



Resona Holdings, Inc.

Consolidated Financial Results for the First Quarter of Fiscal Year 2016 (Three months ended June 30, 2016/ Unaudited) <under Japanese GAAP>



Code number: 8308 Stock exchange listings: Tokyo
 URL: <http://www.resona-gr.co.jp>
 Representative: Kazuhiro Higashi, Director, President and Representative Executive Officer
 Annual securities report issuing date: August 5, 2016 Dividends payment date: -
 Trading accounts: Established
 Supplemental information for the financial results: Available
 Quarterly investor meeting presentation: Scheduled (for institutional investors and analysts)

Note: Amounts of less than one million yen are rounded down.

1. Consolidated Financial Results for the First Quarter of Fiscal Year 2016 (April 1, 2016- June 30, 2016)

(1) Consolidated Operating Results (% represents the change from the previous fiscal year)

	Ordinary Income		Ordinary Profits		Net Income Attributable to Owners of the Parent	
	Million yen	%	Million yen	%	Million yen	%
1Q of FY2016	184,953	(-4.6)	66,225	(-11.7)	47,796	(-11.0)
1Q of FY2015	193,955	(2.6)	74,994	(0.9)	53,707	(0.6)

Note: Comprehensive Income: 1Q of FY2016: 31,363 million yen (-59.7%) 1Q of FY2015: 77,729 million yen (-14.7%)

	Net Income per Share of Common Stock	Diluted Net Income per Share of Common Stock
	Yen	Yen
1Q of FY2016	20.60	-
1Q of FY2015	23.16	-

Note: Diluted net income per share of common stock is not stated above since there was no dilutive share.

(2) Consolidated Financial Conditions

	Total Assets	Net Assets	Net Assets Attributable to Stockholders to Total Assets Ratio
	Million yen	Million yen	%
June 30, 2016	46,381,987	1,841,623	3.9
March 31, 2016	49,126,435	1,833,470	3.7

(Reference) Net Assets Attributable to Stockholders: June 30, 2016: 1,823,441 million yen March 31, 2016: 1,816,002 million yen
 Note: "Net Assets Attributable to Stockholders to Total Assets Ratio" is (Net assets at period-end minus Stock option at period-end minus Non-controlling interests at period-end) divided by Total assets at period-end. This ratio is not calculated based on the "Notification on Consolidated Capital Adequacy".

2. Dividends on Common Stock

	Dividends per Share				
	1st Quarter-end	2nd Quarter-end	3rd Quarter-end	Fiscal Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2015	-	8.50	-	8.50	17.00
FY2016	-	-	-	-	-
FY2016 (Forecast)	-	9.50	-	9.50	19.00

Notes: 1. Revision of forecasts for dividends for FY2016: None

2. The figure above shows dividends on common stock. Please refer to following "Dividends on Classified Stock" with regard to the details of dividends on classified stock (unlisted) whose legal rights differ from common stock.

3. Earnings Targets for Fiscal Year 2016 (April 1, 2016 - March 31, 2017)

(% represents the change from the same period in the previous fiscal year)

	Net Income Attributable to Owners of the Parent		Net Income per Share of Common Stock
	Million yen	%	Yen
1st half of FY2016	82,000	(-4.3)	33.76
FY2016 (Full year)	160,000	(-13.0)	65.79

Notes: 1. Revision of earnings target from the latest announcement: None

2. For calculation of targeted net income per common share, please refer to following "Formula for Targeted Net Income Attributable to Owners of the Parent per Share of Common Stock".

3. The Group provides financial services, including credit card administration, etc. in addition to the banking and trust asset management and a variety of uncertainty caused by the economic environment, such as a recent negative interest rate introduced by the Bank of Japan, exists in the financial operation. Therefore, the Company discloses "Earnings targets" instead of "Earnings forecasts."

4. Other

- (1) Changes in significant subsidiaries during the period : No
- (2) Adoption of any particular accounting methods for quarterly consolidated financial statements: No
- (3) Changes in Accounting Policies, Changes in Accounting Estimates and Restatements
- A) Changes due to revision of accounting standards : Yes
- B) Changes due to other reasons : No
- C) Changes in accounting estimates : No
- D) Restatements : No
- (4) Number of Shares of Common Stock Outstanding
- A) Total outstanding shares including treasury stock at the end of the period
- June 30, 2016 : 2,324,118,091 shares
- March 31, 2016 : 2,324,118,091 shares
- B) Treasury stock at the end of the period
- June 30, 2016 : 3,718,683 shares
- March 31, 2016 : 4,379,191 shares
- C) Average outstanding shares during the period
- 1Q of FY2016 : 2,319,922,794 shares
- 1Q of FY2015 : 2,318,207,284 shares

Note: Treasury stock at the end of the period included the stocks owned by ESOP-type Stock Benefit Trust for the Employee Shareholding Association.

June 30, 2016 : 2,764,800 shares

March 31, 2016 : 3,427,100 shares

Note: Status of the quarterly review process

At the time when this "Consolidated Financial Results for the First Quarter of Fiscal Year 2016" is disclosed, the quarterly review process based on "Financial Instruments and Exchange Act" has been in process.

Note: Disclaimer regarding Forward-looking Statements

This report contains forward-looking statements, which are based on the information currently available and certain assumptions the Company considers to be reasonable. Risks, uncertainties and other factors may cause actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. Resona Holdings does not revise the full year targets announced in May 2016, at this point in time.

