
Financial Results for First Half of FY 2008
Reference Materials for Press Conference



RESONA

November 14, 2008



Resona Holdings, Inc.

I. Financial Highlights for 1st Half of FY2008

Posted consolidated net income of Y86.3 bn. (Pages 1-2)

=> Net income decreased by Y33.8 bn. (-28.1%) yoy and by Y63.7 bn. (-42.4%) compared with forecast

- * Y104.4 bn. gain from the sale of Tokyo Head Office building
- Income tax increased yoy due to a reversal of DTA posted in the previous fiscal year
- Net impact of head office sale on net income was approx. Y62.0 bn.
- * Net credit cost increased by Y105.2 bn. yoy and by Y104.5 bn. compared with forecast for total of Group banks
- Income tax charge was less than forecasted due to a drop in profit.

Topline item remained almost unchanged yoy (Pages 1-4)

- => Consolidated gross operating profit: Y374.8 bn., declined by Y2.8 bn. (-0.7%) yoy
- 1) Income from loans and deposits decreased due to decrease in average loan balance, but maintained loan-to-deposit spread around the 1.9% level (as originally planned).
- 2) While Income from insurance product sale increased, income from investment trust sale and real estate brokerage fees decreased
- 3) Net gains on bonds increased by Y14.8 bn due to the absence of the loss posted in the same period of last fiscal year
- => Actual net operating profit (total of Group banks) declined by Y1.7 bn. (-1.0%) yoy and by Y1.8 bn. (-1.0%) compared with the forecast
- * Reduced operating expenses by Y11.0 bn. compared with the forecast to partially make up for a decline of Y12.7 bn. in top-line income

Sustained financial soundness (Pages 6-7)

- * Credit related expenses: Increase in write-offs and provisions of reserves relating to borrowers belonging to construction, real estate and financial services sectors
- => Preemptive provisions to eliminate future downside risks
- * Net unrealized gains on available-for-sale securities as of Sep. 30, 2008: +Y100.2 bn.
- * Expect to maintain upper 14% consolidated capital adequacy ratio^{*1} as of Sep. 30, 2008

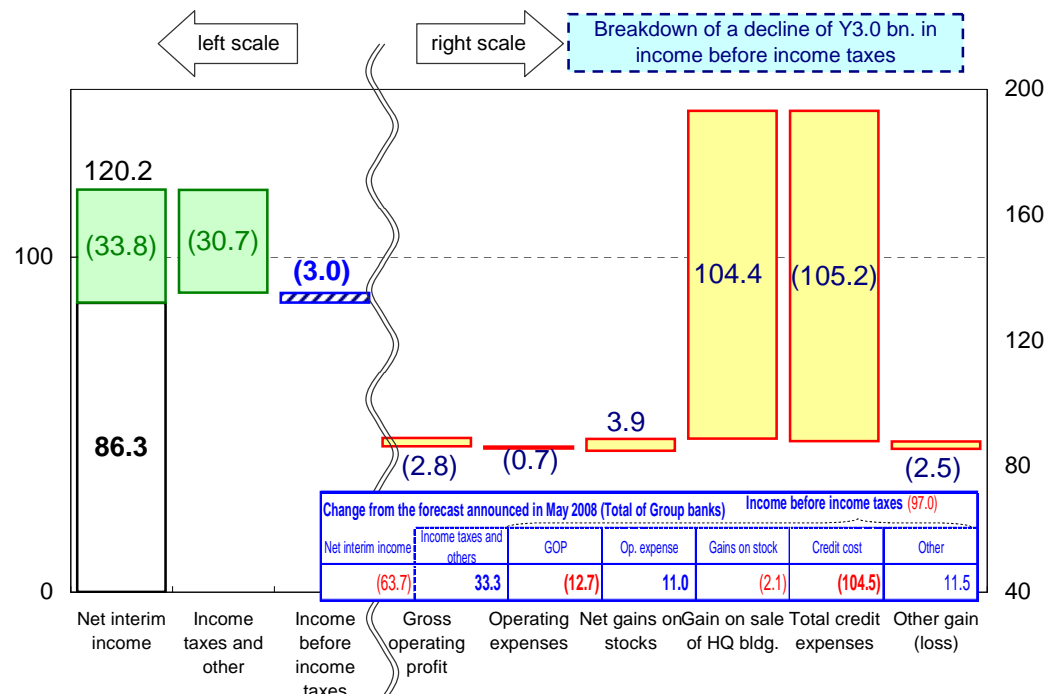
Continued efforts toward repayment of public funds (Page 5)

- * A portion of public-fund common shares was repaid ^{*2}=> Repaid Y14.4 bn.
- * Spent Y15.7 bn. to repurchase 141,820 common shares in the market^{*3}

*1: The capital adequacy ratio as of Sep.30, 2008 is currently being computed. RHD's consolidated CAR and Tier 1 ratio are estimated to upper 14% and upper 10%, respectively. RHD plans to announce the actual ratios on November 18, 2008.
 *2: The Dai-ichi Mutual Life acquired. (Total market value: Y50.0bn.)
 *3: Repurchases carried out between Sep. 9, 2008 and Nov. 13, 2008 based on the corporate resolution dated on Sep. 9, 2008.

