Summary of Consolidated Financial Results (March 31, 2011/Unaudited)

May 13, 2011

Resona Holdings, Inc.

1. Financial Highlights (April 1, 2010 - March 31, 2011)

(1) Consolidated Operating Results

(Percentages represent the differences from the previous year)

	Ordinary income		Ordinary profits		Net income	
	Million yen	*%*	*Million yen*	*%*	*Million yen*	*%*
March 31, 2011	859,898	(1.7)	210,290	38.1	160,079	21.1
March 31, 2010	875,130	(10.6)	152,314	33.1	132,230	6.7

Note: Comprehensive income March 31, 2011: ¥ 132,513 million (-44.6%) March 31, 2010: ¥ 239,078 million (- %)

	Net income per share	Net income (diluted) per share	Ratio of net income to capital assets	Ratio of ordinary profits to total assets	Ratio of ordinary profits to ordinary income
	Yen	*Yen*	*%*	*%*	*%*
March 31, 2011	73.14	41.47	8.8	0.5	24.5
March 31, 2010	88.32	52.94	6.3	0.4	17.4

Reference: Equity in earnings of investments in affiliated companies
March 31, 2011: ¥ 400 million March 31, 2010: ¥ 90 million

(2) Consolidated Financial Conditions

	Total assets	Equity	Capital adequacy ratio	Equity per share	Consolidated capital adequacy ratio (Japanese domestic standard)
	Million yen	*Million yen*	*%*	*Yen*	*%*
March 31, 2011	42,706,848	1,592,553	3.5	251.67	11.21
March 31, 2010	40,743,531	2,271,897	5.3	44.77	13.81

Reference: Capital assets March 31, 2011: ¥ 1,482,279 million March 31, 2010: ¥ 2,146,571 million

Notes:

1. “Capital adequacy ratio” is (Equity at year-end minus Stock option at year-end minus Minority interests at year-end) divided by Total assets at year-end.
2. “Consolidated capital adequacy ratio” is computed in accordance with the “Standards for Consolidated Capital Adequacy Ratio of Bank Holding Company under Article 52-25 of the Banking Law” (the Notification of the Financial Services Agency No. 20, 2006). Consolidated capital adequacy ratio (Japanese domestic standard) for FY 2010 is preliminary figure.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
	Million yen	*Million yen*	*Million yen*	*Million yen*
March 31, 2011	3,465,449	(1,159,614)	(909,124)	2,682,038
March 31, 2010	1,024,489	(858,062)	7,651	1,285,371

2. Dividends on common stock

	Dividends per share					Total dividends (annual)	Dividend payout ratio (consolidated)	Ratio of dividends to equity (consolidated)
	1st Quarter -end	2nd Quarter - end	3rd Quarter -end	Year end	Annual Total			
	Yen	*Yen*	*Yen*	*Yen*	*Yen*	*Million yen*	*%*	*%*
March 31, 2010	-	0.00	-	10.00	10.00	11,507	11.3	-
March 31, 2011	-	0.00	-	12.00	12.00	29,409	16.4	8.1
March 31, 2012 (Forecast)	-	0.00	-	12.00	12.00		22.1	

Note: The above table does not include dividends on other than common stocks. Please refer to following "Dividends on classified stocks" with regard to the details of dividends on classified stocks (unlisted) whose legal rights differ from common stocks.

3. Earnings forecasts for the fiscal year 2011 (April 1, 2011 - March 31, 2012)

(Percentages represent the differences from the same period in the previous year)

	Ordinary income		Ordinary profits		Net income		Net income per share
	Million yen	*%*	*Million yen*	*%*	*Million yen*	*%*	*Yen*
September 30, 2011	420,000	(8.8)	97,000	(15.5)	75,000	(8.3)	30.60
March 31, 2012	830,000	(3.5)	190,000	(9.6)	150,000	(6.3)	54.27

4. Other

(1) Changes in scope of consolidation during the year: No

(2) Changes in accounting policies and principles to prepare consolidated financial statements during the year:

(i) Change due to revision of accounting standards: Yes

(ii) Change due to other reasons: No

Note: Please refer to "Changes in principal policies to prepare consolidated financial statements" on page 19 for the details.

(3) Number of common stock outstanding:

	March 31, 2011	March 31, 2010
(i) Total outstanding shares at the end of year (including treasury shares)	2,514,957,691 shares	1,214,957,691 shares
(ii) Treasury shares at the end of year	64,179,183 shares	64,168,361 shares
(iii) Average outstanding shares during the year	1,361,375,809 shares	1,117,924,297 shares

(Reference) Non-consolidated financial data

1. Non-consolidated financial data for the fiscal year 2010 (April 1, 2010 - March 31, 2011)

(1) Operating Results

(Percentages represent the differences from the previous year)

	Operating income		Operating profits		Ordinary profits	
	Million yen	*%*	*Million yen*	*%*	*Million yen*	*%*
March 31, 2011	31,380	(19.6)	26,059	(20.3)	23,381	(28.3)
March 31, 2010	39,048	(79.0)	32,681	(81.5)	32,606	(81.8)

	Net income		Net income per share	Net income (diluted) per share
	Million yen	*%*	*Yen*	*Yen*
March 31, 2011	26,223	(25.0)	(25.17)	-
March 31, 2010	34,979	(79.9)	1.33	1.28

(2) Financial Conditions

	Total assets	Equity	Capital adequacy ratio	Equity per share
	Million yen	*Million yen*	*%*	*Yen*
March 31, 2011	1,260,278	919,155	72.9	21.89
March 31, 2010	1,809,145	1,697,902	93.9	(345.10)

Reference: Capital assets March 31, 2011: ￥919,155 million March 31, 2010: ￥1,697,902 million

2. Earnings forecasts for the fiscal year 2011 (April 1, 2011 - March 31, 2012)

(Percentages represent the differences from the same period in the previous year)

	Operating income		Operating profits		Ordinary profits		Net income		Net income per share
	Million yen	*%*	*Million yen*	*%*	*Million yen*	*%*	*Million yen*	*%*	*Yen*
September 30, 2011	75,000	347.1	70,000	398.2	70,000	388.0	70,000	353.9	28.56
March 31, 2012	150,000	378.0	140,000	437.2	140,000	498.8	140,000	433.9	50.19

(Note: Disclaimer regarding Audit status)

Audit of the consolidated and non-consolidated financial statements in accordance with Financial Instruments and Exchange Law (“FIEL”) is still in process at the time of disclosing this report.

(Note: Disclaimer regarding Forward-looking Statements)

This report contains forward-looking statements, which are based on the information currently available and certain assumptions the company considers to be reasonable. Risks, uncertainties and other factors may cause actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements.

For significant factors which may affect actual results, please refer to “1. Operating results (4) Business risk” on page 3 of attachments to the original Japanese report. For assumptions used by the Company, please refer to “1. Operating results (1) Analysis for operating results” on page 2 of attachments to the original Japanese report.

(Note: How to get materials for the financial results)

Materials for the financial results are disclosed through TDnet at the same timing. IR presentation for institutional investor or analyst is scheduled on May 27, 2011. Materials to be delivered on the presentation will be available on the web site later.

3. Dividends on Classified Stocks

Details for the dividends per share on classified stocks whose legal rights differ from the common stocks are as follows.

		Dividends per share				
		1st Quarter-end	2nd Quarter- end	3rd Quarter-end	Year end	Annual
		Yen	*Yen*	*Yen*	*Yen*	*Yen*
Class C No. 1 preferred stock	March 31, 2010	-	0.00	-	68.00	68.00
	March 31, 2011	-	0.00	-	68.00	68.00
	March 31, 2012 (Forecast)	-	0.00	-	68.00	68.00
Class F No. 1 preferred stock	March 31, 2010	-	0.00	-	185.00	185.00
	March 31, 2011	-	0.00	-	185.00	185.00
	March 31, 2012 (Forecast)	-	0.00	-	185.00	185.00
Class One No. 1 preferred stock	March 31, 2010	-	0.00	-	28.68	28.68
	March 31, 2011	-	0.00	-	-	-
	March 31, 2012 (Forecast)	-	-	-	-	-
Class Two No. 1 preferred stock	March 31, 2010	-	0.00	-	28.68	28.68
	March 31, 2011	-	0.00	-	-	-
	March 31, 2012 (Forecast)	-	-	-	-	-
Class Three No. 1 preferred stock	March 31, 2010	-	0.00	-	28.68	28.68
	March 31, 2011	-	0.00	-	23.56	23.56
	March 31, 2012 (Forecast)	-	0.00	-	21.38	21.38
Class Four preferred stock	March 31, 2010	-	0.00	-	992.50	992.50
	March 31, 2011	-	0.00	-	992.50	992.50
	March 31, 2012 (Forecast)	-	0.00	-	992.50	992.50
Class Five preferred stock	March 31, 2010	-	0.00	-	918.75	918.75
	March 31, 2011	-	0.00	-	918.75	918.75
	March 31, 2012 (Forecast)	-	0.00	-	918.75	918.75
Class Six preferred stock	March 31, 2010	-	-	-	386.51	386.51
	March 31, 2011	-	0.00	-	1,237.50	1,237.50
	March 31, 2012 (Forecast)	-	0.00	-	1,237.50	1,237.50

Note: Class One No. 1 preferred stock, Class Two No. 1 preferred stock and a part of Class Three No. 1 preferred stock were acquired as treasury stock and were retired during the year ended March 31, 2011.

4. Formula for expected net income per share

$$\frac{\text{Expected net income – Expected dividend for preferred stock}}{\text{Average outstanding shares of common stock (exclude treasury stock)}}$$

*Average outstanding shares of common stock (exclude treasury stock): 2,450,778,508 shares
*Expected dividend for preferred stock
For the period ended September 30, 2010: ¥ - million
For the year ended March 31, 2011: ¥ 16,995 million

Consolidated Financial Statements
Consolidated Balance Sheets

(Millions of yen)

	March 31, 2010	March 31, 2011
Assets		
Cash and due from banks	¥ 1,607,691	¥ 3,027,781
Call loans and bills bought	872,442	356,676
Deposits paid for bonds borrowing transactions	56,541	—
Monetary claims bought	419,212	427,467
Trading assets	522,796	637,508
Securities	8,915,317	9,899,960
Loans and bills discounted	26,263,548	25,853,022
Foreign exchange assets	61,269	63,472
Other assets	1,086,792	1,634,261
Premises and equipment	322,297	313,231
Buildings and equipment	103,901	104,481
Land	195,933	193,038
Leased assets	723	1,174
Construction in progress	3,707	1,511
Other tangible fixed assets	18,030	13,025
Intangible fixed assets	50,467	53,836
Software	13,985	10,915
Leased assets	31,056	37,557
Other intangible fixed assets	5,425	5,364
Deferred tax assets	247,379	186,891
Customers' liabilities for acceptances and guarantees	760,305	678,495
Reserve for possible loan losses	(439,604)	(424,619)
Reserve for possible losses on investments	(2,925)	(1,139)
Total assets	40,743,531	42,706,848
Liabilities		
Deposits	32,955,610	34,179,947
Negotiable certificates of deposit	1,119,590	1,424,610
Call money and bills sold	393,243	277,916
Bills sold under repurchase agreements	132,976	142,972
Deposits received for bonds lending transactions	55,933	—
Trading liabilities	154,402	244,282
Borrowed money	623,620	1,700,813
Foreign exchange liabilities	3,085	1,755
Bonds	850,264	678,071
Due to trust account	376,687	375,866
Other liabilities	964,944	1,320,538
Reserve for employees' bonuses	12,412	14,603
Reserve for employees' retirement benefits	9,821	11,591
Other reserves	28,999	34,552
Deferred tax liabilities	24	—
Deferred tax liabilities on land revaluation	29,709	28,277
Acceptances and guarantees	760,305	678,495
Total liabilities	¥ 38,471,633	¥ 41,114,294

