

Disclaimer: The Consolidated and Non-Consolidated Financial Statements and the Notes thereto in the following pages are those included in the English translation of the summary of the financial results for Fiscal Year 2015 of Resona Holdings, Inc. (*Kessan Tanshin*) disclosed on May 12, 2016 in accordance with the rules of the Tokyo Stock Exchange, under the title "Consolidated Financial Results for Fiscal Year 2015 (April 1, 2015 – March 31, 2016 / Unaudited) <under Japanese GAAP>", and are provided for information purposes only.

1. Consolidated Financial Statements
(1) Consolidated Balance Sheet
(Millions of yen)

	March 31, 2015	March 31, 2016
Assets		
Cash and due from banks	¥ 9,672,994	¥ 13,514,516
Call loans and bills bought	36,243	191,938
Monetary claims bought	443,004	391,804
Trading assets	589,687	475,382
Money held in trust	186	178
Securities	6,864,211	5,346,725
Loans and bills discounted	27,487,284	27,664,964
Foreign exchange assets	97,945	68,866
Other assets	749,994	872,845
Tangible fixed assets	305,493	307,610
Buildings	99,065	97,367
Land	187,022	185,138
Leased assets	8,061	9,606
Construction in progress	1,222	4,370
Other tangible fixed assets	10,121	11,128
Intangible fixed assets	37,398	32,389
Software	6,820	7,184
Leased assets	25,450	20,086
Other intangible fixed assets	5,127	5,118
Net defined benefit asset	27,155	4,248
Deferred tax assets	5,663	25,664
Customers' liabilities for acceptances and guarantees	478,968	431,439
Reserve for possible loan losses	(209,582)	(202,081)
Reserve for possible losses on investments	(83)	(57)
Total Assets	46,586,565	49,126,435
Liabilities and Net Assets		
Liabilities		
Deposits	36,712,851	38,228,820
Negotiable certificates of deposit	2,130,640	1,344,500
Call money and bills sold	1,531,519	606,916
Payables under repurchase agreements	50,993	5,999
Payables under securities lending transactions	24,122	145,107
Trading liabilities	302,869	291,639
Borrowed money	737,051	809,049
Foreign exchange liabilities	1,439	1,991
Bonds	667,707	624,812
Due to trust account	617,622	3,707,658
Other liabilities	1,080,968	985,007
Reserve for employees' bonuses	20,002	16,908
Net defined benefit liability	28,837	32,534
Other reserves	35,651	40,276
Deferred tax liabilities	476	181
Deferred tax liabilities for land revaluation	21,465	20,120
Acceptances and guarantees	478,968	431,439
Total Liabilities	44,443,186	47,292,964
Net Assets		
Capital stock	50,472	50,472
Capital surplus	145,916	-
Retained earnings	1,335,800	1,399,576
Treasury stock	(2,483)	(1,902)
Total stockholders' equity	1,529,706	1,448,147
Net unrealized gains on available-for-sale securities	423,076	347,491
Net deferred gains on hedges	33,158	49,540
Revaluation reserve for land	43,485	44,025
Foreign currency translation adjustments	(1,542)	(3,012)
Remeasurements of defined benefit plans	(49,105)	(70,190)
Total accumulated other comprehensive income	449,072	367,855
Non-controlling interests	164,600	17,468
Total Net Assets	2,143,379	1,833,470
Total Liabilities and Net Assets	¥ 46,586,565	¥ 49,126,435

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

[Consolidated Statement of Income]

(Millions of yen)

	For the fiscal year ended March 31, 2015	For the fiscal year ended March 31, 2016
Ordinary income	¥ 861,278	¥ 817,408
Interest income	466,655	443,549
Interest on loans and bills discounted	373,090	353,242
Interest and dividends on securities	60,743	55,102
Interest on call loans and bills bought	931	776
Interest on receivables under securities borrowing transactions	22	5
Interest on due from banks	8,308	9,956
Other interest income	23,558	24,465
Trust fees	22,776	21,295
Fees and commissions	201,031	203,144
Trading income	5,973	10,448
Other operating income	45,231	61,458
Other ordinary income	119,609	77,512
Reversal of reserve for possible loan losses	27,627	-
Recoveries of written-off loans	13,853	15,317
Other	78,128	62,194
Ordinary expenses	527,961	565,703
Interest expenses	40,666	42,200
Interest on deposits	14,851	14,185
Interest on negotiable certificates of deposit	1,825	1,541
Interest on call money and bills sold	1,613	2,789
Interest on payables under repurchase agreement	79	55
Interest on payables under securities lending transactions	936	893
Interest on borrowed money	2,581	3,022
Interest on bonds	17,121	17,495
Other interest expenses	1,657	2,217
Fees and commissions	54,590	55,727
Trading expenses	752	346
Other operating expenses	13,176	22,053
General and administrative expenses	357,767	347,513
Other ordinary expenses	61,008	97,861
Provision to reserve for possible loan losses	-	8,624
Other	61,008	89,236
Ordinary profits	333,316	251,705
Extraordinary gains	104	1,353
Gains on disposal of fixed assets	104	1,353
Extraordinary losses	7,169	2,528
Losses on disposal of fixed assets	1,430	1,074
Impairment losses on fixed assets	5,738	1,454
Income before income taxes	326,251	250,530
Income taxes – current	45,417	43,929
Income taxes – deferred	63,417	21,800
Total income taxes	108,835	65,730
Net income	217,415	184,800
Net income attributable to non-controlling interests	5,937	959
Net income attributable to owners of parent	¥ 211,477	¥ 183,840

[Consolidated Statement of Comprehensive Income]

(Millions of yen)

	For the fiscal year ended March 31, 2015	For the fiscal year ended March 31, 2016
Net income	¥ 217,415	¥ 184,800
Other comprehensive income	199,441	(93,192)
Net unrealized gains (losses) on available-for-sale securities	178,920	(75,632)
Net deferred gains (losses) on hedges	5,047	16,382
Revaluation reserve for land	2,231	1,085
Foreign currency translation adjustments	26,385	(13,919)
Remeasurements of defined benefit plans	(13,157)	(21,107)
Share of other comprehensive income of affiliates accounted for using the equity method	13	(1)
Total comprehensive income	<u>416,856</u>	<u>91,607</u>
Comprehensive income attributable to:		
Owners of the parent	387,065	103,168
Non-controlling interests	¥ 29,791	¥ (11,560)

(3) Consolidated Statement of Changes in Net Assets
For the fiscal year ended March 31, 2015

(Millions of yen)

	Stockholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity
Balance at the beginning of the fiscal year	¥50,472	¥409,293	¥1,169,785	¥(85,855)	¥1,543,696
Cumulative effect of changes in accounting policies			1,483		1,483
Restated balance	50,472	409,293	1,171,268	(85,855)	1,545,179
Changes during the fiscal year					
Dividends paid - other capital surplus		(32,000)			(32,000)
Dividends paid			(46,946)		(46,946)
Net income attributable to owners of parent			211,477		211,477
Purchase of treasury stock				(234,951)	(234,951)
Disposal of treasury stock		3,568		83,378	86,946
Cancellation of treasury stock		(234,945)		234,945	-
Net changes except for stockholders' equity during the fiscal year					
Total changes during the fiscal year	-	(263,376)	164,531	83,371	(15,473)
Balance at the end of the fiscal year	¥50,472	¥145,916	¥1,335,800	¥(2,483)	¥1,529,706

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized gains on available-for-sale securities	Net deferred gains on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal year	¥244,166	¥28,110	¥41,254	¥(4,081)	¥(35,965)	¥273,484	¥139,231	¥1,956,412
Cumulative effect of changes in accounting policies								1,483
Restated balance	244,166	28,110	41,254	(4,081)	(35,965)	273,484	139,231	1,957,896
Changes during the fiscal year								
Dividends paid - other capital surplus								(32,000)
Dividends paid								(46,946)
Net income attributable to owners of parent								211,477
Purchase of treasury stock								(234,951)
Disposal of treasury stock								86,946
Cancellation of treasury stock								-
Net changes except for stockholders' equity during the fiscal year	178,910	5,047	2,231	2,539	(13,140)	175,587	25,369	200,956
Total changes during the fiscal year	178,910	5,047	2,231	2,539	(13,140)	175,587	25,369	185,483
Balance at the end of the fiscal year	¥423,076	¥33,158	¥43,485	¥(1,542)	¥(49,105)	¥449,072	¥164,600	¥2,143,379

