
Financial Results for First Half of FY 2009
Reference Materials for Press Conference



RESONA

November 13, 2009



Resona Holdings, Inc.

I. Financial Highlights for 1st Half of FY2009

Posted consolidated net income of Y85.5 bn, almost unchanged YoY (Pages 1-2)

- => Net interim income decreased Y0.7 bn (-0.9%) YoY, topping the forecast by Y55.5 bn (+185%)
- * Y61.2 bn YoY increase in net interim income, excluding a gain from the sale of Tokyo HO bldg. Net credit cost decreased Y64.6 bn YoY (-48.4%)
- * 1H actual results exceeded the original forecast: Top-line income was steady while net credit cost decreased Y13.7bn compared with forecast for all Group banks combined and income taxes decreased

Top-line income stronger than forecast primarily led by favorable treasury income (Pages 1-4)

- => Consolidated gross operating profit: Y346.9 bn, a decline of Y27.9 bn (-7.4%) YoY. The decrease is mostly attributable to a decline in net interest income (Y19.7bn or 7.2%) driven by preceding policy rate cuts.
- * Income from loans and deposits decreased, but maintained loan-to-deposit spread of 1.81% (+2bp higher than originally planned)
- * Fees and commission income and trust fees decreased, but investment trust sales recovered to a 80% of the same period of previous year level.
- * Net gains on bonds increased Y13.5bn YoY
- => Actual net operating profit (total of Group banks) was Y139.3 bn, Y13.3bn (+10.5%) increase compared with the original forecast
- Stronger than expected net gain on bonds and strict management of operating expenses (Y5.8bn decrease from the forecast) contributed the increase.

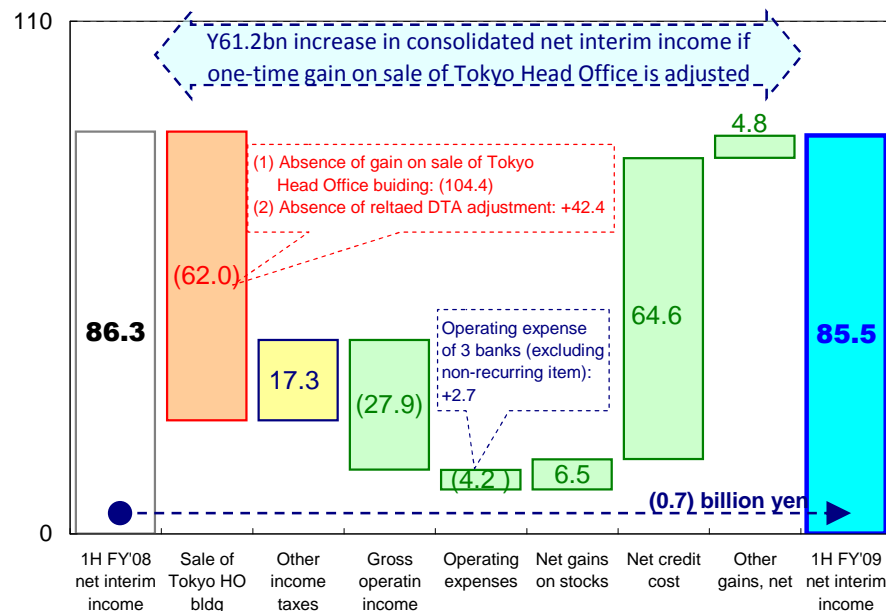
Bottom line: Downside risk receded (Pages 5-8)

- * Credit related expenses newly incurred declined approx. 70% YoY (Resona Bank)
- * Net unrealized gains on available-for-sale securities as of Sep. 30, 2009 (total of Group banks): Y119.2 bn
- * Capital adequacy ratio as of Sept. 30, 2009: 13.10%; Tier 1 ratio:9.73% (preliminary ratios)

Continued capital policies for repayments of outstanding public funds

- * Repurchased and cancelled Class 9 Preferred Shares (repurchase price: Y271.2bn)
- * Issued new common shares by allocation to third party: Total issue amount: Y103.6 bn
- => Improved "quality" of capital and reduced dilution risk, simultaneously

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



Resona Holdings (Consolidated)	1H of FY2009	
		YoY change
Consolidated gross operating profit	346.9	(27.9)
Income before income taxes and minority interests	89.0	(60.5)
Net interim income	85.5	(0.7)

Resona Holdings (Non-consolidated)	1H of FY2009	
		YoY change
Operating income	21.9	(30.3)
Income before income taxes	18.0	(28.2)
Net interim income	25.9	(32.2)

	Total of Group banks (non-consolidated) (Announced in May 2009)			Resona (May 2009)			Saitama Resona (May 2009)			Kinki Osaka (May 2009)		
	1H of FY2009	YoY change	Change from original forecast	(Non-consolidated)	YoY change*2	Change from original forecast	(Non-consolidated)	YoY change	Change from original forecast	(Non-consolidated)	YoY change	Change from original forecast
Actual net operating profit *1	139.3	(23.8)	13.3	92.3	(18.5)	10.3	37.5	(5.8)	2.5	9.4	0.4	0.4
Cost-to-income ratio (after disposal of NPL in the trust account)	55.7%	3.5%	/	55.6%	3.5%	/	50.3%	4.8%	/	69.8%	(0.8%)	/
Income before income taxes	90.1	(50.4)	30.1	57.2	(57.7)	24.2	28.8	4.4	4.8	4.0	2.8	1.0

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

*2. Calculated by factoring in the former Resona Trust & Banking's performance in the corresponding previous fiscal period

