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The Daiwa Securities Group in Figures

Five-year Financial Summary

Daiwa Securities Group Inc. and Consolidated Subsidiaries

	FY2000	FY2001	FY2002	FY2003	FY2004	FY2004
	Millions of yen					Millions of U.S. dollars ^{*1}
Operating Performance						
Operating revenues.....	714,909	488,044	387,659	453,814	519,337	4,853
Commissions.....	254,704	171,869	144,283	194,163	216,387	2,022
Net gain on trading.....	169,506	67,249	91,307	122,013	151,290	1,413
Interest and dividend income.....	220,790	195,934	114,707	103,224	118,019	1,102
Other sales revenues.....	69,909	52,992	37,362	34,414	33,641	314
Net operating revenues.....	464,057	284,932	270,810	352,435	390,432	3,648
Operating income.....	177,109	22,769	24,109	92,520	114,888	1,073
Income (loss) before income taxes and minority interests.....	166,615	(119,968)	11,845	76,926	112,603	1,052
Net income (loss).....	64,549	(130,547)	(6,323)	42,637	52,665	492
	Millions of yen					Millions of U.S. dollars ^{*1}
Balance Sheet						
Total assets.....	7,694,051	7,827,306	9,502,826	10,765,665	12,378,962	115,691
Total risk assets ^{*2}	791,667	708,770	584,358	518,331	499,084	4,664
Operational investment securities.....	58,411	73,347	77,866	87,367	142,547	1,332
Tangible fixed assets.....	313,906	188,451	162,339	143,123	137,620	1,286
Investment securities.....	332,018	358,828	259,207	229,924	193,202	1,806
Other investments.....	87,332	88,144	84,946	57,917	25,716	240
Total shareholders' equity.....	716,816	570,839	541,719	604,170	648,332	6,059
	Yen					U.S. dollars ^{*1}
Per Share Data						
Net income (loss) ^{*3}	48.62	(98.27)	(4.75)	31.66	39.03	0.36
Total shareholders' equity ^{*3}	539.72	429.68	407.84	453.60	486.70	4.54
Cash dividends.....	13.0	6.0	6.0	10.0	13.0	0.12
	%					
Financial Ratios						
Return on equity (ROE) ^{*4}	9.3	—	—	7.4	8.4	
Equity ratio.....	9.3	7.3	5.7	5.6	5.2	
Other data						
Total number of employees.....	11,114	11,483	11,559	11,565	11,295	

*Notes:

- Translations of the Japanese yen amounts into U.S. dollars are made at the rate of ¥107.00 per U.S. dollar, solely for the convenience of readers.
- Total risk assets are calculated as the sum of operational investment securities, tangible fixed assets, investment securities, and other investments.
- 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 total 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 follows.

- 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 FY 2001. Therefore figures for FY 2000 have been adjusted according to the amended standards.

The Daiwa Securities Group in Figures

Breakdown by Business and Geographical Region

Daiwa Securities Group Inc. and Consolidated Subsidiaries

	FY2000	FY2001	FY2002	FY2003	FY2004
Millions of yen					
Breakdown of Net Operating Revenues by Business					
Equity	215,151	80,974	49,178	130,084	139,991
Commissions	84,851	60,667	47,242	80,061	83,887
Net gain on trading	130,300	20,307	1,936	50,024	56,104
Fixed income (bond)	39,062	47,755	96,580	75,390	99,276
Commissions	3,726	4,671	4,585	5,219	4,264
Net gain on trading	35,336	43,084	91,995	70,171	95,012
Asset management	107,939	61,403	40,870	43,046	45,640
Investment banking	48,095	36,313	39,638	55,805	71,170
Others	53,810	58,487	44,544	48,111	34,355
Net operating revenues	464,057	284,932	270,810	352,435	390,432
Breakdown of Commission Income by Business					
Equity	84,851	60,667	47,242	80,061	83,887
Brokerage commission	82,231	58,280	45,403	78,194	81,919
Others	2,620	2,387	1,839	1,867	1,968
Fixed income (bond)	3,726	4,671	4,585	5,219	4,264
Asset management	107,939	61,403	40,870	43,046	45,640
Brokerage commission	8	244	276	209	159
Distribution commission	37,510	14,734	14,059	21,904	19,688
Others (excluding agency commission)	31,783	20,917	13,029	9,992	11,779
(Agency commission)	38,637	25,507	13,506	10,940	14,014
Investment banking	48,095	36,313	39,638	55,805	71,170
Underwriting commission (Stock and other)	31,131	17,112	18,092	36,927	44,659
Underwriting commission (Bond and other)	7,727	9,070	9,522	8,400	8,573
Distribution commission	2,099	876	608	1,662	3,598
Others (M&A commission etc.)	7,137	7,619	11,084	8,049	12,828
Others	10,093	8,815	11,948	10,032	11,426
Life insurance sales commission	—	654	3,500	1,485	1,926
Investment enterprise partnership administration fee	4,526	2,419	2,439	2,652	3,013
Others	5,567	5,740	6,007	5,895	6,487
Total	254,704	171,869	144,283	194,163	216,387
Geographical Segment Information					
Net operating revenues					
Japan	424,957	250,266	239,719	315,579	351,457
America	24,897	17,082	7,677	11,217	10,612
Europe	20,965	24,553	23,331	27,369	30,405
Asia & Oceania	6,735	5,696	5,862	7,672	8,534
Operating income (loss)					
Japan	170,785	23,831	24,054	83,310	106,914
America	11,156	1,973	(3,404)	1,020	17
Europe	4,792	5,051	3,386	6,956	6,202
Asia & Oceania	1,065	(571)	67	1,561	1,753
Total assets					
Japan	5,542,775	5,560,406	7,270,670	8,617,452	10,078,853
America	1,817,112	1,757,738	1,817,691	1,948,621	2,098,376
Europe	572,244	661,297	656,448	768,712	811,192
Asia & Oceania	76,507	72,098	63,721	63,531	62,560

