Business Results for 1H of FY2013 and Future Management Direction

- Into the Next Decade: Resona's Challenge to Make a Leap Forward -

November 19, 2013

Resona Holdings, Inc.

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*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

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[Reference Material]

Outline of Business Results for 1H of FY2013 and Updates on Major Businesses

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[Reference Material]

Financial Highlights for 1H of FY2013

Posted Y122.0 bn of consolidated net interim income

- Net interim income decreased by Y53.6 bn (-30.5%) YoY, but exceeded the forecast by Y52.0 bn (+74.2%)
  - Y36.5 bn YoY increase in net interim income excluding the one-time gain posted last year due to the change in DTA recoverability category (+Y90.1bn)
  - Net gains on stocks and net credit-related expenses showed improvements on a YoY basis and from the forecast
    - Net gains on stocks improved by Y37.7bn YoY and exceeded the forecast (total of 3 group banks) by Y20.0 bn
    - Net credit-related expenses improved by Y8.6bn YoY and by Y35.8bn from the forecast (total of 3 group banks)

Top-line income (total of 3 group banks) exceeded the forecast primarily driven by strong fees and commission income

- Actual net operating profit (total of 3 group banks) declined by Y5.6 bn (-4.5%) YoY, but exceeded the forecast by Y3.1bn (+2.6%)
  - Consolidated loan balance increased by approx. Y500.0 bn YoY
  - Loan-to-deposit spread (domestic operation, total of 3 group banks): 1.45% (-11bps YoY, or -2bps from the forecast)
  - Financial product sale: Investment trust sale increased by 80% YoY
  - Gain on trading of equity ETFs covered a decrease in net gains on bonds

Maintained and further improved soundness in asset quality

- NPL ratio as of Sep. 30, 2013 (total of 3 group banks): Below 2% (1.91%)
- Unrealized gain on available-for-sale securities as of Sep. 30, 2013 (total of 3 group banks): Y294.2 bn
- Consolidated capital adequacy ratio as of Sep. 30. 2013: 15.21%; Tier 1 ratio: 11.16% (preliminary ratios)

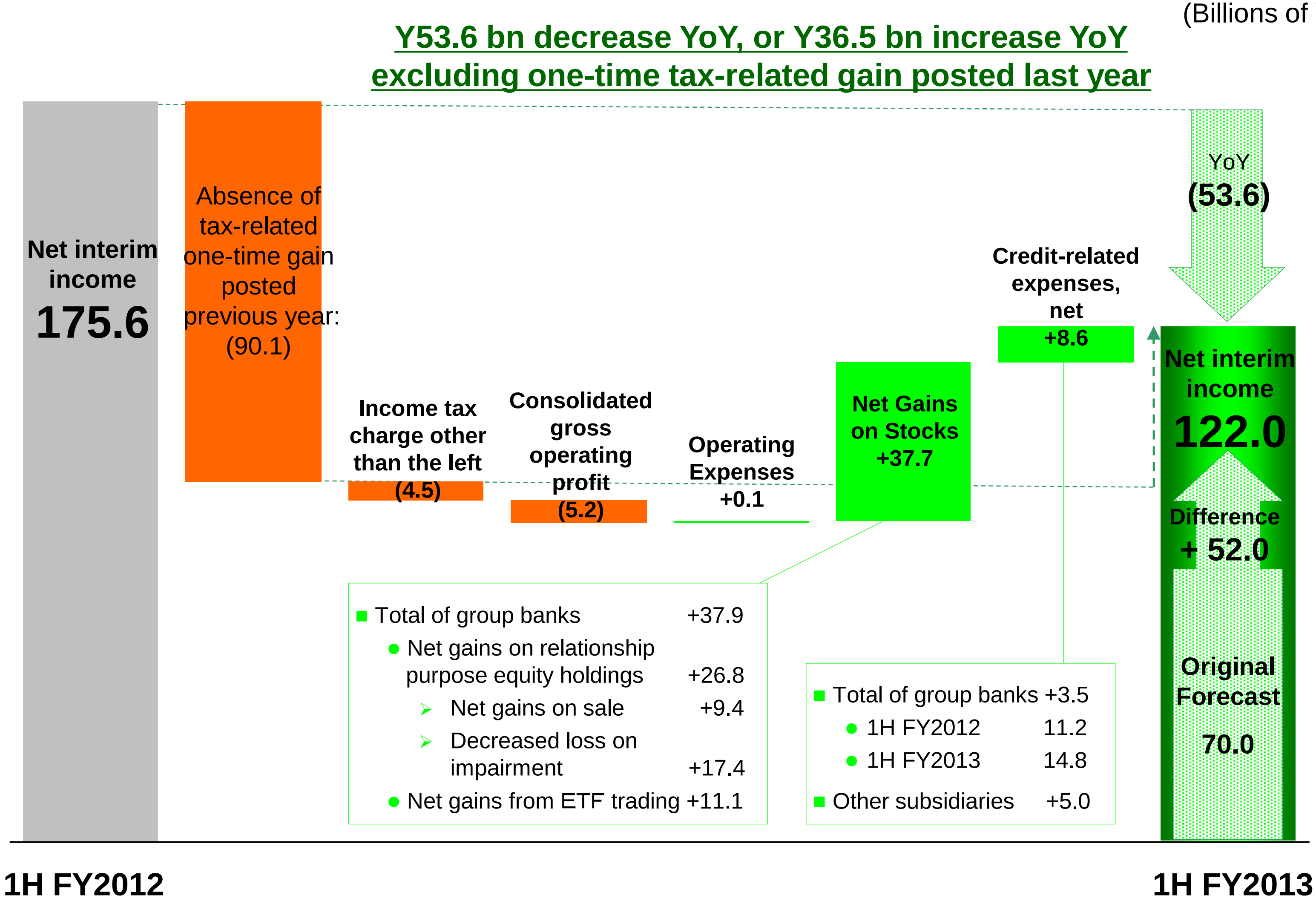
Steadily implemented the Public Funds Full Repayment Plan (announced in May 2013)

- Repurchased and cancelled a part of the common shares held by Deposit Insurance Corporation of Japan (DICJ) in July 2013, totaling Y99.2 bn on an injected amount basis
- Submitted a request to dispose of the remaining shares to DICJ in August 2013

Factors Accounting for the Change in Consolidated Net Interim Income

Consolidated net interim income declined by Y53.6bn YoY. However, It would have been higher than the last year by Y36.5bn if one-time tax-related gain posted last year were adjusted.

(Billions of Yen)

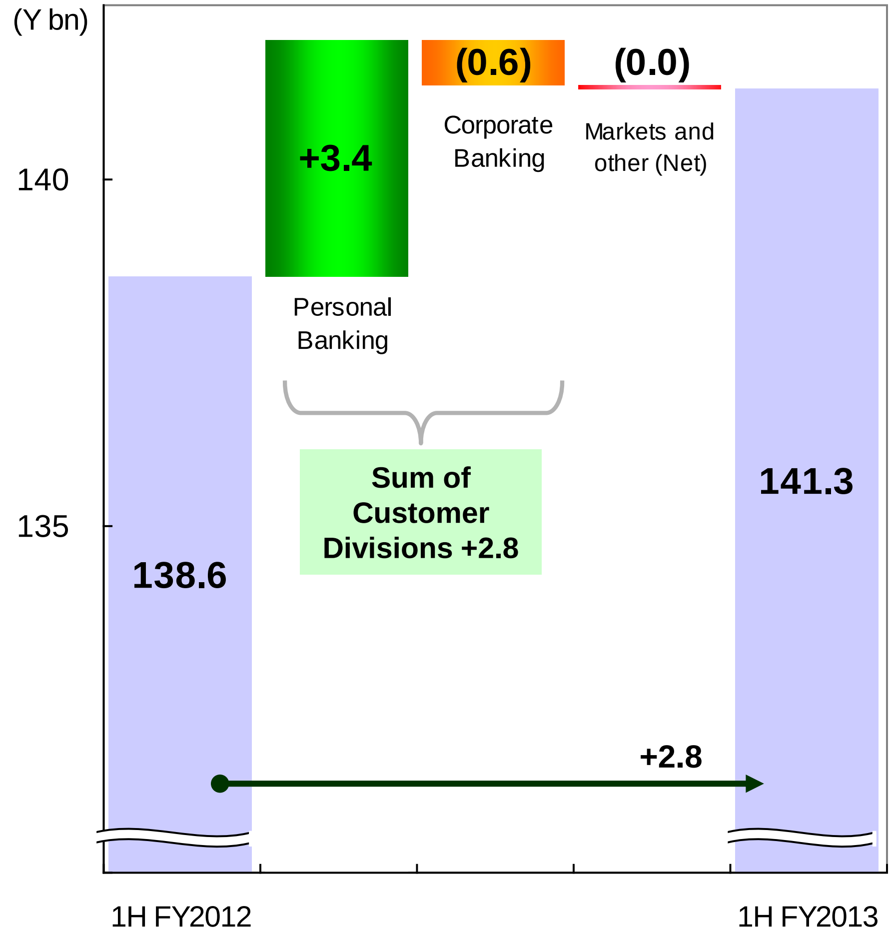


Outline of Results by Business Segments (1)

Summary of results by business segments

(Billions of Yen)		1H FY2012	1H FY2013	Change
Sum of Customer Divisions	Gross operating profit	271.2	275.1	4.0
	Operating expense	(163.9)	(165.1)	(1.2)
	Actual net operating profit	107.2	110.0	2.8
Personal Banking	Gross operating profit	128.6	133.7	5.1
	Operating expense	(87.7)	(89.4)	(1.7)
	Actual net operating profit	40.9	44.3	3.4
Corporate Banking	Gross operating profit	142.6	141.5	(1.1)
	Operating expense	(76.2)	(75.8)	0.5
	Actual net operating profit	66.3	65.7	(0.6)
Markets and Other (Net)	Gross operating profit	35.4	35.5	0.1
	Operating expense	(4.0)	(4.2)	(0.2)
	Actual net operating profit	31.3	31.3	(0.0)
Total	Gross operating profit	306.5	310.6	4.1
	Operating expense	(168.0)	(169.3)	(1.4)
	Actual net operating profit	138.6	141.3	2.8

Breakdown of changes in actual net operating profits



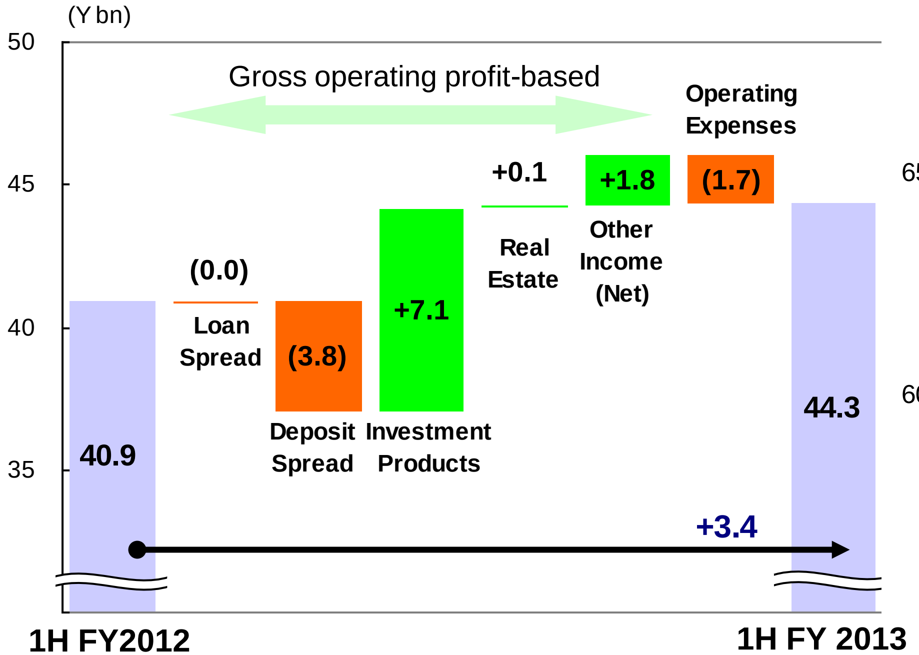
(1) Numbers reported above refer to 3 Resona Group banks and 3 loan guarantee subsidiaries.

(2) Gross operating profit of “Markets” segment includes a part of net gains on stocks.

(3) “Other” segment refers to the divisions in charge of management and business administration.

Outline of Results by Business Segments (2)

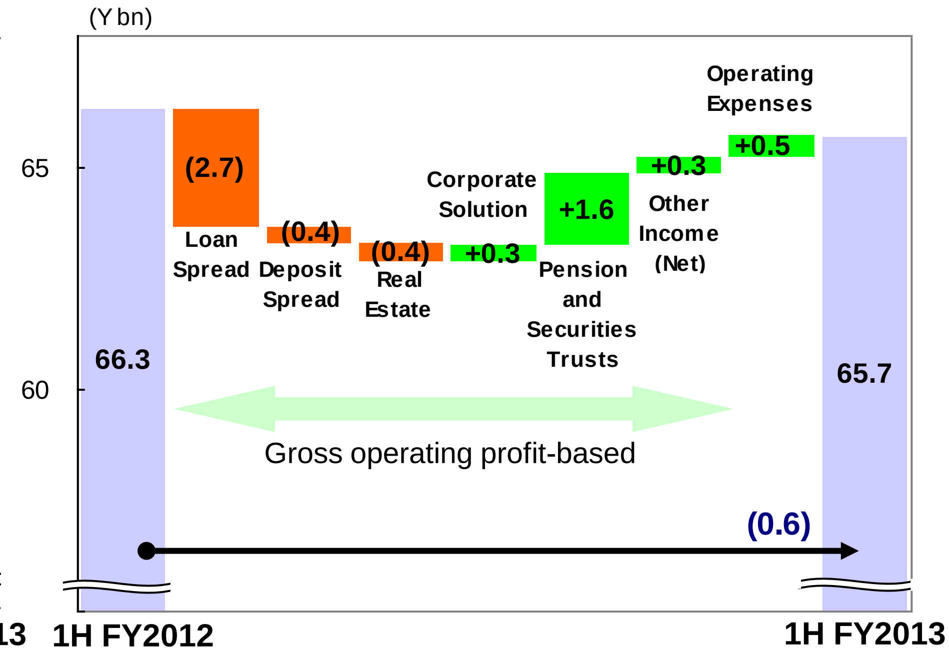
Change in Actual Net Operating Profit (Personal Banking Segment)



(Y bn)

Personal Banking Segment	1H FY2012	1H FY2013	Change
Gross Operating Profit	128.6	133.7	5.1
Loan Spread	63.0	63.0	(0.0)
Deposit Spread	39.7	35.9	(3.8)
Investment Products	17.0	24.1	7.1
Real Estate	0.7	0.8	0.1
Other Income (Net)	8.1	9.9	1.8
Operating Expenses	(87.7)	(89.4)	(1.7)
Actual Net Operating Profit	40.9	44.3	3.4

Change in Actual Net Operating Profit (Corporate Banking Segment)



(Y bn)

Corporate Banking Segment	1H FY2012	1H FY2013	Change
Gross operating profit	142.6	141.5	(1.1)
Loan spread	77.0	74.4	(2.7)
Deposit spread	17.4	17.0	(0.4)
Real Estate (Excluding Equity-related Income)	2.9	2.5	(0.4)
Corporate Solutions	7.8	8.2	0.3
Pension and Securities Trusts	10.4	12.0	1.6
Other Income (Net)	27.0	27.4	0.3
Operating Expenses	(76.2)	(75.8)	0.5
Actual Net Operating Profit	66.3	65.7	(0.6)

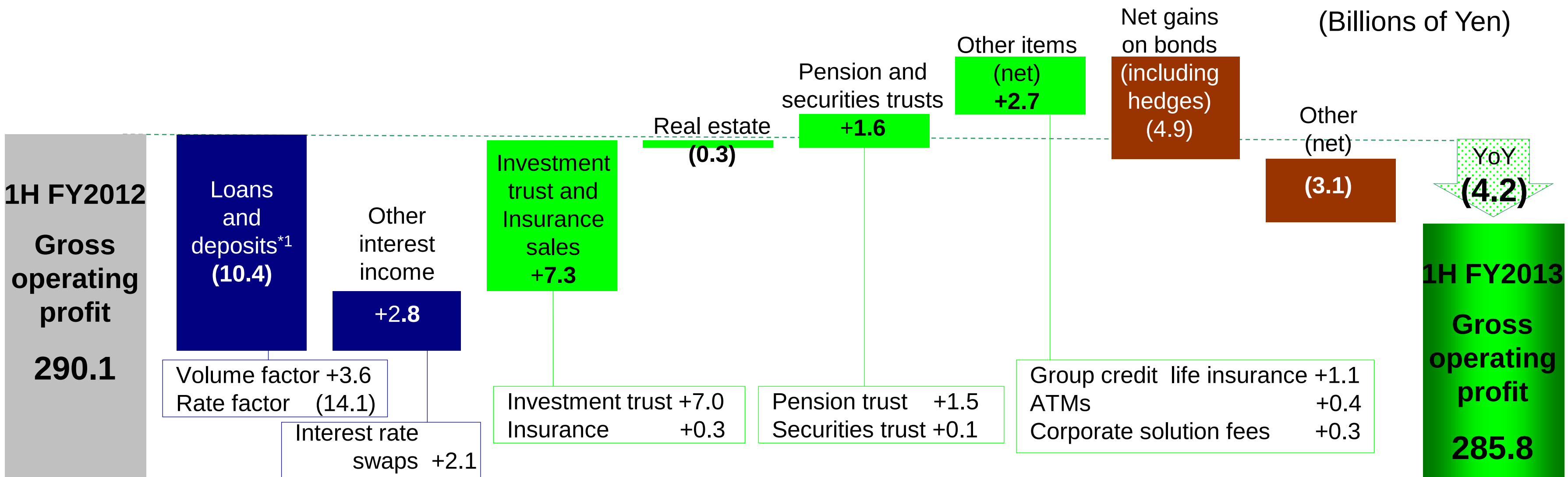
Outline of Financial Results for 1H of FY2013

(Billions of Yen)

	Resona Holdings (Consolidated) (A)	YoY change	Difference (A)−(B)	Total of 3 group banks (Non-consolidated) (B)	YoY change	Resona	Saitama Resona	Kinki Osaka	Factors accounting for the difference(A)-(B) (Approx. figures) RC: Resona Card RG: HL Guarantee Subisidiaries
Gross operating profit	312.4	(5.2)	+26.6	285.8	(4.2)	189.0	69.0	27.8	
Net interest income	215.3	(7.7)	+4.5	210.8	(7.6)	132.1	58.6	20.0	RC 1.5 bn and other
Income from loans and deposits				184.3	(10.4)	115.6	50.5	18.2	Domestic operations: Banking account, deposits include NCDs
Trust fees	11.8	+1.2	(0.0)	11.8	+1.2	11.8	-	-	
Fees and commission income	70.6	+9.2	+21.5	49.1	+10.1	34.8	10.0	4.1	RG 14.1 bn, RC 6.9 bn and other
Other operating income	14.6	(8.0)	+0.5	14.0	(8.0)	10.1	0.2	3.6	
Actual net operating profit				118.1	(5.6)	78.8	30.8	8.4	Actual net operating profit: net operating profit before NPL disposal in the trust account and before provision to general reserve for possible loan losses
Operating expenses (including non-recurring items)	(175.6)	+0.1	(8.9)	(166.7)	+0.2	(108.1)	(38.7)	(19.8)	RC (5.5) bn, RG (1.6) bn and other
Net gains/(losses) on stocks	20.0	+37.7	+0.0	20.0	+37.9	19.4	0.2	0.4	
Credit related expenses, net	13.9	+8.6	(0.8)	14.8	+3.5	15.2	0.7	(1.2)	RG 0.5 bn, RC (1.3) bn and other
Other gains/(losses), net	5.0	(0.0)	+2.4	2.6	(1.9)	1.9	0.6	0.0	
Income before income taxes	175.8	+41.0	+19.2	156.6	+35.4	117.5	31.8	7.1	
Income taxes and other	(53.8)	(94.7)	(5.0)	(48.7)	(88.2)	(33.9)	(11.8)	(2.9)	Minority interests in net income (4.3) bn, Income tax of RHD and other 0.6 bn
Net interim income	122.0	(53.6)	+14.1	107.9	(52.7)	83.6	20.0	4.2	

Factors Accounting for the Change in Gross Operating Profit (Total of Group Banks)

Gross operating profit decreased by Y4.2bn compared with the same period last year



Net Interest Income (7.6)

	1H FY'12	1H FY'13
Net interest income	218.4	210.8
Loans and deposits*1	194.8	184.3
Interests and dividends on securities	28.9	27.8
Interest paid on bonds	(10.6)	(9.8)
Other items (net)	5.3	8.4

Fees and Commission Income*2 +11.3

	1H FY'12	1H FY'13
Fees and commission income*2	49.5	60.9
Investment trust and Insurance sales	16.7	24.0
Real estate (excluding equity investments)	3.6	3.2
Pension and securities trusts	10.3	12.0
Other items (net)	18.8	21.6

