

Acquisition of ORIX Bank Corporation as a Subsidiary

April 27, 2026

Daiwa Securities Group Inc.

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Transaction Summary (1/2)

ORIX Bank Corporation (hereinafter "OBK")
Daiwa Next Bank, Ltd. (hereinafter "DNB")



Transaction Overview

100% Subsidiarization

DNB to acquire all issued shares of OBK

Number of Shares to be Acquired	1,200,000
Voting Rights Ratio	100%

*A merger of the two banks is anticipated in the future.

Acquisition Price

¥370 billion

*The final acquisition price will be determined after price adjustments stipulated in the share transfer agreement.

Fully Self-Funded Acquisition

The acquisition will be financed entirely from own funds.

Represents a strategic deployment of capital buffer, with financial soundness maintained.

Purpose of the Transaction

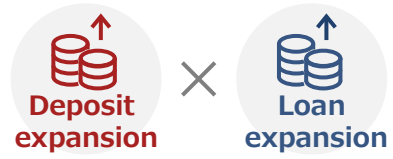
Sustainable expansion of stable revenue and improvement of ROE and EPS through strengthening the Wealth Management Division

- Integration of DNB and OBK — two banks with different strengths and management resources — to enhance solution capabilities addressing both asset and liability challenges for clients and drive a significant increase in the corporate value of both banks.
 - Combining OBK's superior lending and trust functions with DNB's strong deposit-gathering capability, backed by Daiwa Securities Group's robust client base and sales network, to realize sustainable growth.
- 1 Deepening total asset consulting tailored to each client's life stage.
 - 2 Establishing a sustainable growth model driven by a "virtuous cycle of deposit growth and loan growth"
 - 3 Maximizing synergy effects through functional integration via merger.

Deal Summary (2/2)

Establishment of a Sustainable Growth Model and Impact on Consolidated Performance

Post-integration, the combined bank will have total assets of approx. ¥9 trillion and equity of around ¥400 billion, evolving into a full-service bank that combines advanced lending and trust capabilities with strong deposit-gathering power.
→ Virtuous cycle of deposit growth and loan growth.



Significant positive impact on our consolidated performance from synergy effects plus OBK's standalone results.

1 Synergy Potential to Improve Net Interest Income by ¥35 bn

- Targeting deployment of over ¥1.5 tn in available excess reserves held by DNB, combined with approximately ¥2 tn in additional deposits to be accumulated over five years through competitive deposit rates — totaling ¥3.5 tn — into real estate investment loans, securities-backed loans and other assets, with the aim of improving net interest income.
- Assuming a net interest margin of 1%, this represents a potential improvement of ¥35 bn in net interest income.

Image	BOJ Current Account Interest Rate: 0.75%
	OBK Yield on interest-earning assets: 2.11% (1H FY2025)
	Assuming ¥1.5 tn x 100bp = JPY15 bn increase in NII

2 Performance Impact from OBK

OBK's Profit Scale (Past 5-year average)	Ordinary Income Approx. ¥30 bn Net Income Approx. ¥20bn
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On the other hand, amortization of goodwill (amount yet to be determined) associated with this acquisition is expected.

Daiwa Securities Group Inc.

Capital and Regulations

Effectively Utilizing Capital Buffer and Maintaining Financial Soundness

Regulatory Capital Ratios after the Transaction*

Consolidated Total Capital Ratio	Over 14% (down 5pts)
Consolidated CET1 Ratio	Over 12% (down 5pts)

Securing Capital Buffer to Enhance Capacity for Growth Investment and Shareholder Returns

- Accumulation of recurring profits, including increased earnings from this transaction.
- Consideration of issuing perpetual subordinated bonds.
(no equity financing planned)

