



1Q FY2007 Earnings Results - Reference Data -

July 26, 2007

Daiwa Securities Group Inc.

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Consolidated Breakdown of Operating Revenues

(Y mil)	FY2007	FY2006	%Change vs 4Q FY06	FY2006			%Change vs 1Q FY06	FY2006
	1Q	4Q		3Q	2Q	1Q		
Equity	24,528	28,569	-14.1%	23,895	19,658	26,863	-8.7%	98,986
Brokerage commission	24,034	28,040	-14.3%	23,416	19,334	26,269	-8.5%	97,061
Others	493	528	-6.7%	478	323	594	-17.0%	1,925
Fixed income	562	660	-14.9%	504	756	744	-24.5%	2,666
Brokerage commission	168	185	-9.1%	143	141	224	-24.9%	693
Others	393	475	-17.2%	361	615	520	-24.3%	1,972
Investment trust	37,181	32,006	16.2%	26,430	23,703	24,766	50.1%	106,906
Brokerage commission	71	97	-26.2%	61	58	100	-28.4%	317
Distribution commission	13,606	11,345	19.9%	8,161	7,576	10,126	34.4%	37,210
Management fee	23,502	20,563	14.3%	18,206	16,068	14,540	61.6%	69,378
Agency commission	11,382	10,140	12.2%	9,367	8,424	7,778	46.3%	35,711
Investment banking	11,376	14,481	-21.4%	33,711	17,351	9,440	20.5%	74,985
Underwriting commission	7,435	9,737	-23.6%	25,093	12,559	6,678	11.3%	54,068
Equity	4,166	6,657	-37.4%	22,301	10,181	4,370	-4.7%	43,510
Bond	3,152	2,858	10.3%	2,619	1,869	2,059	53.1%	9,406
Distribution commission	1,215	323	276.0%	219	269	497	144.2%	1,309
Others (M&A commission etc.)	2,725	4,421	-38.4%	8,399	4,522	2,264	20.4%	19,607
Others	6,227	5,771	7.9%	5,736	5,640	6,042	3.1%	23,190
Total commission	79,875	81,489	-2.0%	90,278	67,110	67,858	17.7%	306,736
Gain/loss on equity trading	19,380	8,159	137.5%	10,902	-5,336	17,563	10.3%	31,288
Gain/loss on bond and forex trading	27,368	38,885	-29.6%	26,317	43,170	17,671	54.9%	126,044
Bond	-22,129	22,171	-	1,154	27,188	-1,821	-	48,693
Forex	49,498	16,713	196.2%	25,162	15,982	19,492	153.9%	77,351
Total gain/loss on trading	46,749	47,044	-0.6%	37,219	37,833	35,234	32.7%	157,332



Daiwa Securities Breakdown of SG&A

(Y mil)	FY2007	FY2006	%Change vs 4Q FY06	FY2006			%Change vs 1Q FY06	FY2006
	1Q	4Q		3Q	2Q	1Q		
SG&A	41,981	40,644	3.3%	39,128	37,505	37,391	12.3%	154,670
Fees and commissions paid	6,053	5,649	7.1%	5,190	5,282	5,398	12.1%	21,520
Personnel costs	20,883	19,481	7.2%	19,009	18,844	19,158	9.0%	76,493
Real estate expenses	4,853	6,779	-28.4%	6,543	5,145	4,655	4.2%	23,124
Office expenses	5,301	5,061	4.7%	4,942	5,191	5,109	3.8%	20,304
Depreciation	2,579	2,618	-1.5%	2,416	2,169	2,020	27.7%	9,225
Taxes other than income taxes	458	355	29.2%	304	306	386	18.6%	1,353
Others	1,850	698	164.8%	721	565	661	179.6%	2,647