(Billions of Yen)

Analysis on year-on-year change in consolidated net income



Resona Holdings (Consolidated)	1H of FY2008	YoY change	Resona Holdings (Non-consolidated)	1H of FY2008	YoY change
Consolidated gross operating profit	374.8	(2.8)	Operating income	52.3	(339.2)
Income before income taxes and minority interests	149.5	(3.0)	Income before income taxes	46.2	(338.7)
Net interim income	86.3	(33.8)	Net interim income	58.1	(330.8)

	Total of Group banks (non-consolidated)			Resona		Saitama Resona		Kinki Osaka		Resona Trust & Banking	
	1H of FY2008	YoY change	Change from May forecast	(Non-consolidated)	YoY change	YoY change	(Non-consolidated)	YoY change	YoY change		
Actual net operating profit*1	163.2	(1.7)	(1.8)	102.1	4.2	43.3	(1.2)	8.9	(3.6)	8.7	(1.1)
Cost-to-income ratio (after disposal of NPL in the trust account)	+52.2%	+0.3%		+52.8%	(1.0%)	+45.5%	+1.0%	+70.6%	+7.3%	+40.5%	+4.0%
Income before income taxes	140.5	(8.2)	(97.0)	106.2	14.0	24.3	(15.4)	1.2	(5.7)	8.7	(1.0)

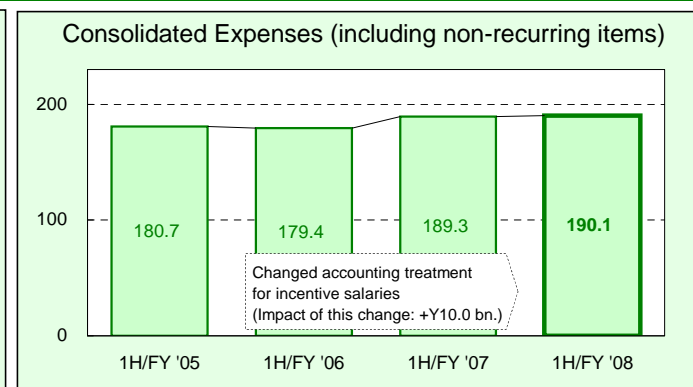
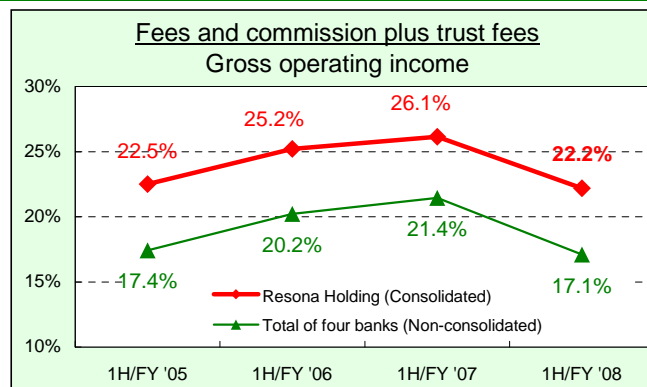
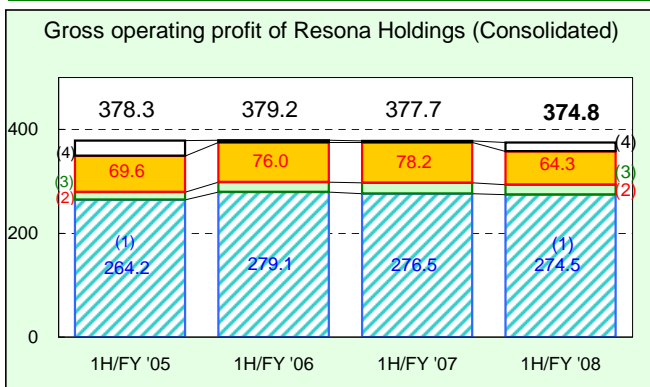
*1. Actual net operating profit: net operating profit before NPL disposal in the trust account and before transfer to general reserve for possible loan losses

*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 1H of FY2008

(Billions of yen)

