
Financial Results for First Half of FY 2011
Financial Highlights



RESONA

November 11, 2011



Resona Holdings, Inc.

I. Financial Highlights for First Half of Fiscal Year 2011

(Billions of Yen)

Posted Y128.2bn as consolidated net interim income (Pages 1-2)

- An increase of Y46.4 bn (+56.8%) YoY, topping the forecast by Y53.2 bn (+70.9%)
- Income before income taxes and minority interests rose by Y25.2 bn (+19.3%) YoY
- Mostly attributable to a decrease in net credit cost: Decreased by Y25.5 bn (79.0%) YoY, or Y27.4 bn from the forecast (total of 3 banks)

Top-line income slightly decreased YoY, but surpassed the forecast. (Pages 1-4)

- Special dividend on trust beneficiary right and increase in fees from primary businesses made up for the decline in income from loans and deposits and other items.
- Gross operating profit (total of 3 banks) surpassed the forecast by Y11.4 bn (+3.8%)
- Actual net operating profit (total of 3 banks) surpassed the forecast by Y14.3 bn (+11.4%)
 - ⇒ Special dividend on trust beneficiary right relating to a sale of underlying assets: Y13.4 bn posted by Resona Bank
 - ⇒ Net gains on bonds amounted to Y15.4 bn (total of 3 banks)
 - ⇒ Increase in fee and commission income driven by steady investment trust sale and real estate brokerage businesses
 - ⇒ Cost income ratio stays in the lower half of 50% range due to sustained efforts for low-cost operation

Asset portfolio resilient with limited downside risk (Pages 5-6)

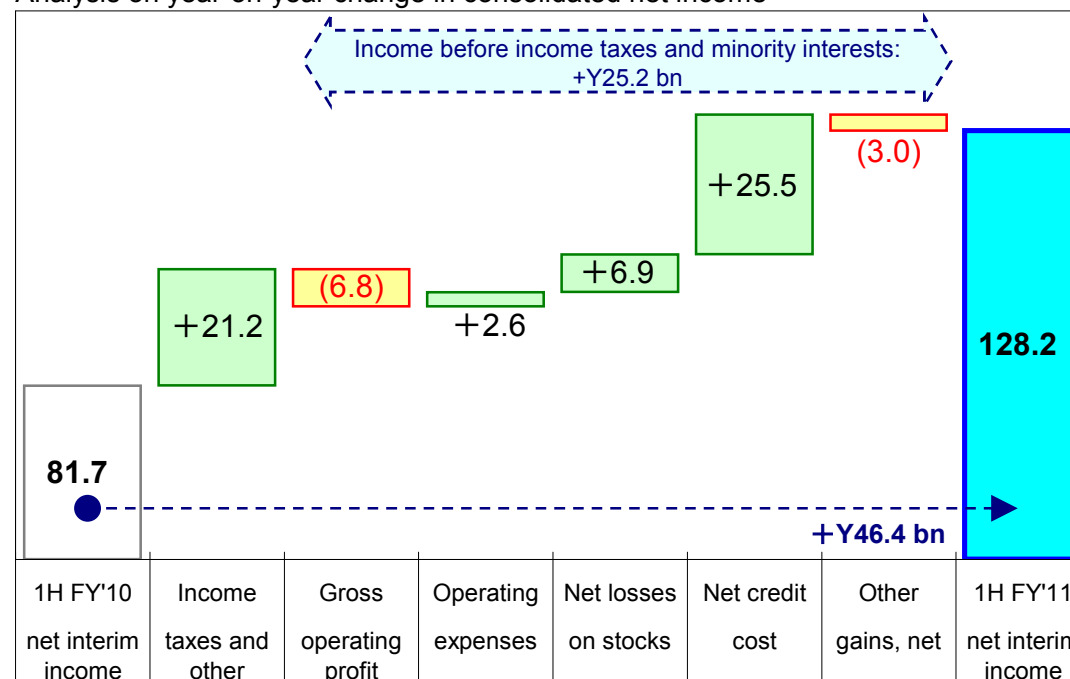
- NPL ratio as of Sep. 30, 2011 at 2.50% (total of 3 banks), kept at a sound level
- Classified claims (NPL) as of Sep. 30, 2011: Y666.6 bn (total of 3 banks), the same level as of Mar. 2011
- Stockholdings as of Sep. 30, 2011: Y349.1 bn (total of 3 banks) *, 22.7% to the group's consolidated Tier1 capital
- Unrealized gain on available-for-sale securities as of Sep. 30, 2011: Y63.8bn (total of 3 banks)

Capital adequacy ratio at an appropriate and sound level (Page 6)

- Consolidated CAR as of Sep. 30, 2011: 12.47%,
Tier 1 ratio: 8.67% (preliminary ratios)

* At cost, excluding stocks of subsidiaries and affiliated companies and unlisted stocks

Analysis on year-on-year change in consolidated net income



Resona Holdings (Consolidated)	1H FY2011 (Announced in May 2011)			Resona Holdings (Non-consolidated)	1H FY2011 (Announced in May 2011)		
	YoY change	Change from forecast			YoY change	Change from forecast	
Gross operating profit	453.2	(7.1)	33.2	Operating income	76.1	62.1	6.1
Ordinary profit	156.6	41.9	59.6	Ordinary profit	76.2	61.8	6.2
Net interim income	128.2	46.4	53.2	Net interim income	76.2	60.7	6.2

