

Overview of the Resona Group's Growth Strategy

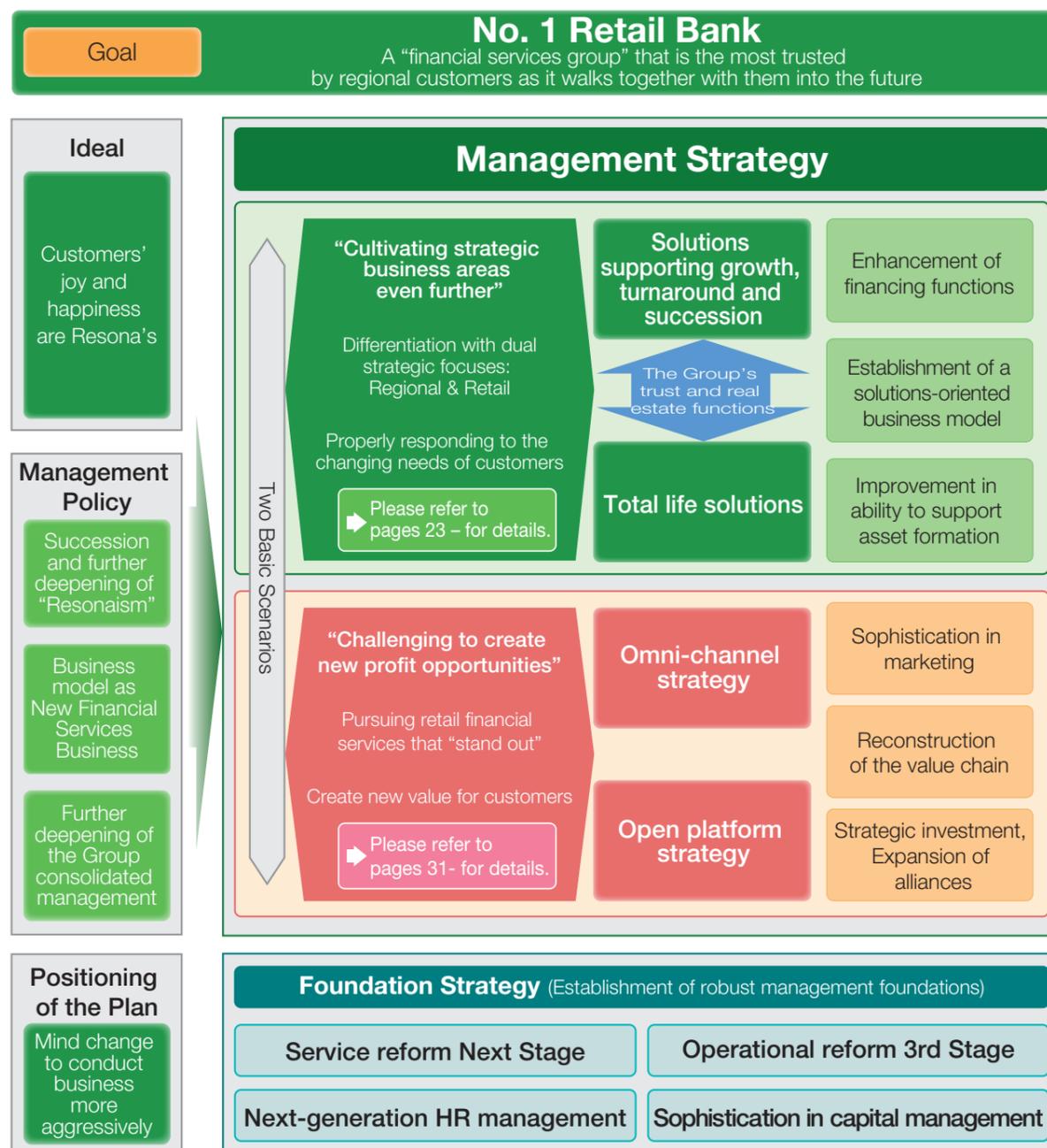
Strive to become the No. 1 Retail Bank

The current Medium-term Management Plan (from the fiscal year ended March 31, 2015 to the fiscal year ending March 31, 2018) makes a shift in mindset toward more aggressive management for the next decade, looking ahead at the years following the full repayment of public funds and presents our renewed determination to realize further growth in the medium to long term horizon.

Specifically, in order to ensure the Group's

sustainable growth, while upholding our basic stance that "Customers' joy and happiness are Resona's," we implement business strategies based on the basic scenarios comprising (1) "Cultivating strategic business areas even further" and (2) "Challenging to create new profit opportunities."

Furthermore, we carry out four foundation strategies as new reform measures taking into account the changes in the operating environment.



Business Strategy

(1) Cultivating strategic business areas even further

In order to ensure "sustainable growth driven by income from main business," we make efforts in "cultivating strategic business areas even further" through the sophistication in our differentiation strategy centering around our strong ties with regional communities and our expertise in the retail banking field.

Specifically, we will build long-term business relationship with our customers by providing "growth, turnaround and succession solutions" to corporate customers and "total life solutions" to individual customers.