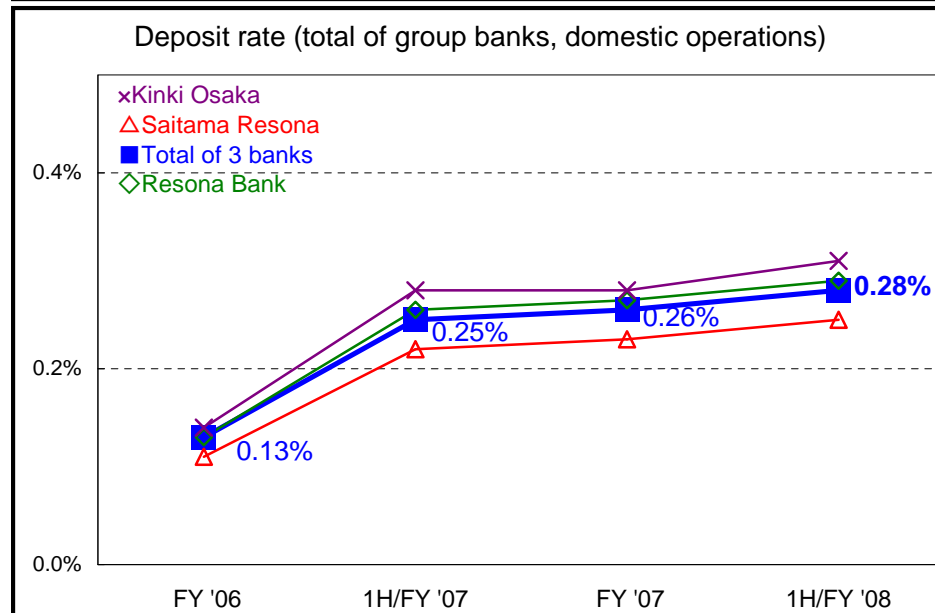
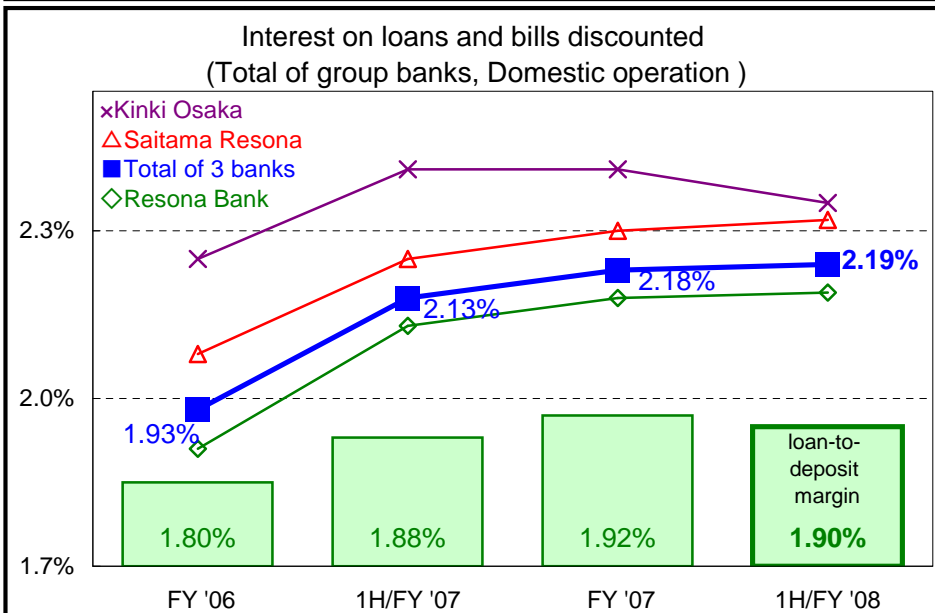
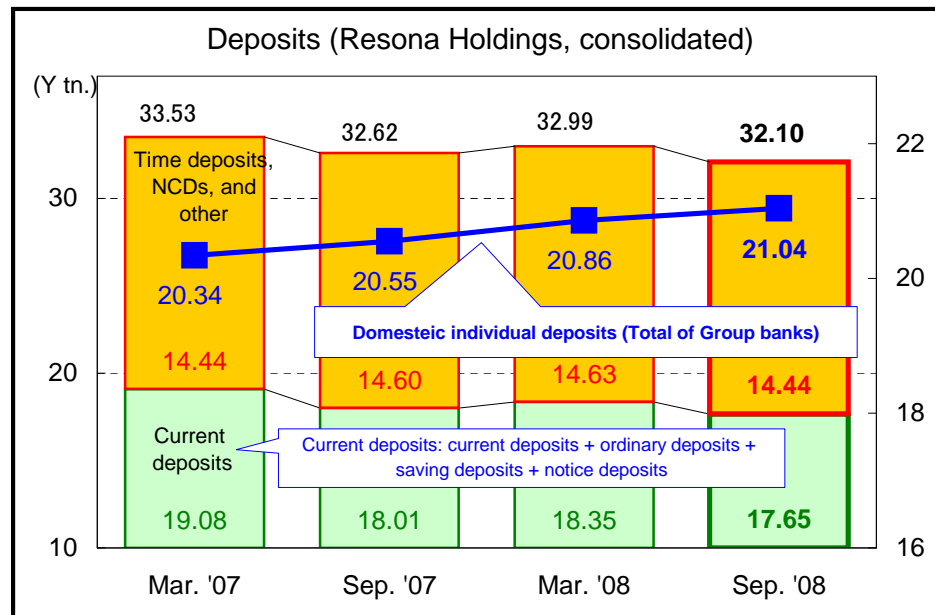
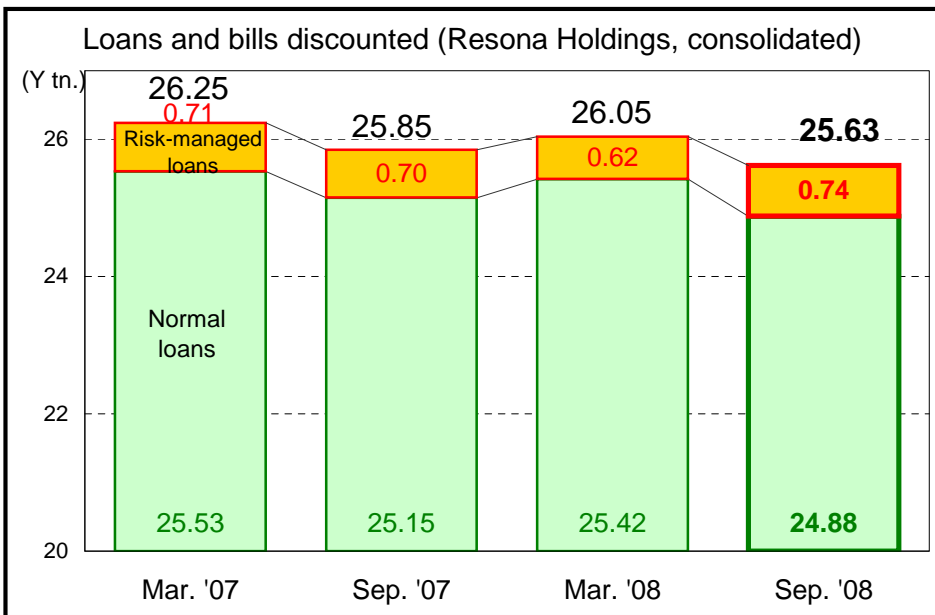
	Resona Holdings (Consolidated)		Difference (A)-(B)	Total of four banks (Non-consolidated)		Resona Non- consolidated	Saitama Resona	Kinki Osaka Non- consolidated	Resona Trust & Banking	Factors accounting for the difference (A) - (B) (Approx. figures) RC: Resona Card, RG: Resona Guarantee, RCP: Resona Capital
	(A)	YoY change		(B)	YoY change					
Gross operating profit	374.8	(2.8)	33.0	341.8	(0.8)	216.9	79.6	30.4	14.6	
(1) Net interest income	274.5	(2.0)	8.1	266.4	(0.4)	167.6	70.7	27.9	0.0	RC 3.9 bn and other
Income from loans and deposits				231.8	(2.8)	148.7	58.2	24.8	(0.0)	Domestic operations; banking account; Deposits include NCDs
(2) Trust fees	18.8	(1.6)	(0.0)	18.8	(1.6)	3.4	-	-	15.3	
(3) Fees and commission income	64.3	(13.8)	24.5	39.7	(13.2)	28.0	8.5	4.0	(0.7)	RG 13.6 bn., RC 8.1 bn and other