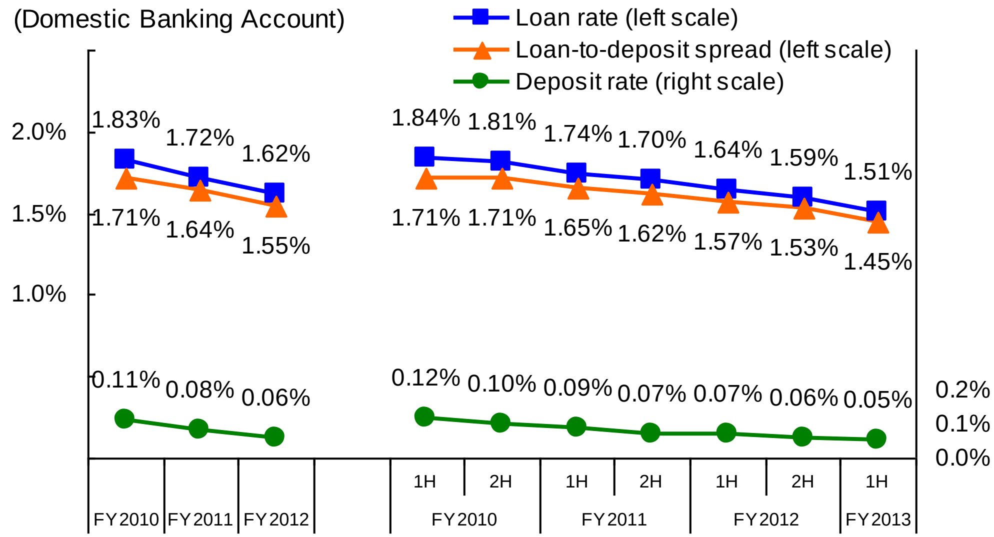
Net Gains on Bonds and Other (Net) (8.0)

	1H FY'12	1H FY'13
Net gains on bonds and other (net)	22.1	14.0
Net gains on bonds (including hedges)	15.6	10.6
Other items (net)	6.4	3.3

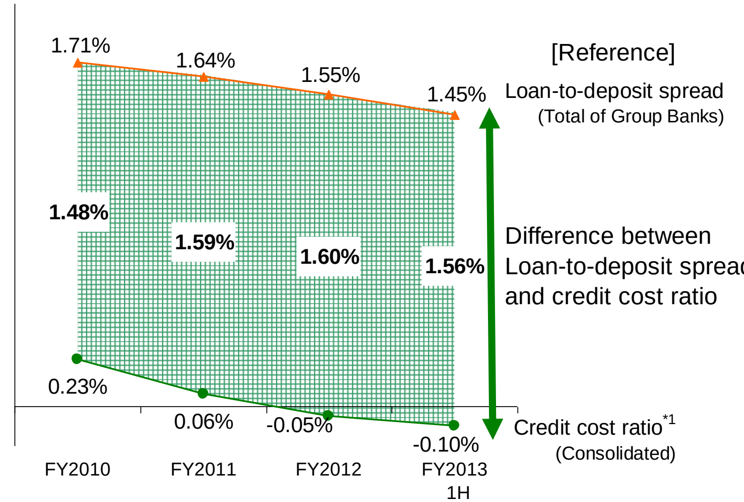
*1. Domestic operations (Deposits include NCDs) *2. Fees and commission income plus trust fees

Trend of Loan and Deposit (Total of Group Banks)

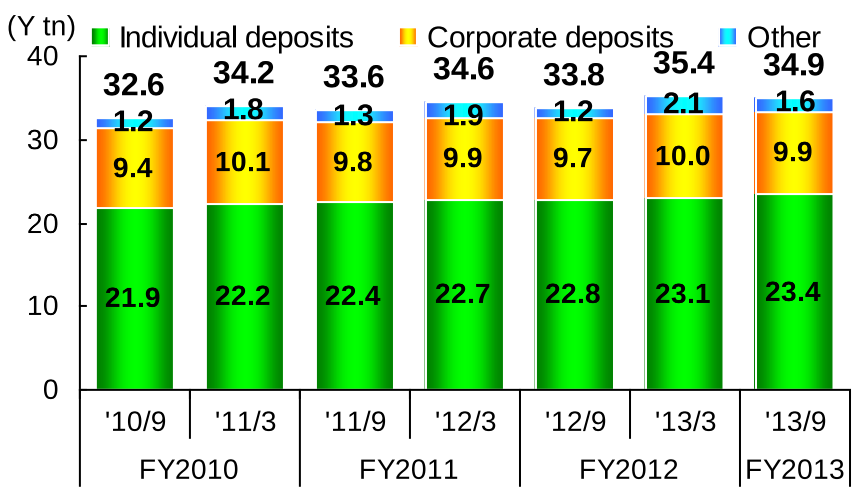
Trend of loan and deposit rates and spread



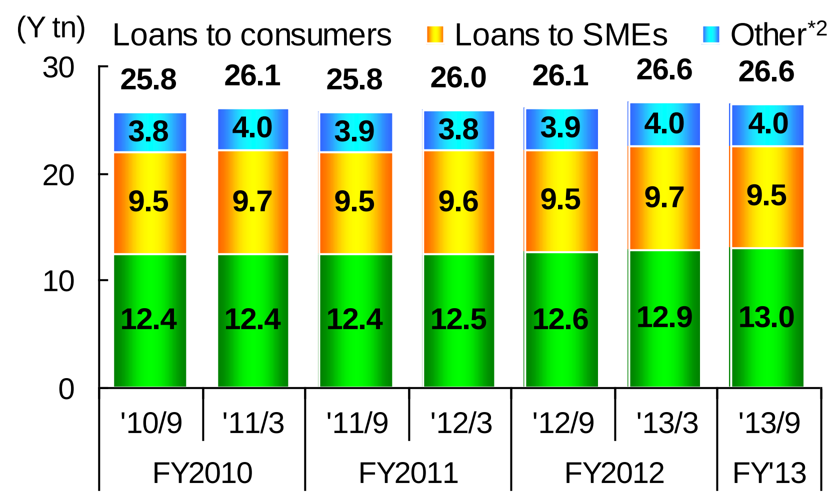
[Trend of LD spread after credit cost]



Trend of term-end deposit balance



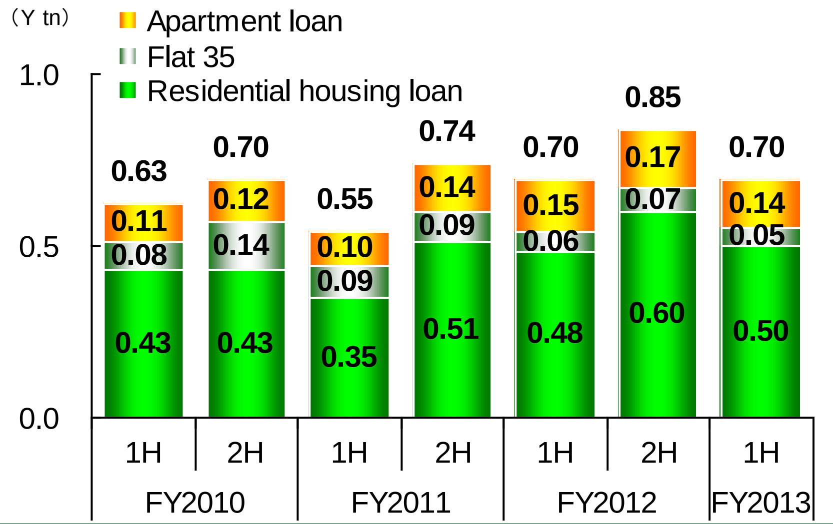
Trend of term-end loan balance



*1. Credit cost / (loans + acceptances and guarantees), Simple average of the balance at the beginning and end of the year, Annuals basis
*2. Include the loan extended to Resona Holdings (Y0.27 tn as of '11/3 and '11/9, Y0.24 tn as of '12/3 and '12/9, Y0.19tn as of '13/3, and Y0.30tn as of '13/9)

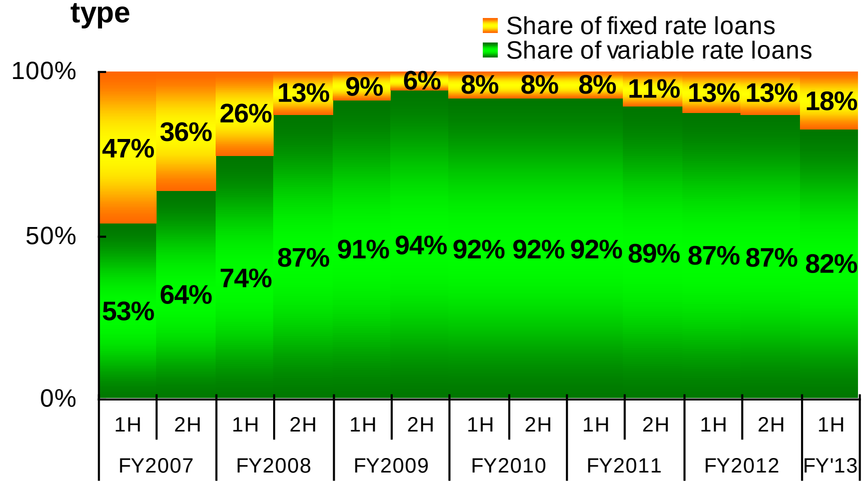
Trend of Housing Loans (Total of Group Banks)

Housing loan origination

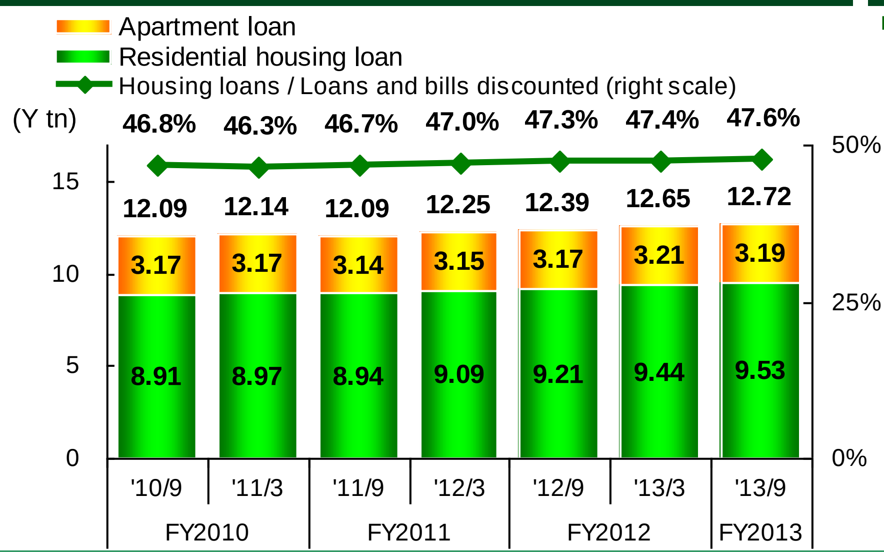


Composition of newly originated loans by interest rate type

- **Over 80% of the loans newly originated are variable rate type**

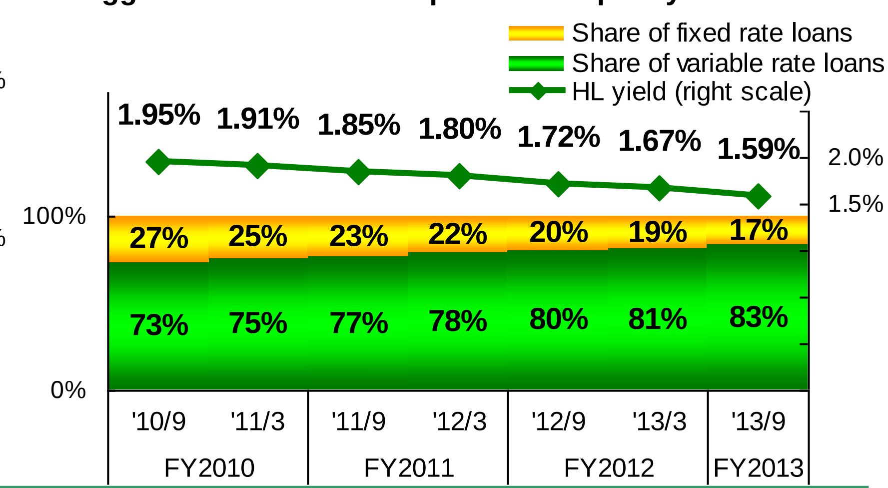


Term-end balance of housing loans



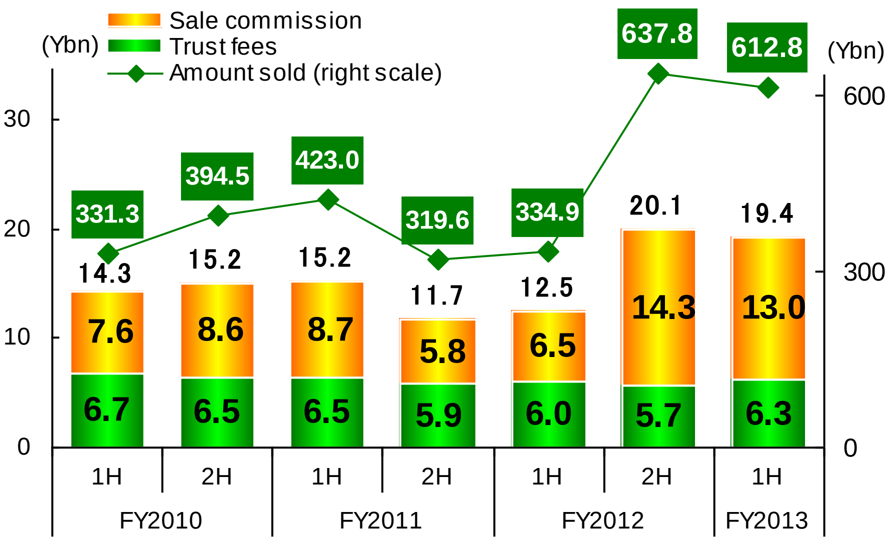
Trend of HL yield on a stock basis and composition by interest rate type

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

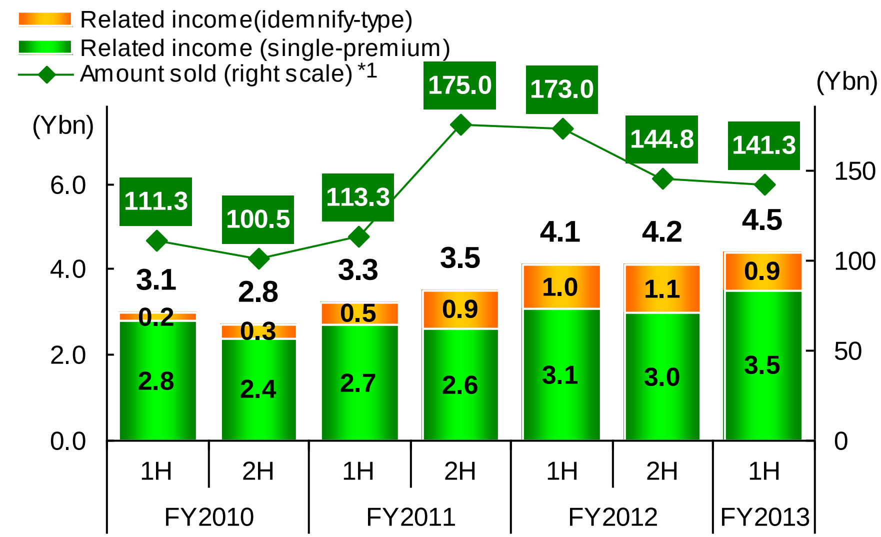


Trend of Fee Businesses

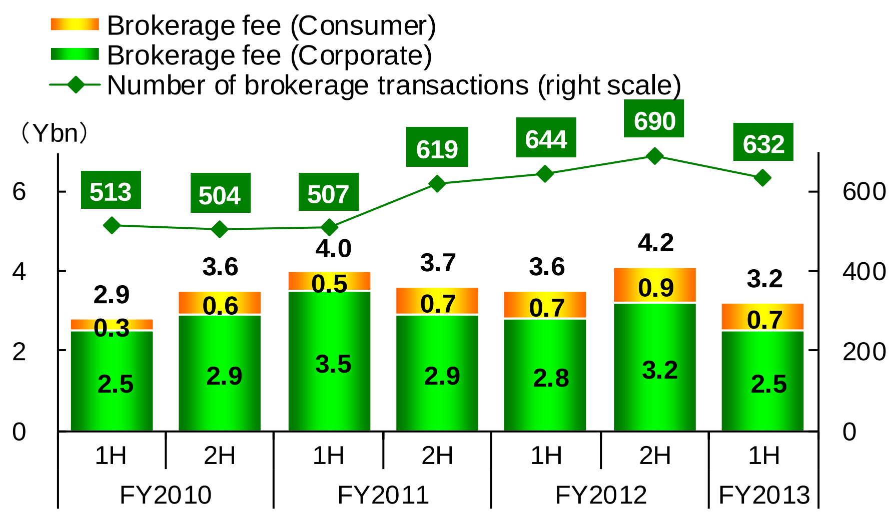
Investment Trust (Total of Group Banks)



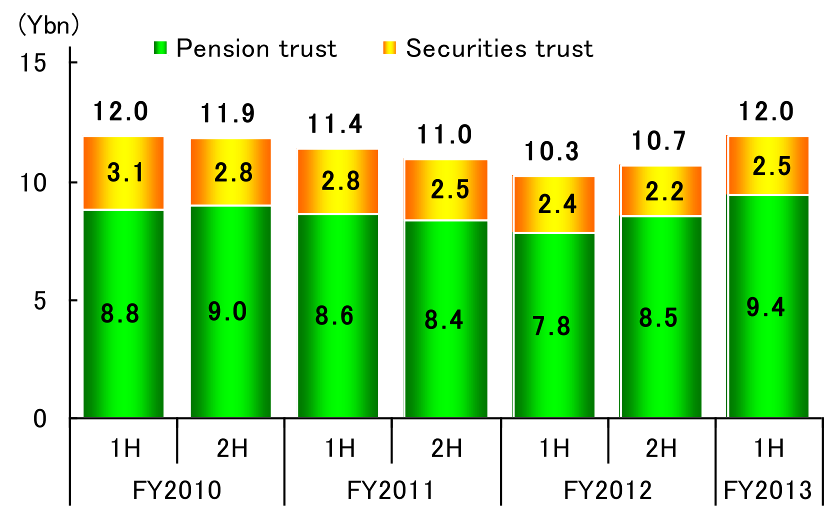
Insurance (Total of Group Banks)



Real Estate Business*2 (RB)



Pension and Securities Trusts (Total of Group Banks)



*1. Excluding amount of indemnify-type insurance sold by Kinki Osaka Bank
*2. Excluding gains from investments in real estate fund

Credit Costs and NPL

Trend of credit costs

(Y bn)	FY2010 1H	FY2010 2H	FY2011 1H	FY2011 2H	FY2012 1H	FY2012 2H	FY2013 1H
Net credit cost (Total of group banks (A)	**(18.1)**	**(18.6)**	**0.4**	**(4.8)**	**11.2**	**10.1**	**14.8**
General reserve	11.5	(5.8)	22.0	27.3	20.4	8.9	12.2
Specific reserve and other items	(29.6)	(12.8)	(21.5)	(32.2)	(9.1)	1.1	2.5
New bankruptcy, downward migration	(39.1)	(27.9)	(27.4)	(28.3)	(28.2)	(16.9)	(15.4)
Other	9.4	15.0	5.8	(3.9)	19.1	18.1	18.0

Difference (B) - (A)	**(14.1)**	**(10.6)**	**(7.1)**	**(2.1)**	**(5.9)**	**(2.4)**	**(0.8)**
of which,							
HL guarantee subsidiaries	(11.8)	(8.3)	(5.0)	(0.9)	(2.6)	(3.0)	0.5
Resona Card	(3.2)	(2.5)	(2.2)	(1.1)	(1.7)	0.5	(1.3)

Net credit cost RHD consolidated (B)	**(32.2)**	**(29.2)**	**(6.7)**	**(7.0)**	**5.3**	**7.7**	**13.9**

＜Credit cost ratio＞ (bps)

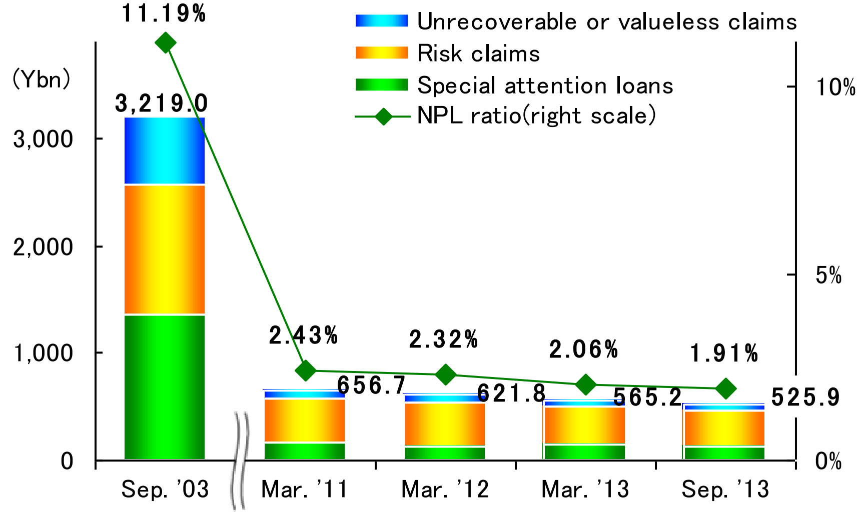
Total of group banks *1	13.5	13.9	(0.3)	3.6	(8.3)	(7.4)	(10.8)
RHD consolidated *2	24.1	22.0	5.1	5.3	(4.0)	(5.8)	(10.3)

