

Sumitomo Mitsui Trust Holdings, Inc. (SuMi TRUST Holdings)
Financial Results for the Fiscal Year Ended March 31, 2019
[Japanese GAAP] (Consolidated)



May 15, 2019

Stock exchange listings: URL: Representative: Contact: Date of ordinary general meeting of shareholders: Filing date of securities report (Yukasyoken Hokokusyo) (Scheduled): Specific trading accounts: Dividend payment date: Explanatory material: Briefing on financial results:	Tokyo and Nagoya (Code: 8309) https://www.smth.jp/en/index.html Tetsuo Ohkubo, President Shinichi Nonomura, Executive Officer, General Manager of Financial Planning Department TEL +81-3-3286-8354 June 27, 2019 June 28, 2019 Established June 28, 2019 Prepared Scheduled (for institutional investors and analysts)
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(Amounts less than one million yen are rounded down.)

1. Consolidated Financial Results (for the Fiscal Year Ended March 31, 2019)

(1) Operating Results

(%: Changes from the same period in the previous fiscal year)

	Ordinary Income		Ordinary Profit		Net Income Attributable to Owners of the Parent	
Fiscal Year Ended	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
March 31, 2019	1,467,916	8.7	256,411	10.2	173,889	12.9
March 31, 2018	1,350,946	7.1	232,661	18.5	153,986	26.8

(Note) Comprehensive Income: Fiscal year ended March 31, 2019 ¥93,925 million, (59.5)%

Fiscal year ended March 31, 2018 ¥231,696 million, 49.1%

	Net Income per Share of Common Stock	Fully Diluted Net Income per Share of Common Stock	Net Income to Net Assets Ratio	Ordinary Profit to Total Assets Ratio	Ordinary Profit to Ordinary Income Ratio
Fiscal Year Ended	Yen	Yen	%	%	%
March 31, 2019	458.91	458.65	6.6	0.4	17.5
March 31, 2018	403.92	403.75	6.1	0.3	17.2

(Reference) Equity in Earnings (Losses) of Affiliated Companies: Fiscal year ended March 31, 2019 ¥5,967 million

Fiscal year ended March 31, 2018 ¥5,781 million

(2) Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets Ratio	Net Assets per Share of Common Stock
As of	Millions of Yen	Millions of Yen	%	Yen
March 31, 2019	57,029,113	2,730,356	4.7	7,008.67
March 31, 2018	68,356,798	2,872,325	3.8	6,897.36

(Reference) Shareholders' Equity: As of March 31, 2019 ¥2,653,461 million

As of March 31, 2018 ¥2,624,667 million

(Note 1) Net Assets to Total Assets Ratio = (Net Assets – Subscription Rights to Shares – Non-Controlling Interests) / Total Assets

(Note 2) The above Net Assets to Total Assets Ratio is different from the capital adequacy ratio prescribed in the notification of the Financial Services Agency with respect to the capital adequacy ratio.

(3) Cash Flows

	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at the End of the Year
Fiscal Year Ended	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
March 31, 2019	374,318	(225,399)	(136,766)	14,079,768
March 31, 2018	2,840,458	(745,854)	(76,869)	26,540,249

2. Cash Dividends per Share of Common Stock

	Annual Cash Dividends per Share of Common Stock					Total Dividends Payment (Annual)	Payout Ratio (Consolidated)	Dividends to Net Asset Ratio (Consolidated)
	1st Quarter-End	2nd Quarter-End	3rd Quarter-End	Fiscal Year-End	Total			
Fiscal Year Ended	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
March 31, 2018	—	65.00	—	65.00	130.00	49,469	32.2	2.0
March 31, 2019	—	65.00	—	75.00	140.00	53,003	30.5	2.0
Fiscal Year Ending								
March 31, 2020 (Forecast)	—	75.00	—	75.00	150.00		31.5	

3. Consolidated Earnings Forecast (for the Fiscal Year Ending March 31, 2020)

(%: Changes from the same period in the previous fiscal year)

	Net Income Attributable to Owners of the Parent		Net Income per Share of Common Stock
Fiscal Year Ending	Millions of Yen	%	Yen
March 31, 2020	180,000	3.5	475.44

*Notes

(1) Changes in Significant Subsidiaries during the Fiscal Year Ended March 31, 2019: Yes

(Changes in “specified subsidiaries” resulted in changes in the scope of consolidation)

Included: — (—)
 CMTH Preferred Capital 6 (Cayman) Limited
 Excluded: 3 companies STB Preferred Capital 4 (Cayman) Limited
 Japan Trustee Services Bank, Ltd.

(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements

- 1) Changes in accounting policies due to the revision of accounting standards: None
- 2) Changes in accounting policies other than 1) above: Yes
- 3) Changes in accounting estimates: None
- 4) Restatements: None

(For further details, please refer to “3. (5) Notes to the Consolidated Financial Statements (Changes in Accounting Policies)” on page 12 of Accompanying Materials.)

(3) Number of Shares Issued (Common Stock)

- 1) Number of shares issued (including treasury stock):
- 2) Number of treasury stock:
- 3) Average number of outstanding issued shares:

As of March 31, 2019	390,348,640 shares	As of March 31, 2018	390,348,640 shares
As of March 31, 2019	11,751,722 shares	As of March 31, 2018	9,816,662 shares
For the fiscal year ended March 31, 2019	378,915,552 shares	For the fiscal year ended March 31, 2018	381,230,365 shares

(For further details, please refer to “3. (5) Notes to the Consolidated Financial Statements (Per Share of Common Stock Information)” on page 15 of Accompanying Materials.)

These consolidated financial results for the year ended March 31, 2019, are out of the scope of the year-end audit procedures to be performed by certified public accountants or an audit firm.

Explanation Concerning the Appropriate Use of the Forecasts for Results of Operations and Other Special Matters

The forecasts for results of operations presented in the consolidated financial results for the year ended March 31, 2019, are based on information currently available to, and certain reasonable assumptions made by, SuMi TRUST Holdings. Moreover, SuMi TRUST Holdings does not guarantee the achievement of these forecasts, and actual results may differ significantly from the forecasts due to various factors. Please refer to the most recent relevant materials including securities report, annual report, and other presentations disclosed by SuMi TRUST Holdings and its group companies, for further information that could significantly influence SuMi TRUST Holdings’ financial position and operating results, as well as investment decisions by investors.

A briefing on financial results will be held for institutional investors and analysts. The contents of the meeting, such as explanations about financial results, will be posted on SuMi TRUST Holdings’ website, together with the explanatory material to be used on the day.

[Accompanying Materials]

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1. Operating Results

(1) Analysis of Consolidated Operating Results

For the fiscal year ended March 31, 2019, “Net Business Profit” increased by ¥11.6 billion from the previous fiscal year to ¥282.2 billion, primarily due to an increase in international interest related earnings, as well as increases in fees and commissions related income from stock transfer agency services business and the asset management business of group companies.

“Ordinary Profit” increased by ¥23.7 billion from the previous fiscal year to ¥256.4 billion. The increase primarily reflects an increase in net gains on stocks as a result of promotion to reduce strategic shareholdings, partially offset by credit costs newly incurred due to downgrading the classification of debtors.

“Net Income Attributable to Owners of the Parent” increased by ¥19.9 billion from the previous fiscal year to ¥173.8 billion due to an extraordinary loss recognized for impairment of goodwill of a subsidiary, offset by a tax effect from introduction of consolidated taxation.

(Reference)

(Billions of Yen)			
	Fiscal Year Ended March 31, 2019	Changes from the Fiscal Year Ended March 31, 2018	Fiscal Year Ended March 31, 2018
Substantial Gross Business Profit	722.6	16.9	705.7
General and Administrative Expenses	(440.4)	(5.2)	(435.1)
Net Business Profit	282.2	11.6	270.5
Ordinary Profit	256.4	23.7	232.6
Net Income Attributable to Owners of the Parent	173.8	19.9	153.9
Credit Costs	(2.9)	(5.9)	2.9
Net Gains on Stocks	13.7	7.3	6.3

(2) Analysis of Consolidated Financial Position

As of March 31, 2019, “Total Assets” decreased by ¥11,327.6 billion to ¥57,029.1 billion and “Total Net Assets” decreased by ¥141.9 billion to ¥2,730.3 billion from the end of the previous fiscal year.

In particular, “Cash and Due from Banks” decreased by ¥12,795.4 billion to ¥16,045.8 billion, “Loans and Bills Discounted” increased by ¥835.1 billion to ¥29,025.7 billion, “Securities” increased by ¥221.8 billion to ¥5,759.5 billion, and “Deposits” decreased by ¥5,448.2 billion to ¥31,903.5 billion, compared with those as of the end of the previous fiscal year.

(3) Analysis of Consolidated Cash Flows

“Net Cash Provided by Operating Activities” totaled ¥374.3 billion, a year-on-year decrease of ¥2,466.1 billion, and “Net Cash Used in Investing Activities” totaled ¥225.3 billion, a year-on-year decrease of ¥520.4 billion, and “Net Cash Used in Financing Activities” totaled ¥136.7 billion, a year-on-year increase of ¥59.8 billion. “Cash and Cash Equivalents at the End of the Year” totaled ¥14,079.7 billion.

(4) Earnings Forecasts

The consolidated earnings forecast for the fiscal year ending March 31, 2020, is as follows: “Net Business Profit” of ¥290.0 billion, a year-on-year increase of ¥7.7 billion, and “Net Income Attributable to Owners of the Parent” of ¥180.0 billion, a year-on-year increase of ¥6.1 billion.

The total cash dividends for the fiscal year ending March 31, 2020, are projected as ¥150 per share of common stock, a year-on-year increase of ¥10, based on the consolidated earnings forecast for the fiscal year ending March 31, 2020.

