The Depository Trust & Clearing Corporation

Consolidated Financial Statements (Unaudited) as of June 30, 2026 and December 31, 2025 and for the three and six months ended June 30, 2026 and 2025

THE DEPOSITORY TRUST & CLEARING CORPORATION

TABLE OF CONTENTS

THE DEPOSITORY TRUST & CLEARING CORPORATION

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED)

(In thousands, except share data)	As of June 30, 2026	As of December 31, 2025
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 18,887,184	$ 16,181,735
Participants' segregated cash	11,670	1,000
Short-term investments	1,025,000	1,125,000
Accounts receivable - net of allowance for credit losses	263,714	258,600
Participants' and Clearing Funds	128,307,664	112,627,487
Other Participants' assets	6,402,791	656,734
Other current assets	256,558	264,648
Total current assets	155,154,581	131,115,204
NON-CURRENT ASSETS:		
Premises and equipment - net of accumulated depreciation of $292,112 and $270,652 as of June 30, 2026 and December 31, 2025, respectively	258,640	243,745
Goodwill	57,699	57,699
Intangible assets - net of accumulated amortization of $725,101 and $679,262 as of June 30, 2026 and December 31, 2025, respectively	274,275	260,770
Operating lease right-of-use-asset	113,072	121,546
Other non-current assets	739,550	736,949
Total non-current assets	1,443,236	1,420,709
TOTAL ASSETS	$ 156,597,817	$ 132,535,913
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Commercial paper - net of unamortized discount	$ 9,855,919	$ 9,114,409
Long-term debt, current portion	1,147,108	624,130
Pension and postretirement benefits	8,277	8,277
Operating lease liability	19,360	19,344
Accounts payable and accrued expenses	260,453	217,970
Participants' and Clearing Funds	128,307,664	112,627,487
Payable to Participants	6,414,461	657,734
Other current liabilities	261,383	351,539
Total current liabilities	146,274,625	123,620,890
NON-CURRENT LIABILITIES:		
Long-term debt	5,121,974	3,583,990
Pension and postretirement benefits	90,969	91,948
Operating lease liability	119,718	126,102
Other non-current liabilities	287,126	257,865
Total non-current liabilities	5,619,787	4,059,905
Total liabilities	151,894,412	127,680,795
COMMITMENTS AND CONTINGENCIES (Note 2)		
SHAREHOLDERS' EQUITY		
Preferred stock:		
Series A, $0.50 par value - 10,000 shares authorized, issued (above par), and outstanding	300	300
Series B, $0.50 par value - 10,000 shares authorized, issued (above par), and outstanding	300	300
Series D, $0.50 par value - 2,000 shares authorized, issued (above par), and outstanding	—	490,900
Common stock, $100 par value - 80,000 shares authorized, 50,908 shares issued and outstanding	5,091	5,091
Additional paid-in capital	411,065	411,065
Retained earnings	4,324,339	3,982,130
Accumulated other comprehensive loss, net of tax	(187,690)	(184,668)
Non-controlling interests	150,000	150,000
Total shareholders' equity	4,703,405	4,855,118
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 156,597,817	$ 132,535,913

The Notes to Consolidated Financial Statements are an integral part of these statements.

THE DEPOSITORY TRUST & CLEARING CORPORATION

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(In thousands)	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
REVENUES				
Settlement and asset services	$ 181,858	$ 156,895	$ 356,648	$ 315,920
Clearing services	400,095	326,523	783,524	628,915
Matching services	89,228	82,832	177,309	164,887
Repository and derivatives services	99,447	94,001	192,062	182,959
Wealth management services	34,644	33,271	69,124	66,566
Data and other services	12,911	13,562	24,476	26,273
Investment income, net	8,754	6,605	7,314	5,429
Total revenues	826,937	713,689	1,610,457	1,390,949
EXPENSES				
Employee compensation and related benefits	281,523	261,346	556,625	521,446
Information technology	95,031	75,715	184,402	151,110
Professional and other services	133,217	125,150	252,864	247,365
Occupancy	16,420	27,023	34,591	42,241
Depreciation and amortization	37,230	47,169	74,748	91,759
General and administrative	15,507	12,528	31,101	25,274
Impairment of intangible assets	1,147	—	1,626	—
Total expenses	580,075	548,931	1,135,957	1,079,195
Total operating income	246,862	164,758	474,500	311,754
NON-OPERATING INCOME (EXPENSE)				
Interest income	574,403	599,092	1,050,235	1,200,192
Refunds to Participants	(419,328)	(420,810)	(745,643)	(833,392)
Interest expense	(151,515)	(151,395)	(295,068)	(309,900)
Other non-operating income (expense), net	8,124	(7,593)	16,130	3,754
Total non-operating income	11,684	19,294	25,654	60,654
Income before taxes	258,546	184,052	500,154	372,408
Provision for income taxes	71,332	49,277	135,127	99,693
Net income	187,214	134,775	365,027	272,715
Net income attributable to non-controlling interests	5,280	6,420	5,280	6,420
Net income attributable to DTCC	$ 181,934	$ 128,355	$ 359,747	$ 266,295

The Notes to Consolidated Financial Statements are an integral part of these statements.

THE DEPOSITORY TRUST & CLEARING CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

(In thousands)	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Net income	$ 187,214	$ 134,775	$ 365,027	$ 272,715
OTHER COMPREHENSIVE INCOME (LOSS) - Net of tax:				
Foreign currency translation	229	4,590	(3,022)	6,380
Other comprehensive income (loss)	229	4,590	(3,022)	6,380
Comprehensive income	187,443	139,365	362,005	279,095
Comprehensive income attributable to non-controlling interests	5,280	6,420	5,280	6,420
Comprehensive income attributable to DTCC	$ 182,163	$ 132,945	$ 356,725	$ 272,675

The Notes to Consolidated Financial Statements are an integral part of these statements.

THE DEPOSITORY TRUST & CLEARING CORPORATION

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)

							Accumulated Other Comprehensive Loss, Net of Tax			
	Preferred Stock									
(In thousands)	Series A	Series B	Series D	Common Stock	Additional Paid-In Capital	Retained Earnings	Defined Benefit Pension and Other Plans	Foreign Currency Translation	Non-controlling Interests	Total Shareholders' Equity
BALANCE - January 1, 2026	$ 300	$ 300	$ 490,900	$ 5,091	$ 411,065	$ 3,982,130	$ (173,241)	$ (11,427)	$ 150,000	$ 4,855,118
Net income	—	—	—	—	—	177,813	—	—	—	177,813
Other comprehensive loss	—	—	—	—	—	—	—	(3,251)	—	(3,251)
BALANCE - March 31, 2026	300	300	490,900	5,091	411,065	4,159,943	(173,241)	(14,678)	150,000	5,029,680
Net income	—	—	—	—	—	181,934	—	—	5,280	187,214
Other comprehensive income	—	—	—	—	—	—	—	229	—	229
Dividend to non-controlling interest	—	—	—	—	—	—	—	—	(5,280)	(5,280)
Redemption on preferred stock	—	—	(490,900)	—	—	(9,100)	—	—	—	(500,000)
Dividends on preferred stock	—	—	—	—	—	(8,438)	—	—	—	(8,438)
BALANCE - June 30, 2026	$ 300	$ 300	$ —	$ 5,091	$ 411,065	$ 4,324,339	$ (173,241)	$ (14,449)	$ 150,000	$ 4,703,405

							Accumulated Other Comprehensive Loss, Net of Tax			
	Preferred Stock									
(In thousands)	Series A	Series B	Series D	Common Stock	Additional Paid-In Capital	Retained Earnings	Defined Benefit Pension and Other Plans	Foreign Currency Translation	Non-controlling Interests	Total Shareholders' Equity
BALANCE - January 1, 2025	$ 300	$ 300	$ 490,900	$ 5,091	$ 411,065	$ 3,447,592	$ (169,279)	$ (15,299)	$ 150,000	$ 4,320,670
Net income	—	—	—	—	—	137,940	—	—	—	137,940
Other comprehensive income	—	—	—	—	—	—	—	1,790	—	1,790
BALANCE - March 31, 2025	300	300	490,900	5,091	411,065	3,585,532	(169,279)	(13,509)	150,000	4,460,400
Net income	—	—	—	—	—	128,355	—	—	6,420	134,775
Other comprehensive income	—	—	—	—	—	—	—	4,590	—	4,590
Dividend to non-controlling interest	—	—	—	—	—	—	—	—	(6,420)	(6,420)
Dividend on preferred stock	—	—	—	—	—	(8,438)	—	—	—	(8,438)
BALANCE - June 30, 2025	$ 300	$ 300	$ 490,900	$ 5,091	$ 411,065	$ 3,705,449	$ (169,279)	$ (8,919)	$ 150,000	$ 4,584,907

The Notes to Consolidated Financial Statements are an integral part of these statements.

