
Financial Results for FY 2011
Financial Highlights



RESONA

May 11, 2012



Resona Holdings, Inc.

I. Financial Highlights for FY2011

Posted Y253.6 bn as consolidated net income (Pages 1-2)

- ⇒ An increase of Y93.5 bn (+58.4%) YoY, topping the forecast by Y83.6 bn (+49.2%)
- Income before income taxes and minority interests rose by Y36.1 bn (+15.2%) YoY
 - ⇒ Mostly attributable to a decrease in net credit cost:
 - Net credit cost declined by Y47.7 bn (-77.5%) YoY
- Income tax and other charges decreased by Y57.3 bn (-74.5%) YoY
 - ⇒ Due to a change in the tax effect treatment of loan loss reserves, etc.

Actual net operating profit (total of 3 group banks) was Y259.7 bn, staying at the same level as the previous year. (Pages 1-4)

- ⇒ A decrease of Y0.2 bn (-0.1%) YoY, or Y8.3 bn (-3.0%) from the forecast
- Income from loans and deposits decreased YoY and fell short of the forecast due to a decline in loan-to-deposit spread
- Fees and commission income (total of 3 group banks) increased YoY driven by insurance products sale and real estate brokerage businesses, etc.
- Special dividend on trust beneficiary right accompanying a sale of underlying assets: Resona Bank posted a gain of Y13.8 bn
- Cost income ratio improved by 0.4% YoY due to sustained efforts for low-cost operation

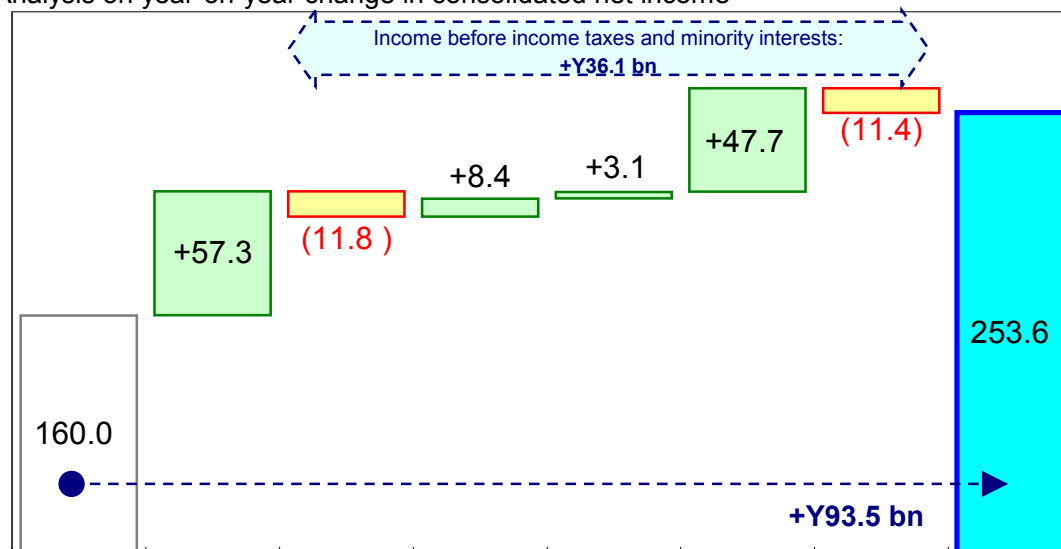
Maintained soundness in asset quality (Page 5)

- NPL ratio as of Mar. 31, 2012 at 2.32% (total of 3 group banks), kept at a low level
- Classified claims (NPL) as of Mar. 31, 2012 declined steadily by Y34.9 bn YoY (total of 3 group banks)
- Unrealized gain on available-for-sale securities as of Mar. 31, 2012: Y131.5 bn (total of 3 group banks)

Consolidated CAR above 13%, maintaining a sound level (Page 6)

- Consolidated CAR as of Mar. 31, 2012: 13.19%, Tier 1 ratio: 9.32% (preliminary ratios)

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



	FY'10 net income	Income taxes and other	Gross operating profit	Operating expenses	Net gains on stocks	Net credit cost	Other losses, net	FY'11 net income
--	------------------	------------------------	------------------------	--------------------	---------------------	-----------------	-------------------	------------------

Resona Holdings (Consolidated)	FY2011 (Announced in Nov. 2011)		
		YoY change	Change from forecast
Gross operating profit	850.3	(9.5)	(29.7)
Ordinary profit	274.8	+64.5	+39.8
Net income	253.6	+93.5	+83.6

