

Investor Relations Meeting for 1H of FY2023

-Business Results for 1H of FY2023 and Future Management Direction-

**Beyond Finance,
for a Brighter Future.**

RESONA GROUP



Resona Holdings

November 16, 2023



- I am Minami from Resona Holdings.
- Thank you very much for taking the time today to listen to our IR presentation.
- Now let me get right into my presentation.

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

[HD] Resona Holdings, [RB] Resona Bank, [SR] Saitama Resona Bank,
[KMFG] Kansai Mirai Financial Group, [KMB] Kansai Mirai Bank*, [MB] Minato Bank
* [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.

Review of the 1H of FY2023

Initiatives to Improve Corporate Value

Capital Management

**Aiming to Be a Company That Contributes Most to
SX of Retail Customers
(ESG Initiatives)**

Reference Material (Financial Highlights, MMP, Business Strategies and Other)

Review of the 1H of FY2023

Review of the 1H of FY2023	
Solid operating results for the first half	◆ Progress rate against the full year target of net income attributable to owners of parent : 55.0% ◆ Progress rate against the full year target of core income^{*1} (excluding the impact of joint management designated money trust^{*2}) : 51.6%
Business development in anticipation of monetary policy change in Japan	◆ Average loan balance [excluding loans to the Japanese government and others] : +2.69%, YoY ◆ Interest on yen bonds, etc. : JPY14.4 bn, up JPY2.6 bn, YoY ◆ Strengthening and Utilizing a deposit base ➢ Settlement related income : JPY37.1 bn, +3.6%, YoY ➢ Individual users of funded investment trusts : 210 thousand, +10%, YoY [Average balance of corporate loan, YoY] [Settlement related income] (JPY bn)
Strengthen group governance	◆ The merger of HD and KMFG in April 2024 (plan)
Progress in inorganic strategy	◆ Transforming two leasing companies into our consolidated subsidiaries in January 2024 (plan) ROI (estimate) : 12% level + α (synergy, etc.)
Expanding shareholder returns	◆ Share buyback up to JPY15.0 bn Total shareholder return ratio FY'23 (prospect) : 51.3%
^{*1} Net interest income from domestic loans and deposits + Interest on yen bonds, etc. + Fee income + Operating expenses ^{*2} Increase in trust fees (joint management designated money trust) compared to the 1H of FY2022 (up JPY1.8 bn)	
Resona Holdings, Inc. 4	

- First, a review of the first half of the year.
- We have five points that we'd like to share with you.
- The first point is financial results. The progress rates against the full year target of net income attributable to owners of the parent was 55%, which is generally considered to be a solid performance.
- The progress rate against the full year target of core income, excluding the impact from the special factor, was also 51.6%.
- Core income is a sum of domestic interest income on deposits and loans, fee income and interest on yen denominated bonds, etc. minus expenses and is used as a KPI in the medium-term plan to promote medium- to long-term reform of income and cost structure.
- Second, business development. Any preparations are underway in anticipation of rising interest rates in Japan. The upward trend in loans is accelerating, while interest on yen bonds, etc. is also increasing. Deposit and a settlement related businesses are also performing well through the integration of digital and face-to-face business.
- The third is to strengthen group governance. The merger of KMFG by Resona Holdings in April next year was announced at the same time as the financial results.
- The fourth is our inorganic strategy. We plan to make two leasing companies consolidated subsidiaries as the first of such strategies.
- Fifth, we are expanding shareholder returns. At the same time as the announcement of financial results, we also announced the establishment of a 15 billion yen share repurchase program. As a result, the total return ratio for this fiscal year is expected to be 51.3%.
- Each of these will be supplemented later in a separate slide.

Outline of Financial Results for the 1H of FY2023

- **Net income attributable to owners of parent : JPY82.5 bn**
 - Down JPY0.1 bn, or 0.2%, YoY
Progress rate against the full year target^{*1} : 55.0% [1Q : 23.6%, 2Q : 31.4%]
- **Actual net operating profit : JPY107.5 bn**, Up JPY18.7 bn, or 21.1%, YoY
Core income^{*2} (excluding the impact of joint management designated money trust^{*3}) : JPY77.4 bn, Down JPY7.9 bn, YoY
Progress rate against the full year target^{*4} : 51.6%
 - **Gross operating profit : JPY313.1 bn**, Up JPY21.7 bn, or 7.4%, YoY
 - Net interest income from domestic loans and deposits : Down JPY2.7 bn, YoY
Average loan balance : +4.22%, YoY, Loans rate : down by 5bps, YoY
[Excluding loans to the Japanese government and others]
Average loan balance : +2.69%, YoY, Loans rate : down by 3bps, YoY
Both loan balance and loan rate were roughly in line with the plan
 - Fee income : Down JPY2.9 bn, YoY
[Excluding the impact of joint management designated money trust^{*3}]
Fee income : Down JPY4.8 bn, YoY
Fee income was in line with the plan. Increase in settlement related
 - Net gains on bonds (including futures) : Up JPY32.2 bn, YoY
Increased due to a reaction to the measures taken in the previous year to restore soundness on foreign bonds
 - **Operating expenses : JPY205.8 bn**, increased by JPY3.0 bn, YoY
Cost income ratio : 65.7%, Down 3.8%, YoY
- **Credit related expenses : JPY10.2 bn (cost)**, increased by JPY2.5 bn, YoY
27.0% against the full year budget of JPY38.0 bn
- **Full year target of JPY150.0 bn and full year dividend forecast of 22 yen (up 1 yen, YoY) remain unchanged**
- **The merger of HD and KMFG in April 2024 (plan)**
- **Transforming two leasing companies into our consolidated subsidiaries in January 2024 (plan)**
- **Share buyback up to JPY15.0 bn**

HD consolidated (JPY bn)	FY2023 1H	YoY change	Progress rate vs. Target ^{*1}
(a)	(b)	(c)	(d)
Net income attributable to owners of parent	(1) 82.5	(0.1)	(0.2%) 55.0%
EPS (yen)	(2) 35.06	+0.38	+1.0%
BPS (yen)	(3) 1,102.49	+84.87	+8.3%
Gross operating profit	(4) 313.1	+21.7	+7.4%
Net interest income	(5) 204.9	(7.3)	
Net from loans and deposits ^{*5}	(6) 164.8	(2.7)	
Interest on yen bonds, etc. ^{*6}	(7) 14.4	+2.6	
Interest on borrowings from trust accounts	(8) (2.8)	-1	(1.8)
Fee income	(9) 105.8	(2.9)	
Fee income ratio	(10) 33.8%	(3.5%)	
Trust fees	(11) 13.0	+2.2	
Joint management designated money trust ^{*3}	(12) 2.9	-1	+1.8
Fee and commission income	(13) 92.8	(5.1)	
Other operating income	(14) 2.2	+31.9	
Net gains on bonds (including futures)	(15) (7.5)	+32.2	
Operating expenses (excluding group lease non-recurring items)	(16) (205.8)	(3.0)	(1.4%)
Cost income ratio (CIR)	(17) 65.7%	(3.8%)	
Actual net operating profit	(18) 107.5	+18.7	+21.1%
Core income ^{*2}	(19) 77.4	(6.1)	(7.9%)
Net gains on stocks (including equity derivatives)	(20) 21.9	(14.4)	
Credit related expenses, net	(21) (10.2)	(2.5)	
Other gains, net	(22) (5.2)	(3.0)	
Net income before income taxes and non-controlling interests	(23) 113.9	(1.2)	(1.0%)
Income taxes and other	(24) (31.2)	+0.9	
Net income attributable to non-controlling interests	(25) (0.2)	+0.1	

^{*1} Full year target of FY2023: JPY150.0 bn ^{*2} Net interest income from domestic loans and deposits + Interest on yen bonds, etc. + Fee income + Operating expenses
^{*3} Increase in trust fees (joint management designated money trust) compared to the 1H of FY2022 (up JPY1.8 bn)
^{*4} Full year core income target of FY2023: JPY150.0 bn (announced in Nov. 23) ^{*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
^{*7} Due to the increase in interest on borrowings from trust account (RB) (down JPY1.8 bn, YoY), trust fees (joint management designated money trust) (RB) increased by the same amount (up JPY1.8 bn, YoY) (no impact on gross operating profit)

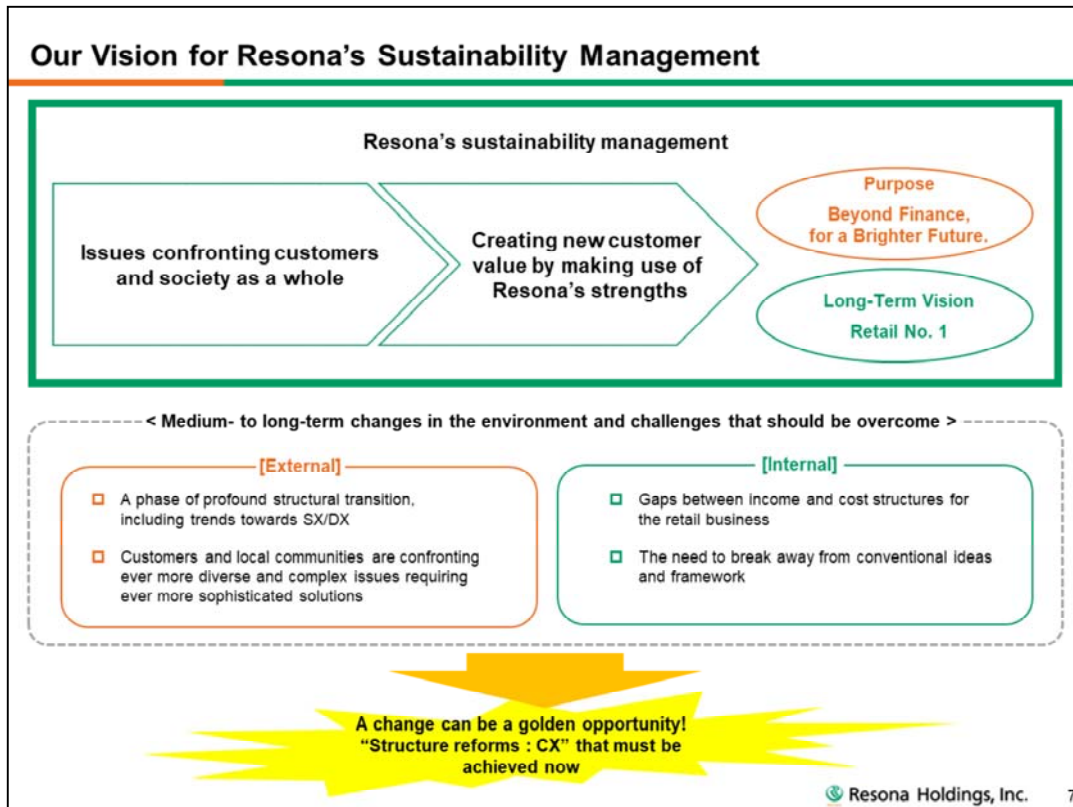
Resona Holdings, Inc.

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- This is a summary of the financial results.
- We have conducted an analyst call after the earnings announcement, so I will explain briefly.
- Net income attributable to owners of parent was 82.5 billion yen. This represents 55% progress towards the full year target of 150 billion yen. Looking at the quarterly results, the pace has increased from 23.6% in Q1 to 31.4% in Q2.
- I will comment on each item.
- Net interest income from domestic loans and deposits declined by 2.7 billion yen year on year. Average loan balance and loan rate were generally in line with the plan.
- Fee income was down 2.9 billion yen year on year. Succession related and insurance revenues declined partly due to a pullback from the previous year, while settlement related revenues remained strong. Overall, we are in line with the full year forecast.
- Net gains or losses on bonds was loss of 7.5 billion yen, which was up 32.2 billion yen year on year driven by measures taken in the previous year to restore soundness on foreign bonds.
- Expenses increased by 3 billion yen from the same period last year, but were controlled within the annual plan.
- Net gains on stocks were 21.9 billion yen. Although this amount is less by 14.4 billion yen compared to the same period last year due to the sale of policy stocks with large unrealized gains in the previous year, it is still making solid progress against this year's plan.
- Credit costs were an expense of 10.2 billion yen, representing 27% to the annual budget of 38 billion yen.
- The full year target remains unchanged at 150 billion yen and annual dividend per share is forecast to increase by 1 yen to 22 yen per share for the full year, both of which are unchanged from the initial forecast.



- From here, I'd like to explain our efforts to enhance corporate value, focusing on our growth strategy.

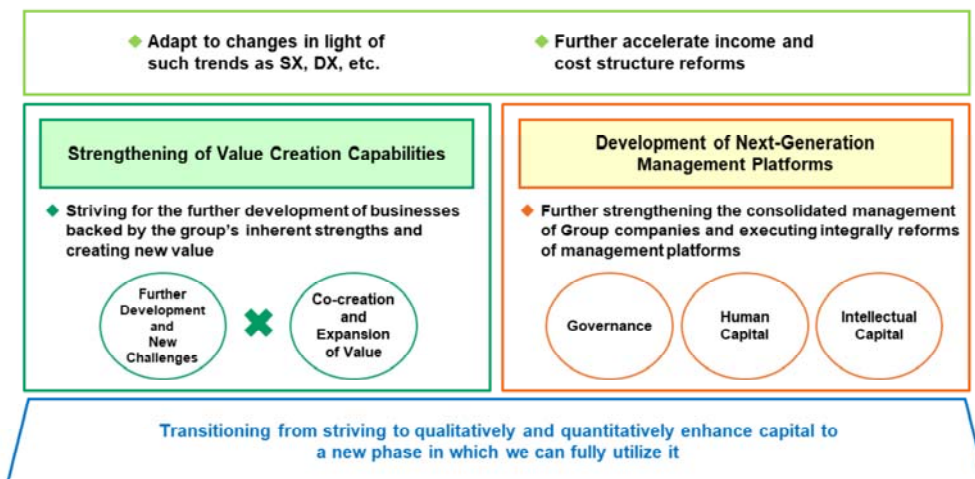


- First of all, this is our long-term goal.
- As part of the Resona group's sustainability management, we aim to create and maximize customer value by thinking about business from the perspective of issues confronting customers and society as a whole, and by making use of the group's inherent strengths multiplied by innovation.
- Beyond that, we believe that our purpose "Beyond Finance for a Brighter Future" and our long-term vision "Retail No. 1" can be seen.
- At the same time, the business environment surrounding us is at a historic turning point with trends such as SX and DX, and the concerns of customers and local communities are becoming ever increasing diverse, sophisticated and complex.
- In this environment, it is essential for us to change and break away from conventional ideas and frameworks.
- Change always brings new opportunities and risks. It is up to us to respond to any situation and turn it into an opportunity.

Accelerate Initiatives to Realize “Retail No. 1”

A change can be a golden opportunity!
“Structure reforms : CX” that must be
achieved now

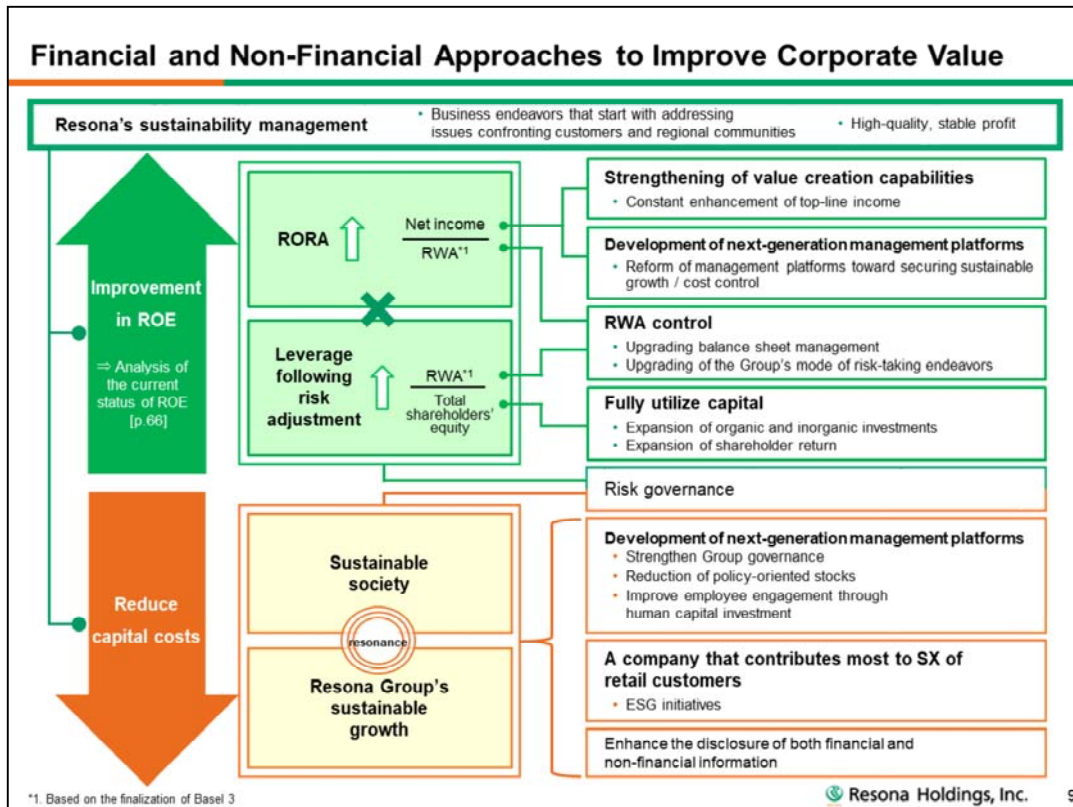
<Overview of the MMP>



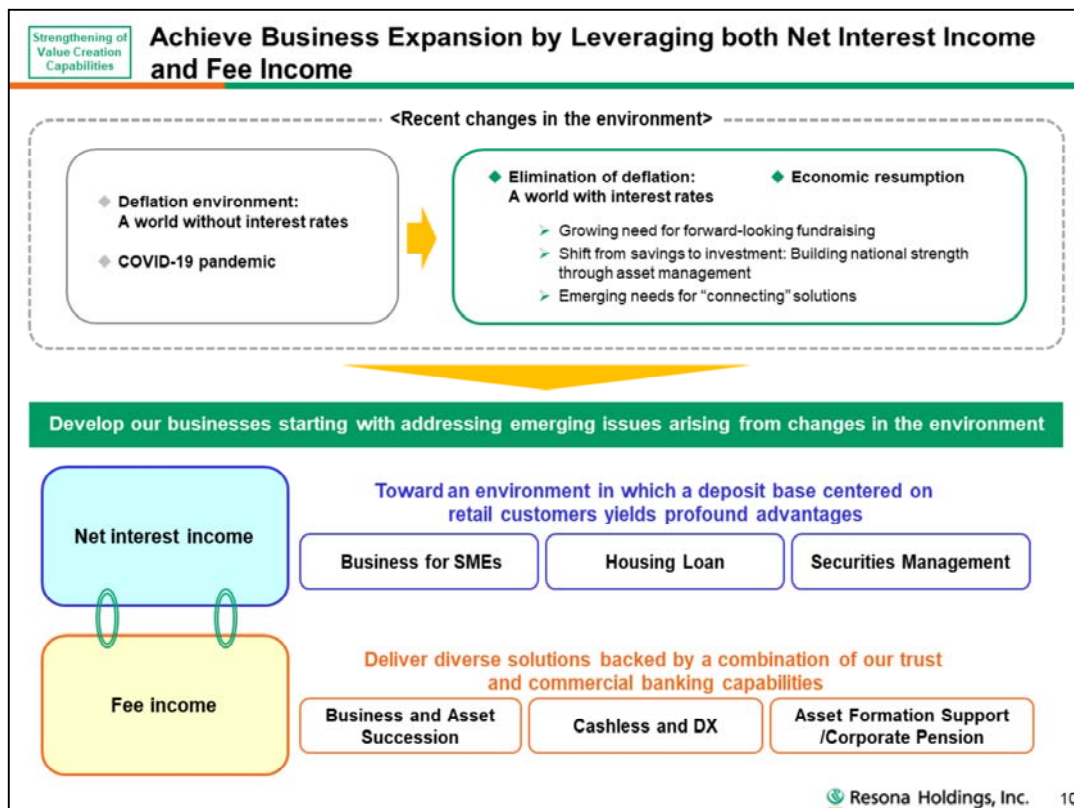
Resona Holdings, Inc.

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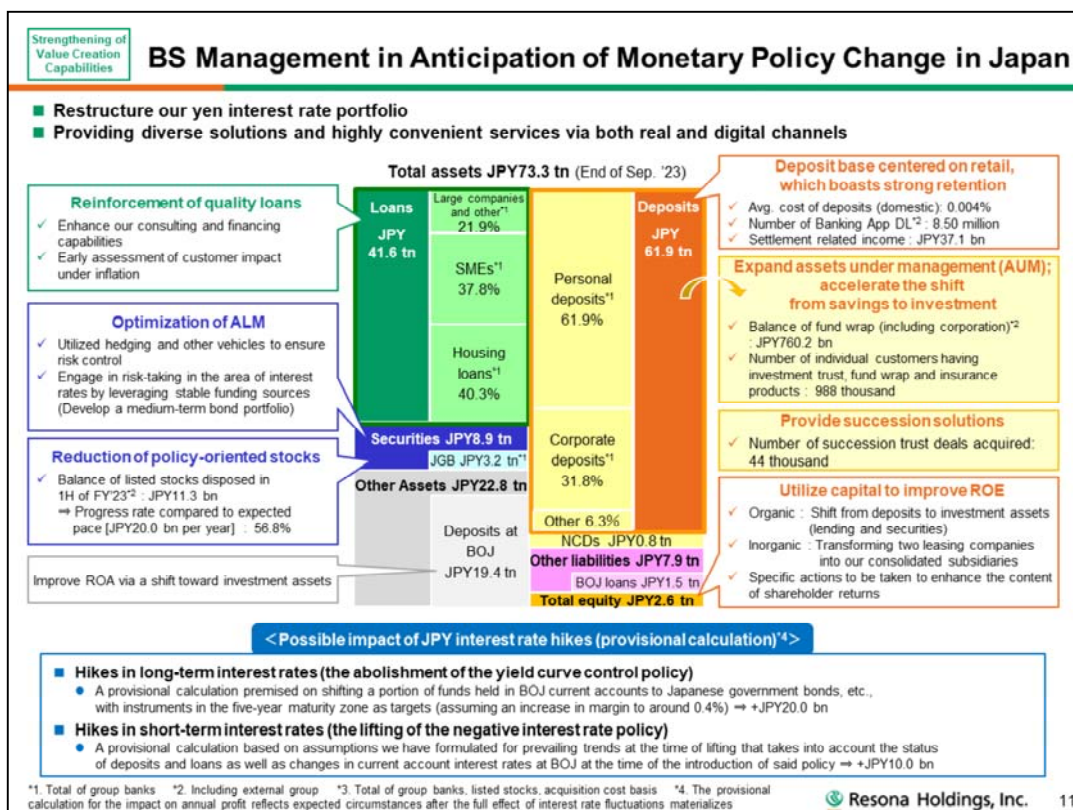
- Structural reforms are definitely necessary to further solidify such sustainability management.
- That is why the medium-term management plan that we announced in May is designed to be the first 1,000 days to promote CX or corporate transformation.
- In the medium-term management plan, we have stated that we will strengthen our value creation capabilities and develop next-generation management platforms, and we have also indicated that we are in the phase of full-fledged utilization of capital as a key point. Some specific measures were put into action on this front in the first half.



- This section summarizes how our efforts, both financial and non-financial, are linked to increasing corporate value.
- We present an approach from both sides, improvement in ROE and reduction of capital costs.
- ROE is currently at 7.6%. But we will first aim for 8%, which is a target for the medium-term management plan.
- We will make effective use of capital to improve profitability and asset efficiency. Particularly during the previous medium-term management plan period, the balance sheet expanded rapidly in the face of COVID-19, which led to the decline in ROE.
- Looking ahead, it is important to restructure the best mix of income based on risk, cost and return with an eye to change.
- At the same time, it is essential to review our cost structure by accelerating business process reforms, etc. By continuing these efforts, we aim to achieve a sustainable improvement in ROE.
- From the perspective of reducing the cost of capital, we recognize the need for further upgrading the risk governance. We are committed to managing risk appropriately and meeting the expectations of market participants by aiming at high quality, stable profit structure.
- In addition, it is important that society at large recognizes that our group's business model is one that develops in tandem with local communities. We were actively work to promote understanding of the sustainability of our group together with ESG related initiatives.



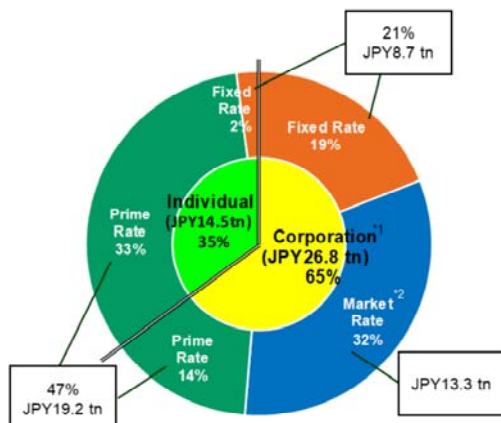
- I will now explain our efforts related to strengthening value creation capabilities.
- As I mentioned earlier about medium- to long-term structural changes, various changes in the business environment are also taking place in the immediate future.
- The first is the transition from the long lasting special world without interest rates to the normal world with interest rates. And the second is the reopening of the economy after COVID-19.
- We see both of these factors as tailwinds for our banking business, especially for a group who focuses on the domestic market.
- In the previous deflationary environment, we saw it new avenues of activity in fee businesses as a medium- to long-term profit structure reform and have produced reasonable results.
- On the other hand, in the world getting out from deflation, we intend to expand our two businesses as a twin engine fee income which has gained strength during deflation and interest income, in which we have intrinsic strength.



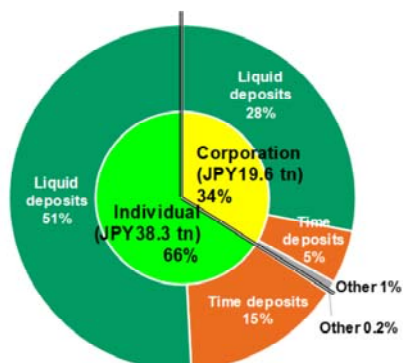
- We have organized this section as balance sheet management in anticipation of rising domestic yen interest rates.
- If monetary policy were to be revised further in the future, we expect a positive effect on earnings from the balance sheet of our group which is highly interest rate sensitive, mainly in terms of income from loans and deposits and interests and dividends on securities.
- Of course, we cannot control monetary policy itself, but we believe that preparation for change will make the difference between winning and losing afterwards.
- The entire group will work together to review our past ideas, values, and actions based on the premise of a world without interest rates and strive to improve our posture toward a world with interest rates.

