

# **Financial Highlights for the First Quarter of Fiscal Year 2023**



**Resona Holdings**

**July 31, 2023**

# Outline of Financial Results for the 1Q of FY2023

## ■ Net income attributable to owners of parent : JPY35.4 bn

- Up JPY1.4 bn, or 4.4%, YoY  
Progress rate against the full year target\*1 : 23.6%

## ■ Actual net operating profit : JPY51.7 bn

Up JPY18.3 bn, or 54.8%, YoY

**Core income<sup>\*2</sup> : JPY40.0 bn, down JPY1.9 bn, or 4.6%, YoY**  
**Progress rate against the full year target<sup>\*3</sup> : 27.0%**

## ● Gross operating profit : JPY154.8 bn, up JPY19.1 bn, or 14.0%, YoY

- Net interest income from domestic loans and deposits :  
Down JPY0.8 bn, YoY

Average loan balance : +4.63%, YoY, Loan rate : down by 4bps, YoY

[Excluding loans to the Japanese government and others]

Average loan balance : +2.68%, YoY, Loan rate: down by 3bps, YoY

**Both loan balance and loan rate were roughly in line with the plan**

- Fee income : Down JPY1.6 bn, YoY, Fee income ratio : 34.6%

**Settlement related, etc. increased,  
and progress rate against the full year plan was 25.4%**

- Net gains on bonds (including futures) : Up JPY21.4 bn, YoY

**Increased due to a reaction to the measures taken in the previous year  
to restore soundness**

## ● Operating expenses : JPY103.1 bn, increased by JPY0.9 bn, YoY

**Cost income ratio : 66.6%, down 8.7%, YoY**  
**Operating expenses was in line with the plan**

## ■ Credit related expenses : JPY6.6 bn (cost), increased by JPY0.9 bn, YoY

**17.3% against the full year budget of JPY38.0 bn**

## ■ Acquisition and cancellation of treasury shares

- Completion of share buyback of 15.3 million shares (equivalent to 0.64% of the issued common shares before the cancellation) for approximately JPY10.0 bn (Jun. 23, '23)  
⇒ Implemented cancellation on Jul. 31, '23

HD consolidated (JPY bn)	FY2023 1Q (a)	YoY change		Progress rate vs. Target*1 (d)	
		(b)	% (c)		
<b>Net income attributable to owners of parent</b>	(1)	<b>35.4</b>	<b>+1.4</b>	<b>+4.4%</b>	<b>23.6%</b>
EPS (yen)	(2)	15.01	+0.79	+5.5%	
BPS (yen)	(3)	1,104.43	+98.44	+9.7%	
Gross operating profit	(4)	154.8	+19.1	+14.0%	
Net interest income	(5)	100.8	(1.4)		
NII from loans and deposits <sup>*4</sup>	(6)	82.2	(0.8)		
Interest on yen bonds, etc. <sup>*5</sup>	(7)	7.2	+1.5		
Fee income	(8)	53.6	(1.6)		
Fee income ratio	(9)	34.6%	(6.0)%		
Trust fees	(10)	6.3	+0.9		
Fees and commission income	(11)	47.3	(2.6)		
Other operating income	(12)	0.2	+22.1		
Net gains on bonds (including futures)	(13)	(4.7)	+21.4		
Operating expenses (excluding group banks' non-recurring items)	(14)	(103.1)	(0.9)	(0.8)%	
Cost income ratio (OHR)	(15)	66.6%	(8.7)%		
<b>Actual net operating profit</b>	(16)	<b>51.7</b>	<b>+18.3</b>	<b>+54.8%</b>	
<b>Core income<sup>*2</sup></b>	(17)	<b>40.0</b>	<b>(1.9)</b>	<b>(4.6)%</b>	
Net gains on stocks (including equity derivatives)	(18)	3.5	(14.5)		
Credit related expenses, net	(19)	(6.6)	(0.9)		
Other gains, net	(20)	(1.7)	(2.3)		
<b>Net income before income taxes and non-controlling interests</b>	(21)	<b>46.9</b>	<b>+0.4</b>	<b>+1.0%</b>	
Income taxes and other	(22)	(11.7)	+0.6		
Net income attributable to non-controlling interests	(23)	0.1	+0.3		

\*1. Full year target of FY2023: JPY150.0 bn \*2. Net interest income from domestic loans and deposits + Interest on yen bonds, etc. + Fee income + Operating expenses

\*3. Full year core income target of FY2023: JPY148.0 bn \*4. Total of non-consolidated domestic banking accounts of group banks,

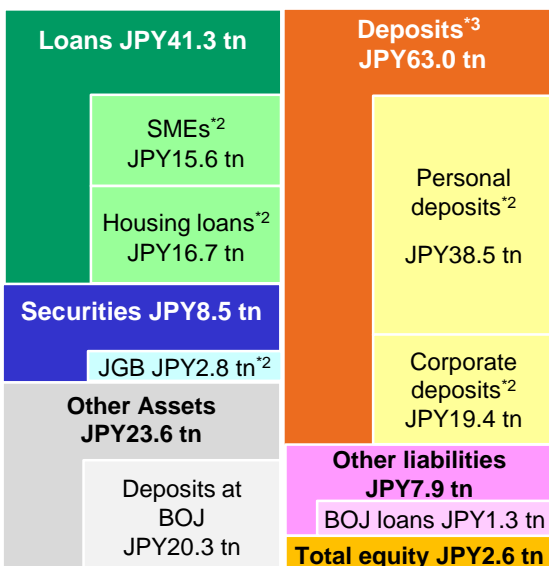
deposits include NCDs \*5. Interest on yen bonds and income from interest rate swaps

# Proactive Response to Environmental Changes (Review for the 1Q of FY2023)

- **BS management in anticipation of monetary policy change in Japan / Internal discussion for taking appropriate interest rate risks**
- **Providing diverse solutions and highly convenient services via both real (F2F) and digital (DX) channels, starting with the issues customers are confronting**

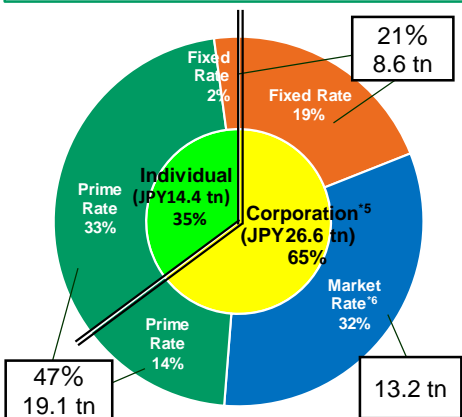
- **Increasing of average loan balance :**  
JPY40.8 tn (+4.6%, YoY) (1Q of FY'22 : +1.8%, YoY)
  - ✓ Average balance of corporate loan : +3.2%, YoY (1Q of FY'22 : +1.1%, YoY)
  - ✓ RTF<sup>\*1</sup> origination : Approx. JPY300.0 bn
  - ✓ Housing loans web reception system (Jul.'23-)
- **Continued to strengthen monitoring for signs of abnormalities**
  - ✓ Early assessment of customer impact under inflation
- **Optimization of ALM**
  - ✓ Utilized hedging and other vehicles to ensure risk control
  - ✓ Flexibly employed interest rate swaps, bonds held-to-maturity, etc.
    - Interest on yen bonds, etc. : JPY7.2 bn, (+JPY1.5 bn, YoY)

End of Jun. 2023 Total assets JPY73.5 tn



- **Deposit base centered on retail, which boasts strong retention**
  - ✓ Expansion of number of App DL<sup>\*4</sup> : 8.09 million (+30.1%, YoY)  
Of which external group 1.23 million
    - Adding new functions to the Group App (scheduled from Aug. '23)
    - Assistance tools for asset formation in new NISA system-
- ✓ **Strengthening settlement business and increasing settlement income :** JPY18.3 bn (+3.3%, YoY)
  - Debit card income : JPY1.2 bn (+14.9%, YoY)  
Number of debit card issued : 3.11 million
- ✓ **Increasing of balance of fund wrap (including corporation)<sup>\*4</sup> :** JPY782.2 bn (+4.1%, YoY)  
Of which, external group JPY65.1 bn