Consolidated Balance Sheets (Continued)

(Millions of yen)

	March 31, 2010	March 31, 2011
Equity		
Capital stock	¥ 327,201	¥ 340,472
Capital surplus	400,709	237,082
Retained earnings	1,372,119	879,381
Treasury stock	(86,840)	(86,847)
Total shareholders’ equity	2,013,189	1,370,089
Net unrealized gains on available-for-sale securities	83,129	61,826
Deferred gains on hedges	13,789	16,352
Revaluation reserve for land	40,271	38,479
Foreign currency translation adjustments	(3,807)	(4,468)
Total accumulated other comprehensive income	133,382	112,190
Minority interests in consolidated subsidiaries	125,326	110,273
Total equity	2,271,897	1,592,553
Total liabilities and equity	¥ 40,743,531	¥ 42,706,848

Consolidated Statements of Operations

(Millions of yen)

	FY 2009 From Apr 1, 2009 To Mar 31, 2010	FY 2010 From Apr 1, 2010 To Mar 31, 2011
Ordinary income	¥ 875,130	¥ 859,898
Interest income	588,792	551,097
Interest on loans and bills discounted	509,771	469,470
Interest and dividends on securities	55,104	58,305
Interest on call loans and bills bought	1,650	1,863
Interest on bonds borrowing transactions	111	54
Interest on deposit	1,866	2,021
Other interest income	20,287	19,382
Trust fees	28,727	25,937
Fees and commissions	165,671	172,420
Trading profits	26,526	28,900
Other operating income	39,747	50,554
Other ordinary income	25,664	30,988
Ordinary expenses	722,815	649,608
Interest expenses	89,292	67,004
Interest on deposits	52,865	38,695
Interest on negotiable certificates of deposit	2,101	1,770
Interest on call money and bills sold	809	437
Interest on bills sold under repurchase agreement	474	69
Interest on bonds lending transactions	273	140
Interest on borrowed money	2,445	2,454
Interest on bonds	27,001	21,177
Other interest expenses	3,321	2,258
Fees and commissions	49,270	51,555
Trading losses	196	365
Other operating expenses	32,306	42,937
General and administrative expenses	387,502	369,413
Ordinary expenses	164,245	118,332
Provision for reserve for possible loan losses	59,455	33,511
Other ordinary expenses	104,790	84,821
Ordinary profits	152,314	210,290
Extraordinary profits	28,719	32,652
Gains on disposal of premises and equipment	76	1,711
Gain on negative goodwill arisen	-	1,578
Recoveries of written-off loans	23,974	29,362
Other extraordinary profits	4,667	-
Extraordinary losses	4,976	5,831
Losses on disposal of premises and equipment	1,339	1,576
Impairment losses on premises and equipment	3,636	3,659
Other extraordinary losses	-	595
Income before income taxes and minority interests	176,057	237,111
Income taxes – current	11,954	10,523
Income taxes – deferred	27,774	62,189
Total income taxes	39,728	72,713
Income before minority interests	-	164,397
Minority interests in net income	4,098	4,318
Net income	¥ 132,230	¥ 160,079

Consolidated Statements of Comprehensive income

(Millions of yen)

	FY 2009 From Apr 1, 2009 To Mar 31, 2010	FY 2010 From Apr 1, 2010 To Mar 31, 2011
Income before minority interests	-	¥ 164,397
Other comprehensive income	-	(31,884)
Unrealized gains/(losses) on available-for-sale securities	-	(21,445)
Deferred gains/(losses) on hedges	-	2,563
Foreign currency translation adjustments	-	(12,979)
Equity in earnings of investments in affiliated companies	-	(22)
Total comprehensive income	-	132,513
Total comprehensive income attributable to:		
Owners of the parent	-	140,679
Minority interests	-	¥ (8,166)

Consolidated Statements of Changes in Equity

(Millions of yen)

	FY 2009 From Apr 1, 2009 To Mar 31, 2010	FY 2010 From Apr 1, 2010 To Mar 31, 2011
Shareholders' equity		
Capital stock		
Balance at beginning of year	¥ 327,201	¥ 327,201
Changes of items during the period		
Issuance of new stock	-	13,271
Total changes of items during the period	-	13,271
Balance at end of year	327,201	340,472
Capital surplus		
Balance at beginning of year	493,309	400,709
Changes of items during the period		
Issuance of new stock	178,650	534,444
Disposal of treasury stock	(0)	(1)
Retirement of treasury stock	(271,250)	(1,307,683)
Transfer from retained earnings to capital surplus	-	609,613
Total changes of items during the period	(92,600)	(163,626)
Balance at end of year	400,709	237,082
Retained earnings		
Balance at beginning of year	1,287,467	1,372,119
Changes of items during the period		
Dividends from surplus	(49,019)	(44,994)
Net income	132,230	160,079
Reduction in land revaluation excess	1,440	1,792
Transfer from retained earnings to capital surplus	-	(609,613)
Total changes of items during the period	84,652	(492,737)
Balance at end of year	1,372,119	879,381
Treasury stock		
Balance at beginning of year	(86,795)	(86,840)
Changes of items during the period		
Acquisition of treasury stock	(271,302)	(1,307,693)
Disposal of treasury stock	6	2
Retirement of treasury stock	271,250	1,307,683
Total changes of items during the period	(45)	(7)
Balance at end of year	(86,840)	(86,847)
Total shareholders' equity		
Balance at beginning of year	2,021,182	2,013,189
Changes of items during the period		
Issuance of new stock	178,650	547,716
Dividends from surplus	(49,019)	(44,994)
Net income	132,230	160,079
Acquisition of treasury stock	(271,302)	(1,307,693)
Disposal of treasury stock	6	0
Reduction in land revaluation excess	1,440	1,792
Total changes of items during the period	(7,993)	(643,099)
Balance at end of year	¥ 2,013,189	¥ 1,370,089

Consolidated Statements of Changes in Equity (Continued)

	FY 2009 From Apr 1, 2009 To Mar 31, 2010	FY 2010 From Apr 1, 2010 To Mar 31, 2011
		(Millions of yen)
Accumulated other comprehensive income		
Net unrealized gains on available-for-sale securities		
Balance at beginning of year	¥ (32,345)	¥ 83,129
Changes of items during the period		
Net changes of items other than shareholders' equity	115,475	(21,303)
Total changes of items during the period	115,475	(21,303)
Balance at end of year	83,129	61,826
Net deferred gains on hedges		
Balance at beginning of year	21,976	13,789
Changes of items during the period		
Net changes of items other than shareholders' equity	(8,187)	2,563
Total changes of items during the period	(8,187)	2,563
Balance at end of year	13,789	16,352
Revaluation reserve for land		
Balance at beginning of year	41,712	40,271
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,440)	(1,792)
Total changes of items during the period	(1,440)	(1,792)
Balance at end of year	40,271	38,479
Foreign currency translation adjustments		
Balance at beginning of year	(4,363)	(3,807)
Changes of items during the period		
Net changes of items other than shareholders' equity	555	(660)
Total changes of items during the period	555	(660)
Balance at end of year	(3,807)	(4,468)
Total accumulated other comprehensive income		
Balance at beginning of year	26,980	133,382
Changes of items during the period		
Net changes of items other than shareholders' equity	106,402	(21,192)
Total changes of items during the period	106,402	(21,192)
Balance at end of year	133,382	112,190
Minority interests in consolidated subsidiaries		
Balance at beginning of year	129,921	125,326
Changes of items during the period		
Net changes of items other than shareholders' equity	(4,595)	(15,052)
Total changes of items during the period	(4,595)	(15,052)
Balance at end of year	¥ 125,326	¥ 110,273

Consolidated Statements of Changes in Equity (Continued)

(Millions of yen)

	FY 2009 From Apr 1, 2009 To Mar 31, 2010	FY 2010 From Apr 1, 2010 To Mar 31, 2011
Total equity		
Balance at beginning of year	¥ 2,178,084	¥ 2,271,897
Changes of items during the period		
Issuance of new stock	178,650	547,716
Dividends from surplus	(49,019)	(44,994)
Net income	132,230	160,079
Acquisition of treasury stock	(271,302)	(1,307,693)
Disposal of treasury stock	6	0
Reduction in land revaluation excess	1,440	1,792
Net changes of items other than shareholders' equity	101,806	(36,244)
Total changes of items during the period	93,813	(679,344)
Balance at end of year	¥ 2,271,897	¥ 1,592,553

Consolidated Statements of Cash Flows

(Millions of yen)

	FY 2009 From Apr 1, 2009 To Mar 31, 2010	FY 2010 From Apr 1, 2010 To Mar 31, 2011
Cash flows from operating activities		
Income before income taxes and minority interests	¥ 176,057	¥ 237,111
Depreciation and amortization	24,235	25,258
Impairment losses on premises and equipment	3,636	3,659
Amortization of goodwill	7,242	-
Gain on negative goodwill arisen	-	(1,578)
Equity in earnings of investments in affiliated companies	(90)	(400)
Increase/(decrease) in reserve for possible loan losses	(1,362)	(14,985)
Increase/(decrease) in reserve for possible losses on investments	2,925	(1,786)
Increase/(decrease) in reserve for employees' bonuses	8	2,191
Increase/(decrease) in reserve for employees' retirement benefits	3,114	1,769
Interest income	(588,792)	(551,097)
Interest expenses	89,292	67,004
Net (gains)/losses on securities	(19,190)	(25,059)
Net foreign exchange (gains)/losses	(55,004)	(47,688)
Net (gains)/losses on sale of fixed assets	1,263	(134)
Net (increase)/decrease in trading assets	(3,228)	(114,712)
Net increase/(decrease) in trading liabilities	32,197	89,879
Net (increase)/decrease in loans and bills discounted	245,706	410,526
Net increase/(decrease) in deposits	847,812	1,224,337
Net increase/(decrease) in negotiable certificates of deposit	537,550	305,020
Net increase/(decrease) in borrowed money (excluding subordinated borrowed money)	(23,887)	1,080,193
Net (increase)/decrease in due from banks (excluding those deposited at BOJ)	(29,277)	(23,422)
Net (increase)/decrease in call loans and other	(229,624)	507,510
Net (increase)/decrease in deposits paid for bonds borrowing transactions	188,570	56,541
Net increase/(decrease) in call money and other	(601,025)	(105,331)
Net increase/(decrease) in deposits received for bonds lending transactions	(23,680)	(55,933)
Net (increase)/decrease in foreign exchange assets	17,318	(2,202)
Net increase/(decrease) in foreign exchange liabilities	537	(1,330)
Net increase/(decrease) on issuance and repayment of bonds	(109,637)	(58,686)
Net increase/(decrease) in due to trust account	30,810	(821)
Interest receipts	601,668	560,256
Interest payments	(90,520)	(74,960)
Other, net	(32,918)	(12,643)
Subtotal	1,001,705	3,478,486
Income taxes paid or tax refund	22,783	(13,036)
Net cash provided by/(used in) operating activities	¥ 1,024,489	¥ 3,465,449

Consolidated Statements of Cash Flows (Continued)

(Millions of yen)

	FY 2009 From Apr 1, 2009 To Mar 31, 2010	FY 2010 From Apr 1, 2010 To Mar 31, 2011
Cash flows from investing activities		
Purchases of securities	¥ (36,550,181)	¥(35,734,686)
Proceeds from sales of securities	30,653,401	30,896,522
Proceeds from maturity of securities	5,056,145	3,685,233
Purchases of premises and equipment	(10,932)	(8,156)
Proceeds from sales of premises and equipment	574	5,844
Purchases of intangible fixed assets	(7,115)	(2,070)
Proceeds from sales of intangible fixed assets	45	115
Acquisitions of subsidiaries' stocks	-	(2,126)
Other, net	-	(288)
Net cash provided by/(used in) investing activities	(858,062)	(1,159,614)
Cash flows from financing activities		
Proceeds from subordinated borrowed money	11,000	1,000
Repayment of subordinated borrowed money	(11,000)	(4,000)
Proceeds from issuance of subordinated bonds	200,747	49,753
Repayment of subordinated bonds	(50,320)	(147,550)
Proceeds from issuance of common stock	177,852	544,706
Dividends paid	(49,019)	(44,994)
Dividends paid to minority shareholders	(313)	(347)
Payments related to acquisition of treasury stock	(271,302)	(1,307,693)
Proceeds from sales of treasury stock	6	0
Net cash provided by/(used in) financing activities	7,651	(909,124)
Effect of exchange rate changes on cash and cash equivalents	2	(43)
Increase/(decrease) in cash and cash equivalents	174,080	1,396,667
Cash and cash equivalents at beginning of the year	1,111,291	1,285,371
Cash and cash equivalents at end of the year	¥ 1,285,371	¥ 2,682,038

Note on Going-Concern Assumption

Not applicable

Principal Policies to Prepare Consolidated Financial Statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 17

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

Resona Business Service Co., Ltd merged with Resona HR Support Co., Ltd, one of consolidated subsidiaries, on April 1, 2010. After the merger on the same date, Resona HR Support Co., Ltd has changed the name to Resona Business Service Co., Ltd.

