

(English Translation of the Japanese Original)

Appendix to the Notice of Convention of the Ordinary General Meeting of Shareholders

Business Report for the 15th Term (from April 1, 2015 to March 31, 2016)

1. Current Status of the Company

(1) Business Developments and Results of the Corporate Group

(A) Principal Business Activities of the Corporate Group

The Group is a financial service provider centered on banking and trust banking business with a capacity also to provide services in other financial-related businesses such as factoring, credit card administration, venture capital operations and investment trust entrustment business.

(B) Financial and Economic Environment

Japan's economy during the fiscal year ended March 31, 2016 saw a slow recovery in consumer spending and weak performance in some areas, such as sluggish growth of exports and production, against the backdrop of a slowdown in the economies of emerging countries. However, with an improvement in corporate profitability, capital investments showed an upward trend in the near term. Regarding commodity prices, consumer prices overall remained low on the back of falling crude oil prices and other resource prices, although prices of daily products continued to rise due to increases in labour and raw materials costs.

The U.S. economy remained on an upward trend, centered on consumer spending and employment. In addition, the energy industry and manufacturing businesses, which had been sluggish, have shown signs of bottoming out since the beginning of 2016. Among the economies of European countries, recovery trends continued, centered on Germany, in spite of the weak performance of some corporate sectors. In China, the pace of economic growth has waned, centering on the manufacturing sector, but the government's measures to underpin economic growth have slowed the rate of deceleration.

In the financial markets, the Nikkei average hit a closing price of 20,868.03 yen in June 2015, a record high since April 2000, before plunging below 15,000 yen temporarily in February 2016 on the back of concerns over a slowdown of the global economy. In the U.S. equity markets, after all of the major stock indices posted record highs in May 2015, stock prices fell with a temporary decline of price ranges, but then rebounded. Long-term interest rates in Japan had remained in the lower 0% range, supported by a monetary easing policy. However, rates subsequently dropped to negative 0.135% briefly, due to the introduction by the Bank of Japan of quantitative and qualitative monetary easing with a negative interest rate. U.S. long-term interest rates, which had remained in the lower 2% range during the period prior to a rise in the federal funds rate, dropped to the upper 1% range at the beginning of 2016.

(C) Business Developments and Results of the Corporate Group and Issues to Be Addressed by the Corporate Group

On June 25, 2015, the Group repaid 96 billion yen (based on the injected amount) of preferred shares issued pursuant to the Act on Emergency Measures for Early Strengthening of Financial Functions, following approval at the 14th Ordinary General Meeting of Shareholders held in June 2015. As a result, the Company was able to fully repay all public funds (maximum balance of 3,128 billion yen, based on the injected amount) that had been

injected to the Company. The officers and employees of the Resona Group would like once again to sincerely thank the people of Japan, our customers, shareholders, and stakeholders for their support with these public funds.

In line with the Medium-term Management Plan established and announced in February 2015, the Group is implementing business strategies based on the basic scenarios comprising "cultivating strategic business areas even further" and "challenging to create new profit opportunities", while remaining committed to upholding our basic philosophy that "Customers' joy and happiness are Resona's", and is also promoting four basic strategies as new reform measures looking ahead to changes in the business environment.

By setting the Group's strengths of regional and retail businesses as its core businesses, we are striving to further advance our differentiation strategies with "solutions" leveraged by trust and real estate functions as one of the pillars. In addition, we are working towards the realization of the Omni-channel concept as reforms in customer contact based on marketing while aiming to further evolve our regional retail strategy through the enhancement of the Group's three open platforms with strategic investments and alliances and others.

Through these measures, we will aim to create new value for our customers by realizing "stand-out" retail financial services. In addition, we will aim to become the "No. 1 retail bank" as the most trusted "financial service group" among regional customers, and to develop together with those customers in the future, by keeping evolving and undertaking reforms, while continuing to focus on small- and medium-sized enterprises and individual customers.

(a) Business Strategy

(i) Cultivating strategic business areas even further

In order to ensure "sustainable growth driven by income from core business", we have been focusing on regional and retail businesses and making efforts in "cultivating strategic business areas even further" by further promoting differentiation strategies with "solutions" leveraged by trust and real estate functions as one of the pillars.

In strategic business areas, we have been implementing "growth, turnaround, succession solutions" and "total life solutions". In addition, we have developed "Resona Seamless Style" to equip trust functions at all of the banks within the Group as their basic functions. Resona Seamless Style serves as a successor model to "Retail & trust" style where both the business foundations of a commercial bank and a full lineup of trust functions are combined. By these measures, we have been making efforts to provide high-quality trust services to customers.

We have been making efforts to accurately respond to the diversified, sophisticated, and complex needs of customers, focusing on the Tokyo metropolitan area and the Kansai region, through coordination and centralization of various functions, optimizing the Group's management structure and strengthening regional sale forces.

Furthermore, we have been making efforts to transform "cross-selling activities" which respond to various customer needs through the provision of multifaceted solutions into "Group cross-selling activities".

a) "Growth, Turnaround, Succession Solutions"

To break through the domestic trend of decreasing profits from loans and deposits, resulting from the decline in loan interest rates, and to enhance the corporate business activities, we have been striving to establish the brand of "Resona as the No. 1 bank for transactions with small- and medium-sized enterprises", by strengthening "growth, turnaround, succession solutions" for small- and medium-sized enterprises by changing business methods (relationship, solutions, speed) and providing multifaceted added-value solutions.

b) "Total Life Solutions"

The business environment is changing rapidly with an aging population and urban concentration in terms of population and wealth. The financial needs of individual customers are also diversifying. Under such conditions, we have been striving to establish the brand of "Resona as the No. 1 bank for individual customer transactions" by implementing "total life solutions", which provide comprehensive support in financial areas including asset formation and life planning to reflect the various events that affect customers and their life plans.

(ii) Challenge to Create New Profit Opportunities

Financial behaviors of customers have diversified in the retail business area which is the main business area for the Group, and there are an increasing number of customers who "cannot be met" under the traditional business models and sales methods. We recognize that responding to such changes will provide new business opportunities.

Looking ahead toward the next decade, we have been making efforts to further expand our business foundations by improving the quality of our retail financial services so that they "stand out" and by creating new customer value outside the conventional framework of banks. More specifically, we have been promoting "realization of the Omni-channel concept", a customer-interface reform that focuses on marketing, and "expansion of open platforms" by strengthening strategic investments.

a) "Realization of Omni-channel Concept"

Toward "realization of the Omni-channel concept" which accurately responds to customers' financial behaviors and values and provides high-quality retail financial services at the optimal place, time, and channel, we have been striving to promote such points as sophistication of marketing; "reconstruction of the value chain" by efforts to "get to know customers well", "approach customers" and "contact customers"; service reforms including "24-hour/365-day" transactions; and organic linkage of face-to-face and non-face-to-face channels with the expansion of Internet services.

In April 2015, the Group, as the first among major banks, launched a service which enables customers to do bank-transfer transactions 24-hours and 365 days and effect instant settlements between Group banks. In November 2015, we opened a pilot branch, Toyosu Branch ("Seven-Days Plaza Toyosu"), which has implemented the "Omni-channel concept". In March 2016, we opened "RESONA SMART STORE" (Internet branch) targeted at nationwide customers to provide banking services without reliance on physical branch.

b) "Expansion of Open Platforms"

Looking ahead toward the next decade, we aim to become the financial service group that is the "No. 1 retail bank", to provide unconventional retail financial services to a broad range of domestic customers. To that end, we will further enhance our three "open platforms" of "retail platform/functions", "trust, real estate and international operations", and "clerical work and systems", through "strategic investments" to strengthen retail functions and "expanded alliances", which include affiliations with other financial institutions.

In August 2015, we established Resona Asset Management Co., Ltd. as an investment trust management company and built a structure that will enable the Group to provide services ranging from structuring to sales and entrustment of financial products by leveraging business know-how gained through trust banking operations.

(b) Foundation Strategies

(i) Service Reforms/Next Stage

We proceeded with the Group-wide "service reforms" based on customers' perspectives, and have continued to undertake customer-oriented service reforms which include "extended service hours until 5:00 p.m.", "zero-waiting time" and "24-hour and 365-day operations of bank-transfer transactions among Group banks", while remaining unconstrained by common sense within the industry.

While these measures will continue to be strengthened, we have been making efforts to take "service reforms" to the "Next Stage", toward providing services that are even more innovative.

(ii) Operational Reform/3rd Stage

We have positioned the next round of "operational reforms" as the "3rd Stage", which combine know-how obtained from past reforms including over-the-counter clerical work reforms and operational process reforms. We have been striving to "take a step further with reforms", including the establishment of new sales offices to enhance customer convenience, dramatic cost-structure reforms, innovation in back office structures, and establishment of one-platform structures for clerical work.

(iii) Next-generation Human Resources Management

We have been proceeding to achieve "proactive management" by making transformation to "group-based human resources management" for optimization of the allocation of human resources beyond the boundaries of existing business divisions and legal entities.

We have been making efforts to develop a sophisticated educational support system and restructure the overall personnel affairs system, further developing the concept of "diversity management".

