

Vision

Retail No. 1

A financial services group that is most supported by regional customers as it walks with them into the future

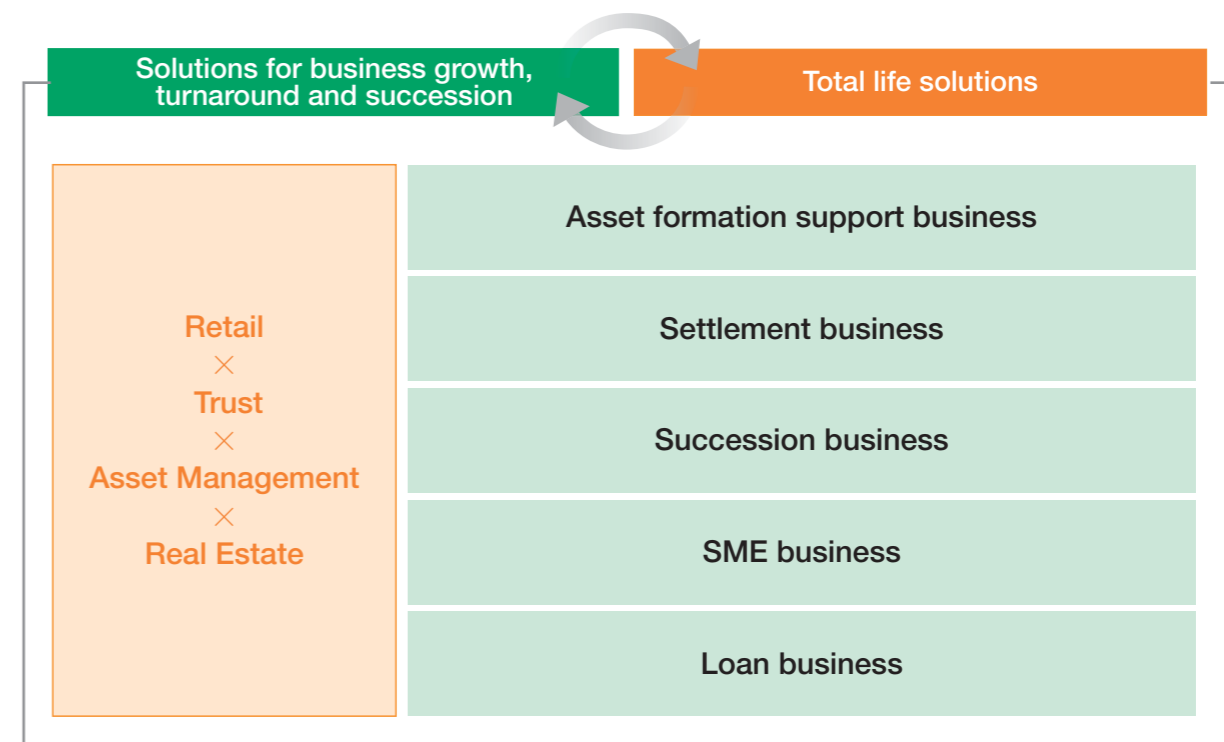
Creation of “Next-generation Retail Financial Services Model”
 Accomplishment of Medium- to Long-term Income Structure Reforms
 (Period of Plan: FY2017 – FY2019)

Basic Strategies

1 Evolve “Omni-channel” strategy <small>Best solutions for more customers, anytime and anywhere</small>	Expansion of customer base	
	Expansion of customer contacts	Sophistication of marketing
2 Develop 26,000 “Omni-advisors”	All Resona staff provide solutions <small>(Consultants who can understand the true latent needs of customers)</small>	
	Diverse solutions menu	
3 Establish “Omni-regional” platform <small>“Community-based relationship banking” and “efficient open platform”</small>	Expansion of Resona’s open platform	
	Full-scale introduction of “Smart Store”	

- 1. Approach customers Resona has not had effective contacts with
- 2. Address customers’ needs Resona has not been able to grasp
- 3. Find profit opportunities Resona has not been able to reach

Business Strategies



Four Foundation Reforms ~ More sales staff and higher productivity ~

HR management reform	Network reform
Organizational reform	Business process reform



Our goal is to realize our vision of “Retail No.1” by creating a next-generation retail financial services model.

Kazuhiro Higashi

Director, President and Representative Executive Officer
Resona Holdings, Inc.
Chairman of the Board, President and Representative Director
Resona Bank, Limited

In April 2017, we launched our new medium-term management plan for the next three years called Change to the “Next.”

In Japan, structural changes that have a tremendous impact on financial businesses are accelerating, including a changing demographic structure, further maturation of society, changes in the financial sector accompanying technological advancement, and the advent of a new era of competition across industry boundaries.

We see these structural changes as a significant opportunity, and we will generate sustainable growth by quickly creating a next-generation retail financial services model that is aligned with the changing financial behavior of our customers.

The basic strategies of our medium-term management plan are 1) evolve “Omni-channel” strategy, 2) develop 26,000 “Omni-advisors”, and 3) establish “Omni-regional” platform. These strategies lay out a roadmap for the future of retail financial services that the Resona Group envisions beyond changes and chart a path toward sustainable growth (please refer to pages 18-20 for details about our basic strategies).

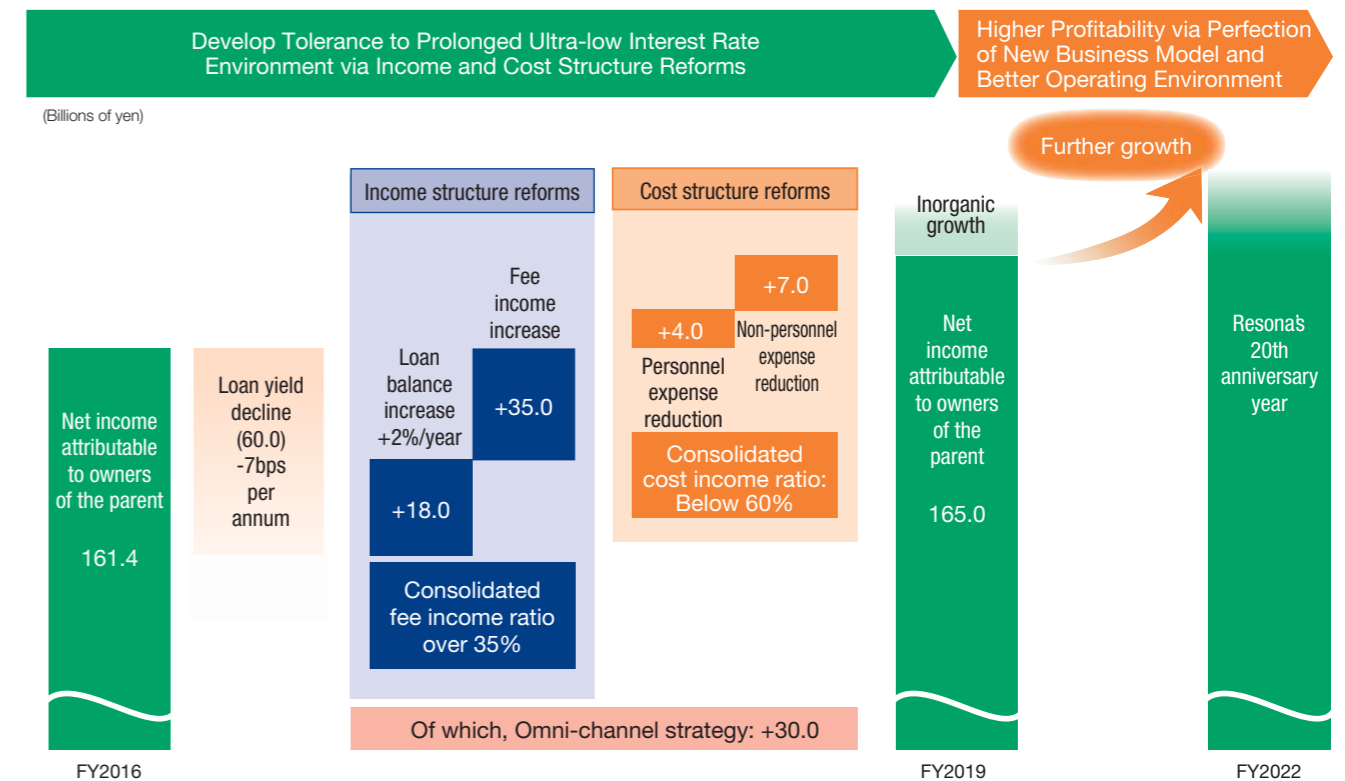
Our business strategy involves a commitment to growth, turnaround, and business succession solutions and total life solutions that are closely aligned with the growth stage or life stage of our customers. Resona will undertake expansion of the SME business and the loan business by raising the capability to assess clients’ business (feasibility assessment capability), diversification of solutions, and the provision of high-value-added products. We will substantially increase recurring fee income by reinforcing initiatives such as asset formation support (assets under management) and succession solutions that leverage the strength of our affiliation with Japan’s largest commercial bank with full-line trust capabilities and asset management companies. We will also utilize our advanced, highly convenient settlement services that respond to rapid technological innovation (please refer to pages 22-29 for details about our business strategy). Our medium-term

