

October 26, 2004  
Resona Holdings, Inc.

**Revision of Earnings Forecasts for the Interim Period Ended September 30, 2004  
and for the Full Year Period Ending March 31, 2005**

Resona Holdings, Inc. ("Resona HD") announces an upward revision of its earnings forecasts for the interim period ended September 30, 2004 and for the full-year period ending March 31, 2005 as specified in the following.

1. Revision of Earnings Forecasts for the Interim Period (April 1, 2004 - September 30, 2004)

Consolidated		(Billions of Yen, %)	
		Ordinary Profit	Net Interim Income
Previous Forecast	(A)	100.0	85.0
Revised Forecast	(B)	220.0	200.0
Increase / (Decrease)	(B-A)	+120.0	+115.0
Rate of Increase / (Decrease)		+120%	+ 135%

2. Revision of Earnings Forecasts for the Full Year Period (April 1, 2004 - March 31, 2005)

Consolidated		(Billions of Yen, %)	
		Ordinary Profit	Net Income
Previous Forecast	(A)	200.0	170.0
Revised Forecast	(B)	350.0	285.0
Increase / (Decrease)	(B-A)	+150.0	+115.0
Rate of Increase / (Decrease)		+ 75%	+ 68%

1. Previous forecast was announced on May 24, 2004.
2. Resona Holdings' non-consolidated earnings and dividend forecasts remain unchanged.

3. Reasons for the Revision

As is shown in the following page, some of the group banks registered net gains from reversal of reserves for possible loan losses and also net gains on stocks from sales of cross-holding of shares. In addition, an increase in gross operating profits owing to the growth in non-interest income and also a continued reduction of operating expenses have led to a significant increase in consolidated ordinary profits and net interim income.

For these reasons, the previous earnings forecasts for the interim period ended September 30, 2004 and for the full-year period ending March 31, 2005 are revised upward as shown above.

#### 4. Revised Earnings Forecasts of Subsidiary Banks (Non-consolidated)

##### (a) Revised Earnings Forecasts for the Interim Period Ended September 30, 2004

(Billions of Yen)

	Total of five banks							
	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank	Nara Bank	Resona Trust & Banking	(approx. figure)	Change from Previous Forecast	Change from 1H of FY 2003
Gross operating profits	250.0	60.0	35.0	1.9	10.0	357.0	18.0	26.0
Operating expenses	105.0	34.5	20.0	1.6	5.0	167.0	(13.0)	(45.0)
Actual net operating profits	145.0	25.5	15.0	0.3	5.0	190.0	31.0	67.0
Ordinary profits	170.0	28.5	19.0	0.0	5.0	220.0	123.0	1,475.0
Net interim income	155.0	17.5	27.0	0.0	3.0	200.0	115.0	1,984.0
Total credit-related expenses	(15.0)	4.0	(7.0)	0.3	-	(17.0)	(75.0)	(1,264.0)
Net gains on stocks	27.0	0.5	1.0	0.0	-	30.0	30.0	56.0

##### (b) Revised Earnings Forecasts for the Full Year Period Ending March 31, 2005

(Billions of Yen)

	Total of five banks							
	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank	Nara Bank	Resona Trust & Banking	(approx. figure)	Change from Previous Forecast	Change from FY 2003
Gross operating profits	473.0	120.0	70.0	3.9	22.5	690.0	10.0	18.0
Operating expenses	223.0	73.5	40.0	3.2	10.0	350.0	(8.0)	(67.0)
Actual net operating profits	250.0	46.5	30.0	0.7	12.5	340.0	18.0	80.0
Ordinary profits	270.0	40.5	30.0	0.4	12.5	350.0	158.5	1,502.0
Net income	225.0	20.5	32.0	0.4	7.5	285.0	117.0	1,977.0
Total credit-related expenses	(10.0)	9.0	(1.0)	0.3	-	0.0	(110.5)	(1,343.0)
Net gains on stocks	27.0	0.5	1.0	0.0	-	30.0	30.0	50.0

1. "Actual net operating profits" represent net operating profits before disposal of NPLs in the trust account and transfer to general reserve for possible loan losses.
2. "Total credit-related expenses" are the sum of NPL disposal in the trust account, transfer to general reserve for possible loan losses, expenses for disposal of NPLs shown as a non-recurring item, and gains from reversal of loan loss reserves shown as an extraordinary item.
3. Negative figures for credit-related expenses represent net gains from reversal.
4. "Total of five banks" represents a simple sum of the non-consolidated figures for five subsidiary banks and shown in approximate numbers.