

Business Results for 1-3Q of FY2011 and Future Management Direction
- Aiming at Establishing a True Retail Bank Group -



RESONA

March 2012



Resona Holdings, Inc.

CONTENTS

Resona Group at a Glance

Updates on Major Businesses

Efforts to Build Solid Foundation for Sustainable Growth

Direction of Future Capital Policies

<Reference Material>

1. In some pages of this material, names of Resona Group companies are shown in the following abbreviated forms:
RHD: Resona Holdings, RB: Resona Bank, SR: Saitama Resona Bank, KO: Kinki Osaka Bank,
Total of Group Banks: Sum of non-consolidated figures for the three banks
2. Negative figures represent items that would reduce net income

Resona Group at a Glance

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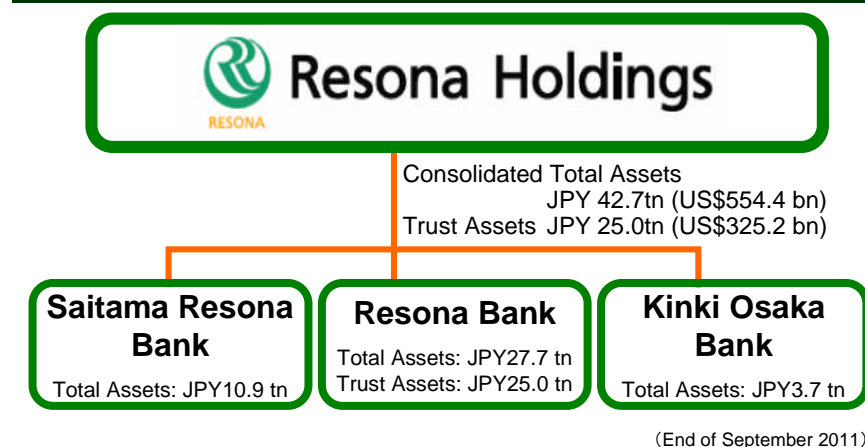
Direction of Future Capital Policies

<Reference Material>

Resona Group at a Glance

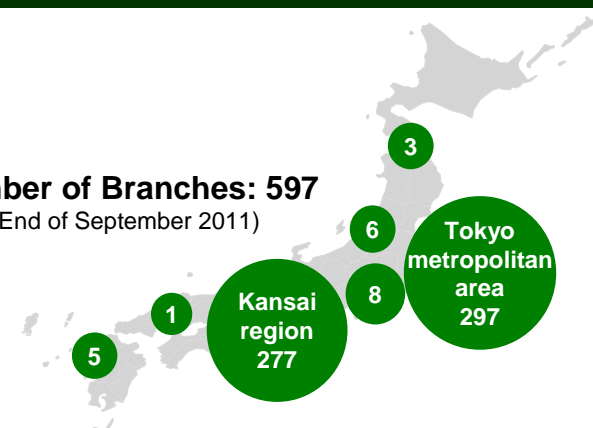
- Focus management resources on retail banking business
- Solid base in Tokyo and Kansai metropolitan areas where economic activities/population are concentrated
- Strong branch network of manned offices comparable to megabank groups

Corporate Structure

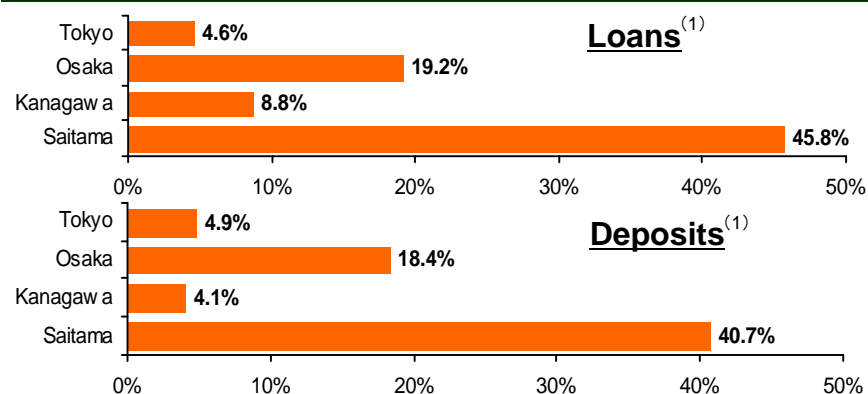


Franchise Value

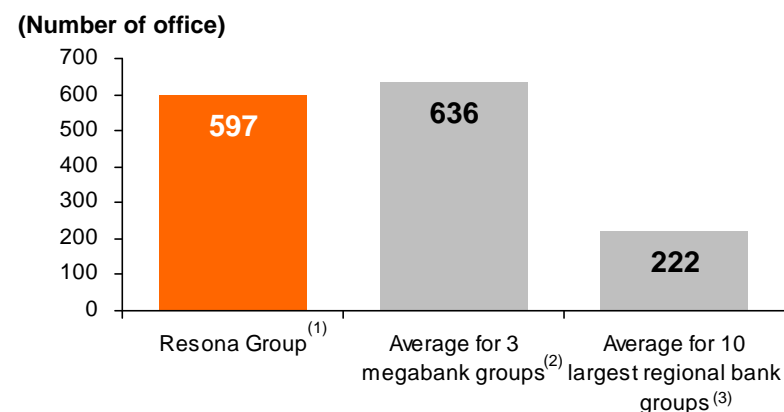
Number of Branches: 597
(End of September 2011)



Market Share



Number of Manned Branch Office



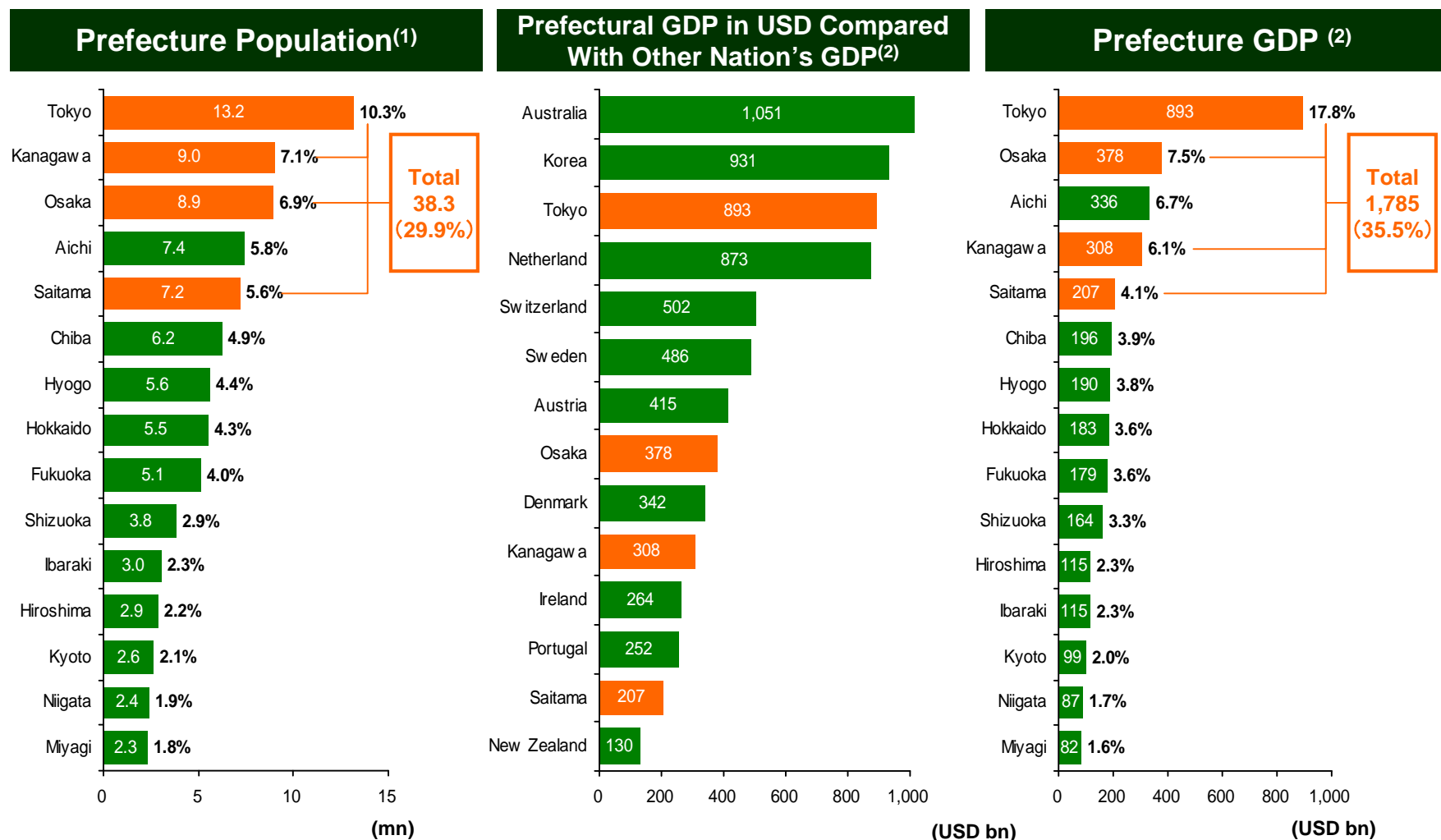
(1) As of end of September 2011, total of group banks (RB, SR, KO)

(2) Source: Reference Materials for FY2010, BTMU + MUTB, Mizuho BK + Mizuho CBK + Mizuho TBK, SMBC

(3) Source: Reference Materials for FY2010, 10 largest regional bank groups in terms of consolidated assets (Fukuoka FG, Yokohama, Hokuoku FG, Chiba, Shizuoka, Yamaguchi FG, Jojo, Nishinippon City, Sapporo Hokuyo HD, Kyoto)

Resona Group's Franchise

- Prefectures where Resona's franchise is concentrated are comparable to some nations in terms of GDP
- Resona's franchise covers approximately 30% of Japan in terms of population and GDP



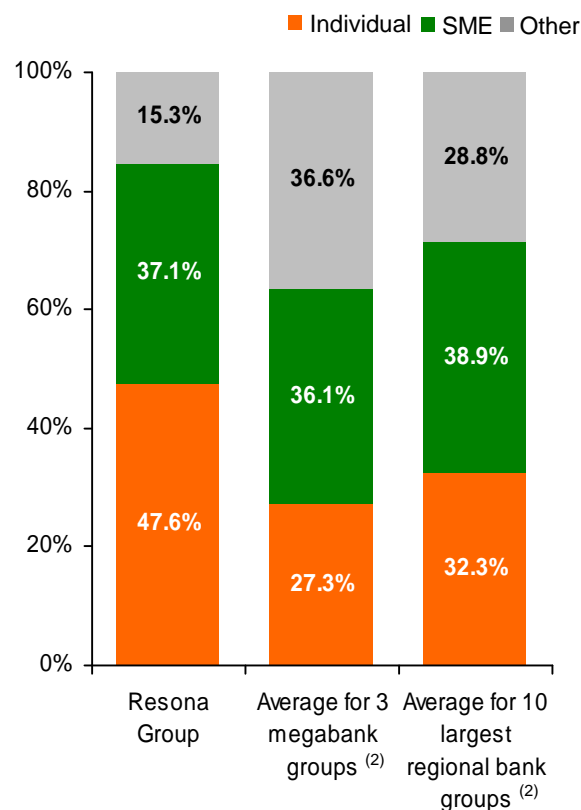
(1) Source: Ministry of Internal Affairs and Communications, Population estimates (As of October 1st, 2010)

(2) Source: Cabinet Office, Government of Japan, Gross Prefecture Product FY2008 "Global comparison of gross prefecture product in dollar"

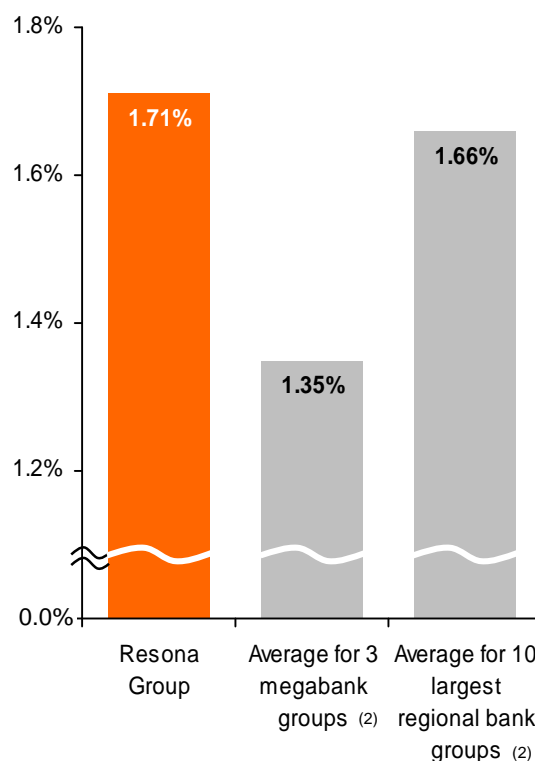
Resona Group's Strengths

- Loans to SMEs and individuals account for over 80% of total loans. Interest margin higher relative to peers
- Expense ratio lower than industry average owing to efficient management through operational reform

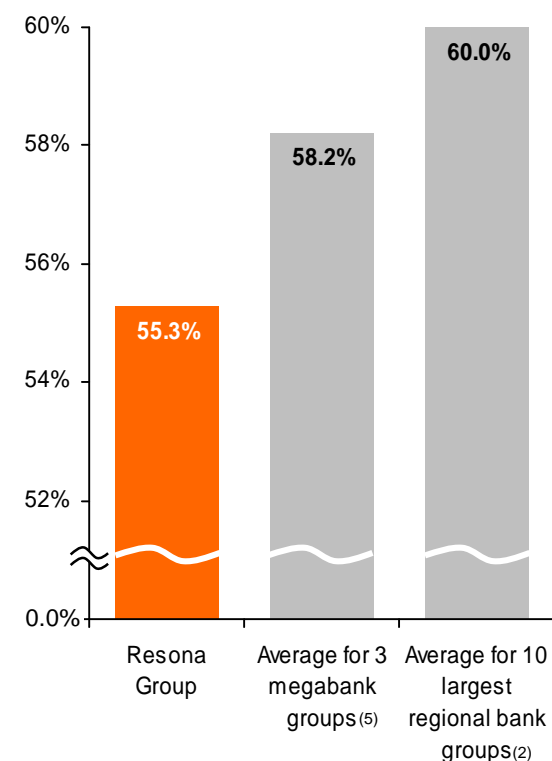
Loan Portfolio Composition⁽¹⁾



Average Loan & Deposit Margin⁽³⁾



Cost to Income Ratio⁽³⁾⁽⁴⁾



(1) As of end of March 2011, total of group banks

(2) Megabank groups: BTMU+ MUTB, Mizuho BK+ Mizuho CBK +Mizuho Trust, SMBC

10 largest regional bank groups: 10 largest regional bank groups in terms of consolidated total assets (Fukuoka FG, Yokohama, Hokuohoku FG, Chiba, Shizuoka, Yamaguchi FG, Joyo, Nishinippon City, Sapporo Hokuyo HD, Kyoto)

(3) As of FY2010

(4) Consolidated cost to income ratio = operating expenses / gross operating profit

(5) MUFG, SMFG, Mizuho FG

Sound Balance Sheet

Sound assets backed by very stable deposit funding

[Sound loan portfolio]

- Well-diversified loan portfolio
 - Housing loan ratio at 46.7%
 - SME portfolio well-diversified into 90 thousands clients
- Net NPL ratio standing at 0.44%

[Conservative securities portfolio]

- Mostly comprised of JGBs
 - JGBs duration as of Sep. 30, 2011 : 2.1 years (JGBs in Available-for-sale securities)
- Limited downside risk relating to equity exposure
 - Stockholdings /Total assets : approx. 0.82%
 - Breakeven Nikkei Avg:Y7,100 level
- No exposure to the U.S. sub-prime-related assets

RHD's consolidated balance sheet
(As of Sep. 30, 2011)

Loans and bills discounted Y25.5 trillion	Deposits Y33.5 trillion
Of which, Housing Loans Y12.0 trillion (Group banks total)	
Securities Y11.0trillion	Other liabilities Y7.5 trillion
Other assets Y6.1 trillion	Total equity Y1.6 trillion

[Stable funding structure]

- Strong retail deposit base
 - 13 million retail deposit accounts
 - Accounts for approx. 70% of total deposit funding
- Funding cost kept at a low level
 - Avg. cost of deposits: 0.09%
 - Low-cost liquidity deposits account for approx. 60% of total deposit funding
- Very limited dependence on inter-bank funding or securitization
- Ratio of loans and bills discounted to total deposits: approx. 80%

[Well capitalized on a regulatory basis]

- Capital adequacy ratio: 12.47%
- Tier 1 ratio: 8.67%
- Ratio of Net DTA to Tier 1: 10.71%

Total Accounting Assets:
(TAA)

Y42.7 trillion
(100%)

Risk-weighted Assets:
(RWA)

Y17.7 trillion
(F-IRB under Basel II)

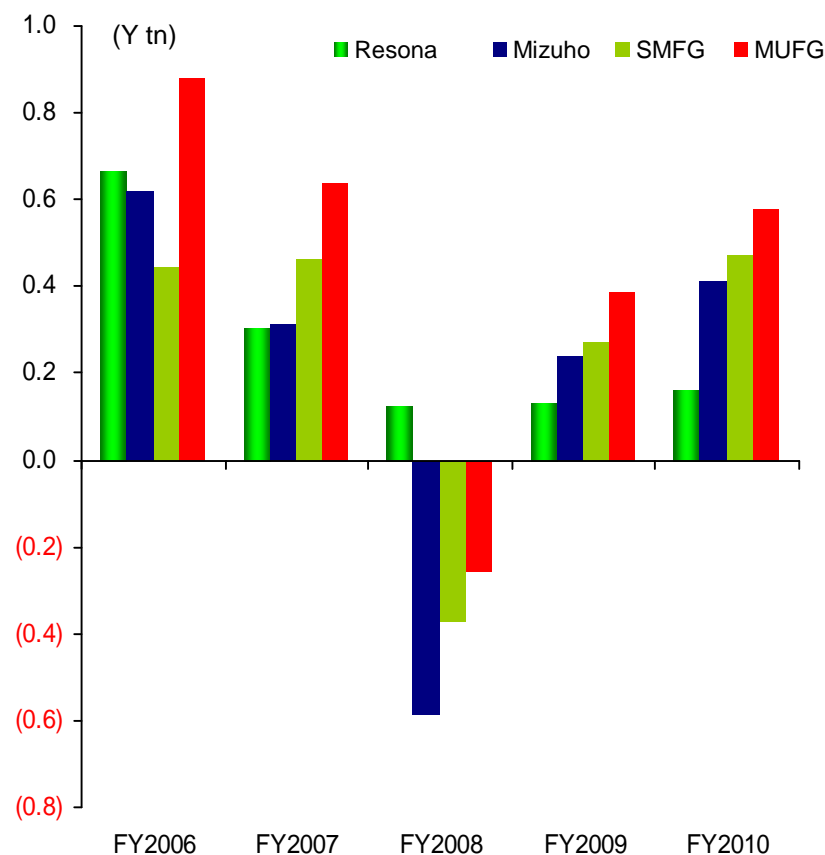
RWA/TAA Multiple:

x 0.41 times

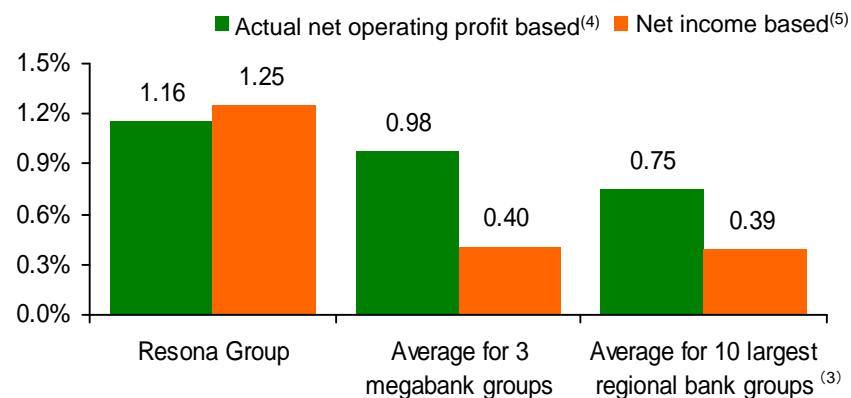
Stable Profitability

- Resona has consistently generated stable profits (positive net profit even through the Lehman crisis)
- This has been helped by minimized stockholdings and no investments in sub-prime related assets

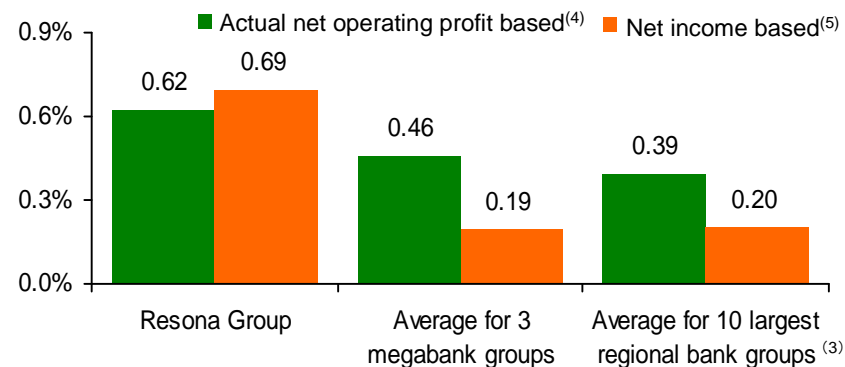
Historical Consolidated Net Income



RORA (Average for the Last 5 years)⁽¹⁾



ROA (Average for the Last 5 years)⁽²⁾



- (1) RORA (Return on Risk-weighted Assets)=(actual net operating profit or net income) / risk weighted-assets at period end, simple average of each year, risk-weighted assets for the megabank groups are calculated based on A-IRB method from the year ended March 2009 onwards, consolidated basis
- (2) ROA=(actual net operating profit or net income) / total assets at period end, simple average of each year, consolidated basis
- (3) Top 10 regional bank groups in terms of consolidated total assets (Yokohama, Fukuoka FG, Chiba, Hokuhoku FG, Shizuoka, Yamaguchi FG, Jyo, Sapporo Hokuyo HD, Nishinippon City, Kyoto)
- (4) Based on net operating profits less credit costs and net gains/(losses) on stocks (figures for some banks are based on aggregated figures of group banks due to disclosure limitation; i.e. not consolidated figures)
- (5) Based on net income (figures for some banks are based on aggregated figures of group banks due to disclosure limitation; i.e. not consolidated figures)

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Efforts to Build Solid Foundation for Sustainable Growth

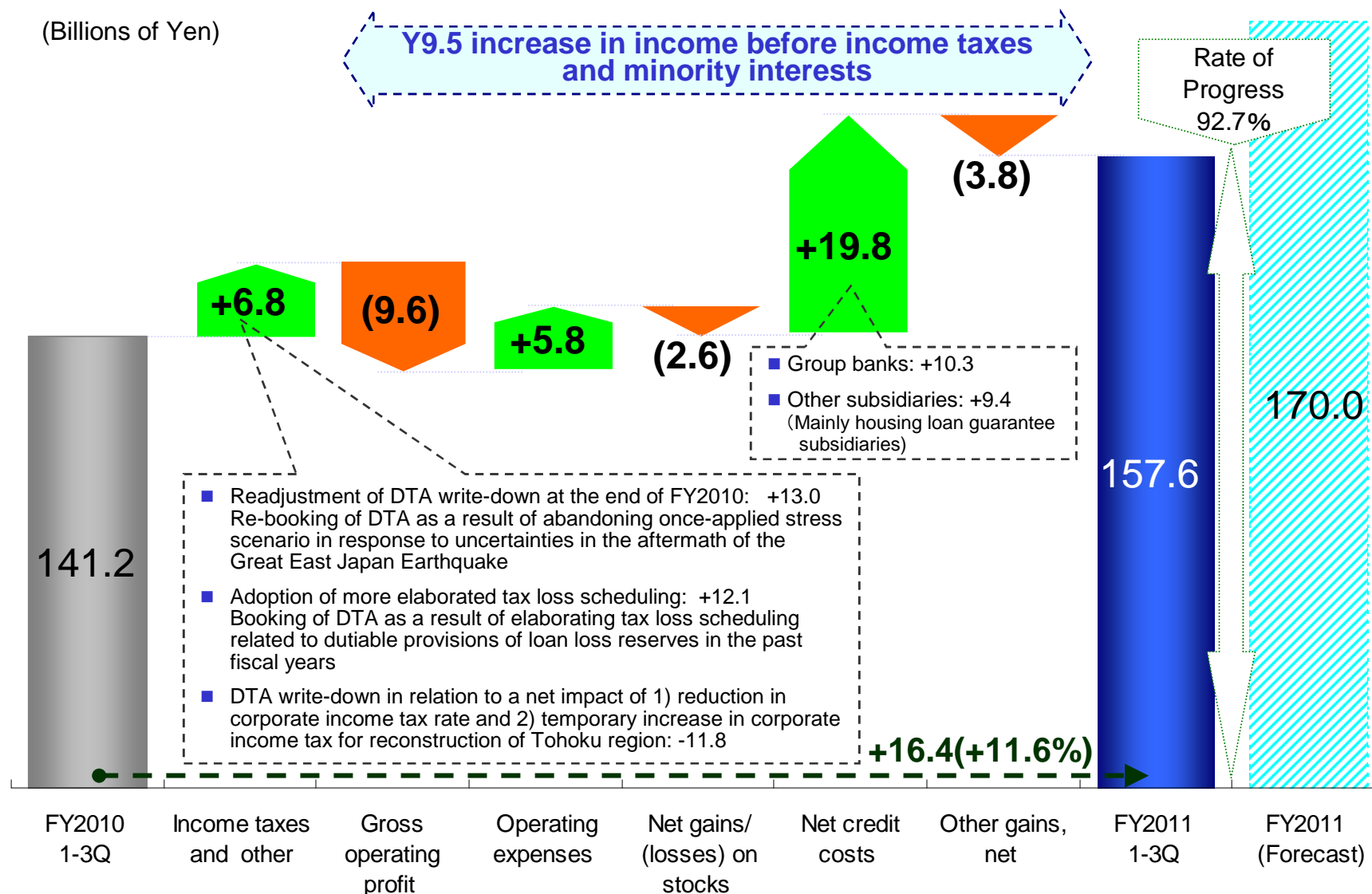
Direction of Future Capital Policies

<Reference Material>

Consolidated Net Income for 1-3Q FY2011 Compared with 1-3Q FY2010

Y16.4 bn increase in consolidated income before income taxes and minority interests

(Billions of Yen)



Operating Results for the 1-3Q FY2011 (9 Months from April to December 2011)

(Total of Group Banks, Non-consolidated Basis)

Financial Results	1-3Q FY2011	1-3Q FY2010	Change	Rate of Progress ⁴	Comments
Gross Operating Profit	446.1 bn	451.6 bn	(1.2) %	73.1 %	■ Gross operating profit decreased by 1.2% YoY.
Net interest income	342.0 bn	352.2 bn	(2.8) %	—	■ Net interest income decreased primarily due to a decline in loan-to-deposit spread.
Interest Income from loans and deposits ¹	305.8 bn	318.5 bn	(3.9) %	—	■ As for fee income, income from Investment trust sale declined by Y1.7bn YoY, while income from sale of insurance products (+Y0.9bn YoY) and real estate business(+Y1.1bn YoY) were in good shape.
Fees and Commission Income ²	68.6 bn	67.6 bn	+1.5 %	—	■ Net gains on bonds (including futures) were Y12.7bn, declined by Y8.6bn YoY.
Other Operating Income	35.3 bn	31.7 bn	+11.3 %	—	■ Operating expenses for 1-3Q declined by Y4.5bn YoY and Y3.0bn lower than the plan.
Operating Expenses	(251.7) bn	(256.3) bn	+1.7 %	73.5 %	
Actual Net Operating Profit ³	194.3 bn	195.3 bn	(0.5)%	72.5 %	■ Y6.1bn of net losses on stocks were posted primarily due to losses from investments in ETFs.
Net Gains/(Losses) on Stocks	(6.1) bn	(3.5) bn	(74.8)%	—	■ Net credit expenses were significantly lower than the plan owing to a continued gain from reversal of general reserve driven by a decline in expected loan loss ratio
Credit Expenses, Net	0.5 bn	(9.8) bn	—	—	■ DTA write-down of Y11.8bn was posted in relation to the tax reform to be implemented
Income before income taxes	189.2 bn	183.5 bn	+3.0 %	89.2 %	■ Registered a net income of Y147.8bn with a progress rate to the full-year forecast at 91.2%.
Net Income	147.8 bn	130.3 bn	+13.4 %	91.2 %	
Asset Quality	Dec. 2011	Dec. 2010	Comments		
NPL Ratio	2.57 %	2.62 %	■ NPL ratio kept around 2.5%. .		
Net Unrealized Gains on Available-for-sale Securities	68.1 bn	107.2 bn	■ Net unrealized gains on available-for-sale securities : Y68.1 bn		

1. Domestic operations (Deposits include NCDs.)

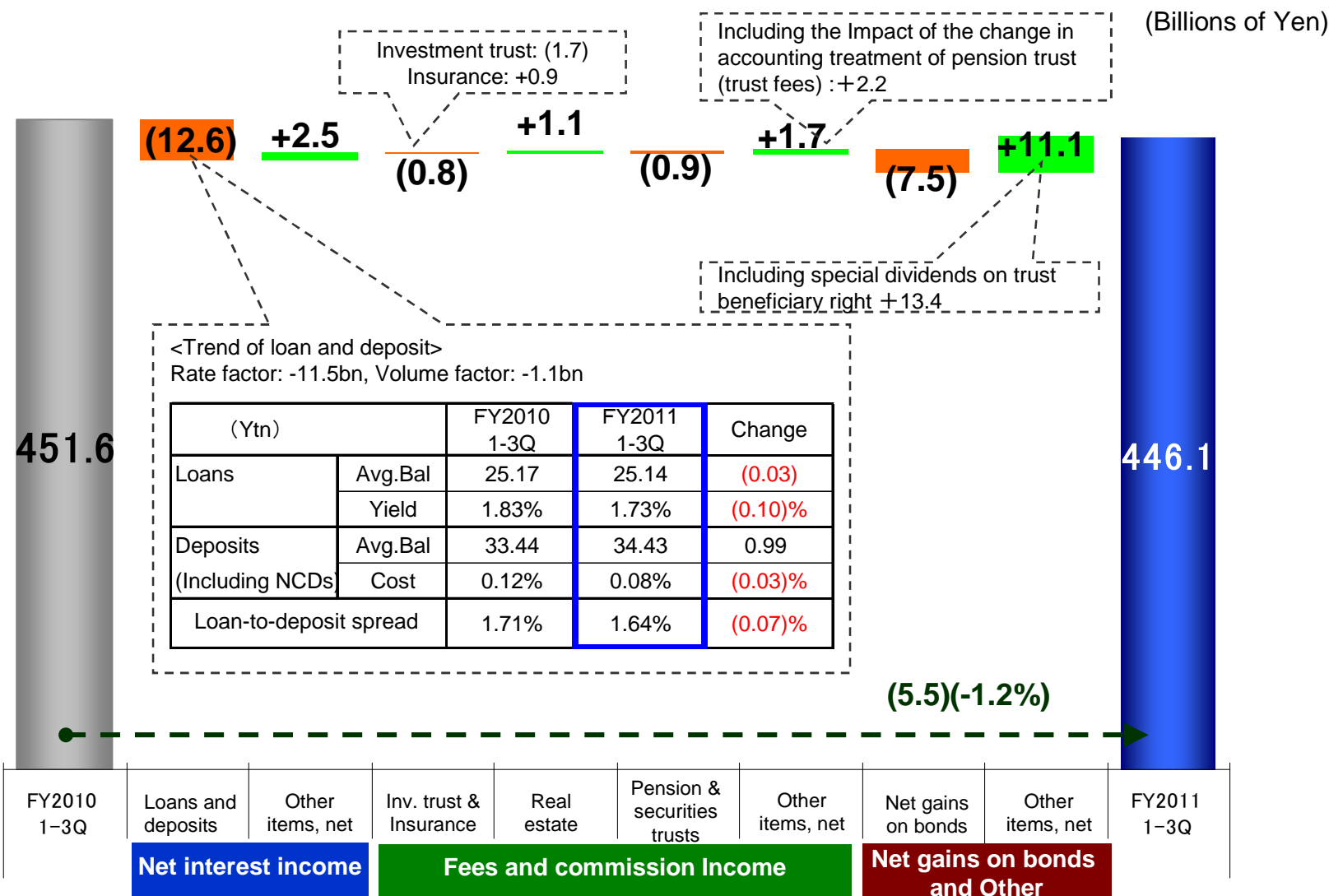
2. Fees and commission income plus trust fees

3. Net operating profit before transfer to general reserve for possible loan losses and expenses related to NPL disposal in the trust account

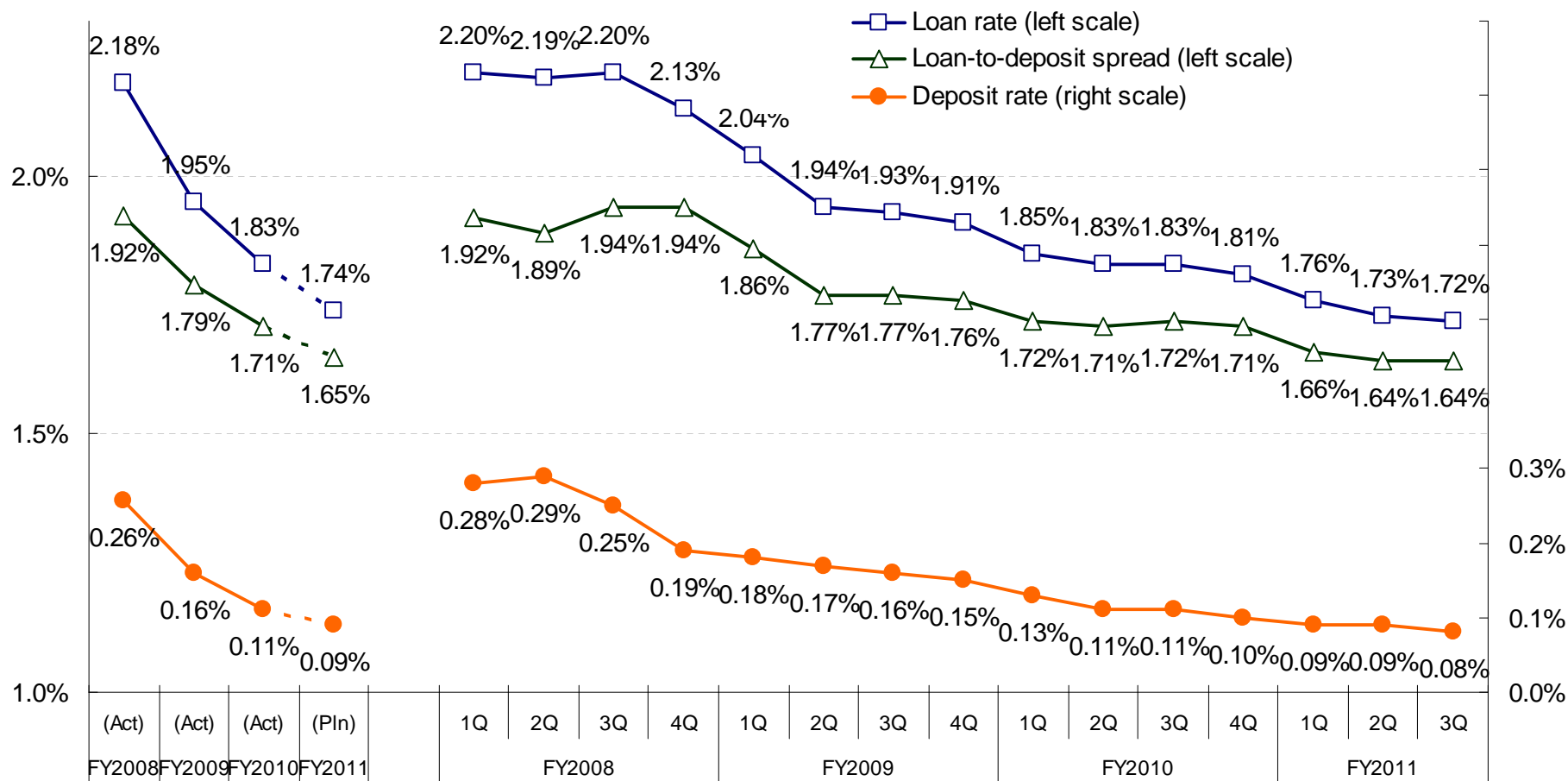
4. Progress rate against the full year forecasts announced in November 2011.

