



# Resona Holdings, Inc.

Consolidated Financial Results for the First Quarter of Fiscal Year 2019  
(Three months ended June 30, 2019/ Unaudited)  
<under Japanese GAAP>



Code number: 8308 Stock exchange listings: Tokyo  
URL: <https://www.resona-gr.co.jp/holdings/english/index.html>  
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Quarterly securities report issuing date: August 6, 2019 Dividends payment date: -  
Supplemental information for the financial results: Available Trading accounts: Established  
Quarterly investor meeting presentation: Scheduled (for institutional investors and analysts)

Note: Amounts of less than one million yen are rounded down.

## 1. Consolidated Financial Results for the First Quarter of Fiscal Year 2019 (April 1, 2019- June 30, 2019)

(1) Consolidated Operating Results (% represents the change from the previous fiscal year)

	Ordinary Income		Ordinary Profits		Net Income Attributable to Owners of Parent	
	Million yen	%	Million yen	%	Million yen	%
1Q of FY2019	198,839	( 0.2 )	50,702	( 9.1 )	36,706	( -47.5 )
1Q of FY2018	198,378	( 15.9 )	46,479	( -9.7 )	69,946	( 87.8 )

Note: Comprehensive Income: 1Q of FY2019: (6,041) million yen (-107.2%) 1Q of FY2018: 83,580 million yen (43.2%)

	Net Income per Share of Common Stock	Diluted Net Income per Share of Common Stock
	Yen	Yen
1Q of FY2019	15.89	15.89
1Q of FY2018	30.21	30.21

## (2) Consolidated Financial Conditions

	Total Assets	Net Assets	Net Assets Attributable to Stockholders to Total Assets Ratio
	Million yen	Million yen	%
June 30, 2019	58,956,877	2,311,584	3.5
March 31, 2019	59,110,075	2,356,178	3.6

(Reference) Net Assets Attributable to Stockholders: June 30, 2019: 2,069,827 million yen March 31, 2019: 2,111,030 million yen

Note: Net Assets Attributable to Stockholders to Total Assets Ratio is calculated at (Net assets at fiscal year-end minus Stock acquisition rights at fiscal year-end minus Non-controlling interests at fiscal year-end) divided by Total assets at fiscal year-end. This ratio is not capital adequacy ratio defined in the "Notification on Consolidated Capital Adequacy."

## 2. Dividends on Common Stock

	Dividends per Share				
	1st Quarter-end	2nd Quarter-end	3rd Quarter-end	Fiscal Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2018	-	10.50	-	10.50	21.00
FY2019	-	-	-	-	-
FY2019(Forecast)	-	10.50	-	10.50	21.00

Note: Revision of forecasts for dividends from the latest announcement: No

## 3. Earnings Targets for Fiscal Year 2019 (April 1, 2019 - March 31, 2020)

(% represents the change from the previous fiscal year)

	Net Income Attributable to Owners of Parent		Net Income per Share of Common Stock
	Million yen	%	Yen
1st half of FY2019	76,000	( -37.8 )	33.00
FY2019 (Full year)	160,000	( -8.7 )	69.48

Notes: 1. Revision of earnings targets from the latest announcement: No

2. The Group provides financial services, including credit card administration, etc. in addition to the banking and trust asset management and a variety of uncertainty caused by the economic environment, such as a negative interest rate introduced by the Bank of Japan, exists in the financial operation. Therefore, the Company discloses "Earnings targets" instead of "Earnings forecasts."

#### 4. Other

- (1) Changes in significant subsidiaries during the period : Yes  
 New : Not applicable  
 Excluded : 1 company, Kansai Urban Banking Corporation
- (2) Adoption of any particular accounting methods for quarterly consolidated financial statements: No
- (3) Changes in Accounting Policies, Changes in Accounting Estimates and Restatements  
 A) Changes due to revision of accounting standards : No  
 B) Changes due to other reasons : No  
 C) Changes in accounting estimates : No  
 D) Restatements : No
- (4) Number of Shares of Common Stock Outstanding  
 A) Total outstanding shares including treasury stock at the end of the period  
     June 30, 2019 : 2,324,118,091 shares  
     March 31, 2019 : 2,324,118,091 shares  
 B) Treasury stock at the end of the period  
     June 30, 2019 : 28,316,376 shares  
     March 31, 2019 : 7,296,614 shares  
 C) Average outstanding shares during the period  
     1Q of FY2019 : 2,309,810,178 shares  
     1Q of FY2018 : 2,315,095,036 shares

Note: Treasury stock at the end of the period included the stocks owned by ESOP-type Stock Benefit Trust for the Employee Shareholding Association.  
     June 30, 2019 : 5,625,400 shares  
     March 31, 2019 : 6,314,100 shares

Note: Status of the quarterly review process

This report is out of the scope of the external auditor's review procedure which is required by "Financial Instruments and Exchange Act."

Note: Disclaimer regarding Forward-looking Statements

This report contains forward-looking statements, which are based on the information currently available and certain assumptions the Company considers to be reasonable. Risks, uncertainties and other factors may cause actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. Resona Holdings does not revise the full year targets announced in May 2019, at this point in time.

