

December 10, 2001

Announcement Regarding the Earnings Forecast of Daiwa Bank Holdings, Inc. for the Fiscal Period Ending March 31, 2002 and Its Term-end Dividend

The Daiwa Bank, Ltd. ("Daiwa Bank" hereafter), The Kinki Osaka Bank, Ltd. and The Nara Bank, Ltd. (collectively referred to as "the three banks" hereafter) will jointly establish a holding company, Daiwa Bank Holdings, Inc. on December 12, 2001. The three banks will be placed under the holding company as fully owned subsidiaries.

In this connection, the three banks hereby announce the non-consolidated and consolidated earnings forecasts of Daiwa Bank Holdings for the fiscal period ending March 31, 2002 as follows:

1. Non-Consolidated Earnings Forecast of Daiwa Bank Holdings

(Billions of Yen)

	Operating Income	Ordinary Profit/(Loss)	Net Income
Fiscal period ending March 31, 2002	2.0	0.0	0.0
Ratio	100.0%	0.0%	0.0%

2. Consolidated Earnings Forecast of Daiwa Bank Holdings

(Billions of Yen)

	Operating Income	Ordinary Profit/(Loss)	Net Income
Fiscal period ending March 31, 2002	610.0	(240.0)	(113.0)
Ratio	100.0%	(39.3%)	(18.5%)

- Daiwa Bank plans to spin-off its trust business unit and subsequently make it a joint venture with other institutions by the end of March 2002. However, the expected gains from the sale of the stake in the spun-off trust bank are not reflected in the above earnings forecasts. Details will be announced after the outline of these transactions is fixed.
- The above non-consolidated and consolidated earnings forecasts are based on the state of the subsidiaries at the establishment date of Daiwa Bank Holdings. Asahi Bank is scheduled to join Daiwa Bank Holdings by the end of March 2002, as fully owned subsidiary of the holding company. The above forecasts do not reflect the participation of Asahi Bank, either.

3. Term-end Dividend to be Paid by Daiwa Bank Holdings

Payment of term-end dividend for common shares is not planned at the moment. However, in lieu of term-end dividend, Daiwa Bank Holdings plans to pay the following adjustment cash for share transfers which was approved by the extraordinary general meeting of stockholders held on November 6, 2001.

[Adjustment Cash Payment for Share Transfers]

Daiwa Bank	1.50 yen per common share
Kinki Osaka Bank	1.00 yen per common share
Nara Bank	20.00 yen per common share

The above cash payments are subject to cancellation depending on the state of assets and liabilities of the three banks, change in macroeconomic conditions and other factors. In such a case, Daiwa Bank Holdings will give considerations to pay term-end dividend using a part of gains from the sale of its stake in the spun-off trust bank.