

Resona Holdings, Inc.

December 26, 2002

Announcement Regarding the Decision to Make Kinki Osaka Leasing Co., Ltd. a Subsidiary

Resona Holdings, Inc. ("Resona HD") hereby gives notice that one of its banking subsidiary, The Kinki Osaka Bank, Ltd. ("Kinki Osaka Bank," President: Yasuhiro Takatani), decided to subscribe the new shares to be issued and allotted by Kinki Osaka Leasing Co., Ltd. ("KOL"), one of its affiliated companies applied the equity method, and make it a consolidated subsidiary, contingent on the approvals from competent authorities. This reorganization is intended for Kinki Osaka Bank to clarify its relationship with KOL and make the best use of the KOL's leasing functions in order to capture more transaction opportunities with its corporate customers. In addition, KOL will be able to strengthen its financial position through the capital increase. Details were announced as follows:

1. Outline of KOL

Address	12-2 Morinomiya-Chuo 1-chome, Chuo-ku, Osaka
Representative	President: Isao Kawamoto
Capital Amount	1.8 billion yen
Ownership	Kinki Osaka Bank 4.21%, Daiwa Bank 1.27%, Osaka Card Service Co., Ltd. 16.90%, etc.
Line of Business	General leasing
Fiscal Year End	March
Number of Employees	75

2. Outline of the Reorganization

Kinki Osaka Bank will subscribe KOL's new shares (totaling 6 billion yen) and make KOL one of its consolidated subsidiaries. After the capital increase by KOL, more than 90% of voting rights will be held by Kinki Osaka Bank and Resona HD's other subsidiaries.

3. Outline of the Capital Increase by Third-party Allotment

(1) Date of Capital Increase	Late March 2003 (Planned)
(2) Amount of Capital Increase	6.0 billion yen
(3) Allotment	Whole amount to be subscribed by Kinki Osaka Bank

4. Impact of This Development on Earnings Forecasts

This development does not affect the earnings forecasts for the fiscal year ending March 31, 2003, which were announced on November 25, 2002.