

Financial Highlights

Daiwa Securities Group Inc. (Consolidated)

* Please refer to pages 50–52 for the “Twelve-Quarter Financial Summary” and “Breakdown by Product and Business Sector.”

Millions of yen (Except as otherwise specified)

| | FY2007 | FY2008 | FY2009 | FY2010 | FY2011 |
|---|----------|-----------|----------|----------|----------|
| Operating Performance | | | | | |
| Operating revenues | ¥825,422 | ¥413,936 | ¥537,915 | ¥403,042 | ¥422,375 |
| Commissions | 294,425 | 208,881 | 252,863 | 218,630 | 220,845 |
| Equity | 84,593 | 56,402 | 56,388 | 50,254 | 40,221 |
| Fixed income | 2,133 | 991 | 698 | 827 | 1,088 |
| Asset management | 136,377 | 97,001 | 108,266 | 116,734 | 134,269 |
| Investment banking | 47,551 | 34,915 | 70,648 | 38,704 | 32,737 |
| Others | 23,771 | 19,572 | 16,863 | 12,108 | 12,529 |
| Net gain on trading | 103,361 | 40,921 | 110,955 | 92,477 | 79,416 |
| Net gain (loss) on private equity and other investments | 19,160 | (79,478) | 75,584 | (17,259) | 1,956 |
| Interest and dividend income | 358,423 | 192,664 | 54,729 | 71,916 | 79,762 |
| Service fees and other revenues | 50,053 | 50,948 | 43,783 | 37,278 | 40,396 |
| Interest expense | 339,784 | 176,034 | 47,659 | 58,062 | 59,691 |
| Cost of service fees and other revenues | 38,147 | 38,358 | 32,150 | 26,415 | 26,668 |
| Net operating revenues | 447,491 | 199,544 | 458,105 | 318,565 | 336,016 |
| Selling, general and administrative expenses | 363,859 | 343,270 | 362,844 | 363,920 | 359,729 |
| Operating income (loss) | 83,632 | (143,726) | 95,261 | (45,355) | (23,713) |
| Ordinary income (loss) | 90,143 | (141,150) | 102,917 | (32,602) | (12,200) |
| Net income (loss) | 46,411 | (85,039) | 43,429 | (37,332) | (39,435) |
| Comprehensive income | — | — | — | (45,049) | (52,580) |

Financial Conditions (Fiscal year-end)

| | | | | | |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| Total assets | ¥17,307,120 | ¥14,182,579 | ¥17,155,345 | ¥16,842,412 | ¥18,924,038 |
| Trading assets | 7,857,122 | 6,203,742 | 7,654,334 | 6,770,479 | 8,876,950 |
| Private equity investments | 471,732 | 515,770 | 218,841 | 177,561 | 138,177 |
| Investment securities | 215,611 | 167,884 | 191,905 | 188,857 | 159,096 |
| Net assets | 1,082,924 | 952,329 | 1,017,529 | 921,399 | 951,702 |

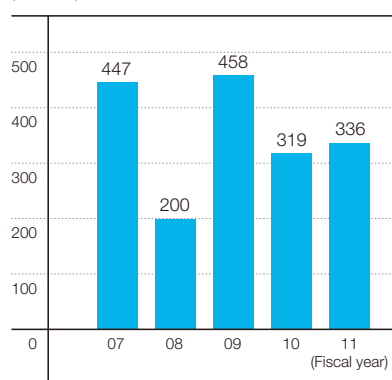
Per Share Data (Yen)

| | | | | | |
|---------------------------------------|---------|-----------|---------|-----------|-----------|
| Net income (loss) * | ¥ 33.69 | ¥ (63.16) | ¥ 26.41 | ¥ (21.90) | ¥ (23.41) |
| Net assets | 607.64 | 534.99 | 530.27 | 496.76 | 463.04 |
| Cash dividends applicable to the year | 22.00 | 8.00 | 13.00 | 6.00 | 6.00 |

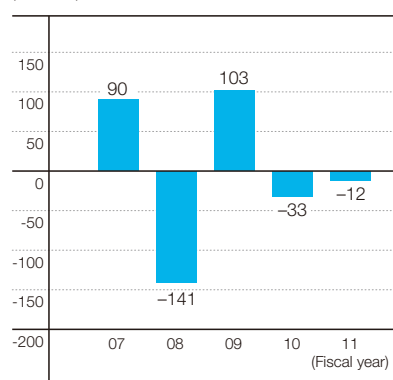
* Net income (loss) per share is calculated on the basis of the average number of shares outstanding during the fiscal year.

