

Financial Highlights

for the First Half of Fiscal Year 2024

(Ended September 30, 2024)



Resona Holdings

November 12, 2024

Review of Financial Results for the 1H of FY2024

Progress rate against the full year target*1 69.2%

Core net operating profit*2

JPY**130.2** bn

(+JPY13.2 bn, YoY)

Net income
attributable to owners of parent

JPY**114.2** bn

(+JPY31.7 bn, YoY)

Upward revision of earnings targets for FY24

JPY**165.0** bn ⇒ JPY**175.0** bn

ROE (stockholders' equity): 7.7%
(Reference) ROE (TSE standard): 6.3%

Excluding one-off expenses associated with
the integration of MB: JPY**190.0** bn level

Enhance shareholder returns

Share buyback

UP to JPY**20.0** bn

Total shareholder return ratio
FY24 (prospect) : **53.3%***3

*1. Progress rate of net income attributable to owners of parent against initial full year target of FY2024(JPY165.0 bn)

*2. Core net operating profit excluding net gains on cancellation of investment trusts (Actual net operating profit - Net gains on bonds (spot))

*3. Based on the revised earnings targets for FY24

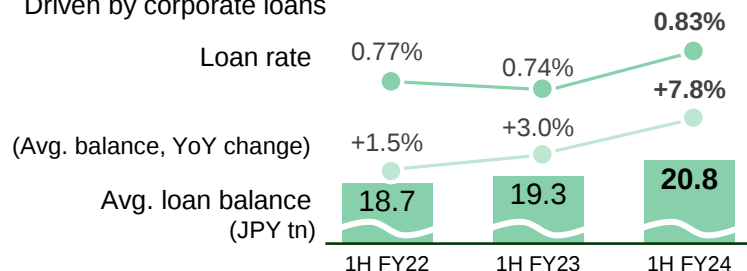
Expand the Top Line through Two Income Sources and Cost Control

Expand the top-line income through two income sources (net interest income + fee income)

Net interest income

+JPY24.1 bn, YoY (1Q:+8.0 → 2Q:+16.0)

- NII from domestic loans and deposits: +JPY6.5 bn, YoY
Driven by corporate loans

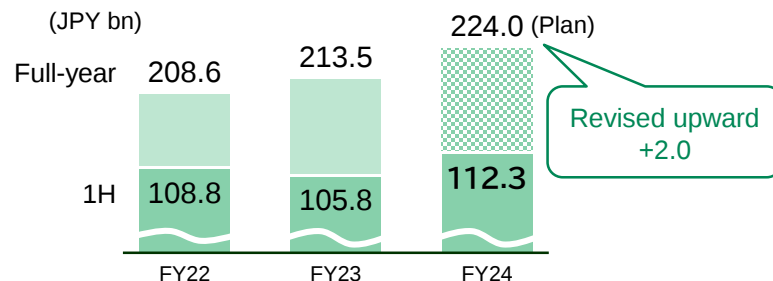


- Interest on yen bonds, etc.: +JPY3.6 bn, YoY (1Q: +1.6 → 2Q: +1.9)
- Interest on due from BOJ: +JPY7.7 bn, YoY (1Q: +1.2 → 2Q: +6.5)

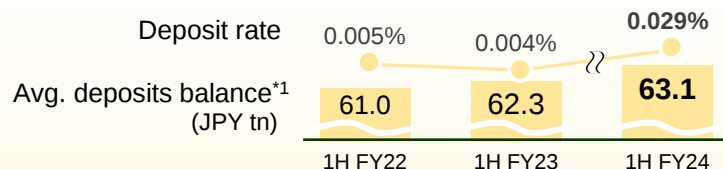
Fee income

+JPY6.4 bn, or +6.0%, YoY
Record-high profit for the interim period

- Driven by AUM (+JPY3.1 bn, or +12.3%, YoY), settlement (+JPY1.4 bn, or +3.8%, YoY) and corporate solution (+JPY1.3 bn, or 11.6%, YoY), etc



Supported by a strong retail deposit base



Approach from both F2F and digital directions

- Solutions tailored to household finance and commercial transactions
 - Number of Banking APP DL*2: 10.23 mil
 - Value co-creation with strategic partners in the payment domain

Continue cost control in the deflation recovery environment

Expenses

- Cost ratio improved while expanding investment in human resources and IT
1H of FY23 : 65.7% ⇒ 1H of FY24 : 63.9%

Credit costs

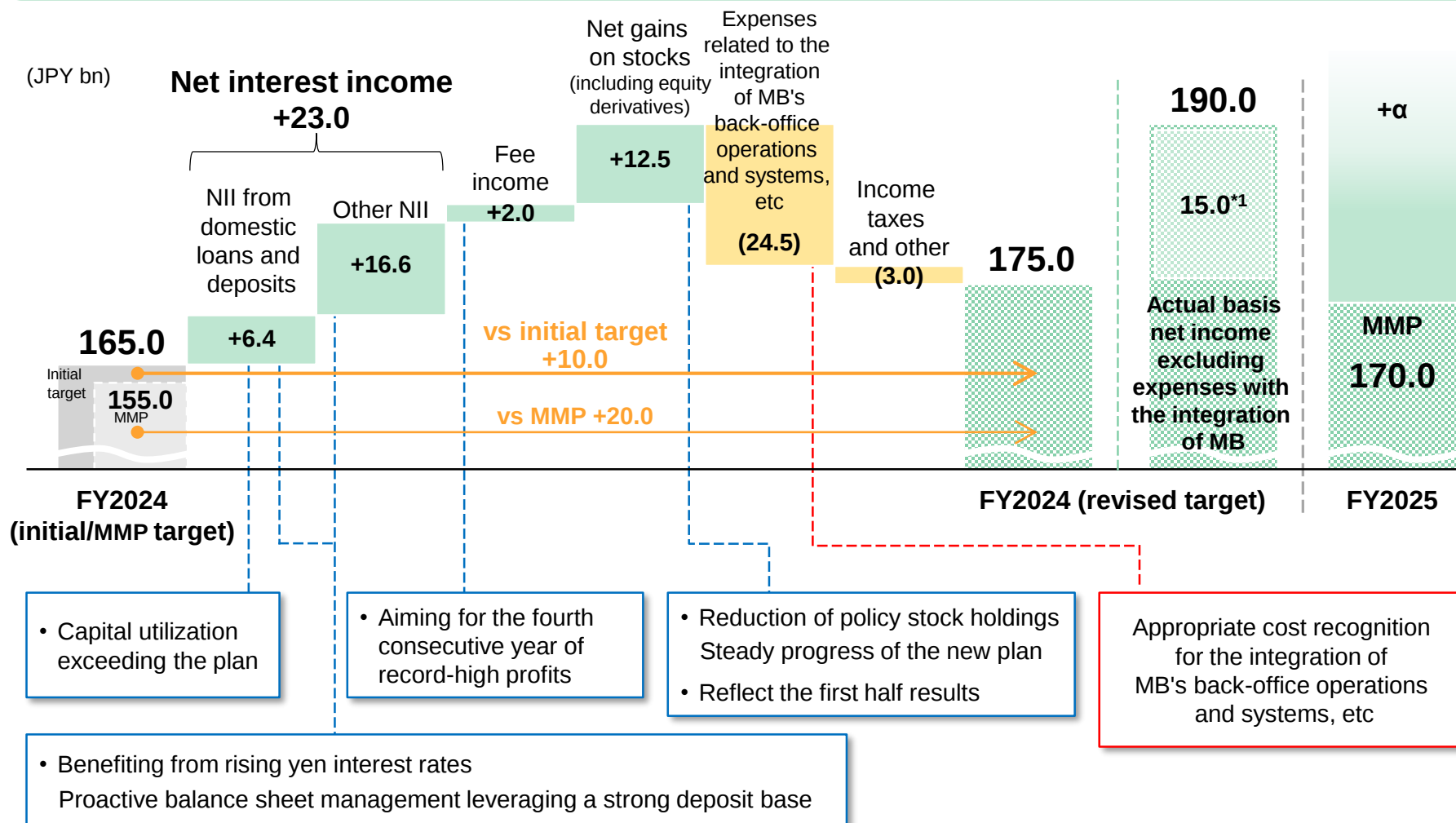
- 17.1% against the full year budget of JPY40.0 bn
Continue to strengthen monitoring for signs of deterioration in the quality of credits while watching changes in the external environment

*1. Total of Group Banks, including NCDs *2. Including external group

Rationale for an Upward Revision of FY2024 Earnings Targets (vs initial target)

Upward revision to **+JPY10 bn** compared to the initial target, and **+JPY20 bn** compared to the MMP

Aiming for a level of **JPY190 bn**, excluding MB integration costs



*1. Expenses of JPY15.0 bn in connection with the integration of MB in FY24 (after taxes basis)

Enhance Shareholder Returns

Shareholder Return Policy

- ◆ Enhance the content of shareholder returns in a way that gives due consideration to maintaining soundness and securing growth investment opportunities
- ◆ Aim for a total shareholder return ratio of around 50% even as we continue to deliver a stable dividend stream

Shareholder return for FY2024

< 1H (released on May 24) >

Common DPS
+1 yen (forecast)

Share buyback
Approx. JPY20.0 bn

(Completion of acquisition by Jun. 11, 2024 and cancellation of treasury shares)



< 2H (released on Nov. 24) >

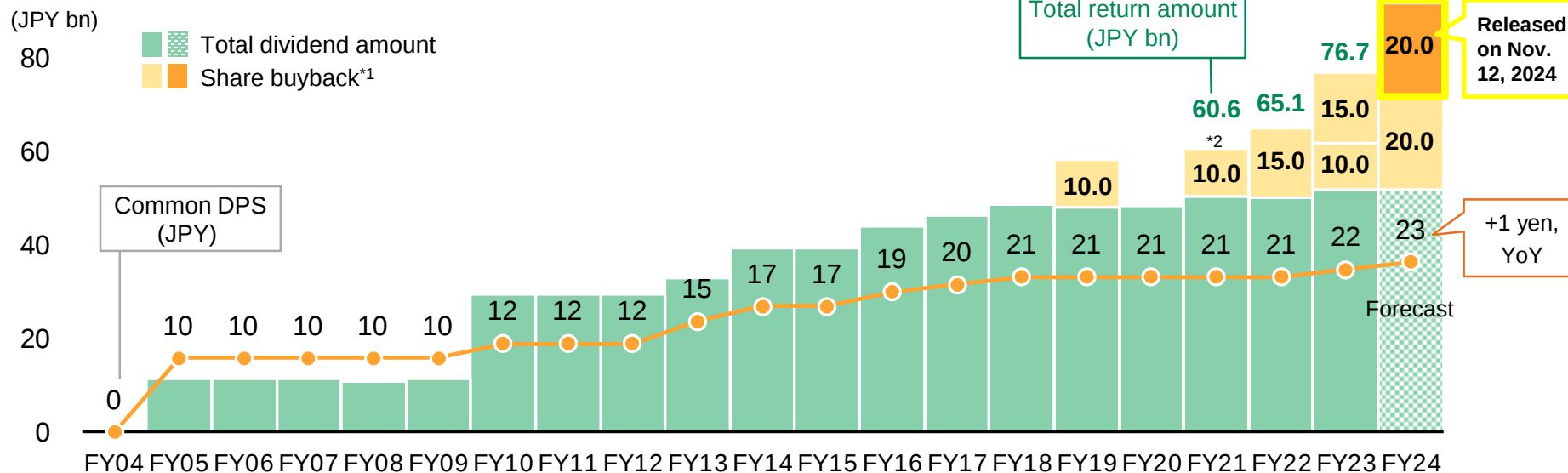
Share buyback
Up to JPY20.0 bn

(Plan to cancel all of the treasury shares to be acquired)

