

FACT SHEET

Daiwa Securities Group
(April 1, 2008 - September 30, 2008)

大和証券グループ本社

Daiwa Securities Group Inc.

1 Business Structure



*As Oct.1 2008, NIF SMBC Ventures changed its company name to "Daiwa SMBC Capital".

2 Major Group Companies and Operations

Retail		Wholesale	
Daiwa Securities	Daiwa Securities mainly serves individual investors and unlisted companies, offering consulting and online trading, and handling a complete spectrum of financial products and services.	Daiwa Securities SMBC	Daiwa Securities SMBC is a joint venture between Daiwa Securities Group Inc. and the Sumitomo Mitsui Financial Group. The company is a market pioneer, addressing a multitude of needs from corporate clients both in Japan and overseas.
Asset management		Investment	
Daiwa Asset Management	Daiwa Asset Management creates and manages investment trusts that encompass a broad assortment of investment targets.	Daiwa Securities SMBC PI	Daiwa Securities SMBC Principal Investments is responsible for direct investment operations.
Daiwa SB Investments	Daiwa SB Investments offers pension fund management and other asset management services to both domestic and overseas institutional investors.	Daiwa SMBC Capital	Daiwa SMBC Capital is the only publicly listed subsidiary, and it focuses largely on venture capital investments.
Group support			
Daiwa Institute of Research	Daiwa Institute of Research serves as a comprehensive think tank and research center for the Group. Operations are divided into three core businesses; research, consulting and systems.	Daiwa Securities Business Center Daiwa Property	Daiwa Securities Business Center is a comprehensive outsourcing vendor and provider of back office services for the securities business. Daiwa Property handles the property management activities for branch offices, corporate dormitories and other buildings used by the Group.

3 Financial Summary (Consolidated)

(Y mil)	FY2008		% Change vs 1H FY07	FY2008		% Change vs 1Q FY08	FY2007
	1H	1H		2Q	1Q		
Operating revenues	296,935	465,695	-36.2%	131,559	165,376	-20.4%	825,422
Net operating revenues	151,123	255,632	-40.9%	58,096	93,026	-37.5%	447,491
SG&A	177,739	185,280	-4.1%	89,293	88,446	1.0%	363,858
Ordinary income	-23,203	75,296	-	-31,525	8,321	-	90,143
Net income	-14,637	42,074	-	-20,522	5,885	-	46,411
Total assets	16,564,070	16,009,537		16,564,070	16,731,380		17,307,119
Net assets	1,017,118	1,194,358		1,017,118	1,089,393		1,082,923
Shareholders' equity*	774,427	907,597		774,427	825,314		818,089
EPS (Y)	-10.87	30.25		-15.24	4.37		33.69
BPS (Y)	575.28	661.84		575.28	612.96		607.64
ROE (Annualized)	-	9.2%		-	2.9%		5.3%

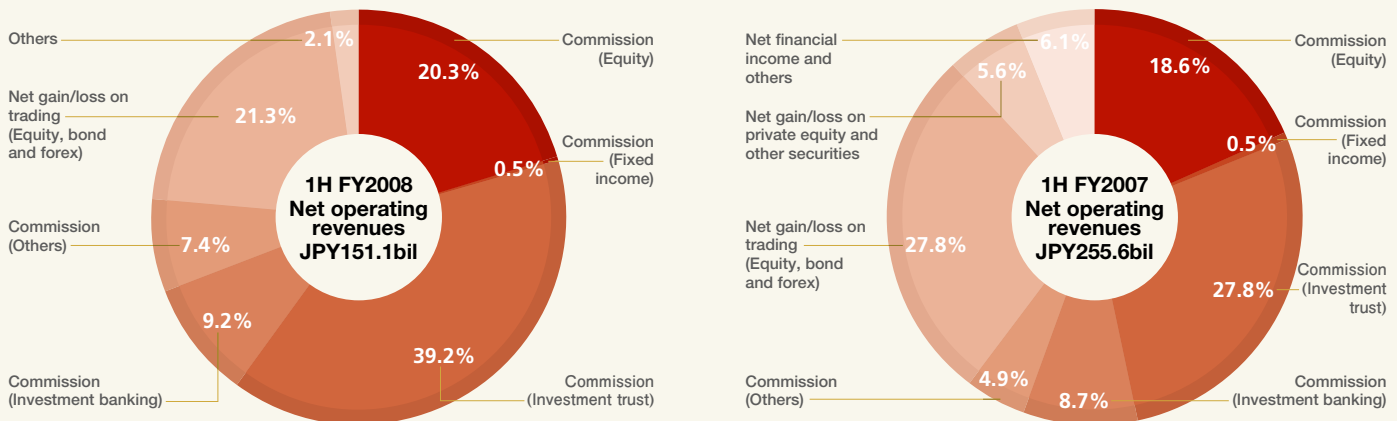
*Shareholders' equity = owners' equity + valuation and translation adjustments