(4) Other operating income	17.1	14.7	0.3	16.8	14.4	17.9	0.3	(1.4)	-	
Net gain/(loss) on bonds	0.9	14.8	-	0.9	14.8	4.1	(1.3)	(1.8)	-	
Actual net operating profit				163.2	(1.7)	102.1	43.3	8.9	8.7	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)	190.1	0.7	14.7	175.3	0.8	110.1	37.1	22.1	5.9	RC 7.9 bn, RG 1.5 bn, goodwill amortization 3.6 bn and other
Net gain/(loss) on stocks	(5.0)	3.9	(2.7)	(2.3)	7.8	(2.9)	(0.0)	0.7	-	RCP -1.5 bn and other
Credit related expenses, net	133.4	105.2	6.9	126.5	112.6	104.9	18.2	3.2	-	RG 1.9 bn, RC 3.7 bn and other
Other gain/(loss), net	103.2	101.8	0.4	102.8	98.3	107.3	0.1	(4.6)	0.0	
Income before income taxes	149.5	(3.0)	9.0	140.5	(8.2)	106.2	24.3	1.2	8.7	
Income taxes and other	63.1	30.7	(6.1)	69.3	42.3	55.3	9.8	0.5	3.5	Minority interests in net income 1.6 bn, Income tax of RHD and other -7.8 bn
Net interim income	86.3	(33.8)	15.1	71.1	(50.5)	50.8	14.4	0.6	5.1	