THE DEPOSITORY TRUST & CLEARING CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(In thousands)	For the six months ended June 30, 2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 365,027	$ 272,715
Adjustments to reconcile net income to net cash provided by/(used in) operating activities:		
Depreciation and amortization	74,748	91,759
Impairment of intangible assets	1,626	—
Deferred income taxes	7,120	3,747
Accretion of discount on Commercial paper, net of associated interest paid	(43,982)	(2,963)
Loss on sale of business offering	—	18,935
Other	18,324	32,408
Net change in:		
Accounts receivable	(5,937)	(581)
Other assets	(22,940)	22,649
Accounts payable and accrued expenses	43,651	(9,049)
Pension and postretirement benefits	(743)	(9,404)
Operating lease liability	(10,088)	(76,213)
Other liabilities	(85,771)	(82,260)
Participants' and Clearing Funds liabilities	20,596,555	11,229,883
Payable to Participants	5,756,727	2,046,697
Net cash provided by operating activities	26,694,317	13,538,323
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Short-term investments	(1,625,000)	(1,970,000)
Maturities of Short-term investments	1,725,000	2,045,000
Purchases of Premises and equipment	(44,786)	(18,081)
Capitalized software development costs	(62,378)	(77,952)
Purchase of equity investments	—	(5,000)
Proceeds from company owned life insurance policies	196	348
Net cash used in investing activities	(6,968)	(25,685)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Commercial paper	26,572,780	22,637,133
Repayments of Commercial paper	(25,787,288)	(23,680,632)
Proceeds from issuance of Long-term debt, net of debt issuance costs	2,731,489	1,738,582
Repayments on Long-term debt	(625,000)	(1,400,000)
Preferred stock dividend payments	(8,438)	(8,438)
Redemption on preferred stock	(500,000)	—
Dividend to non-controlling interests	(5,280)	(6,420)
Net cash provided by/(used in) financing activities	2,378,263	(719,775)
Effect of foreign exchange rate changes on Cash and cash equivalents	(2,167)	6,902
Net increase in Cash and cash equivalents, Participants' segregated cash, Participants' and Clearing Funds cash deposits, Cash in Other Participants' assets and Restricted cash	29,063,445	12,799,765
Cash and cash equivalents, Participants' segregated cash, Participants' and Clearing Funds cash deposits, Cash in Other Participants' assets and Restricted cash - Beginning of period	49,510,265	50,570,670
Cash and cash equivalents, Participants' segregated cash, Participants' and Clearing Funds cash deposits, Cash in Other Participants' assets and Restricted cash - End of period	$ 78,573,710	$ 63,370,435
SUPPLEMENTAL DISCLOSURES:		
Interest paid	$ 300,232	$ 283,106
Income taxes paid - net of refunds	$ 107,308	$ 100,028

The Notes to Consolidated Financial Statements are an integral part of these statements.

1. BUSINESS AND OWNERSHIP

The Depository Trust & Clearing Corporation (DTCC) is the parent company of various operating subsidiaries, including The Depository Trust Company (DTC), National Securities Clearing Corporation (NSCC), Fixed Income Clearing Corporation (FICC), DTCC ITP LLC (ITP), DTCC Deriv/SERV LLC (Deriv/SERV), DTCC Solutions LLC (Solutions (US)), DTCC Digital (US) Inc. (DTCC Digital (US)); collectively, the “Company” or “Companies.”

Subsidiaries

DTC is a limited purpose trust company formed under the Banking Law of New York State and supervised by the New York State Department of Financial Services (NYSDFS); a State member bank of the Federal Reserve System (FRS), subject to examination by the Federal Reserve Bank of New York (FRBNY) under delegated authority from the Board of Governors (the FRB) of the FRS; and a clearing agency registered with and under the supervision of the U.S. Securities and Exchange Commission (SEC). DTC provides central securities depository (CSD), settlement and related services to members of the securities, banking and other financial industries.

NSCC is organized as a business corporation under New York law, and is a clearing agency registered with the SEC. NSCC provides central counterparty (CCP) services, including clearing, settlement and risk management services to its members for trades involving equities, corporate and municipal debt, exchange-traded funds, and unit investment trusts.

FICC is a clearing agency registered with the SEC that provides CCP services for the U.S. government and mortgage-backed securities markets, consisting principally of automated real-time trade comparison, netting, settlement, trade confirmation, clearing, risk management and electronic pool notification. FICC has two divisions, the Government Securities Division (GSD) and the Mortgage-Backed Securities Division (MBSD).

DTC, NSCC and FICC are designated as Systemically Important Financial Market Utilities (SIFMUs) by the U.S. Financial Stability Oversight Council pursuant to Title VIII of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. As an SEC registered CSD or CCP, as applicable, DTC, NSCC and FICC are subject to enhanced oversight and standards for risk management, operations and governance, as established by the SEC's Standards for Covered Clearing Agencies (CCAS).

The members of DTCC’s clearing agencies are collectively referred to as Participants.

ITP, through itself, its subsidiary and affiliates, provides post-trade matching, processing and other related services, primarily to members of the financial services community. ITP's subsidiary and affiliates are authorized to provide certain post-trade matching services by regulatory authorities and are subject to the supervision and examination by local regulator(s) in the jurisdictions they operate.

Deriv/SERV provides strategic oversight to DTCC's Repository and Derivatives business lines, including the trade repositories and Trade Information Warehouse offerings. Deriv/SERV develops and owns the technology used by DTCC's trade repositories. These DTCC trade repositories provide trade reporting services for derivatives and securities financing transactions and are subject to supervision and examination by local regulator(s) in the jurisdictions they operate. Deriv/SERV also performs the asset servicing function of the Trade Information Warehouse, an offering which provides automated operational capabilities for cleared and bilateral credit derivative trade activity.

Solutions (US) is a New York limited liability company, which provides data related solutions. Used primarily by financial firms, these solutions include referential and activity-based data, analytics and benchmarks across a variety of asset classes.

DTCC Digital (US) is a Delaware corporation, which develops and deploys institutional-grade, compliance-aware tokenization, account management and finance technology based on blockchain and distributed ledger innovations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation. The accompanying unaudited consolidated financial statements (interim financial statements) are prepared in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP). The accompanying interim financial statements exclude some of the disclosures required in audited financial statements and should be read in conjunction with DTCC's audited consolidated financial statements for the years ended December 31, 2025 and 2024, which are located on the Company's website at *http://www.dtcc.com/legal/financial-statements*. See Note 2 in DTCC's Audited Consolidated Financial Statements for the years ended December 31, 2025 and 2024, for additional information on the Company's Summary of Significant Accounting Policies.

The interim financial statements reflect all adjustments of a normal recurring nature that are, in the opinion of management, necessary for the fair presentation of the results for the interim period. The results of operations for interim periods are not necessarily indicative of results for the entire year. The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. Intercompany accounts and transactions have been eliminated in consolidation.

