

Daiwa Bank Holdings, Inc.

March 4, 2002

Announcement Regarding the Application by Tsuchiya Kaolin Industry Co., Ltd. for Commencement of Voluntary Bankruptcy Proceedings (Exposure of Daiwa Bank)

Daiwa Bank Holdings, Inc. (Daiwa Bank HD) hereby gives notice that Tsuchiya Kaolin Co., Ltd. ("the Company"), a customer of its subsidiary bank, The Daiwa Bank, Ltd. ("Daiwa Bank," President: Yasuhisa Katsuta) filed an application to the Tokyo District Court for commencement of voluntary bankruptcy proceedings. As a result of this development, there arose a concern that the claim to the Company may become irrecoverable or its collection may be delayed.

1. Outline of the Company

(1) Corporate Name	Tsuchiya Kaolin Industry Co., Ltd.
(2) Address	4-9-9 Nihonbashi-honcho, Chuo-ku, Tokyo
(3) Representative	Harumi Tsuchiya
(4) Amount of Capital	¥10 million
(5) Line of Business	Manufacturing and Wholesale of Paints

2. Fact Arisen to the Company and Date

On March 1, 2002, the Company filed an application to the Tokyo District Court for commencement of voluntary bankruptcy.

3. Amount of the Claim to the Company

Exposure of Daiwa Bank Loans: ¥ 3.3 billion

Other banking subsidiaries of Daiwa Bank HD, Asahi Bank, Kinki Osaka Bank and Nara Bank, have no exposures to the Company.

4. Impact of This Development on the Consolidated Earnings Forecast of Daiwa Bank HD

This development does not affect the consolidated earnings forecast of Daiwa Bank HD for the fiscal year ending March 31, 2002, which was previously announced on December 10, 2001. Daiwa Bank HD is now formulating its consolidated earnings forecast that includes the account of Asahi Bank at the moment. It will be announced soon after it is fixed.