(iv) Sophistication in Capital Management

We have been making efforts to maintain and strengthen our financial base which generates stable income from sound assets, through establishment of a diversified small-loan portfolio, stable deposit funding base, and a strong risk-management structure.

As part of such measures, we have been striving to achieve "sophistication in capital management" by balancing high-dimensional risk returns, recording stable profits, accumulating capital, and responding to financial regulations and rules.

(Results for Consolidated Fiscal Year Ended March 31, 2016)

Consolidated gross profit for the fiscal year ended March 31, 2016 declined 12.9 billion yen from the previous fiscal year to 619.5 billion yen, as a result of a decrease in net interest income caused by a decrease in loan-deposit interest margin and others, partially offset by an increase in fees and commissions from service transactions, mainly on sales of insurance products and real estate businesses, and a rise in bond-related income. Net income before income taxes declined 75.7 billion yen from the previous fiscal year to 250.5 billion yen, due to a rise in credit costs, a decrease in stock-related income and others, although operating expenses decreased by 10.2 billion yen from the previous fiscal year. Net income attributable to shareholders of parent company decreased 27.6 billion yen from the previous fiscal year to 183.8 billion yen, due to a decline in tax-related expenses of 43.1 billion yen from the previous fiscal year and others.

Consolidated total assets increased 2,539.8 billion yen from the end of the previous fiscal year to 49,126.4 billion yen. On the assets side, securities decreased 1,517.4 billion yen from the end of the previous fiscal year to 5,346.7 billion yen and loans increased 177.6 billion yen from the end of the previous fiscal year to 27,664.9 billion yen. On the liabilities side, deposits increased 1,515.9 billion yen from the end of the previous fiscal year

to 38,228.8 billion yen. Net assets decreased 309.9 billion yen from the end of the previous fiscal year to 1,833.4 billion yen, due to repayment of public funds, redemption of preferred shares and other factors. Trust assets increased 5,242.2 billion yen from the end of the previous fiscal year to 29,768.8 billion yen.

(D) Capital Management Policy of the Group

In light of the full repayment of public funds which had been the top priority in the Group's capital management policy, on February 27, 2015, the Company announced the basic principles of the new capital management policy, which will underpin the Group's sustainable growth in the future.

(a) Target Level of Capital Adequacy Ratio

Regarding the target level of the medium- to long-term capital adequacy ratio after the full repayment of public funds, we will aim to secure sufficient capital under the Japanese standard currently applied as well as steadily maintaining a 8.0% or higher level of common equity Tier 1 ratio (excluding net unrealized gains/losses on available-for-sale securities) under the international standard, with an eye to the following three points:

- (i) Further contributing to regional society and economic development through the steady supply of funds and the provision of services, etc.;
- (ii) Securing capital as a trusted financial institution from a global perspective and realizing sustainable growth;
- (iii) Attaining an excess capital buffer in preparation for flexible response to strategic investment opportunities as well as the possible tightening of capital adequacy regulations.

We will strive to operate with an awareness of our capital efficiency even after the full repayment of public funds with the aim of continuously achieving a level of ROE that exceeds 10%.

(b) Measures towards Qualitative and Quantitative Reinforcement of Equity Capital

With the aim of reinforcing equity capital both qualitatively and quantitatively, we implemented the de facto capital exchange. More specifically, we carried out disposition of treasury shares amounting to 86.5 billion yen in March 2015, and acquired Class Four Preferred Shares amounting to 63.0 billion yen in July 2015.

Regarding the remaining bond-type preferred shares of 175.0 billion yen, the Company announced that, as measures to improve the quality of capital, it would consider share buybacks with accumulation of surplus (other retained earnings) from a medium- to long-term perspective with attention paid to the business environment, financial condition and others. Of those preferred shares, the Company plans to effect purchase and cancellation of all Class Six Preferred Shares amounting to 75.0 billion yen during the fiscal year ending March 31, 2017, subject to approval by the relevant authorities.

(c) Dividend Policy

Given the full repayment of public funds and other factors, the Company increased the annual dividends on ordinary shares by 2 yen per share from the previous fiscal year to 17 yen per share effective from the dividend (year-end dividend) for the fiscal year ended March 31, 2015. As in the previous fiscal year, the Company decided annual dividends for the fiscal year ended March 31, 2016 to be 17 yen per share (interim dividend of 8.5 yen and year-end dividend of 8.5 yen).

The Company announced that, if it would carry out a share buyback of the remaining bond-type preferred shares amounting to 175.0 billion yen, it would consider increasing ordinary dividends with attention paid to the business environment, financial condition and others, since the burden of preferred dividends is expected to decrease. Regarding the annual dividends for the fiscal year ending March 31, 2017, the Company plans to increase the annual dividends by 2 yen from the previous fiscal year to 19 yen per ordinary share (interim dividend of 9.5 yen and year-end dividend of 9.5 yen) based on an decrease in the preferred dividends expected from the share buyback of the Class Six Preferred Shares mentioned above.

Regarding future dividend policies, the Company will endeavour to enhance its capital by accumulating internal reserves to maintain a stable level of capital exceeding the targeted capital adequacy ratio, and continue to make stable dividend distributions for the time being.

(2) Operating Performance of the Corporate Group and the Company

A. Operating performance of the Corporate Group

	FY2012	FY2013	FY2014	FY2015
Ordinary income (Billions of yen)	832.1	826.9	861.2	817.4
Ordinary profit (Billions of yen)	285.1	312.1	333.3	251.7
Net income attributable to shareholders of parent company (Billions of yen)	275.1	220.6	211.4	183.8
Comprehensive income (Billions of yen)	398.6	286.6	416.8	91.6
Net assets (Billions of yen)	2,189.3	1,956.4	2,143.3	1,833.4
Total assets (Billions of yen)	43,110.6	44,719.4	46,586.5	49,126.4

Note: Amounts less than one hundred million yen have been rounded down.

B. Operating performance of the Company

	FY2012	FY2013	FY2014	FY2015
Operating income (Billions of yen)	244.5	453.4	128.3	196.7
Dividends from subsidiaries and affiliates (Billions of yen)	238.0	447.3	122.6	190.5
Subsidiaries in the banking business (Billions of yen)	237.9	447.3	122.6	190.5
Other subsidiaries (Billions of yen)	0	0	0	0
Net income (Millions of yen)	237,832	445,456	121,722	190,036
Net income per share (Yen)	90.43	187.34	50.15	78.40

Total assets (Billions of yen)	1,519.8	1,561.5	1,458.1	1,379.3
Shares of subsidiaries in the banking business, etc. (Billions of yen)	1,092.3	1,092.3	1,092.3	1,092.3
Shares of other subsidiaries, etc. (Billions of yen)	23.8	23.8	23.8	24.8

Notes:

1. Amounts less than the specified unit have been rounded down.
2. Net income per share was derived by deducting from net income, the amount of dividends on preferred shares for the period, etc. and dividing the result by the average number of ordinary shares issued during the period (excluding own shares and shares of the Company held by ESOP-type Stock Benefit Trust for the Employee Shareholding Association).

(3) Employees of the Corporate Group

A. Number of employees of the Corporate Group

	As of March 31, 2016		As of March 31, 2015	
	Banking and trust business	Other banking businesses	Banking and trust banking business	Other businesses
Number of employees	16,302	372	16,091	345

Note: Figures represent the number of employees on duty.

B. Number of employees of the Company

	As of March 31, 2016	As of March 31, 2015
Number of employees	936	643
Average age	46 years and 7 months	45 years and 0 month
Average number of years of employment	19 years and 5 months	20 years and 3 months
Average monthly salary	529 thousand yen	539 thousand yen

Notes:

1. All employees of the Company have been seconded from Resona Bank, Ltd., Saitama Resona Bank, Ltd., The Kinki Osaka Bank, Ltd. and two other companies.
2. "Average age" and "average monthly salary" do not include data on employees seconded from companies other than Resona Bank, Ltd., Saitama Resona Bank, Ltd. and The Kinki Osaka Bank, Ltd. "Average number of years of employment" include the average number of years of employment also at Resona Bank, Ltd., Saitama Resona Bank, Ltd. and The Kinki Osaka Bank, Ltd. respectively prior to the seconding.
3. "Average age", "average number of years of employment" and "average monthly salary" are presented with amounts less than the specified unit respectively rounded down.
4. "Average monthly salary" represents the average salary for March including overtime and does not include bonus.

(4) Principal Sales Offices of the Corporate Group

A. Principal sales offices of the Corporate Group

(i) Banking and trust banking business

Resona Bank, Ltd.	Osaka Office, Tokyo Office and 353 other offices (350 offices as of March 31, 2015)
Saitama Resona Bank, Ltd.	Saitama Office and 130 other offices (131 offices as of March 31, 2015)
The Kinki Osaka Bank, Ltd.	Head Office and 119 other offices (122 offices as of March 31, 2015)

(ii) Other businesses

Resona Kessai Service Co., Ltd.	Head Office and three other offices
Resona Card Co., Ltd.	Head Office and one other office
Resona Capital Co., Ltd.	Head Office
Resona Asset Management Co., Ltd.	Head Office

B. Offices of the Company

Name of Office	Location	Date Established
Tokyo Head Office	Fukagawa Gatharia W2 Bldg. 5-65, Kiba 1-Chome, Koto-ku, Tokyo	May 6, 2010
Osaka Head Office	2-1, Bingomachi 2-Chome, Chuo-ku, Osaka	December 12, 2001

(5) Capital Investment by the Corporate Group

A. Total capital investment

	Banking and trust banking business	Other businesses
Total capital investment	26,218 million yen	305 million yen

Note: Amounts less than 1 million yen have been rounded down.