2. Basic Views of Selecting Accounting Standards

SuMi TRUST Holdings and its consolidated subsidiaries adopt generally accepted accounting principles in Japan to facilitate financial statement comparability with other companies. As for the introduction of International Financial Reporting Standards (IFRS), we consider business development and operations of the SuMi TRUST Group as well as the internal and external changes, and the decision to adopt IFRS will be dealt with in an appropriate manner.

3. Consolidated Financial Statements and Notes to the Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2018	As of March 31, 2019
Assets:		
Cash and Due from Banks	28,841,328	16,045,864
Call Loans and Bills Bought	152,951	50,124
Receivables under Resale Agreements	63,531	158,734
Receivables under Securities Borrowing Transactions	675,295	759,812
Monetary Claims Bought	955,938	1,082,650
Trading Assets	363,294	454,978
Money Held in Trust	1,357	1,393
Securities	5,537,643	5,759,504
Loans and Bills Discounted	28,190,553	29,025,720
Foreign Exchanges	25,554	36,936
Lease Receivables and Investment Assets	677,238	653,447
Other Assets	1,868,132	2,023,664
Tangible Fixed Assets:	214,386	211,312
Buildings	73,711	74,053
Land	116,650	109,109
Lease Assets	4,719	4,494
Construction in Progress	88	244
Other	19,216	23,410
Intangible Fixed Assets:	197,235	151,429
Software	107,563	83,108
Goodwill	81,038	60,092
Lease Assets	2	0
Other	8,630	8,227
Assets for Retirement Benefits	163,219	138,931
Deferred Tax Assets	23,127	17,372
Customers' Liabilities for Acceptances and Guarantees	508,930	557,007
Allowance for Loan Losses	(102,920)	(99,770)
Total Assets	68,356,798	57,029,113

(Continued)

(Millions of Yen)

	As of March 31, 2018	As of March 31, 2019
Liabilities:		
Deposits	37,351,839	31,903,572
Negotiable Certificates of Deposit	6,563,336	6,328,622
Call Money and Bills Sold	146,931	72,793
Payables under Repurchase Agreements	1,454,855	1,603,191
Payables under Securities Lending Transactions	41,299	104,767
Trading Liabilities	266,148	258,771
Borrowed Money	4,370,083	4,023,801
Foreign Exchanges	1,984	457
Short-Term Bonds Payable	1,062,869	1,472,786
Bonds Payable	1,470,715	1,378,328
Borrowed Money from Trust Account	11,070,725	5,408,009
Other Liabilities	932,825	994,424
Provision for Bonuses	16,740	17,542
Provision for Directors' Bonuses	325	343
Liabilities for Retirement Benefits	14,159	14,008
Provision for Reward Points Program	18,457	18,282
Provision for Reimbursement of Deposits	3,548	5,250
Provision for Contingent Losses	4,628	3,465
Deferred Tax Liabilities	181,050	130,479
Deferred Tax Liabilities for Land Revaluation	3,016	2,847
Acceptances and Guarantees	508,930	557,007
Total Liabilities	65,484,472	54,298,756
Net Assets:		
Capital Stock	261,608	261,608
Capital Surplus	645,016	645,003
Retained Earnings	1,263,415	1,387,592
Treasury Stock	(42,224)	(51,222)
Total Shareholders' Equity	2,127,816	2,242,982
Valuation Differences on Available-for-Sale Securities	516,663	467,448
Deferred Gains (Losses) on Hedges	(22,746)	(36,764)
Revaluation Reserve for Land	(6,067)	(5,698)
Foreign Currency Translation Adjustments	4,281	4,702
Adjustments for Retirement Benefits	4,720	(19,209)
Total Accumulated Other Comprehensive Income	496,851	410,478
Subscription Rights to Shares	799	1,062
Non-Controlling Interests	246,858	75,832
Total Net Assets	2,872,325	2,730,356
Total Liabilities and Net Assets	68,356,798	57,029,113

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

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2018	March 31, 2019
Ordinary Income:	1,350,946	1,467,916
Trust Fees	100,591	103,911
Interest Income:	426,129	507,007
Interest on Loans and Discounts	307,030	360,348
Interest and Dividends on Securities	82,524	92,680
Interest on Call Loans and Bills Bought	1,900	1,523
Interest on Receivables under Resale Agreements	1,295	926
Interest on Receivables under Securities Borrowing Transactions	8	0
Interest on Deposits with Banks	26,906	43,140
Other Interest Income	6,463	8,387
Fees and Commissions	397,881	402,867
Trading Income	10,035	27,093
Other Ordinary Income	306,725	356,927
Other Income:	109,583	70,108
Reversal of Allowance for Loan Losses	5,292	—
Recoveries of Written-Off Claims	2,818	1,908
Other	101,471	68,199
Ordinary Expenses:	1,118,285	1,211,504
Interest Expenses:	246,071	371,845
Interest on Deposits	95,764	128,792
Interest on Negotiable Certificates of Deposit	42,334	81,292
Interest on Call Money and Bills Sold	1,290	2,213
Interest on Payables under Repurchase Agreements	16,404	35,615
Interest on Payables under Securities Lending Transactions	234	2,636
Interest on Borrowings	13,752	15,740
Interest on Short-Term Bonds	4,815	23,343
Interest on Bonds	23,078	23,745
Other Interest Expenses	48,396	58,465
Fees and Commissions Payments	87,974	97,755
Other Ordinary Expenses	230,442	249,652
General and Administrative Expenses	444,057	431,151
Other Expenses	109,738	61,099
Provision of Allowance for Loan Losses	—	209
Other	109,738	60,890
Ordinary Profit	232,661	256,411

(Continued)

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2018	March 31, 2019
Extraordinary Income:	15,559	1,518
Gains on Disposal of Fixed Assets	15,559	1,518
Extraordinary Losses:	9,397	16,589
Losses on Disposal of Fixed Assets	1,521	802
Impairment Losses	7,876	15,786
Income before Income Taxes	238,822	241,340
Income Taxes:	57,646	67,714
Current	15,429	(7,114)
Deferred	73,075	60,599
Net Income	165,746	180,741
Net Income Attributable to Non-Controlling Interests	11,760	6,851
Net Income Attributable to Owners of the Parent	153,986	173,889

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2018	March 31, 2019
Net Income	165,746	180,741
Other Comprehensive Income (Loss):	65,950	(86,815)
Valuation Differences on Available-for-Sale Securities	40,922	(50,986)
Deferred Gains (Losses) on Hedges	(2,491)	(13,375)
Foreign Currency Translation Adjustments	2,501	676
Adjustments for Retirement Benefits	25,674	(23,917)
Attributable to Equity-Method Affiliated Companies	(657)	785
Comprehensive Income:	231,696	93,925
(Breakdown)		
Comprehensive Income Attributable to Owners of the Parent	219,844	87,148
Comprehensive Income Attributable to Non-Controlling Interests	11,852	6,777

(3) Consolidated Statements of Changes in Net Assets

For the Fiscal Year Ended March 31, 2018

(Millions of Yen)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Year	261,608	645,048	1,159,028	(34,061)	2,031,623
Changes during the Year					
Cash Dividends			(49,599)		(49,599)
Net Income Attributable to Owners of the Parent			153,986		153,986
Purchase of Treasury Stock				(8,184)	(8,184)
Disposal of Treasury Stock		0		22	22
Purchase of Shares of Consolidated Subsidiaries		(32)			(32)
Sales of Shares of Consolidated Subsidiaries		—			—
Reversal of Revaluation Reserve for Land			—		—
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	(31)	104,386	(8,162)	96,192
Balance at the End of the Year	261,608	645,016	1,263,415	(42,224)	2,127,816

	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Year	476,848	(21,018)	(6,067)	2,135	(20,905)	430,992	577	328,488	2,791,682
Changes during the Year									
Cash Dividends									(49,599)
Net Income Attributable to Owners of the Parent									153,986
Purchase of Treasury Stock									(8,184)
Disposal of Treasury Stock									22
Purchase of Shares of Consolidated Subsidiaries									(32)
Sales of Shares of Consolidated Subsidiaries									—
Reversal of Revaluation Reserve for Land									—
Net Changes of Items Other Than Shareholders' Equity	39,814	(1,728)	—	2,145	25,626	65,858	222	(81,630)	(15,549)
Total Changes during the Year	39,814	(1,728)	—	2,145	25,626	65,858	222	(81,630)	80,643
Balance at the End of the Year	516,663	(22,746)	(6,067)	4,281	4,720	496,851	799	246,858	2,872,325

For the Fiscal Year Ended March 31, 2019

(Millions of Yen)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Year	261,608	645,016	1,263,415	(42,224)	2,127,816
Changes during the Year					
Cash Dividends			(49,343)		(49,343)
Net Income Attributable to Owners of the Parent			173,889		173,889
Purchase of Treasury Stock				(9,033)	(9,033)
Disposal of Treasury Stock		(0)		35	35
Purchase of Shares of Consolidated Subsidiaries		(17)			(17)
Sales of Shares of Consolidated Subsidiaries		4			4
Reversal of Revaluation Reserve for Land			(369)		(369)
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	(13)	124,176	(8,998)	115,165
Balance at the End of the Year	261,608	645,003	1,387,592	(51,222)	2,242,982

	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Year	516,663	(22,746)	(6,067)	4,281	4,720	496,851	799	246,858	2,872,325
Changes during the Year									
Cash Dividends									(49,343)
Net Income Attributable to Owners of the Parent									173,889
Purchase of Treasury Stock									(9,033)
Disposal of Treasury Stock									35
Purchase of Shares of Consolidated Subsidiaries									(17)
Sales of Shares of Consolidated Subsidiaries									4
Reversal of Revaluation Reserve for Land									(369)
Net Changes of Items Other Than Shareholders' Equity	(49,214)	(14,017)	369	421	(23,930)	(86,372)	262	(171,025)	(257,135)
Total Changes during the Year	(49,214)	(14,017)	369	421	(23,930)	(86,372)	262	(171,025)	(141,969)
Balance at the End of the Year	467,448	(36,764)	(5,698)	4,702	(19,209)	410,478	1,062	75,832	2,730,356

