,785	<b>132,882</b>	8.2%	6.7%	357,945	<b>374,742</b>	4.7%	479,247
											■ SG&A increased (+8.2%).
<b>Trading related expenses</b>	23,069	24,115	23,496	24,798	<b>25,926</b>	4.5%	12.4%	67,641	<b>74,221</b>	9.7%	91,756
											■ Trading related expenses increased due to higher payment fee (+4.5%).
<b>Personnel expenses</b>	65,280	60,952	58,163	60,606	<b>67,751</b>	11.8%	3.8%	184,048	<b>186,521</b>	1.3%	245,001
											■ Personnel expenses increased as performance-linked bonuses increased (+11.8%).
<b>Real estate expenses</b>	10,791	11,379	11,110	11,320	<b>11,893</b>	5.1%	10.2%	32,429	<b>34,324</b>	5.8%	43,808
<b>Office cost</b>	7,400	7,292	8,316	8,101	<b>8,822</b>	8.9%	19.2%	21,156	<b>25,239</b>	19.3%	28,449
<b>Depreciation</b>	8,534	8,315	8,271	8,292	<b>8,645</b>	4.3%	1.3%	25,997	<b>25,210</b>	-3.0%	34,313
<b>Taxes and dues</b>	3,706	3,347	3,930	4,232	<b>4,058</b>	-4.1%	9.5%	10,909	<b>12,222</b>	12.0%	14,257
<b>Other</b>	5,713	5,899	5,783	5,433	<b>5,785</b>	6.5%	1.3%	15,761	<b>17,002</b>	7.9%	21,661

(¥ Billions)	FY2023			FY2024					FY2025		
	3Q	4Q	1Q-4Q	1Q	2Q	3Q	4Q	1Q-4Q	1Q	2Q	3Q
<b>Total SG&amp;A</b>	109.8	117.5	<b>437.2</b>	114.0	119.4	124.4	121.3	<b>479.2</b>	119.0	122.7	<b>132.8</b>
<b>Variable costs</b>	44.0	50.3	<b>174.6</b>	45.2	50.1	54.9	52.1	<b>202.5</b>	47.4	50.0	<b>58.4</b>
<b>Trading related expenses</b>	20.4	21.2	<b>80.6</b>	21.9	22.5	23.0	24.1	<b>91.7</b>	23.4	24.7	<b>25.9</b>
<b>Advertising and promotion expenses</b>	2.5	2.4	<b>9.7</b>	2.2	2.5	2.4	2.6	<b>9.8</b>	2.0	2.2	<b>2.1</b>
<b>Bonus and others</b>	16.9	22.2	<b>68.5</b>	16.5	20.5	24.2	20.2	<b>81.6</b>	16.1	17.8	<b>24.6</b>
<b>Overtime, part-time</b>	1.8	1.7	<b>6.8</b>	1.8	1.8	1.9	1.8	<b>7.5</b>	1.9	2.0	<b>2.1</b>
<b>Fixed costs</b>	65.8	67.1	<b>262.5</b>	68.7	69.2	69.5	69.1	<b>276.7</b>	71.6	72.6	<b>74.4</b>
<b>Personnel expenses</b>	36.9	36.9	<b>146.7</b>	38.5	39.1	38.9	38.7	<b>155.4</b>	39.9	40.6	<b>40.9</b>
<b>Real estate expenses</b>	10.0	10.6	<b>40.2</b>	10.7	10.9	10.7	11.3	<b>43.8</b>	11.1	11.3	<b>11.8</b>
<b>Depreciation</b>	8.8	8.7	<b>35.1</b>	8.6	8.8	8.5	8.3	<b>34.3</b>	8.2	8.2	<b>8.6</b>
<b>Office expenses</b>	6.5	6.5	<b>25.6</b>	6.6	6.5	7.1	6.9	<b>27.3</b>	8.0	7.7	<b>8.5</b>
<b>Taxes and dues</b>	2.9	3.7	<b>12.8</b>	3.7	3.4	3.7	3.3	<b>14.2</b>	3.9	4.2	<b>4.0</b>

# Ordinary Income of Overseas Operations

(¥ Millions)	FY2024		FY2025			% Change vs 2Q/FY25	% Change vs 3Q/FY24	FY2024	FY2025	% Change vs 1Q-3Q/FY24	FY2024
	3Q	4Q	1Q	2Q	3Q			1Q-3Q	1Q-3Q		FY2024
Overseas Operations Total	7,969	5,944	3,813	7,619	8,393	10.2%	5.3%	14,853	19,825	33.5%	20,798
Europe	137	237	-1,958	324	160	-50.6%	16.7%	-2,718	-1,473	-	-2,481
Asia / Oceania	2,390	2,518	2,448	1,501	2,223	48.1%	-7.0%	6,038	6,172	2.2%	8,556
Americas	5,441	3,189	3,323	5,793	6,010	3.7%	10.5%	11,533	15,126	31.2%	14,722



- In Europe, despite an increase in M&A revenue, income declined due to the absence of gains from ESG-related funds that were recorded in the previous quarter.
- In Asia / Oceania, higher revenue from Japanese equities and increased equity-method investment income, including contributions from SSI Securities, led to higher profits.
- In the Americas, profits increased, supported by higher FICC revenue.

# WM Division

(¥ Millions)	FY2025 3Q	% Change vs 2Q/FY25	FY2025 1Q-3Q	% Change vs 1Q-3Q/FY24
<b>Net operating revenues</b>	<b>77,100</b>	<b>3.2%</b>	<b>214,695</b>	<b>13.4%</b>
<b>Ordinary income</b>	<b>29,573</b>	<b>0.0%</b>	<b>78,873</b>	<b>37.2%</b>

## 【Equity】

- Supported by a strong equity market, trading in both domestic and foreign equities increased, resulting in a revenue increase of ¥2.2 bn (+11.2%).

## 【Fixed Income】

- Revenue increased by ¥0.5 bn (+8.9%), driven by sales of SoftBank Group bonds and by capturing bond investment demand, primarily from corporate customers, amid a rising interest rate environment.

## 【Stock Investment Trust】

- Demand for asset formation through stock investment trusts became more pronounced, resulting in an increase of ¥1.7 bn in distribution commission for investment trust (+29.2%).

## 【Wrap Account Service】

- Amid rising demand for inflation-hedging solutions, sales of fund wrap increased substantially. As a result, wrap-related revenue rose by ¥1.6 bn (+10.5%) to ¥16.9 bn, marking a record high.

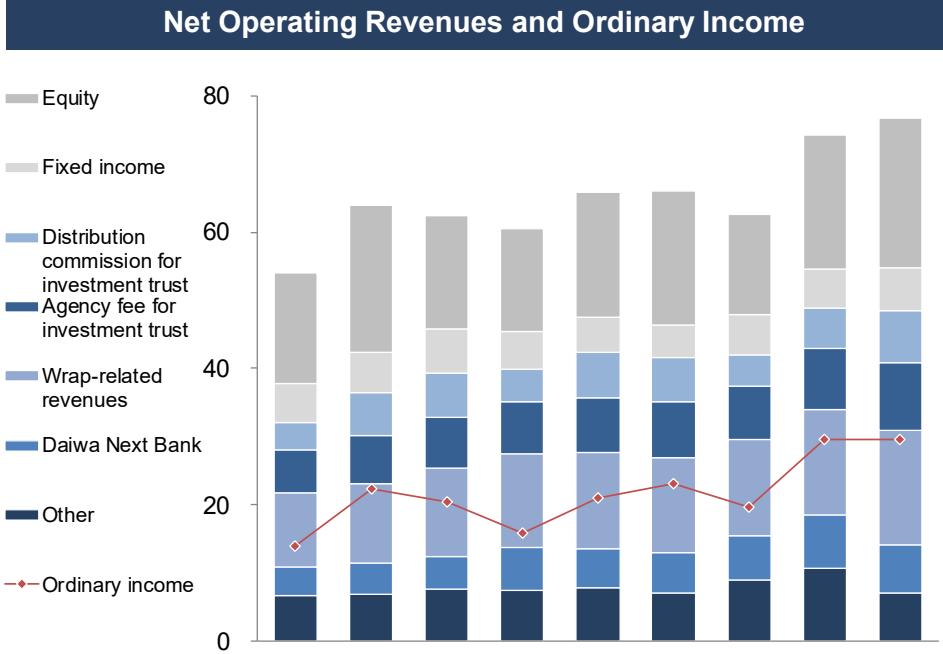
## 【Asset-Based Revenue】

- Asset-based revenues reached a record high of ¥32.3 bn driven by an increase in agency fee for investment trust and wrap-related revenues.
- The fixed cost coverage ratio based on asset-based revenue rose to 114.6%, while the total cost coverage ratio improved to 74.3%.

## 【Net Asset Inflow】

- Both individual and corporate customers continued to record net inflows, resulting in solid net asset inflows.

\*For details, see the quarterly trend of asset-based revenue (p.28) and the quarterly trend of net asset inflows (p.27).