(3) Consolidated Statement of Changes in Net Assets - Continued
For the fiscal year ended March 31, 2016

(Millions of yen)

	Stockholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity
Balance at the beginning of the fiscal year	¥50,472	¥145,916	¥1,335,800	¥(2,483)	¥1,529,706
Changes during the fiscal year					
Dividends paid - other capital surplus		(32,000)			(32,000)
Dividends paid			(74,660)		(74,660)
Net income attributable to owners of parent			183,840		183,840
Purchase of treasury stock				(159,842)	(159,842)
Disposal of treasury stock		(0)		587	587
Cancellation of treasury stock		(159,835)		159,835	—
Change in scope of consolidation			(29)		(29)
Transfer from retained earnings to capital surplus		45,919	(45,919)		—
Reversal of revaluation reserve for land			545		545
Net changes except for stockholders' equity during the fiscal year					
Total changes during the fiscal year	—	(145,916)	63,776	581	(81,558)
Balance at the end of the fiscal year	¥50,472	—	¥1,399,576	¥(1,902)	¥1,448,147

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized gains on available-for-sale securities	Net deferred gains on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal year	¥423,076	¥33,158	¥43,485	¥(1,542)	¥ (49,105)	¥449,072	¥164,600	¥2,143,379
Changes during the fiscal year								
Dividends paid - other capital surplus								¥(32,000)
Dividends paid								¥(74,660)
Net income attributable to owners of parent								¥183,840
Purchase of treasury stock								¥(159,842)
Disposal of treasury stock								¥587
Cancellation of treasury stock								—
Change in scope of consolidation								¥(29)
Transfer from retained earnings to capital surplus								—
Reversal of revaluation reserve for land								¥545
Net changes except for stockholders' equity during the fiscal year	¥(75,584)	¥16,382	¥540	¥(1,470)	¥ (21,085)	¥(81,216)	¥(147,132)	¥(228,349)
Total changes during the fiscal year	(75,584)	16,382	540	(1,470)	(21,085)	(81,216)	(147,132)	(309,908)
Balance at the end of the fiscal year	¥347,491	¥49,540	¥44,025	¥(3,012)	¥(70,190)	¥367,855	¥17,468	¥1,833,470

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2015	For the fiscal year ended March 31, 2016
Cash flows from operating activities		
Net income before income taxes	¥ 326,251	¥ 250,530
Adjustment for:		
Depreciation and amortization	25,726	26,288
Impairment losses on fixed assets	5,738	1,454
Equity in earnings of investments in affiliates	(153)	(116)
Increase/(decrease) in reserve for possible loan losses	(46,610)	(7,500)
Increase/(decrease) in reserve for possible losses on investments	(49)	(26)
Increase/(decrease) in reserve for employees' bonuses	1,932	(3,094)
(Increase)/decrease in net defined benefit asset	(6,178)	(15,447)
Increase/(decrease) in net defined benefit liability	(8,221)	(11,800)
Interest income (accrual basis)	(466,655)	(443,549)
Interest expenses (accrual basis)	40,666	42,200
Net (gains)/losses on securities	(64,720)	(40,878)
Net foreign exchange (gains)/losses	(12,906)	(33,828)
Net (gains)/losses on disposal of fixed assets	1,326	(278)
Net (increase)/decrease in trading assets	26,883	114,304
Net increase/(decrease) in trading liabilities	(2,672)	(11,229)
Net (increase)/decrease in loans and bills discounted	(785,615)	(177,679)
Net increase/(decrease) in deposits	966,944	1,515,969
Net increase/(decrease) in negotiable certificates of deposit	180,780	(786,140)
Net increase/(decrease) in borrowed money (excluding subordinated borrowed money)	(333,650)	97,997
Net (increase)/decrease in due from banks (excluding those deposited at Bank of Japan)	(59,438)	52,803
Net (increase)/decrease in call loans and other	7,741	(104,494)
Net increase/(decrease) in call money and other	688,724	(969,595)
Net increase/(decrease) in payables under securities lending transactions	(25,769)	120,985
Net (increase)/decrease in foreign exchange assets	(25,188)	29,079
Net increase/(decrease) in foreign exchange liabilities	265	552
Net increase/(decrease) in straight bonds	500	(3,038)
Net increase/(decrease) in due to trust account	83,778	3,090,035
Interest receipts (cash basis)	470,258	447,677
Interest payments (cash basis)	(43,327)	(43,548)
Other, net	127,249	(13,920)
Subtotal	1,073,611	3,123,712
Income taxes paid or tax refund	29,860	(57,984)
Net cash provided by/(used in) operating activities	1,103,471	3,065,728
Cash flows from investing activities		
Purchases of securities	(16,562,521)	(14,120,698)
Proceeds from sales of securities	18,010,807	14,632,322
Proceeds from redemption of securities	892,679	795,702
Purchases of tangible fixed assets	(10,649)	(12,106)
Proceeds from sales of tangible fixed assets	290	2,158
Purchases of intangible fixed assets	(2,272)	(3,488)
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	-	14
Other, net	(130)	(279)
Net cash provided by/(used in) investing activities	2,328,201	1,293,625
Cash flows from financing activities		
Repayment of subordinated borrowed money	(11,000)	(26,000)
Repayment of subordinated bonds	(51,800)	(172,761)
Dividends paid	(78,946)	(106,660)
Dividends paid to non-controlling interests of consolidated subsidiaries	(640)	(293)
Purchases of treasury stock	(234,951)	(159,842)
Proceeds from sales of treasury stock	87,217	587
Net cash provided by/(used in) financing activities	(290,120)	(464,969)
Effect of exchange rate changes on cash and cash equivalents	104	(58)
Net increase/(decrease) in cash and cash equivalents	3,141,657	3,894,326
Cash and cash equivalents at the beginning of the fiscal year	6,314,735	9,456,393
Cash and cash equivalents at the end of the fiscal year	¥ 9,456,393	¥ 13,350,719

(5) Note on Going-Concern Assumption
Not applicable

(6) Significant Accounting Policies Applied in Preparing Consolidated Financial Statements

1. Scope of Consolidation

(1) Number of consolidated subsidiaries: 14

Names of principal companies: Resona Bank, Ltd.
Saitama Resona Bank, Ltd.
The Kinki Osaka Bank, Ltd.

Resona Asset Management Co., Ltd. was newly established and included in the scope of consolidation from the fiscal year 2015.

TD Consulting Co., Limited and Resona Preferred Global Securities (Cayman) Limited are excluded from the scope of consolidation from the fiscal year 2015, since some of the shares in TD Consulting Co., Limited were sold, and Resona Preferred Global Securities (Cayman) Limited was liquidated.

(2) Non-consolidated subsidiaries

Name of principal company: Asahi Servicos e Representacoes Ltda.

Non-consolidated subsidiaries are immaterial with respect to assets, ordinary income, net income/loss (based on the owned interest) and retained earnings (based on the owned interest), accumulated other comprehensive income (based on the owned interest), etc. They are excluded from the consolidation as reasonable judgment on the financial conditions and operating results can still be expected even if they were not consolidated.

2. Application of the Equity Method

(1) Number of non-consolidated subsidiaries accounted for by the equity method: None

(2) Number of affiliates accounted for by the equity method: 1 company
Name of the company: Japan Trustee Services Bank, Ltd.

(3) Non-consolidated subsidiaries not accounted for by the equity method
Name of principal company: Asahi Servicos e Representacoes Ltda.

(4) Number of affiliates not accounted for by the equity method: None
Non-consolidated subsidiaries and affiliates, which are not accounted for by the equity method, are not material to the consolidated financial statements with respect to net income/loss (based on the owned interest), retained earnings (based on the owned interest), accumulated other comprehensive income (based on owned interest), etc. and accordingly, the equity method is not applied to them.

