

Financial Highlights for the First Quarter of Fiscal Year 2015



Resona Holdings

August 12, 2015

Outline of Financial Results for the 1Q of FY 2015

- Posted JPY53.7 bn as consolidated net income attributable to owners of the parent, up JPY0.3 bn, or +0.5%, compared with 1Q of FY2014 with a rate of progress against the full year guidance at 30.6%. (1)

- Gross operating profit (total of group banks) increased by JPY9.7 bn, or +7.3%, compared with 1Q of FY2014. (3)

- Maintained net interest income almost flat by making up for the decline in net interest income from loans and deposits with additional income from market operation. (4) and (5)
- Fee income maintained a good momentum and surpassed 1Q of FY2014, primarily driven by insurance product sale, real estate brokerage and other fee businesses. (7)
- Steadily added up gains from trading of bonds. (9)

- Income before income taxes (total of group banks) increased by JPY1.4 bn, or +2.2%, compared with 1Q of FY2014. (15)

- While continuously booking a reversal gain, net credit-related expense became a factor of profit decline of JPY 10.0 bn compared with 1Q of FY2014. (13)

- Implemented capital policies as planned (P9)

- Fully repaid the public funds (June 25, 2015)
- Repurchased and cancelled Class 4 Preferred (July 31, 2015)
- Repurchased Preferred Securities(RPGS) (July 30, 2015)

Resona Holdings (Consolidated)	FY2015				FY2015 Full Year Forecast
	1Q	YoY change		Progress rate	
		(Y bn)			
Net income attributable to owners of the parent (1)	53.7	+0.3	+0.5%	30.6%	175.0
Difference (1)-(17)	5.6	(0.1)			15.0

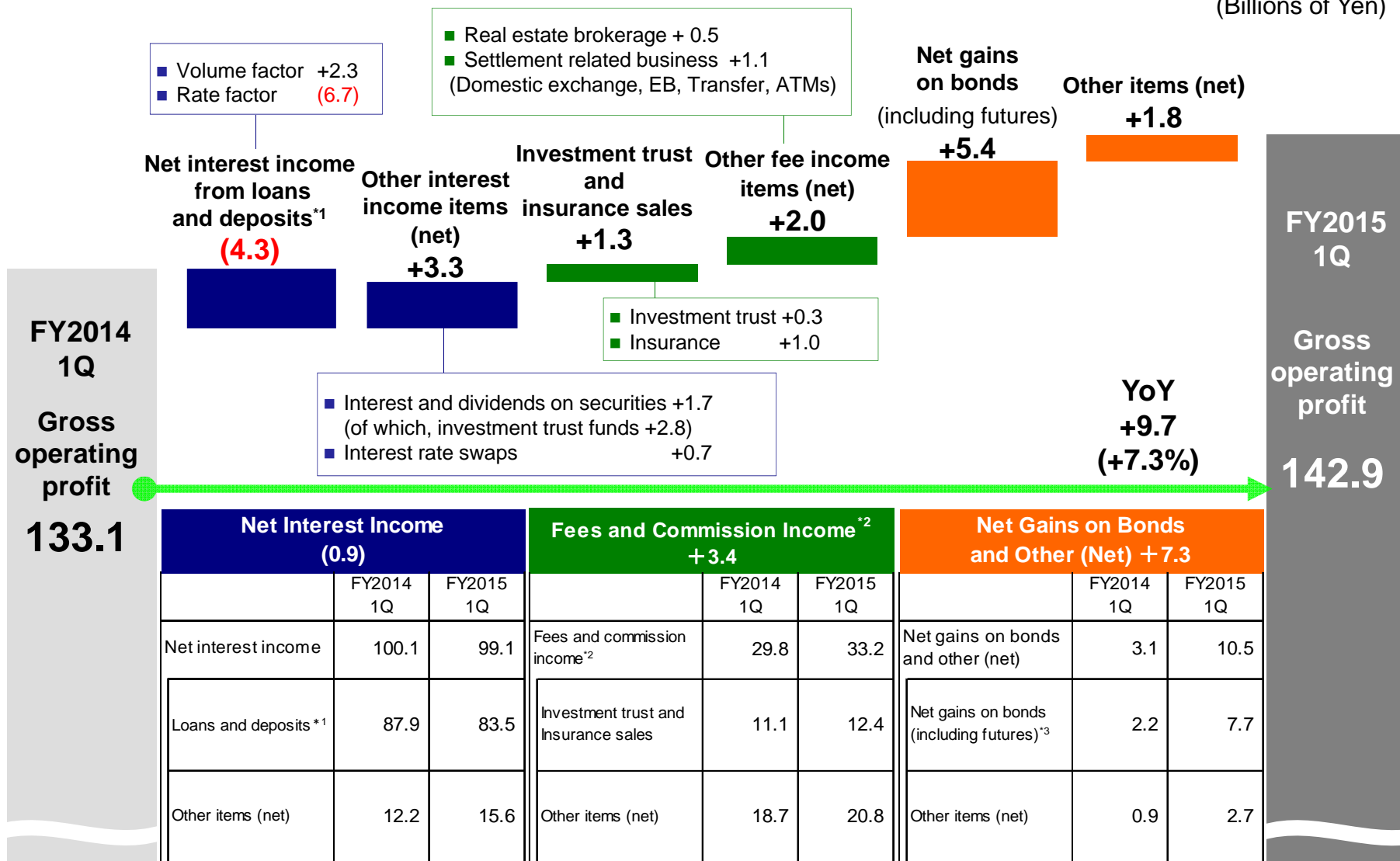
Total of group banks (Non-consolidated)	FY2015				FY2015 Full Year Forecast
	1Q	YoY change		Progress rate	
		(Y bn)			
Gross operating profit (3)	142.9	+9.7	+7.3%	24.6%	581.0
Net interest income (4)	99.1	(0.9)			
Income from loans and deposits*1 (5)	83.5	(4.3)			
Trust fees (6)	5.7	+0.1			
Fees and commission income (7)	27.5	+3.2			
Other operating income (8)	10.5	+7.3			
Net gains/(losses) on bonds (including futures)*2 (9)	7.7	+5.4			
Operating expenses (10)	(81.5)	+0.4	+0.5%	24.3%	(335.0)
Actual net operating profit*3 (11)	61.4	+10.2	+20.0%	24.9%	246.0
Net gains/(losses) on stocks (12)	6.7	+1.9			10.0
Credit related expenses, net (13)	1.6	(10.0)			(18.0)
Other gain/(loss), net (14)	(3.8)	(0.6)			
Income before income taxes (15)	65.9	+1.4	+2.2%	28.4%	231.5
Income taxes and other (16)	(17.9)	(1.0)			
Net income (17)	48.0	+0.4	+0.8%	30.0%	160.0

*1. Domestic banking account, deposits include NCDs. *2. Net gains/(losses) on bonds and bond-related derivative transactions. *3. Net operating profit before provision to general reserve for possible loan losses and disposal of problem loans in the trust account

Gross Operating Profit for 1Q FY2015 Compared with 1Q FY2014 (Total of Group Banks)