	Total of 3 banks (Non-consolidated) (announced in May 2011)			Resona Bank (announced in May 2011)			Saitama Resona Bank (announced in May 2011)			Kinki Osaka Bank (announced in May 2011)		
	1H FY2011	YoY change	Change from forecast	(Non-consolidated)	YoY change	Change from forecast		YoY change	Change from forecast	(Non-consolidated)	YoY change	Change from forecast
Gross operating profit	309.4	(4.1)	11.4	209.7	1.4	13.2	72.9	(1.6)	(1.1)	26.6	(3.9)	(1.4)
Operating expenses	(170.0)	2.2	3.0	(111.9)	1.7	1.6	(37.7)	(0.0)	0.8	(20.3)	0.4	0.2
Actual net operating profit*	139.3	(1.9)	14.3	97.8	3.1	14.8	35.1	(1.6)	(0.4)	6.3	(3.4)	(1.2)
Cost income ratio (after NPL disposal in the trust account)	54.9%	0.0%		53.3%	(1.2)%		51.7%	1.1%		76.1%	8.3%	

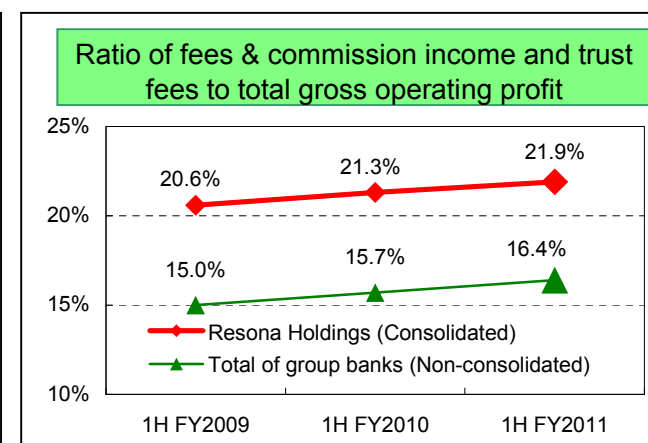
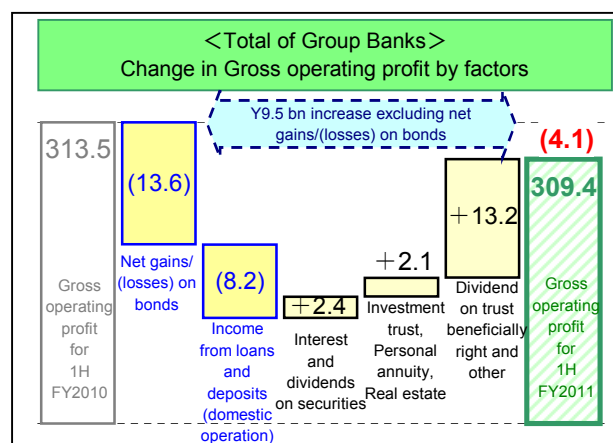
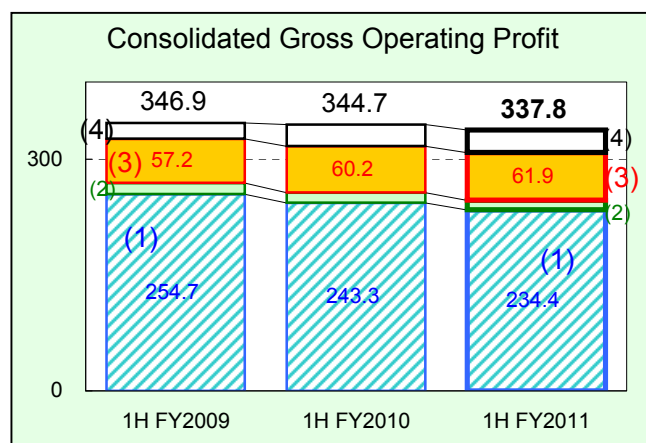
* Actual net operating profit; net operating profit before NPL disposal in the trust account and before transfer to general reserve for possible loan losses

*1. Amounts less than 0.1 billion yen are rounded down.

*2. In principle, figures are based on non-consolidated figures of group banks.

