

4/27/07

Press Release

Daiwa Securities Group Inc.

Notice Regarding Partial Amendments of the Articles of Incorporation

Attention

This document is an unofficial translation of a press release announced on April 27, 2007, by Daiwa Securities Group Inc. The original press release is in Japanese.

Daiwa Securities Group Inc. (hereinafter, the "Company") resolved at a meeting of its Board of Directors held today to propose an agenda asking for authorization to execute partial amendments of the Articles of Incorporation as outlined below. The proposal will be made at the Company's 70th Ordinary General Meeting of Shareholders to be held on June 23, 2007.

1. Amendment on June 23, 2007

(1) Reasons for Amendments

The increasing importance of Daiwa Securities Loan Co, Ltd., which launched its business in August 2006, to the business of the Company warrants an addition to the purpose of the Company, specifically the purpose of holding shares or equity interests of companies engaging in the money lending business (as defined in Article 2 of the Money Lending Business Law (Law No. 32, 1983)), or shares or equity interests of foreign companies engaging in business equivalent thereto, and thereby controlling and managing the business activity of these companies.

(2) Contents of Amendment

Proposed amendments are as follows.

Current Articles of Incorporation	Proposed Amendments
(Purposes) <u>Article 2.</u> The purposes of the Company shall be to hold shares or equity interests of companies engaging in the following business and shares or equity interests of foreign companies engaging in the business equivalent thereto, and thereby control and manage the business activity of these companies:	(Purposes) <u>Article 2.</u> The purposes of the Company shall be to hold shares or equity interests of companies engaging in the following business and shares or equity interests of foreign companies engaging in the business equivalent thereto, and thereby control and manage the business activity of these companies:
(1) To do securities business as provided for under the Securities and Exchange Law;	(1) [Not amended]
(2) To do investment trust entrustment business as provided for under the Law Concerning Investment Trusts and Investment Companies;	(2) [Not amended]

Current Articles of Incorporation		Proposed Amendments	
(3)	To do the business of asset management for investment companies and asset custodial companies as provided for under the Law Concerning Investment Trusts and Investment Companies;	(3)	[Not amended]
(4)	To conduct investment advisory business or business relating to a discretionary investment advisory agreement, as provided for under the Law Concerning Regulations etc. of Investment Advisory Business Relating to Securities;	(4)	[Not amended]
(5)	To do business relating to finance including, but not limited to, banking business as provided for under the Banking Law, in addition to the business in each of the foregoing paragraphs;	(5)	[Not amended]
(6)	To do research and investigation into economies and financial and capital markets in domestic and foreign markets, and to be entrusted with such research and investigation;	(6)	[Not amended]
(7)	To be entrusted with calculation service by using a computer;	(7)	[Not amended]
(8)	To develop and sell software;	(8)	[Not amended]
(9)	To do the business of sale, purchase and lease of real estate and their brokerage;	(9)	[Not amended]
	[New]	(10)	<u>To do money lending business as provided for under the Money Lending Business Law;</u>
(10)	To do trust business as provided for under the Trust Business Law;	(11)	To do trust business as provided for under the Trust Business Law;
(11)	To do the business of offering life insurance contracts and to engage in the non-life insurance agency business;	(12)	To do the business of offering life insurance contracts and to engage in the non-life insurance agency business;
(12)	To do securities handling and administration business;	(13)	To do securities handling and administration business;
(13)	To do business relating to publishing, advertisement agency, broadcasting, and other information services; and	(14)	To do business relating to publishing, advertisement agency, broadcasting, and other information services; and
(14)	To do business relating to education and culture.	(15)	To do business relating to education and culture.
2.	The Company can engage in any and all business incidental or relating to any of the business in the foregoing paragraph.		[Not amended]

## 2. Amendment on the date of the enforcement of Law for Amending Securities and Exchange Law and Other Financial Laws (Law No. 65, 2006)

### (1) Reasons for Amendments

Upon the enforcement of the Law for Amending Securities and Exchange Law and Other Financial Laws (Law No. 65, 2006) and the reorganization of the Securities and Exchange Law (Law No. 25, 1948) into the Financial Instruments and Exchange Law therewith, the Company will propose to

amend a part of the Articles of Incorporation for the following reasons.

