The Nomura Trust and Banking Co., Ltd.

2026

Annual Report

NOMURA



Corporate Data (As of July, 2026)

Name:	The Nomura Trust and Banking Co., Ltd.
Established:	August 24, 1993
Paid-in Capital:	57.5 billion yen
Outstanding Shares:	1,700,000 shares
Shareholder:	Nomura Holdings, Inc. (Number of shares held: 1,700,000 shares, holding ratio: 100%)
Head Office:	2-2-2, Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan +81 (3) 5202-1600

Disclosure 2026

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Issued in August 2026 by the Corporate Planning Department, The Nomura Trust and Banking Co., Ltd.

Message from the CEO



We sincerely appreciate your continuing support for The Nomura Trust and Banking.

In recent years, against the backdrop of global inflationary pressures, changes in the interest rate environment, rising stock markets led by AI-related sectors, and policy progress toward the realization of Japan as a leading asset management nation, signs of change have been emerging in the way households allocate their assets.
Under such circumstances, in order for Japan to realize its ambition of becoming an asset management nation and to create a virtuous cycle of growth and distribution, we believe that enhancing asset management capabilities that can optimize the entire household balance sheet is indispensable.

In April 2025, the Nomura Group established the Banking Division as its fourth business division in order to strengthen its framework for providing higher-quality services to clients, with the Group's banking and trust functions at its core.
As one of the core companies within the Banking Division, The Nomura Trust and Banking supports clients—primarily those of the Wealth Management Division—in asset formation and smooth asset succession through the Group's integrated banking functions, such as deposits and loans, as well as trust and agency functions, investment trusts administration business.
For the fiscal year ended March 31, 2026, we focused on strengthening our systems to expand our banking business. We renewed our core banking system, thereby establishing a framework that enables us to provide services to a wider range of clients. Building on this foundation, in April 2026 we launched "Anshin Sweep," a deposit sweep service that automatically transfers funds between accounts held with both our company and Nomura Securities. Among our existing product lineup, balances in securities-backed loans increased, and total loan balances reached 1,177.1 billion yen as of March 31, 2026, up 12.7% from March 31, 2025.

In our trust and agency business, the shift from saving to investing is becoming a reality, and balances of investment trusts increased by 5.8% year on year to 42,899.1 billion yen. In addition, thanks to the expansion of various trust products in response to the needs of corporate clients, total trust assets grew by 10.8% year on year to 56,853.0 billion yen.
As a result of these developments, for the fiscal year ended March 2026, ordinary profit was 7,476 million yen and net income was 4,889 million yen.

The Nomura Group marked its 100th anniversary in 2025. As the Group steps into its next century, we too are steadily advancing our transformation toward a new stage of growth.
As a member of the Nomura Group, The Nomura Trust and Banking will continue to put into practice the Group's purpose: "We aspire to create a better world by harnessing the power of financial markets."
In addition, building on the high level of expertise we have cultivated and the trust we have earned from our clients, we will further strengthen collaboration across the Group and support the Group's holistic wealth management services. In doing so, we will help pave the way to core client-centric wealth management and contribute to realizing a prosperous future for each and every client.
We look forward to your continued support.

August 2026

Go Sugiyama
President and CEO

Overview of Our Business

Key Management Indicators

Changes in Key Management Indicators

(Millions of yen)

Item	FY2021	FY2022	FY2023	FY2024	FY2025
Profit and loss					
Ordinary income	27,946	31,400	33,807	37,641	**50,346**
Net business profit	5,019	2,393	7,312	8,042	**6,924**
Core net business profit	4,818	2,463	7,312	8,042	**6,924**
Core net business profit excluding gains (losses) on bonds	5,138	6,725	7,395	8,252	**6,907**
Core net business profit excluding gains (losses) on bonds and cancellation on investment trusts	5,224	6,725	7,395	8,252	**6,907**
Ordinary profit	3,612	2,245	7,628	8,187	**7,476**
Net income	2,345	1,546	5,460	6,027	**4,889**
Assets, liabilities and capital					
Capital stock	50,000	50,000	50,000	50,000	**57,500**
Issued stock (thousands)	1,400	1,400	1,400	1,400	**1,700**
Net assets	88,878	89,556	94,892	98,153	**113,750**
Total assets	1,640,057	1,923,274	2,141,420	2,075,418	**2,607,424**
Balance of deposits	1,027,863	1,172,191	1,306,699	1,357,338	**1,334,475**
Balance of loans	712,980	798,222	914,097	1,044,434	**1,177,189**
Balance of securities	487,554	325,974	296,090	310,655	**423,075**
Per share information					
Net assets per share (yen)	63,484	63,968	67,780	70,109	**66,911**
Annual dividends per share (yen)	835	550	1,950	2,150	**—**
Net income per share (yen)	1,675	1,104	3,900	4,305	**3,461**
Dividend payout ratio (%)	49.82%	49.80%	49.99%	49.93%	**—**
Number of employees	505	536	579	600	**615**
Non-consolidated capital adequacy ratio (%)	15.80%	19.92%	19.72%	14.65%	**15.72%**
Return on equity (%)	2.61%	1.73%	5.94%	6.64%	**5.09%**
Trust account					
Trust fees	12,074	12,680	13,582	15,331	**16,869**
Assets held in trust	38,874,173	39,329,306	42,715,430	51,296,776	**56,853,090**
Balance of loans and bills discounted	358,184	328,134	297,376	304,054	**300,565**
Balance of securities	4,831,364	5,493,243	6,734,966	8,394,538	**11,197,811**

1. Profit Performance

Regarding profits and losses, trust fees increased by 1,537 million yen from the previous fiscal year, net interest income increased by 282 million yen from the previous fiscal year, net fees and commissions increased by 1,604 million yen from the previous fiscal year, and net other operating income increased by 742 million yen from the previous fiscal year. As a result, gross operating profit increased by 4,166 million yen from the previous fiscal year, reaching 32,121 million yen. Consequently, ordinary profit was 7,476 million yen, and net income for the period was 4,889 million yen.

Table of Profit Performance

(Millions of yen)

Item	FY2021	FY2022	FY2023	FY2024	FY2025	Net Increase (Decrease)
Gross operating profit	20,952	18,810	25,323	27,955	**32,121**	**4,166**
Trust fees	12,074	12,680	13,582	15,331	**16,869**	**1,537**
Net interest income	3,929	4,750	5,236	7,087	**7,370**	**282**
Net fees and commissions	3,462	4,942	3,616	2,956	**4,561**	**1,604**
Net other operating income	1,485	(3,563)	2,888	2,578	**3,320**	**742**
Provision of general allowance for loan losses (deduction)	(200)	70	—	—	**—**	**—**
General and administrative expenses (excluding non-recurring expenses)	16,133	16,346	18,010	19,912	**25,196**	**5,284**
Personnel expenses	6,228	6,410	7,425	8,144	**8,383**	**239**
Non-personnel expenses	9,041	9,088	9,576	10,503	**15,049**	**4,546**
Taxes	863	846	1,008	1,265	**1,764**	**498**
Net business profit	5,019	2,393	7,312	8,042	**6,924**	**(1,118)**
Non-recurring profit (loss)	(1,406)	(147)	316	144	**552**	**407**
Writing-off loans	0	—	—	—	**—**	**—**
Gain and loss on loans sold	—	(164)	—	—	**—**	**—**
Gain and loss on sales of stocks and other securities	4	—	—	—	**—**	**—**
Reversal of allowance for loan losses (deduction)	—	—	347	199	**548**	**349**
Provision of specific allowance for loan losses (deduction)	1,373	(15)	—	—	**—**	**—**
Ordinary profit	3,612	2,245	7,628	8,187	**7,476**	**(710)**
Extraordinary income	35	19	27	51	**30**	**(21)**
Other	35	19	27	51	**30**	**(21)**
Extraordinary loss	280	0	0	355	**836**	**481**
Loss on disposal of chattel and real estate	0	0	0	0	**208**	**208**
Impairment loss	—	—	—	94	**—**	**(94)**
Other	279	—	—	260	**628**	**368**
Income before income taxes	3,368	2,265	7,656	7,883	**6,670**	**(1,213)**
Income taxes-current	4,481	2,673	5,495	8,895	**12,916**	**4,021**
Income taxes-deferred (deduction)	(3,459)	(1,953)	(3,299)	(7,039)	**(11,135)**	**(4,095)**
Total income taxes	1,022	719	2,196	1,855	**1,781**	**(74)**
Net income	2,345	1,546	5,460	6,027	**4,889**	**(1,138)**

Overview of Our Business

2. Status of Trust Assets

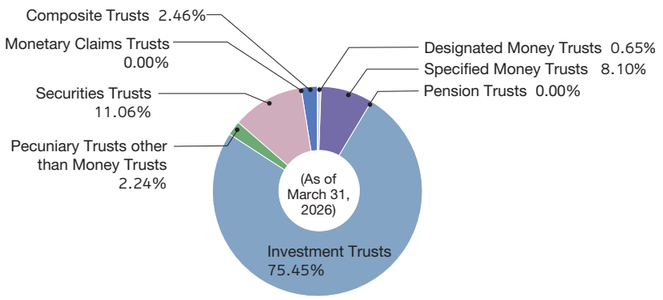
Regarding trust assets, the balance of investment trusts increased by 2,357 billion yen from the previous fiscal year, reaching 42,899 billion yen, and the balance of securities trusts held in trust increased by 2,536 billion yen from the previous fiscal year, reaching 6,290 billion yen. Overall, trust assets increased by 5,556 billion yen from the previous fiscal year, resulting in a total of 56,853 billion yen.

Table of Balance of Trust Assets

(Millions of yen)

Liabilities	March 31,2022	March 31,2023	March 31,2024	March 31,2025	**March 31,2026**
Designated Money Trusts	448,912	418,450	388,203	404,867	**374,328**
Specified Money Trusts	2,435,357	2,933,316	3,744,761	4,417,827	**4,609,183**
Pension Trusts	812	819	819	838	**166**
Investment Trusts	31,855,479	31,600,417	33,853,538	40,541,363	**42,899,183**
Pecuniary Trusts other than Money Trusts	538,971	709,239	934,843	1,064,691	**1,275,559**
Securities Trusts	2,530,131	2,599,658	2,788,473	3,754,709	**6,290,828**
Monetary Claims Trusts	1,579	1,519	822	764	**705**
Composite Trusts	1,062,929	1,065,884	1,003,967	1,111,713	**1,403,134**
Total	38,874,173	39,329,306	42,715,430	51,296,776	**56,853,090**

Ratio of Trust Assets



3. Status of Capital Adequacy

The capital adequacy ratio at the end of March 2026 was 15.72% (domestic standard), maintaining a sound level.

Capital Adequacy Ratio on Non-consolidated Basis (Domestic Standard)

(Millions of yen)

Item		March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	**March 31, 2026**
Core capital: instruments and reserves	[A]	93,114	93,960	96,343	99,450	**118,791**
Core capital: regulatory adjustments	[B]	4,092	3,643	6,116	12,878	**14,824**
Capital amount [C](=[A]-[B])		89,022	90,317	90,226	86,571	**103,966**
Risk assets						
On-balance sheet items		503,339	401,103	403,207	516,742	**579,156**
Off-balance sheet items		14,182	7,568	5,521	27,933	**31,317**
CVA risk equivalent amount divided by 8%		10,246	4,521	2,523	4,413	**5,634**
Operational risk equivalent amount divided by 8%		35,577	39,989	46,286	41,601	**45,191**
Total	[D]	563,346	453,182	457,538	590,690	**661,300**
Capital adequacy ratio (domestic standard) (=[C]/[D]×100)		15.80%	19.92%	19.72%	14.65%	**15.72%**

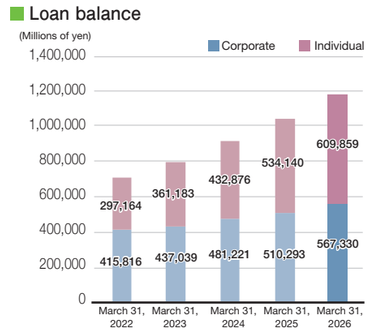
(Note) Capital adequacy ratios are calculated with the formula specified in Financial Services Agency Notification No. 19 of 2006, based on the provisions of Article 14-2 of the Banking Act; from the end of March 2025 onward, they are calculated applying the finalized Basel III standards.

Results of Main Business

<Lending>

In addition to loans to corporate customers, we also extend loans broadly to individual customers through loans secured by securities called "Nomura Web Loan" which is offered via "Banking Service."
The balance of loans as of the end of the current fiscal year stood at 1,177 billion yen.

Loan balance

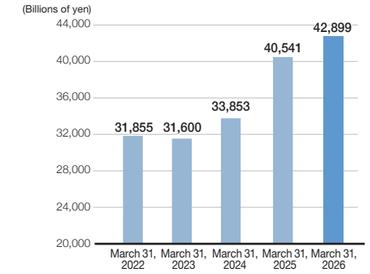


(Note) Corporate includes loans to the trust account.

<Investment Trust Administration Business>

The total balance of investment trusts under custody stood at 42,899 billion yen.
We received an unqualified opinion in accordance with the Statement on Standards for Attestation Engagements No.18 (SSAE 18) in an audit performance by an independent auditor, and we are working hard to further improve the quality of our administrative operations.

Balance of Investment trusts under custody



Internal Control System – Management

Management Structure

As a trust bank of Nomura Group, we are operating our business guided by the strategy of Nomura Holdings, Inc. We have built a management structure which delivers efficient business operations in conformity with the business line of Nomura Group. Furthermore, by ensuring that our directors and employees comply with the "Nomura Group Code of Conduct", we are promoting company management which is appropriate considering the relevant laws and regulations.

The Nomura Trust and Banking Co., Ltd. features a corporate structure with an audit and supervisory committee. We established the Board of Directors as the body to decide on and to approve important management related matters. The Board of Directors makes decisions regarding our basic management policy and the allotment of the duties and chain of command for the executive director. The Board entrusts decision-making related to business execution to the president and representative director, who is also the executive director, in order to speed up the decision-making process. In addition, the Audit and Supervisory Committee, in which the majority of members are outside directors, performs audits of business execution, with the objective of strengthening our management supervisory functions and improving our managerial transparency. Moreover, we regularly convene the Executive Management Board, chaired by the President and Representative Director, as a body to make decisions regarding, and to approve, important matters and proposals related to business execution to facilitate the speedy execution of our business.

The Audit and Supervisory Committee audits the legality, validity, and efficiency of business operations and the execution of duties by the directors and senior managing directors, by exercising its statutory authority and leveraging the external audit corporation as well as internal organizations. The methods, progress, and results of audits are reported to the Board of Directors on a regular basis. Our Audit and Supervisory Committee also collaborates with the Audit Committee of Nomura Holdings as necessary. Furthermore, we have established a Board of Directors Office, with staff members independent of business execution, to assist the Audit and Supervisory Committee and non-executive directors in their duties, in order to further strengthen the auditing and supervisory capabilities of the Audit and Supervisory Committee and Board of Directors over the executive division.

To enhance our internal control procedures, the following committees are established.

- Risk Management Committee: Deliberates and decides on important matters related to integrated risk management, based on risk appetite.
- ALM Committee: Deliberates and decides on matters related to formulation and approval of the basic strategies for fund management and procurement.
- New Products & Services Review Committee: Analyzes and evaluates the risks inherent in the provision of a new product or launch of a new business and gives necessary information to the Executive Management Board when it is making decisions on the provision of the new product or launch of the new business.
- Investment Management Committee: In addition to deliberating and deciding on investment management policies for trust assets for which the Bank has discretionary power, and the pros and cons of employing asset management companies or incorporating investment products into the investment product lineup, as well as individual management models, etc., also works to share data regarding performance and risk management conditions of investment products, etc.
- Asset Risk Management Committee: In order to ensure the appropriateness of the management of trust assets for which the Bank has discretionary power, this Committee regularly verifies the performance, risk management and status of interaction with customers. If necessary, it recommends and instructs the Investment Management Committee to make improvements and keep all related parties informed about matters.
- Designated Management Trust Loan Transaction Review Committee: Deliberates and makes decisions to ensure that the execution of contracts, and the subsequent operation and management of trust assets, are handled appropriately from the perspectives of customer protection, conflict of interest management, separation of banking and trust operations, and the management of sensitive corporate information.
- Compliance Committee: Deliberates and makes decisions on compliance with laws and other compliance-related corporate matters.
- Business Improvement and Business Quality Improvement Committee: Carries out measures to improve overall quality of administration, such as departmental self-inspections, as part of efforts to build a highly effective internal control system, toward business improvements and improving the quality of business activities.
- Crisis Management Committee: Deliberates and makes decisions on the company's crisis management measures.
- Operational Risk Committee: Deliberates and coordinates matters related to operational risks to facilitate appropriate and smooth control of operational risks.
- CS Improvement and Customer Protection Committee: In order to protect legitimate interests, improve customer convenience, and increased customer satisfaction, we continue to enhance our customer explanation management, customer support management, customer information management, outsourcing management, conflicts of interest management, and CS improvement.
- Sustainability Committee: Provides support for the development of a sustainability promotion system and for ongoing efforts, and reports to the Executive Management Board on progress toward sustainability.
- Specific Transaction Committee: It is composed of members other than current or ex-members of Nomura Group and including external experts. It verifies that the independence of bank management is secured when the Company management makes important decisions regarding its business operations and submits the findings to the person authorized to make a decision regarding related matters.

Internal Audit System

We have established the Internal Audit Department, which is independent of all other operational divisions, to review the effectiveness and adequacy of the internal control systems in business execution and risk management systems and to make recommendations for improvement.

In light of the guidelines set forth by the Institute of Internal Auditors for internal audits, the Internal Audit Department identifies the type and degree of risks, draws up an annual internal audit plan in consideration of the depth and frequency of audits, and performs effective audits in accordance with the "Nomura Group Internal Audit Charter" and our "Internal Audit Charter."

The results of audits are promptly reported to company management and the Audit and Supervisory Committee. Any issues identified in the audits are communicated to the relevant operational divisions, so that follow-up for the corresponding situation actions can be taken, in an effort to further enhance the internal control system.

Internal Control System – Compliance

Compliance Management System

Constantly aware of the significance of our social responsibilities and public mission as a financial institution, we are determined to provide high quality financial services to customers in strict compliance with social norms as well as laws and regulations.
We regard compliance as one of the foremost priority management tasks and the Board of Directors has established the "Compliance Policy," laying out our basic stance regarding compliance.
Furthermore, based on the above policy, the Executive Management Board established the "Compliance Regulations," setting initiatives for specific actions taken to put compliance into action.

Compliance Policy

As a member of Nomura Group, we strive to foster a corporate culture and build corporate ethics focusing on compliance in conformity with the Nomura Group Code of Conduct, and perform honest and fair corporate activities without violating social norms.

1. Basic Stance Regarding Compliance

Constantly aware of the significance of our social responsibilities and public mission as a financial institution, we regard the enhancement and establishment of a compliance system as one of our foremost priority tasks for securing the soundness and appropriateness of operations, and we take proactive steps to complete this task.

2. Individual Efforts for Compliance

Directors, senior managing directors and employees of the Company constantly strive to acquire extensive knowledge, not only of laws and regulations required in business, but also social norms, and act in conformity with a higher level of corporate ethics.

3. Establishment of Social Credibility

We demonstrate our intention to perform honest and fair corporate activities focusing on compliance through our accountability to stakeholders, thereby establishing credibility as a member of society.

In accordance with the "Compliance Regulations," we have formed the Compliance Committee, which, chaired by the representative executive officer and vice-chaired by the Compliance Officer appointed by the Board of Executive Officers, with executive officers and department/office heads as members, deliberates and makes decisions regarding compliance related matters in the company. The details of discussions are regularly reported by the Chairman to the Board of Directors, the Board of Executive Officers and the Audit Committee members. We draw up the "Compliance Program" setting out objectives and various measures as an annual compliance action plan. This plan is then deliberated and reviewed by the Compliance Committee and finally approved by the Board of Executive Officers. The progress and achievement status of the measures defined in the "Compliance Program" are regularly reported to the Compliance Committee and are also reported by the Chairman to the Audit Committee members.
The Compliance Officer and the Compliance Control Department collaborate to control and manage the company's compliance-related matters, and each department appoints a Compliance Manager who promotes compliance activities.
In addition, the Compliance Officer convenes compliance meetings in order to review the progress and achievement status of compliance action plans drawn up by each department, and discusses compliance-related issues with the Compliance Managers.
The Compliance Manager ensures that all employees pursue operations based on a spirit of compliance and common sense, and also monitors the compliance activities of the department in charge and makes regular reports to the Compliance Officer through compliance meetings and other means.
The Compliance Control Department conducts monthly compliance training and various initiatives to promote the Nomura Group Code of Ethics, striving to enhance the level of compliance risk management, including conduct risk management.
In addition to our internal whistleblowing system, employees can also utilize the Nomura Group Hotline consultation service. We continue these efforts to foster a healthy and open corporate culture.

Policy on Antisocial Forces (Organized Crime)

Based on the Nomura Group Code of Conduct, we at the Nomura Group have built a high-level administrative structure for the purpose of refusing to deal with any antisocial force or group.
We comply with this policy and have created a structure to eliminate antisocial forces. We promote efforts to block dealings with these forces.

Measures to Prevent Money Laundering and Combating the Financing of Terrorism

Regarding anti-money-laundering/combating the financing of terrorism (AML/CFT), our basic policy is to employ a high-level control system to prevent the influx of criminal proceeds into financial and capital markets, and to prevent the financing of terrorists.
In addition to regulations and asset freeze measures based on Japan's Foreign Exchange and Foreign Trade Act, our basic policy also includes compliance with economic sanctions imposed by the United States, the European Union, the United Kingdom, and the United Nations, which may have extraterritorial application to Japan.
Furthermore, AML/CFT and economic sanctions compliance (hereinafter referred to as "AML/CFT, etc.") are positioned as important management issues. We have also established the Rules for Anti-Money-Laundering and Combating the Financing of Terrorism as part of our AML/CFT policy, and general administrative provisions that define the AML/CFT, etc. control framework that our company must establish.
Furthermore, in addition to compliance with domestic and international laws and rules related to our business, we are working to strengthen our AML/CFT management system, by closely monitoring international regulatory developments, such as the guidance set forth by the Financial Action Task Force (FATF). We have appointed a Chief AML/CFT Officer to take on the responsibility of ensuring the effectiveness of our AML/CFT management system. We have also established the Anti-Money Laundering Office within the Compliance Control Department to assist the Chief AML/CFT Officer, toward the development and maintenance of an effective AML/CFT management system.

Specific Measures to Prevent Money Laundering

We have established a number of measures to prevent money laundering and other illegal activities, based on a risk-based approach, as described below:

Customer Due Diligence

Due diligence when customers open banking accounts, maintaining up-to-date customer information, etc;

Transaction Monitoring

Introduction of a system to monitor abnormal transactions;

Policy, Procedure, Drawing Up Plans, Implementation, Verification, Reconsideration

Verification and check of the status of AML/CFT, and review and improvement of the AML/CFT management systems, etc;

Three Lines of Defense

Our first line of defense (Sales Department, etc.) implements risk reduction measures. Our second line of defense (Compliance-related Departments) provides a check control function. Our third line of defense (Internal Audit Department) performs independent verifications; and

In addition to these measures, we conduct regular training and education on AML/CFT, to foster awareness with this topic throughout the company. We also hold training sessions for all employees of The Nomura Trust and Banking and for employees of Group companies, as well as more specialized training for specific departments, or based on specific topics.

Internal Control System – Risk Management

Risk Management System

We position enhancement of risk management as an important pillar of our management goals in order to ensure that our management is sound and appropriate.
By making disclosures in compliance with Basel III and building an integrated risk management system, we comprehensively look at various risks of the company and compare them against our management strength, thereby securing profits commensurate with risks and appropriate allocation of management resources.

Risk Appetite

Appropriate risks to take and risk management are discussed by the Board of Directors and the Executive Management Board, and qualitative and quantitative risk appetites are determined, based upon which business strategies are drawn up.
In addition, we share Nomura Group's basic philosophy of "placing clients at the heart of everything we do," and always work to operate our business by putting our customer-oriented perspective (fiduciary duty) into practice.

Top Risk Management

The main types of risks that are considered highly influential in our business operations include
- Credit deterioration of large borrowers,
- Sharp decline in the value of assets held, and collateral due to financial market turmoil,
- Destabilization of currency funding,
- Circumstances that hinder the sound execution of affairs,
- Cyberattacks and system failures,
- Financial crimes such as money laundering,
- Legal and compliance irregularities,
- Epidemics of serious infectious diseases, and
- Large-scale disasters such as major earthquakes, and
- Sudden geopolitical risks,

among others.
These risks are discussed by the Executive Management Board and the Risk Management Committee, in order to perform appropriate risk management.