B. Principal new establishments

	Description	Amount
Banking and trust banking business	Installation and renewal of software	7,358 million yen
	Establishment of new branches (Itabashi branch of Resona Bank and others)	2,452 million yen
	Renovation of head office (head office of Saitama Resona Bank and others)	344 million yen
	Sale and disposal of offices and others (Ex-Itabashi branch of Resona Bank and others)	

Note: Amounts less than 1 million yen have been rounded down.

(6) Status of Principal Subsidiaries and Affiliates

Name of Company	Location	Principal Operations	Date Established	Capital (Millions of yen)	Company's Voting Rights Ratio in Subsidiary/Affiliate (%)	Dividends to the Company (Millions of yen)
Resona Bank, Ltd.	2-1, Bingomachi 2-Chome, Chuo-ku, Osaka	Banking and trust banking business	May 15, 1918	279,928	100.00	149,962
Saitama Resona Bank, Ltd.	4-1, Tokiwa 7-Chome, Urawa-ku, Saitama	Banking business	August 27, 2002	70,000	100.00	34,960
The Kinki Osaka Bank, Ltd.	2-1, Bingomachi 2-Chome, Chuo-ku, Osaka	Banking business	November 24, 1950	38,971	100.00	5,612
Resona Guarantee Co., Ltd.	13-10, Tokiwa 10-Chome, Urawa-ku, Saitama	Credit guarantee	May 8, 1975	14,000	100.00 (49.02)	—
Daiwa Guarantee Co., Ltd.	2-1, Bingomachi 2-Chome, Chuo-ku, Osaka	Credit guarantee	July 23, 1969	6,000	100.00 (100.00)	—
Kinki Osaka Shinyo Hoshio Co., Ltd.	2-1, Bingomachi 2-Chome, Chuo-ku, Osaka	Credit guarantee	March 17, 1995	6,397	100.00 (100.00)	—
Resona Kessai Service Co., Ltd.	10-5, Nihonbashi Kayabacho 1-Chome, Chuo-ku, Tokyo	Factoring business	October 25, 1978	1,000	100.00	—
Resona Card Co., Ltd.	2-20, Toyo 2-Chome, Koto-ku, Tokyo	Credit card administration and credit guarantee	February 12, 1983	1,000	77.58	28
Resona Capital Co., Ltd.	10-5, Nihonbashi Kayabacho 1-Chome, Chuo-ku, Tokyo	Venture capital business	March 29, 1988	5,049	100.00	—
Resona Asset Management Co., Ltd.	5-65, Kiba 1-Chome, Koto-ku, Tokyo	Investment trust entrustment business	August 3, 2015	490	100.00	—
Resona Research Institute Co., Ltd.	2-1, Bingomachi 2-Chome, Chuo-ku, Osaka	Consulting business	October 1, 1986	100	100.00	—
Resona Business Service Co., Ltd.	25-11, Ueno 5-Chome, Taito-ku, Tokyo	Back office and other entrusted operations, paid job-placement service	October 2, 1987	60	100.00	—
Japan Trustee Services Bank, Ltd.	8-11, Harumi 1-Chome, Chuo-ku, Tokyo	Banking and trust banking business	June 20, 2000	51,000	33.33 (33.33)	—

P.T. Bank Resona Perdania	5th & 6th Floor, Menara Mulia, Jl. Jenderal Gatot Subroto, Kav. 9-11, South Jakarta, 12930, Jakarta, Indonesia	Banking business	February 15, 1956	405 billion Indonesia n Rupiah (¥3,442 million)	43.41 (43.41)	—
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Notes:

1. Amounts less than 1 million yen have been rounded down.
2. The yen amount of capital was computed using the foreign exchange rate as of the fiscal closing date.
3. "Company's voting rights ratio in subsidiary/affiliate" is presented with the figure rounded down to the nearest two decimal points.
4. The figure in parenthesis under "Company's voting rights ratio in subsidiary/affiliate" is inclusive and represents the ratio of voting rights indirectly held by the Company.
5. Resona Asset Management Co., Ltd. was established in August 2015.
6. The Kinki Osaka Bank, Ltd. relocated its head office in December 2015.
7. Kinki Osaka Shinyo Hosho Co., Ltd. relocated its head office in February 2016.

(7) Principal Lenders

Lender	Loan Balance	Investment in the Company	
		Number of Shares in Holding	Voting Rights Ratio
Resona Bank, Ltd.	300,208 million yen	—	—

Note: Amounts less than 1 million yen have been rounded down.

2. Matters Relating to Directors and Executive Officers of the Company

(1) Directors and Executive Officers

Of the total 21 Directors and Executive Officers, 17 are male and 4 are female, and the ratio of female Directors and Executive Officers is 19 per cent.

Directors (as of March 31, 2016)

Name	Role	Key Concurrent Responsibilities
Kazuhiro Higashi		Representative Director, President and Executive Officer of Resona Bank, Ltd.
Tetsuya Kan		Director and Executive Officer of Resona Bank, Ltd.
Yuji Furukawa		Director and Executive Officer of Resona Bank, Ltd.; Executive Officer of Saitama Resona Bank, Ltd.
Kaoru Isono	Member of Audit Committee	
*Emi Osono	Member of Nominating Committee	Professor of Hitotsubashi University Graduate School of International Corporate Strategy; Outside Director of Lawson, Inc.
*Toshio Arima	Chairperson of Nominating Committee; member of Compensation Committee	Chairman of the Board, Global Compact Network Japan; Outside Director of Kirin Holdings Company, Limited.; Outside Director of Fuji Heavy Industries Ltd.
*Yoko Sanuki	Chairperson of Audit Committee	Attorney-at-law (Representative of NS Law Office); Outside Director of Meiji Holdings Co., Ltd.
*Mitsudo Urano	Chairperson of Compensation Committee	Senior Advisor of Nichirei Corporation; Outside Director of Yokogawa Electric Corporation; Outside Director of HOYA CORPORATION; Outside Director of Hitachi Transport System, Ltd.
*Tadamitsu Matsui	Member of Nominating Committee; member of Compensation Committee	Representative Director and President of MATSUI office corporation; Outside Director of Adastria Co., Ltd.; Outside Director of OOTOYA Holdings Co., Ltd.; Outside Director of NEXTAGE Co., Ltd.
*Hidehiko Sato	Member of Audit Committee	Attorney-at-law (Hibiki Law Office); Outside Director of LIXIL Group Corporation; Outside Director of Sumitomo Dainippon Pharma Co., Ltd.

Notes:

- * denotes outside director as set out in Article 2, Item 15 of the Companies Act.
- The Company has designated Kaoru Isono as Standing Member of the Audit Committee. The Standing Member of the Audit Committee collects information on a daily basis through attendance at important meetings, hearing from the management of regular reporting on business and others, share such information with all members of the Audit Committee and thereby ensures effectiveness of the audit.
- Yoko Sanuki's name on her family register is Yoko Itazawa.

Executive Officers (as of March 31, 2016)

Name	Position & Role	Key Concurrent Responsibilities
*Kazuhiro Higashi	President	As described in the previous page.
*Tetsuya Kan	In charge of Group Strategy Division, Purchasing Strategy Division and Omni Channel Strategy Division	As described in the previous page.
*Yuji Furukawa	In charge of Human Resources Division	As described in the previous page.
Kazuyoshi Ikeda	In charge of Group Strategy Division (corporate management of Saitama Resona Bank, Ltd.)	Representative Director and President of Saitama Resona Bank, Ltd.
Koji Nakamae	In charge of Group Strategy Division (corporate management of The Kinki Osaka Bank, Ltd.)	Representative Director, President and Executive Officer of The Kinki Osaka Bank, Ltd.
Makoto Nomura	In charge of Financial Accounting Division	Director of Saitama Resona Bank, Ltd.
Takashi Yoshimoto	Manager of Treasury Planning Division and in charge of Treasury Planning Division	Executive Officer of Resona Bank, Ltd.
Tetsuya Shiratori	In charge of Operational Reform Division and Information Technology Planning Division	Managing Executive Officer of Resona Bank, Ltd.; Executive Officer of Saitama Resona Bank, Ltd.
Yasunori Uno	In charge of Internal Audit Division	Executive Officer of Resona Bank, Ltd.
Kenichiro Masuda	In charge of Corporate Communication Division, Institute for Financial Marketing and Corporate Governance Office and vice in charge of Omni Channel Strategy Division	Executive Officer of Resona Bank, Ltd.; Director of The Kinki Osaka Bank, Ltd.
Takahiro Kawashima	In charge of Compliance Division	Executive Officer of Resona Bank, Ltd.
Takayuki Torii	In charge of Risk Management Division and Credit Risk Management Division	Executive Officer of Resona Bank, Ltd.
Kazuyo Shinya	Manager of Human Resources Division	Executive Officer of Resona Bank, Ltd.
Mikiko Ariake	Manager of Corporate Communications	

	Division	
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Notes:

1. * denotes Representative Executive Officer
2. Kazuhiro Higashi, Tetsuya Kan and Yuji Furukawa each serve concurrently as a director.
3. Mikiko Ariake's name on her family register is Mikiko Yoshida.