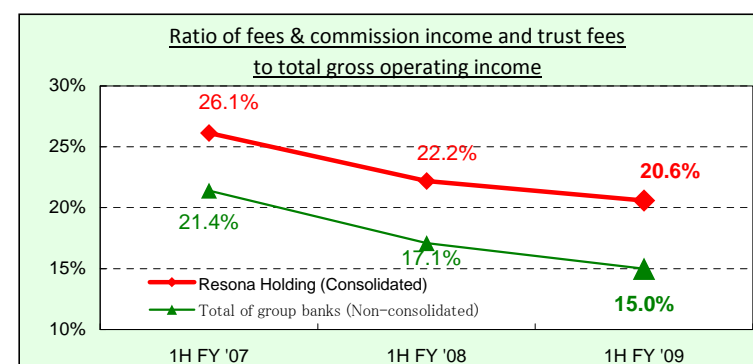
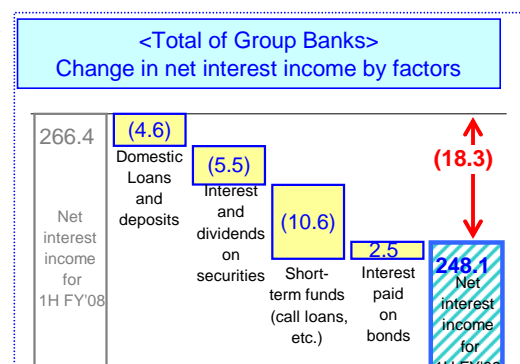
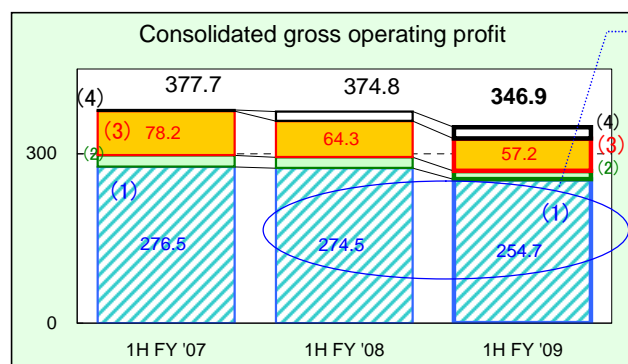
*1. Amounts less than 0.1 billion yen are rounded down.

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

(Billions of Yen)

