

Business Results for 1H of FY2021 and Future Management Direction



 **Resona Holdings**

November 18, 2021

- I am Masahiro Minami, the president of Resona Holdings. We sincerely thank you for your participation in our IR presentation today.
- In terms of COVID-19, the conditions have recently been somewhat stabilized. We continue to focus and prepare for the future including the sixth wave of the spread of infections, without letting our guard down which is critical in our crisis management.
- Under any circumstances, we are committed to fulfilling our social mission by working closely with our customers and providing smooth, community-based financial services.
- Now, we will go on to the presentation. Since we made an analyst call after the announcement of our financial results, I will explain mainly in terms of business strategy today.
- Page 4, please.

-
- 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.

Table of Contents

Outline of Business Results for 1H of FY2021 and Updates on Major Businesses

p4	Outline of Financial Results for the 1H of FY2021
p5	Breakdown of Financial Results
p6	Factors for the Changes in Net Income Attributable to Owners of Parent (YoY Comparison)
p7	Trend of Loans and Deposits (Domestic Account)
p8	Term-end Balance of Loans and Deposits
p9	Housing Loan Business
p10	Fee Income
p11	Major Fee Businesses (1) (Asset Formation Support Business)
p12	Major Fee Businesses (2) (Trust, Corporate Solution, Real Estate Business)
p13	Credit Costs and NPL
p14	Securities Portfolio
p15	Capital Adequacy Ratio
p16	Earnings Targets for FY2021
p17	(Reference) Outline of Financial Results of Each Segment
p18	(Reference) Outline of Financial Results of Customer Divisions
p19	KPIs under the MMP

Efforts for Sustainable Growth

p21	Message from the Top Management / Efforts for Sustainable Growth
p22	Resona's SDGs-Oriented Management / To Be a Good Company
p23	SX To Be a Financial Service Group that is the Most Significant Contributor to Customer Success in SX
p24	SX Long-term Sustainability Targets (Established in June '21)
p25	SX Retail Transition Finance

p26	SX Carbon Neutrality
p27	SX Diversity & Inclusion
p28	DX Resona's DX Strategy
p29	DX Digital Channel
p30	DX System
p31	DX Financial Digital Platform
p32	DX Rolling out Resona Products and Services at Regional Financial Institutions, etc.
p33	DX Face-to-face Channel
p34	KMFG Pursue More Group Synergies
p35	Group Synergies Channel Reform
p36	Asset Formation in the 100-Year Life Era
p37	Customer needs surfacing under the COVID-19 pandemic Supporting Smooth Succession to the Next Generation
p38	Widespread Use of Cashless Payment

Capital Management

p40	Capital Management
-----	--------------------

ESG Initiatives (p41~)

Reference Material (p53~)

**Outline of Business Results for 1H of FY2021
and Updates on Major Businesses**

Efforts for Sustainable Growth

Capital Management

ESG Initiatives

Reference Material

	FY2021 1H	YoY change		Progress rate vs. Target ¹⁾
		(a)	(b)	
Net income attributable to owners of parent: JPY80.8 bn				
Up JPY24.4 bn, or 43.3%, YoY				
Progress rate against the full year target ¹⁾ : 55.7%				
Actual net operating profit: JPY116.8 bn				
Up JPY5.7 bn, or 5.1%, YoY				
<ul style="list-style-type: none"> Gross operating profit: JPY323.1 bn, Up JPY5.8 bn, or 1.8%, YoY Core income [Net interest income from loans and deposits + Fee income + Operating expenses]: Up JPY12.2 bn, YoY Net interest income from domestic loans and deposits: Up JPY0.4 bn, YoY Average loan balance: +3.50%, YoY, Loan rate: down by 3bps, YoY [Excluding loans to the Japanese government and others] Average loan balance: +2.32%, YoY, Loan rate: down by 2bps, YoY Both loan balance and loan rate were in line with the plan. Fee income: Up JPY12.0 bn, YoY, Fee income ratio : 32.6% Increased driven by growth in asset formation support business and corporate solution. Net gains on bonds (including futures): Down JPY14.7 bn, YoY Operating expenses: JPY206.6 bn, Increase by JPY0.2 bn, YoY Improved compared to the plan, due to the progress of cost reduction of KMFG. ⇒ Consolidated cost income ratio of KMFG: 71.0% [(8.8%), YoY] Credit related expenses: JPY17.0 bn (cost) Decreased by JPY6.1 bn, YoY New bankruptcy in specific reserve was at a low level. Credit costs have posted 38.6% against the full year guidance. Full year target of JPY145.0 bn and full year dividend forecast of 21 yen remain unchanged Established long-term sustainability targets (Jun. '21) Share buyback up to JPY10.0 bn [Period of acquisition : Nov. 10 – Dec. 20 Plan to cancel all of the treasury shares to be acquired] 				

- 4

Breakdown of Financial Results

(JPYbn)	Resona Holdings (Consolidated)		Total of group banks		Resona Bank		Saitama Resona Bank		Total of group banks under JGIFG		Difference (A)-(E)	
	(A)	YOY (B)	(C)	YOY (D)	(E)	YOY (F)	(G)	YOY (H)	(I)	YOY (J)		
Gross operating profit	(1)	323.1	+5.8	294.6	+5.3	166.2	(0.9)	59.5	+1.5	68.8	+4.7	28.5
Net interest income	(2)	214.0	+9.5	210.3	+9.4	114.1	+7.5	43.9	+2.0	52.3	(0.0)	3.6
Net from domestic loans and deposits	(3)			159.8	+0.4	87.5	+1.4	34.6	(0.4)	47.6	(0.5)	
Gains/(losses) on cancellation of investment trusts	(4)	0.4	(0.0)	0.4	+0.4	*1	+2.1	0.2	(0.7)	0.2	(0.9)	0.0
Fee income	(5)	105.5	+12.0	81.3	+11.4	52.5	+5.9	14.5	+0.8	14.2	+4.5	24.2
Fee income ratio	(6)	32.8%	+3.1%	27.6%	+3.4%	31.5%	+3.7%	24.4%	+0.8%	20.8%	+5.5%	
Trust fees	(7)	10.1	+0.8	10.2	+0.9	10.1	+0.9	0.0	+0.0	0.0	+0.0	(0.0)
Fees and commission income	(8)	95.3	+11.1	71.1	+10.5	42.3	+5.0	14.5	+0.8	14.2	+4.5	24.2
Other operating income	(9)	3.5	(15.8)	2.8	(15.5)	(0.4)	(14.4)	1.0	(1.3)	2.3	+0.2	0.6
Net gains on bonds (including futures)	(10)	(3.2)	(14.7)	(3.2)	(14.6)	*1	(4.7)	(13.5)	0.3	(1.3)	1.1	+0.2
Operating expenses (excluding group banks' non-recurring items)	(11)	(206.6)	(0.2)	(193.6)	+0.2	(106.1)	(2.0)	(38.0)	(0.7)	*2	(50.4)	+2.9
Cost income ratio (OHR)	(12)	63.9%	(1.0)%	65.7%	(1.3)%	63.2%	+1.5%	63.9%	(0.4)%	73.2%	(10.0)%	
Actual net operating profit	(13)	116.8	+5.7	100.9	+5.6	61.0	(2.9)	21.4	+0.8	18.4	+7.7	15.9
Core net operating profit (excluding gains/(losses) on cancellation of investment trusts)	(14)			102.1	+16.5	65.0	+6.5	20.1	+1.6	16.9	+8.3	
Net gains on stocks (including equity derivatives)	(15)	24.4	+21.5	24.2	+19.7	20.6	+20.1	3.1	+0.8	0.4	(1.2)	0.2
Credit related expenses, net	(16)	(17.0)	+8.1	(14.9)	+4.9	(10.0)	+3.6	(0.9)	+1.6	(4.3)	(0.2)	(2.0)
Other gains/(losses), net	(17)	(7.9)	(1.2)	(8.8)	(0.7)	(3.7)	(0.2)	(1.1)	+0.2	(1.8)	(0.6)	(1.0)
Net income before income taxes	(18)	116.3	+32.1	103.4	+29.6	67.8	+20.5	22.8	+3.5	12.7	+5.5	12.9
Income taxes and other	(19)	(35.6)	(11.2)	(31.1)	(9.5)	(20.1)	(6.1)	(6.8)	(1.1)	(4.2)	(2.2)	
Net income attributable to non-controlling interests	(20)	0.2	+3.5									
Net income (attributable to owners of parent)	(21)	80.8	+24.4	72.2	+20.1	47.6	+14.4	16.0	+2.4	8.4	+3.2	

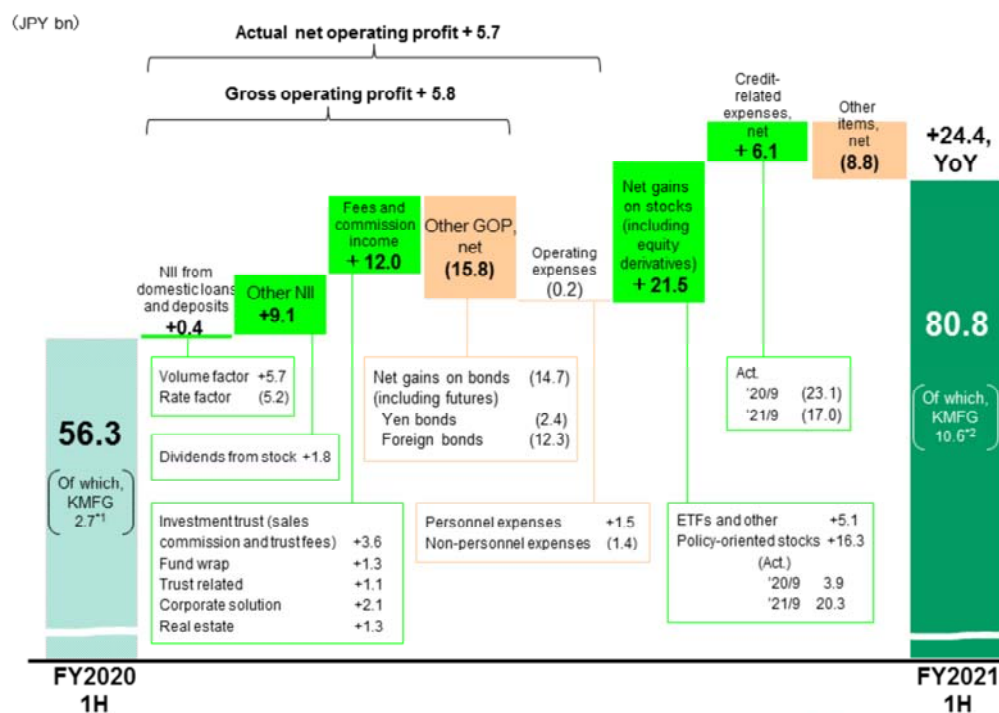
*1. Losses on cancellation of investment trusts are posted in the net gains on bonds since net of the losses and dividends from investment trusts become negative
(Losses on cancellation of investment trusts: JPY(5.1) bn, dividends from investment trusts: +JPY2.3 bn → net amount: JPY(2.8) bn)

*2. Exclude goodwill amortization by KMB, JPY(0.3) bn, related to acquisition of former Biwako Bank

*3. 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 x 100%

Resona Holdings, Inc.

6

Trend of Loans and Deposits (Domestic Account)

Total of
Group Banks

Average loan / deposit balance, rates and spread

■ 1H of FY'21 (YoY)

Average loan balance: +3.50%, Loan rate: (3) bps

[Excluding loans to the Japanese government and others]

Average loan balance: +2.32%, Loan rate: (2) bps

=> Full year (Revised plan) +1.84% (2) bps

Avg. bal.: Trillion Yen Income/Cost: Billion Yen		1H		FY2021	
		Act. (a)	YoY *3 (b)	Revised plan (c)	YoY *3 (as rate) (d)
Loans	Avg. Bal. (1)	38.43	+3.50%	38.52	+2.29%
	Rate (2)	0.88%	(0.03)%	0.88%	(0.03)%
	Income (3)	172.2	+0.0	341.3	(4.4)
Corporate Banking Business Unit *1	Avg. Bal. (4)	21.89	+1.22%	21.94	+0.58% [(1.02)%]
	Rate (5)	0.83%	+0.01%	0.82%	(0.00)% [(+0.01)%]
Corporate Loan	Avg. Bal. (6)	18.46	+2.33%	18.54	+1.52% [(1.18)%]
	Rate (7)	0.78%	+0.02%	0.77%	+0.00% [(+0.01)%]
Personal Banking Business Unit *2	Avg. Bal. (8)	13.78	+3.04%	13.87	+2.96%
	Rate (9)	1.12%	(0.06)%	1.11%	(0.06)%
Deposits (including NCDs)	Avg. Bal. (10)	58.97	+6.78%	58.70	+4.78% [(+3.06)%]
	Rate (11)	0.00%	(0.00)%	0.00%	(0.00)%
	Cost (12)	(2.4)	+0.3	(5.0)	+0.3
Loan-to-deposit	Spread (13)	0.88%	(0.02)%	0.87%	(0.03)%
	Net interest income (14)	169.8	+0.4	336.2	(4.0)

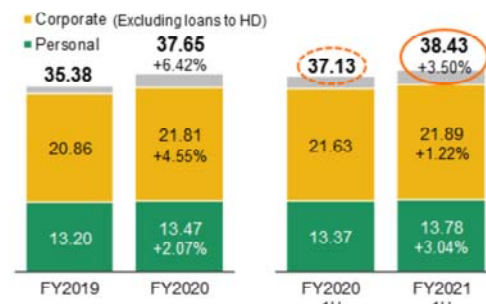
*1. Corporate Banking Business Unit: Corporate loans (excluding loans to HD) + apartment loans, Figures are for internal administration purpose

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

*3. Average balance: rate of change

Trend of average loan balance, loan rate change

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



[Loan rate YoY change (%)]



Resona Holdings, Inc.

7

- Average balance and rates of loans and deposits.
- We will supplementary explain the loan rate with the graph at the lower right.
- As the pace of decline of the loan rate slowed overall, the corporate banking business unit (blue line) turned positive from the previous year's 4Q, and improved by 1 basis point as a latest results.
- In part due to an increase in efforts to extend loans with relatively high yields, such as LBOs, the full-year plan for corporate loans has been revised upward by 1 basis point.
- Please proceed to page 13.

Term-end Balance of Loans and Deposits

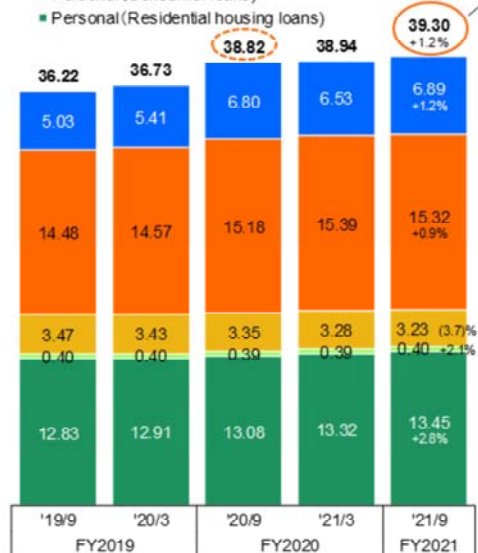
Total of
Group Banks

Term-end loan balance

(JPY tn. % represents YoY change)

- Corporate (Large companies and other)
- Corporate (SMEs)
- Corporate (Apartment loans)
- Personal (Consumer loans)
- Personal (Residential housing loans)

Of which, excluding
loans to the
Japanese gov. and
others
[1.41] +1.5%



Term-end deposit balance

(JPY tn. % represents YoY change)

- Other
- Corporate
- Personal



Resona Holdings, Inc.

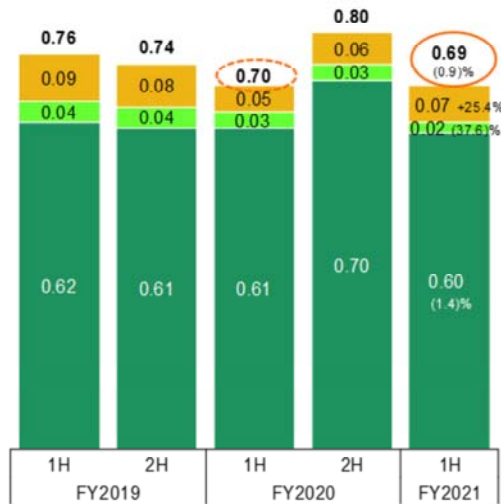
Housing Loan Business

Total of
Group Banks

New housing loan origination

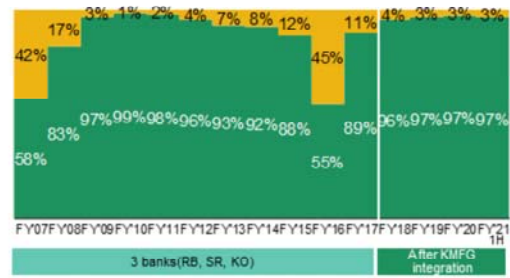
(JPY tn. % represents YoY change)

- Apartment loan
- Flat 35
- Residential housing loan



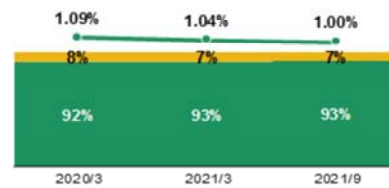
Composition of newly originated residential housing loans by interest rate type

- 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



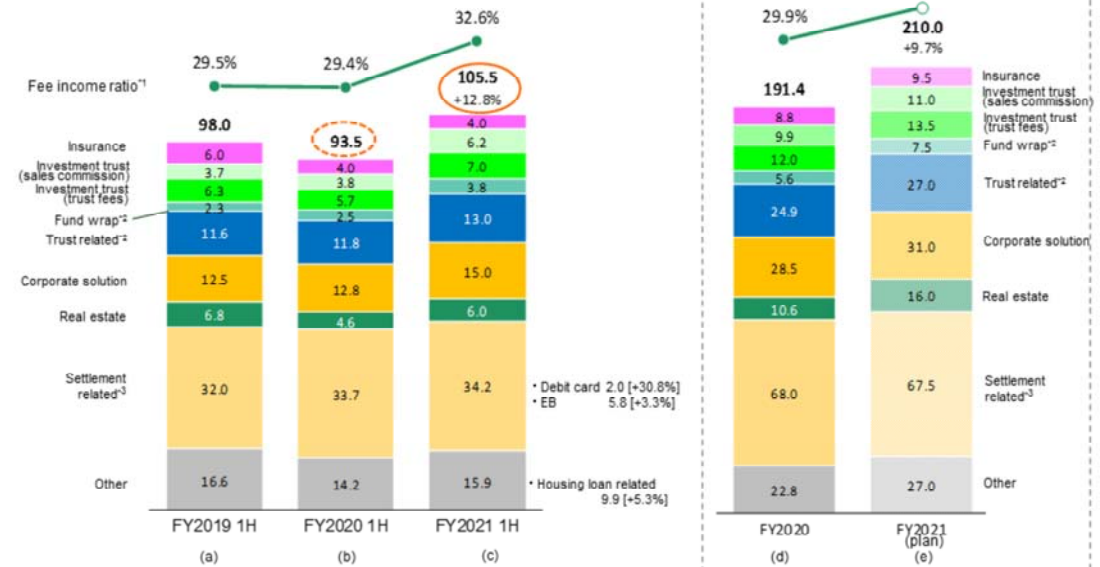
Resona Holdings, Inc.

Fee Income

HD
Consolidated

- Consolidated fee income ratio^{*1} : 32.6%, progress rate against the full year plan : 50.2%
- Increased driven by growth in investment trust (+3.6 bn, +38.6%, YoY), corporate solution (+2.1 bn, +17.0%, YoY) and Fund wrap (+1.3 bn, +61.2%, YoY).

(JPY bn, % represents
YoY change)



*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

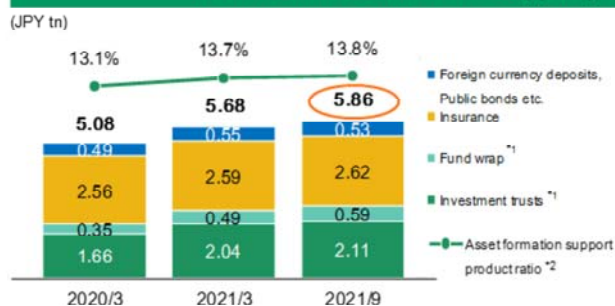
Resona Holdings, Inc.

10

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

HD
Consolidated

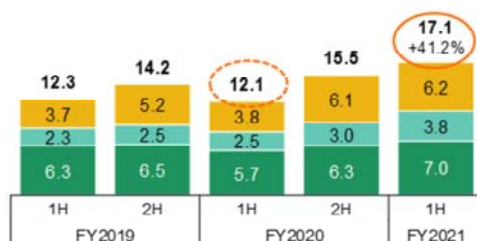
Balance of asset formation support products sold to individuals



- Balance of fund wrap^{*1}: '21/9 JPY671.7 bn (including corporation^{*3})
- Change in balance of investment trust and fund wrap: 1H FY'21 Approx. +JPY170.0 bn
 - Net inflow (new purchase – withdrawal and redemption): Approx. +JPY109.0 bn
- Number of individual customers having investment trust, fund wrap and insurance products: '21/9 956 thousand
 - NISA account holders^{*4}: 406 thousand, +8.2%, YoY
- iDeCo participants^{*5}: '21/9 142 thousand, +12.6%, YoY

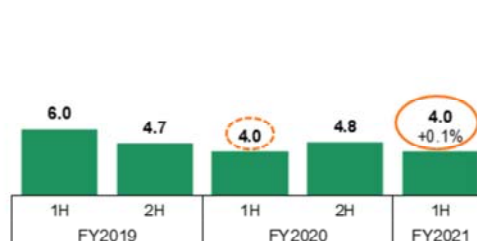
Investment trust and fund wrap income

(JPY bn) ■ Sales commission ■ Fund wrap ■ Trust fees



Insurance income

(JPY bn)



^{*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} Including balance of fund wrap in banks other than group banks

^{*4} NISA, Junior NISA, Cumulative NISA

^{*5} iDeCo participants + members giving investment instructions

Resona Holdings, Inc.