II. Outline of Financial Results for 1H of FY2011

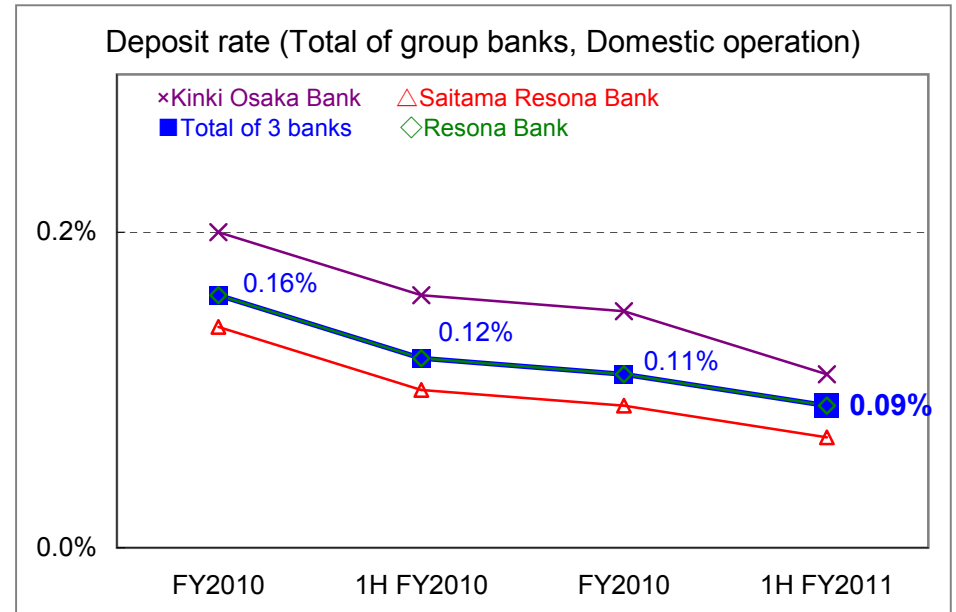
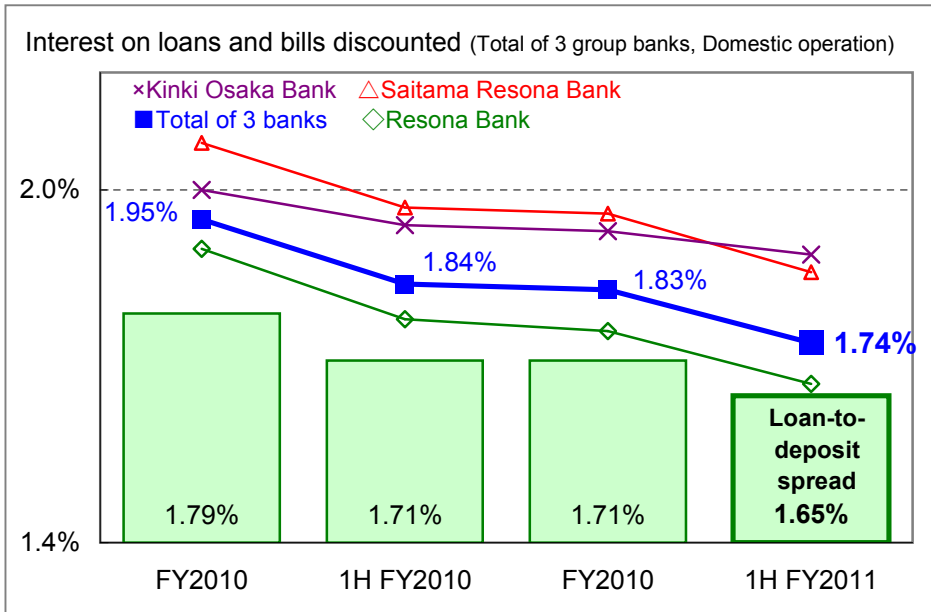
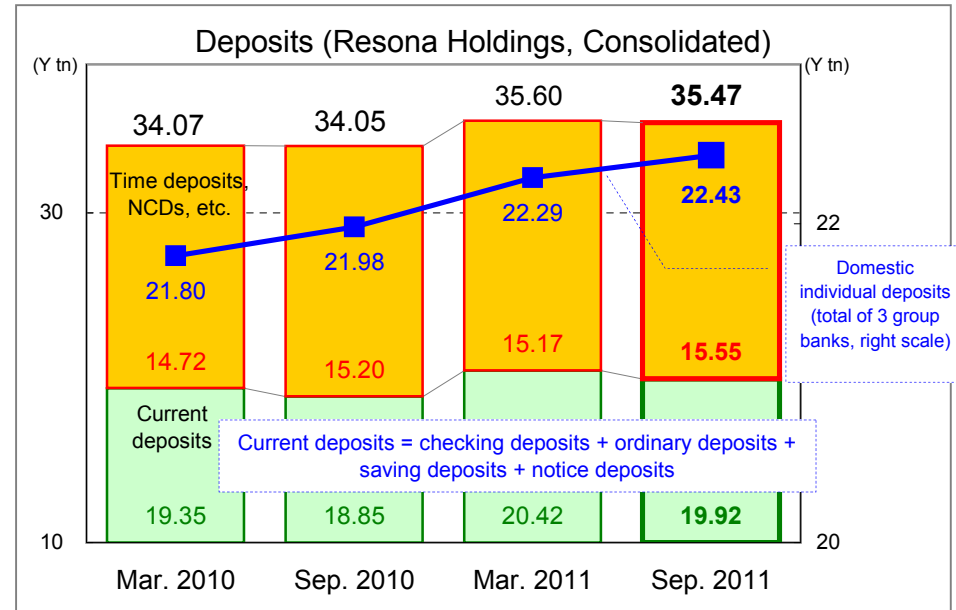
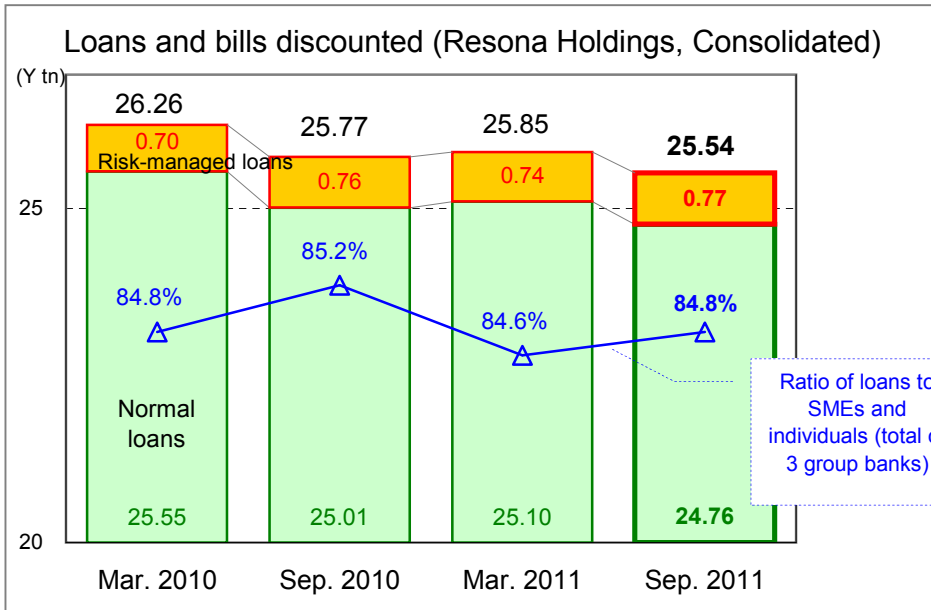
	Resona Holdings (Consolidated)		Difference (A) - (B)	Total of group banks (Non-consolidated)			Factors accounting for the difference(A)-(B) (Approx. figures) RC: Resona Card, RG: Resona Guarantee		
	(A)	YoY change		(B)	YoY change	Resona (Non-consolidated)	Saitama Resona	Kinki Osaka (Non-consolidated)	
Gross operating profit	337.8	(6.8)	28.4	309.4	(4.1)	209.7	72.9	26.6	
(1) Net interest income	234.4	(8.9)	4.9	229.4	(7.1)	142.3	64.4	22.7	RC 2.3 bn and other
Income from loans and deposits				204.0	(8.2)	127.9	55.4	20.5	Domestic operations; Banking account; Deposits include NCDs
(2) Trust fees	12.2	(0.9)	-	12.2	(0.9)	12.2	-	-	
(3) Fees and commission income	61.9	1.6	23.1	38.7	2.5	28.2	7.1	3.3	RG 14.6 bn, RC 7.7 bn and other