Composition of Loan Portfolio and Deposits

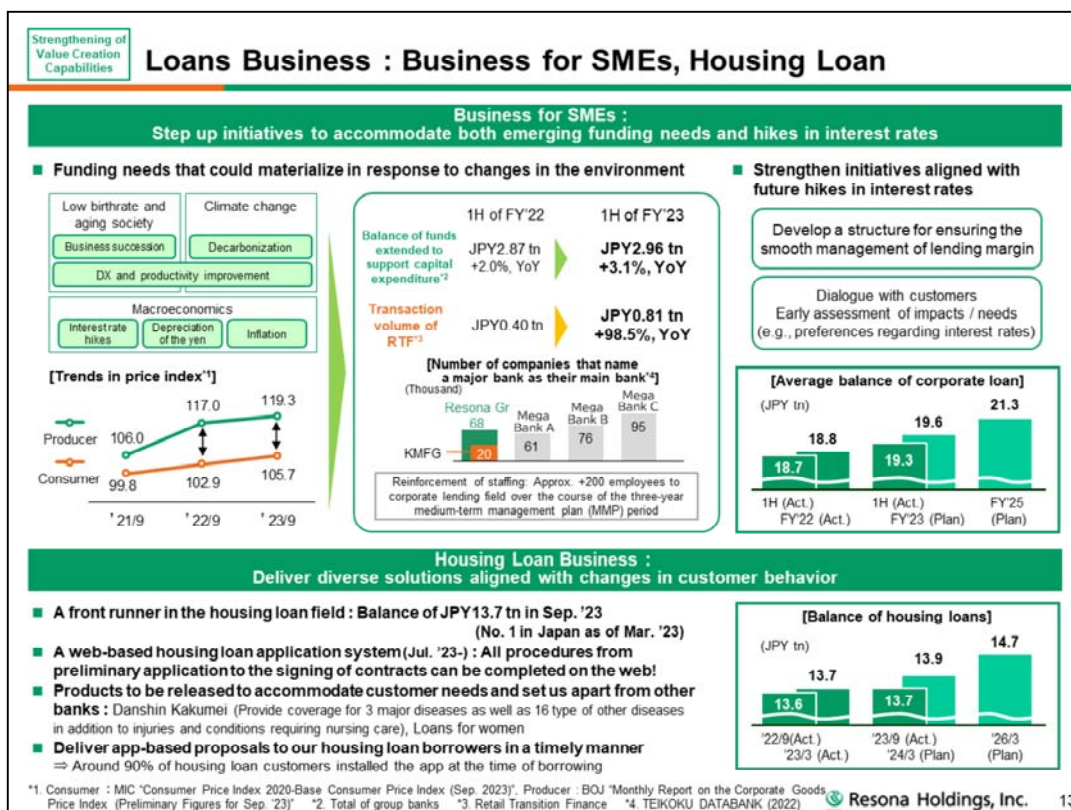
Composition of loan portfolio



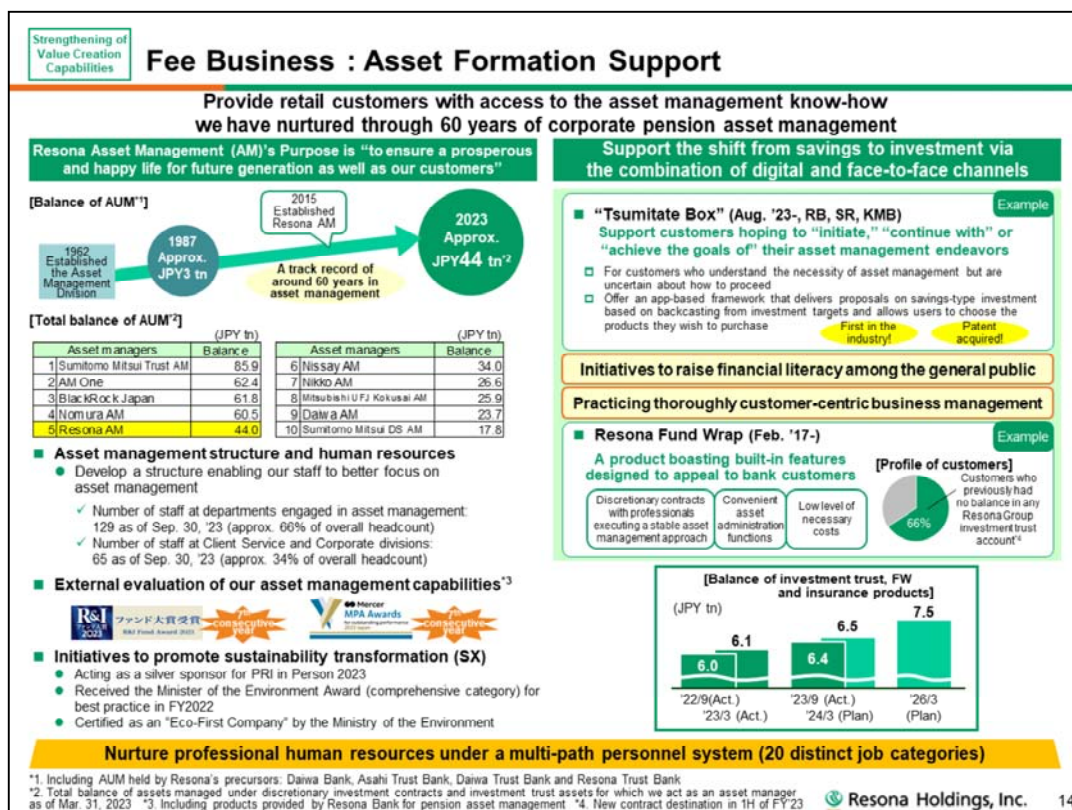
Composition of deposits^{*3}



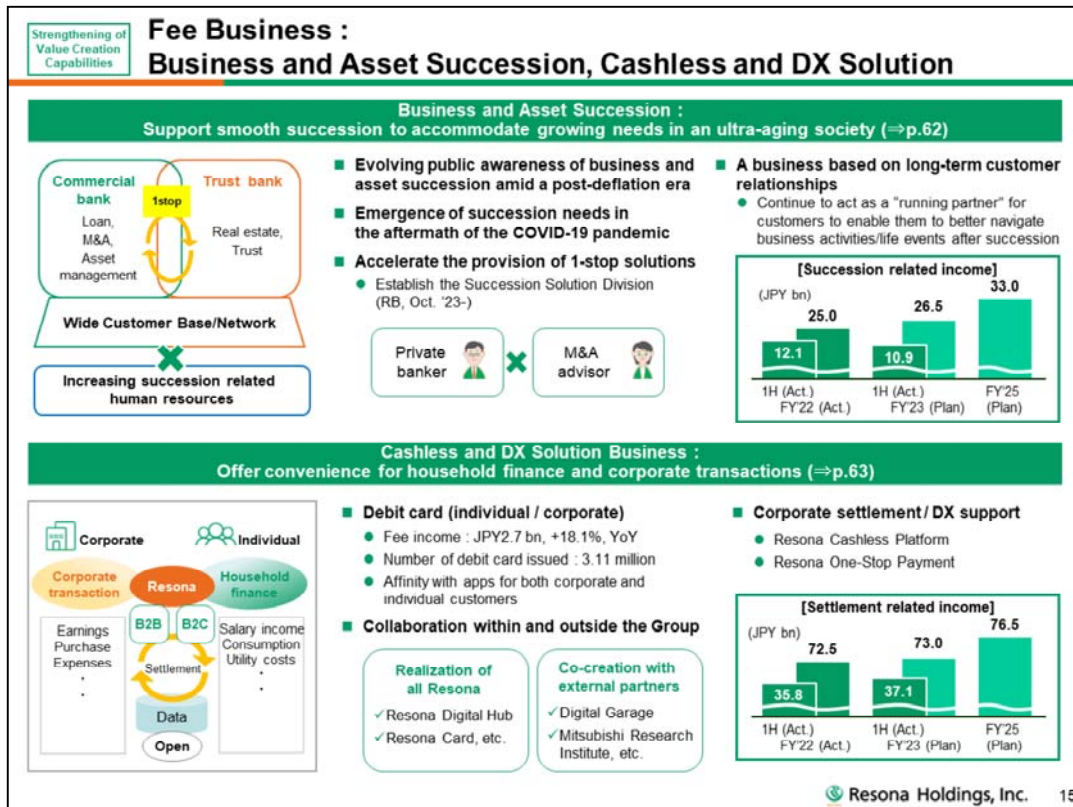
*1. Including apartment loans *2. Market rate-linked loans include the fixed-rate (spread) loans maturing in less than one year
*3. Domestic individual deposits + Domestic corporate deposits



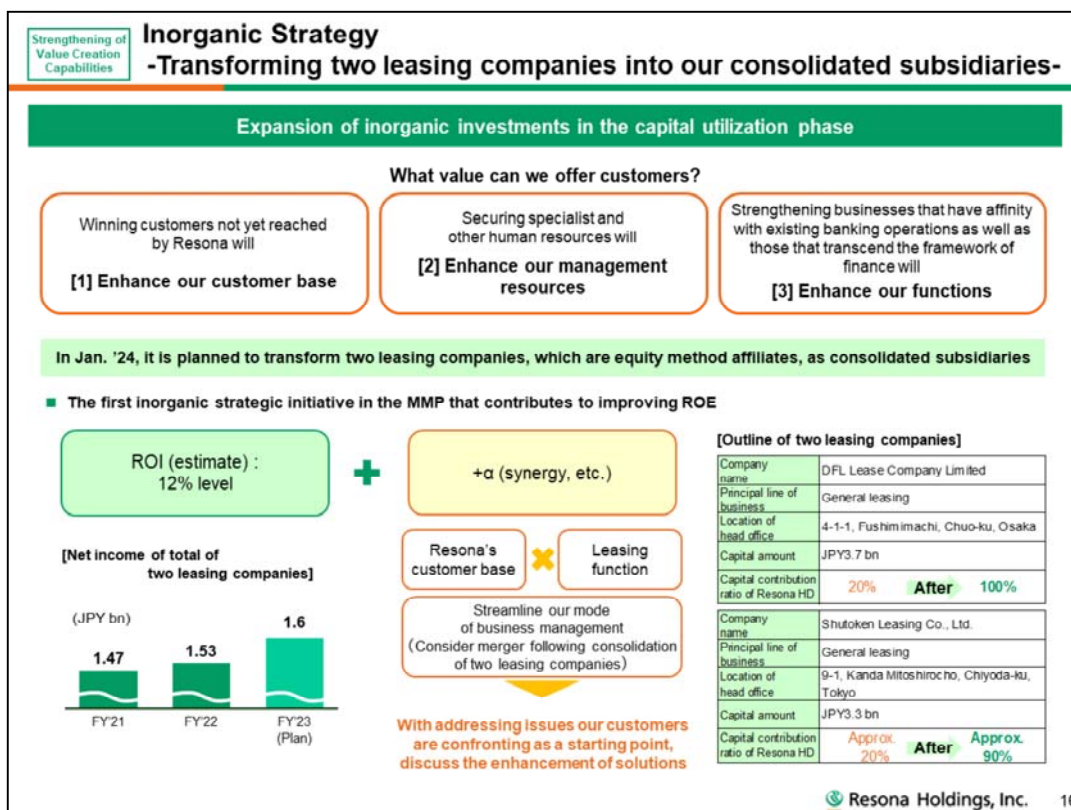
- From here, we will expand specific businesses. The first engine is the lending business.
- The upper section shows loans to SMEs.
- Top left, trends such as SX and DX as well as changes in society and industrial structures will surely bring new needs and issues for customers.
- Through a strong network centered on two major metropolitan areas and a qualitative enhancement of consulting capabilities, etc., the banks will accelerate the expansion of high quality loans to meet diversifying funding needs.
- As mentioned at the beginning, lending business has been strong. And this is partly due to the fact that loan demands for capex is on the rise. We have also seen a significant increase in the volume of retail transition finance and we believe there are signs that needs in this area of SX are emerging.
- During the full capital utilization phase, one destination for capital is to augment diversified high quality loans.
- This is an area that we expect to increase significantly in the current mid-term plan and we intend to demonstrate a solid track record in this area.
- The bottom section of this page is on the housing loan business. We will continue to focus on this area as a leading housing loan provider.
- Although the housing market as a whole has softened recently due to elevated price levels and other factors, we are taking various measures to recover.
- In July, we launched a new web-based application system and are expanding our lineup of differentiated products to meet the needs of our customers. In addition, we are strengthening our response to fixed interest rate needs and reviewing our risk pricing strategy based on credit attributes with the aim of returning to an upward trend as soon as possible.
- In addition, many customers download the group's app at the same time they take out the housing loan from us, enabling timely proposals through the app even after the loan has been executed.
- This means that we are now able to offer a variety of solutions to meet the life events of our customers, which is a significant change compared to a few years ago.



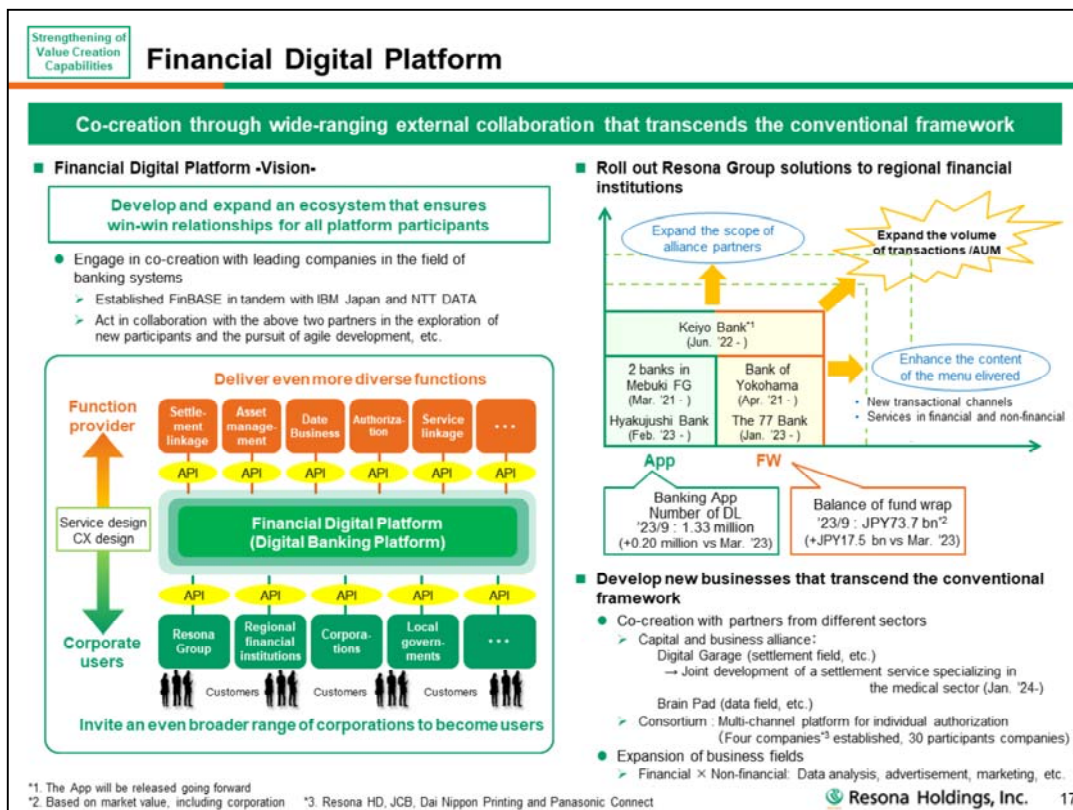
- The second engine, the area of fee income, is the asset formation support business.
- Japan too, has begun to declare the start of journey as an asset management powerhouse and has begun to implement institutional measures such as the new NISA.
- The inflationary phase also increases the likelihood of an acceleration of the flow from savings to asset management.
- How the more than 2,000 trillion yen in funds lying dormant will be utilized and managed will be extremely important for the country, for the people living in the age of 100 years and for financial institutions like us.
- Resona group plays the roles of investment manager, trust bank and distributor. We intend to fulfill this mission while providing our retail customers with a professional investment management we have developed in a corporate pension business over 60 years.
- It is an extremely important starting point for many customers who are not yet familiar with the world of asset management to first step into the world of asset management.
- With the keywords integration or face-to-face and digital and the long-term accumulation and diversification, we will tackle new challenges.
- I'd like to explain one specific initiative we did in the first half of this fiscal year.
- As you can see on the top right of the slide, in August 2023, we launched a new asset building support tool called "Tsumitate Box" on Resona group's app.
- We hope to significantly increase the number of users of savings type investment trust.



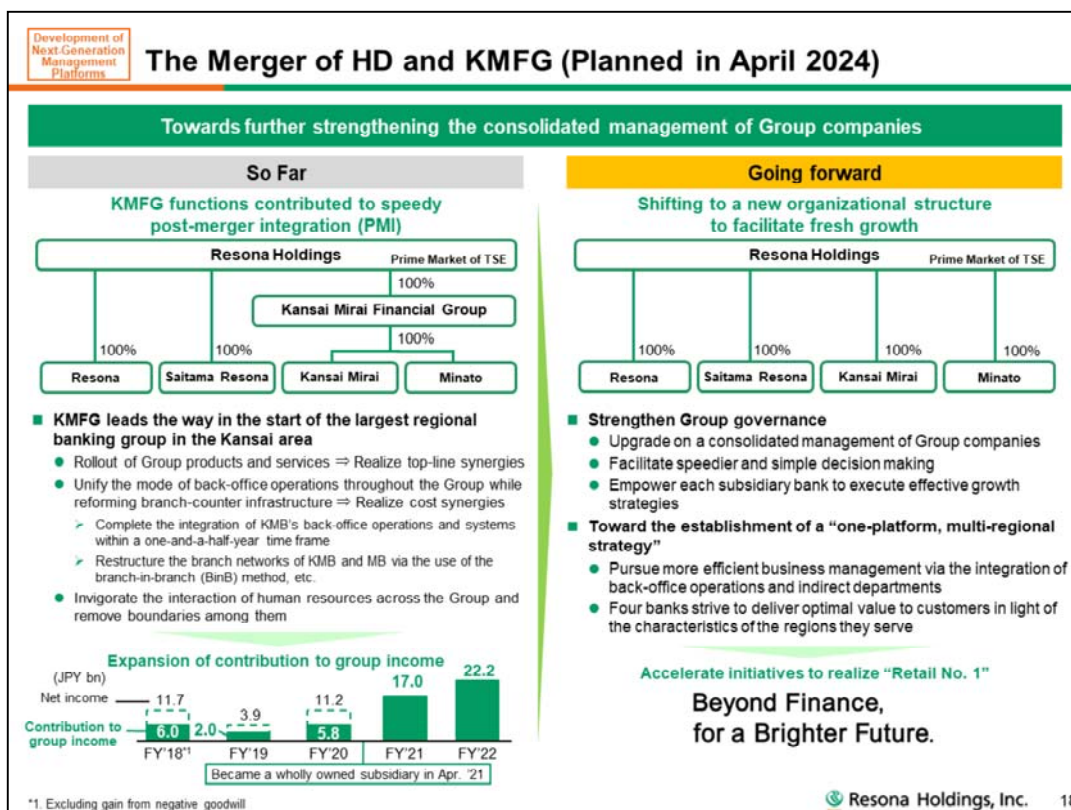
- Next is the business and asset succession business.
- The ageing population is a structural issue in Japan and there is a definitely need for succession. On the other hand, needs vary widely depending on the nature of the business and assets, family structure and other factors. Therefore it's important to provide detailed tailor-made solutions.
- The Resona Group has the rare advantage of being a commercial bank that also operates as a trust bank and is committed to building long-term relationship with its customers.
- Customer awareness is changing after the pandemic and as we enter the post deflationary phase.
- Although income in the first half of its fiscal year declined year on year, we were feeling a great response from the perspective of deepening or understanding on customer needs and are seeing opportunities build up.
- We are also investing management resources in this area as we expect the business to be a fee income driver over the medium- to long-term, and we strive to further expand the business.
- The lower part of a slide shows the cashless and DX solution business. This is an area with great potential through the fusion of real and digital technologies.
- In response to changing customer needs such as the expansion of the cashless market, improvement of productivity and compliance with the Electronic Books Maintenance Act, we aim to provide solutions that are deeply tuned to corporate business processes and the household finance of retail customers.
- In the first half of the current fiscal year, income remains strong, led by debit card income, which grew significantly by 18.1% year on year. Due to its strong affinity with the group app, substantial growth has been seen in the retail segment, but it's an area where continued growth is expected, including the expansion of use in the corporate segment.
- Regarding settlement and DX support services for corporate customers as described in the lower right, the Resona Cashless Platform in the B2C areas such as retail is gradually penetrating the market and a number of stores that have adopted the platform is also on the rise.
- Resona One-Stop Payment, which provides DX support in the B2B domain is compliant with the Electronic Books Maintenance Act. In any case, we believe there is great potential for DX for SMEs.



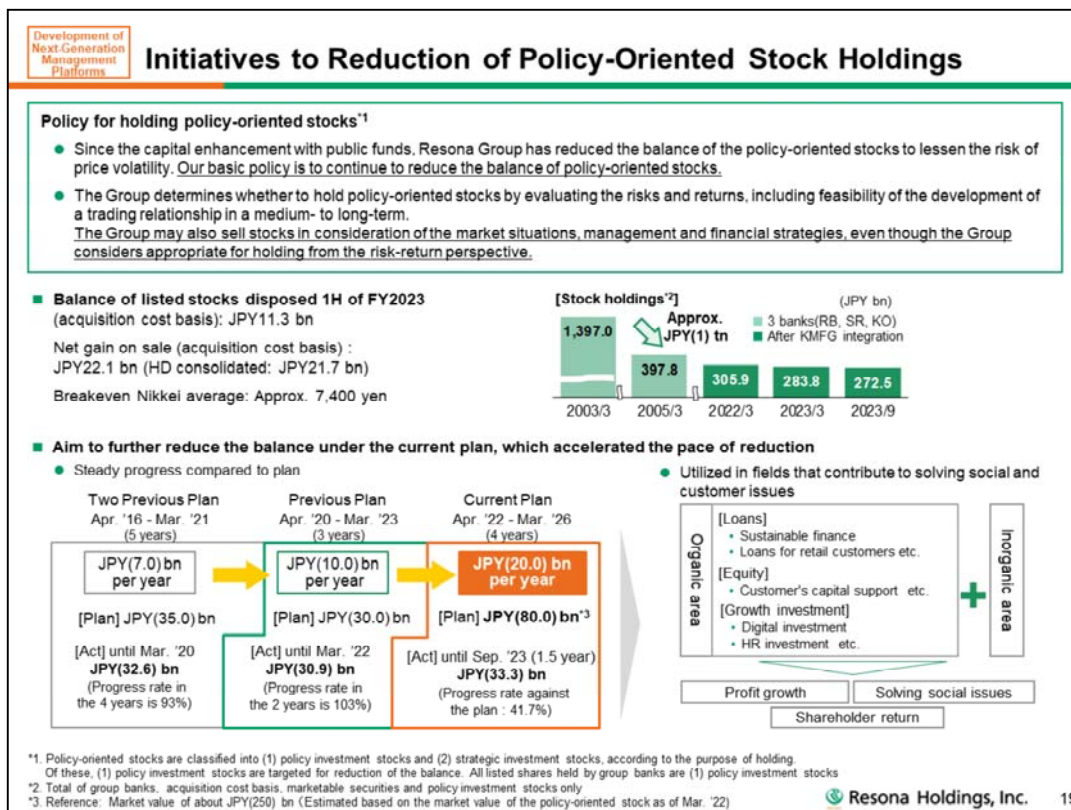
- Let me talk about our inorganic strategy.
- First, the basic concept of our inorganic strategy is to start from what value can we provide to our customers and then to strive to expand our customer base, management resources and functions.
- As the first project in this medium-term business plan, we have announced the consolidation of two equity method affiliated leasing companies turning them into consolidated subsidiaries.
- This transaction is highly compatible with the banking business and will enable us to combine the leasing functions with the Resona group's customer base of 500,000 customers. We are confident that this transaction will generate significant synergies for the future.
- We will continue to identify and consider a wide range of high quality projects based on our customers' problems and needs.



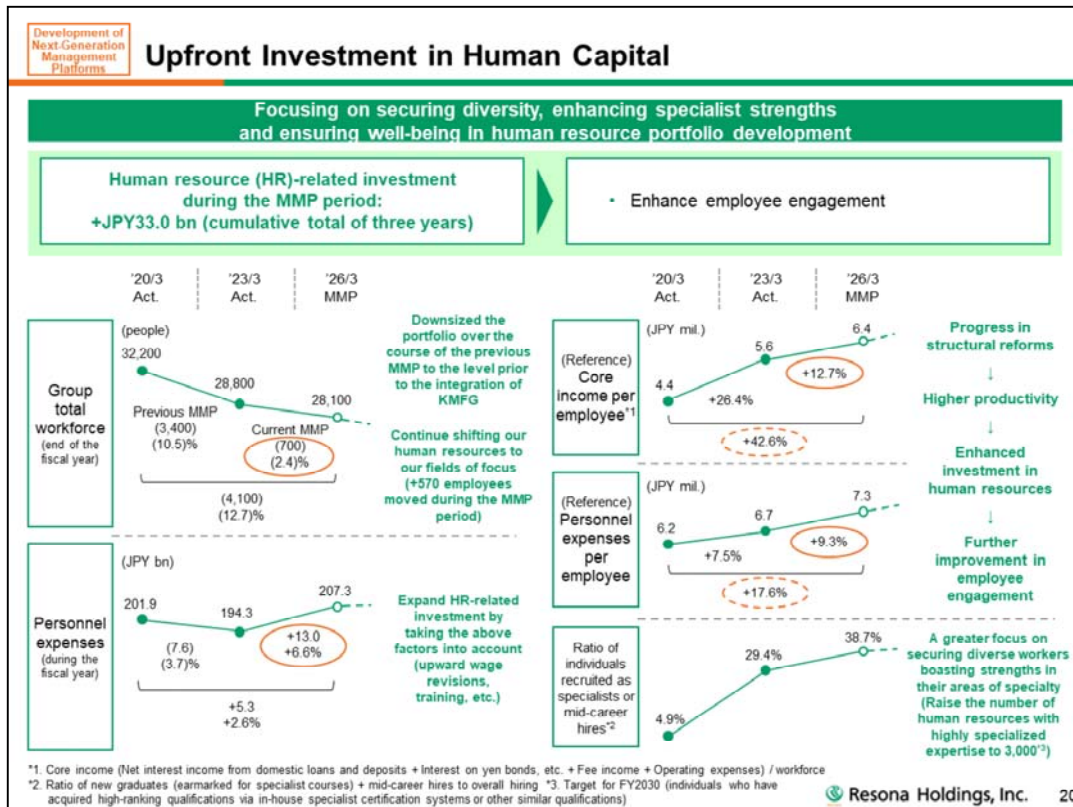
- We believe that there are many ways to partner not only through M&A and equity participation. One of the ways is through our financial digital platform.
- We are aiming to build a win-win ecosystem for all participants while connecting with a wide range of companies, including those from different industries, without being overly constrained by conventional frameworks. We're working with IBM Japan and NTT Data in building this platform.
- The top right shows the status of deployment at regional financial institutions. Currently, banking apps and fund wrap has been rolled out to five groups or six banks. We will continue to expand the number of partners and the functions we provide.
- The lower right shows new business development.
- We have concluded capital and business partnerships with Digital Garage in the settlement field and Brain Pad in the data field and they are providing us with knowledge and expertise that we do not have.
- As an example, we were planning to conduct a trial of a payment service for the medical industry with Digital Garage and we hope to realize various benefits of this alliance in the future.