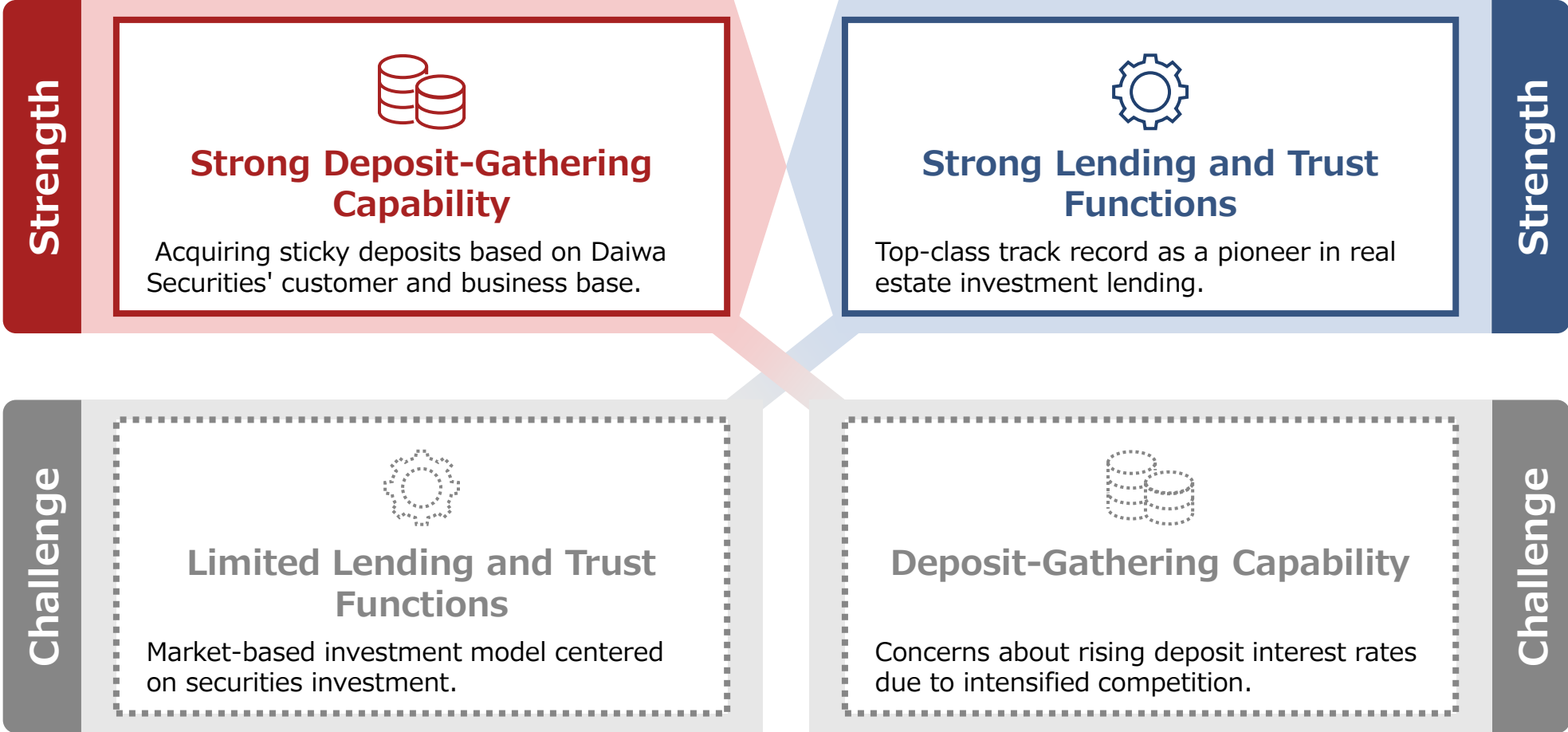
Schedule

Agreement Date	April 27, 2026
Share Transfer Date	Expected by October 2026

- The share transfer will take place after obtaining approvals from the Financial Services Agency for major bank shareholders and clearance under antitrust laws.

* Based on the full implementation of the final Basel III reforms as of the end of December 2025.