(4) Other operating income	29.2	1.3	0.3	28.9	1.4	26.9	1.3	0.5	
Actual net operating profit				139.3	(1.9)	97.8	35.1	6.3	Net operating profit before transfer to general reserve for possible loan losses and expenses related to problem loan disposal in the trust account
Operating expenses (including non-recurring items)	(181.4)	2.6	(9.6)	(171.8)	2.4	(112.1)	(38.6)	(21.0)	RC (6.2) bn, RG (1.8) bn and other
Net gain on stocks	0.2	6.9	(0.0)	0.3	7.0	0.5	(0.1)	(0.0)	
Credit related expenses, net	(6.7)	25.5	(7.1)	0.4	18.5	4.3	(1.6)	(2.2)	RG (5.0) bn, RC (2.2) bn and other
Other gain/(loss), net	5.2	(3.0)	0.9	4.3	(2.5)	3.8	0.5	(0.1)	
Income before income taxes	155.1	25.2	12.4	142.6	21.4	106.3	33.1	3.1	
Income taxes and other	(26.9)	21.2	(6.4)	(20.4)	24.1	(12.2)	(13.2)	5.0	Minority interests in net income (2.0) bn, Income tax of RHD and other (4.4) bn
Net interim income	128.2	46.4	6.0	122.2	45.5	94.1	19.8	8.2	