Gross Operating Profits for 1-3Q FY2011 Compared with 1-3Q FY2010 (Total of Group Banks)

Top-line income decreased by Y5.5 bn mainly due to decline in net interest income



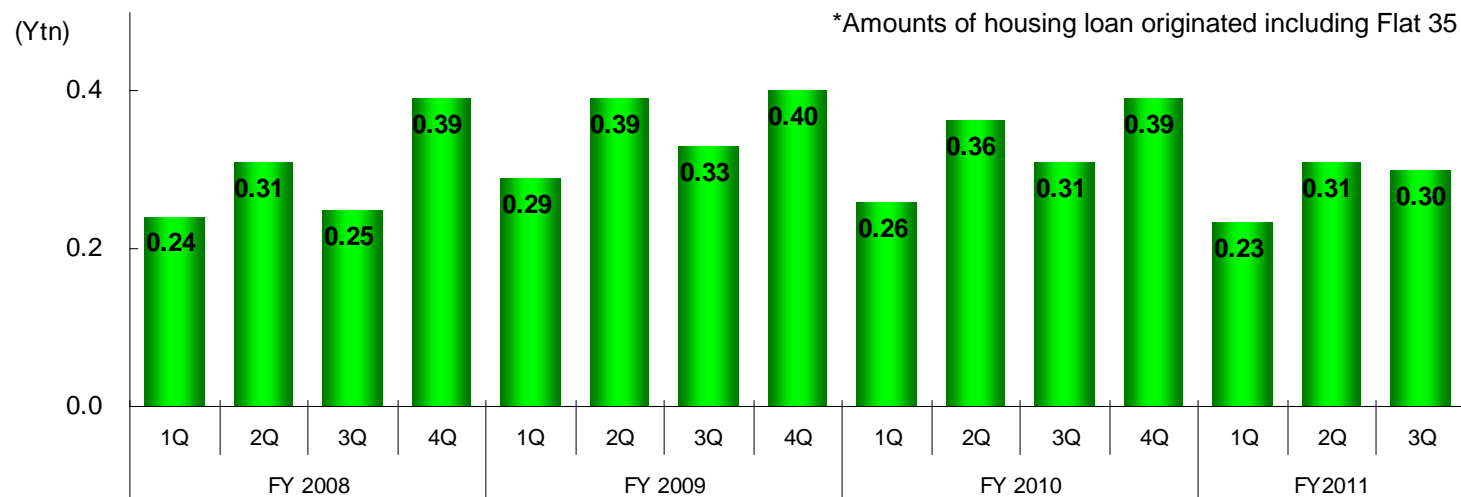
Trend of Loan/Deposit Rates and Spread (Total of Group Banks)



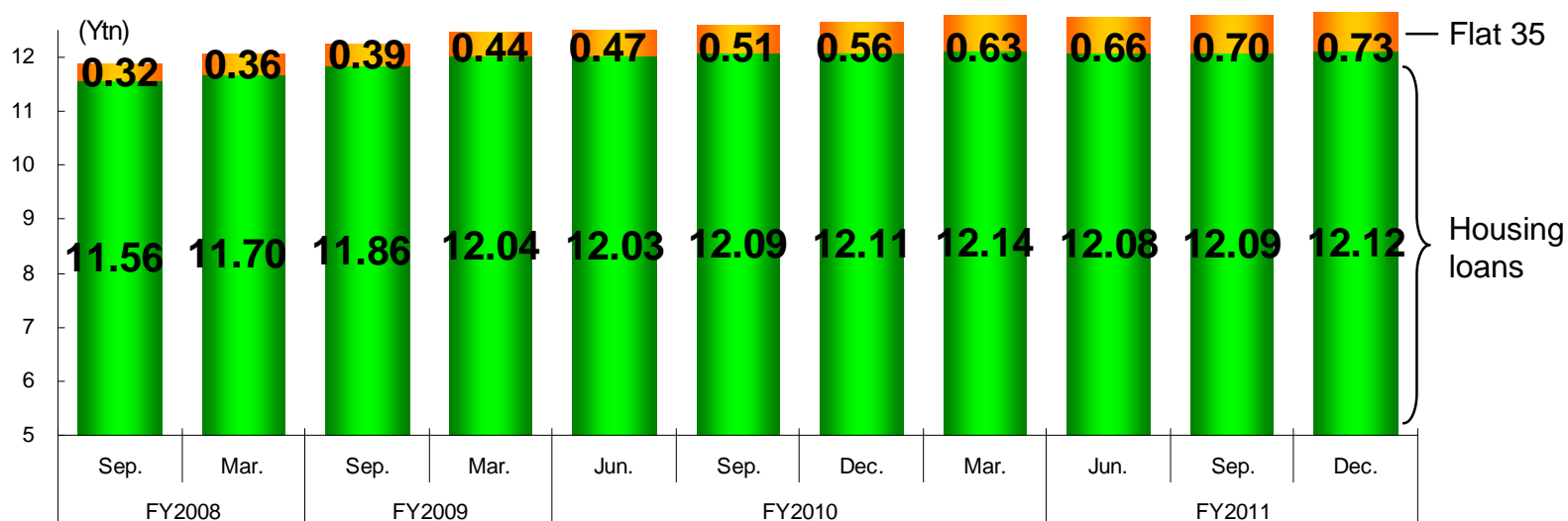
(Domestic banking account)

Trend of Housing Loan Business (Total of Group Banks)

Trend of Housing Loan Origination

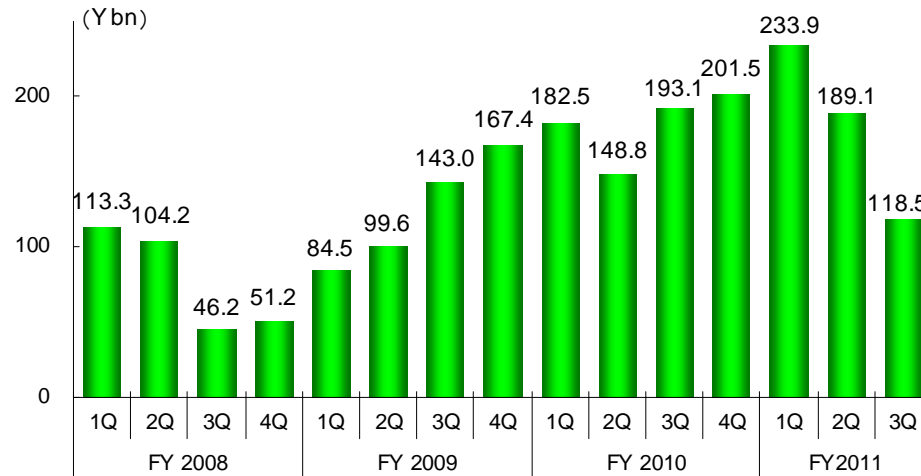


Trend of Housing Loan Balance

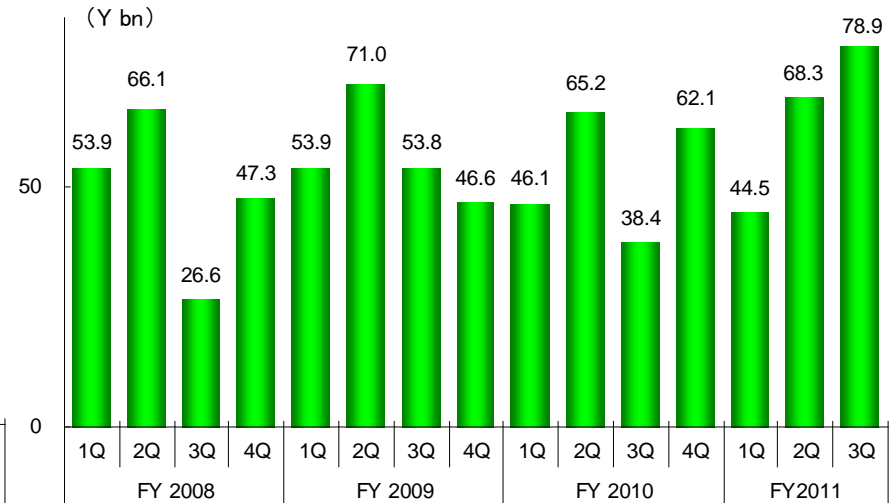


Trend of Investment Product Sale Business (Total of Group Banks)

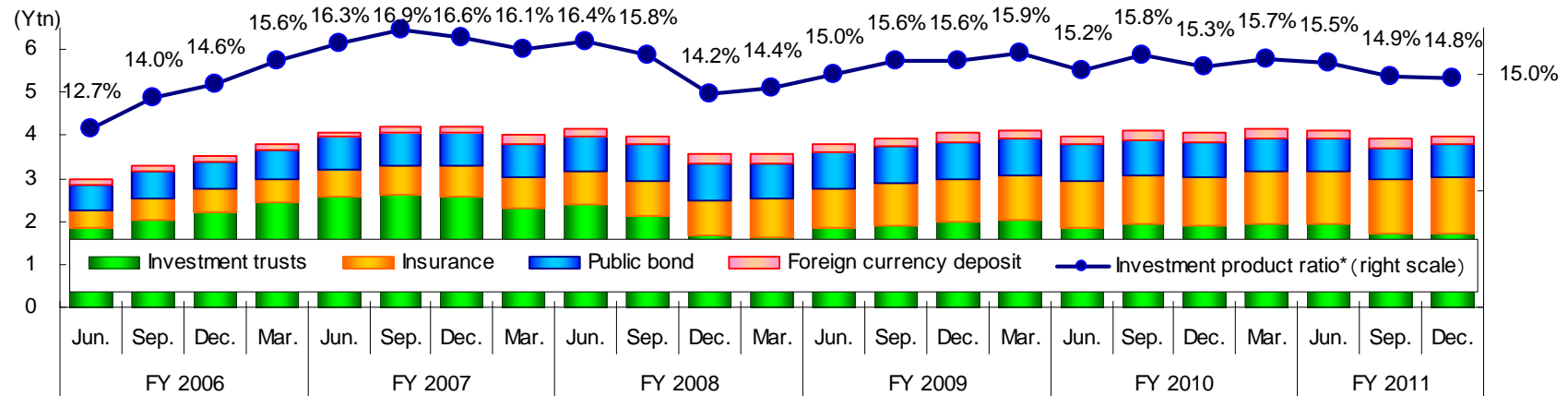
Investment Trusts



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 (Total of Group Banks)

Trend of credit costs

(Y bn)

	FY2008		FY2009		FY2010		FY2011	
	1H	2H	1H	2H	1H	2H	1H	3Q
Total of group banks (A)								
General reserve	(6.4)	28.5	(9.5)	18.8	11.5	(5.8)	22.0	22.9
Specific reserve and other items	(120.1)	(66.0)	(41.7)	(49.5)	(29.6)	(12.8)	(21.5)	(22.9)
New bankruptcy, downward migration	(157.3)	(139.0)	(56.3)	(59.2)	(39.1)	(27.9)	(27.4)	(13.6)
other	37.2	72.9	14.6	9.7	9.4	15.0	5.8	(9.2)
Net credit costs	(126.5)	(37.4)	(51.3)	(30.7)	(18.1)	(18.6)	0.4	0.0
Other subsidiaries (B) - (A)	(6.8)	(10.5)	(17.4)	(15.1)	(14.1)	(10.6)	(7.1)	(0.5)
RHD consolidated (B)								
Net credit costs	(133.4)	(48.0)	(68.7)	(45.8)	(32.2)	(29.2)	(6.7)	(0.4)

Responses to obligors requiring assistance for business turnaround

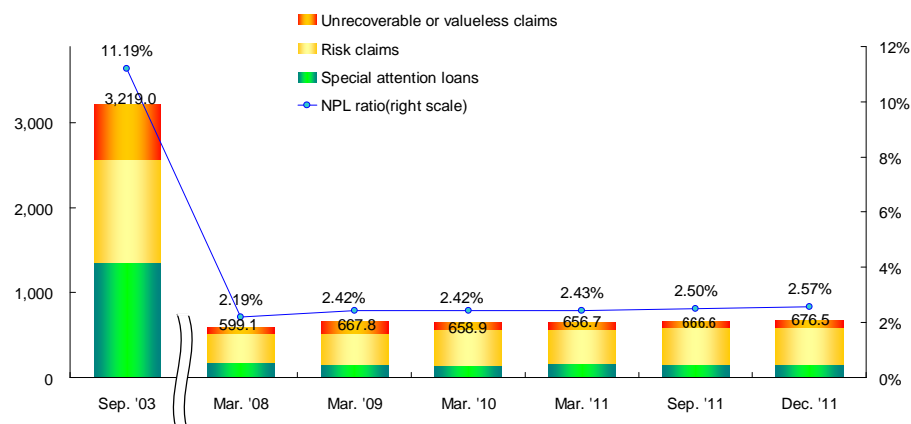
- Responses to obligors who already formulated or are preparing a “feasible” and “drastic” turnaround plan
 - > Specialized division examines and approves such a plan
 - > Monitor progress of the plan every three months and determine an obligor category
- Loan loss reserves against obligors preparing such a plan
 - > Use the same coverage ratio as applied to “special attention” obligors

	Obligor classification	Criteria for providing loan loss reserves	Coverage ratio
Obligors who are preparing a turnaround plan	Other watch	Special attention	Approx. 60%
Obligors who already formulated a turnaround plan		Other watch	Approx 50%

(Coverage ratio against all “special attention” obligors: Approx. 60%)

NPL Balance and Ratio

(Y bn)



Housing Loan

Subrogation payment ratio*1

In the range of 0.4%

Net loss ratio *2

Approx. 0.1-0.2%

*1. Rate of subrogation repayment by loan guarantee subsidiaries

*2. Subrogation ratio x (1 - collection rate after subrogation)

Earnings Forecasts for FY2011 (Released on November 11, 2011)

(Billions of yen)

	Resona Holdings (Consolidated)			
	1H FY'11 (Actual)	Full Year Forecast	Change from original forecast	Change from previous year
Consolidated ordinary income	453.2	880.0	50.0	20.2
Consolidated ordinary profit	156.6	235.0	45.0	24.8
Net (interim) income	128.2	170.0	20.0	10.0

Forecast of capital adequacy ratio

Upper
half of 11%

	Resona Holdings (Non-consolidated)			
	1H FY'11 (Actual)	Full Year Forecast	Change from original forecast	Change from previous year
Operating income	80.0	158.0	8.0	126.7
Operating profit	76.1	150.0	10.0	124.0
Ordinary profit	76.2	150.0	10.0	126.7
Net (interim) income	76.2	150.0	10.0	123.8

Forecast for term-end per share dividend on common stock ^{*1}	12 yen
Forecast for term-end per share dividend on preferred stock ^{*1}	As pre-determined

	Total of 3 group banks (approx. figure)				Resona Bank			Saitama Resona Bank			Kinki Osaka Bank		
	1H FY'11 (Actual)	Full Year Forecast	Change from original forecast	Change from previous year	Full Year Forecast	Change from original forecast	Change from previous year	Full Year Forecast	Change from original forecast	Change from previous year	Full Year Forecast	Change from original forecast	Change from previous year
Gross operating profit	309.4	610.0	8.0	4.3	408.0	11.0	7.2	148.0	(1.0)	(0.3)	54.0	(2.0)	(2.6)
Operating expenses	(170.0)	(342.0)	2.0	3.6	(225.0)	1.0	2.5	(76.5)	0.5	(0.3)	(41.0)	-	0.8
Actual net operating profit	139.3	268.0	10.0	8.0	183.0	12.0	9.8	71.5	(0.5)	(0.5)	13.0	(2.0)	(1.7)
Ordinary Profit	144.2	217.0	35.0	24.0	150.0	31.0	16.2	62.0	2.0	4.1	4.5	2.0	3.3
Income before income taxes	142.6	212.0	12.0	(5.7)	146.0	10.0	(9.3)	61.0	1.5	2.4	4.5	-	0.7
Net (interim) income	122.2	162.0	17.0	11.5	Resona Group adopts a consolidated taxation system.								

Net gain on stocks	0.3	-	-	1.7	-	-	1.9	-	-	0.1	-	-	(0.4)
Credit related expenses	0.4	(52.0)	7.0	(15.2)	(37.0)	3.0	(19.5)	(7.5)	2.5	3.2	(7.0)	1.5	1.4

Forecast of capital adequacy ratio

< Consolidated >

Upper
half of 11%

< Non-consolidated >

Upper
half of 11%

< Consolidated >

Upper
half of 12%

Resona Group at a Glance

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Efforts to Build Solid Foundation for Sustainable Growth

Direction of Future Capital Policies

<Reference Material>

Management Strategies / Capital Policies and ROE Target

Management Strategies		Capital Policies	
#1	Metro Area-based Super Regional Bank	#1	Preventing Dilution
<ul style="list-style-type: none"> ■ Dual focuses ⇒ “retail” and “2 metro areas” ■ Commercial bank with a trust capability ■ Strong relationship with individual and SME clients 		<ul style="list-style-type: none"> ■ Intend to repurchase DIC preferred stock with retained earnings ⇒ Conversion into common shares is not an option 	
#2	Efforts to Strengthen Cross-selling	#2	Return to Common Shareholders
<ul style="list-style-type: none"> ■ Cross-selling on top of the established customer base and variety of functions ■ Diversification and sustainable growth of earnings 		<ul style="list-style-type: none"> ■ Maintain 12 yen per common share annual dividends ■ Repurchase of DIC PS with retained earnings ⇒ Reduced potential shares would mean an indirect return to common shareholders 	
#3	Efficient Cost Structure	#3	Capital Adequacy Ratio Management
<ul style="list-style-type: none"> ■ Consolidated group management ■ Overcome high cost structure inherent in retail banking business 		<ul style="list-style-type: none"> ■ Maintain adequate CAR as a domestic bank ■ Take into account the International Standard as a benchmark 	
Level of Targeted Sustainable ROE		Achieve a 10% return on CET1 on a sustainable basis	
		<ul style="list-style-type: none"> ■ Build earnings and capital structures that could yield a 10% return on Common Equity Tier 1 Capital on a sustainable basis 	

Metro Area-based Super Regional Bank

Financial group that can benefit the most from the prevailing tidal change in the market

<Significant tidal changes in the market>

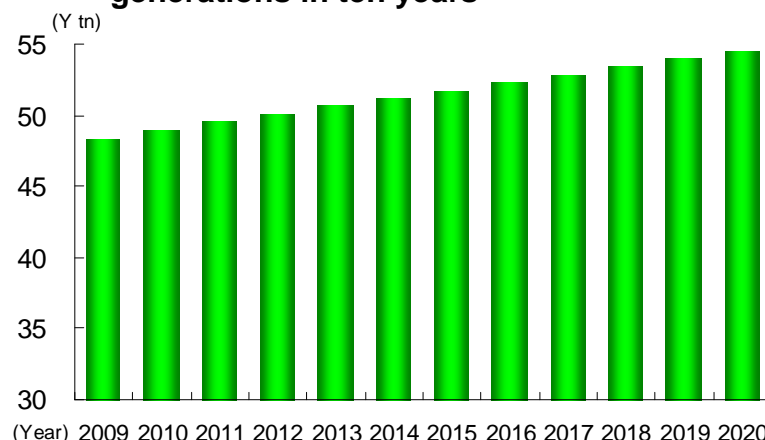
Increasing financial needs from household sector and rising expectation for one-stop service at bank counters

Large-scale cross-generation asset transfer taking place for the first time after the War

Further concentration of assets and population in metropolitan areas

■ Estimated size of inheritance market*1

- Over Y500 trillion will be handed over to next generations in ten years



*1. Total estimated assets to be inherited (Source: Nomura Institute of Capital Markets Research)

Dual strategic focuses

Focus on retail banking business

Concentrated management resources in retail banking business

Focus on two metropolitan areas

Solid franchise in Tokyo and Kansai metropolitan areas

Commercial bank with trust banking capabilities

Full-line trust functions

- Inheritance / business succession
- Real estate brokerage
- Will trusts

Customer base as a commercial bank

- 13 million active individual customers
- 597 manned offices

Relationship banking

- Community-based operation and friendliness

Efforts to Strengthen Cross-selling: Marketing Innovation

Approach to penetrate into personal banking market

Marketing Innovation

*Segment clarification *Competitive products and services *Strengthened contacts with customers

“Vertical cross-selling” strategy

Face to face cross-selling

Consulting-based problem-solving sales approach

“Horizontal cross-selling” strategy

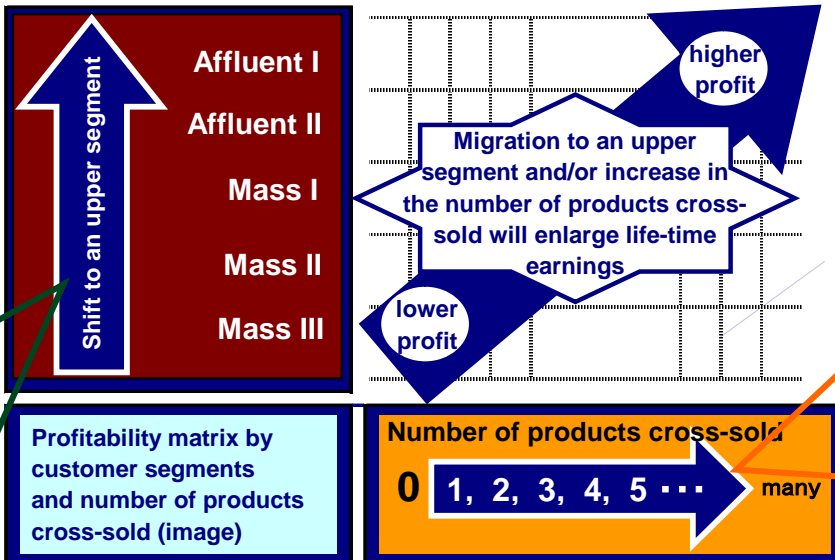
Non face-to-face cross-selling

Promotion of cross-selling via direct channels

<Vertical cross-selling> Increase loans and deposits significantly

- Approx. 40 thousands customers are now under “Affluent ” customer segment. Each customer brings in Y0.85 mil profits per year
- Depth of “potentially affluent clients”

⇒ Over 800 thousands target clients existing in the group’s 13 million individual customers



<Horizontal cross-selling> Become a main bank

- Upgrade of Resona Direct (Internet banking)
- Telephone marketing (Shimane customer center)
- Promotion of “mass-retail” products such as life and medical care insurance, small-sum investment trusts, etc.
- TV commercial

Efforts to Strengthen Cross-selling: “Vertical Cross-selling”

Consulting-based sales approach towards over 800 thousands
“potentially affluent” customers having high profit potential

Key factors to establish competitive advantage

Redefine target segments

- More detailed segmentation based on local characteristics
- Targeting potentially affluent customers out of the existing retail customer base

Competitive products and services that can satisfy true customer needs

- Make the best use of trust functions in the aged society
 - Solutions for succession of business and assets
- Provide retail customers with cutting-edge AM know how acquired in the corporate pension business
- Loan products for property owners

Strengthen contact with customers

- Input of additional sales force enabled by operational reform
- Strengthen efforts for HR development
- Penetration of sales-oriented culture

Level to be aimed at (in 4 years)

- ◆ **Strengthened contacts with customers**
⇒ +200 sales representatives
- ◆ **Customer base structure**
⇒ +20,000 “affluent” segment customers
- ◆ **Earnings structure**
⇒ Increase income by Y15 bn to Y20 bn

Target customers

- **SME owners**
- **Property owners**
- **Cash rich people, etc.**

Efforts to Strengthen Cross-selling: Cross-selling Leveraging Trust Capabilities

Group-wide Campaign to Strengthen Cross-selling Leveraging Trust Capabilities

Goals

- Incentivise promotion of trust products
- Learn know-how to propose trust solutions

Outline (RB)

- Assign promotion points (1 to 10P each) to 24 trust products and solutions
- Each business division is requested to acquire at least 6 points in FY2011
- 1 additional point is given per one more different item handled

Achievements in 1H FY2011 at Resona Bank

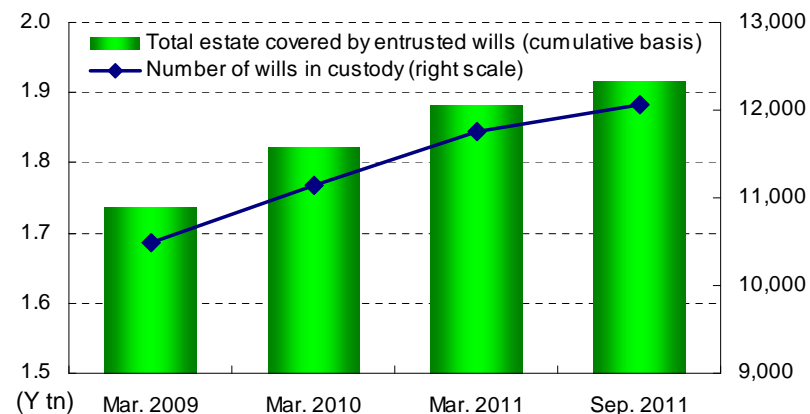
- Business divisions participated in the campaign handled 2,024 trust products and solutions
- 78% of the business divisions earned more than what they should in a full-year (=6 points)

Trust products and solutions covered

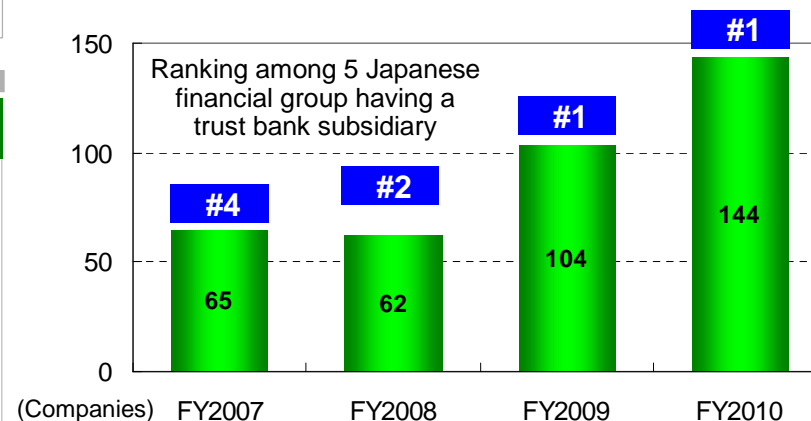
- | | |
|--|---------------------------|
| ■ Will trust | ■ Corporate pension (DC) |
| ■ Estate division | ■ Corporate pension (DB) |
| ■ Trust for transfer of own company stocks | ■ "Power of Trust" |
| ■ Trust for asset transfer | ■ Real estate brokerage |
| ■ Condo repair reserve trust | ■ ESOP and 14 other items |

Examples of Achievements in Trust Cross-selling

- **"Power of Trust"** (Money trust with performance-based return)
 - Cumulative amount sold (#1 to #5 funds)
¥15.8 bn sold to 1,960 investors
 - Expanded customers purchasing investment products
- **Will trust** *1