II. Outline of Financial Results for 1H of FY2009

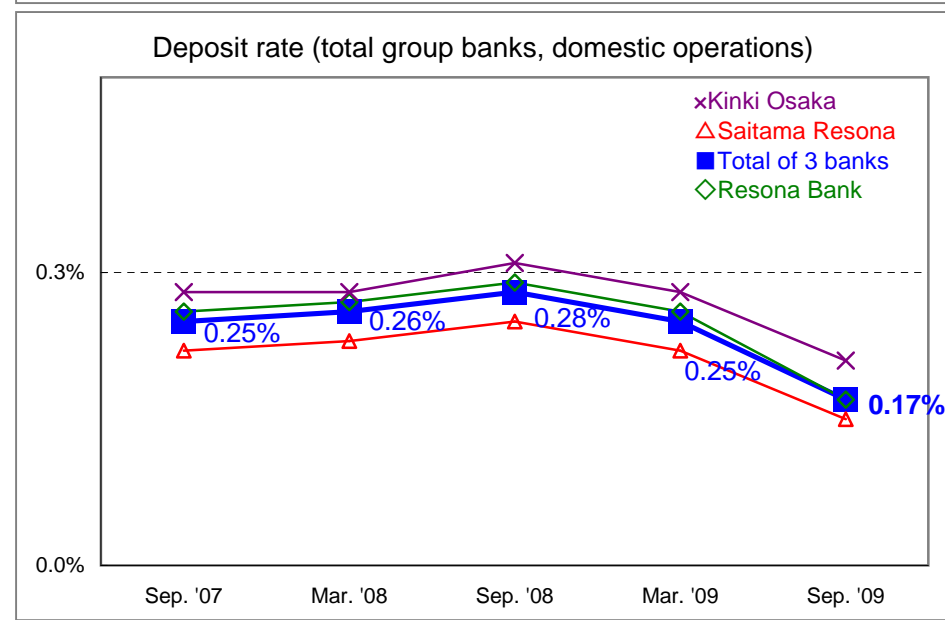
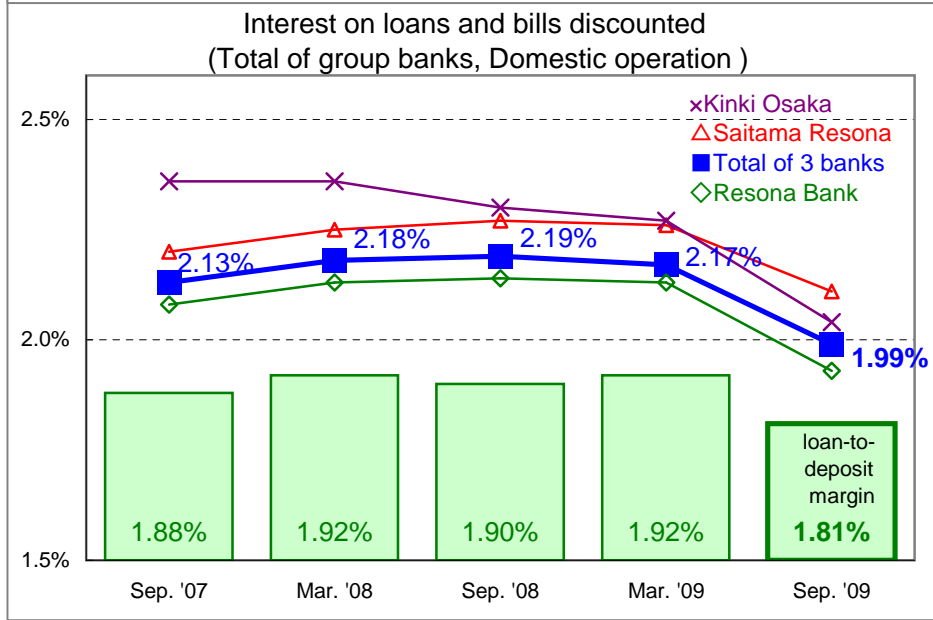
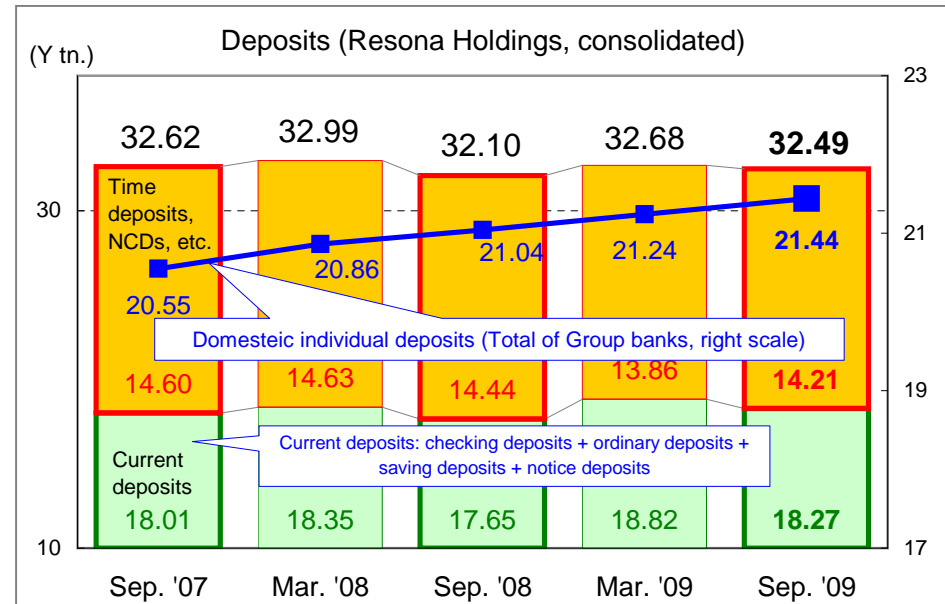
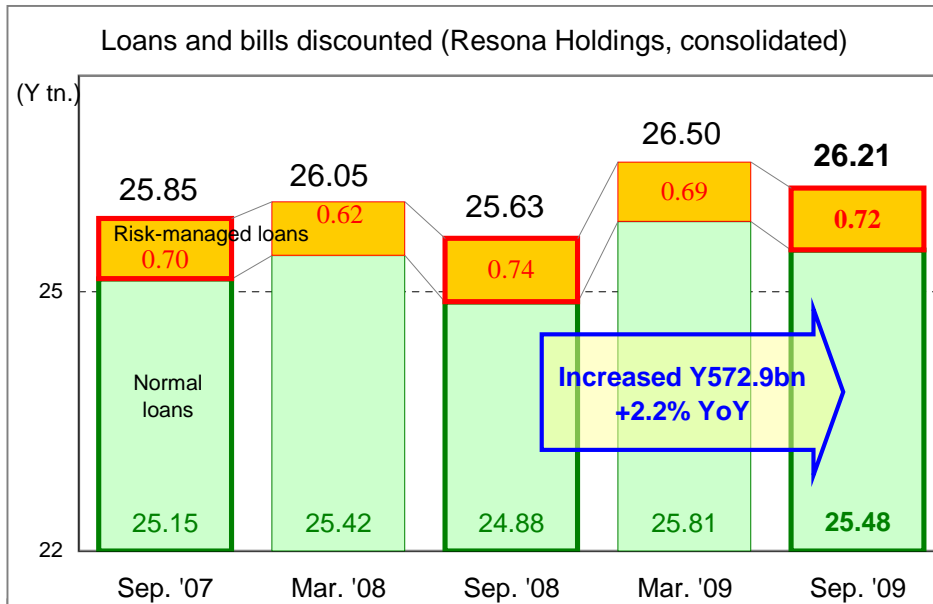
	Resona Holdings (Consolidated)		Difference (A)-(B)	Total of group banks (Non-consolidated)			Resona Non- consolidated	Saitama Resona	Kinki Osaka Non- consolidated	Factors accounting for the difference (A) - (B) (Approx. figures) RC: Resona Card, RG: Resona Guarantee, RCP: Resona Capital
	(A)	YoY change		(B)	YoY change					
Gross operating profit	346.9	(27.9)	31.7	315.1	(26.7)	208.2	75.6	31.2		
(1) Net interest income	254.7	(19.7)	6.6	248.1	(18.3)	153.6	68.2	26.1	RC 3.4bn and other	
Income from loans and deposits				227.1	(4.6)	144.6	59.4	23.1	Domestic operations; banking account; Deposits include NCDs	
(2) Trust fees	14.4	(4.3)	—	14.4	(4.3)	14.4	—	—		
(3) Fees and commission income	57.2	(7.1)	24.3	32.8	(6.9)	22.5	6.4	3.8	RG 14.3bn., RC 8.0bn and other	
(4) Other operating income	20.4	3.3	0.7	19.7	2.8	17.5	0.9	1.1		
Net gain/(loss) on bonds	14.4	13.5	—	14.4	13.5	12.5	1.1	0.8		
Actual net operating profit				139.3	(23.8)	92.3	37.5	9.4	Net operating profit before transfer to general reserve for possible loan losses and expenses related to problem loan disposal in the trust account.	
Expenses (including non-recurring items)	194.3	4.2	14.3	180.0	4.6	118.3	39.0	22.5	RC 7.9bn, RG 1.5bn, goodwill amortization 3.6bn and other	
Net gain/(loss) on stocks	1.5	6.5	(0.6)	2.1	4.4	0.7	0.3	1.1	RCP -0.6bn and other	
Losses on write-down of stocks	(2.5)	9.0	(0.7)	(1.7)	6.9	(1.7)	(0.0)	(0.0)		
Credit related expenses, net	68.7	(64.6)	17.4	51.3	(75.1)	37.6	8.6	5.0	RG 10.7bn, RC 3.7bn and other	
Other gain/(loss), net	3.7	(99.5)	(0.4)	4.1	(98.6)	4.2	0.6	(0.6)		
Income before income taxes	89.0	(60.5)	(1.0)	90.1	(50.4)	57.2	28.8	4.0		
Income taxes and other	3.4	(59.7)	(5.2)	8.7	(60.5)	(4.5)	12.2	0.9	Minority interests in net income 1.0bn, Income tax of RHD and other -6.3bn	
Net interim income	85.5	(0.7)	4.2	81.3	10.1	61.7	16.5	3.0		