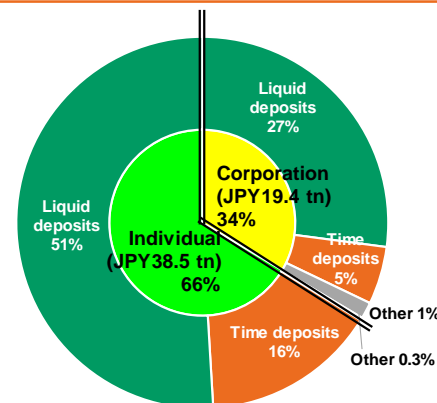
## Composition of loan portfolio



## [ Possible impact of JPY interest rate hikes (provisional calculation)<sup>\*7</sup> ]

- **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**

## Composition of deposits<sup>\*8</sup>



\*1. Retail Transition Finance \*2. Total of group banks \*3. Including NCDs \*4. Including external group \*5. Including apartment loans \*6. Market rate-linked loans include the fixed-rate (spread) loans maturing in less than one year \*7. The provisional calculation for the impact on annual profit reflects expected circumstances after the full effect of interest rate fluctuations materializes \*8. Domestic individual deposits + Domestic corporate deposits

# 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)	
<b>Gross operating profit</b>	(1)	<b>154.8</b>	<b>+19.1</b>	<b>141.8</b>	<b>+19.7</b>	<b>77.4</b>	<b>+14.0</b>	<b>29.6</b>	<b>+4.8</b>	<b>34.6</b>	<b>+0.8</b>	<b>12.9</b>
Net interest income	(2)	100.8	(1.4)	100.0	(1.0)	51.4	(2.5)	20.0	(0.1)	28.5	+1.6	0.8
NII from domestic loans and deposits	(3)	82.2	(0.8)	82.2	(0.8)	42.7	(0.1)	16.3	(0.4)	23.2	(0.2)	—
Interest on yen bonds, etc.	(4)	7.2	+1.5	7.2	+1.5	4.6	+0.5	1.6	+0.5	1.0	+0.3	—
Net gains on cancellation of investment trusts*1	(5)	0.7	+0.6	0.7	+0.5	(0.0)	(0.1)	0.0	+0.0	0.8	+0.6	—
Fee income	(6)	53.6	(1.6)	41.9	(1.2)	26.6	(0.7)	9.3	+0.1	5.8	(0.6)	11.7
Fee income ratio	(7)	34.6%	(6.0)%	29.5%	(5.8)%	34.3%	(8.8)%	31.6%	(5.7)%	16.9%	(2.3)%	—
Trust fees	(8)	6.3	+0.9	6.3	+0.9	6.3	+0.9	0.0	(0.0)	0.0	+0.0	—
Fees and commission income	(9)	47.3	(2.6)	35.5	(2.2)	20.3	(1.7)	9.3	+0.1	5.8	(0.6)	11.7
Other operating income	(10)	0.2	+22.1	(0.0)	+22.1	(0.6)	+17.3	0.2	+4.9	0.2	(0.1)	0.3
Net gains on bonds (including futures)*1	(11)	(4.7)	+21.4	(4.7)	+21.4	(4.4)	+16.3	(0.0)	+5.0	(0.3)	(0.0)	0.0
Operating expenses (excluding group banks' non-recurring items)	(12)	(103.1)	(0.9)	(95.9)	(0.8)	(52.8)	(0.9)	(18.8)	(0.1)	*2 (24.2)	+0.3	(7.1)
Cost income ratio (OHR)	(13)	66.6%	(8.7)%	67.6%	(10.2)%	68.2%	(13.5)%	63.6%	(11.8)%	69.8%	(2.7)%	—
<b>Actual net operating profit</b>	(14)	<b>51.7</b>	<b>+18.3</b>	<b>45.8</b>	<b>+18.9</b>	<b>24.6</b>	<b>+13.0</b>	<b>10.7</b>	<b>+4.7</b>	<b>10.4</b>	<b>+1.1</b>	<b>5.8</b>
<b>Core income</b>	(15)	<b>40.0</b>	<b>(1.9)</b>	<b>35.4</b>	<b>(1.4)</b>	<b>21.1</b>	<b>(1.3)</b>	<b>8.4</b>	<b>+0.0</b>	<b>5.8</b>	<b>(0.1)</b>	<b>4.5</b>
<b>Core net operating profit (excluding gains on cancellation of investment trusts)*3</b>	(16)			<b>49.9</b>	<b>(2.5)</b>	<b>28.5</b>	<b>(3.7)</b>	<b>11.3</b>	<b>+0.6</b>	<b>9.9</b>	<b>+0.5</b>	—
Net gains on stocks (including equity derivatives)	(17)	3.5	(14.5)	3.7	(14.2)	1.6	(14.9)	2.0	+1.1	0.0	(0.4)	(0.1)
Credit related expenses, net	(18)	(6.6)	(0.9)	(5.6)	+0.3	(5.5)	(0.7)	0.6	+1.0	(0.7)	+0.0	(0.9)
Other gains, net	(19)	(1.7)	(2.3)	(1.7)	(2.1)	(1.5)	(2.7)	(0.6)	(0.5)	0.4	+1.1	(0.0)
<b>Net income before income taxes</b>	(20)	<b>46.9</b>	<b>+0.4</b>	<b>42.2</b>	<b>+2.9</b>	<b>19.1</b>	<b>(5.4)</b>	<b>12.8</b>	<b>+6.4</b>	<b>10.2</b>	<b>+1.9</b>	<b>4.7</b>
Income taxes and other	(21)	(11.7)	+0.6	(9.5)	+0.7	(4.9)	+1.4	(3.6)	(1.8)	(0.9)	+1.1	—
Net income attributable to non-controlling interests	(22)	0.1	+0.3									—
<b>Net income (attributable to owners of parent)</b>	(23)	<b>35.4</b>	<b>+1.4</b>	<b>32.6</b>	<b>+3.6</b>	<b>14.2</b>	<b>(3.9)</b>	<b>9.1</b>	<b>+4.5</b>	<b>9.2</b>	<b>+3.0</b>	—

\*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  
1Q of FY'22(SR/MB): Losses on cancellation of investment trusts: JPY(1.2) bn, dividends from investment trusts: + JPY0.1 bn → net amount: JPY(1.1) bn

\*2. Exclude goodwill amortization by KMB, JPY(0.1) bn, related to acquisition of former Biwako Bank