- a) an amendment is proposed in order to cope with the change of the name of “Securities and Exchange Law” to “Financial Instruments and Exchange Law”;
- b) an amendment is proposed in order to cope with the change of the name of “Securities Business” to “Financial Instruments Business”, and the expansion of the scope of “Financial Instruments Business” to include derivative transactions relating to a wider range of underlying assets and indexes, the self-offering of the holdings of collective investment schemes (funds), Investment Advisory, Investment Management, and Customer Asset Administration;

## (2) Contents of Amendment

Proposed amendments are as follows.

Current Articles of Incorporation	Proposed Amendments
<p>(Purposes)</p> <p><u>Article 2.</u> The purposes of the Company shall be to hold shares or equity interests of companies engaging in the following business and shares or equity interests of foreign companies engaging in the business equivalent thereto, and thereby control and manage the business activity of these companies:</p>	<p>(Purposes)</p> <p><u>Article 2.</u> The purposes of the Company shall be to hold shares or equity interests of companies engaging in the following business and shares or equity interests of foreign companies engaging in the business equivalent thereto, and thereby control and manage the business activity of these companies:</p>
<p>(1) <u>To do securities business as provided for under the Securities and Exchange Law;</u></p>	<p>(1) <u>To do financial instruments and exchange business as provided for under the Financial Instruments and Exchange Law;</u></p>
<p>(2) <u>To do investment trust entrustment business as provided for under the Law Concerning Investment Trusts and Investment Companies;</u></p>	<p>[Deleted]</p>
<p>(3) <u>To do the business of asset management for investment companies and asset custodial companies as provided for under the Law Concerning Investment Trusts and Investment Companies;</u></p>	<p>[Deleted]</p>
<p>(4) <u>To conduct investment advisory business or business relating to a discretionary investment advisory agreement, as provided for under the Law Concerning Regulations etc. of Investment Advisory Business Relating to Securities;</u></p>	<p>[Deleted]</p>
<p>(5) To do business relating to finance including, but not limited to, banking business as provided for under the Banking Law, in addition to the business in each of the foregoing paragraphs;</p>	<p>(2) To do business relating to finance including, but not limited to, banking business as provided for under the Banking Law, in addition to the business in each of the foregoing paragraphs;</p>

Current Articles of Incorporation		Proposed Amendments	
(6)	To do research and investigation into economies and financial and capital markets in domestic and foreign markets, and to be entrusted with such research and investigation;	(3)	To do research and investigation into economies and financial and capital markets in domestic and foreign markets, and to be entrusted with such research and investigation;
(7)	To be entrusted with calculation service by using a computer;	(4)	To be entrusted with calculation service by using a computer;
(8)	To develop and sell software;	(5)	To develop and sell software;
(9)	To do the business of sale, purchase and lease of real estate and their brokerage;	(6)	To do the business of sale, purchase and lease of real estate and their brokerage;
(10)	To do money lending business as provided for under the Money Lending Business Law;	(7)	To do money lending business as provided for under the Money Lending Business Law;
(11)	To do trust business as provided for under the Trust Business Law;	(8)	To do trust business as provided for under the Trust Business Law;
(12)	To do the business of offering life insurance contracts and to engage in the non-life insurance agency business;	(9)	To do the business of offering life insurance contracts and to engage in the non-life insurance agency business;
(13)	To do securities handling and administration business;	(10)	To do securities handling and administration business;
(14)	To do business relating to publishing, advertisement agency, broadcasting, and other information services; and	(11)	To do business relating to publishing, advertisement agency, broadcasting, and other information services; and
(15)	To do business relating to education and culture.	(12)	To do business relating to education and culture.
2.	The Company can engage in any and all business incidental or relating to any of the business in the foregoing paragraph.	[Not amended]	