*1. Credit cost/total credits defined under the Financial Reconstruction Act
(Simple average of the balances at the beginning and end of the year, annualized basis)

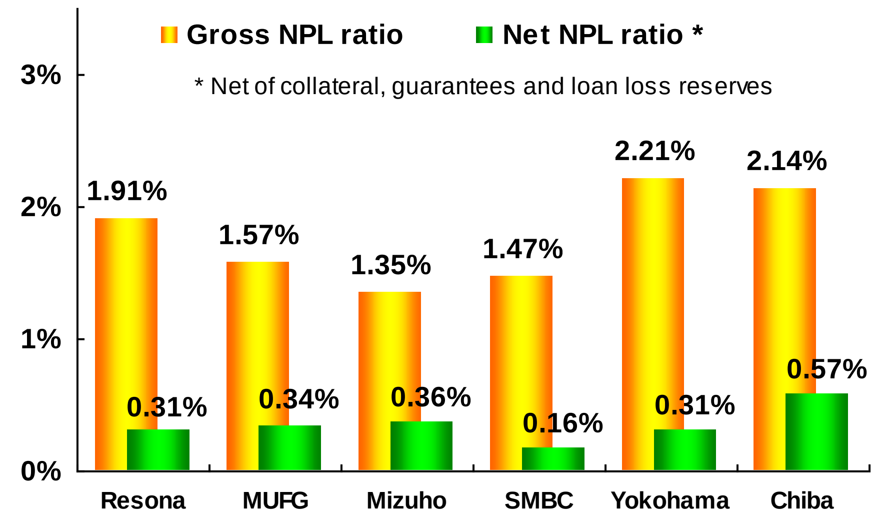
*2. Credit cost/(Loans and bills discounted + acceptances and guarantees)
(Simple average of the balances at the beginning and end of the year, annualized basis)

(Note) Positive figures represent reversal gains

NPL balance and NPL ratio (Total of Group Banks)



Comparison: Gross and net NPL ratio



(Note) Total of group banks

Securities Portfolio (1) (RHD Consolidated)

Securities portfolio with reduced downside risks

■ Trend of Securities Portfolio

(Ybn)	Mar.2003	Mar.2007	Mar.2012	Mar.2013	Sep.2013
Available-for-sale securities	6,005.1	6,396.5	9,158.7	7,697.0	7,616.8
Stocks	1,319.0	390.4	342.5	337.2	333.6
Bonds	4,433.0	4,951.7	8,451.0	6,962.2	6,882.7
JGBs	3,811.0	3,927.6	7,393.3	5,662.8	5,719.0
Average duration (years)		1.2	2.4	2.7	2.8
Local Government Bonds	159.8	311.5	183.5	214.7	204.2
Corporate Bonds	462.2	712.5	874.1	1,084.7	959.5
Other	253.0	1,054.4	365.1	397.4	400.4
Foreign securities	112.6	244.0	237.6	268.3	238.5
Unrealized gains/(losses)	(25.8)	432.9	131.9	258.0	294.8
Bonds held to maturity	2.5	148.4	2,060.6	2,224.7	2,095.3
Unrealized gains/(losses)	0.0	(0.3)	49.6	76.4	65.7

(Note) Acquisition cost basis, balance sheet amount basis
The presented figures only include marketable securities

Policy for investment in JGBs

- Manage JGB portfolio within a VaR-defined risk limit
- Try to capture investment opportunities within a current risk limit, figuring out effects of BOJ's QE policy
- Maintain a current position limit for the held-to-maturity category

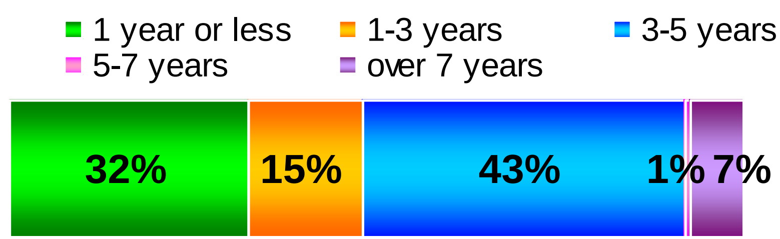
■ Stocks

- Balance of stocks declined by Y3.6bn in 1H of FY2013 (Impairment loss: Y0.2bn, Sale: Y3.4bn)
- Reduced relationship-purpose stock holdings by approx. Y1 trillion on an acquisition cost basis from the level in March 2003
- Continue efforts to reduce the balance further

■ JGB

- Average duration : 2.8 years*, BPV: Y1.68 bn*
- Balance of floating-rate JGBs: Y121.0 bn

[JGBs Portfolio*1]



■ **Other** (Total of group banks)

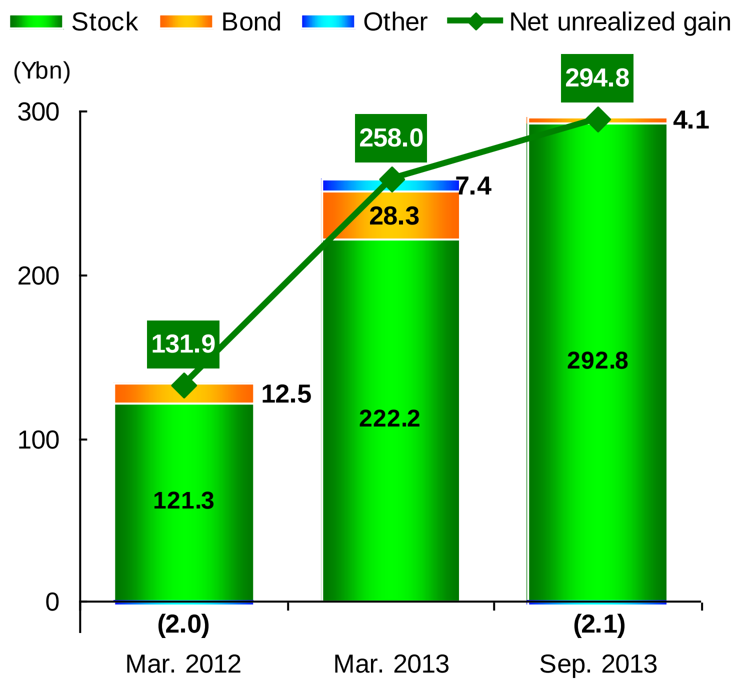
- Foreign securities include Y196.2 bn of U.S. treasuries

*1. Securities held as "available-for-sale securities" (Total of group banks)

Securities Portfolio (2)

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

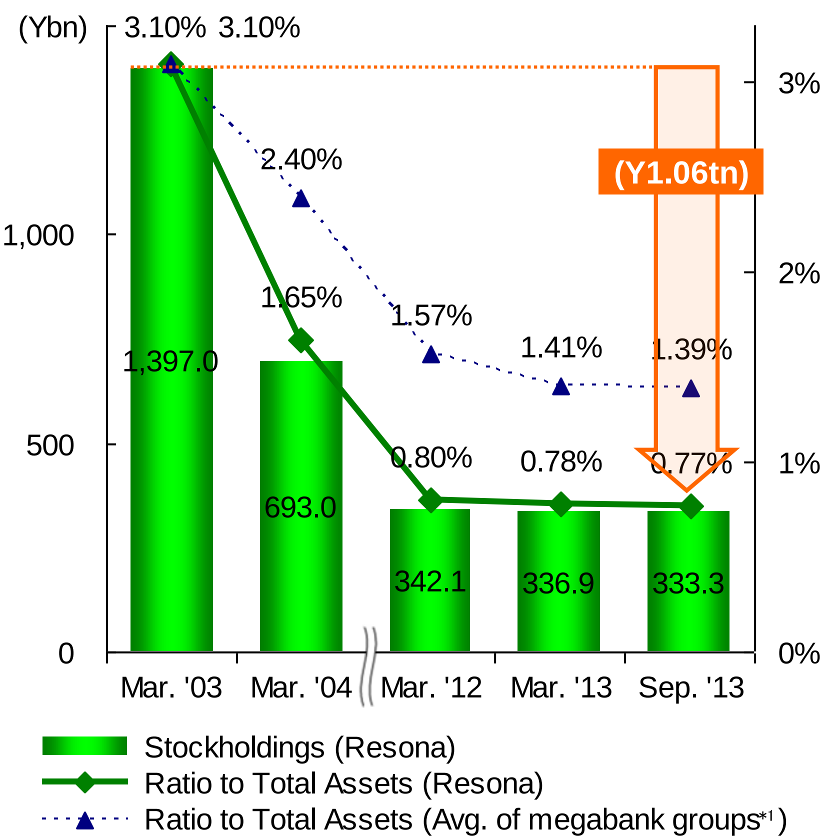
- **Net unrealized gain as of Sep. 30, 2013: Y294.8 bn**
- **Trend of net unrealized gain/(loss)**



	Mar. 2012	Mar. 2013	Sep. 2013
Nikkei Average 1 month average	9,962 yen	12,244 yen	14,372 yen
10 years JGB rate at period-end	0.985%	0.560%	0.680%

Stockholdings (At cost, total of group banks)

- **Break-even Nikkei average : Approx. 6,700 yen**
- **β vis-à-vis Nikkei average : Approx. 0.9**
- **Stockholdings (acquisition cost) to total assets: 0.77%**
- **Historical stockholdings to total assets**



*1. Megabank groups: BTMU + MUTB, Mizuho BK + Mizuho Trust (Mizuho BK + Mizuho CB + Mizuho Trust (until Mar. 2013)), SMBC

Capital Adequacy Ratio (RHD Consolidated)

- **RHD's consolidated CAR [Mar. 31, 2013] 14.67% ⇒ [Sep. 30, 2013] 15.21% (+0.54%)**

Capital adequacy ratio [F-IRB]

(Billions of Yen)

	Mar. 31, 2013	Sep. 30, 2013	Change
Capital adequacy ratio	**14.67%**	**15.21%**	0.54%
Tier 1 ratio	10.74%	11.16%	0.42%
Total qualifying capital	**2,554.1**	**2,589.1**	35.0
Tier 1	1,870.5	1,900.2	29.6
Capital stock, capital surplus, retained earnings and treasury shares, (net)	1,757.1	1,779.4	22.3
Including) Net interim income			122.0
Including) Repayment of public fund (Repurchase and cancellation of own shares)			(99.9)
Minority interests in consolidated subsidiaries	125.9	130.6	4.6
Tier 2	688.5	691.3	2.7
Subordinated debts	604.1	608.9	4.8
Excess of eligible reserves ralative to expected losses	55.2	53.1	(2.0)
Deductions	4.9	2.3	(2.6)
Risk-weighted assets	**17,405.0**	**17,014.0**	(391.0)
Credit risk assets	16,309.9	15,924.9	(384.9)
Operational risk assets	1,095.1	1,089.0	(6.0)

*Capital adequacy ratio as of Sep. 30, 2013 is on a preliminary basis.

Factors for the change in 1H of FY2013

[Total qualifying capital] +35.0 bn (+0.20%)

- **Tier 1 +29.6 bn (+0.17%)**
  - Net interim income +122.0 bn (+0.71%)
  - Repayment of public fund (99.9 bn) (-0.59%)
- **Tier 2 +2.7 bn (+ 0.01%)**
  - Subordinated debts +4.8 bn (+0.02%) (FX adjustment due to weakening of the yen)

[RWA] - 391.0 bn (+0.33%)

- **Risk-weighted assets**
  - Credit risk assets : -384.9 bn(+0.33%)
    - Decline of PD and improvements in internal ratings assigned to corporate obligors : -240.0 bn
    - Decrease in loan balance and other : -150.0 bn

Reference information

- Ratio of Net DTA to Tier 1: 8.23%
- Outlier estimates *1

Resona Bank	2.8%
Saitama Resona Bank	5.5%
Kinki Osaka Bank	2.9%

*1. Interest rate scenario assumes interest rate shocks in the 99th percentile over an observation period of five years and a holding period of one year.

Earnings Forecasts for FY2013 (Released on November 12, 2013)

(Billions of Yen)

	Resona Holdings (Consolidated)			
	1H FY'13 (Actual)	Full year forecast	Change from original forecast	Change from previous year
Consolidated ordinary profit	174.3	**270.0**	+50.0	(15.1)
Net (interim) income	122.0	**185.0**	+40.0	(90.1)

Forecast for term-end per share dividend on common stock	15 yen
Forecast for term-end per share dividend on preferred stock	As pre-determined

	Resona Holdings (Non-consolidated)			
	1H FY'13 (Actual)	Full year forecast	Change from original forecast	Change from previous year
Operating income	128.3	**258.0**	-	+13.5
Operating profit	124.8	**250.0**	-	+12.6
Ordinary profit	122.5	**248.0**	(2.0)	+10.3
Net (interim) income	123.3	**248.0**	(2.0)	+10.2

	Total of 3 group banks (approx. figures)				Resona Bank			Saitama Resona Bank			Kinki Osaka Bank		
	1H FY'13 (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	285.8	**563.0**	-	(18.6)	374.0	(2.0)	(13.9)	137.0	-	(4.8)	52.0	+2.0	+0.1
Operating expenses	(167.7)	**(330.0)**	-	+5.6	(217.0)	-	+3.2	(74.5)	-	+0.9	(38.5)	(0.5)	+1.3
Actual net operating profit	118.1	**233.0**	-	(13.0)	157.0	(2.0)	(10.6)	62.5	-	(3.8)	13.5	+1.5	+1.5
Ordinary profit	158.2	**249.0**	+48.0	(5.5)	183.5	+38.5	(4.2)	58.0	+4.5	(4.6)	7.5	+5.5	+3.4
Income before income taxes	156.6	**243.0**	+46.0	(10.7)	178.5	+36.0	(8.8)	57.0	+4.5	(5.4)	7.5	+5.5	+3.5
Net (interim) income	107.9	**164.0**	+33.0	(87.9)	124.0	+27.0	(81.5)	35.5	+3.0	(7.1)	4.5	+3.0	+0.8
Net gains/(losses) on stocks	20.0	**20.0**	+20.0	+27.7	19.5	+19.5	+26.9	-	-	(0.2)	0.5	+0.5	+1.0
Credit related expenses	14.8	**(14.5)**	+27.5	(35.9)	(5.0)	+22.0	(34.5)	(4.0)	+3.5	(1.9)	(5.5)	+2.5	+0.4

Outline of Business Results for 1H of FY2013
and Updates on Major Businesses

Efforts to Build Solid Foundation for Sustainable Growth

Direction of Future Capital Policies

[Reference Material]

Management Strategies / Capital Policies and ROE Target

Management Strategies

#1 All Resona

- Dual strategic focuses: "retail" and "2 metro areas"
- "Retail x Trust" business model well-suited for Japan's aged society
- Well-established competitive edge as pioneer of reforms in customer service

#2 Efforts to Strengthen Cross-selling

- Income diversification and sustainable growth
  - Build up good quality loan assets
  - Further strengthen fee income

#3 Efficient Cost Structure

- Consolidated group management
- Overcome high cost structure inherent in retail banking business

Capital Policies

#1 Public Funds Full Repayment Plan

- Fully repay the remaining public funds in 5 years down the road
- Mitigate the "dilution" and "overhang" concerns by steadily implementing the Plan

#2 Return to Common Shareholders

- EPS improvement via repurchase and cancellation of a part of the common shares held by the DIC
- Common share dividend increase funded by a reduction in dividends paid to public funds

#3 Capital Adequacy Ratio Management

- Maintain adequate CAR as a domestic bank
  - Maintain a CET1 ratio of above 5.5% and Tier 1 ratio above 7.0% under Basel 3 International Std.
- Flexibility in capital management as a domestic institution

Level of Targeted Sustainable ROE

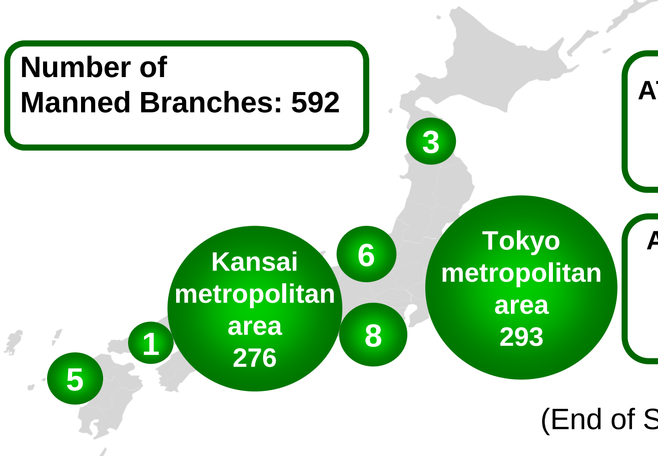
Achieve a 10% return on CET1 on a sustainable basis

- Build earnings and capital structures that could yield a 10% return on Common Equity Tier 1 Capital on a sustainable basis

Resona's Strength

Franchise Value

Number of Manned Branches: 592



ATMs operated by Resona: Approx. 8,000

ATMs of Alliance Convenience Stores: Approx. 42,000

(End of September 2013)

Advantage as Commercial Bank with Trust Capabilities

Retail Customer Base of Commercial Bank

- Approx. 13 million active individual clients
- Approx. 90 thousand corporate loan clients
- 592 manned branch offices

Full-line Trust Functions

- Inheritance, Business succession
- Real estate mediation
- Will trust
- Corporate pension

Enhancing Customer Satisfaction

<Resona's "Service Reform">

- Open until 17:00 on weekdays
- More branches open on weekends and holidays
- "Next generation" innovative branch offices
- "Zero" waiting time
- 24 hour customer call center
- New marketing channel open 365 days a year
- Improvement of hospitality by proactive recruitment and promotion of women

Nikkei 9th annual financial institutions ranking (January 2013)

Customer satisfaction (all age groups): Highest among major banks

Customer satisfaction by age group (50's and 60's): No.1 among all Japanese banks

■ People in their 50's

1	Resona Bank
2	SBI Sumishin Net Bank
3	Shinsei Bank
4	Japan Net Bank
5	BTMU

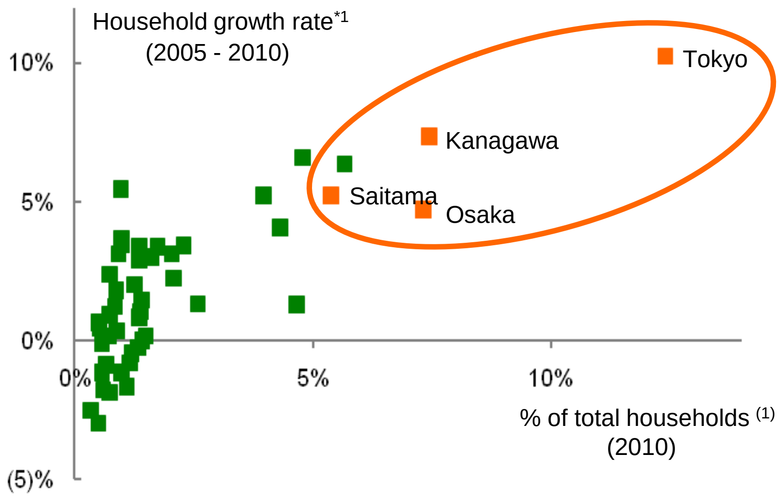
■ People in their 60's

1	Resona Bank
2	SBI Sumishin Net Bank
3	SMBC
4	Sumitomo Mitsui Trust
5	BTMU

Increase Sound Loan Assets (1) Housing Loans

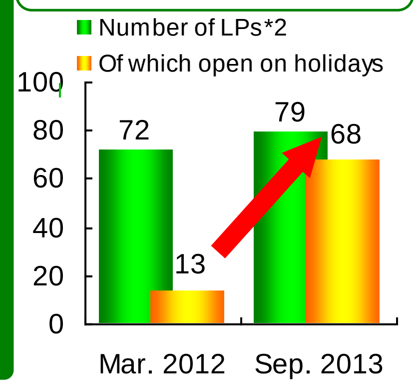
Increasing demand for purchasing houses in Resona's primary markets

- ✓ Rising expectations for inflation
- ✓ Increase in housing construction
- ✓ Housing loan tax-break to be expanded following a scheduled hike in VAT
- ✓ Population inflow into urban areas and increase in the number of households



Enhancing Profitability

Growing number of Loan Plazas (LPs) open on holidays



Sophistication in risk pricing

- ✓ Increase in volume of high credit profile customers
- ✓ Expansion in profitable middle-risk segment

Differentiation by new products

- ✓ New Group credit life insurance
- ✓ Special loans for women

Maintaining profitability through low-cost operations

Low-cost operation based on economies of scale

- ✓ The amount of HLs Resona Group originates in a single year (JPY 1.55tn*3) is comparable to the average balance of the top 10 regional banks (JPY 1.97tn*4)

