

Financial Highlights for Fiscal Year 2022



Resona Holdings

May 12, 2023

Outline of Financial Results for FY2022

■ Net income attributable to owners of parent : JPY160.4 bn

- Up JPY50.4 bn, or 45.8%, YoY
Progress rate against the full year target*1 : 106.9%

■ Actual net operating profit : JPY195.7 bn

- Up JPY9.6 bn, or 5.1%, YoY

Core income*2 : Up JPY8.1 bn, or 6.3%, YoY

- **Gross operating profit : JPY600.0 bn**, Down JPY1.8 bn, or 0.3%, YoY

- Net interest income from domestic loans and deposits :
Down JPY3.8 bn, YoY

Average loan balance : +3.20%, YoY, Loans rate : down by 4bps, YoY

[Excluding loans to the Japanese government and others]

Average loan balance : +1.94%, YoY, Loans rate: down by 3bps, YoY

Loan bal. surpassed the plan, loan rate slightly lower than the plan

- Fee income : Up JPY0.3 bn, YoY, Fee income ratio : 34.7%

**Fee income was record-high for two consecutive year,
driven by growth in insurance, settlement related, real estate**

- Net gains on bonds (including futures) : Up JPY6.1 bn, YoY

**Implemented to restore soundness of securities portfolio as same as
the previous year**

- **Operating expenses : JPY404.7 bn**, decreased by JPY11.6 bn, YoY

Cost income ratio : 67.4%, down 1.7%, YoY

■ Credit related expenses : JPY15.9 bn (cost),

decreased by JPY42.7 bn, YoY

Credit costs have posted 41.9% against the full year plan [JPY38.0 bn]

■ Launched a new Medium-term Management Plan [FY2023 - FY2025]

■ Formulate the Brand Purpose and Long-term Vision [May '23]

■ Annual common DPS for FY2023 (forecast) : +1 yen increase

[21 ⇒ 22 yen per annum, of which interim 11 yen]

■ Share buyback up to JPY10.0 bn

HD consolidated (JPY bn)	FY2022 (a)	YoY change		FY2023 Target (d)
		(b)	% (c)	
Net income attributable to owners of parent	(1) 160.4	+50.4	+45.8%	150.0
EPS (yen)	(2) 67.48	+22.07	+48.6%	
BPS (yen)	(3) 1,065.31	+40.30	+3.9%	
ROE(stockholders' equity) ^{*3}	(4) 7.66%	+2.03%		
Gross operating profit	(5) 600.0	(1.8)	(0.3)%	
Net interest income	(6) 419.3	(9.8)		
Nil from loans and deposits ^{*4}	(7) 334.1	(3.8)		
Interest from yen bonds, etc. ^{*5}	(8) 25.4	+2.2		
Fee income	(9) 208.6	+0.3		
Fee income ratio	(10) 34.7%	+0.1%		
Trust fees	(11) 21.6	+0.7		
Fees and commission income	(12) 187.0	(0.4)		
Other operating income	(13) (27.9)	+7.5		
Net gains on bonds (including futures)	(14) (47.7)	+6.1		
Operating expenses (excluding group banks' non-recurring items)	(15) (404.7)	+11.6	+2.8%	
Cost income ratio (OHR)	(16) 67.4%	(1.7)%		
Actual net operating profit	(17) 195.7	+9.6	+5.1%	
Net gains on stocks (including equity derivatives)	(18) 53.9	+6.7		
Credit related expenses, net	(19) (15.9)	+42.7		
Other gains, net	(20) (8.7)	+10.1		
Net income before income taxes and non-controlling interests	(21) 225.0	+69.3	+44.5%	
Income taxes and other	(22) (63.3)	(17.7)		
Net income attributable to non-controlling interests	(23) (1.3)	(1.1)		

*1. Full year target of FY2022: JPY150.0 bn

*2. Net interest income from domestic loans and deposits + Fee income + Operating expenses
sum of the balance at the beginning and the end of the term/2) *3. Net income attributable to owners of parent / Total shareholders equity (simple

*4. Total of non-consolidated domestic banking accounts of group banks,
deposits include NCDs *5. Interest on yen bonds and income from interest rate swaps

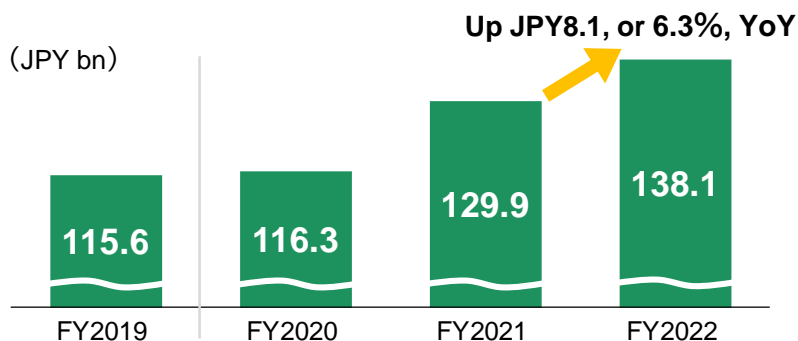
Review of FY2022

Achieved both annual and MMP targets (JPY150 bn and JPY160 bn, respectively) even as we enhanced our preparedness for downside risks

Progress in income and cost structure reforms

Achieved core income*1 growth for the three consecutive year

- Change in the previous MMP(vs FY'19) : Up JPY22.4 bn



Evolution of “Further Development” business

- Settlement related income : JPY72.5 bn (+4.9%, YoY)
- Succession related income : JPY25.0 bn (+7.0%, YoY)
- Term-end loan balance : JPY41.4 tn (+4.5%, YoY)

New earnings pillars

- Number of App DL*2 : 7.65 million (+33.8%, YoY), of which external group 1.12 million
- Fund wrap income : JPY9.0 bn (+9.7%, YoY)
Balance of fund wrap (including corporation)*2 : JPY744.2 bn, of which, external group JPY56.1 bn
- Debit card income : JPY5.1 bn (+17.6%, YoY)
Number of debit card issued: 3.15 million (+6.4%, YoY)

Adapting to the evolving external environment

Aligned ourselves with the interest rate environment at domestic and overseas (“Sound BS” ⇒ P.20)

- Took an ALM approach leveraging our retail deposit base, which boasts strong retention
 - Enhanced resilience: Utilized hedging and other vehicles to ensure risk control
 - Strengthened and stabilized profitability: Flexibly employed interest rate swaps, bonds held-to-maturity, etc.
- Our foreign bond portfolio management entered a reconstruction phase aimed at securing stable return over the medium to long term
 - Executed additional measures to ensure portfolio soundness in the 4Q (KMB/MB)
 - Yields improved to 3.5% due to restore soundness and effect of new investment, twofold growth from previous fiscal year

Reduction of policy-oriented stocks

- Balance of listed stocks disposed in FY'22*3 : JPY22.0 bn
Net gain on sale in FY'22: JPY50.4 bn
- Market value: JPY892.3 bn in '22/3 ⇒ JPY861.9 bn in '23/3 [JPY(30.3) bn = reduction factor JPY(72.4) bn + market value factor JPY42.1 bn]

Plan to reduce JPY80.0 bn level in 4 years
→ Progress rate compared to expected pace [JPY20.0 bn per year]: 110.1%

Response to credit risk

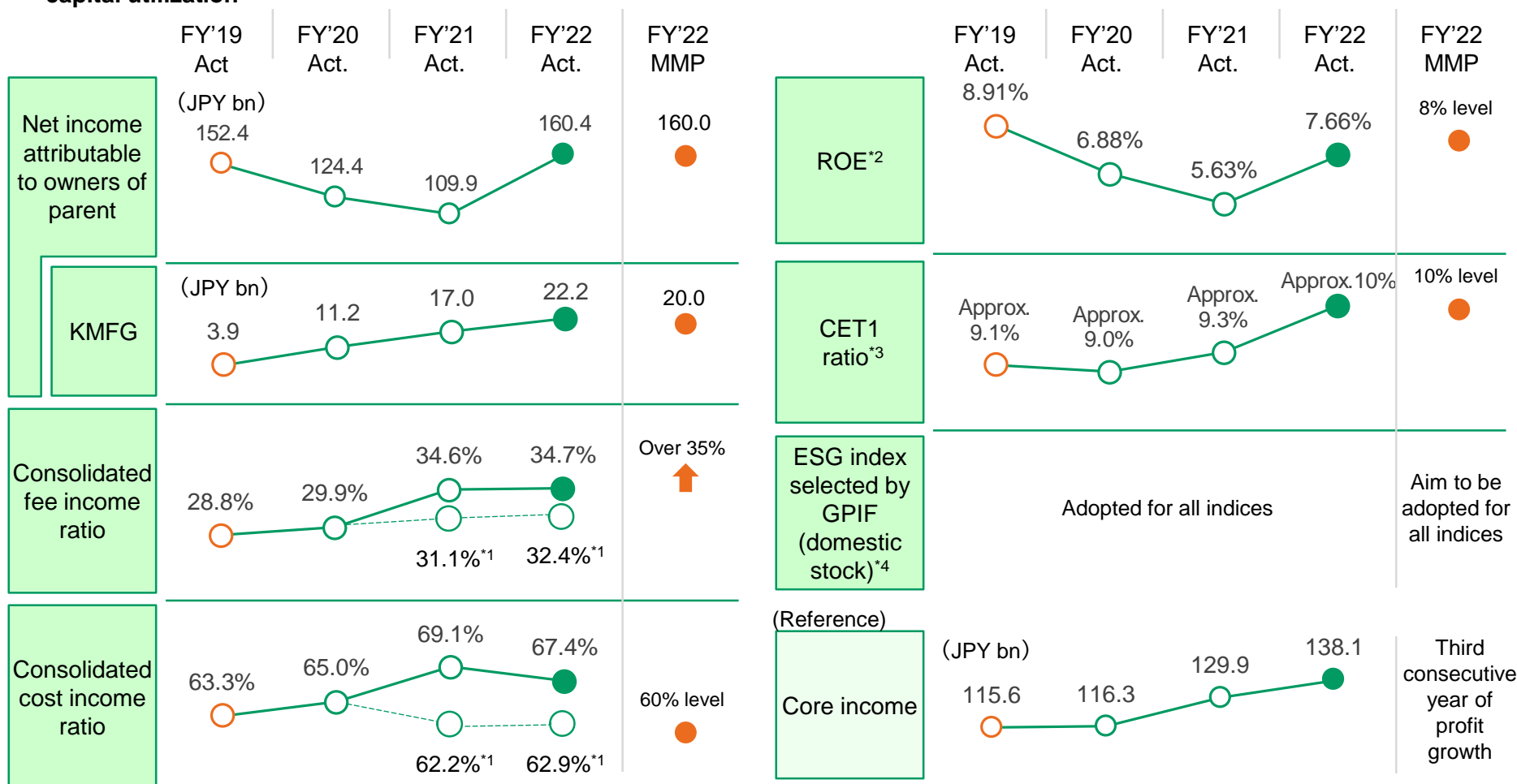
- Credit costs in FY'22 : JPY(15.9) bn [Of which, 4Q : JPY(15.1) bn]
 - Strengthen preparations for downside risks in light of the business environment, individual company risks, etc.
- Continued to strengthen monitoring for signs of abnormalities and providing rehabilitation assistance while closely watching changes in the macro environment

