Financial Highlights for the First Half of Fiscal Year 2017



Resona Holdings

November 10, 2017

Outline of Financial Results for 1H of FY2017

- **Posted JPY94.0 bn of net interim income attributable to owners of the parent**
  - Down JPY2.8 bn, or 2.9%, YoY, but exceeding the 1H target by JPY21.0 bn, or +28.8%
  - JPY 79.9 bn, if one-off gain from realignment of loan guarantee subsidiaries*1 were excluded, exceeding the 1H target by JPY6.9 bn, or +9.4%.
- **Posted JPY108.6 bn of actual net operating profit**
  - Gross operating profit: JPY278.8 bn, Down JPY19.1 bn, or 6.4%, YoY
    - Net interest income from domestic loans and deposits : Down JPY10.8 bn, YoY, but almost in line with the company plan
      Loan-to-deposit spread decreased by 10bps, while average loan balance increased 1.90% YoY
    - Fee income stayed almost flat YoY with the ratio to total top-line income at 30.3%
      Decline in income from sale of insurance products and real estate brokerage was made up for by increase in corporate solution and other fees
    - Net gains on bonds (including futures): Down JPY14.6 bn YoY
  - Operating expenses JPY170.3 bn, reduced by JPY1.9 bn YoY, with the cost income ratio (OHR) at 61.1%
- **Revised up full-year net income target to JPY165.0 bn, or +10.0% from the target announced at beginning of the year**
- **No change to common DPS forecast**
  - DPS 20 yen per year (of which, interim 10 yen), +1 yen YoY

Resona HD consolodated (JPY bn)		FY2017 1H	YoY change	YoY change %	Progress rate vs. Previous Target
Net interim income attributable to owners of the parent	(1)	**94.0**	**(2.8)**	**(2.9)%**	**62.7%**
Gross operating profit	(2)	278.8	(19.1)	(6.4)%	
Net interest income	(3)	183.9	(4.2)		
NII from loans and deposits (total of group banks)*2	(4)	144.6	(10.8)		
Fee income	(5)	84.5	(0.0)		
Fee income ratio	(6)	30.3%	+1.9%		
Trust fees	(7)	9.0	+0.0		
Fees and commission income	(8)	75.4	(0.0)		
Other operating income	(9)	10.3	(14.9)		
Net gains on bonds (including futures)	(10)	0.4	(14.6)		
Operating expenses (excluding group banks' non-recurring items)	(11)	(170.3)	+1.9	+1.1%	
Cost income ratio (OHR)	(12)	61.1%	+3.2%		
Actual net operating profit*3	(13)	**108.6**	**(17.1)**	**(13.6)%**	
Net gains on stocks (including equity derivatives)	(14)	4.3	+2.7		
Credit related expenses, net	(15)	7.5	(2.9)		
Other losses, net	(16)	(6.9)	(4.0)		
Income before income taxes	(17)	**113.6**	**(21.4)**	**(15.8)%**	
Income taxes and other	(18)	(19.5)	+18.6		
EPS (yen)	(19)	39.82	(0.35)		
BPS (yen)	(20)	833.13	+100.89		

*1. Refer to "Announcement Regarding Realignment of Loan Guarantee Subsidiaries" released on Sep. 28, 2017.
*2. Domestic banking account, deposits include NCDs
*3. Net operating profit before provision to general reserve for possible loan losses and disposal of problem loans in the trust account
*4. Negative figures represent items that would reduce net income

Breakdown of Financial Results for 1H of FY2017

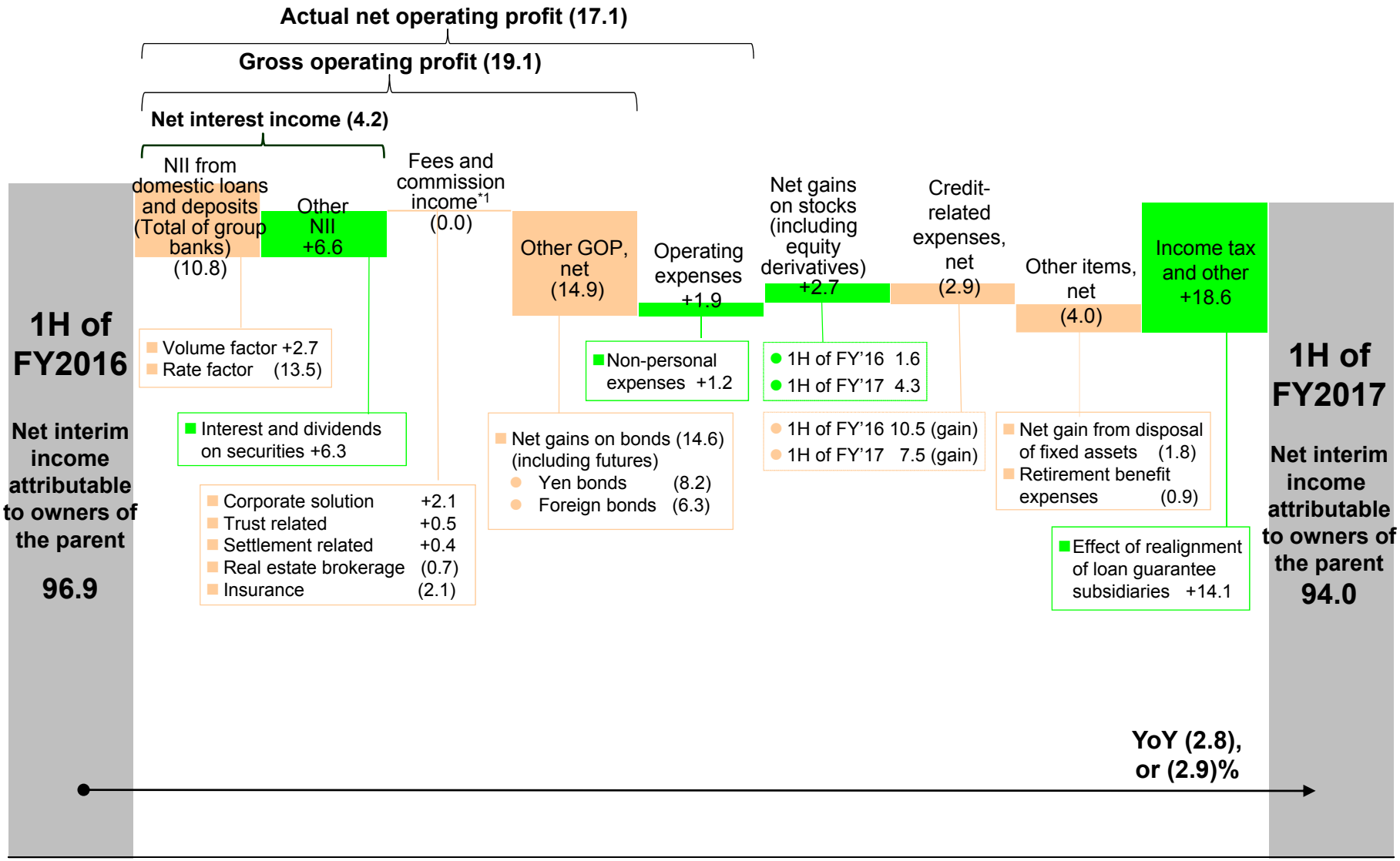
(JPY bn)		Resona Holdings (Consolidated)		Total of group banks (Non-consolidated)			Resona Bank	Saitama Resona Bank	Kinki Osaka Bank	effect of realignment *3	Difference (Exclude the effect of realignment*3)	
			YoY change		YoY change	Difference from the company's 1H target issued at beginning of the year						YoY change
Gross operating profit	(1)	**278.8**	**(19.1)**	**261.2**	**(14.1)**	**+0.7**	173.7	62.0	25.4	4.9	**22.5**	(0.0)
Net interest income	(2)	183.9	(4.2)	186.7	+0.7		116.7	49.6	20.3	4.9	2.2	(0.0)
NII from domestic loans and deposits	(3)			144.6	(10.8)		91.6	39.6	13.3			
Trust fees	(4)	9.0	+0.0	9.1	+0.0		9.1				(0.0)	(0.0)
Fees and commission income	(5)	75.4	(0.0)	55.4	(0.0)		39.1	11.7	4.5		19.9	+0.0
Other operating income	(6)	10.3	(14.9)	9.8	(14.9)		8.7	0.6	0.4		0.4	(0.0)
Net gains / losses on bonds (including futures)	(7)	0.4	(14.6)	0.4	(14.6)		0.9	(0.7)	0.3		–	–
Operating expenses (excluding group banks' non-recurring items)	(8)	(170.3)	+1.9	(160.9)	+2.4	+3.5	(105.5)	(37.0)	(18.3)		(9.4)	(0.4)
Actual net operating profit*1	(9)	**108.6**	**(17.1)**	**100.2**	**(11.7)**	**+4.2**	68.2	25.0	7.0	4.9	**13.3**	(0.3)
Net gains on stocks (including equity derivatives)	(10)	4.3	+2.7	57.2	+55.6	+53.7	43.2	12.8	1.1	52.9	0.0	+0.0
Credit related expenses, net	(11)	7.5	(2.9)	9.0	+0.3	+13.5	6.1	2.1	0.7		(1.4)	(3.3)
Other losses, net	(12)	(6.9)	(4.0)	(6.0)	(4.0)		(4.8)	(1.0)	(0.1)		(0.9)	+0.0
Income before income taxes	(13)	**113.6**	**(21.4)**	160.5	**+40.2**	**+69.5**	112.7	39.0	8.7	57.9	**10.9**	(3.7)
Income taxes and other	(14)	(19.5)	+18.6	(15.5)	+17.4		(6.6)	(7.7)	(1.1)	*2 14.1	(3.9)	+1.1
Net interim income (attributable to owners of the parent)	(15)	**94.0**	**(2.8)**	**144.9**	**+57.6**	**+80.9**	106.1	31.3	7.5	72.0	**7.0**	(2.5)

