

Business Results for FY2020 and Future Management Direction



Resona Holdings

May 20, 2021

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- Abbreviations and definitions of the figures presented in this material are as follows:

[HD] Resona Holdings, [RB] Resona Bank, [SR] Saitama Resona Bank,
[KMFG] Kansai Mirai Financial Group, [KMB] Kansai Mirai Bank*, [MB] Minato Bank
* [KU] Kansai Urban Banking Corporation and [KO] Kinki Osaka Bank merged on April 1, 2019

Negative figures represent items that would reduce net income.

Figures include data for internal administration purpose.

The forward-looking statements contained in this material 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 and central bank'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.

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Outline of Business Results for FY2020 and Updates on Major Businesses

Efforts for Sustainable Growth

Capital Management

ESG Initiatives

Reference Material

Outline of Financial Results for FY2020

■ Net income attributable to owners of parent: JPY124.4 bn

- Down JPY27.9 bn, or 18.3%, YoY
Progress rate against the full year target*1 : +3.7%

■ Actual net operating profit: JPY224.0 bn

Down JPY17.9 bn, or 7.4%, YoY

● Gross operating profit: JPY639.1 bn, Down JPY19.5 bn, or 2.9%, YoY

- Net interest income from domestic loans and deposits:
Down JPY2.2 bn, YoY
Average loan balance: +6.42%, YoY, Loans rate : down by 7bps, YoY
[Excluding loans to the Japanese government and others]
Average loan balance: +3.25%, YoY, Loans rate: down by 4bps, YoY

Loans bal. surpassed the plan, loans rate was in line with the plan.

- Fee income: Up JPY1.2 bn, YoY, Fee income ratio : 29.9%

Corporate solution and settlement have been robust, AUM has been back on course of recovery.

- Net gains on bonds (including futures): Up JPY2.7 bn, YoY

● Operating expenses: JPY415.5 bn, improved by JPY1.6 bn, YoY

Both personnel and non-personnel expenses decreased.

■ Credit related expenses: JPY57.4 bn (cost)

Increased by JPY34.4 bn, YoY

Provisioned loan loss reserves from a preemptive standpoint by taking into account the potential impact from the long-lasting COVID-19 situation.

■ Completion of making KMFG a wholly-owned subsidiary of HD on April 1, '21

- Accelerate further group synergies and management resources optimization by strengthening the group's management integration
- Implement share buy-back to neutralize dilutive effect on EPS (May 12 – Sep. 30, up to 88 million shares)

HD consolidated (JPY bn)	FY2020 (a)	YoY change		Target for FY2021 (d)
		(b)	(c)	
Net income attributable to owners of parent (1)	124.4	(27.9)	(18.3)%	145.0
EPS (yen) (2)	54.19	(12.08)	(18.2)%	
BPS (yen) (3)	1,008.82	+104.22	+11.5%	
ROE(stockholders' equity) ^{*2} (4)	6.88%	(2.03)%		
Gross operating profit (5)	639.1	(19.5)	(2.9)%	
Net interest income (6)	417.4	(13.6)		
Nil from loans and deposits ^{*3} (7)	340.3	(2.2)		
Fee income (8)	191.4	+1.2		
Fee income ratio (9)	29.9%	+1.0%		
Trust fees (10)	19.2	+0.1		
Fees and commission income (11)	172.2	+1.1		
Other operating income (12)	30.1	(7.1)		
Net gains on bonds (including futures) (13)	14.0	+2.7		
Operating expenses (excluding group banks' non-recurring items) (14)	(415.5)	+1.6	+0.3%	
Cost income ratio (OHR) (15)	65.0%	+1.6%		
Actual net operating profit (16)	224.0	(17.9)	(7.4)%	
Net gains on stocks (including equity derivatives) (17)	37.2	+27.9		
Credit related expenses, net (18)	(57.4)	(34.4)		
Other gains, net (19)	(19.5)	(3.3)		
Net income before income taxes and non-controlling interests (20)	184.3	(27.8)	(13.1)%	
Income taxes and other (21)	(54.6)	+2.1		
Net income attributable to non-controlling interests (22)	(5.2)	(2.2)		

*1. Full year target of FY2020: JPY120.0 bn

*2. Net income attributable to owners of parent / Total shareholders equity (simple sum of the balance at the beginning and the end of the term/2)

*3. Total of non-consolidated domestic banking accounts of group banks, deposits include NCDs

Updates on Businesses under the COVID-19 Pandemic (1)

Fulfilling our mission as a social infrastructure under the COVID-19 pandemic

Local Communities and Customers

- All domestic branches have maintained the provision of full-line banking services
- Business support including cash flow support
- Expansion of digital channels etc.



(Poster at branches)

Employees

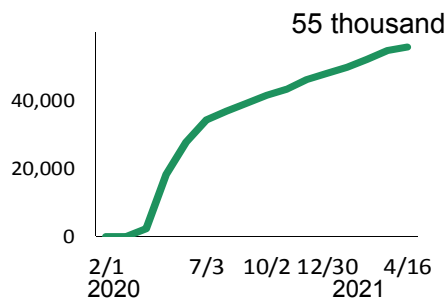
- Promote diverse working styles such as working from home or at satellite offices
- Expansion of on-line training sessions and education system etc.

Loan businesses trends in FY2020

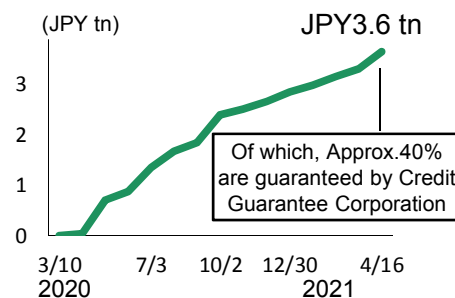
Loans and cash flow support for corporate customers

- Loans balance surpassed the plan mainly due to increase in loans demand from corporate customers
 - Average corporate loan balance excluding loans to HD: +6.31%, YoY

[# of COVID-19 related consultation*1]



[COVID-19 related loan origination*1]



- Response to demand for solutions to strengthen stronger financial base under the circumstance with COVID-19

➢ Utilize JPY31.0 bn of capital support fund*2

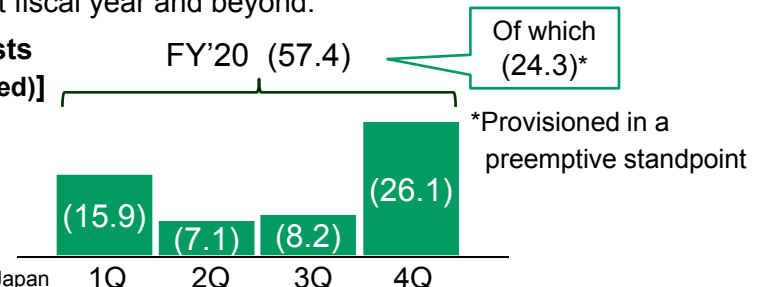
Housing loan

- Origination amount continued to be high level due to robust home acquisition demand
 - Residential housing loan origination: FY'20 JPY1.3 tn (+ 6.5%, YoY)
- Provide consultation regarding repayment flexibly
- Sound portfolio Subrogation payment ratio*3: 0.02%

Credit costs

- Provisioned loan loss reserves from a preemptive standpoint by taking into account the potential impact from the long-lasting COVID-19 situation, which reduced downside risks in the next fiscal year and beyond.

[Credit costs (consolidated)]
(JPY bn)



*1. Total of group banks based on the report from each bank *2. Funds cooperated with Development Bank of Japan and Resona stand alone funds *3. Housing loans guarantee subsidiaries' subrogation ratio x (1-collection after subrogation), residential housing loans + apartment loans

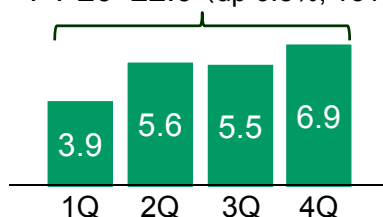
Updates on Businesses under the COVID-19 Pandemic (2)

Fee businesses trends in FY2020

- **Income from asset formation support businesses:** On a recovery trend mainly driven by fund wrap

[Inv. trust]

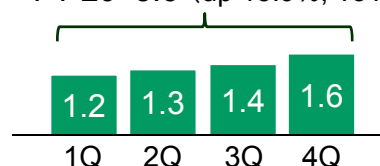
FY'20 22.0 (up 0.8%, YoY)



[Fund wrap]

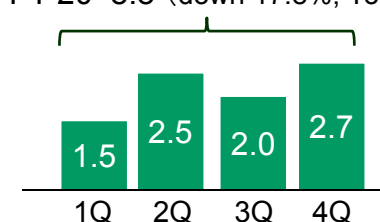
Fund wrap bal.*1: 536.8 bn
(up 37.4% from Mar. 31, '20)

FY'20 5.6 (up 15.9%, YoY)



[Insurance]

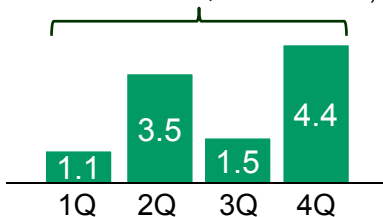
FY'20 8.8 (down 17.8%, YoY)



- **Succession (Real estate/M&A) and loan-related income:** Succession-related income decreased due to constraint on face-to-face business activities, while loan-related income has been on the rise

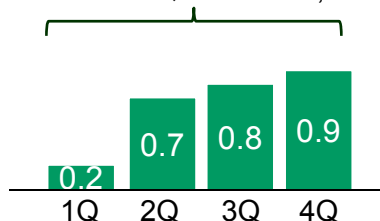
[Real estate]

FY'20 10.6 (down 15.4%, YoY)



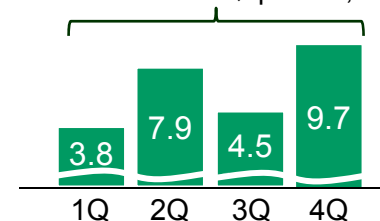
[Corporate solution (M&A)]

FY'20 2.8 (down 7.5%, YoY)



[Corporate solution (loan-related)*2]

FY'20 26.1 (up 9.0%, YoY)

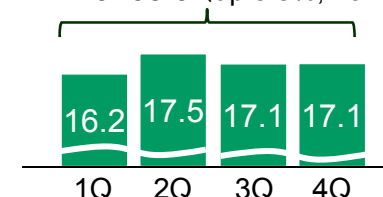


- **Settlement and cashless-related Income:** On a stable trend mainly due to EB and debit card

[Settlement-related]

(JPY bn)

FY'20 68.0 (up 3.5%, YoY)



- Resona Group App

➢ Approx. 3.67 million downloads
(+1.43 million from Mar. 31, '20)

- Resona Debit Card

➢ # of debit card issued: 2.43 million
(+0.42million from Mar. 31, '20)

➢ Income from debit card: 3.3 billion (+45.6% , YoY)



*1. Balance of fund wrap (including corporation) of Mar. 31 '21

*2. Income from commitment line, syndicated loans, covenants, and private notes

Breakdown of Financial Results

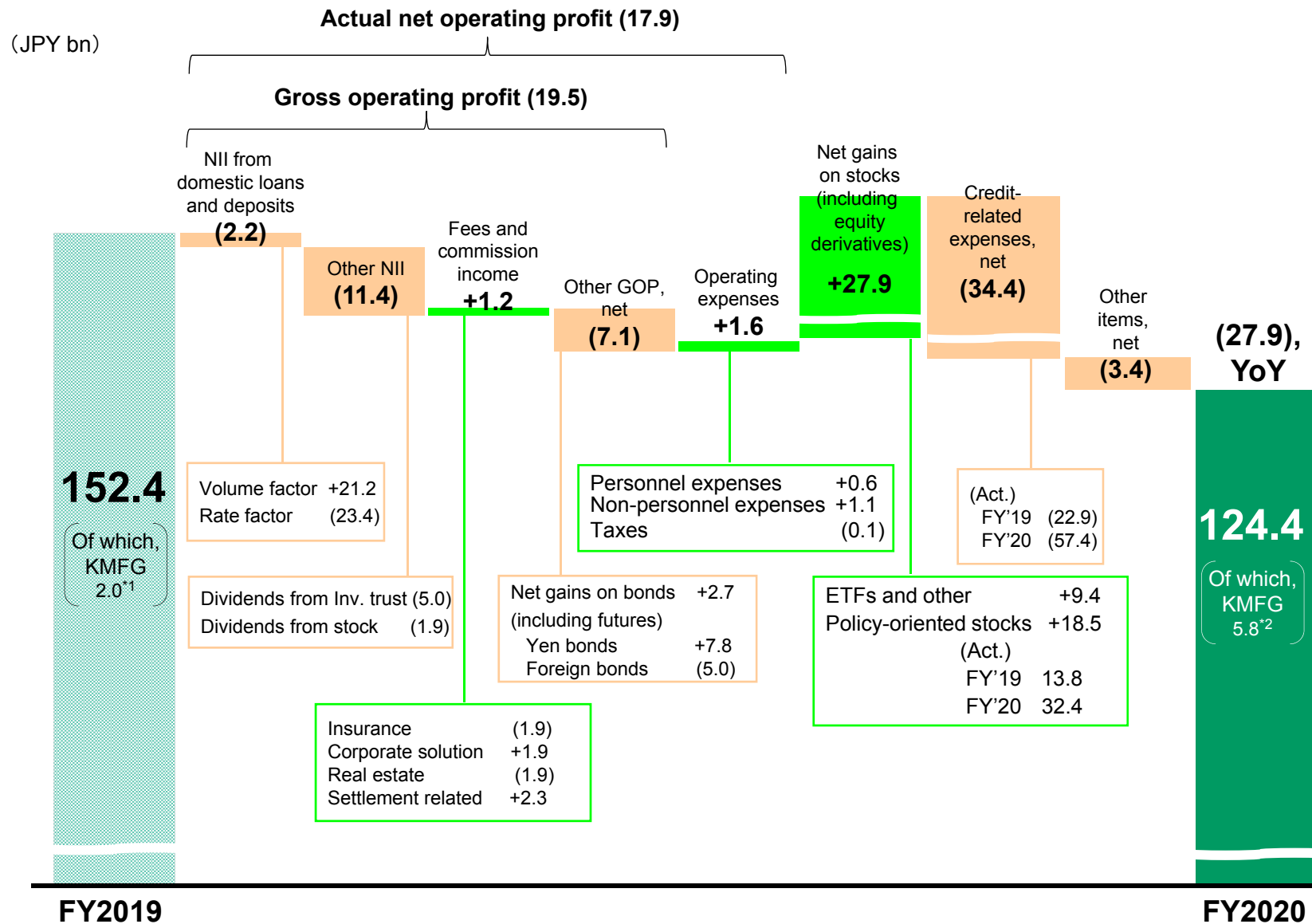
(JPY bn)	Resona Holdings (Consolidated)		Total of group banks		Resona Bank	Saitama Resona Bank	Total of group banks under KMFG	Difference (a)-(c)
	(a)	YoY (b)	(c)	YoY (d)	(e)	(f)	(g)	
Gross operating profit (1)	639.1	(19.5)	583.0	(22.3)	339.3	110.5	133.0	56.0
Net interest income (2)	417.4	(13.6)	410.3	(16.5)	221.5	83.2	105.5	7.1
Nil from domestic loans and deposits (3)			340.3	(2.2)	173.8	70.1	96.2	
Gains/(losses) on cancellation of investment trusts (4)	1.6	(1.9)	1.0	(2.4)	(1.6)	(0.0)	2.6	0.5
Fee income (5)	191.4	+1.2	143.9	+1.5	94.4	25.7	23.7	47.5
Fee income ratio (6)	29.9%	+1.0%	24.6%	+1.1%	27.8%	23.3%	17.8%	
Trust fees (7)	19.2	+0.1	19.2	+0.1	19.1	0.0		(0.0)
Fees and commission income (8)	172.2	+1.1	124.6	+1.3	75.2	25.7	23.7	47.5
Other operating income (9)	30.1	(7.1)	28.7	(7.2)	23.4	1.5	3.8	1.4
Net gains on bonds (including futures) (10)	14.0	+2.7	13.9	+2.1	12.9	(0.1)	1.1	0.1
Operating expenses (excluding group banks' non-recurring items) (11)	(415.5)	+1.6	*1 (390.9)	+2.5	(209.8)	(75.1)	*1 (105.9)	(24.6)
Cost income ratio (OHR) (12)	65.0%	+1.6%	67.0%	+2.0%	61.8%	67.9%	79.6%	
Actual net operating profit (13)	224.0	(17.9)	192.0	(19.8)	129.5	35.4	27.1	31.9
Core net operating profit *2 (excluding gains/(losses) on cancellation of investment trusts) (14)			183.0	(7.4)	122.5	37.1	23.4	
Net gains on stocks (including equity derivatives) (15)	37.2	+27.9	40.9	+22.2	22.8	14.9	3.1	(3.6)
Credit related expenses, net (16)	(57.4)	(34.4)	(52.3)	(33.5)	(32.3)	(9.0)	(10.8)	(5.1)
Other gains/(losses), net (17)	(19.5)	(3.3)	(17.3)	(1.0)	(8.4)	(3.7)	(5.1)	(2.2)
Net income before income taxes (18)	184.3	(27.8)	163.3	(32.1)	111.5	37.5	14.3	20.9
Income taxes and other (19)	(54.6)	+2.1	(48.0)	+5.0	(32.3)	(11.1)	(4.5)	
Net income attributable to non-controlling interests (20)	(5.2)	(2.2)						
Net income (attributable to owners of parent) (21)	124.4	(27.9)	115.3	(27.1)	79.2	26.3	9.7	

*1. Exclude goodwill amortization by KMB, JPY(0.7) bn, related to acquisition of former Biwako Bank

*2. Actual net operating profit - Gains on cancellation of investment trusts - Net gains on bonds

Factors for the Changes in Net Income Attributable to Owners of Parent (YoY Comparison)

HD
Consolidated



*1. KMFG consolidated net income x 51.2% *2. KMFG consolidated net income(1-3Q) x 51.2%, KMFG consolidated net income(4Q) x 60.4%

Trend of Loans and Deposits (Domestic Account)

Total of
Group Banks

Average loan / deposit balance, rates and spread

■ FY'20 (YoY)

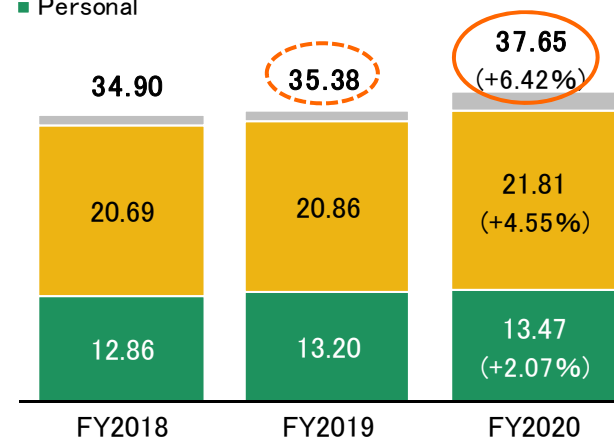
Average loan balance : +6.42%, Loan rate : (7) bps
[Excluding loans to the Japanese government and others]
Average loan balance : +3.25%, Loan rate : (4) bps
=> Full year (plan) +2.13% (3)bps

Avg. bal : Trillion Yen Income/Cost : Billion Yen		FY2020		FY2021	
		Act. (a)	YoY *3 (b)	Plan (c)	YoY *3 (d)
Loans	Avg. Bal. (1)	37.65	+6.42%	38.55	+2.39%
	Rate (2)	0.91%	(0.07)%	0.88%	(0.03)%
	Income (3)	345.8	(4.0)	341.3	(4.4)
	Corporate Banking Business Unit *1				
	Avg. Bal. (4)	21.81	+4.55%	22.16	+1.60%
	Rate (5)	0.82%	(0.01)%	0.81%	(0.01)%
	Corporate Loan				
	Avg. Bal. (6)	18.26	+6.31%	18.75	+2.67%
	Rate (7)	0.77%	(0.01)%	0.76%	(0.01)%
Personal Banking Business Unit *2	Avg. Bal. (8)	13.47	+2.07%	13.84	+2.74%
	Rate (9)	1.18%	(0.07)%	1.12%	(0.05)%
	Cost (12)	(5.4)	+1.7	(4.7)	+0.7
Deposits (Including NCDs)	Avg. Bal. (10)	56.04	+7.51%	56.99	+1.69%
	Rate (11)	0.00%	(0.00)%	0.00%	(0.00)%
	Spread (13)	0.90%	(0.06)%	0.87%	(0.03)%
Loan-to-deposit	Net interest income (14)	340.3	(2.2)	336.5	(3.7)

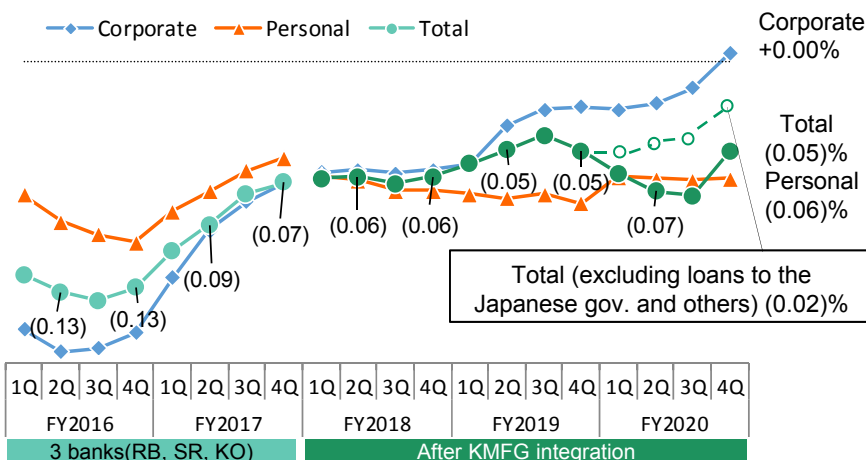
Trend of average loan balance, loan rate change

[Average loan balance (JPY tn)] % represents YoY change

■ Corporate (Excluding loans to HD)
■ Personal



[Loan rate YoY change (%)]



*1. Corporate Banking Business Unit : Corporate loans (excluding loans to HD) + apartment loans, Figures are for internal administration purpose

*2. Personal Banking Business Unit: Residential housing loans + other consumer loans, Figures are for internal administration purpose

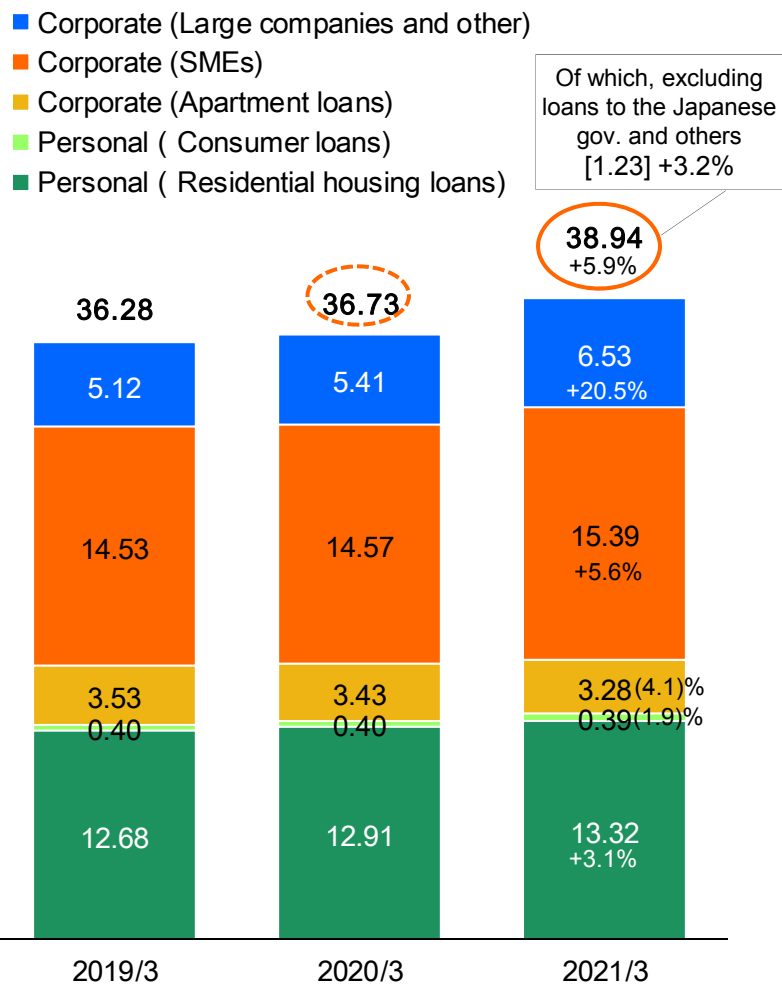
*3. Average balance : rate of change

Term-end Balance of Loans and Deposits

Total of
Group Banks

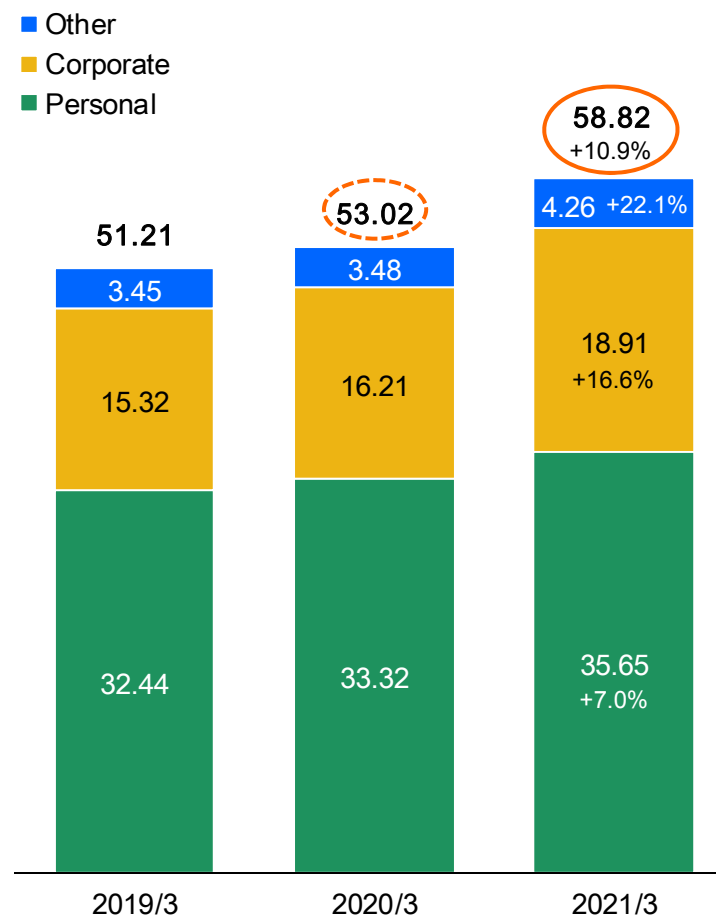
Term-end loan balance

[JPY tn, % represents YoY change]



Term-end deposit balance

[JPY tn, % represents YoY change]