Total shareholder return ratio (prospect)

53.3%

[Trends in shareholder returns]



*1. The amount of treasury stock acquisition is rounded to the nearest hundred million yen *2. Implement share buyback (JPY40.9bn, 88 mil. shares) to neutralize dilutive effect on EPS from making KMFG a wholly owned subsidiary of HD in from May to June 2021

Outline of Financial Results for the 1H of FY2024

- **Net income attributable to owners of parent : JPY114.2 bn**
 - Up JPY31.7 bn, or 38.4%, YoY
 - Progress rate against the full year target*1 : 69.2%
- **Core net operating profit*2 : JPY130.2 bn**, Up JPY13.2 bn, or 11.2%, YoY
 - **Core income*3 : JPY83.3 bn**, Up JPY3.9 bn, or 4.9%, YoY
Progress rate against the full year target*4 : 52.0%
 - **Gross operating profit : JPY345.1 bn**, Up JPY32.0 bn, or 10.2%, YoY
 - Net interest income from domestic loans and deposits*5 : Up JPY6.5 bn, YoY
Average loan balance : +4.62%, YoY, Loan rate : up by 3bps, YoY
[Excluding loans to the Japanese government and others]
Average loan balance : +5.22%, YoY, Loan rate : up by 2bps, YoY
Progress in both avg. loan balance and loan rate exceeds the plan
 - Fee income : Up JPY6.4 bn, YoY
Progress rate against the full year plan (initial) : 50.5%
 - Net gains on bonds (including futures): Down JPY1.3 bn, YoY
 - **Operating expenses : JPY220.7 bn**, increased by JPY14.9 bn, YoY
While expanding strategic investments to strengthen the top line, the expense ratio has improved
- **Credit costs : JPY6.8 bn (cost)**, decreased by JPY3.4 bn, YoY
17.1% against the full year budget due to mainly the rank-up of major clients, etc.
- **Full year target: Revised upward the net income attributable to owners of parent to JPY175.0 bn (+JPY10.0 bn vs initial target)**
- **Full year dividend forecast of 23 yen (up 1 yen, YoY) remain unchanged**
- **Share buyback up to JPY20.0 bn**

HD consolidated (JPY bn)	FY2024 1H (a)	YoY change		Progress rate vs. Full year target*1 (d)
		(b)	Rate of change (c)	
Net income attributable to owners of parent (1)	114.2	+31.7	+38.4%	+69.2%
EPS (yen) (2)	49.30	+14.24	+40.6%	
BPS (yen) (3)	1,199.98	+97.49	+8.8%	
ROE(stockholders' equity) (4)	10.0%	+2.4%		
ROE(TSE standard) (5)	8.2%	+1.8%		
Gross operating profit (6)	345.1	+32.0	+10.2%	
Net interest income (7)	229.0	+24.1		
Nil from loans and deposits*5 (8)	171.3	+6.5		
Interest on yen bonds, etc.*6 (9)	18.0	+3.6		
Fee income (10)	112.3	+6.4		
Fee income ratio (11)	32.5%	(1.2)%		
Trust fees (12)	12.8	(0.1)		
Fees and commission income (13)	99.4	+6.6		
Other operating income (14)	3.7	+1.5		
Net gains on bonds (including futures) (15)	(8.8)	(1.3)		
Operating expenses (excluding group banks' non-recurring items) (16)	(220.7)	(14.9)	(7.2)%	
Cost income ratio (OHR) (17)	63.9%	(1.7)%		
Actual net operating profit (18)	124.8	+17.2	+16.0%	
Core net operating profit*2 (19)	130.2	+13.2	+11.2%	
Core income*3 (20)	83.3	+3.9	+4.9%	
Net gains on stocks (including equity derivatives) (21)	46.0	+24.0		
Credit costs (22)	(6.8)	+3.4		
Other gains, net (23)	(5.4)	(0.2)		
Net income before income taxes and non-controlling interests (24)	158.5	+44.5	+39.1%	
Income taxes and other (25)	(43.2)	(12.0)		
Net income attributable to non-controlling interests (26)	(1.0)	(0.8)		

*1. Initial full year target of FY2024: JPY165.0 bn *2. Actual net operating profit – Net gains on cancellation of investment trusts - Net gains on bonds(spot)

*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(2.2) bn) *4. Initial 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

Breakdown of Financial Results for the 1H of FY2024

(JPY bn)		Resona Holdings (Consolidated)		Total of group banks										Difference (a)-(c)				
		(a)	YoY (b)			(c)	(d)	Resona Bank		Saitama Resona Bank		Kansai Mirai Bank			Minato Bank			
						(e)	YoY (f)	(g)	YoY (h)	(i)	YoY (j)	(k)	YoY (l)					
Gross operating profit		(1)	345.1	+32.0		311.1	+25.8		183.5	+24.3	61.1	+2.4	45.3	(1.2)	21.1	+0.3	34.0	
Net interest income		(2)	229.0	+24.1		221.9	+20.2		122.1	+16.8	44.2	+3.0	38.0	(1.4)	17.4	+1.7	7.1	
NII from domestic loans and deposits		(3)	171.3	+6.5		171.3	+6.5		92.2	+6.7	32.3	(0.4)	33.5	(0.3)	13.2	+0.5		
Interest on yen bonds, etc.		(4)	18.0	+3.6		18.0	+3.6		9.5	+0.6	5.1	+1.7	1.8	+0.7	1.4	+0.4		
Net gains on cancellation of investment trusts		(5)	0.4	(0.6)		0.4	(0.6)		0.3	+0.4	*1	—	(0.0)	0.1	(0.8)	(0.0)	(0.2)	—
Fee income		(6)	112.3	+6.4		87.4	+5.2		57.4	+3.5	17.1	+0.4	6.9	+0.4	5.8	+0.8	24.9	
Fee income ratio		(7)	32.5%	(1.2)%		28.0%	(0.7)%		31.3%	(2.5)%	28.1%	(0.4)%	15.2%	+1.3%	27.6%	+3.5%		
Trust fees		(8)	12.8	(0.1)		12.8	(0.1)		12.8	(0.1)	0.0	(0.0)	0.0	(0.0)	—	—	(0.0)	
Fees and commission income		(9)	99.4	+6.6		74.5	+5.4		44.6	+3.7	17.1	+0.4	6.9	+0.4	5.8	+0.8	24.9	
Other operating income		(10)	3.7	+1.5		1.8	+0.3		3.9	+3.9	(0.2)	(1.1)	0.3	(0.2)	(2.1)	(2.2)	1.9	
Net gains on bonds (including futures)		(11)	(8.8)	(1.3)		(8.8)	(1.3)		(4.8)	+1.9	*1	(1.7)	(1.4)	(0.0)	+0.0	(2.2)	(1.8)	(0.0)
Operating expenses (excluding group banks' non-recurring items)		(12)	(220.7)	(14.9)		(202.5)	(11.6)		(113.1)	(8.0)	(40.3)	(2.5)	*2	(32.3)	(0.5)	(16.6)	(0.5)	(18.1)
Cost income ratio (OHR)		(13)	63.9%	(1.7)%		65.1%	(1.8)%		61.6%	(4.4)%	66.1%	+1.5%	71.3%	+3.0%	78.9%	+1.5%		
Actual net operating profit		(14)	124.8	+17.2		108.5	+14.2		70.3	+16.3	20.7	(0.1)	12.9	(1.7)	4.4	(0.2)	16.2	
Core net operating profit (excluding net gains on cancellation of investment trusts) *3		(15)	130.2	+13.2		114.0	+10.1		71.9	+9.1	22.5	+0.5	12.9	(1.0)	6.5	+1.5	16.2	
Core income		(16)	*4 83.3	+3.9		74.2	+3.7		46.1	+2.9	14.2	(0.7)	9.9	+0.3	3.9	+1.2	*4 9.0	
Net gains on stocks (including equity derivatives)		(17)	46.0	+24.0		46.9	+24.5		25.9	+8.6	8.6	+3.9	0.8	+0.8	11.4	+11.1	(0.8)	
Credit costs		(18)	(6.8)	+3.4		(7.6)	+1.4		(8.9)	(2.0)	(0.8)	(0.6)	2.3	+4.0	(0.1)	+0.1	0.8	
Other gains, net		(19)	(5.4)	(0.2)		(4.8)	+0.4		(2.9)	+0.2	(0.8)	+0.9	(1.2)	(1.0)	0.2	+0.3	(0.6)	
Net income before income taxes		(20)	158.5	+44.5		142.9	+40.6		84.4	+23.1	27.6	+4.0	14.9	+2.0	15.9	+11.3	15.6	
Income taxes and other		(21)	(43.2)	(12.0)		(38.8)	(11.4)		(24.1)	(7.1)	(7.8)	(0.9)	(2.1)	(0.1)	(4.7)	(3.2)		
Net income attributable to non-controlling interests		(22)	(1.0)	(0.8)														
Net income (attributable to owners of parent)		(23)	114.2	+31.7		104.0	+29.1		60.2	+16.0	19.7	+3.0	12.8	+1.9	11.2	+8.0		

*1. Losses on cancellation of investment trusts are posted in the net gains on bonds since net of the losses and dividends from investment trusts become negative

1H of FY24(SR): Losses on cancellation of investment trusts: JPY(0.6) bn, dividends from investment trusts: + JPY0.6 bn → net amount: JPY(0.0) bn

*2. Exclude goodwill amortization by KMB, JPY(0.3) bn, related to acquisition of former Biwako Bank

*3. Actual net operating profit – Net gains on cancellation of investment trusts - Net gains on bonds(spot)