Use of estimates. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements. Management makes estimates regarding, among other things, the collectability of receivables, the outcome of litigation, the realization of deferred taxes, unrecognized tax benefit liabilities, impairment of intangible assets, fair value measurements, pension benefit obligation and other matters that affect the reported amounts. Estimates are based on judgment and available information; therefore, actual results could differ materially from those estimates.

Commitments and contingencies. The Company is involved in legal proceedings and litigation arising in the ordinary course of business. In the opinion of management, the outcome of such proceedings and litigation is not expected to have a material effect on the accompanying Consolidated Statements of Financial Condition, Income or Cash Flows.

Revenue recognition. The Company recognizes revenue to depict the transfer of promised services and related performance obligations to customers in an amount that reflects the consideration to which the Company expects to be entitled, upon satisfaction, in exchange for those services.

The Company derives its revenue from transaction fees, subscription revenue, support services, and usage fees. Revenue from transaction fees is billed monthly and calculated based on the value and volume of executed transactions, the number of reported transactions and the established fee schedules, less any applicable volume discounts. The volume targets or thresholds for the discounts primarily reset monthly. Subscription and support revenues are recognized ratably over the performance period of the relevant contract using a time elapsed measure of progress as the customer receives the benefits of the services throughout the term of the contract. Usage fees are recognized when services are provided based on contractual terms.

Details for each revenue stream presented in the Company's Consolidated Statements of Income follow:

S*ettlement and asset services.* Revenue derived from this revenue stream are in the form of transaction fees and subscription revenue. The Company provides settlement services for equity, corporate and municipal debt trades and money market instruments in the United States of America. Asset Servicing includes a broad range of services for underwriting, custody, corporate actions, dividend, proxy and reorganization services, as well as the electronic registration and transfer of securities processing.

Clearing services. Revenue derived from this revenue stream are in the form of transaction fees that are based on either the volume or value of trading activity. Services include the clearing and settlement of equity, corporate and municipal bond and unit investment trust transactions, and the netting and settlement of mortgage-backed securities clearing and government securities clearing.

Matching services. Revenue derived from this revenue stream may be in the form of transaction fees, subscription revenue and support services. Services include trade enrichment, trade agreement, legal entity identifiers (LEIs) and data analytics.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Repository and derivatives services (RDS). Revenue derived from this revenue stream may be in the form of transaction fees, subscription revenue and support services. Services support derivatives trade data submissions covering real-time price reporting, transaction details, valuation data to meet members' reporting obligations in various jurisdictions globally, as well as an asset servicing infrastructure for credit default swaps, matching service for equity derivatives payments and tools to member firms to address the quality of their derivatives trade submissions.

Wealth management services. Revenue derived from this revenue stream is in the form of transaction fees. Services include centralized, automated processing and information services for mutual fund, alternative investment, and insurance and retirement products.

Data and other services. Revenue derived from this revenue stream may be in the form of subscription revenue, support services, consulting projects and usage fees. Services include referential and activity-based announcement, security reference, and liquidity data through the DTCC Data Services product. These offerings are delivered in fixed or configurable formats, sourced from the Company's transaction, reference, position and asset servicing data. The Company provides a broad range of other services which include consulting services and bank fees charged back to Participants.

Investment income (loss), net. Revenue derived from this revenue stream is related to changes in the fair values of investment assets related to the Company's deferred compensation plan (structured as a Rabbi Trust). The investment income (loss) is recognized in the period the realized/unrealized gain or loss on investment assets held occurs. A corresponding offset to the investment income (loss) related to the deferred compensation liability is recorded in the same period and is included in the Employee compensation and related benefits in the accompanying Consolidated Statements of Income.

Deferred revenue

Deferred revenue represents the Company's liability to perform services in the future related to payments received in advance of those services. Deferred revenue as of June 30, 2026 and December 31, 2025 was $12,080,000 and $6,671,000, respectively, and is included in Other current liabilities and Other non-current liabilities on the accompanying Consolidated Statements of Financial Condition, as disclosed in Note 9. Of the $6,671,000 as of December 31, 2025, $1,587,000 and $4,230,000 was recognized as revenue during the three and six months ended June 30, 2026.

Income taxes. The Company recognizes tax benefits from uncertain tax positions only if it is more-likely-than-not, generally meaning a greater than 50% likelihood, to be sustained upon examination by the taxing authority. If the more-likely-than-not threshold is met, the Company recognizes the largest amount of tax benefit that is greater than 50% likely to be realized upon settlement. The difference between the position taken on the tax return and the amount recognized in the financial statements is considered "unrecognized tax benefit liability" and included in Other non-current liabilities on the accompanying Consolidated Statements of Financial Condition.

If a tax position fails to meet the more-likely-than-not threshold, the benefit is not recognized in the financial statements, creating an "unrecognized tax benefit".

Reconciliation of Cash and cash equivalents and other limited use cash. When reconciling the beginning and ending total amounts shown in the Consolidated Statements of Cash Flows, the Company includes all cash on the Consolidated Statements of Financial Condition, regardless of which line it is included in. The Consolidated Statements of Cash Flows includes Cash and cash equivalents and cash balances that are not available for general corporate purposes due to certain limitations, including - Participants' segregated cash, Participants' and Clearing Funds cash deposits, Cash in Other Participants' assets and Restricted cash.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A reconciliation of Cash and cash equivalents, Participants' segregated cash, Participants' and Clearing Funds cash deposits, Cash in Other Participants' assets and Restricted cash reported within the accompanying Consolidated Statements of Financial Condition that sum to the total of the same such amounts shown on the accompanying Consolidated Statements of Cash Flows follows (in thousands):

	June 30, 2026	December 31, 2025	June 30, 2025
Cash and cash equivalents	$ 18,887,184	$ 16,181,735	$ 16,285,176
Participants' segregated cash (Note 4)	11,670	1,000	23,680
Participants' and Clearing Funds cash deposits (Note 6)	52,934,781	32,338,225	44,244,986
Cash in Other Participants' assets (Note 4)	6,402,791	656,734	2,490,492
Restricted cash included in Other non-current assets (Note 8)	337,284	332,571	326,101
Total Cash and cash equivalents, Participants' segregated cash, Participants' and Clearing Funds cash deposits, Cash in Other Participants' assets and Restricted cash shown on the Consolidated Statements of Cash Flows	$ 78,573,710	$ 49,510,265	$ 63,370,435

Global Economic and Market Conditions. The global economy continues to navigate a dynamic environment shaped by significant policy changes, evolving trade relationships, and geopolitical challenges, including wars/conflicts in certain regions. Financial markets have reflected these conditions through periods of volatility influenced by monetary policy adjustments, fiscal measures, and structural reforms aimed at restoring confidence and supporting sustainable growth. These factors have the potential to affect the Company’s financial performance, including revenue trends, interest rate movements, liquidity and credit conditions, and regulatory developments. At this time, the Company has not experienced any material adverse financial impact from these events or related conditions.

