

November 21, 2005

IB Daiwa Announces Signing of Merger Contract to Acquire Darcy Energy

Tokyo, November 21, 2005: IB Daiwa Corporation (“IB Daiwa”) today announced that it has signed the Merger Agreement (the “Agreement”) to acquire 100% of the shares of Darcy Energy, Ltd (“Darcy”). After signing a legally binding Memorandum of Understanding on 1st September 2005, IB Daiwa proceeded with detailed negotiations with the Darcy board, resulting in the signing of the Agreement.

IB Daiwa will now proceed towards the completion of procedures to acquire Darcy shortly, and whereby Darcy will become a subsidiary of IB Daiwa. Darcy’s revenue will contribute positively to the consolidated results of IB Daiwa, with a significant increase in Darcy’s turnover and profits expected over the forthcoming months as Darcy’s operations resume full production following the recent hurricane season in the Gulf of Mexico, and as new capacity comes on line from investments made earlier in the year.

Seiki Takahashi, IB Daiwa’s President commented “The signing of the merger agreement with Darcy is a major milestone in the development of IB Daiwa into a very valuable natural resources investment holding company. The high quality of Darcy’s assets and the tremendous expertise of the Darcy management team make this a very exciting acquisition for IB Daiwa”.