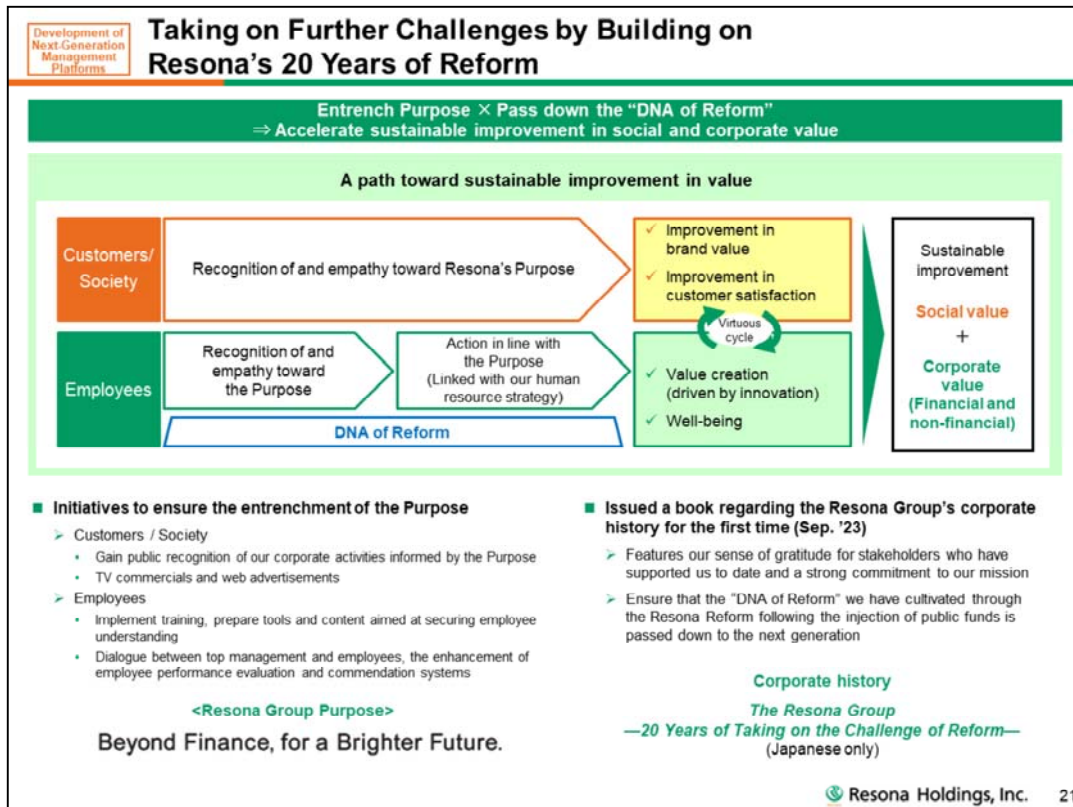
- I would now like to explain our initiatives for the next-generation of our management base.
- To further strengthen consolidate management of the group, Resona Holdings will merge with its wholly owned subsidiary KMFG on April 1, 2024.
- As a result, the Resona Group will shift to a simplified governance structure and organizational structure, with four distinctive banks operating side by side under Resona Holdings.
- The left side of this page looks back at the past, and we appreciate the significant role KMFG has played being the largest regional bank group in the Kansai region.
- Through synergies in terms of both top-line and costs, KMFG's income contribution to the group expanded from 6 billion yen in the first year to 22.2 billion yen in the last fiscal year.
- On the other hand, the environment surrounding us continues to change at an unprecedented pace.
- Under these circumstances, for the Reona Group to adapt quickly to changes and achieve sustainable growth, we must for one maximize that advantages of each group bank and also further evolve the group's consolidated operations. We have come to this decision based on our belief that it is necessary to take on the challenge to move to a new stage by reviewing the governance and organizational structure in a progressive manner.
- As described on the right, we will move forward to strengthening the group governance at once.
- We will realize efficiency by unifying backyard and indirect departments across the entire group, and we will also aim to establish "one-platform, multi-regional strategy" in which the four banks aim to provide the best solutions tailored to regional and customer attributes.



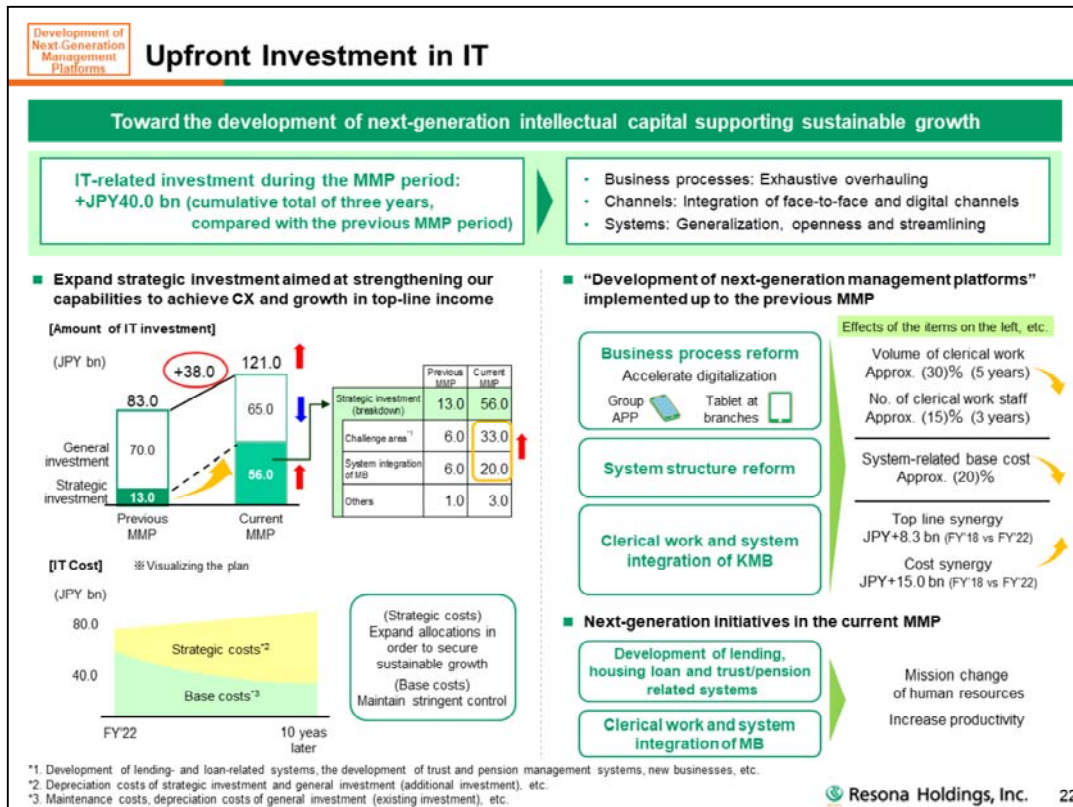
- This page is about initiatives to reduce policy-oriented stock holdings.
- As shown at the top, our basic policy is to reduce the balance. The appropriateness of holding stocks is also determined by verifying the risk return profile, including the feasibility of medium- to long-term business prospects.
- The actual reduction of policy-oriented stock holdings in the first half of the fiscal year was 11.3 billion yen on a listed stock book value basis. On a consolidated basis, net gain on sale of policy-oriented stock was 21.7 billion yen.
- As shown in the lower part of the slide, we have announced a plan to reduce policy-oriented stock holdings by 80 billion yen over the four years starting last year. We were working to fulfill this commitment through deep dialogue with our clients.



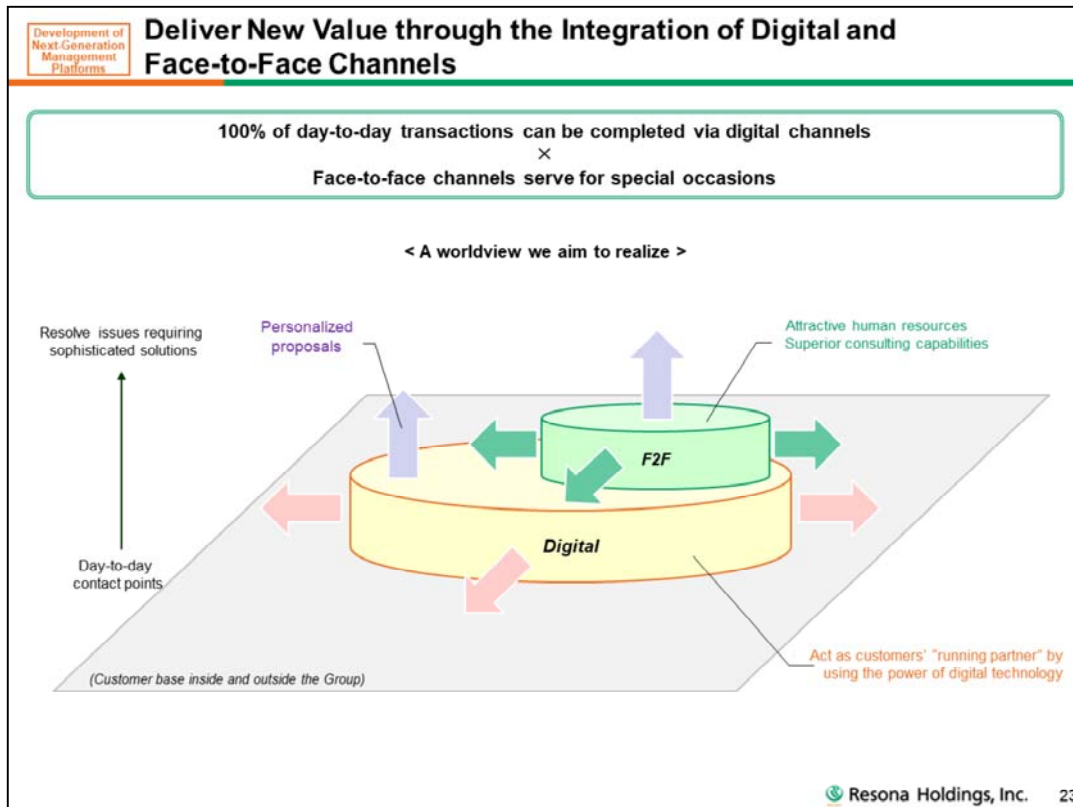
- This page is about human capital investment.
- I talked about human capital investment when we announced our medium-term plan in May. We are now presenting it here again, which includes our perspectives.
- Regarding human capital, we have been promoting structural reforms to improve productivity.
- Specifically, while shifting personnel to strategic areas, we have reduced the total number of group employees by 3,400 over the three-year period of the previous medium-term plan and have reduced headcount to the level prior to the KMFG integration.
- The management strength gained in this process has been partially reallocated to reinvestment in human resources and IT, and the goal is to further raise the level of the organization capabilities for the next-generation.
- I'd like to also add some comments about some developments over the six year period from the fiscal year ended March 2020 when the previous mid-term plan started to the fiscal year ending March 2026 which is the final year of the current medium-term plan.
- On the left, total group headcount is expected to decrease by 12.7%, while personal costs are expected to increase by 2.6%.
- On the right, personnel cost per worker will increase by 17.6% during this period, but core income per worker is expected to increase by 42.6%, exceeding the increase in personnel cost.
- We will also increase the ratio of specialists and mid-career hires to approximately 40%.
- In times of change, we believe that the starting point for everything is human capital. We believe that the development of our employees into specialists is the key to the company's sustainability.



- This page is about our challenge to transform based on Resona's 20 years history.
- This year marks the 20th year milestone since the injection of public funds and the start of Resona's revitalization in 2003. And in May, we established the purpose "Beyond Finance for a Brighter Future".
- The question is how to ensure that the human talent and employees who support Resona recognize and deeply sympathize with our purpose and how to pass on the "DNA of Reform". This is an extremely important factor and continuously enhancing social and corporate value.
- As shown in the lower left, we are implementing a variety of measures both inside and outside the company to promote our purpose.
- We believe that having or 30,000 employees think about how we can enrich someone's future and act will be a great source of strength for the group.
- In September, we published the Resona Group's first corporate history book, which is shown at the bottom right.
- This is not an anniversary publication, rather, it's a statement of our gratitude for the past and our resolve for the future. We hope that the Resona group will learn from the past, look out to the future, and continue to apply the learnings from our experience to the future.



- This page is about IT investments.
- We plan to increase investment by 40 billion yen during the medium-term plan period compared to the previous mid-term plan.
- We will significantly expand strategic investments that will contribute to the enhancement of CX and top-line.
- In the lower left, strategic investment will be expanded moderately over the long-term, but we will fund the investments by controlling based costs.
- On the right side, we show you the various benefits of our investments to date.
- The reforms in clerical work systems and processes are indispensable, as it will not change the cost structure but will also shift management resources and prepare a foundation for the fusion of physical and digital.
- Over the medium- to long-term, we believe that these reforms will change the customer experience and pave the way for providing you value and at the same time lead to drastic cost reductions.
- We will fulfill our responsibility, explain our next-generation initiatives in the current medium-term plan, well delivering solid results.



- As the last slide regarding the development of next-generation management platforms, I would like to present our vision of the world we would like to realize.
- While we are digitally connected with all of our customers, providing special real life moments based on in depth consulting is an indispensable trend for next-generation retail finance.
- The shift to digital and data will accelerate in everyday finance for both corporate and retail customers.
- On the other hand, to meet highly complicated financial needs, it is essential to provide in-depth solutions centered on face-to-face interaction, which we believe is the final pillar of differentiation.

Strengthening of Value Creation Capabilities

Development of Next-Generation Management Platforms

Long-Term Sustainability Indicators

Aiming for sustainable improvement in social and corporate value

		FY2022 (results)	FY2030 (target levels)
Value for customers and society	Value Creation Capability Indicator Number of cases where solutions are provided	10.5 mil cases	20 million cases
	Retail Transition Financing Target	Cumulative total: JPY1.865 tn	JPY 10 tn
Environmental value	Declaration of Net-zero Greenhouse Gas Emissions in the Investment and Financing Portfolio	-	(2050: Net zero)
	Interim target for the energy sector (Portfolio carbon intensity)	139 gCO ₂ e/kwh (FY2021)	100 - 130 gCO ₂ e/kWh
	Carbon Neutrality Target (Scope 1 & 2)	vs FY2013 (56)%	Net zero
Social value	Targets for the Empowerment and Promotion of Women Ratio of female directors and executive officers (Resona Holdings) Ratio of female senior managers (6 Group companies ^{*1}) Ratio of female line managers (6 Group companies ^{*1})	15.3% 13.4% 31.4%	30% or more 20% or more 40% or more
	Well-Being Indicator Ratio of positive responses in questionnaires regarding a sense of fulfillment felt in work and private life as part of employee surveys	69.3%	Increase the ratio of positive responses
Value for employees			

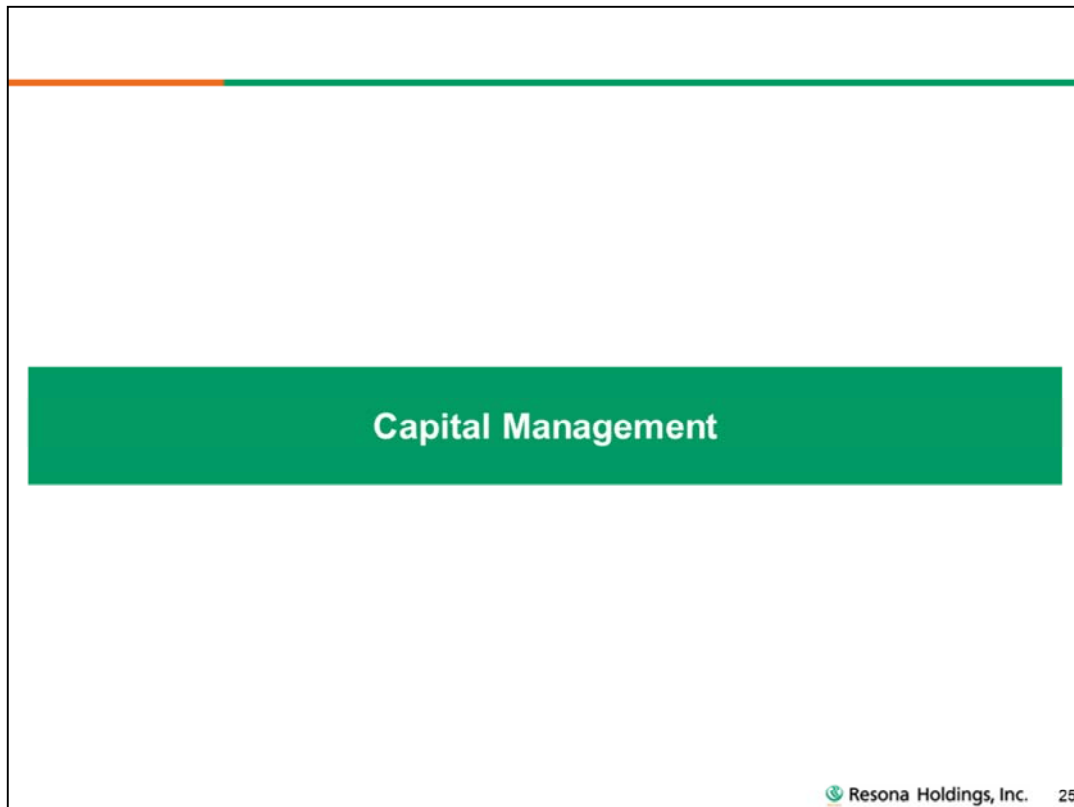
*1. Sum of Resona Holdings, Resona Bank, Saitama Resona Bank, Kansai Mirai Financial Group, Kansai Mirai Bank and Minato Bank

Resona Holdings, Inc.

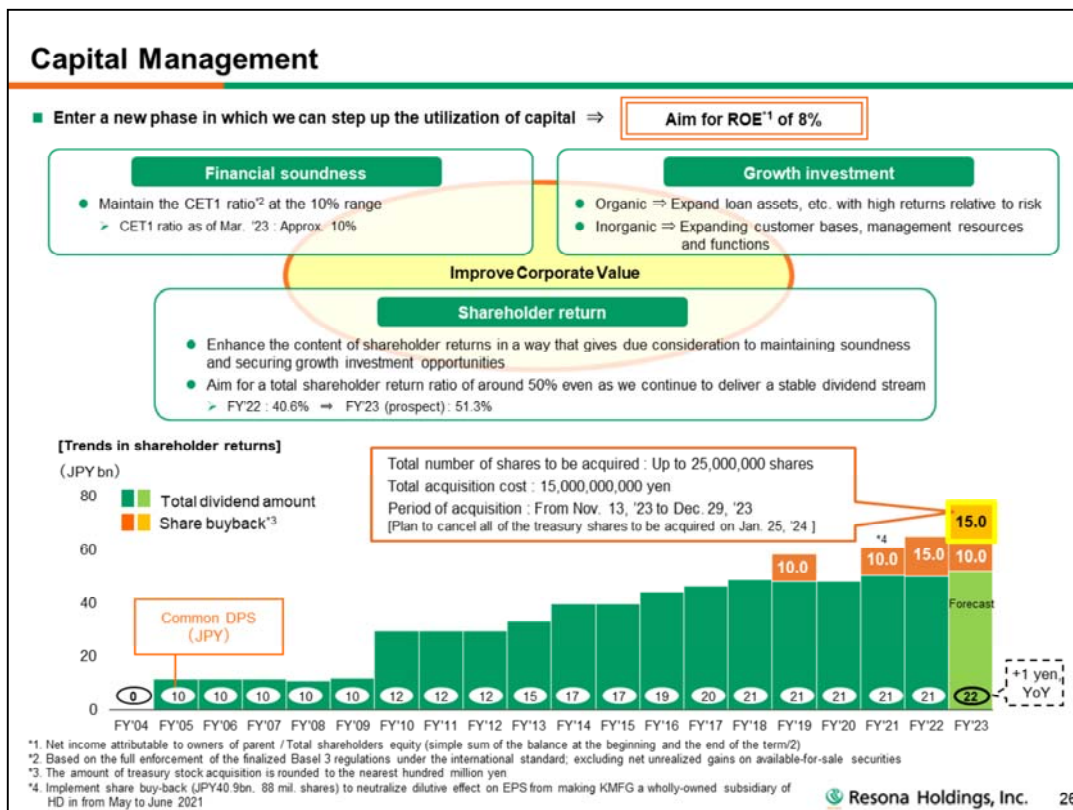
*1. Sum of Resona Holdings, Resona Bank, Saitama Resona Bank, Kansai Mirai Financial Group, Kansai Mirai Bank and Minato Bank

Resona Holdings, Inc. 24

- To enhance corporate value, it is important to approach both financially and non-financially.
- These are the long-term sustainability indicators which we reiterated when we formulated the medium-term management plan.
- We will aim to achieve this goal by fiscal year 2030 from various perspectives including value for our customers, the environment, society and employees.
- Some of them are explained in detail in the latter half of this material. We hope you can take a look later.
- We define SX [sustainability transformation] as anticipating changes in the world toward a sustainable society and changing corporate business models and individual lifestyles.
- We are committed to ESG activities to support our customers' SX by learning extensively and changing quickly.



- Lastly, I'd like to talk about capital management.



- The top shows the direction of capital management in our mid-term management plan.
- We have moved from a focus on qualitative and quantitative expansion of capital to a phase of full-fledged utilization of capital.
- In terms of financial soundness, we are striving to reach a CET1 ratio excluding unrealized gains and losses on securities and based on the finalized Basel III regulations in the 10% range, which was around 10.1% at the end of September that we show at the top left.
- At the top right. Regarding growth investments, we intend to expand the use of capital in organic and inorganic areas, and we've made a certain amount of progress in the first half of the current fiscal year.
- In addition, as you can see in the middle, we will aim for a total shareholder return ratio of about 50% while maintaining stable dividends. And in line with this policy, we have set a maximum limit of 15 billion yen for share buybacks.
- The company's earnings and soundness are both trending firmly, so we've decided to take this action to set a clear course towards achieving the target of the total return ratio.
- As a result of this action, the total return ratio for the current fiscal year is expected to be 51.3%.
- The total amount of share repurchases, including the 10 billion yen repurchase in May, will amount to 25 billion yen. This is the same amount as in the previous medium-term plan for three years.
- This concludes my presentation.

Aiming to Be a Company That Contributes Most to SX of Retail Customers (ESG Initiatives)

E (Environment): Retail Transition Finance

Continue acting as a “running partner” for our retail customers and assisting them in the transition of their awareness and modes of behavior

1H of FY'23 transaction volume : JPY813.2 bn : The progress rate is 27.1% towards the MMP target (JPY3 tn / 3years)

Cumulative total of JPY2,678.8 bn (26.7% compared to target)

Target
- FY2030, cumulative total of JPY10 tn

April 2021

Corporate field

■ SMEs play an essential role in the nationwide realization of SDGs and SX

of companies
Approx. 99.7%^{*1}

of employees
Approx. 70%^{*1}

Added value created
Approx. 53%^{*1}

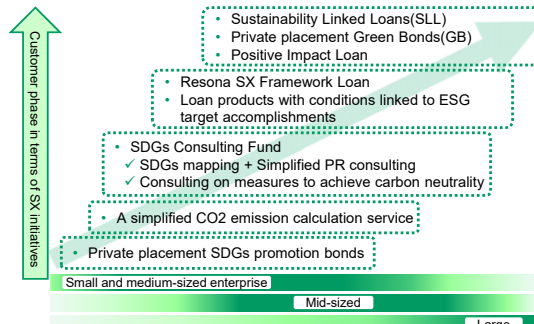
<Resona's mission>

Translate each customer initiative into value of social impact

■ Facilitate transition by engaging in deeper dialogue with an awareness of changes in trends

- Step up the dissemination of information regarding industry trends, etc.
 - Enhance our tools used for this purpose in addition to reviewing the frequency of information delivery
- Implement measures to boost employee skills on an ongoing basis
 - Job rank-based training focused on SX and other training programs addressing specific themes

■ Offer diverse solutions to serve customers at various stages of initiatives



Personal field

■ Initiative for individuals loans field

- Privileges granted to loan borrowers who purchase eco-friendly housing
- Information services for people considering purchasing housing
- Release of SX housing loans (RB/SR) (Apr. '23-)
 - (Expanded scope of SX housing covered by the loan scheme: low-carbon housing, housing built using domestically produced wood, housing that conforms with "Anshin R" standards, etc.)

- Offer information on legal regulations, subsidy programs and other industry trends for construction and real-estate businesses

Facilitate the popularization of eco-friendly housing

^{*1}1. The Small and Medium Enterprise Agency "2023 White Paper on Small and Medium Enterprises in Japan"

E (Environment): Carbon Neutrality (1) -Scope1&2-

Initiatives to reduce greenhouse gas (GHG) emissions (Scopes 1 & 2) arising from the Group's energy use

Measures to achieve our carbon neutrality target (reducing CO2 emissions to net zero by the end of FY2030)

- Steadily reduce the volume of CO2 emissions via the proactive introduction of clean energy, such as renewable energy, with the utmost priority placed on reducing emissions attributable to electricity use, the source of 80% of our emissions

[Breakdown of FY'22 emissions]

Scope1	5,079 t-CO2
Scope2	35,691 t-CO2
Emissions from energy sources	34,446 t-CO2
Total	40,770 t-CO2

80% of total

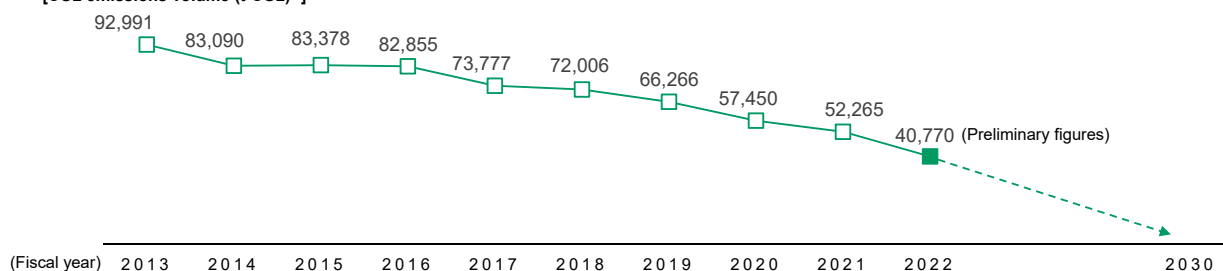
[Results in CO2 reduction due to the transition to renewable energy and other clean energy in FY2022]

Facilities introducing	RB	SR	KMB		MB	Total (YoY)
	HQ, etc.	HQ, etc.	Branch	HQ, etc.	Branch	
Reduction in CO2 emissions volume	2,717 t-CO2	1,209 t-CO2	117 t-CO2	948 t-CO2	801 t-CO2	1,169 t-CO2
						6,961 t-CO2
						+3,525 t-CO2

- Approximately 19% of annual total energy consumption was replaced by renewable energy in FY2022
- Aiming for the 100% switchover of energy procured by the Resona Group's own properties to renewable energy, etc., by FY2025

*HQ, etc. : Headquarters, head offices, system and back-office centers

[CO2 emissions volume (t-CO2)*1]



*1. Aggregating Scope1 and Scope2 CO2 emissions from Group banks based on methods stipulated by Japan's Energy Saving Act for statutory periodic reporting. Figures up to FY'20 are calculated by multiplying each supplier's electric utility's basic emission factor, and then multiplying the FY'21 figures by each supplier's adjusted emission factor

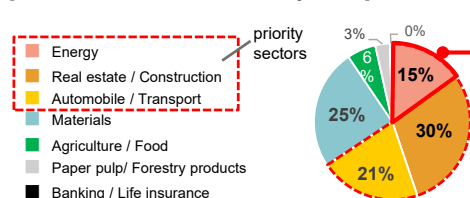
E (Environment): Carbon Neutrality (2) -Scope3-

Initiatives to reduce GHG emissions (Scope 3, Category 15) from our investment and financing portfolio

- Committed to achieving net zero by 2050 in terms of GHG emissions from our investment and financing portfolio
- Identified interim targets to be achieved by the end of FY2030 for investees/borrowers in the energy sector

Initiatives undertaken thus far	Identification of interim targets in May 2023
- Identified "Real estate / Construction," "Automotive / Transportation" and "Energy" as priority sectors in light of such factors as the potential impact of climate change on carbon-related sectors specified by the TCFD¹, the size of our portfolio, and a sector-based analysis of financed emissions determined using simple calculation methods. - Further analyses, including quantitative risk assessments, were also conducted.	- Implemented the assessment and analysis of financed emissions, emphasizing the energy sector over other priority sectors as it has already seen advances in the development of measurement methods and data accumulation - Measurements of three sector components were conducted²: "Electric power," "Oil / Gas" and "Coal."