Personnel changes of directors and executive officers during the fiscal year ended March 31, 2016

Name	Position	Other
Hidehiko Sato	Outside Director	Assumed the position as of June 19, 2015.
Shusai Nagai	Outside Director	Retired as of June 19, 2015 at the expiry of his term of office.

(For reference)

Directors and Executive Officers of the Company as of April 1, 2016 are as described below.

Of the total 21 Directors and Executive Officers, 17 are male and 4 are female, and the ratio of female Directors and Executive Officers is 19 per cent.

Directors (as of April 1, 2016)

Name	Role	Key Concurrent Responsibilities
Kazuhiro Higashi		Representative Director, President and Executive Officer of Resona Bank, Ltd.
Tetsuya Kan		Director and Executive Officer of Resona Bank, Ltd.
Yuji Furukawa		Director and Executive Officer of Resona Bank, Ltd.; Executive Officer of Saitama Resona Bank, Ltd.
Kaoru Isono	Member of Audit Committee	
*Emi Osono	Member of Nominating Committee	Professor of Hitotsubashi University Graduate School of International Corporate Strategy; Outside Director of Lawson, Inc.
*Toshio Arima	Chairperson of Nominating Committee; member of Compensation Committee	Chairman of the Board, Global Compact Network Japan; Outside Director of Kirin Holdings Company, Limited.; Outside Director of Fuji Heavy Industries Ltd.
*Yoko Sanuki	Chairperson of Audit Committee	Attorney-at-law (Representative of NS Law Office); Outside Director of Meiji Holdings Co., Ltd.
*Mitsudo Urano	Chairperson of Compensation Committee	Senior Advisor of Nichirei Corporation; Outside Director of Yokogawa Electric Corporation; Outside Director of HOYA CORPORATION; Outside Director of Hitachi Transport System, Ltd.
*Tadamitsu Matsui	Member of Nominating Committee; member of Compensation Committee	Representative Director and President of MATSUI office corporation; Outside Director of Adastria Co., Ltd.; Outside Director of OOTOYA Holdings Co., Ltd.; Outside Director of NEXTAGE Co., Ltd.
*Hidehiko Sato	Member of Audit Committee	Attorney-at-law (Hibiki Law Office); Outside Director of LIXIL Group Corporation; Outside Director of Sumitomo Dainippon Pharma Co., Ltd.

Notes:

- * denotes outside director as set out in Article 2, Item 15 of the Companies Act.
- The Company has designated Kaoru Isono as Standing Member of the Audit Committee. The Standing Member of the Audit Committee collects information on a daily basis through attendance at important meetings, hearing from the management of regular reporting on business and others, share such information with all members of the Audit Committee and thereby ensures effectiveness of the audit.

Executive Officers (as of April 1, 2016)

Name	Position & Role	Key Concurrent Responsibilities
*Kazuhiro Higashi	President	As described in the previous page.
*Tetsuya Kan	In charge of Group Strategy Division and Purchasing Strategy Division	As described in the previous page.
*Yuji Furukawa	In charge of Human Resources Division and Corporate Governance Office	As described in the previous page.
Kazuyoshi Ikeda	In charge of Group Strategy Division (corporate management of Saitama Resona Bank, Ltd.)	Representative Director and President of Saitama Resona Bank, Ltd.
Koji Nakamae	In charge of Group Strategy Division (corporate management of The Kinki Osaka Bank, Ltd.)	Representative Director, President and Executive Officer of The Kinki Osaka Bank, Ltd.
Yasushi Nakao	In charge of Institute for Financial Marketing and Omni Channel Strategy Division	Managing Executive Officer of Resona Bank, Ltd.
Makoto Nomura	In charge of Financial Accounting Division	Director of Saitama Resona Bank, Ltd.
Takashi Yoshimoto	In charge of Treasury Planning Division	Executive Officer of Resona Bank, Ltd.
Tetsuya Shiratori	In charge of Operation Reform Division and Information Technology Planning Division	Managing Executive Officer of Resona Bank, Ltd.; Executive Officer of Saitama Resona Bank, Ltd.
Shinji Nakano	In charge of Compliance Division	Managing Executive Officer of Resona Bank, Ltd.; Director of The Kinki Osaka Bank, Ltd.
Takahiro Kawashima	In charge of Internal Audit Division	Executive Officer of Resona Bank, Ltd.
Takayuki Torii	In charge of Risk Management Division and Credit Risk Management Division	Executive Officer of Resona Bank, Ltd.
Kazuyo Shinya	Manager of Human Resources Division	Executive Officer of Resona Bank, Ltd.
Mikiko Ariake	In charge of Corporate Communications Division	

Notes:

- * denotes Representative Executive Officer
- Kazuhiro Higashi, Tetsuya Kan and Yuji Furukawa each serve concurrently as a director.

(2) Remuneration of Directors and Executive Officers

A. Remuneration of directors and executive officers for the fiscal year ended March 31, 2016

Classification	Number of Officers	Total Amount of Remuneration (Millions of yen)			
			Basic Compensation	Performance-Based Compensation	Share-Based Compensation
Director	8	93	85	8	—
Executive Officer	12	197	97	72	28
Total	20	291	182	80	28

Notes:

1. Amounts less than 1 million yen have been rounded down.
2. The above includes one director who assumed the position as of June 19, 2015, one director who retired as of June 19, 2015 and two executive officers who resigned as of March 31, 2016.
3. There were 10 directors and 14 executive officers as of March 31, 2016, with 3 individuals holding concurrent positions as director and executive officer.
4. Individuals holding concurrent positions as director and executive officer are not paid the portion of compensation for the director. Two executive officers holding concurrent positions as representative director and president of subsidiary banks, Saitama Resona Bank, Ltd. and The Kinki Osaka Bank, Ltd. are not given the portion of compensation for executive officer.
5. Basic compensation includes the fixed compensation based on position and the additional fixed portion based on duty.
6. No director receives ¥100 million or more in total consolidated remuneration.

B. Policy for determination of individual remuneration, etc. for directors and executive officers

The Compensation Committee defines the policy on determining individual remuneration for directors and executive officers of the Company as follows and decides on the remuneration amounts based on this policy.

Remuneration for directors and executive officers of the Company shall be structured to include performance-based compensation with the aim of increasing motivation to raise corporate value and to clarify accountability.

Furthermore, remuneration for executive officers shall be structured to include share-based compensation with the aim of increasing motivation to achieve sustainable growth of the Resona Group and enhance shareholder value on a mid-to-long-term basis (introduced in June 2010.)

(a) Compensation system for directors

Remuneration for directors consists of fixed compensation based on position, variable compensation based on performance and additional fixed compensation based on duty.

In order to ensure sound supervision over executive officers, the ratio of position-based compensation and performance-based compensation (standard amount) is set at 95 to 5, with higher weight placed on position-based compensation.

(i) Position-based compensation (fixed compensation)

Position-based compensation is provided in accordance with the magnitude of the responsibility by position.

(ii) Performance-based compensation (variable compensation)

Performance-based compensation of a director is provided based on the operating results of the Company for the previous fiscal year.

(iii) Additional duty-based compensation (fixed compensation)

Each outside director serving as a member of the Nominating Committee, Compensation Committee or Audit Committee is paid an additional portion based on the respective duty of a member.

(b) Compensation system for executive officers

Remuneration of executive officers consists of fixed compensation based on position, variable compensation based on performance and share-based compensation.

In order to maintain and increase motivation to fully carry out business, the ratio between position-based compensation and performance-based compensation (standard amount) is set at 60 to 40, with a suitably enhanced percentage of the performance-based compensation.

(i) Position-based compensation (fixed compensation)

Position-based compensation is provided in accordance with the magnitude of the responsibility by position.

(ii) Performance-based compensation (variable compensation)

Performance-based compensation of an executive officer is provided based on the operating results of the Company and the personal performance in the previous fiscal year.

(iii) Share-based compensation (variable compensation)

In the event income before income taxes of the previous fiscal year under the medium-term management plan exceeds a certain level, share-based compensation is provided for the purpose of acquiring shares of the Company. An executive officer receiving this compensation acquires the shares of the Company by contributing a certain amount to the Directors' Shareholding Association on a monthly basis, and holds the shares for up till one year after retirement from his or her position.

A certain amount of each type of compensation is paid by cash on a monthly basis.

Any officer holding concurrent positions as a director and executive officer is given only the portion of compensation for an executive officer.

An executive officer holding a concurrent position as a representative director and president of a subsidiary bank is not given the portion of compensation for an executive officer.

The retirement benefit plan for directors and executive officers was terminated effective June 25, 2004.

C. Liability limitation agreement

The Company has entered into an agreement with outside directors, Emi Osono, Toshio Arima, Yoko Sanuki, Mitsudo Urano, Tadamitsu Matsui and Hidehiko Sato respectively, which limits the outside directors' indemnity liability under Article 423, Paragraph 1 of the Companies Act to the aggregated amounts provided for in each of the items of Paragraph 1 in Article 425 of the Companies Act.

