

Daiwa Securities Group Inc.
2Q FY2021 Earnings Announcement

October 27, 2021

Daiwa Securities Group Inc.

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Highlights (1H/FY2021, YoY)

Profit attributable to owners of parent posted ¥50.2bn (+53.0%, YoY).

Consolidated earnings results	FY2021 1H	% Changes vs 1H/FY2020	FY2021 2Q	% Changes vs 1Q/FY2021
Net operating revenues	¥255.9 bn	+18.5%	¥129.2 bn	+2.0%
Ordinary income	¥71.9 bn	+59.4%	¥36.9 bn	+5.9%
Profit attributable to owners of parent	¥50.2 bn	+53.0%	¥26.6 bn	+13.1%

- Ordinary income in Retail Division reported ¥22.4 bn led by steady progress in changing to wealth management business model and cost reduction.
 - Both contract amount of wrap account service and investment trust sales amount doubled.
 - Asset under custody of Daiwa Securities Co. Ltd. reached a record high of ¥77.7 trillion. *Includes Wholesale Division
- For Wholesale Division, ordinary income reached a record high* in Global Investment Banking.
 - Revenues from M&A business reached a record high.
- In Asset Management Division, both net operating revenues and ordinary income recorded the highest*.

FY2021 interim dividend per share is 17 yen (Dividend payout ratio: 51.5 %).

- Reached a record high since 2013 and 2015.

*since disclosures of segment information started in FY2010.

Summary (2Q/FY2021, QoQ)

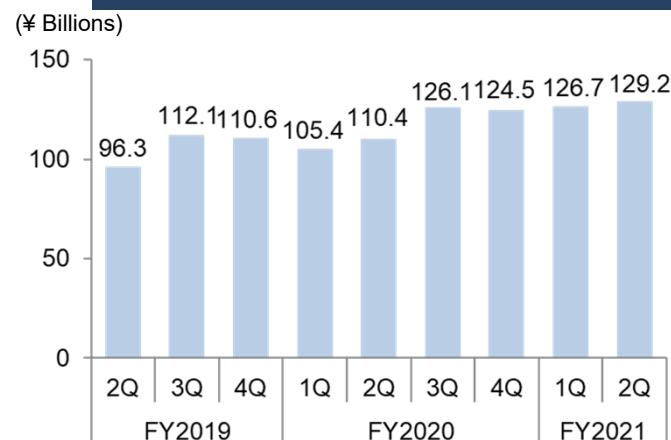
Both net operating revenue and ordinary income increased in all 3 major divisions*.

* Retail, Wholesale, Asset Management

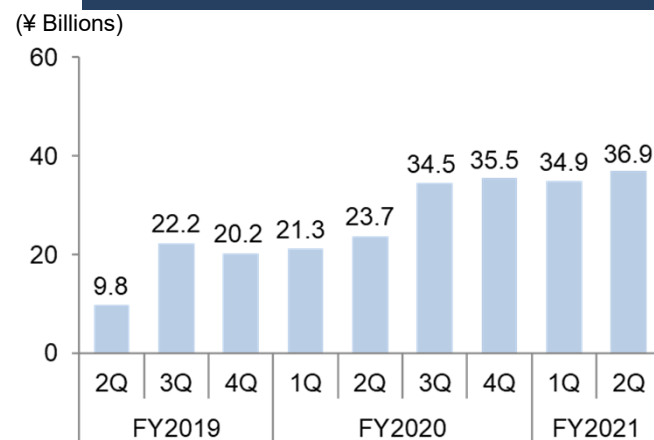
Consolidated earnings results	FY2021 2Q	% Changes vs 1Q/FY2021
Net operating revenues	¥ 129.2 bn	+2.0%
Ordinary income	¥36.9 bn	+5.9%
Profit attributable to owners of parent	¥26.6 bn	+13.1%

- Ordinary income in Retail Division posted ¥12.3bn (+23.2%) and exceeded ¥10.0 bn for 3 consecutive quarters.
- For Wholesale Division, revenues from equity increased in Global Markets, and revenues from M&A business reached a record high in Global Investment Banking.
- Annualized ROE:8.0% BPS: ¥889.70 (a record high)

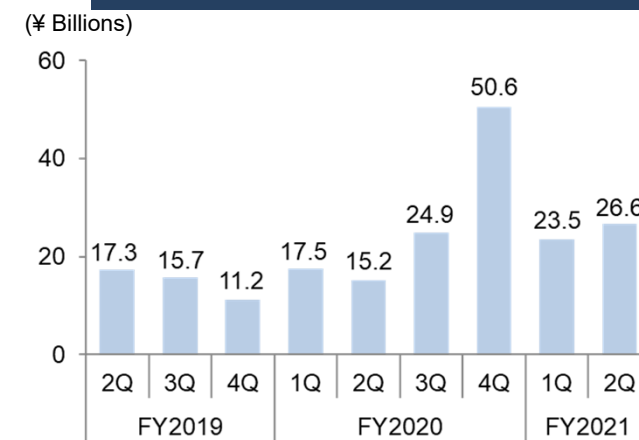
Net Operating Revenues



Ordinary Income



Profit Attributable to Owners of Parent



Financial Summary

(¥ Millions)	FY2020			FY2021		% Change vs 1Q/FY21	% Change vs 2Q/FY20	FY2020	FY2021	% Change vs 1H/FY20	FY2020
	2Q	3Q	4Q	1Q	2Q			1H	1H		
Operating revenues	128,568	151,636	167,355	149,836	154,702	3.2%	20.3%	257,180	304,538	18.4%	576,172
Net operating revenues	110,488	126,149	124,576	126,721	129,222	2.0%	17.0%	215,934	255,943	18.5%	466,660
SG&A	90,768	94,207	99,990	94,873	98,544	3.9%	8.6%	179,602	193,417	7.7%	373,800
Ordinary income	23,750	34,514	35,540	34,922	36,997	5.9%	55.8%	45,120	71,919	59.4%	115,175
Profit (loss) attributable to owners of parent	15,252	24,985	50,606	23,560	26,642	13.1%	74.7%	32,804	50,203	53.0%	108,396
Total assets	25,583,609	26,234,974	26,099,330	25,586,624	25,510,806			25,583,609	25,510,806		26,099,330
Net assets	1,285,466	1,300,145	1,591,841	1,581,457	1,612,395			1,285,466	1,612,395		1,591,841
Shareholders' equity*	1,235,097	1,250,130	1,333,570	1,321,883	1,344,702			1,235,097	1,344,702		1,333,570
EPS (¥)	10.01	16.40	33.22	15.45	17.54			21.56	32.99		71.20
BPS (¥)	810.92	820.74	875.12	866.74	889.70			810.92	889.70		875.12
ROE (Annualized)	5.0%	8.0%	15.7%	7.1%	8.0%			5.4%	7.5%		8.5%

* Shareholders' equity = Owners' equity + Accumulated other comprehensive income

FY2021 Interim Dividend

17 yen

Consolidated Segment Summary



(¥ Millions)

Net operating revenues	FY2020			FY2021		% Change vs 1Q/FY21	% Change vs 2Q/FY20	FY2020	FY2021	% Change vs 1H/FY20	FY2020
	2Q	3Q	4Q	1Q	2Q			1H	1H		
Retail	40,703	44,310	49,343	47,356	49,653	4.8%	22.0%	75,851	97,010	27.9%	169,505
Wholesale	47,595	57,078	59,676	46,751	50,634	8.3%	6.4%	99,105	97,385	-1.7%	215,860
<i>Global Markets</i>	33,247	40,112	43,099	31,682	32,567	2.8%	-2.0%	78,518	64,250	-18.2%	161,730
<i>Global Investment Banking</i>	14,348	16,966	16,577	15,068	18,066	19.9%	25.9%	20,586	33,135	61.0%	54,129
Asset Management	12,170	12,835	13,355	17,352	17,679	1.9%	45.3%	24,955	35,032	40.4%	51,145
<i>Securities Asset Management</i>	9,740	9,995	10,507	11,096	11,388	2.6%	16.9%	18,869	22,485	19.2%	39,373
<i>Real Estate Asset Management</i>	2,429	2,839	2,847	6,255	6,290	0.6%	158.9%	6,085	12,546	106.2%	11,772
Investments	3,645	3,174	-3,245	2,757	1,022	-62.9%	-71.9%	4,674	3,780	-19.1%	4,602
Other/Adjustments	6,373	8,750	5,447	12,502	10,232	-	-	11,348	22,734	-	25,546
Consolidated total	110,488	126,149	124,576	126,721	129,222	2.0%	17.0%	215,934	255,943	18.5%	466,660

Ordinary income	FY2020			FY2021		% Change vs 1Q/FY21	% Change vs 2Q/FY20	FY2020	FY2021	% Change vs 1H/FY20	FY2020
	2Q	3Q	4Q	1Q	2Q			1H	1H		
Retail	2,660	6,943	11,360	10,037	12,364	23.2%	364.8%	1,766	22,401	12.7x	20,070
Wholesale	14,187	21,454	20,619	11,328	12,617	11.4%	-11.1%	32,663	23,946	-26.7%	74,737
<i>Global Markets</i>	8,995	15,477	17,730	7,795	8,833	13.3%	-1.8%	29,569	16,629	-43.8%	62,777
<i>Global Investment Banking</i>	4,769	5,726	2,587	3,144	3,444	9.6%	-27.8%	2,708	6,589	143.3%	11,021
Asset Management	7,459	7,683	10,060	10,000	12,757	27.6%	71.0%	15,031	22,758	51.4%	32,775
<i>Securities Asset Management</i>	3,929	4,237	4,658	5,184	5,811	12.1%	47.9%	7,117	10,996	54.5%	16,013
<i>Real Estate Asset Management</i>	3,530	3,445	5,402	4,816	6,945	44.2%	96.8%	7,913	11,761	48.6%	16,761
Investments	2,228	1,880	-3,102	1,824	-464	-	-	2,346	1,360	-42.0%	1,123
Other/Adjustments	-2,786	-3,447	-3,396	1,730	-277	-	-	-6,687	1,452	-	-13,532
Consolidated total	23,750	34,514	35,540	34,922	36,997	5.9%	55.8%	45,120	71,919	59.4%	115,175

*Figures calculated based on managerial accounting of each Group companies. Equity in earnings of affiliates is included in each respective segment.

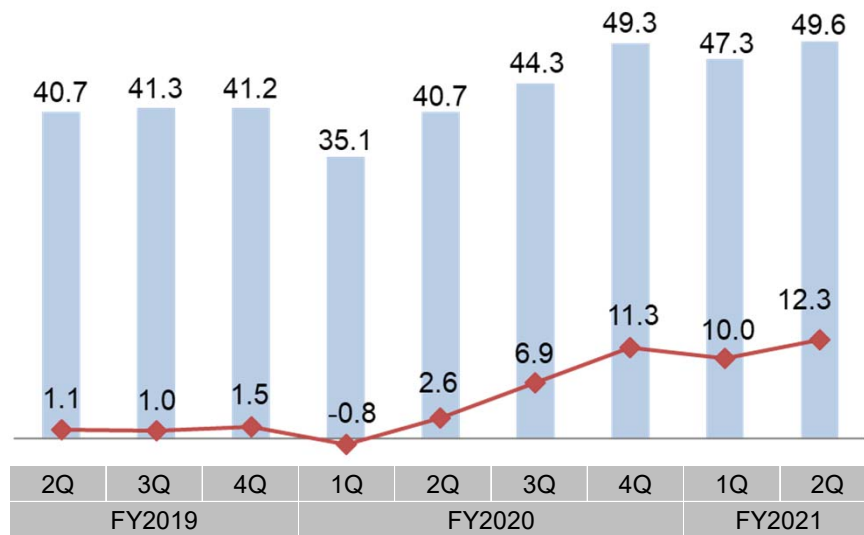
Consolidated Segment Summary



■ Net operating revenues ◆ Ordinary income

Retail Division

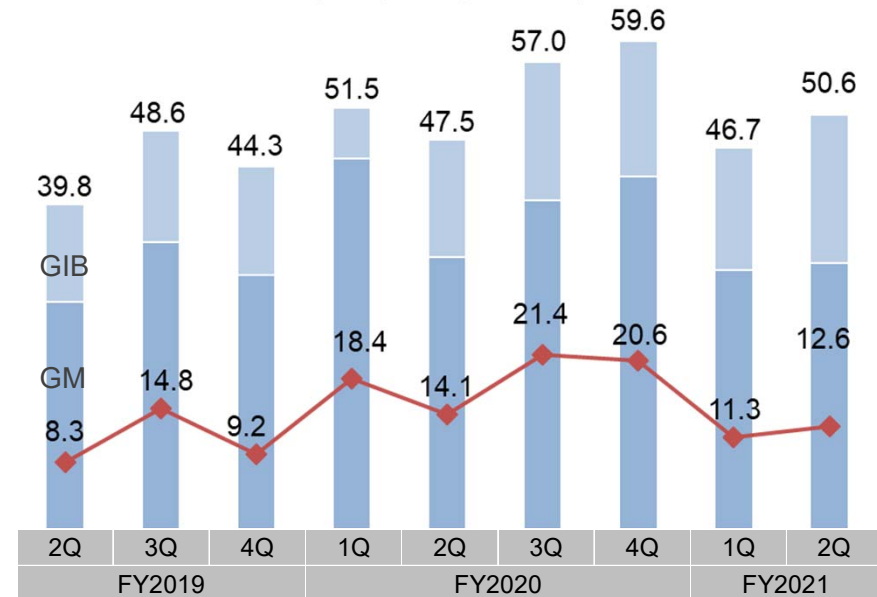
(¥ Billions)