Forecasted average number of shares of common stock (excluding treasury stock): 2,302,767,673 shares

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## 1. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of yen)

	March 31, 2019	June 30, 2019
<b>Assets</b>		
Cash and due from banks	¥ 14,848,528	¥ 15,024,026
Call loans and bills bought	177,949	466,089
Monetary claims bought	281,246	277,136
Trading assets	328,024	328,521
Securities	5,387,898	5,108,124
Loans and bills discounted	36,134,497	35,792,464
Foreign exchange assets	115,691	118,929
Leasing receivables and investment assets	41,652	40,752
Other assets	1,088,392	1,100,482
Tangible fixed assets	380,909	376,808
Intangible fixed assets	40,597	43,175
Net defined benefit asset	19,362	20,543
Deferred tax assets	28,913	29,094
Customers' liabilities for acceptances and guarantees	394,503	388,130
Reserve for possible loan losses	(158,058)	(157,367)
Reserve for possible losses on investments	(32)	(38)
<b>Total Assets</b>	<b>59,110,075</b>	<b>58,956,877</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Deposits	51,108,635	51,458,064
Negotiable certificates of deposit	1,195,350	991,800
Call money and bills sold	140,599	238,438
Payables under repurchase agreements	5,000	5,000
Payables under securities lending transactions	540,922	554,328
Trading liabilities	120,920	129,101
Borrowed money	752,637	748,151
Foreign exchange liabilities	4,387	8,228
Bonds	459,799	406,000
Due to trust account	1,155,804	867,152
Other liabilities	746,140	746,312
Reserve for employees' bonuses	19,581	7,384
Net defined benefit liability	19,077	18,259
Other reserves	43,559	42,076
Deferred tax liabilities	27,660	17,620
Deferred tax liabilities for land revaluation	19,318	19,243
Acceptances and guarantees	394,503	388,130
<b>Total Liabilities</b>	<b>56,753,897</b>	<b>56,645,292</b>
<b>Net Assets</b>		
Capital stock	50,472	50,472
Capital surplus	-	160
Retained earnings	1,614,908	1,627,393
Treasury stock	(4,213)	(13,829)
<b>Total stockholders' equity</b>	<b>1,661,168</b>	<b>1,664,197</b>
Net unrealized gains on available-for-sale securities	423,957	379,112
Net deferred gains on hedges	27,129	25,536
Revaluation reserve for land	42,204	42,033
Foreign currency translation adjustments	(4,823)	(3,818)
Remeasurements of defined benefit plans	(38,605)	(37,234)
<b>Total accumulated other comprehensive income</b>	<b>449,861</b>	<b>405,630</b>
Stock acquisition rights	309	309
Non-controlling interests	244,838	241,447
<b>Total Net Assets</b>	<b>2,356,178</b>	<b>2,311,584</b>
<b>Total Liabilities and Net Assets</b>	<b>¥ 59,110,075</b>	<b>¥ 58,956,877</b>

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

[Consolidated Statements of Income]

(Millions of yen)

	First Quarter of FY2018 From April 1, 2018 to June 30, 2018	First Quarter of FY2019 From April 1, 2019 to June 30, 2019
<b>Ordinary income</b>	¥ 198,378	¥ 198,839
Interest income	116,495	116,420
Interest on loans and bills discounted	94,988	93,646
Interest and dividends on securities	13,378	13,781
Trust fees	4,680	4,558
Fees and commissions	54,447	53,319
Trading income	941	747
Other operating income	11,104	16,211
Other ordinary income	10,710	7,581
<b>Ordinary expenses</b>	151,899	148,137
Interest expenses	10,493	13,197
Interest on deposits	4,679	5,299
Fees and commissions	10,972	10,006
Trading expenses	-	66
Other operating expenses	7,383	8,483
General and administrative expenses	111,988	106,497
Other ordinary expenses	11,061	9,885
<b>Ordinary profits</b>	46,479	50,702
<b>Extraordinary gains</b>	39,899	931
Gains on disposal of fixed assets	-	931
Gain from negative goodwill	29,055	-
Gain on step acquisitions	10,843	-
<b>Extraordinary losses</b>	1,884	327
Losses on disposal of fixed assets	213	179
Impairment losses on fixed assets	1,670	147
<b>Income before income taxes</b>	84,493	51,306
Income taxes – current	14,107	8,322
Income taxes – deferred	(692)	5,125
Total income taxes	13,415	13,448
<b>Net income</b>	71,078	37,858
<b>Net income attributable to non-controlling interests</b>	1,132	1,151
<b>Net income attributable to owners of parent</b>	¥ 69,946	¥ 36,706

[Consolidated Statements of Comprehensive Income]

(Millions of yen)

	First Quarter of FY2018 From April 1, 2018 to June 30, 2018	First Quarter of FY2019 From April 1, 2019 to June 30, 2019
<b>Net income</b>	¥ 71,078	¥ 37,858
<b>Other comprehensive income</b>	12,502	(43,899)
Net unrealized gains (losses) on available-for-sale securities	13,964	(45,519)
Net deferred gains (losses) on hedges	(1,567)	(1,599)
Foreign currency translation adjustments	(2,869)	1,683
Remeasurements of defined benefit plans	2,971	1,525
Share of other comprehensive income of affiliates accounted for using the equity method	3	9
<b>Total comprehensive income</b>	83,580	(6,041)
<b>Comprehensive income attributable to:</b>		
Shares of parent	82,515	(7,353)
Non-controlling interests	¥ 1,065	¥ 1,312

**(3) Note on Going-Concern Assumption**  
**Not applicable**

**(4) Note for Significant Changes in the Amount of Stockholders' Equity**  
**For the First Quarter of Fiscal Year 2019 (April 1, 2019- June 30, 2019)**