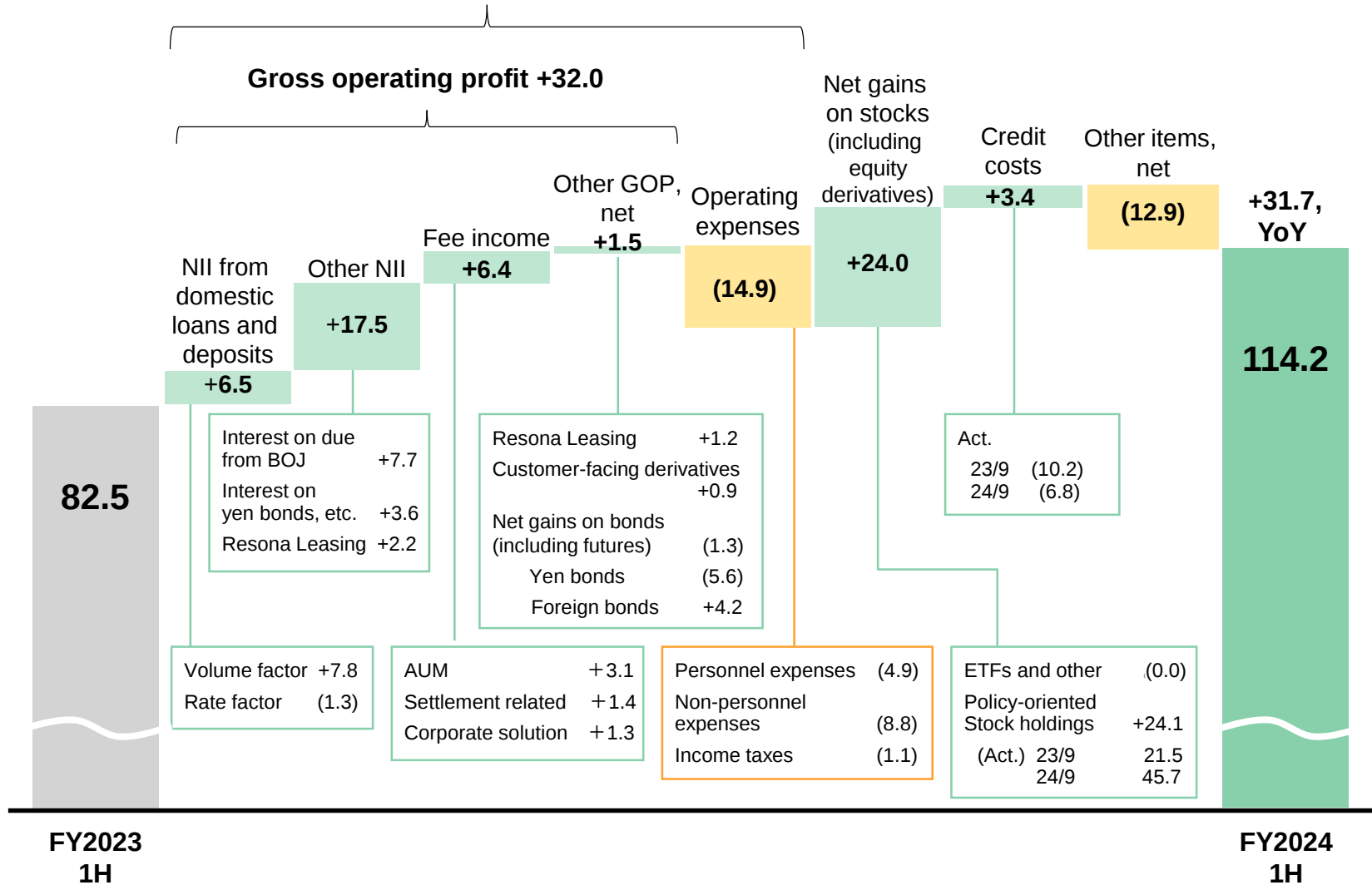
*4. Actual basis excluding operating expenses of Resona Leasing (JPY(2.2) bn)

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

HD
Consolidated

(JPY bn)

Actual net operating profit +17.2 Core net operating profit*¹ +13.2



*1. . Actual net operating profit – Net gains on cancellation of investment trusts - Net gains on bonds(spot)

Trend of Loans and Deposits (Domestic Account)

Total of
Group Banks

Average loan / deposit balance, rates and spread

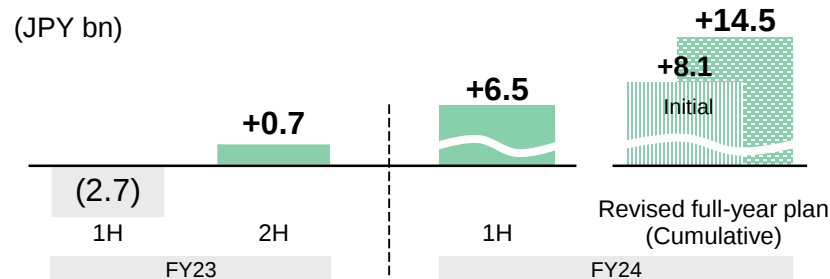
- 1H of FY24 (YoY) : Avg. loan balance +4.62%, Loan rate +3bps
[Excluding loans to the Japanese gov. and others]
Average loan balance : +5.22%, Loan rate : +2bps
=> Full year (Revised plan) +5.21% +6bps

(Avg. bal. : Trillion Yen Income/Cost : Billion Yen)		FY2024			
		1H		Revised plan	YoY*3
		Act.	YoY*3		
		(a)	(b)	(c)	(d)
Loans	Avg. bal. (1)	42.80	+4.62%	43.01	+4.15%
	Rate (2)	0.84%	+0.03%	0.88%	+0.07%
	Income (3)	180.7	14.4	381.1	+46.2
Excluding loans to the Japanese gov. and others	Avg. bal. (4)	40.70	+5.22%	41.13	+5.21%
	Rate (5)	0.88%	+0.02%	0.92%	+0.06%
Corporate banking business unit*1	Avg. bal. (6)	23.91	+6.25%	24.26	+6.33%
	Rate (7)	0.85%	+0.06%	0.90%	+0.11%
Corporate Loan	Avg. bal. (8)	20.84	+7.81%	21.18	+7.67%
	Rate (9)	0.83%	+0.08%	0.88%	+0.13%
Personal banking business unit*2	Avg. bal. (10)	14.40	+1.58%	14.48	+1.74%
	Rate (11)	1.00%	(0.03)%	1.03%	(0.00)%
Deposits (Including NCDs)	Avg. bal. (12)	63.10	+1.27%	63.13	+1.18%
	Rate (13)	0.02%	+0.02%	0.05%	+0.05%
	Cost (14)	(9.3)	(7.9)	(34.5)	(31.7)
Loan-to-deposit	Spread (15)	0.81%	+0.00%	0.83%	+0.02%
	Net interest income (16)	171.3	6.5	346.6	+14.5

Net interest income from domestic loans and deposits

- NII from domestic loans and deposits began to grow, achieving a turnaround in 2H of FY23
=> Upward revision of full-year plan
(Initial plan : +JPY8.1 bn, YoY => Revised plan : +JPY14.5 bn, YoY)

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



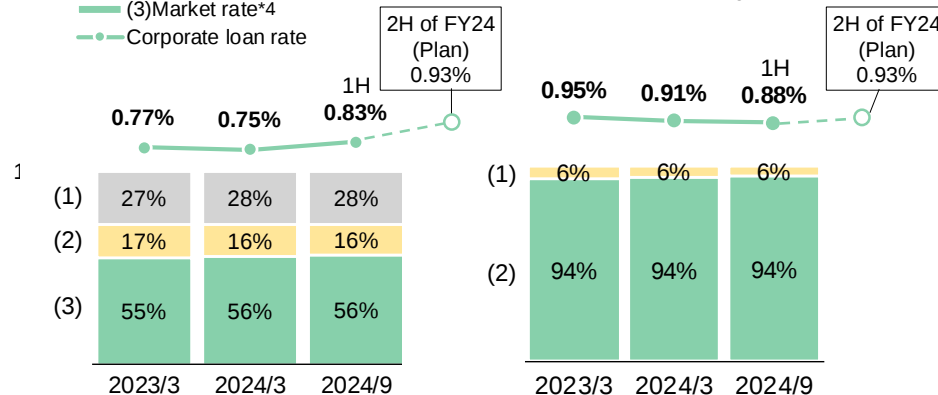
Loan rate on a stock basis and composition by interest rate type

[Corporate loan]

[Residential housing loan]

- (1) Fixed rate*4
- (2) Prime rate, etc*4
- (3) Market rate*4
- Corporate loan rate

- (1) Fixed rate
- (2) Variable rate
- Residential housing loans rate



*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

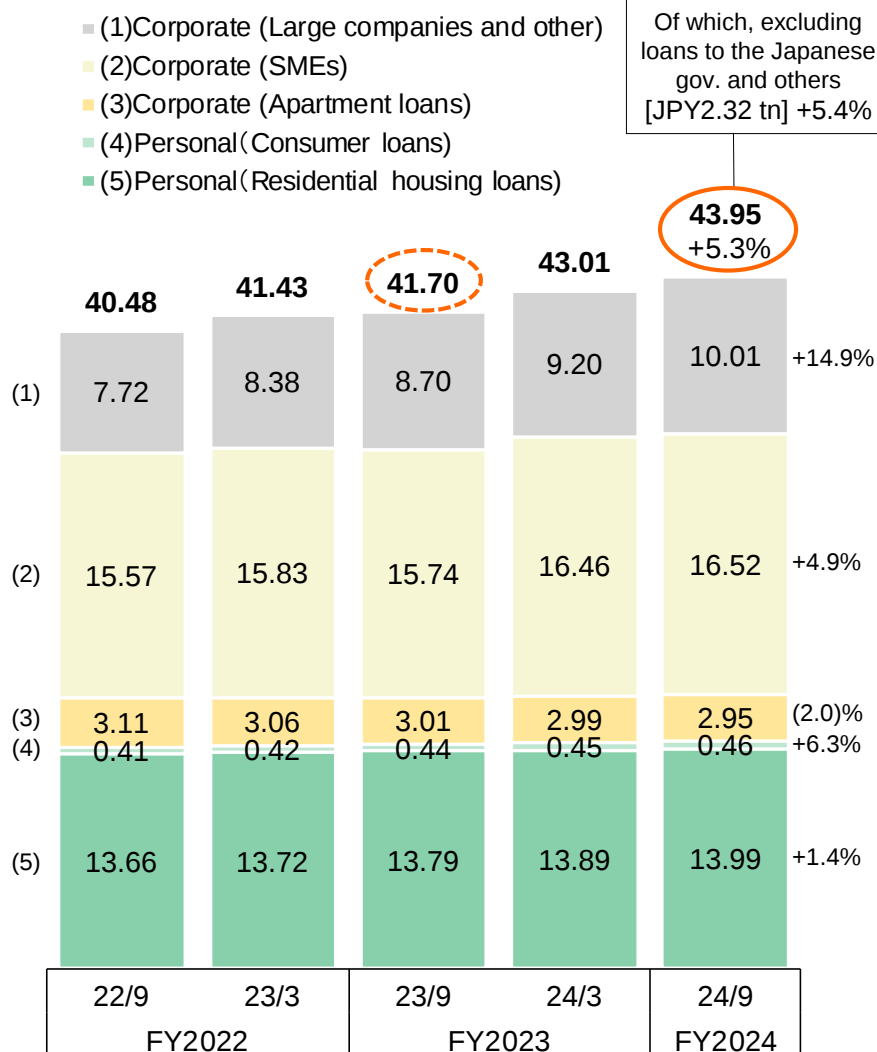
*4. Corporate banking business unit (excluding apartment loans) + public corporation, etc.

