Notice concerning Kansai Mirai Financial Group, Inc.’s Listing on the First Section of Tokyo Stock Exchange and the Completion of the Business Integration of Kansai Urban Banking Corporation, The Kinki Osaka Bank, Ltd. and The Minato Bank, Ltd.

Tokyo, April 1, 2018

Today, Kansai Mirai Financial Group, Inc. (“Kansai Mirai Financial Group”) has been listed on the first section of the Tokyo Stock Exchange (NOTE1). Consequently, the business integration of Kansai Urban Banking Corporation (“Kansai Urban”), The Kinki Osaka Bank, Ltd. (“Kinki Osaka”) and The Minato Bank, Ltd. (“Minato”), which has been ongoing has been completed, and Kansai Mirai Financial Group took a new step as a leading regional financial group in Japan, being one of the largest financial groups in the Kansai region.

Resona Holdings, Inc. (“Resona Holdings”), Kansai Mirai Financial Group, Kansai Urban, Kinki Osaka and Minato hereby have the honor to report the above and announce the publication of “the Vision that Kansai Mirai Financial Group, Inc. aims to achieve.”

Kansai Mirai Financial Group will, based on its overwhelming presence in the Kansai region, which is its primary market, further build on the strengths of Kansai Urban, Kinki Osaka and Minato, including the relationships with customers and the local community that they have fostered in the past, and provide new services that are truly useful for customers by leveraging the know-how of Resona Group, including its trust and real estate functions and operational reforms as a member of Resona Group, and realize a deepening contribution to the Kansai economy as the financial group that is in step with the future of the Kansai Region.

For details of the new listing, please refer to the website of Japan Exchange Group, Inc. (https://www.jpx.co.jp/english/). For details of Kansai Mirai Financial Group, please refer to the website of Kansai Mirai Financial Group (https://www.kmfg.co.jp/).

Forecasts for FY2017 of Kansai Mirai Financial Group’s consolidated financial results will be announced once they are decided.

(NOTE1) The commencement date for trading stocks accompanying the listing on the first section of the Tokyo Stock Exchange will be April 2, 2018.
Resona Holdings’ Expanding Network

Resona Holdings

April 1, 2018
Realize “Retail No.1”

Broader alliances with regional financial institutions with or without capital ties

Broader and closer relationships with customers
• Resona’s sophisticated functions and services
• Create new values out of “win-win” collaborations with business partners

Create customers’ value

Realize “Retail No.1”

Expand customer base

Expand network
• Manned branches, ATMs
• Integrate the Web and real channels
  • 365-day-open branch office
  • 24h manned call center
  • Smart store, advanced marketing

Higher quality and wider variety of solutions
• Sharing solution functions
  • Trust, real estate, settlement and AM
• Sharing broader information
  • Detailed regional information, M&A, business matching

Accelerate digitalization
• Higher customer convenience
  • Seal-less transaction, 24/7 account transfers
• Higher productivity
  • Tablet devices, AI, RPA

Higher efficiency in clerical work process
Streamlining of HQ and back office

Utilizing advanced technology and reducing costs at once
• Adopt advanced IT platform taking advantage of scale merits
• Higher efficiency in clerical work process
• Streamlining of HQ and back office
Establish largest operating base in the Kansai region

Strengthened presence as Japan’s largest retail-focused financial services group

Resona Holdings

Kansai Mirai Financial Group

Kansai Urban
Kinki Osaka
Minato
Resona
Saitama Resona

Franchise Value
(End of December 2017)

Number of Branches
(within the Kansai region)

Customer Base and Business Scale

GDP #2
GDP #7
Per capita income #8
GDP #5
GDP #4
GDP #1

Kansai Region
520

KMFG
375

Market Share
(End of December 2017)

[ Deposits ]

<table>
<thead>
<tr>
<th>Location</th>
<th>Deposits (JPY tn)</th>
<th>Deposits percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Osaka</td>
<td>49</td>
<td>22.3%</td>
</tr>
<tr>
<td>Hyogo</td>
<td>28</td>
<td>19.2%</td>
</tr>
<tr>
<td>Shiga</td>
<td>43.1%</td>
<td></td>
</tr>
<tr>
<td>Saitama</td>
<td>35</td>
<td>19.6%</td>
</tr>
<tr>
<td>Kanagawa</td>
<td>44.7%</td>
<td></td>
</tr>
<tr>
<td>Tokyo</td>
<td>4.3%</td>
<td></td>
</tr>
</tbody>
</table>

[ Loans ]