(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), deferred gains/losses on hedges (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) There are no non-consolidated subsidiaries which are accounted for by the equity method.

(2) Number of affiliates which are accounted for by the equity method: 1

Name of principal company: Japan Trustee Services Bank, Ltd.

Japan Trustee Information System Co., Ltd merged with Japan Trustee Services Bank, Ltd, one of affiliates which are accounted for by the equity method, on October 1, 2010.

(3) Non-consolidated subsidiaries which are not accounted for by the equity method

Name of principal company: Asahi Servicos e Representacoes Ltda.

(4) Affiliates which are not accounted for by the equity method

Name of principal company: Arise Capital Partners, Inc.

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), deferred gains/losses on hedges (based on owned interest), etc. and accordingly, the equity method is not applied to them.

(5) Entities not recognized as affiliates which the Company owns from 20% to 50% of the voting rights

Name of entities: Kinai Sogo Shinyo Hosho Co., Ltd.

The entity is established as joint venture by the banks registered to the second association of regional banks in Kinki region to guarantee mortgage. The entity is administered by all those banks' discussion and unanimous vote, and the Company's intent is not to control it. Therefore the entity is not recognized as affiliate.

3. Balance sheet dates of consolidated subsidiaries

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

End of December: 4 companies
End of March: 13 companies

(2) All subsidiaries have been consolidated based on their accounts at their respective balance sheet date.

Appropriate adjustments have been made for significant transactions during the period from the respective balance sheet date of the above subsidiaries to the consolidated balance sheet date.

4. Significant accounting policies

(1) Trading assets/trading liabilities and trading profits/trading losses

Transactions whose purpose is to earn a profit by taking advantage of short-term fluctuations in the market or discrepancies between interest rates, currency exchange rates, financial instruments or other indices on different markets (hereinafter referred to as "transactions for trading purposes") are included in "Trading assets" or "Trading liabilities" in the consolidated balance sheets on a trade-date basis. Profits and losses on the transactions for trading purposes are included in "Trading profits" and "Trading losses" in the consolidated statements of operation on a trade-date basis.

Securities and monetary claims etc. held for trading purposes are stated at market value as of the consolidated balance sheet date. Derivatives, including swaps, futures and options, held for trading purposes, are stated at the close-out value calculated assuming the transaction is closed-out on the consolidated balance sheet date.

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

(2) Securities

Bonds held to maturity are stated at amortized cost (straight-line method) by the moving average method.

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

Available-for-sale equity securities with market value are stated at fair value, based on the average market price during the last month of the year. Available-for-sale securities with market value, except equity securities with market value, are stated at their respective market value and the cost of sales of such securities is determined by the moving average method. Available-for-sale securities without readily determinable market value 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 equity.

(3) Derivative transactions

Derivative transactions (excluding "transactions for trading purposes") are stated at market value.

(4) Depreciation and amortization

(i) Premises and equipment (excluding lease assets)
Depreciation of premises and equipment is calculated mainly by the straight-line method for buildings and by the declining-balance method for equipment. The useful lives adopted for major premises and equipment are as follows:

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

(ii) Intangible fixed assets (excluding for lease assets)

Amortization of intangible fixed assets is calculated by the straight-line method. Software for internal use is amortized over the estimated useful lives (mainly 5 years) determined by Resona Holdings, Inc. (the “Company”) and its consolidated subsidiaries (together, the “Group”).

(iii) Leased assets

Finance leases other than those which are deemed to transfer the ownership of the leased assets to the lessee are depreciated by a straight-line method over the lease term. Residual value of those leased assets is zero unless any guaranteed amount is stated on the lease agreement.

Finance leases which transfer the ownership of the leased assets to the lessee are depreciated by the same method used for the proprietary assets.

(5) Deferred assets

Stock issuance costs and bond issuance costs are charged to expense as incurred.

(6) Reserve for possible loan losses

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

For loans to insolvent customers who are undergoing bankruptcy or special liquidation, etc. (hereinafter, “borrowers under bankruptcy proceedings”) or who are in a similar financial condition, although not yet in bankruptcy (hereinafter “borrowers substantially in bankruptcy”), the reserve for possible loan losses is provided at the full amount of the book value of such loans after deducting the amount of direct write-offs (as defined below) and excluding the amounts deemed collectible from the disposal of the collateral and the guarantees that are deemed recoverable.

For loans to customers not presently in the above circumstances, but in a high probability of becoming insolvent (hereinafter, “customers with high probability of becoming insolvent”) or loans to customers to be closely watched, which exceeds a certain threshold, the Discounted Cash Flows Method (the “DCF Method”) is applied to provide the allowance for doubtful accounts, if cash flows on collection of principals of interests can be reasonably estimated. Under the DCF Method, reserve for possible loan losses is provided as the difference between future cash flows discounted by the original interest rate and carrying value of the loan.

For other loans, the reserve for possible loan losses is calculated based on the loss rates derived from the historical loss experience for a certain period and others.

The allowance for loans to specific foreign borrowers is provided based on the amount of expected losses determined considering the political and economic situation of their respective countries.

The Credit Review Office, which is independent from the operating divisions, examines the operating divisions’ asset quality reviews of each loan for collectibility in accordance with self-assessment standards. The provision for possible loan losses is based on the results of these reviews.

Regarding the loans with collateral or guarantees, etc. to the borrowers under bankruptcy proceedings and borrowers substantially in bankruptcy, the unrecoverable amount of loans is directly written-off from loan balances. The estimated unrecoverable amount is determined considering a valuation of the collateral and guarantees and is ¥ 443,263 million.

Other consolidated subsidiaries mainly provide the reserve for possible loan losses at amounts deemed necessary judged by the past write-off experience ratios for general loans and individually determined uncollectible amounts for specific loans, such as those to borrowers under bankruptcy proceedings.

(7) Reserve for possible losses on investments

Reserve for possible losses on investments is provided for possible losses on investments in securities, after taking into consideration the financial condition and other factors concerning an investee company.

(8) Reserve for employees' bonuses

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

(9) Reserve for employees' retirement benefits

The reserve for employees' retirement benefits is provided for the payment of retirement benefits to employees in the amount deemed necessary based on the projected benefits obligation and the fair value of plan assets as of the consolidated balance sheet date.

Prior service cost is changed to income as it is incurred.

Unrecognized actuarial gains and losses are amortized from the next fiscal year after incurrence by the straight-line method over a period (10 years) defined within the average remaining service years of eligible employees.

(10) 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 trust transactions: ¥ 11,346 million
A reserve for losses on trust transactions is provided for the estimated future losses on the trust transactions without the principal indemnification which certain consolidated domestic banking subsidiaries have been administrating and operating.

(ii) Reserve for losses on reimbursement of dormant deposits: ¥ 12,666 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.

(iii) Reserve for losses on burden charge under the credit guarantee system: ¥ 5,256 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.

(iv) Reserve for Resona club points: ¥ 4,050 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.

(v) Reserve for losses on interest repayments: ¥ 561 million
A reserve for losses on interest repayments is provided for the future losses on interest repayment claims based on the historical experience for such repayments.

(11) Foreign-currency-denominated assets and liabilities

Foreign-currency-denominated assets and liabilities of consolidated domestic banking subsidiaries, except for the investments in affiliates on which historical foreign exchange rates are used, are translated into yen, primarily at the exchange rates on the consolidated balance sheet date.

Foreign-currency-denominated assets and liabilities of the other consolidated subsidiaries are translated into yen at the exchange rate on the respective balance sheet date.

(12) Leases

Finance leases other than those which are deemed to transfer ownership of the leased assets to the lessee of the Company and domestic consolidated subsidiaries, which started before April 1, 2008, are accounted for by a similar method that applicable to operating lease.

(13) Derivatives and hedge accounting

(i) Hedges of interest rate risk

Consolidated banking subsidiaries apply the deferred hedge accounting to hedges of interest risk associated with their financial assets and liabilities in accordance with the Japanese Institute of Certified Public Accountants (“JICPA”) Industrial 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.

Deferred gains or losses on hedges in consolidated balance sheet based on previous macro-hedge approach, under which derivatives are designated to hedge net interest risk of numerous financial assets and liabilities, such as loans and deposits, in accordance with JICPA Industry Audit Committee, Report No. 15 “Accounting and Auditing Present Treatments on the Application of Accounting Standards for Financial Instruments in the Banking Industry,” are amortized at most 10 years starting from the year ended March 31, 2004 as interest income and expenses based on the remaining term and the notional amount of hedging instruments.

Deferred gains on hedges based on the macro-hedge approach at the consolidated balance sheet date were ¥ 88 million (prior to deducting tax effect).

(ii) Hedges of foreign currency risk

Certain consolidated banking subsidiaries apply the deferred hedge accounting to hedge of the foreign currency risk associated with their foreign-currency-dominated financial assets and liabilities in accordance with JICPA Industry Audit Committee Report No. 25 “Treatment in Accounting and Auditing Concerning the Accounting Treatment of 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 foreign-currency-denominated receivables or payables.

In addition, in application of the deferred hedge accounting or the fair value hedge accounting to hedges of foreign exchange risk of foreign-currency-denominated securities 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 foreign-currency-denominated securities.

(iii) Inter-and intra-company derivative transactions

Because internal interest swaps, currency swaps, and other derivatives transactions specified as hedging instruments are strictly processed based the appropriate market pricing and covered by corresponding external transactions as required by the JICPA Industry Audit Committee, Report 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 deferred hedge accounting, fair value hedge accounting and the special treatment of interest rate swaps.

(14) Cash and cash equivalents on the consolidated statements of cash flow

Cash and cash equivalents on 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.

(15) Consumption tax and local consumption tax

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

(16) Consolidated corporate-tax system

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

Changes in Principal Policies to Prepare Consolidated Financial Statements

(Accounting Standard for Asset Retirement Obligations)

On or after April 1, 2010, the Company recognizes asset retirement obligation in accordance with “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18 issued on March 31, 2008) and “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21 issued on March 31, 2008).

As a result of the adoption, ordinary profits and income before income taxes and minority interests decreased by ¥ 152 million and ¥ 459 million, respectively, compared to the amounts calculated under the previous method.

(Accounting Standard for Business Combinations)

On or after April 1, 2010, the Company adopts “Accounting Standard for Business Combinations” (ASBJ Statement No. 21 issued on December 26, 2008), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22 issued on December 26, 2008) and “Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10 revised on December 26, 2008).