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

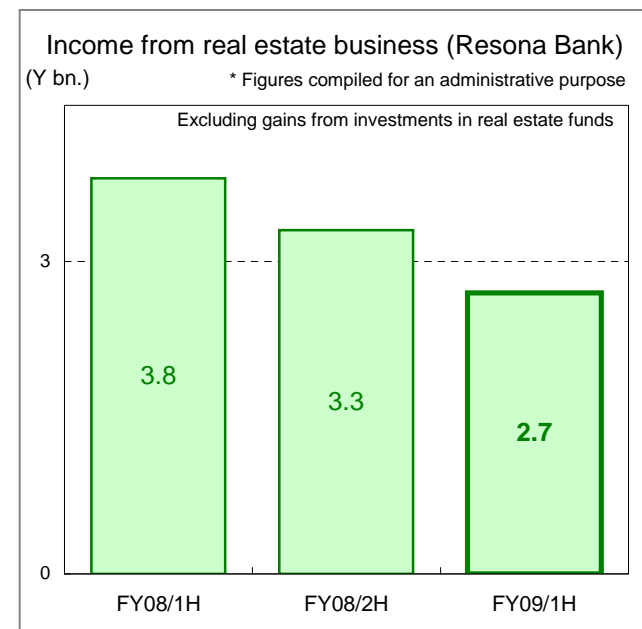
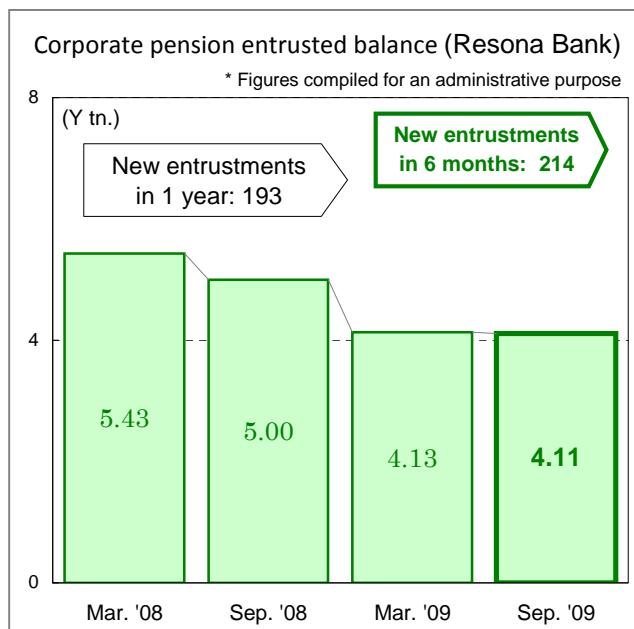
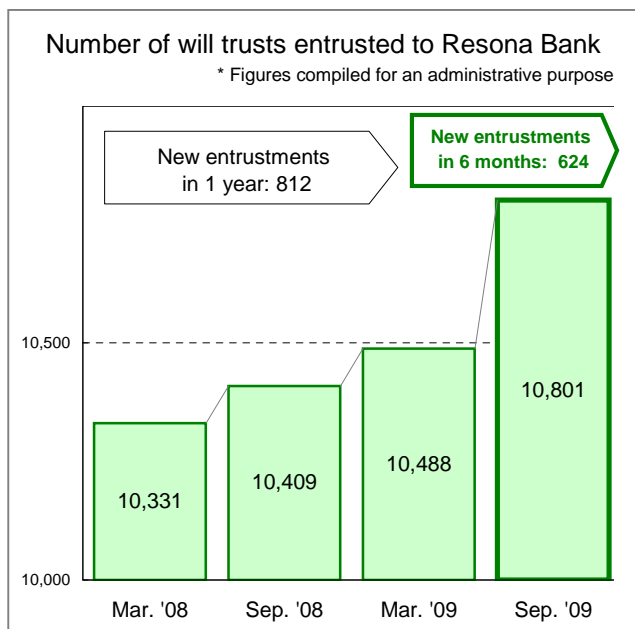
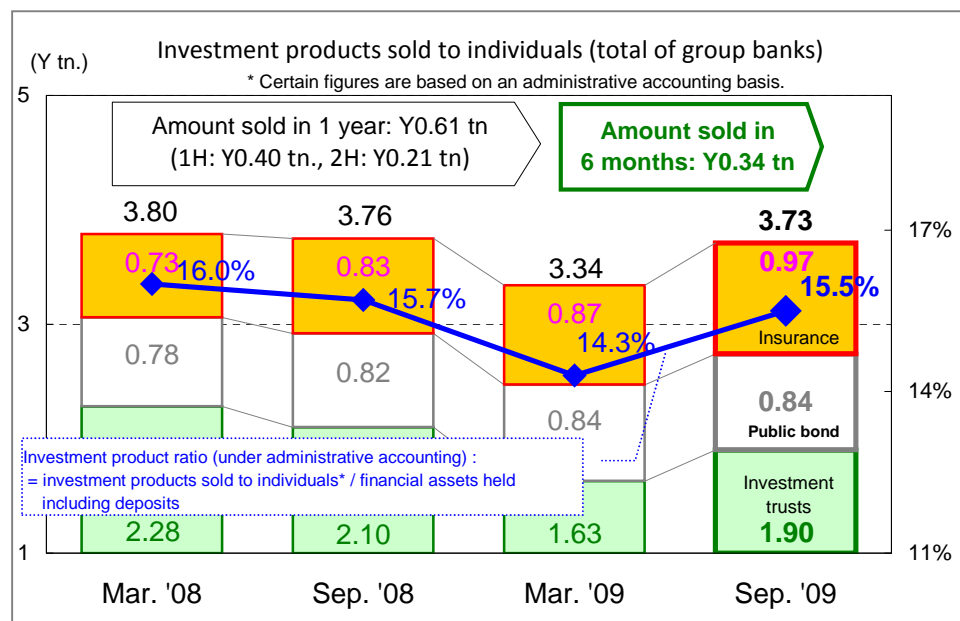
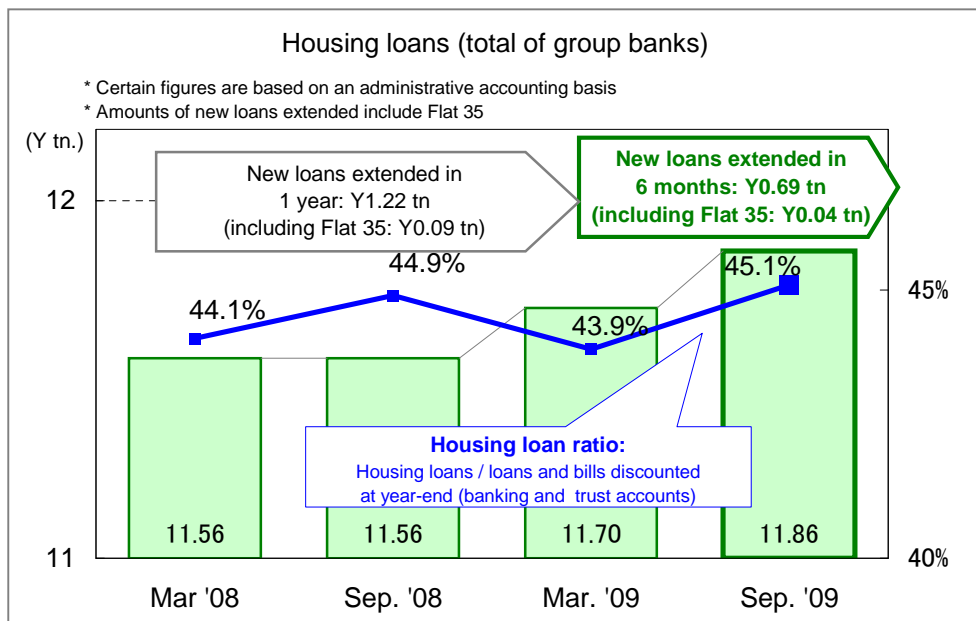
III. Deposits, Loans and Bills Discounted