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

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

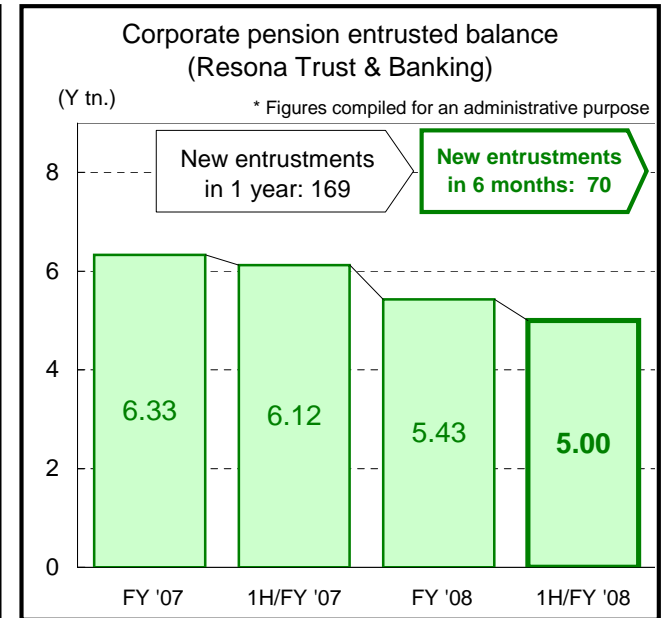
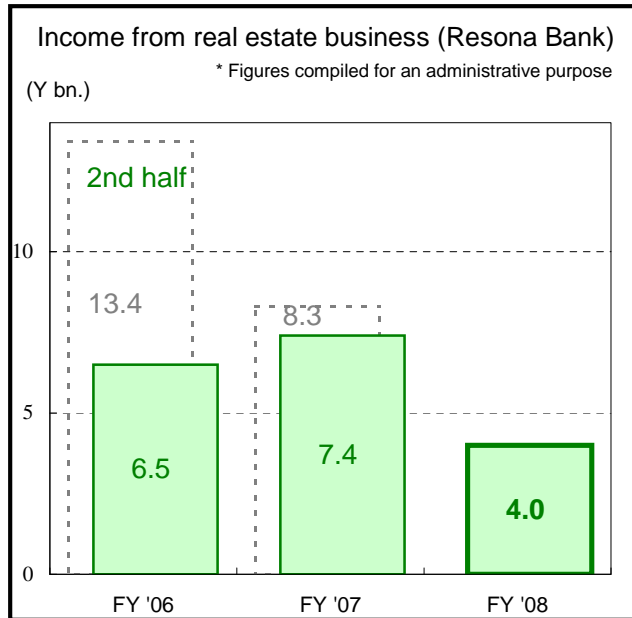
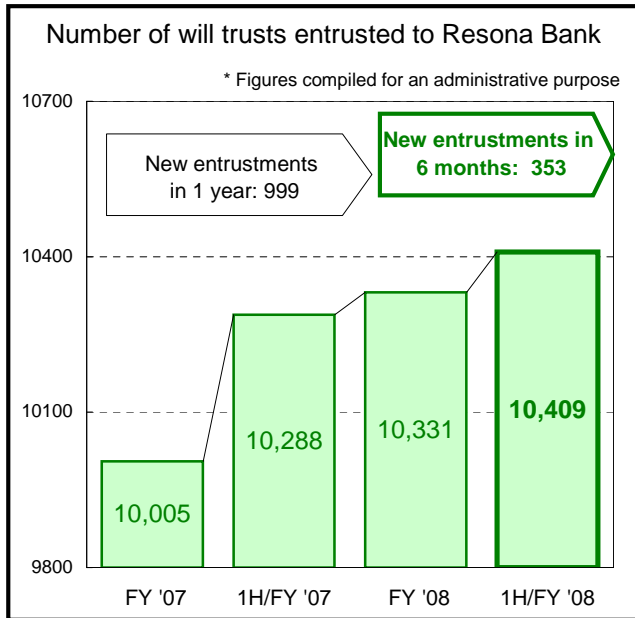
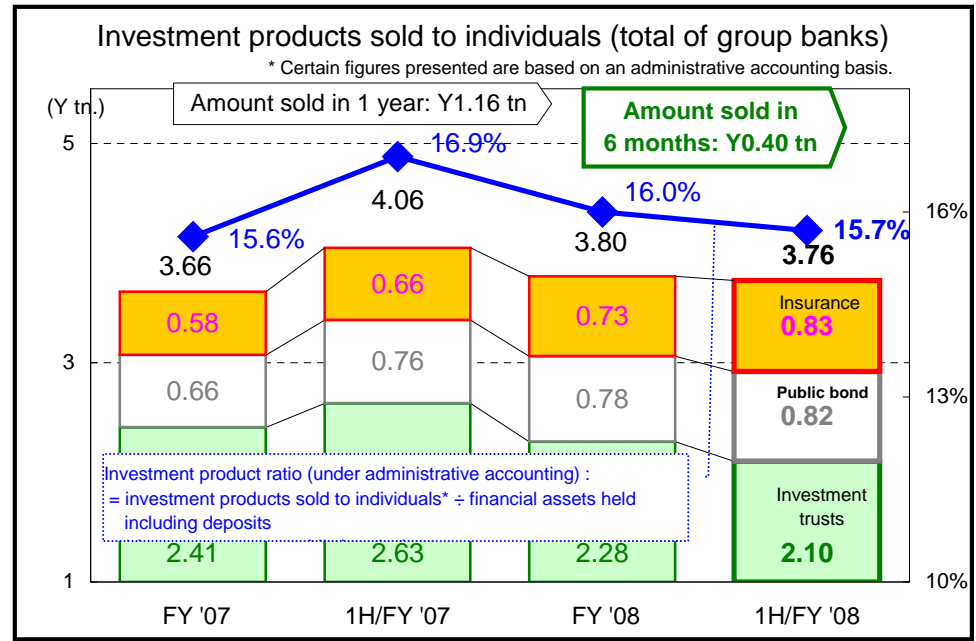
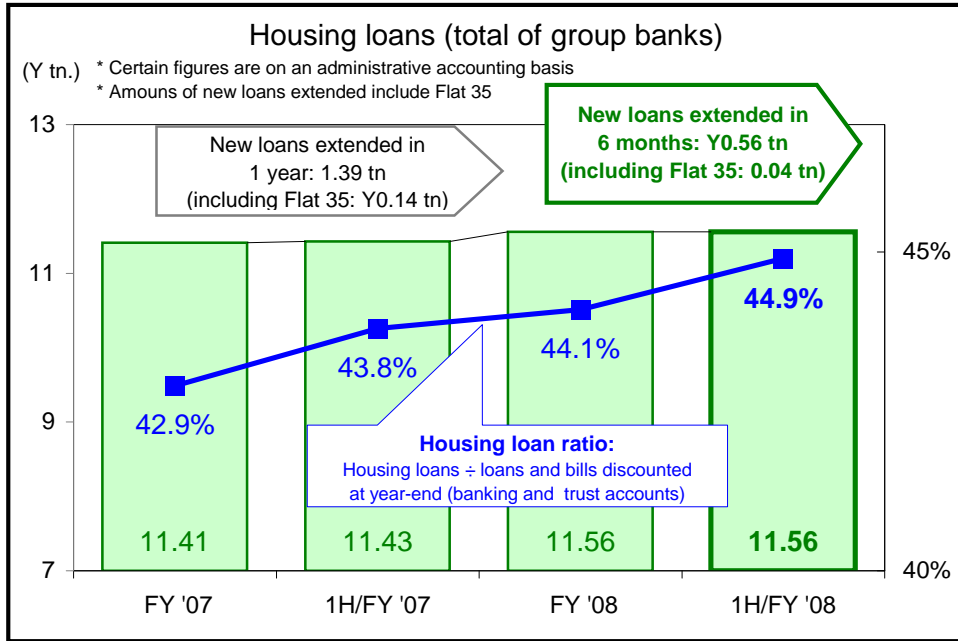
III. Deposits, Loans and Bills Discounted



