

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

Resona Holdings, Inc. ("Resona HD") revised its consolidated and non-consolidated earnings and dividend forecasts for the fiscal year ended March 2003 as follows, primarily due to the revision by Resona Bank, Ltd. ("Resona Bank," President: Yasuhisa Katsuta) of its earnings estimate for the year.

1. Consolidated Earnings Forecast for the Fiscal Year Ended March 2003

(Millions of Yen, %)

| | Ordinary Income | Ordinary Profit(Loss) | Net Income(Loss) |
|------------------------------|-----------------|-----------------------|------------------|
| Previous Forecast | 1,200,000 | (292,000) | (290,000) |
| Revised Forecast | 1,260,000 | (510,000) | (838,000) |
| Increase / (Decrease) | 60,000 | (218,000) | (548,000) |
| Rate of Increase/ (Decrease) | 5.0 | (74.7) | (189.0) |

*Previous forecast was announced on March 11, 2003.

Please refer to the attachment for earnings forecasts of each banking subsidiary.

2. Non-consolidated Earnings Forecast for the Fiscal Year Ended March 2003

(Millions of Yen, %)

| | Ordinary Income | Ordinary Profit(Loss) | Net Income(Loss) |
|------------------------------|-----------------|-----------------------|------------------|
| Previous Forecast | 14,000 | 1,200 | 5,500 |
| Revised Forecast | 13,000 | 1,800 | (1,154,000) |
| Increase / (Decrease) | (1,000) | 600 | (1,159,500) |
| Rate of Increase/ (Decrease) | (7.1) | 50.0 | --- |

*Previous forecast was announced on November 25, 2002

3. Revision of Dividends Forecast for the Fiscal Year 2002

| | Previous Forecast | Revised Forecast |
|------------------------------|-------------------|------------------|
| Class A No.1 Preferred Stock | 24.75 yen | --- |
| Class B No.1 Preferred Stock | 6.36 yen | --- |
| Class C No.1 Preferred Stock | 6.80 yen | --- |
| Class D No.1 Preferred Stock | 10.00 yen | --- |
| Class E No.1 Preferred Stock | 14.38 yen | --- |
| Class F No.1 Preferred Stock | 18.50 yen | --- |

Earnings forecasts of Resona HD's banking subsidiaries for the fiscal year ended March 2003 are as follows. Earnings forecast of Resona Bank was revised downward primarily because it strictly reassessed retrievability of its deferred tax assets given the uncertainties with respect to its future income. In addition, Resona HD also revised its non-consolidated earnings forecast because it disposes of latent losses on its investments in banking subsidiaries, owing to the erosion of their net assets accompanying the revision of earnings by Resona Bank and other factors. As a result of these developments, Resona HD regrettably suspend payments of dividends for its common and preferred stocks.

1. Non-consolidated earnings forecasts of banking subsidiaries

(Billions of Yen)

| | Total of Group Banks | Change from Previous Forecast | Resona Bank | Change from Previous Forecast | Saitama Resona Bank | Change from Previous Forecast |
|---|----------------------|-------------------------------|-------------|-------------------------------|---------------------|-------------------------------|
| Gross operating profits | 761.0 | 4.5 | 263.0 | 1.0 | 10.0 | 2.0 |
| Operating expenses | (456.0) | (2.0) | (163.0) | (5.0) | (5.0) | 2.0 |
| Core net operating profits (Note 1) | 307.0 | 4.5 | 102.0 | (2.0) | 5.0 | 4.0 |
| Expenses for problem loan disposal (Note 2) | (510.0) | (52.0) | (208.0) | (28.0) | (1.5) | (1.5) |
| Net gains / (losses) on stocks | (312.0) | (153.0) | (201.0) | (151.0) | 0.0 | 0.0 |
| Ordinary profits / (loss) | (506.0) | (213.0) | (316.0) | (193.0) | 3.0 | 2.2 |
| Income / (loss) before income taxes | (517.0) | (197.0) | (313.0) | (193.0) | 3.0 | 2.2 |
| Net income / (loss) | (790.0) | (494.0) | (583.0) | (484.0) | 2.5 | 1.7 |

| | | | |
|---|--------|--------|-----|
| Net unrealized differences of stocks and other securities (market value less balance sheet value) | (34.0) | (36.0) | 2.0 |
|---|--------|--------|-----|

1. 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.
2. 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).

