

Announcement Regarding Risk of Irrecoverability of Claims to Matsuyadenki Co., Ltd.

Resona Holdings, Inc. (Resona HD) hereby gives notice that Matsuyadenki Co., Ltd. which is a customer of its banking subsidiaries, Resona Bank, Ltd. (Resona Bank, President: Masaaki Nomura) and The Kinki Osaka Bank, Ltd. (Kinki Osaka Bank, President: Kunitsugu Hara), filed an application with the Osaka District Court for commencement of civil rehabilitation proceedings. As a result, there arose a concern that the claims to the Company may become irrecoverable or their collection may be delayed.

After the Company submitted the application, Resona Bank acceded to the business revitalization plan formulated by the Company, and on September 26, 2003, submitted an application, under their joint names, to the Industrial Revitalization Corporation of Japan (IRCJ), for assistance towards the business revitalization of the Company. On the same date, IRCJ decided to provide the assistance.

In accordance with the application, Resona Bank will provide the Company with the financial assistance as specified below, subject to the condition that other financial institutions also accede to the business revitalization plan of the Company.

1. Outline of the Company

(1) Corporate name	Matsuyadenki Co., Ltd.
(2) Address	(Registered address) 7-2 Nihonbashi 3-chome, Naniwa-ku, Osaka (Head office address) 13-10 Nanba-Sennichimae, Chuo-ku, Osaka
(3) Representative	Sadao Hirai
(4) Amount of capital	14,661 million yen
(5) Line of business	Sales of electrical household appliances

2. Fact Arisen to the Company and Its Date

The Company filed an application for commencement of civil rehabilitation proceedings with the Osaka District Court on September 25, 2003.

3. Amount of the Claims to the Company

Resona Bank	Loans	19.2 billion yen
Kinki Osaka Bank	Loans and others	17.9 billion yen

Other banking subsidiaries of Resona HD, Saitama Resona Bank, Ltd. and The Nara Bank, Ltd. have no claims to the Company.

4. Outline of the Assistance

- (1) To facilitate the transfer of business to a new company which is mentioned in the business revitalization plan of the Company
- (2) To offer syndicate loans to provide the Company with necessary operating fund during the period from commencement of civil rehabilitation proceedings to completion of the transfer of operations.

5. Impact of This Development on the Resona HD's Forecasted Earnings

The expected amount of loss arising from this development is estimated to be approximately 22 billion yen. With respect to the impact of this development on the previously announced earnings forecasts, Resona HD will announce a revision soon after it becomes possible to estimate such impacts, including the possible impact of the due diligence which is being implemented at the moment.