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Press Release

Company Name: Daiwa Securities Group Inc.

Representative: Yoshinari Hara, President and CEO

Contact: Hironaka Takada, General Manager, Finance Dept.

2-6-4, Otemachi, Chiyoda-ku, Tokyo, 100-8101, Japan

Phone: +813-3243-2100

URL: [Http://www.ir.daiwa.co.jp](http://www.ir.daiwa.co.jp)

**Additional information on financial summary**  
**for fiscal year ended March 31, 2004**

The Company announces additional information to “Consolidated financial summary” and “Non-consolidated financial summary” for fiscal year ended March 31, 2004 disclosed on April 27, 2004.

**[Consolidated financial summary for fiscal year ended March 31, 2004]**

(Transactions with related parties)

For Fiscal 2003 (from April 1, 2003 to March 31, 2004)

1. Parent company and major corporate shareholders

Not applicable.

2. Directors and major individual shareholders

| Attribute | Name              | Address | Amount of capital or investment | Nature of business or occupation                                                 | Ratio of ownership of voting powers | Nature of relationship      |                          | Nature of transaction                                                              | Transaction amounts (Millions of yen) | Account title               | Ending balances (Millions of yen) |
|-----------|-------------------|---------|---------------------------------|----------------------------------------------------------------------------------|-------------------------------------|-----------------------------|--------------------------|------------------------------------------------------------------------------------|---------------------------------------|-----------------------------|-----------------------------------|
|           |                   |         |                                 |                                                                                  |                                     | Additional post of director | Relationship on business |                                                                                    |                                       |                             |                                   |
| Director  | Masahiro Yoshiike | -       | -                               | Statutory auditor of the Company (President of the Taiyo Life Insurance Company) | N.A.                                | -                           | -                        | -Loans to Taiyo Life Insurance Company                                             | -                                     | -Long-term loans receivable | 5,000                             |
|           |                   |         |                                 |                                                                                  |                                     |                             |                          | -Receipt of interest income from the loans                                         | 177                                   | -Interests receivable       | 54                                |
|           |                   |         |                                 |                                                                                  |                                     |                             |                          | -Borrowings from Taiyo Life Insurance Company                                      | 12,000                                | -Short-term borrowings      | 2,000                             |
|           |                   |         |                                 |                                                                                  |                                     |                             |                          | -Payment of interest expense from the borrowings                                   | 373                                   | -Long-term borrowings       | 10,000                            |
|           |                   |         |                                 |                                                                                  |                                     |                             |                          | -Sale of 5,000 shares of the Taiyo Credit Guarantee Co., Ltd at 15,549 yen / share | 77                                    | -Interests payable          | 67                                |
|           |                   |         |                                 |                                                                                  |                                     |                             |                          |                                                                                    |                                       | -                           | -                                 |

(Notes)

1. Transactions above are those that the auditor act as the Taiyo Life Insurance Company. Conditions on interest and others are ordinary.

2. Transaction amounts above are loans or borrowings executed during fiscal 2003. Amounts of repayment are not included in the transaction amounts.

3. Subsidiaries and other

Not applicable.

4. Sister companies

Not applicable.

(Deferred income tax assets / liabilities)

1. Details of deferred income tax assets and liabilities at March 31, 2004 are as follows:

| Deferred income tax assets                       | Millions of yen |
|--------------------------------------------------|-----------------|
| Net operating losses carry-forward               | 116,984         |
| Valuation loss on investment securities          | 12,922          |
| Expenses for real estate business reorganization | 7,458           |
| Employee retirement benefits                     | 7,232           |
| Employee compensation and bonuses                | 6,979           |
| Provision for doubtful accounts                  | 5,284           |
| Other                                            | 26,002          |
| Gross deferred income tax assets                 | 182,864         |
| Less: Valuation allowance                        | -108,584        |
| Total deferred income tax assets                 | 74,279          |
| Deferred income tax liabilities                  |                 |
| Net unrealized gain on securities                | 20,013          |
| Other                                            | 3,615           |
| Total deferred income tax liabilities            | 23,628          |
| Net deferred tax assets                          | 50,650          |

2. A reconciliation of difference between the statutory income tax rate and the effective income tax rate reflected in the accompanying statements of operations for the year ended March 31, 2004 is as follows.

|                                                             |         |
|-------------------------------------------------------------|---------|
| Statutory income tax rate                                   | 42.05%  |
| (Reconciliation)                                            |         |
| Valuation allowance                                         | -12.49% |
| Permanent difference (Non-deductible)                       | 1.30%   |
| Permanent difference (Non-taxable)                          | -0.91%  |
| Lower tax rate applicable to income of foreign subsidiaries | -1.70%  |
| Other                                                       | -1.21%  |
| Effective income tax rate                                   | 27.05%  |

3. In line with the issuance of 'Ordinance Concerning Partial Amendment of the Tokyo Metropolitan Government' (Ordinance No. 125) on October 14, 2003, the Company and its domestic consolidated subsidiaries changed its effective income tax rate of 40.49% for Fiscal 2002 to 40.69% for Fiscal 2003. As a result, deferred income tax assets (net of deferred income tax liabilities) increased by 158 million yen and income taxes-deferred and net unrealized gain on securities, net of tax effect, decreased by 259 million yen and by 101 million yen, respectively.

