

2Q FY2025 Earnings Announcement

Daiwa Securities Group Inc.

November 4, 2025

The purpose of this material is to provide information on our business performance through the second 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 November 4, 2025. The opinions and forecasts contained in this material are based on information available as of November 4, 2025. 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 Second Quarter of FY2025

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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 (1H/FY2025, YoY)

Although consolidated ordinary income declined due to the absence of the gain on negative goodwill recorded in the previous fiscal year, combined results of the three main divisions recorded revenue and income growth. Profit attributable to owners of parent reached its highest level in 12 years.

Consolidated earnings results	FY2025 1H	FY2024 1H	% Changes vs 1H/FY2024
Net operating revenues	¥327.8 bn	¥310.2 bn	+5.7%
Ordinary income	¥97.9 bn	¥110.6 bn	-11.5%
Profit attributable to owners of parent	¥78.9 bn	¥77.7 bn	+1.5%

- **Base income^{*1}, a key indicator of stable earnings, rose 23.7% to ¥78.1 bn.**
- **Annualized ROE for the 1H: 9.5%**
- **Asset under custody (Daiwa Securities) has surpassed ¥100 tn, reaching a record high.**
- **Wealth Management Division accurately captured customers' asset management needs through total asset consulting, and WM Division (Daiwa Securities) achieved its highest ordinary income in the past 10 years.**
 - Asset-based revenues^{*2} reached a record high of ¥57.4 bn. Contract AUM of wrap account service (¥5.3 tn^{*3}) hit a record high.
 - Net asset inflow^{*4} remained at a high level (¥723.6 bn).
 - For Daiwa Next Bank, yen deposit balance exceeded ¥4 tn, and ordinary income reached a record high of ¥10 bn.
- **AUM in both Securities and Real Estate Asset Management continued to expand steadily.**
 - Securities Asset Management increased revenues and income. Net fund inflows continued, leading to record highs in assets under management^{*5} (¥33.5 tn) and ordinary income (¥16.0 bn).
 - Real Estate Asset Management saw increased revenues but decreased income. Assets under management^{*5} reached a record high (¥1.7 tn).
- **Global Investment Banking saw revenue and income growth as M&A-related revenue reached a record high.**

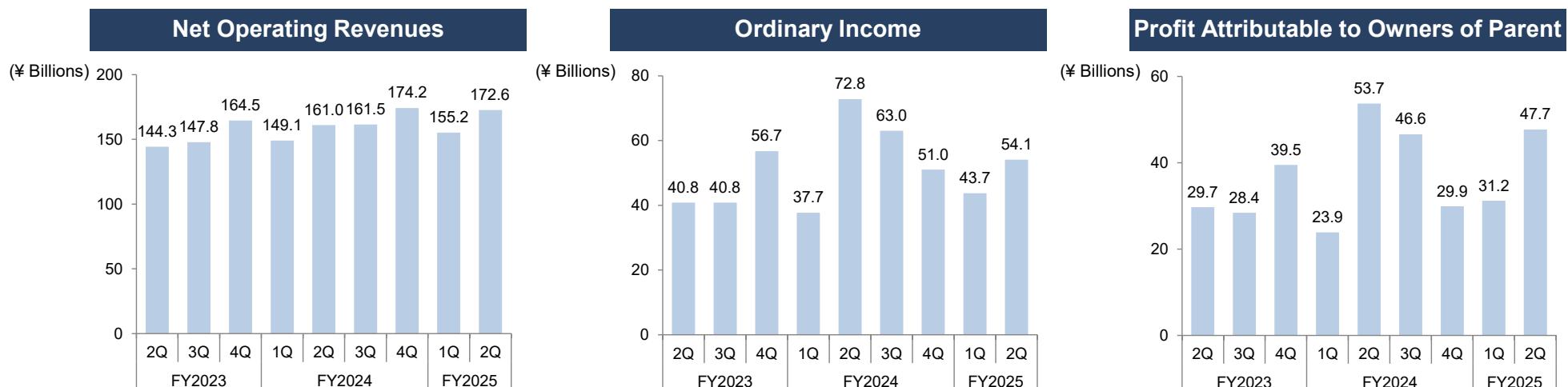
Interim dividend: 29yen, dividend pay-out ratio: 51.4%

Summary (2Q/FY2025, QoQ)

In addition to expanding revenue from stock-related assets, flow revenue grew, resulting in higher revenue and income. Base income*1 expanded significantly.

Consolidated earnings results	FY2025 2Q	% Changes vs 1Q/FY2025
Net operating revenues	¥172.6 bn	+11.2%
Ordinary income	¥54.1 bn	+24.0%
Profit attributable to owners of parent	¥47.7 bn	+52.8%

- Wealth Management Division deepened total asset consulting, leading to an increase in sales of a wide range of products. WM Division (Daiwa Securities) achieved its highest ordinary income since the 3Q of FY2013.
- Assets under management continued to expand in both Securities Asset Management and Real Estate Asset Management. Alternative Asset Management recorded a loss.
- Global Markets & Investment Banking saw a significant recovery. Global Markets increased equity revenue as customer flow grew. In Global Investment Banking, domestic M&A-related revenue reached a record high, and equity underwriting performed strongly.
- Annualized ROE: 11.6%



(\$ Millions)	FY2024			FY2025		% Change vs 1Q/FY25	% Change vs 2Q/FY24	FY2024	FY2025	% Change vs 1H/FY24	FY2024
	2Q	3Q	4Q	1Q	2Q			1H	1H		FY2024
Operating revenues	354,330	336,748	345,577	326,400	375,349	15.0%	5.9%	689,688	701,750	1.7%	1,372,014
Net operating revenues	161,099	161,532	174,218	155,252	172,628	11.2%	7.2%	310,238	327,880	5.7%	645,990
SG&A	119,424	124,496	121,302	119,074	122,785	3.1%	2.8%	233,448	241,859	3.6%	479,247
Ordinary income	72,887	63,061	51,027	43,716	54,192	24.0%	-25.6%	110,627	97,908	-11.5%	224,716
Profit (loss) attributable to owners of parent	53,791	46,628	29,954	31,237	47,726	52.8%	-11.3%	77,785	78,964	1.5%	154,368
Total assets	33,694,875	36,708,372	36,024,346	34,617,316	36,915,300			33,694,875	36,915,300		36,024,346
Net assets	1,819,449	1,916,791	1,923,287	1,893,724	1,944,434			1,819,449	1,944,434		1,923,287
Shareholders' equity*	1,556,485	1,632,234	1,639,738	1,614,409	1,667,999			1,556,485	1,667,999		1,639,738
EPS (\$)	38.18	33.04	21.19	22.20	34.31			55.31	56.44		109.53
BPS (\$)	1,103.61	1,156.39	1,158.82	1,154.60	1,201.74			1103.61	1,201.74		1,158.82
ROE (Annualized)	13.9%	11.7%	7.3%	7.7%	11.6%			10.1%	9.5%		9.8%

FY2025 Interim Dividend
29 yen

Full-year minimum dividend
FY2024-FY2026
44 yen

Consolidated

Segment Summary

PASSION
FOR THE
BEST

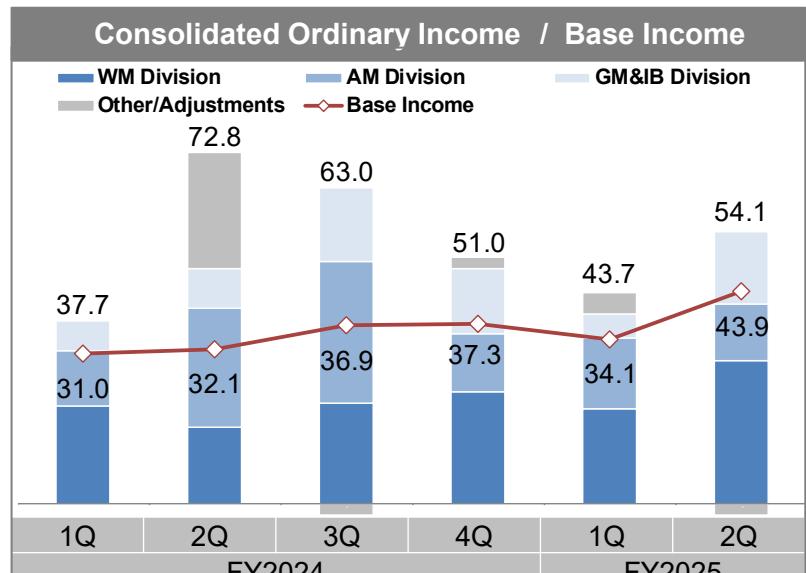
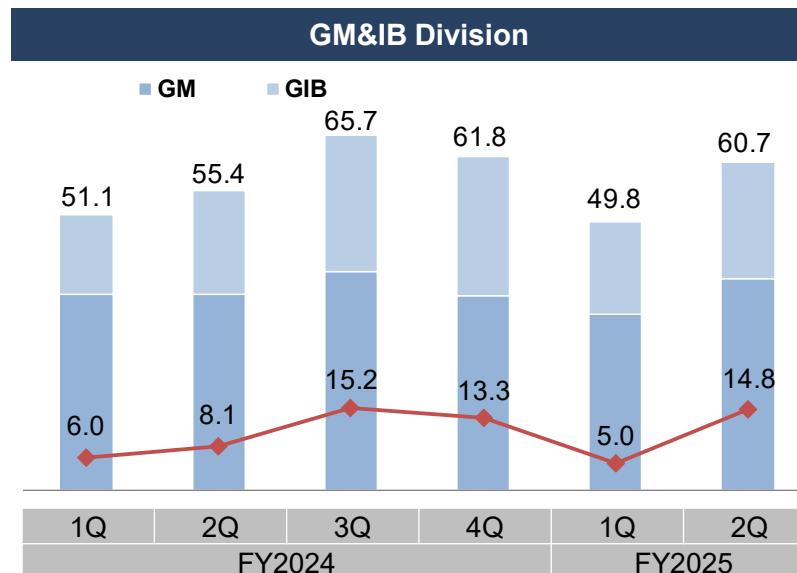
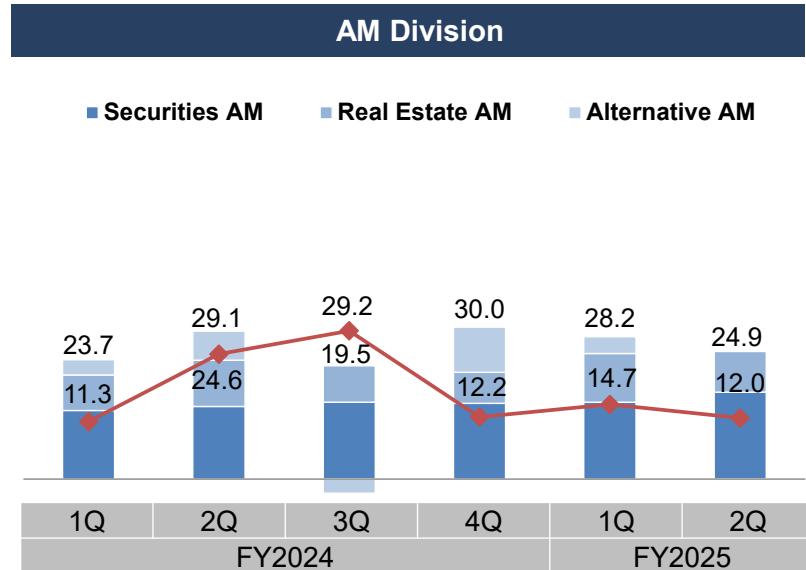
(\$ Millions)	Net operating revenues	FY2024			FY2025		% Change vs 1Q/FY25	% Change vs 2Q/FY24	FY2024	FY2025	% Change vs 1H/FY24	FY2024
		2Q	3Q	4Q	1Q	2Q						
		WM	60,673	66,068	66,455	62,905	74,689	18.7%	23.1%	123,316	137,595	11.6%
	WM Division (Daiwa Securities)	53,430	59,655	59,837	55,500	65,759	18.5%	23.1%	110,196	121,259	10.0%	229,688
	Daiwa Next Bank	6,458	5,629	5,842	6,599	7,922	20.0%	22.7%	11,411	14,521	27.3%	22,884
	AM	29,188	19,562	30,062	28,213	24,996	-11.4%	-14.4%	52,893	53,210	0.6%	102,517
	Securities AM	14,300	15,143	14,963	15,192	17,158	12.9%	20.0%	27,853	32,350	16.1%	57,960
	Real Estate AM	9,175	7,225	6,142	9,665	8,039	-16.8%	-12.4%	16,251	17,704	8.9%	29,619
	Alternative AM	5,712	-2,806	8,956	3,355	-201	-	-	8,788	3,154	-64.1%	14,938
	GM&IB	55,467	65,714	61,837	49,827	60,745	21.9%	9.5%	106,644	110,572	3.7%	234,196
	GM	36,395	40,321	36,031	32,554	39,281	20.7%	7.9%	72,691	71,835	-1.2%	149,044
	GIB	19,072	25,393	25,805	17,272	21,464	24.3%	12.5%	33,953	38,737	14.1%	85,151
	Other/Adjustments	15,770	10,186	15,863	14,304	12,197	-	-	27,384	26,502	-	53,435
	Consolidated total	161,099	161,532	174,218	155,252	172,628	11.2%	7.2%	310,238	327,880	5.7%	645,990
Ordinary income		FY2024			FY2025		% Change vs 1Q/FY25	% Change vs 2Q/FY24	FY2024	FY2025	% Change vs 1H/FY24	FY2024
		2Q	3Q	4Q	1Q	2Q						
	WM	15,949	21,057	23,179	19,734	29,565	49.8%	85.4%	36,427	49,300	35.3%	80,664
	WM Division (Daiwa Securities)	12,265	18,283	20,038	15,610	23,933	53.3%	95.1%	30,301	39,544	30.5%	68,623
	Daiwa Next Bank	4,280	3,316	3,679	4,355	5,702	30.9%	33.2%	7,112	10,058	41.4%	14,108
	AM	24,669	29,217	12,216	14,772	12,072	-18.3%	-51.1%	35,984	26,844	-25.4%	77,418
	Securities AM	7,130	7,037	7,038	7,517	8,493	13.0%	19.1%	13,766	16,011	16.3%	27,841
	Real Estate AM	9,090	8,883	7,163	6,935	5,905	-14.9%	-35.0%	12,982	12,840	-1.1%	29,029
	Alternative AM	8,448	13,296	-1,985	318	-2,326	-	-	9,235	-2,007	-	20,547
	GM&IB	8,161	15,229	13,319	5,001	14,861	197.1%	82.1%	14,189	19,862	40.0%	42,738
	GM	6,615	9,072	6,323	2,639	8,414	218.8%	27.2%	13,609	11,054	-18.8%	29,005
	GIB	1,151	5,566	6,985	903	6,086	573.8%	428.8%	-946	6,989	-	11,605
	Other/Adjustments	24,106	-2,443	2,311	4,207	-2,306	-	-	24,027	1,901	-	23,895
	Consolidated total	72,887	63,061	51,027	43,716	54,192	24.0%	-25.6%	110,627	97,908	-11.5%	224,716
	Base Income	32,171	36,978	37,381	34,188	43,963	28.6%	36.7%	63,175	78,152	23.7%	137,535