(Millions of yen)

	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity
Balance at the beginning of the fiscal year	¥ 50,472	¥ —	¥ 1,614,908	¥ (4,213)	¥ 1,661,168
Changes during the term					
Dividends paid			(24,392)		(24,392)
Net income attributable to owners of parent			36,706		36,706
Purchase of treasury stock				(10,000)	(10,000)
Disposal of treasury stock		(0)		384	384
Reversal of revaluation reserve for land			170		170
Change in ownership interest of parent due to transactions with non-controlling interests		160			160
Total changes during the term	—	160	12,484	(9,615)	3,029
Balance at the end of the term	¥ 50,472	¥ 160	¥ 1,627,393	¥ (13,829)	¥ 1,664,197

**[Reference]**

**Statement of Trust Assets and Liabilities**

<b>Assets</b>				
	<b>March 31, 2019</b>		<b>June 30, 2019</b>	
	Million yen	%	Million yen	%
Loans and bills discounted	¥ 25,045	0.09	¥ 23,614	0.09
Securities	0	0.00	10	0.00
Beneficiary rights	26,045,484	93.51	26,077,394	94.53
Securities held in custody account	18,279	0.07	17,631	0.06
Monetary claims	181,518	0.65	168,441	0.61
Tangible fixed assets	359,036	1.29	363,126	1.32
Intangible fixed assets	2,879	0.01	2,879	0.01
Other claims	6,059	0.02	6,064	0.02
Due from banking account	1,155,804	4.15	867,152	3.14
Cash and due from banks	58,795	0.21	59,741	0.22
<b>Total assets</b>	<b>¥ 27,852,905</b>	<b>100.00</b>	<b>¥ 27,586,056</b>	<b>100.00</b>

<b>Liabilities</b>				
	<b>March 31, 2019</b>		<b>June 30, 2019</b>	
	Million yen	%	Million yen	%
Money trusts	¥ 11,207,846	40.24	¥ 10,982,741	39.81
Pension trusts	2,496,818	8.96	2,480,390	8.99
Property formation benefit trusts	1,082	0.00	1,094	0.00
Securities investment trusts	13,034,693	46.80	12,978,830	47.05
Money entrusted, other than money trusts	295,308	1.06	329,924	1.20
Securities trusts	18,281	0.07	17,633	0.06
Monetary claims trusts	184,797	0.66	172,170	0.63
Land and fixtures trusts	21,532	0.08	20,182	0.07
Composite trusts	592,543	2.13	603,087	2.19
<b>Total liabilities</b>	<b>¥ 27,852,905</b>	<b>100.00</b>	<b>¥ 27,586,056</b>	<b>100.00</b>

Notes: 1. Figures in the above table exclude trusts whose monetary value cannot be reliably estimated.

2. Subsidiary subject to aggregation is Resona Bank, Limited, only.

## Reference Material for the First Quarter of FY2019

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Note 1: Figures reported herein are unaudited.

Note 2: Capital adequacy ratio will be announced soon after the calculation is completed.

[Total of group banks under Resona Holdings (Resona HD)]

Sum of non-consolidated figures for Resona Bank (including the trust account), Saitama Resona Bank, and total of banks under Kansai Mirai Financial Group

[Total of banks under Kansai Mirai Financial Group (KMFG)]

Sum of non-consolidated figures for Kansai Mirai Bank and Minato Bank

Note: Kansai Urban Banking Corporation and Kinki Osaka Bank merged on April 1, 2019 and became Kansai Mirai Bank



## 1. Statements of income

(1)Resona Holdings (Consolidated)

(Millions of yen)

		1Q FY 2019	Change	1Q FY 2018
<b>Ordinary income</b>	<b>1</b>	<b>198,839</b>	<b>460</b>	<b>198,378</b>
Gross operating profit	2	159,504	685	158,819
Interest income	3	103,223	(2,778)	106,001
Trust fees (after disposal of problem loans in the trust account)	4	4,558	(122)	4,680
<Disposal of problem loans in the trust account>	5	10	(20)	30
Fees and commissions	6	43,312	(162)	43,474
Trading income	7	681	(259)	941
Other operating income	8	7,728	4,007	3,720
Expenses(excluding non-recurring items)	9	(103,958)	3,329	(107,287)
Personnel expenses	10	(50,364)	2,080	(52,444)
Non-personnel expenses	11	(46,220)	908	(47,129)
Taxes	12	(7,373)	339	(7,713)
Actual net operating profit (2-5+9+19)	13	55,669	4,104	51,565
Provision to general reserve for possible loan losses	14	5,330	5,330	-
Other gains/(losses), net	15	(10,173)	(5,121)	(5,052)
Net gains/(losses) on stocks	16	1,290	(2,503)	3,794
Disposal of problem loans	17	(10,233)	(6,088)	(4,144)
Reversal of credit expenses	18	2,290	19	2,270
Equity in earnings of investments in affiliates	19	133	70	63
<b>Ordinary profit</b>	<b>20</b>	<b>50,702</b>	<b>4,223</b>	<b>46,479</b>
Extraordinary gains	21	931	(38,967)	39,899
Extraordinary losses	22	(327)	1,556	(1,884)
Income before income taxes	23	51,306	(33,187)	84,493
Income taxes - current	24	(8,322)	5,785	(14,107)
Income taxes - deferred	25	(5,125)	(5,817)	692
Net income	26	37,858	(33,220)	71,078
Net income attributable to non-controlling interests	27	(1,151)	(18)	(1,132)
Kansai Mirai Financial Group	28	(1,053)	690	(1,744)
<b>Net income attributable to owners of parent</b>	<b>29</b>	<b>36,706</b>	<b>(33,239)</b>	<b>69,946</b>
<b>Credit expense (5+14+17+18)</b>	<b>30</b>	<b>(2,602)</b>	<b>(758)</b>	<b>(1,844)</b>
Disposal of problem loans in the trust account	31	10	(20)	30
Provision to general reserve for possible loan losses	32	5,330	3,073	2,256
Write-off of loans	33	(1,737)	2,496	(4,234)
Provision to specific reserve for possible loan losses	34	(7,980)	(6,124)	(1,855)
Provision to special reserve for certain overseas loans	35	0	0	(0)
Other disposal of problem loans	36	(515)	(605)	89
Gains on recoveries of written-off loans	37	2,290	420	1,870