Wholesale Division

(¥ Billions)

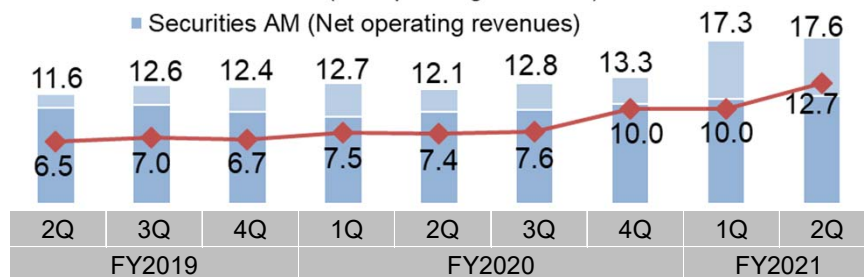
■ Global Investment Banking (Net operating revenues)
■ Global Markets (Net operating revenues)



Asset Management Division

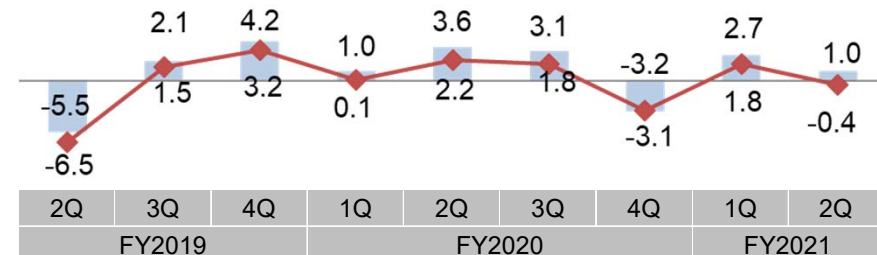
(¥ Billions)

■ Real Estate AM (Net operating revenues)
■ Securities AM (Net operating revenues)



Investment Division

(¥ Billions)



Consolidated B/S Summary

Consolidated Balance Sheet (September 30, 2021)

(¥ Billions)

Current assets			Current liabilities		
Cash and deposits	24,040	(-605)	Trading products	20,955	(-264)
Short-term investment securities	4,680	(-82)	Trading securities and other	3,927	(-440)
Trading products	1,051	(55)	Stocks, Convertible bonds	1,890	(-142)
Trading securities and other	6,824	(-1,009)	Bonds	201	(-8)
Stocks, Convertible bonds	4,646	(-727)	Other	1,654	(-106)
Bonds	193	(31)	Derivatives transactions	34	(-27)
Beneficiary certificates	3,562	(159)	Loans payable secured by securities	2,036	(-298)
Other	106	(-109)	Deposits for banking business	8,590	(414)
Derivatives transactions	784	(-809)	Short-term loans payable	4,291	(-124)
Operational investment securities (after allowance for possible investment losses)	2,178	(-281)	Current portion of bonds	1,596	(188)
Loans secured by securities	99	(3)		338	(134)
	7,832	(384)			
Non-current assets			Long-term liabilities		
Property, plant and equipment	1,469	(16)	Bonds payable	2,939	(-345)
Intangible assets	880	(0)	Long-term loans payable	1,501	(-56)
Investments and other assets	122	(-6)		1,295	(-291)
Listed stocks	466	(23)	Total liabilities	23,898	(-609)
Unlisted stocks	130	(3)	Net assets	1,612	(20)
Affiliated company stocks, etc.	27	(0)	Owners' equity	1,285	(3)
Other	161	(24)	Accumulated other comprehensive income	58	(7)
	147	(-4)	Non-controlling interests	258	(9)
Total Assets	25,510	(-588)	Total liabilities and net assets	25,510	(-588)

Total assets: ¥25.51 tn

Net assets: ¥1.61 tn

Shareholders' equity: ¥1.34 tn**

- 79.9% of total assets have high liquidity*.

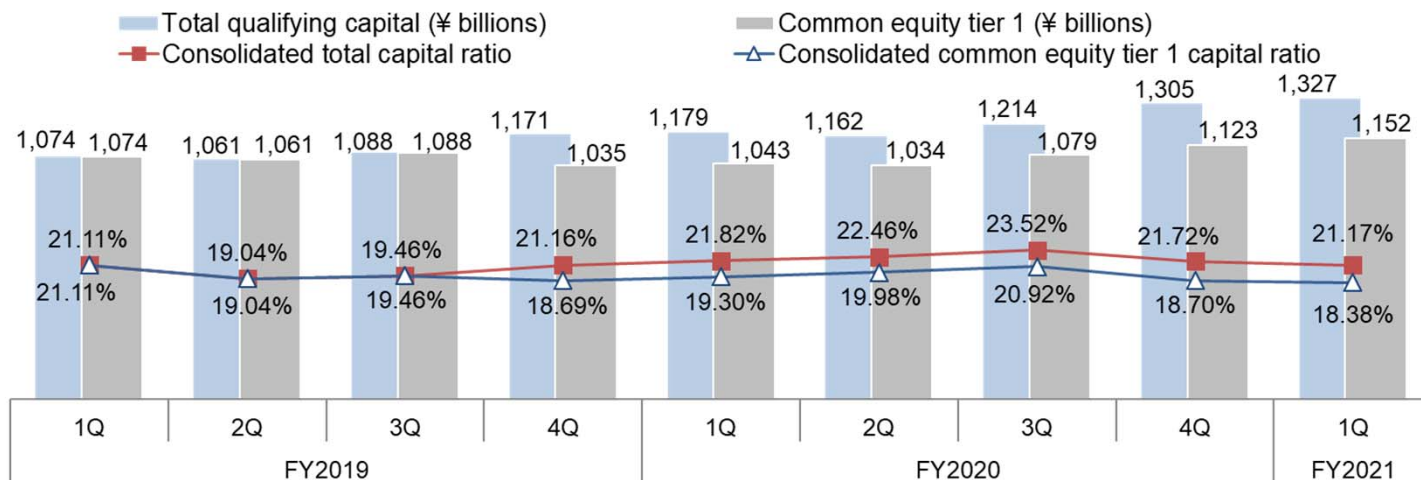
* Cash and deposits + Short-term investment securities + Trading products + Loans secured by securities

- Shareholders' equity** increased by ¥11.1 bn from March 31, 2021.

** Shareholders' equity = Owners' equity + Accumulated other comprehensive income

*Figures in parentheses indicate changes from March 31, 2021

Consolidated Capital Adequacy Ratio



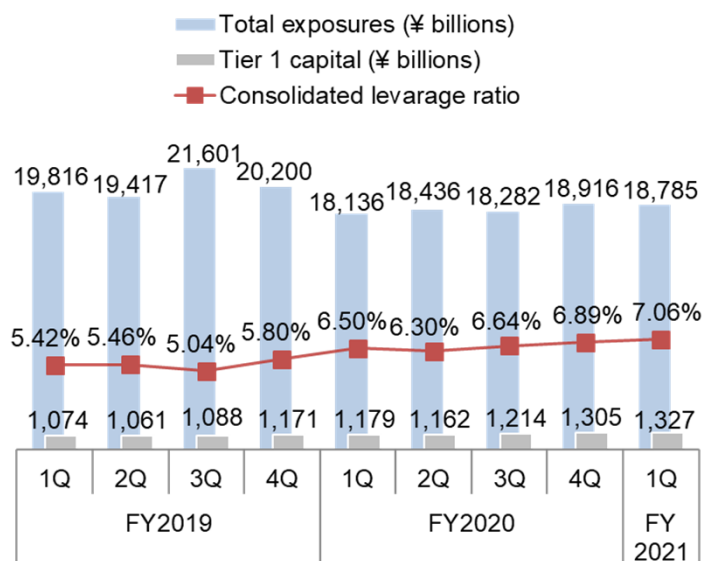
【Regulatory Capital (Basel III)】

(As at June 30, 2021)

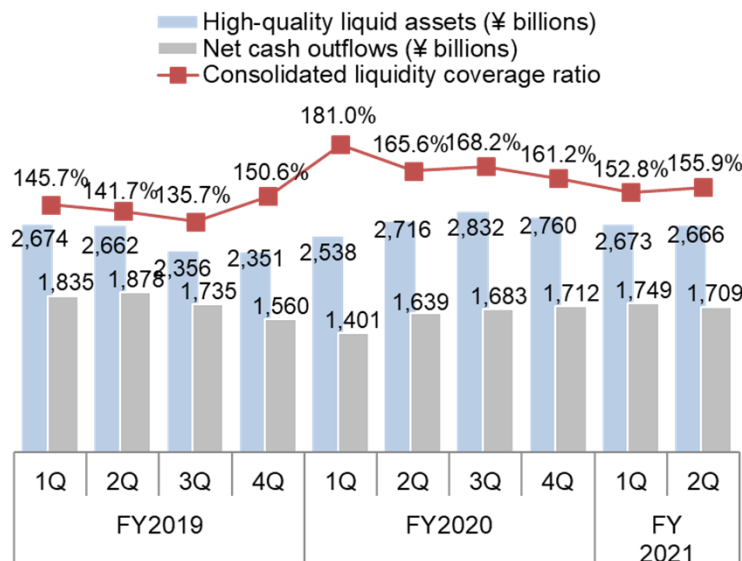
- Consolidated Total Capital Ratio : 21.17%
- Consolidated Tier 1 Capital Ratio : 21.17%
- Consolidated Common Equity Tier 1 Capital Ratio : 18.38%
- Consolidated Leverage Ratio : 7.06%

※ Figures are as at the end of each quarter.

Consolidated Leverage Ratio



Consolidated Liquidity Coverage Ratio



【Regulatory Liquidity (Basel III)】

(Daily average July – Sep. 2021)

- Consolidated Liquidity Coverage Ratio : 155.9%

P/L Summary

※The following shows the percentage change from the previous quarter.

(¥ Millions)	FY2020			FY2021		% Change vs 1Q/FY21	% Change vs 2Q/FY20	FY2020	FY2021	% Change vs 1H/FY20	FY2020
	2Q	3Q	4Q	1Q	2Q			1H	1H		
Operating revenues	128,568	151,636	167,355	149,836	154,702	3.2%	20.3%	257,180	304,538	18.4%	576,172
Commission received	70,809	76,664	81,612	77,309	82,983	7.3%	17.2%	128,559	160,292	24.7%	286,835
Net trading income	22,832	32,654	31,352	26,293	25,847	-1.7%	13.2%	54,888	52,140	-5.0%	118,895
Net gain (loss) on private equity	3,210	2,660	-1,703	1,681	926	-44.9%	-71.1%	3,851	2,607	-32.3%	4,808
Financial revenue	20,396	24,429	21,845	21,295	18,587	-12.7%	-8.9%	46,913	39,882	-15.0%	93,188
Other operating revenue	11,319	15,227	34,249	23,257	26,357	13.3%	132.8%	22,968	49,614	116.0%	72,444
Financial expenses	11,536	11,160	16,201	10,421	12,503	20.0%	8.4%	27,118	22,925	-15.5%	54,480
Other operating expenses	6,543	14,326	26,577	12,692	12,976	2.2%	98.3%	14,127	25,669	81.7%	55,031
Net operating revenues	110,488	126,149	124,576	126,721	129,222	2.0%	17.0%	215,934	255,943	18.5%	466,660
SG&A	90,768	94,207	99,990	94,873	98,544	3.9%	8.6%	179,602	193,417	7.7%	373,800
Operating income	19,719	31,941	24,586	31,848	30,677	-3.7%	55.6%	36,331	62,525	72.1%	92,859
Non-operating income	4,030	2,573	10,953	3,074	6,319	105.5%	56.8%	8,788	9,393	6.9%	22,315
Ordinary income/loss	23,750	34,514	35,540	34,922	36,997	5.9%	55.8%	45,120	71,919	59.4%	115,175
Extraordinary income/loss	-764	637	26,707	253	3,054	12.0x	-	2,046	3,308	61.7%	29,391
Income before income taxes	22,985	35,152	62,247	35,176	40,051	13.9%	74.2%	47,167	75,228	59.5%	144,567
Total income taxes	7,417	9,687	11,533	9,304	11,026	18.5%	48.7%	13,694	20,331	48.5%	34,915
Profit (loss) attributable to owners of parent	15,252	24,985	50,606	23,560	26,642	13.1%	74.7%	32,804	50,203	53.0%	108,396

■ Commission received increased (+7.3%)

• Brokerage commission* up to ¥19.5 bn (+5.0%) as both Japanese and foreign equity trading volume increased.