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2018	March 31, 2019
Cash Flows from Operating Activities:		
Income before Income Taxes	238,822	241,340
Depreciation and Amortization	35,145	36,590
Impairment Losses	7,876	15,786
Amortization of Goodwill	9,469	9,468
Equity in Losses (Earnings) of Affiliated Companies	(5,781)	(5,967)
Increase (Decrease) in Allowance for Loan Losses	(12,894)	(3,149)
Increase (Decrease) in Provision for Bonuses	408	1,234
Increase (Decrease) in Provision for Directors' Bonuses	66	17
Decrease (Increase) in Assets for Retirement Benefits	(34,379)	26,516
Increase (Decrease) in Liabilities for Retirement Benefits	2,028	999
Increase (Decrease) in Provision for Reward Points Program	938	(175)
Increase (Decrease) in Provision for Reimbursement of Deposits	(35)	1,702
Increase (Decrease) in Provision for Contingent Losses	(3,145)	(1,162)
Interest Income	(426,129)	(507,007)
Interest Expenses	246,071	371,845
Loss (Gain) Related to Securities	(662)	(10,291)
Loss (Gain) on Money Held in Trust	(46)	(47)
Foreign Exchange Losses (Gains)	53,813	(38,601)
Loss (Gain) on Disposal of Fixed Assets	(14,038)	(715)
Net Decrease (Increase) in Trading Assets	133,269	(91,683)
Net Increase (Decrease) in Trading Liabilities	(100,730)	(7,376)
Net Decrease (Increase) in Loans and Bills Discounted	(149,603)	(981,229)
Net Increase (Decrease) in Deposit	1,358,382	1,432,360
Net Increase (Decrease) in Negotiable Certificates of Deposit	(763,281)	(234,713)
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowings)	931,928	(326,251)
Net Decrease (Increase) in Due from Banks (Excluding Due from the Bank of Japan)	112,007	334,528
Net Decrease (Increase) in Call Loans	(57,294)	(207,128)
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	(194,841)	(84,517)
Net Increase (Decrease) in Call Money	483,959	(215,448)
Net Increase (Decrease) in Payables under Securities Lending Transactions	27,600	63,468
Net Decrease (Increase) in Foreign Exchange-Assets	(9,364)	(11,382)
Net Increase (Decrease) in Foreign Exchange-Liabilities	1,748	(1,526)
Net Decrease (Increase) in Lease Receivables and Investment Assets	(9,430)	23,791
Net Increase (Decrease) in Short-Term Bonds Payable	158,620	409,917
Increase (Decrease) in Straight Bonds-Issuance and Redemption	(14,128)	(192,132)
Net Increase (Decrease) in Borrowed Money from Trust Account	796,581	476,319
Proceeds from Fund Management	417,450	519,157
Payments for Finance	(249,778)	(361,941)
Other, Net	(81,965)	(221,931)
Subtotal	2,888,657	460,661
Income Taxes (Paid) Refunded	(48,199)	(86,343)
Net Cash Provided by (Used in) Operating Activities	2,840,458	374,318

(Continued)

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2018	March 31, 2019
Cash Flows from Investing Activities:		
Purchase of Securities	(7,254,037)	(6,118,951)
Proceeds from Sales of Securities	5,436,391	4,401,254
Proceeds from Redemption of Securities	1,086,414	1,543,239
Increase in Money Held in Trust	150	—
Purchase of Tangible Fixed Assets	(10,188)	(13,369)
Proceeds from Sales of Tangible Fixed Assets	25,059	2,650
Purchase of Intangible Fixed Assets	(25,136)	(29,045)
Proceeds from Sales of Intangible Fixed Assets	68	—
Purchase of Shares of Affiliated Companies Accounted for Using the Equity Method	(5,536)	(11,178)
Proceeds from Sales of Shares of Affiliated Companies Accounted for Using the Equity Method	961	—
Net Cash Provided by (Used in) Investing Activities	(745,854)	(225,399)
Cash Flows from Financing Activities:		
Repayments of Subordinated Borrowings	(25,000)	(20,000)
Proceeds from Issuance of Subordinated Bonds and Bonds with Subscription Rights to Shares	149,143	99,452
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares	(50,000)	—
Purchase of Shares of Subsidiaries without Change in the Scope of Consolidation	(113)	(47)
Proceeds from Sales of Shares of Subsidiaries without Change in the Scope of Consolidation	—	36
Repayments to Non-Controlling Interests	(83,170)	(152,000)
Cash Dividends Paid	(49,594)	(49,344)
Cash Dividends Paid to Non-Controlling Interests	(9,972)	(5,865)
Purchase of Treasury Stock	(8,184)	(9,033)
Proceeds from Sales of Treasury Stock	22	35
Net Cash Provided by (Used in) Financing Activities	(76,869)	(136,766)
Effect of Exchange Rate Change on Cash and Cash Equivalents	(8,876)	(7,299)
Net Increase (Decrease) in Cash and Cash Equivalents	2,008,857	4,852
Cash and Cash Equivalents at the Beginning of the Year	24,531,391	26,540,249
Net Increase (Decrease) in Cash and Cash Equivalents with Changes in the Scope of Consolidation	—	(12,465,333)
Cash and Cash Equivalents at the End of the Year	26,540,249	14,079,768

(5) Notes to the Consolidated Financial Statements

(Notes on Going Concern Assumptions)

There is no applicable information.

(Changes in Accounting Policies)

The stocks classified as “Available-for-sale securities” that have market value are valued at the market price at the balance sheet date effective from the year ended March 31, 2019, which were previously valued at the average market price during the final month of each quarterly period.

SuMi TRUST Holdings is currently in the efforts of enhancing company-wide risk management, including reduction of market price fluctuation risk and control of economic value of the strategic shareholdings. In the midst of such circumstances, SuMi TRUST Holdings adopted the above change in accounting policies since it came to a conclusion that the market price at the balance sheet date is more appropriate to represent the financial position of the SuMi TRUST Group as of that date, considering the finalization of Basel III reforms in December 2017 and recent discussions over strategic shareholdings.

The new accounting policy is not applied retrospectively as its effects on the consolidated profit and loss for the fiscal year ended March 31, 2018, and cumulative effects up to the beginning of the fiscal year ended March 31, 2019, are immaterial.

(Segment Information)

1. Reportable Segment Information

The SuMi TRUST Group's reportable segments are defined as operating segments for which discrete financial information is available. The Board of Directors and the Executive Committee of the SuMi TRUST Group periodically receive reporting on the operating results and other relevant information of the reportable segments to make decisions about the allocation of management resources and to assess performance.

The main activities of the reportable segment are presented below:

Retail Total Solution Services:	Provision of services to individual customers
Wholesale Financial Services:	Provision of services to corporate customers
Stock Transfer Agency Services:	Undertaking of stock-related services on behalf of customers
Real Estate:	Provision of services related to the real estate business
Fiduciary Services:	Operation of the pension business, the asset management business, and the asset administration business
Global Markets:	Marketing operations, market-making operations, investment operations, and financial management operations

(Changes in Reportable Segments)

With an aim to gain clarity around its business model that places focal points in provision of optimal and total solutions to suit the varying need of both individual and corporate customers, the SuMi TRUST Group has been reforming its business portfolio since the fiscal year ended March 31, 2018. Based on the solid progress made during the previous fiscal year, the reportable segments have been revised to operating segments that are based on the components of services provided by the SuMi TRUST Group.

2. Method for Calculating Substantial Gross Business Profit and Net Business Profit

Segment information is prepared based on internal management reports, and the accounting policies used for the reportable segments are generally the same as those that are bases for the preparation of consolidated financial statements; however, the reportable segments are accounted for in accordance with the rules for the internal management. Since each segment's information will not be used to make decisions about the allocation of resources or assess business performance at the management level, information about assets by reportable segment has not been generated.

"Net Business Profit" represents "Substantial Gross Business Profit," less "Substantial G&A Expenses." "Substantial Gross Business Profit" and "Substantial G&A Expenses" are financial figures generated on the basis of internal management reporting, and they represent "Substantial Gross Business Profit" and "Substantial G&A Expenses (excluding any non-recurring expenses)" of SuMi TRUST Holdings and its consolidated subsidiaries, reflecting gains or losses of equity-method affiliated companies (proportionate share of gains or losses, excluding any non-recurring items).

Income earned from inter-segment and cross-segment transactions is calculated by applying the criteria (market prices) specified in the rules for internal management.

(Changes in the Calculation of Profit or Loss by Each Reportable Segment)

Following the changes in reportable segments effective from the fiscal year ended March 31, 2019, income earned from inter-segment and cross-segment transactions, which was previously calculated using third-party transaction prices, is calculated in accordance with the rules for internal management (using market prices).

3. Profit or Loss by Reportable Segment

(Millions of Yen)

	Retail Total Solution Services	Wholesale Financial Services	Stock Transfer Agency Services	Real Estate	Fiduciary Services	Global Markets	Others	Total
Substantial Gross Business Profit	199,892	193,892	37,031	54,388	172,188	45,683	19,591	722,669
General and Administrative Expenses	(168,949)	(70,463)	(18,613)	(24,235)	(109,123)	(15,317)	(33,732)	(440,435)
Net Business Profit	30,943	123,428	18,417	30,152	63,065	30,365	(14,140)	282,233

(Note 1) The figures represent "Substantial Gross Business Profit" in substitution for net sales to be presented by companies in other industries.

(Note 2) The amounts of "Substantial Gross Business Profit" include net trust fees, net interest income, net fees and commissions, net trading income, and net other ordinary income and expenses.

(Note 3) "General and Administrative Expenses" include personnel expenses and rent expenses.

(Note 4) "Others" include costs of capital funding, dividends for shares for cross-shareholdings, general and administrative expenses of headquarters, and internal transactions to be eliminated.