3. Balance Sheet Dates of Consolidated Subsidiaries

(1) Balance sheet dates of the consolidated subsidiaries are as follows:

End of December: 2 companies
End of March: 12 companies

(2) All subsidiaries have been consolidated based on their accounts at their respective balance sheet dates. Appropriate adjustments have been made for significant transactions occurring during the period from the respective balance sheet dates of the above subsidiaries to the consolidated balance sheet date.

4. Accounting Policies

(1) Trading assets/trading liabilities and trading income/trading expenses

Transactions whose purpose are to earn a profit by taking advantage of short-term fluctuations in the market or discrepancies in interest rates, currency exchange rates, share prices or other market indices on different markets ("transactions for trading purposes") are included in "Trading assets" or "Trading liabilities" as appropriate in the consolidated balance sheets on a trade-date basis. Income and expenses on the transactions for such trading purposes are included in "Trading income" and "Trading expenses" in the consolidated statements of income on a trade-date basis.

Securities and monetary claims etc. held for trading purposes are stated at fair value as of the consolidated balance sheet date. Derivatives, including swaps, futures and options, held for trading purposes, are stated at the fair values as if they were closed out value assuming the respective contracts are closed-out at the consolidated balance sheet date.

Trading income and trading expenses include interest received and paid during the fiscal year, net changes in fair value of securities and monetary claims, etc., and changes in the close-out value of derivatives during the fiscal year.

(2) Securities

Held-to-maturity debt securities are stated at amortized cost determined by the moving average method (the amortization/accumulation is calculated by the straight-line method).

Investments in non-consolidated subsidiaries and affiliates which are not accounted for by the equity method are stated at amortized cost determined by the moving-average method.

Available-for-sale equity securities are stated at fair value based on the average quoted market prices in the last month of the fiscal year. Other marketable available-for-sale securities are stated at their respective market value and the cost of these securities sold is determined by the moving average method. Non-marketable available-for-sale securities whose fair value cannot be readily determined are stated at cost determined by the moving-average method.

Net unrealized gains or losses, net of applicable taxes, on available-for-sale securities are included as a component of net assets.

(3) Derivative transactions

Derivative transactions (excluding “transactions for trading purposes”) are stated at fair value.

(4) Depreciation for fixed assets

(i) Tangible fixed assets (except for leased assets)

Depreciation of tangible fixed assets is mainly computed by the straight-line method for buildings and by the declining-balance method for equipment over the estimated useful lives. The estimated useful lives of major tangible fixed assets are as follows:

- Buildings: 2 ~ 50 years
- Equipment: 2 ~ 20 years

(ii) Intangible fixed assets (except for leased assets)

Amortization of intangible fixed assets is computed by the straight-line method. Software for internal use is amortized over the estimated useful lives (mainly 5 years) determined by the Company and its consolidated subsidiaries.

(iii) Leased assets

Finance leases other than those which are deemed to transfer the ownership of the leased assets to the lessee, which are included in tangible fixed assets or intangible fixed assets, are depreciated by a straight-line method over the lease term. Residual value of those leased assets is zero unless any guaranteed amount is prescribed in the lease agreement.

Depreciation of leased assets deemed to transfer ownership to the lessee is computed by the same method used for owned assets.

(5) Deferred charges

Share issuance costs are charged to expense as paid.

(6) Reserve for possible loan losses

The principal consolidated subsidiaries have provided reserve for possible loan losses in accordance with their internal standards for write-offs and reserves as follows:

For claims to insolvent borrowers who are undergoing bankruptcy or special liquidation, etc. (hereinafter, “bankrupt obligors”) or who are in substantially the same deteriorating financial condition, although not yet in formal bankruptcy proceedings (hereinafter “effectively bankrupt obligors”), a reserve is provided at the full amount of claims after deducting any direct write-offs and excluding the amounts deemed collectible from the disposal of collateral and the amounts recoverable from the execution of guarantees.

For claims to borrowers who are not currently in the condition of bankruptcy or insolvency but with a high probability of becoming insolvent and certain identified claims subject to close watch, which exceeds a certain threshold, the Discounted Cash Flows Method (the “DCF Method”) is applied to determine the amount of reserve for individually large balances which exceeds a certain pre-established threshold amount. The DCF method, however, is applied only when future cash flows from collection of principal and interest can be reasonably estimated. Under the DCF Method, a reserve is provided for the difference between the present value of future cash flows discounted by the original interest rate and the carrying value of the claim.

For claims to other borrowers, a reserve is computed by using the loss ratios derived from the historical loss experience for a specified period.

For claims to certain foreign borrowers with country risk exposure, a reserve is provided for the estimated losses determined by considering the political and economic situation of respective countries.

The operating divisions initially assess all claims based on the internal standards for self-assessment of asset quality. The Internal Audit Division, which is independent from the operating divisions, examines their assessments.

For collateralized or guaranteed claims, etc. to bankrupt obligors and effectively bankrupt obligors, uncollectible amount (i.e., the carrying value less the amounts collectible from the disposal of collateral and execution of guarantees) are directly written-off. Such uncollectible amount is determined considering a valuation of the collateral and guarantees and is ¥184,764 million.

Other consolidated subsidiaries mainly provide a general reserve against claims at the amount deemed necessary based on their historical loan-loss experience and a reserve for specific claims individually determined to be uncollectible such as those to bankrupt obligors.

(7) Reserve for possible losses on investments

Reserve for possible losses on investments is provided for possible losses on investments in securities based on assessment of the issuers' financial condition and other factors.

(8) Reserve for employees' bonuses

The reserve for employees' bonuses is provided for the payment of performance incentive bonuses to be paid to employees at an estimated amount accrued as of the consolidated balance sheet date.

(9) Other reserves

Other reserves are provided to cover future expenses and losses that can be reasonably estimated. Major components are as follows:

- (i) Reserve for losses on reimbursement of dormant deposits: ¥28,775 million
A reserve for losses on reimbursement of dormant deposits is provided for the estimated future losses resulting from reimbursements of dormant deposits subsequent to the period of derecognition of the related liabilities.
- (ii) Reserve for Resona Club points: ¥4,954 million
A reserve for Resona Club points is provided for the estimated future losses by usage of the points awarded to the Resona Club members.
- (iii) Reserve for losses on burden charge under the credit guarantee system: ¥4,900 million
A reserve for losses on burden charge under the credit guarantee system is provided for the estimated future losses to be charged by the credit guarantee corporation under the burden sharing system for credit losses on loans.

(10) Employees' retirement benefits

Regarding determination of retirement benefit obligations, the benefit formula basis is adopted as the method of attributing expected benefit to the periods until this fiscal year end. Prior service cost and unrecognized actuarial gains and losses are accounted for as follows:

- Prior service cost: charged to expense in the fiscal year it is incurred
- Unrecognized actuarial gains and losses: charged to income/expense from the next fiscal year of the incurrence by the straight-line method over a period defined within the average remaining service years of eligible employees (ten years).

Certain consolidated subsidiaries estimated net defined benefit liability and retirement benefit costs using the simplified method whereby the retirement benefit obligations amount that would be payable if the eligible employees terminate the employment.

(11) Translation of assets and liabilities denominated in foreign currencies into Japanese yen

Assets and liabilities denominated in foreign currencies of consolidated domestic banking subsidiaries, except for the investments in affiliates on which historical foreign exchange rates are used, are translated into Japanese yen, primarily at the exchange rates on the consolidated balance sheet dates.

Assets and liabilities denominated in foreign currencies of other consolidated subsidiaries are translated into Japanese yen at the exchange rates on the respective balance sheet dates.

(12) Hedge accounting

- (i) Hedges of interest rate risk
Consolidated domestic banking subsidiaries apply the deferral hedge accounting to the hedge of interest rate risk associated with their financial assets and liabilities in accordance with the Japanese Institute of Certified Public Accountants ("JICPA") Industry Audit Committee Report No. 24 "Accounting and Auditing Treatments on the Application of Accounting Standards for Financial Instruments in the Banking Industry." In assessment of effectiveness of fair value hedge, the hedged instruments such as loans and deposits and hedging instruments such as interest swaps are specified as a group with similar remaining term. In assessing effectiveness of cash flow hedge, the correlation of the interest sensitivities of the hedged instruments and the hedging instruments are examined.
- (ii) Hedges of foreign currency risk
Certain consolidated domestic banking subsidiaries apply the deferral hedge accounting to hedge of the foreign currency risk associated with their financial assets and liabilities denominated in foreign currencies in accordance with JICPA Industry Audit Committee Report No. 25 "Accounting and Auditing Treatments for Foreign Currency Transactions in the Banking Industry." Assessment of the effectiveness of these hedge transactions is conducted by confirming whether notional amount of hedging currency swaps, foreign exchange swaps, etc. is corresponding to hedged receivables or payables denominated in foreign currencies.
In addition, in application of the deferral hedge accounting or the fair value hedge accounting to hedges of foreign exchange risk of securities denominated in foreign currencies other than bonds, at the inception of

each hedge, the hedge effectiveness is assessed by confirming whether the foreign currency payable amount of hedging spot or forward exchange contracts exceed the acquisition costs of the hedged securities denominated in foreign currencies.