(¥ Billions)	FY2023		FY2024				FY2025		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Equity	16.1	21.6	16.6	15.0	18.4	19.7	14.6	19.7	<b>21.9</b>
Fixed income	5.7	5.9	6.5	5.6	5.2	4.8	5.9	5.8	<b>6.3</b>
Distribution commission for investment trust	4.0	6.3	6.4	4.7	6.6	6.4	4.6	5.9	<b>7.7</b>
Agency fee for investment trust	6.3	7.0	7.5	7.6	8.1	8.1	7.8	9.0	<b>9.8</b>
Wrap-related revenues	11.0	11.7	12.9	13.7	14.1	14.1	14.2	15.3	<b>16.9</b>
Daiwa Next Bank <sup>*1</sup>	4.2	4.5	4.9	6.4	5.6	5.8	6.5	7.9	<b>7.0</b>
Other	6.6	6.9	7.6	7.4	7.9	7.1	8.9	10.7	<b>7.1</b>
<b>Net operating revenues</b>	54.3	64.1	62.6	60.6	66.0	66.4	62.9	74.6	<b>77.1</b>
<b>Ordinary income</b>	14.0	22.4	20.4	15.9	21.0	23.1	19.7	29.5	<b>29.5</b>

\*1 For Daiwa Next Bank, net interest income, etc. + net fees and commissions (-)

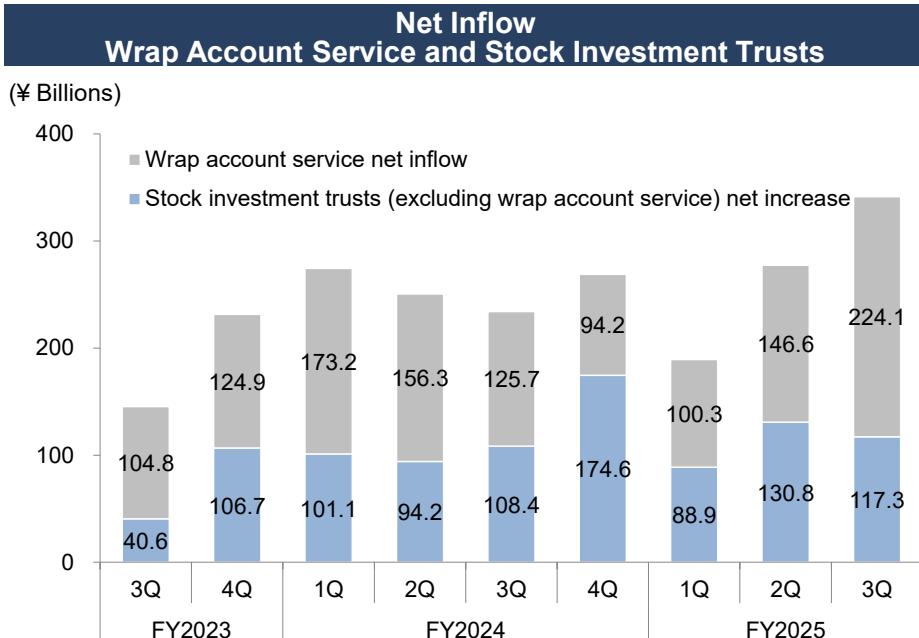
Net interest income, etc. = Net interest income/expenses plus foreign exchange gains/losses, gains/losses related to securities transactions including derivatives, etc.; Net fees and commissions = fees paid to Daiwa Securities and Daiwa Connect Securities as banking agents, etc.

## [Wrap Account Service]

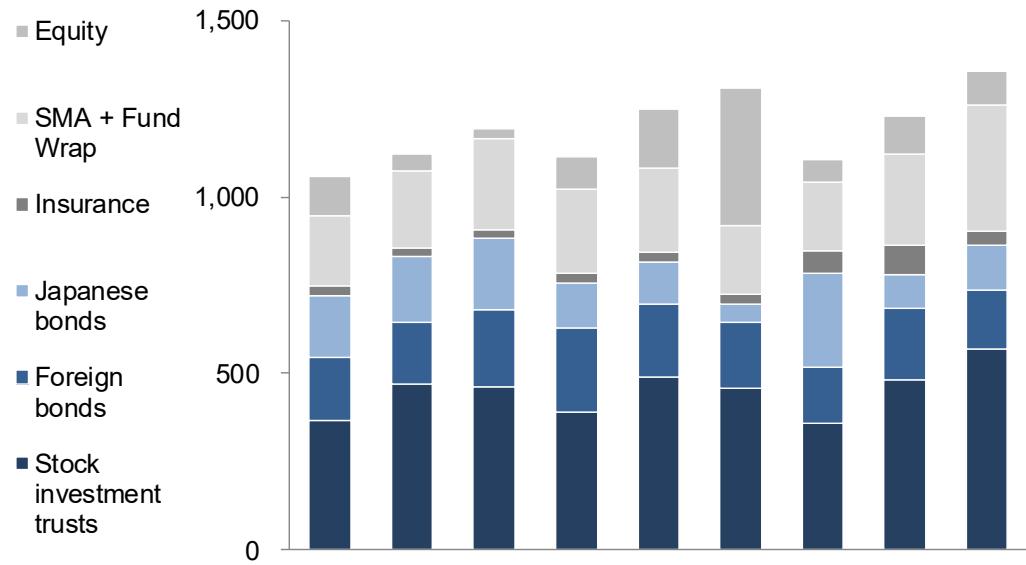
- Both the contract amount of ¥356.2 bn and the net inflow of ¥224.1 bn marked record highs.
- Contract AUM reached a record-high of ¥5.78 tn\*.

## [Stock Investment Trusts]

- The sales amount was ¥568.5 bn, and the net increase amount was ¥117.3 bn, both at high levels.
- Sales expanded across a wide range of products, including the Invesco World Best Equity Open and Newton Power Innovation Fund.



## Sales and Distribution Amount by Product



(\$ Billions)	FY2023		FY2024				FY2025		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Equity	113.3	50.0	25.5	91.2	168.0	389.0	62.7	105.5	99.0
Wrap <sup>*1</sup>	199.3	217.9	261.1	239.5	237.0	195.7	194.9	258.9	356.2
Insurance <sup>*2</sup>	27.0	21.6	21.9	25.1	26.0	27.5	64.6	83.1	38.8
Japanese bonds <sup>*3</sup>	173.4	187.3	204.7	128.3	122.0	54.0	263.4	97.5	127.2
Foreign bonds <sup>*4</sup>	180.3	175.1	218.1	238.5	204.4	185.0	160.9	200.9	167.6
Stock investment trusts <sup>*5</sup>	365.7	470.0	460.6	390.1	490.1	458.0	357.8	481.8	568.5
Asset-based fee plan for investment trust	78.5	94.2	88.5	79.1	92.5	81.2	62.8	94.7	92.5

\*1 Total contract amount of fund wrap and SMA

\*2 Insurance include pension insurance, life insurance and business insurance

\*3 Solicitation of new bond issuance

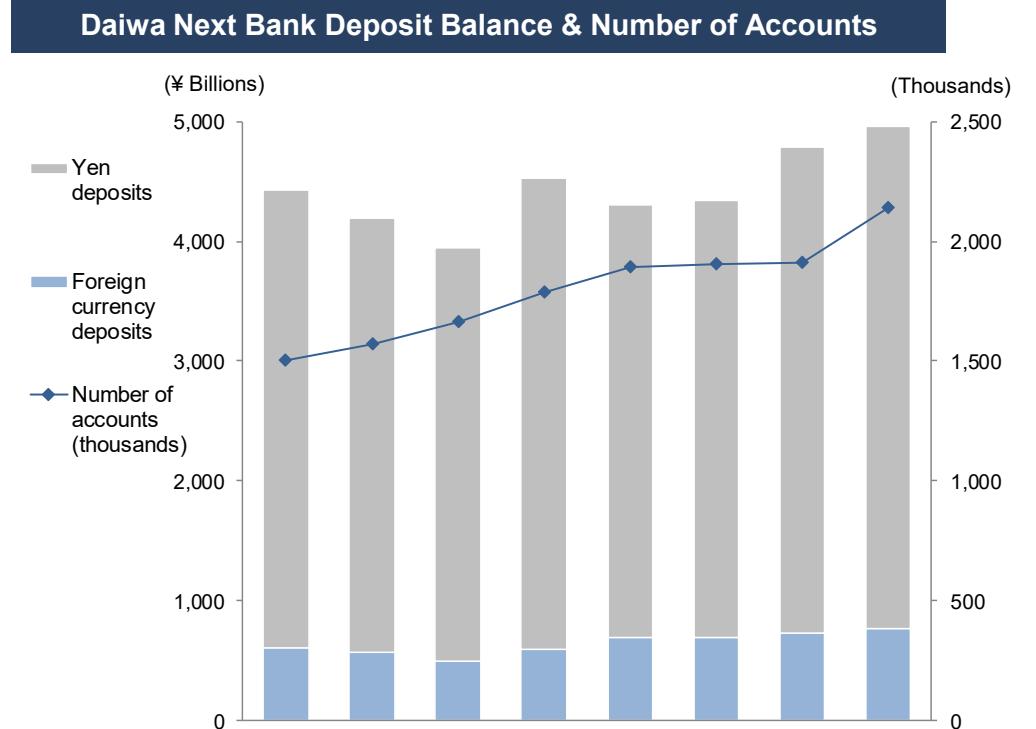
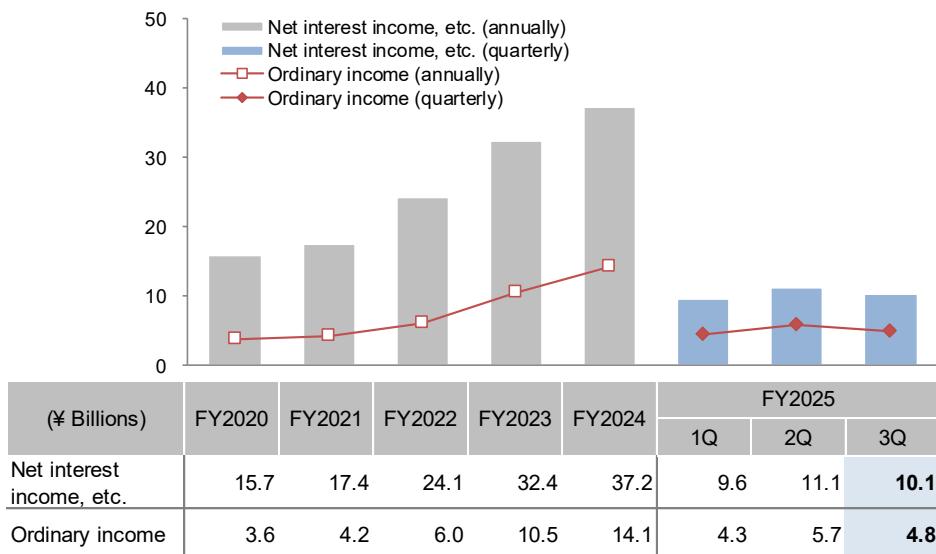
\*4 Foreign bonds include yen-denominated foreign bonds