[Breakdown of financed emissions by sector]



[Energy sector (Electric power, Oil/Gas, Coal) of financed emissions]

	Scope subject to GHG emission calculation	Indicators	Results('22/3)	Amount of investments and loans
Electric power	Power generation Scope1	Physical carbon emission intensity	139 gCO2e/kWh	JPY276.0 bn
Oil / Gas	Mining Scope1-3	Absolute volume	0.17 MtCO2e	JPY7.4 bn
Coal	Mining Scope1-3	Absolute volume	—	(Not applicable)

- Taking the above factors into account, we have identified interim targets for the energy sector (targets have not been set for "Oil / Gas" and "Coal" as the number of customers in these fields is very low)

Concepts behind target setting for the energy sector	- The current carbon emission intensity, which amounts to 139gCO2e/kWh, falls short of the standard for 2030 envisioned in the 1.5°C scenario (NZE2050),³ due mainly to the general termination of new project financing for coal-fired power generation businesses and proactive lending to domestic borrowers engaged in renewable energy-related businesses. - On the other hand, the energy sector is an infrastructure component supporting all industries as well as people's daily lives. Accordingly, pursuing the decarbonization of this sector is essential to helping retail customers achieve decarbonization. - Therefore, we will strive for the popularization of renewable energy, which is integral to nationwide decarbonization, while supporting power generation businesses endeavoring to achieve transition and technological innovation. In these ways, we aim to reduce emissions from the energy sector to a level that is substantially lower than the global standard stipulated in the 1.5°C target.
Interim targets	Carbon emission intensity in FY2030: 100 to 130gCO2e/kWh

*1. The Company's sector classification consists of "Energy," "Real estate/Construction," "Automobile/Transport," "Materials,"

"Agriculture/Food," "Paper pulp/Forestry products," and "Banking/Life Insurance." *2. Calculated with reference to methods developed by the PCAF

*3. Comparison with the 2030 carbon emission intensity (165gCO2e/kWh) envisioned in the NZE2050(WEO2022)

E (Environment): Carbon Neutrality (3) -Scope3-

Initiatives to reduce GHG emissions (Scope 3, Category 15) from our investment and financing portfolio

■ Basis for the calculation of financed emissions

- The volume of GHG emissions from each investee/borrower corporation is multiplied by the attribution factor (Balance of investment and financing / Sum of assets and liabilities) and the resulting numerical values for all investee/borrower corporations are aggregated

	Formula	Coverage ratio ^{*1}	Data quality score ^{*2}
Energy sector	$\sum \left(\text{Carbon emission intensity of investees/borrowers (gCO}_2\text{e/kWh)} \times \frac{\text{Value of investment/financing by the Company for investees/borrowers}}{\text{Total value of investment/financing by the Company for all investees/borrowers subject to calculation}} \right)$	85%	2.1
Oil/Gas sector	$\sum \left(\text{Volume of emissions from investees/borrowers (MtCO}_2\text{e)} \times \frac{\text{Value of investment/financing by the Company for investees/borrowers}}{\text{Sum of borrowings and capital held by investees/borrowers}} \right)$	100%	3.0

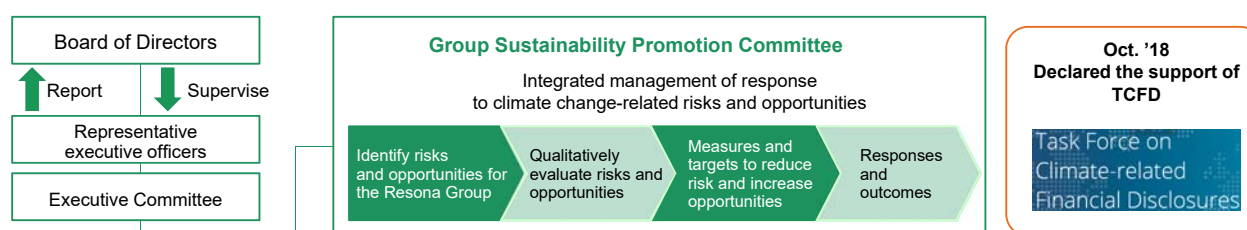
■ Initiatives to be undertaken going forward

- To achieve our interim targets regarding the energy sector, we will proactively extend credit to corporations engaged in renewable energy-related businesses that will, in turn, facilitate the smooth transition of all other customers. Simultaneously, we will actively pursue dialogue with investees/borrowers and provide them with follow-up consulting on their initiatives.
- We will annually disclose the status of financed emissions associated with the “Energy,” “Oil / Gas” and “Coal” sectors while considering the assessment of financed emissions from priority sectors other than the energy sector and the formulation of interim targets for them.
- We are aware of the need to expand the scope of financed emission assessments to, ultimately, encompass our overall portfolio, including credit extended to retail customers, and will thus be striving to reduce emissions from this portfolio. Accordingly, we will continue to act as a “running partner” for retail customers and assist them in the transition of their awareness and modes of behavior. By doing so, we will strive to assess and reduce the volume of financed emissions associated with credit extended for retail customers.

*1. By sector, based on loans *2. Data-quality scores defined by PCAF

E (Environment): Our Response to Global Warming & Climate Change

Board of Directors proactively pursue Resona Sustainability Challenge 2030 and step up climate change countermeasures



Reflect outcomes of discussions on risks and opportunities from climate change in the Group strategies and risk management

■ Impact on our largest asset class, loans

■ Help corporate and individual customers mitigate and adapt to climate change through financial services

Minimize the risks	Loan initiatives	- Proactively engage with corporate customers who have yet to fully commit to environmental issues, encouraging them to step up their initiatives - Clarify our stance on lending to businesses that may exert a seriously negative impact on the environment, such as enforcing general rule of abstaining from extending new loans to coal-fired thermal-generation projects and extending new loans to coal mining projects (MTR method^{*1}), etc.	[CDP scores^{*2}] Resona HD A- SMFG A- MUFG A- Mizuho FG B SMTH B
	Investment initiatives	- Incorporate an ESG-oriented viewpoint into investment decision-making process - Maintain constructive dialogue and engagement with investees	
Expand the opportunities	Conserving the environment through our products and services	[Individual customers] ✓ R246 ESG ✓ Offer benefits to loan customers who purchase eco-friendly housing (housing loans)	[The ratio of lending for the energy and utility sector^{*3} to the entire portfolio] 1.3% (As of Mar. 31, '23)
		[Corporate clients] ✓ Simplified CO2 emissions calculation service ✓ Loan products with conditions linked to ESG target accomplishments ✓ SX Framework Loan	

*1. A method used for the surface mining of coal seams in mountain areas. The use of the MTR method entails deforestation, and soil from the mountain top is usually dumped in valleys, rivers and other nearby locations.

*2. CDP Report 2022 *3. Lending to energy and utility sectors based on definitions under TCFD recommendations

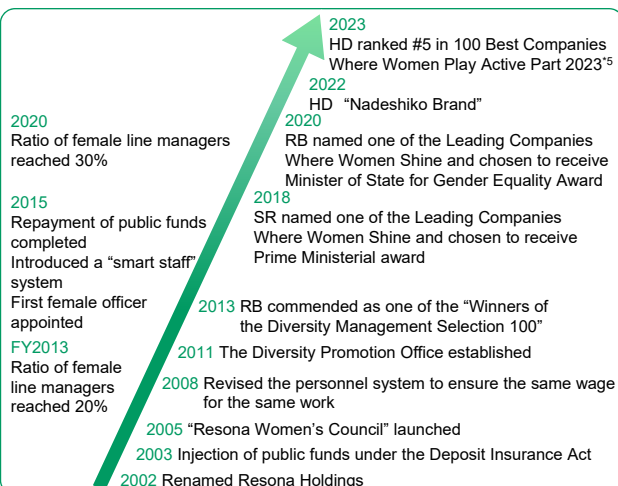
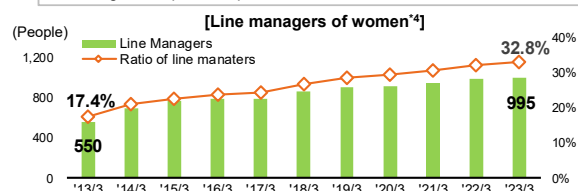
S (Society): Diversity & Inclusion (1)

Creating corporate value by drawing on diversity

- Step up the empowerment of women, to date a source of strength for the Group, ensuring that they serve as a driving force of value creation

Ratio of women	2023 ^{*1}	FY2030 Target
Directors and executive officers (HD)	10.3%	30% or more
Senior managers (six Group companies ^{*2})	13.4%	20% or more
Line managers (six Group companies ^{*2})	31.4%	40% or more

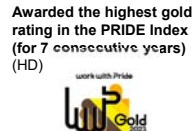
(Reference) The ratio of female managers nationwide^{*3}:
General manager or equivalent positions 8.0%
Manager or equivalent positions 11.6%



External evaluation



Most Excellent Award under the Osaka Mayor's Award Program for Leading Companies That Empower Women
2023 KMB
2022 RB



*1. Directors and executive officers as of the end of June, senior managers and line managers as of the end of March

*2. Sum of HD, RB, SR, KMFG, KMB and MB *3. Ministry of Health, Labour and Welfare, 2023.7.31 Press Release *4. RB+SR

*5. Based on a Survey 2023 of Workplace Opportunities for Female Workers undertaken by Nikkei WOMAN

S (Society): Diversity & Inclusion (2)

Main initiatives and the status of their progress

- 13th Resona Women's Council (Apr. '23-Mar. '24)

- Members: 20 people from group banks and companies
 - Members consist of diverse individuals (in terms of rank, age, etc.) from a range of Group companies and serving terms spanning one year who regularly meet on a monthly basis
 - Engage in bottom-up activities, i.e., delivering proposals on women's networking, the enhancement of women's career awareness, the revision of various personnel systems, the implementation of operational improvement measures and the planning of new products



A picture taken at the meeting

[Main achievements deriving from Resona Women's Council]

- Enhancement of childcare leave-related programs
- Institution of a mentoring system
- Introduction of a reinstatement support program
- Establishment of the Job Return System
- Launch of a system enabling transition from full-time to part-time employee status and vice versa^{*1}

- Expand the scope of employees eligible for the mentoring system for female manager candidates

- The mentoring system for newly appointed female department or branch managers has been in place since 2012
- In FY'22, women who have been newly appointed as manager candidates and assigned to positions immediately below department or general managers, are now included in the scope of eligibility to the system

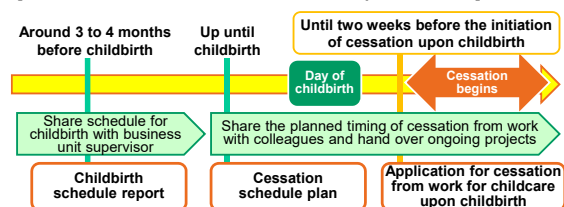
- Step up initiatives to encourage male employees to play greater roles in child rearing

- Established a framework allowing cessation from work for childcare upon childbirth in line with the revision of relevant laws in Oct. 2022

< The Resona Group's Response >

- The first 14 days of cessation from work for childcare upon childbirth shall be paid leave

[Flow of cessation from work for childcare upon childbirth]



- Hold seminars focused on facilitating cessation from work for childcare over the course of a period spanning Aug. to Sep. 2022
 - Scope: All business unit supervisors of Group banks
 - Total number of participants: Around 1,000

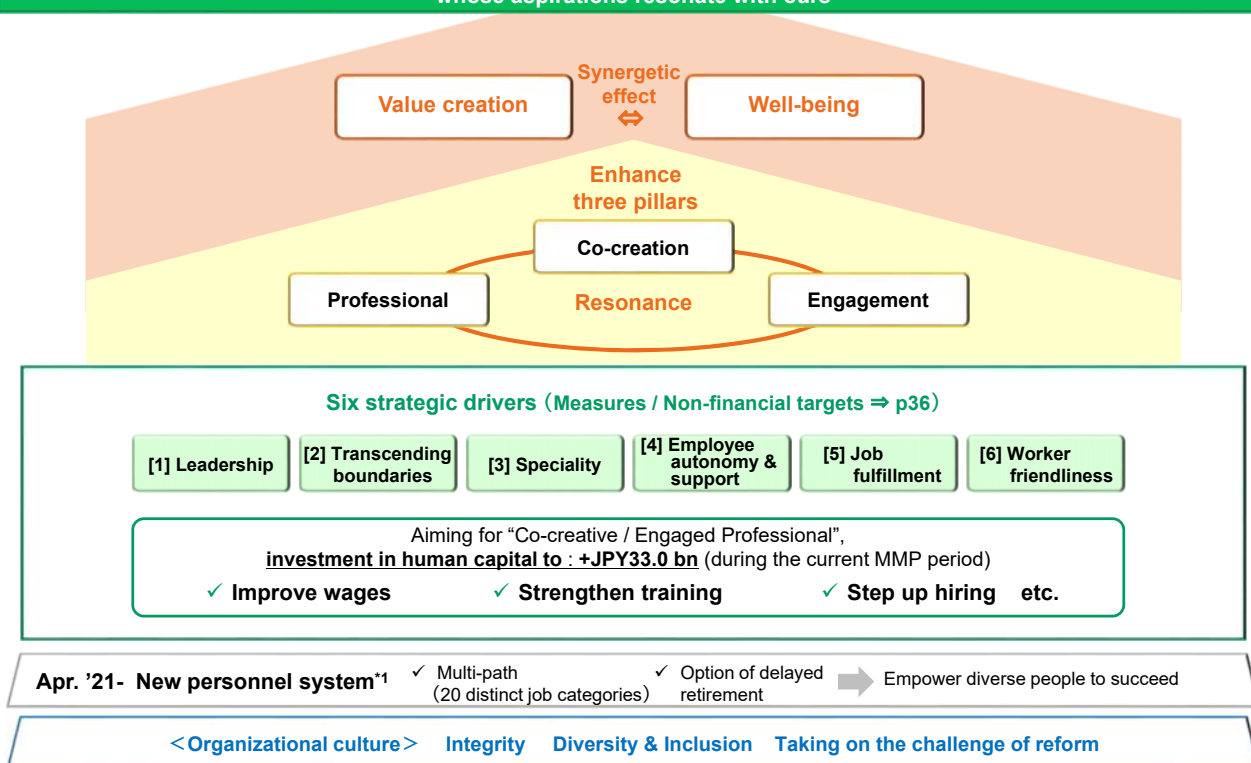
[Male employees' status of childcare-related leave]

FY	2017	2018	2019	2020	2021	2022
Ratio of employees who took childbirth leave upon the spouse's childbirth	100%	100%	100%	100%	100%	100%
Ratio of male employees who opted for cessation from work for childcare	-	-	-	-	80.3%	98.2%

*1. Upgraded from the "smart staff" system, which was introduced in 2015 to enable applicants to work shorter working hours or be assigned more limited jobs compared with full-time employees

S (Society): Overview of Our Human Resource Strategy

HR vision: Create a prosperous future by working with diverse partners from within and outside the Group whose aspirations resonate with ours



*1. In place at RB, SR and some other Group companies

Resona Holdings, Inc.

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S (Society): Six Drivers for Realizing Human Resource Strategy

Drivers	Non-financial targets	FY2022 ⇒ FY2030	Measures to achieve improvement
[1] Leadership	◆ Ratio of women line manager ◆ Ratio of mid-career employees hired as managers	31.4% ⇒ 40% 10.2% ⇒ 18%	✓ Enhance the content of assistance programs aimed at empowering women ✓ Step up the hiring of mid-career employees and implement onboarding to secure robust retention
[2] Transcending boundaries	◆ Ratio of mid-career employees newly hired as senior managers, including those from different sectors*1	42% ⇒ 100%	✓ Expand the scope of learning support to enable employees to experience different fields ✓ Increase the number of employees dispatched or seconded to external corporations
[3] Speciality	◆ # of human resources with highly specialized expertise*2	2,481 ⇒ 3,000	✓ Secure a robust pool of human resources by stepping up hiring and training ✓ Expand the content of training to help employees raise their skills in their fields of speciality
[4] Employee autonomy & support	◆ Cumulative total # of individuals selected via in-house job postings (FY2021~FY2030)	684 ⇒ 4,000	✓ Strengthen career development support while offering a greater number opportunities to take on new challenges ✓ Introduce an HR system designed to support those pursuing personal growth (LMS, TMS*3)
[5] Job fulfillment	◆ Ratio of positive responses in employee awareness surveys (i) A sense of fulfillment in work (ii) Openness of workplace communications	(i)66% ⇒ Increase the ratio (ii)79%	✓ Optimize wages for employees in light of value created via their duties ✓ Improve psychological security by invigorating communications
[6] Worker friendliness	◆ Ratio of annual paid leave utilized	77.6% ⇒ 88%	✓ Business process reform and streamlining ✓ Support the diversification of working styles and employee efforts to balance work and private life

*1. Training involving overseas assignment, external secondment or external dispatchment

*2. Individuals who have acquired high-ranking qualifications via in-house specialist certification systems or other similar qualifications

*3. LMS: Learning management system; TMS: Talent management system

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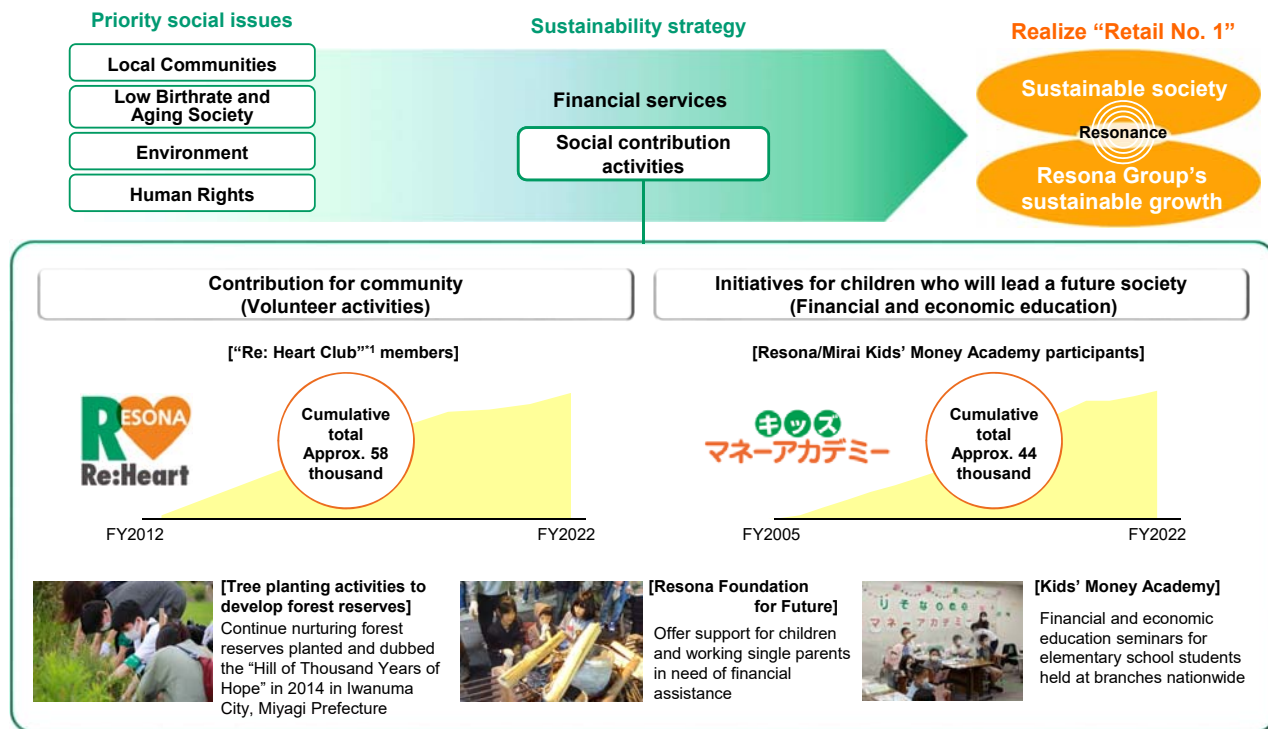
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S (Society):

Realize "Retail No. 1" through Business & Social Contribution Activities

Leveraging our strengths and management resources to contribute to the sustainable growth of local communities

[Relationship between business strategy and social contribution activities]



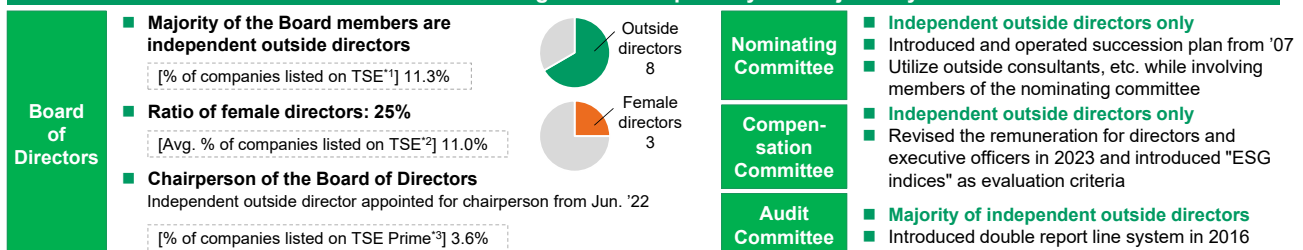
*1. The volunteer group which Resona Group's employees run

Resona Holdings, Inc.

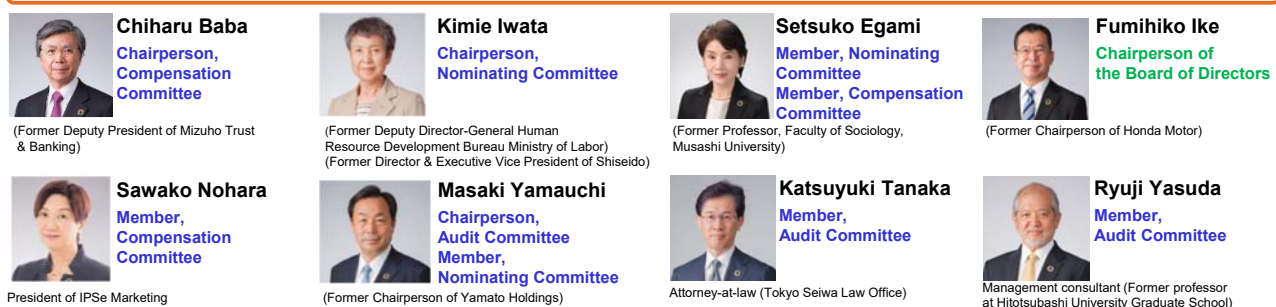
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G (Corporate Governance): Sophisticated Corporate Governance System

The first Japanese banking group which adopted a committee-based corporate governance structure in 2003 for management transparency and objectivity



Outside directors



Internal directors



*1. Tokyo Stock Exchange (Jul. '23)

*2. Source: 2021 Nadeshiko Brand Report issued by the Ministry of Economy, Trade and Industry

*3. Dai-ichi Life Research Institute (Oct. '22)

Resona Holdings, Inc.

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G (Corporate Governance): Roles, Skills, and Expertise Required to Directors

Strengthening supervisory and decision-making functions
through active discussions at Board of Directors meetings, which are rich in diversity

- The skills (experience / knowledge) especially expected of nominees for directors are defined as follows. Candidates were discussed and decided by the nominating committee.

