

Notice on Agreement to Takeover Bid

August 10, 2005

Press Release

NIF Ventures Co., Ltd. (hereinafter referred to as “NIF Ventures”), hereby announces the resolution at the Board of Directors to express the agreement of takeover bid (hereinafter referred to as “TOB”) by Sumitomo Mitsui Banking Co., Ltd. (hereinafter referred to as “SMBC”).

1. Comment and Reason of TOB

NIF Ventures is scheduled to merge with SMBC Capital Co., Ltd., a consolidated subsidiary of SMBC, on October 1, 2005, and take a new step into the future by forming NIF SMBC Ventures Co., Ltd. (hereinafter referred to as “NIF-SMBC”). NIF-SMBC will enhance each competence in discovering with investment target, offering proposal and providing management support by making comprehensive use of the search network and expertise of both Daiwa Securities Group and Sumitomo Mitsui Financial Group.

The aim of TOB is to raise and practice the ratio of shareholdings from current 17.7% for SMBC to 40% for NIF-SMBC in the total number of issued shares.

NIF Ventures decided to express the agreement of TOB at the Board of Directors, considering that the purchase of TOB will be conducted for restructuring the capital structure of NIF-SMBC.

Daiwa Securities Group, NIF Ventures’ major shareholder, has informed that subscribes TOB with a part of shareholding in NIF Ventures.

2. Outline of the TOB

(1) Trade name: Sumitomo Mitsui Banking Corporation

(2) Principal business: Banking

(3) Date of establishment: June 6, 1996

(4) Location of head office: 1-1-2 Yurakucho, Chiyoda-ku, Tokyo

(5) Representative: President Masayuki Oku

(6) Stock capitalization: ¥664,986 million

(7) Major shareholder and their shareholding

Shareholder	Shareholding
Sumitomo Mitsui Financial Group, Inc.	100%

(8) Relationship with NIF Ventures

Sumitomo Mitsui Banking Corporation owns 61,915 shares of NIF Ventures, representing a 17.7% ownership.

(Reference) Outline of TOB for NIF Ventures by SMBC

(1) Type of stock to be purchased: Common stock

(2) Duration of TOB:

21 days; starting on Friday, August 12, 2005, and ending on Thursday, September 1, 2005

(3) TOB Price: ¥191,190 per share

(4) Basis of TOB Price Calculation:

The TOB price of ¥191,190 offered by the buyer represents the average closing price of NIF Ventures stock in ordinary transactions announced by JASDAQ over the one-month period ending August 9, 2005.

(5) Planned number of shares to be purchased: 70,613 shares

(Note) SMBC will not purchase any shares offered if the total number of shares offered is less than the planned quantity. SMBC will purchase the offered shares on a pro rata basis if the number of total shares offered exceeds the planned quantity.

(6) Change in SMBC's ownership as a result of the TOB:

Before the TOB: 61,915 shares (17.7% ownership)

After the TOB: 132,528 shares (37.8% ownership)

(Note) Percentages of ownership are calculated based on NIF Ventures' total outstanding stock of 350,675 shares, which reflects the additional number of shares issued through third-party allocation to SMBC on July 29, 2005.

(7) Public notification of commencement of the TOB:

Friday, August 12, 2005

(8) TOB Agent:

Daiwa Securities SMBC Co., Ltd.

Daiwa Securities Co., Ltd. (sub-agent)