Business Results of FY2009 and Future Management Direction

Aiming at Establishing a True Retail Bank Group

RESONA

May 27, 2010

Resona Holdings, Inc.

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Note: In some pages of this material, names of Resona Group companies are shown in the following abbreviated forms: RHD: Resona Holdings, RB: Resona Bank, SR: Saitama Resona Bank, and KO: Kinki Osaka Bank

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Updates on Major Businesses:
Results of FY2009 and Outlook for FY2010

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Pathway to Early Repayment of Public Funds

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Financial Highlights for FY2009

Consolidated net income increased YoY

- **Consolidated net income of Y132.2bn, an increase of Y8.3bn (+ 6.7%)**
  =>Y70.3bn YoY increase, excluding a gain from the sale of Tokyo H.O. bldg. booked last year
  - Consolidated gross operating profit: Y678.3bn, a decline of Y61.1bn（-8.2%）YoY
    => Net interest income fell by Y47.5bn (-8.6%) YoY due to preceding policy rate cuts and other factors
  - Net gains on stocks increased Y42.8bn in the absence of a loss posted last year
  - Net credit-related expenses decreased by Y66.7bn (-36.8%) YoY

Core business: Steady recovery trend for personal banking business

- **Successfully implemented a “retail x trust” strategy**
  - Housing loan balance as of Mar. 31, 2010 exceeded Y12 trillion (Total of 3 group banks)
  - Amount of investment trust sold increased approximately 60% YoY (Total of 3 group banks)
  - Number of testamentary trusts newly entrusted to Resona Bank increased approximately 60% YoY
  - Number of new entrustments for corporate pension almost doubled YoY (Resona Bank)

Continued improvements in asset quality

- NPL decreased Y8.9bn from a year earlier and decreased Y42.7bn from Sep. 30, 2009 (Total of 3 group banks)
- Net unrealized gains on available-for-sale securities improved by Y152.5bn from a year earlier

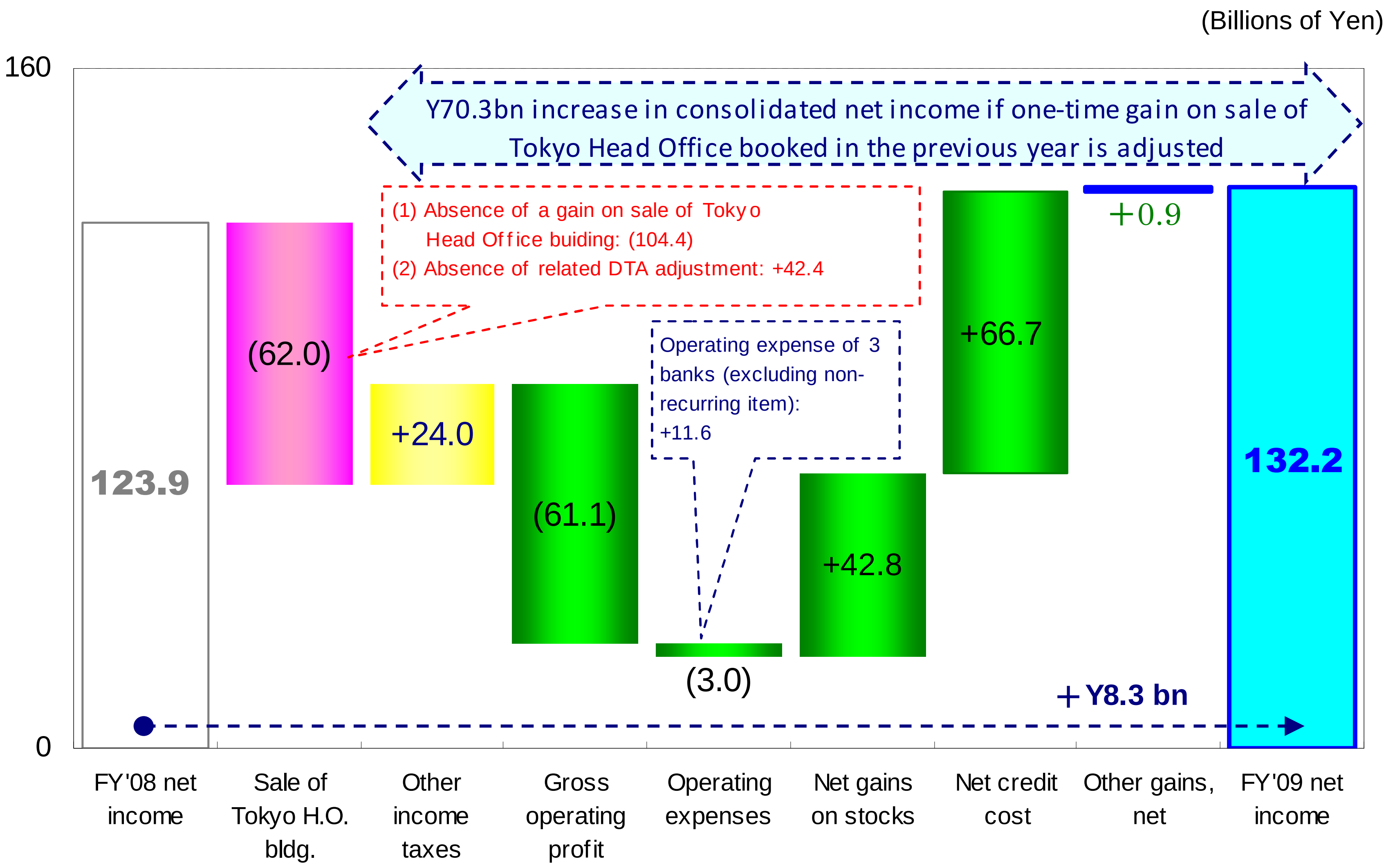
Continued capital policy aimed at repayments of public funds

- **Consolidated CAR and Tier 1 ratio as of Mar. 31, 2010 (provisional): 13.81% and 10.20%, respectively**
  - Repurchased and canceled Class 9 preferred shares ⇔ Issued new common shares*
    => *De facto* exchange: Improved the “quality” of capital and reduced dilution risk, simultaneously
  - Issued Class 6 preferred shares: secured funds for repayments of public funds while minimizing a risk of dilution

    * Class 9 preferred shares: repurchased at Y271.2bn, New common shares: total issue amount Y103.6bn, and Class 6 preferred shares: total issue amount Y75.0bn

Gap Analysis: Consolidated Net Income for FY2009 Compared with FY2008

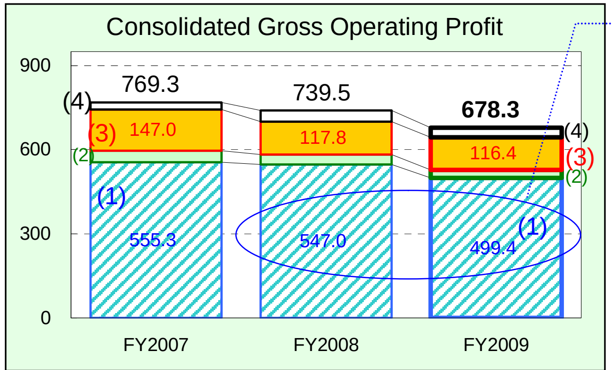
Consolidated net income for FY2009 increased Y8.3bn from previous fiscal year

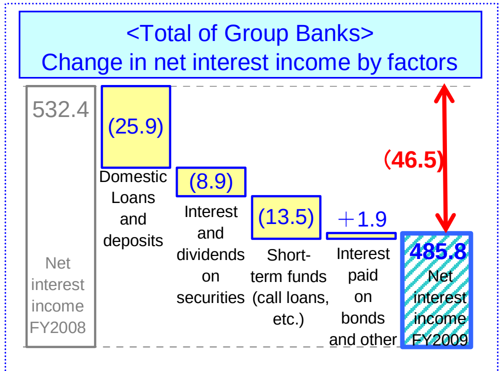


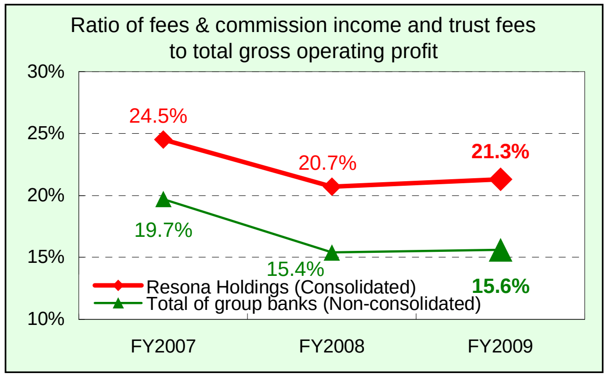
Outline of Financial Results for FY2009

(Billions of Yen)

	Resona Holdings (Consolidated) (A)	YoY change	Difference (A)-(B)	Total of group banks (Non-consolidated) (B)	YoY change	Resona Non-consolidated	Saitama Resona	Kinki Osaka Non-consolidated	Factors accounting for the difference (A) - (B) (Approx. figures) RC: Resona Card, RG: Resona Guarantee, RCP: Resona Capital
Gross operating profit	**678.3**	(61.1)	63.1	**615.2**	(60.1)	**406.6**	**147.8**	**60.7**	
(1) Net interest income	499.4	(47.5)	13.6	485.8	(46.5)	299.5	135.7	50.5	RC 6.6bn and other
Income from loans and deposits (domestic operation)				445.6	(25.9)	283.1	117.6	44.8	Domestic operations; banking account; Deposits include NCDs
(2) Trust fees	28.7	(6.6)	---	28.7	(6.6)	28.7	---	---	
(3) Fees and commission income	116.4	(1.4)	48.7	67.6	(1.2)	47.7	12.0	7.9	RG 30.4bn, RC 16.1bn and other
(4) Other operating income	33.7	(5.5)	0.8	32.9	(5.5)	30.6	0.0	2.2	
Actual net operating profit				**264.6**	(48.0)	175.7	71.4	17.4	Net operating profit before transfer to general reserve for possible loan losses and expenses related to problem loan disposal in the trust account.
Operating expenses (including non-recurring items)	387.5	3.0	28.2	359.2	3.1	235.9	78.4	44.9	RC 13.8bn, RG 3.5bn, goodwill amortization 7.2bn and other
Net gain on stocks	0.6	42.8	(3.6)	4.3	41.9	2.1	0.7	1.3	RCP -4.1bn
Impairment loss / addition to reserve	(7.4)	22.7	(4.3)	(3.1)	22.6	(2.9)	(0.1)	(0.0)	
Credit related expenses, net	114.6	(66.7)	32.5	82.1	(81.8)	54.1	16.7	11.2	RG 23.9bn, RC 7.4bn and other
Other gain/(loss), net	(0.8)	(103.5)	0.7	(1.5)	(103.2)	0.8	(1.6)	(0.7)	
Income before income taxes	**176.0**	(58.1)	(0.5)	**176.5**	(42.7)	**119.5**	**51.8**	**5.1**	
Income taxes and other	43.8	(66.4)	(9.6)	53.4	(45.0)	33.5	22.1	(2.2)	Minority interests in net income 4.0bn, Income tax of RHD and other -13.7bn
Net income	**132.2**	8.3	9.0	**123.1**	2.3	**85.9**	**29.7**	**7.4**	

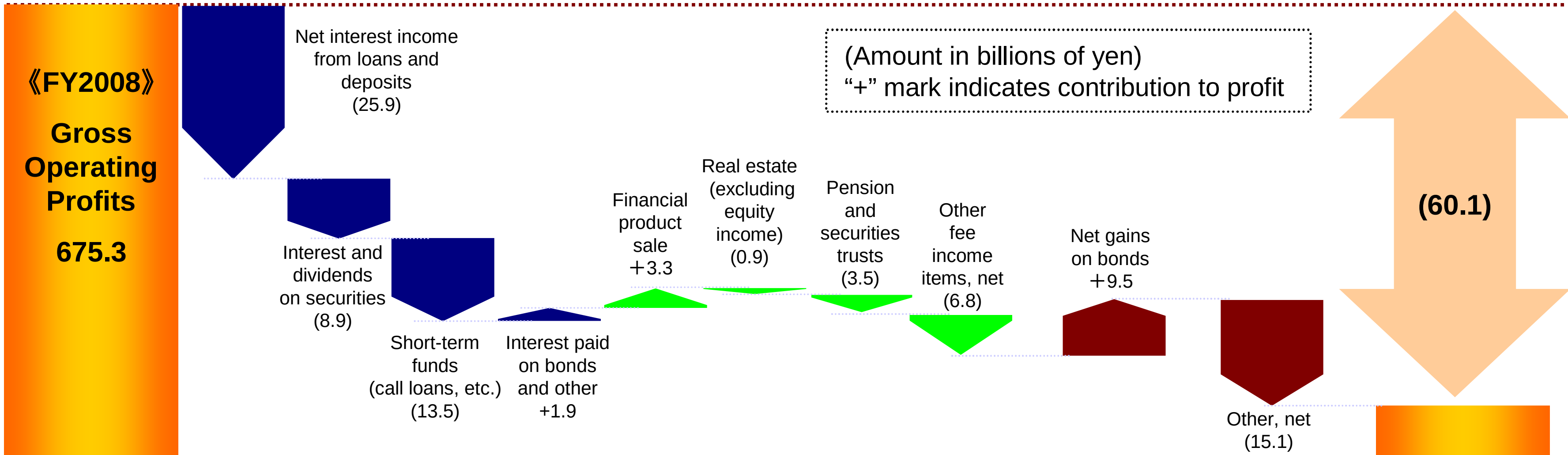






Gap Analysis: Gross operating profits for FY2009 Compared with FY2008 (Total of Group Banks)

Gross operating profits declined Y60.1bn YoY, primarily due to decrease in net interest income



<FY2009>

Gross Operating Profits

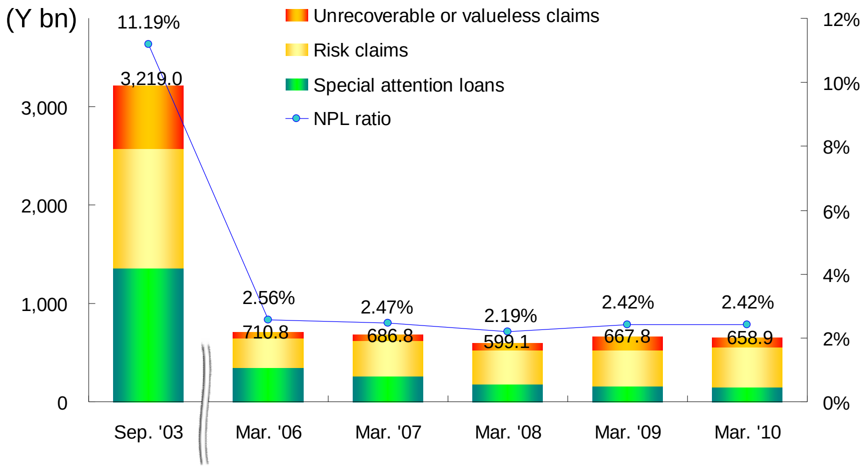
615.2

Net interest income: (46.5) (FY'08: 532.4, FY'09 485.8)	Fee income[*2] : (7.9) (FY'08: 104.3, FY'09: 96.3)	Net gains on bonds and other (net): (5.5) (FY'08: 38.5, FY'09: 32.9)
■ Loans and deposits[*1] : (25.9) (FY'08: 471.6, FY'09: 445.6) Volume factor: +1.0, Rate factor: (27.0) ■ Interests and dividends on securities: (8.9) (FY'08: 63.6, FY'09: 54.7) ■ Short-term funds: (13.5) (FY'08: 15.1, FY'09: 1.6) ■ Interest paid on bonds and other: +1.9 (FY'08: (18.3), FY'09: (16.4)	■Financial product sale: +3.3 (FY'08: 29.0, FY'09: 32.4) ■Real estate: (0.9) (excluding equity income) (FY'08: 7.2, FY'09: 6.3) ■Pension & securities trusts: (3.5) (FY'08: 29.4, FY'09: 25.9) ■Other items (net): (6.8)	■Net gains on bonds: +9.5 (FY'08: 10.2, FY'09: 19.7) ■Other (net): (15.1) ➢Financial derivatives: (6.4) (FY'08: 1.6, FY'09: (4.8) ➢FX & derivatives transactions with customers: (3.7) (FY'08: 10.0, FY'09: 6.3)

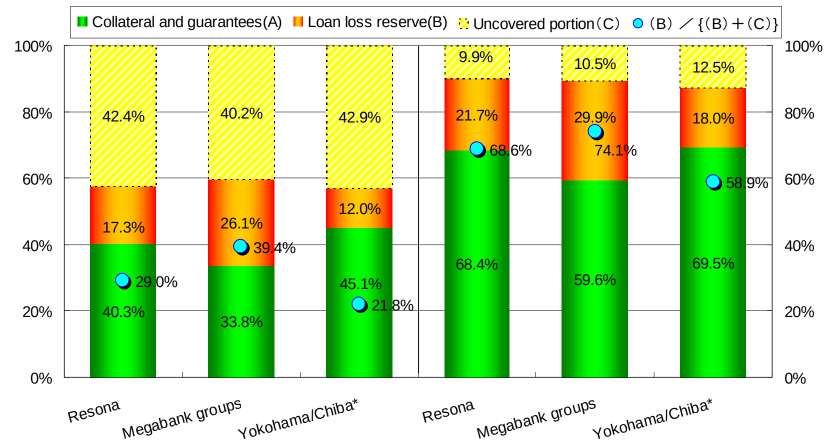
*1. Domestic operations (Deposits include NCDs) *2. Fees and commission income plus trust fees

Measures to Enhance Financial Soundness: Loan Asset (Total of Group Banks)

