

January 23, 2007
Resona Holdings, Inc.

Announcement Concerning Repurchase of Public Funds Preferred Shares

- Establishment of a limit for repurchase of own shares, repurchase of public funds preferred shares and cancellation of the repurchased shares -

Resona Holdings, Inc. hereby announces that its board of directors meeting held today passed a resolution establishing an upper limit within which Resona Holdings may repurchase its own shares as described below.

At its General Meeting of Shareholders held on June 28, 2006, Resona Holdings established an aggregate upper limit of JPY 250 billion for repurchase of its own shares. Because, as a result of an amendment to the Articles of Incorporation, Resona Holdings can now establish an upper limit for repurchase of its own shares by resolution of its board of directors pursuant to Article 459, Paragraph 1, Sub-paragraph 1 of the Company Law, Resona Holdings has re-established the aggregate upper limit at JPY 570 billion.

Resona Holdings also hereby announces that today it has decided to repurchase at the aggregate purchase price of JPY 570 billion the Class B No. 1 preferred shares and the Class E No. 1 preferred shares (total issue amount: JPY 532.7 billion), from among the preferred shares which the Resolution and Collection Corporation acquired with public funds (total issue amount: JPY 868 billion), and has obtained approval therefore from the relevant authorities.

The said repurchase of the preferred shares is made in accordance with the upper limit for repurchase of own shares established by the above-mentioned resolution of the board of directors meeting. Resona Holdings plans to cancel the preferred shares to be repurchased, immediately upon their repurchase.

Resona Holdings intends to proceed with repayment of the remaining public funds, subject to approval of the relevant authorities, as early as possible, based upon the "basic policy toward repayment of public funds" announced on May 23, 2006.

I. Outline of establishment of an upper limit for repurchase of own shares

1. Reason for setting an upper limit for repurchase of own shares

Pursuant to Article 459, Paragraph 1, Sub-paragraph 1 and Article 156, Paragraph 1 of the Company Law and Article 43 of its Articles of Incorporation, Resona Holdings has, by resolution of its board of directors, set an upper limit within which Resona Holdings may repurchase its own shares for the purpose of acquiring the preferred shares which it issued under the Financial Function Early Strengthening Law.

2. Upper limit for repurchase of own shares

Resona Holdings has established an aggregate upper limit of JPY 570 billion for repurchases of the types and numbers of its own preferred shares described below.

However, if Resona Holdings acquires its own shares based upon the authorization by the resolution of its General Meeting of Shareholders held on June 28, 2006, the number of shares so acquired and the amount paid in exchange therefor shall be subtracted from the upper limit described above.

The period for acquisition of its own shares is until June 27, 2007, the same period as under the said resolution of the General Meeting of Shareholders.

Types of shares to be repurchased	Number of shares to be repurchased	Consideration to be paid for repurchase	Total amount to be paid for repurchase
Class B, No.1 preferred shares	Maximum limit 680,000 shares	Cash	Maximum limit JPY 570 billion
Class C, No.1 preferred shares	Maximum limit 120,000 shares	Cash	Maximum limit JPY 570 billion
Class E, No.1 preferred shares	Maximum limit 240,000 shares	Cash	Maximum limit JPY 570 billion
Class F, No.1 preferred shares	Maximum limit 80,000 shares	Cash	Maximum limit JPY 570 billion
	Total maximum limit 1,120,000 shares		Total maximum limit JPY 570 billion

II. Outline of repurchase of public funds preferred shares and their cancellation

Pursuant to Article 157, Paragraph 1 of the Company Law, Resona Holdings will repurchase the following preferred shares issued by it within the limit for repurchase described in Part I above.

Resona Holdings intends to cancel the preferred shares so repurchased, immediately upon their repurchase.

1. Class B No. 1 preferred shares

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|---|-----------------------|
| (1) Total number of shares to be repurchased: | 407,798 shares |
| (2) Purchase price: | JPY 719,400 per share |
| (3) Total purchase price: | JPY 293,369,881,200 |
| (4) Scheduled date for repurchase: | January 26, 2007 |

2. Class E No. 1 preferred shares

- | | |
|---|-------------------------|
| (1) Total number of shares to be repurchased: | 230,424 shares |
| (2) Purchase price: | JPY 1,200,520 per share |
| (3) Total purchase price: | JPY 276,628,620,480 |

(4) Scheduled date for repurchase:

January 26, 2007

The effect of this repurchase on the consolidated capital adequacy ratio of Resona Holdings under the current regulations, calculated on a pro forma basis based on the amount of risk assets as of September 30, 2006, would be a reduction of approximately 2.4%. Resona Holdings expects that, taking this repurchase into consideration, the capital adequacy ratio would be over 9% (under the current regulations) as of March 31, 2007.