Financial Highlights for the First Quarter of Fiscal Year 2024

Resona Holdings

July 31, 2024

Outline of Financial Results for the 1Q of FY2024

- **Net income attributable to owners of parent : JPY55.3 bn**
  - Up JPY19.9 bn, or 56.4%, YoY
  - Progress rate against the full year target[*1] : 33.5%
- **Core net operating profit[*2] : JPY65.5 bn,** Up JPY9.6 bn, or 17.3%, YoY
  - **Core income[*3] : JPY43.9 bn,** Up JPY3.8 bn, or 9.6%, YoY
    Progress rate against the full year target[*4] : 27.4%
  - **Gross operating profit : JPY174.9 bn,** Up JPY20.1 bn, or 13.0%, YoY
    - Net interest income from domestic loans and deposits[*5] : Up JPY2.9 bn, YoY
      Average loan balance : +3.66%, YoY, Loan rate : up by 2bps, YoY
      [Excluding loans to the Japanese government and others]
      Average loan balance : +4.85%, YoY, Loan rate : up by 1bps, YoY
      Progress in both loan balance and loan rate exceeds the plan
    - Fee income : Up JPY6.0 bn, YoY
      Progress rate against the full year plan : 26.8%
    - Net gains on bonds (including futures) : Up JPY3.5 bn, YoY
  - **Operating expenses : JPY111.0 bn**, increased by JPY7.9 bn, YoY
    Improvement in cost income ratio
- **Credit costs : JPY0.2 bn (gain),** decreased by JPY6.8 bn, YoY
  Mainly due to a reactionary decline in general reserve in the previous fiscal year and an improvement in credit costs of overseas subsidiary
- **Acquisition and cancellation of treasury shares**
  - Completion of share buyback of 19.5 million shares (equivalent to 0.84% of the issued common shares before the cancellation) for approximately JPY20.0 bn (Jun. 11, 2024)
    ⇒ Implemented cancellation on Jul. 10, 2024

HD consolidated (JPY bn)		FY2024 1Q (a)	YoY change (b)	YoY change Rate of change (c)	Progress rate vs. Full year target[*1] (d)
Net income attributable to owners of parent	(1)	**55.3**	**+19.9**	**+56.4%**	**+33.5%**
EPS (yen)	(2)	23.83	+8.82	+58.7%	
BPS (yen)	(3)	1,176.44	+72.01	+6.5%	
Gross operating profit	(4)	174.9	+20.1	+13.0%	
Net interest income	(5)	108.9	+8.0		
NII from loans and deposits[*5]	(6)	85.2	+2.9		
Interest on yen bonds, etc.[*6]	(7)	8.9	+1.6		
Fee income	(8)	59.6	+6.0		
Fee income ratio	(9)	34.1%	(0.5)%		
Trust fees	(10)	6.3	+0.0		
Fees and commission income	(11)	53.2	+5.9		
Other operating income	(12)	6.3	+6.0		
Net gains on bonds (including futures)	(13)	(1.2)	+3.5		
Operating expenses (excluding group banks' non-recurring items)	(14)	(111.0)	(7.9)	(7.6)%	
Cost income ratio (OHR)	(15)	63.4%	(3.1)%		
Actual net operating profit	(16)	**63.9**	**+12.2**	**+23.6%**	
Core net operating profit[*2]	(17)	**65.5**	**+9.6**	**+17.3%**	
Core income[*3]	(18)	**43.9**	**+3.8**	**+9.6%**	
Net gains on stocks (including equity derivatives)	(19)	13.8	+10.2		
Credit costs	(20)	0.2	+6.8		
Other gains, net	(21)	(1.6)	+0.1		
Net income before income taxes and non-controlling interests	(22)	**76.3**	**+29.4**	**+62.7%**	
Income taxes and other	(23)	(20.4)	(8.7)		
Net income attributable to non-controlling interests	(24)	(0.5)	(0.7)		

*1. Full year target of FY2024: JPY165.0 bn *2. Core net operating profit excluding gains on cancellation of investment trusts (Actual net operating profit - Net gains on bonds)
*3. Net interest income from domestic loans and deposits + Interest on yen bonds, etc. + Fee income + Operating expenses,
actual basis excluding operating expenses of Resona Leasing (JPY(1.1) bn) *4. Full year core income (actual basis) target of FY2024: JPY160.0 bn
*5. Total of non-consolidated domestic banking accounts of group banks, deposits include NCDs
*6. Interest on yen bonds and income from interest rate swaps

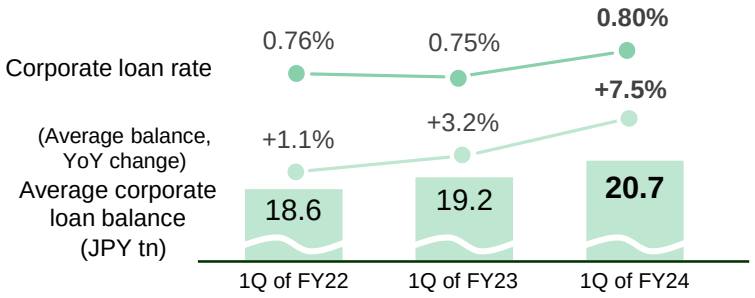
Review of Financial Results for the 1Q of FY2024

Net income attributable to owners of parent :
Up 56.4%, YoY, progress rate against the full year target : 33.5% (1Q of FY23 : 23.6%)

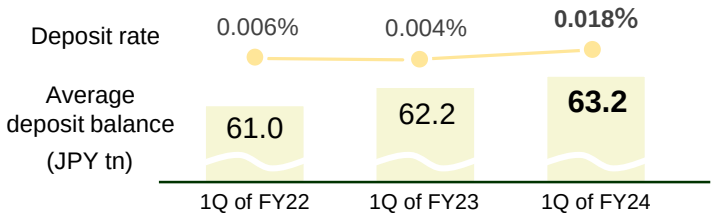
- **Gross operating profit : Up JPY20.1 bn, or 13.0%, Core net operating profit[*1] : Up JPY9.6 bn, or 17.3%**
- **Net gain on sale of policy-oriented stock holdings (Up JPY9.5 bn, YoY) and credit costs (Improvement in JPY6.8 bn, YoY) also contributed to the increase in net income**

Two businesses of net interest income and fee income in the deflation recovery environment

- **Net interest income from domestic loans and deposits : Up JPY2.9 bn, YoY**
  - Corporate loans are driving in both volume and rates

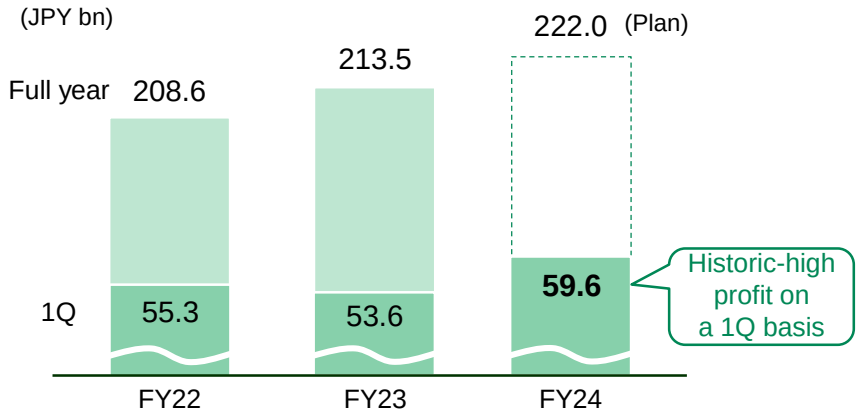


  - Average deposit balance[*2] : JPY63.2 tn, +1.6%, YoY
    - Number of Banking App DL[*3]: 9.82 mil, +21.2%, YoY



- **Interest on yen bonds, etc. : Up JPY1.6 bn, YoY maintain upward momentum**
- **Interest on due from BOJ：Up JPY1.2 bn, YoY**

- **Fee income : Up JPY6.0 bn, or 11.2%, YoY**
  Progress rate against the full year target : 26.8%
  - Increased driven by growth in succession related (up JPY1.7 bn, or 52.1%, YoY), AUM (up JPY1.5 bn, or 12.9%, YoY) and corporate solution (up JPY0.9 bn, or 24.2%, YoY)



- **Operating expenses : Expand strategic investment aimed at growth in top-line income**
  - While expanding investment in human resources and IT, cost income ratio has improved.

    (1Q of FY23 : 66.6% => 1Q of FY24 : 63.4%)

*1. HD consolidated, excluding gains on cancellation of investment trusts
*2. Total of non-consolidated domestic banking accounts of group banks, deposits include NCDs *3. Including external group