<table>
<thead>
<tr>
<th>Location</th>
<th>Loans (JPY tn)</th>
<th>Loans percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Osaka</td>
<td>35</td>
<td>25.4%</td>
</tr>
<tr>
<td>Hyogo</td>
<td>28</td>
<td>30.5%</td>
</tr>
<tr>
<td>Shiga</td>
<td>21.7%</td>
<td></td>
</tr>
<tr>
<td>Saitama</td>
<td>44.7%</td>
<td></td>
</tr>
<tr>
<td>Kanagawa</td>
<td>9.0%</td>
<td></td>
</tr>
<tr>
<td>Tokyo</td>
<td>4.6%</td>
<td></td>
</tr>
</tbody>
</table>

The largest retail-focused banking group with full-line trust capabilities in Japan

Merger planned in April 2019
Vision Statement

Kansai Mirai Financial Group

April 1, 2018
1. Background

- Declining birthrate, aging population
- Structural changes in Japanese economy caused by population decline
- Population inflow from outlying regions to major cities

- Introduction of negative interest rate policy
- Rise of FinTech from technology advances
- Regional financial institutions entering major city markets
- Accelerated restructuring of regional financial institutions nationwide

As a regional financial institution, necessary to build new financial business model for vitalization of Kansai economy

New Retail Financial Services Model advancing together with the future of Kansai region

Kansai Mirai Financial Group

Kansai Urban Banking Corporation  Kinki Osaka Bank  MINATO BANK
### Corporate Data

<table>
<thead>
<tr>
<th><strong>Corporate Name</strong></th>
<th>Kansai Mirai Financial Group, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Location of Head Office</strong></td>
<td>2-1, Bingomachi 2 chome, Chuo-ku, Osaka-shi</td>
</tr>
<tr>
<td><strong>Representatives</strong></td>
<td>Tetsuya Kan, Representative Director and Executive President</td>
</tr>
<tr>
<td></td>
<td>Kazumasa Hashimoto, Representative Director and President</td>
</tr>
<tr>
<td></td>
<td>Hiroaki Hattori, Representative Director and President</td>
</tr>
<tr>
<td></td>
<td>Koji Nakamae, Representative Director and President</td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td>JPY 29.5 billion</td>
</tr>
<tr>
<td><strong>Officers and Employees (non-consolidated)</strong></td>
<td>505 (9 directors, 15 executive officers, 481 employees)</td>
</tr>
<tr>
<td><strong>Governance Structure</strong></td>
<td>Company with audit and supervisory committee</td>
</tr>
<tr>
<td><strong>Date of Incorporation</strong></td>
<td>November 14, 2017</td>
</tr>
<tr>
<td><strong>Major Shareholder</strong></td>
<td>Resona Holdings, Inc.</td>
</tr>
<tr>
<td></td>
<td>Sumitomo Mitsui Financial Group, Inc.</td>
</tr>
<tr>
<td><strong>Fiscal Year End</strong></td>
<td>March 31</td>
</tr>
<tr>
<td><strong>Share Listing(Code)</strong></td>
<td>Tokyo Stock Exchange (7321)</td>
</tr>
</tbody>
</table>

Management Principles

- Contributing to development and invigoration of communities it serves
  - Sharing distinctive strengths each bank has developed thus far
  - Offering customers first-class financial services and solutions with one-stop convenience
- Enhancing productivity and customer convenience at the same time
  - Sharing the know-how of operational reforms
  - Integrating clerical work process and IT platforms
- Raising profitability, efficiency and soundness as one of the largest regional financial groups in Japan
  - Potential of vibrant Kansai market
  - Scale merit

Business Model

New Retail Financial Services Model advancing together with the future of Kansai region

- Growing which will advance together with the future of the Kansai region
- Create a prosperous future for communities we serve
- Make innovative changes for continuous evolution

As a financial group progressing together with Kansai’s future, we will further deepen the relationships with customers and local communities cultivated over many years by the integrated banks while aiming to be Kansai’s largest regional financial group, and one of Japan’s foremost, a place where employees work with high levels of motivation and pride.
4. Operating Base of Kansai Mirai Financial Group and Resona Group Regional Presence

Customer Base

<table>
<thead>
<tr>
<th>[Corporate Customers]</th>
<th>[Individual Customers]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kansai Mirai FG</td>
<td>Kansai Mirai FG</td>
</tr>
<tr>
<td>150 thousand companies</td>
<td>4,500 thousand customers</td>
</tr>
<tr>
<td>Resona G</td>
<td>Resona G</td>
</tr>
<tr>
<td>500 thousand companies</td>
<td>16,000 thousand customers</td>
</tr>
</tbody>
</table>

