

Financial Highlights for the First Half of Fiscal Year 2022



Resona Holdings

November 11, 2022

Outline of Financial Results for the 1H of FY2022

■ Net income attributable to owners of parent: JPY82.6 bn

- Up JPY1.8 bn, or 2.2%, YoY
Progress rate against the full year target*1 : 55.1%

■ Actual net operating profit: JPY88.7 bn

Down JPY28.0 bn, or 24.0%, YoY

Core income [Net interest income from domestic loans and deposits + Fee income + Operating expenses] : Up JPY4.8 bn, YoY

● Gross operating profit: JPY291.4 bn

Down JPY31.7 bn, or 9.8%, YoY

- Net interest income from domestic loans and deposits:
Down JPY2.2 bn, YoY
Average loan balance: +2.13%, YoY, Loan rate: down by 3bps, YoY
[Excluding loans to the Japanese government and others]
Average loan balance: +1.63%, YoY, Loan rate: down by 3bps, YoY
Loans bal. surpassed the plan, loans rate was in line with the plan.
- Fee income: Up JPY3.2 bn, YoY, Fee income ratio: 37.3%
Increased driven by growth in insurance and succession-related. Record-high fee income for the first half period.
- Net gains on bonds (including futures): Down JPY36.5 bn, YoY
Implemented to restore soundness of securities portfolio.

- **Operating expenses: JPY202.8 bn**, Improved by JPY3.8 bn, YoY
Both personnel and non-personnel expenses decreased.

■ Credit related expenses: JPY7.7 bn (cost)

Decreased by JPY9.2 bn, YoY

Credit costs have posted 20.3% against the full year plan [JPY38.0 bn]

■ Full year target of JPY150.0 bn and full year dividend forecast of 21 yen remain unchanged

■ Share buyback up to JPY15.0 bn

[Period of acquisition : Nov. 14, '22 – Dec. 30, '22]

Plan to cancel all of the treasury shares to be acquired on Jan. 20, '23]

	HD consolidated (JPY bn)	FY2022 1H (a)	YoY change		Progress rate vs. Target*1 (d)
			(b)	% (c)	
Net income attributable to owners of parent	(1)	82.6	+1.8	+2.2%	55.1%
EPS (yen)	(2)	34.68	+1.59	+4.8%	
BPS (yen)	(3)	1,017.62	(38.83)	(3.6)%	
Gross operating profit	(4)	291.4	(31.7)	(9.8)%	
Net interest income	(5)	212.2	(1.8)		
NII from loans and deposits ^{*2}	(6)	167.5	(2.2)		
Fee income	(7)	108.8	+3.2		
Fee income ratio	(8)	37.3%	+4.6%		
Trust fees	(9)	10.7	+0.6		
Fees and commission income	(10)	98.0	+2.6		
Other operating income	(11)	(29.6)	(33.2)		
Net gains on bonds (including futures)	(12)	(39.7)	(36.5)		
Operating expenses (excluding group banks' non-recurring items)	(13)	(202.8)	+3.8	+1.8%	
Cost income ratio (OHR)	(14)	69.5%	+5.6%		
Actual net operating profit	(15)	88.7	(28.0)	(24.0)%	
Net gains on stocks (including equity derivatives)	(16)	36.3	+11.8		
Credit related expenses, net	(17)	(7.7)	+9.2		
Other gains, net	(18)	(2.1)	+5.7		
Net income before income taxes and non-controlling interests	(19)	115.2	(1.1)	(0.9)%	
Income taxes and other	(20)	(32.1)	+3.6		
Net income attributable to non-controlling interests	(21)	(0.3)	(0.6)		

*1. Full year target of FY2022: JPY150.0 bn

*2. Total of non-consolidated domestic banking accounts of group banks, deposits include NCDs

Review of the 1H of FY2022

Accelerate initiatives for sustainable growth in the final year of the MMP

Steady progress in income and cost structure reforms

- Core income: Progress rate against the earnings targets for FY2022 (total of group banks basis): 52.1%

Expansion consulting business based on F2F

- Term-end loan balance reached JPY40 tn level
- Succession-related income: JPY12.1 bn (+16.5%, YoY)

Focused business has grown to "earnings pillar"

- # of App DL: 5.83 million (+35.0%, YoY), and external group 0.90 million
- Fund wrap income: JPY4.6 bn (+19.8%, YoY) Balance of fund wrap*1: JPY745.1 bn (+10.9%, YoY) Of which, external group JPY49.0 bn
- Debit card income: JPY2.3 bn (+17.2%, YoY) # of debit card issued: 3.16 million (+16.9%, YoY)

Breaking free of the bank model / Initiatives for next growth

Progress of financial digital platform

- Basic agreement on fund wrap business with the 77 Bank [Released in Aug. '22. Scheduled to be handled from Jan. '23]

Strengthen DX-related business

- Capital and business alliance with Digital Garage, Inc. [Nov. '22]

Retail Transition Finance

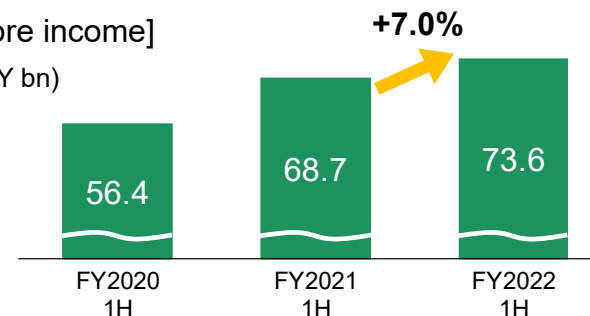
- Cumulative total : JPY1,258.5 bn [- 1H of FY 2022]

Expand investment in human resources

- Transformation into a human resources portfolio that emphasizes diversity and expertise
- Enhancing a total career support system that allows all personnel to grow into a professional

[Core income]

(JPY bn)



Respond to changes in a timely manner in a highly uncertain environment

Implemented to restore soundness of securities portfolio

- Costs to restore securities portfolio soundness in 1H of FY2022: Approx. JPY37.0 bn
- Completed the initial plan and significantly reduced the risk volume

'21/3	'22/9
-------	-------
- ✓ BPV (foreign bonds): (0.51) ⇒ (0.26)
- Improving the yield of foreign bonds

Progress of the reduction of policy-oriented stocks

- Balance of listed stocks disposed in 1H of FY'22*2: JPY13.8 bn
- Net gain on sale in 1H of FY'22: JPY33.1 bn

Response to credit risk

- Strengthen credit monitoring in light of yen depreciation and soaring resource prices
- COVID-19 related preemptive provisioning : As of Sep. '22 JPY7.7 bn

Plan to reduce JPY80.0 bn level in 4 years
→ Progress rate compared to expected pace [JPY20.0 bn per year]: 69.2%

*1. Including corporation and external group *2. Total of group banks, acquisition cost basis

Breakdown of Financial Results

	(JPY bn)	Resona Holdings (Consolidated)		Total of group banks		Resona Bank		Saitama Resona Bank		Total of group banks under KMFG		Difference (a)-(c)
		(a)	YoY (b)	(c)	YoY (d)	(e)	YoY (f)	(g)	YoY (h)	(i)	YoY (j)	
Gross operating profit	(1)	291.4	(31.7)	263.7	(30.8)	140.9	(25.2)	55.0	(4.4)	67.6	(1.1)	27.6
Net interest income	(2)	212.2	(1.8)	209.3	(1.0)	113.6	(0.4)	41.5	(2.3)	54.0	+1.7	2.9
NII from domestic loans and deposits	(3)			167.5	(2.2)	86.8	(0.6)	33.6	(0.9)	47.0	(0.6)	
Net gains on cancellation of investment trusts *1	(4)	(0.2)	(0.6)	(0.1)	(0.5)	(0.3)	(0.3)	—	(0.2)	0.1	(0.0)	(0.1)
Fee income	(5)	108.8	+3.2	84.7	+3.4	54.8	+2.3	16.8	+2.2	13.1	(1.1)	24.0
Fee income ratio	(6)	37.3%	+4.6%	32.1%	+4.5%	38.9%	+7.3%	30.5%	+6.0%	19.3%	(1.3)%	
Trust fees	(7)	10.7	+0.6	10.8	+0.6	10.8	+0.6	0.0	+0.0	0.0	(0.0)	(0.0)
Fees and commission income	(8)	98.0	+2.6	73.9	+2.7	44.0	+1.6	16.7	+2.2	13.1	(1.1)	24.1
Other operating income	(9)	(29.6)	(33.2)	(30.3)	(33.2)	(27.5)	(27.0)	(3.3)	(4.3)	0.5	(1.7)	0.6
Net gains on bonds (including futures) *1	(10)	(39.7)	(36.5)	(39.7)	(36.4)	(34.5)	(29.8)	(4.3)	(4.6)	(0.7)	(1.9)	(0.0)
Operating expenses (excluding group banks' non-recurring items)	(11)	(202.8)	+3.8	(188.9)	+4.6	(103.0)	+2.1	(37.2)	+0.8	*2 (48.7)	+1.6	(13.8)
Cost income ratio (OHR)	(12)	69.5%	+5.6%	71.6%	+5.9%	73.0%	+9.8%	67.5%	+3.6%	72.0%	(1.2)%	
Actual net operating profit	(13)	88.7	(28.0)	74.7	(26.2)	37.9	(23.1)	17.8	(3.6)	18.9	+0.5	14.0
Core net operating profit *3 (excluding gains on cancellation of investment trusts)	(14)			114.4	+12.2	72.7	+7.7	21.8	+1.7	19.7	+2.8	
Net gains on stocks (including equity derivatives)	(15)	36.3	+11.8	36.5	+12.2	30.8	+10.2	4.3	+1.1	1.3	+0.8	(0.1)
Credit related expenses, net	(16)	(7.7)	+9.2	(7.0)	+7.8	(4.7)	+5.2	(0.6)	(0.0)	(1.6)	+2.6	(0.6)
Other gains, net	(17)	(2.1)	+5.7	(2.1)	+4.7	(0.2)	+3.5	(0.7)	+0.4	(1.1)	+0.7	(0.0)
Net income before income taxes	(18)	115.2	(1.1)	102.0	(1.3)	63.8	(4.0)	20.7	(2.0)	17.4	+4.7	13.2
Income taxes and other	(19)	(32.1)	+3.6	(28.3)	+2.8	(17.0)	+3.1	(6.3)	+0.5	(5.0)	(0.7)	
Net income attributable to non-controlling interests	(20)	(0.3)	(0.6)									
Net income (attributable to owners of parent)	(21)	82.6	+1.8	73.6	+1.4	46.8	(0.8)	14.4	(1.5)	12.4	+3.9	

