

Daiwa Securities Group Inc.
4Q FY2022 Earnings Announcement

April 27, 2023

Daiwa Securities Group Inc.

This presentation may contain forward-looking statements about the Daiwa Securities Group. You can identify these statements by the fact that they do not relate strictly to historic or current facts. These statements discuss future expectations, identify strategies, contain projections of results of operations or of financial condition or state other “forward-looking” information. These statements are based on currently available information and represent the beliefs of the management of the Daiwa Securities Group. These statements are subject to numerous risks and uncertainties that could cause the Daiwa Securities Group’s actual results, performance, achievements or financial condition to differ materially from those described or implied in the forward-looking statements. The Daiwa Securities Group undertakes no obligation to publicly update any forward-looking statements after the date of this presentation. These potential risks and uncertainties include, but are not limited to: competition within the financial services industries in Japan and overseas, our ability to adjust our business focus and to maintain profitable strategic alliances, volatile and sudden movements in the international securities markets, foreign exchange and global economic situations affecting the Daiwa Securities Group.

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Highlights (1Q-4Q/FY2022, YoY)

Both net operating revenues and ordinary income decreased YoY.

Consolidated earnings results	FY2022 1Q-4Q	FY2021 1Q-4Q	% Changes vs FY2021
Net operating revenues	¥464.2 bn	¥502.0 bn	-7.5%
Ordinary income	¥86.9 bn	¥135.8 bn	-36.0%
Profit attributable to owners of parent	¥63.8 bn	¥94.8 bn	-32.7%

- Retail Division decreased in both operating revenues and ordinary income due to a drop in revenues from customer order flow, but secured ordinary income of ¥25.8 bn led by steady progress in shifting to wealth management business model and cost reduction.
 - Net inflow of wrap account service expanded to ¥281.4bn, the highest level in seven years. Contract AUM hit a record high of ¥3.09 tn*.
- For Wholesale Division, ordinary income for Global Markets and Global Investment Banking deteriorated due to a decrease in client activities as a result of uncertain market condition.
- Asset Management Division maintained the same level as previous fiscal year.
 - In securities asset management, net inflow of publicly offered stock investment trusts (excluding ETF) was ¥516.7 bn, the highest level in seven years.
 - Real estate asset management reached a record high in net operating revenues and ordinary income**
- In Investment Division, ordinary income jumped 1.8 times YoY led by revenue expansion from private equity investment and renewable energy investment.
- Overseas operations stayed in the black for seven consecutive years and ordinary income was up 1.9 times YoY.

Annual dividend: 23 yen, Set up of share repurchase program

- Annual dividend: 23 yen (Interim: 11 yen, Year-end: 12 yen, Annual dividend payout ratio: 52.8%)
- Total number of share to be repurchased: up to 35.0 mil shares. Total amount to be paid for repurchase: up to ¥25.0 bn (2.41% of total shares outstanding, excluding treasury stock).

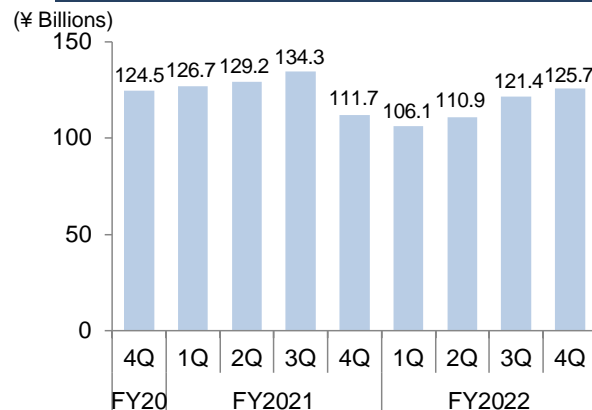
Summary (4Q/FY2022, QoQ)

Both revenue and income increased. Ordinary income was ¥30.8 bn, +33.0% QoQ.

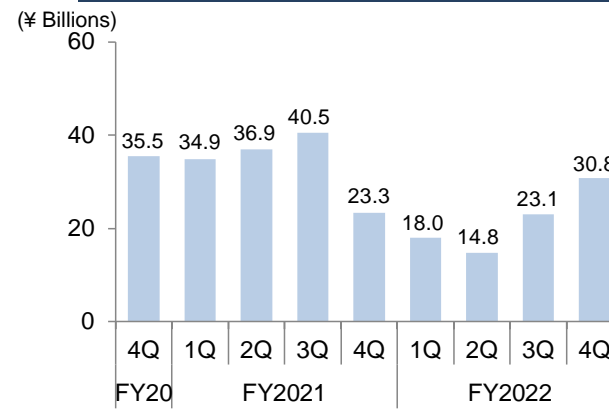
Consolidated earnings results	FY2022 4Q	FY2022 3Q	% Changes vs 3Q/FY2022
Net operating revenues	¥125.7 bn	¥121.4 bn	+3.5%
Ordinary income	¥30.8 bn	¥23.1 bn	+33.0%
Profit attributable to owners of parent	¥17.1 bn	¥15.2 bn	+12.0%

- Retail Division was able to secure ordinary income of ¥6.2 bn, led by steady progress in shifting to wealth management business model and cost reductions.
- For Wholesale Division, Global Markets struggled from financial uncertainties in US/Europe. Global Investment Banking increased both net operating revenues and ordinary income owing to expansion in M&A related commission.
- Annualized ROE: 4.9%

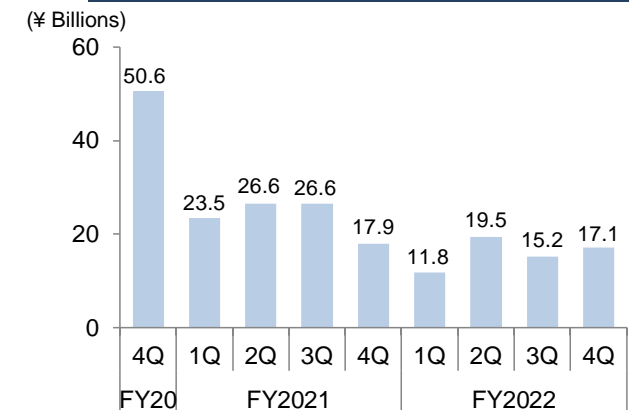
Net Operating Revenues



Ordinary Income



Profit Attributable to Owners of Parent



Financial Summary

(¥ Millions)	FY2021	FY2022				% Change vs 3Q/FY22	% Change vs 4Q/FY21	FY2021	FY2022	% Change vs FY21
	4Q	1Q	2Q	3Q	4Q					
Operating revenues	148,333	146,640	192,552	233,036	293,860	26.1%	98.1%	619,471	866,090	39.8%
Net operating revenues	111,776	106,122	110,933	121,433	125,737	3.5%	12.5%	502,093	464,226	-7.5%
SG&A	94,817	97,274	98,942	99,913	101,822	1.9%	7.4%	386,559	397,952	2.9%
Ordinary income	23,340	18,085	14,855	23,170	30,818	33.0%	32.0%	135,821	86,930	-36.0%
Profit (loss) attributable to owners of parent	17,989	11,878	19,576	15,295	17,124	12.0%	-4.8%	94,891	63,875	-32.7%
Total assets	27,531,089	28,747,174	31,461,475	28,115,421	26,413,248			27,531,089	26,413,248	
Net assets	1,639,888	1,668,661	1,697,428	1,657,832	1,675,489			1,639,888	1,675,489	
Shareholders' equity*	1,373,282	1,400,590	1,428,464	1,388,380	1,407,840			1,373,282	1,407,840	
EPS (¥)	12.13	8.01	13.24	10.52	11.79			63.06	43.53	
BPS (¥)	925.81	943.71	971.62	955.66	968.93			925.81	968.93	
ROE (Annualized)	5.3%	3.4%	5.5%	4.3%	4.9%			7.0%	4.6%	

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

FY2022 Dividends

23 yen

(including 11 yen interim dividend)

Segment Summary

(¥ Millions)

Net operating revenues	FY2021	FY2022				% Change vs 3Q/FY22	% Change vs 4Q/FY21	FY2021	FY2022	% Change vs FY21
	4Q	1Q	2Q	3Q	4Q					
Retail	42,085	40,393	41,187	42,203	40,550	-3.9%	-3.6%	188,879	164,336	-13.0%
Wholesale	44,999	35,965	38,853	42,727	43,344	1.4%	-3.7%	195,863	160,891	-17.9%
<i>Global Markets</i>	34,210	24,491	25,280	27,923	25,155	-9.9%	-26.5%	134,353	102,850	-23.4%
<i>Global Investment Banking</i>	10,788	11,474	13,573	14,804	18,188	22.9%	68.6%	61,510	58,041	-5.6%
Asset Management	17,760	18,605	16,943	17,276	17,569	1.7%	-1.1%	71,052	70,394	-0.9%
<i>Securities Asset Management</i>	11,233	11,306	10,715	10,514	10,346	-1.6%	-7.9%	45,351	42,882	-5.4%
<i>Real Estate Asset Management</i>	6,526	7,299	6,227	6,762	7,222	6.8%	10.7%	25,701	27,512	7.0%
Investments	4,115	3,689	1,918	3,791	7,046	85.9%	71.2%	11,055	16,446	48.8%
Other/Adjustments	2,815	7,466	12,029	15,434	17,226	-	-	35,242	52,157	-
Consolidated total	111,776	106,122	110,933	121,433	125,737	3.5%	12.5%	502,093	464,226	-7.5%

Ordinary income	FY2021	FY2022				% Change vs 3Q/FY22	% Change vs 4Q/FY21	FY2021	FY2022	% Change vs FY21
	4Q	1Q	2Q	3Q	4Q					
Retail	6,702	6,298	6,151	7,164	6,272	-12.4%	-6.4%	41,807	25,886	-38.1%
Wholesale	10,411	-2,672	-549	2,435	3,608	48.2%	-65.3%	50,951	2,822	-94.5%
<i>Global Markets</i>	10,375	-2,073	-1,481	227	196	-13.6%	-98.1%	38,301	-3,130	-
<i>Global Investment Banking</i>	-736	-1,155	733	1,924	3,235	68.1%	-	10,693	4,738	-55.7%
Asset Management	11,201	11,173	10,785	10,569	11,998	13.5%	7.1%	45,253	44,526	-1.6%
<i>Securities Asset Management</i>	5,317	5,309	4,594	4,195	3,978	-5.2%	-25.2%	21,995	18,076	-17.8%
<i>Real Estate Asset Management</i>	5,883	5,863	6,191	6,374	8,020	25.8%	36.3%	23,258	26,450	13.7%
Investments	4,103	4,483	788	1,233	6,563	432.2%	60.0%	7,192	13,068	81.7%
Other/Adjustments	-9,078	-1,196	-2,320	1,768	2,375	-	-	-9,382	626	-
Consolidated total	23,340	18,085	14,855	23,170	30,818	33.0%	32.0%	135,821	86,930	-36.0%

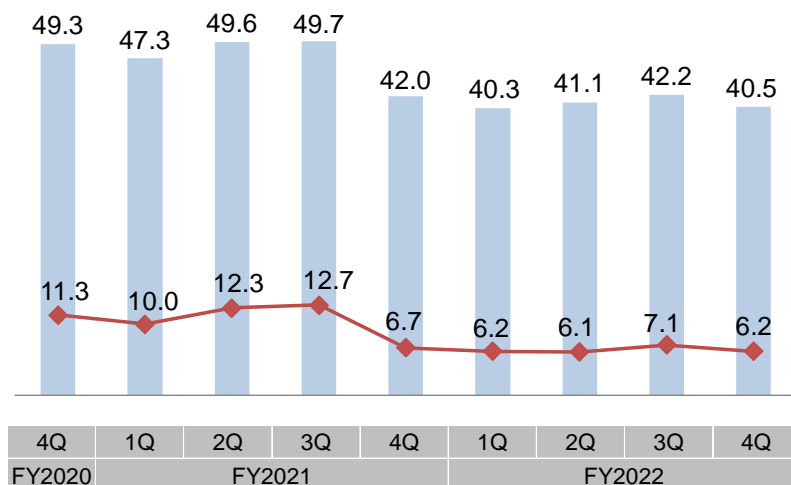
*Figures calculated based on managerial accounting of each Group companies. Equity in earnings of affiliates is included in each respective segment.