Top-line income increased by Y9.7 bn (+7.3%) YoY

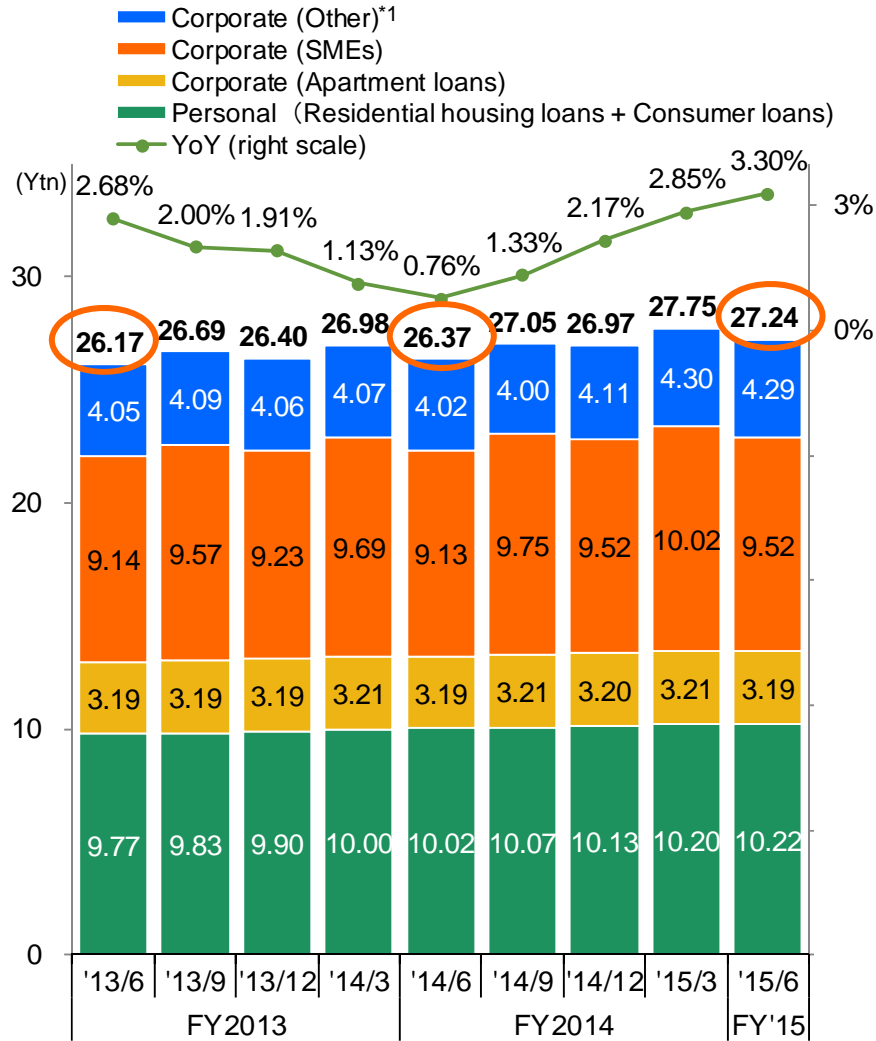
(Billions of Yen)



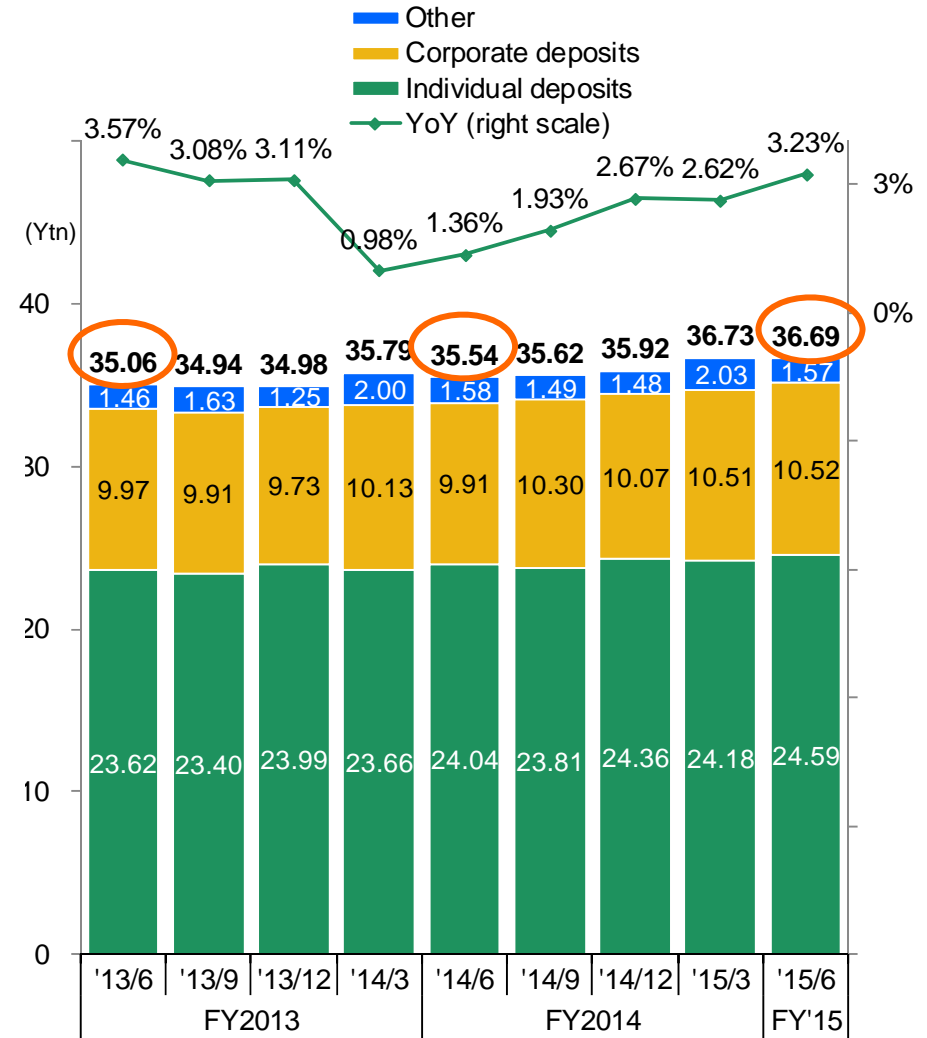
*1. Domestic banking account, deposits include NCDs. *2. Fees and commission income plus trust fees
*3. Net gains/(losses) on bonds and bond-related derivative transactions

Term-end Balance of Loans and Deposits (Total of Group Banks)