11

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
3,777 in 1H of FY2020 ⇒ 4,185 in 1H of FY2021, +10.8%

■ Securities trust

Total assets in custody
'20/9 JPY37.48 tn ⇒ '21/9 JPY40.40 tn, +7.7%

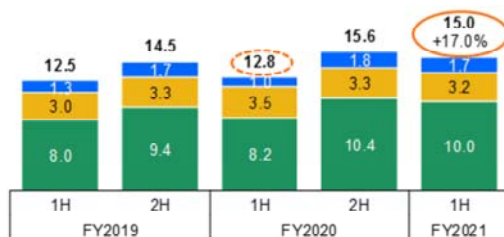
■ Pension trust

Total assets entrusted
'20/9 JPY5.30 tn ⇒ '21/9 JPY5.73 tn, +8.1%

Corporate solutions business income

(JPY bn)

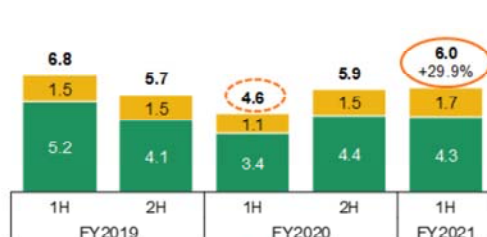
- M&A
- Private notes
- Commitment line, Syndicated loans, Covenants



Real estate business income^{*1}

(JPY bn)

- Corporate
- Individual



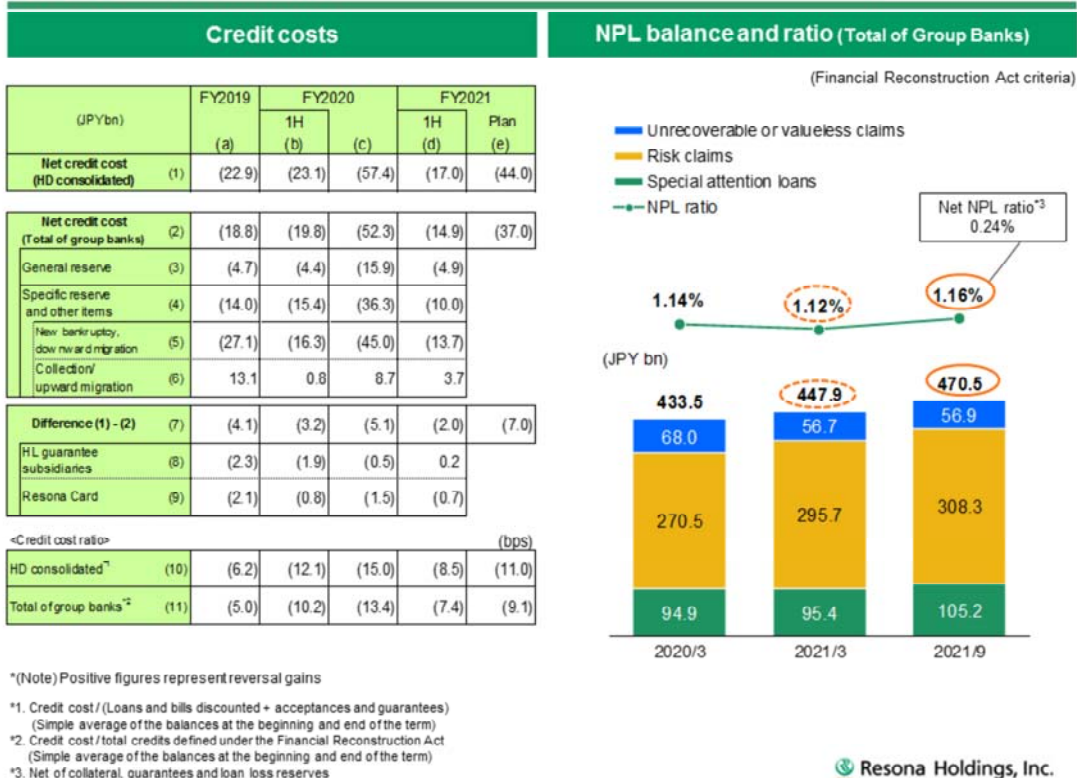
*1. Excluding gains from investments in real estate funds

Resona Holdings, Inc.

12

Credit Costs and NPL

HD Consolidated
Total of Group Banks



Resona Holdings, Inc.

13

- Regarding credit costs.
- HD consolidated credit costs were JPY17.0 bn, down JPY6.1 bn, YoY. The consumption rate against the annual plan of JPY44.0 bn is only 38.6%.
- However, while the recovery in economic activity after the termination of the emergency declaration is expected to improve corporate performance, etc., there are still many uncertain factors in the future. We also recognize that the situation is commensurate with customers who have been forced to suffer declines in their capital strength due to the COVID-19 crisis. As a result of these factors, we have left our full-year target unchanged from the initial guidance.
- Page 14, please.

Securities Portfolio

Total of
Group Banks

Securities portfolio^{*1}

(JPY bn)	2020/3	2021/3	2021/9	Unrealized gains/(losses)
	(a)	(b)	(c)	(d)
Available-for-sale securities				
Stocks (1)	3,055.7	4,480.7	4,670.0	671.5
Bonds (2)	336.9	325.2	310.9	691.0
Bonds (3)	1,722.8	2,586.4	2,776.5	(7.3)
JGBs (4)	459.6	925.7	1,000.4	(9.6)
Average duration (years) (5)	14.8	13.1	12.6	-
Basis point value (BPV) (6)	(0.68)	(1.21)	(1.28)	-
Local government and corporate bonds (7)	1,263.1	1,660.6	1,776.1	2.3
Other (8)	995.9	1,569.0	1,582.5	(12.1)
Foreign bonds (9)	554.1	904.8	970.7	(19.2)
Average duration (years) (10)	2.4	6.3	5.7	-
Basis point value (BPV) (11)	(0.00)	(0.51)	(0.50)	-
Investment trusts (Domestic) (12)	435.0	658.4	607.3	3.5
Net unrealized gain (13)	420.7	615.3	671.5	
Bonds held to maturity (14)	1,968.4	1,942.2	2,552.2	15.8
JGBs (15)	1,144.2	1,035.6	1,514.2	10.4
Net unrealized gain (16)	28.1	11.5	15.8	

- **Unrealized gains/(losses) in 3 assets (4)+(9)+(12)**
'20/3 JPY(6.9) bn ⇒ '21/3 JPY(45.1) bn ⇒ '21/9 JPY(25.4) bn
- **CLO: Zero**

*1. Acquisition cost basis. The presented figures include marketable securities only
*2. Excluding unrealized gains on available for sale securities

Status of policy-oriented stocks held

- **Balance of listed stocks disposed in 1H of FY2021**
(acquisition cost basis): JPY14.3 bn,
Net gain on sale: JPY20.1 bn (HD consolidated: JPY20.0 bn)
Breakeven Nikkei average: Approx. 7,800 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 capital²

[Stock holdings] ● Ratio to CET1 (ex. unrealized gains on available-for-sale securities) (JPY bn)



Resona Holdings, Inc.

14

- On the right, for policy-oriented stocks. We reduced policy-oriented stocks by JPY14.3 bn on an acquisition cost basis, and posted a gain of sale of JPY20.0 bn on a consolidated basis.
- From 1Q to 2Q, the pace of reduction is accelerating.
- The current reduction plan calls for "JPY30.0 bn over the 3-year period from last fiscal year to FY 2022." The progress rate against the plan is around 86%, and the situation is that it can be expected to be achieved ahead of schedule.
- Our policy is to maintain this trend in the future, and intends to continue dialogue with customers.
- To page 16, please.

Capital Adequacy Ratio

HD
Consolidated

- CAR (Domestic std.) and CET1 ratio (International std.) as of Sep. 30, 2021 were 11.78% and 13.91%, respectively, maintaining sound capital adequacy level

Domestic standard				(Reference) International standard			
(JPY bn)	2021/3	2021/9	Change	(JPY bn)	2021/3	2021/9	Change
Capital adequacy ratio (1)	11.54%	11.78%	+0.24%	Common Equity Tier1 capital ratio (10)	13.31%	13.91%	+0.60%
Total capital (2)	2,003.4	2,036.4	+33.0	Excluding net unrealized gains on available-for-sale securities (11)	10.81%	11.16%	+0.35%
Core Capital: instruments and reserves (3)	2,076.3	2,112.1	+35.7	Tier1 capital ratio (12)	13.50%	13.93%	+0.43%
Stockholders' equity (4)	1,836.1	2,032.2	+196.0	Total capital ratio (13)	14.14%	14.48%	+0.34%
Adjusted non-controlling interests (5)	170.9	9.0	(161.9)	Common Equity Tier1 capital (14)	2,355.9	2,454.6	+98.6
Reserves included in Core Capital (6)	54.1	56.4	+2.2	Instruments and reserves (15)	2,436.5	2,533.8	+97.2
Subordinated loans and bonds subject to transitional arrangement (7)	43.5	39.1	(4.3)	Stockholders' equity (16)	1,836.1	2,032.2	+196.0
Core Capital: regulatory adjustments (8)	72.8	75.6	+2.7	Net unrealized gains on available-for-sale securities (17)	442.9	484.4	+41.5
Risk weighted assets (9)	17,351.9	17,277.3	(74.6)	Adjusted non-controlling interests (18)	143.4	3.4	(140.0)
<p>■ Change in total capital</p> <ul style="list-style-type: none"> Stockholders' equity +196.0 bn <ul style="list-style-type: none"> Net income attributable to owners of parent +80.8 bn Increase in capital surplus due to change in ownership interest of KMFG +184.5 bn Share buyback / cancel (40.9) bn Interim dividend (25.4) bn 				Regulatory adjustments (19)	80.5	79.2	(1.3)
				Other Tier1 capital (20)	32.8	2.9	(29.9)
				Tier1 capital (21)	2,388.8	2,457.5	+68.6
				Tier2 capital (22)	114.2	97.2	(17.0)
				Total capital (Tier1+Tier2) (23)	2,503.1	2,554.7	+51.6
■ Group banks, Bank holding company				Risk weighted assets (24)	17,691.0	17,638.4	(52.6)
Domestic standard	Resona (Consolidated)	Saitama Resona (non-consolidated)	KMFG (Consolidated)	(Reference)			
Capital adequacy ratio	11.26%	15.39%	8.71%	<p>■ Trial calculation based on the finalization of Basel 3</p> <p>CET1 ratio: Approx. 9.3%*</p> <p>(Excluding net unrealized gains on available-for-sale securities)</p> <p>*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-sale securities as of Sep. 30, 2021 reported as (11) in the above table</p>			

Resona Holdings, Inc.

15

Earnings Targets for FY2021

HD Consolidated
Total of Group Banks

HD consolidated				Common DPS		
(JPY bn)	Full-year	Change from original target	YoY change		DPS	YoY change
Net income attributable to owners of parent (1)	145.0	—	+20.6	Common stock (annual) (4)	21.0 yen	-
KMFG consolidated (2)	15.0	—	+9.2	Interim dividend (5)	10.5 yen	-
Difference (3)	15.0	—	+1.9			

Total of group banks

(JPY bn)	Total of group banks		Resona Bank		Saitama Resona Bank		KMFG (total of group banks)	
	Full-year	Change from original target	Full-year	Change from original target	Full-year	Change from original target	Full-year	Change from original target
Gross operating profit (6)	594.0	(5.0)	340.0	(7.0)	114.0	-	140.0	+2.0
Operating expenses (7)	(395.5)	+1.5	(213.0)	-	(77.5)	-	(105.0)	+1.5
Actual net operating profit (8)	198.5	(3.5)	127.0	(7.0)	36.5	-	35.0	+3.5
Net gains on stocks (including equity derivatives) (9)	37.5	+7.0	33.0	+7.0	3.5	-	1.0	-
Credit related expenses, net (10)	(37.0)	-	(22.0)	-	(6.5)	-	(8.5)	-
Income before income taxes (11)	183.0	+1.5	134.0	-	29.0	-	20.0	+1.5
Net income (12)	128.5	+1.0	94.5	-	20.5	-	13.5	+1.0

*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

Resona Holdings, Inc.

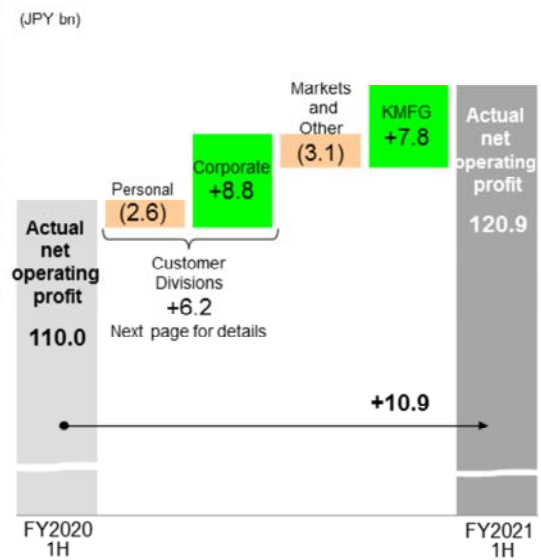
16

- Targets for consolidated income of JPY145.0 bn and annual DPS forecast of JPY21 remain unchanged.
- The targets for the total of group banks at the bottom have been partially revised in light of the progress made in the 1H of the fiscal year. However, there has been no change in overall sentiment.
- Specifically, the gross operating profit for total of group banks has been lowered by JPY5.0 bn from the initial guidance, taking into account the negative impact of the securities loss cut in 1Q (JPY10.4 bn) and other factors.
- Operating expenses improved by JPY1.5 bn compared to the initial guidance based on improved expenses in KMFG.
- Net gains on stocks has been revised upward by JPY7.0 bn mainly due to the progress in the reduction of policy-oriented stocks. As a result, net income for total of group banks increased by JPY1.0 bn.
- Please proceed to page 19.

(Reference) Outline of Financial Results of Each Segment

HD
Consolidated

	(JPY bn)	FY2021 1H	YoY Change
Customer Divisions	Gross operating profit (1)	228.6	+8.0
	Operating expense (2)	(150.1)	(1.9)
	Actual net operating profit (3)	78.6	+6.2
Personal Banking	Gross operating profit (4)	92.6	(2.2)
	Operating expense (5)	(76.5)	(0.3)
	Actual net operating profit (6)	16.0	(2.6)
Corporate Banking	Gross operating profit (7)	136.0	+10.3
	Operating expense (8)	(73.5)	(1.5)
	Actual net operating profit (9)	62.5	+8.8
Markets and Other	Gross operating profit (10)	24.5	(1.9)
	Operating expense (11)	(4.1)	(1.2)
	Actual net operating profit (12)	20.6	(3.1)
KMFG	Gross operating profit (13)	74.0	+4.9
	Operating expense (14)	(52.3)	+2.9
	Actual net operating profit (15)	21.7	+7.8
Total	Gross operating profit (16)	327.3	+10.9
	Operating expense (17)	(206.6)	(0.2)
	Actual net operating profit (18)	120.9	+10.9



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

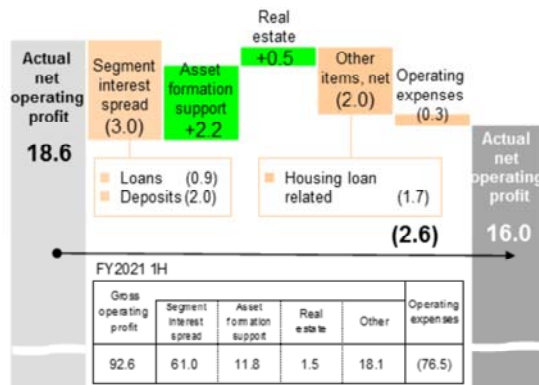
HD Consolidated
(exclude KMFG)

Personal banking segment

■ Actual net operating profit : Down JPY2.6 bn, YoY

(JPY bn)

Gross operating profit (2.2)



FY2020 1H

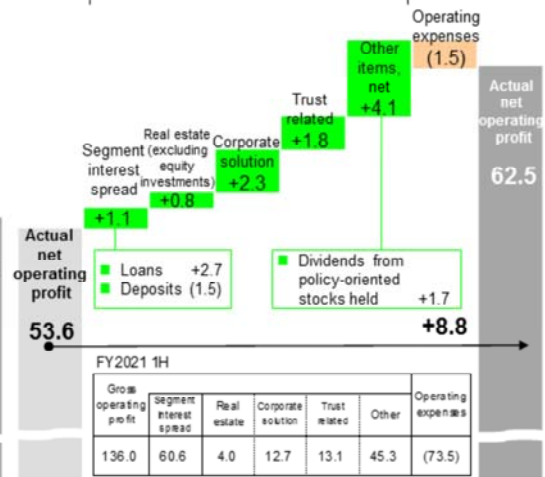
FY2021 1H

Corporate banking segment

■ Actual net operating profit : Up JPY8.8 bn, YoY

(JPY bn)

Gross operating profit +10.3



FY2020 1H

FY2021 1H

KPIs under the MMP

	1H of FY'20	FY'20	1H of FY'21	FY'21 (Target)	FY'22 (MMP)
Net income attributable to owners of parent	JPY56.3 bn	JPY124.4 bn	JPY80.8 bn	JPY145 bn	JPY160 bn
KMFG	JPY5.3 bn	JPY11.2 bn	JPY10.6 bn	JPY15 bn	JPY20 bn
[Of which contribution to HD consolidated income]	[JPY2.7 bn]	[JPY5.8 bn]	[JPY10.6 bn]	[JPY15 bn]	[JPY20 bn]
Consolidated fee income ratio	29.4%	29.9%	32.6%	32% level	Over 35%
Consolidated cost income ratio	65.0%	65.0%	63.9%	Lower half of the 60%	60% level
ROE ^{*1}	6.34%	6.88%	8.23%	Middle 7%	8% level
CET1 ratio ^{*2}	Approx. 9.1%	Approx. 9.0%	Approx. 9.3%	Middle 9%	10% level
ESG index selected by GPIF (domestic stock) ^{*3}	Aim to be adopted for all indices				

*1. Net income / 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. Exclude unrealized gains on available-for-sale securities

*3. FTSE Blossom Japan Index, MSCI Japan ESG Select Leaders Index, MSCI Japan Empowering Women Index, S&P/JPX Carbon Efficient Index series

Resona Holdings, Inc.

19

- The KPIs of the medium-term management plan are shown.
- Net income of JPY80.8 bn for the interim period includes a significant contribution from KMFG through the solid evolution of them.
- KMFG's consolidated interim income doubled from JPY5.3 bn in the previous year to JPY10.6 bn. On a contribution basis to consolidated income of HD, it increased approximately 4 times, from JPY2.7 bn in the previous year to JPY10.6 bn, for an increase of JPY7.9 bn.
- We believe that the transition from the stage of system development to the growth stage, which demonstrates results, is becoming firmly established. From this perspective, we recognize that making it a 100% subsidiary in Apr. 2021 was a good timing.
- The consolidated fee income ratio rose to 32.6% amid an increase in the top line.
- ROE of shareholders' equity rose to 8.23%. It is trending above the mid-7% target for the current fiscal year.
- Regarding the capital management, our target for CET1 ratio excluding unrealized gains on available-for-sale securities will be 10% on a finalization of Basel 3 basis. The estimated ratio at the end of Sep. 2021 was around 9.3%, showing steady progress.
- The KPIs also state that we will aim to continuously be included in all ESG indices selected by GPIF, it is now selected for all 4 indices.
- Page 21, please.

**Outline of Business Results for 1H of FY2021
and Updates on Major Businesses**

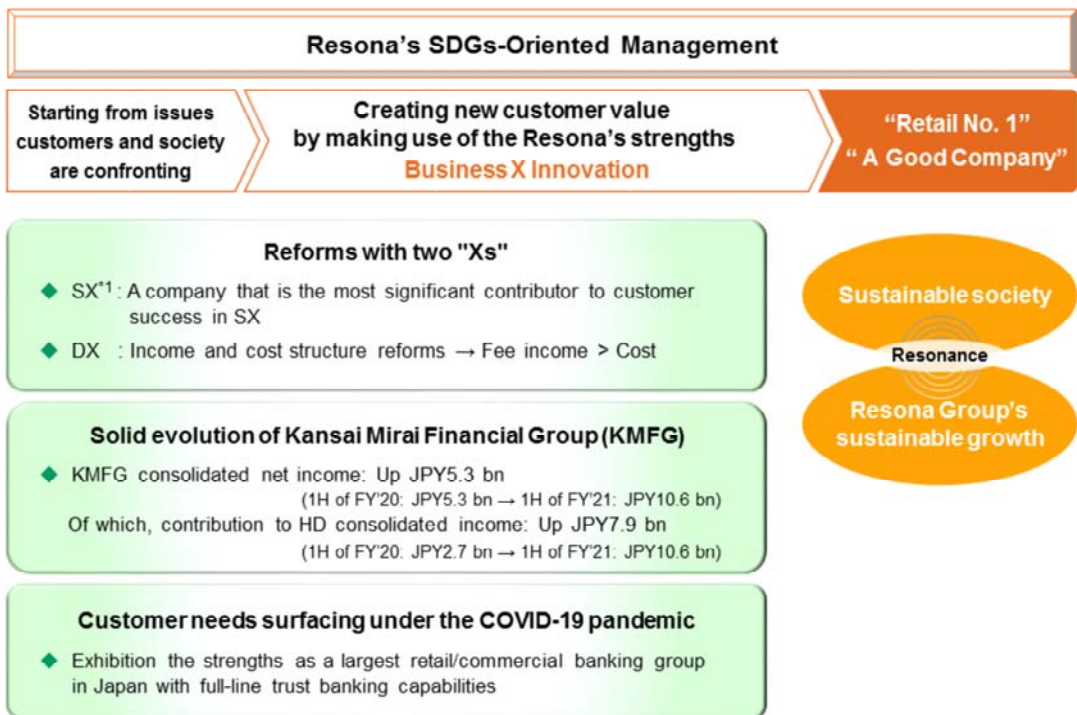
Efforts for Sustainable Growth

Capital Management

ESG Initiatives

Reference Material

Message from the Top Management / Efforts for Sustainable Growth



*1. Sustainability Transformation: Voluntary efforts undertaken by corporations and individuals to transform business models or lifestyles in order to stay at the forefront of an across-the-board shift toward a sustainable society

Resona Holdings, Inc.

21

- Let me now talk about our growth strategy.
- We have been talking about "Resona's SDGs management", which is the business based on the customer and social issues as a starting point.
- The customer's issues are changing day by day. However, we aim to grow together with social and our customers by leveraging our strengths and by adapting ourselves to change as quickly as possible. We think there is "the "Retail No. 1" beyond that.
- Against this backdrop, based on a medium-to long-term perspective, we have broadly summarized in 3 points as points for sustainable growth.
- First, "Reform through the 2 "X" initiatives." The first X is SX, or Sustainability Transformation. Aiming to be "the financial services company that contributes most to the SX of retail customers." This is regarded as a "growth opportunity" for us.
- Another X is DX, or digital transformation. With DX as a driver, we want to change the customer experience and provide new value to our customers. Then, at the same time, by realizing reforms to our cost structure, in the long term, we intends to aim to shift to an earnings structure in which fee income covers total costs.
- The second point is the "solid evolution of KMFG," which is a new growth driver for our group.
- The third point is in terms of responding to the needs that have emerged from the COVID-19 crisis. We intend to maximize our strengths as a retail commercial bank with full-line trust banking capabilities, with a focus on the area of "further development" which is outlined in the medium-term management plan.
- I will explain about each of these, but I would like to discuss a little more about what is at the root of our SDGs management.
- Page 22, please.

Resona's SDGs-Oriented Management / To Be a Good Company

A corporation's reason for being is to deliver value to customers and the market.
We therefore need to go back to the basics of business management and seriously ask
ourselves a fundamental question: What do we offer society through our existence?

For the Resona Group to grow sustainably, it must aim to be a good company
consisting of employees with good personalities.



