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Financial Results for Fiscal Year 2008  
Reference Materials for Press Conference

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RESONA

May 15, 2009



**Resona Holdings, Inc.**

**I. Financial Highlights for Fiscal Year 2008**

**Secured consolidated net income of Y123.9 bn. (Pages 1-2)**

- => Net income decreased by Y178.9 bn. (-59.1%) YoY and by Y36.1 bn. (-22.5%) compared with forecast (announced on Nov. 14, 2008)
- \* Y104.4 bn. gain from the sale of Tokyo Head Office building
- => Net contribution to net income after a reversal of DTA: Approx. Y62.0 bn.
- \* Net credit related expenses increased Y122.9 bn. YoY
- \* Net loss on stocks increased Y41.6 bn. and net credit cost increased Y11.9 bn. compared with forecast (Total of group banks)

**Top-line income fell as a result of sluggish market conditions (Pages 1-4)**

- => Consolidated gross operating profit: Y739.5 bn., a decline of Y29.7 bn. (-3.8%) YoY
- => Actual net operating profit (total of group banks): Y312.7 bn., a decline of Y25.1 bn. (-7.4%) YoY
- 1) Loans and bills discounted increased by Y456.7 bn. YoY while maintaining a loan-to-deposit spread at the 1.9% level
- 2) Fees and commission income declined, primarily due to decrease of investment trust sales and real estate brokerage fees
- 3) Net gain/(loss) on bonds: Gains partially made up for the loss on stocks. (Resona Bank)
- 4) Operating expenses were in line with the previous fiscal year owing to stringent management efforts, and the cost-to-income ratio (total of group banks) was maintained at the former half of 50% level.

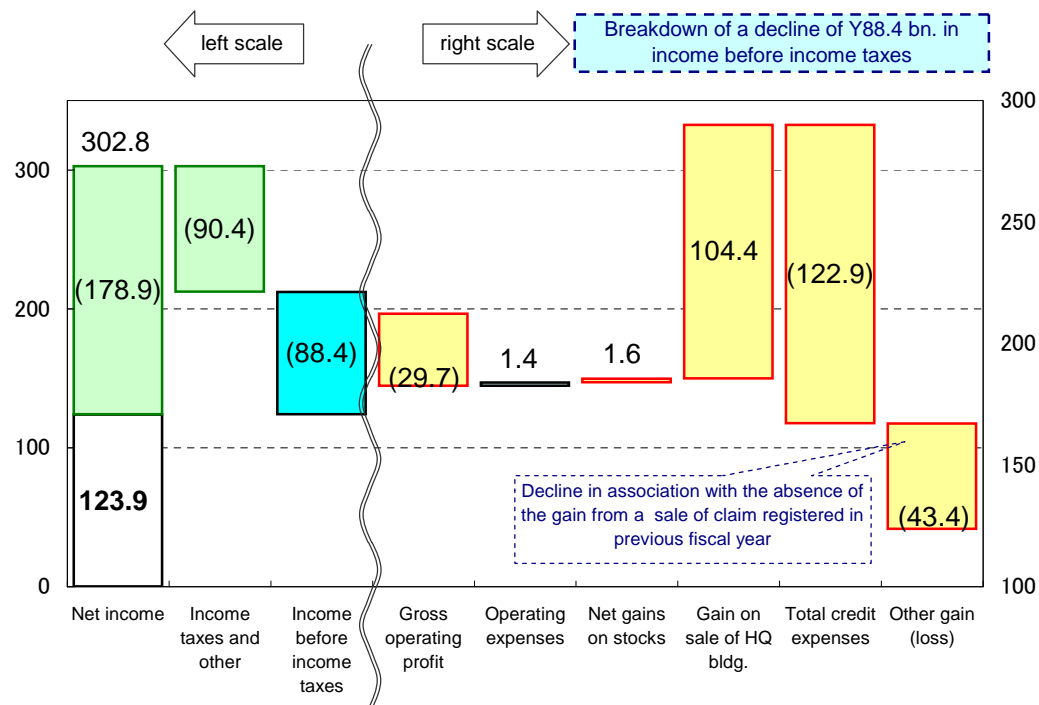
**Sound financial structure sustained (Pages 6-8)**

- \* Greater net credit related expenses associated with specified industries, regions and large borrowers
- => Reduced latent risk through appropriate write-offs and provisions of reserves
- \* Stocks held by Group banks as of March 31, 2009 reduced to Y356.0 bn., maintaining unrealized gains of Y37.0 bn.
- <=> Stockholdings to Tier I: 17%, Break-even Nikkei Average: 7,000 yen level.
- \* Capital adequacy ratio as of March 31, 2009 (provisional): 13.45%, Tier I ratio: 9.92%

**Cumulative repayment of public funds exceeded Y1 tr.(Page 5)**

- \* Repayment in FY2008 (infusion amount basis): Y252.3 bn.
- \* Spent Y85.2 bn. to acquire 63.5 million of own common shares
- => Implemented as a countermeasure for possible dilution that may arise from the preferred shares issued under the Early Strengthening Law

Factors accounting for the year-on-year change in consolidated net income



Resona Holdings (Consolidated)	FY2008		Resona Holdings (Non-consolidated)	FY2008	
		YoY change			YoY change
Consolidated gross operating profit	739.5	(29.7)	Operating income	185.5	(414.8)
Income before income taxes and minority interests	234.1	(88.4)	Income before income taxes	175.0	(415.2)
Net income	123.9	(178.9)	Net income	174.1	(450.5)

	Total of Group banks (Non-consolidated)			Resona		Saitama Resona		Kinki Osaka		Resona Trust & Banking	
	FY2008	YoY change	Change from forecast	(Non-consolidated)	YoY change	YoY change	(Non-consolidated)	YoY change	YoY change		
Actual net operating profit*2	312.7	(25.1)	(2.3)	203.7	(7.0)	78.2	(7.0)	15.2	(7.3)	15.5	(3.6)
Cost-to-income ratio (after disposal of NPL in the trust account)	53.6%	+1.9%		53.0%	+0.5%	48.8%	+2.8%	74.7%	+8.6%	43.4%	+5.2%
Income before income taxes	219.3	(82.8)	(53.7)	155.7	(48.9)	46.1	(22.9)	1.9	(7.5)	15.4	(3.4)