- **Number of companies adopting DC pension scheme** *1,2



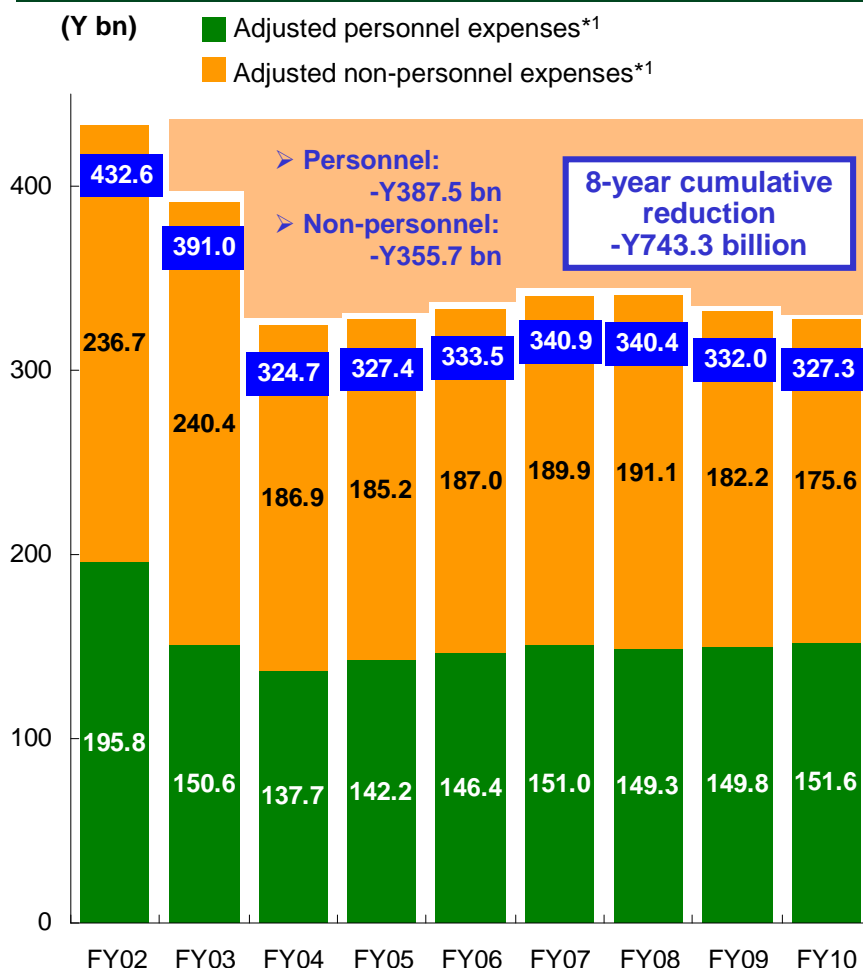
*1. Figures are compiled for an administrative purpose

*2. Compiled by Resona Holdings based on the data extracted from various issues of "Newsletter on Pensions & Investment"

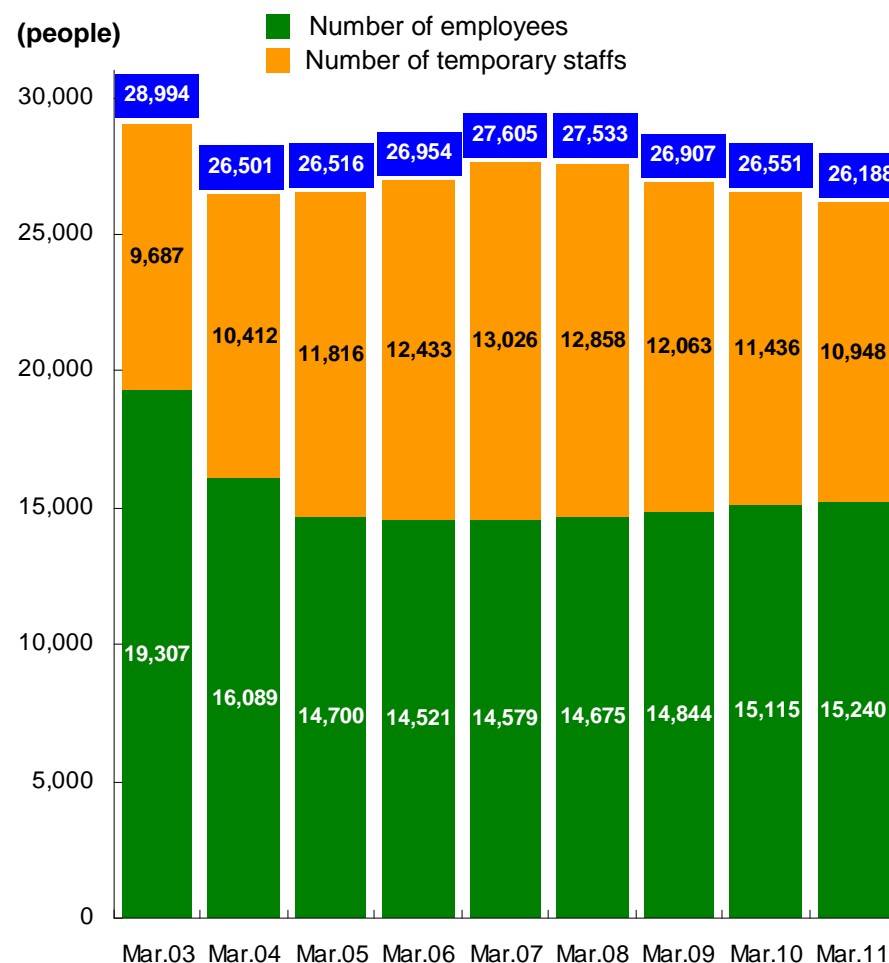
Efficient Cost Structure: Trend of Personnel and Non-Personnel Expense (Total of Group Banks)

- Reduced Y743.3 bn on a cumulative basis for the past 8 years through reduction of systems expense and rationalization measures such as elimination and consolidation of overlapping branches, etc.
- Strictly controlled personnel expenses including the cost associated with hiring temporary staffs

Personnel and Non-Personnel Expense



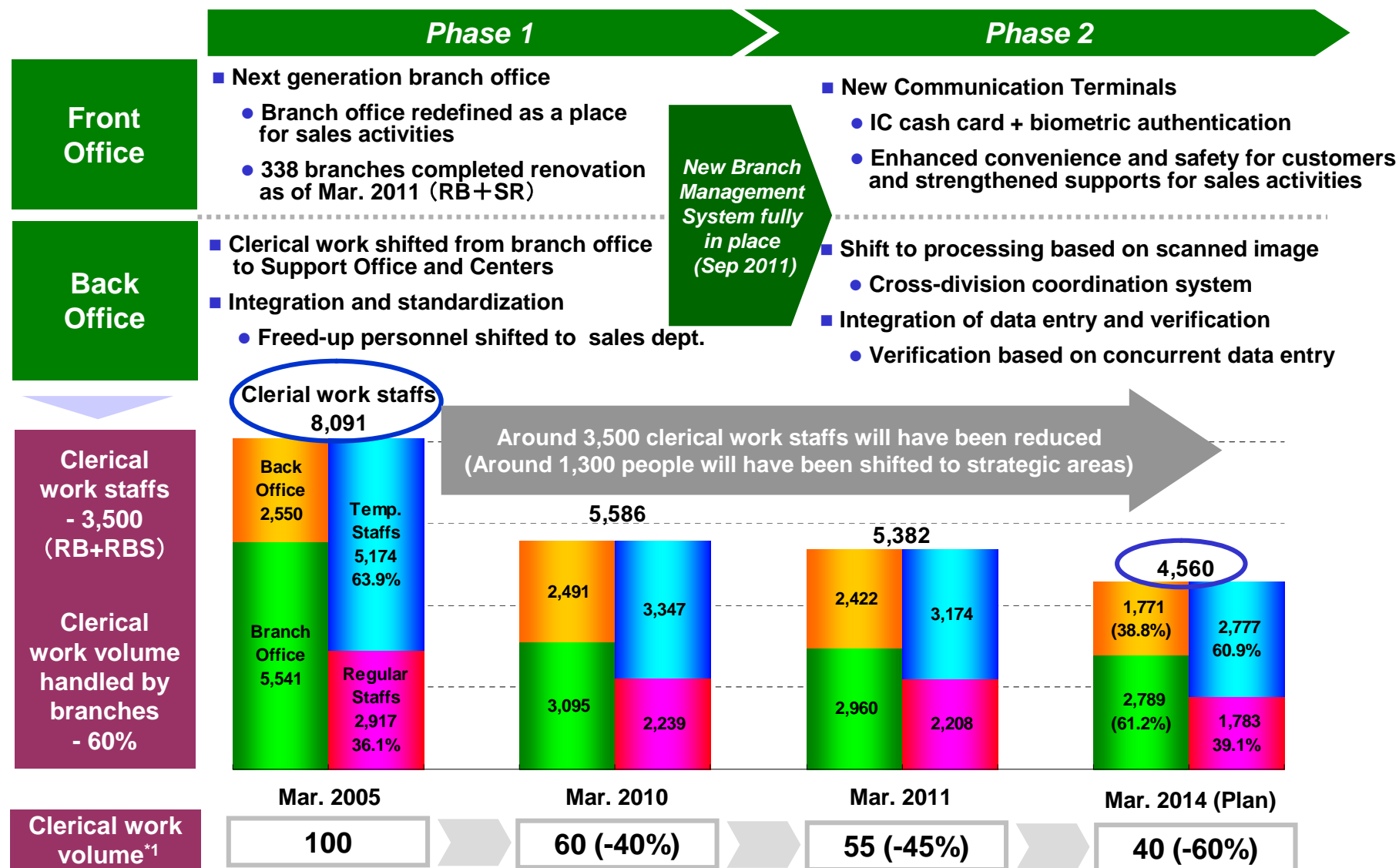
Number and Composition of Employees



*1 Adjusted personnel expenses: Personnel expenses including the cost associated with hiring temporary staffs and other related costs
Adjusted non-personnel expenses : Non-personnel expenses – Cost associated with hiring temporary staffs and other related costs

Efficient Cost Structure: Operational Reform in Deposit and Domestic Exchange Business (RB)

Operational reforms are close to perfection with the new branch management system in place



*1. Clerical work volume handled in branch office (Mar. 2005 = 100)

Efficient Cost Structure: Branch Office Reform and Next-generation Branch Management System

Former branch office layout and transaction style



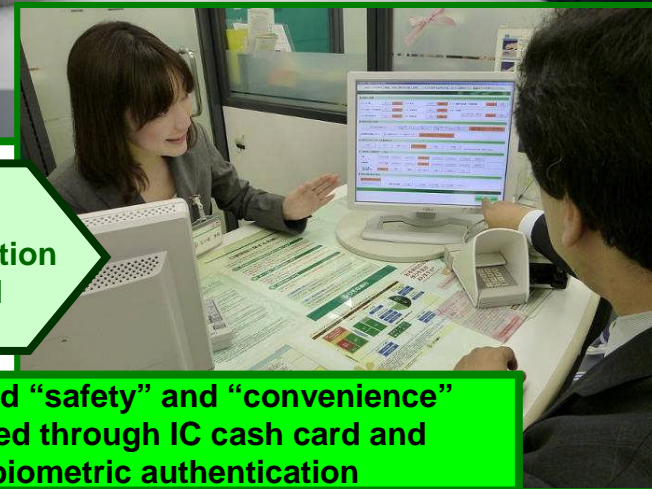
**Passbook, seal and slip
“troublesome” “worrisome”**



Next-generation Branch Office



**New
Communication
Terminal**



**Enhanced “safety” and “convenience”
realized through IC cash card and
biometric authentication**



<Financial Benefits to be Realized>

Investment	Y16.7bn
Estimated cost reduction	Apx. Y2.6bn/Year

Efficient Cost Structure: Housing Loan Back Office Processing Reform

Formulated the following basic concept to embark on a new reform initiative

Slogan

Halve clerical work, double processing speed
-- Loan Plaza (LP) redefined as a place for sales activities --

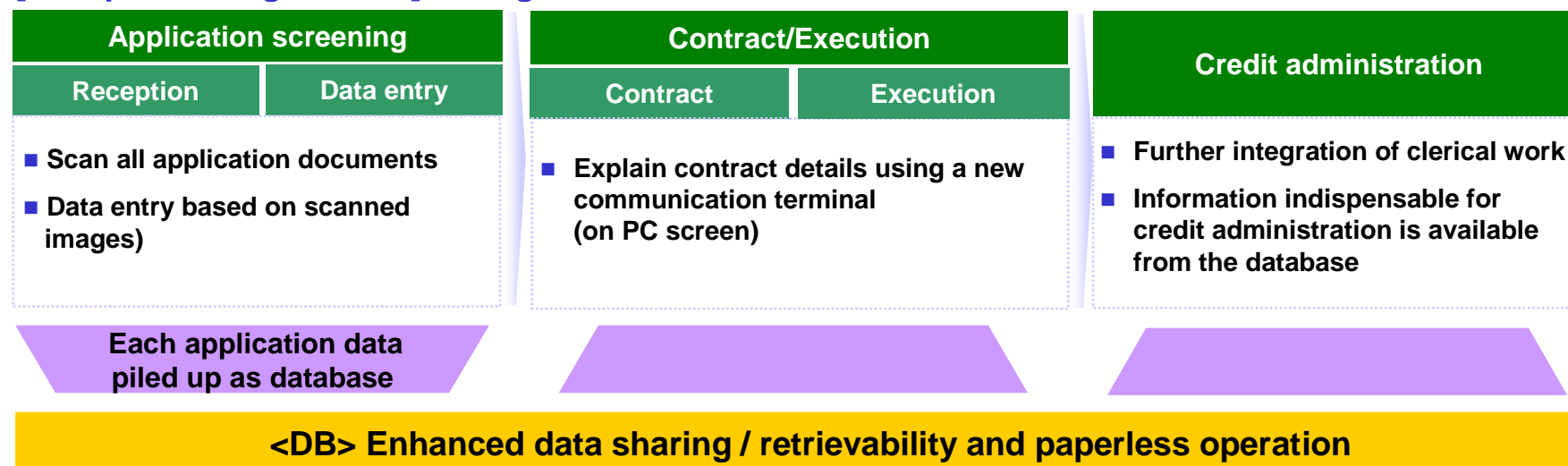
Challenges

- Establish firm advantage in clerical work cost
- Establish more reliable processing capabilities
- Cross-selling capabilities

Goals (From 2H FY2011 to FY2014)

- Next-generation Loan Plaza (LP)
 - All existing LPs upgraded to Next-generation LP
 - Introduce Next-generation Housing Loan Processing System to all LPs and HL Centers
- Reduce housing loan clerical work volume by 50% (Mar. 2014 vs Mar. 2011)

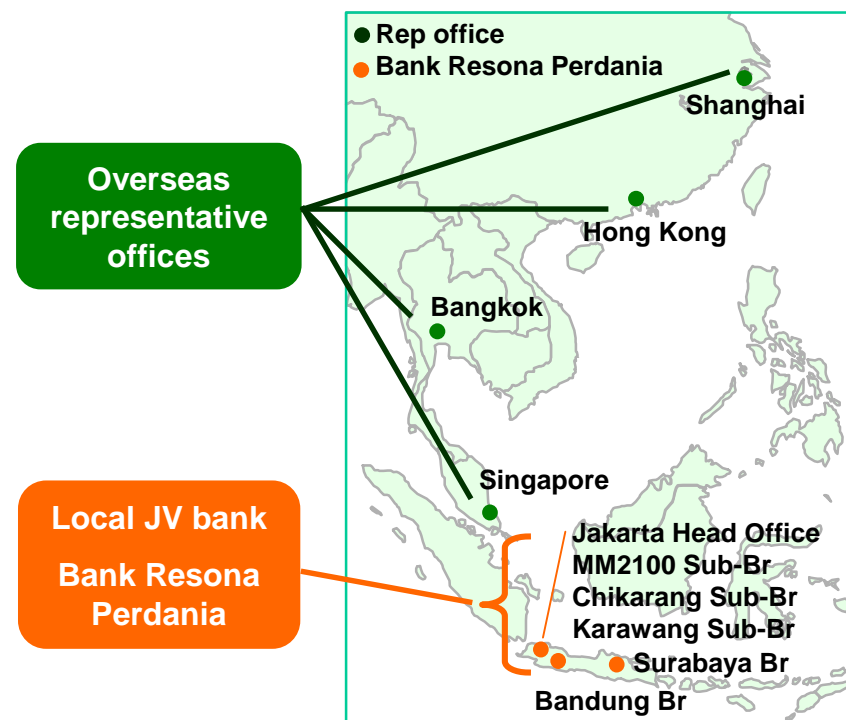
[New processing method] Next-generation LPs and HL Centers



Supports Extended to SMEs to Do Business in Asia

Resona's Footholds in Asia

- JV bank with over 50 years of local experience
 - P.T. Bank Resona Perdania (Indonesia)
 - Business tie-up with Shizuoka Bank (June 2011)
- Overseas representative offices (RB) ... 4 rep offices



- New regional coverage to offer local information
 - Vietnam (RB: Mar. 2011)
⇒ Dispatched personnel to Ho Chi Minh Branch of an alliance partner bank
 - India (RB: New Delhi, KO: Chennai, Oct. 2011)
⇒ Dispatched personnel to JETRO's local offices

Local Services Offered through Alliances

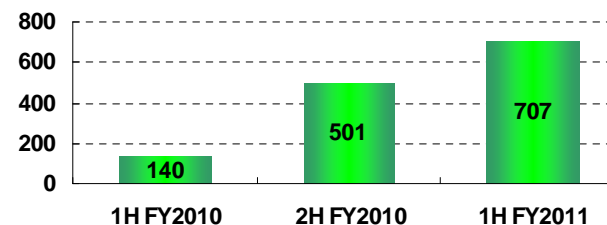
- Large number of branches and local expertise
- Ability to provide local service without being regulated as a foreign bank

Major Alliance Partners in Asia

China	Bank of East Asia, Bank of China, China Construction Bank, Industrial and Commercial Bank of China, Bank of Communications
Hong Kong	Bank of East Asia
South Korea	Korea Exchange Bank
Taiwan	Mega International Commercial Bank
Singapore	Bank of East Asia
Malaysia	Public Bank
Thailand, Vietnam	Bangkok Bank
India	State Bank of India

Recent Initiatives to Strengthen Supports

- Asia Business Promotion Center (Oct. 2010)
 - Number of consultations handled by ABPC



- Special Fund to Assist SMEs to Do Business in Asia (Oct. 2010)
 - Y15.1bn extended to 67 clients from Jan to Sep 2011
- Assistance to clients suffering from flood damage in Thailand
 - Created a Y20bn special fund to assist reconstruction efforts (Oct. 2010)

Resona Group at a Glance

Updates on Major Businesses

Efforts to Build Solid Foundation for Sustainable Growth

Direction of Future Capital Policies

<Reference Material>

Change in Composition of Resona HD's Total Equity (From Mar. 31, 2010 to Sep. 30, 2011)

Improved the quality of capital significantly by implementing Resona Capital Restructuring Plan



*1. Equity attributable to common stock at year-end / Number of common shares excluding treasury shares at year-end

Approaches for Repaying the Remaining Public Funds

- The balance of injected public funds was reduced to almost one fourth of the peak amount in September 2003
- Intend to repay the remaining public funds as early as possible via the following approaches

Details of Public Funds* ¹				
(Y bn)	Amount 2003/9 (A)	Amount 2011/3 (B)	Amount Repaid (B) - (A)	Policy and approaches for future repayment
Class C	60.0	60.0	-	<ul style="list-style-type: none"> ■ The increase in outstanding common shares upon mandatory conversion is expected to be minimal, since almost equivalent shares that could arise from mandatory conversion of Class C and F preferred stocks have already been repurchased from the market and are being held as treasury shares
Class F	100.0	100.0	-	
RCC Subtotal	868.0	160.0	(708.0)	
Class 1	550.0	-	(550.0)	<ul style="list-style-type: none"> ■ Intend to repay the remaining balance through further accumulation of profits (retained earnings) ■ Aiming for full repayment within 5 years given current profit trends ■ However, the timing of future repayments will take into account capital adequacy regulations, etc. and will be executed in an appropriate and flexible manner ■ Combined retained earnings as of Sep 30, 2011: Y910.1 bn
Class 2	563.5	-	(563.5)	
Class 3	550.0	450.0	(100.0)	
DIC Subtotal	1,663.5	450.0	(1,213.5)	
Total Preferred	2,531.5	610.0	(1,921.5)	
Common Stock	296.4	261.6	(34.7)	<ul style="list-style-type: none"> ■ Current priority is on repayment of DIC preferred stock ■ No current plans to apply for a secondary offering of DIC-held common stock
Total Public Funds Remaining	3,128.0	871.6	(2,256.3)	

*¹ Figures reflect initial invested amounts

Direction of Resona's Future Capital Policies

Capital Adequacy Ratio Management

- Remain subject to the Japanese Domestic Standard
 - However, in order to secure reliable capital strength, the Group operates its business with a high capital adequacy ratio, taking reference to the International Standard

- Intend to keep the following ratios while repayment
 [Based on BIII] [Trial calculation as of Sep 30, 2011]

T1	Around 7%	8.5%*¹
CET1	Around 5.5%	6.7%*¹

*. Preferred stocks subscribed with public funds are included in CET1 and T1. Deduction items are not considered since a phase-in rule applies. Unrealized gains on available-for-sale securities are not taken into account.

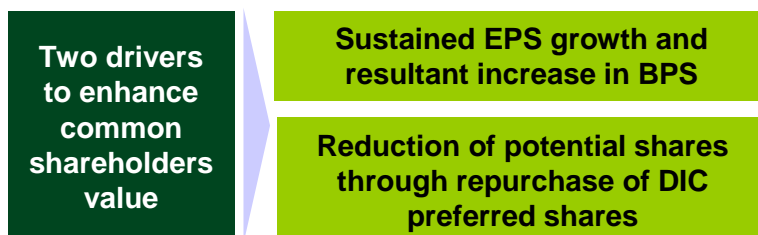
Dividend Policy

- Maintain 12 yen per share common dividends for the time being
- Plan to clarify dividend policy, including a target level for the dividend payout ratio, after completing the repayment of the DIC preferred shares

	FY2011
Planned total dividends	46.4bn
Preferred dividend	16.9bn
Common dividend (Dividend per share)	29.4bn (@12.00 yen)

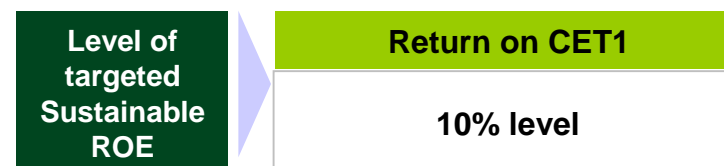
Prevention of Dilution

- Intend to repurchase and cancel the remaining DIC preferred stock with retained earnings. (Conversion into common shares is not an option.)



ROE Target

- Intend to build earnings and capital structures that could yield a 10% return on CET1 on a sustainable basis

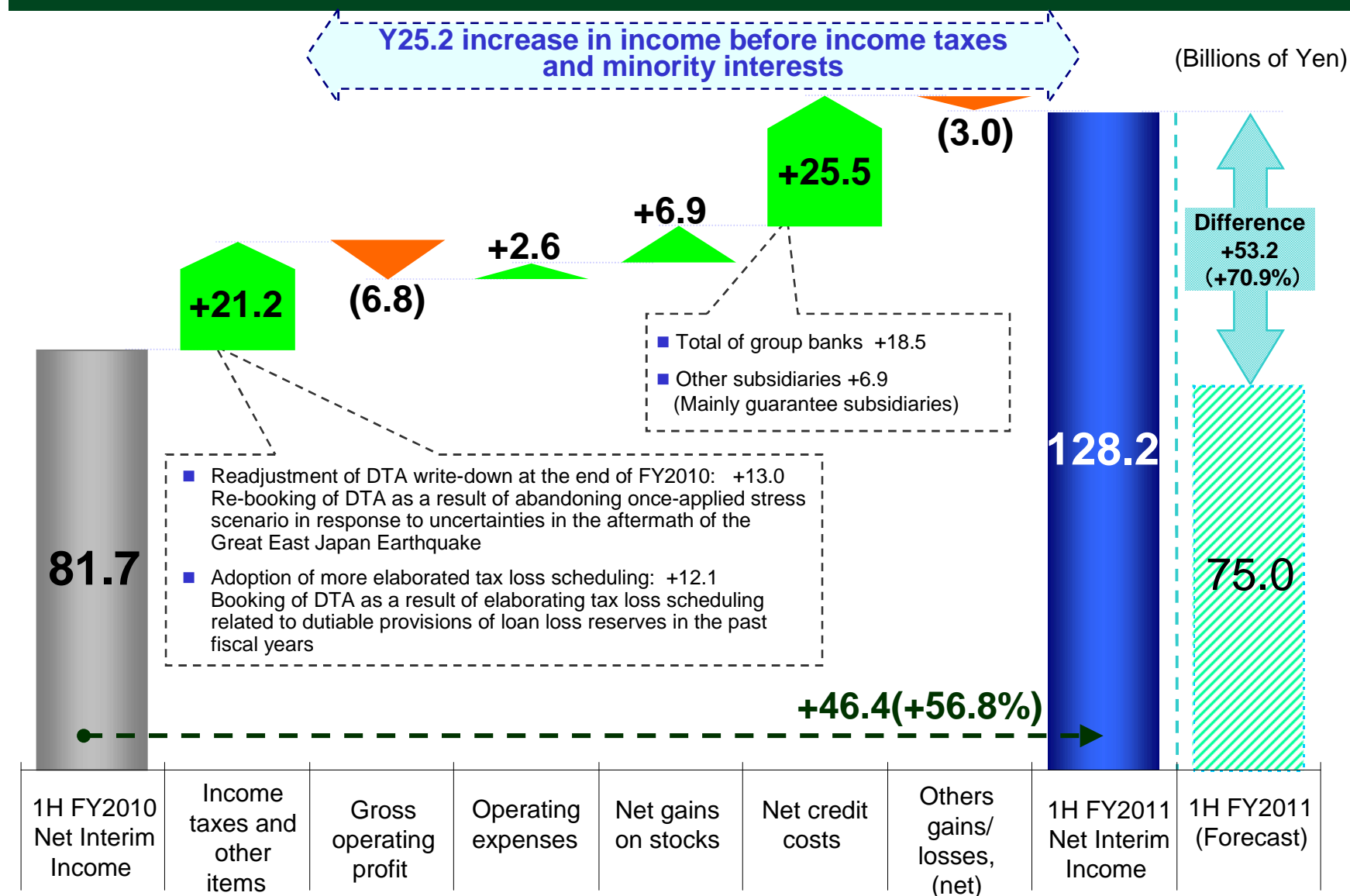


Data of Business Results for 1H of FY2011

Reference Material

Factors Accounting for the Change in Consolidated Net Interim Income

Y46.4 bn increase in consolidated net interim income compared with the same period last year



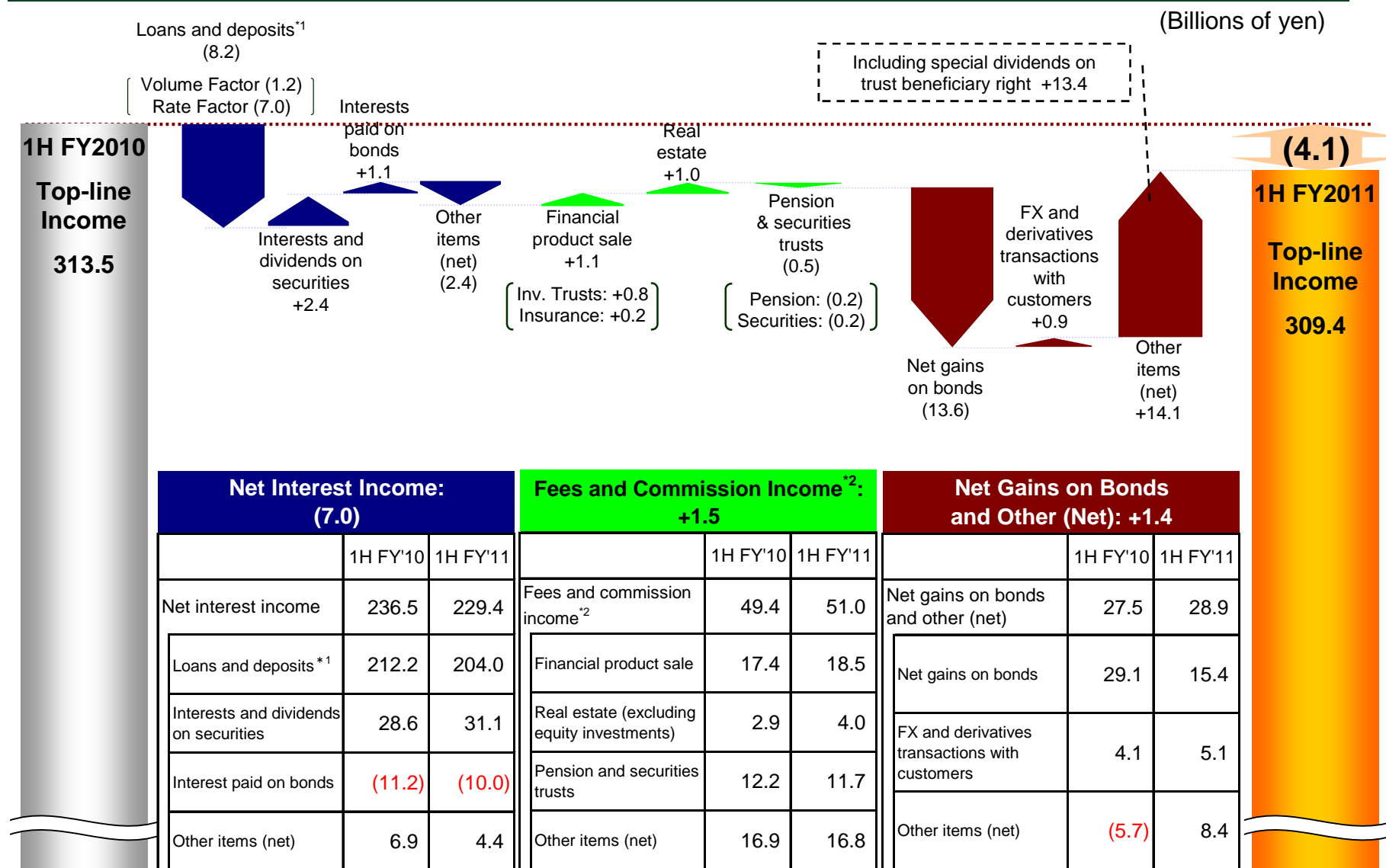
Outline of Financial Results for 1H of FY2011

(Billions of Yen)

	Resona Holdings (Consolidated)		Difference (A)-(B)	Total of group banks (Non-consolidated)			Factors accounting for the difference(A)-(B) (Approx. figures) RC: Resona Card, RG: Resona Guarantee		
	(A)	YoY change		(B)	YoY change	Resona (Non-consolidated)	Saitama Resona	Kinki Osaka (Non-consolidated)	
Gross operating profit	337.8	(6.8)	28.4	309.4	(4.1)	209.7	72.9	26.6	
(1) Net interest income	234.4	(8.9)	4.9	229.4	(7.1)	142.3	64.4	22.7	RC 2.3 bn and other
Income from loans and deposits (domestic operation)				204.0	(8.2)	127.9	55.4	20.5	Domestic operations; Banking account; Deposits include NCDs
(2) Trust fees	12.2	(0.9)	-	12.2	(0.9)	12.2	-	-	
(3) Fees and commission income	61.9	1.6	23.1	38.7	2.5	28.2	7.1	3.3	RG 14.6 bn, RC 7.7 bn and other
(4) Other operating income	29.2	1.3	0.3	28.9	1.4	26.9	1.3	0.5	
Actual net operating profit				139.3	(1.9)	97.8	35.1	6.3	Net operating profit before transfer to general reserve for possible loan losses and expenses related to problem loan disposal in the trust account
Operating expenses (including non-recurring items)	(181.4)	2.6	(9.6)	(171.8)	2.4	(112.1)	(38.6)	(21.0)	RC (6.2) bn, RG (1.8) bn and other
Net gain on stocks	0.2	6.9	(0.0)	0.3	7.0	0.5	(0.1)	(0.0)	
Credit related expenses, net	(6.7)	25.5	(7.1)	0.4	18.5	4.3	(1.6)	(2.2)	RG (5.0) bn, RC (2.2) bn and other
Other gain/(loss), net	5.2	(3.0)	0.9	4.3	(2.5)	3.8	0.5	(0.1)	
Income before income taxes	155.1	25.2	12.4	142.6	21.4	106.3	33.1	3.1	
Income taxes and other	(26.9)	21.2	(6.4)	(20.4)	24.1	(12.2)	(13.2)	5.0	Minority interests in net income (2.0) bn, Income tax of RHD and other (4.4) bn
Net interim income	128.2	46.4	6.0	122.2	45.5	94.1	19.8	8.2	RG 4.5 bn, RC 0.9 bn