Changes in Presentations

(Consolidated Statements of Operations)

From the fiscal year ended March 31, 2011, the Company discloses “income before minority interests” in the consolidated statements of operations as a result of applying “Cabinet Office Ordinance partially Revising Regulation for Terminology, Forms and Preparation of Financial Statements” (Cabinet Office Ordinance No. 5 revised on March 24, 2009) in accordance with “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22 issued on December 26, 2008).

Additional Information

On or after April 1, 2010, the Company adopts “Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement No. 25 issued on June 30, 2010). Amounts disclosed as “accumulated other comprehensive income” and “total accumulated other comprehensive income” in the consolidated balance sheets and the consolidated statements of changes in equity as of March 31, 2010 are the amounts previously disclosed as “valuation and translation adjustments” and “total valuation and translation adjustments.”

Notes to the Consolidated Balance Sheet
As of March 31, 2011

1. Securities includes equity investments in non-consolidated subsidiaries and affiliates of ¥ 19,241 million and capital subscriptions to entities of ¥ 4,104 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 ¥ 19,752 million, and past due loans amounted to ¥ 459,878 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 Law (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 ¥ 8,171 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” and “past due loans.”

5. Restructured loans amounted to ¥ 261,403 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 ¥ 749,205 million in the aggregate. The amounts presented in Notes 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. Consolidated banking subsidiaries have a right to sell or collateralize such bills at their discretion. The total face value of bank acceptance bills, commercial bills and documentary bills obtained as a result of discounting and foreign exchange purchase was ¥ 196,758 million.

8. Assets pledged as collateral are as follows:

   Assets pledged as collateral:

• Cash and due from banks	¥ 1,837 million
• Trading assets	¥ 142,947 million
• Securities	¥ 6,664,361 million
• Loans and bills discounted	¥ 166,479 million
• Other assets	¥ 3,880 million

Liabilities corresponding to the assets pledged:

• Deposits	¥ 163,227 million
• Bills sold under repurchase agreement	¥ 142,972 million
• Borrowed money	¥ 1,633,620 million

Other than above, “Cash and due from banks”, “Securities” and “Other assets”, in the amount of ¥ 80 million, ¥ 1,196,235 million, and ¥ 246,601 million, respectively, were pledged as collateral for settlement of foreign exchange, derivatives transactions or for futures transactions and others.

“Other assets “includes the deposits for future transactions in the amount of ¥ 3,666 million and for leasehold deposits in the amount of ¥ 22,322 million.

9. Overdrafts and loans commitment agreement is an agreement under which the Company extends loans to customers up to the certain amount at the request of customer unless the customer violates the conditions of the agreement. Unused balances of such agreements are amounted to ¥ 7,801,642 million including ¥ 7,584,472 million of balances under the agreements expiring within a year or agreements cancelable at any time without penalty.

The unused commitment does not necessarily impact on the future cash flows of consolidated subsidiaries because most of those agreements will be terminated without used. In addition, most agreements contain provisions, which allow consolidated subsidiaries to refuse making loans or decrease the limit, if there are any reasons such as changes in the financial condition, the credit management policies or for other reasons.

When extending loans to customers, consolidated subsidiaries request collateral such as premises or securities if necessary. After entering into the agreement, consolidated subsidiaries periodically check the financial condition of the customers based on its internal rules and, if necessary, take certain measures from credit risk management perspectives.

10. Certain consolidated domestic subsidiaries revalued land used for business purposes based on the Law Concerning Land Revaluation (Law No.34, announced on March 31, 1998). “Deferred tax liabilities on land revaluation” is presented in liabilities and “revaluation reserve for land” is presented in equity.

Revaluation date: March 31, 1998

The revaluation method as stated in Article 3-3 of the Law Concerning Land Revaluation:
The value of land is based on the official notice prices stated in the Law of Public Notice of Land Prices (assessed date, January 1, 1998) as stipulated in Article 2-1 of the Ordinance for the Law Concerning Land Revaluation (Cabinet Office Ordinance No. 119, announced on March 31, 1998) after making reasonable adjustments for the location and quality of the sites.

The difference between the total fair values and total book values, which were revaluated, of the land owned for business purposes as of March 31, 2011 under the revaluation method: ¥ 31,229 million

11. Accumulated depreciation of premises and equipment: ¥ 212,723 million

12. Basis adjustment to the acquisition costs of premises and equipment: ¥ 53,258 million

13. Borrowed money includes subordinated borrowed money of ¥ 49,000 million that are subordinated to other debt in repayment by special covenants.

14. Bonds include subordinated bonds of ¥ 624,469 million.

15. The principal amount of trust with the principal indemnification agreement is ¥ 439,223 million.

16. Guarantees are provided on certain privately placed bonds, in accordance with Article 2-3 of FIEL, included in “Securities.” The amount of the guarantees is ¥ 274,968 million.

17. In addition to the lease assets recognized in the consolidated balance sheets, certain computers are held under finance leases which do not transfer ownership of the leased assets to lessees and are accounted for as operating lease.

(1) Acquisition costs	Premises and equipment	¥ 3,925 million
	Intangible fixed assets	¥ 389 million
	Total	¥ 4,314 million
(2) Accumulated depreciation	Premises and equipment	¥ 3,193 million
	Intangible fixed assets	¥ 262 million
	Total	¥ 3,455 million
(3) Net book value	Premises and equipment	¥ 732 million
	Intangible fixed assets	¥ 126 million
	Total	¥ 859 million

(4) Future minimum lease payments excluding interests

Due within one year	¥ 913 million
Due after one year	¥ 133 million
Total	¥ 1,046 million

(5) Pro forma depreciation and interest expenses

Lease expenses	¥ 1,149 million
Depreciation	¥ 990 million
Interest expenses	¥ 39 million

(6) Computation of pro forma depreciation
Pro forma depreciation is computed by the straight-line method over the lease term of the respective assets without residual value.

(7) Computation of pro forma interest expense
The difference between the total minimum lease payments and the acquisition cost of the asset is considered as pro forma interest expenses. The effective interest method is used to allocate the interest over the lease term.

Other than the leases recognized as intangible leased assets, future lease payments are fixed under the system outsourcing contracts, in which software lease transaction and related services are embedded. Total future payments of the contracts are ¥ 2,474 million.

18. Information related to the employees’ retirement benefits as of the consolidated balance sheet date is as follows:

Retirement benefits obligations	¥ (361,699)	million
Pension assets at fair value	464,354	
Unfunded retirement benefits obligations	102,654	
Unrecognized actuarial differences	18,562	
Net balance on the consolidated balance sheet	¥ 121,217	
Prepaid pension expenses	132,809	
Reserve for employees’ retirement benefits	(11,591)	

Notes to the Consolidated Statement of Operations
For the year ended March 31, 2011

1. “Other ordinary income” includes gains on sales of stocks and other securities in the amount of ¥ 8,669 million.

2. “Other ordinary expenses” includes:

• Write-offs of loans	¥ 52,299 million
• Losses on sales of stocks and other securities	¥ 5,888 million
• Impairment losses on stocks and other securities	¥ 3,598 million

3. “Gain on negative goodwill arisen” represents a difference between an acquisition cost of partial shares of consolidated subsidiaries and corresponding amount of minority interests in the consolidated subsidiaries.

4. “Other extraordinary losses” represents the effect of adopting “Accounting Standard for Asset Retirement Obligations.”

Notes to the Consolidated Statement of Comprehensive income
For the year ended March 31, 2011

1. Other comprehensive income for the preceding year

Other comprehensive income	¥ 102,749	million
Unrealized gains/(losses) on available-for-sale securities	115,585	
Deferred gains/(losses) on hedges	(8,187)	
Foreign currency translation adjustments	(4,692)	
Equity in earnings of investments in affiliated companies	43	

2. Total comprehensive income for the preceding year

Total comprehensive income	¥ 239,078	million
Attributable to:		
Owners of the parent	240,073	
Minority interests	(995)	

Notes to the Consolidated Statement of Changes in Equity
For the year ended March 31, 2011

1. Number and class of shares issued and outstanding and treasury stock are as follows:

(shares in thousand)

	Balance as of March 31, 2010	During the fiscal year 2010		Balance as of March 31, 2011	Remarks
		Increase	Decrease		
Issued stock					
Common stock	1,214,957	1,300,000	-	2,514,957	(*1)
Classified stock					
Class C, No.1 Preferred stock	12,000	-	-	12,000	
Class F, No.1 Preferred stock	8,000	-	-	8,000	
Class One, No. 1 Preferred stock	275,000	-	275,000	-	(*2)
Class Two, No. 1 Preferred stock	281,780	-	281,780	-	(*2)
Class Three, No. 1 Preferred stock	275,000	-	50,000	225,000	(*2)
Class Four Preferred stock	2,520	-	-	2,520	
Class Five Preferred stock	4,000	-	-	4,000	
Class Six Preferred stock	3,000	-	-	3,000	
Total	2,076,258	1,300,000	606,780	2,769,477	
Treasury stock					
Common stock	64,168	12	1	64,179	(*3)
Classified stock					
Class One, No. 1 Preferred stock	-	275,000	275,000	-	(*2)
Class Two, No. 1 Preferred stock	-	281,780	281,780	-	(*2)
Class Three, No. 1 Preferred stock	-	50,000	50,000	-	(*2)
Total	64,168	606,793	606,782	64,179	

Notes:

(*1) The increase in common stock represents an issuance of new stocks by public offering.

(*2) The increase in number of treasury stocks (Class One, No. 1 Preferred stock, Class Two, No. 1 Preferred stock and Class Three, No. 1 Preferred stock) is due to acquisition of the stock within a treasury stock purchase limit. The decrease in the number of treasury stocks and outstanding stocks (Class One, No. 1 Preferred stock, Class Two, No. 1 Preferred stock and Class Three, No. 1 Preferred stock) is due to retirement of those treasury stocks acquired during the year.

(*3) The increase and decrease represent acquisitions and retirements of odd lot.

2. Detail of cash dividend

(1) Dividends paid during the fiscal year ended March 31, 2011

Date of declaration	Class of stock	Amount of cash dividend	Dividend per share	Dividend record date	Effective date
		Millions of yen	*Yen*		
Board of directors' meeting on May 14, 2010	Common stock	11,507	10.00	March 31, 2010	June 9, 2010
	Classified stock				
	Class C, No.1 Preferred stock	816	68.00		
	Class F, No.1 Preferred stock	1,480	185.00		
	Class One, No. 1 Preferred stock	7,887	28.68		
	Class Two, No. 1 Preferred stock	8,081	28.68		
	Class Three, No. 1 Preferred stock	7,887	28.68		
	Class Four Preferred stock	2,501	992.50		
	Class Five Preferred stock	3,675	918.75		
	Class Six Preferred stock	1,159	386.51		

(2) Dividends of which record dates are before March 31, 2011 and effective dates are after April 1, 2011

The following dividends are proposed to the board of directors to be held on May 13, 2011.

Class of stock	Amount of cash dividend	Dividend per share	Source of dividends	Dividend record date	Effective date
	Millions of yen	*Yen*			
Common stock	29,409	12.00	Retained earnings	March 31, 2011	June 9, 2011
Classified stock					
Class C, No.1 Preferred stock	816	68.00			
Class F, No.1 Preferred stock	1,480	185.00			
Class Three, No. 1 Preferred stock	5,301	23.56			
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			

Notes to the Consolidated Statement of Cash Flows
For the year ended March 31, 2011

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	¥ 3,027,781	million
Due from banks other than The Bank of Japan	(345,742)	
Cash and cash equivalents	¥ 2,682,038	

Financial Instruments

3. Conditions of financial instruments

(1) Policies and objectives for using financial instruments

As a financial service group comprising three commercial banks with aggregate consolidated assets of approximately ¥42 trillion, the Group aims to render useful financial services to customers and provides various financial instruments corresponding to the customer needs. In addition, the Group utilizes financial instruments for risk-taking and risk-control in order to improve its profitability and secure soundness of operations.