Net loss ratio remains low*5 : 0.11% (FY2012)

Lower allocated capital (Mar. 2013)

- ✓ **Residential mortgage exposures: Risk weight 29.41%**

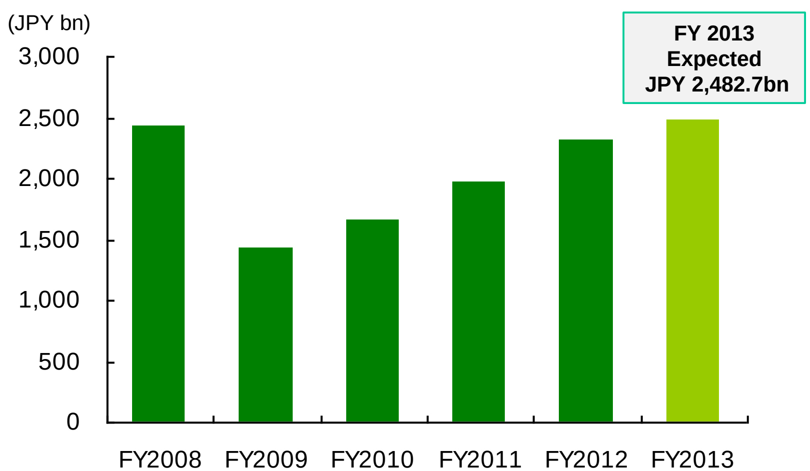
*1. Source: Ministry of Internal Affairs and Communications, "The Population Census"
*2. Number of LPs include Kinki Osaka Bank's Housing Loan Centers *3. Total of group banks,FY2012
*4. As of March 31, 2013, 10 largest regional bank groups in terms of consolidated total assets (Yokohama, Fukuoka FG, Chiba, Hokuhoku FG, Shizuoka, Yamaguchi FG, Joyo,77 Bank, Hokuyo, Nishinippon City)
*5. Subrogation ratio x (1 – collection rate after subrogation)

Increase Sound Loan Assets (2) SMEs and Wealthy Individuals

Increasing demand for funds in Resona's primary markets

- ✓ Rising expectation of inflation
- ✓ Growth strategy under *Abenomics* and public investments to expand
- ✓ Tokyo Olympics in 2020
- ✓ Aging of SME owners

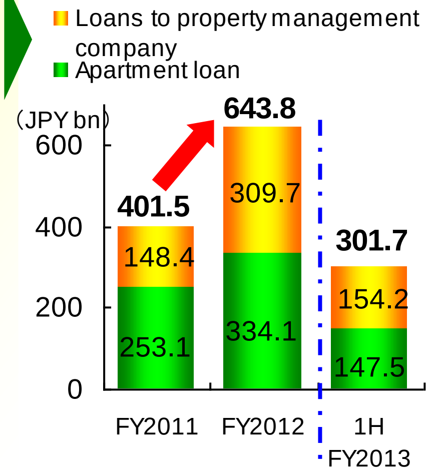
Domestic Capital Expenditure by Small and Medium Sized Manufacturers[*1]



Strength in solutions for business succession

- Loans to property management company
- Apartment loan
- Trust for transfer of own company's stocks
- Property management consulting
- Real estate brokerage
- Business transformation consulting

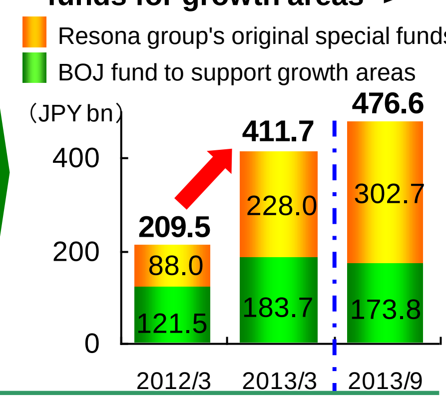
< Loans newly extended to high net-worth customers[*2]>



Areas of high growth potential

- Expansion into Asia
- Medical, welfare and nursing care
- Environment

<Loans extended from special funds for growth areas[*2]>



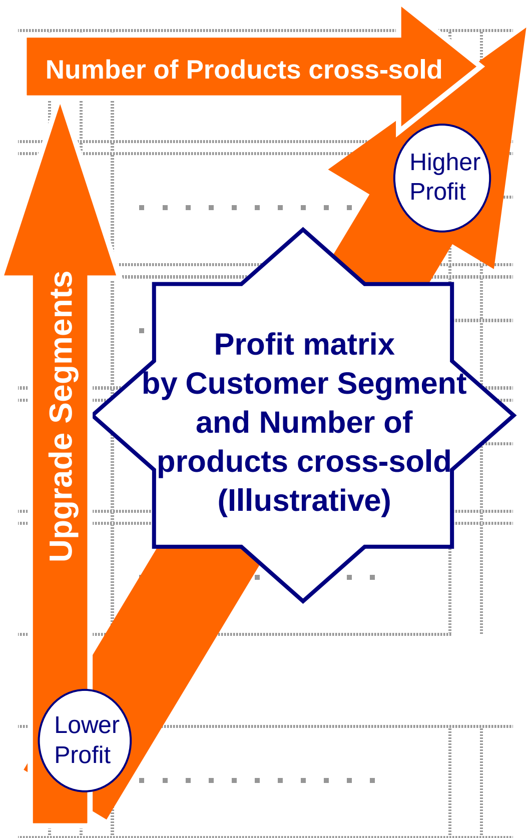
*1. Source: Japan Finance Corporation *2. Total of group banks

Cross-selling Culture

Visible progress has been made through the increase in the number of "Resona Loyal Customers"

Customer segments based on the depth of transactions with Resona Group banks	Number of Clients (thousands) 2010/3	2013/3	Change	Top-line Income Per Client *	Avg. # of Products Cross-sold
Premier AUM or Apartment loan exceeding JPY50 million	42.0	45.2	+ 3.3	104.0	5.56
Housing Loan With housing loan for own home	525.5	542.2	+ 16.7	19.6	4.43
Asset Management AUM exceeding JPY10 million	618.5	643.3	+ 24.8	9.5	4.28
Potential I AUM exceeding JPY5 million	776.6	785.8	+ 9.1	3.5	3.54
Potential II AUM below JPY 5 million/ 3 or more products sold	4,400.4	4,657.8	+ 257.4	* 1	3.79
Resona Loyal Customers (RLCs)	6,363.0	6,674.4	+ 311.3	4.3	3.87
Potential III AUM below JPY 5 million/ 2 or fewer products sold	6,613.3	6,132.0	(481.3)	0.3	1.60

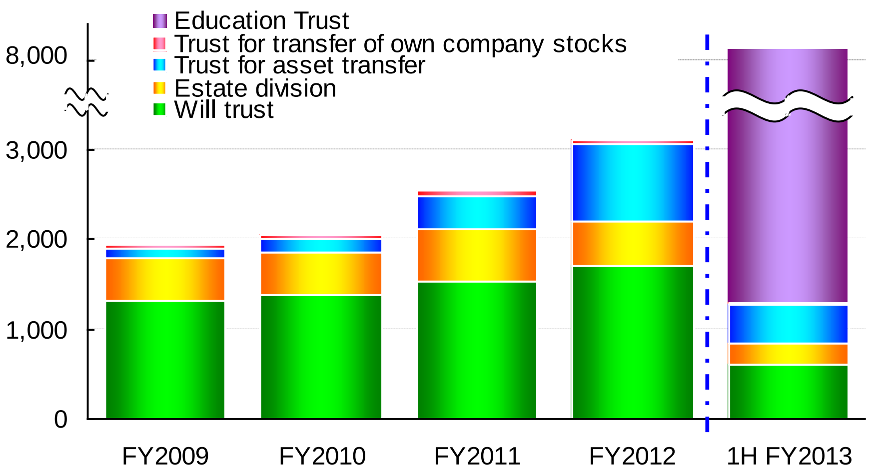
Increase life-time profits by upgrading customer segments and by increasing the number of products cross-sold



* Indexed to average top-line income per client for Potential II segment = 1

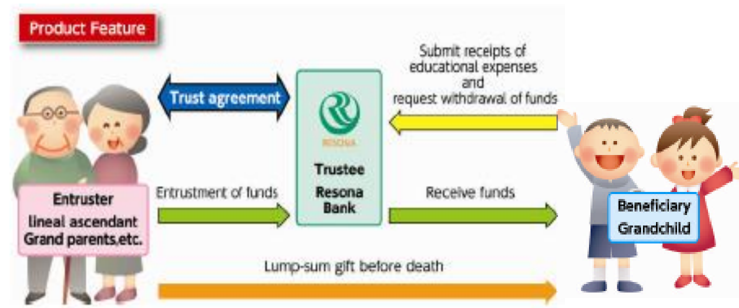
Cross-selling Strategy: Trust Solutions as Gateway to Cross-selling

Number of trust solutions provided for asset and business transfers



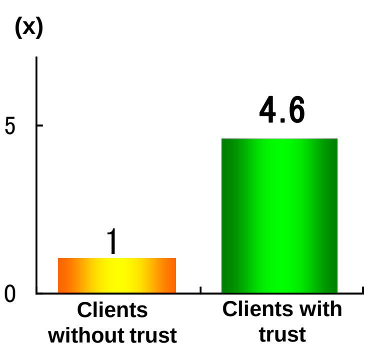
Education Trust (Began sales in Apr. 2013)

- **Make the best use of trust capabilities to increase "high net-worth" customers**
  - From April to September 2013
    Number of entrustments: Approx. 6,800,
    Funds entrusted: JPY 41.5bn
  - Approx. 30% of entrustees are new clients

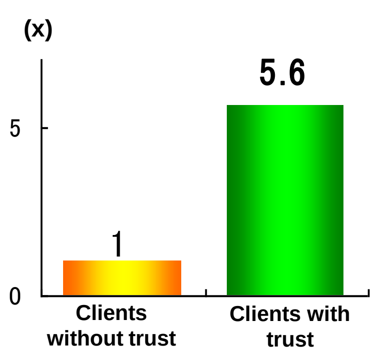


Comparison of Top-line Income from the Clients with or without Trust Solutions*1

Will trusts



Trust for asset transfer



Cross-selling Initiated from Will Trusts

Access to information of clients' assets through entrustment

- Cash & deposits
- Securities
- Own company stocks
- Real estate…

Consulting | **Inheritance**

Various opportunities for Cross-selling

- Investment trusts & insurance
- Apartment loans
- Real estate brokerage
- Business succession
- Real estate consulting…

*1. Rebased top-line income from clients without trust solutions in top three segments (Premier, Housing Loan and Asset Management) to 1 (Resona Bank)

Cross-selling Strategy: Housing Loans as Gateway to Cross-selling

Efficient cross-selling to existing and new HL clients whose profiles are well recognized through credit screening

	New HL clients*1	Existing HL clients*2
Number of target clients	Approx. 40 thousand	Approx. 510 thousand
Recognized customer profiles	Clients with adequate credit profiles who met the screening criteria	

Take advantage of cross-selling opportunities

New HL clients

- **Become the main bank for clients**
  => Payroll accounts, Internet banking, Card loans, Credit cards
- **Review household finances**
  => Insurance

[Comparison of product set ratios]

	New HL clients	General Clients*3
Payroll accounts	40%	24%
Insurance	3%	1%
IB	90%	30%

Existing HL clients

- **Offer products depending on life stage**
  => Consumer loans (auto, education, etc), Card loans
  => Investment trusts, Insurance
  => Home renovation loans
  => Annuity accounts, Will trusts, Real estate

[Comparison of product set ratios]

	Existing HL clients	General Clients*3
Consumer loan	7%	1%
Card loan	6%	3%
Credit card	10%	4%

*1. Housing loans newly originated in FY2012
*2. Existing housing loans originated by the end of FY2011
*3. “Potential II” and “Potential III” segments

Cross-selling Strategy: Cross-selling towards "Potential" Client Segments

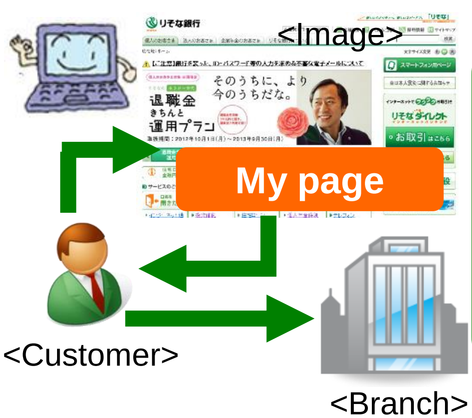
Offer the interface which customers like best

- **"Open 365 days"*1 and "convenient location close to a terminal station"**
- **2nd "7 Days Plaza" outlet to open on April1, 2014 in *Abeno Harukas***

Resona BK's "7 Days Plaza" (Opened in April 2012)

Kinki Osaka BK's "nanoka" (Opened in July 2012)

- Plan to strengthen web-based information delivery
  - 1 to 1 marketing based on customized "My Page"*2



Offering information relevant to clients' life events

Stimulate clients' financial needs

Transactions on the Web

Branch visit => face to face transaction

Offer attractive products and services

- **Enhanced customer convenience relating to ATM usage**
  - **More BankTime ATMs available at *Circle K Sunkus***

Mar. 2012	Sep. 2013
1,842 locations	**3,763 locations**

BankTime

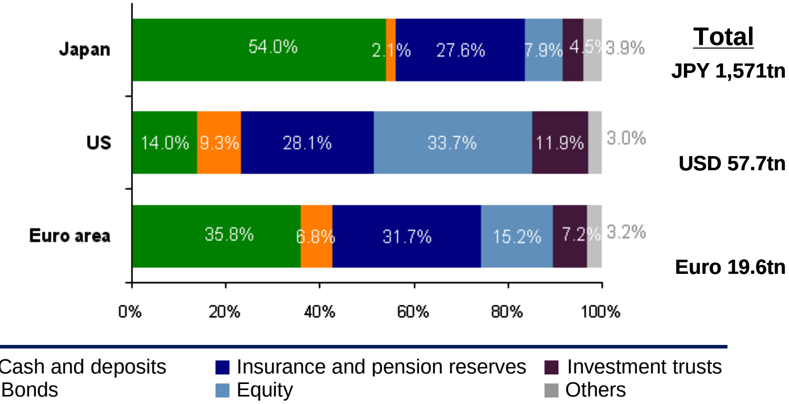
- **Nippon Individual Savings Account (NISA)**

Expand lineup of investment products well-suited to NISA

- Plan to introduce around 20 investment products by the end of March 2014
- Develop and procure products based on customer needs

Open alliance strategy leveraging the strength of not being affiliated with any industrial groupings

<Breakdown of Households' Financial Assets*3>



*1. RB's 7 Days Plaza is open 365 days. KO's nanoka is not open on year-end, New Year and Japan's "golden week" holidays.
*2.Tentative name for customized customer web page. (Service will be commenced in Spring 2014)
*3. Source: Bank of Japan (Japan and US as of Mar. 2013, Euro area as of Dec. 2012)

Outline of Business Results for 1H of FY2013 and Updates on Major Businesses

Efforts to Build Solid Foundation for Sustainable Growth

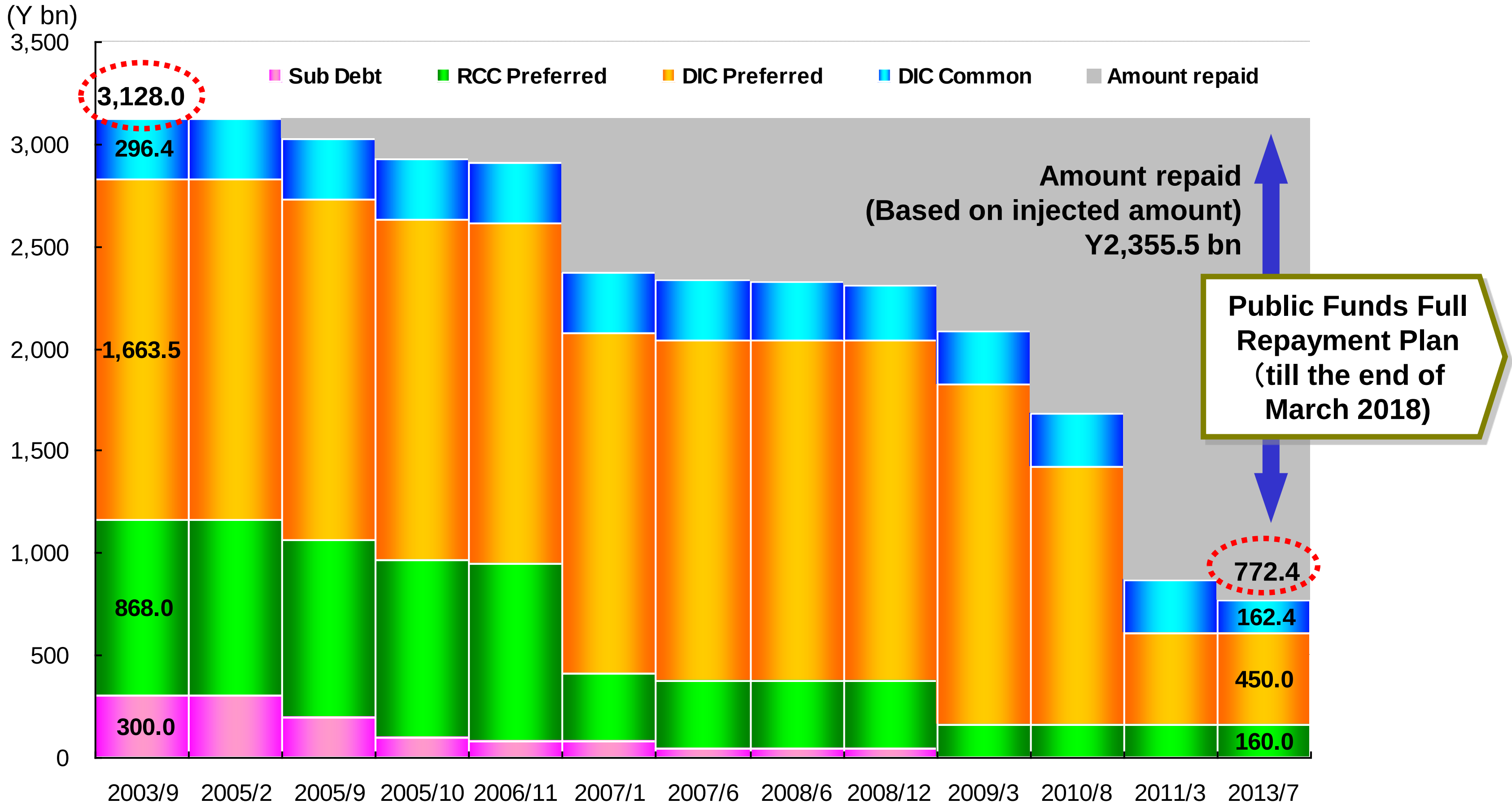
Progress in Public Funds Full Repayment Plan and Direction of Future Capital Policies

[Reference Material]

Repayment Efforts Entering the "Final Stage" to Complete Full Repayment

Completing a partial repayment of DIC common stock in July 2013 activated "Public Funds Full Repayment Plan"

■ **Chronological repayment of public funds (based on injected amount)**

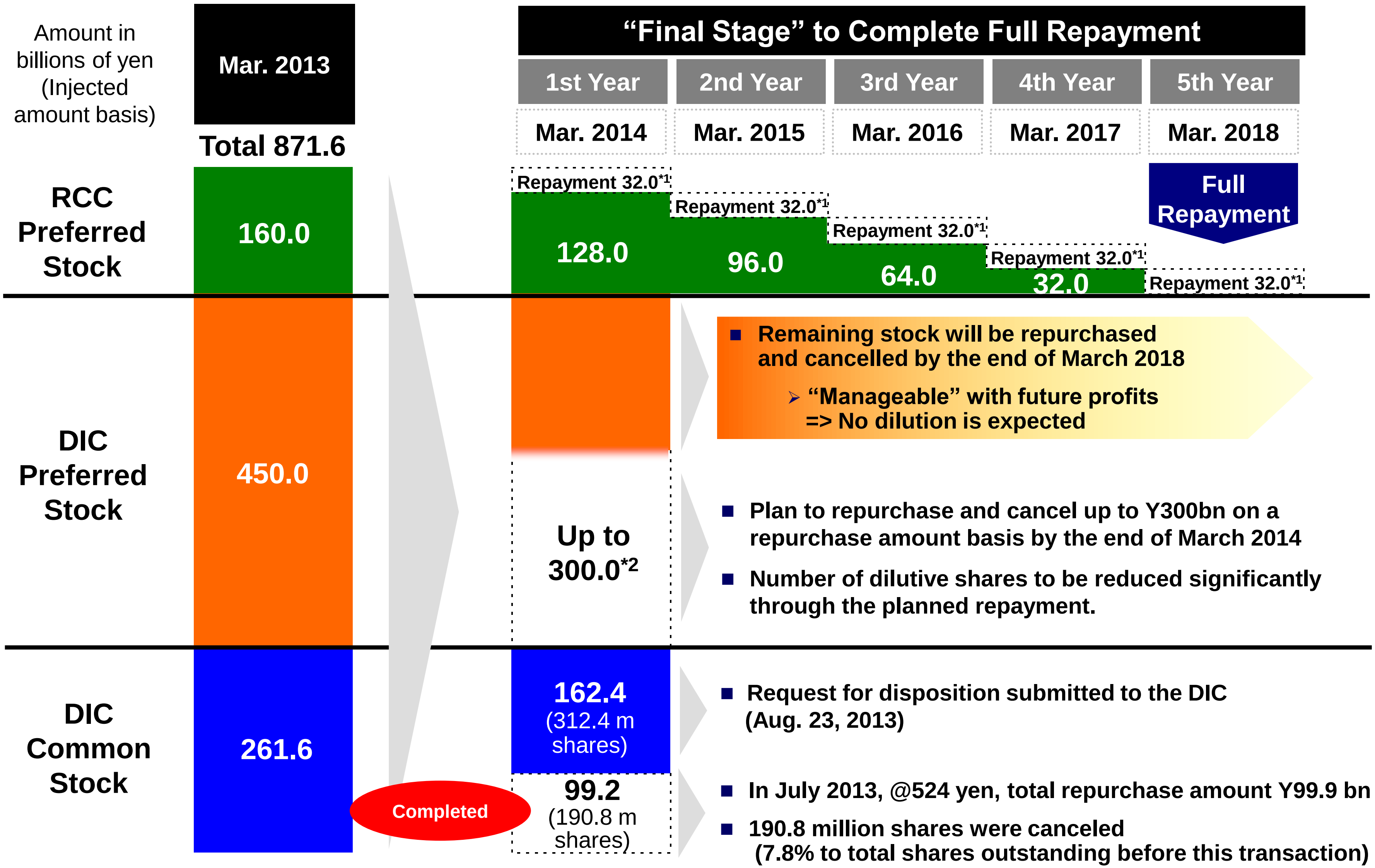


■ **Resona HD's dividend per share on common stock (annual)**

Dividend per share on common stock (annual)*1	- FY2004	FY2005 - FY2009	FY2010 - FY2012	FY2013 -
	—	10 yen	12 yen	15 yen (Planned)

*1. Adjusted to stock split in FY2007

Outline of "Public Funds Full Repayment Plan" and Progress to Date



Maintain a CET1 ratio above 5.5% and a Tier 1 ratio above 7.0% throughout the Plan period

*1. To be repaid with dividends distributed after each fiscal year-end
*2. Based on a repurchase amount basis

Direction of Resona's Capital Management

Capital Adequacy Ratio Management

■ **Remain subject to the Japanese Domestic Standard**

- However, in order to secure reliable capital strength, Resona Group operates its business with a high CAR, taking reference to the International Standard.