Income and cost structure reforms and key performance indicators

management plan is based on the fundamental stance that “Customers’ happiness is our pleasure,” so we will continue to enhance the comprehensive strengths of the Resona Group to realize our vision of “Retail No.1.”

We designed our medium-term management plan to compensate for reduced loan income due to low interest rates by implementing income structure reforms. We will expand the balance of loans, substantially increase recurring fee income and reduce expenses through cost structure reforms. In the challenging environment with ultra-low interest rates, our goal is net income attributable to owners of the parent of ¥165.0 billion for the year ending March 31, 2020, which would be an increase of approximately ¥3.5 billion compared with the year ended March 31, 2017. The three years of our medium-term management plan will be a period to develop tolerance to the ultra-low interest rate environment and build the foundation for further growth as we approach the 20th anniversary of Resona’s establishment in the year ending March 2023.

Income and Cost Structure Reforms



Key Performance Indicators (FY2019)

Net income attributable to owners of the parent...¥165.0 billion	ROE ^{1,2}	Over 10%
Consolidated fee income ratio	CET1 ratio ^{1,3}	9% level
Consolidated cost income ratio.....		Below 60%

[FY2019 assumed conditions: Overnight call rate: (0.05)%, Yield on 10Y JGB: +0.05%, Nikkei 225: ¥18,000 to ¥21,000 level]

Notes: 1. Reflects the impact of integrating regional banks in the Kansai region on which related parties reached basic agreement on March 3, 2017
2. (Net income attributable to owners of the parent – Preferred dividends) / (Total shareholders’ equity – Balance of outstanding preferred shares), simple average of the balances at the beginning and end of the term
3. Excludes unrealized gain on available-for-sale securities, net of tax effect

Strategies:

Our Omni Strategy consists of three basic strategies



Our three basic strategies are 1) evolve “Omni-channel” strategy; 2) develop 26,000 “Omni-advisors”; and 3) establish “Omni-regional” platform. These strategies will enable the Resona Group to create a next-generation retail financial services model in which it can approach customers it has not had effective contacts with, address customer needs it has not been able to grasp, and find profit opportunities it has not been able to reach.

Basic Strategy 1: Evolve “Omni-Channel” Strategy

We will evolve the Omni-channel strategy we have been implementing to create a system that can provide the best solution for more customers, anytime and anywhere. We will continue to strengthen face-to-face and non-face-to-face channels and enhance the linkage between them.

In face-to-face channels, we are expanding contact points with formerly under-served working people at Seven Days Plazas that are open year-round, and plan to increase these retail outlets that are open on holidays by around 30. At the same time, we will fully deploy our expertise in pilot outlets operated by a small number of people to restructure our retail outlet network.

In non-face-to-face channels, we will expand exclusive website/smartphone-based services. We will also seamlessly integrate our channels with a framework that can make use of face-to-face channels as needed.

Thus we will approach customers we have not had effective contacts with, address customer needs we have not been able to grasp, and find profit opportunities we have not been able to reach.



This approach is based on marketing reform. We will create a system that compiles and analyzes information gathered from our marketing channels and automatically generates personalized proposals.

Basic Strategy 2: Develop 26,000 “Omni-Advisors”

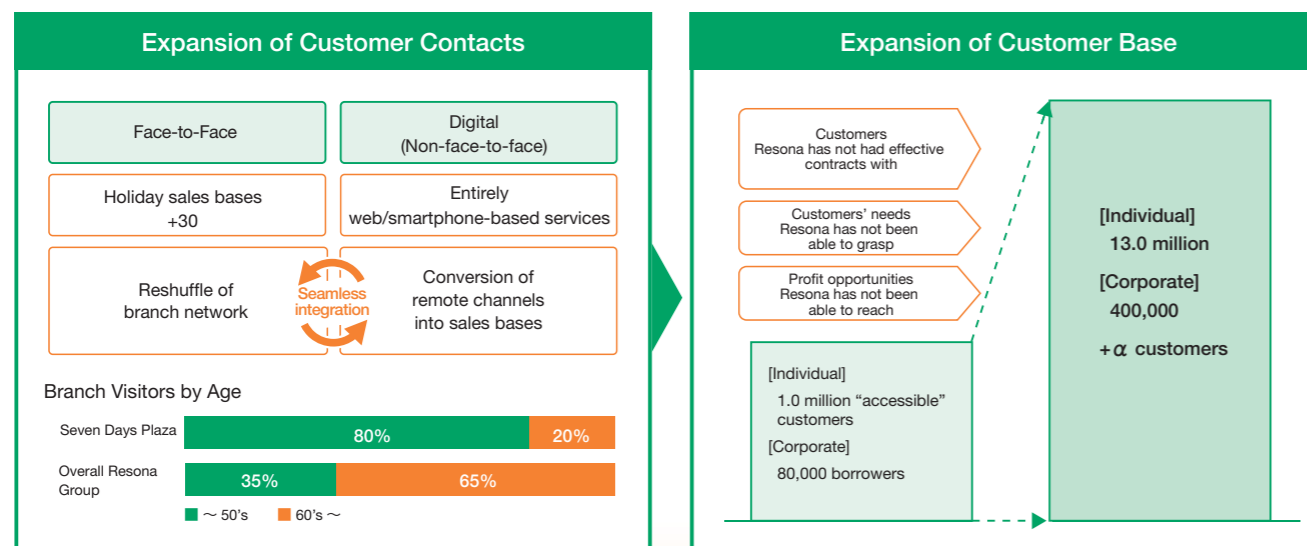
Omni-advisors are people who can delight customers by providing value-added, customer-oriented solutions. We are best able to differentiate the Resona Group if all of our staff are able to truly take the perspectives of customers to understand customer concerns and issues and then deliver information that provides options and starting points for solutions.

We will also improve productivity through digitalization. We started using tablets for insurance applications in 2016, which reduced application time by about one-third. This created significantly more time for consultation, so in 2018 we plan to begin using tablets for our investment trust business. These initiatives will build an organization in which all Resona staff provide solutions.