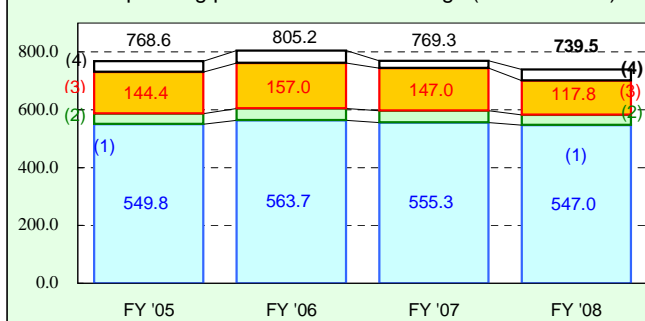
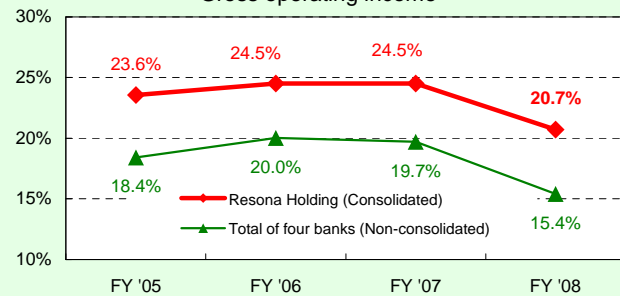
\*1. Repurchases carried out between Sep. 9, 2008 and March 19, 2009 based on the corporate resolution dated on Sep. 8, 2008.  
\*2. Actual net operating profit: net operating profit before NPL disposal in the trust account and before transfer to general reserve for possible loan losses

\*1. Amounts less than 0.1 billion yen are rounded down.  
\*2. In principle, figures are based on non-consolidated figures of group banks

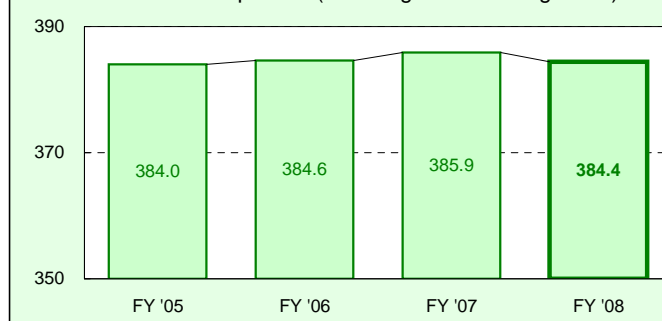
## II. Outline of Financial Results for Fiscal Year 2008

	Resona Holdings (Consolidated)		Difference (A)-(B)	Total of four banks (Non-consolidated)		Resona Non-consolidated	Saitama Resona	Kinki Osaka Non-consolidated	Resona Trust & Banking	Factors accounting for the difference (A) - (B) (Approx. figures) RC: Resona Card, RG: Resona Guarantee, RCP: Resona Capital
	(A)	YoY change		(B)	YoY change					
Gross operating profit	739.5	(29.7)	64.2	675.3	(24.7)	434.5	153.0	60.2	27.4	
(1) Net interest income	547.0	(8.2)	14.6	532.4	(4.7)	333.7	143.0	55.5	0.1	RC 7.4 bn and other
Income from loans and deposits				471.6	(2.3)	302.4	119.7	49.4	(0.0)	Domestic operations; banking account; Deposits include NCDs
(2) Trust fees	35.4	(5.9)	-	35.4	(5.9)	7.1	-	-	28.2	
(3) Fees and commission income	117.8	(29.2)	48.8	68.9	(28.1)	49.9	13.0	6.9	(0.9)	RG 28.8 bn., RC 16.0 bn and other
(4) Other operating income	39.2	13.8	0.7	38.5	14.1	43.6	(2.9)	(2.1)	-	
Net gain/(loss) on bonds	10.2	2.9	-	10.2	2.9	18.4	(5.2)	(3.0)	-	
Actual net operating profit				312.7	(25.1)	203.7	78.2	15.2	15.5	Net operating profit before transfer to general reserve for possible loan losses and expenses related to problem loan disposal in the trust account.
Expenses (including non-recurring items)	384.4	(1.4)	28.3	356.1	0.7	221.4	76.5	46.2	11.9	RC 15.1 bn, RG 3.3 bn, goodwill amortization 7.2 bn and other
Net gain/(loss) on stocks	(42.2)	1.6	(4.5)	(37.6)	8.2	(33.9)	(4.6)	0.9	-	RCP -2.9 bn and other
Loss on write-down of stocks	(30.2)	(2.0)	(4.5)	(25.7)	0.9	(21.8)	(3.5)	(0.2)	-	
Credit related expenses, net	181.4	122.9	17.4	163.9	125.2	130.7	24.4	8.7	-	RG 9.2 bn, RC 7.4 bn and other
Other gain/(loss), net	102.7	61.1	1.0	101.7	59.6	107.3	(1.2)	(4.2)	(0.0)	
Income before income taxes	234.1	(88.4)	14.8	219.3	(82.8)	155.7	46.1	1.9	15.4	
Income taxes and other	110.2	90.4	11.7	98.5	56.4	73.6	17.1	1.3	6.3	Minority interests in net income 3.2 bn, Income tax of RHD and other 8.1 bn
Net income	123.9	(178.9)	3.1	120.7	(139.3)	82.0	29.0	0.5	9.1	

Gross operating profit of Resona Holdings (Consolidated)