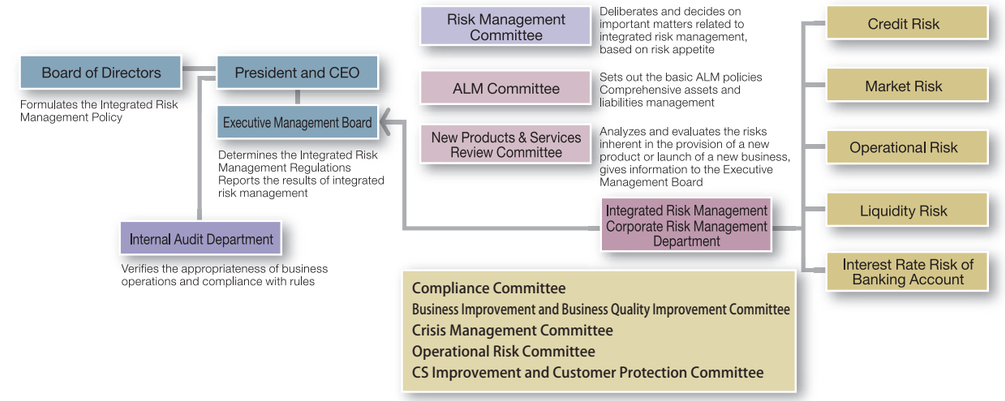
Integrated Risk Management

The Board of Directors has formulated the "Integrated Risk Management Policy" as our basic risk management policy to establish a proper management system of all risks. Based on this policy, the Executive Management Board has specified the "Regulations on Integrated Risk Management" to clearly define and classify various risks and also determined various risk management methodologies, thereby ensuring the effectiveness of the rules.
To monitor risks, the Corporate Risk Management Department is established as a division responsible for integrated risk management independent of the business promotion division. It is engaged in day-to-day integrated risk management activities under the guidance and approval of the manager of the integrated risk management division. The integrated risk management division regularly reports the status of risk management to the Executive Management Board, the Risk Management Committee and the Audit and Supervisory Committee members. In addition, the Internal Audit Department reviews the appropriateness, validity and efficiency of risk management.
The risks defined by the company consist of credit risk, market risk, operational risk, liquidity risk and the banking account interest rate risk.

Risk Management Classification

	Risk Classification		Responsible Department
Integrated Risk Management Risk Control Department	Credit Risk		Corporate Risk Management Department
	Market Risk	Interest rate risk	Corporate Risk Management Department
		Foreign exchange risk	
		Price fluctuation risk	
	Operational Risk	People Risk	Human Resource Department
		Information Technology (IT) and Information Security (IS) Risk	IT Strategy Department
		Business Continuity (Business Resilience) Risk	Corporate Planning Department
		Transaction Lifecycle Risk	Corporate Risk Management Department
		Financial Reporting & Tax Risk	Controller's Department
		Fraud Risk	Compliance Control Department
		Prudential Risk Frameworks Risk	Corporate Risk Management Department
		Third Party Risk	Corporate Risk Management Department
		Compliance Risk	Compliance Control Department
		Legal Risk	Compliance Control Department
	Liquidity Risk	Funding risk	Corporate Risk Management Department
		Market liquidity risk	
	Interest Rate Risk of Banking Account		Corporate Risk Management Department

Risk Management Framework



Stress Tests

We perform comprehensive stress tests based on scenarios built around the impacts of possible significant events, allowing us to perform integrated risk evaluations, informing the Risk Management Committee, etc. Additionally, we also perform stress tests as necessary using individual scenarios built around credit risk, market risk, and liquidity risk, in order to enhance our stress test-based risk management system.

Credit Risk

Credit risk is defined as the risk of incurring losses due to a decline or loss of the value of assets (including off-balance sheet assets) as a result of deterioration of the financial condition of debtors, etc. It also includes the risk of incurring losses due to a serious decline or loss of the value of assets (including off-balance sheet assets) as a result of a series of deteriorations of the financial conditions of debtors, etc., owing to a heavy concentration of credit on a certain debtor or a certain group which has close financial ties with a certain debtor in comparison to our equity or management strength. This is called credit concentration risk.
We have procedures and standards in place for controlling credit risks using risk diversification and portfolio management theories in accordance with the "Credit Risk Management Policy" and the "Credit Risk Management Regulations." The Corporate Risk Management Department centrally controls credit risk management activities and regularly reports the status of credit risk management to the Risk Management Committee.

Credit Rating System

Credit ratings are determined not only by conducting scoring based on a rating model using the financial information of debtors, but also by utilizing the latest important information available including qualitative information on managerial risk, legal risk etc. which may affect the conditions of debtors and external credit ratings or the credit standing of associated companies . These ratings are classified into 20 levels.

Screening of Credit Proposals

Screening of each credit proposal is performed by the Credit and Trust Risk Management Department, which makes accurate and rigorous credit decisions based on the credit ratings, fully taking account of our public and social missions as a financial institution to maintain soundness of the bank's assets.

Exposure (Credit Amount) Management

With the identification of exposure for each debtor or each group of debtors positioned as the core of credit risk management, we centrally and comprehensively control not only loans but also other on-balance and off-balance items. Off-balance sheet transactions are managed using the current exposure method. Based on the above, we measure and monitor credit risk.

Self-Assessment

As for self-assessment of assets involving credits, we implement self-assessments through strict classification of credits based on debtor categorization linked to credit ratings, in accordance with the "Asset Assessment Standard," and carry out proper write-offs of credits and provide allowances using the accumulated default ratio for each credit rating, etc.

Internal Control System – Risk Management

Market Risk

Market risk is defined as a risk of incurring losses due to fluctuation of the value of assets and liabilities (including off-balance assets and liabilities) as a result of changes in market risk factors such as interest rates, foreign exchange rates and security prices. Market risks consist of interest rate risk, foreign exchange risk and price fluctuation risk.
To properly control market risks, the Risk Management Committee clarifies the basic concept of market risk management, and we set position limits, VaR limits, loss-cut rule etc. accordingly. In addition, we have established the Corporate Risk Management Department which, as an independent department responsible for company-wide market risk management, monitors the positions and profit and loss on a daily basis and reports the compliance status of limits etc.

Foreign Exchange Transactions

We operate our business guided by a policy of, whenever possible, avoiding taking market risks. Accordingly, we set the minimum required position limits and VaR limits.

Fund Transactions

For general banking transactions, we also measure the positions and VaR and monitor profit and loss on a daily basis.

Operational Risk

Operational risk is defined as a risk of incurring losses owing to inadequate business processes, activities of directors and employees or systems, or external events. As the department responsible for management of operational risks, the Corporate Risk Management Department plays a central role in defining the risk categories to be managed and conducting operational risk management through the Risk and Control Self Assessment (RCSA) activities and collection and analysis of loss data, etc.

People Risk

People Risk is defined as risk of financial loss, staff impact, or reputational damage due to acts inconsistent with employment, or health and safety laws, or employment norms and agreements. The Human Resource Department takes the lead in implementing appropriate personnel management and administration according to employees' employment types, fundamentally ensuring proper management through education, training, and workplace guidance.

Information Technology (IT) and Information Security (IS) Risk

Information Technology (IT) and Information Security (IS) Risk are defined as risks of adverse financial, regulatory, customer, or reputational impact to Nomura resulting from inadequate or failed Information Technology (IT) and Information Security (IS) processes and systems. The IT Strategy Department is designated as the department responsible for overall system management. We fully recognize that risks stemming from system failures or cyberattacks may affect not only our company but the entire market. Accordingly, we have established operational frameworks and emergency response measures. Additionally, the Compliance Control Department and IT Strategy Department jointly oversee information security. We strive to mitigate these risks by appropriately managing information assets, implementing measures according to their importance, restricting access rights, and conducting regular training for executives and employees.

Business Continuity (Business Resilience) Risk

Business Continuity (Business Resilience) Risk is defined as risk of financial loss or reputational damage due to inability to resume normal business operations during a business disruption event, and damage to or unavailability of physical assets as a result of natural disasters or other events. The Corporate Planning Department takes the lead in understanding the current status of the company's tangible assets and managing preparations against damages caused by natural disasters, unlawful acts, and other such events.

Transaction Lifecycle Risk

Transaction Lifecycle Risk is defined as the risk of financial loss or reputational damage due to failures over the lifecycle of a transaction. Our company ensures that executives and employees understand that operational risks exist in all business activities, and that they recognize the importance of mitigating these risks by implementing appropriate measures. Specifically, the Operations Planning Department and the Corporate Risk Management Department work together to continuously maintain and improve business procedures and strengthen systems, while providing administrative guidance and training to ensure that administrative tasks are properly handled in each department.

Financial Reporting & Tax Risk

Financial Reporting & Tax Risk are defined as the risk of financial loss or reputational damage due to material misstatement or omission in the firm's (i) external financial reporting, regulatory reporting, or internal financial management reporting; and/or (ii) external tax reporting or payments. Our company, led by the Controller's Department, strives to establish a system that ensures compliance with accounting standards, the Companies Act, tax laws, and other relevant regulations, to guarantee the accuracy of financial reporting. Additionally, by collaborating with experts such as external auditors and tax accounting firms, we implement appropriate management and measures to reduce these risks.

Fraud Risk

Fraud Risk is defined as risk of financial loss or reputational damage due to intent to defraud, misappropriate property, or conduct unauthorized activity by an internal or third party. Our company has established the necessary management systems to prevent the manifestation of fraud risk by developing internal regulations, enhancing related knowledge and awareness through various training programs, implementing system controls, and conducting monitoring by the Inspection & Examination Department as well as audits by the Internal Audit Department. We continuously maintain these efforts.

Prudential Risk Frameworks Risk

Prudential Risk Frameworks Risk is defined as risk of financial loss or reputational damage due to inadequate prudential risk frameworks or non-compliance with prudential regulatory requirements. Our company designates the Corporate Risk Management Department as the department with overall responsibility for prudential risk management. This department establishes and operates various risk management processes, detects and responds to risk incidents, and prepares risk management reports. It conducts risk assessment and analysis, and reports to management with improvement proposals as necessary. By centrally managing clearly defined prudential risks, we strengthen company-wide risk management capability and maintain the foundation for regulatory compliance and sound business operations. In particular, risk limit management, ensuring the accuracy of regulatory reporting, and improving the reliability of capital and liquidity calculations are systematically addressed as core issues in risk management.

Third Party Risk

Third Party Risk is defined as risk of financial loss or reputational damage due to inadequate framework to properly manage third parties while outsourcing important business services or critical operations, or relying on services provided by third parties. Our company establishes criteria for deciding whether to outsource operations and for selecting contractors, and maintains a system to properly manage contractors by regularly monitoring their performance.

Compliance Risk

Compliance Risk is defined as risk of financial loss or reputational damage due to violations of financial services laws, regulations, rules, related self-regulatory organization standards, and codes of conduct applicable to Nomura's financial services activities (collectively "financial services laws, rules and standards"); and improper conduct which disrupts the integrity of financial markets and causes unfair client treatment. Our company has established a management system to ensure compliance with financial-services-related laws, regulations, and standards. We strive to foster compliance awareness through various opportunities such as meetings and training sessions, and work to reduce compliance risk by conducting business activities based on a high level of ethics in accordance with the Nomura Group Code of Conduct.

Legal Risk

Legal Risk is defined as risk of financial loss or reputational damage due to (i) breach of contractual obligations, or infringements of the rights of a third party; (ii) ambiguity and/or insufficiency in contractual terms to secure Nomura's legal rights or enforceability of contractual terms; (iii) violation of laws and regulations applicable to Nomura; and/or (iv) improper management of litigation or other contentious matters. Our company has established the Compliance Control Department to manage legal risks. This department conducts legal checks on new products and various contracts, facilitates internal communication regarding the enactment or revision of laws and regulations, and centrally manages cases such as litigation. Through these activities, we identify and address legal risks.

Liquidity Risk

Liquidity risk is defined as the risk of incurring losses when we have difficulty securing necessary funds or are forced to raise funds at an interest rate much higher than the usual rates due to a mismatch between investment and procurement periods or unexpected cash outflow, and as the risk of incurring losses when we are unable to execute trades due to a market disruption or forced to accept trades at an extremely unfavorable price.
We try to reinforce our liquidity management framework and upgrade our management approach, and at the same time, we operate business by paying adequate attention to liquidity. For example, the monthly Risk Management Committee and the ALM Committee checks the fund positions and the market trend etc. for each product we off er and then sets a policy for the future.
We also monitor the fund-raising status of both yen and foreign currencies and report to Risk Management Committee and ALM Committee which meets on a monthly basis. Furthermore, we set modes according to the market liquidity etc. and specify management standards for each mode, and manage fund positions accordingly.

Internal Control System – Risk Management

Interest Rate Risk of Banking Accounts

Interest rate risk of banking accounts is defined as the risk of incurring losses owing to changes in asset values in the banking accounts as a result of interest rate fluctuations. We perform appropriate monitoring and management by reporting the risk status to the Risk Management Committee, etc.

Business Continuity

We believe that to ensure sustainable development of the company, it is essential to deal appropriately with various disasters that may have a significant impact on company management.
Our mission is "to firmly protect assets entrusted by customers" and to continue to be a trust bank that earns the confidence and trust of customers.
To attain this purpose, we are making the following efforts to prepare for contingencies guided by the concept, "developing a business continuity plan for sustaining day-to-day operations and securing necessary data (market information and information on transactions and trades, settlement of funds and securities, social and economic condition, etc.)".

Organizational Structure

We have established the Crisis Management Committee to review various measures for emergencies including natural disasters, cyberterrorism, serious accidents, infection and give suggestions and make reports to the Executive Management Board.
The Crisis Management Committee discusses actions to be taken in a case where the offices or systems are not available for use due to a disaster or other events, and in the event of an emergency, the Committee is expected to play a central role as an emergency headquarters.

Formulation of a Business Continuity Plan

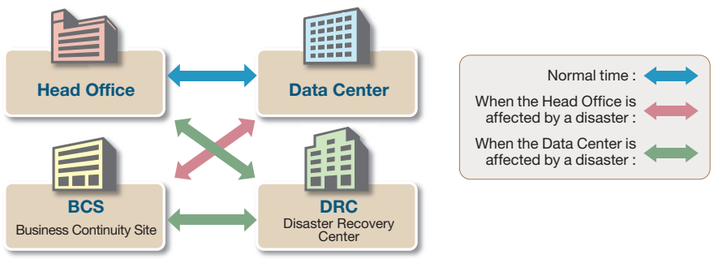
We have formulated a Business Continuity Plan to ensure the smooth implementation of measures when a natural disaster or a cyberterrorism has occurred.
In addition to a basic policy on disasters, definition of damage and disaster scenarios, the plan stipulates an organization to deal with emergencies, measures of securing safety of personnel and assets, and measures of securing communication tools, etc. to prepare for an emergency.
Each department defines priorities and alternative means for continuing business in an emergency, creates a checklist and reviews its effectiveness in a business resumption drill.

Enhancement of Infrastructure

We take the following actions to enhance facilities in accordance with the Business Continuity Plan:

Establishment of a Business Continuity Site (BCS)
We built a BCS for sustaining the core businesses in a case where we are unable to continue operations at the Head Office of The Nomura Trust and Banking.
The location of the site was selected after taking into account a number of conditions including firmness of the ground, distance from the Head Office and being within a residential urban area.

Establishment of a Disaster Recovery Center (DRC)
The servers in the Data Center used in daily operation are made duplex, so if any server fails, it can be immediately switched within the Data Center. We established a DRC at a location sufficiently far from the Data Center as to back up the data in case the Data Center was affected by wide-scale disaster.



Business Resumption Drill Based on the Business Continuity Plan

We regularly conduct an evacuation drill to the BCS and a business resumption drill based on a disaster scenario created from the viewpoints of time, location and scope of the disaster. We also perform a drill of the process of switching functions to the DRC at least once a year.

Internal Control System – Customer Protection Management

Customer Protection Management

We have established the Management Policy for Customer Protection and the Management Policy for Conflicts of Interests as basic policies concerning customer protection in order to protect legitimate interests and improve customer convenience, and we strive to enhance and reinforce our customer protection management system. The manager in charge will be assigned for customer explanation management, customer support management, customer information management, outsourcing management, and conflict of interest management to ensure the effectiveness of internal procedure concerning customer protection.
We have also established the CS Improvement and Customer Protection Committee, which reports the situation and CS improvements to the Board of Executive Officers regularly or as needed. The Board verifies the effectiveness of the customer protection management system of the company and reviews it if necessary.

Conflicts of Interest Management System

We have formulated the "Conflicts of Interest Management Policy" to properly manage transactions which may unduly undermine customers' interests. The "Conflicts of Interest Management Policy" specifies and categorizes transactions involving conflicts of interest that need to be managed and provides rules on the conflicts of interest management system including methods of managing conflicts of interest.

For our "Conflicts of Interest Management Policy," please visit our company Website at https://www.nomura-trust.co.jp/. (Japanese version only)

Solicitation Policy

We have established the "Solicitation Policy" in accordance with the "Act on Provision of Financial Services and the Development of the Accessible Environment Thereto" and other applicable laws, and appropriately solicit customers for our financial products based on this Policy.

For our "Solicitation Policy," please visit our company Website at https://www.nomura-trust.co.jp/. (Japanese version only)

Personal Information Protection Policy

We have established the "Personal Information Protection Policy" in accordance with the Act on the Protection of Personal Information, and based on this policy, we take various steps necessary to prevent leakage of personal information and to safely control personal information to pursue appropriate personal information management.

For our "Personal Information Protection Policy," please visit our company Website at https://www.nomura-trust.co.jp/. (Japanese version only)

Basic Policy for the Handling of Specific Personal Informat

We have established the Basic Policy for the Handling of Specific Personal Information in accordance with the Act on the Use of Number to Identify a Specific Individual in Administrative Procedures. We take various steps as necessary to prevent the leakage of personal information, and to safely control specific personal information to pursue appropriate personal information management.

For our "Basic Policy for the Handling of Specific Personal Informat," please visit our company Website at https://www.nomura-trust.co.jp/. (Japanese version only)

Best Execution Policy

When we have received an order for securities listed on domestic financial instruments exchanges as part of operations of a registered financial institution stipulated in the Article 33-2 of the Financial Instruments and Exchange Act, we make efforts to mediate the execution of trades in accordance with the "Best Execution Policy" in cases where no instruction regarding execution of trades is given by our customer.

For our "Best Execution Policy," please visit our company Website at https://www.nomura-trust.co.jp/. (Japanese version only)

Policy on Customer-Oriented Business Conduct

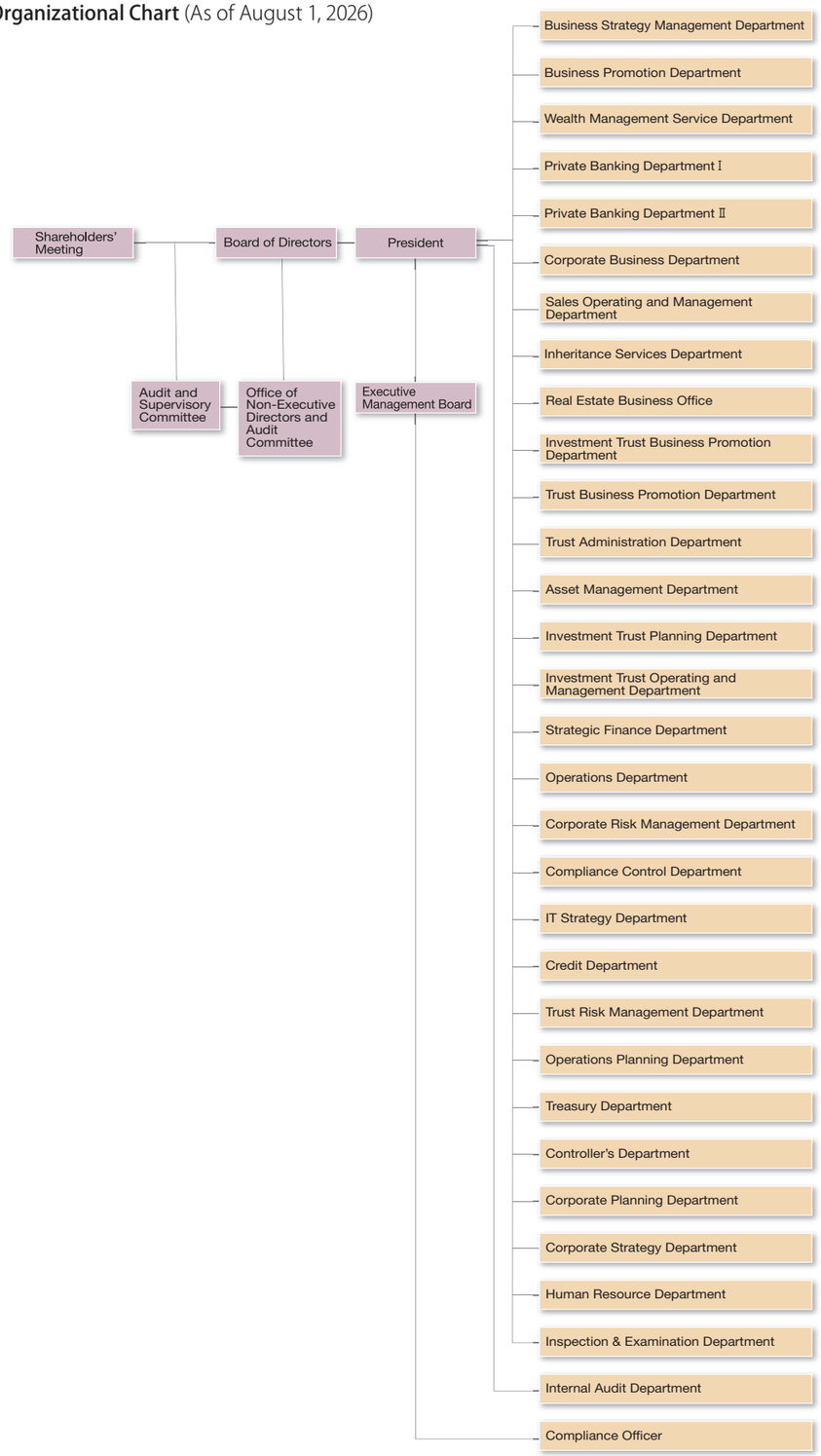
We have established the Policy on Customer-Oriented Business Conduct, and, as a trust bank of Nomura Group, we strive to provide services that truly satisfy our customers, based on the dynamism generated through the fusion of banking, trust, and securities operations, and which are in accord with our basic philosophy of "placing clients at the heart of everything we do."

For our "Policy on Customer-Oriented Business Conduct," please visit our company Website at https://www.nomura-trust.co.jp/. (Japanese version only)

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Organizational Chart

Organizational Chart (As of August 1, 2026)



Directors, Senior Managing Directors and Employees

Directors and Executive Officers (As of August 1, 2026)

Directors	
Chairman of the Board of Directors	Shinichi Okada
Representative Director	Go Sugiyama
Director	Masayuki Usui
Director	Shinichi Mizuno
Director	Takahiro Hayashi
Director	Yoshifumi Kishida

Senior Managing Directors		
President & CEO	Go Sugiyama	
Deputy President	Masayuki Yamada	Business Management
Senior Corporate Managing Director	Hiroyuki Muromachi	Corporate Planning, Human Resources, ALM and IT Operations
Senior Managing Director	Osamu Kakumoto	Marketing & Client Relations
Senior Managing Director	Atsushi Mizutani	Investment Trust Business and Asset Management
Senior Managing Director	Shinichi Nonomura	Financial Planning, ALM, Corporate Strategy
Senior Managing Director	Jun Nakazeki	Compliance and Risk
Senior Managing Director	Naoya Murata	Strategic Finance and Products
Senior Managing Director	Katsuomi Sakai	IT Operations
Senior Managing Director	Noriyuki Sugisaki	Corporate Strategy
Senior Managing Director	Ichiro Konishi	Credit
Senior Managing Director	Katsuya Imanishi	Corporate Planning

Employees

	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	March 31, 2026
Number of employees	505	536	579	600	615
Average length of service	8 years and 2 months	8 years and 2 months	7 years and 11 months	8 years and 3 months	7 years and 4 months
Average monthly salary (thousand yen)	588	571	581	585	593

Rating Information (As of August 1, 2026)

S&P		JCR		R&I	
Long Term	Short Term	Long-Term Issuer Rating	Short-Term Issuer Rating	Long-Term Debt	Short-Term Debt
A-	A-2	AA-	J-1+	AA-	a-1+

Business Description

Trust Business

- Specified Money Trusts and Specified Pecuniary Trusts Other Than Money Trusts
  Trust in which the funds are managed and invested, mainly in securities, according to the instructions provided by the trustors.
- Individually Operated Designated Money Trusts ("Shiteitan") and Individually Operated Designated Pecuniary Trusts Other Than Money Trusts ("Fund Trust").
  Trust in which the funds are managed and invested at the discretion of the trustees within the scope in which the type of investment assets and the investment method are designated by the trustors.
- Jointly Operated Designated Money Trusts
  Money trusts in which the trust funds are managed and invested jointly with other trust funds on the basis of the same contract and provisions.
- Composite Trusts
  Trust undertaken as a set of assets comprised of a number of properties including securities and money.
- Investment Trusts
  Trust in which funds are invested in securities, real estate etc. based on the instructions provided by the trustors (investment trust management companies), with the beneficiary rights being divided and sold to investors. Investment trust administration service / business based on instructions given by the investment trust management companies, we conduct settlement by delivery and payment of securities, rights handling, custody and compute the daily net asset value and unit price of each fund.
  We follow the instructions of investment trust management companies in conducting delivery settlements for marketable securities, rights handling and custody operations. We also verify net asset value and unit price of each fund.
- Securities Trusts
  Trust in which securities are used to set up a trust. There are three types of securities trusts depending on the purpose of the trustors; (1) securities administration trusts which are designed to administer securities, (2) securities management trusts for the purpose of management, and (3) securities disposition trusts for the purpose of securities disposition.

