



Deposit Insurance Corporation of Japan

9th Fl., Shin Yurakucho Bldg.
12-1, 1 cho-me, Chioda-ku, Tokyo 100-0006
(Website: <http://www.dic.go.jp>)

News Release

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Kansai Sawayaka Bank to redeem subordinated bond

1. Kansai Sawayaka Bank made request DICJ for its approval through RCC to redeem the subordinated bond issued in March, 2001 in accordance with the Law of the Emergency Measures for Early Strengthening of Financial Functions ("Early Strengthening Law"), which was entrusted RCC to acquire.
2. Based on the announcement made by DICJ in Nov., 2000 concerning "the temporally measures to the requests for the sale of preferred shares issued to strengthen the capital base or the prepayment proposal of public fund", DICJ considered it appropriate to approve the request for the redemption from a view point of the followings.
 - (1) sound management of the bank
 - (2) minimizing public cost
 - (3) maintaining stability of the financial system

DICJ approved today the request as DICJ considered that the transaction would follow the policy of early disposal under the Early Strengthening Law.

3. The public funds injected to Kansai Sawayaka Bank will be repaid by this transaction. DICJ expects Kansai Sawayaka Bank will continue to make efforts for the sound management.

The details are as follows;

- Non-collateral Subordinated bond No.1 issued by Kansai Sawayaka Bank
- Date of issue: March 30, 2001
- Amount: 4 billion yen
- Issue price: 100 yen per 100 yen face value
- Interest rate: 6 month Euro yen LIBOR + 1.87% March 31, 2001 – March 31, 2006
6 month Euro yen LIBOR + 2.37% April 1, 2006 –
- Value for redemption: 100.302 yen per face value (100 yen)
- Total amount: 4.1208 billion yen
- Scheduled date: January 8, 2004

For further inquiries, please send e-mail to inter-info@dic.go.jp.