3. Matters Relating to Outside Directors

(1) Concurrent Positions and Other Status of Outside Directors

Name	Concurrent Positions and Other Status
Emi Osono	Professor of Hitotsubashi University Graduate School of International Corporate Strategy Outside Director of Lawson, Inc.
Toshio Arima	Chairman of the Board, Global Compact Network Japan Outside Director of Kirin Holdings Company, Limited. Outside Director of Fuji Heavy Industries Ltd.
Yoko Sanuki	Attorney-at-law (Representative of NS Law Office) Outside Director of Meiji Holdings Co., Ltd.
Mitsudo Urano	Senior Advisor of Nichirei Corporation; Outside Director of Yokogawa Electric Corporation; Outside Director of HOYA CORPORATION; Outside Director of Hitachi Transport System, Ltd.
Tadamitsu Matsui	Representative Director and President of MATSUI office corporation; Outside Director of Adastria Co., Ltd.; Outside Director of OOTOYA Holdings Co., Ltd.; Outside Director of NEXTAGE Co., Ltd.
Hidehiko Sato	Attorney-at-law (Hibiki Law Office); Outside Director of LIXIL Group Corporation; Outside Director of Sumitomo Dainippon Pharma Co., Ltd.

Notes:

1. There are no business relationships to note between the above companies in which the directors hold concurrent positions, and the Company.
2. The above six outside directors are not related to officers or other persons of managerial position of the Company or the specified related business operators of the Company.
3. The above six outside directors are independent director(s)/auditor(s) under the provisions of the Tokyo Stock Exchange.

(2) Principal Activities of Outside Directors

Outside directors provide timely and appropriate comments on the management of the Company based on broad perspectives at meetings of the Board of Directors, etc.

Name	Period in Office	Attendance at Meetings of Board of Directors, etc. (FY2015)	Comments at the Meetings of Board of Directors and Other Activities
Emi Osono	4 years and 9 months	Board of Directors: 13 of the 17 meetings Nominating Committee: 6 of the 6 meetings	As an expert in business management with a wealth of knowledge and experience, Emi Osono proactively offers opinions and advice across a wide spectrum of areas focusing particularly on business strategies and business reform.
Toshio Arima	4 years and 9 months	Board of Directors: 17 of the 17 meetings Nominating Committee: 6 of the 6 meetings Compensation Committee: 7 of the 7 meetings	As a manager of manufacture business and sales business with his extensive idea and experience, Toshio Arima proactively offers opinions and advice across a wide spectrum of areas focusing particularly on customer service and CSR.
Yoko Sanuki	3 years and 9 months	Board of Directors: 15 of the 17 meetings Audit Committee: 13 of the 13 meetings	As an expert in law with a wealth of knowledge and experience, Yoko Sanuki proactively offers opinions and advice across a wide spectrum of areas focusing particularly on legal system and compliance.
Mitsudo Urano	2 years and 9 months	Board of Directors: 16 of the 17 meetings Compensation Committee: 7 of the 7 meetings	With a wealth of insights and experience as a business manager in manufacturing and logistics sectors, Mitsudo Urano proactively offers opinions and advice across a wide spectrum of areas, focusing particularly on management reforms and organizational climate reforms.
Tadamitsu Matsui	1 year and 9 months	Board of Directors: 17 of the 17 meetings Nominating Committee: 4 of the 4 meetings Compensation Committee: 7 of the 7 meetings	With a wealth of insight and experience as management in the retail sector, Tadamitsu Matsui proactively offers opinions and advice across a wide spectrum of areas focusing particularly on promotion of management reforms and service innovation.
Hidehiko Sato	9 months	Board of Directors: 9 of the 12 meetings Audit Committee: 10 of the 10 meetings	With a wealth of professional knowledge in legal affairs and experience in public administration, Hidehiko Sato proactively offers opinions and advice across a wide spectrum of areas focusing particularly on compliance and organizational management.

Notes:

1. "Period in office" represents the period from the day on which the outside director assumed office to March 31, 2016, with any period of less than one month omitted.
2. There is no written resolution that is deemed to be a Board resolution based on Article 370 of the Companies Act.

(3) Remuneration for Outside Directors

Number of Directors	Total Amount of Remuneration	
	Basic Compensation	Performance-Based Compensation
7	68 million yen	5 million yen

Notes:

1. Amounts less than 1 million yen have been rounded down.
2. The above includes 1 director who assumed the position as of June 19, 2015 and 1 director who retired as of the same date.
3. "Basic compensation" includes fixed compensation based on position and the additional fixed portion based on duty.
4. Remuneration, etc. for outside directors from subsidiaries are as follows:
 - Number of directors paid: 1
 - Amount of remuneration, etc.: ¥1 million

4. Information on Shares of the Company

(1) Number of Shares

Total number of authorized shares

Ordinary Shares	6,000,000 thousand shares
Preferred Shares	49,520 thousand shares
(including Class C Preferred Shares:	12,000 thousand shares)
(including Class F Preferred Shares:	8,000 thousand shares)
(including Class 4 Preferred Shares:	2,520 thousand shares)
(including Class 5 Preferred Shares:	4,000 thousand shares)
(including Class 6 Preferred Shares:	3,000 thousand shares)
(including First Series of Class 7 Preferred Shares:	10,000 thousand shares)
(including Second Series of Class 7 Preferred Shares:	10,000 thousand shares)
(including Third Series of Class 7 Preferred Shares:	10,000 thousand shares)
(including Fourth Series of Class 7 Preferred Shares:	10,000 thousand shares)
(including First Series of Class 8 Preferred Shares:	10,000 thousand shares)
(including Second Series of Class 8 Preferred Shares:	10,000 thousand shares)
(including Third Series of Class 8 Preferred Shares:	10,000 thousand shares)
(including Fourth Series of Class 8 Preferred Shares:	10,000 thousand shares)

Notes:

1. Numbers of shares less than 1 thousand have been rounded down.
2. The total number of authorized shares in each class with respect to the First through Fourth Series of Class 7 Preferred Shares shall not exceed 10,000 thousand shares in the aggregate and the total number of authorized shares in each class with respect to the First through Fourth Series of Class 8 Preferred Shares shall not exceed 10,000 thousand shares in the aggregate, respectively.

Total number of issued shares

Ordinary Shares	2,324,118 thousand shares
Preferred Shares	7,000 thousand shares
(including Class 5 Preferred Shares:	4,000 thousand shares)
(including Class 6 Preferred Shares:	3,000 thousand shares)

Notes:

1. Numbers of shares less than 1 thousand have been rounded down.
2. The Company acquired 12,000 thousand shares of Class C First Issue Preferred Shares and 8,000 thousand shares of Class F First Issue Preferred Shares on June 25, 2015 and cancelled all of them on the same date.
3. The Company acquired 2,520 thousand shares of Class 4 Preferred Shares on July 31, 2015 and cancelled all of them on the same date.

(2) Number of Shareholders as of March 31, 2016

Ordinary Shares	274,031 shareholders
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Class 5 Preferred Shares	1 shareholder
Class 6 Preferred Shares	3 shareholders

Note: The number of shareholders of Ordinary Shares above includes 17,357 shareholders who only hold shares less than one unit.

(3) Principal Shareholders

(i) Ordinary Shares (top 10 shareholders)

Name of Shareholder	Investment in the Company	
	Number of Shares in Holding (Thousand shares)	Shareholding Ratio (%)
The Dai-ichi Life Insurance Company, Limited	125,241	5.39
Japan Trustee Services Bank, Ltd. (trust account)	81,281	3.49
The Master Trust Bank of Japan, Ltd. (trust account)	72,726	3.13
Nippon Life Insurance Company	65,488	2.81
JP MORGAN CHASE BANK 380055	57,313	2.46
Japan Trustee Services Bank, Ltd. (trust account No. 9)	55,404	2.38
STATE STREET BANK AND TRUST COMPANY 505225	39,949	1.71
AMUNDI GROUP	39,883	1.71
CGMI PB CUSTOMER ACCOUNT	36,550	1.57
Japan Trustee Services Bank, Ltd. (trust account No. 4)	36,483	1.57

Notes:

- Numbers of shares less than 1 thousand have been rounded down in the column of "number of shares in holding".
- "Shareholding ratio" was calculated by deducting own shares (952 thousand shares) and rounding down to the nearest two decimal points. The number of own shares does not include 3,427 thousand shares of the Company held by ESOP-type Stock Benefit Trust for the Employee Shareholding Association.
- Of the shareholders above, 340 thousand or 33.33% of shares of Japan Trustee Services Bank, Ltd. are held by Resona Bank, Ltd.

(ii) Class 5 Preferred Shares

Name of Shareholder	Investment in the Company	
	Number of Shares Held	Shareholding Ratio

The Dai-ichi Life Insurance Company, Limited	4,000 thousand	100.00%
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(vi) Class 6 Preferred Shares

Name of Shareholder	Investment in the Company	
	Number of Shares Held (Thousand shares)	Shareholding Ratio (%)
Nippon Life Insurance Company	2,000	66.66
Meiji Yasuda Life Insurance Company	800	26.66
Daido Life Insurance Company	200	6.66

Note: The Preferred Shares above are shown with any shares less than 1 thousand rounded down, and the shareholding ratios have been rounded down to the nearest two decimal points.