Analysis on YoY Change in Top Line Income (Total of Group Banks)

Gross operating profits declined by Y4.1 bn YoY due to a decline in net gains on bonds and other factors



*1. Domestic operations (Deposits include NCDs) *2. Fees and commission income plus trust fees

Management Accounting by Business Lines (1H FY2011)

Management accounting by group business lines

- “RAROC” and “RVA”^{*1} as management indicators to measure profitability to allocated capital

(Billions of Yen, %)

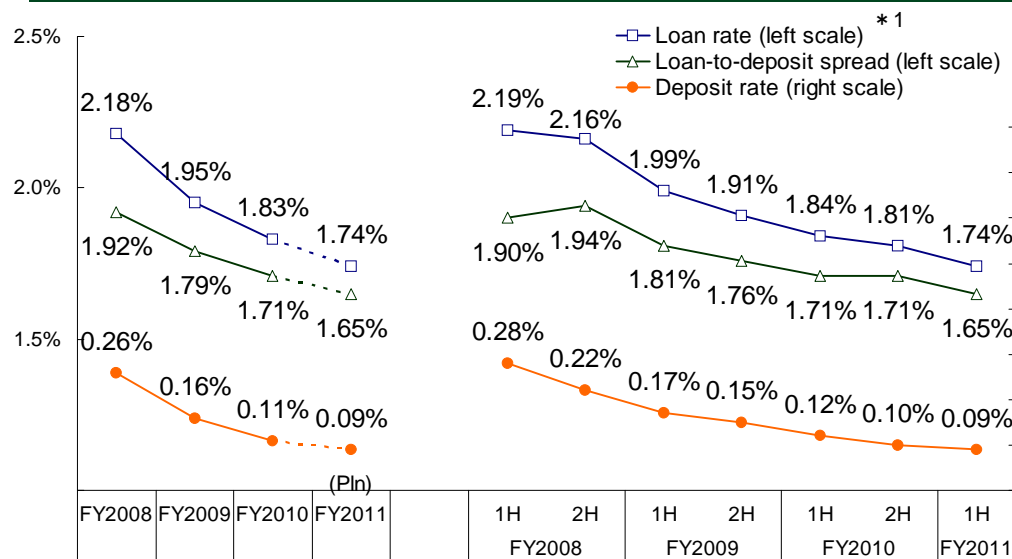
Resona Group Business Segments		Profitability				Soundness	Net operating profit after a deduction of credit cost										
		Net profit after a deduction of cost on capital		Risk-adjusted return on capital	Cost to income ratio	Internal CAR	Actual net operating profit								Credit cost		
		RVA ^{*1} (Actual)	YoY Change	RAROC (Actual)	OHR			YoY Change		YoY Change	Gross operating profit	Operating expense		YoY Change			
											YoY Change	YoY Change			YoY Change	YoY Change	
	Non-treasury	64.4	33.4	12.5%	58.8%	11.2%	112.3	24.2	117.2	(1.4)	284.5	(3.6)	(167.3)	2.2	(4.9)	25.6	
	Personal Banking	36.4	10.8	16.0%	60.9%	12.3%	54.7	8.4	60.0	(1.0)	153.5	(5.0)	(93.5)	4.0	(5.3)	9.4	
	Corporate Banking	23.1	23.0	9.5%	56.0%	10.6%	52.6	16.1	52.1	(0.0)	118.5	1.9	(66.4)	(1.9)	0.4	16.2	
	Trust	4.9	(0.3)	202.9%	59.5%	10.6%	5.0	(0.4)	5.0	(0.4)	12.5	(0.5)	(7.4)	0.2	0.0	0.0	
	Treasury	25.5	(7.5)	50.8%	13.7%	13.5%	28.6	(8.3)	28.6	(8.3)	33.1	(8.2)	(4.5)	(0.1)	0.0	0.0	
Total ^{*2}		86.6	30.4	12.9%	52.9%	13.5%	148.1	26.0	153.0	0.4	324.8	(1.7)	(171.8)	2.2	(4.9)	25.6	

*1 RVA: Resona Value Added (Net profit after a deduction of cost on internally allocated capital)

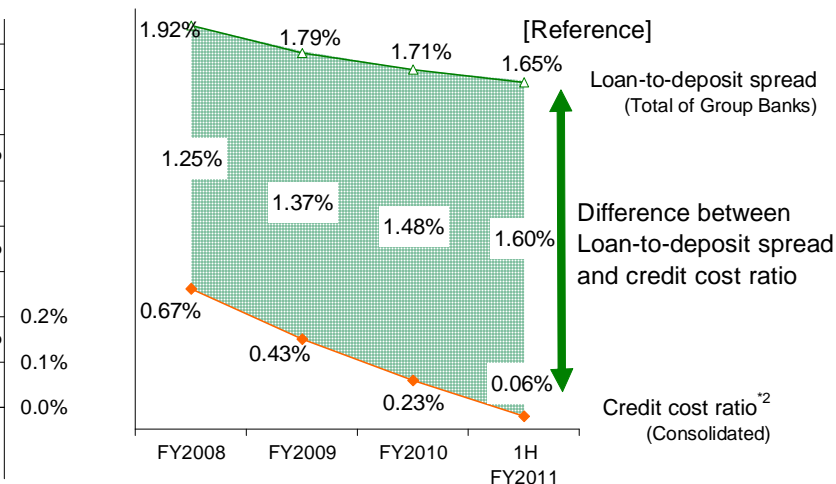
*2 Total of 3 banks on a non-consolidated basis plus profit and loss of loan guarantee subsidiaries

Trend of Loan and Deposit (Total of Group Banks)

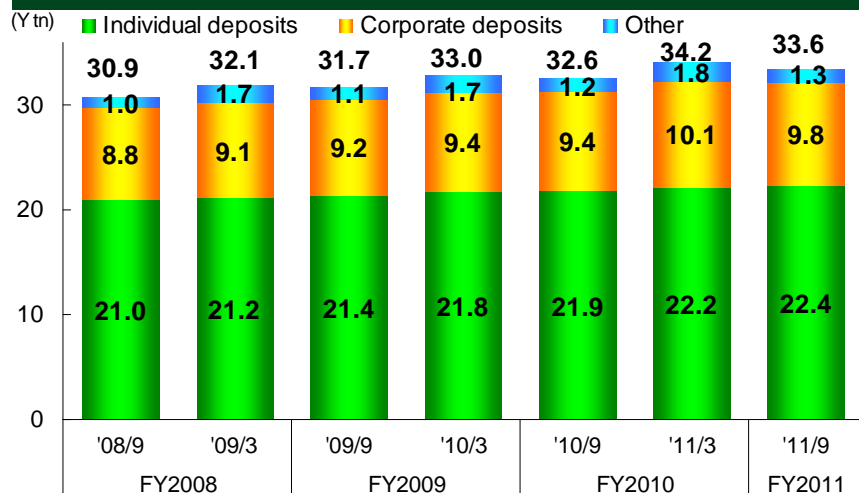
Trend of loan and deposit rates and spread



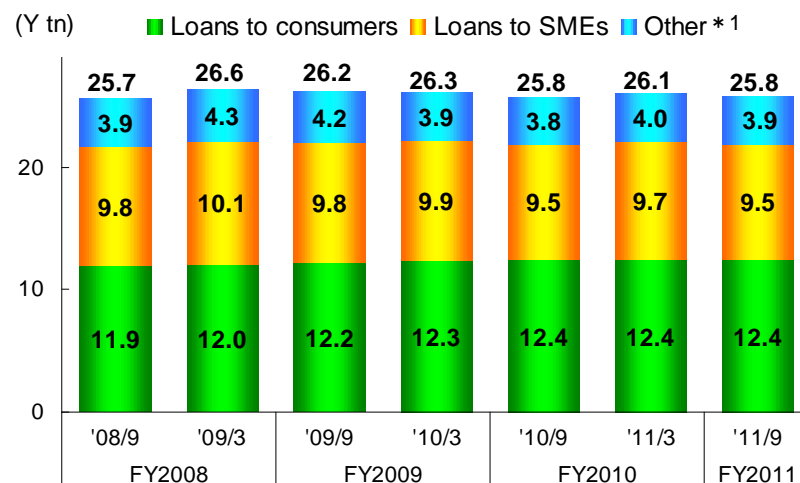
LD spread after credit cost kept at an appropriate level



Trend of term-end deposit balance



Trend of term-end loan balance

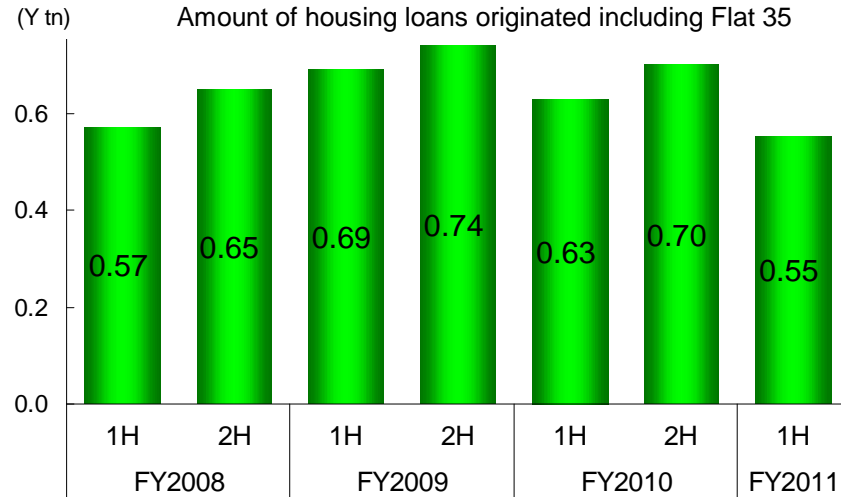


*1. Loans after 2H FY2010 include the loan extended to Resona Holdings (Y0.27 tn)

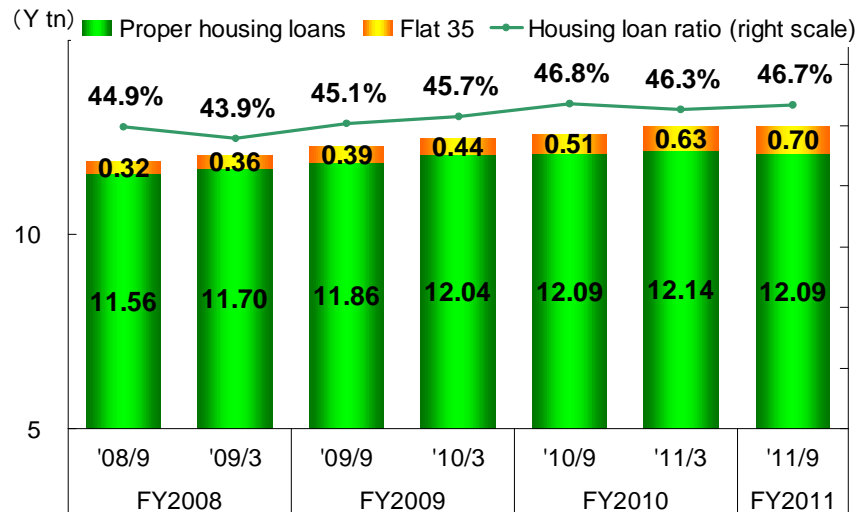
*2. Credit cost / (Loans and bills discounted + acceptances and guarantees (average of balances at the beginning and end of year))

Trend of Housing Loans (Total of Group Banks)

Trend of housing loan origination

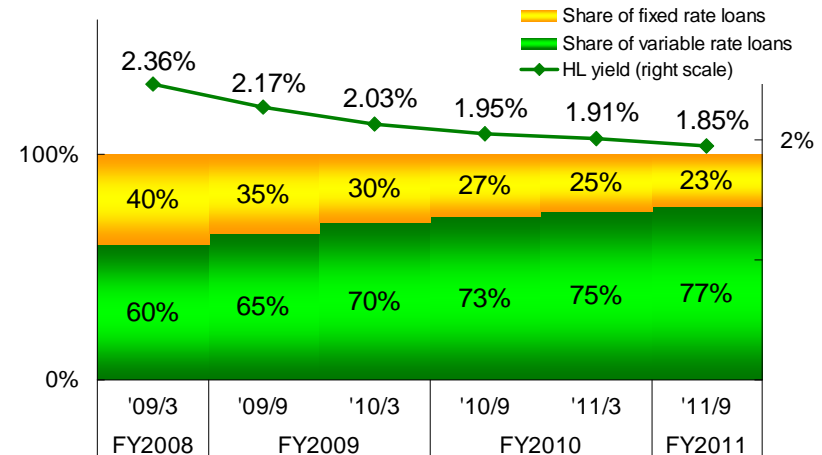


Term-end balance of housing loans



Trend of HL yield and composition by interest rate type

- Increase in variable rate loans
⇒ Bigger room for income upside when policy rate rises



Indices to measure soundness

- Maintained soundness by adopting stringent screening criteria



*1. Principal repayment and interests in a year / Pre-tax annual income (%) (RB + SR)

Subrogation payment ratio*2

In the range of 0.4%

Net loss ratio*3

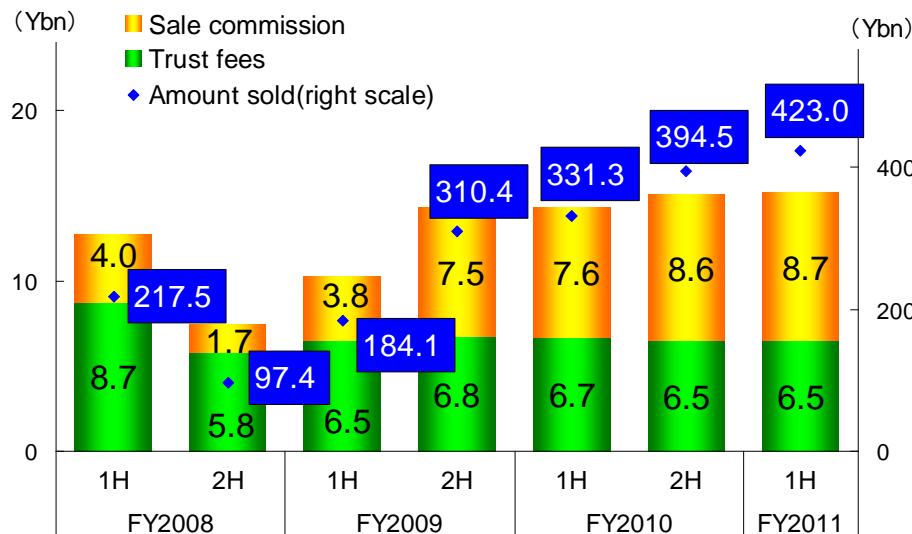
Kept at a low level of 0.1 to 0.2%

*2. Rate of subrogation repayment by loan guarantee subsidiaries

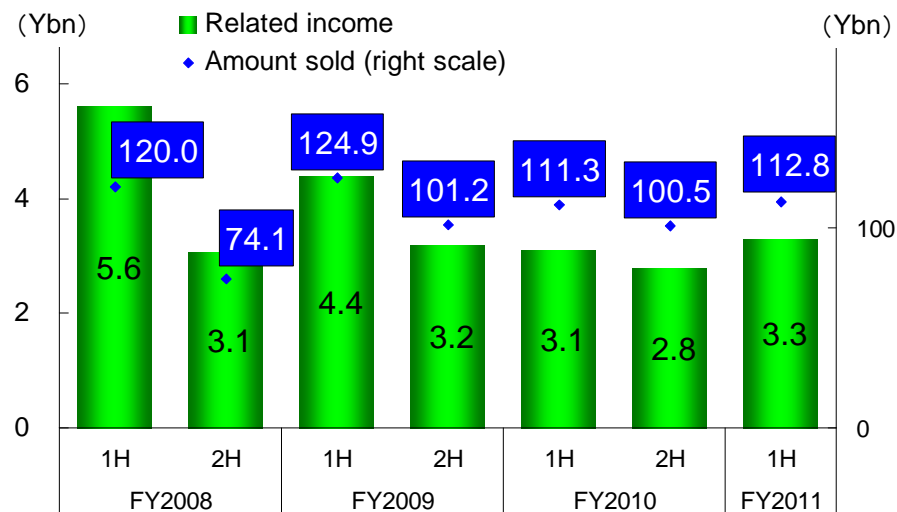
*3. Subrogation ratio x (1 - collection rate after subrogation)

Trend of Major Fee Businesses

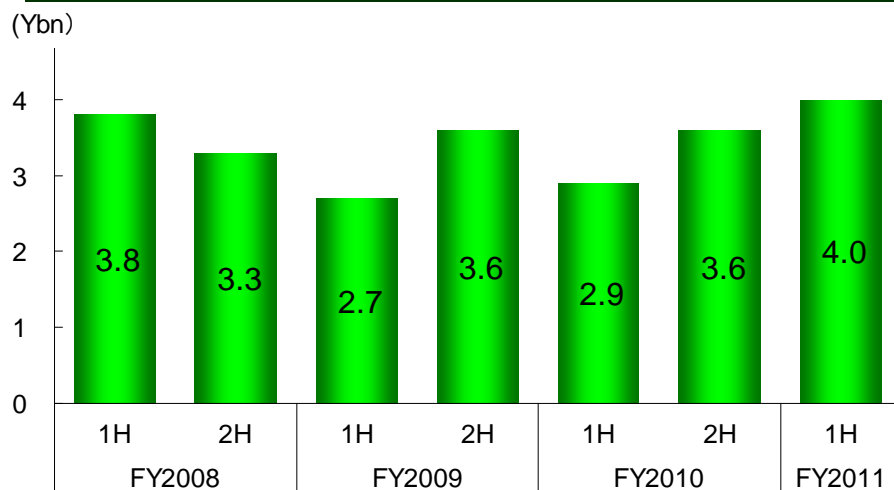
Investment Trusts (Total of Group Banks)



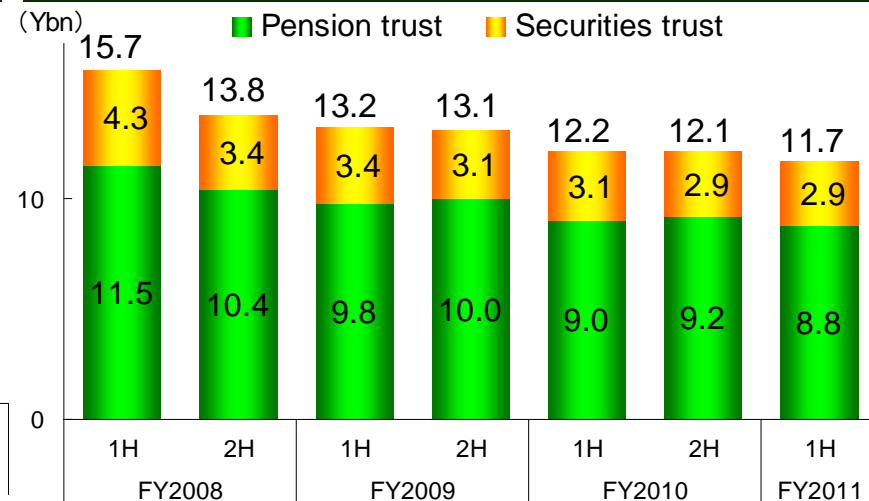
Insurance (Total of Group Banks)



Real Estate Business* (RB)



Pension and Securities Trust Business (RB)



* Excluding gains from investments in real estate fund

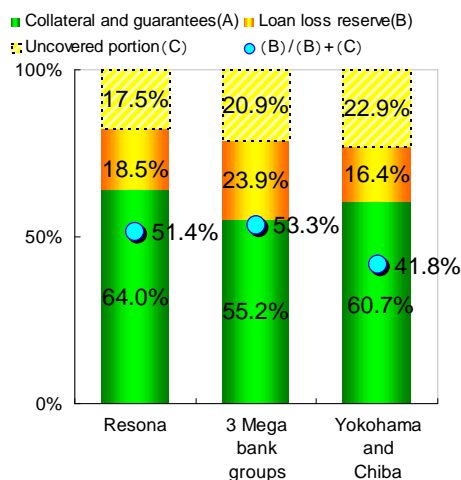
Credit Costs and NPL

Trend of credit costs

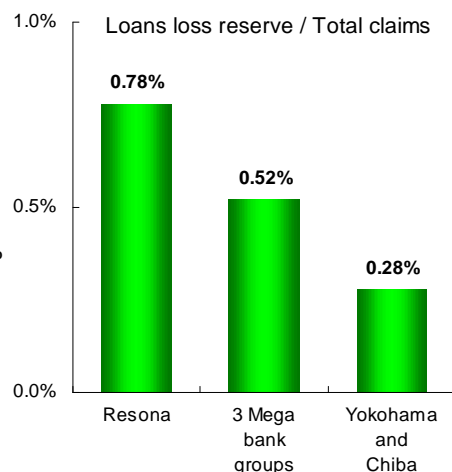
	FY2008		FY2009		FY2010		FY2011
	1H	2H	1H	2H	1H	2H	1H
(Y bn)							
Total of group banks (A)							
General reserve	(6.4)	28.5	(9.5)	18.8	11.5	(5.8)	22.0
Specific reserve and other items	(120.1)	(66.0)	(41.7)	(49.5)	(29.6)	(12.8)	(21.5)
New bankruptcy, downward migration	(157.3)	(139.0)	(56.3)	(59.2)	(39.1)	(27.9)	(27.4)
Reversal and other gains	37.2	72.9	14.6	9.7	9.4	15.0	5.8
Net credit costs	(126.5)	(37.4)	(51.3)	(30.7)	(18.1)	(18.6)	0.4
Difference (B) - (A)	(6.8)	(10.5)	(17.4)	(15.1)	(14.1)	(10.6)	(7.1)
RHD consolidated (B)							
Net credit costs	(133.4)	(48.0)	(68.7)	(45.8)	(32.2)	(29.2)	(6.7)

Comparison: NPL coverage and ratio of loan loss reserve against normal claims

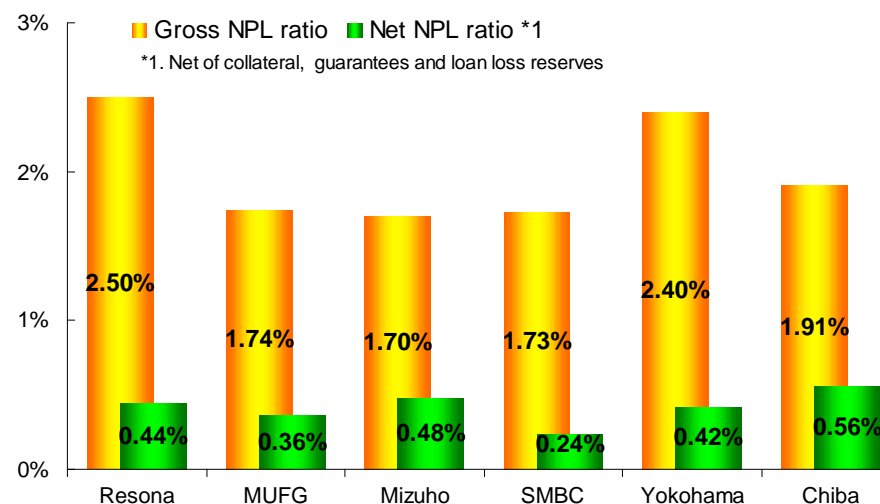
Protection against Disclosed NPL



Ratio of Loan Loss Reserve to Normal Claims



Comparison: Gross and net NPL ratio



Responses to obligors requiring assistance for business turnaround

- Responses to obligors who already formulated or are preparing a "feasible" and "drastic" turnaround plan
 - Specialized division examines and approves such a plan
 - Monitor progress of the plan every three months and determine an obligor category
- Loan loss reserves against obligors preparing such a plan
 - Use the same coverage ratio as applied to "special attention" obligors

	Obligor classification	Criteria for providing loan loss reserves	Coverage ratio
Obligor who are preparing a turnaround plan	Other watch	Special attention	Approx. 60%
Obligor who already formulated a turnaround plan		Other watch	Approx 50%

(Coverage ratio against all "special attention" obligors: 60.59%)

Securities Portfolio (1) (RHD Consolidated)

Securities portfolio with reduced downside risks

■ Trend of Securities Portfolio

	Mar.'03	Mar.'07	Mar.'10	Mar.'11	Sep.'11
Available-for-sale securities ^{*1}	6,005.1	6,396.5	7,733.7	8,153.4	9,094.3
Stocks (1)	1,319.0	390.4	344.5	351.8	349.5
Bonds	4,433.0	4,951.7	7,055.1	7,530.0	8,365.7
JGBs	3,811.0	3,927.6	5,755.7	6,337.8	7,278.4
Average duration (years)		1.2	2.1	2.1	2.1
Local government bonds	159.8	311.5	146.2	150.4	153.0
Corporate bonds	462.2	712.5	1,153.1	1,041.7	934.3
Other	253.0	(2) 1,054.4	334.0	271.5	379.0
Foreign securities	112.6	244.0	135.6	98.6	146.7
Unrealized gains/(losses)	(25.8)	432.9	120.6	92.8	64.0
Bonds held to maturity ^{*2}	2.5	(3) 148.4	1,087.2	1,667.9	1,863.9
Unrealized gains/(losses)	0.0	(0.3)	24.8	24.5	46.4

*1. Acquisition cost basis

*2. Balance sheet amount basis

【Factors for change】

(1) Significant reduction during the Intensive Revitalization Period

(2) Unwound net investment position in response to poor market visibility

(3) Increased bonds held to maturity to secure stable income

Relationship-purpose equity holdings

■ Stocks

- Impairment loss on stocks held for 1H FY2011: Y1.7 bn
- Reduced relationship-purpose stock holdings by approx. Y1 tn on an acquisition cost basis from the level in March 2003
- Continue efforts to reduce the balance further

Net investment portfolio

■ JGB

- Average duration : 2.1 years*, BPV: Y1.52 bn*
* JGBs held as "available-for-sale securities" (Total of group banks)
- Balance of floating-rate JGBs: Y402.4 bn

■ Other (Total of group banks)

- Foreign securities include Y91.4 bn of U.S. treasuries
 - No direct investments in bonds issued by entities in GIIPS countries
- Indirect exposure is also minimal (Approx. Y0.3 bn)
- All securitized products held were organized in Japan and 96% of them are backed by housing loans originated in Japan

[Securitized products by underlying assets]
(Ybn)

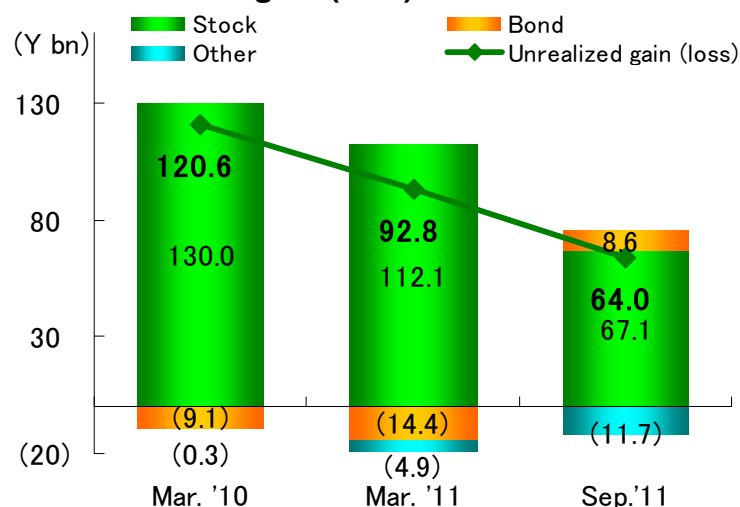
Securitized Products	173.2
RMBS	166.0
CMBS	5.3
Other	1.9

Securities Portfolio (2) (RHD Consolidated)

Net unrealized gain (loss) on marketable securities available for sale

- Net unrealized gain as of Sep. 30, 2011: Y64.0 bn
- Floating-rate JGB consistently marked to market prices
 - Net unrealized loss on floating-rate JGB : Y2.6 bn
 - [Reference]
Net unrealized gain based on theoretical prices computed for an administrative purpose: Y6.8 bn

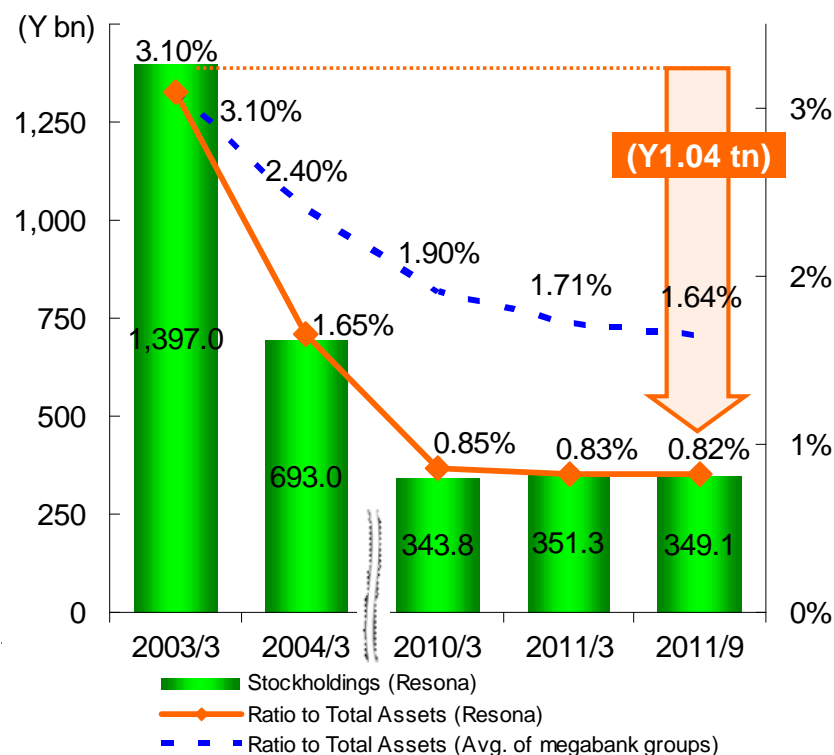
■ Net unrealized gain (loss)



Nikkei Average	10,671	9,852	8,695
1 month average	yen	yen	yen
10 year JGB rate at year-end	1.390%	1.250%	1.025%

Ratio of stockholdings to total assets

- Break-even Nikkei Average : Approx. 7,100 yen
- β vis-à-vis Nikkei Average : Approx. 0.8
- Stockholdings (acquisition cost) to total assets: 0.82%
- Historical Stockholdings to total assets



Capital Adequacy Ratio (RHD Consolidated)

■ RHD's consolidated CAR [Mar. 31, 2011] **11.21%** ⇒ [Sep. 30, 2011] **12.47% (+1.26%)**

