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The Daiwa Securities Group in Figures

Five-year Financial Summary

Daiwa Securities Group Inc. and Consolidated Subsidiaries

	Millions of yen					Millions of U.S. dollars (*1)
	FY2001	FY2002	FY2003	FY2004	FY2005	FY2005
Operating Performance						
Operating revenues	488,044	387,659	453,814	519,337	845,660	7,227
Commissions	171,869	144,283	194,163	216,387	309,189	2,642
Net gain on trading	63,393	93,932	120,195	151,118	224,912	1,922
Net gain on private equity and other securities	6,947	4,132	8,676	12,763	21,539	184
Interest and dividend income	192,843	107,950	96,366	105,428	245,211	2,095
Service fees and other sales	52,992	37,362	34,414	33,641	44,809	382
Net operating revenues	284,932	270,810	352,435	390,432	579,359	4,951
Operating income	22,769	24,109	92,520	114,888	254,160	2,172
Income (loss) before income taxes and minority interests	(119,968)	11,845	76,926	112,603	258,356	2,208
Net income (loss)	(130,547)	(6,323)	42,637	52,665	139,948	1,196
Balance Sheet						
	Millions of yen					Millions of U.S. dollars (*1)
Total assets	7,827,306	9,502,826	10,765,665	12,378,962	14,898,891	127,340
Total risk assets (*2)	708,770	584,358	518,331	499,084	797,458	6,815
Private equity and other securities	73,347	77,866	87,367	142,547	382,421	3,268
Tangible fixed assets	188,451	162,339	143,123	137,620	126,531	1,081
Investment securities	358,828	259,207	229,924	193,202	269,854	2,306
Other investments	88,144	84,946	57,917	25,716	18,652	159
Total shareholders' equity	570,839	541,719	604,170	648,332	792,281	6,771
Per Share Data						
	Yen					U.S. dollars (*1)
Net income (loss) (*3)	(98.27)	(4.75)	31.66	39.03	103.90	0.89
Total shareholders' equity (*3)	429.68	407.84	453.60	486.70	598.27	5.11
Cash dividends	6.0	6.0	10.0	13.0	34.0	0.29
Financial Ratios						
	%					
Return on equity (ROE) (*4)	—	—	7.4	8.4	19.4	
Equity ratio	7.3	5.7	5.6	5.2	5.3	
Other Data						
Total number of employees	11,483	11,559	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 (loss) 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.

The Daiwa Securities Group in Figures
Breakdown by Business and Geographical Region

| Daiwa Securities Group *Annual Report 2006*

Daiwa Securities Group Inc. and Consolidated Subsidiaries

	Millions of yen				
	FY2001	FY2002	FY2003	FY2004	FY2005
Breakdown of Net Operating Revenues by Business					
Equity	80,974	49,178	130,085	139,992	244,488
Commissions	60,667	47,242	80,061	83,887	120,217
Net gain on trading	20,307	1,936	50,024	56,105	124,271
Fixed income (bond)	47,755	96,580	75,390	99,277	103,843
Commissions	4,671	4,585	5,219	4,264	3,202
Net gain on trading	43,084	91,995	70,171	95,013	100,641
Asset management	61,403	40,870	43,046	45,640	82,404
Investment banking	36,313	39,638	55,805	71,170	82,735
Others	58,487	44,544	48,109	34,353	65,889
Net operating revenues	284,932	270,810	352,435	390,432	579,359
Breakdown of Commission Income by Business					
Equity	60,667	47,242	80,061	83,887	120,217
Brokerage commission	58,280	45,403	78,194	81,919	118,262
Others	2,387	1,839	1,867	1,968	1,955
Fixed income (bond)	4,671	4,585	5,219	4,264	3,202
Asset management	61,403	40,870	43,046	45,640	82,404
Brokerage commission	244	276	209	159	336
Distribution commission	14,734	14,059	21,904	19,688	41,799
Management fee (excluding agency commission)	20,917	13,029	9,992	11,779	17,994
Agency commission	25,507	13,506	10,940	14,014	22,275
Investment banking	36,313	39,638	55,805	71,170	82,735
Underwriting commission (Stock and other)	17,112	18,092	36,927	44,659	54,066
Underwriting commission (Bond and other)	9,070	9,522	8,400	8,573	8,554
Distribution commission	876	608	1,662	3,598	2,032
Others (M&A commission etc.)	7,619	11,084	8,049	12,828	16,389
Others	8,815	11,948	10,032	11,426	20,631
Life insurance sales commission	654	3,500	1,485	1,926	6,302
Investment enterprise partnership administration fee	2,419	2,439	2,652	3,013	4,776
Others	5,740	6,007	5,895	6,487	9,553
Total	171,869	144,283	194,163	216,387	309,189
Geographical Segment Information					
Net operating revenues					
Japan	250,266	239,719	315,579	351,457	543,196
America	17,082	7,677	11,217	10,612	14,286
Europe	24,553	23,331	27,369	30,405	33,758
Asia & Oceania	5,696	5,862	7,672	8,534	12,098
Operating income (loss)					
Japan	23,831	24,054	83,310	106,914	248,212
America	1,973	(3,404)	1,020	17	2,366
Europe	5,051	3,386	6,956	6,202	10,079
Asia & Oceania	(571)	67	1,561	1,753	3,626
Total assets					
Japan	5,560,406	7,270,670	8,617,452	10,078,853	12,239,342
America	1,757,738	1,817,691	1,948,621	2,098,376	2,807,087
Europe	661,297	656,448	768,712	811,192	1,145,934
Asia & Oceania	72,098	63,721	63,531	62,560	72,881