In addition, in order to further develop our "Retail x Trust" business model, which integrates our customer base as retail banks and our trust functions, we will further strengthen the Group banks' capabilities to provide trust solutions.

We will increase the number of products and services we offer to our customers and build up assets under our management and loans outstanding by responding carefully to the diversified and complex needs of our customers and providing them with valuable solutions at an appropriate timing.

(2) Challenging to create new profit opportunities

In the retail banking field which is our primary market, as financial behaviors of our customers have been diversified greatly, the number of "unapproachable" customers are on the rise. We will capture new business opportunities by responding properly to these changes.

Looking ahead to the next decade, we aim to create new value for customers which is beyond the boundaries of the conventional banking services, and expand our business foundation by pursuing retail financial services that "stand out" for higher quality.

Specifically, we will realize "Omni-channel concept" in which we provide customers with high quality and customized retail financial services at the optimal place, time and channel. In addition, we will further enhance our three open platforms of "retail banking," "trust, real estate, international business" and "system and clerical work process" through "expansion of alliances" including strategic investments and alliances with other financial institutions.

Foundation Strategy

In order to ensure the sustainable growth of the Group, we seek to maintain and strengthen a robust management platform through our four foundation strategies ("Service reforms Next Stage," "Operational reforms 3rd Stage," "Next-generation HR management," and "Sophistication in capital management") that support our aggressive business strategy.

Stage," "Next-generation HR management," and "Sophistication in capital management") that support our aggressive business strategy.

Four Foundation Strategies



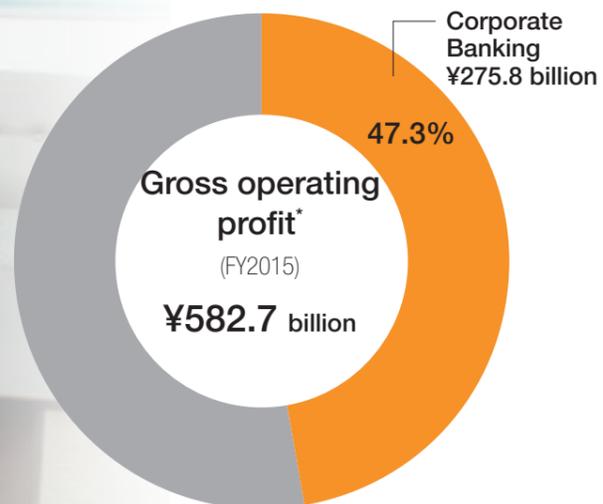
Cultivating Strategic Business Areas Even Further: Corporate Banking



Business Strategy

Against the backdrop of the Japanese government's growth strategy, we expect increasing demand for financing and revitalization of the real estate market. Customers' needs for business succession are also increasing amid aging of SME owners.

Under these circumstances, the Resona Group will strengthen the solutions for "growth, turnaround and succession" which it can offer to SME clients. Resona will establish a firm brand of being the No.1 bank for SMEs, providing them with multifaceted added values via the solutions offered.



* Total of gross operating profit of reportable segments disclosed in "Segment Information" in the securities report

Business Environment and Priority Business Fields

Change in social and economic circumstances

- Government's growth strategy, revitalization of the real estate market
- Aging of SME owners
- Pension system reform, structural change of the pension market
- Market entry of SMEs in Asia

Resona's competitive strengths

- 430,000 corporate customers
- Strong franchise value and regional foundations
- Japan's largest commercial bank offering the full lineup of trust functions
- Well-developed support system in ASEAN countries

Priority business fields

- Build good-quality loan assets
- Support of asset and business succession
- Real estate business
- Corporate pension business
- Support of SMEs' overseas business development
- Support of business growth and turnaround

Build Good-quality Loan Assets

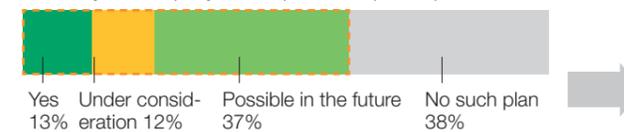
While demand for funds is expected to increase owing to the Japanese government's growth strategy and the Tokyo Olympics in 2020, our customer survey also revealed such needs for capital expenditure.

By precisely responding to increasingly diverse, sophisticated, and complex fund needs of customers, the Resona Group contributes to development of the Japanese economy and regional economies from the financial aspect.