Segment Summary

■ Net operating revenues ◆ Ordinary income

Retail Division

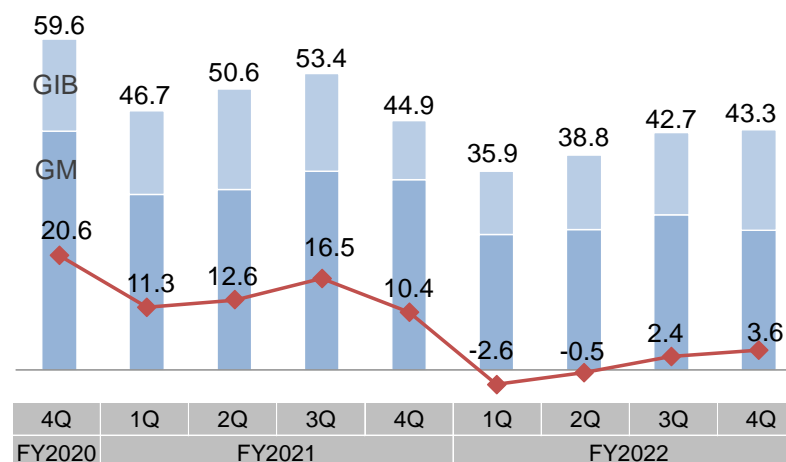
(¥ Billions)



Wholesale Division

(¥ Billions)

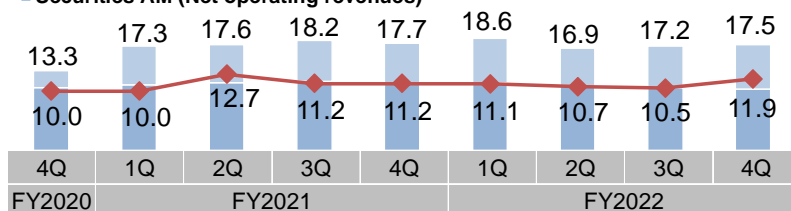
■ Global Investment Banking (Net operating revenues)
■ Global Markets (Net operating revenues)



Asset Management Division

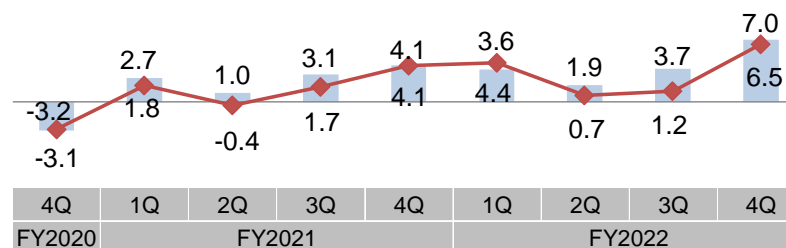
(¥ Billions)

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



Investment Division

(¥ Billions)



Consolidated B/S Summary

Consolidated Balance Sheet (March 31, 2023)

(¥ Billions)

Current assets			Current liabilities		
Cash and deposits	24,872	(-1,136)	Trading products	21,581	(-1,363)
Short-term investment securities	3,866	(-725)	Trading securities and other	5,442	(496)
Trading products	1,131	(-46)	Stocks, Convertible bonds	3,451	(503)
Trading securities and other	7,625	(-379)	Bonds	104	(-75)
Stocks, Convertible bonds	5,425	(-494)	Bonds	3,298	(684)
Beneficiary certificates	249	(71)	Other	48	(-106)
Bonds	4,450	(-573)	Derivatives transactions	1,990	(-6)
Beneficiary certificates	53	(-61)	Loans payable secured by securities	7,929	(-1,534)
Other	672	(69)	Deposits for banking business	3,932	(-256)
Derivatives transactions	2,200	(115)	Short-term loans payable	1,292	(-862)
Operational investment securities (after allowance for possible investment losses)	127	(3)	Current portion of bonds	485	(38)
Loans secured by securities	8,341	(-52)			
Non-current assets			Long-term liabilities		
Property, plant and equipment	1,540	(18)	Bonds payable	3,152	(209)
Intangible assets	916	(2)	Long-term loans payable	1,304	(-259)
Investments and other assets	125	(4)		1,706	(469)
Listed stocks	497	(11)	Total liabilities	24,737	(-1,153)
Unlisted stocks	114	(-5)	Net assets	1,675	(35)
Affiliated company stocks, etc.	26	(-2)	Owners' equity	1,292	(5)
Other	170	(14)	Accumulated other comprehensive income	115	(28)
	187	(5)	Non-controlling interests	258	(1)
Total Assets	26,413	(-1,117)	Total liabilities and net assets	26,413	(-1,117)

Total assets: ¥26.41 tn

Net assets: ¥1.67 tn

Shareholders' equity: ¥1.40 tn**

- 79.4% of total assets have high liquidity*.

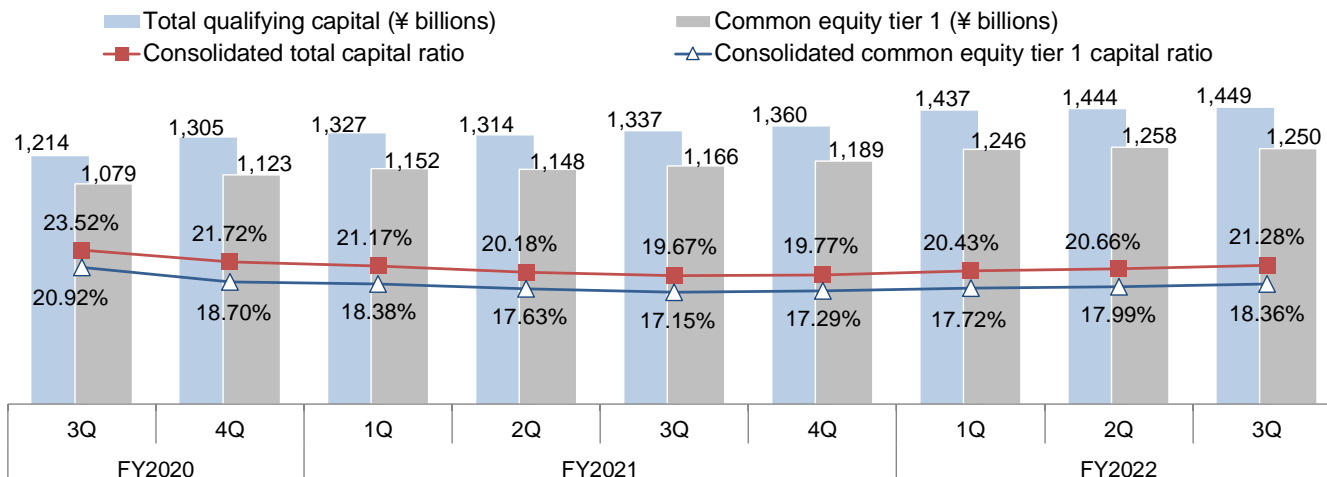
* Cash and deposits + Short-term investment securities + Trading products + Loans secured by securities

- Shareholders' equity** increased by ¥34.5 bn from March 31, 2022.

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

*Figures in parentheses indicate changes from March 31, 2022

Consolidated Capital Adequacy Ratio



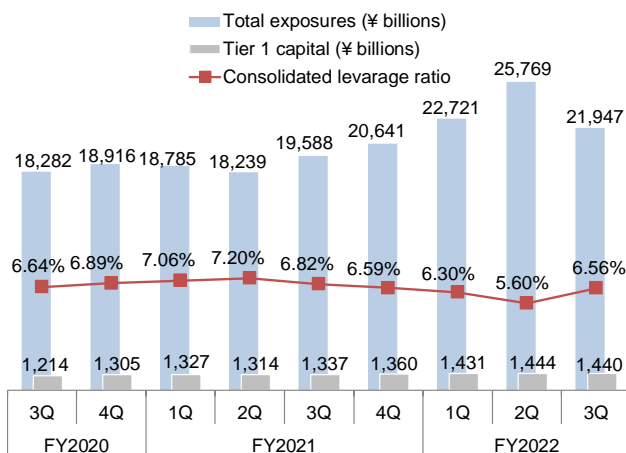
【Regulatory Capital (Basel III)】

(As at December 31, 2022)

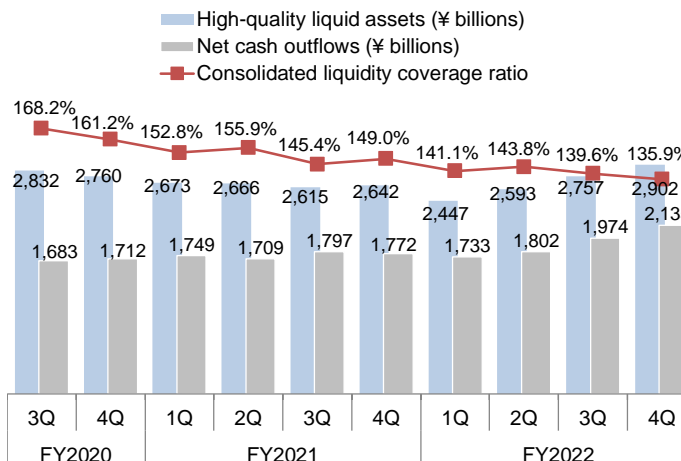
- Consolidated Total Capital Ratio : 21.28%
- Consolidated Tier 1 Capital Ratio : 21.14%
- Consolidated Common Equity Tier 1 Capital Ratio : 18.36%
- Consolidated Leverage Ratio : 6.56%

※ Figures are as at the end of each quarter.