Fees and commission plus trust fees  
Gross operating income

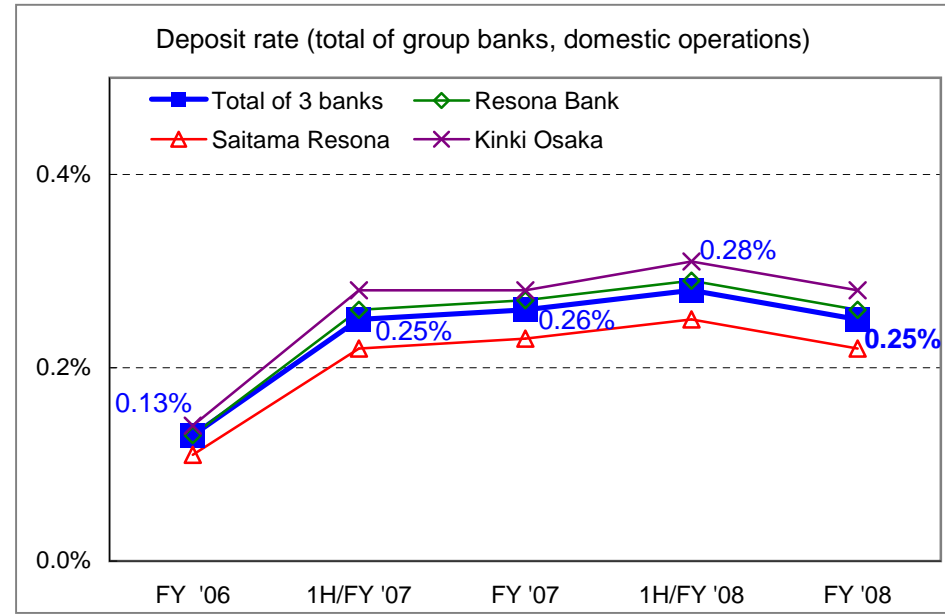
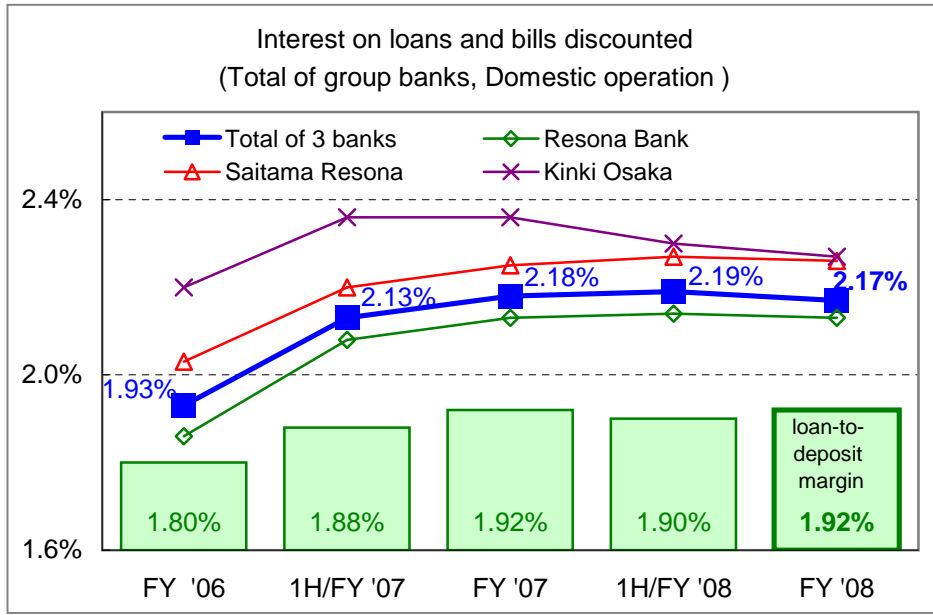
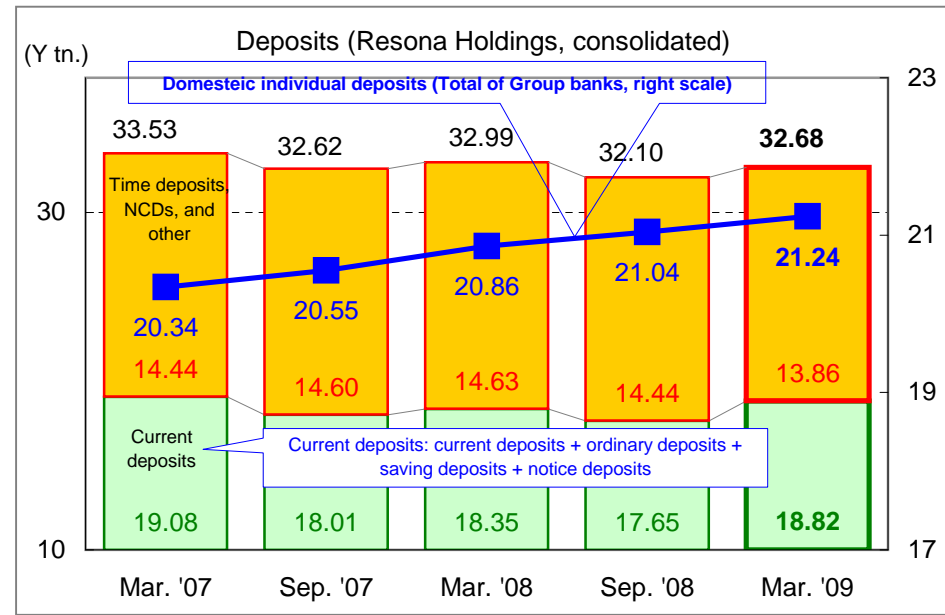
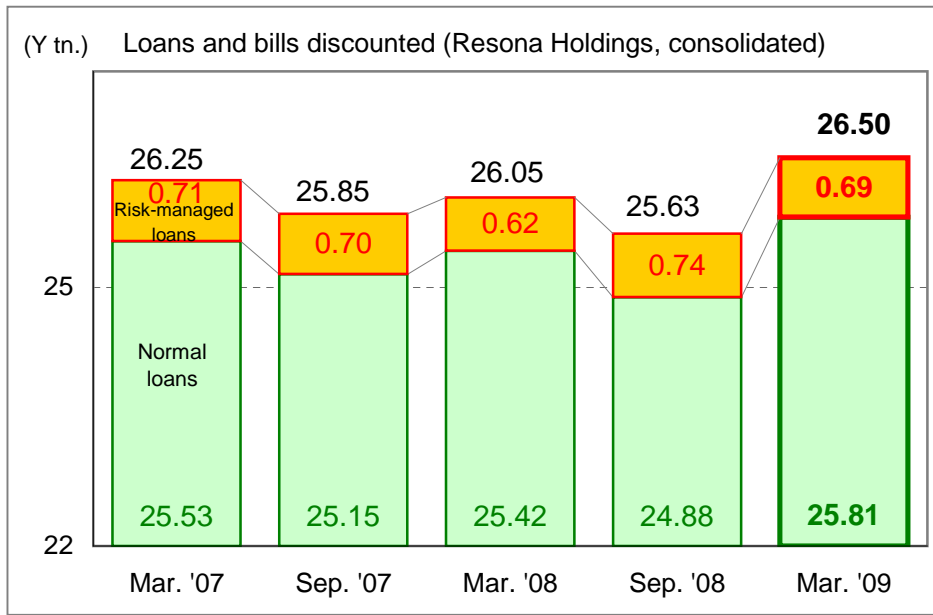
Consolidated Expenses (including non-recurring items)



\*1. Amounts less than 0.1 billion yen are rounded down.

\*2. In principle, figures are based on non-consolidated figures of group banks.