○ Dividends on Classified Stock

Dividends per share on classified stock whose legal rights differ from common stock are as follows:

		Dividends per Share				
		1 st Quarter-end	2 nd Quarter-end	3 rd Quarter-end	Fiscal Year-end	Total
		Yen	Yen	Yen	Yen	Yen
Class Five Preferred Stock	FY 2015	-	459.375	-	459.375	918.75
	FY 2016	-				
	FY 2016 (Forecast)		459.375	-	459.375	918.75
Class Six Preferred Stock	FY 2015	-	618.75	-	618.75	1,237.50
	FY 2016	-				
	FY 2016 (Forecast)		618.75	-	618.75	1,237.50

(Reference)

Formula for Targeted Net Income Attributable to Owners of the Parent per Share of Common Stock

$$\frac{\text{Targeted net income attributable to owners of the parent} - \text{Forecasted amount equivalent to dividend for preferred stock}}{\text{Forecasted average number of shares of common stock (excluding treasury stock)}}$$

- Forecasted average number of shares of common stock (excluding treasury stock) : 2,319,738,900 shares
- Forecasted amount equivalent to dividend for preferred stock : 2nd Quarter : 3,693 million yen
Full year : 7,387 million yen

《Contents of Attachment》

1. Information Regarding "4. Other".....	2
(1) Changes in accounting policies, changes in accounting estimates and restatements.....	2
2. Consolidated Financial Statements.....	3
(1) Consolidated Balance Sheets.....	3
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income....	4
(3) Note on Going-Concern Assumption.....	5
(4) Note for Significant Changes in the Amount of Stockholders' Equity.....	5
 [Reference Sheet]	
Statements of Trust Assets and Liabilities.....	6

[Supplementary Explanatory Material]
Financial Information for the First Quarter of FY2016

1. Information Regarding "4. Other"

- (1) Changes in accounting policies, changes in accounting estimates and restatements
Change in Accounting Policies

In accordance with the revision to the Corporation Tax Act, the Group applied the "Practical Solution on a change in depreciation method due to Tax Reform 2016" (ASBJ Practical Issues Task Force No. 32, issued on June 17, 2016) and changed the depreciation method for buildings and accompanying facilities and structures acquired on or after April 1, 2016 from the declining-balance method to the straight-line method, from 1Q of FY2016.

Effects of this change are immaterial.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	March 31, 2016	June 30, 2016
Assets		
Cash and due from banks	¥ 13,514,516	¥ 11,441,650
Call loans and bills bought	191,938	109,334
Monetary claims bought	391,804	377,451
Trading assets	475,382	488,567
Money held in trust	178	481
Securities	5,346,725	5,144,215
Loans and bills discounted	27,664,964	27,277,367
Foreign exchange assets	68,866	82,338
Other assets	872,845	836,846
Tangible fixed assets	307,610	308,093
Intangible fixed assets	32,389	32,453
Net defined benefit asset	4,248	6,532
Deferred tax assets	25,664	35,604
Customers' liabilities for acceptances and guarantees	431,439	432,122
Reserve for possible loan losses	(202,081)	(191,015)
Reserve for possible losses on investments	(57)	(57)
Total Assets	49,126,435	46,381,987
Liabilities and Net Assets		
Liabilities		
Deposits	38,228,820	38,534,455
Negotiable certificates of deposit	1,344,500	1,004,520
Call money and bills sold	606,916	757,139
Payables under repurchase agreements	5,999	-
Payables under securities lending transactions	145,107	359,518
Trading liabilities	291,639	300,590
Borrowed money	809,049	581,730
Foreign exchange liabilities	1,991	4,138
Bonds	624,812	482,505
Due to trust account	3,707,658	981,809
Other liabilities	985,007	1,020,213
Reserve for employees' bonuses	16,908	5,306
Net defined benefit liability	32,534	16,735
Other reserves	40,276	39,223
Deferred tax liabilities	181	232
Deferred tax liabilities for land revaluation	20,120	20,120
Acceptances and guarantees	431,439	432,122
Total Liabilities	47,292,964	44,540,363
Net Assets		
Capital stock	50,472	50,472
Retained earnings	1,399,576	1,423,932
Treasury stock	△1,902	△1,664
Total stockholders' equity	1,448,147	1,472,740
Net unrealized gains on available-for-sale securities	347,491	321,023
Net deferred gains on hedges	49,540	55,883
Revaluation reserve for land	44,025	44,025
Foreign currency translation adjustments	△3,012	△2,945
Remeasurements of defined benefit plans	△70,190	△67,286
Total accumulated other comprehensive income	367,855	350,700
Non-controlling interests	17,468	18,181
Total Net Assets	1,833,470	1,841,623
Total Liabilities and Net Assets	¥ 49,126,435	¥ 46,381,987

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

[Consolidated Statements of Income]

(Millions of yen)