○ ROE

(%)

	1Q FY 2019	Change	1Q FY 2018
ROE based on net income attributable to owners of parent	8.85	(8.97)	17.83

Note:

$$\text{ROE} = \frac{(\text{Net income attributable to owners of parent (1Q)}) \times 365/91}{(\text{Total stockholders' equity at beginning of period} + \text{Total stockholders' equity at end of period})/2}$$

(2) Total of group banks under Resona HD, Non-consolidated figures of each bank (Millions of yen)

		Total of group banks under Resona HD [Non-consolidated]			Resona Bank			
		1Q		1Q	1Q		1Q	
		FY 2019	Change	FY 2018	FY 2019	Change	FY 2018	
Gross operating profit	(2+4+6+7+8)	1	145,900	615	145,284	83,425	2,569	80,855
Interest income		2	101,657	(3,380)	105,037	54,344	154	54,190
<Net interest income from loans and deposits (Domestic operations, including NCDs)>		3	86,445	(2,371)	88,816	43,912	(773)	44,686
Trust fees (after disposal of problem loans in trust account)		4	4,559	(122)	4,681	4,559	(122)	4,681
<Disposal of problem loans in the trust account>		5	10	(20)	30	10	(20)	30
Fees and commissions		6	31,572	14	31,558	19,700	91	19,608
Trading income		7	650	(296)	947	650	(296)	947
Other operating income		8	7,460	4,400	3,060	4,170	2,742	1,428
Net gains/(losses) on bonds		9	6,643	5,189	1,454	3,583	3,780	(197)
Expenses (excluding non-recurring items)		10	(98,110)	2,907	(101,018)	(52,179)	1,367	(53,547)
Personnel expenses		11	(44,264)	2,001	(46,266)	(22,167)	1,022	(23,189)
Non-personnel expenses		12	(46,852)	828	(47,680)	(26,333)	179	(26,513)
Taxes		13	(6,994)	78	(7,072)	(3,679)	164	(3,844)
<b>Actual net operating profit</b>	<b>(1+10-5)</b>	<b>14</b>	<b>47,779</b>	<b>3,542</b>	<b>44,236</b>	<b>31,235</b>	<b>3,957</b>	<b>27,278</b>
<b>Core net operating profit</b>	<b>(14-9)</b>	<b>15</b>	<b>41,135</b>	<b>(1,646)</b>	<b>42,782</b>	<b>27,651</b>	<b>176</b>	<b>27,475</b>
Amortization of goodwill		16	(184)	-	(184)	-	-	-
Provision to general reserve for possible loan losses		17	3,755	3,921	(166)	-	-	-
Net operating profit	(1+10+16+17)	18	51,360	7,444	43,915	31,245	3,937	27,308
Other gains/(losses), net		19	(6,915)	(5,077)	(1,838)	1,106	2,465	(1,359)
Net gains/(losses) on stocks		20	1,270	(2,347)	3,618	359	(2,252)	2,612
Gains on sale		21	1,977	(4,070)	6,047	943	(4,054)	4,997
Losses on sale		22	(552)	1,421	(1,973)	(473)	1,460	(1,933)
Losses on devaluation		23	(154)	302	(456)	(110)	341	(451)
Disposal of problem loans		24	(7,592)	(2,920)	(4,672)	(1,696)	727	(2,423)
Reversal of credit expenses		25	2,674	(3,603)	6,278	2,230	(165)	2,396
Other		26	(3,269)	3,793	(7,063)	211	4,157	(3,945)
<b>Ordinary profit</b>	<b>(18+19)</b>	<b>27</b>	<b>44,444</b>	<b>2,366</b>	<b>42,077</b>	<b>32,351</b>	<b>6,402</b>	<b>25,948</b>
Extraordinary gains/(losses), net		28	82	1,647	(1,564)	(63)	1,707	(1,770)
Net gains/(losses) on disposal of fixed assets		29	229	442	(212)	(63)	36	(100)
Impairment losses on fixed assets		30	(147)	1,523	(1,670)	-	1,670	(1,670)
Other		31	-	(318)	318	-	-	-
<b>Income before income taxes</b>	<b>(27+28)</b>	<b>32</b>	<b>44,526</b>	<b>4,014</b>	<b>40,512</b>	<b>32,287</b>	<b>8,109</b>	<b>24,178</b>
Income taxes-current		33	(11,913)	7,449	(19,362)	(8,474)	6,735	(15,209)
Income taxes-deferred		34	214	(7,634)	7,848	385	(7,991)	8,377
<b>Net income</b>	<b>(32+33+34)</b>	<b>35</b>	<b>32,828</b>	<b>3,829</b>	<b>28,998</b>	<b>24,199</b>	<b>6,852</b>	<b>17,346</b>