ROE (Annualized)	FY2008		ROE (Annualized)	FY2008		FY2008 Interim Dividend
	1H	2Q		1H	2Q	
Daiwa Securities	8.6%	4.6%	Daiwa Securities SMBC (consolidated)	-	-	5 yen (per share)

4 Operating Revenues by Business Sector (Consolidated)

(Y mil)	FY2008	FY2007	% Change vs 1H FY07	FY2008		% Change vs 1Q FY08	FY2007
	1H	1H		2Q	1Q		
Total commission	115,837	154,438	-25.0%	54,045	61,792	-12.5%	294,424
Equity	30,746	47,459	-35.2%	13,424	17,321	-22.5%	84,592
Fixed income	739	1,171	-36.9%	340	398	-14.5%	2,133
Investment trust	59,271	71,007	-16.5%	28,314	30,956	-8.5%	136,376
Investment banking	13,955	22,175	-37.1%	6,456	7,499	-13.9%	47,550
Others	11,125	12,624	-11.9%	5,508	5,616	-1.9%	23,771
Net gain/loss on trading	32,164	71,190	-54.8%	10,864	21,300	-49.0%	103,361
Equity	12,443	15,230	-18.3%	-8,590	21,033	-	11,020
Bond and forex	19,721	55,960	-64.8%	19,454	266	-	92,341
Net gain/loss on private equity and other securities	-16,213	14,305	-	-15,206	-1,007	-	19,160
Net financial income	12,373	10,082	22.7%	4,967	7,405	-32.9%	18,638

5 Profit Structure of Daiwa Securities Group



6 Domestic Group Companies & Overseas Operation

1H FY2008 (Y mil, y/y % Chg)	Daiwa Securities	Daiwa Securities SMBC (consolidated)	Overseas*1	1H FY2008 (Y mil, y/y % Chg)	Daiwa Asset Management	Daiwa SB Investments	Daiwa Institute of Research*2	NIF SMBC Ventures*4
Net operating revenues	88,629 -27.2%	27,364 -73.1%	27,624 -0.6%	Operating revenues	40,365 -3.5%	11,837 -10.7%	53,997*3 6.0%	-34*5 -
SG & A	71,204 -12.5%	76,464 -6.3%	27,026 4.5%	Ordinary income	8,250 -13.9%	2,251 -31.6%	5,602 10.2%	-1,940 -
Operating income	17,425 -56.8%	-49,099 -	598 -68.9%	Group holdings (as of Sept.30, 2008)	100.0%	44.0%	100.0%	46.3%
Ordinary income	17,777 -56.1%	-48,416 -	634 -78.2%					
Group holdings (as of Sept.30, 2008)	100.0%	60.0%	-					

*1 Overseas divisions of Daiwa Securities Group Inc. and Daiwa Securities SMBC.

*2 As of Oct.1 2008, Daiwa Institute of Research has shifted to a holding company structure. Under a holding company, "Daiwa Institute of Research Holdings", its 100% subsidiary "Daiwa Institute of Research" and "Daiwa Institute of Research Business Innovation" have been established.

*3 Operating revenues of Daiwa Institute of Research is based on amount of sales.

*4 As of Oct.1 2008, NIF SMBC Ventures changed its company name to "Daiwa SMBC Capital".

*5 Operating revenues of NIF SMBC Ventures is based on unconsolidated gross profit.

Company profile

Business name	Daiwa Securities Group Inc.
Head office	GranTokyo North Tower, 9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-6751, Japan
Tel	(81) 3-5555 -1111
President and CEO	Shigeharu Suzuki
Commencement of operations	May 1, 1902
Common stock	JPY178.3bil (as of September 30, 2008)
Number of group employees	15,872 (as of September 30, 2008)
Review of operations	Controls and manages its subsidiaries and affiliated companies engaged in securities related businesses in domestic and overseas by owing their shares