An Ideal Match: Mutually Complementary Strengths and Challenges



Strengthening the Wealth Management Division

- 1 Deepening total asset consulting
+
- 2 Virtuous cycle of deposit and loan expansion
+
- 3 Accelerating growth through collaboration with the Asset Management Division

**Significant Expansion
of Stable Revenue**

Optimizing the Balance Sheet of Client Assets and Liabilities

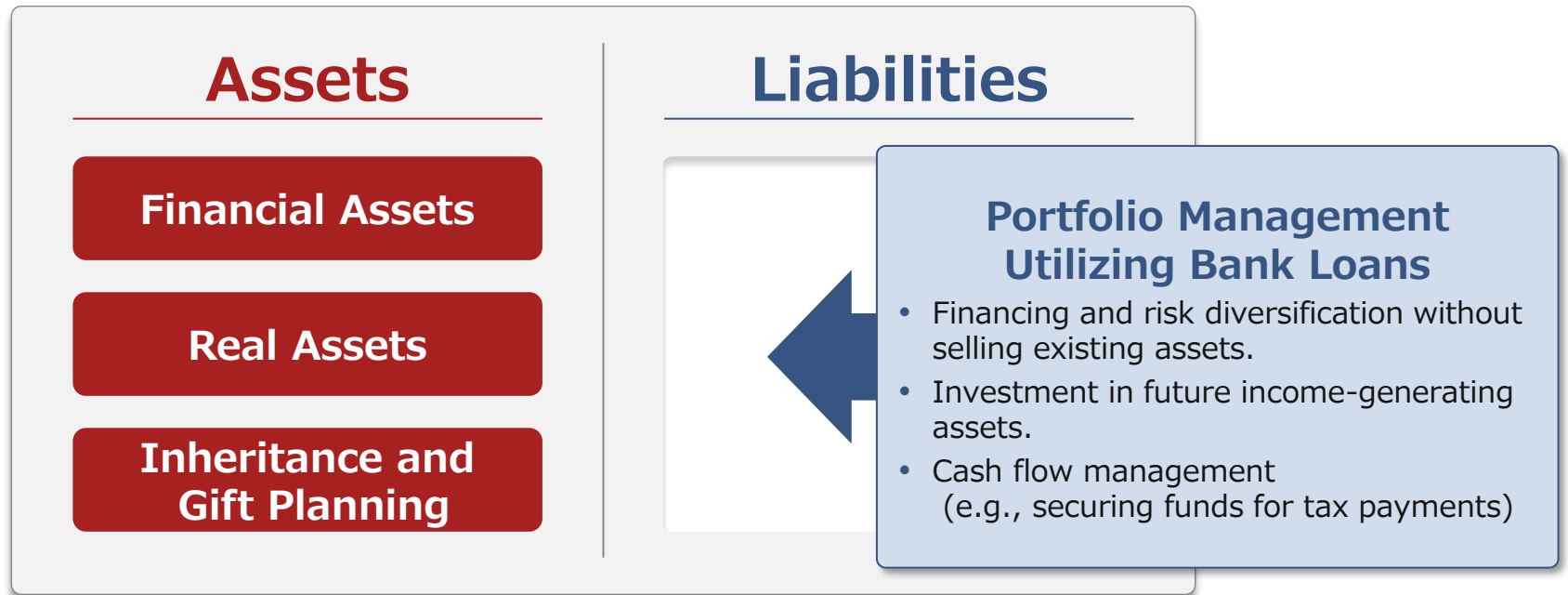
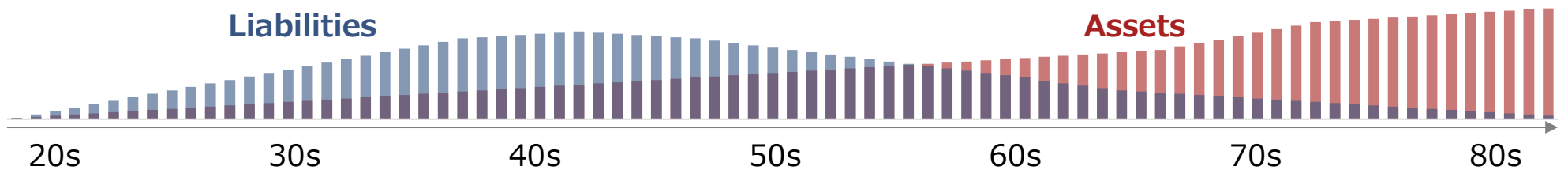