(iii) Transaction among consolidated subsidiaries

Because internal interest swaps, currency swaps, and other derivative transactions specified as hedging instruments are strictly processed based on the appropriate market pricing and covered by corresponding external transactions as required by the JICPA Industry Audit Committee Reports No. 24 and No. 25, gains and losses on these internal derivative transactions within consolidated banking subsidiaries or with their trading accounts, are not eliminated, and are recognized as profit or deferred.

The hedging of certain assets and liabilities are accounted for by the deferral hedge accounting, fair value hedge accounting and the special treatment of interest rate swaps.

(13) Cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents in the consolidated statements of cash flows represent cash and due from the Bank of Japan included in "Cash and due from banks" on the consolidated balance sheets.

(14) Consumption taxes

The Company and consolidated domestic subsidiaries account for consumption tax and local consumption tax with the tax-exclusion method.

(15) Consolidated corporate-tax system

The Company and certain consolidated domestic subsidiaries adopt consolidated corporate-tax system with the Company being a parent company under the system.

(7) Changes in Accounting Policies, Changes in Accounting Estimates and Restatement

Change in Accounting Policies

(Application of Accounting Standard for Business Combinations, etc.)

The Group applied ASBJ Statement No. 21 "Revised Accounting Standard for Business Combinations," ASBJ Statement No. 22 "Revised Accounting Standard for Consolidated Financial Statements," ASBJ Statement No.7 "Revised Accounting Standard for Business Divestitures" and related guidance, all of those issued on September 13, 2013, from the fiscal year 2015.

Accordingly, the Company has changed to recognize the difference arising from changes in the ownership interest in subsidiaries while it retains its controlling interests in the subsidiaries as capital surplus, and acquisition-related costs are charged to expenses in the periods when the costs are incurred.

In addition, for a business combination occurring on or after April 1, 2015, an adjustment of acquisition cost allocation arising from finalization of the provisional accounting treatments is retrospectively recognized in the consolidated financial statements for the period when the business combination occurs.

Furthermore, presentation of net income in the financial statements was amended and "minority interests" was changed to "non-controlling interests."

For the application of these accounting standards, the Company adopted the transitional provisions in item (4), paragraph 58-2 of the Accounting Standard for Business Combinations, item (4), paragraph 44-5 of the Accounting Standard for Consolidated Financial Statements, and item (4), paragraph 57-4 of the Accounting Standard for Business Divestitures effective from the beginning of the fiscal year ended March 31, 2015.

There is no effect on the consolidated financial statements for the fiscal year 2015.

(8) Notes to Consolidated Financial Statements

(Notes to Consolidated Balance Sheet)

March 31, 2016

1. Securities include equity investments in non-consolidated subsidiaries and affiliates of ¥19,633 million and capital subscriptions to entities of ¥6,311 million.
2. There is no stock lent under consumption agreements in "Securities." There is no portion of unsecured borrowed securities, securities purchased under resale agreements and securities borrowed with cash collateral.
3. Loans to borrowers in legal bankruptcy amounted to ¥28,494 million, and past due loans amounted to ¥314,305 million.

Loans to borrowers in legal bankruptcy are loans for which payment of principals or interests has not been received for a substantial period or, for other reasons, there are no prospects for collection of principals or interests, and accordingly, no interest has been accrued (excluding balance already written off and hereinafter referred to as "nonaccrual loans") and also certain specific condition stated in the Implementation Ordinances for the Corporation Tax Act (Cabinet Order No. 97, 1965), Items i through v in Article 96-1-3 or the circumstances stated in Article 96-1-4 exists.

Past due loans are nonaccrual loans, other than loans to borrowers in legal bankruptcy and loans whose interest payments have been rescheduled in order to support the restructuring of the borrowers.

4. Loans past due 3 months or more amounted to ¥3,823 million.

Loans past due 3 months or more are loans on which payment of principal or interest is overdue for 3 months or more from the contract payment date. These loans do not include “loans to borrowers in legal bankruptcy” nor “past due loans.”

5. Restructured loans amounted to ¥216,510 million.

Restructured loans are those which consolidated subsidiaries have provided special terms and conditions: - including reduction of the interest rates, reschedule of the interest and principal payments, or waiver of claims on the borrowers, all of which are more favorable to the borrowers than the corresponding terms in the original loan agreements. These loans do not include “loans to borrowers in legal bankruptcy”, “past due loans” and “loans past due 3 months or more.”

6. Loans to borrowers in legal bankruptcy, past due loans, loans past due 3 months or more and restructured loans amounted to ¥563,133 million in the aggregate. The amounts presented in above 3. to 6. are stated at the amounts before net of the reserve for possible loan losses.

7. Bills discounted are recorded as lending/borrowing transactions in accordance with the JICPA Industry Audit Committee Report No. 24. The Group has a right to sell or collateralize such bills at their discretion. The total face value of bank acceptance bills, commercial bills, documentary bills and foreign currency bills bought, etc., which were obtained at a discount, was ¥121,176 million.

8. Assets pledged as collateral were as follows:

Assets pledged as collateral:

• Cash and due from banks	¥10,682 million
• Trading assets	¥6,000 million
• Securities	¥2,569,098 million
• Loans and bills discounted	¥117,731 million
• Other assets	¥3,927 million

Debt collateralized:

• Deposits	¥203,109 million
• Payables under repurchase agreements	¥5,999 million
• Payables under securities lending transactions	¥145,107 million
• Borrowed money	¥739,748 million

Other than noted on the table, “Cash and due from banks”, “Securities” and “Other assets”, in the amount of ¥80 million, ¥832,945 million, and ¥612 million, respectively, were pledged as collateral for settlement of foreign exchange or futures transactions and others.

“Other assets” include the initial margins for future transactions in the amount of ¥20,308 million, cash collateral paid for financial instruments in the amount of ¥83,254 million and guarantee deposits in the amount of ¥20,386 million.

9. Overdrafts agreements on current accounts and commitment line agreements for loans are agreements to extend loans up to the prearranged amount upon customers’ requests, unless any terms or conditions in the agreements are violated. Unused balances related to these agreements amounted to ¥8,669,077 million including ¥8,221,779 million of agreements with original terms of one year or less or those that are unconditionally cancellable by the Group at any time without penalty.

The unused balances do not necessarily affect future cash flows of the consolidated subsidiaries because most of those agreements are expected to expire without being exercised. In addition, most agreements contain provisions, which stipulate that the consolidated subsidiaries may decline to extend loans or reduce the prearranged commitment amount when there are adverse changes in the financial conditions of the borrowers or for other reasons.

When extending loans to customers, the Group may request collateral or guarantees such as real estate and securities if deemed necessary.

After originating loans, the Group periodically checks the financial condition of the borrowers based on its internal rules and, if necessary, takes measures to ensure the security of the loans.

10. Certain domestic consolidated subsidiaries adopted a special one-time measure to revalue their land used in operations in accordance with the “Act Concerning Land Revaluation” (Act 34, announced on March 31, 1998). The land revaluation differences have been recorded in “revaluation reserve for land” as a separate component of net assets with the related income taxes included in “deferred tax liabilities for land revaluation.”

Revaluation date: March 31, 1998

The revaluation method as stated in Article 3, Item 3 of the Act Concerning Land Revaluation:

The revaluation was based on the official notice prices stated in the “Act of Public Notice of Land Prices (assessed date, January 1, 1998)” as stipulated in Article 2, Item 1 of the “Ordinance for the Act Concerning Land Revaluation (Government Ordinance No. 119, announced on March 31, 1998) after making reasonable adjustments for the location and quality of the sites.