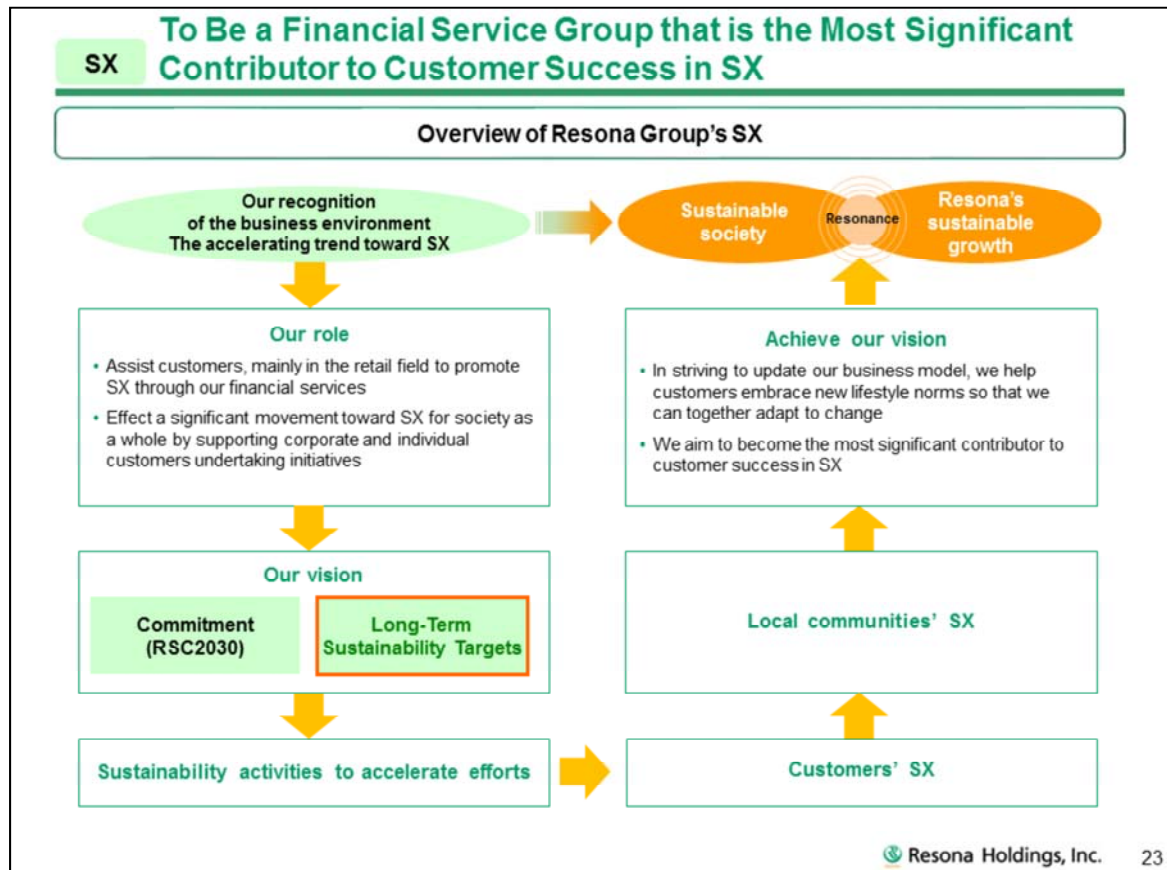
Foundation of Resona's SDGs-Oriented Management

Deceased former Chairman Eiji Hosoya

In June 2003, when the Resona Group was injected with public funds, he stepped aside from his former position as Vice President of East Japan Railway Company and assumed the office of Chairman at Resona Holdings to spearhead the "Resona Reform."

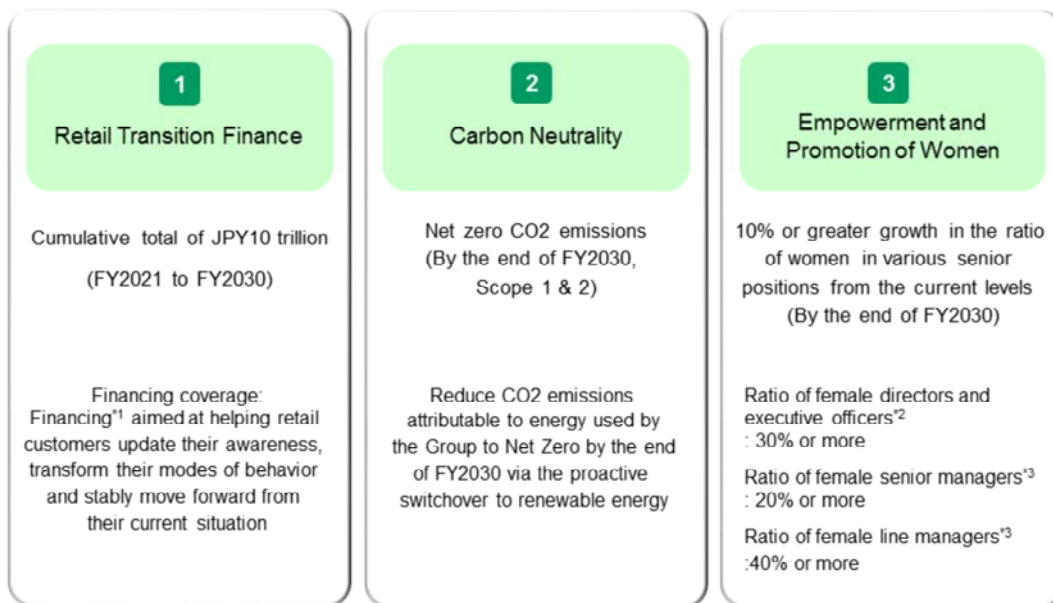
These quotes from a former Chairman Eiji Hosoya are featured at the top of the Resona Standards (Resona Group's Behavior Guidelines), which provide specific examples of action to be taken to embody the Corporate Mission and the Resona Way, to this day serving as a cornerstone for all Group employees.

- Resona received JPY1.96 tn of public funds in 2003. Subsequently, we worked on "Resona Reform" aimed at becoming a truly retail bank.
- This reform started under the leadership of Mr. Hosoya, who has been transferred from the Executive Vice President of JR East to the Chairman of Resona HD. The word here is written at the beginning of the Resona group's behavior guidelines by Mr. Hosoya.
- The guideline states that for the Resona Group to grow sustainably, it must aim to be a good company consisting of employees with good personalities. This is the cornerstone of Resona's SDGs management.
- Now I'll talk about individual strategies. From SX first.
- To page 23, please.



- This is an overview of the SX strategy of our group. I would like you to confirm the details later, but I will first explain our views on SX.
- Regarding SX, I think that "some people still have some doubts," but I told all employees that I would "seriously committed to it 120%."
- Sustainability is characterized by "extra-long time horizons," "the possibility of changing the rules of the game itself," and, as a result, by "bringing about structural changes."
- Here, the challenge is that it is not clear at this point that what innovations will occur and how they will impact on what channels of transmission.
- However, based on the assumption that structural changes will occur, it will be too late if we take action once the market start to change, delayed action will be fatal.
- The Resona Group is built on its business relationships with an extremely wide range of retail customers. Positioning SX as a new issues for customers, we will accelerate responses while all employees participate with the aim of becoming "the financial services company that contributes most to the SX of retail customers."
- Page 24, please.

SX Long-term Sustainability Targets (Established in June '21)



^{*1}. Including financing for such green projects as renewable energy generation, as well as large corporate financing involving third-party verification

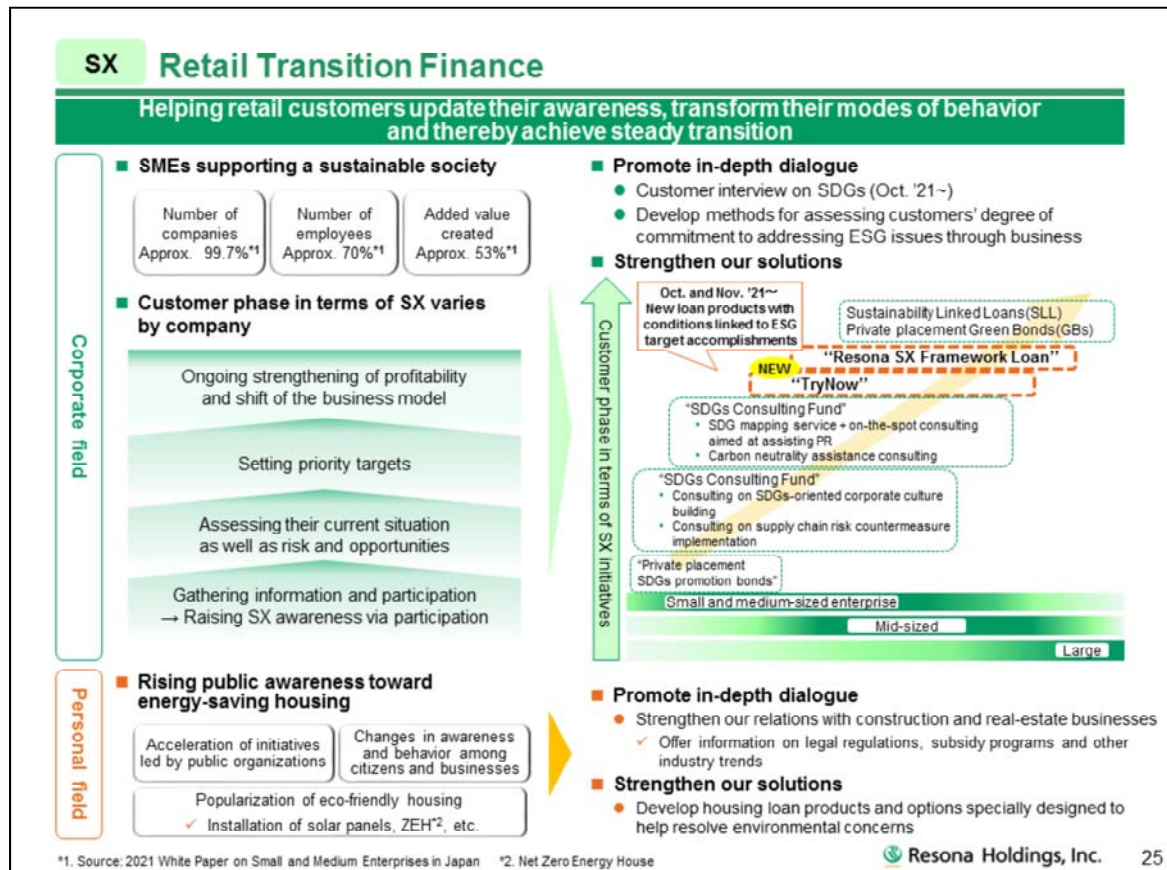
^{*2}. HD

^{*3}. Sum of six group companies (HD, RB, SR, KMFG, KMB and MB)

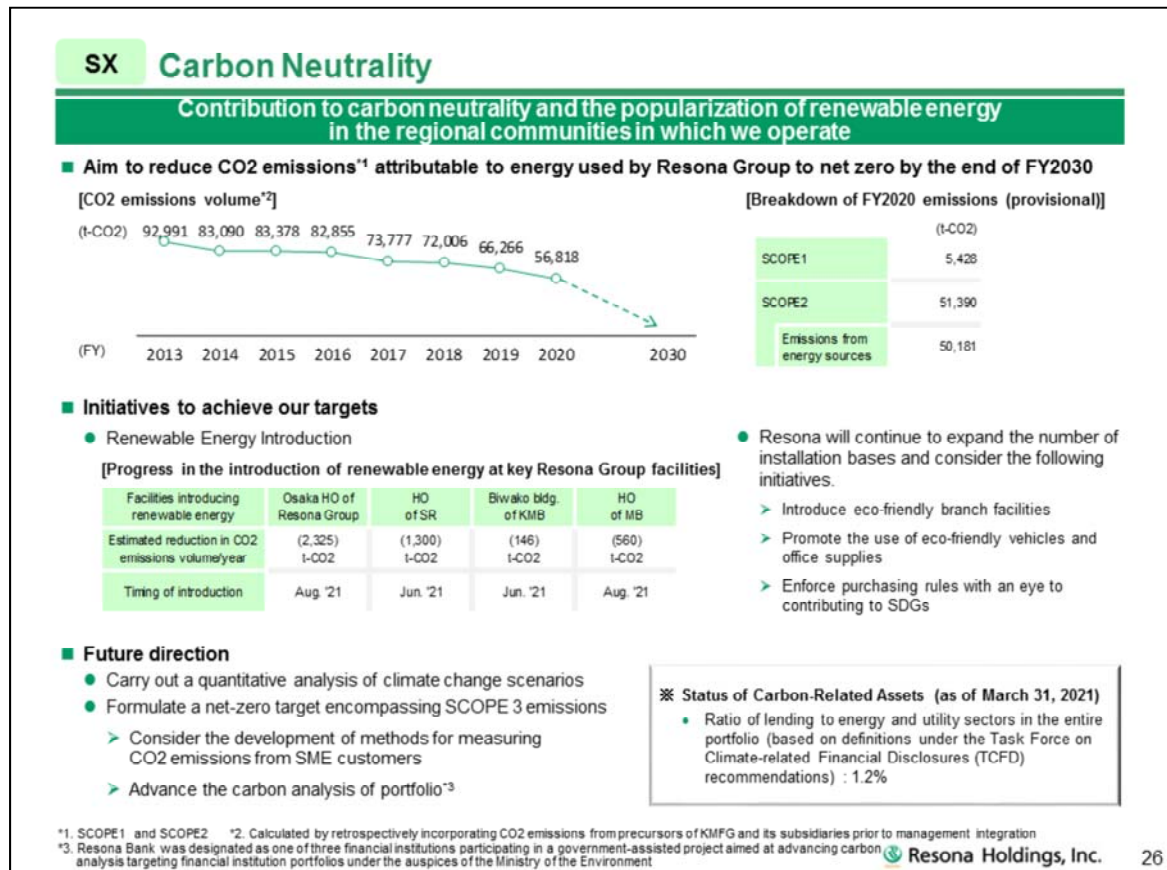
 Resona Holdings, Inc.

24

- As a specific initiative of SX, the Long-Term Sustainability Targets were formulated and announced in Jun. 2021.
- The 3 specific targets for the FY2030 are listed here.
- The first is "Retail Transition Finance."
- The second is "carbon neutrality."
- Third, "empowerment and promotion of women."
- I would like to provide a supplementary explanation of each of them.
- Page 25, please.



- As "Retail Transition Finance," we aim to handle a cumulative total of JPY10 tn by FY2030.
- SX's efforts have accelerated, particularly among large enterprises. We want to be closer to our retail customers and support steady progress from each current location while enhancing our own organizational capabilities.
- SMEs are extremely important positions in Japan as a whole, with 99% of the number of enterprises, 70% of the number of workers, and 53% of the value added. On the other hand, I think the reality is that there are still significant variations in efforts toward SX.
- We believe that our mission is to maintain a firm dialogue with our customers and provide them with concrete solutions that will serve as a first step according to each stage.
- Specifically, in Oct. 2021, for example, we began hearings with corporate customers on the theme of ESG on a Group-wide basis.
- Another example of a solution is the product listed on the right. In Oct. and Nov. 2021, we also released new products for supporting customers by acting as a "running partner".
- Page 26, please.

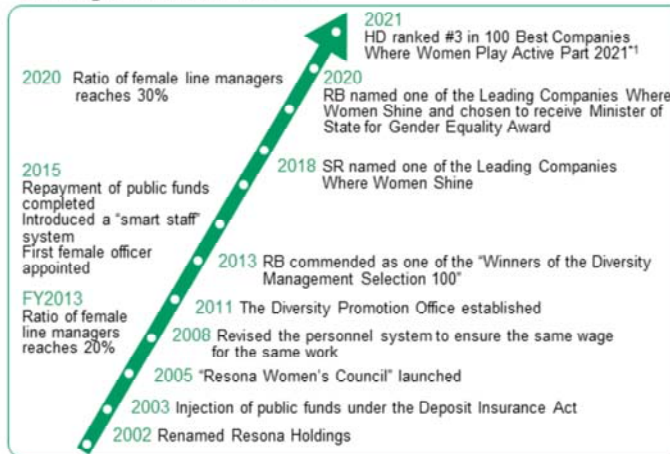


- About the second "carbon neutrality."
- The goal is to virtually eliminate CO2 emissions from Resona Group-wide energy-use by FY2030. As a member of the local community, Resona hopes to contribute to the promotion of carbon neutrality and renewable energy in the local communities where Resona is based by achieving this goal at an early stage.
- While this target is set at SCOPE1,2 emissions, we naturally keep in mind the formulation of a net-zero target, including SCOPE3 emissions.
- Future direction is described at the lower left. Not only to declare, but more importantly, show plans and results for reduction. As a precondition, the first step is to measure the greenhouse gas emissions of the loan and investment portfolio.
- This is an important starting point for us, where our portfolio is centered on our small and medium-sized enterprise customers.
- Against this backdrop, Resona Bank has participated in the Ministry of the Environment's Portfolio Carbon Analysis Support Project, and Resona Bank has been selected for this project. We intend to focus on examining and materializing SCOPE3 emissions measurement techniques in the future.
- Page 27, please.

SX Diversity & Inclusion

Creating corporate value by drawing on diversity

- Step up the empowerment of women, to date a source of strength for the Group, ensuring that they serve as a driving force of value creation



Create corporate value by drawing on diversity
Ensure employees find their job rewarding

Ratio of women	2021	FY2030
Directors and executive officers (HD)	19.2%	30% or more
Senior managers (six Group companies ^{*2})	Approx. 10%	20% or more
Line managers (six Group companies ^{*2})	Approx. 30%	40% or more

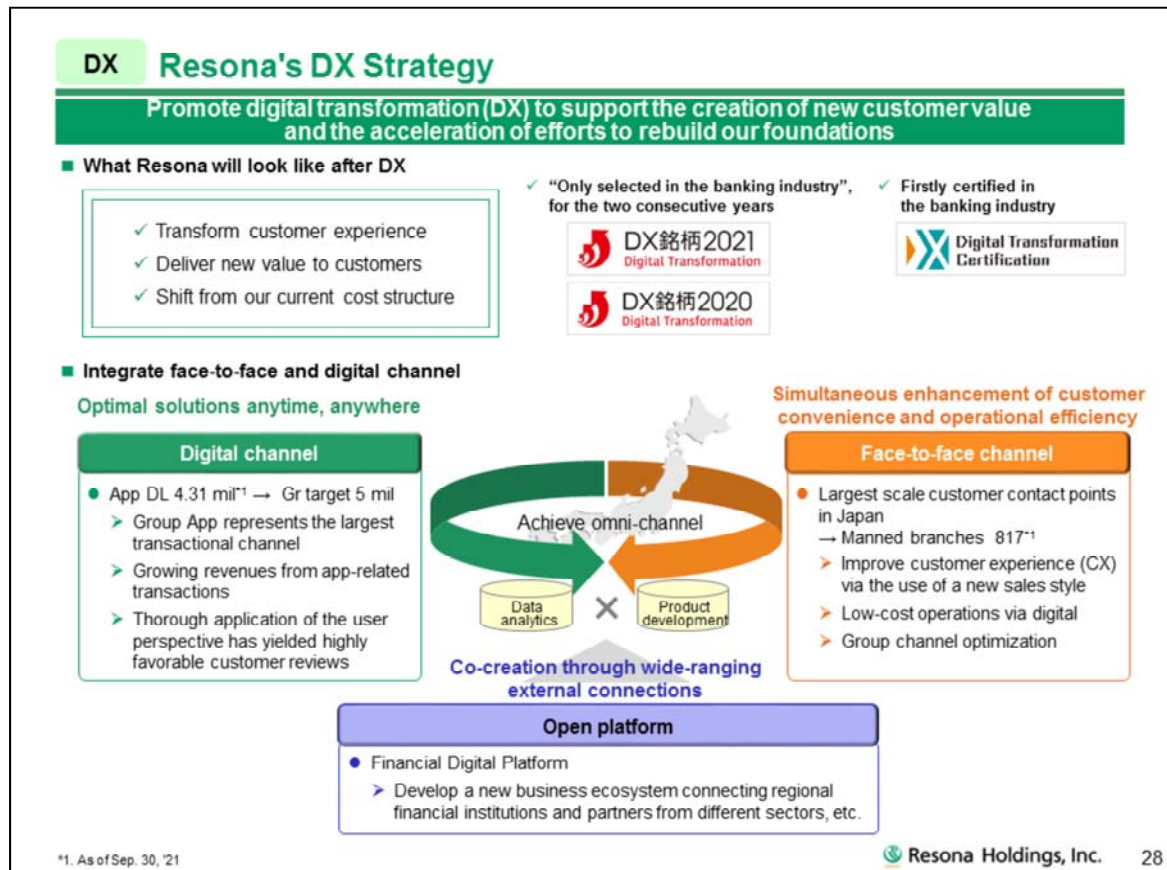


- Building a human resource portfolio with a greater focus on securing diverse workers boasting strengths in their areas of specialty

- New personnel system (Apr. '21~)
 - The multi-path HR system with a total of approx. 20 distinct career paths
 - Retirement age selection system → Evaluations and treatment regardless of age
- Corporate universities "Resona Academy" (Jul. '19~)

^{*1} Based on a Survey 2021 of Workplace Opportunities for Female Workers undertaken by Nikkei Woman
^{*2} Sum of HD, RB, SR, KMFG, KMB and MB

- Third "empowerment and promotion of women."
- The left-hand side shows the efforts in the past and the right-hand side shows the current situation and the targets for FY2030.
- This is an area that is already one of our strengths, as evidenced by the fact that the ratio of female line managers is approximately 30%, but we are confident that diversity will continue to lead to further corporate flexibility and resilience.
- Further promote the promotion and active participation of women not only at the management level but also at the senior managerial level and executive level, thereby further promoting the "creation of value by women."
- See page 28, please.



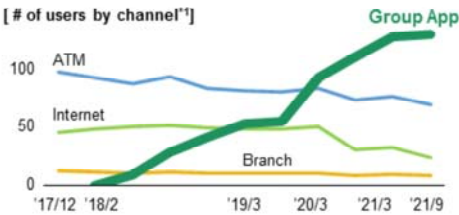
- From here on, about DX. First, I will explain the overall picture.
- On the top left, our goal is to change the customer experience, provide new value to the customer, and change our cost structure itself, by leveraging DX.
- As shown in the upper right, we are the only company in the banking industry to be selected as a "DX stock" for the second consecutive year.
- We understand that our efforts to provide new value to customers through the integration of face-to-face and digital channel has been highly recognized, and we will further accelerate this initiative.
- Page 29, please.

