

Investment Banking Unit

This unit offers a broad array of sophisticated financial products supported by a staff of skilled professionals. Able to extend financial services of the highest caliber, this unit scored a number of notable accomplishments during the first half of the fiscal year.

Major Accomplishments

- Financial solutions to customers
Led by the newly established Financial Solutions Department, the unit presented financial solutions to a wide range of customers
- Outstanding performance by Daiwa Securities SMBC
Ranked number-one in the IPO and corporate bond underwriting league tables in the first half of the current fiscal year
- Progress in arranging syndicated loans
Participated in REIT, M&A fund raising and other large-scale deals

Goals

- Respond to clients' needs for business restructuring and securitization
- Develop debt capital markets
- Work in closer cooperation with Daiwa Securities SMBC
- Expand defined contribution pension plan business

The Investment Banking Unit is focusing on needs linked to clients' business restructuring programs and

securitization. Particular areas of interest are financing for management buyouts, securitization of receivables and real estate, and lease financing. Daiwa Securities SMBC and other SMBC Group members in Japan and overseas will combine their resources to propose and supply a broad range of services worldwide.

To offer customers an even larger selection of solutions, the unit is developing fields with growth potential, such as debt capital markets, particularly the syndicated loan market. These initiatives will allow SMBC to meet a wider range of clients' fund raising requirements.

Daiwa Securities SMBC will be deepening its cooperation with SMBC in M&A, structured finance and other fields. By providing superior services to clients, Daiwa Securities SMBC aims to be a leading investment bank.

Defined contribution pension plans were introduced in Japan in October 2001. SMBC offers consulting, plan management services, and employee investment education related to this new pension system through Japan Pension Navigator Co., Ltd. Established in September 2000, Japan Pension Navigator is capitalized by SMBC and five other financial services companies belonging to the Mitsui and Sumitomo groups.