

January 10, 2017

CAF -Development Bank of Latin America-  
Daiwa Securities Group Inc.

## **The Issuance of CAF Water Bonds**

～Supporting various water-related projects in Latin America and the Caribbean～

CAF –Development Bank of Latin America- and Daiwa Securities Group jointly announce the issuance and sales of the Water Bonds by CAF (the “Water Bonds”). The Water Bonds will be CAF’s third Water Bonds in the Japanese market, and Daiwa Securities is to offer the Bonds to individual and SMEs investors in Japan.

CAF is a Supranational Development Bank owned by 19 countries and has spent 46 years financing sustainable development and regional integration in Latin America. CAF is the leading development bank in financing infrastructure and energy projects in this region.

CAF supports countries to achieve universal access to adequate drinking water and sanitation services, following the principles of integrated water resources management. In the last four years, demand for CAF loans to the water sector grew in both financing and technical assistance. CAF disbursed cumulative amounts of \$4.3 billion over 2012-2015, which represent 9% of CAF’s total approvals.

CAF shall use its best efforts to apply proceeds raised through the Water Bonds for various water-related projects such as water supply, sanitation, waste water treatment and irrigation in Latin America and the Caribbean.

CAF’s Water Bonds will provide Japanese investors an opportunity to support CAF’s vision and strategy of achieving universal access to adequate drinking water and sanitation services for people in Latin America and the Caribbean among other water related challenges through their investments.

Daiwa Securities Group actively pursues its commitment to social responsibility by undertaking Impact Investment initiatives, and the Water Bonds issued by CAF is one of such initiatives of Daiwa.

## Summary Terms of the Water Bonds

Currency	Brazilian Real (BRL)
Tenor	3 years
Coupon	8.10%
Notional Amount	BRL 220,200,000
Denominations	BRL 10,000 (BRL 20,000 as minimum)
Offering Period	January 13~23, 2017
Delivery of Notes in Japan	January 26, 2017
Maturity Date	January 9, 2020

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### ■ About the CAF -Development Bank of Latin America-

The mission of CAF–Development Bank of Latin America, is to promote sustainable development and regional integration by means of financing projects in the public and private sectors, providing technical cooperation, and other specialized services. Created in 1970, it is owned by 19 countries, 17 Latin American and Caribbean, together with Spain and Portugal, and 14 private banks, it is one of the main sources of multilateral financing and an important generator of knowledge for the region. More information in [www.caf.com](http://www.caf.com)

### ■ About the Daiwa Securities Group

Daiwa Securities Group Inc., founded in 1902, is one of the largest independent and comprehensive securities company in Japan. The Group contributes to the development of society and economy by providing a broad range of financial services worldwide through its global network. The Group's core business includes brokerage, investment banking, asset management, investment, and technology services. Additionally, the Group entered into banking business in 2011. In April 2012, Daiwa Securities, the retail arm of the Group, merged with Daiwa Securities Capital Markets, the wholesale arm.

Operational base of the Group spreads around the world, including Japan, the United States, Europe, and Asia-Oceania.

The Group employs over 15,000 personnel worldwide, and its customer asset under custody is approximately JPY49.5trillion. (as of the end of Sep., 2016)

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