Business Scale

<table>
<thead>
<tr>
<th>[Deposits]</th>
<th>[Loans]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kansai Mirai FG</td>
<td>JPY 11 tril.</td>
</tr>
<tr>
<td>Resona G</td>
<td>JPY 49 tril.</td>
</tr>
<tr>
<td>Resona G</td>
<td>¥35 tril.</td>
</tr>
</tbody>
</table>

Market Share

<table>
<thead>
<tr>
<th>Osaka Pref.</th>
<th>Hyogo Pref.</th>
<th>Shiga Pref.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits</td>
<td>Deposits</td>
<td>Deposits</td>
</tr>
<tr>
<td>8.3%</td>
<td>15.1%</td>
<td>19.0%</td>
</tr>
<tr>
<td>Loans</td>
<td>Loans</td>
<td>Loans</td>
</tr>
<tr>
<td>11.7%</td>
<td>22.6%</td>
<td>20.5%</td>
</tr>
</tbody>
</table>

Branch Network (Manned Branches)

Nationwide: Resona G 836

Kansai Region

*Prepared by Resona HD and Kansai Mirai FG based on the Bank of Japan's "Deposits, Vault Cash, and Loans and Bills Discounted by Prefecture"
5. Financial Results (FY2016 & FY2017 1-3Q)

### [Profit]

<table>
<thead>
<tr>
<th></th>
<th>FY2016</th>
<th>FY2017 3Q</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total of 3 banks</td>
<td>Kansai Urban</td>
</tr>
<tr>
<td>Gross banking profit</td>
<td>151.9</td>
<td>60.7</td>
</tr>
<tr>
<td>Interest income</td>
<td>122.2</td>
<td>54.3</td>
</tr>
<tr>
<td>Net interest income</td>
<td></td>
<td>107.8</td>
</tr>
<tr>
<td>Fees and commissions</td>
<td>21.3</td>
<td>4.0</td>
</tr>
<tr>
<td>Expenses</td>
<td>(112.5)</td>
<td>(42.0)</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>(59.8)</td>
<td>(22.6)</td>
</tr>
<tr>
<td>Actual net operating profit</td>
<td>39.5</td>
<td>18.7</td>
</tr>
<tr>
<td>Net income</td>
<td>28.9</td>
<td>14.0</td>
</tr>
</tbody>
</table>

### [Scale]

<table>
<thead>
<tr>
<th></th>
<th>FY2016</th>
<th>FY2017 3Q</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total of 3 banks</td>
<td>Kansai Urban</td>
</tr>
<tr>
<td>Loans</td>
<td>8,822.5</td>
<td>3,869.8</td>
</tr>
<tr>
<td>Ordinary loans</td>
<td>4,630.7</td>
<td>1,818.2</td>
</tr>
<tr>
<td>Consumer loans</td>
<td>4,110.2</td>
<td>2,030.4</td>
</tr>
<tr>
<td>Deposits (incl. NCDs)</td>
<td>10,654.6</td>
<td>4,196.5</td>
</tr>
</tbody>
</table>

Note: FY2017 financial results will be released as soon as they are finalized.
6. Our Goal

First Medium-term Management Plan (Tent.)
- System integration
- Merger
- Demonstrate marketing synergies (horizontal development of three banks’ strengths, utilize Resona Group functions/customer base)
- Utilize shared Resona platform
- Maximize marketing synergies

Second Medium-term Management Plan (Tent.)
- Rebuild branch network, re-assign personnel to Customer Divisions
- KPIs

5 Years in the Future
- Banking Group Considered “Absolutely Essential” by Customers

KPIs
- Be an overwhelming, essential presence in the Kansai region economy and society
- Demonstrate maximum synergies of the business integration

<table>
<thead>
<tr>
<th>KPI</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans and Bills Discounted</td>
<td>JPY 10.5 tril.</td>
</tr>
<tr>
<td>Deposits</td>
<td>JPY 12 tril.</td>
</tr>
<tr>
<td>Actual net operating profit</td>
<td>JPY 70.0 bil.</td>
</tr>
<tr>
<td>OHR</td>
<td>Under 60%</td>
</tr>
</tbody>
</table>

FY2018 (Year 1) FY2019 (Year 2) FY2020 (Year 3) FY2021 FY2022 (Year 4) (Year 5)
7. Major KPIs