*1. Amounts less than Y0.01 tn are rounded down.

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IV. Resona's Core Businesses



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(Billions of Yen)

V. Classified Claims (NPL) and Credit Related Expenses

	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	9.7	4.0	4.8	0.8
Net addition to specific reserve	27.6	22.6	2.8	2.1
Write-off of loans and others	25.6	19.2	3.2	3.1
Gain from recoveries of written-off claims	(11.7)	(8.3)	(2.1)	(1.2)
Total credit-related expenses	51.3	37.6	8.6	5.0
(a) New bankruptcy, downward migration	56.3	44.0	6.1	6.1
(b) Upward migration	(3.8)	(3.3)	(0.2)	(0.3)
(c) Off-balancing and other	(10.7)	(7.0)	(2.0)	(1.6)
(d) Provision of general reserve	9.5	3.8	4.8	0.8

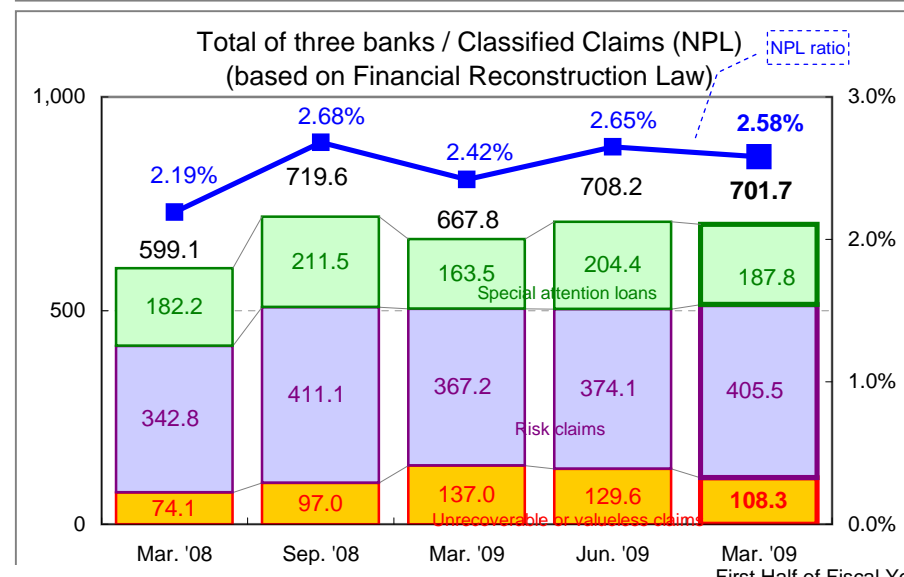
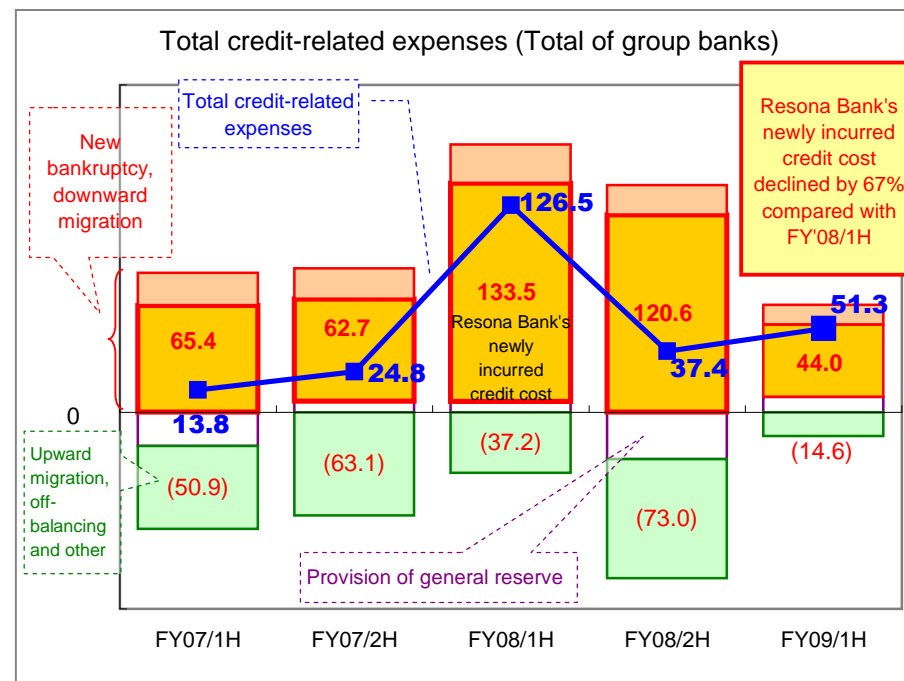
- (a) Loss from new bankruptcy or deterioration in borrower category, etc.
- (b) Gain from reversal of loan loss reserve due to improvements in borrower category, etc.
- (c) Collection of claims from "doubtful" or lower category borrowers, gain from reversal of loan loss reserve due to off-balancing, and gain from recoveries of written-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	108.3	72.7	17.2	18.3
Risk claims	405.5	299.0	65.2	41.2
Special attention loans	187.8	142.2	26.9	18.6
Total classified claims (NPL)	701.7	514.0	109.4	78.2
Change from Mar. 31, '09	33.8	21.3	8.9	3.5
NPL ratio *1	2.58%	2.86%	1.70%	2.83%
Change from Mar. 31, '09	+0.16%	+0.18%	+0.14%	+0.12%