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

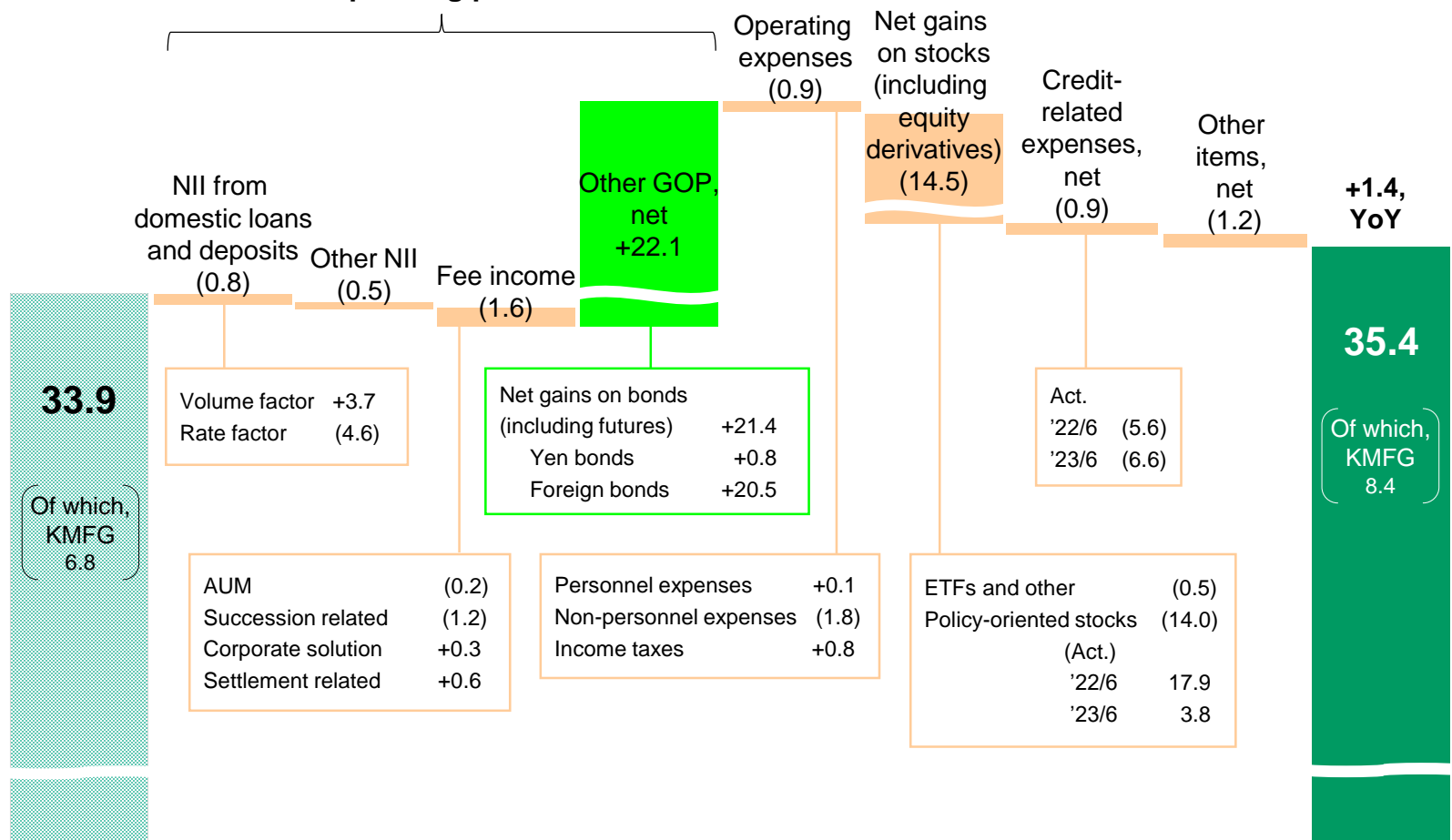
# Factors for the Changes in Net Income Attributable to Owners of Parent (YoY Comparison)

HD  
Consolidated

(JPY bn)

Actual net operating profit +18.3

Gross operating profit +19.1



FY2022  
1Q

FY2023  
1Q

# Trend of Loans and Deposits (Domestic Account)

Total of Group Banks

## Average loan / deposit balance, rates and spread

### 1Q of FY'23 (YoY)

**Average loan balance : +4.63%, Loan rate : (4) bps**

[Excluding loans to the Japanese government and others]

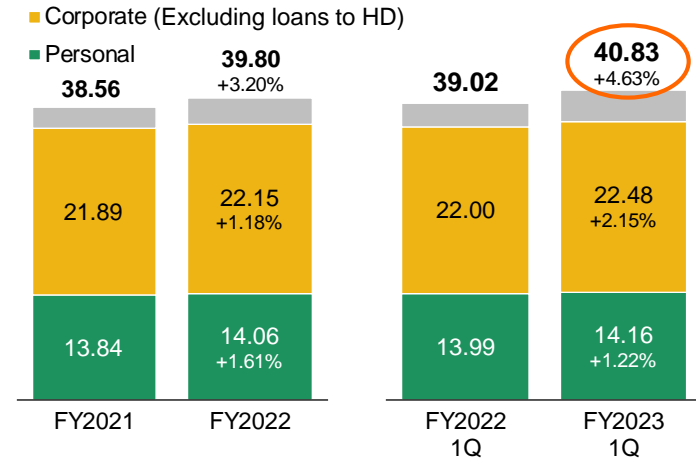
Average loan balance : +2.68%, Loan rate : (3) bps

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

Avg. bal : Trillion Yen Income/Cost : Billion Yen		1Q		FY2023	
		Act. (a)	YoY <sup>3</sup> (b)	Plan (c)	YoY <sup>3</sup> (d)
Loans	Avg. Bal. (1)	40.83	+4.63%	41.39	+3.99%
	Rate (2)	0.81%	(0.04)%	0.81%	(0.03)%
	Income (3)	82.9	(1.1)	335.8	(1.6)
Corporate banking business unit <sup>*1</sup>	Avg. Bal. (4)	22.48	+2.15%	22.80	+2.92%
	Rate (5)	0.79%	(0.02)%	0.79%	(0.02)%
Corporate Loan	Avg. Bal. (6)	19.29	+3.20%	19.64	+3.94%
	Rate (7)	0.75%	(0.01)%	0.75%	(0.01)%
Personal banking business unit <sup>*2</sup>	Avg. Bal. (8)	14.16	+1.22%	14.27	+1.48%
	Rate (9)	1.04%	(0.03)%	1.03%	(0.03)%
Deposits (Including NCDs)	Avg. Bal. (10)	62.20	+1.92%	62.42	+2.25%
	Rate (11)	0.00%	(0.00)%	0.00%	+0.00%
	Cost (12)	(0.6)	+0.2	(3.4)	(0.1)
Loan-to-deposit	Spread (13)	0.81%	(0.04)%	0.80%	(0.03)%
	Net interest income (14)	82.2	(0.8)	332.4	(1.7)

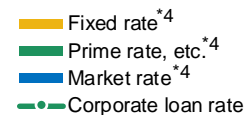
## Trend of average loan balance

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

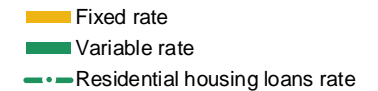


## Loan rate on a stock basis and composition by interest rate type

### [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

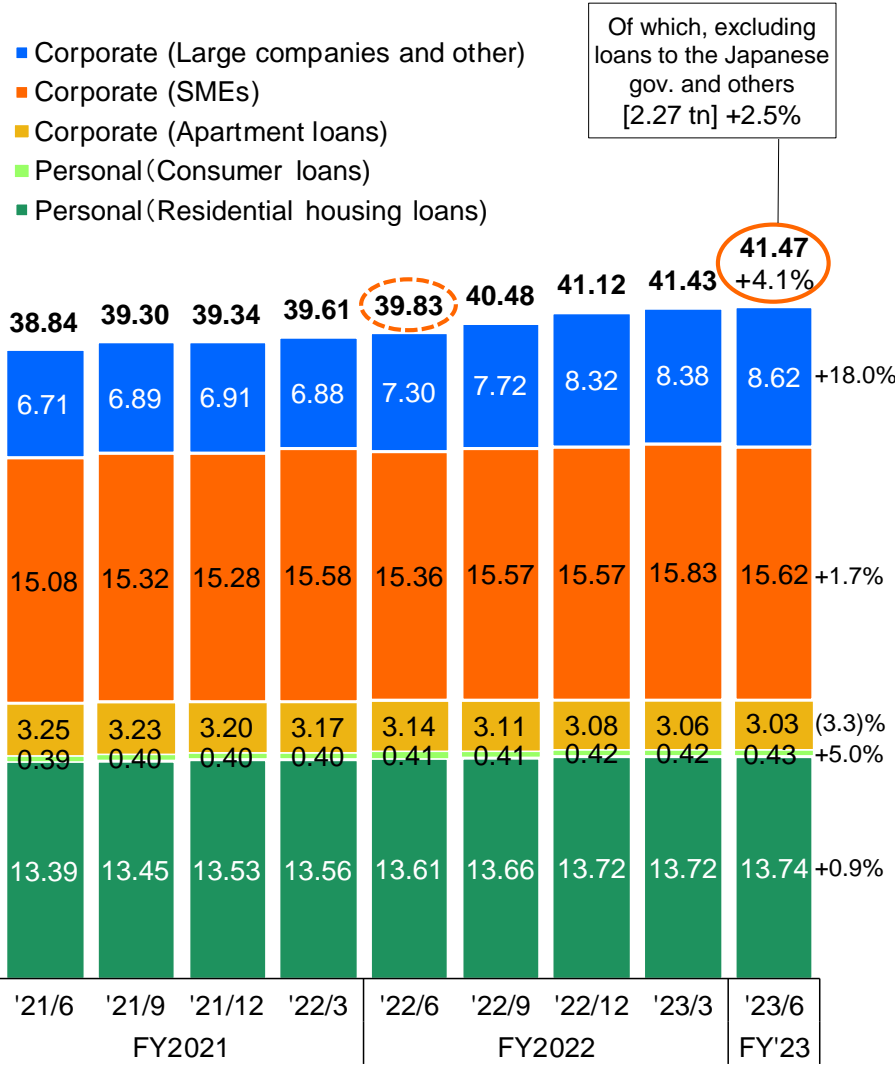
\*3. Average balance : rate of change \*4. Corporate banking business unit (excluding apartment loans) + public corporation, etc.