- Figures in "Total of Group Banks" include the account of Asahi Bank covering 11 months before it merged with Daiwa Bank on March 1, 2003.
- Previous forecasts were announced on March 11, 2003.
- Details of the results for the fiscal year ended March 2003 are planned to be announced on May 26, 2003.

2. Resona Bank's consolidated earnings forecast

(Billions of Yen)

| | Ordinary Income | | Ordinary Profit (Loss) | | Net Profit (Loss) | |
|----------------------------------|-----------------|-------------------------------|------------------------|-------------------------------|-------------------|-------------------------------|
| | Ordinary Income | Change from Previous Forecast | Ordinary Profit (Loss) | Change from Previous Forecast | Net Profit (Loss) | Change from Previous Forecast |
| Resona Bank (Consolidated basis) | 442.0 | (18.0) | (312.0) | (189.0) | (580.0) | (480.0) |

* Previous forecast was announced on March 11, 2003.

3. Claims classified under the Financial Reconstruction Law criteria

(Billions of Yen)

| | Mar. 31, 2002 [Actual] (Total of two banks)* | Mar. 31, 2003 [Estimate] (Total of two banks)* | Change | | |
|---|--|--|-----------------|-----------------|---------------------|
| | | | | Resona Bank | Saitama Resona Bank |
| Claims to "doubtful" or lower categories of borrowers | 1,845.9 | Approx. 910.0 | Approx. (935.0) | Approx. 820.0 | Approx. 90.0 |
| Special attention loans | 1,120.0 | Approx. 1,570.0 | Approx. 450.0 | Approx. 1,490.0 | Approx. 80.0 |
| Classified claims total | 2,965.9 | Approx. 2,480.0 | Approx. (485.0) | Approx. 2,310.0 | Approx. 170.0 |

* Balances as of March 31, 2002 are the sum of the figures for Daiwa Bank and Asahi Bank. Balances as of March 31, 2003 are the sum of the figures for Resona Bank and Saitama Resona Bank.

Total claims to "doubtful" or lower categories of borrowers placed off the balance sheets of the two banks during the fiscal year ended March 2003 are estimated to be more than 1.2 trillion yen, which is as originally planned for the year.

4. Disposal of latent losses on investments in banking subsidiaries

(Billions of Yen)

| | Total disposal amount (Simple sum) | Stock of Resona Bank | Stock of Saitama Resona Bank | Stock of Kinki Osaka Bank | Stock of Nara Bank |
|---------------------------|------------------------------------|----------------------|------------------------------|---------------------------|--------------------|
| Disposal of latent losses | Approx. 1,161.0 | Approx. 988.0 | Approx. 110.0 | Approx. 60.0 | Approx. 3.0 |

* Resona Holdings regrettably suspends payments of dividends on its common and preferred stocks as well as dividends on preferred securities, owing to the disposal reported above.

5. Forecasts of capital adequacy ratio

| | Resona Holdings (Consolidated) | | Resona Bank | Saitama Resona Bank | Kinki Osaka Bank |
|------------------------------------|--------------------------------|-------------------------|-------------------------|-------------------------|--------------------|
| | Previous forecast | Previous forecast | | | |
| Capital adequacy ratio (estimates) | Latter half of 3% level | Latter half of 6% level | Former half of 2% level | Latter half of 7% level | Middle of 6% level |

* Capital adequacy ratios for Resona Bank and Kinki Osaka Bank are on a consolidated basis and the ratio for Saitama Resona Bank is on a non-consolidated basis.