The Group responds to customer's funding needs through providing credit such as lending, loans, undertaking private placement bonds and guarantees to individuals and corporate customers. It holds bonds such as Japanese government bonds as stable investments and securities such as stocks for keeping strong relationship with customers. Recently the Group provides interest rate-related and currency-related derivatives to meet sophisticated and diversified customer needs.

To provide these financial services, the Group raises funds by financial instruments such as customer deposits, bond issuance and funding from the inter-bank market.

Asset and Liability Management (ALM) is in place to manage interest rate gap between short-term and long-term and interest fluctuation risk resulting from its investment and funding activities, and to improve profitability management across business divisions. As part of ALM, the Group executes derivative transactions, which are designated to hedge the interest rate gap between short-term and long-term and interest fluctuation risk, and which covers transactions related to customers' derivative contracts.

Certain consolidated subsidiaries and affiliates conduct domestic banking services, credit guarantee and management of collection of claims, and foreign banking services under foreign regulations.

(2) Type of and risks associated with financial instruments

(i) Type of and risks associated with loans and bills discounted

The Group' primary geographical business area is mainly the metropolitan areas of Tokyo and Saitama, and the Kansai region mainly Osaka. Loans to small-to-mid-size companies and individual mortgages comprise a significant portion of our credit portfolio. These loans are exposed to credit risks in which the Group may suffer losses due to decline or disappearance of assets value as a result of deterioration of the financial position of obligors.

(ii) Type of and risks associated with securities

Securities, which each bank of the Group holds, are bonds, stocks, investment trusts, investment trusts in partnership and specified purpose funds. The Group holds them to promote business in addition to as net investments and smooth cash flow operation. Japanese government bonds occupy 77% of securities as of March 31, 2011.

Securities are exposed to market risks in which the Group may suffer losses due to changes in values of assets and liabilities or revenues generated from them by variance of risk factors such as interest rate, stock market and foreign exchange market, and credit risks in which the Group may suffer losses due to decline or disappearance of assets value as a result of deterioration of the financial position of obligors.

(iii) Type of and risks associated with derivative transactions

The Group utilizes derivative instruments such as interest rate-related products, currency-related products, stock-related products and bond-related products.

- Interest rate-related products: futures, futures options, forward rate agreements, swaps, and options
- Currency-related products: forward exchange contracts, swaps and options
- Stock-related products: index futures, index options, and over-the-counter options

- Bond-related products: futures, futures options, and over-the-counter options

Derivative transactions are essential to satisfy sophisticated and diverse financial needs of customers and to control various risks to which each bank of the Group is exposed. The Group' basic policy is to execute derivative transactions in line with its business strategy and resources under the appropriate risk management system after accurately identifying risks associated with the transactions.

Each bank of the Group executes derivative transactions in order to respond to customers' risk hedge needs, hedging risks of financial assets and liabilities, and for trading purposes.

(a) Customers' risk hedging needs

Customers are exposed to various risks and, accordingly, their needs to hedge these risks are essential and diverse. One of the primary purposes of derivative transactions for each bank of the Group is to provide customers with financial products which enable them to achieve their objectives of hedging and mitigating risks. Each bank of the Group develops a variety of derivatives and makes an effort to increase its ability to provide those financial products in order to offer sophisticated financial solutions to customers.

Derivative transactions may, however, result in significant losses to customers depending upon the design and nature of the products. Accordingly, in offering such products to customers, each bank of the Group follows strict guidelines which ensure that:

・ Customers are given sufficient explanation on the nature of products and their risks in writing. A description of the product, structure, market risk and credit risk associated with the product are required to be included in the explanation documents.

・ Customers are ready to take responsibility for the products fully and are capable and willing to enter into the transactions based on their own judgment.

・ Customers are provided with relevant fair value information (i.e., unrealized gains and losses on customers' positions) to assist them in evaluating the products and transactions, periodically or whenever considered necessary.

(b) Hedging risks of financial assets and liabilities

Each bank of the Group uses derivatives to manage interest rate and foreign currency risks associated with various financial assets and liabilities, such as loans and deposits. Each bank of the Group uses fair value hedges to protect the fair value of assets and liabilities against risks such as interest rate fluctuations, and cash flow hedges to insure future cash flows from their variability on an individual and a portfolio basis. As for foreign currency risks, each bank of the Group uses foreign currency hedges to protect future fair value of assets and liabilities against risks such foreign currency fluctuations.

Derivative transactions designated as hedges are strictly monitored by assessing hedge effectiveness periodically in accordance with the relevant hedge accounting guidelines.

For a portfolio hedge of interest rate risks, hedge effectiveness is assessed by grouping hedging instruments and hedged items according to their maturities to determine that certain critical conditions are satisfied, or confirming that high correlation between the changes in interest rate factors underlying the hedging instruments and hedged items by means of regression analyses. For an individual hedge, hedge effectiveness is assessed individually. For a foreign currency hedge, hedge effectiveness is assessed by confirming that the principal and interest amount of foreign-currency-denominated receivables and liabilities exceed the principal and interest amount of hedge instruments.

(c) Trading activities

Each bank of the Group engages in trading activities to earn profits by taking advantage of short-term fluctuations in market indices or market gaps.

Risks associated with derivative transactions are credit risks and market risks. Each bank of the Group determines and monitors credit exposure by measuring credit risks based on the current exposure method periodically, adding the credit exposure together with on-balance sheet transactions such as loans, and the Loan and Credit Division, independent from market divisions and operation divisions, establishing individual credit limits. The division reviews transaction and credit limits applicable to each of the counterparties, on an on-going basis, in response to the changes in creditworthiness of the counterparties. Refer to following (3) (ii) "Market risk management."

(iv) Type of and risks associated with financial liabilities

Each bank of the Group raises funds through customer deposits, funding in the market and bond issuance. Customer deposits comprise 83% of liabilities as of March 31, 2011. Liabilities are exposed to liquidity risk and may be difficult to fund based on the fluctuation of the financial economic environment.

(v) Type of and risks associated with non-banking subsidiaries and affiliates accounted for by the equity method

Non-banking subsidiaries and affiliates accounted for by the equity method include Resona Guarantee Co., Ltd. which conducts a credit guarantee business, Resona Servicer Co., Ltd. which conducts a credit administration and service functions business and Resona Card Co., Ltd. which conducts a credit card administration and credit guarantee business. They are exposed to credit risk and market risk related to each business activity.

(3) Risk management system relating to financial instruments

The Company has established the Group Risk Management Policy that serves as the basic risk management policy. Based on the Policy and operational characteristics, each bank of the Group established its own risk management policy "Basic Policy for Risk Management" approved by the Board of Directors of each bank of the Group, including basic policies for credit risk management, market risk management and liquidity risk management. In accordance with the Basic Policy for Risk Management, each bank of the Group manages risks and establishes detailed rules over risk management activities.

Each bank of the Group plans and conducts internal audits depending on the degrees of intrinsic risks and risk management system.

(i) Credit risk management

In accordance with the Basic Policy for Risk Management, Credit Risk Management-related Departments, independent from sales promotion-related divisions, are responsible for determining and monitoring credit exposures. As an organization responsible for credit risk management, each bank of the Group sets up Credit Committee and Credit Risk Management-related Departments, which include the Credit Risk Management Division, Credit Analysis Division, and Administration of Problem Loans. The Credit Committee has been established to resolve, discuss and report significant credit matters as a whole. The Credit Risk Management Division is a division to propose policies and procedures over credit rating and a framework necessary for appropriate credit risk management such as credit analysis. The Credit Analysis Division is a division to review operational and financial conditions, qualitative factors, funding purpose, repayment plan etc. of counterparties, and determine credit exposures by considering the nature of risks associated with the transaction appropriately. The Administration of Problem Loans is a division to understand the business condition of the counterparties with problems and engage in rehabilitation, resolution and correction of the business.

To reduce credit risks, each bank of the Group makes an effort to include "offsetting" provisions of credit claims (i.e., unsecured portion of loans) into debt obligations (i.e., non-collateralized deposits) in case of customers' insolvency under banking account agreements with customers. Collateral is composed of deposits with each bank of the Group, bonds such as Japanese government bonds, securities such as listed corporate stocks, commercial bills, and real estate. Other than the collateral, each bank of the Group reduces credit risks by utilizing guarantees, contracts to offset loans and deposits on each bank of the Group without collateral, and negotiated netting contracts of derivative transactions and repurchase transactions. Each bank of the Group controls credit risks within certain amounts by measuring credit risks from the perspective of managing the whole credit portfolio and setting credit limits.

(ii) Market risk management

(a) Market risk management system

In accordance with the Basic Policy for Risk Management, each bank of the Group established Risk Management Division (middle-office) and Office Management Division (back-office), Independent from Transaction Divisions (front-office), to enable mutual checks and balances. The ALM Committee has been established to manage changes and conditions of funding, revenue, risk and cost, and to discuss and report corresponding actions to the circumstances.

Each bank of the Group establishes policies such as “Market Risk Management Policy” to manage market risk appropriately and strictly in accordance with the Basic Policies for Risk Management.

As for market risks resulting from fair market valuation of transactions or changes in risk factors such as interest, market prices, and foreign currency exchange, each bank of the Group measures risk exposures by Value at Risk (“VaR”), establishes limits of risk exposure, limits of loss and limits of sensitivity by product, and monitors those observance conditions. In addition, each bank of the Group regularly measures potential loss amounts based on stress-scenario testing.

Each bank of the Group monitors and reports to management about risk exposure and profit/loss conditions, including observance of the conditions of the credit limits. It also leads checks and balances by the Risk Management Division (middle-office) to the Transaction Divisions (front-office).

(b) Quantitative information on market risk

Each bank of the Group measures VaR of market risks by trading, banking and cross-held shares depending upon the purpose of holding financial instruments. Market risk exposure of the Group is measured by simply aggregating VaR of Resona Bank, Ltd., Saitama Resona Bank, Ltd. and Kinki Osaka Bank, Ltd.

Risk exposures of certain products and affiliated companies are excluded from the market risk exposure of the Group, but the effect is confirmed to be immaterial.

(Trading)
The Group adopts a historical simulation method (holding period is 10 business days, confidence interval is 99%, observation period is 250 business days) in order to measure VaR associated with securities held for trading and derivative instruments.

The market risk exposure of the Group in the trading operation as of March 31, 2011 is ¥ 2,448 million.

(Banking)
In the banking operation, each bank of the Group deals with financial instruments other than those held for trading and securities held for cross-shareholding, and other assets and liabilities. The Group adopts a historical simulation method (holding period is 20 or 125 business days, confidence interval is 99%, observation period is 1,250 business days) in order to measure VaR associated with the banking operation.

The market risk exposure of the Group in the banking operation as of March 31, 2011 is ¥ 49,503 million.

(Cross-held shares)
Each bank of the Group measures VaR or manages risks associated with securities held for cross-shareholding separately from the trading and the banking operation. The Group adopts a historical simulation method (holding period is 125 business days, confidence interval is 99%,

observation period is 250 or 1,250 business days) in order to measure VaR associated with cross-held shares, and the risk exposure is measured considering unrealized gains/losses and impairment risks.

The market risk exposure of the Group on the cross-held shares as of March 31, 2011 is ¥ 76,189 million.

(Verification system of VaR)
Each bank of the Group performs a backtesting which reconciles VaR measured by the model for each measurement unit with actual market fluctuations in order to verify reliability and effectiveness of the risk measurement model.

