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First Green World Bank Bonds Designed for Japanese Investors

An innovative way for Japanese investors to help combat climate change through a high quality bond investment

Tokyo, January 18, 2010 – The World Bank (International Bank for Reconstruction and Development, rated Aaa/AAA) and Daiwa Securities Group announced today final terms for the World Bank's inaugural issuance of Green World Bank Bonds designed specifically for investors in Japan. Green World Bank Bonds support projects in the World Bank's member countries that meet specific criteria for low-carbon development, and are an opportunity for investors to support climate solutions through their investment. The World Bank raised NZD 150 million (approximately USD 110.7 million equivalent) through these 5-year bonds.

"Tackling climate change will take immense resources that will only come from a well-orchestrated flow of public and private finance. Green World Bank Bonds are an important early effort to show one way in which this can be done. We appreciate the support from Japanese investors as it demonstrates that private citizens can safely and profitably invest their savings today while also helping provide a better world for their children," said **Robert B. Zoellick, President of the World Bank Group**.

The issuance was arranged by Daiwa Capital Markets Co. Ltd, the wholesale securities firm under the Daiwa Securities Group, and distributed by Daiwa Securities Co. Ltd. to Japanese retail and institutional investors.

"Climate change is widely recognized as the major environmental problem facing the earth. It is everyone's mission to take action against it. To this end, Daiwa Securities Group is pleased to announce the launch of the first Green World Bank Bond transaction in Japan in collaboration with The World Bank. The bond will give Japanese individuals the opportunity of safely investing their money knowing the proceeds will be used to foster projects that are environmentally friendly." said **Shigeharu Suzuki, President and CEO of Daiwa Securities Group Inc.**

Summary terms:

Amount:	NZD150,000,000
Settlement date:	Feb. 2, 2010
Maturity date:	Jan. 29, 2015
Redemption Amount:	100%
Coupon:	5.23% S.A.
Denomination:	NZD1,000
Clearing systems:	Euroclear, Clearstream
Lead Manager:	Daiwa Capital Markets Europe Limited



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Green World Bank Bonds support World Bank-funded projects that are designed to tackle the causes and consequences of climate change in the developing world. The types of projects that may be supported by Green World Bank Bonds include alternative energy installations, funding for new technologies that reduce greenhouse gas emissions, reforestation, watershed management and flood protection. The proceeds of the issuance will be credited to a special account that will be used to support these sorts of projects. To date, the World Bank has issued the equivalent of approximately US\$960 million of Green World Bank Bonds.

The World Bank is a global development cooperative owned by its 186 member countries. Its purpose is to help its members achieve equitable and sustainable economic growth in their economies and to find solutions to regional and global problems in economic development and environmental sustainability, all with a view to reducing poverty and improving standards of living. The International Bank for Reconstruction and Development (IBRD), rated Aaa/AAA (Moody's/S&P) is owned by 186 countries. It is the oldest and largest entity in the World Bank Group and provides its members with financing, risk management products, and other financing services, as well as specialized expertise and strategic and convening services requested by its member countries. To fund this activity, IBRD has been issuing World Bank bonds in the international capital markets for 60 years. The World Bank is one of the most recognized and innovative borrowers in the international capital markets. More information about the World Bank and its activities in the capital markets is available on the web at: www.worldbank.org/debtsecurities.

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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