DX Digital Channel

Optimal solutions anytime, anywhere

■ App is growing into the key channel used most frequently by customers

[# of users by channel*1]

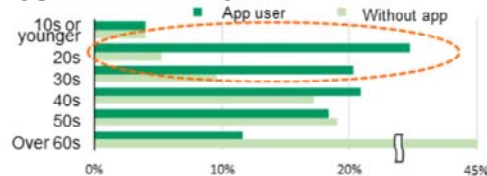


■ Expanding contact points with customers

4.31 million DLs*2

- Roll out the app across the Group (MB) as well as outside the Group (Mebuki FG, etc.)
- Secure contact points with customers representing an even broader age range

[Age distribution of users*3]



■ Growing revenues from app-related transactions

- In step with expansion in the number of users, revenues from app-related transactions are rising

Income per person per day
+3.5 yen (FY'20) → **+3.6 yen** (1H of FY'21)

- High transactional frequency

Monthly active user rate*2: **Approx. 75%**
 Average number of times per month accounts are accessed*2: **12times or more**

- Enrich the lineup of products available via the app

- Provide account details permanently (Jan. '21)
- Addition of investment trust funds available U.S. stock fund (Mar. '21), etc.
- App-based housing loans (Apr. '21)

■ Improving the app to earn customer loyalty

- An agile development structure is in place to promptly execute improvements

Number of updates: **More than 120**
 Number of improvements: **More than 870**

- Highly evaluated

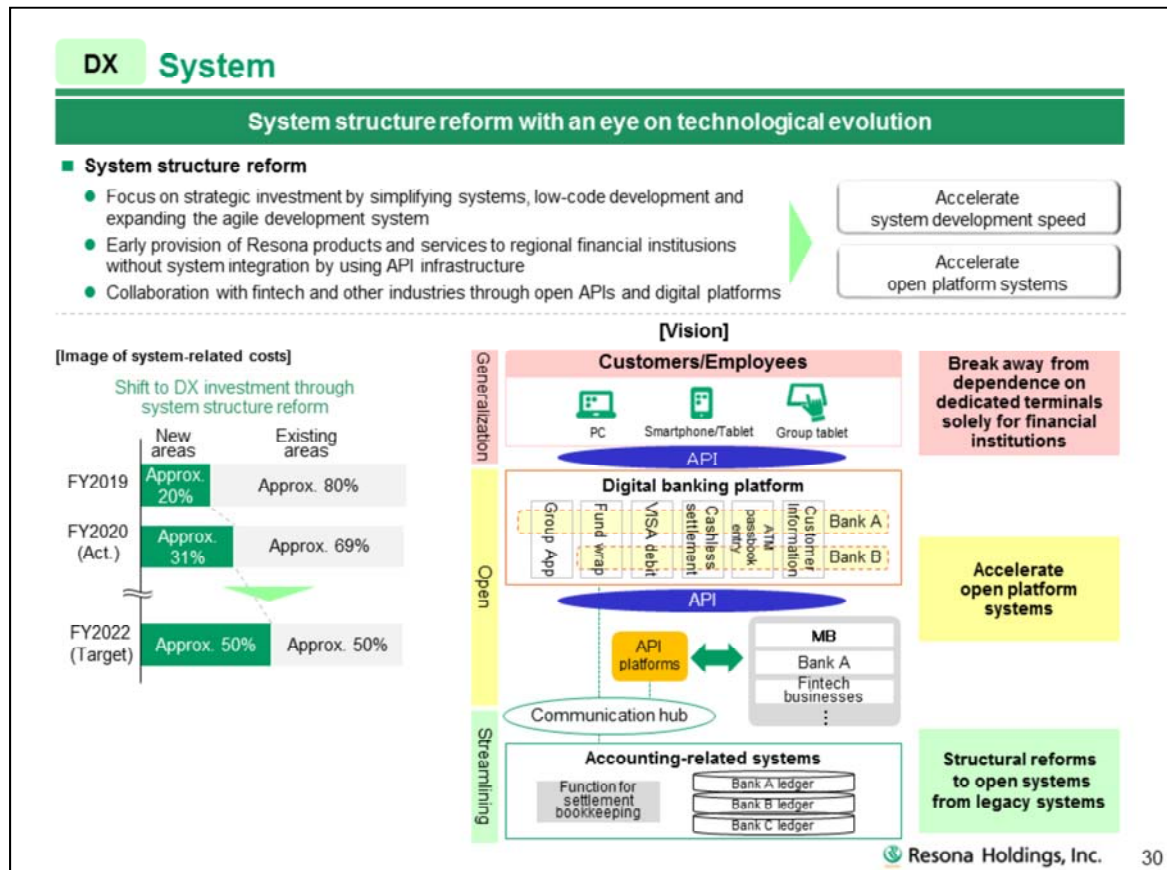


*1. Number of ATM users as of Dec. '17 as 100 (per day, RB) *2. As of Sep. '21 *3. Ratio of app users by age (as of Sep. '21)

Resona Holdings, Inc.

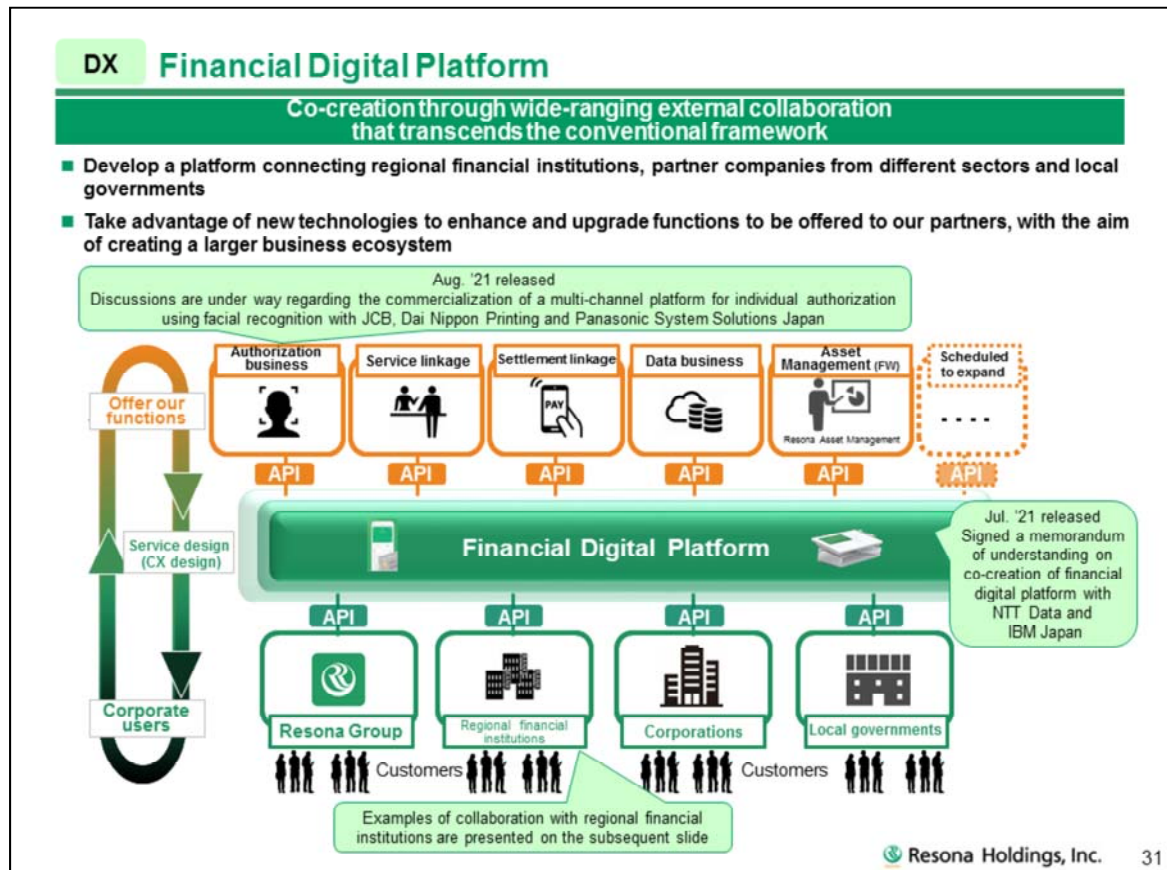
29

- About digital channels.
- As shown in the upper left, group apps are already the most used channel, and usage continues to trend upward. This is the reality that has already happened.
- By Sep. 2021, the number of downloads within the group is 4.31 million. In addition to expanding outside the Group, it also enables 2-way communication with customers that were previously unable to reach in terms of age group.
- The upper right-hand side shows income per person per day. The situation continued at 3.5 yen a day, but this increased to 3.6 yen a day in the 1H of FY2021.
- As the number of downloads continues to grow, we feel that we have been able to increase earnings per users of the App.
- Another factor behind the rise is that we are gradually expanding the range of products we handles while balancing UI/UX and convenience of the App.
- Page 30, please.

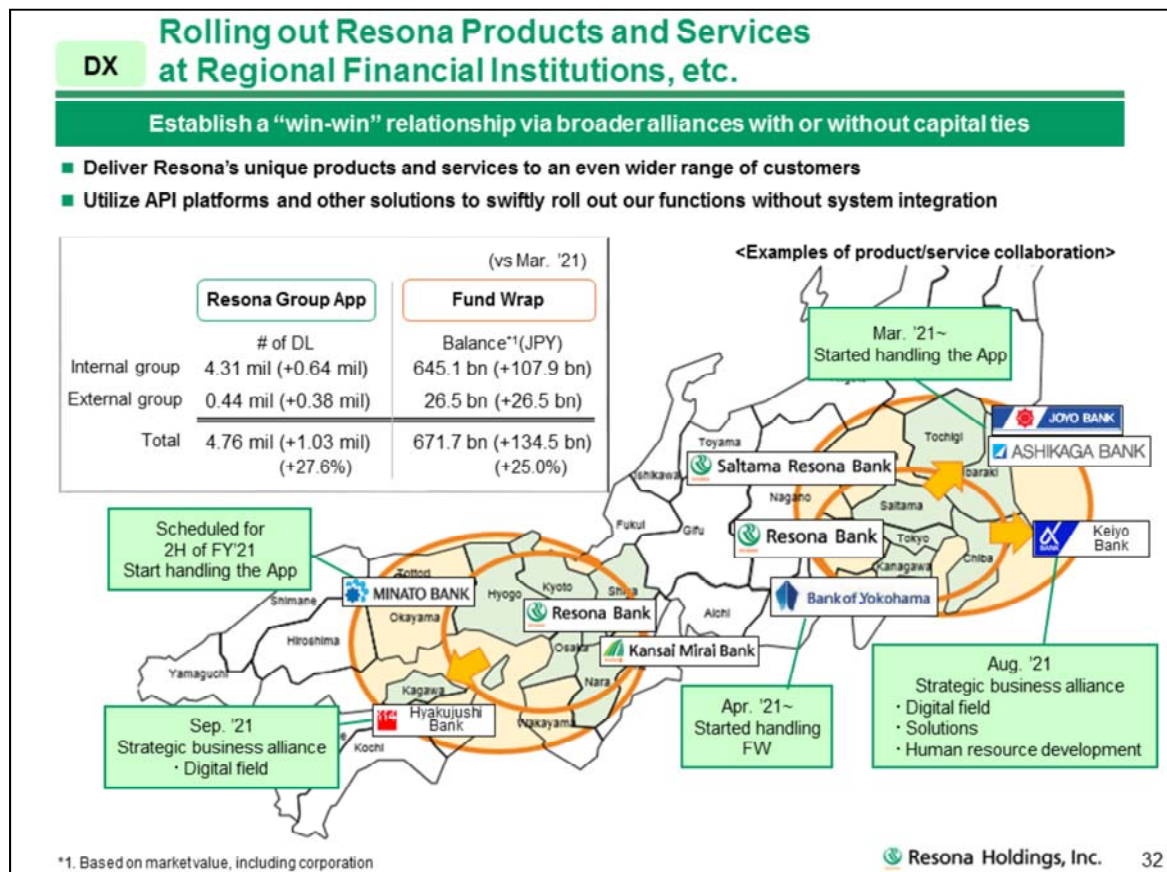


30

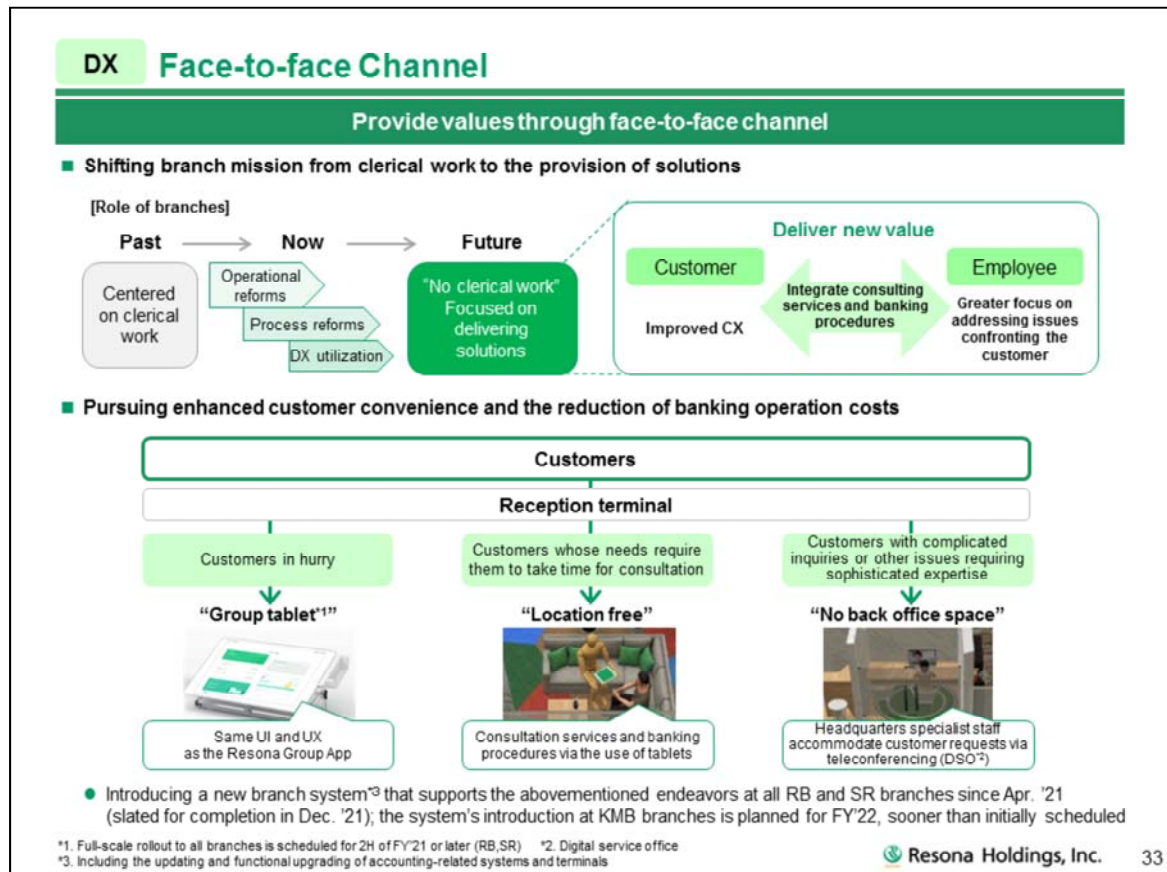
- About the system that supports DX.
- While keeping an eye on the evolution of technology, we are carrying on system structural reforms for the next generation.
- While accelerating development speed through low code development and agile system on the left side, we will expand investment in strategic areas without significantly changing overall system costs.
- The right side is our vision. We will promote generalization, open, and streamlined operations.
- One of the most important points here is the utilization of API. Please refer to pages 31 and 32 for an explanation of this as well.



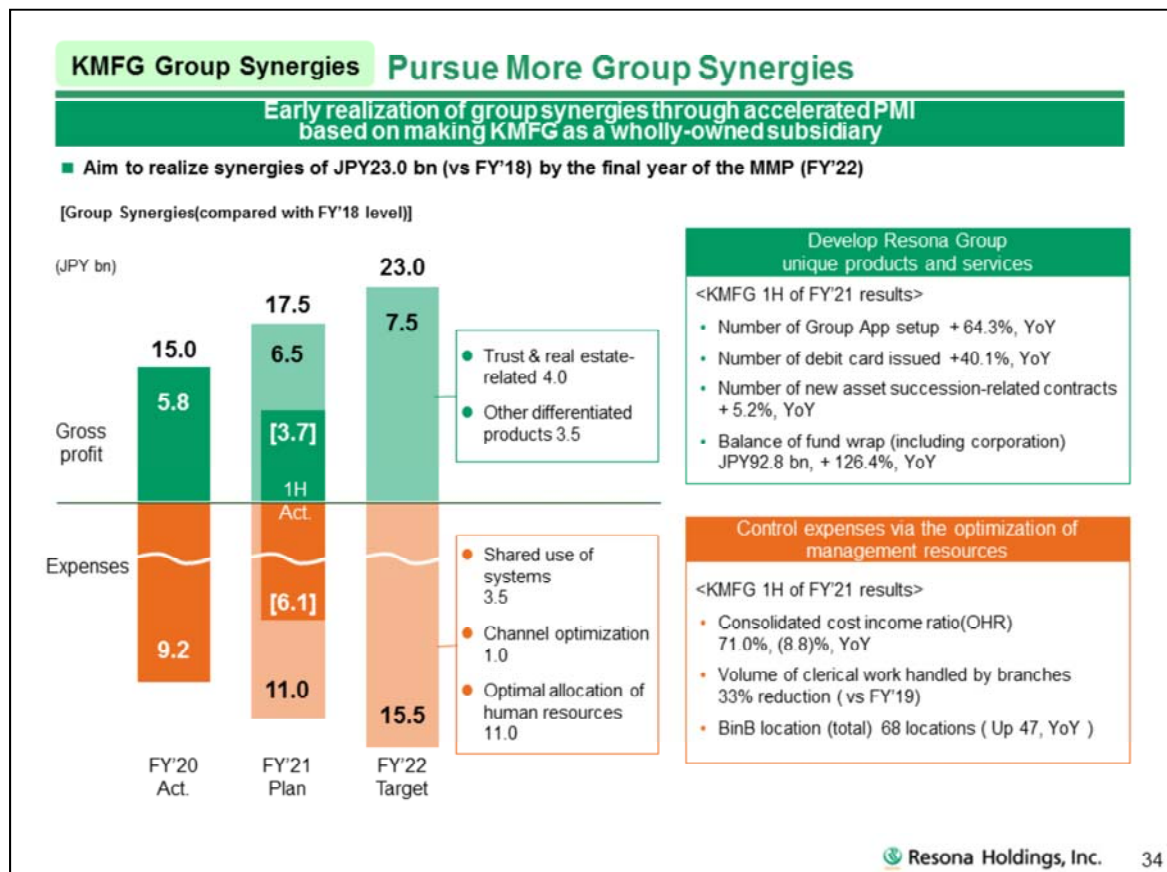
- About the financial digital platform.
- Through API and digital infrastructure, we are aiming to provide open platforms that can be used by various companies without being limited by conventional frameworks.
- The upper part concerns the provider of the function. It will be possible to expand the providers' functions and services across Japan through a wide range of financial institutions, including those in other industries.
- As shown in the bottom part, customers such as regional financial institutions, corporation, and local governments can use platforms to take advantage of the innovative and attractive diverse services possessed by people in other industries.
- Several progress has been made in the current fiscal year toward realizing this concept. First, in Jul. 2021, we concluded a memorandum of understanding with NTT DATA and IBM Japan regarding the co-creation of platforms.
- In Aug. 2021, we reached a basic agreement with JCB, Dai Nippon Printing, and Panasonic to begin discussions in the field of facial recognition.
- For more information about co-creation with regional financial institutions please turn page 32.



- The progress in the 1H is mainly shown on this slide.
- We believe that the solid track record of win-win in Mebuki FG's app and Bank of Yokohama's fund wrap will give momentum to future developments.
- Keiyo Bank and Hyakujushi Bank have entered into a new partnership.
- Through API linkage, Resona can develop its own products and services without integrating systems.
- This is an effort that was hard to think about 10 years ago. By enabling these speedy collaborations through technological advances, we are aiming to build a more strategic ecosystem.
- Though it is still halfway to the road, but I am confident that we are moving to the right direction.
- Page 33, please.



- Initiatives in the Real Channel.
- We will shift branches from clerical work to a place to provide solutions, thereby providing added value that only face-to-face can. This is the mission of the next generation of manned branches.
- The bottom of the slides is the image of "sales style" in the future branches. Resona Bank and Saitama Resona Bank have already started introducing the new branch system to support this system in Apr. of this year and plan to complete it by Dec.
- We have been investing in the new branch system since last fiscal year, and its amortization costs have increased non-personnel expenses this fiscal year, but we are firmly controlling total expenses.
- Page 34, please.

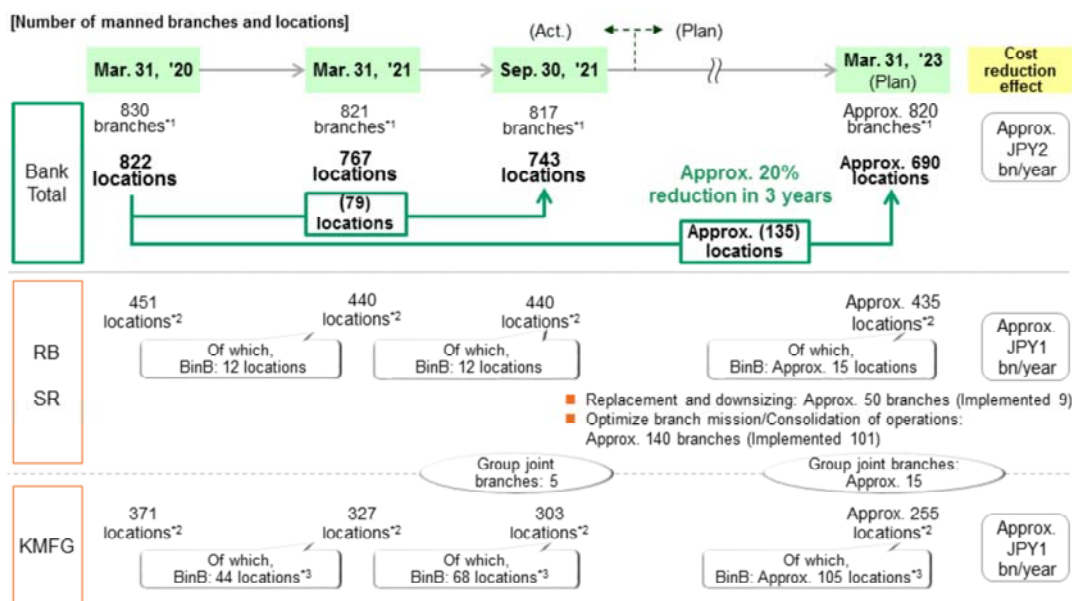


- At the beginning of presentation about our growth strategy, I mentioned "solid evolution of KMFG," and I will explain the group synergy here.
- KMFG has shifted from the stage of system development to a new stage of producing results. There is room for further synergies to be realized both on the top-line side and on the expenses side.
- As mentioned earlier, we aim to create a synergy of JPY23.0 bn in the fiscal year ending Mar. 2023 compared to the fiscal year ending Mar. 2019. I think you can confirm that this progress in the 1H is proceeding smoothly, as shown here.
- The right-hand side shows some data that form the basis for "revenue growth" and "cost reduction." The development of the Group's proprietary products and know-how is progressing as expected.
- Go to page 35, please.