\*5 Stock investments include switching transactions between funds

(¥ Millions)	FY2025 3Q	% Change vs 2Q/FY25	FY2025 1Q-3Q	% Change vs 1Q-3Q/FY24
<b>Net interest income, etc.</b>	<b>10,107</b>	<b>-9.3%</b>	<b>30,915</b>	<b>9.5%</b>
<b>Ordinary income</b>	<b>4,818</b>	<b>-15.5%</b>	<b>14,876</b>	<b>42.6%</b>

- The promotion of total asset consulting, together with effective initiatives such as higher deposit interest rates for individual customers, led to steady increases in deposit balances in both yen and foreign currencies (+¥161.8 billion), contributing to stable earnings growth.
- Deposit balances reached a record high of ¥4.95 tn.

## Net Interest Income, etc. / Ordinary Income



(¥ Billions)	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025		
						1Q	2Q	3Q
Ordinary deposits	2,224	2,163	2,007	2,296	2,158	2,143	2,322	2,352
Time deposits	2,171	2,005	1,905	2,194	2,137	2,181	2,457	2,589
Negotiable certificate of deposits / Other	35	29	27	37	12	11	12	13
Deposit balance	4,430	4,197	3,940	4,528	4,309	4,336	4,792	4,954
Foreign currency deposits	606	569	499	597	688	697	734	767
Number of accounts (thousands)	1,505	1,569	1,662	1,786	1,894	1,902	1,913	2,139

※ All figures are as at the end of each quarter

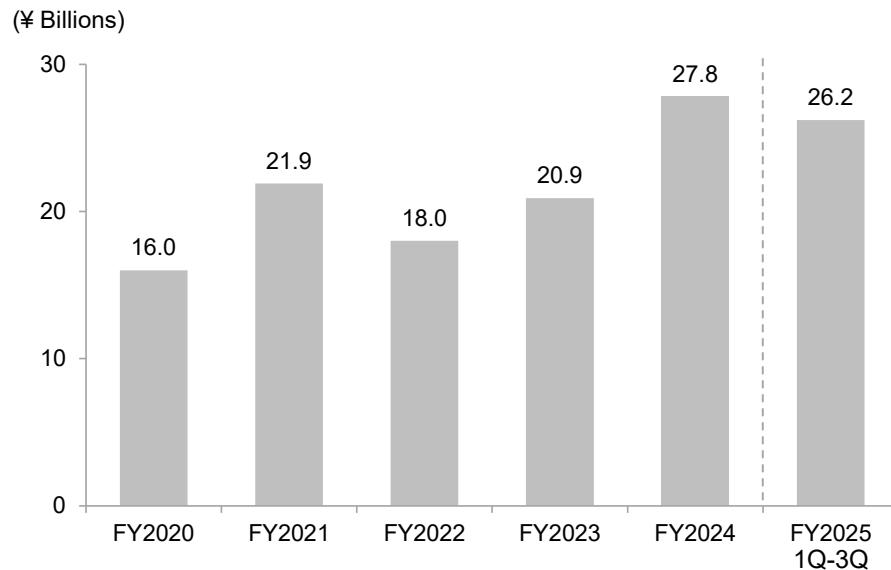
# AM Division Securities AM

(¥ Millions)	FY2025 3Q	% Change vs 2Q/FY25	FY2025 1Q-3Q	% Change vs 1Q-3Q/FY24
<b>Net operating revenues</b>	<b>18,637</b>	<b>8.6%</b>	<b>50,988</b>	<b>18.6%</b>
<b>Ordinary income</b>	<b>10,227</b>	<b>20.4%</b>	<b>26,238</b>	<b>26.1%</b>

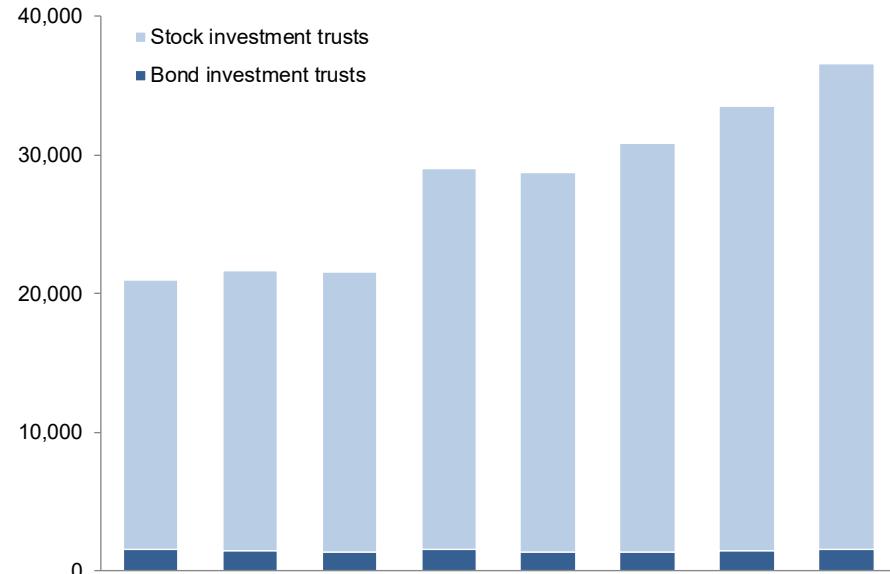
## 【Securities AM】

- Assets under management of Daiwa Asset Management's publicly offered securities investment trusts reached ¥36 tn, an increase of ¥3 tn from the previous quarter, resulting in a 20% rise in ordinary income.

## Ordinary Income



## Daiwa Asset Management Publicly Offered Securities Investment Trusts AUM



(¥ Billions)	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025		
						1Q	2Q	3Q
Stock investment trusts	19,418	20,261	20,225	27,481	27,378	29,499	32,085	<b>35,053</b>
excl. ETF (Net inflow)	7,543	8,268	8,038	10,418	11,425	12,190	13,150	<b>14,245</b>
(50)	(347)	(516)	(663)	(1,242)	(135)	(158)	(326)	
ETF (Net inflow)	11,875	11,993	12,186	17,063	15,952	17,309	18,935	<b>20,807</b>
(1,001)	(275)	(-80)	(187)	(-122)	(-132)	(104)	(50)	
Bond investment trusts	1,561	1,434	1,365	1,544	1,359	1,377	1,488	<b>1,529</b>
Total	20,980	21,696	21,590	29,026	28,737	30,877	33,574	<b>36,582</b>
Publicly Offered Securities Investment Trusts Share	13.9%	13.3%	13.0%	12.8%	12.2%	12.1%	12.1%	<b>12.1%</b>

※ All figures are as at the end of each quarter

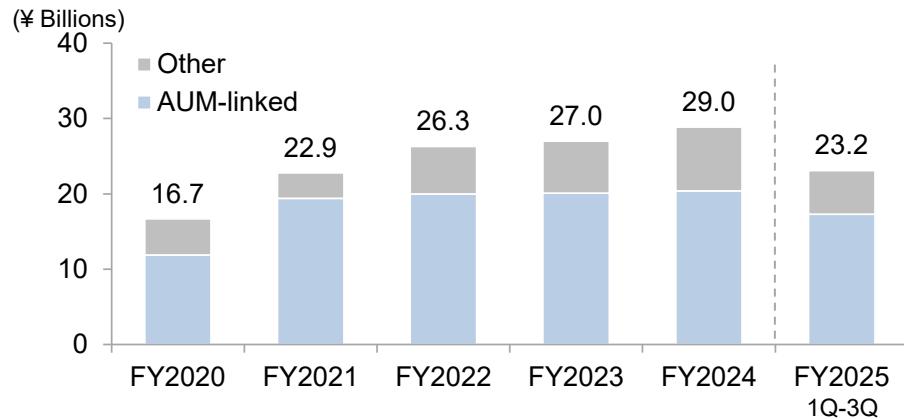
# AM Division Real Estate AM

(¥ Millions)	FY2025 3Q	% Change vs 2Q/FY25	FY2025 1Q-3Q	% Change vs 1Q-3Q/FY24
<b>Net operating revenues<sup>*1</sup></b>	<b>10,125</b>	<b>26.0%</b>	<b>27,830</b>	<b>18.5%</b>
<b>Ordinary income<sup>*2</sup></b>	<b>10,394</b>	<b>76.0%</b>	<b>23,235</b>	<b>6.3%</b>

## [Real Estate AM]

- Assets under management of Daiwa Real Estate Asset Management reached a record high.
- In addition to growth in stable AUM-linked income, equity-method investment gains from Samty Holdings and gains on property sales at Daiwa Securities Realty and Samty Residential Investment contributed to maintaining a high level of income.