Breakdown of Financial Results for the 1Q of FY2024

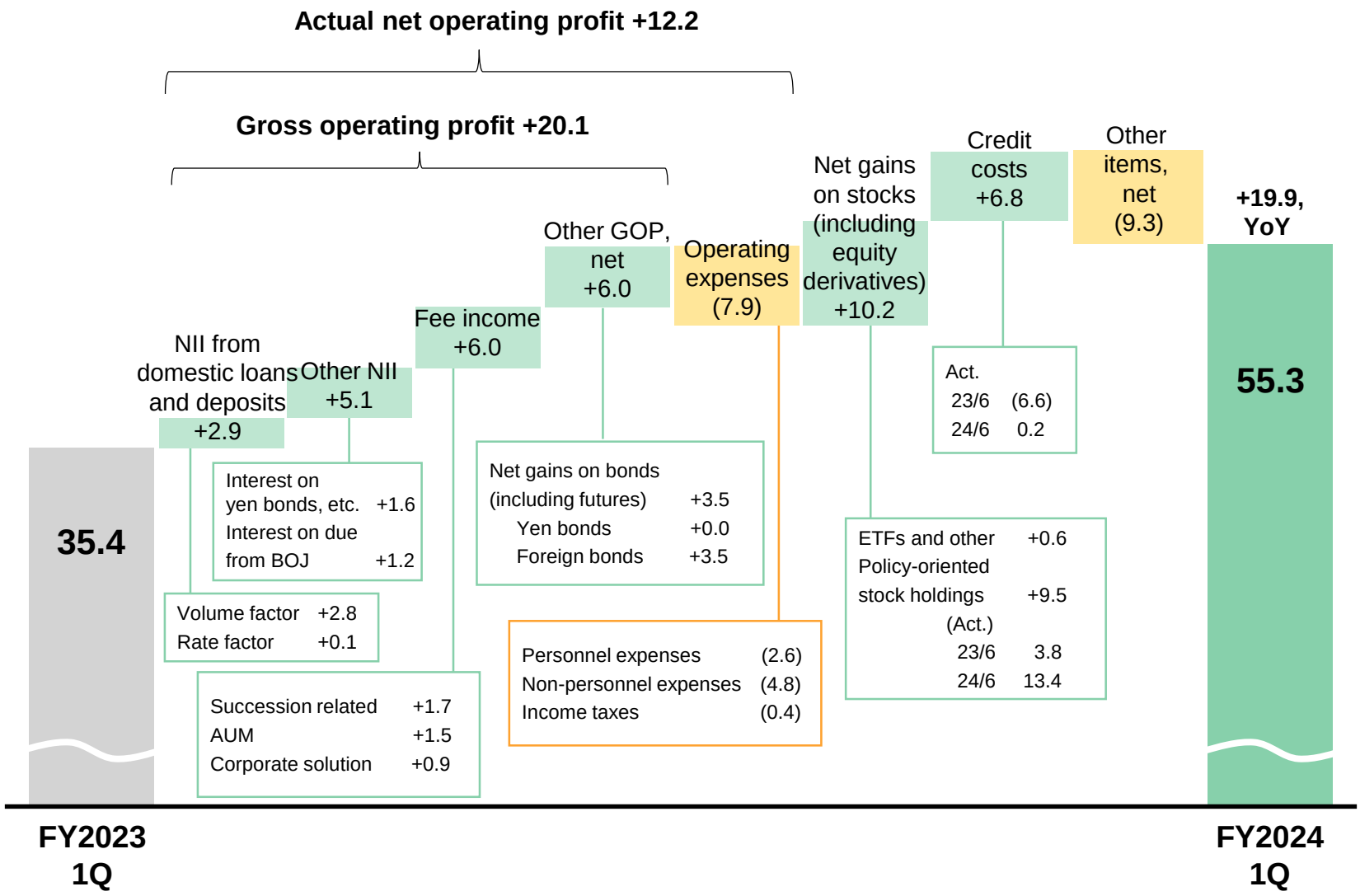
(JPY bn)		Resona Holdings (Consolidated)		Total of group banks		Resona Bank		Saitama Resona Bank		Kansai Mirai Bank		Minato Bank		Difference
		(a)	YoY (b)	(c)	YoY (d)	(e)	YoY (f)	(g)	YoY (h)	(i)	YoY (j)	(k)	YoY (l)	(a)-(c)
Gross operating profit	(1)	**174.9**	**+20.1**	**157.8**	**+16.0**	**91.0**	**+13.6**	**32.3**	**+2.6**	**22.6**	**(1.5)**	**11.8**	**+1.3**	**17.0**
Net interest income	(2)	108.9	+8.0	105.2	+5.2	56.6	+5.1	21.2	+1.2	18.9	(1.6)	8.3	+0.5	3.6
NII from domestic loans and deposits	(3)	85.2	+2.9	85.2	+2.9	45.6	+2.9	16.2	(0.0)	16.7	(0.0)	6.5	+0.2	
Interest on yen bonds, etc.	(4)	8.9	+1.6	8.9	+1.6	4.8	+0.2	2.4	+0.8	0.9	+0.3	0.6	+0.1	
Net gains on cancellation of investment trusts	(5)	0.0	(0.7)	0.0	(0.7)	(0.0)	+0.0	–	(0.0)	0.1	(0.6)	(0.0)	(0.0)	–
Fee income	(6)	59.6	+6.0	47.3	+5.4	30.8	+4.2	9.6	+0.2	3.5	+0.3	3.3	+0.5	12.3
Fee income ratio	(7)	34.1%	(0.5)%	29.9%	+0.4%	33.8%	(0.5)%	29.9%	(1.7)%	15.5%	+2.6%	27.8%	+1.6%	
Trust fees	(8)	6.3	+0.0	6.3	+0.0	6.3	+0.0	0.0	+0.0	0.0	(0.0)	–	–	(0.0)
Fees and commission income	(9)	53.2	+5.9	40.9	+5.3	24.4	+4.1	9.6	+0.2	3.5	+0.4	3.3	+0.5	12.3
Other operating income	(10)	6.3	+6.0	5.2	+5.3	3.5	+4.2	1.3	+1.1	0.1	(0.2)	0.1	+0.2	1.0
Net gains on bonds (including futures)	(11)	(1.2)	+3.5	(1.2)	+3.5	(1.8)	+2.5	0.7	+0.7	(0.0)	(0.1)	0.0	+0.4	0.0
Operating expenses (excluding group banks' non-recurring items)	(12)	(111.0)	(7.9)	(102.2)	(6.2)	(57.4)	(4.5)	(20.1)	(1.2)	*1 (16.4)	(0.4)	(8.2)	+0.0	(8.7)
Cost income ratio (OHR)	(13)	63.4%	(3.1)%	64.7%	(2.8)%	63.0%	(5.1)%	62.3%	(1.2)%	72.5%	+6.5%	69.7%	(9.0)%	
Actual net operating profit	(14)	**63.9**	**+12.2**	**55.5**	**+9.7**	**33.6**	**+9.0**	**12.1**	**+1.3**	**6.2**	**(2.0)**	**3.5**	**+1.3**	**8.4**
Core net operating profit (excluding gains on cancellation of investment trusts) *2	(15)	**65.5**	**+9.6**	**57.1**	**+7.1**	**35.2**	**+6.6**	**12.1**	**+0.7**	**6.1**	**(1.2)**	**3.5**	**+0.9**	**8.4**
Core income	(16)	*3 **43.9**	**+3.8**	**39.2**	**+3.7**	**23.9**	**+2.7**	**8.2**	**(0.2)**	**4.8**	**+0.2**	**2.3**	**+1.0**	*3 **4.7**
Net gains on stocks (including equity derivatives)	(17)	13.8	+10.2	13.9	+10.1	12.3	+10.6	0.7	(1.3)	0.4	+0.5	0.4	+0.2	(0.1)
Credit costs	(18)	0.2	+6.8	(0.4)	+5.2	(4.2)	+1.2	2.5	+1.9	1.4	+1.9	(0.1)	+0.0	0.6
Other gains, net	(19)	(1.6)	+0.1	(1.3)	+0.3	(0.5)	+1.0	(0.3)	+0.3	(0.7)	(1.0)	0.1	+0.0	(0.2)
Net income before income taxes	(20)	**76.3**	**+29.4**	**67.7**	**+25.5**	**41.1**	**+22.0**	**15.1**	**+2.3**	**7.3**	**(0.5)**	**4.0**	**+1.7**	**8.6**
Income taxes and other	(21)	(20.4)	(8.7)	(17.9)	(8.3)	(12.0)	(7.0)	(4.5)	(0.8)	(0.1)	+0.1	(1.1)	(0.5)	
Net income attributable to non-controlling interests	(22)	(0.5)	(0.7)											
Net income (attributable to owners of parent)	(23)	**55.3**	**+19.9**	**49.7**	**+17.1**	**29.1**	**+14.9**	**10.5**	**+1.4**	**7.1**	**(0.4)**	**2.8**	**+1.2**	

*1. Exclude goodwill amortization by KMB, JPY(0.1) bn, related to acquisition of former Biwako Bank
*2. Actual net operating profit - Gains on cancellation of investment trusts - Net gains on bonds
*3. Actual basis excluding operating expenses of Resona Leasing (JPY(1.1) bn)

Factors for the Changes in Net Income Attributable to Owners of Parent (YoY Comparison)

HD Consolidated

(JPY bn)



Trend of Loans and Deposits (Domestic Account)

Total of Group Banks

Average loan / deposit balance, rates and spread

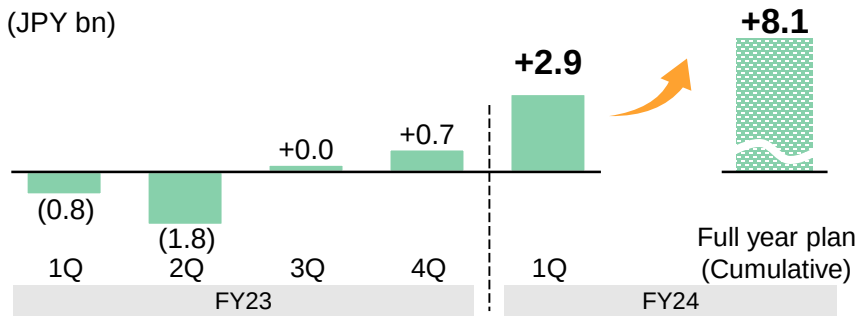
- **1Q of FY24 (YoY)**
  [Excluding loans to the Japanese gov. and others]
  Average loan balance : +4.85%, Loan rate : +1bps
  => Full year (Plan) +4.23% +0bps
- **Growth in the corporate loan balance gained greater momentum, and interest rate hiked (1Q of FY24 +5bps, YoY)**
  Avg. bal. (1Q, YoY change) : 22/6 +1.1% => 23/6 +3.2% => 24/6 +7.5%

Avg. bal. : Trillion Yen Income/Cost : Billion Yen			1Q Act. (a)	1Q YoY*3 (b)	FY2024 Plan (c)	FY2024 YoY*3 (d)
Loans	Avg. bal.	(1)	42.33	+3.66%	41.30	+0.01%
	Rate	(2)	0.83%	+0.02%	0.85%	+0.04%
	Income	(3)	88.1	5.2	351.6	+16.7
Corporate banking business unit*1	Avg. bal.	(4)	23.82	+5.96%	24.02	+5.30%
	Rate	(5)	0.83%	+0.04%	0.82%	+0.03%
Corporate Loan	Avg. bal.	(6)	20.74	+7.52%	20.95	+6.48%
	Rate	(7)	0.80%	+0.05%	0.79%	+0.04%
Personal banking business unit*2	Avg. bal.	(8)	14.37	+1.49%	14.49	+1.82%
	Rate	(9)	1.01%	(0.03)%	1.00%	(0.03)%
Deposits (Including NCDs)	Avg. bal.	(10)	63.22	+1.63%	63.94	+2.48%
	Rate	(11)	0.01%	+0.01%	0.01%	+0.01%
	Cost	(12)	(2.9)	△2.2	(11.3)	(8.5)
Loan-to-deposit	Spread	(13)	0.81%	+0.00%	0.83%	+0.02%
	Net interest income	(14)	85.2	2.9	340.3	+8.1