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

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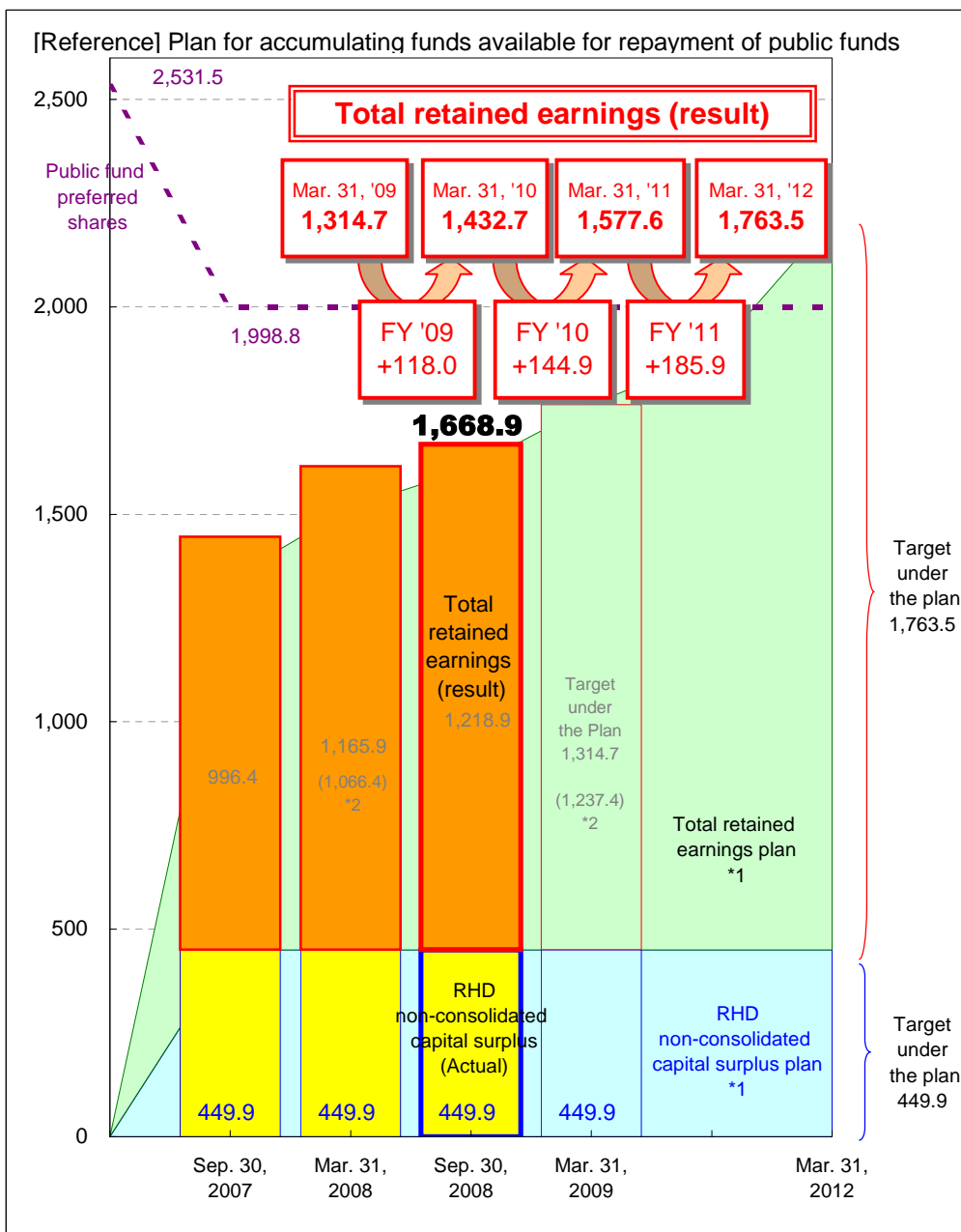
IV. Resona's Core Businesses



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

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

(Billions of Yen)



	Mandatory Conversion (First Call)	Amount Sep. 30, 2003 (1)	Amount Sep. 30, 2008 (2)	(2) - (1)
Total public funds received		3,128.0	2,323.1	(804.8)
Preferred stock		2,531.5	1,998.8	(532.7)
Early Strengthening Law		868.0	335.2	(532.7)
Class B	Apr. 2009	408.0	163.3	(244.6)
Class C	Apr. 2015	60.0	60.0	-
Class E	Dec. 2009	300.0	11.9	(288.0)
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	45.0	(255.0)
Financial Function		200.0	-	(200.0)
Stabilization Law		100.0	45.0	(55.0)
Early Strengthening Law	Mar. 2009	100.0	45.0	(55.0)
Common Stock	N/A	296.4	279.2	(17.1)

*1. Excluding earned surplus and capital reserve

*2. Business Revitalization Plan announced in November 2006

(Adjusted to reflect repayment in January 2007 and upward revision in April 2008)

*The actual amount of repayment may differ from the remaining balance of public fund preferred shares

<Reference>

Status of common share buybacks based on a resolution passed at the September 8, 2008

Board of Directors' meeting

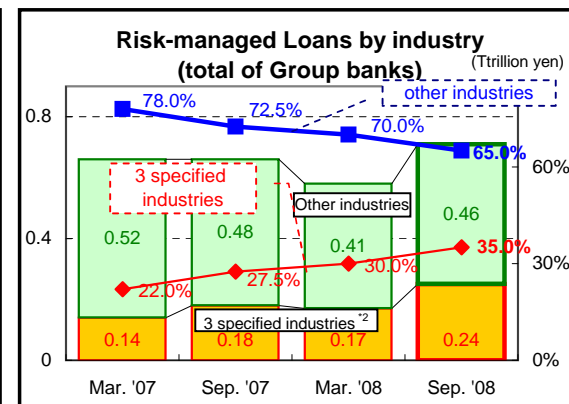
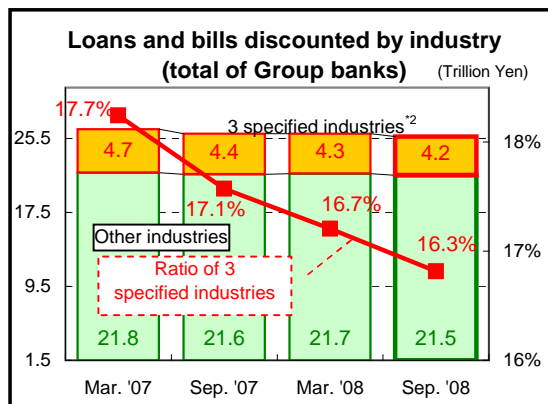
Period for the common share buybacks	Number of shares	Amount
From Sep. 9, 2008 to Mar. 31, 2009	660,000 shares (upper limit).	Y110.0 bn. (upper limit)
Actual: Sept. 9, 2008 – Nov. 13, 2008	141,820 shares	Y15.7bn. (Y 15,721,844,400)

Amounts less than 0.1 billion yen are rounded down.

