

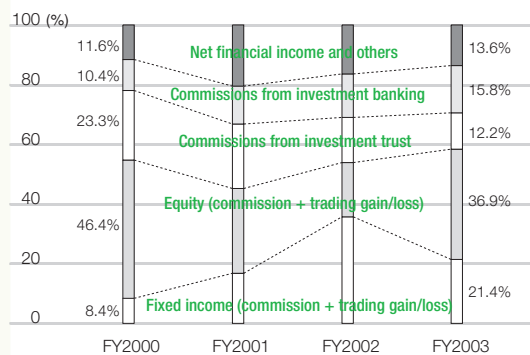
Snapshot of the Daiwa Securities Group

Our ultimate goal is to achieve an optimal balance between growth, profitability, and stability by:

Diversifying Our Business Portfolio

Expansion of revenues mainly from investment banking and fixed-income

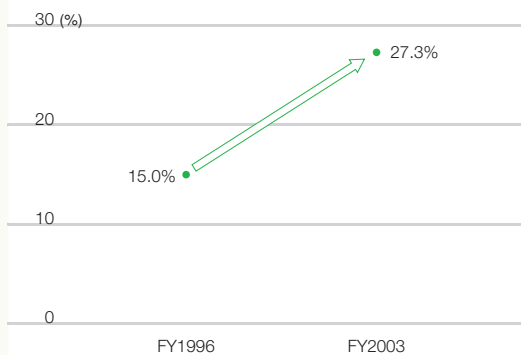
Breakdown of Consolidated Net Operating Revenues



Achieving Higher Profitability

FY2003 profitability ratios exceeded FY1996 levels

Consolidated Ordinary Income Margin



Ongoing enhancement of each of our core strengths and our efforts to promote synergies among functions have facilitated the above performance.

Indepth Research

—Daiwa Institute of Research ranked No. 1 by both the *Mainichi Economist* magazine and the *Nikkei Financial Daily* in their 2003 analyst/economist ranking
(Daiwa Institute of Research)

Retail Marketing System that can adopt to satisfy the diverse needs of customers

—Total customer assets under custody exceeded levels at the peak of the bubble economy (1989).
—Growth in number of on-line accounts highest among all major securities companies
(Daiwa Securities)

Highly Regarded Fund Management Capabilities

—The sole Japanese institution to be selected by Japan Post to manage the Japanese equity component of both postal savings and postal life insurance funds.
(Daiwa SB Investments)

Investment Banking Services backed by experience and capabilities to provide distinct solutions

—Japan's first joint venture between a major securities company and a megabank
FY 2003
-No. 1 lead-manager in domestic corporate straight bonds
-No. 2 lead-manager in equity offerings, IPOs and domestic ABS
(Daiwa Securities SMBC)