		Organizational management	Legal Compliance Risk management	Finance Accounting	Priority field for the "Retail No. 1" Financial Services Group			
					IT Digital	Sustainability	Diversity & Inclusion	Global
Masahiro Minami		●	●	●	●	●	●	●
Shigeki Ishida			●					
Mikio Noguchi					●			
Hisahiko Oikawa			●					
Chiharu Baba	Outside directors	●	●	●				●
Kimie Iwata	Outside directors	●				●	●	
Setsuko Egami	Outside directors		●			●	●	
Fumihiko Ike	Outside directors	●	●		●			●
Sawako Nohara	Outside directors		●		●		●	
Masaki Yamauchi	Outside directors	●				●		
Katsuyuki Tanaka	Outside directors		●					
Ryuji Yasuda	Outside directors		●	●				●

G (Corporate Governance): Initiatives for Corporate Governance Evolution

Our initiatives to improve the effectiveness of the Board of Directors' operations

Outside directors' meetings

- Outside directors conducted meetings on evaluation of the Board of Directors. Actively discussed to further improve the effectiveness of the Board of Directors.
- Outside directors held a small meeting in Jun. '23*
 - Three outside directors engaged with institutional investors, etc. (Opening addresses from outside directors and the summary of question and answer sessions are now posted on the Company's website)

* The scene on the day



Free discussion sessions

- Utilize input from outside directors into such key activities as strategies in a timely manner
- In FY'22, held free-wheeling discussions on an ongoing basis to address such subjects as the identification and organization of issues associated with various business strategies toward the formulation of the MMP

Onsite tours

- Facilitate understanding of the Resona Group's business operations
- Hosted a joint tour of the Osaka Head Office in Dec. '22, with attendees including outside directors from KMFG

Succession Plan (introduced in Jun. '07)

- Our mechanism for ensuring the succession of roles and responsibilities to be borne by executive officers
- The scope of the plan covers various candidates for HD, KMFG and group banks, ranging from those who are presidents to those who are new candidates for executive officers
- Candidates are classified by job rank and systematically undergo selection and training programs

Selection process

- Advice from external consultants
- Nominating Committee members attend each program
- Secure a structure for transparent and fair selection

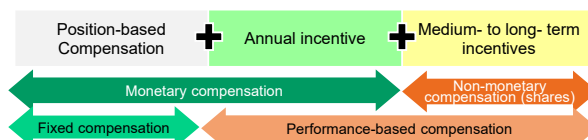
Training process

Nurture individuals who embody Resona's distinctive strength

Ideal traits of executive officer candidates

Remuneration for directors and executive officers

Compensation system for executive officers



Annual incentive

Annually examine the status of specific key indices in terms of consistency with MMP targets

Financial performance assessments

Net income attributable to owners of parent
Consolidated core income

Non-financial performance assessments

Assessed based on annual corporate achievements relative to Long-Term Sustainability Targets

Individual achievements

Medium- to long-term targets
Annual targets
Initiatives to foster and spread a risk culture

Medium-to long-term incentives

- Enhance linkage with shareholder value
- Encourage efforts employing medium- to long-term perspectives to improve corporate value
- Scores granted by ESG evaluation agencies are adopted as ESG indices, with the aim of securing objectivity

Consolidated ROE (Based on shareholders' equity)

Relative TSR (Relative to peers in the banking industry)

ESG indices

"Board Benefit Trust"

- Utilize a trust scheme
- Grant shares
- Enhance linkage with performance

ESG-Based Recognitions and Initiatives

Status of inclusion into ESG-based stock indices*1

[ESG indexes selected by GPIF (domestic stock)]

Aim to be included in all indices below during the current MMP period



2023 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX



2023 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)



ESG-related external evaluations

MSCI
(Seven-grade system
from AAA to CCC)
A

FTSE
(Full score is set at 5)
3.5

MSCI (WIN)
(Full score is set at 10)
7.8

S&P
(Decile ranking system)
7
(Carbon Efficient Index)

Our support for ESG-related initiatives at home and abroad



*1. Please refer to our corporate website for details⇒ <https://www.resona-gr.co.jp/holdings/english/sustainability/award/index.html>

Reference Material (Financial Highlights)

Breakdown of Financial Results

(JPY bn)	Resona Holdings (Consolidated)		Total of group banks		Resona Bank		Saitama Resona Bank		Total of group banks under KMFG		Difference (a)-(c)
	(a)	YoY (b)	(c)	YoY (d)	(e)	YoY (f)	(g)	YoY (h)	(i)	YoY (j)	
Gross operating profit (1)	313.1	+21.7	285.2	+21.5	159.1	+18.1	58.6	+3.6	67.4	(0.2)	27.8
Net interest income (2)	204.9	(7.3)	201.6	(7.6)	105.3	(8.3)	41.1	(0.4)	55.2	+1.1	3.2
NII from domestic loans and deposits (3)	164.8	(2.7)	164.8	(2.7)	85.4	(1.4)	32.7	(0.9)	46.6	(0.3)	
Interest on yen bonds, etc. (4)	14.4	+2.6	14.4	+2.6	8.9	+0.6	3.4	+1.3	2.1	+0.5	
Net gains on cancellation of investment trusts *1 (5)	1.0	+1.3	1.0	+1.2	(0.1)	+0.1	0.0	+0.0	1.1	+1.0	
Interest on borrowings from trust account (6)	(2.8)	(1.8)	(2.8)	(1.8)	(2.8)	(1.8)					
Fee income (7)	105.8	(2.9)	82.1	(2.6)	53.9	(0.9)	16.7	(0.0)	11.4	(1.6)	23.7
Fee income ratio (8)	33.8%	(3.5)%	28.7%	(3.3)%	33.8%	(5.0)%	28.5%	(1.9)%	17.0%	(2.3)%	
Trust fees (9)	13.0	+2.2	13.0	+2.2	13.0	+2.2	0.0	(0.0)	0.0	+0.0	(0.0)
Joint management designated money trust (10)	2.9	+1.8	2.9	+1.8	2.9	+1.8					
Fees and commission income (11)	92.8	(5.1)	69.0	(4.8)	40.9	(3.1)	16.7	(0.0)	11.4	(1.6)	23.7
Other operating income (12)	2.2	+31.9	1.4	+31.8	(0.0)	+27.4	0.8	+4.1	0.7	+0.2	0.7
Net gains on bonds (including futures) *1 (13)	(7.5)	+32.2	(7.5)	+32.1	(6.7)	+27.8	(0.3)	+4.0	(0.4)	+0.3	0.0
Operating expenses (excluding group banks' non-recurring items) (14)	(205.8)	(3.0)	(190.9)	(1.9)	(105.1)	(2.1)	(37.8)	(0.6)	*2 (47.9)	+0.8	(14.8)
Cost income ratio (OHR) (15)	65.7%	(3.8)%	66.9%	(4.7)%	66.0%	(7.0)%	64.5%	(3.0)%	71.0%	(0.9)%	
Actual net operating profit (16)	107.5	+18.7	94.3	+19.6	54.0	+16.0	20.8	+2.9	19.5	+0.5	13.1
Core income (17)	79.3	(6.1)	70.4	(4.7)	43.1	(3.7)	15.0	(0.3)	12.3	(0.6)	8.8
Core net operating profit (excluding gains on cancellation of investment trusts) *3 (18)			103.8	(10.5)	62.8	(9.9)	22.0	+0.1	18.9	(0.7)	
Net gains on stocks (including equity derivatives) (19)	21.9	(14.4)	22.3	(14.1)	17.2	(13.6)	4.6	+0.3	0.3	(0.9)	(0.3)
Credit related expenses, net (20)	(10.2)	(2.5)	(9.1)	(2.0)	(6.8)	(2.1)	(0.1)	+0.4	(2.0)	(0.3)	(1.1)
Other gains, net (21)	(5.2)	(3.0)	(5.2)	(3.1)	(3.1)	(2.9)	(1.8)	(1.0)	(0.3)	+0.8	0.0
Net income before income taxes (22)	113.9	(1.2)	102.2	+0.2	61.2	(2.5)	23.5	+2.7	17.4	+0.0	11.6
Income taxes and other (23)	(31.2)	+0.9	(27.3)	+0.9	(17.0)	+0.0	(6.8)	(0.5)	(3.4)	+1.5	
Net income attributable to non-controlling interests (24)	(0.2)	+0.1									
Net income (attributable to owners of parent) (25)	82.5	(0.1)	74.9	+1.2	44.2	(2.5)	16.6	+2.2	13.9	+1.5	

*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 FY'22(SR/MB): Losses on cancellation of investment trusts: JPY(0.8) bn, dividends from investment trusts: + JPY0.6 bn → net amount: JPY(0.2) bn

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

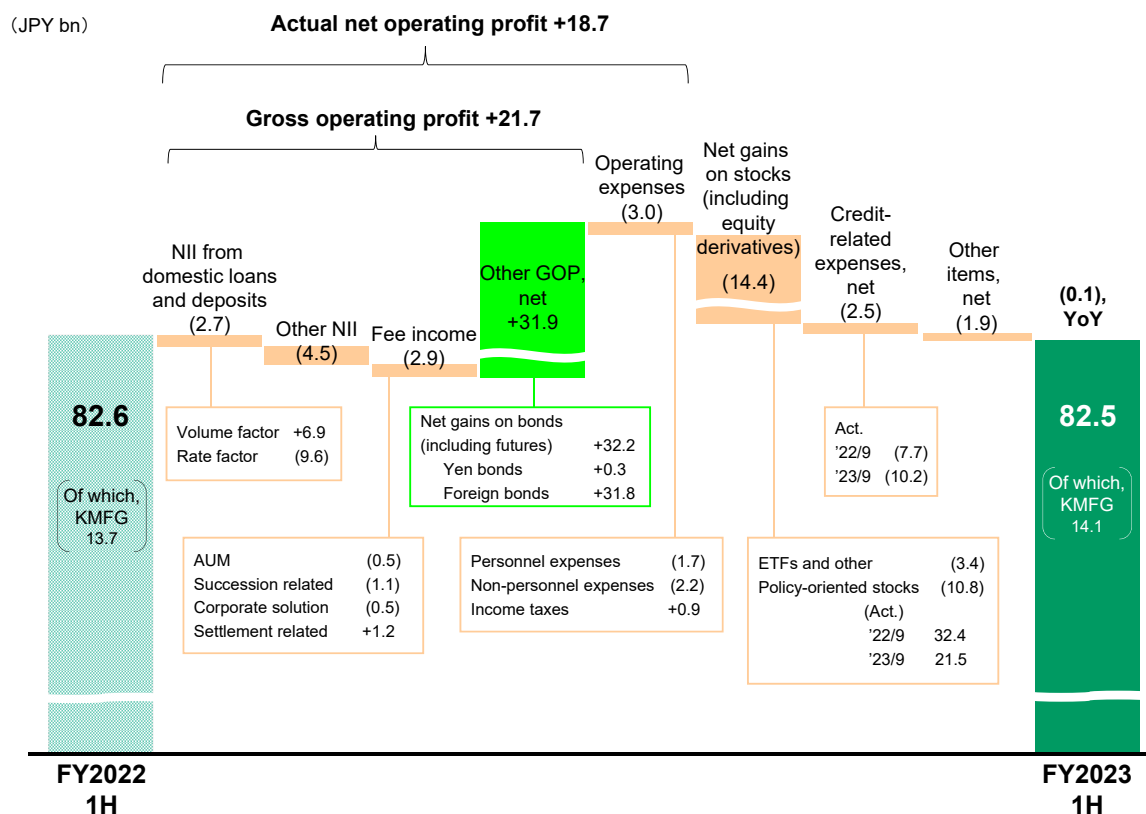
*3. Actual net operating profit - Gains on cancellation of investment trusts - Net gains on bonds

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

HD
Consolidated



Resona Holdings, Inc.

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Trend of Loans and Deposits (Domestic Account)

Total of
Group Banks

Average loan / deposit balance, rates and spread

■ 1H of FY'23 (YoY)

Average loan balance : +4.22%, Loan rate : (5) bps

[Excluding loans to the Japanese government and others]

Average loan balance : +2.69%, Loan rate : (3) bps

=> Full year (Plan) +2.84% (2) bps

Avg. bal : Trillion Yen Income/Cost : Billion Yen		1H		FY2023	
		Act. (a)	YoY ³ (b)	Revised plan (c)	YoY ³ [vs. initial plan] (d)
Loans	Avg. Bal. (1)	40.91	+4.22%	41.25	+3.65% (0.34)%
	Rate (2)	0.81%	(0.05)%	0.81%	(0.03)%
	Income (3)	166.2	(3.1)	335.8	(1.6)
Corporate banking business unit ¹	Avg. Bal. (4)	22.50	+2.06%	22.80	+2.92%
	Rate (5)	0.79%	(0.03)%	0.79%	(0.02)%
Corporate Loan	Avg. Bal. (6)	19.33	+3.09%	19.64	+3.94%
	Rate (7)	0.74%	(0.02)%	0.75%	(0.01)%
Personal banking business unit ²	Avg. Bal. (8)	14.18	+1.17%	14.27	+1.48%
	Rate (9)	1.04%	(0.03)%	1.03%	(0.03)%
Deposits (Including NCDs)	Avg. Bal. (10)	62.31	+2.11%	62.42	+2.25%
	Rate (11)	0.00%	(0.00)%	0.00%	+0.00%
	Cost (12)	(1.4)	+0.4	(3.4)	(0.1)
Loan-to-deposit	Spread (13)	0.80%	(0.04)%	0.80%	(0.03)%
	Net interest income (14)	164.8	(2.7)	332.4	(1.7)

*1. Corporate Banking Business Unit : Corporate loans (excluding loans to HD) + apartment loans, Figures are for internal administration purpose

*2. Personal Banking Business Unit: Residential housing loans + other consumer loans, Figures are for internal administration purpose

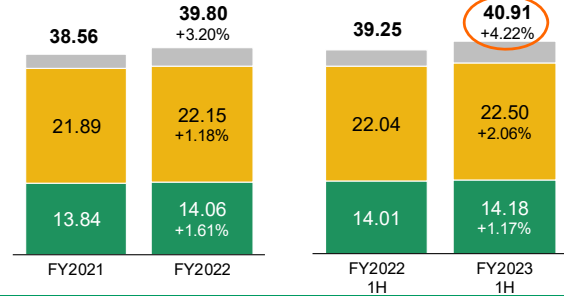
*3. Average balance : rate of change *4. Corporate banking business unit (excluding apartment loans) + public corporation, etc.

Trend of average loan balance

[Average loan balance (JPY tn)] % represents YoY change

■ Corporate (Excluding loans to HD)

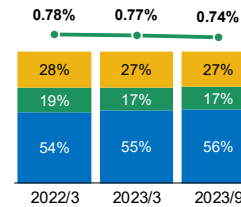
■ Personal



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

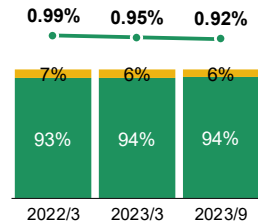
[Corporate loan]

■ Fixed rate*4
■ Prime rate, etc.*4
■ Market rate*4
■ Corporate loan rate



[Residential housing loan]

■ Fixed rate
■ Variable rate
■ Residential housing loans rate



Term-end Balance of Loans and Deposits

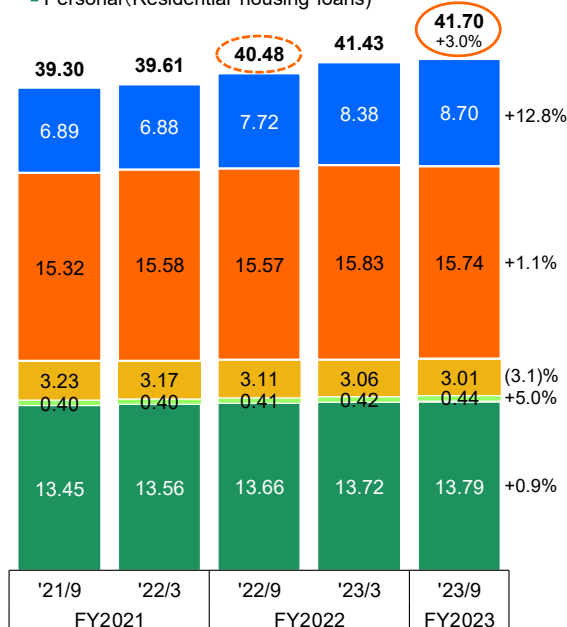
Total of
Group Banks

Term-end loan balance

[JPY tn, % represents YoY change]

- Corporate (Large companies and other)
- Corporate (SMEs)
- Corporate (Apartment loans)
- Personal (Consumer loans)
- Personal (Residential housing loans)

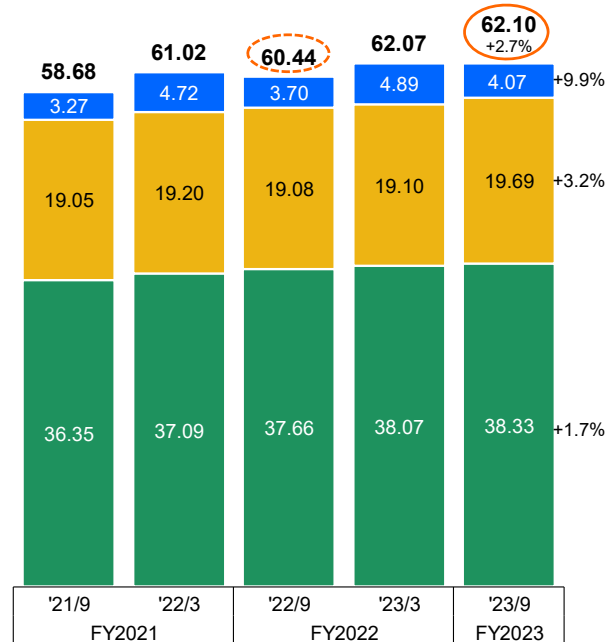
Of which, excluding loans to the Japanese gov. and others [2.23 tn] +2.3%



Term-end deposit balance

[JPY tn, % represents YoY change]

- Other
- Corporate
- Personal



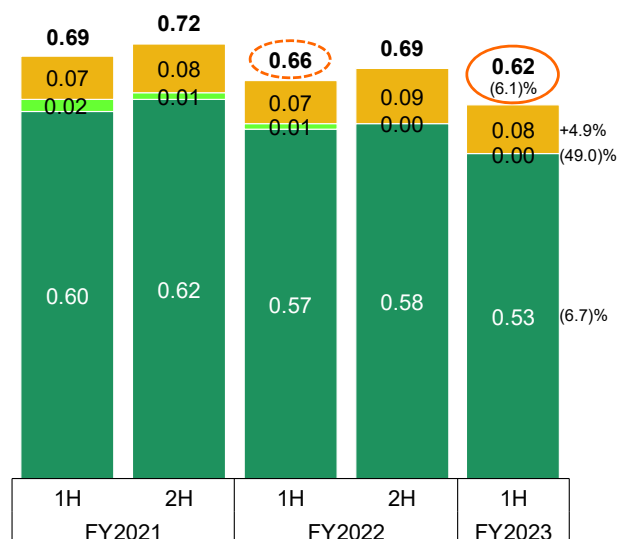
Housing Loan Business

Total of
Group Banks

New housing loan origination

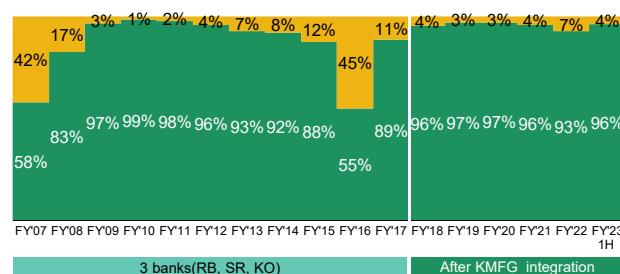
[JPY tn, % represents YoY change]

- Apartment loan
- Flat 35
- Residential housing loan



Composition of newly originated residential housing loans by interest rate type

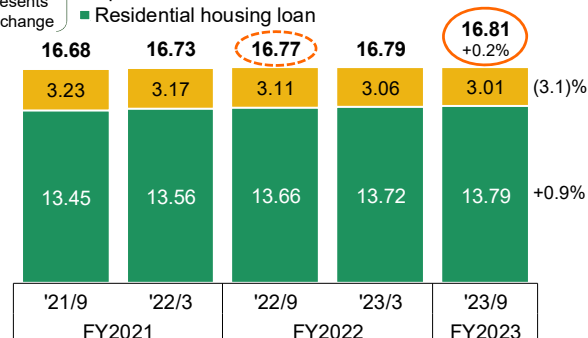
- Share of fixed rate residential housing loans
- Share of variable rate residential housing loans



Term-end housing loan balance

[JPY tn, % represents YoY change]

- Apartment loan
- Residential housing loan



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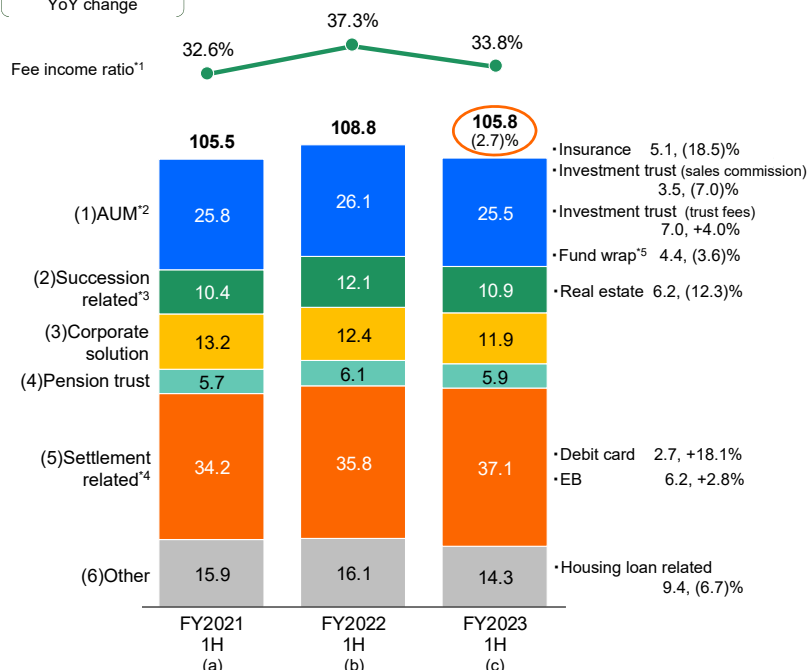
47

Fee income

HD
Consolidated

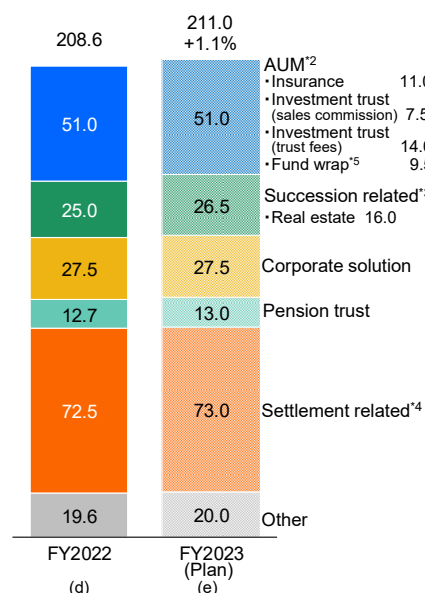
- Progress rate against the full year plan : 50.1%
- Succession related (down JPY1.1 bn, or 9.7%, YoY), etc. decreased, while settlement related (up JPY1.2 bn, or 3.6%, YoY) remained steady

[JPY bn, % represents YoY change]



[FY Results and plans]

34.7% → 33% level Fee income ratio^{*1}



*1. (Fees and commission income + trust fees) / Consolidated gross operating profit

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

*5. Asset and business succession trust,

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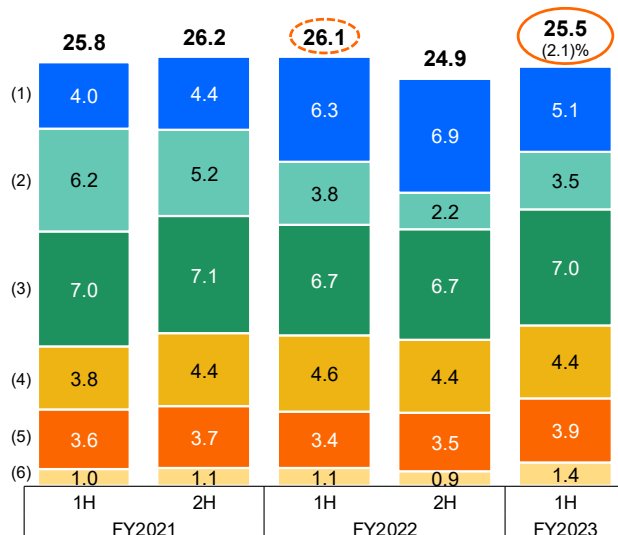
Major Fee Businesses(1) (AUM)

HD
Consolidated

AUM income

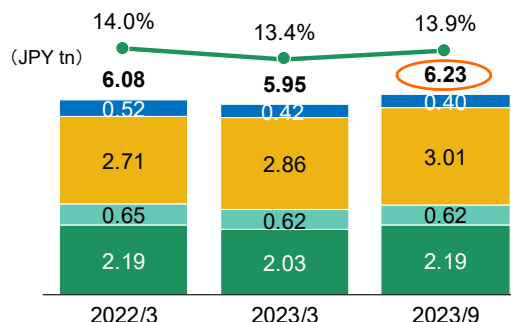
- (1) Insurance
- (2) Investment trust (sales commission)
- (3) Investment trust (trust fees)
- (4) Fund wrap
- (5) Resona Asset Management
- (6) Securities trust

(JPY bn)



Balance of asset formation support products sold to individuals

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



- Balance of fund wrap*1: '23/9 JPY760.2 bn (including corporation*3)
- Change in balance of investment trust and fund wrap : 1H of FY'23 Approx. +JPY150.0 bn
 - Net inflow (new purchase – withdrawal and redemption): Approx. JPY(16.0) bn
- Number of individual customers having investment trust, fund wrap and insurance products : '23/9 988 thousand, +18 thousand, YoY
 - Of which, NISA account holders*4: 430 thousand, +6.9%, YoY
- iDeCo participants*5: '23/9 181 thousand, +11.0%, YoY
- Securities trust (total assets in custody) : '23/9 JPY44.8 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 + yen deposits held by individuals) *3. Including external group *4. NISA, Junior NISA, Cumulative NISA

*5. iDeCo participants + members giving investment instructions

Resona Holdings, Inc.

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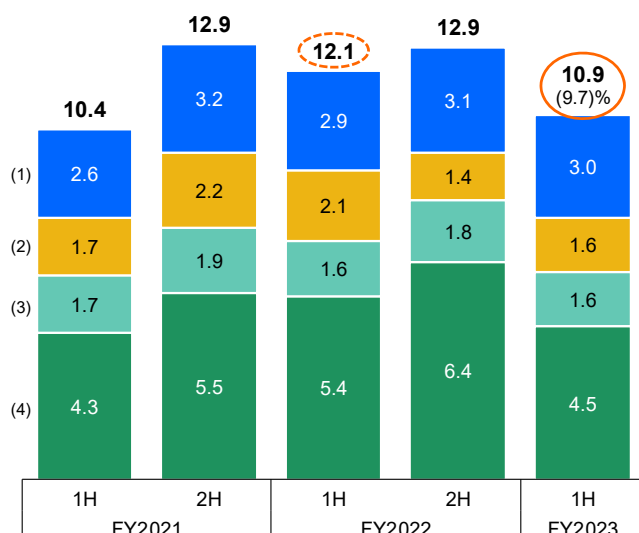
Major Fee Businesses(2) (Succession, Corporate Solution, Pension Trust)

HD
Consolidated

Succession related income

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

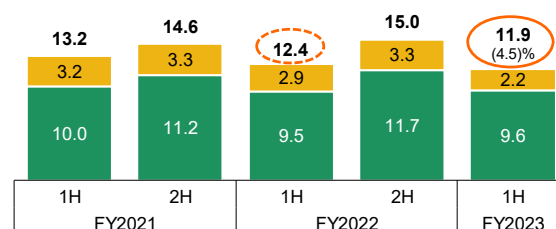
(JPY bn)



Corporate solutions business income

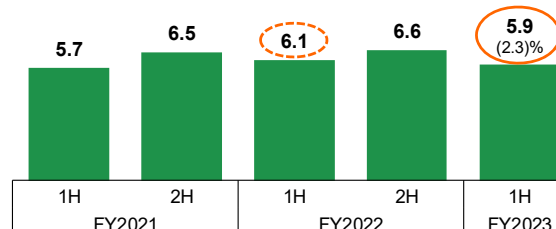
- Private notes
- Commitment line, Syndicated loans, Covenants

(JPY bn)



Pension trust income

(JPY bn)



*1. Excluding gains from investments in real estate funds

Resona Holdings, Inc.

