

Overview of the Daiwa Securities Group

Principle management indicators (consolidated)

	FY2002	FY2003	FY2004	FY2005	FY2006
Operating revenues (¥ million)	387,658	453,813	519,337	845,659	917,307
Net operating revenues (¥ million)	270,809	352,434	390,432	579,358	526,764
Ordinary income (¥ million)	29,200	96,130	120,433	260,651	195,415
Net income (loss) (¥ million)	(6,322)	42,637	52,665	139,948	92,724
Net assets (¥ million)	541,718	604,170	648,332	792,281	1,223,225
Total assets (¥ million)	9,502,825	10,765,665	12,378,961	14,898,890	14,411,265
Return on equity (ROE) (%)	—	7.4	8.4	19.4	10.8
Net income (loss) per share (¥)	(4.75)	31.66	39.03	103.90	67.90
Net assets per share (¥)	407.84	453.60	486.70	598.27	665.98
Annual dividends per share (¥)	6.00	10.00	13.00	34.00	28.00

Corporate profile (As of March 31, 2007)

Company name

Daiwa Securities Group Inc.

Headquarters

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

Telephone

+81-3-3243-2100

Established

December 27, 1943 (Founded 1902)

President and CEO

Shigeharu Suzuki

Capital

¥178.3 billion

Number of employees (consolidated)

13,264

Number of consolidated subsidiaries

46

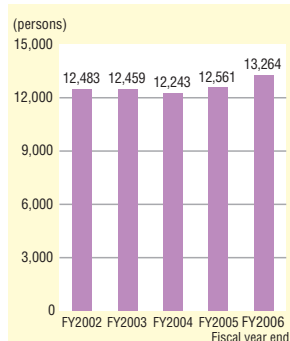
Number of equity-method affiliates

4

Shares issued and outstanding

1,404,664,000

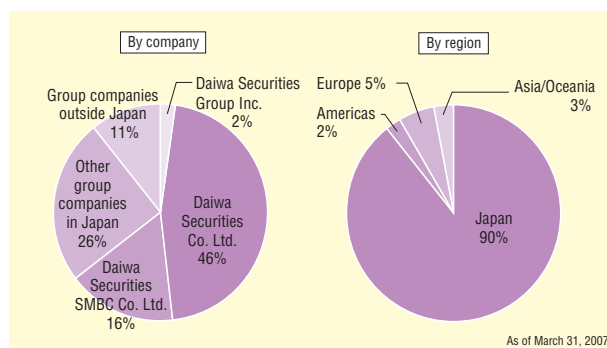
Number of employees (consolidated basis) *



* The number of employees includes the number of Financial Advisors (FA).

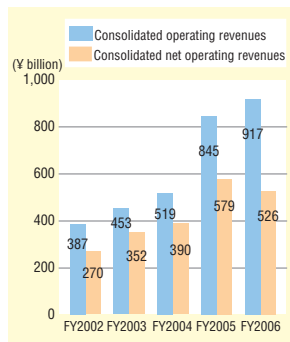
Employee composition

Number of employees 13,264

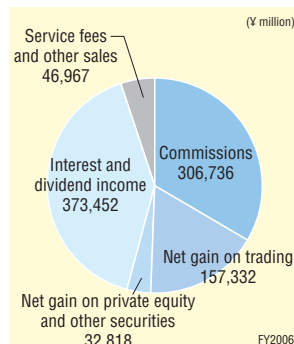


As of March 31, 2007

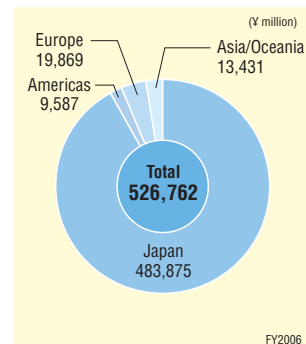
Operating revenues and net operating revenues



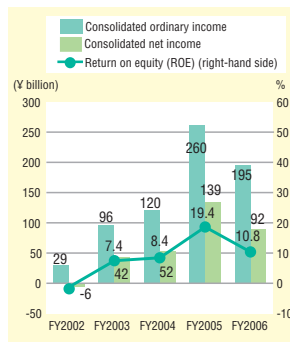
Breakdown of operating revenues



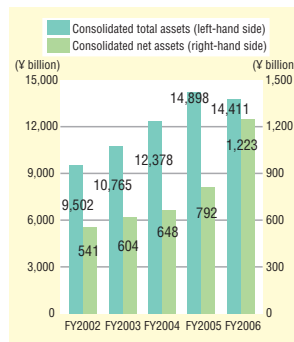
Breakdown of net operating revenues by region



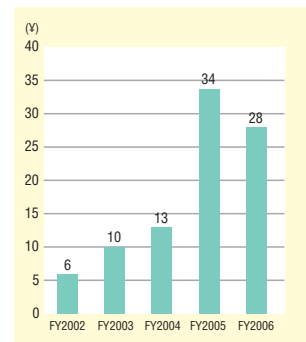
Ordinary income, net income, and ROE



Total assets and net assets



Annual dividends per share



■ Daiwa Securities Group's Business Description

The Daiwa Securities Group is comprised of Daiwa Securities Group Inc., the holding company which controls the group companies, the two main securities companies, Daiwa Securities Co. Ltd. and Daiwa Securities SMBC Co. Ltd.

1. Retail securities business

Through its national network of 117 branches, the Call Center, and the Internet, Daiwa Securities Co., Ltd. offers two retail services: Daiwa Consulting and Daiwa Direct. These services offer a wide range of financial products and services, and support customer asset management, mainly targeting individual customers.

2. Wholesale securities business

The Daiwa Securities SMBC's business line consists broadly of (1) brokerage and trading of equities, bonds, and derivatives and (2) investment banking services to institutional investors, corporate clients and financial institutions, in and outside Japan. Our investment banking services support a wide range of businesses, from business expansion to finance and capital strategies, through services relating to financing for corporate clients and financial institutions.

3. Asset management business

The Group provides development and management of stock, bond, and private investment trusts, as well as other investment management services.

4. Investment business

Using its own funds, the Daiwa Securities Group invests in private equity, monetary receivables, real estate, venture capital opportunities, and business regeneration. It also forms and manages investment funds.

5. Research, systems, and consulting business

The Group is engaged in various forms of consulting and research reporting in fields such as management, finance, and information technology. This information is provided to institutional investors, corporate clients, financial institutions, and public institutions in and outside Japan.

6. Group support

Services are supplied to member companies within the Daiwa Securities Group in areas such as administrative outsourcing relating to securities, as well as consulting for real estate and building management.

