
**Financial Results for FY 2005
Reference Materials for Press Conference**



RESONA

May 23, 2006



Resona Holdings, Inc.

I. Financial Highlights for Fiscal Year 2005

Registered a consolidated net income of Y383.2bn

- Achieved year on year increase both in gross operating income and net income on a consolidated basis
- Steady growth in non-interest income
(weight to total gross operating income: 23.6% for FY2005)

Combined retained earnings reached Y756.8bn at the end of FY2005

- Accumulated amount is Y305.5bn higher than the targeted amount in the Business Revitalization Plan
- Retained earnings is expected to exceed Y1tn by the end of Fiscal Year 2006
(Possible outflows due to repurchase of stocks and others are not taken into account.)

Steady growth trend is continuing for principal businesses

- Consolidated loan balance hit the bottom and began to increase
Year on year increase in term-end balance: +0.89tn
- Housing loans: Housing loan ratio exceeded 40% (Total of group banks)
- Financial products: Cumulative balance sold to individuals Y2.64tn
Ratio to domestic deposits held by individuals: above 12%

Resumed common dividends (Dividend amount per common share: Y1,000)

- The first common dividends since the interim dividends paid for 1H of FY2000.

FY2006 as a year to move into high gear for repayments of public funds

- Formulated basic policies for repayments of public funds
-->For further details, please refer to a separate announcement, titled "Basic Policy for Repayments of Public Funds"

Resona Holdings (Consolidated)

Billions of yen	FY2004	FY2005	Change
Gross operating profit	763.1	768.6	5.5
Ordinary profit	396.4	368.3	(28.1)
Net income	365.5	383.2	17.6

Resona Holdings (Non-consolidated)

Billions of yen	FY2004	FY2005	Change
Operating income	74.5	317.5	242.9
Net income	44.5	299.0	254.5

[Assets]

Loans

Loans outstanding (Group consolidated) 26.20 tn.	Increase of 0.89 tn. from Mar. '05 (refer to page 5)
NPL ratio (Group banks total) 2.56%	Decrease of 0.83% from Mar. '05 (refer to page 5)
Housing loans (Group banks total) 10.86 tn.	Effective increase of 0.80 tn. from Mar. '05 (refer to page 6)

Net unrealized gains on other securities (Group consolidated)

Stocks: +459.9 bn.	Increase of 226.1 bn. from Mar. '05
Bonds: -75.3 bn.	Reduction of 90.5 bn. from Mar. '05

Deferred tax assets (Group consolidated)

Net DTA: 3.5 bn. (1year)	Decrease of 42.0 bn. from Mar. '05
Ratio to Tier I: 0.2%	Decrease of 3.5% from Mar. '05

[Liabilities]

Deposits and investment products for individuals

Outstanding of investment products sold: 2.64 tn. Ratio of investment products sold 12.2%	Increase of 0.92 tn. from Mar. '05 +3.2% (refer to page 6)
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Subordinated loans (public funds)

Repayment Sep. 2005: 100 bn.	Repayment Oct. 2005: 100 bn.
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Stockholders' equity and other

Preferred securities (Group consolidated) July 2005 Procured US\$1.15 bn.	November 2005 Redeemed 264.2 bn.
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Capital adequacy ratio (Group consolidated)

[Preliminary] 9.97%	+0.23% from Mar. '05
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Resumed common dividends

Y1,000 per common share (The first common dividends since 1H FY '00)

Basic policies for repayments of public funds Presented basic policies and approaches for repayments