*1. Losses on cancellation of investment trusts are posted in the net gains on bonds since net of the losses and dividends from investment trusts become negative

1H of FY'21(RB): Losses on cancellation of investment trusts: JPY(5.1) bn, dividends from investment trusts: + JPY2.3 bn → net amount: JPY(2.8) bn

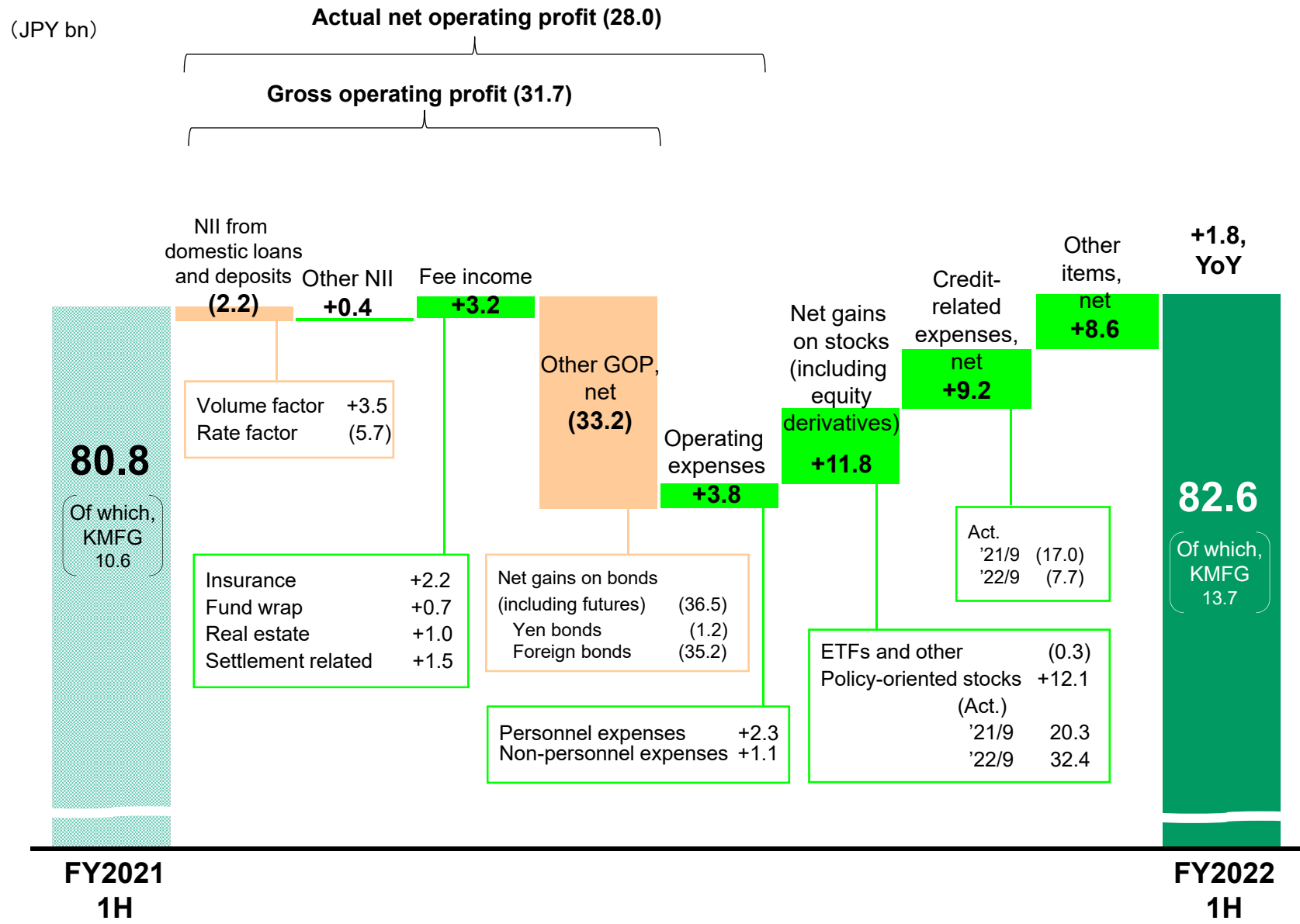
1H of FY'22(SR/MB): Losses on cancellation of investment trusts: JPY(0.8) bn, dividends from investment trusts: + JPY0.6 bn → net amount: JPY(0.2) bn

*2. Exclude goodwill amortization by KMB, JPY(0.3) bn, related to acquisition of former Biwako Bank

*3. Actual net operating profit - Gains on cancellation of investment trusts - Net gains on bonds

Factors for the Changes in Net Income Attributable to Owners of Parent (YoY Comparison)

HD Consolidated



Trend of Loans and Deposits (Domestic Account)

Total of Group Banks

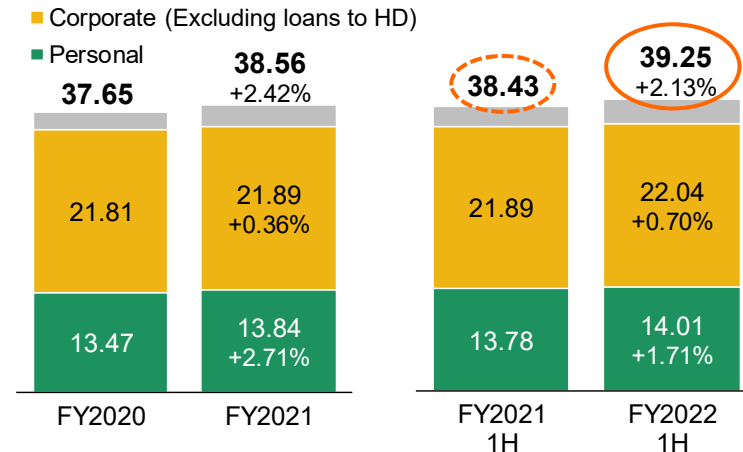
Average loan / deposit balance, rates and spread

- 1H of FY'22 (YoY)
 - Average loan balance : **+2.13%**, Loan rate : **(3) bps**
[Excluding loans to the Japanese government and others]
 - Average loan balance : +1.63%, Loan rate : (3) bps
 - => Full year (Revised plan) +1.79% (2) bps

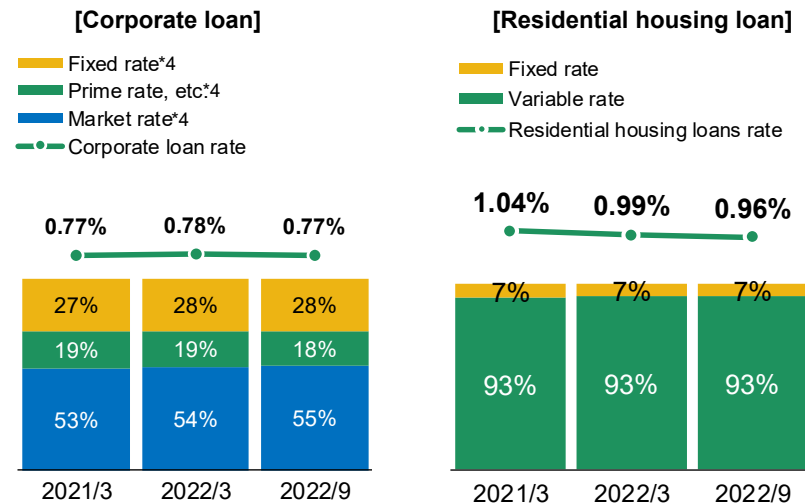
Avg. bal : Trillion Yen Income/Cost : Billion Yen		1H		FY2022	
		Act. (a)	YoY ^{*3} (b)	Revised plan (c)	YoY ^{*3} [vs. initial plan] (d)
Loans	Avg. Bal. (1)	39.25	+2.13%	39.65	+2.81% +1.33%
	Rate (2)	0.86%	(0.03)%	0.85%	(0.03)% (0.00)%
	Income (3)	169.4	(2.8)	338.5	(4.0) +0.9
Corporate banking business unit ^{*1}	Avg. Bal. (4)	22.04	+0.70%	22.16	+1.24% +0.56%
	Rate (5)	0.82%	(0.01)%	0.81%	(0.01)%
Corporate Loan	Avg. Bal. (6)	18.75	+1.59%	18.88	+2.12% +0.83%
	Rate (7)	0.77%	(0.00)%	0.77%	(0.01)%
Personal banking business unit ^{*2}	Avg. Bal. (8)	14.01	+1.71%	14.09	+1.80% (0.28)%
	Rate (9)	1.08%	(0.04)%	1.07%	(0.04)%
Deposits (Including NCDs)	Avg. Bal. (10)	61.02	+3.47%	61.12	+3.17% +2.30%
	Rate (11)	0.00%	(0.00)%	0.00%	(0.00)%
	Cost (12)	(1.8)	+0.5	(3.9)	+0.6 +0.1
Loan-to-deposit	Spread (13)	0.85%	(0.03)%	0.84%	(0.03)% (0.00)%
	Net interest income (14)	167.5	(2.2)	334.6	(3.3) +1.1