Website
<http://www.daiwa-grp.jp/ir/english/>

Group history

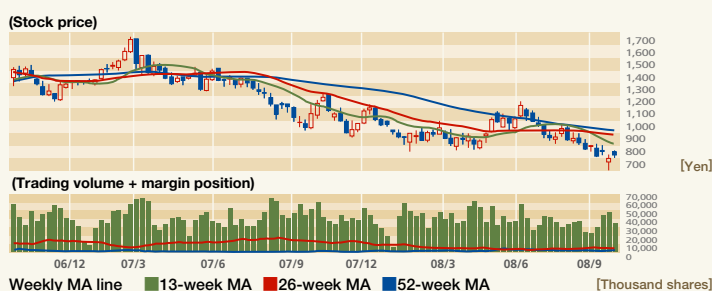
- 1902 Begin Operations as Fujimoto Bill Broker
- 1943 Fujimoto Securities Co. Ltd. merged with Nippon Trust Bank to establish Daiwa Securities Co. Ltd.
- 1998 Conclude final agreement with The Sumitomo Bank Limited on setting up a joint venture company
- 1999 Move to a holding company structure as a first listed company
 - Establish Daiwa Securities SMBC Co. Ltd., a first joint venture between a major bank and a securities company
 - Establish Daiwa SB Investments Ltd.
- 2001 Establish Daiwa Securities SMBC Principal Investments Co. Ltd.
- 2004 Transit to a "Committee System" of corporate governance
- 2005 NIF Ventures Co., Ltd. and SMBC Capital Co.,Ltd. merged into "NIF SMBC Ventures Co., Ltd. (current Daiwa SMBC Capital Co.,Ltd.)"
- 2007 The Daiwa Securities Group to move to new head office, "GranTokyo North Tower"

Stock information

Stock Exchange Listings	Tokyo, Osaka, and Nagoya
Trading Unit	1,000 shares
Fiscal Year-end	March 31
Issued and Outstanding shares	1,404,664 thousand shares (as of September 30, 2008)

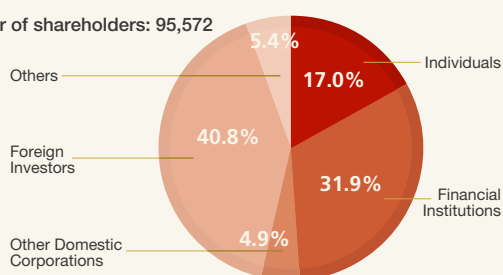
Stock Price on the TSE (April 1, 2008 - September 30, 2008)

Open	High	Low	Close
¥ 866	¥ 1,187	¥ 671	¥ 738
Average daily trading volume			
8,689 thousand shares			

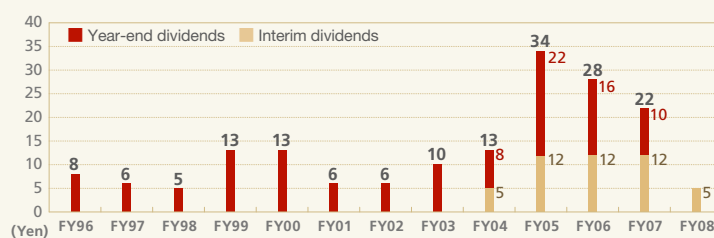


Stock ownership (as of September 30, 2008)

Number of shareholders: 95,572

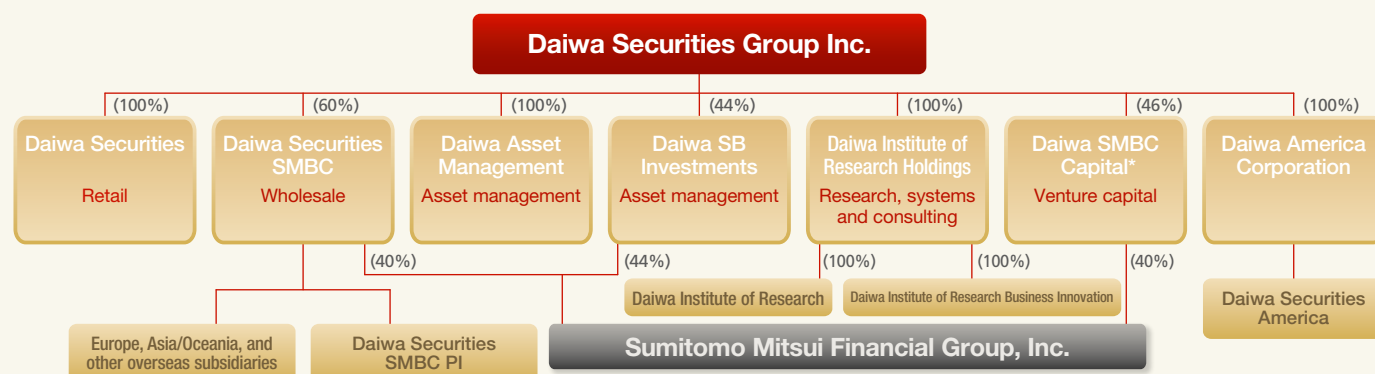


Dividend per share



*Interim dividend system was adopted in FY04

Capital structure



*Numbers in parentheses are investment ratio

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