# Term-end Balance of Loans and Deposits

Total of Group Banks

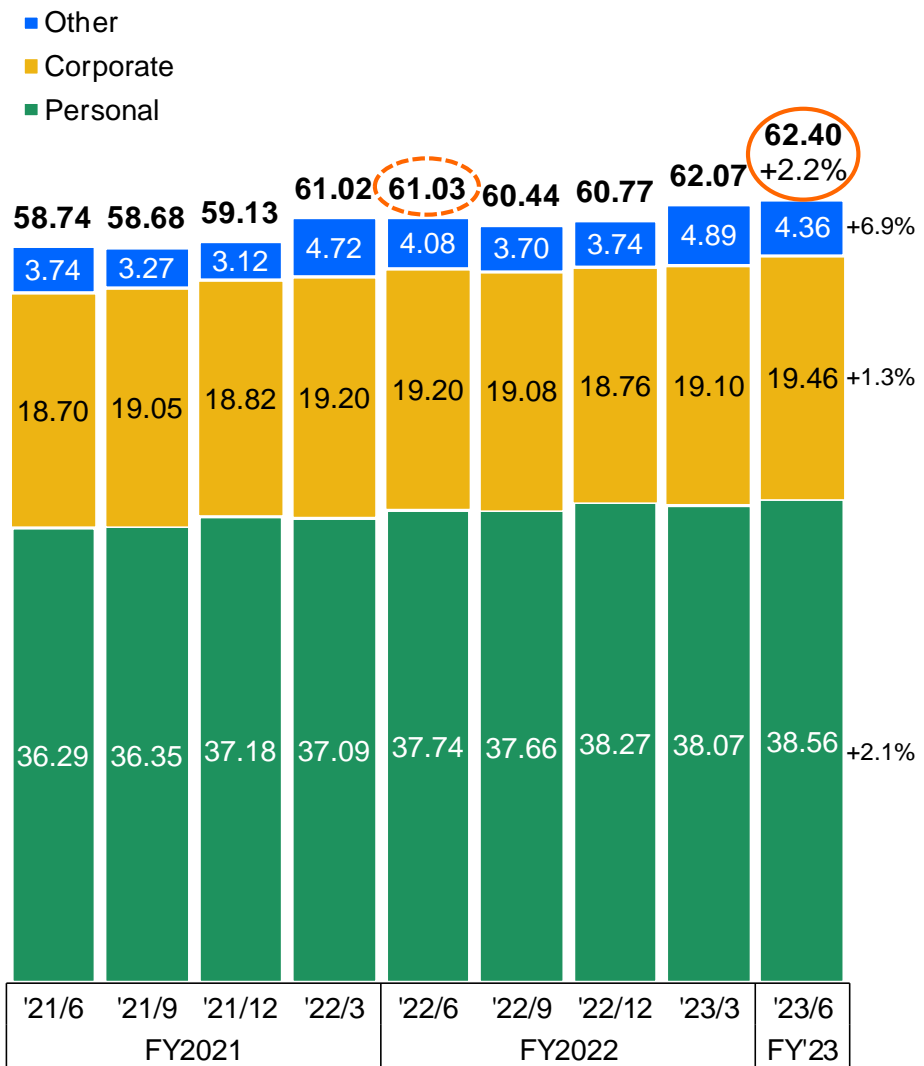
## Term-end loan balance

[ JPY tn, % represents YoY change ]



## Term-end deposit balance

[ JPY tn, % represents YoY change ]



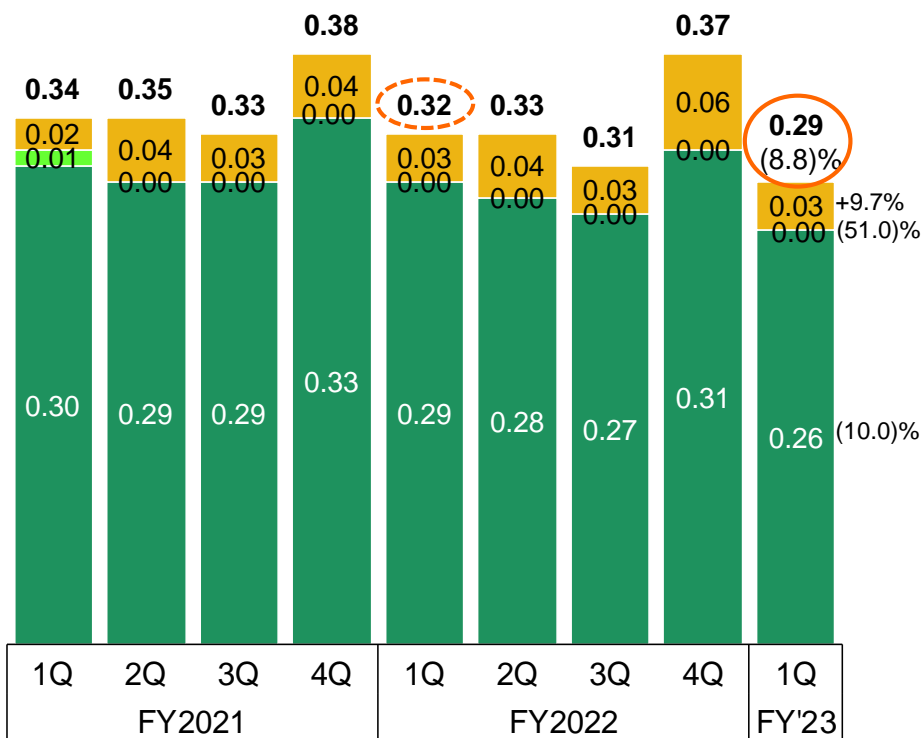
# Housing Loan Business

Total of Group Banks

## New housing loan origination

[ JPY tn, % represents YoY change ]

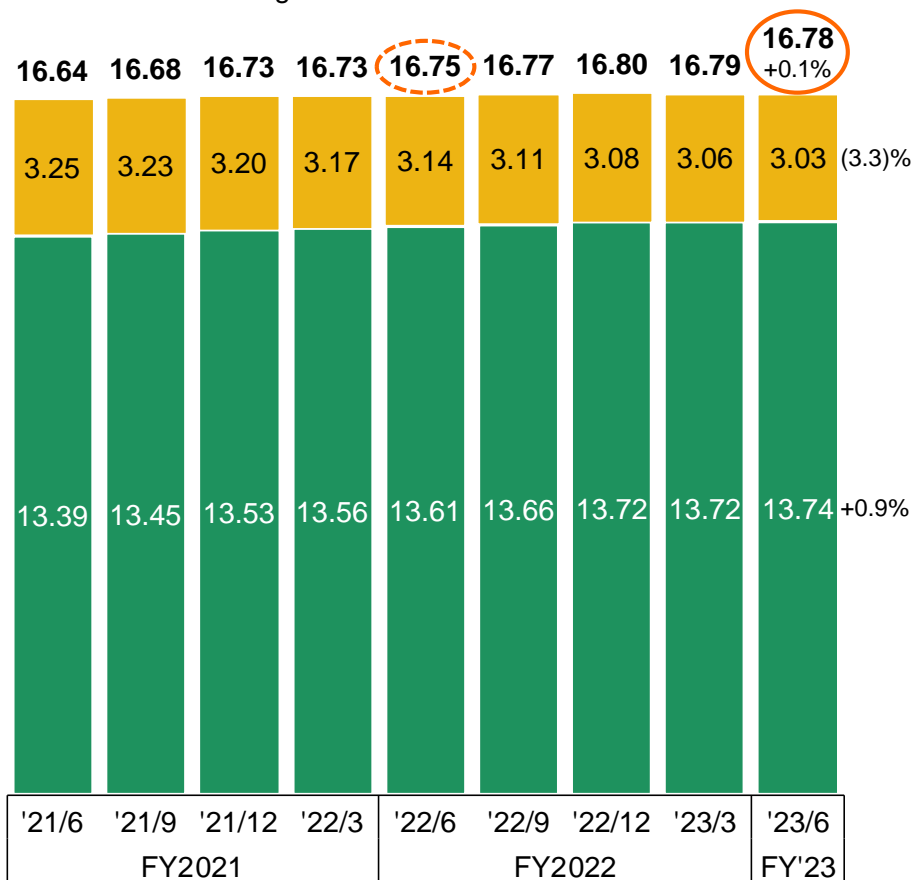
- Apartment loan
- Flat 35
- Residential housing loan