(4) Other Important Matters Relating to Shares

A. Acquisition, disposal and holding, etc. of own shares

(i) Acquisition of own shares

Class of share	Total number of shares	Total acquisition price
Ordinary Shares	10 thousand shares	6 million yen
Class C First Issue Preferred Shares	12,000 thousand shares	36,000 million yen
Class F First Issue Preferred Shares	8,000 thousand shares	60,000 million yen
Class 4 Preferred Shares	2,520 thousand shares	63,835 million yen

(ii) Disposal of own shares

Class of share	Total number of shares	Total amount of disposal
Ordinary Shares	0 thousand shares	0 million yen

(iii) Cancellation of own shares

Class of share	Total number of shares	Total amount of cancellation
Class C First Issue Preferred Shares	12,000 thousand shares	36,000 million yen
Class F First Issue Preferred Shares	8,000 thousand shares	60,000 million yen

Preferred Shares	shares	
Class 4 Preferred Shares	2,520 thousand shares	63,835 million yen

(iv) Own shares held as of March 31, 2016

Class of share	Total number of shares
Ordinary Shares	952 thousand shares

Notes:

1. Numbers of shares less than 1 thousand and amounts less than 1 million yen have been rounded down.
2. The number of own shares above does not include shares of the Company that were acquired or disposed of, etc. by ESOP-type Stock Benefit Trust for the Employee Shareholding Association.
3. The amount of disposal of shares is calculated based on the average acquisition price of own shares of each relevant class at the time of disposition.
4. The Company implemented the acquisition of own shares (Class C First Issue Preferred Shares and Class F First Issue Preferred Shares) pursuant to the provision of Article 53 of the Articles of Incorporation of the Company based on the provision of Paragraph 1 of Article 459 of the Companies Act, as described below. The Company cancelled all own shares (Class C First Issue Preferred Shares and Class F First Issue Preferred Shares) acquired effective as of the date of the acquisition.
 - 1 Reason for acquisition of own shares: To effect full repayment of public funds by early repayment in lump sum of the public funds injected based on the Early Strengthening Act.
 - 2 Date of acquisition: June 25, 2015
5. The Company implemented the acquisition of own shares (Class 4 Preferred Shares) pursuant to the provision of Paragraph 1 of Article 19 of the Articles of Incorporation of the Company, as described below. The Company cancelled all own shares (Class 4 Preferred Shares) acquired effective as of the date of the acquisition.
 - 1 Reason for acquisition of own shares: To effect repurchase and cancellation of bond-type preferred shares as part of the measures to improve the quality of regulatory capital.
 - 2 Date of acquisition: July 31, 2015

B. Contents of the employee stock ownership plan

With the purpose of giving an incentive to enhance corporate value on a medium-to-long term basis, the Company has adopted an employee incentive plan, "ESOP-type Stock Benefit Trust for the Employee

Shareholding Association" (hereinafter, the "ESOP Trust").

An outline of the ESOP Trust is as provided below. The own shares indicated on this section do not include 3,427 thousand shares of the Company held by the ESOP Trust as of the end of the fiscal year ended March 31, 2016.

The Company has set up a trust whose beneficiaries are the employees who belong to the Employee Shareholding Association of Resona Holdings, Inc. (hereinafter, "the Company's Shareholding Association") and fulfill certain conditions (the Company's subsidiary, Resona Bank, Ltd., is the trustee of the trust). The trust acquires the number of shares of the Company that the Company's Shareholding Association is expected to acquire during the trust period, within the purchase period determined in advance.

Subsequently, the trust sells the shares of the Company to the Company's Shareholding Association at a certain date of every month.

If as of the end of the trust period, a trust profit is recognized as a result of a rise in the stock price and other factors, the profit is distributed in cash to the employees and others who are beneficiaries of the trust in proportion to the number of shares purchased during the period and other factors.

If a transfer loss arises due to a decline in the stock price and a liability on the trust assets remains, the Company is responsible for fully settling the liability based on the indemnity clause stipulated in the non-recourse loan agreement.

Outline of the trust agreement

- (i) Trustor: The Company
- (ii) Trustee: Resona Bank, Ltd.
- (iii) Beneficiaries: Persons who belong to the Company's Shareholding Association and fulfill the conditions for beneficiaries
- (iv) Date of trust agreement: April 9, 2012
- (v) Trust period: April 9, 2012 to March 31, 2017 (plan)
- (vi) Exercise of voting rights: The trustee exercises the voting rights of the shares of the Company in accordance with the custodian's instruction, which reflects the status of exercise of voting rights by the Company's Shareholding Association.

* If as a result of the sale of the shares to the Company's Shareholding Association the trust contains no shares of the Company, any trust profit is distributed to the beneficiaries of the trust prior to the end of the trust period, and the trust is closed before the end of the trust period.

Total amount of shares scheduled to be purchased by the employee shareholding association:

3,444 million yen

Scope of persons who can receive the beneficiary right under the employee stock ownership plan and other rights:

Persons who are participants in the Company's Shareholding Association and who fulfill the conditions for beneficiaries

5. Matters Relating to the Accounting Auditor

(1) Status of the Accounting Auditor

Name	Remuneration, etc. Associated with the Fiscal Year Ended March 31, 2016	Other
Deloitte Touche Tohmatsu LLC Shigeru Omori, designated limited liability partner Mitsuo Kimura, designated limited liability partner Kenji Ota, designated limited liability partner	180 million yen	<ul style="list-style-type: none"> • Reason for approval under Paragraph 1 of Article 399 of the Companies Act (Note 3) • Services other than those provided in Paragraph 1 of Article 2 of the Certified Public Accountants Act (Note 4)

Notes:

1. Amounts less than 1 million yen have been rounded down.
2. Money and other economic benefit to be paid by the Company and its subsidiaries amount to a total of ¥682 million.
3. The Audit Committee approved the amount of the remuneration, etc. of the accounting auditor upon examination of the number of days spent and the allocation of staff for the audit under the accounting audit plan for this fiscal year explained by the accounting auditor, examination and evaluation of the audit results for the previous fiscal year, appropriateness of performance of the audit by the accounting auditor, the basis of calculation of a quote forming the basis of the remuneration and others.
4. Advisory services, etc. concerning preparation for the financial regulations.

(2) Other Matters Relating to the Accounting Auditor

A. Policy on determining dismissal or non-reappointment of the accounting auditor

In the event that the accounting auditor is recognized to fall under any of the items in Paragraph 1 of Article 340 of the Companies Act, the Audit Committee will dismiss the accounting auditor based on unanimous consent from members of the Audit Committee.

In addition to the above, we will primarily review the qualifications of the accounting auditor, the status of a system to ensure that the duties of the accounting auditor are carried out properly, and the eligibility as the accounting auditor of the Group and determine the proposal concerning dismissal or non-reappointment of the accounting auditor to be submitted to the general meeting of shareholders by also taking into account the report made by the accounting auditor and the executive officers of the Company and mutual understanding between the accounting auditor and the management of the Group including auditors of subsidiaries.

B. Audit of financial documents of principal subsidiaries and affiliates of the Company by certified public accountants or an accounting auditor other than the accounting auditor of the Company

The accounting auditor of P.T. Bank Resona Perdania for the fiscal year ended December 31, 2015 was Osman Bing Satrio & Eny (member of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee).

6. System to Ensure Appropriateness of Operations

(1) Overview of "Basic Policies on Group Internal Control"

To establish a system that ensures appropriate operations and realize an internal control system befitting the Resona Group toward enhancement of the Group corporate value, the Company has established the basic policies on internal control, which has been approved by the Board of Directors.

The Company resolved, at a meeting of its Board of Directors held on March 29, 2016, to partially amend such Policies. The overview of the Policies after the amendment is as described below.

(a) Statement

The Company and other companies of the Group (Note) seriously view the fact that the Group had to reinforce capital through injecting a massive amount of public funds. In order to prevent the recurrence of such a situation, the Group hereby formulates the Basic Policies on Group Internal Control.

In accordance with the Basic Policies, the Group aims to establish an internal control system most befitting the Group and strives to manage and maintain control systems in optimal condition to ensure their efficacy, with a view to enhancing the Group's corporate value.

(Note) Refer to companies set forth under Article 2, item 3 of the Companies Act and Article 3 of the Ordinance for Enforcement of the Companies Act. Hereinafter the same.

(b) Purpose of internal control (basic principles)

The Company and other companies of the Group adopt as the Group's basic principles, the fulfilling of the following four objectives in accordance with the generally accepted standards for evaluation of internal control systems.

(i) Enhancement of effectiveness and efficiency of operations

Promote enhancement of effectiveness and efficiency of operations for the purpose of ensuring soundness of business operations and improving corporate value.

(ii) Ensuring reliability of financial reporting

Exert efforts to ensure reliability of financial statements and information that can possibly have a material impact on financial statements for the purpose of attaining trust from investors and promoting transparency and fairness of information disclosure.