Net interest income from domestic loans and deposits

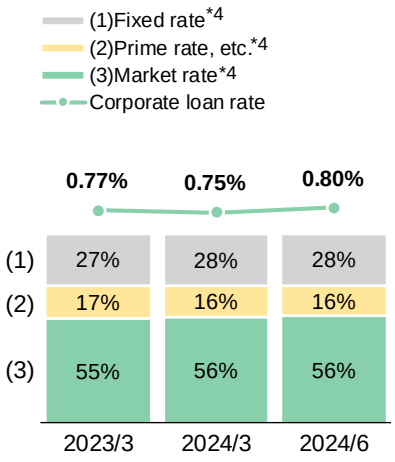
- **NII from domestic loans and deposits began to grow, achieving a turnaround in 3Q of FY23 ; plans to increase NII by JPY8.1 bn in FY24**

[Trends in NII from domestic loans and deposits (YoY change)]

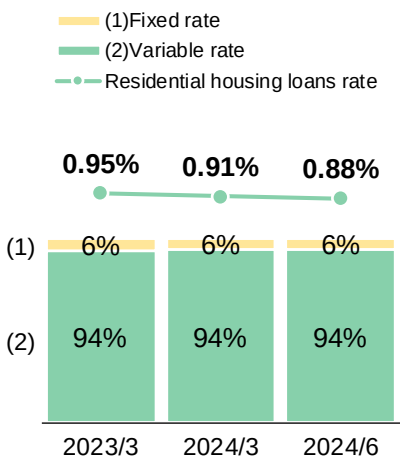


Loan rate on a stock basis and composition by interest rate type

[Corporate loan]



[Residential housing loan]



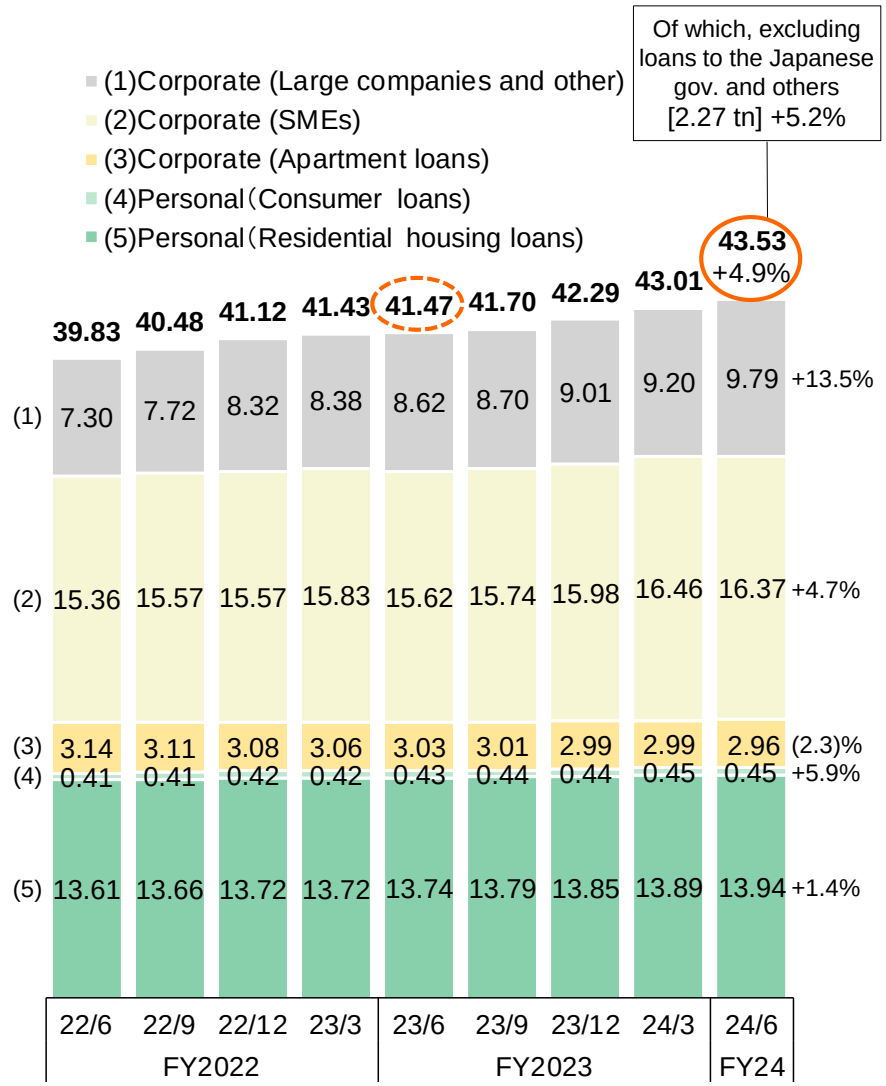
*1. Corporate loans (excluding loans to HD) + apartment loans, Figures are for internal administration purpose
*2. Residential housing loans + other consumer loans, Figures are for internal administration purpose *3. Average balance : rate of change
*4. Corporate banking business unit (excluding apartment loans) + public corporation, etc.