Term-end loan balance



Term-end deposit balance



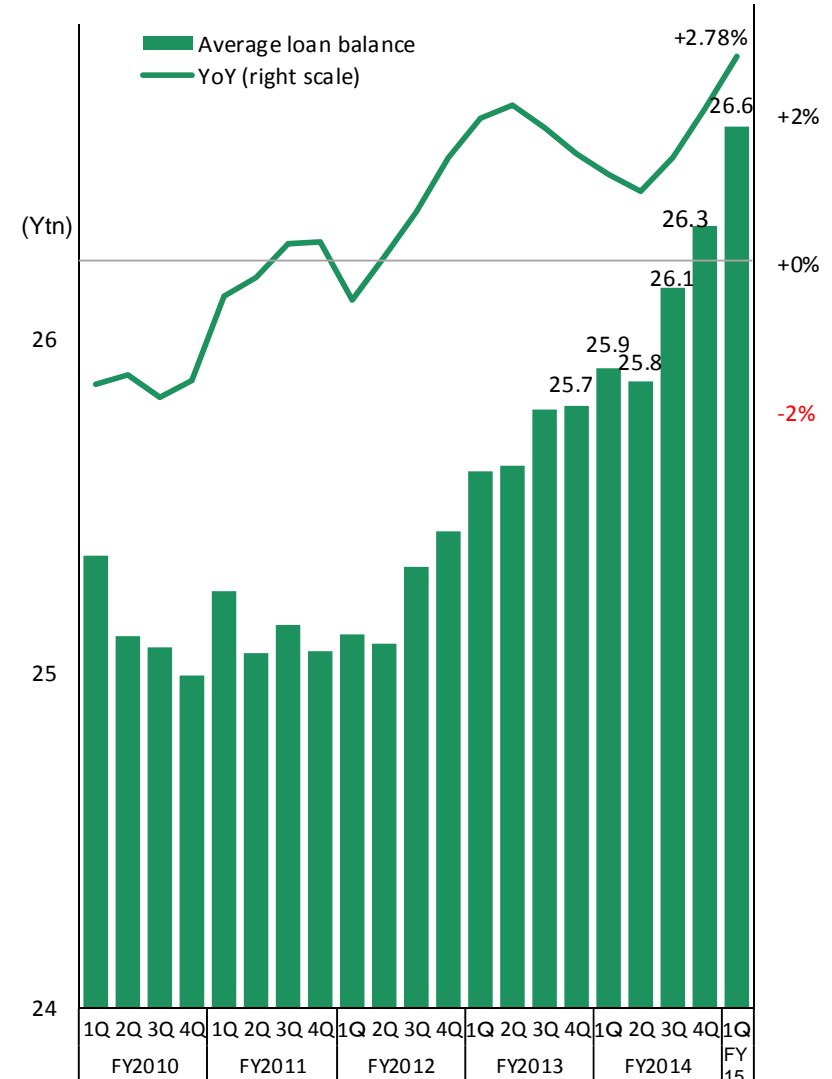
*1. Include the loan extended to RHD from RB (Y0.30tn)

Trend of Loan and Deposit (Total of Group Banks)

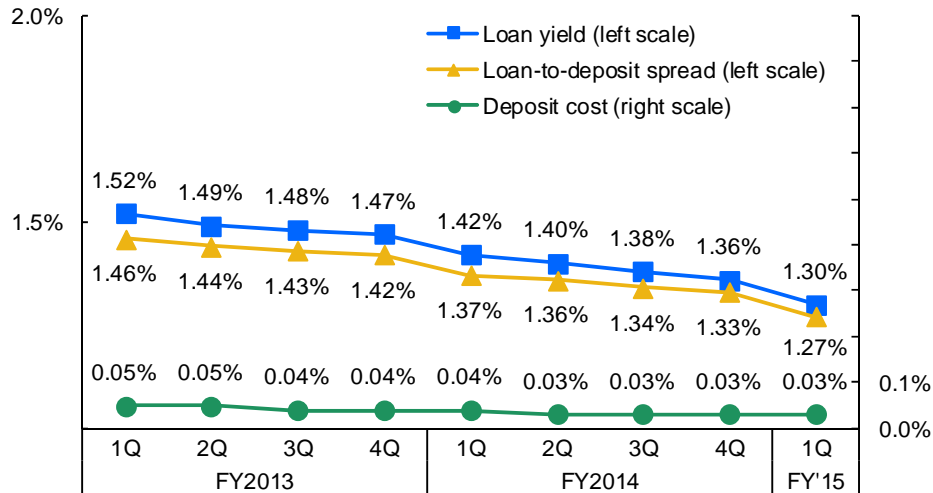
Average loan balance and spread

(Trillion Yen)		1Q		FY2015			
		(Act)	YoY change	(Plan)	YoY change		
Average loan balance (Banking account)		(1)	27.14	+3.06%			
Domestic acct.*1	Loans	Average balance	(2)	26.63	+2.78%	26.66	+2.29%
		Yield	(3)	1.30%	(0.11)%	1.31%	(0.07)%
	Corporate Banking Business Unit*2	Average balance	(4)	15.47	+3.49%	15.53	+2.90%
		Yield	(5)	1.18%	(0.12)%	1.18%	(0.08)%
	Personal Banking Business Unit*2	Average balance	(6)	10.20	+2.07%	10.26	+2.11%
		Yield	(7)	1.54%	(0.07)%	1.54%	(0.05)%
	Deposits (Including NCDs)	Average balance	(8)	38.21	+3.68%	37.81	+1.73%
		Cost	(9)	0.03%	(0.00)%	0.03%	(0.00)%
	Loan-to-deposit spread		(10)	1.27%	(0.10)%	1.28%	(0.07)%

Average loan balance and YoY change (Domestic Account)



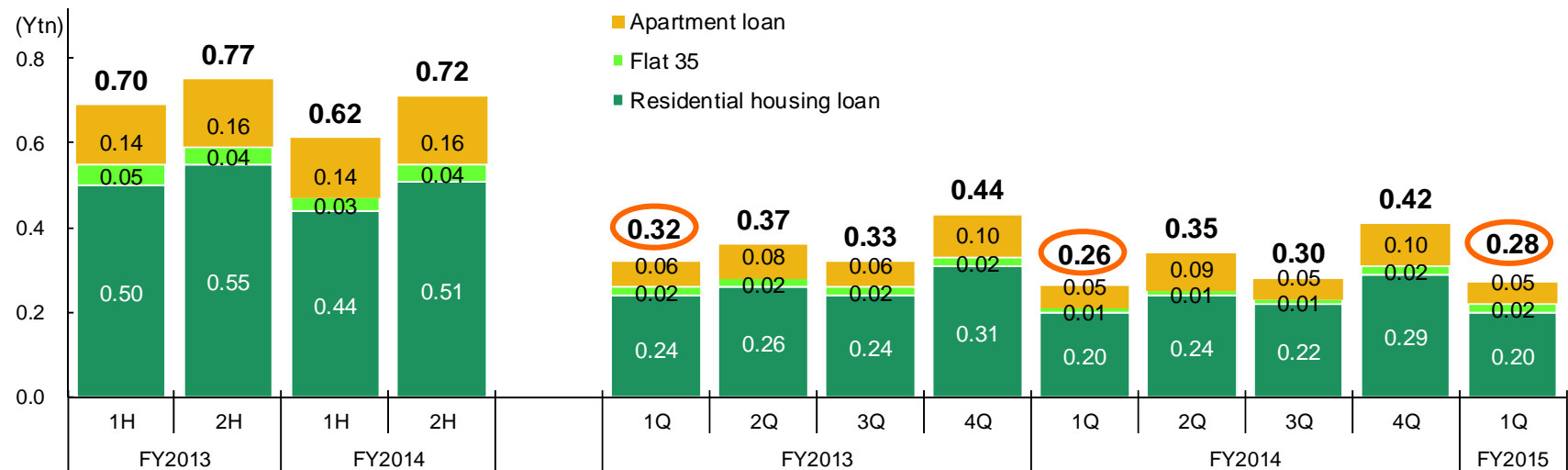
Loan and deposit rates and spread (Domestic Account)