KMFG Group Synergies Channel Reform

Maintain customer contact points and low-cost operations

- Cut the number of branch locations approx. 20% within the MMP (3 years) even as we give due consideration to customer convenience

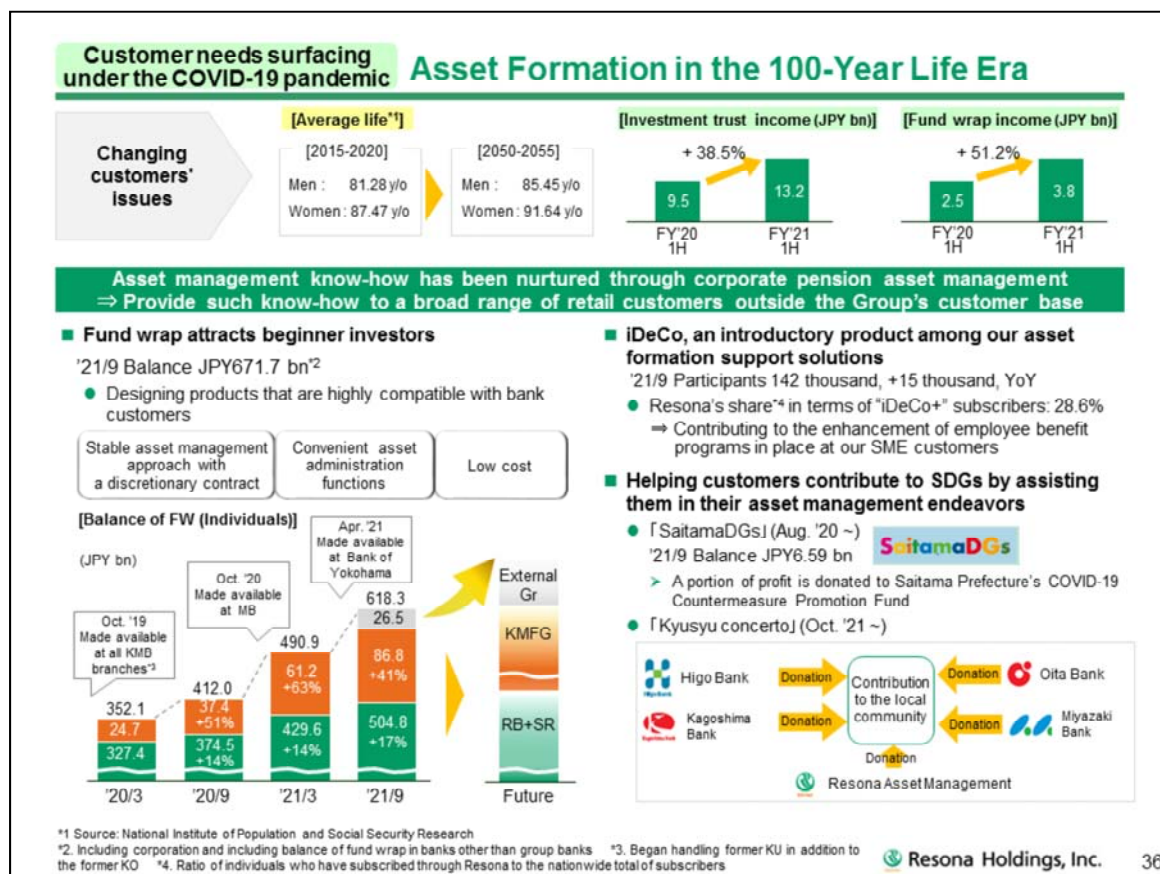


^{*1}. Some seven days plazas and other of RB are not included. ^{*2}. Joint branches between RB and KMFG are counted in RB locations.
^{*3}. KMFG's BinBs include integration of KMB's plazas (representative offices)

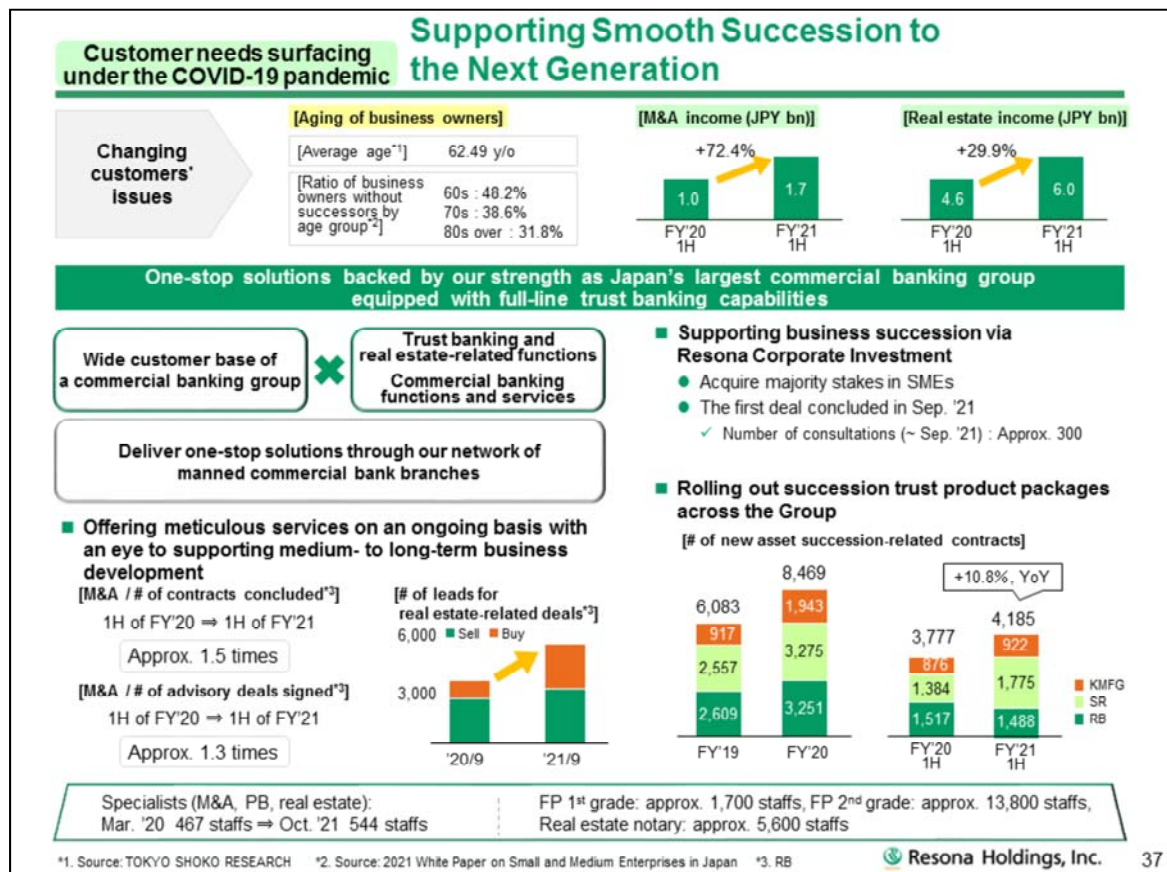
Resona Holdings, Inc.

35

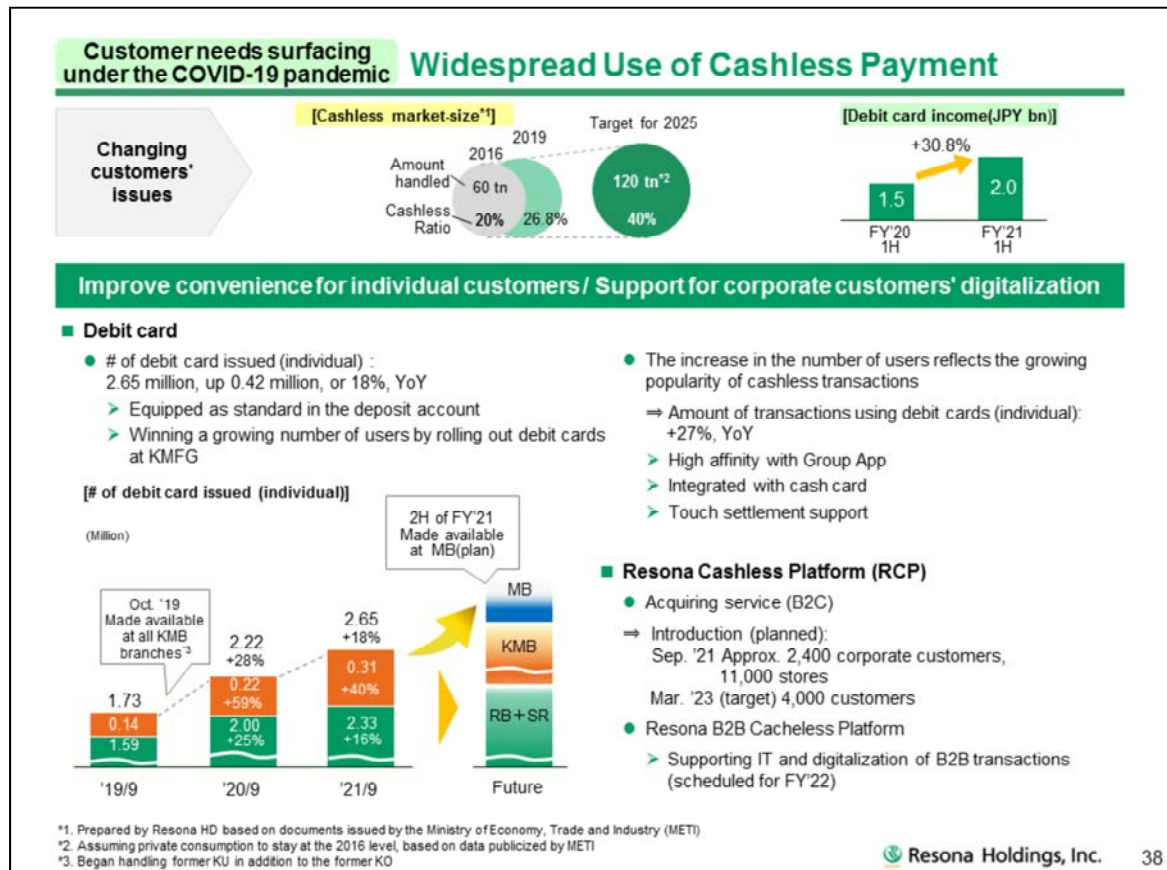
- Status of channel reforms. By reducing the number of locations, mainly through the conversion to joint branches, while reducing the number of personnel per branch and downsizing, we aim to simultaneously maintain customer contact points and low-cost operations.
- The number of Group branch locations will be reduced by nearly 20% in the 3 years period of MMP. The addition of about 30 joint branches to the plan, with the KMFG became a wholly-owned subsidiary in Apr. 2021, will also contributed to this reduction.
- Page 36, please.



- The third theme of our growth strategy.
- With the changing mindsets and lifestyles of customers following COVID-19, we have identified 3 businesses as more apparent needs. All of these areas have potentially large needs amid the trend of an aging and cashless society, and are priority businesses in the MMP.
- Every slides shows what is symbolic as the results of the 1H in the top row. I think you can confirm that the figures are "very strong" compared to the previous fiscal year.
- First of all, this slides shows the asset formation support business.
- In the upper right-hand, investment trust incomes increased by 39% and fund wrap incomes increased by 51%, showing significant YoY growth. In this field, we aims to "expand the professional investment that we have cultivated in pension management to a broad range of retail customers."
- The "Fund wrap balance" has increased to JPY671.7 bn, which is full 5 years from the launch of the product in Feb. next year. So far, we have provided products to customers of Resona Bank and Saitama Resona Bank, Kansai Mirai Bank, Minato Bank and Bank of Yokohama which customer base is outside the group in Apr. 2021. The Bank of Yokohama sold JPY26.5 bn in the half year, and we believes that we have able to build win-win alliances.
- There are various fund wraps available in the market, but we believe that the key to differentiation of our fund wrap is its product design, which is highly compatible with bank customers.
- Individual deposits are increasing significantly, but we intends to continue offering investment products that contribute to long-term, stable asset formation to more retail customers while expanding the scope of product offerings.
- See page 37, please.



- Regarding asset and business succession business.
- I think you can confirm the strong growth in M&A, and real estate incomes in the upper right of the slides.
- At the bottom left of the slides, we show the status of advisory deals signed for M&A, the number of leads for real estate-related deals, and other factors. From the size of the potential needs, we think this area still has considerable room for growth.
- The graph on the lower right shows the number of new asset succession-related contracts. As with the fund wrap, I think you can confirm that the growth from group development is large.
- Page 38, please.



- About cashless.
- Data at the top right are debit card incomes. This is also showing a large increase of 30%, YoY.
- At the bottom left, the number of debit cards issued increased by 0.42 million in a year, or +18%, YoY.
- In the middle row on the right, the amount of transaction using debit cards increased by 27%, YoY. Together with the stimulation of demand through group apps, the transaction value of debit cards is increasing more than the number of cards issued.
- Page 40, please.

**Outline of Business Results for 1H of FY2021
and Updates on Major Businesses**

Efforts for Sustainable Growth

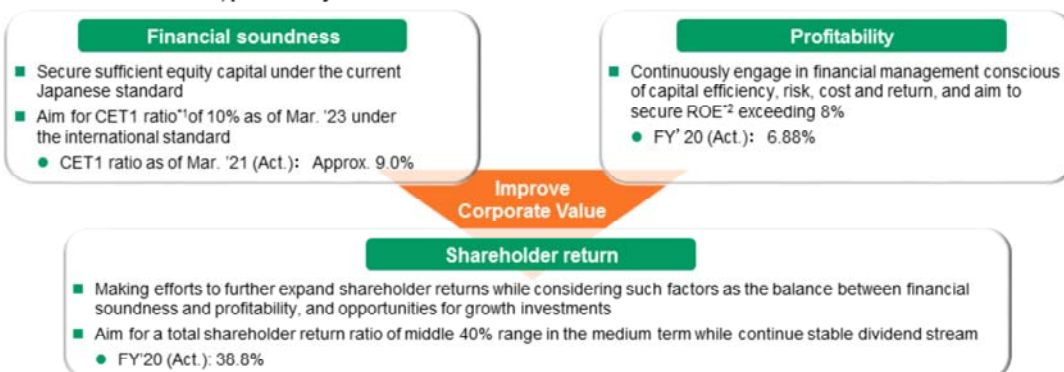
Capital Management

ESG Initiatives

Reference Material

Capital Management

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



- Nov. '21 Implement share buyback up to JPY 10.0 bn (Plan to cancel all of the treasury shares to be acquired)

- Action based on the following issues
 - Steady progress in interim results amid fulfilling our mission as a social infrastructure under the COVID-19 pandemic
 - Net income attributable to owners of parent : JPY80.8 bn (Progress rate against the full year target : 55.7%)
 - CET1 ratio*1 : Approx 9.3% (Up 0.3% from Mar. '21)
 - The path to achieving the total shareholder return ratio target
 - Forecast of total shareholder return ratio FY'21 : 35.0%(Beginning of the term)
⇒ 41.9%(After the acquisition)*3
 - The current share price

*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)

*3. Exclude share buyback to neutralize dilutive effect on EPS from Making KMFG a wholly-owned subsidiary of HD

Resona Holdings, Inc.

40

- Lastly, capital management policy.
- Our direction of capital management policy shown above, which have been presented in the past.
- There is no change in our approach of aiming to further expand shareholder returns while maintaining a balance between "financial soundness," "profitability," and "shareholder returns." While maintaining a stable dividend stream, we aim to achieve a total shareholder return ratio of mid-40% range over the medium term.
- Based on this policy, we have set a maximum limit of JPY10.0 bn for share buyback. This is a return action based on the current situation as described in the lower part of the slides.
- First of all, as a financial institution that plays a role in Japan's social infrastructure, we place top priority on protecting customers' lives and businesses, such as providing smooth financial services and funding support.
- While the COVID-19 status remain uncertain, we recognize that we have been able to deliver on our goals in terms of both profitability and financial soundness, while fulfilling our missions.
- We are also aware that the market has great expectations for returns. In order to achieve our medium-term target for the total shareholder return ratio, we intends to clearly show its path.
- In addition, based on the current level of stock prices, we recognize that this case has a high degree of rationality as a method of utilizing capital, and I hope that you will understand that it reflects "management's thoughts" with respect to stock prices.
- I would like you to go to page 52 at the end.

**Outline of Business Results for 1H of FY2021
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 initiatives Clarify 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.
	Investment initiatives	<ul style="list-style-type: none"> Incorporate an ESG-oriented viewpoint into investment decision-making process Maintain constructive dialogue and engagement with investees
Expand the opportunities	Conserving the environment through our products and services	<p>[Individual customers]</p> <ul style="list-style-type: none"> ✓ <i>Nihon-no-Mirai</i> (investment trust) ✓ Optional support for those suffering damage due to natural disasters (housing loans) <p>[Corporate clients]</p> <ul style="list-style-type: none"> ✓ SDGs Consulting Fund ✓ Private placement green bonds ✓ Sustainability linked loans

[CDP scores^{*2}]

Resona HD	B
SMFG	B
MUFG	B-
Mizuho FG	B-
SMTH	C

[Status of carbon-related assets^{*3}]

Ratio in the entire portfolio
1.2%
(As of Mar. 31, '21)

^{*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

Enriched the lineup in Jul. '21

- NEW** Carbon neutrality assistance consulting
- NEW** Consulting aimed at supporting SDGs mapping, etc.

NEW "TryNow"

SME loans with special conditions linked with ESG targets (SR: Oct. '21~ , KMB, MB: Nov. '21~)

NEW "Resona SX Framework Loan"

Sustainability Linked Loan (SLL) package designed to support SMEs with the inclusion of third-party certification procedures (RB: Oct. '21~)

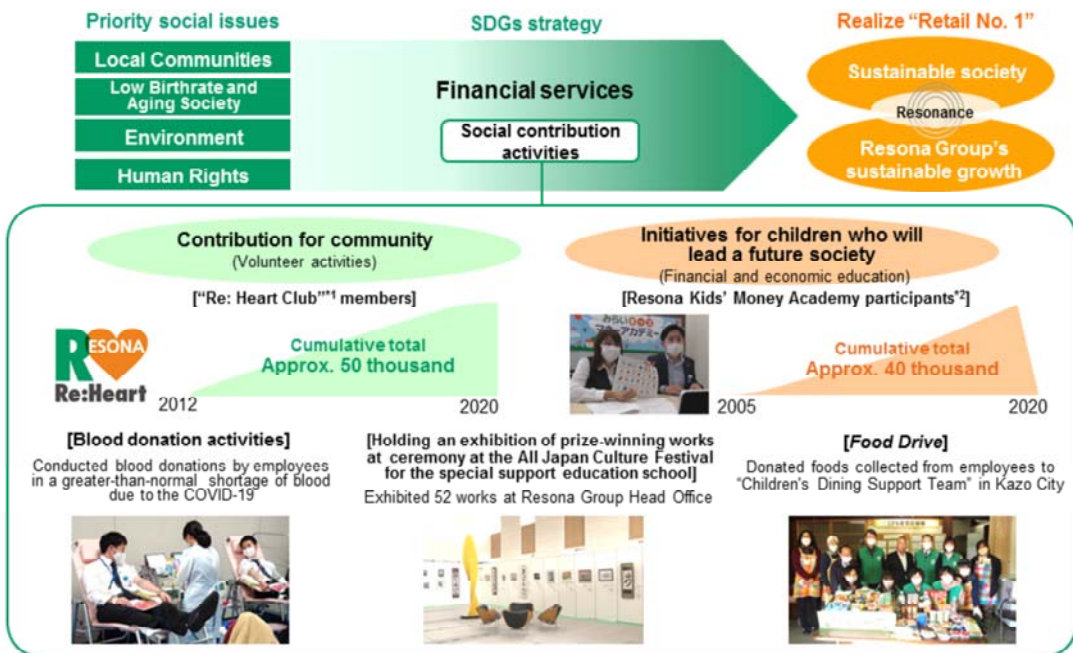
Private placement green bonds and sustainability linked loans

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”

Resona Holdings, Inc.

44

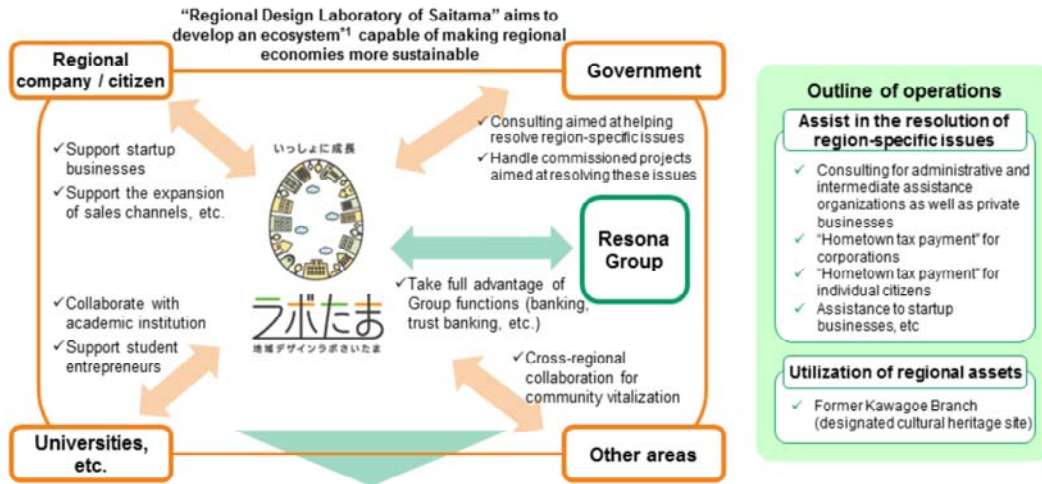
S (Society): Initiatives to Help Resolve Region-Specific Issues

Facilitate an autonomous, virtuous cycle in regional economies and thereby realize a sustainable regional society and the co-creation of value in tandem with communities

■ Establishment of “Regional Design Laboratory of Saitama” (SR: Oct. '21)

- Support the creation of a sustainable community by extending fundraising assistance and helping nurture community builders
- Vitalize regional economies through business incubation assistance

Among Group companies, the first instance of an “advanced banking service company” under the Banking Act



Make Saitama Prefecture the most livable prefecture in Japan “Regional X SDGs”

^{*1}. A framework in which diverse players interact and harmoniously coexist within a regional community

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	<ul style="list-style-type: none"> Majority of the Board members are independent outside directors 		Nominating Committee	<ul style="list-style-type: none"> Outside directors only Introduced succession plan in 2007 and ensure objectivity by drawing on the advice of outside consultants
	<div>Independent 6</div> <div>Internal 4</div>		Compensation Committee	<ul style="list-style-type: none"> Outside directors only Introduced share benefit trust as performance based stock compensation program for officers in 2020
	<ul style="list-style-type: none"> Ratio of female directors: 20% Chairman does not concurrently serve as an executive officer, separating management supervision and business execution 		Audit Committee	<ul style="list-style-type: none"> Majority of outside directors Introduced double report line system in 2016

Outside directors



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

Member, Nominating Committee
Member, Audit Committee

(Former Chairperson of Honda Motor)

Internal directors



Kazuhiro Higashi
Chairman



Masahiro Minami
President and Representative Executive Officer



Mikio Noguchi
Executive Officer



Takahiro Kawashima
Member, Audit Committee

Resona Holdings, Inc.