The Daiwa Securities Group in Figures

Eight-quarter Financial Summary

Daiwa Securities Group Inc. and Consolidated Subsidiaries

	Q1	Q2	Q3	FY2004 Q4
Market Data				
TOPIX (quarterly average, index)	1,160	1,127	1,106	1,166
TSE average daily trading value (billions of yen)	1,656	1,240	1,270	1,543
Net purchases (sales) by investors on the TSE (billions of yen)				
Institutions	(858)	(568)	(328)	(1,977)
Individuals	(344)	(378)	(1,736)	(376)
Foreigners	1,166	840	2,016	2,332
Securities companies	(55)	(2)	(120)	(66)
Ten-year Japanese government bond yield (quarterly average, %)	1.60	1.65	1.45	1.40
Foreign exchange rates (quarterly average):				
Yen per U.S. Dollar	109.62	109.91	105.71	104.53
Yen per Euro	132.14	134.36	137.13	136.97

	Millions of yen			
Operating Performance				
Operating revenues:	124,660	118,519	118,067	158,088
Commissions	54,299	53,116	46,702	62,268
Brokerage commission	27,544	16,831	16,757	22,408
Underwriting commission	10,236	17,299	11,801	15,405
Distribution commission	5,852	4,155	5,617	7,659
Other commission	10,665	14,829	12,524	16,795
Net gain on trading	42,437	33,831	30,452	44,397
Net gain (loss) on private equity and other securities*	950	583	201	(1,563)
Interest and dividend income	19,498	23,761	33,385	41,374
Other sales revenues	7,475	7,226	7,326	11,612
Interest expenses	17,926	23,145	30,466	32,137
Cost of sales	5,675	5,410	5,420	8,720
Net operating revenues	101,058	89,963	82,180	117,230
Selling, general and administrative expenses:	68,319	67,640	66,002	73,581
Commission and other expenses	10,559	11,779	11,295	13,086
Employees' compensation and benefits	37,043	34,199	33,472	38,036
Occupancy and rental	7,901	8,359	7,992	8,443
Data processing and office supplies	3,784	4,223	4,225	4,571
Depreciation expenses	5,458	5,426	5,486	5,758
Taxes other than income taxes	1,829	1,751	1,617	1,556
Others	1,743	1,900	1,911	2,129
Operating income	32,738	22,322	16,177	43,649
Non-operating income	2,439	1,141	2,436	1,891
Non-operating expenses	984	397	591	389
Ordinary income	34,193	23,066	18,022	45,151
Extraordinary gains	319	1,883	2,043	5,307
Extraordinary losses	777	1,607	1,388	13,608
Income before income taxes and others	33,734	23,341	18,676	36,850
Net income	14,284	9,881	9,464	19,035

Notes * Excludes share of net income raised by the investments in limited partnerships and similar partnerships.