3. ACCOUNTING AND REPORTING DEVELOPMENTS

Standard	Description	Impact on the financial statements or other significant matters
Financial Accounting Standards Board Standard Issued, but not yet Adopted		
ASU 2025-03 - Business Combinations (Topic 805) and Consolidation (Topic 810) *Issued May 2025*	• The amendment applies to all entities that have variable interest entity (VIE) business combinations. • Clarifies the determination of the accounting acquirer by requiring entities to evaluate the same control-based factors used for non-VIE acquisitions, rather than defaulting to the VIE's primary beneficiary as the acquirer. • Requires evaluation and disclosure of relative voting rights, governance, management and consideration transferred, improving comparability and reducing inconsistencies in transactions involving variable interest entities.	• Effective January 1, 2027 for annual reporting periods. • The Company is evaluating the impact on its consolidated financial statements and related disclosures.
ASU 2025-06 - Intangibles - Goodwill and Other Internal -Use Software (Subtopic 350-40) *Issued September 2025*	• The amendment applies to all entities accounting for internal-use software and development costs under Subtopic 350-40. • Clarifies the capitalization criteria for software costs, requiring management authorization/commitment and a "probable-to-complete" threshold. • Requires evaluation and disclosure of significant development uncertainty, including unresolved performance requirements or ongoing revisions.	• Effective January 1, 2028 for annual reporting periods, but early adoption is permitted. • The Company is evaluating the timing of adoption and impact on its consolidated financial statements and related disclosures.
ASU 2025-09 - Derivatives and Hedging (Topic 815) - Hedge Accounting Improvements *Issued November 2025*	• The amendment applies to all entities that elect to apply hedge accounting under Topic 815. • Provides clarification related to cash flow hedges of groups of forecasted transactions, hedging strategies involving choose-your-rate debt instruments, cash flow hedges of nonfinancial forecasted transactions, net written options as hedging instruments and dual hedging relationships involving foreign-currency-denominated debt. • Requires enhanced documentation of risks, assessment methods on a prospective basis with optional transition accommodations for existing hedges.	• Effective January 1, 2027 for annual reporting periods. • The Company is evaluating the impact on its consolidated financial statements and related disclosures.

3. ACCOUNTING AND REPORTING DEVELOPMENTS (CONTINUED)

Financial Accounting Standards Board Standard Issued, but not yet Adopted (Continued)		
ASU 2025-10 - Government Grants (Topic 832) - Accounting for Government Grants Received by Business Entities *Issued December 2025*	• The amendment applies to all business entities that receive monetary or tangible nonmonetary government grants and establishes comprehensive guidance for the recognition, measurement, presentation and disclosure requirements under Topic 832. • Clarifies the timing of when government grants may be recognized and methods to apply for asset-related grants, as well requiring income-related grants to be recognized systematically as related costs are incurred. • Requires disclosures including the nature and terms of grants, accounting policies applied, affected financial statement line items and the fair value of any tangible nonmonetary assets received.	• Effective January 1, 2029 for annual reporting periods. • The Company is evaluating the impact on its consolidated financial statements and related disclosures.
ASU 2025-11- Interim Reporting (Topic 270): Narrow-Scope Improvements *Issued December 2025*	• The amendment applies to all entities that provide interim financial statements. • Establishes a comprehensive list of required interim disclosures and introduces a disclosure principle requiring the reporting of material events occurring after the most recent annual reporting period.	• Effective January 1, 2029 for interim reporting periods within annual reporting periods that begin after December 15, 2028. • The Company is evaluating the impact on its consolidated financial statements and related disclosures.
ASU 2026-02 - Environmental Credits and Environmental Credit Obligations (Topic 818) *Issued May 2026*	• The amendment applies to all entities that hold environmental credits, including renewable energy certificates (RECs) and establishes a new accounting standard, ASC 818, related to the framework, recognition, and disclosure of environmental credits and environmental credit obligations. • Clarifies the accounting for environmental credit assets based on their intended use and establishes measurement requirements for environmental credit obligations, including distinctions between funded and unfunded compliance positions. The ASU also generally requires gross balance sheet presentation of environmental credit assets and liabilities. • Requires enhanced disclosures regarding an entity's involvement in environmental credit programs, the types and intended use of credits held, changes in intent, the financial statement impacts of credits and related obligations, and how those obligations are measured.	• Effective January 1, 2029 for interim reporting periods within annual reporting periods that begin after December 15, 2028. • The Company is evaluating the impact on its consolidated financial statements and related disclosures.

4. PARTICIPANTS' SEGREGATED CASH, OTHER PARTICIPANTS' ASSETS AND PAYABLE TO PARTICIPANTS

Details for Participants' segregated cash, Other Participants' assets and Payable to Participants as of June 30, 2026 and December 31, 2025 follow (in thousands):

	2026	2025
Assets:		
Participants' segregated cash	$ 11,670	$ 1,000
Other Participants' assets - cash	6,402,791	656,734
Total	$ 6,414,461	$ 657,734
Liabilities:		
Payable to Participants	$ 6,414,461	$ 657,734

The balance of the Other Participants' assets is subject to fluctuation due to the timing of when the Company receives the cash and stock dividends, interest, reorganization and redemption proceeds, and the subsequent distribution to Participants.

5. ACCOUNTS RECEIVABLE

Details for Accounts receivable as of June 30, 2026 and December 31, 2025 follow (in thousands):

	2026	2025
Due from Participants and customers for services	$ 248,231	$ 245,758
Allowance for credit losses	(163)	(106)
Due from Participants and customers for services, net	248,068	245,652
Other receivables	15,646	12,948
Total	$ 263,714	$ 258,600

Details for allowance for credit losses for the three and six months ended June 30, 2026 and 2025 follow (in thousands):

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Beginning balance of allowance for credit losses	$ 90	$ 242	$ 106	$ 370
Increase in allowance	161	107	163	239
Less: Write-offs	(88)	(90)	(106)	(350)
Ending balance of allowance for credit losses	$ 163	$ 259	$ 163	$ 259

6. PARTICIPANTS' AND CLEARING FUNDS

Details for the Participants' and Clearing Funds as of June 30, 2026 and December 31, 2025 follow (in thousands):

	2026			
	DTC	NSCC	FICC	Total
Total deposits	$ 2,487,487	$ 33,151,497	$ 92,668,680	$ 128,307,664
Less: Required deposits	1,186,000	27,600,313	76,828,600	105,614,913
Excess deposits	$ 1,301,487	$ 5,551,184	$ 15,840,080	$ 22,692,751

	2025			
	DTC	NSCC	FICC	Total
Total deposits	$ 2,254,595	$ 10,992,764	$ 99,380,128	$ 112,627,487
Less: Required deposits	1,166,000	9,620,258	84,367,159	95,153,417
Excess deposits	$ 1,088,595	$ 1,372,506	$ 15,012,969	$ 17,474,070

Cash and Securities. Details for cash and securities of the Participants' and Clearing Funds, which may be applied to satisfy obligations of the depositing Participant, other Participants, or the Company pursuant to the rules of the relevant subsidiaries of the Company, as of June 30, 2026 and December 31, 2025 follow (in thousands):

	2026			
	DTC	NSCC	FICC	Total
Cash(1)	$ 2,487,487	$ 31,260,122	$ 19,187,172	$ 52,934,781
U.S. Treasury Securities	—	1,891,375	64,583,018	66,474,393
U.S. Agency Residential Mortgage-Backed Securities	—	—	8,077,613	8,077,613
U.S. Agency Issued Debt Securities	—	—	820,877	820,877
Total	$ 2,487,487	$ 33,151,497	$ 92,668,680	$ 128,307,664

	2025			
	DTC	NSCC	FICC	Total
Cash(1)	$ 2,254,595	$ 10,248,948	$ 19,834,682	$ 32,338,225
U.S. Treasury Securities	—	743,816	69,451,179	70,194,995
U.S. Agency Residential Mortgage-Backed Securities	—	—	9,169,982	9,169,982
U.S. Agency Issued Debt Securities	—	—	924,285	924,285
Total	$ 2,254,595	$ 10,992,764	$ 99,380,128	$ 112,627,487

(1) The Company's cash of the Participants' and Clearing Funds are all bank deposits as of June 30, 2026 and December 31, 2025.

7. INTANGIBLE ASSETS

The Company recognized impairment charges of $1,147,000 and $0 related to capitalized software for the three months ended June 30, 2026 and 2025, respectively, and $1,626,000 and $0 for the six months ended June 30, 2026 and 2025, respectively. The impairment charges are included in Impairment of intangible assets in the accompanying Consolidated Statements of Income.

During the three and six months ended June 30, 2026, the Company recognized the following impairments of internally developed software and purchased software:

During the three months ended March 31, 2026, the Company recognized a partial impairment of internally developed and purchased software related to a specific Master Reference Data Security project, which experienced a change in strategy due to a reprioritization of efforts, triggering an evaluation for impairment. The evaluation concluded that the carrying value was not fully recoverable and exceeded fair value, resulting in a $479,000 impairment charge.