• Underwriting and secondary offering commissions* were ¥9.8 bn (-7.2%) as debt underwriting decreased.

• Distribution commission* was ¥6.1 bn (-1.8%) as sales and distribution amount of stock investment trusts decreased.

• M&A related commission* was ¥11.8 bn (+49.4%) as domestic and overseas deals increased.

* Breakdown of total commission received (See p.23)

■ In non-operating income, strong equity method investment gain in real estate asset management and gain on investments in partnerships increased.

Breakdown of SG&A

(¥ Millions)	FY2020			FY2021		% Change vs 1Q/FY21	% Change vs 2Q/FY20	FY2020	FY2021	% Change vs 1H/FY20	FY2020
	2Q	3Q	4Q	1Q	2Q			1H	1H		
SG&A	90,768	94,207	99,990	94,873	98,544	3.9%	8.6%	179,602	193,417	7.7%	373,800
Trading related expenses	14,414	14,765	15,142	15,230	15,148	-0.5%	5.1%	27,704	30,378	9.7%	57,612
Personnel expenses	46,647	48,911	52,464	49,200	51,827	5.3%	11.1%	91,627	101,027	10.3%	193,002
Real estate expenses	9,442	9,457	10,132	9,137	9,338	2.2%	-1.1%	18,851	18,475	-2.0%	38,441
Office cost	5,779	6,233	6,207	5,657	6,275	10.9%	8.6%	11,924	11,933	0.1%	24,365
Depreciation	8,441	8,473	8,601	8,771	8,773	0.0%	3.9%	16,845	17,544	4.1%	33,920
Taxes and dues	2,587	2,707	3,436	2,858	2,577	-9.8%	-0.4%	5,349	5,436	1.6%	11,493
Other	3,456	3,659	4,006	4,018	4,603	14.6%	33.2%	7,298	8,621	18.1%	14,964

- SG&A increased (+3.9%).
- Personnel expenses increased as earnings-linked bonuses increased (+5.3%).
- Office cost increased (+10.9%) due to increase in system related office expenses.

Consolidated Cost Structure



(¥ Billions)	FY2019				FY2020					FY2021	
	2Q	3Q	4Q	1Q-4Q	1Q	2Q	3Q	4Q	1Q-4Q	1Q	2Q
Total SG&A	89.8	93.2	94.2	371.9	88.8	90.7	94.2	99.9	373.8	94.8	98.5
Variable costs	32.2	35.2	35.4	139.5	30.4	32.2	35.5	38.5	136.7	35.6	38.0
Trading related expenses	16.7	17.3	16.9	68.8	13.2	14.4	14.7	15.1	57.6	15.2	15.1
<i>Advertising and promotion expenses</i>	3.1	3.0	3.2	12.0	1.3	1.9	2.0	1.6	6.9	1.6	1.7
Bonus and others	9.2	12.1	12.4	46.2	11.2	12.4	15.0	17.5	56.3	14.7	16.7
Overtime, part-time	2.1	2.2	2.1	8.9	1.9	1.9	1.9	1.8	7.7	1.7	1.6
Fixed costs	57.6	57.9	58.8	232.4	58.4	58.5	58.7	61.4	237.0	59.1	60.5
Personnel expenses	32.1	32.0	32.2	128.4	31.6	32.1	31.7	32.9	128.5	32.6	33.3
Real estate expenses	8.9	9.1	9.4	36.6	9.4	9.4	9.4	10.1	38.4	9.1	9.3
Depreciation	7.6	7.6	7.7	30.8	8.4	8.4	8.4	8.6	33.9	8.7	8.7
Office expenses	6.0	6.3	6.3	24.7	5.9	5.5	5.9	5.9	23.4	5.4	6.0
Taxes and dues	2.6	2.5	2.7	10.5	2.7	2.5	2.7	3.4	11.4	2.8	2.5

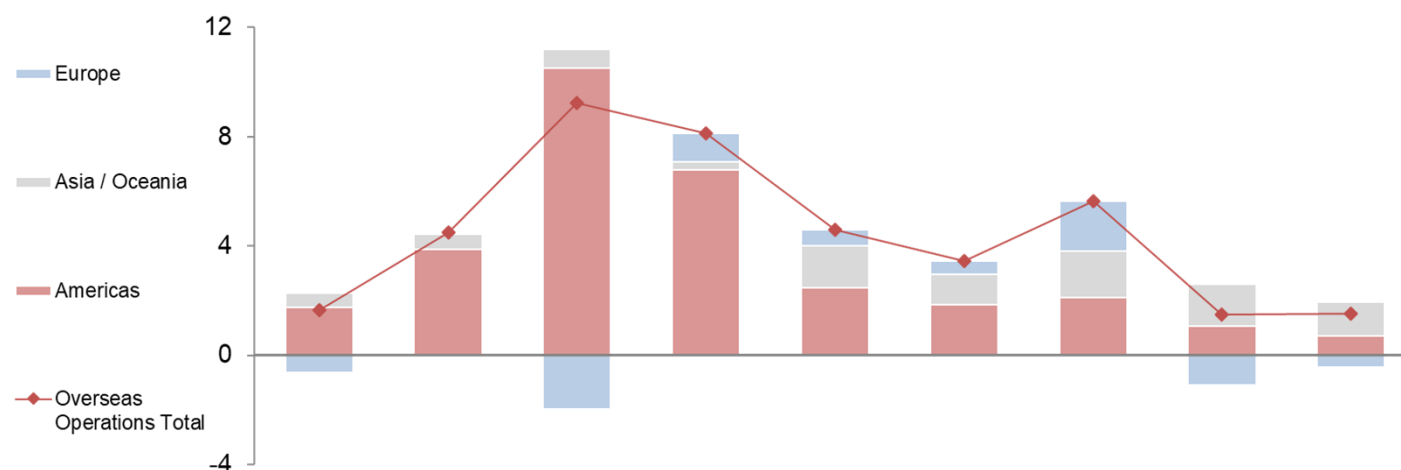
Ordinary Income of Overseas Operations

(¥ Millions)	FY2020			FY2021		% Change vs 1Q/FY21	% Change vs 2Q/FY20	FY2020 1H	FY2021 1H	% Change vs 1H/FY20	FY2020
	2Q	3Q	4Q	1Q	2Q						
Overseas Operations Total	4,610	3,456	5,638	1,499	1,537	2.5%	-66.7%	12,723	3,036	-76.1%	21,817
Europe	613	494	1,818	-1,091	-426	-	-	1,656	-1,518	-	3,969
Asia / Oceania	1,537	1,100	1,724	1,509	1,268	-16.0%	-17.5%	1,834	2,777	51.4%	4,659
Americas	2,459	1,860	2,096	1,080	695	-35.6%	-71.7%	9,231	1,776	-80.8%	13,188

Overseas operations stayed in the black for 22 consecutive quarters.

- In Europe, revenues from M&A business were strong but activities of clients remained low in equity and FICC.
- Asia / Oceania drove the overseas operation owing to equity revenues and equity method investment gain in SSI securities even though ordinary income slowed.
- In Americas, equity and M&A revenues were strong, but the FICC revenues slowed on the back of low of interest rate volatility.

Ordinary Income



(¥ Billions)	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q

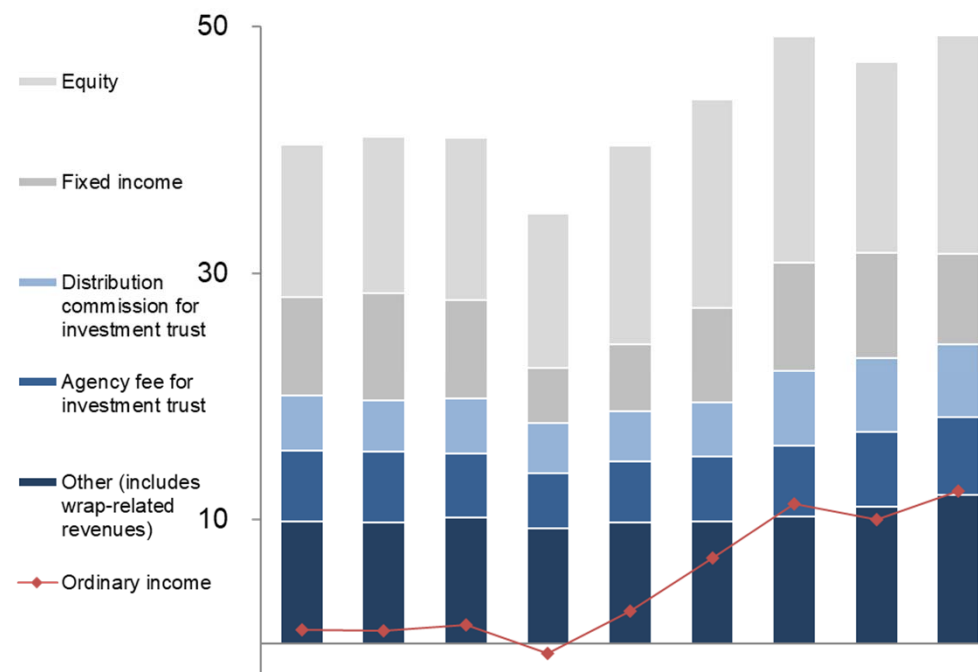
Retail Division

(¥ Millions)	FY2021 2Q	% Change vs 1Q/FY21	FY2021 1H	% Change vs 1H/FY20
Net operating revenues	49,653	4.8%	97,010	27.9%
Ordinary income	12,364	23.2%	22,401	12.7x

- Equity revenues up QoQ as both Japanese and foreign equity trading volume increased.
- Fixed income revenues slowed QoQ as Japanese and foreign bond sales dropped.
- Distribution commission for investment remained high. Investment trust agency fee up QoQ due to a rise in average asset under custody.
- Other revenues up QoQ supported by continued growth in investment advisory and account management fees (wrap-related revenues).
- Asset based revenues expanded and reached ¥19.0 bn.
(39.5% of net operating revenues in Retail Division of Daiwa Securities)

*Asset based revenues (See p.30)

Net Operating Revenues and Ordinary Income



(¥ Billions)	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Equity	12.4	12.7	13.1	12.5	16.1	16.9	18.3	15.5	17.7
Fixed income	8.0	8.7	8.1	4.6	5.5	7.7	8.8	8.5	7.3
Distribution commission for investment trust	4.5	4.2	4.4	4.0	4.1	4.4	6.1	6.1	6.0
Agency fee for investment trust	5.7	5.7	5.2	4.5	4.9	5.2	5.7	6.0	6.3
Other (includes wrap-related revenues)	9.9	9.8	10.2	9.3	9.8	9.9	10.3	11.1	12.0
Net operating revenues	40.7	41.3	41.2	35.1	40.7	44.3	49.3	47.3	49.6
Ordinary income	1.1	1.0	1.5	-0.8	2.6	6.9	11.3	10.0	12.3

Retail Division Daiwa Securities

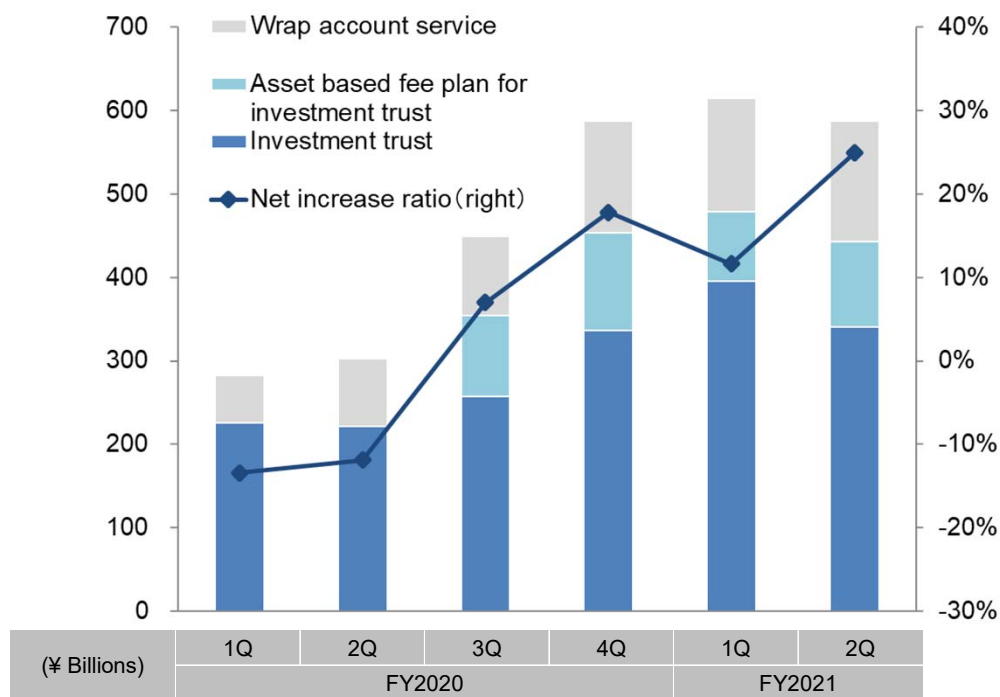
【 Wrap Account Service 】

- Contract AUM hit a record high of ¥2.78 trillion* led by an increase in contract amount, net inflow, and market rise.

