



November 10, 2023

To whom it may concern

Resona Holdings, Inc.

(Code Number: 8308, Prime Section of the Tokyo Stock Exchange)

Announcement Regarding Absorption-Type Merger (Simplified Merger (*kan'i gappei*)/Abbreviated Merger (*ryakushiki gappei*)) of Wholly-Owned Subsidiary, Kansai Mirai Financial Group, Inc.

Resona Holdings, Inc. (President Masahiro Minami) resolved at its board of directors meeting held today to merge and absorb its wholly-owned subsidiary, Kansai Mirai Financial Group, Inc. (President Kazuhiro Nishiyama) into the Company, effective as of April 1, 2024 (the “Merger”), subject to obtaining approval from the relevant authorities, and signed the merger agreement for the Merger.

Please note that the Merger is an absorption-type merger involving the Company’s wholly-owned subsidiary, and that some disclosure items and contents have been omitted.

1. Purpose of the Merger

The purpose of the Merger is to establish an optimal organizational structure to evolve into the next stage of “strengthen Group governance,” which is a measure to contribute to “further strengthening the consolidated management of Group companies” set forth in the Company’s Medium-term Management Plan.

2. Summary of the Merger

(1) Schedule of the Merger

Date of resolution by the board of directors to approve the merger agreement (Kansai Mirai Financial Group, Inc.)	November 9, 2023
Date of resolution by the board of directors to approve the merger agreement (the Company)	November 10, 2023
Date of signing the merger agreement	November 10, 2023
Effective date of the Merger (planned)	April 1, 2024

(Note) The Merger falls under a simplified merger (*kan'i gappei*) as stipulated in Article 796, paragraph (2) of the Companies Act for the Company, and falls under an abbreviated merger (*ryakushiki gappei*) as stipulated in Article 784, paragraph (1) of the same Act for Kansai Mirai Financial Group, Inc. Therefore, the Merger will be carried out without obtaining approval from the general meeting of shareholders for the merger agreement in both companies.

(2) Method of the Merger

The Merger is an absorption-type merger (simplified merger/abbreviated merger) with the Company as the surviving company and Kansai Mirai Financial Group, Inc. as the disappearing company.

(3) Allocation related to the Merger

Since the Company owns all the shares of Kansai Mirai Financial Group, Inc., there will be no allocation of shares or other monetary assets upon the Merger.

(4) Handling of share options and corporate bonds with share options of the disappearing company

N/A.

3. Overview of the Parties to the Merger (as of March 31, 2023)

	The Surviving Company in the Absorption-Type Merger	The Disappearing Company in the Absorption-Type Merger
Corporate Name	Resona Holdings, Inc.	Kansai Mirai Financial Group, Inc.

Location	1-5-65, Kiba, Koto-ku, Tokyo		2-2-1, Bingomachi, Chuo-ku, Osaka-shi, Osaka	
Title and Name of Representative	Director, President and Representative Executive Officer: Masahiro Minami		Representative Director, President and Executive Officer: Kazuhiro Nishiyama	
Description of Business	<p>The purposes of the company shall be to engage in the following business as a bank holding company:</p> <ol style="list-style-type: none"> 1. Management of the bank holding company group to which the company belongs, and any businesses incidental to or related thereto. 2. Any business that a bank holding company is permitted to conduct under the Banking Act, in addition to the businesses set forth in the foregoing item. 		<p>The purposes of the company shall be to engage in the following business as a bank holding company:</p> <ol style="list-style-type: none"> 1. Management of the bank holding company group to which the company belongs, and any businesses incidental to or related thereto. 2. Any business that a bank holding company is permitted to conduct under the Banking Act, in addition to the businesses set forth in the foregoing item. 	
Stated Capital	50,552 million yen		29,589 million yen	
Date of Incorporation	December 12, 2001		November 14, 2017	
Number of Issued Shares	2,377,665,966 shares (*)		372,500,934 shares	
Fiscal Year-End	March 31		March 31	
Number of Employees	19,283 (consolidated)		5,388 (consolidated)	
Major Shareholders and Shareholding Ratio (**)	The Master Trust Bank of Japan, Ltd. (Trust Account)	16.56%	Resona Holdings, Inc.	100.00%
	Custody Bank of Japan, Ltd. (Trust Account)	7.14%		
	STATE STREET BANK AND TRUST COMPANY 505223 (standing agent: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	3.23%		
	The Dai-ichi Life Insurance Company, Limited	3.16%		
	STATE STREET BANK AND TRUST COMPANY 505001 (standing agent: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	2.70%		
	Nippon Life Insurance Company	2.28%		
	AMUNDI GROUP (standing agent: The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch)	1.89%		
	STATE STREET BANK WEST CLIENT – TREATY 505234 (standing agent: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	1.61%		
SSBTC CLIENT OMNIBUS ACCOUNT (standing agent: The Hongkong and Shanghai Banking Corporation Limited, Tokyo	1.55%			