46

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

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

■ Internal directors

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



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 scope of the plan covers various candidates for HD, KMFG and Group banks, ranging from those who are presidents to those who are 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-related external evaluations
<p>[ESG indexes selected by GPIF (domestic stock)]</p> <p>Aim to be included in all of four indices during the current MMP period</p> <div>  <p>FTSE Blossom Japan</p> </div> <div>  <p>S&P/JPX Carbon Efficient Index</p> </div> <div> <p>2021 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX</p> </div> <div> <p>2021 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)</p> </div> <div>  <p>FTSE4Good</p> </div> <div> <p>2021 MSCI ESG Leaders Indexes Constituent</p> </div> <div> <p>2021</p>  <p>Sompo Sustainability Index</p> </div>	<p>MSCI (Seven-grade system from AAA to CCC)</p> <p>AA</p> <hr/> <p>MSCI (WIN) (Full score is set at 10)</p> <p>8.8</p> <hr/> <p>FTSE (Full score is set at 5)</p> <p>3.0</p> <hr/> <p>S&P (Decile ranking system)</p> <p>8</p> <hr/>

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 Holdings, Inc.

49

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 DX (digital transformation)

■ Digital Transformation Stock Selection (DX Stock) 2021 (HD)

- Providing an open platform
- The reform of branch counter operations via the use of tablets

"Only in the banking industry" for the two consecutive years



Resona Group App outstanding design and user-friendliness

■ GOOD DESIGN AWARD 2018



■ App Ape Award 2020



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, 2019)

Resona Holdings, Inc.

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 five 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

Evaluated for its ambitious efforts to enhance internal audit


- Won the Most Excellent Award under the 2020 R&I Customer Satisfaction Award program (pension category) (RB)
- The 35th IIA Japan Chairman's Award of the Institute of Internal Auditors (HD, FY2021)




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

Enhancement of ESG Information Disclosure


Integrated Report of Resona Group (Issued in every July)



Resona Group
Integrated Report
2021




Inputs: Environmental, Social, Governance
Activities: Environmental, Social, Governance
Outcomes: Environmental, Social, Governance



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


<https://www.resona-gr.co.jp/holdings/english/investors/financial/integrated/index.html>

Messages from Outside Directors
 ⇒ View full version of the materials from Resona group's website




Resona Should and Is Qualified to Aim for "Retail No. 1"

Hidehiko Sato
Member of Nominating Committee
Member of Audit Committee




Expecting Resona to Step Up Its Forward-Looking Stance toward ESG

Kimie Iwata
Member of Nominating Committee
Member of Compensation Committee



https://www.resona-gr.co.jp/holdings/english/investors/message/outside_director.html

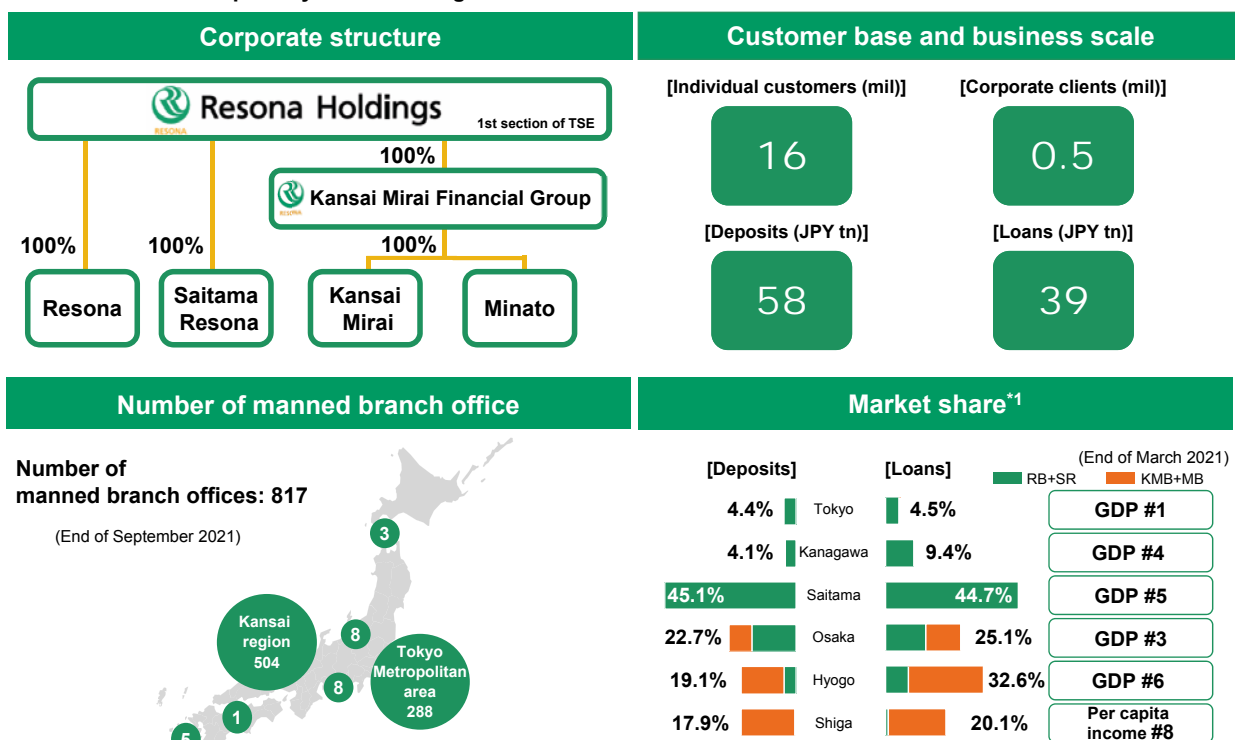
 Resona Holdings, Inc.

52

- I would like to give you a quick introduction about a Resona Group's Integrated Report.
- The QR code on the slide also gives you the access to the page on our website.
- I recommend you to see this report to help understand the content of Resona's SDGs Management from the financial and non-financial perspectives.
- The message from the outside directors in the integrated report is also available in full version on a website, so please look at a convenient time.
- That is all for my explanation.

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 Holdings, Inc.

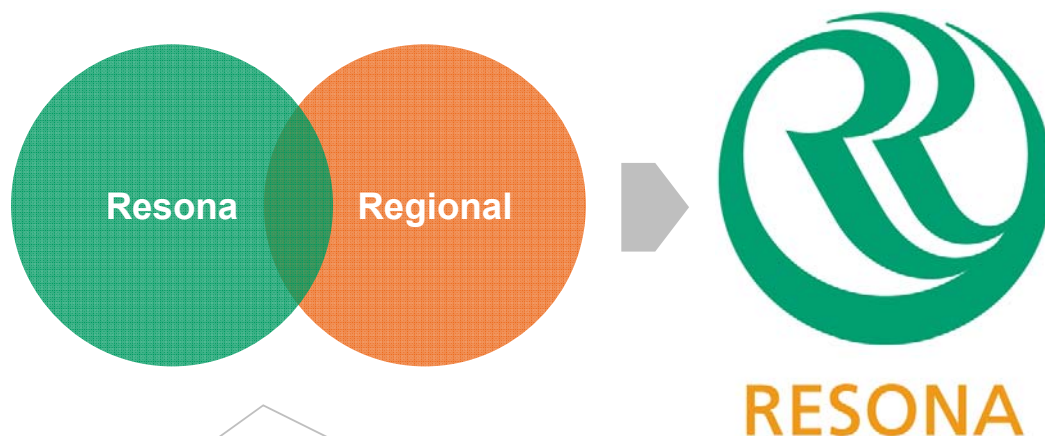
54

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

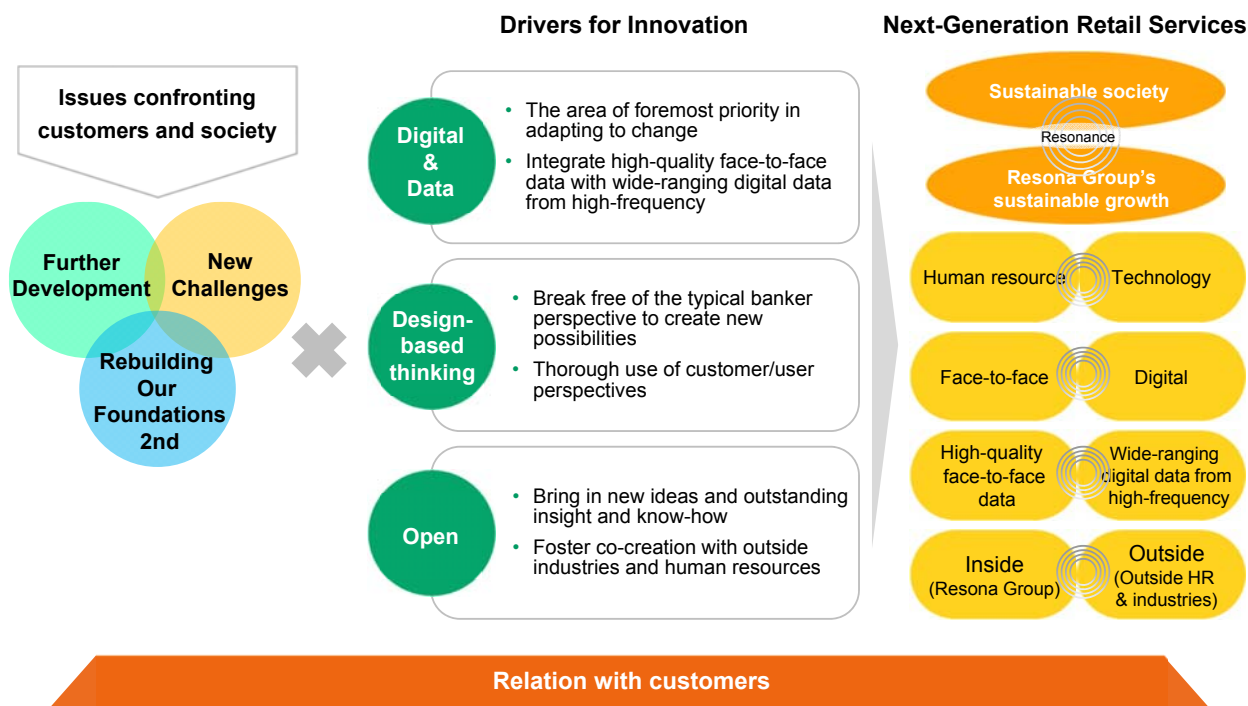
We attach great importance to customers' voice. By adopting the corporate name Resona, we want to express our desire to build stronger ties with communities and customers by "resonating" or "resounding" with them.



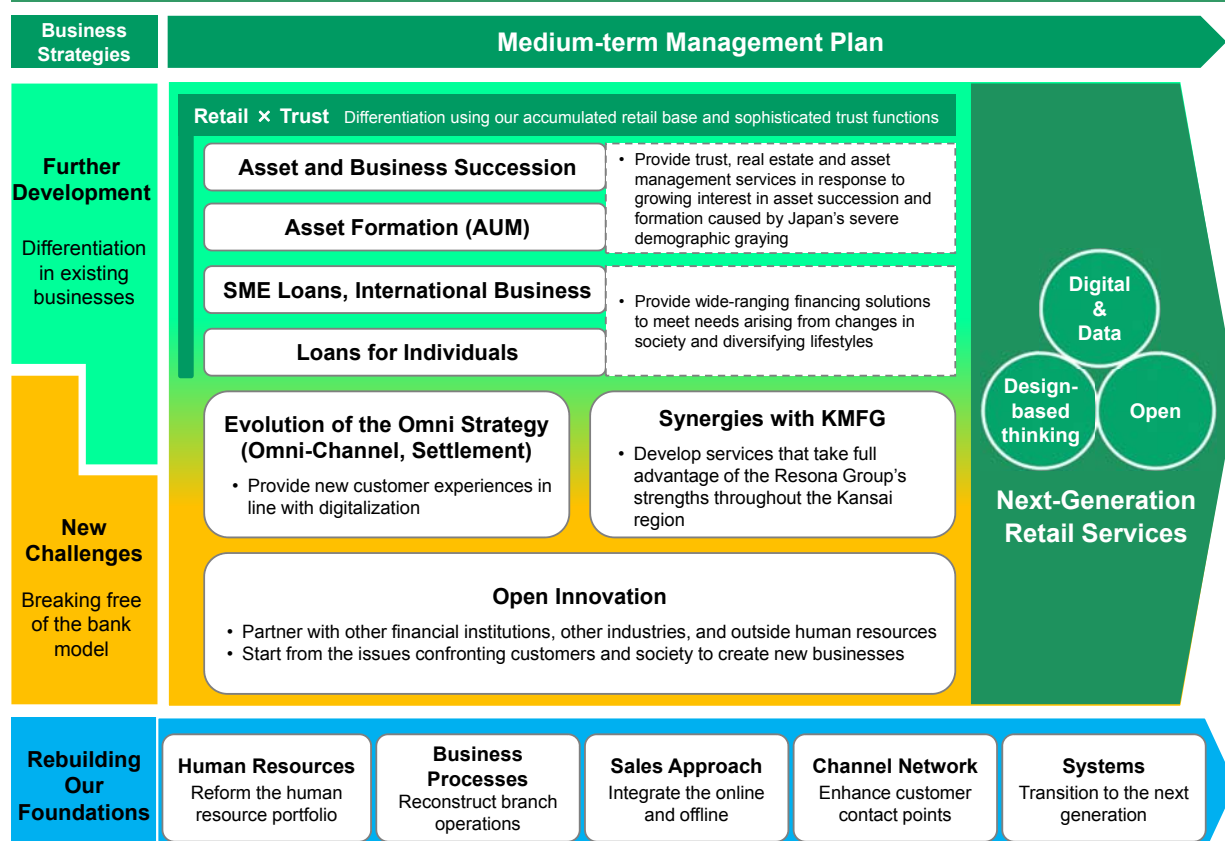
Group Logo expresses the resonance between the "R" in Resona and the "R" in the Group's key word "Regional."

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



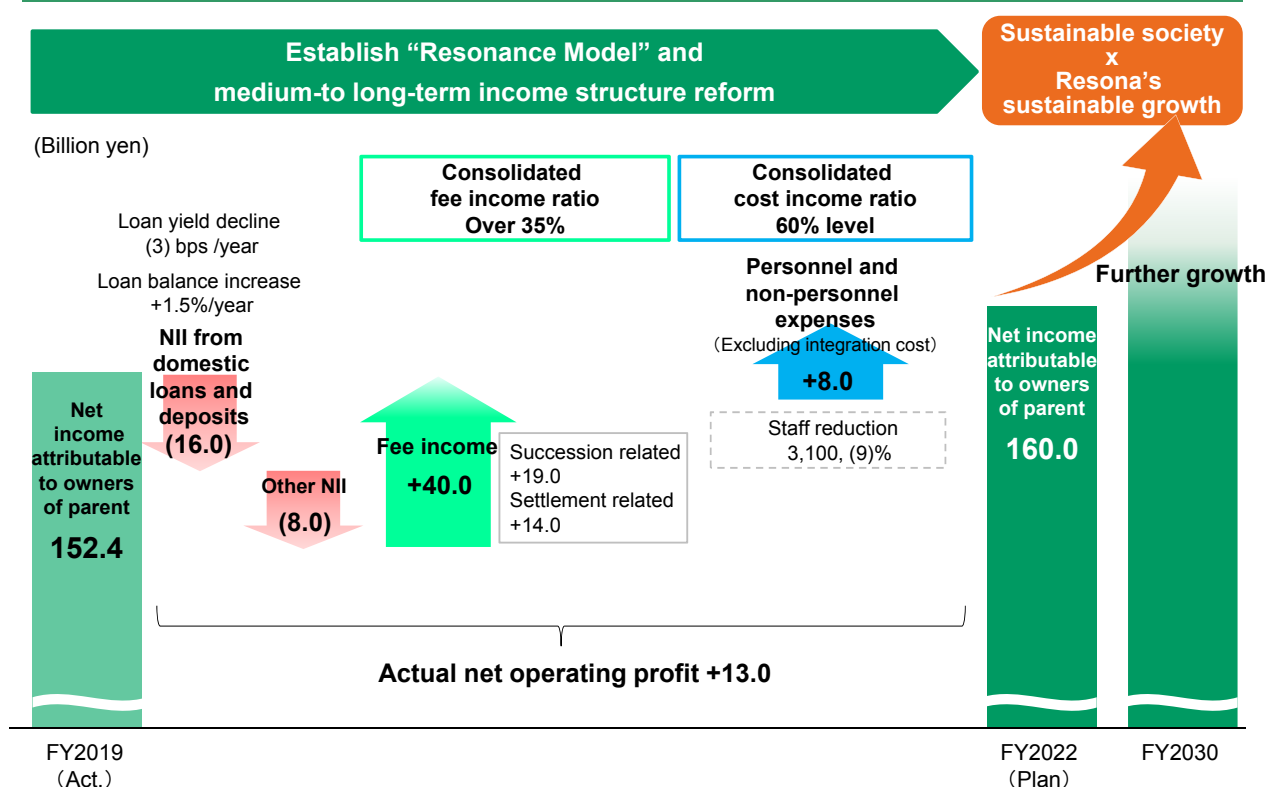
Business Strategy and Rebuild Foundations (Overview)



Points of Focus in the 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 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



Breaking Free of the Bank Model (1) ~Deliver New Value Employing New Ideas~

■ Reforms securing its agility and effectiveness employing CFT

Thoroughgoing use of a business approach
that starts with customer needs

Adapt to changes

Create new businesses

Rebuild our foundations



An open innovation facility
for supporting co-creation

“Resona Garage”
(Sep. '20~)

New value creation supported by three drivers:
“Digital & Data,” “Design-based Thinking” and “Open”

Social
issues/
change



Discover new business seeds by exploring
a broad range of themes

- ✓ Regional vitalization
- ✓ Global warming
- ✓ Agriculture
- ✓ Small-value settlement
- ✓ Information
- ✓ Education
- ✓ Healthcare
-

- New ideas arising from innovative work styles

- A structure supporting agile concept building and business development that transcends corporate and organizational boundaries

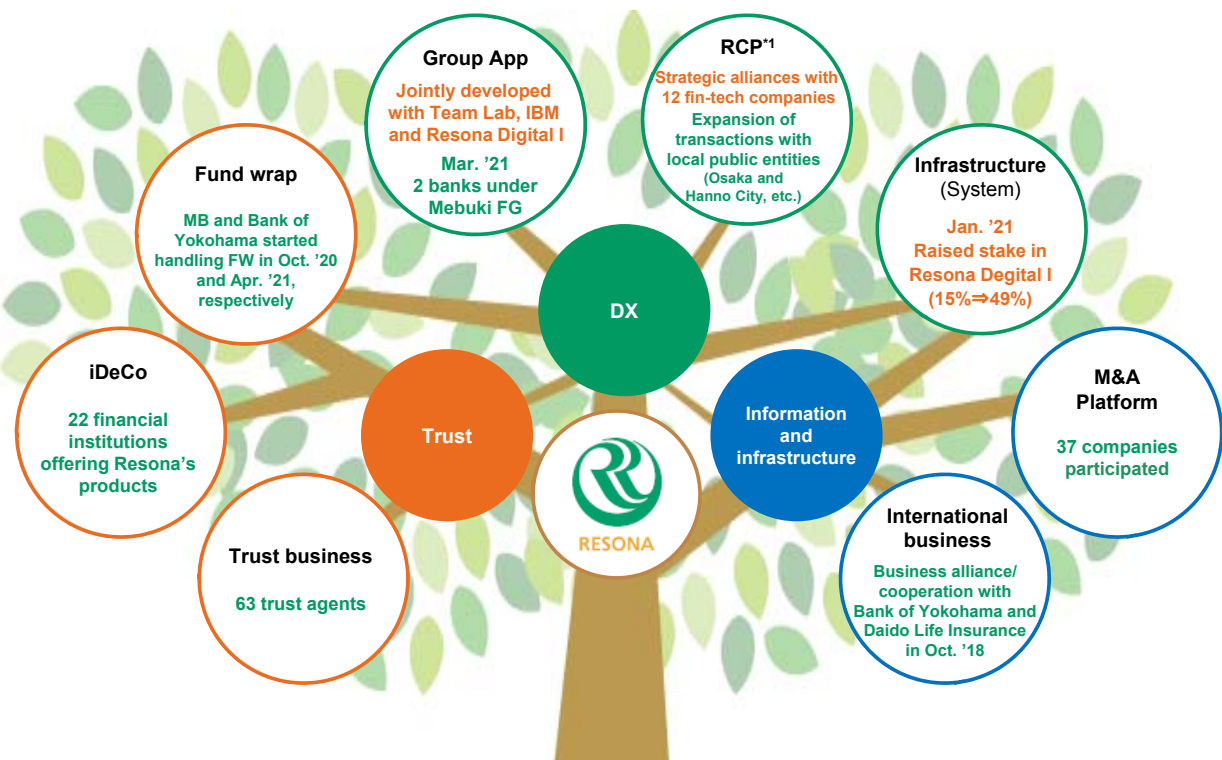
Resona Holdings, Inc.

60

Breaking Free of the Bank Model (2) ~Open Platform Strategy~

Orange: Initiatives to strengthen and broaden functions

Green: Initiatives to expand customer base



*1. Resona Cashless Platform

Resona Holdings, Inc.

