

June 11, 2001

**D E P O S I T A R Y   R E C E I P T S****ATTENTION: ASIA-PACIFIC RESEARCH, SALES, TRADING  
AND OPERATIONS STAFF****TERMINATION*****DAIWA DANCHI***

Please be advised that Daiwa Danchi (Cusip #234059202) has merged into Daiwa House (Cusip #234062206). Every one (1) ordinary share of Daiwa Danchi was exchanged into 0.3 ordinary shares of Daiwa House.

The Daiwa Danchi shares were delisted from the Tokyo stock exchange on March 27, 2001. The Daiwa Danchi bearer certificates were forwarded to the registrar for exchange of the new shares.

Because the new Daiwa House shares were not registered under the United States Act of 1933, we were not permitted to pass the new shares onto the holders of American Depositary Receipts ("ADRs"). Therefore, the Daiwa Danchi shares were exchanged for the Daiwa House shares. The new Daiwa House shares received from the exchange were sold and the ADR holders of Daiwa Danchi are entitled to receive the cash proceeds from the sale of the Daiwa House shares.

As a result of this transaction, effective the close of business on June 13, 2001 Daiwa Danchi ADR holders will be required on a mandatory basis to surrender their ADR certificate(s) for cancellation and exchange for the cash proceeds from the sale of the unregistered Daiwa House shares. The following rate applies:

Gross Rate:	\$23.697 Per ADR
Cancellation Fee:	<u>- 00.050</u>
Net Rate:	\$23.647 Per ADR

The Bank of New York books are closed for all transactions and hereby give notice of termination of the Daiwa Danchi ADR facility.

If you require any additional information please visit our website at **[www.adrbny.com](http://www.adrbny.com)** or feel free to contact:

**New York**

Thomas F. DiVivo  
Assistant Treasurer  
[Tdivivo@bankofny.com](mailto:Tdivivo@bankofny.com)  
T. (212) 815-2358

**London**

James T. Green  
Vice President  
[Jgreen@bankofny.com](mailto:Jgreen@bankofny.com)  
Tel: 44 20 7964 6080

**[www.adrbny.com](http://www.adrbny.com)**

**THE  
BANK OF  
NEW  
YORK**