(iii) Legal and regulatory compliance

Adhere compliance with laws, regulations and other norms associated with the business activities in light of the public nature of the banking business and also with strong awareness for "Social Responsibility and Public Mission" of the Company and each of the Group companies. In addition, exert efforts to prevent and promptly detect any unauthorized actions.

(iv) Safeguarding of assets

Promote safeguarding of assets to ensure that acquisition, use and disposal of assets are appropriately performed and authorized, and pursue business activities based on the fundamental principles of exercising

risk-taking suitable for management strength and earnings and promptly handling any inherent or expected losses, in light of the importance of managing risks in the banking business.

(c) Development of a framework of internal control systems (basic provisions)

In order to achieve the objectives of internal control, the Company shall develop a framework of internal control systems comprised of basic components: control environment, risk assessment and response, control activities, information and communication, monitoring, and response to information technology (IT), and make efforts to ensure the effectiveness of the framework. In accordance with this policy, the Company will ensure the "Resona Group Corporate Mission" is shared throughout the Group to serve as the foundation for the following basic guidelines, set forth to ensure appropriate operations of the Group.

(i) Guidelines concerning a system to ensure that duties of executive officers and employees of the Company and directors, executive officers and employees of each Group company are executed in compliance with laws, regulations and the Articles of Incorporation

In order to ensure strict compliance with respective laws and regulations, the "Basic Compliance Policy" shall be defined, based on which the compliance system will be established and managed. In accordance with the Policy, a standard compliance structure is to be clearly identified and a compliance system is to be established by defining the roles of executive officers and employees of the Company and directors, executive officers and employees of each Group company.

A compliance division shall be put in place to oversee legal and regulatory compliance, and the division reviews any matters requiring a certain degree of important decision-making and verify the lawfulness and other aspects of the matter in advance to ensure that duties executed by executive officers and employees of the Company and directors, executive officers and employees of each Group company are appropriate.

Furthermore, in order protect customers and enhance their convenience, the "Group Policy on Providing Explanations to Customers", "Group Policy on Customer Service Quality Management", "Group Basic Policy on Handling of Information", "Group Risk Management Policy", and "Group Policy on Conflicts of Interest Management" shall be defined. Based on these policies, the Group shall establish and operate appropriate and adequate controls to manage responses to inquiries and complaints from customers, handle customer information, administer customer data and responses to customers when outsourcing operations, and manage conflicts of interest.

(ii) Guidelines concerning a system for retention and management of information relating to the execution of duties by executive officers

In order to ensure that information on execution of duties by executive officers is appropriately retained and managed, executive officers follow certain rules on areas including methods of retention and management of information under the "Regulations of Executive Officers", and ensure that the rules are strictly enforced. In addition, the "Group Basic Policy on Handling of Information" shall be set forth to ensure that handling, retention and management of information associated with the execution of duties by executive officers and employees is properly performed.

- (iii) Guidelines concerning management of risk that may cause losses to the Company or each Group company and other related controls

In order to establish a risk management system for the Company and each of the Group companies, the "Group Risk Management Policy" shall be formulated and a risk management division shall be established for comprehensively managing various risks. The risk management division is to exercise comprehensive risk management by overseeing the category-specific risk management performed by each risk managing department.

In addition, to secure adequate levels of capital and capital adequacy ratio, the "Basic Policy on Group Capital Management" is to be formulated so as to establish an effective system to manage capital.

Furthermore, the "Basic Policy on Group Crisis Management" shall be established based on which proper crisis management controls are to be established and exercised even under normal conditions. In this way, even in the event any risk identified materializes due to a disaster, system failure or other cause and expands beyond the scope of risk management and develops into a crisis, it will be possible to promptly respond and take risk-mitigating measures to quickly restore the operations (continuation or recovery of operations).

- (iv) Guidelines concerning a system to ensure that duties of executive officers of the Company and directors and executive officers of each Group company are carried out efficiently

The "Regulations on Allocation of Duties" and "Regulations of Executive Officers" relating to executive officers of the Company and executive officers of each Group company and the organizational structure of the Company and each Group company shall be formulated to clearly define the scope of coverage, roles and authority, and responsibilities of each organ, and a system shall be put in place to ensure duties are executed properly and efficiently.

In addition, the "Regulations of the Board of Directors" and other internal regulations on important meetings are defined to secure a system to ensure that decisions are made properly and efficiently.

- (v) Guidelines concerning a system to ensure that operations of the Corporate Group, consisting of the Company and all Group companies, are executed appropriately (including a system concerning report to the Company of matters related to execution of duties by directors and executive officers of each Group company)

The Company and each company of the Group shall, based on the "Resona Group Corporate Mission", endeavor to win trust from customers, accept challenges in pursuing innovation, secure transparency of management, and contribute to the development of local communities, and set forth the following policies, aiming to ensure appropriate operations of the corporate group.

(1) In accordance with the "Group Business Management Regulations" separately defined, the Company shall manage the businesses of Group companies, aiming to maximize the corporate value of the Group. Operationally, business management standards are to be established, and matters requiring adequate discussions in advance between the Company and each of the Group companies and those that must be reported by Group companies to the Company shall be defined.

(2) The Company shall set forth the "Basic Policy on Information Disclosure and Financial Reporting" and promote fair, timely and appropriate information disclosure and reliable financial reporting while also

maintaining effectiveness of controls on information disclosure including internal control over financial reporting in the Company and each company of the Group.

(3) The Company shall formulate the "Basic Policy regarding IT", which is the source of competitiveness that helps the Company and other Group companies enhance their corporate value, and exert efforts to ensure that IT functions including the effectiveness of internal control is continuously and appropriately maintained and that the practicability of IT strategies is secured.

(4) In order to put in place an internal audit system in the Company and each of the Group companies, the "Basic Policy on Group Internal Audit" shall be formulated, and internal audit departments independent of business operations departments must be established. The internal audit departments shall examine and evaluate the status of execution of various business activities of the Company and Group companies respectively and promote improvements as necessary.

(vi) Guidelines concerning employees to assist the duties of the Audit Committee

The Company establishes the Office of Audit Council as a unit directly reporting to the Audit Committee, and also formulates the "Regulations Concerning Assistants to the Operations of the Audit Committee" and has employees assisting the duties of the Audit Committee belong to the Office. Employees with the sufficient expertise to properly validate the various operations shall be assigned to the Office of Audit Council.

Regulations on the operations of the Office shall be separately defined by the Audit Committee.

(vii) Guidelines to ensure the independence of employees in the preceding paragraph from executive officers and the effectiveness of instructions to employees in the preceding paragraph

In order to secure the independence of employees serving as assistants in the preceding paragraph from executive officers and the effectiveness of instructions to employees in the preceding paragraph, the "Regulations Concerning Assistants to the Operations of the Audit Committee" provided in the preceding paragraph shall define, with regard to transfers, performance evaluation and other matters of the employees, that discussions are to be held in advance with the Audit Committee or the Office of Audit Council.

Executive officers must exercise due care so as not to unfairly place any restriction on the execution of operations of the aforementioned employees.

(viii) Guidelines concerning a system for directors (excluding directors who are members of the Audit Committee), executive officers and employees of the Company and directors, audit & board members, executive officers and employees of each Group company and other persons who receive reports from these persons to report to the Audit Committee

(1) Directors (excluding directors who are members of the Audit Committee), executive officers and employees of the Company shall report in writing or orally to the Audit Committee any incident that has or may have material damage on the Company or Group companies, a situation that may considerably impair the credibility of the Group, a major deficiency or problem concerning the framework or procedures of internal control, a legal or regulatory violation or unfair act, and any other similar incidents.

(2) Directors, audit & board members, executive officers and employees of each Group company and other persons who receive reports from these persons shall report in writing or orally to the Audit Committee of the Company any incident that has or may have material damage on the Company or Group companies, a situation that may considerably impair the credibility of the Group, a major deficiency or problem concerning the framework or procedures of internal control, a legal or regulatory violation or unfair act, and any other similar incidents.

(3) Notwithstanding the aforementioned (1) and (2), the Audit Committee of the Company may, if deemed necessary, request a report concerning operation of business at any time, and directors (excluding directors who are members of the Audit Committee), executive officers and employees of the Company and directors, audit & board members, executive officers and employees of each Group company, if requested, shall make a report concerning such matters promptly, unless there is a justifiable reason.

(ix) Guidelines concerning a system to ensure that a person who makes a report will not be treated unfavorably
It shall be prohibited to treat unfavorably a person who makes a report under the preceding paragraph because of such report, and this prohibition shall be known to all persons within the Group.

(x) Guidelines concerning handling of expenses incurred in connection with the exercise of duties by members of the Audit Committee

Expenses which are deemed necessary for the execution of duties by members of the Audit Committee shall be accounted for in a budget in advance. However, members of the Audit Committee may demand the Company to pay expenses that need to be paid urgently or extraordinarily, and the Company shall pay the same except in a case such demand is not necessary for the exercise of duties of members of the Audit Committee.