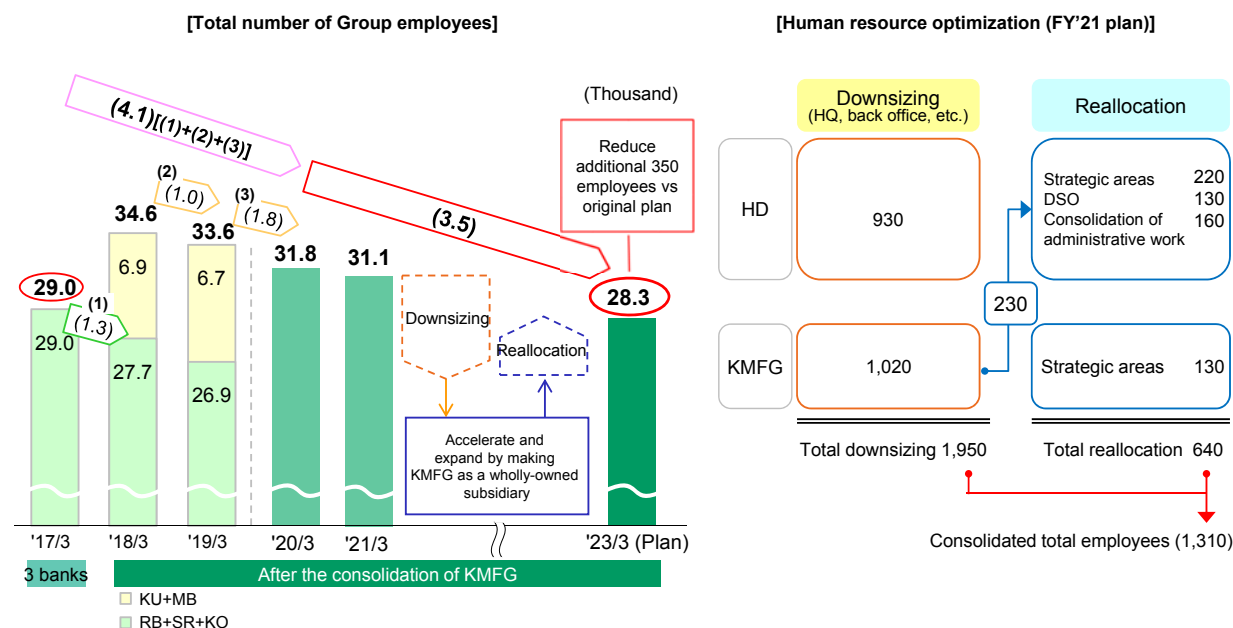
61

Human Resources Management

Downsizing and reallocating human resources to focus areas

■ Group total personnel headcount will decrease to below the level prior to KMFG integration due to natural attrition

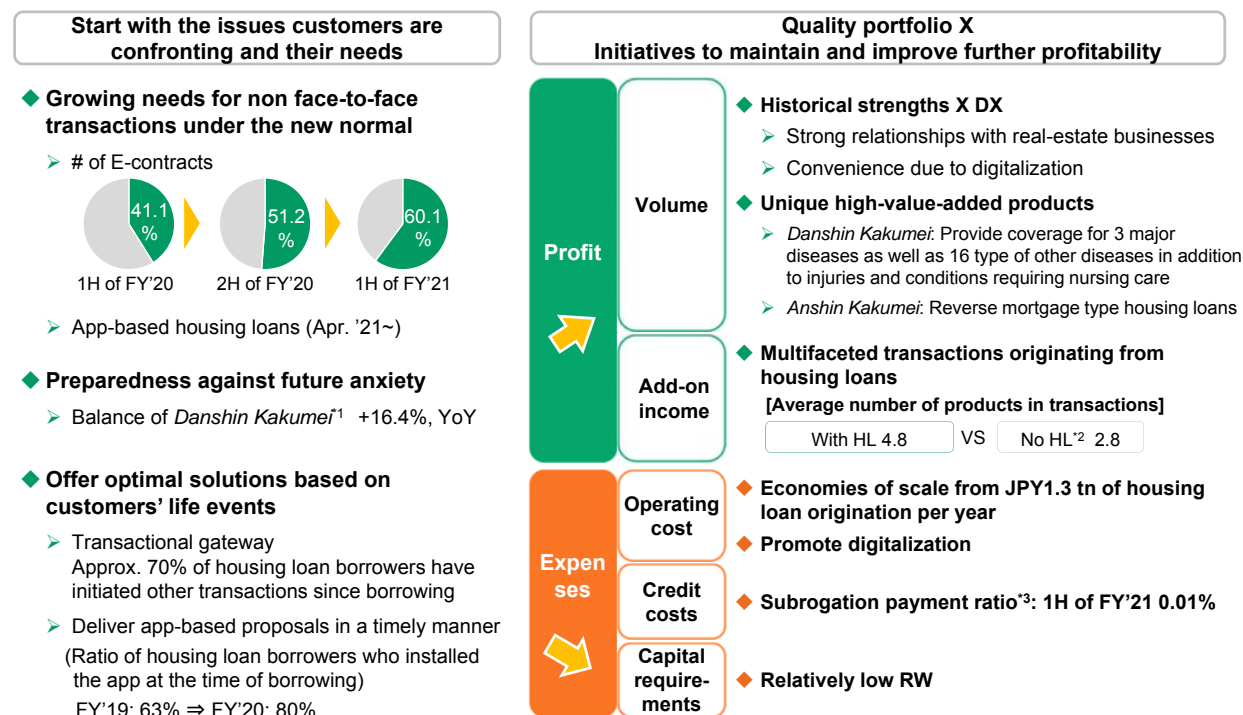
- Accelerate downsizing and reallocation of human resources on a group-wide basis by making KMFG a wholly-owned subsidiary
- Improve productivity through channel reforms and branch DX



Loans for Individuals

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

■ Balance of housing loans: Sep. 30 '21 JPY13.4 tn, No.1 in Japan (as of Mar. 31, '21)



*1. RB+SR *2. Comparison with potential II and III (as of Sep. 30, '21, RB+SR+KMB)

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

Outline of Resona Fund Wrap

Core products meeting customer needs for long-term asset formation

■ Operation course according to customer's request

- Standard course JPY3 million~, index fund investment
- Premium course JPY5 million~, mainly active fund investment

- Welcome Plan: JPY300,000 minimum (Jun. '18~)
 - Fees only incurred for success^{*1}
- Periodic receipt service meeting customer needs for spending (May '19~)
- Proxy agent function meeting customer needs for securing (scheduled for release in 2H of FY'21)

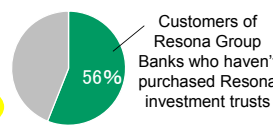
1st in Japan

■ Cost competitive

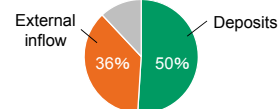
⇒ Lowest level of investment advisory fees for the face-to-face offering products in the industry

■ Shift from savings to asset formation

[FW customer attributes]



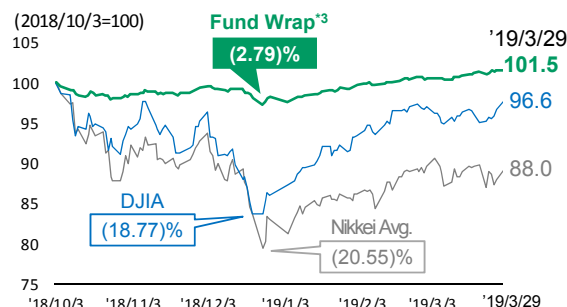
[Anticipated source of new FW contracts]



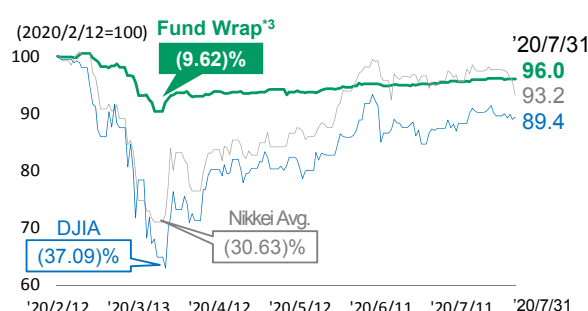
The effect of diversified investment is demonstrated even when the market volatility is high

Comparisons of most radical drops in market prices in a stock price correction phase (benchmark is set at the last record high hit by the NY Dow Jones Industrial Average)^{*2}

[Drops during the Oct. – Dec. 2018 period] '18/10/3~'19/3/29



[Drops during the Feb. – Jul. 2020 period] '20/2/12~'20/7/31



^{*1}. Investment advisory fees consist only of success-based fees determined in accordance with performance. Regardless of the existence or absence of excess returns, customers are asked to indirectly bear trust fees and other expenses associated with investment trusts designed solely for the fund wraps in which they invest.

^{*2}. Prepared by Resona HD based on data publicized Bloomberg

^{*3}. Resona Standard Prudent-Type FW (including investments in alternative and emerging countries)

Resona Holdings, Inc.

64

SME Loans Business

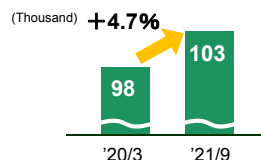
Provide 500,000 corporate customers, including SMEs, with a variety of solutions

Customer base

■ Expanding our customer base by acting as a “running partner” for SMEs

- COVID-19 related loans: JPY4.6 trn^{*1}

[# of corporate borrows^{*2}]



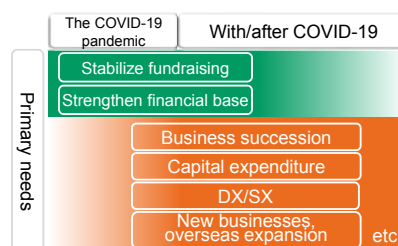
■ Solutions delivered via non face-to-face transactions

⇒ Growth in transactions with startups, etc.

- Account opening via web
- Upgrade the corporate version of the app (scheduled for FY'22)
- Web-complete loans “Speed on!”
 - Steady growth in the number of loans furnished
 - Accept application via data link afforded by the Yayoi Kaikei system (Nov. '21~)

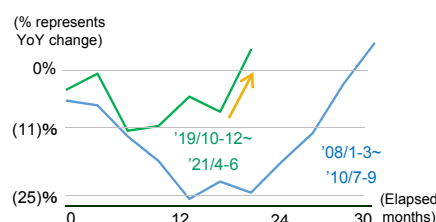
Customers' issues

■ Changing customers' issues



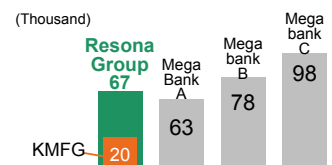
■ Pent-up demand emerging in the post-pandemic period

[Comparisons of capital expenditure: Recession triggered by Lehman Brothers bankruptcy vs. recession triggered by COVID-19^{*3}]



Relation

■ The number of companies naming the Resona Group as their main bank^{*4} is comparable to the number of companies choosing megabanks



[The Resona Group's ranking by prefecture]

Saitama **1st** Osaka **1st**
Hyogo **2nd** Shiga **2nd** Nara **3rd**

■ Strengthen relations

- Customer interviews on SDGs (Oct. '21~)
 - Dialogue on decarbonization, sustainable finance, supply chain management, etc.
- Help enhance employee literacy regarding SX and related topics
- Support the functional enhancement of corporate SFA^{*5}
- Step up sales activities involving collaboration with headquarters

^{*1}. Total of group banks based on the report from each bank (Mar. 10, '20 ~ Sep. 30, '21)

^{*2}. Total of group banks ^{*3}. Source: MOF's Financial Statements Statistics of Corporation

^{*4}. Source: TEIKOKU DATABANK ('20) ^{*5}. Sales Force Automation

Resona Holdings, Inc.

65

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.



*1. Employees dispatched to Malaysia, Myanmar and Philippines have been temporarily returning to Japan

- 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.

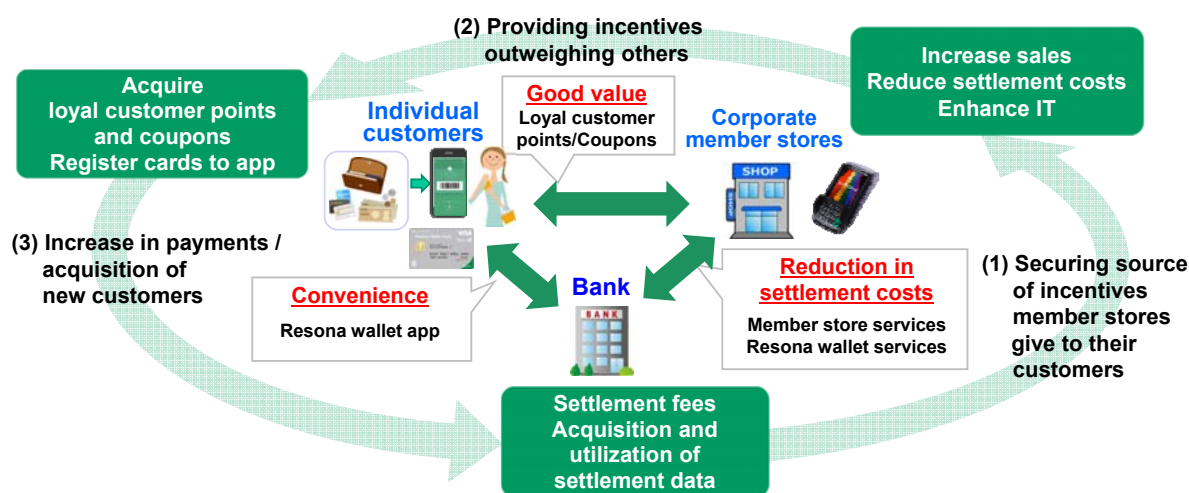
- Offices with Resona Group employees*1

Resona Holdings, Inc.

66

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]



Allow multiple settlement methods to be handled



More efficient cash register operations



Offer settlement terminals free of charge



Lowest level in the industry



A shorter cash receipt cycle



To expand going forward

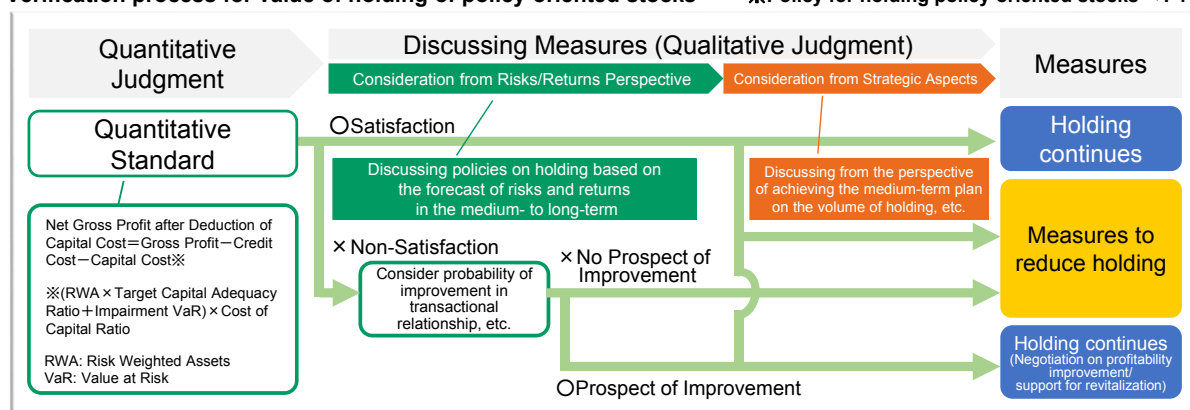
Resona Holdings, Inc.

67

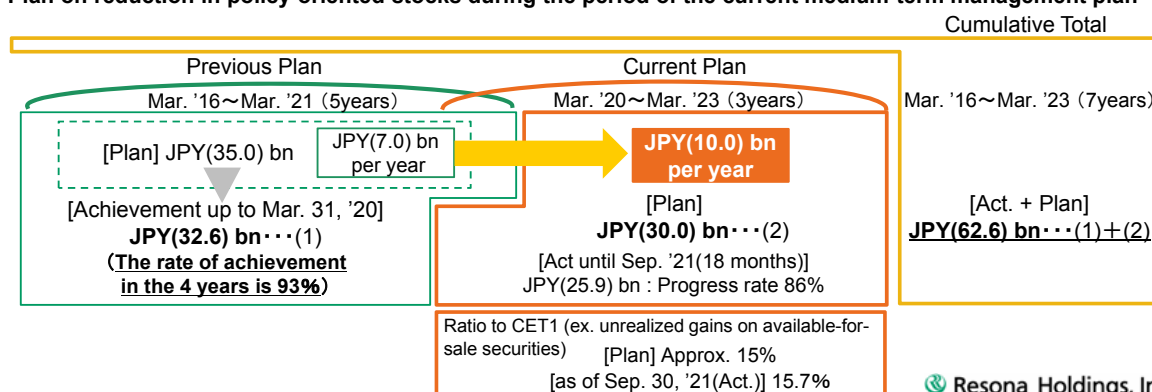
Policy-Oriented Stocks : Verification Process & Reduction Plan

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

※Policy for holding policy-oriented stocks ⇒P14



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



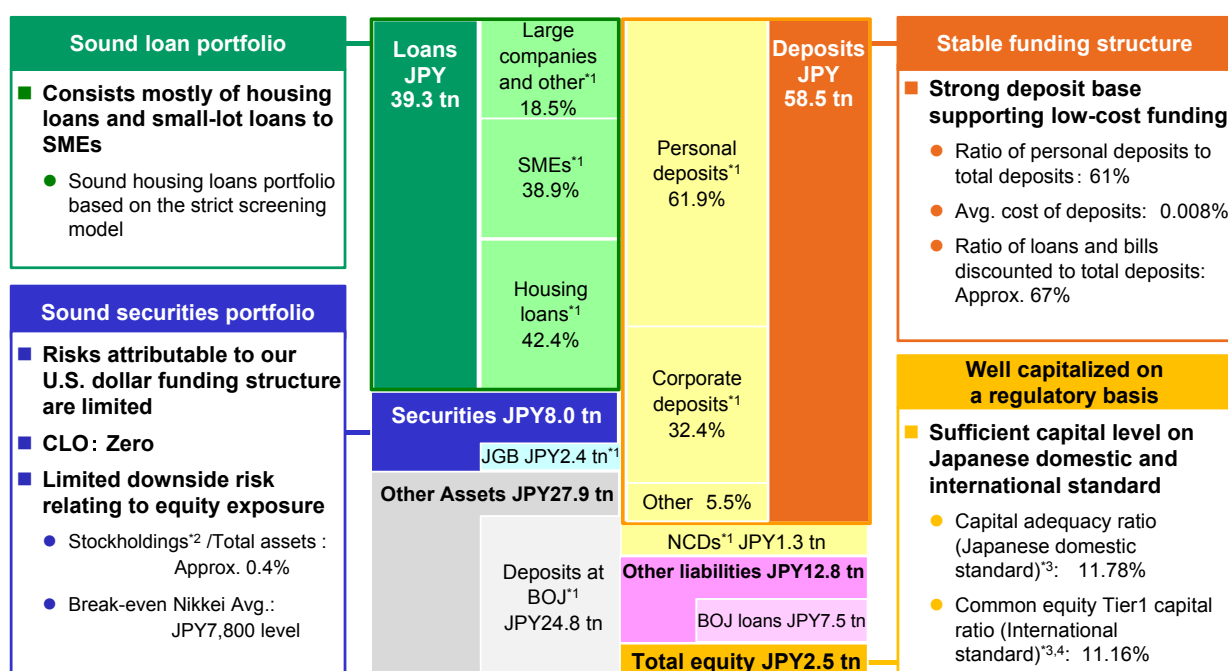
Resona Holdings, Inc.

68

Sound Balance Sheet (September 30, 2021)

HD Consolidated

Total assets JPY75.3 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

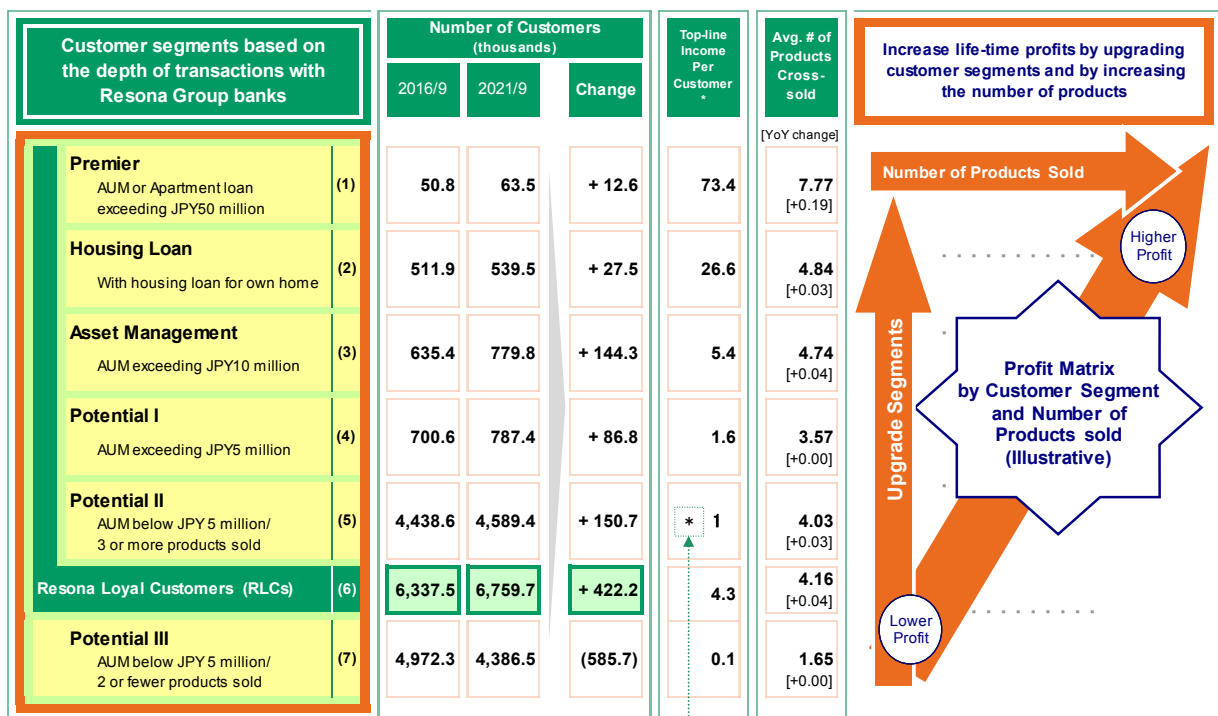
Resona Holdings, Inc.

69

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”



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

Resona Holdings, Inc.

70

Business Results by Major Group Business Segments

Management accounting by major group business lines (1H of FY2021)

(JPY bn, %)

</

*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

Resona Holdings, Inc.