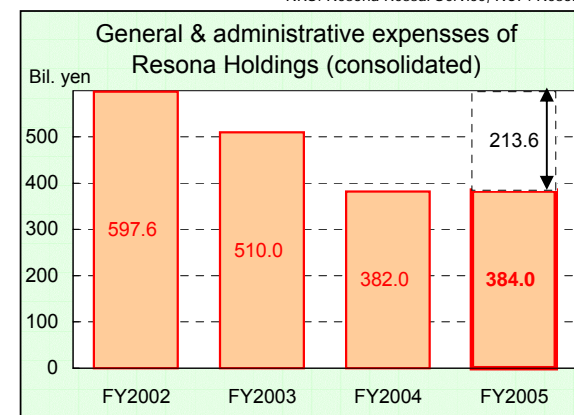
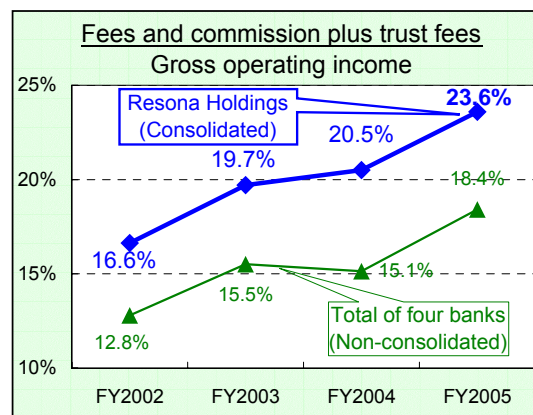
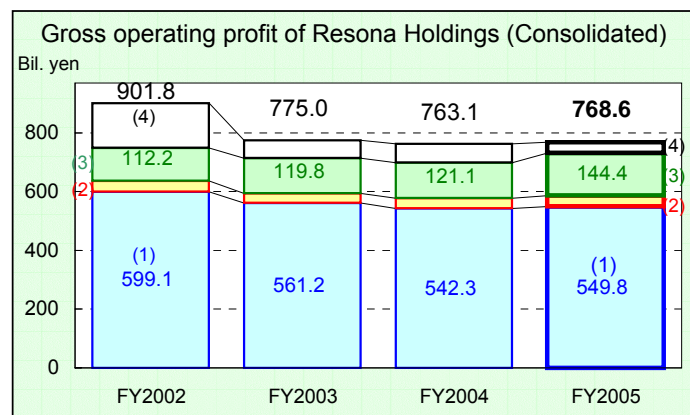
BIS qualifying capital

Billions of yen	Total of group banks		Resona	Saitama Resona	Kinki Osaka	Resona Trust
	FY 2005	change from FY2004				
Actual net operating profit	345.2	(20.0)	239.4	66.6	23.6	14.9
Cost-to-income ratio (OHR) (after disposal of NPLs in the trust account)	50.2%	+ 1.6%	48.4%	50.9%	63.3%	41.7%
Income before income taxes	401.4	9.2	300.2	57.7	28.7	15.0

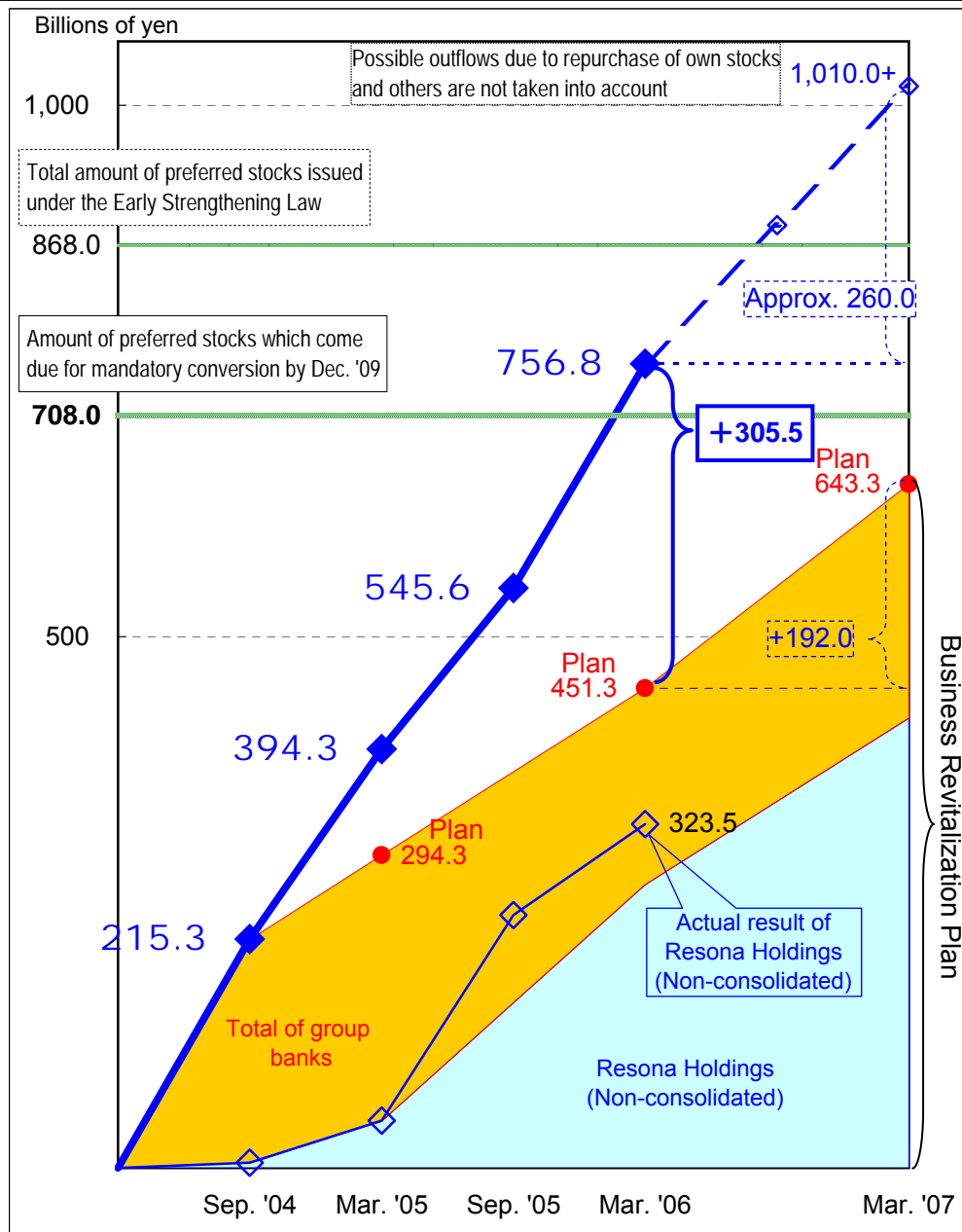
II. Outline of Financial Results for Fiscal Year 2005