Net Operating Revenues

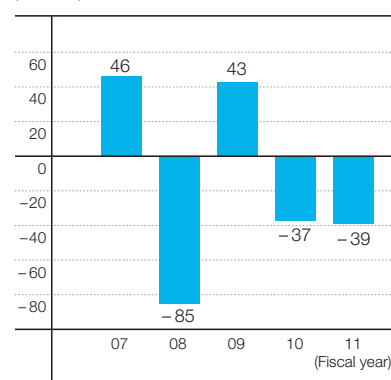
(¥ billion)

**Ordinary Income**

(¥ billion)

**Net Income**

(¥ billion)



Operational Data

Daiwa Securities Group Inc. and Consolidated Subsidiaries

| | Billions of yen (Except as otherwise specified) | | |
|--|---|---------|----------------|
| | FY2009 | FY2010 | FY2011 |
| Daiwa Securities Group | | | |
| Daiwa Securities Group customer assets* | ¥43,359 | ¥40,970 | ¥41,755 |
| Equities | 21,223 | 19,173 | 19,504 |
| Bonds | 12,277 | 12,295 | 13,278 |
| Investment trusts | 6,994 | 6,832 | 6,348 |
| Others | 2,864 | 2,671 | 2,625 |
| Daiwa Securities | | | |
| Net inflow of retail assets | ¥ 778 | ¥ 395 | ¥1,060 |
| Individuals | 641 | 405 | 807 |
| Unlisted corporations, etc. | 137 | (10) | 253 |
| Cash Management Service (CMS) accounts* (thousands) | 3,359 | 3,401 | 3,455 |
| Online trading accounts* (thousands) | 2,184 | 2,249 | 2,458 |
| Sales of core products | | | |
| Mutual funds | 1,583 | 1,429 | 2,050 |
| Foreign bonds and others | 1,323 | 1,478 | 999 |
| Daiwa Asset Management | | | |
| Net assets under management* | ¥9,165 | ¥9,262 | ¥9,125 |
| Mutual funds | 6,218 | 6,418 | 6,625 |
| Bond investment trusts* | 2,948 | 2,844 | 2,501 |

* As of the end of each fiscal year

Consolidated Capital Adequacy Ratio

| | | (100 millions of yen) | |
|--|---------------------|-----------------------|----------------|
| | | March 31, 2011 | March 31, 2012 |
| Total Qualifying Capital | (E)=(A)+(B)+(C)-(D) | 9,668 | 9,742 |
| Tier 1 | (A) | 8,665 | 9,040 |
| Tier 2 | (B) | 623 | 471 |
| Tier 3 | (C) | 737 | 579 |
| Deductions | (D) | 358 | 348 |
| Total Risk-Weighted Assets | (F) | 35,453 | 35,545 |
| Credit Risk | | 15,843 | 17,918 |
| Market Risk (Note 1) | | 12,903 | 10,141 |
| Operational Risk (Note 1) | | 6,707 | 7,487 |
| Consolidated Capital Adequacy Ratio (Note 2) | (E)/(F)×100 | 27.2% | 27.4% |
| Tier 1 Capital Ratio | (A)/(F)×100 | 24.4% | 25.4% |

Notes: 1. Market and Operational Risk hereunder is computed by multiplying each risk amount by 12.5 (the reciprocal of 8%).

2. Consolidated Capital Adequacy Ratio hereunder is calculated under the principle of Financial Service Agency Public Notice 130 of the Financial Instruments and Exchange Act (Article 57-17-1).