Consolidated

Segment Summary

PASSION
FOR THE
BEST

(¥ Billions) █ Net operating revenues ◆ Ordinary income

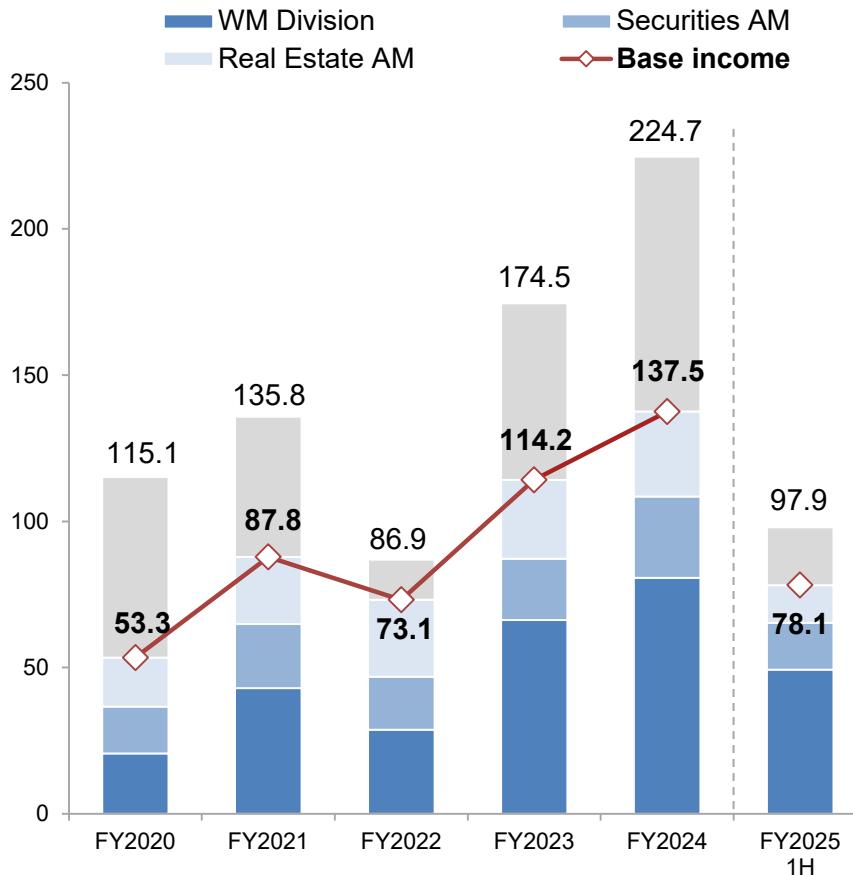


Trends in Consolidated Ordinary Income and Base Income

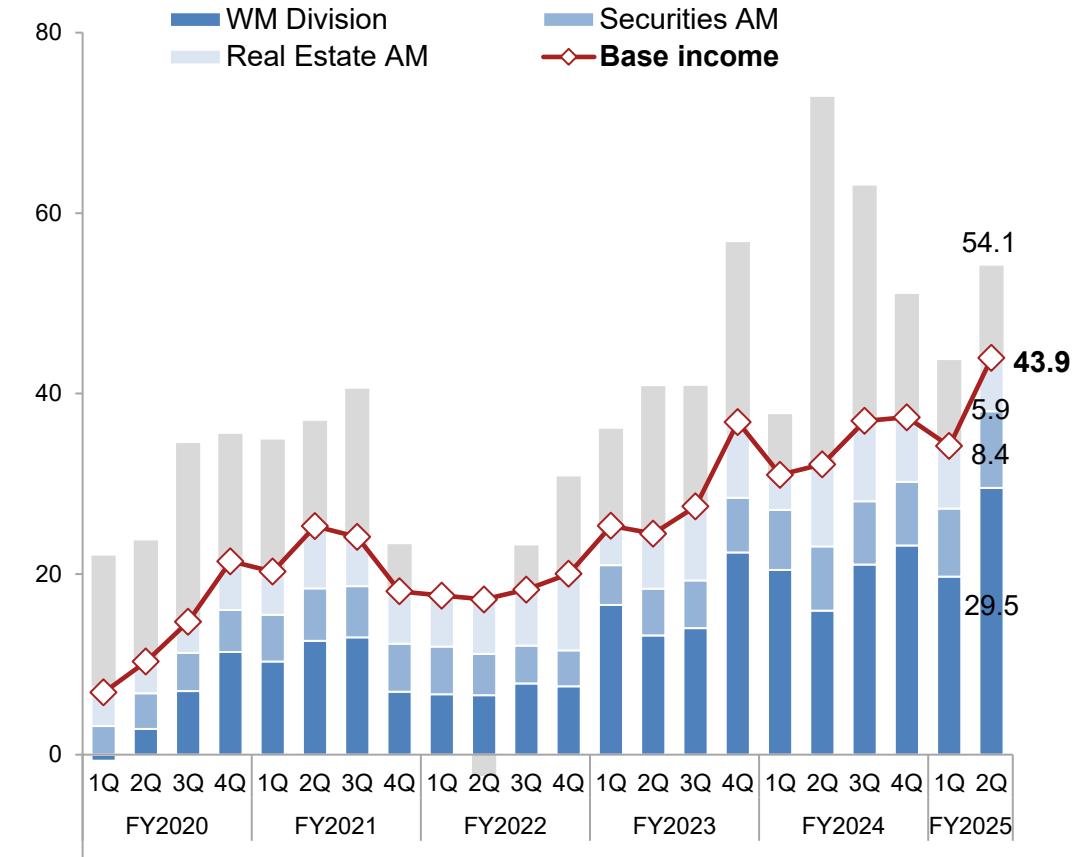
- Base income for the 1H totaled at ¥78.1 bn, +23.7% YoY.
- On track to surpass the Medium-term Management Plan's final-fiscal year target of ¥150.0 bn.

(¥ Billions)

Consolidated Ordinary Income / Base Income (annually)



Consolidated Ordinary Income / Base Income (quarterly)



Consolidated Balance Sheet (September 30, 2025)

(¥ Billions)

Current assets	35,131	(856)	Current liabilities	31,854	(1,158)
Cash and deposits	4,535	(778)	Trading products	6,886	(-550)
Short-term investment securities	1,899	(312)	Trading securities and other	3,660	(-1,150)
Trading products	10,432	(2,104)	Stocks, Convertible bonds	179	(24)
Trading securities and other	7,151	(1,607)	Bonds	3,355	(-929)
Stocks, Convertible bonds	282	(56)	Other	124	(-245)
Bonds	4,408	(311)	Derivatives transactions	3,226	(599)
Beneficiary certificates	34	(4)	Loans payable secured by securities	15,226	(-218)
Other	2,425	(1,234)	Deposits for banking business	4,780	(483)
Derivatives transactions	3,280	(497)	Short-term loans payable	1,579	(164)
Operational investment securities	108	(1)	Current portion of bonds	370	(-29)
(after allowance for possible investment losses)					
Loans secured by securities	13,910	(-1,467)			
Non-current assets	1,783	(34)	Long-term liabilities	3,110	(-288)
Property, plant and equipment	938	(-3)	Bonds payable	1,143	(-74)
Intangible assets	145	(8)	Long-term loans payable	1,814	(-222)
Investments and other assets	699	(30)	Total liabilities	34,970	(869)
Listed stocks	154	(20)	Net assets	1,944	(21)
Unlisted stocks	37	(-1)	Owners' equity	1,451	(8)
Affiliated company stocks, etc.	339	(4)	Accumulated other comprehensive income	216	(19)
Other	168	(6)	Non-controlling interests	270	(-6)
Total Assets	36,915	(890)	Total liabilities and net assets	36,915	(890)

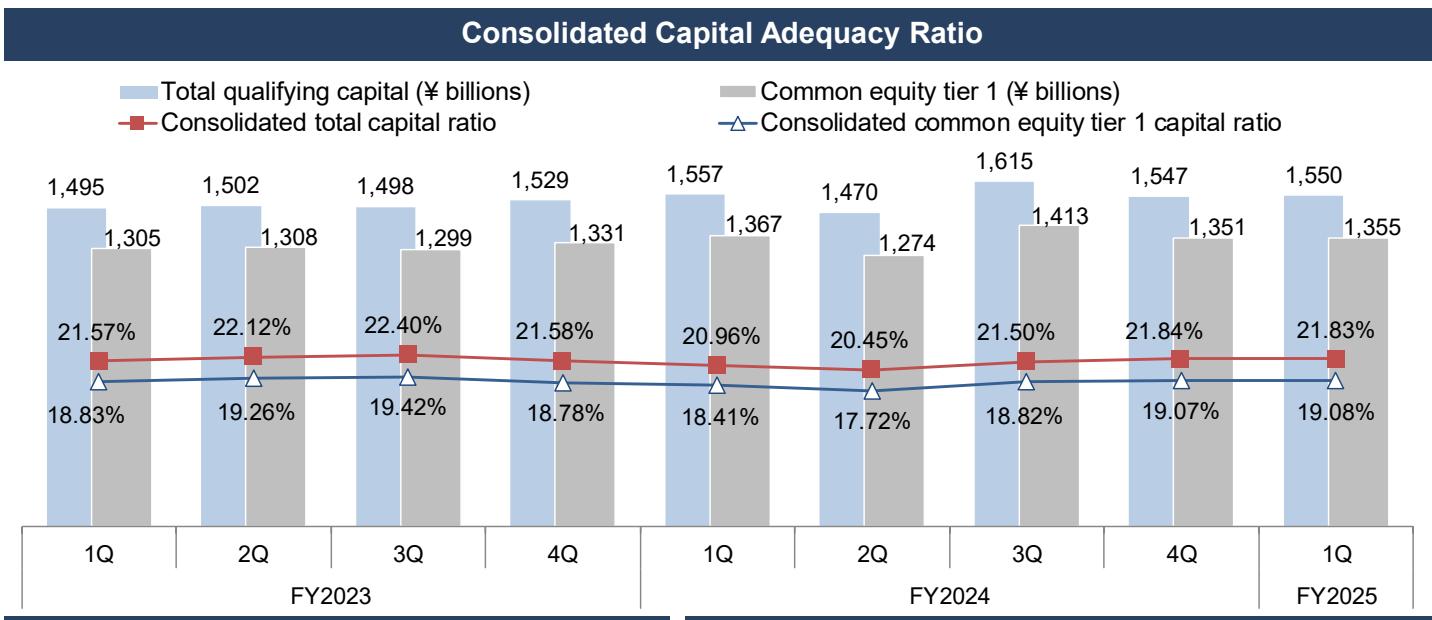
※ Figures in parentheses indicate changes from March 31, 2025.