The Daiwa Securities Group in Figures

Eight-quarter Financial Summary

Daiwa Securities Group Inc. and Consolidated Subsidiaries

	FY2003			
	Q1	Q2	Q3	Q4
Market Data				
TOPIX (quarterly average, index)	830	984	1,027	1,082
Average daily trading value in TSE (billions of yen)	794	1,230	1,258	1,517
Net trading value by investors (total of TSE, OSE and NSE, billions of yen)				
Institutions	(1,390)	(3,710)	(1,487)	(3,171)
Individuals	(339)	(474)	(837)	(1,213)
Foreigners	2,003	4,026	1,984	3,629
Securities companies	(48)	24	(51)	(56)
Ten-year Japanese government bond yield (quarterly average, %) ...	0.59	1.19	1.38	1.32
Foreign exchange rates (quarterly average):				
Yen per U.S. Dollar	118.52	117.48	108.86	107.22
Yen per Euro	134.53	132.13	129.60	134.06
Operating Performance				
	Millions of yen			
Operating revenues:	111,996	110,362	108,462	122,991
Commissions	31,547	49,441	52,960	60,213
Brokerage commission	12,939	21,911	21,069	23,724
Underwriting commission	4,073	10,241	15,656	16,122
Distribution commission	5,328	5,631	5,136	7,469
Other commission	9,206	11,657	11,098	12,896
Net gain on trading	43,679	24,958	23,221	28,336
Net gain on operational investment securities	288	136	599	793
Interest and dividend income	28,516	27,763	23,830	23,113
Other sales revenues	7,963	8,063	7,850	10,535
Interest expenses	21,985	19,591	17,467	18,285
Cost of sales	5,431	5,295	5,322	7,997
Net operating revenues	84,579	85,475	85,672	96,708
Selling, general and administrative expenses:	62,672	64,702	63,718	68,820
Commission and other expenses	9,174	9,925	10,119	10,566
Employees' compensation and benefits	34,099	33,352	33,966	35,545
Real estate expenses	7,846	8,205	7,661	8,805
Data processing and office supplies	3,529	3,933	3,619	3,816
Depreciation expenses	4,964	5,242	5,221	6,101
Taxes other than income taxes	1,172	2,018	1,202	1,224
Others	1,886	2,025	1,926	2,761
Operating income	21,906	20,772	21,953	27,887
Non-operating income	2,654	1,328	954	1,075
Non-operating expenses	878	699	465	359
Ordinary income	23,682	21,401	22,442	28,603
Extraordinary gains	314	2,047	748	5,851
Extraordinary losses	394	3,774	3,026	20,971
Income before income taxes and others	23,602	19,674	20,164	13,483
Net income	11,028	8,263	9,100	14,244

Notes * Quarterly figures are based on unaudited financial statements included in the Group's Consolidated Financial Summary submitted to the Tokyo Stock Exchange.