- Contribute deeply to the development of regional society by further demonstrating financial intermediary functions

- Enhance the customer base by providing expanded financial services for customers

- Build a stable operating base with profitability from high-level solutions capability

- Achieve high-efficiency operations by enhancing top-line income from business integration and by rigorously controlling expenses through promoting operational reforms
8. Basic Strategy (1)

◆ Contributing to development and invigoration of communities it serves

(1) Sharing distinctive strengths each bank has developed thus far
- Through horizontal development of strengths, maximize the management foundation and customer service provision capabilities of the three integrated banks
(2) Offering customers first-class financial services and solutions with one-stop convenience
- Provide succession solutions, etc. truly useful to customers utilizing trust and real estate functions
- Further demonstrate information provision capabilities for customers through wide-area business integration

◆ Enhancing productivity and customer convenience at the same time

(1) Sharing the know-how of operational reforms
- Fully utilize expertise cultivated in the Resona Group and focus on increasing productivity through operations with fewer staff members and on increasing marketing sales time
(2) Integrating clerical work process and IT platforms
- Reduce system costs for the integrated Group overall while also utilizing cutting-edge technology through joint operations with the Resona Group

◆ Raising profitability, efficiency and soundness as one of the largest regional financial groups in Japan

(1) Potential of vibrant Kansai market
- With Kansai (primarily Osaka, Hyogo and Shiga Prefectures) as mother market, become a regional financial institution with an overwhelming presence
(2) Scale merit
- Achieve top levels among regional banks in focus business areas in five years after business integration
8. Basic Strategy (2)

### Communities and Society
- Expand business networking function over wide area through banking business
- Contribute to industry development, employment expansion and permanent residency promotion via expansion of financial intermediary functions

### Corporate Customers
- Strengthen solution provisions by dramatically increasing information volume
- Develop diverse, one-stop services utilizing Resona Group functions

### Individual Customers
- Branch network with overwhelming presence
- Provide information based on life stages
- Develop optimal solutions via utilization of omni-channel strategy of Resona Group
- Further evolution of advanced consulting functions

### Shareholders
- Raise corporate value by increasing profitability
- Provide stable shareholder returns
- Build highly transparent and effective corporate governance structure

### Employees
- Provide an environment rich in challenges
- Develop personnel to raise self-growth potential and external competitiveness
- Conduct fair personnel assignments and treatment

### Share Strengths of 3 Banks
- Resona Group functions

---

**New Retail Financial Services Model** advancing together with the future of Kansai region

**Maximize Value Provided to Stakeholders**

~Raise Group Value of Kansai Mirai Financial Group~
Develop a highly competitive corporate information strategy by building a system for effectively and efficiently aggregating information, whose volume is increasing dramatically, and for conveying it to sales offices and customers:

- With integration, cover wide sales area centering on Osaka, Hyogo and Shiga
- By coordinating with Resona Holdings, connect Kansai and Kanto information and customers

**Regional Bank-based Customer Relations × Solutions via Information Strategy ~ Information of 500,000 Corporate Customers* ~

- Dramatically expand information infrastructure centering on 2 major economic areas of Kansai and Kanto
- Scale merits via coordination between Kansai Mirai Financial Group and Resona Holdings

**Trust functions of Resona Bank ~ One-stop services ~

Refer customers, suppliers, etc., conduct M&A, provide real estate information, etc.

*Corporate customers is the simple total of the corporate customers of Kansai Mirai Financial Group (group banks), Resona Bank and Saitama Resona Bank
9. Governance Structure Sophistication

(1) Build corporate governance structure with high transparency and effectiveness as a listed company
(2) Fully demonstrate holding company functions to raise corporate value of overall Kansai Mirai Financial Group

~Establish headquarters organization for setting strategy for the overall Kansai Mirai Financial Group and for managing and directing Group banks~

**Governance Structure**
- Work towards a governance structure with monitoring model by adopting format of company with audit and supervisory committee and delegation-based executive officer system
- Establish Human Resources and Compensation Committee as non-mandated committee

**Kansai Mirai FG Headquarters Functions**
- Set Group’s overall management/marketing strategy, etc.
- Set appropriate overall Group policies for risk management and auditing, etc.
- Business management and direction for Group banks
- Coordinate with Resona Group

**Establishment of Committees**

- **Management strategy**
  - Group Strategy Committee
  - Administrative Function and System Strategy Committee
  - Discuss and report on Group management reforms and important matters related to management, marketing, administration and IT strategy