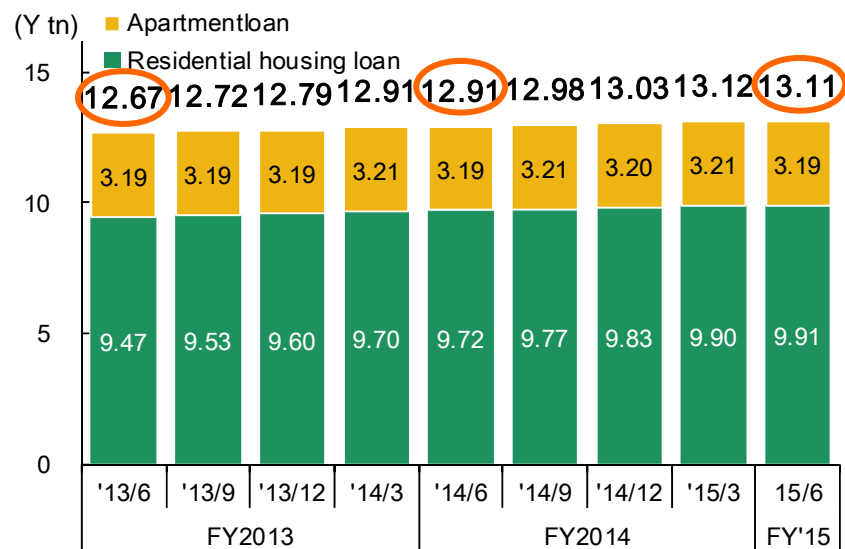
*1. Data compiled for a management and administration purpose
 *2. Corporate Banking Business Unit : corporate loans(excluding loans to governments) + apartment loans
 Personal Banking Business Unit: residential housing loans + consumer loans

Trend of Residential Housing Loans and Apartment Loans (Total of Group Banks)

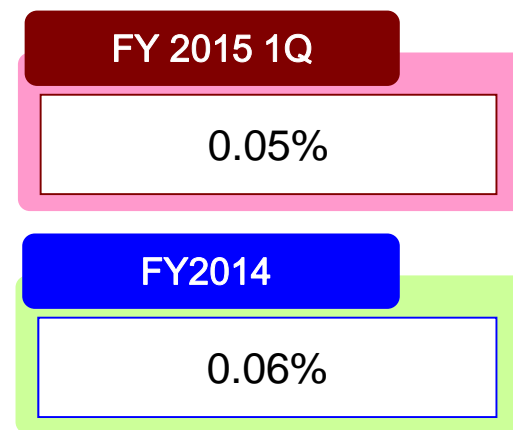
Trend of origination



Term-end loan balance



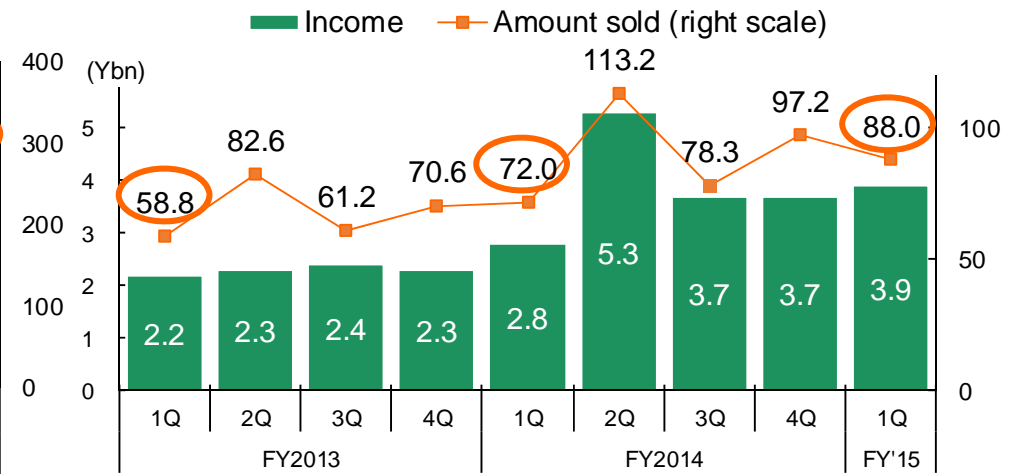
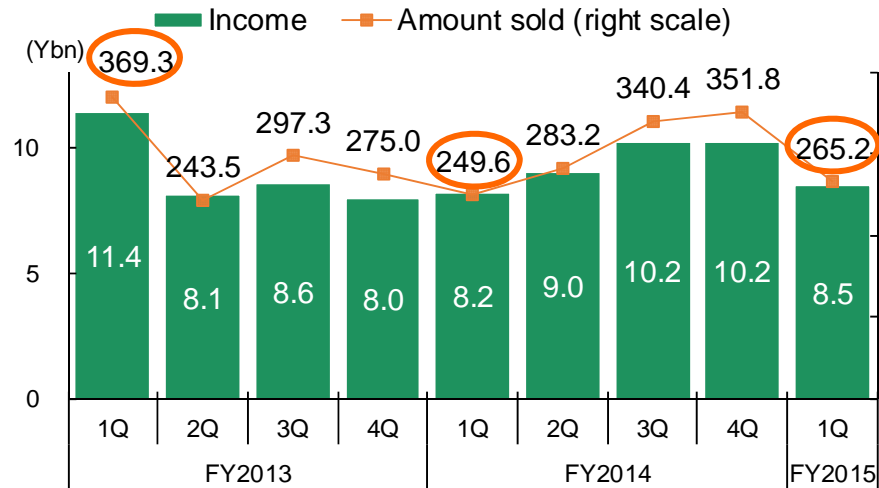
Net loss ratio*1 remains low



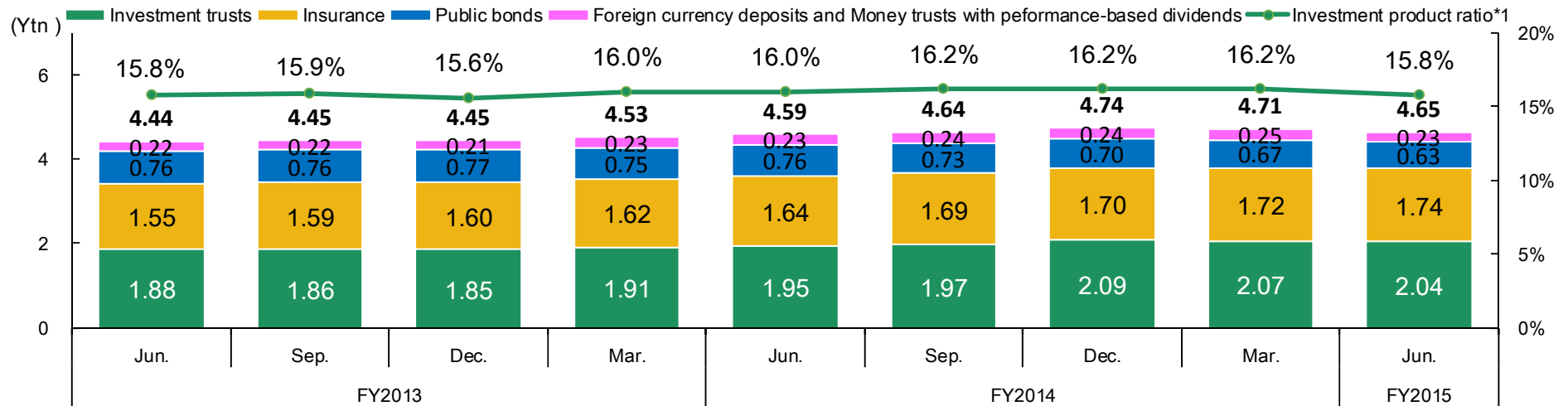
*1. Ratio of subrogation by HL guarantee subsidiaries x (1 - recovery rate after subrogation)