*1 NPL ratio = Total classified claims / Total claims defined under the Financial Reconstruction Law

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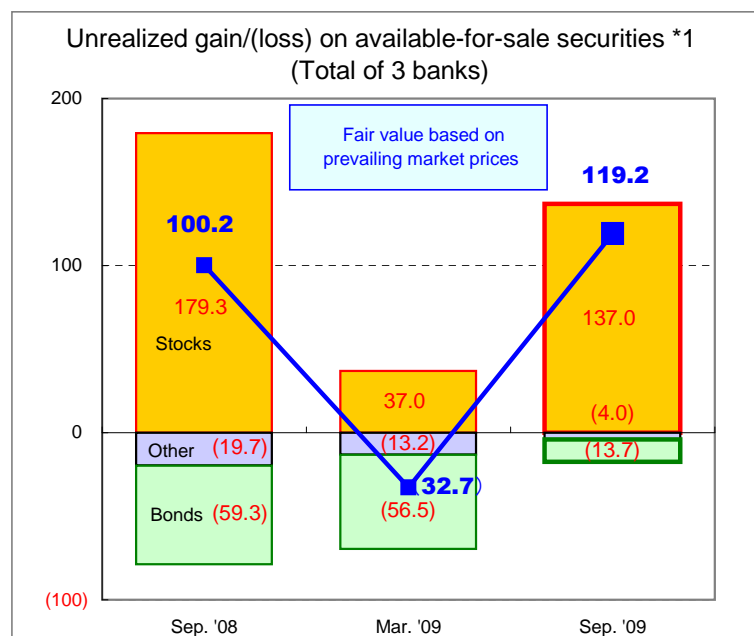
First Half of Fiscal Year '09

Reference Materials for Press Conference

(Billions of Yen)

VI. Unrealized gain/(loss) on securities

	Total of 3 banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank
Held to maturity	22.2	4.2	12.9	5.0
Available for sale	119.2	84.2	36.5	(1.6)
Change from Mar. 31, 2009	151.9	102.6	44.0	5.3
Bonds	(13.7)	(14.6)	0.6	0.3
Variable rate JGBs	(15.4)	(12.0)	(3.1)	(0.2)
Stocks	137.0	97.6	37.9	1.5
Other	(4.0)	1.3	(1.9)	(3.5)



VII. Securitized Products

	Balance	Unrealized gain/(loss)
Securitized products organized overseas	—	—
Subprime mortgage loan-related	No outstanding investment and loan balance	
Securitized products organized in Japan	230.6	(2.8)
Backed by assets in Japan	230.6	(2.8)
Housing loans	201.5	(2.1)
Commercial real estate	16.0	(0.7)
Other	13.0	(0.0)
Backed by overseas assets	—	—
Total *2	230.6	(2.8)
Change from Mar. 31, '08	(21.4)	0.4

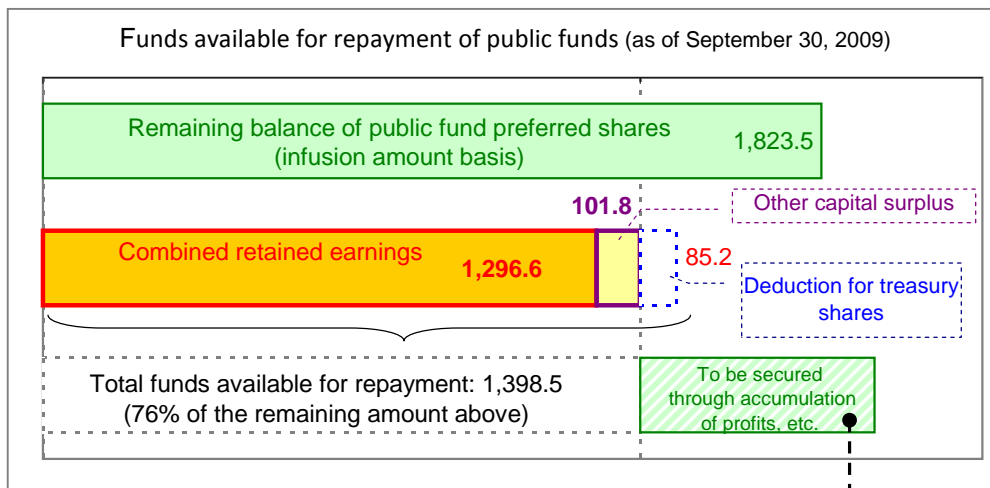
*1. In addition to "securities," the reported figures include negotiable certificates of deposit from "Cash and due from banks" and a portion of "Monetary claims bought." Only available-for-sale securities with market prices are reported. Fair values of available-for-sale securities are based on prevailing market prices, etc. Resona Group did not adopt a new method for measuring the fair values of securities in accordance with the ASBJ Practical Issue Task Force No. 25. Resona Group did not change the holding purposes applicable to its bond holdings in accordance with the ASBJ Practical Tsak Force No. 26.