During the three months ended June 30, 2026, the Company recognized an impairment of internally developed software related to the Quant Lab Redesign - Beacon Platform Onboarding project, which was intended to deliver infrastructure connectivity, triggering an evaluation for impairment. The evaluation concluded that the carrying value was not recoverable and exceeded fair value, resulting in a $1,147,000 full impairment charge.

8. OTHER ASSETS

Details for Other assets as of June 30, 2026 and December 31, 2025 follow (in thousands):

	2026	2025
Prepaid expenses	$ 171,661	$ 186,742
Interest receivable	69,180	44,655
Prepaid taxes	7,893	25,453
Business employment incentive program	5,762	5,672
Other current assets	2,062	2,126
Total other current assets	256,558	264,648
Restricted cash	337,284	332,571
Long-term incentive plan assets	113,850	114,933
Cash surrender value on insurance policies	74,043	74,522
Prepaid expenses	47,762	33,031
Deferred tax assets	46,360	52,886
Pension and postretirement	44,528	45,557
Finance lease assets	40,754	27,223
Equity investments	20,212	20,212
Investment in Federal reserve stock	6,402	6,402
Interest rate swaps(1)	723	26,933
Other non-current assets	7,632	2,679
Total other non-current assets	739,550	736,949
Total	$ 996,108	$ 1,001,597

(1) The interest rate swaps may change from an asset to liability position.

9. OTHER LIABILITIES

Details for Other liabilities as of June 30, 2026 and December 31, 2025 follow (in thousands):

	2026	2025
Compensation payable	$ 109,406	$ 200,969
Accrued payroll and payroll withholdings	54,118	59,471
Long-term incentive plan liabilities	49,309	40,423
Current finance lease liabilities	18,354	28,095
Payroll taxes payable	18,234	16,065
Deferred revenue	11,899	6,407
Other current liabilities	63	109
Total other current liabilities	261,383	351,539
Long-term incentive plan liabilities	186,511	209,006
Unrecognized tax benefit liabilities	42,825	40,071
Non-current finance lease liabilities	26,940	2,802
Interest rate swaps(1)	24,796	—
Deferred tax liabilities	3,122	2,392
Asset retirement obligations(2)	2,751	3,330
Deferred revenue	181	264
Total other non-current liabilities	287,126	257,865
Total	$ 548,509	$ 609,404

(1) The interest rate swaps may change from a liability to an asset position.

(2) The Company is legally required under certain lease agreements to restore its leased sites to the original condition at the end of the agreement. The amount of asset retirement obligations is accreted to the estimated undiscounted obligations that will be paid to restore the leased sites to the original condition and such accretion is recognized as expense.

10. COMMERCIAL PAPER

Details for Commercial paper as of June 30, 2026 and December 31, 2025 follow (in thousands except percentages):

	2026	2025
Commercial paper - net of unamortized discount of $23,521 and $34,445 as of June 30, 2026 and December 31, 2025, respectively	$ 9,855,919	$ 9,114,409
Weighted-average interest rate	3.78 %	3.98 %

Interest expense on Commercial paper, included in Interest expense in the accompanying Consolidated Statements of Income, was $72,752,000 and $87,962,000 for the three months ended June 30, 2026 and 2025, respectively, and $153,309,000 and $189,223,000 for the six months ended June 30, 2026 and 2025, respectively.

11. LONG-TERM DEBT

Details for Long-term debt as of June 30, 2026 and December 31, 2025 follow (in thousands):

	2026	2025
Senior notes(1)	$ 6,269,082	$ 4,208,120
Less: Current portion of long-term debt	(1,147,108)	(624,130)
Non-current portion of long-term debt	$ 5,121,974	$ 3,583,990

(1) The balances include (i) unamortized discount, (ii) unamortized debt issuance costs and (iii) the impact of the fair value hedge accounting on certain fixed-rate notes that have been swapped to floating rate through the use of interest rate swaps.

Details for principal payments due on Long-term debt for each of the next five years and thereafter follow (in thousands):

2026	$ —
2027	1,750,000
2028	1,750,000
2029	1,225,000
2030	600,000
Thereafter	1,000,000
Total	$ 6,325,000

Senior notes. The proceeds from the issuances constitute liquid resources that, together with other liquid resources of DTC and NSCC, are available to enable DTC and NSCC to affect the settlement of its payment obligations in the event of the default of any of its Participants pursuant to its rules.

Details of the senior notes as of June 30, 2026 follow (in thousands, except percentages):

Entity	Issue Date	Maturity	Payable	Rate	Principal Balance	Carrying Value
NSCC	November 21, 2022	November 21, 2027	Semi-annually	5.10%	$ 600,000	$ 596,039
NSCC	May 30, 2023	May 30, 2028	Semi-annually	5.00%	600,000	591,786
NSCC	June 26, 2024	June 26, 2029	Semi-annually	4.90%	625,000	622,384
NSCC	May 20, 2025	May 20, 2027	Quarterly	Compounded SOFR plus 0.57%	400,000	399,061
NSCC	May 20, 2025	May 20, 2027	Semi-annually	4.35%	750,000	748,047
NSCC	May 20, 2025	May 20, 2030	Semi-annually	4.70%	600,000	591,936
DTC	March 27, 2026	March 27, 2029	Semi-annually	4.30%	600,000	590,300
DTC	March 27, 2026	March 27, 2031	Semi-annually	4.55%	400,000	391,168
NSCC	June 9, 2026	June 9, 2028	Quarterly	Compounded SOFR plus 0.43%	400,000	397,908
NSCC	June 9, 2026	June 9, 2028	Semi-annually	4.35%	750,000	745,870
NSCC	June 9, 2026	June 9, 2031	Semi-annually	4.70%	600,000	594,583
					$ 6,325,000	$6,269,082

11. LONG-TERM DEBT (CONTINUED)

Details for the senior notes interest expense and amortization of discount and issuance costs for the three and six months ended June 30, 2026 and 2025, follow (in thousands):

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Total interest expense and amortization of discount and issuance costs	$ 68,651	$ 48,227	$ 121,847	$ 91,800

The weighted-average interest rate, and total unamortized debt issuance costs and discount as of June 30, 2026 and December 31, 2025 follow (in thousands, except percentages):

	2026	**2025**
Weighted-average interest rate	4.58 %	4.82 %
Total unamortized debt issuance costs and discount	$ 31,845	$ 18,813

Fair value hedge. The Company uses interest rate swaps to hedge the fair value of related fixed-rate senior notes. The Company designated the interest rate swaps as a fair value hedge of the related long-term debt and applied the short-cut method for hedge accounting purposes. The fair value of interest rate swaps is included in other assets or other liabilities in the accompanying Consolidated Statements of Financial Condition.

11. LONG-TERM DEBT (CONTINUED)

Details of the outstanding fair value hedges as of June 30, 2026 and December 31, 2025 follow (in thousands, except percentages):

Entity	Date Entered	Notional of Swap	Debt Amount Hedged	Fixed Rate Receivable	Floating Rate Payable	Fair Value in Other Assets / (Other Liabilities)	
						2026	2025
NSCC	November 21, 2022	$ 600,000	$ 600,000	5.10 %	USD-Federal Funds-OIS Compound plus 1.365%	$ (2,666)	$ 4,174
NSCC	May 30, 2023	$ 600,000	$ 600,000	5.00 %	USD-Federal Funds-OIS Compound plus 1.4621%	(5,477)	2,638
NSCC	June 26, 2024	$ 625,000	$ 625,000	4.90 %	USD-Federal Funds-OIS Compound plus 0.9138%	723	12,747
NSCC	May 20, 2025	$ 600,000	$ 600,000	4.70 %	USD-Federal Funds-OIS Compound plus 0.99143%	(4,244)	7,374
DTC	March 27, 2026	$ 600,000	$ 600,000	4.30 %	USD-Federal Funds-OIS Compound plus 0.72967%	(6,210)	—
DTC	March 27, 2026	$ 400,000	$ 400,000	4.55 %	USD-Federal Funds-OIS Compound plus 0.97013%	(5,495)	—
NSCC	June 9, 2026	$ 600,000	$ 600,000	4.70 %	USD-Federal Funds-OIS Compound plus 0.8380%	(704)	—
						$ (24,073)	$ 26,933

Interest rate swaps may expose the Company to credit-related losses in the event of nonperformance by its counterparty. Credit risk is monitored on an ongoing basis. See Note 21, Off Balance Sheet and Concentrations of Credit Risks in DTCC's Audited Consolidated Financial Statements for years ended December 31, 2025 and 2024, for the Company's concentration of credit risk related to interest rate swaps.