(Billions of yen)	Resona Holdings (consolidated)		Difference (a) - (b)	Total of four banks (non-consolidated basis)		Resona Bank	Saitama Resona Bank	Kinki Osaka Bank	Resona Trust & Banking	Factors accounting for difference (a) - (b) (Approx. figures)
	(a)	change from FY 2004		(b)	change from FY 2004					
Gross operating profit	768.6	5.5	74.9	693.6	(16.0)	464.7	135.8	64.5	25.7	
excluding net gains on bonds	780.9	35.1	74.9	705.9	13.5	472.4	138.8	66.2	25.7	
(1) Net interest income	549.8	7.4	21.9	527.8	(10.2)	350.5	115.6	59.2	(0.0)	RC 10.0 bn, cancellation of interest payments for capital securities and other
(2) Trust fees	36.6	1.4	-	36.6	1.4	7.5	-	-	29.1	
(3) Fees and commissions income	144.4	23.3	53.3	91.0	18.7	66.4	21.2	6.3	(3.3)	RG 28.0 bn, RC 14.0 bn, RKS 2.0 bn and other
(4) Other operating income	37.7	(26.7)	(0.3)	38.0	(26.0)	40.2	(1.1)	(1.0)	-	
Actual net operating profit				345.2	(20.0)	239.4	66.6	23.6	14.9	(Net operating profit before transfer to general reserve for possible loan losses and expenses related to problem loan disposal in the trust account.)
Core net operating profit				357.4	9.5	247.1	69.6	25.3	14.9	(Actual net operating profit less bond-related income)
General & administrative expenses	384.0	1.9	24.3	359.7	(0.8)	234.3	70.6	41.7	10.7	RC 15.0 bn, RG and RKS 4.5 bn, and other
Gain/(loss) on stocks	58.5	(32.5)	4.6	53.9	8.7	53.2	0.6	0.0	-	RCP 2.0 bn, RC 2.0 bn and other
Credit related expenses	6.9	(34.6)	21.4	(14.5)	24.8	(16.0)	7.0	(6.2)	-	RG 15.0 bn, RC 6.0 bn, and other
Other gain/(loss), net	(33.7)	7.3	(32.7)	(0.9)	40.5	0.4	(1.0)	(0.3)	0.0	Loss on redemption of preferred securities 19.1 bn, amortization of consolidation differences 6.8bn, and other
Income before income taxes	402.5	13.0	1.0	401.4	9.2	300.2	57.7	28.7	15.0	
Income taxes, current and deferred	19.2	(4.6)	8.5	10.6	4.8	(17.0)	24.7	(3.1)	6.1	Minority interests in net income 12.6 bn, income taxes received by Resona HD 3.7 bn, and other
Net income	383.2	17.6	(7.4)	390.7	4.4	317.3	33.0	31.8	8.9	

RC: Resona Card, RG: Resona Guarantee, RKS: Resona Kessai Service, RCP: Resona Capital