Total assets: ¥36.91 tn**Net assets:** ¥1.94 tn**Shareholders' equity**:** ¥1.66 tn■ **83.4% of total assets have high liquidity*.**

* Cash and deposits + Short-term investment securities + Trading products +
Loans secured by securities

■ **Shareholders' equity** increased by ¥28.2 bn from March 31, 2025.**

** Shareholders' equity = Owners' equity +
Accumulated other comprehensive income

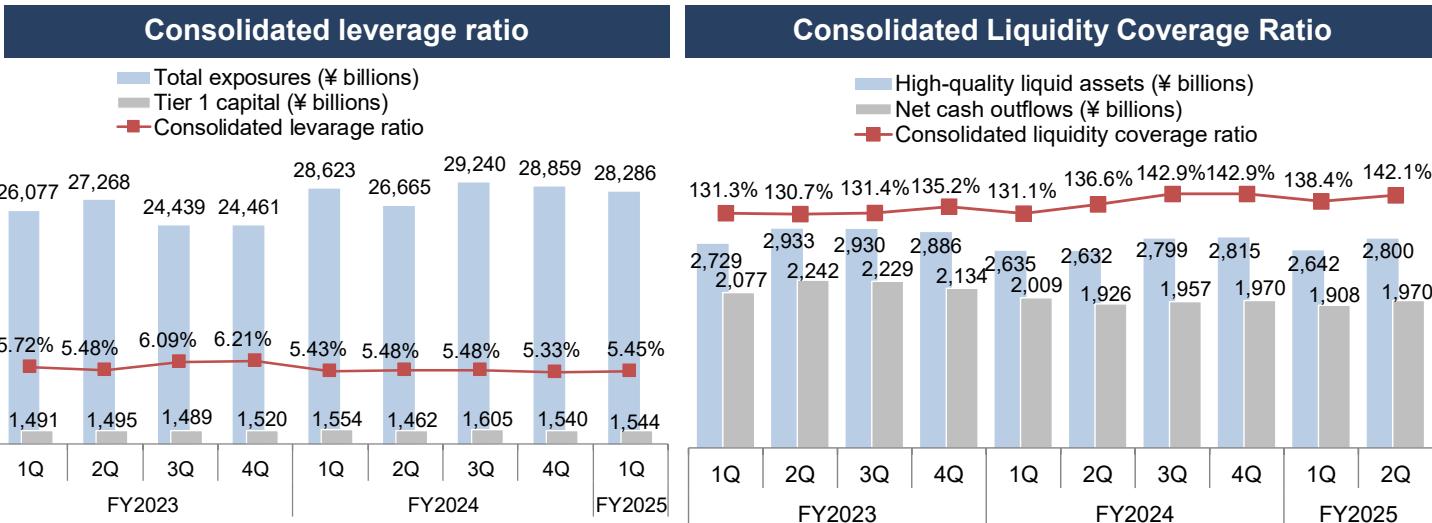


[Regulatory Capital (Basel III)]

(As at June 30, 2025)

- Consolidated Total Capital Ratio: 21.83%
- Consolidated Tier 1 Capital Ratio: 21.73%
- Consolidated Common Equity Tier 1 Capital Ratio: 19.08%
- Consolidated Leverage Ratio: 5.45%

※ Figures are as at the end of each quarter



[Regulatory Liquidity (Basel III)]

(Daily average Jul. – Sept. 2025)

- Consolidated Liquidity Coverage Ratio: 142.1%

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

(\$ Millions)	FY2024			FY2025		% Change vs 1Q/FY25	% Change vs 2Q/FY24	FY2024	FY2025	% Change vs 1H/FY24	FY2024
	2Q	3Q	4Q	1Q	2Q						
Operating revenues	354,330	336,748	345,577	326,400	375,349	15.0%	5.9%	689,688	701,750	1.7%	1,372,014
Commission received	98,355	109,796	114,899	100,398	118,300	17.8%	20.3%	191,793	218,698	14.0%	416,489
Net trading income	28,704	28,021	23,133	22,310	23,375	4.8%	-18.6%	56,218	45,685	-18.7%	107,373
Net gain (loss) on private equity	3,880	-195	8,490	1,797	-1,164	-	-	4,065	633	-84.4%	12,360
Financial revenue	169,568	171,885	163,482	160,616	175,175	9.1%	3.3%	346,584	335,792	-3.1%	681,952
Other operating revenue	53,823	27,240	35,571	41,277	59,662	44.5%	10.8%	91,027	100,940	10.9%	153,839
Financial expenses	149,145	153,661	142,541	140,821	155,261	10.3%	4.1%	307,737	296,083	-3.8%	603,940
Other operating expenses	44,085	21,554	28,817	30,326	47,459	56.5%	7.7%	71,712	77,786	8.5%	122,084
Net operating revenues	161,099	161,532	174,218	155,252	172,628	11.2%	7.2%	310,238	327,880	5.7%	645,990
SG&A	119,424	124,496	121,302	119,074	122,785	3.1%	2.8%	233,448	241,859	3.6%	479,247
Operating income	41,674	37,036	52,916	36,177	49,842	37.8%	19.6%	76,790	86,020	12.0%	166,742
Non-operating income	31,212	26,024	-1,888	7,538	4,349	-42.3%	-86.1%	33,837	11,887	-64.9%	57,973
Ordinary income/loss	72,887	63,061	51,027	43,716	54,192	24.0%	-25.6%	110,627	97,908	-11.5%	224,716
Extraordinary income/loss	-3,794	1,852	-4,027	1,078	21,438	19X	-	-3,514	22,517	-	-5,689
Income before income taxes	69,092	64,913	47,000	44,794	75,631	68.8%	9.5%	107,113	120,426	12.4%	219,026
Total income taxes	13,234	15,229	14,076	10,754	23,205	115.8%	75.3%	24,626	33,959	37.9%	53,932
Profit (loss) attributable to owners of parent	53,791	46,628	29,954	31,237	47,726	52.8%	-11.3%	77,785	78,964	1.5%	154,368

- Commissions received increased (+17.8%).
- Brokerage commission* was ¥26.9 bn (+27.5%).
- Underwriting and secondary offering commissions* were ¥10.8 bn (+21.7%).
- Distribution commission* was ¥6.2 bn (+31.8%).
- M&A related commission* was ¥13.8 bn (+23.5%).

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

- Recorded extraordinary income from the partial monetization of our interest in Tokiwabashi Tower.

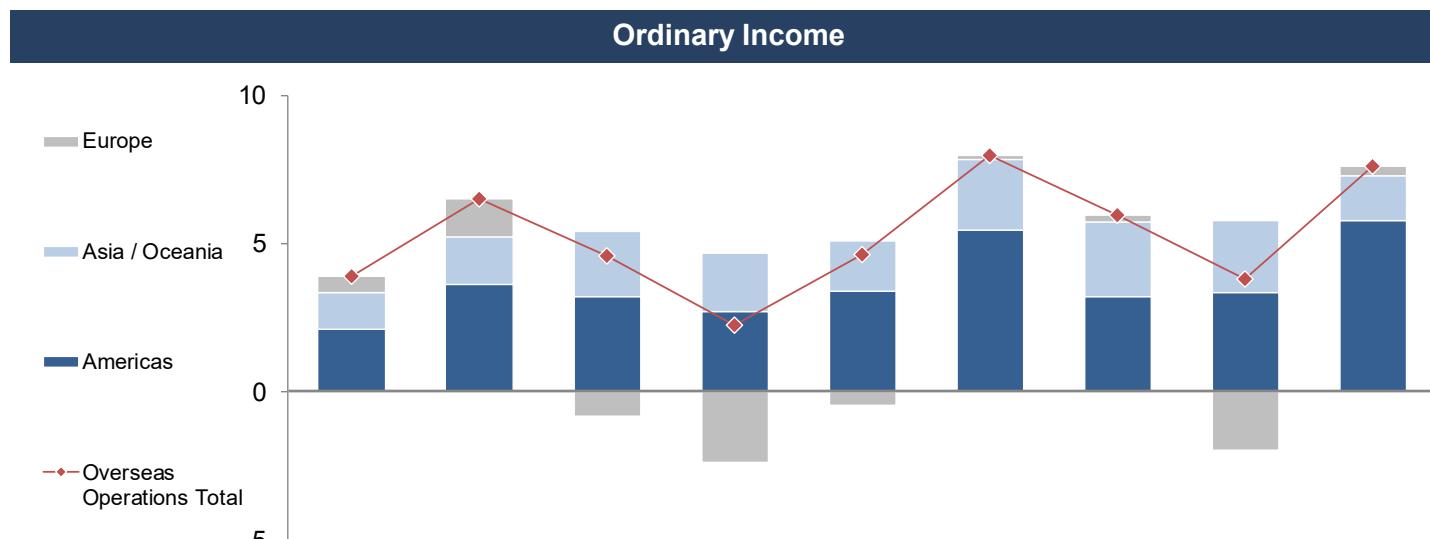
(\$ Millions)	FY2024			FY2025		% Change vs 1Q/FY25	% Change vs 2Q/FY24	FY2024	FY2025	% Change vs 1H/FY24	FY2024
	2Q	3Q	4Q	1Q	2Q						
SG&A	119,424	124,496	121,302	119,074	122,785	3.1%	2.8%	233,448	241,859	3.6%	479,247
											■ SG&A increased (+3.1%).
Trading related expenses	22,579	23,069	24,115	23,496	24,798	5.5%	9.8%	44,571	48,295	8.4%	91,756
											■ Trading related expenses increased due to higher payment fee (+5.5%).
Personnel expenses	61,629	65,280	60,952	58,163	60,606	4.2%	-1.7%	118,768	118,770	0.0%	245,001
											■ Personnel expenses increased due to the impact of wage hikes and performance-linked bonuses (+4.2%).
Real estate expenses	10,916	10,791	11,379	11,110	11,320	1.9%	3.7%	21,637	22,431	3.7%	43,808
Office cost	6,857	7,400	7,292	8,316	8,101	-2.6%	18.1%	13,756	16,417	19.3%	28,449
Depreciation	8,810	8,534	8,315	8,271	8,292	0.3%	-5.9%	17,463	16,564	-5.1%	34,313
Taxes and dues	3,413	3,706	3,347	3,930	4,232	7.7%	24.0%	7,203	8,163	13.3%	14,257
Other	5,217	5,713	5,899	5,783	5,433	-6.1%	4.1%	10,047	11,217	11.6%	21,661

(\$ Billions)	FY2023				FY2024					FY2025	
	2Q	3Q	4Q	1Q-4Q	1Q	2Q	3Q	4Q	1Q-4Q	1Q	2Q
Total SG&A	106.4	109.8	117.5	437.2	114.0	119.4	124.4	121.3	479.2	119.0	122.7
Variable costs	41.4	44.0	50.3	174.6	45.2	50.1	54.9	52.1	202.5	47.4	50.0
Trading related expenses	20.2	20.4	21.2	80.6	21.9	22.5	23.0	24.1	91.7	23.4	24.7
Advertising and promotion expenses	2.8	2.5	2.4	9.7	2.2	2.5	2.4	2.6	9.8	2.0	2.2
Bonus and others	15.2	16.9	22.2	68.5	16.5	20.5	24.2	20.2	81.6	16.1	17.8
Overtime, part-time	1.6	1.8	1.7	6.8	1.8	1.8	1.9	1.8	7.5	1.9	2.0
Fixed costs	65.0	65.8	67.1	262.5	68.7	69.2	69.5	69.1	276.7	71.6	72.6
Personnel expenses	36.7	36.9	36.9	146.7	38.5	39.1	38.9	38.7	155.4	39.9	40.6
Real estate expenses	9.9	10.0	10.6	40.2	10.7	10.9	10.7	11.3	43.8	11.1	11.3
Depreciation	8.7	8.8	8.7	35.1	8.6	8.8	8.5	8.3	34.3	8.2	8.2
Office expenses	6.2	6.5	6.5	25.6	6.6	6.5	7.1	6.9	27.3	8.0	7.7
Taxes and dues	2.9	2.9	3.7	12.8	3.7	3.4	3.7	3.3	14.2	3.9	4.2