Daiwa Securities SMBC - Consolidated - Breakdown of SG&A

(Y mil)	FY2007	FY2006	%Change vs 4Q FY06	FY2006			%Change vs 1Q FY06	FY2006
	1Q	4Q		3Q	2Q	1Q		
SG&A	40,859	43,013	-5.0%	48,424	42,452	35,902	13.8%	169,793
Fees and commissions paid	14,356	17,395	-17.5%	22,006	18,380	11,585	23.9%	69,368
Personnel costs	12,597	12,197	3.3%	12,610	11,026	11,860	6.2%	47,694
Real estate expenses	3,500	3,699	-5.4%	3,576	3,519	3,155	10.9%	13,951
Office expenses	5,123	4,845	5.7%	4,337	4,461	4,323	18.5%	17,969
Depreciation	3,063	3,008	1.8%	2,966	2,972	2,888	6.1%	11,836
Taxes other than income taxes	1,059	993	6.6%	1,624	1,005	983	7.7%	4,607
Others	1,159	873	32.7%	1,302	1,084	1,105	4.9%	4,366



Daiwa Securities SMBC - Unconsolidated - Financial Summary

(Y mil)	FY2007	FY2006	%Change vs 4Q FY06	FY2006			%Change vs 1Q FY06	FY2006
	1Q	4Q		3Q	2Q	1Q		
Operating revenues	58,894	64,232	-8.3%	70,941	58,872	46,662	26.2%	240,709
Commissions	16,044	19,826	-19.1%	35,451	22,366	14,989	7.0%	92,633
Brokerage	5,216	5,605	-6.9%	4,982	4,366	4,948	5.4%	19,902
Stock and others	5,186	5,567	-6.8%	4,956	4,333	4,909	5.7%	19,767
Underwriting	6,423	8,248	-22.1%	22,810	11,213	6,041	6.3%	48,314
Stock and others	3,597	5,381	-33.2%	20,217	8,872	3,763	-4.4%	38,235
Bond and others	2,710	2,645	2.4%	2,420	1,832	2,027	33.7%	8,926
Distribution	541	393	37.4%	349	337	168	221.4%	1,248
Other commissions (M&A and others)	3,863	5,577	-30.7%	7,308	6,449	3,832	0.8%	23,168
Net gain/loss on trading securities	29,810	32,087	-7.1%	22,725	26,271	22,186	34.4%	103,271
Stock and others	14,595	4,271	241.7%	7,338	-8,123	13,812	5.7%	17,298
Bond, forex and others	15,214	27,816	-45.3%	15,387	34,395	8,373	81.7%	85,972
Interest and dividend income	13,039	12,318	5.8%	12,764	10,234	9,487	37.4%	44,804
Interest expenses	11,595	11,946	-2.9%	10,810	8,884	7,149	62.2%	38,789
Net operating revenues	47,298	52,286	-9.5%	60,131	49,988	39,513	19.7%	201,919
SG&A	33,652	36,052	-6.7%	42,087	37,483	30,480	10.4%	146,103
Ordinary income	21,434	16,333	31.2%	18,363	22,572	13,722	56.2%	70,992
Net income	15,398	6,392	140.9%	10,569	12,689	10,217	50.7%	39,869
Capital adequacy ratio	414.5%	465.3%	-	458.1%	478.8%	445.1%	-	465.3%



Domestic Group Companies & Overseas Operation

1Q FY2007 (Y mil, y/y % Chg)	Daiwa Securities		Daiwa Securities SMBC (consolidated)		Oveaseas	
Net operating revenues	63,863	12.2%	64,231	15.3%	14,262	10.1%
SG&A	41,981	12.3%	40,859	13.8%	12,464	5.5%
Operating income	21,882	12.1%	23,371	18.1%	1,798	57.3%
Ordinary income	21,999	12.4%	24,408	20.3%	2,049	66.1%
Group holdings (as of June 30, 2007)	100.0%		60.0%		-	

1Q FY2007 (Y mil, y/y % Chg)	Daiwa Asset Management		Daiwa SB Investments		Daiwa Institute of Research		NIF SMBC Ventures	
Operating revenues	20,383	70.7%	6,305	43.1%	26,559	32.5%	1,344	-17.0%
Ordinary income	5,065	86.2%	1,498	34.8%	2,165	5.8%	325	-23.8%
Group holdings (as of June 30, 2007)	100.0%		44.0%		100.0%		46.3%	

- (注) ・ Overseas figure is the sum of overseas divisions of Daiwa Securities Group and Daiwa Securities SMBC.
 ・ Operating revenues of Daiwa Institute of Research is based on amount of sales.
 ・ Operating revenues of NIF SMBC Ventures is based on unconsolidated gross profit.