Term-end Balance of Loans and Deposits

Total of Group Banks

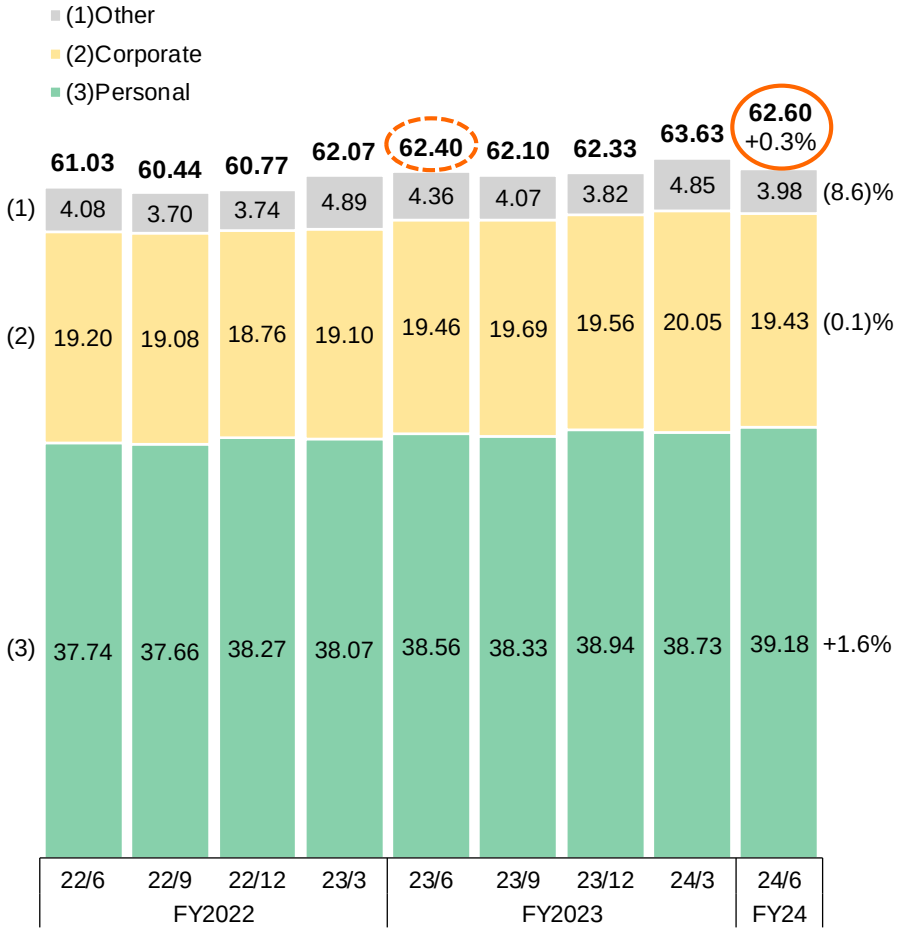
Term-end loan balance

〔 JPY tn, % represents YoY change 〕



Term-end deposit balance

〔 JPY tn, % represents YoY change 〕

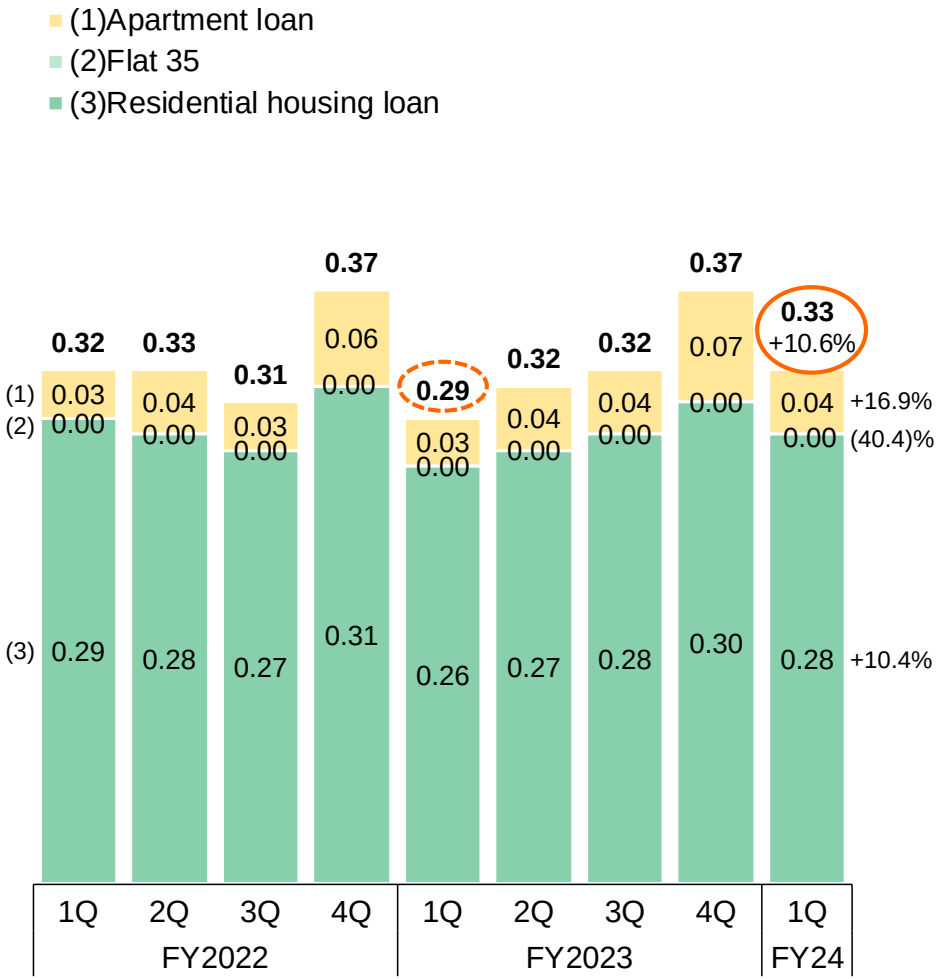


Housing Loan Business

Total of Group Banks

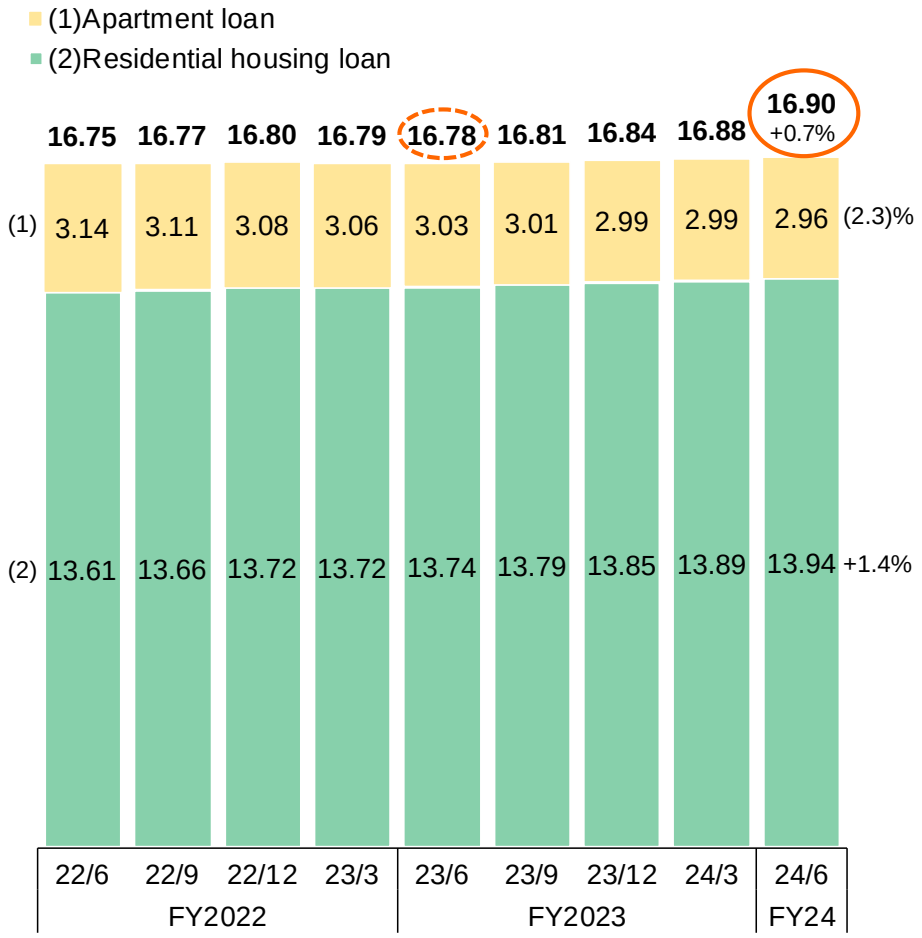
New housing loan origination

〔 JPY tn, % represents YoY change 〕



Term-end housing loan balance

〔 JPY tn, % represents YoY change 〕

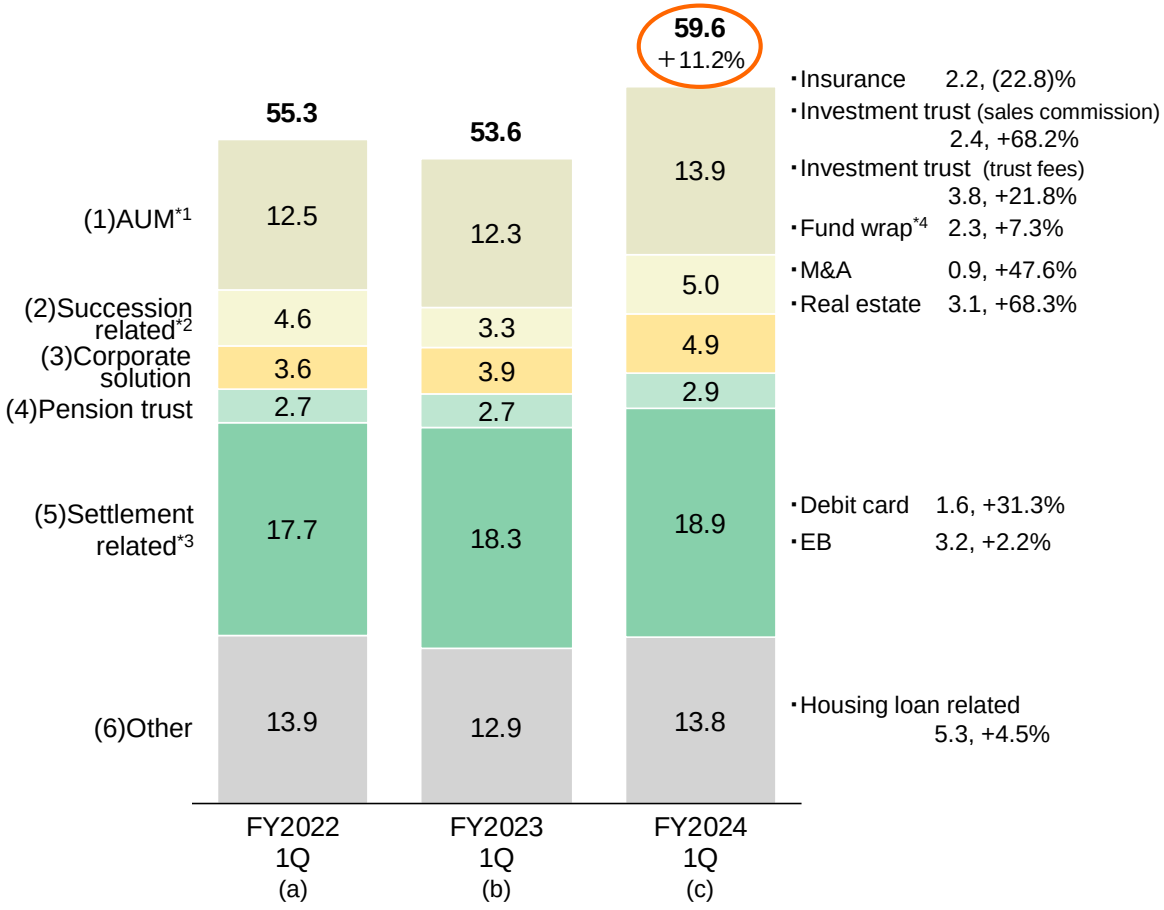


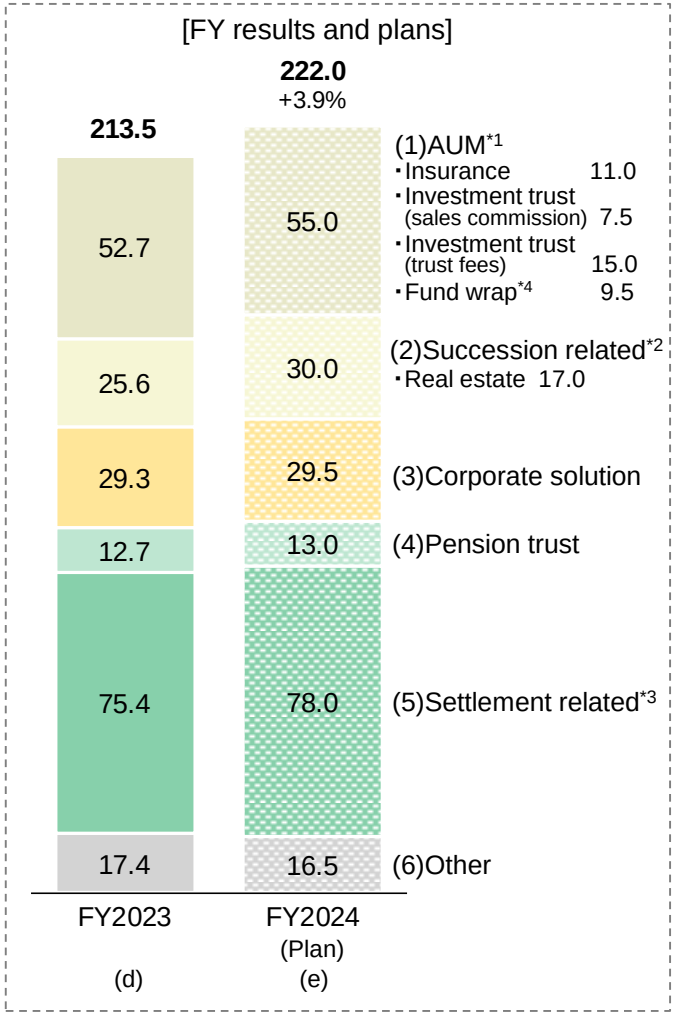
Fee Income

HD Consolidated

- **Historic-high profit in the 1Q, progress rate against the full year plan : 26.8%**
- **Increased driven by growth in succession related (up JPY1.7 bn, or 52.1%, YoY) and AUM (up JPY1.5 bn, or 12.9%, YoY), etc.**