Trend of average loan balance

[Average loan balance (JPY tn)] % represents YoY change



Loan rate on a stock basis and composition by interest rate type



*1. Corporate Banking Business Unit : Corporate loans (excluding loans to HD) + apartment loans, Figures are for internal administration purpose

*2. Personal Banking Business Unit: Residential housing loans + other consumer loans, Figures are for internal administration purpose

*3. Average balance : rate of change *4. Corporate banking business unit (excluding apartment loans) + public corporation, etc.

Term-end Balance of Loans and Deposits

Total of Group Banks

Term-end loan balance

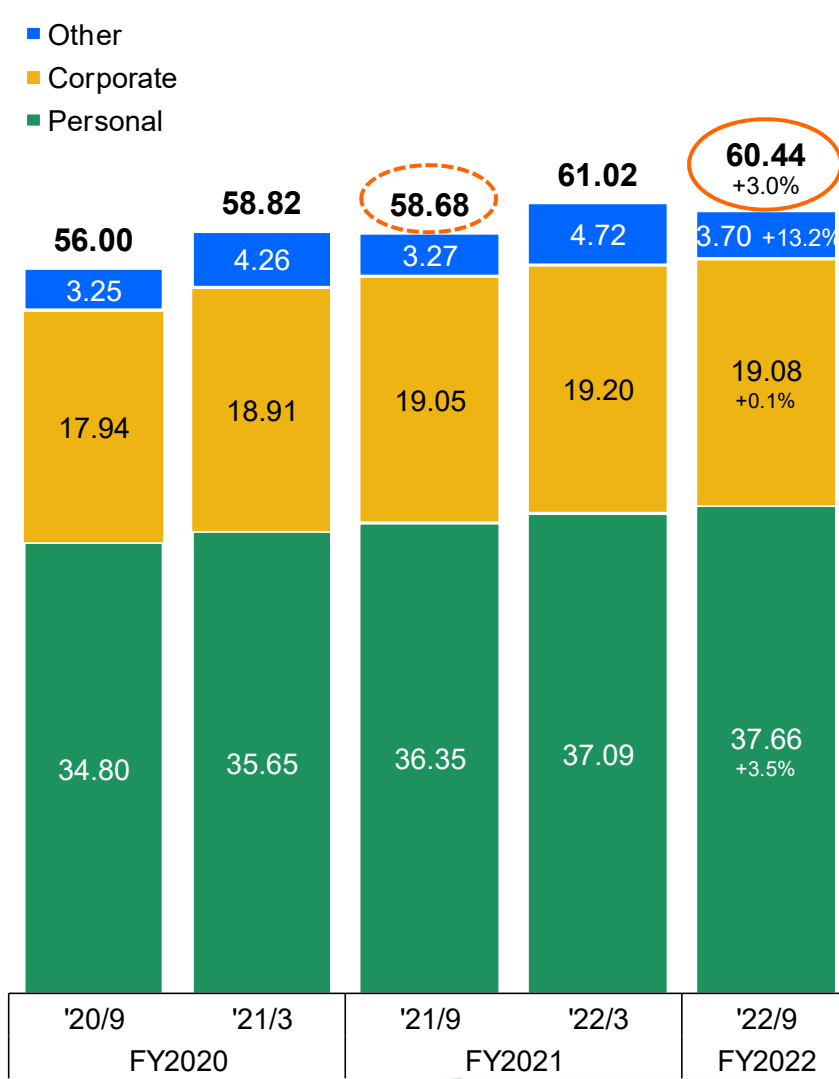
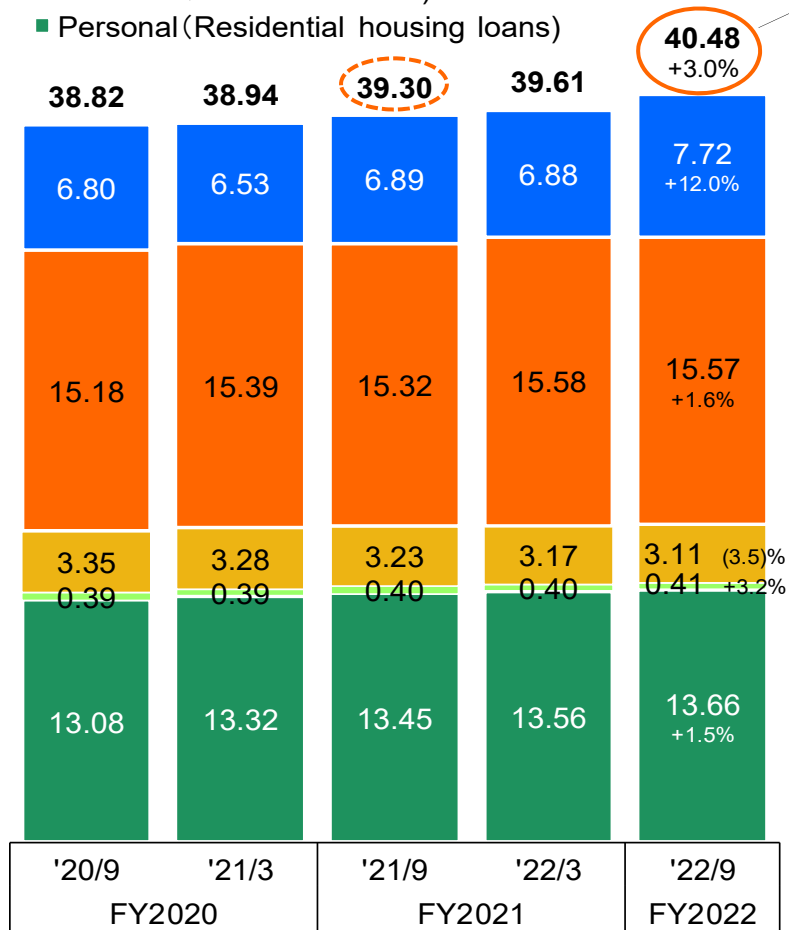
Term-end deposit balance

[JPY tn, % represents YoY change]

[JPY tn, % represents YoY change]

- Corporate (Large companies and other)
- Corporate (SMEs)
- Corporate (Apartment loans)
- Personal (Consumer loans)
- Personal (Residential housing loans)