*1. Net interest income from domestic loans and deposits + Fee income + Operating expenses

*2. Including external group *3. Total of group banks, acquisition cost basis

Reflection on the Previous Medium-term Management Plan (FY'20 - FY'22)

- Made steady progress in promptly tackling foreign bond portfolio management and other issues despite our struggles with profit-related challenges in the first two years
- Our CET1 ratio reached “Approx. 10%”, laying the groundwork for the future shift to a new phase of capital utilization
- While we failed to meet our target for ROE, we halted the ongoing downward trend and now aim for further improvement through capital utilization



*1. Excluding impact of restore soundness of securities portfolio *2. Net income attributable to owners of parent / Total shareholders equity (simple sum of the balance at the beginning and the end of the term/2) *3. Based on the full enforcement of the finalized Basel 3 regulations under the international standard; excluding net unrealized gains on available-for-sale securities

*4. FTSE Blossom Japan Index, FTSE Blossom Japan Sector Relative Index, MSCI Japan ESG Select Leaders Index, S&P/JPX Carbon Efficient Index series, MSCI Japan Empowering Women Index and Morningstar Japan ex-REIT Gender Diversity Tilt Index,

Breakdown of Financial Results

(JPY bn)		Resona Holdings (Consolidated)		Total of group banks		Resona Bank		Saitama Resona Bank		Total of group banks under KMFG		Difference (a)-(c)
		(a)	YoY (b)	(c)	YoY (d)	(e)	YoY (f)	(g)	YoY (h)	(i)	YoY (j)	
Gross operating profit	(1)	600.0	(1.8)	544.2	(0.6)	309.8	+3.1	107.7	+6.3	126.6	(10.1)	55.8
Net interest income	(2)	419.3	(9.8)	412.9	(9.2)	224.6	(5.7)	81.7	(2.3)	106.5	(1.1)	6.4
Nil from domestic loans and deposits	(3)			334.1	(3.8)	173.3	(1.3)	66.8	(1.4)	94.0	(0.9)	
Net gains on cancellation of investment trusts *1	(4)	0.1	(0.6)	0.2	(0.5)	—	—	—	—	0.2	(0.5)	(0.1)
Fee income	(5)	208.6	+0.3	160.6	+0.9	105.5	+1.6	30.4	+2.9	24.6	(3.7)	48.0
Fee income ratio	(6)	34.7%	+0.1%	29.5%	+0.2%	34.0%	+0.2%	28.2%	+1.1%	19.4%	(1.2)%	
Trust fees	(7)	21.6	+0.7	21.6	+0.7	21.5	+0.7	0.0	(0.0)	0.0	(0.0)	(0.0)
Fees and commission income	(8)	187.0	(0.4)	138.9	+0.1	83.9	+0.9	30.3	+2.9	24.6	(3.7)	48.0
Other operating income	(9)	(27.9)	+7.5	(29.3)	+7.7	(20.2)	+7.1	(4.4)	+5.8	(4.5)	(5.2)	1.3
Net gains on bonds (including futures) *1	(10)	(47.7)	+6.1	(47.8)	+6.2	(33.9)	+6.4	(7.0)	+4.7	(6.7)	(5.0)	0.0
Operating expenses (excluding group banks' non-recurring items)	(11)	(404.7)	+11.6	(376.8)	+12.8	(206.3)	+6.1	(73.4)	+2.4	*2 (97.0)	+4.3	(27.8)
Cost income ratio (OHR)	(12)	67.4%	(1.7)%	69.2%	(2.2)%	66.5%	(2.6)%	68.1%	(6.6)%	76.6%	+2.5%	
Actual net operating profit	(13)	195.7	+9.6	167.3	+12.2	103.5	+9.2	34.3	+8.7	29.5	(5.8)	28.3
Core net operating profit (excluding gains on cancellation of investment trusts) *3	(14)			213.8	(0.4)	138.0	(3.1)	39.6	+2.9	36.0	(0.2)	
Net gains on stocks (including equity derivatives)	(15)	53.9	+6.7	54.3	+7.2	45.6	+2.8	6.6	+3.6	2.0	+0.7	(0.3)
Credit related expenses, net	(16)	(15.9)	+42.7	(15.0)	+46.1	(9.5)	+37.7	(2.1)	+3.4	(3.3)	+4.9	(0.8)
Other gains, net	(17)	(8.7)	+10.1	(8.5)	+9.3	(4.2)	+1.6	(1.5)	+1.6	(2.7)	+6.1	(0.1)
Net income before income taxes	(18)	225.0	+69.3	198.0	+74.9	135.2	+51.4	37.3	+17.5	25.4	+6.0	27.0
Income taxes and other	(19)	(63.3)	(17.7)	(56.4)	(20.4)	(38.4)	(14.7)	(11.3)	(5.8)	(6.5)	+0.1	
Net income attributable to non-controlling interests	(20)	(1.3)	(1.1)									
Net income (attributable to owners of parent)	(21)	160.4	+50.4	141.6	+54.5	96.8	+36.6	25.9	+11.6	18.8	+6.1	

*1. Losses on cancellation of investment trusts are posted in the net gains on bonds since net of the losses and dividends from investment trusts become negative
 FY'21(RB/SR): Losses on cancellation of investment trusts: JPY(15.5) bn, dividends from investment trusts: + JPY4.8 bn → net amount: JPY(10.7) bn
 FY'22(RB/SR): Losses on cancellation of investment trusts: JPY(3.2) bn, dividends from investment trusts: + JPY1.7 bn → net amount: JPY(1.4) bn

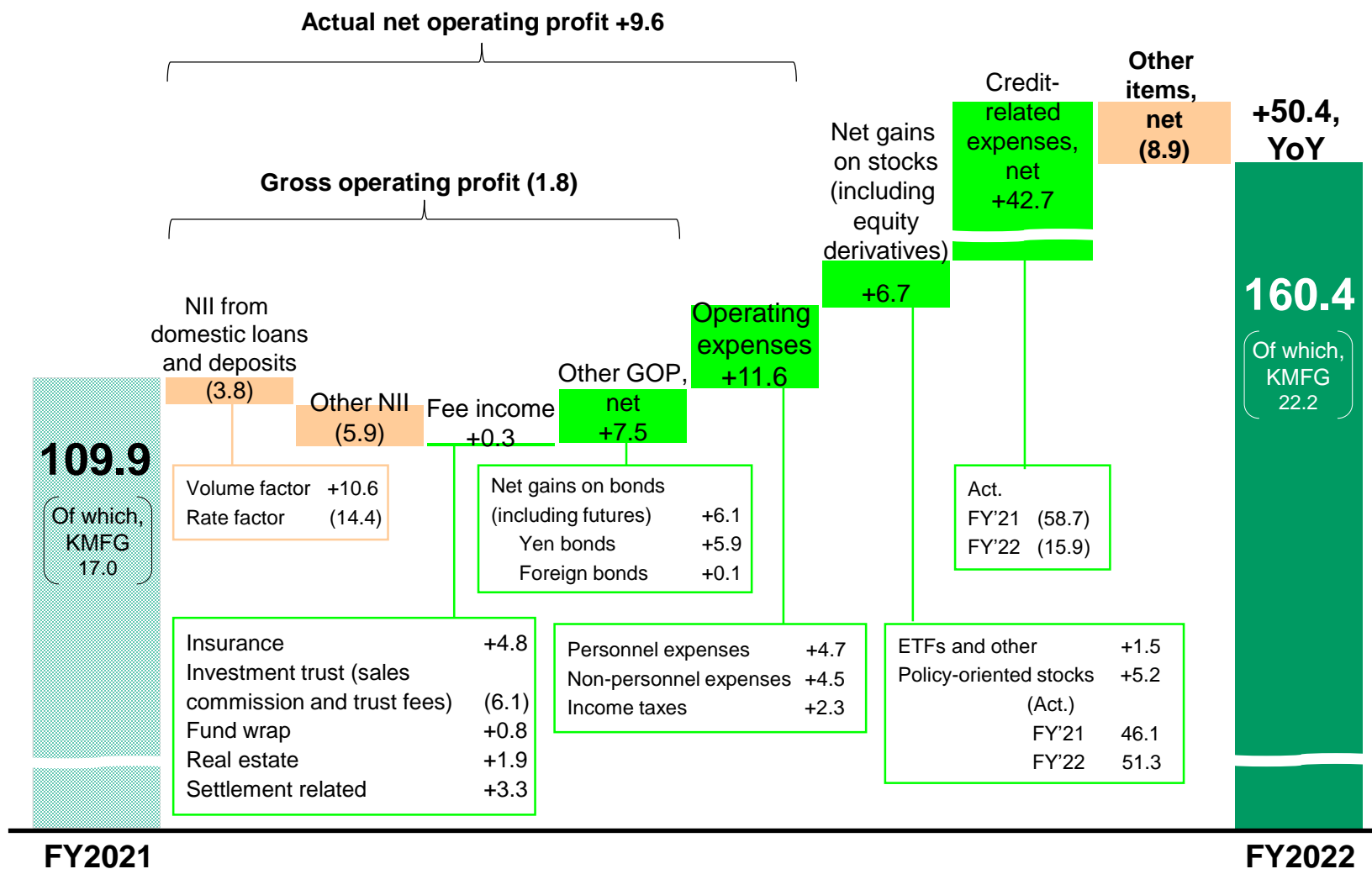
*2. Exclude goodwill amortization by KMB, JPY(0.7) bn, related to acquisition of former Biwako Bank