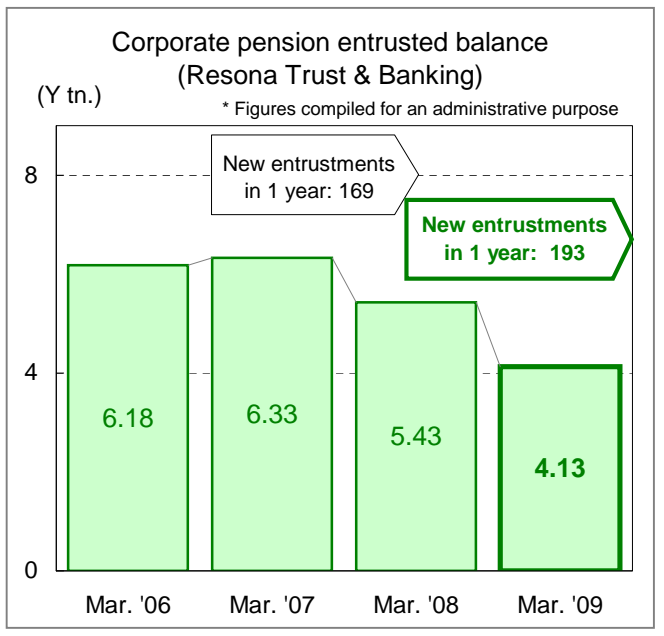
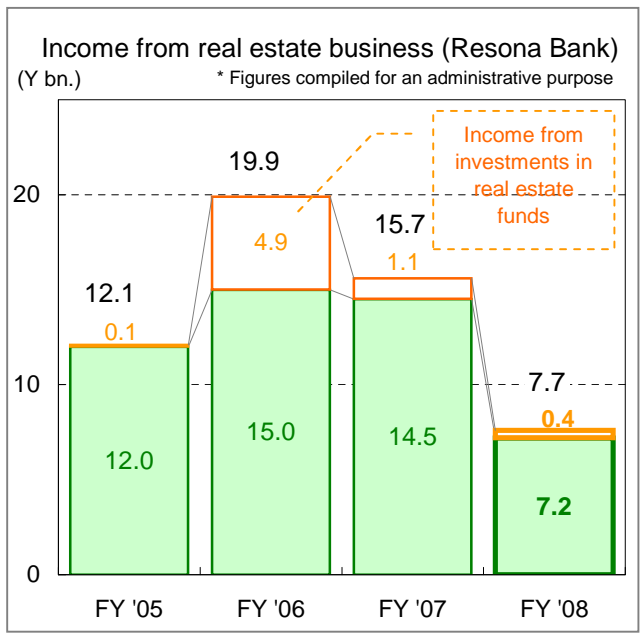
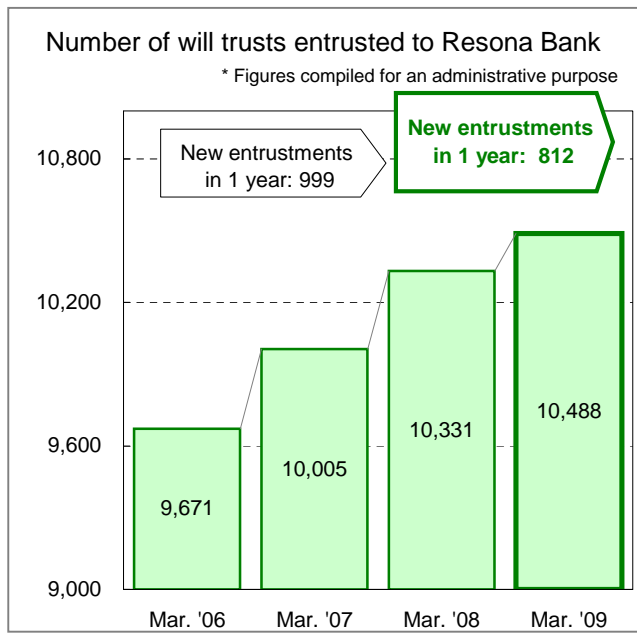
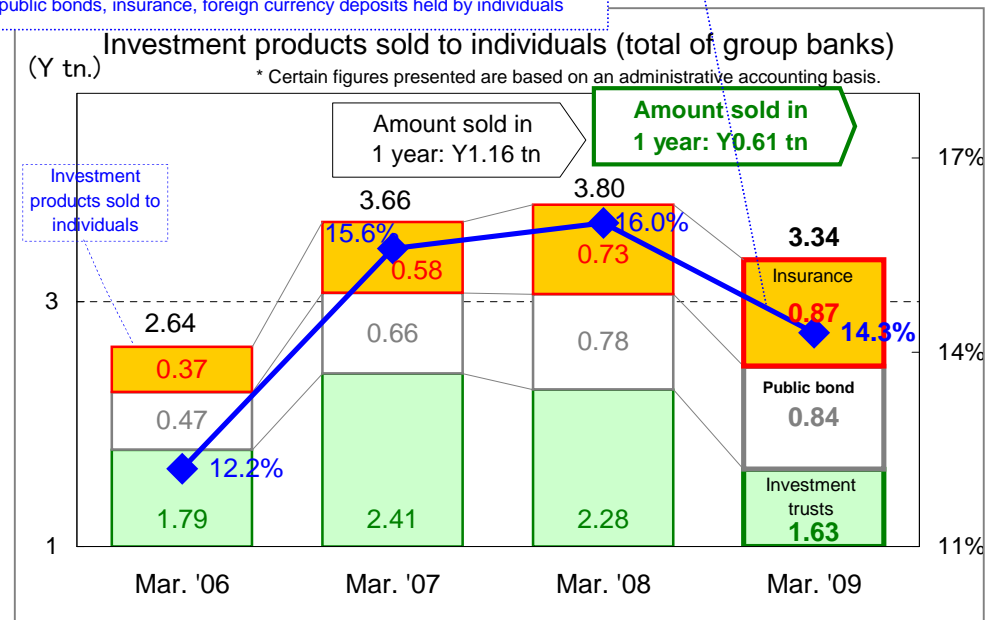
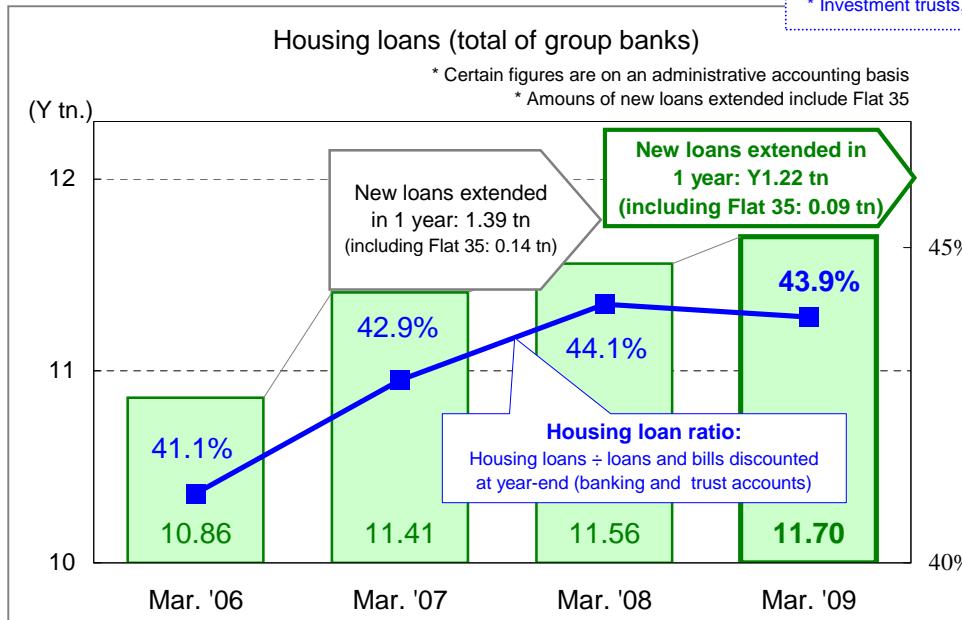
III. Deposits, Loans and Bills Discounted