Trend of Investment Product Sale Business (Total of Group Banks)

Investment Trust Insurance



Balance of Investment Products sold to Individual



*1. Investment product ratio = balance of investment products sold / balance of investment products sold and deposits held by individuals

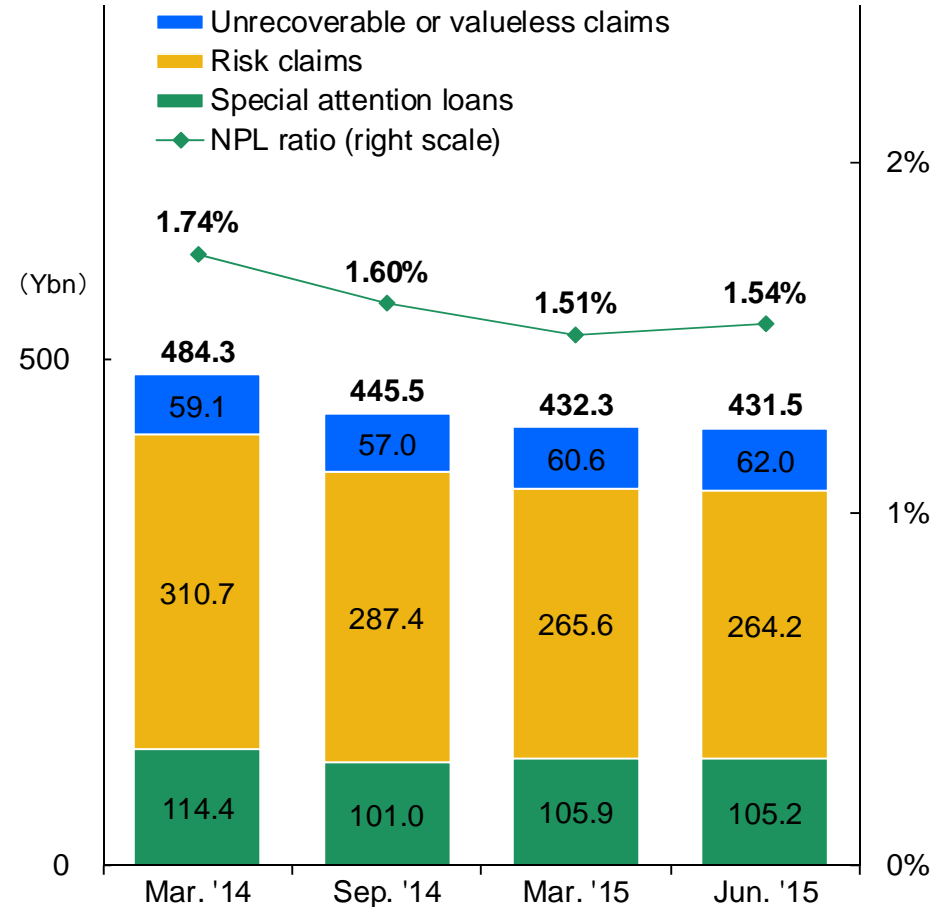
Credit Costs and NPL

Trend of credit costs

(Ybn)	FY2013	FY2014		FY2015	
		Act	1Q Act	Act	1Q Act
Net credit cost (Total of group banks (A)) (1)	27.1	11.7	24.3	1.6	(18.0)
General reserve (2)	28.4	6.9	23.5	1.9	
Specific reserve and other items (3)	(1.3)	4.8	0.7	(0.3)	
New bankruptcy, downward migration (4)	(36.8)	(6.0)	(29.5)	(6.9)	
Collection/upward migration (5)	35.4	10.9	30.3	6.6	
Difference (B) - (A) (6)	(0.6)	(0.2)	(1.9)	0.4	(4.0)
of which, HL guarantees subsidiaries (7)	1.4	0.9	1.1	1.6	
of which, Resona Card (8)	(1.4)	(0.5)	(1.6)	(0.5)	
Net credit cost (RHD consolidated (B)) (9)	26.4	11.4	22.3	2.1	(22.0)

(Note) Positive figures represent reversal gains

Trend of NPL balance and ratio (Total of group banks)



Securities Portfolio (Total of Group Banks)

Securities Portfolio

(Y bn)		Mar.'14	Sep.'14	Mar.'15	Jun.'15	Unrealized gains/losses
Available-for-sale securities ^{*1}	(1)	6,198.7	5,409.9	3,827.6	3,453.4	609.2
Stocks	(2)	331.6	331.9	330.6	328.6	598.7
Bonds	(3)	5,553.5	4,763.3	3,186.9	2,743.2	5.8
JGBs	(4)	4,453.5	3,606.6	2,151.1	1,785.7	1.0
Average duration (years) ^{*2}	(5)	3.1	3.4	3.3	3.0	-
Basis Point Value (BPV)	(6)	(1.41)	(1.26)	(0.72)	(0.54)	-
Local Government and corporate bond	(7)	1,099.9	1,156.6	1,035.8	957.4	4.7
Other	(8)	313.5	314.6	310.0	381.5	4.5
Foreign securities	(9)	151.3	218.6	143.0	195.6	(3.8)
Unrealized gains, net	(10)	332.8	424.3	573.1	609.2	
Bonds held to maturity ^{*3}	(11)	2,150.7	2,324.9	2,435.7	2,459.8	67.6
JGBs	(12)	1,708.3	1,863.1	1,962.0	1,961.9	53.6
Unrealized gains, net	(13)	67.8	69.1	72.6	67.6	

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

*2. Assuming the duration of floating-rate JGBs as zero

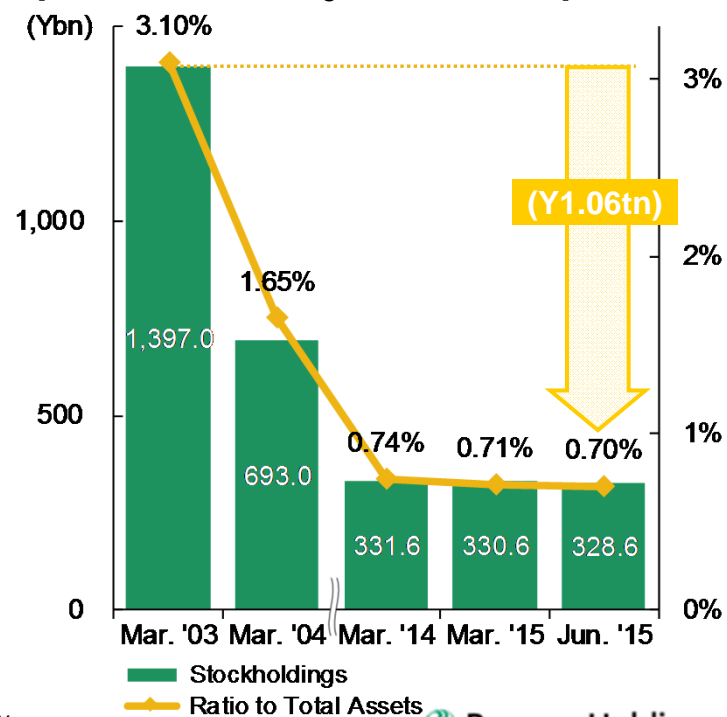
*3. Balance sheet amount basis. The presented figures include marketable securities only.