Resona Holdings (Non-consolidated)	FY2011 (Announced in Nov. 2011)		
		YoY change	Change from forecast
Operating income	150.8	+124.8	+0.8
Ordinary profit	151.1	+127.7	+1.1
Net income	151.1	+124.9	+1.1

	Total of 3 group banks (Non-consolidated) (Announced in Nov. 2011)			Resona Bank (Non-consolidated) (Announced in Nov. 2011)			Saitama Resona Bank (Announced in Nov. 2011)			Kinki Osaka Bank (Announced in Nov. 2011)		
	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	598.6	(7.0)	(11.4)	403.1	+2.3	(4.9)	143.5	(4.7)	(4.5)	51.9	(4.6)	(2.1)
Operating expenses	(338.8)	+6.8	+3.2	(222.6)	+4.9	+2.4	(75.6)	+0.5	+0.9	(40.5)	+1.3	+0.5
Actual net operating profit*	259.7	(0.2)	(8.3)	180.5	+7.2	(2.5)	67.8	(4.2)	(3.7)	11.4	(3.2)	(1.6)
Cost income ratio (after NPL disposal in the trust account)	56.6%	(0.4)%		55.2%	(1.5)%		52.7%	+1.3%		77.9%	+3.9%	

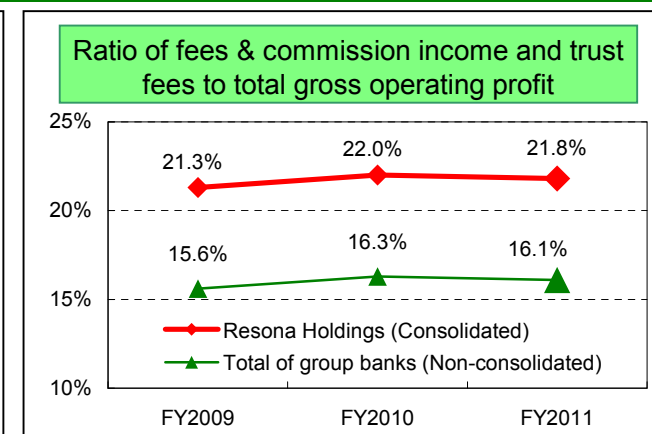
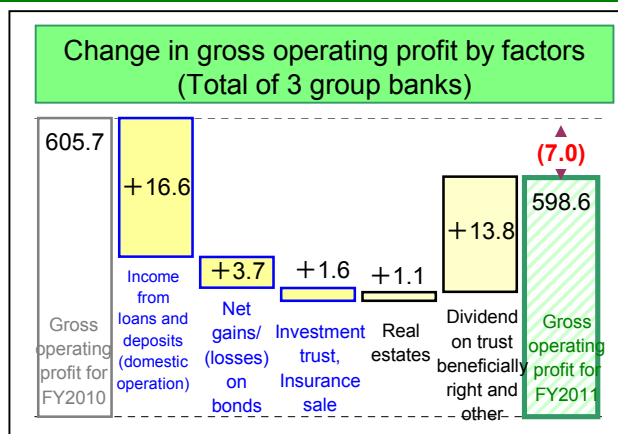
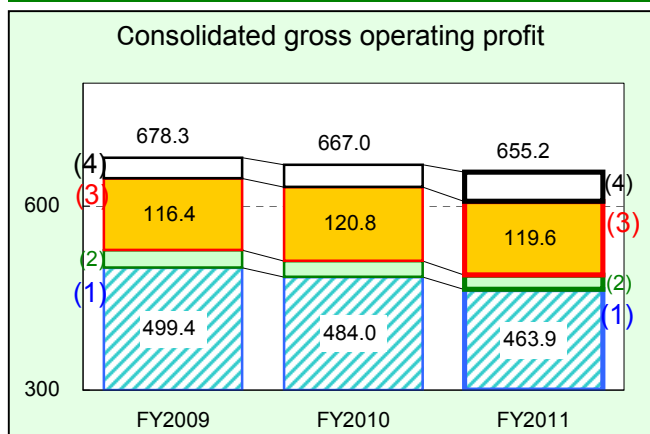
* Actual net operating profit: net operating profit before NPL disposal in the trust account and before provision to general reserve for possible loan losses

