
Financial Results for the 1st Half of FY 2003
Reference Materials for Press Conference



RESONA

November 25, 2003

I. Highlights of Interim Results (1st Half of FY 2003)

(Billions of yen)	Resona Holdings (Consolidated)
Consolidated gross operating profit (1)	395.8
General & administrative exp. (2)	(277.8)
Total of (1) + (2)	118.0
Provision to general reserve	(58.3)
Non-recurring profit/(loss)	(1,295.4)
Expenses for disposal of problem loans	(1,300.2)
Gain/(loss) on stocks and other securities	32.2
Other non-recurring profits	(27.4)
Ordinary profit/(loss)	(1,235.8)
Extraordinary profit/(loss)	(173.9)
Provision to reserve for business restructuring	(104.1)
Interim income/(loss) before income taxes	(1,409.8)
Income taxes, current and deferred	(359.8)
Net interim income/(loss)	(1,769.6)

(Billions of yen)	Total of five banks	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank	Nara Bank	Resona Trust & Banking
Gross operating profit	331.5	212.3	55.6	50.7	1.7	11.0
General & administrative exp.	(212.2)	(140.3)	(37.1)	(28.0)	(1.9)	(4.7)
Actual net operating profit *1	123.0	75.7	18.4	22.6	(0.1)	6.3
Provision to general reserve	(57.9)	(33.7)	(1.7)	(22.4)	0.0	---
Non-recurring profits/(losses), net	(1,316.2)	(1,073.8)	(22.2)	(218.6)	(1.2)	(0.2)
Expenses for disposal of problem loans	(1,246.9)	(1,027.2)	(20.7)	(198.1)	(0.7)	---
Gain/(loss) on stocks and other securities	(26.1)	(14.9)	0.1	(11.3)	---	---
Other non-recurring profit/(loss)	(43.1)	(31.5)	(1.6)	(9.2)	(0.5)	(0.2)
Ordinary profit/(loss)	(1,254.9)	(1,035.6)	(5.5)	(218.5)	(1.3)	6.1
Extraordinary profit/(loss)	(174.7)	(153.8)	(1.9)	(18.7)	(0.5)	0.4
Provision to reserve for business restructuring	(103.5)	(88.2)	---	(15.1)	(0.1)	---
Interim income / (loss) before income taxes	(1,429.6)	(1,189.4)	(7.5)	(237.2)	(1.8)	6.5
Income taxes, current and deferred	(354.8)	(286.6)	2.5	(67.7)	(0.5)	(2.4)
Net interim income/(loss)	(1,784.5)	(1,476.1)	(4.9)	(305.0)	(2.4)	4.0

*1 Actual net operating profit: Net operating profit before provision to general reserve for possible loan losses and expenses related to problem loan disposal in the trust account.

Total credit-related expenses*2	(1,362.3)
---------------------------------	-----------

Total credit-related expenses*2	(1,308.6)	(1,064.7)	(22.5)	(220.6)	(0.6)	---
---------------------------------	-----------	-----------	--------	---------	-------	-----

*2 Total of disposal of problem loans in the trust account, provision to general reserve for possible loan losses and expenses for disposal of problem loans included in non-recurring items.

(Billions of yen)	Resona Holdings (Nonconsolidated)
Operating income	25.8
Dividend received from subsidiaries	19.1
Ordinary profit/(loss)	18.0
Devaluation of investment in subsidiaries	(1,498.8)
Net interim income/(loss)	(1,480.7)

Resona Holdings (Consolidated)	Resona Bank	Saitama Resona Bank	Kinki Osaka Bank	Nara Bank	Resona Trust & Banking
-----------------------------------	-------------	------------------------	------------------	-----------	---------------------------

Consolidated capital adequacy ratio	6.27%	7.78%		-10.96%	
-------------------------------------	-------	-------	--	---------	--

Non-consolidated capital adequacy ratio		8.38%	7.65%	-11.41%	3.20%	171.08%
---	--	-------	-------	---------	-------	---------

Note : Estimate for Capital adequacy ratios at the end of fiscal 2003 are shown on page 7.