The aggregate carrying value of the land after one-time revaluation exceeded its aggregate fair value that was

determined in accordance with Article 10 of the Act: ¥23,505 million

11. Accumulated depreciation of tangible fixed assets: ¥226,232 million
12. Deferred profit on tangible fixed assets deducted for tax purposes: ¥50,979 million
13. Bonds include subordinated bonds or perpetual subordinated bonds of ¥543,496 million.
14. The principal amount of trust with the principal indemnification agreement which a consolidated domestic banking subsidiary as a trustee has been administrating and operating is ¥3,728,256 million.
15. Guarantees are provided on certain privately placed bonds, in accordance with Article 2, Item 3 of FIFA, included in "Securities." The amount of the guarantees is ¥380,432 million.

(Notes to Consolidated Statement of Income)

For the fiscal year 2015

1. "Other ordinary income" includes gains on sales of stocks and other securities in the amount of ¥35,101 million.
2. "Other ordinary expenses" includes:

• Write-offs of loans	¥31,847 million
• Losses on sales of stocks and other securities	¥39,268 million
• Impairment losses on stocks and other securities	¥2,437 million

(Notes to Consolidated Statement of Comprehensive Income)
For the fiscal year 2015

1. Reclassification adjustment and tax effect of other comprehensive income

Net unrealized gains (losses) on available-for-sale securities		
Amount incurred during the fiscal year	¥ (70,533)	million
Reclassification adjustment	(42,288)	
Prior to deducting tax effect	(112,822)	
Tax effect	37,190	
Net unrealized gains (losses) on available-for-sale securities	¥ (75,632)	
Net deferred gains (losses) on hedges		
Amount incurred during the fiscal year	¥ 42,430	
Reclassification adjustment	(20,004)	
Prior to deducting tax effect	22,425	
Tax effect	(6,043)	
Net deferred gains (losses) on hedges	¥ 16,382	
Revaluation reserve for land		
Amount incurred during the fiscal year	¥ -	
Reclassification adjustment	-	
Prior to deducting tax effect	-	
Tax effect	1,085	
Revaluation reserve for land	¥ 1,085	
Foreign currency translation adjustments		
Amount incurred during the fiscal year	¥ (14,134)	
Reclassification adjustment	215	
Prior to deducting tax effect	(13,919)	
Tax effect	-	
Foreign currency translation adjustments	¥ (13,919)	
Remeasurements of defined benefit plans		
Amount incurred during the fiscal year	¥ (34,127)	
Reclassification adjustment	1,849	
Prior to deducting tax effect	(32,278)	
Tax effect	11,171	
Remeasurements of defined benefit plans	¥ (21,107)	
Share of other comprehensive income of affiliates accounted for using equity method		
Amount incurred during the fiscal year	¥ (1)	
Reclassification adjustment	(0)	
Share of other comprehensive income of affiliates accounted for using equity method	(1)	
Total other comprehensive income	¥ (93,192)	

(Notes to Consolidated Statement of Changes in Net Assets)
For the fiscal year 2015

1. The changes in the number and class of shares issued and treasury stock are as follows:

(Shares in thousand)

	Number of shares at the beginning of the fiscal year	During the fiscal year 2015		Number of shares at the end of the fiscal year	Remarks
		Number of shares increased	Number of shares decreased		
Issued stock					
Common stock	2,324,118	-	-	2,324,118	
Classified stock					
Class C No.1 preferred stock	12,000	-	12,000	-	(*1)
Class F No.1 preferred stock	8,000	-	8,000	-	(*1)
Class Four preferred stock	2,520	-	2,520	-	(*2)
Class Five preferred stock	4,000	-	-	4,000	
Class Six preferred stock	3,000	-	-	3,000	
Total	2,353,638	-	22,520	2,331,118	
Treasury stock					
Common stock	5,999	10	1,630	4,379	(*3)
Classified stock					
Class C No.1 preferred stock	-	12,000	12,000	-	(*4)
Class F No.1 preferred stock	-	8,000	8,000	-	(*4)
Class Four preferred stock	-	2,520	2,520	-	(*5)
Total	5,999	22,530	25,150	4,379	

Note: (*1) The decrease represents cancellation of own common stock acquired based on ceiling on total number of shares available for acquisition resolved at the board of directors' meetings held on May 12, 2015.

(*2) The decrease represents cancellation of own common stock acquired pursuant to Article 19, paragraph (1) of the articles of incorporation of the Company.

(*3) The increase represents acquisition of 10 thousand shares of the odd lot shares. The decrease represents disposal of 0 thousand shares of odd-lot shares and the 1,629 thousand shares sold to ESOP-type Stock Benefit Trust for the Employee Shareholding Association of the Company.

Number of shares at the beginning of the fiscal year and the end of the fiscal year include 5,057 thousand shares and 3,427 thousand shares, respectively, owned by ESOP-type Stock Benefit Trust for the Employee Shareholding Association.

(*4) The increase represents acquisition of own common stock based on the ceiling on total number of shares available for acquisition as described Note (*1). Also, the decrease represents cancellation of own common stock which acquired based on the ceiling on total number of shares available for acquisition as described Note (*1).

(*5) The increase represents acquisition of own common stock as described Note (*2). Also, the decrease represents cancellation of own common stock pursuant to Article 178 of the Companies Act.

2. Detail of cash dividend

(1) Dividends paid in the fiscal year 2015

Resolu- -tion	Type of stock	Cash dividends	Dividend per share	Source of dividends	Dividend record date	Effective date
		Millions of yen	Yen			
May 12, 2015	Classified stock			Capital surplus	March 31, 2015	June 3, 2015
	Class C No.1 preferred stock	12,000	1,000.00			
	Class F No.1 preferred stock	20,000	2,500.00			
	Common stock	39,493	17.00	Retained earnings	March 31, 2015	June 4, 2015
	Classified stock					
	Class C No.1 preferred stock	652	54.40			
	Class F No.1 preferred stock	1,184	148.00			
	Class Four preferred stock	2,501	992.50			
Class Five preferred stock	3,675	918.75				
Class Six preferred stock	3,712	1,237.50				

Note: Total cash dividends for common stock include ¥85 million of dividends paid to ESOP-type Stock Benefit Trust for the Employee Shareholding Association.

Resolu- -tion	Type of stock	Cash dividends	Dividend per share	Source of dividends	Dividend record date	Effective date
		<i>Millions of yen</i>	<i>Yen</i>			
Novem- -ber 11, 2015	Common stock	19,746	8,500	Retained earnings	September 30, 2015	December 4, 2015
	Classified stock					
	Class Five preferred stock	1,837	459,375			
	Class Six preferred stock	1,856	618,750			

Note: Total cash dividends for common stock include ¥36 million of dividends paid to ESOP-type Stock Benefit Trust for the Employee Shareholding Association.

(2) Dividends with record dates before March 31, 2016 and effective dates after April 1, 2016

The following dividends are proposed to the board of directors meeting held on May 12, 2016.

Type of stock	Cash dividends	Dividend per share	Source of dividends	Dividend record date	Effective date
	<i>Millions of yen</i>	<i>Yen</i>			
Common stock	19,746	8,500	Retained earnings	March 31, 2016	June 9, 2016
Classified stock					
Class Five preferred stock	1,837	459,375			
Class Six preferred stock	1,856	618,750			

Note: Total cash dividends for common stock include ¥29 million of dividends paid to ESOP-type Stock Benefit Trust for the Employee Shareholding Association.

(Notes to Consolidated Statement of Cash Flows)

For the fiscal year 2015

The reconciliation between cash and cash equivalents in the consolidated statement of cash flows and cash and due from banks in the consolidated balance sheet is as follows:

Cash and due from banks	¥13,514,516	million
Less: Due from except for The Bank of Japan	(163,797)	
Cash and cash equivalents	¥13,350,719	

(Financial Instruments)

For the fiscal year 2015

1. Fair value of financial instruments

Amount on consolidated balance sheet, fair value and difference between them as of March 31, 2016 were as follows. Non-marketable securities whose fair values cannot be reliably determined such as non-listed equity securities are not included in the next table. (Refer to 2.)