*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 FY2011

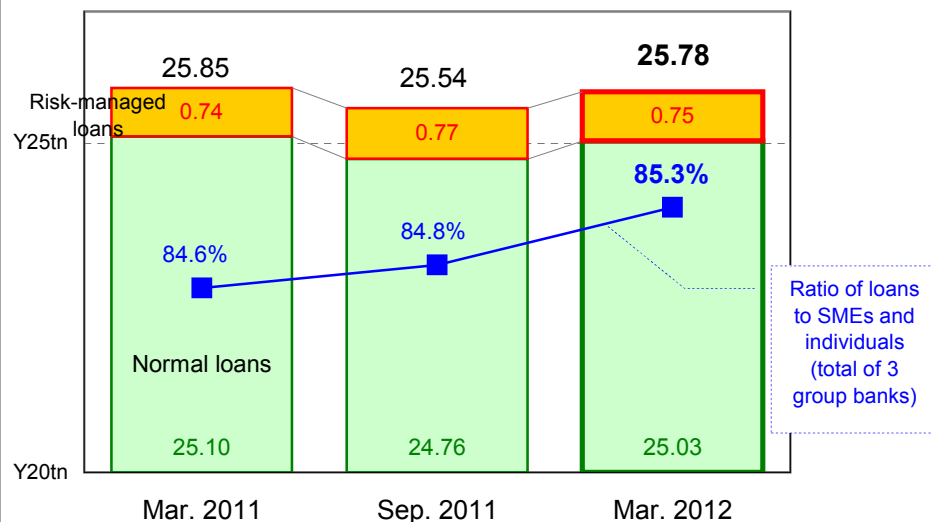
	Resona Holdings (Consolidated)		Difference (A)-(B)	Total of 3 group banks (Non-consolidated)		Resona (Non-consolidated)	Saitama Resona	Kinki Osaka (Non-consolidated)	Factors accounting for the difference(A)-(B) (Approx. figures) RC: Resona Card, RG: Resona Guarantee
	(A)	YoY change		(B)	YoY change				
Gross operating profit	655.2	(11.8)	+56.5	598.6	(7.0)	403.1	143.5	51.9	
(1) Net interest income	463.9	(20.1)	+9.7	454.1	(16.9)	281.3	128.0	44.8	RC 4.3 bn and other
Income from loans and deposits				405.0	(16.6)	253.6	110.6	40.7	Domestic operations: Banking account, Deposits include NCDs
(2) Trust fees	23.4	(2.4)	-	23.4	(2.4)	23.4	-	-	
(3) Fees and commission income	119.6	(1.1)	+46.2	73.4	+0.4	54.9	12.7	5.6	RG 29.3 bn, RC 15.4 bn and other
(4) Other operating income	48.0	+11.9	+0.4	47.5	+11.9	43.3	2.7	1.4	
Actual net operating profit				259.7	(0.2)	180.5	67.8	11.4	Actual net operating profit: net operating profit before NPL disposal in the trust account and before provision to general reserve for possible loan losses
Operating expenses (including non-recurring items)	(360.9)	+8.4	(18.3)	(342.5)	+7.4	(223.1)	(77.3)	(42.0)	RC (12.0) bn, RG (3.4) bn and other
Net gains on stocks	2.3	+3.1	+0.1	2.2	+3.9	1.1	0.9	0.1	
Credit related expenses, net	(13.8)	+47.7	(9.3)	(4.4)	+32.3	6.0	(4.3)	(6.1)	RG (5.9) bn, RC (3.3) bn and other
Other gains/(losses), net	(9.5)	(11.4)	+1.5	(11.1)	(11.7)	(8.7)	(1.3)	(0.9)	
Income before income taxes	273.2	+36.1	+30.6	242.6	+24.9	178.4	61.3	2.9	
Income taxes and other	(19.6)	+57.3	(16.4)	(3.2)	+64.0	8.5	(25.3)	13.5	Minority interests in net income (4.5) bn, Income tax of RHD and other (11.9) bn
Net income	253.6	+93.5	+14.1	239.4	+88.9	186.9	35.9	16.5	



