

April 15, 2008

Press Release

Daiwa Securities SMBC Principal Investments Co. Ltd.

Regarding the Acceptance of a Tender Offer for VERITE Corporation Inc.

Attention

This document is an unofficial translation and summary of a press release announced on April 15, 2008 by Daiwa Securities SMBC Principal Investments Co. Ltd. The original press release is in Japanese.

Daiwa Securities SMBC Principal Investments Co. Ltd. (hereinafter; the Company) decided to accept a tender offer from DIGICO Holdings Ltd., for all holdings of common and preferred shares of VERITE Corporation (hereinafter; VERITE), listed in the second section of Tokyo Stock Exchange.

[Details]

1. Reason for the acceptance of the tender offer.

The Company acquired the preferred shares of VERITE in December 2006 (375,000 class A shares, 125,000 class B shares, 125,000 class C shares, which includes 125,000 class A preferred shares converted into common shares by the exercise of acquisition option in October 2007)

Since the acquisition of shares, the Company has supported the management and employees of VERITE to improve the corporate value and revitalize its business operation by the development and implementation of the medium-term management plan, including the review over the store operation and the launch of the new business categories.

To further develop this approach, DIGICO as a DTC (the marketing and sales division of De Beers Group) Sightholder (company having the right to directly purchase rough diamonds from DTC) recently offered to take over the VERITE shares from the Company, as it had considered cooperation with VERITE. The Company has given a meticulous review over the offer, and concluded that the acceptance of the offer would lead to the further business development of VERITE

and decided to accept the offer.

2. Summary of the acceptance of the tender offer

(1) Number of shares which the Company is to accept for the offer

Scheduled number of shares of acceptance: 6,250,000 shares

(All options attached to preferred shares to acquire common shares are scheduled to be exercised)

(2) Number of shares which the Company is to hold and ownership percentage after transfer is completed

Number of shares held before the offer: 6,250,000 shares (25.35% ownership)

Number of shares held after the offer: 0 shares (0.0% ownership)

Note: ownership percentage is calculated based on the outstanding common shares as of October 31st, 2007 with all the preferred shares to be converted into common shares. Number of shares held and ownership percentage after the offer is based on the assumption that all shares scheduled to be accepted for the offer are settled.

(3) Schedule of the tender offer

April 15 th , 2008	Announcement of tender offer
April 18 th , 2008	Commencement of tender offer
May 27 th , 2008	Final date of tender offer
June 4 th , 2008	Settlement date for tender offer

3. Offeree company

(1)Name	VERITE Corporation Inc.
(2)Representative	Masahiro Ikudome
(3)Head office address	3-33-8 Tsuruya-cho Kanagawa-ku Yokohama-shi, Kanagawa-ken
(4)Establishment	May 13 th , 1948
(5)Capital	JPY 3,772 million
(6)Business	Retail sales of jewelry products

4. Tender offeror

(1)Name	DIGICO Holdings Ltd.
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(2) Representative Chetan Chinubhai Choksi
(3) Head office address Star House, 3 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong

(4) Establishment December 20th, 2000

(5) Capital USD 40.3 million

(6) Business Holding company

5. Future prospects

There is a possibility that the Company might not be able to sell off its shareholdings due to the shortage of acceptance for the tender offer.

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