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

	Q1	Q2	Q3	FY2005 Q4
Market Data				
TOPIX (quarterly average, index)	1,151	1,254	1,507	1,657
TSE average daily trading value (billions of yen)	1,403	1,972	3,108	3,147
Net purchases (sales) by investors on the TSE (billions of yen)				
Institutions	750	(1,873)	(912)	(2,051)
Individuals	(667)	(2,601)	(350)	(287)
Foreigners	307	4,591	3,090	2,068
Securities companies	21	(101)	(26)	(8)
Ten-year Japanese government bond yield (quarterly average, %)	1.27	1.35	1.52	1.58
Foreign exchange rates (quarterly average):				
Yen per U.S. Dollar	107.71	111.16	117.28	116.90
Yen per Euro	135.36	135.70	139.41	140.66
Operating Performance				
	Millions of yen			
Operating revenues:	135,435	195,376	245,284	269,562
Commissions	45,039	62,944	89,853	111,351
Brokerage commission	17,756	26,209	39,072	36,482
Underwriting commission	5,320	9,132	16,378	33,482
Distribution commission	7,515	9,305	13,214	13,796
Other commission	14,447	18,297	21,188	27,590
Net gain on trading	35,804	68,547	57,749	62,810
Net gain on private equity and other securities*	4,009	2,071	9,037	6,421
Interest and dividend income	42,965	52,483	73,869	75,892
Other sales revenues	7,616	9,330	14,774	13,087
Interest expenses	38,531	49,507	70,425	73,107
Cost of sales	5,621	7,178	12,085	9,843
Net operating revenues	91,282	138,689	162,773	186,612
Selling, general and administrative expenses:	69,878	80,106	86,389	88,824
Commission and other expenses	13,748	15,509	16,148	18,503
Employees' compensation and benefits	34,961	42,485	47,355	46,260
Occupancy and rental	7,746	8,312	8,042	8,557
Data processing and office supplies	4,309	4,014	4,379	4,569
Depreciation expenses	5,551	5,588	5,669	5,830
Taxes other than income taxes	1,594	2,004	2,109	2,363
Others	1,966	2,191	2,685	2,739
Operating income	21,404	58,582	76,383	97,788
Non-operating income	2,705	1,957	2,196	1,838
Non-operating expenses	308	384	172	1,338
Ordinary income	23,800	60,155	78,407	98,287
Extraordinary gains	321	10,562	3,020	921
Extraordinary losses	—	614	1,867	14,640
Income before income taxes and others	24,122	70,102	79,560	84,569
Net income	11,636	34,185	38,803	55,322

Notes * Includes share of net income raised by the investments in limited partnerships and similar partnerships.

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

The Daiwa Securities Group in Figures

Operational Data

Daiwa Securities Group Inc. and Consolidated Subsidiaries

Billions of yen (Unless otherwise specified)

	Q1	Q2	Q3	FY2004 Q4
Daiwa Securities				
Daiwa Securities assets under custody (excluding financial institutions)*	19,301	18,646	19,920	21,080
Equities	10,362	9,555	10,645	11,373
Bonds	4,482	4,755	4,878	5,203
Investment trusts	3,889	3,859	3,930	4,023
Equity investment trust	1,505	1,550	1,657	1,812
Bond investment trust	2,383	2,309	2,273	2,211
Pension insurance	130	125	136	151
Others	438	352	331	330
Net inflow of retail funds**	322	345	1,078	563
Retail	272	307	1,038	550
Unlisted corporation etc.	49	37	40	12
Cash Management Service accounts* (thousands)	2,411	2,423	2,506	2,522
Online trading accounts* (thousands)	839	988	1,143	1,250
Assets under custody of online accounts*	4,438	5,148	6,281	7,503
Online transactions (thousands)	1,407	947	877	1,236
Online ratio	59.8%	62.3%	60.9%	61.4%
Online trading value	908	554	496	723
Online ratio	34.8%	38.3%	35.5%	35.8%
"Daiwa Direct" course accounts* (thousands)	331	355	408	429
Assets under custody of "Daiwa Direct" accounts*	764	745	909	1,002
Sales of core products				
Equity investment trusts	175	120	197	318
Foreign currency-denominated bonds	235	183	219	196
Daiwa Securities SMBC				
Assets under custody*	19,233	19,806	20,241	20,890
Equities	9,175	8,718	9,266	10,019
Bonds	7,940	8,759	8,710	8,784
Investment trusts	1,037	965	983	945
Equity investment trust	537	548	598	607
Bond investment trust	500	417	385	338
Others	1,080	1,362	1,281	1,141
Daiwa Asset Management				
Net assets under management*	6,004	5,743	5,788	5,676
Equity type investment trusts	1,895	1,901	2,064	2,118
Fixed income type investment trusts	4,108	3,842	3,724	3,557

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)