	First Quarter of FY2015 From April 1, 2015 to June 30, 2015	First Quarter of FY2016 From April 1, 2016 to June 30, 2016
Ordinary income	¥ 193,955	¥ 184,953
Interest income	111,928	99,603
Interest on loans and bills discounted	89,483	82,353
Interest and dividends on securities	13,387	9,676
Trust fees	5,705	4,635
Fees and commissions	46,203	44,826
Trading income	994	2,358
Other operating income	12,625	13,878
Other ordinary income	16,497	19,651
Ordinary expenses	118,961	118,728
Interest expenses	10,521	7,030
Interest on deposits	3,663	2,563
Fees and commissions	8,547	8,725
Trading expenses	1	16
Other operating expenses	2,862	2,470
General and administrative expenses	87,390	90,671
Other ordinary expenses	9,638	9,814
Ordinary profits	74,994	66,225
Extraordinary gains	1	4
Gains on disposal of fixed assets	1	4
Extraordinary losses	134	316
Losses on disposal of fixed assets	121	295
Impairment losses on fixed assets	12	21
Income before income taxes	74,861	65,912
Income taxes – current	8,710	22,666
Income taxes – deferred	11,413	(5,151)
Total income taxes	20,123	17,514
Net income	54,738	48,398
Net income attributable to non-controlling interests	1,030	601
Net income attributable to owners of the parent	¥ 53,707	¥ 47,796

[Consolidated Statements of Comprehensive Income]

(Millions of yen)

	First Quarter of FY2015 From April 1, 2015 to June 30, 2015	First Quarter of FY2016 From April 1, 2016 to June 30, 2016
Net income	¥ 54,738	¥ 48,398
Other comprehensive income	22,991	(17,034)
Net unrealized gains (losses) on available-for-sale securities	26,191	(26,488)
Net deferred gains (losses) on hedges	(4,062)	6,342
Revaluation reserve for land	13	-
Foreign currency translation adjustments	118	191
Remeasurements of defined benefit plans	725	2,906
Share of other comprehensive income of affiliates accounted for using the equity method	4	13
Total comprehensive income	77,729	31,363
Comprehensive income attributable to:		
Owners of the parent	75,485	30,641
Non-controlling interests	¥ 2,244	¥ 721

(3) Note on Going-Concern Assumption

Not applicable

(4) Note for Significant Changes in the Amount of Stockholders' Equity

Not applicable

[Reference]

Statement of Trust Assets and Liabilities

Assets				
	March 31, 2016		June 30, 2016	
	Million yen	%	Million yen	%
Loans and bills discounted	¥ 37,571	0.13	¥ 35,919	0.14
Securities	177	0.00	177	0.00
Beneficiary rights	25,424,109	85.40	24,888,783	93.96
Securities held in custody account	14,511	0.05	13,314	0.05
Monetary claims	207,320	0.70	201,654	0.76
Tangible fixed assets	354,768	1.19	345,669	1.30
Intangible fixed assets	2,953	0.01	2,952	0.01
Other claims	7,578	0.03	5,987	0.02
Due from banking account	3,707,658	12.45	981,809	3.71
Cash and due from banks	12,232	0.04	12,799	0.05
Total assets	¥ 29,768,881	100.00	¥ 26,489,067	100.00

Liabilities				
	March 31, 2016		June 30, 2016	
	Million yen	%	Million yen	%
Money trusts	¥ 11,939,397	40.11	¥ 9,371,979	35.38
Pension trusts	3,239,216	10.88	2,912,638	11.00
Property formation benefit trusts	972	0.00	980	0.00
Securities investment trusts	13,402,975	45.02	12,987,790	49.03
Money entrusted, other than money trusts	335,424	1.13	365,804	1.38
Securities trusts	14,552	0.05	13,355	0.05
Monetary claims trusts	226,106	0.76	217,587	0.82
Land and fixtures trusts	33,623	0.11	29,590	0.11
Composite trusts	576,610	1.94	589,340	2.23
Total liabilities	¥ 29,768,881	100.00	¥ 26,489,067	100.00

Notes: 1. Figures in the above table exclude trusts whose monetary value cannot be reliably estimated.

2. Subsidiary subject to aggregation is Resona Bank, Limited, only.

Financial Information for the First Quarter of FY2016

[Contents]

1. Statements of income	Page 1-3
2. Claims disclosure according to the Financial Reconstruction Act	Page 4
3. Unrealized gains/(losses) on marketable securities	Page 5
4. Balance of deposits and loans	Page 6
<Reference> Domestic breakdown of individual, corporate and other deposits	Page 7
<Reference> Investment trust and other investment products for individual customers	Page 7

Note.1: Figures reported herein are unaudited.

Note.2: Capital adequacy ratio will be announced soon after the calculation is completed.

Note: [Total of three banks] Sum of non-consolidated figures for Resona Bank (including the trust account), Saitama Resona Bank, and Kinki Osaka Bank.

1. Statements of income

(1)Resona Holdings (Consolidated)

(Millions of yen)