Inheritance Business

- Testamentary Trust Business
  We perform management of notarized wills produced by testators, confirmation of inheritors and production of property inventories after execution of inheritance, execution of wills (changes in name registrations, cash conversion, etc.), and related tasks.
- Inheritance Arrangement Business
  After confirming inheritors, we provide support in producing property inventories and agreements on division of inheritance, as well as inheritance arrangements (changes in name registrations, cash conversion, etc.), after being entrusted by all inheritors to perform inheritance arrangement matters.

Banking Business

- Deposit Business
  We handle ordinary deposits, current deposits, time deposits, foreign currency deposits, negotiable certificate of deposits, etc.
- Lending Business
  We handle loans on deed, overdrafts, etc.
- Domestic Exchange Business
  We handle remittance, money transfer, etc.
- Foreign Exchange Business
  We handle foreign remittances and various operations concerning other foreign exchange transactions.

Securities Business

- Investment Trust Over-the-Counter Sales and Account Administration Business
  Investment trust over-the-counter sales: we sell primarily private placement investment funds which are incorporated into fund-of-funds and/or prepared for a financial institution or a pension plan.
  Account administration business: we provide account administration services for transferred investment trusts, playing the role of supporter for investment trust over-the-counter sales made by regional financial institutions, including regional banks and second-tier regional banks.
- Corporate Bond Administration Business and Fiscal Agent for Corporate Bond
  Corporate bond administration business: we provide services as a corporate bond administrator, which must be designated from the viewpoint of investor protection at the time of bond issue by the Companies Act of Japan.
  Fiscal agent for corporate bond: we handle fiscal matters as an agent of an issuer company for bonds without administrator, including issuance, premature redemption and redemption at maturity of bonds (disbursement of principal and interest).
- Investment Advisory and Agency Business and Investment Management Business
  We, based on trust agreements and /or discretionary investment contracts, provide asset management services to clients.

List of Trust Agreement Agencies for Will-Substitute Trusts (Wrap Trusts) (As of July 1, 2026)

[Agency Name]	[Business Start Date]
Nomura Securities Co., Ltd.	January 2018
The San-in Godo Bank, Ltd.	September 2020
The Awa Bank, Ltd.	April 2021
The Oita Bank, Ltd.	March 2023
The Fukui Bank, Ltd.	May 2023
The Toho Bank, Ltd.	January 2025

Company History

History

August 1993	Established as The Nomura Trust and Banking Co., Ltd. (paid-in capital: 30 billion yen). <August 24>
October	Started business with 71 executives and employees. <October 1>
June 1994	Designated as a bond registered organization.
September 1995	Served as a Fiscal Agent for corporate bonds for the first time in Japan.
November	Joined Domestic funds transfer system.
October 1997	Obtained business approval of specified money trusts and designated money trusts.
November 1999	Obtained business approval of pension trusts and jointly operated designated money trusts.
October 2001	Nomura Securities Group (currently called “Nomura Group”) moved to a holding company system.
January 2002	Accepted entrustment of asset management institution operations in defined contribution pension plan.
July 2004	Moved Head Office in Tokyo from Nihonbashi, Chuo-Ward, Tokyo to Otemachi, Chiyoda-Ward, Tokyo.
March 2005	Started business by designating Nomura Securities as a trust contract agent.
June	Handled security interest trust and intellectual property right trust. Obtained approval for business including execution of wills and settlements of inheritance.
July 2006	Obtained approval for the discretionary investment contract related business.
September	Started business by designating Nomura Securities as a bank agent.
	Started “Banking Service (internet banking)” services.
April 2007	Balance of investment trust assets exceeded 10 trillion yen.
August	Started marketing and handling “E-Ship” (trust-type employee stock-ownership incentive plan).
July 2008	Started servicing “Nomura Web Loan” (loans secured by securities) via “Banking Service .”
October 2009	Made NikkoCiti Trust and Banking Corporation (trade name changed to NCT Trust and Banking Corporation in March 2010) a subsidiary.
July 2010	The Nomura Trust and Banking merged with NCT Trust and Banking Corporation (surviving company: The Nomura Trust and Banking Co., Ltd.) .
October 2012	“Banking Service” systems totally renewed.
April 2015	Started inheritance services using Nomura Securities as an agent.
April 2016	Started a connection between “Banking Service” and “Nomura Net & Call ,” which is offered by Nomura Securities
January 2018	Started marketing and handling “Wrap-Trust” (living trust as a will substitute) using Nomura Securities as an agent.
April 2019	Changeover to new company structure as a company with an audit and supervisory committee.
August 2020	Balance of investment trust assets exceeded 20 trillion yen.
November 2021	Balance of investment trust assets exceeded 30 trillion yen.
December 2022	Establishment of The Nomura Trust and Banking Sustainability Policy
October	30th anniversary since starting business.
April 2024	Became the first company in Japan to adopt the “trustee single-party calculation” scheme as a public solicitation investment trust fund.
January 2025	Balance of investment trust assets exceeded 40 trillion yen.
April	Nomura Group established a new Banking Division, centered on The Nomura Trust and Banking Co., Ltd. and Nomura Bank (Luxembourg) S.A.
May	The core banking system was renewed.
April 2026	Nomura Securities Co., Ltd. and The Nomura Trust and Banking Co., Ltd. launched the Securities-Bank Automatic Transfer Service (Anshin Sweep).

Financial Data

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Financial Statements

Balance Sheets

(Millions of yen)

Item	March 31,2025	March 31,2026
Assets:		
Cash and due from banks	542,921	**744,921**
Due from banks	542,921	**744,921**
Securities	310,655	**423,075**
Government bonds	79,760	**147,134**
Local government bonds	117,482	**187,450**
Corporate bonds	24,262	**32,521**
Other securities	89,150	**55,969**
Loans	1,044,434	**1,177,189**
Loans on deeds	104,173	**96,679**
Overdrafts	940,260	**1,080,510**
Foreign exchanges	3,091	**3,544**
Due from foreign banks (our accounts)	3,091	**3,544**
Other assets	135,373	**204,521**
Prepaid expenses	240	**228**
Accrued income	6,844	**8,991**
Derivatives other than for trading-assets	73,402	**108,755**
Cash collateral paid for financial instruments	51,984	**83,427**
Other	2,901	**3,118**
Tangible fixed assets	341	**456**
Buildings	73	**235**
Other	268	**221**
Intangible fixed assets	18,800	**21,641**
Software	3,720	**20,483**
Software in progress	15,079	**1,157**
Other	1	**1**
Deferred tax assets	20,691	**32,416**
Allowance for loan losses	(891)	**(343)**
Total assets	2,075,418	**2,607,424**

Balance Sheets

(Millions of yen)

Item	March 31,2025	March 31,2026
Liabilities:		
Deposits	1,357,338	**1,334,475**
Current deposits	14,794	**17,717**
Ordinary deposits	354,140	**303,891**
Time deposits	871,955	**925,307**
Other deposits	116,447	**87,558**
Negotiable certificates of deposit	269,251	**357,718**
Call money	29,243	**126,233**
Borrowed money	101,500	**102,000**
Borrowings from others	101,500	**102,000**
Due to Trust Accounts	137,657	**446,112**
Other liabilities	78,497	**122,602**
Income taxes payable	6,553	**9,624**
Accrued expenses	5,002	**8,444**
Unearned revenue	195	**156**
Derivatives other than for trading-liabilities	62,427	**96,783**
Cash collateral received for financial instruments	109	**65**
Asset retirement obligations	375	**624**
Other	3,833	**6,905**
Provision for bonuses	2,085	**2,173**
Provision for retirement benefits	1,690	**1,702**
Provision for expenses related to entrusted operations	—	**656**
Total Liabilities	1,977,264	**2,493,674**
Net assets:		
Capital stock	50,000	**57,500**
Capital surplus	28,270	**35,770**
Legal capital surplus	20,000	**27,500**
Other capital surplus	8,270	**8,270**
Retained earnings	23,298	**25,177**
Legal retained earnings	2,571	**3,173**
Other retained earnings	20,726	**22,004**
Retained earnings brought forward	20,726	**22,004**
Total shareholders' equity	101,568	**118,447**
Valuation difference on available-for-sale securities	(6,941)	**(9,804)**
Deferred gains or losses on hedges	3,526	**5,107**
Total valuation and translation adjustments	(3,414)	**(4,697)**
Total net assets	98,153	**113,750**
Total liabilities and net assets	2,075,418	**2,607,424**

Financial Statements

Statements of Income

(Millions of yen)

Item	FY2024	FY2025
Ordinary Income	37,641	**50,346**
Trust fees	15,331	**16,869**
Interest income	14,807	**23,094**
Interest on loans	10,234	**15,514**
Interest and dividends on securities	2,733	**3,682**
Interest on call loans	7	**6**
Interest on due from banks	1,427	**3,215**
Interest on interest swaps	304	**330**
Other interest income	99	**344**
Fees and commissions	4,366	**6,085**
Fees and commissions on domestic and foreign exchanges	410	**374**
Other fees and commissions	3,956	**5,710**
Other operating income	2,927	**3,713**
Gains on foreign exchange transactions	1,101	**3,696**
Gains on sales of bonds	—	**16**
Income from derivatives other than for trading or hedging	1,824	**—**
Other	1	**0**
Other income	208	**584**
Reversal of allowance for loan losses (deduction)	199	**548**
Other	9	**35**
Ordinary expenses	29,454	**42,870**
Interest expenses	7,719	**15,724**
Interest on deposits	6,183	**11,079**
Interest on negotiable certificates of deposit	493	**2,289**
Interest on call money	516	**827**
Interest on borrowings	251	**602**
Other interest expenses	274	**925**
Fees and commissions payments	1,409	**1,524**
Fees and commissions on domestic and foreign exchanges	176	**191**
Other fees and commissions	1,232	**1,332**
Other operating expenses	349	**392**
Loss on sales of bonds	209	**—**
Loss on redemption of bonds	0	**—**
Expenses on derivatives	—	**392**
Other	139	**—**
General and administrative expenses	19,974	**25,228**
Other expenses	1	**0**
Other	1	**0**
Ordinary profit	8,187	**7,476**

Statements of Income (Continued)

(Millions of yen)

Item	FY2024	FY2025
Extraordinary Income	51	**30**
Other	51	**30**
Extraordinary Loss	355	**836**
Loss on disposal of noncurrent assets	0	**208**
Impairment loss	94	**—**
Other	260	**628**
Income before income taxes	7,883	**6,670**
Income taxes-current	8,895	**12,916**
Income taxes-deferred (deduction)	(7,039)	**(11,135)**
Total income taxes	1,855	**1,781**
Net income	6,027	**4,889**

Statements of Changes in Net Assets

(Millions of yen)

Item	FY2024	FY2025
Shareholders' equity:		
Capital stock:		
Balance at the beginning of the period	50,000	**50,000**
Changes of items during the period		
Issuance of capital stock	—	**7,500**
Total changes of items during the period	—	**7,500**
Balance at the end of the current period	50,000	**57,500**
Capital surplus:		
Legal capital surplus		
Balance at the beginning of the period	20,000	**20,000**
Changes of items during the period		
Issuance of capital stock	—	**7,500**
Total changes of items during the period	—	**7,500**
Balance at the end of the current period	20,000	**27,500**
Other capital surplus		
Balance at the beginning of the period	8,270	**8,270**
Changes of items during the period		
Total changes of items during the period	—	**—**
Balance at the end of the current period	8,270	**8,270**
Total capital surplus		
Balance at the beginning of the year	28,270	**28,270**
Changes of items during the period		
Issuance of capital stock	—	**7,500**
Total changes of items during the period	—	**7,500**
Balance at the end of the current period	28,270	**35,770**
Retained earnings:		
Legal retained earnings:		
Balance at the beginning of the period	2,025	**2,571**
Changes of items during the period		
Dividends from surplus	546	**602**
Total changes of items during the period	546	**602**
Balance at the end of the current period	2,571	**3,173**

Statements of Changes in Net Assets (Continued)

(Millions of yen)

Item	FY2024	FY2025
Other retained earnings		
Legal retained earnings brought forward		
Balance at the beginning of the period	17,975	**20,726**
Changes of items during the period		
Dividends from surplus	(3,276)	**(3,612)**
Net income	6,027	**4,889**
Total changes of items during the period	2,751	**1,277**
Balance at the end of the current period	20,726	**22,004**
Total retained earnings		
Balance at the beginning of the period	20,000	**23,298**
Changes of items during the period		
Dividends from surplus	(2,730)	**(3,010)**
Net income	6,027	**4,889**
Total changes of items during the period	3,297	**1,879**
Balance at the end of the current period	23,298	**25,177**
Treasury stock:		
Balance at the beginning of the period	—	**—**
Changes of items during the period		
Total changes of items during the period	—	**—**
Balance at the end of the current period	—	**—**
Total shareholders' equity:		
Balance at the beginning of the period	98,270	**101,568**
Changes of items during the period		
Issuance of capital stock	—	**15,000**
Dividends from surplus	(2,730)	**(3,010)**
Net income	6,027	**4,889**
Total changes of items during the period	3,297	**16,879**
Balance at the end of the current period	101,568	**118,447**
Valuation and translation adjustments:		
Valuation difference on available-for-sale securities:		
Balance at the beginning of the period	(5,979)	**(6,941)**
Changes of items during the period		
Net changes of items other than shareholders' equity	(961)	**(2,863)**
Total changes of items during the period	(961)	**(2,863)**
Balance at the end of the current period	(6,941)	**(9,804)**
Deferred gains or losses on hedges:		
Balance at the beginning of the period	2,601	**3,526**
Changes of items during the period		
Net changes of items other than shareholders' equity	925	**1,580**
Total changes of items during the period	925	**1,580**
Balance at the end of the current period	3,526	**5,107**
Total valuation and translation adjustments:		
Balance at the beginning of the period	(3,378)	**(3,414)**
Total changes of items during the period		
Net changes of items other than shareholders' equity	(36)	**(1,282)**
Total changes of items during the period	(36)	**(1,282)**
Balance at the end of the current period	(3,414)	**(4,697)**
Total net assets:		
Balance at the beginning of the period	94,892	**98,153**
Total changes of items during the period		
Issuance of capital stock	—	**15,000**
Dividends from surplus	(2,730)	**(3,010)**
Net income	6,027	**4,889**
Net changes of items other than shareholders' equity	(36)	**(1,282)**
Total changes of items during the period	3,261	**15,596**
Balance at the end of the current period	98,153	**113,750**

Statements of Cash Flows (Non-Consolidated, Indirect Method)

(Millions of yen)

Item	FY2024	FY2025
Ⅰ Net cash provided by (used in) operating activities:		
Income before income taxes	7,883	**6,670**
Depreciation and amortization	2,170	**4,504**
Impairment loss	94	**—**
Increase (decrease) in allowance for loan losses	(199)	**(548)**
Increase (decrease) in provision for bonuses	201	**88**
Increase in provision for retirement benefits	107	**11**
Other extraordinary income	(51)	**—**
Interest income	(14,807)	**(23,094)**
Interest expenses	7,719	**15,724**
Loss (gain) related to securities	349	**(16)**
Foreign exchange losses (gains)	1,308	**(3,649)**
Gains (loss) on disposal of tangible fixed assets	0	**208**
Net decrease (increase) in derivative assets	(20,152)	**(35,352)**
Net increase (decrease) in derivative liabilities	15,593	**34,355**
Decrease (increase) in deferred losses on hedge	63	**—**
Increase (decrease) in deferred profits on hedge	1,314	**—**
Net decrease (increase) in loans	(130,336)	**(132,755)**
Net increase (decrease) in deposit	50,638	**(22,862)**
Net increase (decrease) in negotiable certificates of deposit	36,394	**88,467**
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	10,500	**500**
Net decrease (increase) in due from banks (excluding deposit paid to Bank of Japan)	29	**(496)**
Net decrease (increase) in cash collateral	(1,866)	**(31,478)**
Net increase (decrease) in call money	(2,740)	**96,989**
Net increase (decrease) in foreign exchanges-assets	21	**(453)**
Net increase (decrease) in due to trust accounts	(185,600)	**308,454**
Actual interest income	18,912	**25,141**
Actual interest expenses	(10,861)	**(18,435)**
Net decrease (increase) in temporary payment	(227)	**—**
Net decrease (increase) in temporary receipt	2,334	**—**
Other	(1,356)	**5,568**
Sub total	(212,560)	**317,541**
Income taxes paid	(7,357)	**(10,278)**
Net cash provided by (used in) operating activities	(219,917)	**307,263**
Ⅱ Net cash provided by (used in) investment activities:		
Purchase of securities	(146,738)	**(239,698)**
Proceeds from sales of securities	37,676	**—**
Proceeds from redemption of securities	91,723	**127,634**
Purchase of tangible fixed assets	(106)	**(91)**
Purchase of intangible fixed assets	(12,001)	**(5,594)**
Net cash provided by (used in) investing activities	(29,446)	**(117,749)**
Ⅲ Net cash provided by (used in) financing activities:		
Proceeds from issuance of stocks	—	**15,000**
Payment of subordinated borrowings	—	**—**
Cash dividends paid	(2,730)	**(3,010)**
Net cash provided by (used in) financing activities	(2,730)	**11,990**
Ⅳ Effect of exchange rate change on cash and cash equivalents	—	**—**
Ⅴ Net increase (decrease) in cash and cash equivalents	(252,094)	**201,504**
Ⅵ Cash and cash equivalent at the beginning of the period	794,993	**542,899**
Ⅶ Cash and cash equivalents at the end of the period	542,899	**744,403**

[Scope of Cash and Cash Equivalents]
Cash and cash equivalents consist of cash and due from the Bank of Japan included in "Cash and dues from banks" on the balance sheets.

[Change in presentation]
Certain items that had been separately presented in cash flows from operating activities are now included in "Other" under cash flows from operating activities from this fiscal year, in order to enhance comparability with other companies and from the standpoint of materiality. Accordingly, "Other" includes the following items for the current fiscal year: loss on other extraordinary income of 30 million yen, other extraordinary losses of 628 million yen, increase in deferred profits on hedge of 2,307 million yen, net increase in temporary payments of 62 million yen, and net increase in temporary receipts of 3,031 million yen.

■ Notes to Financial Statements

The amounts less than one million yen are rounded down.

Significant Accounting Policies

1. Trading Assets & Liabilities and Trading Income & Expenses

Trading transactions intended to capitalize on short-term fluctuations and arbitrage opportunities in interest rates, currency exchange rates, market prices of financial instruments markets and related indices (hereinafter called "Trading Purposes") are recognized on a trade-date basis and recorded in "Trading assets" or "Trading liabilities" on the balance sheets. Income or expenses generated by the relevant trading transactions are recorded in "Trading income" or "Trading expenses" on the statements of income.

Trading assets and trading liabilities are stated at fair value on the balance sheet date, and derivatives, such as swaps, futures and options, are stated at their fair values, assuming that such transactions were terminated and settled on the balance sheet date.

Trading income and trading expenses include interests received and paid during the fiscal year, gains or losses resulting from any change in the value of securities and other monetary claims between the end of the preceding fiscal year and the end of the current fiscal year and gains or losses resulting from any change in the value of derivatives between the end of the preceding fiscal year and the end of the current fiscal year, assuming they were settled at the end of the fiscal year.

2. Evaluation for Securities

Held-to-maturity debt securities are stated at amortized cost determined by the moving average method (the straight-line method), and other available-for-sale securities are stated at the market value (with selling costs being calculated mainly by the moving average method). However, securities whose fair values cannot be reliably determined are stated at cost determined by the moving average method.

Unrealized gains and losses on other securities available for sale are included in net assets.

3. Basis and Methods of Derivatives

Derivatives are stated at fair value (excluding those for Trading Purposes).

4. Depreciation Method for Fixed Assets

(1) Tangible Fixed Assets

Tangible fixed assets are computed using the declining balance method (while the straight-line method is applied to buildings (except for facilities attached to the buildings) acquired on April 1, 1998 or later, as well as structures and facilities attached to the buildings acquired on April 1, 2016 or later).

Principal useful lives are as follows:

Buildings: 3 years to 15 years

Furniture and fixtures: 3 years to 20 years

(2) Intangible Fixed Assets

Depreciation for intangible fixed assets is computed using the straight-line method. Especially, depreciation for capitalized software for internal-use is computed using the straight-line method based on useful life determined by us (5 years).

5. Allowances

(1) Allowance for Loan Losses

Allowance for loan losses is provided as below, in accordance with the internally established standards for write-offs and provisions.

Claims to debtors in special mention and ordinary category, which are prescribed in the "Guideline for Practice Related to the Verification of Internal Control with respect to the Self-Assessment of the Assets of Banks and Other Financial Institutions as well as the Audit of the Bad Debt Written Off and Allowance for Doubtful Accounts" (Report No. 4 of the Ad Hoc Committee for the Audit of Banks etc. of JICPA)<October 8, 2025>, are classified into specific categories, and the allowance is provided on the basis of the accumulated default ratio released immediately before the assessment day by the external rating agency defined in the Company's guidelines. Additionally, for some debtors, rating evaluations are made using internal rating models, and expected losses are recorded based on macroeconomic scenarios. For claims to debtors who are possibly bankrupt, an allowance is provided in the amount deemed necessary, net of the expected amount of disposable collateral and the estimated amount of recoveries from guarantees. For claims to debtors who are legally bankrupt or virtually bankrupt, an allowance is provided for the full amount of such claims, net of the expected amount of disposable collateral and the estimated amount of recoveries from guarantees. There were no loans to restructuring countries.

All claims are assessed by asset assessment divisions, in cooperation with the operating divisions, in accordance with the guidelines for the self-assessment of asset quality.

(2) Provision for Bonuses

Provision for bonuses, which is provided for future bonus payments to employees, is maintained at the amount accrued at the end of the fiscal year, based on the estimated future payments.

(3) Provision for Retirement Benefits

Provision for retirement benefits, which are provided to ensure future benefit payments to employees, is recorded as the required amount based on the projected obligation at the end of the fiscal year.

(4) Provision for Expenses Related to Entrusted Operations

The provision for expenses related to entrusted operations is recorded at the estimated amount of future expenses that may be incurred in preparation for the payment of the extraordinary losses described in 3. under "Notes to the Statement of Income."

6. Translation of Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated into Japanese yen primarily at the exchange rate on the balance sheet date.

7. Recognition of Revenues

Revenue is recognized in accordance with the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, September 13, 2024; hereinafter called the "Revenue Recognition Accounting Standard") and the Implementation Guidance on Accounting Standard for Revenue Recognition (ASBJ Guidance No. 30, September 13, 2024), except for transactions related to financial instruments included in the scope of the Accounting Standards for Financial Instruments, and based on the following five-step approach:

Step 1 : Identify the contract with a customer

Step 2 : Identify the performance obligation in the contract

Step 3 : Determine the transaction price

Step 4 : Allocate the transaction price to the performance obligation in the contract

Step 5 : Recognize revenue when (or as) the entity satisfies a performance obligation

Major obligations under contracts with customers in the main business, and the ordinary points in time for revenue recognition:

① Regarding trust fees, we are obligated to administer and manage the funds and other assets entrusted to us in accordance with the trust agreements.

Trust fees are recognized as revenue in accordance with fund trust contracts, based primarily on the following methods:

- Set percentage of daily total net assets
- Set percentage of average principal balance during the fiscal year
- Fees based on number of beneficiaries
- Fixed fees as determined in initial contract

These fees are recognized as revenue over the trust period of the fund, as fulfillment obligations are met over time.