	Branch)		
	DAIDO LIFE INSURANCE COMPANY	1.20%	

(*) On July 31, 2023, the Company cancelled 15,351,300 ordinary shares, and the number of issued shares after the cancellation is 2,362,314,666 shares.

(**) The shareholding ratio is calculated after deducting treasury shares.

Financial Position and Operating Results for the Last Year (Unit: millions of yen, unless otherwise specified)

	Resona Holdings, Inc. (Consolidated)	Kansai Mirai Financial Group, Inc. (Consolidated)
Fiscal Year-End	Fiscal year ended March 2023	Fiscal year ended March 2023
Consolidated Net Assets	2,534,052	509,273
Consolidated Total Assets	74,812,710	14,046,034
Net Assets per Share (Unit: yen)	1,065.31	1,367.07
Consolidated Ordinary Income	867,974	186,542
Consolidated Ordinary Profits	227,690	29,148
Net Income Attributable to Owners of Parent	160,400	22,272
Consolidated Net Income per Share of Common Stock (Unit: yen)	67.49	59.79

4. Situation after the Merger

The corporate name, location, representative's title and name, description of business, stated capital, and fiscal year-end of the Company after the Merger will remain unchanged from those before the Merger.

5. Impact on Operating Results

Since the Merger is the merger of the Company's wholly-owned subsidiary, the impact on the Company's consolidated business results will be minor.

(Reference) The Company's consolidated earning target for the current year (announced on May 12, 2023) and its consolidated operating results for the previous year

(Unit: millions of yen)

	Net Income Attributable to Owner of Parent
Consolidated earning target for the current year (Fiscal year ending March 2024)	150,000
Consolidated operating results for the previous year (Fiscal year ended March 2023)	160,400

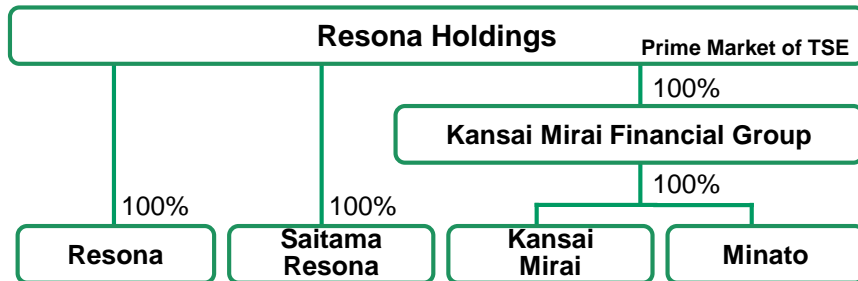
End.

The Merger of HD and KMFG (Planned in April 2024)

Towards further strengthening the consolidated management of Group companies

So Far

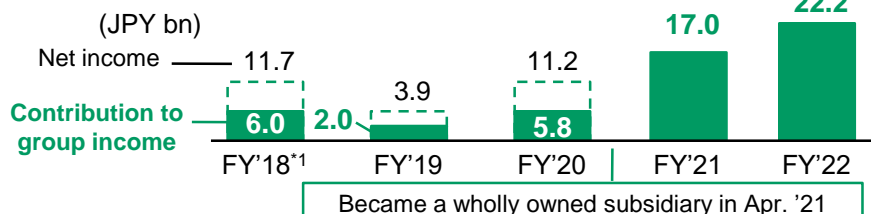
KMFG functions contributed to speedy post-merger integration (PMI)