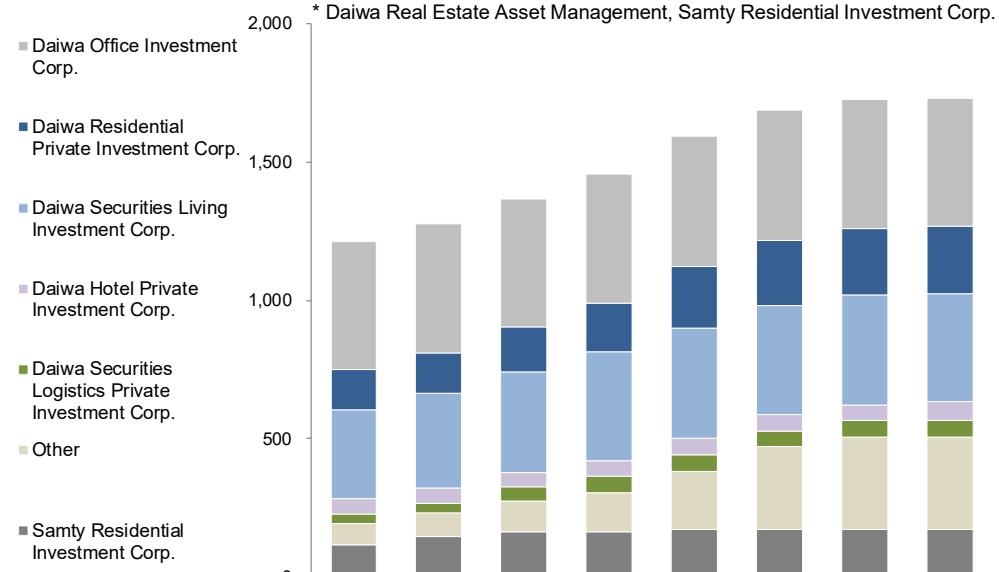
## Ordinary Income



\* AUM-linked: Stock income such as rental income from owned real estate and asset management fees linked to AUM and rental income.

Other: Equity method investment income from Samty Holdings and gains on sales associated with property replacements.

## Real Estate Asset Management Business AUM of Two Companies\*



(¥ Billions)	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025		
						1Q	2Q	3Q
Daiwa Office Investment Corp.	461	466	462	468	470	468	468	464
Daiwa Residential Private Investment Corp.	146	146	164	173	224	236	238	244
Daiwa Securities Living Investment Corp. <sup>*3</sup>	323	343	363	397	399	395	399	388
Daiwa Hotel Private Investment Corp.	54	54	54	54	58	58	58	70
Daiwa Securities Logistics Private Investment Corp.	33	35	51	58	58	58	58	58
Other	75	85	110	142	212	298	335	335
<b>Total</b>	<b>1,094</b>	<b>1,131</b>	<b>1,206</b>	<b>1,295</b>	<b>1,424</b>	<b>1,516</b>	<b>1,558</b>	<b>1,562</b>
Samty Residential Investment Corp. (Sub sponsor)	118	147	162	163	171	171	171	171
<b>Total (Including sub sponsor)</b>	<b>1,212</b>	<b>1,279</b>	<b>1,369</b>	<b>1,459</b>	<b>1,596</b>	<b>1,687</b>	<b>1,730</b>	<b>1,733</b>

\* All figures are as at the end of each quarter

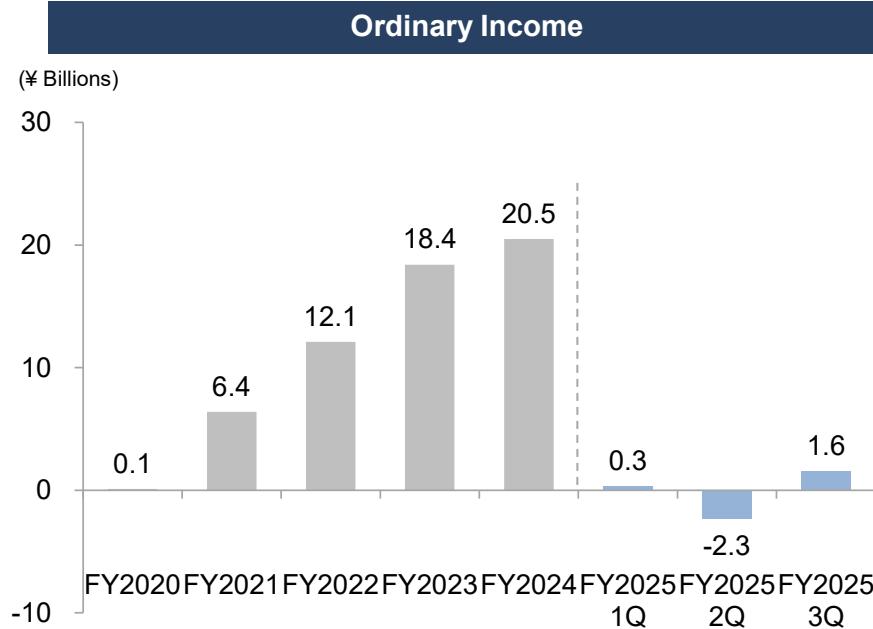
\*3 Japan Rental Housing Investment Inc. merged with Nippon Healthcare Investment Corp. through absorption-type merger and changed its trade name to Daiwa Securities Living Investment Corp. on April 1, 2020.

# AM Division Alternative AM

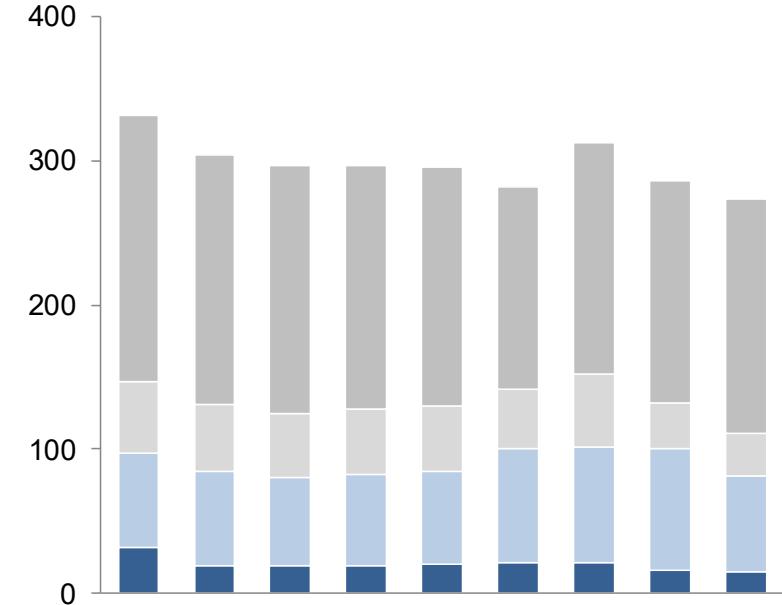
(¥ Millions)	FY2025 3Q	% Change vs 2Q/FY25	FY2025 1Q-3Q	% Change vs 1Q-3Q/FY24
<b>Net operating revenues</b>	<b>3,841</b>	-	<b>6,996</b>	<b>17.0%</b>
<b>Ordinary income</b>	<b>1,609</b>	-	<b>-397</b>	-

## [Alternative AM]

- Capital gains were recorded due to exits from private equity investments.



## Principal Investment Balance



(¥ Billions)	FY2023		FY2024				FY2025		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
<b>Daiwa PI Partners</b>									
Private equity and PIPEs	50	46	45	45	45	42	50	32	30
Monetary claims	65	66	61	64	65	79	81	84	66
Real estate investment	32	19	19	19	20	21	21	16	15
<b>Daiwa Energy &amp; Infrastructure</b>	185	173	172	169	166	140	161	154	163
<b>Total</b>	334	305	298	299	298	284	315	288	277

\* All figures are as at the end of each quarter

\* Energy & Infrastructure investment is the investment balance of Daiwa Energy & Infrastructure.

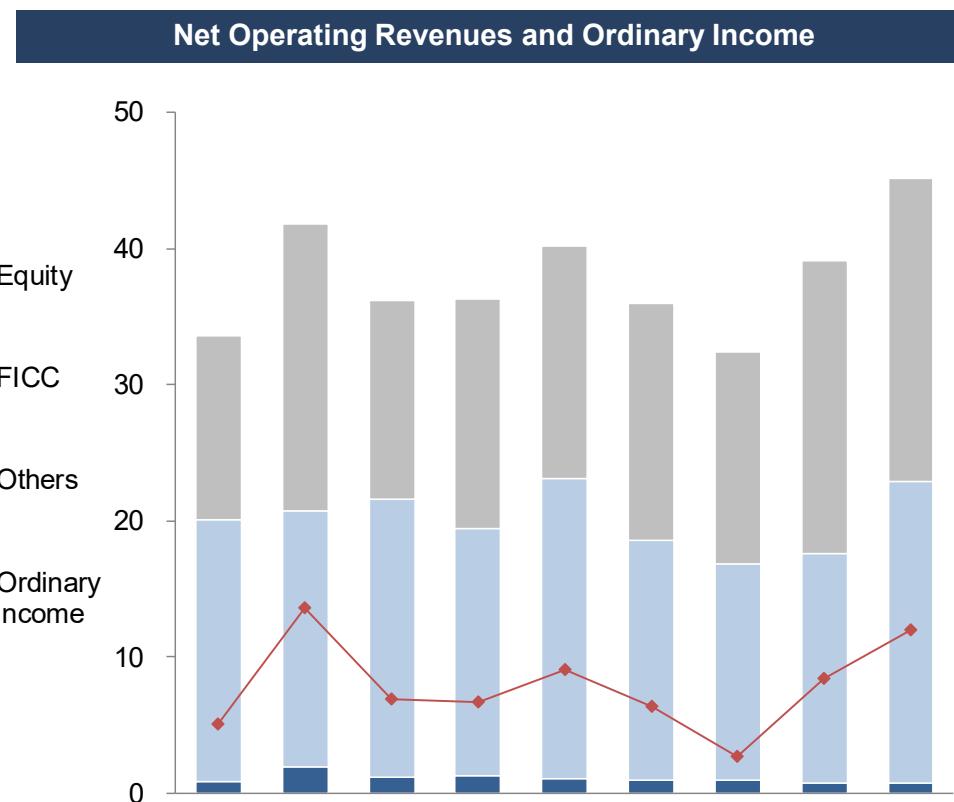
(¥ Millions)	FY2025 3Q	% Change vs 2Q/FY25	FY2025 1Q-3Q	% Change vs 1Q-3Q/FY24
<b>Net operating revenues</b>	<b>45,289</b>	<b>15.3%</b>	<b>117,125</b>	<b>3.6%</b>
<b>Ordinary income</b>	<b>11,968</b>	<b>42.2%</b>	<b>23,022</b>	<b>1.5%</b>

