

Revisions of Consolidated Earnings and Dividend Forecasts for the Fiscal Year Ending March 31, 2003

Resona Holdings, Inc. ("Resona HD") revised its consolidated earnings and dividend forecasts for the fiscal year ending March 31, 2002 (fiscal year 2002), as follows.

Consolidated Earnings Forecast for the Fiscal Year 2002

(Millions of Yen, %)

	Ordinary Income	Ordinary Profit(Loss)	Net Income(Loss)
Previous Forecast	1,300,000	12,000	3,000
Revised Forecast	1,180,000	(208,000)	(185,000)
Increase / (Decrease)	(120,000)	(220,000)	(188,000)
Rate of Increase/ (Decrease)	(9.2)	(1,833.3)	(6,266.7)

*Previous forecast was announced on November 25, 2002.

[Reason for the Revision]

Resona HD revises its consolidated earnings forecast for fiscal year 2002 with a view to securing a recovery of earnings in and after fiscal year 2003 in accordance with its "Super Regional Strategy." In addition, Resona Group will step up its efforts to improve the quality of its assets in line with the spirits of the Program for Financial Recovery. Non-consolidated earnings forecast of Resona HD remains unaffected by this revision.

Revision of Dividends Forecast for the Fiscal Year 2002

		Full-year Dividend	
		Term-end Dividend	
Previous Forecast (Nov. 25, 2002)	Class A No.1 Preferred Stock	24.75 yen	24.75 yen
	Class B No.1 Preferred Stock	6.36 yen	6.36 yen
	Class C No.1 Preferred Stock	6.80 yen	6.80 yen
	Class D No.1 Preferred Stock	10.00 yen	10.00 yen
	Class E No.1 Preferred Stock	14.38 yen	14.38 yen
	Class F No.1 Preferred Stock	18.50 yen	18.50 yen
	Common Stock	1.50 yen	1.50 yen
Revised Forecast	Class A No.1 Preferred Stock	24.75 yen	24.75 yen
	Class B No.1 Preferred Stock	6.36 yen	6.36 yen
	Class C No.1 Preferred Stock	6.80 yen	6.80 yen
	Class D No.1 Preferred Stock	10.00 yen	10.00 yen
	Class E No.1 Preferred Stock	14.38 yen	14.38 yen
	Class F No.1 Preferred Stock	18.50 yen	18.50 yen
	Common Stock	0.00 yen	0.00 yen

[Reason for the Revision]

From the viewpoint of fostering financial soundness through accumulation of retained earnings, Resona HD regrettably decided to suspend the payment of common dividends for fiscal year 2002.

Reference

Daiwa Bank and Asahi Bank will be reorganized into “Resona Bank” and “Saitama Resona Bank” in March 2003, by way of corporate separation and merger. The non-consolidated earnings forecasts of Resona Bank and Saitama Resona Bank after the reorganization for the fiscal year 2002 are as follows.

* Projections presented herein are subject to change depending on the variance in assumptions with respect to management environment on which such projections rest. (Projected figures are based on the level of stock prices at the end of December 2002.)

[Non-consolidated earnings forecasts (for fiscal year 2002)]

(Billions of Yen)

	Resona Bank	Saitama Resona Bank	(Reference) Daiwa Asahi Combined	Difference from last forecast	Daiwa Bank	Asahi Bank
Gross operating profits	263.5	8.0	640.0	(19.0)	236.0	404.0
Operating expenses	157.5	7.0	376.0	(18.0)	145.0	231.0
Core net operating profit (Note 2)	106.0	1.0	264.0	(1.0)	91.0	173.0
Expenses for problem loan disposal (Note 3)	180.0	-	365.0	125.0	180.0	185.0
Net gains/(losses) on stocks	(50.0)	-	(103.0)	(86.0)	(50.0)	(53.0)
Ordinary profits/(loss)	(121.0)	0.8	(196.0)	(204.0)	(134.0)	(62.0)
Net income	(97.0)	0.8	(170.0)	(172.0)	(110.0)	(60.0)

- Forecasts of Resona Bank are calculated by adding the full year earnings (12 months) of Daiwa Bank and one-month (for March) earnings of Asahi Bank after the separation of Saitama Resona Bank.
- Asahi Bank's business results up to the end of February 2003 will be succeeded to Resona Bank as retained earnings at the time of the merger between Daiwa Bank and Asahi Bank.
- Asahi Bank's forecasted earnings for the period from April 2002 to February 2003 are as follows.

(Billions of Yen)

	Ordinary Income	Ordinary Profit(Loss)	Net Income(Loss)
Asahi Bank	550.0	(76.0)	(74.0)

*1. Figures for each subsidiary bank are on a non-consolidated basis.

*2. Core net operating profit: Net operating profit before disposal of problem loans in the trust account (applicable only to Resona Bank) and transfer to general reserve for possible loan losses.

*3. Expenses for problem loan disposal include transfer to general reserve for possible loan losses and expenses in relation to the disposal in the trust account (applicable only to Resona Bank).

[Consolidated earnings forecasts (for fiscal year 2002)]

(Billions of Yen)

	Ordinary Income	Ordinary Profit(Loss)	Net Income(Loss)	Capital Adequacy Ratio
Resona Bank	460.0	(127.0)	(105.0)	Latter half of 6%

- The planned capital increase of approximately 100 billion-yen is reflected in the above projection of capital adequacy ratio. Consolidated capital adequacy ratio (Japanese domestic standard) of Resona Holdings at the end of March 2003 is estimated to be in the former half of 7% level.

[Reference]

Non-consolidated earnings forecasts for the fiscal year ending March 31, 2004 (fiscal year 2003)]

(Billions of Yen)

	Group Banks Combined	Resona Bank	Saitama Resona Bank
Gross operating profits	780.0	545.0	108.0
General expenses	464.0	315.0	76.0
Core net operating profit	316.0	230.0	32.0
Credit related expenses	140.0	108.0	17.0
Ordinary profits	118.0	74.0	11.0
Net Income	105.0	77.0	6.0

* Figures are estimation at this point and will be announced again when the financial results for the fiscal year 2002 are released.

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