(Securities)

1. Securities held for trading purpose

Trading securities

(Millions of yen)

| Type of securities                                                                           | Fiscal 2003<br>Mar. 31, 2004 |             | Fiscal 2002<br>Mar. 31, 2003 |             |
|----------------------------------------------------------------------------------------------|------------------------------|-------------|------------------------------|-------------|
|                                                                                              | Assets                       | Liabilities | Assets                       | Liabilities |
| Equity securities                                                                            | 257,409                      | 94,128      | 83,341                       | 38,234      |
| Bonds                                                                                        | 3,119,109                    | 2,350,637   | 3,646,399                    | 958,099     |
| Commercial paper and certificates of deposits                                                | 21,973                       | —           | 91,730                       | —           |
| Beneficiary certificates                                                                     | 111,193                      | 794         | 119,077                      | 357         |
| Other                                                                                        | 20,231                       | —           | 12,345                       | —           |
| Changes in the market values reflected in the income statements for the relevant fiscal year | 3,525                        | 9,469       | -28,414                      | -1,447      |

2. Securities held for non-trading purpose

(1) Held-to-maturity debt securities with market value

(Millions of yen)

| Type of securities                                            | Fiscal 2003<br>Mar. 31, 2004 |              |            | Fiscal 2002<br>Mar. 31, 2003 |              |            |
|---------------------------------------------------------------|------------------------------|--------------|------------|------------------------------|--------------|------------|
|                                                               | Carrying Amount              | Market value | Difference | Carrying Amount              | Market value | Difference |
| Securities with market value greater than carrying amount     | 0                            | 0            | 0          | 0                            | 0            | 0          |
| Government bonds, local government bonds, etc.                | 0                            | 0            | 0          | 0                            | 0            | 0          |
| Corporate bonds                                               | —                            | —            | —          | —                            | —            | —          |
| Other                                                         | —                            | —            | —          | —                            | —            | —          |
| Securities with market value not greater than carrying amount | —                            | —            | —          | —                            | —            | —          |
| Government bonds, local government bonds, etc.                | —                            | —            | —          | —                            | —            | —          |
| Corporate Bonds                                               | —                            | —            | —          | —                            | —            | —          |
| Other                                                         | —                            | —            | —          | —                            | —            | —          |

## (2) Other securities with market value

(Millions of yen)

| Type of securities                                    | Fiscal 2003<br>Mar. 31, 2004 |                 |            | Fiscal 2002<br>Mar. 31, 2003 |                 |            |
|-------------------------------------------------------|------------------------------|-----------------|------------|------------------------------|-----------------|------------|
|                                                       | Cost                         | Carrying Amount | Difference | Cost                         | Carrying Amount | Difference |
| Securities with carrying amount greater than cost     | 58,468                       | 107,079         | 48,610     | 38,758                       | 50,853          | 12,094     |
| Equity securities                                     | 55,647                       | 103,715         | 48,067     | 34,218                       | 45,758          | 11,539     |
| Bonds                                                 | 119                          | 121             | 1          | 19                           | 19              | 0          |
| Government bonds, local government bonds, etc.        | 19                           | 19              | 0          | 19                           | 19              | 0          |
| Corporate bonds                                       | —                            | —               | —          | —                            | —               | —          |
| Other                                                 | 100                          | 101             | 1          | —                            | —               | —          |
| Other                                                 | 2,701                        | 3,242           | 541        | 4,520                        | 5,074           | 553        |
| Securities with carrying amount not greater than cost | 28,794                       | 27,374          | -1,419     | 113,508                      | 105,291         | -8,216     |
| Equity securities                                     | 6,234                        | 5,528           | -705       | 35,088                       | 29,742          | -5,346     |
| Bonds                                                 | 18,434                       | 18,179          | -255       | 74,257                       | 72,725          | -1,532     |
| Government bonds, local government bonds, etc.        | —                            | —               | —          | —                            | —               | —          |
| Corporate bonds                                       | —                            | —               | —          | 55,872                       | 55,089          | -783       |
| Other                                                 | 18,434                       | 18,179          | -255       | 18,384                       | 17,635          | -748       |
| Other                                                 | 4,125                        | 3,666           | -459       | 4,162                        | 2,824           | -1,337     |

(Note) The difference between market value and the carrying amount is recognized as loss in the period of the decline. (19,021 million yen for Fiscal 2002 and 784 million yen for Fiscal 2003)

If the market value of securities decline significantly (by more than 50% of its cost), the loss is recognized for the difference between its market value and the carrying amount. If the market value of securities decline by between 30% to 50% of its cost, the possibility of recovery of market value is tested based on factors including the movements of share prices for the past 2 years and financial conditions of the issuer, and the loss is recognized in case it is deemed that the possibility of recovery of market value is remote.