Ordinary Income of Overseas Operations

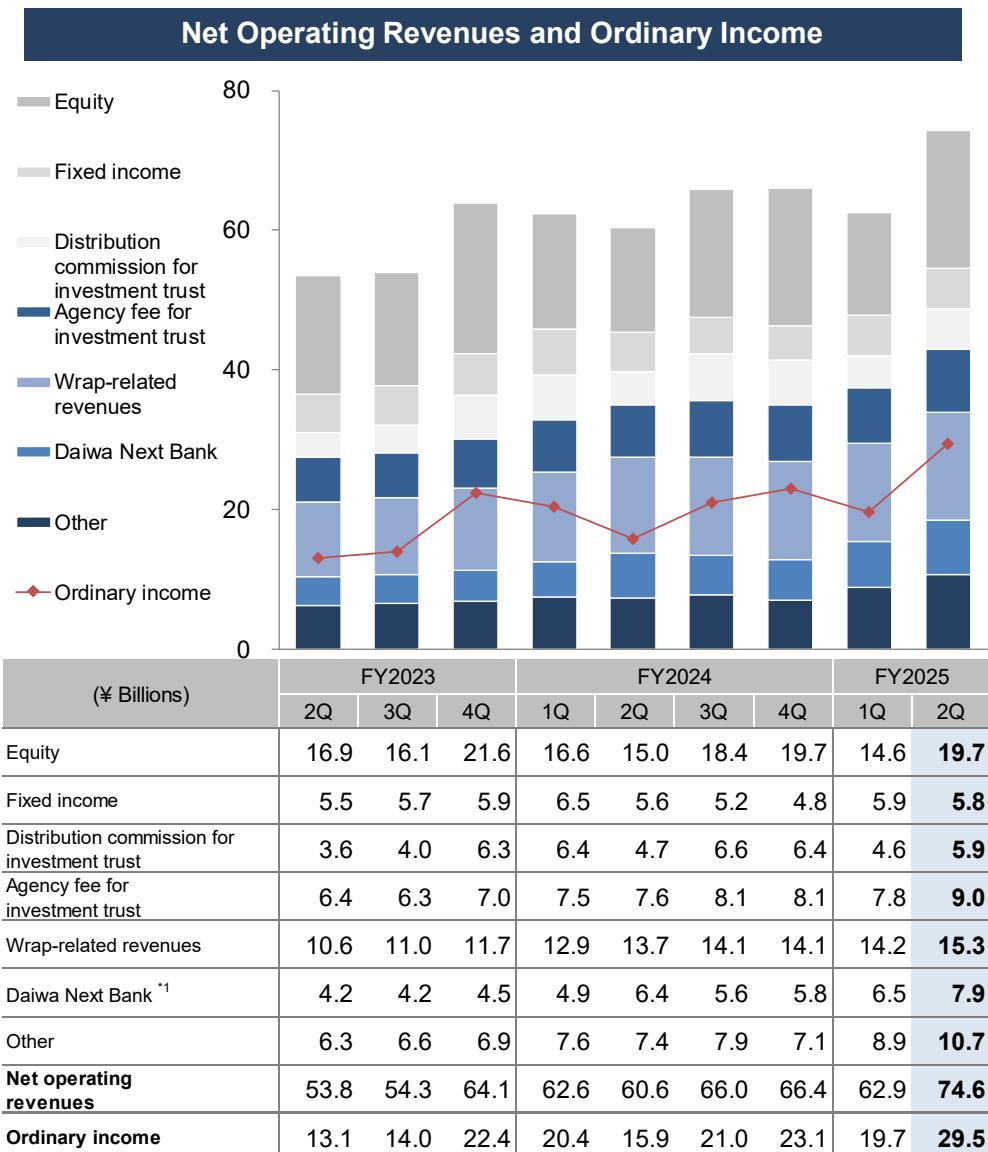
(\$ Millions)	FY2024			FY2025		% Change vs 1Q/FY25	% Change vs 2Q/FY24	FY2024	FY2025	% Change vs 1H/FY24	FY2024
	2Q	3Q	4Q	1Q	2Q						
Overseas Operations Total	4,617	7,969	5,944	3,813	7,619	99.8%	65.0%	6,884	11,432	66.1%	20,798
Europe	-464	137	237	-1,958	324	-	-	-2,856	-1,633	-	-2,481
Asia / Oceania	1,677	2,390	2,518	2,448	1,501	-38.7%	-10.5%	3,648	3,949	8.3%	8,556
Americas	3,404	5,441	3,189	3,323	5,793	74.3%	70.2%	6,092	9,116	49.6%	14,722

- In Europe, profitability of the M&A business improved.
- Asia/Oceania saw decreased income due to lower equity method income.
- In the Americas, M&A business contributed to higher income.



(¥ Millions)	FY2025 2Q	% Change vs 1Q/FY25	FY2025 1H	% Change vs 1H/FY24
Net operating revenues	74,689	18.7%	137,595	11.6%
Ordinary income	29,565	49.8%	49,300	35.3%

- As total asset consulting has progressed, product sales and solution offerings tailored to individual customers' needs have expanded.
- Equity revenues and distribution commission for investment trust increased, supported by a favorable equity market.
- Agency fee for investment trust and wrap-related revenues increased, with asset-based revenues expanding to a record high of ¥29.9 bn.
- The fixed cost coverage ratio based on asset-based revenue rose to 109.8%, while the total cost coverage ratio increased to 72.7%
- * Quarterly trend in asset-based revenues (See p.28)
- Daiwa Next Bank achieved higher revenue and income as yen deposit balances expanded.



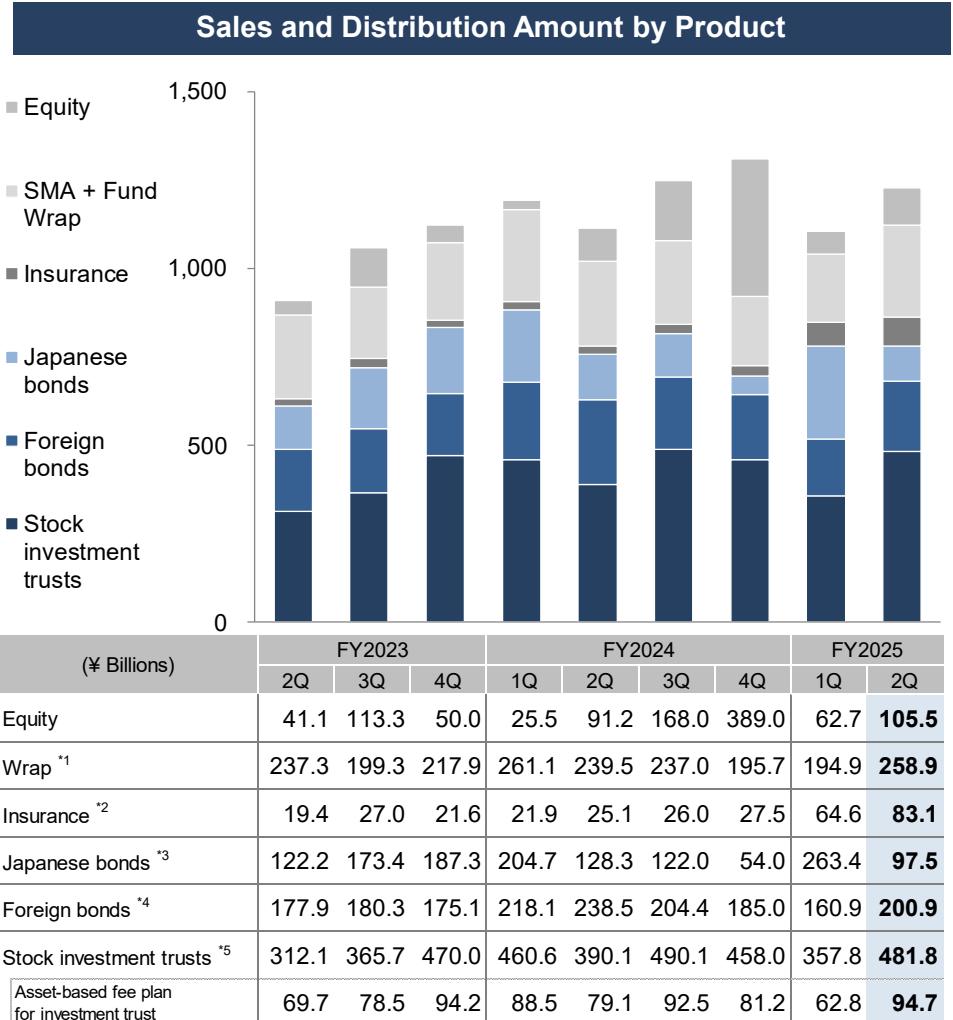
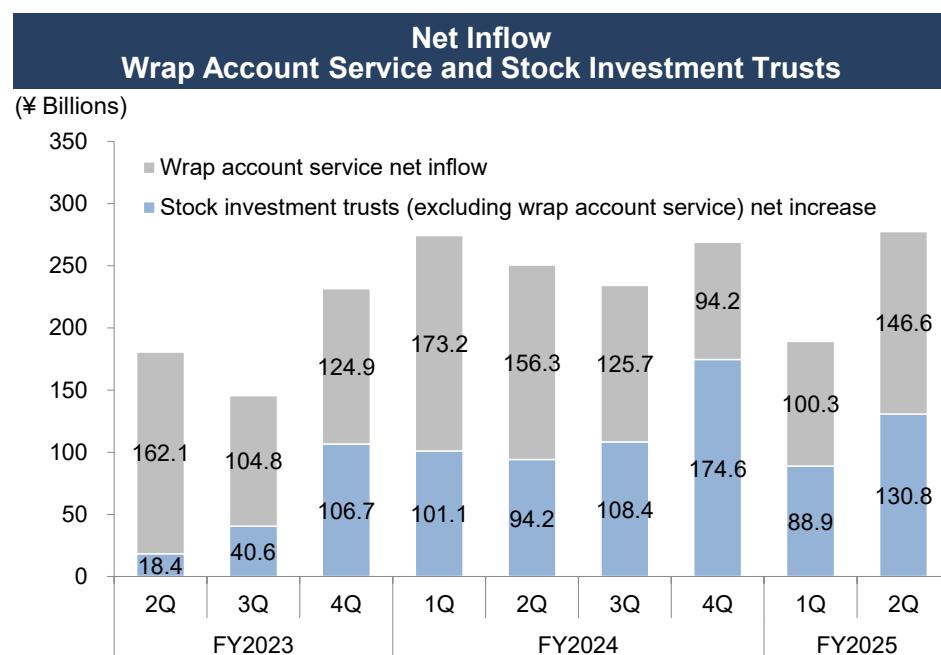
WM Division Daiwa Securities

[Wrap Account Service]

- Contract amount was ¥258.9 bn, and net inflow expanded to ¥146.6 bn.
- Contract AUM was ¥5.30 tn*, reaching a record high.

[Stock Investment Trusts]

- Sales amount was ¥481.8 bn, and net increase amount was ¥130.8 bn.
- Through total asset consulting, captured the needs of customers who prefer diversified investments and robust portfolios, leading to sales of a wide range of investment trusts, mainly including the Invesco World Best Equity Open, Fidelity Growth Opportunity Fund and the Daiwa Blackstone Private Credit Fund.



*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

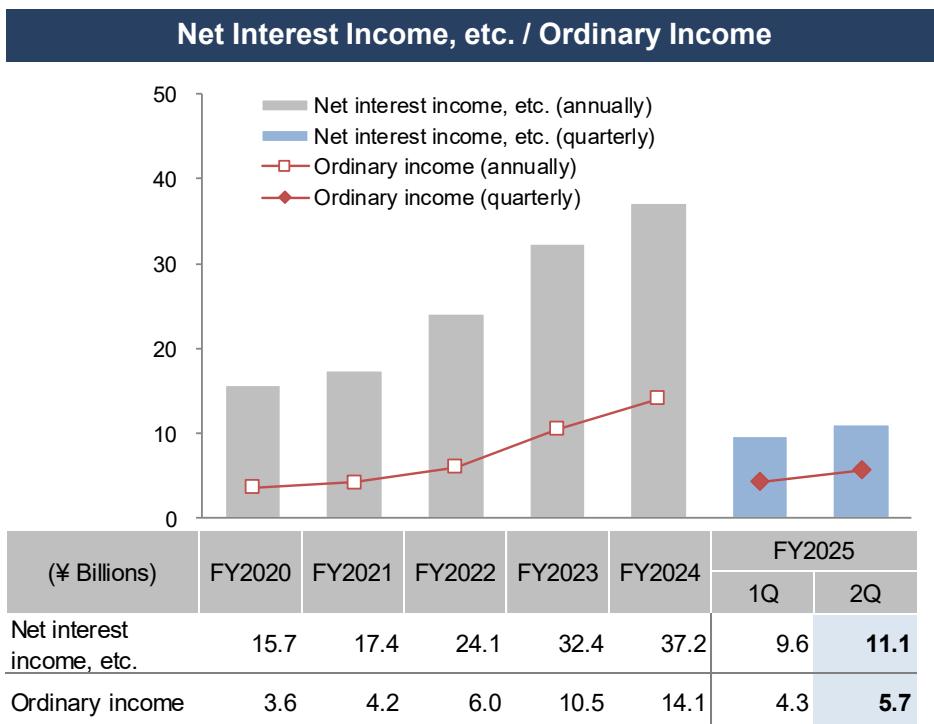
*4 Foreign bonds include yen-denominated foreign bonds