■ **Keep the following Basel 3 ratios while repayment**

Following ratios are on a phase-in rule basis.
Domestic std. ratio is based on the first adoption-year criteria.

Resona HD (Consolidated)		Sep. 30, 2013	Ratios maintained while repayment
Domestic Std.	Core capital ratio	14.4%	
International Std.	CET1 ratio*1	8.5%	Above 5.5%
International Std.	Tier1 ratio*2	10.2%	Above 7.0%

*1. Required to satisfy the minimum ratio required under the International Standard to adopt the IRB approach.

*2. Tier 1 ratio requirement under the International Standard is not applicable to Resona Group.

■ **Expected increase in RWA relating to introduction of Basel 3, primarily from the following sources**

- **CVA / CPP**
- **Exposure to large financial institutions, etc.**

Additional items both for International and Domestic Standards

- **Market risk**

Additional item for Domestic Standard

Expected increase in RWA (At Introduction in Mar. 2014)	Approx. Y0.9 -1.0 trillion (Domestic Standard)

■ **Continued efforts to adopt the A-IRB approach**

- **Aim to adopt the A-IRB approach as a part of broader efforts to solidify the group's risk vs. capital management**

Dividend Policy (Common Shares)

■ **Per share common dividends to be increased by 25%, or from 12 yen to 15 yen, from dividend for FY2013**

- **Maintain dividends at 15 yen per common share for the time being**

ROE Target

■ **Build earnings and capital structures that could yield a 10% return on Common Equity Tier 1 Capital on a sustainable basis**

Level of Targeted Sustainable ROE	Common Equity Tier 1 ROE 10% Level

Outline of Business Results for 1H of FY2013
and Updates on Major Businesses

Efforts to Build Solid Foundation for Sustainable Growth

Progress in Public Funds Full Repayment Plan and
Direction of Future Capital Policies

[Reference Material]

Resona Group's Management Policy

10 Years to Date	Next Decade

10 years since infusion of public funds in 2003

10 years since Resona initiated management reform

Management renewal at a milestone

- Create new business model based on fresh ideas
- Streamlining of organization to facilitate faster decision makings

Possible turning point for economy and business conditions

Resona Group's Management Policy

3 Pillars

Succession and further deepening of "Resonaism"

- Continue management reform based on the shared idea that "customers' joys and happiness are tantamount to Resona's"

Business model as New Financial Services Business

- Nurture as many seeds for new financial services business as possible for Resona to make a leap forward in the new decade

Further deepening of group consolidated management

- Centralized management of group's business infrastructure
- Full utilization of group's functions and networks

Sound Balance Sheet

Sound assets backed by very stable deposit funding

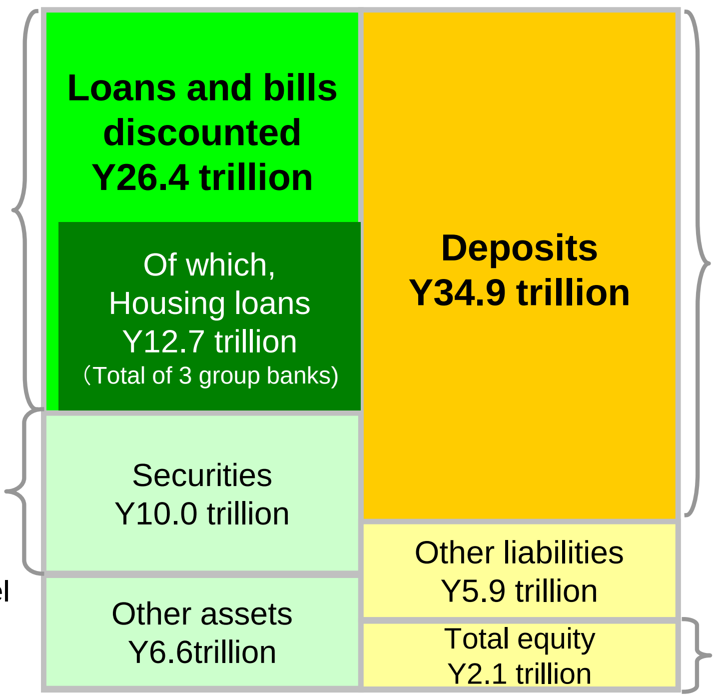
[Sound loan portfolio]

- **Well-diversified loan portfolio**
  - Housing loan ratio at 47.6%
  - Well-diversified SME portfolio
- **Net NPL ratio*1 standing at 0.31%**

[Conservative securities portfolio]

- **Mostly comprised of JGBs**
  - JGBs duration*2: 2.8 years (JGBs in available-for-sale securities)
- **Limited downside risk relating to equity exposure**
  - Stockholdings*3 /Total assets: approx. 0.8%
  - Breakeven Nikkei Avg:Y6,700 level

RHD's consolidated balance sheet (As of Sep. 30, 2013)



[Stable funding structure]

- **Strong retail deposit base**
  - Approx. 13 million retail deposit accounts
  - Accounts for approx. 70% of total deposit funding
- **Funding cost kept at a low level**
  - Avg. cost of deposits: 0.05%
  - 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. 75%**

[Well capitalized on a regulatory basis]

- **Capital adequacy ratio: 15.21%**
- **Tier 1 ratio: 11.16%**
- **Ratio of Net DTA to Tier 1: 8.23%**

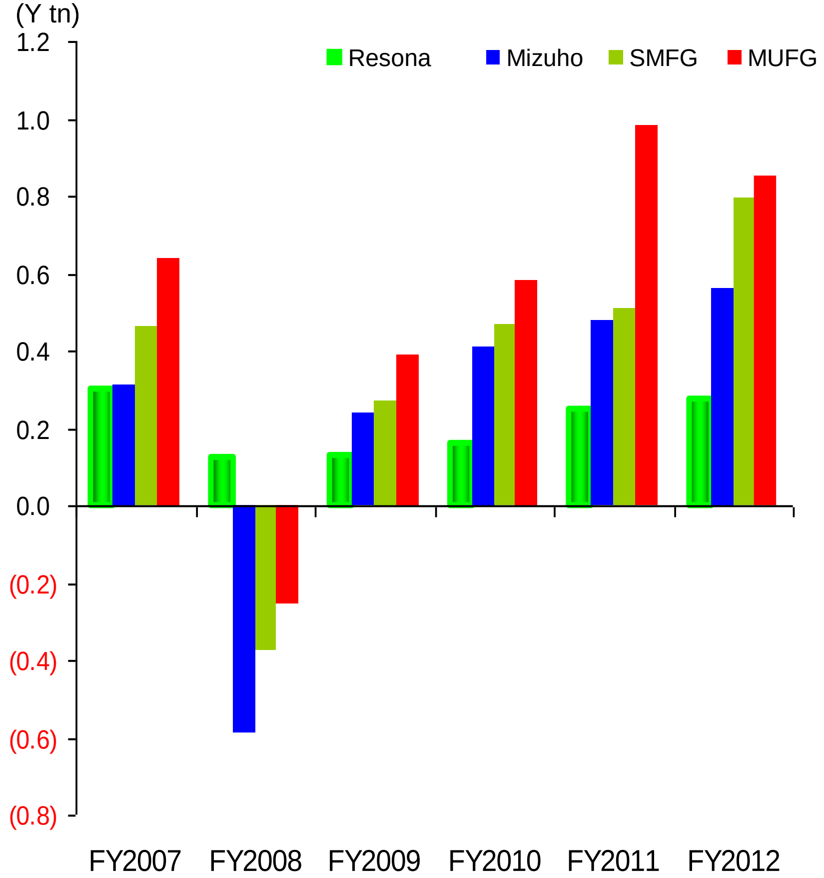
Total Accounting Assets: (TAA)	**Y43.1 trillion (100%)**
Risk-weighted Assets: (RWA)	**Y17.0 trillion (F-IRB under Basel 2)**
RWA/TAA Multiple:	**x 0.39 times**

*1. NPL ratio net of collateral / guarantees and loan loss reserves (Total of group banks)
*2. JGBs in available-for-sale securities (Total of group banks) *3. At cost

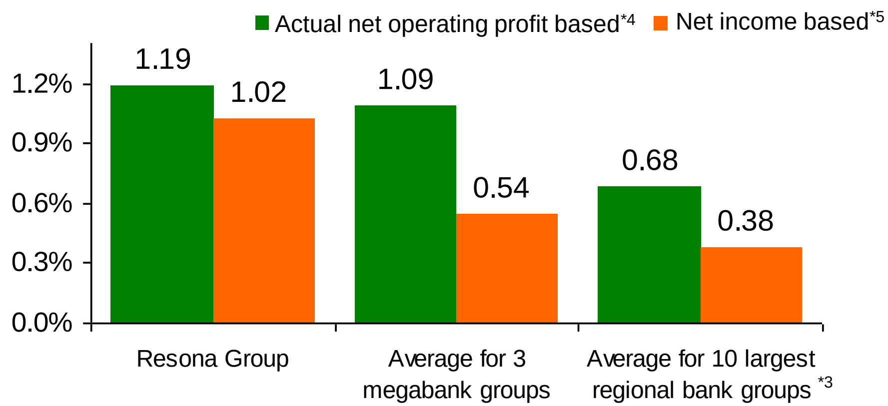
Stable Profitability

- 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

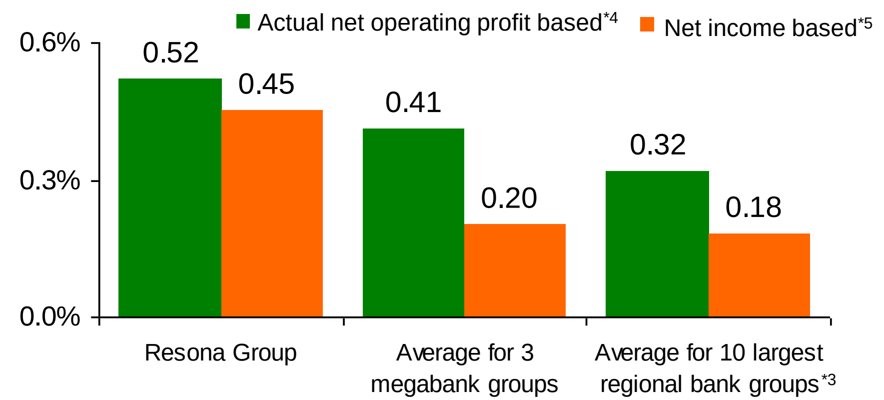
Historical Consolidated Net Income



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, Joyo, 77Bank, Hokuyo, Nishinippon City)
*4. Based on net operating profits less credit cost 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)

Business Results by Major Group Business Segments

Management Accounting by Major Group Business Lines (1H FY2013)

■ "RAROC" and "RVA"[*1] as management indicators to measure profitability to allocated capital

(Billions of Yen, %)

Resona Group Business Segments	Profitability: Net profit after a deduction of cost on capital — RVA[*1] (Actual)	YoY Change	Profitability: Risk-adjusted return on capital — RAROC (Actual)	Profitability: Cost to income ratio — OHR	Soundness: Internal CAR	Net operating profit after a deduction of credit cost	YoY Change	Actual net operating profit	YoY Change	Gross operating profit	YoY Change	Operating expense	YoY Change	Credit cost	YoY Change
Sum of Customer Divisions	81.0	+10.7	15.8%	60.0%	10.3%	125.0	+9.5	110.0	+2.8	275.1	+4.0	(165.1)	(1.2)	15.0	+6.7
Personal Banking	34.2	+4.2	24.3%	66.9%	10.2%	44.3	+4.3	44.3	+3.4	133.7	+5.1	(89.4)	(1.7)	0.0	+0.8
Corporate Banking	46.9	+6.6	13.3%	53.6%	10.3%	80.7	+5.2	65.7	(0.6)	141.5	(1.1)	(75.8)	+0.5	15.0	+5.8
Markets	29.6	+0.5	54.0%	11.2%	19.2%	33.1	+0.0	33.1	+0.0	37.2	+0.2	(4.2)	(0.2)	-	-
Total [*2]	92.6	+8.9	13.7%	54.5%	14.2%	156.4	+9.4	141.3	+2.8	310.6	+4.1	(169.3)	(1.4)	15.0	+6.7

*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

Consolidated Subsidiaries and Affiliated Companies

Consolidated domestic subsidiaries (excluding subsidiary banks)

(Billions of Yen)

Name	Line of business	Capital contribution ratio	Net income FY2013 1H	Net income YoY change	(Ref) FY2012 Net Income
Resona Guarantee Co., Ltd.	Credit guarantee (Mainly housing loan)	Resona Group 100%	11.8	(0.7)	**19.7**
Daiwa Guarantee Co., Ltd.	Credit guarantee (Mainly housing loan)	Resona Group 100%	0.4	(0.3)	**1.1**
Kinki Osaka Shinyo Hosho Co., Ltd.	Credit guarantee (Mainly housing loan)	Resona Group 100%	1.0	+0.3	**0.4**
Resona Card Co., Ltd.	Credit card Credit guarantee	Resona Holdings 77.6% Credit Saison 22.4%	1.0	+0.3	**2.9**
Resona Kessai Service Co., Ltd.	Factoring	Resona Holdings 100%	0.3	+0.0	**0.7**
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)	(0.2)	**0.1**
Resona Business Service Co., Ltd.	Back office work	Resona Holdings 100%	0.0	+0.0	**0.0**
Total			**14.5**	**(0.9)**	**25.0**

Major consolidated overseas subsidiaries

Name	Line of business	Capital contribution ratio	Net income FY2013 1H	Net income YoY change	(Ref) FY2012 Net Income
P.T. Bank Resona Perdania	Banking business (Indonesia)	Resona Group 43.4% (Effective control approach)	3.5	+2.5	**2.4**
P.T. Resona Indonesia Finance	Leasing business (Indonesia)	Resona Group 100%	0.0	+0.0	**0.1**
Total			**3.6**	**+2.5**	**2.5**

Affiliated company accounted for by the equity method

Name	Line of business	Capital contribution ratio	Net income FY2013 1H	Net income YoY change	(Ref) FY2012 Net income
Japan Trustee Services Bank, Ltd.	Banking and Trust	Resona Group 33.3% Sumitomo Mitsui Trust HD 66.6%	**0.2**	**(0.3)**	**0.5**

Capital Adequacy Ratio (Subsidiary Banks)

(Billions of Yen)

Japanese Domestic Standard	RB(Consolidated) [F-IRB]			SR(Non-consolidated) [F-IRB]			KO(Consolidated) [F-IRB]		
	Mar.31, 2013	**Sep.30, 2013**	*Change*	Mar.31, 2013	**Sep.30, 2013**	*Change*	Mar.31, 2013	**Sep.30, 2013**	*Change*
Capital adequacy ratio	13.49%	**14.57%**	*+1.08%*	12.46%	**13.08%**	*+0.62%*	13.35%	**13.87%**	*+0.52%*
Tier 1 ratio	9.52%	**10.51%**	*+0.99%*	8.19%	**8.78%**	*+0.59%*	8.76%	**9.24%**	*+0.48%*
Total qualifying capital	1,681.1	**1,777.2**	96.1	428.7	**447.7**	18.9	170.4	**175.8**	5.3
Tier 1 capital	1,186.2	**1,282.9**	96.7	282.0	**300.5**	18.4	111.8	**117.1**	5.2
Tier 2 capital	537.5	**541.3**	3.8	157.1	**157.1**	(0.0)	58.7	**58.6**	(0.0)
Deductions	42.6	**47.0**	4.4	10.4	**9.8**	(0.5)	0.1	**0.0**	(0.1)
Risk weighted assets	12,456.7	**12,197.3**	(259.3)	3,440.9	**3,421.0**	(19.9)	1,275.8	**1,267.2**	(8.6)
Credit risk assets	11,746.0	**11,488.1**	(257.8)	3,190.2	**3,172.1**	(18.1)	1,181.4	**1,174.2**	(7.2)
Operational risk assets	710.6	**709.1**	(1.4)	250.6	**248.9**	(1.7)	94.4	**93.0**	(1.4)

Measures to Keep and Restore Profitability of HL Business

Three Profitability Enhancers

	Enhancer	
1	Promotion of cross-selling	HL business as a gateway for cross-selling
2	Low-cost operation	Challenge to HL back office processing reform
3	Upside from rise in interest rate	Floating-rate loans account for approx 80% of portfolio

Income

Volume
- Explore existing home market and expand lineup of HL products
- More LPs open on holidays and strengthen their sales staffs
- Prevent refinancing by competitor banks

Pricing
- Total profitability analysis based on Life Time Value (LTV) model
- Pursue rational risk pricing based on credit profile analysis

Add-on Income
- Promote cross-selling 1) before extending housing loans, 2) during a repayment period and 3) after full repayment
- 0.55 million HL clients with whom credit profile and life events are grasped
- Become a main bank and prevent refinancing by other banks by promoting cross-selling
- Capture such financial needs as reform loan, AM and inheritance for those who have fully repaid their loans

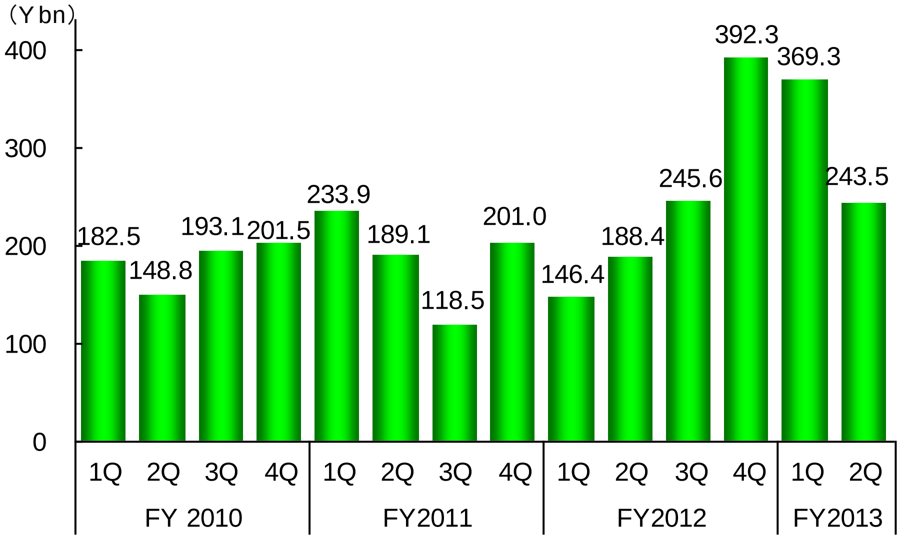
Expense

Clerical Cost
- Housing loans' back office processing reform
- Reduce clerical work volume by 50% and clerical staffs by 450

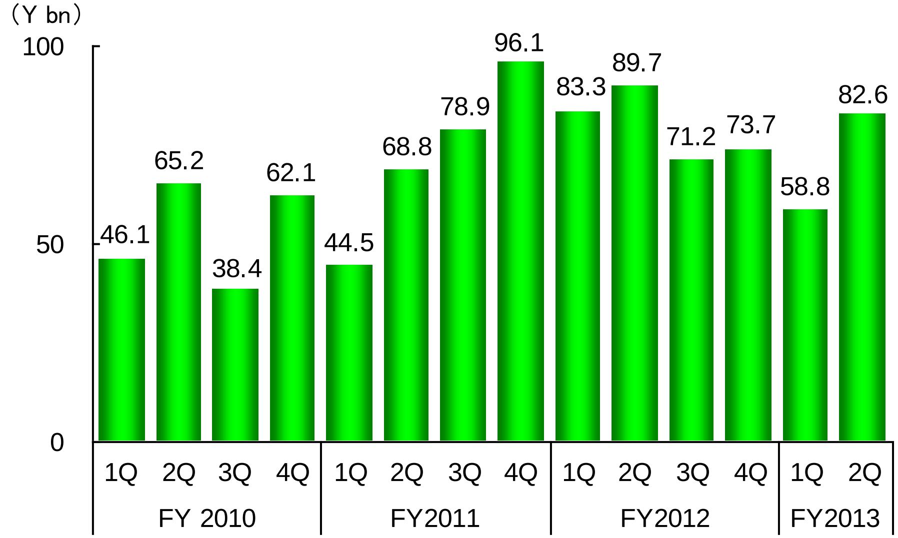
Credit Cost
- Strengthen credit administration
(More active delinquency control, improvement in recovery ratio, etc.)