Image of Asset and Liability Balance by Generation



Realizing a "Sustainable Growth Model for Stable Revenue" through Integration of the Both Banks



Leveraging the strengths of both banks to
Accelerate a Growth Spiral

**Sustainable Expansion
of Stable Revenue**

Expanding High-Quality Loan Assets

**Virtuous Cycle
of Deposit and
Loan Expansion**

Offering Competitive Interest Rates

Acquiring Sticky Deposits

In addition to the growth of each bank's deposit balance, we aim to expand deposits by **over ¥2.0 tn** in the next five years as a synergy effect.

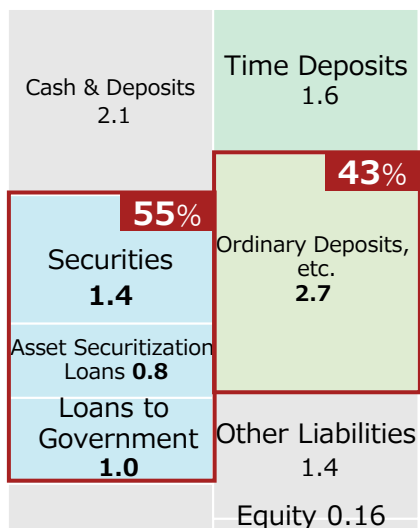
The Best Integration to Maximize Synergies

To be used for new loans

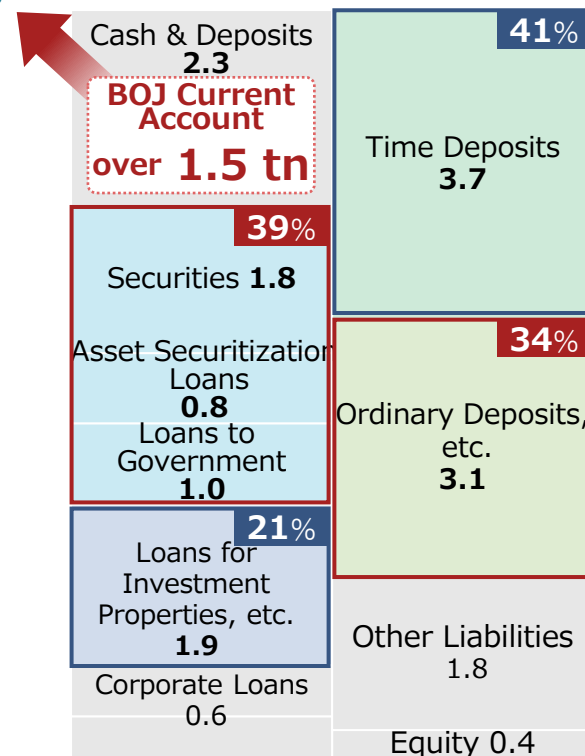
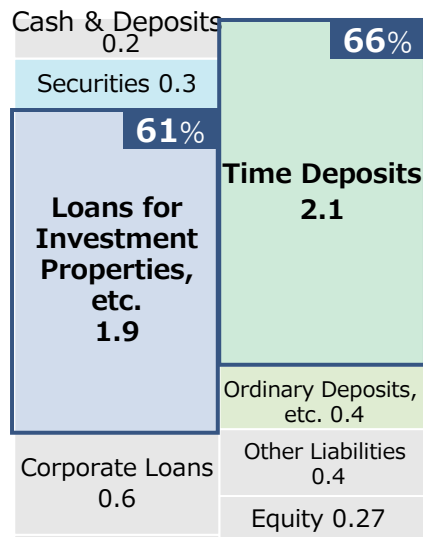
Real Estate Investment Loans
Securities-Backed Loans
Aircraft Lease Loans, etc.