*3. Actual net operating profit - Gains on cancellation of investment trusts - Net gains on bonds

Factors for the Changes in Net Income Attributable to Owners of Parent (YoY Comparison)

HD Consolidated

(JPY bn)



Trend of Loans and Deposits (Domestic Account)

Total of Group Banks

Average loan / deposit balance, rates and spread

FY'22 (YoY)

Average loan balance : +3.20%, Loan rate : (4) bps

[Excluding loans to the Japanese government and others]

Average loan balance : +1.94%, Loan rate : (3) bps

=> Full year (Plan) +2.84% (2) bps

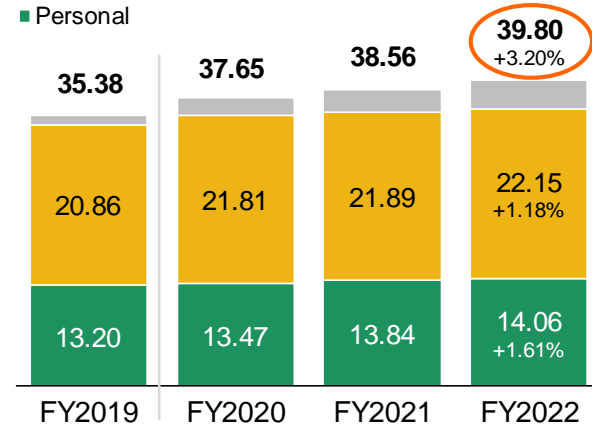
Avg. bal : Trillion Yen Income/Cost : Billion Yen		FY2022		FY2023	
		Act. (a)	YoY ³ (b)	Plan (c)	YoY ³ (d)
Loans	Avg. Bal. (1)	39.80	+3.20%	41.39	+3.99%
	Rate (2)	0.84%	(0.04)%	0.81%	(0.03)%
	Income (3)	337.5	(5.0)	335.8	(1.6)
Corporate banking business unit ¹	Avg. Bal. (4)	22.15	+1.18%	22.80	+2.92%
	Rate (5)	0.81%	(0.01)%	0.79%	(0.02)%
Corporate Loan	Avg. Bal. (6)	18.89	+2.15%	19.64	+3.94%
	Rate (7)	0.77%	(0.01)%	0.75%	(0.01)%
Personal banking business unit ²	Avg. Bal. (8)	14.06	+1.61%	14.27	+1.48%
	Rate (9)	1.07%	(0.04)%	1.03%	(0.03)%
Deposits (Including NCDs)	Avg. Bal. (10)	61.05	+3.05%	62.42	+2.25%
	Rate (11)	0.00%	(0.00)%	0.00%	+0.00%
	Cost (12)	(3.3)	+1.2	(3.4)	(0.1)
Loan-to-deposit	Spread (13)	0.84%	(0.03)%	0.80%	(0.03)%
	Net interest income (14)	334.1	(3.8)	332.4	(1.7)

Trend of average loan balance

[Average loan balance (JPY tn)] % represents YoY change

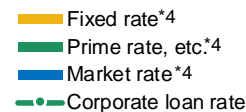
■ Corporate (Excluding loans to HD)

■ Personal

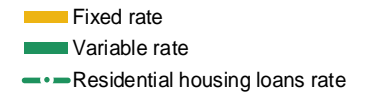


Loan rate on a stock basis and composition by interest rate type

[Corporate loan]



[Residential housing loan]



*1. Corporate Banking Business Unit : Corporate loans (excluding loans to HD) + apartment loans, Figures are for internal administration purpose

*2. Personal Banking Business Unit: Residential housing loans + other consumer loans, Figures are for internal administration purpose

*3. Average balance : rate of change *4. Corporate banking business unit (excluding apartment loans) + public corporation, etc.

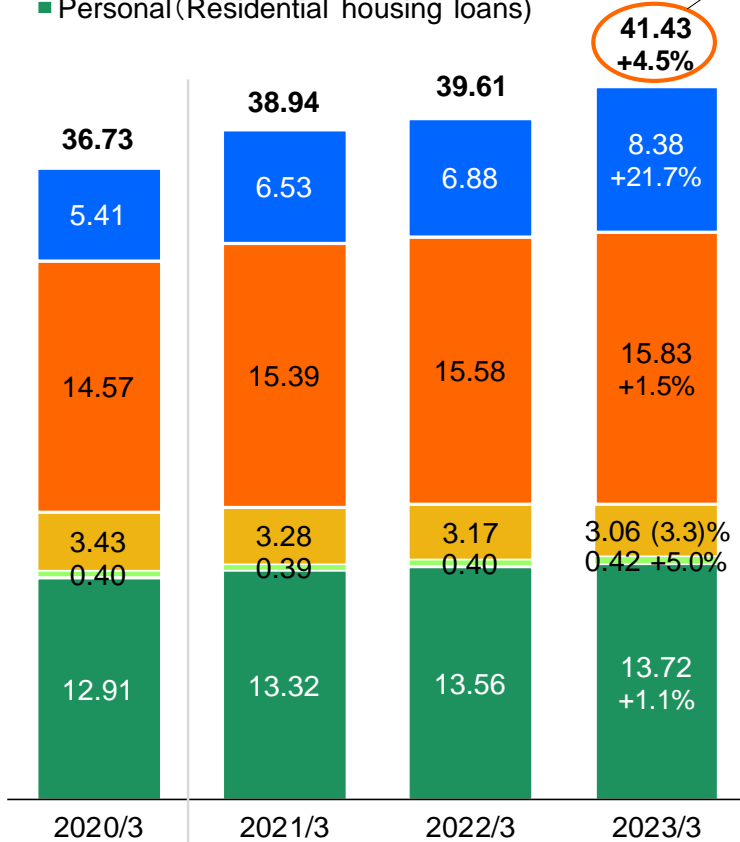
Term-end Balance of Loans and Deposits

Term-end loan balance

[JPY tn, % represents YoY change]

- Corporate (Large companies and other)
- Corporate (SMEs)
- Corporate (Apartment loans)
- Personal (Consumer loans)
- Personal (Residential housing loans)

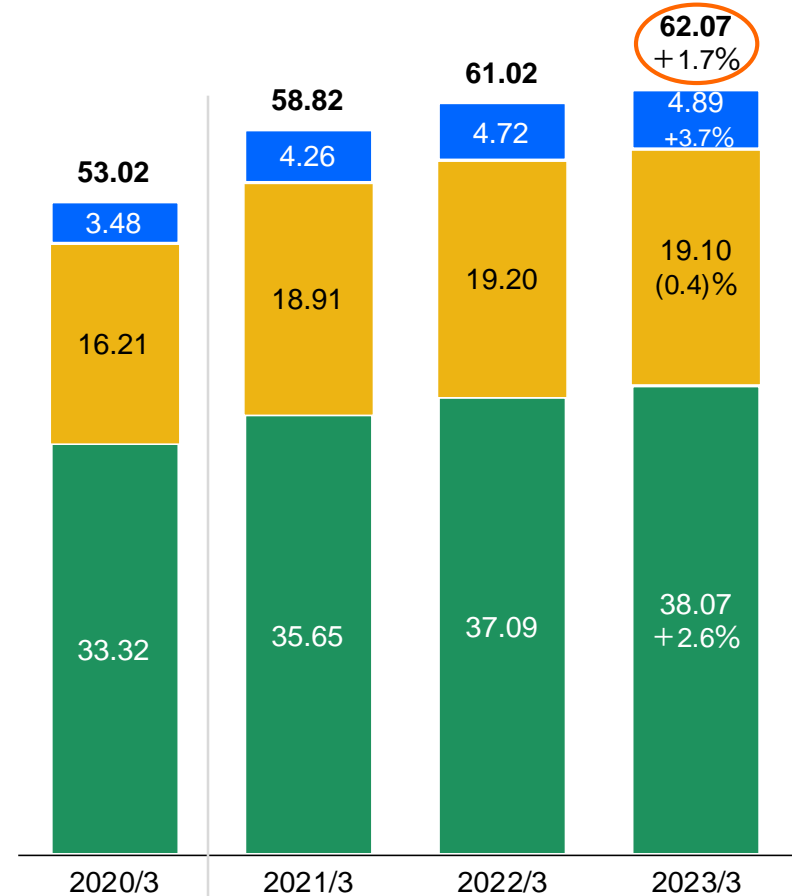
Of which, excluding loans to the Japanese gov. and others [2.19 tn] +2.3%



Term-end deposit balance

[JPY tn, % represents YoY change]

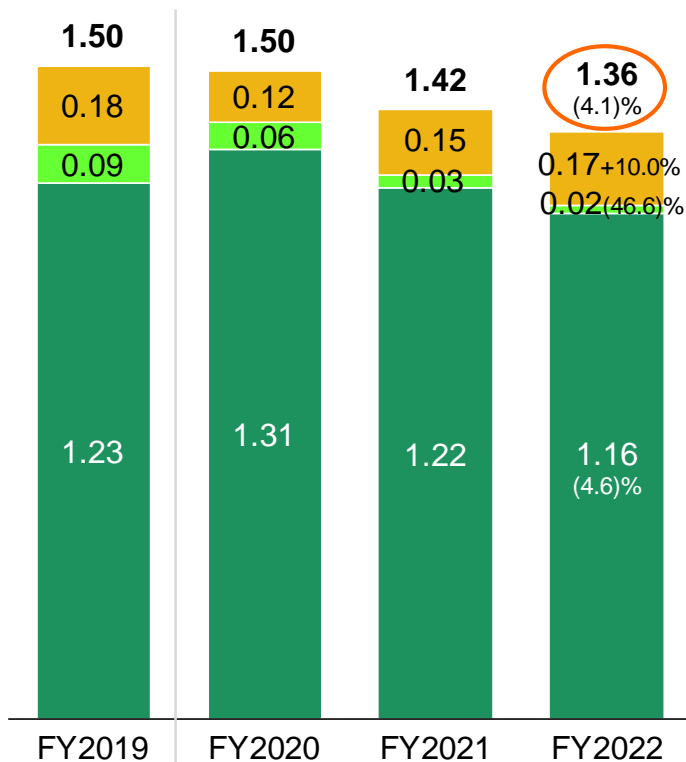
- Other
- Corporate
- Personal



New housing loan origination

[JPY tn, % represents YoY change]