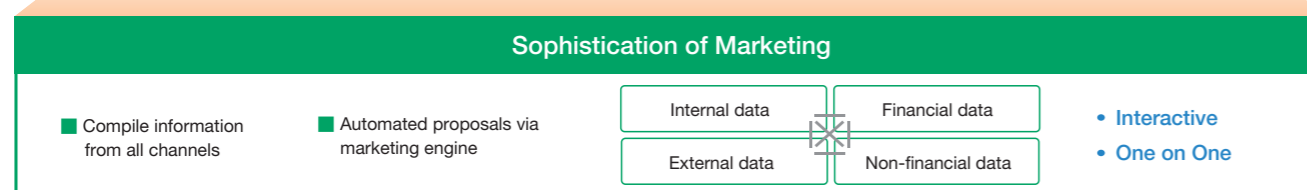
Basic Strategy 3: Establish “Omni-Regional” Platform

Our goal is to establish an Omni-regional platform with a regional strategy that has two main fronts: full-scale introduction of the Smart Store and expansion of our open platform. About 30% of the accounts at the Resona Smart Store we launched in 2016 belong to customers outside our operating area. This has made areas we could not previously reach into sales areas. We will use smartphone applications

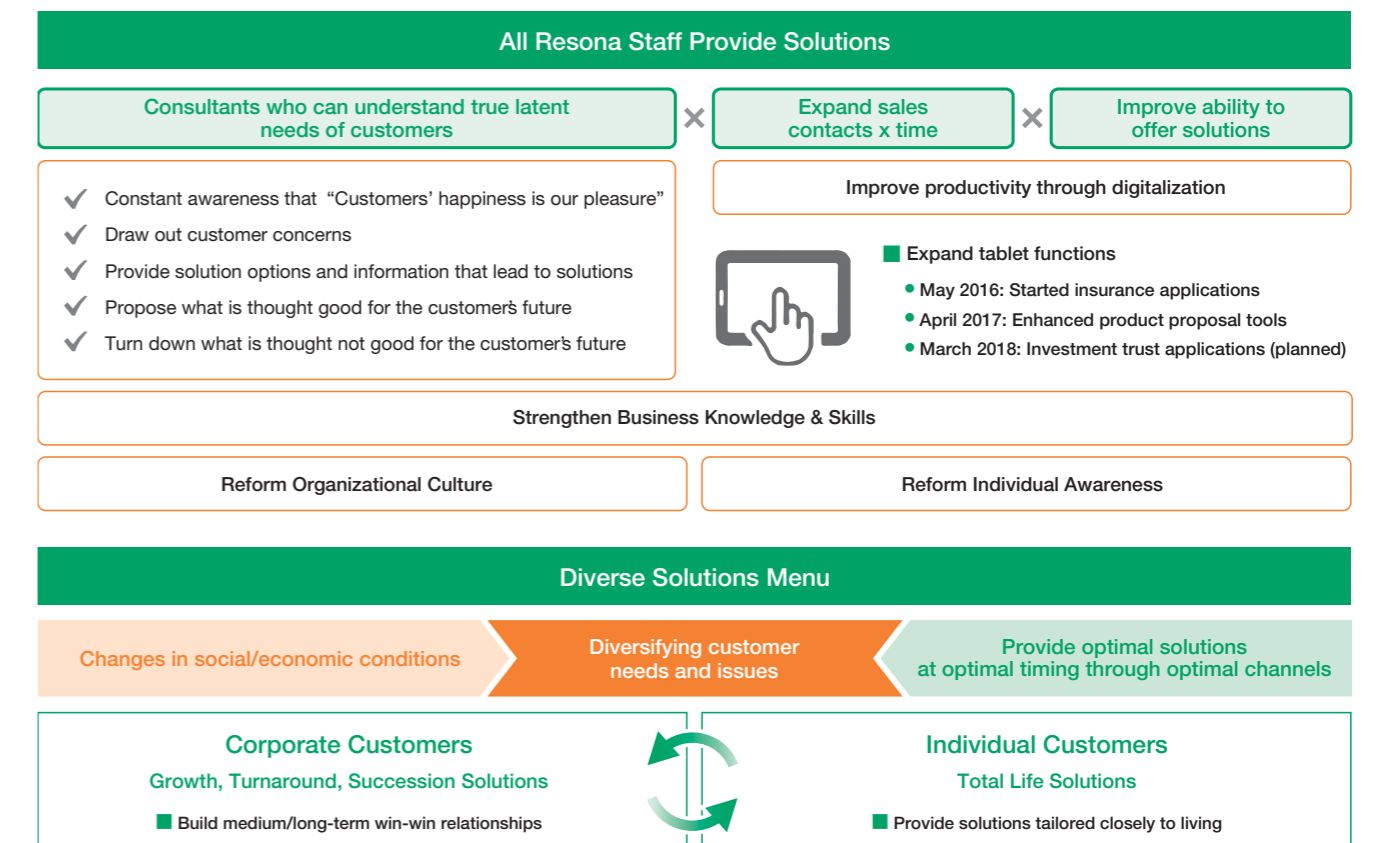
Basic Strategy 1: Evolve “Omni-Channel” Strategy



Optimal Timing & Channels for Optimal Proposals & Promotions



Basic Strategy 2: Develop 26,000 “Omni-Advisors”





as a platform to deliver even more valuable, convenient services that are aligned with customer interests and preferences.

Open platform expansion will involve adding a diverse array of relationships with regional financial institutions. We will develop new business areas to build win-win relationships with regional financial institutions, whether or not these are based on capital alliances. In addition, we intend to further strengthen our highly efficient operating system and expand functions that are highly compatible with the banking business. We will also take on the challenge of new areas such as fintech and artificial intelligence.

Capital Management Policy:

Seek optimal balance among higher capital adequacy, investment for future growth and increase in shareholder returns

Our capital management policy will entail the optimal balance among higher capital adequacy, investment for future growth and increase in shareholder returns.

We will secure sufficient capital under the currently applicable Japanese standard and aim for a common equity Tier 1 (CET1) ratio (excluding net unrealized gains on available-for-sale securities) of approximately 9.0% under the international standard. Our target level for our capital adequacy ratio in the final year of the medium-term management plan involves the following three points.



1. Further contribute to regional communities and economic development in ways such as steadily supplying funds and providing services
2. Secure capital as a financial institution that is trusted worldwide and generate sustainable growth
3. Ensure strategic flexibility for responding to investment opportunities and financial regulations

In addition, we will emphasize capital efficiency, risk, cost and return in managing capital with the consistent target of ROE above 10%.

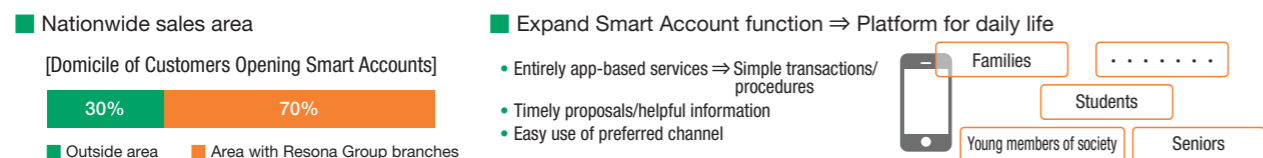
For shareholder returns, we have been increasing returns to common shareholders by acquiring and canceling preferred shares and then reallocating the preferred dividends on those preferred shares to common shareholders.