Term-end Balance of Loans and Deposits

Total of
Group Banks

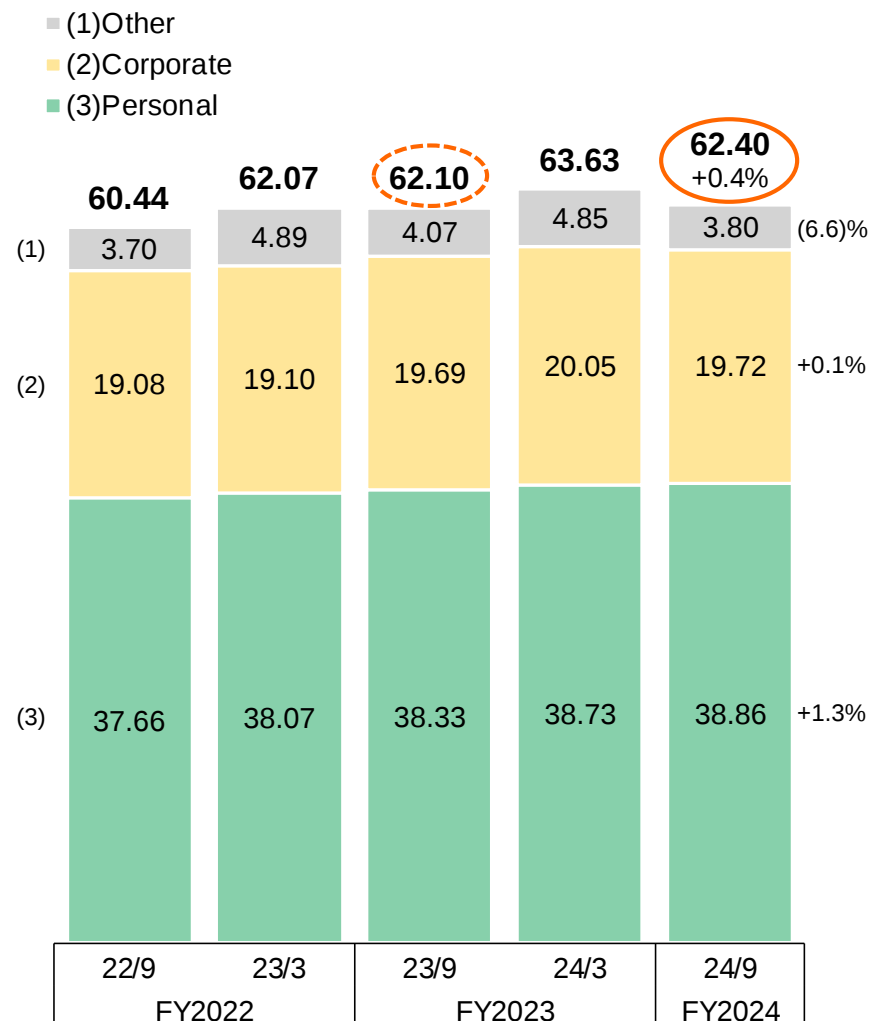
Term-end loan balance

[JPY tn, % represents YoY change]



Term-end deposit balance

[JPY tn, % represents YoY change]



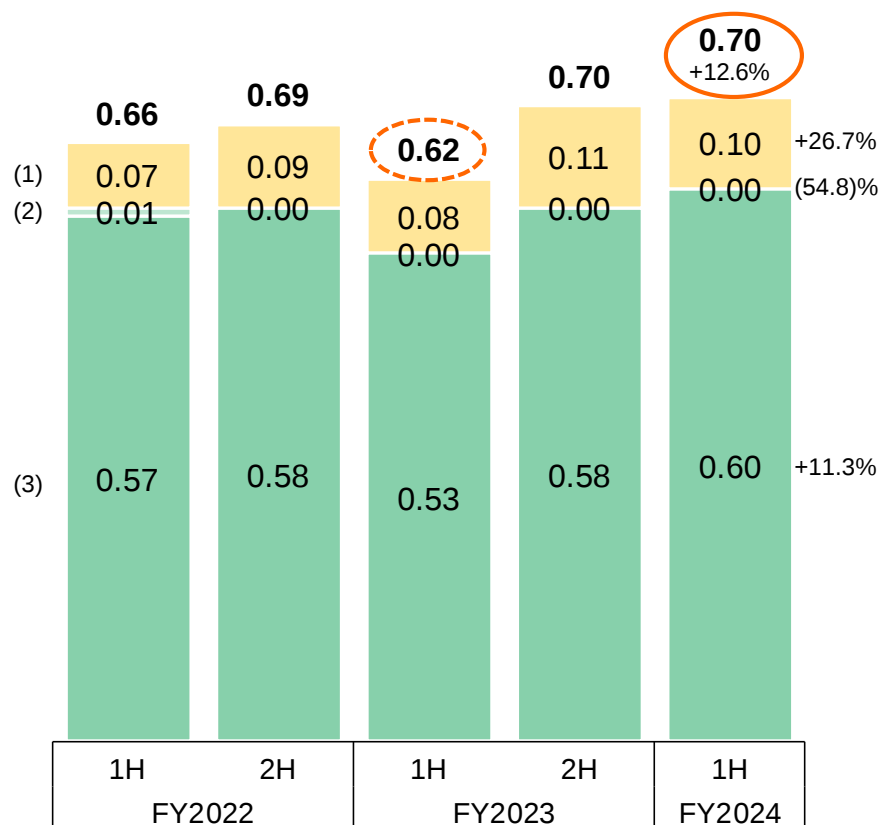
Housing Loan Business

Total of
Group Banks

New housing loan origination

[JPY tn, % represents YoY change]

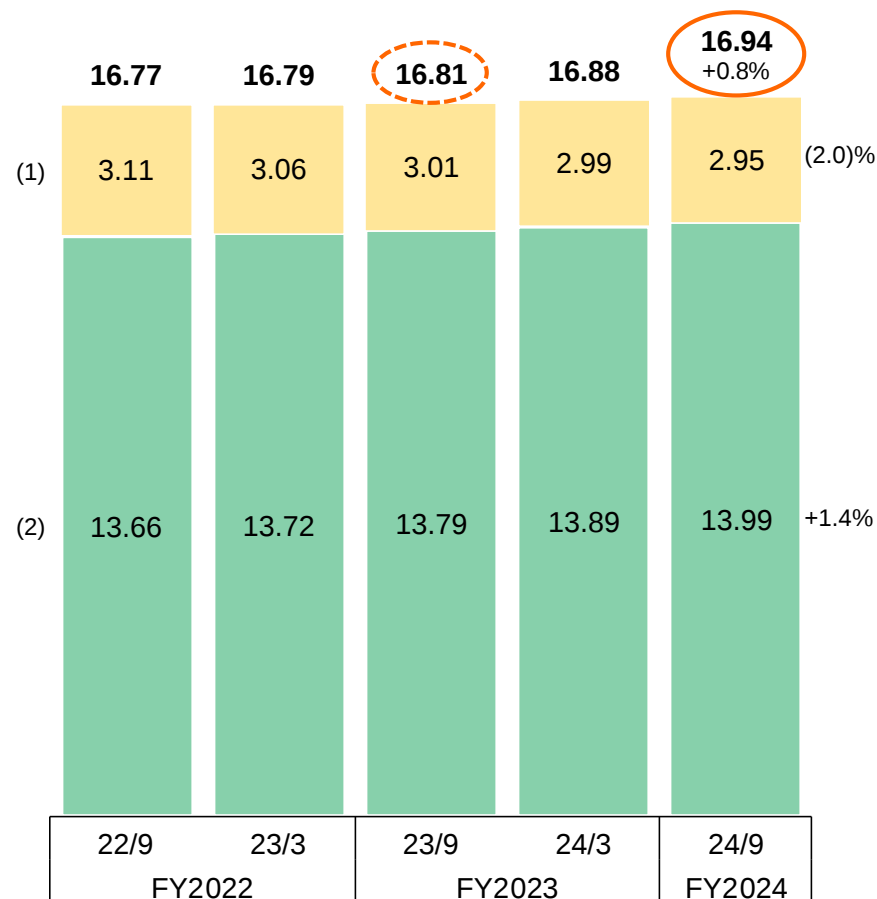
- (1)Apartment loan
- (2)Flat 35
- (3)Residential housing loan



Term-end housing loan balance

[JPY tn, % represents YoY change]

- (1)Apartment loan
- (2)Residential housing loan

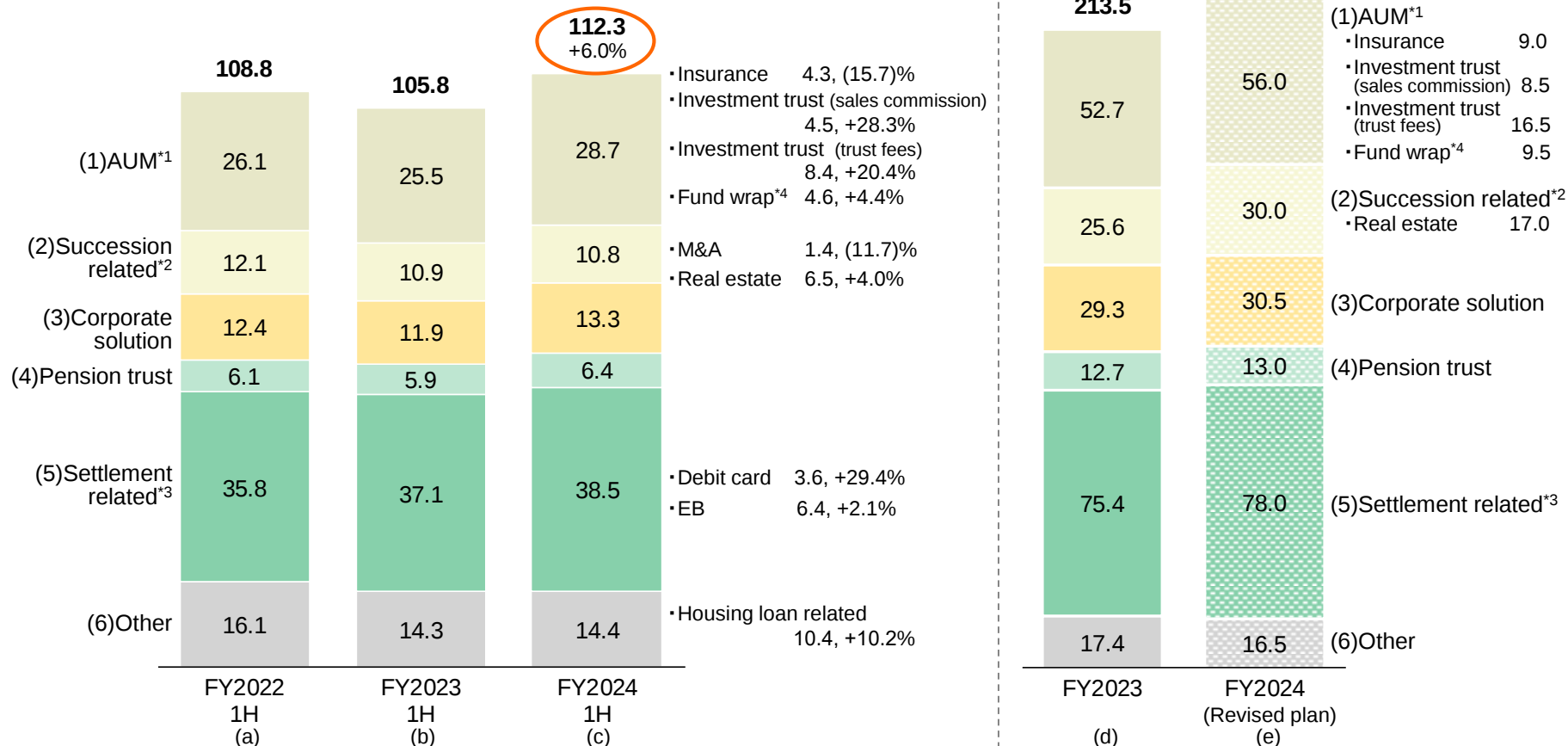


Fee Income

HD
Consolidated

- Historic-high profit on a 1H basis, progress rate against the initial full year plan : 50.5%
- Increased driven by growth in AUM (up JPY3.1 bn, or 12.3%, YoY), settlement related (up JPY1.4 bn, or 3.8%) and corporate solution (up JPY1.3 bn, or 11.6%, YoY), etc.