## (3) Other securities sold during Fiscal 2002 and Fiscal 2003

(Millions of yen)

| Category           | Fiscal 2003<br>Apr. 1, 2003-Mar. 31, 2004 | Fiscal 2002<br>Apr. 1, 2002-Mar. 31, 2003 |
|--------------------|-------------------------------------------|-------------------------------------------|
| Sales amount       | 107,124                                   | 119,246                                   |
| Total gain on sale | 13,067                                    | 12,740                                    |
| Total loss on sale | 2,216                                     | 8,297                                     |

## (4) Securities that do not have market value and their carrying amount

(Millions of yen)

| Type of securities                                | Fiscal 2003<br>Mar. 31, 2004 | Fiscal 2002<br>Mar. 31, 2003 |
|---------------------------------------------------|------------------------------|------------------------------|
|                                                   | Carrying Amount              | Carrying Amount              |
| Held-to-maturity debt securities                  | 1,678                        | 3,739                        |
| Government bonds,<br>local government bonds, etc. | 1,678                        | 3,739                        |
| Corporate bonds                                   | —                            | —                            |
| Other                                             | —                            | —                            |
| Other securities                                  | 110,767                      | 108,167                      |
| Equity securities                                 | 56,983                       | 63,614                       |
| Bonds                                             | 11,343                       | 9,451                        |
| Other                                             | 42,439                       | 35,100                       |

## (5) Maturity profile of other securities with maturities and held-to-maturity debt securities

(Millions of yen)

| Type of securities                                   | Fiscal 2003<br>Mar. 31, 2004 |              |               |                          | Fiscal 2002<br>Mar. 31, 2003 |              |               |                          |
|------------------------------------------------------|------------------------------|--------------|---------------|--------------------------|------------------------------|--------------|---------------|--------------------------|
|                                                      | Less than<br>1 year          | 1 to 5 years | 5 to 10 years | Greater than<br>10 years | Less than<br>1 year          | 1 to 5 years | 5 to 10 years | Greater than<br>10 years |
| Bonds                                                |                              |              |               |                          |                              |              |               |                          |
| Government bonds,<br>local government<br>bonds, etc. | 1,698                        | —            | 9,769         | —                        | 3,739                        | 20           | 1,963         | 3,759                    |
| Corporate bonds                                      | 327                          | 477          | —             | 769                      | 2,034                        | 1,011        | 55,089        | 682                      |
| Other                                                | —                            | 10,298       | 7,981         | —                        | —                            | 10,068       | 7,567         | —                        |
| Other                                                | 18,343                       | 540          | —             | 0                        | 18,043                       | 293          | 353           | —                        |
| Total                                                | 20,369                       | 11,317       | 17,751        | 769                      | 23,817                       | 11,393       | 64,973        | 4,441                    |

**[Non-consolidated financial summary for fiscal year ended March 31, 2004]**

(Deferred income tax assets/liabilities)

1. Details of deferred income tax assets and liabilities at March 31, 2004 are as follows:

| Deferred income tax assets                       | Millions of yen |
|--------------------------------------------------|-----------------|
| Write-down of investment in subsidiaries         | 58,090          |
| Expenses for real estate business reorganization | 48,023          |
| Provision for doubtful accounts                  | 25,399          |
| Net operating losses carry-forward               | 14,212          |
| Other                                            | 11,833          |
| Gross deferred income tax assets                 | 157,559         |
| Less: Valuation allowance                        | -140,407        |
| Total deferred income tax assets                 | 17,152          |
| Deferred income tax liabilities                  |                 |
| Net unrealized gain on securities                | 17,301          |
| Total deferred income tax liabilities            | 17,301          |
| Net deferred tax liabilities                     | 148             |

2. A reconciliation of difference between the statutory income tax rate and the effective income tax rate reflected in the accompanying statements of operations for the year ended March 31, 2004 is not presented, since the net loss is reported in the income statements.

3. In line with the issuance of 'Ordinance Concerning Partial amendment of the Tokyo Metropolitan Government' (Ordinance No. 125) on October 14, 2003, the Company changed its effective income tax rate of 40.49% for Fiscal 2002 to 40.69% for Fiscal 2003. As a result, deferred income tax liabilities increased by 85 million yen and net unrealized gain on securities, net of tax effect, decreased by 85 million yen.