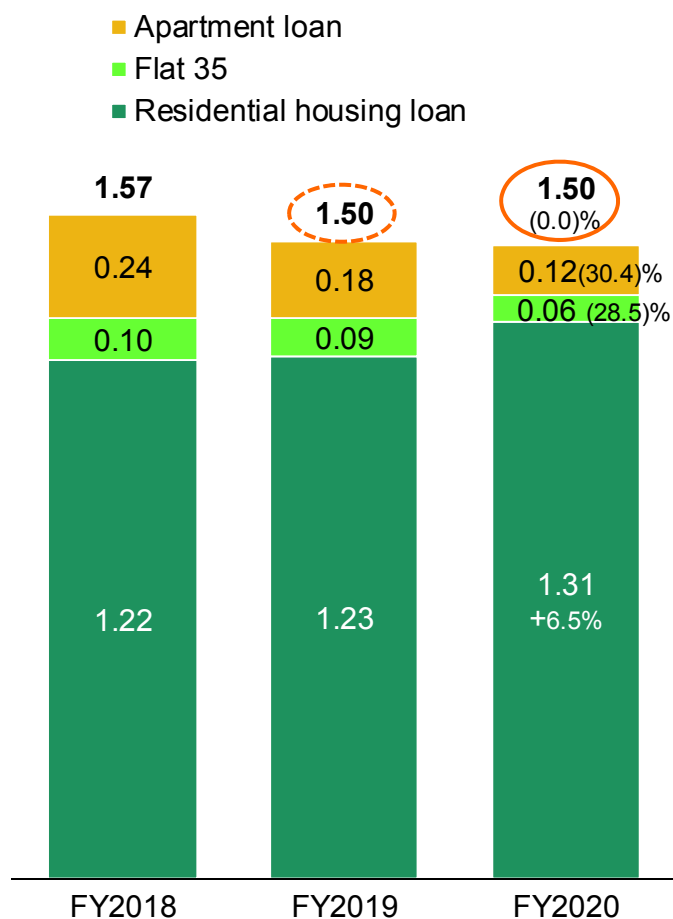


Housing Loan Business

Total of
Group Banks

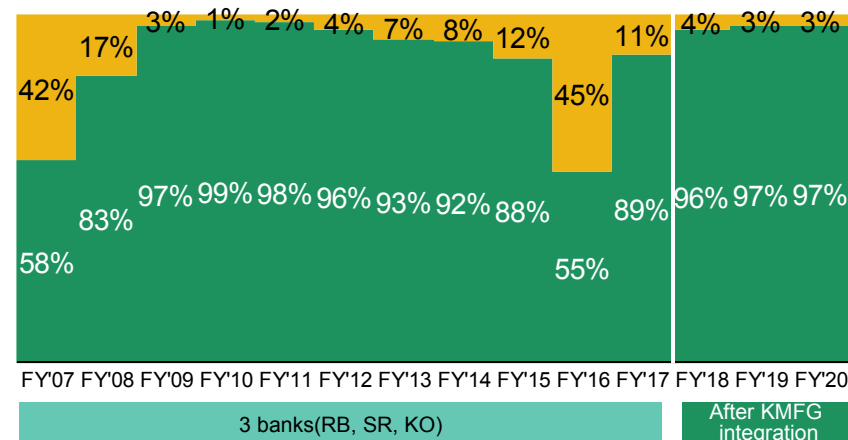
New housing loan origination

[JPY tn, % represents YoY change]



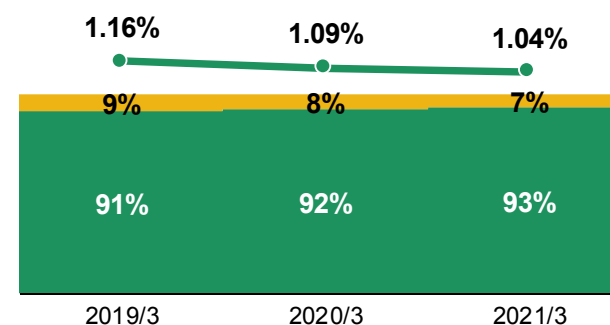
Composition of newly originated residential housing loans by interest rate type

- Share of fixed rate residential housing loans
- Share of variable rate residential housing loans



Residential housing loans yield on a stock basis and composition by interest rate type

- Share of fixed rate residential housing loans
- Share of variable rate residential housing loans
- Residential housing loans yield

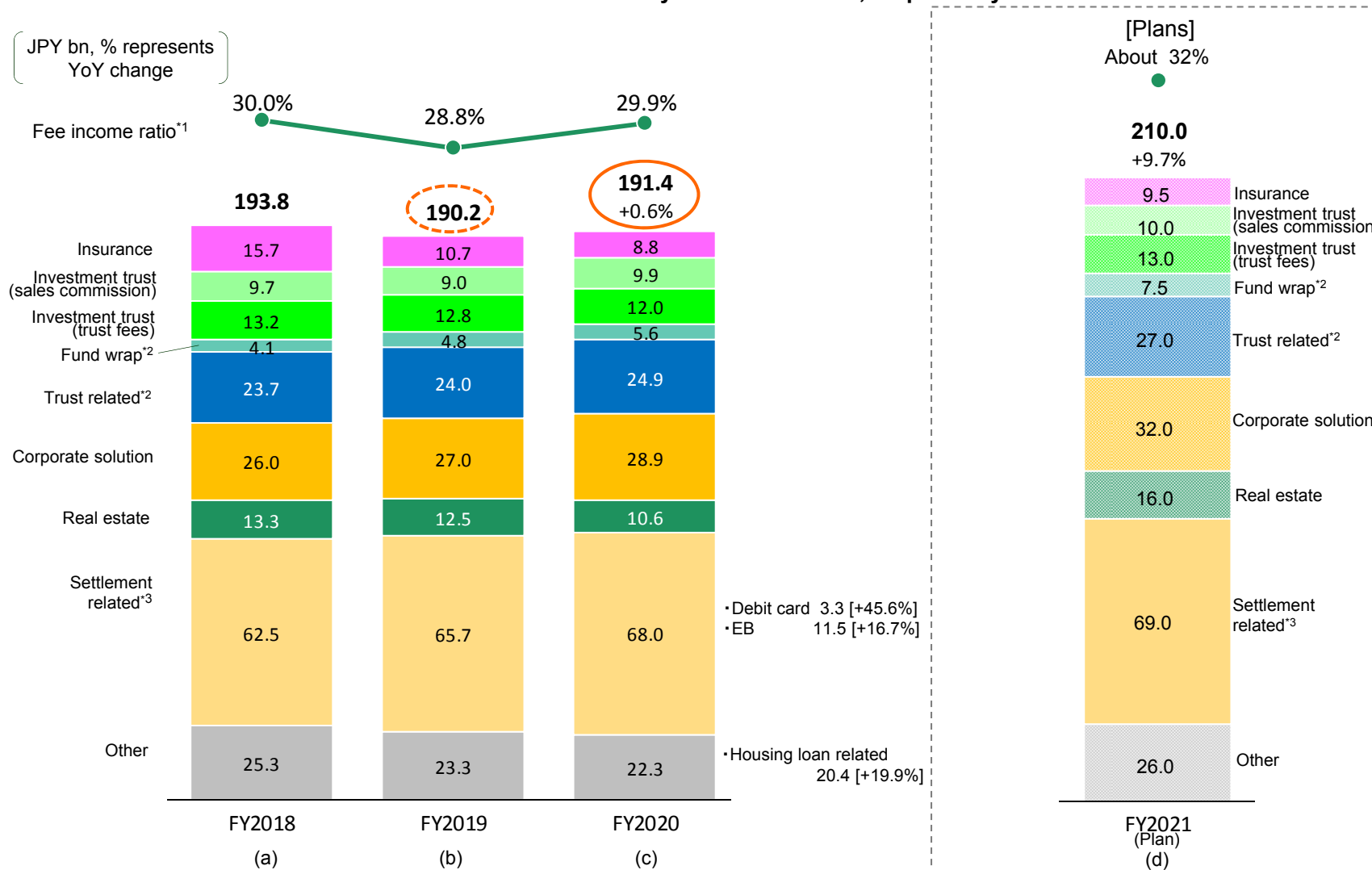


Fee Income

HD
Consolidated

■ Consolidated fee income ratio*1 : 29.9%

■ Income from fund wrap (+15.9%, YoY), corporate solution (+7.1%, YoY) and settlement related (+3.5%, YoY) have increased. Income from Insurance and real estate have decreased by 17.8% and 15.4%, respectively.



*1. (Fees and commission income + trust fees) / Consolidated gross operating profit *2. Including fee income earned by Resona Asset Management

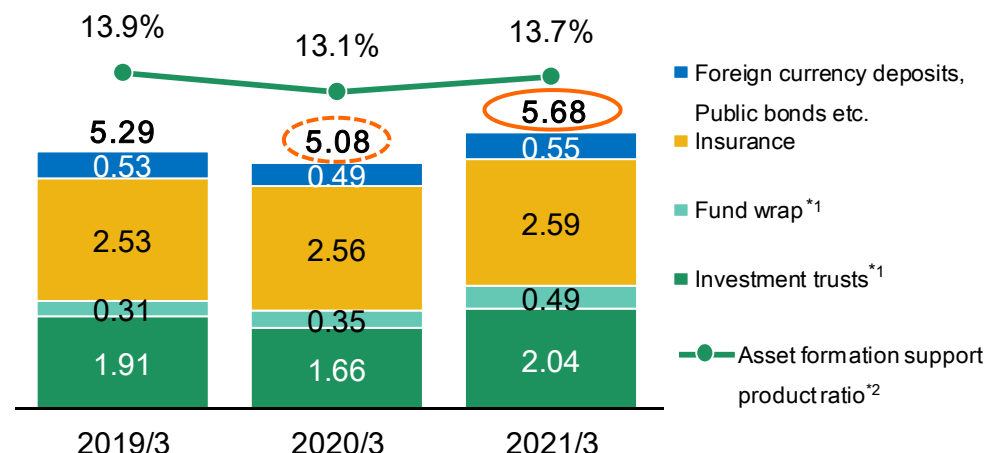
*3. Fees and commission from domestic exchange, account transfer, EB, debit card and fee income earned by Resona Kessai Service and Resona Card

Major Fee Businesses (1) (Asset Formation Support Business)

HD
Consolidated

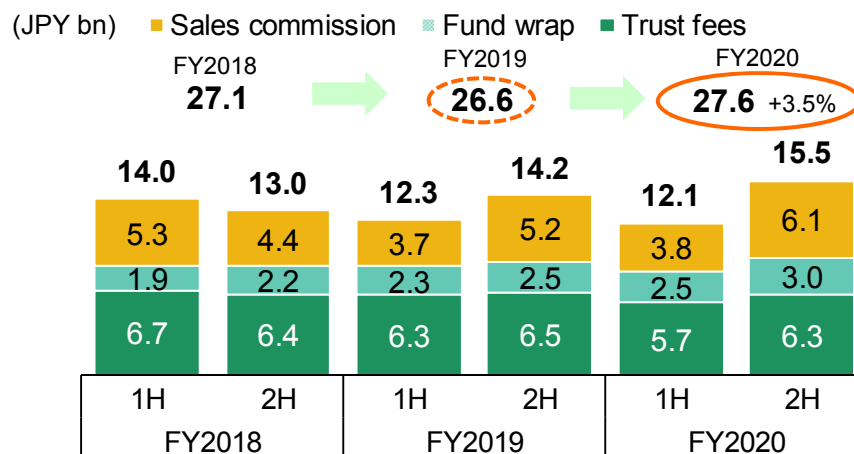
Balance of asset formation support products sold to individuals

(JPY tn)

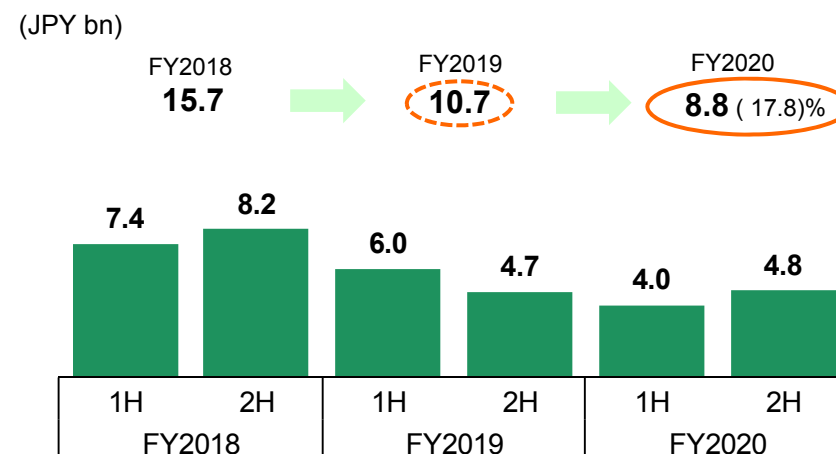


- Balance of fund wrap*1: '21/3 JPY490.9 bn (JPY536.8 bn including corporation)
- Change in balance of investment trust and fund wrap: FY'20 Approx. +JPY510.0 bn
 - Net inflow (new purchase – withdrawal and redemption): Approx. +JPY85.0 bn
- Number of individual customers having investment trust, fund wrap and insurance products: '21/3 936 thousand
 - NISA account holders*3: 387 thousand, +6.0%, YoY
- iDeCo participants*4: '21/3 135 thousand, +14.8%, YoY

Investment trust and fund wrap income



Insurance income



*1. Based on market value *2. Balance of asset formation support products sold to individuals / (balance of asset formation support products sold to individuals and yen deposits held by individuals) *3. NISA, Junior NISA, Cumulative NISA
*4. iDeCo participants + members giving investment instructions

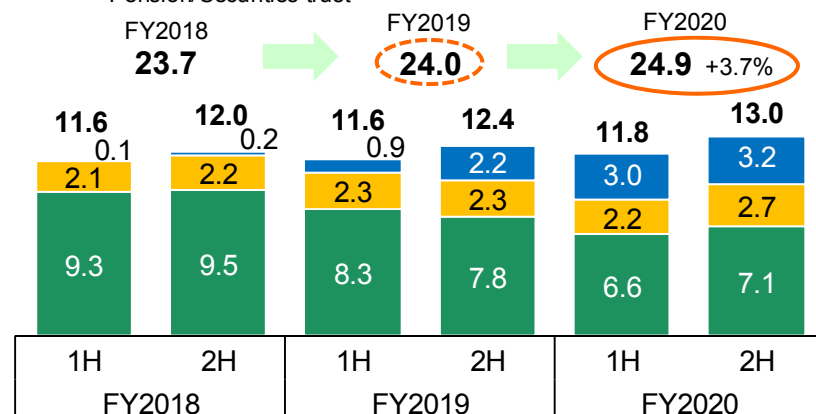
Major Fee Businesses (2) (Trust, Corporate Solution, Real Estate Business)

HD
Consolidated

Trust-related business income

(JPY bn)

- Resona Asset Management
- Trust solution offered for asset and business succession
- Pension/Securities trust



■ Asset and business succession

Number of new asset succession-related contracts
6,083 in FY2019 ⇒ 8,469 in FY2020, +39.2%

■ Securities trust

Total assets in custody
'20/3 JPY35.15 tn ⇒ '21/3 JPY39.11 tn, +11.2%

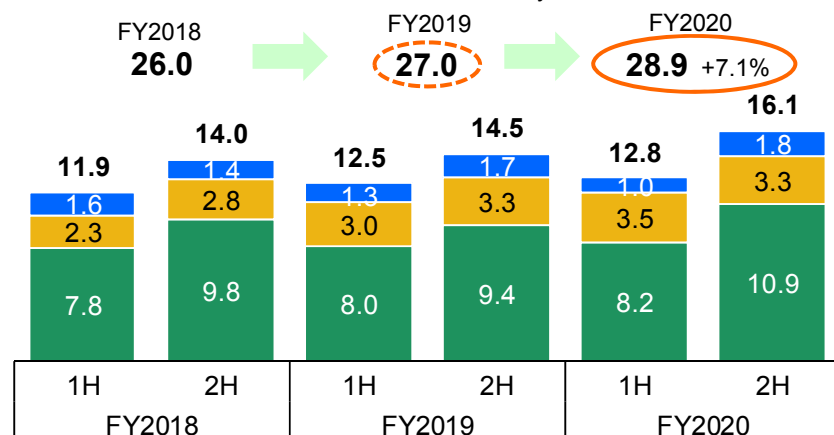
■ Pension trust

Total assets entrusted
'20/3 JPY5.03 tn ⇒ '21/3 JPY5.59 tn, +11.0%

Corporate solutions business income

(JPY bn)

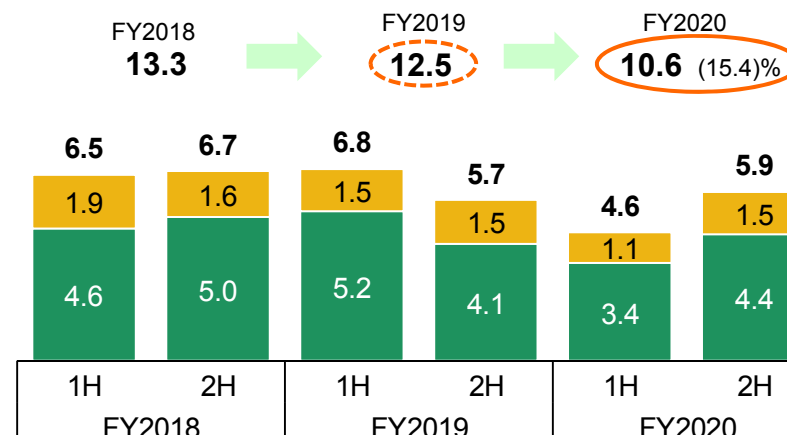
- M&A
- Private notes
- Commitment line, Syndicated loans, Covenants



Real estate business income*1

(JPY bn)

- Corporate
- Individual



*1. Excluding gains from investments in real estate funds

Credit Costs and NPL

HD Consolidated
Total of Group Banks

Credit costs

(JPY bn)	FY2018	FY2019	FY2020	FY2021 Plan
	(a)	(b)	(c)	(d)
Net credit cost (HD consolidated) (1)	(1.3)	(22.9)	(57.4)	(44.0)

Net credit cost (Total of group banks) (2)	0.1	(18.8)	(52.3)	(37.0)
General reserve (3)	11.2	(4.7)	(15.9)	
Specific reserve and other items (4)	(11.0)	(14.0)	(36.3)	
New bankruptcy, downward migration (5)	(31.3)	(27.1)	(45.0)	
Collection/upward migration (6)	20.2	13.1	8.7	

Difference (1) - (2) (7)	(1.4)	(4.1)	(5.1)	(7.0)
HL guarantee subsidiaries (8)	3.0	(2.3)	(0.5)	
Resona Card (9)	(2.2)	(2.1)	(1.5)	

<Credit cost ratio>

		(bps)
HD consolidated* ¹ (10)	(0.3)	(6.2)
Total of group banks* ² (11)	0.0	(5.0)

*(Note) Positive figures represent reversal gains

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

*2. Credit cost / total credits defined under the Financial Reconstruction Act
(Simple average of the balances at the beginning and end of the term)

*3. Net of collateral, guarantees and loan loss reserves

Outline of Preemptive provisioning in FY2020

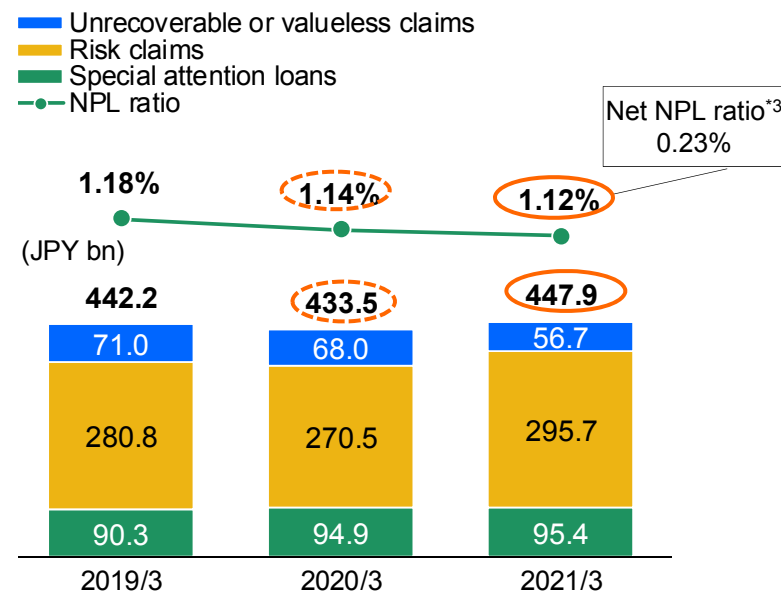
Credit Costs in FY2020 (total of group banks)

(JPY bn)

Total	(52.3)	
Preemptive provisioning	(24.3)	<ul style="list-style-type: none"> Provisioned loan loss reserves from a preemptive standpoint against corporations in the industries that are expected to have a significant impact on credit risk by the effect of COVID-19
Top-down approach	(8.6)	<ul style="list-style-type: none"> <Portfolio-based response> Provisioned additional loan loss reserves against other watch obligors(balance: approx. 510.0 bn)
Bottom-up approach	(15.7)	<ul style="list-style-type: none"> <Response to each corporation's risk> Prepared to downside risk of corporations in a turnaround phase

NPL balance and ratio (total of group banks)

(Financial Reconstruction Act criteria)



Securities Portfolio

Total of
Group Banks

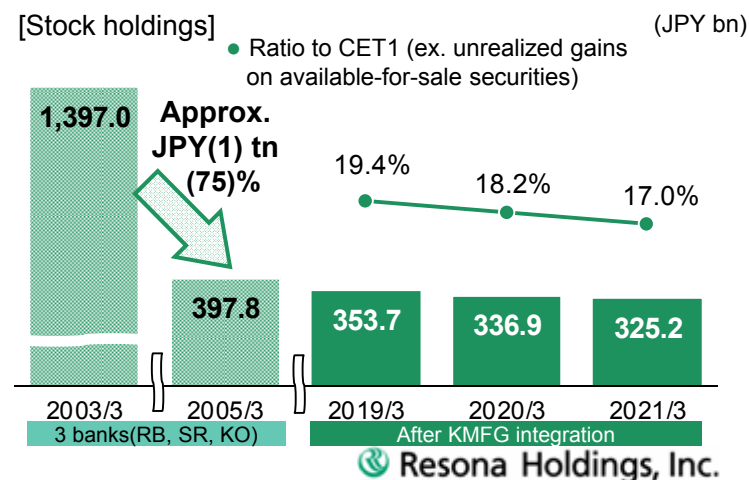
Securities portfolio*1

(JPY bn)	2019/3	2020/3	2021/3	Unrealized gains/(losses)
	(a)	(b)	(c)	(d)
Available-for-sale securities (1)	2,566.5	3,055.7	4,480.7	615.3
Stocks (2)	353.8	336.9	325.2	655.6
Bonds (3)	1,188.2	1,722.8	2,586.4	(13.1)
JGBs (4)	46.1	459.6	925.7	(15.4)
Average duration (years) (5)	6.7	14.8	13.1	—
Basis point value (BPV) (6)	(0.03)	(0.68)	(1.21)	—
Local government and corporate bonds (7)	1,142.0	1,263.1	1,660.6	2.3
Other (8)	1,024.5	995.9	1,569.0	(27.1)
Foreign bonds (9)	472.3	554.1	904.8	(26.8)
Average duration (years) (10)	5.3	2.4	6.3	—
Basis point value (BPV) (11)	(0.18)	(0.00)	(0.51)	—
Investment trusts (Domestic) (12)	540.6	435.0	658.4	(2.8)
Net unrealized gain (13)	598.3	420.7	615.3	
Bonds held to maturity (14)	2,127.4	1,968.4	1,942.2	11.5
JGBs (15)	1,539.5	1,144.2	1,035.6	6.6
Net unrealized gain (16)	47.1	28.1	11.5	

- Unrealized gains/(losses) in 3 assets (4)+(9)+(12)
'19/3 +JPY2.4 bn ⇒ '20/3 JPY(6.9) bn ⇒ '21/3 JPY(45.1) bn
- CLO: Zero

Status of policy-oriented stocks held

- Balance of listed stocks disposed in FY2020 (acquisition cost basis): JPY11.6 bn,
Net gain on sale: JPY32.9 bn (HD consolidated: JPY29.3 bn)
Breakeven Nikkei average: Approx. 9,000 yen
- Policy for holding policy-oriented stocks
 - Since the capital enhancement with public funds, Resona Group has reduced the balance of the policy-oriented stocks to lessen the risk of price volatility. Our basic policy is to continue to reduce the balance of policy-oriented stocks.
 - The Group determines whether to hold policy-oriented stocks by evaluating the risks and returns, including feasibility of the development of a trading relationship in a medium- to long-term. The Group may also sell stocks in consideration of the market situations, management and financial strategies, even though the Group considers appropriate for holding from the risk-return perspective.
 - Plan to reduce JPY30.0 bn level in 3 years from Mar. '20
 - Aim to reduce the balance to 15% level of the CET1 capital*2



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

*2. Excluding unrealized gains on available for sale securities

Capital Adequacy Ratio

HD
Consolidated

- CAR (Domestic std.) and CET1 ratio (International std.) as of Mar. 31, 2021 were 11.54% and 13.31%, respectively, maintaining sound capital adequacy level

Domestic standard			
(JPY bn)	2020/3	2021/3	Change
Capital adequacy ratio (1)	11.17%	11.54%	+0.37%
Total capital (2)	1,947.0	2,003.4	+56.4
Core Capital: instruments and reserves (3)	2,012.4	2,076.3	+63.9
Stockholders' equity (4)	1,733.4	1,836.1	+102.6
Adjusted non-controlling interests (5)	221.1	170.9	(50.2)
Reserves included in Core Capital (6)	29.0	54.1	+25.1
Subordinated loans and bonds subject to transitional arrangement (7)	60.4	43.5	(16.9)
Core Capital: regulatory adjustments (8)	65.3	72.8	+7.5
Risk weighted assets (9)	17,427.7	17,351.9	(75.7)
<ul style="list-style-type: none"> ■ Change in total capital <ul style="list-style-type: none"> ● Stockholders' equity +102.6 bn <ul style="list-style-type: none"> • Net income attributable to owners of parent +124.4 bn • Dividends distributed (48.3) bn • Increase in capital surplus due to change in ownership interest of KMFG +25.8 bn 			

- Group banks, Bank holding company

Domestic standard	Resona (Consolidated)	Saitama Resona (Non-consolidated)	KMFG (Consolidated)
Capital adequacy ratio	10.88%	14.45%	8.40%

(Reference) International standard			
(JPY bn)	2020/3	2021/3	Change
Common Equity Tier1 capital ratio (10)	12.28%	13.31%	+1.03%
Excluding net unrealized gains on available-for-sale securities (11)	10.54%	10.81%	+0.27%
Tier1 capital ratio (12)	12.52%	13.50%	+0.98%
Total capital ratio (13)	13.06%	14.14%	+1.08%
Common Equity Tier1 capital (14)	2,154.7	2,355.9	+201.2
Instruments and reserves (15)	2,232.9	2,436.5	+203.6
Stockholders' equity (16)	1,733.4	1,836.1	+102.6
Net unrealized gains on available-for-sale securities (17)	306.1	442.9	+136.7
Adjusted non-controlling interests (18)	178.7	143.4	(35.2)
Regulatory adjustments (19)	78.1	80.5	+2.4
Other Tier1 capital (20)	40.9	32.8	(8.0)
Tier1 capital (21)	2,195.6	2,388.8	+193.1
Tier2 capital (22)	95.4	114.2	+18.7
Total capital (Tier1+Tier2) (23)	2,291.1	2,503.1	+211.9
Risk weighted assets (24)	17,533.4	17,691.0	+157.6

(Reference)

- Trial calculation based on the finalization of Basel 3

CET1 ratio: Approx. 9.0%*

(Excluding net unrealized gains on available-for-sale securities)

*Trial calculation which took into consideration the estimated increase in RWAs owing to the finalization of Basel 3 (SA and capital floor revisions) based on the actual CET1 ratio excluding net unrealized gains on available-for-sales securities as of Mar. 31, 2021 reported as (11) in the above table