NPL balance and NPL ratio

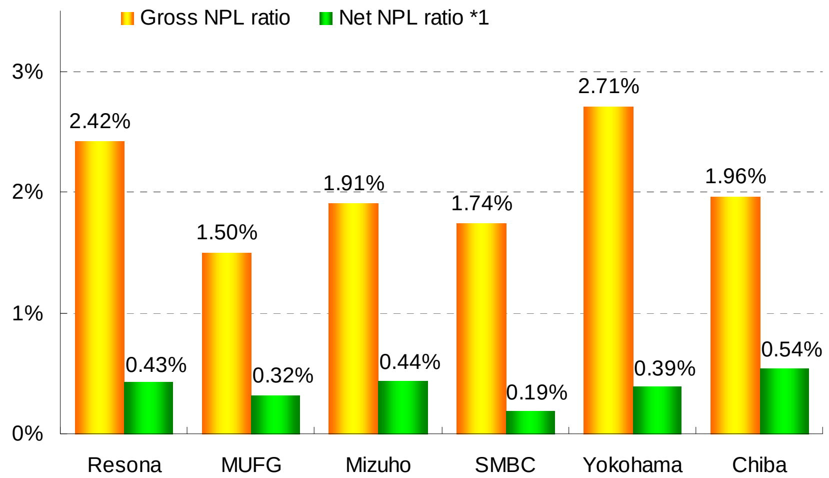


Reserve ratio against uncovered NPLs (Mar. 31, 2010)



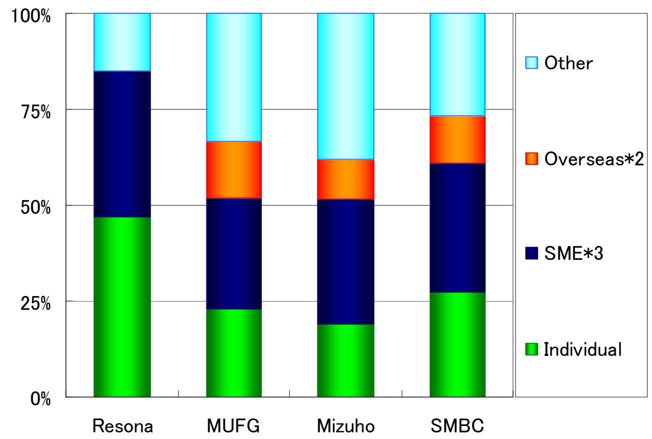
[Special attention borrowers] [Doubtful and lower category borrowers]

Net NPL ratio



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

Loan portfolio diversified into small lots



*2. Overseas: Loans extended by overseas branches and loans in the JOMT account
*3. Loans to SMEs and individuals less loans to individuals

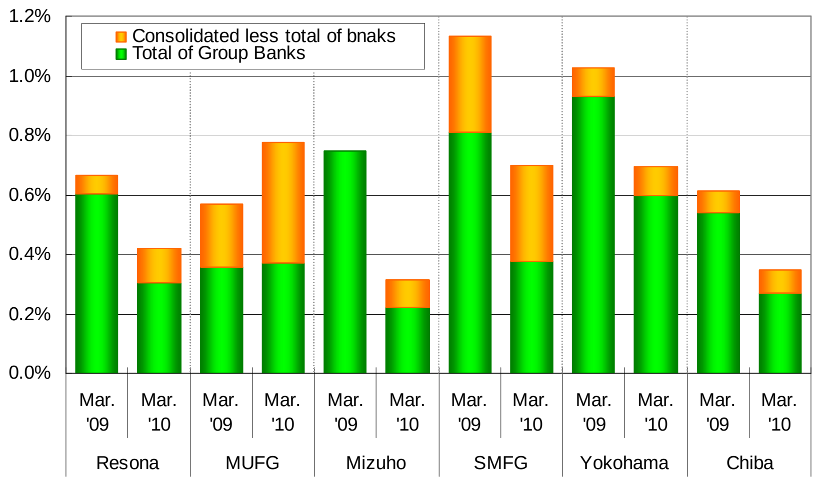
Measures to Enhance Financial Soundness: Credit Cost (Total of Group Banks)

Trend of credit cost

(Billions of Yen)

	1H FY'07	2H FY'07	1H FY'08	2H FY'08	1H FY'09	2H FY'09
General reserve	(20.5)	4.6	6.4	(28.5)	9.5	(18.8)
Specific reserve and other items	34.3	20.2	120.1	66.0	41.7	49.5
New bankruptcy, downward migration	85.3	81.3	157.3	139.0	56.3	59.2
Reversal and other gains (upward migration, off-balancing and other)	(51.0)	(61.1)	(37.2)	(72.9)	(14.6)	(9.7)
Total credit-related expenses (net)	13.8	24.8	126.5	37.4	51.3	30.7

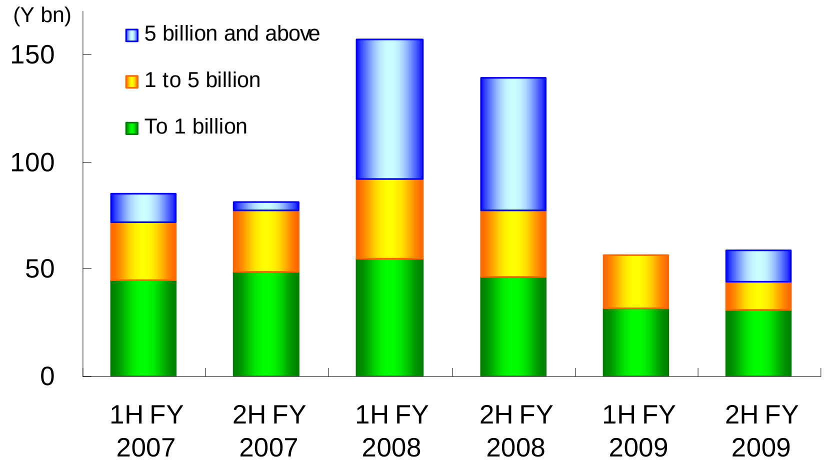
Consolidated credit cost ratio*



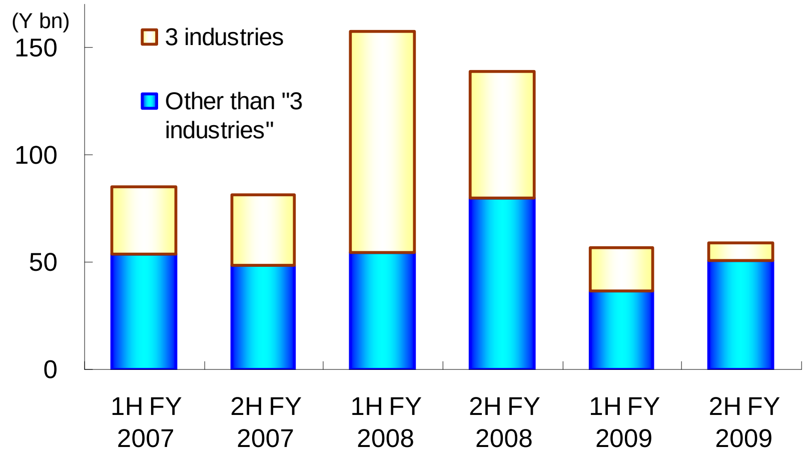
* Credit cost / (Loans and bills discounted + acceptances and guarantees)

Credit costs arising from 3 industries and large obligors declined noticeably

◆ New addition to specific reserve by credit amounts at the beginning of the fiscal year (Total of group banks)

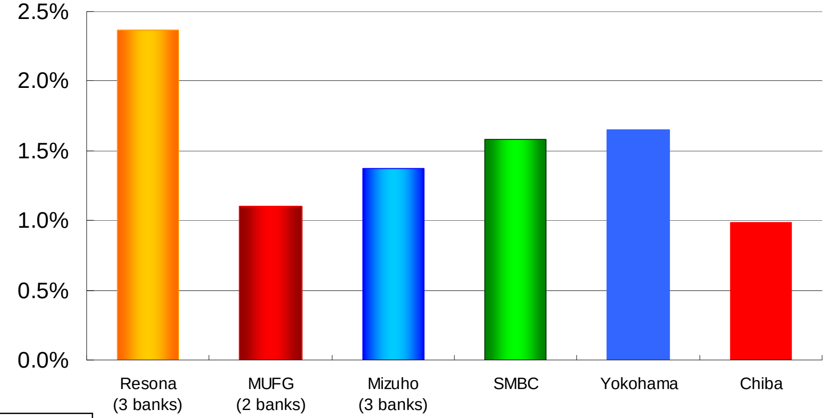


◆ New addition to specific reserve by industries (Total of group banks)



Measures to Enhance Financial Soundness: Well-prepared for Future Risks

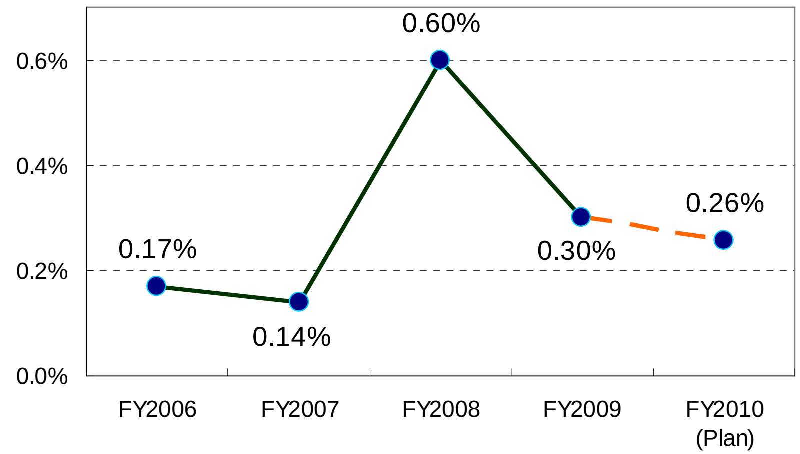
Loan loss reserves provided against corporate loans*



	Resona (3 banks)	MUFG (2 banks)	Mizuho (3 banks)	SMBC	Yokohama	Chiba
Ratio of loans to individuals (mostly housing loans)	45.6%	20.3%	17.8%	24.3%	45.8%	35.0%

* Loan loss reserves / (Total credits under FRL criteria – loans to individuals)

Trend of credit-related expense ratio* (Total of group banks)



* Net credit-related expenses / Total credits defined under the Financial Reconstruction Law
Simple average of the balances at the beginning and end of the year
(The same denominator is used for FY2009 and FY2010)

Response to the Law on Extraordinary Measures to Facilitate Financing for SMEs, etc.

Established designated organization for consultation (restructuring of loans, etc.)

- **Established a basic policy and Committees for Facilitating Financing for SMEs and Individuals at each group bank with their Presidents being a chairman**
- **Responsible persons and leaders at business divisions**
- **Special counters for receiving inquiries and complaints**

Impacts on B/S and P/L are limited

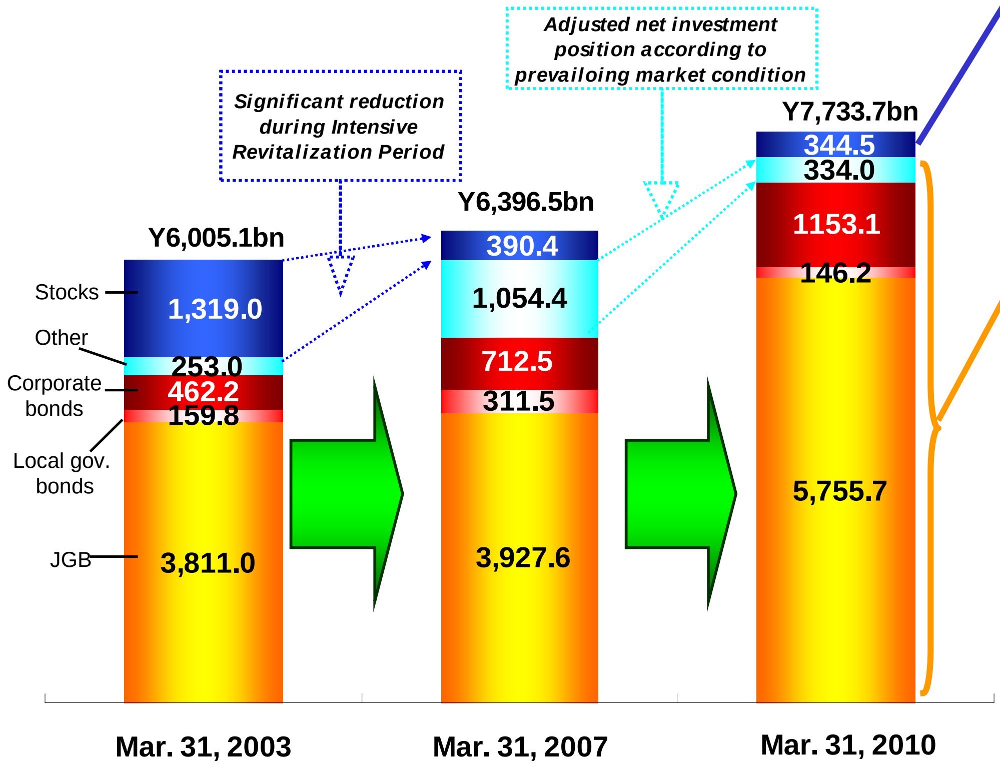
- **Applied the same criteria for providing loan loss reserves to those borrowers which were reclassified as normal borrower categories due to a revision of the FSA's supervisory guidelines**

*** Credits to SME borrowers which can prepare a viable restructuring plan within a year are not categorized as NPLs even after amendments of the original loan conditions**

Measures to Enhance Financial Soundness: Securities Portfolio (1) (RHD Consolidated)

Securities portfolio with minimized downside risks

◆ **Non-trading marketable securities available for sale (at cost)**



■ **Reasons for increase in corporate bonds:** +571.4bn from Mar. 31, 2009)

- Government-backed bonds + 373.8bn : Same risk category as JGB
- Privately placed bonds +325.5bn : newly classified as marketable securities available for sale due to a change in accounting treatment

Relationship-purpose equity holdings

■ **Stocks**

- Reduced relationship-purpose stock holdings by approx. Y1tn from the level in March 2003
- Continue efforts to reduce the balance further

Net investment portfolio

■ **JGB**

- Average duration : 2.3 years, BPV: Y1.73bn
- Floating-rate JGBs: Y594.5bn

■ **Other**

- No direct investments in sovereign bonds issued by European countries

  Indirect exposure is also minimal:
  ➔ Less than Y2.0 bn to PIIGS countries
- No investments in assets linked to the U.S. sub-prime housing loans
- All securitized products held were organized in Japan and 90% of them are backed by housing loans originated in Japan

  [Securitized products by underlying assets]

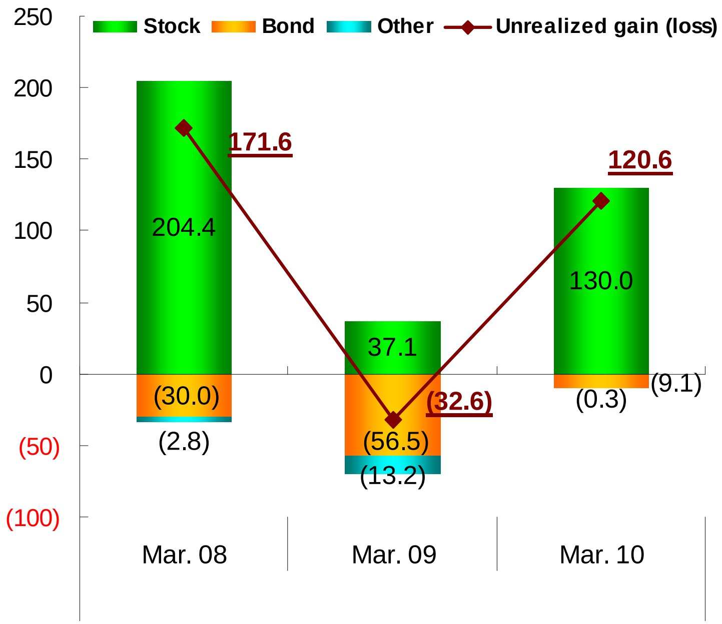
(Ybn)

Securitized Products	244.7
RMBS	220.8
CMBS	13.9
Other	9.9

Measures to Enhance Financial Soundness: Securities Portfolio (2) (RHD Consolidated)

Unrealized gain (loss) on non-trading marketable securities available for sale

- **Unrealized gain (loss)： Y 120.6 bn**
- **Floating-rate JGB consistently marked to market prices**
  - **Unrealized loss on floating-rate JGB : Y(12.9)bn**
  - **[Reference]**
    Net unrealized gain/(loss) based on theoretical prices computed for an administrative purpose: +Y18.2 bn
- **Unrealized gain (loss)（RHD consolidated, Ybn)**

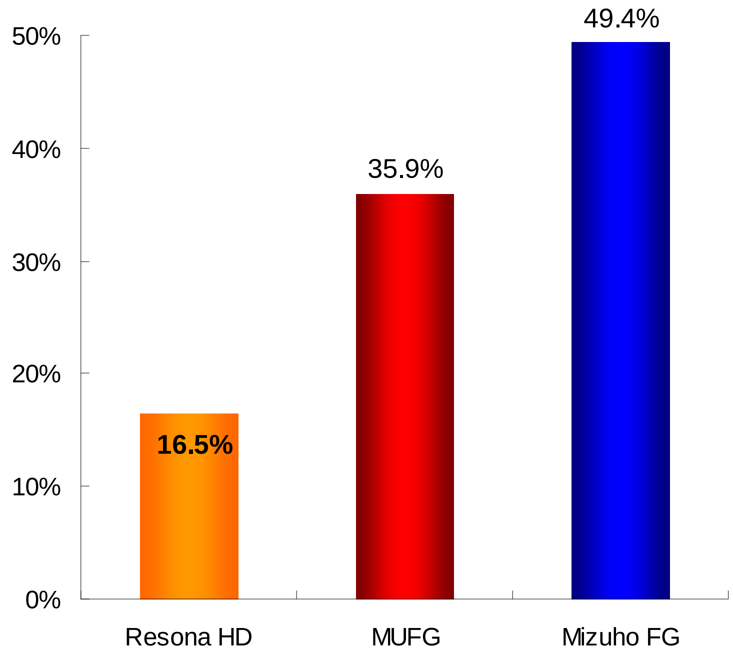


Ratio of stockholdings to Tier 1

- **Break-even Nikkei Average : Approx. 7,300 Yen**
- **β vis-à-vis Nikkei Average : Approx. 0.8**
- **Stockholdings* to Tier 1: 16.5%（RHD Consolidated）**

*** Non-trading available-for-sale marketable stocks**

- **Ratio of stockholdings to Tier 1（As of Mar. 31, 2010）**



Capital Adequacy Ratio (RHD Consolidated)

■ **RHD's consolidated CAR [Mar. 31, 2009] 13.45% ⇒ [Mar. 31, 2010] 13.81% (+ 0.36%)**

Capital adequacy ratio

Change in capital adequacy ratio (Basel II, F-IRB basis)

(Ybn, %)

	Mar.31, 2009	Mar. 31, 2010	Change
Capital adequacy ratio	**13.45**	**13.81**	+0.36
Tier I ratio	9.92	10.20	+0.28
Total qualifying capital	**2,818.5**	**2,814.0**	(4.5)
Tier 1	2,078.8	2,078.6	(0.1)
Capital stock and capital surplus	820.5	727.9	(92.6)
Retained earnings	1,287.4	1,372.1	+84.6
Tier 2	771.4	752.0	(19.3)
45% of unrealized gains on other securities	This item is not applicable to Japanese domestic standard		
Subordinated bonds	655.3	640.1	(15.1)
Deductions	31.6	16.7	(14.8)
Risk-weighted assets	**20,944.8**	**20,364.1**	(580.7)
Credit risk	19,608.3	19,119.8	(488.4)
Operational risk	1,336.5	1,244.3	(92.2)

* Disclosure of capital adequacy ratio as of March 31, 2010 is on a preliminary basis.