JPY bn, % represents YoY change





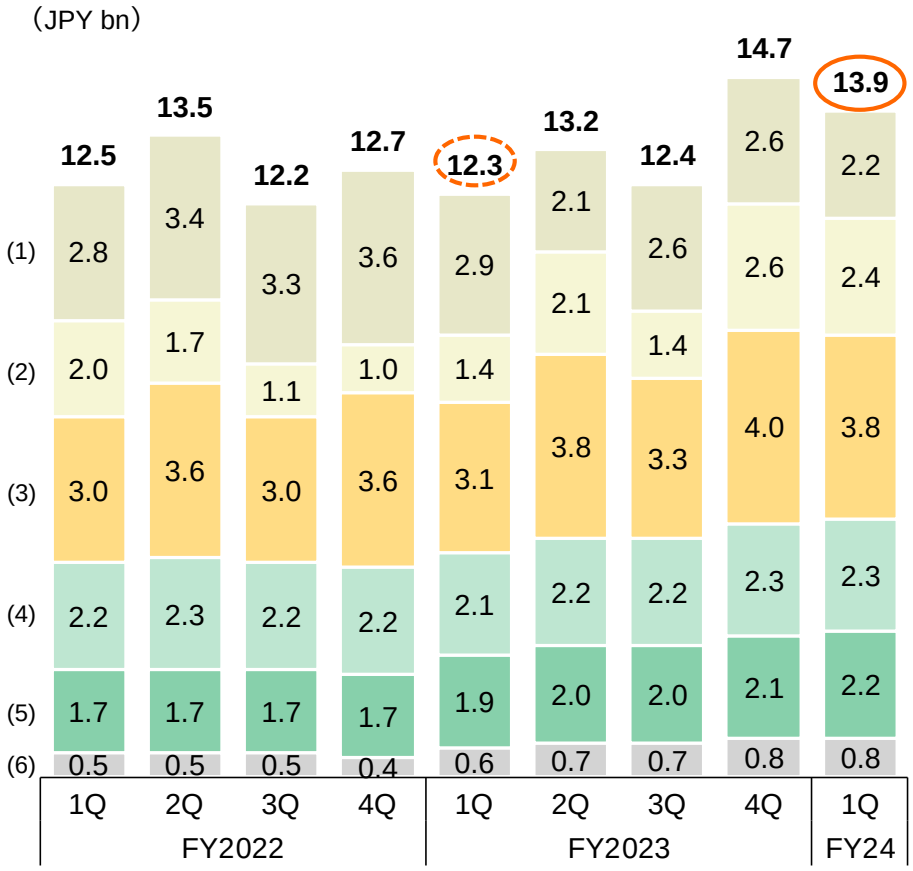
*1. Insurance and investment trust (sales commission/ trust fees), fund wrap, securities trust and fee income earned by Resona Asset Management related trust, real estate and M&A income *2. Asset and business succession related trust, real estate and M&A income *3. Fees and commission from domestic exchange, account transfer, EB, debit card, etc. and fee income earned by Resona Kessai Service and Resona Card *4. Including fee income earned by Resona Asset Management

Major Fee Businesses(1) (AUM)

HD Consolidated

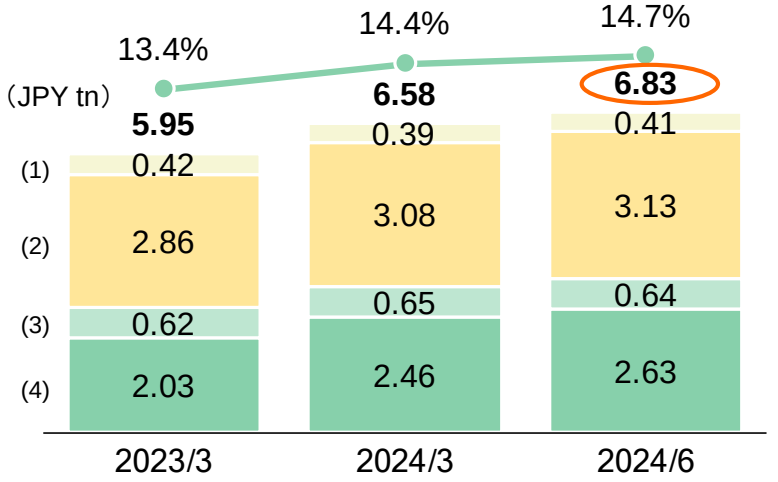
AUM income

(1) Insurance
(2) Investment trust (sales commission)
(3) Investment trust (trust fees)
(4) Fund wrap
(5) Resona Asset Management
(6) Securities trust



Balance of asset formation support products sold to individuals

(1)Foreign currency deposits, Public bonds, etc.
(2)Insurance
(3)Fund wrap *1
(4)Investment trusts*1
Asset formation support product ratio*2



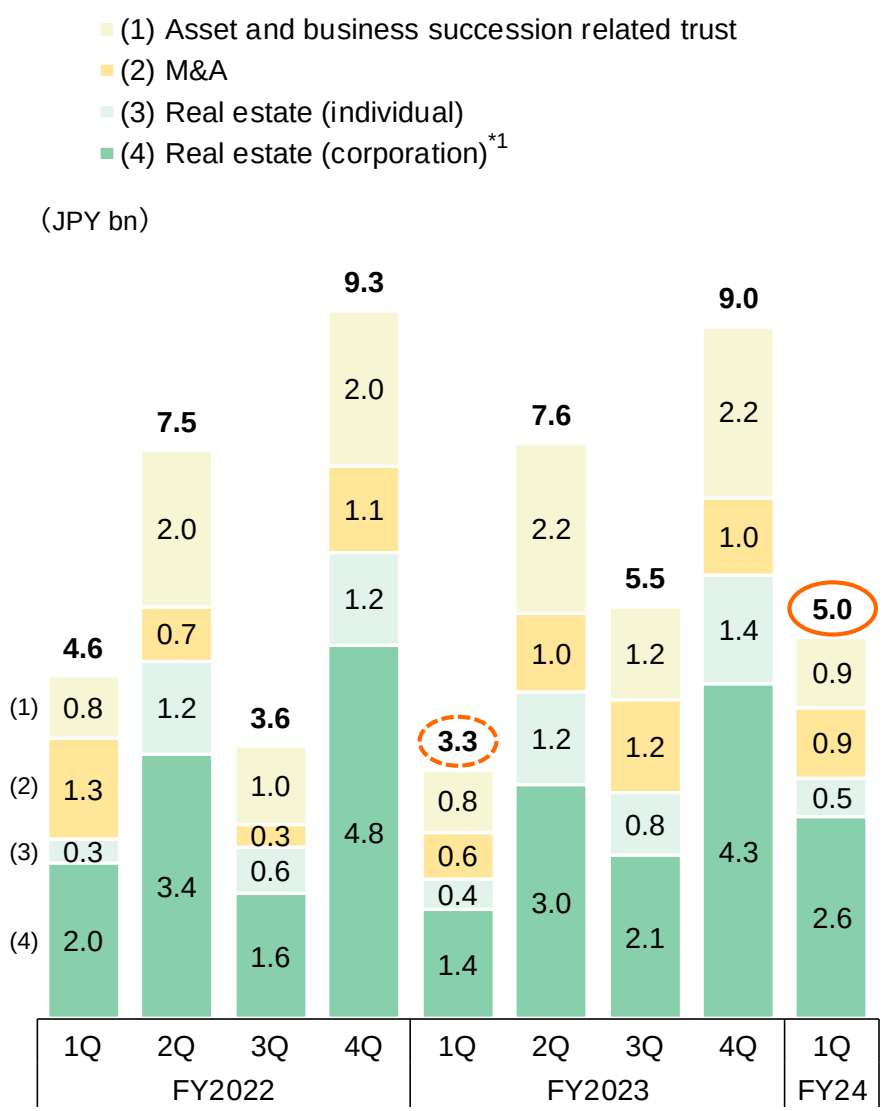
- **Balance of fund wrap*1,3: Jun. 24 JPY803.1 bn, +2.6%, YoY**
  Of which, external group JPY96.8 bn
- **Change in balance of investment trust and fund wrap :**
  1Q of FY24 Approx. +JPY160.0 bn
  - Net inflow (new purchase – withdrawal and redemption): Approx. +JPY49.0 bn
- **Number of individual customers having investment trust, fund wrap and insurance products :**
  Jun. 24 1,006 thousands, +23 thousands, YoY
  - Of which, NISA account holders*4: 446 thousands, +10.6%, YoY*5
- **iDeCo participants*6: Jun. 24 194 thousands, +9.8%, YoY**
- **Securities trust (total assets in custody) : Jun. 24 JPY49.2 tn**

*1. Based on market value *2. Balance of asset formation support products sold to individuals / (balance of asset formation support products sold to individuals and yen deposits held by individuals) *3. Including corporation and external group *4. NISA, Junior NISA, Cumulative NISA *5. After adjusting for the impact of the review of aggregation standards from the end of March 2024 *6. iDeCo participants + members giving investment instructions

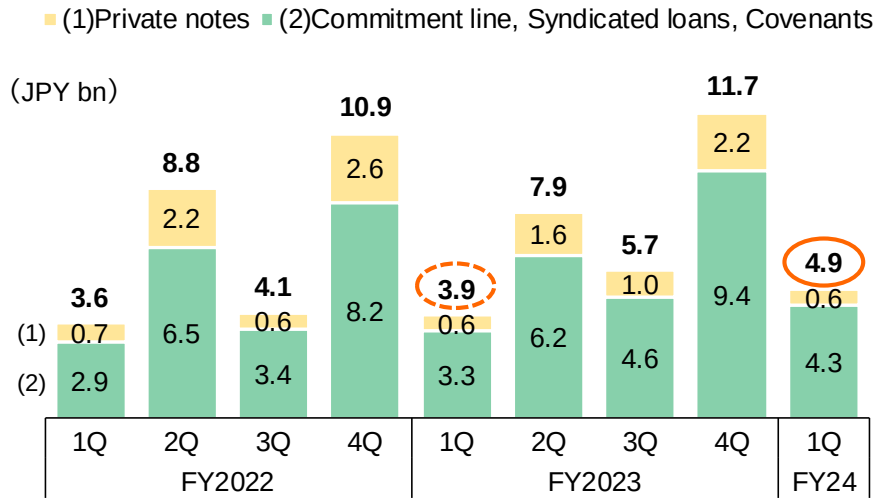
Major Fee Businesses(2) (Succession, Corporate Solution, Pension Trust)