② Regarding other commission fees, we cooperate with other Group companies in order to expand our customer base, transactions, and assets under custody, and we are obligated to utilize our business infrastructure to provide operational support to Group companies.

Other commission fees are recognized as revenue in accordance with the contract terms, based on the following:

- Set percentage of increase in assets under custody
- Set percentage of maintenance and operational costs related to offering services

③ Inheritance-related commission fees received are consideration for services rendered, for both preparation support for and preparation of notarized documents at the initial contract stage, and as the executor of wills after execution of inheritance. This revenue is included in the fees and commissions in the statements of income.

For inheritance-related commission fees received, the fulfillment obligations are met at the time of completion of preparation support for or preparation of notarized documents, and at the time of completion of service as executor of wills, and the amount thereof at each stage is recognized in accordance with the contract terms.

8. Hedge Accounting

(1) Hedges of Interest Rate Risk

As for the hedge accounting method applied to hedging transactions for interest rate risk arising from financial assets and liabilities, we, as a general rule, apply deferral hedge accounting using portfolio hedges or individual hedges as stipulated in the "Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry" (JICPA Industry Audit Committee Report No. 24) <March 17, 2022>.

As for the method to assess hedge effectiveness, the effectiveness of portfolio hedges offsetting market fluctuations is assessed for each identified (i) group of hedged instruments and (ii) corresponding group of hedging instruments in the same time-to-maturity bucket. Individual hedges offsetting market fluctuations are deemed as highly effective due to being arranged in a manner that makes hedged and hedging instruments identical to each other in important requirements. For this reason, we have omitted an assessment of the effectiveness of such hedges.

In addition, the exceptional accrual method for interest rate swaps is applied in order to hedge interest rate risks arising from certain financial assets.

Additionally, for all hedging relationships of the above that fall under the Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR (ASBJ PITF No. 40, March 17, 2022), the exceptional treatment set forth in the PITF is applied.

(2) Hedges of Foreign Currency Fluctuation Risk

As for the hedge accounting method applied to hedging transactions for foreign currency fluctuation risk arising from foreign-currency-denominated financial assets and liabilities, we apply the deferral hedge accounting stipulated in the "Treatment for Accounting and Auditing of Concerning Accounting for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Audit Committee Report No. 25) <October 8, 2020>.

As for the method of assessing the effectiveness of hedging activities, we designate currency swap transactions and foreign exchange swap transactions as hedges against fluctuation in foreign currency exchange rates arising from monetary claims and liabilities denominated in foreign currencies, and assesses the effectiveness of such hedges by verifying that we hold the foreign currency positions of the hedging instruments corresponding to hedged monetary claims and liabilities denominated in foreign currency.

9. Consumption Taxes

Consumption tax and municipal consumption tax (hereinafter called "Consumption Taxes and Other") are accounted for using the tax-excluded method. However, non-deductible Consumption Taxes and Other related to tangible fixed assets are recorded as other assets and amortized evenly over five years.

Changes to Accounting Policies

(Change in accounting treatment for non-deductible consumption taxes related to assets)

Previously, non-deductible consumption taxes, etc. related to assets were recognized as expenses in the current fiscal year. From this fiscal year, however, the Company has changed its accounting treatment and now records such amounts as other assets and amortizes them evenly over five years.

This change was made because the transition to the core system increased the quantitative significance of non-deductible consumption taxes related to software, and from the standpoint of appropriately reflecting the economic substance in the financial statements.

The effect of this change in accounting policy is immaterial. Accordingly, retrospective application has not been applied.

Change in accounting estimate

From this fiscal year, with respect to the allowance for doubtful accounts, real estate collateral that satisfies certain requirements has been treated in the same manner as prime collateral, and its protective effect has been taken into account. The effect of this change on the allowance for doubtful accounts amounted to 554 million yen.

Significant Accounting Estimates

Items for which the amount has been recorded in the financial statements for this fiscal year, based on accounting estimates, and that may have a significant impact on the financial statements for the following fiscal year, are as follows.

Allowance for Loan Losses

1. Amount Recorded in Financial Statements for This Fiscal Year
   Allowance for loan losses: 343 million yen
2. Information that Contributes to Understanding the Details of Significant Accounting Estimates for Identified Items
   (1) Calculation Methods
   The calculation methods for allowance for loan losses are shown under "Significant Accounting Policies," "5. Allowance," and "(1) Allowance for Loan Losses."
   (2) Key Assumptions
   The key assumptions are "expected changes in future creditworthiness of borrowers in determination of debtor classification." These "expected changes in future creditworthiness of borrowers in determination of debtor classification" are set by individually evaluating the details of each debtor's earning revenue.
   (3) Effects on Financial Statements for the Following Fiscal Year
   If the assumptions used in the initial estimates change, due to factors such as changes in the performance of individual borrowers, the allowance for loan losses in financial statements for the following fiscal year may be significantly affected.

Provision for Expenses Related to Entrusted Operations

1. Amount recognized in the financial statements for the current fiscal year
   Provision for expenses related to entrusted operations: 656 million yen
2. Information useful for understanding the content of significant accounting estimates related to the identified item
   (1) Method of calculation
   The method of calculating the provision for expenses related to entrusted operations is described in "Significant Accounting Policies," "5. Basis for Recognition of Provisions," and "(4) Provision for Expenses Related to Entrusted Operations."
   (2) Key assumptions
   The key assumptions are the appropriateness of the policy for responding to the matter and the appropriateness of the method for estimating the system-related expenses expected to be incurred.
   In connection with operational errors involving entrusted investment trusts, the Company established a response policy for the matter and recognized an estimated amount for payments of system-related expenses, etc. expected to be incurred in responding to the matter. In making the estimate, the Company obtains, to the extent possible, information regarding estimated payments. For items for which such information cannot be obtained, the Company makes estimates based on other available information, past payment information, and the scale of the funds concerned.
   (3) Impact on the financial statements for the following fiscal year
   In actual implementation, the response policy is determined through coordination with sales companies, etc., and system-related expenses, etc. are determined and paid individually based on such policy. Accordingly, if a change arises in the assumed response policy or if the individual estimated amounts based on the aforementioned assumptions fluctuate, such changes may affect the financial statements for the following fiscal year.

Notes to the Financial Statements

(Notes to the Balance Sheet)

1. Claims in accordance with the Banking Act and the Act on Emergency Measures for the Revitalization of the Financial Functions are as follows. Claims are stated on the balance sheet as "loans," "foreign exchanges," and "other assets" (accrued interest and temporary payments).

   Loans past due for three months or more: 1 million yen

   There are no applicable claims against bankrupt and substantially bankrupt debtors, doubtful claims, nor restructured loans.

"Claims against bankrupt and substantially bankrupt debtors" are claims against debtors who have fallen into business failure due to such causes as the commencement of bankruptcy proceedings, the commencement of reorganization proceedings, or petition for the commencement of reorganization proceedings, and similar claims.
"Doubtful claims" are claims against debtors who have not reached a state of business failure, but whose financial condition and business results have worsened, and for whom there is a strong likelihood that we will be unable to collect the principal of the claim and receive interest in accordance with the contract, but exclude claims against bankrupt and substantially bankrupt debtors.
Claims past due for three months or more are loans on which the principal and/or interest is three months or more past due but exclude claims to debtors who are legally bankrupt or non-accrual delinquent claims.
"Restructured loans" are loans on which contracts were amended in favor of debtors (e.g., the reduction of or exemption from stated interest, the deferral of interest payments, the extension of maturity dates, or renunciation of claims) in order to assist or facilitate the restructuring of debtors in financial difficulties, excluding claims against bankrupt and substantially bankrupt debtors, doubtful claims, or loans past due for three months or more.

2. With regard to participation loans, the principal amount of participation loans treated and presented in the balance sheet as loans to original debtors in accordance with the "Loan Participation Accounting Treatment and Representation" (ASBJ Transfer Guidance No.1, July 1, 2024) was 1,006 million yen.

3. The following assets were pledged as collateral.
Assets pledged as collateral
Securities: 212,278 million yen
Liabilities collateralized by the above assets
Borrowings from others: 15,000 million yen
In addition to the above-mentioned assets, securities of 21,421 million yen were pledged as collateral for settlements of domestic exchange, as business guarantee deposits for trust services, and for other purposes.
Other assets included guarantee deposits of 1,045 million yen.

4. Contracts of overdraft and loan commitment limits are the contracts that we loan to customers up to the prescribed limits in response to customers' application for loans as long as there is no violation of any condition in the contracts. The unused amount within the limits related to these contracts total 11,800 million yen. Of these, the amount for contracts whose original terms expire within one year is 6,400 million yen.
Since many of these commitments expire without being drawn down, the unused amount does not necessarily affect our future cash flows. Most of these contracts have conditions that allow us to refuse the customers' application for a loan or decrease the contract limits with proper reasons such as changes in financial conditions, preservation of credit and other reasons. At the inception of contracts, we obtain real estate, securities as collaterals if considered necessary. Subsequently, we conduct periodic reviews of the customers' business results based on internal rules and reconsider conditions in contracts and/or take necessary measures to preserve credit when it is necessary.

5. Accumulated depreciation on tangible fixed assets 2,361 million yen

6. There were no liabilities for guarantees on corporate bonds included in "Securities," which are issued by private placement (Article 2, Paragraph 3 of the Financial Instruments and Exchange Law).

7. There were no monetary claims for the directors arising from transactions with the directors.

8. There were no monetary liabilities for the directors arising from transactions with the directors.

9. Total amount of monetary claims for the affiliated companies 55 million yen

10. Total amount of monetary liabilities for the affiliated companies 131 million yen

11. We are subject to restrictions on the payment of dividends of surplus, pursuant to the provision of Article 18 of the Banking Act of Japan.
Notwithstanding the provision of Article 445, Paragraph 4 (Amounts of Capital and Amounts of Reserves) of the Companies Act of Japan, in the case where we pay dividends of surplus, it shall record the amount equivalent to one-fifth of the amount of the deduction from surplus as a result of the payments of such dividends of surplus as legal capital surplus or legal retained earnings.
The allocated legal retained earnings arising from payment of dividend of surplus for the current fiscal year were 602 million yen.

(Notes to Statements of Income)

1. Income from transactions with a parent company, subsidiaries, and associated companies
Interest income: —million yen
Fees and commissions: 4 million yen
Other operating income: —million yen
Other income: —million yen
Expenses from transactions with a parent company, subsidiaries, and associated companies
Interest expenses: 0 million yen
Fees and commissions payments : —million yen
Other operating expenses: 1,173 million yen
Other expenses: —million yen

2. "Other income" includes reversal of allowance for loan losses, 548 million yen.

3. An error occurred in the data provision process related to the double taxation adjustment of entrusted investment trusts (data provision for the calculation of foreign income tax adjustments), resulting in an understatement of the withholding tax amount and an overstatement of the distribution amount of income received by beneficiaries, as discovered in February 2025. In connection with this error, in order to cover the unpaid withholding tax amount, the additional tax for underreporting, and the delinquency tax, as well as the reporting response to customers and related system expenses, we have recorded an additional 628 million yen as an extraordinary loss for the estimated amount expected to be incurred in the future, in addition to the 260 million yen recorded in the prior fiscal year.

(Notes to Statements of Changes in net assets)

1. Class of stock and number of shares issued and outstanding, and class of treasury stock and number of shares

(Thousands of shares)

	Number of Shares Outstanding at the Beginning of the Period	Increase	Decrease	Number of Shares Outstanding at the End of Current Period	Remarks
Issued shares	1,400	300(Note)	—	1,700	
Common stock	1,400	300(Note)	—	1,700	—

(Note) The increase was due to the issuance of new shares through a rights offering to shareholders, with Nomura Holdings, Inc., the parent company, acting as the underwriter.

There were no treasury stocks.

2. There were no stock acquisition rights or treasury stock acquisition rights.

3. Matters relating to cash dividends

A dividend with a reference date that belongs to the current business year

Resolution	Type of stock	Total amount of cash dividends paid (Millions of Yen)	Per share amount (Yen)	Record date	Effective date
Board of directors held on May 14, 2025	Ordinary	3,010	2,150	March 31, 2025	June 2, 2025

(Notes to Financial Instruments)

1. The Condition of Financial Instruments

(1) Policy on Financial Instruments

We engage in the following three business areas as a trust bank of Nomura Group: "Banking business" which deals with deposits, loans, and foreign exchange; "Trust business" which involves managing the assets entrusted by our customers; and "Securities and asset management business" which includes securities transactions. Our agency business, which designates Nomura Securities as our bank agent and trust contract agent, provides deposits for individual customers through "Banking Service," an internet banking service, and yen-denominated derivative deposits for corporate customers. Our sources of finance include negotiable certificates of deposits and borrowed money in addition to deposits channeled through the agents.

By taking advantage of the competitive edge of Nomura's domestic sales infrastructure, we use the funds procured to provide loans to wealthy people, loan products with securities pledged as collateral such as "Nomura Web Loan" through our agency services, and loan products repackaged with securities, credit linked loan and to invest in securities focusing on JGB, local government bonds, agency bonds, and corporate bonds.

Market risk and liquidity risk arising from these financial assets and liabilities are comprehensively managed by, in addition to the front office, the independent middle office, the ALM Committee, and the Risk Management Committee.

(2) Nature and Extent of Risks Arising from Financial Instruments

We primarily invest in securities and loans, which are exposed to customer credit risk and issuer default risk, respectively. Loans secured by securities which account for some 90% of loan balance offer good security and have a limited credit risk. On the other hand, loans other than loans secured by securities are extended mainly to customers with high ratings on a short-term basis, but due to changes in the economic environment, it may be impossible for debtors to implement performance of obligations in accordance with the terms and conditions.

Securities mainly consist of government bonds, local government bonds, agency bonds and corporate bonds, most of which are classified as "Available-for-sale securities." In addition, interest rate swaps are used to hedge interest rate risks for certain securities and hedge accounting is applied to these transactions.

Funding from the financial market such as call money is subject to possible difficulties preventing smooth funding due to shrinking market affected by financial environment, however, we hold securities deemed eligible collateral to keep liquidity risk at a certain level.

(3) Risk Management Framework for Financial Instruments

① Credit risk management

At The Nomura Trust and Banking, the Credit Department conducts credit risk assessment of loans and securities for each individual transaction and individual issuer in order to prevent a credit event as a result of deterioration of an obligor's financial position. In addition, we conduct daily exposure management for each individual obligor and individual obligor group and utilize statistical methods to periodically measure credit risk.

In loan products, we take initiative in promoting pricing management based on credit ratings and enhancing the sophistication of credit portfolio management including the introduction of guidelines for each industry to control credit concentration risk. In addition, we monitor the trading conditions of marketable securities of collateralized loans regularly in order to maintain collecting risks under a certain level.

② Market risk management

1) Market risk management framework

At The Nomura Trust and Banking, the Executive Management Board identifies the basic market risk management policy, accordingly, position limits, VaR limits, BPV limits and loss-cut rules are properly set to manage market risk. Foreign exchange transactions are, based on the policy of taking the least market risk, managed with the minimum necessary position limits and VaR limits. For loans, deposits, funds and securities transactions, we set position limits for each product and use interest rate swaps for hedge transactions to control risks arising from interest rate fluctuations within acceptable limits. These management plans in the banking account are discussed semiannually by the ALM Committee and the Risk Management Committee. The Corporate Risk Management Department reports daily position and profit-and-loss status to the responsible executive officers and related departments each business day.

2) Quantitative information related to market risk

We use VaR with historical simulation model (confidence interval of 99% and holding period of 10 days for trading and 20 days for banking) to measure the market risk equivalent, wherein we define market risk as the risk of incurring losses due to fluctuations in interest rates, exchange rates, securities prices, etc. As of the end of March 2026, our market risk equivalent (estimated losses) of trading activities (foreign exchange transactions) was 19 million yen, whereas that of our banking activities was 1,610 billion yen.

We conduct back-testing on trading activities, comparing VaR calculated by the model with actual profit and loss. The back-testing conducted in FY 2025 showed that actual profit and loss exceeded VaR three times, indicating that the model we use captures market risk with satisfactory accuracy. However, since VaR measures the amount of market risk by certain occurrence probabilities which are statistically calculated based on historical market fluctuation data, there are cases in which VaR cannot capture risk under drastically changing conditions.

③ Liquidity risk management

Our fundamental policy of liquidity risk management is to comprehensively grasp the nature of assets and liabilities, management plans, and fluctuations in the market, to ensure the required smooth cash flow, and prevent unexpected losses. The fund position and the market trend for each type of financial product are confirmed monthly at the ALM Committee which determines future policies.

Reports on the daily cash flow situation are submitted to the responsible executive officers and related departments each trading day. We have established classifications for cash flow conditions, ranging from "normal," "caution" to "risky" and "critical," and have constructed a framework under which appropriate procedures for dealing with each case are taken in a timely manner.

(4) Supplementary Explanation of Fair Value of Financial Instruments

Because certain assumptions are adopted to calculate fair values of financial instruments, these may differ in the event that different assumptions are adopted.

2. Matters Relating to Fair Value of Financial Instruments

The following are the balance sheet amounts, fair values and differences between them as of March 31, 2026. Unlisted stocks and Investments in Partnerships are excluded from the table below. (Refer to Note 1) Notes are omitted for cash and due from banks, foreign exchanges (assets and liabilities), call money, and due to trust accounts, because their fair values approximate book values due to settlements within a short period of time.

(Millions of yen)

	Book Value	Fair Value	Difference
(1) Securities			
Held-to-maturity debt securities	20,016	20,161	144
Available-for-sale securities (*1)	402,816	402,816	—
(2) Loans	1,177,189	—	—
Allowance for loan losses (*2)	(342)	—	—
	1,176,847	1,176,474	(372)
Total assets	1,599,680	1,599,452	(228)
(1) Deposits	1,334,475	1,334,475	—
(2) Negotiable certificates of deposit	357,718	357,718	—
(3) Borrowed money	102,000	102,000	—
Total liabilities	1,794,194	1,794,194	—
Derivatives (*3)			
Derivative transactions not qualifying for hedge accounting	4,489	4,489	—
Derivative transactions qualifying for hedge accounting	7,482	7,361	(120)
Total derivatives	11,972	11,851	(120)

(*1) Available-for-sale securities include investment trusts applicable under Paragraph 24-9 of the "Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021), where the net asset value is considered the fair value.
(*2) General and specific allowances for possible losses on loans are excluded.
(*3) Net claims and debts that arose from derivatives are presented on a net basis and items which are net debts in total are presented in brackets.

(Note 1) Book values of other securities for which there are no market prices and of investments in partnerships are indicated below, and are not included under "assets (1) available-for-sale securities" in the fair value information of financial instruments.

(Millions of yen)

Item	Book Value
① Other securities (*1)	17
② Investments in Partnerships (*2)	224

(*1) For other securities, we do not treat unlisted stocks as being subject to disclosure of fair values, in accordance with Paragraph 5 of the Implementation Guidance on Disclosures about Fair Value of Financial Instruments (ASBJ Guidance No. 19, Sep.13, 2024).
(*2) We do not treat investments in partnerships as being subject to disclosure of fair values, in accordance with Paragraph 24-16 of the Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, June 17, 2021).

(Note 2) The amount of monetary claims and securities with contractual maturities to be redeemed after the balance sheet date

(Millions of yen)

	Due in 1 Year or Less	Due after 1 Year through 3 Years	Due after 3 Years through 5 Years	Due after 5 Years through 7 Years	Due after 7 Years through 10 Years	Due after 10 Years
Securities						
Held-to-maturity debt securities	20,000	—	—	—	—	—
Available-for-sale securities	81,279	151,095	153,014	0	8	32,626
Loans (*)	1,092,764	43,792	28,569	8,761	227	3,073
Total	1,194,043	194,888	181,584	8,762	236	35,699

(*) No money is expected to be recovered, such as claims to debtors who are legally bankrupt, virtually bankrupt, or possibly bankrupt.

(Note 3) The amount of borrowed money and other interest bearing debts to be repaid after the balance sheet date

(Millions of yen)

	Due in 1 Year or Less	Due after 1 Year through 3 Years	Due after 3 Years through 5 Years	Due after 5 Years through 7 Years	Due after 7 Years through 10 Years	Due after 10 Years
Deposits (*)	1,018,742	53,932	4,500	15,100	32,800	209,400
Negotiable certificates of deposit	357,718	—	—	—	—	—
Call money	126,233	—	—	—	—	—
Borrowed money	—	15,000	—	2,500	4,000	80,500
Due to trust accounts	446,112	—	—	—	—	—
Total	1,948,807	68,932	4,500	17,600	36,800	289,900

(*) Of the deposits, demand deposits are included "Due in 1 year or less." There are no bonds payable.

3. Disclosures Regarding the Fair Value of Financial Instruments by Level within the Fair Value Hierarchy

Fair values for these financial instruments are classified into the following three-level hierarchy, according to the observability and significance of inputs used in calculating fair values.

Fair values of Level 1 : Fair values measured by quoted prices of the assets or liabilities being measured which are given in active markets among observable valuation inputs
Fair values of Level 2 : Fair values measured by inputs other than inputs included within Level1 among observable valuation inputs
Fair values of Level 3 : Fair values measured by unobservable valuation inputs

If multiple inputs which have a significant impact on market value calculation are used, a financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

(1) Financial instruments recorded at fair value in the balance sheet

(Millions of yen)

Classification	Fair Value			
	Level 1	Level 2	Level 3	Total
Securities				
Other Securities (*)				
Government and Local Government bonds	127,118	187,450	—	314,568
Corporate bonds	—	32,521	—	32,521
Others	35,541	17,968	—	53,510
Derivatives				
Interest rate related	—	98,412	—	98,412
Currency related	—	10,343	—	10,343
Total assets	162,659	346,695	—	509,355
Derivatives				
Interest rate related	—	91,208	—	91,208
Currency related	—	5,574	—	5,574
Total liabilities	—	96,783	—	96,783

(*) Available-for-sale securities do not include investment trusts applicable under Paragraph 24-9 of the "Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021), where the net asset value is considered the fair value. The amount of investment trust funds to which the treatment in Paragraph 24-9 applies, stated on the balance sheet, is 2,216 million yen.

Reconciliations of Balances at Start and End of Period, of Investment Trusts to Which the Treatment in Paragraph 24-9 Applies

(Millions of yen)

Balance at Start of Period	Profit/Loss for Period & Valuation Difference on Available-for-Sale Securities		Purchases, Sales & Redemptions	Amount of Investment Trust Net Asset Value Deemed Fair Value	Amount of Investment Trust Net Asset Value Not Deemed Fair Value	Balance at End of Period	Valuation Gains/ Losses on Investment Trusts Held as of Balance Sheet Date (*2)
	Recorded as Profit/ Loss (*1)	Recorded as Valuation Difference on Available-for-Sale Securities					
2,150	—	65	—	2,216	—	2,216	354

(*1) Included under "gains on sales of bonds" on the statements of income.
(*2) Included under both "valuation difference on available-for-sale securities" and "deferred tax liabilities" on the balance sheet.

(2) Financial instruments other than financial instruments recorded at fair value in the balance sheet

(Millions of yen)

Classification	Fair Value			
	Level 1	Level 2	Level 3	Total
Securities				
Held-to-maturity debt securities	—	—	—	—
Government and Local Government bonds	20,161	—	—	20,161
Loans	—	—	1,176,474	1,176,474
Total assets	20,161	—	1,176,474	1,196,635
Deposits	—	1,334,475	—	1,334,475
Negotiable certificates of deposits	—	357,718	—	357,718
Borrowed money	—	102,000	—	102,000
Total liabilities	—	1,794,194	—	1,794,194

(Note) Calculation Methods and Inputs for the Fair Value of Financial Instruments are as follows

Assets

Securities

For securities for which unadjusted quoted prices in active markets are available, fair values are categorized as Level 1. This primarily includes government bonds.

For non-active markets, fair values are categorized as Level 2, regardless of whether publicly disclosed quoted prices were used. This primarily includes local government bonds, corporate bonds, and residential mortgage-backed securities (RMBS). For investment trusts with no existing market transaction price, if there are no significant restrictions on cancellations or purchase requests that would necessitate compensation for the risk from market participants, the net asset values are used as the fair values, and categorized as Level 2.

When quoted prices are unavailable, fair values are calculated using such evaluation techniques as the present value of future cash flows technique. For evaluations, observable inputs are maximally utilized, and inputs include TIBOR, government bond yields, prepayment rates, credit spread, default rates, and loss given default. Their fair values are categorized as Level 3 when significant unobservable inputs are utilized in calculations.