III. Total retained earnings (Total of Resona HD and its subsidiary banks)

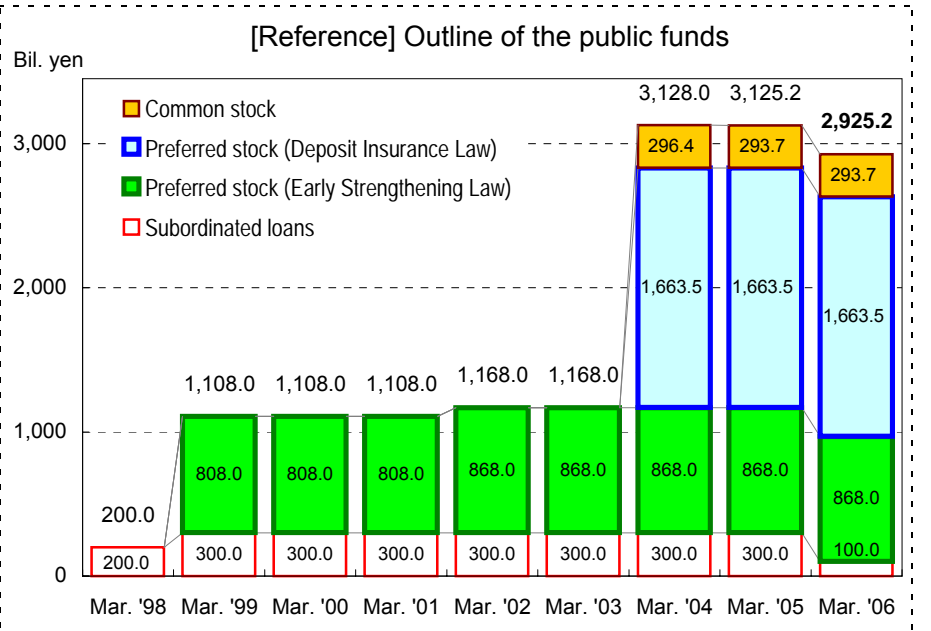


Combined retained earnings at the end of FY 2005 (actual result)

Bil. yen	Plan: 294.3	Plan: 451.3	Actual: 756.8
Retained earnings			
Increase planned in the BRP during FY '05	+157.0		+305.5
Amount in excess of BRP target for FY '04		+100.0	+100.0
Amount in excess of BRP target for FY '05			+205.5
Additional profit by Resona Bank			+177.8

Expected level of combined retained earnings at the end of FY 2006

Bil. yen	756.8	(756.8 + 192.0 = 948.8)	1,010.0+
Retained earnings			
Increase planned in the BRP during FY '06	+192.0	+69.0	+192.0
Deterioration for resumption of common share dividends		(11.3)	
Excess profits to be accumulated by group banks (vis-à-vis. BRP)		+80.0	



Note: Amount less than 0.1billion yen are rounded down.

IV. Capital Adequacy Ratio

(Billions of yen)	Mar. 31. '05 (1)	Sep. 30. '05 (2)	Mar. 31, '06 [Provisional] (3)	(3) - (1)
Resona HD's consolidated Tier I (a)	1,192.8	1,239.6	1,425.7	232.8
Capital stock and capital surplus	590.6	590.6	590.7	0.0
Preferred stock	2,537.8	2,537.8	2,531.8	(6.0)
Retained earnings	364.8	540.1	717.7	352.9
Other qualifying Tier I capital	237.3	108.7	117.3	(120.0)
Preferred securities	264.2	130.1	135.0	(129.1)
[Reference] Deferred tax assets (b)	45.5	5.9	3.5	(42.0)
Resona HD's consolidated Tier II	1,021.4	1,086.3	971.1	50.2
45% of unrealized gains on other securities	This item not applicable to domestic standard banks			
45% of the land revaluation gains *1	49.0	48.2	48.2	(0.7)
General reserve for possible loan losses *2	141.3	142.5	149.5	8.2
Subordinated debts	831.0	895.5	773.3	(57.7)
Public funds	300.0	200.0	100.0	(200.0)
Amount to be deducted	(10.8)	(10.9)	(10.9)	(0.0)
Resona HD's consolidated total qualifying capital	2,203.4	2,315.0	2,386.0	182.5
Resona HD's consolidated risk-adjusted assets	22,614.0	22,815.9	23,930.7	1,316.7
Resona HD's consolidated capital adequacy ratio (provisional)	9.74%	10.14%	9.97%	0.23%
Tier I ratio	5.27%	5.43%	5.95%	0.68%
Ratio of DTA to qualifying Tier I (b)/(a)	3.81%	0.47%	0.24%	-3.57%

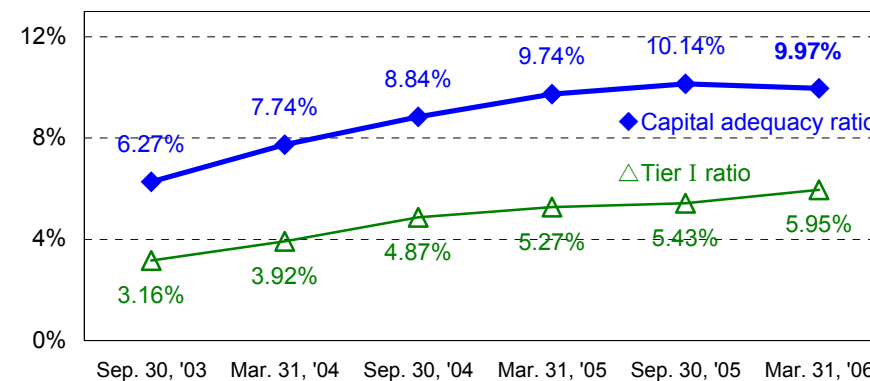
*1 45% of the difference between land after revaluation and the book value immediately before revaluation