During the year ending March 31, 2018, we intend to acquire and cancel ¥100 billion of Class 5 preferred shares, subject to the approval of regulatory authorities. Regardless of the timing of the acquisition and cancellation of the preferred shares, we plan to increase the annual dividend per share of common stock by ¥1.00 yen to ¥20.00 yen for the year ending March 2018.

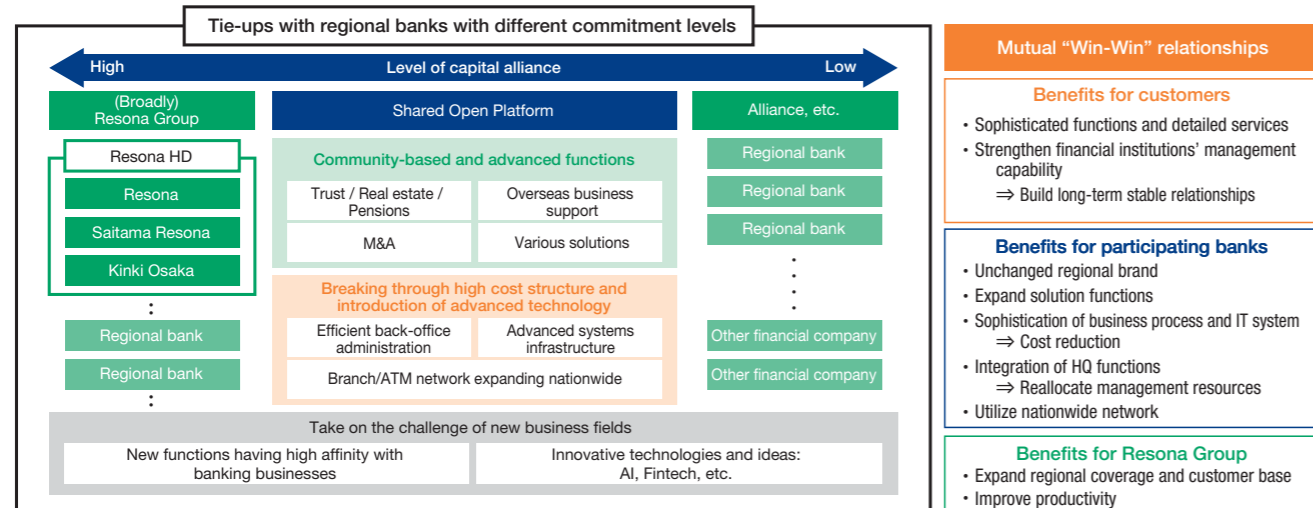
Moreover, we will maintain stable dividends following this dividend increase, and we will consider further expansion of shareholder returns while considering the balance between financial soundness, profitability and opportunities to invest in growth.

Basic Strategy 3: Establish “Omni-Regional” Platform

Full-scale Introduction of “Smart Store” (Internet Branch): Providing New Value to More Customers



Expansion of Resona’s Open Platform: Create Relationships Where All Come Out Winners



Direction of Capital Management

Seek Optimal Balance among 1) Higher Capital Adequacy, 2) Investment for Future Growth and 3) Increase in Shareholder Returns

CAR target

- Secure sufficient capital adequacy under the Japanese Domestic Standard
- Aim to achieve around 9% CET1 ratio^{1,2} under the International Standard March 31, 2017: 8.59%

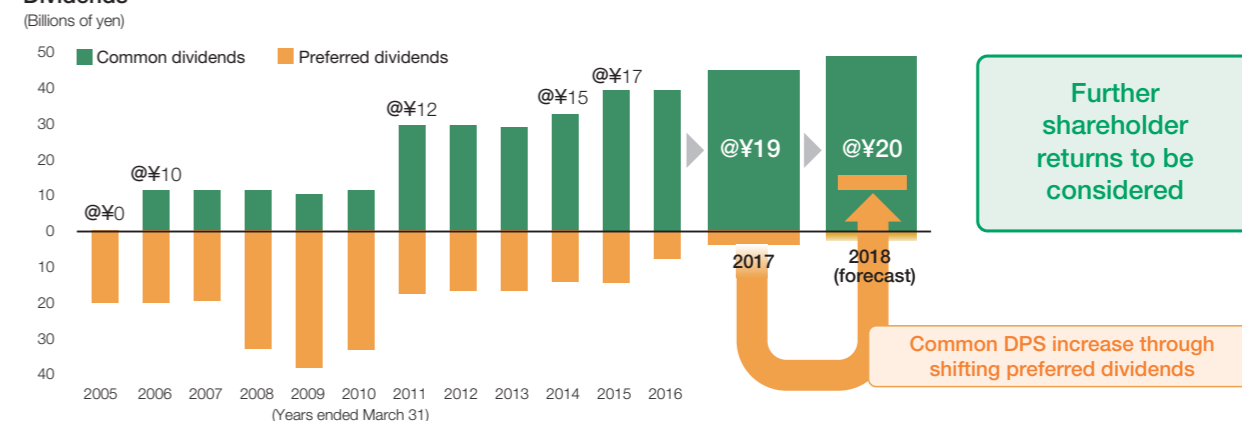
Shareholder return policy

- Common DPS planned for FY2017: ¥20 per year, +¥1 YoY (of which, interim ¥10, +¥0.5 YoY)
- Intend to repurchase and cancel Class 5 PS (total issue amount ¥100 billion) in FY2017, subject to regulatory approval
- Consider further increase in shareholder returns while maintaining stable dividends at the level of common DPS after the above increase

ROE target

- Maintain ROE^{1,3} above 10%: FY2016 11.67%

Dividends



1. Reflects the impact of integrating regional banks in the Kansai area on which related parties reached basic agreement on March 3, 2017; 2. Excludes unrealized gain on available-for-sale securities, net of tax effect; 3. (Net income attributable to owners of the parent – Preferred dividends) / (Total shareholders’ equity – balance of outstanding preferred shares), simple average of the balances at the beginning and end of the term

Asset Formation Support Business



External Environment

- A prolonged ultra-low interest rate environment, super-aged society and other factors have created a need for medium-to-long-term asset formation
- The legal system and preferential tax treatment, such as the amended Defined Contribution Pension Act and the expansion of the Nippon Individual Savings Account (NISA) system, and other factors have encouraged individual asset formation

Main Initiatives

- Provide solutions with a total customer orientation and a medium-to-long-term perspective (including fund wrap accounts, NISA and individual defined contribution pension plans (iDeCo))
- Introduce easy-to-understand products and procedures that support asset formation for more customers

Institutional preparations such as NISA expansion and the amendment of the Defined Contribution Pension Act are moving forward backed by growing asset formation needs in an ultra-low interest rate environment and a super-aged society. Under these circumstances, the Resona Group will focus on the individual asset formation support business that provides solutions with a customer-oriented approach and a medium- and long-term perspective.

In February 2017, the Resona Group began offering fund wrap accounts,¹ which leverage its strength as a commercial bank with full-line trust capabilities. About 30% of fund wrap account customers have not purchased our investment trusts before, which shows this product is attractive to a broad range of customers because its objective is stable management of a long-term, diversified investment portfolio. The objective of our fund wrap initiative is to increase individual asset formation support products under management to ¥6 trillion by March 31, 2020, an increase of 40% compared with the year ended March 31, 2017.