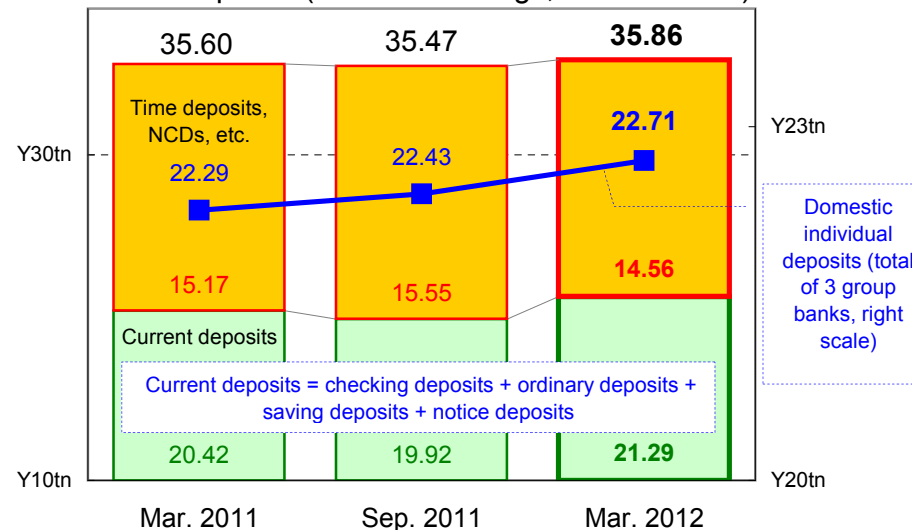
*1. Amounts less than 0.1 billion yen are rounded down
 *2. In principle, figures are based on non-consolidated figures of group banks

III. Deposits, Loans and Bills discounted

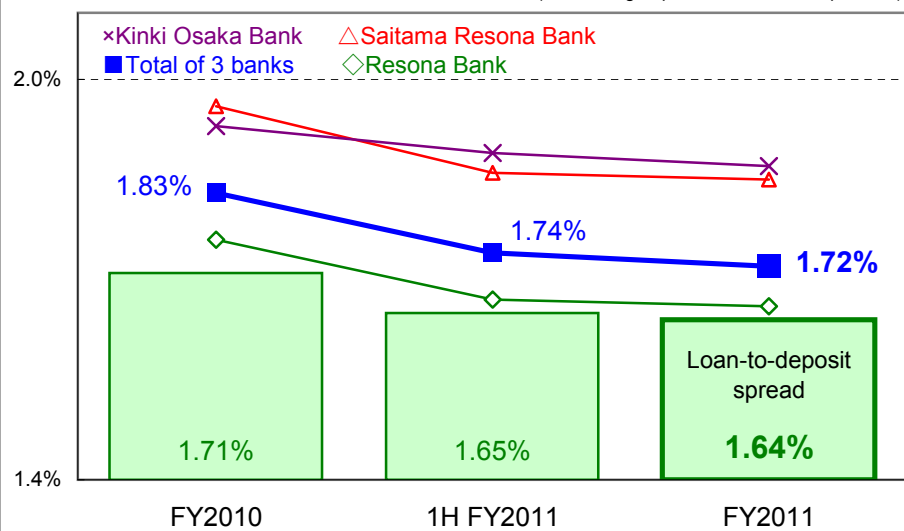
Loans and bills discounted (Resona Holdings, Consolidated)



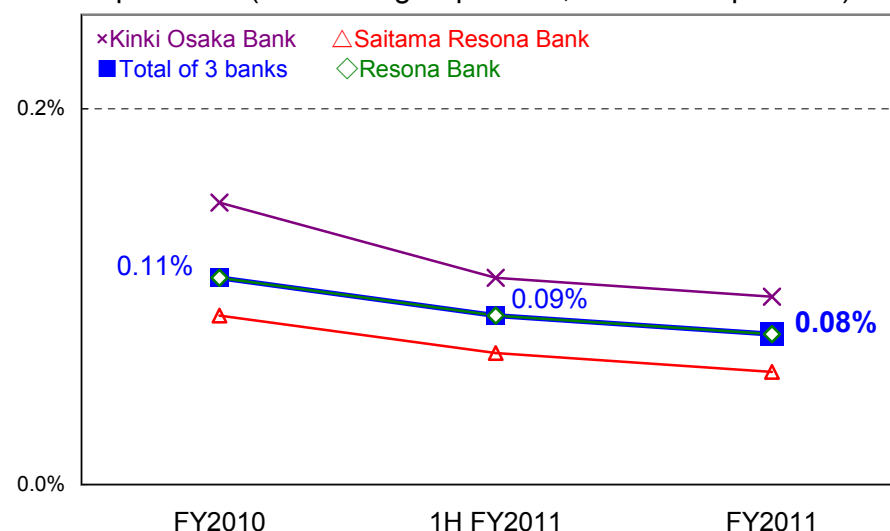
Deposits (Resona Holdings, Consolidated)



Interest on loans and bills discounted (Total of 3 group banks, Domestic operation)