Capturing needs for capital expenditure

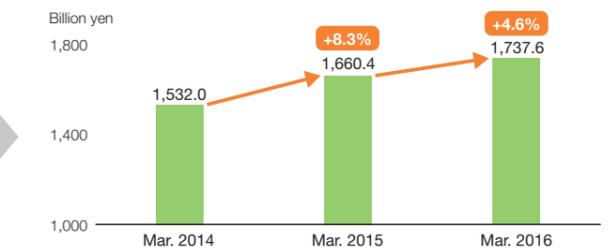
- Over 60% of Resona group's corporate customers intend to increase capital expenditure

< Does your company have a plan for capital expenditure * >



* Questionnaire survey which the Group banks conducted to its corporate customers (Number of customers responded: Approx. 30,000, Survey period: From January to February 2016)

Capital expenditure related loans

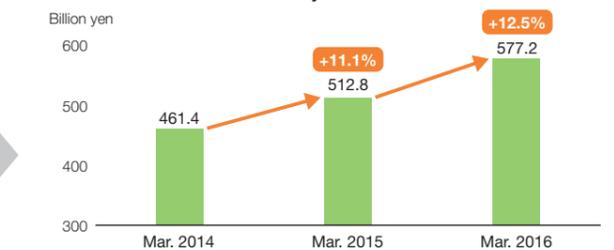


Capturing lean demand from growing industries

- Top-class customer base of hospitals, nursing and personal care facilities in Tokyo, Saitama and Osaka
- Offer various solutions by dedicated teams



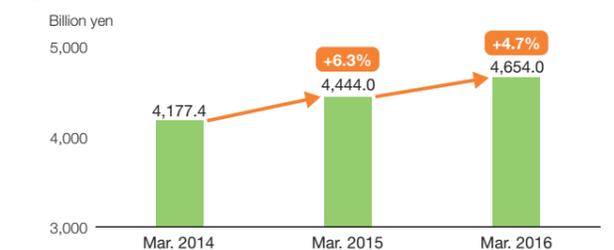
Loans to healthcare industry



Response to needs for asset and business succession (loans to "Premier" customers*)

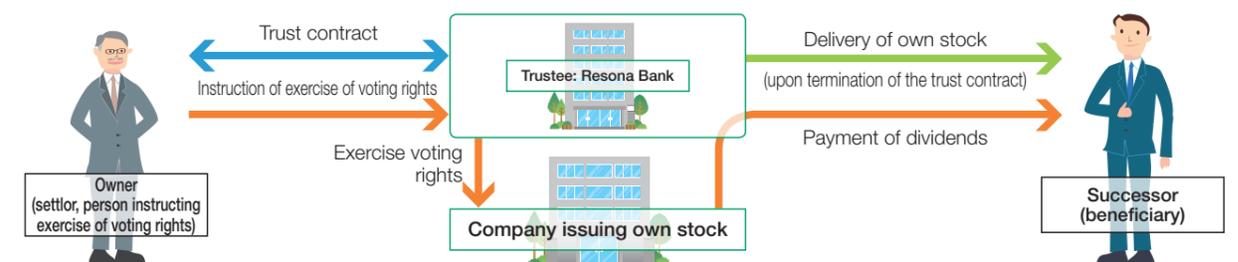
- Increasing needs for business succession amid aging of SME owners
- Strengthen solutions-oriented consulting for smooth business succession
- Achieve differentiation by offering high-quality succession solutions maximally leveraging the Group's functions

Loans to "Premier" customers



* Loans to asset management firms, SME owners, high net worth individuals, etc.

Own company stock succession trusts (with retained voting rights)



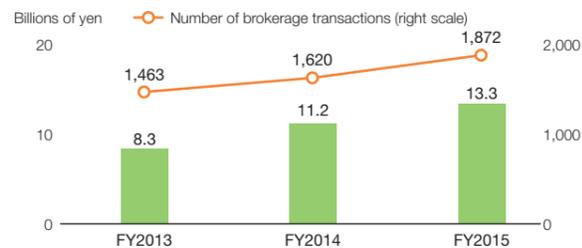
Solution to a concern of SME owner who wish to transfer own company shares while reluctant to cede full management control to the successor

Real Estate Business and Corporate Pension Business

Real Estate

In the field of real estate business, we are making the best use of our unique position as a sole commercial bank which is allowed to engage in this business. Exploiting our extensive branch network and the ample information gathered by the Group banks based on their strong relationship with their customers, we will provide the best solutions on a one-stop basis. We will further strengthen collaborations among the Group banks so that each bank can provide high value-added solutions to their customers.

Income from real estate business*

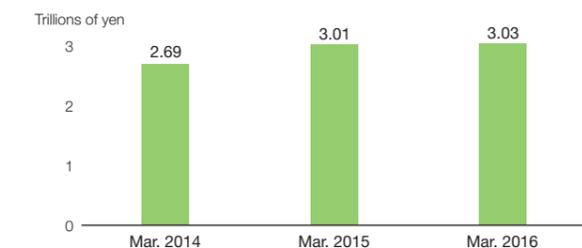


*Excluding gains from investments in real estate funds

Corporate pensions

In the field of corporate pension business, we are among the leading players in the industry in terms of the number of entrusted pension plans for which we play a lead manager role and know-how relating to pension plan administration we have acquired through our long experiences. Amid rising expectations that corporate pension plans will play a greater role in supplementing public pension plans, and in response to diversifying customer needs in line with the revision to the employees' pension plan, amendment of the Defined Contribution Pension Act, and other changes in circumstance, we will provide customers with optimal solutions utilizing our expertise and know-how we have built for both DB and DC pension schemes.