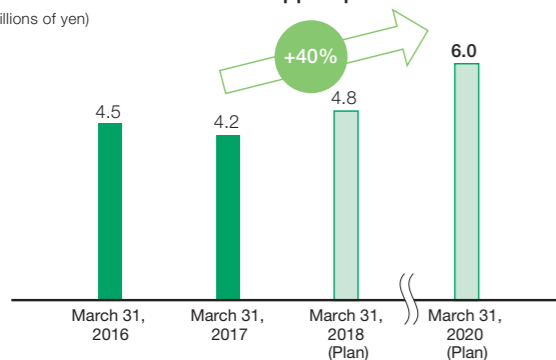
Fund Wrap Customers

Percentage of total fund wrap account customers who haven't purchased Resona investment trusts



Balance of asset formation support products for individuals

(Trillions of yen)



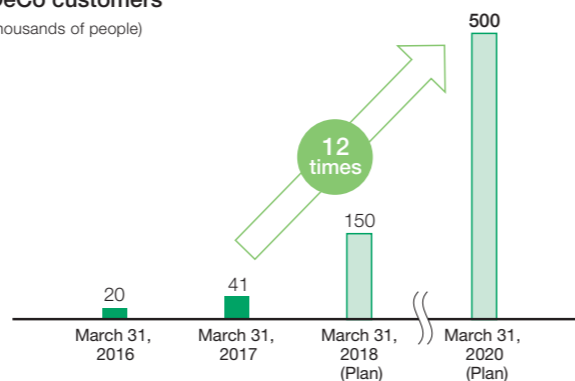
In addition, the amended Defined Contribution Pension Act was enacted in January 2017. This significantly expanded the scope of applicants eligible for iDeCo.² The Resona Group's response has included energetically meeting with corporate customers and public employees to promote understanding of this system while significantly improving Internet capabilities. As a result, we are an industry leader in the number of new defined contribution pension plan accounts opened. We will continue these initiatives with the objective of increasing the number of iDeCo customers to 500,000 in the year ending March 31, 2020 to expand our customer base.

Notes: 1. A fund wrap account is a comprehensive investment management services product for which financial institutions confirm the purpose and policies of different investments for each customer, allocate assets and invest in funds as per a discretionary investment contract, and report on investment performance.
2. iDeCo is a tax-advantaged pension plan that individuals fund with contributions. Investment management performance determines payouts from the plan. Eligibility was expanded to include housewives and civil servants in January 2017 so further expansion of iDeCo accounts is expected.



iDeCo customers

(Thousands of people)



Settlement Business



External Environment

- Change from cash settlement to cashless settlement structure due to expansion of Internet sales and other factors
- New financial technology advances including fintech, AI and API

Main Initiatives

- Promote the settlement business as a unified Group and form alliances with fintech and other companies
- Support for start-up companies with a comprehensive package of solutions
- Expand the customer base by fully introducing the Smart Store (including smartphone-exclusive services)

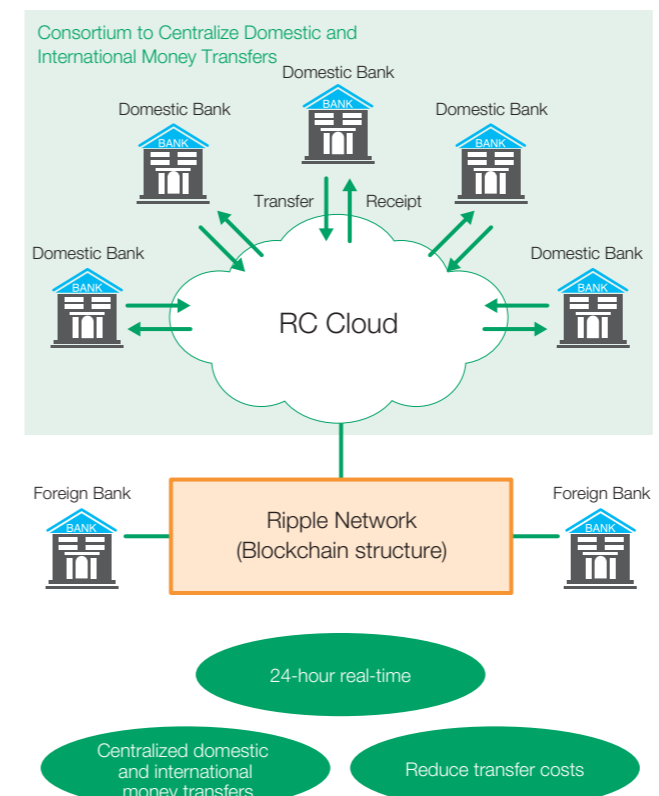
Japan's cashless settlement ratio, which is the ratio of payments using means such as credit cards, electronic money and debit cards, is only about 20%. Meanwhile, countries including the United States and South Korea have a ratio of over 50%. Given the expansion of Internet sales, technological innovation including fintech and government measures to promote this area in light of the Tokyo Olympic and Paralympic Games in 2020, significant growth in cashless settlement is likely. The Resona Group was among the first financial institutions to start handling debit cards, and we now have a settlement amount with a growth rate of more than 30% annually.

Under these circumstances, the Resona Group will provide advanced, convenient services through original products

and services aligned with customer needs and through more sophisticated marketing. We are also intensifying fintech initiatives. For example, in 2016 Resona Bank chaired a consortium to build a 24-hour real-time remittance infrastructure in Japan and overseas using blockchain technology provided by U.S. company Ripple. In April 2017, Resona Holdings also established a settlement division and created a system that enables the Group to rapidly expand the valuable settlement services it provides.

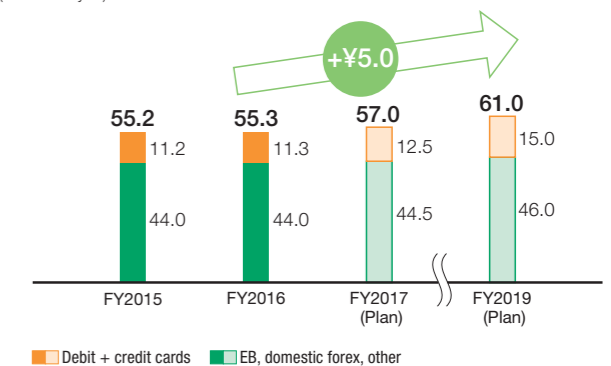
For individual customers, in addition to the full introduction of the Smart Store, we are enabling easy, convenient and affordable services for a broader array of customers by making debit cards standard as cash cards for new accounts from October 2017. For corporate customers, we partnered with an e-commerce site developer to offer the multi-settlement Resona Pay Resort site, and are also concentrating on supporting start-ups with comprehensive packages of solutions.

The objective of these initiatives is to increase income from settlement services to ¥61.0 billion in the year ending March 31, 2020, an increase of ¥5.0 billion compared with the year ended March 31, 2017.

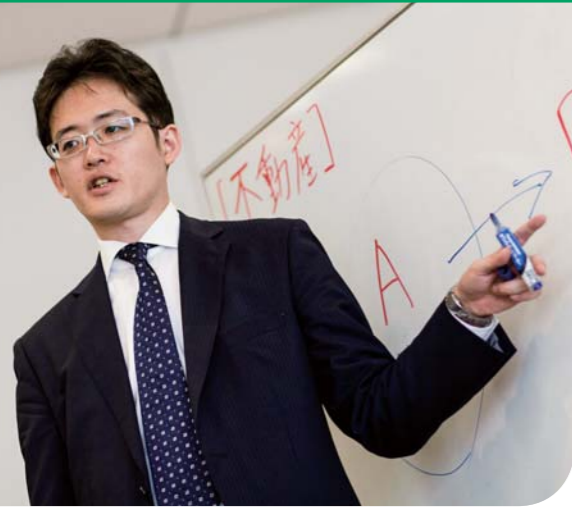


Settlement-related income

(Billions of yen)



Succession Business



External Environment

- An aging society, the inheritance tax amendment and other factors have led to greater needs for succession solutions
- Inflow of inherited assets into the Tokyo metropolitan area and the Kansai area
- The presidents of SMEs are aging, making business succession a management issue

Main Initiatives

- Increase the number of staff who are solutions specialists and assign them to branches
- Diversify solutions, including succession-related trusts, M&A, business withdrawal and transformation, MBO and LBO
- Make trust and real estate capabilities standard Group offerings

While the inheritance market is expanding due to the aging of Japanese society and because inheritance tax amendments have doubled the number of people subject to taxation, inherited assets continue to flow into major metropolitan areas, which are the foundation of the Resona Group's operations. In addition, the presidents of many SMEs are aging, which makes business succession a key management issue.