[JPY bn, % represents YoY change]



*1. Insurance and investment trust (sales commission and trust fees), fund wrap, securities trust and fee income earned by Resona Asset Management

*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

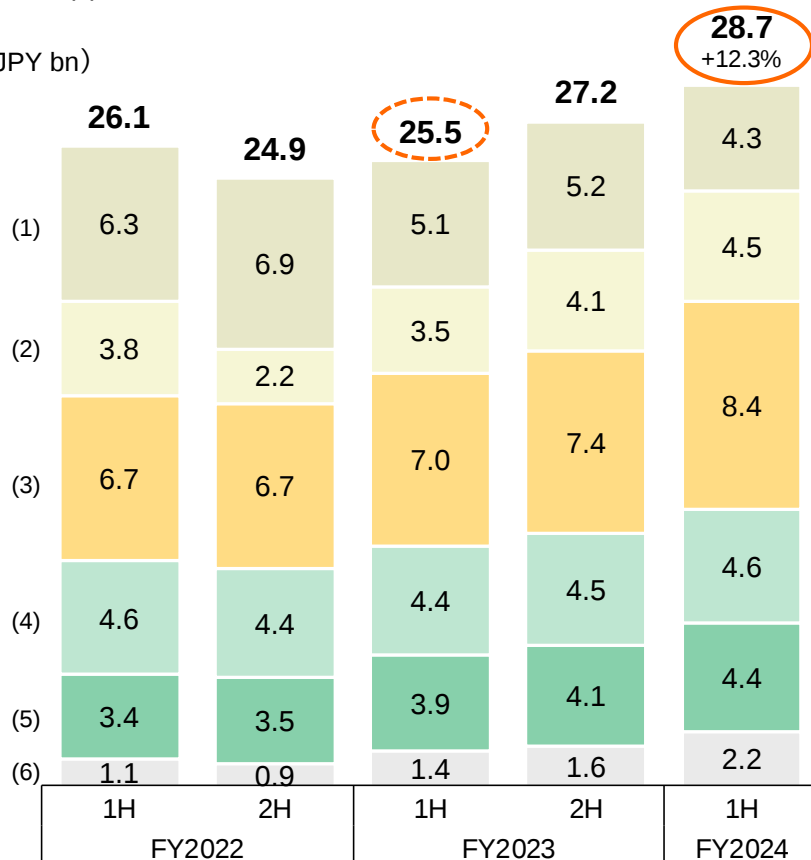
Major Fee Businesses(1) (AUM)

HD
Consolidated

AUM income

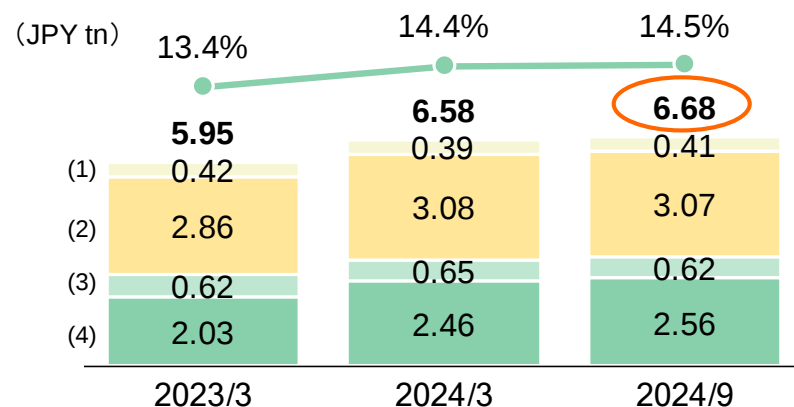
- (1) Insurance
- (2) Investment trust (sales commission)
- (3) Investment trust (trust fees)
- (4) Fund wrap
- (5) Resona Asset Management
- (6) Securities trust

(JPY bn)



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: Sep. 24 JPY783.8 bn, +3.1%, YoY**
Of which, external group JPY97.3 bn
- **Change in balance of investment trust and fund wrap : 1H of FY24 Approx. +JPY82.0 bn**
 - Net inflow (new purchase – withdrawal and redemption): Approx. +JPY122.0 bn
- **Number of individual customers having investment trust, fund wrap and insurance products : Sep. 24 1,012 thousands, +23 thousands, YoY**
 - Of which, NISA account holders*4: 454 thousands, +9.9%, YoY*5
- **iDeCo participants*6: Sep. 24 198 thousands, +9.3%, YoY**
- **Securities trust (total assets in custody) : Sep. 24 JPY48.0 tn**

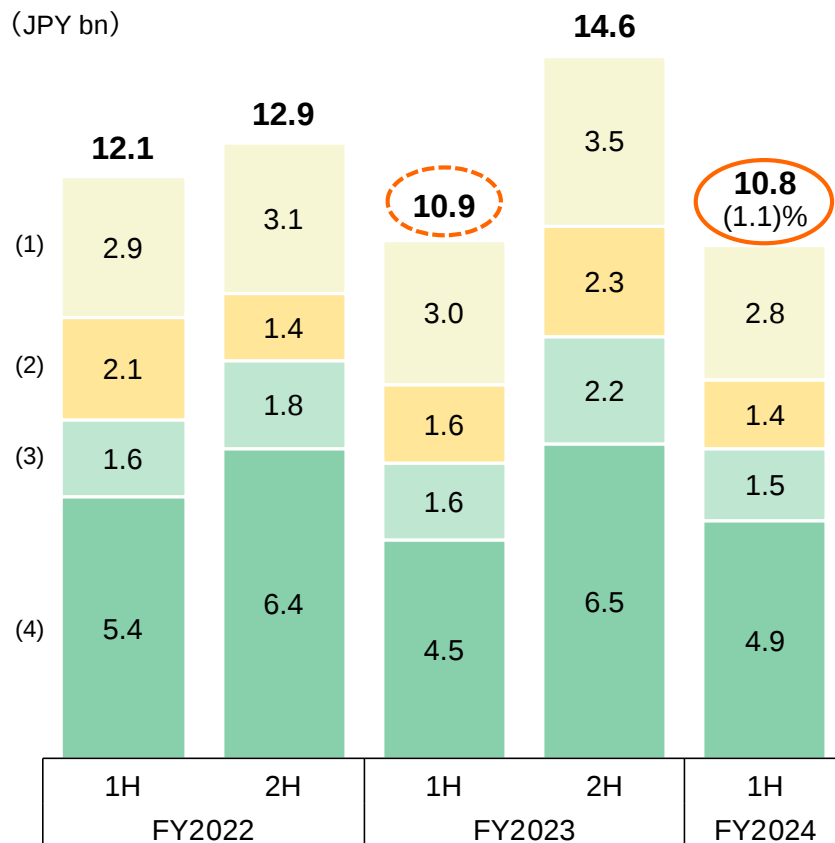
*1. Based on market value *2. Balance of asset formation support products sold to individuals / (balance of asset formation support products sold to individuals and yen deposits held by individuals) *3. Including corporation and external group *4. NISA, Junior NISA, Cumulative NISA *5. After adjusting 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

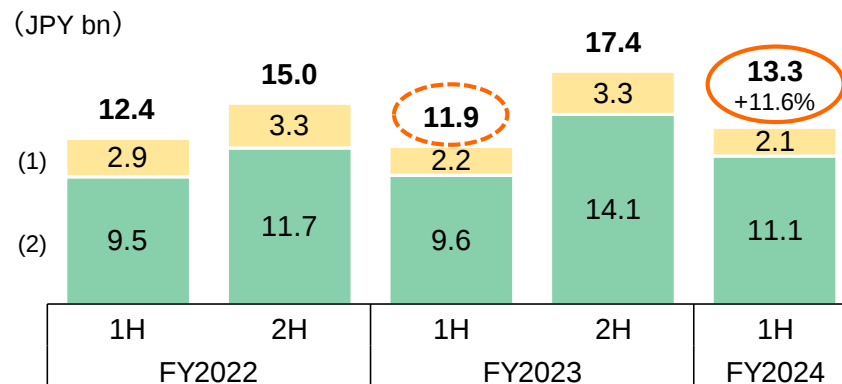
Succession related income

- (1) Asset and business succession related trust
- (2) M&A
- (3) Real estate (individual)
- (4) Real estate (corporation)*1

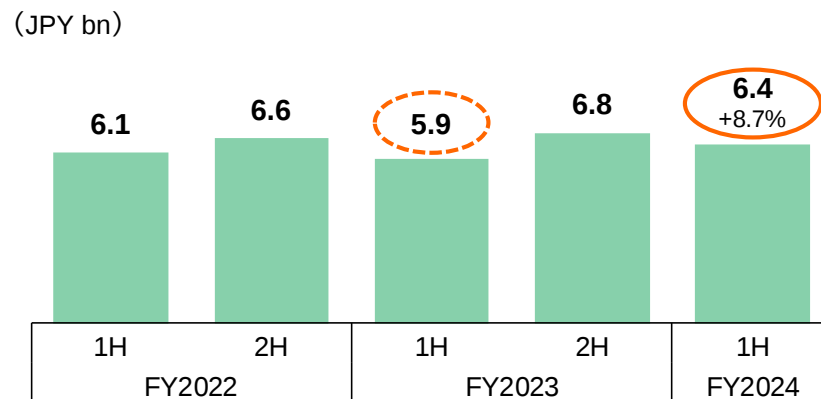


Corporate solutions business income

- (1) Private notes
- (2) Commitment line, Syndicated loans, Covenants



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	FY2023		FY2024	
		(a)	1H (b)	(c)	1H (d)	Plan (e)
HD consolidated	(1)	(15.9)	(10.2)	(35.6)	(6.8)	(40.0)

Total of group banks	(2)	(15.0)	(9.1)	(29.6)	(7.6)	(36.5)
General reserve	(3)	(3.1)	3.4	(1.4)	2.2	
Specific reserve and other items	(4)	(11.9)	(12.5)	(28.1)	(9.8)	
New bankruptcy, downward migration	(5)	(45.2)	(19.2)	(40.8)	(32.3)	
Collection/upward migration	(6)	33.2	6.7	12.7	22.5	

Difference (1) - (2)	(7)	(0.8)	(1.1)	(6.0)	0.8	(3.5)
Housing loan guarantee subsidiaries	(8)	1.4	1.3	2.5	1.4	
Resona Card	(9)	(1.7)	(1.0)	(2.0)	(0.9)	