Balance of corporate pension plans entrusted to Resona Bank*

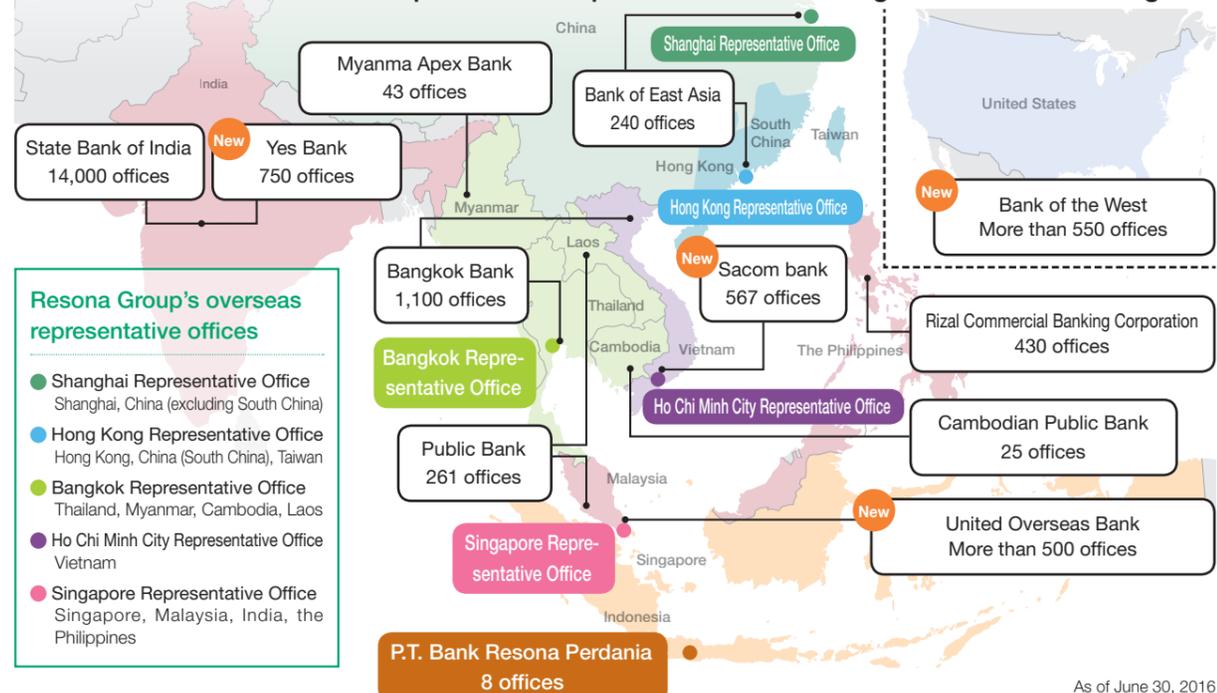


*Excluding jointly established funds, including DC plans

Supports to SMEs to Develop Overseas Business

We have an alliance network with our overseas partnering local banks. In cooperation with these local partners our representative offices offer meticulous support to SMEs that seek to develop their business overseas. Particularly in Asia, our support network covers all major ASEAN countries.

International network has expanded to 17 partner banks covering 14 countries and regions



Our Efforts to Extend Business Supports to SMEs

With a view to responding properly to the diverse needs of corporate customers depending on their respective stages in the business lifecycle (startup, growth, maturity and succession), Resona Group takes initiatives to provide customers with business supports through collaborations among the Group banks' branches and head offices as well as through cooperation with other financial institutions and outside specialists as appropriate.

Supports for "startup" and "growth" stages

To customers in the startup stage, we proactively offer both financial and business supports, paying attention not only to financial statements but also to growth potential.

To customers in the growth stage, we offer various solutions, including diverse loan products, business matching, and support for overseas business development, to help them grow.

Supports for "maturity and succession" stage

After sufficient discussion with customers on their business succession needs, including their vision for the business and their intentions, we identify the optimum solutions and approaches, offering comprehensive supports for smooth succession of business and assets.



Supports to help business turnaround

To help customers in need of a turnaround, in addition to flexible responses, including adjustment of repayment terms and conditions, we strive to offer various supports and know-how necessary for their management improvement, business revitalization, and business restructuring.

Topic: Scheme supporting growth of medical care and welfare services

We strengthen our supports to corporate customers engaging in medical care and welfare services through collaboration with investment fund management companies specializing in the business sector. This sector is subject to particular restrictions in terms of capital composition and human resources. We provide them with supports to their needs of management assistance, business succession and financing.

Topic: Helping customers grow or resume growth through investment

We have established a mezzanine fund with which we can contribute small amount of capital to help our customers grow or resume growth. This fund enables capital contribution with preferred stock, leading to enhancement of shareholders' equity for our customers. Since the financing does not require regular repayments, customers can utilize the fund for their growth, making capital investments and launching a new business, etc.

Status of Initiatives to Revitalize Communities

Under our corporate mission, "develop further with regional societies," we proactively get involved in management support for SME customers and revitalization of local economies.

The Resona Group has established the Regional Revitalization Council, which is a cross-departmental, Group-wide organization, to contribute to regional revitalization. Also each Group bank has the Council on Revitalization of Town, Population and Job.