	FY2005			
	Q1	Q2	Q3	Q4
Daiwa Securities				
Daiwa Securities assets under custody (excluding financial institutions)*	21,609	23,464	26,735	27,662
Equities	11,510	12,623	15,011	15,569
Bonds	5,459	5,661	5,785	5,878
Investment trusts	4,124	4,599	5,263	5,474
Equity investment trust	2,006	2,390	2,907	3,336
Bond investment trust	2,118	2,209	2,356	2,137
Pension insurance	169	220	292	335
Others	347	361	384	406
Net inflow of retail funds**	282	298	519	785
Retail	239	245	461	618
Unlisted corporation etc.	42	53	58	166
Cash Management Service accounts* (thousands)	2,539	2,568	2,631	2,695
Online trading accounts* (thousands)	1,323	1,359	1,421	1,487
Assets under custody of online accounts*	8,010	8,970	10,694	11,359
Online transactions (thousands)	1,123	2,038	3,138	3,389
Online ratio	65.6%	71.6%	73.6%	78.1%
Online trading value	683	1,579	2,877	3,218
Online ratio	40.8%	49.2%	51.9%	58.3%
"Daiwa Direct" course accounts* (thousands)	457	492	536	586
Assets under custody of "Daiwa Direct" accounts*	1,113	1,408	1,823	2,069
Sales of core products				
Equity investment trusts	339	415	641	632
Foreign currency-denominated bonds	268	246	207	266
Daiwa Securities SMBC				
Assets under custody*	21,369	22,418	24,691	24,029
Equities	10,382	11,942	14,163	13,931
Bonds	8,905	8,564	8,560	8,279
Investment trusts	942	992	1,042	1,035
Equity investment trust	616	679	732	767
Bond investment trust	326	312	310	268
Others	1,138	919	925	783
Daiwa Asset Management				
Net assets under management*	5,861	6,434	7,188	7,574
Equity type investment trusts	2,452	2,879	3,482	4,238
Fixed income type investment trusts	3,409	3,554	3,706	3,335

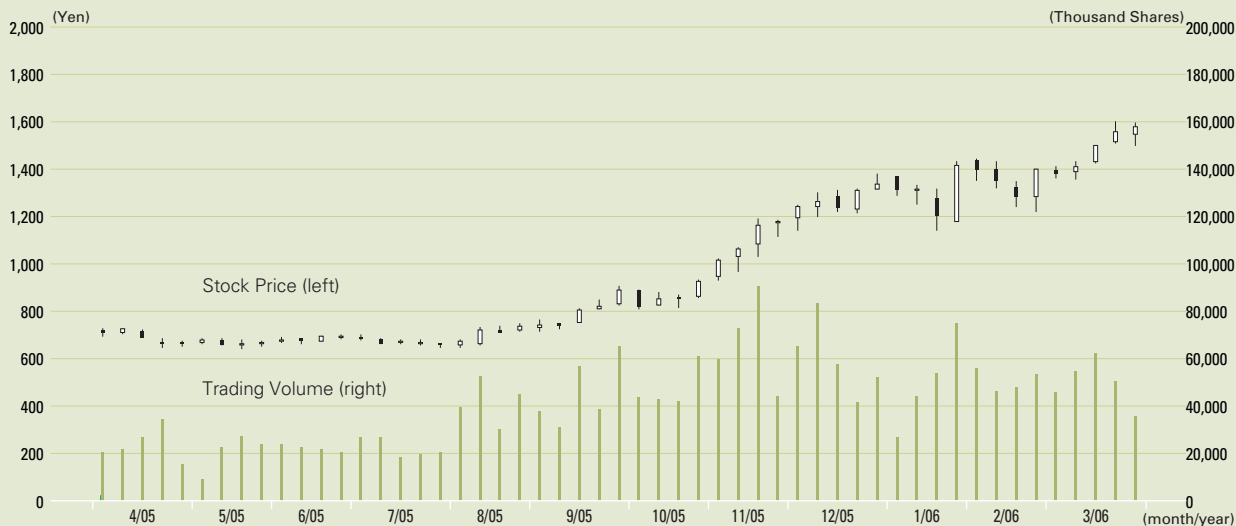
Notes * As of the end of each quarter

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

The Daiwa Securities Group in Figures

Stock Information

1. Stock Price and Trading Volume



2. Major Shareholders (As of March 31, 2006)

Name	Number of shares held (Thousands)	% of total outstanding shares
Japan Trustee Services Bank, Ltd. Trust Account	107,359	8.06
The Master Trust Bank of Japan, Ltd. Trust Account	58,492	4.39
Sumitomo Mitsui Banking Corporation	30,328	2.28
Japan Trustee Services Bank, Ltd. Trust Account 4	25,900	1.94
Japan Trustee Services Bank, Ltd. The Sumitomo Trust & Banking Retirement Benefit Account	24,888	1.87
Taiyo Life Insurance Company	23,140	1.74
State Street Bank and Trust Company 505103	21,116	1.58
Nippon Life Insurance Company	20,867	1.57
State Street Bank and Trust Company	20,624	1.55
The Chase Manhattan Bank 385036	18,314	1.37

* Numbers of shares are rounded down to the closest thousand

3. Stock Price on the Tokyo Stock Exchange (April 1, 2005 – March 31, 2006)

Open	High	Low	Close	Average daily trading volume
¥ 707	¥ 1,598	¥ 641	¥ 1,579	8,914 Thousand Shares

4. Breakdown of Shareholders (As of March 31, 2006)