*2. Include the securities defined by "Practical Guidelines for Financial Instruments Accounting" (amended July 4, 2007) and all securitized products directly held. Include the securitized products secured by future cash flows from certain underlying assets, collateralized debt obligations (CDOs) and their re-securitized products (Squared CDO)

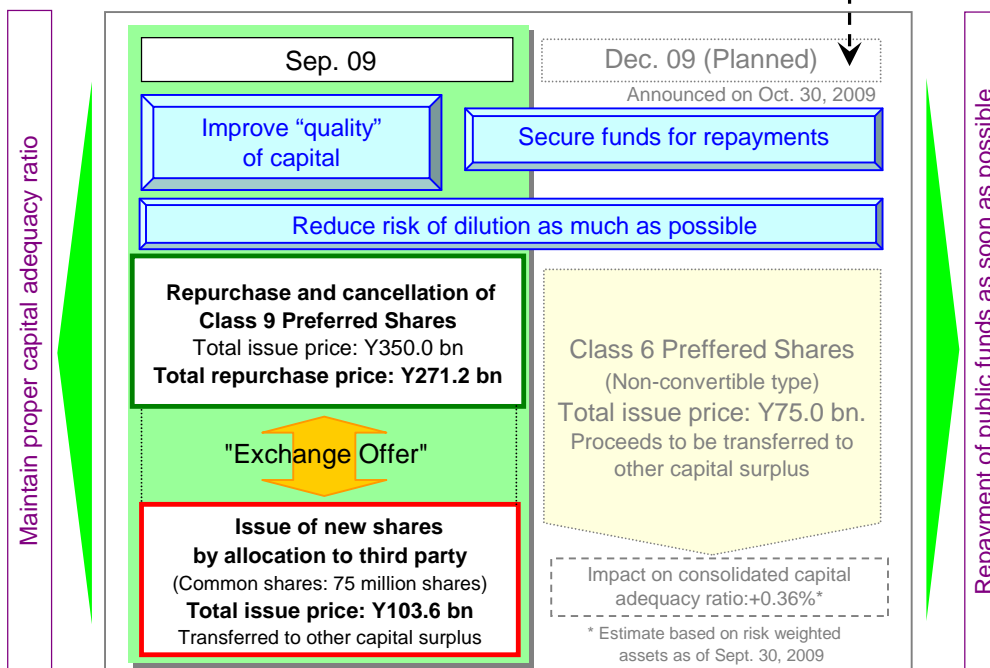
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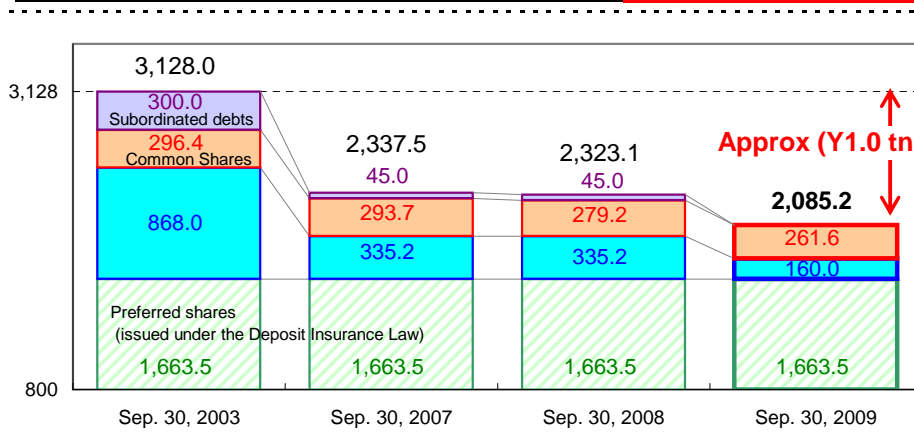
VIII. Repayment of Public Funds



Efforts toward Repayment of Public Funds



	Mandatory Conversion (First Call)	Amount Sep. 30, 2003 (1)	Amount Sep. 30, 2009 (2)	(2) - (1)
Total public funds received		3,128.0	2,085.2	(1,042.7)
Preferred shares		2,531.5	1,823.5	(708.0)
Early Strengthening Law		868.0	160.0	(708.0)
Class B	Apr. 2009	408.0	-	(408.0)
Class C	Apr. 2015	60.0	60.0	-
Class E	Dec. 2009	300.0	-	(300.0)
Class F	Dec. 2014	100.0	100.0	-
Deposit Insurance Law		1,663.5	1,663.5	-
Class 1	N/A	550.0	550.0	-
Class 2	N/A	563.5	563.5	-
Class 3	N/A	550.0	550.0	-
Subordinated debts		300.0	-	(300.0)
Financial Function Stabilization Law		200.0	-	(200.0)
Early Strengthening Law	Mar. 2009	100.0	-	(100.0)
Common Shares	N/A	296.4	261.6	(34.7)



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IX. Capital Adequacy Ratio

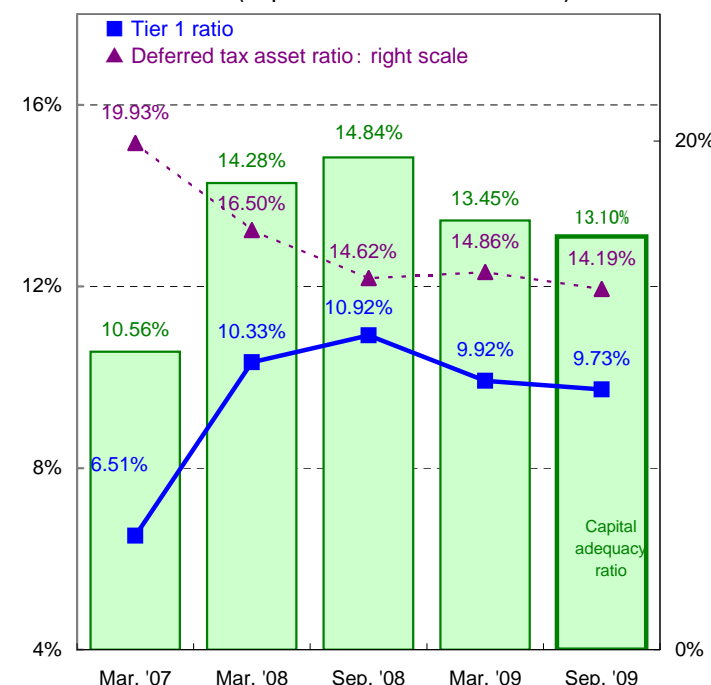
	Sep. '08	Mar. '09 (A)	Sep. '09 (B)	(preliminary) (B)-(A)
RHD consolidated capital adequacy ratio (Japanese Domestic Standard)	14.84%	13.45%	13.10%	(0.35%)
Tier I ratio	10.92%	9.92%	9.73%	(0.19%)
Deferred tax asset ratio *1	14.62%	14.86%	14.19%	(0.67%)
Total qualifying capital (RHD consolidated)	3,188.5	2,818.5	2,676.4	(142.1)
Tier I	2,346.7	2,078.8	1,988.6	(90.1)
Tier II	879.7	771.4	714.8	(56.5)
Deduction	37.9	31.6	27.0	(4.5)
Risk-weighted assets (RHD consolidated)	21,479.0	20,944.8	20,430.2	(514.6)
Total required capital (RHD consolidated)*2	1,718.3	1,675.5	1,634.4	(41.1)