Lines of credit. DTCC maintains a committed line of credit for general funding purposes, while its subsidiaries DTC and NSCC maintain committed lines of credit, to support settlement of its payment obligations in the event any of its Participants default, and FICC to provide liquidity for daily clearance and settlement activities.

11. LONG-TERM DEBT (CONTINUED)

Details for the terms of the outstanding lines of credit as of June 30, 2026 and December 31, 2025 follow:

	2026	2025
DTCC		
Committed Amount	$500 million	$500 million
Denomination	USD	USD
Number of Participants/Lenders	13/14	13/14
Borrowing Rate	Base Rate plus 0.125%, or Adjusted Term Secured Overnight Financing Rate (SOFR) or Adjusted Daily SOFR plus 1.125%	Base Rate plus 0.125%, or Adjusted Term Secured Overnight Financing Rate (SOFR) or Adjusted Daily SOFR plus 1.125%
Maturity Date	January 2030	January 2030
Annual Facility Fee(1)	0.15%	0.15%
DTC		
Committed Amount	$1.9 billion	$1.9 billion
Denomination	USD	USD
Number of Participants/Lenders	25/34	25/34
Borrowing Rate	The greatest of the FRBNY rate, Daily SOFR, or zero on the day of borrowing, plus 1.40%	The greatest of the FRBNY rate, Daily SOFR, or zero on the day of borrowing, plus 1.40%
Maturity Date	July 2026	July 2026
Annual Facility Fee(1)	0.10%	0.10%
NSCC		
Committed Amount	$9.6 billion	$9.6 billion
Denomination	USD	USD
Number of Participants/Lenders	22/34	22/34
Borrowing Rate	The greatest of the FRBNY rate, Daily SOFR, or zero on the day of borrowing plus 1.40%	The greatest of the FRBNY rate, Daily SOFR, or zero on the day of borrowing, plus 1.40%
Maturity Date	July 2026	July 2026
Annual Facility Fee(1)	0.10%	0.10%
FICC		
Committed Amount	$200 million	$200 million
Denomination	USD	USD
Number of Participants/Lenders	1/1	1/1
Borrowing Rate	Federal Funds Rate plus 1.40%	Federal Funds Rate plus 1.40%
Maturity Date	May 2027	May 2026
Annual Facility Fee(1)	0.25%	0.25%

(1) The annual facility fee associated with maintaining the line of credit is included in Professional and other services in the accompanying Consolidated Statements of Income.

As of June 30, 2026 and December 31, 2025, there were no borrowings outstanding under the lines of credit.

11. LONG-TERM DEBT (CONTINUED)

Details for debt covenants related to the lines of credit as of June 30, 2026 and December 31, 2025 follow:

	2026	2025
DTCC		
Minimum Net Worth	\$1.65 billion	\$1.65 billion
Maximum Priority Debt	\$250 million	\$250 million
DTC		
Minimum Net Worth	\$200 million	\$200 million
Minimum Participants' Fund deposits	\$750 million	\$750 million
NSCC		
Minimum Net Worth	\$200 million	\$200 million
Minimum Clearing Fund deposits	\$1.5 billion	\$1.5 billion
FICC		
Minimum Capital Requirements(2)	\$351 million	\$344 million

(2) See Note 16

As of June 30, 2026 and December 31, 2025, the Company was in compliance with its debt covenants.

Credit Ratings. DTCC, DTC, FICC and NSCC are rated by Moody's Investors Service, Inc. (Moody's) and S&P Global Inc. (S&P). Details for issuer credit ratings and ratings outlooks for DTCC and its three clearing agency subsidiaries as of June 30, 2026 follow:

	Moody's (1)			S&P		
	Long-term	**Short-term**	**Outlook**	**Long-term**	**Short-term**	**Outlook**
DTCC	A1	N/A	Stable	AA-	A-1+	Stable
DTC	Aa1	P-1	Stable	AA+	A-1+	Stable
FICC	Aa1	P-1	Stable	AA	A-1+	Stable
NSCC	Aa1	P-1	Stable	AA	A-1+	Stable

(1) Moody's categorizes the long-term issuer ratings of DTC, FICC and NSCC as clearing counterparty ratings (CCR) under the agency's Clearing Houses Rating Methodology.

12. FAIR VALUE MEASUREMENTS

See Note 15 in DTCC's Audited Consolidated Financial Statements for the years ended December 31, 2025 and 2024, for the Company's valuation basis, including valuation techniques and inputs, as well as the fair value hierarchy used in measuring the Company's financial assets and liabilities that are both accounted for at fair value and at other than fair value.

Financial Assets and Liabilities measured at fair value on a recurring basis.

Fair value measurements for those items measured on a recurring basis as of June 30, 2026 and December 31, 2025 follow (in thousands):

	2026			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets:				
Clearing Funds				
U.S. Treasury Securities	$ 66,467,208	$ 66,467,208	$ —	$ —
U.S. Agency Issued Debt Securities	823,283	820,877	2,406	—
U.S. Agency Residential Mortgage-Backed Securities	8,082,392	—	8,082,392	—
Other non-current assets				
Long-term incentive plan assets - Mutual fund and Stable value fund investments	113,850	104,164	9,686	—
Interest rate swaps	723	—	723	—
Total assets	$ 75,487,456	$ 67,392,249	$ 8,095,207	$ —
Liabilities:				
Clearing Funds				
Securities liabilities	$ 75,372,883	$ 67,288,085	$ 8,084,798	$ —
Other non-current liabilities				
Interest rate swaps	24,796	—	24,796	—
Total liabilities	$ 75,397,679	$ 67,288,085	$ 8,109,594	$ —

	2025			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets:				
Clearing Funds				
U.S. Treasury Securities	$ 70,194,995	$ 70,194,995	$ —	$ —
U.S. Agency Issued Debt Securities	924,285	924,285	—	—
U.S. Agency Residential Mortgage-Backed Securities	9,169,982	—	9,169,982	—
Other non-current assets				
Long-term incentive plan assets - Mutual fund and Stable value fund investments	114,933	105,618	9,315	—
Interest rate swaps	26,933	—	26,933	—
Total assets	$ 80,431,128	$ 71,224,898	$ 9,206,230	$ —
Liabilities:				
Clearing Funds				
Securities liabilities	$ 80,289,262	$ 71,119,280	$ 9,169,982	$ —
Total liabilities	$ 80,289,262	$ 71,119,280	$ 9,169,982	$ —

DTCC Public (White)

12. FAIR VALUE MEASUREMENTS (CONTINUED)

Financial Assets and Liabilities whose carrying value approximates fair value. The carrying values of certain financial assets and liabilities approximate their fair values because they are short-term in duration, have no defined maturity or have market-based interest rates. These instruments include Cash and cash equivalents, Participants' segregated cash, Short-term investments, Participant's and Clearing Funds - Cash deposits - Bank Deposits (and corresponding liabilities), Other Participants' assets, Other non-current assets - Restricted cash, Commercial paper, Payable to Participants, and Long-term debt.

