

Early Application of the Accounting Standard for the Impairment of Fixed Assets

Resona Holdings, Inc. ("Resona HD," President: Kenji Kawada) hereby gives notice that its board of directors meeting held today passed a resolution concerning an early adoption of the Accounting Standard for the Impairment of Fixed Assets and apply the standard effective from the current fiscal year ending March 31, 2004.

The banking subsidiaries of Resona HD and their subsidiary companies will also adopt the same standard, which is supposed to be applied compulsorily from fiscal 2005, earlier than required and apply it from the current fiscal year, following the decisions in their respective board of directors meetings (including the ones to be held hereafter).

1. Reason for the Early Application of the New Accounting Standard

As was announced on October 10, 2003, Resona Group implemented a financial reform in the first half of fiscal 2003 towards its goal of realizing transformation to a sustainable profitability and took measures to drastically reduce risk factors and future cost burdens.

In line with the above policy, Resona Group provided a reserve for business restructuring with the amount covering the anticipated loss arising from its fixed assets.

Since the Accounting Standards Board of Japan issued the application guideline for the Accounting Standard for the Impairment of Fixed Assets on October 31, 2003, Resona Group has decided on an early application of the standard.

2. Impact of Applying the New Standard

(A) Fixed assets from which impairment losses will arise and the anticipated loss amounts

The anticipated impairment loss amount is approximately 34.0 billion yen. (Sum of the non-consolidated loss amounts of the companies applied the new standard)

However, Resona Group has provided the reserve for business restructuring in the interim period ended September 30, 2003 for the anticipated loss arising from its fixed assets. Therefore, the anticipated additional losses on a consolidated basis are estimated to be slightly above 7 billion yen.

The earnings forecasts of Resona HD for the fiscal year ending March 31, 2004 remain unchanged.

Companies Applied New Standard	Categories of Fixed Assets		Developments	Anticipated loss amount
Resona Bank and other subsidiary banks and their subsidiary companies	Branch offices, etc	Performing assets	Deterioration of profitability in certain branch offices	Approximately 0.8 billion yen
		Idle assets or assets to be abolished	Measurement of impairment loss for idle assets, etc	Approximately 33.0 billion yen
	Total			Approximately 34.0 billion yen

(B) Valuation method

The valuation method is based on the application guideline for the Accounting Standard for the Impairment of Fixed Assets.

Regional areas defined in such a way to reflect complementarities in cash flows are used as base unit for groupings of fixed assets.