		1Q FY 2016	Change	1Q FY 2015
Ordinary income	1	184,953	(9,002)	193,955
Consolidated gross operating profit	2	147,059	(8,466)	155,525
Interest income	3	92,573	(8,834)	101,407
Trust fees (after disposal of problem loans in the trust account)	4	4,635	(1,069)	5,705
<Disposal of problem loans in the trust account>	5	0	(2)	2
Fees and commissions	6	36,101	(1,555)	37,656
Trading income	7	2,341	1,348	992
Other operating income	8	11,407	1,643	9,763
Provision to general reserve for possible loan losses	9	-	-	-
General and administrative expenses	10	(90,671)	(3,280)	(87,390)
Other gains/(losses), net	11	9,837	2,977	6,859
Net gains/(losses) on stocks	12	4,504	(2,248)	6,753
Disposal of problem loans	13	(1,141)	3,207	(4,348)
Reversal of credit expenses	14	8,876	2,381	6,495
Equity in earnings of investments in affiliates	15	(27)	(35)	8
Ordinary profit	16	66,225	(8,769)	74,994
Extraordinary gains	17	4	3	1
Extraordinary losses	18	(316)	(182)	(134)
Income before income taxes	19	65,912	(8,948)	74,861
Income taxes - current	20	(22,666)	(13,955)	(8,710)
Income taxes - deferred	21	5,151	16,564	(11,413)
Net income	22	48,398	(6,340)	54,738
Net income attributable to non-controlling interests	23	(601)	428	(1,030)
Net income attributable to owners of the parent	24	47,796	(5,911)	53,707

Credit expense (5, 9, 13, 14)	25	7,735	5,586	2,149
Disposal of problem loans in the trust account	26	0	(2)	2
Provision to general reserve for possible loan losses	27	6,434	2,434	3,999
Write-off of loans	28	(1,110)	3,442	(4,552)
Provision to specific reserve for possible loan losses	29	(1,217)	(1,019)	(198)
Provision to special reserve for certain overseas loans	30	0	0	(0)
Other disposal of problem loans	31	(31)	(235)	203
Gains on recoveries of written-off loans	32	3,659	965	2,694

○ ROE

(%)

	1Q FY 2016	Change	1Q FY 2015
ROE based on net income attributable to owners of the parent	14.91	(3.57)	18.49

(Note)

$$\text{ROE} = \frac{(\text{Net income attributable to owners of the parent (1Q)} - \text{Amount equivalent to dividends for preferred shares}) \times 365/91}{\{(\text{Total stockholders' equity at beginning of period} - \text{Aggregate amount paid in for preferred shares at beginning of period}) + (\text{Total stockholders' equity at end of period} - \text{Aggregate amount paid in for preferred shares at end of period})\} / 2}$$

(2) Total of three banks, Non-consolidated figures of each bank

(Millions of yen)

		Total of three banks [Non-consolidated]			Resona Bank		
		1Q		1Q	1Q		1Q
		FY 2016	Change	FY 2015	FY 2016	Change	FY 2015
Gross operating profit (2+4+6+7+8)	1	135,481	(7,487)	142,969	90,722	(1,307)	92,029
Interest income	2	91,274	(7,917)	99,191	58,571	(4,859)	63,430
<Net interest income from loans and deposits (Domestic operations, including NCDs)>	3	78,076	(5,514)	83,590	49,250	(3,298)	52,549
Trust fees (after disposal of problem loans in the trust account)	4	4,635	(1,069)	5,705	4,635	(1,069)	5,705
<Disposal of problem loans in the trust account>	5	0	(2)	2	0	(2)	2
Fees and commissions	6	26,061	(1,505)	27,567	17,703	(846)	18,549
Trading income	7	2,359	1,499	860	2,359	1,499	860
Other operating income	8	11,149	1,504	9,645	7,452	3,968	3,484
Net gains/(losses) on bonds	9	10,378	3,241	7,137	6,351	4,727	1,624
Expenses (excluding non-recurring items)	10	(81,843)	(316)	(81,526)	(53,614)	(294)	(53,320)
Personnel expenses	11	(36,692)	1,381	(38,074)	(23,454)	957	(24,411)
Non-personnel expenses	12	(39,119)	(435)	(38,684)	(26,225)	(247)	(25,978)
Taxes	13	(6,031)	(1,263)	(4,767)	(3,935)	(1,004)	(2,930)
Actual net operating profit (1+10-5)	14	53,637	(7,802)	61,439	37,107	(1,599)	38,706
Core net operating profit (14-9)	15	43,258	(11,043)	54,302	30,755	(6,327)	37,082
Provision to general reserve for possible loan losses	16	-	-	-	-	-	-
Net operating profit (1+10+16)	17	53,638	(7,804)	61,442	37,107	(1,601)	38,709
Other gains/(losses), net	18	4,077	(585)	4,662	1,642	(1,121)	2,763
Net gains/(losses) on stocks	19	4,504	(2,230)	6,735	4,248	(1,535)	5,784
Gains on sale	20	7,873	28	7,845	7,388	498	6,890
Losses on sale	21	(3,364)	(3,251)	(112)	(3,135)	(3,023)	(112)
Losses on devaluation	22	(4)	993	(997)	(4)	989	(994)
Disposal of problem loans	23	(1,126)	3,046	(4,172)	(812)	2,793	(3,606)
Reversal of credit expenses	24	8,053	2,220	5,832	4,074	1,112	2,961
Other	25	(7,354)	(3,622)	(3,732)	(5,868)	(3,492)	(2,376)
Ordinary profit (17+18)	26	57,715	(8,389)	66,105	38,749	(2,723)	41,473
Extraordinary gains/(losses), net	27	(309)	(180)	(128)	(285)	(190)	(94)
Net gains/(losses) on disposal of fixed assets	28	(287)	(171)	(115)	(265)	(170)	(94)
Impairment losses on fixed assets	29	(21)	(8)	(12)	(20)	(20)	-
Income before income taxes (26+27)	30	57,406	(8,570)	65,976	38,464	(2,914)	41,378
Income taxes-current	31	(20,094)	(14,444)	(5,649)	(15,763)	(16,875)	1,111
Income taxes-deferred	32	4,716	16,975	(12,258)	5,528	18,089	(12,560)
Net income (30+31+32)	33	42,028	(6,039)	48,067	28,229	(1,700)	29,929

