

VALOR CO., LTD.

Gifu, Japan
(the “Company”)

JPY 5,000,000,000.–
Zero Coupon JPY Convertible Notes due December 22, 2008
(the “Notes”)

Swiss Security No.: 2010449
ISIN: XS-0207176883
Common Code: 020717688

“Adjustment of the Conversion Price”

Pursuant to Section 5(J) of the Terms of the Notes in Annex B-2 and Section 3(A) of the Exercise of Stock Acquisition Rights in Annex C to the Note Purchase, Paying and Exercise Agency Agreement dated December 1, 2004, notice is hereby given that on February 7, 2006 the Board of Directors of the Company resolved to make a stock split in the form of a free share distribution on April 1, 2006 (Japan time) to its shareholders of record date as of March 31, 2006 (Japan time), at the ratio of two new shares for one share so recorded, and such stock split will result in an adjustment of the conversion price of the Notes as follows:

Conversion Price before adjustment:	JPY 1,971.1
Conversion Price after adjustment:	JPY 985.6
Effective Date:	Apri 1, 2006 (Japan time)

This announcement is made pursuant to Section 10 of the Terms of the Notes.

Geneva, February 8, 2006

By order of:
Daiwa Securities SMBC Europe Limited, London
Geneva Branch