*1. Net operating profit before provision to general reserve for possible loan losses and disposal of problem loans in the trust account
*2. The effect of income taxes is excluded from cancellation in a consolidation process
*3. Realignment of loan guarantee subsidiaries

Analysis on YoY Change in Net Interim Income

RHD Consolidated

(JPY bn)



*1. Fees and commission income plus trust fees

Trend of Loans and Deposits

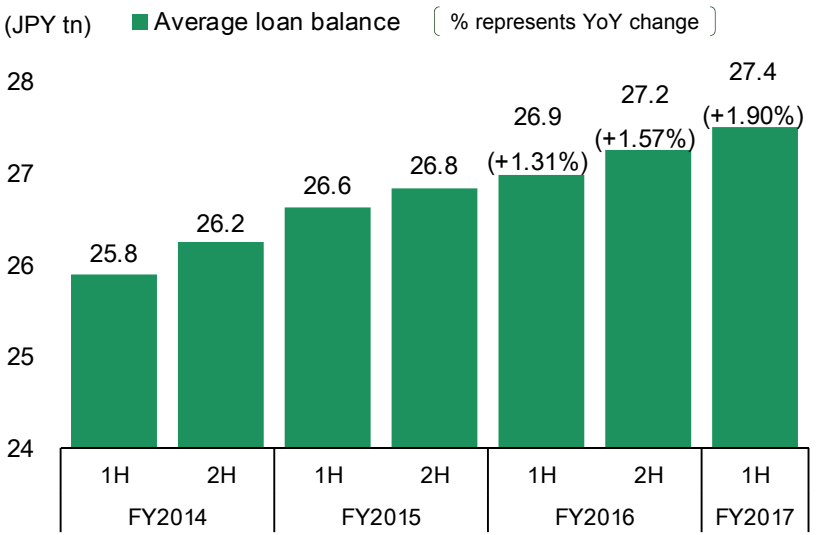
Total of Group Banks

Average loan / deposit balance, rates and spread

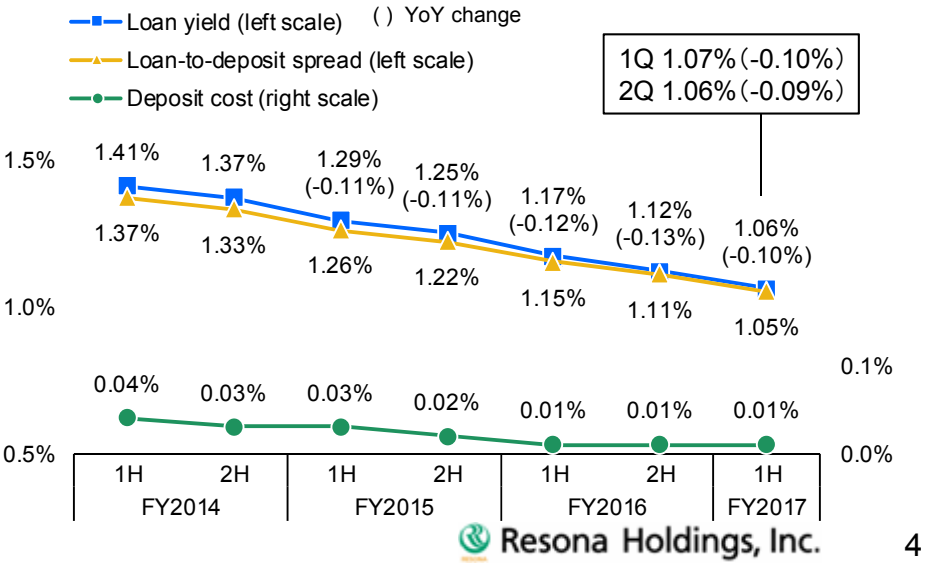
Avg. bal : Trillion Yen, Income/Cost : Billion Yen			1H Act.	1H YoY	FY2017 Revised Plan	FY2017 YoY vs.'17/3
Average loan balance (Banking account)		(1)	27.99	+1.89%		
Domestic acct.	Loans	Avg. Bal. (2)	27.49	+1.90%	27.51	+1.47% (+0.30%)
		Rate (3)	1.06%	(0.10)%	1.05%	(0.08)% (-0.00%)
		Income (4)	147.2	(11.0)	291.0	(19.8)
	Corporate Banking Business Unit *1	Avg. Bal. (5)	16.00	+2.31%	16.02	+1.83%
		Rate (6)	0.89%	(0.11)%	0.87%	(0.09)%
	Personal Banking Business Unit *2	Avg. Bal. (7)	10.49	+1.21%	10.53	+1.08%
		Rate (8)	1.37%	(0.08)%	1.36%	(0.07)%
	Deposits (Including NCDs)	Avg. Bal. (9)	41.38	+5.33%	41.04	+3.48%
		Rate (10)	0.01%	(0.00)%	0.01%	(0.00)%
		Cost (11)	(2.6)	+0.2	(5.2)	(0.1)
	Loan-to-deposit	Spread (12)	1.05%	(0.10)%	1.04%	(0.08)%
		Net interest income (13)	144.6	(10.8)	285.8	(19.9)

Data compiled for a management and administration purpose
*1. Corporate Banking Business Unit :
Corporate loans (excluding loans to governments) + apartment loans
*2. Personal Banking Business Unit:
Residential housing loans + other consumer loans

Trend of average loan balance (Domestic account)



Loan and deposit rates and spread (Domestic account)