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Credit Costs and NPLs

HD Consolidated
Total of Group Banks

Credit costs

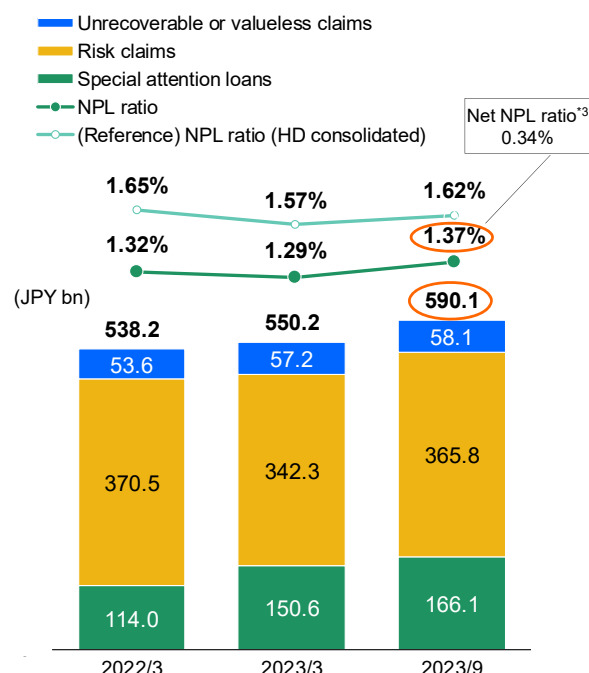
(JPY bn)	FY2021	FY2022		FY2023	
	(a)	1H (b)	(c)	1H (d)	Plan (e)
Net credit cost (HD consolidated) (1)	(58.7)	(7.7)	(15.9)	(10.2)	(38.0)
Net credit cost (Total of group banks) (2)	(61.2)	(7.0)	(15.0)	(9.1)	(31.5)
General reserve (3)	(7.2)	2.7	(3.1)	3.4	
Specific reserve and other items (4)	(53.9)	(9.8)	(11.9)	(12.5)	
New bankruptcy, downward migration (5)	(66.0)	(15.3)	(45.2)	(19.2)	
Collection/upward migration (6)	12.0	5.4	33.2	6.7	
Difference (1) - (2) (7)	2.4	(0.6)	(0.8)	(1.1)	(6.5)
HL guarantee subsidiaries (8)	6.5	0.7	1.4	1.3	
Resona Card (9)	(1.4)	(0.8)	(1.7)	(1.0)	

<Credit cost ratio> (bps)					
HD consolidated ¹ (10)	(14.8)	(3.8)	(3.9)	(4.8)	(8.9)
Total of group banks ² (11)	(15.1)	(3.4)	(3.6)	(4.2)	(7.2)

*(Note) Positive figures represent reversal gains

NPL balance and ratio (Total of group banks)

(Financial Reconstruction Act criteria)



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

Resona Holdings, Inc.

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Securities Portfolio

Total of
Group Banks

Securities portfolio¹

(JPY bn, before hedging)	2022/3	2023/3	2023/9	Unrealized gains/(losses)
(a)	(b)	(c)	(d)	
Available-for-sale securities (1)	4,159.5	3,886.8	4,068.5	499.0
Stocks (2)	305.9	283.8	272.5	667.3
Bonds (3)	2,940.1	2,400.2	2,534.5	(92.0)
JGBs (4)	1,137.3	645.3	834.6	(62.4)
Average duration (years) (5)	9.3	12.8	11.6	—
Basis point value (BPV) (6)	(1.15)	(0.78)	(0.90)	—
Local government and corporate bonds (7)	1,802.8	1,754.9	1,699.8	(29.5)
Other (8)	913.3	1,202.6	1,261.4	(76.3)
Foreign bonds (9)	562.5	721.5	745.7	(67.0)
Average duration (years) (10)	6.2	5.8	5.2	—
Basis point value (BPV) (11)	(0.26)	(0.30)	(0.32)	—
Investment trusts (Domestic) (12)	346.8	474.1	511.5	(10.8)
Net unrealized gain (13)	521.2	471.6	499.0	
Bonds held to maturity (14)	2,934.7	3,899.0	4,248.9	(192.1)
JGBs (15)	1,856.1	2,278.2	2,430.1	(149.2)

■ JGBs (available for sale securities, c-5 and 6, d-4) after hedging in '23/9

Average duration : 8.9 year, BPV : (0.35) bn, Unrealized gains/(losses) : 40.1 bn
 (Foreign bonds are partially hedged by domestic investment trusts (bear fund) and other)

■ CLO: Zero

Status of policy-oriented stocks held²

■ Balance of listed stocks disposed in 1H of FY2023

(acquisition cost basis): JPY11.3 bn,
 Net gain on sale: JPY22.1 bn (HD consolidated: JPY21.7 bn)
 Breakeven Nikkei average: Approx. 7,400 yen

■ Policy for holding policy-oriented stocks

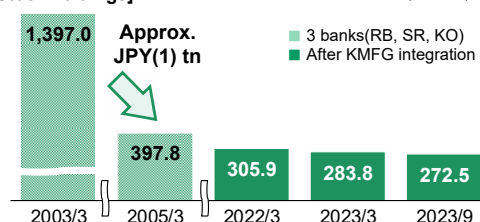
- Since the capital enhancement with public funds, Resona Group has reduced the balance of the policy-oriented stocks to lessen the risk of price volatility. Our basic policy is to continue to reduce the balance of policy-oriented stocks.
- The Group determines whether to hold policy-oriented stocks by evaluating the risks and returns, including feasibility of the development of a trading relationship in a medium- to long-term. The Group may also sell stocks in consideration of the market situations, management and financial strategies, even though the Group considers appropriate for holding from the risk-return perspective.

■ Plan to reduce JPY80.0 bn in 4 years from Apr. '22

⇒ Progress rate against the plan : 41.7% ('23/9)

[Stock holdings]

(JPY bn)



¹. Acquisition cost basis. The presented figures include marketable securities only

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

Resona Holdings, Inc.

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Capital Adequacy Ratio

HD
Consolidated

- CAR (Domestic std.) and CET1 ratio (International std.) as of Sep. 30, 2023 were 12.57% and 14.36%, respectively, maintaining sound capital adequacy level

Domestic standard			
(JPY bn)	2023/3	2023/9	Change
Capital adequacy ratio (1)	12.48%	12.57%	+0.09%
Total capital (2)	2,101.0	2,144.4	+43.4
Core Capital: instruments and reserves (3)	2,179.5	2,222.8	+43.3
Stockholders' equity (4)	2,115.4	2,162.7	+47.3
Adjusted non-controlling interests (5)	7.0	8.7	+1.6
Reserves included in Core Capital (6)	39.2	31.7	(7.4)
Subordinated loans and bonds subject to transitional arrangement (7)	27.5	23.9	(3.6)
Core Capital: regulatory adjustments (8)	78.4	78.4	(0.0)
Risk weighted assets (9)	16,827.9	17,059.4	+231.4

- Change in total capital
- Stockholders' equity +47.3 bn
 - Net income attributable to owners of parent +82.5 bn
 - Share buyback (completed in Jun. '23) (10.0) bn
 - Interim dividend (25.9) bn

■ Group banks, Bank holding company

Domestic standard	Resona (Consolidated)	Saitama Resona (Consolidated)	KMFG (Consolidated)
Capital adequacy ratio	11.75%	15.58%	9.19%

(Reference) International standard			
(JPY bn)	2023/3	2023/9	Change
Common Equity Tier1 capital ratio (10)	14.10%	14.36%	+0.26%
Excluding net unrealized gains on available-for-sale securities (11)	12.09%	12.21%	+0.12%
Tier1 capital ratio (12)	14.11%	14.38%	+0.27%
Total capital ratio (13)	14.35%	14.57%	+0.22%
Common Equity Tier1 capital (14)	2,413.1	2,496.5	+83.3
Instruments and reserves (15)	2,494.9	2,567.6	+72.6
Stockholders' equity (16)	2,115.4	2,162.7	+47.3
Net unrealized gains on available-for-sale securities* (17)	342.6	372.6	+30.0
Adjusted non-controlling interests (18)	3.8	4.6	+0.8
Regulatory adjustments (19)	81.7	71.1	(10.6)
Other Tier1 capital (20)	2.7	2.9	+0.2
Tier1 capital (21)	2,415.9	2,499.5	+83.5
Tier2 capital (22)	40.8	33.5	(7.2)
Total capital (Tier1+Tier2) (23)	2,456.7	2,533.0	+76.3
Risk weighted assets (24)	17,113.4	17,380.8	+267.4

*Including deferred gains or losses on hedge related to net unrealized gains on available-for-sale securities

(Reference)

- Trial calculation based on the full enforcement of the finalized Basel 3
CET1 ratio: Approx. 10.1%*
(Excluding net unrealized gains on available-for-sale securities)

*Trial calculation which took into consideration the estimated increase in RWAs owing to the finalization of Basel 3 (SA and capital floor revisions) based on the actual CET1 ratio excluding net unrealized gains on available-for-sale securities as of Sep. 30, 2023 reported as (11) in the above table

Resona Holdings, Inc. 53

Earnings Targets for FY2023 (Released in Nov. 2023)

HD Consolidated
Total of Group Banks

HD consolidated			
(JPY bn)	Full-year	Change from original target	YoY change
Net income attributable to owners of parent (1)	150.0	—	(10.4)
Difference (2)	13.5	(4.0)	(5.2)
Core income*1 (3)	150.0	+2.0	(13.6)

Common DPS		
	DPS	YoY change
Common stock (annual) (4)	22.0 yen	+1.0 yen
Interim dividend (5)	11.0 yen	+0.5 yen

Total of group banks

(JPY bn)	Total of group banks		Resona Bank		Saitama Resona Bank		KMFG (total of group banks)	
	Full-year	Change from original target	Full-year	Change from original target	Full-year	Change from original target	Full-year	Change from original target
Gross operating profit (6)	576.5	+1.0	330.0	—	113.0	+0.5	133.5	+0.5
Operating expenses (7)	(391.5)	+1.0	(214.0)	—	(76.5)	—	(101.0)	+1.0
Actual net operating profit (8)	185.0	+2.0	116.0	—	36.5	+0.5	32.5	+1.5
Net gains on stocks (including equity derivatives) (9)	47.0	+3.0	37.5	—	8.5	+4.0	1.0	(1.0)
Credit related expenses, net (10)	(31.5)	—	(20.0)	—	(5.0)	—	(6.5)	—
Income before income taxes (11)	190.0	+6.0	131.0	—	37.0	+5.0	22.0	+1.0
Net income (12)	136.5	+4.0	93.0	—	26.0	+3.5	17.5	+0.5

*1. Net interest income from domestic loans and deposits + Interest on yen bonds, etc. (Interest on yen bonds and income from interest rate swaps)
+ Fee income + Operating expenses

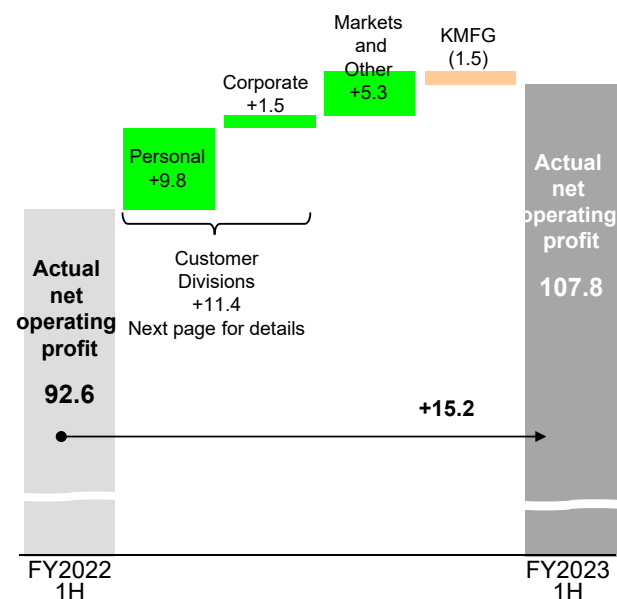
Resona Holdings, Inc. 54

(Reference) Outline of Financial Results of Each Segment

HD
Consolidated

	(JPY bn)	FY2023 1H	YoY Change
Customer Divisions	Gross operating profit (1)	252.3	+16.1
	Operating expense (2)	(154.8)	(4.6)
	Actual net operating profit (3)	97.5	+11.4
Personal Banking	Gross operating profit (4)	106.7	+11.7
	Operating expense (5)	(77.5)	(1.8)
	Actual net operating profit (6)	29.2	+9.8
Corporate Banking	Gross operating profit (7)	145.6	+4.3
	Operating expense (8)	(77.3)	(2.7)
	Actual net operating profit (9)	68.3	+1.5
Markets and Other	Gross operating profit (10)	(8.5)	+4.8
	Operating expense (11)	(1.0)	+0.4
	Actual net operating profit (12)	(9.2)	+5.3
KMFG	Gross operating profit (13)	69.5	(2.7)
	Operating expense (14)	(49.9)	+1.2
	Actual net operating profit (15)	19.6	(1.5)
Total	Gross operating profit (16)	313.4	+18.2
	Operating expense (17)	(205.8)	(3.0)
	Actual net operating profit (18)	107.8	+15.2

(JPY bn)



Definition of management accounting

- "Customer Divisions" and "Markets and Other" segment refer to the HD Consolidated subsidiaries, except KMFG consolidated subsidiaries.
- 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.

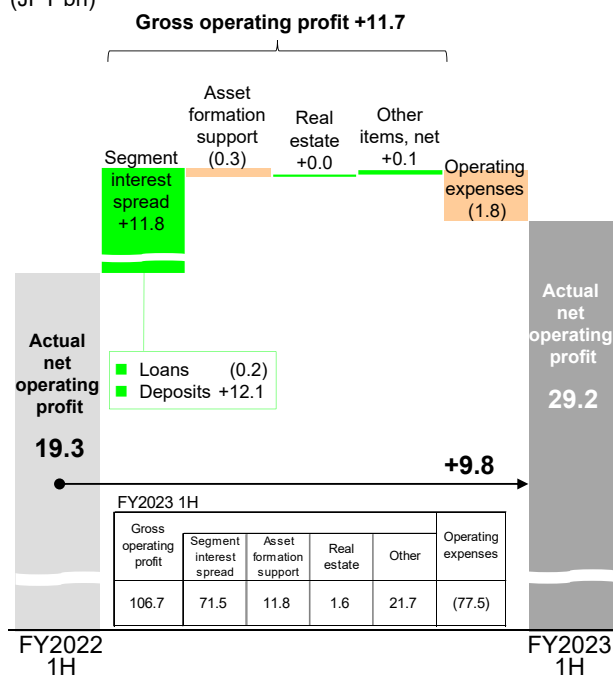
(Reference) Outline of Financial Results of Customer Divisions

HD Consolidated
(exclude KMFG)

Personal Banking Segment

- Actual net operating profit : Up JPY9.8 bn, YoY

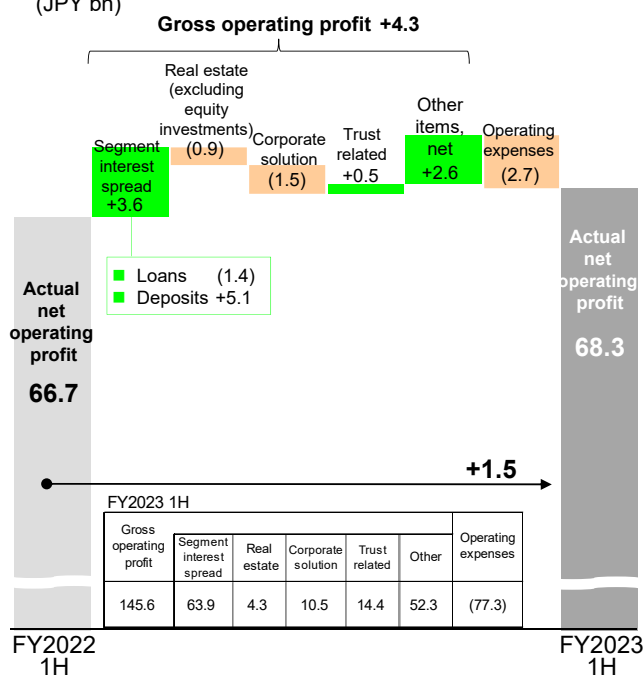
(JPY bn)



Corporate Banking Segment

- Actual net operating profit : Up JPY1.5 bn, YoY

(JPY bn)



Reference Material (MMP, Business Strategies)

What the Resona Group Should Look Like over the Long Term



Issues that must be overcome

[External]

A phase of profound structural transition, including trends towards SX/DX

Ever more diverse issues confronting our customers and regional communities require ever more sophisticated solutions

[Internal]

Gaps between income and cost structures for the retail business

Inevitability of CX

Remain true to our fundamental stance of "Customers' happiness is our pleasure" and contribute to society to a greater degree

Take full advantage of our traditional strengths while endeavoring to create new value that transcends the conventional framework of financial services



Need to step forward toward CX to transform our conventional business structure and management platforms

CX

Strengthening of value creation capabilities

Development of next-generation management platforms

Overview of the MMP

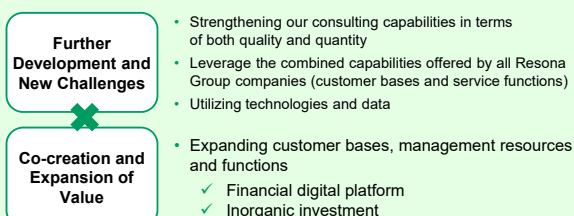
Accelerate initiatives to realize “Retail No. 1”: The first 1,000 days of taking on corporate transformation (CX)
-From rehabilitation to taking on new challenges-

◆ Adapt to changes in light of such trends as SX, DX, etc.

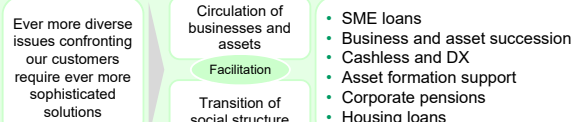
◆ Further accelerate income and cost structure reforms

Strengthening of Value Creation Capabilities

◆ Striving for the further development of businesses backed by the group's inherent strengths and creating new value



<Value to be delivered> <Areas of business focus>



Development of Next-Generation Management Platforms

◆ Further strengthening the consolidated management of Group companies and executing integrally reforms of management platforms

Governance

- Strengthen Group governance
- Upgrade our mode of risk governance
- Pursue the thorough practice of customer-oriented business conduct

Human capital

- Realize value creation and well-being
- Resonance of the three pillars (engagement, professionalism and co-creation)

Intellectual capital

- Business processes: Exhaustive overhaul
- Channels: Integration of face-to-face and digital channels
- Systems: Pursuing generalization, openness and streamlining

Transitioning from striving to qualitatively and quantitatively enhance capital to a new phase in which we can fully utilize it

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KPIs under the MMP

	FY2022 (Results)	FY2025 (Plan)
Realize income and cost structure reforms Optimization of balance between financial soundness, growth investment and shareholder return	Net income attributable to owners of parent	JPY160.4 bn
	Consolidated core income ^{*1}	JPY163.6 bn
	Consolidated cost income ratio	67.4%
	ROE ^{*2}	8%
	CET1 ratio ^{*3}	Approx. 10%
	Total shareholder return ratio	40.6%
Realize sustainable society	ESG index selected by GPIF (domestic stock) ^{*4}	ESG index selected by GPIF (domestic stock)

[FY2025 assumed conditions : Overnight call rate (0.05) %, Yield on 10Y JGB 0.40%, Nikkei 225 28,000 yen]

^{*1}. Net interest income from domestic loans and deposits + Interest on yen bonds, etc. (interest on yen bonds and income from interest rate swaps) + Fee income + Operating expenses

^{*2}. Net income / Total shareholders equity (simple sum of the balance at the beginning and the end of the term/2)

^{*3}. Based on the full enforcement of the finalized Basel 3 regulations under the international standard; excluding net unrealized gains on available-for-sale securities

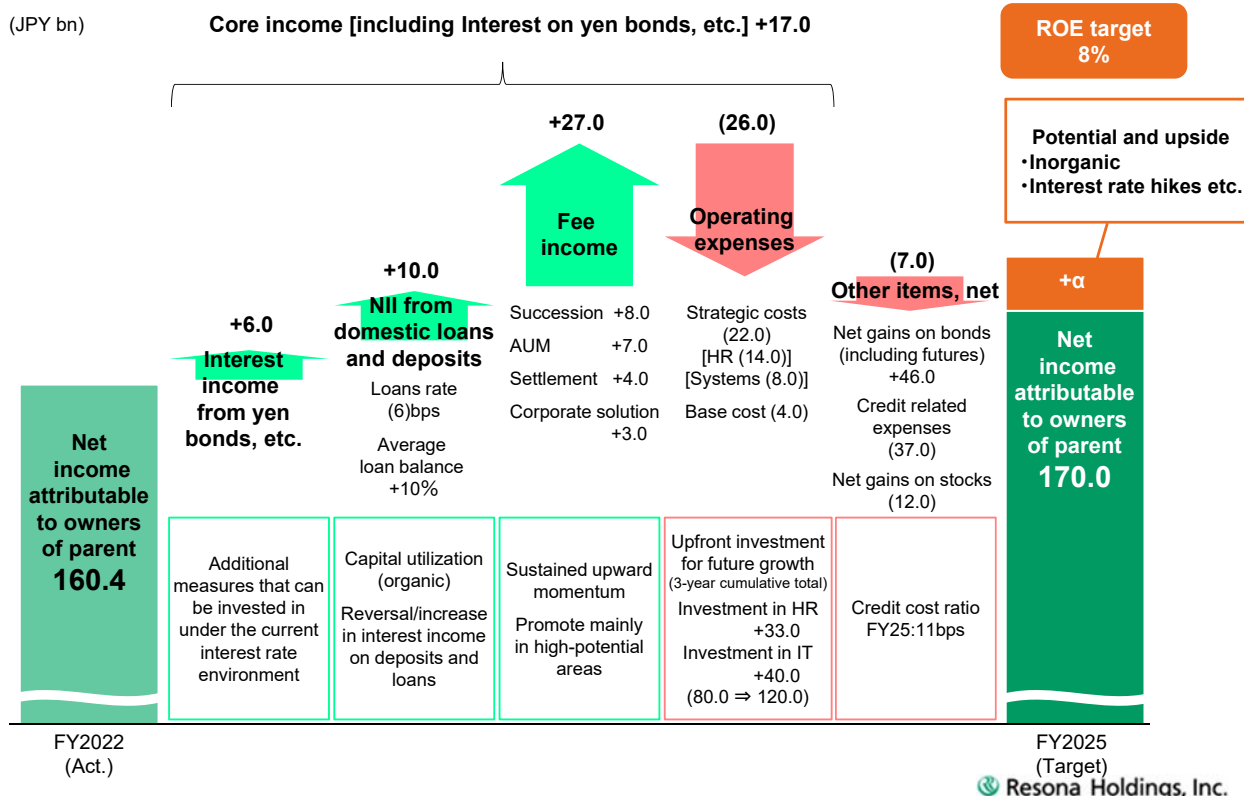
^{*4}. FTSE Blossom Japan Index, FTSE Blossom Japan Sector Relative Index, MSCI Japan ESG Select Leaders Index, S&P/JPX Carbon Efficient Index series, MSCI Japan Empowering Women Index and Morningstar Japan ex-REIT Gender Diversity Tilt Index

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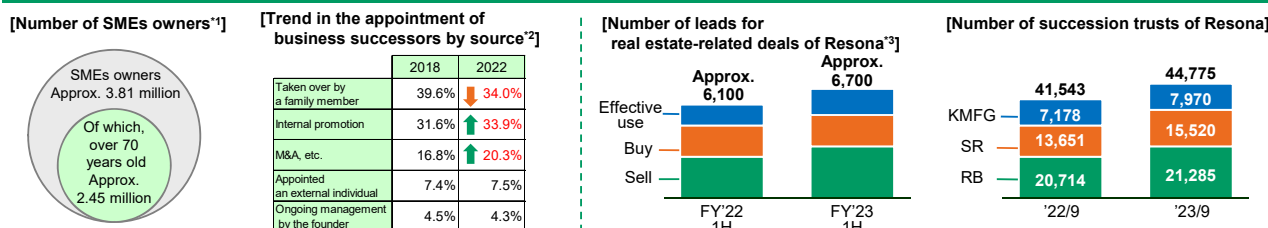
Roadmap for Securing Profit

Aim for growth in core profit that will exceed outlays associated with forward-looking investment aimed at improving employee engagement and productivity, with our plan calling for achieving an ROE of 8%



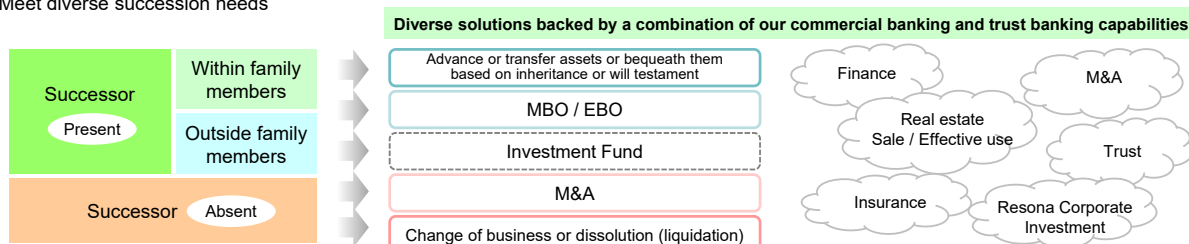
Business and Asset Succession Business

Support smooth succession to accommodate growing needs in an ultra-aging society

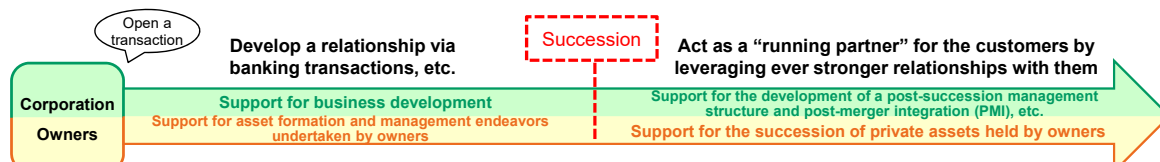


One-stop solutions that leverage our strength as a retail commercial bank equipped with full-line trust banking capabilities

- Meet diverse succession needs



- Our strength lies in solid customer relationships that transcend the scope of succession



*1. The Comprehensive Package of Measures for Supporting SMEs in Business Succession to Third Parties formulated by the Small and Medium Enterprise Agency *2. TEIKOKU DATABANK (2022) *3. RB

Cashless and DX Solution Business

Improving convenience for individual customers / helping corporate customers go cashless and pursue DX

[Expansion of the market for cashless settlement*1]

	2016	Target for 2025
Cashless ratio	20%	40% level
Amount handled	JPY60 tn	JPY120 tn

Secure conformity with the revised Electronic Book Storage Act and the Eligible Invoice Storage System (the "Invoice System")

Deliver value-added services, starting with supporting household finance and corporate transactions

- ✓ Expand transactions with customers to become their main bank
- ✓ Diversify profit sources

■ Debit card B2C / B2B

Expansion of customer base

No. of issued: Sep. '23 3.11 million

- Horizontally roll out our solutions at four Group banks

[Individual]

- Equipped as standard in the deposit account
- Instantly issued at all branches

[Corporate]

- Service eligibility is granted as standard at the time of web-based account openings
- Accommodate virtual cards

Expansion of frequency of use

- Instant Settlement
- Make it possible to set spending limits or terminate user eligibility on an individual basis

[Individual]

- High affinity with Group App
- High return rate premium cards (Apr. '23-)

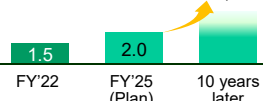
[Corporate]

- Coordination with the app for corporate customers (Oct. '23-)

[Debit card income] (JPY bn)



[Amount of card settlement transactions*2] (JPY tn)



■ Resona Cashless Platform B2C

Introduction (planned) :
Approx. 4,400 corporate customers
Approx. 16,000 stores

- With an all-in-one terminal, responding to diverse payment needs
- Accommodate Union Pay cards (Jul. '23-)

■ Resona One-Stop Payment B2B

- Assist in the DX of payment-related operations for corporate expenses
- Compliance with the revised Electronic Book Storage Act / Offer a comprehensive set of services to help customers streamline their operations (digitization of bills → online payment → storage of electronic data)

■ Collaboration within and outside the Group Data / Open

- Deliver solutions via the combination of all Resona Group members
 - DX assistance by Resona Digital Hub (DX-focused questionnaires targeting approx. 13,000 corporations*3)
- Co-creation with external partners
 - Joint development of a settlement service specializing in the medical sector (Digital Garage)
 - Business alliance regarding regional digital currencies and point businesses (Mitsubishi Research Institute)

*1. Prepared based on Ministry of Economy, Trade and Industry

*2. Issuing + Acquiring (Including group companies)

*3. FY2022

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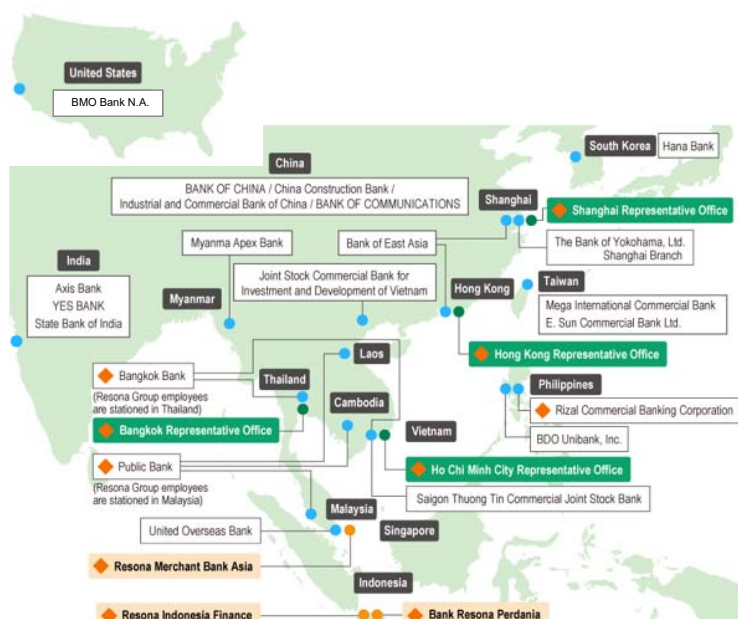
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International Business

Help customers align with changes in the business environment via the use of our overseas network

■ Resona Group employees stationed at 10 overseas bases to cover the entire Asia region and the U.S.

