

**Change in the Treatment of Adjustment Cash Payments for Share Transfer and Exchange
and Payment of the Term-end Dividend for Fiscal Year Ended March 31, 2002**

Regarding the adjustment cash payments for share transfer and share exchange, board of directors' meetings of Daiwa Bank, Kinki Osaka Bank, Nara Bank and Asahi Bank (the four banks collectively referred to as "subsidiary banks," hereafter) have passed resolutions to change the treatments as follows:

In addition, Daiwa Bank Holdings hereby gives notice regarding the payment of the term-end dividend for the fiscal year ended March 31, 2002, as follows:

1. Adjustment Cash Payments for Share Exchange and Share Transfer

Subsidiary banks drastically dispose problem loans and unrealized losses on their securities portfolios in the fiscal year ended March 31, 2002, in order to ensure the recoveries of earnings in the current fiscal year and onward. As a result, Daiwa Bank HD posts significant losses on a consolidated basis for the fiscal year ended March 31, 2002. Although, the business results for the current fiscal year and onward are likely to recover, macroeconomic conditions are expected to remain severe for the time being. Therefore, from the viewpoint of strengthening their financial positions, the subsidiary banks regrettably decided not to pay the adjustment cash payments for share transfer, which were planned to be paid to the former shareholders of Daiwa Bank, Kinki Osaka Bank and Nara Bank as of the previous day of the share transfer (December 10, 2001), and the adjustment cash payments for share exchange, which were planned to be paid to the former shareholders of Asahi Bank as of the previous day of the share exchange (February 28, 2002).

2. Term-end Dividend

Daiwa Bank HD will pay the term-end dividends for preferred stocks as originally planned, utilizing the gains from the sale of the shares of Daiwa Trust & Banking Company.

However, Daiwa Bank HD has regrettably decided not to pay the term-end dividend for common stock.