\*1. Amounts less than 0.1 billion yen are rounded down.  
 \*2. In principle, figures are based on non-consolidated figures of group banks.

**IV. Resona's Core Businesses**

Investment product ratio (under administrative accounting) :  
 = investment products sold to individuals\* ÷ financial assets held including deposits  
 \* Investment trusts, public bonds, insurance, foreign currency deposits held by individuals



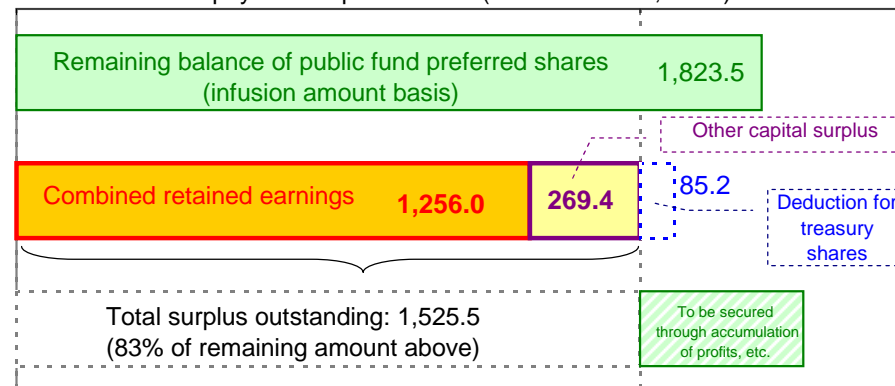
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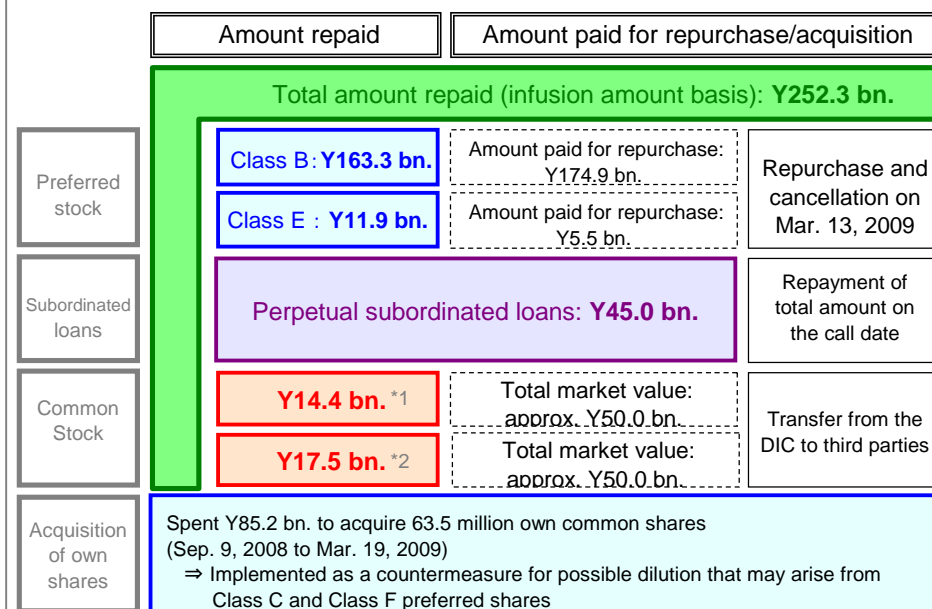
V. Total retained earnings and other capital surplus (Total of Resona HD and its subsidiary banks)

	Mandatory Conversion (First Call)	Amount Sep. 30, 2003 (1)	Amount Mar. 31, 2009 (2)	(2) - (1)
<b>Total public funds received</b>		<b>3,128.0</b>	<b>2,085.2</b>	<b>(1,042.7)</b>
<b>Preferred stock</b>		<b>2,531.5</b>	<b>1,823.5</b>	<b>(708.0)</b>
Early Strengthening Law		868.0	160.0	(708.0)
Class B	Apr. 2009	408.0	-	(408.0)
Class C	Apr. 2015	60.0	60.0	-
Class E	Dec. 2009	300.0	-	(300.0)
Class F	Dec. 2014	100.0	100.0	-
Deposit Insurance Law		1,663.5	1,663.5	-
Class 1	N/A	550.0	550.0	-
Class 2	N/A	563.5	563.5	-
Class 3	N/A	550.0	550.0	-
Subordinated loans		300.0	-	(300.0)
Financial Function Stabilization Law		200.0	-	(200.0)
Early Strengthening Law	Mar. 2009	100.0	-	(100.0)
Common Stock	N/A	296.4	261.6	(34.7)

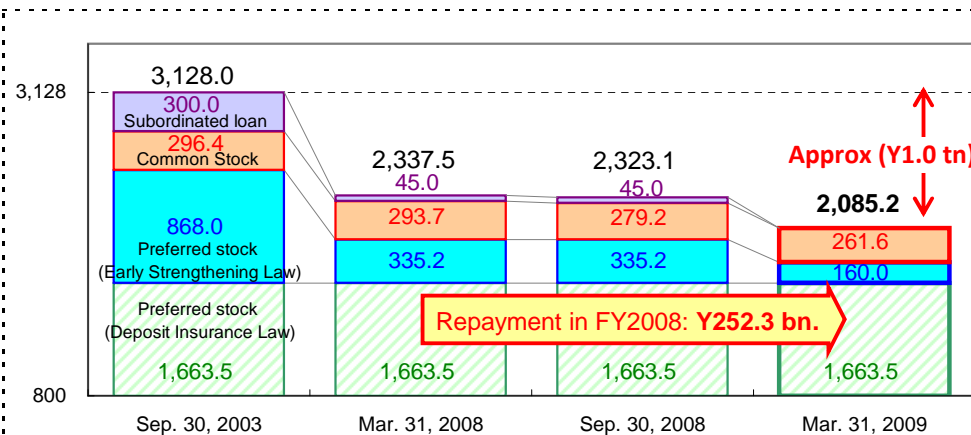
[Reference] Status of accumulation of funds available for repayment of public funds (as of March 31, 2009)



FY2008, details of public fund repayment



Note 1: Acquired by Dai-ichi Mutual Life Insurance Company  
 Note 2: Acquired by Credit Agricole S.A.