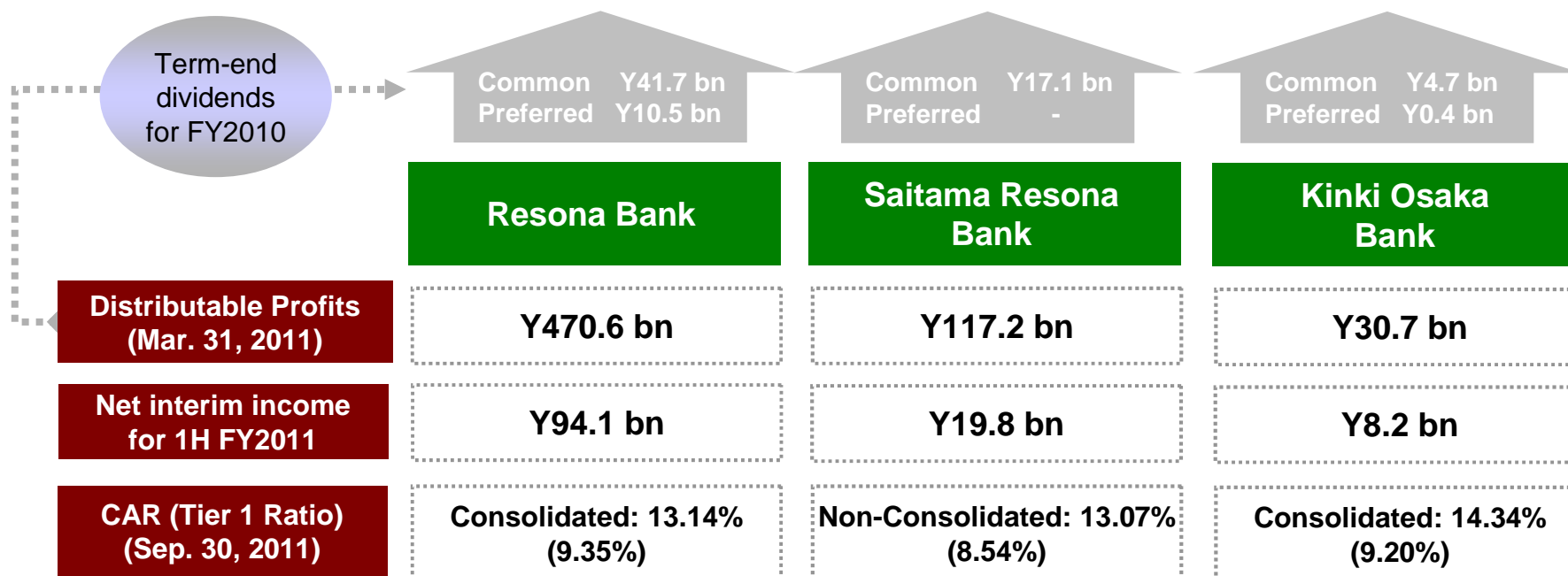
Capital adequacy ratio				Factors for the change in 1H FY2011	
Change in Capital Adequacy Ratio (Basel II, F-IRB basis)				[Total qualifying capital] +89.8 bn (+0.50%)	
(Billions of Yen, %)				■ Tier 1 (+0.66%)	
	Mar. 31, 2011	Sep. 30, 2011	Change	☞ Retained earnings +127.3 bn (+0.71%)	
Capital adequacy ratio	11.21	12.47	1.26	☞ Minority interests in consolidated subsidiaries -10.3 bn (-0.06%)	
Tier 1 ratio	7.51	8.67	1.16	> FX adjustment for T1 hybrid -7.4 bn (-0.05%)	
Total qualifying capital	2,119.0	2,208.8	89.8	■ Tier 2 (-0.18%)	
Tier 1	1,418.9	1,536.6	117.7	> FX adjustment for T2 hybrid -27.9 bn (-0.16%)	
Capital stock, capital surplus and retained earnings	1,410.0	1,537.4	127.3	■ Deduction (+0.03%)	
Capital stock	340.4	340.4	0.0	> Deduction for securitization exp. -3.9 bn (+0.03%)	
Capital surplus	237.0	237.0	0.0	[RWA] -1,187.4 bn (+0.78%)	
Retained earnings	832.4	959.8	127.3	■ Risk-weighted assets	
Minority interests in consolidated subsidiaries	110.2	99.9	(10.3)	> Credit risk assets -1,159.2 bn (+0.76%)	
Tier 2	715.1	683.2	(31.8)	Improvements in ratings for corporate obligors, refinements in LGD estimation for housing loan book, etc.	
45% of unrealized gains on other securities	This item is not applicable to banks with only domestic operations			[Reference] Estimates under the Outlier Framework	
Excess of eligible reserves relative to EL and general reserve	63.6	59.4	(4.2)	■ RB: 3.9%, SR: 3.1%, KO: 4.1%	
Subordinated debts	621.4	593.5	(27.9)	➢ Holding period: 1 year, observation period: 5 years, confidence interval: 99%	
Deductions	15.0	11.0	(4.0)	➢ 3 banks adopted an internal model to measure core liquidity deposits	
Risk-weighted assets	18,893.8	17,706.4	(1,187.4)		
Credit risk assets	17,724.7	16,565.4	(1,159.2)		
Operational risk assets	1,169.1	1,140.9	(28.2)		

Capital Adequacy Ratio (Subsidiary Banks)

Japanese domestic standard (Billions of Yen)	RB (Consolidated) [F-IRB]			SR (Non-consolidated) [F-IRB]			KO (Consolidated) [F-IRB]		
	Mar.31, 2011	Sep.30, 2011	Change	Mar.31, 2011	Sep.30, 2011	Change	Mar.31, 2011	Sep.30, 2011	Change
Capital adequacy ratio	11.76%	13.14%	+1.38%	12.10%	13.07%	+0.97%	12.85%	14.34%	+1.49%
Tier 1 ratio	8.10%	9.35%	+1.25%	7.55%	8.54%	+0.99%	8.00%	9.20%	+1.20%
Total qualifying capital	1,607.2	1,674.4	67.2	443.9	455.4	11.4	181.4	189.7	8.2
Tier 1 capital	1,106.5	1,192.0	85.4	277.0	297.8	20.7	113.0	121.6	8.6
Tier 2 capital	540.9	520.1	(20.7)	177.2	167.1	(10.0)	69.2	68.9	(0.3)
Deductions	40.2	37.6	(2.5)	10.2	9.5	(0.6)	0.8	0.8	0.0
Risk weighted assets	13,660.5	12,735.7	(924.7)	3,668.1	3,483.7	(184.4)	1,411.5	1,322.3	(89.1)
Credit risk assets	12,905.3	11,998.4	(906.9)	3,403.0	3,224.2	(178.8)	1,306.6	1,220.5	(86.0)
Operational risk assets	755.1	737.3	(17.7)	265.1	259.5	(5.5)	104.9	101.8	(3.0)

Distributable Profits and Dividend Policy

Resona Holdings (Distributable Profits as of Sep. 30, 2011: Y267.5 bn)



Dividend to be paid by subsidiary banks to Resona Holdings

- Subsidiary banks secured sufficient distributable profits.
- In principle, net income of the preceding year to be fully distributed to the holding company in the following fiscal year (50% as term-end and 50% as interim dividends).

Status of Consolidated Subsidiaries and Affiliated Companies

Consolidated subsidiaries (domestic, excluding subsidiary banks)

Name	Line of business	Capital contribution ratio	Net Income		(Billions of Yen) (Ref) FY2010
			1H FY2011	YoY change	Net Income
Resona Guarantee Co., Ltd.	Credit guarantee (Mainly mortgage loan)	Resona Group 100%	3.7	2.6	1.2
Daiwa Guarantee Co., Ltd.	Credit guarantee (Mainly mortgage loan)	Resona Group 100%	0.4	0.4	0.2
Kinki Osaka Shinyo Hosho Co., Ltd.	Credit guarantee (Mainly mortgage loan)	Resona Group 100%	0.4	0.5	0.4
Resona Card Co., Ltd.	Credit card Credit guarantee	Resona Holdings 77.6% Credit Saison 22.4%	0.9	0.2	2.5
Resona Kessai Service Co., Ltd.	Factoring	Resona Holdings 100%	0.3	0.0	0.6
Resona Research Institute Co., Ltd.	Business consulting service	Resona Holdings 100%	0.0	(0.0)	0.0
Resona Capital Co., Ltd.	Venture capital	Resona Holdings 100%	(0.0)	0.0	0.5
Resona Business Service Co., Ltd.	Back office work	Resona Holdings 100%	0.0	(0.0)	0.0
Resona Servicer Co., Ltd.	Servicer	Resona Holdings 100%	0.0	(0.0)	0.0
Total			5.9	3.8	5.9

Major consolidated subsidiaries (overseas)

Name	Line of business	Capital contribution ratio	Net income		(Ref) FY2010
			1H FY2011	YoY change	Net Income
P.T. Bank Resona Perdania	Banking business (Indonesia)	Resona Group 43.4% (Effective control approach)	1.0	(0.0)	1.9
P.T. Resona Indonesia Finance	Leasing business (Indonesia)	Resona Group 100%	0.0	(0.0)	0.1
Total			1.1	(0.0)	2.0

Affiliated company accounted for by the equity method

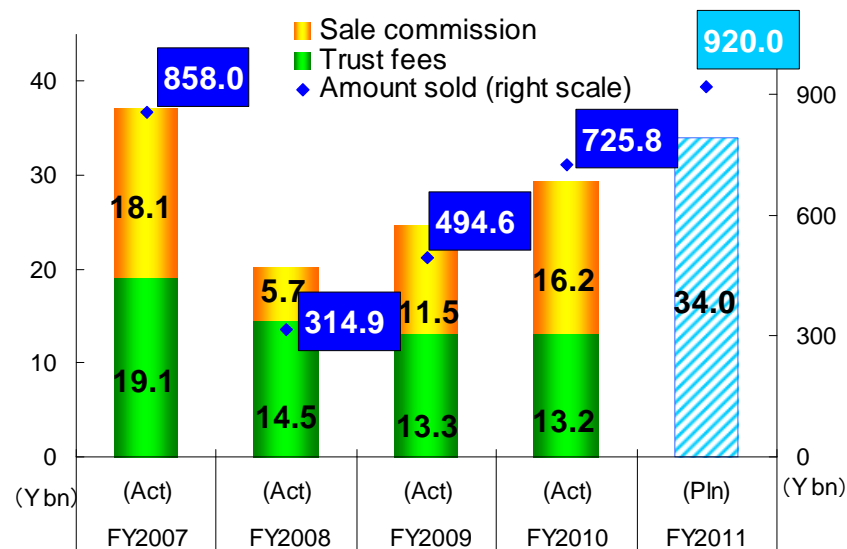
Name	Line of business	Capital contribution ratio	Net Profit		(Ref) FY2010
			1H FY2011	YoY change	Net income
Japan Trustee Services Bank, Ltd.	Banking and Trust	Resona Group 33.3% Sumitomo Trust 33.3% Sumitomo Mitsui Trust HD 33.3%	0.3	(0.2)	1.1

Other Detailed Materials

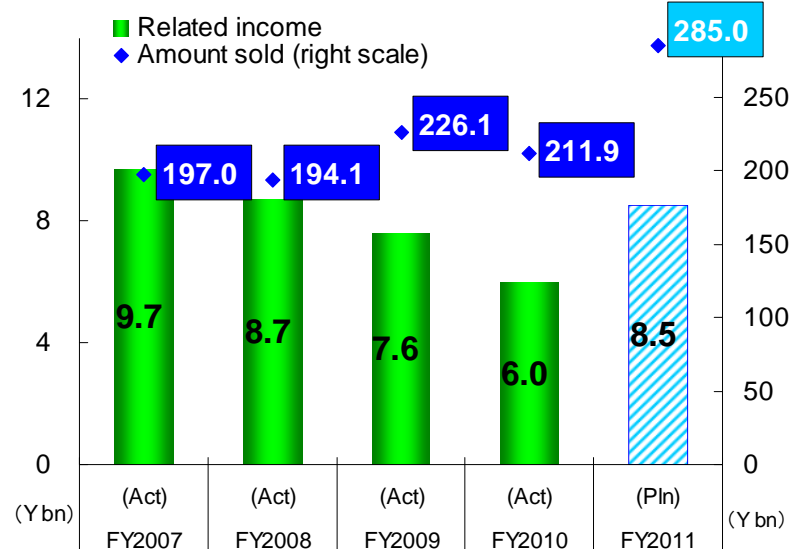
Reference Material

Trend of Major Fee Businesses

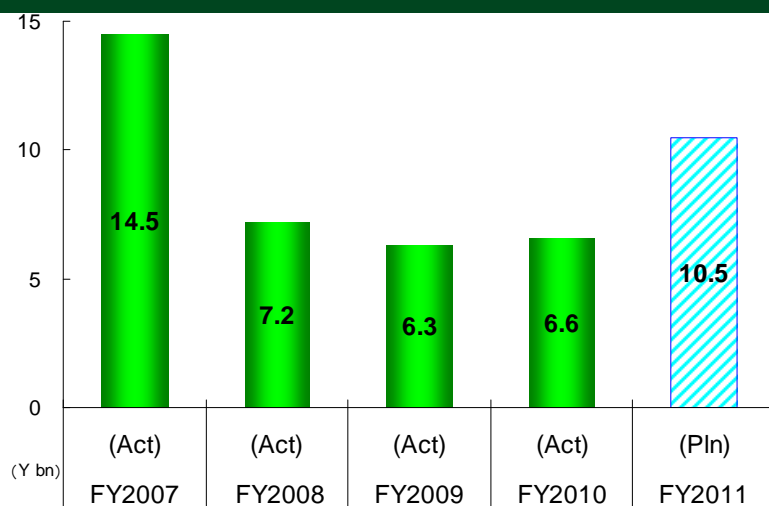
Investment Trusts (Total of Group Banks)



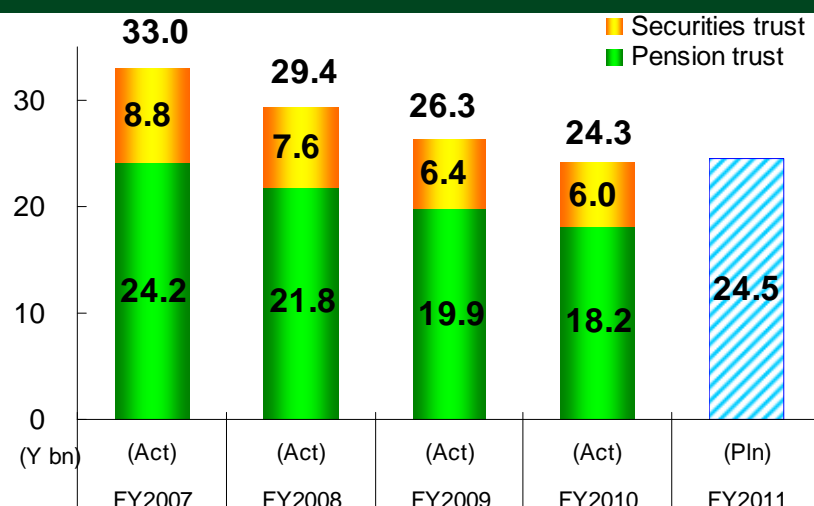
Insurance (Total of Group Banks)



Real Estate Business* (RB)



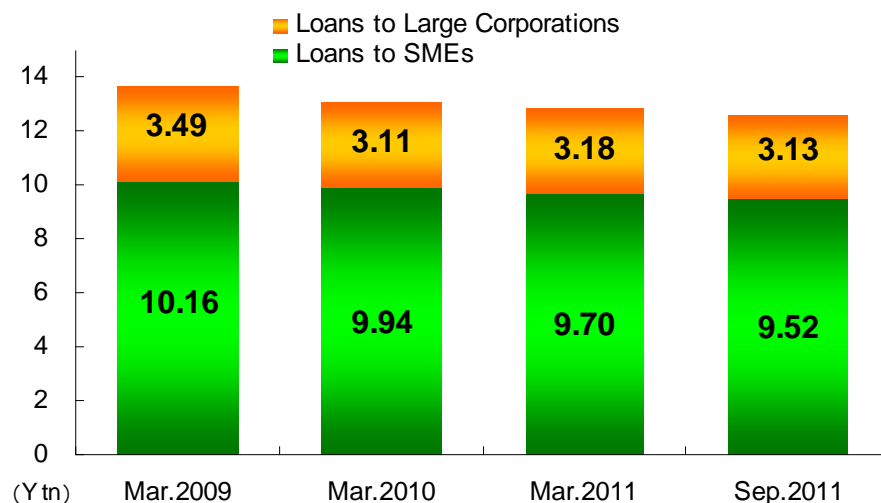
Pension and Securities Trust Business (RB)



* Excluding gains from investments in real estate fund

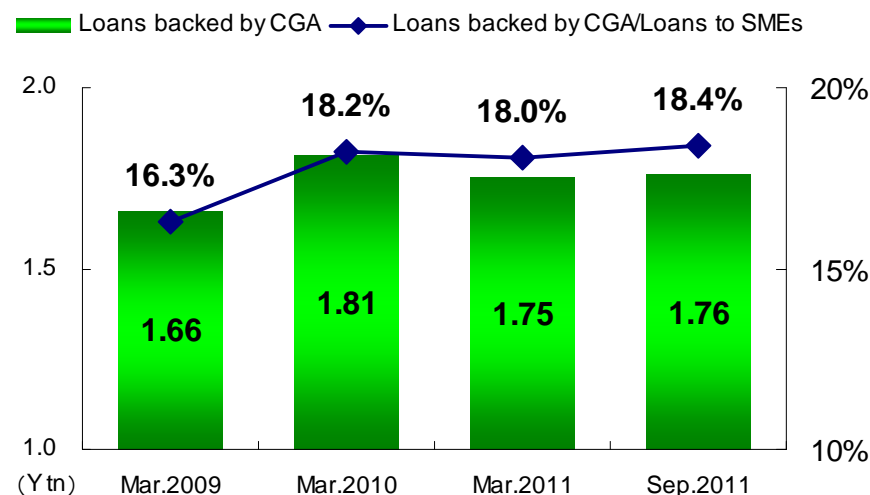
Trend of Corporate Banking Business (Total of Group Banks)

Loans extended to corporate borrowers



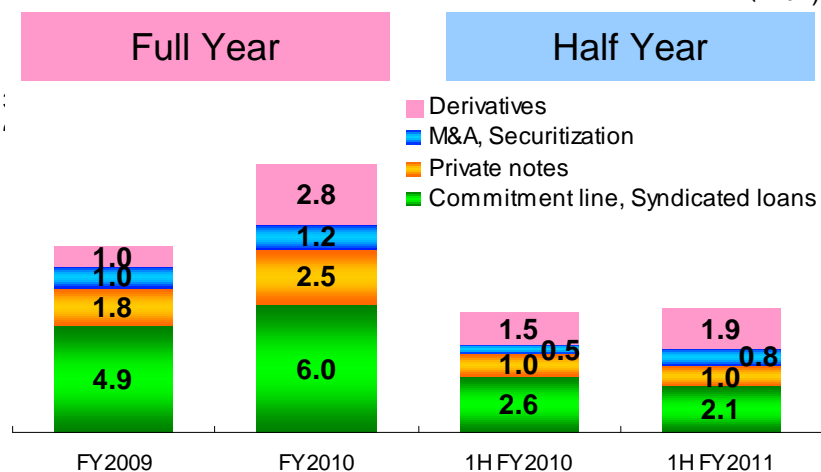
*1. Loans to SMEs = Loans to SMEs and Individuals – loans to individuals
 *2. Loans to large corporations = Total loans – loans to SMEs and individuals – loans to central and local governments

Balance of loans backed by CGA*1



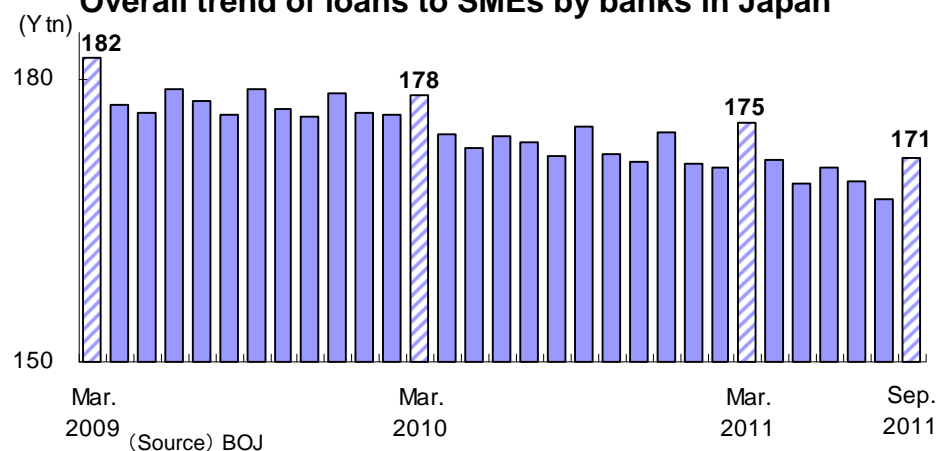
Trend of solution fees (RB)

(Y bn)



(Reference)

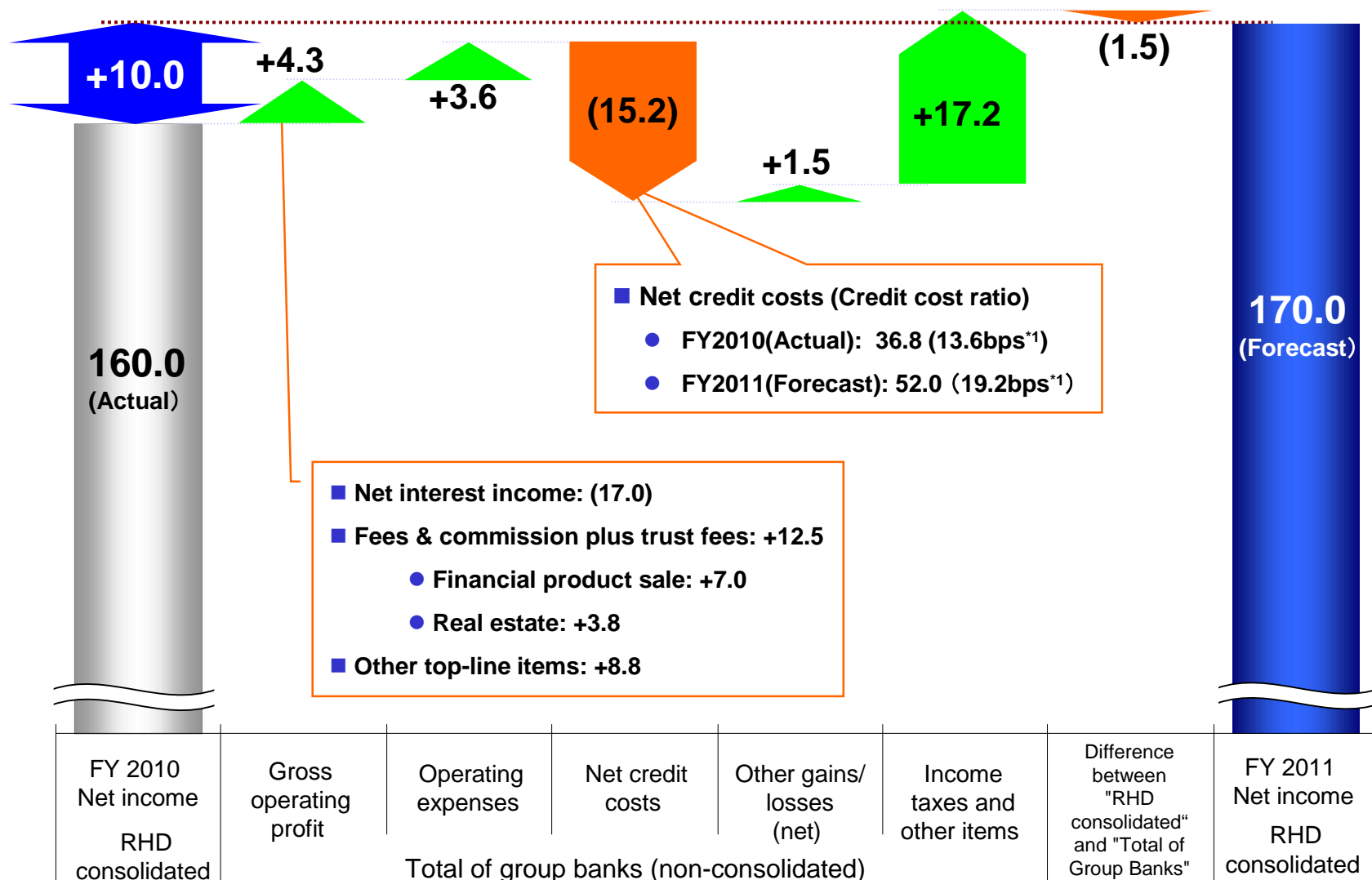
Overall trend of loans to SMEs by banks in Japan



Gap Analysis: FY2010 (Act) vs. FY2011 (Forecast)

Forecasting a consolidated net income of Y170.0 bn (+Y10.0 bn increase YoY) for FY2011

(Billions of yen)

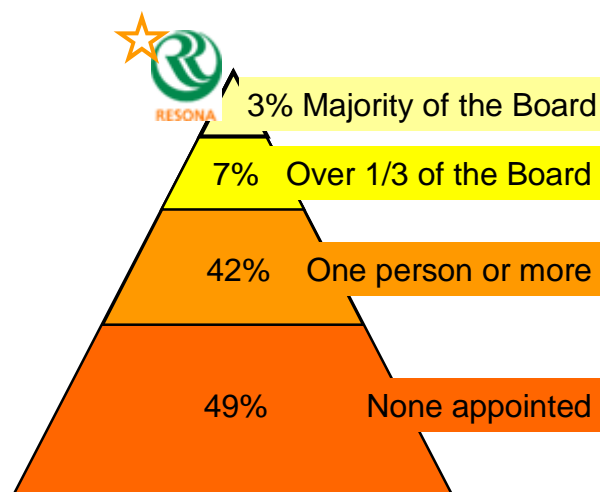


*1. Net credit costs / Total credits defined under the Financial Reconstruction Law (Simple average of the balances at the beginning and end of the year (The same denominator is used for FY2010 and FY2011))

Corporate Governance

The first Japanese financial institution to adopt the Committees Governance Model.
Outside directors constitute the majority of the Board of Directors.

Appointments of outside directors
by corporations listed on the 1st section of TSE



*1 1,668 corporations listed on the 1st section of the TSE

General Meeting of Shareholders

Appointment

Directors

(6 outside directors and 4 internal directors)

Board of Directors

Nomination
Committee

Compensation
Committee

Audit
Committee

(Majority of the members and the chairperson
of the committees are outside directors)

Appointment

Representative executive officers
Executive officers

President of each subsidiary bank concurrently
serves as executive officer of Resona Holdings

Resona
Bank

Saitama
Resona
Bank

The Kinki
Osaka
Bank

List of Directors

	Name	Major Concurrent Post
Outside Directors	Kunio Kojima	Advisor of Japan Securities Finance Co., Ltd.
	Hideo Iida	Lawyer (visiting lawyer of Okuno & Partners)
	Tsutomu Okuda	Chairman and CEO of J. Front Retailing Co., Ltd.
	Shusai Nagai	Professor of Faculty of Business Administration, Toyo Gakuen University Graduate School
	Emi Osono	Professor of Hitotsubashi University Graduate School of International Corporate Strategy
	Toshio Arima	Executive Corporate Advisor of Fuji Xerox Co., Ltd.

	Name	Major Concurrent Post
Internal Directors	Eiji Hosoya ^{*2}	Chairman and Director of Resona Bank, Ltd.
	Seiji Higaki	Deputy Chairman and Director of Resona Bank, Ltd.
	Kazuhiro Higashi	Executive Officer of Resona Bank, Ltd.
	Kaoru Isono	

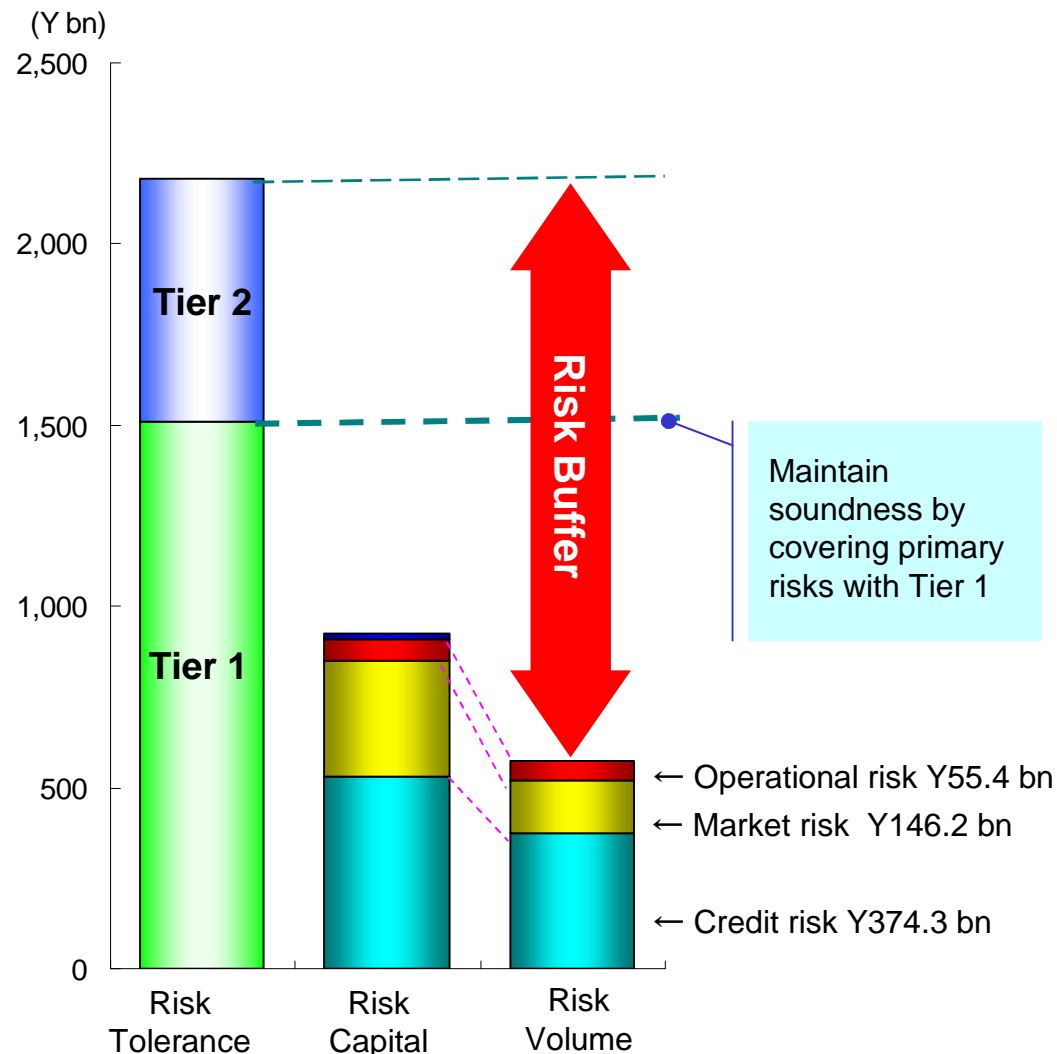
*2 Appointed as chairman after an infusion of public funds in 2003.
The former deputy president of JR-East.

"CEO Succession Plan" as a management selection / development program

*1 Source : Japan Association of Corporate Directors

Risk Volume Relative to Capital (End of September 2011)

- Primary risks such as credit, market and operational risks are controlled within Tier 1 limit
- Risk buffers comprising of excess Tier 1 and Tier 2 are provided against the risk volume assumed under a stress scenario or the risks difficult to measure.



Assess “level of capital adequacy” based on the capital adequacy ratio management and comprehensive risk management

Assumptions for measuring the VaR

- Confidence Interval: 99%
 * “99.9%” confidence level is used as a supplementary assumption for a stress test.
- Holding period
 Credit risk: 1 year
 Market risk: 10 days to 6 months depending on the nature of assets
 Operational risk: 1 year

Note: Tier 1 and Tier 2 amounts are after certain adjustments.