HD Consolidated

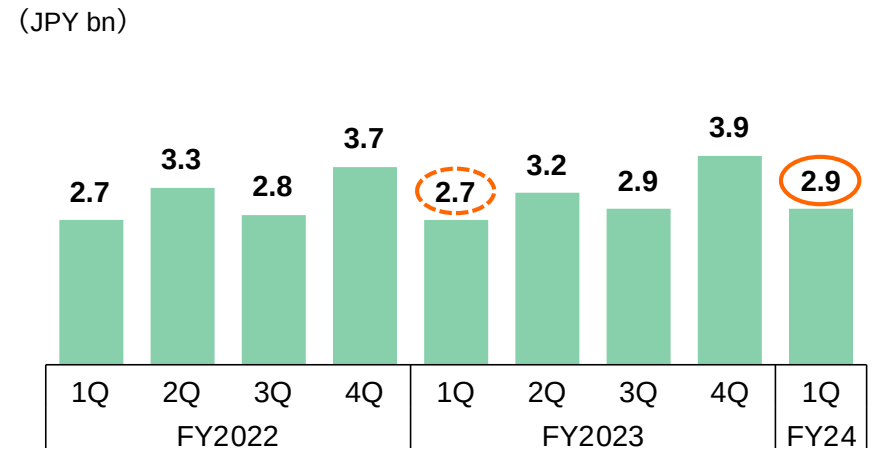
Succession related income



Corporate solutions business income



Pension trust income



*1. Excluding gains from investments in real estate funds

Credit Costs and NPL

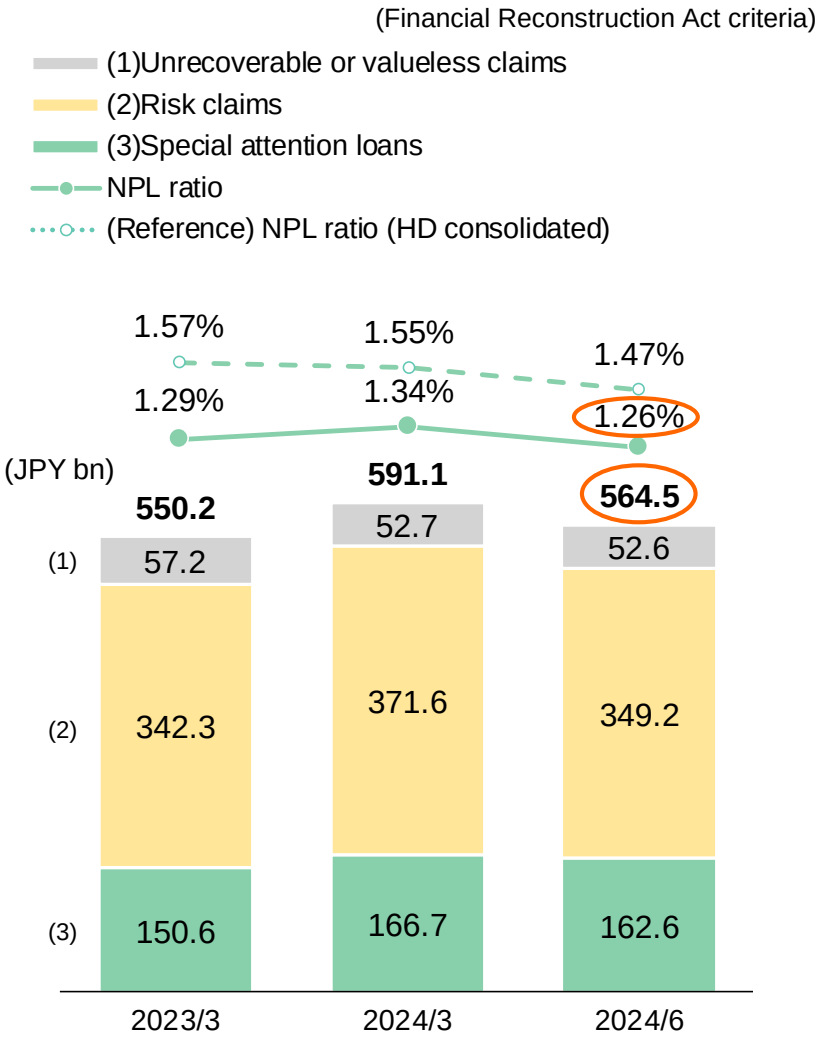
HD Consolidated
Total of Group Banks

Credit costs

(JPY bn)		FY2022 (a)	FY2023 1Q (b)	FY2023 (c)	FY2024 1Q (d)	FY2024 Plan (e)
HD consolidated	(1)	(15.9)	(6.6)	(35.6)	0.2	(40.0)
Total of group banks	(2)	(15.0)	(5.6)	(29.6)	(0.4)	(36.5)
General reserve	(3)	(3.1)	(3.2)	(1.4)	1.9	
Specific reserve and other items	(4)	(11.9)	(2.3)	(28.1)	(2.3)	
New bankruptcy, downward migration	(5)	(45.2)	(7.1)	(40.8)	(5.4)	
Collection/ upward migration	(6)	33.2	4.7	12.7	3.0	
Difference (1) - (2)	(7)	(0.8)	(0.9)	(6.0)	0.6	(3.5)
HL guarantee subsidiaries	(8)	1.4	0.8	2.5	0.9	
Resona Card	(9)	(1.7)	(0.6)	(2.0)	(0.4)	
<Credit cost ratio>						(bps)
HD consolidated*1	(10)	(3.9)	(6.3)	(8.4)	0.2	(9.3)
Total of group banks*2	(11)	(3.6)	(5.3)	(6.8)	(0.3)	(8.3)

(Note) Positive figures represent reversal gains

NPL balance and ratio (Total of group banks)



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

Securities Portfolio

Total of Group Banks

Securities portfolio*1

(JPY bn, before hedging)		2023/3 (a)	2024/3 (b)	2024/6 (c)	Net unrealized gains (d)
Available-for-sale securities	(1)	3,886.8	3,948.8	4,469.8	613.3
Stocks	(2)	283.8	261.6	257.9	755.1
Bonds	(3)	2,400.2	2,215.8	2,559.0	(97.5)
JGBs	(4)	645.3	539.3	896.5	(60.6)
Average duration (years)	(5)	12.8	11.9	10.1	–
Basis point value (BPV)	(6)	(0.78)	(0.60)	(0.84)	–
Local government and corporate bonds	(7)	1,754.9	1,676.4	1,662.5	(36.9)
Other	(8)	1,202.6	1,471.4	1,652.7	(44.2)
Foreign bonds	(9)	721.5	1,002.1	1,154.2	(44.8)
Average duration (years)	(10)	5.8	5.5	5.4	–
Basis point value (BPV)	(11)	(0.30)	(0.41)	(0.46)	–
Investment trusts (Domestic)	(12)	474.1	466.9	496.2	(0.8)
(Net unrealized gains)	(13)	472.9	663.3	613.3	
Bonds held to maturity	(14)	3,899.0	4,609.2	4,843.5	(263.5)
JGBs	(15)	2,278.2	2,737.0	2,937.3	(202.9)

■ **JGBs (available for sale securities, c-5 and 6, d-4) after hedging in 2024/6**

Average duration: 7.9 year, BPV: JPY(0.47) bn, Net unrealized gains: JPY(43.1) bn
(Foreign bonds are partially hedged by domestic investment trusts (bear fund) and other)

Status of policy-oriented stock holdings*2

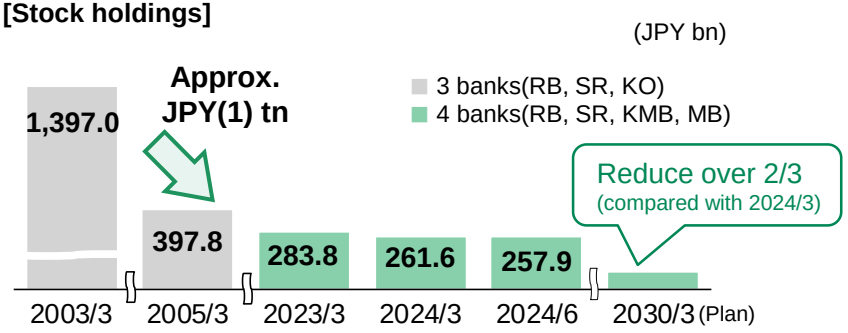
■ **1Q of FY24 (Act.)**

Balance of listed stocks disposed (acquisition cost basis) : JPY3.7 bn
Net gain on sale: JPY13.5 bn (HD consolidated: JPY13.4 bn)
Breakeven Nikkei average: Approx. 7,900 yen

■ **Outline of the plan for reduction of policy-oriented stock holdings (released in May 2024)**

- Aim to create new value to be delivered to customers/ create management resources that can be allocated to growth investment and structural reforms
- Drastically increase the pace of reduction
  - Reduce over 2/3 of book value by the end of March 2030 (compared with 2024/3)
  - Reduce the fair value-based ratio to consolidated net assets to 10% level (will reduce the ratio to the 20% level in three years in the best-case scenario)
- Creating and utilizing capital (equivalent to JPY300 bn) to accelerate growth
  - Accelerate efforts to address issues confronting our customers and society as a whole and structural reforms and the strengthening of foundations, which are both necessary to realize CX

[Stock holdings]



*1. Acquisition cost basis. Stocks and others without a quoted market price and investments in partnerships are excluded
*2. Policy-oriented stocks are classified into (i) policy investment stocks and (ii) strategic investment stocks, according to the purpose of holding. Of these, (i) policy investment stocks are targeted for reduction of the balance. All listed shares held by group banks are (i) policy investment stocks

(Reference) Earnings Targets for FY2024 (released in May 2024)

HD Consolidated
Total of Group Banks

HD consolidated

(JPY bn)		Full-year	YoY change
Net income attributable to owners of parent	(1)	165.0	+6.1
Difference	(2)	16.0	+0.7
Core income*1	(3)	160.0	+1.3

DPS

		DPS	YoY change
Full-year dividend (forecast)	(4)	23.0 yen	+1.0 yen
Interim dividend	(5)	11.5 yen	+0.5 yen

Total of group banks / Each group bank (non-consolidated basis)