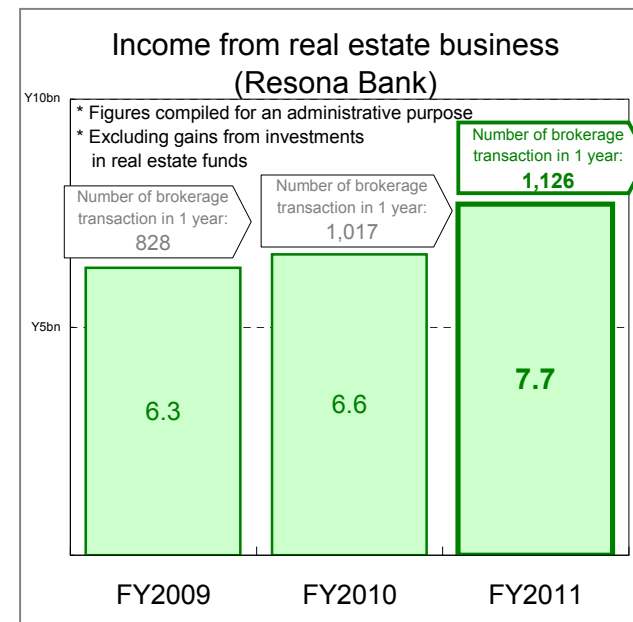
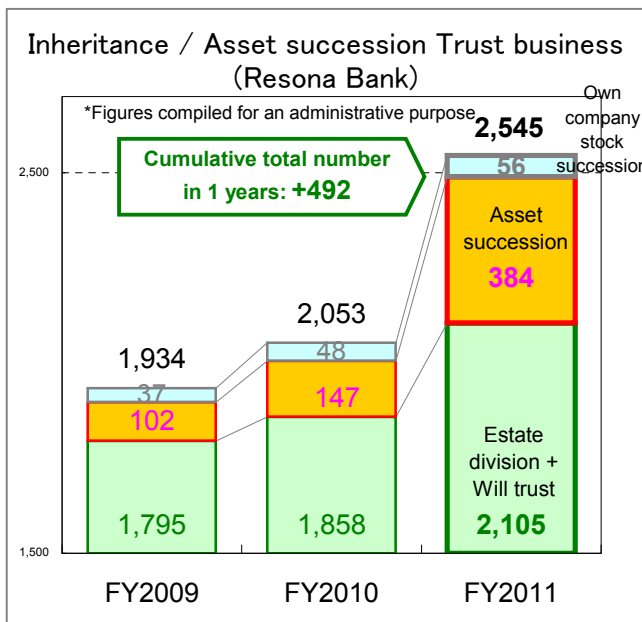
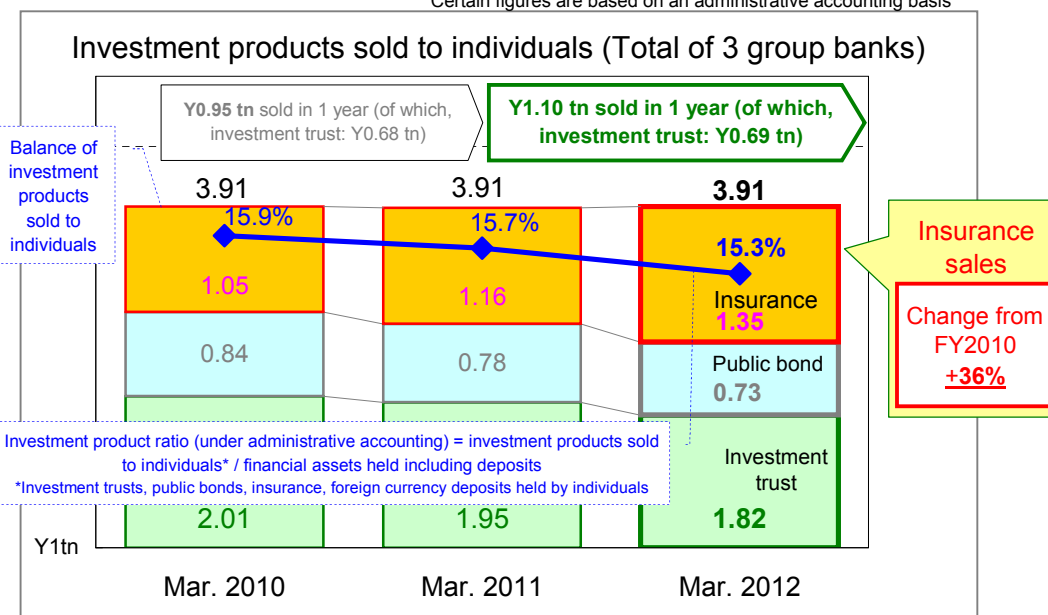
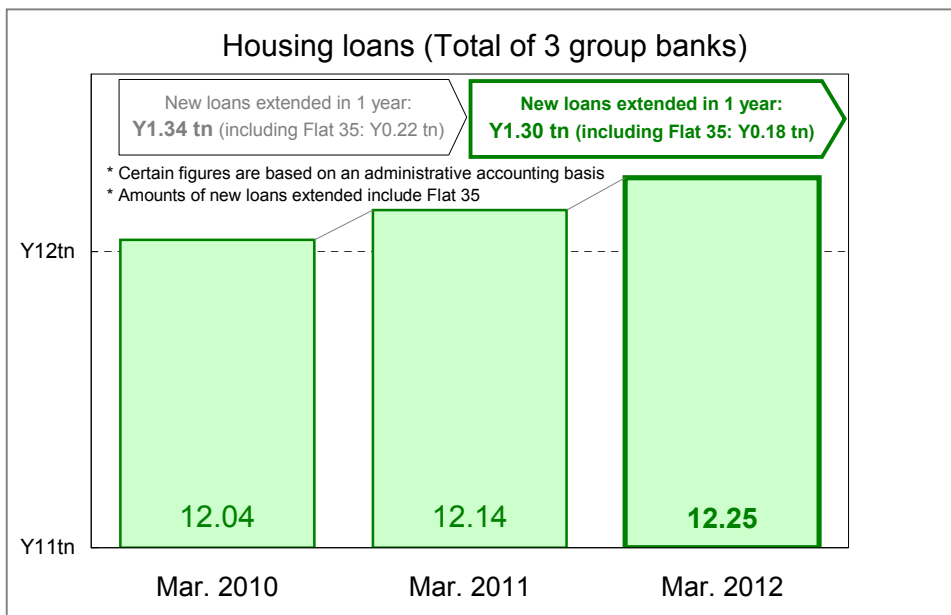
Deposit rate (Total of 3 group banks, Domestic operation)