## Term-end housing loan balance

[ JPY tn, % represents YoY change ]

- Apartment loan
- Residential housing loan

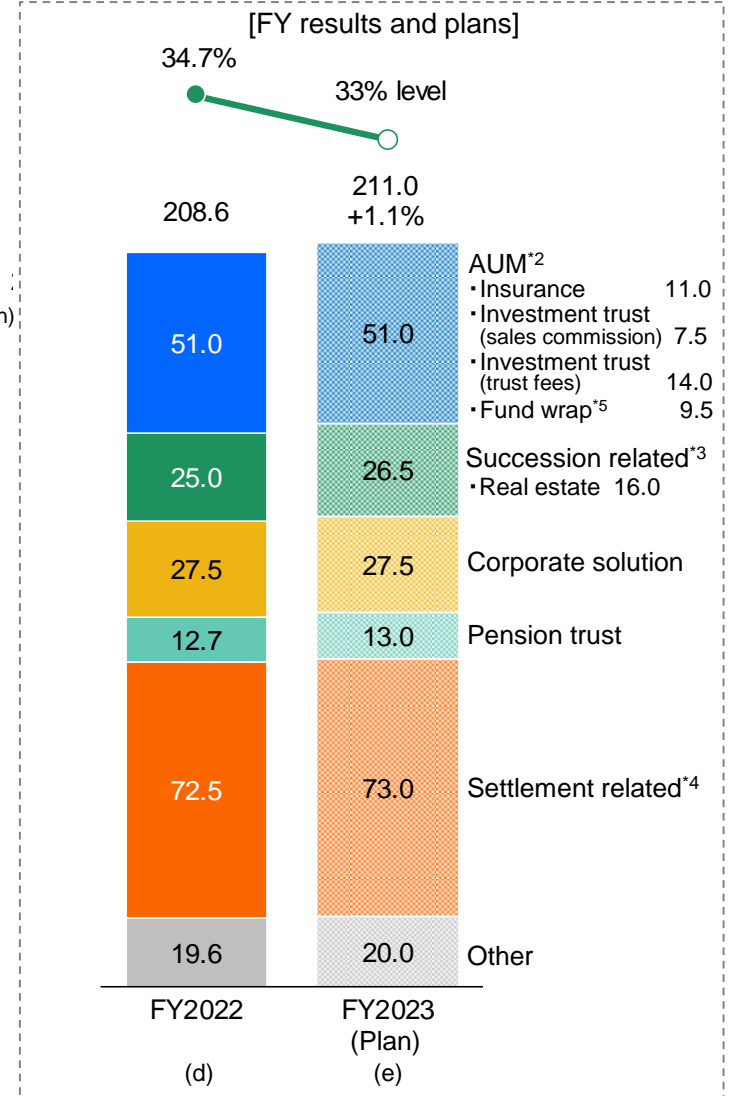
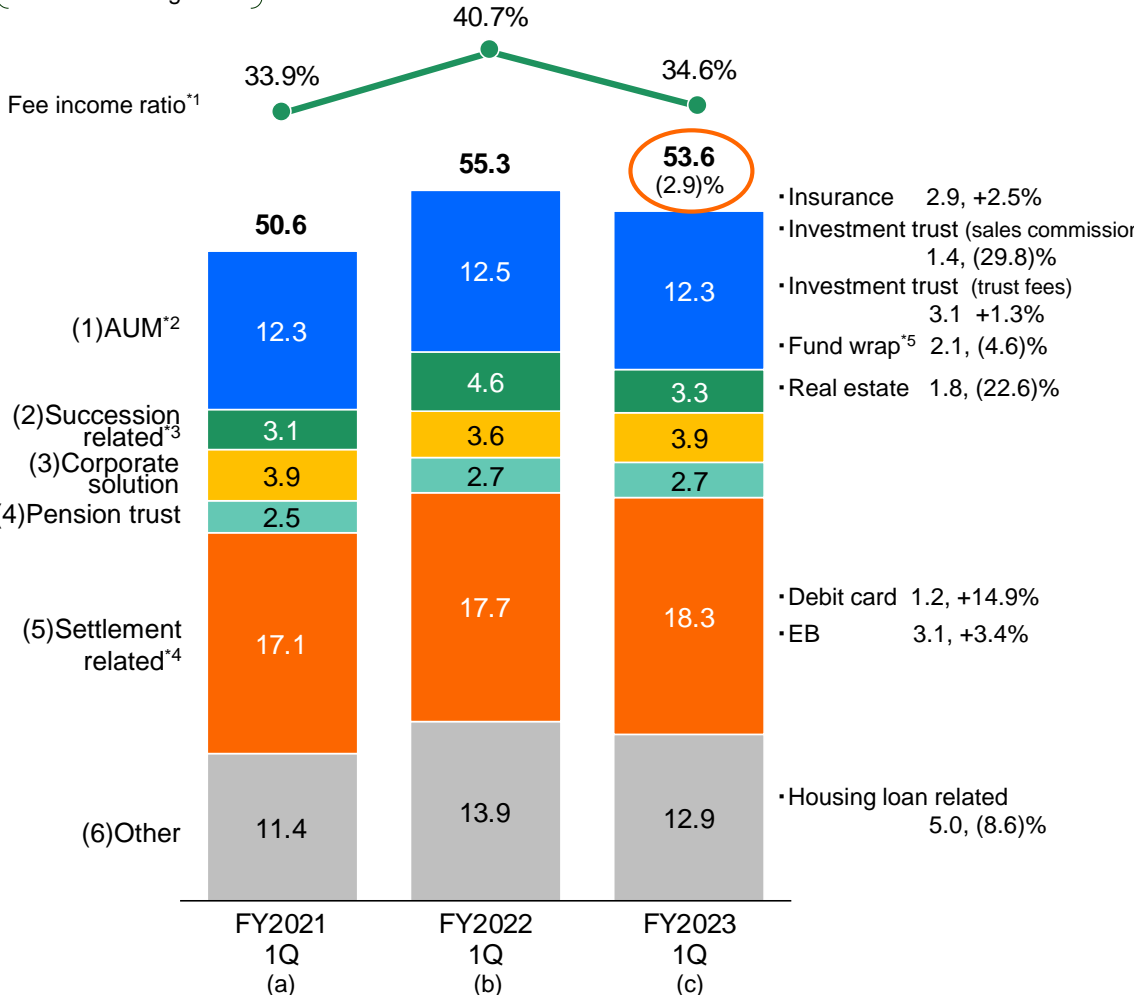




# Fee income

- Consolidated fee income ratio\*1 : 34.6% Progress rate against the full year plan : 25.4%
- Steady growth in settlement related (+JPY0.6 bn, +3.3%, YoY) , corporate solution (+JPY0.3 bn, +9.6%, YoY)

[JPY bn, % represents YoY change]



\*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 and 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