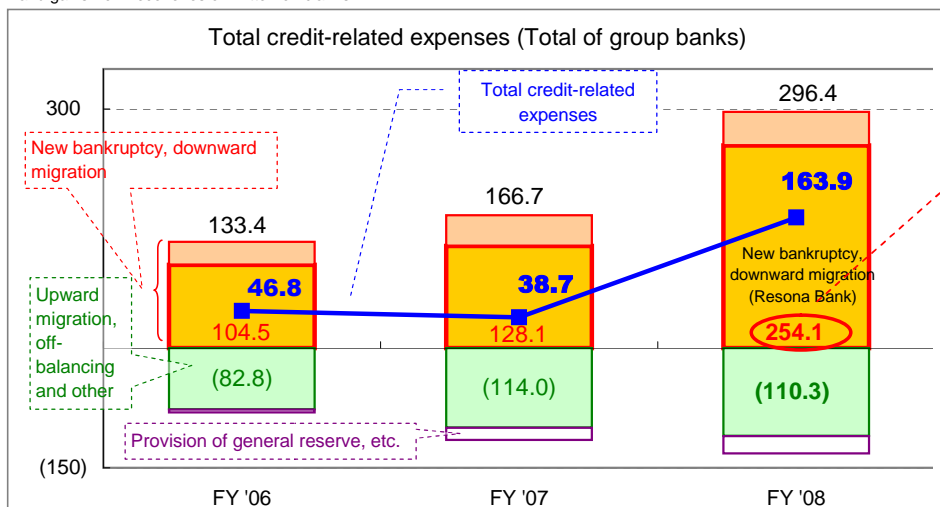
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VI. Credit Related Expenses and Classified Claims (NPL)

	Total of 3 banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
Disposal in the trust account	(0.3)	(0.3)	-	-
Net addition to general reserve	(19.1)	(27.6)	8.2	0.2
Net addition to specific reserve	17.3	12.3	4.8	0.1
Write-off of loans and others	188.4	163.8	12.2	12.3
Gain from recoveries of written-off claims	(22.2)	(17.4)	(0.8)	(3.9)
<b>Total credit-related expenses</b>	<b>163.9</b>	<b>130.7</b>	<b>24.4</b>	<b>8.7</b>
(a) New bankruptcy, downward migration	<b>296.4</b>	<b>254.1</b>	22.4	19.7
(b) Upward migration	(47.5)	(40.4)	(1.7)	(5.4)
(c) Off-balancing and other	(62.7)	(52.4)	(4.5)	(5.7)
(d) Provision of general reserve	(22.1)	(30.5)	8.2	0.2

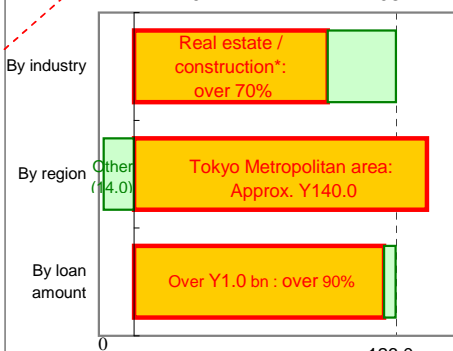
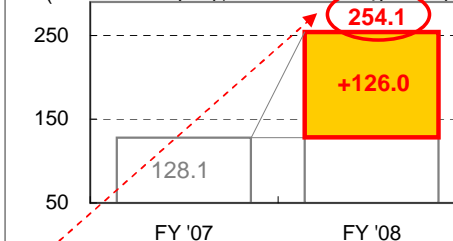
(a) Loss from new bankruptcy or deterioration in borrower category, etc.  
 (b) Gain from reversal of loan loss reserve due to improvements in borrower category, etc.  
 (c) Collection of claims from "doubtful" or lower category borrowers, gain from reversal of loan loss reserve due to off-balancing, and gains from recoveries of written-off claims



	Total of 3 banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
Unrecoverable or valueless claims	137.0	99.8	16.3	20.8
Risk claims	367.2	267.0	60.7	39.4
Special attention loans	163.5	125.8	23.3	14.3
<b>Total classified claims (NPL)</b>	<b>667.8</b>	<b>492.7</b>	<b>100.4</b>	<b>74.6</b>
Change from Mar. 31, '08	68.7	60.1	11.6	(2.9)
<b>NPL ratio *1</b>	<b>2.42%</b>	<b>2.68%</b>	<b>1.56%</b>	<b>2.70%</b>
Change from Mar. 31, '08	0.22%	0.31%	0.14%	-0.12%

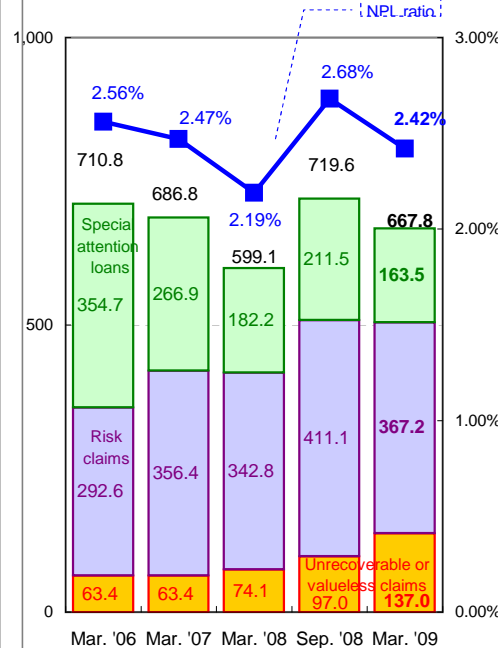
\*1. Total classified claims / Total claims defined under the Financial Reconstruction Law.  
 (Banking and trust accounts, total of group banks)

<Reference> Analysis on year-on-year increase in Resona Bank's credit expenses (New bankruptcy, downward migration)



\* Figures are compiled for administrative purposes only.  
 \* Including real estate-related services