Under these circumstances, the Resona Group will provide solutions capabilities as Japan's largest commercial bank with full-line trust capabilities and a full lineup of trust services to resolve customer concerns about succession and make the Group Japan's number one brand for succession solutions.

The large customer base unique to commercial banks includes a considerable number of potential premier segment customers that the Resona Group has not been effective in creating relationships with to date. We will approach these customers more aggressively. Specifically, Resona Bank will increase the number of Trust Offices staffed with solutions specialists to 150 from the current 8. In addition, the number of staff with the highest financial planning certification will increase to 1,600 from 1,000 as we quantitatively and qualitatively enhance our sales capabilities.

Expanding our customer base will also include approaching the customer base of our partner companies more aggressively. Specifically, in November 2016 we initiated full availability of an M&A platform managed by Resona Bank with the participation of about 20 regional banks, and we are enhancing our alliances with about 30 trust agencies.

The objective of these initiatives is to increase succession-related income to ¥14.0 billion in the year ending March 31, 2020, an increase of ¥4.0 billion compared with the year ended March 31, 2017.

Approach 800,000 Potential Premier Customers

- Major Increase in Trust Offices

March 31, 2017:	8 offices	→	March 31, 2019:	150 offices
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- Increase in Solutions Specialists

FP1 qualification	March 31, 2017:	Approx. 1,000	→	March 31, 2020:	Approx. 1,600
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 - FP2 Qualification (March 31, 2017): Approx. 10,000
 - Real-Estate Notary (March 31, 2017): Approx. 5,000

Access the Customer Base of Regional Banks and Other Partners

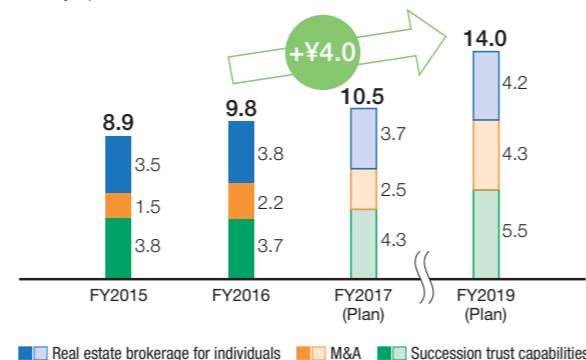
- Full-fledged Operation of M&A Platform

400,000 Resona corporate customers	→	Expand to clients of approx. 20 participant banks or more
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- Strengthen Partnerships with Trust Agents

Resona's individual and corporate customer base	→	Expand to clients of approx. 30 partners or more
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Succession-related income

(Billions of yen)



SME Business



External Environment

- Corporations: From being short in funds to having redundant funds
- Changing industrial structure and accelerating globalization
- Government growth strategy

Main Initiatives

- Improve assessment capabilities (ability to evaluate client businesses)
- Serve growing sectors (healthcare, environment, energy, etc.)
- Diversify solutions (syndicated loans, commitment lines, etc.)
- Enhance productivity through administrative work reform (maximize time spent serving customers)
- Enhance use of overseas bases and alliances with local partners and strengthen FX Web Service functions

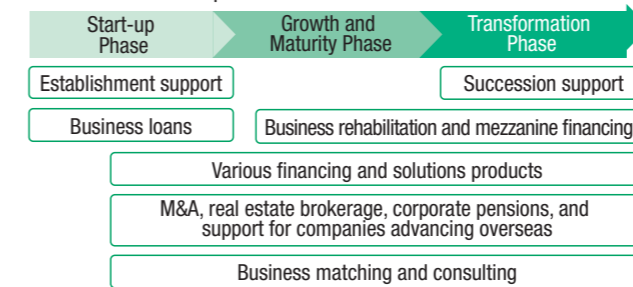
Corporations in Japan have shifted from being short in funds to having redundant funds by consistently suppressing asset growth and reducing debt since the 1990s. Moreover, the operating environment of corporate customers is changing significantly due to factors including the changing industrial structure and accelerating globalization. At the same time, the government's current growth strategy is backed by increasing demand for funds, primarily for capital investment.

Under these circumstances, the Resona Group will transform its business model centered on loans. We have 400,000 corporate customers, of which 80,000 have obtained loans from us. We will offer all of our corporate customers optimal, perfectly timed solutions for their growth stage in order to make Resona the No.1 brand for SMEs.

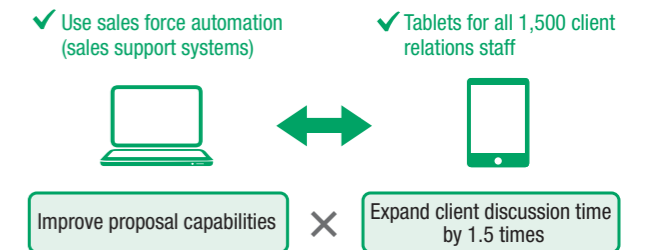
We will also introduce sales force automation, a sales support system that uses IT, and we will distribute tablets to all staff serving corporate customers to simultaneously improve our sales capabilities and productivity.

One objective of these initiatives is to increase loans to SMEs to ¥11 trillion yen by March 31, 2020, an increase of about 10% compared with March 31, 2017. Another objective is to increase income from solutions and international businesses by ¥10.0 billion to ¥35.0 billion in the year ending March 31, 2020.

Deliver the Capabilities and Expertise of a Commercial Bank with Full-line Trust Capabilities

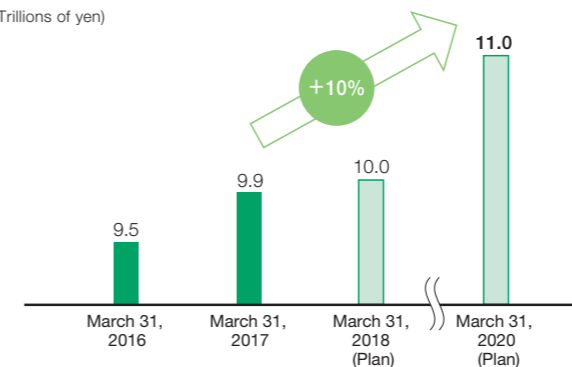


Enhance Sales Capabilities While Increasing Productivity



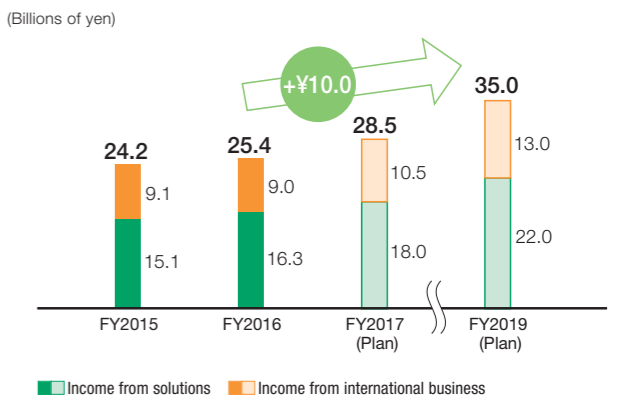
Loans to SMEs

(Trillions of yen)



Solutions / International business income

(Billions of yen)



Support for Companies Advancing Overseas

The Resona Group is strengthening its system to support companies advancing overseas. We are expanding our overseas network, which is focused on Asia but also includes the United States. We provide in-market information and business matching services through Resona staff stationed at partner banks.