*4. Available-for-sales securities

Status of stocks held

- Breakeven Nikkei average: Approx. 5,500 yen
- May 2015: Formulated "Basic Corporate Governance Policy" and publicized outlines of "Policy for Holding Policy-Oriented Stocks" and "Policy for the Voting Right Exercise Standards of Policy-Oriented Stocks"
 - Not to hold policy-oriented stocks not in line with financial strength
 - Determine whether or not to hold policy-oriented stocks after having examined risks and returns, including the realizability of medium- and long-term business prospects

[Historical stockholdings to total assets^{*4}]



Capital Adequacy Ratio (Consolidated)

Domestic Standard

- Capital adequacy ratio as of Jun 30, 2015
: 13.91%

(Ybn)		Mar. 31, 2015	Jun. 30, 2015	Change
Capital adequacy ratio	(1)	13.46%	13.91%	+0.45%
Total capital	(2)	1,998.4	2,032.1	+33.7
Core Capital: instruments and reserves	(3)	2,025.9	2,056.1	+30.2
Directly issued qualifying common stock or preferred stock mandatorily convertible into common stock capital plus related capital surplus and retained earnings	(4)	1,112.4	1,166.4	+53.9
Capital and capital surplus, retained earnings	(5)	1,357.1	1,231.7	(125.4)
Treasury stock	(6)	(2.4)	(2.3)	+0.1
Planned distribution of income	(7)	(242.2)	(63.0)	+179.2
Eligible non-cumulative perpetual preferred stock	(8)	175.0	175.0	-
Eligible capital instrument subject to transitional arrangement	(9)	628.3	628.3	-
Other	(10)	110.1	86.3	(23.7)
Core Capital: regulatory adjustments	(11)	27.5	24.0	(3.5)
Risk weighted assets	(12)	14,842.1	14,605.6	(236.4)
Credit risk weighted assets	(13)	13,636.7	13,329.1	(307.6)
Amount equivalent to market risk / 8%	(14)	129.9	162.5	+32.6
Amount equivalent to operational risk / 8%	(15)	1,075.3	1,075.3	-
Credit risk weighted assets adjustments	(16)	-	38.6	+38.6

(Reference) International Standard

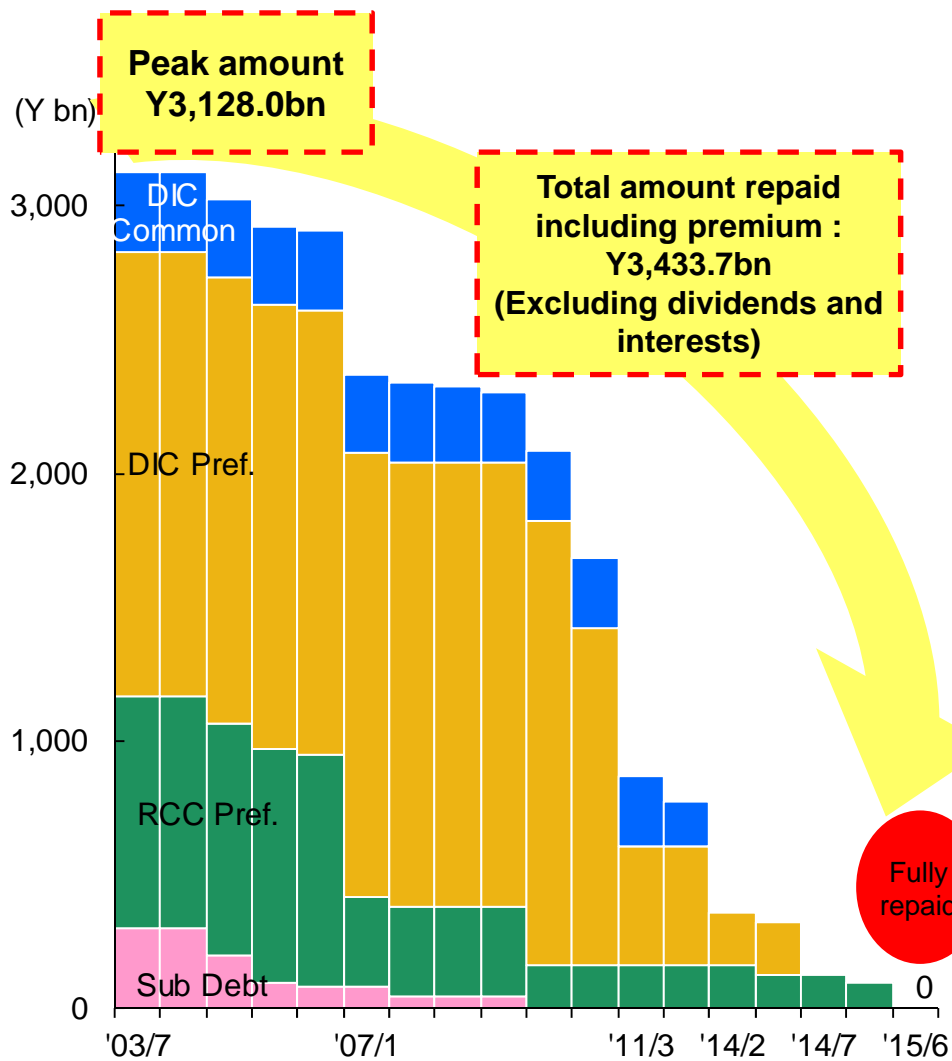
- Common Equity Tier 1 capital ratio as of Jun 30, 2015
(Excluding net unrealized gains on available-for-sale securities)
: 7.50%

(Ybn)		Mar. 31, 2015	Jun. 30, 2015	Change
Common Equity Tier 1 capital ratio	(1)	8.16%	8.67%	+0.51%
(Excluding net unrealized gains on available-for-sale securities)	(2)	7.07%	7.50%	+0.43%
Tier 1 capital ratio	(3)	9.71%	10.23%	+0.52%
Total capital ratio	(4)	14.03%	14.53%	+0.50%
Common Equity Tier 1 capital	(5)	1,267.1	1,330.7	+63.5
Instruments and reserves	(6)	1,302.5	1,364.2	+61.7
Capital and capital surplus, retained earnings	(7)	1,357.1	1,231.7	(125.4)
Treasury stock	(8)	(2.4)	(2.3)	+0.1
Planned distribution of income	(9)	(242.2)	(63.0)	+179.2
Accumulated other comprehensive income	(10)	179.6	188.3	+8.6
Net unrealized gains on available-for-sale securities	(11)	169.2	179.7	+10.4
Regulatory adjustments	(12)	35.3	33.5	(1.7)
Other Tier 1 capital	(13)	240.6	240.0	(0.6)
Tier1 capital	(14)	1,507.8	1,570.7	+62.8
Tier2 capital	(15)	670.1	659.2	(10.8)
Total capital (Tier1+Tier2)	(16)	2,177.9	2,230.0	+52.0
Risk weighted assets	(17)	15,521.6	15,342.9	(178.7)
Credit risk weighted assets	(18)	14,316.3	14,104.9	(211.3)
Amount equivalent to market risk / 8%	(19)	129.9	162.5	+32.6
Amount equivalent to operational risk / 8%	(20)	1,075.3	1,075.3	-
Credit risk weighted assets adjustments	(21)	-	-	-