Consolidated Leverage Ratio



Consolidated Liquidity Coverage Ratio



【Regulatory Liquidity (Basel III)】

(Daily average Jan. – Mar. 2023)

- Consolidated Liquidity Coverage Ratio : 135.9%

P/L Summary

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

(¥ Millions)	FY2021	FY2022				% Change vs 3Q/FY22	% Change vs 4Q/FY21	FY2021	FY2022	% Change vs FY21
	4Q	1Q	2Q	3Q	4Q					
Operating revenues	148,333	146,640	192,552	233,036	293,860	26.1%	98.1%	619,471	866,090	39.8%
Commission received	69,267	67,004	70,506	69,588	72,890	4.7%	5.2%	314,051	279,991	-10.8%
Net trading income	20,837	15,594	18,441	22,324	13,891	-37.8%	-33.3%	101,522	70,253	-30.8%
Net gain (loss) on private equity	2,403	2,544	-1,523	1,735	937	-46.0%	-61.0%	6,048	3,692	-38.9%
Financial revenue	18,408	34,836	66,607	110,885	120,218	8.4%	553.1%	75,978	332,548	337.7%
Other operating revenue	37,415	26,659	38,519	28,502	85,922	201.5%	129.6%	121,870	179,604	47.4%
Financial expenses	11,562	23,556	52,486	91,027	101,427	11.4%	777.2%	44,714	268,498	500.5%
Other operating expenses	24,994	16,961	29,132	20,574	66,696	224.2%	166.8%	72,663	133,365	83.5%
Net operating revenues	111,776	106,122	110,933	121,433	125,737	3.5%	12.5%	502,093	464,226	-7.5%
SG&A	94,817	97,274	98,942	99,913	101,822	1.9%	7.4%	386,559	397,952	2.9%
Operating income	16,958	8,847	11,990	21,519	23,915	11.1%	41.0%	115,534	66,273	-42.6%
Non-operating income	6,381	9,237	2,864	1,650	6,903	318.2%	8.2%	20,287	20,657	1.8%
Ordinary income/loss	23,340	18,085	14,855	23,170	30,818	33.0%	32.0%	135,821	86,930	-36.0%
Extraordinary income/loss	2,234	2,094	9,499	693	-2,452	-	-	5,844	9,835	68.3%
Income before income taxes	25,574	20,180	24,355	23,864	28,365	18.9%	10.9%	141,666	96,766	-31.7%
Total income taxes	5,342	5,524	2,609	6,330	8,617	36.1%	61.3%	37,521	23,082	-38.5%
Profit (loss) attributable to owners of parent	17,989	11,878	19,576	15,295	17,124	12.0%	-4.8%	94,891	63,875	-32.7%

- Commission received increased (+4.7%).
 - Brokerage commission* was ¥16.3 bn (-1.8%).
 - Underwriting and secondary offering commissions* were ¥8.8 bn (+15.7%).
 - Distribution commission* was ¥2.0 bn (-19.7%).
 - M&A related commission* was ¥9.9 bn (+57.0%).
- * Breakdown of total commission received (See p.23)
- Net trading income decreased driven by decrease in FICC revenue (-37.8%).
 - “Other operating income” and “Other operating expenses” increased due to the transfer of real estate by the investment division and group companies engaged in real estate-related businesses such as Daiwa Securities Realty.
 - Other operating income improved mainly due to Daiwa Next Bank and gains on the sale of real estate.

Breakdown of SG&A

(¥ Millions)	FY2021	FY2022				% Change vs 3Q/FY22	% Change vs 4Q/FY21	FY2021	FY2022	% Change vs FY21
	4Q	1Q	2Q	3Q	4Q					
SG&A	94,817	97,274	98,942	99,913	101,822	1.9%	7.4%	386,559	397,952	2.9%
Trading related expenses	15,815	17,409	18,006	18,147	17,981	-0.9%	13.7%	62,588	71,545	14.3%
Personnel expenses	47,726	49,116	48,776	50,192	51,705	3.0%	8.3%	198,790	199,790	0.5%
Real estate expenses	9,644	9,704	9,764	9,747	9,488	-2.7%	-1.6%	37,643	38,704	2.8%
Office cost	6,399	6,178	6,260	6,478	6,850	5.7%	7.1%	24,740	25,768	4.2%
Depreciation	8,513	8,623	8,770	8,584	8,518	-0.8%	0.1%	34,811	34,497	-0.9%
Taxes and dues	2,292	2,283	2,764	2,431	2,712	11.5%	18.3%	10,678	10,191	-4.6%
Other	4,425	3,957	4,600	4,330	4,565	5.4%	3.2%	17,306	17,454	0.9%

- SG&A increased (+1.9%).
- Personnel expenses increased (+3.0%) as performance-linked bonuses rose.
- Office cost increased (+5.7%) due to increase in system related office expense.

Cost Structure

¥ Billions)	FY2020		FY2021					FY2022				
	4Q	1Q-4Q	1Q	2Q	3Q	4Q	1Q-4Q	1Q	2Q	3Q	4Q	1Q-4Q
Total SG&A	99.9	373.8	94.8	98.5	98.3	94.8	386.5	97.2	98.9	99.9	101.8	397.9
Variable costs	38.5	136.7	35.6	38.0	37.9	34.3	146.0	35.8	35.2	37.1	38.4	146.7
Trading related expenses	15.1	57.6	15.2	15.1	16.3	15.8	62.5	17.4	18.0	18.1	17.9	71.5
<i>Advertising and promotion expenses</i>	1.6	6.9	1.6	1.7	1.8	1.5	6.9	1.8	1.8	1.9	2.0	7.6
Bonus and others	17.5	56.3	14.7	16.7	15.7	12.6	59.7	13.0	11.4	13.1	14.3	51.9
Overtime, part-time	1.8	7.7	1.7	1.6	1.7	1.6	6.7	1.5	1.5	1.6	1.7	6.4
Fixed costs	61.4	237.0	59.1	60.5	60.3	60.4	240.4	61.4	63.6	62.7	63.3	251.2
Personnel expenses	32.9	128.5	32.6	33.3	32.5	33.4	131.9	34.4	35.7	35.3	35.6	141.1
Real estate expenses	10.1	38.4	9.1	9.3	9.5	9.6	37.6	9.7	9.7	9.7	9.4	38.7
Depreciation	8.6	33.9	8.7	8.7	8.7	8.5	34.8	8.6	8.7	8.5	8.5	34.4
Office expenses	5.9	23.4	5.4	6.0	6.1	6.1	23.8	5.9	6.0	6.2	6.6	24.8
Taxes and dues	3.4	11.4	2.8	2.5	2.9	2.2	10.6	2.2	2.7	2.4	2.7	10.1

Ordinary Income of Overseas Operations

(¥ Millions)	FY2021	FY2022				% Change vs 3Q/FY22	% Change vs 4Q/FY21	FY2021	FY2022	% Change vs FY21
	4Q	1Q	2Q	3Q	4Q					
Overseas Operations Total	3,723	2,800	3,470	6,273	5,558	-11.4%	49.3%	9,525	18,102	90.1%
Europe	-689	-637	383	3,360	4,076	21.3%	-	-2,270	7,184	-
Asia / Oceania	1,631	1,003	439	711	853	20.1%	-47.7%	5,986	3,007	-49.8%
Americas	2,781	2,434	2,647	2,201	627	-71.5%	-77.4%	5,809	7,910	36.2%

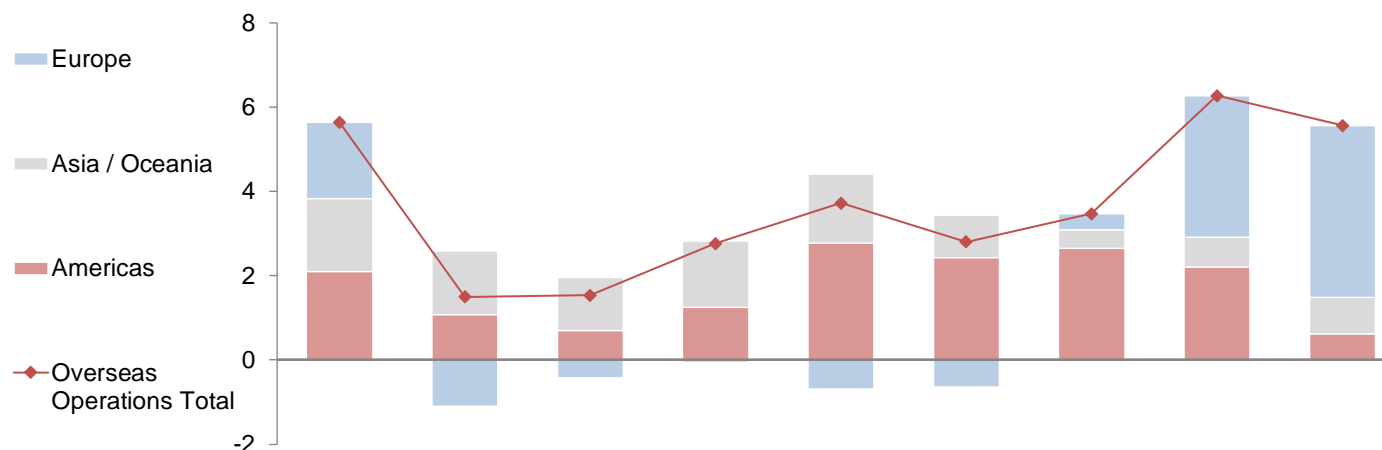
Overseas operations stayed in the black for 28 consecutive quarters.

- Europe secured high level of profit owing to revenue increase from ESG related funds, DC Europe, and Green Giraffe.*

*Green Giraffe (50% ownership) is a renewable energy focused M&A firm in Europe.

- Asia / Oceania increased ordinary income due to an increase in M&A revenues and SG&A reductions.
- In Americas, while M&A revenues increased, FICC revenue decreased due to the market turmoil led by US/Europe financial sector resulting in ordinary income decline.

Ordinary Income



(¥ Billions)	FY2020	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q

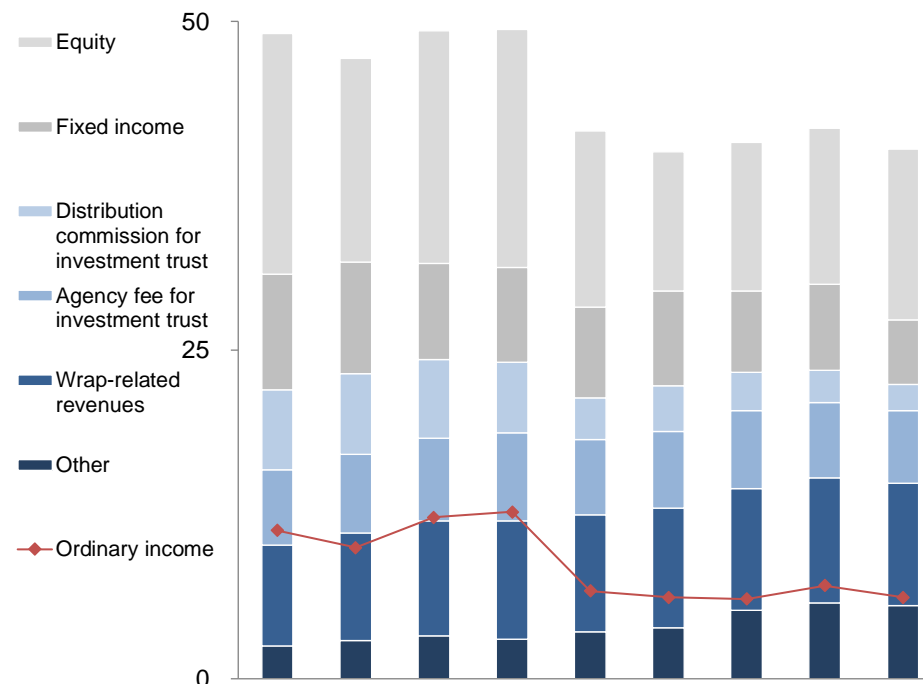
Retail Division

(¥ Millions)	FY2022 4Q	% Change vs 3Q/FY22	FY2022	% Change vs FY21
Net operating revenues	40,550	-3.9%	164,336	-13.0%
Ordinary income	6,272	-12.4%	25,886	-38.1%

- Equity revenues increased as equity distribution commission increased from underwriting deals.
- Fixed income revenues decreased due to decline in sales of foreign bonds.
- Distribution commission for investment trust declined due to a decrease in stock investment trust sales.
- Asset based revenues were ¥20.2 bn.
(51.2% of net operating revenues in Retail Division of Daiwa Securities)

*Asset based revenues (See p.30)

Net Operating Revenues and Ordinary Income



(¥ Billions)	FY20	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equity	18.3	15.5	17.7	18.1	13.4	10.6	11.3	11.9	13.0
Fixed income	8.8	8.5	7.3	7.2	6.9	7.2	6.2	6.5	4.9
Distribution commission for investment trust	6.1	6.1	6.0	5.4	3.2	3.5	2.9	2.5	2.0
Agency fee for investment trust	5.7	6.0	6.3	6.7	5.7	5.8	5.9	5.7	5.5
Wrap-related revenues	7.7	8.2	8.7	9.0	8.9	9.1	9.3	9.5	9.3
Other	2.5	2.9	3.3	3.0	3.6	3.9	5.2	5.8	5.6
Net operating revenues	49.3	47.3	49.6	49.7	42.0	40.3	41.1	42.2	40.5
Ordinary income	11.3	10.0	12.3	12.7	6.7	6.2	6.1	7.1	6.2