4. Total Profit or Loss for Reportable Segments

(Millions of Yen)

	Amounts
Net Business Profit	282,233
Other Income	70,108
Other Expenses	(61,099)
Other Adjustments	(34,831)
Ordinary Profit	256,411

(Per Share of Common Stock Information)

		Fiscal Year Ended March 31, 2019
Net Assets per Share of Common Stock	Yen	7,008.67
Net Income per Share of Common Stock	Yen	458.91
Fully Diluted Net Income per Share of Common Stock	Yen	458.65

(Notes)

1. Net Assets per Share of Common Stock and Basis for Calculation

		As of March 31, 2019
Net Assets as Reported	Millions of Yen	2,730,356
Less:	Millions of Yen	76,895
Subscription Rights to Shares	Millions of Yen	1,062
Non-Controlling Interests	Millions of Yen	75,832
Net Assets Attributable to Common Shareholders	Millions of Yen	2,653,461
The Number of Shares of Common Stock Outstanding	Thousands of Shares	378,596

2. Net Income per Share of Common Stock and Fully Diluted Net Income per Share of Common Stock and Basis for Calculation

		Fiscal Year Ended March 31, 2019
Net Income per Share of Common Stock		
Net Income Attributable to Owners of the Parent	Millions of Yen	173,889
Net Income Not Attributable to Common Shareholders	Millions of Yen	—
Net Income Related to Common Stock that is Attributable to Owners of the Parent	Millions of Yen	173,889
Average Number of Shares of Common Stock Outstanding	Thousands of Shares	378,915
Fully Diluted Net Income per Share of Common Stock		
Adjustments to Net Income Attributable to Owners of the Parent	Millions of Yen	—
Effect of Dilutive Securities	Thousands of Shares	218
Subscription Rights to Shares	Thousands of Shares	218
Summary of the potential shares that were excluded from calculation of fully diluted net income per share of common stock because they have no dilutive effect		SuMi TRUST Holdings: Series 3 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 39,300 shares Consolidated Subsidiaries Nikko Asset Management Co., Ltd. (NAM): Subscription Rights to Shares (Stock Options) NAM Common Stock 15,088,300 shares

(Significant Subsequent Events)

(Redemption of Non-dilutive Preferred Securities)

On May 15, 2019, SuMi TRUST Holdings decided to redeem the Non-dilutive Preferred Securities, in full, issued by CMTH Preferred Capital 7 (Cayman) Limited, a Special Purpose Subsidiary, which is a 100% direct subsidiary of SuMi TRUST Holdings, and decided to dissolve such Special Purpose Subsidiary accordingly.

For further details, please refer to “Notice regarding Redemption of Non-dilutive Preferred Securities, Dissolution of Subsidiaries and Change of Specified Subsidiaries” also released today, May 15, 2019.

(Changes in a subsidiary through dividends in kind)

On May 15, 2019, SuMi TRUST Holdings and Sumitomo Mitsui Trust Bank, Limited (“SuMi TRUST Bank”), a consolidated subsidiary of SuMi TRUST Holdings, decided to make Nikko Asset Management Co., Ltd. a directly owned subsidiary of SuMi TRUST Holdings through a transfer of shares of Nikko Asset Management Co., Ltd. owned by SuMi TRUST Bank to SuMi TRUST Holdings as dividends in kind.

For further details, please refer to “Notice regarding Change in Ownership of Nikko Asset Management within the Sumitomo Mitsui Trust Group” also released today, May 15, 2019.

(Repurchase and Cancellation of Own Shares)

At a meeting of the Board of Directors held on May 15, 2019, SuMi TRUST Holdings resolved to repurchase its own shares pursuant to the provision of its Articles of Incorporation in accordance with Article 459, Paragraph 1 of the Companies Act and to cancel a part of its own shares pursuant to the provision of Article 178 of the Companies Act.

For further details, please refer to “Notice regarding Repurchase and Cancellation of Own Shares” also released today, May 15, 2019.

Explanatory Material

*Fiscal Year 2018
ended on Mar. 31, 2019*



SUMITOMO MITSUI TRUST HOLDINGS

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<Definition of terms in this document>

Sumitomo Mitsui Trust Holdings (Consolidated): "SuMi TRUST Holdings" or "Consolidated"

Sumitomo Mitsui Trust Bank (Non-consolidated): "SuMi TRUST Bank" or "Non-Consolidated"

Legal Disclaimer

Regarding forward-looking Statements contained in this material

This presentation material contains information that constitutes forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors including but not limited to changes in managerial circumstances. By virtue of the aforementioned reasons, Sumitomo Mitsui Trust Holdings, Inc. hereby cautions against sole reliance on such forward-looking statements in making investment decisions.

Financial figures**1. Status of profit and loss**

[Consolidated]

(Millions of yen)

		FY2018	FY2017	Change
Consolidated gross business profit (*1)	1	678,554	676,873	1,680
Consolidated gross business profit (after written-off of principal guaranteed trust a/c) (1 + 20)	2	678,554	676,873	1,680
Net interest income and related profit	3	154,061	193,315	(39,253)
Net interest income	4	135,161	180,057	(44,896)
Trust fees from principal guaranteed trust a/c (before written-off of principal guaranteed trust a/c)	5	18,899	13,257	5,642
Net fees and commissions and related profit	6	390,124	397,240	(7,115)
Net fees and commissions	7	305,112	309,906	(4,794)
Other trust fees	8	85,011	87,333	(2,321)
Net trading profit	9	27,093	10,035	17,058
Net other operating profit	10	107,274	76,282	30,992
Net gains on foreign exchange transactions	11	96,385	46,646	49,738
Net gains on bonds	12	(3,417)	(5,694)	2,277
Net gains from derivatives other than for trading or hedging	13	(10,150)	9,144	(19,294)
General and administrative expenses	14	(427,853)	(432,924)	5,071
(excluding amortization of goodwill)	15	(418,384)	(423,455)	5,070
Personnel expenses	16	(189,899)	(197,406)	7,506
Non-personnel expenses excluding taxes	17	(221,613)	(217,780)	(3,832)
Taxes other than income taxes	18	(16,340)	(17,737)	1,396
Provision of general allowance for loan losses	19	20,637	-	20,637
Principal guaranteed trust a/c credit costs	20	-	-	-
Banking a/c credit costs	21	(25,531)	(5,122)	(20,408)
Written-off of loans	22	(4,395)	(4,538)	142
Provision of specific allowance for loan losses	23	(20,846)	-	(20,846)
Losses on sales of loans	24	(288)	(584)	295
Reversal of allowance for loan losses	25	-	5,292	(5,292)
Recoveries of written-off claims	26	1,908	2,818	(909)
Net gains on stocks	27	13,709	6,357	7,351
Losses on devaluation of stocks	28	(3,479)	(44)	(3,434)
Net income from affiliates by equity method	29	5,967	5,781	186
Others	30	(10,981)	(26,415)	15,433
Ordinary profit	31	256,411	232,661	23,750
Extraordinary profit	32	(15,070)	6,161	(21,232)
Impairment loss on fixed assets	33	715	14,038	(13,322)
Impairment loss on fixed assets	34	(15,786)	(7,876)	(7,909)
Income before income tax	35	241,340	238,822	2,518
Total income taxes	36	(60,599)	(73,075)	12,476
Income taxes-current	37	(67,714)	(57,646)	(10,067)
Income taxes-deferred	38	7,114	(15,429)	22,543
Net income	39	180,741	165,746	14,994
Net income attributable to non-controlling interests	40	(6,851)	(11,760)	4,908
Net income attributable to owners of the parent	41	173,889	153,986	19,903
Total credit costs (19 + 20 + 21 + 25 + 26)	42	(2,984)	2,988	(5,973)

(*1) Consolidated gross business profit = Trust fees + (Interest income - Interest expenses) + (Fees and commissions - Fees and commissions payments)
+ (Trading income - Trading expenses) + (Other operating income - Other operating expenses)

Consolidated net business profit before credit costs (*2)	43	282,233	270,558	11,675
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(*2) Consolidated net business profit before credit costs = Non-consolidated net business profit before credit costs + Ordinary profits of other subsidiary companies (non-recurring effect adjusted) + Ordinary profits of affiliates (non-recurring effect adjusted) x Ratio of equity holdings - Intra-group transaction (dividends, etc.)

(Reference) Major components of "Consolidated net business profit before credit costs" <43>, in which gross income and expense from the affiliates are taken into consideration for managerial accounting, are shown in the table below.

Substantial consolidated gross business profit	44	722,669	705,751	16,917
Substantial net fees and commissions and related profit	45	413,266	405,426	7,839
Substantial general and administrative expenses	46	(440,435)	(435,192)	(5,242)
Consolidated Fee income ratio	47	57.1%	57.4%	(0.3%)

<Difference from non-consolidated financial results (*3)>

Net business profit before credit costs	48	50,751	80,805	(30,054)
Net income attributable to owners of the parent (*4)	49	25,228	36,006	(10,778)
Total credit costs	50	(4,937)	(4,034)	(903)
Net gains on stocks	51	25,798	371	25,426

(*3) Differences between "Consolidated" and "Non-consolidated".

(*4) Differences between "Net income attributable to owners of the parent" in "Consolidated" and "Net income" in "Non-consolidated".