Factors for the change in FY2009

[Total qualifying capital] - 4.5bn (-0.03%)

➢ **Tier1**

- **Retained earnings + 84.6bn (+0.43%)**
- **Other capital surplus - 92.6bn (-0.46%)**
  - Issuance of Class 6 PS + 75.0bn (+0.36%)
  - Other capital surplus -167.5bn (-0.83%)
    - Repurchase and cancellation of Class 9 PS (Total repurchase price: Y271.2 bn)
    - Issuance of common shares: Y103.6 bn

➢ **Tier 2**

- **Buyback of T2 bonds, etc. - 15.1bn (-0.08%)**

[Risk-weighted assets] - 580.7bn (+0.37%)

➢ **Credit risk assets - 488.4bn (+0.32%)**

- Decline in the average risk weight for housing loan portfolio,
- Decrease in the outstanding balance of corporate loans, etc.

[Reference Information]

■ **Capital adequacy ratio: (BIS international standard)**	**14.20%**
■ **Tier I ratio: (BIS international standard)**	**10.09%**
■ **Net unrealized gain on available-for-sale securities:**	**+120.6bn**
■ **Net DTA / Tier I capital:**	**11.90%**

Earnings Forecasts for FY2010

(Billions of yen)

	Resona Holdings (Consolidated)		
	Interim forecast	Full year forecasts	Change from previous year
Consolidated ordinary income	415.0	**830.0**	(45.1)
Consolidated ordinary profit	83.0	**170.0**	17.7
Net (interim) income	60.0	**135.0**	2.8

Forecast of capital adequacy ratios	Latter half of 13%

	Resona Holdings (Non-consolidated)		
	Interim forecast	Full year forecasts	Change from previous year
Operating income	16.5	**31.0**	(8.0)
Operating profit	13.5	**25.0**	(7.6)
Ordinary profit	13.5	**24.0**	(8.6)
Net (interim) income	14.5	**25.0**	(9.9)

Forecast for term-end per share dividend on common stock	10 yen
Forecast for term-end per share dividend on preferred stock	As pre-determined

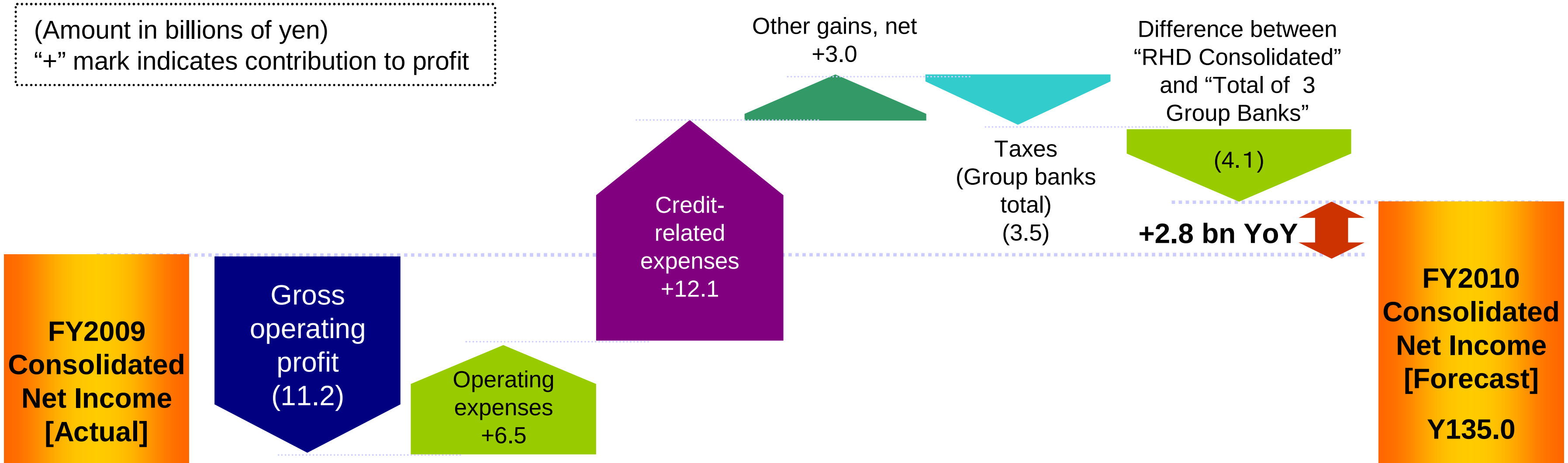
	Total of three banks (approx. figure)			Resona Bank			Saitama Resona Bank			Kinki Osaka Bank		
	Interim forecast	Full year forecasts	Change from previous year	Interim forecast	Full year forecasts	Change from previous year*2	Interim forecast	Full year forecasts	Change from previous year	Interim forecast	Full year forecasts	Change from previous year
Gross operating profit	298.0	**604.0**	(11.2)	194.0	395.0	(11.6)	74.0	148.5	0.7	30.0	60.5	(0.2)
Operating expenses	173.0	**344.0**	(6.5)	114.0	225.0	(5.8)	38.5	77.0	0.6	21.0	41.5	(1.7)
Actual net operating profit	125.0	**260.0**	(4.6)	80.0	170.0	(5.7)	35.5	71.5	0.1	9.0	19.0	1.6
Ordinary profit	83.0	**170.0**	17.4	52.5	110.0	8.6	30.0	57.0	8.1	1.0	4.0	1.8
Income before income taxes	88.0	**187.0**	10.5	57.0	125.0	5.5	29.5	56.0	4.2	2.0	6.0	0.9
Net (interim) income	58.0	**130.0**	6.9									
Net gain on stocks	2.0	**4.0**	(0.3)	2.0	4.0	1.9	-	-	(0.7)	-	-	(1.3)
Credit related expenses	35.0	**70.0**	(12.1)	23.5	47.0	(7.1)	5.5	12.5	(4.2)	6.0	10.5	(0.7)
Forecast of capital adequacy ratios					<Consolidated> Lower half of 11%			<Non-consolidated> Middle of 10%			<Consolidated> Lower half of 11%	

Resona Group started applying a consolidated taxation system.

Gap Analysis: FY2009 (Act) vs. FY2010 (Forecast)

Forecasting a consolidated net income of Y135.0bn (+Y2.8bn on the prior year) for FY2010

(Amount in billions of yen)
"+" mark indicates contribution to profit



- Gross operating profit
  - Loan-to-deposit spread is expected to decline by 7bps YoY
  - Fee income items, such as sale of investment trust and real estate brokerage businesses, would expand
- Operating expenses
  - Reduce operating expenses by Y6.5bn YoY through implementation of low-cost operations
- Credit-related expenses would return to a near-normal level
  （Net credit-related expenses: FY2009 Y82.1bn ➔ FY2010 Y70.0bn）
- Difference between "RHD Consolidated" and "Total of 3 Group Banks"
  - Absence of goodwill amortization (former Resona Trust & Banking) +Y7.2bn,
  - Increase in income taxes of Resona Holdings on a non-consolidated basis, Decline in net income of consolidated subsidiaries other than 3 group banks, etc.

Total of 3 Group Banks (Non-consolidated) | RHD Consolidated

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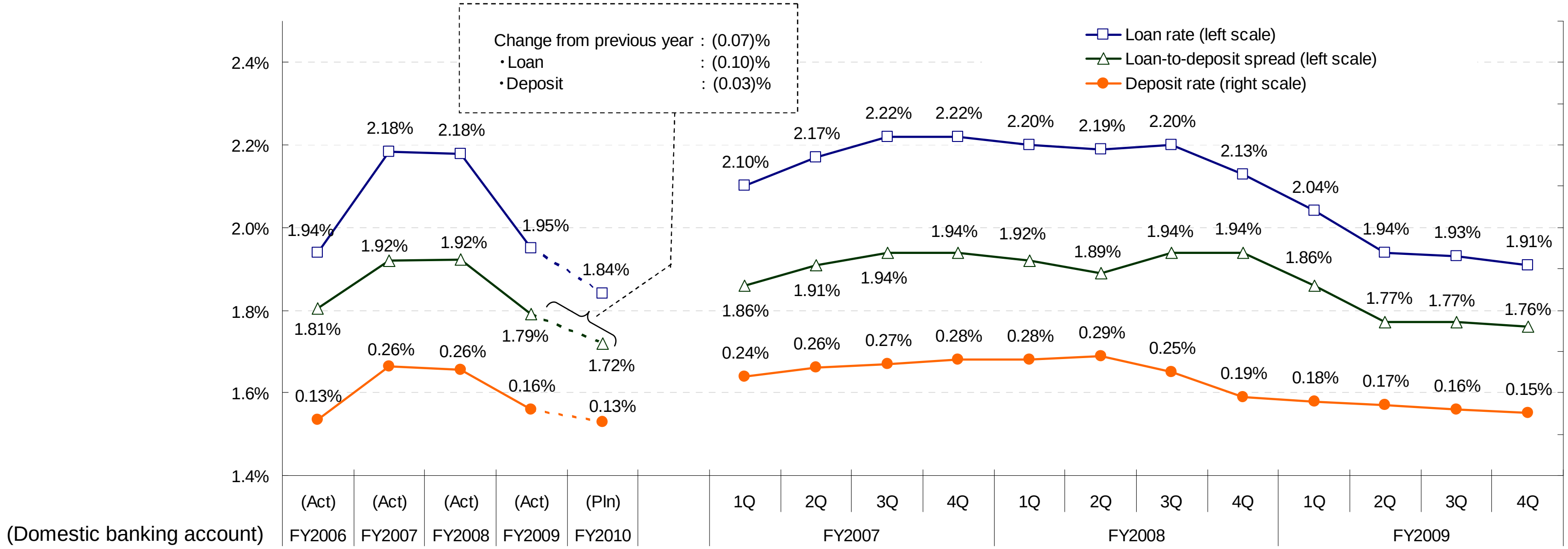
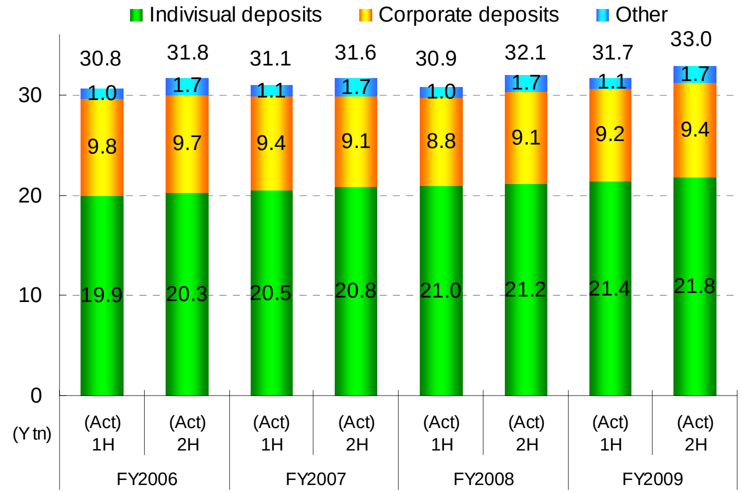
<Reference Material>

Trend of Loan Business (Total of Group Banks)

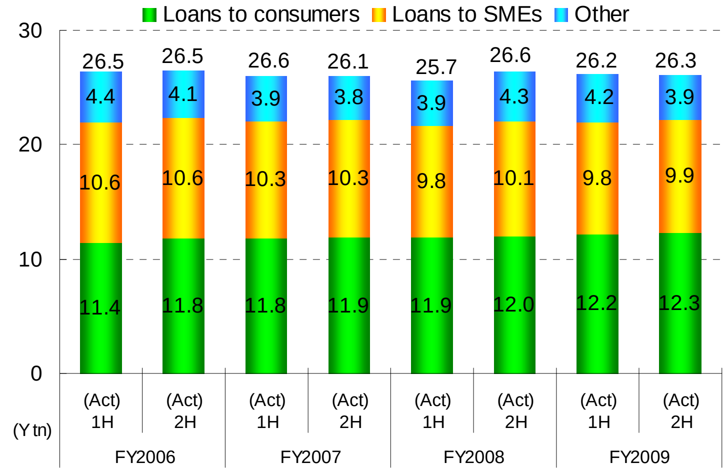
Trend of loan and deposit rates and spread



Trend of term-end deposit balance

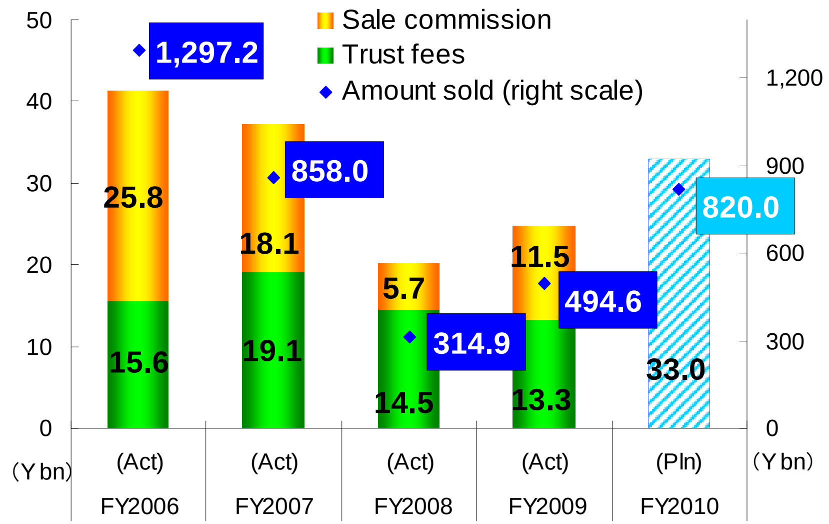


Trend of term-end loan balance

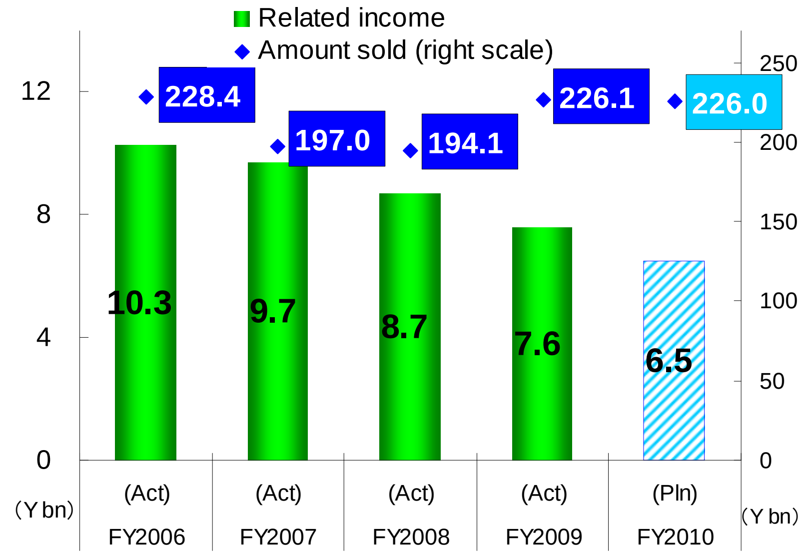


Trend of Major Fee Businesses

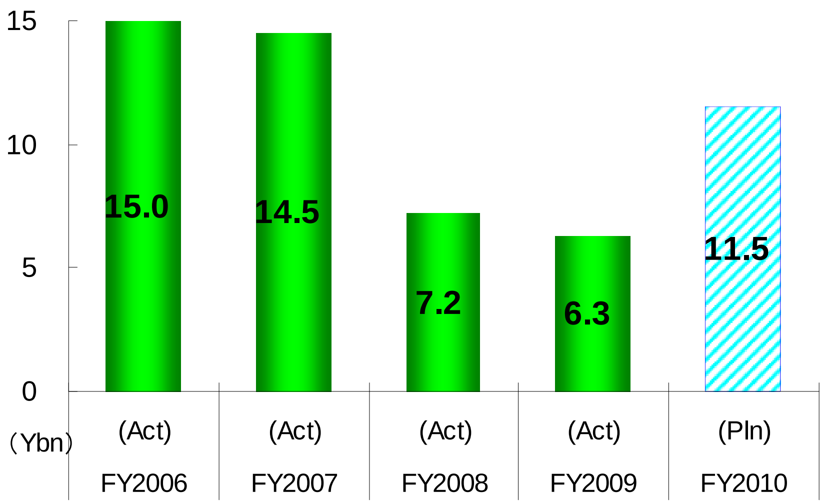
Investment Trusts (Total of Group Banks)