<Reference>

RHD consolidated capital adequacy ratio (BIS International Standard) *3	15.14%	13.65%	13.51%	(0.14%)
Tier I ratio	10.81%	9.86%	9.62%	(0.24%)

	Resona Consolidated	Saitama Resona Non-consolidated	Kinki Osaka Consolidated
Capital adequacy ratio (Japanese Domestic Standard)	10.68%	10.78%	10.08%
Change from Mar. 31, 2009	0.69%	0.24%	0.41%
Tier I ratio	7.30%	6.42%	5.83%
Total qualifying capital	1,543.7	412.7	180.6
Change from Mar. 31, 2009	55.6	18.0	2.3
Tier I	1,055.6	245.8	104.5
Tier II	535.8	177.2	76.1
Deduction	47.7	10.2	0.0
Risk-weighted assets	14,443.8	3,827.5	1,790.7
Change from Mar. 31, 2009	(451.5)	86.2	(52.3)
Total required capital *2	1,155.5	306.2	71.6
Change from Mar. 31, 2009	(36.1)	6.8	(2.0)

[Reference] Trends in RHD consolidated capital adequacy ratio (Japanese domestic standard)



(Note 1):

Deferred tax assets, net of deferred tax liabilities / Tier I capital

(Note 2):

The Japanese Domestic Standard is applicable to Resona Holdings and its subsidiary banks for calculations of capital adequacy ratios. However, total required capital of Resona Holdings, Resona Bank and Saitama Resona Bank is calculated as "risk-weighted assets x 8%" since they adopted the F-IRB approach for capital adequacy ratio calculations. Total required capital of Kinki Osaka Bank which adopted the Standardized Approach is calculated as "risk-weighted assets x 4%."

(Note 3):

The reported figures are calculated based on "partial relaxation of capital adequacy requirement for banks, etc." under Article 2, Paragraph 2 of the FSA Notification No. 79 of 2008, which allows financial institutions not to reflect valuation loss on national government bonds and similar securities in their Tier I capital as well as the calculation of Tier II capital without reflecting valuation gain on such securities. As of September 30, 2009, the consolidated capital adequacy ratio and Tier I ratio calculated based on the former criteria without applying this special treatment would be 13.48% and 9.62%, respectively.

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

X. Earnings Forecasts for Fiscal Year Ending March 31, 2010

(Billions of yen)

	Resona Holdings (Consolidated)			
	1H FY'09 (Actual)	Full year forecast	Change from original forecast	Change from previous year
Consolidated ordinary income	461.3	860.0	10.0	(119.2)
Consolidated ordinary profit	75.7	130.0	—	15.6
Net (interim) income	85.5	120.0	20.0	(3.9)

Forecast of capital adequacy ratios

Latter half of 12% range

	Resona Holdings (Non-consolidated)			
	1H FY'09 (Actual)	Full year forecasts	Change from original forecast	Change from previous year
Operating income	21.9	39.0	1.0	(146.5)
Operating profit	18.4	31.0	1.0	(146.1)
Ordinary profit	18.4	31.0	1.0	(148.3)
Net (interim) income	25.9	42.0	2.0	(132.1)

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

10 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* report.

	Total of three banks (approx. figure)				Resona Bank			Saitama Resona Bank			Kinki Osaka Bank		
	1H FY'09 (Actual)	Full year forecast	Change from original forecast	Change from previous year	Full year forecast	Change from original forecast	Change from previous year *2	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	315.1	614.0	(3.0)	(61.3)	407.0	(3.0)	(55.0)	147.5	2.5	(5.5)	60.0	(2.0)	(0.2)
Operating expenses	175.7	356.0	(6.0)	(6.2)	237.0	(4.0)	(5.3)	76.5	(0.5)	1.7	42.5	(1.5)	(2.5)
Actual net operating profit	139.3	258.0	3.0	(54.7)	170.0	1.0	(49.3)	71.0	3.0	(7.2)	17.5	(0.5)	2.3
Ordinary profit	76.8	132.0	6.0	47.1	78.5	2.5	39.9	48.5	2.5	3.0	5.0	1.0	4.2
Income before income taxes	90.1	166.0	5.0	(53.3)	110.0	1.0	(61.2)	50.0	4.5	3.9	6.5	(0.5)	4.6
Net (interim) income	81.3	115.0	15.0	(5.7)									

Resona Group started applying a consolidated taxation system.

Gain/(loss) on stocks	2.1	3.0	3.0	40.6	1.0	1.0	34.9	0.5	0.5	5.1	2.0	2.0	1.1
Credit related expenses	51.3	100.0	—	(63.9)	72.0	(1.0)	(58.7)	18.0	(0.5)	(6.4)	10.0	1.5	1.3

<Consolidated>

Approx. 10%

<Non-consolidated>

Latter half of 9% range

<Consolidated>

Latter half of 9% range

Forecast of capital adequacy ratios

*2. Actual result of the previous fiscal year include Resona Trust & Banking.

The forward-looking statements contained in this material 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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