<Number of subsidiaries/ affiliates>

	Mar. 2019	Mar. 2018	Change
Consolidated subsidiaries	61	64	(3)
Affiliates (subject to the equity method)	30	24	6

[Non-consolidated]

(Millions of yen)

		FY2018	FY2017	Change
Gross business profit	1	467,337	426,852	40,485
Gross business profit (after written-off of principal guaranteed trust a/c) (1 + 23)	2	467,337	426,852	40,485
Net interest income and related profit	3	172,701	176,579	(3,877)
Net interest income	4	153,801	163,321	(9,520)
Domestic	5	171,735	143,430	28,305
International	6	(17,934)	19,891	(37,825)
Trust fees from principal guaranteed trust a/c (before written-off of principal guaranteed trust a/c)	7	18,899	13,257	5,642
Net fees and commissions and related profit	8	186,384	190,285	(3,901)
Net fees and commissions	9	104,311	108,672	(4,361)
Other trust fees	10	82,072	81,612	460
Net trading income	11	27,926	10,421	17,504
Net other operating profit	12	80,325	49,566	30,759
Net gains on foreign exchange transactions	13	95,183	45,346	49,837
Net gains on bonds	14	(3,847)	(5,750)	1,903
Net gains from derivatives other than for trading or hedging	15	(11,321)	9,464	(20,785)
General and administrative expenses	16	(235,855)	(237,099)	1,244
Personnel expenses	17	(107,264)	(109,584)	2,320
Non-personnel expenses	18	(116,149)	(114,831)	(1,317)
Taxes other than income taxes	19	(12,441)	(12,683)	242
Net business profit before credit costs (1 + 16)	20	231,482	189,752	41,729
(Excluding Net gains on bonds) (20 - 14)	21	235,330	195,503	39,826
Provision of general allowance for loan losses	22	-	-	-
Principal guaranteed trust a/c credit costs	23	-	-	-
Net business profit	24	231,482	189,752	41,729
Net non-recurring profit	25	(22,388)	(16,784)	(5,603)
Banking a/c credit costs	26	(1,469)	(1,635)	166
Written-off of loans	27	(1,180)	(1,539)	358
Provision of specific allowance for loan losses	28	-	-	-
Losses on sales of loans	29	(288)	(96)	(192)
Reversal of allowance for loan losses	30	2,268	7,809	(5,540)
Recoveries of written-off claims	31	1,153	849	303
Net gains on stocks	32	(12,089)	5,985	(18,074)
Losses on devaluation of stocks	33	(25,583)	(36)	(25,547)
Others	34	(12,251)	(29,793)	17,541
Amortization of net actuarial losses/ prior service cost	35	(3,345)	(16,312)	12,967
Provision for contingent loss	36	1,162	3,145	(1,982)
Losses on investment in partnerships	37	(2,898)	(2,140)	(758)
Net gains on stock related derivatives	38	(2,371)	(2,432)	61
Ordinary profit	39	209,094	172,967	36,126
Extraordinary profit	40	(4,284)	(8,312)	4,027
Net gains on disposal of fixed assets	41	1,032	(534)	1,566
Impairment loss on fixed assets	42	(5,317)	(7,778)	2,461
Income before income taxes	43	204,810	164,655	40,154
Total income taxes	44	(56,148)	(46,675)	(9,473)
Income taxes-current	45	(45,926)	(36,227)	(9,698)
Income taxes-deferred	46	(10,222)	(10,448)	225
Net income	47	148,661	117,980	30,681
Total credit costs (22 + 23 + 26 + 30 + 31)	48	1,952	7,022	(5,070)
Overhead ratio (-16/1)	49	50.47%	55.55%	(5.08%)

2. Breakdown of profit by business group

(1) Gross business profit

[Non-consolidated]

	(Billions of yen)		
	FY2018	FY2017	Change
Retail total solution services	138.0	132.8	5.1
Wholesale financial services (*1)	137.2	128.6	8.6
Stock transfer agency services	31.2	30.0	1.1
Real estate	32.4	32.1	0.2
Fiduciary services	92.2	93.1	(0.8)
Global markets	45.6	54.4	(8.7)
Fees paid for outsourcing	(44.5)	(40.3)	(4.2)
Stock transfer agency services	(9.7)	(9.9)	0.1
Fiduciary services	(34.8)	(30.3)	(4.4)
Others (*2)	35.0	(4.1)	39.1
Gross business profit	467.3	426.8	40.4

(*1) Figures for "Wholesale financial services" are combined total of Wholesale total solution services and Wholesale asset management.

(*2) Figures for "Others" include costs of capital funding, dividends of shares for cross-shareholdings, general and administrative expenses of headquarters, etc.

(2) Net business profit before credit costs

[Consolidated]

	(Billions of yen)		
	FY2018	FY2017	Change
Retail total solution services	30.9	27.0	3.9
Wholesale financial services (*1)	123.4	116.6	6.7
Stock transfer agency services	18.4	17.4	0.9
Real estate	30.1	29.8	0.3
Fiduciary services	63.0	59.1	3.8
Global markets	30.3	39.3	(9.0)
Others (*2)	(14.1)	(18.9)	4.8
Net business profit before credit costs	282.2	270.5	11.6

(*1) Figures for "Wholesale financial services" are combined total of Wholesale total solution services and Wholesale asset management.

(*2) Figures for "Others" include costs of capital funding, dividends of shares for cross-shareholdings, general and administrative expenses of headquarters, etc.

(*3) Treatment of offsetting transactions among the subsidiaries in calculation for breakdown of profit by business on a consolidated basis is partially changed

[Non-consolidated]

	(Billions of yen)		
	FY2018	FY2017	Change
Retail total solution services	15.3	11.1	4.2
Wholesale financial services (*1)	95.3	89.1	6.1
Stock transfer agency services	17.7	16.7	1.0
Real estate	23.1	23.1	(0.0)
Fiduciary services	33.2	35.9	(2.7)
Global markets	30.3	39.3	(9.0)
Others (*2)	16.4	(25.7)	42.1
Net business profit before credit costs	231.4	189.7	41.7

(*1) Figures for "Wholesale financial services" are combined total of Wholesale total solution services and Wholesale asset management.

(*2) Figures for "Others" include costs of capital funding, dividends of shares for cross-shareholdings, general and administrative expenses of headquarters, etc.

3. Yields and margins

(1) Domestic banking a/c

[Non-consolidated]

	FY2018	2HFY2018	1HFY2018	FY2017	(%) Change from FY2017
Average yield on interest-earning assets (A)	0.60	0.51	0.69	0.57	0.03
Loans and bills discounted (B)	0.69	0.68	0.69	0.70	(0.01)
Securities	2.16	1.28	3.04	1.45	0.71
Average yield on interest-bearing liabilities (C)	0.15	0.15	0.16	0.17	(0.02)
Deposits (D)	0.09	0.08	0.10	0.14	(0.05)
Gross margin (A) - (C)	0.45	0.36	0.53	0.40	0.05
Loan-deposit margin (B) - (D)	0.60	0.60	0.59	0.56	0.04

(2) Domestic banking a/c and principal guaranteed trust a/c combined

[Non-consolidated]

	FY2018	2HFY2018	1HFY2018	FY2017	(%) Change from FY2017
Average yield on interest-earning assets (A)	0.60	0.51	0.69	0.57	0.03
Loans and bills discounted (B)	0.69	0.68	0.69	0.70	(0.01)
Securities	2.16	1.28	3.04	1.45	0.71
Average yield on interest-bearing liabilities (C)	0.11	0.10	0.11	0.13	(0.02)
Deposits and Trust Principal (D)	0.08	0.07	0.08	0.12	(0.04)
Gross margin (A) - (C)	0.49	0.41	0.58	0.44	0.05
Loan-deposit margin (B) - (D)	0.61	0.61	0.61	0.58	0.03

4. Net gains on securities

[Consolidated]

	FY2018	FY2017	(Millions of yen) Change
Net gains on bonds	(3,417)	(5,694)	2,277
Gains on sales of bonds	19,635	23,438	(3,803)
Gains on redemption of bonds	54	1	52
Losses on sales of bonds	(23,106)	(29,135)	6,028
Losses on redemption of bonds	-	(0)	0
Losses on devaluation of bonds	-	(0)	0
Net gains on stocks	13,709	6,357	7,351
Gains on sales of stocks	45,299	79,464	(34,165)
Losses on sales of stocks	(28,110)	(73,062)	44,951
Losses on devaluation of stocks	(3,479)	(44)	(3,434)

[Non-consolidated]

	FY2018	FY2017	(Millions of yen) Change
Net gains on bonds	(3,847)	(5,750)	1,903
Gains on sales of bonds	18,993	23,211	(4,217)
Gains on redemption of bonds	53	-	53
Losses on sales of bonds	(22,894)	(28,962)	6,067
Losses on redemption of bonds	-	-	-
Losses on devaluation of bonds	-	(0)	0
Net gains on stocks	(12,089)	5,985	(18,074)
Gains on sales of stocks	44,113	78,656	(34,542)
Losses on sales of stocks	(30,619)	(72,634)	42,015
Losses on devaluation of stocks	(25,583)	(36)	(25,547)

5. Unrealized gains/ losses on investment securities

(1) Securities with fair value

[Consolidated]

	Mar. 2019				Sep. 2018		Mar. 2018		Change from Mar. 2018	
	Cost	Net	Unrealized gains	Unrealized losses	Cost	Net	Cost	Net	Cost	Net
Available-for-sale securities	4,558,478	665,731	830,839	(165,108)	5,027,541	682,508	4,362,107	739,288	196,371	(73,556)
Japanese stocks (*)	598,950	772,663	789,718	(17,054)	612,755	964,823	630,471	876,220	(31,521)	(103,556)
Japanese bonds	887,404	3,178	3,592	(413)	931,644	1,327	815,888	2,283	71,516	894
Government bonds	301,248	337	362	(24)	352,230	(172)	241,306	165	59,941	172
Local government bonds	8,707	57	59	(1)	6,560	(21)	7,287	(2)	1,420	59
Corporate bonds	577,449	2,782	3,170	(387)	572,854	1,520	567,295	2,120	10,154	662
Others	3,072,123	(110,110)	37,529	(147,640)	3,483,141	(283,642)	2,915,747	(139,215)	156,376	29,105
Held-to-maturity debt securities	262,405	21,755	21,795	(40)	267,181	19,083	264,938	21,923	(2,532)	(168)

(*) From FY2018, fair value of listed stocks included in "Available-for-sale securities" is determined based on the quoted market price over the consolidated balance sheet date, which was previously determined based on the average quoted market price over the month preceding the consolidated balance sheet date.