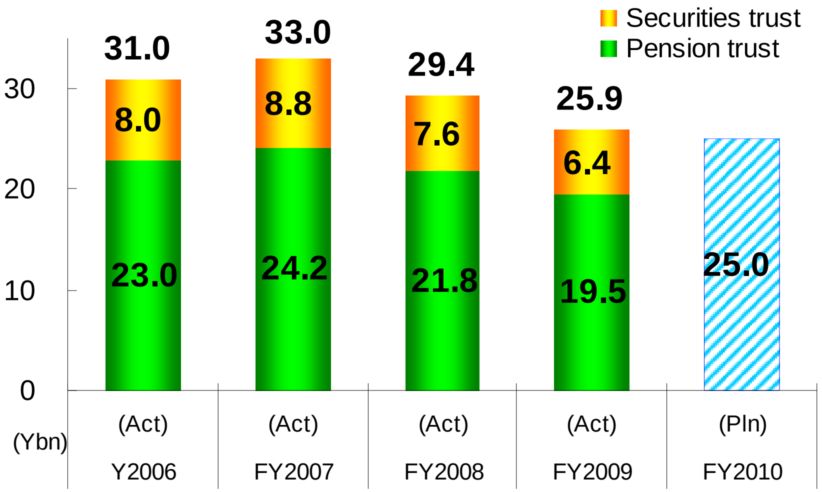
Personal Annuity (Total of Group Banks)



Real Estate Business*1 (RB)



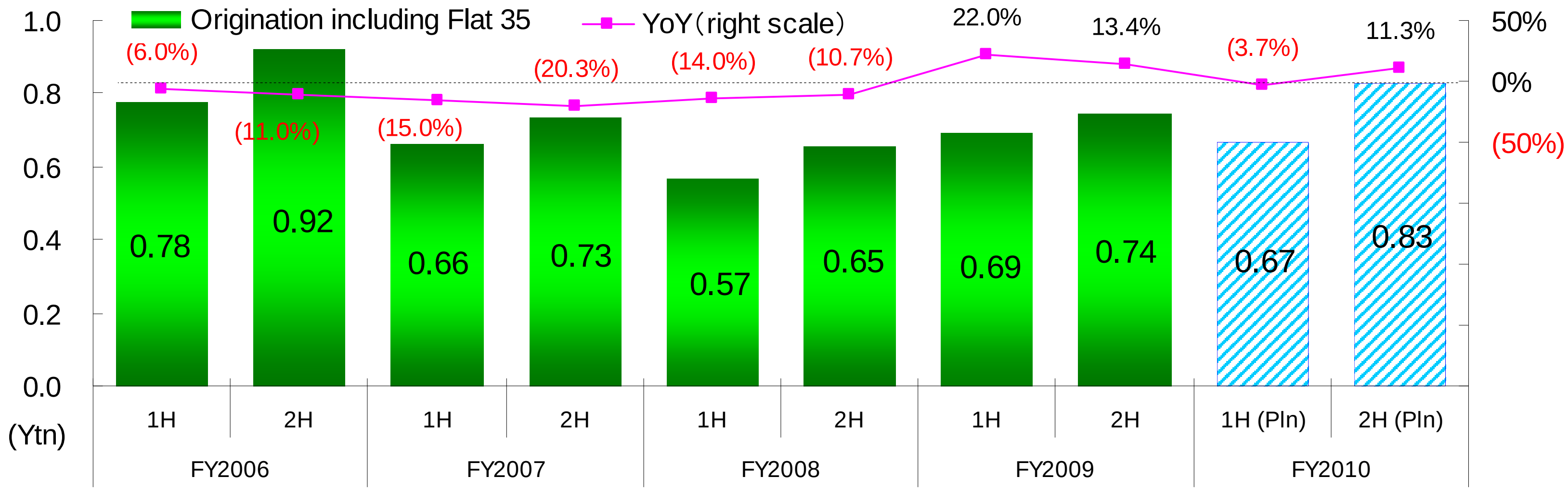
Pension and Securities Trust Business (RB)



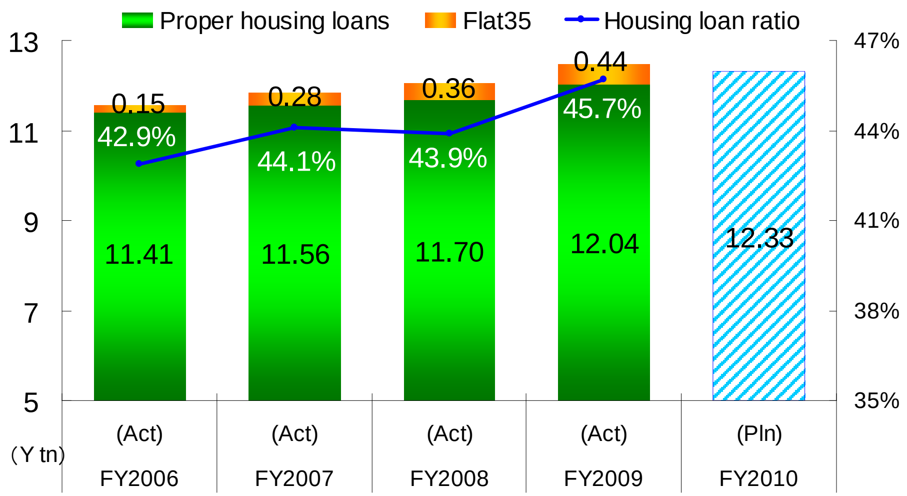
*1 Excluding gains from investments in real estate fund

Housing Loan Origination Recovered to the Level before Lehman Shock

Trend of housing loan origination (administrative accounting basis)



Trend of housing loan balance



Subrogation payment and net loss ratios

Ratio of subrogation payment*1

In the range of 0.5%

Net loss ratio*2

Approx. 0.2%

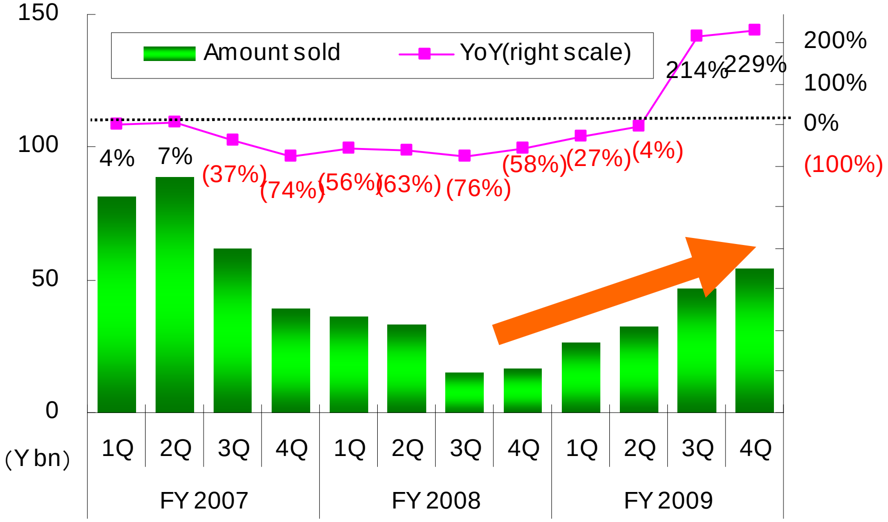
*1. Rate of subrogation repayment by loan guarantee subsidiaries.

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

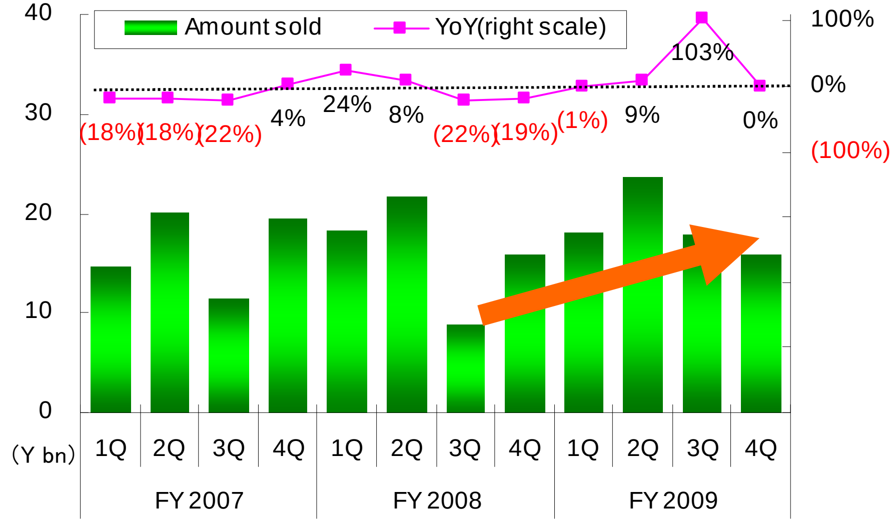
* Data compiled for a management and administration purpose (including Flat 35)

Sale of Investment Products Recovered to the Level before Lehman Shock

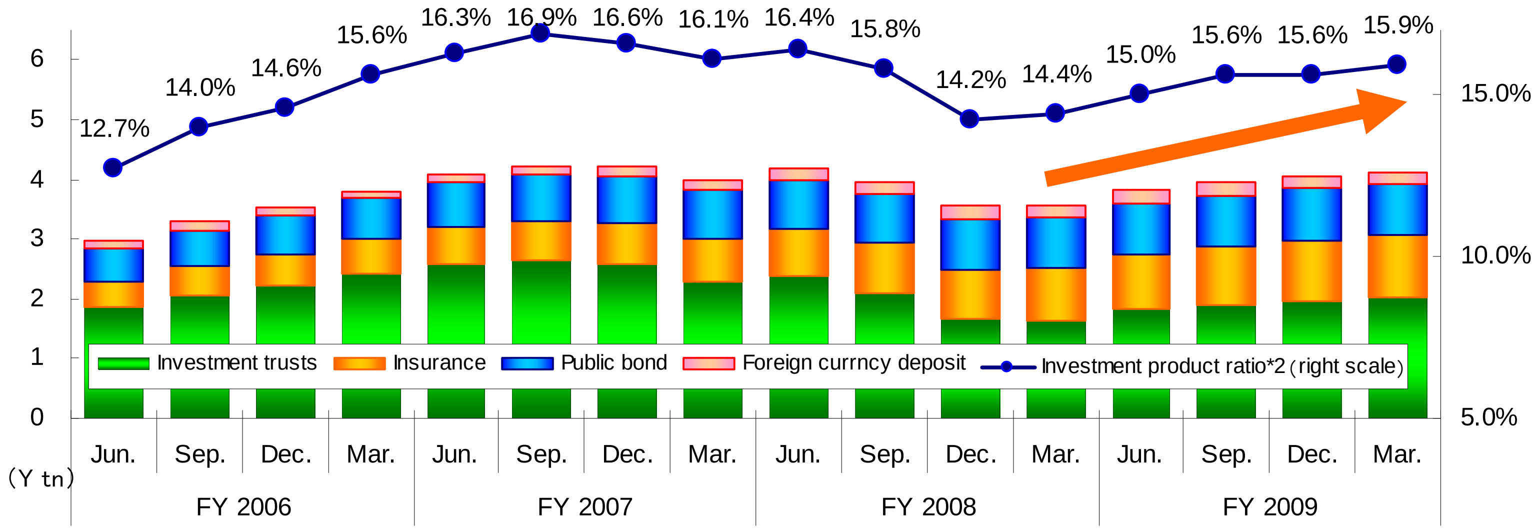
Investment trusts
(Monthly average for each quarterly period) *1



Insurance
(Monthly average for each quarterly period)*1



Balance of Investment Products sold to Individual *1



*1. Data compiled for a management and administration purpose
*2. Investment product ratio = balance of investment products sold / balance of investment products sold and deposits held by individuals

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Sound Profits Reside in Sound Balance Sheet (1) -- BS

Sound assets backed by very stable deposit funding

[Sound loan portfolio]

- Well-diversified loan portfolio
  - ➢ Housing loan ratio at 45.7%
  - ➢ SME portfolio well-diversified into 90 thousands clients
- Net NPL ratio standing at 0.43%

[Conservative securities portfolio]

- Mostly comprised of JGBs
  (Duration as of Mar. 31, 2010: 2.3 years)
- Limited downside risk relating to equity exposure
  - ➢ Stockholdings to Tier 1 : apx.16.5%
  - ➢ Breakeven Nikkei Avg:Y7,300 level
- No exposure to the U.S. sub-prime-related assets

RHD's consolidated balance sheet
(As of Mar. 31, 2010)

Assets	Liabilities and equity
Loans and bills discounted Y26.2 trillion (64%) Of which, Housing Loans: Y12.04 trillion (Group banks total)	**Deposits Y32.9 trillion (81%)**
Securities Y8.9 trillion (22%)	Other liabilities Y5.5 trillion (13%)
Other assets Y5.6 trillion (14%)	Total equity Y2.3 trillion (6%)

[Stable funding structure]

- Strong retail deposit base
  - ➢ 13 million retail deposit accounts
  - ➢ Accounts for approx. 70% of total deposit funding
- Funding cost kept at a low level
  - ➢ Avg. cost of deposits: 0.16% (FY2009)
  - ➢ Low-cost liquidity deposits account for approx. 58% of total deposit funding
- Very limited dependence on inter-bank funding or securitization
- Ratio of loans and bills discounted to total deposits: 80%

[Well capitalized on a regulatory basis]

- Capital adequacy ratio: 13.81%
- Tier 1 ratio: 10.20%
- Ratio of Net DTA to Tier 1: 11.90%

Total Accounting Assets: (TAA)	**Y40.7 trillion (100%)**
Risk-weighted Assets: (RWA)	**Y20.4 trillion (F-IRB under Basel II)**
RWA/TAA Multiple:	**x 0.5 times**

Sound Profits Reside in Sound Balance Sheet (2) -- PL

Stable bottom-line profits realized through active control of operating and credit-related expenses

Top-line Income

Interest income
- Stable interest income earned from well-diversified sound loan portfolio
- Continue efforts to implement risk-pricing (partially offset a spread decline)
- Room for taking additional interest rate risk based on sophistication in ALM interest rate risk management

Fee income
- Improve RORA and ROA by strengthening fee income

Other income
- Timely and flexible management of net investment position

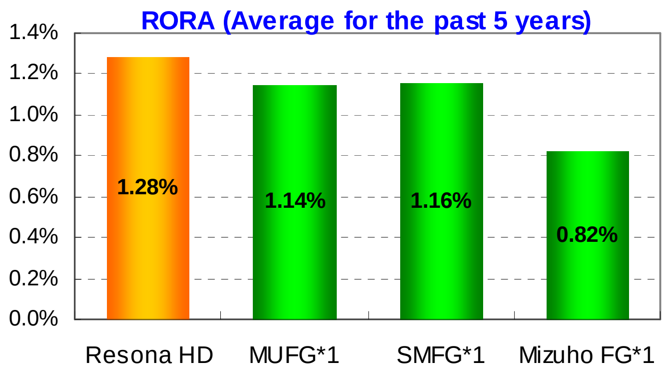
Operating expenses
- Consolidated operating expenses declined by Y210.1 bn in comparison with FY2002 (Rate of reduction during the same period: 35.2%)
- Continue efforts to control cost-to-income ratio at around 50% (FY2009: 57%)

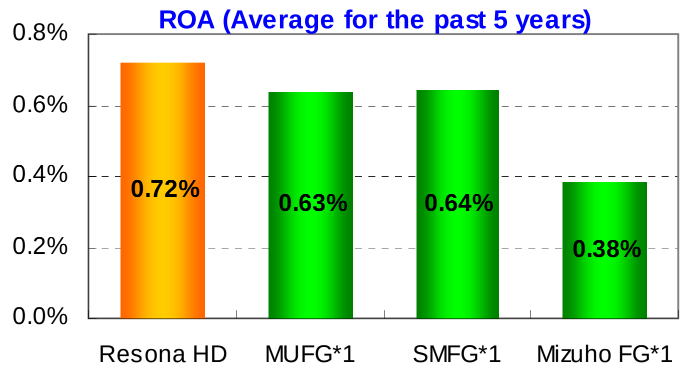
Credit-related expenses
- Minimize downside risks by diversifying the portfolio across sectors and into small lots

Net gains on stocks
- Continue efforts to reduce cross-shareholdings
- Equity exposure within a conservatively managed risk limit comprised of high liquidity products such as ETF

Comparative advantage in RORA / ROA

(Net operating profit after net credit-related expenses and net gains on stocks)



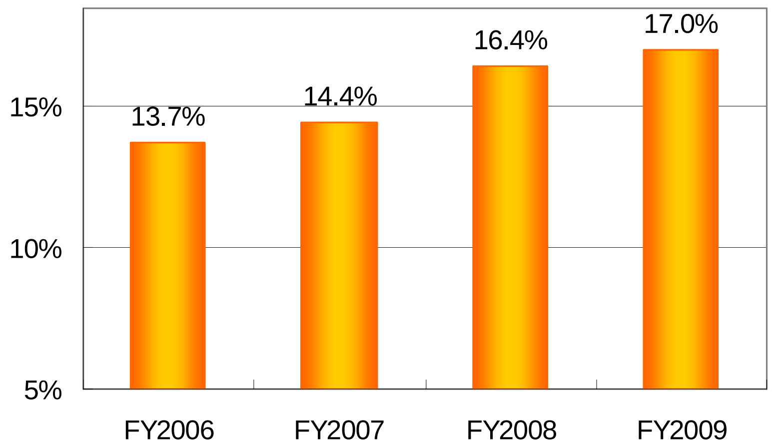


*1. Mega bank groups adopted the A-IRB approach to calculate their risk-weighted assets from FY2008