\*3. Asset and business succession related trust

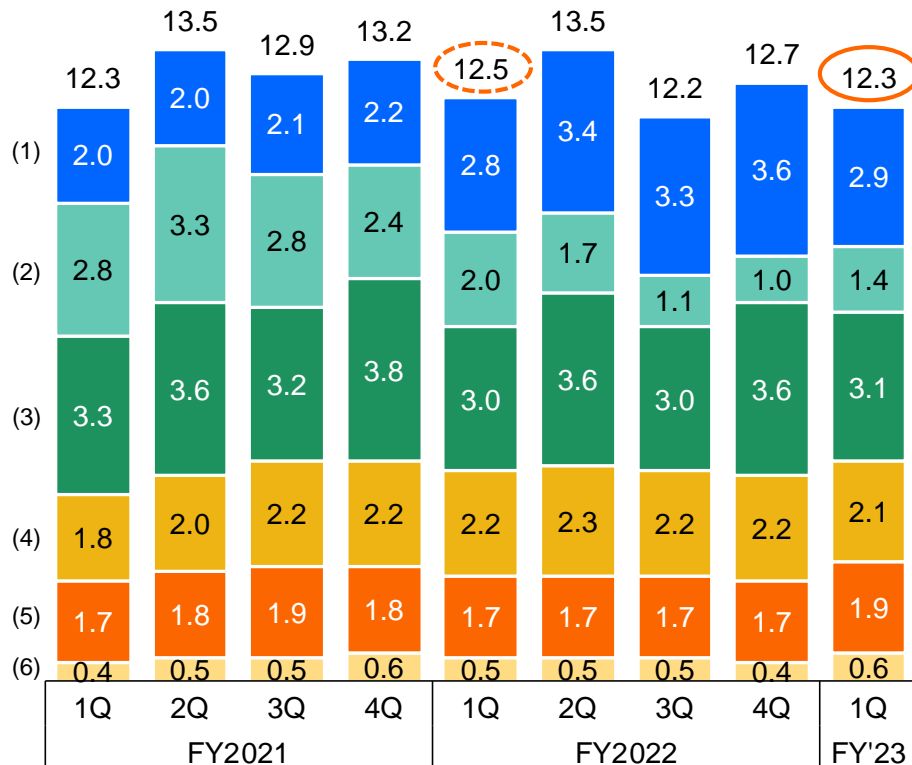
# Major Fee Businesses(1) (AUM)

HD  
Consolidated

## AUM income

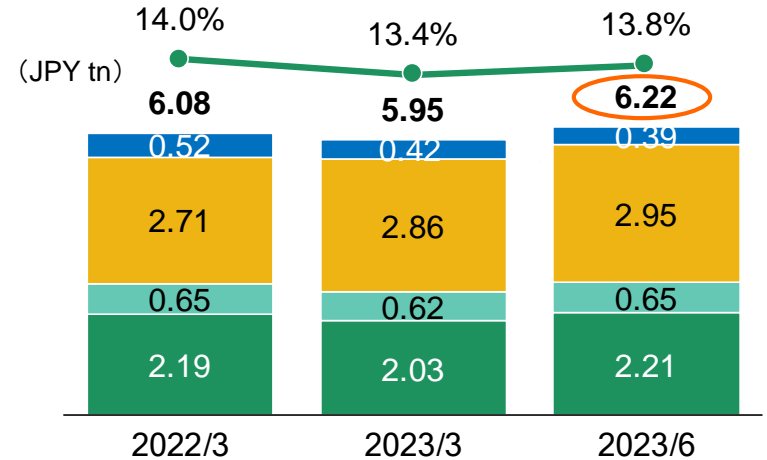
- (1) Insurance
- (2) Investment trust (sales commission)
- (3) Investment trust (trust fees)
- (4) Fund wrap
- (5) Resona Asset Management
- (6) Securities trust

(JPY bn)



## Balance of asset formation support products sold to individuals

- Foreign currency deposits, Public bonds etc.
- Insurance
- Fund wrap\*1
- Investment trusts\*1
- Asset formation support product ratio\*2



- **Balance of fund wrap\*1:**  
'23/6 JPY782.2 bn (including corporation\*3)
- **Change in balance of investment trust and fund wrap : 1Q of FY'23 Approx. +JPY200.0 bn**
  - Net inflow (new purchase – withdrawal and redemption):  
Approx. JPY(41.0) bn
- **Number of individual customers having investment trust, fund wrap and insurance products :**  
'23/6 983 thousand, +17 thousand, YoY
  - Of which, NISA account holders\*4: 419 thousand, +5.9%, YoY
- **iDeCo participants\*5: '23/6 176 thousand, +11.6%, YoY**
- **Securities trust (total assets in custody) : '23/6 JPY45.0 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

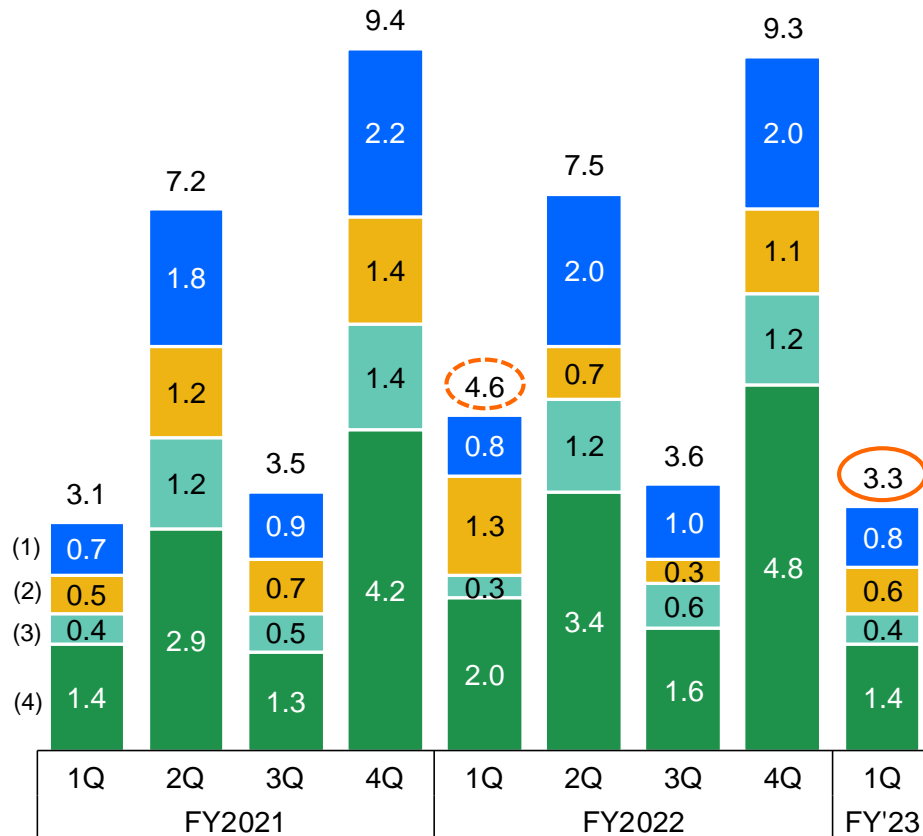
# Major Fee Businesses(2) (Succession, Corporate Solution, Pension Trust)

HD Consolidated

## Succession related income

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

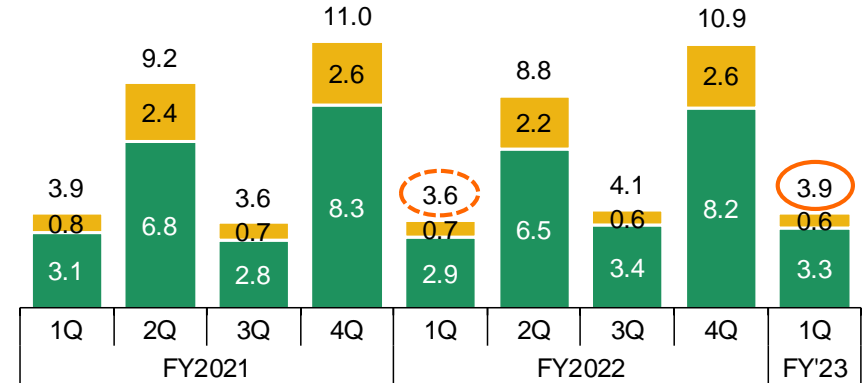
(JPY bn)



## Corporate solutions business income

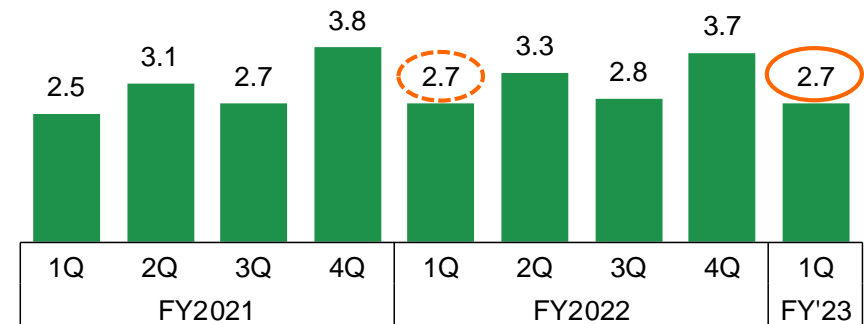
- Private notes
- Commitment line, Syndicated loans, Covenants