*1. Amounts less than 0.1 billion yen are rounded down.

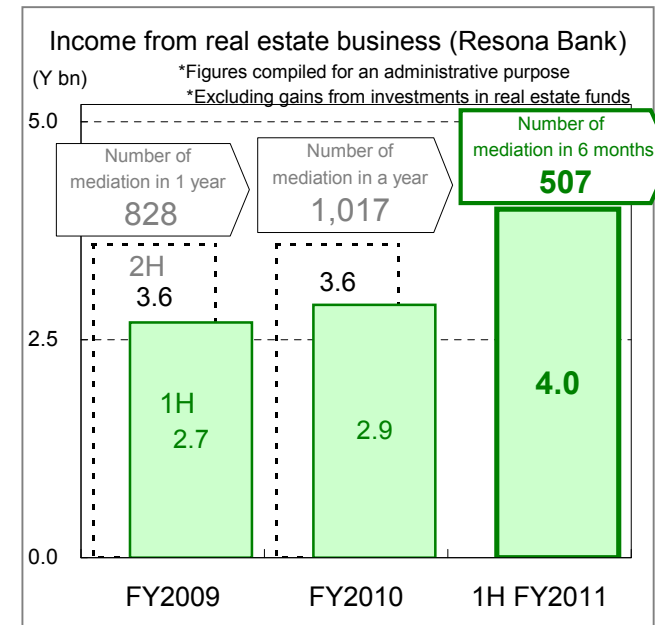
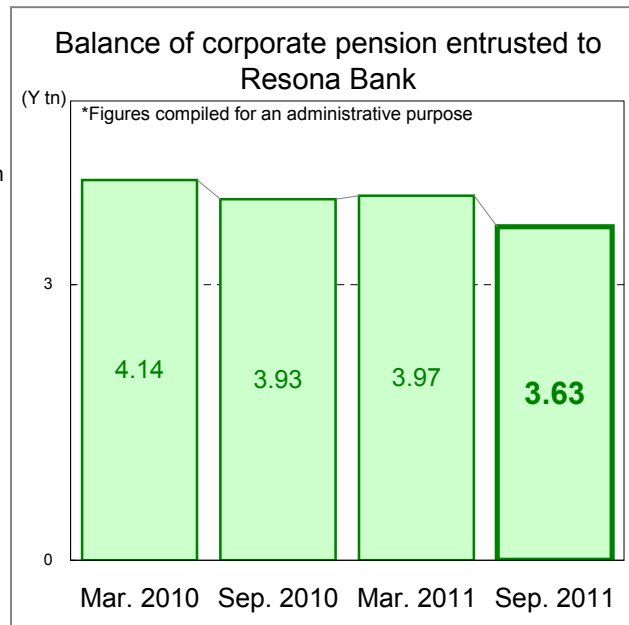
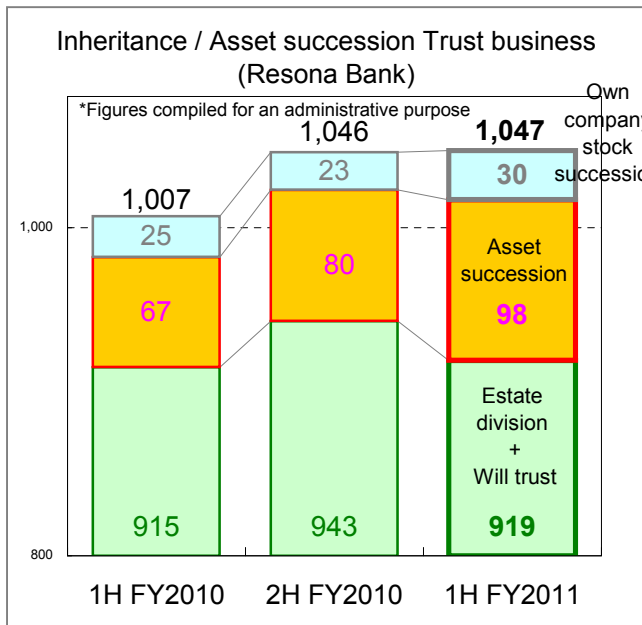
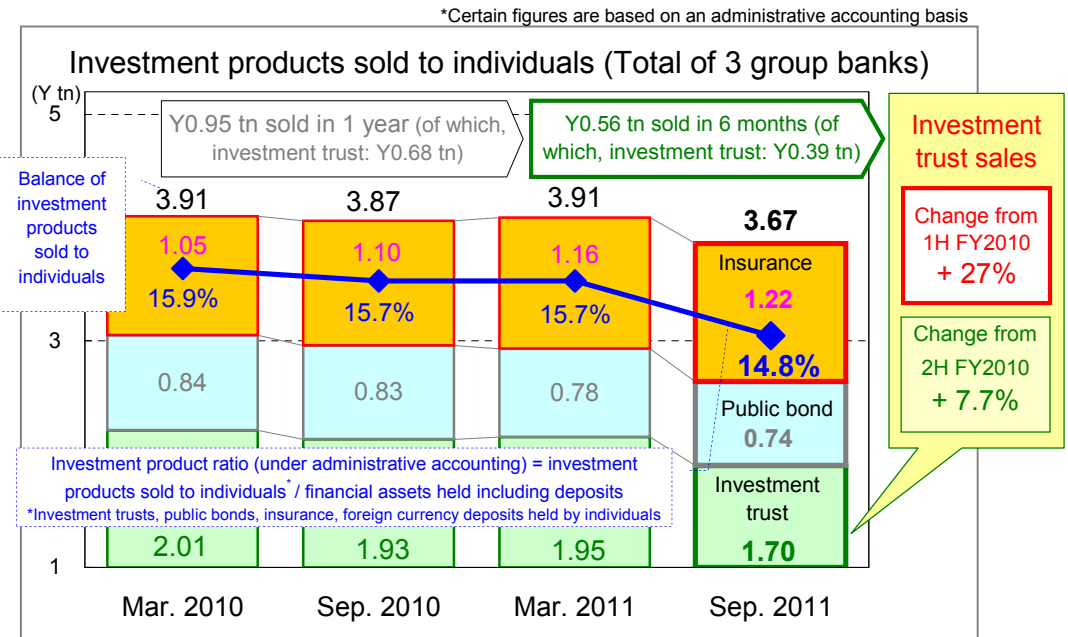
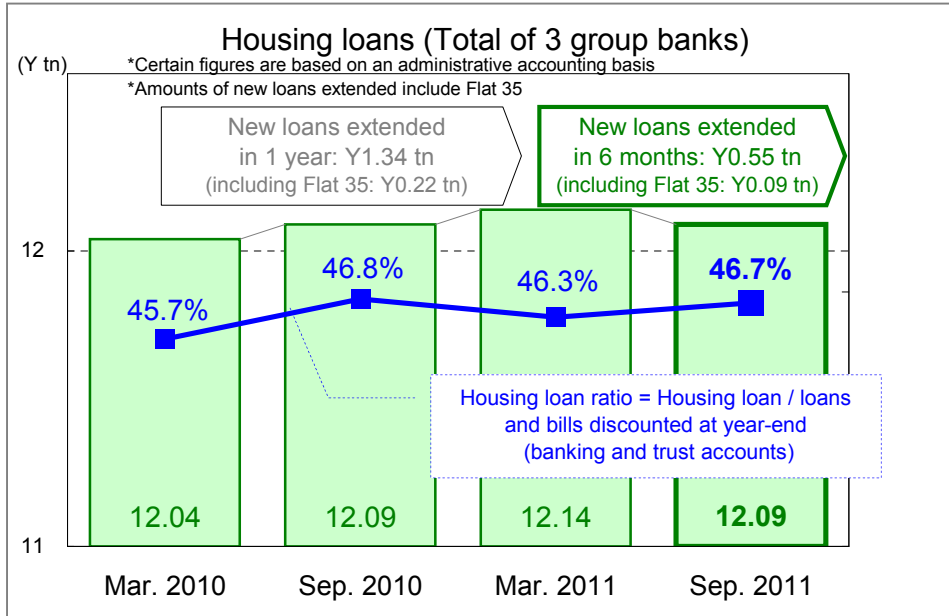
*2. In principle, figures are based on non-consolidated figures of group banks.