## 【Equity】

- Domestic equities saw steady customer flows from both domestic and foreign investors while the market continued to trade at elevated levels.
- For overseas equities, flows from individual investors continued to expand.
- Supported by the increase in customer flows, proprietary position management remained strong.

## 【FICC】

- Amid rising domestic interest rates and continued yen depreciation, customer flows from both WM customers and institutional investors remained steady, with trading demand increasing particularly in domestic credit products.
- In derivatives, customer flows increased against the backdrop of market conditions, and proprietary position management also performed well.
- Overseas, trading revenue was generated mainly in the U.S. by capturing the U.S. rate-cutting environment.



(¥ Billions)	FY2023		FY2024				FY2025		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Equity	13.5	21.1	14.6	16.9	17.1	17.4	15.6	21.5	22.2
FICC	19.3	18.8	20.5	18.2	22.1	17.7	15.9	16.9	22.2
Others	0.8	1.9	1.1	1.2	1.0	0.9	0.9	0.7	0.7
<b>Net operating revenues</b>	<b>33.7</b>	<b>41.8</b>	<b>36.2</b>	<b>36.3</b>	<b>40.3</b>	<b>36.0</b>	<b>32.5</b>	<b>39.2</b>	<b>45.2</b>
<b>Ordinary income</b>	<b>5.0</b>	<b>13.6</b>	<b>6.9</b>	<b>6.6</b>	<b>9.0</b>	<b>6.3</b>	<b>2.6</b>	<b>8.4</b>	<b>11.9</b>

(¥ Millions)	FY2025 3Q	% Change vs 2Q/FY25	FY2025 1Q-3Q	% Change vs 1Q-3Q/FY24
<b>Net operating revenues</b>	<b>26,050</b>	<b>21.4%</b>	<b>64,787</b>	<b>9.2%</b>
<b>Ordinary income</b>	<b>5,430</b>	<b>-10.8%</b>	<b>12,420</b>	<b>168.8%</b>

- Domestic M&A remained strong, with numerous transactions executed, including cross-border deals.
- In the overseas, signs of M&A market bottoming out have emerged, with Europe showing a recovery trend.

#### [Equity]

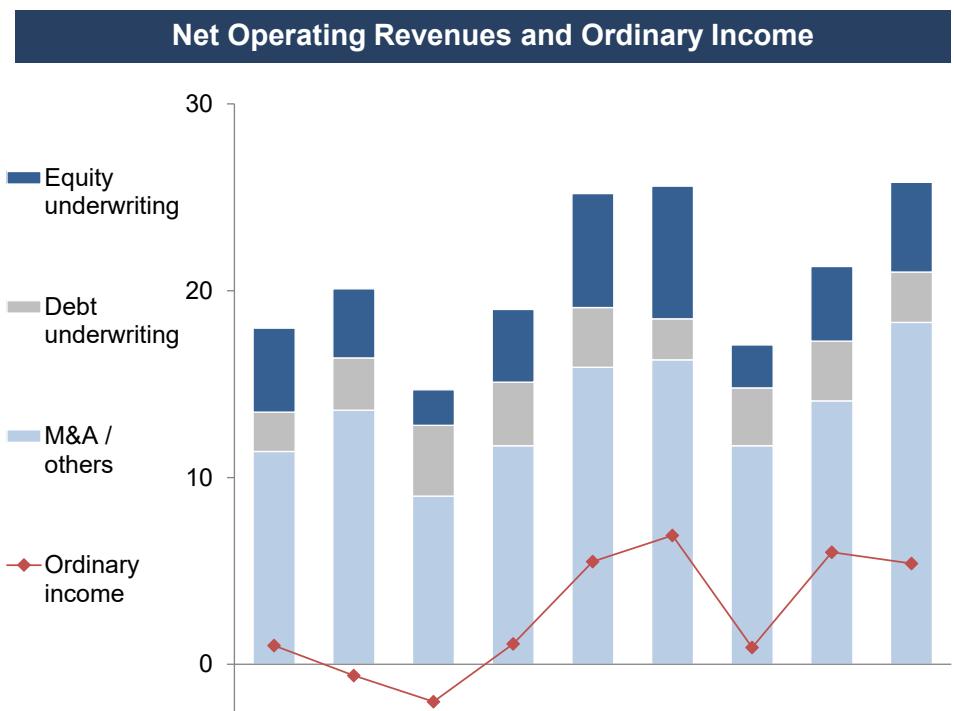
		<Offering size>
SBI Shinsei Bank, Limited	Global IPO	¥370.2 bn
Hitachi Construction Machinery Co., Ltd.	Block Trade	¥68.5 bn
NSGROUP CORPORATION	Global IPO	¥39.4 bn
JVCKENWOOD Corporation	Euro Yen CB	¥30.0 bn
Northsand, Inc.	IPO	¥22.2 bn
Mitsui & Co. Group Digital Securities - Nagoya Prime Office -	STO	¥12.5 bn

#### [Debt]

		<Offering size>
SoftBank Group Corp. (7 years)	Straight Bond	¥500.0 bn
KDDI CORPORATION (3/5/7/10* years)	Straight Bond ♦	¥300.0 bn
DAIICHI SANKYO COMPANY, LIMITED (3/5/7/10 years)	Straight Bond	¥200.0 bn
Sony Financial Group Inc. (30 years)	Subordinated Bond	¥100.0 bn
Central Nippon Expressway Company Limited(5 years)	Straight Bond	¥100.0 bn

#### [M&A]

Acquisition of a majority stake in Groupe Atlantic (France) by Paloma Rheem Holdings Co., Ltd.  
 Privatization of Paramount Bed Holdings Co., Ltd. through an MBO  
 KYOCERA Corporation's acquisition of NEC's stake in Japan Aviation Electronics Industry, Limited and the formation of a capital and business alliance with Japan Aviation Electronics Industry, Limited  
 Tender offer for NIHON CHOUZAI Co., Ltd. by Advantage Partners Pte. Ltd.  
 Privatization of Nissin Corporation by Bain Capital, LP.  
 Fujitsu Limited's conversion of BrainPad Inc. into a wholly owned subsidiary  
 Sale of iPark (Spain) held by Elliott Investment Management (U.S.)  
 Sale of Tecvia (Germany) by Unigestion (Switzerland) to Harris Computer (Canada)  
 Sale by Chemco (Ireland) to Basalt Infrastructure Partners (U.K.)  
 Sale by Profectus (India) to UGRO (India)



(¥ Billions)	FY2023			FY2024			FY2025		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Equity underwriting	4.5	3.7	1.9	3.9	6.1	7.1	2.3	4.0	4.8
Debt underwriting	2.1	2.8	3.8	3.4	3.2	2.2	3.1	3.2	2.7
M&A / others	11.4	13.6	9.0	11.7	15.9	16.3	11.7	14.1	18.3
<b>Net operating revenues</b>	18.0	20.1	14.8	19.0	25.3	25.8	17.2	21.4	26.0
<b>Ordinary income</b>	1.0	-0.6	-2.0	1.1	5.5	6.9	0.9	6.0	5.4
<b>Group M&amp;A related revenues<sup>*1</sup></b>	13.2	15.6	10.4	13.7	16.8	17.8	12.5	15.1	18.7