(xi) Guidelines concerning a system to ensure that audits by the Audit Committee are conducted effectively

To ensure that audits by the Audit Committee are effectively performed, internal audit departments shall establish a system to make reports on matters including the establishment of a basic plan for internal audits, the results of internal audits and of the status of improvements based on the comments calling for improvements to the Audit Committee in accordance with the "Basic Policy on Group Internal Audit" separately provided, and closely coordinate on a daily basis by such measures as having regular exchanges of opinions with the Audit Committee. Departments associated with internal control other than internal audit, such as finance and accounting, risk management, and legal and regulatory compliance, shall promote smooth mutual understanding and collaboration with the Audit Committee.

(2) Overview of Operations Based on "Basic Policies on Group Internal Control"

In accordance with the "Basic Policies on Group Internal Control", the Company is striving to appropriately develop and operate, and ensure the efficacy of, the internal control systems.

(a) Status of development of system regarding operation of the Group

The Group has been making efforts to establish an accountable management system, strengthen the monitoring and supervising functions for the management, and improve transparency of the management.

In June 2003, the Company changed its status to a company with a nominating committee, etc., as the first of such type among Japanese banking groups. Since then, the Company's Board of Directors has been engaged in active discussions with a majority of directors comprising outside directors. There has been a clear division of duties under which the Board of Directors makes decisions on important matters for management and supervises execution of business, while the executive officers execute business, so as to strengthen the supervising and decision-making functions of the Board of Directors.

In addition, all of the Group banks have uniformly adopted the structure of a company with an audit & supervisory board to ensure consistency of the Group's basic governance structure, and have adopted a system whereby the President of each Group bank concurrently assumes a position of executive officer of the Company to strengthen the Group's corporate governance structure centered on the Company.

Under such systems, the Company performs management and control of each Group company with the aim of improving the Group's corporate value.

(b) Status of development of system regarding internal audit

The Group has established the "Basic Policy on Group Internal Audit" to ensure development of an internal audit system and efficacy of internal audits. Based upon such policy, the Company has formed internal audit divisions that are independent from business divisions under the supervision of an executive officer in charge solely of internal audit, and has developed a structure whereby the internal audit divisions, working closely with the Audit Committee, perform objective and fair examination and evaluation of business activities of the Company and the Group companies, and provide proposals for resolving issues and problems.

The Company's Internal Audit Division annually develops an "Internal Audit Basic Plan", which contains policies, targets, matters of focus, etc. for the Group's internal audit, and obtains approval of the Board of Directors. The internal audit division of each Group company, following discussions with, and with guidance from, the Company's Internal Audit Division, develops its "Internal Audit Basic Plan" and obtains approval of its respective board of directors. In accordance with the Internal Audit Basic Plan established through the above procedures, the internal audit divisions of the Company and the Group companies perform internal audits. Results of internal audits are reported to, and discussed at, the Internal Auditing Council, while significant matters are reported directly to, or brought for discussions at, the board of directors.

In the event that any of the Group companies faces significant issues that could affect the Group's operations, the Company's Internal Audit Division performs audits in cooperation with the internal audit division of the relevant Group company.

(c) Status of development of system regarding compliance with laws and regulations

Having sincerely reflected on the fact that the Group received a large amount of public funds to strengthen its capital, and in recognition that an overhaul of the standards for judgments and behaviour and their penetration are imperative to revive the Group, the Group has set the "Resona Group Corporate Mission" which provides basic guides for judgments and behaviour of directors and employees, and the "Resona Way (Resona Group Corporate Promises)", a specific corporate philosophy addressed to stakeholders as the Group's basic philosophy, and publicly announced them. In addition, the Group has defined the "Resona Standard (Resona Group's Behaviour Guidelines)", which provides more specific guidance to carry out the Corporate Mission and the Resona Way for directors and employees.

Under this basic philosophy, the Company and each Group company has set the "Basic Compliance Policy" and clarifies basic frameworks including the roles and duties of officers and employees, organizational structure, code structure, and training and education system. Each Group company strives to strengthen the compliance system proactively, by preparing and implementing the "Compliance Program" as an action plan for achieving compliance, every year.

The Group has set up the "Resona Legal Counsel Hotline" and the "Resona Compliance Hotline" to provide consultation to and receive reports from employees and others on compliance, and has also established rules for internal reporting to clarify the protection of hotline users, thereby striving to improve internal reporting systems.

In addition, the Group has established the "Resona Accounting Audit Hotline" as a contact point for reports from external parties concerning improper or inappropriate treatments in accounting, internal control systems related to accounting, and accounting audits.

The "Resona Legal Counsel Hotline" and the "Resona Accounting Audit Hotline" are independent functions from the Group's management, with external law firms acting as contact points for the hotlines and for handling reports. With the aim of improving the reliability and transparency of these hotlines, they are structured so that all matters brought to the hotlines are reported directly to the chairperson of the Audit Committee who is an outside director.

In terms of structure, each of the Company and each Group company has established a compliance division, and a compliance manager responsible for compliance matters has been assigned to sales branches and each division of the headquarters of each Group bank. The "Group Compliance Committee", whose members are the Company and each Group company, is in place to discuss and examine compliance issues of the Group.

In addition, to protect customers of each Group company and provide more customer-friendly services to them, each Group company has clearly defined divisions, which are accountable for the following roles: administering explanations to customers, administering responses to customers on their inquiries, claims, etc., administering the handling of customer information, administering the handling of customer information and responses to customers when operations are outsourced, and administering conflicts of interest. The Company discusses and examines at the "Group Compliance Committee" mentioned above, measures to enhance trust among customers and provide more customer-friendly services.

(d) Status of development of system regarding risk management

The Company has been working to establish strong risk management systems by defining the "Group Risk Management Policy", which serves as the Group's basic risk management policy, and clarifying types and definitions of risks that should be managed, organization and systems to manage risks, and the basic framework of risk management. More specifically, in line with this policy, the Company has formed integrated risk management divisions and risk management departments by risk category, and has been working to enhance the Group's risk management systems by providing each Group company with policies and criteria for risk management, conducting prior consultation with each Group company on significant matters on risk management, and receiving regular reports on risk status from each Group company.

In line with the "Group Risk Management Policy", each Group company has established its own risk management policy, tailored to its size, operations, unique characteristics, risk status and others, and has formed its own appropriate risk management system.

The Group has defined credit risk, which is the primary risk for the Group, as "a risk of losses that arises when the value of assets (including off-balance sheet assets) declines or is destroyed as a result of deterioration of the financial position of obligors and others", and has established the "Group Credit Policy" as the Group's uniform basic policy for credit risk management, thus ensuring thorough control of credit risks. The "Group Credit Policy" has defined rigorous "credit analysis management" and "portfolio management" focusing on risk diversification as two pillars underpinning credit risk management. Such a definition was developed with the view that inappropriate handling of individual credit controls and concentration of credit on specific customers or specific industries were the principal factors that caused the need for large capital injections using public funds.

With regard to managing market risks, liquidity risks, operational risks, reputational risks and other risks, the Group manages those risks by taking appropriate measures tailored to the features of each risk type, including the establishment of risk limits or guidelines on each risk, risk evaluation, and the promulgation of contingency plans.

In addition, in preparation for any event where any risk materializes due to a disaster, system failure or other cause and expands beyond the scope of risk management and develops into a crisis, the Company and each Group company have established crisis control management systems, including basic policies for crisis management, to enable early restoration of operations (continuity of operations/restoration) by rapid responses.

7. Matters Concerning Specified Wholly-owned Subsidiaries

Name	Address	Total Book Value	The Company's Total Assets
Resona Bank, Ltd.	2-1, Bingomachi 2-Chome, Chuo-ku, Osaka	798,614 million yen	1,379,348 million yen

8. Other

Policies concerning the exercise of the authorities granted to the Board of Directors pursuant to the provisions of the Company's Articles of Incorporation based upon Paragraph 1 of Article 459 of the Companies Act

Regarding the dividends on the Company's ordinary shares, as stated in the section 1(1)(D) "Capital Management Policy of the Group" above, the Company will endeavour to enhance its capital by accumulating internal reserves to maintain a stable level of capital exceeding the targeted capital adequacy ratio, and continue to make stable dividend distributions for the time being.

In addition, the Company announced that, if it would carry out a share buyback of the remaining bond-type preferred shares amounting to 175.0 billion yen, it would consider increasing ordinary dividends with attention paid to the business environment, financial condition and others, since the burden of preferred dividends is expected to decrease. Regarding the annual dividends for the fiscal year ending March 31, 2017, the Company plans to increase the annual dividends by 2 yen from the previous fiscal year to 19 yen per ordinary share (interim dividend of 9.5 yen and year-end dividend of 9.5 yen) based on a decrease in the preferred dividends expected from the share buyback of the Class Six Preferred Shares mentioned in the section 1(1)(D)(b) "Measures towards Qualitative and Quantitative Reinforcement of Equity Capital" above.

(Items omitted because there are no matters to be described)

"Status of business transfers, etc. (Current Status of the Company)"; "Other significant matters on the current status of the corporate group (Current Status of the Company)"; "Opinions from outside directors (Matters Relating to Outside Directors)"; "Matters relating to the Company's share subscription rights"; "Liability limitation agreement (Matters Relating to the Accounting Auditor)"; "Basic policies regarding the party who controls decisions on the Company's financial and business policies"; "Matters concerning transactions with the parent company"; and "Matters concerning accounting advisors".