*5 Stock investments include switching transactions between funds

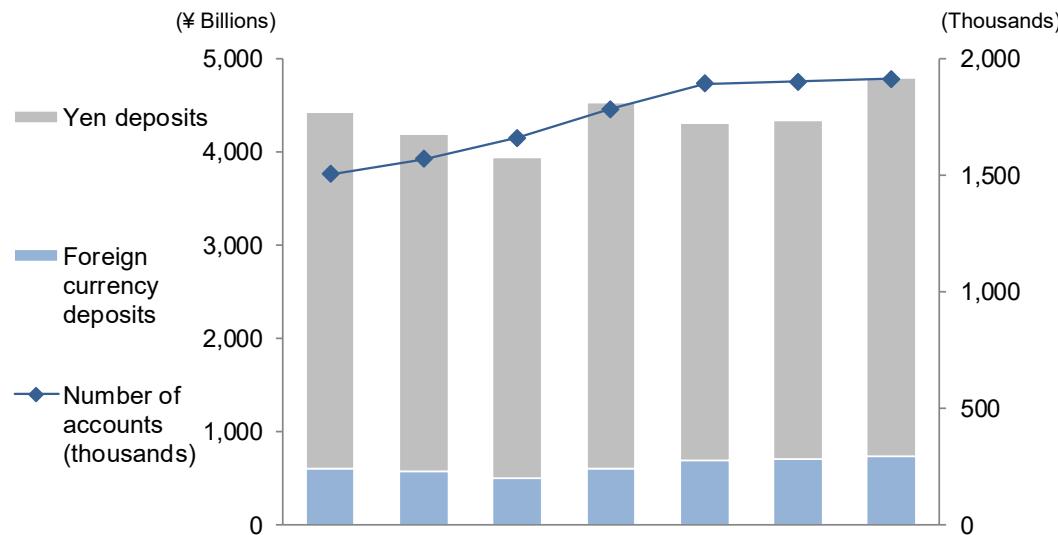
WM Division Daiwa Next Bank

(¥ Millions)	FY2025 2Q	% Change vs 1Q/FY25	FY2025 1H	% Change vs 1H/FY24
Net interest income, etc.	11,142	15.3%	20,808	10.0%
Ordinary income	5,702	30.9%	10,058	41.4%

- Yen deposits grew by ¥419.9 bn, pushing the balance above ¥4 tn, driven by measures including an increase in the one-year time deposit rate for individuals.
- Foreign currency deposit saw a net increase primarily in U.S. dollars, and the balance exceeded ¥700 bn.



Daiwa Next Bank Deposit Balance & Number of Accounts



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

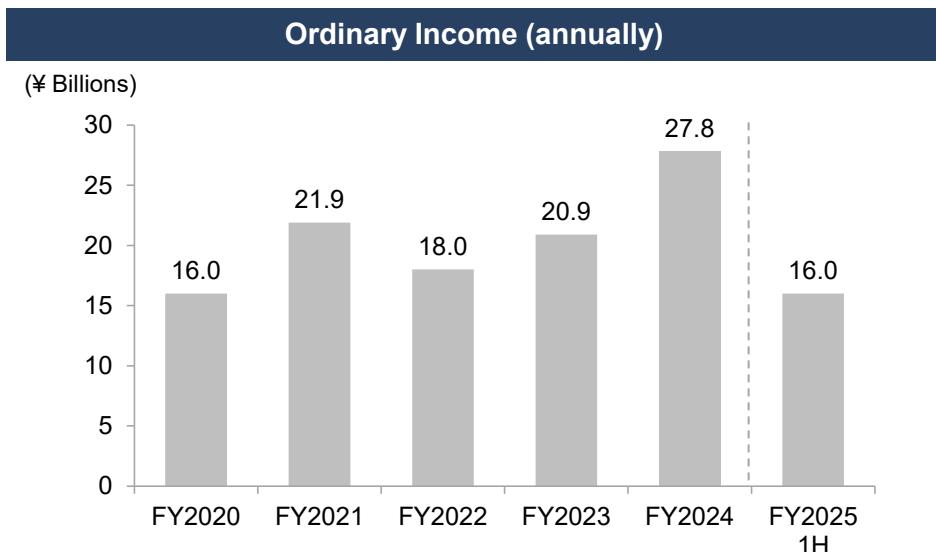
※ All figures are as at the end of each quarter

AM Division Securities AM

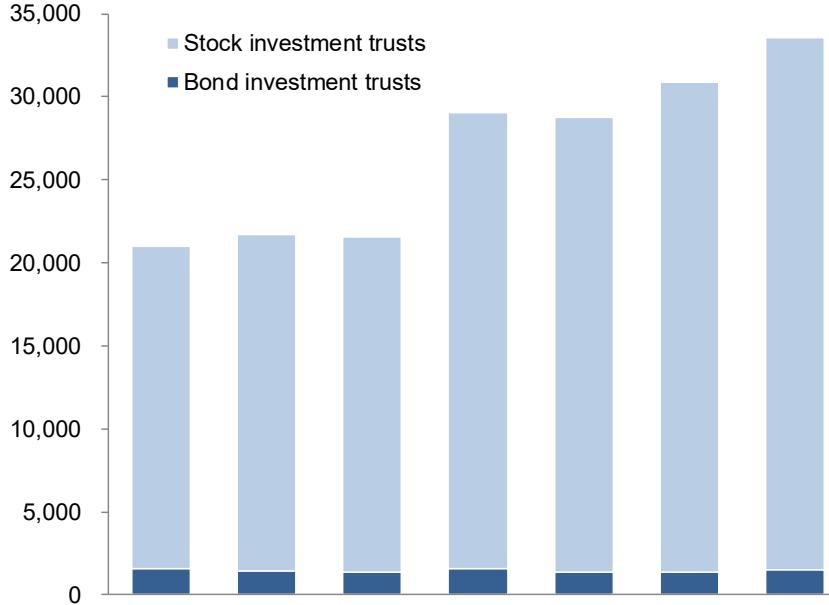
(¥ Millions)	FY2025 2Q	% Change vs 1Q/FY25	FY2025 1H	% Change vs 1H/FY24
Net operating revenues	17,158	12.9%	32,350	16.1%
Ordinary income	8,493	13.0%	16,011	16.3%

[Securities AM]

- Daiwa Asset Management secured a net inflow of ¥158.6 bn in publicly offered stock investment trusts (excluding ETFs).
- Increase in both net inflows and average assets under management, driven by rising stock prices, contributed to increased revenue and income.



Daiwa Asset Management Publicly Offered Securities Investment Trusts AUM



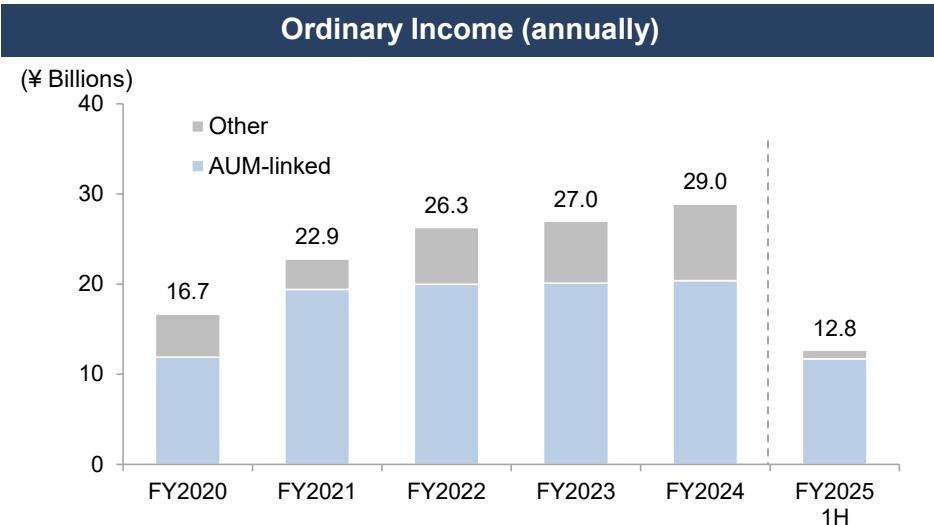
(¥ Billions)	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	
						1Q	2Q
Stock investment trusts	19,418	20,261	20,225	27,481	27,378	29,499	32,085
excl. ETF	7,543	8,268	8,038	10,418	11,425	12,190	13,150
(Net inflow)	(50)	(347)	(516)	(663)	(1,242)	(135)	(158)
ETF	11,875	11,993	12,186	17,063	15,952	17,309	18,935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

※ All figures are as at the end of each quarter

(¥ Millions)	FY2025 2Q	% Change vs 1Q/FY25	FY2025 1H	% Change vs 1H/FY24
Net operating revenues^{*1}	8,039	-16.8%	17,704	8.9%
Ordinary income^{*2}	5,905	-14.9%	12,840	-1.1%

[Real Estate AM]

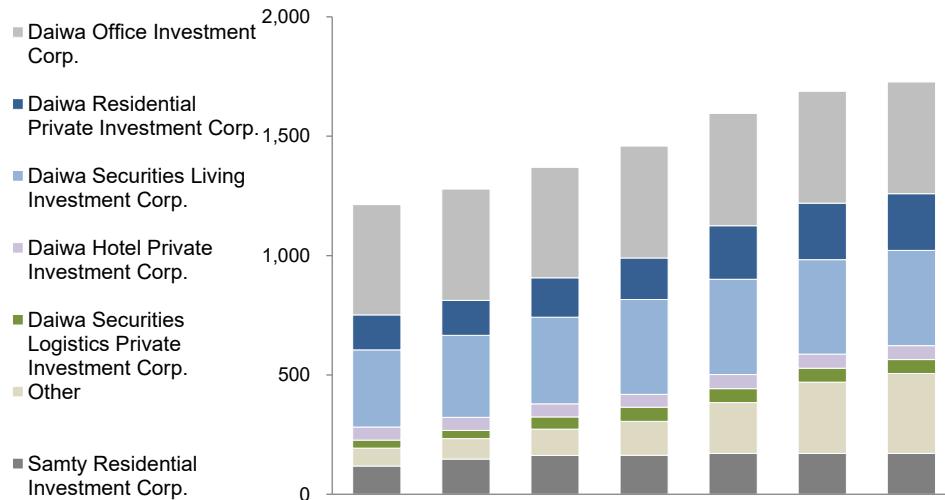
- AUM reached ¥1.7 tn, driven by the expansion of Daiwa Real Estate Asset Management's private fund business.
- While equity method income from Samty Holdings increased, ordinary income declined due to the absence of the gain on property sales by Daiwa Securities Realty recorded in the previous quarter.



※ AUM-linked: Stock revenues 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*

* Daiwa Real Estate Asset Management, Samty Residential Investment Corp.



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

※ All figures are as at the end of each quarter

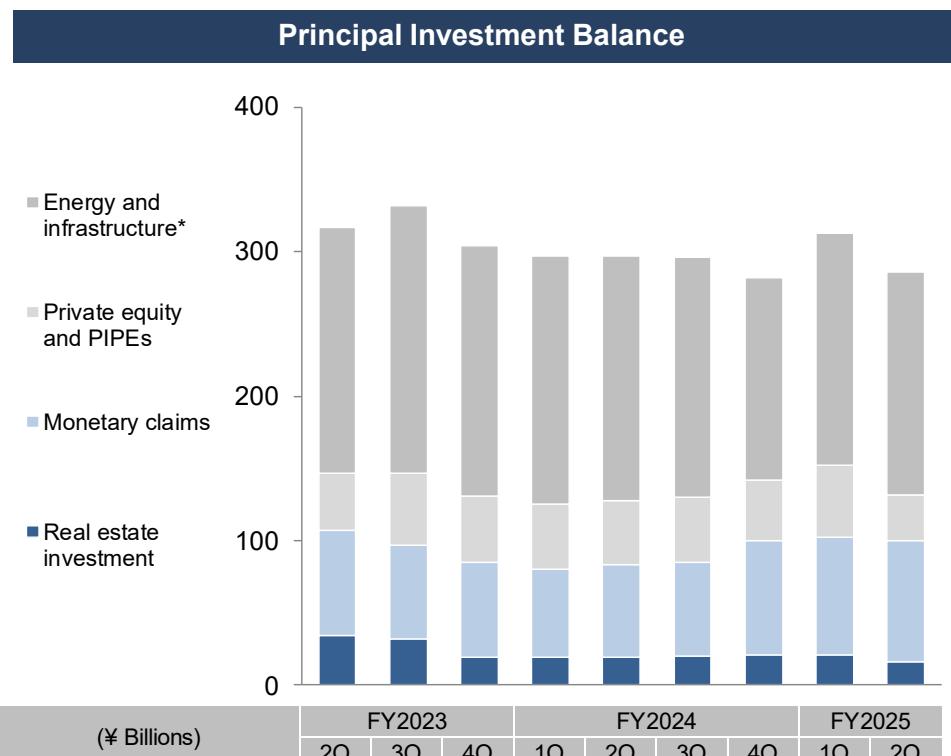
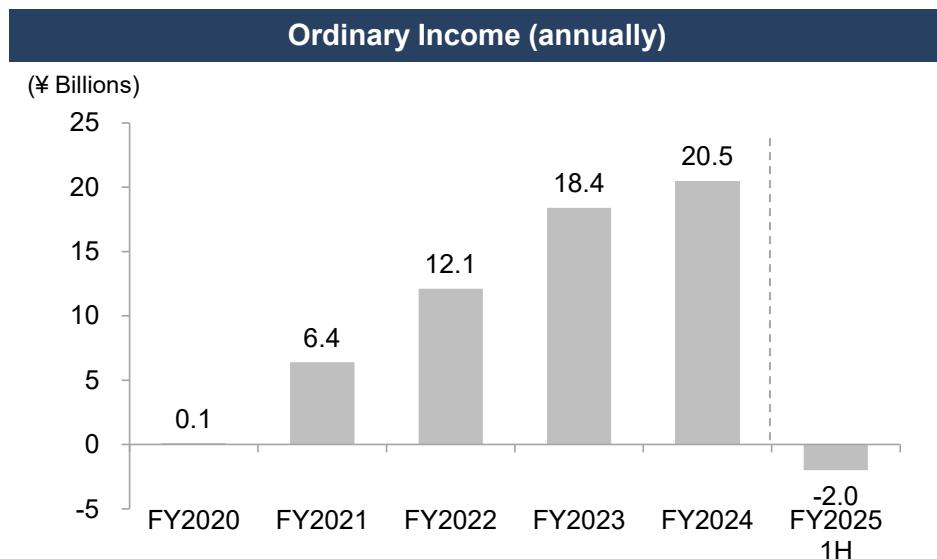
*3 Japan Rental Housing Investment Inc. merged with Nippon Healthcare Investment Corp. through absorption-type merger and changed its trade name to Daiwa Securities Living Investment Corp. on April 1, 2020.