[Non-consolidated]

	Mar. 2019				Sep. 2018		Mar. 2018		Change from Mar. 2018	
	Cost	Net	Unrealized gains	Unrealized losses	Cost	Net	Cost	Net	Cost	Net
Available-for-sale securities	4,532,234	681,376	845,798	(164,422)	4,990,523	699,667	4,361,385	754,043	170,848	(72,667)
Japanese stocks (*)	574,012	795,230	811,024	(15,794)	586,219	988,558	606,400	897,293	(32,388)	(102,062)
Japanese bonds	952,745	2,002	3,592	(1,589)	966,621	64	887,745	954	65,000	1,047
Government bonds	301,248	337	362	(24)	318,717	(168)	241,306	165	59,941	172
Local government bonds	8,707	57	59	(1)	6,560	(21)	7,287	(2)	1,420	59
Corporate bonds	642,790	1,606	3,170	(1,563)	641,344	253	639,151	791	3,638	815
Others	3,005,476	(115,855)	31,182	(147,037)	3,437,681	(288,955)	2,867,240	(144,203)	138,236	28,348
Held-to-maturity debt securities	197,552	21,636	21,676	(40)	199,150	18,973	193,583	21,821	3,969	(185)

(*) From FY2018, fair value of listed stocks included in "Available-for-sale securities" is determined based on the quoted market price over the consolidated balance sheet date, which was previously determined based on the average quoted market price over the month preceding the consolidated balance sheet date.

<Reference 1>

Breakdown of "Available-for-sale securities (Others)"

[Non-consolidated]

	Mar. 2019		Sep. 2018		Mar. 2018		Change from Mar. 2018	
	Cost	Net	Cost	Net	Cost	Net	Cost	Net
Domestic investment (*1)	75,516	1,834	82,389	1,534	82,188	1,777	(6,671)	56
Asset-backed securities	12,926	822	18,512	689	22,334	735	(9,408)	86
Others	62,590	1,012	63,876	845	59,853	1,042	2,736	(30)
International investment (*1)	1,369,866	4,347	1,717,997	(29,579)	1,254,078	(16,876)	115,787	21,224
Foreign government bonds	1,365,777	4,040	1,704,317	(31,160)	1,240,475	(18,416)	125,302	22,456
US Treasury	434,344	5,145	808,759	(27,499)	496,102	(18,733)	(61,758)	23,879
European government bonds (*2)	9,477	251	31,642	(255)	129,424	1,248	(119,947)	(996)
US agency MBS	187,877	(445)	213,394	(4,775)	112,027	(3,157)	75,849	2,711
Corporate bonds, etc. (*3)	720,525	(920)	624,588	1,540	479,204	2,327	241,321	(3,247)
Foreign stocks and others	4,088	306	13,679	1,581	13,603	1,539	(9,514)	(1,232)
Others (Investment trust, etc.) (*4)	1,560,093	(122,037)	1,637,294	(260,910)	1,530,973	(129,104)	29,119	7,066
Total	3,005,476	(115,855)	3,437,681	(288,955)	2,867,240	(144,203)	138,236	28,348

(*1) "Domestic investment" and "International investment" are basically categorized by the countries where final exposure exists.

(*2) German government bonds (Bunds), UK government bonds (Gilts) and French government bonds (OATs).

(*3) Corporate bonds which are based on issuer's credit risk.

(*4) "Investment trust" and investment securities uncategorizable into "Domestic investment" or "International investment".

<Reference 2>

Breakdown of "Held-to-maturity debt securities"

[Non-consolidated]

	(Millions of yen)							
	Mar. 2019		Sep. 2018		Mar. 2018		Change from Mar. 2018	
	Cost	Net	Cost	Net	Cost	Net	Cost	Net
Held-to-maturity debt securities	197,552	21,636	199,150	18,973	193,583	21,821	3,969	(185)
Japanese Government Bonds	118,725	20,626	118,914	17,740	119,103	19,832	(377)	793
Japanese Local Government Bonds	-	-	-	-	-	-	-	-
Japanese Corporate Bonds	33,200	577	29,000	494	29,000	535	4,200	41
Others	45,627	432	51,236	738	45,480	1,453	146	(1,020)
Domestic investment (*)	7,949	10	8,801	17	9,733	22	(1,784)	(11)
International investment (*)	37,677	422	42,434	721	35,746	1,430	1,931	(1,008)

(*) "Domestic investment" and "International investment" are basically categorized by the countries where final exposure exists.

(2) Securities with no available fair value

[Non-consolidated]

	(Millions of yen)			
	Mar. 2019	Sep. 2018	Mar. 2018	Change from
		Cost		Mar. 2018
Available-for-sale securities	210,984	192,311	176,025	34,958
Japanese stocks	53,810	54,385	54,464	(654)
Japanese bonds	-	-	-	-
Others	157,174	137,925	121,561	35,613
Domestic investment (*)	99,392	85,885	76,129	23,262
International investment (*)	57,781	52,040	45,431	12,350

(*) "Domestic investment" and "International investment" are basically categorized by the countries where final exposure exists.

6. Maturity ladder of securities

<"Held-to-maturity debt securities" with fair value and "Available-for-sale securities" with fair value>

[Consolidated]

(Millions of yen)										
	Mar. 2019					Mar. 2018				
	Less than 1 year	1 year to 5 years	5 years to 10 years	Over 10 years	Total	Less than 1 year	1 year to 5 years	5 years to 10 years	Over 10 years	Total
Japanese bonds	287,988	285,887	296,952	171,740	1,042,568	166,067	359,826	237,287	203,154	966,335
Government bonds	269,766	15,198	42,081	93,325	420,371	128,561	75,408	31,380	125,284	360,634
Local government bonds	-	2,905	5,858	-	8,764	-	2,399	4,885	-	7,284
Corporate bonds	18,222	267,783	249,012	78,415	613,432	37,505	282,018	201,022	77,869	598,416
Others	374,370	1,187,334	805,382	611,369	2,978,456	225,645	1,071,858	976,150	464,673	2,738,328

Note: Including NCD in "Cash and Due from Banks" and "Monetary Claims Bought", as well as securities.

[Non-consolidated]

(Millions of yen)										
	Mar. 2019					Mar. 2018				
	Less than 1 year	1 year to 5 years	5 years to 10 years	Over 10 years	Total	Less than 1 year	1 year to 5 years	5 years to 10 years	Over 10 years	Total
Japanese bonds	287,988	285,887	296,892	171,740	1,042,508	166,067	359,826	237,227	273,681	1,036,802
Government bonds	269,766	15,198	42,021	93,325	420,311	128,561	75,408	31,320	125,284	360,574
Local government bonds	-	2,905	5,858	-	8,764	-	2,399	4,885	-	7,284
Corporate bonds	18,222	267,783	249,012	78,415	613,432	37,505	282,018	201,022	148,396	668,943
Others	350,712	1,186,678	788,528	530,732	2,856,651	209,159	1,071,229	974,386	378,295	2,633,070

Note: Including NCD in "Cash and Due from Banks" and "Monetary Claims Bought", as well as securities.

7. Shareholdings

1) Balance of listed stocks

[Consolidated]

(Billions of yen)		
	Mar. 2019	Mar. 2018
Cost basis	598.9	630.4
Fair value basis	1,371.6	1,506.6

2) Reduction of cross shareholdings

[Consolidated]

(Billions of yen)				
	FY2018		FY2017	
	Full	1H	Full	1H
Cost basis	28.7	16.9	35.2	13.3

8. Deferred unrealized gains/ losses of derivative transactions qualified for hedge accounting

[Consolidated]

(Millions of yen)				
	Mar. 2019	Sep. 2018	Mar. 2018	Change from Mar. 2018
Interest rate related	(45,413)	(12,703)	(27,989)	(17,424)
Interest rate swaps	(45,413)	(12,703)	(27,989)	(17,424)
Currency related	(2,506)	(881)	(106)	(2,400)
Total	(47,920)	(13,585)	(28,095)	(19,824)

Note: Before considering tax effect accounting.

[Non-consolidated]

(Millions of yen)				
	Mar. 2019	Sep. 2018	Mar. 2018	Change from Mar. 2018
Interest rate related	(44,538)	(12,453)	(27,529)	(17,008)
Interest rate swaps	(44,538)	(12,453)	(27,529)	(17,008)
Currency related	(224)	823	1,289	(1,513)
Total	(44,762)	(11,630)	(26,240)	(18,521)

Note: Before considering tax effect accounting.

9. BIS capital adequacy ratio (Basel III)

(1) BIS capital adequacy ratio (International standard)

[Consolidated]

(Billions of yen)						Minimum requirement (*1) (Mar. 2019)
			Mar. 2019 (Preliminary)	Mar. 2018	Change	
Common Equity Tier 1 capital ratio	(8) / (20)	1	12.18%	11.33%	0.85%	7.53%
Tier 1 capital ratio	(12) / (20)	2	14.18%	13.74%	0.44%	9.03%
Total capital ratio	(16) / (20)	3	16.77%	16.31%	0.46%	11.03%
Directly issued qualifying capital plus retained earnings		4	2,214.5	2,103.0	111.5	
Accumulated Other Comprehensive Income ("OCI")		5	410.4	496.8	(86.3)	
Instruments and reserves		6	2,626.1	2,602.7	23.3	
Regulatory adjustments		7	(214.0)	(276.9)	62.8	
Common Equity Tier 1 capital (CET1)		8	2,412.1	2,325.8	86.2	
Directly issued qualifying Additional Tier 1 instruments		9	340.0	290.0	50.0	
Eligible Tier 1 capital instruments subject to phase-out arrangements		10	41.0	193.0	(152.0)	
Additional Tier 1 capital (AT1)		11	394.4	495.5	(101.1)	
Tier 1 capital (T1 = CET1 + AT1)		12	2,806.5	2,821.4	(14.9)	
Directly issued qualifying Tier 2 instruments		13	270.0	220.0	50.0	
Eligible Tier 2 capital instruments subject to phase-out arrangements		14	239.2	299.2	(59.9)	
Tier 2 capital (T2)		15	513.6	526.7	(13.1)	
Total capital (T1 + T2)		16	3,320.1	3,348.1	(28.0)	
Amount of credit risk-weighted assets		17	17,725.1	18,352.1	(626.9)	
Amount of market risk equivalents		18	1,104.0	1,163.8	(59.8)	
Amount of operational risk equivalents		19	960.8	1,006.8	(46.0)	
Total risk weighted assets		20	19,790.1	20,522.9	(732.8)	

(*1) Capital conservation buffer, countercyclical capital buffer and surcharge for domestic systemically important banks are taken into account and added to minimum regulatory requirements for each capital ratio.