New Bank

DAIWA 大和ネクスト銀行



ORIX オリックス銀行



In addition to the standalone deposit growth of both banks, we aim to achieve a synergistic expansion of over **¥2 tn** in the next five years.

Total Assets ¥5.9 tn

Total Assets ¥3.1 tn

Total Assets ¥9.0 tn

Current B/S (as of March 2025)

Post-Merger B/S*

Achieving a robust B/S with appropriate diversification between loans and securities, and between ordinary and time deposits.

Sustainable Deposit Growth Backed by Competitive Interest Rates and Strong Deposit-Gathering Capability

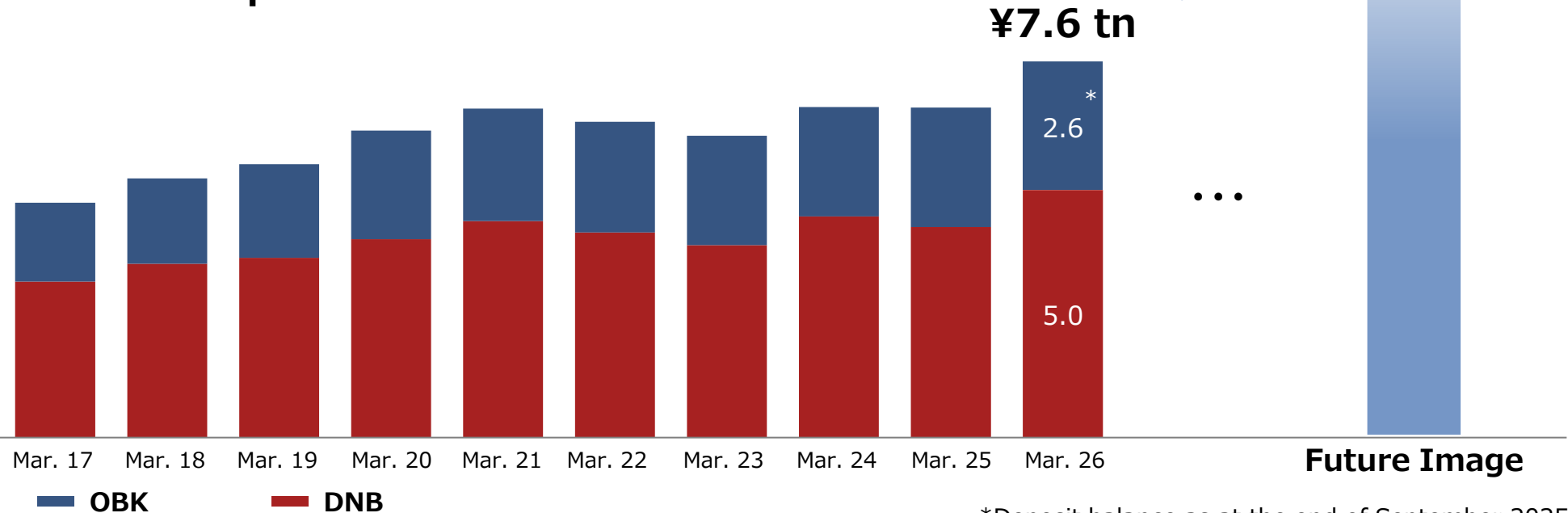


Sustainable Deposit Growth

Offering competitive interest rates through outstanding lending functions.

Deposit-gathering capability based on its customer and business base.