Credit expense (5+16+23+24)	34	6,928	5,265	1,663	3,262	3,903	(641)
Disposal of problem loans in the trust account	35	0	(2)	2	0	(2)	2
Provision to general reserve for possible loan losses	36	4,057	2,071	1,985	2,800	2,106	694
Write-off of loans	37	(1,095)	3,279	(4,375)	(657)	2,976	(3,634)
Provision to specific reserve for possible loan losses	38	391	(810)	1,202	(673)	(1,214)	540
Provision to special reserve for certain overseas loans	39	0	0	(0)	0	0	(0)
Other disposal of problem loans	40	(30)	(233)	203	(155)	(183)	28
Gains on recoveries of written-off claims	41	3,604	959	2,644	1,947	220	1,727

(Notes)

- Actual net operating profit: Net operating profit before provision to general reserve for possible loan losses and disposal of problem loans in the trust account.
- Core net operating profit: Actual net operating profit less net gains/(losses) on bonds.
- The figures of "Welfare expenses", which were included in "Non-personnel expenses", are defined as "Personnel expenses" from 1Q of FY2016.
The figures of 1Q of FY2015 reflect the above change.

○ Interest rate spreads (domestic operations)

(%)

	Total of three banks [Non-consolidated]			Resona Bank		
	1Q		1Q	1Q		1Q
	FY 2016	Change	FY 2015	FY 2016	Change	FY 2015
Average interest rate of loans and bills discounted (A)	1.18	(0.12)	1.30	1.13	(0.11)	1.25
Average interest rate of deposits and negotiable CDs (B)	0.01	(0.01)	0.03	0.01	(0.02)	0.03
Loan-to-deposit spread (A) - (B)	1.16	(0.10)	1.27	1.12	(0.09)	1.22

(Millions of yen)

		Saitama Resona Bank			Kinki Osaka Bank		
		1Q		1Q	1Q		1Q
		FY 2016	Change	FY 2015	FY 2016	Change	FY 2015
Gross operating profit (2+4+6+7+8)	1	33,615	(3,832)	37,447	11,143	(2,347)	13,491
Interest income	2	24,478	(1,702)	26,181	8,224	(1,355)	9,579
<Net interest income from loans and deposits (Domestic operations, including NCDs)>	3	21,364	(1,223)	22,587	7,460	(992)	8,453
Trust fees (after disposal of problem loans in the trust account)	4	-	-	-	-	-	-
<Disposal of problem loans in the trust account>	5	-	-	-	-	-	-
Fees and commissions	6	6,331	(209)	6,541	2,026	(449)	2,476
Trading income	7	-	-	-	-	-	-
Other operating income	8	2,804	(1,921)	4,725	892	(542)	1,435
Net gains/(losses) on bonds	9	3,214	(922)	4,136	812	(563)	1,376
Expenses (excluding non-recurring items)	10	(18,809)	(55)	(18,754)	(9,418)	33	(9,451)
Personnel expenses	11	(8,365)	268	(8,634)	(4,872)	155	(5,027)
Non-personnel expenses	12	(9,030)	(179)	(8,850)	(3,864)	(8)	(3,856)
Taxes	13	(1,413)	(144)	(1,269)	(682)	(114)	(567)
Actual net operating profit (1+10-5)	14	14,805	(3,888)	18,693	1,725	(2,314)	4,039
Core net operating profit (14-9)	15	11,591	(2,965)	14,556	912	(1,751)	2,663
Provision to general reserve for possible loan losses	16	-	-	-	-	-	-
Net operating profit (1+10+16)	17	14,805	(3,888)	18,693	1,725	(2,314)	4,039
Other gains/(losses), net	18	705	(117)	822	1,729	653	1,076
Net gains/(losses) on stocks	19	255	(566)	821	-	(129)	129
Gains on sale	20	484	(337)	821	-	(132)	132
Losses on sale	21	(228)	(228)	-	-	-	-
Losses on devaluation	22	-	-	-	-	3	(3)
Disposal of problem loans	23	(215)	258	(473)	(97)	(5)	(92)
Reversal of credit expenses	24	1,370	(5)	1,375	2,608	1,113	1,495
Other	25	(705)	196	(901)	(781)	(325)	(455)
Ordinary profit (17+18)	26	15,510	(4,005)	19,516	3,454	(1,660)	5,115
Extraordinary gains/(losses), net	27	(20)	3	(23)	(3)	6	(10)
Net gains/(losses) on disposal of fixed assets	28	(18)	(3)	(15)	(3)	2	(5)
Impairment losses on fixed assets	29	(1)	6	(8)	-	4	(4)
Income before income taxes (26+27)	30	15,490	(4,002)	19,492	3,451	(1,654)	5,105
Income taxes-current	31	(4,206)	2,276	(6,483)	(124)	153	(278)
Income taxes-deferred	32	(140)	(440)	300	(672)	(674)	2
Net income (30+31+32)	33	11,143	(2,165)	13,308	2,655	(2,174)	4,829