Sophistication in ALM Interest Rate Risk Management: Introduction of Internal Model to Measure Core Liquidity Deposits

Reassess the value of liquidity deposits

Internal model to measure core liquidity deposits



Grasp more properly how much liquidity deposits can be regarded as low-cost and stable funding over the long term

Combined Balance Sheet (RB + SR + KO)

Loans and bills discounted Y25.7 tn (61%)	Liquidity deposits Y19.2 tn (45%) Core liquidity deposits (X%)
Securities Y11.0 tn (22%)	Time and other deposits Y12.4 tn (29%)
Cash Y2.7 tn (6%)	Other Y9.2 tn (22%)
Other Y3.0 tn (7%)	Net assets Y1.5 tn (4%)

Combined total assets: Y42.5 tn
(As of Sep.30,2011)

More sophisticated
ALM interest rate risk management

Methods to measure core liquidity deposits

Before implementation of internal model < Standardized method > (FSA's bank supervision guideline)

- Introduced the idea of core liquidity deposits in FY2007
- Balance: the smallest of the following
 1. Lowest balance for the past 5 years
 2. Current balance less maximum annual outflow observed in the past 5 years
 3. Current balance x 50%
- Maturity allocated evenly over 5 years (2.5 years on average)

Internal model

- RB and SR adopted in Apr.2010, KO in Oct.2010
- Rationally modeled depositors' behaviors to grasp how much can be regarded as core liquidity deposits
- Maturity allocated evenly over 10 years (5 years on average)
- Longer maturity applicable to core liquidity deposits (from 2.5 years to 5.0 years on average) enables the banks to take longer-term interest rate risk

Securities Portfolio (Total of Group Banks)

Maturity ladder for securities held (securities with contractual maturities, nominal amount basis)

(Y bn)

	End of Sep. 2011						End of Mar. 2011					
	One year or less	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years	One year or less	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
Bonds held to maturity	49.7	320.2	214.7	350.3	930.1	3.0	45.2	220.1	254.1	327.3	824.7	3.0
JGBs	30.0	260.0	127.0	285.8	817.2	3.0	30.0	165.0	177.0	266.3	714.7	3.0
Floating-rate JGBs	-	-	47.0	197.8	305.2	-	-	-	2.0	236.3	311.7	-
Japanese local government bonds	16.9	56.9	86.1	64.5	112.9	-	12.0	51.0	75.2	60.9	110.0	-
Japanese corporate bonds	2.8	3.2	1.6	-	-	-	3.2	4.1	1.9	0	-	-
Available-for-sale securities	2,952.4	1,854.3	3,027.2	325.3	358.7	134.4	2,728.8	1,464.7	2,537.5	390.1	478.3	152.0
Bonds	2,902.2	1,792.5	2,950.5	319.8	356.9	20.5	2,713.6	1,403.9	2,506.0	381.4	476.1	22.3
JGBs	2,716.6	1,411.3	2,636.3	225.8	269.4	-	2,528.7	1,083.7	2,064.1	254.6	384.0	-
Floating-rate JGBs	-	-	11.1	225.8	161.4	-	-	-	2.9	219.1	184.0	-
Japanese local government bonds	0.2	17.5	30.8	19.8	84.6	-	0.3	5.7	41.8	16.7	85.8	-
Japanese corporate bonds	185.4	363.6	283.3	74.2	2.9	20.5	184.5	314.5	400.0	110.1	6.3	22.3
Other	50.2	61.7	76.6	5.5	1.8	113.8	15.2	60.8	31.5	8.7	2.1	129.7

Unrealized gains/(losses)

(Y bn)

	B/S Amount (Sep. '11)	Change from Mar. '11	Unrealized gains/(losses) (Sep. '11)	Change from Mar. '11
Bonds held to maturity	1,863.9	196.0	46.4	21.8
Stocks of subsidiaries and affiliates	9,156.3	913.0	63.8	(28.8)
Stocks	416.0	(47.2)	66.9	(44.9)
Bonds	8,374.3	858.7	8.6	23.0
Other	365.8	101.4	(11.7)	(6.8)

Note: The figures reported above include securities, negotiable certificates of deposit (NCDs) included in "cash and due from banks" and a portion of "monetary claims

The presented figures only include marketable securities.

Trend of market and other indicators

[Duration and Basis Point Value of JGBs (Available-for-sale securities)]

	2009/3	2009/9	2010/3	2010/9	2011/3	2011/9
Duration (year)	1.7	2.2	2.1	2.0	2.1	2.1
BPV (Ybn)	0.90	1.20	1.19	1.21	1.35	1.52
10-year JGB yield	1.350%	1.290%	1.390%	0.930%	1.250%	1.025%

[Break-even Nikkei Average Points]

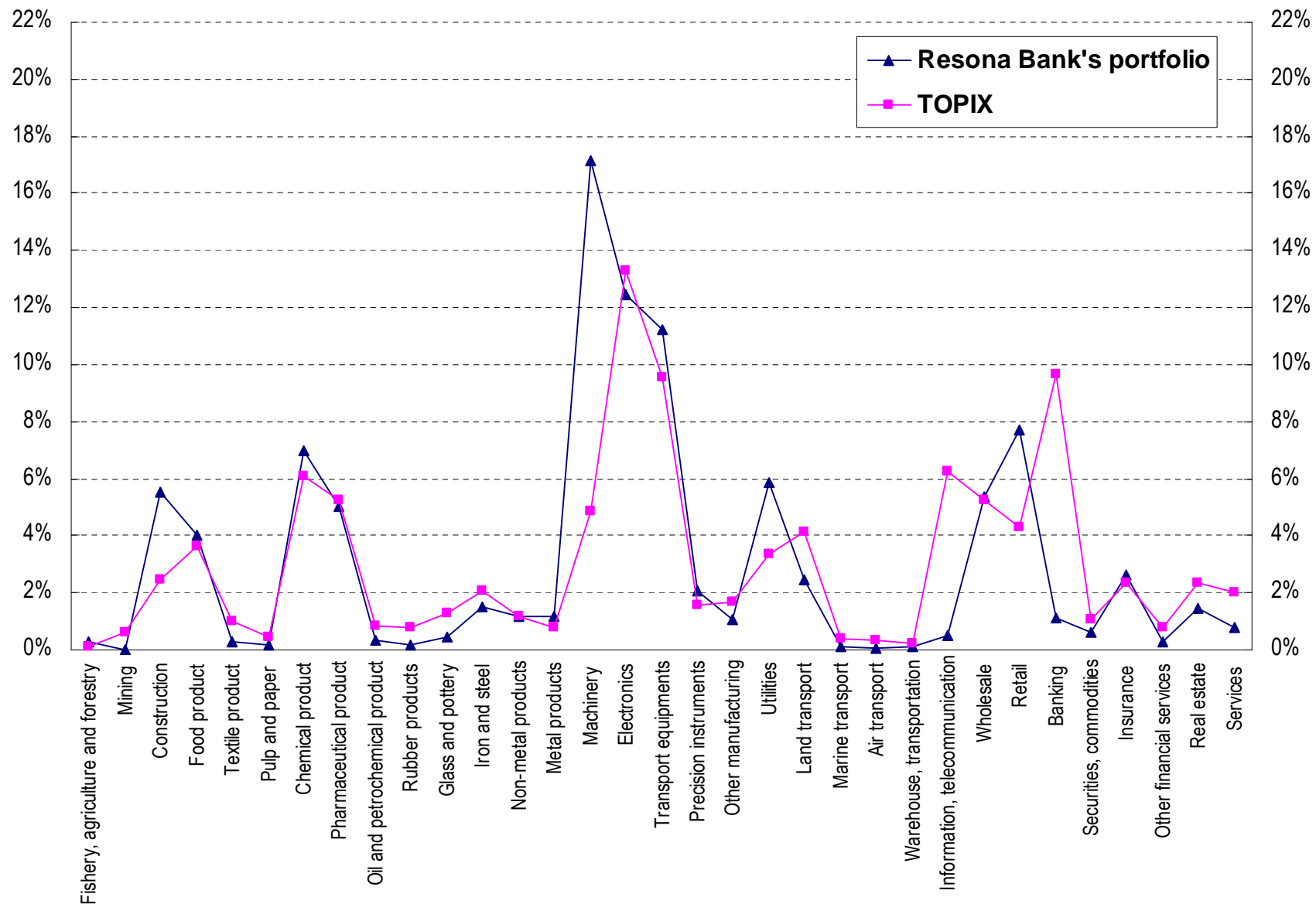
	2009/3	2009/9	2010/3	2010/9	2011/3	2011/9
Nikkei Average Points (Yen)	7,000	7,000	7,300	7,600	7,200	7,100
BV of stock sold outright (Ybn)	7.6	2.6	11.1	0.3	9.6	0.4

[Net gains/(losses) on bonds and stocks]

(Y bn)

	FY2008	1H FY2009	FY2009	1H FY2010	FY2010	1H FY2011
Net gains/(losses) on bonds	10.2	14.4	19.7	29.1	30.5	15.4
Net gains/(losses) on stocks	(37.6)	2.1	4.3	(6.7)	(1.7)	0.3

Stocks Held by Industry (RB, As of Sep. 30, 2011)



Maturity Ladder of Deposit and Loans (RB, Domestic Operations)

Loans and bills discounted

[End of March 2011]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	1.5%	1.4%	4.0%	6.8%	13.7%
Prime rate-based	50.6%	0.4%	0.0%	0.0%	51.0%
Market rate-based	25.8%	3.7%	3.4%	2.4%	35.3%
Total	77.9%	5.5%	7.4%	9.2%	100.0%

Loans maturing within 1 year **83.4%**

[End of September 2011]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	1.4%	1.2%	3.9%	6.2%	12.7%
Prime rate-based	51.7%	0.1%	0.0%	0.0%	51.7%
Market rate-based	27.8%	1.8%	3.4%	2.5%	35.5%
Total	80.9%	3.1%	7.3%	8.7%	100.0%

Loans maturing within 1 year **84.0%**

[Change in 1H of FY2011]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	-0.1%	-0.1%	-0.2%	-0.6%	-0.9%
Prime rate-based	1.1%	-0.3%	0.0%	0.0%	0.7%
Market rate-based	2.0%	-1.9%	0.0%	0.1%	0.2%
Total	3.0%	-2.4%	-0.1%	-0.5%	0.0%

Loans maturing within 1 year **0.6%**

Deposits

[End of March 2011]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	45.6%	0.9%	3.8%	13.0%	63.3%
Time deposits	18.7%	10.3%	6.5%	1.2%	36.7%
Total	64.3%	11.3%	10.2%	14.2%	100.0%

[End of September 2011]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	43.6%	1.0%	3.9%	13.5%	61.9%
Time deposits	19.3%	10.9%	6.7%	1.2%	38.1%
Total	62.9%	11.8%	10.6%	14.7%	100.0%

[Change in 1H of FY2011]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	-2.0%	0.0%	0.1%	0.4%	-1.4%
Time deposits	0.6%	0.5%	0.2%	0.0%	1.4%
Total	-1.4%	0.6%	0.4%	0.5%	0.0%

*1. Based on figures compiled for internal administrative purposes

Swap Positions by Remaining Periods (RB)

- Notional amounts of interest rate swaps by remaining period
(to which a deferred hedge accounting is applied)

(Billions of Yen)

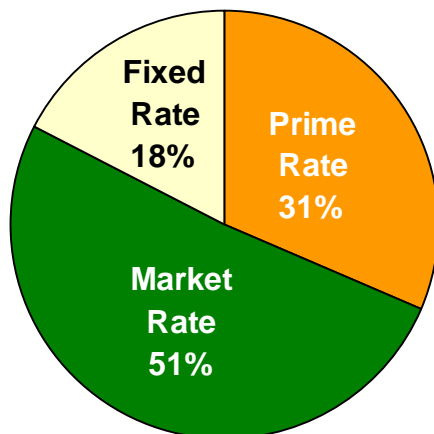
	End of September 2011				End of March 2011			
	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total
Receive fixed rate/ Pay floating rate	191.0	449.7	940.0	1,580.7	160.0	478.3	950.0	1,588.3
Receive floating rate/ Pay fixed rate	155.0	231.9	515.0	901.9	205.0	160.0	585.0	950.0
Net position to receive fixed rate	36.0	217.7	425.0	678.7	(45.0)	318.3	365.0	638.3

Composition of Loan Portfolio by Base Rates (RB)

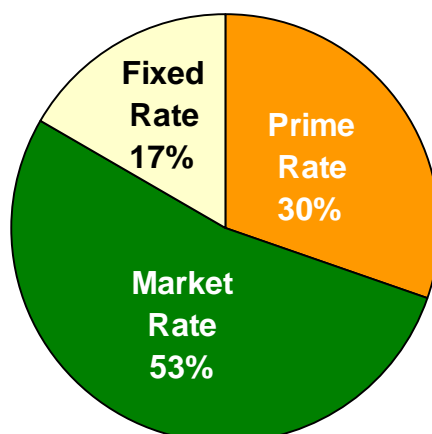
Loans to corporations

*Market rate-linked loans (corporate) include the fixed-rate (spread) loans maturing in less than one year.

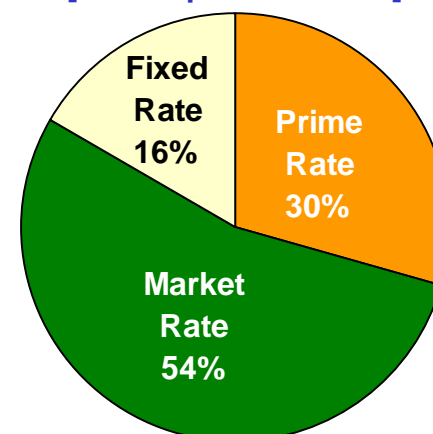
[End September 2010]



[End March 2011]

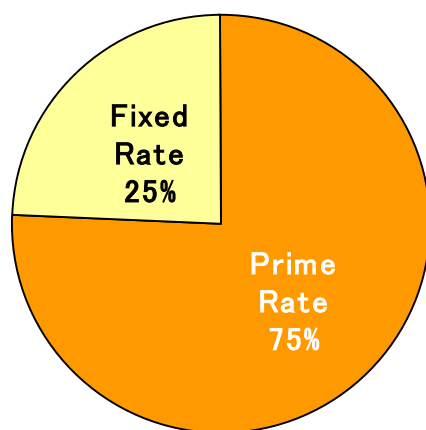


[End September 2011]

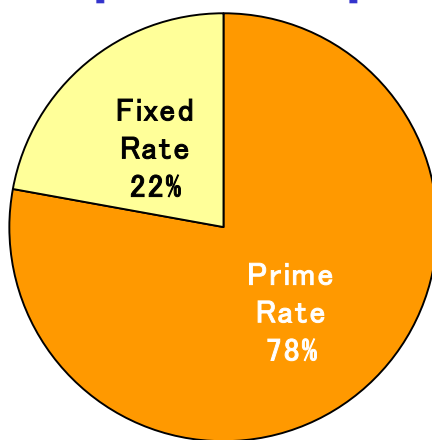


Loans to individuals

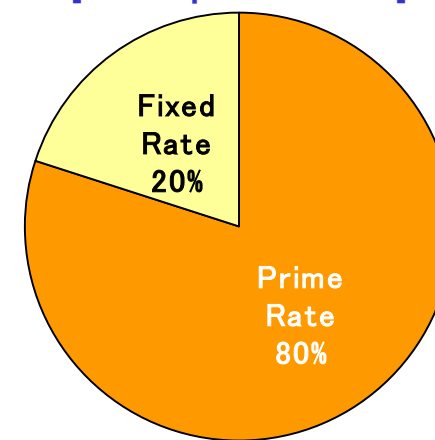
[End September 2010]



[End March 2011]



[End September 2011]

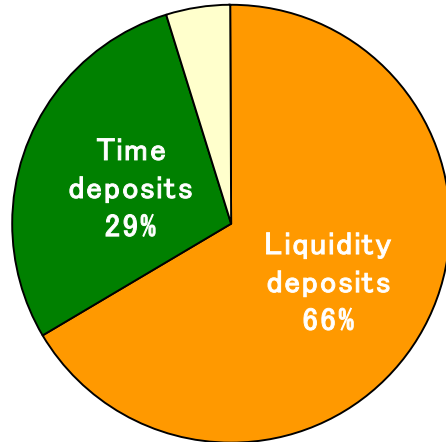


* Portfolio composition is based on figures compiled for internal administrative purposes.

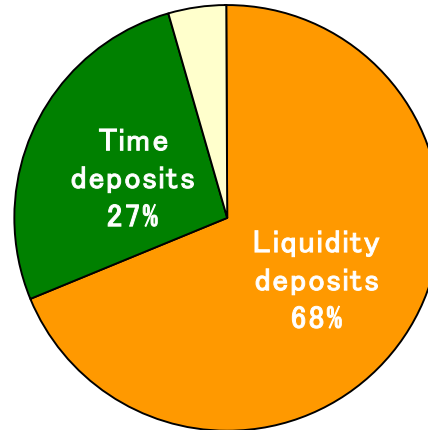
Composition of Deposits by Types (RB)

Corporate Deposits

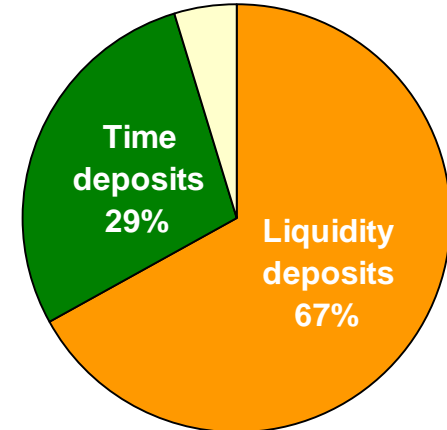
[End September 2010]



[End March 2011]

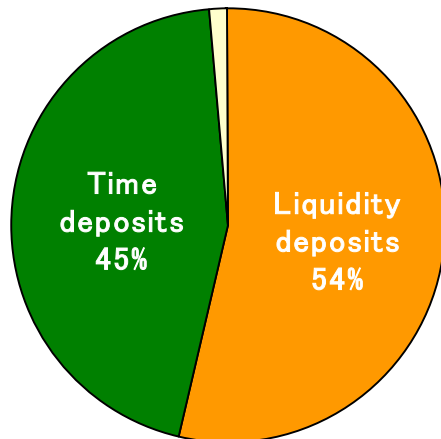


[End September 2011]

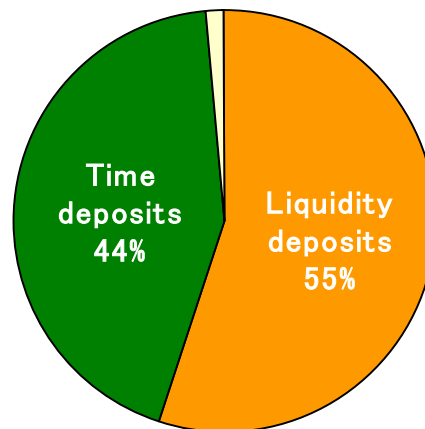


Individual Deposits

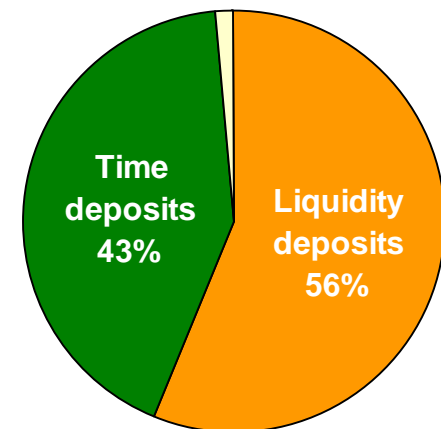
[End September 2010]



[End March 2011]



[End September 2011]



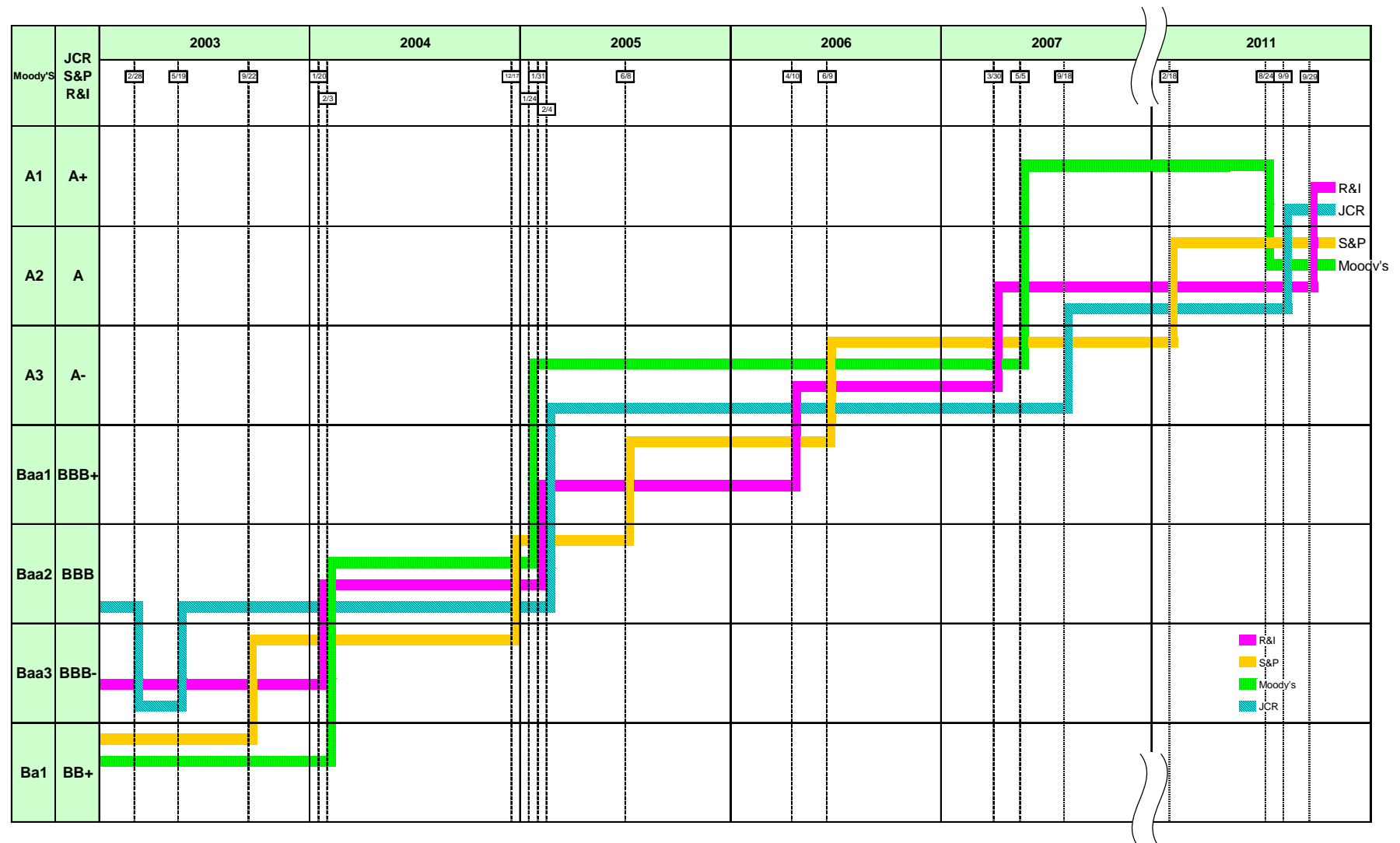
Migrations of Borrowers (RB, 1H FY2011)

Exposure amount basis (Migration during 1H FY2011)

		End of September 2011									Upward Migration	Downward Migration
		Normal	Other Watch	Special Attention	Doubtful	Quasi-Bankrupt	Bankrupt	Other	Collection, Repayments	Assignments, Sale		
End of March 2011	Normal	98.3%	1.2%	0.1%	0.1%	0.0%	0.0%	0.3%	0.3%	0.0%	-	1.4%
	Other Watch	10.3%	82.9%	0.9%	1.9%	0.2%	0.2%	3.6%	3.6%	0.0%	10.3%	3.2%
	Special Attention	2.6%	7.3%	73.1%	11.2%	1.1%	0.0%	4.6%	4.6%	0.0%	9.9%	12.4%
	Doubtful	1.0%	3.7%	2.6%	81.6%	7.5%	0.6%	3.2%	3.2%	0.0%	7.2%	8.0%
	Quasi-Bankrupt	0.0%	0.2%	0.0%	0.3%	90.7%	3.8%	4.9%	3.4%	1.5%	0.5%	3.8%
	Bankrupt	0.0%	0.1%	0.0%	1.4%	0.0%	89.7%	8.8%	0.9%	7.9%	1.5%	-

1. Above tabel shows how a borrower belonging to a particular borrower category as of the end of March 2011 migrated to a new category as of the end of September 2011.
2. Percentage points are calculated based on exposure amounts as of the end of March 2011. (New loans extended, loans partially collected or written-off during the period are not taken into account.)
3. "Other" as of the end of September 2011 refers to those exposures removed from the balance sheet due to collection, repayments, assignments or sale of claims.

Trend of Long-term Senior Debt Rating of Resona Bank



List of Preferred Shares Issued by RHD

[As of Sep. 30, 2011]

Public Fund

Private Fund

		Class C Preferred Shares	Class F Preferred Shares	Class 3 Preferred Shares	Class 4 Preferred Shares	Class 5 Preferred Shares	Class 6 Preferred Shares
Distinction between public and private funds		Public Fund	Public Fund	Public Fund	Private Fund	Private Fund	Private Fund
Original issuer and name of securities		Kinki Osaka Bank Series 1	Asahi Bank Series 2 Class 2	Resona Bank Class 3 Series 1	Resona Holdings Class 4	Resona Holdings Class 5	Resona Holdings Class 6
Original issue date		4/26/2001	3/31/1999	7/1/2003	8/31/2006	8/28/2007	12/8/2009
Current number of shares		12,000,000 shares	8,000,000 shares	225,000,000 shares	2,520,000 shares	4,000,000 shares	3,000,000 shares
Issue price per share		JPY 5,000	JPY 12,500	JPY 2,000	JPY 25,000	JPY 25,000	JPY 25,000
Total issue amount remaining at present		JPY 60.0 Billion	JPY 100.0 Billion	JPY 450.0 Billion	JPY 63.0 Billion	JPY 100.0 Billion	JPY 75.0 Billion
Original total issue amount		JPY 60.0 Billion	JPY 100.0 Billion	JPY 550.0 Billion	JPY 63.0 Billion	JPY 100.0 Billion	JPY 75.0 Billion
Shareholder		RCC	RCC	DIC	Shinkin Trust Bank	Dai-ichi Life	Nippon Life Meiji Yasuda Life Daido Life
Preferred dividend	Dividend per share (Jun. 2012)	JPY 68.00	JPY 185.00	JPY 21.38	JPY 992.50	JPY 918.75	JPY 1,237.50
	Total amount of dividend (Jun. 2012)	JPY 816 Million	JPY 1,480 Million	JPY 4,810 Million	JPY 2,501 Million	JPY 3,675 Million	JPY 3,712 Million
	Yield	1.36%	1.48%	Libor (1y) + 50bp 1.069%	3.97%	3.675%	4.950%
Acquisition right	Acquisition period	1/1/2002 3/31/2015	7/1/2003 11/30/2014	7/1/2010 ---	---	---	---
	Current exchange price	JPY 1,501	JPY 3,240	JPY 410	---	---	---
	Current exchange rate	(3.331)	(3.858)	(4.878)	(---)	(---)	(---)
Reset of exchange rate	Date of reset	1/1	7/1	5/1	---	---	---
	Direction of reset	Upward/Downward	Upward/Downward	Upward/Downward	---	---	---
	Cap exchange rate	(3.331)	(3.858)	(12.987)	---	---	---
	Floor exchange rate	---	---	---	---	---	---
	Cap exchange price	---	---	---	---	---	---
	Floor exchange price	JPY 1,501	JPY 3,240	JPY 154	---	---	---
	Start of market price calculation	45 trading days before	45 trading days before	45 trading days before	---	---	---
	Calculation period	30 trading days	30 trading days	30 trading days	---	---	---
Acquisition clause	Date of mandatory exchange	4/1/2015	12/1/2014	Mandatory exchange not applicable	Mandatory exchange not applicable	Mandatory exchange not applicable	Mandatory exchange not applicable
	Mandatory exchange rate	JPY 5,000 / Market Price	JPY 12,500 / Market Price	---	Acquisition clause exercisable under certain conditions at the issuer's option after seven years after issue date	Acquisition clause exercisable under certain conditions at the issuer's option after seven years after issue date	Acquisition clause exercisable under certain conditions at the issuer's option after seven years after issue date
	Start of market price calculation	45 trading days before	45 trading days before	---	---	---	---
	Calculation period	30 trading days	30 trading days	---	---	---	---
	Floor exchange price	JPY 1,667	JPY 3,598	---	---	---	---

Business Revitalization Plan: Earnings Plan

(Total of Group Banks)

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
(Billions of Yen)	(Actual)	(Actual)	(Plan)	(Plan)	(Plan)
Gross operating profit	615.2	605.7	603.0	606.0	623.0
Trust fees	28.7	25.9	25.1	26.1	28.7
Jointly Operated Designated Money Trust	4.4	0.0	3.3	3.5	4.0
NPL disposal in the trust account	(0.0)	0.0	-	-	-
Interest income	578.4	541.3	539.0	555.0	604.0
Interest expense	92.5	70.1	73.0	86.0	123.0
Net fees & commissions	67.6	72.9	80.0	81.0	83.0
Net trading income	27.4	30.1	7.2	7.9	8.7
Other operating income	5.4	5.5	24.7	22.0	21.6
Gains/(losses) on bonds	19.7	31.5	2.0	(2.7)	0.9
Net operating profit (Before provision to general reserve and NPL disposal in the trust account)	264.6	260.0	257.0	261.0	280.0
Net operating profit	273.3	264.8	257.0	261.0	280.0
Provision to general reserve	(8.6)	(4.7)	-	-	-
Expenses	350.5	345.6	346.0	345.0	343.0
Personnel expense	126.0	130.1	127.5	127.5	129.0
Non-personnel expenses	206.0	197.1	199.5	198.5	195.0
Disposal of NPL	114.6	70.4	64.0	64.0	61.0
Net gain/(loss) on stocks	4.3	(1.7)	4.0	7.0	8.0
Loss on devaluation	3.1	3.3	1.5	1.5	1.5
Ordinary profit*3	152.6	193.0	195.0	204.0	229.0
Extraordinary gains	28.9	30.4	1.0	-	-
Extraordinary losses	4.9	5.7	4.0	4.0	4.0
Income taxes - current	48.7	5.5	6.0	69.0	88.0
Income taxes - deferred	4.6	61.7	55.0	10.0	-
Net income/(loss)	123.1	150.5	131.0	121.0	137.0
Credit related expenses	82.1	36.8	64.0	64.0	61.0

*1. Assets and liabilities are stated in average balance. Net assets are reported in term-end balance.

*2. Earned surplus excluding earned surplus reserve

*3. Ordinary profit includes gains from recoveries of written-off claims etc. in extraordinary gains.

