

December 25, 2002  
Resona Holdings, Inc.

**Establishment of New Subsidiaries for Restructuring the Issue Scheme of Preferred Securities Issued by The Asahi Bank, Ltd.**

Resona Holdings, Inc. ("Resona HD," President: Yasuhisa Katsuta) has decided to establish a subsidiary in Cayman Islands for the purpose of restructuring the existing issue scheme of the preferred securities which its banking subsidiary, The Asahi Bank, Ltd. ("Asahi Bank," President: Yukio Yanase) issued in March 2002 through its overseas subsidiary. Similarly for the same purpose, Asahi Bank will establish a new subsidiary in Cayman Islands.

The issue scheme will be restructured with a view to facilitating the integration of capital policies adopted by the Resona Group. The proceeds from the issuance of the preferred securities were already included in capital of Resona HD and Asahi Bank. Therefore, the restructuring of the issue scheme is not intended for raising new or additional funds, and the capital adequacy ratio remains unaffected by the restructuring.

Resona HD plans to implement the restructuring in February 2003 after obtaining approvals from the existing holders of the preferred securities and acceptance by the competent authorities of the relevant filings.

*This company announcement is for the purpose of providing information only and does not constitute any invitation to any person to take any action.*