January 30th, 2017

This document is an English translation of a statement written initially in Japanese. The Japanese original should be considered as the primary version.

To All Concerned:

Kazuhiro Higashi
Director, President and Representative Executive Officer
Resona Holdings, Inc.
(TSE 1st; Code: 8308)

Notice Regarding AFC Merchant Bank (ASEAN FINANCE CORPORATION LIMITED) Becoming a Subsidiary of Resona Bank, Limited.

Resona Holdings, Inc. (Kazuhiro Higashi, Director, President and Representative Executive Officer) ("Company") hereby announces that Resona Bank, Limited. (Kazuhiro Higashi, Representative Director, President and Executive Officer), a subsidiary of the Company, at a Board of Directors meeting held on January 30th, 2017, resolved to purchase all shares of Singapore-based AFC Merchant Bank (ASEAN FINANCE CORPORATION LIMITED) ("AFC") and to convert AFC into a wholly-owned subsidiary.

The acquisition of AFC shares is subject to the consent of AFC's shareholders and the necessary approvals from related authorities and courts, among other things.

1. Purpose of the Share Acquisition

In addition to P.T. Bank Resona Perdania in Indonesia, Resona Group's Resona Bank has representative offices in five Asian countries and regions where many Japanese companies operate (Singapore, Bangkok, Ho Chi Minh City, Shanghai, and Hong Kong), and provides detailed support services that meet clients' needs, including overseas expansion and solutions to the assorted local challenges they face. In addition, we have made business alliances with 14 countries and areas leading banks in the Asia region and the United States in order to supplement our overseas loan and foreign exchange services and other financial functions.

In recent years, clients coming to us for consultations regarding international operations, are

increasingly asking about the ASEAN region ("the Region"), and the nature of these consultations is wide-ranging. Under these circumstances, with an aim of providing an even more robust level of service in the Region and elsewhere, we have decided to convert AFC—located in Singapore—into a wholly-owned subsidiary.

AFC is a financial institution established in 1981 by major financial institutions in Singapore, Malaysia, Thailand, Indonesia and the Philippines for the purpose of infrastructure development in the Region; it possesses an established customer base and a wealth of local information in the Region. Going forward, Resona Group will work through AFC to conduct lending and M&A advisory operations and to provide other financial services from Singapore, a financial hub for the Region, and thereby expand our overseas services mainly to Japanese companies and our other clients operating in the Region and elsewhere.

2. Overview of AFC (as of end of December 2015)

(1) Trade Name	AFC Merchant Bank (registered name: ASEAN FINANCE CORPORATION LIMITED)	
(2) Location of Headquarters	180 Cecil Street, #17-01, Bangkok Bank Building, Singapore 069546	
(3) Name and Title of Representative	Mrs. Teh－Kwok Chui Lian President & CEO	
(4) Nature of Business	Financial Business	
(5) Issued Paid-up Shares[1]	SGD 68,845,190 (JPY 5,537 million)	
(6) Date Established	May 19, 1981	
(7) Listed/Unlisted	Unlisted	
(8) Major Shareholders[2]	1. Asfinco Singapore Limited 2. AFC Holdings (Malaysia) Sdn Bhd 3. PT Sarana Bersama Pengembangan Indonesia	
(9) Relationship Between the Listed Company and the Relevant Company	Capital Relationship	There is no capital relationship that needs to be stated between the Company and the relevant company. Further, there is no noteworthy capital relationship that needs to be stated between any related persons or affiliates of the Company and those of the relevant company.

[1] Calculated at SGD 1 = JPY 80.44 (T.T.M on January 27th, 2017).
[2] The shareholding ratios of the major shareholders are not disclosed, per a non-disclosure agreement with AFC.

	Personnel Relationship	There is no personnel relationship that needs to be stated between the Company and the relevant company. Further, there is no noteworthy personnel relationship that needs to be stated between any related persons or affiliates of the Company and those of the relevant company.
	Transactional Relationship	There is no transactional relationship that needs to be stated between the Company and the relevant company. Further, there is no noteworthy transactional relationship that needs to be stated between any related persons or affiliates of the Company and those of the relevant company.
	Status as a Related Party	Neither the relevant company nor any of its related persons nor affiliates falls under the category of a related party of the Company.

(10) Management Performance and Financial Conditions of the Relevant Company for the Previous Three Years.[1] (Unit: thou. SGD)

Fiscal Year	Fiscal year ended December 2013	Fiscal year ended December 2014	Fiscal year ended December 2015
Net Assets	80,010 (JPY 6,436million)	81,179 (JPY 6,530 million)	81,918 (JPY 6,589 million)
Total Assets	87,511 (JPY 7,039 million)	93,434 (JPY 7,515 million)	91,415 (JPY 7,353 million)
Total Income	6,233 (JPY 501 million)	5,828 (JPY 468 million)	6,134 (JPY 493 million)
Net Income in Fiscal Year	3,331 (JPY 267 million)	2,710 (JPY 217 million)	2,869 (JPY 230 million)
Dividends	1,000 (JPY 80 million)	1,000 (JPY 80 million)	1,000 (JPY 80 million)

3. Acquisition Method, Number of Shares to be Acquired, and Shareholding Ratio Before and After Acquisition[3]

In order to ensure that Resona Bank converts AFC into its wholly-owned subsidiary, we will acquire the shares through a new share issue pursuant to certain procedures under the laws of Singapore that require court permission (scheme of arrangement, cancellation scheme).

(1) Number of shares held before the change	0 shares(number of voting rights : 0)
(2) Number of shares to be acquired	100,000,000 shares (number of voting rights : 100,000,000)
(3) Number of shares to be held after the change	100,000,000 shares (number of voting rights : 100,000,000) (Voting rights holding ratio: 100.0%)

4. Schedule

Date of Resona Bank board of directors resolution	January 30, 2017
Date of execution of the agreement concerning subscription of shares	January 30, 2017
Date of Resona Bank's acquisition of AFC shares	First half of FY2017 (tentative)
Date of payment by Resona Bank for the acquisition of AFC shares	First half of FY2017 (tentative)

Assuming that we obtain the consent of AFC's shareholders and the necessary approvals from related authorities and courts, among other things, we are planning to complete the acquisition of the shares sometime in the early part of fiscal year 2017. We will make a separate announcement once the schedule has been settled.

5. Future prospects

This subsidiary acquisition will have no impact on the Company's consolidated results forecast for the fiscal year ending March 2017. Further, the impact on the Company's consolidated results from the share acquisition is expected to be minimal[4].

[3] While the acquisition price is not disclosed, per a non-disclosure agreement with AFC, to ensure its fairness and appropriateness, the price will be decided on the basis of investigation results by a third party organization.

[4] The consolidated capital adequacy ratios under domestic standards will be continuously applied to the Company and Resona Bank.