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
(Billions of Yen)	(Actual)	(Actual)	(Plan)	(Plan)	(Plan)
Total assets *1	39,336.8	39,733.0	40,480.0	41,050.0	41,510.0
Loans and bills discounted	25,668.3	25,262.9	25,620.0	26,000.0	26,390.0
Securities	8,837.4	9,530.3	9,970.0	10,060.0	10,040.0
Trading assets	467.6	422.3	500.0	500.0	500.0
DTA (term-end bal.)	219.0	158.6	107.1	98.1	97.4
Total liabilities*1	38,104.7	38,394.4	38,960.0	39,540.0	40,000.0
Deposits and NCDs	33,192.0	34,013.3	33,550.0	34,000.0	34,430.0
Trading liabilities	5.1	11.8	50.0	50.0	50.0
DTL (term-end bal.)	-	-	-	-	-
DTL for land revaluation (term-end bal.)	29.8	28.2	25.9	25.3	24.5
Net assets*1	1,459.9	1,567.3	1,563.1	1,556.2	1,572.9
Capital stock	388.8	388.8	388.8	388.8	388.8
Capital reserve	418.8	418.8	418.8	418.8	418.8
Other capital surplus	113.7	113.7	113.7	113.7	113.7
Earned surplus reserve	20.0	20.0	20.0	20.0	20.0
Retained earnings *2	381.1	508.9	493.2	484.1	501.3
Land revaluation excess	40.4	38.4	34.7	33.8	32.6
Net unrealized gains/(losses) on other securities	82.8	61.6	80.3	83.4	84.1

(Management Indicators)

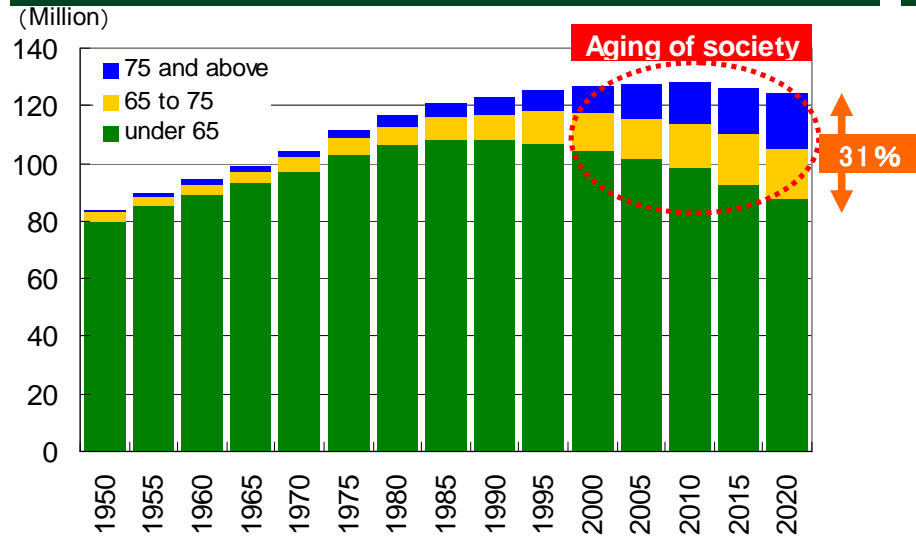
Yield on interest earning assets (A)	1.61	1.49	1.47	1.49	1.60
Interest earned on loans and bills discounted	1.95	1.85	1.78	1.80	1.93
Interest on securities	0.61	0.61	0.62	0.63	0.68
Total cost of funding (B)	1.21	1.13	1.12	1.14	1.22
Interest paid on deposits and NCDs (D)	0.16	0.11	0.10	0.12	0.21
Overall interest spread (A) - (B)	0.39	0.36	0.34	0.35	0.38
Cost-to-income ratio (OHR)	56.98	57.06	57.37	56.93	55.05

Macro Economic Trend

Reference Material

Advent of Aged Society Expands Business Opportunities for Resona

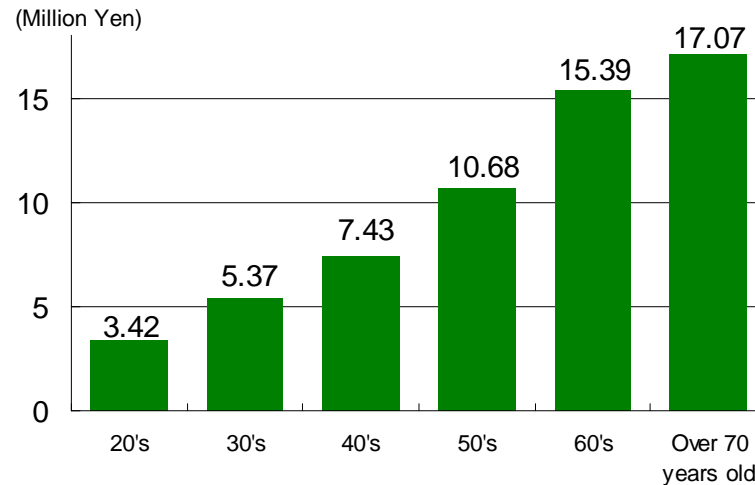
Historical / estimated trend of population by age group*1



*1. Source: National Institute of Population and Social Security Research

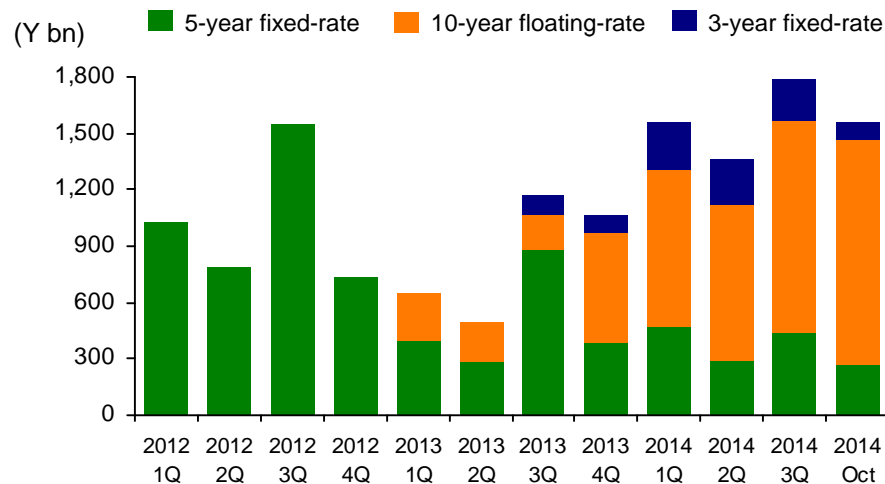
Elderly people tend to have more financial assets*3

<Financial asset balance per household >



*3. Source: The Central Council for Financial Services Information

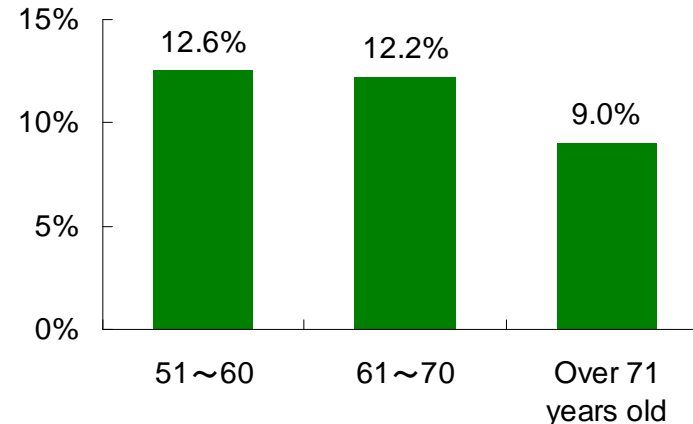
Maturity Ladder of JGBs held by individual investors*2



*2. Source: Bloomberg

Resona has strong base of elderly customers*4

<Resona's active customers per age group / Total population per age group>

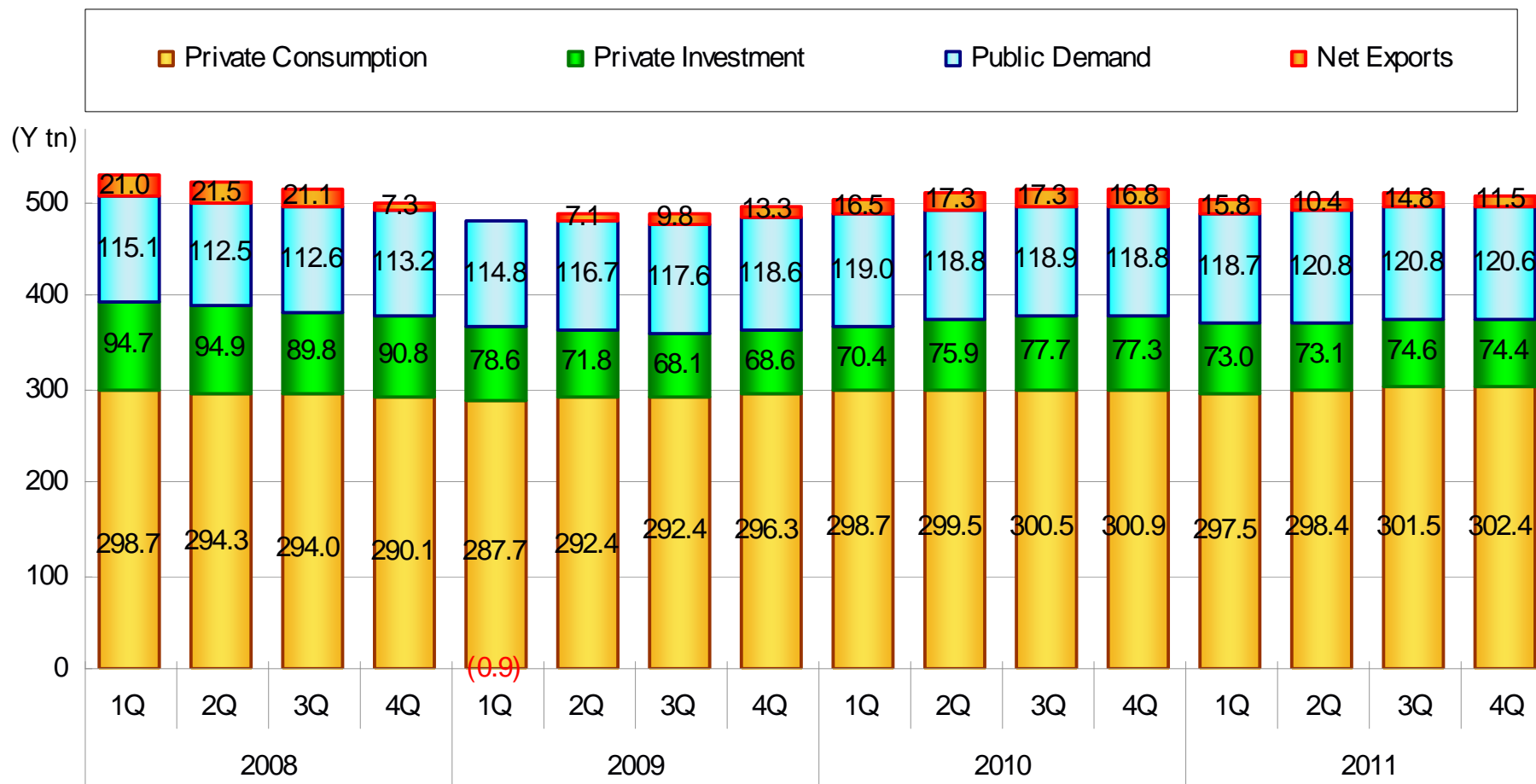


*4. Active customers as of Sep. 30, 2011 (total of group banks)

Total population per age group from "Population Estimate" (Ministry of Internal Affairs and Communications)

Overall Economy in Japan (1)

GDP Components



Source : Cabinet Office

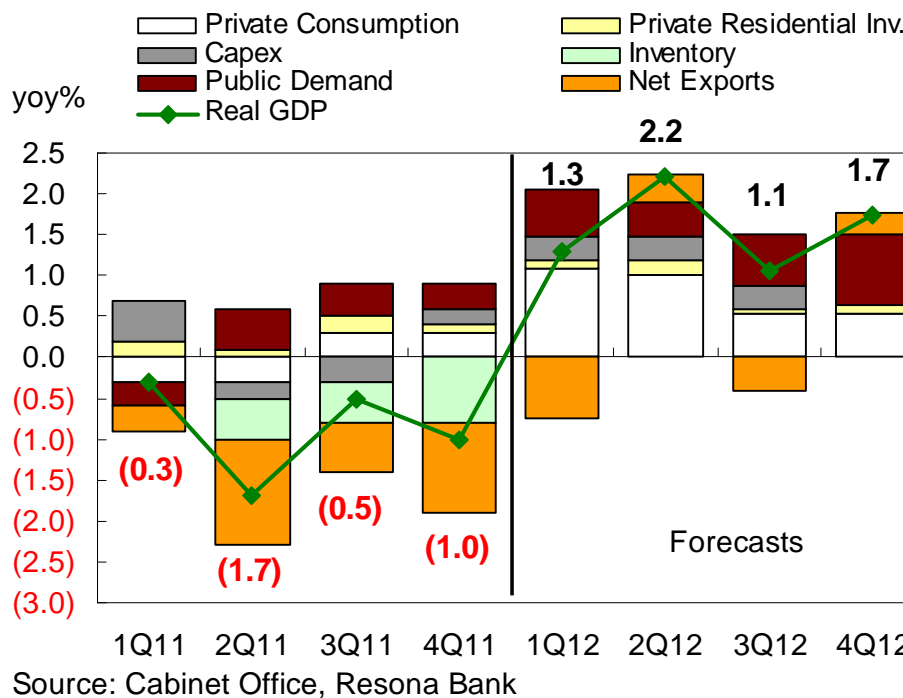
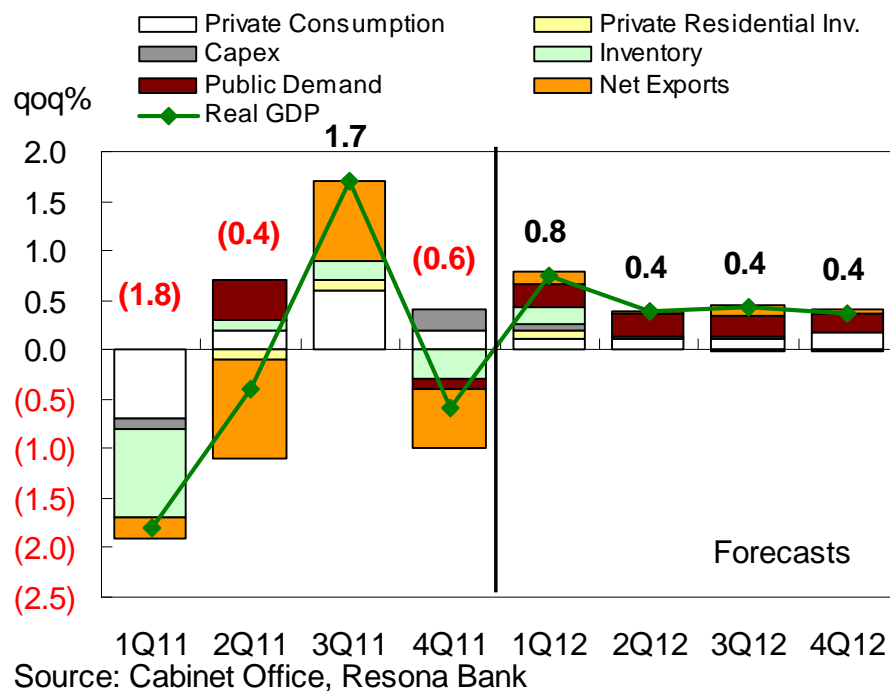
* In real term : seasonally adjusted series

* Private Investment: Private Residential Investment, Private Non-resi. Investment, Private Inventory

* Public Demand: Government Consumption, Public Investment, Public Inventory

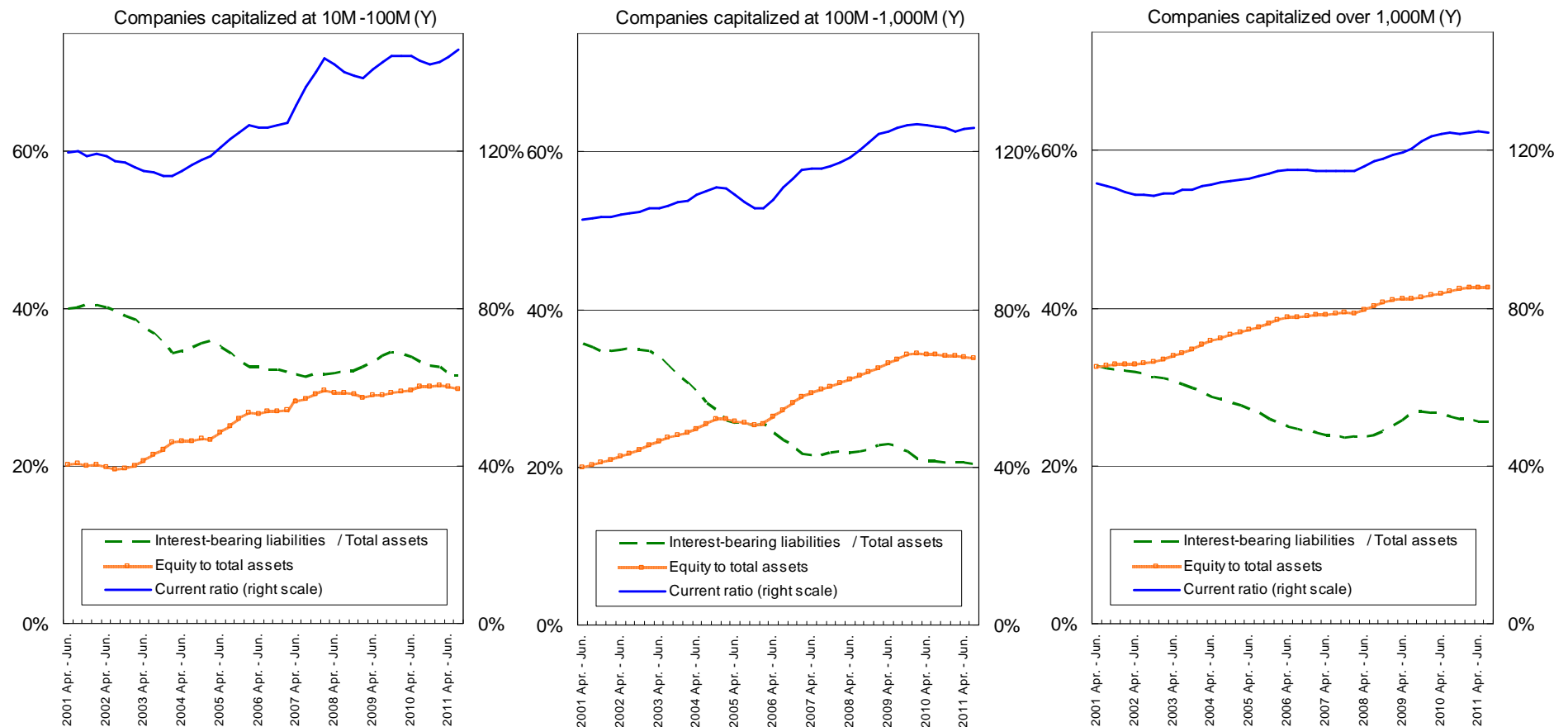
Japanese Economy: Forecast of Real GDP Growth Rate

%	FY2009 Actual	FY2010 Actual	FY2011 Forecast	FY2012 Forecast
GDP	-2.1	3.1	-0.4	1.7
Private Consumption	0.7	0.9	0.4	0.7
Private Non-Resi. Investment	-1.7	0.4	0.0	0.1
Public Demand	1.0	0.1	0.4	0.7
Net Export	0.2	0.8	-0.9	0.1



Overall Economy in Japan (2)

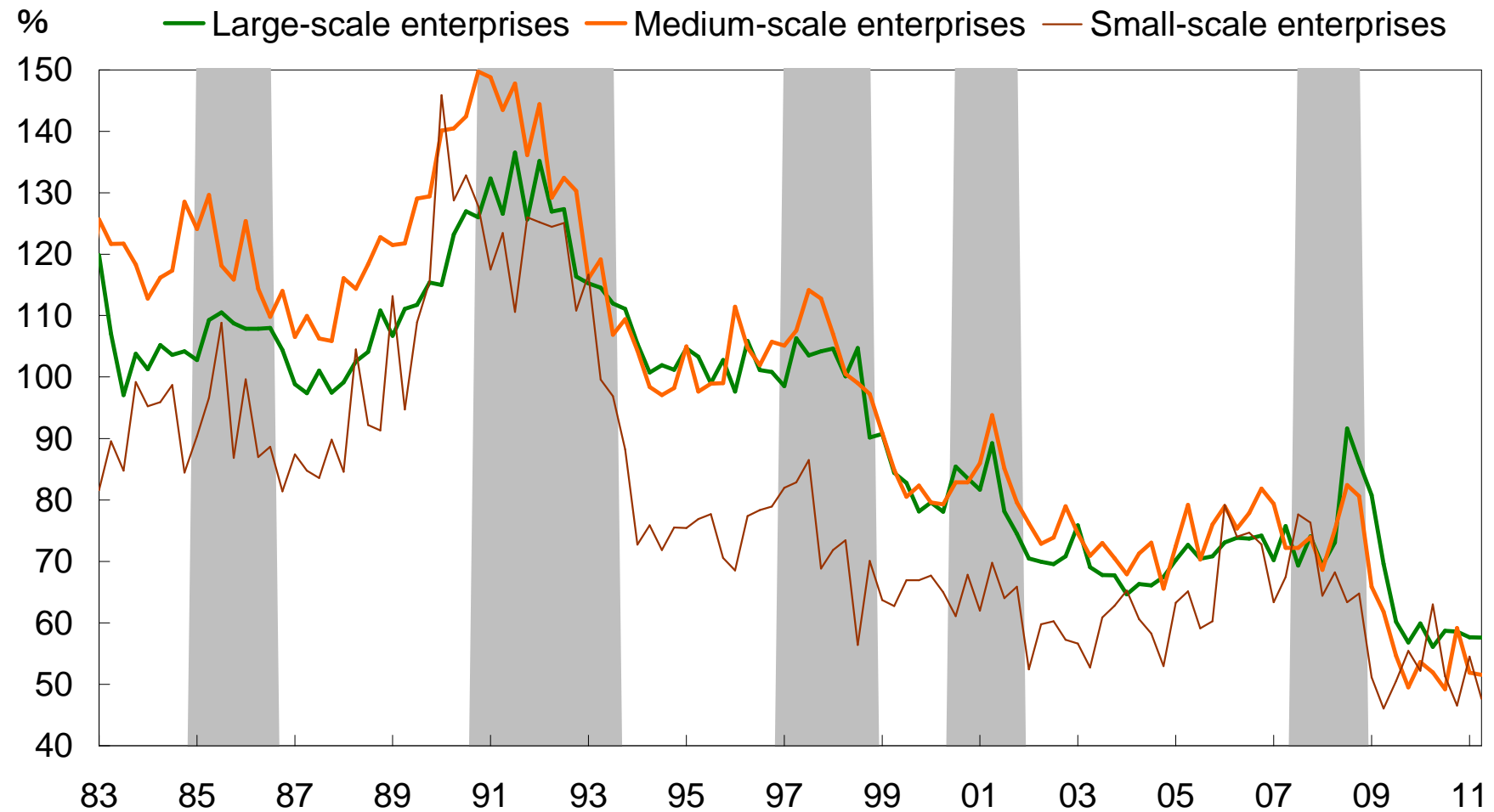
Trends in Stability Ratios of Japanese Companies



Source: Financial Statements Statistics of Corporation
(4 quarter moving average) (Apr.-June, 2001- July-Sep. 2011)

Overall Economy in Japan (3)

Capital investment / Cash flow

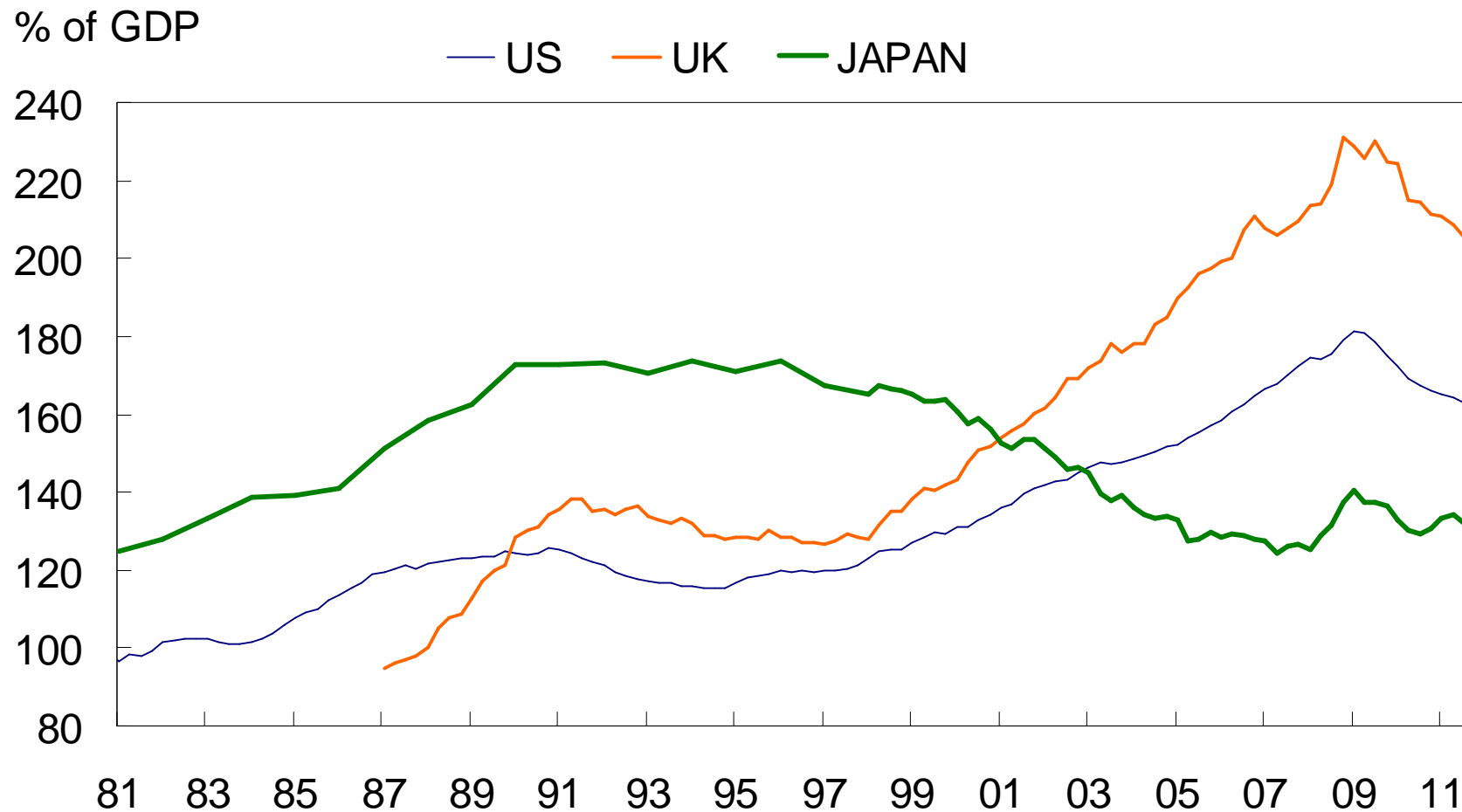


Source: Ministry of finance, Cabinet Office, Resona Bank

Overall Economy in Japan (4)

Comparison of Debts Held by Private Non-financial Sectors

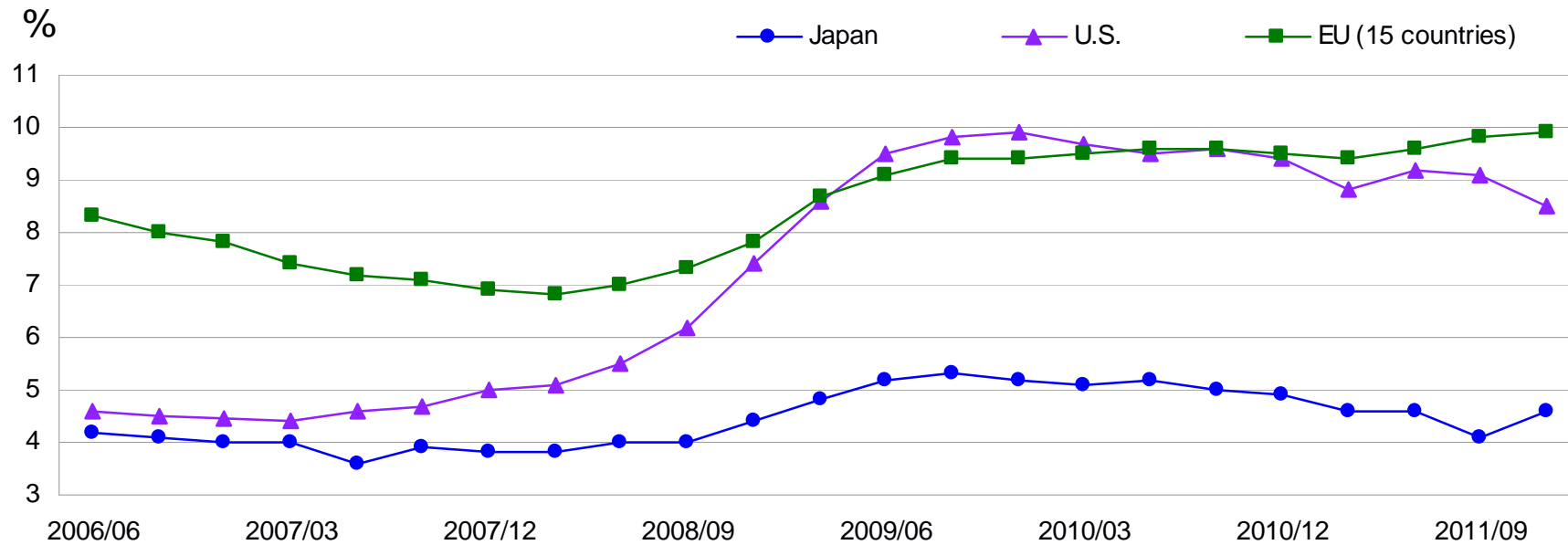
Debt balance of domestic nonfinancial sectors



Source: BOJ, FRB, ONS, Resona Bank

Overall Economy in Japan (5)

Trend of Unemployment Rate

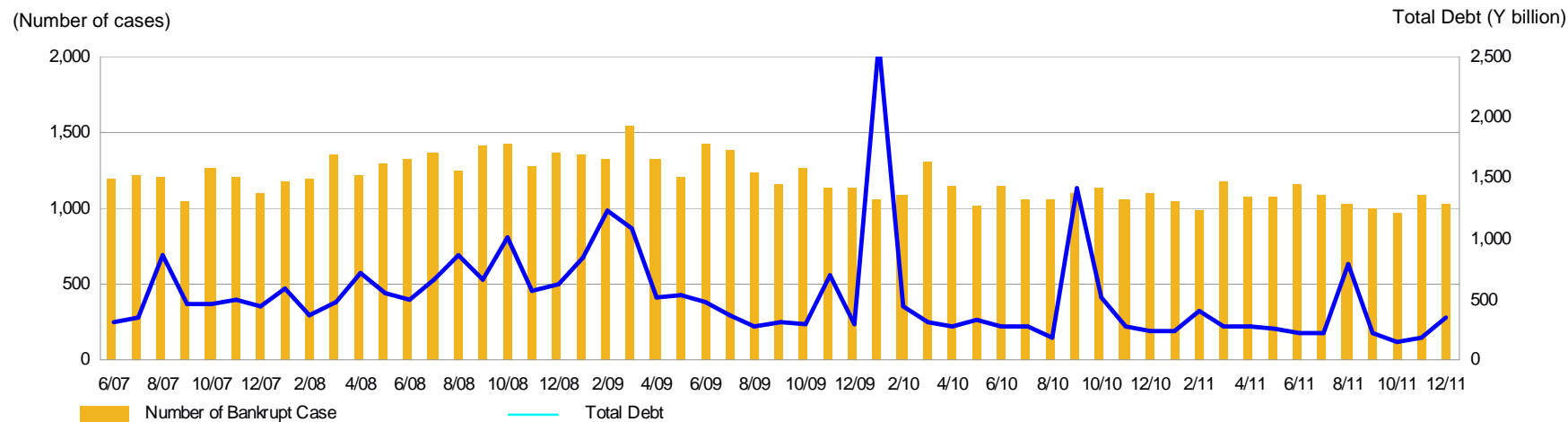


* Excluding three prefectures of Japan (Iwate, Miyagi and Fukushima) from the result of March, 2011 to June, 2011

Source : Datastream

Overall Economy in Japan (6)

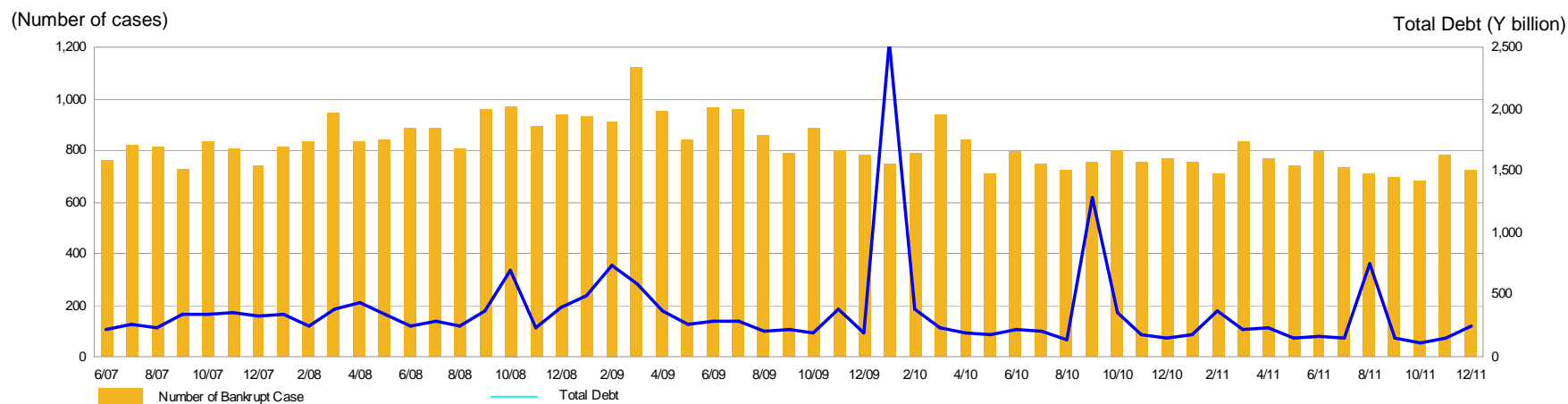
Enterprise Bankruptcy (All Industries)