VaR represents a risk exposure under certain probability calculated statistically based on the historical market movements. In case that actual market fluctuates over the ranges anticipated by the historical market movements, fair market values may fluctuate over VaR.

(iii) Liquidity risk management

In accordance with the Basic Policy for Risk Management, each bank of the Group has established the Cash Management Division and the Liquidity Risk Management Division, to enable mutual checks and balances. The ALM Committee and the Liquidity Risk Management Committee monitors and reports to management timely and appropriately.

Each bank of the Group establishes policies such as the “Liquidity Risk Management Policy” to manage liquidity risk appropriately and strictly in accordance with the Basic Policies for Risk Management. For cash flow management, each bank of the Group establishes liquidity risk phases (normal and 3 levels under emergency condition) and carries out corresponding actions at each phase determined in advance.

Each bank of the Group monitors liquidity risks by defining a key indicator for liquidity risk management based on its size and nature of the business and circumstances over a liquidity risk. Each bank of the Group establishes guidelines of a key indicator for liquidity risk management as necessary.

As for market liquidity risks in which each bank of the Group may suffer losses because it can not make transactions on market or is forced to make significantly unfavorable transactions due to market turmoil, each bank of the Group researches and reports conditions of the market liquidity risk on monthly basis and establishes necessary guidelines to monitor it on daily basis.

(4) Supplementary explanation relating to fair value of financial instruments and other

The fair value of financial instruments includes, in addition to the value determined based on the market price, a valuation calculated on a reasonable basis if no market price is available. Certain assumptions are used for the calculation of such amount. Accordingly, the result of such calculation may vary if different assumptions are used.

Refer to following “Note 1. Calculation method of fair value of financial instruments on Fair value of financial instruments” for certain assumptions.

Fair value of financial instruments does not include transactions not recognized on the consolidated balance sheets, such as a investment trust sold to a customer.

4. Fair value of financial instruments

Carrying amounts, fair values and differences between them as of March 31, 2011 are as follows. Non-marketable securities whose fair values cannot be reliably determined such as non-listed equity securities are not included on below table. (Refer to Note 2.)

(Millions of yen)

	Carrying amounts	Fair values	Differences
(1) Cash and due from banks	3,027,781	3,027,781	—
(2) Call loans and bills bought	356,676	356,676	—
(3) Monetary claims bought (*1)	427,417	428,913	1,495
(4) Trading assets			
Trading securities	371,960	371,960	—
(5) Securities			
Hold-to-maturity debt securities	1,667,900	1,692,496	24,596
Available-for-sale securities	8,130,206	8,130,206	—
(6) Loans and bills discounted	25,853,022		
Reserve for possible loan losses (*1)	(358,624)		
	25,494,397	25,869,729	375,331
(7) Foreign exchange assets (*1)	62,333	62,333	—
Total Assets	39,538,674	39,940,097	401,423
(1) Deposits	34,179,947	34,193,696	13,749
(2) Negotiable certificates of deposit	1,424,610	1,424,632	22
(3) Call money and bills sold	277,916	277,916	—
(4) Bills sold under repurchase agreements	142,972	142,972	—
(5) Borrowed money	1,700,813	1,702,651	1,838
(6) Foreign exchange liabilities	1,755	1,755	—
(7) Bonds	678,071	686,834	8,762
(8) Due to trust account	375,866	375,866	—
Total Liabilities	38,781,953	38,806,325	24,372
Derivative transactions (*2)			
Hedge accounting is not applied	78,774	78,744	—
Hedge accounting is applied	(38,015)	(38,235)	(219)
Total Derivative Transactions	40,758	40,539	(219)

	Contractual amounts	Fair values
Other		
Guarantee contract (*3)	678,495	(18,526)

Notes:

(*1) Reserve for possible loan losses 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 balance sheet amount 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 consolidated balance sheets.

(Note 1) Calculation method of fair value of financial instruments

Assets

(1) Cash and due from banks

For due from banks which have no maturity, since fair values of these items approximate carrying amounts, the Group deems the carrying amounts to be fair values. For due from banks which have maturity, since contractual terms of these items are short (i.e., within one year) and fair values of these items approximate carrying amounts, the Group deems the carrying amounts to be fair value.

(2) Call loans and bills bought

Since contractual terms of these items are short (i.e., within one year) and fair values of these items approximate carrying amounts, the Group deems the carrying amounts to be fair value.

(3) Monetary claims bought

Fair values for deed of beneficiary certificate of loan trust are based on the values provided by third parties (brokers) or calculated by a similar method used for loans and bills discounted (refer to (6)).

(4) Trading assets

Fair values of bonds held for trading are based on the values calculated by statistic of over-the-counter bonds released from Japan Securities Dealers Association, and fair values of short-term bonds are based on present values determined by discounting face values with market interest rate.

(5) Securities

Fair values of stocks are based on the one month weighted average of the market prices prior to the end of the fiscal year. Fair values of bonds (excluding private placement bonds) are based on the values calculated by statistics released from Japan Securities Dealers Association or prices provided by financial institutions. Fair values of investment trusts are based on the disclosed net asset value. Fair values of private placement bounds are, in principal, determined by discounting the principal and interest amount with the interest rate used for new issuances for each category based on the internal rating. Refer to following “Securities” for note on the purpose of holding those securities.

(6) Loans and bills discounted

For fair values of loans with floating interest rates reflecting the market interest rates in a short-term period, the carrying amounts are presented as fair values as the fair values approximate such carrying amounts, unless creditworthiness of borrowers has changed significantly since the loan was executed. For fair values of loans with fixed interest rates, fair values are determined by discounting the principal and interest amount with the interest rate used for new loans for each category of loan, internal rating and loan period. For fair values of loans by maturity within one year, the carrying amounts are presented as fair values as the fair values approximate such carrying amounts.

For fair values of loans to borrowers under bankruptcy proceedings, borrowers substantially in bankruptcy and borrowers with high probability of becoming insolvent, reserve for possible loan losses are estimated based on the present value of future cash flow and recoverable amount of collateral or guarantees. Since fair values of them approximate carrying amounts after deducting reserve for possible loan losses at the end of the fiscal year, the Group deems the carrying amounts to be fair value.

For fair values of the loans and bills discounted, for those without a fixed maturity due to loan characteristics such as limiting loans to within the value of pledged assets, the Group deems the carrying amounts to be fair value since fair values are expected to approximate carrying amounts based on the estimated loan periods, interest rates and other conditions.

(7) Foreign exchange assets

Fair values of foreign exchanges consist of foreign currency deposits with other banks (due from other foreign banks), short-term loans involving foreign currencies (due from other foreign banks), export bills and traveler’s checks, etc. (purchased foreign bills), and loans on notes using import bills (foreign bills receivables), the carrying amounts are presented as fair values, as the fair value approximate such carrying amounts because most of these items are deposits without maturity or have short contract terms (one year or less).

Liabilities

(1) Deposits and (2) Negotiable certificates of deposit

For fair values of demand deposits, the Group deems the payment amounts required on the consolidated balance sheet date (i.e., carrying amounts) to be fair values. Fair values of time deposits and negotiable certificates of deposit are calculated by classifying them based on their terms and discounting the future cash flows. Discount rates used in such calculations are the interest rates that would be applied to newly accepted deposits. For fair values of deposits by maturity within one year, the carrying amounts are presented as fair values as the fair values approximate such carrying amounts.

(3) Call money and bills sold, (4) Bills sold under repurchase agreements

Since contractual terms of these items are short (i.e., within one year) and fair values of these items approximate carrying amounts, the Group deems the carrying amounts to be fair value.

(5) Borrowed money

For fair values of borrowings with floating interest rates reflecting the market interest rates in a short-term period, the carrying amounts are presented as fair values as the fair values approximate such carrying amounts, unless creditworthiness of the Company and its consolidated subsidiaries have changed significantly since the borrowings. For fair values of borrowings with fixed interest rates, fair values are determined by discounting the principal and interest amount with the interest rate expected for similar borrowings. For fair values of borrowings by maturity within one year, the carrying amounts are presented as fair values as the fair values approximate such carrying amounts.

(6) Foreign exchange liabilities

Among foreign exchange contracts, foreign currency deposits accepted from other banks and non-resident yen deposits are deposits without maturity (due to other foreign banks). Foreign currency short-term borrowings have short contract terms (one year or less). Thus, their carrying amounts are presented as fair amounts for these contracts as the fair amounts approximate such carrying amounts.

(7) Bonds

Fair values of corporate bonds issued by the Company and its consolidated subsidiaries are based on the values calculated by statistics released from Japan Securities Dealers Association, prices provided by financial institutions or values determined by discounting the principal and interest amount with the interest rate expected for used new bond issuance.

(8) Due to trust account

Due to trust account represents a short-term funding by accepting surplus in trust account and unused principal. The carrying amounts are presented as fair values as the fair values, which approximate such carrying amounts.

Derivative transactions

Derivatives transactions are Interest rate-related products (future, options, swaps, etc), Currency-related products (forward exchange contracts, options and swaps, etc) and Bond-related products (future, future options, etc). Derivative transactions are measured at market price, the discounted value of their future cash flows or option pricing models.

Other

Guarantee contract

For guarantee contract, the Group deems the difference between future cash flow of the contractual guarantee fee and future cash flow of the expected guarantee fee that would be applied as if a new contract was entered at the balance sheet date, to be fair values.

For the guarantee to borrowers under bankruptcy proceedings, borrowers substantially in bankruptcy and borrowers with high probability of becoming insolvent, the Group deems the present values, which is calculated based on the estimated future cash flow or recoverable amounts from collateral and guarantee, as fair values.

(Note 2) Financial instruments whose fair values cannot be reliably determined

The financial instruments are not included in (5) Securities in (Note 1) Calculation method of fair values of financial instruments:

(Millions of yen)

Classification	Carrying amounts on the consolidated balance sheet
Unlisted stocks (*1)(*2)	75,841
Investments in partnerships (*2)(*3)	26,011
Total	101,853

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 year ended March 31, 2011, impairment losses of unlisted stocks and investments in partnerships were to ¥ 711 million and ¥ 744 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.

(Note 3) Maturity analysis for monetary claims and securities with contractual maturities

(Millions of yen)

	One year or less	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
Due from banks	2,498,353	—	—	—	—	—
Call loans and bills bought	356,676	—	—	—	—	—
Monetary claims bought	257,526	8,483	336	108	—	162,006
Securities:						
Held-to-maturity debt securities	45,284	220,179	254,123	327,304	824,761	3,000
Japanese government bonds	30,000	165,000	177,000	266,300	714,700	3,000
Japanese local government bonds	12,080	51,033	75,221	60,954	110,061	—
Corporate bonds	3,203	4,146	1,902	50	—	—
Available-for-sale securities	2,730,090	1,458,365	2,536,317	390,005	477,673	42,613
Japanese government bonds	2,528,700	1,083,700	2,064,100	254,600	384,000	—
Japanese local government bonds	332	5,730	41,860	16,700	85,884	—
Corporate bonds	184,626	314,527	400,071	110,110	6,302	22,351
Loans and bills discounted (*)	7,075,053	4,198,594	2,798,003	1,761,329	2,189,376	7,625,609
Foreign exchange assets	63,472	—	—	—	—	—
Total	13,026,457	5,885,623	5,588,780	2,478,747	3,491,811	7,833,229

(*) Loans and bills discounted, for which it is difficult to estimate the redemption amount, amounted to ¥ 205,054 million and are excluded from the above table. The estimated uncollectable amount, which is deducted from loans directly, is excluded.