*2 Since the Japanese domestic capital adequacy standard is applicable to Resona group, maximum rate is 0.625% of the risk-adjusted assets.

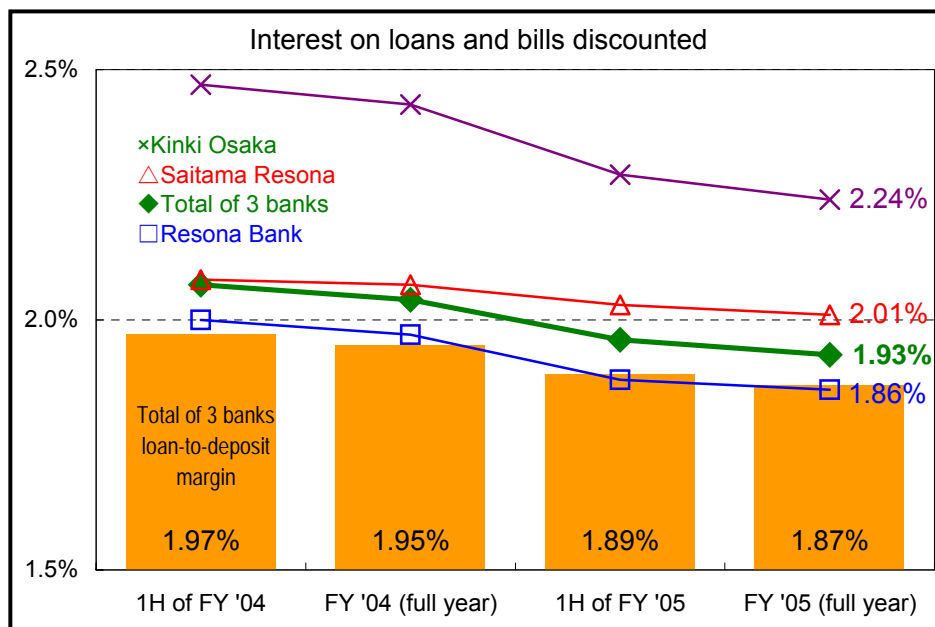
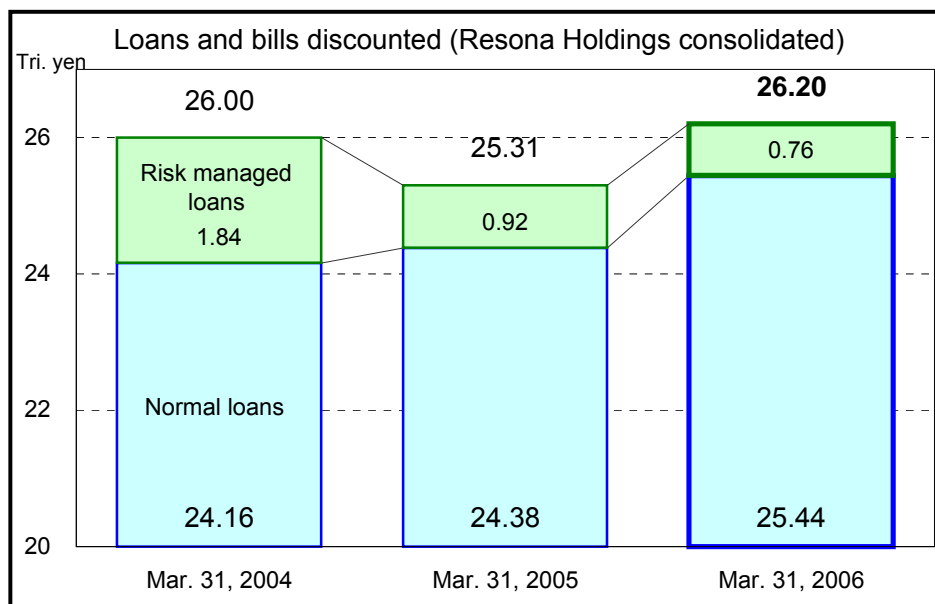
(Billions of yen)	Resona (Consolidated)	Saitama Resona (Non-consolidated)	Kinki Osaka (Consolidated)	Resona Trust (Non-consolidated)
Capital adequacy ratio (provisional)	9.08%	8.20%	8.17%	124.81%
Change from Mar. 31 '05	0.25%	-0.09%	0.02%	-3.13%
Total qualifying capital	1,579.7	368.7	171.2	28.8
Change from Mar. 31 '05	(44.9)	11.0	9.1	0.4
Qualifying Tier I capital (a)	921.6	203.9	108.1	28.8
Qualifying Tier II capital	774.0	164.7	63.0	-
Risk Assets	17,393.6	4,496.9	2,095.6	23.0
Change from Mar. 31 '05	(1,005.5)	182.9	108.1	0.9
Ratio of DTA to Tier I capital*	0.03%	-	3.51%	2.10%
Change from Mar. 31 '05	-3.53%	-1.78%	-6.16%	-0.05%
Deferred tax assets (DTA) (b)	0.2	-	3.8	0.6