■ KMFG leads the way in the start of the largest regional banking group in the Kansai area

- Rollout of Group products and services
⇒ Realize top-line synergies
- Unify the mode of back-office operations throughout the Group while reforming branch-counter infrastructure
⇒ Realize cost synergies
 - Complete the integration of KMB's back-office operations and systems within a one-and-a-half-year time frame
 - Restructure the branch networks of KMB and MB via the use of the branch-in-branch (BinB) method, etc.
- Invigorate the interaction of human resources across the Group and remove boundaries among them

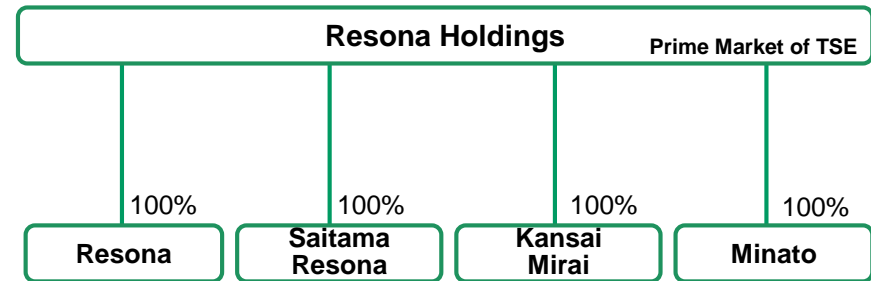
Expansion of contribution to group income



*1. Excluding gain from negative goodwill

Going forward

Shifting to a new organizational structure to facilitate fresh growth



■ Strengthen Group governance

- Upgrade on a consolidated management of Group companies
- Facilitate speedier and simple decision making
- Empower each subsidiary bank to execute effective growth strategies

■ Toward the establishment of a “one-platform, multi-regional strategy”

- Pursue more efficient business management via the integration of back-office operations and indirect departments
- Four banks strive to deliver optimal value to customers in light of the characteristics of the regions they serve

Accelerate initiatives to realize “Retail No. 1”

Beyond Finance, for a Brighter Future.

Efforts towards accelerating the realization of "Retail No.1"

Accelerate initiatives to realize "Retail No. 1": The first 1,000 days of taking on corporate transformation (CX)
-From rehabilitation to taking on new challenges-

◆ Adapt to changes in light of such trends as SX, DX, etc.

◆ Further accelerate income and cost structure reforms

Strengthening of Value Creation Capabilities

◆ Striving for the further development of businesses backed by the group's inherent strengths and creating new value

Further Development and New Challenges

- Strengthening our consulting capabilities in terms of both quality and quantity
- Leverage the combined capabilities offered by all Resona Group companies (customer bases and service functions)
- Utilizing technologies and data

Co-creation and Expansion of Value

- Expanding customer bases, management resources and functions
 - ✓ Financial digital platform
 - ✓ Inorganic investment

<Value to be delivered> <Areas of business focus>

Ever more diverse issues confronting our customers require ever more sophisticated solutions

Circulation of businesses and assets

Facilitation

Transition of social structure

- SME loans
- Business and asset succession
- Cashless and DX
- Asset formation support
- Corporate pensions
- Housing loans

Development of Next-Generation Management Platforms

◆ Further strengthening the consolidated management of Group companies and executing integrally reforms of management platforms

Governance

- Strengthen Group governance
- Upgrade our mode of risk governance
- Pursue the thorough practice of customer-oriented business conduct

Human capital

- Realize value creation and well-being
- Resonance of the three pillars (engagement, professionalism and co-creation)

Intellectual capital

- Business processes: Exhaustive overhaul
- Channels: Integration of face-to-face and digital channels
- Systems: Pursuing generalization, openness and streamlining

Transitioning from striving to qualitatively and quantitatively enhance capital to a new phase in which we can fully utilize it

"One Platform, Multi-Regional Strategy"