【 Stock Investment Trusts 】

- GS future technology leaders (nextWIN) saw solid sales. 2Q sales amount (July-Sep.): ¥75.6bn (JPY Hedged / Non-Hedged)
- AUM of asset based fee plan for investment trust: ¥302.6bn

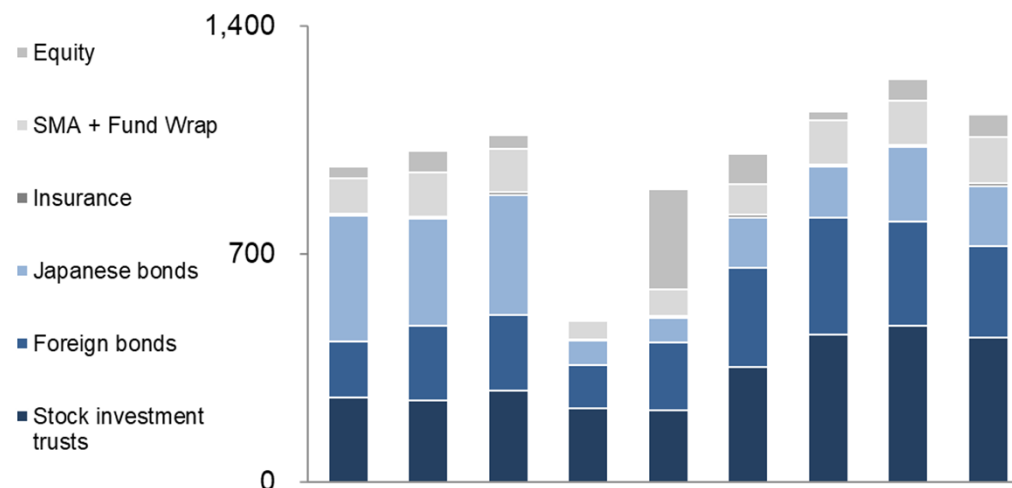
Sales/Distribution and Net increase ratio Wrap Account Service* and Amount of Stock Investment Trusts



$$\text{Net increase ratio}(\%) = \frac{\text{Sales} - (\text{sell-off} + \text{redemption})}{\text{Sales}} \times 100$$

※ Includes switching transactions between funds.

Sales and Distribution Amount by Product



(¥ Billions)	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Equity*	35.4	65.7	40.1	1.1	307.0	93.0	28.9	66.8	67.1
SMA + Fund Wrap**	109.8	135.3	133.4	56.9	81.8	95.5	133.8	135.7	144.6
Insurance***	7.5	7.8	8.6	2.4	6.9	7.8	8.3	4.8	6.6
Japanese bonds	385.6	328.6	369.7	76.6	73.8	153.1	156.3	231.2	185.8
Foreign bonds****	171.2	228.0	233.6	133.5	207.8	305.5	358.0	320.0	281.1
Stock investment trusts*****	260.1	251.0	279.2	225.5	221.2	353.8	453.8	478.9	442.9
Asset based fee plan for investment trust						96.3	117.8	83.0	102.2

*Distribution amount from equity underwriting

**Total contract amount of fund wrap and SMA

***Insurance include pension insurance, life insurance and business insurance

****Foreign bonds include yen-denominated foreign bonds

*****Stock investment trusts include switching transactions between funds

* Includes Wholesale Division

Wholesale Division Global Markets



(¥ Millions)	FY2021 2Q	% Change vs 1Q/FY21	FY2021 1H	% Change vs 1H/FY20
Net operating revenues	32,567	2.8%	64,250	-18.2%
Ordinary income	8,833	13.3%	16,629	-43.8%

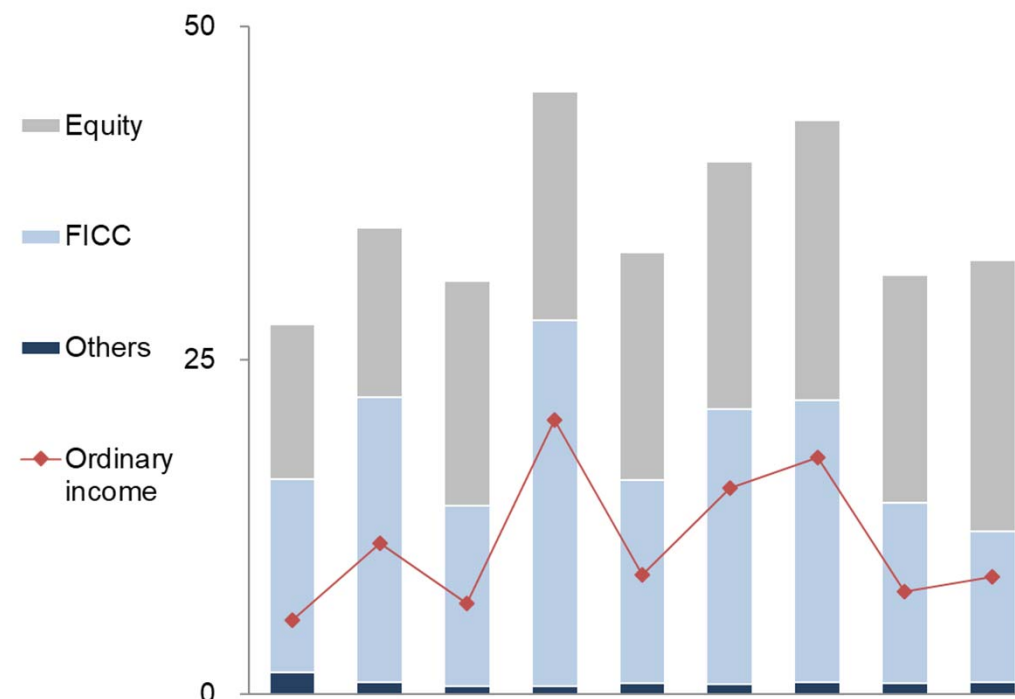
【Equity】

- Equity revenues rose QoQ as customer order flows of Japanese equity / foreign equity and derivatives increased.

【FICC*】

- FICC revenues down QoQ both in Japan and overseas.
- In Japan, customer order flow in credit was solid, but customer order flows in derivatives decreased.
- In the U.S., business continued at slow pace on the back of low interest rate and volatility.

Net Operating Revenues and Ordinary Income



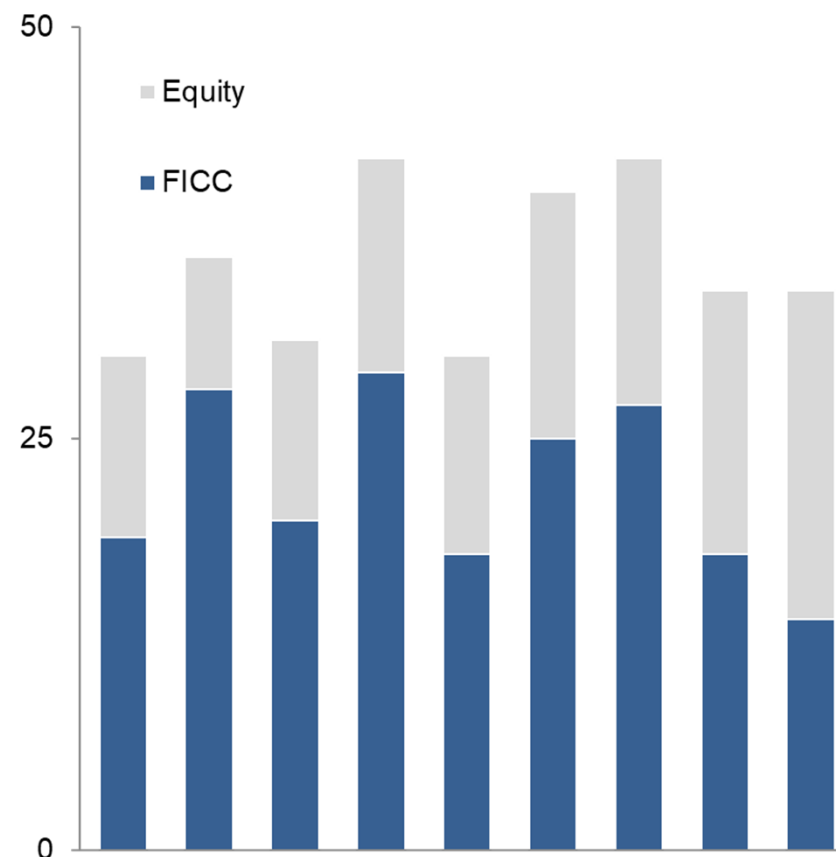
(¥ Billions)	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Equity	11.6	12.7	16.8	17.1	17.1	18.6	21.0	17.1	20.3
FICC*	14.5	21.3	13.5	27.4	15.2	20.6	21.1	13.5	11.3
Others	1.6	0.9	0.6	0.6	0.8	0.7	0.9	0.8	0.9
Net operating revenues	27.8	35.0	31.1	45.2	33.2	40.1	43.0	31.6	32.5
Ordinary income	5.5	11.3	6.8	20.5	8.9	15.4	17.7	7.7	8.8

*FICC: Fixed Income, Currency and Commodities

【Managerial accounting basis】

(¥ Billions)	FY2021 2Q	% Change vs 1Q/FY21	FY2021 1H	% Change vs 1H/FY20
Equity	20	25.0%	36	44.0%
FICC	14	-22.2%	32	-31.9%
Total	34	-0.0%	68	-5.6%

**Consolidated Trading Gain / Loss
(Managerial Accounting Basis)**



(¥ Billions)	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Equity	11	8	11	13	12	15	15	16	20
FICC	19	28	20	29	18	25	27	18	14
Total	30	36	31	42	30	40	42	34	34

Wholesale Division Global Investment Banking



(¥ Millions)	FY2021 2Q	% Change vs 1Q/FY21	FY2021 1H	% Change vs 1H/FY20
Net operating revenues	18,066	19.9%	33,135	61.0%
Ordinary income	3,444	9.6%	6,589	143.3%

【Equity】

- Lead managed deals by responding to various needs for equity finance.

<Selected lead managed deals>

		<Offering size>
NIPPON STEEL CORPORATION	Euro yen CB	¥300.0 bn
OBIC BUSINESS CONSULTANTS CO., LTD	Global PO	¥53.3 bn
Sumitomo Forestry Co., Ltd.	PO	¥36.0 bn
Daiwa House REIT Investment Corporation	REIT Global PO	¥37.4 bn
AEON REIT Investment Corporation	REIT PO	¥25.7 bn
Activia Properties Inc.	REIT Global PO	¥23.3 bn

【Debt】

- Managed deals including SoftBank Group bond and several SDGs bonds.