<b>Credit expense</b>	<b>(5+17+24+25)</b>	<b>36</b>	<b>(1,152)</b>	<b>(2,622)</b>	<b>1,469</b>	<b>544</b>	<b>541</b>	<b>3</b>
Disposal of problem loans in the trust account		37	10	(20)	30	10	(20)	30
Provision to general reserve for possible loan losses		38	5,395	3,022	2,372	1,690	(283)	1,973
Write-off of loans		39	(1,622)	2,258	(3,881)	(1,236)	1,105	(2,342)
Provision to specific reserve for possible loan losses		40	(6,690)	(7,706)	1,015	(1,439)	(299)	(1,139)
Provision to special reserve for certain overseas loans		41	0	0	(0)	0	0	(0)
Other disposal of problem loans		42	(515)	(600)	85	(459)	(378)	(81)
Gains on recoveries of written-off claims		43	2,271	423	1,848	1,979	416	1,563

Note: Net income does not exclude net income attributable to non-controlling interests

○ Interest rate spreads (domestic operations) (%)

	Total of group banks under Resona HD [Non-consolidated]			Resona Bank		
	1Q		1Q	1Q		1Q
	FY 2019	Change	FY 2018	FY 2019	Change	FY 2018
Average interest rate of loans and bills discounted (A)	1.00	(0.05)	1.05	0.93	(0.03)	0.97
Average interest rate of deposits and negotiable CDs (B)	0.01	(0.00)	0.01	0.00	(0.00)	0.00
Loan-to-deposit spread (A) - (B)	0.98	(0.04)	1.03	0.92	(0.03)	0.96

(Millions of yen)

		Saitama Resona Bank			Total of banks under KMFG		
		1Q		1Q	1Q		1Q
		FY 2019	Change	FY 2018	FY 2019	Change	FY 2018
Gross operating profit (2+4+6+7+8)	1	29,942	(819)	30,761	32,532	(1,134)	33,667
Interest income	2	20,922	(1,192)	22,115	26,390	(2,342)	28,732
<Net interest income from loans and deposits (Domestic operations, including NCDs)>	3	18,054	(867)	18,921	24,478	(729)	25,208
Trust fees (after disposal of problem loans in trust account)	4	-	-	-	-	-	-
<Disposal of problem loans in the trust account>	5	-	-	-	-	-	-
Fees and commissions	6	7,811	297	7,513	4,060	(375)	4,435
Trading income	7	-	-	-	-	-	-
Other operating income	8	1,208	75	1,132	2,081	1,582	498
Net gains/(losses) on bonds	9	1,350	(391)	1,742	1,709	1,800	(90)
Expenses (excluding non-recurring items)	10	(18,551)	298	(18,849)	(27,379)	1,242	(28,622)
Personnel expenses	11	(7,983)	216	(8,199)	(14,114)	762	(14,876)
Non-personnel expenses	12	(9,113)	66	(9,179)	(11,405)	581	(11,987)
Taxes	13	(1,454)	15	(1,469)	(1,860)	(102)	(1,758)
<b>Actual net operating profit (1+10-5)</b>	<b>14</b>	<b>11,391</b>	<b>(521)</b>	<b>11,912</b>	<b>5,152</b>	<b>107</b>	<b>5,045</b>
<b>Core net operating profit (14-9)</b>	<b>15</b>	<b>10,040</b>	<b>(130)</b>	<b>10,170</b>	<b>3,443</b>	<b>(1,692)</b>	<b>5,135</b>
Amortization of goodwill	16	-	-	-	(184)	-	(184)
Provision to general reserve for possible loan losses	17	3,755	3,755	-	-	166	(166)
Net operating profit (1+10+16+17)	18	15,146	3,233	11,912	4,968	274	4,694
Other gains/(losses), net	19	(5,318)	(4,686)	(632)	(2,703)	(2,857)	153
Net gains/(losses) on stocks	20	975	431	544	(64)	(525)	460
Gains on sale	21	1,017	473	544	16	(489)	505
Losses on sale	22	(41)	(41)	-	(36)	2	(39)
Losses on devaluation	23	(0)	(0)	-	(44)	(39)	(5)
Disposal of problem loans	24	(5,475)	(4,320)	(1,154)	(421)	673	(1,094)
Reversal of credit expenses	25	173	(1,615)	1,789	270	(1,822)	2,092
Other	26	(992)	819	(1,812)	(2,488)	(1,182)	(1,305)
<b>Ordinary profit (18+19)</b>	<b>27</b>	<b>9,827</b>	<b>(1,452)</b>	<b>11,280</b>	<b>2,264</b>	<b>(2,582)</b>	<b>4,847</b>
Extraordinary gains/(losses), net	28	260	271	(11)	(113)	(330)	217
Net gains/(losses) on disposal of fixed assets	29	355	367	(11)	(62)	38	(101)
Impairment losses on fixed assets	30	(95)	(95)	-	(51)	(51)	(0)
Other	31	-	-	-	-	(318)	318
<b>Income before income taxes (27+28)</b>	<b>32</b>	<b>10,088</b>	<b>(1,181)</b>	<b>11,269</b>	<b>2,151</b>	<b>(2,913)</b>	<b>5,065</b>
Income taxes-current	33	(3,383)	638	(4,021)	(55)	76	(131)
Income taxes-deferred	34	390	(160)	550	(561)	517	(1,078)
<b>Net income (32+33+34)</b>	<b>35</b>	<b>7,094</b>	<b>(702)</b>	<b>7,797</b>	<b>1,534</b>	<b>(2,320)</b>	<b>3,854</b>