*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

* Certain figures are based on an administrative accounting basis



*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

	Total of 3 group banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
Disposal in the trust account	0.0	0.0	-	-
Net addition to general reserve	49.2	41.6	5.6	1.9
Net addition to specific reserve	(37.9)	(26.7)	(7.2)	(4.0)
Write-off of loans and others	(46.5)	(35.2)	(5.6)	(5.6)
Gain from recoveries of written-off claims	30.7	26.3	2.8	1.5
Total credit-related expenses	(4.4)	6.0	(4.3)	(6.1)
(1) New bankruptcy, downward migration	(55.8)	(37.6)	(9.3)	(8.7)
(2) Upward migration	12.5	10.3	1.6	0.5
(3) Off-balancing and other	(10.6)	(8.4)	(2.3)	0.0
(4) Provision of general reserve	49.4	41.7	5.6	1.9

- (1) Loss from new bankruptcy or deterioration in borrower category, etc.
(2) Reversal of loan loss reserve due to improvements in borrower category, etc.
(3) 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
(4) Net impact of actual transfer to and reversal from general reserve for possible loan losses

	Total of 3 group banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
Unrecoverable or valueless claims	74.3	48.7	15.6	9.9
Risk claims	412.5	277.8	77.4	57.2
Special attention loans	134.9	82.6	22.0	30.2
Total classified claims (NPL)	621.8	409.2	115.1	97.4
Change from Mar. 31, '11	(34.9)	(29.5)	(6.5)	+1.1
NPL ratio ^{*1}	2.32%	2.29%	1.76%	3.92%
Change from Mar. 31, '11	(0.11)%	(0.14)%	(0.12)%	+0.13%

*1. NPL ratio = Total classified claims / Total claims defined under the Financial Reconstruction Law.
(Banking and trust accounts) (Total of 3 group banks)