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

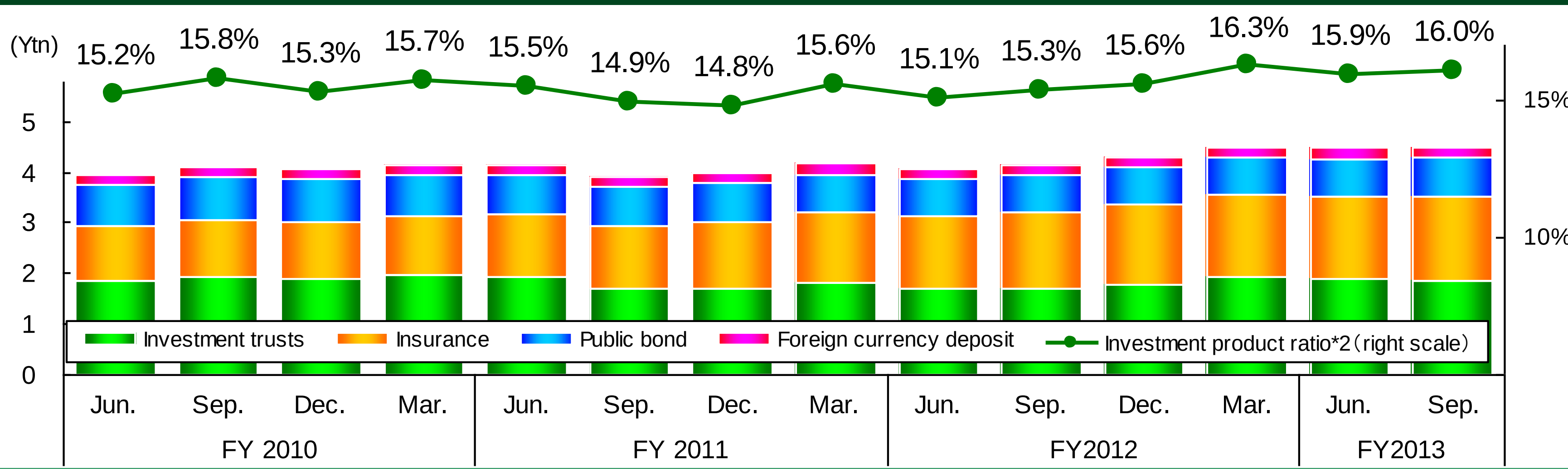
Investment Trust



Insurance*1



Balance of Investment Products sold to Individual*1



*1. Figures are based on an administrative accounting basis.
*2. Investment product ratio = balance of investment products sold / balance of investment products sold and deposits held by individuals

KPIs for Cross-selling (Total of Group Banks, End of September 2013)

Primary Index

■ RLCs = Clients to whom the group have achieved cross-selling to some extent

(Number of customers in thousands)		Sep 30, 2012	Sep 30, 2013	Change
Premier	AUM or condominium loan exceeding JPY50 million	43.2	45.4	+2.2
Housing Loan	With housing loan for own home	534.5	545.6	+11.1
Asset Management	AUM exceeding JPY10 million	630.0	648.5	+18.5
Potential I	AUM exceeding JPY5 million	784.6	789.4	+4.8
Potential II	AUM below JPY 5 million/ with 3 or more products sold	4,568.5	4,663.0	+94.5
Resona Loyal Customers (RLCs)		6,560.8	6,692.1	+131.3
Potential III	AUM below JPY 5 million/ with 2 or less products sold	6,248.1	6,085.6	(162.3)
	Total active customers	12,808.8	12,777.7	(31.0)

Reference Indices

■ Covering the RLCs, measure the following reference indices on a regular basis

Lifetime Value (LTV)

Change in Past 1 Year: +87.8bn

- Under certain assumptions, try to measure the degree of incremental growth in top-line income brought about by new transactions captured by virtue of the sales activities
- Top-line income to be generated over a next 10 year period

Number of Products Sold

Sep 30, 2013: 3.86 Products

- Indicator to show the degree of RLCs utilizing Resona Group banks as a main bank.
- Base items such as account transfers, outward and inward remittances, loan and credit card items, savings and investment items are covered.

Operational Reforms Aimed at Simultaneously Enhancing Revenue and Reducing Costs

Profitability Maximization of Branch Offices

Productivity Reinforcement

- Significant reduction of administrative work
- Expansion of next generation branch offices
- Upgrade of CRM and branch office system

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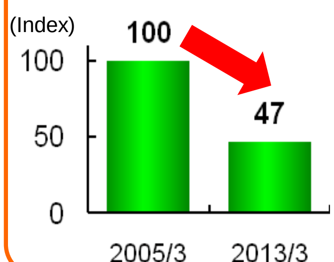
Sales force Reinforcement

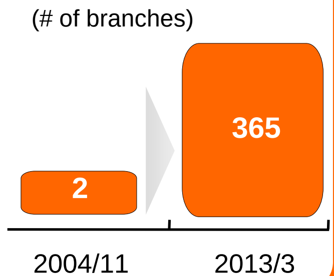
- Freeing resources through operational reforms and shifting personnel to the sales department

Profitability Maximization of Branch Offices

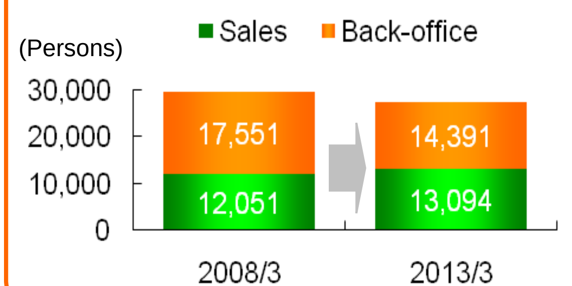
<Administrative work in branch offices*1>



<"Next-generation" branch offices>



<Composition of personnel by division*2>



Focus on Low-Cost Operations

- Separation and shift of back-office operations from branch offices to Support Offices
- Operation Consolidation and Standardization

→

- Reduction of administrative work
- Optimization of division of labor

→

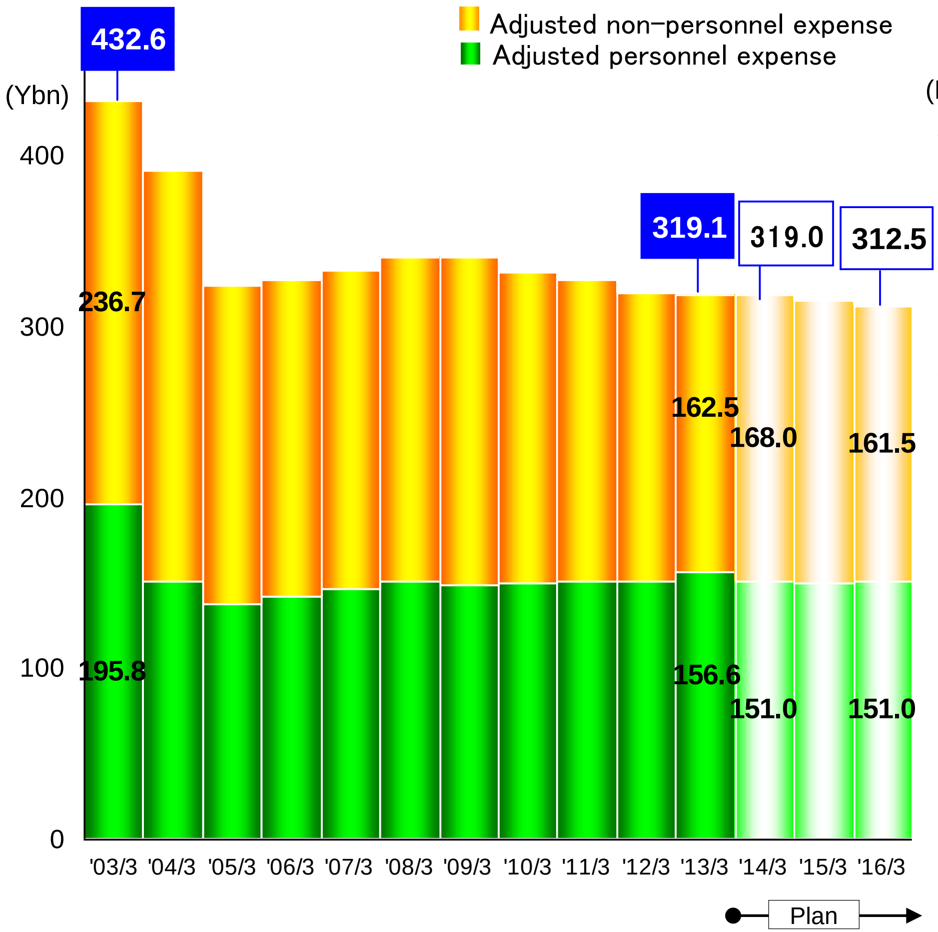
- Reinvestment of operational cost-savings into strategic areas

*1. Administrative work volume handled in branch office (Mar. 2005=100), Total of Resona Bank and Resona Business Service
*2. Total of group banks and Resona Business Service

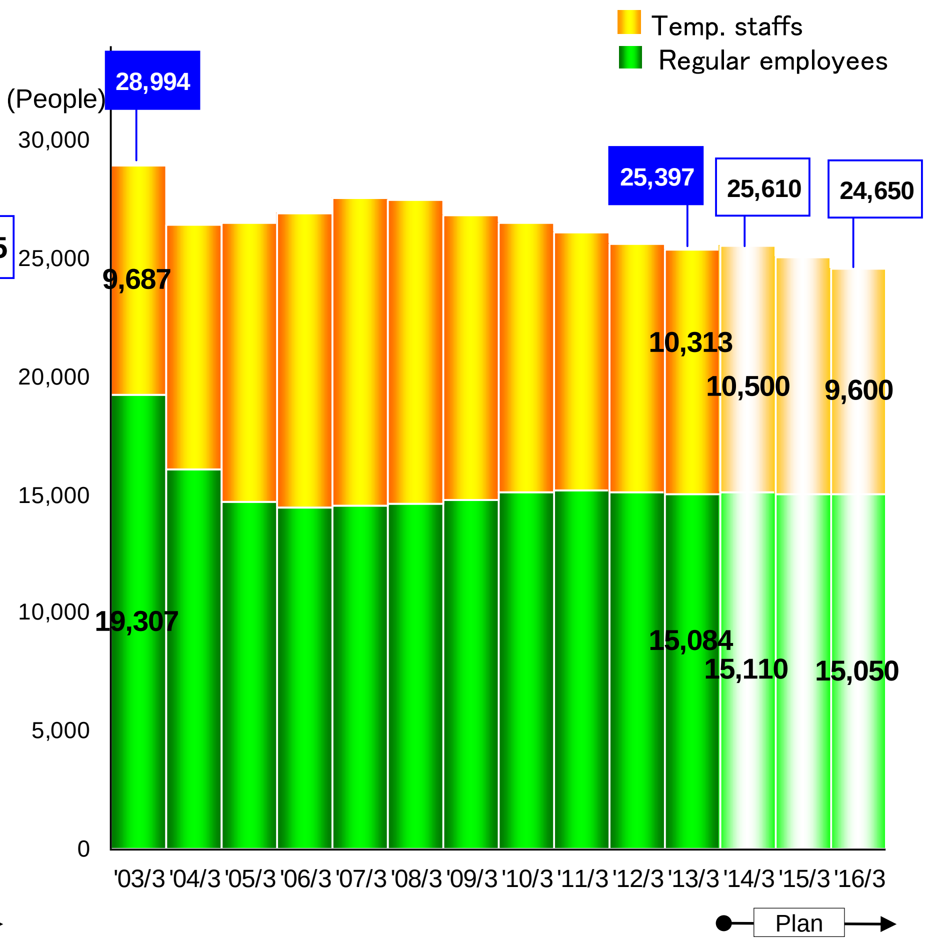
Efficient Cost Structure: Personnel and Non-Personnel Expense (Total of Group Banks)

- Unavoidable increase in operating expenses including social insurance premium will be offset by continued efforts to reduce non-personnel expenses
- Strictly controlled personnel expenses including the cost associated with hiring temporary staffs

Adjusted personnel and adjusted non-personnel expenses*1



Number and composition of employees by hiring status



*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

Supports for SMEs Doing Business in Asia

Footholds and Alliance Partners in Asia

Newly established "Global Business Division" to better serve clients' needs to do business abroad

Overseas representative offices

- **4 offices**

Bank Resona Perdania

- **JV bank with over 50 years of local experience**

Regional coverage to offer local information

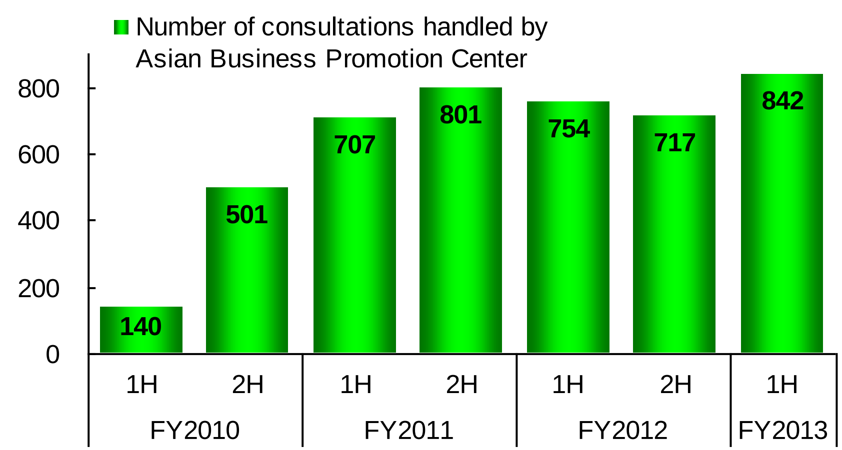
- **Vietnam**
  => Dispatched personnel to Ho Chi Minh branch of Bangkok Bank
- **India (Chennai)**
  => Dispatched personnel to JETRO's local office
- **Philippines**
  => 3 party tie-up with PEZA*1 and RCBC paved the way for one-stop consultation service
  => Plan to dispatch personnel to RCBC (in 2H FY2013)

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	Malaysia	Public Bank
South Korea	Korea Exchange Bank	Thailand, Vietnam	Bangkok Bank
Taiwan	Mega International Commercial Bank	India	State Bank of India
Singapore	Bank of East Asia	Philippines	Rizal Commercial Banking Corp. (RCBC)

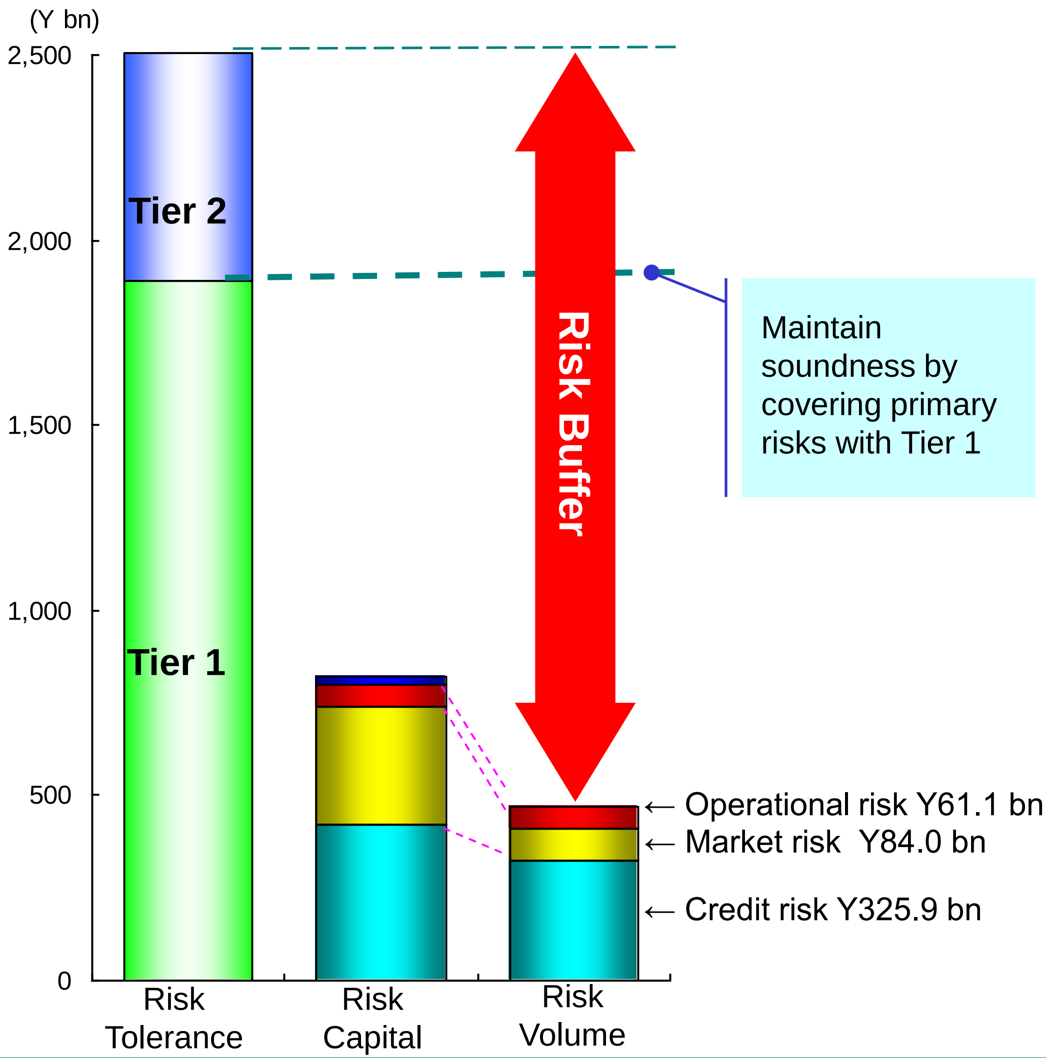
Consultations handled by Asian Business Promotion Center on a high level



*1. PEZA: Philippine Economic Zone Authority

Risk Volume Relative to Capital (End of September 2013)

- **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

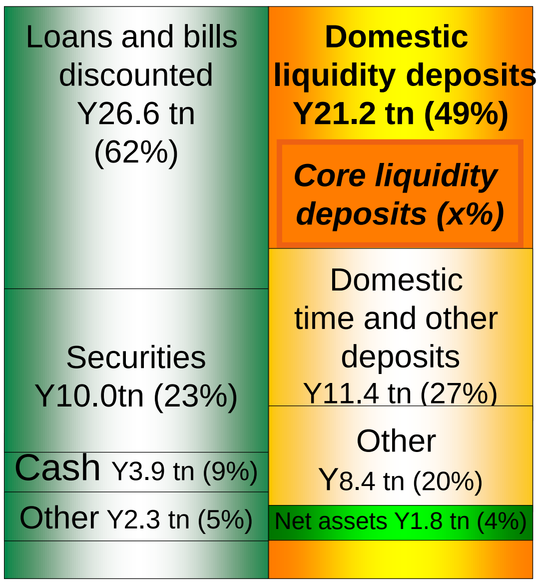
Note: Tier 1 and Tier 2 amounts are after certain adjustments.