Fair value of financial instruments is calculated based on its internal rules which are in accordance with ASBJ Statement No. 10 "Accounting Standards for Financial Instruments."

(Millions of yen)

	Amount on consolidated balance sheet	Fair value	Difference
(1) Cash and due from banks	¥ 13,514,516	¥ 13,514,516	¥ -
(2) Call loans and bills bought	191,938	191,938	-
(3) Monetary claims bought (*1)	391,507	388,959	(2,547)
(4) Trading assets			
Trading securities	174,547	174,547	-
(5) Securities			
Held-to-maturity debt securities	2,383,521	2,477,166	93,645
Available-for-sale securities	2,892,234	2,892,234	-
(6) Loans and bills discounted	27,664,964		
Reserve for possible loan losses (*1)	(185,420)		
	27,479,543	27,736,811	257,267
(7) Foreign exchange assets (*1)	68,866	68,866	-
Total assets	¥ 47,096,674	¥ 47,445,040	¥ 348,365
(1) Deposits	¥ 38,228,820	¥ 38,230,269	¥ 1,448
(2) Negotiable certificates of deposit	1,344,500	1,344,518	18
(3) Call money and bills sold	606,916	606,916	-
(4) Payables under repurchase agreements	5,999	5,999	-
(5) Payables under securities lending transactions	145,107	145,107	-
(6) Borrowed money	809,049	809,049	-
(7) Foreign exchange liabilities	1,991	1,991	-
(8) Bonds	624,812	649,290	24,477
(9) Due to trust account	3,707,658	3,707,658	-
Total liabilities	¥ 45,474,857	¥ 45,500,801	¥ 25,944
Derivative transactions (*2)			
Hedge accounting not applied	16,804	16,804	-
Hedge accounting applied	85,076	84,793	(283)
Total derivative transactions	¥ 101,881	¥ 101,598	¥ (283)

	Contractual amounts	Fair values
Other		
Guarantee contract (*3)	¥ 431,439	¥ (8,995)

Notes:

(*1) General reserve for possible loan losses, specific reserve for possible loan losses and special reserve for certain overseas loans corresponding to loans and bills discounted are deducted. Specific reserve for possible loan losses corresponding to monetary claims bought and foreign exchange assets are excluded from the amount on consolidated balance sheet directly due to immateriality.

(*2) Derivative financial instruments included in trading assets/liabilities and other assets/liabilities are presented in total. Assets (positive amount) and liabilities (negative amount) arising from derivative transactions are presented on a net basis.

(*3) Contractual amount of guarantee contract is equal to acceptances and guarantees in the consolidated balance sheets.

2. Financial instruments whose fair values cannot be reliably determined

Financial instruments whose fair values cannot be reliably determined as of March 31, 2016 were as follows. Financial instruments are not included (5) Securities of above table 1.

(Millions of yen)

Classification	Amount on consolidated balance sheet
Unlisted stocks (*1)(*2)	¥ 53,365
Investments in partnerships (*2) (*3)	17,605
Total	¥ 70,970

Notes:

(*1) Unlisted stocks do not carry quoted market prices. Since the fair values of these securities cannot be reliably determined, their fair values are not disclosed. Unlisted stocks are amount before reserve for possible losses on investments and the total of both domestic and foreign securities.

(*2) For the fiscal year 2015, impairment losses of unlisted stocks and Investments in partnerships were ¥51 million and ¥3 million, respectively.

(*3) Investments in partnerships contain assets such as unlisted stocks which do not carry quoted market prices. Since the fair

values of these securities cannot be reliably determined, their fair values are not disclosed. Investments in partnerships are the total of both domestic and foreign assets.

(Securities)

For the fiscal year 2015

“Securities” in the consolidated balance sheet, negotiable certificates of deposit in “Cash and due from banks”, trust beneficiary certificate in “Monetary claims bought”, and trading securities and short-term bonds in “Trading assets” were included in the following tables.

1. Trading securities (As of March 31, 2016)

(Millions of yen)

	Net unrealized gains (losses) recorded in the consolidated statement of income during the fiscal year
Trading securities	¥ 197

2. Held-to-maturity debt securities (As of March 31, 2016)

(Millions of yen)

	Type	Amount on consolidated balance sheet	Estimated fair Value	Net unrealized gains (losses)
Fair value exceeding amount on consolidated balance sheet	Japanese government bonds	¥ 1,879,849	¥ 1,955,015	¥ 75,165
	Japanese local government bonds	467,764	485,710	17,946
	Japanese corporate bonds	34,799	35,338	538
	Total	2,382,413	2,476,064	93,650
Fair value below amount on consolidated balance sheet	Japanese government bonds	-	-	-
	Japanese local government bonds	737	737	(0)
	Japanese corporate bonds	370	365	(4)
	Total	1,107	1,102	(5)
Grand Total		¥ 2,383,521	¥ 2,477,166	¥ 93,645

3. Available-for-sale securities (As of March 31, 2016)

(Millions of yen)

	Type	Amount on consolidated balance sheet	Acquisition/ amortized cost	Net unrealized gains (losses)
Amount on consolidated balance sheet exceeding acquisition or amortized cost	Japanese stocks	¥ 762,964	¥ 312,910	¥ 450,054
	Bonds	1,566,334	1,551,336	14,998
	Japanese government bonds	731,029	724,788	6,241
	Japanese local government bonds	71,374	70,603	771
	Japanese corporate bonds	763,930	755,944	7,986
	Other	175,399	165,358	10,040
	Total	2,504,699	2,029,605	475,093
Amount on consolidated balance sheet below acquisition or amortized cost	Japanese stocks	35,692	38,913	(3,221)
	Bonds	130,248	130,610	(361)
	Japanese government bonds	35,412	35,456	(44)
	Japanese local government bonds	35,104	35,162	(57)
	Japanese corporate bonds	59,732	59,991	(258)
	Other	252,275	263,143	(10,867)
	Total	418,217	432,667	(14,450)
Grand Total		¥ 2,922,916	¥ 2,462,272	¥ 460,643

4. Held-to-maturity debt securities sold during the fiscal year (from April 1, 2015 to March 31, 2016)

None

5. Available-for-sale securities sold during the fiscal year (from April 1, 2015 to March 31, 2016)

(Millions of yen)

Type	Proceeds from sales	Gains on sales	Losses on sales
Japanese stocks	¥ 25,708	¥ 16,456	¥ 165
Bonds	12,411,172	39,923	1,051
Japanese government bonds	11,862,489	32,020	1,025
Japanese local government bonds	195,319	4,065	2
Japanese corporate bonds	353,363	3,837	24
Other	2,315,003	32,278	41,865
Total	¥ 14,751,883	¥ 88,658	¥ 43,083

6. Impairment of Securities

Securities except trading securities(excluding whose fair values cannot be reliably determined), of which market

values substantially declined in comparison with acquisition cost and the market value rarely recovers to the acquisition cost, are recorded at the market value on the consolidated balance sheet and the valuation difference is recognized as an impairment loss.

For the fiscal year 2015, an impairment loss was amounted to ¥2,782 million.

To assess whether or not a decline in fair values is substantial, the Group considers not only the severity and duration of the decline in value but also the classification of the security issuer which is used in the self-assessment of asset quality as follows:

- (i) For issuers who are classified as bankrupt obligors, effectively bankrupt obligors, and borrowers with a high probability of becoming insolvent:
where the fair value is lower than the amortized cost or acquisition cost.
- (ii) For issuers who are classified as borrowers under close watch or issuers who are not rated:
where the fair value declined by 30% or more compared to the amortized cost or acquisition cost.
- (iii) Other: where the fair value declined by 50% or more compared to the amortized cost or acquisition cost.

(Deferred Tax Accounting)

Following the enactment of the “Act on the Partial Revision of the Income Tax etc. (Act No. 15 of 2016)” and “Act on the Partial Revision of the local Tax etc. (Act No. 13 of 2016)” at the Diet on March 29, 2016, corporation tax rate will be reduced from the fiscal years beginning on or after April 1, 2016. In line with these changes, the normal effective statutory tax rates used to measure deferred tax assets and liabilities were changed from 32.22% to 30.81% for temporary differences expected to be reversed in the fiscal years beginning on April 1, 2016 and 2017, and to 30.58% for those expected to be reversed in the fiscal years beginning on or after April 1, 2018.

