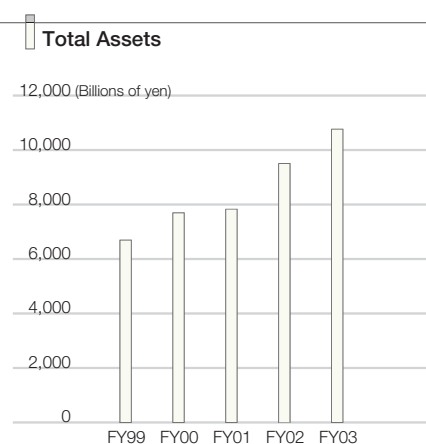
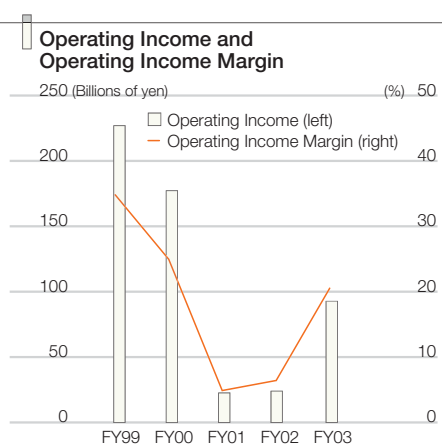
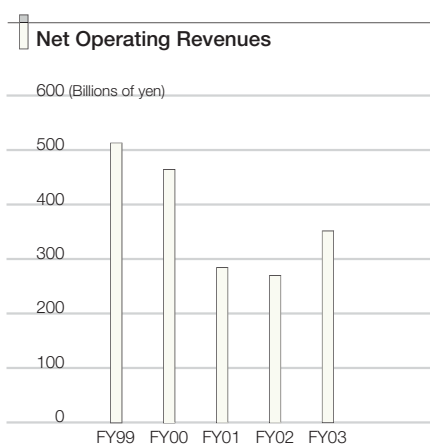


Financial Highlights

Daiwa Securities Group Inc. and Subsidiaries

	FY2001	FY2002	FY2003	FY2003
	Millions of yen (Unless otherwise specified)			Millions of U.S. dollars** (Unless otherwise specified)
Market Data				
TOPIX (annual average, index)	1,133	932	981	—
TSE 1 st section average daily trading value . . .	812,432	729,049	1,145,296	10,804
Ten-year Japanese government bond yield (annual average, % per annum)	1.37	1.12	1.13	—
Foreign exchange rates (annual average):				
Yen per U.S. Dollar	125.1	121.9	113.0	—
Yen per Euro	110.6	121.0	132.6	—
Operating Performance				
Operating revenues	488,044	387,659	453,814	4,281
Net operating revenues	284,932	270,810	352,435	3,324
Selling, general and administrative expenses . .	262,163	246,701	259,915	2,452
Operating income	22,769	24,109	92,520	872
Ordinary income	25,849	29,200	96,130	906
Net income (loss)	(130,547)	(6,323)	42,637	402



	FY2001	FY2002	FY2003	FY2003
	Millions of yen			Millions of U.S. dollars**1
Balance Sheet				
Total assets	7,827,306	9,502,826	10,765,665	101,562
Total risk assets *2	541,364	422,019	371,294	3,502
Total shareholders' equity	570,839	541,719	604,170	5,699
Per Share Data				
	Yen			U.S. dollars
Net Income (loss) *3	(98.27)	(4.75)	31.66	0.30
Total shareholders' equity *3	429.68	407.84	453.60	4.28
Cash dividends	6.0	6.0	10.0	0.09
Financial Ratios				
	%			
Return on Equity (ROE) *4	—	—	7.4	
Equity ratio	7.3	5.7	5.6	
Other data				
Total number of employees	11,483	11,559	11,565	

***Notes:**

- Translations of the Japanese yen amounts into U.S. dollars are made at the rate of ¥106.00 per U.S. dollar, solely for the convenience of readers.
- Risk assets are calculated as the sum of operational investment securities, tangible fixed assets and investment securities.
- Net income (loss) and shareholders' equity per share are computed based on the average number of shares outstanding during the year.
- ROE is computed based on the average shareholders' equity at the beginning and end of the fiscal year.
- Simple comparisons across the years cannot be made due to changes in items made to accommodate changes in statutory accounting standards. Some of the main changes are as following.
 - We have adopted the "Accounting Standard for Employees' Severance and Pension Benefits" in FY2000. We have also adopted the "Accounting Standards for Financial Instruments" resulting in the evaluation changes from mark-to-market valuations minus any tax effects of other securities to be included in stockholders' equity as "Net unrealized gain on securities net of tax effects." Furthermore, "translation adjustments" which were previously recorded on the asset side has been moved to shareholders' equity.
 - The operating results are presented in accordance with the amended "Uniform Accounting Standards of Securities Companies" (set by the board of directors of the Japan Securities Dealers' Association, September 28, 2001) since FY2001. Therefore figures for FY1999 and FY2000 have been adjusted according to the amended standards.