Trend of Deposit Balances of Both Banks



*Deposit balance as at the end of September 2025

<Reference> Overview of ORIX Bank



オリックス銀行



- Originally established as Yamaichi Trust Bank in 1993 and became part of the ORIX Group in 1998. A new-type bank with both lending and trust functions.
- Investment real estate loans as the core business, with a top-class market position in investment condominium loans
- Low-cost operations with no branches, ATMs, passbooks or cash cards, combined with a low NPL ratio and low credit costs, ensuring a high and stable net interest margin.

Company Overview

*As of September 2025

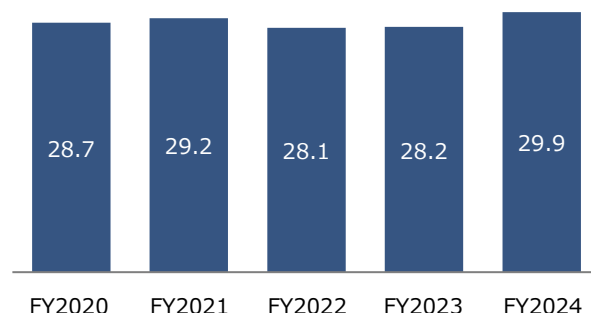
Company Name	ORIX Bank Corporation
Established	August 23, 1993
Name of representative	Kanji Teramoto
Head Office	ORIX Inui Building, 3-22-8 Shiba, Minato-ku, Tokyo
Paid-in capital	45,000 million yen
Shareholder	ORIX Corporation 100%
Number of Employees	922
Credit Rating	AA (R&I)

Business Overview

Investment Real Estate Loan Business	Providing purchase and refinancing funds for rental investment properties to individual and corporate investors <ul style="list-style-type: none"> Investment condominium loans Apartment building Loans
Merchant Banking Business	Providing tailor-made financing solutions for residential, logistics, renewable energy and other sectors.
Personal Finance Business	Card loans with borrowing and repayment available through partner ATMs.
Trust Business	Leveraging trust functions for asset management and administration for individuals, and for asset management, administration and securitization for corporates.

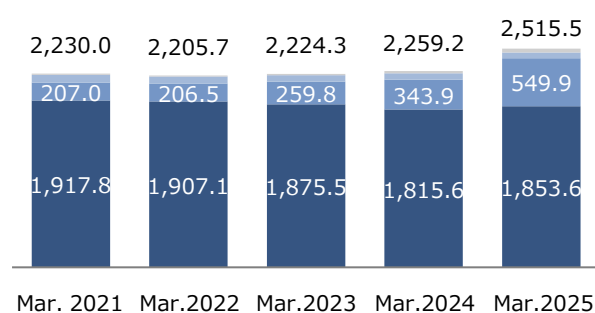
Ordinary Profit

Billions of yen



Loan Balance

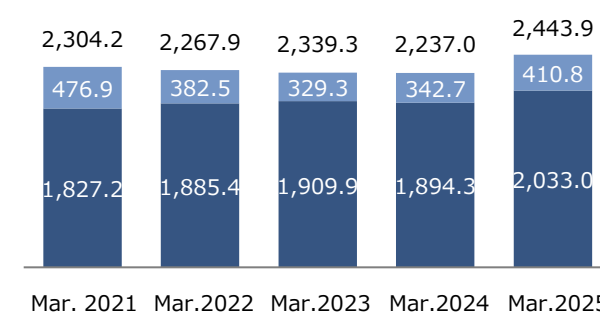
Billions of yen



■ Investment real estate loans, etc.
■ Corporate ■ Card loans ■ Others

Deposit Balance

Billions of yen



■ Individual ■ Corporate (incl. NCDs)

<Reference> Overview of Daiwa Next Bank

- Daiwa Next Bank was started in April 2011 as a gateway bank for the securities business within the Daiwa Securities Group.
- Daiwa Securities' comprehensive trading accounts are linked with Daiwa Next Bank's deposit accounts, enabling idle funds awaiting securities investment to be automatically managed in Daiwa Next Bank's ordinary deposits.
- The bank is characterized by a market-based investment model centered on securities and low-cost operations.