Public Funds Fully Repaid and Progress of Major Capital Policies

Public funds were fully repaid in June 2015

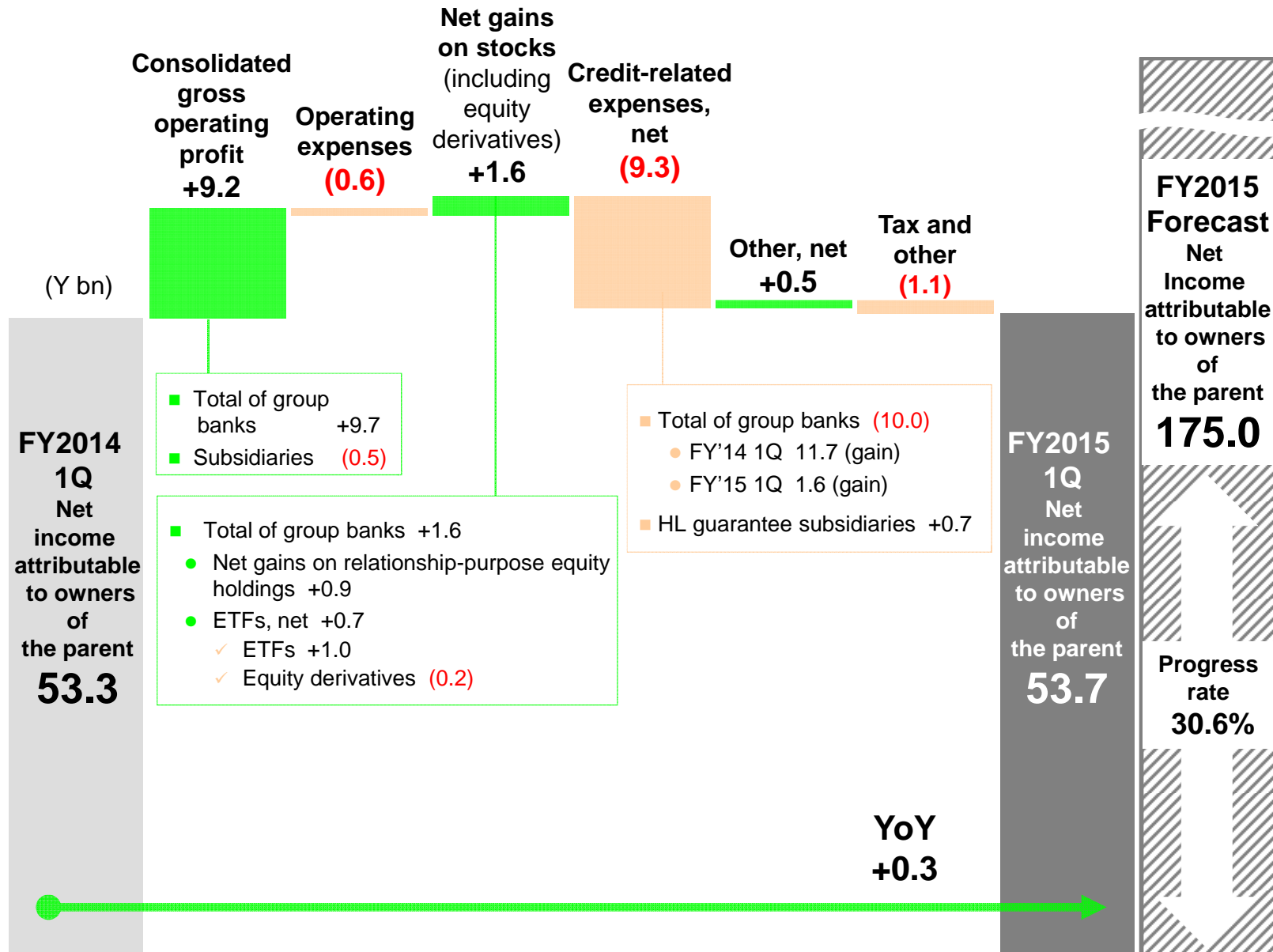
Progress of Major Capital Policies



- Fully repaid the RCC Preferred Shares*1
 - June 4, 2015
Repaid JPY 32.0 bn through a payment of special preferred dividend
 - June 25, 2015
Repurchased and cancelled the remaining JPY96.0 bn
- => Fully repaid the outstanding public funds with this transaction
- Repurchased and cancelled Class 4 Preferred Shares*1
 - July 31, 2015
Repurchased and cancelled Class 4 Preferred Shares totaling JPY63.0 bn
(Repurchased at JPY63.8 bn including accrued dividend)
- => Together with the reissuance of treasury shares implemented in March 2015, completed the *de facto* "Capital Exchange"
- *1. Impacts of these transactions were already reflected on the capital ratio as of March 31, 2015
- Repurchase of Preferred Securities
 - July 30, 2015
Repurchased Preferred Securities issued by RPGS (Cayman) Ltd.
USD1,150 million (7.191%)

Resona Holdings plans to announce its capital adequacy ratio as of June 30, 2015 soon after it completes calculations.

(Reference) Consolidated Net Income Attributable to Owners of the Parent for 1Q FY2015 Compared with 1Q FY2014

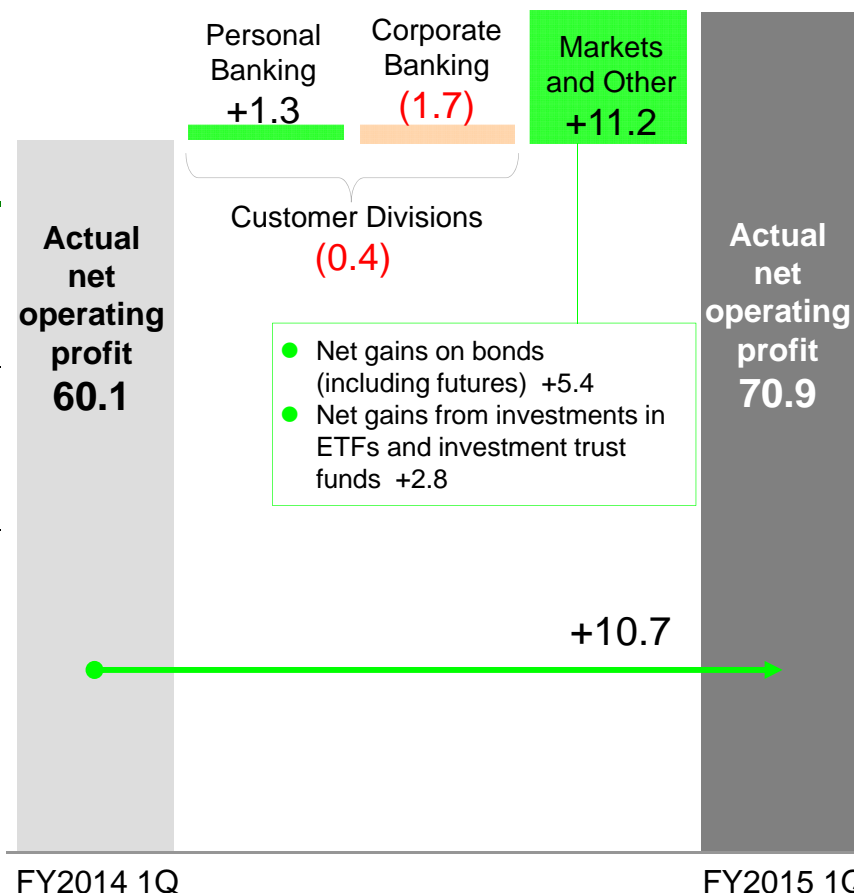


Outline of Results by Business Segments (1)