FY2004			
Q1	Q2	Q3	Q4
1,158	1,128	1,107	1,165
1,656	1,241	1,270	1,624
(858)	(568)	(329)	(1,977)
(344)	(379)	(1,737)	(376)
1,166	841	2,017	2,333
(56)	(2)	(120)	(66)
1.60	1.65	1.45	1.40
109.62	109.98	105.77	104.53
132.05	134.38	137.13	137.07

Millions of yen

124,660	118,519	118,067	158,088
54,299	53,116	46,702	62,268
27,544	16,831	16,757	22,408
10,236	17,299	11,801	15,405
5,852	4,155	5,617	7,659
10,665	14,829	12,524	16,795
42,437	33,831	30,452	44,397
950	583	201	(1,563)
19,498	23,761	33,385	41,374
7,475	7,226	7,326	11,612
17,926	23,145	30,466	32,137
5,675	5,410	5,420	8,720
101,058	89,963	82,180	117,230
68,319	67,640	66,002	73,581
10,559	11,779	11,295	13,086
37,043	34,199	33,472	38,036
7,901	8,359	7,992	8,443
3,784	4,223	4,225	4,571
5,458	5,426	5,486	5,758
1,829	1,751	1,617	1,556
1,743	1,900	1,911	2,129
32,738	22,322	16,177	43,649
2,439	1,141	2,436	1,891
984	397	591	389
34,193	23,066	18,022	45,151
319	1,883	2,043	5,307
777	1,607	1,388	13,608
33,734	23,341	18,676	36,850
14,284	9,881	9,464	19,035

The Daiwa Securities Group in Figures

Operational Data

Daiwa Securities Group Inc. and Consolidated Subsidiaries

	Billions of yen (Unless otherwise specified)			
	FY2003			
	Q1	Q2	Q3	Q4
Daiwa Securities				
Retail customer assets under custody*	13,573	14,597	15,061	16,761
Equities.....	6,215	7,242	7,566	8,979
Bonds.....	3,567	3,395	3,555	3,694
Investment trusts.....	3,479	3,646	3,616	3,757
Equity investment trust.....	1,113	1,226	1,312	1,475
Bond investment trust.....	2,366	2,420	2,303	2,282
Pension insurance.....	80	96	110	123
Others.....	230	216	212	207
Net inflow of retail funds**	161	263	282	188
Unlisted corporation etc.	88	33	14	0
Retail.....	72	230	268	188
Cash Management Service Accounts* (thousands).....	2,303	2,332	2,373	2,430
Online trading accounts* (thousands).....	658	692	770	807
Assets under custody of online accounts*.....	2,291	2,786	3,389	4,160
Online transactions (thousands).....	706	1,105	1,029	1,221
Online ratio.....	56.0%	56.7%	56.8%	59.8%
Online trading value.....	298	587	585	713
Online ratio.....	30.2%	29.7%	30.1%	33.9%
“Daiwa Direct” course accounts* (thousands).....	252	268	282	313
Assets under custody of “Daiwa Direct” accounts*.....	451	540	583	707
Sales of core products				
Equity investment trusts.....	168	186	157	205
Foreign currency-denominated bonds.....	457	225	141	258
Daiwa Securities SMBC				
Assets under custody*.....	16,480	17,212	17,690	19,394
Equities.....	6,152	7,091	7,568	8,967
Bonds.....	7,569	8,446	8,303	8,146
Investment trusts.....	960	849	923	1,001
Equity investment trust.....	299	316	380	477
Bond investment trust.....	661	532	542	524
Others.....	1,798	826	895	1,278
Daiwa Asset Management				
Funds under management*.....	6,203	6,141	5,989	5,947
Fixed income type investment trusts.....	4,853	4,702	4,415	4,335
Equity type investment trusts.....	1,349	1,438	1,573	1,612

Notes * As of the end of each quarter

** Net inflow of retail funds = net inflow/outflow of funds + net deposit/withdrawal of securities

Billions of yen (Unless otherwise specified)			
FY2004			
Q1	Q2	Q3	Q4
17,481	16,932	18,173	19,336
9,364	8,665	9,707	10,421
3,969	4,247	4,378	4,702
3,659	3,616	3,698	3,809
1,490	1,536	1,641	1,794
2,168	2,080	2,057	2,014
131	125	136	151
357	277	253	251
322	345	1,078	563
49	37	40	12
272	307	1,038	550
2,411	2,423	2,506	2,522
839	988	1,143	1,250
4,438	5,148	6,281	7,503
1,407	947	877	1,236
59.8%	62.3%	60.9%	61.4%
908	554	496	723
34.8%	38.3%	35.5%	35.8%
331	355	408	429
764	745	909	1,002
175	120	197	318
235	183	219	196
19,233	19,806	20,241	20,890
9,175	8,718	9,266	10,019
7,940	8,759	8,710	8,784
1,037	965	983	945
537	548	598	607
500	417	385	338
1,080	1,362	1,281	1,141
6,004	5,743	5,788	5,676
4,108	3,842	3,724	3,557
1,895	1,901	2,064	2,118

