

March 8, 2011

Daiwa Securities Group Inc.
Daiwa PI Partners Co. Ltd.

Attention

This is an unofficial translation of an excerpt of the press release issued on March 8, 2011, by Daiwa Securities Group Inc. and Daiwa PI Partners Co. Ltd. The original press release is in Japanese.

**Notice of the Execution of the Basic Agreement on the Loan by
Daiwa PI Partners Co. Ltd. to K.K. Columbus**

We hereby notify that, on March 8, 2011, Daiwa PI Partners Co. Ltd. (“Daiwa PIP”), a consolidated subsidiary of Daiwa Securities Group Inc. (“DSGI”), reached a basic agreement (the “Basic Agreement”) with K.K. Columbus (“Columbus”) on a loan to be lent from Daiwa PIP to Columbus (the “Loan”) secured by 68,905 investment units (17.41% of the total issued and outstanding investment units, the “Units”) issued by Daiwa Office Investment Corporation (“DOI”) and held by Columbus.

1. Reasons for the Basic Agreement

After the acquisition of investment units of DOI through a third-party allocation on July 1, 2009 and the acquisition of all of the outstanding shares of Daiwa Real Estate Asset Management Co. Ltd. (“Daiwa Real Estate”, formerly known as K.K. daVinci Select) which is the asset management company of DOI, DSGI has been supporting sustainable and stable growth of DOI with the maximum use of the business resources among its group companies, in the areas of debt financing, branding strategy, asset acquisition and stabilization of composition of investment unit holders.

Especially, since Daiwa Securities Group deems the stabilization of composition of investment unit holders to be one of the most momentous issues of DOI, we continue cooperative discussions with Columbus, the largest investment unit holder of DOI.

At present day, we have heard that Columbus has a loan from another company secured by the Units* (the “Existing Loan”). As the result of discussions with each of

DOI, Daiwa Real Estate and Columbus, we deem it desirable for Columbus, with the view to stabilization of composition of investment unit holders of DOI, to completely repay the Existing Loan by means of the Loan from Daiwa PIP, and, as a result, have now reached this Basic Agreement.

We believe that Columbus' full repayment of the Existing Loan with the funds drawn down by the Loan will develop the stabilization of composition of investment unit holders in DOI and its sustainable business growth.

** Please refer to the amendment report for the large shareholding report dated November 29, 2010 filed with the Director of the Kanto Local Financial Bureau by Columbus.*

2. Contents of the Basic Agreement

In this Basic Agreement, on the condition of the establishment of the collaterals on the assets held by Columbus (including the Units*), Daiwa PIP and Columbus have confirmed the current status of the discussion on the basic terms and conditions of the Loan, and have agreed on Daiwa PIP's exclusive right to negotiate in good faith with Columbus. Provided, however, such agreements with regard to the Loan including, but not limited to, the basic terms and conditions of the Loan shall not be legally binding. The drawing down the Loan may be suspended or revoked in the case of future changes in the market situations including a significant decline in the market price of the Units, disagreement on the definitive terms and conditions of the Loan, or failures in the fulfillment of the condition precedents for drawing down the Loan, etc.

** The Unit Holders Agreement executed between Columbus and DSGI on June 17, 2009 will remain in force and effective.*

3. Outline of Columbus

(as of March 8, 2011)

| | |
|-------------------------------------|---|
| 1. Company Name | K.K. Columbus |
| 2. Address | 10-1, Roppongi6-chome, Minato-ku, Tokyo |
| 3. Title and Name of Representative | President, Brian Defoe |
| 4. Description of Business | • Execution of Tokumei-Kumiai contracts and management of assets in which such Tokumei-Kumiai invests |

| | |
|---|---|
| | • Acquisition, possession, sale and purchase of investment securities |
| 5. Amount of Capital | JPY 100 million |
| 6. Shareholders | K.K. daVinci Holdings: 100.0% |
| 7. Relationships with Daiwa Securities Group Inc. | Capital Relationship: Not applicable Personal Relationship: Not applicable Business Relationship: Not applicable Status as a Related Party: Columbus, its subsidiaries and its affiliates are not Related Parties of DSGI. |

4. Prospects

We believe that the Loan will have only a minimal effect on the consolidated earnings of DSGI for this fiscal year onward.

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