AM Division Alternative AM

(¥ Millions)	FY2025 2Q	% Change vs 1Q/FY25	FY2025 1H	% Change vs 1H/FY24
Net operating revenues	-201	-	3,154	-64.1%
Ordinary income	-2,326	-	-2,007	-

[Alternative AM]

- Capital gains were recorded, primarily due to the exits from certain private equity investments.
- Recorded provisions and impairment losses due to the revaluation of certain investments in renewable energy.



(¥ Billions)	FY2023			FY2024				FY2025	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Daiwa PI Partners									
Private equity and PIPEs	40	50	46	45	45	45	42	50	32
Monetary claims	73	65	66	61	64	65	79	81	84
Real estate investment	34	32	19	19	19	20	21	21	16
Daiwa Energy & Infrastructure	170	185	173	172	169	166	140	161	154
Total	318	334	305	298	299	298	284	315	288

* All figures are as at the end of each quarter

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

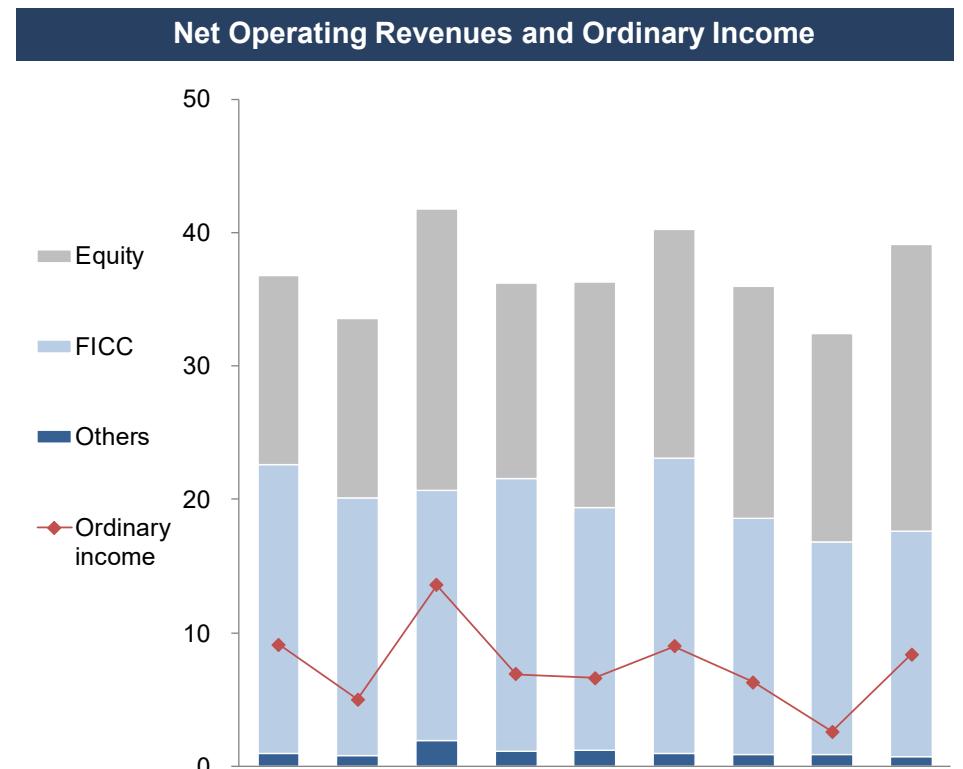
(¥ Millions)	FY2025 2Q	% Change vs 1Q/FY25	FY2025 1H	% Change vs 1H/FY24
Net operating revenues	39,281	20.7%	71,835	-1.2%
Ordinary income	8,414	218.8%	11,054	-18.8%

[Equity]

- Flows from overseas investors into Japanese equities increased, supported by strong market performance since late July, while individual investor flows also recovered.
- Foreign equities saw continued strength in AI-related share prices, with individual investors' activities remaining robust.
- Proprietary trading performed well, reflecting the increase in customer flows.

[FICC]

- Customer activity remained at a high level among both WM customers and institutional investors, driven by rising domestic interest rates.
- Customer flows in credit products were solid both domestically and internationally. Derivatives continued to maintain strong activity levels.
- Overseas, customer flows increased as interest rates declined.



(¥ Billions)	FY2023			FY2024				FY2025	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Equity	14.2	13.5	21.1	14.6	16.9	17.1	17.4	15.6	21.5
FICC	21.6	19.3	18.8	20.5	18.2	22.1	17.7	15.9	16.9
Others	1.0	0.8	1.9	1.1	1.2	1.0	0.9	0.9	0.7
Net operating revenues	36.9	33.7	41.8	36.2	36.3	40.3	36.0	32.5	39.2
Ordinary income	9.1	5.0	13.6	6.9	6.6	9.0	6.3	2.6	8.4

(¥ Millions)	FY2025 2Q	% Change vs 1Q/FY25	FY2025 1H	% Change vs 1H/FY24
Net operating revenues	21,464	24.3%	38,737	14.1%
Ordinary income	6,086	573.8%	6,989	-

- Equity underwriting increased revenues by securing multiple lead-managed deals.
- Domestic M&A-related revenue reached a record high, while overseas M&A turned profitable.

[Equity]

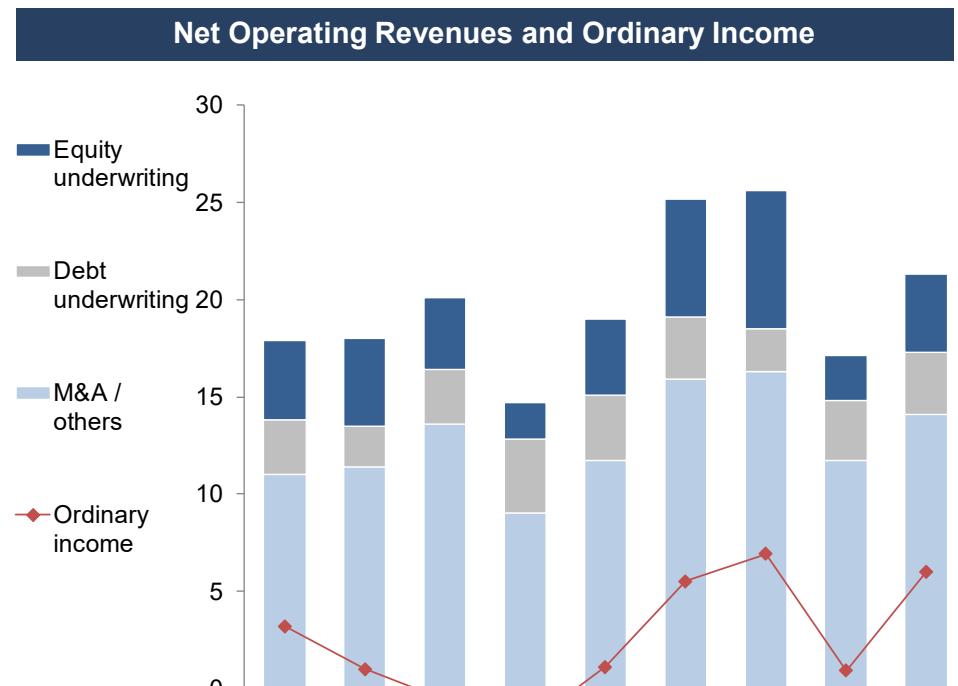
		<Offering size>
KOEI TECMO HOLDINGS CO., LTD.	PO	¥45.7 bn
KJRM Realty Token Shiodome City Center	STO	¥31.4 bn
MARUI GROUP CO., LTD.	PO	¥29.5 bn
Kenedix Realty Token W Osaka	STO	¥29.2 bn
Life Drink Company, Inc.	PO	¥26.7 bn
Movin Strategic Career Co., Ltd.	IPO	¥4.8 bn

[Debt]

		<Offering size>
SoftBank Group Corp. (35 years)	Subordinated Bond	¥200.0 bn
Mitsui Sumitomo Insurance Co., Ltd. (3/5/7/10 years)	Straight Bond	¥200.0 bn
Rakuten Group, Inc. (3*/5* years)	Straight Bond◆	¥160.0 bn
Development Bank of Japan Inc. (3/5/10/20 years)	FILP Agency Bond	¥135.0 bn
ITOCHU Corporation (Orange bond) (3 years)	Straight Bond◆	¥15.2 bn
Sumitomo Mitsui Trust Bank, Limited	Benchmark	USD1.8 bn
Sumitomo Mitsui Trust Holdings, Inc. (3/5/11 years)	Benchmark◆	USD0.5 bn
Hokkaido Electric Power Co., Inc. (5** years)		

[M&A]

Sale of Space Value Holdings Co., Ltd. by Polaris Capital Group Co., Ltd.
Tender offer and business alliance agreement of SBI Sumishin Net Bank, Ltd. by NTT DOCOMO, INC.
Tender offer of TechnoPro Holdings, Inc. by Blackstone Inc.
Sale of stake in EmberPoint, Inc. by Bain Capital
Transfer of shares to Sugi Holdings Co., Ltd. by The founding family of Seki Yakuhin Co., Ltd.
Sale of shares in Isto Biologics (US) to Keensight Capital (US) by Thompson Street Capital Partners (US)
Sale of Zimmer & Hälbig (Germany) to VINCI Energies (France) by VR Equitypartner (Germany)
Acquisition of Aquavista Watersides & Marinas (UK) by Antin Infrastructure Partners (France)
Acquisition of AccessIT Group (US) by Nautic Partners (US)



Category	FY2023				FY2024				FY2025	
	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	1Q	2Q
Equity underwriting	4.1	4.5	3.7	12.3	1.9	3.9	6.1	7.1	2.3	4.0
Debt underwriting	2.8	2.1	2.8	7.7	3.8	3.4	3.2	2.2	3.1	3.2
M&A / others	11.0	11.4	13.6	36.0	9.0	11.7	15.9	16.3	11.7	14.1
Net operating revenues	18.0	18.0	20.1	57.2	14.8	19.0	25.3	25.8	17.2	21.4
Ordinary income	3.2	1.0	-0.6	2.6	-2.0	1.1	5.5	6.9	0.9	6.0
Group M&A related revenues *1	11.7	13.2	15.6	40.5	10.4	13.7	16.8	17.8	12.5	15.1