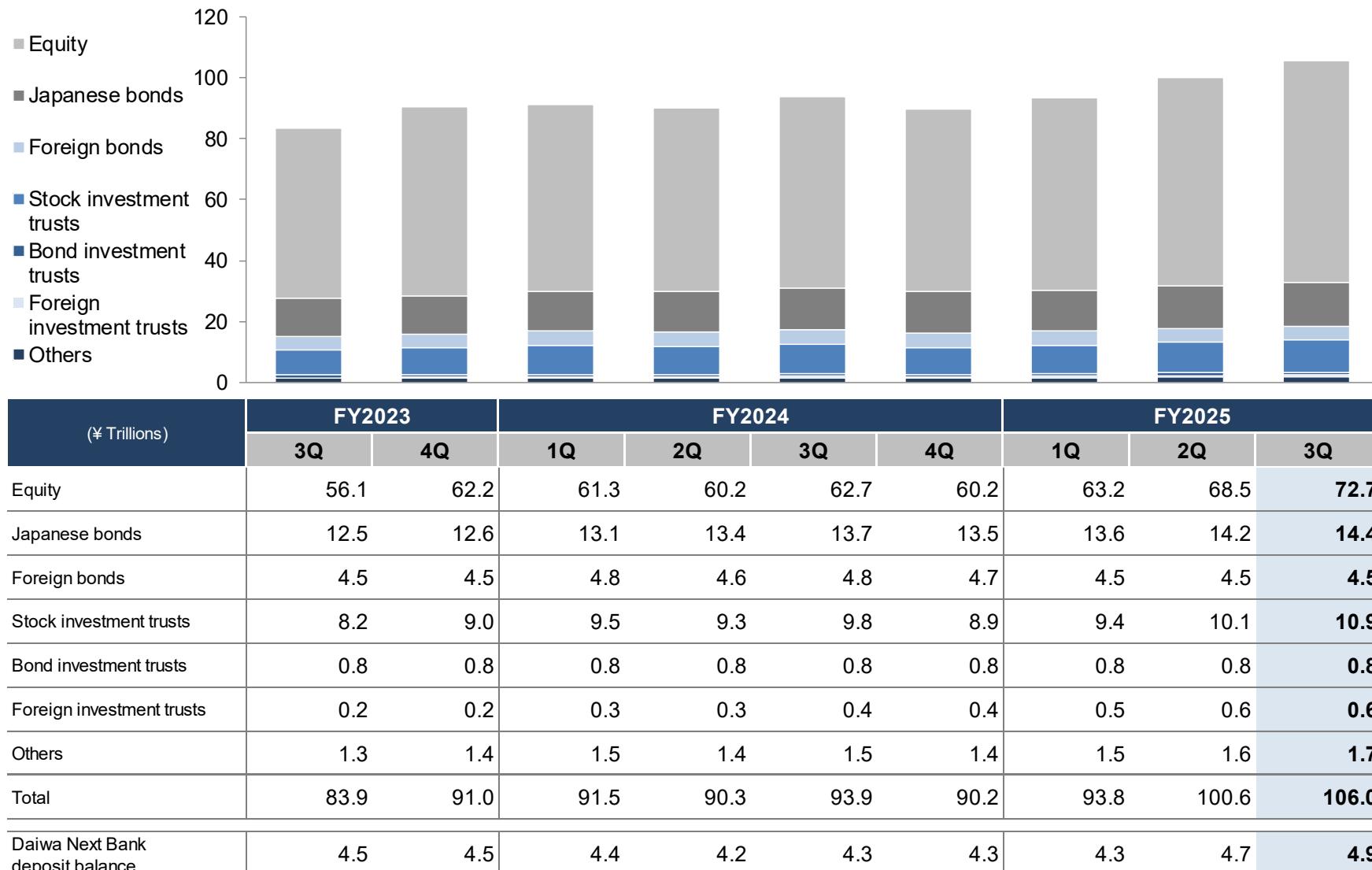
\*1 In addition to "M&A / others" revenues, includes revenues from equity-method affiliates such as Green Giraffe (50% ownership), a renewable energy M&A house in Europe

# Reference

## Breakdown of Commission

(\$ Millions)	FY2024		FY2025			% Change vs 2Q/FY25	% Change vs 3Q/FY24	FY2024	FY2025	% Change vs 1Q-3Q/FY24	FY2024
	3Q	4Q	1Q	2Q	3Q			1Q-3Q	1Q-3Q		
<b>Total commission</b>	109,796	114,899	100,398	118,300	<b>128,579</b>	<b>8.7%</b>	<b>17.1%</b>	301,590	<b>347,277</b>	<b>15.1%</b>	416,489
<b>Brokerage commission</b>	21,638	23,043	21,153	26,968	<b>29,578</b>	<b>9.7%</b>	<b>36.7%</b>	66,002	<b>77,700</b>	<b>17.7%</b>	89,045
<b>Underwriting and secondary offering commissions</b>	13,271	15,245	8,901	10,831	<b>11,047</b>	<b>2.0%</b>	<b>-16.8%</b>	32,685	<b>30,781</b>	<b>-5.8%</b>	47,930
<b>Distribution commission</b>	6,710	6,670	4,761	6,275	<b>7,741</b>	<b>23.4%</b>	<b>15.4%</b>	18,230	<b>18,778</b>	<b>3.0%</b>	24,900
<b>Other commission</b>	68,175	69,941	65,581	74,224	<b>80,211</b>	<b>8.1%</b>	<b>17.7%</b>	184,671	<b>220,017</b>	<b>19.1%</b>	254,613
<b>Agency fee and others</b>	6,616	6,667	6,344	7,545	<b>8,391</b>	<b>11.2%</b>	<b>26.8%</b>	18,814	<b>22,281</b>	<b>18.4%</b>	25,481
<b>Investment advisory and account management fees</b>	13,648	13,766	13,895	15,003	<b>16,587</b>	<b>10.6%</b>	<b>21.5%</b>	39,432	<b>45,486</b>	<b>15.4%</b>	53,198
<b>Insurance sales commission</b>	1,173	1,257	3,243	4,036	<b>1,230</b>	<b>-69.5%</b>	<b>4.9%</b>	3,353	<b>8,510</b>	<b>153.8%</b>	4,610
<b>M&amp;A related commission</b>	16,132	16,537	11,183	13,808	<b>18,860</b>	<b>36.6%</b>	<b>16.9%</b>	36,558	<b>43,852</b>	<b>20.0%</b>	53,095
<b>Management fee</b>	24,187	23,694	23,523	25,832	<b>27,836</b>	<b>7.8%</b>	<b>15.1%</b>	69,000	<b>77,192</b>	<b>11.9%</b>	92,694
<b>Other</b>	6,416	8,017	7,391	7,998	<b>7,304</b>	<b>-8.7%</b>	<b>13.8%</b>	17,514	<b>22,694</b>	<b>29.6%</b>	25,532