Equity Market Share

	FY2005				FY2006				FY2007
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Market data									
Average daily trading value in TSE, OSE, and NSE; (Y bil)	1,356	1,891	2,972	3,053	2,752	2,265	2,477	3,224	2,956
Share of individual investors; (%)	24.2	28.4	30.8	29.1	22.8	21.9	20.8	21.4	19.2
Market share in Tokyo Stock Exchange; (%)									
Daiwa Securities Group (on and off floor)	8.3	7.1	6.6	6.5	7.2	7.1	7.1	6.6	6.6
Daiwa Securities (on and off floor)	1.0	1.3	1.5	1.5	1.2	1.1	1.1	1.2	1.0
Daiwa Securities SMBC									
(on and off floor)	7.3	5.8	5.1	5.0	6.1	6.0	6.1	5.4	5.6
(out of hours and off floor)	17.1	12.2	12.5	10.9	13.7	11.7	11.6	10.8	11.9
Share of Daiwa Securities (retail) among individual investor transactions at TSE, OSE, and NSE; (%)									
Daiwa Securities / TSE, OSE, NSE	3.7	4.4	4.9	4.9	4.8	4.5	4.6	5.0	4.6
Daiwa Securities equity commission rate; (bp)									
Commission rate*	64	53	51	47	44	40	43	41	41

* Adjusted rate: Denominator excludes value that generates revenues not reported as brokerage commission



Daiwa Securities

Number of Accounts

(# of Thousand Accounts)	FY2005				FY2006				FY2007
	6/05	9/05	12/05	3/06	6/06	9/06	12/06	3/07	6/07
CMS accounts (Cash Management Service)	2,539	2,568	2,631	2,695	2,726	2,755	2,783	2,819	2,862
Online trading accounts	1,323	1,359	1,421	1,487	1,521	1,551	1,579	1,616	1,656
“Daiwa Direct” accounts	457	492	536	586	613	634	661	700	734
“Daiwa Direct” margin transaction service accounts	8.6	14.3	19.7	25.9	28.3	29.9	31.0	32.8	34.0
Accounts holding equity	1,193	1,186	1,196	1,227	1,228	1,236	1,242	1,246	1,243
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Newly opened accounts	54	53	75	84	60	48	52	57	66
"Daiwa Direct" Course Accounts	19	22	33	39	22	17	19	26	26



Daiwa Securities SMBC Customer Assets

(Y bil)	FY2005				FY2006				FY2007
	6/05	9/05	12/05	3/06	6/06	9/06	12/06	3/07	6/07
Equity	10,382	11,942	14,163	13,931	13,333	13,476	14,181	14,661	15,059
Bond	8,905	8,564	8,560	8,279	8,111	8,821	8,984	10,575	10,312
Investment trust	942	992	1,042	1,035	1,076	1,028	1,066	1,039	955
Others	1,138	919	925	783	968	1,235	1,255	625	825
Total	21,369	22,418	24,691	24,029	23,489	24,562	25,488	26,901	27,154
Customer assets of Daiwa Securities held under custody at Daiwa Securities SMBC	4,929	5,140	5,288	5,258	5,276	5,360	5,660	5,977	6,199



Daiwa Securities SMBC Investment Banking (1)

Major lead manager deals during 1Q (including joint lead issues)