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

VI. Classified Claims (NPL) and Credit Related Expenses

	Total of 3 banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
Unrecoverable or valueless claims	97.0	64.9	15.1	16.9
Risk claims	411.1	306.9	65.2	38.9
Special attention loans	211.5	164.5	25.4	21.5
Total classified claims (NPL)	719.6	536.4	105.7	77.4
Change from Mar. 31, '08	120.5	103.8	16.9	(0.2)
NPL ratio *1	2.68%	3.00%	1.69%	2.89%
Change from Mar. 31, '08	+0.49%	+0.63%	+0.27%	+0.06%



*1. NPL ratio = Total classified claims / Total claims defined under the Financial Reconstruction Law. (Banking and trust accounts) (Total of group banks)

*2. Specified 3 industries: real estate, construction and financial services

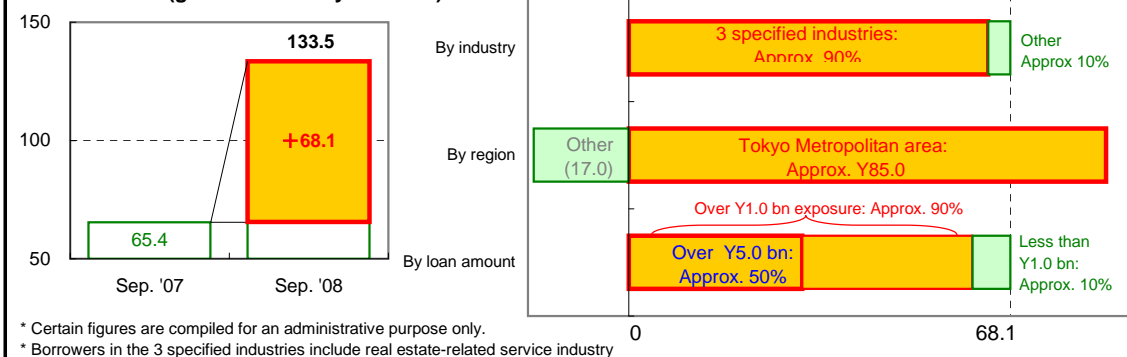
	Total of 3 banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
Disposal in the trust account	(0.1)	(0.1)	-	-
Net addition to general reserve	6.4	0.1	6.3	(0.0)
Net addition to specific reserve	57.7	52.4	5.8	(0.4)
Write-off of loans and others	75.5	63.3	6.6	5.5
Gain from recoveries of written-off claims	(13.1)	(10.7)	(0.6)	(1.8)
Total credit-related expenses	126.5	104.9	18.2	3.2
(a) New bankruptcy, downward migration	157.3	133.5	13.8	10.0
(b) Upward migration	(11.3)	(7.4)	(0.1)	(3.7)
(c) Off-balancing and other	(25.9)	(21.1)	(1.7)	(3.0)
(d) Provision of general reserve, etc.	6.4	0.1	6.3	(0.0)

(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 gain from recoveries of written-off claims

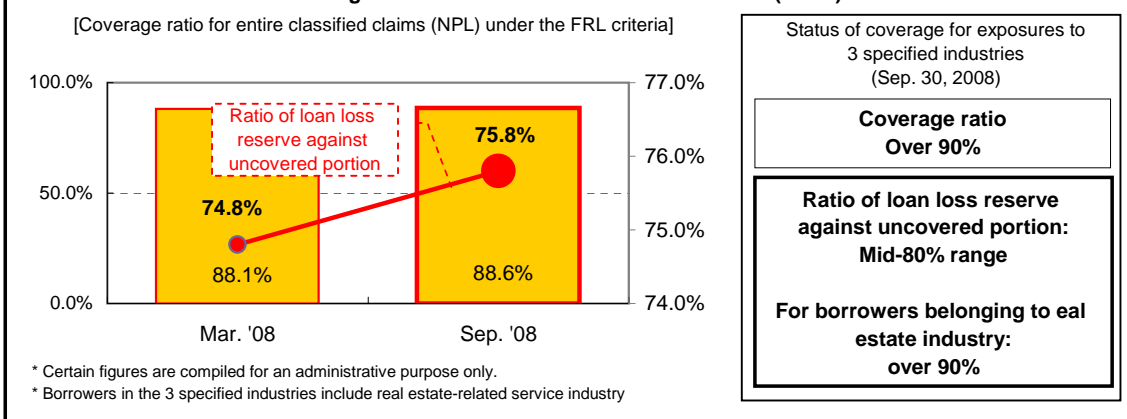
<Reference> Analysis on year-on-year increase in Resona Bank's credit expenses (gross cost newly incurred)



* Certain figures are compiled for an administrative purpose only.

* Borrowers in the 3 specified industries include real estate-related service industry

<Reference> Coverage and reserve ratios for classified claims (NPLs): Resona Bank



* Certain figures are compiled for an administrative purpose only.