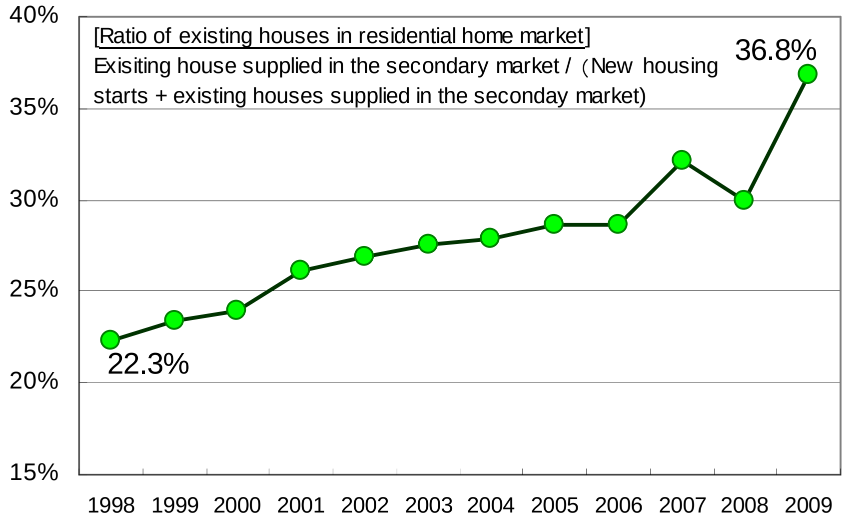
Housing and Other Consumer Loans: Explore New Market Opportunities

Efforts to explore secondhand housing market

➢ **Weight of secondhand housing in terms of the number of new loan applications**[*1]



➢ **Secondhand housing gaining increasing popularity**



* Source: FRK (*Fudosan Ryutuu Keiei Kyokai*)

Cross-selling opportunity based on existing HL clients

➢ **Over 0.5 million existing HL clients**

⇒ **Propose various competitive loan products**

➢ **Introduce new strategic loan products based on market analysis and promotion policy**

New product pipeline
(From Apr. to Jun. 2010 at Resona Bank)

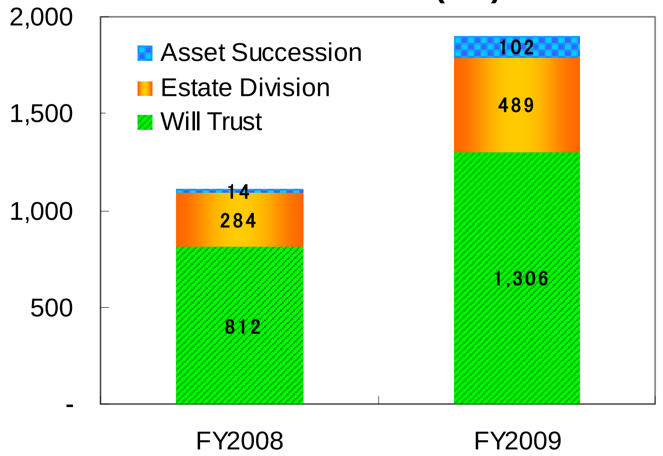
Market opportunity	New loan products
➢ **Increased environmental awareness** • **Increased demand for home renovation, secondhand housing** • **Tax-break for eco-friendly vehicle**	**New home renovation loan** (Favorable loan rate to those who utilize home reform insurance **Eco-friendly vehicle loan** (Favorable loan rate)
➢ **Advent of Aged Society**	**Reverse mortgage** (For home renovation purpose) (with housing loan insurance)
➢ **Increasingly diversified life plans**	**New private loan** (Guarantee by JCB) **Large amount card loan** (Guarantee by third party)

*1. In terms of the number of new housing loan applications handled by Resona Guarantee

Establishing a firm brand of "Retail x Trust"

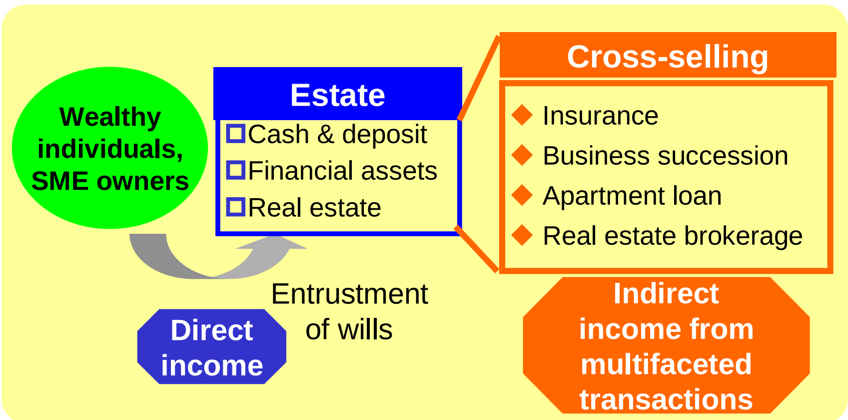
Will trust, estate division, asset succession

■ **Number of new entrustments (RB)**



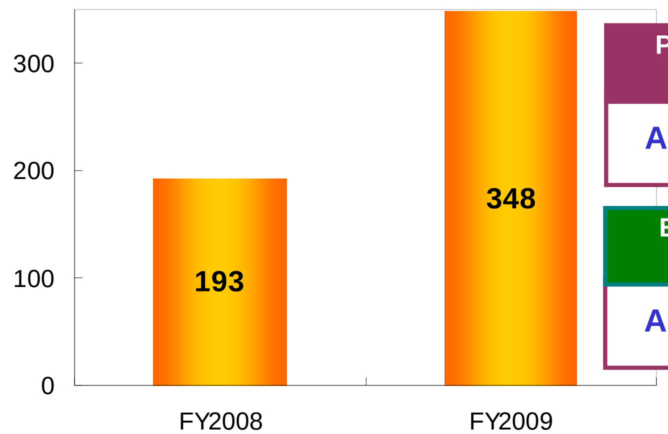
■ **Will trust as a gateway for multifaceted transactions**

- Number of wills in custody : Apx. 11 thousands
- Total estate covered by entrusted wills : Apx. Y2 trillion *1
- Average period of custody : Apx. 6 years
- Average execution fee (direct fee) : Apx. 1%



Pension trust

■ **Number of new entrustments (RB)**



Potential client base*2

Approx. 4,000

Existing client base

Approx. 3,200

■ **Strengthened lineup of trust solutions for corporate customers**

Corporate clients' business challenge and needs

- Preparation for IFRS
  (Business finance / retirement benefits)
- Asset management / risk control
- Environmental awareness

Trust solutions (introduced in FY2009)

- Corporate pension consulting in the context of IFRS
- Trust for liquidation of cross-shareholdings
- Trust-based Employee Stock Ownership Plan
- Structured bonds designated money in trust
  Tactical asset allocation (TAA) fund trust
- Emissions quotas trust

*1. Financial assets including cash and deposits: 40%, real estate 60%
*2. Corporations with more than 100 employees for which Resona Group banks act as main or sub-main financing bank.

Examples of How We Proceed with “Retail x Trust” Strategy

<Example 1> Making the best use of the know-how in corporate pension management for sale of investment trust products

Products

- **Product procurements based on true customer needs**
  - Grasp the true needs of customers through analysis of the various data by the Institute for Financial Marketing
  - Procurements of the best products through open alliance

×

Channel

- **Redefined branch office as a place for sales activities**
  - Next-generation branch office, Smart office
- **New Branch Management System**
  - Top sales by business division GMs

×

Delivery

- **Consulting-based marketing**
  - Break out of a routine sales of a single product
  - Promote cross-selling based on solution proposals

My Strength Project

- Products developed exclusively for women by female staffs
- Following investment trust and loan products, insurance products for women will be developed for distribution
  (To be introduced in July 2010)

Investment trust proposal support system

－Resona Model Portfolio –

- Utilize the know-how in corporate pension management
- Jointly developed by personal banking business division and trust business division

<Example 2> Strengthening real estate brokerage business by exploring high net worth individual customers

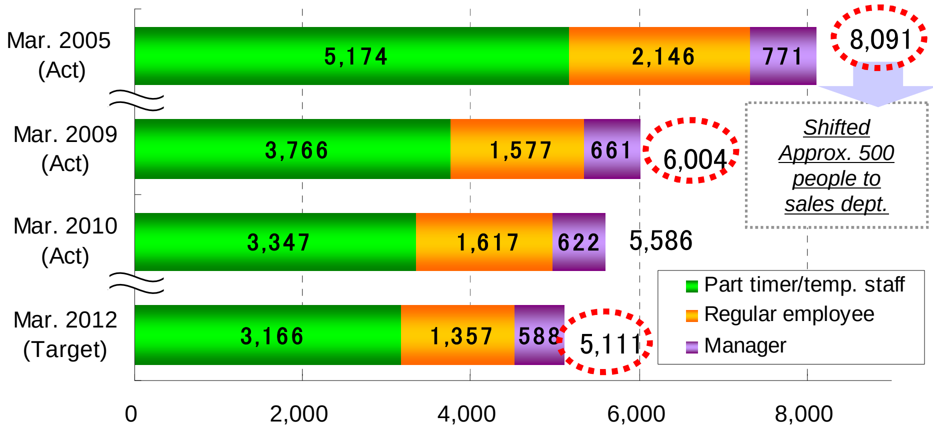
Challenge to unexplored business areas ▶ **Wealth of information on real estate as a commercial bank** × **Approx. 160 personal banking business GMs will strengthen approaches to private banking clients**

Resona Bank = Commercial Bank with Full-line Trust Capabilities having No.1 client base and branch network

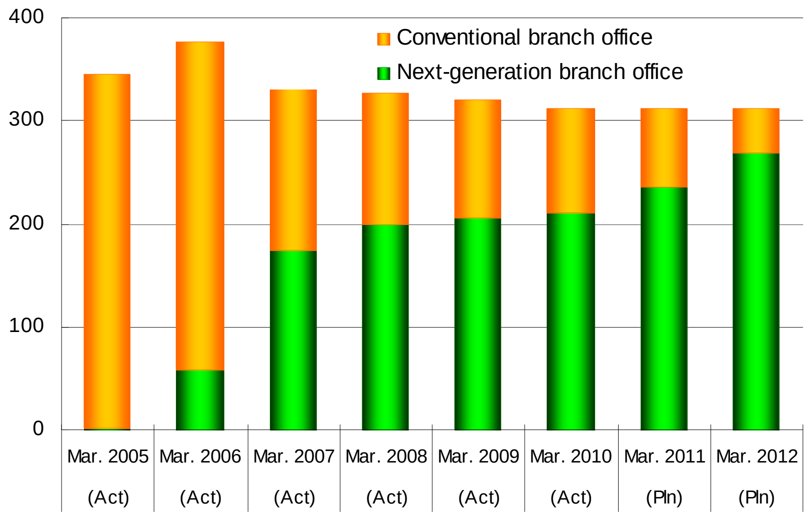
Operational Reform: Achievements and Outlook for the Future (RB)

Redefine branch office as a place for sales activities

■ **Trend of clerical work personnel (Branch offices, support offices and centers)**



■ **Increasing next-generation branch office**



Renovation of branch office system (Nov. 2010 to Jul. 2011)

Objectives and clerical staff reduction

[Objectives]
- Transactions without seals and slips
- Strengthened compliance
- Efficient/flawless clerical work

[Reduction in clerical staff]
Approx. (1,000) staffs

RB+SR
Mar. '09 vs Mar. '12

Enhance service quality and streamline clerical workflow

Front Office (Branch Consultation Booth)

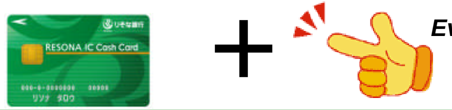
BEFORE

"passbook" "seal" "slip" = worrisome, troublesome

Enhance service quality

AFTER

"Biometric cash card"= safe, convenient



Everything to be completed in branch office

Middle Office => Back Office (Support Office)

BEFORE

1) Sort, then deliver slips to operation centers
2) Data entry based on slips

Streamlining

AFTER

1) Scan slips for transmission (No need for delivery)
2) Data entry based on scanned image (paperless)

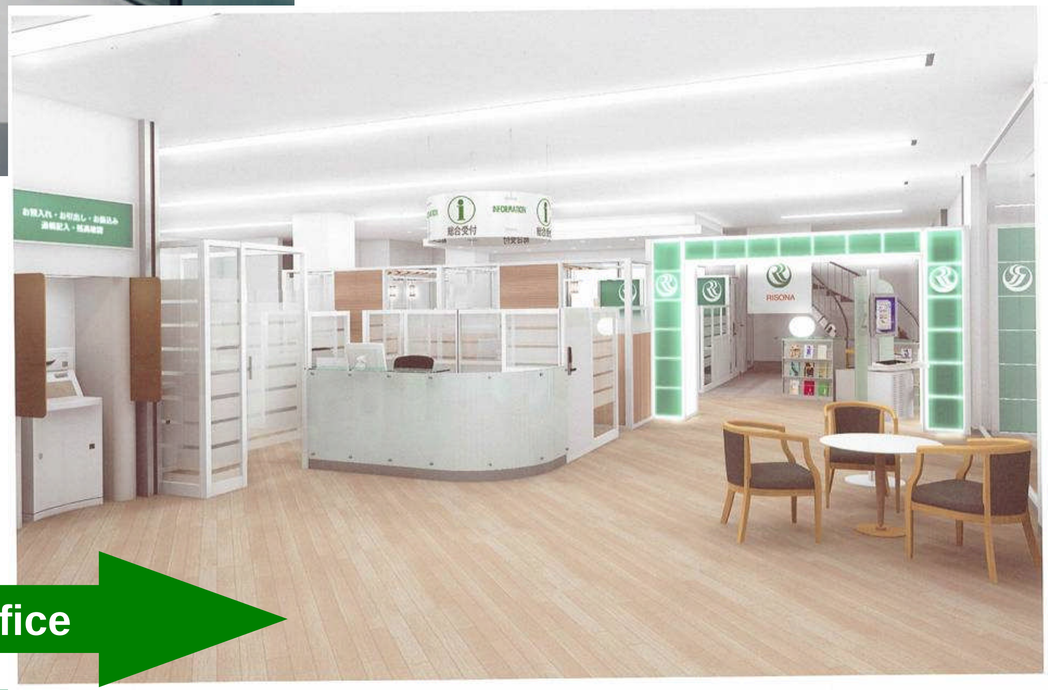
Image of the Next Generation Branch Office

Next Generation Branch Office

Started introduction in FY2005
- Transformed the former clerical work space into a space for customers (transaction and consultation)
- Clerical work shifted to Support Offices (Branches redefined as a place for sales activities)
- Routine transactions to be handled by Quick-Navi

Tama Plaza Branch was renovated as the first Smart Branch Office in Sep. 2009
- Small-scale branch office for individual customers
- Priority given to sales activities
- Processing style based on Resona's "3NOs & 3 LESSes" concept
- 100% transactions handled with biometric cash cards and ATMs

Smart Branch Office



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Approach towards Repayment of Public Funds

List of public funds and approaches for repayments

(Billions of Yen)	Time of issue	Mandatory conversion (First call)	Amount Sep. 30, '03 (1)	Amount Mar. 31, '10 (2)	Amount repaid (2) - (1)
Total public funds received			**3,128.0**	**2,085.2**	**(1,042.7)**
Preferred shares			**2,531.5**	**1,823.5**	**(708.0)**
Early Strengthening Law			868.0	160.0	(708.0)
Class B No.1 ✓	Mar. 1999	Apr. 2009	408.0	–	(408.0)
Class C No.1	Apr. 2001	Apr. 2015	60.0	60.0	–
Class E No.1 ✓	Mar. 1999	Dec. 2009	300.0	–	(300.0)
Class F No.1	Mar. 1999	Dec. 2014	100.0	100.0	–
Deposit Insurance Law			1,663.5	1,663.5	–
Class One No.1	Jul. 2003	N.A.	550.0	550.0	–
Class Two No.1	Jul. 2003	N.A.	563.5	563.5	–
Class Three No.1	Jul. 2003	N.A.	550.0	550.0	–
Subordinated loans ✓			**300.0**	–	**(300.0)**
Common shares	Jul. 2003	N.A.	**296.4**	**261.6**	(34.7)

Preferred Shares

- ***Repurchase and cancellation utilizing retained earnings and proceeds of newly issued preferred shares***
- ***For potential shares arising from Class C and F shares, RHD repurchased equivalent number of its common shares from the market and virtually eliminated dilution risk***
- ***For the DIL Preferred Shares, RHD will make efforts for early repayments, on the premise that such repayments would not result in significant deterioration in its financial soundness***

Common Shares

- ***Intend to proceed with discussions with relevant authorities for a repayment through sale in the market or through transfer to a third party, closely monitoring market and other conditions***

Accumulated in total Y1,511.4bn of funds available for repayments as of Mar. 31, 2010

Public fund preferred shares Remaining infusion amount: ¥1,823.5bn --- including Class C and F

Combined retained earnings	Other capital surplus	Deduction for treasury shares
Y1,334.5bn	Y176.8bn	Y85.2bn

Total available funds for repayments Y1,511.4bn (Approx. 82% of above)

Outline of Capital Management (Measures Implemented in FY2009)

Capital management to secure funds for repaying public funds, raise quality of capital and enhance regulatory capital refinancing capability

T1

Exchange offer and non-dilutive financing

- **Exchange Offer**
  - **Repurchase and cancellation of Class 9 PS**
    =>Entire shares (total issue amount: Y350 bn) repurchased at Y271.2 bn
  - **Issued common shares (Y103.6bn)**
- **Issued Class 6 non-convertible PS (Y75.0 bn)**

Results:

- **Exchange Offer**
  - **Increased core Tier 1 capital by Y182.4 bn, and**
  - **Reduced potential shares, simultaneously**
- **Non-dilutive financing with Class 6 PS**
  - **Increase in non-core Tier 1 capital**
  - **Additional funds for repayments**

UT2

Buyback (RB/UT2 bonds)

- **Tender offer for foreign currency denominated UT2 bonds**
  - **£ denominated UT2 bonds**
    (5.986%, Callable after Aug. 2011)
    - **Total amount repurchased: £65M[*1]**
    - **Repurchase price: 92%[*2]**
  - **€ denominated UT2 bonds**
    (4.125%, Callable after Sep. 2012)
    - **Total amount repurchased: €300M[*1]**
    - **Repurchase price: 90%[*2]**

Results:

- **Improvement in external environment for future financing through reduction in credit spread**
- **Distribution of UT2 call schedule**
  - **Reduced call pressure due in FY2011 and FY2012 by around Y50bn**
- **Improvement in the quality of capital**
  - **Registered an extraordinary profit of Y4.7bn in the 1H of FY2009**
  - **Increase in core Tier 1 and funds for repayment of public funds**

LT2

Refinance & Increase (RB/LT2 bonds)

- **LT2 finance totaling Y191.3 bn (Domestic)**
  - **Institutional** — **Y121.3bn (10BL/10NC5)**
  - **Retail** — **Y70.0bn (8NC3)**

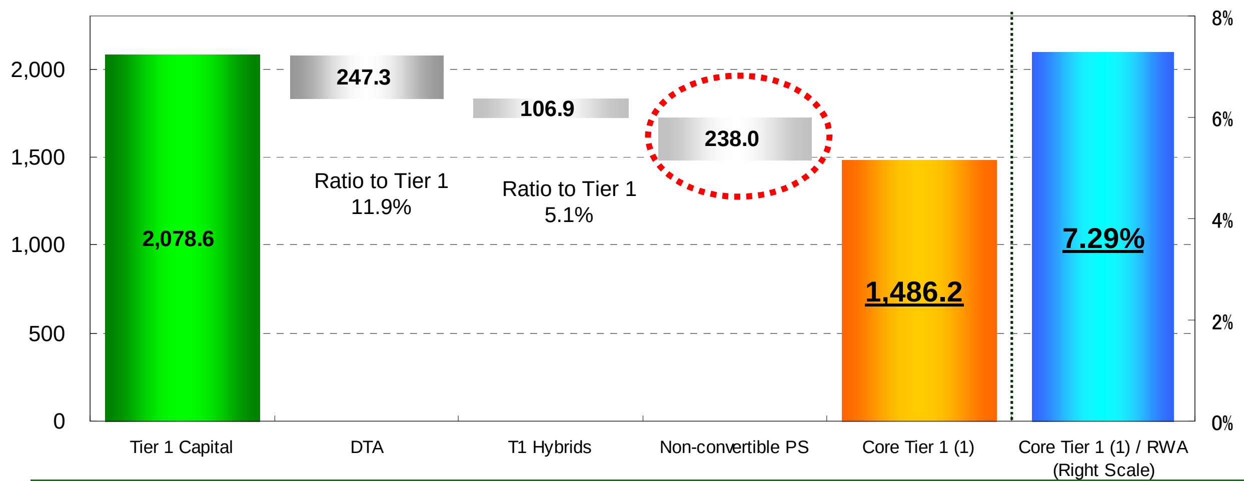
Results:

- **Completed refinancing for the scheduled LT2 call due in FY2010 (Approx. Y140bn at RB level) and increased T2 capital**
- **Diversified regulatory capital funding by issuing Y70bn of LT2 notes to retail investors**

*1. On a principal amount basis
*2. On a par value basis

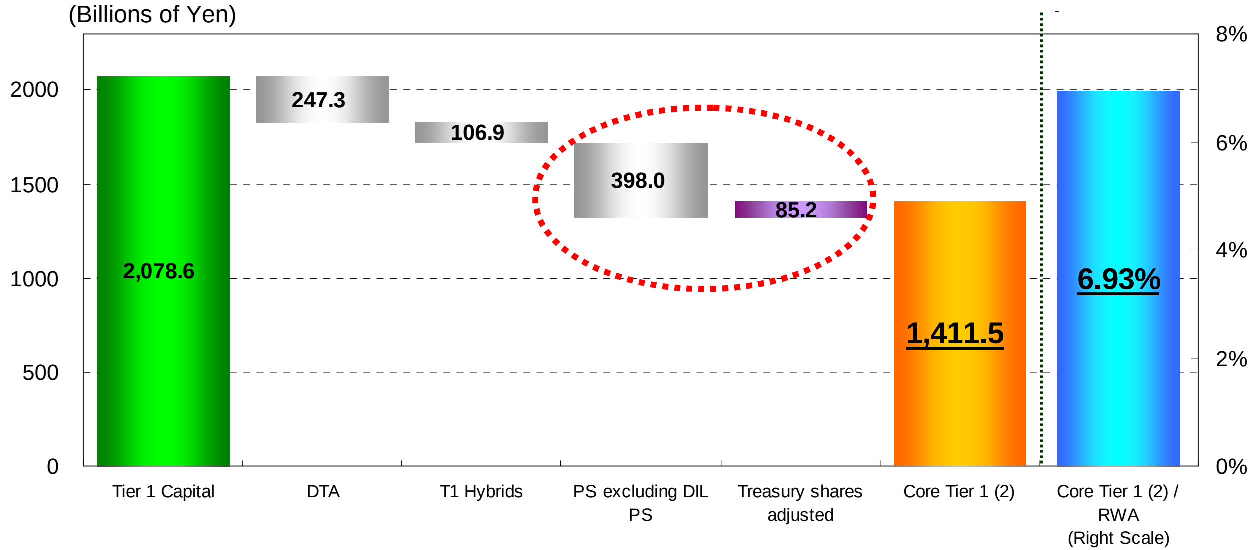
Consideration on Strength of Core Tier 1 Capital (Mar. 31, 2010)

Core Tier 1 (1)[*1] : Net of DTA, Preferred Securities, Non-convertible Preferred Shares



- Among preferred shares, non-convertible preferred shares are deduced as non-core Tier 1 capital
  - Class 4 PS--- Y63.0 bn
  - Class 5 PS--- Y100.0 bn
  - Class 6 PS--- Y75.0bn

Core Tier 1 (2)[*1] : Net of DTA, Preferred Securities, Preferred Shares except the DIL Preferred Shares



- Preferred shares are deducted as non-core Tier 1 except for the DIL preferred shares
- High capital quality given to the DIL preferred shares
  - Mandatory conversion feature is not attached
  - Non-cumulative dividend （+ 50bps over 1y ¥Libor）
  - Voting rights are given regardless of whether preferred dividends are paid or not

*1. Two ways of calculating Core Tier 1 capital defined by Resona Holdings.

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Management Accounting by Business Lines

Management Accounting by Group Business Lines (FY2009)

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

(Billions of Yen, %)

Resona Group Business Segments	Profitability				Soundness	Net operating profit after a deduction of credit cost									
	Net profit after a deduction of cost on capital		Profit to capital ratio	Cost to income ratio				Actual net operating profit						Credit cost	
										Gross operating profit		Operating expense			
	RVA (Actual)	YoY Change	RAROC (Actual)	OHR	Internal CAR		YoY Change		YoY Change		YoY Change		YoY Change		YoY Change
Non-treasury	5.3	6.0	6.3%	60.8%	10.5%	114.7	13.6	221.7	(56.0)	565.1	(69.8)	343.5	(13.9)	107.0	(69.5)
Personal Banking	40.3	(45.3)	12.1%	64.1%	10.4%	80.4	(40.0)	108.8	(29.3)	303.5	(26.0)	194.7	3.3	28.4	10.7
Loan *2	54.1	(10.5)	14.5%	26.8%	10.5%	92.5	(5.0)	120.9	5.7	165.1	3.6	44.2	(2.1)	28.4	10.7
Corporate Banking	(46.1)	55.7	2.0%	56.6%	10.5%	22.9	59.8	101.5	(20.4)	234.1	(41.8)	132.6	(21.5)	78.6	(80.2)
Trust	11.1	(4.4)	240.5%	58.8%	9.1%	11.3	(6.3)	11.3	(6.3)	27.5	(2.0)	16.2	4.3	0.0	–
Treasury	53.9	36.8	21.5%	12.3%	19.5%	74.9	34.4	74.9	34.4	85.4	36.4	10.5	2.0	0.0	–
Total *3	52.9	54.0	8.4%	54.7%	11.6%	186.1	42.1	293.0	(27.0)	647.0	(38.9)	354.0	(11.8)	106.9	(69.1)

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

*2 Profit and loss belonging to loan guarantee subsidiaries(RG, DG and KOS) are included.

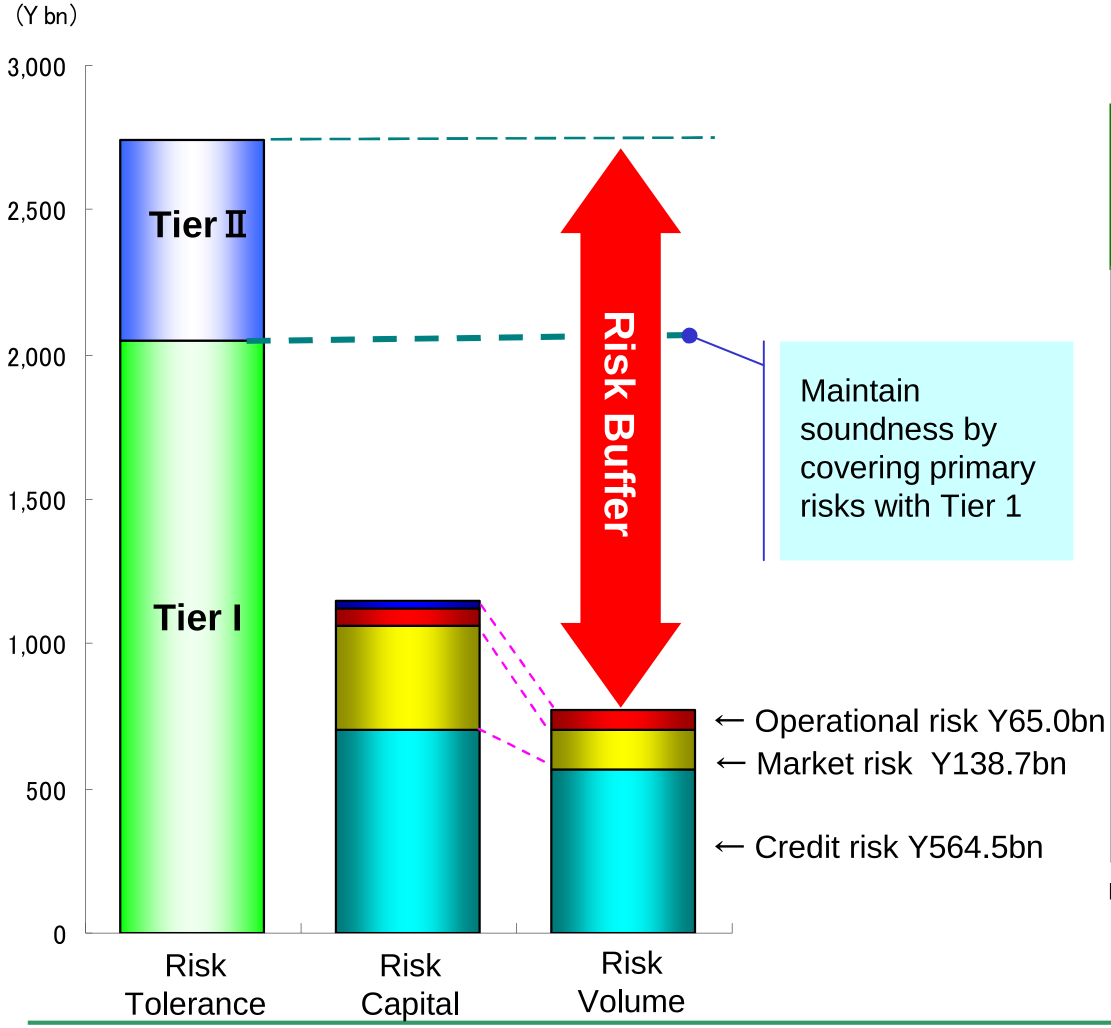
*3 Total of 3 banks on a non-consolidated basis plus profit and loss of loan guarantee subsidiaries (RG, DG and KOS).

Capital Adequacy Ratio (Subsidiary Banks)

Japanese Domestic Standard (Billions of Yen)	RB(Consolidated) [F-IRB]			SR(Non-consolidated) [F-IRB]			KO(Consolidated) [SA]		
	Mar.31, 2009	**Mar.31, 2010**	*Change*	Mar.31, 2009	**Mar.31, 2010**	*Change*	Mar.31, 2009	**Mar.31, 2010**	*Change*
Capital adequacy ratio	9.99%	**11.03%**	*+1.04%*	10.54%	**11.09%**	*+0.55%*	9.67%	**10.71%**	*+1.04%*
Tier I ratio	6.35%	**7.42%**	*+1.07%*	6.11%	**6.74%**	*+0.63%*	5.53%	**6.32%**	*+0.79%*
Total qualifying capital	1,488.1	**1,594.7**	106.6	394.7	**425.1**	30.4	178.3	**182.3**	4.0
Tier I capital	947.3	**1,072.8**	125.5	228.8	**258.5**	29.6	102.0	**107.6**	5.5
Tier II capital	591.4	**563.1**	(28.2)	177.1	**177.2**	0.0	76.5	**75.6**	(0.8)
Deductions	50.5	**41.2**	(9.3)	11.3	**10.6**	(0.7)	0.2	**0.8**	0.6
Risk weighted assets	14,895.4	**14,446.9**	(448.5)	3,741.3	**3,831.8**	90.5	1,843.1	**1,701.9**	(141.2)
Credit risk assets	14,050.3	**13,628.8**	(421.5)	3,470.3	**3,561.1**	90.7	1,726.0	**1,590.0**	(135.9)
Operational risk assets	845.0	**818.0**	(26.9)	270.9	**270.6**	(0.2)	117.0	**111.8**	(5.2)

Risk Volume Relative to Capital (End of March 2010)

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



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

Assumptions for measuring the VaR

- Confidence Interval: 99%
  * "99.9%" confidence level is used as a supplementary assumption for a stress test.
- Holding period

  Credit risk: 1 year

  Market risk: 10 days to 1 year depending on the nature of assets

  Operational risk: 1 year

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

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

Reassess the value of liquidity deposits

Internal model to measure core liquidity deposits

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

Combined Balance Sheet (RB + SR)

Assets	Liabilities
Loans and bills discounted Y23.6 tn (64%)	**Liquidity deposits Y17.8 tn (49%)** — ***Core liquidity deposits (X%)***
Securities Y8.2 tn (22%)	Time and other deposits Y13.7 tn(37%)
Cash Y1.5 tn (4%)	Other Y3.7tn (10%)
Other Y3.3 tn (9%)	Net assets Y1.3tn (4%)

Combined total assets: Y36.6 tn

More sophisticated
ALM interest rate risk management
=> Possibility of capturing additional profit opportunity

Methods to measure core liquidity deposits

Current : Standardized method
(FSA's bank supervision guideline)

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

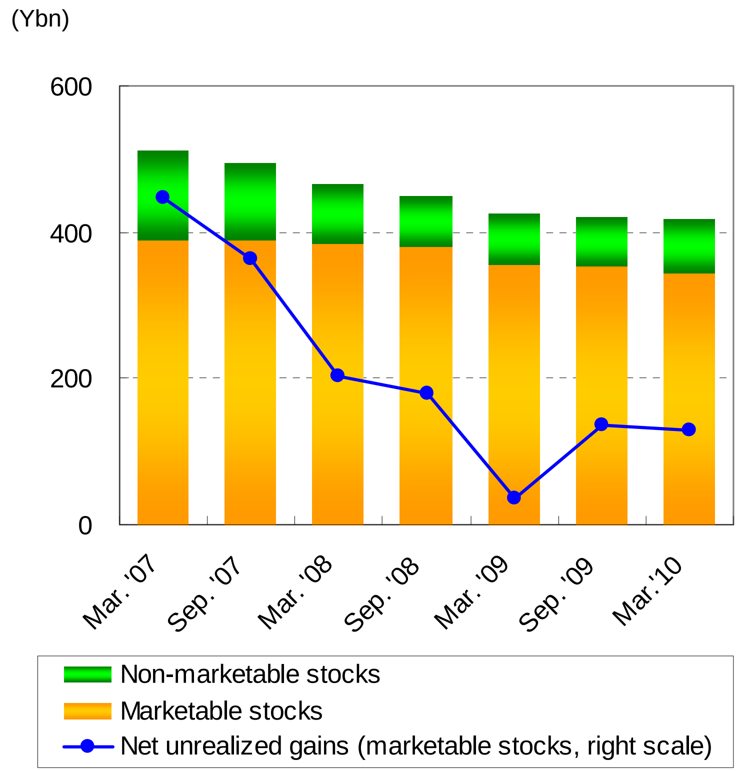
Internal model (RB and SR adopted in Apr. 2010)

- **Rationally modeled depositors' behaviors to grasp how much can be regarded as core liquidity deposits**
- **Maturity allocated evenly over 10 years (5 years on average)**
- **Longer maturity applicable to core liquidity deposits (from 2.5 years to 5.0 years on average) enables the banks to take longer-term interest rate risk**

Securities Portfolio

■ **Net unrealized gains on marketable available-for-sale securities (RHD consolidated basis) as of the end of March 2010 amounted to Y120.6bn**

Stock Portfolio
(Available-for-sale securities, RHD Consolidated)



■ **Book value of stocks sold outright**
FY2009 (Act): Y11.1bn (total of group banks)

Bond Portfolio

[Balance of Securities Held (Total of group banks)] (Ybn)

	Within 1 year	1 to 3 year	3 to 5 year	5 to 7 year	7 to 10 year	Over 10 years	No designated term	Total
JGB	2,369.9	659.3	2,098.3	170.0	944.3	330.5	—	6,572.3
Japanese local gov. bonds	23.1	39.9	102.4	69.3	165.1	0.0	—	399.9
Japanese corporate bonds	247.1	490.5	380.1	7.9	4.7	37.2	0.0	1,167.9
Stocks	—	—	—	—	—	—	564.8	564.8
Other	1.5	87.9	43.2	9.9	5.6	23.2	39.3	210.8
Foreign securities	0.3	79.7	26.1	0.3	5.5	23.2	8.5	143.9
<Foreign bonds>	0.0	79.7	26.1	0.3	5.5	23.2	—	135.0
<Foreign stocks>	—	—	—	—	—	—	8.5	8.5
Other	1.1	8.2	17.1	9.5	0.0	0.0	30.7	66.9
Total	2,641.6	1,277.8	2,624.2	257.1	1,119.8	390.9	603.4	8,915.2

[Net unrealized gains/(losses) on bonds(RHD Consolidated Basis)] (Ybn)

	Sep. '07	Mar. '08	Sep. '08	Mar. '09	Sep. '09	Mar. '10
JGB	(31.4)	(32.7)	(57.5)	(54.2)	(4.2)	2.2
Other*	11.0	5.8	(18.6)	(8.2)	8.6	13.1
Total	(20.4)	(26.9)	(76.1)	(62.4)	4.4	15.3

*"Other"incudes local government bonds, corporate bonds and foregin bonds, etc.

