

1 March 2010

IB Daiwa Corporation
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Announcement on convocation of an extraordinary general meeting of shareholders and nomination of candidates as new directors

This is to announce that, on 1 March 2010, the Board of IB Daiwa Corporation (the “Company”) has resolved to convene an extraordinary general meeting of shareholders (“EGM”) on 31 March 2010, at which 5 candidates (“Candidates”) as new directors of the Company will be proposed to be appointed. Details of the convocation of the EGM and the Candidates are as described below.

1. Background and reasons

As announced in “Announcement on Issuance of Shares through a Debt-to-Equity Swap and Issuance of Warrants” dated 8 December 2009 (“8 December Announcement”), the Company has issued a certain number of shares (“Shares”) and warrants (“Warrants”) to Cleveden Management Kabushiki Kaisha (“Cleveden”) effective 25 December 2009, and Cleveden owned the Company’s Shares and Warrants representing 39.0% of fully-diluted percentage of ownership in the Company at the time of the issuance and became the largest and a major shareholder of the Company. As explained in the 8 December Announcement, the Company intended to convene an extraordinary general meeting (“EGM”) at which a certain number of directors including ones to be nominated by Cleveden would be proposed to be appointed.

From 12 to 17 February 2010, Cleveden sold or transferred a certain number of the Shares and Warrants to several third parties (“New Investors”), as a result of which Cleveden ceased to be a major shareholder on 15 February 2010. As far as the Company understands, most of the New Investors are willing to provide financial and other supports to the Company, in cooperation with Cleveden, and the Company maintains a good relationship with Cleveden. After careful internal consideration and discussions with Cleveden, despite of the decrease both in Cleveden’s non-diluted and fully-diluted ownership in the Company, it has decided to convene an EGM as originally planned.

In relation to the EGM, it is also noted that, 2 directors who had been nominated by ADM Galleus Fund Limited (“ADM”), which used to be the Company’s largest creditor, namely, Mr. Robert Clive Appleby and Mr. Stephen Fleming, have resigned effective 28 February 2010, following the final settlement between the Company and ADM announced in “Announcement on Changes in Status of Subsidiary and Affiliates” on 1 February 2010.

2. Convocation of EGM

- (1) Date: 31 March 2010 (Wed.)
- (2) Venue: Room 6, Bellesalle Nishi-Shinjuku, Sumitomo Fudosan Nishi-Shinjuku Building No. 3, 4-15-3 Nishi-Shinjuku, Shinjuku-ku
- (3) Agenda: Appointment of 5 directors

3. Candidates

Name (Date of Birth)	Career history, positions, charge and current representative situation in other companies	
Yutaka Ohtaka (14 February 1938)	March 1961 January 1979 January 1985 June 1994 June 1995	Joined Shell Sekiyu, K.K. Director, Shell Sekiyu, K.K. Managing Director, Showa Sell Sekiyu, K.K. Senior Managing Director, Shintom K.K. Director and Executive Vice President, Shintom K.K.
Kazuei Yoshioka (6 April 1952)	July 1986 November 2002 June 2003 April 2005	Founder and Representative Director, K.K. Micro Pack Joined Seta Corporation Senior Managing Director, Seta Corporation Joined Arze Corp. (currently known as Universal Entertainment Corporation)
Yoshiharu Saitou (5 March 1956)	April 1983 January 1994 April 2004	Director, K.K. Mainichi Sports Kikaku Managing Director, Growth Corporation Senior Managing Director, Growth Corporation (current)
Motomi Watanabe (28 February 1965)	April 1983 February 1986 April 1988 January 1989 December 1989 July 1998 March 2005 February 2006 March 2009 March 2009	Joined Nitto Foods K.K. Joined K.K. Densan Service Joined K.K. Arrow System Kaihatsu Joined Showa Densan K.K. Re-joined K.K. Arrow System Kaihatsu Director, K.K. Arrow System Kaihatsu Representative Director, K.K. Arrow System Kaihatsu (current) MBO of K.K. Arrow System Kaihatsu Representative Director, Dimension-III Co., LTD. (current) Director, K.K. Suzuka Office (current)
Yasunori Akamatsu (14 August 1968)	April 1987 August 1989 September 1995 April 2006 February 2009 August 2009	Joined Createjapan Co., Ltd. Joined K.K. Fukuda Design Office Joined K.K. Daiko Shoji Joined Angel Investment Venture, Ltd. Director, Silver Seiko Ltd. Representative Director, Y's Quality K.K. (current)

4. Future prospects

There is no material direct impact to the Company's financials for the current fiscal year ending March 2010.

The new Board of directors of the Company will continue to strive to achieve positive operating cash flows.

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