Earnings Targets for FY2021

HD Consolidated
Total of Group Banks

HD consolidated

(JPY bn)		Full-year	YoY change
Net income attributable to owners of the parent (1)		145.0	+20.6
KMFG Consolidated (2)		15.0	+9.2
Difference (3)		15.0	+1.9

*1

Common DPS

		DPS	YoY change
Common stock (annual) (4)		21.0 yen	-
Interim dividend (5)		10.5 yen	-

Total of group banks

(JPY bn)	Total of group banks		Resona Bank		Saitama Resona Bank		KMFG (total of group banks)	
	Full-year	YoY change	Full-year	YoY change	Full-year	YoY change	Full-year	YoY change
Gross operating profit (6)	599.0	+16.0	347.0	+7.7	114.0	+3.5	138.0	+5.0
Operating expenses (7)	(397.0)	(6.1)	(213.0)	(3.2)	(77.5)	(2.4)	(106.5)	(0.6)
Actual net operating profit (8)	202.0	+9.9	134.0	+4.5	36.5	+1.1	31.5	+4.4
Net gains on stocks (including equity derivatives) (9)	30.5	(10.4)	26.0	+3.2	3.5	(11.4)	1.0	(2.1)
Credit related expenses, net (10)	(37.0)	+15.3	(22.0)	+10.3	(6.5)	+2.5	(8.5)	+2.3
Income before income taxes (11)	181.5	+18.2	134.0	+22.5	29.0	(8.5)	18.5	+4.2
Net income (12)	127.5	+12.2	94.5	+15.3	20.5	(5.8)	12.5	+2.8

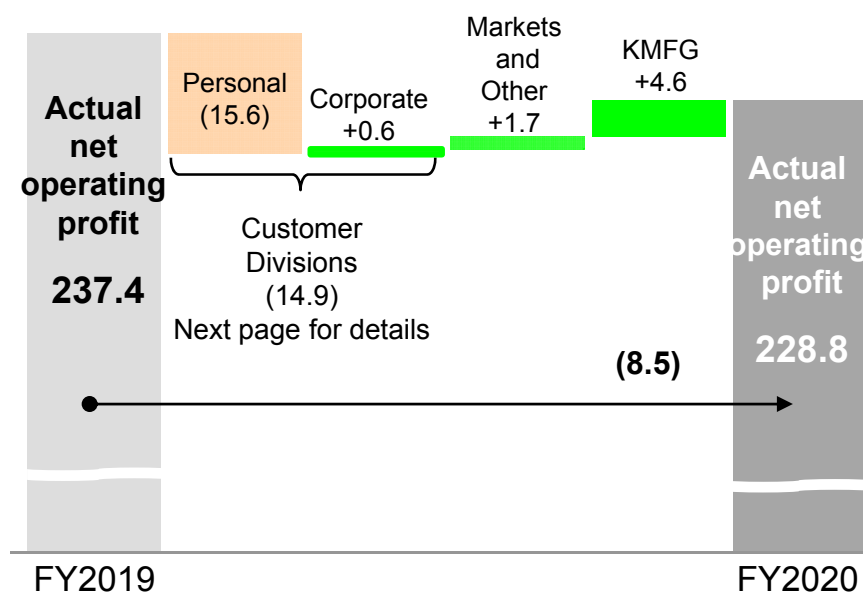
*1. HD's consolidated net income of FY2021 includes full amount of KMFG's consolidated net income since KMFG has become a wholly-owned subsidiary of HD

(Reference) Outline of Financial Results of Each Segment

HD
Consolidated

(JPY bn)		FY2020	YoY Change
Customer Divisions	Gross operating profit (1)	441.9	(13.7)
	Operating expense (2)	(299.5)	(1.1)
	Actual net operating profit (3)	142.4	(14.9)
Personal Banking	Gross operating profit (4)	182.1	(14.0)
	Operating expense (5)	(153.6)	(1.5)
	Actual net operating profit (6)	28.4	(15.6)
Corporate Banking	Gross operating profit (7)	259.8	+0.2
	Operating expense (8)	(145.8)	+0.3
	Actual net operating profit (9)	113.9	+0.6
Markets and Other	Gross operating profit (10)	59.0	+3.0
	Operating expense (11)	(6.4)	(1.2)
	Actual net operating profit (12)	52.9	+1.7
KMFG	Gross operating profit (13)	143.0	+0.5
	Operating expense (14)	(109.5)	+4.0
	Actual net operating profit (15)	33.4	+4.6
Total	Gross operating profit (16)	643.9	(10.1)
	Operating expense (17)	(415.5)	+1.6
	Actual net operating profit (18)	228.8	(8.5)

(JPY bn)



Definition of management accounting

1. “Customer Divisions” and “Markets and Other” segment refer to the HD Consolidated subsidiaries, except KMFG consolidated subsidiaries.
2. Gross operating profit of “Markets” segment includes a part of net gains/losses on stocks. “Other” segment refers to the divisions in charge of management and business administration.

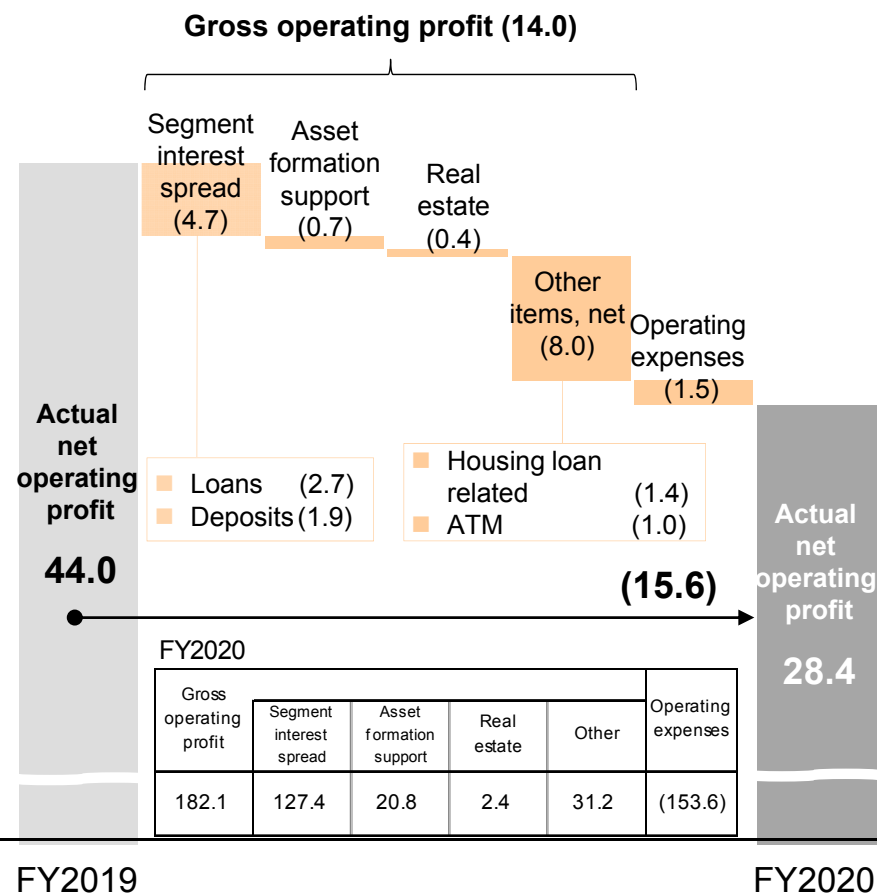
(Reference) Outline of Financial Results of Customer Divisions

HD Consolidated
(exclude KMFG)

Personal Banking Segment

■ Actual net operating profit : Down JPY15.6 bn, YoY

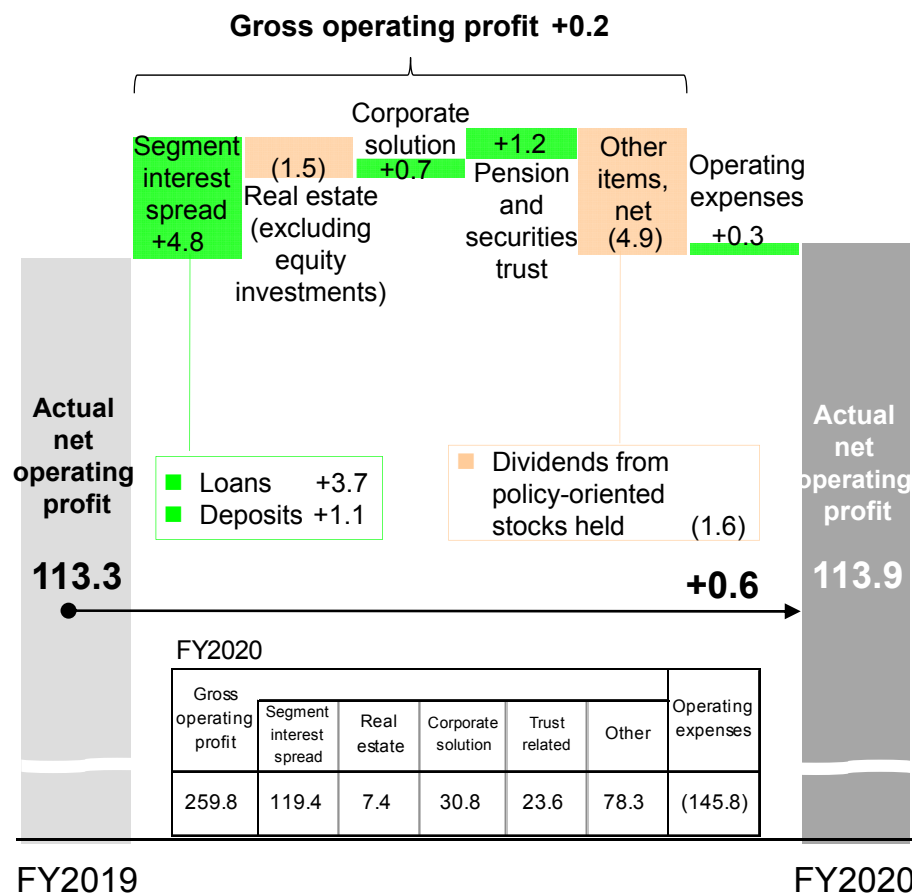
(JPY bn)



Corporate Banking Segment

■ Actual net operating profit : Up JPY0.6 bn, YoY

(JPY bn)



Outline of Business Results for FY2020 and Updates on Major Businesses

Efforts for Sustainable Growth

Capital Management

ESG Initiatives

Reference Material

Message from the Top Management / Long-term Outlook ~For Becoming the “Retail No. 1”~

Resona's SDGs-Oriented Management

Starting from Issues
customers and society
are confronting

Creating customer value
by making use of the Resona's strengths
Business & Innovation

“Retail No. 1”
“A Good Company”

<Our vision for the period from 2030 to 2050>

Financial services group that contributes most to SX^{*1} of retail customers

- ◆ Provide financial and non-financial solutions to support retail customers' SX
- ◆ Carbon neutral
- ◆ Create job satisfaction and corporate value through respect for diversity

Realize income and cost structure reforms

- ◆ Fee income > Cost
 - ✓ All employee are involved in sales and consulting
 - ✓ Co-creation platform

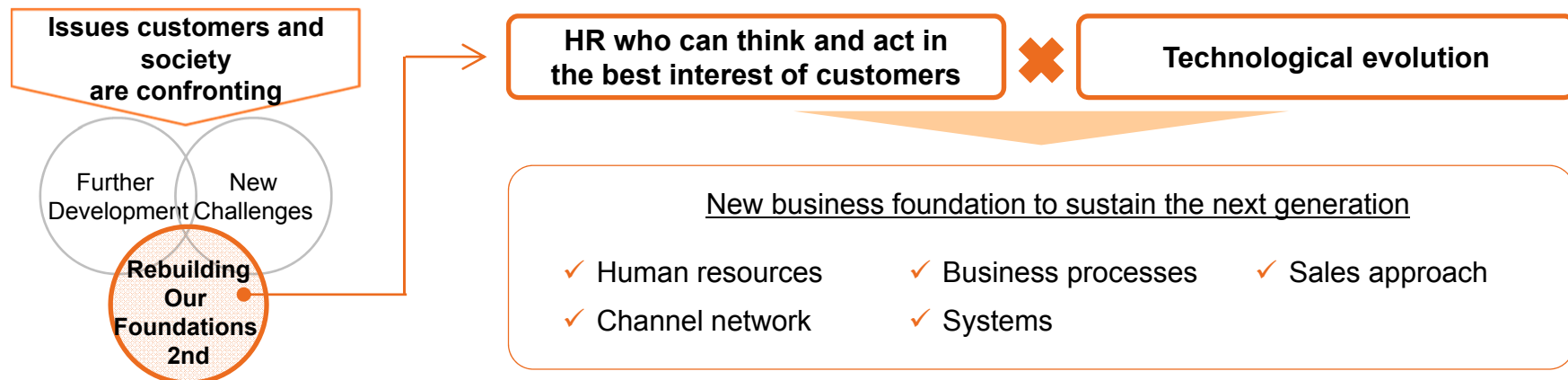
Sustainable society

Resonance

Resona Group's
sustainable growth

*1. Sustainability Transformation

Message from the Top Management / Medium-term Outlook ~Establish “Resonance Model”~ (1)



Thorough simplification of business processes

Integration of human resources and technology

Integration of real (face-to-face) and digital (non-face-to-face)

- ◎ Eliminate discrepancy between profitability and business process / cost structure
- ◎ Complete consultation services and procedures at the same time
- ◎ Expand customer contact points in terms of both quality and quantity

Message from the Top Management / Medium-term Outlook ~Establish “Resonance Model”~ (2)



"Retail" × "Trust" × "Asset management"

Co-creation through new ideas and wide-range relationships

- ◎ Ample room for growth in existing businesses
- ◎ New value and new profit opportunities
- ◎ Build win-win relationships with customers and partners

Message from the Top Management / Review of FY2020 and Outlook for FY2021 (1)

“Turning Point” that shakes conventional wisdom and values → Turning crisis into opportunity

Changing customers' issues

Impact on major business strategies

<p>Review future plans</p> <p>Growing awareness of preparedness</p>	<p>Asset and business succession</p> <p>Asset formation support</p>	<p>↑ Expansion of M&A and real estate transaction needs</p> <p>↓ Constraints on face-to-face business activities (Relaxed through remote business tools)</p> <p>↑ Expansion of long-term, diversified, and stable asset formation needs</p>
<p>Stable funding</p> <p>Strengthen financial base</p>	<p>Loans to SMEs</p>	<p>↑ Increase in loan demand</p> <p>↑ Customer base expansion</p> <p>↓ Concerns on possibility of the prolonged slump in certain industries</p>
<p>Response to new normal</p> <p>Acceleration of digitalization</p>	<p>Loans to individuals</p> <p>Omni-Channel</p> <p>Settlement</p>	<p>↑ Growing demand for detached houses in suburban area</p> <p>↑ Expansion of non-face-to-face needs</p> <p>↑ Customer base expansion</p>

Message from the Top Management / Review of FY2020 and Outlook for FY2021 (2)

**Necessity for business operations based on the assumption
that conditions with high uncertainty should continue**

Continue to change ourselves to get strengthened in both offensive and defensive manner

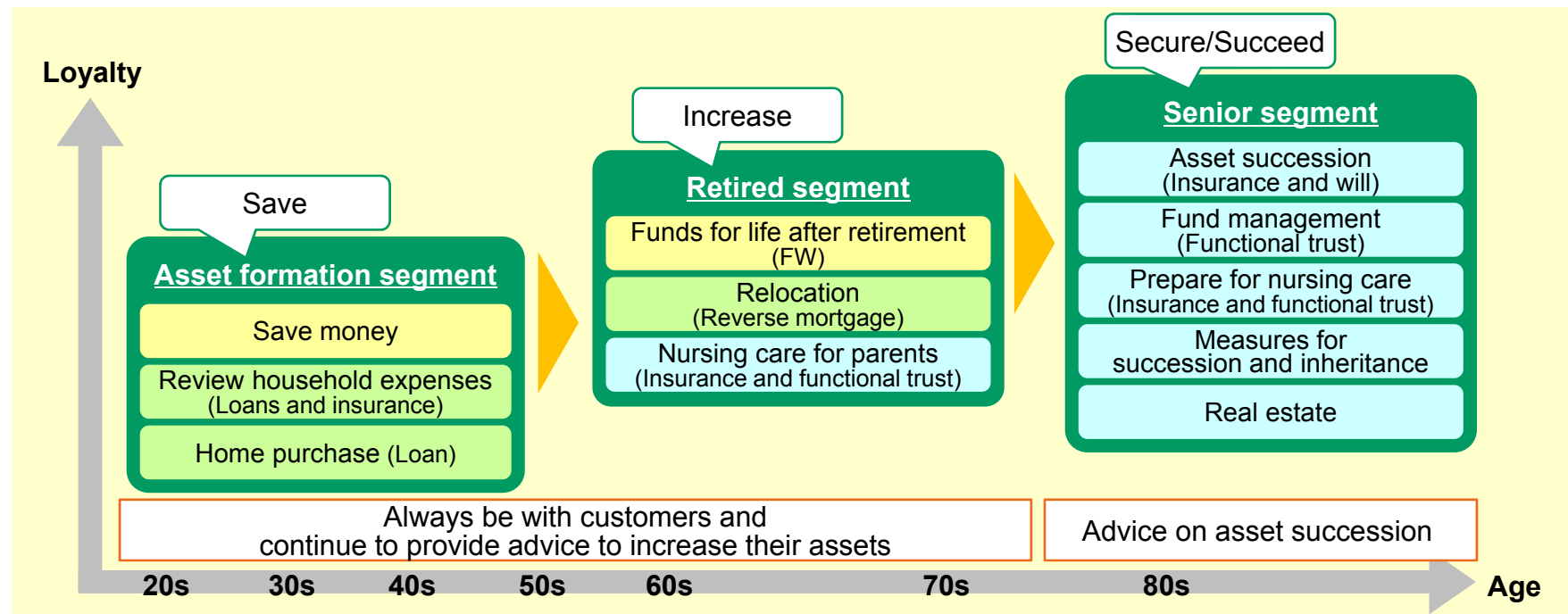
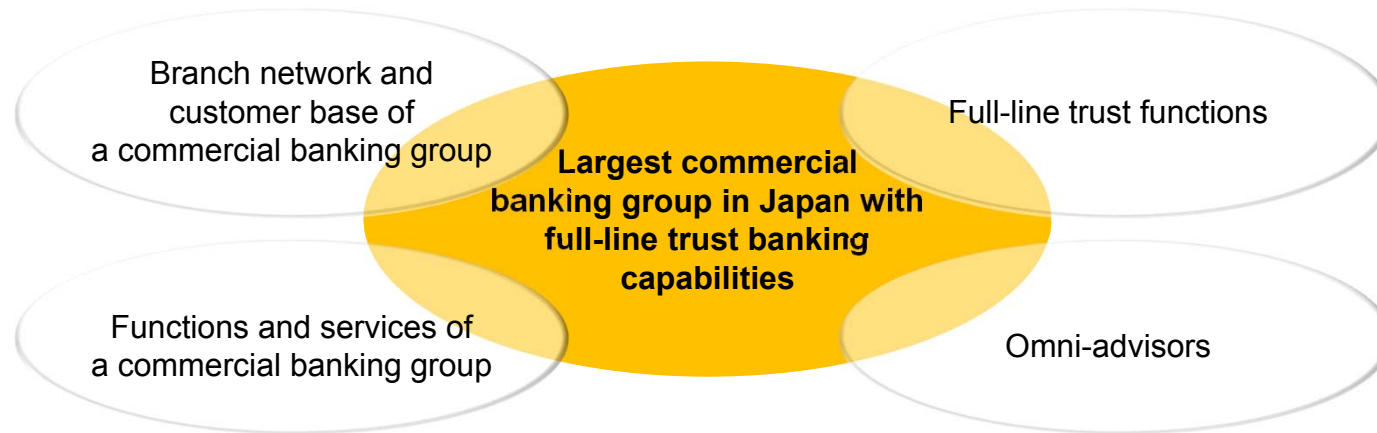
Start the brand new Resona Group

< Major KPIs >	FY2020	FY2021 (Target)	FY2022 (MMP)
● Net income attributable to owners of parent	124.4 bn	145.0 bn	160.0 bn
Kansai Mirai Financial Group	11.2 bn	15.0 bn	20.0 bn
Of which, contribution to HD's consolidated income	5.8 bn	15.0 bn	20.0 bn
● Consolidated fee income ratio	29.9%	32% level	Over 35%
● Consolidated cost income ratio	65.0%	Lower half of the 60% range	60% level
● Shareholders' equity ROE* ¹	6.88%	Middle of the 7% range	8% level
● Common Equity Tier1 Ratio* ²	Approx. 9.0%	Middle of the 9% range	10% level

*1. Net income attributable to owners of parent / Total shareholders equity (simple sum of the balance at the beginning and the end of the term/2)

*2. Based on the finalization of Basel 3, excluding unrealized gains on available-for-sale securities

Seamless life design support for individual customers in the 100-year life era



Long-term support to resolve customers' concerns about the future

[KPI] Balance of AUM*1 (Resona AM):

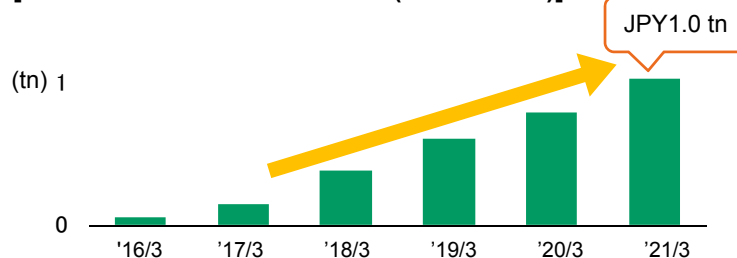
Mar. 31, '23 JPY24.0 tn
(Approx. +JPY1.4 tn from Mar. 31, '20)

Mar. 31, '21:
JPY33.5 tn

Apply investment know-how for professionals cultivated via corporate pensions to individual customers

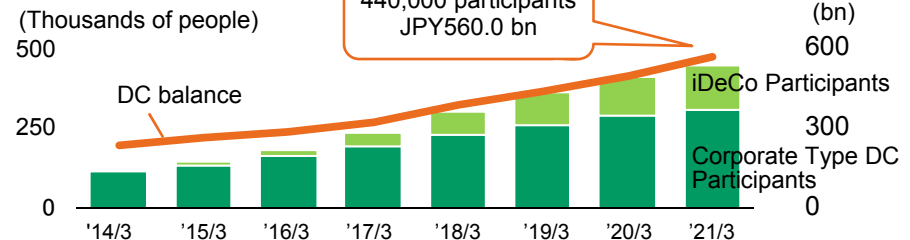
- Respond to expanding mid-to long-term stable investment needs

[Balance of investment trusts (Resona AM)]



- Contribute to the rich post-retirement lives of corporate customers' employees

[DC]



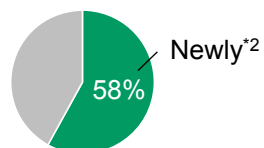
- Support "Increase" by FW at the core

Products designed to
meet bank customers needs

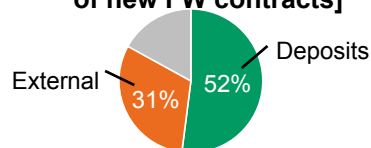


- Periodic receipts service (May '19-)
- Agent function (scheduled for 2H of FY'21)

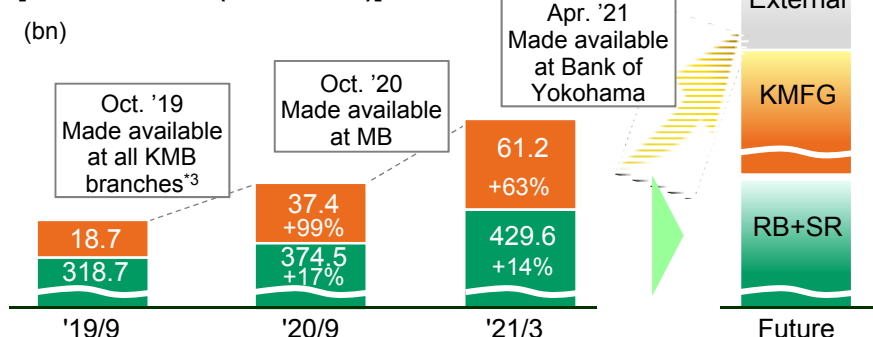
[FW customers attributes]



[Anticipated source of new FW contracts]



[Balance of FW (Individuals)]



*1. Calculated using the fair value based on balance of assets at the end of month

*2. Customers who don't have any investment trust products at Resona group banks

*3. Began handling former KU in addition to the former KO

Support customers' asset building through Resona's strengths as a front-runner in housing loans

[KPI] Balance of housing loan:

Mar. 31, '23 JPY13.8 tn
(Approx. +JPY0.9 tn from Mar. 31, '20)

Mar. 31, '21:
JPY13.3 tn

Quality portfolio × Initiatives to maintain and improve further profitability

Profit



Volume

- Balance of housing loans: Mar. 31, '21 JPY13.3 tn, No. 1 in Japan (as of Sep. 30, '20)
- Historical strengths × DX
 - Strong relationships with real-estate businesses
 - Launched a housing loan product completed through Resona Group App (Apr. '21~)
- Unique high-value-added products
 - *Danshin Kakumei*: Provide coverage for 3 major diseases as well as 16 type of other diseases in addition to injuries and conditions requiring nursing care
 - Natural disaster support options
 - *Anshin Kakumei*: Reverse mortgage type housing loans

Add-on
income

- Multifaceted transactions originating from housing loans

- Average number of products in transactions: 1.7 times

With HL
4.8

VS

No HL*1
2.8

Expenses



Operating
cost

- Economies of scale from JPY1.3 tn of housing loan origination per year
- Promote digitalization
 - loan plaza on the web
 - # of E-contracts exceeded half of all housing loan contracts

Credit costs

- Subrogation payment ratio*2: FY'20 0.02%

Low capital
requirements

- Low RW: Mar. 31, '21 11.6%*3

*1. Comparison with potential II and III (as of Mar. 31, '21, RB+SR+KMB)

*2. Housing loans guarantee subsidiaries' subrogation ratio x (1-collection after subrogation), residential housing loans + apartment loans

*3. RB, as of Mar. 31, '21, non-default

Providing one-stop succession solutions by leveraging the strengths of "Retail × Trust"

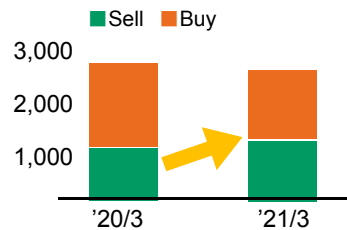
[KPI] Succession-related income*1:

FY'22 JPY39.0 bn
(Approx. +JPY19.0 bn from FY'19)

FY'20:
JPY18.4 bn

Support "Succession" for SMEs customers

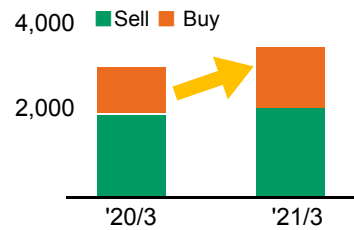
[# of leads on M&A deals]



[M&A deals carried over]

Mar. 31, '20 → Mar. 31, '21
Approx. 1.5 times

[# of leads on real estate-related deals]



[Potential real estate-related deals carried over]

Mar. 31, '20 → Mar. 31, '21
Approx. 1.3 times

■ Established Resona Corporate Investment (Jan. '21)

- Specialized investment subsidiary in the management of buyout funds
- Established a fund worth JPY10 bn
- Acquire a majority stake to promote the smooth business succession of SMEs

Support "Secure/Succeed" for individual customers

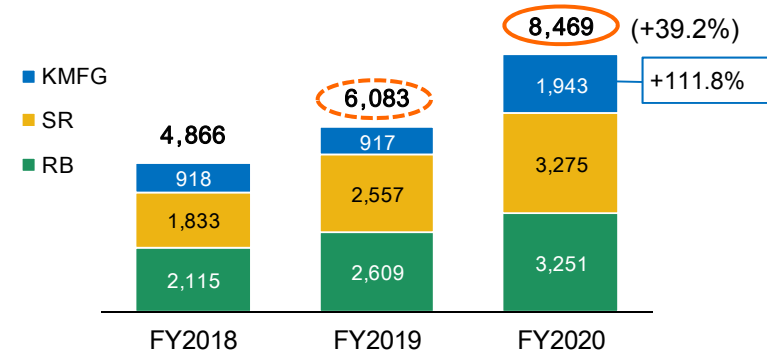
■ Initiatives to changing issues customers and society are confronting

⇒ Improved *My Trust* and *Heart Trust**2 functions

- Relaxation of reimbursement requirements for medical and nursing care expenses (Feb. '21-)

■ Accelerate to provide group banks' customers

[# of new asset succession-related contracts]



Specialists (M&A, PB, real estate): Mar. '20 467 staffs ⇒ Apr. '21 525 staffs

FP 1st grade: approx. 1,650 staffs, FP 2nd grade: approx. 13,700 staffs, Real estate notary: approx. 5,700 staffs

*1. Income from M&A, real estate excluding equity and succession related transaction

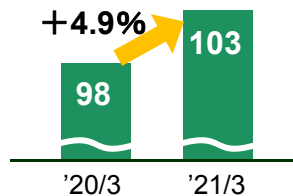
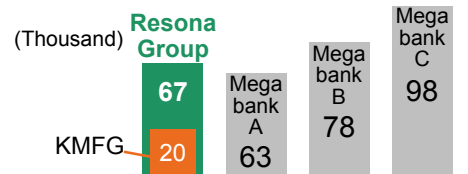
*2. My Trust (custom-made asset succession trust products), Heart Trust (packaged asset succession trust products)

Provide diverse solutions in “with/after COVID-19 era”

[KPI] Balance of loans to SMEs:

Mar. 31, '23 JPY14.6 tn
(Approx. +JPY0.8 tn from Mar. 31, '20)Mar. 31, '21:
JPY14.6 tnExpand customer base
through accompanying-type support

- Response to financing needs
⇒ Expand the base of corporate loan business

[# of corporate borrowers*1]
(Thousand)[# of companies that name major
banks as their main banks*2]

- Response to needs for non-face-to-face services
⇒ Expand transactions with small corporations

- Corporate version of our App, loan products offered via solely web-based procedures, account opening via web, etc.