*Gross DTA stated on the asset side of the balance sheet (b)/Qualifying Tier1 capital (a)

[Reference] Capital adequacy ratio of Resona Holdings (Consolidated)



V. Loans and Bills Discounted



Note: Amount less than 0.1 billion yen are rounded down.

VI. Classified claims (NPL) and Credit Related Expenses

Billions of yen	Total of 3 banks	Resona	Saitama Resona	Kinki Osaka
Unrecoverable or valueless claims	63.4	35.8	11.2	16.3
Risk claims	292.6	200.2	41.8	50.4
Special attention loans	354.7	283.4	33.5	37.7
Total classified claims (NPL)	710.8	519.5	86.7	104.5
change from Mar. 31, '05 *1	(208.0)	(117.3)	(19.5)	(63.7)
NPL ratio *2	2.56%	2.68%	1.50%	3.98%
change from Mar. 31, '05	-0.83%	-0.67%	-0.46%	-2.64%

*1 Resona Bank's total classified claims as of the end of March 2005 do not include the amount for the former Nara Bank

*2 Total classified claims/Financial Reconstruction Law total (banking and trust accounts)

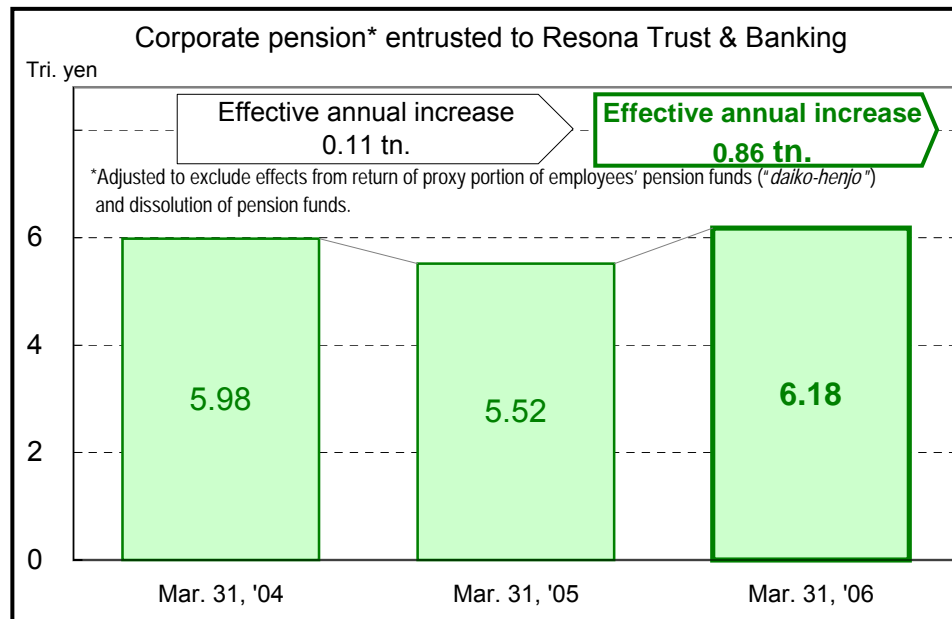
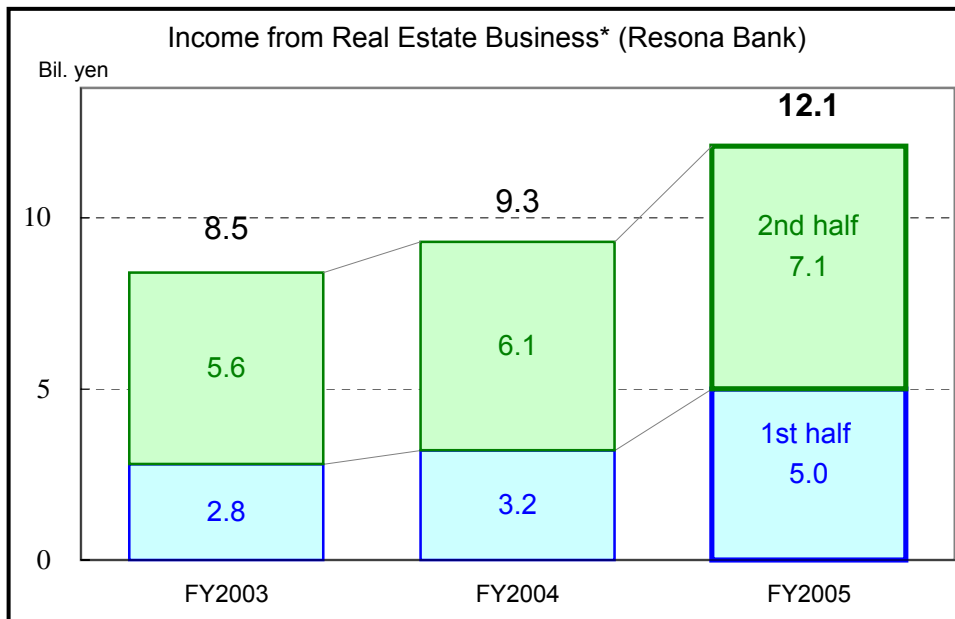
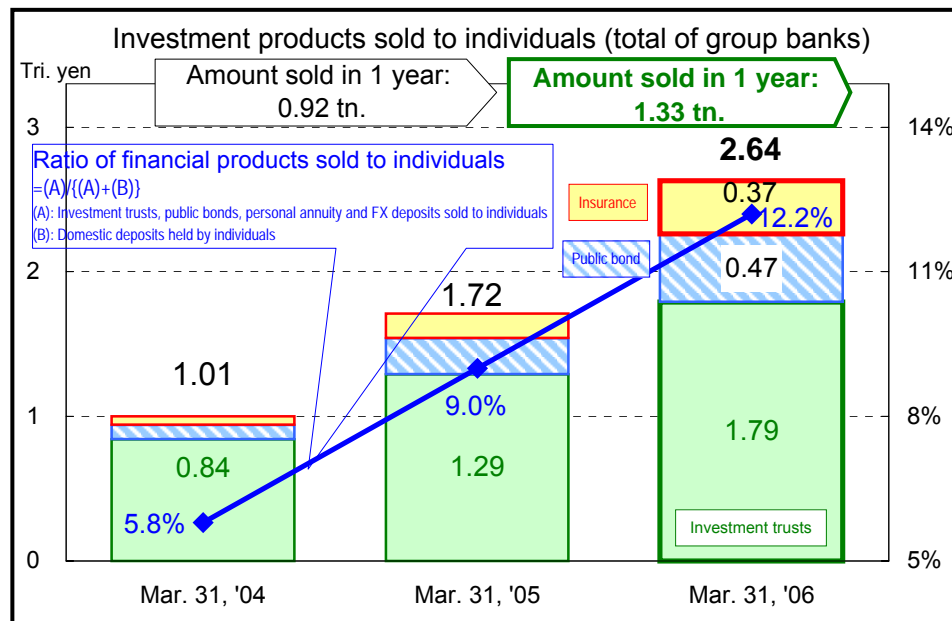
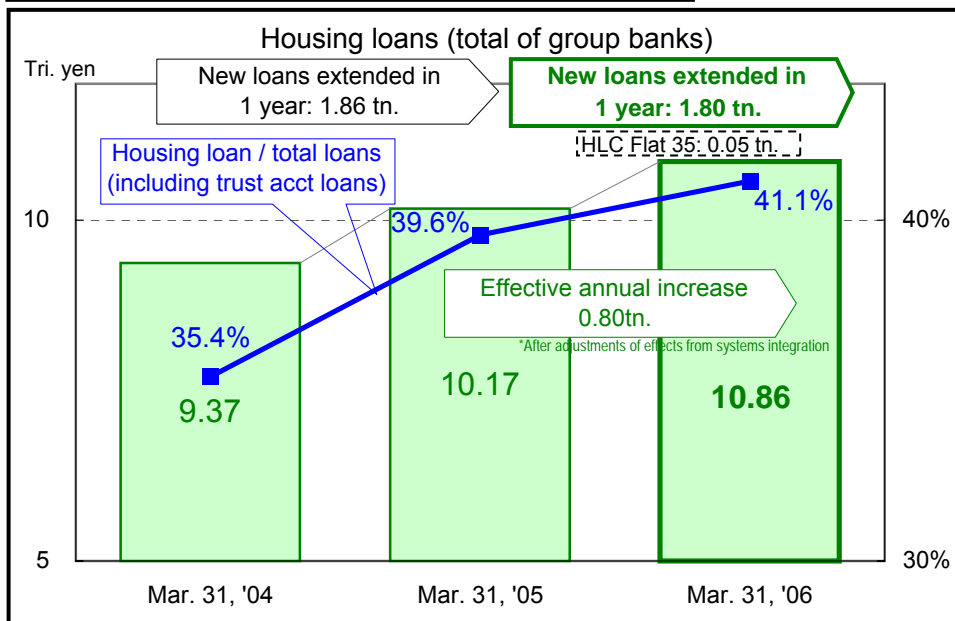
Billions of yen	Total of 3 banks*	Resona	Saitama Resona	Kinki Osaka
Disposal in the trust account	0.0	0.0	-	-
Net addition to general reserve	(17.8)	0.3	(4.1)	(14.1)
Net addition to specific reserve	20.7	9.8	8.0	2.7
Write-off of loans and others	(17.5)	(26.1)	3.1	5.1
Total credit-related expenses	(14.5)	(16.0)	7.0	(6.2)
change from Mar. 31, '05	24.8	30.6	(6.9)	0.4
(a) Deterioration in borrower categories	90.7	61.0	17.4	11.6
(b) Off-balancing and other	(84.5)	(70.8)	(6.3)	(7.4)
(c) Provision of general reserve, etc.	(20.7)	(6.2)	(4.1)	(10.4)