II. Actual Net Operating Profit

(Reported herein are the non-consolidated figures of subsidiary banks)

(Billions of yen)	Total of five banks		Total of two banks *2				Kinki Osaka 1st half of FY '03	Change from 1st half of FY '02	Nara 1st half of FY '03	Resona Trust 1st half of FY '03
	1st half of FY '03	Change from 1st half of FY '02	Resona	Saitama Resona		Change from 1st half of FY '02				
			1st half of FY '03	1st half of FY '03						
Actual net operating profit *1	123.0	(43.8)	75.7	18.4	94.2	(52.1)	22.6	8.3	(0.1)	6.3

*1 Actual net operating profit: Net operating profit before provision to general reserve for possible loan losses and expenses related to problem loan disposal in the trust account.

*2 Total of two banks: [1st half of FY '03] Resona Bank + Saitama Resona Bank, [1st half of FY '02] Former Daiwa Bank + Former Asahi Bank

Gross operating profit	331.5	(59.5)	212.3	55.6	267.9	(63.3)	50.7	4.2	1.7	11.0
Net interest income	277.8	(17.5)	192.5	47.7	240.3	(11.8)	35.9	(5.5)	1.6	
Bond-related income	(8.9)	(36.0)	(20.8)	(0.0)	(20.9)	(45.4)	11.9	9.6	0.0	

Loans and bills discounted (Avg. Bal.)*3	27,777.9	(1,230.6)	20,199.7	4,608.7	24,808.4	(1,083.3)	2,843.1	(148.0)	126.3
Loan-to-deposit margin*4	1.93%	-0.05%	1.84%	2.08%	1.88%	-0.05%	2.34%	-0.07%	2.38%
Interest on loans and bills discounted	2.04%	-0.05%	1.94%	2.19%	1.98%	-0.06%	2.48%	-0.06%	2.47%

*3 Average balance of loans and bills discounted for Resona Bank includes only its banking account. (Trust account is not included.)

*4 Resona Bank and Resona Trust & Banking operate trust business. Administrative expenses related to trust business are reflected in the funding costs of these two banks, and therefore their funding costs cannot be compared with those of other banks. Loan-to-deposit margin for "total of five banks" are thus shown in gross margin which does not include such expenses.

General & administrative expenses	212.2	(13.6)	140.3	37.1	177.4	(9.2)	28.0	(4.1)	1.9	4.7
Personnel expenses	66.3	(19.4)	41.0	10.3	51.4	(15.7)	12.1	(3.1)	0.9	1.8
Non-personnel expenses	133.3	4.5	90.6	24.5	115.2	5.3	14.3	(0.9)	0.8	2.9
Systems-related expenses *5	44.5	6.3	31.4	7.8	39.3	5.6	3.6	0.5	0.3	1.1
Taxes	12.5	1.2	8.5	2.2	10.8	1.1	1.6	(0.0)	0.0	0.0

*5 Reported figures are based on the Business Revitalization Plan

Number of employees*6	18,906	-1,699	11,829	3,111	14,940		3,253		281	432
-----------------------	--------	--------	--------	-------	--------	--	-------	--	-----	-----

*6 Reported figures are based on the Business Revitalization Plan (including the seconded employees, and excluding directors and executive officers).

The number of employees for Resona Bank does not include those employees who are seconded to Resona Trust & Banking.

