

Financial Highlights

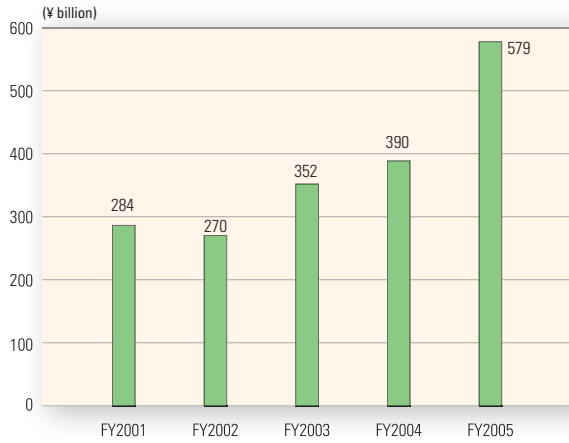
Daiwa Securities Group Inc. and Consolidated Subsidiaries

| | Millions of yen (Unless otherwise specified) | | | Millions of U.S. dollars ¹⁾ |
|---|---|------------|------------|---|
| | FY2003 | FY2004 | FY2005 | FY2005 |
| Market Data | | | | |
| TOPIX (annual average, index) | 980 | 1,140 | 1,391 | — |
| TSE average daily trading value | 1,172,401 | 1,425,561 | 2,404,551 | 20,552 |
| Ten-year Japanese government bond yield (annual average, % per annum) | 1.12 | 1.52 | 1.43 | — |
| Foreign exchange rates (annual average): Yen per U.S. Dollar | 113.0 | 107.4 | 113.2 | — |
| Yen per Euro | 132.6 | 135.1 | 137.7 | — |
| Operating Performance | | | | |
| Operating revenues | 453,814 | 519,337 | 845,660 | 7,227 |
| Net operating revenues | 352,435 | 390,432 | 579,359 | 4,951 |
| Selling, general and administrative expenses | 259,915 | 275,544 | 325,199 | 2,779 |
| Operating income | 92,520 | 114,888 | 254,160 | 2,172 |
| Ordinary income | 96,130 | 120,433 | 260,651 | 2,227 |
| Net income | 42,637 | 52,665 | 139,948 | 1,196 |
| Balance Sheet | | | | |
| Total assets | 10,765,665 | 12,378,962 | 14,898,891 | 127,340 |
| Total risk assets ²⁾ | 518,331 | 499,084 | 797,458 | 6,815 |
| Total shareholders' equity | 604,170 | 648,332 | 792,281 | 6,771 |
| Per Share Data | | | | |
| | | | Yen | U.S. dollars ¹⁾ |
| Net income ³⁾ | 31.66 | 39.03 | 103.90 | 0.89 |
| Total shareholders' equity ³⁾ | 453.60 | 486.70 | 598.27 | 5.11 |
| Cash dividends | 10.0 | 13.0 | 34.0 | 0.29 |
| Financial Ratios | | | | |
| | | | % | |
| Return on equity (ROE) ⁴⁾ | 7.4 | 8.4 | 19.4 | |
| Equity ratio | 5.6 | 5.2 | 5.3 | |
| Other Data | | | | |
| Total number of employees | 11,565 | 11,295 | 11,506 | |

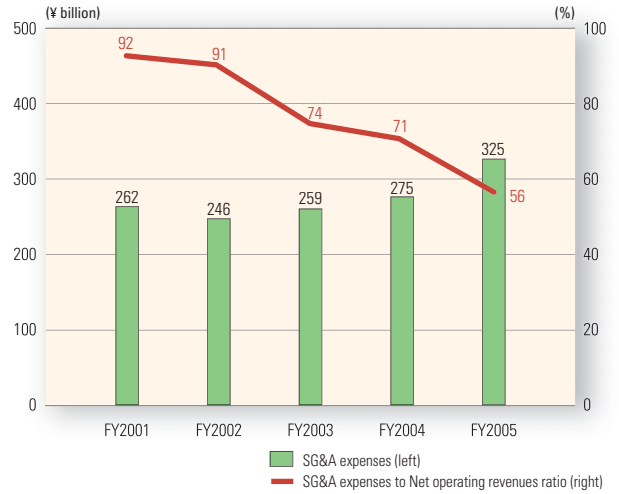
*Notes:

1. Translations of the Japanese yen amounts into U.S. dollars are made at the rate of ¥117.00 per U.S. dollar, solely for the convenience of readers.
2. Total risk assets are calculated as the sum of private equity and other securities, tangible fixed assets, investment securities, and other investments.
3. Net income and shareholders' equity per share are computed based on the average number of shares outstanding during the year.
4. ROE is computed based on the average total shareholders' equity at the beginning and end of the fiscal year.

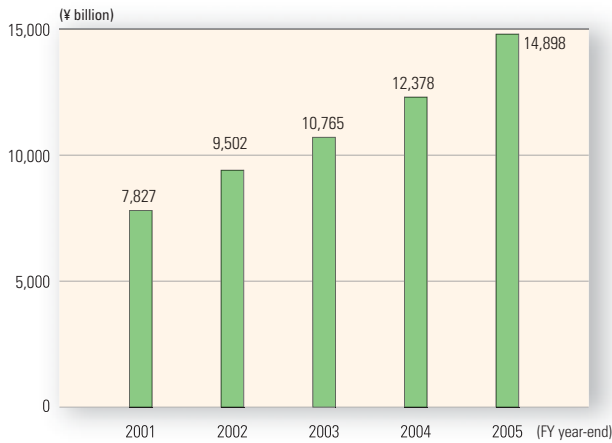
Net operating revenues



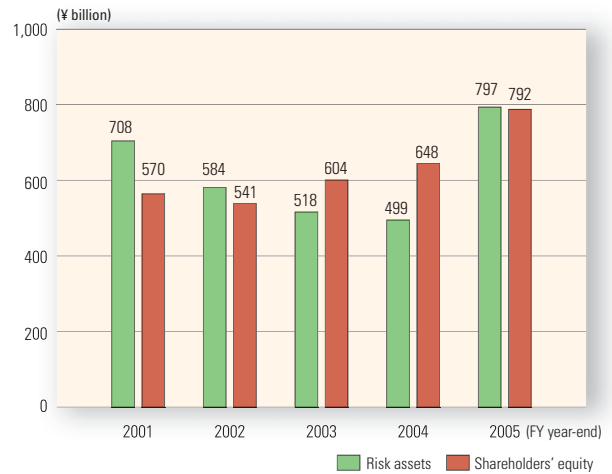
SG&A expenses and SG&A expenses to Net operating revenues ratio



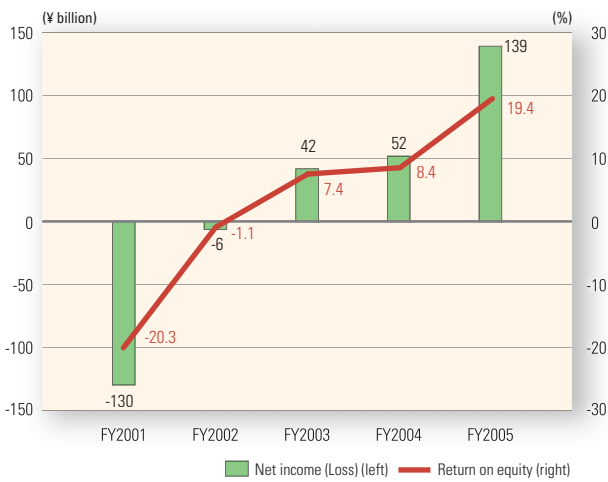
Total assets



Risk assets vs Shareholders' equity



Net income (loss) and Return on equity



Dividend per share