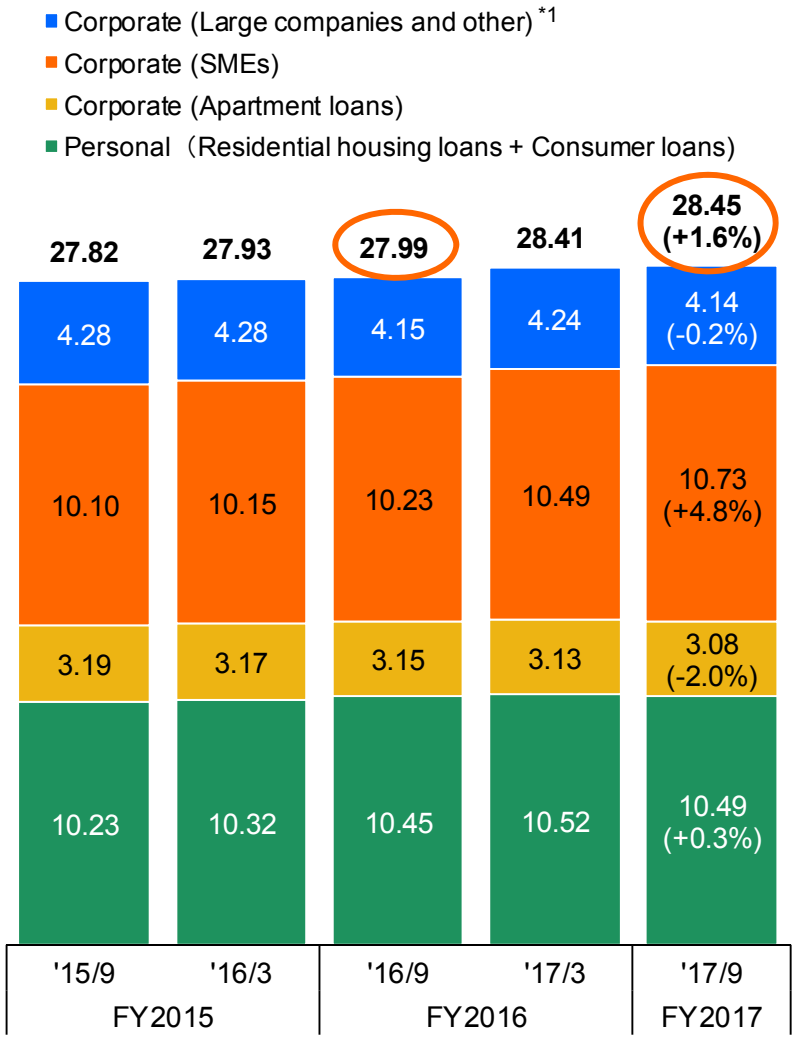


Term-end Balance of Loans and Deposits

Total of Group Banks

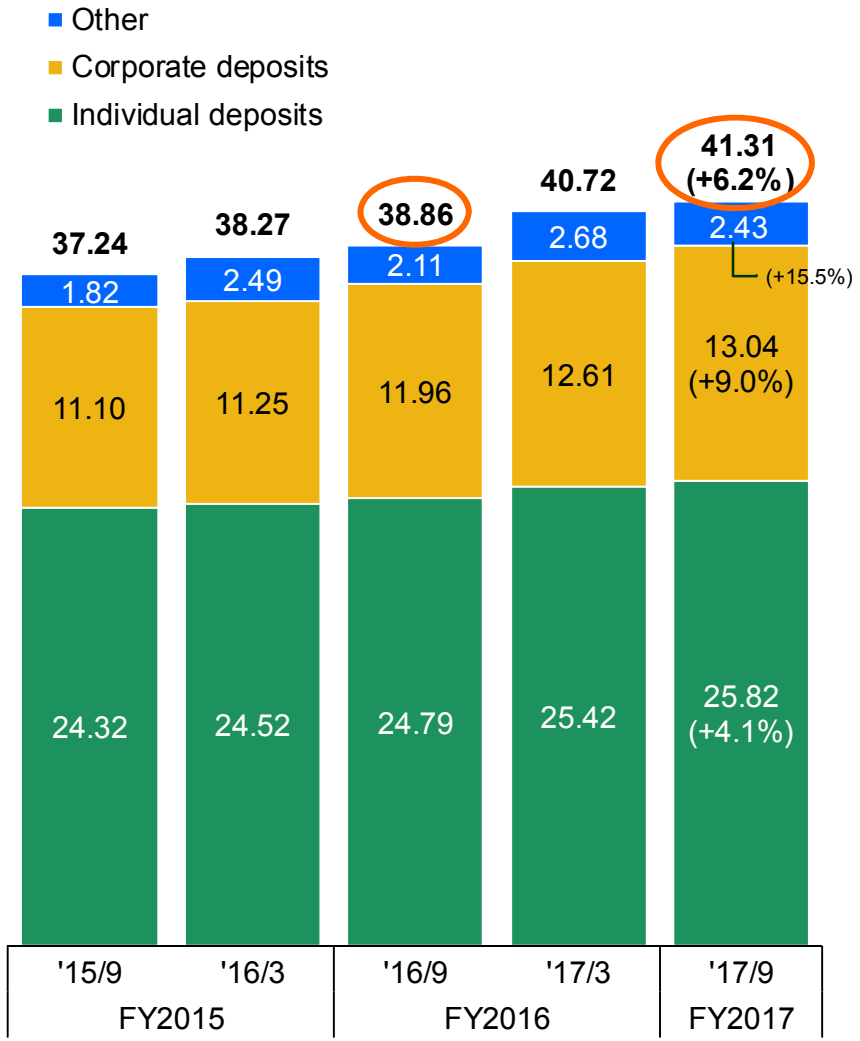
Term-end loan balance

JPY tn, % represents YoY change



Term-end deposit balance

JPY tn, % represents YoY change



*1. Include the loan extended to RHD from RB (JPY0.30 tn as of '15/9 ~ '16/9, JPY0.26 tn as of '17/3, JPY0.25 tn as of '17/9)

Trend of Residential Housing Loan and Apartment Loan

Total of Group Banks

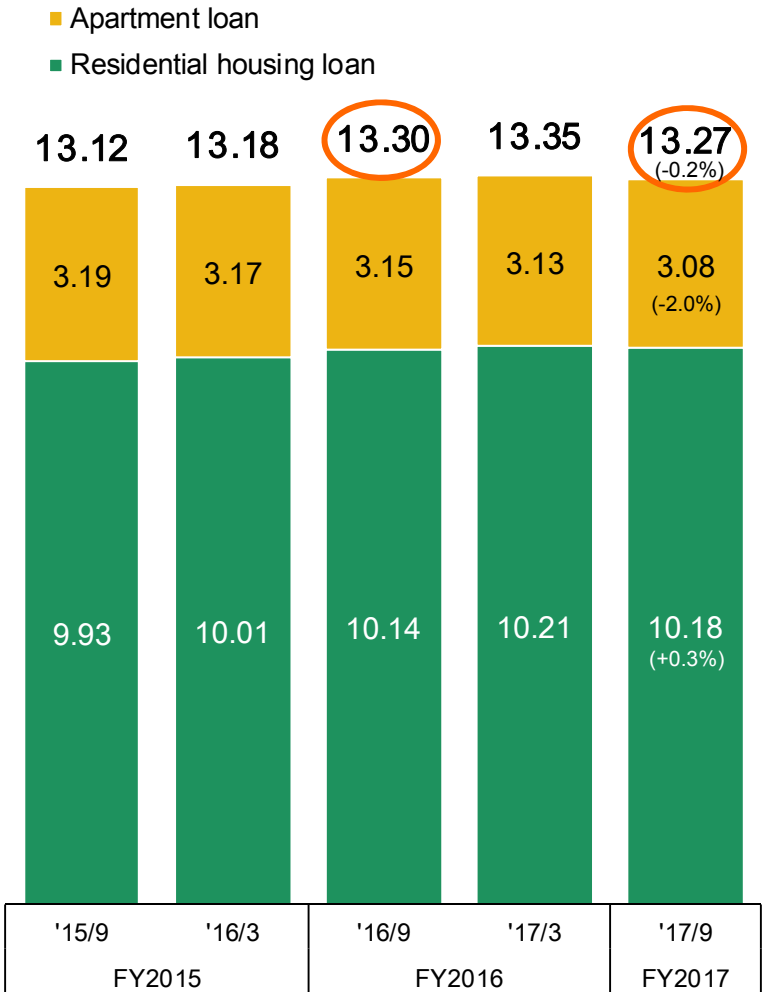
New loan origination

(JPY tn)