	Sep. '07	Mar. '08	Sep. '08	Mar. '09	Sep. '09	Mar. '10
10-year JGB yield	1.675%	1.275%	1.460%	1.350%	1.290%	1.390%

[JGB duration (Banking Account)] (Years)

	Sep. '07	Mar. '08	Sep. '08	Mar. '09	Sep. '09	Mar. '10
Resona Group	1.7	1.7	1.6	2.0	2.3	2.3
Resona Bank	1.6	1.6	1.5	1.9	2.5	2.4

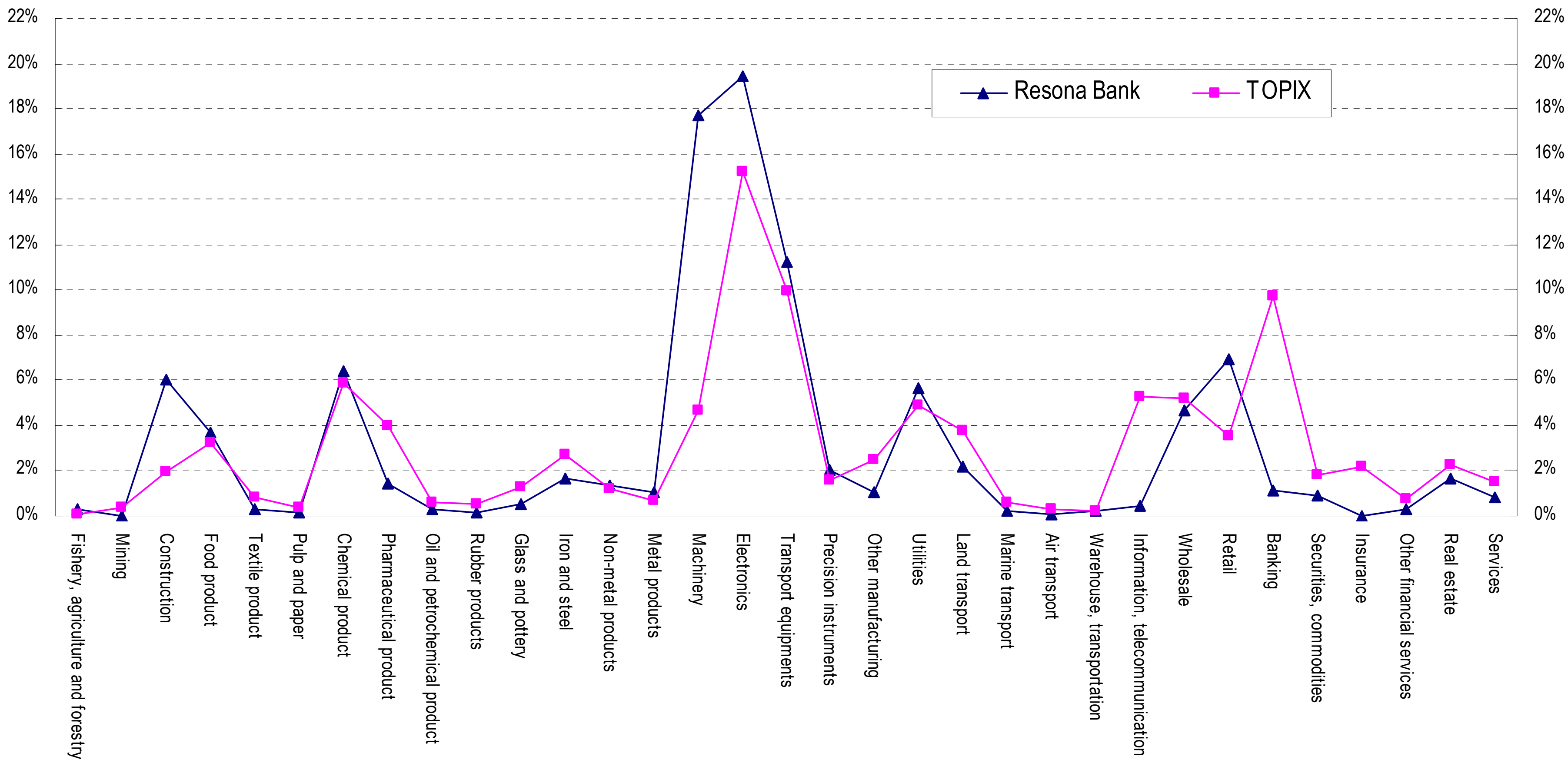
[Basis Point Value (BPV, Domestic Bonds] (Ybn)

	Sep. '07	Mar. '08	Sep. '08	Mar. '09	Sep. '09	Mar. '10
Resona Group	(0.95)	(0.90)	(0.97)	(1.31)	(1.48)	(1.73)
Resona Bank	(0.54)	(0.48)	(0.47)	(0.74)	(0.82)	(0.96)

[Break-even Nikkei Average Points] (Yen)

	Sep. '07	Mar. '08	Sep. '08	Mar. '09	Sep. '09	Mar. '10
Resona Group	7,000	7,500	7,500	7,000	7,000	7,300

Shareholdings by Industry (End of March 2010, RB)



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

Loans and Bills Discounted

[End of March 2009]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	3.2%	2.5%	5.3%	8.4%	19.3%
Prime rate-based	44.0%	0.5%	0.0%	0.0%	44.5%
Market rate-based	26.8%	2.9%	3.5%	2.9%	36.1%
Total	**74.0%**	**5.9%**	8.8%	11.3%	100.0%
Loans maturing within 1 year	**79.9%**				

[End of March 2010]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	1.9%	1.7%	4.7%	7.9%	16.1%
Prime rate-based	49.3%	0.5%	0.0%	0.0%	49.8%
Market rate-based	25.7%	2.2%	3.6%	2.6%	34.1%
Total	**76.8%**	**4.4%**	8.4%	10.4%	100.0%
Loans maturing within 1 year	**81.2%**				

[Change in FY2009]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	(1.3)%	(0.8)%	(0.5)%	(0.5)%	(3.2)%
Prime rate-based	5.3%	(0.1)%	0.0%	0.0%	5.3%
Market rate-based	(1.1)%	(0.6)%	0.1%	(0.4)%	(2.0)%
Total	**2.8%**	(1.5)%	(0.4)%	(0.9)%	0.0%
Loans maturing within 1 year	**1.3%**				

Deposits

[End of March 2009]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	45.3%	1.9%	7.5%	7.8%	**62.5%**
Time deposits	18.6%	10.2%	5.9%	2.8%	37.5%
Total	63.9%	12.1%	13.4%	10.6%	100.0%

[End of March 2010]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	44.3%	1.0%	3.7%	13.5%	**62.4%**
Time deposits	18.6%	11.1%	6.3%	1.6%	37.6%
Total	62.9%	12.1%	10.0%	15.1%	100.0%

[Change in FY2009]

	Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	(1.0)%	(1.0)%	(3.8)%	5.7%	**(0.1)%**
Time deposits	(0.0)%	0.9%	0.4%	(1.2)%	0.1%
Total	(1.0)%	(0.1)%	(3.4)%	4.5%	0.0%

*1. Presented data are computed using the figures compiled for an internal administrative purpose.

Swap Positions by Remaining Periods (RB)

■ Notional amounts of interest rate swaps by remaining period

(Billions of Yen)

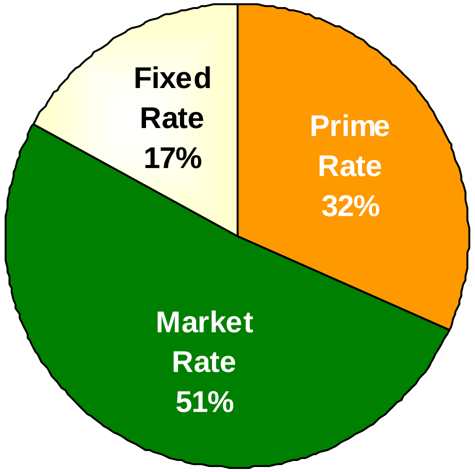
	End of March 2010				End of March 2009			
	Within 1 year	1 to 5 years	Over 5 years	**Total**	Within 1 year	1 to 5 years	Over 5 years	**Total**
Receive fixed rate/Pay floating rate	173.0	381.0	1,093.9	1,647.9	110.0	454.0	994.9	1,558.9
Receive floating rate/Pay fixed rate	145.0	355.0	595.0	1,095.0	60.0	400.0	590.0	1,050.0
Net position to receive fixed rate	28.0	26.0	498.9	552.9	50.0	54.0	404.9	508.9

Composition of Loan Portfolio by Corporate/Individual Customers (RB)

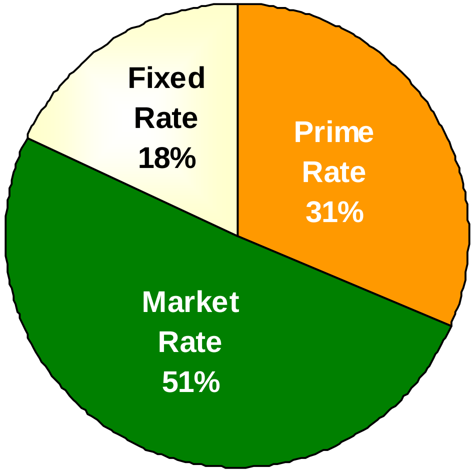
Loans to corporations

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

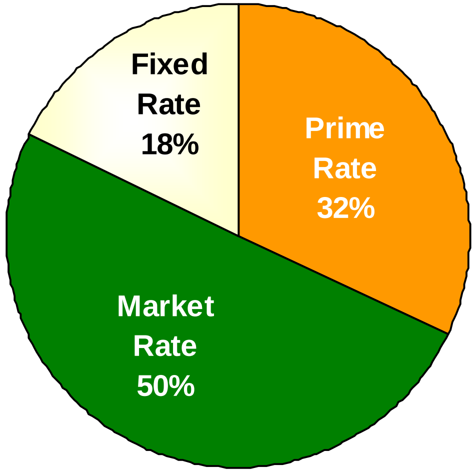
[End March 2009]



[End September 2009]

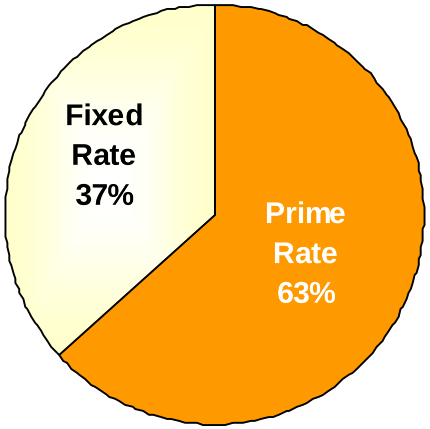


[End March 2010]

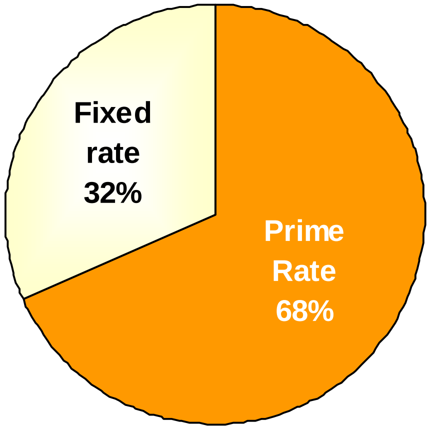


Loans to individuals

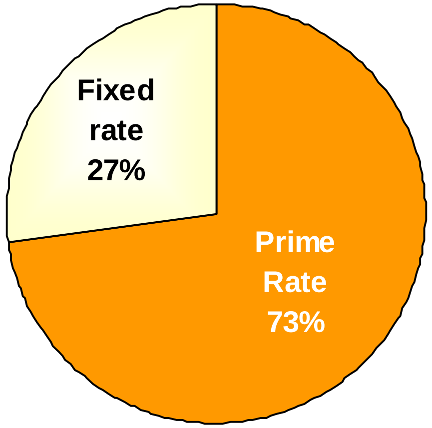
[End March 2009]



[End September 2009]



[End March 2010]

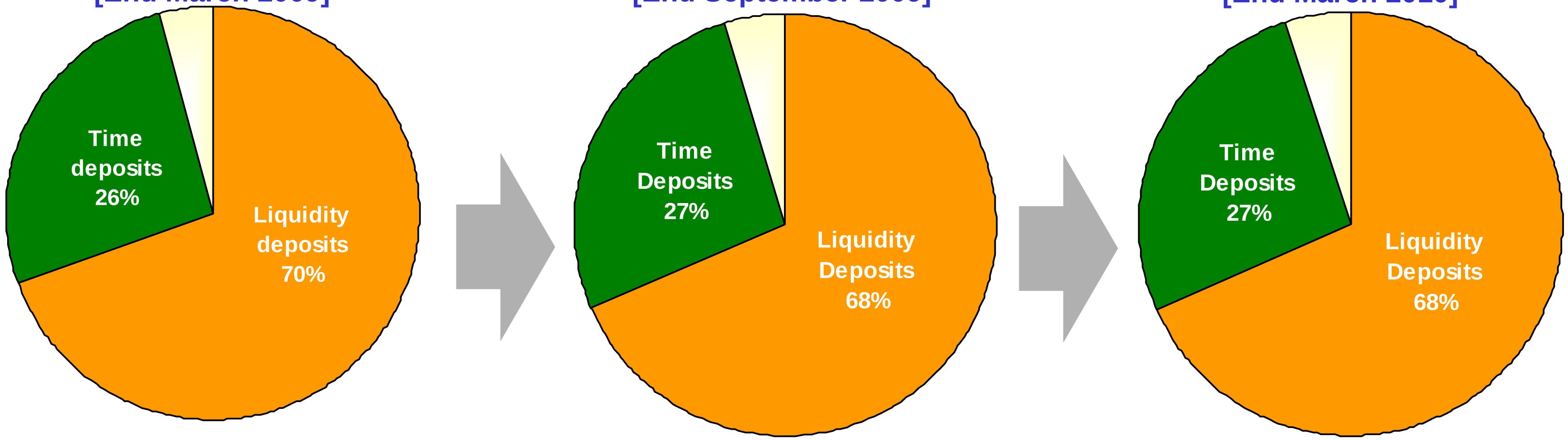


* Portfolio composition is computed based on the numbers compiled for administration purposes.

Composition of Deposits by Corporate/Individual Customers (RB)

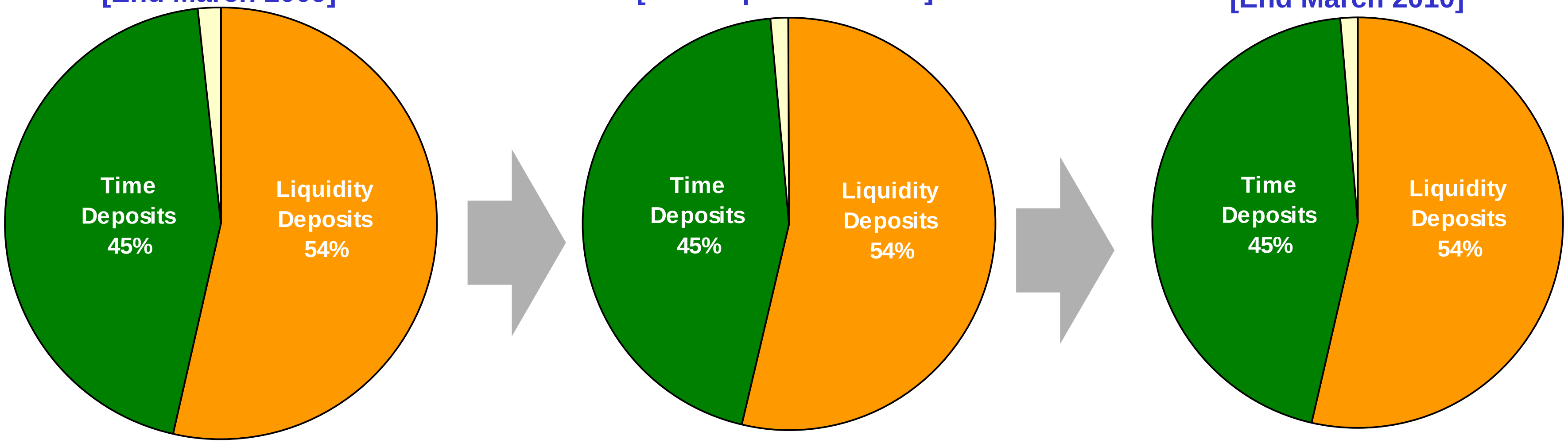
Corporate Deposits

[End March 2009] [End September 2009] [End March 2010]



Individual Deposits

[End March 2009] [End September 2009] [End March 2010]



Migrations of Borrowers (RB, 1H of FY2009)

Exposure amount basis（Migration during the 1H of FY2009）

End of March 2009	End of September 2009: Normal	Other Watch	Special Attention	Doubtful	Quasi-Bankrupt	Bankrupt	Other	Other: Collection, Repayments	Other: Assignments, Sale	Upward Migration	Downward Migration
Normal	96.7%	2.1%	0.2%	0.2%	0.0%	0.0%	0.8%	0.8%	0.0%	-	2.5%
Other Watch	10.5%	78.9%	3.1%	3.2%	0.2%	0.5%	3.5%	3.5%	0.0%	10.5%	7.1%
Special Attention	2.7%	14.6%	68.6%	8.6%	0.8%	0.3%	4.5%	4.5%	0.0%	17.3%	9.6%
Doubtful	1.6%	6.7%	1.6%	78.9%	5.2%	2.3%	3.8%	3.8%	0.0%	9.9%	7.5%
Quasi-Bankrupt	0.1%	0.1%	0.5%	0.3%	86.0%	7.5%	5.5%	3.4%	2.1%	1.0%	7.5%
Bankrupt	0.0%	0.0%	0.0%	0.5%	0.0%	91.9%	7.6%	7.4%	0.1%	0.5%	-

1. Above table shows how a borrower belonging to either of the borrower categories shown as of the end of March 2009 moved to a new category in the first half of FY2009.
2. Percentage points are calculated based on exposure amounts as of the end of March 2009. (New loans extended, loans collected or written-off during the period are not taken into account.)
3. “Other” for end of September 2009 indicates those exposures removed from the balance sheet due to collection, repayments, assignments or sale of claims.