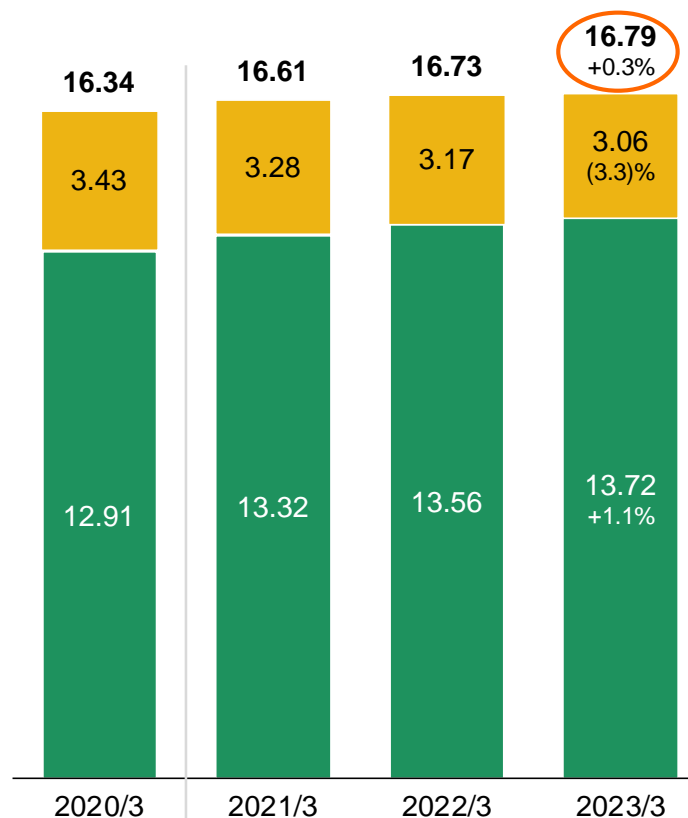
- Apartment loan
- Flat 35
- Residential housing loan



Term-end housing loan balance

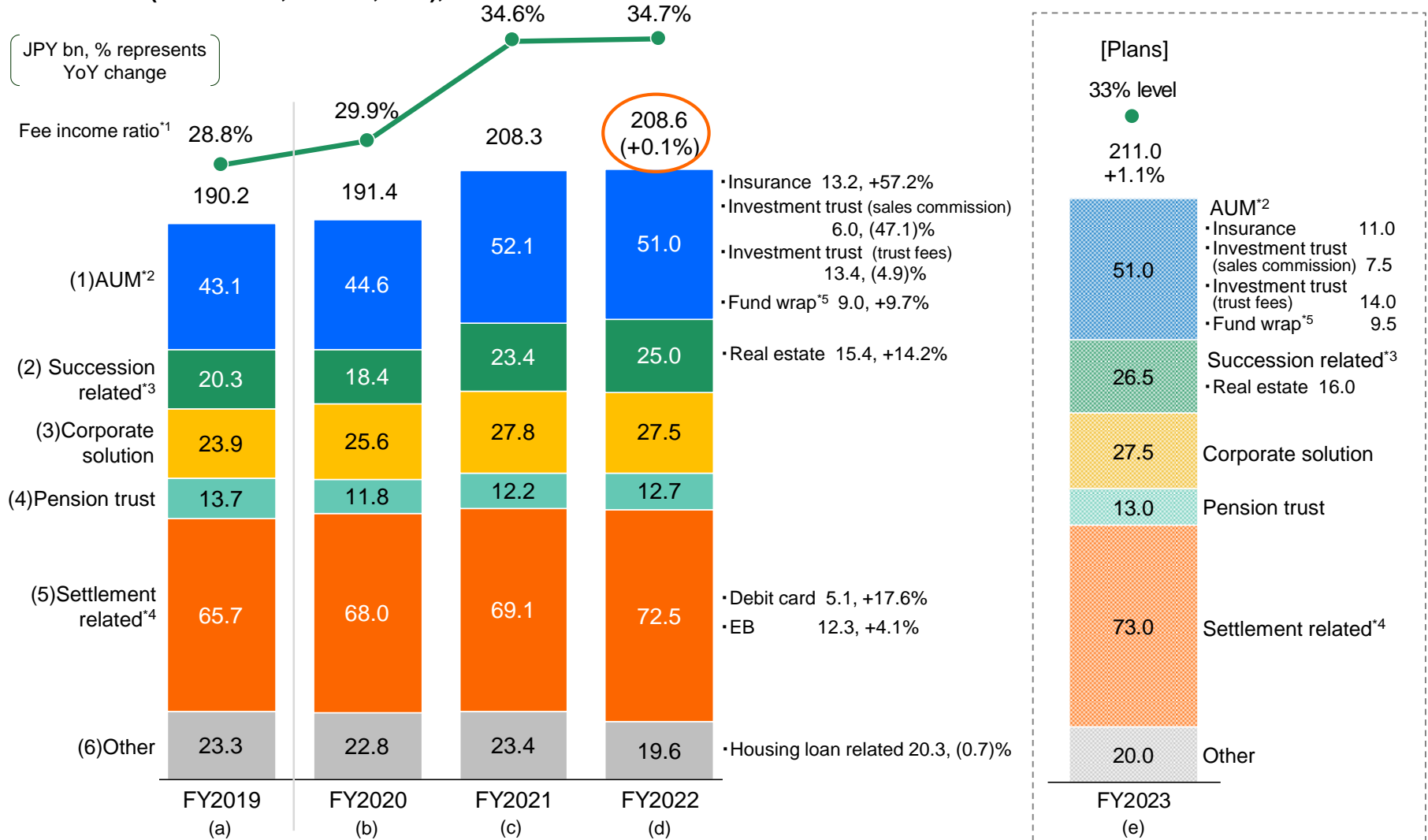
[JPY tn, % represents YoY change]

- Apartment loan
- Residential housing loan



Fee income

- Consolidated fee income ratio^{*1} : 34.7%
- Increased driven by growth in insurance (+JPY4.8 bn, +57.2%, YoY) , settlement related (+JPY3.3 bn, +4.9%, YoY), real estate (+JPY1.9 bn, +14.2%, YoY), etc.



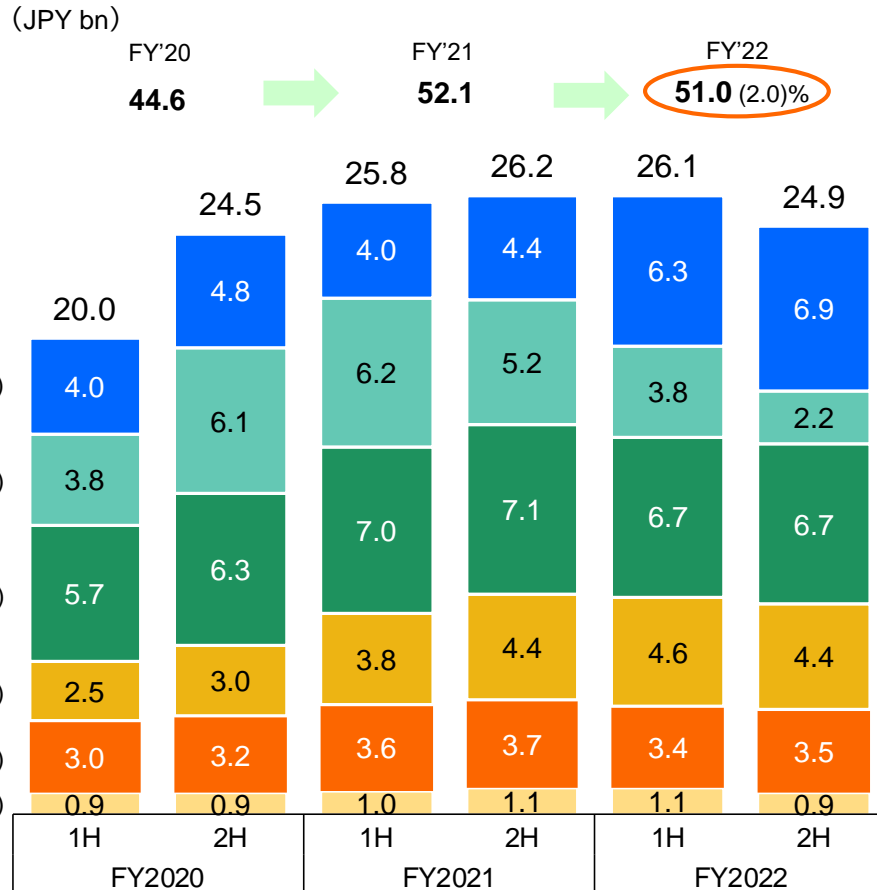
*1. (Fees and commission income + trust fees) / Consolidated gross operating profit

*2. Insurance and investment trust(sales commission/ trust fees), fund wrap, securities trust, fee income earned by Resona Asset Management real estate, M&A income *4. Fees and commission from domestic exchange, account transfer, EB, debit card, etc. and fee income earned by Resona Kessai Service and Resona Card *5. Including fee income earned by Resona Asset Management