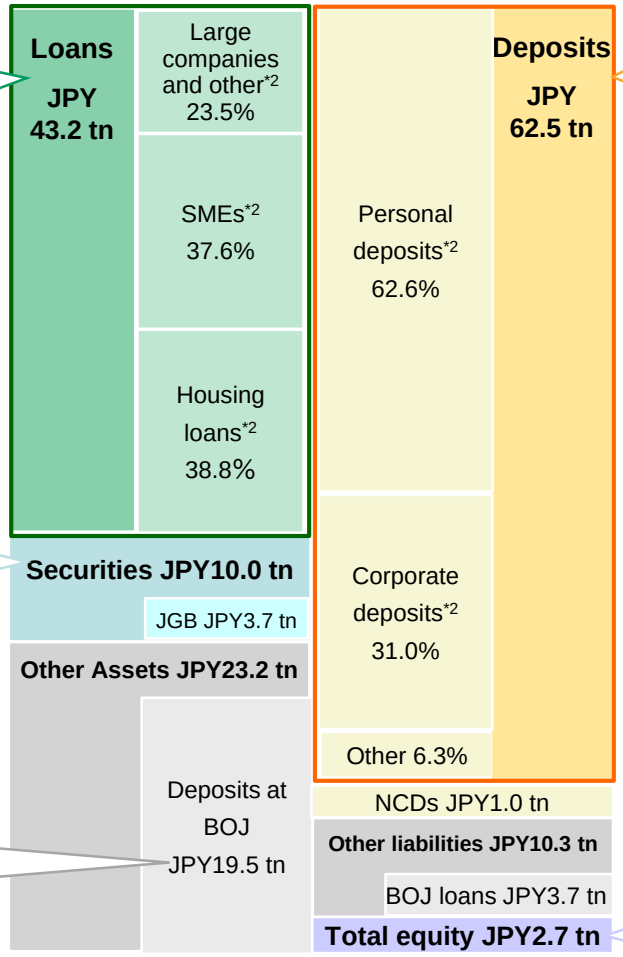
(JPY bn)		Total of group banks		RB		SR		KMB		MB	
		Full-year	YoY change	Full-year	YoY change	Full-year	YoY change	Full-year	YoY change	Full-year	YoY change
Gross operating profit	(6)	608.0	+40.8	352.0	+25.2	118.0	+9.2	94.0	+4.4	44.0	+2.2
Operating expenses	(7)	(406.0)	(21.2)	(228.5)	(16.5)	(79.0)	(3.0)	(64.0)	+0.3	(34.5)	(2.2)
Actual net operating profit	(8)	202.0	+19.6	123.5	+8.8	39.0	+6.2	30.0	+4.7	9.5	+0.1
Net gains on stocks (including equity derivatives)	(9)	51.5	(9.1)	43.0	(2.4)	6.5	(7.6)	0.5	+0.3	1.5	+0.8
Credit costs	(10)	(36.5)	(6.9)	(24.0)	(4.1)	(6.0)	(2.3)	(3.5)	+0.8	(3.0)	(1.4)
Income before income taxes	(11)	209.0	+8.1	145.0	+10.2	37.5	(1.7)	23.0	+4.1	3.5	(4.4)
Net income	(12)	149.0	+5.4	103.0	+7.1	26.0	(1.7)	17.5	+2.2	2.5	(2.1)

*1. Net interest income from domestic loans and deposits + Interest on yen bonds, etc. + Fee income + Operating expenses, actual basis excluding operating expenses of Resona Leasing

(Reference) BS Management Approach Aligned with Possible Hikes in Yen Interest Rates

- **Work on (i) upgrading RAF[*1] and (ii) strengthen BS management to achieve "Profitability surpassing MMP target"**
- **Turnaround and raise ROA via a revival of the deposit-lending business and a securities portfolio designed to support stable interest income**
- **Accelerate growth investment and structural reforms by strategically utilizing capital created via the reduction of policy-oriented stock holdings**

End of Jun. 2024
Total assets JPY76.6 tn



Proactively meet funding demand that grows in step with recovery from deflation

Balance of loans +JPY1.8 tn, YoY

✓ The corporate loan balance is expected to increase JPY2.5 tn over two years (FY23 actual and FY24 plan), and our MMP (three years) target of a JPY2.6 tn increase, could be met almost a year ahead of schedule

Seize profit opportunities arising from changes in the interest rate environment

Balance of securities +JPY1.4 tn, YoY

✓ Continuously develop a core portfolio designed to secure stable interest income while appropriately controlling risks
✓ Increase the pace of reduction of policy-oriented stock holdings

Improve ROA via a shift toward investment assets

JPY(0.7) tn, YoY

Maintain and expand of deposit base centered on retail, which boasts strong retention

Balance of deposits +JPY0.3 tn, YoY

✓ Overwhelming convenience
⇒ Higher switching costs
- # of Banking App DL[*3]: 9.82 mil (+21.2%, YoY)
- # of debit card issued : 3.21 mil

✓ # of companies that name a major bank as their main bank[*4] : 68 thousands

Expand AUM ; accelerate the shift from savings to investment

✓ # of individual customers having investment trust, fund wrap and insurance products : 1,006 thousands
- # of Individual users of funded investment trusts : +23.7%, YoY

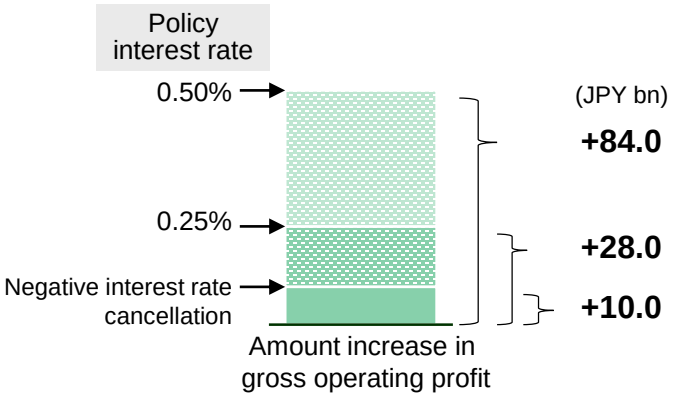
Utilize capital to improve ROE

✓ Organic growth : Golden opportunities to expand lending balance due to improvement in profitability
✓ Inorganic growth : Ongoing initiatives to secure deals aimed at helping us acquire customer bases, management resources and functions
✓ Shareholder returns : Enhancement of shareholder returns through profit expansion

*1. Risk Appetite Framework *2. Total of group banks *3. Including external group *4. TEIKOKU DATABANK (2023)

(Reference) Possible Impact on Earnings while JPY Interest Rate Hikes (provisional calculation)

If the policy interest rate rises to 0.50%, ROE is expected to reach 9-10%



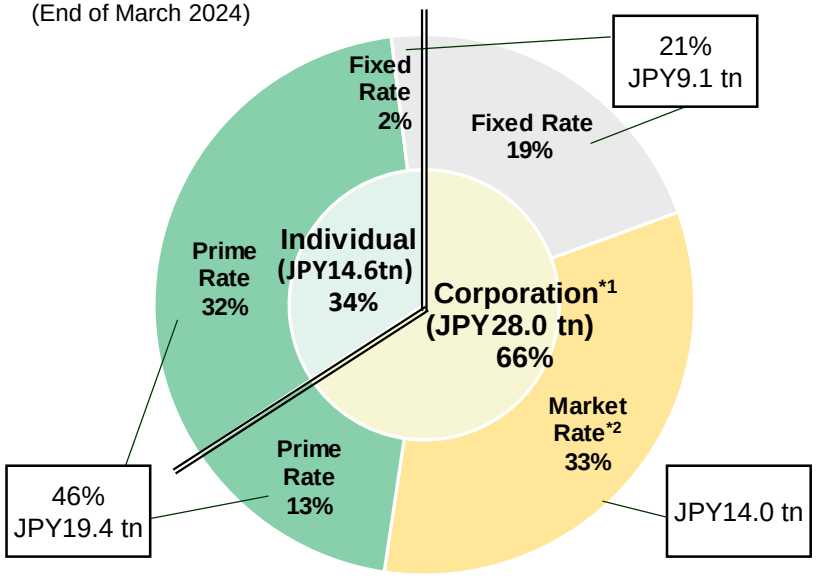
[Assumption for provisional calculation]

- ✓ Balance sheet at the end of March, 2024: Unchanged
- ✓ Reflecting the impact on loans, investment bonds and time deposits with interest rates that will be updated within a year, as well as savings accounts, deposits at the Bank of Japan and interest rate swaps
- ✓ Annual basis after the impact of interest rate hikes has completely materialized
- ✓ $\text{ROE} = \dfrac{\text{Net income (FY24 plan) + Impact of the interest rate hikes}}{\text{Total shareholders equity (simple sum of the balance at the beginning and the end of the term/2)(FY24 plan)}}$

Note: Excludes the impact of inflation, etc., on operating expenses and credit costs

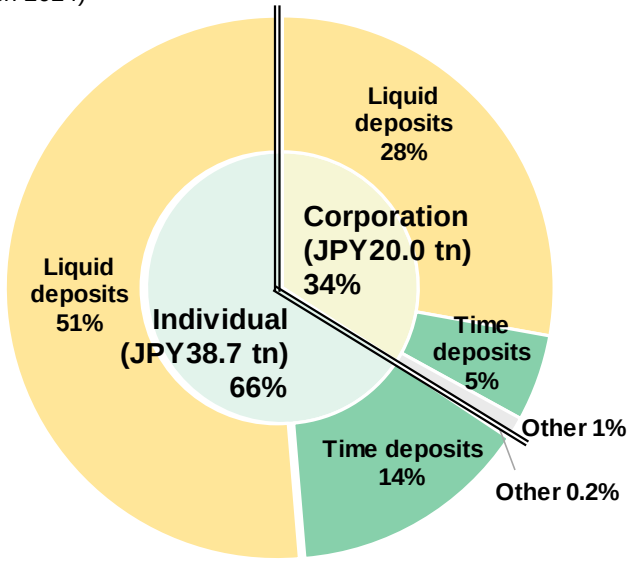
Composition of loan portfolio

(End of March 2024)



Composition of deposits*3

(End of March 2024)