Total of three banks / Classified Claims (NPL) (based on Financial Reconstruction Law)



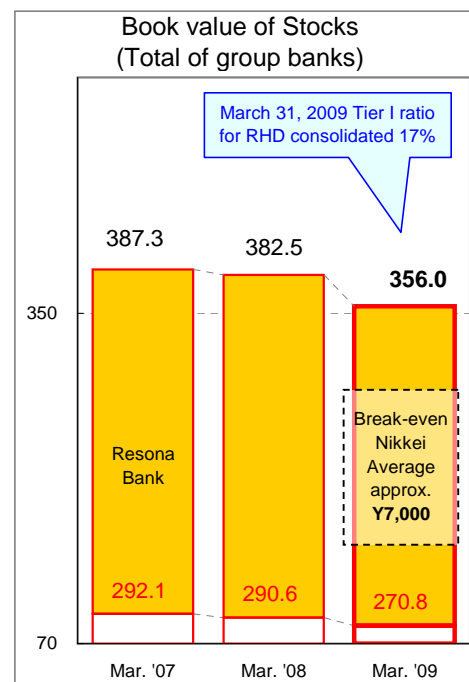
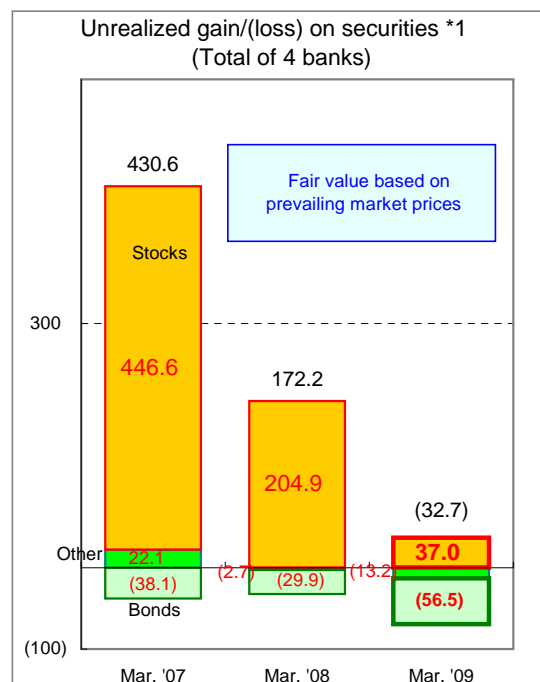
\*1. Amounts less than 0.1 billion yen are rounded down.

\*2. In principle, figures are based on non-consolidated figures of group banks.

(Billions of yen)

## VII. Unrealized gain/(loss) on securities

	Total of 4 banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank	Resona Trust & Banking
Held to maturity	7.3	1.1	4.3	1.8	-
Available for sale	(32.7)	(18.4)	(7.4)	(6.9)	0.0
YoY Change	(205.0)	(155.1)	(41.2)	(8.6)	0.0
Bonds	(56.5)	(39.3)	(16.7)	(0.4)	0.0
Variable rate JGBs	(30.4)	(23.0)	(7.1)	(0.2)	-
Stocks	37.0	23.8	12.6	0.5	-
Other	(13.2)	(2.9)	(3.3)	(6.9)	-



\*1. In addition to "securities," the reported figures include negotiable certificates of deposit from "Cash and due from banks" and a portion of "Monetary claims bought."

Only available-for-sale securities with market prices are reported. Fair values of available-for-sale securities are based on prevailing market prices, etc. Resona Group did not adopt a new method for measuring the fair values of securities in accordance with the ASBJ Practical Issue Task Force No. 25. Resona Group did not change the holding purposes applicable to its bond holdings in accordance with the ASBJ Practical Task Force No. 26..

## VIII. Securitized Products

	Balance	Unrealized gain/(loss)
Securitized products organized overseas	-	-
Subprime mortgage loan-related	-	-
No outstanding investment and loan balance related to the U.S. subprime housing loans	-	-
Securitized products organized in Japan	252.1	(3.3)
Backed by assets in Japan	252.1	(3.3)
Housing loans	218.1	(2.9)
Commercial real estate	17.3	(0.3)
Other	16.5	(0.0)
Backed by overseas assets	-	-
<b>Total *2</b>	<b>252.1</b>	<b>(3.3)</b>
Change from Mar. 31, '08	(71.8)	(1.9)

\*2 Include the securities defined by "Practical Guidelines for Financial Instruments Accounting" (amended July 4, 2007) and all securitized products directly held. Include the securitized products secured by future cash flows from certain underlying assets, collateralized debt obligations (CDOs) and their re-securitized products (Squared CDO)

\*1. Amounts less than 0.1 billion yen are rounded down.

\*2. In principle, figures are based on non-consolidated figures of group banks.



## IX. Capital adequacy ratio

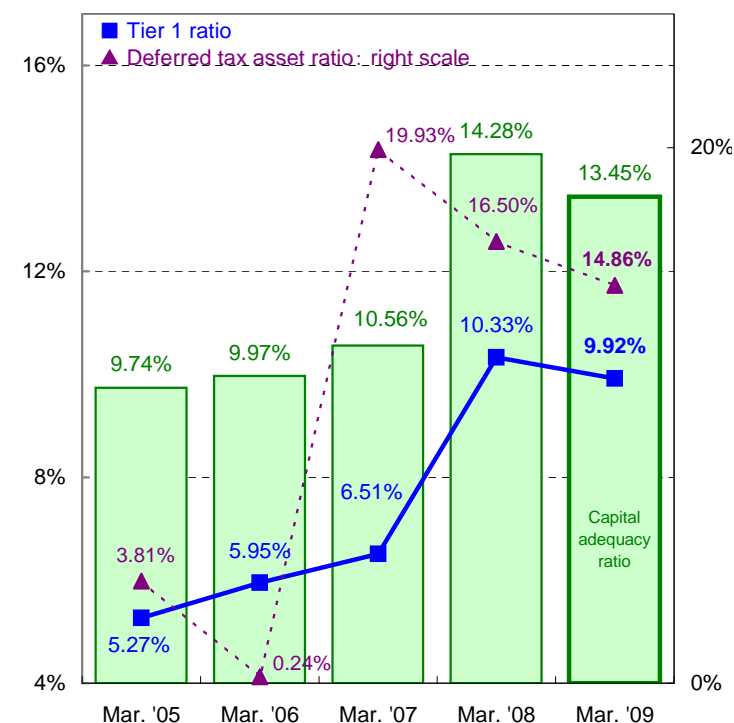
	Mar. '08 (A)	Sep. '08	Mar. '09 (B)	(preliminary) (B)-(A)
<b>RHD consolidated capital adequacy ratio (Japanese Domestic Standard)</b>	14.28%	14.84%	13.45%	(0.83%)
Tier I ratio	10.33%	10.92%	9.92%	(0.41%)
Deferred tax asset ratio *1	16.50%	14.62%	14.86%	(1.64%)
Total qualifying capital (RHD consolidated)	3,115.8	3,188.5	2,818.5	(297.2)
Tier I	2,253.3	2,346.7	2,078.8	(174.4)
Tier II	910.4	879.7	771.4	(139.0)
Deduction	47.8	37.9	31.6	(16.2)
Risk-weighted assets (RHD consolidated)	21,809.3	21,479.0	20,944.8	(864.4)
Total required capital (RHD consolidated)*2	1,744.7	1,718.3	1,675.5	(69.1)