Source: Tokyo Shoko Research

* Excluding debts related to Lehman Brothers which failed in Sep. 2008 (Approx. Y4,700 bn)

Enterprise Bankruptcy (excluding Construction/Real Estate Industries)

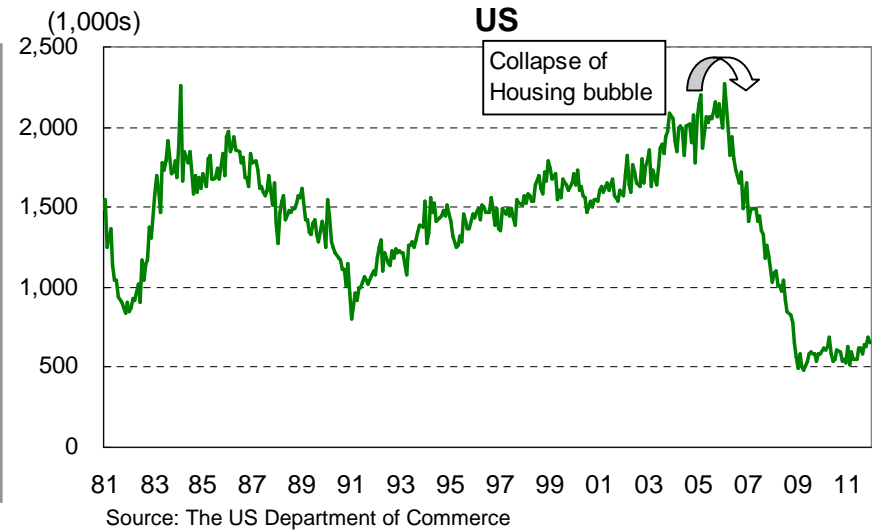
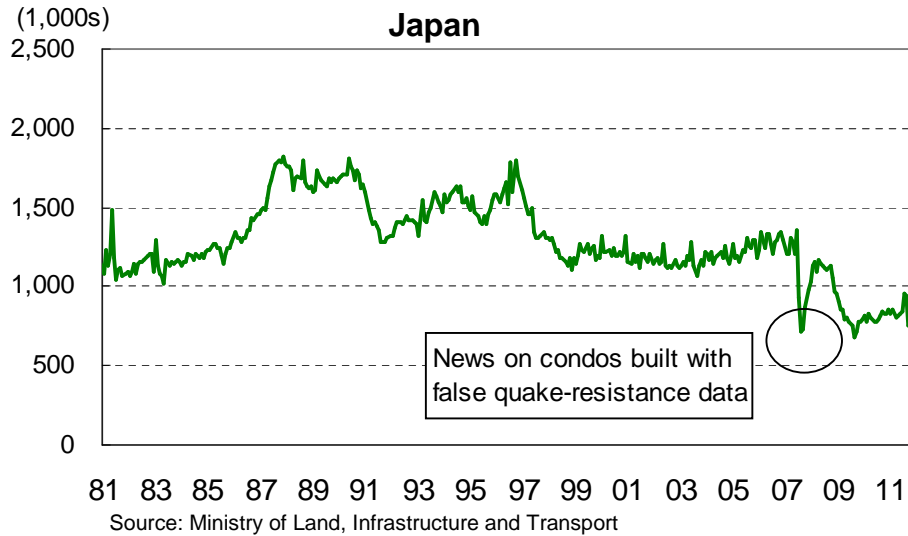


Source: Tokyo Shoko Research

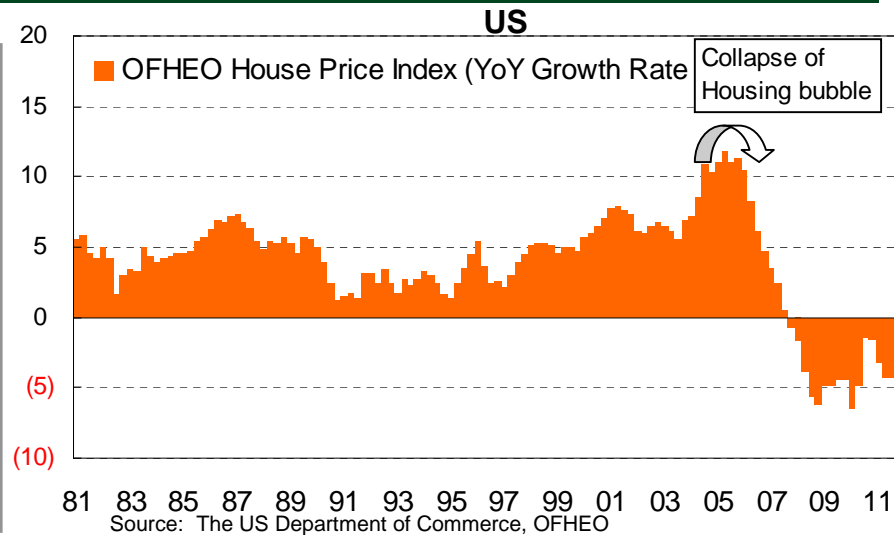
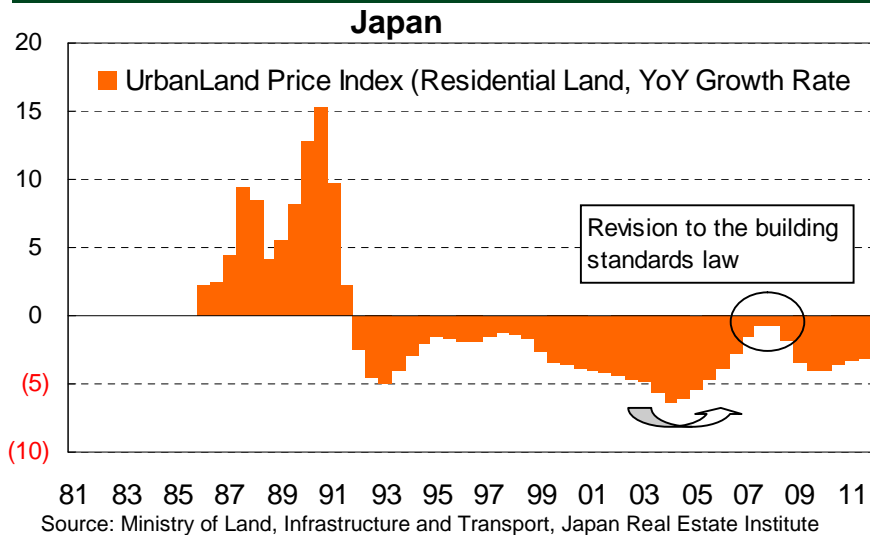
* Excluding debts related to Lehman Brothers which failed in Sep. 2008 (Approx. Y4,700 bn)

Japan-US Comparison of Housing Trends (1)

Housing Starts

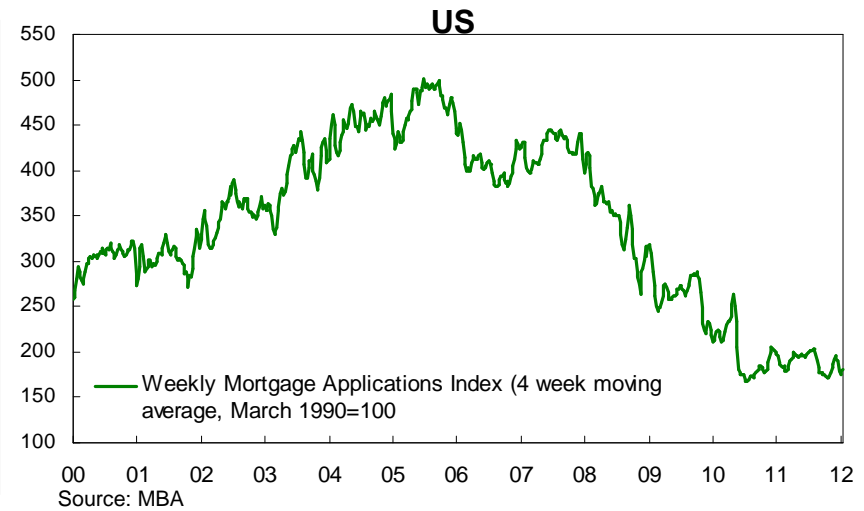
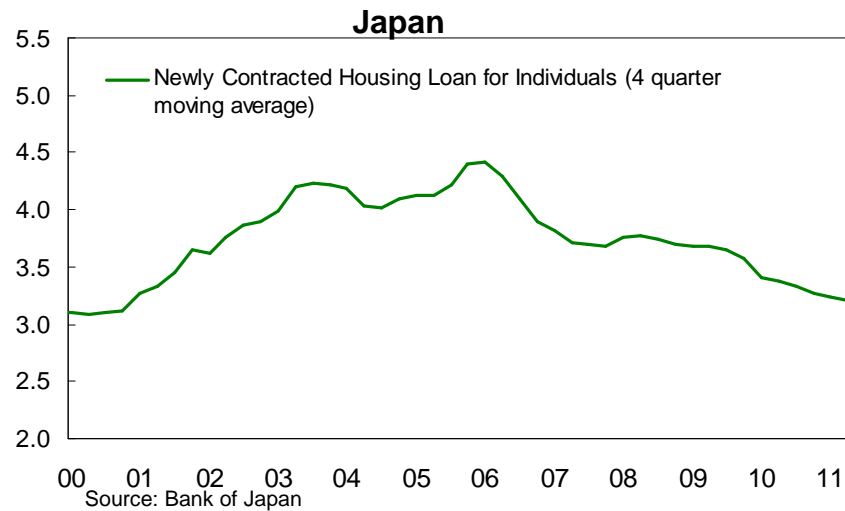


Land/Housing Prices

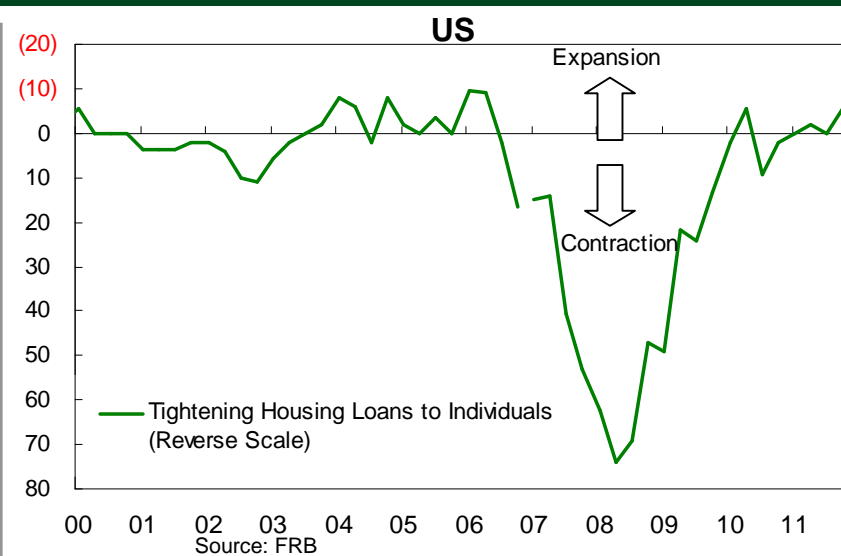
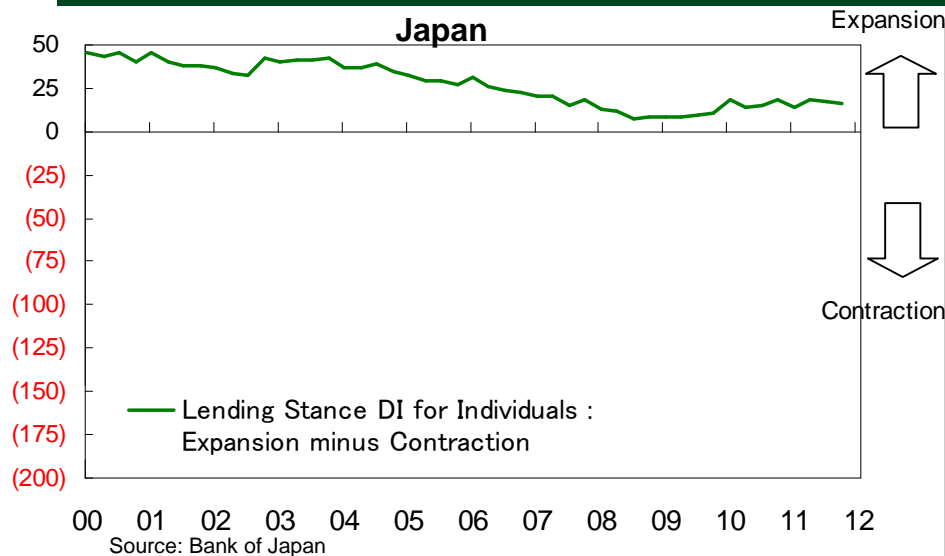


Japan-US Comparison of Housing Trend (2)

Housing Demand



Bank Lending (Loans to Individuals)



Japan-US Comparison of Housing Trend (3)

Major Difference in Housing Loan Features (Japan and the U.S.)

	Japan	U.S.
Primary objective of purchasing home	Primarily for permanent dwelling	In many cases, for replacements
Most important criteria for loan application screening	DTI (Debt-to-Income Ratio)	LTV (Loan-to-Value Ratio)
Main Product Type	Recourse	Non-Recourse
Pledged Collateral	Collateral value is mostly from land	Collateral value is mostly from building
Sub-prime loan market	Non-existent	Expanded rapidly with rising real estate prices

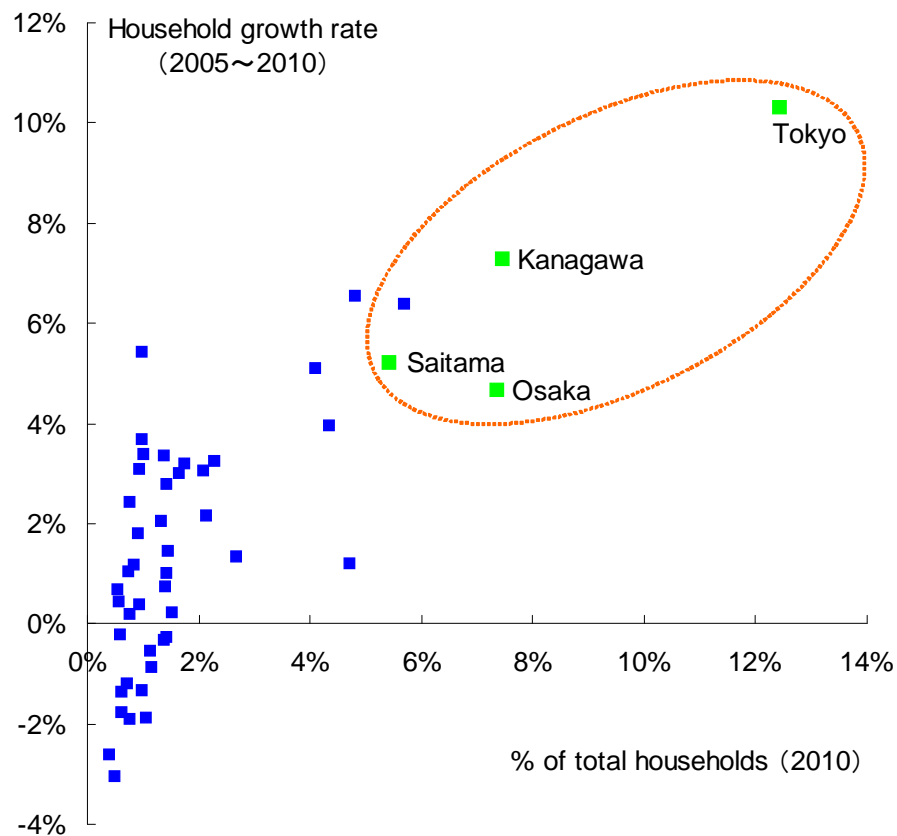
Trend of Condominium Market in Tokyo and Osaka Metropolitan Areas

Tokyo Metropolitan Area							Osaka Metropolitan Area					
	Number of units newly supplied	Number of units sold	Contracted rate (%)	All units left unsold (inventory)	Average price per unit (new supply) (thousands of yen)	Selling price per 1 m2 (new supply) (thousands of yen)	Number of units newly supplied	Number of units sold	Contracted rate (%)	All units left unsold (inventory)	Average price per unit (new supply) (thousands of yen)	Selling price per 1 m2 (new supply) (thousands of yen)
Oct. 2007	5,731	3,583	62.5%	8,582	46,930	61	2,648	2,069	78.1%	5,224	43,180	56
Nov. 2007	3,868	2,476	64.0%	8,669	46,840	64	2,332	1,374	58.9%	5,459	35,320	47
Dec. 2007	8,190	4,859	59.3%	10,763	44,470	58	2,894	2,038	70.4%	5,769	31,360	50
Jan. 2008	2,320	1,223	52.7%	10,694	42,100	58	1,492	860	57.6%	5,824	31,360	46
Feb. 2008	3,460	2,081	60.1%	10,643	47,680	65	2,226	1,404	63.1%	5,760	35,400	47
Mar. 2008	4,446	2,901	65.2%	10,837	50,080	67	2,544	1,507	59.2%	5,975	36,310	48
Apr. 2008	2,865	1,808	63.1%	10,544	53,380	71	1,248	782	62.7%	5,538	35,110	50
May. 2008	4,389	3,118	71.0%	10,482	48,250	64	1,791	1,008	56.3%	5,626	36,720	48
Jun. 2008	4,002	2,588	64.7%	10,760	46,380	63	2,556	1,649	64.5%	5,887	37,720	49
Jul. 2008	3,554	1,902	53.5%	10,885	53,090	72	1,786	1,006	56.3%	5,898	34,270	48
Aug. 2008	2,041	1,447	70.9%	10,504	47,990	68	1,161	690	59.4%	5,731	36,480	49
Sep. 2008	2,427	1,458	60.1%	10,411	44,670	62	2,047	1,277	62.4%	5,831	35,810	48
Oct. 2008	4,240	2,671	63.0%	10,842	48,480	67	2,164	1,342	62.0%	6,034	35,930	46
Nov. 2008	3,293	2,080	63.2%	11,085	50,180	68	1,716	1,009	58.8%	6,168	34,880	48
Dec. 2008	6,696	4,143	61.9%	12,427	42,810	59	2,013	1,195	59.4%	6,344	30,140	45
Jan. 2009	1,760	1,130	64.2%	11,679	41,720	59	1,412	708	50.1%	6,264	33,350	44
Feb. 2009	2,509	1,548	61.7%	9,819	48,230	65	1,548	853	55.1%	6,022	34,210	47
Mar. 2009	2,390	1,871	78.3%	8,846	47,470	65	2,358	1,528	64.8%	5,971	35,430	47
Apr. 2009	2,621	1,697	64.7%	8,791	39,530	60	1,904	977	51.3%	6,170	35,880	48
May. 2009	3,528	2,492	70.6%	8,333	45,500	64	1,411	910	64.5%	5,889	36,300	48
Jun. 2009	3,080	2,161	70.2%	7,928	45,430	63	1,524	920	60.4%	5,836	35,240	47
Jul. 2009	3,230	2,432	75.3%	7,446	46,270	67	1,247	795	63.8%	5,569	33,490	46
Aug. 2009	1,914	1,327	69.3%	7,037	43,140	61	1,057	723	68.4%	5,354	36,190	47
Sep. 2009	3,063	2,263	73.9%	6,840	45,270	62	1,467	893	60.9%	5,146	36,370	49
Oct. 2009	3,386	2,337	69.0%	6,895	46,190	66	2,003	1,249	62.4%	5,246	31,170	46
Nov. 2009	3,648	2,508	68.8%	6,825	46,470	69	2,088	1,272	60.9%	5,345	33,300	47
Dec. 2009	5,247	3,602	68.6%	7,389	45,970	64	1,765	1,301	73.7%	5,233	29,870	50
Jan. 2010	1,586	1,115	70.3%	6,732	41,380	61	1,505	844	56.1%	5,160	36,210	50
Feb. 2010	2,777	1,964	70.7%	6,416	47,720	68	1,439	910	63.2%	4,996	32,640	50
Mar. 2010	3,685	3,053	82.8%	6,022	50,700	71	1,684	1,088	64.6%	4,878	30,910	44
Apr. 2010	3,214	2,568	79.9%	5,736	46,160	62	1,391	1,006	72.3%	4,579	36,280	48
May. 2010	3,779	2,908	77.0%	5,671	46,630	66	1,763	1,340	76.0%	4,232	35,510	47
Jun. 2010	5,130	4,303	83.9%	5,481	46,940	64	2,449	1,884	76.9%	4,098	33,980	49
Jul. 2010	4,128	3,229	78.2%	5,406	47,320	67	1,908	1,339	70.2%	4,047	34,300	47
Aug. 2010	2,268	1,697	74.8%	5,025	44,240	66	1,684	1,267	75.2%	3,810	35,090	48
Sep. 2010	3,183	2,383	74.9%	4,722	50,240	71	2,111	1,460	69.2%	3,893	35,490	48
Oct. 2010	3,718	2,928	78.8%	4,743	45,120	66	2,045	1,459	71.3%	3,957	32,810	52
Nov. 2010	3,679	2,957	80.4%	4,622	48,670	68	2,055	1,454	70.8%	3,949	33,470	50
Dec. 2010	7,388	5,806	78.6%	5,600	47,060	65	1,682	1,190	70.7%	3,971	38,380	53
Jan. 2011	1,372	1,005	73.3%	5,116	42,380	60	1,301	854	65.6%	3,750	34,840	48
Feb. 2011	3,468	2,940	84.8%	4,725	47,170	68	1,501	1,070	71.3%	3,438	35,070	48
Mar. 2011	3,685	2,936	79.7%	4,716	46,740	65	1,719	1,288	74.9%	3,311	33,780	50
Apr. 2011	2,318	1,765	76.1%	4,535	46,630	67	1,116	782	70.1%	3,130	36,720	51
May. 2011	3,914	3,100	79.2%	4,582	47,190	67	1,780	1,381	77.6%	3,004	34,960	48
Jun. 2011	3,441	2,725	79.2%	4,646	45,070	63	1,888	1,414	74.9%	2,916	34,190	49
Jul. 2011	4,073	3,102	76.2%	4,962	45,580	64	1,560	1,171	75.1%	2,772	35,820	48
Aug. 2011	2,306	1,611	69.9%	4,975	51,160	73	1,282	874	68.2%	2,814	29,820	47
Sep. 2011	3,713	2,884	77.7%	4,826	42,650	62	1,957	1,295	66.2%	2,989	31,500	48

Source: Datastream, Newsrun (Real Estate Economic Institute Co., Ltd.)
Contracted rate (%) = Number of units sold / Number of units newly supplied

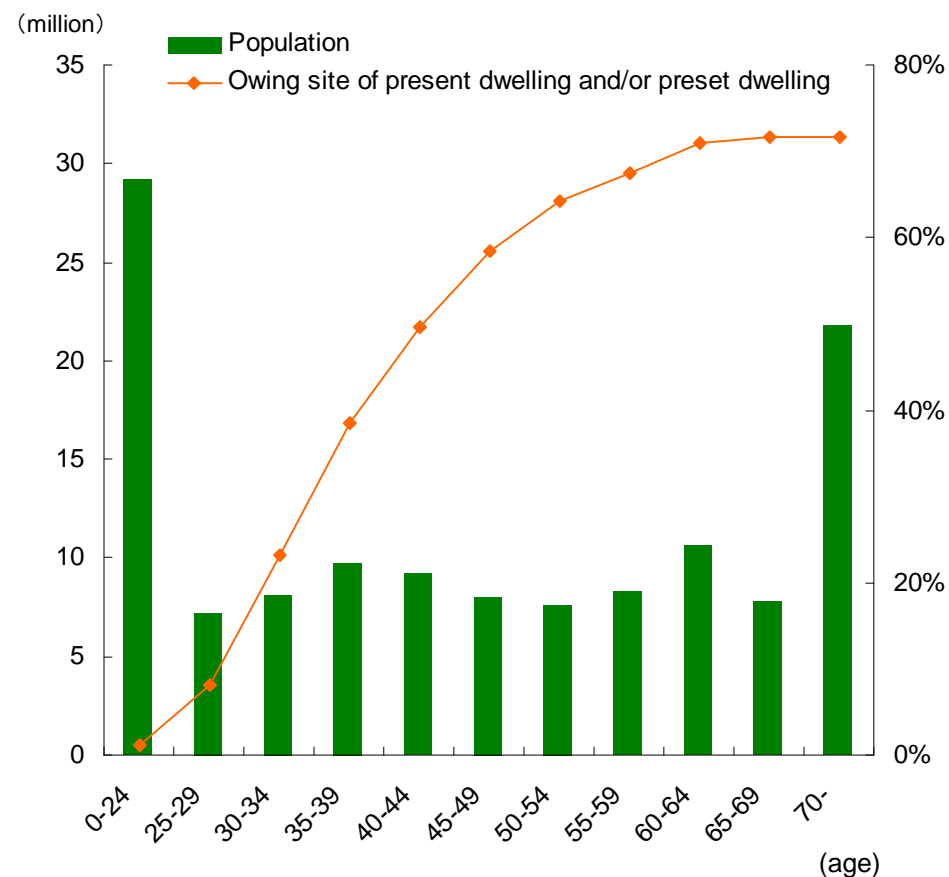
Potential for Housing Loan Market

% of Total Households/Household Growth Rate



Source: Ministry of Internal Affairs and Communications: National Census

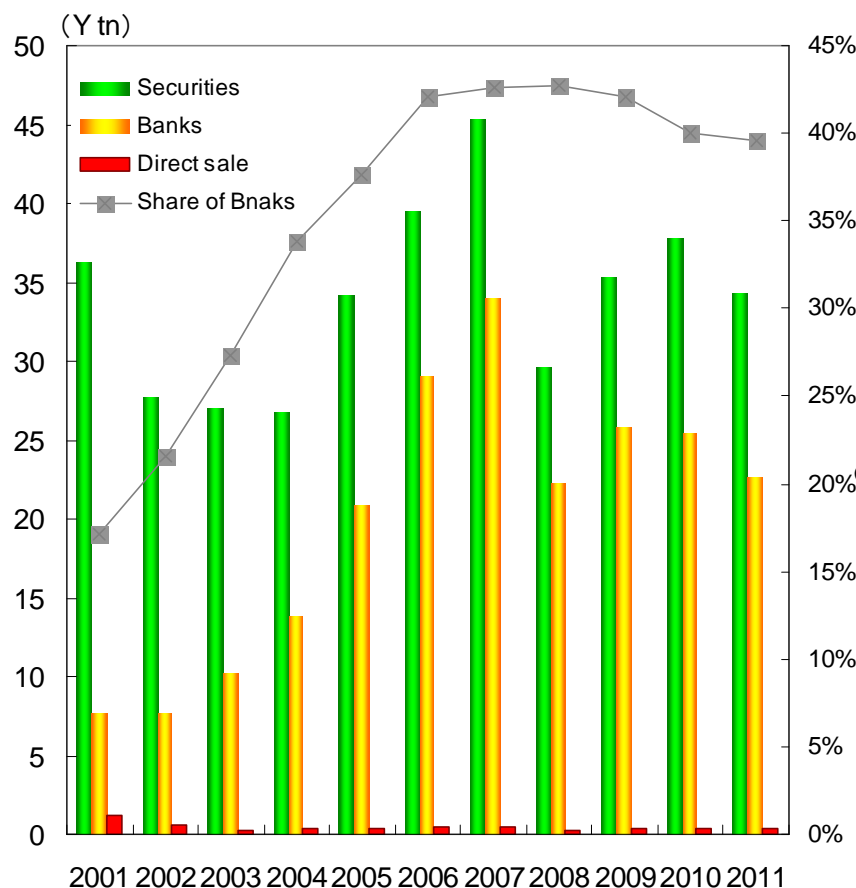
Population and housing ownership rate



Source: Ministry of Internal Affairs and Communications:
Housing & Land Survey (2008)
Population estimates as of August 1, 2011

Potential for Sales of Financial Products

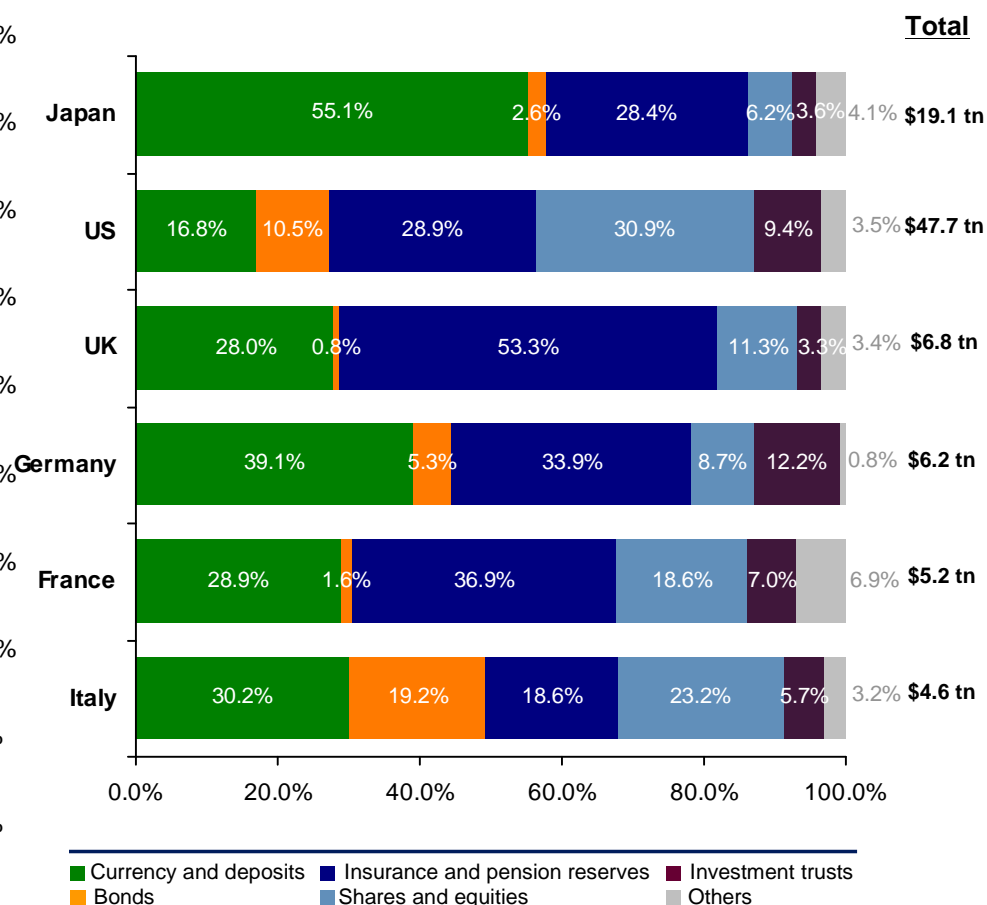
Total net assets of investment trusts



Source: The Investment Trusts Association, Japan

Data for 2001 through 2011 are as of the end of December.

Breakdown of Financial Assets⁽¹⁾



(1) Source: Bank of Japan "Flow of Funds" as of Mar. 2011, Federal Reserve Board "Flow of Funds Accounts" as of Sep. 2011, Office for National Statistics "United Kingdom National Accounts, The Blue Book" as of Dec. 2010, Deutsche Bundesbank "Monthly Report" as of Mar. 2011, Banque de France "Annual Financial Accounts" as of March. 2011, Banca d'Italia, "Supplements to the Statistical Bulletin" as of Dec. 2010

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.