As a result of this change, deferred tax assets decreased by ¥1,061 million, deferred tax liabilities decreased by ¥758 million, remeasurements of defined benefit plans decreased by ¥1,639 million, income taxes-deferred increased by ¥5,427 million, net unrealized gains on available-for-sale securities increased by ¥5,601 million and net deferred gains on hedges increased by ¥1,162 million. In addition, deferred tax liabilities for land revaluation decreased by ¥1,072 million and revaluation reserve for land increased by the same amount.

【Segment Information】

For the fiscal year 2015

1. Segment information

Principal operating activities of the segments are as follows:

Segment	Principal operating activity
Consumer banking	Mainly for individual customers, provide consulting services regarding consumer loan, asset management and asset succession
Corporate banking	Mainly for corporate customers, support their business growth by providing services regarding corporate loan, trust asset management, real estate business, corporate pension and business succession
Market trading	In financial markets, transaction in short term lending, borrowing, bond purchase and sale, and derivatives trading

A part of “Fees and commissions” previously classified as “Consumer banking” at some of the Group banks has been included in “Corporate banking” from the fiscal year 2015.

2. Profit and loss by segment

Profit and loss of each segment for the fiscal year ended March 31, 2016 were as follows:

(Millions of yen)

	Segment				Other	Total
	Consumer banking	Corporate banking	Market trading	Sub total		
Gross operating profit	¥ 242,258	¥ 275,836	¥ 66,999	¥ 585,094	¥ (2,362)	¥ 582,731
General and administrative expenses	(167,872)	(150,515)	(11,024)	(329,413)	-	(329,413)
Actual net operating profit	74,385	125,303	55,974	255,664	(2,362)	253,301
Credit cost	1,121	(22,731)	-	(21,609)	-	(21,609)
Net operating profit less credit cost	¥ 75,507	¥ 102,572	¥ 55,974	¥ 234,055	¥ (2,362)	¥ 231,692

Notes:

- Total amount is aggregated by the figures of three consolidated subsidiary banks and three consolidated credit guarantee subsidiaries.
- The Consumer banking unit and Corporate banking unit contain operating results of the three consolidated credit guarantee subsidiaries.
- Actual net operating profit of Corporate banking unit does not include credit cost incurred in trust accounts amounting to ¥16 million of gain.
- Gross operating profit of the Market trading unit contains some portion of gains/losses on equity securities.
- “Other” includes all other departments, such as management office, which are not operating segments.
- Depreciation expense is included in general and administrative expenses.

3. Reconciliation between the segment information and the consolidated financial statements for the fiscal years ended March 31, 2016 was as follows:

(Millions of yen)

Profit	Amount
Total amounts of segments	¥ 234,055
Net gains (losses) of “Other”	(2,362)
Net non-recurring gains (losses) other than credit cost	15,068
Net extraordinary gains (losses)	(1,149)
Profit (losses) of consolidated subsidiaries which are not included in segments, etc.	4,918
Income before income taxes	¥ 250,530

Notes:

- Non-recurring gains (losses) other than credit cost include some portion of gain/loss on securities and retirement benefit expenses.
- Net extraordinary gains (losses) other than credit cost include impairment loss.

【Per Share Information】

1. Net assets per share of common stock and its calculation base

(Millions of yen, except "Net assets per share of common stock" and number of shares)

	Fiscal year 2014 March 31, 2015	Fiscal year 2015 March 31, 2016
Net assets per share of common stock	690.66 yen	705.81 yen
(Calculation base)		
Total net assets	¥ 2,143,379	¥ 1,833,470
Deductions from total net assets	542,326	196,161
Non-controlling interests	164,600	17,468
Preferred stock	366,000	175,000
Preferred dividends	11,725	3,693
Net assets attributable to common stock at the end of the fiscal year	¥ 1,601,053	¥ 1,637,308
Number of shares of common stock at the end of the fiscal year used for the calculation of net assets per share of common stock (shares in thousand)	2,318,118	2,319,738

Notes:

(*1) Calculation of net assets per share of common stock for the fiscal year 2014

Regarding to Class C No.1 preferred stock and Class F No.1 preferred stock acquired and cancelled on June 25, 2015, the right to receive the distribution of residual assets (total amount is ¥ 160.0 billion) is not decreased by the special preferred dividends made for repayment of public funds. However, in order to represent the actual conditions of the repayment scheme (the repayment of public fund has been implemented by special preferred dividends funded by other capital surplus) based on "Public funds full repayment plan" announced on May 10, 2013, "Net assets attributable to common stock at the end of the fiscal year" was calculated after deducting the Public funds to be repaid for the preferred stocks of ¥128.0 billion from "Total net assets"(specifically, included in "Preferred stock" of "Deductions from total net assets"). To avoid duplicated deduction of Public funds to be repaid impact described above, the special preferred dividends of ¥32.0 billion, which record date was at the end of the fiscal year 2014 and was funded by other capital surplus, was not deducted from "Total net assets."

(*2) The number of shares of common stock at the end of the fiscal year used for the calculation of net assets per share of common stock is after deductions of 1) the number of treasury shares and 2) the number of shares held by ESOP-type Stock Benefit Trust for the Employee Shareholding Association (5,057 thousands shares as of March 31, 2015 and 3,427 thousands shares as of March 31, 2016).

2. Net income per share of common stock, diluted net income per share of common stock and those calculation bases

(Millions of yen, except "Net income per share of common stock" and number of shares)

	Fiscal year 2014 From April 1, 2014 To March 31, 2015	Fiscal year 2015 From April 1, 2015 To March 31, 2016
(1) Net income per share of common stock	91.07 yen	75.73 yen
(Calculation base)		
Net income attributable to owners of the parent	¥ 211,477	¥ 183,840
Amounts not attributable to common stock	11,725	8,223
Dividends on preferred stock	11,725	7,387
Retirement difference on preferred stock	-	835
Net income attributable to common stock	¥ 199,752	¥ 175,616
Weighted-average number of common shares during the fiscal year (thousands of shares)	2,193,242	2,318,808
(2) Diluted net income per share of common stock	84.28 yen	- yen
(Calculation base)		
Adjustments in net income	¥ 1,836	¥ -
Dividends on preferred stock	¥ 1,836	¥ -
Increase in number of common shares (thousands of shares)	198,513	-
Preferred stock (thousands of shares)	198,513	-
Outline of dilutive securities which were not included in the calculation of "Diluted net income per share" because they do not have dilutive effect.	Not applicable	-

Note:

(*1) Average number of common shares during the period is after deductions of 1) the number of treasury shares and 2) the number of shares held by the ESOP-type Stock Benefit Trust for the Employee Shareholding Association (5,637 thousands shares and 4,361 thousand shares for the fiscal years ended March 31, 2015 and 2016, respectively.)

(*2) Diluted Net Income per Share of Common Stock of FY 2015 is not disclosed because there are no potentially dilutive common shares.

[Statement of Trust Assets and Liabilities]

March 31, 2016

(Millions of Yen)

Assets	Amount	Liabilities	Amount
Loans and bills discounted	¥ 37,571	Money trusts	¥ 11,939,397
Securities	177	Pension trusts	3,239,216
Beneficiary rights	25,424,109	Property formation benefit trusts	972
Securities held in custody account	14,511	Securities investment trusts	13,402,975
Monetary claims	207,320	Money entrusted other than money trusts	335,424
Tangible fixed assets	354,768	Securities trusts	14,552
Intangible fixed assets	2,953	Monetary claims trusts	226,106
Other claims	7,578	Land and fixtures trusts	33,623
Due from banking account	3,707,658	Composite trusts	576,610
Cash and due from banks	12,232		
Total assets	¥ 29,768,881	Total liabilities	¥ 29,768,881

Notes:

1. Amounts of less than one million yen have been rounded down.
2. The trust without readily determinable monetary values was excluded.
3. Beneficiary rights worth of ¥25,424,109 million were re-entrusted for asset administration purpose.
4. Co-managed trust funds under other trust bank's administration amounted to ¥210,902 million.
5. Loans and bills discounted where the Bank guarantees the principal is amounted to ¥37,571 million include followings:

	<i>(Millions of Yen)</i>
Past-due loans	¥ 990
Restructured loans	4
Total	¥ 994

There are no Loans to borrowers in legal bankruptcy and Loans past due 3 months or more at the end of the fiscal year 2015.