Of which, excluding loans to the Japanese gov. and others [JPY1.90 tn] +1.8%



Housing Loan Business

Total of Group Banks

New housing loan origination

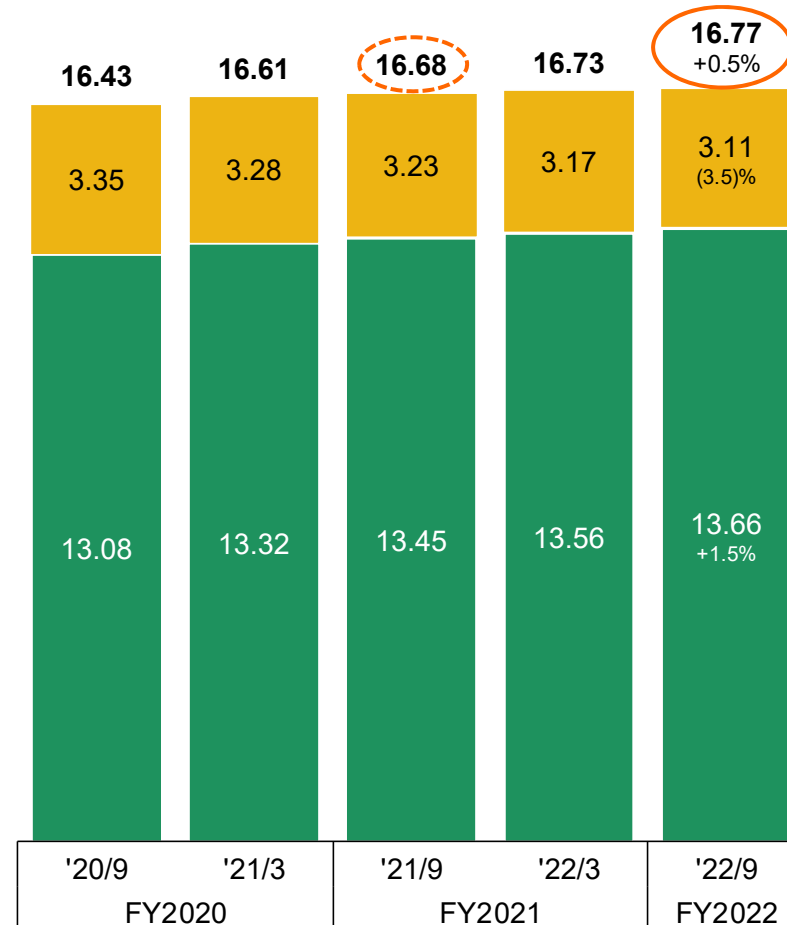
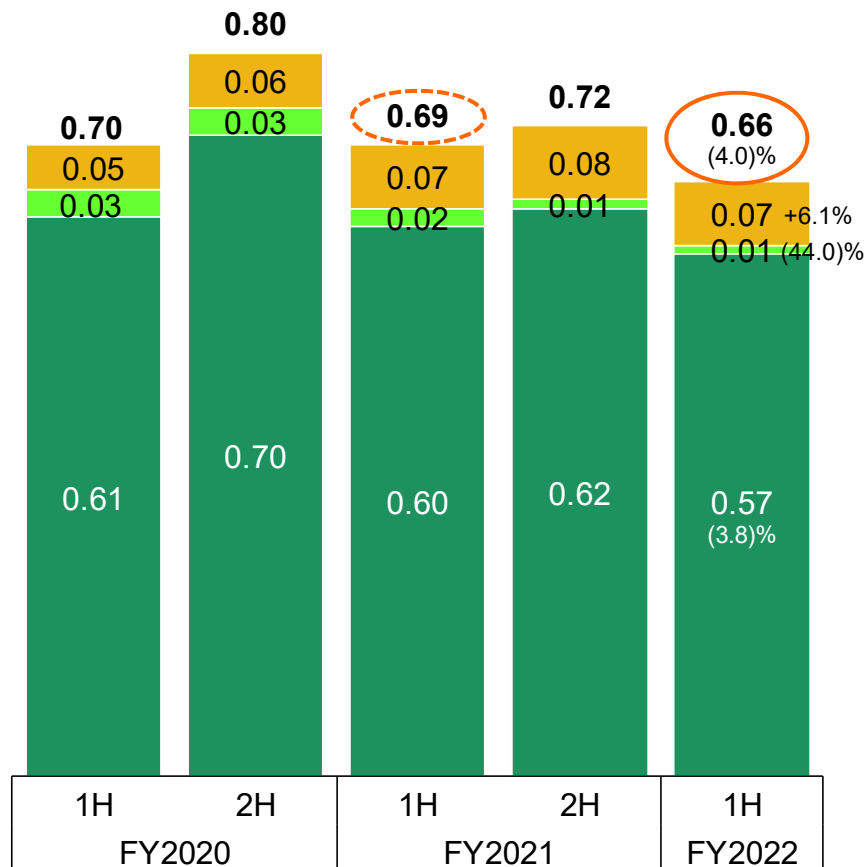
Term-end housing loan balance

[JPY tn, % represents YoY change]

[JPY tn, % represents YoY change]

- Apartment loan
- Flat 35
- Residential housing loan

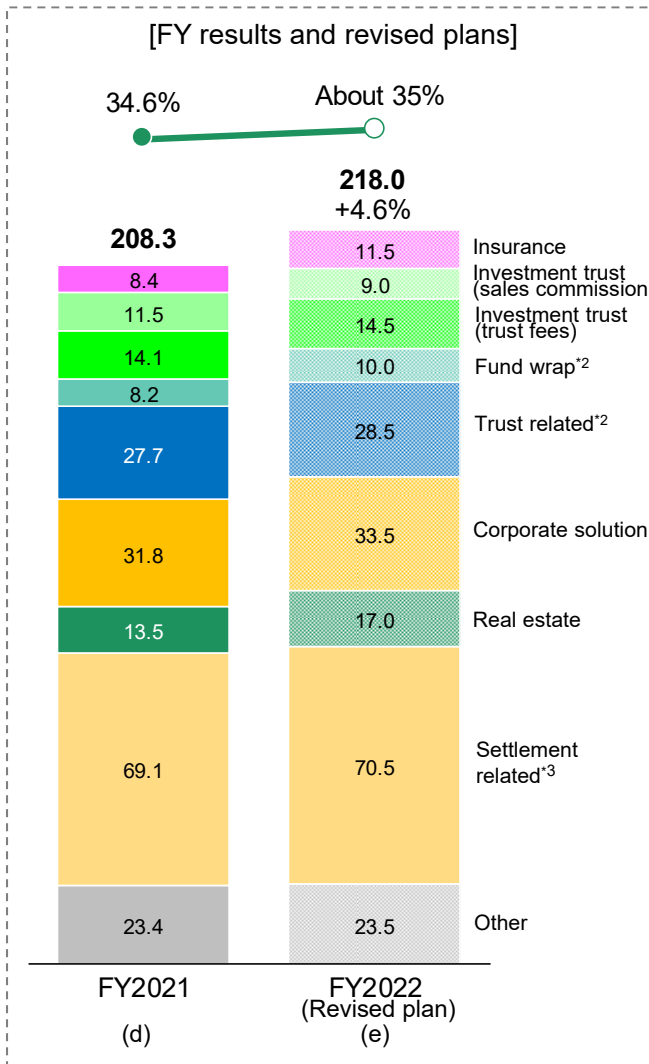
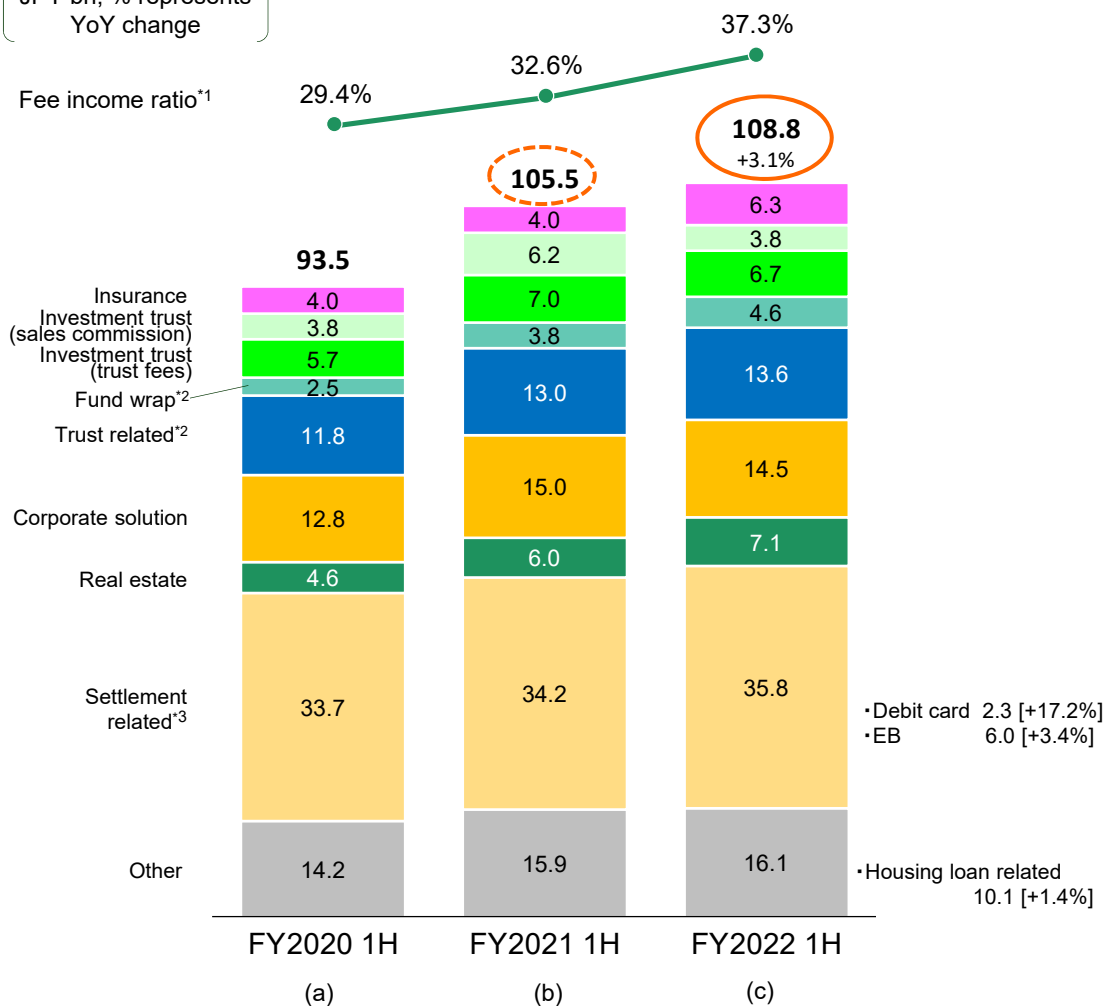
- Apartment loan
- Residential housing loan



Fee Income

- Consolidated fee income ratio*1 : 37.3%
- Increased driven by growth in insurance (+2.2 bn, +55.9%, YoY) and succession-related (asset and business succession related trust / real estate / M&A) (+1.7 bn, +16.5%, YoY), etc.