Retail Division Daiwa Securities

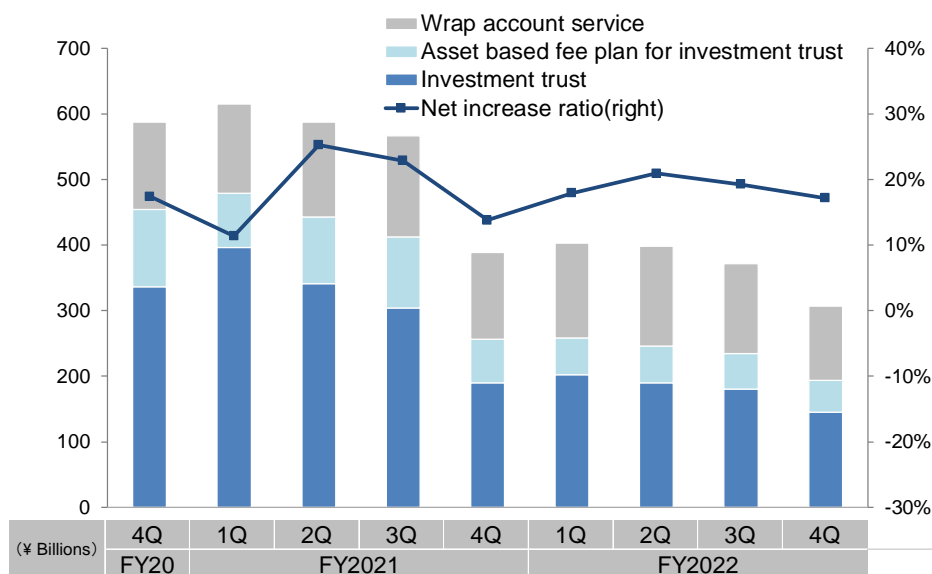
[Equity Distribution]

- Owing to the distribution of Japan Post Bank PO, the largest global PO of the fiscal year, equity distribution amount surged.

[Wrap Account Service]

- Contract AUM hit a record high of ¥3.09 trillion.*

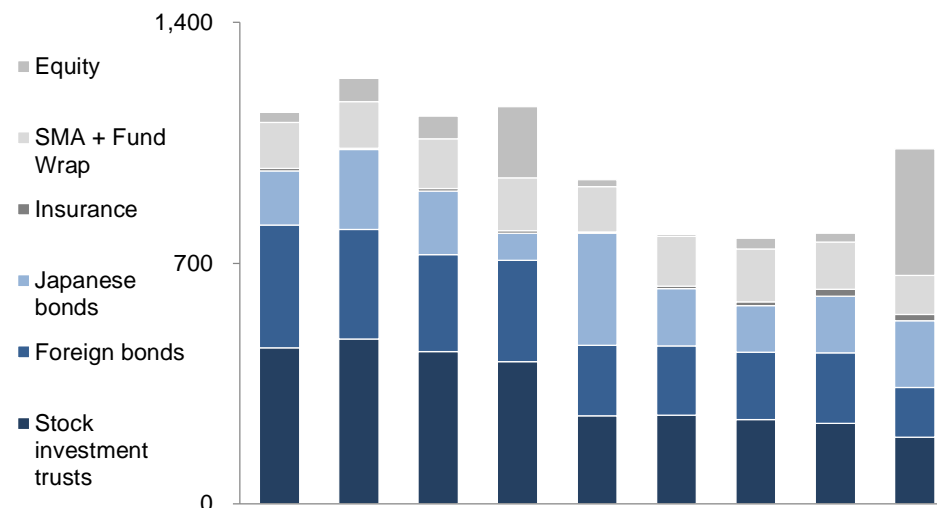
Sales/Distribution and Net increase ratio Wrap Account Service* and Amount of Stock Investment Trusts



※ 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



Product	FY20		FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Equity*	28.9	66.8	67.1	206.9	19.2	6.2	31.3	25.9	367.5	
SMA + Fund Wrap**	133.8	135.7	144.6	154.0	131.5	144.6	152.7	137.1	113.0	
Insurance***	8.3	4.8	6.6	7.4	5.0	6.2	11.3	20.1	18.8	
Japanese bonds	156.3	231.2	185.8	78.4	325.7	167.9	135.2	166.0	195.0	
Foreign bonds****	358.0	320.0	281.1	296.2	203.8	200.4	196.0	203.8	143.7	
Stock investment trusts*****	453.8	478.9	442.9	412.9	256.8	258.0	245.8	234.8	193.8	
Asset based fee plan for investment trust	117.8	83.0	102.2	109.1	67.1	55.9	55.5	54.6	48.8	

*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)	FY2022 4Q	% Change vs 3Q/FY22	FY2022	% Change vs FY21
Net operating revenues	25,155	-9.9%	102,850	-23.4%
Ordinary income	196	-13.6%	-3,130	-

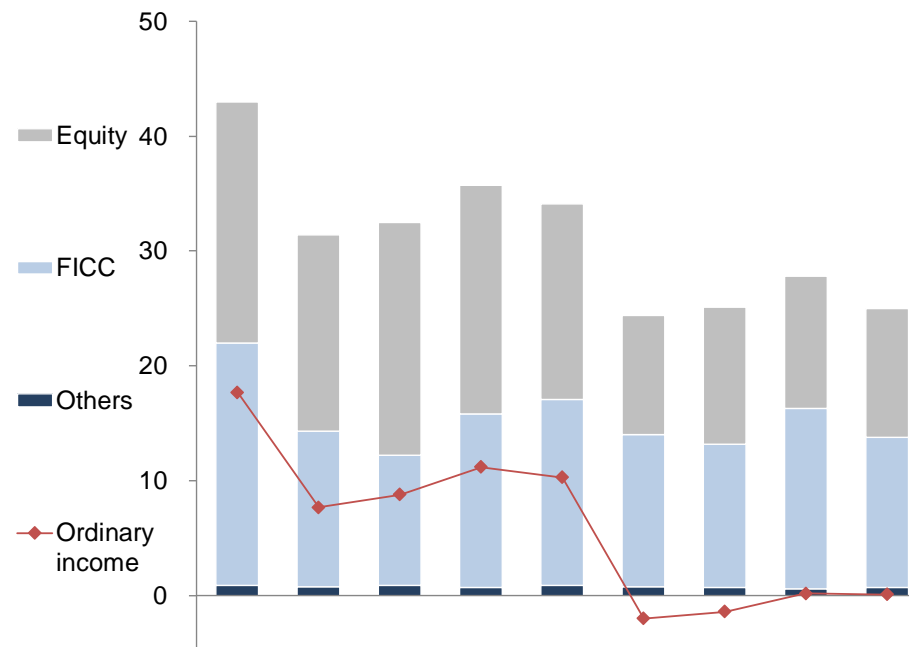
【Equity】

- Equity revenues slightly decreased due to a drop in customer order flows.

【FICC*】

- FICC revenues decreased.
- In Japan, revenues increased as customer order flows increased in JGB and credit.
- Overseas revenue decreased from the impact of market turmoil led by US/Europe financial sector in March.

Net Operating Revenues and Ordinary Income



(¥ Billions)	FY20	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equity	21.0	17.1	20.3	19.9	17.0	10.4	11.9	11.5	11.2
FICC*	21.1	13.5	11.3	15.1	16.2	13.2	12.5	15.7	13.1
Others	0.9	0.8	0.9	0.7	0.9	0.8	0.7	0.6	0.7
Net operating revenues	43.0	31.6	32.5	35.8	34.2	24.4	25.2	27.9	25.1
Ordinary income	17.7	7.7	8.8	11.2	10.3	-2.0	-1.4	0.2	0.1

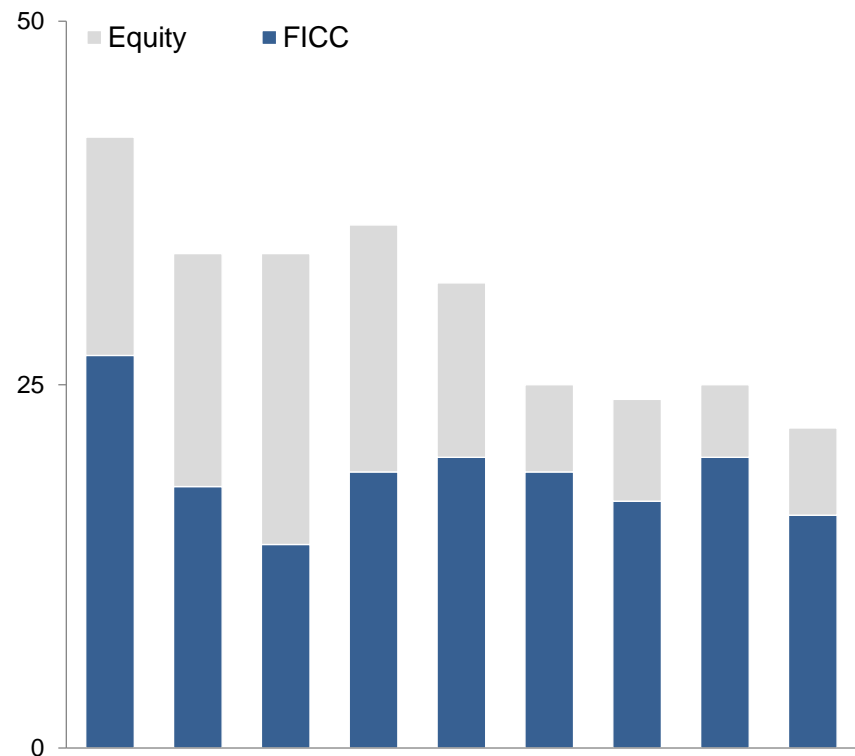
*FICC: Fixed Income, Currency and Commodities

Equity & FICC Income: Consolidated Trading Gain/Loss (Daiwa Securities/Overseas Subsidiaries)

【Managerial accounting basis】

(¥ Billions)	FY2022 4Q	% Change vs 3Q/FY22	FY2022	% Change vs FY21
Equity	6	20.0%	24	-63.1%
FICC	16	-20.0%	72	1.4%
Total	22	-12.0%	96	-29.4%

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



(¥ Billions)	FY20	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equity	15	16	20	17	12	6	7	5	6
FICC	27	18	14	19	20	19	17	20	16
Total	42	34	34	36	32	25	24	25	22

Wholesale Division Global Investment Banking



(¥ Millions)	FY2022 4Q	% Change vs 3Q/FY22	FY2022	% Change vs FY21
Net operating revenues	18,188	22.9%	58,041	-5.6%
Ordinary income	3,235	68.1%	4,738	-55.7%

【Equity】

- Lead managed a number of deals, including the distribution of Japan Post Bank PO, the largest global PO of the fiscal year.

<Selected lead managed deals>		<Offering size>
JAPAN POST BANK Co., Ltd.	Global PO	¥1,231.7 bn
SBI Sumishin Net Bank, Ltd.	Global IPO	¥57.2 bn
Aeon Hokkaido Corporation.	PO	¥16.3 bn
AEON REIT Investment Corporation.	REIT	¥10.8 bn
Tokaido REIT, Inc.	REIT	¥7.9 bn

【Debt】

- Lead managed a number of deals including the Rakuten Group Straight Bond.