■ Provide a wide range of consultations concerning overseas expansion, financing, etc.



As of Sep. 30, 2023

■ Provide solutions via local subsidiaries

- Bank Resona Perdana (Indonesia)
 - Boasting a business track record spanning more than 65 years and full-fledged banking functions serving locals
- Resona Merchant Bank Asia (Singapore)
 - Lending, M&A assistance, consulting, etc. in ASEAN, Hong Kong and India

■ Extend support via representative offices and partner banks

- Provide information to customers in line with their needs in connection with local laws, regulations, tax systems, business customs, etc.

Consider the expansion of our network in light of customer needs, etc.

■ Deliver our solutions to customers outside the Group

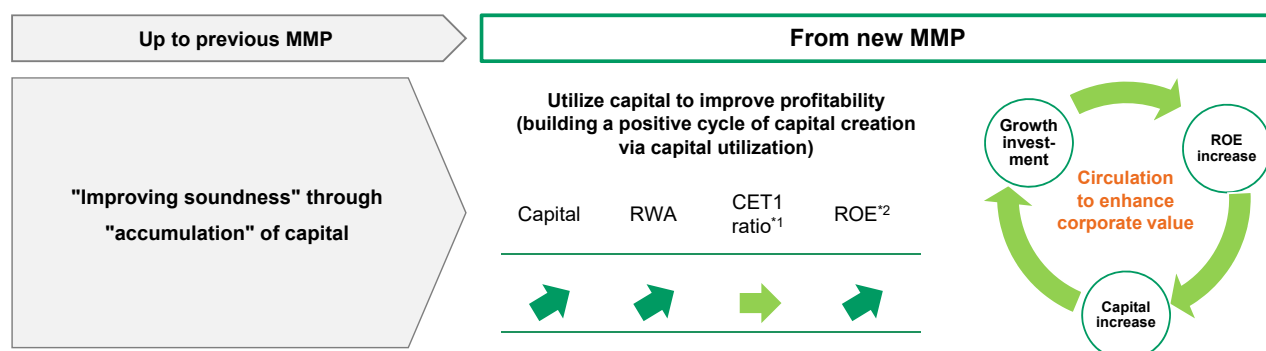
- Began providing "Resona Anshin Export Guarantee,"TM a service designed to assist SMEs in the expansion of their overseas sales channels
 - Jun. '23- The Miyazaki Bank

- Overseas representative offices
- Resona Merchant Bank Asia
- Bank Resona Perdana
- Resona Indonesia Finance
- Partner banks, etc.
- ◆ Offices with Resona Group employees

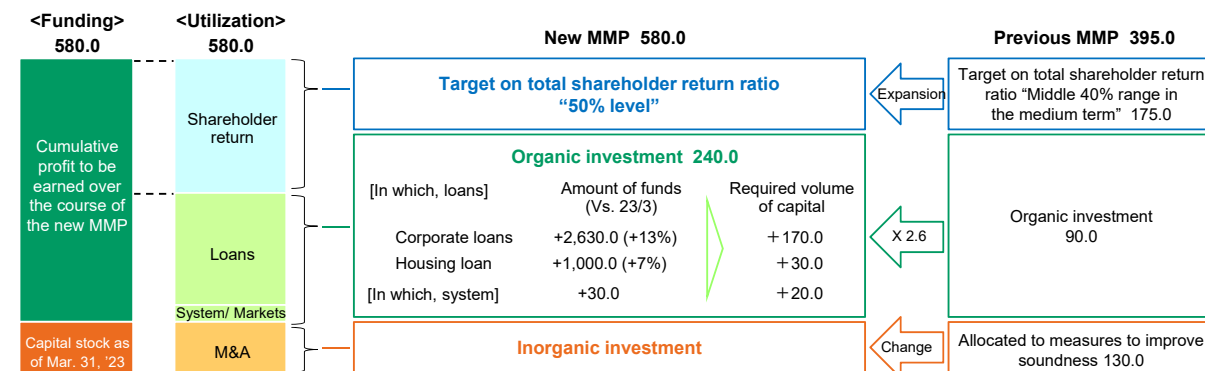
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Capital Management of the MMP



[Composition of capital utilization] (JPY bn)



*1. Based on the full enforcement of the finalized Basel 3 regulations under the international standard; excluding net unrealized gains on available-for-sale securities

*2. Net income attributable to owners of parent / Total shareholders equity (simple sum of the balance at the beginning and the end of the term/2)

Resona Holdings, Inc.

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Financial and Non-Financial Approaches to Improve Corporate Value

Measures to be implemented during the MMP period

Improve profitability and asset efficiency via the proactive utilization of capital (Organic) Enhance higher risk-return lending assets (Inorganic) Enhance customer bases, management resources and functions	Step up investment in human capital ⇒ [Further development and new challenges]×[Co-creation and expansion of value] Core income +JPY17.0 bn (Target)
Upgrade our mode of risk governance	Expand shareholder return Aim for a total shareholder return ratio of around 50%
Seize upside profit opportunities that arise at the time of interest rate hikes	Further reduce policy-oriented stockholdings The pace of reduction : JPY(20.0) bn per year

Analysis of the current status of ROE

ROE deteriorated over the course of the previous MMP

- Rapid expansion of BS / Growing volume of assets with low utilization
⇒ Need to improve risk-return by adopting a more proactive approach to risk-taking endeavors
- Downside risks materialized and affected P/L via the recording of major credit-related costs, outlays resulting from measures to restore foreign bond portfolio soundness, etc.

[Breakdown of ROE components]

	ROE		RORA		Leverage following risk adjustment		Total assets accounted for as of fiscal year-end
		=	Net income / RWA ^{*1}	×	RWA ^{*1} / Total shareholders' equity		
FY'19	8.9%	=	0.7%	×	11.9 times		JPY60.5 tn
FY'20	6.8%	=	0.6%	×	11.3 times		JPY73.6 tn
FY'21	5.6%	=	0.5%	×	10.7 times		JPY78.1 tn
FY'22	7.6%	=	0.7%	×	9.9 times		JPY74.8 tn
(Average from FY'20 to FY'22)	6.7%	=	0.6%	×	10.6 times		JPY75.5 tn

*1. Based on the finalization of Basel 3

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Reference Material (Other)

Resona Group at a Glance

- Financial Services Group with a customer base of 16 mil individuals and 0.5 mil corporations and a full line of trust functions
- Extensive channel network centered on the Tokyo metropolitan area and Kansai region

Corporate structure



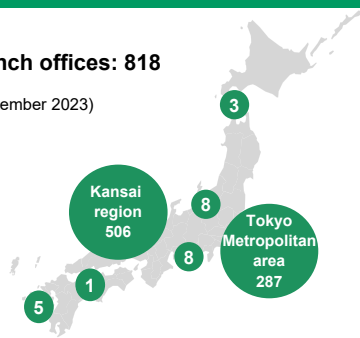
Customer base and business scale

[Individual customers (mil)]	[Corporate clients (mil)]
16	0.5
[Deposits (JPY tn)]	[Loans (JPY tn)]
61	41

Number of manned branch office

Number of manned branch offices: 818

(End of September 2023)

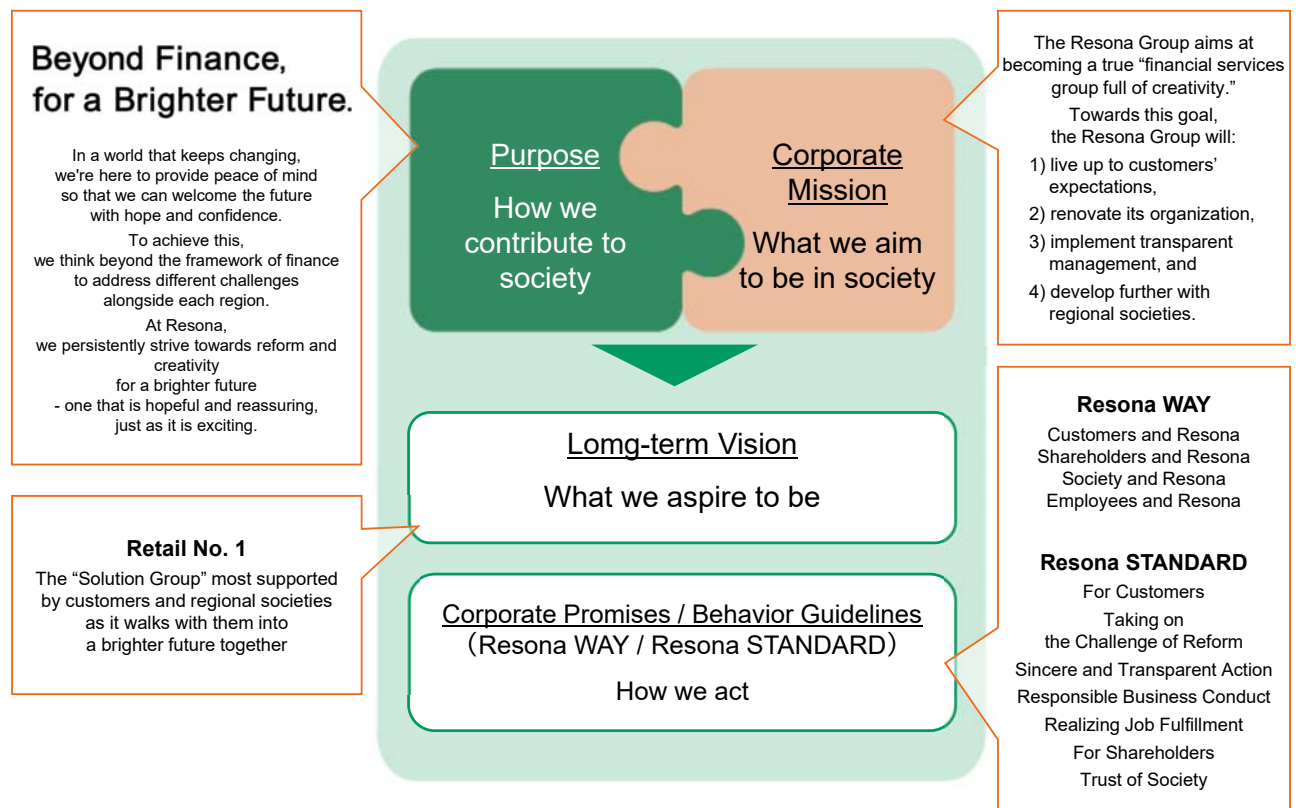


Market share^{*1}

[Deposits]	[Loans]	(End of March 2023)
4.2% Tokyo	4.6%	RB+SR
4.0% Kanagawa	8.8%	KMB+MB
46.0% Saitama	43.4%	GDP #1
22.9% Osaka	24.1%	GDP #4
18.8% Hyogo	31.0%	GDP #5
17.1% Shiga	19.4%	GDP #2
		GDP #6
		Per capita income #6

^{*1}. Total of group banks, market share based on deposits, and loans and bills discounted by prefecture (domestically licensed banks from BOJ)

Resona Group's Conceptual Structure



Resona Group's Brand Identity

The Resona Group's corporate name was derived from the Latin word (resonus) meaning "resonate" or "resound" in English.

We attach great importance to customers' voice.
By adopting the corporate name Resona, we want to express our desire to build stronger ties with our customers by "resonating" or "resounding" with them.



Measures to Build Multifaceted Business Relationships with Customers

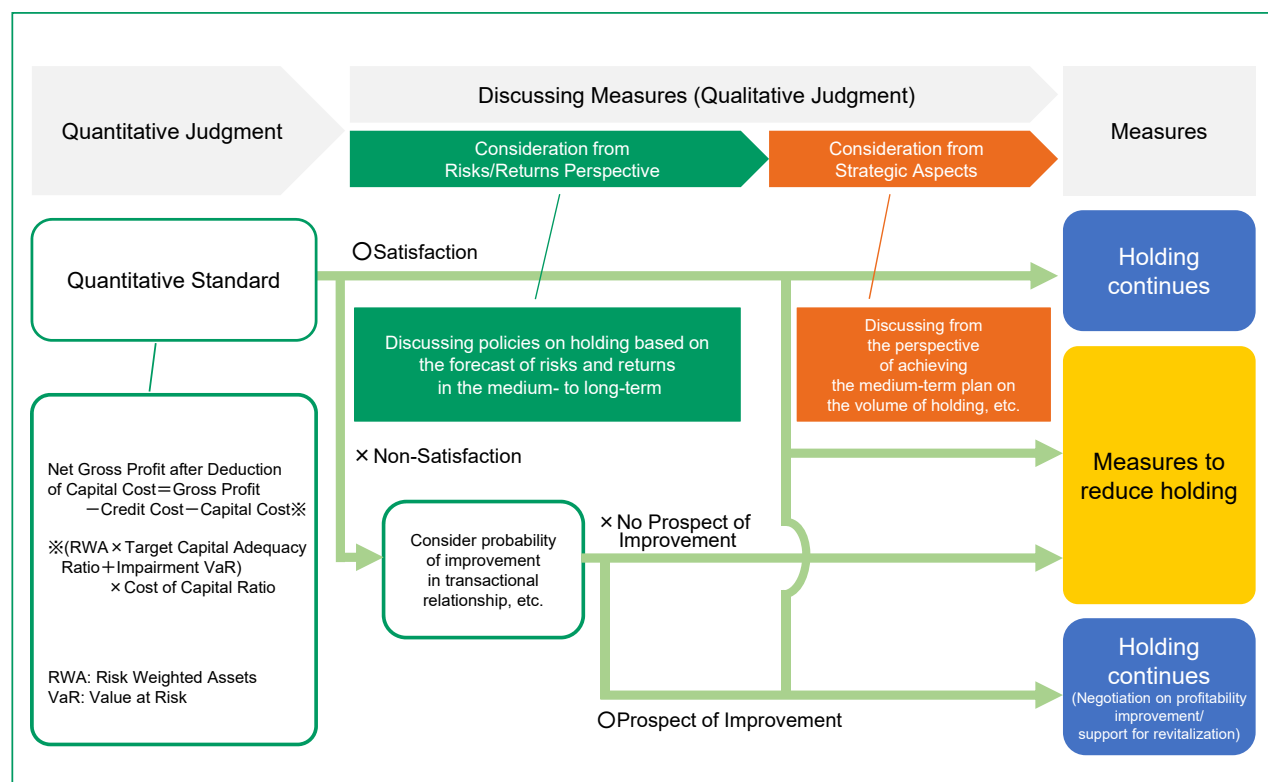
Total of
Two Banks
(RB, SR)

Visible progress has been made through the increase in the number of “Resona Loyal Customers”

Customer segments based on the depth of transactions with Resona Group banks		Number of Customers (thousands)			Top-line Income Per Customer *	Avg. # of Products Cross-sold [YoY change]	Increase life-time profits by upgrading customer segments and by increasing the number of products
		2018/9	2023/9	Change			
Premier AUM or Apartment loan exceeding JPY50 million	(1)	55.0	71.0	+ 16.0	63.4	7.76 (0.00)	Profit Matrix by Customer Segment and Number of Products sold (Illustrative)
Housing Loan With housing loan for own home	(2)	519.1	543.1	+ 24.0	24.1	4.94 +0.03	
Asset Management AUM exceeding JPY10 million	(3)	675.3	837.9	+ 162.5	6.5	4.75 (0.00)	
Potential I AUM exceeding JPY5 million	(4)	717.6	808.7	+ 91.1	2.0	3.61 +0.00	
Potential II AUM below JPY 5 million/ 3 or more products sold	(5)	4,479.7	4,675.2	+ 195.4	1	4.10 +0.02	
Resona Loyal Customers (RLCs)	(6)	6,446.9	6,936.2	+ 489.2	4.2	4.23 +0.02	
Potential III AUM below JPY 5 million/ 2 or fewer products sold	(7)	4,759.5	4,134.2	(625.2)	0.1	1.67 +0.00	

* Indexed to average top-line income per client for Potential II segment = 1

Verification Process for Value of Holding of Policy-Oriented Stocks



Basic Concepts on the Exercise of Voting Rights of Policy-Oriented Stocks

- Resona group has established the “Policy for the Voting Right Exercise Standards of Holding Policy-Oriented Stocks” in relation to exercise the voting rights of policy-oriented stocks. We have built a process to individually judge and verify the approval or disapproval of all proposals.

- Fundamental concepts on the exercise of voting rights (Described in “Standards for the Exercise of Voting Rights of Policy-Oriented Stocks”)

The Resona Group will exercise voting rights of policy-oriented stocks based on the following policy:

1. Irrespective of interests of transactions with clients, make an effort to vote yes or no on an individual basis from the viewpoint of sustainably improving corporate value;
2. Not to exercise voting rights in a manner to resolve certain political or social problems; and
3. If any scandal or an anti social act is committed by a company or corporate manager, etc., exercise voting rights with the intention of contributing to the improvement of corporate governance.

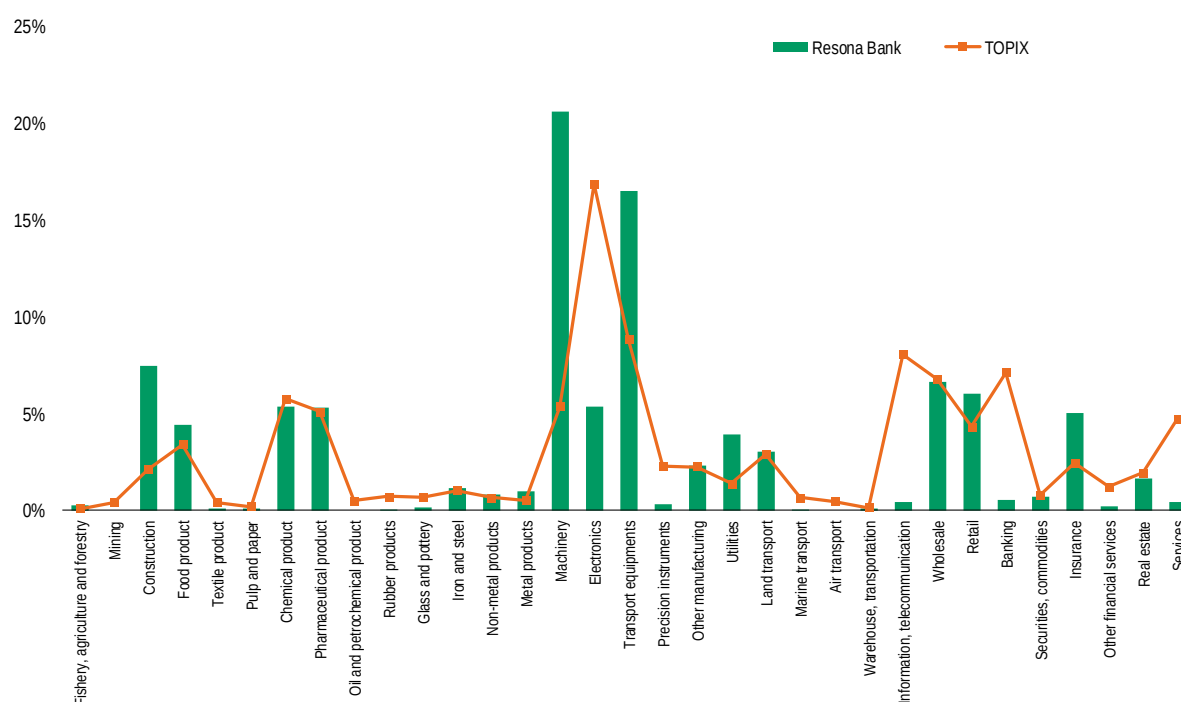
- Guidelines for the Exercise of Voting Rights

With the aim of exercising its voting rights in an appropriate and efficient manner, the Group will abide by the following guidelines:

1. Base voting judgments on the following points:
 - a. whether the way the vote is cast helps the Company and/or the investee achieve sustainable and long-term growth in corporate value;
 - b. whether the way the vote is cast is consistent with the overall interest of shareholders.
2. In particular, before casting a yes or no vote on one of the following types of agenda items, give due consideration to whether voting contributes to growth in the investee's corporate value:
 - a. shareholder proposals;
 - b. introduction or renewal of anti-takeover measures;
 - c. agenda items proposed by a corporation that was found to be implicated in a scandal or an antisocial act;
 - d. approval of financial statements not backed by an unqualified opinion issued by the accounting auditor;
 - e. dismissal of directors, accounting auditors, etc.
3. When a vote is cast in opposition to the Company's intention, the Board of Directors will review the status of the exercise of voting rights to confirm whether these guidelines were fully observed. The Company will also strive to increase the sophistication of its exercise of voting rights by, for example, revising these guidelines.

Stocks Held by Industry (September 30, 2023)

RB



Business Results by Major Group Business Segments

Management accounting by major group business lines (1H of FY2023)

(JPY bn, %)

Resona Group Business Segments		Profitability			Soundness	Net operating profit after a deduction of credit cost									
		Net profit after a deduction of cost on capital	Risk-adjusted return on capital	Cost to income ratio	Internal CAR	Actual net operating profit								Credit cost	
						YoY Change	YoY Change	Gross operating profit		Operating expense		YoY Change	YoY Change		
RVA ^{*1}	RAROC	OHR	YoY Change	YoY Change	profit			YoY Change	expense	YoY Change	YoY Change				
	Customer Divisions (1)	27.6	14.8%	61.3%	10.3%	90.3	+10.9	97.5	+11.4	252.3	+16.1	(154.8)	(4.6)	(7.1)	(0.5)
	Personal Banking (2)	20.4	31.3%	72.6%	10.5%	30.4	+11.9	29.2	+9.8	106.7	+11.7	(77.5)	(1.8)	1.2	+2.0
	Corporate Banking (3)	7.1	11.7%	53.1%	10.2%	59.8	(0.9)	68.3	+1.5	145.6	+4.3	(77.3)	(2.7)	(8.4)	(2.5)
	Markets (4)	(11.1)	(25.8)%	(67.6)%	9.5%	(7.9)	+5.8	(7.9)	+5.8	(4.7)	+5.4	(3.2)	+0.4	-	-
	KMFG (5)	(8.2)	7.0%	71.7%	10.5%	17.6	(2.2)	19.6	(1.5)	69.5	(2.7)	(49.9)	+1.2	(1.9)	(0.6)
Total ^{*2} (6)		(11.6)	9.2%	65.6%	10.1%	97.6	+12.7	107.8	+15.2	313.4	+18.2	(205.8)	(3.0)	(10.2)	(2.5)

*1. RVA: Resona Value Added (Net profit after a deduction of cost on internally allocated capital)

*2. Numbers reported above refer to 2 Resona Group banks and consolidated subsidiaries

Consolidated Subsidiaries and Affiliated Companies (1)

Major consolidated domestic subsidiaries (excluding group banks)

(JPY bn)

Major consolidated domestic subsidiaries (excluding group banks)							
Name		Line of business		Capital contribution ratio	Fiscal year	Net income	YoY change
Resona Guarantee	(1)	Credit guarantee (Mainly mortgage loan)	Japan's highest class of residential housing loan guarantee balances	Resona Holdings 100%	FY'23 (Sep.30 2023)	5.5	(0.0)
Kansai Mirai Guarantee	(2)			Kansai Mirai Bank 100%	FY'23 (Sep.30 2023)	0.4	(0.0)
Kansai Sogo Shinyo	(3)			Kansai Mirai Bank 100%	FY'23 (Sep.30 2023)	0.4	(0.1)
Minato Guarantee	(4)			Minato Bank 100%	FY'23 (Sep.30 2023)	0.2	(0.3)
Resona Card	(5)	Credit card Credit guarantee	1.5 million card members	Resona Holdings 77.5% Credit Saison 22.4%	FY'23 (Sep.30 2023)	0.4	(0.2)
Minato Card	(6)	Credit card	Provide local customers with settlement solutions	Minato Bank 100%	FY'23 (Sep.30 2023)	0.0	(0.4)
Resona Kessai Service	(7)	Collection service Factoring	Collection services with 50 million cases annually	Resona Holdings 100%	FY'23 (Sep.30 2023)	0.1	(0.1)
Resona Research Institute	(8)	Business consulting service	Management consulting with 1,100 project annually	Resona Holdings 100%	FY'23 (Sep.30 2023)	0.1	(0.0)
Resona Capital	(9)	Venture capital	IPO support, SME business succession, re-growth support	Resona Holdings 100%	FY'23 (Sep.30 2023)	0.0	(0.0)
Minato Capital	(10)	Operation and management of investment funds	Support for agriculture and tourism related business, growing company, business succession	Minato Bank 100%	FY'23 (Sep.30 2023)	0.0	(0.0)
Resona Corporate Investment	(11)	Private equity	SME business succession support through share acquisition	Resona Holdings 99.95%	FY'23 (Sep.30 2023)	0.0	(0.0)
Resona Business Service	(12)	Back office work Employment agency	Practices quick and accurate operations	Resona Holdings 100%	FY'23 (Sep.30 2023)	0.0	(0.0)
Resona Asset Management	(13)	Investment management business	Business started in Sep. 2015 utilizing 50 years of RB pension management expertise	Resona Holdings 100%	FY'23 (Sep.30 2023)	1.7	+0.1

Consolidated Subsidiaries and Affiliated Companies (2)