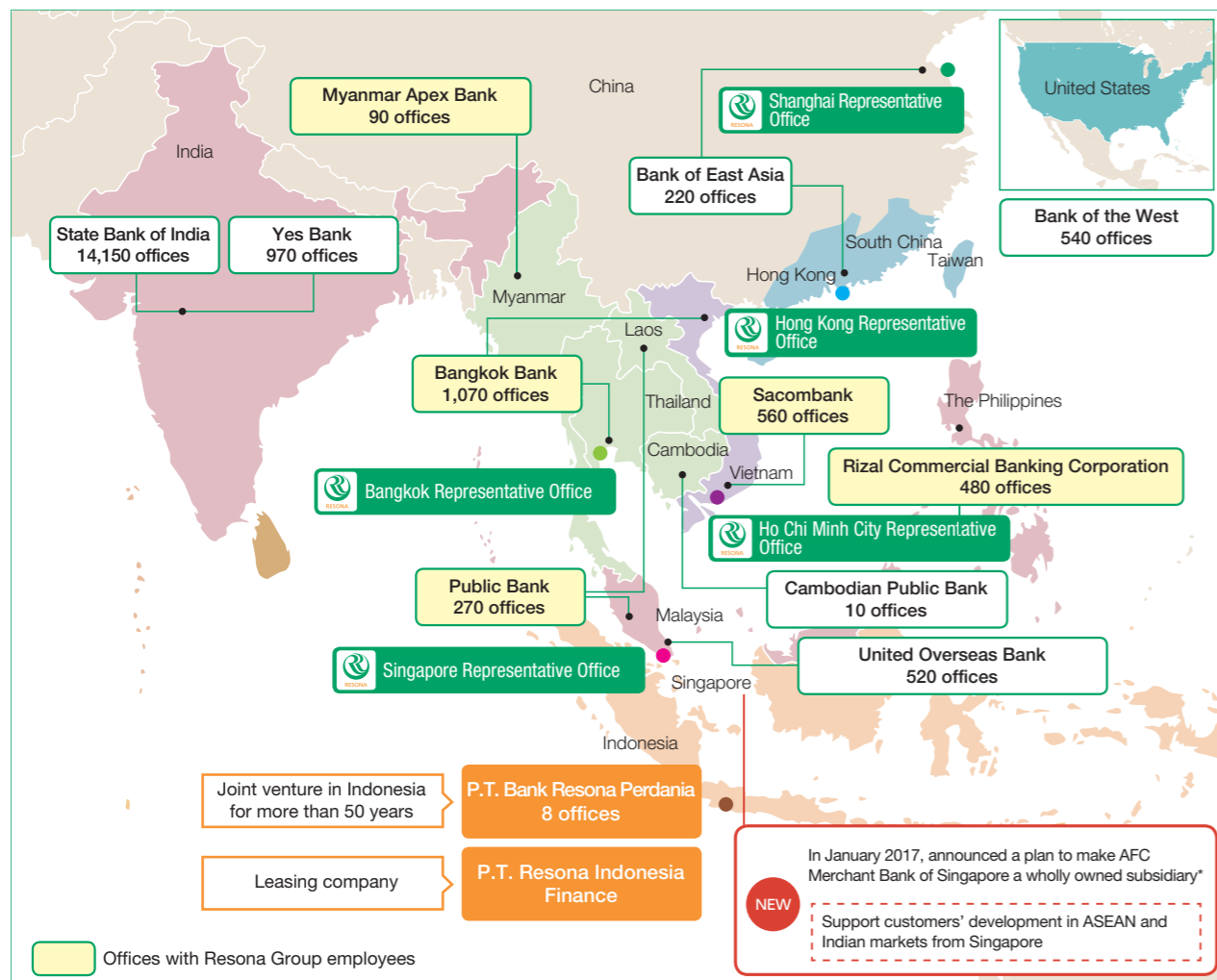
In January 2017, we announced that we would make AFC Merchant Bank of Singapore a subsidiary. AFC is a

Singapore-based financial company founded in 1981 to develop infrastructure in the ASEAN region, and it has an established customer base and deep knowledge of the region.

We will expand our services overseas by providing loans, M&A services and consulting to customers advancing into ASEAN and India through AFC in Singapore, which is a financial hub.

Support for SME Customers Advancing Overseas, Mainly in Asia

- Services offered by domestic branches, JV banks, overseas representative offices and overseas partner banks
- Overseas alliance network has expanded to 17 partner banks covering 14 countries and regions



*Plan to acquire shares during the first half of the fiscal year ending March 2018, subject to the approval of relevant authorities

The Resona Group's Overseas Representative Offices

- Shanghai Representative Office**
Shanghai, China (excl. South China)
- Hong Kong Representative Office**
Hong Kong, China (South China area) and Taiwan
- Bangkok Representative Office**
Thailand, Myanmar, Cambodia and Laos
- Ho Chi Minh City Representative Office**
Vietnam
- Singapore Representative Office**
Singapore, Malaysia, India and the Philippines

Management Support Initiatives for Our SME Customers

The Resona Group provides management support to customers. The branches of Group banks, Group headquarters and Group companies cooperate and collaborate as needed with other financial institutions and external professionals to precisely address various needs aligned with the growth stage of customers, from the start-up phase and growth phase to the maturity phase and transition phase.

Support during Start-up and Growth Phases

We look at both financial results and potential growth capability in providing support for funding and operations for customers in the start-up phase.

We also provide a diverse array of loan products and various solutions including business matching, support for advancing overseas and other services for customers in the growth phase.



Support during Maturity and Transition Phases

We address customer business succession needs by learning about the owner's vision for the company and thoughts about succession. We then identify optimal solutions and measures to provide comprehensive support for smooth business and asset succession.

Turnaround Support

We provide the support and expertise that customers require to turn around their company. It ranges from flexibly restructuring repayment terms to improving finances, revitalizing businesses and restructuring operations.

Topics

Support for Healthcare and Welfare Businesses Growth

Corporations in healthcare and welfare businesses generally have more capital and human resource constraints than corporations in other industries. We are enhancing our ability to help them by addressing their management support, business succession and funding needs. We offer various types of support in collaboration with external corporations with strengths in healthcare and welfare markets.

Topics

Packages of Solutions for Start-Ups

We have begun offering packages of solutions for start-ups to enable customers that have been in business for less than a year to access various functions they require in their start-up phase on favorable terms. We support start-ups by fully leveraging Resona Group capabilities to provide support during the start-up phase, and by providing the capabilities of our alliance partners on favorable terms to help build the business foundation of start-ups.

Initiatives to Revitalize Communities

The Resona Group is committed to developing together with communities, and we energetically support the management of SME customers and the revitalization of regional economies.