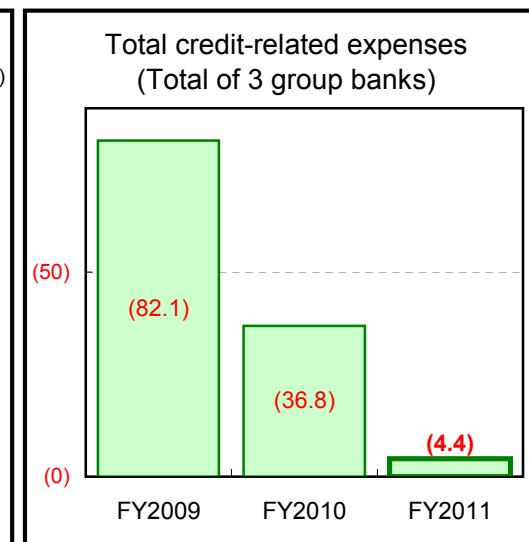
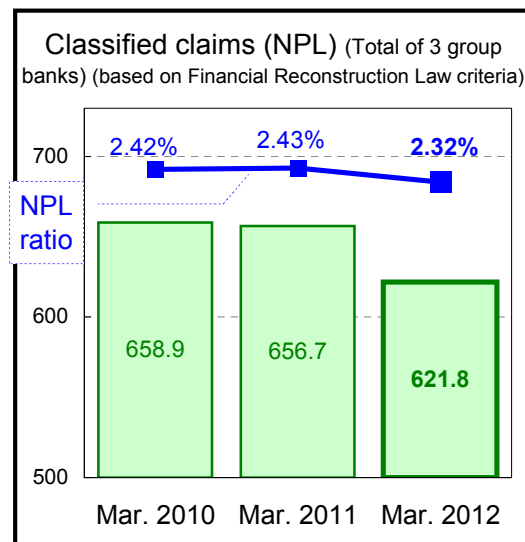
*2. Reported figures do not include stocks issued by subsidiaries and affiliated companies and unlisted stocks.

*3. The presented figures only include marketable securities. The figures presented in the table include securities, negotiable certificates of deposit (NCDs) included 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 ¥6.1 bn of unrealized gain based on the fair values computed with a valuation model utilized for an internal administration purpose.

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

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

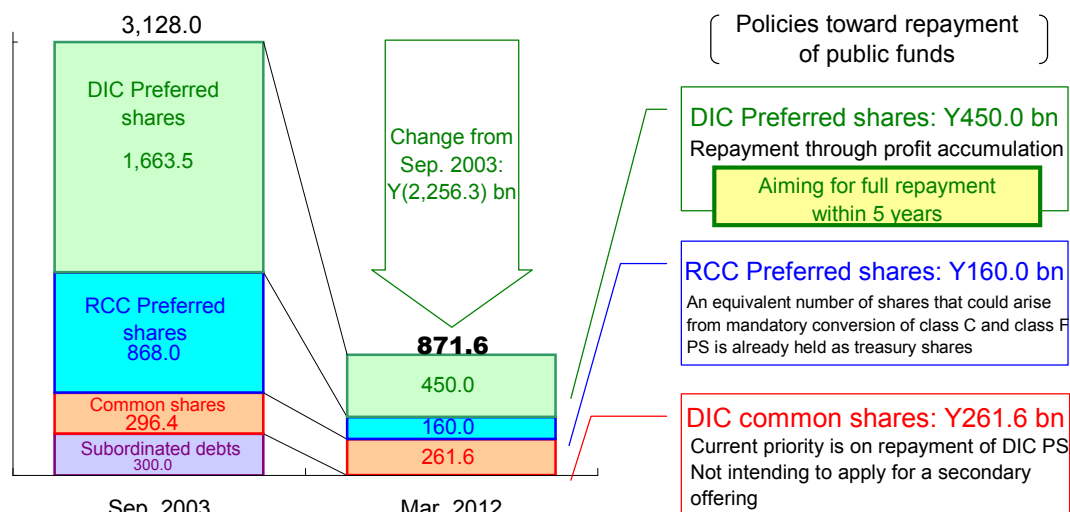


VI. Unrealized gains/(losses) on securities

	Total of 3 group banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
Held to maturity	49.6	21.6	20.7	7.2
Available for sale ^{*3}	131.5	80.4	48.9	2.1
Change from Mar. 31, '11	+38.9	+19.9	+12.7	+6.2
Bonds ^{*4}	12.5	(1.2)	12.3	1.4
Variable rate JGBs	(1.6)	(1.6)	(0.0)	0.0
Stocks	121.0	82.6	36.4	1.9
Other	(2.0)	(0.9)	0.1	(1.1)
Balance of stock held (acquisition cost) ^{*2}	342.1	273.4	63.2	5.3

VII. Status of Public Funds

	Amount	Amount		Time of Repayment
	Sep. 30, 2003 (1)	Mar. 31, 2012 (2)	(2)-(1)	
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. '08 and 2 other times