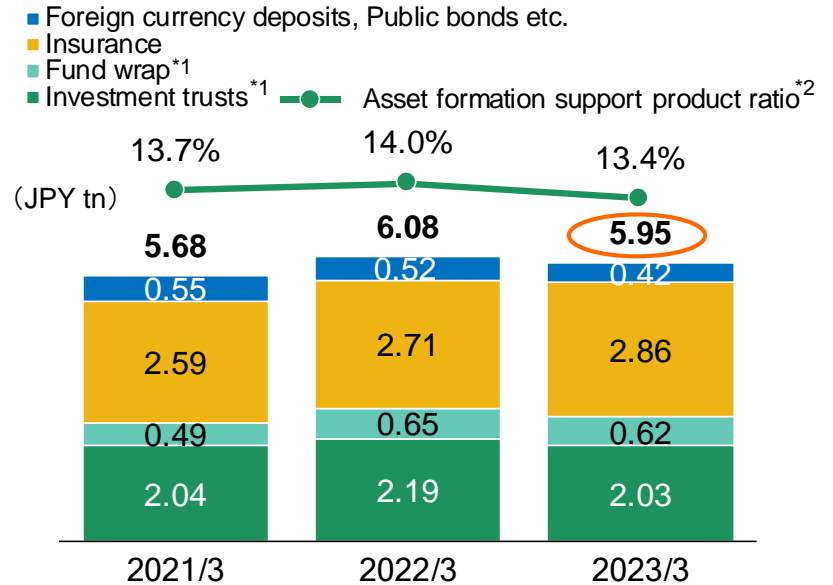
Major Fee Businesses(1) (AUM)

AUM income

- (1) Insurance
- (2) Investment trust (sales commission)
- (3) Investment trust (trust fees)
- (4) Fund wrap
- (5) Resona Asset Management
- (6) Securities trust



Balance of asset formation support products sold to individuals



- **Balance of fund wrap*1:**
'23/3 JPY744.2 bn (including corporation*3)
- **Change in balance of investment trust and fund wrap : FY'22 Approx. JPY(170.0) bn**
 - Net inflow (new purchase – withdrawal and redemption):
Approx. +JPY30.0 bn
- **Number of individual customers having investment trust, fund wrap and insurance products :**
'23/3 977 thousand, +9 thousand, YoY
 - Of which, NISA account holders*4: 412 thousand, +6.0%, YoY
- **iDeCo participants*5: '23/3 171 thousand, +11.2%, YoY**
- **Securities trust (total assets in custody) : '23/3 JPY42.1 tn**

*1. Based on market value *2. Balance of asset formation support products sold to individuals / (balance of asset formation support products sold to individuals and yen deposits held by individuals) *3. Including external group *4. NISA, Junior NISA, Cumulative NISA *5. iDeCo participants + members giving investment instructions

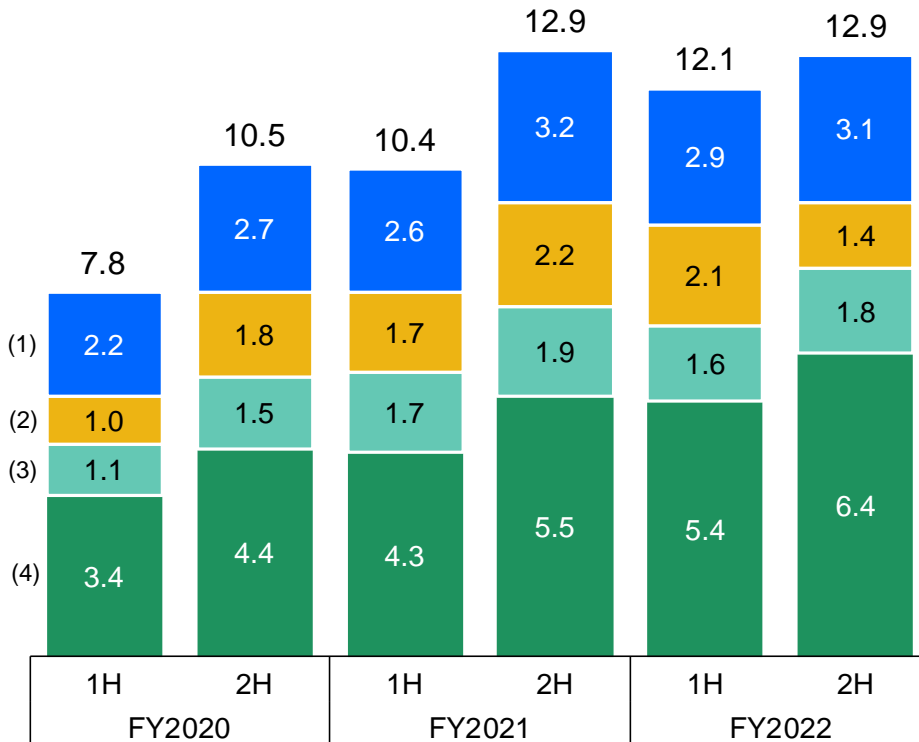
Major Fee Businesses(2) (Succession, Corporate Solution, Pension Trust)

HD Consolidated

Succession related income

- (1) Asset and business succession related trust
- (2) M&A
- (3) Real estate (individual)
- (4) Real estate (corporation)*1

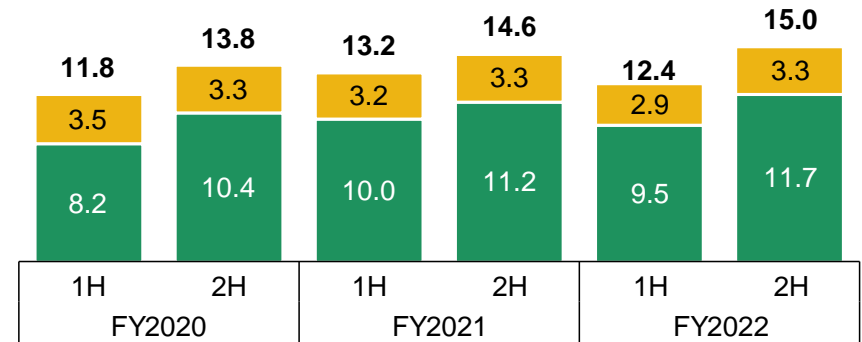
(JPY bn) FY'20 **18.4** → FY'21 **23.4** → FY'22 **25.0 +7.0%**



Corporate solutions business income

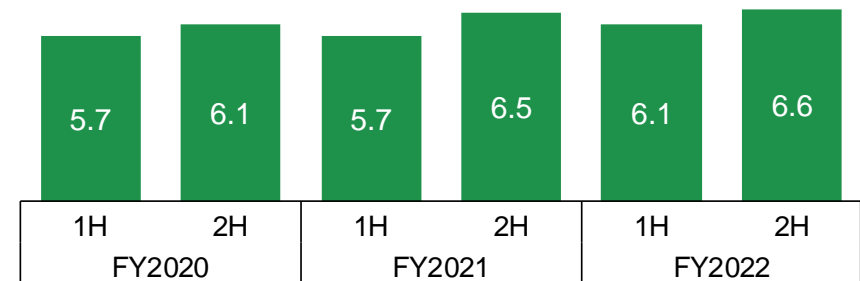
- Private notes
- Commitment line, Syndicated loans, Covenants

(JPY bn) FY'20 **25.6** → FY'21 **27.8** → FY'22 **27.5 (1.2)%**



Pension trust income

(JPY bn) FY'20 **11.8** → FY'21 **12.2** → FY'22 **12.7 +3.9%**



*1. Excluding gains from investments in real estate funds

Credit costs

(JPY bn)	FY2020	FY2021	FY2022	FY2023 Plan
	(a)	(b)	(c)	(d)
Net credit cost (HD consolidated) (1)	(57.4)	(58.7)	(15.9)	(38.0)

Net credit cost (Total of group banks) (2)	(52.3)	(61.2)	(15.0)	(31.5)
General reserve (3)	(15.9)	(7.2)	(3.1)	
Specific reserve and other items (4)	(36.3)	(53.9)	(11.9)	
New bankruptcy, downward migration (5)	(45.0)	(66.0)	(45.2)	
Collection/upward migration (6)	8.7	12.0	33.2	

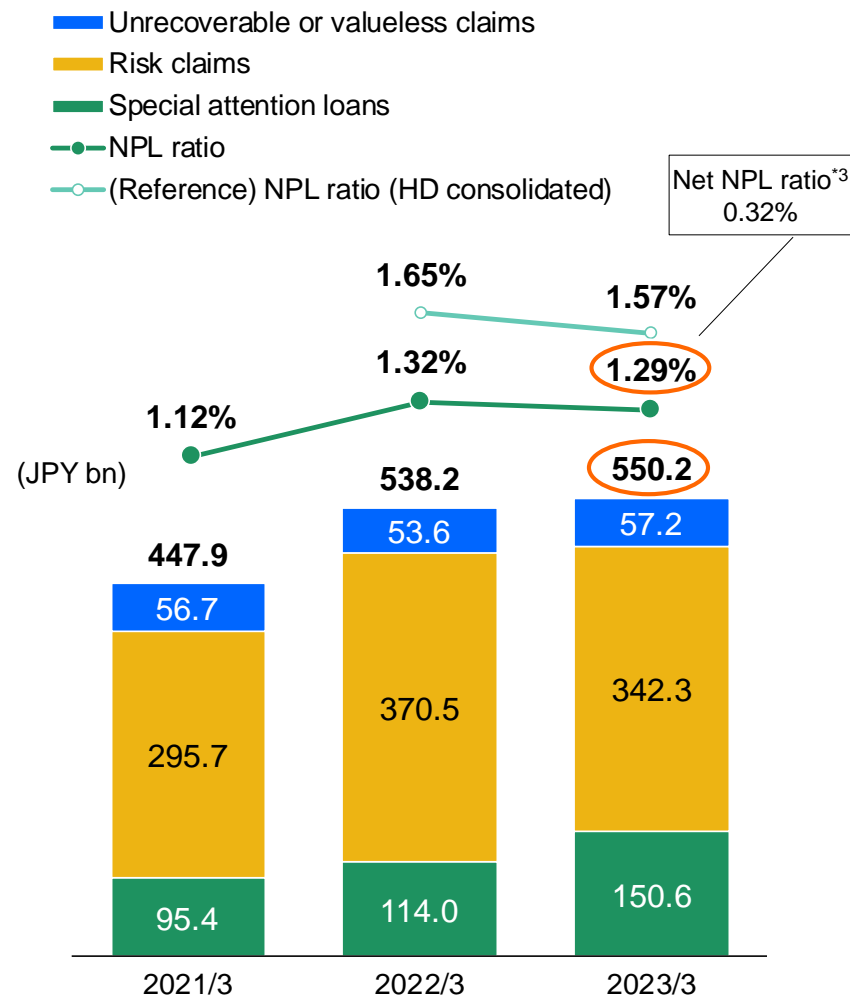
Difference (1) - (2) (7)	(5.1)	2.4	(0.8)	(6.5)
HL guarantee subsidiaries (8)	(0.5)	6.5	1.4	
Resona Card (9)	(1.5)	(1.4)	(1.7)	