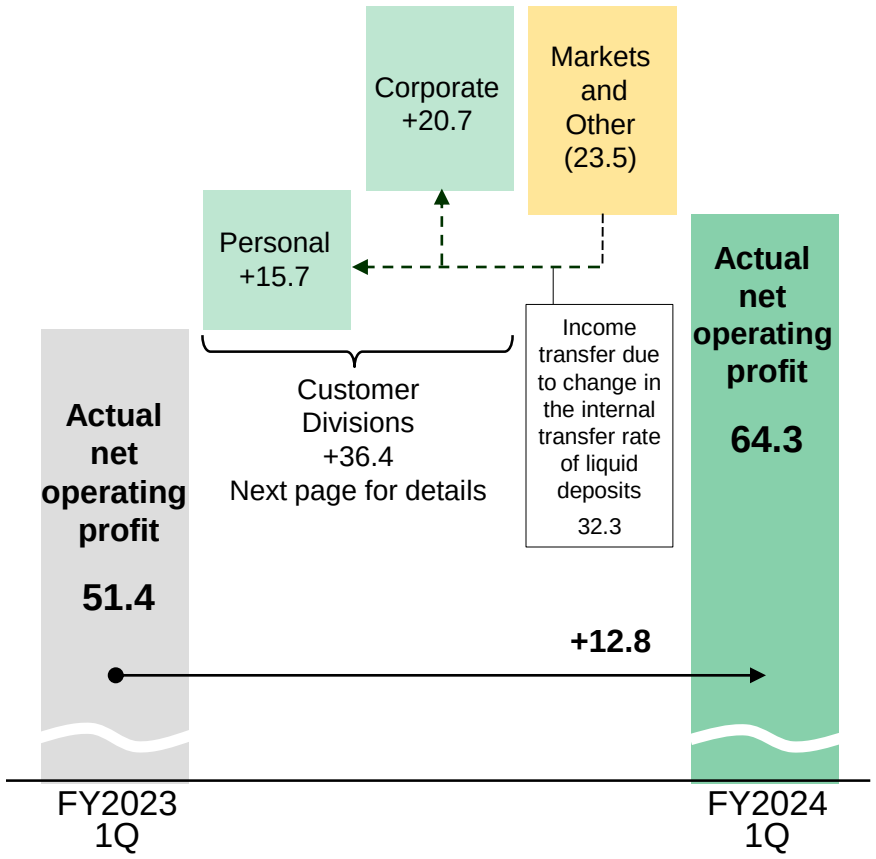
*1. Including apartment loans *2. Market rate-linked loans include the fixed-rate (spread) loans maturing in less than one year
*3. Domestic individual deposits + Domestic corporate deposits

(Reference) Outline of Financial Results of Each Segment

HD Consolidated

(JPY bn)			FY2024 1Q	YoY Change
Customer Divisions	Gross operating profit	(1)	203.7	+44.1
	Operating expense	(2)	(110.9)	(7.7)
	Actual net operating profit	(3)	92.8	+36.4
Personal Banking	Gross operating profit	(4)	95.7	+19.9
	Operating expense	(5)	(60.4)	(4.2)
	Actual net operating profit	(6)	35.2	+15.7
Corporate Banking	Gross operating profit	(7)	108.0	+24.2
	Operating expense	(8)	(50.4)	(3.5)
	Actual net operating profit	(9)	57.5	+20.7
Markets and Other	Gross operating profit	(10)	(28.4)	(23.3)
	Operating expense	(11)	(0.1)	(0.1)
	Actual net operating profit	(12)	(28.5)	(23.5)
Total	Gross operating profit	(13)	175.3	+20.7
	Operating expense	(14)	(111.0)	(7.9)
	Actual net operating profit	(15)	64.3	+12.8

(JPY bn)



Definition of management accounting

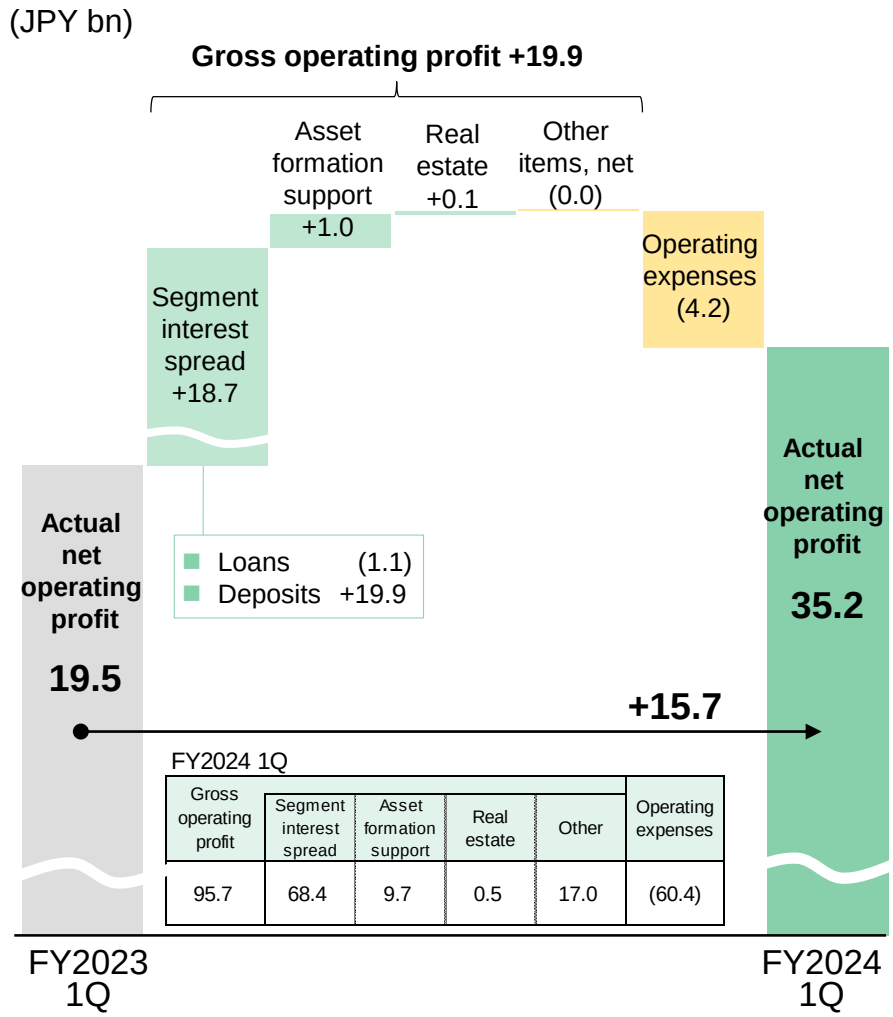
Gross operating profit of “Markets” segment includes a part of net gains/losses on stocks.
“Other” segment refers to the divisions in charge of management and business administration.

(Reference) Outline of Financial Results of Customer Divisions

HD Consolidated

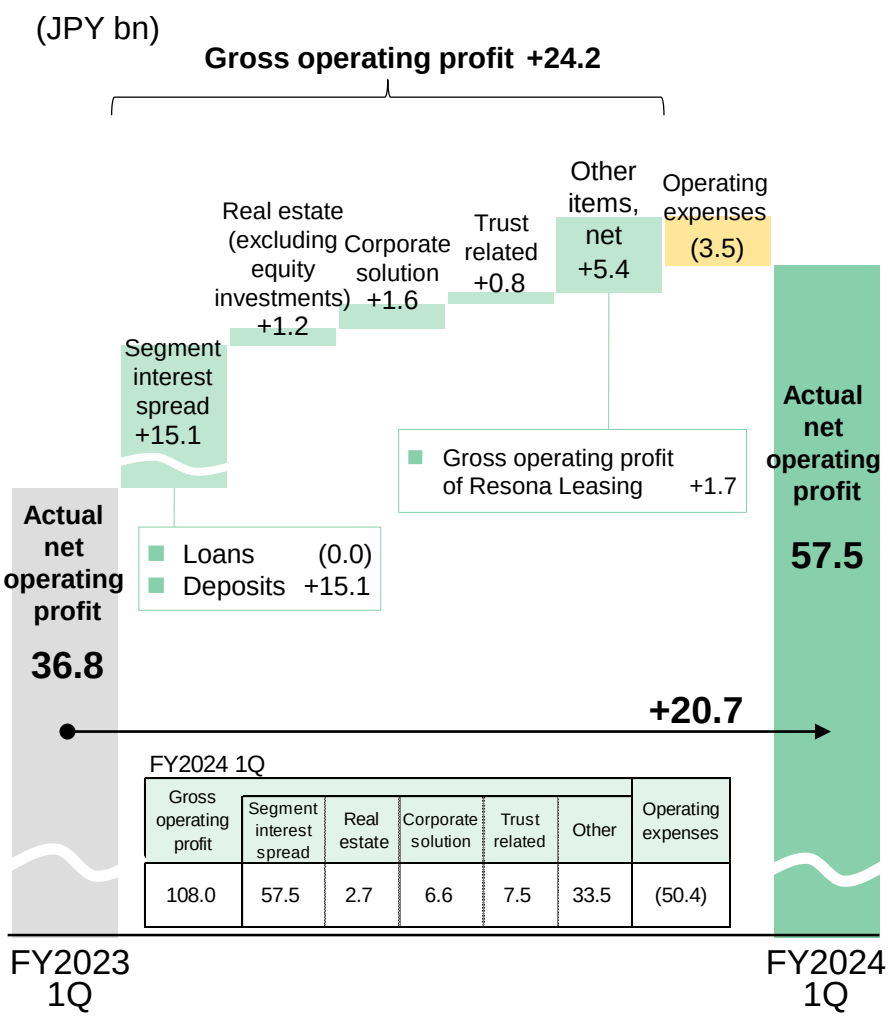
Personal Banking Segment

■ **Actual net operating profit : Up JPY15.7 bn, YoY**



Corporate Banking Segment

■ **Actual net operating profit : Up JPY20.7 bn, YoY**



- Abbreviations and definitions of the figures presented in this material are as follows:

[HD] Resona Holdings*1

[RB] Resona Bank

[SR] Saitama Resona Bank

[KMB] Kansai Mirai Bank*2

[MB] Minato Bank

*1 Resona Holdings and [KMFG] Kansai Mirai Financial Group merged on April 1, 2024

*2 [KU] Kansai Urban Banking Corporation and [KO] Kinki Osaka Bank merged on April 1, 2019

Negative figures represent items that would reduce net income.

Figures include data for internal administration purpose.

The forward-looking statements contained in this material may be subject to material change due to the following factors.
These factors may include changes in the level of stock price in Japan, any 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.