

Revision of Earnings Forecasts for the Fiscal Year Ended March 31, 2005

Resona Holdings, Inc. ("Resona HD") announces revisions of its full-year earnings forecasts for the fiscal year ended March 31, 2005 as specified in the following.

Revision of the consolidated earnings forecasts (Resona HD, from April 1, 2004 to March 31, 2005)

(Billions of yen)				
	Previous forecast	Revised forecast	Increase/ (Decrease)	Rate of increase/ (decrease)
Ordinary income	950.0	1,050.0	+100.0	+10.5%
Ordinary profit	370.0	350.0	(20.0)	(5.4)%
Net income	275.0	360.0	+85.0	+30.9%

Reason for the revision

- Subsidiary banks under Resona HD reduced their cross holding shares and gains were realized through such disposals.
- Growth in subsidiary banks' fees and commission income and trading income was faster than expected and thus net operating profits of subsidiary banks increased accordingly.

[Reference] Revised earnings forecasts of subsidiary banks

(Billions of Yen)							Five Banks Total (approximate)	Change from previous forecast
	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank	Nara Bank	Resona Trust & Banking			
Actual net operating profits	269.0	52.0	28.5	0.6	14.0	364.0	+26.0	
Gains on stocks, net	46.0	0.5	(1.0)	(0.0)	---	45.0	+16.0	
Ordinary profit	235.0	43.0	25.0	0.1	14.0	315.0	(37.0)	
Net income	305.0	22.0	43.0	0.4	8.5	375.0	+87.0	

Credit-related expenses, net	(42.0)	14.0	(6.5)	0.1	---	(34.0)	(32.0)
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- "Gains on stocks, net" include impairment loss on subsidiaries' stocks. A decrease of approximately ¥35 bn in gains from reversal of credit-related expenses and an increase of the same amount in net gains on stocks are expected for Resona HD's consolidated results.
- Actual net operating profit: Net operating profit before provision to general reserve for possible loan losses and expenses related to problem loan disposal in the trust account.
- Credit-related expenses, net: Total of NPL disposal expenses in the trust account, transfer to general reserve for possible loan losses, expenses for disposal of problem loans (non-recurring item) and gains from reversal of loan loss reserves (extraordinary item).
- Figures in "five banks total" are simple sums of non-consolidated figures for each subsidiary bank.

[Reference] Progress towards major targets for the Intensive Revitalization Period

All targets for the Intensive Revitalization Period were have been achieved.

	NPL ratio	Balance of cross shareholdings	Cost to income ratio
Total of subsidiary banks	Mid. 3% range	Approx ¥398 bn	Approx. 49%
Targets	Less than 4%	¥400 bn	
Resona Bank	Mid. 3% range	Approx ¥299 bn	Approx. 45%
Targets	Less than 4%	¥300 bn	