<Credit cost ratio>		(bps)			
HD consolidated ^{*1} (10)	(15.0)	(14.8)	(3.9)	(8.9)	
Total of group banks ^{*2} (11)	(13.4)	(15.1)	(3.6)	(7.2)	

*(Note) Positive figures represent reversal gains

NPL balance and ratio (Total of group banks)

(Financial Reconstruction Act criteria)



*1. Credit cost / (Loans and bills discounted + acceptances and guarantees), (Simple average of the balances at the beginning and end of the term)

*2. Credit cost / total credits defined under the Financial Reconstruction Act, (Simple average of the balances at the beginning and end of the term)

*3. Net of collateral, guarantees and loan loss reserves

Securities portfolio*1

(JPY bn)	2021/3	2022/3	2023/3	Unrealized gains/(losses) (d)
	(a)	(b)	(c)	
Available-for-sale securities (1)	4,480.7	4,159.5	3,886.8	472.9
Stocks (2)	325.2	305.9	283.8	578.0
Bonds (3)	2,586.4	2,940.1	2,400.2	(57.5)
JGBs (4)	925.7	1,137.3	645.3	(39.4)
Average duration (years) (5)	13.1	9.3	12.8	-
Basis point value (BPV) (6)	(1.21)	(1.15)	(0.78)	-
Local government and corporate bonds (7)	1,660.6	1,802.8	1,754.9	(18.0)
Other (8)	1,569.0	913.3	1,202.6	(47.5)
Foreign bonds (9)	904.8	562.5	721.5	(34.2)
Average duration (years) (10)	6.3	6.2	5.8	-
Basis point value (BPV) (11)	(0.51)	(0.26)	(0.30)	-
Investment trusts (Domestic) (12)	658.4	346.8	474.1	(16.0)
Net unrealized gain (13)	615.3	521.2	472.9	
Bonds held to maturity (14)	1,942.2	2,934.7	3,899.0	(95.5)
JGBs (15)	1,035.6	1,856.1	2,278.2	(77.5)
Net unrealized gain (16)	11.5	(30.3)	(95.5)	

■ CLO: Zero

*1. Acquisition cost basis. The presented figures include marketable securities only

*2. Policy-oriented stocks are classified into (i) policy investment stocks and (ii) strategic investment stocks, according to the purpose of holding.

Of these, (i) policy investment stocks are targeted for reduction of the balance.

All listed shares held by group banks are (i) policy investment stocks

Status of policy-oriented stocks held*2

■ Balance of listed stocks disposed in FY2022

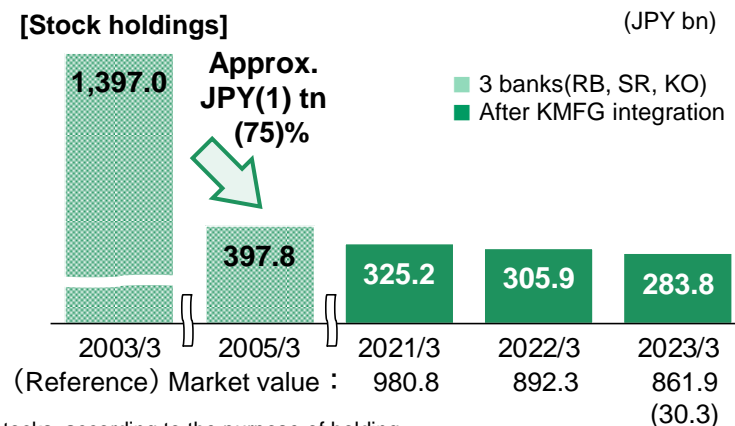
(acquisition cost basis): JPY22.0 bn,
Net gain on sale: JPY50.4 bn (HD consolidated: JPY50.0 bn)
Breakeven Nikkei average: Approx. 7,800 yen

■ Policy for holding policy-oriented stocks

- Since the capital enhancement with public funds, Resona Group has reduced the balance of the policy-oriented stocks to lessen the risk of price volatility. Our basic policy is to continue to reduce the balance of policy-oriented stocks.
- The Group determines whether to hold policy-oriented stocks by evaluating the risks and returns, including feasibility of the development of a trading relationship in a medium- to long-term. The Group may also sell stocks in consideration of the market situations, management and financial strategies, even though the Group considers appropriate for holding from the risk-return perspective.

■ Plan to reduce JPY80.0 bn level in 4 years from Apr. '22

⇒ 27.5% progress against plan in the first year



Capital Adequacy Ratio

HD
Consolidated

- CAR (Domestic std.) and CET1 ratio (International std.) as of Mar. 31, 2023 were 12.48% and 14.10%, respectively, maintaining sound capital adequacy level

Domestic standard

(JPY bn)	2022/3	2023/3	Change
Capital adequacy ratio (1)	11.82%	12.48%	+0.66%
Total capital (2)	2,027.7	2,101.0	+73.2
Core Capital: instruments and reserves (3)	2,103.1	2,179.5	+76.3
Stockholders' equity (4)	2,018.9	2,115.4	+96.5
Adjusted non-controlling interests (5)	7.8	7.0	(0.8)
Reserves included in Core Capital (6)	60.7	39.2	(21.5)
Subordinated loans and bonds subject to transitional arrangement (7)	34.7	27.5	(7.1)
Core Capital: regulatory adjustments (8)	75.3	78.4	+3.0
Risk weighted assets (9)	17,150.2	16,827.9	(322.2)

Change in total capital

- Stockholders' equity +96.5 bn
 - Net income attributable to owners of parent +160.4 bn
 - Share buyback (completed in Dec. '22) (15.0) bn
 - Dividends distributed (50.4) bn

Group banks, Bank holding company

Domestic standard	Resona (Consolidated)	Saitama Resona (Consolidated)	KMFG (Consolidated)
Capital adequacy ratio	11.88%	15.00%	9.08%

(Reference) International standard

(JPY bn)	2022/3	2023/3	Change
Common Equity Tier1 capital ratio (10)	13.43%	14.10%	+0.67%
Excluding net unrealized gains on available-for-sale securities (11)	11.26%	12.09%	+0.83%
Tier1 capital ratio (12)	13.45%	14.11%	+0.66%
Total capital ratio (13)	13.81%	14.35%	+0.54%
Common Equity Tier1 capital (14)	2,343.8	2,413.1	+69.2
Instruments and reserves (15)	2,420.8	2,494.9	+74.0
Stockholders' equity (16)	2,018.9	2,115.4	+96.5
Net unrealized gains on available-for-sale securities* (17)	378.5	343.0	(35.4)
Adjusted non-controlling interests (18)	3.6	3.8	+0.1
Regulatory adjustments (19)	76.9	81.7	+4.8
Other Tier1 capital (20)	2.6	2.7	+0.1
Tier1 capital (21)	2,346.5	2,415.9	+69.4
Tier2 capital (22)	62.3	40.8	(21.5)
Total capital (Tier1+Tier2) (23)	2,408.8	2,456.7	+47.9
Risk weighted assets (24)	17,442.3	17,113.4	(328.8)

*Including deferred gains or losses on hedge related to net unrealized gains on available-for-sale securities

(Reference)

- Trial calculation based on the finalization of Basel 3**
CET1 ratio: Approx. 10.0%*
(Excluding net unrealized gains on available-for-sale securities)

*Trial calculation which took into consideration the estimated increase in RWAs owing to the finalization of Basel 3 (SA and capital floor revisions) based on the actual CET1 ratio excluding net unrealized gains on available-for-sales securities as of Mar. 31, 2023 reported as (11) in the above table

Earnings Targets for FY2023

HD Consolidated
Total of Group Banks

HD consolidated

(JPY bn)	Full-year	YoY change
Net income attributable to owners of parent (1)	150.0	(10.4)
Difference (2)	17.5	(1.2)
Core income (including interest on yen bonds, etc.) ^{*1} (3)	148.0	(15.6)

Common DPS

	DPS	YoY change
Common stock (annual) (4)	22.0 yen	+1.0 yen
Interim dividend (5)	11.0 yen	+0.5 yen