(JPY bn, % represents
YoY change)



*1. (Fees and commission income + trust fees) / Consolidated gross operating profit

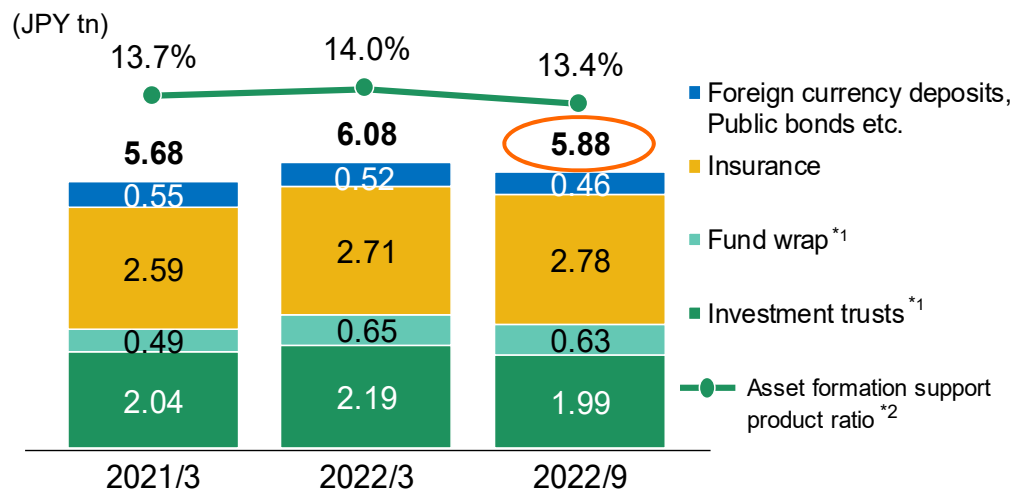
*2. Including fee income earned by Resona Asset Management

*3. Fees and commission from domestic exchange, account transfer, EB, debit card and fee income earned by Resona Kessai Service and Resona Card

Major Fee Businesses(1) (Asset Formation Support Business)

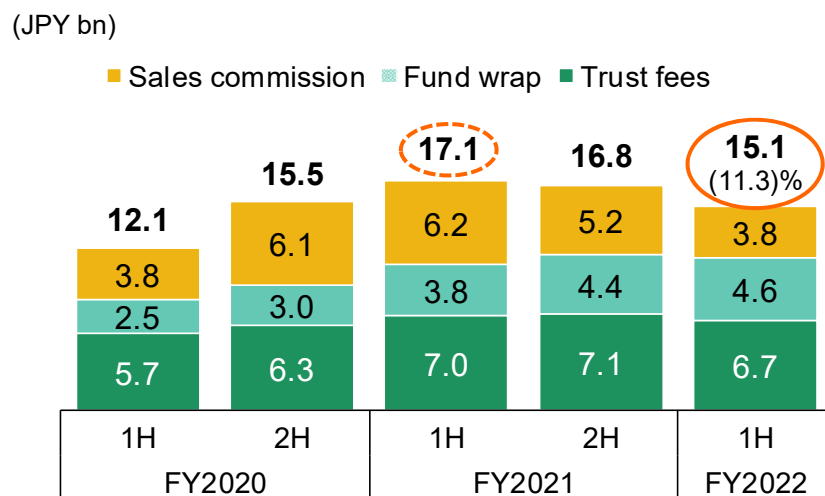
HD
Consolidated

Balance of asset formation support products sold to individuals

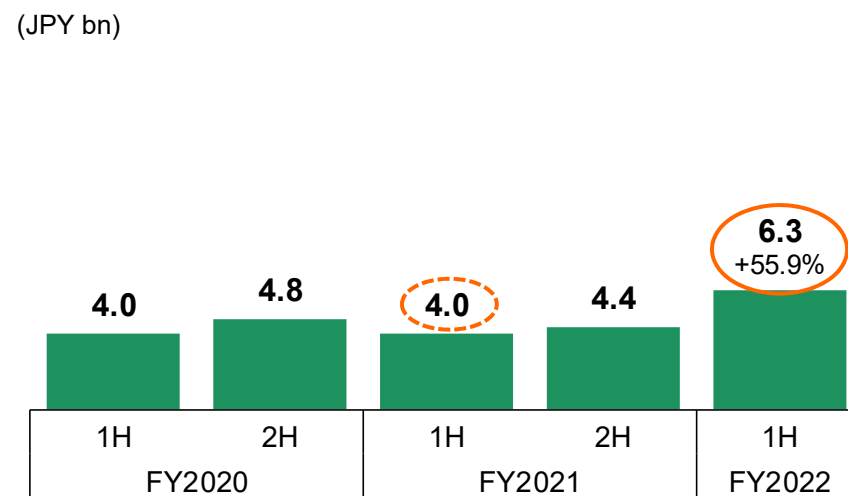


- **Balance of fund wrap^{*1}:** '22/9 JPY745.1 bn (including corporation^{*3})
- **Change in balance of investment trust and fund wrap: 1H of FY'22 Approx. JPY(210.0) bn**
 - Net inflow (new purchase – withdrawal and redemption): Approx. +JPY12.0 bn
- **Number of individual customers having investment trust, fund wrap and insurance products :** '22/9 969 thousand, +13 thousand, YoY
- **iDeCo participants^{*4}:** '22/9 163 thousand , +14.6%, YoY

Investment trust and fund wrap income



Insurance income



*1. Based on market value
 *2. Balance of asset formation support products sold to individuals / (balance of asset formation support products sold to individuals and yen deposits held by individuals)
 *3. Including balance of fund wrap in banks other than group banks
 *4. iDeCo participants + members giving investment instructions

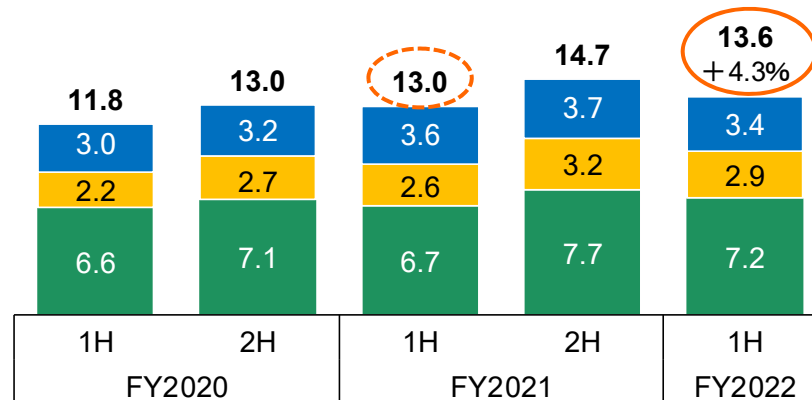
Major Fee Businesses(2) (Trust, Corporate Solution, Real Estate Business)

HD
Consolidated

Trust-related business income

(JPY bn)

- Resona Asset Management
- Trust solution offered for asset and business succession
- Pension/Securities trust



Asset and business succession

of succession trusts (stock)

	'21/3	'22/3	'22/9
# of succession trusts (stock)	34.3 thousand	39.3 thousand	41.3 thousand

Securities trust

Total assets in custody

	'21/3	'22/3	'22/9
Total assets in custody	JPY39.11 tn	JPY40.91 tn	JPY41.17 tn

Pension trust

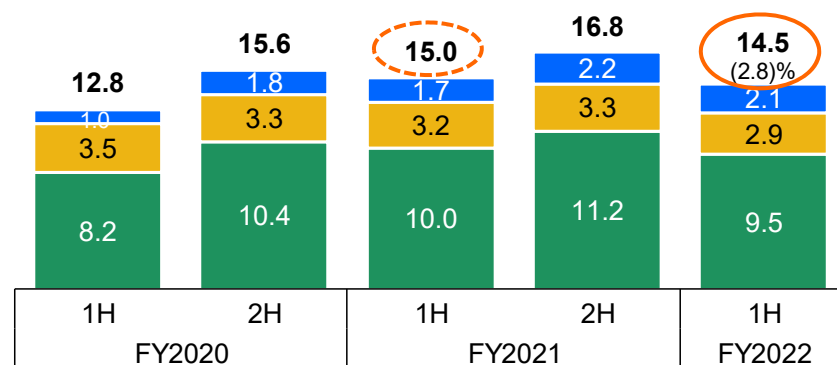
Total assets entrusted

	'21/3	'22/3	'22/9
Total assets entrusted	JPY5.59 tn	JPY5.43 tn	JPY5.55 tn

Corporate solutions business income

(JPY bn)

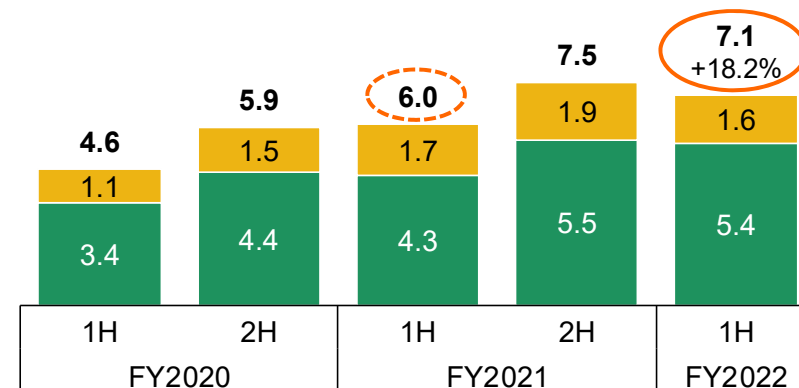
- M&A
- Private notes
- Commitment line, Syndicated loans, Covenants