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 total assets: Y42.9 tn
(As of Sep. 30, 2013)



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. 2013							End of Mar. 2013						
	One year or less	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years	Total	One year or less	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years	Total
Bonds held to maturity	**133.5**	**217.0**	**376.3**	**995.1**	**369.5**	**3.0**	**2,094.5**	**190.4**	**255.6**	**409.7**	**546.3**	**817.9**	**3.0**	**2,223.1**
JGBs	95.0	127.0	285.8	932.2	214.5	3.0	1,657.5	165.0	177.0	323.3	486.3	667.9	3.0	1,822.5
Floating-rate JGBs	-	47.0	197.8	300.2	5.0	-	550.0	-	2.0	236.3	166.3	145.4	-	550.0
Japanese local government bonds	37.0	86.1	88.5	62.9	155.0	-	429.6	24.2	75.2	84.9	60.0	150.0	-	394.4
Japanese corporate bonds	1.4	3.8	2.0	0.0	-	-	7.4	1.1	3.4	1.5	0.0	-	-	6.2
Available-for-sale securities	**1,932.3**	**1,345.5**	**2,927.2**	**363.8**	**511.9**	**104.7**	**7,185.5**	**2,417.5**	**1,161.3**	**2,727.5**	**418.3**	**454.3**	**128.0**	**7,307.3**
Bonds	1,907.6	1,320.4	2,787.4	322.0	480.9	36.6	6,855.1	2,377.5	1,139.3	2,582.6	368.4	421.8	49.2	6,939.1
JGBs	1,743.0	866.8	2,472.0	175.4	427.0	10.0	5,694.2	2,187.8	750.2	2,121.0	200.4	349.0	34.0	5,642.4
Floating-rate JGBs	-	-	20.0	100.4	-	-	120.4	-	-	41.0	120.4	-	-	161.4
Japanese local government bonds	11.3	17.4	80.1	52.3	42.7	-	204.0	11.2	20.1	78.2	45.3	59.6	-	214.6
Japanese corporate bonds	153.3	436.1	235.2	94.3	11.1	26.6	956.9	178.4	368.9	383.4	122.7	13.1	15.2	1,082.0
Other	24.6	25.0	139.8	41.7	31.0	68.0	330.4	39.9	22.0	144.9	49.9	32.5	78.8	368.2

Unrealized gains/(losses)

(Y bn)	**B/S Amount (Sep. '13)**	Change from Mar. '13	**Unrealized gains/(losses) (Sep. '13)**	Change from Mar. '13
Bonds held to maturity	**2,095.3**	(129.4)	**65.7**	(10.6)
Avairable-for-sale securities	**7,908.4**	(44.4)	**294.2**	36.6
Stocks	**625.6**	66.8	**292.2**	70.5
Bonds	**6,886.8**	(103.7)	**4.1**	(24.2)
Other	**395.8**	(7.5)	**(2.1)**	(9.6)

(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 bought." The presented figures only include marketable securities.

Trend of market and other indicators

[Duration and Basis Point Value of JGBs（Available-for-sale se

	2011/3	2012/3	2013/3	2013/9
Duration (year)	2.1	2.4	2.7	2.8
BPV (Ybn)	(1.35)	(1.81)	(1.59)	(1.69)
10-year JGB yield	1.250%	0.985%	0.560%	0.680%

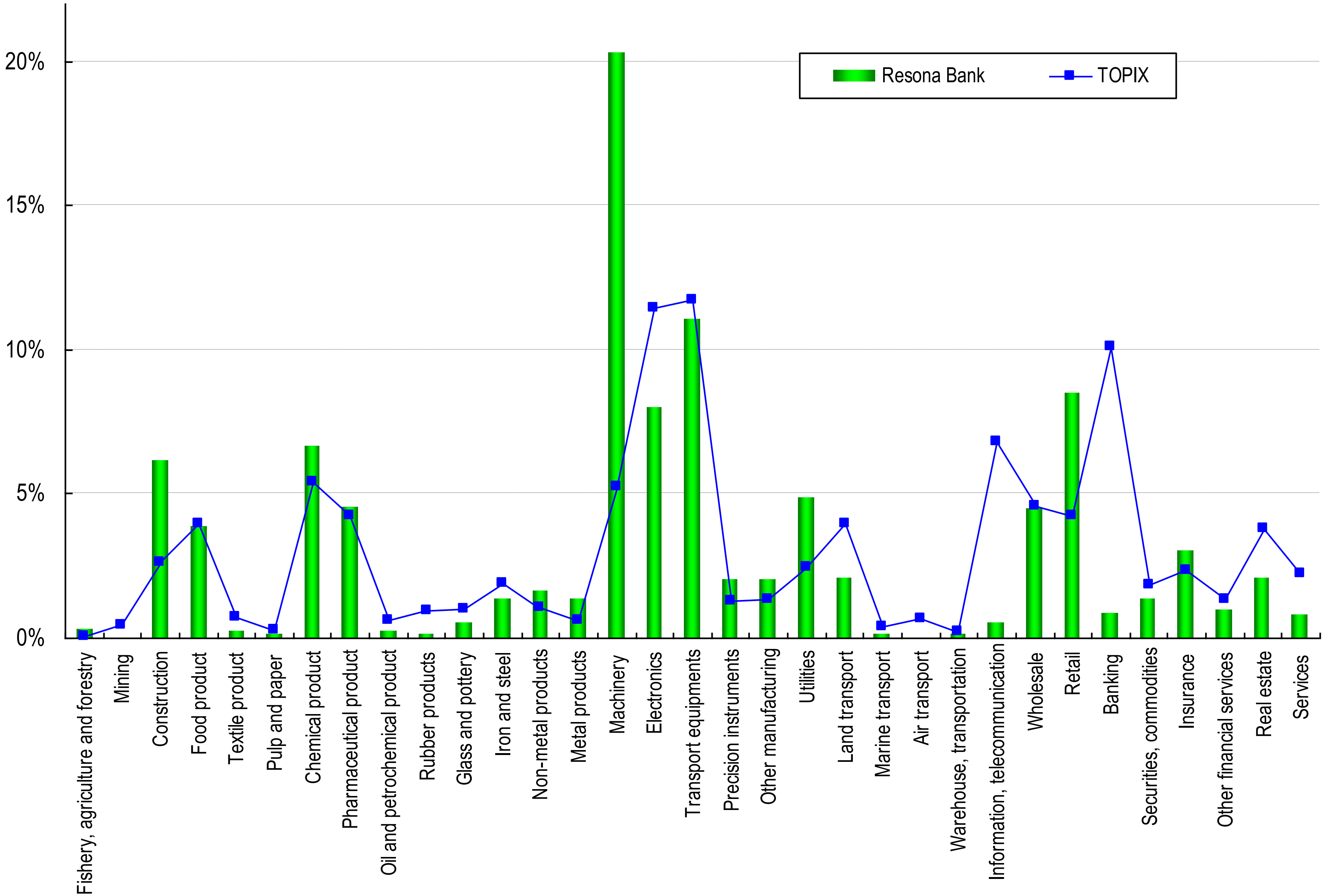
[Break-even Nikkei Average Points]

	2011/3	2012/3	2013/3	2013/9
Nikkei Average Points (Yen)	7,200	7,100	5,900	6,700
BV of stock sold outright (Ybn)	9.6	8.3	7.2	3.4

[Net gains/(losses) on bonds and stoc

(Y bn)	FY2010	FY2011	FY2012	1H FY2013
Net gains/(losses) on bonds	30.5	26.8	30.5	9.2
Net gains/(losses) on stocks	(1.7)	2.2	(7.7)	20.0

Stocks Held by Industry (End of September 2013, RB)



Maturity Ladder of Deposit and Loans (Total of Group Banks, Domestic Operations)

Loans and Bills Discounted

[End of March 2013]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	2.3%	1.5%	4.4%	7.6%	15.9%
Prime rate-based	54.4%	0.3%	0.0%	0.1%	54.7%
Market rate-based	22.0%	1.5%	2.8%	3.1%	29.4%
Total	**78.7%**	**3.3%**	7.2%	10.8%	100.0%
Loans maturing within 1 year	**82.1%**				

[End of September 2013]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	2.2%	1.4%	4.4%	7.8%	15.7%
Prime rate-based	54.5%	0.1%	0.0%	0.1%	54.7%
Market rate-based	21.3%	2.6%	2.8%	3.0%	29.6%
Total	**78.0%**	**4.0%**	7.1%	10.9%	100.0%
Loans maturing within 1 year	**82.0%**				

[Change in 1H of FY2013]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	(0.1)%	(0.2)%	(0.1)%	+0.2%	(0.2)%
Prime rate-based	+0.2%	(0.2)%	(0.0)%	+0.0%	(0.0)%
Market rate-based	(0.7)%	+1.0%	(0.0)%	(0.1)%	+0.2%
Total	**(0.7)%**	**+0.7%**	(0.1)%	+0.2%	+0.0%
Loans maturing within 1 year	**(0.1)%**				

Deposits

[End of March 2013]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	39.9%	1.3%	5.3%	18.5%	**65.0%**
Time deposits	17.1%	10.1%	5.9%	1.9%	35.0%
Total	57.0%	11.4%	11.2%	20.4%	100.0%

[End of September 2013]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	39.3%	1.4%	5.6%	19.3%	**65.6%**
Time deposits	16.6%	9.8%	5.8%	2.3%	34.4%
Total	55.9%	11.2%	11.3%	21.6%	100.0%

[Change in 1H of FY2013]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	(0.6)%	+0.1%	+0.3%	+0.9%	**+0.6%**
Time deposits	(0.6)%	(0.3)%	(0.1)%	+0.3%	(0.6)%
Total	(1.2)%	(0.2)%	+0.2%	+1.2%	+0.0%

*1. Data compiled for a management and administration purpose

Swap Positions by Remaining Periods (RHD Consolidated)

■ Notional amounts of interest rate swaps by remaining period

(Billions of Yen)

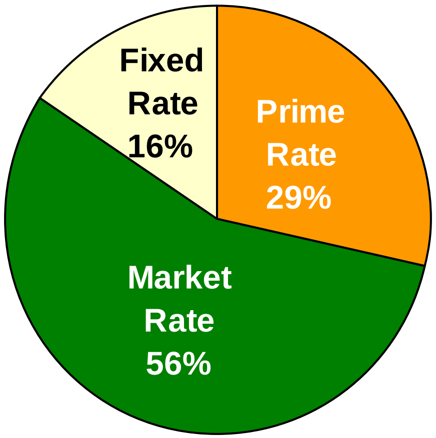
	Sep. 30, 2013				Mar. 31, 2013			
	Within 1 year	1 to 5 years	Over 5 years	**Total**	Within 1 year	1 to 5 years	Over 5 years	**Total**
Receive fixed rate/ Pay floating rate	100.0	1,014.3	940.0	2,054.3	55.0	1,005.0	720.0	1,780.0
Receive floating rate/ Pay fixed rate	60.0	650.1	6.0	716.1	130.9	504.7	205.0	840.7
Net position to receive fixed rate	40.0	364.2	933.9	1,338.2	(75.9)	500.2	515.0	939.3

Composition of Loan Portfolio by Base Rates (RB)

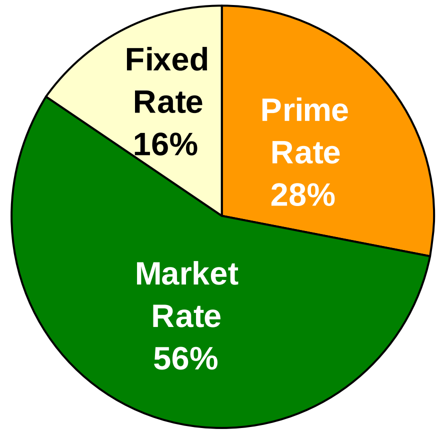
Loans to corporations

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

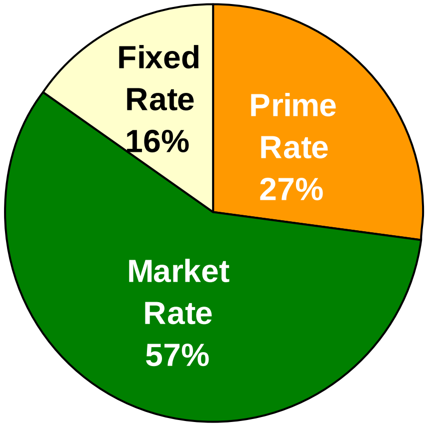
[End of September 2012]



[End of March 2013]

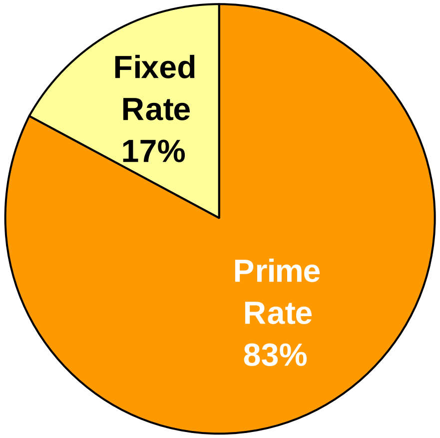


[End of September 2013]

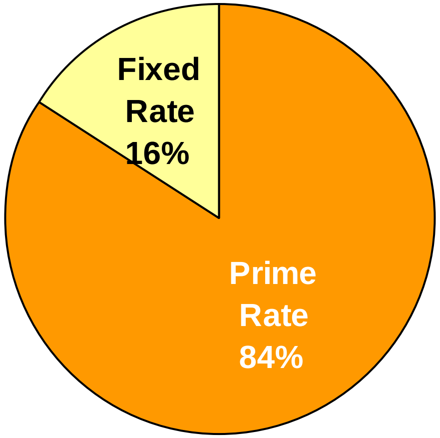


Loans to individuals

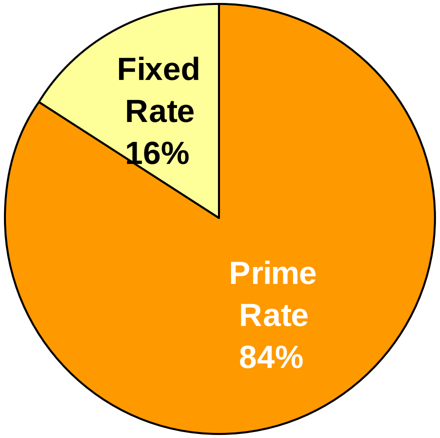
[End of September 2012]



[End of March 2013]



[End of September 2013]

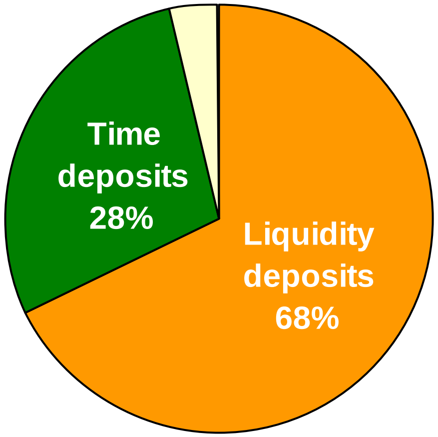


* Portfolio composition is computed based on the numbers compiled for administration purposes.

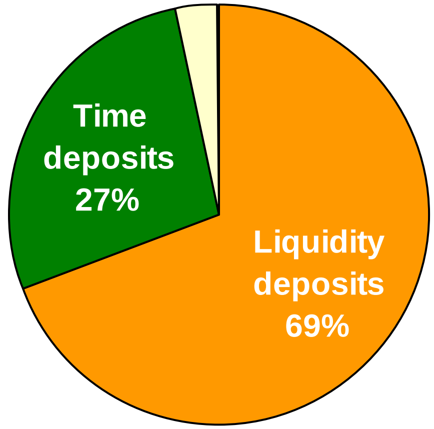
Composition of Deposits by Types (RB)

Corporate Deposits

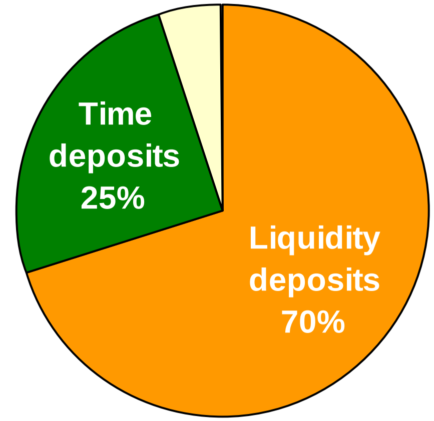
[End of September 2012]



[End of March 2013]

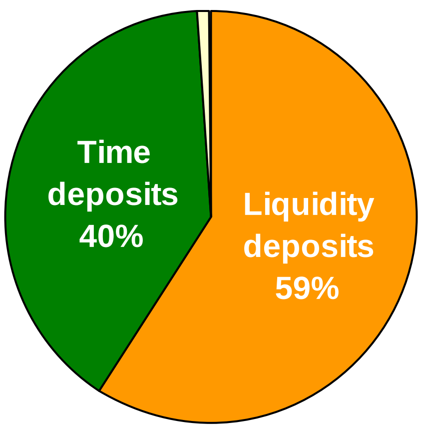


[End of September 2013]

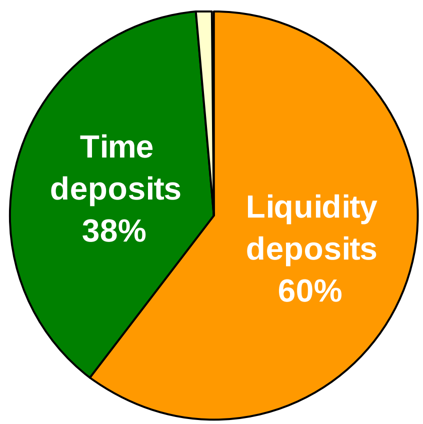


Individual Deposits

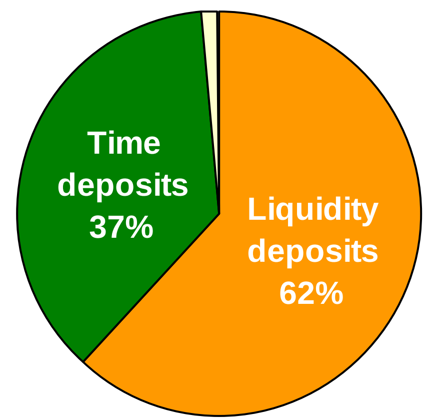
[End of September 2012]



[End of March 2013]



[End of September 2013]



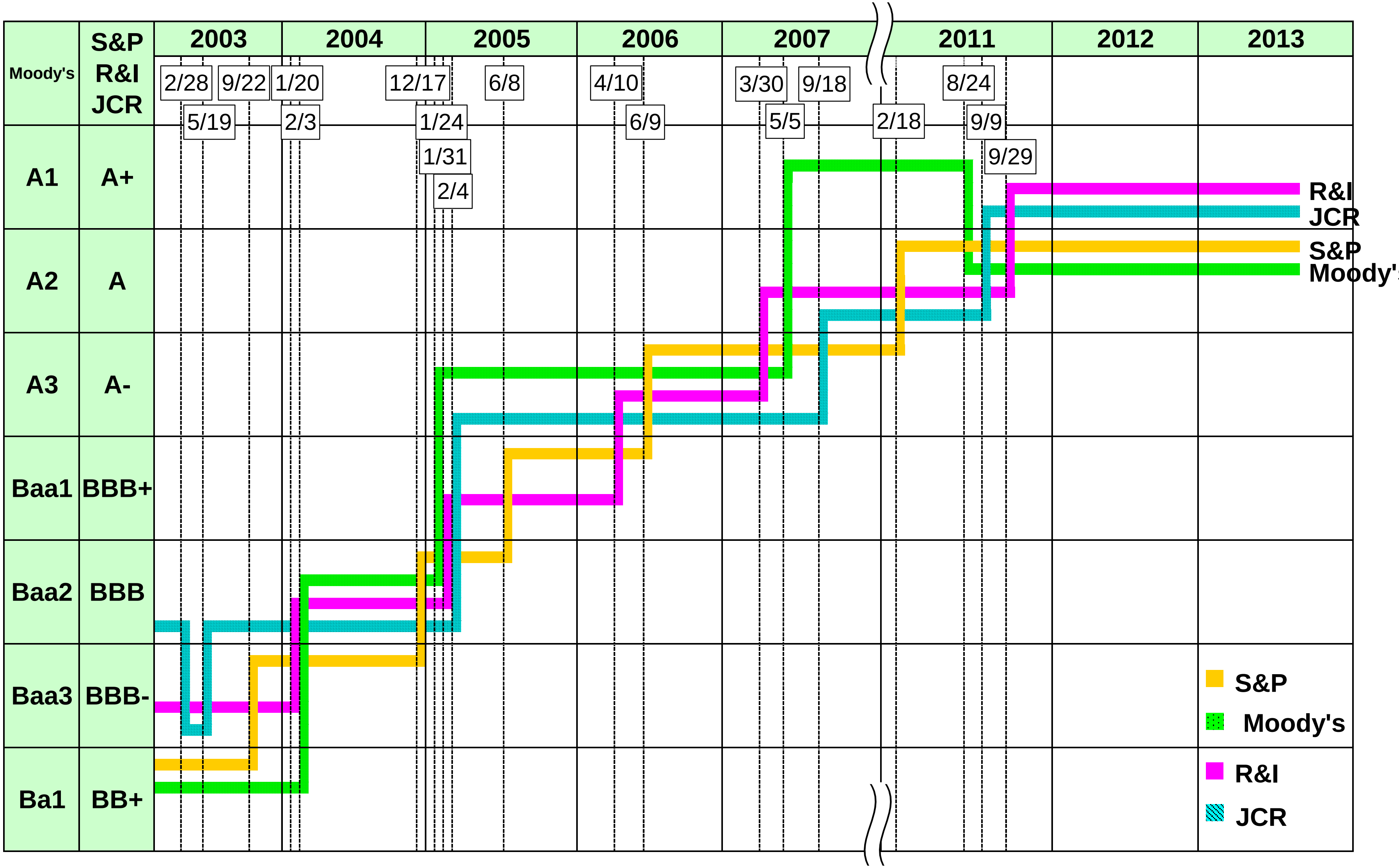
Migrations of Borrowers (RB, 1H FY2013)