(Note 4) Maturity analysis for bonds, borrowed money and other debts with interest

(Millions of yen)

	One year or less	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
Deposits (*1)	31,063,198	2,572,940	543,808	—	—	—
Negotiable certificates of deposit	1,419,410	5,200	—	—	—	—
Call money and bills sold	277,916	—	—	—	—	—
Bills sold under repurchase agreements	142,972	—	—	—	—	—
Borrowed money	1,646,505	4,335	913	12,041	37,016	—
Foreign exchange liabilities	1,755	—	—	—	—	—
Bonds (*2)	20,910	32,730	40,000	125,000	171,300	—
Due to trust account	375,866	—	—	—	—	—
Total	34,948,534	2,615,206	584,722	137,041	208,316	—

(*1) Demand deposits are included and presented in “one year or less” in the above table.
(*2) Bonds without term, which amounted to ¥ 288,213 million, are excluded.

Market Value of Investment Securities and Money Held in Trust

“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. Securities held for trading purposes (As of March 31, 2011)

(Millions of yen)

	Net unrealized gain included in the consolidated statement of operations
Securities held for trading purposes	114

2. Marketable bonds held to maturity (As of March 31, 2011)

(Millions of yen)

	Classification	Carrying amount on the consolidated balance sheet	Market Value	Differences
Market value exceeding carrying amount on the consolidated balance sheet	Japanese government bonds	923,285	941,635	18,349
	Japanese local government bonds	267,584	277,454	9,869
	Corporate bonds	8,090	8,264	174
	Total	1,198,960	1,227,354	28,393
Market value below carrying amount on the consolidated balance sheet	Japanese government bonds	426,252	422,967	(3,285)
	Japanese local government bonds	41,475	40,998	(477)
	Corporate bonds	1,210	1,176	(34)
	Total	468,939	465,141	(3,797)
Grand Total		1,667,900	1,692,496	24,596

3. Available-for-sale securities (As of March 31, 2011)

(Millions of yen)

	Classification		Carrying amount on the consolidated balance sheet	Acquisition costs	Differences
Carrying amount on the consolidated balance sheet exceeding acquisition cost	Stocks		350,775	220,258	130,516
	Bonds		2,004,953	1,992,869	12,083
		Japanese government bonds	1,520,061	1,514,691	5,370
		Japanese local government bonds	105,314	102,124	3,189
		Corporate bonds	379,577	376,054	3,523
	Other		48,112	46,295	1,816
	Total		2,403,841	2,259,424	144,416
Carrying amount on the consolidated balance sheet below acquisition cost	Stocks		113,272	131,611	(18,339)
	Bonds		5,510,683	5,537,158	(26,475)
		Japanese government bonds	4,802,029	4,823,200	(21,171)
		Japanese local government bonds	47,716	48,276	(560)
		Corporate bonds	660,937	665,681	(4,743)
	Other		218,551	225,287	(6,736)
	Total		5,842,507	5,894,058	(51,551)
Grand Total			8,246,348	8,153,482	92,865

Note: For unlisted stocks (¥ 56,576 million on the consolidated balance sheet) and investments in partnership (¥ 21,931 million on the consolidated balance sheet), it is very difficult to determine fair market value because they are not traded on market. Those unlisted stocks and investments in partnership are not included in available-for-sale securities on above.

4. Bonds held to maturity sold during the year (from April 1, 2010 to March 31, 2011)
   None

5. Available-for-securities sold during the year (from April 1, 2010 to March 31, 2011)

(Millions of yen)

		Proceeding amount	Total gains on sales	Total losses on sales
Stocks		16,886	4,675	199
Bonds		30,172,201	44,970	14,317
	Japanese government bonds	29,300,770	40,646	14,250
	Japanese local government bonds	67,046	391	34
	Corporate bonds	804,384	3,931	33
Other		1,129,904	10,680	9,029
Total		31,318,992	60,325	23,546

6. Securities determined as impaired

Securities (excluding securities held for trading purposes), of which market values significantly declined in comparison with acquisition costs and the market values rarely recover to the acquisition costs, are recorded at the market value on the consolidated balance sheet and the valuation differences are recognized as an impairment loss.

For the year ended March 31, 2011, an impairment loss was amounted to ¥ 3,673 million.

A substantial decline in market value is determined based on classification of security issuer which is used in the self-assessment of asset quality for loan loss reserving, as follows:

(i) For issuers who are classified as borrowers under bankruptcy proceedings, borrowers substantially in bankruptcy and borrowers with a high probability of becoming insolvent and borrowers under close watch: where market value is lower than carrying value.

(ii) For issuers who are classified as borrowers under close watch: where market value declined by 30% or more compared to carrying value.
(iii) Others: where market value declined by 50% or more compared to carrying value.

Segment Information

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 asset succession
Market trading	In financial markets, transact in short term lending, borrowing, bond purchase and sale, and derivatives trading

2. Profit and loss by segment

Profit and loss of each segment for the year ended March 31, 2011 were as follows:

(Millions of yen)

	Segment				Other	Total
	Consumer banking	Corporate banking	Market trading	Sub total		
Gross operating profit	312,087	261,529	64,461	638,077	(2,599)	635,478
General and administrative expenses	(194,075)	(145,475)	(9,706)	(349,258)	—	(349,258)
Actual net operating profit	118,011	116,074	54,754	288,840	(2,599)	286,241
Credit cost	(38,031)	(19,847)	—	(57,878)	—	(57,878)
Net operating profit less credit cost	79,980	96,227	54,754	230,962	(2,599)	228,362

Notes:
1. Total amount is aggregated by the figures of three consolidated subsidiary banks and three consolidated credit guarantee subsidiaries.
2. Consumer banking unit contains operating results of the three consolidated credit guarantee subsidiaries.
3. Gross operating profit of Corporate banking unit does not include credit cost incurred in trust accounts of ¥ 21 million.
4. Gross operating profit of Market trading unit contains some portion of gains/losses on equity securities.
5. “Other” includes all other departments, such as management office, which are not segments.
6. Depreciation expense is included in general and administrative expenses.

3. Reconciliation of net income between total amounts of segments and amount on the consolidated statement of operation, and main reasons for those differences

(Millions of yen)

Profit	Amount
Total amounts of segments	230,962
Profit classified as “Other”	(2,599)
Non-recurring gain/(loss) other than credit cost	(656)
Extraordinary gain/(loss) other than credit cost	(4,139)
Profit of consolidated subsidiaries which are not included in segments	13,544
Net income before income taxes and minority interests	237,111

Notes:
1. Non-recurring gain/(loss) other than credit cost include some portion of gain/loss on equity securities and pension expense.
2. Extraordinary gain/loss other than credit cost includes impairment loss.

(Additional information)
The Company has adopted ASBJ Statement No. 17, “Accounting Standard for Disclosures about Segments of an Enterprise and Related information,” revised on March 27, 2009 and ASBJ Guidance No. 20, “Accounting Standard for Disclosure about Segment of an Enterprise and Related information,” revised on March 21, 2008 since the fiscal year beginning on or after April 1, 2010.

Per Share Information

	FY 2009 From April 1, 2009 To March 31, 2010	FY 2010 From April 1, 2010 To March 31, 2011
Equity per share	¥ 44.77	¥ 251.67
Net income per share	88.32	73.14
Net income (diluted) per share	52.94	41.47

(Note 1) Equity per share is calculated based on the followings:

(Millions of yen, except number of shares)

	March 31, 2010	March 31, 2011
Equity	2,271,897	1,592,553
Amounts excluded from equity	2,220,374	975,759
Minority interests	125,326	110,273
Preferred stock	2,061,561	848,000
Dividends on preferred stock	33,487	17,485
Equity attributable to common stock at end of year	51,523	616,794
Number of common stock at end of year used for the calculation of Equity per share (shares in thousand)	1,150,789	2,450,778

(Note2) Net income per share and Net income per share (diluted) are calculated based on the followings:

(Millions of yen, except number of shares)

	FY 2009 From April 1, 2009 To March 31, 2010	FY 2010 From April 1, 2010 To March 31, 2011
Net income per share		
Net income	132,230	160,079
Amounts not attributable to common stockholders	33,487	60,500
Dividends on preferred stock	33,487	17,485
Retirement difference on preferred stock	-	43,014
Net income attributable to common stock	98,743	99,579
Average number of common stock during the period (shares in thousand)	1,117,924	1,361,375
Net income (diluted) per share		
Adjustments in net income	24,671	6,117
Dividends on preferred stock	24,671	6,117
Increase in number of common stock (shares in thousand)	1,213,170	1,187,046
Preferred stock (shares in thousand)	1,213,170	1,187,046
Outline of dilutive securities which were not included in the calculation of “Net income per share (diluted)” because they do not have dilutive effect.	Number of Class F, No.1 Preferred Stock (Outstanding 8,000 thousand shares)	Number of Class F, No.1 Preferred Stock (Outstanding 8,000 thousand shares)

Retirement difference on preferred stock, amounting to ¥ 43,014 million, represents a retirement difference resulted by acquisition and retirement of Class One No. 1 Preferred stock, Class Two No. 1

Preferred stock and Class Three No. 1 Preferred stock during the year, corresponding to a decrease in retained earnings.

Subsequent Events

Not applicable

*Due to the significance, notes to “Lease transactions”, “Related party transactions”, “Deferred tax accounting”, “Derivative transactions” and “Employee’s retirement benefits” are not presented here, but disclosed on EDINET.
As for “Finance leases other than those which are deemed to transfer ownership of the leased assets to the lessee” and “Projected employees’ retirement benefits obligation”, please refer to “Notes to the consolidated balance sheet.”

Also, as for “Deferred tax accounting”, please refer to the following “Computation of Deferred Tax Assets.”

Computation of Deferred Tax Assets

1. Computation of deferred tax assets and estimated period of future taxable income

	Classification of exemplification (*1)	Estimated period of future taxable income	Special factors (*2) (only the case of No. 4 Exception)
Resona Bank, Ltd.	No. 4 Exception	5 years	Acceleration of disposal of non-performing loans (Program for Financial Revival, etc) and others
Saitama Resona Bank, Ltd.	No. 2	-	
Kinki Osaka Bank, Ltd.	No. 4	1 year	

Notes:
(*1) Classification of exemplification: Auditing Treatment concerning Determination of Recoverability of Deferred Tax Assets (JICPA Audit Committee Report No. 66, issued on November 9, 1999)
For the entity applicable to No. 4 Exception, it is more likely that future deductible temporary differences will be realized in accordance with the JICPA Audit Committee Report No. 66.
(*2) Reasons for significant net operating loss carry forward and future deductible temporary difference which significantly exceed the past ordinary profits level

2. The amounts of taxable income/non-consolidated taxable income allocated from consolidation (Before deduction of net operating losses carry forward/consolidated net operating losses) for the past five years

(Billions of yen)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010 (estimate)
Resona Bank, Ltd.	219.7	212.0	209.7	83.7	137.8
Saitama Resona Bank, Ltd.	46.5	67.9	45.8	76.4	54.4
Kinki Osaka Bank, Ltd.	9.7	8.2	10.3	8.4	4.6

3. The estimated amounts of actual net operating profit, income before income taxes, taxable income before adjustments used for the estimation

(Billions of yen)

	Estimated period	Actual net operating profit	Income before income taxes	Taxable income before adjustments
Resona Bank, Ltd.	5 Years	747.2	505.0	670.4
Kinki Osaka Bank, Ltd.	1 Year	11.8	0.8	14.9

4. Description of the types of deferred tax assets and liabilities

(Consolidated corporate-tax system has been applied since FY 2004. Deferred tax assets and liabilities are calculated on the assumption of the consolidated corporate-tax system)

(Billions of yen)