<Selected deals>		<Offering size>
Rakuten Group, Inc. (2yrs)	Straight Bond	¥250.0 bn
SoftBank Corp. (5yrs)	Straight Bond	¥120.0 bn
Asahi Group Holdings, Ltd. (3/5*/7yrs)	Straight Bond ◆	¥100.0 bn
Sumitomo Realty & Development Co., Ltd. (5*yrs)	Straight Bond ◆	¥30.0 bn
Tohoku University (40**yrs)	FILP Agency Bond ◆	¥10.0 bn
JBIC (3yrs)	Benchmark Bond	USD 2.5 bn

【M&A】

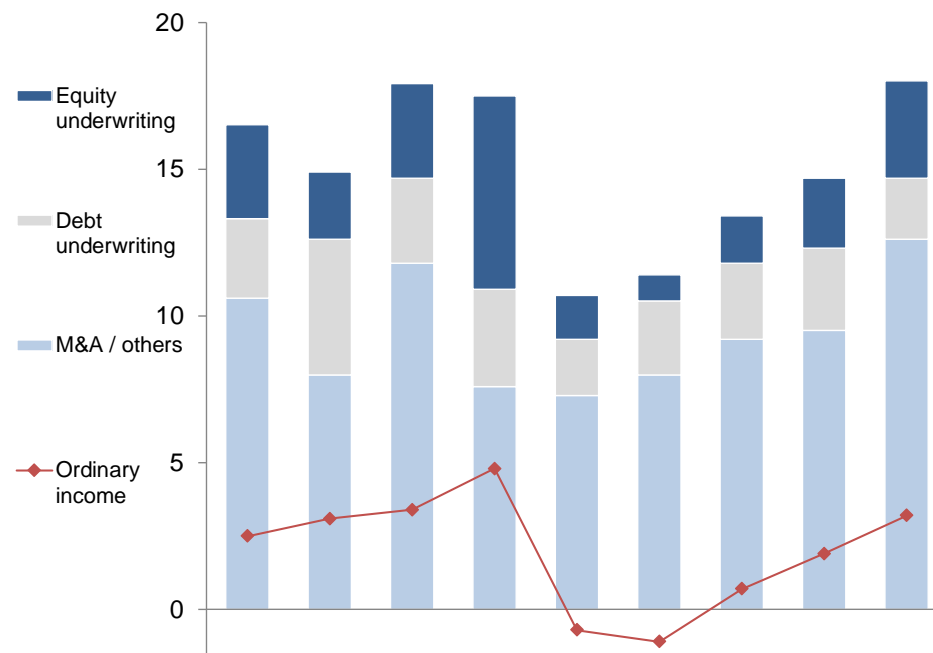
- Managed several domestic and overseas deals.

<Selected deals>
 Sale of Oyatsu Company, Ltd. to D Capital by Carlyle Group
 MBO of IHARA SCIENCE CORPORATION
 Business integration between The Hachijuni Bank, Ltd. and The Nagano Bank, Ltd.
 Sale of EQT Infrastructure(Sweden) of Trescal(France) to Omers(Canada)
 Sale of Acuity Knowledge Partners(England) of Equistone Partners Europe(England) to Permira Advisers(England)
 Equity investment from Accel-KKR(U.S.) to Loftware(U.S.) of Riverside Partners(U.S.)

*Green bonds ◆: Sustainability related

**Sustainability bonds

Net Operating Revenues and Ordinary Income



(¥ Billions)	FY20	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equity underwriting	3.2	2.3	3.2	6.6	1.5	0.9	1.6	2.4	3.3
Debt underwriting	2.7	4.6	2.9	3.3	1.9	2.5	2.6	2.8	2.1
M&A / others	10.6	8.0	11.8	7.6	7.3	8.0	9.2	9.5	12.6
Net operating revenues	16.5	15.0	18.0	17.5	10.7	11.4	13.5	14.8	18.1
Ordinary income	2.5	3.1	3.4	4.8	-0.7	-1.1	0.7	1.9	3.2
Group M&A related revenues*	11.7	8.3	12.3	8.3	9.1	8.8	10.8	11.5	15.6

*In addition to "M&A / others" revenues, includes revenues from equity-method affiliates such as Green Giraffe (50% ownership), a renewable energy M&A house in Europe

Asset Management Division

(¥ Millions)	FY2022 4Q	% Change vs 3Q/FY22	FY2022	% Change vs FY21
Net operating revenues	17,569	1.7%	70,394	-0.9%
Ordinary income	11,998	13.5%	44,526	-1.6%

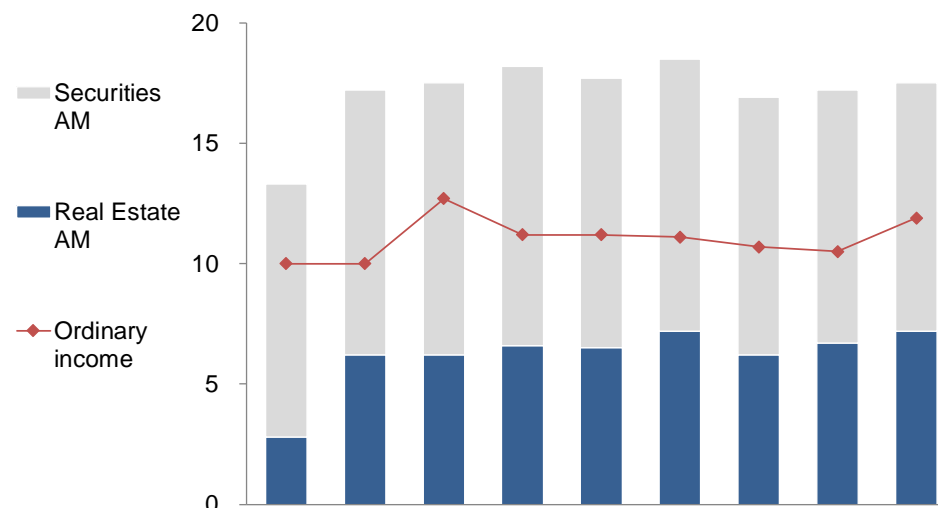
【Securities AM】

- Revenues in Daiwa Asset Management decreased. Secured net asset inflow, but the average AUM of publicly offered stock investment trusts (excluding ETF) dropped due to market factors.

【Real estate AM】

- Real estate AM recorded historical high ordinary income.
- Daiwa Office Investment and equity method investment gains from Samty contributed to earning growth.
- AUM in Daiwa Real Estate Asset Management increased.

Net Operating Revenues and Ordinary Income



(¥ Billions)	FY20	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Securities AM	10.5	11.0	11.3	11.6	11.2	11.3	10.7	10.5	10.3
Real estate AM*	2.8	6.2	6.2	6.6	6.5	7.2	6.2	6.7	7.2
Net operating revenues	13.3	17.3	17.6	18.2	17.7	18.6	16.9	17.2	17.5
Securities AM	4.6	5.1	5.8	5.6	5.3	5.3	4.5	4.1	3.9
Real estate AM**	5.4	4.8	6.9	5.6	5.8	5.8	6.1	6.3	8.0
Ordinary income	10.0	10.0	12.7	11.2	11.2	11.1	10.7	10.5	11.9

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

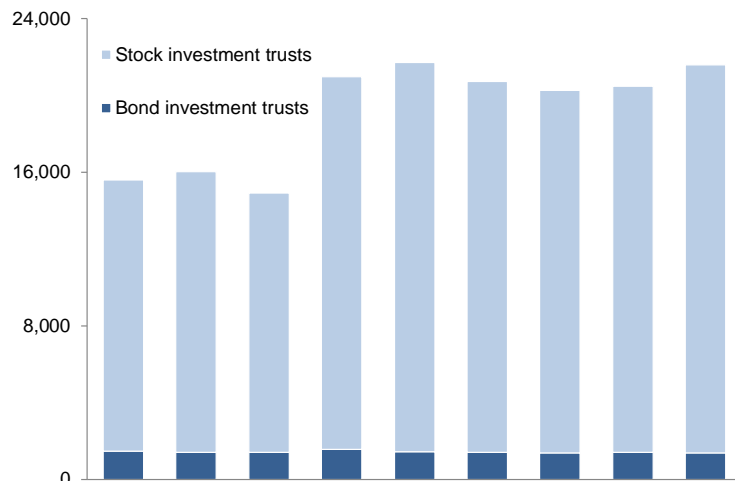
** Equity in earnings of affiliates is included in non-operating revenues

Asset Management Division

Assets Under Management and Net Increase



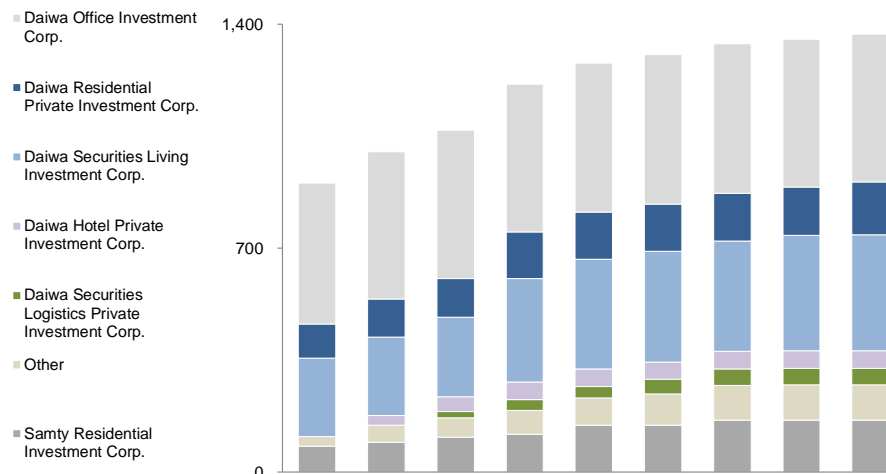
Daiwa Asset Management Publicly Offered Securities Investment Trusts AUM



(¥ Billions)	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022			
						1Q	2Q	3Q	4Q
Stock investment trusts	14,123	14,616	13,478	19,418	20,261	19,321	18,863	19,074	20,225
excl. ETF	7,717	7,245	6,063	7,543	8,268	7,862	7,757	7,700	8,038
(Net inflow)	(302)	(-339)	(-217)	(50)	(347)	(133)	(135)	(133)	(113)
ETF	6,406	7,371	7,414	11,875	11,993	11,459	11,106	11,374	12,186
(Net inflow)	(1,109)	(1,279)	(947)	(1,001)	(275)	(-53)	(-25)	(3)	(-6)
Bond investment trusts	1,465	1,396	1,421	1,561	1,434	1,397	1,379	1,410	1,365
Total	15,588	16,012	14,900	20,980	21,696	20,718	20,242	20,485	21,590
Publicly Offered Securities Investment Trusts Share	14.3%	14.2%	14.0%	13.9%	13.3%	13.2%	13.1%	13.0%	13.0%

※ All figures are as at the end of each quarter

Real Estate Asset Management Business AUM of Two Companies*



(¥ Billions)	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022			
						1Q	2Q	3Q	4Q
Daiwa Office Investment Corp.	439	460	463	461	466	466	466	462	462
Daiwa Residential Private Investment Corp.	107	118	121	146	146	148	148	149	164
Daiwa Securities Living Investment Corp.**	244	245	247	323	343	345	345	361	363
Daiwa Hotel Private Investment Corp.		29	45	54	54	54	54	54	54
Daiwa Securities Logistics Private Investment Corp.			20	33	35	45	51	51	51
Other	30	53	59	75	85	96	108	110	110
Total	822	907	959	1,094	1,131	1,157	1,175	1,190	1,206
Samty Residential Investment Corp. (Sub sponsor)	81	93	109	118	147	147	162	162	162
Total (Including sub sponsor)	903	1,000	1,069	1,212	1,279	1,304	1,337	1,353	1,369

※ All figures are as at the end of each quarter

* Daiwa Real Estate Asset Management, Samty Asset Management

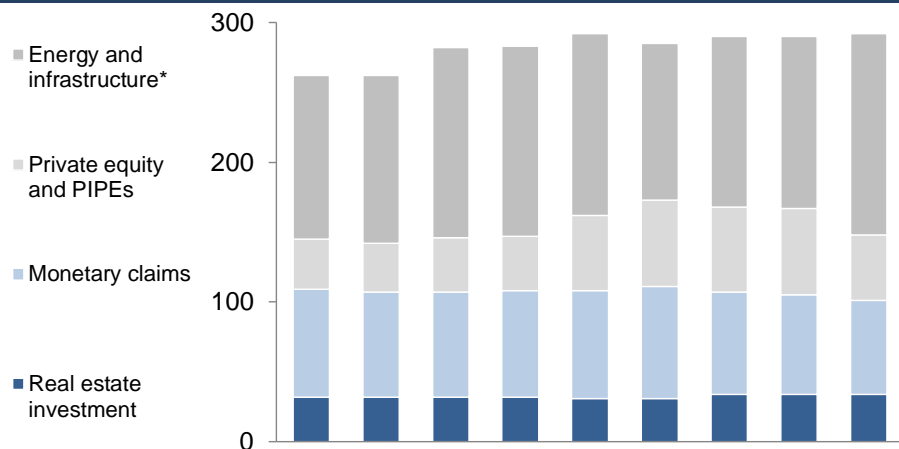
** Japan Rental Housing Investment Inc. merged with Nippon Healthcare Investment Corp. through absorption-type merger and changed its trade name to Daiwa Securities Living Investment Corp. on April 1, 2020. Daiwa Securities Living Investment Corp.'s AUM from FY2017 to FY2019 is a total of the two companies.