*Numbers in the "total of 3 banks" column are inclusive of Y0.7bn of credit expenses incurred by the former Nara Bank.

The above breakdown of credit expenses are computed based on the actual results for the 1st half and 2nd half in accordance with the following criteria

- Total of loss from new bankruptcies and downward migration and gains from reversals of loan loss reserves resulting from upward migration, etc.
- Gains from collection of claims to "doubtful" and lower category borrowers and gains from reversals of loan loss reserves or recoveries of written-off claims to such borrowers
- Net gains/(losses) from addition to or reversal of general reserve and other factors.

VII. Resona's core areas of strength



VIII. Earnings Forecasts for Fiscal Year Ending March 2007

(Billions of yen)	Resona Holdings (Consolidated)		
	1st half forecast	Full year forecast	Change from FY 2005
Ordinary income	470.0	950.0	(97.0)
Ordinary profit	175.0	315.0	(53.3)
Net (interim) income	165.0	300.0	(83.2)

Estimate for consolidated capital adequacy ratio of Resona HD at the end of fiscal 2006

Approx. 10%

*Under current regulation

(Billions of yen)	Resona Holdings (Non-consolidated)		
	1st half estimate	Full year estimate	Change from FY 2005
Operating income	260.0	390.0	72.5
Ordinary profit	255.0	380.0	77.9
Net (interim) income	255.0	380.0	81.0

Forecast for term-end per share dividend on common stock	1,000yen
Forecast for term-end per share dividend on preferred stock	As pre-determined

(Billions of yen)	Total of Five Banks (approx. figure)				Resona Full year estimate	Saitama Resona Full year estimate	Kinki Osaka Full year estimate	Resona Trust & Banking Full year estimate	
	1st half estimate	Full year estimate	Change from FY 2005	Business Revitalization Plan					
Gross operating profit	350.0	705.0	11.4	692.0	475.0	140.0	64.0	25.0	
General & administrative expenses	177.0	365.0	16.5	364.0	240.0	72.0	41.0	12.0	
Actual net operating profit	173.0	340.0	(5.2)	328.0	235.0	68.0	23.0	13.0	
Ordinary profit	171.5	313.0	(23.6)	236.0	227.0	58.0	17.0	13.0	
Extraordinary profit/(loss), net	(1.5)	(3.0)	(67.7)	(7.0)	(2.0)	(1.0)	-	-	
Income before income taxes	170.0	310.0	(91.4)	229.0	225.0	57.0	17.0	13.0	
Net (interim) income	165.0	300.0	(90.7)	219.0	Resona Group started applying consolidated tax return system from fiscal year 2005				

*Total credit-related expenses	20.0	43.0	57.5	74.0	30.0	56.0	7.5	5.0
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Estimate for capital adequacy ratios at the end of fiscal 2006

*Under current regulation

[Consolidated]

middle 8%

[Non-consolidated]

lower 8%

[Consolidated]

approx. 8%

[Non-consolidated]

approx. 120%

The forward-looking statements contained in this presentation may be subject to material change due to the following 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.