<Selected deals>

		<Offering size>
SoftBank Group Corp. (7yrs)	Subordinated Bond	¥500.0 bn
East Nippon Expressway Company Limited (1*/5*/7*/10*yrs)	Straight Bond ◆	¥140.0 bn
Mitsubishi Heavy Industries, Ltd. (5**/10yrs)	Straight Bond ◆	¥55.0 bn
Urban Renaissance Agency (20*/30*/40*yrs)	FILP Agency Bond ◆	¥30.0 bn
JRTT (5***/20***yrs)	FILP Agency Bond ◆	¥20.0 bn
Development Bank of Japan Inc. (4***yrs)	Benchmark Euro Bond ◆	EUR 0.6 bn

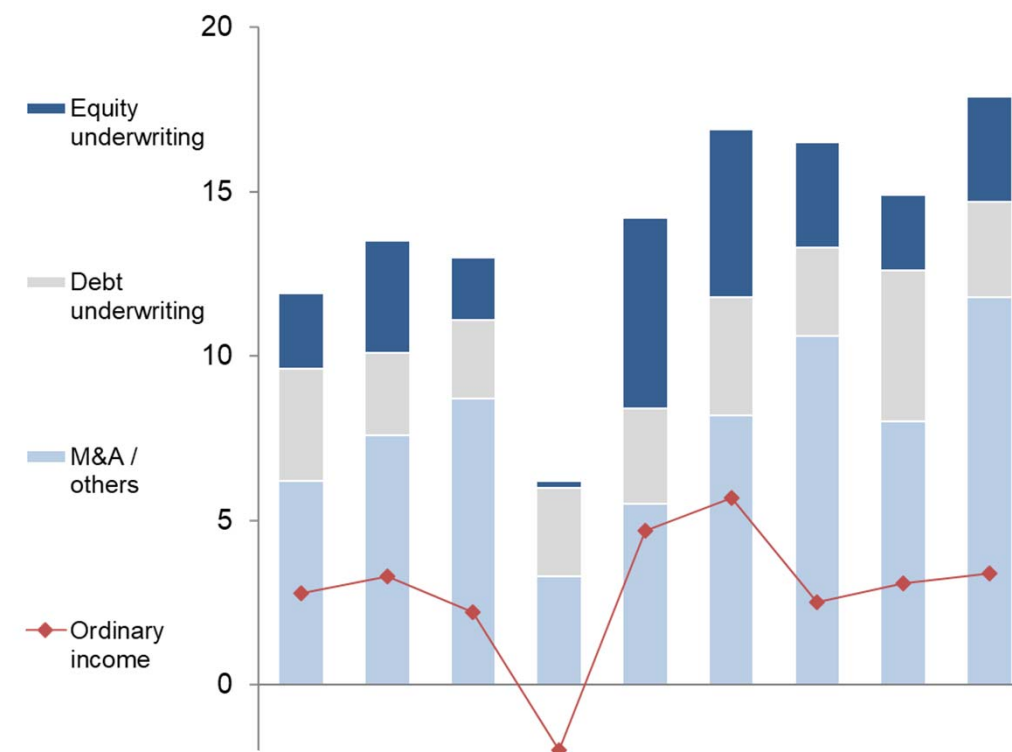
【M&A】

- Revenues reached a record high by managing several domestic and overseas deals.

Alienation of YJFX, Inc. by Yahoo Japan Corporation to GMO Financial Holdings, Inc.
 Acquisition of GCA Corporation by Houlihan Lokey, Inc.
 Making FUNAI ELECTRIC CO., LTD. a wholly owned subsidiary of SHUWA SYSTEM CO., LTD
 Tenstreet's majority growth investment from Providence Equity Partners
 Acquisition of IDH Group by Palamon Capital Partners
 Sale of Breeze Three Energy's onshore wind farm portfolio to Statkraft ◆

* Social bonds **Green bonds
 *** Sustainability bonds ◆: Sustainability related

Net Operating Revenues and Ordinary Income



(¥ Billions)	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Equity underwriting	2.3	3.4	1.9	0.2	5.8	5.1	3.2	2.3	3.2
Debt underwriting	3.4	2.5	2.4	2.7	2.9	3.6	2.7	4.6	2.9
M&A / others	6.2	7.6	8.7	3.3	5.5	8.2	10.6	8.0	11.8
Net operating revenues	11.9	13.6	13.2	6.2	14.3	16.9	16.5	15.0	18.0
Ordinary income	2.8	3.3	2.2	-2.0	4.7	5.7	2.5	3.1	3.4

Asset Management Division

(¥ Millions)	FY2021 2Q	% Change vs 1Q/FY21	FY2021 1H	% Change vs 1H/FY20
Net operating revenues	17,679	1.9%	35,032	40.4%
Ordinary income	12,757	27.6%	22,758	51.4%

Both net operating revenues and ordinary income recorded the highest since disclosures of segment information started in FY2010.

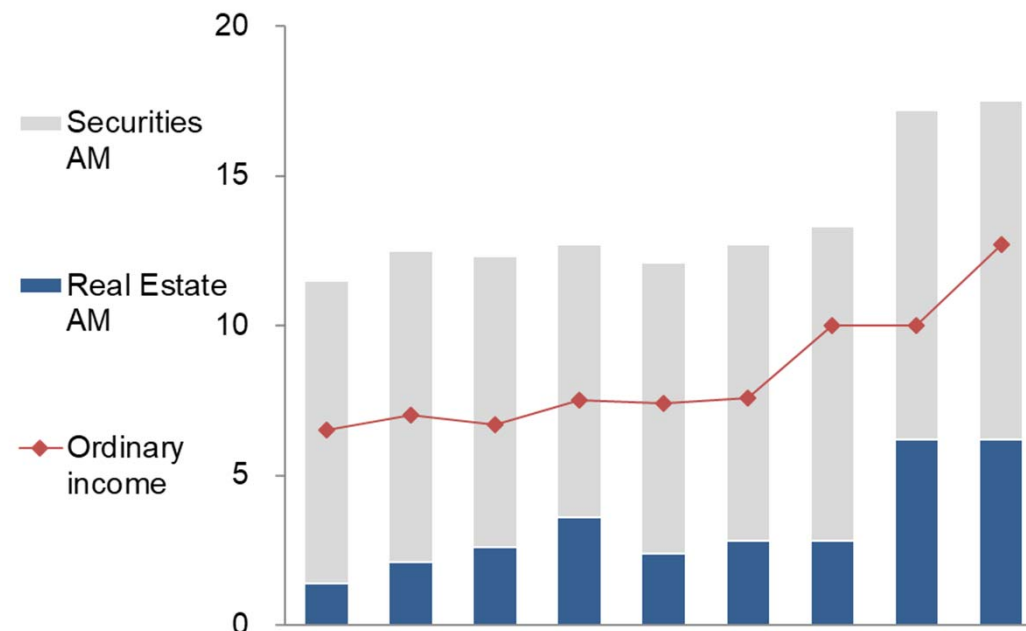
【Securities AM】

- Revenues in Daiwa AM increased led by net asset inflow of publicly offered stock investment trusts and rise in average AUM.

【Real estate AM】

- Both AUM of Daiwa Real Estate Asset Management and Samty Asset Management increased.
- Revenues up due to strong equity method investment gain (Samty).

Net Operating Revenues and Ordinary Income



(¥ Billions)	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Securities AM	10.1	10.4	9.7	9.1	9.7	9.9	10.5	11.0	11.3
Real estate AM*	1.4	2.1	2.6	3.6	2.4	2.8	2.8	6.2	6.2
Net operating revenues	11.6	12.6	12.4	12.7	12.1	12.8	13.3	17.3	17.6
Securities AM	4.0	4.4	4.0	3.1	3.9	4.2	4.6	5.1	5.8
Real estate AM**	2.4	2.5	2.7	4.3	3.5	3.4	5.4	4.8	6.9
Ordinary income	6.5	7.0	6.7	7.5	7.4	7.6	10.0	10.0	12.7

* Includes Daiwa Real Estate Asset Management, Daiwa Office Investment (from 1Q FY2021), and Samty Residential Investment

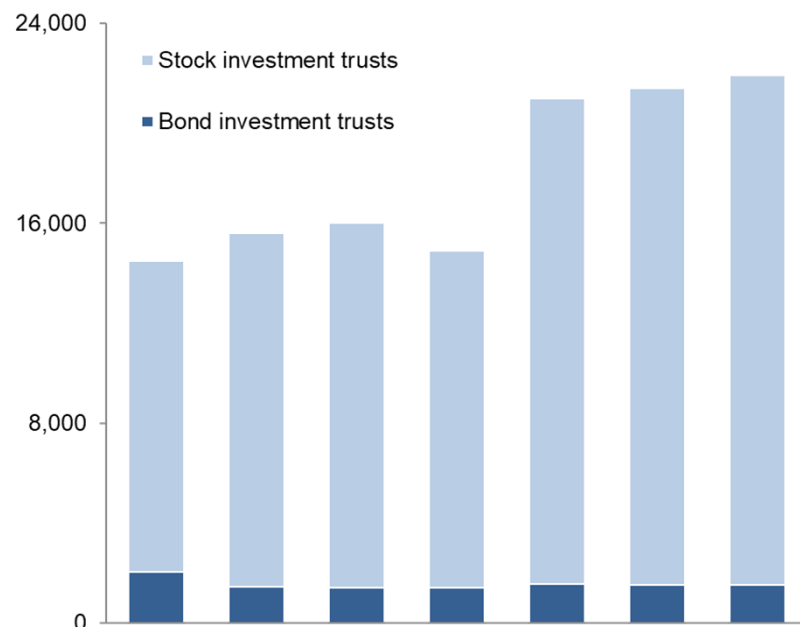
** Equity in earnings of affiliates is included in non-operating revenues

Asset Management Division

Assets Under Management and Net Increase

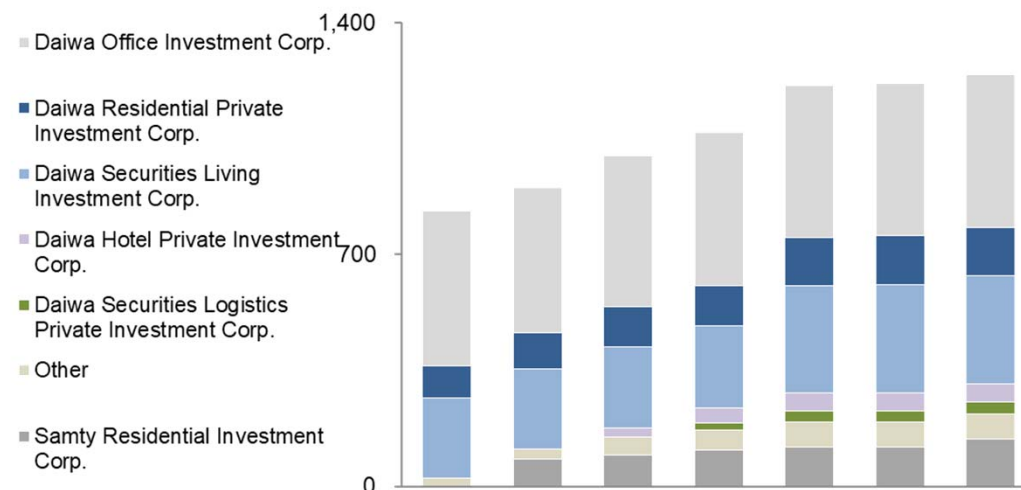


Daiwa Asset Management AUM



¥ Billions	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	
						1Q	2Q
Stock investment trusts	12,454	14,123	14,616	13,478	19,418	19,892	20,398
excl. ETF	7,805	7,717	7,245	6,063	7,543	7,863	7,892
(Net inflow)	(168)	(302)	(-339)	(-217)	(50)	(32)	(96)
ETF	4,648	6,406	7,371	7,414	11,875	12,029	12,505
(Net inflow)	(1,255)	(1,109)	(1,279)	(947)	(1,001)	(216)	(142)
Bond investment trusts	2,036	1,465	1,396	1,421	1,561	1,515	1,521
Total	14,491	15,588	16,012	14,900	20,980	21,408	21,919
Publicly Offered Securities Investment Trusts Share	14.7%	14.3%	14.2%	14.0%	13.9%	13.7%	13.7%

Real Estate Asset Management Business AUM of Two Companies*



¥ Billions	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	
						1Q	2Q
Daiwa Office Investment Corp.	469	439	460	463	461	461	463
Daiwa Residential Private Investment Corp.	96	107	118	121	146	146	146
Daiwa Securities Living Investment Corp.**	242	244	245	247	323	328	329
Daiwa Hotel Private Investment Corp.			29	45	54	54	54
Daiwa Securities Logistics Private Investment Corp.				20	33	33	35
Other	25	30	53	59	75	75	76
Total	834	822	907	959	1,094	1,099	1,105
Samty Residential Investment Corp. (Sub sponsor)		81	93	109	118	118	143
Total (Including sub sponsor)	834	903	1,000	1,069	1,212	1,217	1,249