III. Credit-related Costs

(Billions of yen)	Total of 4 banks		Resona		Saitama Resona		Kinki Osaka		Nara	
	1st half of FY '03		1st Half of FY '03		1st Half of FY '03		1st Half of FY '03		1st Half of FY 03	
Total credit-related expenses	1,308.6		1,064.7		22.5		220.6		0.6	
Disposal exp. (non-recurring)	1,246.9		1,027.2		20.7		198.1		0.7	
Provision to general reserve	57.9		33.7		1.7		22.4		(0.0)	
Disposal in trust account	3.7		3.7		-		-		-	
Withdrawal from nonbank business, etc	367.5		296.7		-		70.7		-	
Assistance for borrowers' rehabilitation	142.7		130.8		-		11.9		-	
Addition to reserve (DCF method and other)	383.5		326.2		9.3		48.0		-	
Reassessment of collateral	57.3		34.6		4.6		17.8		0.4	
Other	357.5		276.4		8.6		72.2		0.3	
Losses on stocks of subsidiaries and affiliates, etc.	56.8		46.2				10.6			

IV. Claims disclosure according to the Financial Reconstruction

(Billions of yen)	Total of four banks		Resona Bank*2		Saitama Resona Bank		Kinki Osaka Bank		Nara Bank	
	Sep. 30, 2003	Change from Mar. 31, 2003	Sep. 30, 2003	Change from Mar. 31, 2003	Sep. 30, 2003	Change from Mar. 31, 2003	Sep. 30, 2003	Change from Mar. 31, 2003	Sep. 30, 2003	Change from Mar. 31, 2003
Unrecoverable or valueless claims	643.4	254.6	484.3	216.4	25.3	(4.1)	126.5	41.8	7.2	0.6
Risk claims	1,216.5	463.6	1,001.3	443.9	61.0	(0.1)	150.6	20.2	3.5	(0.3)
Special attention loans	1,358.9	(405.5)	1,173.7	(314.4)	79.4	(1.4)	102.4	(89.8)	3.3	0.2
Total of classified claims (NPL)	3,219.0	312.7	2,659.4	345.9	165.7	(5.8)	379.6	(27.8)	14.1	0.4
NPL ratio *1	11.2%	1.9%	12.6%	2.6%	3.5%	-0.1%	13.8%	0.6%	10.6%	0.5%

*1 NPL ratio = Classified claims under the Financial Reconstruction Law criteria/Total claims

Estimate amount of NPL (FRL criteria) at Mar. 31, 2004	abt. 1,950.0	abt. 1,550.0	abt. 160.0	abt. 225.0	abt. 12.0
--	--------------	--------------	------------	------------	-----------

V. Reserve Ratios by Borrower Categories

(Reported herein are the non-consolidated figures of subsidiary banks)

