

Outlook for the Fiscal Year Ending March 2004 and Dividends

The outlook for the performance of Resona Holdings, Inc. (Resona Holdings) on a non-consolidated and consolidated basis is as follows.

1. Outlook for Performance

Non-consolidated

(¥ million, %)

	Operating income	Ordinary profit	Net income
Interim period ending September 30, 2003	15,000	9,300	9,300
Change from previous term	8,369	8,241	8,492
Fiscal year ending March 31, 2004	22,000	9,300	66,000
Change from previous year	8,922	7,513	1,219,552

Consolidated

(¥ million, %)

	Ordinary income	Ordinary profit	Net income
Interim period ending September 30, 2003	550,000	26,000	22,000
Change from previous term	(89,264)	3,642	8,482
Interim period ending March 31, 2004	1,110,000	75,000	63,500
Change from previous year	(149,259)	585,143	901,133

2. Dividends

In view of the designation of subsidiary Resona Bank, Limited (Resona Bank), under Article 102, Section 1-1, of the Deposit Insurance Law and the need for Resona Bank and the Resona Group as a whole to restore the soundness of its operations at the earliest possible date, we regret that, from the perspective of securing retained earnings, Resona Holdings will not pay a cash dividend on its common shares. In addition, Resona Holdings is scheduled to pay cash dividends on its preferred shares in accord with the issue provisions of these securities. For the details of cash dividends on preferred shares, please see the Supplementary Information on the attached sheet.

Resona Holdings takes the infusion of public funds with utmost seriousness and will marshal the full capabilities and resources of the Resona Group to implement reforms in all aspects of management, and, by structuring a sound management base, will aim to restore dividends at an early date.

Supplementary Information

The outlook for the banking subsidiaries of the Resona Group is as follows. Please note that the outlook contained in this Supplementary Information may be revised as a result of changes in the assumptions regarding the operating environment and other factors. (The level of stock prices is assumed to be the average prices prevailing in March 2003.)

Outlook for Non-consolidated Performance

(Fiscal year ending March 31, 2004)

(¥ billion)

	Group Total	Change from previous year	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank	Nara Bank	Resona Trust & Banking
Gross operating profit	731.4	(29.6)	501.9	111.9	86.1	4.3	27.2
Interest income	589.7	8.1	409.8	95.6	80.6	3.8	(0.1)
Expenses	431.5	(24.3)	285.9	74.8	56.7	4.0	10.0
Personnel expenses	124.0	(32.4)	78.0	20.0	21.0	1.6	3.4
Actual net operating profit (Note 1)	299.9	(7.4)	216.0	37.1	29.3	0.3	17.2
Credit-related expenses (Note 2)	147.2	(363.2)	107.9	17.1	22.0	0.2	-
Gains/(losses) on stock and other securities	(10.0)	302.1	(10.0)	-	-	-	-
Ordinary profit	70.7	577.0	35.8	17.1	1.0	0.0	16.7
Extraordinary gains / (losses)	2.9	13.9	1.1	-	1.8	-	-
Income before income taxes	73.6	590.9	36.9	17.1	2.8	0.0	16.7
Income taxes (net of current and deferred)	14.7	(258.3)	-	7.1	1.1	0.0	6.4
Net income	58.9	849.3	36.9	10.0	1.7	0.0	10.3

For reference: Outlook for the Interim Period (Interim period ending September 30, 2003)

(¥ billion)

	Group Total	Change from previous term	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank	Nara Bank	Resona Trust & Banking
Gross operating profit	353.5	(37.5)	241.5	56.0	42.5	2.0	11.5
Expenses	221.3	(4.5)	147.5	37.5	29.0	2.0	5.3
Actual net operating profit (Note 1)	132.2	(34.7)	94.0	18.5	13.5	0.0	6.2
Credit-related expenses (Note 2)	77.5	(72.1)	58.0	8.5	11.0	0.0	-
Gains/(losses) on stock and other securities	(5.0)	4.7	(5.0)	-	-	-	-
Ordinary profit	24.5	10.8	9.5	8.5	0.5	0.0	6.0
Net income	20.0	13.1	10.0	5.0	1.0	0.0	4.0

Notes:

1. Core net operating profit excludes gains or losses from bonds, credit-related costs from the trust accounts (Resona Bank only), and provisions to the general reserve for possible loan losses.
2. Credit-related expenses include provisions to the general reserve for possible loan losses and credit-related costs from the trust accounts (Resona Bank only).

Outlook for Consolidated Performance

(Fiscal year ending March 31, 2004)

(¥ billion)

	Ordinary income		Ordinary profit		Net income		Capital adequacy ratio
		Change from previous year		Change from previous year		Change from previous year	
Resona Bank	815.0	373.3	42.0	354.3	43.0	623.6	In the former half of 12% range

Note: Please note that the consolidated capital adequacy ratio of Resona Holdings is forecasted to be approximately 12%.

Outlook for Cash Dividends on Preferred Stocks

(Portion already issued)

(¥ million, except per share data)

Cash Dividends on:	Annual Dividend per Share (¥)	Amount of Period-End Dividend	Source of Funds
Class A No. 1 preferred stock	24.75	271	
Class B No. 1 preferred stock	6.36	4,324	Public funds
Class C No. 1 preferred stock	6.80	816	Public funds
Class D No. 1 preferred stock	10.00	3	
Class E No. 1 preferred stock	14.38	3,451	Public funds
Class F No. 1 preferred stock	18.50	1,480	Public funds
Portion to be issued this time			
Type 1 preferred stock	0.908	2,497	Public funds
Type 2 preferred stock	0.908	2,558	Public funds
Type 3 preferred stock	0.908	2,497	Public funds
Amount of annual dividend payment		17,899	