The carrying values, fair values and fair value hierarchy levels of all financial instruments measured at other than fair value on the accompanying Consolidated Statements of Financial Condition as of June 30, 2026 and December 31, 2025 follow (in thousands):

	2026				
	Carrying Amount	Total Fair Value	Level 1	Level 2	Level 3
Assets:					
Cash and cash equivalents	$18,887,184	$18,887,184	$18,887,184	$ —	$ —
Participants' segregated cash	11,670	11,670	11,670	—	—
Short-term investments	1,025,000	1,025,000	—	1,025,000	—
Participants' and Clearing Funds:					
Cash deposits - Bank deposits	52,934,781	52,934,781	52,934,781	—	—
Other Participants' assets	6,402,791	6,402,791	6,402,791	—	—
Other non-current assets:					
Restricted cash	337,284	337,284	337,284	—	—
Total	$79,598,710	$79,598,710	$78,573,710	$ 1,025,000	$ —
Liabilities:					
Commercial paper	$ 9,855,919	$ 9,855,919	$ —	$ 9,855,919	$ —
Participants' and Clearing Funds:					
Cash deposits - Bank deposits	52,934,781	52,934,781	52,934,781	—	—
Payable to Participants	6,414,461	6,414,461	6,414,461	—	—
Long-term debt	6,293,155	6,330,445	—	6,330,445	—
Total	$75,498,316	$75,535,606	$59,349,242	$16,186,364	$ —

12. FAIR VALUE MEASUREMENTS (CONTINUED)

	2025				
	Carrying Amount	Total Fair Value	Level 1	Level 2	Level 3
Assets:					
Cash and cash equivalents	$16,181,735	$16,181,735	$16,181,735	$ —	$ —
Participants' segregated cash	1,000	1,000	1,000	—	—
Short-term investments	1,125,000	1,125,000	—	1,125,000	—
Participants' and Clearing Funds:					
Cash deposits - Bank deposits	32,338,225	32,338,225	32,338,225	—	—
Other Participants' assets	656,734	656,734	656,734	—	—
Other non-current assets:					
Restricted cash	332,571	332,571	332,571	—	—
Total	$50,635,265	$50,635,265	$49,510,265	$ 1,125,000	$ —
Liabilities:					
Commercial paper	$ 9,114,409	$ 9,114,409	$ —	$ 9,114,409	$ —
Participants' and Clearing Funds:					
Cash deposits - Bank deposits	32,338,225	32,338,225	32,338,225	—	—
Payable to Participants	657,734	657,734	657,734	—	—
Long-term debt	4,181,187	4,258,979	—	4,258,979	—
Total	$46,291,555	$46,369,347	$32,995,959	$13,373,388	$ —

Assets measured at fair value on a non-recurring basis. Certain financial assets are subject to measurement at fair value on a non-recurring basis. For these assets, measurement at fair value in periods subsequent to their initial recognition is applicable if they are determined to be impaired or when an observable event occurs.

Financial assets measured at fair value on a non-recurring basis include equity investments, which are classified as Level 3 instruments. The carrying amount of the investments were $20,212,000 and $20,212,000 as of June 30, 2026 and December 31, 2025, respectively, and is included in the Other non-current assets on the accompanying Consolidated Statements of Financial Condition. See Note 8, Other Assets.

13. RETIREMENT PLANS

See Note 16 in DTCC's Audited Consolidated Financial Statements for the years ended December 31, 2025 and 2024 for additional information on the Company's retirement plans.

Defined benefit pension and other postretirement benefit plans. Details of the components of net periodic benefit expense (income) and amortization for the Company's pension and postretirement benefit plans, included in Employee compensation and related benefits, Interest expense, and Other non-operating income, net, in the accompanying Consolidated Statements of Income, for the three months ended June 30, 2026 and 2025 follow (in thousands):

	Pension Benefits		Other Benefits	
	2026	2025	2026	2025
Components of net periodic benefit expense (income):				
Expected return on plan assets	$ (9,543)	$ (11,503)	$ —	$ —
Interest cost	8,586	9,549	418	475
Service cost	314	288	39	44
Amortizations:				
Prior service cost	22	22	—	—
Actuarial loss/(gain)	1,878	746	(474)	(607)
Settlement loss	—	2	—	—
Net periodic benefit expense/(income)	$ 1,257	$ (896)	$ (17)	$ (88)

Details of the components of net periodic benefit expense (income) and amortization for the Company's pension and postretirement benefit plans for the six months ended June 30, 2026 and 2025 follow (in thousands):

	Pension Benefits		Other Benefits	
	2026	2025	2026	2025
Components of net periodic benefit expense (income):				
Expected return on plan assets	$ (19,086)	$ (23,005)	$ —	$ —
Interest cost	17,172	19,099	836	950
Service cost	629	576	79	88
Amortizations:				
Prior service cost	44	44	—	—
Actuarial loss/(gain)	3,756	1,493	(948)	(1,214)
Settlement loss	—	4	—	—
Net periodic benefit expense/(income)	$ 2,515	$ (1,789)	$ (33)	$ (176)

The Company did not make any contributions to the Pension Plan for the three and six months ended June 30, 2026 and does not anticipate making any contributions for the remainder of the fiscal year.

Defined contribution retirement plans. Total expense for the defined contribution retirement plans included in Employee compensation and related benefits in the accompanying Consolidated Statements of Income was $14,073,000 and $13,551,000 for the three months ended June 30, 2026 and 2025, respectively, and $28,211,000 and $26,978,000 for the six months ended June 30, 2026 and 2025, respectively.

14. INCOME TAXES

Details for unrecognized tax benefit liabilities, included in Other non-current liabilities on the accompanying Consolidated Statements of Financial Condition, for the six months ended June 30, 2026 and 2025 follow (in thousands):

	2026	2025
Beginning balance	$ 34,449	$ 29,651
Increases/(Decreases):		
Prior period tax positions	(224)	944
Current period tax positions	2,467	2,086
Settlements with tax authorities	(236)	—
Unrecognized tax benefit liabilities	36,456	32,681
Accrued interest	6,369	7,110
Ending balance	$ 42,825	$ 39,791

Tax benefits not included in unrecognized tax benefit liabilities relate to tax positions that did not meet the more-likely-than-not threshold (greater than 50% likelihood) and therefore were not recognized in the financial statements. These unrecognized tax benefits were $38,257,000 as of June 30, 2026 and December 31, 2025.

See Note 17 in DTCC's Audited Consolidated Financial Statements for the years ended December 31, 2025 and 2024 for additional information pertaining to the Company's income taxes.

15. SHAREHOLDERS' EQUITY

DTCC Series A Preferred stock. All 10,000 shares of DTCC Series A Preferred stock are issued and outstanding and held of record by Stock Clearing Corporation, a wholly owned subsidiary of the New York Stock Exchange LLC, the successor-in-interest to the New York Stock Exchange Inc. In the event of DTCC's voluntary or involuntary liquidation, dissolution or winding-up, the holders of Series A Non-Cumulative Perpetual Preferred stock are entitled to a liquidation preference of $30.00 per share.

DTCC Series B Preferred stock. All 10,000 shares of DTCC Series B Preferred stock are issued and outstanding and held of record by National Clearing Corporation, a wholly owned subsidiary of the Financial Industry Regulatory Authority Inc. ("FINRA"). In the event of DTCC's voluntary or involuntary liquidation, dissolution or winding-up, the holders of Series B Preferred stock are entitled to a liquidation preference of $30.00 per share.