Loans

Of the loans, for those with variable rates, as long as the credit quality of the customer has not changed considerably since the loan was extended, because interest rates are reflected over a short period and fair values are expected to approximate book values, we deem book values to be fair values. Fair values of loans with fixed rates are, based on categories according to the types, internal ratings and terms of the loans, calculated by discounting the total amount of the principal and interest by the interest rates considered to be applicable to similar new loans. As for loans whose contractual terms are short (i.e., within one year), we deem the book values to be fair values as fair values of these items approximate book values. In addition, regarding claims to debtors who are legally bankrupt, virtually bankrupt and possibly bankrupt, since the estimated amount of bad debts is calculated based on the present value of the expected future cash flows or the estimated amounts that we would be able to collect through the disposal of collateral or execution of guarantees, fair values approximate the value of the claims to debtors on the balance sheet as of the balance sheet date minus the amount of allowance for loan losses, and we thus deem such amount to be fair values. For loans, fair values are primarily categorized as Level 3.

Liabilities

Deposits and Negotiable certificates of deposit

For demand deposits, we deem the payment amounts required on the balance sheet date (i.e., book values) to be fair values. In addition, fair values of long-term time deposits are calculated by classifying them based on their terms and by discounting the future cash flows. The discount rates for such calculations are the interest rates used in swap transactions on the balance sheet date. Since fair values of those whose deposit terms are short (i.e., within one year) approximate book values, we mainly deem the book values to be fair values. These are classified under Level 2 of the fair value hierarchy.

Borrowed money

Of borrowed money, for those with variable rates, as interest rates are reflected over a short period and our credit quality has not been considerably changed since the implementation, fair values are thought to approximate book values, so we deem book values to be fair values. Fair values of those with fixed rates are calculated by discounting the total amount of principal and interest of the borrowed money which is classified based on its terms (for those to which the exceptional accrual method for interest rate swaps are applied, the total amount of principal and interest of the borrowed money based on the rates as used in such interest rate swaps) by the interest rates used in swap transactions on the balance sheet date. Since fair values of those whose contractual terms are short (i.e., within one year) approximate book values, we mainly deem the book values to be fair values. These are classified under Level 2 of the fair value hierarchy.

Derivatives

Interest rate-related transactions (interest rate swaps and others) and currency-related transactions (forward exchanges, currency options, currency swaps, and others) are considered over-the-counter transactions; because no quoted price is publicly disclosed, fair values are calculated using discounted present value and option pricing models, based on the type of transaction and the maturity period. The interest rate, currency rate, and volatility are among the main inputs used for these evaluation techniques. The fair values are categorized as Level 2 if no unobservable inputs are used, or if the unobservable inputs used have no significant effect; this primarily includes "plain vanilla" interest rate swaps and forward exchange contracts.

(Note to Securities)

Trading securities, subsidiary shares and subsidiary company shares, and affiliated company shares are not included.

1. Held-to-Maturity Debt Securities (as of March 31, 2026)

(Millions of yen)

	Type	Book Value	Fair Value	Difference
Securities for which the fair value exceeds the book value	Government bonds	20,016	20,161	144
Total		20,016	20,161	144

2. Available-for-Sale Securities (as of March 31, 2026)

(Millions of yen)

	Type	Book Value	Acquisition Cost	Difference
Securities for which the book value exceeds the acquisition cost	Other securities	8,626	8,268	358
	Foreign bonds	6,385	6,385	0
	Others	2,241	1,882	358
	Subtotal	8,626	8,268	358
Securities for which the book value does not exceed the acquisition cost	Bonds	347,089	360,653	(13,563)
	Government bonds	127,118	135,131	(8,013)
	Local government bonds	187,450	192,555	(5,105)
	Corporate bonds	32,521	32,966	(445)
	Other securities	47,100	48,207	(1,107)
	Foreign bonds	47,093	48,200	(1,106)
	Others	6	7	(0)
	Subtotal	394,189	408,861	(14,671)
Total		402,816	417,129	(14,313)

3. Available-for-Sale Securities Sold during the Fiscal Year (from April 1, 2025 to March 31, 2026)

Not applicable

4. Securities Subjected to Impairment Recognition

Not applicable

(Notes to Money Held in Trust)

There is no money held in trust.

(Deferred Tax Accounting)

1. The deferred tax assets and liabilities are broken down by reason as follows:

Deferred tax assets:	
Provision for retirement benefits	536 million yen
Provision for bonuses	637 million yen
Impairment loss	11 million yen
Accrued business tax	543 million yen
Derivative valuation adjustments	27,259 million yen
Deferred consumption tax	21 million yen
Valuation difference on available-for-sale securities	4,508 million yen
Excess of depreciation	697 million yen
Others	629 million yen
Subtotal	34,844 million yen
Valuation allowance	(11) million yen
Deferred tax assets	34,833 million yen
Deferred tax liabilities:	
Deferred gain or loss on hedges	2,348 million yen
Others	68 million yen
Deferred tax liabilities	2,417 million yen
Net deferred tax assets	32,416 million yen

We apply the group tax sharing system. In addition, in accordance with the Practical Solution on Accounting and Disclosure under the Group Tax Sharing System (Practical Issues Task Force No. 42, issued on August 12, 2021), we account for and disclose corporate income taxes and local corporate taxes, as well as the accounting treatment for deferred tax accounting related thereto.

(Note to Revenue Recognition)

1. Breakdown of Revenue Arising from Contracts with Customers
Current fiscal year (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Trust Fees	Fees and Commissions		
		Other Commissions (Operational support using business infrastructure, etc.)	Inheritance-Related Commissions	Other
Services Rendered at a Single Point in Time	42	—	1,595	552
Services Rendered over a Period of Time	16,827	2,678	—	1,221
Revenue Recognized from Contracts with Customers	16,869	2,678	1,595	1,773

Fees and Commissions are included in the Fees and Commissions section of the Statements of Income.

2. Basic Information for Understanding Revenue
In accordance with 7. Recognition of Revenues in the Significant Accounting Policies.

3. Information for Understanding Amount of Revenue for the Fiscal Year under Review Onward

(Millions of yen)

	Beginning of FY 2025	End of FY 2025
Receivables from Contracts with Customers	4,128	5,122
Contract Liabilities	124	131

On the balance sheet, receivables from contracts with customers are included under “accrued income,” and contract liabilities are included under “unearned revenue.”

(Related party transactions)

1. Notes to a parent company or major affiliated companies

(Millions of yen)

Type	Name of company or individual	Percentage of voting rights owned (or owned by)	Relationship with the related party	Description of transactions	Transaction amount	Account	Balance at fiscal year-end
Parent company	Nomura Holdings, Inc.	Directly owned 100%	Borrowing and lending of money, leasing of equipment, etc.	Underwriting of capital increase (issuance of common shares) (Note)	15,000	—	—

(Note) The Company offered rights to shareholders, with Nomura Holdings, Inc., the parent company, as the subscriber.

2. Subsidiaries and affiliated companies, etc.
Not applicable
3. Transactions between our sister companies
Description omitted for lack of importance
4. Major individual shareholders, etc.
Not applicable

(Per Share Information)

Net assets per share 66,911.84 yen
Net income per share 3,461.82 yen

Status of Main Business

Breakdown of Profits and Losses by Division

(Millions of yen)

Type		FY2024	FY2025
Trust fees	Domestic operations	14,872	**16,322**
	International operations	459	**547**
	Total	15,331	**16,869**
Net interest income	Domestic operations	8,454	**8,635**
	International operations	(1,366)	**(1,265)**
	Total	7,087	**7,370**
Net fees and commissions	Domestic operations	2,724	**4,427**
	International operations	232	**133**
	Total	2,956	**4,561**
Net trading income (loss)	Domestic operations	—	**—**
	International operations	—	**—**
	Total	—	**—**
Net other operating income (loss)	Domestic operations	(296)	**(49)**
	International operations	2,875	**3,369**
	Total	2,578	**3,320**
Gross operating profits	Domestic operations	25,754	**29,335**
	International operations	2,201	**2,785**
	Total	27,955	**32,121**
Provision of general allowance for loan losses (deduction)		—	**—**
General and administrative expenses (excluding non-recurring expenses)		19,912	**25,196**
Net business profit		8,042	**6,924**
Non-recurring profit (loss)		144	**552**
Ordinary profits		8,187	**7,476**

(Note) Domestic operations are yen denominated transactions and international operations are foreign currency denominated transactions. Yen denominated transactions with non-residents and offshore accounts are included in international operations.

Breakdown of Net Interest Income

(Millions of yen)

Type		FY2024	FY2025
Breakdown of investment			
Domestic operations	Average balance	1,783,693 (24,897)	**2,010,901**
	Interest rates	12,037 (52)	**21,092**
	Yield	0.67%	**1.05%**
International operations	Average balance	138,839	**100,581 (1,919)**
	Interest rates	2,822	**2,013 (12)**
	Yield	2.03%	**2.00%**
Total	Average balance	1,897,635	**2,109,563**
	Interest rates	14,807	**23,094**
	Yield	0.78%	**1.09%**
Breakdown of funding			
Domestic operations	Average balance	1,720,589	**1,952,531 (1,919)**
	Interest rates	3,583	**12,457 (12)**
	Yield	0.21%	**0.64%**
International operations	Average balance	138,979 (24,897)	**100,698**
	Interest rates	4,188 (52)	**3,278**
	Yield	3.01%	**3.26%**
Total	Average balance	1,834,670	**2,051,310**
	Interest rates	7,719	**15,724**
	Yield	0.42%	**0.77%**
Profit margin			
Domestic operations		0.46%	**0.41%**
International operations		(0.98%)	**(1.26%)**
Total		0.36%	**0.32%**

(Note) 1. The figures in brackets ([ ]) are the average balance and interest (net) of fund transfers between domestic operations and international operations.
2. The avarage balance of foreign currency denominated transactions in international operations is calculated by the daily current method (whereby the T.T.M rate of the day is applied to the non-exchange transactions of the day).
3. The average balance and interest of fund transfers between domestic operations and international operations are off set against each other in the total number.

Changes in Interest Income and Interest Expenses

(Millions of yen)

Type			FY2024	FY2025
Interest income				
Domestic operations (decrease)		Change due to balance	460	**2,383**
		Change due to interest rates	5,755	**6,671**
		Net change	6,215	**9,055**
International operations (decrease)		Change due to balance	(974)	**(777)**
		Change due to interest rates	(654)	**(30)**
		Net change	(1,628)	**(808)**
Subtotal			4,586	**8,246**
Interest expenses				
Domestic operations (decrease)		Change due to balance	(6)	**1,479**
		Change due to interest rates	2,401	**7,394**
		Net change	2,395	**8,874**
International operations (decrease)		Change due to balance	(839)	**(1,153)**
		Change due to interest rates	1,179	**243**
		Net change	339	**(909)**
Subtotal			2,734	**7,964**
Total			1,851	**282**

(Note) Regarding the reasons for change in the balance and the interest rates, when there is an overlap between the two, it is included in the reasons for "change due to balance".

Breakdown of Fees and Commissions

(Millions of yen)

Type			FY2024	FY2025
Fees and commissions		Domestic operations	4,053	**5,852**
		International operations	312	**233**
		Total	4,366	**6,085**
	Deposits and loans related business	Domestic operations	37	**1,728**
		International operations	5	**4**
		Total	42	**1,733**
	Exchange business	Domestic operations	287	**367**
		International operations	122	**7**
		Total	410	**374**
	Securities related business	Domestic operations	358	**365**
		International operations	0	**0**
		Total	359	**366**
	Agency business	Domestic operations	783	**778**
		International operations	—	**15**
		Total	783	**793**
	Investment advisory business	Domestic operations	0	**0**
		International operations	—	**—**
		Total	0	**0**
Fees and commissions payments		Domestic operations	1,329	**1,424**
		International operations	79	**99**
		Total	1,409	**1,524**
	Exchange business	Domestic operations	118	**131**
		International operations	57	**59**
		Total	176	**191**

Status of Main Business

Breakdown of Trading Income and Expenses

Not applicable.

Breakdown of Other Operating Income and Expenses

(Millions of yen)

Type		FY2024	FY2025
Gains (losses) on foreign exchange transactions	Domestic operations	—	**—**
	International operations	1,101	**3,696**
	Total	1,101	**3,696**
Gains (losses) on bonds such as JGB	Domestic operations	(209)	**16**
	International operations	—	**—**
	Total	(209)	**16**
Gains (losses) on financial derivatives	Domestic operations	51	**(66)**
	International operations	1,773	**(326)**
	Total	1,824	**(392)**
Other (losses)	Domestic operations	(138)	**0**
	International operations	—	**—**
	Total	(138)	**0**
Total (losses)	Domestic operations	(296)	**(49)**
	International operations	2,875	**3,369**
	Total	2,578	**3,320**

Breakdown of General and Administrative Expenses

(Millions of yen)

Type	FY2024	FY2025
Salaries and allowances	6,960	**7,126**
Welfare expenses	1,198	**1,269**
Depreciation and amortization	2,170	**4,504**
Rent expenses on buildings and machinery	593	**624**
Supplies expenses	45	**42**
Communication expenses	709	**736**
Taxes and dues	1,265	**1,764**
Other	6,968	**9,129**
Subtotal	19,912	**25,196**
Non-recurring expenses	62	**31**
Total	19,974	**25,228**

Domestic and Foreign Exchange Transactions

Foreign Exchange Transactions

(Millions of U.S. dollars)

		FY2024	FY2025
Outgoing remittance	Foreign bills sold	11,124	**8,369**
	Foreign bills bought	—	**—**
Incoming remittance	Foreign bills payable	12,209	**10,640**
	Foreign bills receivable	2	**1**
Total		23,336	**19,011**

Foreign Currency Denominated Assets

(Millions of U.S. dollars)

	March 31,2025	March 31,2026
Balance of foreign-currency denominated assets	604	**358**

Domestic Exchange Transactions

(Billions of yen, thousands of units)

			FY2024	FY2025
Remittance	Paid to	Amount	114,500	**114,126**
		Unit	1,639	**1,759**
	Received from	Amount	218,226	**205,957**
		Unit	297	**303**
Collection	Paid to	Amount	—	**—**
		Unit	—	**—**
	Received from	Amount	—	**—**
		Unit	—	**—**

Deposits

Balance by Type of Deposits

(Millions of yen, proportion in brackets)

Type		March 31,2025	March 31,2026
Deposits			
Liquid deposits	Domestic operations	368,935 (22.6%)	**321,609** **(19.0%)**
	International operations	— (—)	**—** **(—)**
	Total	368,935 (22.6%)	**321,609** **(19.0%)**
Interest-bearing deposits	Domestic operations	339,408 (20.8%)	**286,217** **(16.9%)**
	International operations	— (—)	**—** **(—)**
	Total	339,408 (20.8%)	**286,217** **(16.9%)**
Time deposits	Domestic operations	871,955 (53.6%)	**925,307** **(54.6%)**
	International operations	— (—)	**—** **(—)**
	Total	871,955 (53.6%)	**925,307** **(54.6%)**
Fixed-rate time deposits	Domestic operations	761,955 (46.8%)	**813,307** **(48.0%)**
	International operations	— (—)	**—** **(—)**
	Total	761,955 (46.8%)	**813,307** **(48.0%)**
Variable-rate time deposits	Domestic operations	110,000 (6.7%)	**112,000** **(6.6%)**
	International operations	— (—)	**—** **(—)**
	Total	110,000 (6.7%)	**112,000** **(6.6%)**
Other	Domestic operations	998 (0.0%)	**585** **(0.0%)**
	International operations	115,448 (7.0%)	**86,973** **(5.1%)**
	Total	116,447 (7.1%)	**87,558** **(5.1%)**
Total	Domestic operations	1,241,889 (76.3%)	**1,247,501** **(73.7%)**
	International operations	115,448 (7.0%)	**86,973** **(5.1%)**
	Total	1,357,338 (83.4%)	**1,334,475** **(78.8%)**
Negotiable certificates of deposits	Domestic operations	269,251 (16.5%)	**357,718** **(21.1%)**
	International operations	— (—)	**—** **(—)**
	Total	269,251 (16.5%)	**357,718** **(21.1%)**
Grand total	Domestic operations	1,511,140 (92.9%)	**1,605,220** **(94.8%)**
	International operations	115,448 (7.0%)	**86,973** **(5.1%)**
	Total	1,626,589 (100.0%)	**1,692,194** **(100.0%)**

Average Balance by Type of Deposits

(Millions of yen, proportion in brackets)

Type		FY2024	FY2025
Deposits			
Liquid deposits	Domestic operations	442,345 (29.0%)	**370,281** **(22.1%)**
	International operations	— (—)	**—** **(—)**
	Total	442,345 (29.0%)	**370,281** **(22.1%)**
Interest-bearing deposits	Domestic operations	404,037 (26.5%)	**328,430** **(19.6%)**
	International operations	— (—)	**—** **(—)**
	Total	404,037 (26.5%)	**328,430** **(19.6%)**
Time deposits	Domestic operations	739,137 (48.5%)	**869,688** **(51.9%)**
	International operations	— (—)	**—** **(—)**
	Total	739,137 (48.5%)	**869,688** **(51.9%)**
Fixed-rate time deposits	Domestic operations	636,466 (41.8%)	**758,799** **(45.3%)**
	International operations	— (—)	**—** **(—)**
	Total	636,466 (41.8%)	**758,799** **(45.3%)**
Variable-rate time deposits	Domestic operations	102,671 (6.7%)	**110,889** **(6.6%)**
	International operations	— (—)	**—** **(—)**
	Total	102,671 (6.7%)	**110,889** **(6.6%)**
Other	Domestic operations	2,584 (0.1%)	**2,665** **(0.1%)**
	International operations	104,470 (6.8%)	**95,677** **(5.7%)**
	Total	107,055 (7.0%)	**98,342** **(5.8%)**
Total	Domestic operations	1,184,068 (77.7%)	**1,242,636** **(74.1%)**
	International operations	104,470 (6.8%)	**95,677** **(5.7%)**
	Total	1,288,538 (84.6%)	**1,338,313** **(79.9%)**
Negotiable certificates of deposits	Domestic operations	233,573 (15.3%)	**336,438** **(20.0%)**
	International operations	— (—)	**—** **(—)**
	Total	233,573 (15.3%)	**336,438** **(20.0%)**
Grand total	Domestic operations	1,417,642 (93.1%)	**1,579,074** **(94.2%)**
	International operations	104,470 (6.8%)	**95,677** **(5.7%)**
	Total	1,522,112 (100.0%)	**1,674,752** **(100.0%)**

Deposits

Time Deposits Balance by Remaining Period

(Millions of yen)

Classification	Period	March 31,2025	March 31,2026
Fixed-rate time deposits	Less than 3 months	269,970	**269,184**
	From 3 months to less than 6 months	124,958	**143,170**
	From 6 months to less than 1 year	175,920	**197,219**
	From 1 year to less than 2 years	15,239	**40,954**
	From 2 years to less than 3 years	24,066	**12,978**
	3 years or more	151,800	**149,800**
	Subtotal	761,955	**813,307**
Variable-rate time deposits	Less than 3 months	—	**—**
	From 3 months to less than 6 months	—	**—**
	From 6 months to less than 1 year	600	**—**
	From 1 year to less than 2 years	—	**—**
	From 2 years to less than 3 years	—	**—**
	3 years or more	109,400	**112,000**
	Subtotal	110,000	**112,000**
Other time deposits	Less than 3 months	—	**—**
	From 3 months to less than 6 months	—	**—**
	From 6 months to less than 1 year	—	**—**
	From 1 year to less than 2 years	—	**—**
	From 2 years to less than 3 years	—	**—**
	3 years or more	—	**—**
	Subtotal	—	**—**
Total		871,955	**925,307**

Balance by Depositor

(Millions of yen, proportion in brackets)

Classification		March 31,2025	March 31,2026
Individual	Amount	423,715	**372,850**
	(%)	(31.2%)	**(27.9%)**
Corporate	Amount	896,309	**915,072**
	(%)	(66.0%)	**(68.5%)**
Other	Amount	37,313	**46,552**
	(%)	(2.7%)	**(3.4%)**
Total	Amount	1,357,338	**1,334,475**
	(%)	(100.0%)	**(100.0%)**

(Note) Negotiable certificates of deposits are not included.

Loans

Balance by Type of Loans

(Millions of yen)

Type		March 31,2025	March 31,2026
Loans on bills	Domestic operations	—	**—**
	International operations	—	**—**
	Total	—	**—**
Loans on deeds	Domestic operations	94,981	**89,770**
	International operations	9,191	**6,909**
	Total	104,173	**96,679**
Overdrafts	Domestic operations	925,345	**1,063,745**
	International operations	14,914	**16,764**
	Total	940,260	**1,080,510**
Bills discounted	Domestic operations	—	**—**
	International operations	—	**—**
	Total	—	**—**
Total	Domestic operations	1,020,327	**1,153,515**
	International operations	24,106	**23,673**
	Total	1,044,434	**1,177,189**

Average Balance by Type of Loans

(Millions of yen)

Type		FY2024	FY2025
Loans on bills	Domestic operations	—	**—**
	International operations	—	**—**
	Total	—	**—**
Loans on deeds	Domestic operations	100,188	**91,622**
	International operations	13,036	**8,714**
	Total	113,225	**100,337**
Overdrafts	Domestic operations	843,650	**982,492**
	International operations	16,724	**15,488**
	Total	860,375	**997,981**
Bills discounted	Domestic operations	—	**—**
	International operations	—	**—**
	Total	—	**—**
Total	Domestic operations	943,839	**1,074,115**
	International operations	29,761	**24,203**
	Total	973,600	**1,098,318**

Balance of Loans by Type and Remaining Period

(Millions of yen)

	Period	March 31,2025	March 31,2026
Fixed interest rates	1 year or less	964,068	**1,092,764**
	More than 1 year but less than 3 years	25,216	**36,240**
	More than 3 years but less than 5 years	14,492	**21,596**
	More than 5 years but less than 7 years	11,771	**8,402**
	More than 7 years	1,953	**787**
	With no maturity	—	**—**
	Subtotal	53,433	**67,026**
Variable interest rates	More than 1 year but less than 3 years	14,344	**7,552**
	More than 3 years but less than 5 years	8,700	**6,973**
	More than 5 years but less than 7 years	0	**359**
	More than 7 years	3,887	**2,513**
	With no maturity	—	**—**
	Subtotal	26,932	**17,398**
Total		1,044,434	**1,177,189**

Loans

Balance of Loans by Type of Collateral

(Millions of yen)

Type	March 31,2025	March 31,2026
Securities	916,050	**1,056,004**
Claims	—	**393**
Commodities	—	**—**
Real estate	39,009	**40,931**
Other	28,427	**20,922**
Subtotal	983,488	**1,118,252**
Guarantees	9,227	**6,205**
Unsecured	51,718	**52,731**
Total (Subordinated loans)	1,044,434 (—)	**1,177,189** **(—)**

Balance of Customers' liabilities for acceptances and guarantees by Type of Collateral

There are no customers' liabilities for acceptances and guarantees.

Balance of Loans by Purpose of Use

(Millions of yen, proportion in brackets)

Type		March 31,2025	March 31,2026
Equipment fund	Amount	113,216	**136,460**
	(%)	(10.8%)	**(11.5%)**
Working capital	Amount	931,217	**1,040,729**
	(%)	(89.1%)	**(88.4%)**
Total	Amount	1,044,434	**1,177,189**
	(%)	(100.0%)	**(100.0%)**

Breakdown of Loans by Industry

(Millions of yen, proportion in brackets)

Type		March 31,2025	March 31,2026
Manufacturing	Amount	8,494	**12,216**
	(%)	(0.8%)	**(1.0%)**
Construction	Amount	380	**380**
	(%)	(0.0%)	**(0.0%)**
Electricity, gas, heat supply and water	Amount	3,665	**3,587**
	(%)	(0.3%)	**(0.3%)**
Communication and information services	Amount	15,000	**15,000**
	(%)	(1.4%)	**(1.2%)**
Transport	Amount	11,803	**11,703**
	(%)	(1.1%)	**(0.9%)**
Wholesale and retail	Amount	9,165	**7,837**
	(%)	(0.8%)	**(0.6%)**
Finance and insurance	Amount	28,008	**24,573**
	(%)	(2.6%)	**(2.0%)**
Real estate	Amount	65,390	**84,595**
	(%)	(6.2%)	**(7.1%)**
Goods rental and leasing	Amount	9,820	**5,000**
	(%)	(0.9%)	**(0.4%)**
Various services	Amount	336,363	**383,519**
	(%)	(32.2%)	**(32.5%)**
Other	Amount	556,342	**628,776**
	(%)	(53.2%)	**(53.4%)**
Total	Amount	1,044,434	**1,177,189**
	(%)	(100.0%)	**(100.0%)**

Balance of Loans Regarding Small and Medium-Sized Enterprises

(Number of loans, millions of yen)

		March 31,2025	March 31,2026
Total loan balance (A)	Number of loans made	15,441	**17,692**
	Amount	1,044,434	**1,177,189**
Balance of loans to SMEs (B)	Number of loans made	15,433	**17,685**
	Amount	1,012,924	**1,145,389**
Ratio (%) (B/A)	Number of loans made	99.9%	**99.9%**
	Amount	96.9%	**97.2%**

(Note) Small and medium-sized enterprises means companies capitalized at 300 million yen or less (100 million yen or less for the wholesale industry and 50 million yen or less for the retail, food, goods rental and leasing), or companies with full-time employees 300 or fewer (100 or fewer for the wholesale and goods rental and leasing and 50 or fewer for the retail, food) and individuals.