	Resona Bank, Ltd.	Saitama Resona Bank, Ltd.	Kinki Osaka Bank, Ltd.	(Reference) Resona Holdings, Inc.
Reserve for loan losses	178.3	27.9	19.6	
Write-down on investment securities	108.3	11.1	6.3	792.2
Unrealized losses on other securities			1.6	
Reserve for employees' retirement benefits	46.0	9.5	2.4	
Net loss carry forward	147.6		36.6	19.7
Others	70.7	12.1	8.0	1.4
Subtotal of deferred tax assets	551.1	60.7	74.8	813.3
Valuation allowance	(385.1)	(21.0)	(63.1)	(813.2)
Deferred tax assets	166.0	39.6	11.6	0.0
Gains on placing trust for retirement benefits	14.4			
Unrealized gains on other securities	12.8	8.3		
Deferred gains on hedges	11.9			
Others	3.6	7.5	0.1	0.0
Deferred tax liabilities	42.8	15.8	0.1	0.0
Net deferred tax assets	123.2	23.8	11.5	0.0

Statement of Trust Assets and Liabilities

(As of March 31, 2011)

(Millions of Yen)

Assets	Amount	Liabilities	Amount
Loans and bills discounted	¥ 84,905	Money trusts	¥ 7,202,983
Securities	0	Pension trusts	3,700,539
Trust beneficiary certificate	24,588,199	Asset formation benefit trusts	1,071
Securities held in custody account	2,155	Securities investment trusts	13,337,223
Monetary claims	390,246	Pecuniary trusts other than money trusts	280,155
Tangible fixed assets	615,281	Securities trusts	278,367
Intangible fixed assets	3,366	Monetary claims trusts	414,875
Other claims	9,152	Real estates trusts	123,205
Due from banking account	375,866	Real estate lease trusts	2,813
Cash and due from banks	24,468	Composite trusts	752,406
Total assets	¥ 26,093,642	Total liabilities	¥ 26,093,642

Notes:

1. Amounts of less than one million yen have been rounded down.
2. The trust without readily determinable monetary values was excluded.
3. Trust beneficiary certificates worth of ¥ 24,588,199 million were re-entrusted for asset administration purpose.
4. Co-managed trust funds under other trust bank's administration amounted to ¥ 1,443,317 million.
5. Loans and bills discounted where the Bank guarantees the principal is amounted to ¥ 84,905 million include followings:

	(Million of Yen)
Loans to borrowers in legal bankruptcy	¥ 39
Past-due loans	16,009
Loans past due 3 months or more	16
Restructured loans	3,657
Total	¥ 19,723

6. Subsidiaries 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	(1) Liabilities	Amount
Loans and bills discounted	¥ 84,905	Principal	¥ 439,223
Other	354,734	Special loan loss reserve	259
		Other	157
Total assets	¥ 439,640	Total liabilities	¥ 439,640

Comparison of Statements of Trust Assets and Liabilities

(Millions of Yen)

Assets	March 31, 2011 (A)	March 31, 2010 (B)	Difference (A)-(B)
Loans and bills discounted	¥ 84,905	¥ 98,679	¥ (13,773)
Securities	0	0	—
Trust beneficiary certificate	24,588,199	25,257,800	(669,601)
Securities held in custody account	2,155	1,200	954
Monetary claims	390,246	303,756	86,490
Tangible fixed assets	615,281	636,413	(21,132)
Intangible fixed assets	3,366	3,471	(105)
Other claims	9,152	9,317	(164)
Due from banking account	375,866	376,687	(821)
Cash and due from banks	24,468	22,391	2,076
Total assets	26,093,642	26,709,717	(616,075)
Co-managed trust funds under other trust bank's administration	¥ 1,443,317	¥ 1,822,174	¥ (378,856)

Liabilities	March 31, 2011 (A)	March 31, 2010 (B)	Difference (A)-(B)
Money trusts	¥ 7,202,983	¥ 7,079,767	¥ 123,216
Pension trusts	3,700,539	3,396,047	304,492
Asset formation benefit trusts	1,071	1,074	(2)
Securities investment trusts	13,337,223	14,407,187	(1,069,963)
Pecuniary trusts other than money trusts	280,155	254,397	25,757
Securities trusts	278,367	363,615	(85,247)
Monetary claims trusts	414,875	324,918	89,956
Real estate trusts	123,205	125,955	(2,749)
Real estate lease trusts	2,813	2,892	(79)
Composite trusts	752,406	753,862	(1,456)
Total liabilities	¥ 26,093,642	¥ 26,709,717	¥ (616,075)

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

Summary of Non-Consolidated Financial Results (March 31, 2011/Unaudited)

Resona Holdings, Inc.

Non-Consolidated Balance Sheets

(Millions of yen)

	March 31, 2010	March 31, 2011
Assets		
Current assets		
Cash and cash equivalents	¥ 371	¥ 345
Securities	558,700	25,500
Prepaid expenses	7	7
Deferred tax assets	82	98
Accrued income	20	9
Other receivable	38,890	20,580
Consumption taxes receivable	-	12
Accrued income tax refund	6,539	4,986
Total current assets	604,611	51,541
Non-current assets		
Premises and equipment		
Tools, furniture and fixtures, net	6	5
Leased assets, net	-	7
Total premises and equipment	6	12
Intangible fixed assets		
Trademark	30	18
Software	5	18
Total intangible fixed assets	35	36
Investments and other assets		
Investments in subsidiaries and affiliates	1,119,003	1,122,362
Long-term loans to subsidiaries and affiliates	89,500	89,500
Other	4	1
Reserve for possible losses on investments	(4,016)	(3,176)
Total investments and other assets	1,204,491	1,208,687
Total non-current assets	1,204,534	1,208,737
Total assets	¥ 1,809,145	¥ 1,260,278

Non-Consolidated Balance Sheets (Continued)

(Millions of yen)

	March 31, 2010	March 31, 2011
Liabilities		
Current liabilities		
Bonds scheduled for repayment within one year	¥ 60,000	¥ 20,000
Lease obligations	-	1
Other payable	375	20,078
Accrued expenses	385	440
Income tax payable	16	9
Consumption taxes payable	0	0
Reserve for employees' bonuses	279	346
Other	184	240
Total current liabilities	61,242	41,117
Non-current liabilities		
Bonds	50,000	30,000
Long-term debts to subsidiaries and affiliates	-	270,000
Lease obligations	-	6
Total non-current liabilities	50,000	300,006
Total liabilities	111,242	341,123
Equity		
Capital stock	327,201	340,472
Capital surplus		
Capital reserve	327,201	340,472
Other capital surplus	176,898	-
Total capital surplus	504,099	340,472
Retained earnings		
Other earned surplus		
Retained earnings carried forward	953,442	325,057
Total retained earnings	953,442	325,057
Treasury stock	(86,840)	(86,847)
Total shareholders' equity	1,697,902	919,155
Total equity	1,697,902	919,155
Total liabilities and equity	¥ 1,809,145	¥ 1,260,278

Non-Consolidated Statements of Operations

(Millions of yen)

	FY 2009 From Apr 1, 2009 To Mar 31, 2010	FY 2010 From Apr 1, 2010 To Mar 31, 2011
Operating income		
Dividends from subsidiaries and affiliates	¥ 32,077	¥ 24,771
Fees from subsidiaries and affiliates	4,733	4,338
Interest on loans to subsidiaries and affiliates	2,238	2,270
Total operating income	39,048	31,380
Operating expenses		
Interest on debts	-	142
Interest on bonds	2,070	1,120
General and administrative expenses	4,295	4,058
Total operating expenses	6,366	5,320
Operating profits	32,681	26,059
Non-operating income		
Interest income on securities	598	152
Commission received	115	255
Interest on tax refunds	18	7
Other	0	155
Total non-operating profits	732	569
Non-operating expenses		
Stock issuance costs	797	3,009
Other	9	238
Total non-operating expenses	807	3,247
Ordinary profits	32,606	23,381
Extraordinary profits		
Reversal of reserve for possible losses on investments	-	839
Total extraordinary income	-	839
Extraordinary losses		
Devaluation of investment in subsidiaries and affiliates	360	-
Provision for reserve for possible losses on investments	4,016	-
Losses on disposal of premises and equipment	0	0
Total extraordinary losses	4,377	0
Income before income taxes	28,229	24,221
Income taxes－current	(41,410)	(560)
Prior year income taxes	-	(1,425)
Income taxes – deferred	34,660	(16)
Total income taxes expenses/(benefits)	(6,749)	(2,002)
Net income	¥ 34,979	¥ 26,223

Non-Consolidated Statements of Changes in Equity

(Millions of yen)

	FY 2009 From Apr 1, 2009 To Mar 31, 2010	FY 2010 From Apr 1, 2010 To Mar 31, 2011
Shareholders' equity		
Capital stock		
Balance at beginning of year	¥ 327,201	¥ 327,201
Changes of items during the period		
Issuance of new stock	-	13,271
Total changes of items during the period	-	13,271
Balance at end of year	327,201	340,472
Capital surplus		
Capital reserve		
Balance at beginning of year	327,201	327,201
Changes of items during the period		
Issuance of new stock	-	13,271
Total changes of items during the period	-	13,271
Balance at end of year	327,201	340,472
Other capital surplus		
Balance at beginning of year	269,498	176,898
Changes of items during the period		
Issuance of new stock	178,650	521,172
Disposal of treasury stock	(0)	(1)
Retirement of treasury stock	(271,250)	(1,307,683)
Transfer from retained earnings to capital surplus	-	609,613
Total changes of items during the period	(92,600)	(176,898)
Balance at end of year	176,898	-
Total capital surplus		
Balance at beginning of year	596,700	504,099
Changes of items during the period		
Issuance of new stock	178,650	534,444
Disposal of treasury stock	(0)	(1)
Retirement of treasury stock	(271,250)	(1,307,683)
Transfer from retained earnings to capital surplus	-	609,613
Total changes of items during the period	(92,600)	(163,626)
Balance at end of year	504,099	340,472
Retained earnings		
Other earned surplus		
Retained earning carried forward		
Balance at beginning of year	967,482	953,442
Changes of items during the period		
Dividends from surplus	(49,019)	(44,994)
Net income	34,979	26,223
Transfer from retained earnings to capital surplus	-	(609,613)
Total changes of items during the period	(14,039)	(628,385)
Balance at end of year	¥ 953,442	¥ 325,057

Non-Consolidated Statements of Changes in Equity (Continued)

(Millions of yen)

	FY 2009 From Apr 1, 2009 To Mar 31, 2010	FY 2010 From Apr 1, 2010 To Mar 31, 2011
Total retained earnings		
Balance at beginning of year	¥ 967,482	¥ 953,442
Changes of items during the period		
Dividends from surplus	(49,019)	(44,994)
Net income	34,979	26,223
Transfer from retained earnings to capital surplus	-	(609,613)
Total changes of items during the period	(14,039)	(628,385)
Balance at end of year	953,442	325,057
Treasury stock		
Balance at beginning of year	(86,795)	(86,840)
Changes of items during the period		
Acquisition of treasury stock	(271,302)	(1,307,693)
Disposal of treasury stock	6	2
Retirement of treasury stock	271,250	1,307,683
Total changes of items during the period	(45)	(7)
Balance at end of year	(86,840)	(86,847)
Total shareholders' equity		
Balance at beginning of year	1,804,588	1,697,902
Changes of items during the period		
Issuance of new stock	178,650	547,716
Dividends from surplus	(49,019)	(44,994)
Net income	34,979	26,223
Acquisition of treasury stock	(271,302)	(1,307,693)
Disposal of treasury stock	6	0
Total changes of items during the period	(106,685)	(778,747)
Balance at end of year	1,697,902	919,155
Total equity		
Balance at beginning of year	1,804,588	1,697,902
Changes of items during the period		
Issuance of new stock	178,650	547,716
Dividends from surplus	(49,019)	(44,994)
Net income	34,979	26,223
Acquisition of treasury stock	(271,302)	(1,307,693)
Disposal of treasury stock	6	0
Total changes of items during the period	(106,685)	(778,747)
Balance at end of year	¥ 1,697,902	¥ 919,155