<Credit cost ratio>

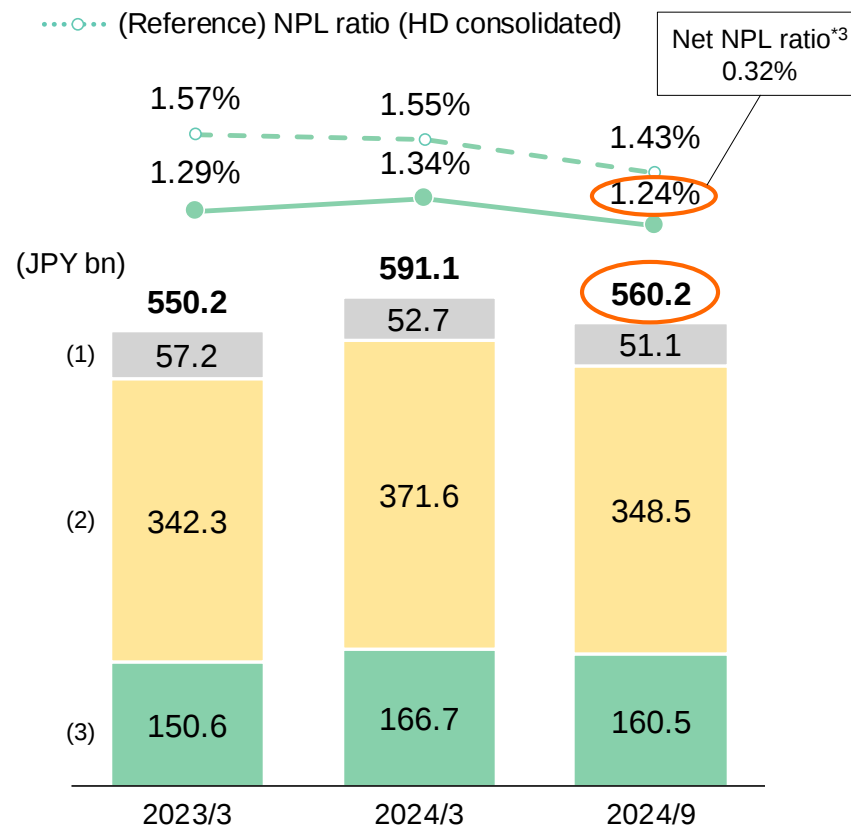
		(bps)				
HD consolidated ^{*1}	(10)	(3.9)	(4.8)	(8.4)	(3.1)	(9.1)
Total of group banks ^{*2}	(11)	(3.6)	(4.2)	(6.8)	(3.4)	(8.1)

(Note) Positive figures represent reversal gains

NPL balance and ratio (Total of group banks)

(Financial Reconstruction Act criteria)

- (1)Unrecoverable or valueless claims
- (2)Risk claims
- (3)Special attention loans
- NPL ratio
- (Reference) NPL ratio (HD consolidated)



*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)

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

Securities portfolio*1

(JPY bn, before hedging)	2023/3	2024/3	2024/9	Net unrealized gains
	(a)	(b)	(c)	(d)
Available-for-sale securities (1)	3,886.8	3,948.8	4,070.4	583.8
Stocks (2)	283.8	261.6	240.6	666.5
Bonds (3)	2,400.2	2,215.8	2,509.2	(72.0)
JGBs (4)	645.3	539.3	902.9	(42.1)
Average duration (years) (5)	12.8	11.9	9.5	—
Basis point value (BPV) (6)	(0.78)	(0.60)	(0.84)	—
Local government and corporate bonds (7)	1,754.9	1,676.4	1,606.3	(29.9)
Other (8)	1,202.6	1,471.4	1,320.6	(10.5)
Foreign bonds (9)	721.5	1,002.1	796.9	(11.1)
Average duration (years) (10)	5.8	5.5	4.4	—
Basis point value (BPV) (11)	(0.30)	(0.41)	(0.28)	—
Investment trusts (Domestic) (12)	474.1	466.9	517.4	(0.6)
(Net unrealized gains) (13)	472.9	663.3	583.8	
Bonds held to maturity (14)	3,899.0	4,609.2	4,823.0	(203.3)
JGBs (15)	2,278.2	2,737.0	2,882.4	(158.9)

JGBs (available for sale securities, c-5 and 6, d-4) after hedging in 2024/9

Average duration: 7.2 year, BPV: JPY(0.42) bn, Net unrealized gains: JPY(32.5) bn
(Foreign bonds are partially hedged by domestic investment trusts (bear fund) and other)

Status of policy-oriented stock holdings*2

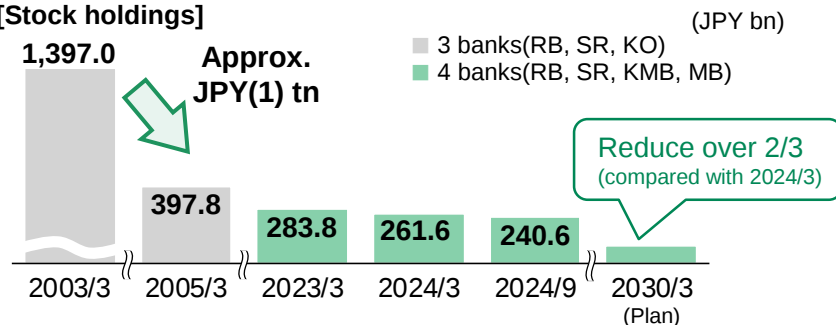
1H of FY24 (Act.)

Balance of listed stocks disposed (acquisition cost basis) : JPY21.0 bn
Net gain on sale: JPY46.5 bn (HD consolidated: JPY45.7 bn)
Breakeven Nikkei average: Approx. 6,700 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

Capital Adequacy Ratio

HD
Consolidated

- CET1 ratio (International standard, the full enforcement, excluding net unrealized gains on available-for-sale securities) as of September 30, 2024 was 10.15%

Capital adequacy ratio

		2024/9	Change from 24/3
CET1 ratio (International std.) (Excluding net unrealized gains on available-for-sale securities)	Full enforcement (1)	10.15%	+0.25%
(Reference)	Full enforcement (2)	12.08%	(0.02)%
CET1 ratio (International std.)	Transitional arrangements (3)	15.38%	—
(Reference)	Full enforcement (4)	10.52%	+0.18%
CAR (Domestic std.)	Transitional arrangements (5)	13.13%	+0.28%

[International standard, the full enforcement]

(JPY bn)		2024/9	Change from 24/3
Common Equity Tier1 capital (Excluding net unrealized gains on available-for-sale securities) [(7) - (9)]	(6)	2,229.8	+71.2
Common Equity Tier1 capital	(7)	2,653.5	+14.3
Stockholders' equity	(8)	2,267.6	+68.0
Net unrealized gains on available-for-sale securities	(9)	423.6	(56.9)
Regulatory adjustments	(10)	(97.9)	+1.9
Risk weighted assets (full enforcement)*1	(11)	21,951.4	+148.8
Credit risk weighted assets	(12)	17,142.8	(136.6)
Market risk	(13)	293.6	+26.7
Operational risk	(14)	895.6	+32.4
Floor adjustment	(15)	3,619.3	+226.1

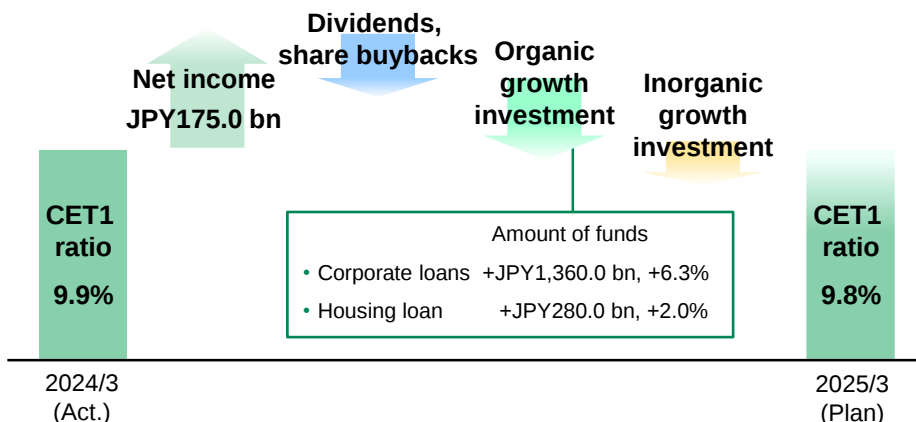
*1. Including risk weighted assets equivalent to market value of policy-oriented stock holdings

Factors for changes in Common Equity Tier1 capital in 1H of FY2024

- **Stockholders' equity (8)** **+JPY68.0 bn**
 - Net income attributable to owners of parent +JPY114.2 bn
 - Share buyback (completed in Jun. 24) JPY(20.0) bn
 - Interim dividend JPY(26.7) bn
- **Credit risk weighted assets (12)** **+JPY136.6 bn**
 - Increasing loan balance +JPY198.7 bn
 - Stock holdings JPY(308.7) bn

Factors for changes in CET1 ratio in FY2024

[International standard, the full enforcement
(excluding net unrealized gains on available-for-sale securities)]



Earnings Targets for FY2024 (released in Nov. 2024)

HD Consolidated
Total of Group Banks

HD consolidated

(JPY bn)		Full-year	Change from initial target	YoY change
Net income attributable to owners of parent	(1)	175.0	+10.0	+16.1
Difference	(2)	16.5	+0.5	+1.2
Core income *1	(3)	168.5	+8.5	*2 +9.8

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	Change from initial target	Full-year	Change from initial target	Full-year	Change from initial target	Full-year	Change from initial target	Full-year	Change from initial target
Gross operating profit	(6)	632.0	+24.0	372.0	+20.0	121.5	+3.5	95.0	+1.0	43.5	(0.5)
Operating expenses	(7)	(406.0)	-	(228.5)	-	(79.5)	(0.5)	(64.0)	-	(34.0)	+0.5
Actual net operating profit	(8)	226.0	+24.0	143.5	+20.0	42.0	+3.0	31.0	+1.0	9.5	-
Net gains on stocks (including equity derivatives)	(9)	64.0	+12.5	43.0	-	9.0	+2.5	0.5	-	11.5	+10.0
Credit costs	(10)	(36.5)	-	(24.0)	-	(6.0)	-	(3.5)	-	(3.0)	-
Income before income taxes	(11)	221.0	+12.0	152.5	+7.5	40.0	+2.5	22.0	(1.0)	6.5	+3.0
Net income	(12)	158.5	+9.5	108.0	+5.0	28.0	+2.0	18.0	+0.5	4.5	+2.0