(JPY bn)



## Pension trust income

(JPY bn)



\*1. Excluding gains from investments in real estate funds

## Credit costs

(JPY bn)	FY2021	FY2022		FY2023	
		1Q		1Q	Plan
	(a)	(b)	(c)	(d)	(e)
<b>Net credit cost (HD consolidated)</b> (1)	(58.7)	(5.6)	(15.9)	(6.6)	(38.0)

<b>Net credit cost (Total of group banks)</b> (2)					
General reserve	(3)	(7.2)	0.9	(3.1)	(3.2)
Specific reserve and other items	(4)	(53.9)	(6.8)	(11.9)	(2.3)
New bankruptcy, downward migration	(5)	(66.0)	(6.3)	(45.2)	(7.1)
Collection/upward migration	(6)	12.0	(0.5)	33.2	4.7

<b>Difference (1) - (2)</b> (7)		2.4	0.3	(0.8)	(0.9)	(6.5)
HL guarantee subsidiaries	(8)	6.5	0.9	1.4	0.8	
Resona Card	(9)	(1.4)	(0.4)	(1.7)	(0.6)	

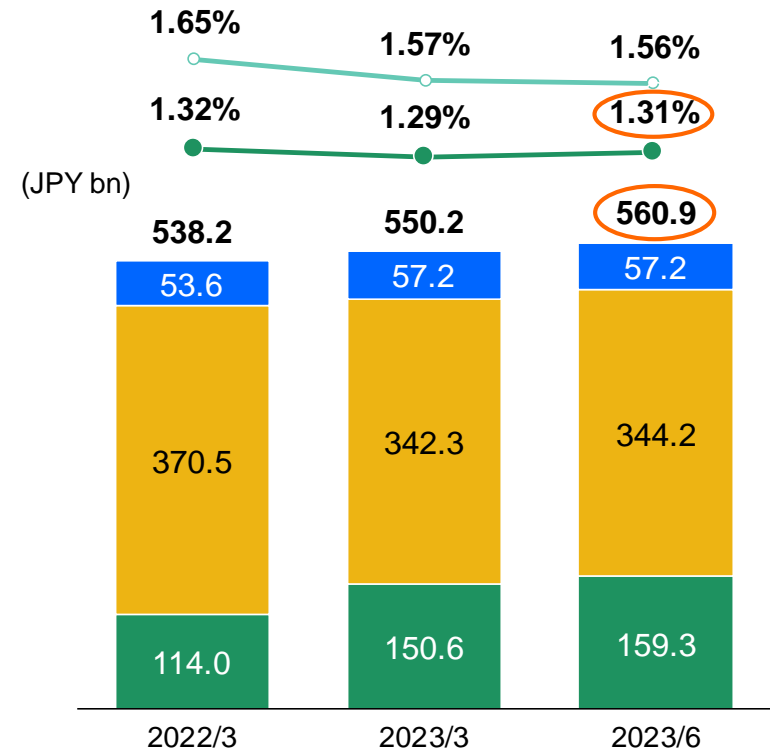
<Credit cost ratio>		(bps)				
HD consolidated <sup>1</sup>	(10)	(14.8)	(5.6)	(3.9)	(6.3)	(8.9)
Total of group banks <sup>2</sup>	(11)	(15.1)	(5.8)	(3.6)	(5.3)	(7.2)

\*(Note) Positive figures represent reversal gains

## NPL balance and ratio (Total of group banks)

(Financial Reconstruction Act criteria)

- Unrecoverable or valueless claims
- Risk claims
- Special attention loans
- NPL ratio
- (Reference) NPL ratio (HD consolidated)



\*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)

## Securities portfolio\*1

(JPY bn)	2022/3	2023/3	2023/6	Unrealized gains/(losses) (d)
	(a)	(b)	(c)	
Available-for-sale securities (1)	4,159.5	3,886.8	3,882.0	576.8
Stocks (2)	305.9	283.8	281.4	679.8
Bonds (3)	2,940.1	2,400.2	2,368.6	(49.6)
JGBs (4)	1,137.3	645.3	633.4	(35.4)
Average duration (years) (5)	9.3	12.8	12.5	-
Basis point value (BPV) (6)	(1.15)	(0.78)	(0.76)	-
Local government and corporate bonds (7)	1,802.8	1,754.9	1,735.1	(14.2)
Other (8)	913.3	1,202.6	1,231.8	(53.4)
Foreign bonds (9)	562.5	721.5	794.6	(46.7)
Average duration (years) (10)	6.2	5.8	6.0	-
Basis point value (BPV) (11)	(0.26)	(0.30)	(0.35)	-
Investment trusts (Domestic) (12)	346.8	474.1	432.6	(8.0)
Net unrealized gain (13)	521.2	472.9	576.8	
Bonds held to maturity (14)	2,934.7	3,899.0	4,003.0	(80.1)
JGBs (15)	1,856.1	2,278.2	2,278.2	(67.4)
Net unrealized gain (16)	(30.3)	(95.5)	(80.1)	

■ CLO: Zero

## Status of policy-oriented stocks held\*2

### ■ Balance of listed stocks disposed in 1Q of FY2023

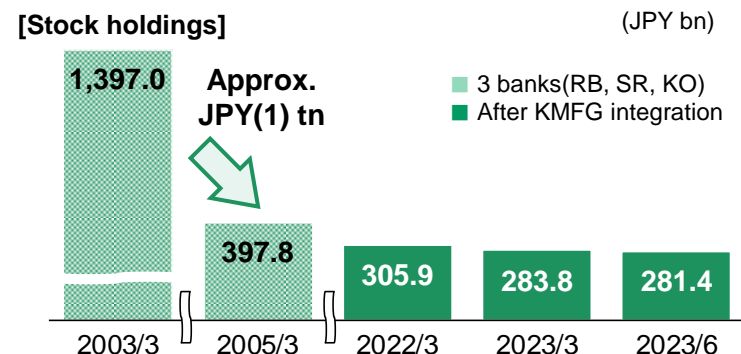
(acquisition cost basis): JPY2.4 bn,  
Net gain on sale: JPY4.2 bn (HD consolidated: JPY4.0 bn)  
Breakeven Nikkei average: Approx. 8,000 yen

### ■ 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 in 4 years from Apr. '22

⇒ Progress rate against the plan : 30.5% ('23/6)



\*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

# (Reference) Earnings Targets for FY2023 (Released in May 2023)

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.) <sup>*1</sup> (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)

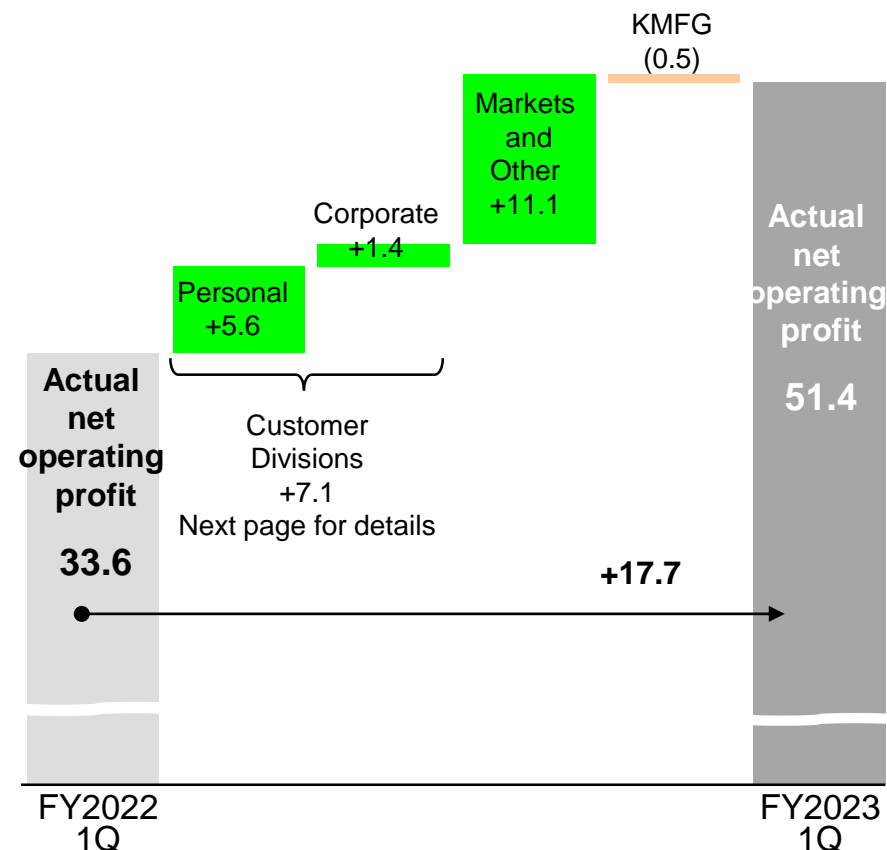
\*1. Net interest income from domestic loans and deposits + Interest on yen bonds, etc. (Interest on yen bonds and income from interest rate swaps)  
+ Fee income + Operating expenses