# Assets under Custody

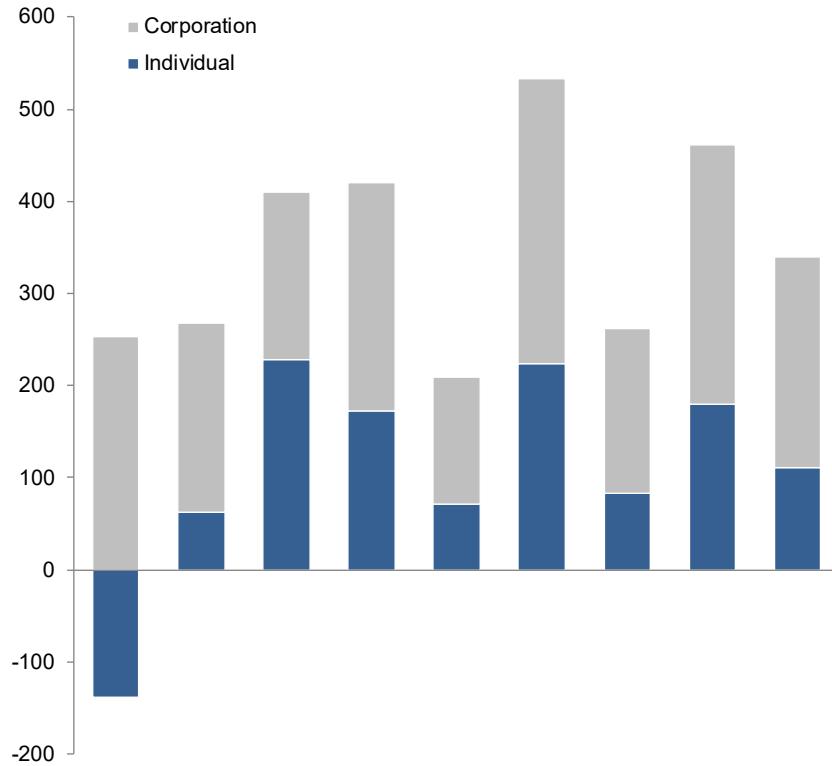


# Number of Accounts and Equity Trading

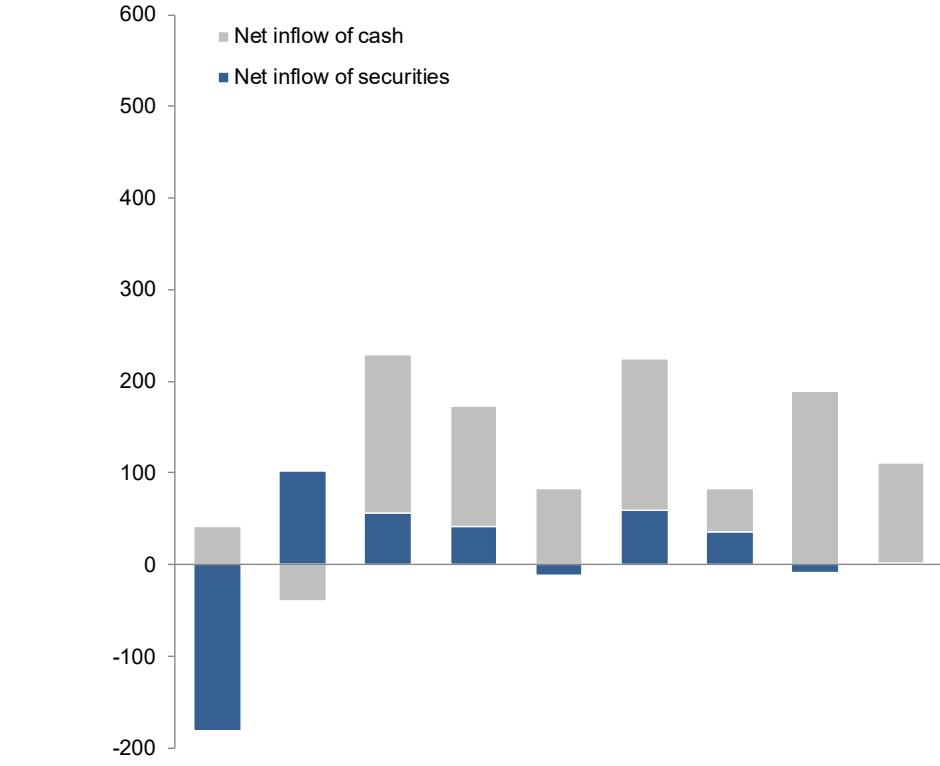
	FY2023		FY2024				FY2025		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Accounts with balance (thousands)	3,106	3,120	3,132	3,171	3,183	3,209	3,210	3,235	<b>3,246</b>
Accounts holding equity (thousands)	1,467	1,465	1,467	1,488	1,493	1,507	1,501	1,494	<b>1,491</b>
Online trading accounts (thousands)	3,641	3,667	3,688	3,708	3,733	3,756	3,770	3,776	<b>3,802</b>
Newly opened accounts (thousands)	43	48	44	39	44	38	44	42	<b>51</b>
NISA accounts (thousands) <sup>*1</sup>	695	683	692	698	700	701	702	701	<b>702</b>
Wrap account service (end of quarter)									
Contract assets under management (¥ billions)	3,749	4,142	4,430	4,509	4,736	4,686	4,910	5,302	<b>5,783</b>
Number of customers (thousands)	174	179	187	193	199	203	208	213	<b>221</b>
Contracts and trading value for individual investors at Daiwa Securities (Japanese Equity)									
Total number of contracts (thousands)	2,517	3,532	2,777	2,888	2,656	2,688	2,699	2,994	<b>3,179</b>
Online out of total (thousands)	2,181	2,992	2,399	2,547	2,281	2,332	2,387	2,581	<b>2,755</b>
Total trading value (¥ billions)	2,984	4,512	3,247	2,994	2,903	2,997	2,744	3,536	<b>4,096</b>
Online out of total (¥ billions)	2,087	3,107	2,376	2,305	2,051	2,118	2,066	2,595	<b>3,007</b>
Foreign equity trading value (WM Division (Daiwa Securities))									
Trading value (¥ billions)	242	399	375	267	430	306	474	573	<b>759</b>

# Net Asset Inflow

## WM Division (Daiwa Securities) Net Asset Inflow

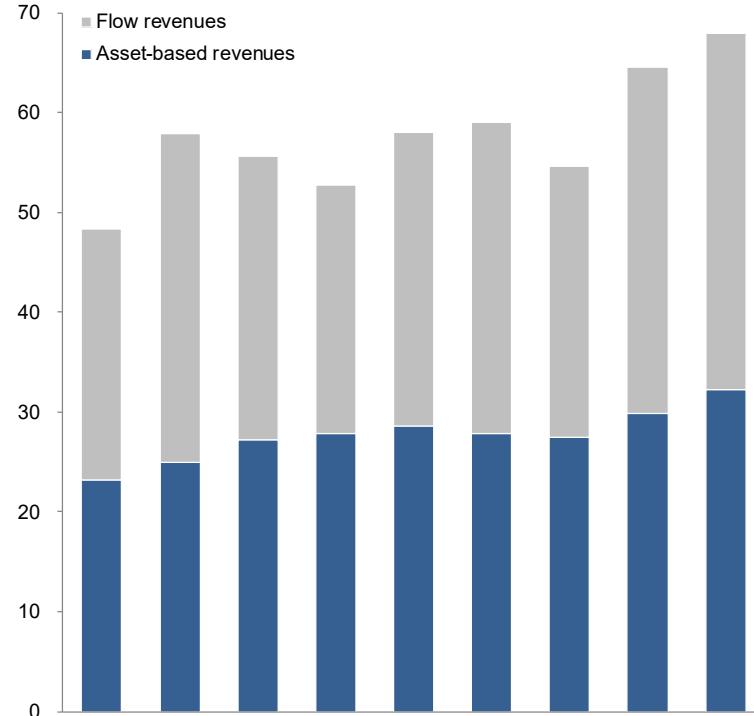


## WM Division (Daiwa Securities) Net Asset Inflow (Individuals)

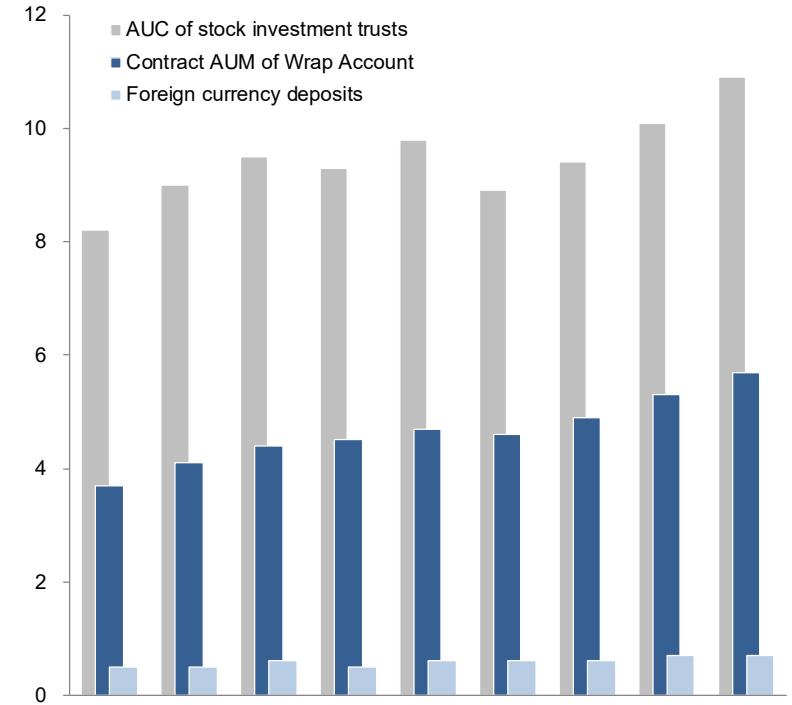


# Asset-Based Revenues

## Composition of Revenues



## Stock-Related Assets



(\$ Billions)	FY2023		FY2024				FY2025		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Net operating revenues in WM Division (domestic)	48.3	57.9	55.7	52.8	58.1	59.0	54.6	64.7	68.0
Asset-based revenues	23.2	24.9	27.2	27.8	28.6	27.9	27.5	29.9	32.3
Flow revenues	25.1	33.0	28.4	24.9	29.4	31.1	27.1	34.7	35.7
Asset-based revenue ratio	48.0%	43.0%	48.9%	52.7%	49.3%	47.3%	50.4%	46.3%	47.5%
Fixed cost coverage ratio	94.3%	102.1%	106.4%	104.6%	108.3%	108.0%	103.7%	109.8%	114.6%
Total cost coverage ratio	63.8%	66.4%	71.4%	68.5%	70.3%	71.2%	70.1%	72.7%	74.3%

(\$ Trillions)	FY2023		FY2024				FY2025		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
AUC of stock investment trusts	8.2	9.0	9.5	9.3	9.8	8.9	9.4	10.1	10.9
Contract AUM of Wrap Account	3.7	4.1	4.4	4.5	4.7	4.6	4.9	5.3	5.7
Foreign currency deposits	0.5	0.5	0.6	0.5	0.6	0.6	0.6	0.7	0.7

※ Stock investment trusts include portions from wrap account services.

# League Table

Primary and secondary equity offerings		IPO	Straight bonds (excl. family bonds)	Agency bonds	Municipal bonds	Samurai bonds (excl. family bonds)	M&A (Number of deals)
FY2025 2Q League Table							
1st	Nomura	Nomura	Daiwa	Nomura	Daiwa	Mizuho	Nomura
	24.0%	28.2%	22.5%	20.8%	22.0%	24.4%	
2nd	Mizuho	SMBC Nikko	Mizuho	Daiwa	SMBC Nikko	SMBC Nikko	SMFG
	18.0%	17.2%	21.0%	20.6%	19.1%	23.8%	
3rd	SMBC Nikko	SBI	Nomura	SMBC Nikko	Nomura	Nomura	Mizuho
	16.4%	13.5%	20.2%	20.5%	18.3%	21.5%	
4th	Mitsubishi UFJMS	Daiwa	SMBC Nikko	Mitsubishi UFJMS	Mizuho	Mitsubishi UFJMS	Daiwa
	15.3%	11.2%	18.3%	18.7%	13.4%	15.2%	
5th	Daiwa	Mizuho	Mitsubishi UFJMS	Mizuho	Mitsubishi UFJMS	Daiwa	Plutus (4th)
	12.5%	10.1%	12.6%	13.5%	13.3%	12.1%	

Source: Compiled by Daiwa Securities based on LSEG April 2025 – December 2025

Primary and secondary equity, IPO, Straight bonds, Agency bonds, Municipal bonds and Samurai bonds are based on settlement date.

Joint lead manager allotment of Primary and secondary equity, IPO, Straight bonds, Municipal bonds and Agency bonds is based on underwritten amount.

Joint bookrunner allotment of Samurai bonds is divided up evenly among the bookrunners.

