

April 30, 2010

European Investment Bank
Daiwa Securities Group Inc.

Issuance of “Climate Awareness Bonds”

~Contributing to expansion of renewable energy and energy efficiency through bond investments~

The European Investment Bank (EIB) (rated Moody's: Aaa / S&P: AAA) and Daiwa Securities Group hereby announce an issuance of Climate Awareness Bonds to finance the EIB's future lending projects in the fields of renewable energy and energy efficiency.

Climate Awareness Bonds will be issued by the European Investment Bank, arranged by Daiwa Securities Capital Markets Co. Ltd., the wholesale securities firm under the Daiwa Securities Group, and distributed by Daiwa Securities Co. Ltd., the Group's retail securities firm, to Japanese retail and institutional investors.

The proceeds raised via the offering will be ring-fenced from the EIB's general funding portfolio and used for the EIB's future lending projects in the fields of renewable energy and energy efficiency, key areas for mitigating the effects of climate change. Such a dedicated use of proceeds is made possible by the EIB's large and often innovative role in these sectors. In the last 3 years the EIB has raised a total of almost EUR 1bn equivalent via Climate Awareness Bond issues internationally.

Financing sustainable, competitive and secure energy is one of the core objectives of the EIB. The Bank has set a target that at least 20 per cent of its energy projects in the European Union should cover renewable sectors. In 2009 the EIB provided approximately EUR 4 billion in financing for renewable energy projects. The EIB also extended energy efficiency investments to a level of EUR 1.5 billion in 2009 alone. Outside the European Union, the EIB intends to step up its support to renewable energy and energy efficiency.

The proceeds of this new EIB bond issue will be dedicated to future lending projects in the fields of renewable energy and energy efficiency. These include, but are not limited to:

- renewable energy projects such as wind, hydro, solar and geothermal energy production; and
- energy efficiency projects such as district heating, co-generation, building insulation, energy loss reduction in transmission and distribution and equipment replacement with energy efficiency improvements of 20 per cent or more.

The European Investment Bank seeks to promote climate change action across five broad areas: mitigation; adaptation; research, development and innovation (RDI); technology transfer and cooperation; along with support for the carbon markets.

“Like Japan, the EU has taken a leading role in tackling climate change. With this bond the European Investment Bank is inviting Japanese investors to join EIB in that endeavour. The new bonds to be issued in Japan build on the positive results of similar issues completed in the recent past. Investors again benefit from the combination of EIB’s triple-A credit quality and transparent use of proceeds in favour of climate protection.” says **Philippe Maystadt, President of EIB.**

“In the past several decades, our modes of living have changed substantially. Modernisation and industrialisation have led to increases in the use of fossil fuel, generating environmental pollution and climate change. It is clear that renewable energy has become increasingly important, leading to natural resources being used without exhaustion, as well as reduction of CO2. The Climate Awareness Bonds, to be issued by EIB who plays a leading role in this area, have an innovative scheme, and give investors the chance to contribute to projects related to renewable energy and energy efficiency by investing in these bonds with a very high creditworthiness. I trust the Climate Awareness Bonds will be supported by a wide range of investors.” says **Shigeharu Suzuki, President and CEO of Daiwa Securities Group Inc.**

Summary terms of the Climate Awareness Bonds

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|--------------------------------|------------------------------|--------------------|
| Currency | Australian Dollars | South African Rand |
| Issue Amount | AUD 231 million | ZAR 1,375 million |
| Tenor | Circa 2 years | Circa 3 years |
| Coupon | 4.27% per annum | 6.68% per annum |
| Offering Period | May 11, 2010 to May 19, 2010 | |
| Delivery of the Notes in Japan | May 21, 2010 | |
| Maturity Date | May 24, 2012 | May 29, 2013 |

■ About the European Investment Bank (EIB)

The European Investment Bank was created in 1958 as the long-term financing institution of the European Union. It is owned by the 27 Member States of the EU. When countries join the EU they automatically become shareholders of the EIB. The Board of Governors consists of Ministers of the EU Member States. The Bank's mission is to finance viable investments, as set out in its Statute, which is a part of the Treaty on the Functioning of the European Union. The primary task of the Bank is to contribute, by financing investments, towards the integration, balanced development and economic and social cohesion of the EU Member States.

Besides supporting projects in the EU Member States, where ca. 90% of the Bank's annual lending is invested, it also finances investments in potential future Member States of the EU and EU partner countries worldwide. In 2009, the Bank signed loans for EUR 79 billion, of which EUR 9 billion outside the European Union. With this volume, the EIB is the largest supranational lender in the world.

Within the EU the EIB has six priority objectives: economic and social cohesion; research and innovation; trans-European transport and energy networks; support for small and medium-sized enterprises; environmental protection; sustainable, competitive and secure energy. Outside the EU, the EIB has a long experience (since 1963) of working with partner countries in support of the EU's development policies. Lending outside the EU mainly focuses on: private sector development, infrastructure development, security of energy supply, environmental sustainability and climate change.

Regarding Fees and Risks

◇ Regarding expenses and costs including fees and commissions

- Only the price value is to be paid to purchase bond
- Trading foreign currency securities requires submission of application document for opening a foreign securities trading account and charges a maximum of ¥3,150 (including tax) of custody fee other than the purchase price

◇ Regarding risks in investment

- Sale price of bond may fall below the par value in case of the sale before maturity date, as the price of bond fluctuates due to the change in interest rate and other factors.
- Investment in foreign currency-denominated bond may fall below the par value of investment as the yen value of the bond fluctuates due to the change in yen value of coupon and proceed from redemption against the foreign currency.
- Investment in bond may fall below the par value of investment due to the change in the bond issuer's management and financial status and the change in the third party's evaluation on those factors

◇ Regarding other notices in investment

- Risks and expenses and costs including fees and commissions differ in each product, so please be sure to carefully read the document provided prior to the execution of agreement, prospectus and other documents.

Corporate name: Daiwa Securities Co. Ltd.

Financial instruments firm: chief of Kanto Local Finance Bureau (Kin-sho) No.108

Memberships: Japan Securities Dealers Association

Japan Securities Investment Advisors Association

The Financial Futures Association of Japan

Notification Items Regarding Advertising etc.

(Notification items pursuant to Article 37 of the Financial Instruments and Exchange Law)

If you decide to enter into a business arrangement with our company based on the information described in materials presented along with this cover letter, we ask you to pay close attention to the following items.

- In addition to the purchase price of a financial instrument, our company will collect a trading commission* for each transaction as agreed beforehand with you. Since commissions may be included in the purchase price or may not be charged for certain transactions, we recommend that you confirm the commission for each transaction. In some cases, our company also may charge a maximum of ¥3,150 (including tax) per year as an account management fee when you keep certificates of foreign securities in trust.
- There is a risk that you will incur losses on your transactions due to changes in the market price of financial instruments based on fluctuations in interest rates, exchange rates, stock prices, emission credits prices, commodity prices, and others.
- There may be losses on your transactions as a result of direct impacts of changes in the Issuer's business and financial conditions.
- Before engaging in any trading, please thoroughly confirm accounting and tax treatments regarding your trading in financial instruments with such experts as certified public accountants.

* The amount of the trading commission cannot be stated here in advance because it will be determined between our company and you based on current market conditions and the content of each transaction etc.

When making an actual transaction, please be sure to carefully read the materials presented to you prior to the execution of agreement, and to take responsibility for your own decisions regarding the signing of the agreement with our company.

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