Term-end loan balance

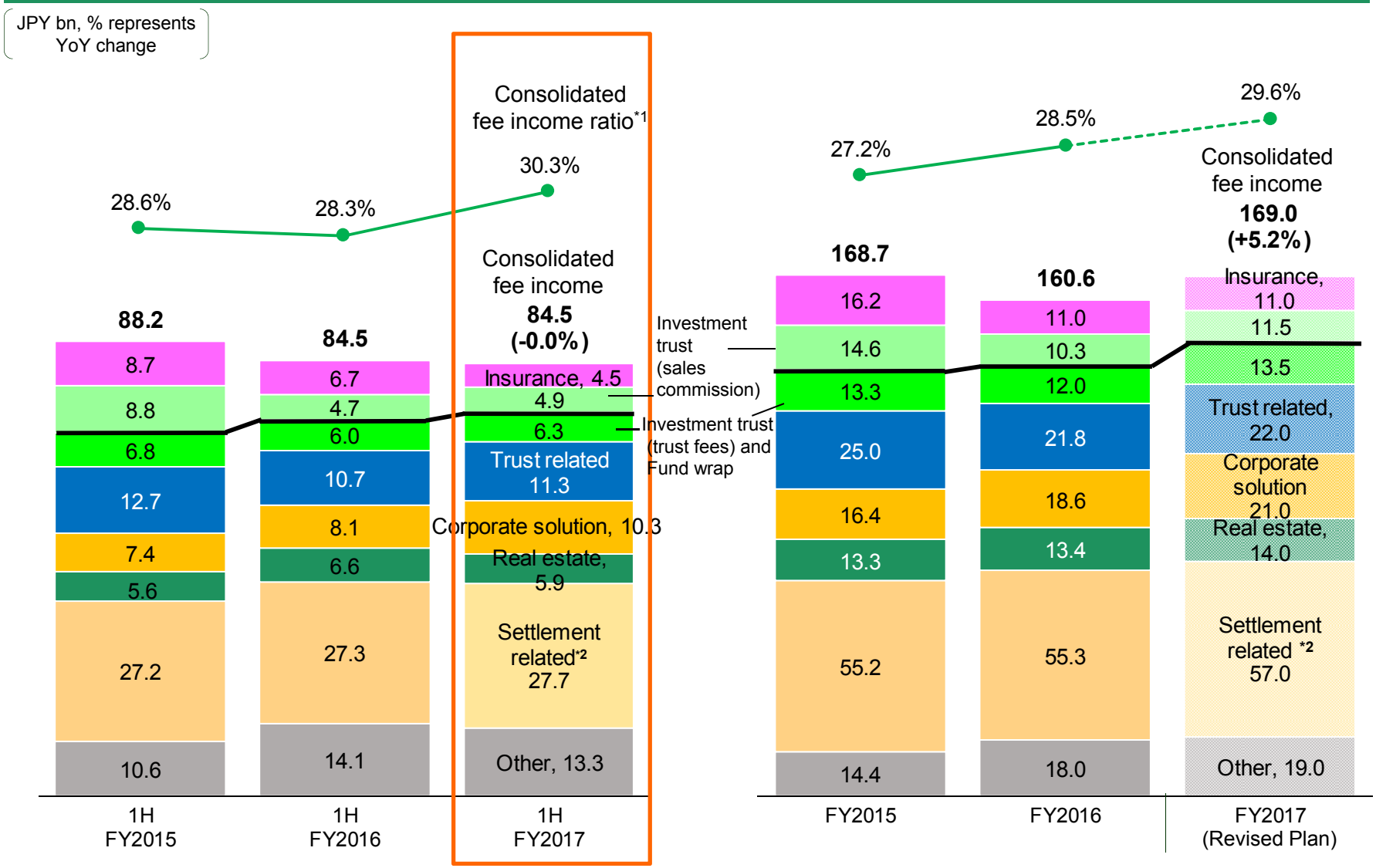
JPY tn, % represents YoY change



Trend of Fee Income

RHD Consolidated

Consolidated fee income ratio at 30.3% for 1H of FY2017

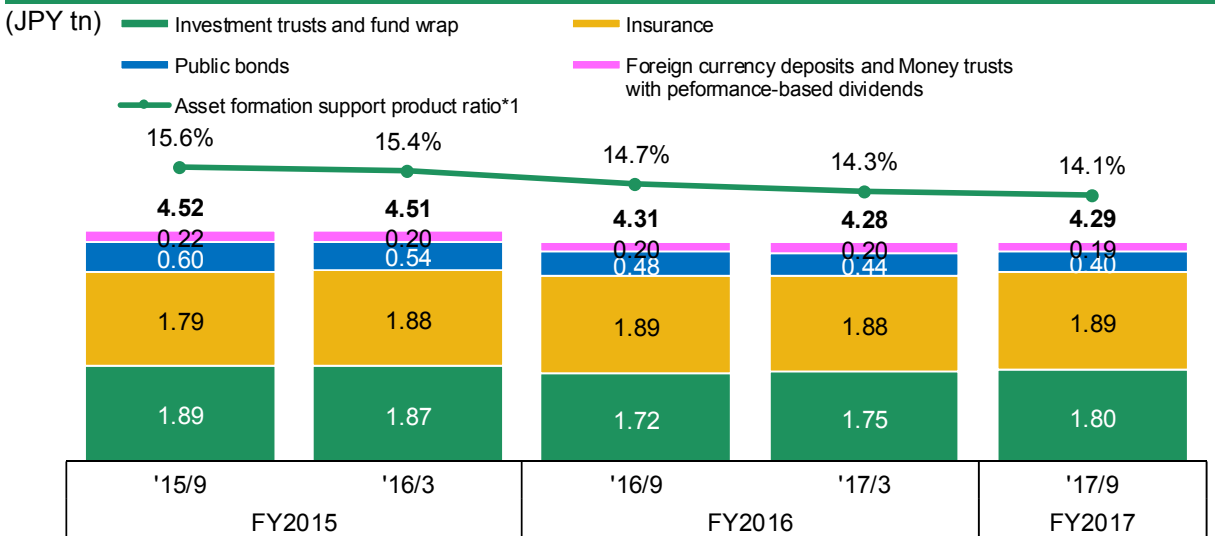


*1. (Fees and commission income + trust fees)/Consolidated gross operating profit
*2. Fees and commission from domestic exchange, credit transfer, EB, Visa debit and fee income from Resona Kessai Service and Resona Card

Asset Formation Support Business

Total of Group Banks

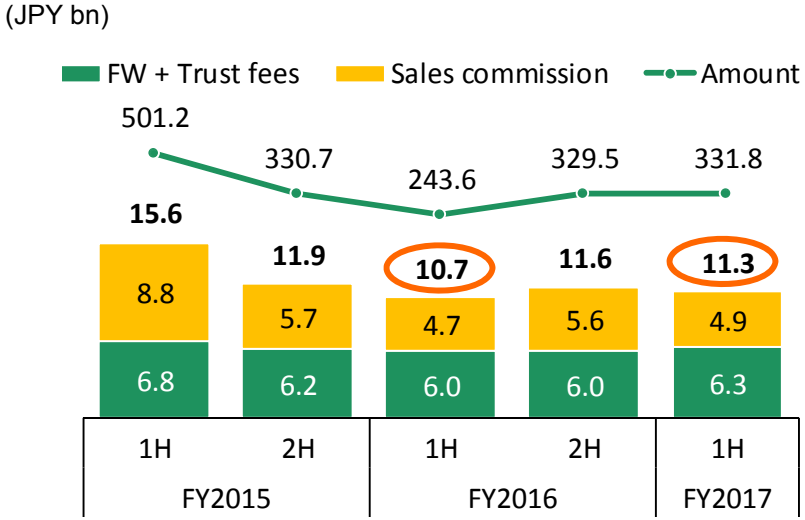
Balance of asset formation support products sold to individuals



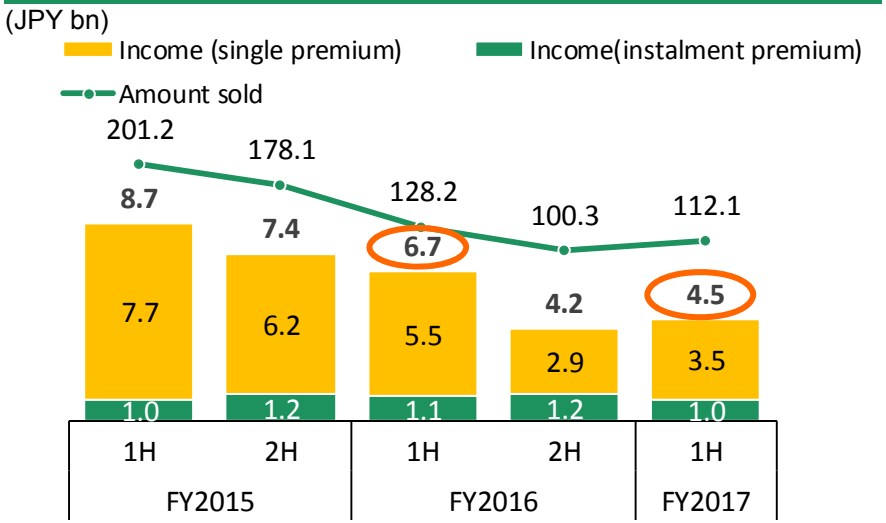
- Balance of asset formation support products increased from '17/3
  - Balance of fund wrap (including corporation) : '17/9 Approx. 150.0 bn
  - Net inflow of funds of investment trust and fund wrap (New purchase – withdrawal and redemption) : 1H FY2017 Approx. +26.0 bn

- Number of individual customers having investment trust, fund wrap and insurance products 0.64 million as of '17/9
  - NISA holders 0.20 million

Investment trust and fund wrap



Insurance

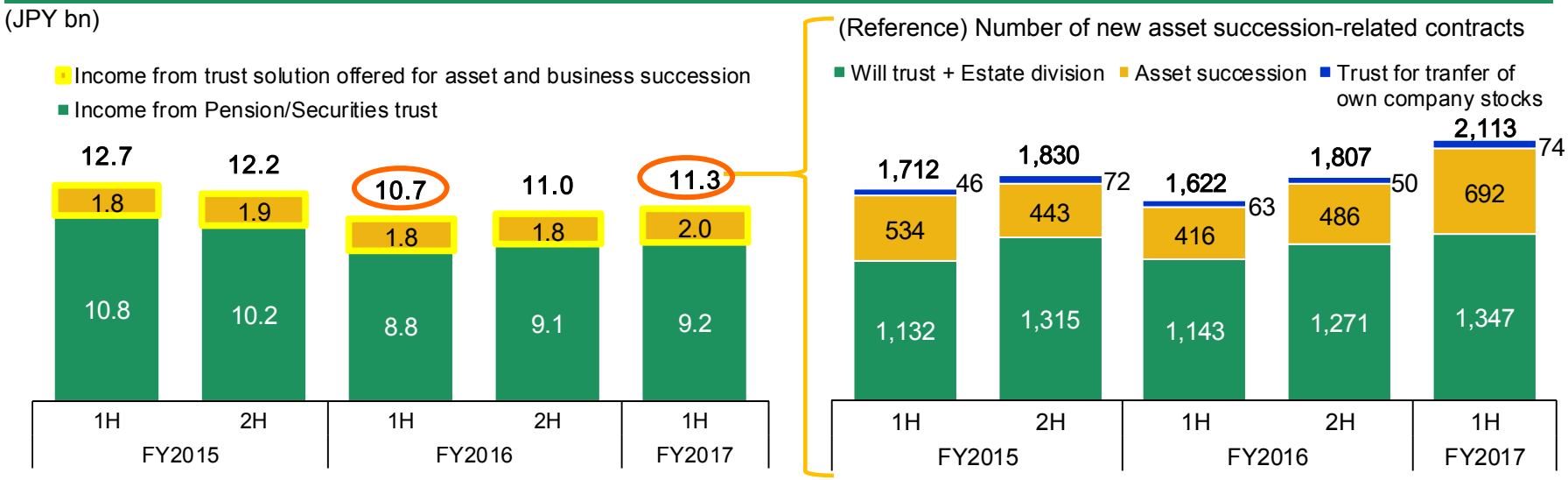


*1. Asset formation support product ratio = balance of asset formation support products sold to individuals / (balance of asset formation support products sold to individuals and yen deposits held by individuals)
*2. Reported figures are compiled for a business administration purpose.