* Daiwa Real Estate Asset Management, Samty Asset Management

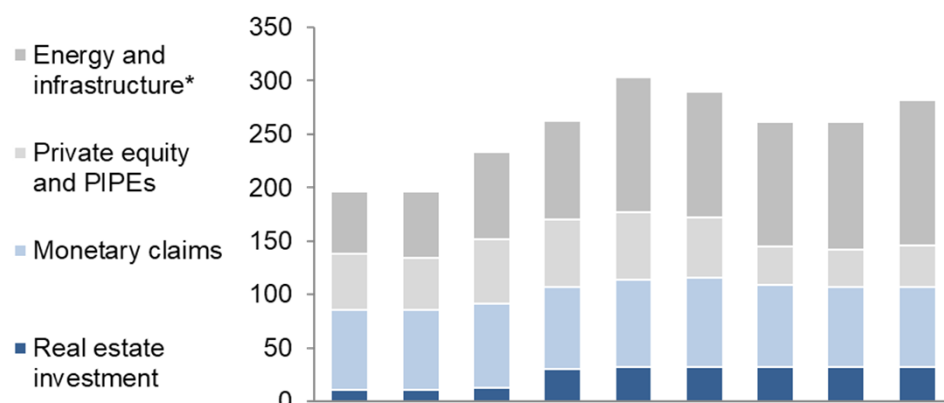
** Japan Rental Housing Investment Inc. merged with Nippon Healthcare Investment Corp. through absorption-type merger and changed its trade name to Daiwa Securities Living Investment Corp. on April 1, 2020. Daiwa Securities Living Investment Corp.'s AUM from FY2016 to FY2019 is a total of the two companies.

Investment Division

(¥ Millions)	FY2021 2Q	% Change vs 1Q/FY21	FY2021 1H	% Change vs 1H/FY20
Net operating revenues	1,022	-62.9%	3,780	-19.1%
Ordinary income	-464	-	1,360	-42.0%

- Investment Division posted loss due to revaluation of several existing investments.

Principal Investment Value



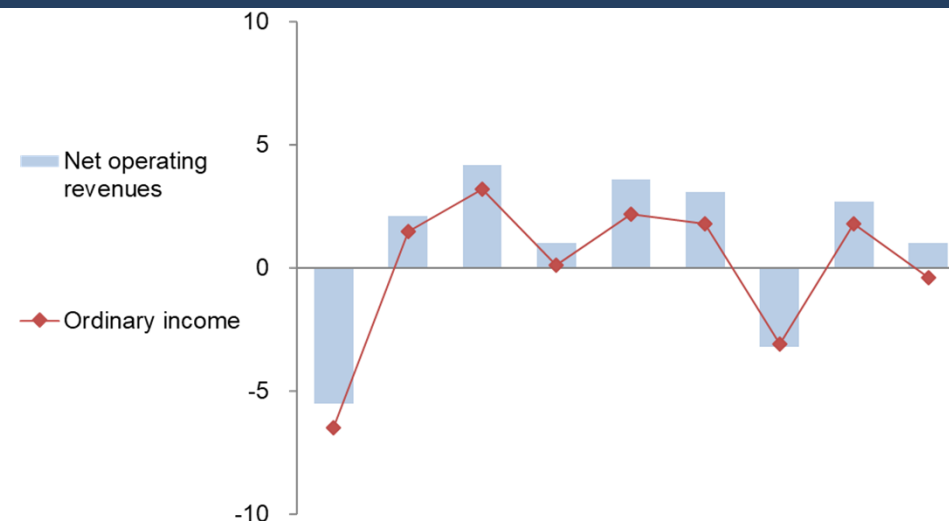
(¥ Billions)	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Daiwa PI Partners									
Private equity and PIPEs**	52	48	61	63	63	56	36	35	39
Monetary claims	75	75	78	77	82	84	77	75	75
Real estate investment	11	11	13	30	32	32	32	32	32
Daiwa Energy & Infrastructure	58	62	81	93	126	118	117	120	136
Total	198	198	235	265	305	290	264	264	283

* Energy and infrastructure indicates investment balance of Daiwa Energy & Infrastructure

**PIPEs: Private Investment in Public Equities

※ All figures are as at the end of each quarter

Net Operating Revenues and Ordinary Income



(¥ Billions)	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Net operating revenues	-5.5	2.1	4.2	1.0	3.6	3.1	-3.2	2.7	1.0
Ordinary income	-6.5	1.5	3.2	0.1	2.2	1.8	-3.1	1.8	-0.4

Reference

Daiwa Securities Group Inc.

Breakdown of Commission

(¥ Millions)	FY2020			FY2021		% Change vs 1Q/FY21	% Change vs 2Q/FY20	FY2020	FY2021	% Change vs 1H/FY20	FY2020
	2Q	3Q	4Q	1Q	2Q			1H	1H		
Total commission	70,809	76,664	81,612	77,309	82,983	7.3%	17.2%	128,559	160,292	24.7%	286,835
Brokerage commission	16,420	20,287	24,194	18,600	19,521	5.0%	18.9%	33,544	38,122	13.6%	78,026
Underwriting and secondary offering commissions	14,443	11,871	7,353	10,595	9,833	-7.2%	-31.9%	18,873	20,429	8.2%	38,098
Distribution commission	4,205	4,613	6,324	6,295	6,181	-1.8%	47.0%	8,274	12,477	50.8%	19,211
Other commission	35,740	39,892	43,740	41,817	47,445	13.5%	32.8%	67,866	89,263	31.5%	151,499
<i>Investment advisory and account management fees</i>	7,100	7,299	7,256	7,702	8,237	6.9%	16.0%	13,941	15,940	14.3%	28,498
<i>Insurance sales commission</i>	268	155	226	131	128	-1.6%	-52.0%	372	260	-30.3%	755
<i>M&A related commission</i>	5,222	8,100	10,664	7,948	11,877	49.4%	127.4%	7,932	19,825	149.9%	26,696
<i>Management fee</i>	16,431	16,758	17,509	18,391	19,027	3.5%	15.8%	31,642	37,418	18.3%	65,910
<i>Other</i>	6,716	7,578	8,083	7,644	8,174	6.9%	21.7%	13,976	15,819	13.2%	29,638

Balance Sheet

Daiwa Securities Balance Sheet (September 30, 2021)

(¥ Billions)

Current assets	13,461	(530)	Current liabilities	11,431	(572)
Trading products	4,920	(-152)	Trading products	3,116	(-347)
Trading securities and other	2,760	(94)	Trading securities and other	1,093	(-71)
Derivatives transactions	2,160	(-247)	Derivatives transactions	2,023	(-276)
Margin transaction assets	171	(14)	Margin transaction liabilities	66	(3)
Loans on margin transactions	166	(20)	Loans payables secured by securities	5,421	(577)
Cash collateral pledged for securities	4	(-5)	Short-term loans payable	1,278	(-10)
Loans secured by securities	5,258	(565)	Current portion of bonds	134	(-22)
Short-term guarantee deposits	492	(-56)	Long-term liabilities	1,398	(-42)
Short-term loans receivable	496	(26)	Bonds payable	773	(99)
Non-current assets	159	(-6)	Long-term loans payable	575	(-139)
Property, plant and equipment	46	(-0)	Total liabilities	12,833	(530)
Intangible assets	70	(-3)	Net assets	787	(-6)
Total assets	13,621	(523)	Shareholders' equity	785	(-6)
			Capital stock	100	—
			Total liabilities and net assets	13,621	(523)

※ Figures in parentheses show changes from March 31, 2021

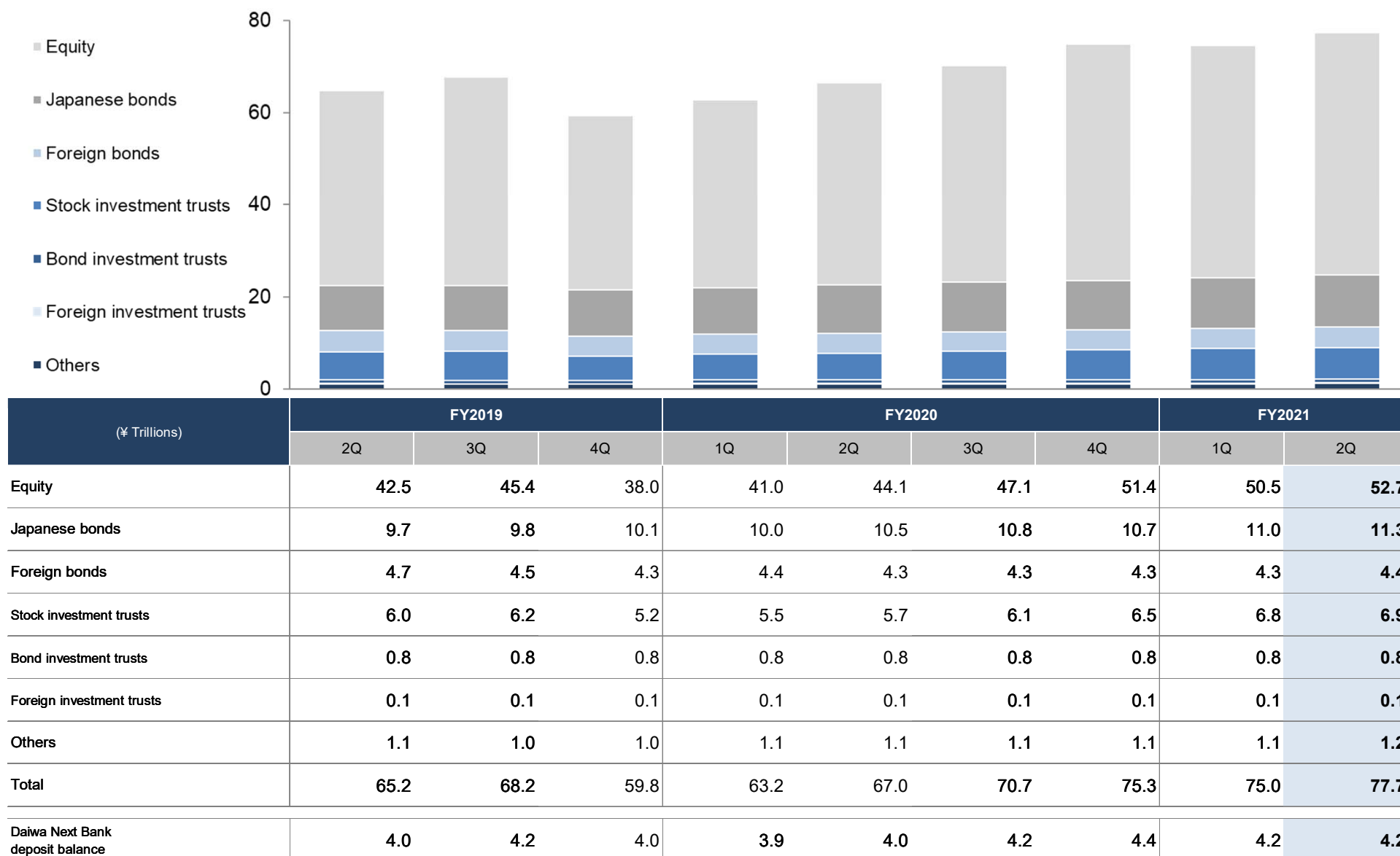
Financial Summary I

(¥ Millions)	FY2020			FY2021		% Change vs 1Q/FY21	% Change vs 2Q/FY20	FY2020	FY2021	% Change vs 1H/FY20	FY2020
	2Q	3Q	4Q	1Q	2Q			1H	1H		
Operating revenues	72,591	88,281	85,198	86,283	83,982	-2.7%	15.7%	141,700	170,265	20.2%	315,179
Commission received	46,304	50,684	51,325	50,473	52,145	3.3%	12.6%	84,187	102,618	21.9%	186,197
Brokerage commission	11,865	15,683	18,084	13,973	14,660	4.9%	23.5%	24,553	28,633	16.6%	58,321
<i>Stock and others</i>	11,538	15,362	17,713	13,626	14,214	4.3%	23.2%	23,551	27,841	18.2%	56,626
Underwriting and secondary offering commissions	12,946	10,454	6,025	9,042	8,271	-8.5%	-36.1%	17,350	17,313	-0.2%	33,830
<i>Equity</i>	8,889	5,829	2,798	2,419	3,441	42.2%	-61.3%	9,047	5,861	-35.2%	17,675
<i>Bond and others</i>	4,057	4,624	3,226	6,622	4,830	-27.1%	19.1%	8,302	11,452	37.9%	16,154
Distribution commission	4,150	4,559	6,268	6,195	6,102	-1.5%	47.0%	8,176	12,297	50.4%	19,004
<i>Investment trust</i>	4,093	4,383	6,053	6,018	5,995	-0.4%	46.5%	8,113	12,014	48.1%	18,550
Other commissions	17,341	19,986	20,947	21,262	23,111	8.7%	33.3%	34,106	44,373	30.1%	75,040
<i>Agency fee and others</i>	5,854	6,081	6,776	7,277	7,835	7.7%	33.8%	11,196	15,113	35.0%	24,054
<i>Investment advisory and account management fees</i>	7,100	7,299	7,256	7,702	8,237	6.9%	16.0%	13,941	15,940	14.3%	28,498
<i>Insurance sales commission</i>	268	155	226	131	128	-1.6%	-52.0%	372	260	-30.3%	755
<i>M&A related commission</i>	716	2,789	2,469	2,152	2,633	22.4%	267.6%	2,053	4,786	133.2%	7,311
Net trading income/loss	20,449	30,551	29,057	28,598	26,289	-8.1%	28.6%	42,987	54,887	27.7%	102,596
Financial revenues	5,837	7,045	4,815	7,211	5,547	-23.1%	-5.0%	14,525	12,759	-12.2%	26,385
Financial expenses	2,849	3,742	1,930	3,871	1,727	-55.4%	-39.4%	8,107	5,598	-30.9%	13,780
Net operating revenues	69,742	84,539	83,267	82,412	82,254	-0.2%	17.9%	133,592	164,667	23.3%	301,399