M&A is compiled by Daiwa Securities based on Mergermarket

## Range and Assumptions of VaR

- Confidence level: 99% (one-side test)
- Holding period: 1day
- Adjusted for price correlation between products

(¥ Billions)	FY2023		FY2024				FY2025		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
VaR (Quarter end)	0.97	1.05	1.14	1.13	1.30	1.41	1.09	1.13	<b>0.94</b>
High	1.54	1.47	1.40	1.51	1.75	1.48	1.58	1.32	<b>1.40</b>
Low	0.93	0.93	0.90	1.03	1.03	0.99	0.99	0.88	<b>0.90</b>
Average	1.22	1.21	1.15	1.23	1.29	1.22	1.28	1.10	<b>1.15</b>
By risk factors (Quarter end)									
Equity	0.17	0.33	0.20	0.24	0.18	0.45	0.63	0.46	<b>0.26</b>
Interest	0.84	0.98	0.89	0.81	0.83	0.80	0.82	0.70	<b>0.60</b>
Currency	0.25	0.25	0.36	0.38	0.58	0.18	0.22	0.28	<b>0.25</b>
Commodities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>

(Ref) Confidence level : 95% (one-side test), Holding period : 1 day

VaR (Quarter end)	0.60	0.71	0.67	0.82	0.79	0.91	0.76	0.70	<b>0.65</b>
-------------------	------	------	------	------	------	------	------	------	-------------

# Number of Group Employees

	FY2023		FY2024				FY2025		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
<b>Total</b>	14,994	14,889	15,280	15,229	15,165	15,093	15,558	15,571	<b>15,485</b>
Overseas	1,981	1,954	1,910	1,973	1,952	1,949	1,876	1,892	<b>1,858</b>

## Daiwa Securities Balance Sheet (December 31, 2025)

(¥ Billions)

Current assets	18,329	(-442)	Current liabilities	16,638	(-371)
Trading products	7,035	(1,155)	Trading products	5,897	(360)
Trading securities and other	3,237	(143)	Trading securities and other	2,148	(-757)
Derivatives transactions	3,797	(1,011)	Derivatives transactions	3,748	(1,118)
Margin transaction assets	179	(27)	Margin transaction liabilities	40	(1)
Loans on margin transactions	131	(-16)	Loans payables secured by securities	7,247	(-1,341)
Cash collateral pledged for securities borrowing on margin transactions	48	(43)	Short-term loans payable	1,496	(195)
Loans secured by securities	7,714	(-2,001)	Current portion of bonds	196	(-37)
Short-term guarantee deposits	462	(-13)	Long-term liabilities	1,320	(-54)
Short-term loans receivable	379	(-101)	Bonds payable	416	(-51)
Non-current assets	210	(5)	Long-term loans payable	857	(-3)
Property, plant and equipment	49	(-0)	Total liabilities	17,965	(-426)
Intangible assets	93	(9)	Net assets	574	(-10)
Total assets	18,539	(-437)	Shareholders' equity	572	(-11)
			Capital stock	100	—
			Total liabilities and net assets	18,539	(-437)

※ Figures in parentheses show changes from March 31, 2025.

(\$ Millions)	FY2024		FY2025			% Change vs 2Q/FY25	% Change vs 3Q/FY24	FY2024	FY2025	% Change vs 1Q-3Q/FY24	FY2024
	3Q	4Q	1Q	2Q	3Q			1Q-3Q	1Q-3Q		
<b>Operating revenues</b>	121,075	123,875	118,567	134,068	<b>142,928</b>	<b>6.6%</b>	<b>18.0%</b>	346,983	<b>395,563</b>	<b>14.0%</b>	470,858
<b>Commission received</b>	73,139	74,849	67,451	79,588	<b>83,426</b>	<b>4.8%</b>	<b>14.1%</b>	202,253	<b>230,466</b>	<b>13.9%</b>	277,102
<b>Brokerage commission</b>	15,189	16,101	14,353	18,913	<b>20,855</b>	<b>10.3%</b>	<b>37.3%</b>	45,932	<b>54,121</b>	<b>17.8%</b>	62,034
<b>Stock and others</b>	14,791	15,704	13,870	18,538	<b>20,277</b>	<b>9.4%</b>	<b>37.1%</b>	44,664	<b>52,686</b>	<b>18.0%</b>	60,368
<b>Underwriting and secondary offering commissions</b>	13,136	13,324	8,850	10,066	<b>10,488</b>	<b>4.2%</b>	<b>-20.2%</b>	29,873	<b>29,405</b>	<b>-1.6%</b>	43,198
<b>Equity</b>	8,334	11,086	3,109	3,714	<b>5,991</b>	<b>61.3%</b>	<b>-28.1%</b>	15,073	<b>12,815</b>	<b>-15.0%</b>	26,160
<b>Bond and others</b>	4,801	2,238	5,470	4,368	<b>4,196</b>	<b>-4.0%</b>	<b>-12.6%</b>	14,799	<b>14,035</b>	<b>-5.2%</b>	17,038
<b>Distribution commission</b>	6,638	6,611	4,701	6,193	<b>7,651</b>	<b>23.6%</b>	<b>15.3%</b>	18,011	<b>18,546</b>	<b>3.0%</b>	24,623
<b>Investment trust</b>	6,582	6,542	4,650	6,105	<b>7,620</b>	<b>24.8%</b>	<b>15.8%</b>	17,827	<b>18,377</b>	<b>3.1%</b>	24,370
<b>Other commissions</b>	38,176	38,810	39,546	44,415	<b>44,430</b>	<b>0.0%</b>	<b>16.4%</b>	108,435	<b>128,392</b>	<b>18.4%</b>	147,245
<b>Agency fee and others</b>	10,610	10,541	10,138	11,609	<b>12,629</b>	<b>8.8%</b>	<b>19.0%</b>	30,547	<b>34,377</b>	<b>12.5%</b>	41,089
<b>Investment advisory and account management fees</b>	13,648	13,766	13,895	15,003	<b>16,587</b>	<b>10.6%</b>	<b>21.5%</b>	39,432	<b>45,486</b>	<b>15.4%</b>	53,198
<b>Insurance sales commission</b>	1,173	1,257	3,243	4,036	<b>1,230</b>	<b>-69.5%</b>	<b>4.9%</b>	3,353	<b>8,510</b>	<b>153.8%</b>	4,610
<b>M&amp;A related commission</b>	5,353	5,814	5,149	6,702	<b>7,534</b>	<b>12.4%</b>	<b>40.7%</b>	13,178	<b>19,385</b>	<b>47.1%</b>	18,992
<b>Net trading income/loss</b>	21,565	21,412	20,449	21,296	<b>26,379</b>	<b>23.9%</b>	<b>22.3%</b>	66,997	<b>68,126</b>	<b>1.7%</b>	88,410
<b>Financial revenues</b>	26,369	27,613	30,666	33,183	<b>33,121</b>	<b>-0.2%</b>	<b>25.6%</b>	77,732	<b>96,970</b>	<b>24.7%</b>	105,346
<b>Financial expenses</b>	23,827	26,255	29,802	30,279	<b>29,728</b>	<b>-1.8%</b>	<b>24.8%</b>	70,744	<b>89,810</b>	<b>26.9%</b>	97,000
<b>Net operating revenues</b>	97,248	97,620	88,764	103,789	<b>113,199</b>	<b>9.1%</b>	<b>16.4%</b>	276,238	<b>305,753</b>	<b>10.7%</b>	373,858

## Financial Summary II

(\$ Millions)	FY2024		FY2025			% Change vs 2Q/FY25	% Change vs 3Q/FY24	FY2024	FY2025	% Change vs 1Q-3Q/FY24	FY2024
	3Q	4Q	1Q	2Q	3Q			1Q-3Q	1Q-3Q		FY2024
<b>SG&amp;A</b>	69,436	67,600	67,641	71,003	<b>74,621</b>	5.1%	7.5%	203,647	<b>213,265</b>	4.7%	271,248
<b>Trading related expenses</b>	11,066	10,897	11,106	11,695	<b>12,409</b>	6.1%	12.1%	32,599	<b>35,212</b>	8.0%	43,496
<b>Personnel expenses</b>	29,944	28,661	27,908	29,889	<b>31,470</b>	5.3%	5.1%	86,093	<b>89,268</b>	3.7%	114,755
<b>Real estate expenses</b>	5,384	6,081	5,300	5,610	<b>5,719</b>	1.9%	6.2%	16,414	<b>16,630</b>	1.3%	22,495
<b>Office cost</b>	15,064	13,746	15,624	16,117	<b>17,060</b>	5.8%	13.2%	44,814	<b>48,802</b>	8.9%	58,560
<b>Depreciation</b>	5,545	5,384	5,104	5,076	<b>5,324</b>	4.9%	-4.0%	16,786	<b>15,506</b>	-7.6%	22,171
<b>Taxes and dues</b>	1,260	1,280	1,292	1,432	<b>1,474</b>	2.9%	17.0%	3,694	<b>4,200</b>	13.7%	4,975
<b>Other</b>	1,169	1,548	1,303	1,179	<b>1,162</b>	-1.5%	-0.6%	3,244	<b>3,645</b>	12.4%	4,793
<b>Ordinary income</b>	28,347	31,034	21,620	33,246	<b>39,004</b>	17.3%	37.6%	74,599	<b>93,871</b>	25.8%	105,633
<b>Net income</b>	19,402	25,573	14,946	22,407	<b>26,756</b>	19.4%	37.9%	49,550	<b>64,110</b>	29.4%	75,124
<b>ROE (Annualized)</b>	14.1%	17.9%	10.8%	16.7%	<b>19.1%</b>			11.7%	<b>14.7%</b>		13.0%
<b>Capital adequacy ratio</b>	371.5%	369.6%	325.5%	342.6%	<b>351.9%</b>			371.5%	<b>351.9%</b>		369.6%

Contact

Daiwa Securities Group Inc.

Investor Relations

E-mail: [ir-section@daiwa.co.jp](mailto:ir-section@daiwa.co.jp)

URL: <https://www.daiwa-grp.jp/english/ir/>