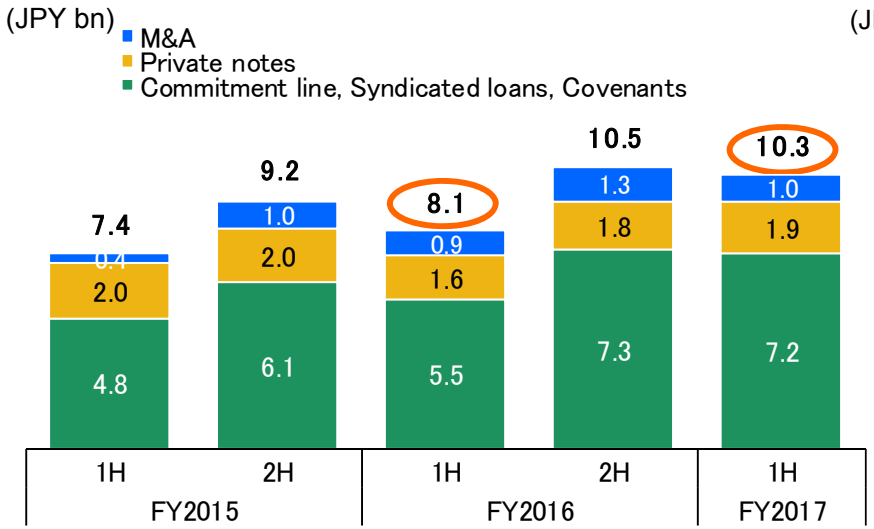
Major Fee Businesses

Total of Group Banks

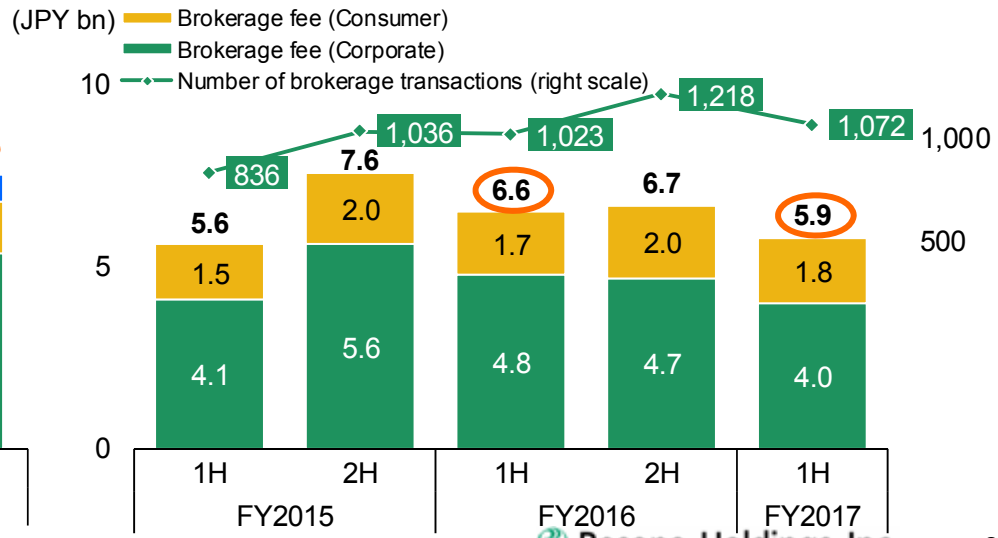
Trust-related business



Corporate solutions business



Real estate business*1



*1. Excluding gains from investments in real estate funds

Credit Costs and NPL

RHD Consolidated
Total of Group Banks

Trend of credit costs

(JPY bn)		FY 2015 Act	FY 2016 1H Act	FY 2016 Act	FY 2017 1H Act	FY 2017 Revised Plan
Net credit cost (RHD consolidated)	(1)	(25.8)	10.5	17.4	7.5	(3.0)
Net credit cost (Total of group banks)	(2)	(23.4)	8.6	18.2	9.0	0.5
General reserve	(3)	(0.0)	6.0	9.8	2.4	
Specific reserve and other items	(4)	(23.4)	2.6	8.4	6.5	
New bankruptcy, downward migration	(5)	(43.9)	(9.4)	(19.9)	(9.2)	
Collection/ upward migration	(6)	20.4	12.0	28.3	15.8	
Difference (1) - (2)	(7)	(2.3)	1.9	(0.7)	(1.4)	(3.5)
HL guarantee subsidiaries	(8)	2.6	0.7	2.0	(0.2)	
Resona Card	(9)	(1.8)	(1.1)	(2.1)	(1.4)	

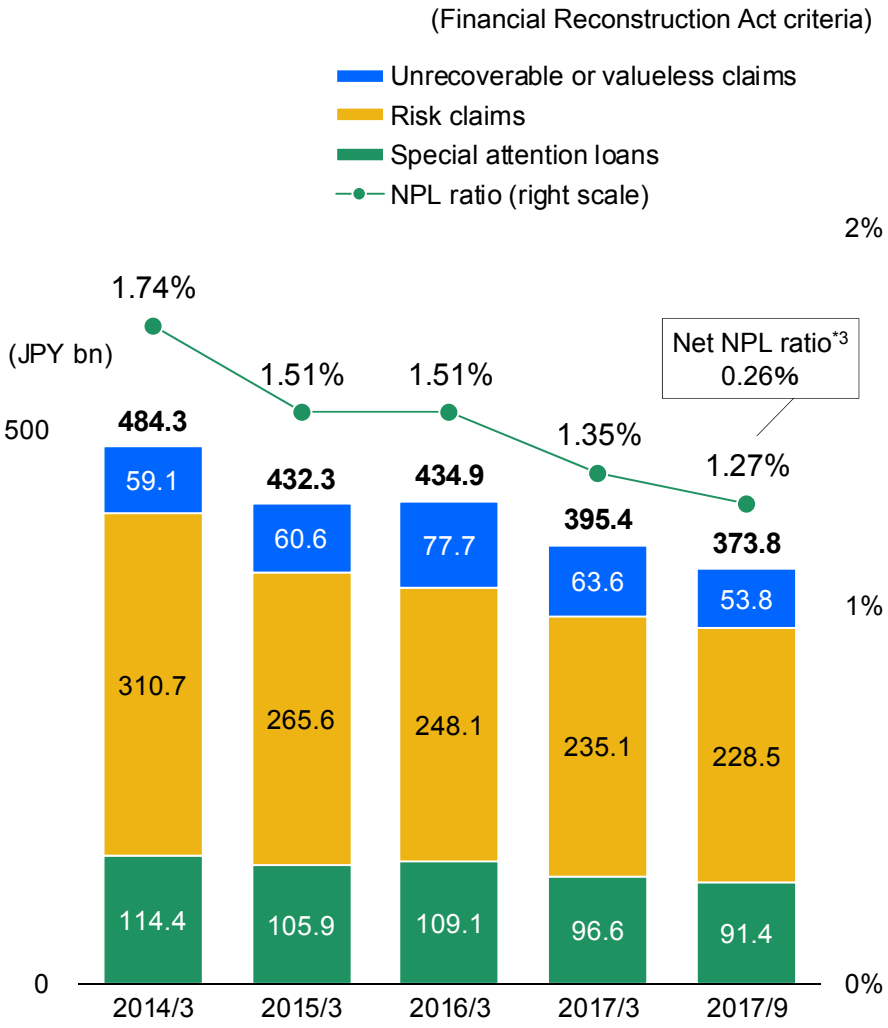
<Credit cost ratio> (bps)

RHD consolidated*1	(10)	(9.2)	7.5	6.1	5.2
Total of group banks*2	(11)	(8.2)	6.0	6.3	6.1

(Note) Positive figures represent reversal gains

*1. Credit cost / (Loans and bills discounted + acceptances and guarantees) (Simple average of the balances at the beginning and end of the term)
*2. Credit cost / total credits defined under the Financial Reconstruction Act (Simple average of the balances at the beginning and end of the term)
*3. Net of collateral, guarantees and loan loss reserves

Trend of NPL balance and ratio (Total of Group Banks)