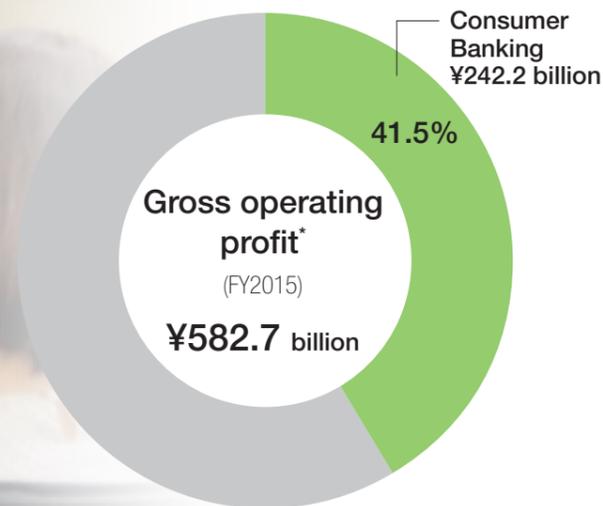
Resona Group's collaborative structure for regional innovation



Cultivating Strategic Business Areas Even Further: Consumer Banking

Business Strategy

Social and economic circumstances are changing at a quickening pace in view of such factors as the advent of the super-aging society, the increasing concentration of population and wealth in urban areas, and diversification of lifestyles. In this situation, we are striving to offer our customers "total life solutions" that support asset formation and life designs corresponding to their needs at various life stages. We aim to establish a brand as "Resona, No.1 in transactions for individual customers."



* Total of gross operating profit of reportable segments disclosed in "Segment Information" in the securities report

Business Environment and Priority Business Fields

Change in social and economic circumstances

- Shift from savings to investments
- Super-aging society
- Concentration of population in urban areas
- Diversification of lifestyles

Resona's competitive strengths

- 13 million individual customers
- Urban franchise centering in the Tokyo metropolitan area and the Kansai region
- Japan's largest commercial bank offering the full lineup of trust functions
- Competitive advantage in the housing loan business

Priority business fields

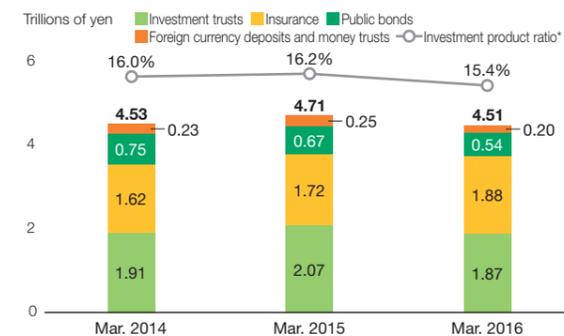
- Support of asset formation
- Support of asset succession
- Residential housing loans
- Consumer loans

Support of Asset Formation

We propose customers the best-fitted products among a variety of products including time deposits, investment trusts, insurances and money trusts which utilize the know-how we have built up thus far through corporate pension management.

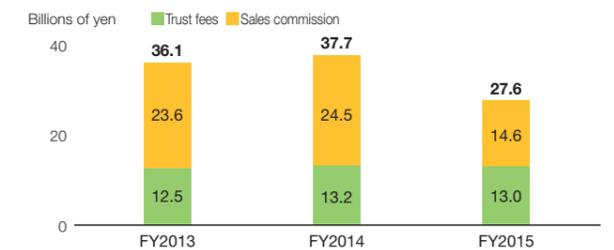
Our objective is to establish an AUM-oriented business model with which we build long-lasting relationship with our customers and assist them to build up personal assets.

Balance of investment products sold to individuals



* Investment product ratio = Balance of investment products sold to individuals / balance of investment products sold to individuals and yen deposits held by individuals

Income from investment trusts



Income from insurance

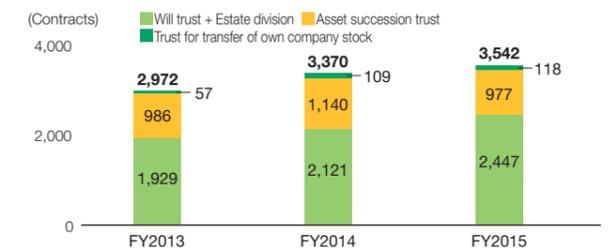


Support of Asset Succession

The number of new asset succession-related entrustments is on an upward trend.

Resona offers diverse products addressing the needs of customers who wish to bequeath assets to the next generation. These include not only will trusts but also money trusts for asset succession. "My Trust" protects customers' valuable assets, helping to transform anxiety about the future into peace of mind. "Heart Trust" conveys feelings of gratitude to loved ones.