[SuMi TRUST Bank (Consolidated)]

			(Billions of yen)			Minimum requirement
			Mar. 2019 (Preliminary)	Mar. 2018	Change	
Common Equity Tier 1 capital ratio	(4) / (7)	1	10.59%	10.85%	(0.26%)	4.50%
Tier 1 capital ratio	(5) / (7)	2	12.39%	12.87%	(0.48%)	6.00%
Total capital ratio	(6) / (7)	3	15.02%	15.45%	(0.43%)	8.00%
Common Equity Tier 1 capital		4	2,068.2	2,218.3	(150.1)	
Tier 1 capital		5	2,421.6	2,630.4	(208.8)	
Total capital		6	2,935.2	3,156.6	(221.3)	
Total risk weighted assets		7	19,529.8	20,427.3	(897.5)	

[SuMi TRUST Bank (Non-consolidated)]

			(Billions of yen)			Minimum requirement
			Mar. 2019 (Preliminary)	Mar. 2018	Change	
Common Equity Tier 1 capital ratio	(11) / (14)	8	10.02%	10.60%	(0.58%)	4.50%
Tier 1 capital ratio	(12) / (14)	9	11.79%	12.60%	(0.81%)	6.00%
Total capital ratio	(13) / (14)	10	14.45%	15.20%	(0.75%)	8.00%
Common Equity Tier 1 capital		11	1,919.8	2,121.5	(201.6)	
Tier 1 capital		12	2,259.8	2,521.5	(261.6)	
Total capital		13	2,767.5	3,040.7	(273.1)	
Total risk weighted assets		14	19,152.3	20,004.5	(852.2)	

(2) Leverage ratio

[Consolidated]

			(Billions of yen)			Minimum requirement
			Mar. 2019 (Preliminary)	Mar. 2018	Change	
Leverage ratio	(16) / (17)	15	4.67%	3.98%	0.69%	3.00%
Tier 1 capital		16	2,806.5	2,821.4	(14.9)	
Total Exposure		17	60,009.2	70,807.8	(10,798.6)	

[SuMi TRUST Bank (Consolidated)]

			(Billions of yen)			Minimum requirement
			Mar. 2019 (Preliminary)	Mar. 2018	Change	
Leverage ratio	(19) / (20)	18	4.04%	4.59%	(0.55%)	3.00%
Tier 1 capital		19	2,421.6	2,630.4	(208.8)	
Total Exposure		20	59,930.8	57,273.0	2,657.7	

[SuMi TRUST Bank (Non-consolidated)]

			(Billions of yen)			Minimum requirement
			Mar. 2019 (Preliminary)			
Leverage ratio	(22) / (23)	21	3.88%			3.00%
Tier 1 capital		22	2,259.8			
Total Exposure		23	58,241.9			

10. Return on equity (ROE)

[Consolidated]

	FY2018	FY2017	Change
Return (Net income) on shareholders' equity	7.95%	7.40%	0.55%
Return (Net income) on equity	6.58%	6.05%	0.53%

Note1: Return on shareholders' equity (equity)

= Net income attributable to owners of the parents

÷ { (Beginning balance of shareholders' equity (equity) + Ending balance of shareholders' equity (equity)) ÷ 2 } X 100

Note2: Shareholders' equity = Total net assets - Share purchase warrants - Minority interests - Total accumulated other comprehensive income

Note3: Equity = Total net assets - Share purchase warrants - Minority interests

11. Loans and Deposits (Banking a/c and principal guaranteed trust a/c combined)

(1) Balance of loans and deposits, etc.

[Non-consolidated]

(Millions of yen)

		Mar. 2019		Sep. 2018	Mar. 2018	Change from Mar. 2018	
		Total	Domestic branches	Total	Total	Total	Domestic branches
Loans and bills discounted	(Ending balance)	29,435,109	25,530,531	28,904,534	28,295,313	1,139,795	821,087
	(Average balance)	28,344,429	24,551,284	28,152,078	27,838,291	506,138	333,720
Banking account	(Ending balance)	29,404,142	25,499,564	28,870,898	28,259,093	1,145,048	826,340
	(Average balance)	28,310,606	24,517,461	28,117,071	27,794,452	516,153	343,735
Principal guaranteed trust account	(Ending balance)	30,967	30,967	33,635	36,220	(5,252)	(5,252)
	(Average balance)	33,823	33,823	35,006	43,838	(10,015)	(10,015)
Deposits, Trust principal	(Ending balance)	37,035,783	31,972,909	35,559,944	34,466,562	2,569,220	2,513,057
	(Average balance)	33,732,108	28,944,600	32,876,138	30,808,863	2,923,244	2,249,331
Deposits (*)	(Ending balance)	31,744,181	26,681,308	30,717,721	29,392,255	2,351,926	2,295,763
	(Average balance)	30,033,695	25,246,188	29,224,286	28,216,744	1,816,950	1,143,037
Time deposits	(Ending balance)	20,926,890	16,195,515	21,819,662	21,207,994	(281,104)	(282,884)
	(Average balance)	20,998,708	16,477,925	21,090,340	20,994,289	4,419	(567,780)
Liquid deposits	(Ending balance)	9,631,298	9,300,063	7,572,690	6,886,270	2,745,028	2,690,560
	(Average balance)	7,917,522	7,650,971	7,088,758	6,172,956	1,744,565	1,642,474
Trust principal	(Ending balance)	5,291,601	5,291,601	4,842,223	5,074,307	217,293	217,293
	(Average balance)	3,698,412	3,698,412	3,651,852	2,592,118	1,106,293	1,106,293

(*) Excluding NCD.

(2) Ending balance of deposits classified by depositors (Domestic branches)

[Non-consolidated]

(Millions of yen)

	Mar. 2019	Sep. 2018	Mar. 2018	Change from Mar. 2018
Individuals	17,461,684	17,504,041	17,447,295	14,388
Deposits (*1)	15,931,764	15,974,422	15,924,744	7,019
Trust principal (Principal guaranteed)	1,529,919	1,529,619	1,522,551	7,368
Corporations and other organizations (*2)	14,275,198	12,328,666	11,555,741	2,719,457
Deposits (*1)	10,513,517	9,016,063	8,003,985	2,509,531
Trust principal (Principal guaranteed)	3,761,681	3,312,603	3,551,755	209,925
Total	31,736,883	29,832,708	29,003,037	2,733,845

(*1) Excluding NCD and offshore accounts

(*2) "Other organizations" are public organizations and financial institutions.

12. Loans (Banking a/c and principal guaranteed trust a/c combined)

1) Loans to small and mid-sized enterprises, etc.

[Non-consolidated]

	Mar. 2019	Sep. 2018	Mar. 2018	(Millions of yen, %) Change from Mar.
Loan balance	16,670,839	16,167,987	16,130,489	540,350
Loans to individuals	9,920,625	9,647,567	9,450,458	470,167
Ratio to total loan balance	65.2	64.6	65.2	0.0

2) Loans to individuals

[Non-consolidated]

	Mar. 2019	Sep. 2018	Mar. 2018	(Millions of yen) Change from Mar.
Residential mortgage loans	9,314,017	9,062,146	8,874,754	439,262
Loans to individual for business use	552,399	529,027	515,373	37,025
Other consumer loans	54,209	56,393	60,329	(6,120)
Total	9,920,625	9,647,567	9,450,458	470,167

3) Loans by industry

[Non-consolidated]

	Mar. 2019	Sep. 2018	Mar. 2018	(Millions of yen) Change from Mar.
Domestic Branches (excluding offshore accounts)	25,530,531	25,004,975	24,709,443	821,087
Manufacturing	2,663,788	2,552,881	2,486,208	177,579
Agriculture, forestry, fisheries, mining, quarrying of stone and gravel gathering	30,815	8,514	12,130	18,685
Construction	119,457	121,071	120,415	(957)
Electricity, gas, heat supply and water	1,147,478	1,091,789	1,047,733	99,745
Information and communications	357,866	536,069	412,206	(54,340)
Transport and postal activities	1,169,300	1,130,492	1,111,401	57,898
Wholesale and retail trade	1,253,468	1,191,584	1,171,868	81,599
Finance and insurance	2,665,338	2,692,708	2,805,668	(140,329)
Real estate	3,468,125	3,381,040	3,427,559	40,565
Goods rental and leasing	1,090,344	1,009,730	986,215	104,129
Others	11,564,546	11,289,091	11,128,035	436,511
Overseas branches and offshore accounts	3,904,578	3,899,558	3,585,870	318,708
Total	29,435,109	28,904,534	28,295,313	1,139,795

Note: The above table is made based on the categorization of "Survey on loans by industry" of Bank of Japan.