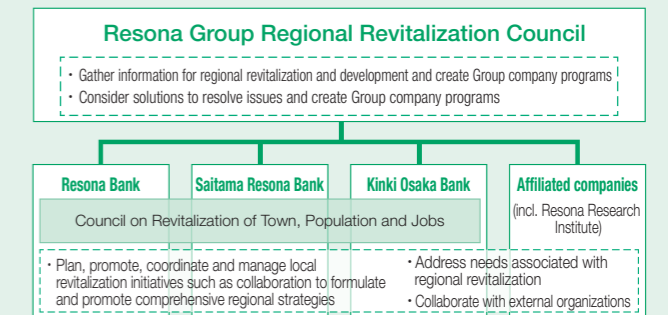
Moreover, the Resona Group has established the Regional Revitalization Council to contribute to regional revitalization. Also each Group bank has established a Council on Revitalization of Town, Population and Jobs.

Furthermore, in September 2016 Resona Bank and Kinki Osaka Bank established Business Plaza Osaka as a base for developing new businesses to solve community problems together with public organizations, universities, research institutes, corporations and regional communities.

Saitama Resona Bank reorganized the Public Facilities Management Support Office into the Project Development Office in April 2017 to further support public-private

partnerships in ways such as providing solutions and information for community revitalization.

Resona Group Organization for Cooperation in Regional Revitalization



Loan Business



External Environment

- Prolonged ultra-low interest rate environment
- Diversification of personal lifestyles
- Evolution and popularization of ICT

Main Initiatives

- Differentiate the Resona Group with holiday operation including application screening and execution, and high-value-added products
- Provide added value to housing loan customers
- Marketing-based promotions, exclusive website/smartphone-based services

The pace of change in the individual loan business environment is accelerating because of the prolonged ultra-low interest rate environment, the diversification of personal lifestyles and digitalization driven by ICT in general and smartphones in particular.

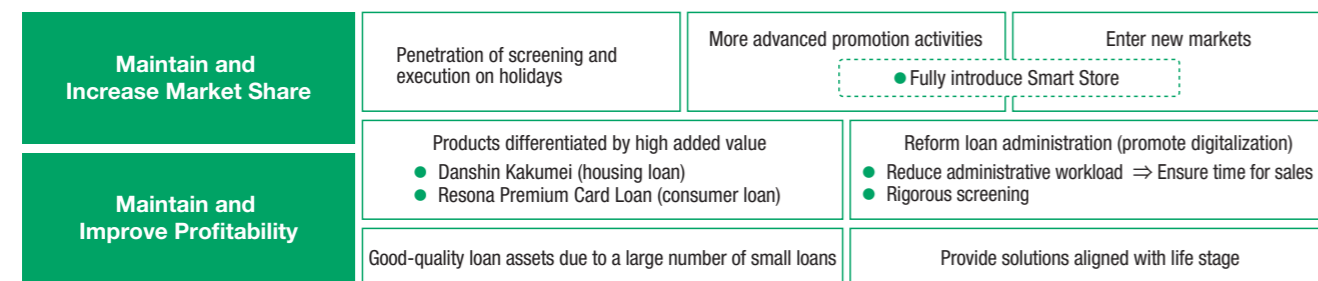
Under these circumstances, the Resona Group will focus on enhancing the competitive advantages of its products and services while strengthening cost controls to be the No.1 individual loan provider.

We are strengthening sales by further enhancing convenience through means including industry leadership in holiday operation, credit screening and loans; completely handling application, response and contract closing via websites and smartphones for consumer loans; and fully embracing the Smart Store. We have high-value-added prod-

ucts such as the Danshin Kakumei (housing loan) and the Resona Premium Card Loan (consumer loan), and we are enhancing our lineup additional products.

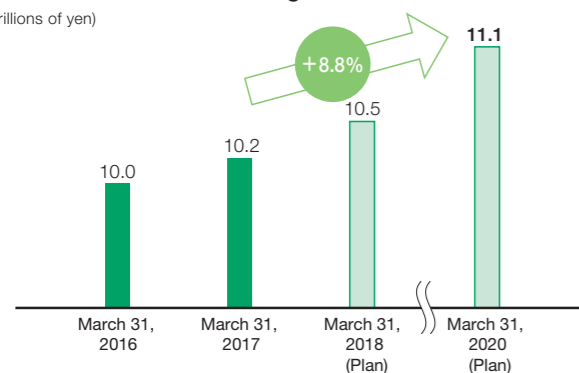
In addition, we are promoting digitalization to effectively cut costs and reduce the time needed for administrative procedures. For example, we propose an insurance review when closing housing loan contracts to ensure that we suggest solutions at the most appropriate time.

The objective of these initiatives is to increase the housing loan balance to the ¥11 trillion level by March 31, 2020, an 8.8% increase compared with March 31, 2017, and the consumer loan balance to the ¥360 billion level, an increase of 12%.



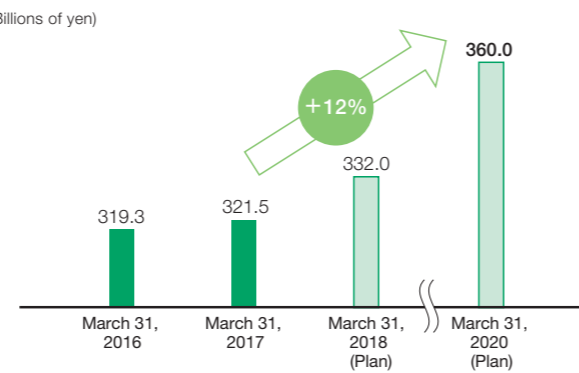
Balance of residential housing loans

(Trillions of yen)



Balance of consumer loans

(Billions of yen)



Transactional Transformation

Total Digitalization



Transactional Transformation Using ICT

Improve Customer Convenience

- Reduce time for procedures
- Exclusive website/smartphone-based services
- Enable consultation whenever and wherever customers need it

Improve Resona's Productivity

- Further reduce administrative work
- Shift administrative personnel to sales
- Increase time available for providing solutions

The spread of ICT has increased expectations that transactions will be easy and add exceptional value. In addition, we need to assume that the contraction of Japan's workforce will make hiring sufficient numbers of employees difficult.

Under these circumstances, the Resona Group will use digitalization to implement cost structure reforms that both increase customer convenience and raise productivity. We will create a next-generation retail financial services model.



We have already achieved good results by changing transactions in ways such as introducing tablets for insurance applications and sales support systems. We have also halved the amount of administrative work through operational reforms.

We will use the expertise we have acquired and employ digital technology to further reduce administrative work and reinforce initiatives to enhance our solutions capabilities.

Specifically, we will add sales staff by transferring administrative personnel with the objective of creating an organization of 26,000 Omni-advisors that serve customers.

We will optimize branch networks by expanding branches specializing in consultation that can be managed by a small number of staff.

Shift Personnel to Sales and Enhance Solutions Capabilities

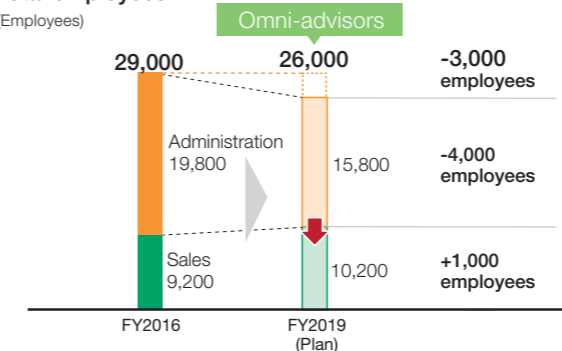
- Add 1,000 sales staff
- All staff provide solutions

Downsize or Replace Branches

- Optimize branches for community characteristics
- Seven Days Plazas operated by a small number of staff

Total employees

(Employees)



Personnel / Non-personnel expenses (Group bank total)

(Billions of yen)