Credit expense (5+16+23+24)	34	1,154	253	901	2,510	1,108	1,402
Disposal of problem loans in the trust account	35	-	-	-	-	-	-
Provision to general reserve for possible loan losses	36	511	(201)	712	746	166	579
Write-off of loans	37	(259)	298	(558)	(178)	4	(183)
Provision to specific reserve for possible loan losses	38	237	83	153	827	319	507
Provision to special reserve for certain overseas loans	39	-	-	-	-	-	-
Other disposal of problem loans	40	44	(39)	84	80	(9)	90
Gains on recoveries of written-off claims	41	622	112	509	1,034	626	408

(Notes)

- Actual net operating profit: Net operating profit before provision to general reserve for possible loan losses and disposal of problem loans in the trust account.
- Core net operating profit: Actual net operating profit less net gains/(losses) on bonds.
- The figures of "Welfare expenses", which were included in "Non-personnel expenses", are defined as "Personnel expenses" from 1Q of FY2016.
The figures of 1Q of FY2015 reflect the above change.

○ Interest rate spreads (domestic operations)

(%)

	Saitama Resona Bank			Kinki Osaka Bank		
	1Q		1Q	1Q		1Q
	FY 2016	Change	FY 2015	FY 2016	Change	FY 2015
Average interest rate of loans and bills discounted (A)	1.25	(0.11)	1.37	1.33	(0.16)	1.50
Average interest rate of deposits and negotiable CDs (B)	0.01	(0.01)	0.02	0.04	(0.01)	0.06
Loan-to-deposit spread (A) - (B)	1.24	(0.10)	1.34	1.29	(0.15)	1.44

2. Claims disclosure according to the Financial Reconstruction Act

(Millions of yen, %)

<Total of three banks>	End of Jun.	(A)-(B)	(A)-(C)	End of Mar.	End of Jun.
	2016 (A)			2016 (B)	2015 (C)
Unrecoverable or valueless claims	74,814	(2,898)	12,780	77,713	62,034
Risk claims	246,397	(1,734)	(17,850)	248,131	264,248
Special attention loans	109,182	38	3,893	109,144	105,289
Financial Reconstruction Act subtotal [A]	430,395	(4,594)	(1,177)	434,989	431,572
Normal claims	27,887,005	(376,305)	325,188	28,263,311	27,561,817
Financial Reconstruction Act total [B]	28,317,401	(380,899)	324,011	28,698,300	27,993,389
Partial direct write-offs	155,784	227	(17,048)	155,556	172,832
NPL Ratio [A] / [B]	1.51	0.00	(0.02)	1.51	1.54

<Resona Bank>

Unrecoverable or valueless claims	48,524	(1,932)	14,513	50,456	34,010
Risk claims	125,549	(679)	(20,435)	126,228	145,984
Special attention loans	75,216	315	(1,439)	74,900	76,655
Financial Reconstruction Act subtotal [A]	249,290	(2,295)	(7,360)	251,586	256,650
Normal claims	18,625,556	(321,956)	255,265	18,947,512	18,370,290
Financial Reconstruction Act total [B]	18,874,846	(324,251)	247,905	19,199,098	18,626,941
Partial direct write-offs	124,199	2,333	(10,931)	121,865	135,130
NPL Ratio [A] / [B]	1.32	0.01	(0.05)	1.31	1.37

<Saitama Resona Bank>

Unrecoverable or valueless claims	18,242	(962)	(923)	19,204	19,166
Risk claims	70,256	652	5,495	69,603	64,761
Special attention loans	25,182	268	6,754	24,913	18,427
Financial Reconstruction Act subtotal [A]	113,681	(40)	11,326	113,721	102,354
Normal claims	6,936,603	17,372	103,456	6,919,231	6,833,146
Financial Reconstruction Act total [B]	7,050,284	17,331	114,783	7,032,953	6,935,501
Partial direct write-offs	20,626	(289)	(1,889)	20,916	22,516
NPL Ratio [A] / [B]	1.61	(0.00)	0.13	1.61	1.47

<Kinki Osaka Bank>

Unrecoverable or valueless claims	8,048	(4)	(810)	8,052	8,858
Risk claims	50,591	(1,707)	(2,911)	52,298	53,502
Special attention loans	8,783	(546)	(1,422)	9,330	10,206
Financial Reconstruction Act subtotal [A]	67,423	(2,257)	(5,143)	69,681	72,567
Normal claims	2,324,845	(71,721)	(33,534)	2,396,567	2,358,380
Financial Reconstruction Act total [B]	2,392,269	(73,979)	(38,678)	2,466,248	2,430,947
Partial direct write-offs	10,958	(1,816)	(4,227)	12,774	15,186
NPL Ratio [A] / [B]	2.81	(0.00)	(0.16)	2.82	2.98

3. Unrealized gains/(losses) on marketable securities (Held-to-maturity debt securities, stocks of subsidiaries and affiliates and available-for-sale securities)

(Millions of yen)

<Consolidated>	B/S Amount (End of Jun. 2016)	Change from End of Mar. 2016	Unrealized gains/(losses)			Change from End of Mar. 2016
			(End of Jun. 2016)	Gain	Loss	
Bonds held to maturity	2,322,356	(61,164)	101,037	101,041	(4)	7,391
Available-for-sale securities	2,779,380	(143,535)	425,300	448,421	(23,121)	(35,343)
Stocks	761,973	(36,683)	411,238	420,329	(9,091)	(35,594)
Bonds	1,534,862	(161,720)	14,483	14,674	(190)	(153)
JGB	502,599	(263,842)	4,303	4,303	-	(1,892)
Other	482,544	54,868	(422)	13,417	(13,839)	404

Note: The figures presented in the table above include securities, negotiable certificates of deposit (NCDs) included in "cash and due from banks" and a portion of "monetary claims bought." The presented figures only include marketable securities.