- **Risk management, etc.**
  - Risk Management Committee
  - Credit Risk Management Committee
  - ALM Committee
  - Compliance Committee
  - Discuss and report on advanced management of various Group risks

*Meetings also attended by Group bank executives and division managers in charge*
10. Administrative Function and System Integration

- **Fully integrate administrative functions and systems**
  - (Merger of Kansai Urban Bank and Kinki Osaka Bank in April 2019; system integration for Kansai Urban Bank in 2019 2Q; system integration for Minato Bank in 2020 2Q)
  - (1) Establish Administrative System Integration Committee to promote and manage projects
  - (2) Establish Integration Promotion Office at Kansai Mirai FG headquarters to promote and manage merger and system integration
  - (3) Conduct extensive training for sales office administration by building training support system including personnel support from the Resona Group

- **Promote IT strategy based on operational reforms and management strategy**
  - (1) More advanced customer product/service provision by actively utilizing Resona platform
  - (2) Build strong, efficient administrative system incorporating distinctive administrative systems of Resona Group and Kansai Mirai FG
  - (3) Conduct system development tailored to Kansai Mirai FG management strategy and local characteristics

- **Early realization of integration synergies**
  - (1) Rigorously increase business efficiency through BPR promotion aimed at creating sales time, etc.
  - (2) Early realization of system cost synergies

- **Promote shared sales office administration**
  - Seal-less, paper-less, bio-authentication
  - Quick navigation, communication terminals

- **More advanced product/service provision**
  - 24 /365 day operations (instant intra-Group currency transfer)
  - IT services using smart phone apps
  - Introduce services usable at all Group bank branches (Ordinary deposit transactions, various notification procedures)

- **Realization of integration synergies**
  - Create sales time, etc. by revamping branch administration
    - (3-year total: 210 persons’ worth; 5-year total: 240 persons’ worth)
  - Reduce IT personnel development burden
  - Early realization of system cost synergies
  - Horizontal development of distinctive administrative streamlining for the 3 banks
    - Higher efficiency slip filing and search process (image database management), etc.
11. Merger of Kansai Urban Bank and Kinki Osaka Bank

- **Basic Info**
  Kansai Urban Bank and Kinki Osaka Bank to merge April 1, 2019 and create Kansai Mirai Bank, Ltd.

- **Aims**
  1. Maximize business integration synergies as Kansai Mirai FG
  2. Expand customer base & regional share in mother market of Osaka and Shiga Prefectures
  3. Become overwhelming No. 1 regional bank in Osaka Pref.

- **Integration Effects**
  1. Build strong sales promotion system combining strengths of both banks
  2. Optimize channel strategy centering on Osaka Pref.
  3. Add personnel to areas of focus by reducing headquarters personnel

### Integration Effects

| Build strong sales promotion system combining strengths of both banks | • Unified headquarters-branch/office sales system  
  • Sector aggregation promotion system for specific sectors  
  • Strong headquarters revenue management system  
  • Optimal personnel assignments in line with market |
|---|---|
| Optimize channel strategy centering on Osaka Pref. | • Integrate/eliminate approx. 40 groups with redundant sales areas due to merger  
  • Positive effects of reducing property costs by JPY 1.47 billion (annually) and reassigning 400 personnel to Customer Divisions |
| Shift personnel to areas of focused business areas by reducing headquarters | • After system integration, reduce headquarters personnel by 270 and assign them to sales initiatives, etc. |

### Schedule (tent.)

| April 2018 | • Establish Merger Promotion Committee  
  • Deliberate on post-merger systems & strategies (governance structure, numerical plans, business/sales strategy, brand, personnel systems, etc.)  
  • Prepare and start work on customer relations, product and service measures  
  • System design and development, etc. |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2018</td>
<td>• Start sales branch administration training</td>
</tr>
<tr>
<td>Sept. 2018</td>
<td>• Merger agreement</td>
</tr>
<tr>
<td>2018 H2</td>
<td>• Conduct specific processes for merger</td>
</tr>
<tr>
<td>April 2019</td>
<td>• Start operations as Kansai Mirai Bank</td>
</tr>
</tbody>
</table>
Forward-looking statements contained in this document are subject to change significantly due to the following sorts of factors. Specific factors could include changes in stock prices in Japan, changes in government or central bank policies, developments and changes in laws and regulations, customary practices and interpretations, the occurrence of further corporate bankruptcies, changes in the economic conditions of Japan and other countries, and other factors not controlled by individual companies. Be aware that the forward-looking statements contained in this document are not guarantees of future performance or other trends and may differ from actual results.