Real estate business income*1

(JPY bn)

- Corporate
- Individual



*1. Excluding gains from investments in real estate funds

Credit Costs and NPL

HD Consolidated
Total of Group Banks

Credit costs

(JPY bn)	FY2020 (a)	FY2021		FY2022	
		1H (b)	(c)	1H (d)	Plan (e)
Net credit cost (HD consolidated) (1)	(57.4)	(17.0)	(58.7)	(7.7)	(38.0)

(JPY bn)	FY2020	FY2021	FY2022	
Net credit cost (Total of group banks) (2)	(52.3)	(14.9)	(61.2)	(7.0)
General reserve (3)	(15.9)	(4.9)	(7.2)	2.7
Specific reserve and other items (4)	(36.3)	(10.0)	(53.9)	(9.8)
New bankruptcy, downward migration (5)	(45.0)	(13.7)	(66.0)	(15.3)
Collection/ upward migration (6)	8.7	3.7	12.0	5.4

(JPY bn)	FY2020	FY2021	FY2022	
Difference (1) - (2) (7)	(5.1)	(2.0)	2.4	(0.6)
HL guarantee subsidiaries (8)	(0.5)	0.2	6.5	0.7
Resona Card (9)	(1.5)	(0.7)	(1.4)	(0.8)

<Credit cost ratio>

(bps)

HD consolidated ^{*1} (10)	(15.0)	(8.5)	(14.8)	(3.8)	(9.4)
Total of group banks ^{*2} (11)	(13.4)	(7.4)	(15.1)	(3.4)	(7.5)

*(Note) Positive figures represent reversal gains

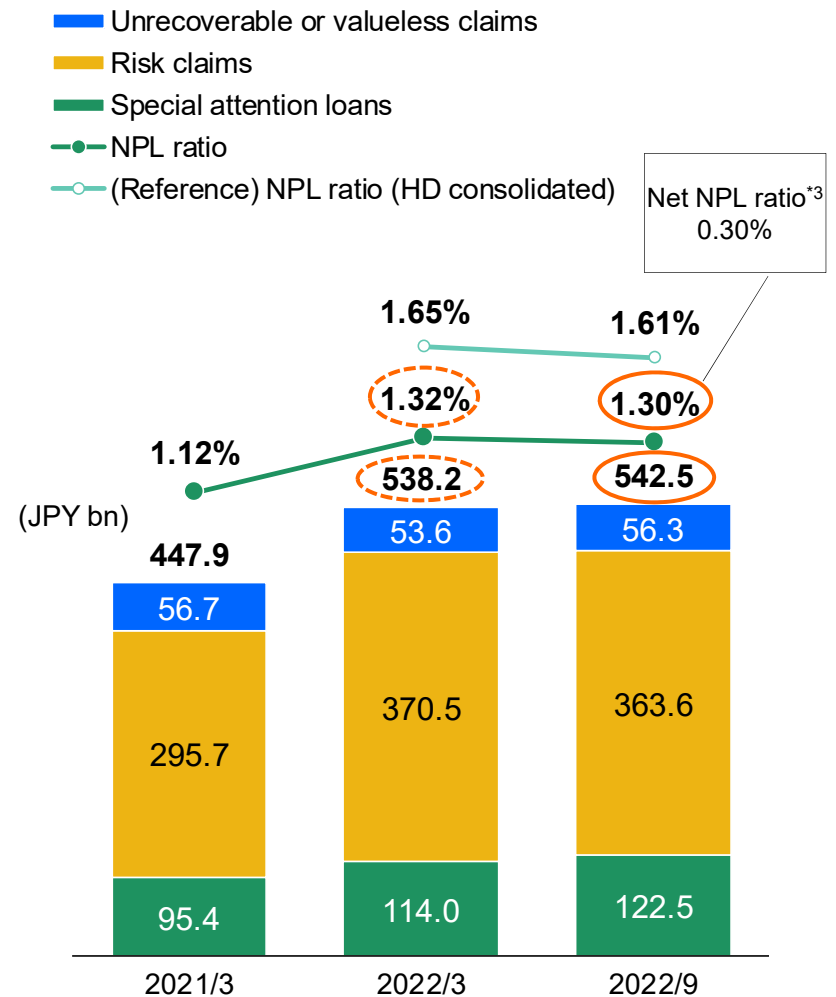
*1. Credit cost / (Loans and bills discounted + acceptances and guarantees)
(Simple average of the balances at the beginning and end of the term)

*2. Credit cost / total credits defined under the Financial Reconstruction Act
(Simple average of the balances at the beginning and end of the term)

*3. Net of collateral, guarantees and loan loss reserves

NPL balance and ratio (Total of group banks)

(Financial Reconstruction Act criteria)



Securities portfolio*1

(JPY bn)	2021/3	2022/3	2022/9	Unrealized gains/(losses)
	(a)	(b)	(c)	(d)
Available-for-sale securities (1)	4,480.7	4,159.5	4,199.7	411.4
Stocks (2)	325.2	305.9	292.0	535.9
Bonds (3)	2,586.4	2,940.1	2,828.8	(55.5)
JGBs (4)	925.7	1,137.3	1,044.3	(40.8)
Average duration (years) (5)	13.1	9.3	10.6	-
Basis point value (BPV) (6)	(1.21)	(1.15)	(1.09)	-
Local government and corporate bonds (7)	1,660.6	1,802.8	1,784.5	(14.6)
Other (8)	1,569.0	913.3	1,078.7	(69.0)
Foreign bonds (9)	904.8	562.5	565.2	(53.1)
Average duration (years) (10)	6.3	6.2	6.0	-
Basis point value (BPV) (11)	(0.51)	(0.26)	(0.26)	-
Investment trusts (Domestic) (12)	658.4	346.8	509.3	(17.9)
Net unrealized gain (13)	615.3	521.2	411.4	
Bonds held to maturity (14)	1,942.2	2,934.7	3,341.2	(87.6)
JGBs (15)	1,035.6	1,856.1	2,061.6	(74.3)
Net unrealized gain (16)	11.5	(30.3)	(87.6)	

■ CLO : Zero

*1. Acquisition cost basis. The presented figures include marketable securities only

*2. Policy-oriented stocks are classified into (i) policy investment stocks and (ii) strategic investment stocks, according to the purpose of holding.

Of these, (i) policy investment stocks are targeted for reduction of the balance.

All listed shares held by group banks are (i) policy investment stocks

Status of policy-oriented stocks held*2

■ Balance of listed stocks disposed in 1H of FY2022

(acquisition cost basis): JPY13.8 bn,

Net gain on sale: JPY33.1 bn (HD consolidated: JPY32.9 bn)

Breakeven Nikkei average: Approx. 7,500 yen

■ Policy for holding policy-oriented stocks

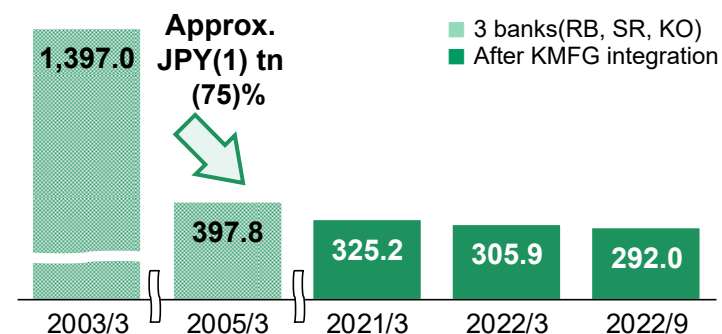
● Since the capital enhancement with public funds, Resona Group has reduced the balance of the policy-oriented stocks to lessen the risk of price volatility. Our basic policy is to continue to reduce the balance of policy-oriented stocks.

● The Group determines whether to hold policy-oriented stocks by evaluating the risks and returns, including feasibility of the development of a trading relationship in a medium- to long-term. The Group may also sell stocks in consideration of the market situations, management and financial strategies, even though the Group considers appropriate for holding from the risk-return perspective.