A reconciliation of net unrealized gains on available-for-sale securities to the amount reported on the Resona Holdings' consolidated balance sheet as of June 30, 2016 is as follows:

	(Millions of yen)
Net unrealized gains on available-for-sale securities	425,300
Fair value hedge gains recorded as income	(less) 7,719
Deferred tax liabilities	(less) 96,551
Unrealized gains on available-for-sale securities (before adjustment)	321,029
Amounts attributable to non-controlling interests	(less) 57
Parent's portion of unrealized gains on available-for-sale securities of equity method investees	51
Amount reported on the Consolidated Balance Sheet	321,023

(Millions of yen)

<Total of three banks>	B/S Amount (End of Jun. 2016)	Change from End of Mar. 2016	Unrealized gains/(losses)			Change from End of Mar. 2016
			(End of Jun. 2016)	Gain	Loss	
Bonds held to maturity	2,322,356	(61,164)	101,037	101,041	(4)	7,391
Stock of subsidiaries and affiliates	-	-	-	-	-	-
Available-for-sale securities	2,774,460	(145,519)	424,900	448,021	(23,120)	(35,295)
Stocks	761,311	(36,636)	410,866	419,957	(9,091)	(35,547)
Bonds	1,534,859	(161,720)	14,483	14,674	(190)	(153)
Other	478,289	52,838	(449)	13,388	(13,838)	405

<Resona Bank>

Bonds held to maturity	1,517,143	(37,705)	72,409	72,409	-	6,885
Stock of subsidiaries and affiliates	-	-	-	-	-	-
Available-for-sale securities	1,428,497	(51,896)	331,990	349,309	(17,319)	(20,729)
Stocks	609,336	(25,358)	324,783	333,509	(8,726)	(24,515)
Bonds	479,483	(87,440)	7,552	7,721	(169)	1,017
Other	339,678	60,902	(344)	8,078	(8,423)	2,768

<Saitama Resona Bank>

Bonds held to maturity	645,539	(18,655)	23,486	23,486	-	702
Stock of subsidiaries and affiliates	-	-	-	-	-	-
Available-for-sale securities	874,920	(121,776)	81,088	85,564	(4,475)	(13,166)
Stocks	141,624	(10,701)	79,700	79,988	(287)	(10,456)
Bonds	669,614	(104,720)	4,436	4,451	(14)	(1,858)
Other	63,681	(6,354)	(3,048)	1,125	(4,173)	(851)

<Kinki Osaka Bank>

Bonds held to maturity	159,673	(4,802)	5,141	5,145	(4)	(196)
Stock of subsidiaries and affiliates	-	-	-	-	-	-
Available-for-sale securities	471,042	28,153	11,821	13,146	(1,325)	(1,399)
Stocks	10,350	(576)	6,382	6,460	(77)	(576)
Bonds	385,762	30,439	2,495	2,501	(5)	687
Other	74,929	(1,710)	2,943	4,185	(1,241)	(1,511)

Note: The figures presented in the table above include securities, negotiable certificates of deposit (NCDs) included in "cash and due from banks" and a portion of "monetary claims bought." The presented figures only include marketable securities.

4. Balance of deposits and loans

(Millions of yen)

<Total of three banks>	End of Jun. 2016 (A)	(A)-(B)	(A)-(C)	End of Mar. 2016 (B)	End of Jun. 2015 (C)
Deposits (Term-end)	38,585,204	313,735	1,889,785	38,271,469	36,695,419
Deposits (average balance)	38,064,152	1,688,161	1,787,557	36,375,991	36,276,595
Trust principal (Term-end)	1,003,097	(2,725,159)	312,661	3,728,256	690,435
Trust principal (average balance)	1,596,894	693,565	924,896	903,329	671,997
Loans and bills discounted (Term-end)	27,547,646	(384,500)	302,927	27,932,147	27,244,719
Banking account	27,511,727	(382,848)	302,369	27,894,575	27,209,357
Trust account	35,919	(1,651)	557	37,571	35,362
Loans and bills discounted (average balance)	27,478,949	190,832	300,660	27,288,116	27,178,288
Banking account	27,442,093	188,933	299,921	27,253,160	27,142,171
Trust account	36,856	1,899	739	34,956	36,116

<Resona Bank>

Deposits (Term-end)	23,138,789	135,980	1,428,663	23,002,808	21,710,125
Deposits (average balance)	22,869,014	1,277,440	1,389,959	21,591,574	21,479,054
Trust principal (Term-end)	1,003,097	(2,725,159)	312,661	3,728,256	690,435
Trust principal (average balance)	1,596,894	693,565	924,896	903,329	671,997
Loans and bills discounted (Term-end)	18,194,259	(325,269)	236,023	18,519,528	17,958,235
Banking account	18,158,339	(323,617)	235,466	18,481,957	17,922,873
Trust account	35,919	(1,651)	557	37,571	35,362
Loans and bills discounted (average balance)	18,185,644	142,625	236,440	18,043,019	17,949,203
Banking account	18,148,788	140,725	235,701	18,008,062	17,913,086
Trust account	36,856	1,899	739	34,956	36,116