Diverse solutions aligned with growing
stage of each customer

Startup

Growth/Maturity

Transition

Startup support

Business succession (⇒P30),
Business transition/liquidation support

BM, Consultation, IT support (⇒P34)

M&A, Real estate, Corporate pension,
Overseas businesses support (⇒P63)

SDGs support (⇒P45,46)

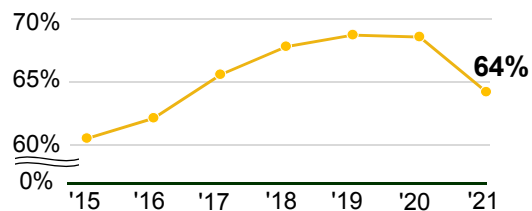
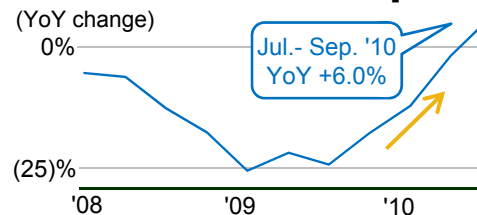
Human resources solutions

Turnaround support
(capital funds)

Response to diverse financing needs looking ahead for “after COVID-19 era”

- Pent-up demand in “after COVID-19 era”

[Over 60% of SMEs seek to undertake Capex*3]

[Capex before and after
the Lehman Crisis*4]

- Assist SMEs in their efforts to achieve SDGs

- Private placement bonds for SDGs promotion:
Dec. '17~Mar. '21 cumulative total JPY382.9 bn
- SDGs Consulting Fund:
Sep. '18~Mar. '21 cumulative total JPY92.0 bn
- Green Bonds issued via private placement,
Sustainability Linked Loans, etc.

*1. Total of group banks 2. Source: TEIKOKU DATABANK ('20) *3. Questionnaire results for corporate customers of group banks
(2021:Survey period from Dec. '20 to Feb. '21, number of respondents: approx. 25,000)

*4. Source: MOF's Financial Statements Statistics of Corporation (Jan. - Mar. '08 ~ Jul. - Sep. '10)

DX Strategy (1)

Provide customers with a variety of options and new value through DX

■ Resona's DX (Digital Transformation)

- ✓ Utilize digital technology as a means to structurally change business processes and build new business models

✓ Only in the banking industry



Resona Holdings, Inc. has been selected as a Digital Transformation Stock (DX) 2020 by the Ministry of Economy, Trade and Industry (MITI) and the Tokyo Stock Exchange (TSE).

✓ Firstly certified in the banking industry

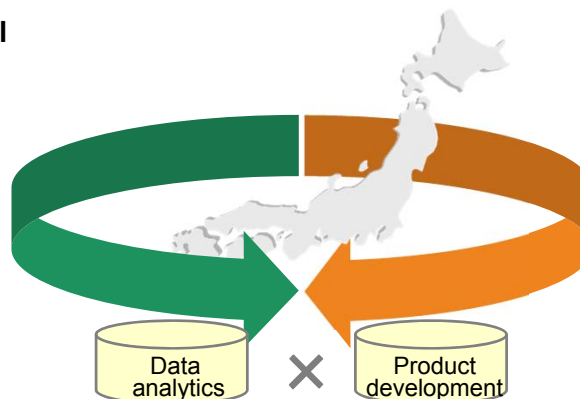


■ Integrate face-to-face and digital channel

Digital channel

- ✓ App DL 3.67 million*1 => 5 million
- ✓ User-friendly app

Simple transactions can be completed with the app



Continuous and consistent proposals in all channels

Face-to-face channel

- ✓ Largest scale customer contact points in Japan
- ✓ Improved efficiency via digital

Provide values through face-to-face services

■ Strengthen and speed-up DX strategy

- HD/RB organizational reform (Apr. '21-)

(before)

Omni-channel
Strategy Division

Settlement Division

(after)

Planning

DX Planning Division

Promote Group DX

Offering

Customer Success Division

DX support for customers

Analysis

Data Science Division

Financial × Non-Financial data utilization

*1. As of Mar. 31, '21

DX Strategy (2) (Omni-channel)

Provide customers with best solutions "anytime" "anywhere"

[KPI] Group App downloads:

Mar. 31, '23 5 million
(Approx. +2.8 million from Mar. 31, '20)Mar. 31, '21:
3.67 million DL

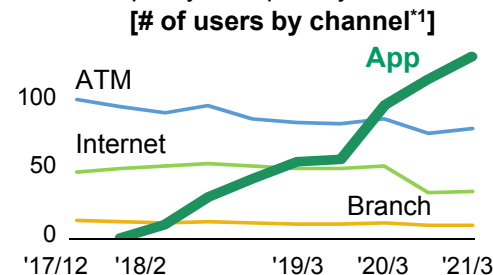
Digital channel

■ Resona Group App

- Expand transaction in terms of both quality and quantity

3.67 million DLs

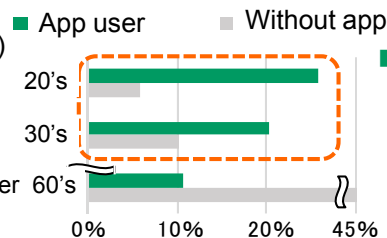
+3.5 yen
Income per person
per day



- New contact points with customers

- KMB
(to all KMB branches from Oct. '19)
- MB (to be introduced in FY'21)
- Mebuki FG
(Started handling from Mar. '21)

[User age distribution*2]



- App utilization rate*3 80%

- Over 780 improvements through agile development
- Highly evaluated
Good Design Award, etc.

[Ratio of app users*4]

Foreign currency deposits 88%

Installment time deposits 77%

Face-to-face channel

■ Value added through face-to-face × Low-cost operations

- Branches represent an important contact point with customers

- ✓ Develop area operation and optimize branch's mission
- ✓ Universal service operation (Transaction at the nearest branch)
- ✓ Downsizing and replacement
- ✓ New sales style at branches

- ✓ Enhance customer convenience
- ✓ Group channel optimization
- ✓ Develop consulting skills while improving efficiency

■ New sales style at branches

- Same UI and UX as the Resona Group App
- Provide best proposals in seamless and consistent manner via all channels through data collaboration

A new terminal at branches
(Resona Group Tablet*5)The same customer
experience (CX) as the App

*1. Number of ATM users as of Dec. '17 as 100 (per day, RB)

*4. Number of accounts opened by channel (as of Mar. '21)

*2. Ratio of app users by age (Mar. '21)

*5. Full-scale rollout to all branches from FY'21 (RB,SR)

*3. Monthly active user rate (Mar. '21)

DX Strategy (3) (Settlement Business)

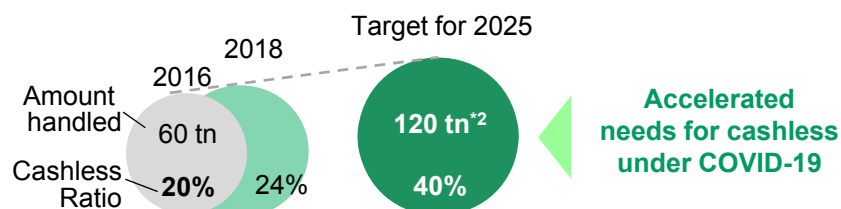
Support for improving corporate and individual customers' productivity and convenience

[KPI] Settlement-related income:

FY'22 JPY80.0 bn
(Approx. +JPY14.0 bn from FY'19)FY'20:
JPY68.0 bn

Expanding cashless market

[Cashless market-size*1]



Improve convenience for individual customers

■ Debit card

- # of debit card issued: 2.43 million, +0.42 from Mar. 31, '20
- Income from debit card transaction: FY'20 JPY3.3 bn, +45.6% ,YoY
- Expansion to KMFG
 - KMB (handled from Oct. '19 to all KMB branches)
 - MB (to be introduced in FY'21)

Standard equipment with the deposit account
(Integrated debit card with cash card/visa paywave)

Support for corporate customers' digitalization

■ Resona Cashless Platform (RCP) ⇒ For details, P62

- # of corporations having introduced or to introduce RCP:
Mar. '21 Approx. 2,000 corporate customers, 16,000 stores
⇒ Mar. 31, '23 (target) 4,000 customers
- Respond to cashless needs of local governments (Osaka Pref. and Hanno City, Saitama Pref. etc.) and healthcare-related (hospitals, pharmacies etc.)

With an all-in-1 terminal,
responding to diverse payment needs

■ Resona B2B Cacheless Platform

- Supporting IT and digitalization of B2B transactions
- Under development for commercialization in FY'21

Customers

Ordering,
billing,
etc.

Data linkage

Resona

Resona B2B
Cashless
PlatformSupport digitalization
of business processes

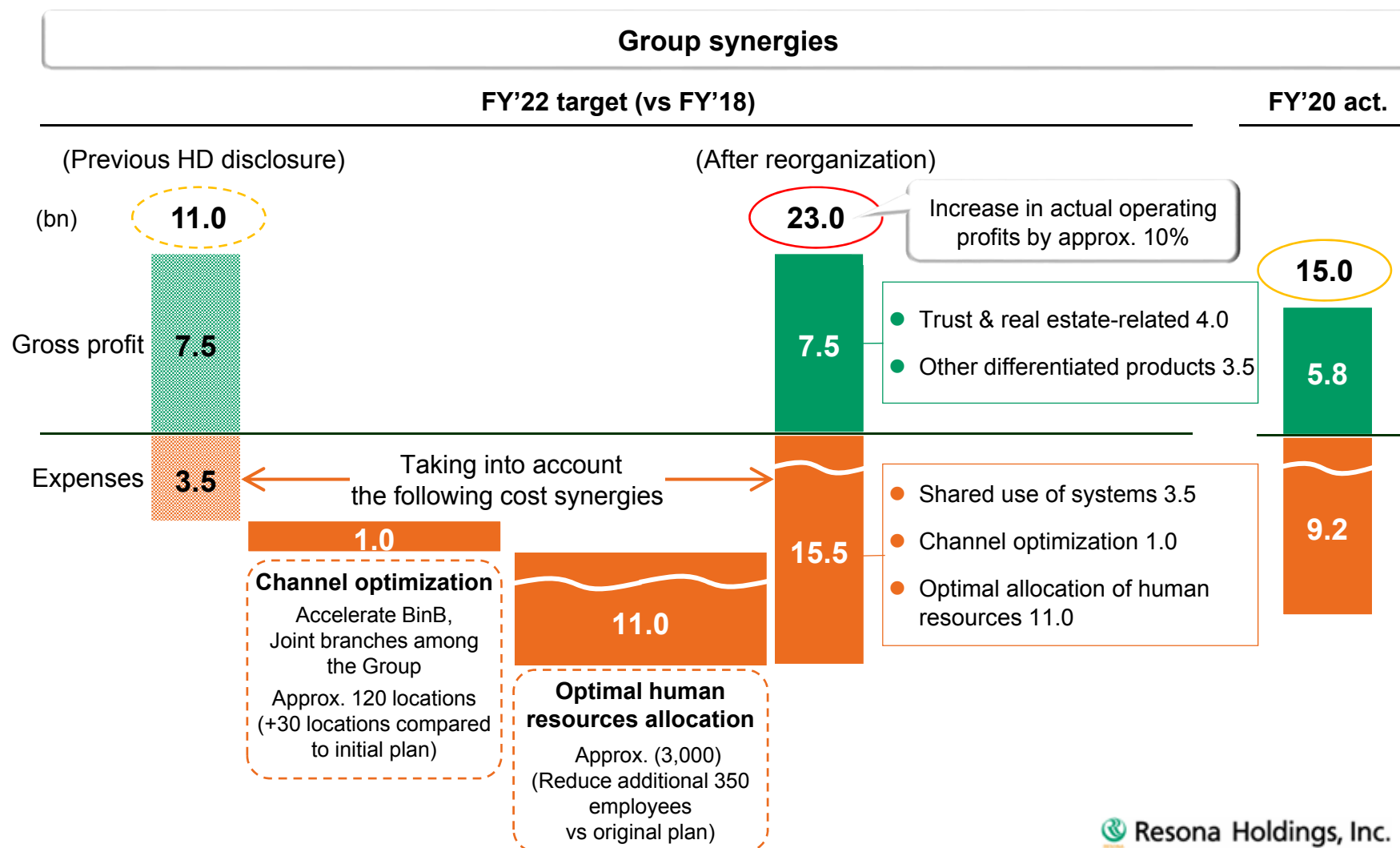
*1. Prepared by Resona HD based on documents issued by the Ministry of Economy, Trade and Industry (METI)

*2. Assuming private consumption to stay at the 2016 level, based on data publicized by METI

KMFG / Pursue Group Synergies

Early realization of group synergies through accelerated PMI
based on making KMFG as a wholly-owned subsidiary

- Reorganize cost synergies based on the direction of integrated group management and management resource optimization
- Aim to realize synergies of JPY23.0 bn (vs FY'18) by the final year of the MMP (FY'22)



New
Challenges

Breaking Free of the Banking Model (1)

~Deliver New Value Employing New Ideas~

Creating new businesses from fields where Resona can leverage its strengths,
starting with social issues and changes

Social issues / change

Creating new value with “Digital & Data”,
“Design-based thinking”, and “Open” as drivers

Local
Communities



Low Birthrate
and
Aging Society



Environment



Human Rights



Discovery of new businesses
from a wide range of themes

Regional
revitalization

Information

Global warming

Education

Agriculture

Healthcare

Small lot
settlements

.....

Housing loan completed via Group App
from Apr. '21

All transactions can be completed on the App



× 株式会社東京カンテイ ×

EAJ Escrow Agent Japan

Accelerate DX for
housing loan services

Breaking Free of the Banking Model (2)

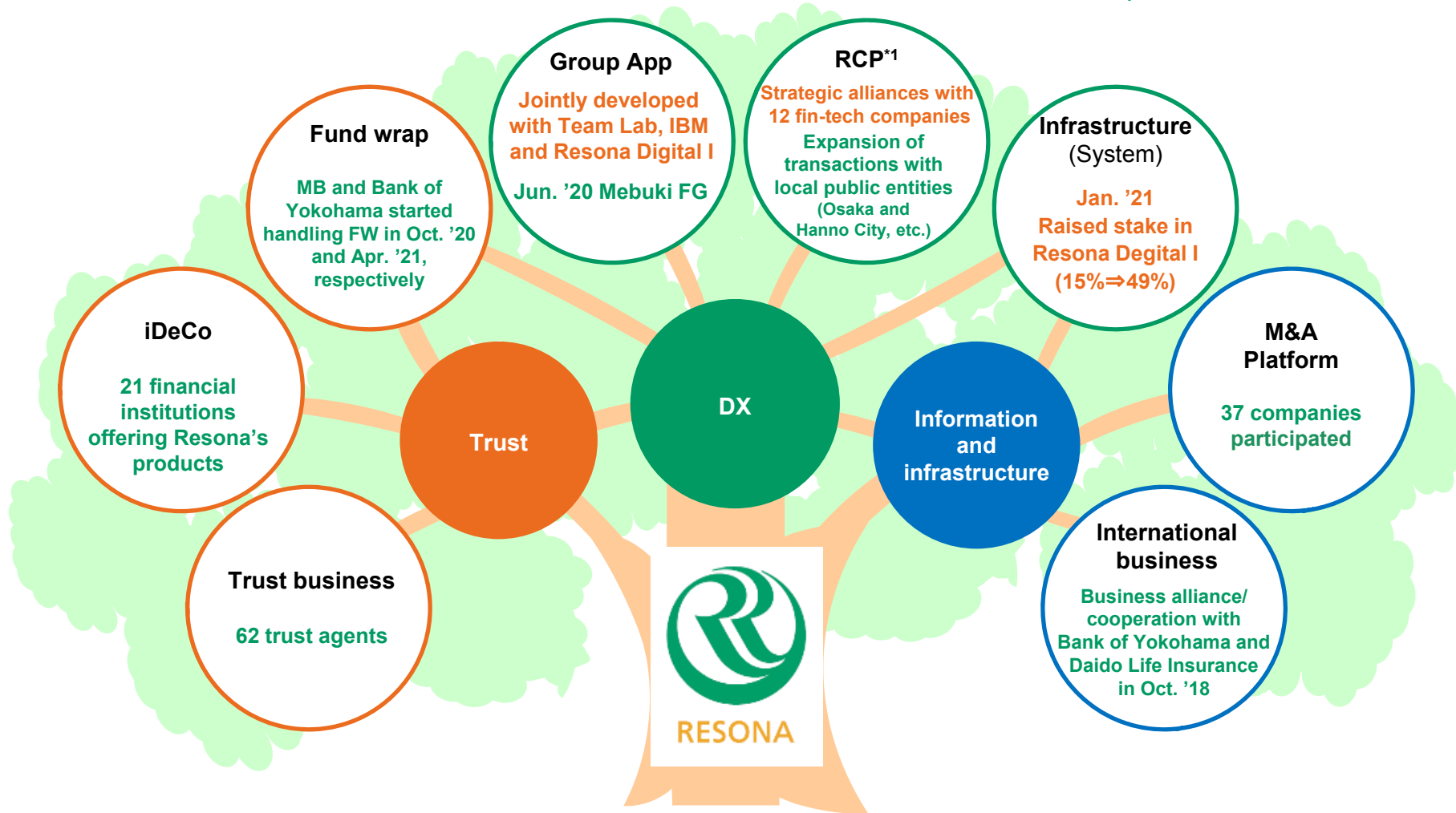
~Employ a Broad Range of External Relationships to Pursue Co-Creation~

Open platform

Build WIN-WIN relations through wide-ranging cooperation outside of capital-related relations

Orange: Initiatives to strengthen and broaden functions

Green : Initiatives to expand customer base



*1. Resona Cashless Platform

Reform the human resource portfolio with an emphasis on diversity and specialization

Specialized professionals

Multi-path personnel system

Externally competitive personnel management

In-house college "Resona Academy" (Jul. '19~)

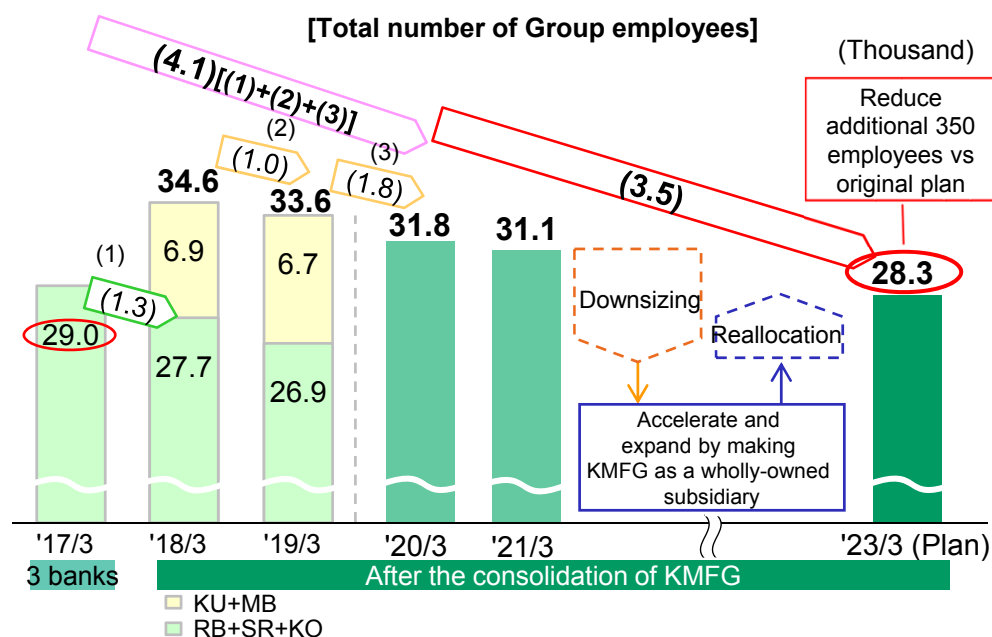
Diversity management

Empowerment of women, Retirement age selection system

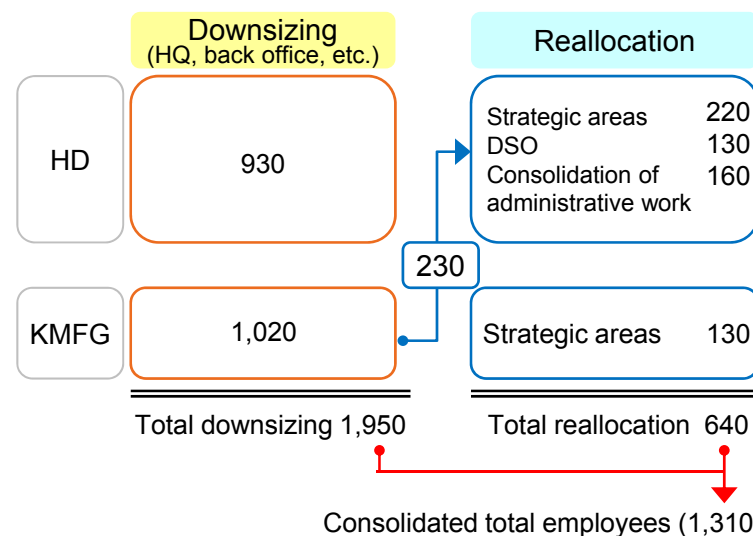
Reallocating human resources to focus areas

■ Accelerate downsizing and reallocation of human resources on a group-wide basis by making KMFG a wholly-owned subsidiary

- Total personnel headcount will decrease to below the level prior to KMFG integration due to natural attrition
- Improve productivity through channel reforms and branch DX



[Human resource optimization (FY'21 plan)]



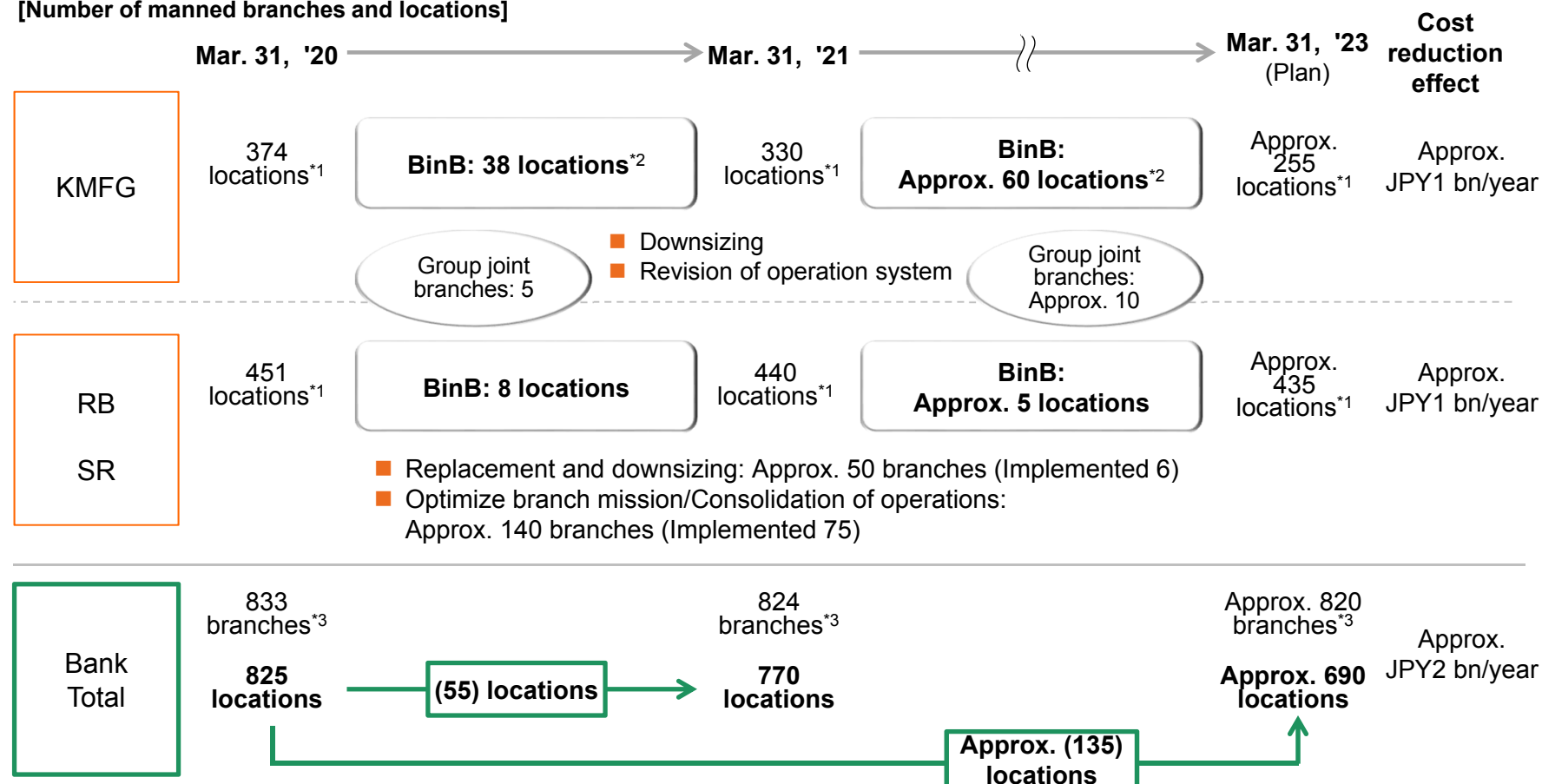
Accelerate to enhance customers convenience and totally optimize group channels

