

Announcement Regarding Decision to Transfer Shares of Kinki Osaka Leasing Co., Ltd. and Business Tie-up with Mitsui Leasing and Development, Ltd.

Resona Holdings, Inc. ("Resona HD," President: Kenji Kawada) hereby announces that its board of directors' meeting held today passed a resolution to transfer the shares of Kinki Osaka Leasing Co., Ltd. ("KOL," President: Isao Kawamoto), which are held by Resona group companies, to Mitsui Leasing and Development, Ltd. ("MLD") and for its banking subsidiaries to tie up with MLD. Details are as follows.

1. Transfer of Shares

Resona Group is currently implementing a zero-base review of our affiliated companies. As for the services offered so far by these affiliated companies, we seek to establish a business model that can meet the needs of our local customers by selecting and focusing on core business areas while differentiating ourselves from other banking groups in terms of convenience, services and speed we offer to our customers.

While Resona Group continues to hold approximately 5% of the shares, KOL will no longer be a consolidated subsidiary of Resona HD and become a subsidiary of MLD accompanying the transfer of shares.

After the transfer, KOL will be able to provide its customers with the advanced leasing functions of MLD including financial products and services and can satisfy more diverse leasing needs of its customers.

2. Business Tie-up

Accompanying the transfer of shares, The Kinki Osaka Bank, Ltd. will conclude a business tie-up contract with MLD and KOL and act as a sales agent for the two leasing companies. Under this tie-up framework, Resona Group will utilize KOL as a business partner and respond more fully to the leasing needs of its customers.

3. Schedule

December 26, 2003 (Planned)	Conclusion of contracts for share transfer and business tie-up
February 27, 2004 (Planned)	Date for transfer of shares

4. Outline of KOL

Corporate Name	Kinki Osaka Leasing Co., Ltd.
Representative	Isao Kawamoto
Address	12-2 Morinomiya Chuo 1-chome, Chuo-ku, Osaka
Establishment Date	August 3, 1973
Principal Business	General leasing
Account Settlement	March
Employees	79 (as of the end of March 2003)
Place of Business	Head office, Tokyo Office, Nagoya Office
Capital amount	¥4,800 million
Number of shares issued	127,590,000 shares
Principal shareholder and its ownership	The Kinki Osaka Bank, Ltd. 124,896,200 shares (97.89%)

Recent results (Unit: millions of yen)	Fiscal 2002	Fiscal 2003
Sales	33,215	30,381
Gross profit on sale	2,878	2,041
Business profit	670	152
Ordinary profit	612	36
Net income/(loss)	299	(6,112)
Total assets	102,064	85,100
Stockholders' Equity	340	240
Dividend per share	0.00 yen	0.00 yen

5. Outline of the Transferee

Corporate Name	Mitsui Leasing and Development Co., Ltd.
Representative	President: Kanji Miyazaki
Address	10-9, Hachobori 2-chome, Chuo-ku, Tokyo
Line of Business	General leasing
Relation with Resona Group	None

6. The Number of Shares to be Transferred and The Number of Shares Held by Resona Group Before and After the Transfer

Number of shares held by Resona Group before the transfer	125,092,200 shares (98.0%)
Number of shares to be transferred	119,753,000 shares (planned)
Number of shares held by Resona Group after the transfer	6,379,200 shares (planned)

* The Number of shares to be transferred includes the shares which will be acquired from other third-party shareholders from now.

7. Other

Accompanying the transfer of shares, Resona Group's three leasing companies will become non-affiliated companies. Resona Group intends to position these leasing companies as business partners and continue tie-up relationships with these companies. All of the selected transferees occupy leading positions in the leasing industry. Thus, Resona Group considers it possible to strengthen its leasing functions and offer better leasing-related services to its customers.

8. Impact on the Forecasted Earnings of Resona HD

This development does not affect the forecasted earnings of Resona HD for the fiscal year ending March 31, 2004, which were announced on November 25, 2003.