

February 16, 2012

Press Release

Daiwa Securities Group Inc.

Attention

This is an unofficial translation of an excerpt of the press release issued on February 16, 2012 by Daiwa Securities Group Inc. The original press release is in Japanese.

Pan-Asian Research Framework

To further our focus on delivering a differentiated, pan-Asian view of economies, markets, and companies, Daiwa is taking the radical yet logical step of combining our Japan and Asia ex-Japan research teams into one pan-Asian research team. This change will view Japan as an integral, and important, part of Asia and help us bring investors the important stories of how developments on either side of the 'ex-' line have meaningful impact across the breadth of pan-Asian stocks.

The new structure will lead to 12 key sectors being covered on a pan-Asian basis. Each sector will have a new sector head and analysts in each country will work collaboratively to cover the sector and companies in organized manner. This move will solidify our efforts to shift Daiwa's broking efforts to cover all of Asia. The decision is made after the success of early trials to gain new and unique insights into companies and sectors through various cross-border initiatives, including Daiwa's new 'Trading Places' work where analysts temporarily switch jobs to look at other markets with the benefit of a fresh perspective yet decades of industry experience. From the success of initiatives such as this, Daiwa has decided that the best way to offer incremental value to our clients' investment process and returns is to focus on cross-border, pan-Asian analysis which has been the stumbling block for the industry for many years.

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