■ Maintain customer contact points and reduce channel-related costs simultaneously by channels optimization

- Accelerate BinB in KMB and joint branch between RB and KMFG after making KMFG a wholly-owned subsidiary
Approx. 90 locations > Approx. 120 locations

■ Branch operation with smaller headcounts through clerical work reduction

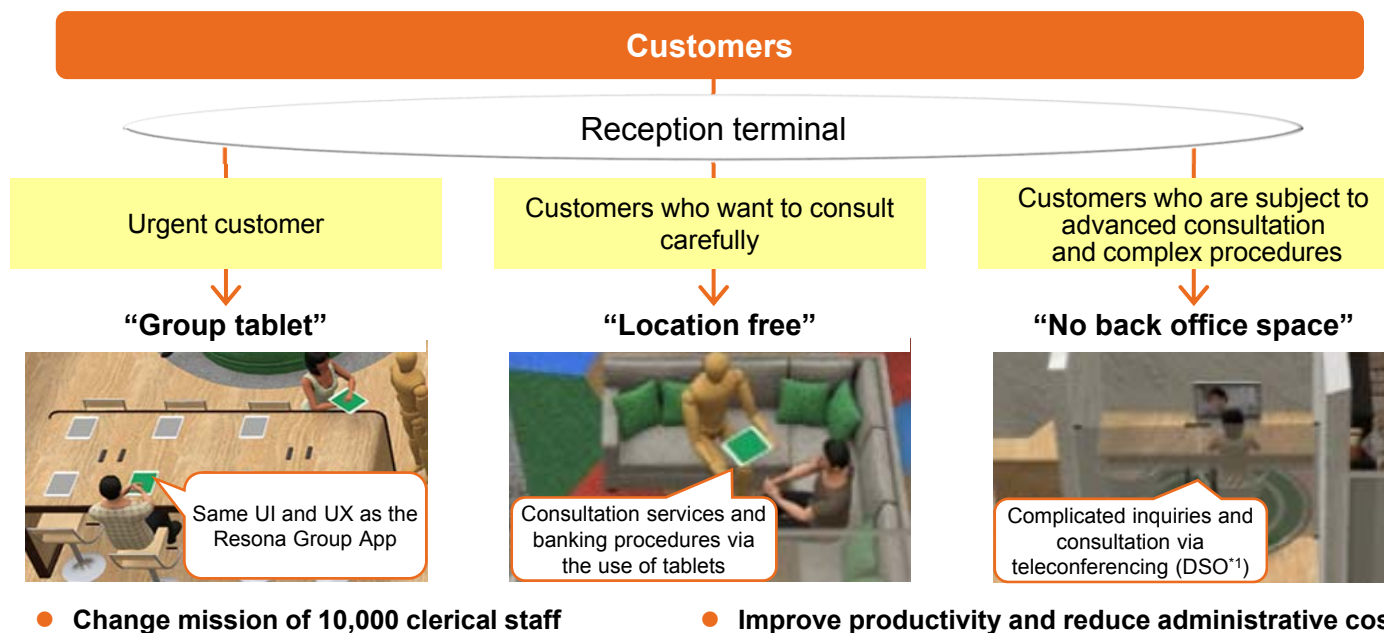
[Number of manned branches and locations]



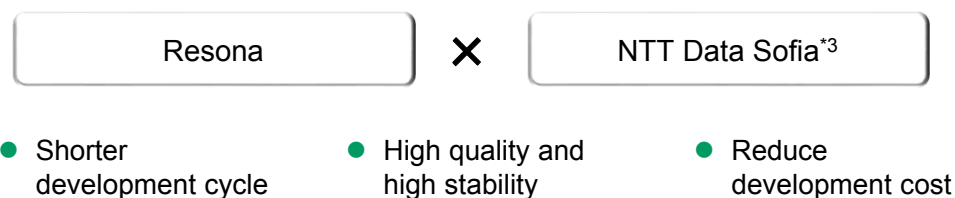
*1. Joint branches between RB and KMFG are counted in RB locations *2. KMFG's BinBs include integration of KMB's plazas(representative offices) *3. Some seven days plazas and other of RB are not included

Start introduction of the new branch office system (RB, SR)

- System that thoroughly enhance customer convenience and reduce operating costs

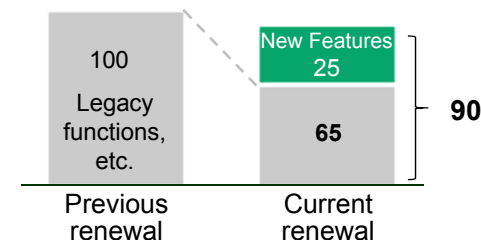


Take away from dedicated financial terminals by taking advantage of low-code development tools*2



[Branch system investment]

Comparison via previous renewal investment amount as 100



*1. Digital service office *2. Methodology and supporting tools to develop software as quickly as possible without writing source code
*3. Joint venture between NTT DATA and HD

Accelerate system structure reform and open platform strategy with an eye on technological evolution

■ System structure reform

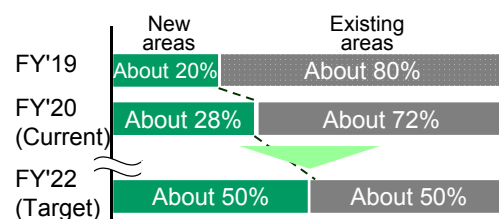
- Focus on strategic investment by simplifying systems, low-code development, and expanding the agile development system
- Early provision of Resona products and services to regional banks without system integration by using API infrastructure
- Collaboration with fintech and other industries through open APIs and digital platforms

Accelerate
system development speed

Accelerate
open platform strategy

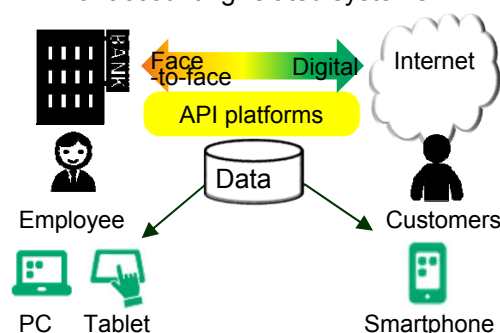
[Image of system-related costs]

- ✓ Shift to DX investment through system structure reform

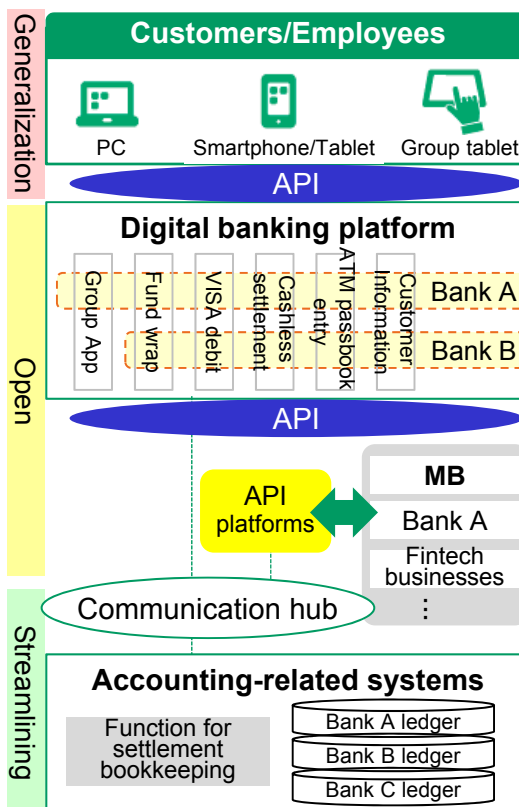


[Integration of face-to-face and digital]

- ✓ Realize omni-channel by expansion of API for accounting related systems



[Vision]



[Current status]

Break away from dependence on dedicated terminals solely for financial institutions

Accounting-related API	500API (see/update) established
Halve the number of dedicated financial terminals	Realize transactions with general-purpose PCs in all branches (Scheduled for Oct. '20 to Jul. '21)

Open platform systems

Group App	Joyo Bank and Ashikaga Bank (Mar. '21) MB (planned for FY'21)
Fund wrap	MB (Oct. '20) Bank of Yokohama (Apr. '21)
VISA debit -RCP ^{*1}	MB (planned for FY'21)
ATM passbook sharing ^{*2}	MB (planned for FY'21)

Structural reforms to open systems from legacy systems

Simplified Systems	Started initiatives to streamline existing systems, mainly in the accounting system
--------------------	---

*1. Resona Cashless Platform *2. MB passbook bookkeeping at Resona ATMs

Outline of Business Results for FY2020 and Updates on Major Businesses

Efforts for Sustainable Growth

Capital Management

ESG Initiatives

Reference Material

Capital Management

■ Implement share buy-back to neutralize dilutive effect on EPS from Making KMFG a wholly-owned subsidiary of HD

- # of shares to be acquired: Up to JPY 88 million shares
- Total acquisition cost: Up to JPY 50.0 bn
- Period of acquisition:
May 12, '21 - September 30, '21
- Method of acquisition: Market buying on TSE
 - (i) Purchase through Off-Floor Treasury Share Repurchase Trading on TSE (ToSTNeT-3): 62 million shares
 - (ii) Market buying pursuant to the discretionary purchase agreement

	(1) After making KMFG a wholly-owned subsidiary (shareholding ratio: 100%)	(2) Before making KMFG a wholly-owned subsidiary (shareholding ratio: 51.2%) (reference) Estimated
HD consolidated net income (Earning target for FY'21)	145.0 bn	137.6 bn
KMFG	15.0 bn	7.6 bn
Total number of shares issued	2.50 bn shares	2.29 bn shares
EPS	JPY 57.8	JPY 59.9

EPS Change $\frac{[(1)-(2)]}{(2)}$ (3.5%)

Total # of shares: 88 mil shares (2.5 bn shares X 3.5%)

■ Making efforts to further expand shareholder returns as our basic policy is to strike an optimal balance between financial soundness, profitability and shareholder return

Financial soundness

- Secure sufficient equity capital under the current Japanese standard
- Aim for CET1 ratio*1 of 10% as of Mar. '23 under the international standard
 - CET1 ratio as of Mar. '21 (Act.): Approx. 9.0%

Profitability

- Continuously engage in financial management conscious of capital efficiency, risk, cost and return, and aim to secure ROE*2 exceeding 8%
 - FY'20 (Act.): 6.88%

Improve
Corporate Value

Shareholder return

- Making efforts to further expand shareholder returns while considering such factors as the balance between financial soundness and profitability, and opportunities for growth investments
- Aim for a total shareholder return ratio of middle 40% range in the medium term while continue stable dividend stream
 - FY'20 (Act.): 38.8%

*1. Based on the finalization of Basel 3. Exclude unrealized gains on available-for-sale securities

*2. Net income / Total shareholders equity (simple sum of the balance at the beginning and the end of the term/2)

Outline of Business Results for FY2020 and Updates on Major Businesses

Efforts for Sustainable Growth

Capital Management

ESG Initiatives

Reference Material

E (Environment): Our Response to Global Warming & Climate Change

Board of Directors proactively pursue Resona Sustainability Challenge 2030 and step up climate change countermeasures



Reflect outcomes of discussions on risks and opportunities from climate change in the Group strategies and risk management

- **Impact on our largest asset class, loans**
- **Help corporate and individual customers mitigate and adapt to climate change through financial services**

Minimize the risks	Loan initiatives	<ul style="list-style-type: none">Proactively engage with corporate customers who have yet to fully commit to environmental issues, encouraging them to step up their initiativesClarify our stance on lending to businesses that may exert a seriously negative impact on the environment, such as enforcing general rule of abstaining from extending new loans to coal-fired thermal-generation projects and extending new loans to coal mining projects (MTR method^{*1}), etc.		<div><div>[CDP scores^{*2}]</div><table><tr><td>Resona HD</td><td>B</td></tr><tr><td>SMFG</td><td>B</td></tr><tr><td>MUFG</td><td>B-</td></tr><tr><td>Mizuho FG</td><td>B-</td></tr><tr><td>SMTH</td><td>C</td></tr></table></div>	Resona HD	B	SMFG	B	MUFG	B-	Mizuho FG	B-	SMTH	C
	Resona HD	B												
SMFG	B													
MUFG	B-													
Mizuho FG	B-													
SMTH	C													
Investment initiatives	<ul style="list-style-type: none">Incorporate an ESG-oriented viewpoint into investment decision-making processMaintain constructive dialogue and engagement with investees													
Expand the opportunities	Conserving the environment through our products and services	[Individual customers]	[Corporate clients]	<div><div>[Status of carbon-related assets^{*3}]</div><div>Ratio in the entire portfolio</div><div>1.2%</div><div>(As of Mar. 31, '21)</div></div>										
		<ul style="list-style-type: none">✓ Nihon-no-Mirai (investment trust)✓ Optional support for those suffering damage due to natural disasters (housing loans)	<ul style="list-style-type: none">✓ SDGs Consulting Fund✓ Private placement green bonds✓ Sustainability linked loans											

^{*1} A method used for the surface mining of coal seams in mountain areas. The use of the MTR method entails deforestation.

*1. A method used for the surface mining of coal seams in mountain areas. The use of the MTR method entails deforestation, and soil from the mountain top is usually dumped in valleys, rivers and other nearby locations.

*2. CDP Report 2020 *3. Lending to energy and utility sectors based on definitions under TCFD recommendations

E (Environment): Step-up Approach to Support Customer Initiatives

Help customers expand their knowledge of climate change and other social issues

An introductory booklet on SDGs

An easy-to-read booklet explain an overview of SDGs and Resona's initiatives



“The Significant Impact of SDGs on Businesses”

A booklet to facilitate dialogue about impact of environmental and social issues to businesses



Encourage customers to join efforts to address social issues

Private placement SDGs promotion bonds

Donate a portion of commission fees received from customers to support organizations pursuing cases related to SDGs, thereby meeting the needs of those who wish to support the realization of SDGs



Mirai E-us project “Mirai Earth”

Investment trust products designed to invest in stocks of eco-friendly tech companies worldwide or in green bonds



Help customers identify and resolve latent issues

SDGs Consulting Fund

Financing products that provide customers with eligibility to receive on-the-spot consulting with Resona Research Institute free of charge



Private placement green bonds and sustainability linked loans

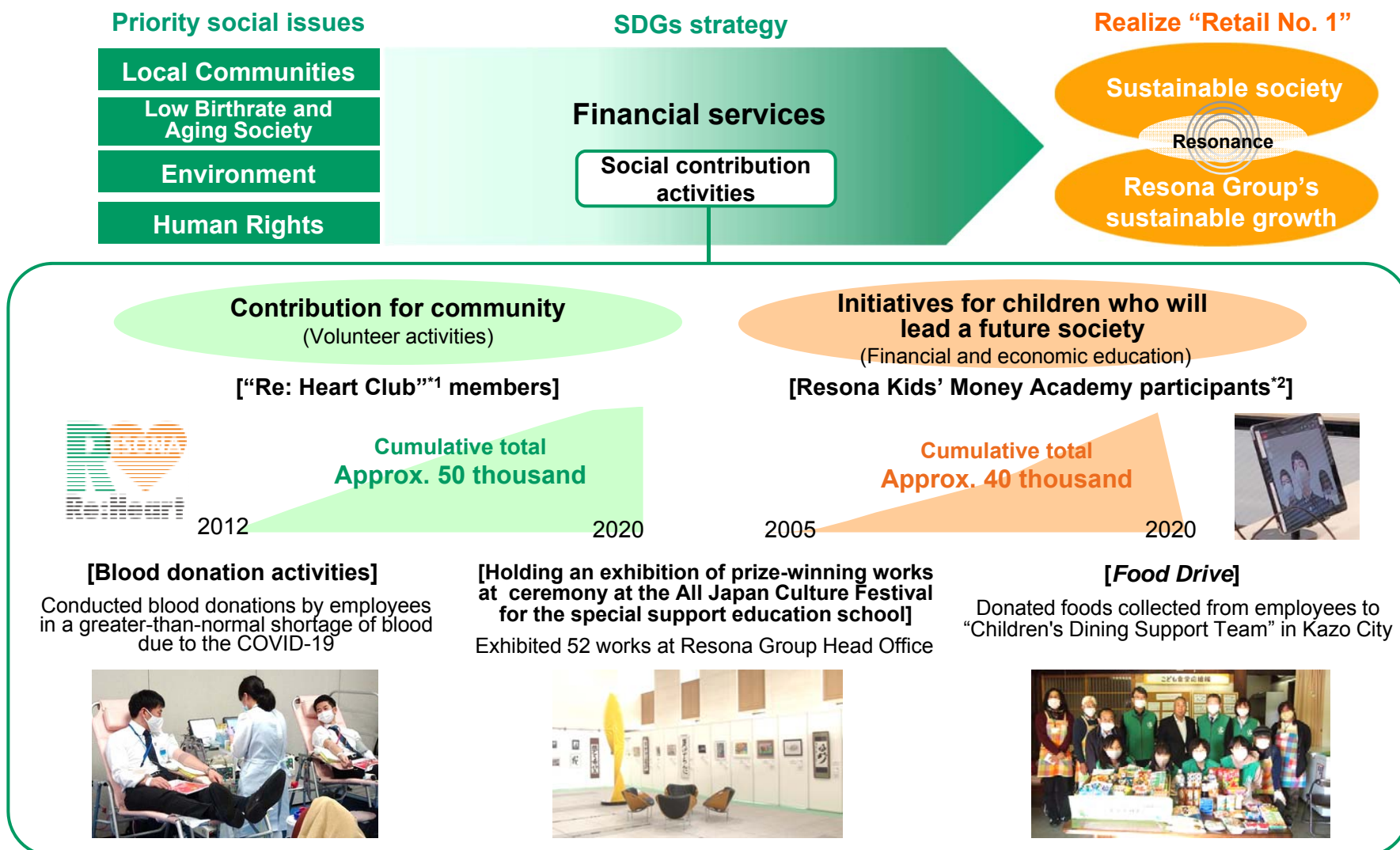
- Support fundraising only for projects which can improve environment (Green Projects)
- Loans whose interest rates and other conditions are linked to the status of achievement of goals which are consistent with customers' sustainability strategies

Our initiatives to address recommendations by Task Force on Climate-related Financial Disclosures (TCFD)

S (Society): Realize “Retail No. 1” through Business & Social Contribution Activities

Leveraging our strengths and management resources
to contribute to the sustainable growth of local communities

[Relationship between business strategy and social contribution activities]



*1. The volunteer group which Resona Group's employees run

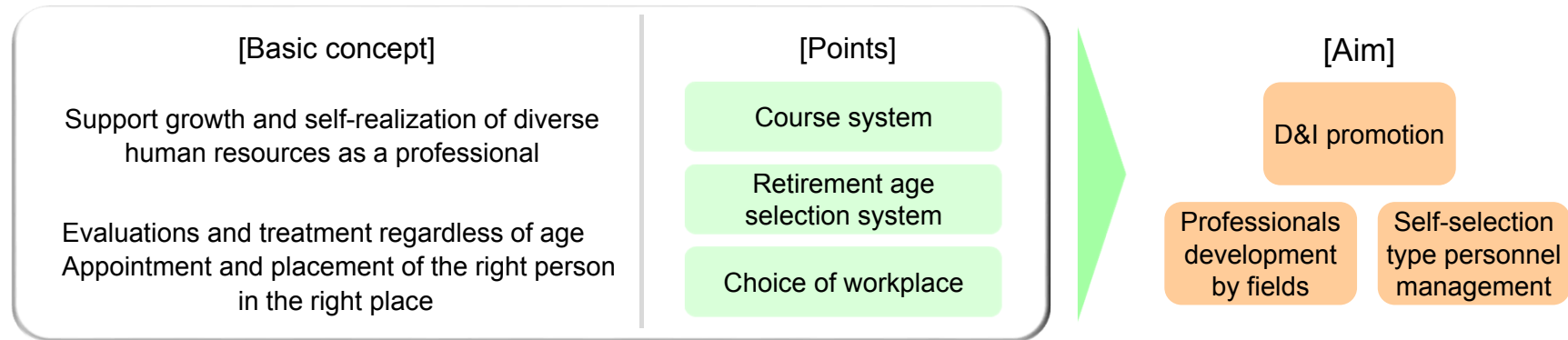
*2. Held during summer holidays, includes “Mirai Kids' Money Academy”

S (Society): Diversity & Inclusion

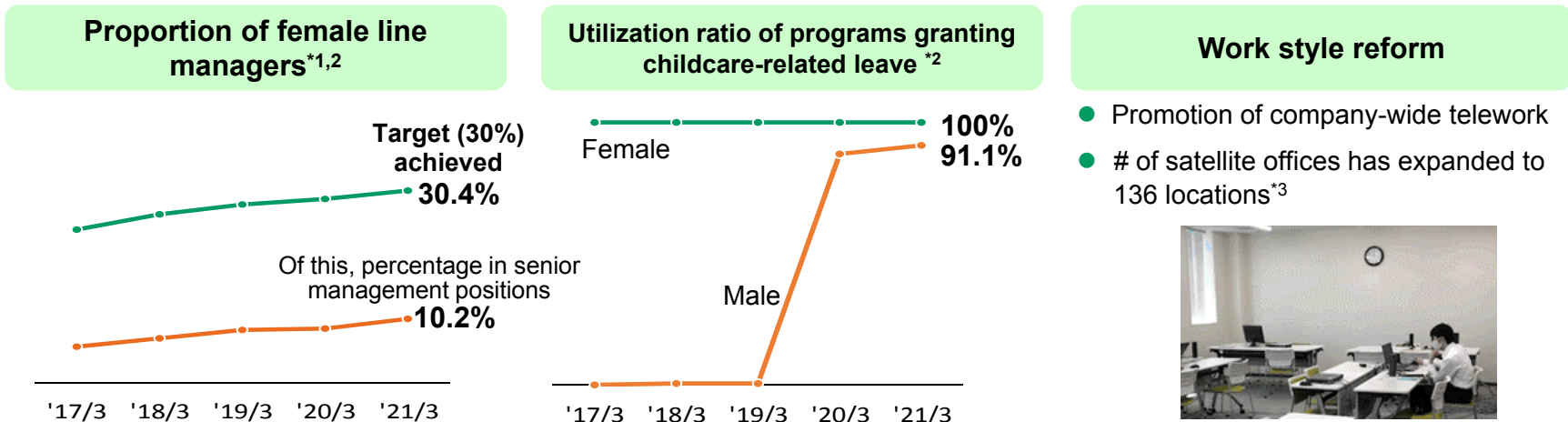
Develop a personnel system which can train professionals with external competitiveness and enable employees to choose diverse work styles

■ New personnel system (Apr. 2021- RB,SR)

- Develop professionals with external competitiveness while promoting diversity management as the basis of human resource management
- Support autonomous career development and diverse work styles in light of their needs for striking a work-life balance



■ Progress of diversity management and promotion of work style reform



^{*1}. Ratio of women to the total number of those in management positions or above charged with overseeing staff

^{*2}. RB+SR ^{*3}. As of Mar. 31, '21

G (Corporate Governance): Sophisticated Corporate Governance System

The first Japanese banking group which adopted a committee-based corporate governance structure in 2003 for management transparency and objectivity

Board of Directors

- Majority of the Board members are independent outside directors

Independent 6	Internal 4
------------------	---------------
- Ratio of female directors: 20%
- Chairman does not concurrently serve as an executive officer, separating management supervision and business execution

Nominating Committee

Compensation Committee

Audit Committee

- Outside directors only
- Introduced succession plan in 2007 and ensure objectivity by drawing on the advice of outside consultants
- Outside directors only
- Introduced share benefit trust as performance based stock compensation program for officers in 2020
- Majority of outside directors
- Introduced double report line system in 2016

Outside directors*1



Tadamitsu Matsui

Chairperson, Nominating Committee
Chairperson, Compensation Committee

Representative Director and President of MATSUI Office Corporation
(Former Representative Director and Chairperson of Ryohin Keikaku)



Hidehiko Sato

Member, Nominating Committee
Member, Audit Committee

Attorney-at-law (Hibiki Law Office)
(Former National Police Agency Commissioner)



Chiharu Baba

Chairperson, Audit Committee

(Former Deputy President of Mizuho Trust & Banking)



Kimie Iwata

Member, Nominating Committee
Member, Compensation Committee

(Former Deputy Director-General Human Resource Development Bureau Ministry of Labor,
Former Director & Executive Vice President of Shiseido)



Setsuko Egami

Member, Nominating Committee
Member, Compensation Committee

(Former Professor, Faculty of Sociology,
Musashi University)



Fumihiko Ike *newly assigned

Member, Nominating Committee
Member, Audit Committee

(Former Chairperson of Honda Motor)

Internal directors*1



Kazuhiro Higashi

Chairman



Masahiro Minami

President and Representative Executive Officer



Mikio Noguchi

Executive Officer



Takahiro Kawashima

Member, Audit Committee

*1. Nominees for directors at the 20th Ordinary General Meeting of Shareholders to be held in June 2021

G (Corporate Governance): Roles, Skills, and Expertise Required to Directors

**Strengthening supervisory and decision-making functions
through active discussions at Board of Directors meetings, which are rich in diversity**

■ Outside directors*1

	Company management/ Operation	Public administration	Finance business	General affairs /HR	Legal/ Risk management	Finance/ Accounting	Marketing	ESG Sustainability	Innovation	IT	Internationality
Tadamitsu Matsui	●			●			●				
Hidehiko Sato	●	●			●						
Chiharu Baba	●		●		●	●					
Kimie Iwata	●	●						●			
Setsuko Egami				●			●		●		
Fumihiko Ike	●									●	●

■ Internal directors*1

	Management and planning	IT/DX	Compliance Risk management
Kazuhiro Higashi	●	●	●
Masahiro Minami	●	●	●
Mikio Noguchi	●	●	
Takahiro Kawashima	●		●

Glass-walled Executive room



*1. Nominees for directors at the 20th Ordinary General Meeting of Shareholders to be held in June 2021

G (Corporate Governance): Initiatives for Corporate Governance Evolution

Our initiatives to improve the effectiveness of the Board of Directors' operations

Outside directors' meetings

- ✓ Outside directors conducted meetings on evaluation of the Board of Directors utilizing a third-party organization. Actively discussed to further improve the effectiveness of the Board of Directors

Free discussion sessions

- ✓ Utilize input from outside directors into such key activities as strategies in a timely manner
- ✓ A free discussion meeting was held for the first time in FY'20 with the participation of all outside directors of HD, RB, and SR

Study sessions and onsite tours

- ✓ Facilitate understanding of the Resona Group's business operations
Study sessions: "Response to International Accounting Standards"
"Future Vision of System Structure"
Tours: Visited "Resona Garage", a base for CFT activities (FY'20)

Succession Plan (introduced in Jun. '07)

- Our mechanism for ensuring the succession of roles and responsibilities to be borne by executive officers
- The plan covers a range of individuals from candidates for Group bank presidents to new candidates for executive officers
- Candidates are classified by job rank and systematically undergo selection and training programs

Selection process

- Advice from external consultants
- Nominating Committee members attend each program
- Secure a structure for transparent and fair selection

