

May 24, 2004
Resona Holdings, Inc.

Announcement Regarding Reduction of Capital

Resona Holdings, Inc. ("Resona HD") hereby announces that its board of directors' meeting held on May 24, 2004 has passed a resolution to submit an agenda concerning a reduction of its capital to its annual general meeting of shareholders, which is scheduled to be held on June 25, 2004. The details are as follows:

1. Purpose of reduction of capital

In the fiscal year ended March 31, 2004, Resona HD incurred a revaluation loss of ¥1,480,358 million on the stocks of its banking subsidiaries. Primarily owing to such extraordinary loss, a loss of ¥921,272 million remains undisposed after a resolution for a loss disposal, which was passed by its board of directors' meeting.

Resona HD regrettably proposes a reduction of its capital as a measure to make up for the loss carried forward.

2. The manner in which reduction of capital will be implemented

1) Amount of reduction of capital

The current amount of the capital of Resona HD of ¥1,288,473,888,418 will be reduced by ¥961,272,621,427 to ¥327,201,266,991.

2) Manner of reduction of capital

The number of shares issued will remain unchanged by the proposed capital reduction.

The amount of the total shareholders' equity of Resona HD, on a non-consolidated basis (¥ 694,212,006,741 as of March 31, 2004), will also remain unchanged by the planned capital reduction.

3. Schedule

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| 1) Resolution by the board of directors' meeting: | May 24, 2004 (Today) |
| 2) Resolution by the general meeting of shareholders: | June 25, 2004 (Planned) |
| 3) Deadline for objections by creditors: | August 9, 2004 (Planned) |
| 4) Effective date of reduction of capital: | August 10, 2004 (Planned) |