Straight Bonds	SOFTBANK	Total Y70bil	Hokuriku Electric Power	Y20bil
	The Sumitomo Trust and Banking (subordinated bond)	Total Y60bil	Central Japan Railway Company	Y20bil
	Nippon Yusen (NYK)	Total Y60bil	Chubu Electric Power	Y20bil
	TEPCO	Y50bil	JFE Holdings	Y20bil
	Kyushu Electric Power	Total Y50bil	Tokyo Tatemono	Y20bil
	SMBC	Y50bil	ACOM	Y20bil
	East Japan Railway	Total Y40bil	Sumitomo Metal Industries	Y15bil
	Sumitomo Realty & Development	Total Y40bil	Tohoku Electric Power	Y10bil
	TOYOTA FINANCE CORPORATION	Y30bil	Sojitz Corporation	Y10bil
	Credit Saison	Y20bil	Daio Paper Corporation	Y10bil
	The Kansai Electric Power	Y20bil	ORIX	Y10bil
Agency Bonds	Development Bank of Japan		Total Y65bil	
	Japan Student Services Organization		Y40bil	
	Urban Renaissance Agency		Total Y30bil	
	National Life Finance Corporation		Y30bil	
	Japan Finance Corporation for Municipal Enterprises		Y20bil	
	Welfare & Medical Service		Y20bil	
	Agriculture, Forestry & Fisheries Finance Corporation of Japan		Y13bil	
	THE OKINAWA DEVELOPMENT FINANCE CORPORATION		Y10bil	



Daiwa Securities SMBC Investment Banking (2)

Major lead manager deals during 1Q (including joint lead issues)

Equity Offerings (including CB)	Japan Petroleum Exploration	Secondary offering	Y85.6bil	
	TAIYO YUDEN	Overseas CB	Y20bil	
	MEGANETOP	Primary offering	Y2.7bil	
	TORIDOLL	Primary & Secondary offering	Y2.3bil	
IPOs	TAKAGISEIKO	Y1.5bil	Cyber Com	Y0.8bil
	NTT DATA INTRAMART CORPORATION	Y0.9bil	Horii Food Service	Y0.7bil
	TRUST WORKS	Y0.8bil	NIPPON ICHI SOFTWARE	Y0.7bil

Overseas underwriting issues during 1Q

Currency rate as of the end of 6/07

Bonds	Asian Development Bank	Gobal/USD	Y123bil
	Kommunalbanken Norway	Euro/USD bond	Y123bil
	Bayer AG	Euro/Yen bond	Y55bil
	Dexia MA	Euro/Yen bond	Y50bil
	Instituto de Credito Oficial	Euro/Yen bond	Y50bil
	The Korea Development Bank	Samurai bond	Y50bil
	PTT Public Company Limited	Samurai bond	Y36bil
	The Export-Import Bank of Korea	Samurai bond	Y35bil
	Corporacion Andina de Fomento	Samurai bond	Y30bil
	Kaupthing Bank	Samurai bond	Y28bil



Daiwa Securities SMBC Investment Banking (3)

Major lead manager deals during 1Q (including joint lead issues)

Structured Finance	■ The Japan Housing Finance Agency Secured Pass-through Bonds No.S-2	<Lead manager>	Issue	Y200bil	Underwriting	Y76bil
	■ SMBC Series 14 RMBS	<Lead manager>	Issue	Y68bil	Underwriting	Y68bil
	■ KKR* CLO Senior TMK ABS No.4	<Lead manager>	Issue	Y50bil	Underwriting	Y44bil
	■ The Japan Housing Finance Agency Secured Pass-through Bonds No.3	<Lead manager>	Issue	Y55.7bil	Underwriting	Y21.7bil
	■ SMBC Series 1 CMBS	<Lead manager>	Issue	Y24.4bil	Underwriting	Y19.6bil
	■ NIPPON RESIDENTIAL INVESTMENT CORPORATION Series 5 PO	<Co-Lead manager>	Issue	Y44bil	Underwriting	Y17.6bil
	■ CLO in June 2007 of Regional Financial Institutions	<Lead manager>	Issue	Y12bil	Underwriting	Y12bil
	■ SMBC-CLO Loan Claims Trust No.8	<Lead manager>	Issue	Y8.6bil	Underwriting	Y8.6bil

