

October 27, 2010

European Investment Bank

Daiwa Securities Group Inc.

EIB issues new “Climate Awareness Bonds”

~Helping expand 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 new Climate Awareness Bonds to finance EIB's future lending for renewable energy and energy efficiency projects.

In the same way as the last transaction in Japan in May 2010, the issue will be 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.

By investing in these bonds with a very high creditworthiness, Japanese investors will be able to contribute to prevention of global warming. EIB's Climate Awareness Bonds' special characteristic is that proceeds raised from the offering will be ring-fenced from the EIB's general funding portfolio and used for renewable energy and energy efficiency lending projects. These schemes are crucial for mitigating effects of climate change. Since 2007, the EIB has raised a total of almost EUR 1.3 billion equivalent via Climate Awareness Bond issues internationally and its voluntary undertaking to report on projects benefiting from these funds assures the credibility and transparency of the mechanism.

Last year the European Investment Bank's dedicated climate action enabled EUR 17 billion of loans to be provided for projects that contribute to the reduction of CO2 emissions, including specific support of more than EUR 4 billion for renewable energy and EUR 1.5 billion for energy efficiency schemes. The EIB is one of the world's largest lenders for projects addressing climate change. Other climate action activities supported by the EIB include in sustainable transport, low emission and clean fuel research and development, and innovation.

The issuance of the Climate Awareness Bonds is one of the examples of Daiwa's Impact Investment initiative. Under this initiative, Daiwa Securities Group actively pursues its commitment

to social responsibility by seeking to provide and expand investment products with social impact while attaining suitable financial returns.

Summary Terms of the Climate Awareness Bonds

Issuer	European Investment Bank (EIB)
Currency	Turkish Lira (TRY)
Issue Amount	TRY 170 million
Denomination	TRY 10,000 (Minimum subscription amount: TRY 20,000)
Tenor	Circa 3 years
Coupon	6.62% per annum
Offering Period	November 1, 2010 ~ November 9, 2010
Delivery of the Notes in Japan	November 12, 2010
Maturity Date	November 21, 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 around 90% of the Bank's 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. In addition, climate action has become an important aim. 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 ¥ 2 million (including tax) per year as a standing proxy fee for our deposit of your securities, if you are a non-resident.

- For derivative and margin transactions etc., our company may require collateral or margin requirements in accordance with an agreement made beforehand with you. Ordinarily in such cases, the amount of the transaction will be in excess of the required collateral or margin requirements.
- 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, real estate prices, commodity prices, and others. In addition, depending on the content of the transaction, the loss could exceed the amount of the collateral or margin requirements.
- There may be a difference between bid price etc. and ask price etc. of OTC derivatives handled by our company.
- 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.

Corporate Name: Daiwa Securities Capital Markets Co. Ltd.

Financial instruments firm: chief of Kanto Local

Finance Bureau (Kin-sho) No.109

Memberships: Japan Securities Dealers Association

The Financial Futures Association of Japan

Japan Securities Investment Advisers Association