(Billions of yen)	Total of four banks		Resona Bank *1		Saitama Resona Bank		Kinki Osaka Bank		Nara Bank	
	Sep. 30, 2003	Change from Mar. 31, 2003	Sep. 30, 2003	Change from Mar. 31, 2003	Sep. 30, 2003	Change from Mar. 31, 2003	Sep. 30, 2003	Change from Mar. 31, 2003	Sep 30, 2003	Change from Mar. 31, 2003
Bankrupt and effectively bankrupt borrowers	100.0%	---	100.0%	---	100.0%	---	100.0%	---	100.0%	---
Outstanding exposure *2	643.4	254.6	484.3	216.4	25.3	(4.1)	126.5	41.8	7.2	0.6
Collateral and guarantees	86.7%	-1.2%	88.6%	2.5%	92.2%	-6.3%	81.2%	-12.5%	33.6%	-3.5%
Reserve ratio *3	13.3%	1.2%	11.4%	-2.5%	7.8%	6.3%	18.8%	12.5%	66.4%	3.5%
Reserve ratio against the uncovered portion	100.0%	---	100.0%	---	100.0%	---	100.0%	---	100.0%	---
Doubtful borrowers	92.9%	9.8%	92.1%	9.4%	91.7%	8.6%	99.0%	14.1%	93.6%	-1.1%
Outstanding exposure *2	1,216.5	463.6	1,001.3	443.9	61.0	(0.1)	150.6	20.2	3.5	(0.3)
Collateral and guarantees	35.7%	-19.3%	32.3%	-21.3%	61.0%	0.4%	47.6%	-10.2%	61.6%	-5.9%
Reserve ratio *3	57.2%	29.1%	59.8%	30.8%	30.7%	8.2%	51.4%	24.3%	32.0%	4.8%
Reserve ratio against the uncovered portion	89.0%	26.5%	88.3%	25.7%	78.7%	21.6%	98.1%	33.8%	83.5%	-0.2%
Special attention borrowers	67.2%	10.6%	64.1%	11.7%	73.0%	3.6%	96.9%	18.5%	97.1%	4.3%
Outstanding exposure *2	1,649.6	(692.3)	1,418.4	(516.1)	103.7	0.5	123.1	(176.7)	4.3	---
Collateral and guarantees	37.8%	-2.1%	34.8%	-0.4%	58.1%	2.6%	54.5%	-10.7%	72.2%	5.2%
Reserve ratio *3	29.4%	12.7%	29.4%	12.0%	14.9%	1.0%	42.4%	29.2%	24.8%	-0.9%
Reserve ratio against the uncovered portion	47.3%	19.5%	45.0%	18.3%	35.5%	4.4%	93.2%	55.2%	89.4%	11.4%
Other watch borrowers	50.3%	8.9%	43.9%	7.6%	60.7%	-3.3%	79.7%	10.5%	66.8%	14.3%
Outstanding exposure *2	2,328.4	(1,209.7)	1,789.2	(1,150.1)	220.9	(24.0)	306.0	(34.9)	12.2	(0.4)
Collateral and guarantees	46.1%	6.3%	39.4%	4.8%	58.2%	-3.8%	76.2%	7.8%	65.3%	14.7%
Reserve ratio *3	4.1%	2.5%	4.5%	2.8%	2.5%	0.5%	3.5%	2.7%	1.5%	-0.4%
Normal borrowers*3	0.12%	0.03%	0.14%	0.03%	0.03%	0.00%	0.19%	0.10%	0.27%	0.03%
Outstanding exposure *2	22,927.9	(1,201.0)	16,455.7	(1,005.5)	4,329.2	(3.5)	2,037.3	(189.4)	105.5	(2.4)
[Reference] Total Claims	28,766.1	(2,384.7)	21,149.2	(2,011.5)	4,740.3	(31.4)	2,743.7	(339.0)	132.8	(2.6)

*1 Reserve ratio of Resona Bank includes its banking and trust accounts.

*2 Reported amounts are after partial direct write-off. (Nara Bank does not implement partial direct write-offs.)

*3 Reserve ratio = Amount of loan loss reserves provided for each borrower category / Outstanding exposure amount for each borrower category

Reserve ratio against the uncovered portion = Amount of loan loss reserves provided for each borrower category / (Outstanding exposure amount for each borrower category - Amount of the portion covered by collateral, guarantees, etc.)

VI. Unfunded Retirement Benefit Liabilities

(Reported herein are the non-consolidated figures of subsidiary banks)

	(Billions of yen)	Mar. 31, 2003		Sep. 30, 2003		Expenses for 1st Half of FY 2003		Estimated annual cost reduction in and after FY 2004 (Expected cost reduction accompanying disposal of unfunded liabilities in the 1st half of fiscal 2003)	
					Change				
Total of Three Banks	Retirement benefit liabilities	800.0	527.8	(272.2)		Extraordinary loss	(88.6)	Total cost reduction	Approx. 33.5
	Unfunded liabilities to be amortized	456.4	219.4	(237.0)		Unfunded liabilities disposed	(212.5)	Personnel expense	Approx. 7.0
Resona Bank	Retirement benefit liabilities	679.3	461.9	(217.4)		Extraordinary loss	(80.9)	Total cost reduction	Approx. 28.0
	Unfunded liabilities to be amortized	398.7	197.6	(201.1)		Unfunded liabilities disposed	(179.4)	Personnel expense	Approx. 5.0
Saitama Resona Bank	Retirement benefit liabilities	38.8	26.8	(12.0)		Extraordinary loss	(2.1)	Total cost reduction	Approx. 1.5
	Unfunded liabilities to be amortized	21.1	12.2	(8.9)		Unfunded liabilities disposed	(7.7)	Personnel expense	Approx. 0.5
Kinki Osaka Bank	Retirement benefit liabilities	81.8	39.0	(42.8)		Extraordinary loss	(5.5)	Total cost reduction	Approx. 4.0
	Unfunded liabilities to be amortized	36.5	9.5	(27.0)		Unfunded liabilities disposed	(25.3)	Personnel expense	Approx. 1.5

