

August 7, 2020

Daiwa Securities Group Inc.

Report Regarding Consolidated Liquidity Coverage Ratio

Situation of Soundness in Liquidity Management as of First Quarter in Fiscal Year 2020

In accordance with the Financial Instruments and the Exchange Act Article 57-17, “Notification, etc. of Documents Describing Status of Soundness in Management”, Daiwa Securities Group Inc. reports situation of soundness in liquidity management as of first quarter in fiscal year 2020.

Quantitative disclosure of consolidated Liquidity Coverage Ratio

(Unit :1 Million Yen,%)

Items		First Quarter in Fiscal Year 2020		Fourth Quarter in Fiscal Year 2019	
High Quality Liquid Assets (1)					
1	Total high quality liquid assets	2,538,362		2,351,036	
Cash Outflows (2)					
		Unweighted Value	Weighted Value	Unweighted Value	Weighted Value
2	Retail deposits and deposits from small business customers	1,949,096	194,909	2,035,827	203,582
3	Stable deposits	-	-	-	-
4	Less stable deposits	1,949,096	194,909	2,035,827	203,582
5	Unsecured wholesale funding	2,572,204	1,387,171	2,724,293	1,453,521
6	Operational deposits	-	-	-	-
7	Unsecured wholesale funding other than operational deposits and unsecured debt	2,454,629	1,269,596	2,622,463	1,351,691
8	Unsecured debt	117,575	117,575	101,829	101,829
9	Secured funding	7,719,702	296,744	8,055,267	327,332
10	Outflows related to derivative exposures, loss of funding on debt products, committed credit and liquidity facilities	265,177	265,177	268,302	268,302
11	Outflows related to derivative exposures	252,234	252,234	252,644	252,644
12	Outflows related to loss of funding on debt products	-	-	-	-
13	Outflows related to credit and liquidity facilities	12,943	12,943	15,658	15,658
14	Other contractual funding obligations	5,856,945	1,005,363	5,094,097	1,064,649
15	Other contingent funding obligations	125,935	114,104	128,326	116,246
16	Total cash outflows	3,263,472		3,433,636	
Cash Inflows (3)					
		Unweighted Value	Weighted Value	Unweighted Value	Weighted Value
17	Secured lending	5,997,373	143,051	6,329,180	167,623
18	Inflows from fully performing exposures	516,507	455,509	524,299	442,871
19	Other cash inflows	5,789,737	1,262,990	4,870,526	1,264,359
20	Total cash inflows	1,861,551		1,874,854	
Consolidated Liquidity Coverage Ratio (4)					
21	Total high quality liquid assets	2,538,362		2,351,036	
22	Total net cash outflows	1,401,920		1,560,663	
23	Consolidated liquidity coverage ratio	181.0%		150.6%	
24	Number of data used for calculation of average value	61		58	

(Unit :1 Million Yen,%)

		First Quarter in Fiscal Year 2020	Fourth Quarter in Fiscal Year 2019	Third Quarter in Fiscal Year 2019	Second Quarter in Fiscal Year 2019	First Quarter in Fiscal Year 2019
Consolidated liquidity coverage ratio						
15	Total high quality liquid assets	2,538,362	2,351,036	2,356,156	2,662,299	2,674,229
16	Total net cash outflows	1,401,920	1,560,663	1,735,901	1,878,549	1,835,406
17	Consolidated liquidity coverage ratio	181.0%	150.6%	135.7%	141.7%	145.7%

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