*KKR: Federation of National Public Service Personnel Mutual Aid Associations

Major M&A deals during 1Q

M&A	■ SUMITOMO ELECTRIC INDUSTRIES made SUMITOMO WIRING SYSTEMS their 100% subsidiary by a share exchange operation. (Advisor to Sumitomo Wiring Systems)
	■ USEN CORPORATION made a TOB for its consolidated karaoke-operating subsidiary, BMB Corp, in a bid to make it 100% subsidiary. (Advisor to USEN)
	■ TEPCO transferred its share holdings of FUSION COMMUNICATIONS CORP to Rakuten. (Advisor to Rakuten)



VaR

Range and assumption of VaR

- Confidence level: 99%
- Holding period: 1 day
- Adjusted for price correlation between products

Daiwa Securities SMBC (Unconsolidated)

(Y bil)

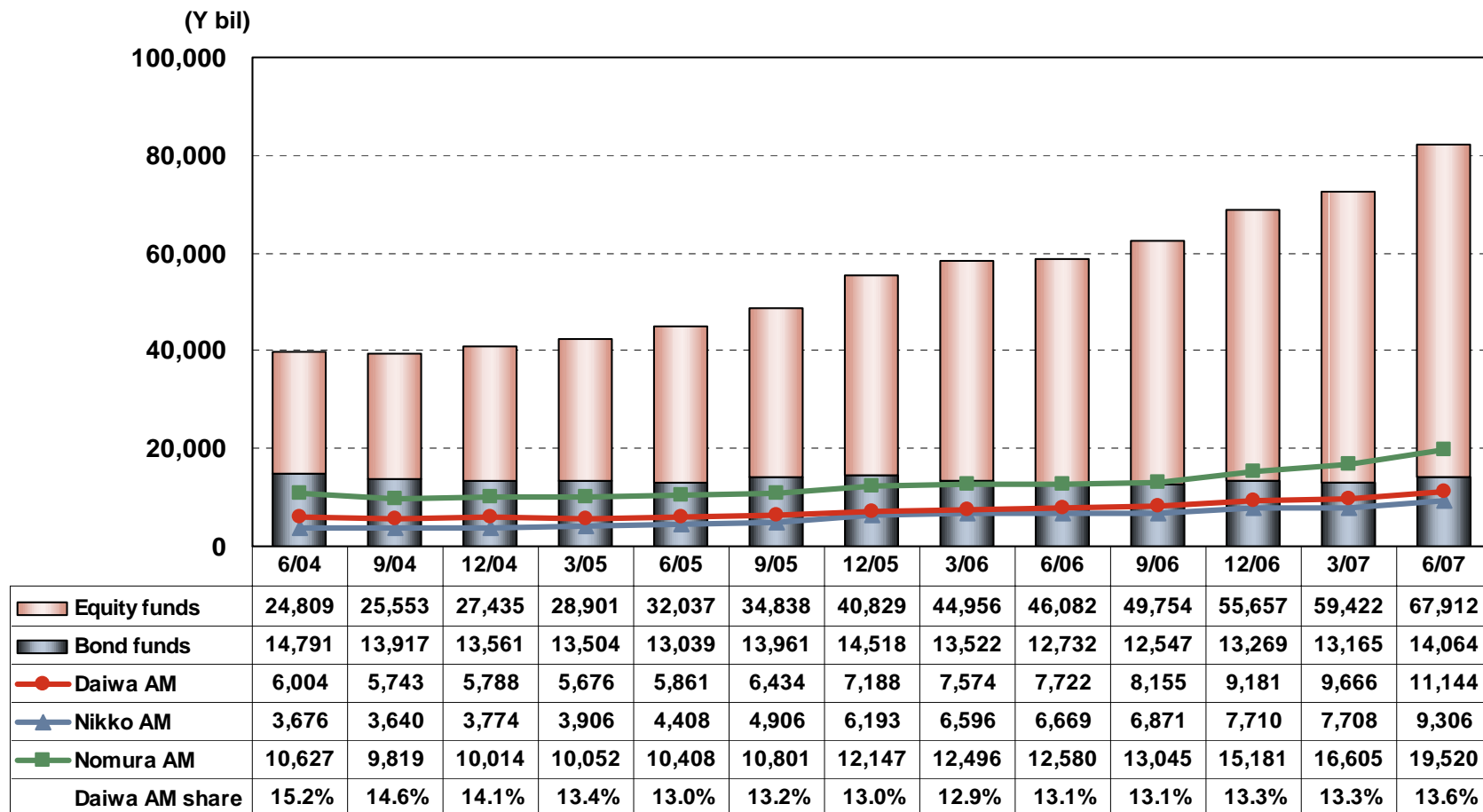
(Month end)	9/05	12/05	3/06	6/06	9/06	12/06	3/07	6/07
Equity	1.03	0.50	1.87	0.86	1.38	1.42	0.93	1.11
Interest	1.15	0.57	0.80	1.55	1.01	0.74	0.62	1.30
Currency	0.08	0.24	0.11	0.18	0.78	0.62	1.63	0.54
Commodity	-	-	-	-	-	0.03	0.12	0.17
Total	2.26	1.31	2.78	2.59	3.17	2.81	3.30	3.12
Diversification effect	-0.58	-0.39	-0.96	-0.84	-1.16	-1.21	-1.35	-1.50
VaR	1.68	0.92	1.82	1.75	2.01	1.60	1.95	1.62
Quarterly	High	1.87	1.69	2.68	3.36	2.21	2.69	3.76
	Low	0.66	0.92	0.84	1.28	1.17	1.09	1.01
	Average	0.96	1.31	1.35	2.15	1.76	1.93	1.65

