

International Finance Corporation  
Daiwa Securities Group Inc.

## **IFC to Issue Microfinance Bond Via Daiwa to Support Low-Income Entrepreneurs in Emerging Markets**

**Tokyo, Japan, October 31, 2012**—IFC, a member of the World Bank Group, and Daiwa Securities Group today announced plans to issue a Microfinance Bond that will expand access to finance for poor and low-income entrepreneurs in developing countries.

The four-year bond will be issued in South African rand and Turkish lira. The offering period is Nov. 1 through Nov. 16, 2012.

IFC is a leading investor in microfinance, with total outstanding commitments in this sector worth \$2.65 billion. IFC will invest an amount at least equal to the bond proceeds to support microfinance activities. IFC has twice issued microfinance bonds for Japanese investors, in November 2009 and in September 2010. Like the first two transactions, this issue will be arranged and distributed by Daiwa Securities Co. Ltd. to Japanese retail and institutional investors.

Access to finance is a basic condition for prosperity. Nearly 3 billion people in developing countries have little or no access to formal banking services. By providing basic financial services, microfinance can become a powerful instrument to reduce poverty. It enables deprived people to build assets, increase income, and reduce their vulnerability to economic stress.

IFC focuses on commercially viable microfinance institutions that can attract private capital needed to scale up and respond to unmet demand. Through their investments in microfinance bonds, Japanese individuals are supporting the growth of these institutions and, therefore, contributing to poverty reduction.

The microfinance bond is an example of Daiwa's Impact Investment initiative. Under this initiative, Daiwa Securities Group actively pursues its commitment to social responsibility by seeking out investments that achieve social impact.

Summary Terms of the Microfinance Bonds

Issuer	International Finance Corporation (IFC)	
Currency	South African Rand	Turkish Lira
Issue size	ZAR 417 million	TRY 145.7 million
Tenor	About 4 years	
Coupon	4.68% per annum	5.23% per annum
Denomination	ZAR 100,000	TRY 10,000
Offering Period	November 1, 2012—November 16, 2012	
Delivery of the Notes in Japan	November 21, 2012	
Maturity Date	November 21, 2016	

\*\*\*

■ About IFC

IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector. We help developing countries achieve sustainable growth by financing investment, mobilizing capital in international financial markets, and providing advisory services to businesses and governments. In FY12, our investments reached an all-time high of more than \$20 billion, leveraging the power of the private sector to create jobs, spark innovation, and tackle the world's most pressing development challenges. For more information, visit [www.ifc.org](http://www.ifc.org).

■ About the Daiwa Securities Group

Daiwa Securities Group Inc., founded in 1902, is one of the largest independent and comprehensive securities company in Japan. The Group contributes to the development of society and economy by providing a broad range of financial services worldwide through its global network. The Group's core business includes brokerage, investment banking, asset management, investment, and technology services. Additionally, the Group entered into banking business in 2011. In April 2012, Daiwa Securities, the retail arm of the Group, merged with Daiwa Securities Capital Markets, the wholesale arm.

Operational base of the Group spreads around the world, including Japan, the United States, Europe, and Asia-Oceania.

The Group employs near 14,700 personnel worldwide, and its customer asset under custody is approximately JPY38.7 trillion, as well as the combined asset under management of two asset management companies are about JPY13.1 trillion. (All figures are as of the end of June, 2012)

End