Training process

Nurture individuals who embody Resona's distinctive strength

Ideal traits of executive officer candidates

Remuneration for directors and executive officers

■ Compensation system for executive officers

Position-based
Compensation
(Fixed cash
compensation)

+

Annual incentive
(Variable cash
compensation)

+

Medium- to long-
term incentives
(Variable share-based
compensation)

Annual incentive

Annually examine the status of specific key indices in terms of consistency with MMP targets

Corporate performance

Net income attributable to owners of parent

Fee income ratio

Cost income ratio

CET1 ratio

Individual achievements

- ✓ Evaluate the status of initiatives aimed at helping realize SDGs

- ✓ Evaluate the status of medium- to long-term initiatives and the degree of accomplishment of annual targets

Medium-to long-term incentives

- ✓ Enhance linkage with shareholder value
- ✓ Encourage efforts employing medium- to long-term perspectives to improve corporate value

[Matrix-based evaluation based on two indices]

Relative TSR
(Relative to peers in the banking industry)

Consolidated ROE (Based on shareholders' equity)

"Board Benefit Trust"

- ✓ Utilize a trust scheme
- ✓ Grant shares
- ✓ Enhance linkage with performance

ESG-Based Recognitions and Initiatives

Status of inclusion into ESG-based stock indices

[ESG indexes selected by GPIF
(domestic stock)]

Aim to be included in all of four indices during the current MMP period

FTSE Blossom Japan Index



S&P/JPX Carbon Efficient Index



MSCI Japan ESG Select Leaders Index

2020 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

MSCI Japan Empowering Women Index

2020 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)



Our support for ESG-related initiatives at home and abroad



*1. Please refer to our corporate website for details⇒ <https://www.resona-gr.co.jp/holdings/english/sustainability/award/index.html>

Resona's Challenges Attracting Attentions from Outside (1)

Resona's challenges towards "Retail No. 1" are highly evaluated by various institutions

Highly evaluated for our initiatives to proactively facilitating digital transformation (DX)

■ Digital Transformation Stock Selection (DX Stock) 2020 (HD)

- Smartphone-driven business model for individuals
- The reform of branch counter operations by mainly using semi-self-service terminals



DX銘柄2020
Digital Transformation

Resona Group App
outstanding design and user-friendliness

■ GOOD DESIGN AWARD 2018



■ App Ape Award 2020



AppApe Award 2020
Popular apps

Awarded two consecutive years
(App Ape Award 2019, 2020)

■ App Annie Top Publisher Awards 2021



Awarded two consecutive years
(Top Publisher Awards 2020, 2021)

Highly evaluated for our initiatives to develop and popularize products facilitating SDGs and to strengthen ESG investment

■ Principles for Financial Action for the 21st Century Winning the Minister of the Environment Award (HD, FY2018)

■ Principles for Financial Action for the 21st Century Winning Special Award, Selection Committee Chairman's Award (general category) (Resona AM, FY2020)



■ Won a Bronze Award under the ESG Finance Award Japan program (investor category) (Resona AM, FY2019)

Resona's Challenges Attracting Attentions from Outside (2)

Resona's challenges towards "Retail No. 1" are highly evaluated by various institutions

Winning awards to commend leading companies of diversity

- Leading companies where women shine 2020 Winning the Minister of State for Gender Equality Award (RB)
- Awarded the highest gold rating in the PRIDE Index (for four consecutive years) (HD)
- Obtained Platinum Kurumin (all group banks)
- Ranked #3 in 100 Best Companies Where Women Play Active Part 2021*¹ (HD)



Ranked first in the Japan Pension Service's Customer Satisfaction Questionnaire Survey in terms of total customer satisfaction rating

- Won the Most Excellent Award under the 2020 R&I Customer Satisfaction Award program (pension category) (RB)



Earned customer support thanks to our strong consulting capabilities in such fields as asset formation

- Nikkei's survey on Banks' Retail Capability

[15th (2019) (Out of 114 banks surveyed)*²]

1st	Saitama Resona
2nd	Resona
5th	Kansai Mirai

*1. Based on a Survey 2021 of Workplace Opportunities for Female Workers undertaken by Nikkei Woman

*2. Reported on Nikkei Veritas in Sep. 29, '19

Outline of Business Results for FY2020 and Updates on Major Businesses

Efforts for Sustainable Growth

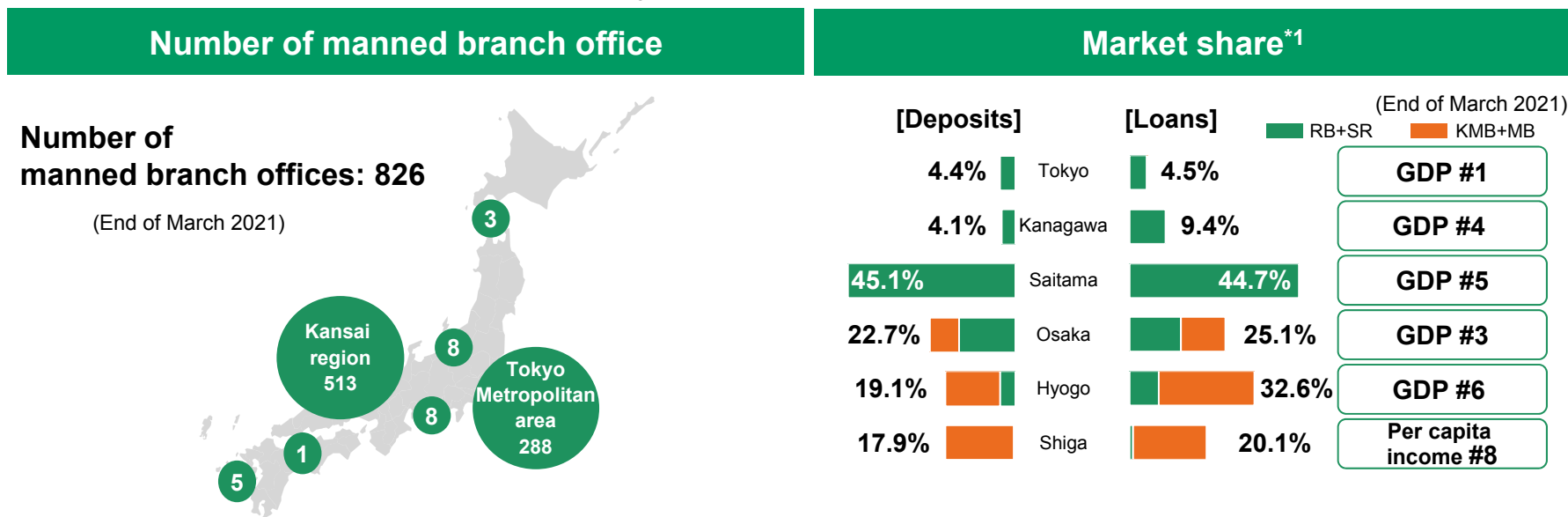
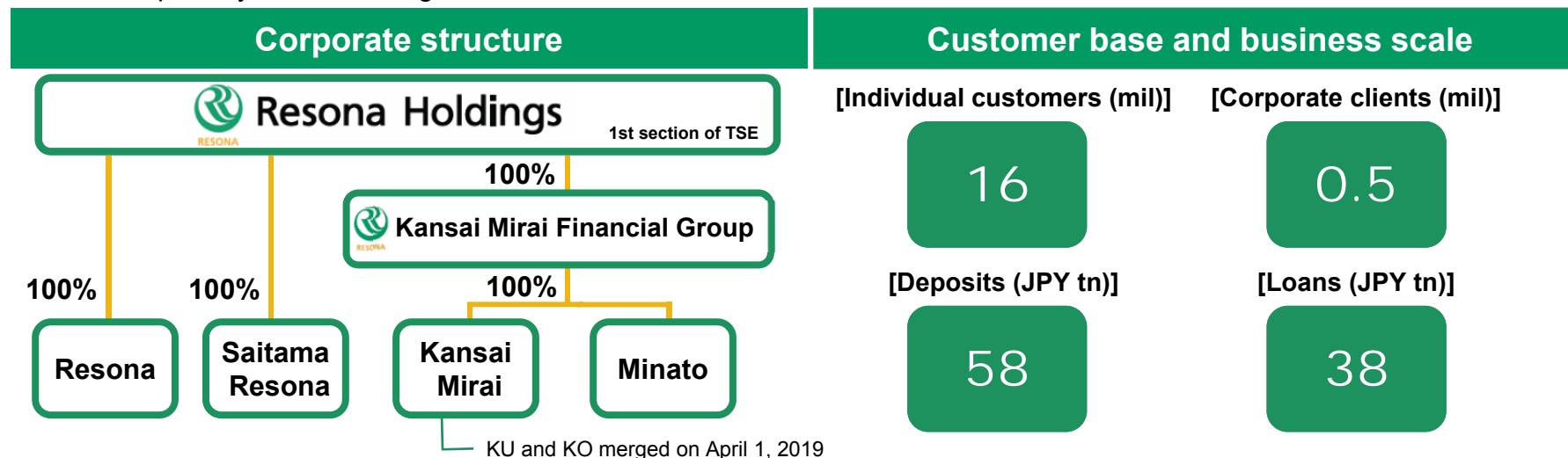
Capital Management

ESG Initiatives

Reference Material

Resona Group at a Glance

- Resona focuses management resources on Tokyo and Kansai metropolitan areas and retail banking business
- Resona Group is the largest retail-focused bank with full-line trust capabilities in Japan with a well-established customer base especially in Kansai Region due to creation of KMFG



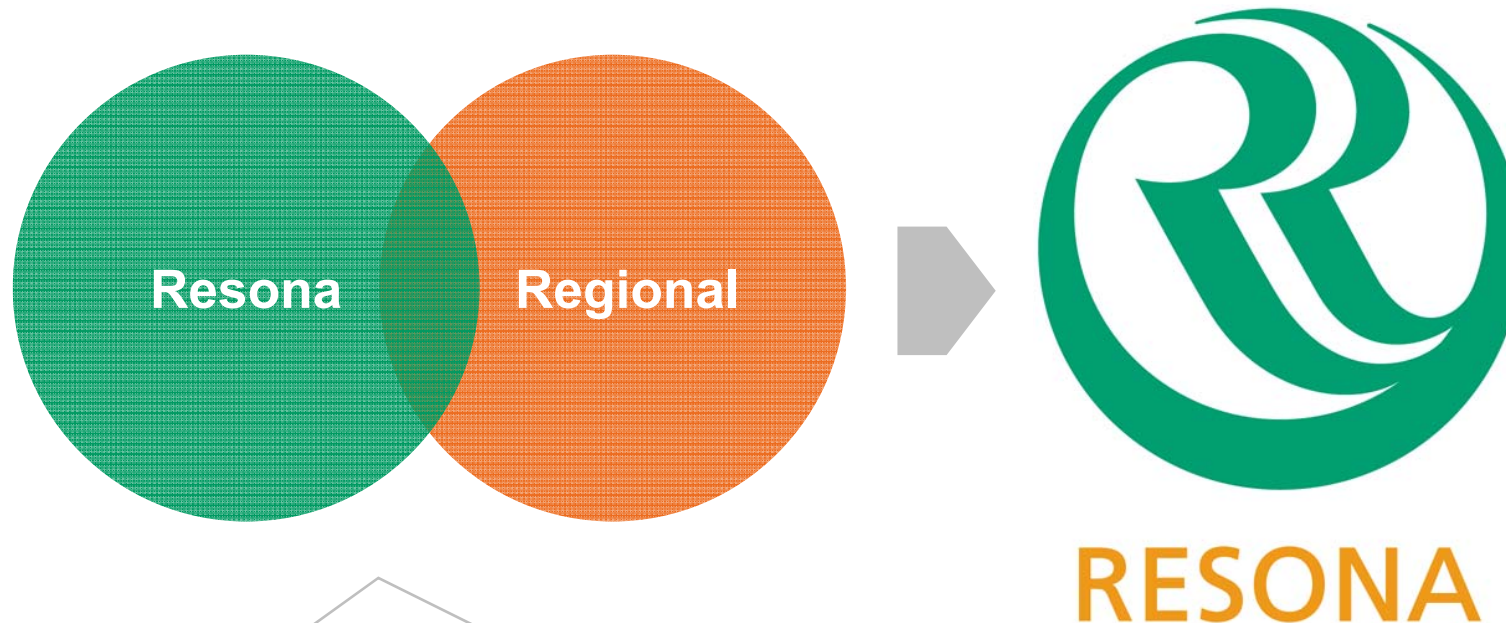
*1. Total of group banks, market share based on deposits, and loans and bills discounted by prefecture (domestically licensed banks from BOJ)

Resona Group's Brand Identity

The Resona Group's corporate name is derived from the Latin word (*resonus*) meaning "resonate" or "resound" in English

We aim to establish "Resonance Model" by resonance between sustainable society and Resona Group's sustainable growth

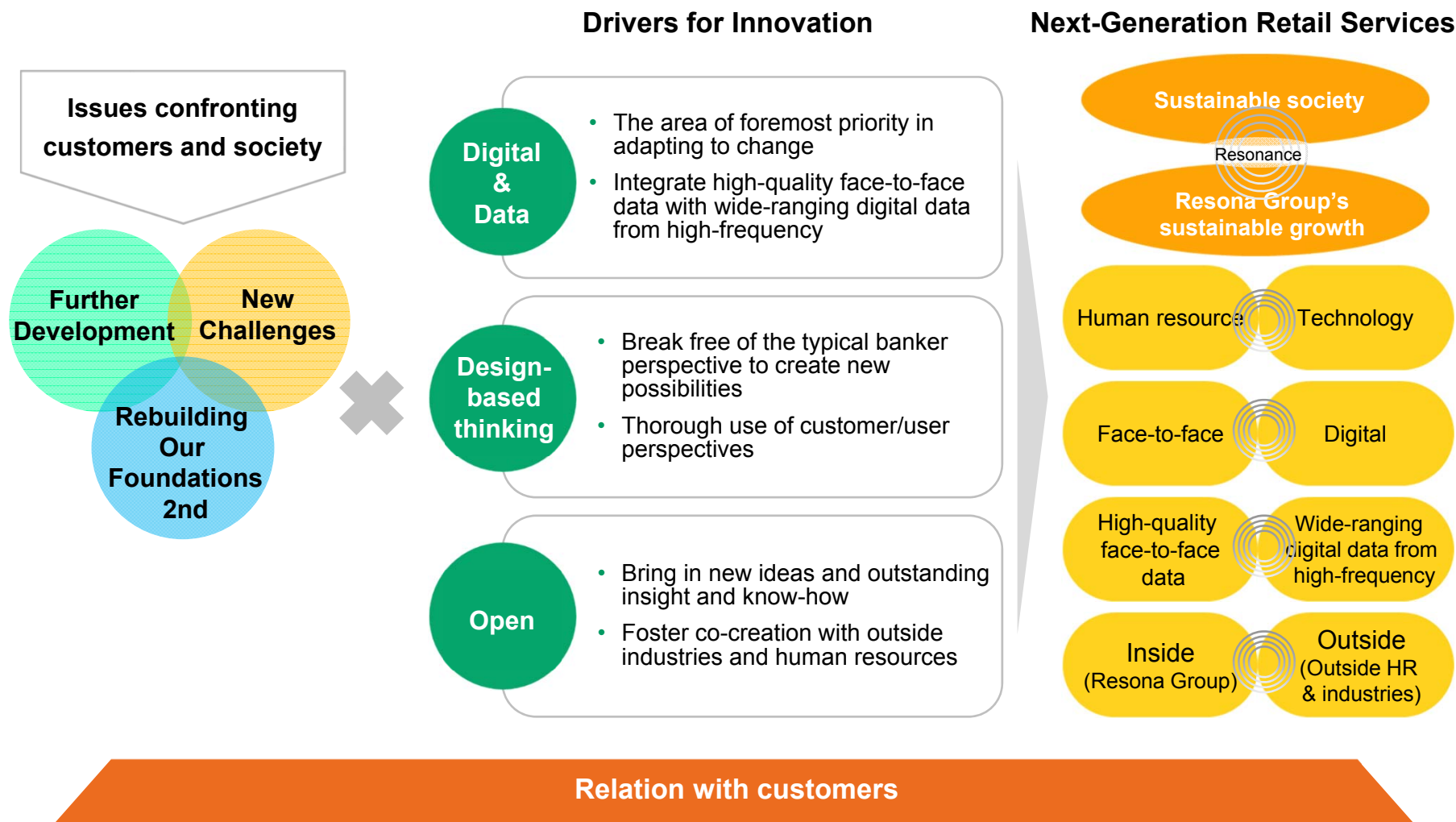
We attach great importance to customers' voice. By adopting the corporate name Resona, we want to express our desire to build stronger ties with communities and customers by "resonating" or "resounding" with them.



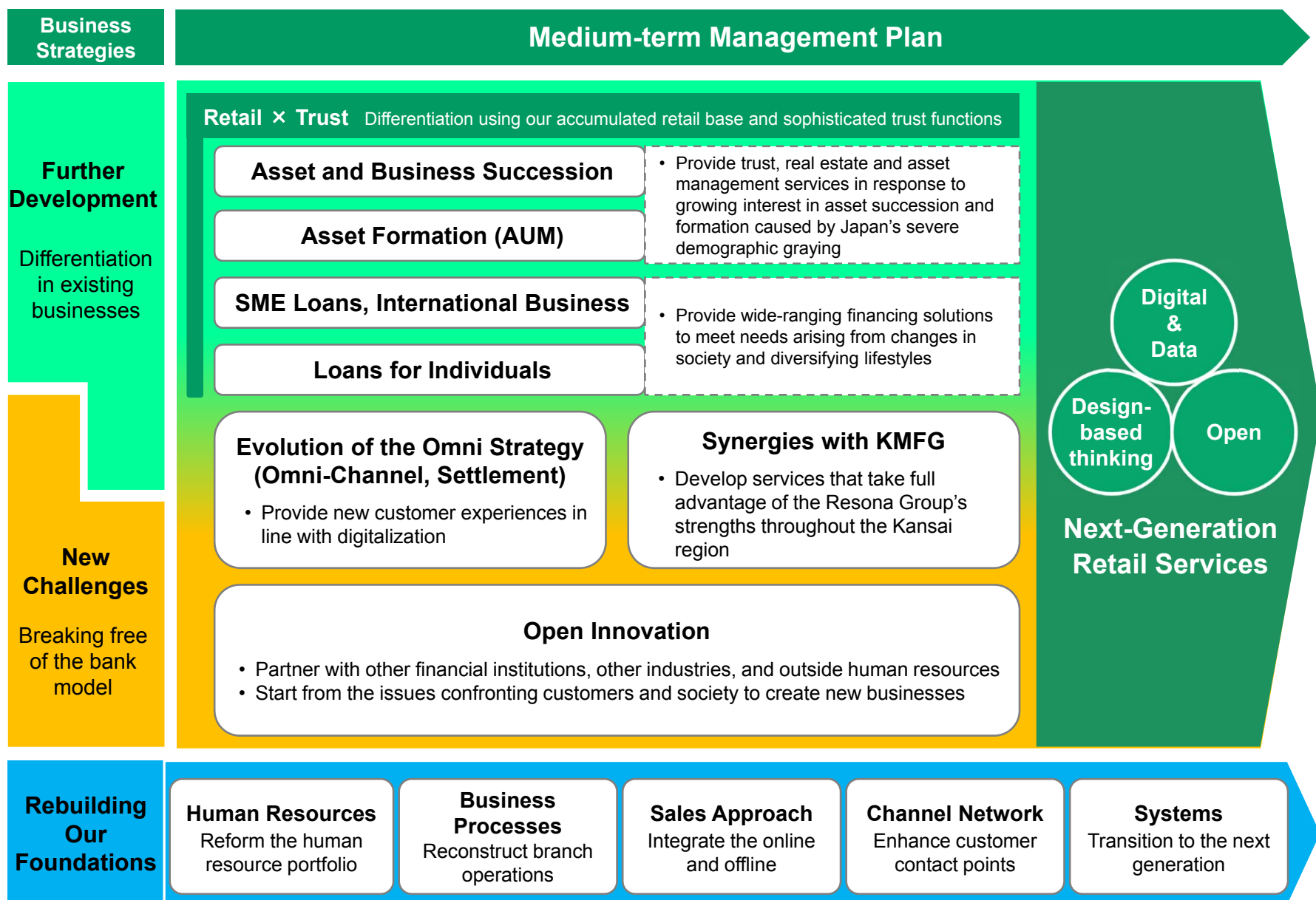
Group Logo expresses the resonance between the "R" in Resona and the "R" in the Group's key word "Regional."

Establish “Resonance Model”





We will provide new value to customers, starting from the issues confronting customers and society, by moving beyond conventional banking frameworks through diverse resonance generated by new ideas and wide-ranging connections



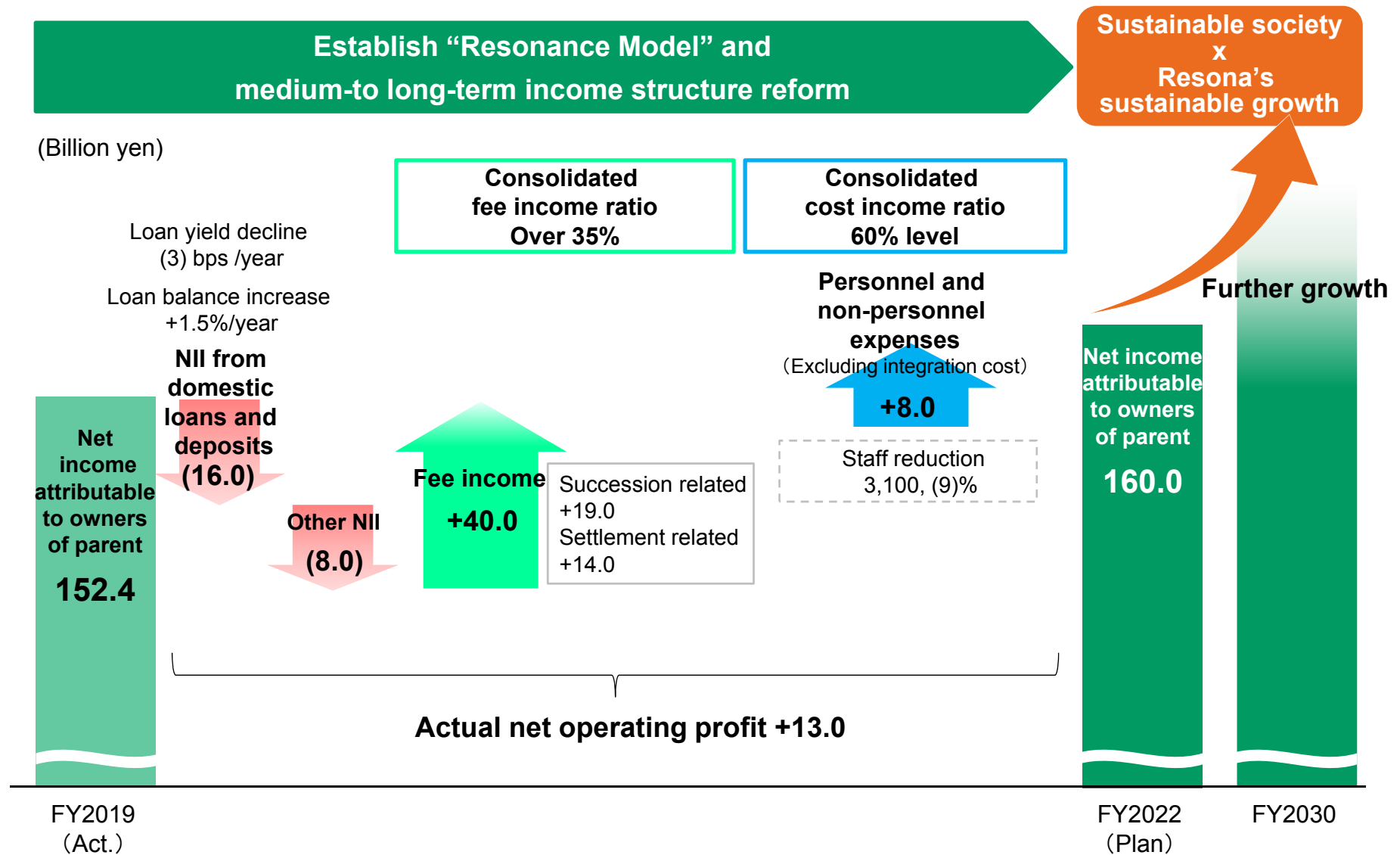
Business Strategy and Rebuild Foundations (Overview)



Points of Focus in the New Medium-term Management Plan toward the 2030 Realization of SDGs

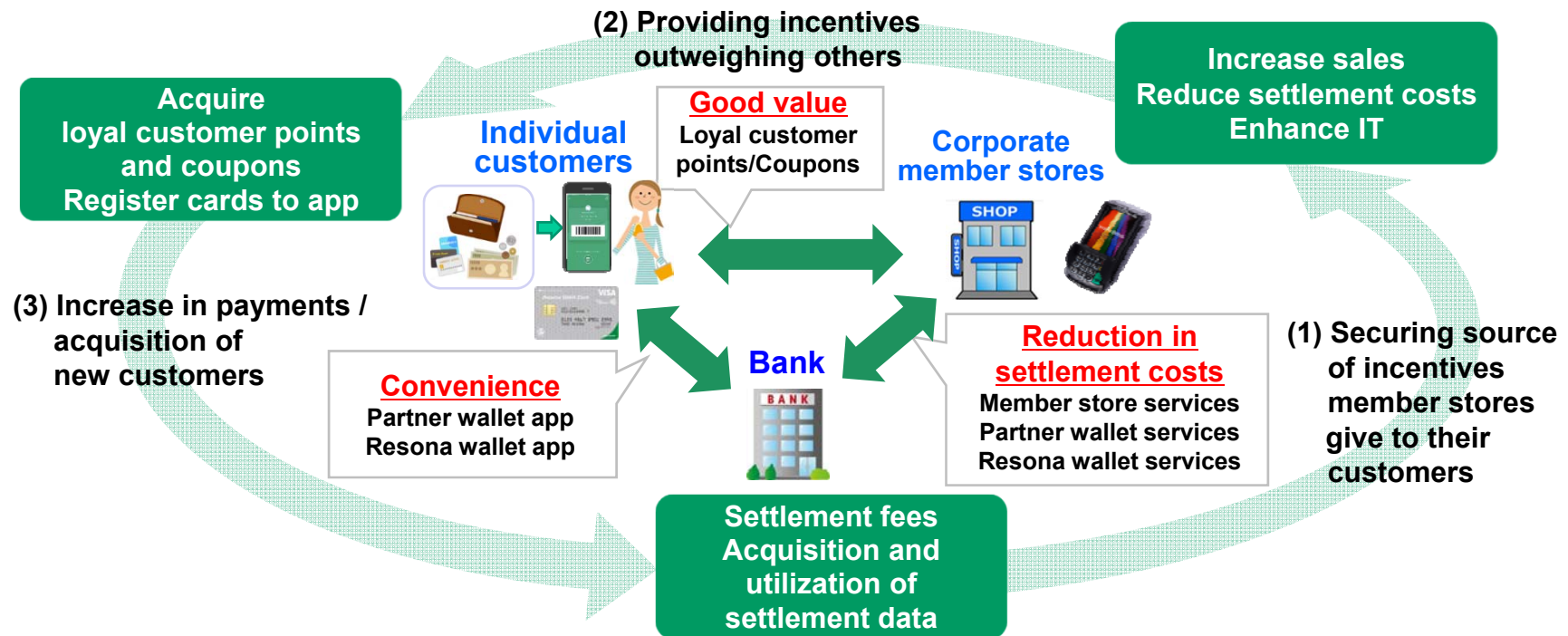
Theme	Expected issues customers will face in the next 10 years	Key policies under the new medium-term management plan
Local Communities  All 17 goals	<ul style="list-style-type: none"> Adapt to a digitalized and global society <ul style="list-style-type: none"> Widespread use of cashless settlement Rapid advance of digitalization Need for supply chain maintenance 	Settlement Omni-Channel
Low Birthrate and Aging Society 	<ul style="list-style-type: none"> Adapt to the low birth rate and graying society <ul style="list-style-type: none"> Need for ensuring smooth succession of assets and businesses as well as securing funds for life after retirement Human resource shortages 	Succession Asset formation
Environment 	<ul style="list-style-type: none"> Respond to climate change risks <ul style="list-style-type: none"> Rising living expenses and housing costs Need for de-carbonization and preparation for natural disasters 	Provide support for de-carbonization Green finance Loan exemptions for those hit by natural disasters
Human Rights 	<ul style="list-style-type: none"> Adapt to diversifying value systems and working styles <ul style="list-style-type: none"> Need to meet higher skill requirements and develop second careers Need to expand hiring of foreigners and elderly people 	Measures for diversity & inclusion Develop human resources capable of meeting diversifying customer needs for sophisticated solutions

Roadmap for Securing Profit



Outline of Resona Cashless Platform

- Settlement infrastructure capable of resolving management issues confronting corporate customers and providing individual customers with more convenient services with smaller fees



[Customers' advantages for adopting RCP]



[Member stores that accommodate payment by Resona Wallet]



International Businesses

Overall support for customers' overseas expansion with a focus on Asia via overseas bases and partner banks

- Continue to provide meticulous services utilizing non-face-to-face tools even under the COVID-19 pandemic
- Provide a wide range of consultations concerning overseas expansion, financing, etc.