Financial Summary II

(¥ Millions)	FY2020			FY2021		% Change vs 1Q/FY21	% Change vs 2Q/FY20	FY2020	FY2021	% Change vs 1H/FY20	FY2020
	2Q	3Q	4Q	1Q	2Q			1H	1H		
SG&A	58,998	59,423	61,387	59,291	59,878	1.0%	1.5%	114,939	119,170	3.7%	235,750
Trading related expenses	9,248	9,424	8,885	9,046	8,659	-4.3%	-6.4%	17,408	17,706	1.7%	35,718
Personnel expenses	24,264	24,357	25,596	24,622	25,389	3.1%	4.6%	46,890	50,012	6.7%	96,844
Real estate expenses	6,413	5,601	5,937	5,360	5,392	0.6%	-15.9%	12,655	10,752	-15.0%	24,194
Office cost	11,509	11,875	12,368	12,055	12,139	0.7%	5.5%	22,946	24,195	5.4%	47,189
Depreciation	5,623	5,938	5,983	5,956	5,973	0.3%	6.2%	11,160	11,930	6.9%	23,081
Taxes and dues	1,012	1,191	1,334	1,265	1,194	-5.6%	18.0%	2,056	2,460	19.6%	4,583
Other	926	1,034	1,281	984	1,129	14.8%	22.0%	1,821	2,114	16.0%	4,137
Ordinary income	10,708	25,312	22,135	23,730	22,905	-3.5%	113.9%	18,834	46,636	147.6%	66,283
Net income	7,049	17,321	11,495	17,512	16,981	-3.0%	140.9%	12,577	34,494	174.2%	41,393
ROE (Annualized)	3.8%	9.1%	5.8%	9.0%	8.7%			3.4%	8.7%		5.4%
Capital adequacy ratio	351.3%	393.6%	364.6%	337.1%	331.2%			351.3%	331.2%		364.6%

Assets under Custody



※ All figures are as at the end of each quarter.

※ ETFs are recorded in 'Equity'.

Number of Accounts and Equity Trading

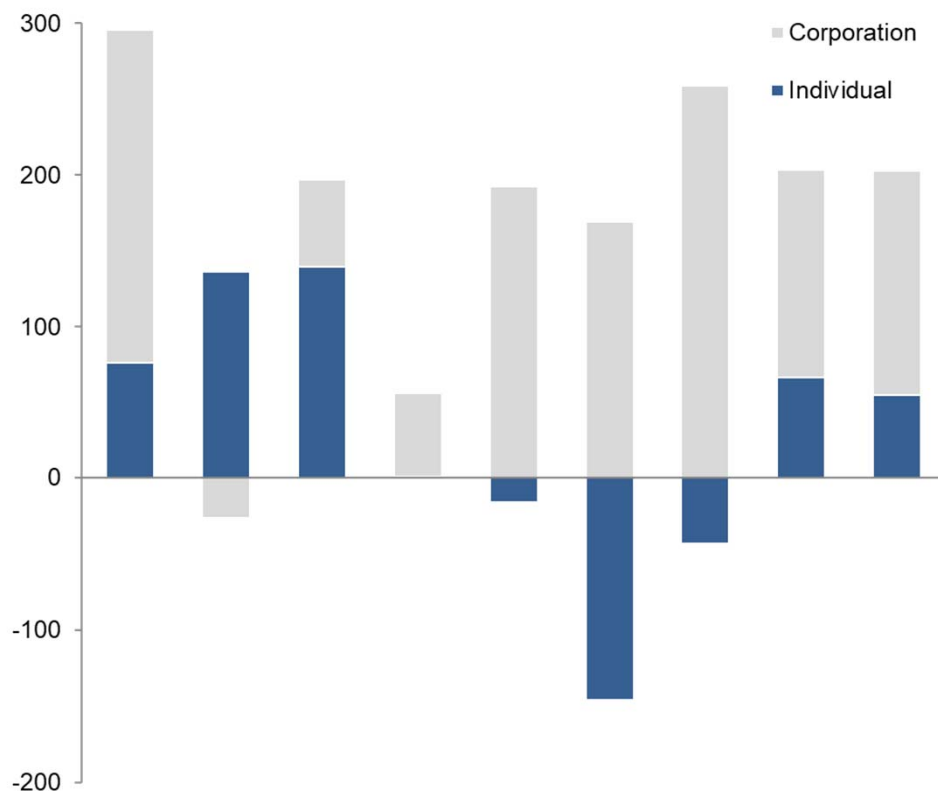
	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Accounts with balance (thousands)	3,026	3,009	3,022	3,020	3,019	3,010	3,034	3,023	3,031
Accounts holding equity (thousands)	1,438	1,427	1,440	1,445	1,461	1,453	1,445	1,450	1,447
Online trading accounts (thousands)	3,344	3,358	3,373	3,381	3,397	3,411	3,446	3,460	3,477
Newly opened accounts (thousands)	32	31	35	24	36	35	41	34	37
NISA accounts* (thousands)	863	863	866	867	868	866	866	864	863
Wrap account service (end of quarter)									
Contract assets under management (¥ billions)	2,233	2,313	2,087	2,219	2,318	2,430	2,574	2,701	2,789
Number of customers (thousands)	144.3	142.3	141.9	141.0	140.1	137.8	137.5	139.0	140.7
Contracts and trading value for individual investors at Daiwa Securities (Japanese Equity)									
Total number of contracts (thousands)	1,972	2,392	3,131	3,220	2,606	2,908	3,416	2,542	2,511
<i>Online out of total (thousands)</i>	1,739	2,112	2,788	2,917	2,328	2,537	2,998	2,237	2,202
Total trading value (¥ billions)	1,795	2,169	2,564	2,700	2,447	2,990	3,704	2,801	2,997
<i>Online out of total (¥ billions)</i>	1,365	1,686	2,050	2,172	1,899	2,159	2,708	2,054	2,094
Foreign equity trading value (Retail)									
Trading value (¥ billions)	312	221	300	337	377	403	383	367	381

* Includes Junior NISA

Net Asset Inflow



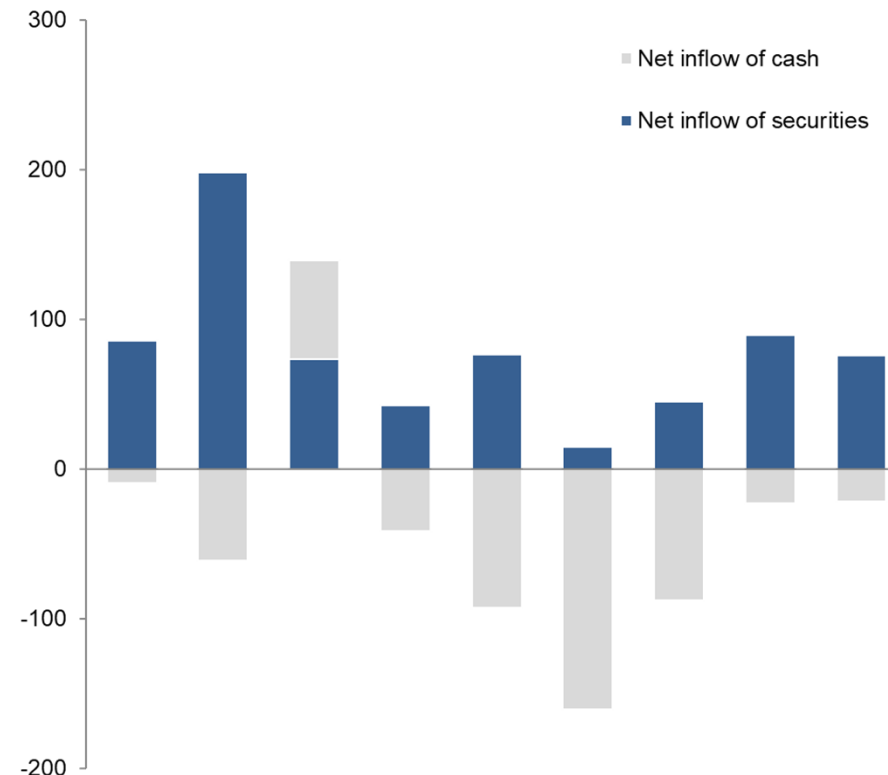
Retail Division (Daiwa Securities) Net Asset Inflow*



¥ Billions	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Corporation	219.1	-26.7	57.7	54.6	192.4	169.2	258.8	137.2	148.9
Individual	76.5	136.6	139.6	0.8	-16.3	-145.8	-43.3	66.5	54.2
Total	295.7	109.9	197.3	55.4	176.1	23.3	215.4	203.7	203.2

* Net asset inflow = net inflow of cash and securities

Retail Division (Daiwa Securities) Net Asset Inflow (Individuals)

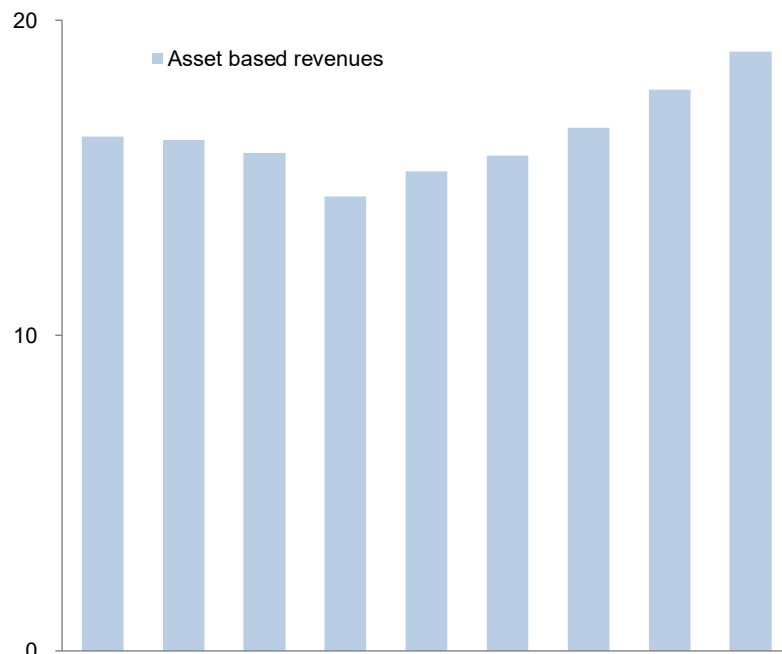


¥ Billions	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Net inflow of cash	-9.2	-61.4	66.2	-41.7	-92.9	-160.7	-88.1	-22.8	-21.6
Net inflow of securities	85.8	198.0	73.4	42.6	76.6	14.8	44.7	89.3	75.8
Total	76.5	136.6	139.6	0.8	-16.3	-145.8	-43.3	66.5	54.2