III. Deposits, Loans and Bills Discounted



*1. Amounts less than 0.1 billion yen are rounded down.
 *2. In principle, figures are based on non-consolidated figures of group banks.

IV. Resona's Core Business

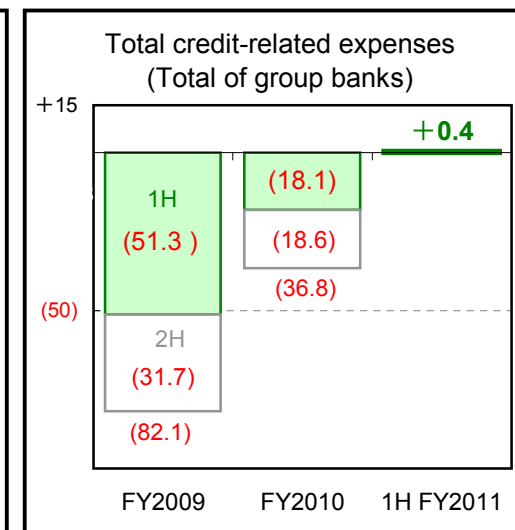
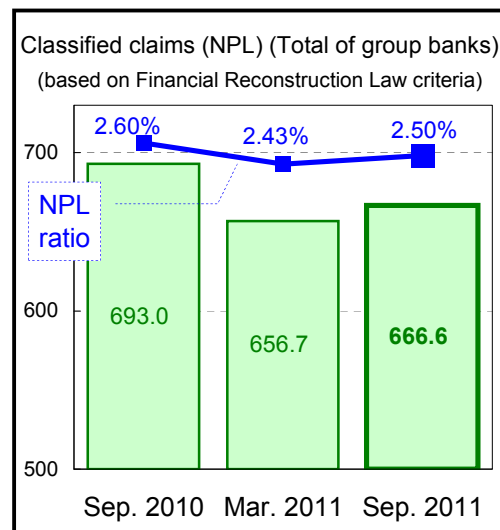


*1. Amounts less than 0.1 billion yen are rounded down.
*2. In principle, figures are based on non-consolidated figures of group banks.

V. Classified Claims (NPL) and Credit Related Expenses

(Billions of Yen)

	Total of 3 banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
Disposal in the trust account	0.0	0.0	-	-
Net addition to general reserve	22.0	16.3	3.3	2.2
Net addition to specific reserve	(27.2)	(20.6)	(4.1)	(2.4)
Write-off of loans and others	(17.4)	(11.7)	(2.7)	(2.8)
Gain from recoveries of written-off claims	23.0	20.2	1.8	0.8
Total credit-related expenses	0.4	4.3	(1.6)	(2.2)
(a) New bankruptcy, downward migration	(27.4)	(17.0)	(5.1)	(5.2)
(b) Upward migration	2.8	2.3	0.3	0.0
(c) Off-balancing and other	3.0	2.6	(0.3)	0.6
(d) Provision of general reserve	22.0	16.3	3.3	2.2