Major consolidated domestic subsidiaries (excluding group banks)(Continued)

(JPY bn)

Name		Line of business	Capital contribution ratio	Fiscal year	Net income	YoY change
Kansai Mirai Leasing (14)	Leasing business	Providing regional customers with solutions utilizing leasing functions	Kansai Mirai Bank 100%	FY'23 (Sep.30 2023)	0.1	+0.0
Minato Leasing (15)			Minato Bank 100%	FY'23 (Sep.30 2023)	0.0	+0.0
Resona Mi Rise (16)	Bank assistance business	Providing opportunities for a wide range of human resources to thrive	Resona Group 100%	FY'23 (Sep.30 2023)	0.0	+0.0
Regional Design Laboratory of Saitama (17)	Assist in the resolution of region-specific issues	Driving in line with the development of "wide, deep, and long" customers, involving local communities	Saitama Resona Bank 100%	FY'23 (Sep.30 2023)	0.0	+0.0
Mirai Reenal Partners (18)	Consulting Crowdfunding	Solving customer problems together	Kansai Mirai Financial Group 100%	FY'23 (Sep.30 2023)	(0.0)	(0.0)
Resona Digital Hub (19)	Assist in the promotion of DX	Support for driving-type DX toward the "vision" of customers	Resona Holdings 93.3%	FY'23 (Sep.30 2023)	(0.1)	+0.0
FinBASE (20)	Financial Digital Platform	Promoting an open platform for financial services	Resona Holdings 80%	FY'23 (Sep.30 2023)	0.0	(0.0)
Loco Door (21)	Assist in the regional vitalization	Achieving regional vitalization by combining education and agriculture	Resona Holdings 100%	FY'23 (Sep.30 2023)	(0.0)	(0.0)
Total					9.2	(1.3)

Consolidated Subsidiaries and Affiliated Companies (3)

Major consolidated overseas subsidiaries

(JPY bn)

Name		Line of business	Capital contribution ratio	Fiscal year	Net income	YoY change
P.T. Bank Resona Perdania (22)	Banking business (Indonesia)	Oldest Japan-affiliated bank in Indonesia	Resona Group 48.4% (Effective control approach)	FY'23 (Jun.30 2023)	0.1	+0.1
P.T. Resona Indonesia Finance (23)	Leasing business (Indonesia)		Resona Group 100%	FY'23 (Jun.30 2023)	(0.0)	(0.0)
Resona Merchant Bank Asia (24)	Finance, M&A (Singapore)	Became consolidated subsidiary Jul. 2017; direct financing and M&A brokerage, etc.	Resona Group 100%	FY'23 (Jun.30 2023)	0.2	+0.2
Total					0.3	+0.3

Major affiliated companies accounted for by the equity method

Name		Line of business		Capital contribution ratio	Fiscal year	Net income	YoY change
Custody Bank of Japan	(25)	Trust banking business (Mainly asset administration)	One of the largest asset size in Japan	Resona Group 16.6% Sumitomo Mitsui Trust HD 33.3%	FY'23 (Sep.30 2023)	0.3	(0.1)
NTT Data Sofia	(26)	IT system development	Became affiliated company accounted for by the equity method in Oct. 2017; responsible for the system development of the group	Resona Holdings 15% NTT Data 85%	FY'23 (Sep.30 2023)	0.1	+0.0
Resona Digital I	(27)			Resona Holdings 49% IBM Japan 51%	FY'23 (Jun.30 2023)	0.1	+0.0
DACS	(28)			Became affiliated company accounted for by the equity method in Jul. 2022; DX support for Resona group and our customers	Resona Holdings 30% NTT Data 70%	FY'23 (Sep.30 2023)	0.0
Shutoken Leasing	(29)	Leasing business	Became affiliated company accounted for by the equity method in Jul. 2018; responsible for the leasing business of the group	Resona Holdings 20.26% Mitsubishi HC Capital 70.71%	FY'23 (Sep.30 2023)	0.6	(0.2)
DFL Lease	(30)			Resona Holdings 20% Mitsubishi HC Capital 80%	FY'23 (Sep.30 2023)	0.2	(0.0)
Total						1.5	(0.3)

*1. Fiscal year end of the overseas subsidiaries (22)-(24) and Resona Digital I (27) are December 31. HD's consolidated business results reflect the accounts of these subsidiaries settled on Jun. 30.

Maturity Ladder of Loan and Deposit (Domestic Operation)

Total of
Two Banks
(RB, SR)

Loans and bills discounted

[End of March 2023]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	(1)	0.9%	0.8%	6.5%	13.9%	22.3%
Prime rate-based	(2)	41.4%	0.0%			41.4%
Market rate-based	(3)	34.0%	2.1%			36.1%
Total	(4)	76.4%	3.0%	6.5%	13.9%	100.0%

Loans maturing within 1 year 79.4%

[End of September 2023]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	(5)	0.9%	0.7%	7.1%	13.2%	22.0%
Prime rate-based	(6)	41.4%	0.0%			41.5%
Market rate-based	(7)	34.4%	1.9%			36.3%
Total	(8)	76.8%	2.7%	7.1%	13.2%	100.0%

Loans maturing within 1 year 79.6%

Deposits

[End of March 2023]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	(1)	32.7%	2.6%	10.4%	36.1%	82.0%
Time deposits	(2)	8.6%	5.2%	3.3%	0.7%	17.9%
Total	(3)	41.3%	7.8%	13.7%	36.9%	100.0%

[End of September 2023]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	(4)	31.8%	2.6%	10.7%	37.0%	82.2%
Time deposits	(5)	8.9%	4.7%	3.1%	0.8%	17.7%
Total	(6)	40.7%	7.4%	13.8%	37.9%	100.0%

[Change in 1H of FY2023]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Fixed rate	(9)	(0.0)%	(0.1)%	+0.6%	(0.7)%	(0.3)%
Prime rate-based	(10)	+0.0%	+0.0%			+0.0%
Market rate-based	(11)	+0.3%	(0.1)%			+0.2%
Total	(12)	+0.4%	(0.2)%	+0.6%	(0.7)%	-

Loans maturing within 1 year +0.1%

[Change in 1H of FY2023]

		Within 6M	6 to 12M	1 to 3Y	Over 3Y	Total
Liquid deposits	(7)	(0.9)%	+0.0%	+0.2%	+0.8%	+0.2%
Time deposits	(8)	+0.3%	(0.4)%	(0.1)%	+0.1%	(0.2)%
Total	(9)	(0.6)%	(0.4)%	+0.0%	+0.9%	-

Migrations of Borrowers (1H of FY2023)

RB

■ Exposure amount basis*1

		End of September 2023									Upward Migration	Downward Migration
		Normal	Other Watch	Special Attention	Potentially Bankrupt	Effectively Bankrupt	Bankrupt	Other	Collection, Repayments	Assignments, Sale		
End of March 2023	Normal	98.2%	1.0%	0.0%	0.0%	0.0%	0.0%	0.7%	0.7%	0.0%	-	1.1%
	Other Watch	12.7%	78.3%	1.7%	4.4%	0.1%	0.1%	2.8%	2.8%	0.0%	12.7%	6.2%
	Special Attention	4.8%	2.2%	87.3%	4.6%	0.3%	0.0%	0.9%	0.9%	0.0%	7.0%	4.9%
	Potentially Bankrupt	0.6%	4.0%	0.9%	85.2%	4.7%	1.4%	3.4%	3.4%	0.0%	5.4%	6.1%
	Effectively Bankrupt	0.2%	0.5%	0.0%	0.9%	80.5%	11.4%	6.4%	5.6%	0.8%	1.7%	11.4%
	Bankrupt	0.0%	0.0%	0.0%	1.5%	0.0%	89.0%	9.5%	1.0%	8.5%	1.5%	-

*1. Above table shows how a borrower belonging to a particular borrower category as of the end of March 2023 migrated to a new category as of the end of September 2023.

Percentage points are calculated based on exposure amounts as of the end of March 2023.

New loans extended, loans partially collected or written-off (including partial direct written-off) during the period are not taken into account.

"Other" as of the end of September 2023 refers to those exposures removed from the balance sheet due to collection, repayments, assignments or sale of claims.

Swap Positions by Remaining Periods

HD
Consolidated

■ Notional amounts of interest rate swaps (deferred hedge accounting applicable) by remaining period

(JPY bn)

		Sep. 30, 2023				Mar. 31, 2023			
		Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total
Receive fixed rate/ Pay floating rate	(1)	250.0	1,138.7	950.0	2,338.7	400.0	930.1	600.0	1,930.1
Receive floating rate/ Pay fixed rate	(2)	139.0	380.4	479.9	999.4	51.7	478.5	282.4	812.7
Net position to receive fixed rate	(3)	110.9	758.2	470.0	1,339.2	348.2	451.5	317.5	1,117.3

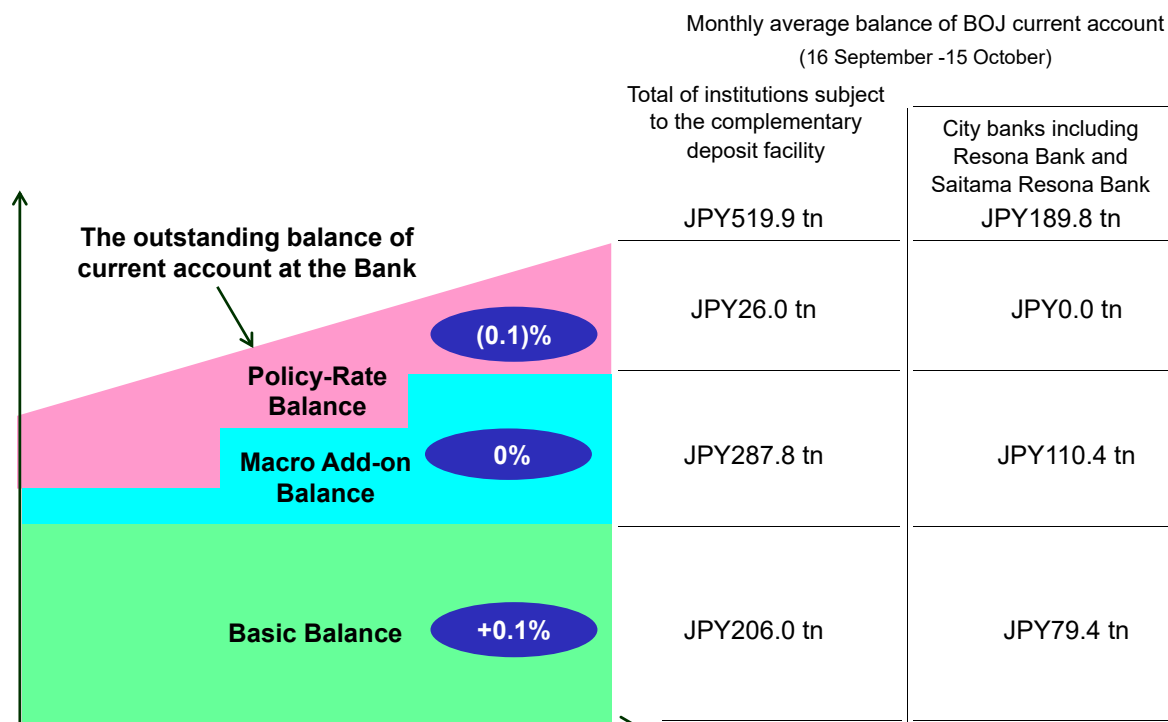
Responses to the Ongoing International Discussion over Further Tightening of Financial Regulation

Major items of financial regulation being discussed internationally / Impact on Resona

■ There are no regulations that have a significant impact on us, including the finalization of Basel 3, and we are steadily preparing for the application of each of these regulations.

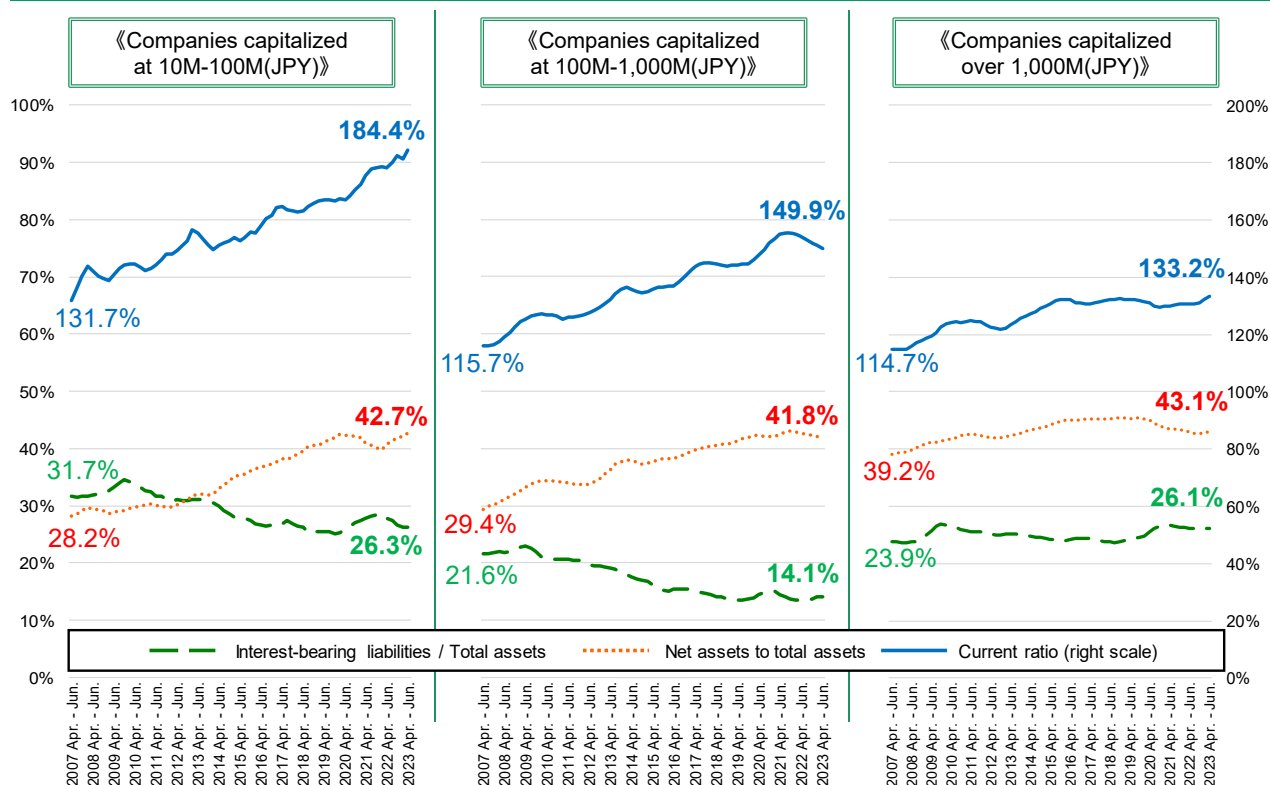
Major regulatory items	Outline of regulation	Important updates
Finalization of Basel 3 • Review of Standardized Approach (SA) (Credit and operational risks) • Review of IRB approach • Capital floor based on SA	Reviewing credit risk calculation method to enhance the risks sensitivity and improve comparability. Reviewing operational risk calculation method to reflect loss data. New capital floor rule requiring a reference to the SA (final output floor calibration : 72.5%).	- Impact of Basel 3 finalization has already been factored into each strategy. - Common Equity Tier 1 (CET1) capital ratio based on finalized Basel 3 (excluding net unrealized gains on available-for-sale securities) is around 10.1%※ ※Trial calculation to CET1 capital ratio of 12.21% as of Sep. 30, 2023 by only taking in consideration the estimated increase in RWAs due to the finalization of Basel 3 (SA and capital floor revisions, fully phased-in basis).
Liquidity regulations (LCR/NSFR)	[LCR] Requiring banks to hold high-quality liquid assets to prepare for significant outflow of funds under a severe stress. [NSFR] Requiring banks to hold certain capital and liabilities for the risk of having illiquid assets.	Minimum requirements are applicable to banks subject to the International standard.
Leverage ratio	Introduced to complement capital adequacy ratio requirements. Tier 1 capital as a numerator. Exposure amount, not RWA, to be a denominator.	
IRRBB (Interest rate risk in the banking book)	To strengthen the interest rate risk management by measuring the decline in economic value of equity (ΔEVE) and net interest income (ΔNII) under certain interest rate shock scenarios.	Pillar 2 regulation. The threshold of ΔEVE is set at within 15% of Tier 1 capital (in case of domestic standard banks, within 20% of Total capital), the figures are within the threshold.
Derivatives-related (SA-CCR, CVA, etc.)	Reviewing the calculation method of derivatives exposure and CVA.	Adoption of SA-CCR (Standardized Approach) and regulatory accounting CVA is under preparation for introduction.
Various capital buffers G-SIBs/D-SIBs, TLAC	Capital buffer requirements include capital conservation buffer, counter-cyclical buffer and SIBs' buffer. TLAC requires banks to hold additional capacity to absorb loss.	Capital buffers are applicable to G-SIBs/D-SIBs, and banks subject to the International standard. TLAC is applicable to G-SIBs and other.
Discontinuation of LIBOR (London Interbank Offered Rate)	Major tenors in the U.S. dollar LIBOR will be discontinued at the end of Jun. 2023, and other LIBOR will be discontinued at the end of Dec. 2021.	Completed migration as planned

BOJ Current Account Balances



Stability Ratios of Japanese Companies

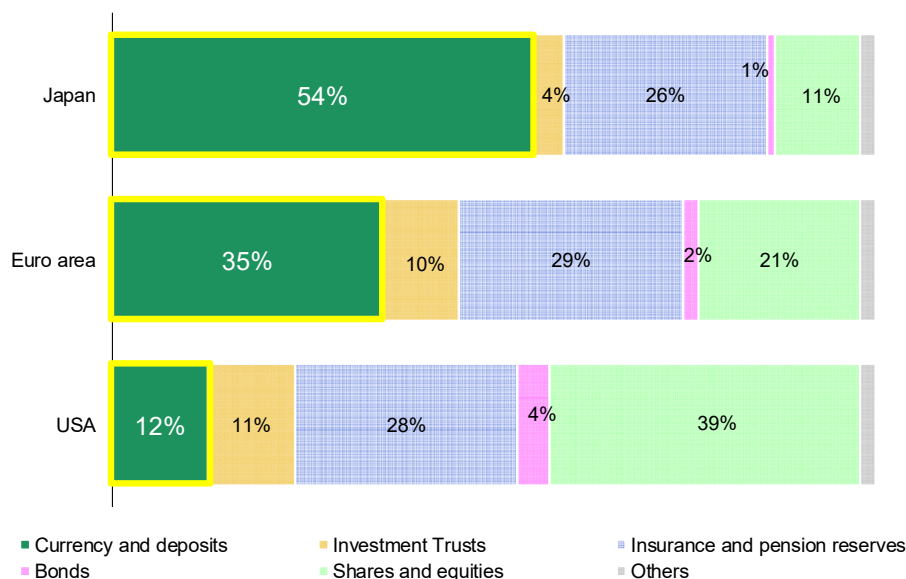
Trends in stability ratios of Japanese companies*1



*1. Financial Statements Statistics of Corporation (4 quarters moving average)

Proportion of Financial Assets

Financial assets held by households*1



*1. Prepared based on "Flow of Funds: Overview of Japan, the United States, and the Euro area" in Aug. 2023, Bank of Japan Research and Statistics Dept

Long Term Business Results

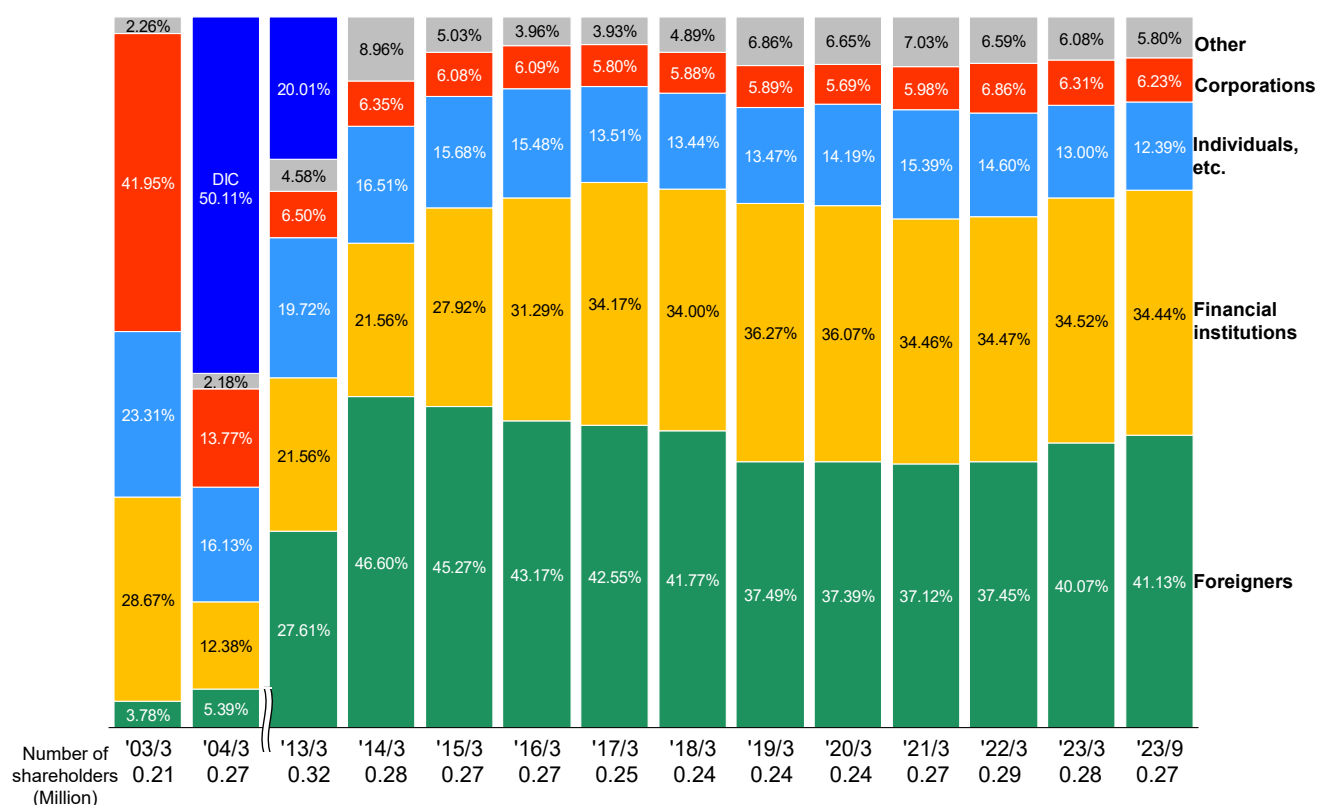
		3 banks (RB,SR,KO)					After KMFG integration						
		(JPY bn)	FY2013	FY2014	FY2015	FY2016	FY2017	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
PL	Consolidated	Gross operating profit	608.5	632.4	619.5	563.1	552.5	661.3	644.1	658.6	639.1	601.9	600.0
		Net interest income	430.0	425.9	401.3	377.9	368.3	454.2	435.9	431.1	417.4	429.1	419.3
		Fee incomes ^{*1}	158.7	169.2	168.7	160.6	168.0	187.7	193.8	190.2	191.4	208.3	208.6
		Operating expenses	(348.4)	(357.7)	(347.5)	(362.4)	(360.6)	(442.6)	(439.4)	(426.5)	(425.8)	(427.2)	(413.0)
		Net gains/(losses) on stocks	22.6	44.5	(6.5)	25.1	16.7	21.4	10.1	0.5	46.9	45.5	54.1
		Credit related expenses	26.4	22.3	(25.8)	17.4	14.7	10.1	(1.3)	(22.9)	(57.4)	(58.7)	(15.9)
		Net income attributable to owners of parent	220.6	211.4	183.8	161.4	236.2	244.2	175.1	152.4	124.4	109.9	160.4
BS	Total of group banks	Term end loan balance	26,986.0	27,755.5	27,932.1	28,412.0	28,992.1	35,478.5	36,282.9	36,738.2	38,942.3	39,617.0	41,436.9
		Loans to SMEs and individuals	22,912.6	23,454.9	23,645.8	24,163.8	24,728.4	30,473.3	31,161.3	31,318.9	32,407.7	32,730.0	33,052.5
		Housing loans ^{*2}	12,918.3	13,125.0	13,188.0	13,356.3	13,331.6	15,968.5	16,223.1	16,342.6	16,610.7	16,735.4	16,790.8
		Residential housing loans	9,705.2	9,905.1	10,015.1	10,218.6	10,267.5	12,374.7	12,683.6	12,912.2	13,321.5	13,562.2	13,723.1
		NPL ratio	1.74%	1.51%	1.51%	1.35%	1.18%	1.26%	1.18%	1.14%	1.12%	1.32%	1.29%
		Stocks (Acquisition amount basis)	331.6	330.6	351.5	348.3	343.8	365.4	353.8	336.9	325.2	305.9	283.8
		Unrealized gains/(losses) on available-for-sale securities	332.8	573.1	460.1	555.4	649.4	672.8	598.3	420.7	615.3	521.2	471.6
Business	Total of group banks	Balance of Investment products sold to individuals	3,538.9	3,791.5	3,751.7	3,645.7	3,618.6	4,569.7	4,762.3	4,585.8	5,128.7	5,564.5	5,533.2
		Investment trust/ Fund wrap	1,915.3	2,070.9	1,871.1	1,759.3	1,733.7	2,178.4	2,222.4	2,017.0	2,533.1	2,845.7	2,666.9
		Insurance	1,623.5	1,720.6	1,880.6	1,886.3	1,884.9	2,391.2	2,539.8	2,568.7	2,595.6	2,718.7	2,866.3
		Housing loan ^{*2}	1,478.6	1,352.9	1,292.7	1,481.4	1,174.9	1,418.4	1,577.7	1,506.3	1,506.0	1,421.2	1,361.8
		Residential housing loans	1,162.3	1,042.2	1,011.7	1,198.7	939.0	986.6	1,225.5	1,232.7	1,314.1	1,225.3	1,168.3
		Real estate business (Excluding equity)	8.3	11.2	13.5	13.7	13.1	13.1	13.3	12.5	10.6	13.5	15.4
Remaining public fund balance		356.0	128.0	Fully repaid in June 2015									

*1. Fees and commissions income plus trust fees *2. Includes apartment loans (Origination includes Flat35)

Credit Rating Information (Long Term)

	Moody's	S&P	R&I	JCR
Resona Holdings	-	-	A+	-
Resona Bank	A2	A	AA-	AA
Saitama Resona Bank	A2	-	AA-	AA
Kansai Mirai Bank	-	-	-	AA
Minato Bank	-	-	-	AA

Composition of Resona HD's Common Shareholders



Proactively Communicating with Our Shareholders and Investors (1)

Resona Group Website



[Investor Relations]

- View IR presentation materials from here



<https://www.resona-gr.co.jp/holdings/english/>

Usability and sufficiency of information of IR site are highly evaluated



Proactively Communicating with Our Shareholders and Investors (2)

Resona Group Integrated Report (issued annually in July)

This publication provides an easy-to-understand overview of the Resona Group's features and initiatives aimed at achieving sustainable value creation.



<https://www.resona-gr.co.jp/holdings/english/investors/financial/integrated/index.html>