71

Consolidated Subsidiaries and Affiliated Companies (1)

Major consolidated domestic subsidiaries (excluding group banks)

(JPY bn)

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'21 (Sep.30 2021)	5.9	+1.0
Kansai Mirai Guarantee	(2)			Kansai Mirai Bank 100%	FY'21 (Sep.30 2021)	0.5	(0.1)
Kansai Sogo Shinyo	(3)			Kansai Mirai Bank 100%	FY'21 (Sep.30 2021)	0.4	+0.3
Minato Guarantee	(4)			Minato Bank 100%	FY'21 (Sep.30 2021)	0.3	+0.0
Resona Card	(5)	Credit card Credit guarantee	1.5 million card members	Resona Holdings 77.5% Credit Saison 22.4%	FY'21 (Sep.30 2021)	0.2	(0.2)
Resona Kessai Service	(6)	Collection service Factoring	Collection services with 50 million cases annually	Resona Holdings 100%	FY'21 (Sep.30 2021)	0.3	+0.0
Resona Research Institute	(7)	Business consulting service	Management consulting with 800 project annually	Resona Holdings 100%	FY'21 (Sep.30 2021)	0.0	+0.0
Resona Capital	(8)	Venture capital	IPO support, SME business succession, re-growth support	Resona Holdings 100%	FY'21 (Sep.30 2021)	0.1	+0.1
Resona Corporate Investment	(9)	Private Equity	SME business succession support through share acquisition	Resona Holdings 100%	FY'21 (Sep.30 2021)	0.0	—
Resona Business Service	(10)	Back office work Employment agency	Practices quick and accurate operations	Resona Holdings 100%	FY'21 (Sep.30 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'21 (Sep.30 2021)	1.7	+0.4
Kansai Mirai Leasing	(12)	Leasing business	Providing regional customers with solutions utilizing leasing functions	Kansai Mirai Bank 88.9%	FY'21 (Sep.30 2021)	0.0	+0.2
Minato Leasing	(13)			Minato Bank 100%	FY'21 (Sep.30 2021)	0.1	+0.0
Total						10.0	+2.1

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 Perdanja (14)	Banking business (Indonesia)	Oldest Japan-affiliated bank in Indonesia	Resona Group 48.4% (Effective control approach)	FY20 (Dec.31 2020)	0.4	(0.1)
P.T. Resona Indonesia Finance (15)	Leasing business (Indonesia)		Resona Group 100%	FY20 (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%	FY20 (Dec.31 2020)	(0.3)	(0.3)
Total					0.0	+0.1

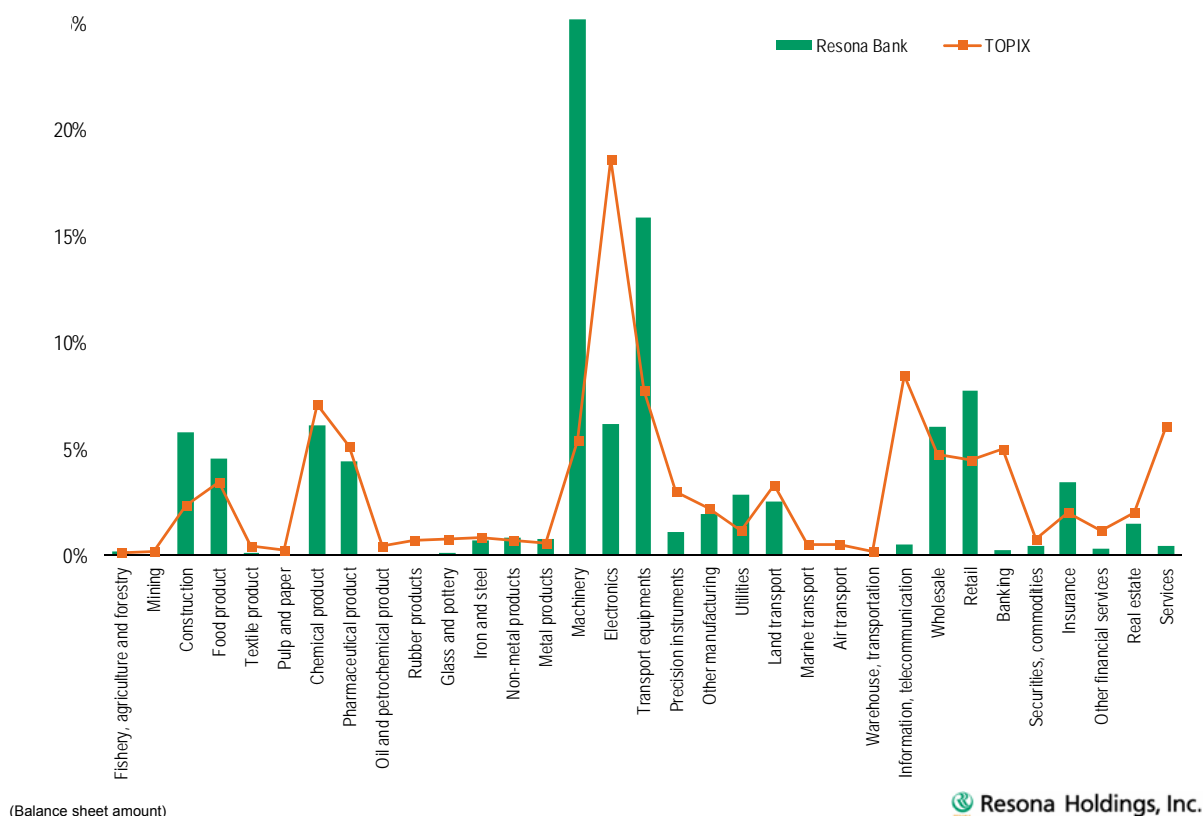
Major affiliated companies accounted for by the equity method

Major 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	(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	(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 HC Capital 70.71%	FY'20 (Mar.31 2021)	1.2	+0.3
DFL Lease	(21)	Leasing business		Resona Holdings 20% Mitsubishi HC Capital 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 June 30.

Stocks Held by Industry (September 30, 2021)

RB



Resona Holdings, Inc.

74

Swap Positions by Remaining Periods

HD
Consolidated

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

(JPY bn)

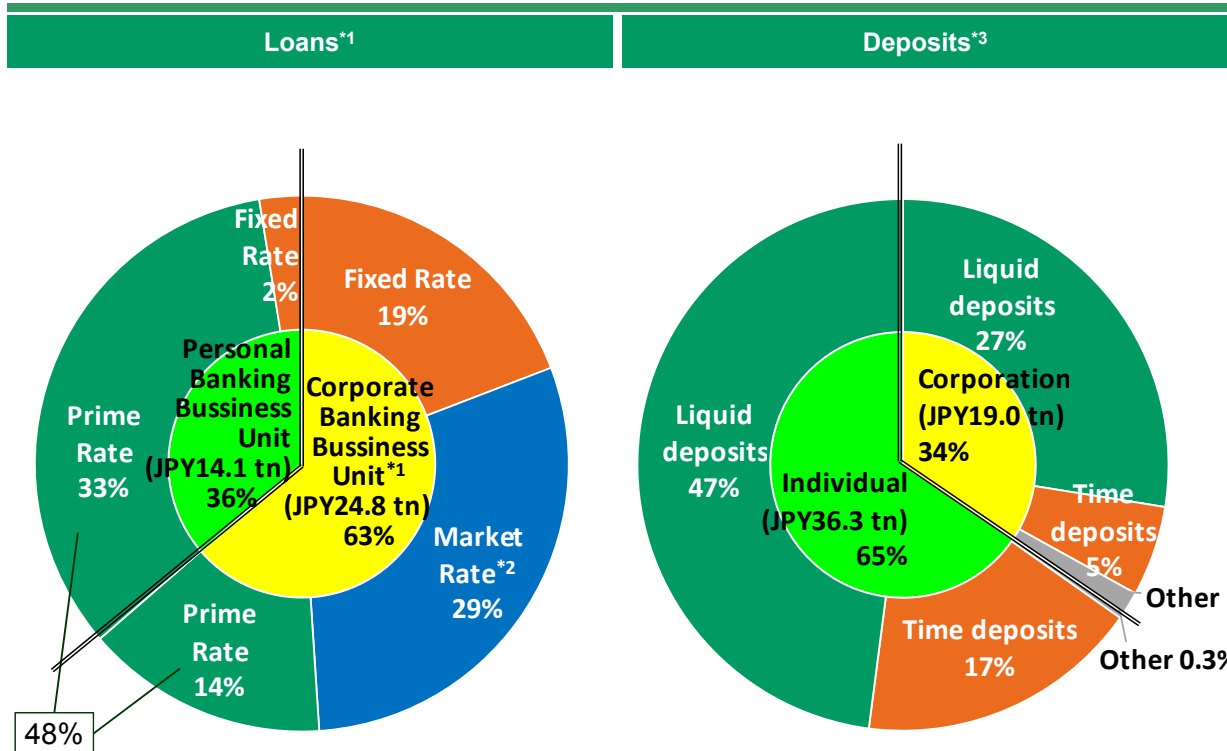
	Sep. 30, 2021				Mar. 31, 2021			
	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total
Receive fixed rate/ Pay floating rate (1)	0.0	880.0	200.0	1,080.0	30.0	830.0	250.0	1,110.0
Receive floating rate/ Pay fixed rate (2)	32.5	359.5	248.0	640.1	157.1	367.4	263.4	787.9
Net position to receive fixed rate (3)	(32.5)	520.4	(48.0)	439.8	(127.1)	462.5	(13.4)	322.0

Resona Holdings, Inc.

75

Composition of Loan Portfolio and Deposits (September 30, 2021)

Total of
Group Banks



*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

Resona Holdings, Inc.

76

Maturity Ladder of Loan and Deposit (Domestic Operation)

Total of
Two Banks
(RB, SR)

Loans and bills discounted

[End of March 2021]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	(1)	0.8%	0.8%	6.3%	15.2%	23.3%
Prime rate-based	(2)	42.9%	0.0%			42.9%
Market rate-based	(3)	32.5%	1.1%			33.7%
Total	(4)	76.3%	2.0%	6.3%	15.2%	100.0%

Loans maturing within 1 year

78.4%

[End of September 2021]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	(5)	0.9%	0.8%	6.2%	14.8%	22.9%
Prime rate-based	(6)	42.8%	0.0%			42.8%
Market rate-based	(7)	33.1%	1.0%			34.2%
Total	(8)	76.9%	1.9%	6.2%	14.8%	100.0%

Loans maturing within 1 year

78.8%

[Change in 1H FY2021]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	(9)	+0.0%	(0.0)%	(0.0)%	(0.4)%	(0.3)%
Prime rate-based	(10)	(0.1)%	+0.0%			(0.1)%
Market rate-based	(11)	+0.6%	(0.1)%			+0.5%
Total	(12)	+0.5%	(0.1)%	(0.0)%	(0.4)%	-

Loans maturing within 1 year

+0.4%

Deposits

[End of March 2021]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	(1)	43.8%	1.9%	7.6%	26.4%	79.9%
Time deposits	(2)	9.6%	5.8%	3.9%	0.6%	20.0%
Total	(3)	53.4%	7.7%	11.5%	27.1%	100.0%

[Change in 1H FY2021]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	(7)	(2.8)%	+0.1%	+0.5%	+2.0%	(0.0)%
Time deposits	(8)	+0.3%	(0.4)%	+0.1%	(0.0)%	+0.0%
Total	(9)	(2.4)%	(0.2)%	+0.7%	+1.9%	-

Resona Holdings, Inc.

77

Migrations of Borrowers (1H of FY2021)

RB

■ Exposure amount basis^{*1}

		End of September 2021									Upward Migration	Downward Migration
		Normal	Other Watch	Special Attention	Potentially Bankrupt	Effectively Bankrupt	Bankrupt	Other	Collection, Repayments	Assignments, Sale		
End of March 2021	Normal	98.3%	1.2%	0.0%	0.0%	0.0%	0.0%	0.5%	0.5%	0.0%	-	1.2%
	Other Watch	7.3%	86.4%	2.0%	1.7%	0.2%	0.1%	2.3%	2.3%	0.0%	7.3%	4.0%
	Special Attention	16.0%	4.5%	67.6%	10.8%	0.6%	0.1%	0.5%	0.5%	0.0%	20.4%	11.5%
	Potentially Bankrupt	1.0%	3.2%	3.8%	85.0%	3.4%	0.9%	2.7%	2.7%	0.0%	8.0%	4.3%
	Effectively Bankrupt	0.1%	0.3%	0.0%	0.2%	89.1%	5.2%	5.2%	4.1%	1.0%	0.5%	5.2%
	Bankrupt	0.3%	0.0%	0.0%	2.8%	0.0%	88.9%	8.0%	1.5%	6.5%	3.1%	-

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

Percentage points are calculated based on exposure amounts as of the end of March 2021.

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

List of Subordinated Bonds (September 30, 2021)

RB

Amount outstanding	Issue date	Maturity	Dividend rate
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

- The implementation date of finalization of Basel 3 is scheduled for March 31, 2023.
- At present there is no regulation which cause serious impacts on Resona. We are making preparations steadily for implementation of these regulations.

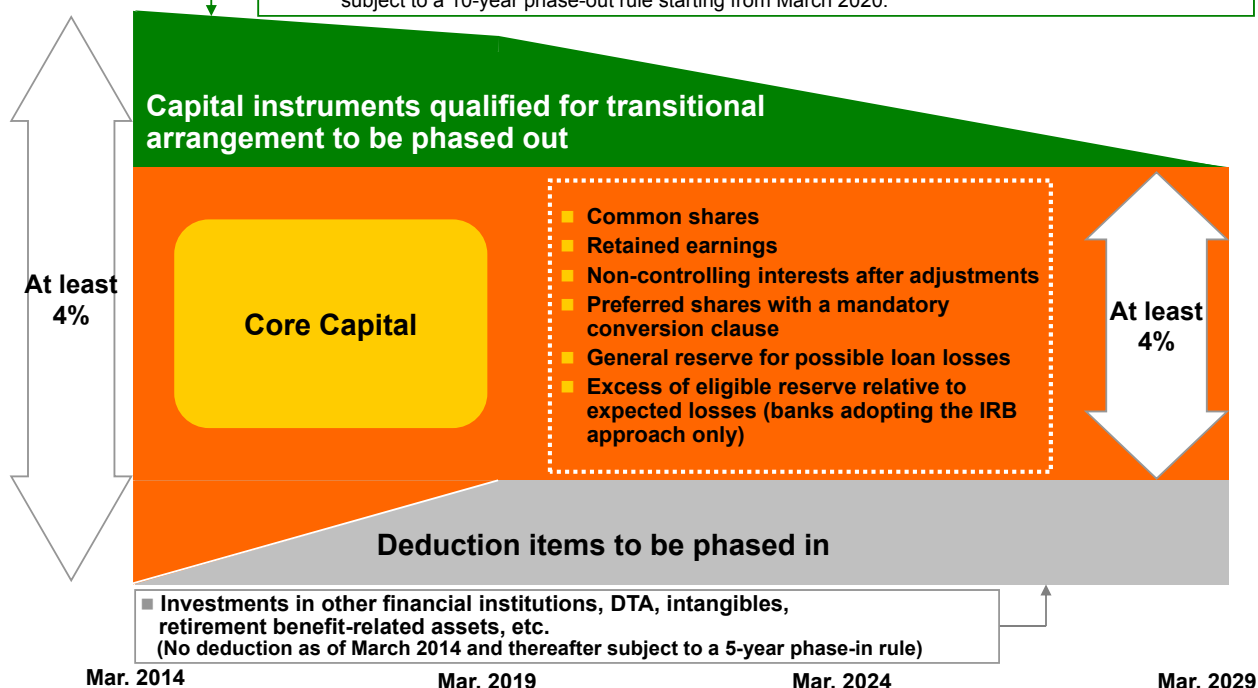
Major regulatory items	Outline of regulation	Important updates
Finalization of Basel 3 <ul style="list-style-type: none"> Review of Standardized Approach (SA) (Credit and operational risks) Review of IRB approach Capital floor based on SA 	Reviewing credit risk calculation method to enhance the risks sensitivity and improve comparability. Reviewing operational risk calculation method to reflect loss data. New capital floor rule requiring a reference to the SA (final output floor calibration : 72.5%).	<ul style="list-style-type: none"> Common Equity Tier 1 (CET1) capital ratio based on finalized Basel 3 (excluding net unrealized gains on available-for-sale securities) is around 9.3%※ ※Trial calculation to CET1 capital ratio of 11.16% as of Sep. 30, 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).
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 (∠EVE) and net interest income (∠NII) under certain interest rate shock scenarios.	<ul style="list-style-type: none"> Pillar 2 regulation. The threshold of ∠EVE 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 under preparation for introduction. Accounting CVA has been 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"> We are proceeding with the transition from LIBOR, such as contract changes with customers and system support, etc.

Resona Holdings, Inc.

80

Outline of Eligible Capital under the Japanese Domestic Std.

- Subordinated debts, preferred securities and non-convertible preferred shares
 - Subordinated debts and preferred securities issued under the Basel 2 can be fully included in Core Capital as of the end of March 2014. These grandfathering items are subject to a 10-year phase-out rule starting from March 2015.
 - Non-convertible preferred shares*1 can be fully included in Core Capital until March 2019 and will be subject to a 10-year phase-out rule starting from March 2020.

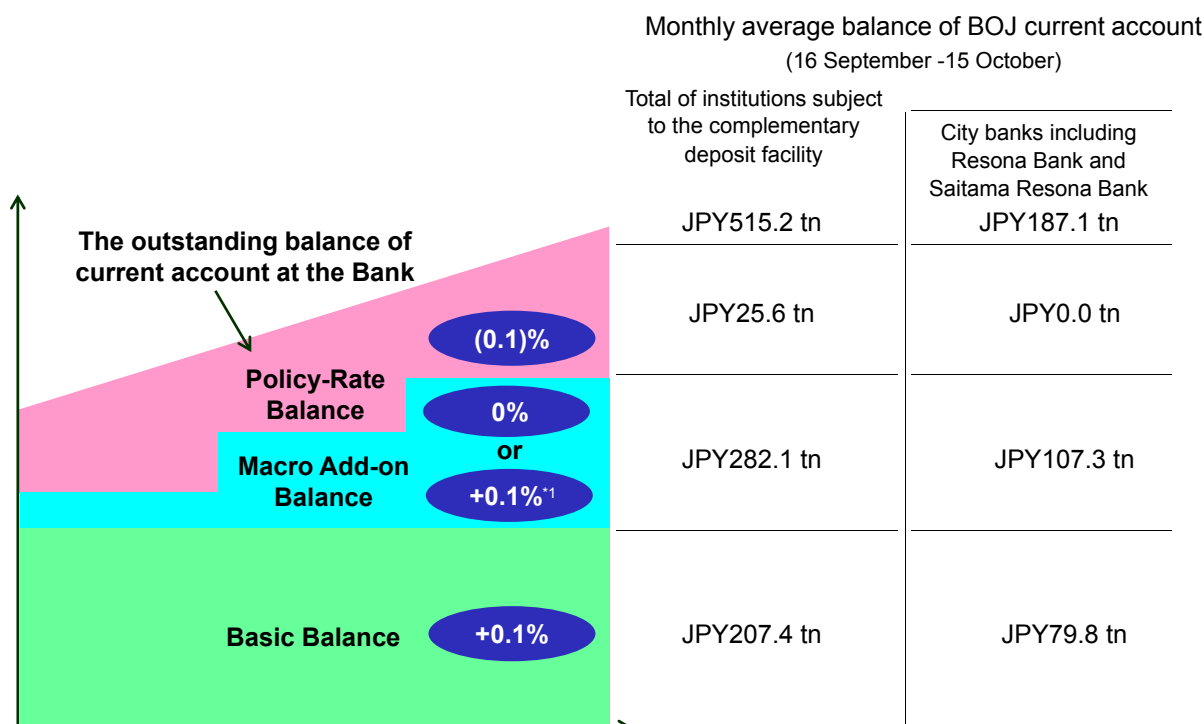


*1. Non-cumulative preferred shares other than those with a mandatory conversion feature

Resona Holdings, Inc.

81

BOJ Current Account Balances



*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

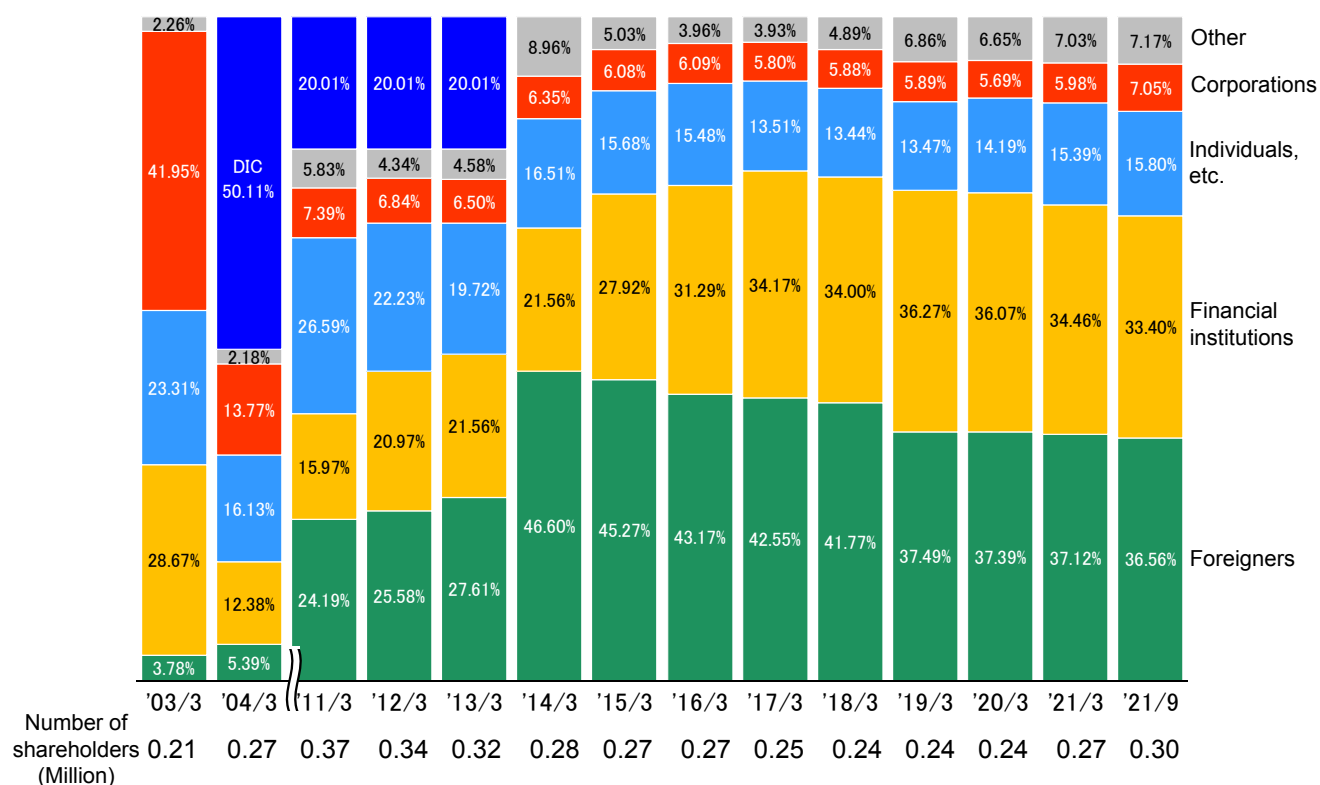
		3 banks (RB,SR,KO)							After KMFG integration				
		(JPY bn)	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2017	FY2018	FY2019	FY2020
PL	Consolidated	Gross operating profit	655.2	637.1	608.5	632.4	619.5	563.1	552.5	661.3	644.1	658.6	639.1
		Net interest income	463.9	443.0	430.0	425.9	401.3	377.9	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

Search Text Size Normal Large

Site Map Japanese

About Resona **Investor Relations** Sustainability News Release

Financial Results for the First Half of Fiscal Year 2021

Go to Financial Results Report ▶

Stock Price (TSE 1st Code 8308)

11/12/2021 10:31 JST
Value 449.6 JPY
Change +1.5
▶ Stock Price Chart
Data Provided by JPY Press, Ltd.

> About Resona
> **Investor Relations**
> Sustainability
> News Release

Keyword Search

Investor Relations

Financial Results for the Half of Fiscal Year 2021

Go to Financial Results Report ▶

Financial Results Report Integrated Report IR Presentations

QR Code

<https://www.resona-gr.co.jp/holdings/english/>

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