■ Plan to reduce JPY80.0 bn level in 4 years from Apr. '22

【Stock holdings】

(JPY bn)



Capital Adequacy Ratio

HD
Consolidated

- CAR (Domestic std.) and CET1 ratio (International std.) as of Sep. 30, 2022 were 12.40% and 13.68%, respectively, maintaining sound capital adequacy level

Domestic standard

(JPY bn)	2022/3	2022/9	Change
Capital adequacy ratio (1)	11.82%	12.40%	+0.58%
Total capital (2)	2,027.7	2,075.9	+48.1
Core Capital: instruments and reserves (3)	2,103.1	2,151.8	+48.7
Stockholders' equity (4)	2,018.9	2,077.1	+58.1
Adjusted non-controlling interests (5)	7.8	8.8	+0.9
Reserves included in Core Capital (6)	60.7	47.2	(13.5)
Subordinated loans and bonds subject to transitional arrangement (7)	34.7	31.1	(3.6)
Core Capital: regulatory adjustments (8)	75.3	75.9	+0.5
Risk weighted assets (9)	17,150.2	16,736.9	(413.2)

- Change in total capital
 - Stockholders' equity +58.1 bn
 - Net income attributable to owners of parent +82.6 bn
 - Interim dividend (25.4) bn

■ Group banks, Bank holding company

Domestic standard	Resona (Consolidated)	Saitama Resona (Consolidated)	KMFG (Consolidated)
Capital adequacy ratio	11.87%	15.43%	9.08%

(Reference) International standard

(JPY bn)	2022/3	2022/9	Change
Common Equity Tier1 capital ratio (10)	13.43%	13.68%	+0.25%
Excluding net unrealized gains on available-for-sale securities (11)	11.26%	11.92%	+0.66%
Tier1 capital ratio (12)	13.45%	13.70%	+0.25%
Total capital ratio (13)	13.81%	13.99%	+0.18%
Common Equity Tier1 capital (14)	2,343.8	2,330.1	(13.7)
Instruments and reserves (15)	2,420.8	2,405.1	(15.7)
Stockholders' equity (16)	2,018.9	2,077.1	+58.1
Net unrealized gains on available-for-sale securities (17)	378.5	300.4	(78.0)
Adjusted non-controlling interests (18)	3.6	4.1	+0.5
Regulatory adjustments (19)	76.9	74.9	(1.9)
Other Tier1 capital (20)	2.6	2.7	+0.1
Tier1 capital (21)	2,346.5	2,332.8	(13.6)
Tier2 capital (22)	62.3	48.9	(13.4)
Total capital (Tier1+Tier2) (23)	2,408.8	2,381.8	(27.0)
Risk weighted assets (24)	17,442.3	17,021.5	(420.7)

(Reference)

- Trial calculation based on the finalization of Basel 3
CET1 ratio: Approx. 9.9%*
(Excluding net unrealized gains on available-for-sale securities)

*Trial calculation which took into consideration the estimated increase in RWAs owing to the finalization of Basel 3 (SA and capital floor revisions) based on the actual CET1 ratio excluding net unrealized gains on available-for-sales securities as of Sep. 30, 2022 reported as (11) in the above table

Earnings Targets for FY2022

HD Consolidated
Total of Group Banks

HD consolidated

(JPY bn)		Full-year	Change from original target	YoY change
Net income attributable to owners of parent	(1)	150.0	—	+40.1
KMFG consolidated	(2)	20.0	—	+3.0
Difference	(3)	14.5	—	(3.9)

Common DPS

		DPS	YoY change
Common stock (annual)	(4)	21.0 yen	-
Interim dividend	(5)	10.5 yen	-

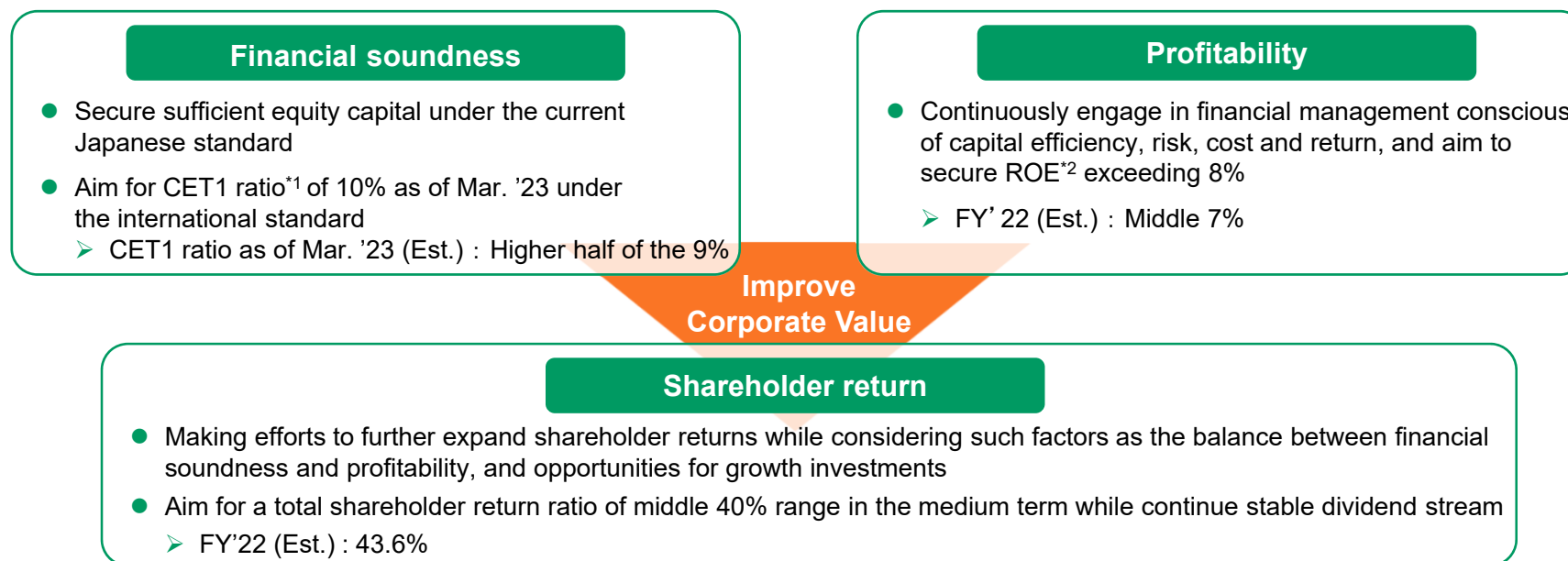
Total of group banks

(JPY bn)		Total of group banks		Resona Bank		Saitama Resona Bank		KMFG (total of group banks)	
		Full-year	Change from original target	Full-year	Change from original target	Full-year	Change from original target	Full-year	Change from original target
Gross operating profit	(6)	565.0	(12.5)	316.0	(9.5)	110.0	(1.5)	139.0	(1.5)
Operating expenses	(7)	(380.5)	+1.0	(206.0)	(0.5)	(74.0)	-	(100.5)	+1.5
Actual net operating profit	(8)	184.5	(11.5)	110.0	(10.0)	36.0	(1.5)	38.5	-
Net gains on stocks (including equity derivatives)	(9)	46.5	+10.5	39.0	+9.0	5.0	+1.5	2.5	-
Credit related expenses, net	(10)	(31.0)	-	(17.0)	-	(6.0)	-	(8.0)	-
Income before income taxes	(11)	190.0	-	131.0	-	32.0	-	27.0	-
Net income	(12)	134.5	-	93.0	-	22.5	-	19.0	-
Core income *1	(13)	121.5	-						

*1. Net interest income from domestic loans and deposits + Fee income + Operating expenses

Capital Management

- Making efforts to further expand shareholder returns as our basic policy is to strike an optimal balance between financial soundness, profitability and shareholder return



- Nov. '22 Implement share buyback up to JPY15.0 bn (Plan to cancel all of the treasury shares to be acquired)

- Action based on the following issues
 - Steady progress in interim results
 - Net income attributable to owners of parent : JPY82.6 bn (Progress rate against the full year target : 55.1%)
 - CET1 ratio*1 : Approx. 9.9% (Up 0.6% from Mar. '22)
 - The path to achieving the total shareholder return ratio target
 - Forecast of total shareholder return ratio FY'22 (After the acquisition) : **43.6% (Dividend: 33.6% + Share buyback: 10%)**
 - The current share price

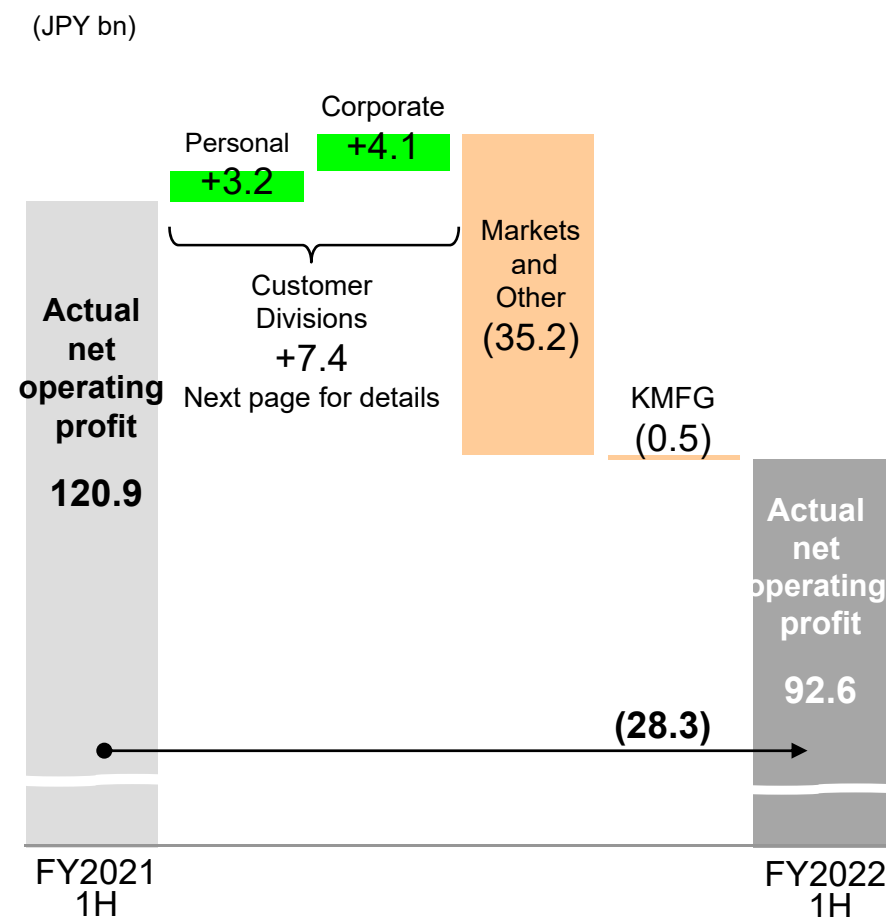
*1. Based on the finalization of Basel 3. Exclude unrealized gains on available-for-sale securities