Loans

Statement of Claims and Preservation Based on the Banking Act and the Financial Reconstruction Act

(Millions of yen)

	March 31,2025	March 31,2026
Claims against bankrupt and substantially bankrupt debtors	—	**—**
Doubtful claims	—	**—**
Substandard claims	—	**1**
Claims past due three months or more	—	**1**
Restructured claims	—	**—**
Subtotal (A)	—	**1**
Normal claims (B)	1,049,644	**1,183,579**
Total (A+B)	1,049,644	**1,183,581**
Coverage amount by collateral and guarantees	—	**—**
Specific allowance for loan losses	—	**—**
Total amount of coverage (C)	—	**—**
Coverage ratio (C/A)	—	**0.00%**

Allowance for Loan Losses and Their Changes during the Fiscal Year

(Millions of yen)

	March 31,2025	March 31,2026
General allowance for loan losses	891	**343**
Change from the previous year-end (decrease)	89	**(548)**
Specific allowance for loan losses	—	**—**
Change from the previous year-end (decrease)	(288)	**—**
Allowance for specific overseas loans	—	**—**
Change from the previous year-end	—	**—**
Total	891	**343**

Written-Off of Loans

Not applicable.

Securities

Balance of Securities by Type and Remaining Period

(Millions of yen)

Type	Remaining Period	March 31,2025	March 31,2026
Government bonds	1 year or less	5,018	**39,977**
	More than 1 year but less than 3 years	39,967	**84,382**
	More than 3 years but less than 5 years	9,786	**—**
	More than 5 years but less than 7 years	—	**—**
	More than 7 years but less than 10 years	—	**—**
	More than 10 years	24,989	**22,774**
	With no maturity	—	**—**
	Subtotal	79,760	**147,134**
Local government bonds	1 year or less	5,932	**2,115**
	More than 1 year but less than 3 years	8,048	**52,601**
	More than 3 years but less than 5 years	103,500	**132,732**
	More than 5 years but less than 7 years	—	**—**
	More than 7 years but less than 10 years	—	**—**
	More than 10 years	—	**—**
	With no maturity	—	**—**
	Subtotal	117,482	**187,450**
Short-term corporate bonds	1 year or less	—	**—**
	More than 1 year but less than 3 years	—	**—**
	More than 3 years but less than 5 years	—	**—**
	More than 5 years but less than 7 years	—	**—**
	More than 7 years but less than 10 years	—	**—**
	More than 10 years	—	**—**
	With no maturity	—	**—**
	Subtotal	—	**—**
Corporate bonds	1 year or less	5,391	**12,228**
	More than 1 year but less than 3 years	17,495	**9,963**
	More than 3 years but less than 5 years	980	**9,930**
	More than 5 years but less than 7 years	—	**—**
	More than 7 years but less than 10 years	—	**—**
	More than 10 years	395	**398**
	With no maturity	—	**—**
	Subtotal	24,262	**32,521**
Stocks	1 year or less	—	**—**
	More than 1 year but less than 3 years	—	**—**
	More than 3 years but less than 5 years	—	**—**
	More than 5 years but less than 7 years	—	**—**
	More than 7 years but less than 10 years	—	**—**
	More than 10 years	—	**—**
	With no maturity	—	**—**
	Subtotal	—	**—**
Foreign bonds	1 year or less	62,426	**46,536**
	More than 1 year but less than 3 years	17,853	**—**
	More than 3 years but less than 5 years	—	**6,942**
	More than 5 years but less than 7 years	6,270	**—**
	More than 7 years but less than 10 years	—	**—**
	More than 10 years	—	**—**
	With no maturity	—	**—**
	Subtotal	86,550	**53,478**
Foreign stocks	1 year or less	—	**—**
	More than 1 year but less than 3 years	—	**—**
	More than 3 years but less than 5 years	—	**—**
	More than 5 years but less than 7 years	—	**—**
	More than 7 years but less than 10 years	—	**—**
	More than 10 years	—	**—**
	With no maturity	15	**17**
	Subtotal	15	**17**
Other securities	1 year or less	0	**2**
	More than 1 year but less than 3 years	3	**7**
	More than 3 years but less than 5 years	4	**2**
	More than 5 years but less than 7 years	1	**0**
	More than 7 years but less than 10 years	8	**8**
	More than 10 years	0	**0**
	With no maturity	2,565	**2,450**
	Subtotal	2,584	**2,473**
Total		310,655	**423,075**

Securities

Balance of Securities by Type

(Millions of yen, proportion in brackets)

Type		March 31,2025	March 31,2026
Government bonds	Domestic operations	79,760 (25.6%)	**147,134** **(34.7%)**
	International operations	— (—)	**—** **(—)**
	Total	79,760 (25.6%)	**147,134** **(34.7%)**
Local government bonds	Domestic operations	117,482 (37.8%)	**187,450** **(44.3%)**
	International operations	— (—)	**—** **(—)**
	Total	117,482 (37.8%)	**187,450** **(44.3%)**
Short-term corporate bonds	Domestic operations	— (—)	**—** **(—)**
	International operations	— (—)	**—** **(—)**
	Total	— (—)	**—** **(—)**
Corporate bonds	Domestic operations	24,262 (7.8%)	**32,521** **(7.6%)**
	International operations	— (—)	**—** **(—)**
	Total	24,262 (7.8%)	**32,521** **(7.6%)**
Stocks	Domestic operations	— (—)	**—** **(—)**
	International operations	— (—)	**—** **(—)**
	Total	— (—)	**—** **(—)**
Foreign bonds	Domestic operations	— (—)	**—** **(—)**
	International operations	86,550 (27.8%)	**53,478** **(12.6%)**
	Total	86,550 (27.8%)	**53,478** **(12.6%)**
Foreign stocks	Domestic operations	— (—)	**—** **(—)**
	International operations	15 (0.0%)	**17** **(0.0%)**
	Total	15 (0.0%)	**17** **(0.0%)**
Other securities	Domestic operations	2,584 (0.8%)	**2,473** **(0.5%)**
	International operations	— (—)	**—** **(—)**
	Total	2,584 (0.8%)	**2,473** **(0.5%)**
Total	Domestic operations	224,089 (72.1%)	**369,579** **(87.3%)**
	International operations	86,565 (27.8%)	**53,496** **(12.6%)**
	Total	310,655 (100.0%)	**423,075** **(100.0%)**

Average Balance of Securities by Type

(Millions of yen, proportion in brackets)

Type		FY2024	FY2025
Government bonds	Domestic operations	91,635 (28.6%)	**123,736** **(32.7%)**
	International operations	— (—)	**—** **(—)**
	Total	91,635 (28.6%)	**123,736** **(32.7%)**
Local government bonds	Domestic operations	85,946 (26.8%)	**155,042** **(40.9%)**
	International operations	— (—)	**—** **(—)**
	Total	85,946 (26.8%)	**155,042** **(40.9%)**
Short-term corporate bonds	Domestic operations	— (—)	**—** **(—)**
	International operations	— (—)	**—** **(—)**
	Total	— (—)	**—** **(—)**
Corporate bonds	Domestic operations	37,293 (11.6%)	**28,453** **(7.5%)**
	International operations	— (—)	**—** **(—)**
	Total	37,293 (11.6%)	**28,453** **(7.5%)**
Stocks	Domestic operations	— (—)	**—** **(—)**
	International operations	— (—)	**—** **(—)**
	Total	— (—)	**—** **(—)**
Foreign bonds	Domestic operations	— (—)	**—** **(—)**
	International operations	102,206 (31.9%)	**68,678** **(18.1%)**
	Total	102,206 (31.9%)	**68,678** **(18.1%)**
Foreign stocks	Domestic operations	— (—)	**—** **(—)**
	International operations	15 (0.0%)	**16** **(0.0%)**
	Total	15 (0.0%)	**16** **(0.0%)**
Other securities	Domestic operations	2,478 (0.7%)	**2,245** **(0.5%)**
	International operations	— (—)	**—** **(—)**
	Total	2,478 (0.7%)	**2,245** **(0.5%)**
Total	Domestic operations	217,353 (68.0%)	**309,479** **(81.8%)**
	International operations	102,222 (31.9%)	**68,695** **(18.1%)**
	Total	319,575 (100.0%)	**378,174** **(100.0%)**

Fair Value of Securities

Trading Securities

Not applicable.

Breakdown of Securities without Fair Value and Their Book Value

(Millions of yen)

Type	March 31,2025	March 31,2026
Held-to-maturity debt securities	—	**—**
Available-for-sale securities		
Unlisted foreign securities	15	**17**
Others	408	**224**

Held-to-Maturity Debt Securities with Fair Value

(Millions of yen)

Type		March 31,2025	March 31,2026
Government bonds	Book value	25,065	**20,016**
	Fair value	25,558	**20,161**
	Difference	492	**144**
	Gain	492	**144**
	Loss	—	**—**

(Note) 1. Fair values are based on the market prices at the end of the fiscal year.
2. Not applicable except for Government bonds.

Available-for-Sale Securities with Fair Value

(Millions of yen)

Type			March 31,2025	March 31,2026
Stocks		Acquisition cost	—	**—**
		Book value	—	**—**
		Valuation difference	—	**—**
Bonds	Government bonds	Acquisition cost	60,167	**135,131**
		Book value	54,695	**127,118**
		Valuation difference	(5,471)	**(8,013)**
		Unrealized gain	—	**—**
		Unrealized loss	5,471	**8,013**
	Local government bonds	Acquisition cost	119,789	**192,555**
		Book value	117,482	**187,450**
		Valuation difference	(2,307)	**(5,105)**
		Unrealized gain	18	**—**
		Unrealized loss	2,326	**5,105**
	Corporate bonds	Acquisition cost	24,557	**32,966**
		Book value	24,262	**32,521**
		Valuation difference	(294)	**(445)**
		Unrealized gain	—	**—**
		Unrealized loss	294	**445**
	Sub total	Acquisition cost	204,514	**360,653**
		Book value	196,440	**347,089**
		Valuation difference	(8,074)	**(13,563)**
		Unrealized gain	18	**—**
		Unrealized loss	8,093	**13,563**
Other securities		Acquisition cost	90,784	**56,476**
		Book value	88,725	**55,726**
		Valuation difference	(2,058)	**(749)**
		Unrealized gain	291	**358**
		Unrealized loss	2,350	**1,107**
Total		Acquisition cost	295,299	**417,129**
		Book value	285,166	**402,816**
		Valuation difference	(10,133)	**(14,313)**
		Unrealized gain	309	**358**
		Unrealized loss	10,443	**14,671**

(Note) Amounts on balance sheet are recorded at fair values based on the market prices at the end of the fiscal year.

Derivatives Transaction

1. Derivatives Transactions Not Qualifying for Hedge Accounting

As for derivatives transactions not qualifying for hedge accounting, the contract amounts or notional principal, fair values and unrealized gains or losses as well as calculation method of fair values for each type of transactions as of the balance sheet date are as follows:
Note that contract value amounts do not indicate the market risk related to derivatives transactions.

Interest Rate-Related Transactions

(Millions of yen)

				March 31,2025	March 31,2026
Over-the-counter	Interest rate swaps	Receive-fixed interest rate Pay-floating interest rate	Contract amount	209,800	**211,600**
			Over one year	209,800	**211,600**
			Fair value (losses)	(25,887)	**(43,626)**
			Unrealized gains (losses)	(25,887)	**(43,626)**
		Receive-floating interest rate Pay-fixed interest rate	Contract amount	—	**—**
			Over one year	—	**—**
			Fair value (losses)	—	**—**
			Unrealized gains (losses)	—	**—**
		Receive-floating interest rate Pay-floating interest rate	Contract amount	146,200	**148,700**
			Over one year	145,600	**148,700**
			Fair value (losses)	(31,328)	**(47,581)**
			Unrealized gains (losses)	(31,328)	**(47,581)**
		Receive-fixed interest rate Pay-fixed interest rate	Contract amount	—	**—**
			Over one year	—	**—**
			Fair value (losses)	—	**—**
			Unrealized gains (losses)	—	**—**
Total fair value (losses)				(57,215)	**(91,208)**
Total unrealized gains (losses)				(57,215)	**(91,208)**

(Note) 1. Transactions above are marked to market, and unrealized gains (losses) are included in the statements of income.
2. Calculation of fair value
Fair values are based on the discounted present value.
3. Interest rate-related transactions
In addition to the abovementioned, the appraisal profit based on separate accounting of embedded derivatives of hybrid financial instruments was 91,208 million yen at the end of March, 2026, and 57,215 million yen at the end of March, 2025.

Currency-Related Transactions

(Millions of yen)

				March 31,2025	March 31,2026
Over-the-counter	Swaps		Contract amount	23,729	**16,790**
			Over one year	16,367	**7,823**
			Fair value (losses)	5,912	**4,873**
			Unrealized gains (losses)	5,912	**4,873**
	Forwards	Sold	Contract amount	295,190	**344,062**
			Over one year	—	**—**
			Fair value (losses)	(101)	**(3,647)**
			Unrealized gains (losses)	(101)	**(3,647)**
		Bought	Contract amount	295,977	**361,607**
			Over one year	—	**—**
			Fair value (losses)	293	**3,568**
			Unrealized gains (losses)	293	**3,568**
	Options	Sold	Contract amount	135,848	**53,041**
			Over one year	—	**—**
			Fair value (losses)	1,014	**275**
			Unrealized gains (losses)	216	**7**
		Bought	Contract amount	129,225	**45,316**
			Over one year	—	**—**
			Fair value (losses)	997	**220**
			Unrealized gains (losses)	(199)	**(26)**
Total fair value (losses)				8,116	**5,291**
Total unrealized gains (losses)				6,121	**4,775**

(Note) 1. Transactions above are marked to market, and unrealized gains (losses) are included in the statements of income.
2. Calculation of fair value: Fair values are based on the discounted present value.
3. Currency-Related transactions
In addition to the abovementioned, the appraisal profit based on separate accounting of embedded derivatives of hybrid financial instruments was 26 million yen at the end of March, 2026, and appraisal loss was 9 million yen at the end of March, 2025.

Stock-Related Transactions

Not applicable.

Bond-Related Transactions

Not applicable.

Commodity-Related Transactions

Not applicable.

Credit Derivative Transactions

Not applicable.

Others

Not applicable.

2.Derivatives Transactions Qualifying for Hedge Accounting

As for derivatives transactions qualifying for hedge accounting, the contract amounts or notional principal, fair values and unrealized gains or losses as well as calculation method of fair values for each type of hedged transactions and by respective hedge accounting method as of the balance sheet date are as follows:
Note that contract value amounts do not indicate the market risk related to derivatives transactions.

Interest Rate-Related Transactions

(Millions of yen)

Hedge accounting method	Type	Primary hedged item	March 31,2025 Contract amount	March 31,2025 Over one year	March 31,2025 Fair value	March 31,2026 Contract amount	March 31,2026 Over one year	March 31,2026 Fair value
Primary method	Interest rate swaps	Loans,available-for-sale securities(bonds)	95,708	69,636	5,050	**69,036**	**63,136**	**7,482**
	Receive-floating interest rate Pay-fixed interest rate		95,708	69,636	5,050	**69,036**	**63,136**	**7,482**
Exceptional method for Interest rate swaps	Interest rate swaps	Securities	25,000	20,000	(426)	**20,000**	**—**	**(120)**
	Receive-floating interest rate Pay-fixed interest rate		25,000	20,000	(426)	**20,000**	**—**	**(120)**
Total			—	—	4,623	**—**	**—**	**7,361**

(Note) 1. Primarily, the deferred hedge method using individual hedges, or, in certain cases, portfolio hedges, is applied under "Accounting and Auditing Treatment Relating to Adoption of Accounting Standards for Financial Instruments for Banks"(JICPA Industry Committee Practical Guideline No.24)
2. Calculation of fair value
Fair values are based on the discounted present value.

Currency-Related Transactions

Not applicable.

Stock-Related Transactions

Not applicable.

Bond-Related Transactions

Not applicable.

Trust Business

Statement of Trust Account

(Millions of yen)

	March 31,2025	March 31,2026
Assets:		
Loans	304,054	**300,565**
Loans on deeds	304,054	**300,565**
Securities	8,394,538	**11,197,811**
Government bonds	3,449,068	**5,333,035**
Local government bonds	114,531	**124,924**
Corporate bonds	762,848	**830,718**
Stocks	394,547	**302,429**
Foreign securities	1,905,946	**2,550,701**
Other securities	1,767,594	**2,056,002**
Securities held for investment trusts	25,176,808	**25,907,444**
Foreign investments held for investment trusts	14,045,442	**15,595,476**
Beneficiary rights	—	**0**
Securities held in custody accounts	1,238,448	**1,157,168**
Money claims	58,495	**54,800**
Money claims on life insurance policies	10,345	**10,618**
Other money claims	48,150	**44,182**
Other claims	619,043	**843,949**
Call loans	1,163,481	**1,141,810**
Due from banking account	137,657	**446,112**
Cash and due from banks	158,804	**207,952**
Due from banks	158,804	**207,952**
Total	51,296,776	**56,853,090**
Liabilities:		
Designated money trusts	404,867	**374,328**
Specified money trusts	4,417,827	**4,609,183**
Pension trusts	838	**166**
Investment trusts	40,541,363	**42,899,183**
Pecuniary trusts other than money trusts	1,064,691	**1,275,559**
Securities trusts	3,754,709	**6,290,828**
Money claims trusts	764	**705**
Composite trusts	1,111,713	**1,403,134**
Total	51,296,776	**56,853,090**

(Note) 1. We do not handle employees' property formation benefit trusts or loan trusts.
2. No trust assets are entrusted to other trust banks for asset administration.

Breakdown of Trusts in Which Repayments of the Principal Are Guaranteed

Jointly Operated Designated Money Trusts

(Millions of yen)

	March 31,2025	March 31,2026
Assets:		
Loans	—	**—**
Securities	—	**—**
Due from banking account	38,508	**18,512**
Other	—	**—**
Total	38,508	**18,512**
Liabilities:		
Principal	38,475	**18,415**
Reserve for possible impairment of principal	—	**—**
Other	33	**97**
Total	38,508	**18,512**

(Note) All claims to trusts with agreements for compensation of principal are classified as performing loans; none are classified as claims against bankrupt and substantially bankrupt debtors, doubtful claims, loans past due for three months or more, nor restructured loans.

Balance of Securities (by Type) Held in Money Trusts and Pension Trusts by Type

(Millions of yen)

Type		March 31,2025	March 31,2026
Money trusts	Government bonds	841,773	**849,486**
	Local government bonds	12,634	**25,404**
	Short-term corporate bonds	—	**—**
	Corporate bonds	447,485	**416,657**
	Stocks	54,302	**52,446**
	Other securities	2,922,925	**3,112,776**
	Balance of assets under management at the end of period	4,279,121	**4,456,771**
Pension trusts	Government bonds	—	**—**
	Local government bonds	—	**—**
	Short-term corporate bonds	—	**—**
	Corporate bonds	—	**—**
	Stocks	—	**—**
	Other securities	150	**150**
	Balance of assets under management at the end of period	150	**150**
Total	Government bonds	841,773	**849,486**
	Local government bonds	12,634	**25,404**
	Short-term corporate bonds	—	**—**
	Corporate bonds	447,485	**416,657**
	Stocks	54,302	**52,446**
	Other securities	2,923,075	**3,112,926**
	Balance of assets under management at the end of period	4,279,271	**4,456,921**

(Note) We do not handle employees' property formation benefit trusts or loan trusts.

Balance of Principal of Money Trusts by Trust Period

(Millions of yen)

Period		March 31,2025	March 31,2026
Money trusts	Less than 1 year	1,438,404	**1,576,119**
	From 1 year to less than 2 years	10,996	**1,000**
	From 2 years to less than 5 years	9,447	**9,068**
	5 years or more	605,858	**672,730**
	Others	—	**—**
	Total	2,064,707	**2,258,918**

Balance of Loans Related to Money Trusts and Pension Trusts (by Category)

(Millions of yen, proportion in brackets)

Type	March 31,2025	March 31,2026
Loans on deeds	290,027 (100.0%)	**258,025** **(100.0%)**
Loans on bills	— (—)	**—** **(—)**
Bills discounted	— (—)	**—** **(—)**
Total	290,027 (100.0%)	**258,025** **(100.0%)**

(Note) This is the balance of loans under trust account related to money trusts and pension trusts. The same applies to the tables of balance of loans (by Category), (by Contract Term), (by Type of Collateral), (by Industry) and (by Purpose of Use) and the tables for Loans to Small and Medium-Sized Enterprises.

Trust Business

Trust Business

Balance of Loans Related to Money Trusts and Pension Trusts (by Contract Term)

(Millions of yen)

Period	March 31,2025	March 31,2026
1 year or less	282,200	**251,100**
More than 1 year but less than 3 years	—	**—**
More than 3 years but less than 5 years	—	**—**
More than 5 years but less than 7 years	—	**—**
7 years or more	7,827	**6,925**
Total	290,027	**258,025**

Balance of Loans Related to Money Trusts and Pension Trusts (by Type of Collateral)

(Millions of yen)

Type	March 31,2025	March 31,2026
Securities	269,700	**236,500**
Claims	—	**—**
Commodities	—	**—**
Real estate	—	**—**
Other	—	**—**
Subtotal	269,700	**236,500**
Guarantees	—	**—**
Unsecured	20,327	**21,525**
Total	290,027	**258,025**

Balance of Loans Related to Money Trusts and Pension Trusts (by Industry)

(Millions of yen, proportion in brackets)

Type		March 31,2025	March 31,2026
Communication and information services	Amount	12,500	**14,600**
	(%)	(4.3%)	**(5.6%)**
Finance and insurance	Amount	269,700	**236,500**
	(%)	(92.9%)	**(91.6%)**
Local governments	Amount	7,827	**6,925**
	(%)	(2.6%)	**(2.6%)**
Total	Amount	290,027	**258,025**
	(%)	(100.0%)	**(100.0%)**

Balance of Loans Related to Money Trusts and Pension Trusts (by Purpose of Use)

(Millions of yen)

Type	March 31,2025	March 31,2026
Equipment fund	—	**—**
Working capital	290,027	**258,025**
Total	290,027	**258,025**

Loans to Small and Medium-Sized Enterprises Related to Money Trusts and Pension Trusts

(Millions of yen)

	March 31,2025	March 31,2026
Total loan balance (A)	290,027	**258,025**
Balance of loans to SMEs (B)	12,500	**14,600**
Ratio (%) (B/A)	4.3%	**5.7%**

(Note) Small and medium-sized enterprises means companies capitalized at 300 million yen or less (100 million yen or less for the wholesale industry and 50 million yen or less for the retail, food, service industries), or companies with full-time employees 300 or fewer (100 or fewer for the wholesale and service industries and 50 or fewer for the retail, food, service industry) and individuals.

Balance of Loans and Securities (by Type) Held in Money Trusts and Pension Trusts by Type

(Millions of yen)

Type		March 31,2025	March 31,2026
Money trusts	Loans	290,027	**258,025**
	Securities	4,279,121	**4,456,771**
	Total	4,569,148	**4,714,796**
Pension trusts	Loans	—	**—**
	Securities	150	**150**
	Total	150	**150**
Total loans		290,027	**258,025**
Total securities		4,279,271	**4,456,921**
Total loans, and securities		4,569,298	**4,714,946**

(Note) We do not handle employees' property formation benefit trusts or loan trusts.