Migrations of Borrowers (RB, 2H of FY2009)

Exposure amount basis（Migration during the 2H of FY2009）

End of September 2009	End of March 2010: Normal	Other Watch	Special Attention	Doubtful	Quasi-Bankrupt	Bankrupt	Other	Other: Collection, Repayments	Other: Assignments, Sale	Upward Migration	Downward Migration
Normal	97.4%	1.8%	0.1%	0.1%	0.0%	0.0%	0.5%	0.5%	0.0%	-	2.1%
Other Watch	6.7%	84.4%	1.8%	2.9%	0.3%	0.3%	3.7%	3.7%	0.0%	6.7%	5.3%
Special Attention	12.3%	18.2%	50.3%	14.4%	0.8%	2.8%	1.1%	1.1%	0.0%	30.5%	18.0%
Doubtful	1.5%	6.4%	2.0%	68.1%	17.5%	0.5%	4.0%	4.0%	0.0%	9.9%	18.0%
Quasi-Bankrupt	0.3%	0.1%	0.1%	1.1%	81.9%	9.5%	6.9%	3.7%	3.2%	1.6%	9.5%
Bankrupt	0.0%	0.0%	0.0%	0.5%	0.0%	90.3%	9.1%	8.9%	0.2%	0.6%	-

1. Above table shows how a borrower belonging to either of the borrower categories shown as of the end of September 2009 moved to a new category in the second half of FY2009
2. Percentage points are calculated based on exposure amounts as of the end of September 2009. (New loans extended, loans collected or written-off during the period are not taken into account.)
3. "Other" for end of March 2010 indicates those exposures removed from the balance sheet due to collection, repayments, assignments or sale of claims.

Distributable Profits and Dividend Policy

Distribute in total Y44.9bn as term-end dividends for FY2009
（Common dividends: Y11.5bn Preferred dividends: Y33.4bn)

Resona Holdings (Distributable Profits as of End Mar. 2010: Y1,043.4bn)

Term-end dividends for FY2009

Common Y0.3bn
Preferred Y12.6bn

Common & Preferred
Y0.4bn

	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
CAR (Tier 1 Ratio)	Consolidated: 11.03% (7.42%)	Non-consolidated: 11.09% （6.74%）	Consolidated: 10.71% （6.32%）
Net income for FY2009	Y85.9bn	Y37.1bn	
Distributable Profits (End of Mar. 2010)	Y387.3bn	Y104.8bn	

Distributable profits test

RPGS (SPC)

Callable on any dividend payment date falling on or after July 2015

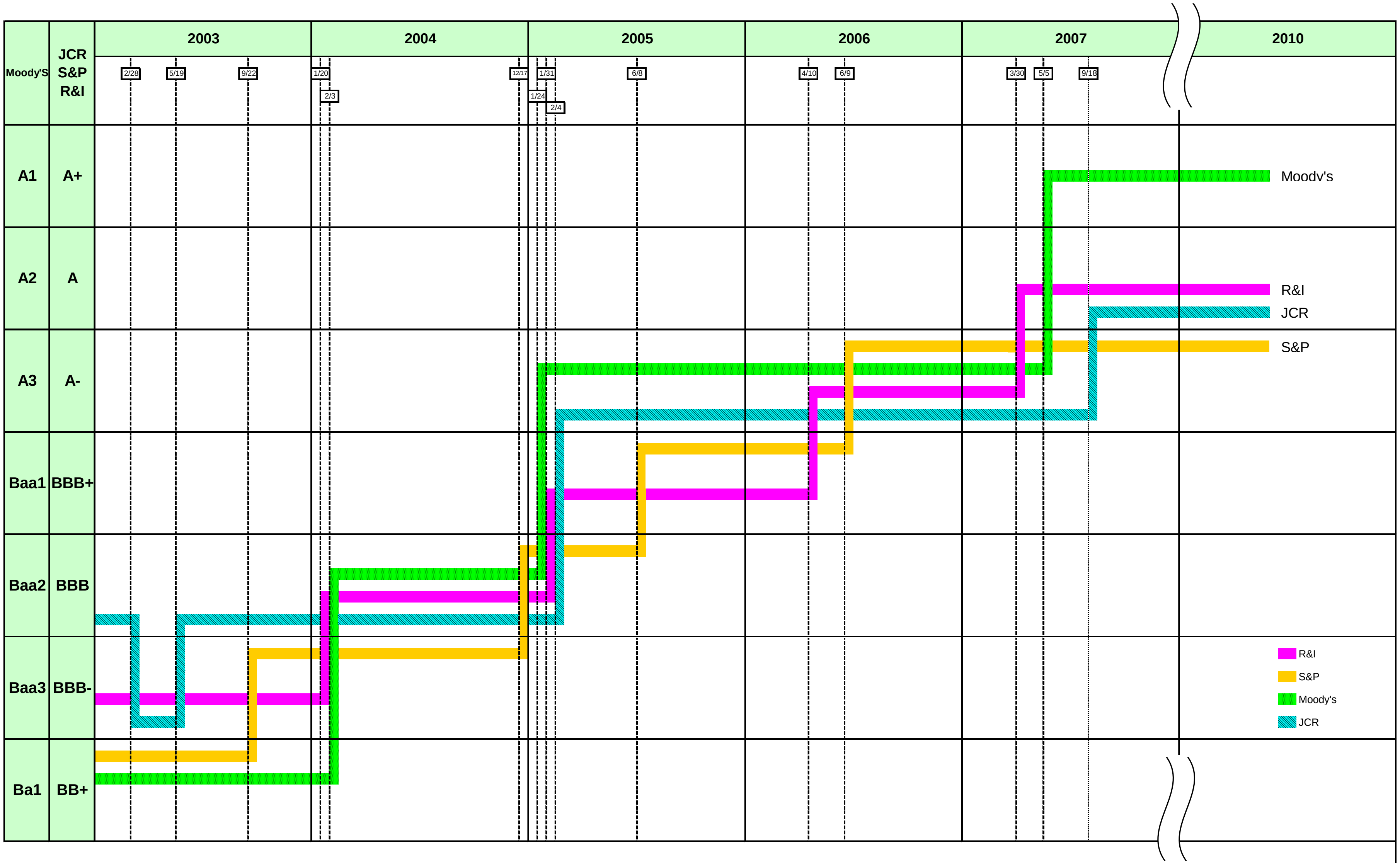
Preferred Securities

US$ 1.15 bn., 7.191%

Dividends from subsidiary banks can change flexibly

- Net income of the preceding year to be fully distributed to the holding company in the following fiscal year (50% as term-end and 50% as interim dividends)
- <u>However, subsidiary banks intend to reduce their term-end common dividends for FY2009 as a measure to strengthen their capital adequacy given the ongoing international debates as to introduction of new capital regulation. (Preferred dividends are to be paid in full.)</u>

Trend of Long-term Senior Debt Rating of Resona Bank



List of Preferred Shares Issued by RHD (1)

[As of March 31, 2010]

		Class C Preferred Shares	Class F Preferred Shares
Distinction between public and private funds		Public Fund	Public Fund
Original issuer and name of securities		Kinki Osaka Bank Series 1	Asahi Bank Series 2 Class 2
Original issue date		4/26/2001	3/31/1999
Current number of shares		12,000,000 shares	8,000,000 shares
Issue price per share		JPY 5,000	JPY 12,500
Total issue amount remaining at present		JPY 60.0 Billion	JPY 100.0 Billion
Original total issue amount		JPY 60.0 Billion	JPY 100.0 Billion
Shareholder		RCC	RCC
Preferred dividend	Dividend per share	JPY 68.00	JPY 185.00
	Total amount of dividend	JPY 816 Million	JPY 1,480 Million
	Yield	1.36%	1.48%
Acquisition right	Acquisition period	1/1/2002 3/31/2015	7/1/2003 11/30/2014
	Current exchange price	JPY 1,667	JPY 3,597
	Current exchange rate	(2.999)	(3.475)
Reset of exchange rate	Date of reset	1/1	7/1
	Direction of reset	Upward/Downward	Upward/Downward
	Cap exchange rate	(2.999)	(3.475)
	Floor exchange rate	---	---
	Cap exchange price	---	---
	Floor exchange price	JPY 1,667	JPY 3,597
	Start of market price calculation	45 trading days before	45 trading days before
	Calculation period	30 trading days	30 trading days
Acquisition clause	Date of mandatory exchange	4/1/2015	12/1/2014
	Mandatory exchange rate	JPY 5,000 / Market Price	JPY 12,500 / Market Price
	Start of market price calculation	45 trading days before	45 trading days before
	Calculation period	30 trading days	30 trading days
	Floor exchange price	JPY 1,667	JPY 3,598

List of Preferred Shares Issued by RHD (2)

[As of March 31, 2010]

		Class 1 Preferred Shares	Class 2 Preferred Shares	Class 3 Preferred Shares	Class 4 Preferred Shares	Class 5 Preferred Shares	Class 6 Preferred Shares
Distinction between public and private fund		Public Fund	Public Fund	Public Fund	Private Fund	Private Fund	Private Fund
Original issuer and name of securities		Resona Bank Class 1 Series 1	Resona Bank Class 2 Series 1	Resona Bank Class 3 Series 1	Resona Holdings Class 4	Resona Holdings Class 5	Resona Holdings Class 6
Original issue date		7/1/2003	7/1/2003	7/1/2003	8/31/2006	8/28/2007	12/8/2009
Current number of shares		275,000,000 shares	281,780,786 shares	275,000,000 shares	2,520,000 shares	4,000,000 shares	3,000,000 shares
Issue price per share		JPY 2,000	JPY 2,000	JPY 2,000	JPY 25,000	JPY 25,000	JPY 25,000
Total issue amount remaining at present		JPY 550.0 Billion	JPY 563.5 Billion	JPY 550.0 Billion	JPY 63.0 Billion	JPY 100.0 Billion	JPY 75.0 Billion
Original total issue amount		JPY 550.0 Billion	JPY 563.5 Billion	JPY 550.0 Billion	JPY 63.0 Billion	JPY 100.0 Billion	JPY 75.0 Billion
Shareholder		DIC	DIC	DIC	Shinkin Trust Bank	Dai-ichi Life	Nippon Life Meiji Yasuda Life Daido Life
Preferred dividend	Dividend per share (Jun '10)	JPY 28.68	JPY 28.68	JPY 28.68	JPY 992.50	JPY 918.75	JPY 386.51
	Total amount of dividend (Jun '10)	JPY 7,887 Million	JPY 8,081 Million	JPY 7,887 Million	JPY 2,501 Million	JPY 3,675 Million	JPY 1,159 Million
	Yield	Libor (1y) + 50bp 1.434%	Libor (1y) + 50bp 1.434%	Libor (1y) + 50bp 1.434%	3.97%	3.675%	4.950%
Acquisition right	Acquisition period	7/1/2006 ---	7/1/2008 ---	7/1/2010 ---	--- ---	--- ---	--- ---
	Current exchange price	JPY 1,409	JPY 1,206	---	---	---	---
	Current exchange rate	(1.419)	(1.658)	(---)	(---)	(---)	(---)
Reset of exchange rate	Date of reset	8/1	11/1	5/1	---	---	---
	Direction of reset	Upward/Downward	Upward/Downward	Upward/Downward	---	---	---
	Cap exchange rate	(7.143)	(10.000)	(11.765)	---	---	---
	Floor exchange rate	---	---	---	---	---	---
	Cap exchange price	---	---	---	---	---	---
	Floor exchange price	JPY 280	JPY 200	JPY 170	---	---	---
	Start of market price calculation	45 trading days before	45 trading days before	45 trading days before	---	---	---
	Calculation period	30 trading days	30 trading days	30 trading days	---	---	---
Acquisition clause	Date of mandatory exchange	Mandatory exchange not applicable	Mandatory exchange not applicable	Mandatory exchange not applicable	Mandatory exchange not applicable Acquisition clause exercisable under certain conditions at the issuer's option after seven years affter issue date	Mandatory exchange not applicable Acquisition clause exercisable under certain conditions at the issuer's option after seven years affter issue date	Mandatory exchange not applicable Acquisition clause exercisable under certain conditions at the issuer's option after seven years affter issue date
	Mandatory exchange rate	---	---	---	---	---	---
	Start of market price calculation	---	---	---	---	---	---
	Calculation period	---	---	---	---	---	---
	Floor exchange price	---	---	---	---	---	---

Business Revitalization Plan: Earnings Plan

(Total of Group Banks)

(Billions of Yen)	FY 2007 (Actual)	FY 2008 (Actual)	FY 2009 (Actual)	FY 2010 (Plan)	FY 2011 (Plan)
Gross operating profit	700.0	675.3	615.2	721.0	760.0
Trust fees	41.3	35.4	28.7	37.0	40.0
Jointly Operated Designated Money Trust	6.9	6.1	4.4	5.0	5.0
NPL disposal in the trust account	(0.1)	(0.3)	(0.0)	-	-
Interest income	701.3	670.2	578.4	733.0	807.0
Interest expense	164.1	137.8	92.5	220.0	282.0
Net fees & commissions	97.0	68.9	67.6	114.0	127.0
Net trading income	69.7	20.0	27.4	13.0	14.0
Other operating income	(45.3)	18.4	5.4	44.0	54.0
Gains/(losses) on bonds	7.2	10.2	19.7	13.0	18.0
Net operating profit (Before provision to general reserve and NPL disposal in the trust account)	337.8	312.7	264.6	345.0	383.0
Net operating profit	337.9	304.7	273.3	345.0	383.0
Provision to general reserve	(0.0)	8.4	(8.6)	-	-
Expenses	362.1	362.2	350.5	376.0	377.0
Personnel expense	123.8	122.8	126.0	129.0	131.0
Non-personnel expenses	217.1	217.6	206.0	225.0	224.0
Disposal of NPL	80.3	192.8	114.6	71.0	60.0
Net gain/(loss) on stocks	(45.8)	(37.6)	4.3	4.0	6.0
Loss on devaluation	26.7	25.7	3.1	-	-
Ordinary profit*4	212.5	84.9	152.6	286.0	340.0
Extraordinary gains	94.6	142.0	28.9	-	-
Extraordinary losses	5.0	7.6	4.9	2.0	2.0
Income taxes - current	9.6	35.0	48.7	12.0	13.0
Income taxes - deferred	32.3	63.4	4.6	69.0	81.0
Net income/(loss)	260.1	120.7	123.1	203.0	244.0

(Billions of Yen)	FY 2007 (Actual)	FY 2008 (Actual)	FY 2009 (Actual)	FY 2010 (Plan)	FY 2011 (Plan)
Total assets *1	40,476.0	39,371.6	39,336.8	39,880.0	40,630.0
Loans and bills discounted	25,787.7	25,598.1	25,668.3	25,730.0	26,150.0
Securities	6,846.0	7,423.0	8,837.4	7,940.0	8,120.0
Trading assets	494.4	466.0	467.6	700.0	700.0
DTA (term-end bal.)	286.3	257.3	219.0	128.8	48.4
Total liabilities*1	39,135.7	38,074.9	38,104.7	38,700.0	39,430.0
Deposits and NCDs	33,302.6	33,010.1	33,192.0	33,120.0	33,710.0
Trading liabilities	68.8	13.5	5.1	-	-
DTL (term-end bal.)	-	-	-	-	-
DTL for land revaluation (term-end bal.)	43.1	30.9	29.8	31.7	31.7
Net assets*1	1,471.5	1,261.7	1,459.9	1,409.8	1,450.8
Capital stock	398.8	398.8	388.8	398.8	398.8
Capital reserve	433.8	433.8	418.8	433.8	433.8
Other capital surplus	88.7	88.7	113.7	88.7	88.7
Earned surplus reserve	20.0	20.0	20.0	20.0	20.0
Retained earnings *2	328.2	288.5	381.1	287.8	328.8
Land revaluation excess	59.8	41.9	40.4	43.1	43.1
Net unrealized gains/(losses) on other securities	123.4	(32.4)	82.8	118.8	118.8

(Management Indicators)*3

	FY 2007 (Actual)	FY 2008 (Actual)	FY 2009 (Actual)	FY 2010 (Plan)	FY 2011 (Plan)
Yield on interest earning assets (A)	1.91	1.87	1.61	2.03	2.19
Interest earned on loans and bills discounted	2.18	2.18	1.95	2.31	2.48
Interest on securities	0.89	0.85	0.61	1.04	1.14
Total cost of funding (B)	1.39	1.34	1.21	1.58	1.72
Interest paid on deposits and NCDs (D)	0.30	0.27	0.16	0.44	0.59
Overall interest spread (A) - (B)	0.52	0.52	0.39	0.45	0.47
Cost-to-income ratio (OHR)	51.73	53.66	56.98	52.14	49.60

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

*2. Earned surplus excluding earned surplus reserve

*3. Management indicators other than OHR are based on the total figures of three subsidiary banks excluding Resona Trust & Banking.

*4. Include a gain from recoveries of written-off claims accounted for as extraordinary gains.

The forward-looking statements contained in this presentation may be subject to material change due to the following factors.

These factors may include changes in the level of stock price in Japan, any development and change related to the government's policies, laws, business practices and their interpretation, emergence of new corporate bankruptcies, changes in the economic environment in Japan and abroad and any other factors which are beyond control of the Resona Group.

These forward-looking statements are not intended to provide any guarantees of the Group's future performance. Please also note that the actual performance may differ from these statements.