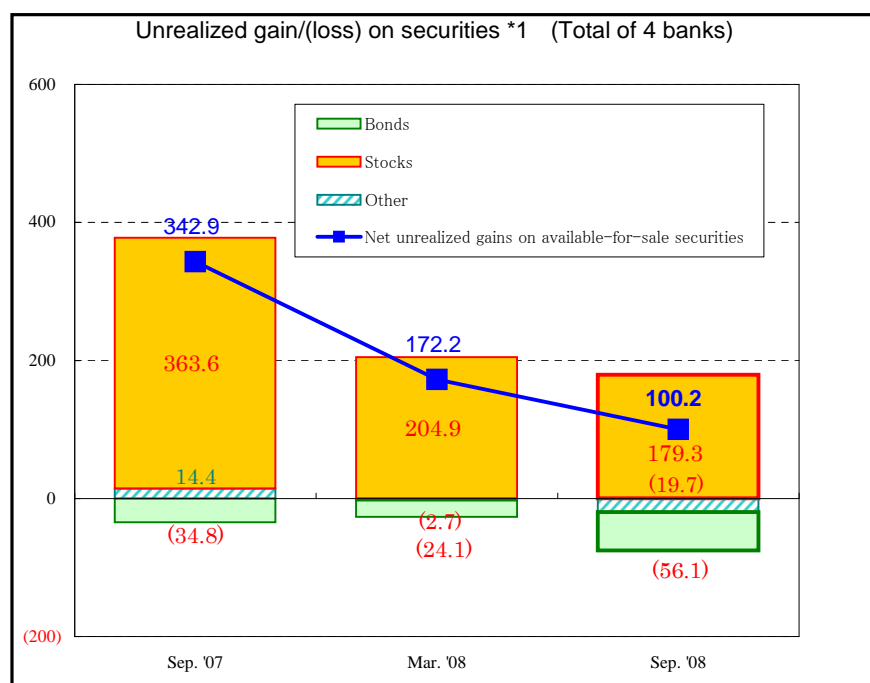
* Borrowers in the 3 specified industries include real estate-related service industry

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

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

VII. Unrealized gain/(loss) on securities

	Total of 4 banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank	Resona Trust & Banking
Held to maturity	3.1	0.1	2.9	-	-
Available for sale	100.2	74.4	29.5	(3.7)	0.0
Unrealized gain/(loss) *1	103.4	74.6	32.5	(3.7)	0.0
YoY Change	(74.6)	(62.0)	(7.0)	(5.5)	(0.0)
Bonds	(56.1)	(43.9)	(10.1)	(2.0)	0.0
Stocks	179.3	126.8	49.3	3.1	-
Other	(19.7)	(8.2)	(6.6)	(4.8)	-



*1. In addition to "securities," the reported figures include negotiable certificates of deposit from "Cash and due from banks" and commercial paper and trust beneficiary rights from "Monetary claims bought"

With respect to the unrealized gains/(losses) on securities, Resona Group will give considerations whether to adopt new methods for measuring fair values of securities in accordance with the ASBJ Practical Issue Task Force No. 25, "Practical Solution on Measurement of Fair Value for Financial Assets". The unrealized gains/(losses) on securities reported herein are not based on such practical solutions.

VIII. Securitized Products

	As of Sept. 30	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 *For more details, please refer to notes on page 13 of the Financial Results Report for the First Half of Fiscal Year 2008 (Reference
Securitized products organized in Japan	285.2	(1.7)
Backed by assets in Japan	285.2	(1.7)
Housing loans	235.6	(1.3)
Commercial real estate	18.5	(0.3)
Other	31.1	(0.1)
Backed by assets	-	-
Total *2	285.2	(1.7)
Change from Mar. 31, '08	(38.6)	(0.4)

*2 Include the securities defined "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)

IX. Earnings Forecasts for Fiscal Year Ending March 31, 2009

	Resona Holdings (Consolidated)			
	1H FY 2008	Full year forecasts	Change from initial forecasts	Change from the previous year
Consolidated ordinary income	514.5	1,000.0	(50.0)	(114.4)
Consolidated ordinary profit	37.0	150.0	(120.0)	(83.7)
Net (interim) income	86.3	160.0	(90.0)	(142.8)

Forecast of capital adequacy ratios will be announced on November 18, 2008.

	Resona Holdings (Non-consolidated)			
	1H FY 2008	Full year forecasts	Change from initial forecasts	Change from the previous year
Operating income	52.3	180.0	-	(420.4)
Operating profit	48.1	170.0	-	(419.9)
Ordinary profit	49.5	170.0	-	(420.2)
Net (interim) income	58.1	190.0	-	(434.6)

Forecast for term-end per share dividend on common stock*1	1000 yen
Forecast for term-end per share dividend on preferred stock *1	As pre-determined

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

	Total of four banks (approx. figure)			Resona Bank		Saitama Resona Bank		Kinki Osaka Bank		Resona Trust & Banking	
	Full year forecasts	Change from initial forecasts	Change from the previous year	Full year forecasts	Change from the previous year	Full year forecasts	Change from the previous year	Full year forecasts	Change from the previous year	Full year forecasts	Change from the previous year
Gross operating profit	684.0	(37.0)	(16.0)	430.0	(14.3)	159.0	1.0	65.5	(1.1)	29.5	(1.5)
Operating expenses	369.0	(14.0)	6.9	233.0	(0.3)	76.5	3.8	47.0	2.9	13.0	1.2
Actual net operating profit	315.0	(23.0)	(22.8)	197.0	(13.8)	82.5	(2.7)	18.5	(4.0)	16.5	(2.6)
Ordinary profit	146.0	(116.0)	(66.5)	70.0	(50.7)	56.0	(10.8)	3.5	(2.5)	16.5	(2.4)
Income before income taxes	273.0	(111.0)	(29.1)	196.0	(8.6)	56.0	(13.0)	4.0	(5.4)	16.5	(2.4)
Net income	159.0	(74.0)	(101.1)								

Resona Group started applying a consolidated taxation system from FY2005.

Gain/(loss) on stocks	4.0	4.0	49.8	3.0	47.6	-	0.3	1.0	1.8	-	-
Credit related expenses	152.0	92.0	113.3	120.0	98.8	23.0	11.1	9.0	3.5	-	-

Forecast of capital adequacy ratios will be announced on November 18, 2008.

The forward-looking statements contained in this document 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 and refer other disclosure materials.