VIII. Capital Adequacy Ratio

	Mar. 2012	Mar. 2012 (Preliminary)	Mar. 2011
	(1)	(1)-(2)	(2)
RHD consolidated capital adequacy ratio (Japanese Domestic Standard)	13.19%	+1.98%	11.21%
Tier 1 ratio	9.32%	+1.81%	7.51%
Deferred tax asset ratio* ¹	10.40%	(2.77)%	13.17%
Total qualifying capital (RHD consolidated)	2,301.4	+182.3	2,119.0
Tier 1	1,627.0	+208.1	1,418.9
Risk-weighted assets (RHD consolidated)	17,442.1	(1,451.7)	18,893.8
Total required capital (RHD consolidated)* ²	1,395.3	(116.1)	1,511.5
<Reference>			
RHD consolidated capital adequacy ratio (BIS International Standard)	13.50%	+2.07%	11.43%
Tier 1 ratio	9.15%	+1.83%	7.32%

	Resona (Consolidated)	Saitama Resona (Non-consolidated)	Kinki Osaka (Consolidated)
Capital adequacy ratio (Japanese Domestic Standard)	13.25%	12.47%	13.43%
Change from Mar. 31, '11	+1.49%	+0.37%	+0.58%
Tier 1 ratio	9.29%	7.96%	8.95%
Total qualifying capital	1,644.7	439.6	175.8
Change from Mar. 31, '11	+37.4	(4.3)	(5.5)
Tier 1	1,152.7	280.5	117.2
Risk-weighted assets	12,407.5	3,524.0	1,309.5
Change from Mar. 31, '11	(1,252.9)	(144.0)	(102.0)
Total required assets* ²	992.6	281.9	104.7
Change from Mar. 31, '11	(100.2)	(11.5)	(8.1)

*1 Deferred tax assets, net of deferred tax liabilities / Tier 1 capital

*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

IX. Earnings Forecasts for Fiscal Year Ending March 31, 2013

	Resona Holdings (Consolidated)		
	Interim forecasts	Full year forecasts	Change from previous year
Consolidated ordinary profit	110.0	220.0	(54.8)
Net (interim) income	70.0	140.0	(113.6)

Forecast of capital adequacy ratio

Lower half
of 12%

	Resona Holdings (Non-consolidated)		
	Interim forecasts	Full year forecasts	Change from previous year
Operating income	121.0	243.0	+84.7
Operating profit	117.0	235.0	+84.2
Ordinary profit	117.0	235.0	+83.9
Net (interim) income	117.0	235.0	+83.9

	Forecast for term-end per share dividend
Common stock	12 yen
Preferred stock	As pre-determined

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

	Total of 3 group banks (approx. figures)				Resona Bank			Saitama Resona Bank			Kinki Osaka Bank		
	Interim Forecasts	Full year forecasts	Change from previous year	Change from BRP	Interim Forecasts	Full year forecasts	Change from previous year	Interim Forecasts	Full year forecasts	Change from previous year	Interim Forecasts	Full year forecasts	Change from previous year
Gross operating profit	286.0	577.0	(21.6)	(29.0)	188.0	381.0	(22.1)	72.5	146.0	+2.5	25.5	50.5	(1.4)
Operating expenses	(170.0)	(339.0)	(0.2)	+6.0	(111.0)	(222.0)	+0.6	(38.5)	(77.0)	(1.4)	(20.5)	(40.5)	-
Actual net operating profit	116.0	238.0	(21.7)	(23.0)	77.0	159.0	(21.5)	34.0	69.0	+1.2	5.0	10.0	(1.4)
Ordinary profit	101.0	198.0	(46.1)	(6.0)	68.5	136.0	(43.2)	31.0	60.5	(1.1)	1.0	1.5	(1.6)
Income before income taxes	100.0	197.0	(45.6)	(3.0)	67.5	135.0	(43.4)	30.5	60.0	(1.3)	1.0	1.5	(1.4)
Net (interim) income	65.0	130.0	(109.4)	+9.0									

Resona Group adopts a consolidated taxation system.

Net gains on stocks	-	-	(2.2)	(7.0)	-	-	(1.1)	-	-	(0.9)	-	-	(0.1)
Credit related expenses	(17.5)	(42.0)	(37.6)	+22.0	(11.0)	(27.0)	(33.0)	(3.0)	(7.0)	(2.7)	(3.5)	(8.0)	(1.9)

[Consolidated]

[Non-consolidated]

[Consolidated]

Forecast of capital adequacy ratio

Upper half
of 11%Upper half
of 11%Lower 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.

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

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