Management Indices

Overall Profit Margin

(%)

		FY2024	FY2025
Yield on investments	Domestic operations	0.67	**1.05**
	International operations	2.03	**2.00**
	Total	0.78	**1.09**
Funding cost	Domestic operations	1.30	**1.85**
	International operations	3.87	**4.79**
	Total	1.51	**1.99**
Overall profit margin	Domestic operations	(0.63)	**(0.80)**
	International operations	(1.84)	**(2.79)**
	Total	(0.73)	**(0.90)**

Profit Ratio

(%)

		FY2024	FY2025
Return on assets (ROA)	Net business profit to assets ratio	0.41	**0.32**
	Ordinary profit to assets ratio	0.42	**0.34**
	Net income to assets ratio	0.31	**0.22**
Return on equity (ROE)	Net business profit to equity ratio	8.86	**7.22**
	Ordinary profit to equity ratio	9.02	**7.79**
	Net income to equity ratio	6.64	**5.09**

Gross Operating Profit Ratio

(%)

		FY2024	FY2025
Gross operating profit ratio	Domestic operations	1.44	**1.45**
	International operations	1.58	**2.76**
	Total	1.47	**1.52**

Loan-To-Deposit Ratio

(%)

		FY2024	FY2025
Balance at the end of the period	Domestic operations	67.5	**71.8**
	International operations	20.8	**27.2**
	Total	64.2	**69.5**
Average balance during the period	Domestic operations	66.5	**68.0**
	International operations	28.4	**25.2**
	Total	63.9	**65.5**

Security-To-Deposit Ratio

(%)

		FY2024	FY2025
Balance at the end of the period	Domestic operations	14.8	**23.0**
	International operations	74.9	**61.5**
	Total	19.0	**25.0**
Average balance during the period	Domestic operations	15.3	**19.5**
	International operations	97.8	**71.7**
	Total	20.9	**22.5**

Deposits, Loans and Trust Assets per Branch

(Millions of yen)

	March 31,2025	March 31,2026
Deposits	1,626,589	**1,692,194**
Loans	1,044,434	**1,177,189**
Amount of funds in trust account	4,823,533	**4,983,678**

(Note) Deposits include negotiable certificates of deposit.

Deposits, Loans and Trust Assets per Employee

(Millions of yen)

	March 31,2025	March 31,2026
Deposits	2,710	**2,751**
Loans	1,740	**1,914**
Amount of funds in trust account	8,039	**8,103**

(Note) Deposits include negotiable certificates of deposit.

Disclosure based on Pillar III of Basel III – Composition of Capital

Disclosure based on Pillar III of Basel III

This section describes the information such as the capital adequacy situation specified by the Financial Services Agency Commissioner, based on Article 19-2, Paragraph 1, Item 5, Subsection 2, etc., of the Ordinance for Enforcement of Banking Act.

Composition of Capital Disclosure

(Millions of yen)

Items	March 31,2025	March 31,2026
Core capital: instruments and reserves		
Directly issued qualifying common share capital or preferred share capital with a compulsory conversion clause plus related capital surplus and retained earnings	98,558	118,447
of which: capital and capital surplus	78,270	93,270
of which: retained earnings	23,298	25,177
of which: treasury stock	—	—
of which: earnings to be distributed	3,010	—
of which: other than above	—	—
Stock award rights and Stock acquisition right to common shares and preferred shares with a compulsory conversion clause	—	—
Total of reserves included in Core capital: instruments and reserves	891	343
of which: general allowance for loan losses included in Core capital	891	343
of which: eligible provision included in Core capital	—	—
Eligible noncumulative perpetual preferred shares subject to transitional arrangements (amount allowed to be included in Core capital: instruments and reserves)	—	—
Eligible capital instruments subject to transitional arrangements (amount allowed to be included in Core capital: instruments and reserves)	—	—
Capital instruments issued through measures for capital enhancement by public institutions (amount allowed to be included in Core capital: instruments and reserves)	—	—
Land revaluation excess after 55% discount (amount allowed to be included in Core capital: instruments and reserves)	—	—
Core capital: instruments and reserves (A)	99,450	118,791
Core capital: regulatory adjustments		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	12,878	14,824
of which: goodwill (including those equivalent)	—	—
of which: other intangibles other than goodwill and mortgage servicing rights	12,878	14,824
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	—
Shortfall of eligible provisions to expected losses	—	—
Gain on sale of securitization	—	—
Gains and losses due to changes in own credit risk on fair valued liabilities	—	—
Prepaid pension cost	—	—
Investments in own shares (excluding those reported in the net assets section)	—	—
Reciprocal cross-holdings in common equity	—	—
Investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (“Other Financial Institutions”), net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	—	—

(Millions of yen)

Items	March 31,2025	March 31,2026
Amount exceeding the 10% threshold on specific items	—	—
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—
of which: mortgage servicing rights	—	—
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—
Amount exceeding the 15% threshold on specific items	—	—
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—
of which: mortgage servicing rights	—	—
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—
Core capital: regulatory adjustments (B)	12,878	14,824
Regulatory capital		
Regulatory capital ((A) – (B)) (C)	86,571	103,966
Risk-weighted assets		
Total amount of credit risk-weighted assets	549,088	616,108
of which: total amount included in risk-weighted assets by transitional arrangements	—	—
of which: significant investments in the common stock of Other Financial Institutions (net of eligible short positions)	—	—
of which: other than above	—	—
Market risk equivalent amount divided by 8%	—	—
Operational risk equivalent amount divided by 8%	41,601	45,191
Floor adjustment	—	—
Total amount of Risk-weighted assets (D)	590,690	661,300
Capital adequacy ratio		
Capital adequacy ratio ((C) / (D))	14.65%	15.72%

Disclosure based on Pillar III of Basel III – Qualitative Disclosure

Qualitative Disclosure

Ⅰ. Summary of method of raising capital (refers to the method of raising capital where all or part of the amount is included in the amount of basic items related to the core capital specified in the formula in the Notification about capital adequacy No. 37).

At The Nomura Trust and Banking, we aim to maintain sufficient capital, mainly common stock, which is stipulated in Article 40 of the Financial Services Agency Notification No. 19 (Notification on Capital Adequacy), "the standard for which banks determine whether they hold adequate capital in light of assets they hold based upon Article 14-2 of the Banking Act of Japan." Other than raising capital by issuing common stock, we reserve a portion of annual earnings as legally retained earnings or other retained earnings.

Ⅱ. Outlines of the Capital Adequacy Assessment Method

As for credit risks and operational risks, we evaluate capital adequacy by comparing the amount equivalent to 8% of risk assets with the amount of capital, as stipulated in the Notification on Capital Adequacy.
We evaluate credit risks using the Standardized Approach, a method of calculating the non-consolidated capital adequacy ratio in accordance with the Basel requirements based on the Notification on Capital Adequacy. Also, we have adopted the Standardized Approach to measure the operational risk amount since March 31, 2025.
As for risk capital, we set a planned amount compared with the regulatory capital (core capital), and then monitor the actual amount of risk capital and give monthly reports accompanied by a comparison with the regulatory capital (core capital) to the Risk Management Committee. We recognize the current capital level as adequate.

Ⅲ. Matters Relating to Credit Risk Management

A. Outlines of Credit Risk Management Policies and Procedures

The Nomura Trust and Banking strictly reviews and manages credit risks based on the Credit Risk Management Policy, the Credit Risk Management Regulations, the Credit Authorization Management Regulations, and the Collaterals Regulations and the like. At the same time, we carefully pay attention to diversification of risks and portfolios, and comprehensively manage both on-and off-balance sheet transactions in pursuit of appropriate management of credit risks. The state of portfolio diversification is reported to the Risk Management Committee and then reviewed on a monthly basis.

1. Credit rating system

Credit ratings are determined not only by conducting scoring based on a rating model using the financial information of debtors but also by utilizing the latest important information available including qualitative information on managerial risk, legal risk etc. which may affect the certainty of debt assumption, external credit ratings or the credit standing of associated companies . These ratings are classified into 20 levels.
To perform credit screening, we strictly manage credit risks based on credit ratings to maintain soundness of the bank's assets, fully taking into account our public and social missions as a financial institution.

2. Exposure (credit amount) management

With the identification of exposure for each debtor or each group of debtors positioned as the core of credit risk management, we centrally control not only loans but also other on-balance and off-balance items in a comprehensive manner. Off-balance sheet transactions are managed by the current exposure method. Based on the above, we perform measurement and monitoring of credit risk quantity by quantitatively analyzing past default rates by credit rating.

3. Self-assessment

To make a self-assessment of assets involving credits, we implement self-assessments through strict classification of credits based on obligor categorization linked to credit ratings, in accordance with the "Asset Assessment Regulations" which are based on the former Financial Inspection Manual (abolished December 18, 2019) from the Financial Services Agency.

4. Allowance for loan losses

Allowance for loan losses is provided as follows, pursuant to the rules regarding write-off s/allowances for loan losses:
Claims to normal debtors and debtors requiring caution are classified into specific categories, and the allowance is provided on the basis of the accumulated default ratio released immediately before the assessment day by the external rating agency defined in the Company's guidelines. Additionally, for some debtors, rating evaluations are made using internal rating models, and expected losses are recorded based on macroeconomic scenarios.
For claims to possibly bankrupt debtors, an allowance is provided in the amount deemed necessary, net of the expected amount of disposable collateral and the estimated amount of recoveries from guarantees.
For claims to virtually bankrupt debtors and bankrupt debtors, an allowance is provided for the full amount of such claims, net of the expected amount of disposable collateral and the estimated amount of recoveries from guarantees.

B. Matters Relating to Portfolios to Which the Standardized Approach Is Applied

1. Names of qualified rating agencies, etc. (defined as qualified rating agencies, OECD, and export credit agencies; the same definition applies below.) used to determine the risk weight (including reasons if qualified rating agencies were changed)
In order to determine the risk weight, we use the following four rating agencies as qualified rating agencies for all exposures.
Rating and Investment Information, Inc. (R&I), Japan Credit Rating Agency, Ltd. (JCR), Moody's Investors Service (Moody's), and S&P Global Ratings (S&P)

2. Names of qualified rating agencies used to determine the risk weight of each type of exposures
In order to determine the risk weight of each type of exposure, we use the following four rating agencies as qualified rating agencies for all exposures.
Rating and Investment Information, Inc. (R&I), Japan Credit Rating Agency, Ltd. (JCR), Moody's Investors Service (Moody's), and S&P Global Ratings (S&P)

Ⅳ. Outlines of Credit Risk Mitigation Techniques

From the standpoint of risk management, we take measures to provide coverage for credit exposure by collateral and guarantees to mitigate counterparty credit risk.
In accordance with the Notification on Capital Adequacy, we use (1) eligible financial asset collateral, (2) guarantees or credit derivatives, and (3) netting of loans and deposits held at our bank.
To treat financial assets as collateral against credit such as loans, the credit risk mitigation effect is reflected in a comprehensive approach, calculating credit risk exposure after making adjustments to portions covered by collateral and deducting them from the credit amount. Eligible financial assets include cash, deposits held at our bank, debt securities issued by the sovereigns (governments, central banks, public sector entities), bonds rated BBB- and above by external rating bodies, listed stocks, investment trusts, and other items.
In the case of guarantees and credit derivatives, the credit risk mitigation effect is reflected in the replacement approach whereby the risk weight of exposures to the obligor is replaced with the risk weight of the guarantee or the protection provider. Eligible guarantors and protection providers include central governments, Japanese local authorities and government related organizations, foreign non-central government public sector entities, multilateral development banks, banks and securities companies with a lower risk weight than the original obligors, and companies which are rated by the appropriate rating agencies.
A netting of loans and deposits held at our bank shall be required to meet the following conditions; netting of loans and deposits held at our bank is legally valid, loans and deposits under netting contracts with the same counterparty are always identifiable, the possibility that deposits may not be further maintained at our bank is monitored and managed, and the netted amount is monitored and controlled.

Ⅴ. Outlines of Policies and Procedures for Counterparties of Derivatives and Transactions with a Long-Horizon Settlement Period

In the case of derivatives, we calculate the amount of credit risk assets of counterparties by multiplying the credit-equivalent amount by the risk weight. We employ the current exposure method to calculate the credit-equivalent amount.

1. Policies regarding measures to secure transactions by collateral and allowance calculations

We take appropriate credit enhancement measures according to the creditworthiness of counterparties. We have entered into the ISDA Credit Support Annex (CSA) and the like with some counterparties. As for allowances, we calculate the credit reserves according to the amount of claims, depending on the creditworthiness of counterparties.

2. Possibility providing additional collaterals due to deterioration of our creditworthiness

As for the transactions with ISDA Credit Support Annex (CSA) and the like, an obligation to provide additional collaterals may arise due to deterioration of our creditworthiness, such as a downgrade of our credit rating.

Disclosure based on Pillar III of Basel III – Qualitative Disclosure

Disclosure based on Pillar III of Basel III – Qualitative Disclosure

Ⅵ . Matters Relating to Securitization Exposures

A. Outlines of Risk Management Polices and Procedure
The Nomura Trust and Banking acts as an "investor" in securitization products, but we do not act as an "originator" or as a "servicers."
When we engage in securitization transaction as an "investor," the Risk Management Committee must analyze the investment, assessing the investment policy as well as the associated risks of the investment products and set investment limit. Also reviewing in new investment products or new investment techniques, we will consult with the New Products & Services Review Committee and the Risk Management Committee.
We invest in securitized products with underlying assets such as credit card receivables and similar assets. The securitized products we held carries credit risk and interest rate risk, but this risk is no different from the risk from loan and securities trading. Also there is risk in changing fair value by changes in credit rating and default ratio.

B. Matters relating to management system and operation status stipulated in the Provision of article No. 248-1-1 to 4 of the Notification on Capital Adequacy including cases of mutatis mutandis application in accordance with article No. 302-2-2 of the Notification on Capital Adequacy
We analyze and evaluate the underlying assets, degree of dispersion and the scheme etc. and make a prudent investment decisions when investing in individual securitization products. After the investment the rating agency we appointed will continue monitoring, checking fair value and report to the Risk Management Committee regularly.

C. Policy for securitization transaction used as credit risk mitigation techniques
Not applicable

D. Calculation methods for determining the amount of credit risk asset with regard to securitization exposure
In accordance with the Notification on Capital Adequacy, we evaluate credit risk asset with regard to securitization exposure using an external ratings-based approach.
If we are unable to use the above-mentioned method, we apply a risk weight of 1,250%.

E. Calculation methods for determining the amount of market risk with regard to securitization exposure
We apply exceptional accrual method into the market risk equivalent

F. If conducting securitization transaction relating to a third party's assets by using a special purpose entity by bank, the type of the special purpose entity and whether the bank possesses securitization exposures by such securitization transactions.
Not applicable

G. Names of Bank's subsidiary companies (excluding consolidated subsidiary) or affiliate companies possessing securitization exposures executed by the Bank (including securitization transaction carried out using special purpose entity)
Not applicable

H. Accounting Policies for Securitization Transactions
Each financial asset is treated according to the Accounting Standards for Financial Instruments.

I. Names of eligible external credit assessment institutions used to determine the risk weight by each type of securitization exposure (including reasons if eligible external credit assessment institutions were changed)
In order to determine the risk weight, we use the following four rating agencies as eligible external credit assessment institutions.
Rating and Investment Information, Inc (R&I), Japan Credit Rating Agency (JCR), Moody's Investor Service (Moody's), and S&P Global Ratings (S&P)

J. Summary of internal valuation method for securitization
The bank is not using the internal valuation method for securitization

K. Any significant changes to the quantitative information
Not applicable

Ⅵ -2. Matters Relating to CVA Risk

A. The name of the method used to calculate the CVA risk equivalent amount (referring to SA-CVA, full BA-CVA, reduced BA-CVA, or simplified approach) and an overview of the transactions subject to calculation under each method
The CVA risk equivalent amount is calculated using the "simplified approach" for derivative transactions.

B. Overview of the characteristics of CVA risk and the risk management framework related to CVA (including the policy for hedging CVA risk and the system for continuously monitoring the effectiveness of hedging)
CVA (Credit Valuation Adjustment) risk refers to the price fluctuation risk arising from downward adjustments to the mark-to-market value of derivative transactions when the creditworthiness of a counterparty deteriorates. Regarding CVA risk management, the CVA risk equivalent amount is monitored on a daily basis. Additionally, adjustments reflecting the creditworthiness of counterparties are incorporated into the mark-to-market values of derivatives on a quarterly basis. Although we do not hedge against CVA risk considering its impact, we do plan to take appropriate measures in the event that this risk increases.

C. Matters for institutions adopting SA-CVA
Not applicable

Ⅶ . Matters Relating to Market Risk
Not applicable

Ⅷ . Matters Relating to Operational Risk

A. Outlines of Risk Management Policies and Procedures
Operational risk is defined as the risk of incurring losses owing to inadequate business processes, activities of directors or employees, inadequate or non-functioning systems, or external events. Based on the Integrated Risk Management Regulations, we manage the following risks as operational risks: human resources risk; risks related to IT and information security; risks related to business continuity; transaction processing risk; risks related to financial reporting and taxation; fraud risk; risks related to the Prudential Risk Framework; third-party risk; compliance risk; and legal risk.
Furthermore, the Corporate Risk Management Department manages operational risk comprehensively, while each specialized department manages specific risks in its jurisdiction.

■ Departments in Charge of Each Operational Risk (as of March 31, 2026)

Operational Risk	Human resources risk	Human Resource Department
	Risks related to IT and information security	IT Strategy Department
	Risks related to business continuity	Corporate Planning Department
	Transaction processing risk	Corporate Risk Management Department
	Risks related to financial reporting and taxation	Controller's Department
	Fraud risk	Compliance Control Department
	Risks related to the Prudential Risk Framework	Corporate Risk Management Department
	Third-party risk	Corporate Risk Management Department
	Compliance risk	Compliance Control Department
	Legal risk	Compliance Control Department

B. Calculation method of BI
BI (Business Indicator) is calculated based on the provisions of Article 305 of the Notification on Capital Adequacy.

C. Calculation method of ILM
ILM (Internal Loss Multiplier) is set to "1" based on the provisions of Article 306-1-3 of the Notification on Capital Adequacy.

D. Business units, if any, excluded from the calculation of the BI in the calculation of the operational risk equivalent amount
Not applicable

E. Special losses, if any, excluded from the calculation of the ILM in the calculation of the operational risk equivalent amount
Not applicable

Ⅸ . An overview of the risk management policies and procedures related to exposures to equities subject to the calculation of credit risk assets and to exposures equivalent in nature to equities as defined in the provisions of Article 76-2 of the Notification on Capital Adequacy, or equity exposures (hereinafter referred to as "investments and equities exposures"). This includes the criteria for determining risk weights related to investments in real estate investment corporations (as defined in Article 2, Paragraph 12 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951)) that aim to invest in real estate (hereinafter referred to as "real estate investment corporations") and investments similar thereto.

Disclosure based on Pillar III of Basel III – Qualitative Disclosure

Decisions to hold investments and equities exposures are made after approved by Risk Management Committee or another equivalent committee, depending on their purpose and amount, etc., based on the Approval Authorization Regulations, the Credit Authorization Management Regulations and the like.
As for an individual investment, we recognize and manage its risk using the VaR Approach, Net Asset Approach or the like, depending on the investment attributes and the style.
In the accounting procedures, we follow the Companies Act, the Banking Act of Japan, the Corporate Accounting Principles, "Ordinance on Accounting of Companies," "Accounting Guidelines for Banks" announced by the Japanese Bankers Association, and other generally-accepted standards.
Because we adopt the Standardized Approach to measure the amount of credit risks under Basel requirements, we accordingly apply risk weights to equity exposures of the stocks, etc. which are not material investments, based on the following categories:

(i) Speculative unlisted equity
(ii) Equity not falling under category (i)

For investments in real estate investment corporations and similar investments, risk weights are determined as equity exposures.

X . Matters Relating to interest Rate Risks (excluding those subject to the calculation of market risk equivalent amounts)

A. Outlines of Risk Management Policies and Procedures
As for the interest rate risk, we calculate this based on the Notification on Capital Adequacy, in accordance with the Capital Management Regulations and the Market Risk Management Regulations. As for the risk management procedures for interest-sensitive assets and liabilities in the banking account, the status of interest risk and the like are reported to the Risk Management Committee and the future management policies for assets and liabilities as well as other related issues are reviewed and determined.

B. Outlines of Methods Used to Calculate Interest Rate Risks
(1) Outlines of Risk Management Policies and Procedures

(a) Definition of Interest Rate Risk and Subject of Risk Management and Measurement
Interest rate risk is defined as: "The risk of loss resulting from changes in interest rates. As a result of a mismatch of interest rates on its assets and liabilities and/or timing differences in the maturity thereof, a financial institution may suffer a loss or a decline in profit due to changes in interest rates."
At the Nomura Trust and Banking, rate sensitive assets and liabilities, and off-balance-sheet transactions are subject to risk management and measurement.

(b) Risk Management and Mitigation Policies
As for the risk management procedures for interest-sensitive assets and liabilities in the banking account and for off-balance-sheet transactions, the status of interest risk is properly reported to the Risk Management Committee and other relevant organizations, and the future management policies for assets, liabilities, and off-balance-sheet transactions, as well as other related issues are reviewed and determined.

(c) Interest Rate Risk Measurement Frequency
Interest rate risk is measured daily with the previous business day as the base date.

(d) Interest Rate Risk Mitigation Techniques Including Hedging
For the purpose of managing the risk of changes in market values, we use interest rate swaps to hedge securities and loans. As for the accounting treatment of hedging instruments, we apply hedge accounting (deferral hedge using individual hedges). The exceptional accrual method for interest rate swaps is applied for certain individual hedges.

(2) Outlines of Methods Used to Calculate Interest Rate Risks

(a) Matters Relating to Changes in Economic Value of Equity (⊿ EVE) and Net Interest Income (⊿ NII) Subject to Quantitative Disclosures under Disclosure Notification, and Relating to Interest Rate Risks to be Disclosed by Banks in Addition Thereto

(i) Average Maturity of Interest Rate Revision Assigned to Liquid Deposits
The average maturity of the interest rate revision assigned to all liquid deposits was 2.370 years as of March 31, 2026.

(ii) The Longest Maturity of Interest Rate Revision Assigned to Liquid Deposits
The longest maturity of interest rate revision assigned to all liquid deposits was 4.5 years.

(iii) Method and Assumptions for Maturity Assignment for Liquid Deposits
We use an internal model for estimating the balances and holding periods of core deposits.

(iv) Assumptions for Prepayments of Fixed Interest Rate Loans and Cancellations of Time Deposits before Maturity
As for the ratios of prepayments of loans and cancellations of time deposits before maturity, we use values specified by the Financial Services Agency.

(v) Aggregation Method and Assumptions for Multiple Currencies
In calculating interest risk, we target all applicable currencies and use a conservative method for aggregation without taking into account the correlations between currencies. From an importance perspective, we calculate the interest rate risk for certain currencies by translating them into other currencies for aggregation.

(vi) Assumptions for Spreads
We include spreads in the interest for statements of cash flows prepared. Conversely, a risk-free rate is used as the discount interest rate.

(vii) Other Assumptions Having Significant Effects on ⊿ EVE and ⊿ NII, such as Use of Internal Models
Not applicable

(viii) Explanation Regarding Changes from Disclosure at the End of the Previous Fiscal Year
⊿ EVE increased under the upward parallel shift scenario, mainly due to the offsetting of interest rate risk on the funding side arising from an increase in the amount of interest rate risk in loans and securities.

(ix) Explanation Regarding the Interpretation and Importance of Values Measured
We think our ⊿ EVE is appropriate for interest risk management purposes.

(b) Following Matters Relating to Interest Rate Risk Measured by Bank for the Purpose of Capital Adequacy Evaluation, Stress Testing, Risk Management, Income Management, Business Decision-Making or Other Purpose Other Than Changes in Economic Value of Equity (⊿ EVE) and Net Interest Income (⊿ NII) Subject to Quantitative Disclosures under Disclosure Notification

(i) Explanation Regarding Interest Rate Shock
We use VaR to calculate the quantity of market price change risk from interest rates. In calculating VaR, we use, as interest rate shock, the expected maximum change calculated with interest rate data from the past two years.

(ii) Interest Rate Risk Measurement Assumptions and their Meaning
For VaR, we apply the historical method and use an index volume-weighted average to assign weights to changes calculated with data from the past two years. We then use the 1st percentile value as interest rate shock. We apply a holding period of 20 days.

Disclosure based on Pillar III of Basel III – Qualitative Disclosure

Disclosure based on Pillar III of Basel III – Quantitative Disclosure

Quantitative Disclosure

Under the Notification of the Financial Services Agency, The Nomura Trust and Banking calculates the non-consolidated capital adequacy ratio based on the domestic standard. We use the Standardized Approach to measure credit risks. To measure the operational risk amount we use the Standardized Approach since March 31, 2025.