Total of group banks

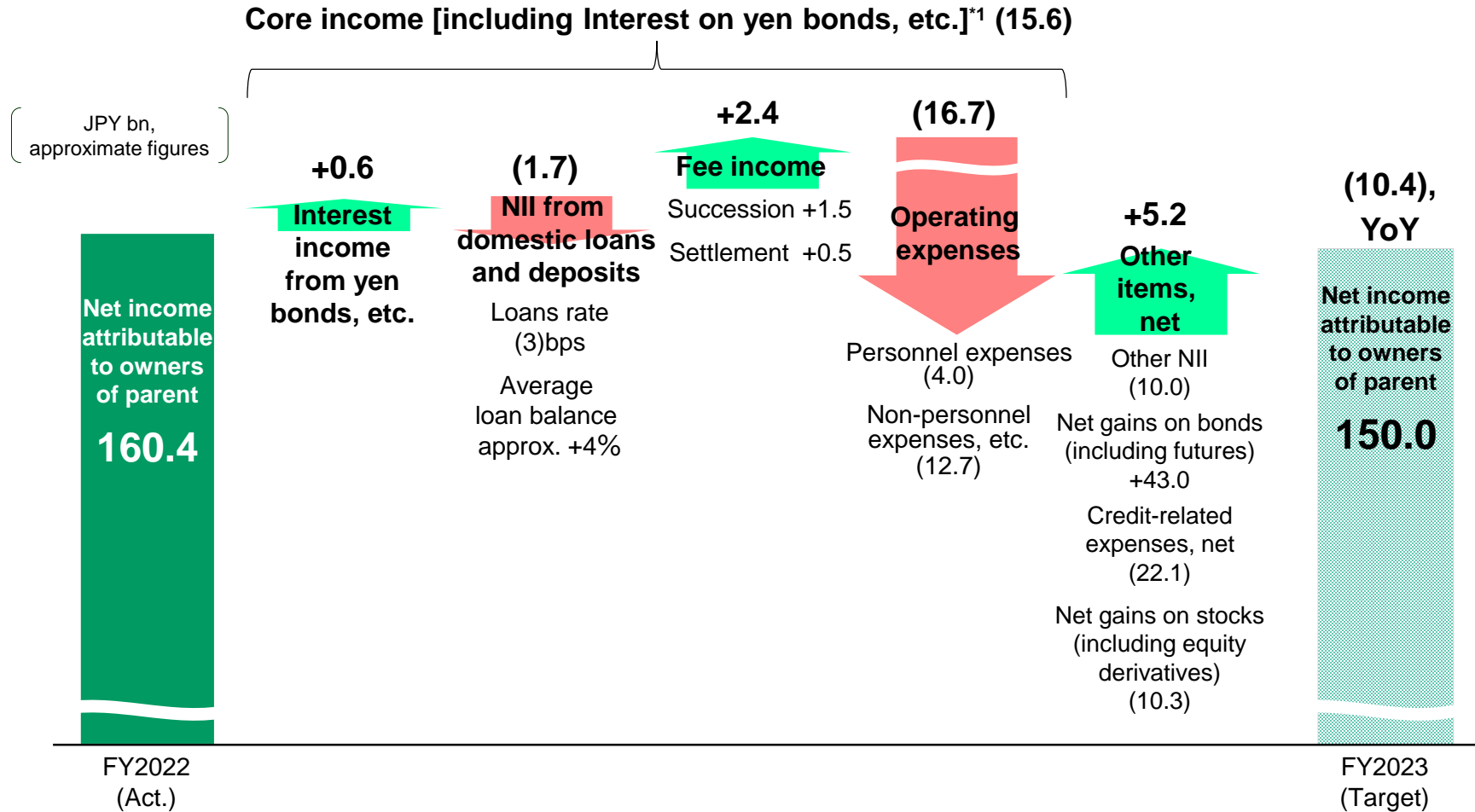
(JPY bn)	Total of group banks		Resona Bank		Saitama Resona Bank		KMFG (total of group banks)	
	Full-year	YoY change	Full-year	YoY change	Full-year	YoY change	Full-year	YoY change
Gross operating profit (6)	575.5	+31.3	330.0	+20.2	112.5	+4.8	133.0	+6.4
Operating expenses (7)	(392.5)	(15.7)	(214.0)	(7.7)	(76.5)	(3.1)	(102.0)	(5.0)
Actual net operating profit (8)	183.0	+15.7	116.0	+12.5	36.0	+1.7	31.0	+1.5
Net gains on stocks (including equity derivatives) (9)	44.0	(10.3)	37.5	(8.1)	4.5	(2.1)	2.0	(0.0)
Credit related expenses, net (10)	(31.5)	(16.5)	(20.0)	(10.5)	(5.0)	(2.9)	(6.5)	(3.2)
Income before income taxes (11)	184.0	(14.0)	131.0	(4.2)	32.0	(5.3)	21.0	(4.4)
Net income (12)	132.5	(9.1)	93.0	(3.8)	22.5	(3.4)	17.0	(1.8)

*1. Net interest income from domestic loans and deposits + Interest on yen bonds, etc. (Interest on yen bonds and income from interest rate swaps)
+ Fee income + Operating expenses

(Reference) Gap Analysis : FY2023 Target vs FY2022 Results

■ Although targets for FY2023 include lower profit, the quality of that profit has improved as follows

- Expenses, though higher, are attributable to forward-looking investment in human resources and DX ⇒ This investment will generate such positive effects as improved employee engagement and greater productivity
- Profit composition shows lower dependence on extraordinary gains and losses (e.g., the reversal of credit-related expenses and proceeds from the sale of policy-oriented stockholdings)



*1. Net interest income from domestic loans and deposits + Interest on yen bonds, etc. (interest on yen bonds and income from interest rate swaps) + Fee income + Operating expenses

Capital Management

Enter a new phase in which we can step up the utilization of capital ⇒

Aim for ROE*¹ of 8%

Financial soundness

- Maintain the CET1 ratio*² at the 10% range
 - CET1 ratio as of Mar. '23 : Approx. 10%

Growth investment

- Organic ⇒ Expand loan assets, etc. with high returns relative to risk
- Inorganic ⇒ Expanding customer bases, management resources and functions

Improve Corporate Value

Shareholder return

- Enhance the content of shareholder returns in a way that gives due consideration to maintaining soundness and securing growth investment opportunities
- Aim for a total shareholder return ratio of around 50% even as we continue to deliver a stable dividend stream
 - FY'22 : 40.6%

Shareholder return expansion action announced in May 2023

■ Based on the concept of capital management in the new Medium-term Management Plan, implement the following

(i) Annual common DPS for FY2023 (forecast) : +1 yen increase [+0.5 yen for both interim and end of term]

(ii) Share buyback up to JPY10.0 bn

- Total number of shares to be acquired : Up to 25,000,000 shares
(1.05% of the total number of ordinary shares issued (excluding treasury shares))
- Total acquisition cost : Up to JPY10.0 bn
- Period of acquisition : From May 15, 2023 to June 30, 2023 [Plan to cancel all of the treasury shares to be acquired on Jul. 31, 2023]

*1. Net income attributable to owners of parent / Total shareholders equity (simple sum of the balance at the beginning and the end of the term/2)

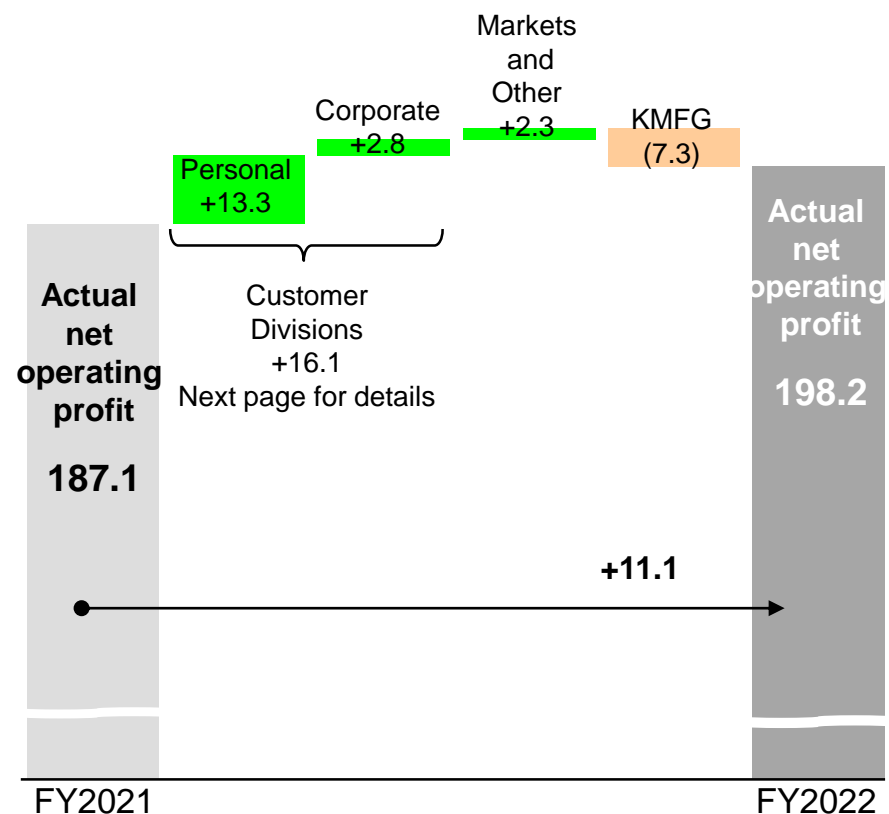
*2. Based on the full enforcement of the finalized Basel 3 regulations under the international standard; excluding net unrealized gains on available-for-sale securities

(Reference) Outline of Financial Results of Each Segment

HD
Consolidated

(JPY bn)		FY2022	YoY Change
Customer Divisions	Gross operating profit (1)	477.5	+14.8
	Operating expense (2)	(302.8)	+1.3
	Actual net operating profit (3)	174.7	+16.1
Personal Banking	Gross operating profit (4)	188.7	+9.0
	Operating expense (5)	(150.4)	+4.2
	Actual net operating profit (6)	38.3	+13.3
Corporate Banking	Gross operating profit (7)	288.7	+5.7
	Operating expense (8)	(152.4)	(2.9)
	Actual net operating profit (9)	136.3	+2.8
Markets and Other	Gross operating profit (10)	(10.8)	(4.5)
	Operating expense (11)	(0.0)	+6.9
	Actual net operating profit (12)	(10.6)	+2.3
KMFG	Gross operating profit (13)	135.9	(10.7)
	Operating expense (14)	(101.7)	+3.4
	Actual net operating profit (15)	34.1	(7.3)
Total	Gross operating profit (16)	602.6	(0.3)
	Operating expense (17)	(404.7)	+11.6
	Actual net operating profit (18)	198.2	+11.1

(JPY bn)



Definition of management accounting

1. "Customer Divisions" and "Markets and Other" segment refer to the HD Consolidated subsidiaries, except KMFG consolidated subsidiaries.
2. Gross operating profit of "Markets" segment includes a part of net gains/losses on stocks. "Other" segment refers to the divisions in charge of management and business administration.