<b>Credit expense (5+17+24+25)</b>	<b>36</b>	<b>(1,546)</b>	<b>(2,181)</b>	<b>635</b>	<b>(150)</b>	<b>(982)</b>	<b>831</b>
Disposal of problem loans in the trust account	37	-	-	-	-	-	-
Provision to general reserve for possible loan losses	38	3,755	2,959	796	(50)	346	(396)
Write-off of loans	39	(110)	1,116	(1,226)	(276)	36	(312)
Provision to specific reserve for possible loan losses	40	(5,454)	(6,299)	845	202	(1,107)	1,309
Provision to special reserve for certain overseas loans	41	-	-	-	-	-	-
Other disposal of problem loans	42	89	17	72	(144)	(239)	94
Gains on recoveries of written-off claims	43	173	25	148	117	(18)	136

Note: Net income does not exclude net income attributable to non-controlling interests

○ Interest rate spreads (domestic operations)

(%)

	Saitama Resona Bank			Total of banks under KMFG		
	1Q		1Q	1Q		1Q
	FY 2019	Change	FY 2018	FY 2019	Change	FY 2018
Average interest rate of loans and bills discounted (A)	1.00	(0.06)	1.07	1.13	(0.07)	1.21
Average interest rate of deposits and negotiable CDs (B)	0.00	(0.00)	0.00	0.03	(0.00)	0.04
Loan-to-deposit spread (A) - (B)	1.00	(0.06)	1.06	1.10	(0.06)	1.16

## 2. Claims disclosure according to the Financial Reconstruction Act

(Millions of yen, %)

<Total of group banks under Resona HD>		End of Jun.			End of Mar.	End of Jun.
		2019 (A)	(A)-(B)	(A)-(C)	2019 (B)	2018 (C)
	Unrecoverable or valueless claims	69,124	(1,907)	(5,367)	71,031	74,491
	Risk claims	294,552	13,691	10,953	280,860	283,598
	Special attention loans	76,221	(14,152)	(25,628)	90,374	101,850
	Financial Reconstruction Act subtotal [A]	439,898	(2,368)	(20,042)	442,266	459,941
	Normal claims	36,425,289	(364,390)	675,938	36,789,679	35,749,350
	Financial Reconstruction Act total [B]	36,865,187	(366,758)	655,895	37,231,946	36,209,291
	Partial direct write-offs	175,496	915	(12,075)	174,580	187,571
	NPL Ratio [A] / [B]	1.19	0.00	(0.07)	1.18	1.27

### <Resona Bank>

	Unrecoverable or valueless claims	19,759	(115)	(880)	19,874	20,639
	Risk claims	117,024	6,458	8,390	110,565	108,633
	Special attention loans	41,702	(4,650)	(26,505)	46,352	68,207
	Financial Reconstruction Act subtotal [A]	178,485	1,692	(18,995)	176,793	197,481
	Normal claims	20,025,461	(330,274)	352,136	20,355,735	19,673,324
	Financial Reconstruction Act total [B]	20,203,946	(328,582)	333,140	20,532,529	19,870,806
	Partial direct write-offs	82,037	(271)	(7,282)	82,309	89,319
	NPL Ratio [A] / [B]	0.88	0.02	(0.11)	0.86	0.99

### <Saitama Resona Bank>

	Unrecoverable or valueless claims	16,289	(801)	(5,006)	17,090	21,295
	Risk claims	72,128	9,810	9,239	62,318	62,888
	Special attention loans	11,217	(8,279)	(4,181)	19,496	15,398
	Financial Reconstruction Act subtotal [A]	99,634	729	52	98,905	99,582
	Normal claims	7,314,998	5,795	114,866	7,309,202	7,200,131
	Financial Reconstruction Act total [B]	7,414,632	6,524	114,918	7,408,108	7,299,713
	Partial direct write-offs	15,818	(320)	(4,159)	16,138	19,977
	NPL Ratio [A] / [B]	1.34	0.00	(0.02)	1.33	1.36

### <Total of banks under KMFG>

	Unrecoverable or valueless claims	33,075	(990)	519	34,066	32,556
	Risk claims	105,399	(2,576)	(6,676)	107,976	112,076
	Special attention loans	23,302	(1,222)	5,058	24,524	18,244
	Financial Reconstruction Act subtotal [A]	161,778	(4,790)	(1,099)	166,568	162,877
	Normal claims	9,084,829	(39,910)	208,935	9,124,740	8,875,894
	Financial Reconstruction Act total [B]	9,246,608	(44,700)	207,836	9,291,308	9,038,772
	Partial direct write-offs	77,640	1,507	(633)	76,133	78,273
	NPL Ratio [A] / [B]	1.74	(0.04)	(0.05)	1.79	1.80

**3. Unrealized gains/(losses) on marketable securities (Held-to-maturity debt securities, stocks of subsidiaries and affiliates and available-for-sale securities)**