■ Provide solutions via local subsidiaries

- Bank Resona Perdania (Indonesia)
 - Boasting a business track record spanning more than 60 years and full-fledged banking functions serving locals
- Resona Merchant Bank Asia (Singapore)
 - Lending, M&A assistance, consulting, etc. in ASEAN, Hong Kong and India

■ Strengthen the customer support by expanding overseas network

- Concluded an agreement for capital and business alliance with SAC Capital (Singapore) (Aug. '20~)
 - Strengthen the customer support for M&A in ASEAN
- Support customers through cooperation with overseas bases using web conferencing systems, etc.
 - Provision of local information and support for sales channel expansion

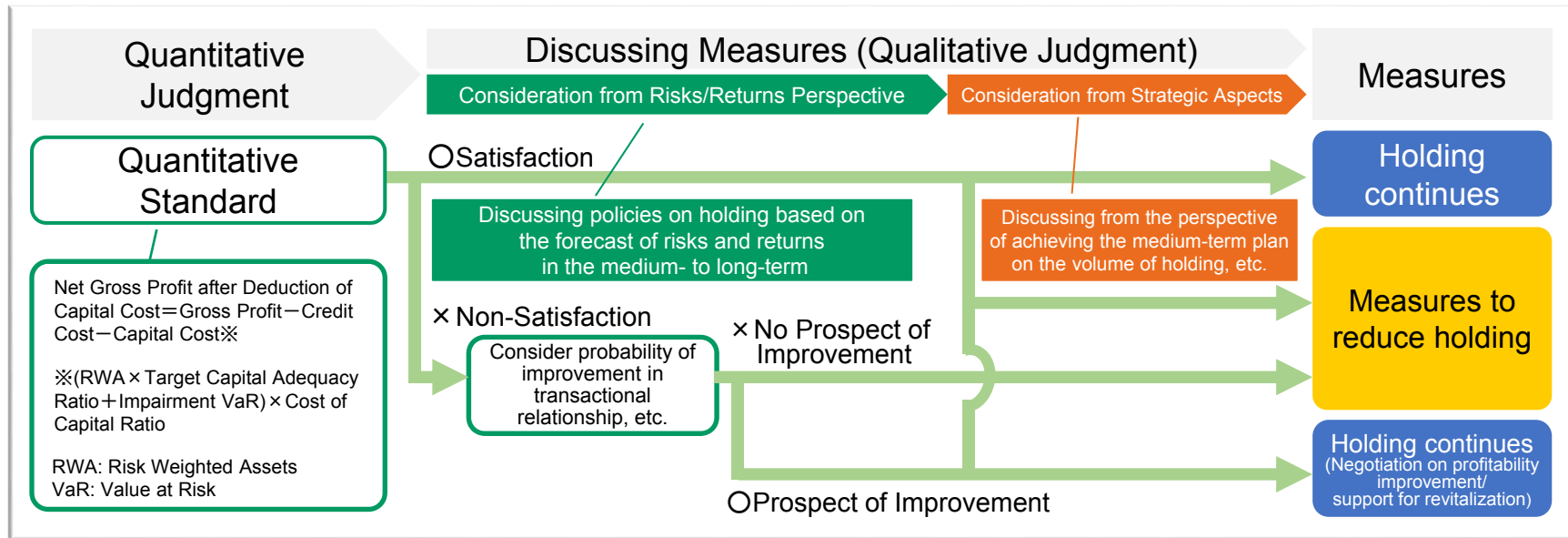


- Overseas representative offices
- Resona Merchant Bank Asia
Bank Resona Perdania
Resona Indonesia Finance
- Partner banks, etc.
- ◆ Offices with Resona Group employees

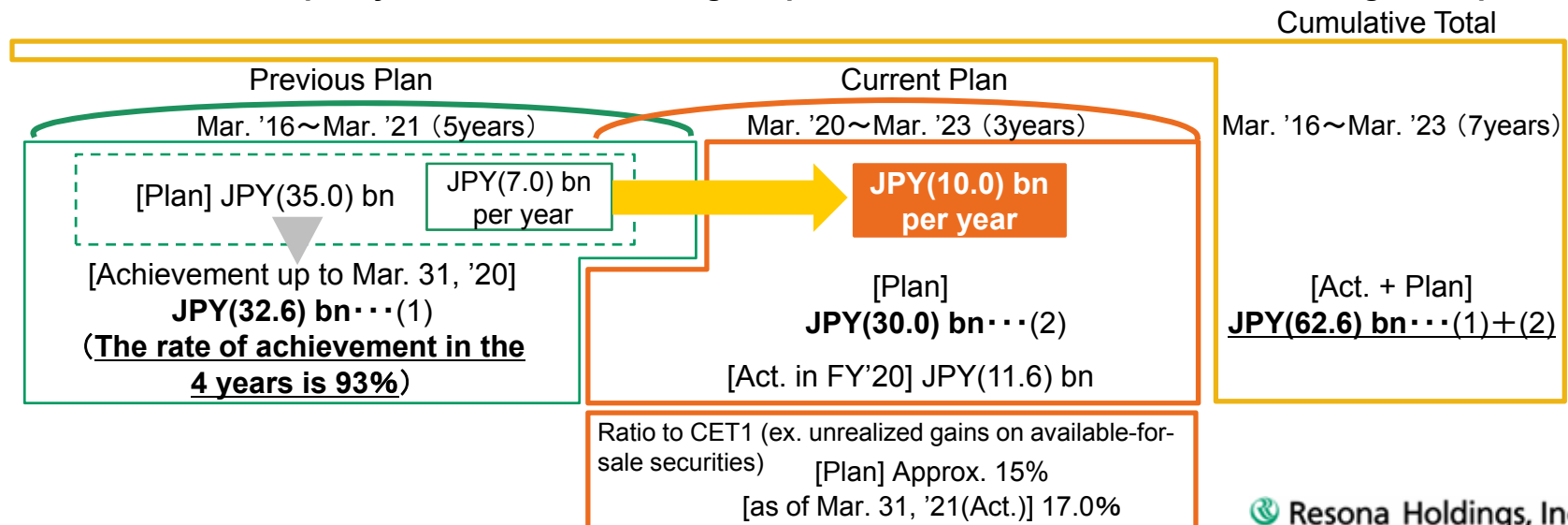
Policy-Oriented Stocks: Verification Process & Reduction Plan

■ Verification process for value of holding of policy-oriented stocks

※Policy for holding policy-oriented stocks ⇒P16



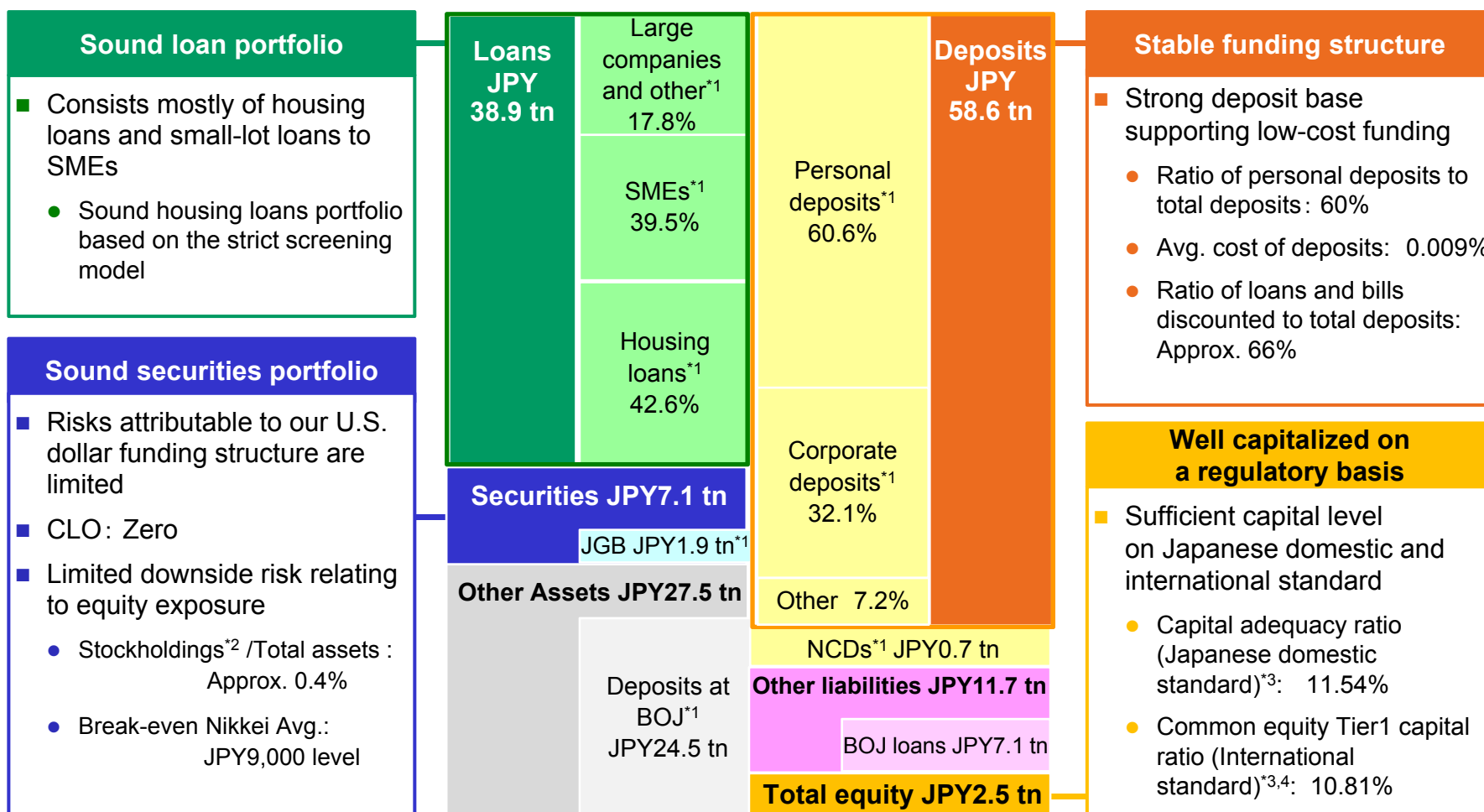
■ Plan on reduction in policy-oriented stocks during the period of the current medium-term management plan



Sound Balance Sheet

HD
Consolidated

Total assets JPY73.6 tn



*1. Total of group banks *2. At cost *3. Basel 3 Common Equity Tier1 capital ratio is for a reference purpose only
*4. Exclude unrealized gains on available-for-sale securities

Measures to Build Multifaceted Business Relationships with Customers

Total of
Two Banks
(RB, SR)

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 Customers (thousands)			Top-line Income Per Customer *	Avg. # of Products Cross-sold	<div> Increase life-time profits by upgrading customer segments and by increasing the number of products </div> <div> Number of Products Sold </div> <div> Upgrade Segments </div> <div> Higher Profit </div> <div> Lower Profit </div> <div> Profit Matrix by Customer Segment and Number of Products sold (Illustrative) </div>
			2016/3	2021/3	Change			
Premier		(1)	50.8	61.5	+ 10.6	69.8	7.74	
AUM or Apartment loan exceeding JPY50 million								
Housing Loan		(2)	505.1	537.9	+ 32.8	27.7	4.83	
With housing loan for own home								
Asset Management		(3)	633.5	757.6	+ 124.0	5.3	4.75	
AUM exceeding JPY10 million								
Potential I		(4)	700.5	774.5	+ 74.0	1.6	3.59	
AUM exceeding JPY5 million								
Potential II		(5)	4,443.7	4,617.7	+ 174.0	* 1	4.02	
AUM below JPY 5 million/ 3 or more products sold								
Resona Loyal Customers (RLCs)		(6)	6,333.9	6,749.5	+ 415.5	4.3	4.15	
Potential III		(7)	5,011.3	4,421.9	(589.4)	0.1	1.65	
AUM below JPY 5 million/ 2 or fewer products sold								

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

Business Results by Major Group Business Segments

Management accounting by major group business lines (FY2020)

(JPY bn, %)

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}	RAROC	OHR	YoY Change	YoY Change	Gross operating profit		Operating expense		YoY Change	YoY Change
	Customer Divisions (1)	(13.5)	9.0%	67.7%	10.2%	97.3	(43.3)	142.4	(14.9)	441.9	(13.7)	(299.5)	(1.1)	(45.0)	(28.3)	
	Personal Banking (2)	8.7	15.2%	84.3%	10.0%	27.0	(14.8)	28.4	(15.6)	182.1	(14.0)	(153.6)	(1.5)	(1.4)	+0.7	
	Corporate Banking (3)	(22.3)	7.8%	56.1%	10.2%	70.3	(28.4)	113.9	+0.6	259.8	+0.2	(145.8)	+0.3	(43.5)	(29.0)	
	Markets (4)	41.0	58.7%	17.1%	15.5%	49.7	(3.2)	49.7	(3.2)	60.0	(2.1)	(10.3)	(1.0)	-	-	
	KMFG (5)	(26.1)	4.6%	76.5%	8.4%	21.2	(1.3)	33.4	+4.6	143.0	+0.5	(109.5)	+4.0	(12.2)	(5.9)	
	Total ^{*2} (6)	(47.8)	8.8%	64.5%	9.3%	171.4	(43.0)	228.8	(8.5)	643.9	(10.1)	(415.5)	+1.6	(57.4)	(34.4)	

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

*2. Numbers reported above refer to 2 Resona Group banks and consolidated subsidiaries

Consolidated Subsidiaries and Affiliated Companies (1)

Major consolidated domestic subsidiaries (excluding group banks)

(JPY bn)

Major consolidated domestic subsidiaries (excluding group banks)							
Name		Line of business		Capital contribution ratio	Fiscal year	Net income	YoY change
Resona Guarantee	(1)	Credit guarantee (Mainly mortgage loan)	Japan's highest class of residential housing loan guarantee balances	Resona Holdings 100%	FY'20 (Mar.31 2021)	11.3	+0.5
Kansai Mirai Guarantee	(2)			Kansai Mirai Bank 100%	FY'20 (Mar.31 2021)	1.2	+0.5
Kansai Sogo Shinyo	(3)			Kansai Mirai Bank 100%	FY'20 (Mar.31 2021)	1.0	+0.1
Minato Guarantee	(4)			Minato Bank 100%	FY'20 (Mar.31 2021)	0.7	(0.1)
Resona Card	(5)	Credit card Credit guarantee	1.5 million card members	Resona Holdings 77.5% Credit Saison 22.4%	FY'20 (Mar.31 2021)	0.6	(0.9)
Resona Kessai Service	(6)	Collection service Factoring	Collection services with 50 million cases annually	Resona Holdings 100%	FY'20 (Mar.31 2021)	0.5	(0.3)
Resona Research Institute	(7)	Business consulting service	Management consulting with 800 project annually	Resona Holdings 100%	FY'20 (Mar.31 2021)	0.0	(0.1)
Resona Capital	(8)	Venture capital	IPO support, SME business succession, re-growth support	Resona Holdings 100%	FY'20 (Mar.31 2021)	0.0	+0.0
Resona Corporate Investment	(9)	Private Equity	SME business succession support through share acquisition	Resona Holdings 100%	FY'20 (Mar.31 2021)	(0.0)	—
Resona Business Service	(10)	Back office work Employment agency	Practices quick and accurate operations	Resona Holdings 100%	FY'20 (Mar.31 2021)	0.0	+0.0
Resona Asset Management	(11)	Investment management business	Business started in Sep. 2015 utilizing 50 years of RB pension management expertise	Resona Holdings 100%	FY'20 (Mar.31 2021)	2.7	+0.9
Kansai Mirai Leasing	(12)	Leasing business	Providing regional customers with solutions utilizing leasing functions	Kansai Mirai Bank 88.9%	FY'20 (Mar.31 2021)	0.0	+0.0
Minato Leasing	(13)			Minato Bank 100% (Including 56% Indirectly owned)	FY'20 (Mar.31 2021)	0.1	(0.0)
Total						18.7	+0.6

Consolidated Subsidiaries and Affiliated Companies (2)

Major consolidated overseas subsidiaries

(JPY bn)

Name		Line of business		Capital contribution ratio	Fiscal year	Net income	YoY change
P.T. Bank Resona Perdania	(14)	Banking business (Indonesia)	Oldest Japan-affiliated bank in Indonesia	Resona Group 48.4% (Effective control approach)	FY'20 (Dec.31 2020)	0.4	(0.1)
P.T. Resona Indonesia Finance	(15)	Leasing business (Indonesia)		Resona Group 100%	FY'20 (Dec.31 2020)	0.0	+0.5
Resona Merchant Bank Asia	(16)	Finance, M&A (Singapore)	Became consolidated subsidiary Jul. 2017; direct financing and M&A brokerage, etc.	Resona Group 100%	FY'20 (Dec.31 2020)	(0.3)	(0.3)
Total						0.0	+0.1

Affiliated companies accounted for by the equity method

Name		Line of business		Capital contribution ratio	Fiscal year	Net income	YoY change
Custody Bank of Japan *2	(17)	Trust banking business (Mainly asset administration)	One of the largest asset size in Japan	Resona Group 16.6% Sumitomo Mitsui Trust HD 33.3%	FY'20 (Mar.31 2021)	0.6	—
NTT Data Sofia	(18)	IT system development	Became affiliated company accounted for by the equity method in Oct. 2017; responsible for the system development of the group	Resona Holdings 15% NTT Data 85%	FY'20 (Mar.31 2021)	0.1	(0.2)
Resona Digital I *3	(19)	IT system development		Resona Holdings 49% IBM Japan 51%	FY'20 (Dec.31 2020)	0.2	+0.0
Shutoken Leasing	(20)	Leasing business	Became affiliated company accounted for by the equity method in Jul. 2018; responsible for the leasing business of the group	Resona Holdings 20.26% Mitsubishi UFJ Lease & Finance 70.71%	FY'20 (Mar.31 2021)	1.2	+0.3
DFL Lease	(21)	Leasing business		Resona Holdings 20% Mitsubishi UFJ Lease & Finance 80%	FY'20 (Mar.31 2021)	0.5	(0.0)
Total						2.9	+0.1

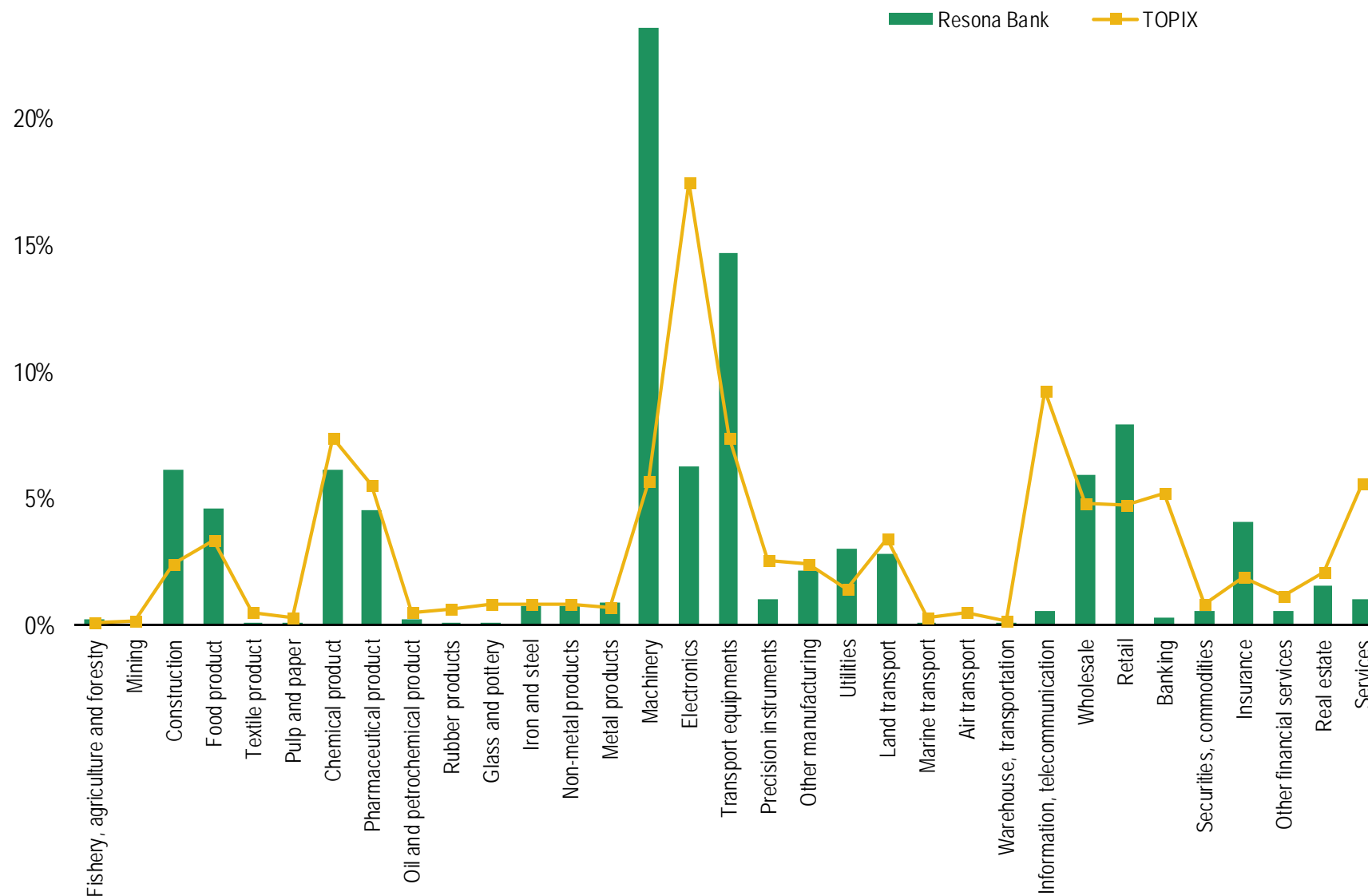
*1. Fiscal year end of the overseas subsidiaries (14)-(16) and Resona Digital I (19) are December 31. HD's consolidated business results reflect the accounts of these subsidiaries settled on Dec. 31.

*2. Established in July 2020 by the merger of JTC Holdings, Japan Trustee Services Bank and Trust & Custody Services Bank

*3. D&I Information Systems Changed its name to Resona Digital I in Jan. '21.