Investment Division

(¥ Millions)	FY2022 4Q	% Change vs 3Q/FY22	FY2022	% Change vs FY21
Net operating revenues	7,046	85.9%	16,446	48.8%
Ordinary income	6,563	432.2%	13,068	81.7%

- In Daiwa PI Partners, revenues private equity investments and monetary claims posted strong results.
- Daiwa Energy & Infrastructure increased in revenues due to exit from renewable energy investments.

Principal Investment Value



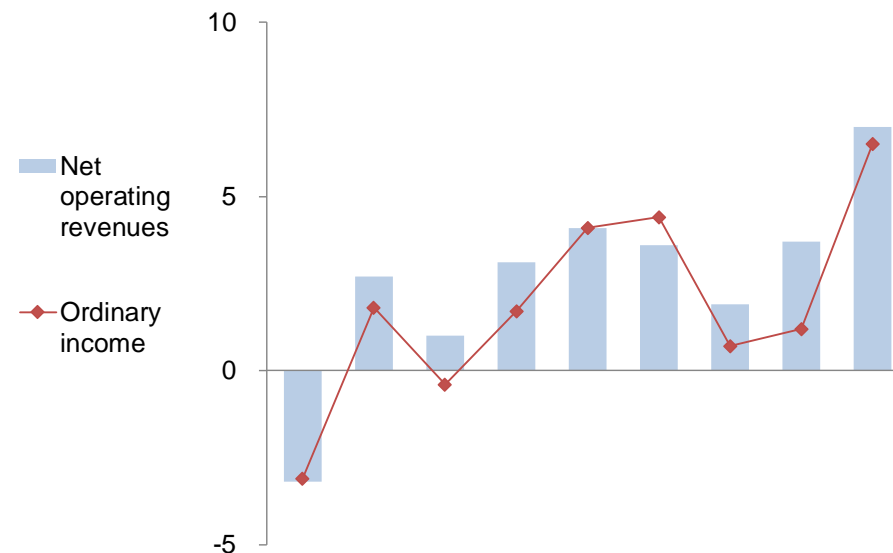
(¥ Billions)	FY20	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Daiwa PI Partners									
Private equity and PIPEs	36	35	39	39	54	62	61	62	47
Monetary claims	77	75	75	76	77	80	73	71	67
Real estate investment	32	32	32	32	31	31	34	34	34
Daiwa Energy & Infrastructure									
	117	120	136	136	130	112	122	123	144
Total	264	264	283	285	294	287	292	292	293

* 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)	FY20	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net operating revenues	-3.2	2.7	1.0	3.1	4.1	3.6	1.9	3.7	7.0
Ordinary income	-3.1	1.8	-0.4	1.7	4.1	4.4	0.7	1.2	6.5

Reference

Daiwa Securities Group Inc.

Breakdown of Commission

(¥ Millions)	FY2021	FY2022				% Change vs 3Q/FY22	% Change vs 4Q/FY21	FY2021	FY2022	% Change vs FY21
	4Q	1Q	2Q	3Q	4Q					
Total commission	69,267	67,004	70,506	69,588	72,890	4.7%	5.2%	314,051	279,991	-10.8%
Brokerage commission	17,679	15,137	16,104	16,662	16,368	-1.8%	-7.4%	75,907	64,272	-15.3%
Underwriting and secondary offering commissions	5,072	5,357	6,296	7,653	8,857	15.7%	74.6%	39,210	28,165	-28.2%
Distribution commission	3,403	3,620	3,043	2,580	2,071	-19.7%	-39.1%	21,440	11,316	-47.2%
Other commission	43,112	42,889	45,062	42,692	45,593	6.8%	5.8%	177,493	176,237	-0.7%
<i>Investment advisory and account management fees</i>	8,393	8,522	8,787	8,945	8,828	-1.3%	5.2%	32,852	35,084	6.8%
<i>Insurance sales commission</i>	127	189	446	904	840	-7.1%	559.9%	503	2,380	373.3%
<i>M&A related commission</i>	7,548	7,077	9,278	6,321	9,926	57.0%	31.5%	35,292	32,603	-7.6%
<i>Management fee</i>	18,321	18,421	17,878	17,353	16,962	-2.2%	-7.4%	75,030	70,615	-5.9%
<i>Other</i>	8,721	8,678	8,671	9,168	9,034	-1.5%	3.6%	33,815	35,552	5.1%

Balance Sheet

Daiwa Securities Balance Sheet (March 31, 2023)

(¥ Billions)

Current assets	11,718	(-2,737)	Current liabilities	9,885	(-2,465)
Trading products	4,941	(-508)	Trading products	4,069	(632)
Trading securities and other	2,742	(-655)	Trading securities and other	2,086	(623)
Derivatives transactions	2,199	(146)	Derivatives transactions	1,982	(8)
Margin transaction assets	155	(-17)	Margin transaction liabilities	52	(-16)
Loans on margin transactions	148	(-16)	Loans payables secured by securities	2,839	(-3,079)
Cash collateral pledged for securities borrowing on margin transactions	6	(-0)	Short-term loans payable	1,100	(-585)
Loans secured by securities	4,010	(-1,471)	Current portion of bonds	351	(145)
Short-term guarantee deposits	616	(-85)	Long-term liabilities	1,502	(-277)
Short-term loans receivable	409	(-159)	Bonds payable	647	(-218)
Non-current assets	191	(2)	Long-term loans payable	808	(-58)
Property, plant and equipment	50	(4)	Total liabilities	11,392	(-2,742)
Intangible assets	73	(4)	Net assets	517	(6)
Total assets	11,909	(-2,735)	Shareholders' equity	515	(7)
			Capital stock	100	—
			Total liabilities and net assets	11,909	(-2,735)

※ Figures in parentheses show changes from March 31, 2022

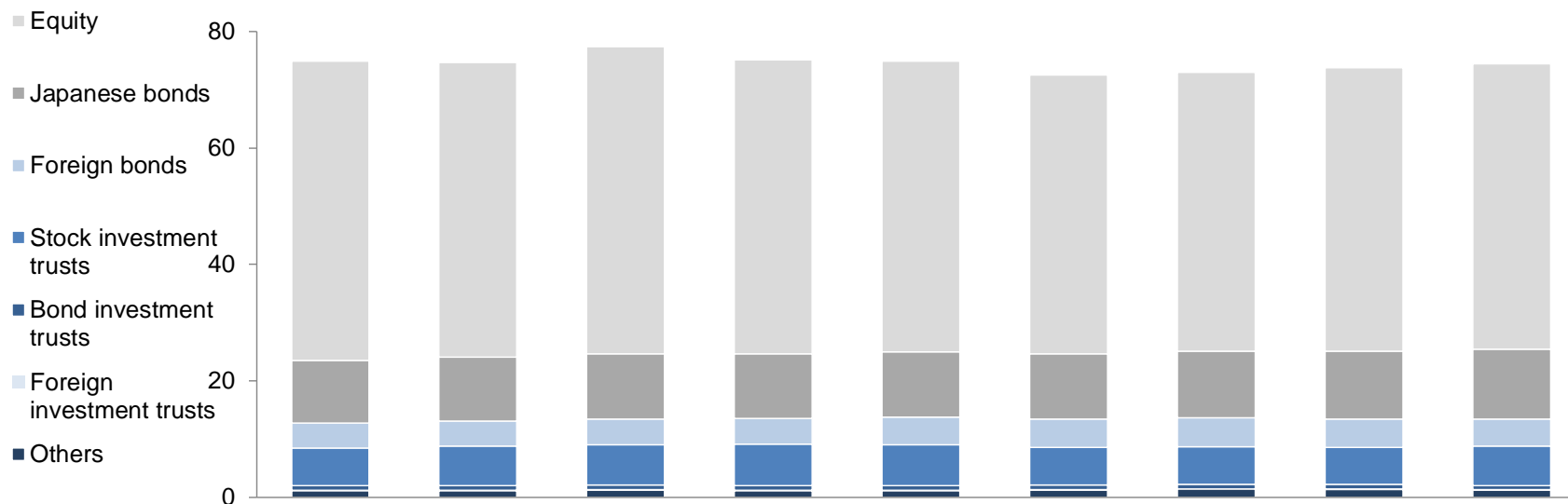
Financial Summary I

(¥ Millions)	FY2021	FY2022				% Change vs 3Q/FY22	% Change vs 4Q/FY21	FY2021	FY2022	% Change vs FY21
	4Q	1Q	2Q	3Q	4Q					
Operating revenues	66,942	59,273	67,296	77,833	73,139	-6.0%	9.3%	326,039	277,542	-14.9%
Commission received	43,633	40,496	44,631	46,243	46,001	-0.5%	5.4%	200,850	177,373	-11.7%
Brokerage commission	13,594	10,745	11,659	12,060	11,721	-2.8%	-13.8%	57,631	46,186	-19.9%
<i>Stock and others</i>	13,107	10,345	11,244	11,642	11,384	-2.2%	-13.1%	55,929	44,616	-20.2%
Underwriting and secondary offering commissions	4,431	4,263	5,817	6,829	8,200	20.1%	85.1%	32,946	25,110	-23.8%
<i>Equity</i>	1,020	606	1,709	2,332	5,082	117.9%	398.2%	13,583	9,731	-28.4%
<i>Bond and others</i>	3,377	3,656	3,824	4,496	3,117	-30.7%	-7.7%	19,329	15,095	-21.9%
Distribution commission	3,345	3,562	2,983	2,536	2,022	-20.2%	-39.5%	21,121	11,105	-47.4%
<i>Investment trust</i>	3,205	3,444	2,891	2,492	1,945	-21.9%	-39.3%	20,591	10,773	-47.7%
Other commissions	22,263	21,924	24,171	24,817	24,056	-3.1%	8.1%	89,151	94,970	6.5%
<i>Agency fee and others</i>	7,509	7,412	7,572	7,351	7,160	-2.6%	-4.6%	30,725	29,497	-4.0%
<i>Investment advisory and account management fees</i>	8,393	8,522	8,787	8,945	8,828	-1.3%	5.2%	32,852	35,084	6.8%
<i>Insurance sales commission</i>	127	189	446	904	840	-7.1%	559.9%	503	2,380	373.3%
<i>M&A related commission</i>	1,797	1,001	1,942	1,708	1,589	-7.0%	-11.6%	8,043	6,241	-22.4%
Net trading income/loss	18,145	10,790	11,462	15,045	10,862	-27.8%	-40.1%	100,436	48,159	-52.0%
Financial revenues	5,163	7,987	11,202	16,544	16,275	-1.6%	215.2%	24,752	52,009	110.1%
Financial expenses	2,023	4,622	6,686	11,322	11,552	2.0%	471.0%	10,932	34,183	212.7%
Net operating revenues	64,919	54,651	60,609	66,510	61,586	-7.4%	-5.1%	315,106	243,358	-22.8%