*2. Net income / Total shareholders equity (simple sum of the balance at the beginning and the end of the term/2)

(Reference) Outline of Financial Results of Each Segment

HD Consolidated

(JPY bn)		FY2022 1H	YoY Change
Customer Divisions	Gross operating profit (1)	236.2	+7.5
	Operating expense (2)	(150.2)	(0.0)
	Actual net operating profit (3)	86.0	+7.4
Personal Banking	Gross operating profit (4)	94.9	+2.3
	Operating expense (5)	(75.6)	+0.9
	Actual net operating profit (6)	19.3	+3.2
Corporate Banking	Gross operating profit (7)	141.3	+5.2
	Operating expense (8)	(74.5)	(0.9)
	Actual net operating profit (9)	66.7	+4.1
Markets and Other	Gross operating profit (10)	(13.4)	(37.9)
	Operating expense (11)	(1.4)	+2.7
	Actual net operating profit (12)	(14.6)	(35.2)
KMFG	Gross operating profit (13)	72.3	(1.6)
	Operating expense (14)	(51.1)	+1.1
	Actual net operating profit (15)	21.2	(0.5)
Total	Gross operating profit (16)	295.2	(32.1)
	Operating expense (17)	(202.8)	+3.8
	Actual net operating profit (18)	92.6	(28.3)



Definition of management accounting

1. "Customer Divisions" and "Markets and Other" segment refer to the HD Consolidated subsidiaries, except KMFG consolidated subsidiaries.
2. Gross operating profit of "Markets" segment includes a part of net gains/losses on stocks. "Other" segment refers to the divisions in charge of management and business administration.

(Reference) Outline of Financial Results of Customer Divisions

HD Consolidated
(exclude KMFG)

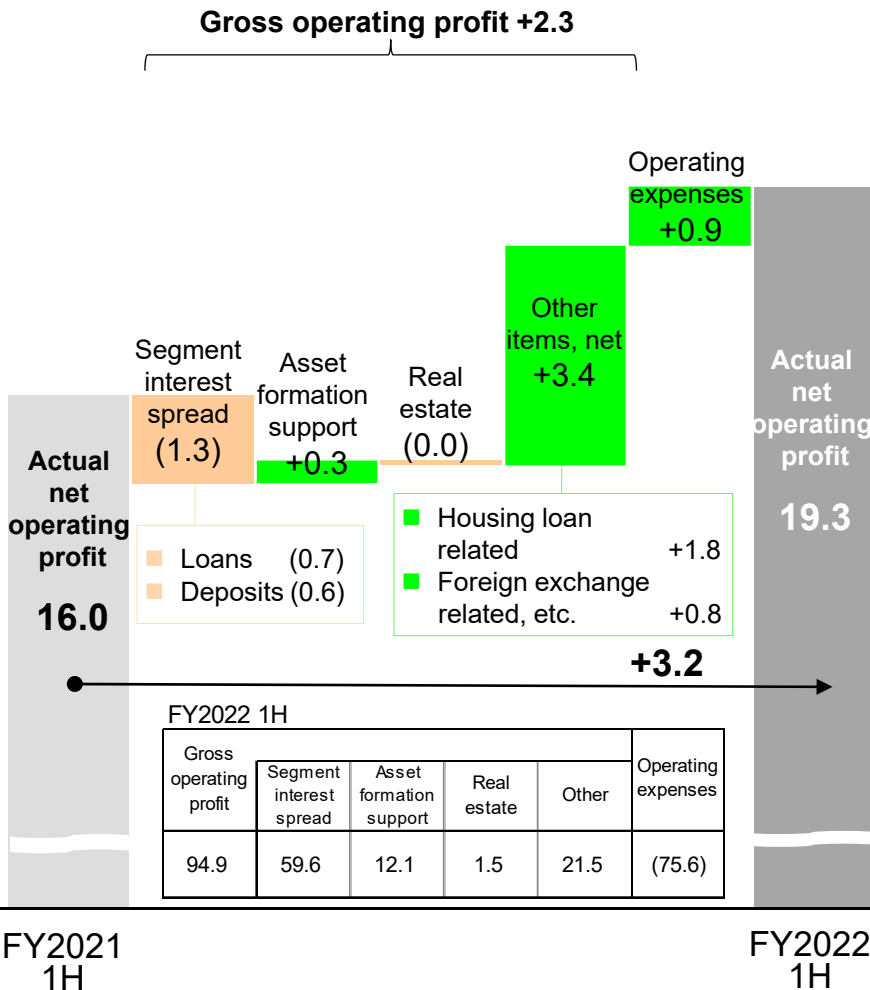
Personal banking segment

Corporate banking segment

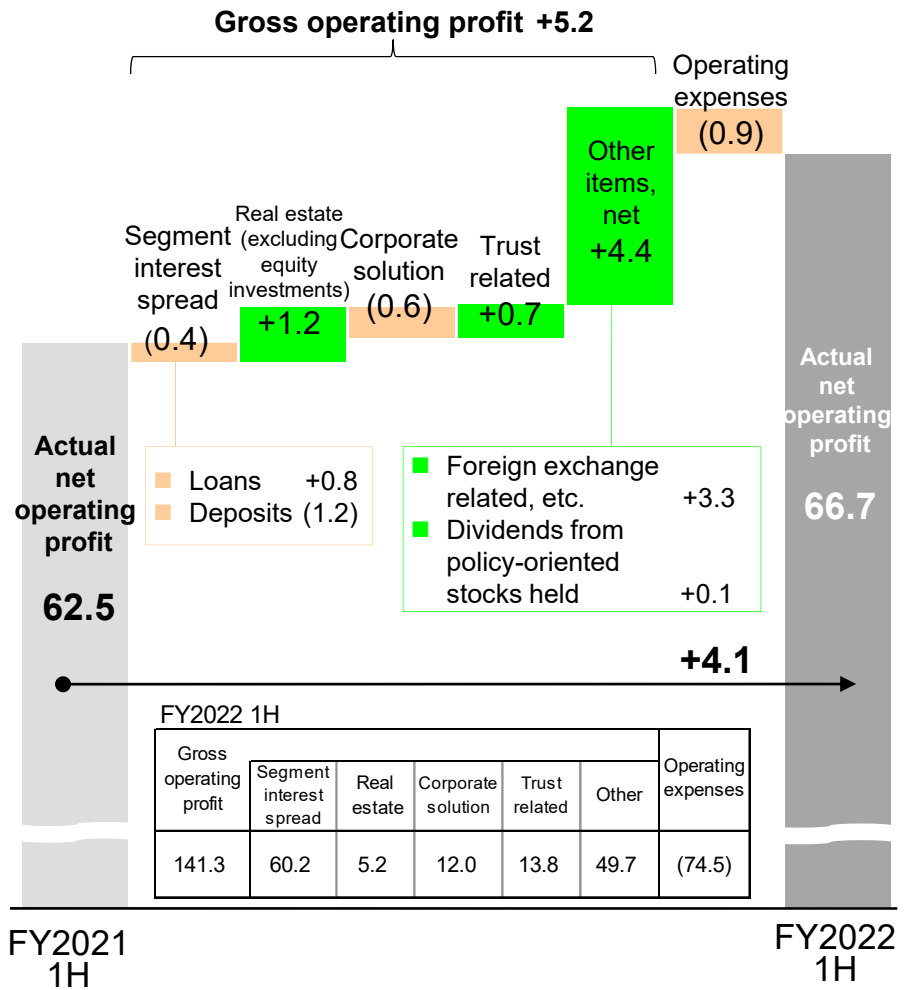
Actual net operating profit : Up JPY3.2 bn, YoY

Actual net operating profit : Up JPY4.1 bn, YoY

(JPY bn)



(JPY bn)



-
- Abbreviations and definitions of the figures presented in this material are as follows:

[HD] Resona Holdings, [RB] Resona Bank, [SR] Saitama Resona Bank,
[KMFG] Kansai Mirai Financial Group, [KMB] Kansai Mirai Bank*, [MB] Minato Bank
* [KU] Kansai Urban Banking Corporation and [KO] Kinki Osaka Bank merged on April 1, 2019

Negative figures represent items that would reduce net income.

Figures include data for internal administration purpose.

The forward-looking statements contained in this material may be subject to material change due to the following factors.

These factors may include changes in the level of stock price in Japan, any change related to the government's and central bank's policies, laws, business practices and their interpretation, emergence of new corporate bankruptcies, changes in the economic environment in Japan and abroad and any other factors which are beyond control of the Resona Group.

These forward-looking statements are not intended to provide any guarantees of the Group's future performance. Please also note that the actual performance may differ from these statements.