

Announcement Regarding the Application of Civil Rehabilitation by Hokusui Tech Co., Ltd. and Its Affiliate, Kyushu Hokusui Co., Ltd.

Hokusui Tech Co., Ltd. and its affiliated company, Kyushu Hokusui Co., Ltd. (collectively "the Companies"), both of which are customers of The Daiwa Bank, Ltd. ("Daiwa Bank," President: Yasuhisa Katsuta) filed applications for commencement of civil rehabilitation proceedings. Due to this development, there arose a concern that the claims to the Companies may become irrecoverable or their collection may be delayed. Details are announced as follows:

1. Outline of the Companies

(1) Corporate Name	1. Hokusui Tech Co., Ltd.	2. Kyushu Hokusui Co., Ltd.
(2) Address	3-9-7 Toyosaki, Kita-ku, Osaka	669 Ooaza-Yokota, Iizuka
(3) Representative	Toyoroku Izumi	Toyoroku Izumi
(4) Amount of Capital	844 million yen	90 million yen
(5) Line of Business	Manufacturing and sales of inorganic chemical products	Manufacturing of inorganic chemical products

2. Facts Arisen to the Companies

1. Hokusui Tech Co., Ltd.	The company filed an application for commencement of civil rehabilitation proceedings with the Osaka District Court on June 21, 2002.
2. Kyushu Hokusui Co., Ltd.	The company filed an application for commencement of civil rehabilitation proceedings with the Osaka District Court on June 21, 2002.

3. Amount of claims to the companies

1. Hokusui Tech Co., Ltd.	Exposure of Daiwa Bank Loans: 17.0 billion yen
2. Kyushu Hokusui Co., Ltd.	Exposure of Daiwa Bank Loans: 0.2 billion yen

The Asahi Bank, Ltd., The Kinki Osaka Bank, Ltd. and The Nara Bank, Ltd., which are subsidiaries of Daiwa Bank HD, have no claims to the Companies.

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

Daiwa Bank has already provided a loan loss reserve with the amount covering most of the anticipated losses arising from this development. Therefore, the previously announced earnings forecast of Daiwa Bank HD for the fiscal year ending March 31, 2003 remain unaffected.