Number of new asset succession-related contracts



Education Fund Trust (launched in April 2013)

As of March 31, 2016 Number of entrustments Approximately 19,000 Entrusted amount Approximately ¥115.0 billion

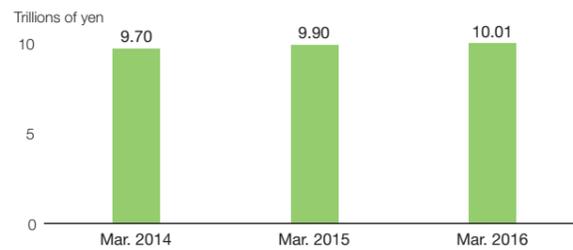


Eligible for "gift tax exemption for lump-sum advancement of educational funds" applicable under the tax system revision in 2013

Residential Housing Loans

Housing loan business is one of major businesses which Resona Group banks have accumulated know-how and have competitive advantages. The balance of housing loans has been on the upward trend. Through the operational reform initiatives we have recently undertaken, the Group banks now open their housing loan plazas, examine loan applications and extend loans on weekends and holidays, providing customers with overwhelming convenience and speedier responses. We now listen carefully to the needs of our customers and propose the best solution, utilizing the time saved through the operational reform efforts.

Balance of residential housing loans



Holiday operation

- Offering unparalleled customer convenience
Approx. 40% of the housing loan contracts now being concluded on holidays and weekends.

Business Hours	<ul style="list-style-type: none"> 68 Loan Plazas now open on holidays/weekends Collaboration of 7 Days Plazas and Loan Plazas 	
Screening	<ul style="list-style-type: none"> Started in June 2015 On the same day at the earliest 	1st. among major banks
Execution	<ul style="list-style-type: none"> Started in March 2016 Settlement and delivery on holidays/weekends 	1st. among Japanese banks

Housing loan business reform

- Strengthen sales activities and reduce administrative cost, simultaneously
 - Adopted the new system
 - Loan Plaza became sales-oriented front office, halving clerical work load
 - Speedier screening
 - Reduced customers' burden for documentation



Loan contracting on a dedicated screen is the first in the industry.

Original Housing Loan Products Attuned to Customer Needs

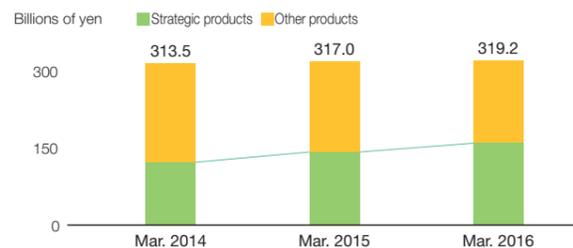
<p>Danshin Kakumei</p> <p>Housing loan with wider group credit life insurance coverage Loan balance will be reduced to zero if a borrower suffers; "3 major diseases" or "16 conditions owing to diseases or injuries" or "conditions requiring special nursing care"</p>	<p>Haretara Ii Ne</p> <p>Housing loan with compensation for insufficient sunlight for home owners who installed solar panels "For unit houses equipped with solar power generating panels" "Free compensation for insufficient sunlight for three years"</p>	<p>Resona Web-only Refinance Loan</p> <p>Resona Web-only Refinance Loan "Real easy loan application on the Web" "Booking for prior consultation on holidays/weekends can be arranged"</p>
--	---	--

Consumer Loans

The Resona Group strives to enhance competitiveness of its consumer loan business. We have adopted new approaches to build up the balance of consumer loans. They include raising of the credit limit, development of alliance-based loan products for customers of Resona's partner companies, and the launch of a loan product for our housing loan customers.

Customer convenience has been greatly enhanced by introducing a completely web-based process from loan application, acceptance/refusal, to contracting. We carry out screening and execute loans on weekends and holidays.

Balance of consumer loans



Original Loan Products to Help Customers Realize Their Dreams

Resona offers original loan products to support customers' livelihoods and help them realize their aspirations. These include "Resona Premium Card Loan," "Quick Card Loan," and "cannael," a loan for women that supports their aspirations for the future.



"cannael," a loan for women that supports their aspirations for the future

Achievements of Service and Operational Reforms

Customers' evaluation of Resona has improved greatly owing to the service reform and the underlying operational reform initiatives we have undertaken following the injection of public funds. According to Nikkei's Survey on Banks' Retail Capability announced in October 2015, among the 117 banks, all Resona Group banks were ranked in the top 10: Saitama Resona Bank sixth, Resona Bank eighth, and The Kinki Osaka Bank ninth.

Nikkei's Survey of Banks' Retail Capability

All Resona Group banks ranked in the "top 10"

1st	Shinsei Bank
2nd	Sumitomo Mitsui Banking Corp.
3rd	AEON Bank
4th	SURUGA Bank
5th	Mizuho Bank
6th	Saitama Resona Bank
7th	Hiroshima Bank
8th	Resona Bank
9th	The Kinki Osaka Bank
10th	Joyo Bank

Survey of 117 banks (October 2015)

All Resona Group Banks ranked in the "top 10"

Operational reform to eliminate customer waiting time

In promoting operational reform, our priority was to address the voices of our customers, that is, "why do customers have to wait so long at banks?" To reduce customer waiting time to zero, we promoted consolidation and streamlining of administrative work at branches. At the same time, we have introduced patented Quick Navi ATMs for faster depositing, withdrawal, remittance and other transactions. At our branches, the General Reception

Counter welcomes customers and ascertains their needs, for example, whether they are pressed for time or would like to consult us. Our personalized responses are well received by our customers.