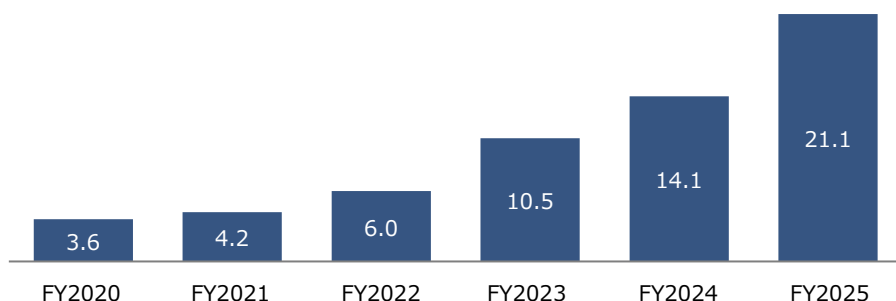
Company Overview

*As of March 2026

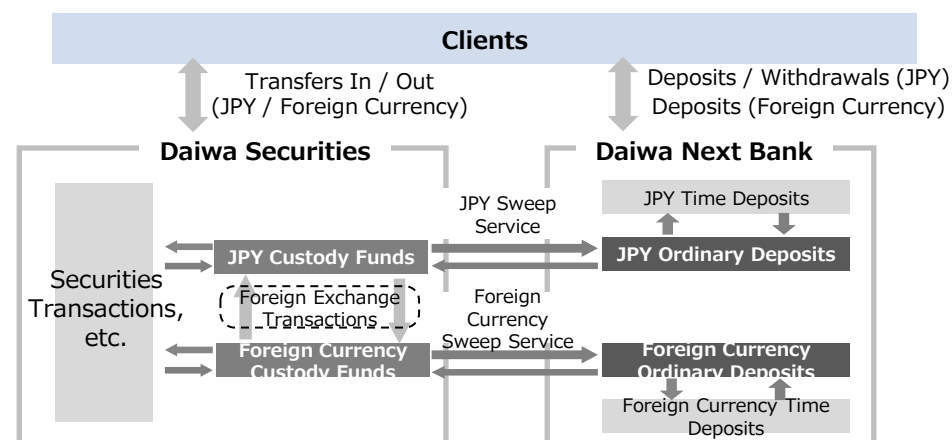
Company Name	Daiwa Next Bank, Ltd.
Established	April 1, 2010
Started	April 15, 2011
Name of representative	Naoto Shimomura
Head Office	9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo
Paid-in capital	¥50.0 billion
Shareholder	Daiwa Securities Group Inc. (100%)
Number of Employees	96