<Saitama Resona Bank>

Deposits (Term-end)	12,231,611	176,078	515,694	12,055,533	11,715,917
Deposits (average balance)	12,008,607	429,397	440,387	11,579,210	11,568,219
Loans and bills discounted (Term-end)	6,991,121	14,160	105,588	6,976,960	6,885,532
Loans and bills discounted (average balance)	6,939,139	77,443	104,980	6,861,696	6,834,159

<Kinki Osaka Bank>

Deposits (Term-end)	3,214,804	1,676	(54,572)	3,213,127	3,269,376
Deposits (average balance)	3,186,530	(18,676)	(42,790)	3,205,207	3,229,320
Loans and bills discounted (Term-end)	2,362,266	(73,391)	(38,685)	2,435,658	2,400,951
Loans and bills discounted (average balance)	2,354,164	(29,235)	(40,760)	2,383,400	2,394,925

<Reference> Domestic breakdown of individual, corporate and other deposits (Millions of yen)

<Total of three banks>	End of Jun. 2016 (A)	(A)-(B)	(A)-(C)	End of Mar. 2016 (B)	End of Jun. 2015 (C)
Domestic individual deposits (Term-end)	24,932,071	411,220	333,766	24,520,850	24,598,304
Liquid deposits	16,738,845	432,646	653,312	16,306,199	16,085,533
Time deposits	7,968,787	(35,749)	(339,586)	8,004,537	8,308,374
Domestic corporate deposits (Term-end)	11,377,588	125,488	857,482	11,252,099	10,520,105
Liquid deposits	8,363,212	208,852	780,838	8,154,359	7,582,373
Time deposits	2,516,468	(82,548)	144,231	2,599,016	2,372,237

<Resona Bank>

Domestic individual deposits (Term-end)	13,122,479	191,387	183,323	12,931,091	12,939,156
Liquid deposits	8,963,743	211,099	361,992	8,752,644	8,601,751
Time deposits	3,971,259	(33,384)	(195,822)	4,004,643	4,167,081
Domestic corporate deposits (Term-end)	8,513,773	117,296	713,760	8,396,477	7,800,013
Liquid deposits	6,396,060	198,138	716,374	6,197,921	5,679,685
Time deposits	1,675,594	(74,254)	46,138	1,749,849	1,629,455

<Saitama Resona Bank>

Domestic individual deposits (Term-end)	9,299,949	204,732	202,555	9,095,216	9,097,394
Liquid deposits	6,378,494	189,517	267,789	6,188,976	6,110,704
Time deposits	2,891,607	14,848	(67,464)	2,876,758	2,959,071
Domestic corporate deposits (Term-end)	2,195,723	36,284	141,783	2,159,438	2,053,939
Liquid deposits	1,520,470	42,706	52,783	1,477,764	1,467,687
Time deposits	641,626	(12,046)	96,074	653,673	545,552

<Kinki Osaka Bank>

Domestic individual deposits (Term-end)	2,509,642	15,100	(52,111)	2,494,542	2,561,754
Liquid deposits	1,396,607	32,029	23,530	1,364,577	1,373,076
Time deposits	1,105,921	(17,213)	(76,299)	1,123,134	1,182,220
Domestic corporate deposits (Term-end)	668,091	(28,092)	1,938	696,183	666,153
Liquid deposits	446,681	(31,992)	11,681	478,674	435,000
Time deposits	199,247	3,753	2,018	195,494	197,229

(Notes)

- Figures are based on the reports submitted to Bank of Japan. (excluding overseas loans and loans in Japan Offshore Banking Account)
- Liquid deposits = current deposits + ordinary deposits + saving deposits + deposits at notice

<Reference> Investment trust and other investment products for individual customers (Millions of yen)

<Total of three banks>	End of Jun. 2016 (A)	(A)-(B)	(A)-(C)	End of Mar. 2016 (B)	End of Jun. 2015 (C)
Investment trust	1,735,021	(136,139)	(307,641)	1,871,160	2,042,662
Public bond	522,970	(26,813)	(108,144)	549,783	631,115
Insurance	1,879,484	(1,148)	134,862	1,880,633	1,744,622

<Resona Bank>

Investment trust	960,083	(78,708)	(167,234)	1,038,791	1,127,317
Public bond	191,789	(11,580)	(52,460)	203,369	244,249
Insurance	922,649	2,596	89,039	920,053	833,610

<Saitama Resona Bank>

Investment trust	536,072	(37,665)	(89,807)	573,738	625,880
Public bond	322,934	(14,621)	(52,004)	337,555	374,939
Insurance	716,698	849	37,497	715,848	679,200

<Kinki Osaka Bank>

Investment trust	238,865	(19,766)	(50,599)	258,631	289,465
Public bond	8,246	(611)	(3,679)	8,858	11,926
Insurance	240,136	(4,594)	8,325	244,731	231,811

(Note)

Investment trust: based on market prices at each period-end

Public bond: Government bonds, local government bonds, and government-guaranteed bonds in custody accounts. (amounts in par value and on a delivery date basis)

Insurance: based on insurance premiums paid (yen equivalent)