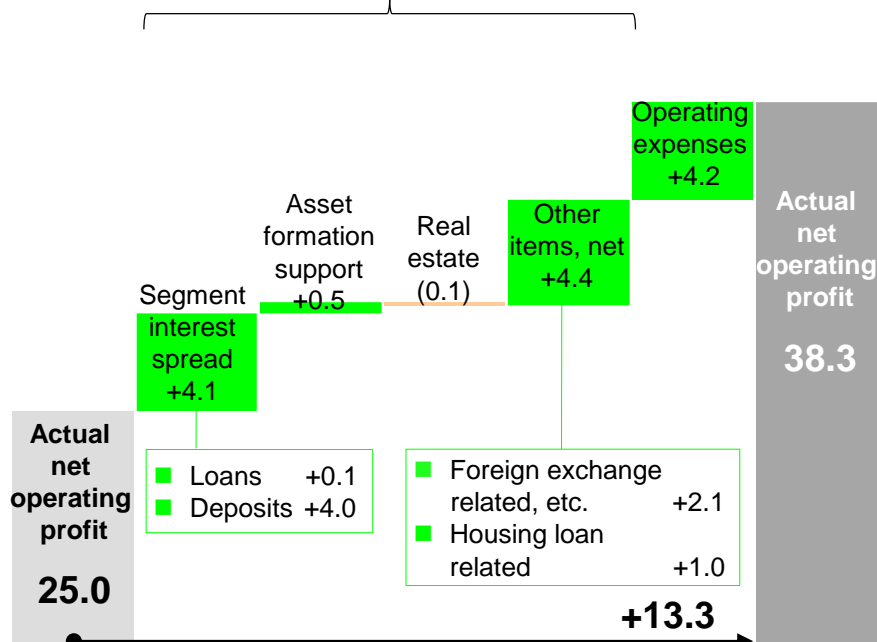
(Reference) Outline of Financial Results of Customer Divisions

Personal Banking Segment

Actual net operating profit : Up JPY13.3 bn, YoY

(JPY bn)

Gross operating profit +9.0



FY2022

Gross operating profit	Segment interest spread	Asset formation support	Real estate	Other	Operating expenses
188.7	126.6	24.2	3.3	34.5	(150.4)

FY2021

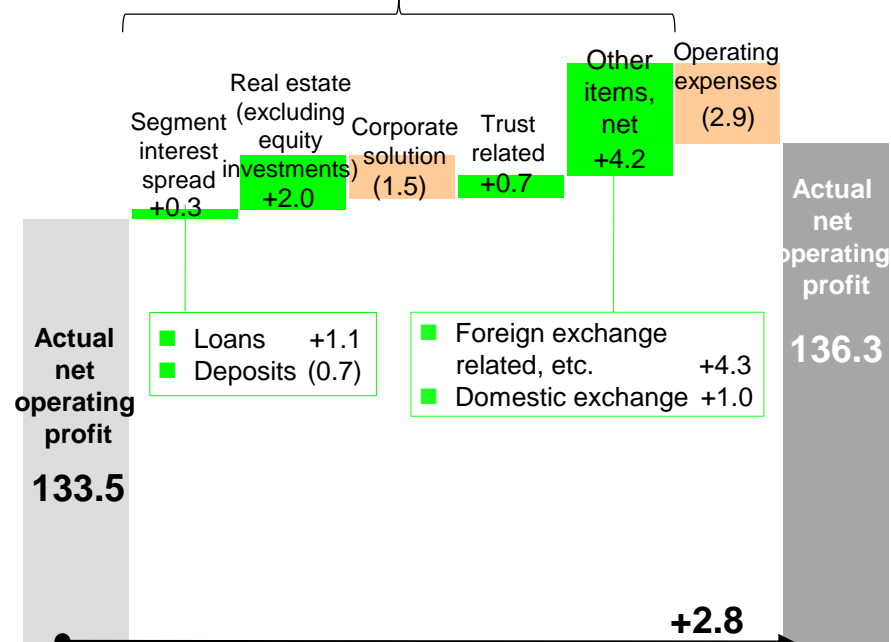
FY2022

Corporate Banking Segment

Actual net operating profit : Up JPY2.8 bn, YoY

(JPY bn)

Gross operating profit +5.7



FY2022

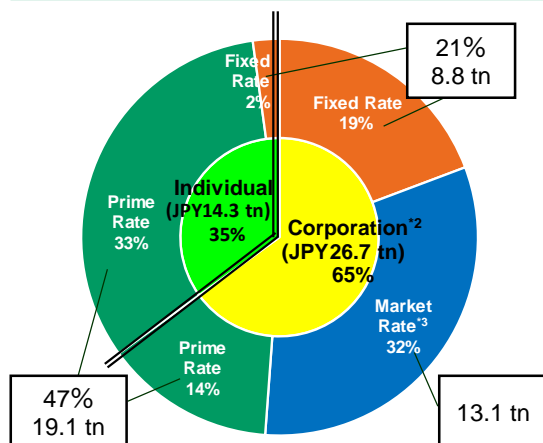
Gross operating profit	Segment interest spread	Real estate	Corporate solution	Trust related	Other	Operating expenses
288.7	122.1	11.5	25.3	28.2	101.5	(152.4)

FY2021

FY2022

(Reference) Sound Balance Sheet / Possible Impact of JPY Interest Rate Hikes (Provisional Calculation)

Composition of loan portfolio



Available-for-sale securities

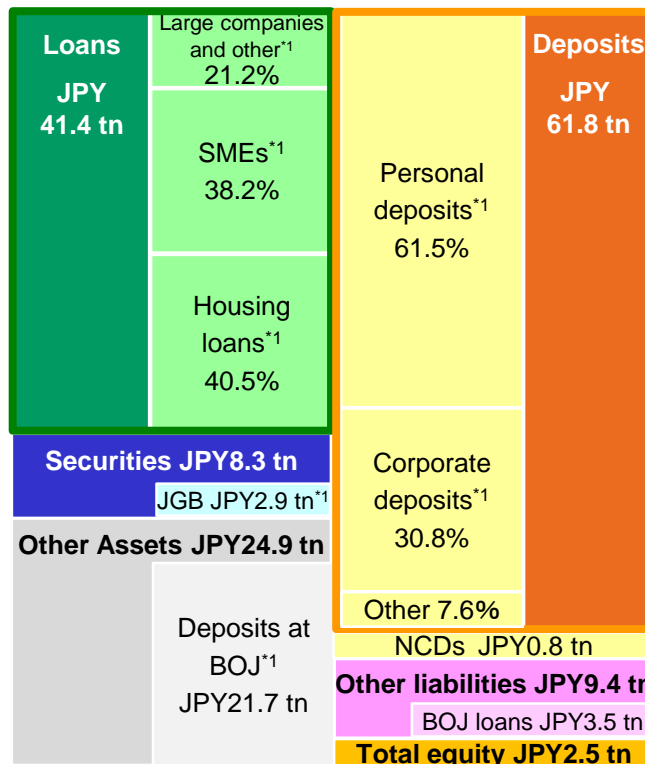
Practice the stringent management of interest rate risks and liquidity risks with an eye to regulatory standards (e.g., IRRBB and LCR) and other factors

Bonds held-to-maturity

BOJ current account

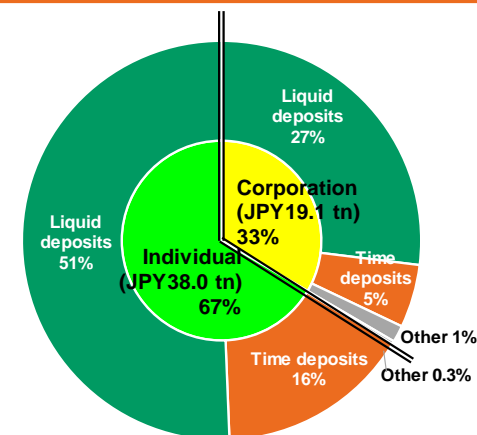
An abundant JPY21 tn (consolidated basis) in cash deposits in BOJ's current accounts

End of Mar. 2023
Total assets JPY74.8 tn



< Possible impact of JPY interest rate hikes (provisional calculation)*5 >

Composition of deposits*4



Our distinctive uniqueness lies in a strong business focus on regional and retail customers

Business strategies	Regional	Corporate
	Individual	

- Regional**: A diverse and dispersed customer portfolio / Number of companies as their main bank : 68 thousand
- Individual**: Unparalleled convenience offered via the Group app (6.52 million downloads) / Growing popularity as a mainstay tool for household finance

Deposits: Our liquidity deposits mainly consist of retail deposits with strong retention
 ⇒ Ratio of personal deposits to total deposits : 61%
 ⇒ Avg. cost of deposits : 0.005%

■ Hikes in long-term interest rates (the abolishment of the yield curve control policy)

- A provisional calculation premised on shifting a portion of funds held in BOJ current accounts to Japanese government bonds, etc., with instruments in the five-year maturity zone as targets (assuming an increase in margin to around 0.4%) ⇒ +JPY20.0 bn

■ Hikes in short-term interest rates (the lifting of the negative interest rate policy)

- A provisional calculation based on assumptions we have formulated for prevailing trends at the time of lifting that takes into account the status of deposits and loans as well as changes in current account interest rates at BOJ at the time of the introduction of said policy ⇒ +JPY10.0 bn

*1. Total of group banks *2. Including apartment loans *3. Market rate-linked loans include the fixed-rate (spread) loans maturing in less than one year

*4. Domestic individual deposits + Domestic corporate deposits *5. The provisional calculation for the impact on annual profit reflects expected circumstances after the full effect of interest rate fluctuations materializes

- Abbreviations and definitions of the figures presented in this material are as follows:

[HD] Resona Holdings, [RB] Resona Bank, [SR] Saitama Resona Bank,

[KMFG] Kansai Mirai Financial Group, [KMB] Kansai Mirai Bank*, [MB] Minato Bank

* [KU] Kansai Urban Banking Corporation and [KO] Kinki Osaka Bank merged on April 1, 2019

Negative figures represent items that would reduce net income.

Figures include data for internal administration purpose.

The forward-looking statements contained in this material 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 change related to the government's and central bank'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.