Consideration is being given to lowering the discount rate (current rate: 2.5%) at the end of this fiscal year with a view to further improving the soundness of pension system.

Due to this possible change in discount rate, the amount of unfunded liabilities is expected to increase at the end of March 2004.

VII. Reserve for Business Restructuring

(Billions of yen)	Four banks	Resona	Saitama Resona*1	Kinki Osaka	Nara	
Reserve for business restructuring	104.0	88.2	0.5	15.1	0.1	
Computer systems	42.8	42.8	-	-	-	Against anticipated losses from outsourcing of systems, sales of hardware and software assets
Real estates	30.7	21.1	-	9.5	-	Against anticipated losses from sales of certain real estates accompanying consolidation of branches
Early retirement	20.1	13.9	0.5	5.6	0.1	Against anticipated expenses related to an introduction of "voluntary early retirement system"
Trust account	10.3	10.3	-	-	-	Against unrealized loss on securities in the Jointly Operated Money Trust (JOMT) account which are expected to remain at the end of the Intensive Revitalization Period (end of March 2005)

VIII. Deferred Tax Assets

(Reported herein are the non-consolidated figures of subsidiary banks)

(Billions of yen)	Total of four banks		Resona Bank		Saitama Resona Bank		Kinki Osaka Bank *2		Nara Bank *2	
	Sep. 30, 2003	Change from Mar. 31, 2003	Sep. 30, 2003	Change from Mar. 31, 2003	Sep 30, 2003	Change from Mar. 31, 2003	Sep 30, 2003	Change from Mar. 31, 2003	Sep 30, 2003	Change from Mar. 31, 2003
Deferred tax assets <net of DTA and DTL> [(1)+(2)]	83.4	(427.4)	35.9	(355.6)	41.4	(2.3)	5.8	(69.0)	0.1	(0.4)
Ratio to non-consolidated Tier I capital*1	8.0%	(95.4%)	4.4%	(148.6%)	28.4%	(0.6%)	7.5%	(82.7%)	2.6%	(10.6%)
Exemplification category No. (JICPA's guideline)			No.4 Exceptional (1 year)		No.4 Exceptional (5 years)		No.4 (1 year)		No.4 Exceptional (1 year)	

Exemplification category No.: Exemplification categories defined in the JICPA's Accounting Committee Report No.66 (November 9, 1999)

*1 Amount of net deferred tax assets / non-consolidated stockholders' equity

*2 Ratio to non-consolidated Tier I capital is based on the Tier I capital amount after capital increase. (issue date: November 20, 2003, Issue amount: Kinki Osaka Bank, Y300 bil., Nara Bank, Y4 bil.)

a) Total deferred tax assets	193.8	(390.0)	132.0	(322.5)	54.4	0.7	7.2	(67.7)	0.1	(0.5)
Of which, valuation allowance	(1,813.1)	(925.9)	(1,589.1)	(761.5)	(10.2)	0.4	(210.7)	(163.6)	(3.0)	(1.2)
b) Deferred tax liabilities (other than (2) below) *3	(36.4)	35.0	(29.7)	33.1	(6.6)	1.8	-	-	-	-
(1) Net deferred tax assets [(a)+(b)] *4	157.4	(354.9)	102.2	(289.3)	47.7	2.6	7.2	(67.7)	0.1	(0.5)
(2) Deferred tax liabilities (unrealized difference) *5	(74.0)	(72.4)	(66.2)	(66.2)	(6.3)	(5.0)	(1.3)	(1.2)	0.0	0.1

*3 Deferred tax liabilities in relation to the gains on establishment of retirement benefit trust.