Actual net operating profit increased by Y10.7bn supported by Market Divisions

(Y bn)

(Billions of Yen)			FY2015 1Q	YoY Change
Customer Divisions	(1)	Gross operating profit	131.1	(1.4)
	(2)	Operating expense	(79.3)	+0.9
	(3)	Actual net operating profit	51.8	(0.4)
Personal Banking	(4)	Gross operating profit	66.6	+0.4
	(5)	Operating expense	(42.4)	+0.8
	(6)	Actual net operating profit	24.2	+1.3
Corporate Banking	(7)	Gross operating profit	64.4	(1.9)
	(8)	Operating expense	(36.8)	+0.1
	(9)	Actual net operating profit	27.6	(1.7)
Markets and Other	(10)	Gross operating profit	22.0	+11.7
	(11)	Operating expense	(2.9)	(0.5)
	(12)	Actual net operating profit	19.0	+11.2
Total	(13)	Gross operating profit	153.2	+10.3
	(14)	Operating expense	(82.3)	+0.4
	(15)	Actual net operating profit	70.9	+10.7



Definition of management accounting

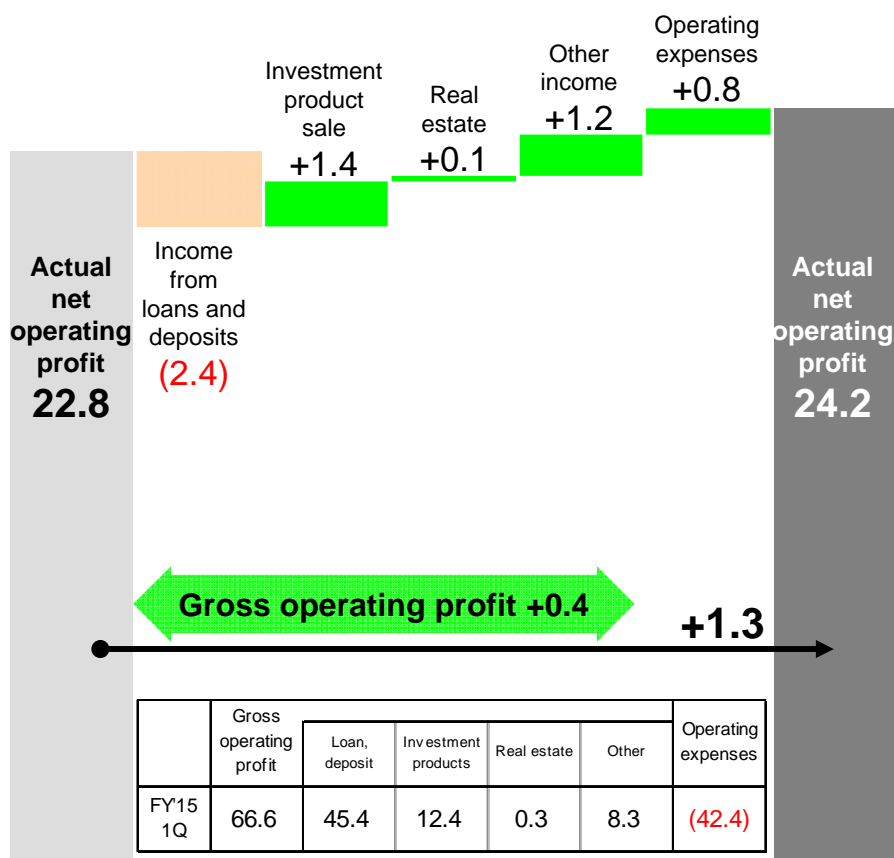
1. Numbers reported above refer to 3 Resona Group banks and 3 loan guarantee subsidiaries.
2. Gross operating profit of "Markets" segment includes a part of net gains on stocks.
3. "Other" segment refers to the divisions in charge of management and business administration.

Outline of Results by Business Segments (2)

Personal Banking Segment

- Actual net operating profit increased by Y1.3bn
 - Fee income, such as insurance sale, settlement related businesses and other fee income contributed to top-line income

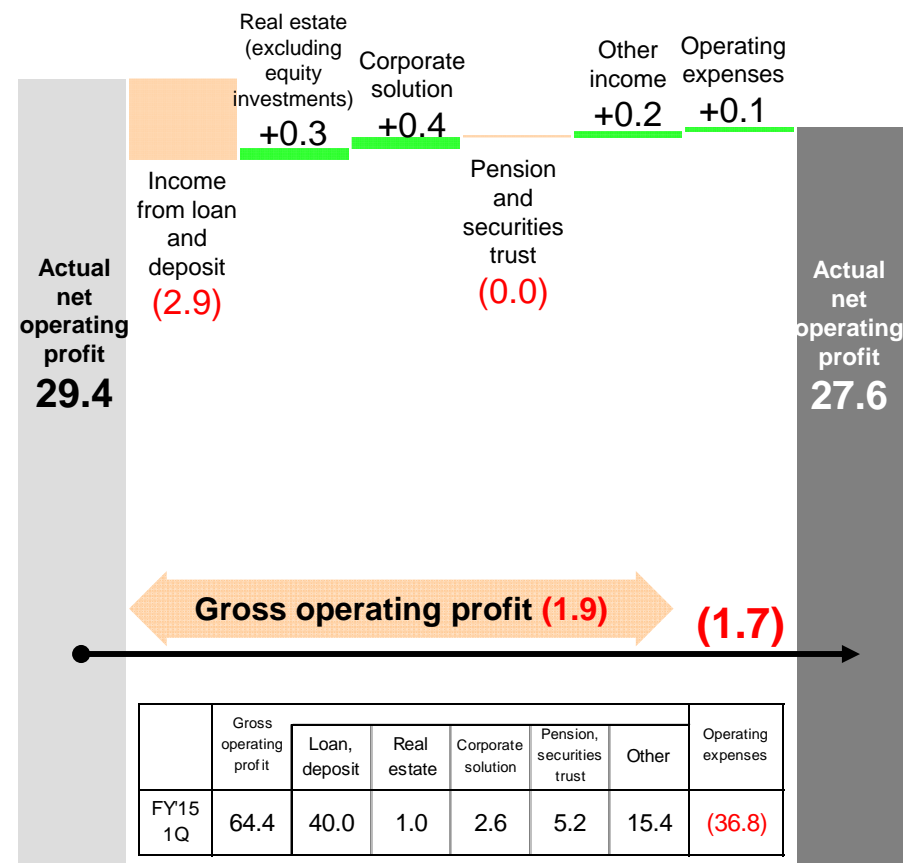
[Comparison of actual net operating profit] (Y bn)



Corporate Banking Segment

- Actual net operating profit decreased by Y1.7bn mainly due to decrease in net interest income from loans and deposits

[Comparison of actual net operating profit] (Y bn)



FY2014 1Q

FY2015 1Q

FY2014 1Q

FY2015 1Q

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

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

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

Link Together Shape Future *Next Action* **RESONA GROUP**