## &lt;Reference&gt;

<b>RHD consolidated capital adequacy ratio (BIS International Standard) *3</b>	14.73%	15.14%	13.65%	(1.08%)
Tier I ratio	10.22%	10.81%	9.86%	(0.36%)

	Resona Bank Consolidated	Saitama Resona Non-consolidated	Kinki Osaka Consolidated	Resona Trust & Banking Non-consolidated
<b>Capital adequacy ratio (Japanese Domestic Standard)</b>	9.99%	10.54%	9.67%	46.23%
YoY Change	0.18%	0.44%	0.21%	4.45%
Tier I ratio	6.35%	6.11%	5.53%	46.23%
Total qualifying capital	1488.1	394.7	178.3	35.8
YoY Change	(63.9)	9.8	(5.3)	3.6
Tier I	947.3	228.8	102.0	35.8
Tier II	591.4	177.1	76.5	-
Deduction	50.5	11.3	0.2	-
Risk-weighted assets	14,895.4	3,741.3	1,843.1	77.5
YoY Change	(918.8)	(65.8)	(97.6)	0.5
Total required capital *2	1,191.6	299.3	73.7	3.1
YoY Change	(73.5)	(5.2)	(3.9)	0.0

[Reference] Trends in RHD consolidated capital adequacy ratio (Japanese domestic standard)



(Note 1): Deferred tax assets, net of deferred tax liabilities / Tier I capital  
 (Note 2): The Japanese Domestic Standard is applicable to Resona Holdings and its subsidiary banks for calculations of capital adequacy ratios. However, total required capital of Resona Holdings, Resona Bank and Saitama Resona Bank is calculated as "risk-weighted assets x 8%" since they adopted the F-IRB approach for capital adequacy ratio calculations. Total required capital of Kinki Osaka Bank and Resona Trust & Banking which adopted the Standardized Approach is calculated as "risk-weighted assets x 4%."

(Note 3): As of March 31, 2009, the reported figures are calculated based on "partial relaxation of capital adequacy requirement for banks, etc." under Article 2, Paragraph 2 of the FSA Notification No. 79 of 2008, which allows financial institutions not to reflect valuation loss on national government bonds and similar securities in their Tier I capital as well as the calculation of Tier II capital without reflecting valuation gain on such securities. The capital adequacy ratio and Tier I ratio calculated based on the former criteria without applying this special treatment would be 13.48% and 9.70%, respectively.

\*1. Amounts less than 0.1 billion yen are rounded down.

\*2. In principle, figures are based on non-consolidated figures of group banks.

## X. Earnings Forecasts for Fiscal Year Ending March 31, 2010

(Billions of yen)

	Resona Holdings (Consolidated)		
	Interim forecast	Full year forecasts	Change from the previous year
Consolidated ordinary income	430.0	<b>850.0</b>	(129.2)
Consolidated ordinary profit	50.0	<b>130.0</b>	15.6
<b>Net (interim) income</b>	30.0	<b>100.0</b>	(23.9)

	Resona Holdings (Non-consolidated)		
	Interim forecast	Full year forecasts	Change from the previous year
Operating income	20.0	<b>38.0</b>	(147.5)
Operating profit	15.0	<b>30.0</b>	(147.1)
Ordinary profit	15.0	<b>30.0</b>	(149.3)
<b>Net (interim) income</b>	20.0	<b>40.0</b>	(134.1)

\*1. For details of the status of dividend distribution, please refer to the *Tanshin* report.

Forecast of capital adequacy ratios	Approx. 13%
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Forecast for term-end per share dividend on common stock*1	10 yen
Forecast for term-end per share dividend on preferred stock *1	As pre-determined

	Total of three banks (approx. figure)				Resona Bank			Saitama Resona Bank			Kinki Osaka Bank		
	Interim forecast	Full year forecasts	Change from the previous year	Change from Revitalization Plan	Interim forecast	Full year forecasts	Change from the previous year*2	Interim forecast	Full year forecasts	Change from the previous year	Interim forecast	Full year forecasts	Change from the previous year
Gross operating profit	307.5	<b>617.0</b>	(58.3)	(73.0)	202.5	410.0	(52.0)	73.5	145.0	(8.0)	31.5	62.0	1.8
Operating expenses	181.5	<b>362.0</b>	(0.2)	(14.0)	120.5	241.0	(1.3)	38.5	77.0	2.2	22.5	44.0	(1.0)
Actual net operating profit	126.0	<b>255.0</b>	(57.7)	(59.0)	82.0	169.0	(50.3)	35.0	68.0	(10.2)	9.0	18.0	2.8
Ordinary profit	49.0	<b>126.0</b>	41.1	(123.0)	23.0	76.0	37.3	24.5	46.0	0.5	1.5	4.0	3.2
<b>Income before income taxes</b>	60.0	<b>161.0</b>	(58.2)	(96.0)	33.0	109.0	(62.2)	24.0	45.5	(0.6)	3.0	7.0	5.1
<b>Net (interim) income</b>	30.0	<b>100.0</b>	(20.7)	(61.0)	Resona Group started applying a consolidated taxation system.								

Gain/(loss) on stocks	-	-	37.6	(3.0)	-	-	33.9	-	-	4.6	-	-	(0.9)
Credit related expenses	65.0	<b>100.0</b>	(63.9)	27.0	50.0	73.0	(57.7)	9.5	18.5	(5.9)	5.0	8.5	(0.2)

\*2. Calculated based on the previous fiscal year's result including the former Resona Trust &amp; Banking.

	<Consolidated>	<Non-consolidated>	<Consolidated>
Forecast of capital adequacy ratios	mid-9% range	upper 9%	mid-9% range

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

\*1. Amounts less than 0.1 billion yen are rounded down.

\*2. In principle, figures are based on non-consolidated figures of group banks.