(Millions of yen)

<Consolidated>	B/S Amount (End of Jun. 2019)	Change from End of Mar. 2019	Unrealized gains/(losses)			Change from End of Mar. 2019
			(End of Jun. 2019)	Gain	Loss	
Bonds held to maturity	1,848,061	(279,401)	46,645	46,651	(5)	(492)
Available-for-sale securities	3,172,476	(61)	516,298	537,718	(21,419)	(60,975)
Stocks	870,804	(70,825)	495,514	505,950	(10,435)	(69,854)
Bonds	1,190,303	(4,462)	6,610	7,490	(879)	768
JGB	81,533	34,845	146	170	(23)	(103)
Other	1,111,367	75,226	14,172	24,277	(10,104)	8,110

Notes: 1. The figures presented in the table above include securities, negotiable certificates of deposit (NCDs) included in "cash and due from banks" and a portion of "monetary claims bought."  
2. The presented figures only include marketable securities.

(Millions of yen)

<Total of group banks under Resona HD>	B/S Amount (End of Jun. 2019)	Change from End of Mar. 2019	Unrealized gains/(losses)			Change from End of Mar. 2019
			(End of Jun. 2019)	Gain	Loss	
Bonds held to maturity	1,848,060	(279,401)	46,646	46,652	(5)	(492)
Stock of subsidiaries and affiliates	-	-	-	-	-	-
Available-for-sale securities	3,165,365	389	537,122	553,106	(15,983)	(61,262)
Stocks	870,242	(70,704)	517,351	521,630	(4,278)	(69,736)
Bonds	1,190,300	(4,462)	7,201	8,089	(887)	668
Other	1,104,822	75,556	12,569	23,386	(10,817)	7,805

<Resona Bank>

Bonds held to maturity	994,110	(297,084)	30,011	30,011	-	(532)
Stock of subsidiaries and affiliates	-	-	-	-	-	-
Available-for-sale securities	1,954,685	30,692	430,514	440,108	(9,594)	(37,100)
Stocks	686,249	(43,722)	415,512	419,174	(3,661)	(43,037)
Bonds	503,140	17,722	4,119	4,750	(630)	261
Other	765,295	56,693	10,882	16,184	(5,301)	5,675

<Saitama Resona Bank>

Bonds held to maturity	648,240	19,577	11,267	11,267	-	(635)
Stock of subsidiaries and affiliates	-	-	-	-	-	-
Available-for-sale securities	487,054	58,953	77,859	80,466	(2,606)	(21,902)
Stocks	137,429	(24,345)	77,142	77,227	(84)	(24,051)
Bonds	150,389	46,786	887	1,004	(117)	214
Other	199,235	36,512	(170)	2,234	(2,404)	1,935

<Total of banks under KMFG>

Bonds held to maturity	205,709	(1,895)	5,367	5,373	(5)	675
Stock of subsidiaries and affiliates	-	-	-	-	-	-
Available-for-sale securities	723,625	(89,256)	28,748	32,531	(3,782)	(2,259)
Stocks	46,563	(2,636)	24,696	25,228	(531)	(2,647)
Bonds	536,771	(68,970)	2,194	2,334	(140)	193
Other	140,291	(17,649)	1,857	4,968	(3,110)	194

Notes: 1. The figures presented in the table above include securities, negotiable certificates of deposit (NCDs) included in "cash and due from banks" and a portion of "monetary claims bought."  
2. The presented figures only include marketable securities.

#### 4. Balance of deposits and loans

(Millions of yen)

	End of Jun. 2019 (A)	(A)-(B)	(A)-(C)	End of Mar. 2019 (B)	End of Jun. 2018 (C)
<Total of group banks under Resona HD>					
Deposits (Term-end)	51,481,383	267,377	1,346,651	51,214,006	50,134,732
Deposits (Average balance)	51,139,645	1,128,067	1,408,415	50,011,577	49,731,230
Trust principal (Term-end)	885,930	(290,721)	(111,888)	1,176,651	997,818
Trust principal (Average balance)	898,424	(30,758)	(48,250)	929,183	946,675
Loans and bills discounted (Term-end)	35,912,804	(370,150)	618,068	36,282,954	35,294,736
Banking account	35,889,190	(368,719)	623,273	36,257,909	35,265,917
Trust account	23,614	(1,431)	(5,204)	25,045	28,818
Loans and bills discounted (Average balance)	35,910,066	416,092	750,527	35,493,973	35,159,539
Banking account	35,885,677	419,251	755,656	35,466,425	35,130,020
Trust account	24,389	(3,159)	(5,129)	27,548	29,519

#### <Resona Bank>

Deposits (Term-end)	26,878,692	(18,296)	878,437	26,896,989	26,000,254
Deposits (Average balance)	26,799,555	745,639	844,159	26,053,916	25,955,396
Trust principal (Term-end)	885,930	(290,721)	(111,888)	1,176,651	997,818
Trust principal (Average balance)	898,424	(30,758)	(48,250)	929,183	946,675
Loans and bills discounted (Term-end)	19,484,483	(328,828)	306,231	19,813,311	19,178,252
Banking account	19,460,869	(327,396)	311,435	19,788,265	19,149,433
Trust account	23,614	(1,431)	(5,204)	25,045	28,818
Loans and bills discounted (Average balance)	19,553,614	217,292	400,181	19,336,322	19,153,433
Banking account	19,529,225	220,451	405,310	19,308,774	19,123,914
Trust account	24,389	(3,159)	(5,129)	27,548	29,519