6. Subsidiary subject to aggregation is Resona Bank, Ltd., only.

Appendix: The trust in the principal indemnification agreement, including the trust that was re-entrusted for operations, consists of followings.

Money trusts

(Millions of Yen)

Assets	Amount	Liabilities	Amount
Loans and bills discounted	¥ 37,571	Principal	¥ 3,728,256
Other	3,690,882	Special loan loss reserve	113
		Other	83
Total assets	¥ 3,728,453	Total liabilities	¥ 3,728,453

Comparison of Statements of Trust Assets and Liabilities

(Millions of Yen)

Assets	March 31, 2015 (A)	March 31, 2016 (B)	Difference (B)-(A)
Loans and bills discounted	¥ 36,695	¥ 37,571	¥ 876
Securities	179	177	(2)
Beneficiary rights	23,152,807	25,424,109	2,271,302
Securities held in custody account	11,339	14,511	3,171
Monetary claims	251,995	207,320	(44,675)
Tangible fixed assets	430,024	354,768	(75,255)
Intangible fixed assets	1,554	2,953	1,399
Other claims	10,443	7,578	(2,865)
Due from banking account	617,622	3,707,658	3,090,035
Cash and due from banks	13,956	12,232	(1,724)
Total assets	24,526,618	29,768,881	5,242,262
Co-managed trust funds under other trust bank's administration	¥ 448,713	¥ 210,902	¥ (237,811)

Liabilities	March 31, 2015 (A)	March 31, 2016 (B)	Difference (B)-(A)
Money trusts	¥ 6,747,262	¥ 11,939,397	¥ 5,192,135
Pension trusts	3,465,103	3,239,216	(225,886)
Property formation benefit trusts	943	972	29
Securities investment trusts	12,979,070	13,402,975	423,905
Money entrusted other than money trusts	362,087	335,424	(26,663)
Securities trusts	11,380	14,552	3,171
Monetary claims trusts	270,907	226,106	(44,801)
Land and fixtures trusts	112,221	33,623	(78,597)
Composite trusts	577,641	576,610	(1,030)
Total liabilities	¥ 24,526,618	¥ 29,768,881	¥ 5,242,262

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

2. Non-Consolidated Financial Statements
(1) Non-Consolidated Balance Sheet

(Millions of yen)

	March 31, 2015		March 31, 2016
Assets			
Current assets			
Cash and due from banks	¥ 730	¥	979
Money held in trust	186		178
Securities	266,000		184,100
Prepaid expenses	5		4
Deferred tax assets	149		142
Accrued income	4		2
Other receivable	27,818		28,661
Accrued income taxes refund	1		10,731
Total current assets	294,896		224,801
Non-current assets			
Tangible fixed assets			
Tools, furniture and fixtures, net	3		4
Leased assets, net	2		1
Total tangible fixed assets	5		5
Intangible fixed assets			
Software	2		0
Total intangible fixed assets	2		0
Investments and other assets			
Investments in subsidiaries and affiliates	1,116,174		1,117,154
Long-term loans to subsidiaries and affiliates	49,500		39,500
Other	30		16
Reserve for possible losses on investments	(2,494)		(2,131)
Total investments and other assets	1,163,211		1,154,540
Total non-current assets	1,163,219		1,154,547
Total Assets	¥ 1,458,116	¥	1,379,348

(1) Non-Consolidated Balance Sheet - Continued

(Millions of yen)

	March 31, 2015	March 31, 2016
Liabilities and Net Assets		
Liabilities		
Current liabilities		
Current portion of bonds	¥ -	30,000
Lease obligations	1	1
Other payable	1,250	1,281
Accrued expenses	641	638
Income taxes payable	1,824	32
Consumption taxes payable	139	91
Reserve for employees' bonuses	580	531
Other	441	487
Total current liabilities	4,879	33,062
Non-current liabilities		
Bonds	80,000	50,000
Long-term debts to subsidiaries and affiliates	301,279	300,208
Lease obligations	1	-
Total non-current liabilities	381,281	350,208
Total Liabilities	386,160	383,271
Net Assets		
Stockholder's equity		
Capital stock	50,472	50,472
Capital surplus		
Capital reserve	50,472	50,472
Other capital surplus	198,834	6,998
Total capital surplus	249,306	57,470
Retained earnings		
Other retained earnings		
Retained earnings carried forward	774,659	890,036
Total retained earnings	774,659	890,036
Treasury stock	(2,483)	(1,902)
Total stockholders' equity	1,071,955	996,077
Total Net Assets	1,071,955	996,077
Total Liabilities and Net Assets	¥ 1,458,116	¥ 1,379,348

(2) Non-Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2015		For the fiscal year ended March 31, 2016	
Operating income				
Dividends from subsidiaries and affiliates	¥	122,672	¥	190,563
Fees from subsidiaries and affiliates		4,334		5,263
Interest on loans to subsidiaries and affiliates		1,327		913
Total operating income		128,333		196,739
Operating expenses				
Interest on debts		2,411		2,295
Interest on bonds		393		392
General and administrative expenses		4,421		4,810
Total operating expenses		7,226		7,498
Operating profits		121,106		189,241
Non-operating income				
Interest income on securities		39		38
Fees and commissions		102		96
Reversal of reserve for possible losses on investments		144		363
Gain on forfeiture of unclaimed dividends		129		28
Other		10		14
Total non-operating income		426		541
Non-operating expenses				
Total non-operating expenses		158		14
Ordinary profits		121,374		189,768
Income before income taxes		121,374		189,768
Income taxes – current		(316)		(275)
Income taxes – deferred		(30)		6
Total income taxes		(347)		(268)
Net income	¥	121,722	¥	190,036

(3) Non-Consolidated Statement of Changes in Net Assets

For the fiscal year ended March 31, 2015

(Millions of yen)

	Stockholders' equity					Treasury stock	Total stockholders' equity	Total net assets
	Capital stock	Capital surplus			Retained earnings			
		Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings carried forward			
Balance at the beginning of the fiscal year	¥50,472	¥50,472	¥462,210	¥512,683	¥699,883	¥(85,855)	¥1,177,184	¥1,177,184
Changes during the fiscal year								
Dividends paid - other capital surplus			(32,000)	(32,000)			(32,000)	(32,000)
Dividends paid					(46,946)		(46,946)	(46,946)
Net income					121,722		121,722	121,722
Purchase of treasury stock						(234,951)	(234,951)	(234,951)
Disposal of treasury stock			3,568	3,568		83,378	86,946	86,946
Cancellation of treasury stock			(234,945)	(234,945)		234,945	-	-
Total changes during the fiscal year	-	-	(263,376)	(263,376)	74,775	83,371	(105,229)	(105,229)
Balance at the end of the fiscal year	¥50,472	¥50,472	¥198,834	¥249,306	¥774,659	¥(2,483)	¥1,071,955	¥1,071,955

For the fiscal year ended March 31, 2016

	Stockholders' equity					Treasury stock	Total stockholders' equity	Total net assets
	Capital stock	Capital surplus			Retained earnings			
		Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings carried forward			
Balance at the beginning of the fiscal year	¥50,472	¥50,472	¥198,834	¥249,306	¥774,659	¥(2,483)	¥1,071,955	¥1,071,955
Changes during the fiscal year								
Dividends paid - other capital surplus			(32,000)	(32,000)			(32,000)	(32,000)
Dividends paid					(74,660)		(74,660)	(74,660)
Net income					190,036		190,036	190,036
Purchase of treasury stock						(159,842)	(159,842)	(159,842)
Disposal of treasury stock			(0)	(0)		587	587	587
Cancellation of treasury stock			(159,835)	(159,835)		159,835	-	-
Total changes during the fiscal year	-	-	(191,836)	(191,836)	115,376	581	(75,878)	(75,878)
Balance at the end of the fiscal year	¥50,472	¥50,472	¥6,998	¥57,470	¥890,036	¥(1,902)	¥996,077	¥996,077

(4) Note on Going-Concern Assumption

Not applicable