Ⅰ. Matters Relating to Capital Adequacy

A. Amount of Credit Risk Asset and Required Capital against Credit Risk and Breakdown by Portfolio to Which the Standardized Approach Is Applied

(Millions of yen)

Breakdown by Portfolio		March 31,2025		March 31,2026	
		Amount of credit risk assets	Amount of Required Capital	Amount of credit risk assets	Amount of Required Capital
The Standardized Approach	Claims on multilateral development banks	538	21	—	—
	Claims on Japan Finance Organization for Municipalities	1,541	61	—	—
	Claims on Japanese government-affiliated organizations	1,886	75	1,536	61
	Claims on financial institutions, Type I financial instruments business operators and insurance companies	9,771	390	9,174	366
	(of which: Claims on Type I financial instruments business operators and insurance companies)	3,619	144	2,465	98
	Claims on corporations (including specified loan claims)	359,350	14,374	386,915	15,476
	Claims on small and medium enterprises and individuals	134,328	5,373	161,885	6,475
	Claims on real estate-related properties	6,001	240	6,001	240
	(of which: Claims on ADC)	6,001	240	6,001	240
	Subordinated claims and other capital instruments	400	16	500	20
	Past due loans (excluding Residential mortgages)	—	—	2	0
	Equities	1,861	74	2,419	96
	Other	28,486	1,139	41,514	1,660
	Securitization	200	8	157	6
	Exposures to Which Regarded Calculation of Risk Weight is Applied	309	12	366	14
Total		544,675	21,787	610,474	24,418

B. Amount of Credit Risk Asset and Required Capital against Credit Risk Concerning Equity Exposures in portfolios to Which the IRB Approach Is Applied

Not applicable.

C. Amount of Credit Risk Asset and Required Capital for Different Exposure Categories against Credit Risk Concerning Exposures to Which Regarded Calculation of Risk Weight or Regarded Calculation of Credit Risk Asset is Applied

(Millions of yen)

Exposure Categories	March 31,2025		March 31,2026	
	Amount of credit risk assets	Amount of Required Capital	Amount of credit risk assets	Amount of Required Capital
Exposures for which ratios calculated in accordance with Article 76-5, Section 2 of the Notification on Capital Adequacy are used as the risk weights	—	—	—	—
Exposures for which ratios calculated in accordance with Article 76-5, Section 6 of the Notification on Capital Adequacy are used as the risk weights	—	—	—	—
Exposures for which ratios stipulated in Article 76-5, Section 9, Item 1 of the Notification on Capital Adequacy are used as the risk weights	—	—	—	—
Exposures for which ratios stipulated in Article 76-5, Section 9, Item 2 of the Notification on Capital Adequacy are used as the risk weights	—	—	—	—
Exposures for which risk weights in Article 76-5, Section 10 of the Notification on Capital Adequacy are used	309	12	366	14

Amount of Required Capital against Credit Risk Concerning Exposures to Which the Related-Method Are Applied

Not applicable.

D. Amount obtained by dividing the CVA risk equivalent amount by 8%, and the Required Capital for CVA risk

(Millions of yen)

	March 31,2025		March 31,2026	
	Amount obtained by dividing the CVA risk equivalent amount by 8%	Amount of Required Capital	Amount obtained by dividing the CVA risk equivalent amount by 8%	Amount of Required Capital
CVA risk	4,413	353	5,634	450
SA-CVA	—	—	—	—
full BA-CVA	—	—	—	—
reduced BA-CVA	—	—	—	—
simplified approach	4,413	353	5,634	450

E. Matters Related to Market Risk

Not applicable.

F. Amount obtained by dividing the Total Operational Risk equivalent amount by 8%, the Required Capital for operational risk, and the amounts of BI and BIC

(Millions of yen)

	March 31,2025	March 31,2026
Amount obtained by dividing the total operational risk equivalent amount by 8%	41,601	45,191
Amount of Required Capital for operational risk	3,328	3,615
BI	27,734	30,127
BIC	3,328	3,615

G. Total Amount of Non-Consolidated Risk Assets and Non-Consolidated Total Required Capital

(Millions of yen)

	March 31,2025	March 31,2026
Total Amount of Non-Consolidated Risk Assets	590,690	661,300
Non-Consolidated Total Required Capital	23,627	26,452

Ⅱ. Matters Relating to Credit Risk (Excluding Exposures to which Regarded Calculation of Risk Weight is Applied and Securitization Exposures)

A. Balance of Exposures Related to Credit Risk and Breakdown by Type

B. Breakdown of Amount by Category and Breakdown of Exposure by Type

Disclosure based on Pillar III of Basel III – Quantitative Disclosure

■ Balances of Exposures Related to Credit Risk
(By area, industry, and duration)

(Millions of yen)

		March 31,2026				
		Securities	Loans	Derivatives	Others	Total
By area and industry	Manufacturing	9,900	12,216	—	37	**22,154**
	Construction	1,198	380	—	2	**1,580**
	Electricity, gas, heat supply and water	4,637	3,587	—	10	**8,234**
	Communication and information services	—	15,000	—	21	**15,021**
	Transport	4,998	11,703	—	33	**16,735**
	Wholesale and retail	2,739	7,837	—	12	**10,588**
	Finance and insurance	14,129	23,786	9,991	103,937	**151,845**
	Real estate	1,861	84,595	—	78	**86,535**
	Goods rental and leasing	—	5,000	23	0	**5,023**
	Various services	—	383,519	—	440	**383,959**
	Government and local authorities	351,604	—	—	745,686	**1,097,290**
	Other	224	608,756	—	43,038	**652,020**
	Domestic	391,293	1,156,382	10,015	893,298	**2,450,990**
	Overseas	46,065	20,019	1,320	8,375	**75,780**
	Total	437,359	1,176,402	11,336	901,673	**2,526,771**
By duration	Due in 1 year or less	101,161	1,092,764	6,499	898,081	**2,098,507**
	Due over 1 year to 3 years	148,907	43,792	2,003	—	**194,703**
	Due over 3 years to 5 years	154,636	28,569	169	2,160	**185,535**
	Due over 5 years to 7 years	—	8,761	61	—	**8,823**
	Due over 7 years	30,548	2,513	2,602	—	**35,665**
	With no maturity	2,103	—	—	1,432	**3,536**
	Total	437,359	1,176,402	11,336	901,673	**2,526,771**

(Millions of yen)

		March 31,2025				
		Securities	Loans	Derivatives	Others	Total
By area and industry	Manufacturing	4,900	8,494	—	5	**13,399**
	Construction	800	380	—	2	**1,182**
	Electricity, gas, heat supply and water	3,889	3,665	—	6	**7,562**
	Communication and information services	—	15,000	—	21	**15,021**
	Transport	8,060	11,803	—	54	**19,918**
	Wholesale and retail	2,391	9,165	—	7	**11,564**
	Finance and insurance	22,844	27,008	6,152	93,599	**149,604**
	Real estate	1,861	65,390	—	46	**67,299**
	Goods rental and leasing	—	9,820	—	1,209	**11,029**
	Various services	—	336,363	—	319	**336,682**
	Government and local authorities	223,577	—	—	543,544	**767,122**
	Other	408	532,235	—	29,329	**561,974**
	Domestic	268,733	1,019,327	6,152	668,148	**1,962,361**
	Overseas	52,030	24,106	3,816	5,984	**85,937**
	Total	320,764	1,043,434	9,969	674,132	**2,048,299**
By duration	Due in 1 year or less	79,393	964,068	5,703	671,271	**1,720,437**
	Due over 1 year to 3 years	84,443	39,561	1,460	600	**126,065**
	Due over 3 years to 5 years	116,711	23,193	158	1,560	**141,623**
	Due over 5 years to 7 years	7,370	11,771	40	—	**19,181**
	Due over 7 years	30,559	4,840	2,606	—	**38,006**
	With no maturity	2,285	—	—	700	**2,985**
	Total	320,764	1,043,434	9,969	674,132	**2,048,299**

C. Balances of Exposure Overdue or at Default and Breakdown by Category
(By area and industry)

(Millions of yen)

	March 31,2026				
	Securities	Loans	Derivatives	Others	Total
Other	—	1	—	—	**1**
Domestic subtotal	—	1	—	—	**1**
Overseas	—	—	—	—	**—**
Total	—	1	—	—	**1**

There were no applicable items as of the end of the fiscal year ended March 31, 2025.

D. General Allowance for Credit Losses, Specific Allowance for Credit Losses and Allowance for Loans to Specific Foreign Borrowers

■ Balances of General Allowance for Loan Losses

(Millions of yen)

March 31,2025		March 31,2026	
	Against March 31, 2024		Against March 31, 2025
891	89	343	(548)

■ Balances of Specific Allowance for Loan Losses
(By area and industry)

(Millions of yen)

		March 31,2025		March 31,2026	
			Against March 31, 2024		Against March 31, 2025
By area and industry	Other	—	(288)	—	—
	Domestic subtotal	—	(288)	—	—
	Overseas	—	—	—	—
	Total	—	(288)	—	—

Allowance for loans to specific foreign borrowers are not applicable as of March 31, 2025 and March 31, 2026.

E. Amount of Written-Off of Loans by Industry or Counterparty
Not applicable.

F. Breakdown by Risk Weight Category and by Portfolio Category for Exposures to Which the Standardized Approach Applies and That Fall under the Provisions of Articles 55–76 and Article 77-2 of the Notification on Capital Adequacy

(Millions of yen)

items	March 31,2026					
	Before applying CCF and credit risk mitigation effects		After applying CCF and credit risk mitigation effects			Weighted average of risk weights
	On-balance sheet	Off-balance sheet	On-balance sheet	Off-balance sheet	Amount of credit risk assets	
Claims on Japanese central governments and central banks	900,443	–	900,443	–	–	0%
Claims on foreign central governments and central banks	36,539	–	36,539	–	–	0%
Claims on Japanese local governments	196,847	–	196,847	–	–	0%
Claims on Japanese government-affiliated organizations	12,953	–	12,953	–	1,536	12%
Claims on financial institutions, Type I financial instruments business operators and insurance companies	130,511	23,815	29,194	20,575	9,174	18%
(of which, Claims on Type I financial instruments business operators and insurance companies)	102,572	5,400	6,904	2,160	2,465	27%
Claims on corporations(including specified loan claims)	993,035	254,754	395,238	19,970	386,915	93%
Claims on small and medium enterprises and individuals	204,382	229,942	203,452	12,394	161,885	75%
Claims on real estate-related properties	4,000	–	4,000	–	6,001	150%
(of which, Claims on ADC)	4,000	–	4,000	–	6,001	150%
Subordinated claims and other capital instruments	400	–	400	–	500	125%
Past due loans (excluding Residential mortgages)	1	–	1	–	2	150%
Equities	1,861	–	1,861	–	2,419	130%
Total	2,480,977	508,512	1,780,932	52,940	568,435	31%

(Millions of yen)

items	March 31,2025					
	Before applying CCF and credit risk mitigation effects		After applying CCF and credit risk mitigation effects			Weighted average of risk weights
	On-balance sheet	Off-balance sheet	On-balance sheet	Off-balance sheet	Amount of credit risk assets	
Claims on Japanese central governments and central banks	631,255	–	631,255	–	–	0%
Claims on foreign central governments and central banks	35,853	–	35,853	–	–	0%
Claims on Japanese local governments	135,867	–	135,867	–	–	0%
Claims on multilateral development banks	2,691	–	2,691	–	538	20%
Claims on Japan Finance Organization for Municipalities	8,805	–	8,805	–	1,541	18%
Claims on Japanese government-affiliated organizations	14,721	–	14,721	–	1,886	13%
Claims on financial institutions, Type I financial instruments business operators and insurance companies	99,821	43,875	32,933	40,635	9,771	13%
(of which, Claims on Type I financial instruments business operators and insurance companies)	73,922	5,400	10,871	2,160	3,619	28%
Claims on corporations(including specified loan claims)	886,466	328,350	369,722	22,129	359,350	92%
Claims on small and medium enterprises and individuals	173,255	74,633	172,250	6,866	134,328	75%
Claims on real estate-related properties	4,000	–	4,000	–	6,001	150%
(of which, Claims on ADC)	4,000	–	4,000	–	6,001	150%
Subordinated claims and other capital instruments	400	–	400	–	400	100%
Equities	1,861	–	1,861	–	1,861	100%
Total	1,994,999	446,859	1,410,362	69,631	515,679	35%

G. Amount of Exposures by Portfolio Category and Breakdown by Risk Weight Category for Exposures to Which the Standardized Approach Applies and That Fall Under the Provisions of Articles 55–76 and Article 77-2 of the Notification on Capital Adequacy

(Millions of yen)

items	March 31,2026										
	Exposures after applying CCF and credit risk mitigation effects										
	0%	10%	20%	30%	50%	75%	100%	150%	250%	Others	Total
Claims on Japanese central governments and central banks	900,443	–	–	–	–	–	–	–	–	–	900,443
Claims on foreign central governments and central banks	36,539	–	–	–	–	–	–	–	–	–	36,539
Claims on Japanese local governments	196,847	–	–	–	–	–	–	–	–	–	196,847
Claims on Japanese government-affiliated organizations	–	10,538	2,415	–	–	–	–	–	–	–	12,953
Claims on financial institutions, Type I financial instruments business operators and insurance companies	18,415	–	13,803	15,829	82	576	1,062	–	–	–	49,769
(of which, Claims on Type I financial instruments business operators and insurance companies)	–	–	2,734	6,294	0	–	35	–	–	–	9,064
Claims on corporations (including specified loan claims)	962	450	27,284	–	22,285	–	352,131	12,092	–	–	415,208
Claims on small and medium enterprises and individuals	–	–	–	–	–	215,846	–	–	–	–	215,846
Claims on real estate-related properties	–	–	–	–	–	–	–	4,000	–	–	4,000
(of which, Claims on ADC)	–	–	–	–	–	–	–	4,000	–	–	4,000
Subordinated claims and other capital instruments	–	–	–	–	–	–	–	400	–	–	400
Past due loans (excluding Residential mortgages)	–	–	–	–	–	–	–	1	–	–	1
Equities	–	–	–	–	–	–	–	–	1,861	–	1,861

(Millions of yen)

items	March 31,2025										
	Exposures after applying CCF and credit risk mitigation effects										
	0%	10%	20%	30%	50%	75%	100%	150%	250%	Others	Total
Claims on Japanese central governments and central banks	631,255	–	–	–	–	–	–	–	–	–	631,255
Claims on foreign central governments and central banks	35,853	–	–	–	–	–	–	–	–	–	35,853
Claims on Japanese local governments	135,867	–	–	–	–	–	–	–	–	–	135,867
Claims on multilateral development banks	–	–	2,691	–	–	–	–	–	–	–	2,691
Claims on Japan Finance Organization for Municipalities	–	2,199	6,605	–	–	–	–	–	–	–	8,805
Claims on Japanese government-affiliated organizations	–	10,575	4,145	–	–	–	–	–	–	–	14,721
Claims on financial institutions, Type I financial instruments business operators and insurance companies	38,475	–	12,579	19,894	2,256	–	280	82	–	–	73,568
(of which, Claims on Type I financial instruments business operators and insurance companies)	–	–	3,086	8,074	1,871	–	–	–	–	–	13,031
Claims on corporations (including specified loan claims)	1,201	550	27,248	–	17,657	16,589	320,659	7,943	–	–	391,851
Claims on small and medium enterprises and individuals	–	–	–	20	–	179,096	–	–	–	–	179,116
Claims on real estate-related properties	–	–	–	–	–	–	–	4,000	–	–	4,000
(of which, Claims on ADC)	–	–	–	–	–	–	–	4,000	–	–	4,000
Subordinated claims and other capital instruments	–	–	–	–	–	–	–	400	–	–	400
Equities	–	–	–	–	–	–	–	–	1,861	–	1,861

For subordinated claims and other capital instruments and equities, the risk weight categories are presented based on a fully implemented basis, rather than the actual risk weight categories corresponding to the transitional measures.

H. Breakdown by Risk Weight Category of Exposures to Which the Provisions of Articles 55–76 and Article 77-2 of the Notification on Capital Adequacy Apply among Exposures Subject to the Standardized Approach

(Millions of yen)

Risk Weight Category	March 31,2025				March 31,2026			
	Exposure Before Applying CCF and Credit Risk Mitigation Effects		Weighted Average Value of CCF	Exposure After Applying CCF and Credit Risk Mitigation Effects	Exposure Before Applying CCF and Credit Risk Mitigation Effects		Weighted Average Value of CCF	Exposure After Applying CCF and Credit Risk Mitigation Effects
	On-Balance Sheet Asset Items	On-Balance Sheet Asset Items			On-Balance Sheet Asset Items	On-Balance Sheet Asset Items		
less than 40%	955,388	43,925	93%	929,164	1,304,267	23,815	86%	1,223,530
40% ～ 70%	18,154	4,400	40%	19,914	21,807	1,400	40%	22,367
75%	189,844	73,607	10%	195,686	204,960	248,370	10%	216,732
90% ～ 100%	791,672	323,950	10%	320,939	915,613	234,155	11%	352,892
150%	38,077	976	10%	12,427	32,466	770	10%	16,493
250%	1,861	—	—	1,861	1,861	—	—	1,861
Total	1,994,999	446,859	19%	1,479,993	2,480,977	508,512	14%	1,833,879

For subordinated claims and other capital instruments and equities, the risk weight categories are presented based on a fully implemented basis, rather than the actual risk weight categories corresponding to the transitional measures.

I. Among the Exposures to Which the IRB Approach Is Applied, Balances of Specialized Lending Exposures Subject to Supervisory Slotting Criteria and Equity Exposures Subject to the Market-Based Simplified Approach by Risk Weight Category in the Case Where the Risk Weight as Stipulated in the Article 153-3, Article 153-5, and Article 166-4 of the Notification on Capital Adequacy Is Applied

Not applicable.

J. Matters Relating to Portfolio to Which the IRB Approach Is Applied

Not applicable.

K. Actual Credit Losses in the Current Period and Year On Year Change and Its Factors by Corporate, Sovereign and Bank Exposures under the IRB Approach and Equity, Residential Mortgage, Qualified Revolving Retail and other Retail Exposures under the PD/LGD Approach

Not applicable.

L. Estimated and actual Credit losses over Long Periods by Corporate, Sovereign and Bank Exposures under the IRB Approach and Equity, Residential Mortgage, Qualified Revolving Retail and other Retail Exposures under the PD/LGD Approach

Not applicable.

III. Matters Relating to Credit Risk Mitigation Techniques

A. For a Portfolio under the Standardized Approach, Amount of Exposures to Which Credit Risk Mitigation Techniques by Eligible Financial Asset Collaterals Are Applied (Limited to the portion for which credit risk reduction methods are taken into account.)

(Millions of yen)

March 31,2025	March 31,2026
514,504	611,420

B. For a Portfolio under the Standardized Approach or the IRB Approach, Amount of Exposures to Which the Guarantees or Credit Derivatives Are Applied (Limited to the portion for which credit risk reduction methods are taken into account.)

For a portfolio under the Standardized Approach, amounts of exposures to which the guarantees were applied were 6,220 million yen as of the end of March 2026. These amounts were calculated based on the replacement approach.

IV. Items Pertaining to Counterparty Risk on Derivative Transactions and Long-Settlement Transactions

(Millions of yen)

	March 31,2025			March 31,2026		
	Gross Replacement Cost	Gross Add-On	Credit-Equivalent Amount	Gross Replacement Cost	Gross Add-On	Credit-Equivalent Amount
Gross Credit-Equivalent Amount (Before Credit Risk Mitigating Effect is Recognized)	16,223	13,348	29,571	17,722	12,469	30,191
Derivative Transactions	16,223	13,348	29,571	17,722	12,469	30,191
Forex and Gold-Related	11,146	7,381	18,528	10,239	6,609	16,849
Interest Rate-Related	5,077	5,966	11,043	7,482	5,860	13,342
Long-Settlement Transactions	—	—	—	—	—	—
Credit-Equivalent Amount Reduction Effect Through Close-Out Netting Agreement	(13,428)	(6,173)	(19,602)	(13,317)	(5,537)	(18,855)
Net Credit-Equivalent Amount (Before Credit Risk Mitigating Effect is Recognized)			9,969			11,336
Eligible Financial Collateral Associated			1,192			232
Cash and own bank deposits			109			61
Bonds			1,083			171
Net Credit-Equivalent Amount (After Credit Risk Mitigating Effect is Recognized)			8,776			11,103

(Note) 1. The credit-equivalent amount is calculated by applying the current-exposure method.
2. Does not apply to credit derivatives trading

Disclosure based on Pillar III of Basel III – Quantitative Disclosure

V . Matters Relating to Securitization Transaction

A. Matters Relating to Securitization Exposures Originated by the Bank
Not applicable.

B. Matters Relating to Securitization Exposures in Which the Bank Invests

1. Amount of securitization exposures held and breakdown of major underlying assets by type

(Millions of yen)

Type of Underlying Assets	Amounts of Exposures March 31, 2025		Amounts of Exposures March 31, 2026	
		Re-Securitization		Re-Securitization
Claims on credit and credit cards	1,000	—	787	—
Total	1,000	—	787	—

2. Balance and amount of required capital of securitization exposures held by appropriate risk weight category

(Millions of yen)

Risk Weight	March 31, 2025				March 31, 2026			
	Balance		Required Capital		Balance		Required Capital	
		Re-Securitization		Re-Securitization		Re-Securitization		Re-Securitization
20%	1,000	—	8	—	787	—	6	—
Total	1,000	—	8	—	787	—	6	—

3. A breakdown of the amount of securitization exposures, for which 1,250% of risk weight is applied in accordance with Article 248, as well as Article 248, Section 4, Item 1-1 and Article 248, Section 4, Item 1-2, of the Notification on Capital Adequacy, and by types of categories of original asset
Not applicable.

4. Breakdown of re-securitization exposure to apply for credit risk mitigation technique and to apply for Guarantor or appropriate guarantor
Not applicable.

C. Matters relating to calculate the market risk amount regard to securitization exposure in which the Bank originates
Not applicable.

D. Matters relating to calculate the market risk amount regard to securitization exposure in which the Bank invests
Not applicable.

V-2. Matters Related to CVA Risk
BA-CVA and SA-CVA are not used.

VI . Matters Relating to Market Risk
Not applicable.

VII . Matters Relating to Capital Subscriptions or Equity Exposures

1. Balance Sheet Amounts of Investments or Equity Exposures

(Millions of yen)

	March 31, 2025	March 31, 2026
Balance Sheet Amounts	1,861	1,861
of which: Listed Equity Exposures	—	—
of which: Others	1,861	1,861

2. Amounts of Profits and Losses Arising from the Sale and Write-Off of Investments or Equity Exposures
Not applicable.

3. Amount of Unrealized Profits and Losses Recognized on the Balance Sheet but Not Recognized in the Income Statement
The Unrealized Profits and Losses Recognized on the Balance Sheet but Not Recognized in the Income Statement is 354 million yen.

4. Amount of Unrealized Profits and Losses Not Recognized on the Balance Sheet or the Income Statement
Not applicable.

VIII. Amounts of Exposures to which Regarded Calculation of risk weights are Applied as Shown for Different Exposure Categories

(Millions of yen)

Exposure Categories	Amount as of March 31, 2025	Amount as of March 31, 2026
Exposures for which ratios calculated in accordance with Article 76-5, Section 2 of the Notification on Capital Adequacy are used as the risk weights	—	—
Exposures for which ratios calculated in accordance with Article 76-5, Section 6 of the Notification on Capital Adequacy are used as the risk weights	—	—
Exposures for which ratios stipulated in Article 76-5, Section 9, Item 1 of the Notification on Capital Adequacy are used as the risk weights	—	—
Exposures for which ratios stipulated in Article 76-5, Section 9, Item 2 of the Notification on Capital Adequacy are used as the risk weights	—	—
Exposures for which risk weights in Article 76-5, Section 10 of the Notification on Capital Adequacy are used	24	29

Amount of exposures to which regarded calculation of risk assets used is applied
Not applicable

Disclosure based on Pillar III of Basel III – Quantitative Disclosure

IX. Matters Relating to Interest Rate Risk

(Millions of yen)

Interest Rate Risk					
Order		A	B	C	D
		⊿EVE		⊿NII	
		March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026
1	Upward parallel shift	1,219	1,531	3,593	6,685
2	Downward parallel shift	4,106	12	546	(3,509)
3	Steepening	0	224		
4	Flattening	864	621		
5	Short-term interest rate rise	883	1,162		
6	Short-term interest rate decline	1,590	14		
7	Maximum value	4,106	1,531	3,593	6,685
		E		F	
		End of March 2025		End of March 2026	
8	Regulatory capital	86,571		103,966	

X. Matters Related to the Comparison between the IRB Approach and the Standardized Approach

Not applicable.

XI. Matters Related to the Comparison between the Expected Exposure Method (Which Refers to the Calculation of the Credit Equivalent Amount as Prescribed in Provisions of Article 79-3 of the Notification on Capital Adequacy) and SA-CCR

Not applicable.

XII. Matters Related to the Comparison between the Internal Model Approach and the Standardized Approach or Simplified Approach

Not applicable.