Financial Summary II

¥ Millions)	FY2021	FY2022				% Change vs 3Q/FY22	% Change vs 4Q/FY21	FY2021	FY2022	% Change vs FY21
	4Q	1Q	2Q	3Q	4Q					
SG&A	59,605	57,530	60,694	61,060	59,293	-2.9%	-0.5%	239,698	238,579	-0.5%
Trading related expenses	9,941	9,942	10,373	10,472	9,552	-8.8%	-3.9%	37,441	40,341	7.7%
Personnel expenses	23,589	22,616	22,586	22,813	24,081	5.6%	2.1%	98,498	92,098	-6.5%
Real estate expenses	5,485	5,365	5,492	5,321	5,460	2.6%	-0.4%	21,596	21,639	0.2%
Office cost	12,970	12,206	14,400	14,654	12,242	-16.5%	-5.6%	49,702	53,503	7.6%
Depreciation	5,721	5,662	5,790	5,753	5,760	0.1%	0.7%	23,593	22,967	-2.7%
Taxes and dues	647	739	880	797	865	8.5%	33.7%	4,391	3,283	-25.2%
Other	1,250	998	1,170	1,246	1,330	6.7%	6.4%	4,473	4,745	6.1%
Ordinary income	5,969	-2,345	248	5,324	2,733	-48.7%	-54.2%	78,234	5,959	-92.4%
Net income	5,125	-1,967	2,388	5,223	1,507	-71.1%	-70.6%	57,401	7,151	-87.5%
ROE (Annualized)	3.1%	-	1.9%	4.1%	1.2%			8.8%	1.4%	
Capital adequacy ratio	280.4%	283.0%	287.3%	307.5%	323.6%			280.4%	323.6%	

Assets under Custody



(¥ Trillions)	FY2020	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equity	51.4	50.5	52.7	50.4	49.9	47.9	47.8	48.7	49.0
Japanese bonds	10.7	11.0	11.3	11.1	11.2	11.1	11.4	11.6	11.9
Foreign bonds	4.3	4.3	4.4	4.5	4.8	4.9	5.0	4.9	4.7
Stock investment trusts	6.5	6.8	6.9	7.1	7.0	6.5	6.4	6.4	6.8
Bond investment trusts	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7
Foreign investment trusts	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Others	1.1	1.1	1.2	1.1	1.1	1.2	1.4	1.3	1.2
Total	75.3	75.0	77.7	75.5	75.1	72.8	73.3	74.1	74.7
Daiwa Next Bank deposit balance	4.4	4.2	4.2	4.3	4.1	4.1	4.1	4.1	3.9

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

※ ETFs are recorded in 'Equity'.

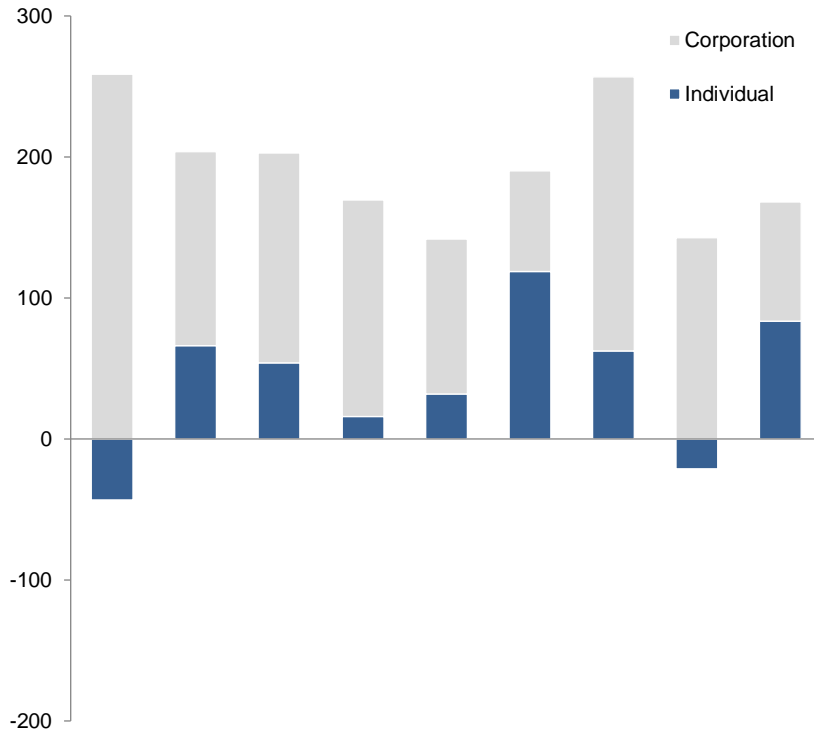
Number of Accounts and Equity Trading

	FY2020	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Accounts with balance (thousands)	3,034	3,023	3,031	3,024	3,038	3,033	3,041	3,042	3,057
Accounts holding equity (thousands)	1,445	1,450	1,447	1,456	1,458	1,462	1,463	1,458	1,473
Online trading accounts (thousands)	3,446	3,460	3,477	3,492	3,506	3,517	3,532	3,550	3,571
Newly opened accounts (thousands)	41	34	37	31	29	29	33	43	46
NISA accounts* (thousands)	866	864	863	862	863	652	653	654	670
Wrap account service (end of quarter)									
Contract assets under management (¥ billions)	2,574	2,701	2,789	2,925	2,957	2,926	2,950	2,975	3,095
Number of customers (thousands)	137	139	140	142	144	147	150	154	157
Contracts and trading value for individual investors at Daiwa Securities (Japanese Equity)									
Total number of contracts (thousands)	3,416	2,542	2,511	2,590	2,541	2,211	2,219	2,261	2,220
<i>Online out of total (thousands)</i>	<i>2,998</i>	<i>2,237</i>	<i>2,202</i>	<i>2,260</i>	<i>2,255</i>	<i>1,984</i>	<i>1,986</i>	<i>1,999</i>	<i>1,970</i>
Total trading value (¥ billions)	3,704	2,801	2,997	3,007	2,857	2,302	2,415	2,558	2,496
<i>Online out of total (¥ billions)</i>	<i>2,708</i>	<i>2,054</i>	<i>2,094</i>	<i>2,086</i>	<i>2,004</i>	<i>1,680</i>	<i>1,761</i>	<i>1,851</i>	<i>1,796</i>
Foreign equity trading value (Retail)									
Trading value (¥ billions)	383	367	381	400	204	154	117	120	115

* Excludes deemed closed accounts from FY2022.
Includes Junior NISA.

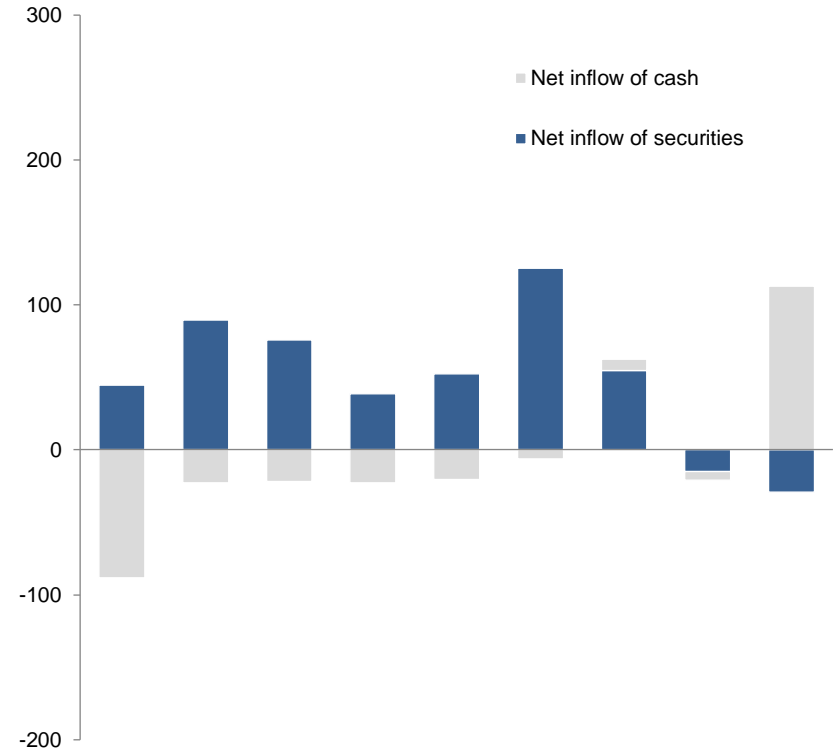
Net Asset Inflow

Retail Division (Daiwa Securities) Net Asset Inflow*



¥ Billions)	FY20	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Corporation	258.8	137.2	148.9	153.8	109.7	71.5	194.5	142.7	84.7
Individual	-43.3	66.5	54.2	15.9	32.2	118.8	62.4	-21.1	83.6
Total	215.4	203.7	203.2	169.7	141.9	190.3	257.0	121.5	168.4

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



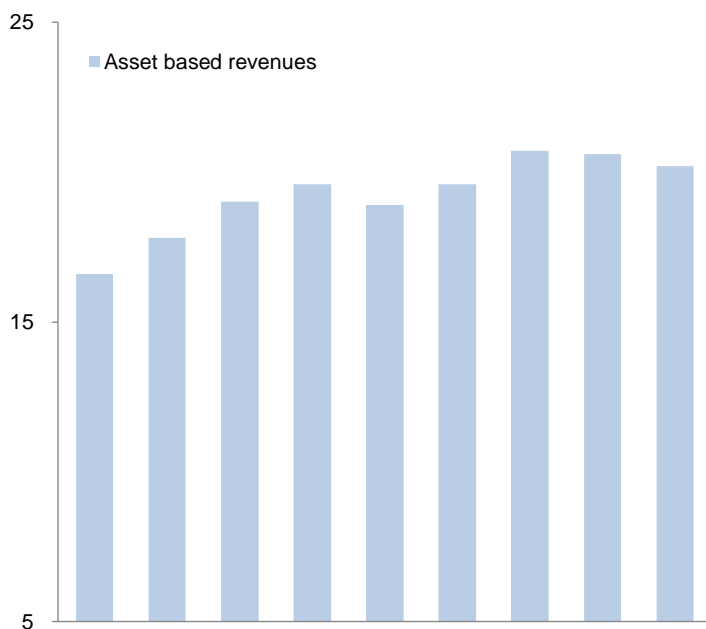
¥ Billions)	FY20	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net inflow of cash	-88.1	-22.8	-21.6	-22.9	-20.3	-6.4	7.6	-5.9	112.7
Net inflow of securities	44.7	89.3	75.8	38.8	52.5	125.2	54.8	-15.1	-29.1
Total	-43.3	66.5	54.2	15.9	32.2	118.8	62.4	-21.1	83.6