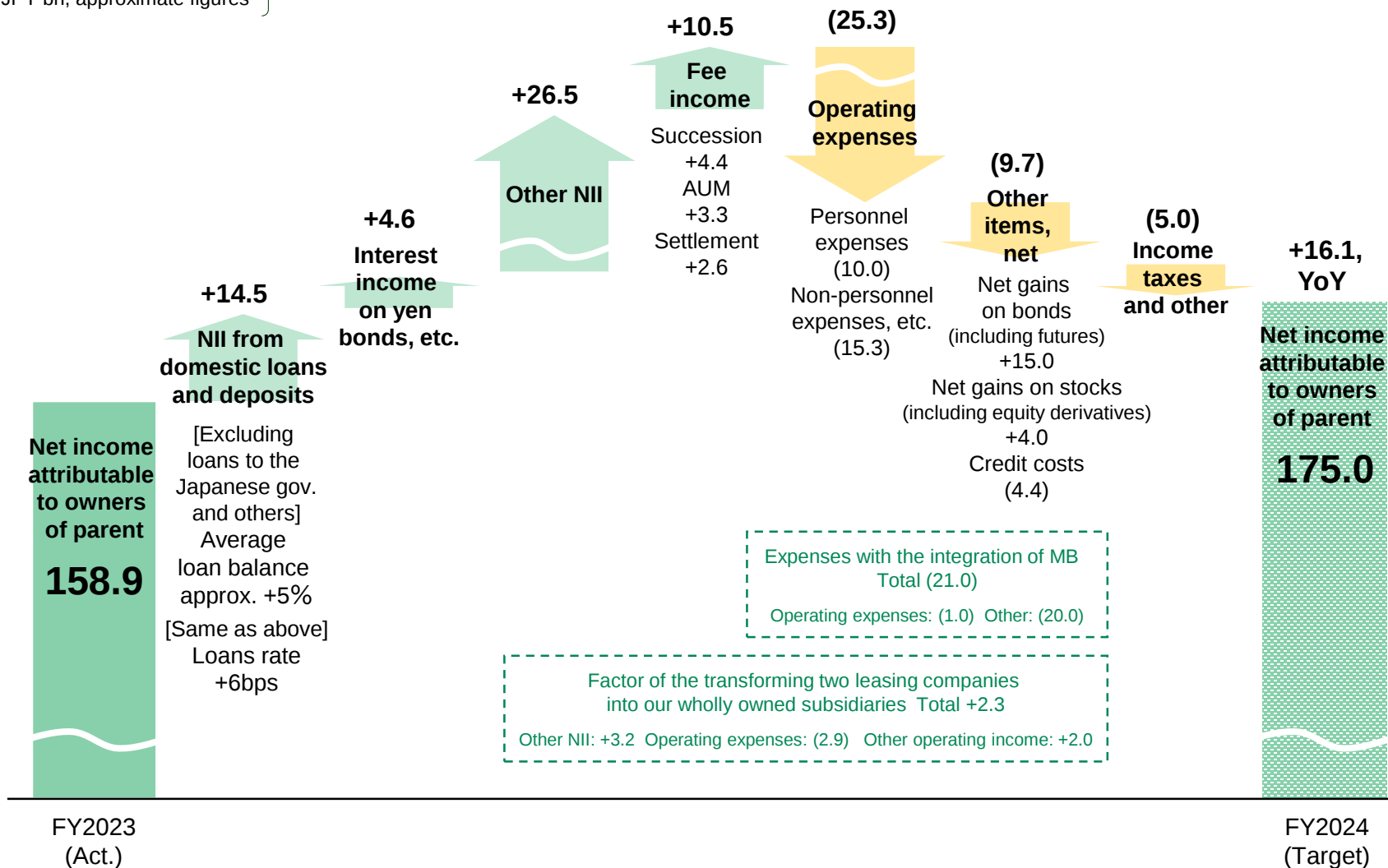
*1. Net interest income from domestic loans and deposits + Interest on yen bonds, etc. + Fee income + Operating expenses, actual basis excluding operating expenses of Resona Leasing

*2. Comparison with the actual basis for the FY23 (excluding the impact of the joint management designated money trust of +JPY2.4 bn)

(Reference) Rationale for FY2024 Earnings Targets (YoY change)

HD
Consolidated

[JPY bn, approximate figures]

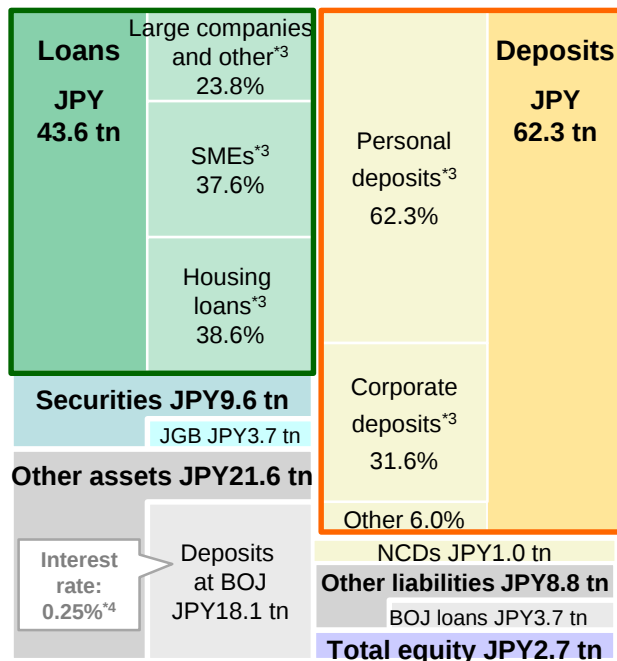
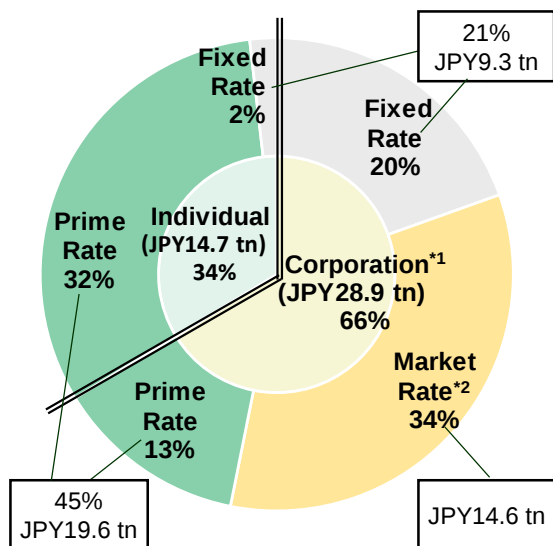


BS Management Approach Aligned with Possible Hikes in Yen Interest Rates

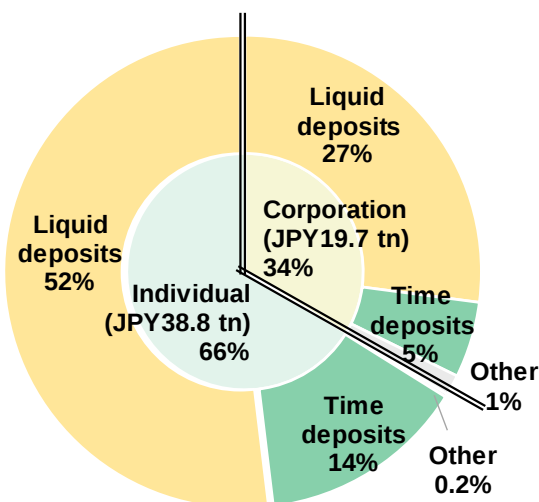
Turnaround and raise ROA via a revival of the deposit-lending business and a securities portfolio designed to support stable interest income

End of Sep. 2024
Total assets JPY75.0 tn

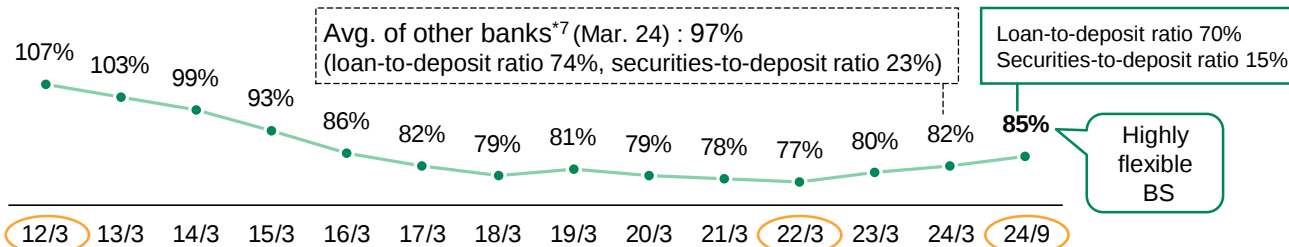
Composition of loan portfolio



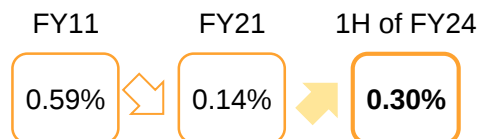
Composition of deposits*5



[Trends in ratio of loans and securities to deposits*6]



■ ROA, which declined in the monetary easing environment, is on a recovery trend



*1. Including apartment loans *2. Market rate-linked loans include the fixed-rate (spread) loans maturing in less than one year

*3. Total of group banks *4. Applicable to excess reserves *5. Domestic individual deposits + Domestic corporate deposits

*6. Excluding NCDs *7. Three megabank groups and top 10 regional banking groups

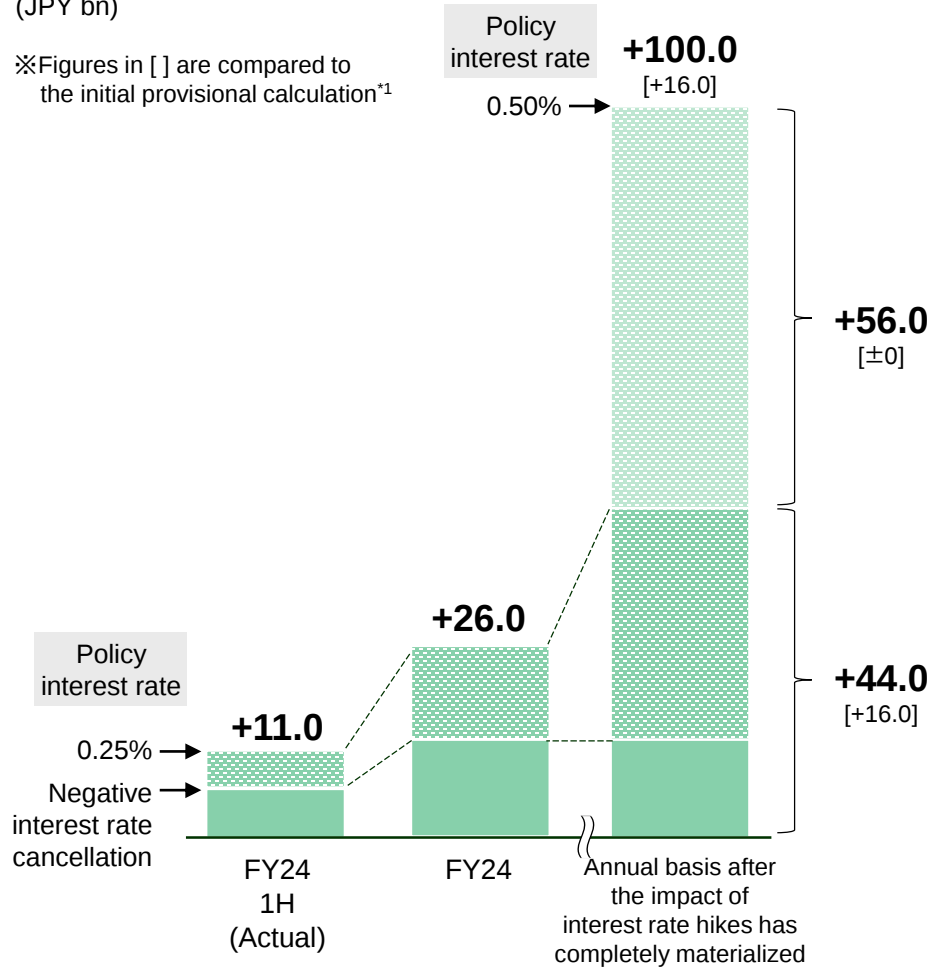
(Reference) Possible Impact on Earnings while JPY Interest Rate Hikes (provisional calculation)