- (a) Loss from new bankruptcy or deterioration in borrower category, etc.
(b) Gain from reversal of loan loss reserve due to improvements in borrower category, etc.
(c) Collection of claims from "doubtful" or lower category borrowers, gain from reversal of loan loss reserve due to off-balancing, and gain from recoveries of write-off claims
(d) Net impact of actual transfer to and reversal from general reserve for possible loan losses

	Total of 3 banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
Unrecoverable or valueless claims	74.1	44.4	17.8	11.8
Risk claims	434.4	297.4	81.2	55.6
Special attention loans	158.0	105.1	23.1	29.7
Total classified claims (NPL)	666.6	447.1	122.1	97.3
Change from Mar. 31, '11	9.9	8.3	0.4	1.0
NPL ratio ^{*1}	2.50%	2.52%	1.89%	3.92%
Change from Mar. 31, '11	+0.06%	+0.08%	+0.00%	+0.13%

*1. NPL ratio = Total classified claims / Total claims defined under the Financial Reconstruction Law.
(Banking and trust accounts) (Total of group banks)

*2. Reported figures do not include stocks issued by subsidiaries and affiliated companies and unlisted stocks.

*3. The presented figures only include marketable securities. The figures presented in the table include securities, negotiable certificates of deposit (NCDs) include in "cash and due from banks" and a portion of "monetary claims bought."

*4. Fair values of floating-rate Japanese government bonds, which are included in "bonds" in "available-for-sale securities", are based on the reference transaction price statistics prepared by the Japan Securities Dealers Association. These floating-rate JGBs would have Y6.8 bn of unrealized gain based on the fair values computed with a valuation model utilized for an internal administration purpose.

VI. Unrealized gain/(loss) on securities

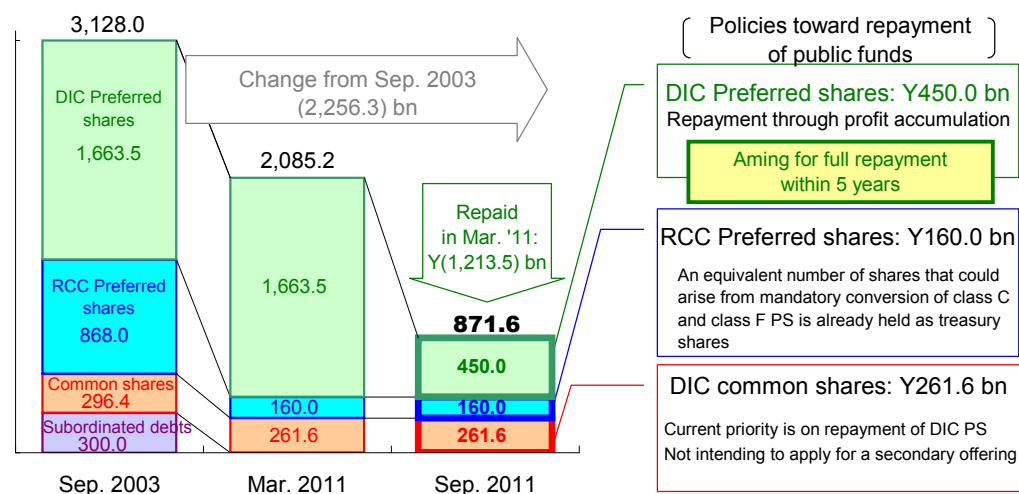
	Total of 3 banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
Held to maturity	46.4	17.9	20.9	7.4
Available for sale ^{*3}	63.8	28.2	36.2	(0.6)
Change from Mar. 31, '11	(28.8)	(32.2)	(0.0)	3.4
Bonds ^{*4}	8.6	(4.1)	12.2	0.5
Variable rate JGBs	(2.6)	(2.5)	(0.1)	0.1
Stocks	66.9	41.4	24.3	1.1
Other	(11.7)	(8.9)	(0.3)	(2.4)
Balance of stock held (acquisition cost) ^{*2}	349.1	274.1	69.5	5.3

*1. Amounts less than 0.1 billion yen are rounded down.

*2. In principle, figures are based on non-consolidated figures of group banks.

VII. Status of Public Funds

	Amount Sep. 30, 2003 (1)	Amount Sep. 30, 2011 (2)	(2)-(1)	Time of Repayment
Total public funds received	3,128.0	871.6	(2,256.3)	
Preferred shares	2,531.5	610.0	(1,921.5)	
Early strengthening Law	868.0	160.0	(708.0)	
Class B	408.0	—	(408.0)	Fully repaid in Mar. '09
Class C	60.0	60.0	—	
Class E	300.0	—	(300.0)	Fully repaid in Mar. '09
Class F	100.0	100.0	—	
Deposit Insurance Law	1,663.5	450.0	(1,213.5)	
Class 1	550.0	—	(550.0)	Fully repaid in Mar. '11
Class 2	563.5	—	(563.5)	Fully repaid in Mar. '11
Class 3	550.0	450.0	(100.0)	Repaid in Mar. '11
Subordinated debts	300.0	—	(300.0)	
Financial Function Stabilization Law	200.0	—	(200.0)	Fully repaid in Oct. '05
Early strengthening Law	100.0	—	(100.0)	Fully repaid in Mar. '09
Common shares	296.4	261.6	(34.7)	Repaid in Feb. '05 and 2 other times