Through the overhaul of the entire operations, including administration and the branch format, we have reduced costs to achieve cost competitiveness while enhancing retail customer relations.

General Reception Counter

- The General Reception Counter located near the entrance welcomes customers.
- Ascertains the customer's needs and guides the customer to the right booth.

Quick Navi

Patented!

- Quick Navi ATM for payment of taxes and utility bills
- No need for form filling means speedy processing.

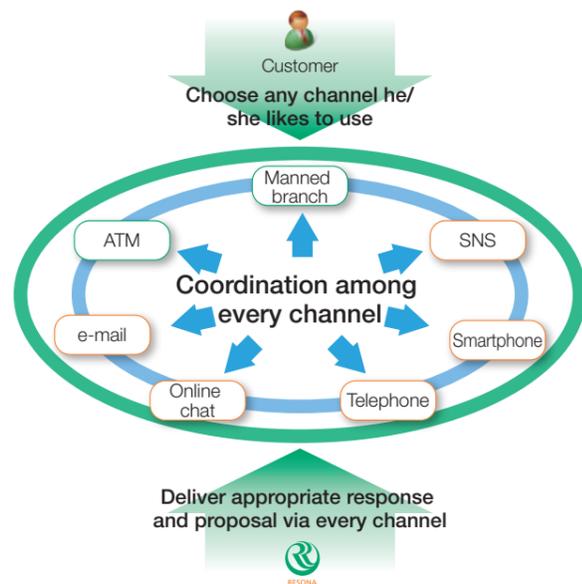
Service Counter

- Utilization of biometrics eliminates the need for form filling and applying seals.

Communication Booth

- Private consultations are provided in a booth.

Challenging to Create New Profit Opportunities: Omni-Channel Strategy



Desire to use banking services 24 hours/365 days

Desire to consult the bank on holidays

Desire to complete transactions on a smartphone

To respond to each of our customers' desires, we will change the style of our bank.

“Omni Bank Declaration”

The Resona Group takes up new challenges to respond to your desires anytime and anywhere.

The omni-channel strategy is designed to meticulously and speedily provide high-quality financial services to customers by responding to their financial behavior and values in a tailored way, integrating real and Web channels.

Channel Reform

Real × Web

Anytime

Anywhere

New area

New customer segment

Anytime and anywhere through integration of real and Web channels

- Open 24 hours/365 days
- Dramatic expansion of Web channels
- Integration of Web and real channels

Marketing Reform

All customers

Gather and analyze customer information to make a timely proposal

All the information available in the Group
Non-financial information gained through alliance, etc.
External data, etc.

Gather and analyze the data for marketing

Sales Reform

One-stop operation from proposals to execution of transactions with no clerical work process

Tablets capable of handling the entire process from making proposals to clerical works

Sharing of customer information among employees in real time

Thorough pursuit of customer value

Measures Implemented thus Far

Provide Customers with Overwhelming Convenience

Overcome constraints of “time” for banking transactions Anytime

■ Business hours extended to 5 p.m. on weekdays
(April 2004-)



■ 24 hours manned telephone banking services
(May 2005-)



■ 24 hours/365 days account transfers within Resona Group banks
(April 2015-)



■ 7 Days Plaza Please refer to page 33

- Open 365 days until 7 p.m.
- 13 “7 Days Plazas” as of June 30, 2016



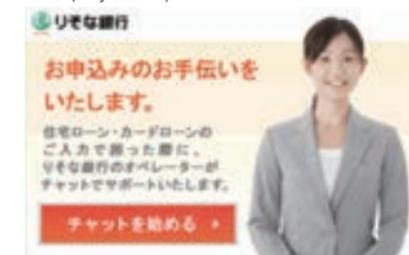
■ Handling of housing loans on weekends/holidays

- Loan Plazas open on weekends/holidays (October 2003-)
68 Loan Plazas as of June 30, 2016
- Housing loan screening on weekends/holidays (June 2015-)
- Execution of housing loans on weekends/holidays (March 2016-)

Overcome Constraints of “space” for banking transactions Anywhere

■ Dramatic expansion of the Internet channels

- Strengthened internet banking functions (“My Gate”) (April 2014-)
- Chat function added to Resona web-site (July 2015-)



- Web Settlement Portal Site (November 2015-)
- Point Mall (November 2015-)
- Resona Smart Store (March 2015-)

Please refer to page 33

First shot: Resona JAL Smart Account (Internet branch)



■ Mutual opening of OTC services within Resona Group banks

- Various notifications relating to deposits (September 2015-)
- Ordinary deposit transactions (November 2015-) (Common passbook for Resona Group banks)

■ Consulting-based sales activities utilizing tablets

- Consultation by professional FPs via remote channel (June 2015-)
- One tablet for each sales representative (April 2016-)

Flexible and latest IT infrastructure realizes:

Safety and reliability

Diversification and sophistication of services

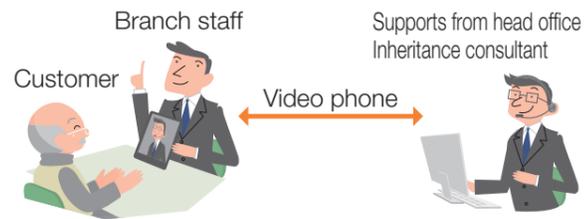
Bulk processing and fast processing



7 Days Plaza Toyosu (opened in November 2015) Pilot store for realizing the omni-channel concept

7 Days Plaza Toyosu (Toyosu Branch of Resona Bank) opened in November 2015 as a strategic branch embodying the “omni-channel concept” which makes banking services “anytime” and “anywhere” happen. Here, we offer our customers “new experience,” such as opening a new account without a seal, the first such attempt by Japanese major banks, paperless processing utilizing tablets, and advanced consultations by our professional staff at head office via a video-phone system, etc.

- **Open 365 days until 7 p.m.**
- **Expanded functions to enhance customers' convenience**
 - Open a bank account without a seal (the first among major banks)
 - Keyless safe-deposit box accessible 365 days from 7 a.m. to 10 p.m.*
 - *From 8 a.m. to 10 p.m. on weekends/holidays
 - Prior sign-in and data entry with a tablet device at our reception counter
- **Strengthened consulting functions**
 - Advanced consultation services offered by professional consultants at our head office via a video-phone system on tablets and PCs



Resona Smart Store, Resona Group's New Channel (opened in March 2016)

The first Resona Smart Store: Resona JAL Smart Account

Resona Smart Store is a brand new web-based channel we have launched with a view to providing customers with more preferential and convenient services attuned to diversifying customer interests and tastes. Unlike conventional provision of services through bank branches, Resona Smart Store offers services via the Internet. We will roll out new services at Resona Smart Store one after another.

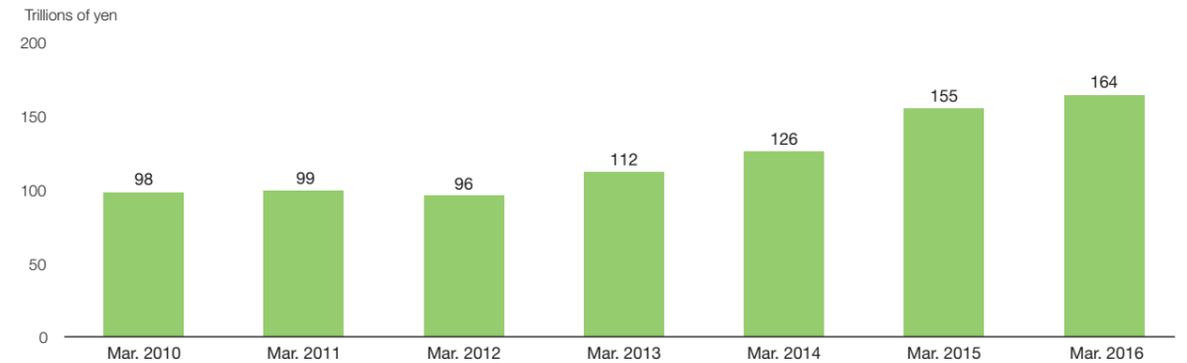


Resona Asset Management Co., Ltd. established (August 2015)

Resona Bank has been engaged in the asset management business for almost half a century, mainly in the field of pension fund management as a trust bank. As one of the top-tier asset managers in Japan with assets amounting to approximately 15 trillion yen under management, Resona Bank is helping customers build their assets.

The Resona Group regards the current shift “from savings to investments” and the resulting growth in the investment trust market as a promising business opportunity, and established Resona Asset Management Co., Ltd. in August 2015. We intend to strengthen the asset management business we direct towards individual and corporate customers by providing retail clients with our asset management know how and expertise we have gained through the services we have offered to professional institutions via the Group's network.

Total net assets of investment trusts in Japan



Source: Prepared by Resona Holdings based on data available at The Investment Trusts Association, Japan

Resona Wrap-type Fund “R246” launched (January 2016)

Resona Bank, Saitama Resona Bank, and The Kinki Osaka Bank began handling the Resona Wrap-type Fund “R246” in January 2016, the first investment trust fund established and managed by Resona Asset Management. This fund sets three target returns according to customer needs and trust fees at reasonable rates. Since the launch, total net assets of R246 increased steadily and amounted to approximately ¥36 billion as of May 31, 2016.

Initiatives to strengthen the support we extend to our customers for their asset formation

As part of our efforts to support customers' asset formation, the Group has strengthened initiatives for fulfilling fiduciary duty*.

1. Establishment of “Fiduciary Duty Action” (March 2016)
The Group has established a code of conduct for the Group's asset management business.
2. Establishment of the “Asset Management Advisory Committee” (March 2016)
Regarding the fulfillment of fiduciary duties, the Group has established an advisory committee to receive advice and suggestions from external experts.

The Group will also promote other initiatives regarding the asset management business, including making proposals to customers based on their life plan simulations.

*Fiduciary duty: A wide range of roles and responsibilities of a party entrusted by another party