Ordinary Profit

Billions of yen

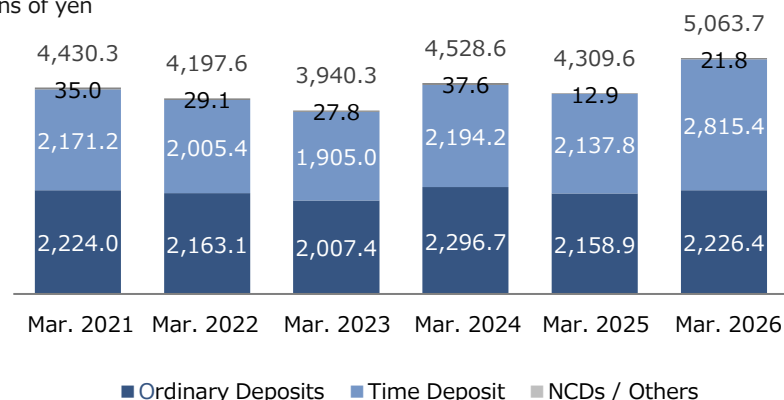


Gateway Function for Securities Business



Deposit Balance

Billions of yen

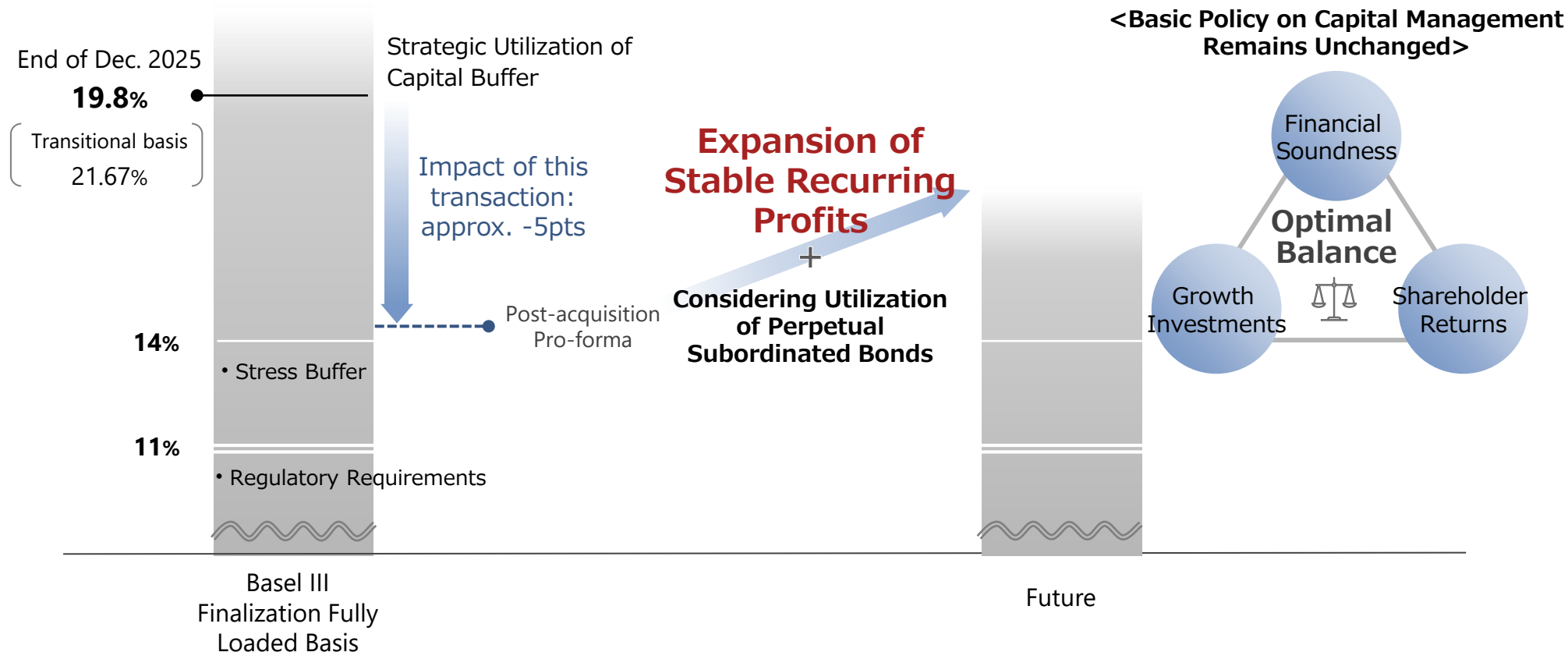


<Reference> Maintaining Financial Soundness and Basic Policy on Capital Management Remain Unchanged



- Maintaining capital with an adequate buffer above regulatory requirements even after the completion of this transaction
- Securing capital buffer for growth investments and enhanced shareholder returns through the expansion of stable recurring profits from this transaction and the utilization of perpetual subordinated bonds
- Aiming to enhance corporate value by optimizing the balance among financial soundness, growth investments and shareholder returns

Consolidated Total Capital Adequacy Ratio (Image)





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