#### <Saitama Resona Bank>

Deposits (Term-end)	13,738,302	136,892	472,798	13,601,410	13,265,503
Deposits (Average balance)	13,587,959	403,327	506,110	13,184,631	13,081,848
Loans and bills discounted (Term-end)	7,314,166	(1,643)	99,514	7,315,809	7,214,652
Loans and bills discounted (Average balance)	7,288,021	80,071	114,012	7,207,949	7,174,008

#### <Total of banks under KMFG>

Deposits (Term-end)	10,864,388	148,781	(4,585)	10,715,607	10,868,974
Deposits (Average balance)	10,752,130	(20,899)	58,145	10,773,030	10,693,984
Loans and bills discounted (Term-end)	9,114,154	(39,679)	212,322	9,153,833	8,901,831
Loans and bills discounted (Average balance)	9,068,430	118,728	236,333	8,949,701	8,832,097

<Reference> Domestic breakdown of individual, corporate and other deposits (Millions of yen)

<Total of group banks under Resona HD>	End of Jun. 2019 (A)	(A)-(B)	(A)-(C)	End of Mar. 2019 (B)	End of Jun. 2018 (C)
Domestic individual deposits (Term-end)	32,944,096	503,428	738,432	32,440,667	32,205,663
Liquid deposits	22,518,939	539,949	1,163,813	21,978,990	21,355,126
Time deposits	10,212,439	(15,632)	(377,297)	10,228,071	10,589,736
Domestic corporate deposits (Term-end)	15,046,654	(274,983)	276,736	15,321,637	14,769,917
Liquid deposits	11,286,503	(309,259)	193,695	11,595,762	11,092,808
Time deposits	3,287,210	(38,456)	38,856	3,325,667	3,248,354

<Resona Bank>

Domestic individual deposits (Term-end)	14,484,487	198,916	431,351	14,285,570	14,053,135
Liquid deposits	10,654,144	230,838	572,283	10,423,305	10,081,861
Time deposits	3,672,247	(9,710)	(96,522)	3,681,957	3,768,769
Domestic corporate deposits (Term-end)	9,991,802	(312,830)	145,552	10,304,632	9,846,250
Liquid deposits	7,829,389	(373,237)	76,859	8,202,627	7,752,530
Time deposits	1,770,361	12,224	46,794	1,758,137	1,723,567

<Saitama Resona Bank>

Domestic individual deposits (Term-end)	10,452,511	230,200	343,658	10,222,311	10,108,853
Liquid deposits	7,616,944	225,229	383,042	7,391,714	7,233,901
Time deposits	2,806,236	4,062	(36,614)	2,802,174	2,842,851
Domestic corporate deposits (Term-end)	2,521,988	22,691	80,966	2,499,297	2,441,022
Liquid deposits	1,802,039	47,189	56,488	1,754,849	1,745,551
Time deposits	691,429	(31,265)	19,908	722,695	671,521

<Total of banks under KMFG>

Domestic individual deposits (Term-end)	8,007,097	74,311	(36,577)	7,932,785	8,043,674
Liquid deposits	4,247,850	83,880	208,487	4,163,969	4,039,363
Time deposits	3,733,955	(9,984)	(244,160)	3,743,940	3,978,115
Domestic corporate deposits (Term-end)	2,532,863	15,155	50,217	2,517,707	2,482,645
Liquid deposits	1,655,074	16,788	60,347	1,638,285	1,594,726
Time deposits	825,419	(19,415)	(27,846)	844,834	853,265

Notes: 1. Figures are based on the reports submitted to Bank of Japan. (excluding overseas loans and loans in Japan offshore banking account)

2. Liquid deposits = current deposits + ordinary deposits + saving deposits + deposits at notice

3. Time deposits = time deposits + installment savings

<Reference> Balance of investment trust and other investment products for individual customers (Millions of yen)

<Total of group banks under Resona HD>	End of Jun. 2019 (A)	(A)-(B)	(A)-(C)	End of Mar. 2019 (B)	End of Jun. 2018 (C)
Investment trust (Including fund wrap)	2,218,466	(4,025)	2,248	2,222,492	2,216,218
Public bond	317,643	(12,611)	(54,954)	330,255	372,598
Insurance	2,548,461	8,636	137,128	2,539,824	2,411,332

<Resona Bank>

Investment trust (Including fund wrap)	1,029,640	(1,782)	9,600	1,031,423	1,020,040
Public bond	114,120	(3,958)	(17,751)	118,079	131,872
Insurance	991,333	2,131	55,919	989,201	935,414

<Saitama Resona Bank>

Investment trust (Including fund wrap)	525,932	(1,627)	(3,669)	527,560	529,602
Public bond	192,242	(7,787)	(34,056)	200,030	226,299
Insurance	739,685	(4,059)	25,986	743,745	713,699

<Total of banks under KMFG>

Investment trust (Including fund wrap)	662,892	(615)	(3,681)	663,508	666,574
Public bond	11,279	(865)	(3,146)	12,145	14,426
Insurance	817,441	10,563	55,223	806,878	762,218

Notes: 1. Investment trust: based on market prices at each period-end

2. Public bond: Government bonds, local government bonds, and government-guaranteed bonds in custody accounts (amounts in par value and on a delivery date basis)

3. Insurance: based on insurance premiums paid (yen equivalent)