Asset Based Revenues



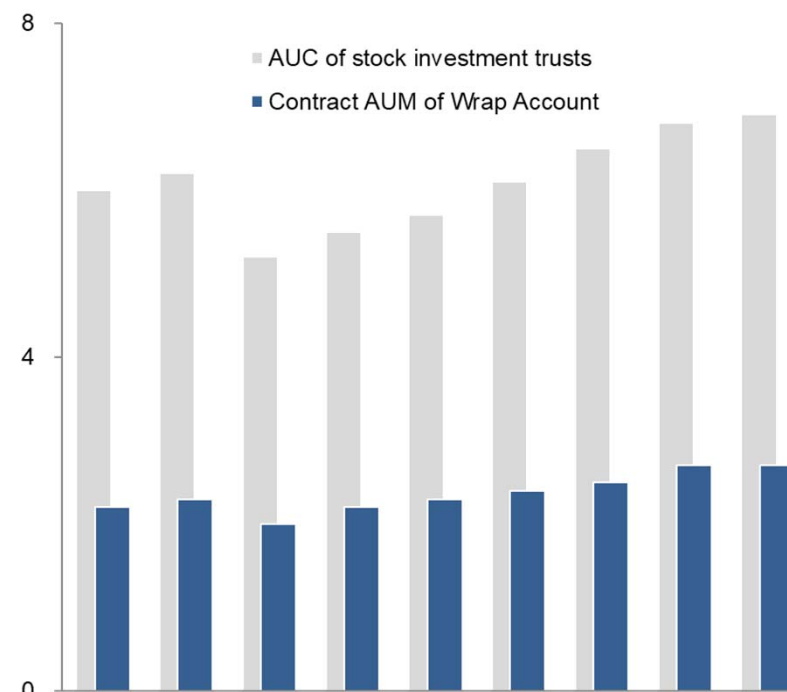
Asset Based Revenues



(¥ Billions)	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Net operating revenues in Retail Division (Daiwa Securities)	39.4	40.2	40.0	34.1	39.5	43.2	48.1	46.2	48.3
Asset based revenues	16.3	16.2	15.8	14.4	15.2	15.7	16.6	17.8	19.0
Asset based revenue ratio	41.5%	40.5%	39.6%	42.3%	38.6%	36.5%	34.6%	38.6%	39.5%

* Asset based revenues: Agency fee for investment trust, Investment advisory and account management fees, Bank agency fees and other, revenues from asset based fee plan for investment trusts, etc.

AUC of Stock Investment Trusts and Contract AUM of Wrap Account



(¥ Trillions)	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
AUC of stock investment trusts	6.0	6.2	5.2	5.5	5.7	6.1	6.5	6.8	6.9
Contract AUM of Wrap Account	2.2	2.3	2.0	2.2	2.3	2.4	2.5	2.7	2.7

*Contract AUM of Wrap Account includes Stocks, Bonds and Cash in some parts.

League Table

	Primary and secondary equity offerings	IPO	Straight bonds (excl. family bonds)	Agency bonds	Municipal bonds	Samurai bonds (excl. family bonds)	M&A (Number of deals)
FY2021 2Q League Table							
1st	Nomura	Nomura	Mizuho	Mitsubishi UFJMS	Nomura	SMBC Nikko	SMFG
	20.7%	33.1%	24.0%	23.6%	19.5%	63.4%	
2nd	Morgan Stanley	SMBC Nikko	Daiwa	Mizuho	SMBC Nikko	Daiwa	Nomura
	17.0%	21.2%	20.7%	21.5%	18.8%	10.8%	
3rd	Daiwa	Mizuho	Mitsubishi UFJMS	Daiwa	Mitsubishi UFJMS	Nomura	Mizuho
	13.5%	17.8%	18.2%	18.1%	16.4%	10.8%	
4th	Bank of America	Morgan Stanley	SMBC Nikko	Nomura	Mizuho	Mizuho	Daiwa
	12.8%	9.8%	16.9%	16.9%	15.9%	10.8%	
5th	Mitsubishi UFJMS	Daiwa	Nomura	SMBC Nikko	Daiwa	Mitsubishi UFJMS	Morgan Stanley
	12.1%	7.9%	16.2%	12.1%	15.8%	4.3%	

Source: Compiled by Daiwa Securities based on REFINITIV April 2021 – September 2021

Primary and secondary equity, IPO, Straight bonds, Agency bonds, Municipal bonds and Samurai bonds are based on settlement date.

Joint lead manager allotment of Primary and secondary equity, IPO, Straight bonds, Municipal bonds and Agency bonds is based on underwritten amount.

Joint bookrunner allotment of Samurai bonds is divided up evenly among the bookrunners.

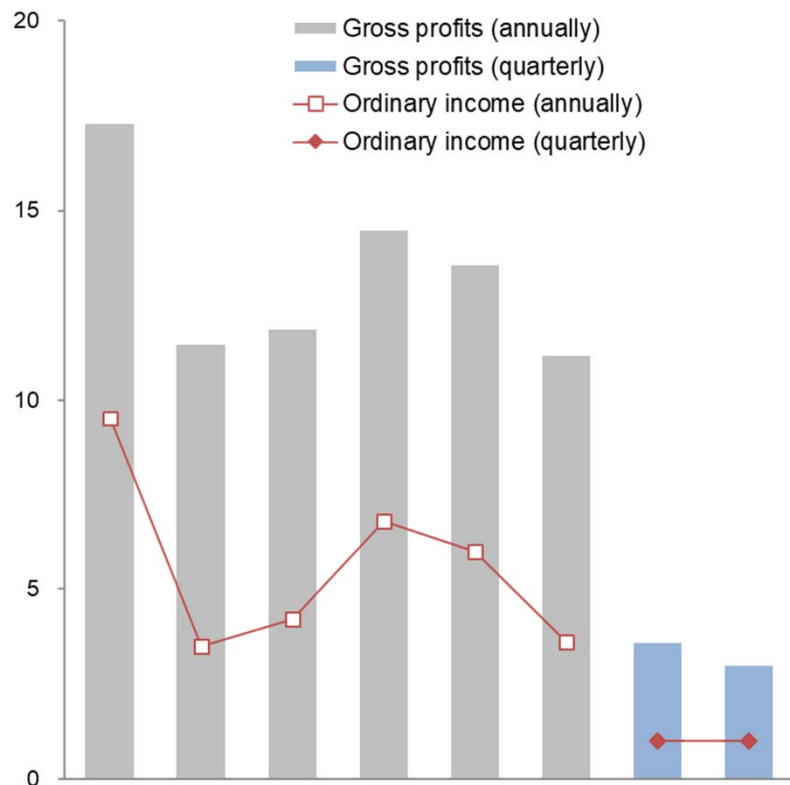
M&A is compiled by Daiwa Securities based on Mergermarket

Financial Summary

(¥ Millions)	FY2020			FY2021		% Change vs 1Q/FY21	% Change vs 2Q/FY20	FY2020	FY2021	% Change vs 1H/FY20	FY2020
	2Q	3Q	4Q	1Q	2Q			1H	1H		
Operating revenues	16,472	16,779	17,486	18,326	19,044	3.9%	15.6%	31,641	37,371	18.1%	65,906
Management fee	16,377	16,682	17,378	18,150	18,925	4.3%	15.6%	31,426	37,076	18.0%	65,487
<i>Stock investment trust</i>	16,336	16,627	17,306	18,074	18,838	4.2%	15.3%	31,346	36,913	17.8%	65,280
<i>Bond investment trust</i>	40	55	72	75	87	15.6%	113.5%	79	162	105.0%	206
Other operating revenues	95	96	107	176	118	-32.9%	23.8%	214	294	37.2%	419
SG&A	12,819	13,188	13,606	13,900	14,070	1.2%	9.8%	25,043	27,970	11.7%	51,838
Commission paid	7,054	7,097	7,359	7,698	8,009	4.0%	13.5%	13,509	15,707	16.3%	27,965
Other SG&A	5,764	6,091	6,246	6,201	6,060	-2.3%	5.1%	11,534	12,262	6.3%	23,872
Operating income	3,653	3,590	3,879	4,426	4,973	12.4%	36.2%	6,597	9,400	42.5%	14,067
Ordinary income	3,616	3,810	4,126	4,522	5,017	10.9%	38.8%	6,679	9,540	42.8%	14,616
Net income	2,461	2,641	2,148	3,127	3,280	4.9%	33.3%	4,599	6,407	39.3%	9,389

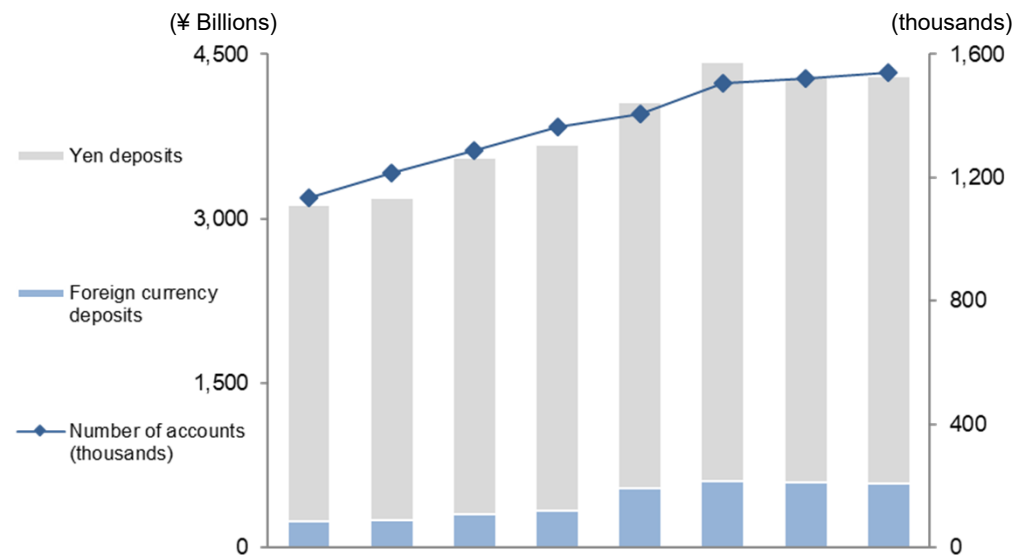
Earnings and Deposit Balance

Gross Profits / Ordinary Income



(¥ Billions)	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	
							1Q	2Q
Gross profits	17.3	11.5	11.9	14.5	13.6	11.2	3.6	3.0
Ordinary income	9.5	3.5	4.2	6.8	6.0	3.6	1.0	1.0

Daiwa Next Bank Deposit Balance & Number of Accounts



(¥ Billions)	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	
							1Q	2Q
Ordinary deposits	1,401	1,653	1,756	1,610	1,873	2,224	2,180	2,164
Time deposits	1,711	1,480	1,746	1,953	2,067	2,171	2,085	2,106
Negotiable certificate of deposits / Other	8	59	53	115	122	35	27	27
Deposit balance	3,121	3,193	3,556	3,678	4,062	4,430	4,293	4,298
Foreign currency deposits	243	253	300	331	539	606	592	582
Number of accounts (thousands)	1,133	1,213	1,289	1,364	1,405	1,505	1,520	1,539

*All figures are as at the end of the period.

Range and Assumption of VaR

- Confidence level: 99% (one-side test)
- Holding period: 1 day
- Adjusted for price correlation between products

¥ Billions)	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
VaR (Quarter end)	1.42	0.94	1.22	0.99	1.21	1.20	1.18	1.59	1.74
High	1.55	1.61	1.77	1.43	1.43	1.89	1.62	1.83	2.07
Low	1.02	0.94	0.87	0.75	0.90	0.94	1.05	0.82	1.35
Average	1.27	1.28	1.18	1.08	1.11	1.35	1.35	1.37	1.64
By risk factors (Quarter end)									
Equity	0.39	0.34	0.19	0.21	0.33	0.37	0.40	0.25	0.41
Interest	1.35	1.21	1.12	1.25	0.97	1.16	1.22	0.66	1.28
Currency	0.24	0.20	0.20	0.24	0.29	0.41	0.31	0.45	0.49
Commodities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Number of Group Employees

	FY2019			FY2020				FY2021	
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Total	16,306	16,078	15,904	16,120	15,972	15,749	15,529	15,671	15,455
Overseas	1,963	1,963	1,984	1,977	1,989	2,012	2,018	2,024	2,032

■ Number of employees as at the end of each quarter.

* Total figures are the sum of consolidated group companies.

* Figures include temporary staff.

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