DTCC Series D Fixed Rate Reset Non-Cumulative Perpetual Preferred stock. There were 2,000 shares of Fixed Rate Reset Non-Cumulative Perpetual Preferred stock, Series D, $0.50 par value per share, with a liquidation preference of $250,000 per share outstanding through June 19, 2026. When declared by DTCC's Board of Directors, dividends on the Series D Preferred stock were payable in arrears on June 20 and December 20 of each year, beginning December 20, 2021 through June 20, 2026, at a fixed rate of 3.375% per annum. From June 20, 2026 onward, dividends would have accrued at a rate equal to the five-year U.S. Treasury rate plus 2.606% per annum. On June 20, 2026, DTCC redeemed all 2,000 shares outstanding related to the Series D Preferred stock totaling $500,000,000 for a price equal to $250,000 per share with issuance costs of $9,100,000.

Details of dividends paid to holders of the Series D Preferred Stock during the six months ended June 30, 2026 follow:

Approved and Declared Date	Record Date	Payment Date	Declared Dividend	Shares Outstanding	Dividend Paid
April 14, 2026	May 29, 2026	June 20, 2026	$ 4,218.75	2,000	$ 8,437,500

15. SHAREHOLDERS' EQUITY (CONTINUED)

Details of dividends paid to holders of the Series D Preferred Stock during the six months ended June 30, 2025 follow:

Approved and Declared Date	Record Date	Payment Date	Declared Dividend	Shares Outstanding	Dividend Paid
April 4, 2025	May 30, 2025	June 20, 2025	$ 4,218.75	2,000	$ 8,437,500

DTC Series A Non-Cumulative Perpetual Preferred stock. Under a plan adopted by the Board of Directors, each Participant of DTC is required to own shares of DTC Series A preferred stock. The ownership of DTC preferred stock is reported as non-controlling interests in the consolidated financial statements. There was $150,000,000 of DTC Series A preferred stock (1,500,000 shares at par value of $100 per share) outstanding as of June 30, 2026 and December 31, 2025. Dividends are subject to regulatory limitations and restrictions per the New York Banking Law and Federal Reserve Act and must be approved and declared by the Board of Directors. When declared, dividend amounts are based on the weighted-average rate of interest paid by DTC on required Participants' Fund deposits during the dividend period as disclosed in the DTC's rules.

Details of dividends paid to holders of the DTC Series A Preferred Stock during the six months ended June 30, 2026 follow:

Approved and Declared Date	Record Date	Payment Date	Declared Dividend	Dividend Paid
April 14, 2026	April 14, 2026	May 9, 2026	$ 5,280,000	$ 5,280,000

Details of dividends paid to holders of the DTC Series A Preferred Stock during the six months ended June 30, 2025 follow:

Approved and Declared Date	Record Date	Payment Date	Declared Dividend	Dividend Paid
April 4, 2025	April 4, 2025	May 9, 2025	$ 6,420,000	$ 6,420,000

16. CAPITAL REQUIREMENTS

As required by Rule 17Ad-22(e)(15) of the CCAS and pursuant to the Clearing Agency Policy on Capital Requirements, the Company must meet its total capital requirement by holding liquid net assets funded by equity. The total capital requirement for each of the clearing agencies is equal to the sum of the general business risk capital requirement and corporate contribution, as described below.

General Business Risk Capital Requirement. This capital requirement is held to cover potential general business losses so that the clearing agencies can continue operations and provide services as a going concern if those losses materialize. It is determined based on the general business risk profile and estimated time to execute a recovery or orderly wind-down of critical operations for each of the clearing agencies and, at a minimum, is equal to six months of operating expenses.

Corporate Contribution. The corporate contribution is applied to losses as provided in each of the respective clearing agencies rules. The amount of the corporate contribution is generally equal to 50% of each clearing agency's general business risk capital requirement.

16. CAPITAL REQUIREMENTS (CONTINUED)

Details for the general business risk capital requirement, corporate contribution and liquid net assets funded by equity for the clearing agencies as of June 30, 2026 and December 31, 2025 follow (in thousands):

	2026		
	DTC	NSCC	FICC
General business risk capital requirement	$ 289,763	$ 283,137	$ 233,772
Corporate contribution	144,882	141,568	116,886
Total requirement	434,645	424,705	350,658
Liquid net assets funded by equity	950,507	856,875	656,111
Excess	$ 515,862	$ 432,170	$ 305,453

	2025		
	DTC	NSCC	FICC
General business risk capital requirement	$ 273,454	$ 272,700	$ 229,333
Corporate contribution	136,727	136,350	114,667
Total requirement	410,181	409,050	344,000
Liquid net assets funded by equity	899,123	716,540	585,802
Excess	$ 488,942	$ 307,490	$ 241,802

Regulatory capital. DTCC's regulated subsidiaries maintain and report regulatory capital in accordance with all relevant laws, rules and guidelines. As a multinational enterprise, various DTCC subsidiaries are subject to regulatory capital regimes, as applicable. Certain DTCC subsidiaries submit regulatory capital reports to various regulators, including, but not limited to, FRBNY, the NYSDFS and the Commodity Futures Trading Commission (CFTC) in the United States; European Securities and Markets Authority (ESMA) in Europe; FCA in the UK; OSC in Canada; and the Monetary Authority of Singapore (MAS) in Singapore.

Capital adequacy. DTC is subject to capital guidelines issued by United States federal and state banking regulators.

DTC capital and leverage ratios required by the FRBNY and the NYSDFS as of June 30, 2026 follow:

	Ratio	Minimum Capital Ratio[a]	Well Capitalized Ratio[a]
Tier 1 capital ratio [1]	42.05 %	6.00 %	8.00 %
Total capital ratio [1]	42.05 %	8.00 %	10.00 %
Tier 1 leverage ratio [2]	12.84 %	4.00 %	5.00 %

(a) As defined by the regulations issued by the Federal Reserve, Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation.

(1) Total capital and Tier 1 capital include common stock, retained earnings and preferred stock. DTC's tier 1 capital and total capital ratios are based on tier 1 capital and total risk-weighted assets.

(2) Tier 1 leverage ratio is based on tier 1 capital and quarterly average total assets.

17. GUARANTEES

FICC and NSCC provide CCP services, including clearing, settlement and risk management services. Acting as a CCP, FICC (through GSD and MBSD) and NSCC guarantee the settlement of trades in the event one or more of their Participants' defaults. A Participant default is defined in the respective rules of NSCC, GSD and MBSD. In their guarantor role, each clearing subsidiary has equal claims to and from Participants, as applicable, on opposite sides of netted transactions. To cover their default risk, FICC (through GSD and MBSD) and NSCC use risk-based margining to determine Participants' required cash and eligible securities deposits to their Clearing Funds. NSCC's trade guaranty generally attaches at the point of validation for locked-in submissions, or at the point of comparison and validation for bilateral submissions.

DTC, NSCC, FICC and The Options Clearing Corporation (OCC) have also entered into a multilateral netting contract and limited cross-guaranty agreement. In accordance with the cross-guaranty agreement, these clearing agencies have agreed to make payments to each other for any remaining unsatisfied obligations of a common defaulting Participant to the extent that these clearing agencies have excess resources belonging to the defaulting Participant. Under this agreement, no party ever needs to pay out of pocket and no party can receive more than its loss.

Details for open CCP positions for which a trade guaranty applied as of June 30, 2026 and December 31, 2025 follow (in billions):

	2026	2025
FICC		
GSD	$ 3,611	$ 3,797
MBSD	562	544
NSCC	316	134

There were no defaults by Participants to these obligations in 2026 and 2025.

See Note 20 in DTCC's Audited Consolidated Financial Statements for the years ended December 31, 2025 and 2024 for additional information on the Company's guarantees.

18. SUBSEQUENT EVENTS

The Company evaluated events and transactions occurring after June 30, 2026 through August 6, 2026, the date these consolidated financial statements were available to be issued, for potential recognition or disclosure. No events or transactions, other than as disclosed below, occurred during such period that would require recognition or disclosure in these consolidated financial statements.

On July 27, 2026, the Company renewed the annual lines of credit on DTC and NSCC for $1.9 billion and $9.6 billion, respectively. These lines of credit will mature on July 26, 2027.