# (Reference) Outline of Financial Results of Each Segment

HD  
Consolidated

(JPY bn)		FY2023 1Q	YoY Change
<b>Customer Divisions</b>	Gross operating profit (1)	124.9	+8.8
	Operating expense (2)	(78.0)	(1.7)
	Actual net operating profit (3)	46.7	+7.1
<b>Personal Banking</b>	Gross operating profit (4)	57.8	+6.7
	Operating expense (5)	(42.3)	(1.0)
	Actual net operating profit (6)	15.4	+5.6
<b>Corporate Banking</b>	Gross operating profit (7)	67.0	+2.1
	Operating expense (8)	(35.6)	(0.6)
	Actual net operating profit (9)	31.3	+1.4
<b>Markets and Other</b>	Gross operating profit (10)	(5.2)	+10.8
	Operating expense (11)	0.1	+0.2
	Actual net operating profit (12)	(4.9)	+11.1
<b>KMFG</b>	Gross operating profit (13)	34.8	(1.1)
	Operating expense (14)	(25.2)	+0.5
	Actual net operating profit (15)	9.6	(0.5)
<b>Total</b>	Gross operating profit (16)	154.5	+18.5
	Operating expense (17)	(103.1)	(0.9)
	Actual net operating profit (18)	51.4	+17.7

(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

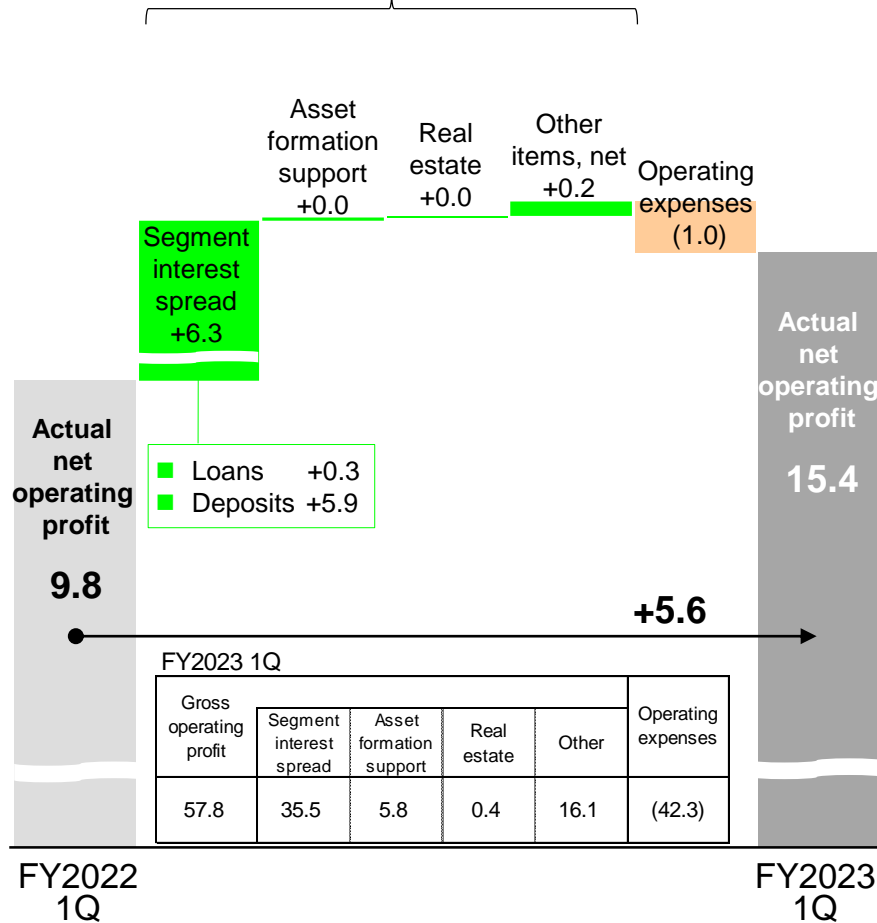
HD Consolidated  
(exclude KMFG)

## Personal Banking Segment

Actual net operating profit : Up JPY5.6 bn, YoY

(JPY bn)

Gross operating profit +6.7

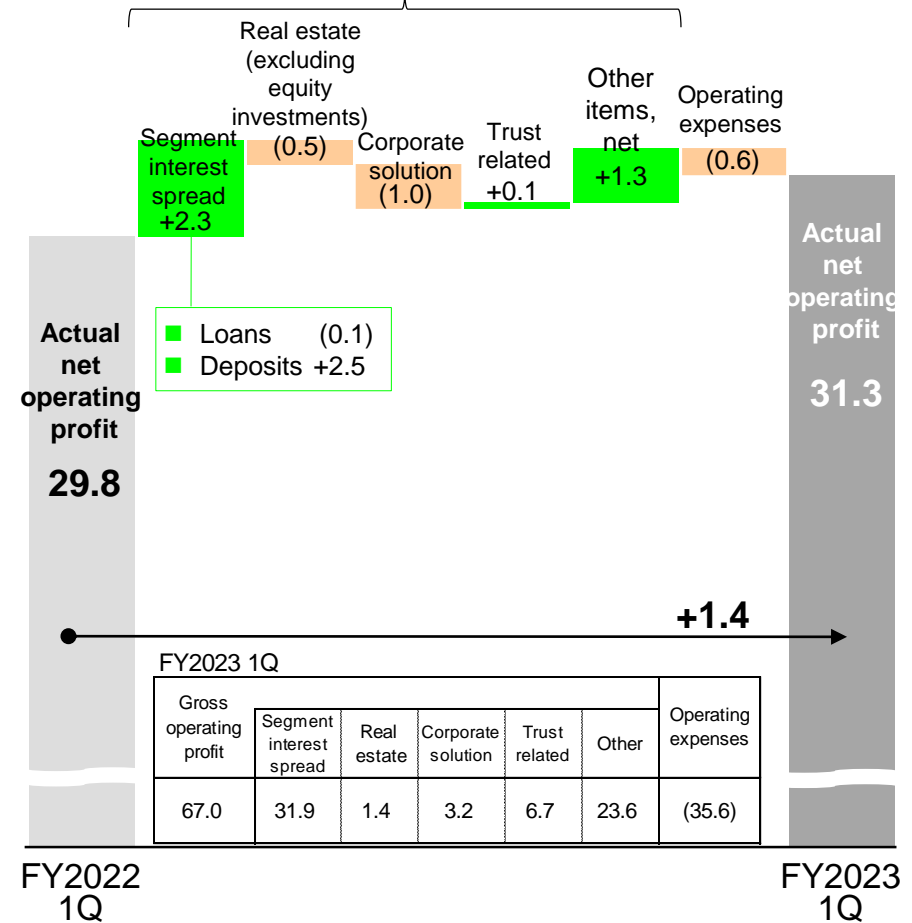


## Corporate Banking Segment

Actual net operating profit : Up JPY1.4 bn, YoY

(JPY bn)

Gross operating profit +2.1





- 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

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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.