VIII. Capital Adequacy Ratio

(Billions of Yen)

	Sep. '11 (1)	(Preliminary) (1)-(2)	Mar. '11 (2)
RHD consolidated capital adequacy ratio (Japanese Domestic Standard)	12.47%	1.26%	11.21%
Tier 1 ratio	8.67%	1.16%	7.51%
Deferred tax asset ratio ^{*1}	10.71%	(2.46)%	13.17%
Total qualifying capital (RHD consolidated)	2,208.8	89.8	2,119.0
Tier 1	1,536.6	117.7	1,418.9
Risk-weighted assets (RHD consolidated)	17,706.4	(1,187.4)	18,893.8
Total required capital (RHD consolidated) ^{*2}	1,416.5	(94.9)	1,511.5
<Reference>			
RHD consolidated capital adequacy ratio ^{*3} (BIS International Standard)	12.61%	1.18%	11.43%
Tier 1 ratio	8.50%	1.18%	7.32%

	Resona (Consolidated)	Saitama Resona (Non-consolidated)	Kinki Osaka (Consolidated)
Capital adequacy ratio (Japanese Domestic Standard)	13.14%	13.07%	14.34%
Change from Mar. 31, '11	1.38%	0.97%	1.49%
Tier 1 ratio	9.35%	8.54%	9.20%
Total qualifying capital	1,674.4	455.4	189.7
Change from Mar. 31, '11	67.2	11.4	8.2
Bonds ^{*4}	1,192.0	297.8	121.6
Risk-weighted assets	12,735.7	3,483.7	1,322.3
Change from Mar. 31, '11	(924.7)	(184.4)	(89.1)
Total required assets ^{*2}	1,018.8	278.7	105.7
Change from Mar. 31, '11	(73.9)	(14.7)	(7.1)

(Note 1) Deferred tax assets, net of deferred tax liabilities / Tier 1 capital
 (Note 2) Total required capital is calculated as "risk-weighted assets X 8%"

*1. Amounts less than 0.1 billion yen are rounded down.

*2. In principle, figures are based on non-consolidated figures of group banks.

(Billions of Yen)

IX. Earnings Forecasts for Fiscal Year Ending March 31, 2012

	Resona Holdings (Consolidated)			
	1H FY'11 (Actual)	Full Year Forecast	Change from original forecast	Change from previous year
Consolidated ordinary income	453.2	880.0	50.0	20.2
Consolidated ordinary profit	156.6	235.0	45.0	24.8
Net (interim) income	128.2	170.0	20.0	10.0

Forecast of capital adequacy ratio

Upper
half of 11%

	Resona Holdings (Non-consolidated)			
	1H FY'11 (Actual)	Full Year Forecast	Change from original forecast	Change from previous year
Operating income	80.0	158.0	8.0	126.7
Operating profit	76.1	150.0	10.0	124.0
Ordinary profit	76.2	150.0	10.0	126.7
Net (interim) income	76.2	150.0	10.0	123.8

Forecast for term-end per share dividend on common stock^{*1}

12 yen

Forecast for term-end per share dividend on preferred stock^{*1}

As pre-determined

*1. For details of the status of dividend distribution, please refer to the *Tanshin*

	Total of 3 group banks (approx. figure)				Resona Bank			Saitama Resona Bank			Kinki Osaka Bank		
	1H FY'11 (Actual)	Full Year Forecast	Change from original forecast	Change from previous year	Full Year Forecast	Change from original forecast	Change from previous year	Full Year Forecast	Change from original forecast	Change from previous year	Full Year Forecast	Change from original forecast	Change from previous year
Gross operating profit	309.4	610.0	8.0	4.3	408.0	11.0	7.2	148.0	(1.0)	(0.3)	54.0	(2.0)	(2.6)
Operating expenses	(170.0)	(342.0)	2.0	3.6	(225.0)	1.0	2.5	(76.5)	0.5	(0.3)	(41.0)	-	0.8
Actual net operating profit	139.3	268.0	10.0	8.0	183.0	12.0	9.8	71.5	(0.5)	(0.5)	13.0	(2.0)	(1.7)
Ordinary Profit	144.2	217.0	35.0	24.0	150.0	31.0	16.2	62.0	2.0	4.1	4.5	2.0	3.3
Income before income taxes	142.6	212.0	12.0	(5.7)	146.0	10.0	(9.3)	61.0	1.5	2.4	4.5	-	0.7
Net (interim) income	122.2	162.0	17.0	11.5	Resona Group adopts a consolidated taxation system.								

Net gain on stocks	0.3	-	-	1.7	-	-	1.9	-	-	0.1	-	-	(0.4)
Credit related expenses	0.4	(52.0)	7.0	(15.2)	(37.0)	3.0	(19.5)	Bonds ^{*4}	2.5	3.2	(7.0)	1.5	1.4

< Consolidated >

< Non-consolidated >

< Consolidated >

Forecast of capital adequacy ratio

Upper
half of 11%Upper
half of 11%Upper
half of 12%

The forward-looking statements contained in this presentation may be subject to material change due to various factors. These factors may include changes in the level of stock price in Japan, any development and change related to the government'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.

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