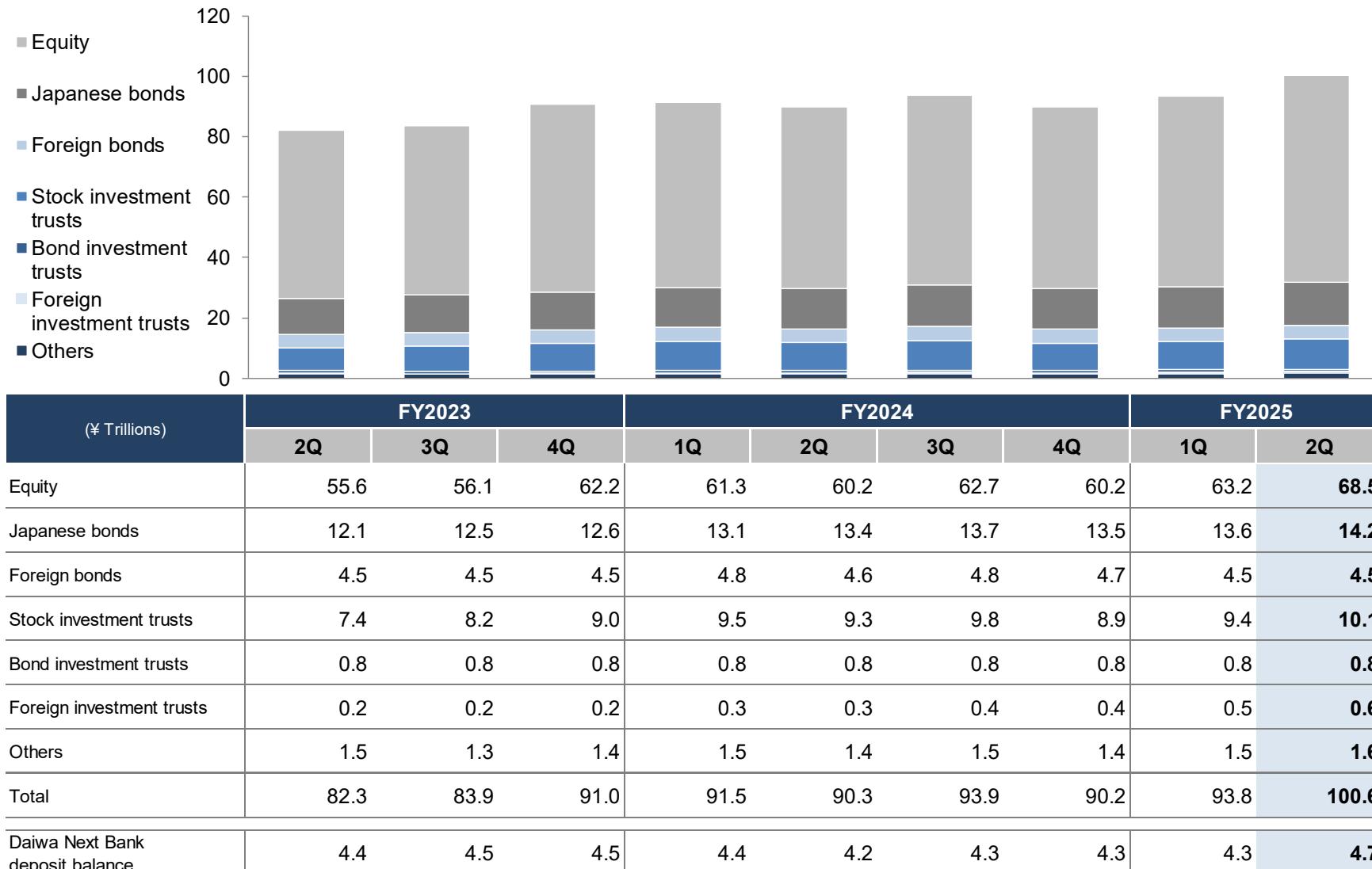
*1 In addition to "M&A / others" revenues, includes revenues from equity-method affiliates such as Green Giraffe (50% ownership), a renewable energy M&A house in Europe

Reference

Breakdown of Commission

(\$ Millions)	FY2024			FY2025		% Change vs 1Q/FY25	% Change vs 2Q/FY24	FY2024	FY2025	% Change vs 1H/FY24	FY2024
	2Q	3Q	4Q	1Q	2Q						
Total commission	98,355	109,796	114,899	100,398	118,300	17.8%	20.3%	191,793	218,698	14.0%	416,489
Brokerage commission	21,195	21,638	23,043	21,153	26,968	27.5%	27.2%	44,363	48,122	8.5%	89,045
Underwriting and secondary offering commissions	10,970	13,271	15,245	8,901	10,831	21.7%	-1.3%	19,413	19,733	1.6%	47,930
Distribution commission	4,963	6,710	6,670	4,761	6,275	31.8%	26.4%	11,519	11,037	-4.2%	24,900
Other commission	61,226	68,175	69,941	65,581	74,224	13.2%	21.2%	116,496	139,806	20.0%	254,613
Agency fee and others	6,143	6,616	6,667	6,344	7,545	18.9%	22.8%	12,197	13,889	13.9%	25,481
Investment advisory and account management fees	13,354	13,648	13,766	13,895	15,003	8.0%	12.3%	25,783	28,898	12.1%	53,198
Insurance sales commission	1,144	1,173	1,257	3,243	4,036	24.5%	252.8%	2,179	7,279	234.0%	4,610
M&A related commission	11,827	16,132	16,537	11,183	13,808	23.5%	16.8%	20,425	24,991	22.4%	53,095
Management fee	22,917	24,187	23,694	23,523	25,832	9.8%	12.7%	44,813	49,355	10.1%	92,694
Other	5,838	6,416	8,017	7,391	7,998	8.2%	37.0%	11,097	15,390	38.7%	25,532

Assets under Custody

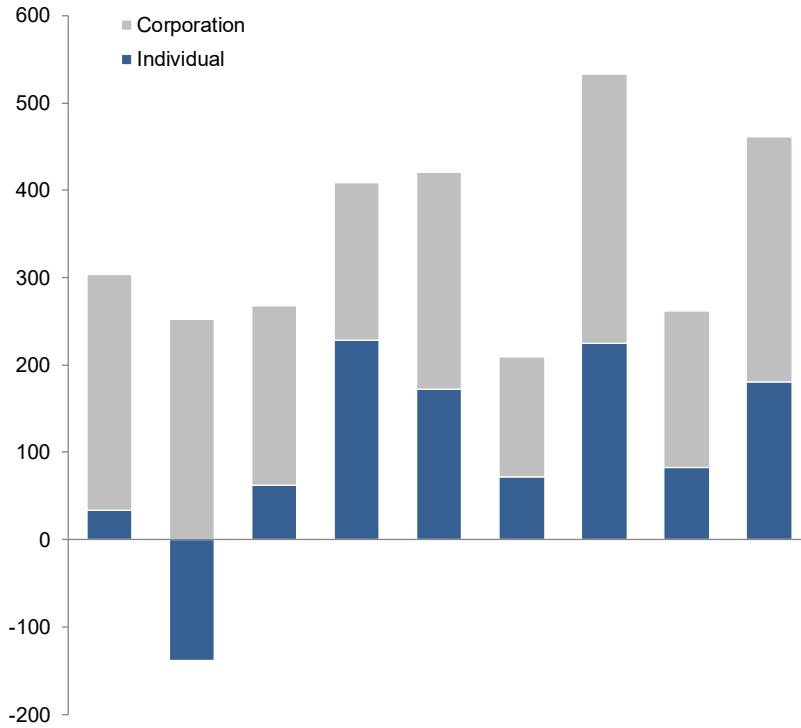


Number of Accounts and Equity Trading

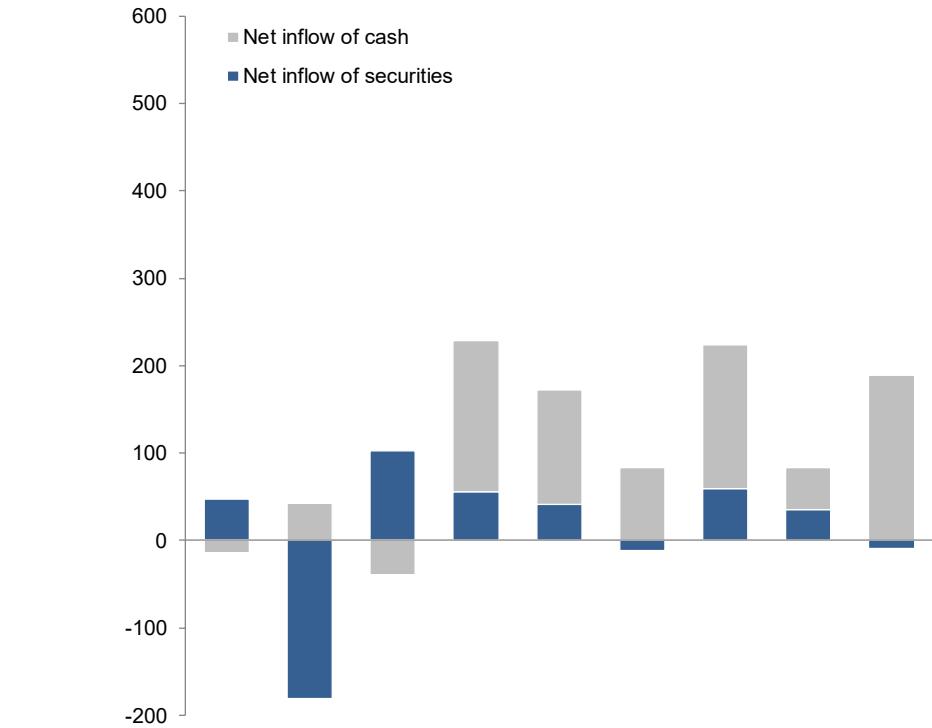
	FY2023			FY2024				FY2025	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Accounts with balance (thousands)	3,104	3,106	3,120	3,132	3,171	3,183	3,209	3,210	3,235
Accounts holding equity (thousands)	1,474	1,467	1,465	1,467	1,488	1,493	1,507	1,501	1,494
Online trading accounts (thousands)	3,616	3,641	3,667	3,688	3,708	3,733	3,756	3,770	3,776
Newly opened accounts (thousands)	46	43	48	44	39	44	38	44	42
NISA accounts (thousands) ^{*1}	683	695	683	692	698	700	701	702	701
Wrap account service (end of quarter)									
Contract assets under management (¥ billions)	3,558	3,749	4,142	4,430	4,509	4,736	4,686	4,910	5,302
Number of customers (thousands)	168	174	179	187	193	199	203	208	213
Contracts and trading value for individual investors at Daiwa Securities (Japanese Equity)									
Total number of contracts (thousands)	2,651	2,517	3,532	2,777	2,888	2,656	2,688	2,699	2,994
Online out of total (thousands)	2,275	2,181	2,992	2,399	2,547	2,281	2,332	2,387	2,581
Total trading value (¥ billions)	3,409	2,984	4,512	3,247	2,994	2,903	2,997	2,744	3,536
Online out of total (¥ billions)	2,309	2,087	3,107	2,376	2,305	2,051	2,118	2,066	2,595
Foreign equity trading value (WM Division (Daiwa Securities))									
Trading value (¥ billions)	226	242	399	375	267	430	306	474	573