■ Exposure amount basis (Migration during 1H of FY2013)

		End of September 2013										
		Normal	Other Watch	Special Attention	Doubtful	Effectively Bankrupt	Bankrupt	Other	Collection, Repayments	Assignments, Sale	Upward Migration	Downward Migration
End of March 2013	Normal	98.5%	0.8%	0.0%	0.0%	0.0%	0.0%	0.6%	0.6%	0.0%	-	0.8%
	Other Watch	9.5%	85.4%	0.9%	1.5%	0.2%	0.1%	2.5%	2.5%	0.0%	9.5%	2.6%
	Special Attention	15.0%	3.2%	76.5%	2.5%	0.4%	0.4%	2.0%	2.0%	0.0%	18.1%	3.4%
	Doubtful	1.4%	9.4%	1.0%	77.5%	4.2%	0.6%	6.0%	6.0%	0.0%	11.7%	4.8%
	Effectively Bankrupt	0.2%	0.6%	0.0%	0.7%	86.3%	5.4%	6.8%	1.9%	5.0%	1.5%	5.4%
	Bankrupt	0.0%	0.0%	0.0%	1.0%	0.0%	84.8%	14.2%	3.5%	10.7%	1.1%	-

1. Above table shows how a borrower belonging to a particular borrower category as of the end of March 2013 migrated to a new category as of the end of September 2013.
2. Percentage points are calculated based on exposure amounts as of the end of March 2013. (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 2013 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



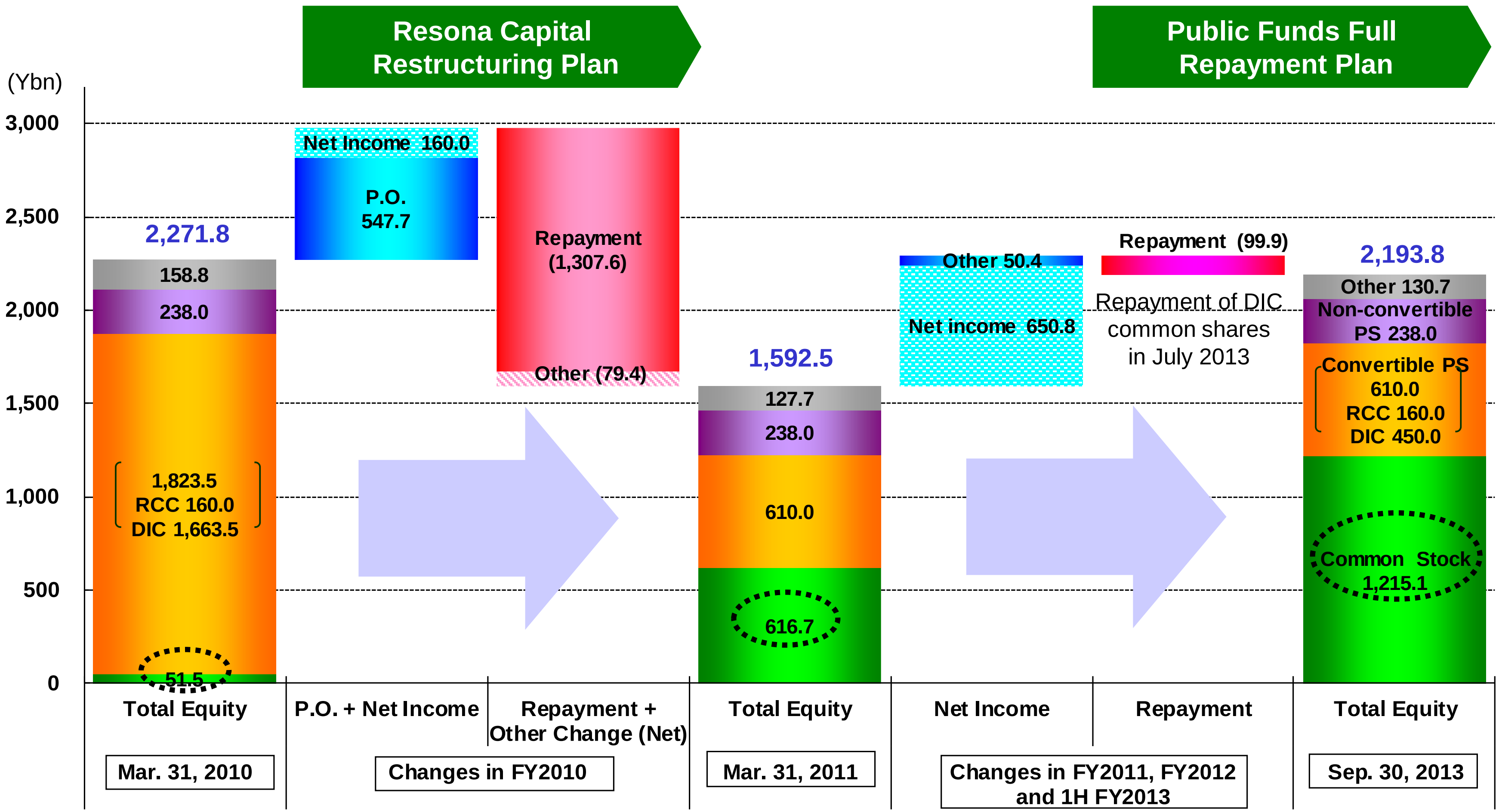
List of Preferred Shares Issued by RHD

[As of September 30, 2013]

		Public Funds			Private Funds		
		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. 2014)	JPY 68.00	JPY 185.00	JPY 19.02	JPY 992.50	JPY 918.75	JPY 1,237.50
	Total amount of dividend (Jun. 2014)	JPY 816 Million	JPY 1,480 Million	JPY 4,279 Million	JPY 2,501 Million	JPY 3,675 Million	JPY 3,712 Million
	Yield (Annual)	1.36%	1.48%	Libor (1y) + 50bp (0.951%)	3.970%	3.675%	4.950%
Acquisition right	Acquisition period	From Jan. 1, 2002 until the day of annual meeting for the year ending Mar. 2018	From Jul. 1, 2003 until the day of annual meeting for the year ending Mar. 2018	After 7/1/2010	---	---	---
	Current exchange price	JPY 1,501	JPY 3,240	JPY 484	---	---	---
	Current exchange rate	(3.331)	(3.858)	(4.132)	(---)	(---)	(---)
Reset of exchange price	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 **(In exchange for common shares)**	Date of mandatory exchange	The next day of annual meeting for the year ending Mar. 2018	The next day of annual meeting for the year ending Mar. 2018	Mandatory exchange not applicable	Mandatory exchange not applicable Acquisition clause exercisable under certain conditions at the issuer's option after seven years affter issue date	Mandatory exchange not applicable Acquisition clause exercisable under certain conditions at the issuer's option after seven years affter issue date	Mandatory exchange not applicable Acquisition clause exercisable under certain conditions at the issuer's option after seven years affter issue date
	Mandatory exchange rate	JPY 5,000 / Market Price	JPY 12,500 / Market Price	---	---	---	---
	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	---	---	---	---

Change in Composition of Resona HD's Total Equity
(From Mar. 31, 2010 to Sep. 30, 2013)

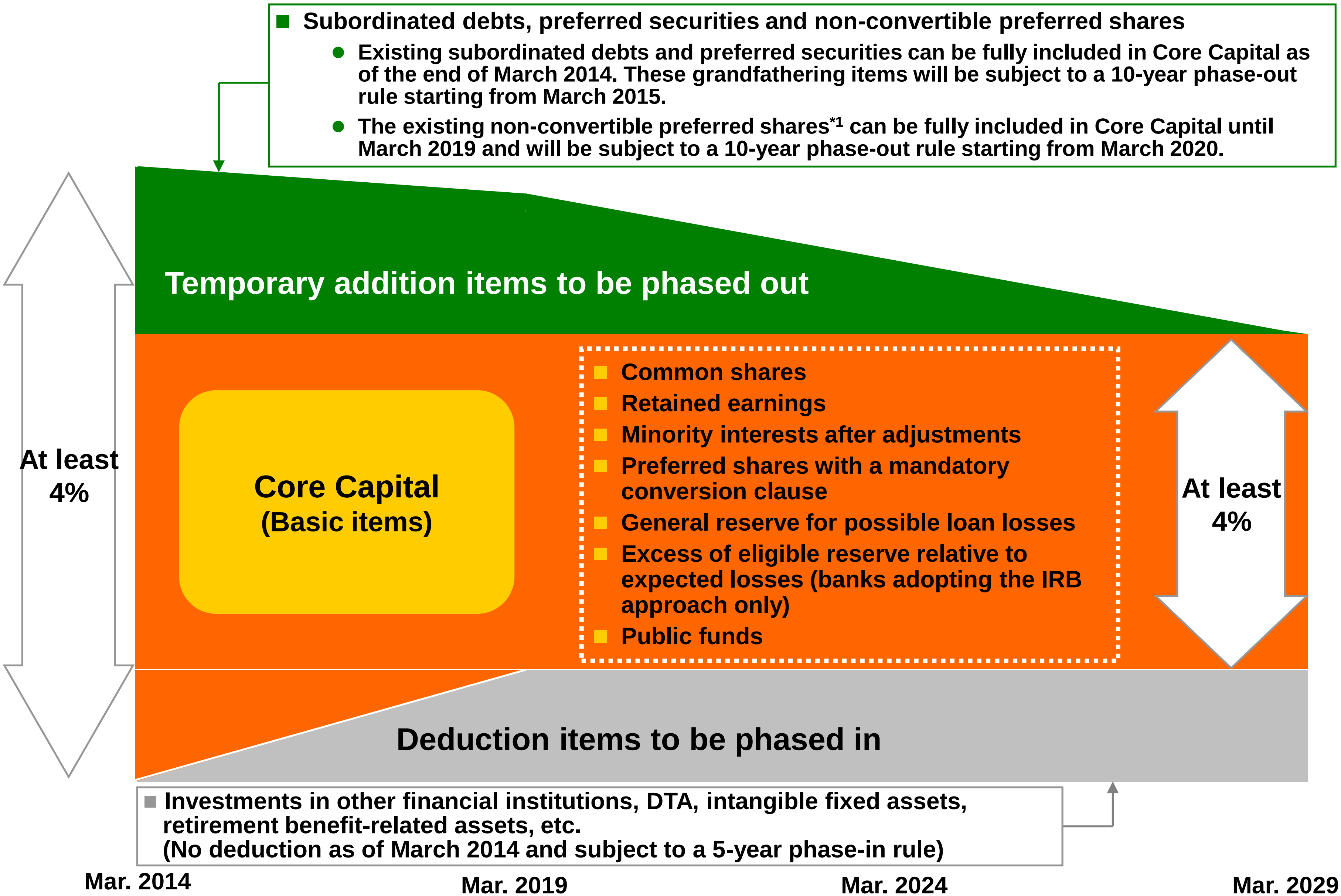
BPS (ND) is rapidly expanding => BPS(ND) 539 yen



	Mar. 31, 2010	Mar. 31, 2011	Sep. 30, 2013
Common shares issued (excluding treasury shares)	*1,151 million*	*2,451 million*	*2,253 million*
BPS (ND)[*1]	*44.77 yen*	*251.67 yen*	*539.32 yen*

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

Outline of the New Domestic Capital Regulation



*1. Non-cumulative preferred stock other than the ones with a mandatory conversion feature

Distributable Profits and Dividend Policy

Resona Holdings (Distributable Profits as of End Sep. 2013: Y1,090.8 bn)

Term-end dividends for FY2012

	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
Term-end dividends for FY2012: Common	Y99.0 bn	Y21.2 bn	Y1.3 bn
Term-end dividends for FY2012: Preferred	Y3.1 bn	-	Y0.4 bn
Distributable Profits (End of Mar. 2013)	Y572.1 bn	Y125.9 bn	Y29.1 bn
Net Interim Income for 1H of FY2013	Y83.6 bn	Y20.0 bn	Y4.2 bn
CAR (Tier 1 Ratio) (End of Sep. 30, 2013)	Consolidated: 14.57% (10.51%)	Non-Consolidated: 13.08% (8.78%)	Consolidated: 13.87% (9.24%)

Dividend to be paid by subsidiary banks to Resona Holdings

- Subsidiary banks secured sufficient distributable profits as of March 31, 2013
- 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)

Business Revitalization Plan

(Total of Group Banks) (Billions of Yen)

	FY 2011 (Actual)	FY 2012 (Actual)	FY 2013 (Plan)	FY 2014 (Plan)	FY 2015 (Plan)
Gross operating profit	598.6	581.6	563.0	568.0	588.0
Trust fees	23.4	21.6	22.4	22.9	23.8
Jointly Operated Designated Money Trust	3.1	2.4	3.0	3.1	3.8
NPL disposal in the trust account	0.0	0.0	-	-	-
Interest income	513.2	484.9	481.0	485.0	533.0
Interest expense	59.1	51.8	51.0	51.0	86.0
Net fees & commissions	73.4	84.2	79.0	82.5	86.0
Net trading income	12.1	1.5	8.5	8.5	9.9
Other operating income	35.3	41.1	23.1	20.1	21.3
Gains/(losses) on bonds	26.8	30.5	0.8	(0.1)	(1.6)
Net operating profit (Before provision to general reserve and NPL disposal in the trust account)	259.7	246.0	227.0	232.0	253.0
Net operating profit	267.4	248.1	227.0	232.0	253.0
Provision to general reserve	7.6	2.1	-	-	-
Expenses	(338.8)	(335.6)	(336.0)	(336.0)	(335.0)
Personnel expense	(130.4)	(135.9)	(129.0)	(128.0)	(128.5)
Non-personnel expenses	(189.8)	(183.2)	(190.0)	(187.0)	(184.0)
Disposal of NPL	(57.8)	(38.7)	(48.0)	(48.0)	(48.0)
Net gain/(loss) on stocks	2.2	(7.7)	5.0	6.0	8.0
Loss on devaluation	(1.1)	(14.0)	(1.0)	-	-
Ordinary profit	244.1	254.5	192.0	193.0	216.0
Extraordinary gains	2.0	1.1	-	-	-
Extraordinary losses	(3.4)	(1.8)	(2.0)	(1.0)	(1.0)
Income taxes - current	(1.8)	(44.7)	(44.0)	(52.0)	(68.0)
Income taxes - deferred	(1.3)	42.9	(26.0)	(19.0)	(7.0)
Net income	239.4	251.9	120.0	121.0	140.0
Credit-related expenses	(4.4)	21.4	(48.0)	(48.0)	(48.0)

(Billions of Yen)	FY 2011 (Actual)	FY 2012 (Actual)	FY 2013 (Plan)	FY 2014 (Plan)	FY 2015 (Plan)
Total assets *1	41,000.1	41,235.4	41,280.0	42,010.0	42,690.0
Loans and bills discounted	25,297.8	25,541.5	26,130.0	26,780.0	27,390.0
Securities	10,623.5	10,550.6	11,100.0	11,230.0	11,360.0
Trading assets	473.1	498.6	500.0	500.0	500.0
DTA (term-end bal.)	142.2	148.4	169.1	144.0	135.9
Total liabilities *1	39,578.1	39,663.3	39,720.0	40,450.0	41,120.0
Deposits and NCDs	34,878.9	35,267.2	34,760.0	35,160.0	35,630.0
Trading liabilities	23.5	17.7	50.0	50.0	50.0
DTL for land revaluation (term-end bal.)	23.7	23.6	23.7	23.7	23.7
Net assets *1	1,701.9	1,819.2	1,573.9	1,591.5	1,612.5
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	599.5	613.5	483.7	485.8	505.9
Land revaluation excess	41.2	41.2	39.0	38.0	36.9
Net unrealized gains on other securities	92.0	186.3	82.4	99.0	101.0
Net deferred gains on hedges	27.5	36.5	27.3	27.3	27.3

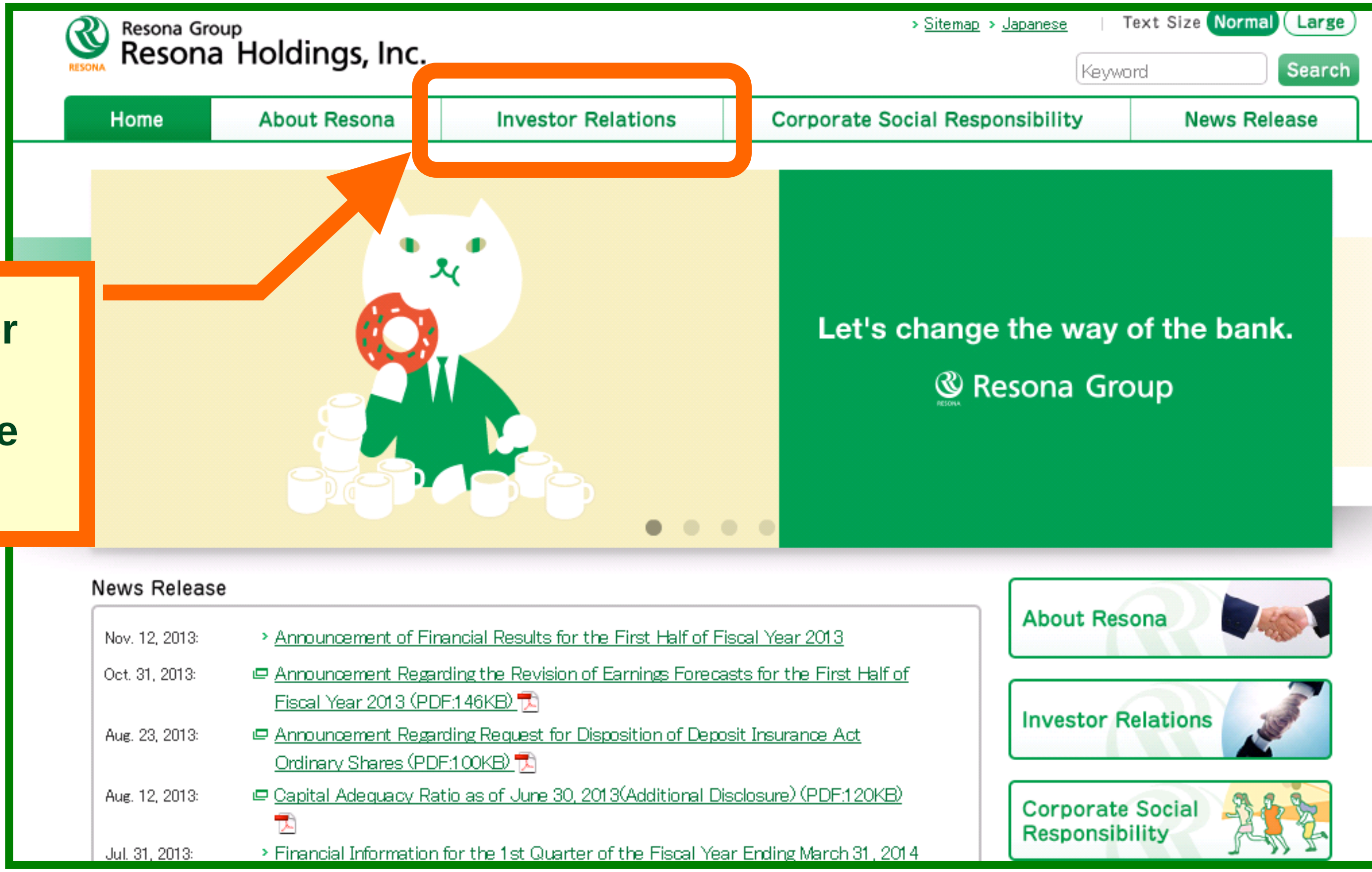
(Management Indicators)

Yield on interest earning assets (A)	1.36	1.26	1.27	1.25	1.35
Interest earned on loans and bills discounted	1.72	1.61	1.54	1.50	1.62
Interest on securities	0.56	0.52	0.52	0.55	0.65
Total cost of funding (B)	1.04	1.00	1.01	0.99	1.06
Interest paid on deposits and NCDs (D)	0.08	0.06	0.06	0.05	0.13
Overall interest spread (A) - (B)	0.31	0.25	0.26	0.26	0.29
Cost-to-income ratio (OHR)	56.60	57.70	59.68	59.15	56.97

*1. Assets and liabilities are stated in average balance. Net assets are reported in term-end balance.
*2. Earned surplus excluding earned surplus reserve

Our Website Information

http://www.resona-gr.co.jp/holdings/english/



Materials for investors are available from here

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http://www.facebook.com/resonagr/

Official Twitter account (in Japanese language)
http://twitter.com/resona_pr

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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.