Daiwa Securities Group (Consolidated)

(Y bil)

(Month end)	9/05	12/05	3/06	6/06	9/06	12/06	3/07	6/07
Equity	1.09	0.53	1.93	1.05	1.48	1.48	0.98	1.24
Interest	1.29	0.78	0.92	1.71	1.09	0.88	0.80	1.51
Currency	0.08	0.24	0.11	0.18	0.78	0.62	1.63	0.54
Commodity	-	-	-	-	-	0.03	0.12	0.17
Total	2.46	1.55	2.96	2.94	3.35	3.01	3.53	3.46
Diversification effect	-0.60	-0.40	-0.98	-0.88	-1.18	-1.22	-1.35	-1.51
VaR	1.86	1.15	1.98	2.06	2.17	1.79	2.18	1.95
Quarterly	High	2.30	1.95	3.07	3.69	2.42	2.86	4.10
	Low	0.81	1.15	0.99	1.49	1.42	1.14	1.28
	Average	1.19	1.55	1.56	2.42	1.99	2.13	1.91

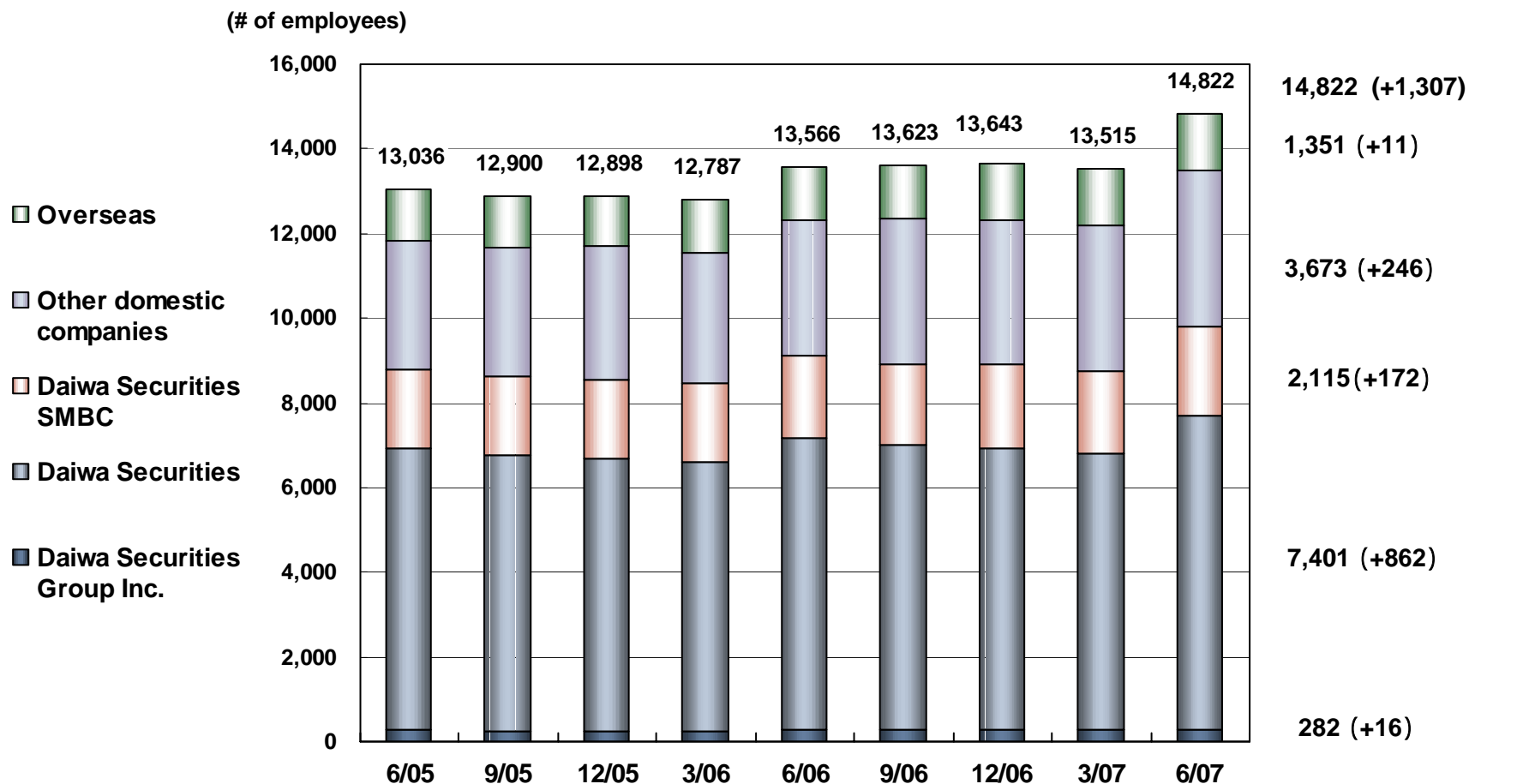
Asset Management Investment Trust Market in Japan



Source: The Investment and Trust Association



Number of Group Employees



* Total figure is the sum of consolidated group companies and Daiwa SB Investments.

(Changes are from 3/07)

** Figures for Daiwa Securities include Financial Advisers (FA).

*** Figures for Daiwa Securities SMBC include employees of Daiwa Securities SMBC Principal Investments.

**** Daiwa Securities Loan Co., Ltd. is included from 6/07.



Changes in Shareholder Composition