Net Asset Inflow

WM Division (Daiwa Securities)
Net Asset Inflow

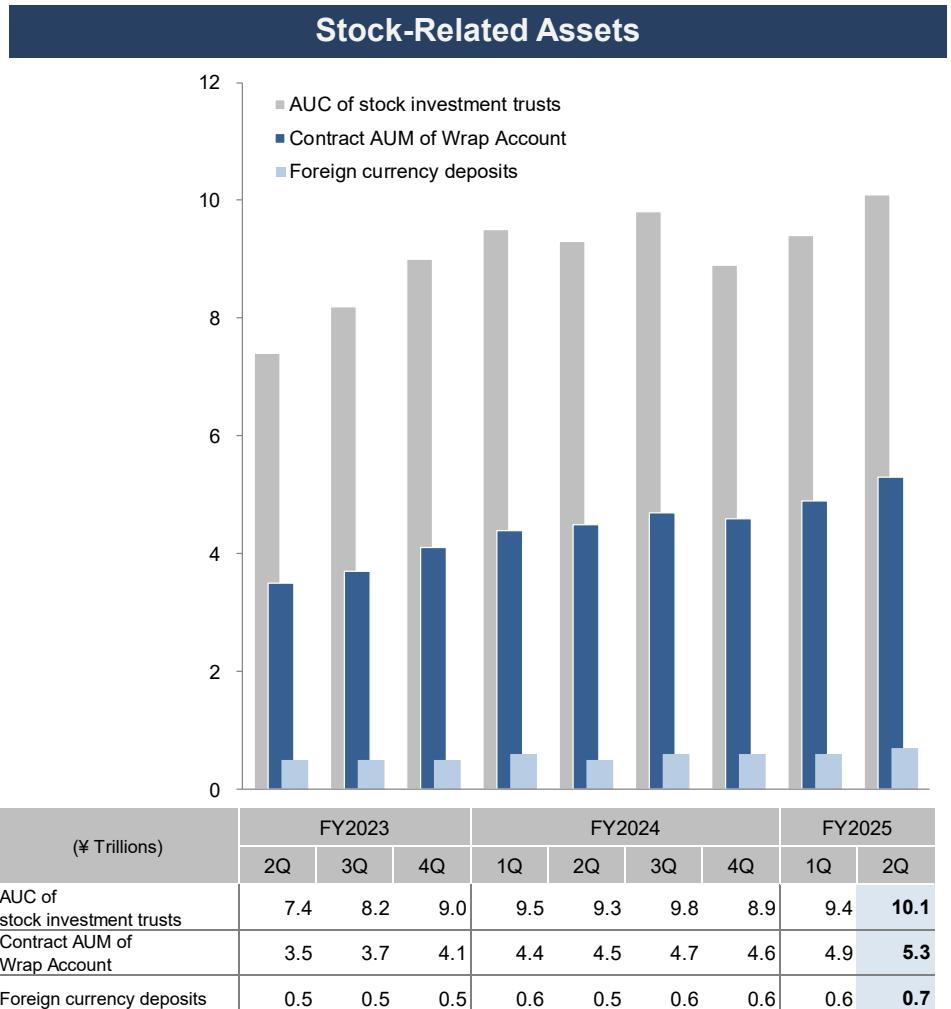
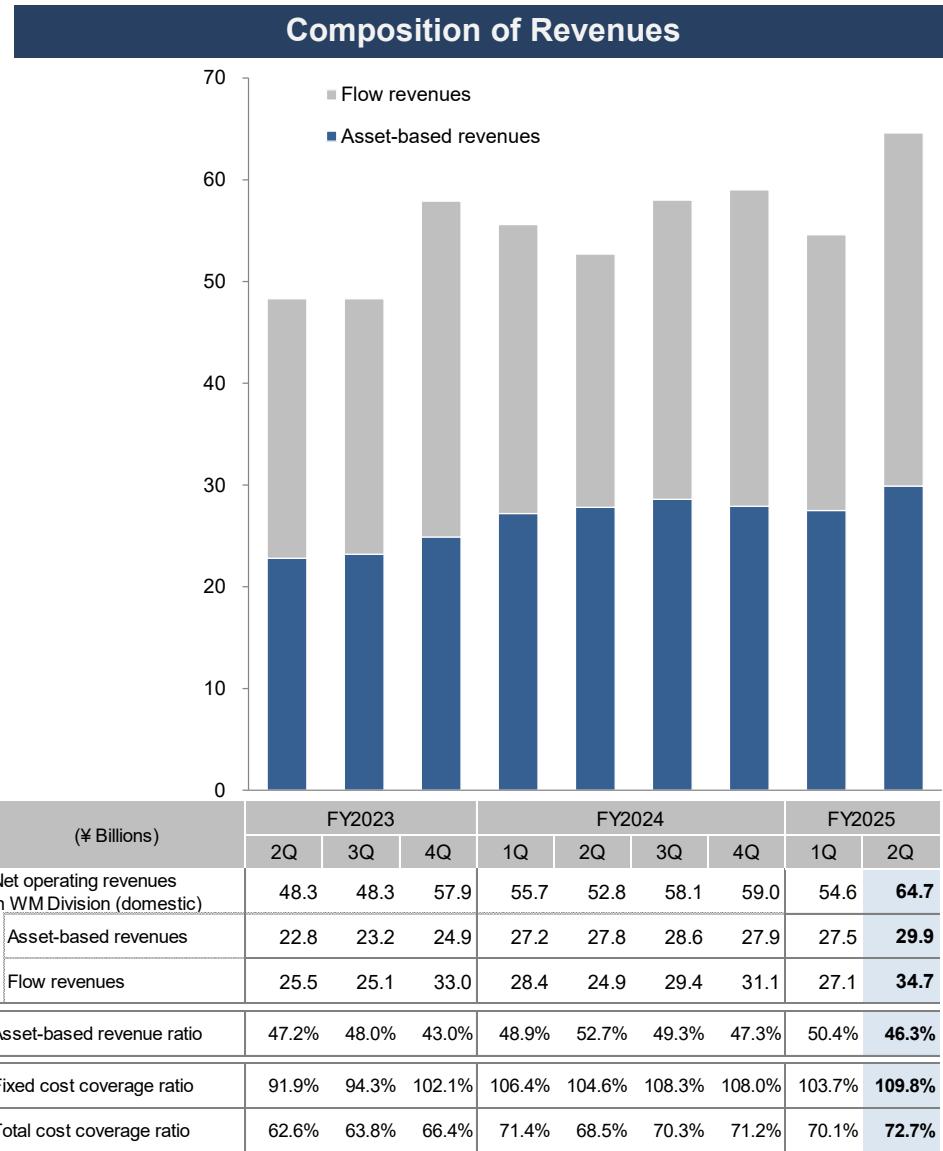


WM Division (Daiwa Securities)
Net Asset Inflow (Individuals)



※ Net Asset Inflow = net inflow of cash and securities, totaled on a quarterly basis.

Asset-Based Revenues



※ 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	SMBC Nikko	Nomura	Daiwa	SMBC Nikko	Daiwa	Nomura	Nomura
	21.5%	34.3%	21.7%	24.5%	23.1%	25.8%	
2nd	Mitsubishi UFJMS	SMBC Nikko	Mizuho	Daiwa	SMBC Nikko	Mizuho (2nd)	SMFG
	19.4%	24.6%	21.1%	19.5%	19.1%	21.1%	
3rd	Mizuho	Mizuho	Nomura	Nomura	Nomura	Mitsubishi UFJMS (2nd)	Mizuho
	17.9%	18.6%	20.8%	18.6%	18.7%	21.1%	
4th	Daiwa	Daiwa	SMBC Nikko	Mitsubishi UFJMS	Mizuho	Daiwa	Daiwa
	13.6%	14.3%	19.2%	15.3%	14.6%	16.8%	
5th	Cantor Fitzgerald	Mitsubishi UFJMS	Mitsubishi UFJMS	Mizuho	Mitsubishi UFJMS	SMBC Nikko	Plutus
	11.0%	3.4%	13.1%	15.1%	13.0%	15.2%	

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

Mitsubishi UFJMS totals the deals involving both Mitsubishi UFJ Morgan Stanley Securities and Morgan Stanley MUFG Securities. Equity underwriting by Japanese companies in overseas markets and M&A deals involving Japanese companies include the portion handled by Morgan Stanley.

Range and Assumptions of VaR

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

(¥ Billions)	FY2023			FY2024				FY2025	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
VaR (Quarter end)	1.29	0.97	1.05	1.14	1.13	1.30	1.41	1.09	1.13
High	1.63	1.54	1.47	1.40	1.51	1.75	1.48	1.58	1.32
Low	1.05	0.93	0.93	0.90	1.03	1.03	0.99	0.99	0.88
Average	1.27	1.22	1.21	1.15	1.23	1.29	1.22	1.28	1.10
By risk factors (Quarter end)									
Equity	0.40	0.17	0.33	0.20	0.24	0.18	0.45	0.63	0.46
Interest	1.19	0.84	0.98	0.89	0.81	0.83	0.80	0.82	0.70
Currency	0.40	0.25	0.25	0.36	0.38	0.58	0.18	0.22	0.28
Commodities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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

VaR (Quarter end)	0.82	0.60	0.71	0.67	0.82	0.79	0.91	0.76	0.70
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Number of Group Employees

	FY2023			FY2024				FY2025	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Total	15,117	14,994	14,889	15,280	15,229	15,165	15,093	15,558	15,571
Overseas	1,991	1,981	1,954	1,910	1,973	1,952	1,949	1,876	1,892

Daiwa Securities Balance Sheet (September 30, 2025)

(¥ Billions)

Current assets	18,035	(-737)	Current liabilities	16,326	(-683)
Trading products	6,189	(309)	Trading products	5,606	(70)
Trading securities and other	2,909	(-184)	Trading securities and other	2,379	(-526)
Derivatives transactions	3,280	(493)	Derivatives transactions	3,227	(597)
Margin transaction assets	157	(4)	Margin transaction liabilities	43	(4)
Loans on margin transactions	121	(-26)	Loans payables secured by securities	7,805	(-783)
Cash collateral pledged for securities borrowing on margin transactions	36	(31)	Short-term loans payable	1,133	(-168)
Loans secured by securities	8,767	(-948)	Current portion of bonds	240	(5)
Short-term guarantee deposits	422	(-53)	Long-term liabilities	1,364	(-10)
Short-term loans receivable	398	(-82)	Bonds payable	412	(-55)
Non-current assets	209	(5)	Long-term loans payable	906	(45)
Property, plant and equipment	50	(0)	Total liabilities	17,697	(-694)
Intangible assets	91	(6)	Net assets	547	(-37)
Total assets	18,244	(-732)	Shareholders' equity	545	(-37)
			Capital stock	100	—
			Total liabilities and net assets	18,244	(-732)

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

(\$ Millions)	FY2024			FY2025		% Change vs 1Q/FY25	% Change vs 2Q/FY24	FY2024	FY2025	% Change vs 1H/FY24	FY2024
	2Q	3Q	4Q	1Q	2Q			1H	1H		FY2024
	112,227	121,075	123,875	118,567	134,068	13.1%	19.5%	225,908	252,635	11.8%	470,858
Operating revenues											
Commission received	64,624	73,139	74,849	67,451	79,588	18.0%	23.2%	129,113	147,040	13.9%	277,102
Brokerage commission	14,616	15,189	16,101	14,353	18,913	31.8%	29.4%	30,743	33,266	8.2%	62,034
Stock and others	14,140	14,791	15,704	13,870	18,538	33.7%	31.1%	29,872	32,408	8.5%	60,368
Underwriting and secondary offering commissions	9,283	13,136	13,324	8,850	10,066	13.7%	8.4%	16,737	18,917	13.0%	43,198
Equity	4,484	8,334	11,086	3,109	3,714	19.4%	-17.2%	6,738	6,823	1.3%	26,160
Bond and others	4,799	4,801	2,238	5,470	4,368	-20.1%	-9.0%	9,998	9,838	-1.6%	17,038
Distribution commission	4,900	6,638	6,611	4,701	6,193	31.7%	26.4%	11,373	10,894	-4.2%	24,623
Investment trust	4,841	6,582	6,542	4,650	6,105	31.3%	26.1%	11,245	10,756	-4.3%	24,370
Other commissions	35,823	38,176	38,810	39,546	44,415	12.3%	24.0%	70,259	83,961	19.5%	147,245
Agency fee and others	10,039	10,610	10,541	10,138	11,609	14.5%	15.6%	19,937	21,747	9.1%	41,089
Investment advisory and account management fees	13,354	13,648	13,766	13,895	15,003	8.0%	12.3%	25,783	28,898	12.1%	53,198
Insurance sales commission	1,144	1,173	1,257	3,243	4,036	24.5%	252.8%	2,179	7,279	234.0%	4,610
M&A related commission	4,198	5,353	5,814	5,149	6,702	30.2%	59.7%	7,824	11,851	51.5%	18,992
Net trading income/loss	22,087	21,565	21,412	20,449	21,296	4.1%	-3.6%	45,431	41,746	-8.1%	88,410
Financial revenues	25,515	26,369	27,613	30,666	33,183	8.2%	30.0%	51,362	63,849	24.3%	105,346
Financial expenses	23,105	23,827	26,255	29,802	30,279	1.6%	31.1%	46,917	60,081	28.1%	97,000
Net operating revenues	89,122	97,248	97,620	88,764	103,789	16.9%	16.5%	178,990	192,553	7.6%	373,858

(\$ Millions)	FY2024			FY2025		% Change vs 1Q/FY25	% Change vs 2Q/FY24	FY2024	FY2025	% Change vs 1H/FY24	FY2024
	2Q	3Q	4Q	1Q	2Q			1H	1H		FY2024
SG&A	68,952	69,436	67,600	67,641	71,003	5.0%	3.0%	134,211	138,644	3.3%	271,248
Trading related expenses	10,713	11,066	10,897	11,106	11,695	5.3%	9.2%	21,532	22,802	5.9%	43,496
Personnel expenses	29,491	29,944	28,661	27,908	29,889	7.1%	1.3%	56,149	57,798	2.9%	114,755
Real estate expenses	5,673	5,384	6,081	5,300	5,610	5.9%	-1.1%	11,029	10,910	-1.1%	22,495
Office cost	15,028	15,064	13,746	15,624	16,117	3.2%	7.2%	29,750	31,742	6.7%	58,560
Depreciation	5,729	5,545	5,384	5,104	5,076	-0.5%	-11.4%	11,241	10,181	-9.4%	22,171
Taxes and dues	1,286	1,260	1,280	1,292	1,432	10.8%	11.4%	2,433	2,725	12.0%	4,975
Other	1,029	1,169	1,548	1,303	1,179	-9.5%	14.5%	2,075	2,483	19.6%	4,793
Ordinary income	20,817	28,347	31,034	21,620	33,246	53.8%	59.7%	46,251	54,866	18.6%	105,633
Net income	12,796	19,402	25,573	14,946	22,407	49.9%	75.1%	30,148	37,353	23.9%	75,124
ROE (Annualized)	9.6%	14.1%	17.9%	10.8%	16.7%			10.9%	13.2%		13.0%
Capital adequacy ratio	370.4%	371.5%	369.6%	325.5%	342.6%			370.4%	342.6%		369.6%

Contact

Daiwa Securities Group Inc.

Investor Relations

E-mail: ir-section@daiwa.co.jp

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