Securities Portfolio

Total of Group Banks

Securities Portfolio

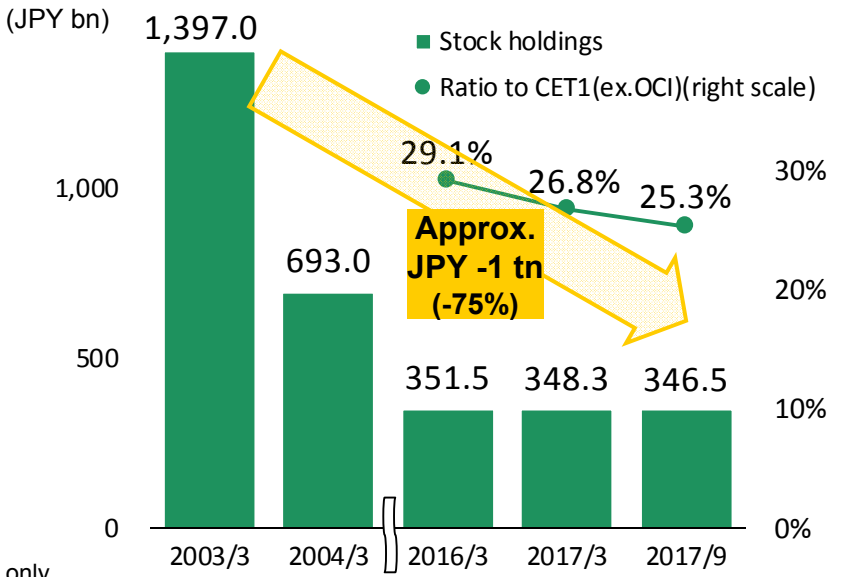
(JPY bn)		2016/3	2017/3	2017/9	Unrealized gain/(loss)
Available-for-sale securities *1	(1)	2,459.7	2,403.3	2,289.6	603.3
Stocks	(2)	351.5	348.3	346.5	608.9
Bonds	(3)	1,681.9	1,431.8	1,248.1	(2.8)
JGBs	(4)	760.2	544.1	293.2	(4.3)
Average duration (years)	(5)	3.1	7.0	10.8	-
Basis point value (BPV)	(6)	(0.24)	(0.38)	(0.31)	-
Local government bonds and corporate bonds	(7)	921.6	887.6	954.8	1.4
Other	(8)	426.3	623.1	694.9	(2.7)
Foreign securities	(9)	239.2	258.0	374.4	(8.1)
Average duration (years)	(10)	7.5	9.2	9.2	-
Basis point value (BPV)	(11)	(0.16)	(0.22)	(0.33)	-
Net unrealized gain	(12)	460.1	555.4	603.3	

Bonds held to maturity *2	(13)	2,383.5	2,277.7	2,176.1	57.6
JGBs	(14)	1,879.8	1,771.1	1,683.6	46.0
Net unrealized gain	(15)	93.6	67.4	57.6	

*1. Acquisition cost basis. The presented figures include marketable securities only
*2. Balance sheet amount basis. The presented figures include marketable securities only
*3. Excluding OCI (other comprehensive income)

Status of policy-oriented stocks held

- **Breakeven Nikkei average: Approx. 5,900 yen**
- **Decrease in listed stocks in 1H of FY2017 (acquisition cost) : JPY 1.8 bn,**
  Net gain on sale: JPY 2.5 bn
- **Policy for holding policy-oriented stocks**[*1]
  - After the injection of public funds, Resona reduced the balance of stockholdings in order to minimize the price fluctuation risk.
  - Resona will continue to determine whether or not to hold policy-oriented stocks after examining risks and returns, including the realizability of medium- and long-term business prospects, and aims to reduce the balance to a range between 10% and 20% of the CET1 capital[*3] in the medium term.
    - Plan to reduce JPY35.0 bn in 5 years from FY2016



Capital Adequacy Ratio

RHD Consolidated

■ CAR (Domestic std.) and CET1 ratio* (International std.) as of Sep. 30, 2017 were 11.59% and 9.26%, respectively, maintaining sound capital adequacy level

* Excluding unrealized gain on available-for-sale securities

Domestic Standard

(JPY bn)		2017/3	2017/9	Change
Capital adequacy ratio	(1)	**11.69%**	**11.59%**	**(0.10)%**
Total capital	(2)	1,746.8	1,686.0	(60.8)
Core Capital: instruments and reserves	(3)	1,775.9	1,715.1	(60.8)
Stockholders' equity	(4)	1,361.5	1,426.0	+64.5
Non-cumulative perpetual preferred stock subject to transitional arrangement	(5)	100.0	100.0	-
Subordinated loans and bonds subject to transitional arrangement	(6)	281.9	150.9	(131.0)
Core Capital: regulatory adjustments	(7)	29.1	29.0	(0.0)
Risk weighted assets	(8)	14,930.8	14,542.9	(387.8)
Credit risk weighted assets	(9)	13,342.7	12,871.3	(471.3)
Amount equivalent to market risk / 8%	(10)	83.1	76.5	(6.5)
Amount equivalent to operational risk / 8%	(11)	1,049.7	984.6	(65.1)
Credit risk weighted assets adjustments	(12)	455.1	610.3	+155.2

■ Major factors for the change in total capital

- Net income attributable to owners of the parent +94.0 bn
- Dividends (25.0) bn
- Acquisition of treasury stock (establishment of ESOP) (4.5) bn
- Redemption of subordinated loans and bonds and other (131.0) bn

(Reference) International Standard

(JPY bn)		2017/3	2017/9	Change
Common Equity Tier 1capital ratio	(13)	**10.74%**	**11.65%**	**+0.91%**
Excluding net unrealized gains on available-for-sale securities	(14)	8.59%	9.26%	+0.67%
Tier 1 capital ratio	(15)	**11.40%**	**12.32%**	**+0.92%**
Total capital ratio	(16)	**13.81%**	**13.96%**	**+0.15%**
Common Equity Tier 1 capital	(17)	1,653.8	1,749.6	+95.8
Instruments and reserves	(18)	1,721.4	1,813.9	+92.5
Stockholders' equity	(19)	1,361.5	1,426.0	+64.5
Net unrealized gains on available-for-sale securities	(20)	331.8	358.5	+26.7
Regulatory adjustments	(21)	67.6	64.3	(3.2)
Other Tier 1 capital	(22)	101.2	100.9	(0.2)
Tier1 capital	(23)	1,755.0	1,850.6	+95.5
Tier2 capital	(24)	369.8	245.7	(124.1)
Total capital（Tier1+Tier2）	(25)	2,124.9	2,096.3	(28.5)
Risk weighted assets	(26)	15,386.1	15,015.6	(370.4)
Credit risk weighted assets	(27)	14,036.9	13,607.2	(429.7)
Amount equivalent to market risk / 8%	(28)	83.1	76.5	(6.5)
Amount equivalent to operational risk / 8%	(29)	1,049.7	984.6	(65.1)
Credit risk weighted assets adjustments	(30)	216.1	347.1	+131.0

■ (Reference) Group Banks

Domestic standard (JPY bn)		Resona (Consolidated)	Saitama Resona (Non-consolidated)	Kinki Osaka (Consolidated)
Capital adequacy ratio	(31)	**10.97%**	**12.16%**	**11.88%**
Total capital	(32)	1,150.5	339.0	156.7
Risk weighted assets	(33)	10,482.0	2,786.5	1,318.5

Earnings Targets for FY2017 (Released in November 2017)

RHD Consolidated Total of Group Banks

RHD Consolidated

(JPY bn)		1H FY'17 (Actual)	Revised full-year target	Change from original target	YoY change
Net (interim) income attributable to owners of the parent	(1)	94.0	165.0	+15.0	+3.6
Difference (1)-(11)+(12)	(2)	7.0	15.5	(3.5)	(2.4)

Common DPS

		DPS	Change from original forecast	Change from previous year
Common stock (annual)	(3)	20.0 yen	No Change	+1.0 yen
Interim dividend	(4)	10.0 yen	No Change	+0.5 yen

- Revised full-year earnings target shown above does not incorporate the expected reduction in corporate tax burden (of approximately JPY70 bn) mentioned in the previous announcement dated Sep. 26, 2017, which will materialize when the share exchanges relating to the management integration among the 3 regional banks in the Kansai region are implemented.