Stocks Held by Industry (March 31, 2021)

RB



(Balance sheet amount)

Swap Positions by Remaining Periods

HD
Consolidated

- Notional amounts of interest rate swaps (deferred hedge accounting applicable) by remaining period

(JPY bn)

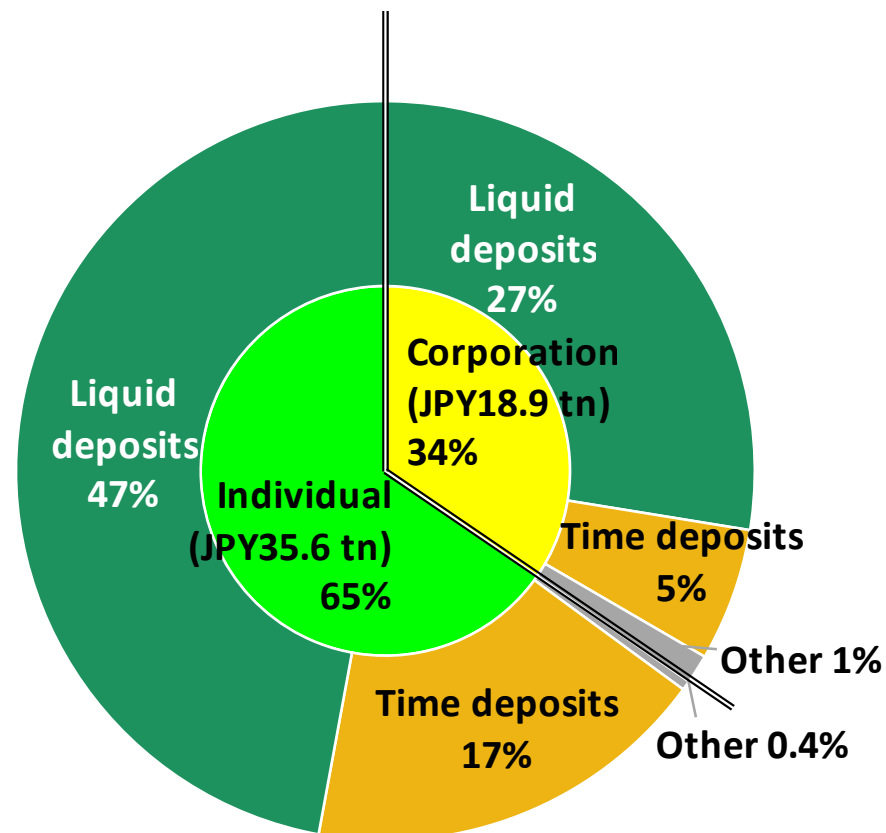
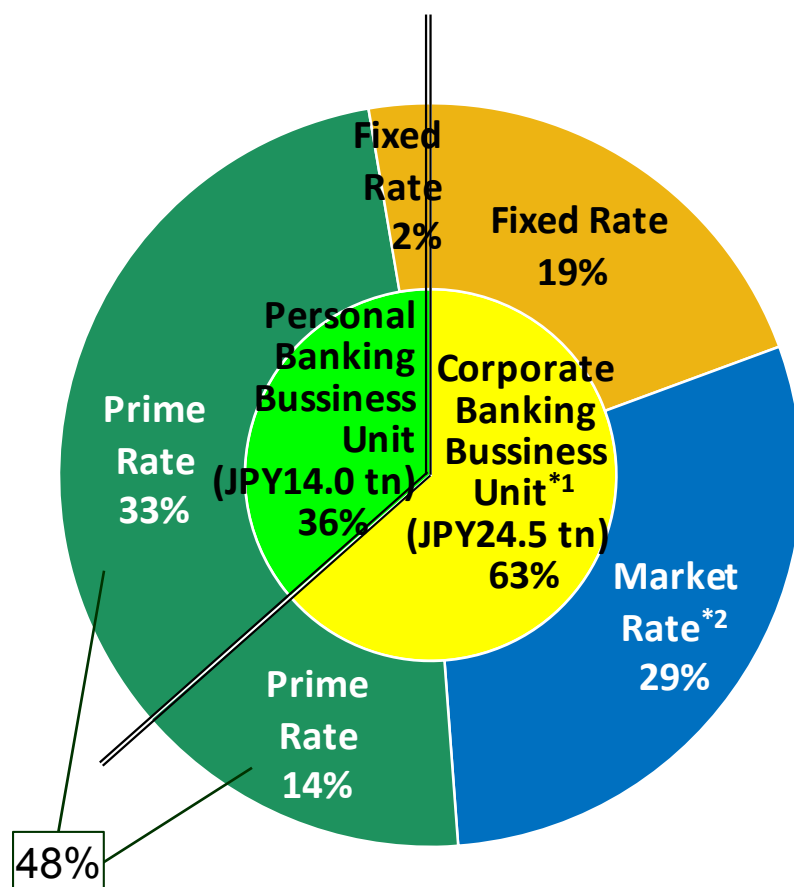
		Mar. 31, 2021				Mar. 31, 2020			
		Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total
Receive fixed rate/ Pay floating rate	(1)	30.0	830.0	250.0	1,110.0	150.0	890.0	400.0	1,440.0
Receive floating rate/ Pay fixed rate	(2)	157.1	367.4	263.4	787.9	230.4	418.0	364.7	1,013.2
Net position to receive fixed rate	(3)	(127.1)	462.5	(13.4)	322.0	(80.4)	471.9	35.2	426.7

Composition of Loan Portfolio and Deposits (March 31, 2021)

Total of
Group Banks

Loans^{*1}

Deposits^{*3}



*1. Corporate Banking Business Unit includes apartment loans

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

*3. Domestic individual deposits + Domestic corporate deposits

Maturity Ladder of Loan and Deposit (Domestic Operation)

Total of
Two Banks
(RB, SR)

Loans and bills discounted

[End of March 2020]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	(1)	0.9%	0.8%	6.1%	14.1%	22.0%
Prime rate-based	(2)	45.6%	0.0%			45.6%
Market rate-based	(3)	31.2%	0.9%			32.2%
Total	(4)	77.8%	1.8%	6.1%	14.1%	100.0%

Loans maturing
within 1 year

79.7%

[End of March 2021]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	(5)	0.8%	0.8%	6.3%	15.2%	23.3%
Prime rate-based	(6)	42.9%	0.0%			42.9%
Market rate-based	(7)	32.5%	1.1%			33.7%
Total	(8)	76.3%	2.0%	6.3%	15.2%	100.0%

Loans maturing
within 1 year

78.4%

[Change in FY2020]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	(9)	(0.1)%	+0.0%	+0.1%	+1.1%	+1.2%
Prime rate-based	(10)	(2.6)%	+0.0%			(2.7)%
Market rate-based	(11)	+1.3%	+0.1%			+1.4%
Total	(12)	(1.4)%	+0.1%	+0.1%	+1.1%	-

Loans maturing
within 1 year

(1.2)%

Deposits

[End of March 2020]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	(1)	40.9%	1.9%	7.8%	27.0%	77.8%
Time deposits	(2)	10.8%	6.1%	4.1%	1.0%	22.1%
Total	(3)	51.7%	8.1%	11.9%	28.1%	100.0%

[End of March 2021]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	(4)	43.8%	1.9%	7.6%	26.4%	79.9%
Time deposits	(5)	9.6%	5.8%	3.9%	0.6%	20.0%
Total	(6)	53.4%	7.7%	11.5%	27.1%	100.0%

[Change in FY2020]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	(7)	+2.8%	(0.0)%	(0.1)%	(0.5)%	+2.1%
Time deposits	(8)	(1.2)%	(0.2)%	(0.2)%	(0.3)%	(2.1)%
Total	(9)	+1.6%	(0.3)%	(0.4)%	(0.9)%	-

Migrations of Borrowers (1H of FY2020)

RB

■ Exposure amount basis*1

		End of September 2020									Upward Migration	Downward Migration
		Normal	Other Watch	Special Attention	Doubtful	Effectively Bankrupt	Bankrupt	Other	Collection, Repayments	Assignments, Sale		
End of March 2020	Normal	97.3%	1.3%	0.1%	0.0%	0.0%	0.0%	1.3%	1.3%	0.0%	-	1.4%
	Other Watch	7.6%	84.7%	1.1%	2.6%	0.1%	0.2%	3.6%	3.6%	0.0%	7.6%	4.0%
	Special Attention	1.1%	32.2%	55.4%	9.5%	0.1%	0.0%	1.6%	1.6%	0.0%	33.4%	9.6%
	Doubtful	1.3%	6.7%	0.5%	82.3%	5.4%	0.9%	2.9%	2.9%	0.0%	8.5%	6.3%
	Effectively Bankrupt	0.2%	0.7%	0.0%	0.1%	89.1%	5.1%	4.8%	4.0%	0.8%	1.0%	5.1%
	Bankrupt	0.0%	0.1%	0.0%	2.0%	0.0%	92.0%	5.9%	0.4%	5.4%	2.1%	-

*1. Above table shows how a borrower belonging to a particular borrower category as of the end of March 2020 migrated to a new category as of the end of September 2020.

Percentage points are calculated based on exposure amounts as of the end of March 2020.

New loans extended, loans partially collected or written-off(including partial direct written-off) during the period are not taken into account.

"Other" as of the end of September 2020 refers to those exposures removed from the balance sheet due to collection, repayments, assignments or sale of claims.

Migrations of Borrowers (2H of FY2020)

RB

■ Exposure amount basis*1

		End of March 2021									Upward Migration	Downward Migration
		Normal	Other Watch	Special Attention	Doubtful	Effectively Bankrupt	Bankrupt	Other	Collection, Repayments	Assignments, Sale		
End of September 2020	Normal	98.3%	0.7%	0.1%	0.0%	0.0%	0.0%	0.9%	0.9%	0.0%	-	0.8%
	Other Watch	6.2%	87.3%	1.0%	2.4%	0.2%	0.1%	2.7%	2.7%	0.0%	6.2%	3.7%
	Special Attention	0.7%	3.6%	82.4%	8.7%	0.4%	0.0%	4.2%	4.2%	0.0%	4.3%	9.0%
	Doubtful	1.4%	5.9%	0.0%	79.1%	6.8%	2.6%	4.2%	2.4%	1.8%	7.3%	9.4%
	Effectively Bankrupt	0.7%	0.6%	0.0%	0.1%	87.2%	3.8%	7.6%	2.2%	5.4%	1.4%	3.8%
	Bankrupt	0.1%	0.0%	0.0%	1.9%	0.0%	89.8%	8.2%	0.2%	8.0%	2.0%	-

*1. Above table shows how a borrower belonging to a particular borrower category as of the end of September 2020 migrated to a new category as of the end of March 2021.

Percentage points are calculated based on exposure amounts as of the end of September 2020.

New loans extended, loans partially collected or written-off(including partial direct written-off) during the period are not taken into account.

"Other" as of the end of March 2021 refers to those exposures removed from the balance sheet due to collection, repayments, assignments or sale of claims.

List of Subordinated Bonds (March 31, 2021)

RB

Amount outstanding	Issue date	Maturity	Dividend rate
JPY25.0 bn	June 1, 2011	June 1, 2021	1.878%
JPY20.0 bn	December 22, 2011	December 22, 2026	2.442%
JPY35.0 bn	March 14, 2012	March 15, 2022	1.78%
JPY16.0 bn	March 14, 2012	March 15, 2027	2.464%

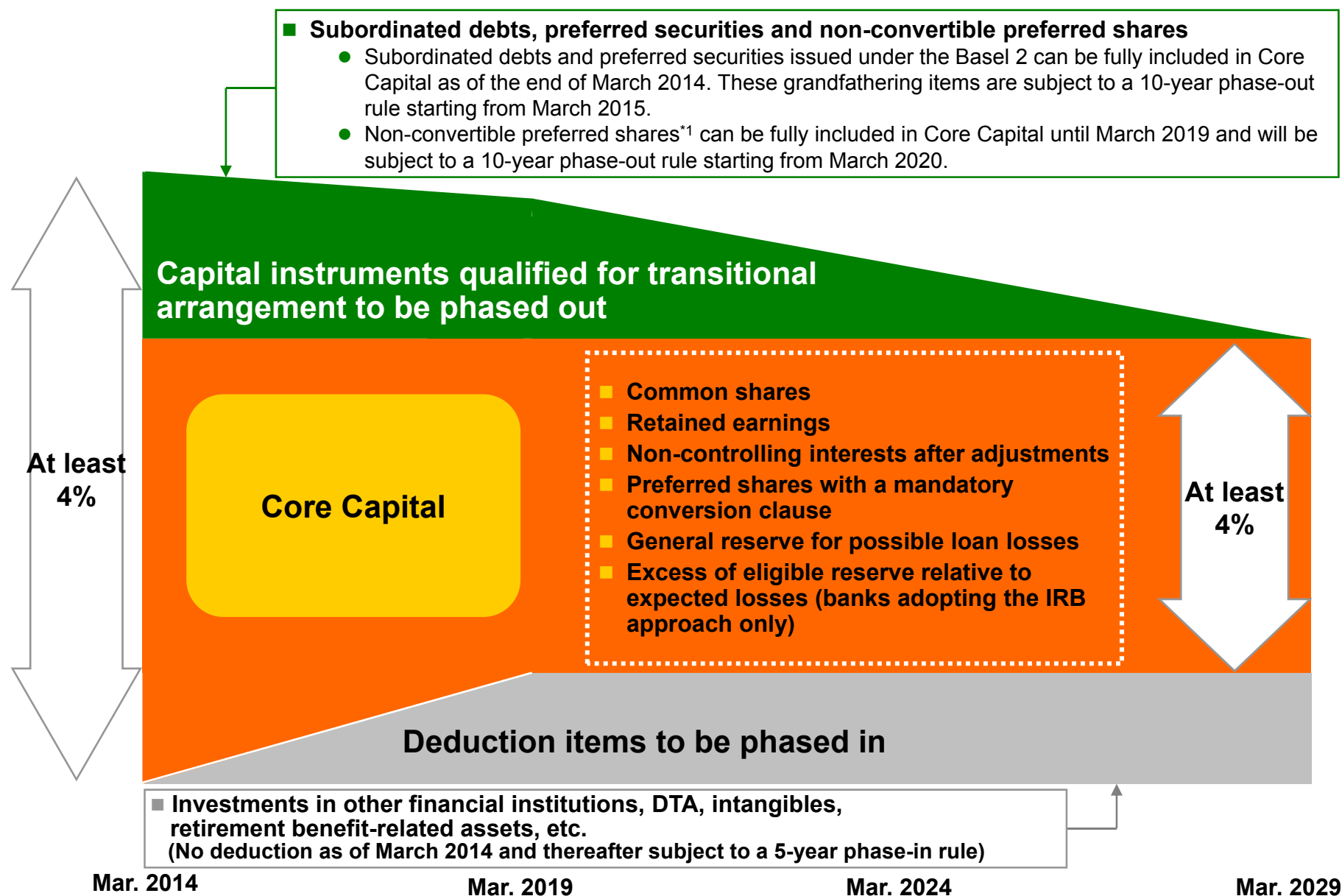
Responses to the Ongoing International Discussion over Further Tightening of Financial Regulation

Major items of financial regulation being discussed internationally / Impact on Resona

- With Basel 3 finalized, local authorities are currently formulating the domestic rules.
- At present there is no regulation which cause serious impacts on Resona. We are making preparations steadily for implementation of these regulations.

Major regulatory items	Outline of regulation	Important updates
Finalization of Basel 3 <ul style="list-style-type: none"> • Review of Standardized Approach (SA) (Credit and operational risks) • Review of IRB approach • Capital floor based on SA 	<p>Reviewing credit risk calculation method to enhance the risks sensitivity and improve comparability.</p> <p>Reviewing operational risk calculation method to reflect loss data.</p> <p>New capital floor rule requiring a reference to the SA (final output floor calibration : 72.5%).</p>	<ul style="list-style-type: none"> • The Implementation date in Japan is scheduled for March 31, 2023. • Common Equity Tier 1 (CET1) capital ratio based on finalized Basel 3 (excluding net unrealized gains on available-for-sale securities) is around 9.0%※ <p>※Trial calculation to CET1 capital ratio of 10.81% as of Mar. 31, 2021 by only taking in consideration the estimated increase in RWAs due to the finalization of Basel 3 (SA and capital floor revisions, fully phased-in basis).</p>
Liquidity regulations (LCR/NSFR)	[LCR] Requiring banks to hold high-quality liquid assets to prepare for significant outflow of funds under a severe stress. [NSFR] Requiring banks to hold certain capital and liabilities for the risk of having illiquid assets.	<ul style="list-style-type: none"> • Minimum requirements are applicable to banks subject to the International standard.
Leverage ratio	Introduced to complement capital adequacy ratio requirements. Tier 1 capital as a numerator. Exposure amount, not RWA, to be a denominator.	
IRRBB (interest rate risk in the banking book)	To strengthen the interest rate risk management by measuring the decline in economic value of equity (Δ EVE) and net interest income (Δ NI) under certain interest rate shock scenarios.	<ul style="list-style-type: none"> • Pillar 2 regulation. The threshold of ΔEVE is set at within 15% of Tier 1 capital (in case of domestic standard banks, within 20% of Total capital), the figures are within the threshold.
Derivatives-related (Margin requirements, SA-CCR, CVA, etc.)	Requiring banks to pay/receive margins for OTC derivatives not to be cleared by CCP, reviewing the calculation method of derivatives exposure and CVA.	<ul style="list-style-type: none"> • Resona is subject to variable margin requirements from March 2017. Initial margin requirements are scheduled to be introduced from September 2022. • Adoption of SA-CCR (Standardized Approach) is optional for the time being. • Accounting CVA will be introduced from the first quarter of 2021.
Various capital buffers G-SIBs/D-SIBs, TLAC	Capital buffer requirements include capital conservation buffer, counter-cyclical buffer and SIBs' buffer. TLAC requires banks to hold additional capacity to absorb loss.	<ul style="list-style-type: none"> • Capital buffers are applicable to G-SIBs/D-SIBs, and banks subject to the International standard. TLAC is applicable to G-SIBs and other.
Discontinuation of LIBOR (the London Interbank Offered Rate)	Major tenors in the U.S. dollar LIBOR will be discontinued at the end of Jun. 2023, and other LIBOR will be discontinued at the end of Dec. 2021.	<ul style="list-style-type: none"> • Although we don't have so many loan agreements referencing LIBOR, we address properly preparation for customer communication, amendment of agreement, system modification, etc.

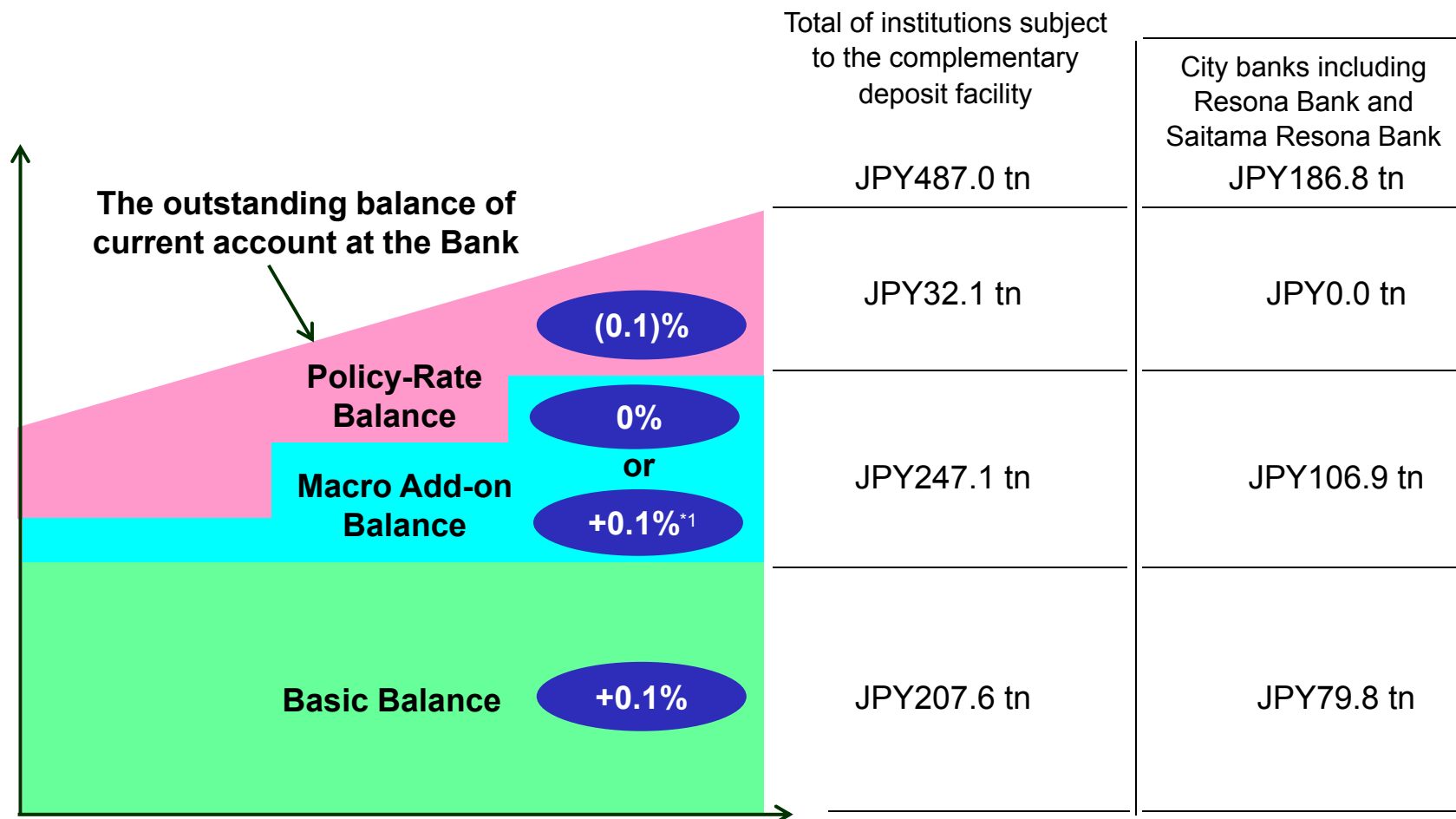
Outline of Eligible Capital under the Japanese Domestic Std.



*1. Non-cumulative preferred shares other than those with a mandatory conversion feature

BOJ Current Account Balances

Monthly average balance of BOJ current account
(16 March -15 April)



*1. A part corresponding to the amounts outstanding of loans from BOJ provided through special funds-supplying operations to facilitate financing in response to the novel coronavirus *2. Source: Bank of Japan

Long Term Business Results

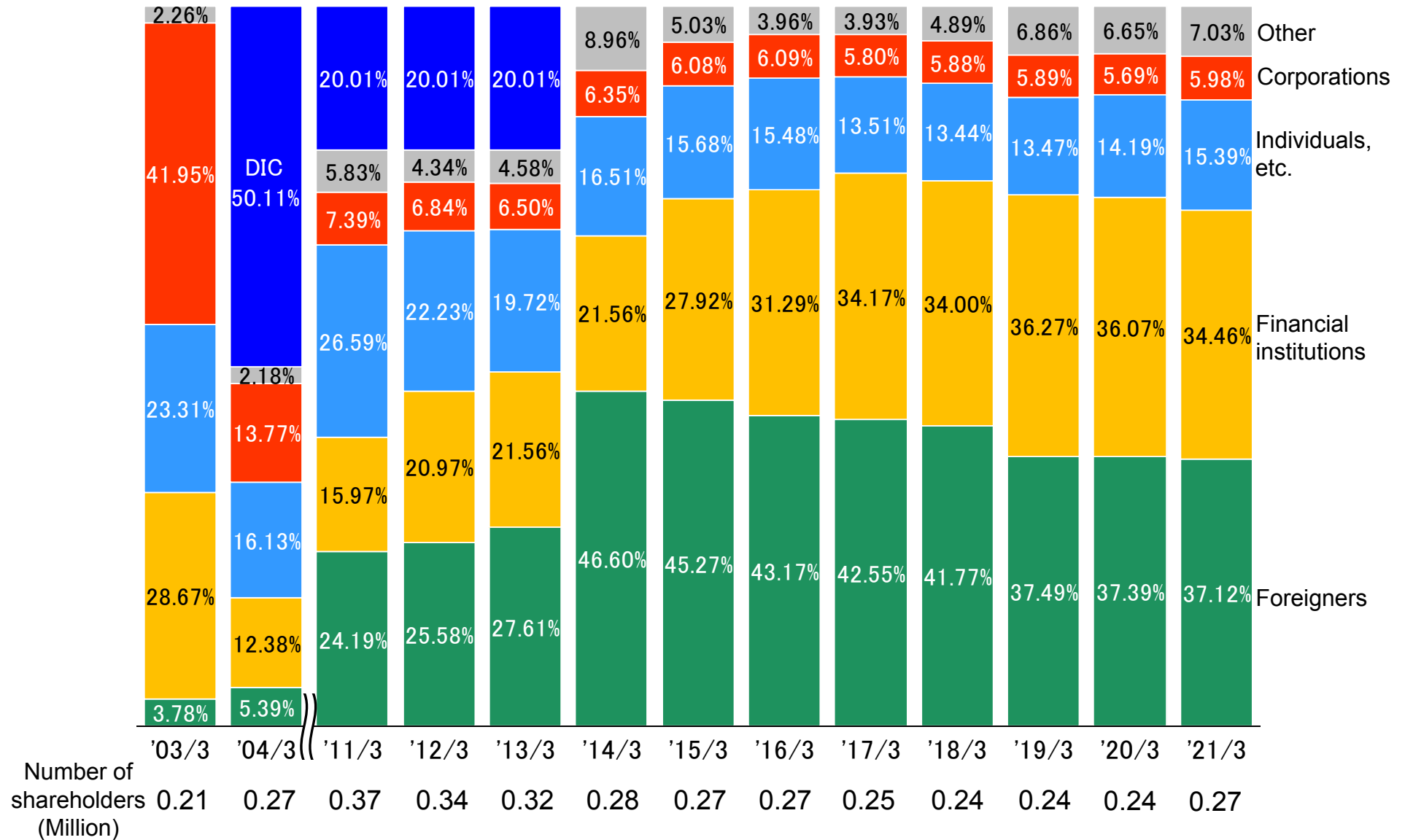
		3 banks (RB,SR,KO)							After KMFG integration				
(JPY bn)			FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2017	FY2018	FY2019	FY2020
PL	Consolidated	Gross operating profit	655.2	637.1	608.5	632.4	619.5	563.1	552.5	661.3	644.1	658.6	639.1
		Net interest income	463.9	443.0	430.0	425.9	401.3	377.9	368.3	454.2	435.9	431.1	417.4
		Fee incomes*1	143.1	150.6	158.7	169.2	168.7	160.6	168.0	187.7	193.8	190.2	191.4
		Operating expenses	(360.9)	(361.6)	(348.4)	(357.7)	(347.5)	(362.4)	(360.6)	(442.6)	(439.4)	(426.5)	(425.8)
		Net gains/(losses) on stocks	2.3	(7.5)	22.6	44.5	(6.5)	25.1	16.7	21.4	10.1	0.5	46.9
		Credit related expenses	(13.8)	13.0	26.4	22.3	(25.8)	17.4	14.7	10.1	(1.3)	(22.9)	(57.4)
		Net income attributable to owners of parent	253.6	275.1	220.6	211.4	183.8	161.4	236.2	244.2	175.1	152.4	124.4
BS	Total of group banks	Term end loan balance	26,050.4	26,682.1	26,986.0	27,755.5	27,932.1	28,412.0	28,992.1	35,478.5	36,282.9	36,738.2	38,942.3
		Loans to SMEs and individuals	22,235.8	22,659.5	22,912.6	23,454.9	23,645.8	24,163.8	24,728.4	30,473.3	31,161.3	31,318.9	32,407.7
		Housing loans*2	12,250.3	12,651.9	12,918.3	13,125.0	13,188.0	13,356.3	13,331.6	15,968.5	16,223.1	16,342.6	16,610.7
		Residential housing loans	9,095.3	9,441.3	9,705.2	9,905.1	10,015.1	10,218.6	10,267.5	12,374.7	12,683.6	12,912.2	13,321.5
		NPL ratio	2.32%	2.06%	1.74%	1.51%	1.51%	1.35%	1.18%	1.26%	1.18%	1.14%	1.12%
		Stocks (Acquisition amount basis)	342.1	336.9	331.6	330.6	351.5	348.3	343.8	365.4	353.8	336.9	325.2
		Unrealized gains/(losses) on available-for-sale securities	131.5	257.5	332.8	573.1	460.1	555.4	649.4	672.8	598.3	420.7	615.3
Business	Total of group banks	Balance of Investment products sold to individuals	3,177.2	3,492.5	3,538.9	3,791.5	3,751.7	3,645.7	3,618.6	4,569.7	4,762.3	4,585.8	5,128.7
		Investment trust/ Fund wrap	1,827.1	1,951.9	1,915.3	2,070.9	1,871.1	1,759.3	1,733.7	2,178.4	2,222.4	2,017.0	2,533.1
		Insurance	1,350.1	1,540.6	1,623.5	1,720.6	1,880.6	1,886.3	1,884.9	2,391.2	2,539.8	2,568.7	2,595.6
		Housing loan*2	1,301.8	1,559.5	1,478.6	1,352.9	1,292.7	1,481.4	1,174.9	1,418.4	1,577.7	1,506.3	1,506.0
		Residential housing loans	1,048.6	1,225.5	1,162.3	1,042.2	1,011.7	1,198.7	939.0	986.6	1,225.5	1,232.7	1,314.1
		Real estate business (Excluding equity)	7.7	7.8	8.3	11.2	13.5	13.7	13.1	13.1	13.3	12.5	10.6
Remaining public fund balance			871.6	871.6	356.0	128.0	Fully repaid in June 2015						

*1. Fees and commissions income plus trust fees *2. Includes apartment loans (Origination includes Flat35)

Credit Rating Information (Long Term)

	Moody's	S&P	R&I	JCR
Resona Holdings	-	-	A	-
Resona Bank	A2	A	A+	AA-
Saitama Resona Bank	A2	-	A+	AA-
Kansai Mirai Bank	-	-	-	AA-
Minato Bank	-	-	-	AA-

Composition of Resona HD's Common Shareholders



Proactively Communicating with Our Shareholders and Investors

Resona Group Website

Resona Group Holdings

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Financial Results for Fiscal Year 2020

Go to Financial Results Report ▶

Stock Price (TSE 1st Code:8308)

05/13/2021 15:00 JST
Value **468.4 JPY**
Change **+6.9**

> Stock Price Chart

Data Provided by Jiji Press, Ltd.

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> **Investor Relations**
> Sustainability



[For Shareholders/Investors]
View IR presentation materials from here

Investor Relations

Financial Results for Fiscal Year 2020

Go to Financial Results Report ▶

Financial Results Report Integrated Report IR Presentations

IR Events

Jun 23, 2021	The 19th Ordinary General Meeting of Shareholders
May 20, 2021	Investor Relations Meeting (Plan)
May 11, 2021	> Announcement of Financial Results for Fiscal Year 2020

Integrated Report of Resona Group (Issued in every July)



Integrated Report explains in a simple manner to all stakeholders the Resona Group's strengths and measures undertaken to create sustainable corporate value.