*4 Net of a) total deferred tax assets and b) deferred tax liabilities

*5 Deferred tax liabilities in relation to the net gains on securities available for sale ("other securities")

IX. Outline of Account Separation by Resona

Balances of "Revival Account" assets	Loans	Securities	Real Estate	Guarantee Deposit Paid	Other Assets
3,566.1	2,826.3	558.7	118.6	60.4	2.0

* Balances are being checked by a disinterested party

NPL under FRL criteria*
2,585.4

* Of the loan assets separated into the "Revival account," NPL defined under the Financial Reconstruction Law criteria is shown above.

Difference between "loans" and "NPL under FRL criteria" is the difference between "special attention loans" and "loans to special attention borrowers."

X. Earnings Estimates for Fiscal Year Ending March 2005

(Billions of yen)	Resona Holdings (Consolidated)	
	1st Half (Actual)	Full year estimate
Ordinary income	616.4	1,100.0
Consolidate gross operating profit	395.8	790.0
General & administrative expense	(277.8)	(550.0)
Non-recurring profit/(loss), net and other	(1,353.8)	(1,420.0)
Ordinary profit/(loss)	(1,235.8)	(1,180.0)
Extraordinary gains/(losses), net	(173.9)	(171.0)
Net income/(loss)	(1,769.6)	(1,710.0)

(Billions of yen)	Resona Holdings (Non-consolidated)	
	1st Half (Actual)	Full year estimate
Ordinary income	25.8	33.0
Ordinary profit	18.0	18.5
Net income/(loss)	(1,480.7)	(1,480.0)

Estimate for consolidated capital adequacy ratio of Resona HD at the end of fiscal 2003	Approx. 6.7%
---	--------------

[Reference] Non-consolidated earnings estimates of subsidiary banks (Based on Business Revitalization Plan)

*Estimates for the 2nd half is calculated by subtracting the 1st half results from the full year estimates.

(Billions of yen)	Five Banks	Resona		Saitama Resona	Kinki Osaka	Nara	Resona Trust
	Full Year Estimate	Full Year Estimate	2nd Half *	Full Year Estimate	Full Year Estimate	Full Year Estimate	Full Year Estimate
Gross operating profit	666.5	438.0	225.7	111.2	86.9	3.7	26.7
General & administrative expenses	(428.3)	(285.7)	(145.4)	(74.1)	(54.2)	(4.6)	(9.7)
Actual net operating profit	241.9	156.0	80.3	37.1	32.7	(0.8)	16.9
Non-recurring profit/(loss), net	(1,438.5)	(1,155.9)	(82.1)	(33.0)	(248.3)	(0.9)	(0.4)
Total credit-related expenses	1,371.5	1,114.8	50.0	29.5	226.6	0.6	-
Ordinary profit/(loss)	(1,196.6)	(999.9)	35.7	4.2	(215.7)	(1.7)	16.5
Extraordinary gain/(loss), net	(172.6)	(152.0)	1.8	(2.4)	(18.3)	(0.3)	0.4
Income Taxes, net of current and deferred	(362.5)	(286.6)	-	(1.3)	(67.8)	(0.2)	(6.6)
Net income/(loss)	(1,731.8)	(1,438.5)	37.6	0.5	(301.8)	(2.3)	10.3

Estimate for capital adequacy ratios at the end of fiscal 2003	[Consolidated]	[Non-consolidated]	[Consolidated]	[Non-consolidated]	[Non-consolidated]
	Approx. 6.4%	Approx. 7.7%	Approx. 7.0%	Approx. 7.2%	Approx. 110%