

Daiwa Bank Holdings, Inc.
March 4, 2002

Announcement Regarding the Application by Sato Kogyo Co., Ltd. for Commencement of Corporate Reorganization Proceedings (Exposure of Asahi Bank)

Daiwa Bank Holdings, Inc. ("Daiwa Bank HD") hereby gives notice that Sato Kogyo Co., Ltd. ("the Company"), a customer of its subsidiary bank, The Asahi Bank, Ltd. ("Asahi Bank," President: Yukio Yanase) filed an application to the Tokyo District Court for commencement of corporate reorganization 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	Sato Kogyo Co., Ltd.
(2) Head Office Address	4-12-20 Nihonbashi-honcho, Chuo-ku, Tokyo
(3) Representative	Hiroshi Yoshida
(4) Amount of Capital	¥19.3 billion
(5) Line of Business	Construction business

2. Fact Arisen to the Company

The company filed an application to the Tokyo District Court for commencement of corporate reorganization proceedings on March 3, 2002.

3. Amount of the Claim to the Company

Exposure of Asahi Bank Loans: ¥14.9 billion
Other banking subsidiaries of Daiwa Bank HD, Daiwa 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

The expected loss from this development is already reflected in the Asahi Bank's earnings forecast for the fiscal year ending March 31, 2002, which was previously announced on November 20, 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.