If the policy interest rate rises to 0.50%, we expect ROE (based on stockholders' equity) to reach 9-10%
/ ROE defined by TSE to reach 8%

[Amount increase in gross operating profit]

(JPY bn)

※Figures in [] are compared to the initial provisional calculation*1



<Assumption for provisional calculation>

- ✓ Balance sheet : Unchanged
(Negative interest rate cancellation ~ 0.25% : As of end of Mar. 2024, 0.25→0.50% : As of end of Sep. 2024)
- ✓ 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 BOJ and interest rate swaps

$$\text{ROE} = \frac{\text{Net income (FY24 target*2)} + \text{Impact of the interest rate hikes}}{\text{Total stockholders' equity (TSE standard: equity)}}$$

(Notes) Major factors not considered in the provisional calculation

<Upsides ↑>

- Increase in the balance of loans and investment bonds (Volume factor)
- Impact on loans with interest rate that will be updated after a year

<Upsides / Downsides ↑↓>

- Fluctuations in the deposit beta of loans and deposits

<Downsides ↓>

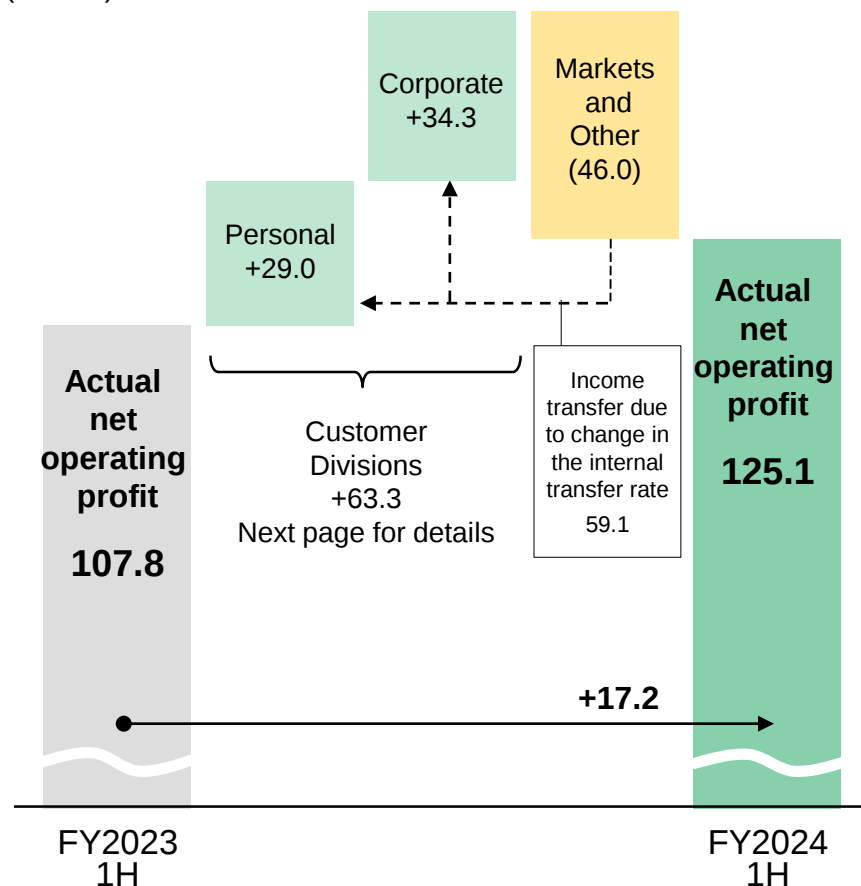
- Increase in expenses and credit costs due to inflation, etc.

(Reference) Outline of Financial Results of Each Segment

HD
Consolidated

(JPY bn)		FY2024 1H	YoY Change
Customer Divisions	Gross operating profit (1)	399.4	+79.0
	Operating expense (2)	(220.5)	(15.9)
	Actual net operating profit (3)	179.2	+63.3
Personal Banking	Gross operating profit (4)	179.4	+37.9
	Operating expense (5)	(114.4)	(8.9)
	Actual net operating profit (6)	65.0	+29.0
Corporate Banking	Gross operating profit (7)	220.0	+41.1
	Operating expense (8)	(106.1)	(7.0)
	Actual net operating profit (9)	114.1	+34.3
Markets and Other	Gross operating profit (10)	(53.9)	(46.9)
	Operating expense (11)	(0.1)	+1.0
	Actual net operating profit (12)	(54.0)	(46.0)
Total	Gross operating profit (13)	345.5	+32.0
	Operating expense (14)	(220.7)	(14.9)
	Actual net operating profit (15)	125.1	+17.2

(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

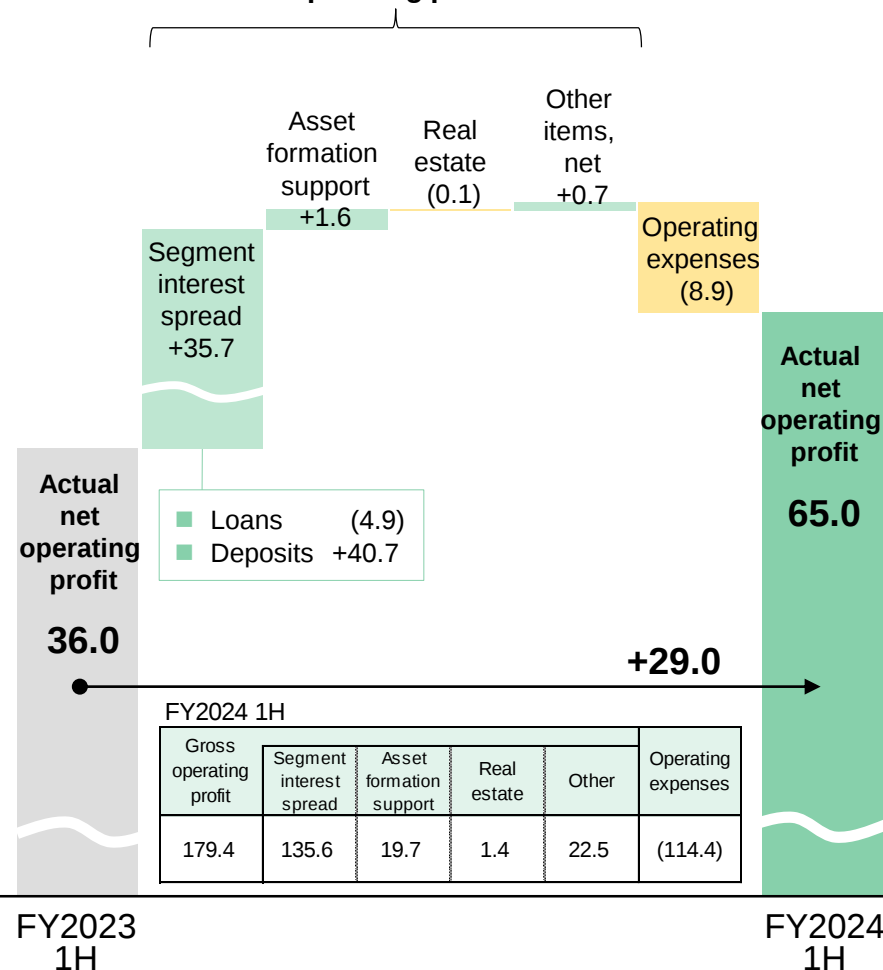
HD
Consolidated

Personal Banking Segment

■ Actual net operating profit : Up JPY29.0 bn, YoY

(JPY bn)

Gross operating profit +37.9

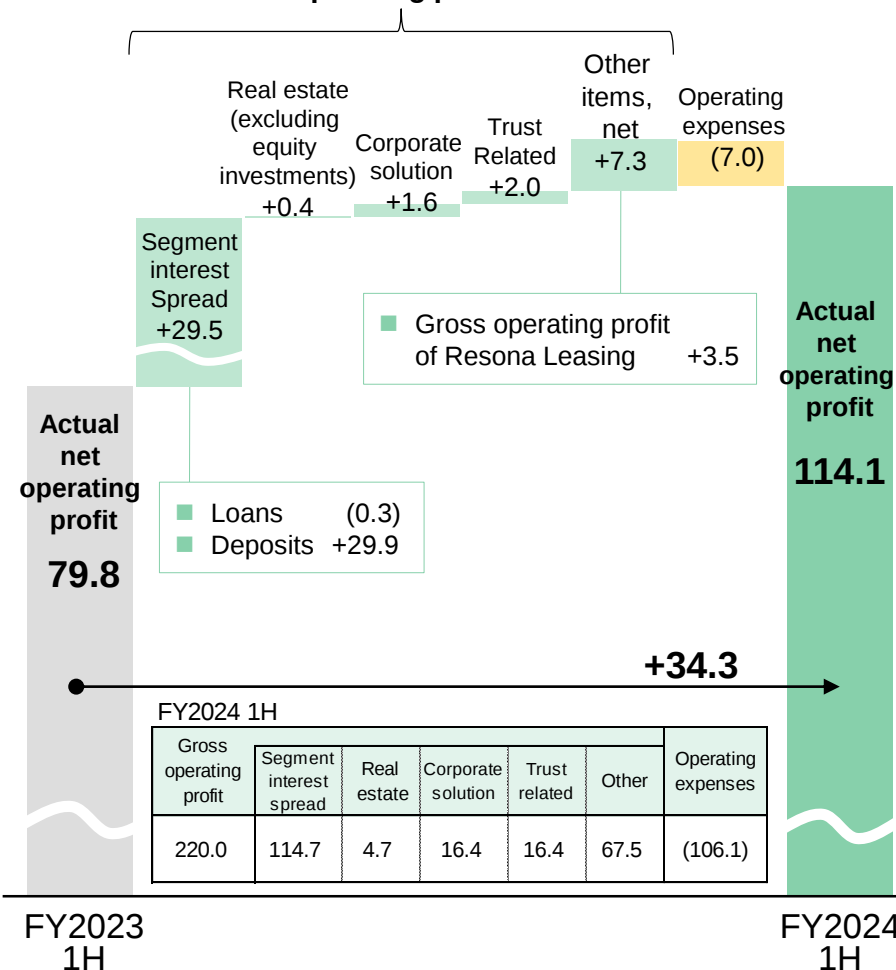


Corporate Banking Segment

■ Actual net operating profit : Up JPY34.3 bn, YoY

(JPY bn)

Gross operating profit +41.1



- 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.