March 06	
Types of investors	Ratio of # of shares
Individuals	17.4 %
Financial institutions	38.7
Banks	5.6
Trust Banks	25.4
Other institutions	4.9
Foreigners	37.2
Others	1.8
Total	100

September 06	
Types of investors	Ratio of # of shares
Individuals	16.4 %
Financial institutions	37.0
Banks	5.1
Trust Banks	24.7
Other institutions	4.5
Foreigners	39.8
Others	2.3
Total	100

March 07	
Types of investors	Ratio of # of shares
Individuals	15.6 %
Financial institutions	37.9
Banks	5.2
Trust Banks	25.4
Other institutions	4.1
Foreigners	40.1
Others	2.3
Total	100



Credit Ratings

	Daiwa Securities Group Inc.		Daiwa Securities		Daiwa Securities SMBC	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Moody's	Baa1	-	Baa1	P-2	A2	P-1
Standard & Poor's	BBB+	A-2	BBB+	A-2	A	A-1
Rating and Investment Information	A	a-1	A	a-1	A	a-1
Japan Credit Rating Agency	A+	-	A+	-	-	-

As of July 25, 2007

- Jun 18 Standard & Poor's raised its long-term rating for Daiwa Securities SMBC from "A-" to "A".
Standard & Poor's raised its short-term rating for Daiwa Securities SMBC from "A-2" to "A-1".



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