Total of group banks / each group bank (non-consolidated)

(JPY bn)		Total of group banks					Resona Bank				Saitama Resona Bank				Kinki Osaka Bank			
		1H FY'17 Acrual	effect of realignment *1	Full year target	Change from original target	YoY change	1H FY'17 Acrual	Full year target	Change from original target	YoY change	1H FY'17 Acrual	Full year target	Change from original target	YoY change	1H FY'17 Acrual	Full year target	Change from original target	YoY change
Gross operating profit	(5)	261.2	4.9	524.0	+2.5	+6.3	173.7	357.0	(0.5)	+4.8	62.0	120.0	–	(2.1)	25.4	47.0	+3.0	+3.7
Operating expenses	(6)	(160.9)	–	(325.5)	–	+1.2	(105.5)	(214.5)	–	(0.3)	(37.0)	(74.0)	–	+0.8	(18.3)	(37.0)	–	+0.6
Actual net operating profit	(7)	100.2	4.9	198.5	+2.5	+7.6	68.2	142.5	(0.5)	+4.6	25.0	46.0	–	(1.2)	7.0	10.0	+3.0	+4.3
Net gains on stocks (including equity derivatives)	(8)	57.2	52.9	64.0	+53.0	+60.8	43.2	48.0	+38.0	+48.3	12.8	14.0	+13.5	+11.4	1.1	2.0	+1.5	+1.1
Credit related expenses	(9)	9.0	–	0.5	+11.5	(17.7)	6.1	2.0	+9.0	(12.7)	2.1	(1.5)	+1.0	(2.3)	0.7	–	+1.5	(2.6)
Income before income taxes	(10)	160.5	57.9	249.5	+65.0	+47.8	112.7	185.0	+45.0	+42.5	39.0	54.5	+13.5	+5.0	8.7	10.0	+6.0	+0.3
Net (interim) income	(11)	144.9	72.0	207.5	+76.5	+64.0	106.1	157.5	+57.5	+56.2	31.3	41.5	+13.5	+6.8	7.5	8.5	+5.5	+1.0
Profit from intra-group transactions*1 canceled out in a consolidation process	(12)	57.9	–	57.9	–	–												

*1. Realignment of loan guarantee subsidiaries

Direction of Capital Management

Continue allocation policy of equal weight to 1) investment for future growth, 2) higher capital adequacy, and 3) enlargement of shareholder return

- **Impact of KMFG establishment on capital adequacy ratio is recoverable soon and no change to the equal weight allocation policy**

CAR target

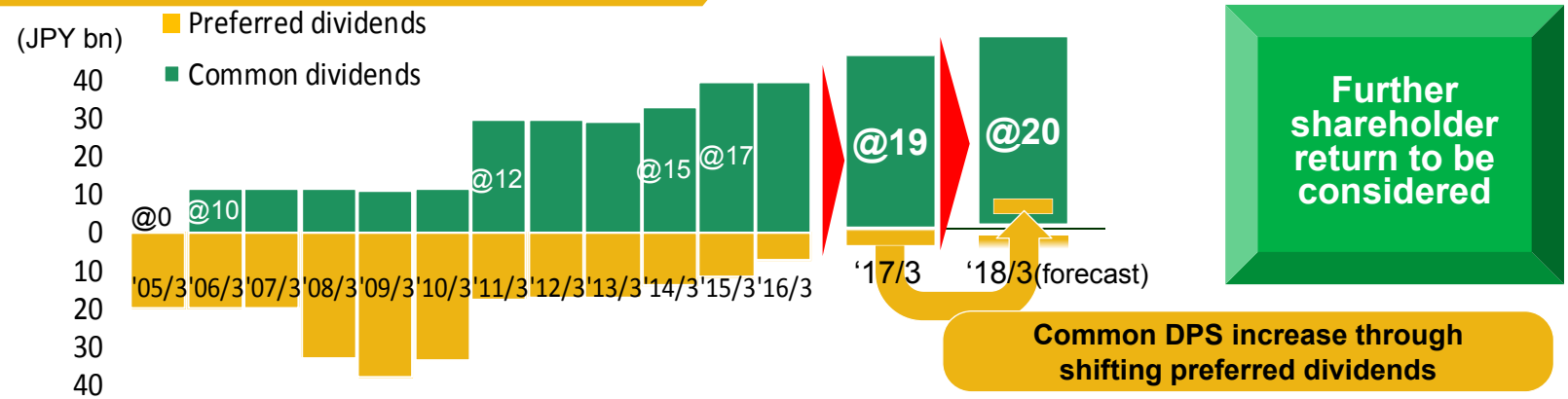
- **Secure sufficient capital adequacy under the Japanese Domestic Std.**
- **Aim to achieve around 9% CET1 ratio[*1,2] under the International Std.(Mar. 2020)**
  - Cope with the revisions of Basel rules (SA and capital floor) utilizing the time horizon till such rules are to be fully implemented

ROE target

- **Maintain ROE[*1,3] above 10%**
  : FY2017 11.67%

Shareholder return policy

- **Common DPS planned for FY2017: 20 yen per year, +1 yen YoY (of which, interim 10 yen, +0.5 yen YoY)**
  - **Intend to repurchase and cancel Class 5 PS (total issue amount JPY100 bn) in FY2017, subject to a regulatory approval**
- **Consider further enlargement of shareholder return while keeping the level of common DPS after the above increase as "stable" dividends**



Further shareholder return to be considered

Common DPS increase through shifting preferred dividends

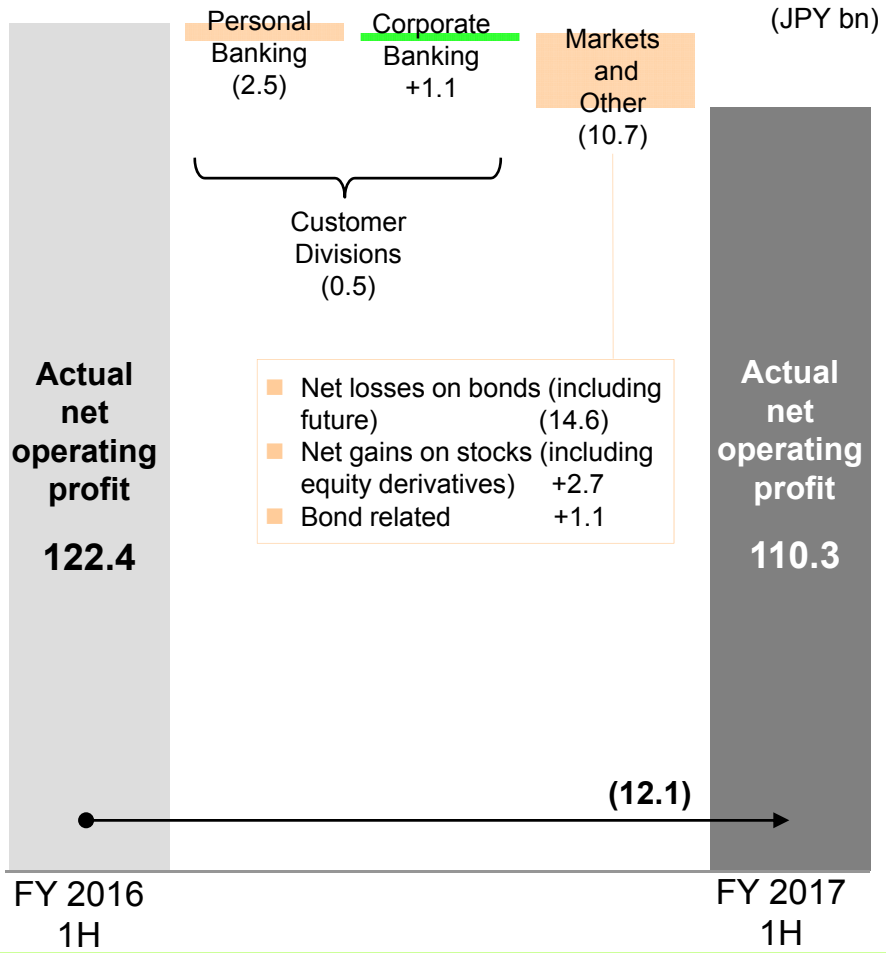
*1. Reflect the impacts of integrating regional banks in the Kansai region
*2. Exclude unrealized gain on available-for-sale securities, net of tax effect
*3. (Net income – preferred dividends) / (Total shareholders equity – balance of outstanding preferred shares)

(Reference) Outline of Financial Results of each Segment (1)

RHD Consolidated

Actual net operating profit decreased by JPY12.1 bn YoY due to profit decrease in market segment

(JPY bn)			FY2017 1H	YoY Change
Customer Divisions	Gross operating profit	(1)	245.3	(3.9)
	Operating expense	(2)	(165.2)	+2.6
	Actual net operating profit	(3)	80.3	(1.3)
Personal Banking	Gross operating profit	(4)	113.0	(5.2)
	Operating expense	(5)	(86.4)	+2.7
	Actual net operating profit	(6)	26.5	(2.5)
Corporate Banking	Gross operating profit	(7)	132.3	+1.3
	Operating expense	(8)	(78.7)	(0.1)
	Actual net operating profit	(9)	53.7	+1.1
Markets and Other	Gross operating profit	(10)	34.4	(10.9)
	Operating expense	(11)	(5.1)	(0.6)
	Actual net operating profit	(12)	29.9	(10.7)
Total	Gross operating profit	(13)	279.8	(14.8)
	Operating expense	(14)	(170.3)	+1.9
	Actual net operating profit	(15)	110.3	(12.1)



Definition of management accounting

1. Numbers reported above refer to 3 Resona Group banks and consolidated subsidiaries.
2. Gross operating profit of “Markets” segment includes a part of net gains/losses on stocks.
3. “Other” segment refers to the divisions in charge of management and business administration.