* Net asset inflow = net inflow of cash and securities

Asset Based Revenues



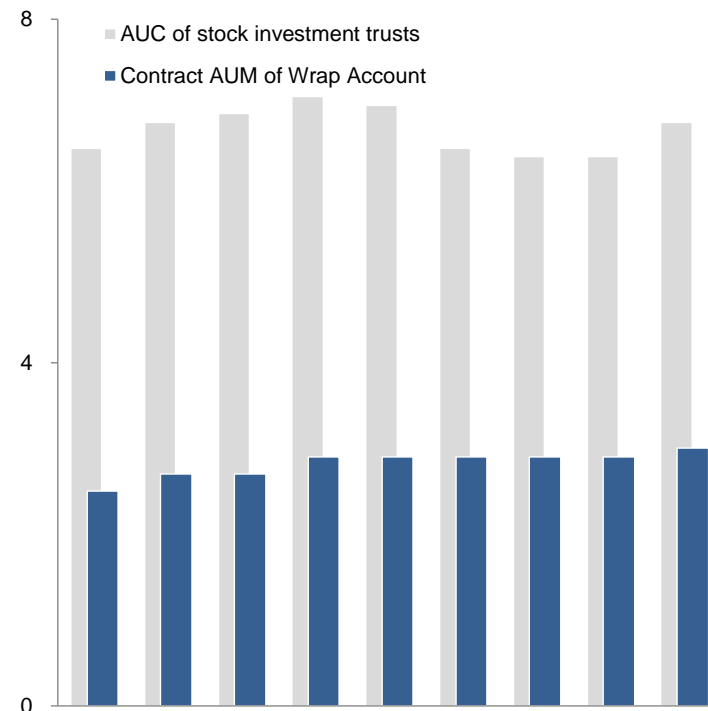
Asset Based Revenues



Net operating revenues in Retail Division (Daiwa Securities)	FY20	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net operating revenues in Retail Division (Daiwa Securities)	48.1	46.2	48.3	48.6	41.2	39.4	40.1	40.9	39.5
Asset based revenues	16.6	17.8	19.0	19.6	18.9	19.6	20.7	20.6	20.2
Asset based revenue ratio	34.6%	38.6%	39.5%	40.4%	46.1%	49.7%	51.6%	50.5%	51.2%

* 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



AUC of stock investment trusts	FY20	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
AUC of stock investment trusts	6.5	6.8	6.9	7.1	7.0	6.5	6.4	6.4	6.8
Contract AUM of Wrap Account	2.5	2.7	2.7	2.9	2.9	2.9	2.9	2.9	3.0

*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)
FY2022 4Q League Table							
1st	Nomura	SMBC Nikko	Mizuho	Daiwa	Nomura	SMBC Nikko	Nomura
	35.4%	30.0%	27.3%	28.1%	24.4%	33.6%	
2nd	Daiwa	Nomura	Daiwa	Nomura	Daiwa	Mitsubishi UFJMS	Mizuho
	28.0%	22.4%	23.8%	26.5%	18.3%	20.6%	
3rd	Mizuho	Daiwa	Nomura	Mizuho	Mizuho	Nomura	SMFG
	11.2%	15.4%	22.9%	24.3%	17.4%	17.3%	
4th	Mitsubishi UFJMS	SBI	Mitsubishi UFJMS	Mitsubishi UFJMS	Mitsubishi UFJMS	Mizuho	Daiwa
	9.6%	9.4%	14.3%	14.2%	17.1%	17.3%	
5th	Goldman Sachs	Mizuho	SMBC Nikko	SMBC Nikko	SMBC Nikko	Daiwa	Houlihan Lokey
	7.1%	8.7%	5.8%	2.1%	8.3%	11.2%	

Source: Compiled by Daiwa Securities based on REFINITIV April 2022 – March 2023

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.

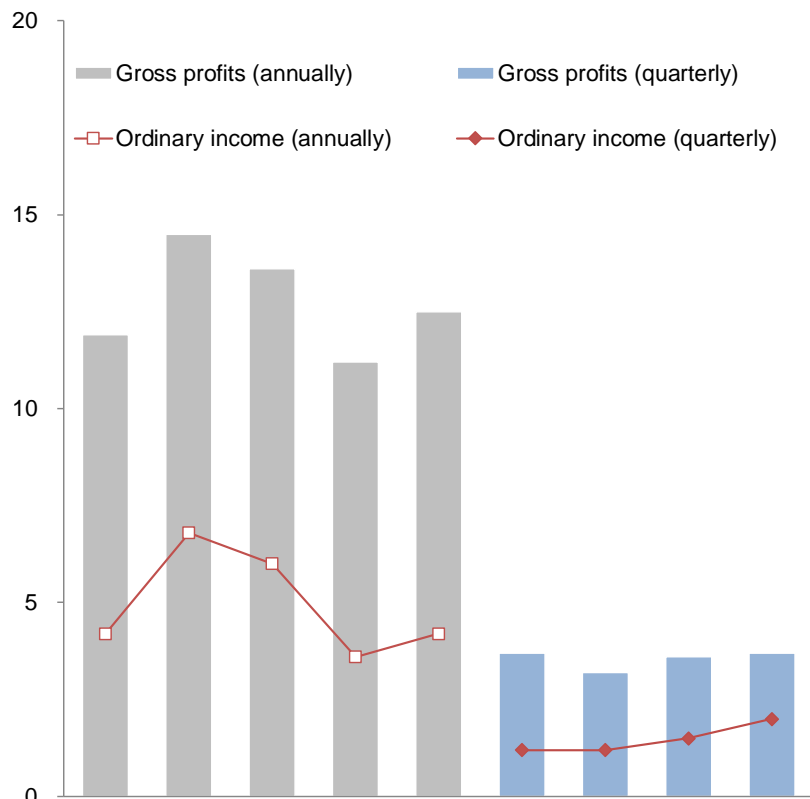
M&A is compiled by Daiwa Securities based on Mergermarket

Financial Summary

(¥ Millions)	FY2021	FY2022				% Change vs 3Q/FY22	% Change vs 4Q/FY21	FY2021	FY2022	% Change vs FY21
	4Q	1Q	2Q	3Q	4Q					
Operating revenues	18,249	18,379	17,828	17,288	16,908	-2.2%	-7.3%	74,948	70,405	-6.1%
Management fee	18,120	18,241	17,684	17,144	16,774	-2.2%	-7.4%	74,403	69,845	-6.1%
<i>Stock investment trust</i>	18,034	18,166	17,609	17,077	16,708	-2.2%	-7.4%	74,062	69,562	-6.1%
<i>Bond investment trust</i>	85	74	75	66	65	-1.4%	-23.2%	340	282	-16.9%
Other operating revenues	128	138	143	144	133	-7.2%	4.1%	545	559	2.6%
SG&A	13,855	14,004	13,821	13,709	13,558	-1.1%	-2.1%	56,397	55,094	-2.3%
Commission paid	7,500	7,503	7,584	7,266	7,050	-3.0%	-6.0%	31,234	29,405	-5.9%
Other SG&A	6,355	6,500	6,237	6,442	6,508	1.0%	2.4%	25,163	25,688	2.1%
Operating income	4,393	4,375	4,006	3,578	3,349	-6.4%	-23.8%	18,551	15,310	-17.5%
Ordinary income	4,466	4,720	3,966	3,590	3,364	-6.3%	-24.7%	19,089	15,642	-18.1%
Net income	2,833	2,984	2,520	2,413	2,398	-0.6%	-15.4%	12,738	10,317	-19.0%

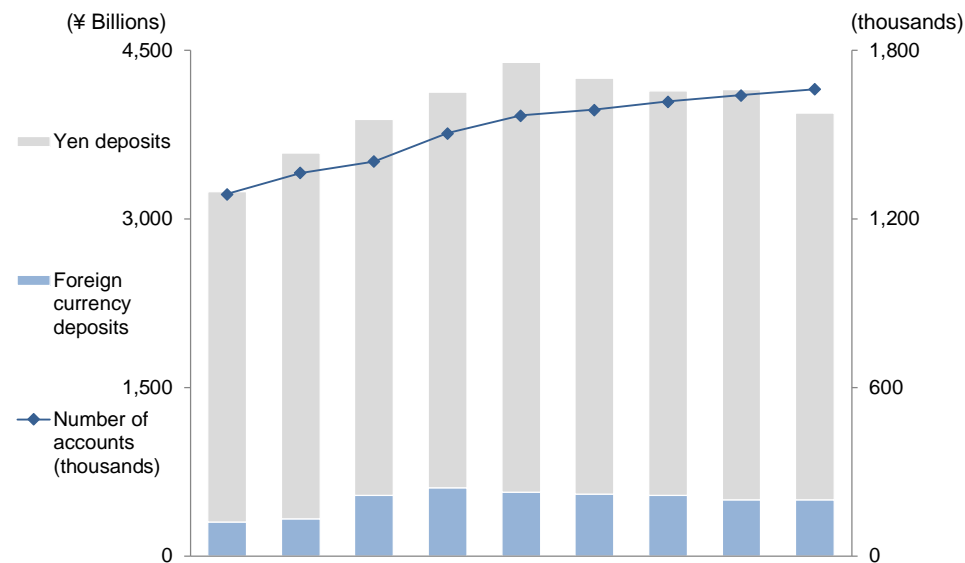
Earnings and Deposit Balance

Gross Profits / Ordinary Income



(¥ Billions)	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022			
						1Q	2Q	3Q	4Q
Gross profits	11.9	14.5	13.6	11.2	12.5	3.7	3.2	3.6	3.7
Ordinary income	4.2	6.8	6.0	3.6	4.2	1.2	1.2	1.5	2.0

Daiwa Next Bank Deposit Balance & Number of Accounts



(¥ Billions)	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022			
						1Q	2Q	3Q	4Q
Ordinary deposits	1,756	1,610	1,873	2,224	2,163	2,125	2,085	2,096	2,007
Time deposits	1,746	1,953	2,067	2,171	2,005	1,997	2,021	2,019	1,905
Negotiable certificate of deposits / Other	53	115	122	35	29	29	33	32	27
Deposit balance	3,556	3,678	4,062	4,430	4,197	4,151	4,140	4,148	3,940
Foreign currency deposits	300	331	539	606	569	551	538	501	499
Number of accounts (thousands)	1,289	1,364	1,405	1,505	1,569	1,589	1,618	1,640	1,662

*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)	FY2020	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
VaR (Quarter end)	1.18	1.59	1.74	1.95	1.92	1.35	1.07	1.04	1.33
High	1.62	1.83	2.07	2.58	2.37	1.96	1.52	1.42	1.85
Low	1.05	0.82	1.35	1.43	1.55	0.99	0.94	0.83	1.04
Average	1.35	1.37	1.64	1.90	1.90	1.54	1.13	1.05	1.44
By risk factors (Quarter end)									
Equity	0.40	0.25	0.41	0.24	0.40	0.27	0.18	0.42	0.33
Interest	1.22	0.66	1.28	1.29	1.20	0.86	1.00	0.78	0.68
Currency	0.31	0.45	0.49	0.48	0.51	0.22	0.39	0.45	0.51
Commodities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(Ref) Confidence level : 95% (one-side test), Holding period : 1 day

VaR (Quarter end)	0.51	0.71	0.98	0.87	0.88	0.70	0.81	0.59	0.83
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Number of Group Employees

	FY2020	FY2021				FY2022			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Total	15,514	15,637	15,432	15,209	15,119	15,363	15,226	15,060	14,979
Overseas	2,003	1,990	2,009	1,987	2,031	2,048	2,030	2,006	2,020

- Number of employees as at the end of each quarter.
- * Total figures are the sum of consolidated group companies.
- * Figures include temporary staff.

Contact

Daiwa Securities Group Inc.

Investor Relations

E-mail: ir-section@daiwa.co.jp

URL: <https://www.daiwa-grp.jp/english/ir/>