(Reference) Outline of Financial Results of each Segment (2)

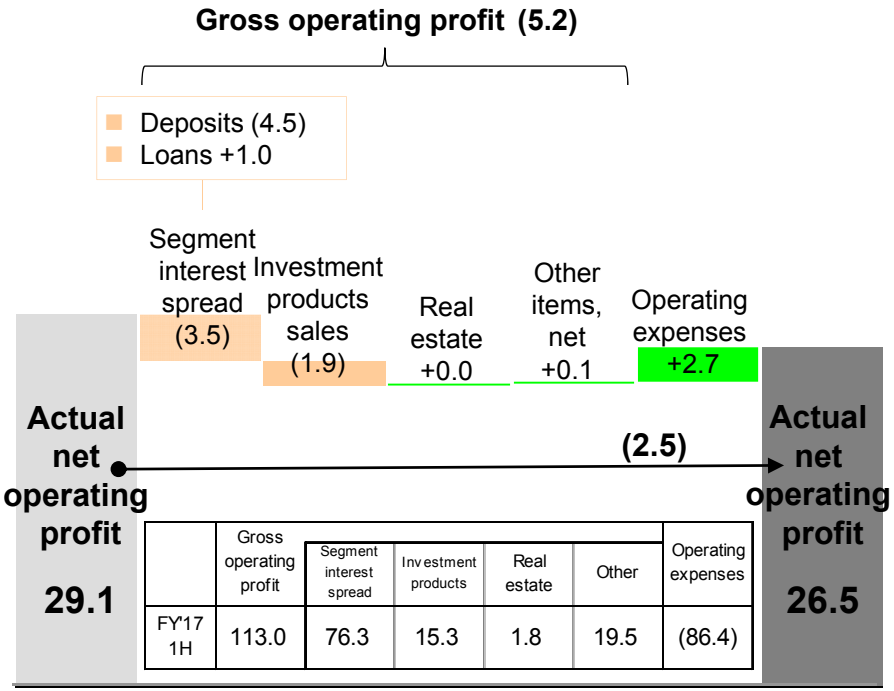
RHD Consolidated

Personal Banking Segment

- **Actual net operating profit : decreased by JPY2.5 bn YoY**
  - Decreased mainly due to decline in profit from deposits and operating expenses improved.

【 Comparison of actual net operating profit 】

(JPY bn)



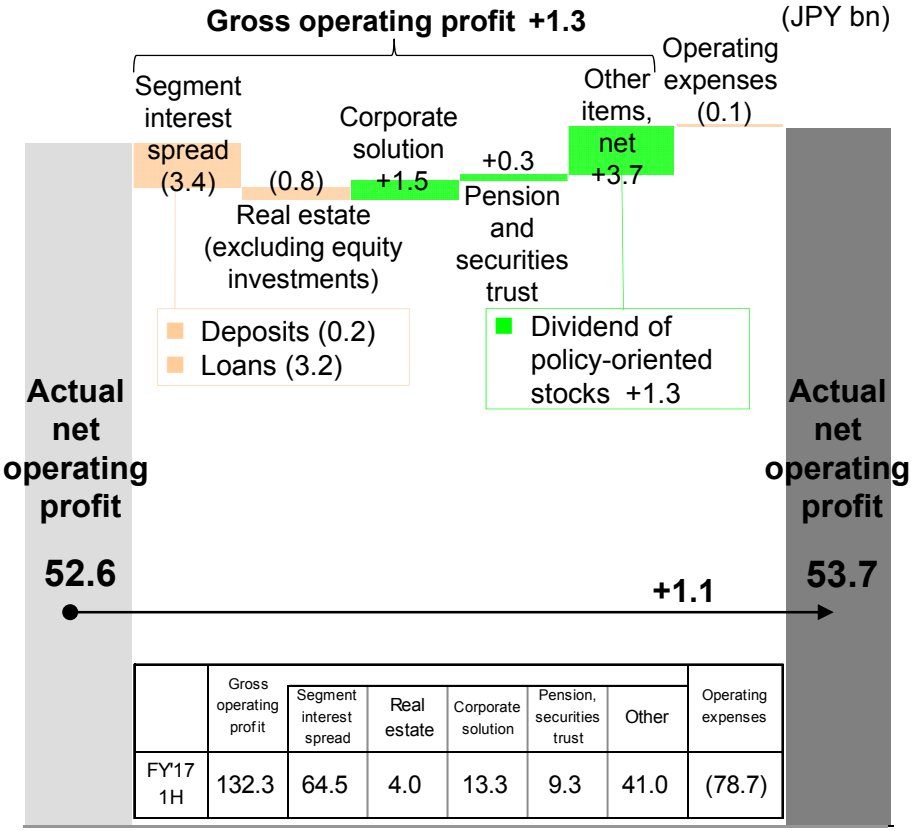
	Gross operating profit	Segment interest spread	Investment products	Real estate	Other	Operating expenses
FY'17 1H	113.0	76.3	15.3	1.8	19.5	(86.4)

Corporate Banking Segment

- **Actual net operating profit : increased by JPY1.1 bn YoY**
  - Corporate solution and trust related fees are robust.

【 Comparison of actual net operating profit 】

(JPY bn)



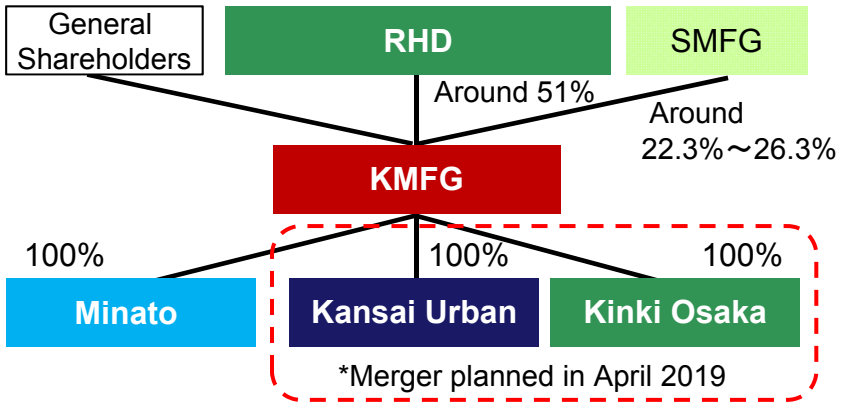
	Gross operating profit	Segment interest spread	Real estate	Corporate solution	Pension, securities trust	Other	Operating expenses
FY'17 1H	132.3	64.5	4.0	13.3	9.3	41.0	(78.7)

(Reference) Creation of Kansai Mirai Financial Group

Management principles

As a financial group which will advance together with the future of the Kansai region,
Grow with its customers,
Create a prosperous future for communities it serves,
Make innovative changes for continuous evolution

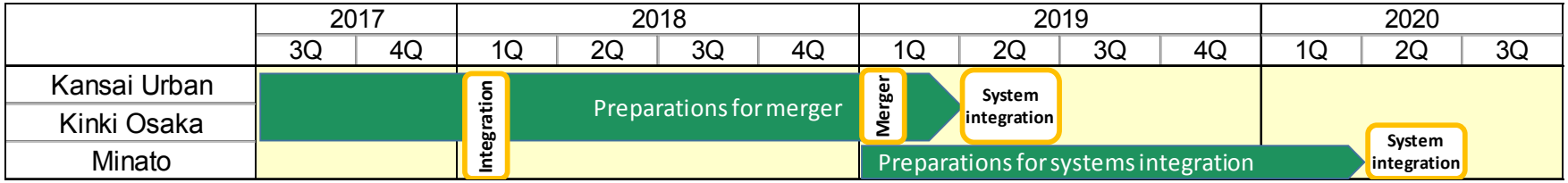
Overview (April 2018, at the time of integration)	
Head office address	2-1 Bingomachi 2-chome, Chuo-ku, Osaka
Representative	Tetsuya Kan
Governance structure	Company with audit and supervisory committee
Major shareholder and ownership ratio	Resona Holdings 51% (100% at time of establishment)
Share listing	First Section of Tokyo Stock Exchange



Policy Development from April 2018

Eliminating risks as much as possible, implement the systems integration with a sense of overwhelming speed

- Kansai Urban and Kinki Osaka to merge one year after integration, and to be integrated into the Resona Group's administrative functions and systems six months thereafter. In another year, Minato's system integration is planned.



- Targeting early realization of multifaceted integration synergies through maximum utilization of Group functions, expertise and other resources
  - Utilization of trust and real estate functions, etc.; streamlining of headquarters organizations and channel realignment; more advanced capital management systems; etc.

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

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

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

Link Together Shape Future Next Action RESONA GROUP