13. Problem assets based on the Financial Reconstruction Act (Banking a/c and principal guaranteed trust a/c combined)

(1) Problem assets based on the Financial Reconstruction Act (After partial direct written-off)

[Consolidated]

	Mar. 2019		Sep. 2018	Mar. 2018	Change from Mar. 2018	
	Total	Banking a/c	Total	Total	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act (a)	112,521	111,757	92,494	89,255	23,265	23,392
Bankrupt and practically bankrupt	16,375	16,365	18,319	16,406	(30)	(30)
Doubtful	71,338	70,625	45,258	46,780	24,557	24,677
Substandard	24,807	24,766	28,916	26,068	(1,261)	(1,254)
Ordinary assets	30,572,860	30,542,657	30,475,298	29,744,179	828,681	833,807
Total balance (b)	30,685,382	30,654,415	30,567,792	29,833,435	851,947	857,200
Ratio to total balance (a) / (b)	0.4%	0.4%	0.3%	0.3%	0.1%	0.1%

Note : Partial direct written-off: Mar. 2019: 16,101 million yen, Sep. 2018: 16,340 million yen, Mar. 2018: 15,050 million yen

[Non-consolidated]

	Mar. 2019		Sep. 2018	Mar. 2018	Change from Mar. 2018	
	Total	Banking a/c	Total	Total	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act (a)	84,191	83,428	60,342	56,709	27,482	27,608
Bankrupt and practically bankrupt	10,528	10,518	12,145	12,033	(1,504)	(1,504)
Doubtful	55,188	54,475	26,572	27,022	28,165	28,285
Substandard (b)	18,474	18,433	21,624	17,654	820	827
Ordinary assets	29,857,080	29,826,877	29,359,901	28,761,716	1,095,364	1,100,490
Assets to substandard debtors (excluding Substandard) (c)	990	990	983	1,333	(342)	(326)
Assets to other special mention debtors	414,285	405,121	428,501	547,121	(132,835)	(132,076)
Assets to ordinary debtors	29,441,803	29,420,765	28,930,415	28,213,261	1,228,542	1,232,893
Total balance (d)	29,941,272	29,910,305	29,420,243	28,818,426	1,122,846	1,128,099
Ratio to total balance (a) / (d)	0.3%	0.3%	0.2%	0.2%	0.1%	0.1%
Assets to substandard debtors (b) + (c)	19,465	19,424	22,607	18,987	478	500

Note : Partial direct written-off: Mar. 2019: 8,259 million yen, Sep. 2018: 8,757 million yen, Mar. 2018: 9,292 million yen

(2) Coverage ratio and allowance ratio of Problem assets based on the Financial Reconstruction Act

[Non-consolidated]

	Mar. 2019		Sep. 2018	Mar. 2018	Change from Mar. 2018	
	Total	Banking a/c	Total	Total	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act	84,191	83,428	60,342	56,709	27,482	27,608
Coverage ratio	86.9%	86.7%	89.4%	95.8%	(8.9%)	(9.0%)
Allowance ratio	70.7%	70.7%	60.4%	78.4%	(7.7%)	(7.7%)
Bankrupt and practically bankrupt	10,528	10,518	12,145	12,033	(1,504)	(1,504)
Coverage ratio	100.0%	100.0%	100.0%	100.0%	- %	- %
Allowance ratio	100.0%	100.0%	100.0%	100.0%	- %	- %
Doubtful	55,188	54,475	26,572	27,022	28,165	28,285
Coverage ratio	87.0%	86.8%	91.2%	92.9%	(5.9%)	(5.9%)
Allowance ratio	76.6%	76.6%	72.8%	74.6%	2.0%	2.0%
Substandard	18,474	18,433	21,624	17,654	820	827
Coverage ratio	79.1%	79.0%	81.2%	97.4%	(18.3%)	(18.4%)
Allowance ratio	10.5%	10.5%	12.1%	34.7%	(24.2%)	(24.2%)

Note: Other than the above mentioned, there is Reserves for JOMT (Jointly-operated money trust) of 0.0 billion yen as of Mar. 2019.

(3) Problem assets based on the Financial Reconstruction Act by industry

[Non-consolidated]

	(Millions of yen)			
	Mar. 2019	Sep. 2018	Mar. 2018	Change from Mar. 2018
Domestic Branches (excluding offshore accounts)	66,979	51,571	51,725	15,254
Manufacturing	16,899	3,214	3,076	13,823
Agriculture, forestry, fisheries, mining, quarrying of stone and gravel gathering	429	417	-	429
Construction	2	2	3	(1)
Electricity, gas, heat supply and water	4,042	-	-	4,042
Information and communications	1	2	2	(0)
Transport and postal activities	-	14	29	(29)
Wholesale and retail trade	6,539	6,673	5,558	981
Finance and insurance	235	199	244	(8)
Real estate	6,488	7,095	7,854	(1,366)
Others	32,340	33,951	34,956	(2,615)
Overseas branches and offshore accounts	17,212	8,771	4,984	12,227
Total	84,191	60,342	56,709	27,482

Note: The above table is made according to the categorization of "Survey on loans by industry" of Bank of Japan.

14. Self-Assessment and Problem assets based on the Financial Reconstruction Act

(Banking a/c and principal guaranteed trust a/c combined)

[Non-consolidated]

(Billions of yen, %)

Borrower classification under the self-assessment		Problem assets based on the Financial Reconstruction Act	Self-assessment				Allowance (*)	Coverage ratio	Allowance ratio
			Not categorized	Category II	Category III	Category IV			
Legal bankruptcy	Substandard Special mention (exc. Substandard) debtors	(1) Bankrupt/ practically bankrupt 10.5	(1) Guarantee and collateral 7.8	Entirely covered by allowances	Entirely written-off or covered by allowances	(1) Specific allowance for loan losses 2.6	100.0	100.0	
Virtual bankruptcy									
Possible bankruptcy		(2) Doubtful 55.2	(2) Guarantee and collateral 24.5	Partially covered by allowances		(2) Specific allowance for loan losses 23.5	87.0	76.6	
Requiring careful monitoring		(3) Substandard 18.5	(3) Guarantee and collateral 14.1			(3) General allowance for loan losses 0.4	79.1	10.5	
		A. Assets to substandard debtors (exc. Substandard) 1.0							
	(4) Ordinary assets (A + B + C) 29,857.1	B. Assets to other special mention debtors (exc. Assets to substandard debtors) 414.3							
Normal		C. Assets to ordinary debtors 29,441.8							
		Problem assets based on the Financial Reconstruction Act (1) + (2) + (3) 84.2	Guarantee and collateral (1) + (2) + (3) 46.5			Allowance for loan losses (1) + (2) + (3) 26.6	86.9	70.7	
Total balance (1) + (2) + (3) + (4) 29,941.3			Not categorized, category II 29,934.1	category III 7.1	category IV -				

(*) 0.0 billion yen of reserves for loan trust and reserves for JOMT (Jointly-operated money trust) are posted in principal guaranteed trust account.

15. Allowance for loan losses

(1) Balance of allowance for loan losses

(Banking account)

[Consolidated]

	(Millions of yen)			
	Mar. 2019	Sep. 2018	Mar. 2018	Change from Mar. 2018
Allowance for loan losses	99,770	86,195	102,920	(3,149)
General allowance for loan losses	68,338	71,192	88,579	(20,240)
Specific allowance for loan losses	31,431	15,002	14,340	17,090
Partial direct written-off	17,877	18,108	16,705	1,172

[Non-consolidated]

	(Millions of yen)			
	Mar. 2019	Sep. 2018	Mar. 2018	Change from Mar. 2018
Allowance for loan losses	75,211	61,147	77,169	(1,957)
General allowance for loan losses	48,460	51,453	68,254	(19,794)
Specific allowance for loan losses	26,751	9,693	8,914	17,836
Partial direct written-off	8,286	8,784	9,318	(1,032)

(Trust account)

[Non-consolidated]

	(Millions of yen)			
	Mar. 2019	Sep. 2018	Mar. 2018	Change from Mar. 2018
Reserves for JOMT (Jointly-operated money trust)	81	62	89	(8)

Note: Trust a/c is principal guaranteed trust a/c

(2) Reserve ratio for assets to special mention/ ordinary debtors (general allowance for loan losses)

(Banking account)

[Non-consolidated]

	(%)			
	Mar. 2019	Sep. 2018	Mar. 2018	Change from Mar. 2018
Assets to Special mention debtors	2.63	2.63	6.15	(3.52)
Substandard	2.43	2.55	1.38	1.05
Against uncovered portion	10.65	11.68	33.17	(22.52)
Other special mention	2.64	2.64	6.32	(3.68)
Against uncovered portion	8.48	8.12	16.22	(7.74)
Assets to Ordinary debtors	0.12	0.13	0.11	0.01

Note: The above list indicates the ratio of general allowance for loan losses to each asset.

16. Final disposal of non-performing loans (Banking a/c and principal guaranteed trust a/c combined)

(1) Loans outstanding in doubtful or worse categories

[Non-consolidated]

(Billions of yen)

	Mar. 2016	Sep. 2016	Mar. 2017	Sep. 2017	Mar. 2018	Sep. 2018	Mar. 2019	Change from Sep. 2018
Total	56.9	46.8	43.4	41.1	39.1	38.7	65.7	27.0
Loans outstanding in doubtful or worse categories as of Mar. 2016 and disposal thereafter	56.9	40.8	34.2	23.0	15.9	14.1	12.9	(1.3)
New entry to doubtful or worse categories during 1HFY2016 and disposal thereafter		6.0	3.5	1.6	1.3	0.9	0.7	(0.3)
New entry to doubtful or worse categories during 2HFY2016 and disposal thereafter			5.7	3.5	2.6	1.8	1.5	(0.3)
New entry to doubtful or worse categories during 1HFY2017 and disposal thereafter				13.0	9.6	7.7	6.5	(1.3)
New entry to doubtful or worse categories during 2HFY2017 and disposal thereafter					9.6	7.4	7.0	(0.4)
New entry to doubtful or worse categories during 1HFY2018 and disposal thereafter						6.7	4.3	(2.4)
New entry to doubtful or worse categories during 2HFY2018 and disposal thereafter							33.0	33.0

(2) Progress of final disposal

[Non-consolidated]

(Billions of yen)

Period	Primary amount (A)	Amount as of Mar. 2019 (B)	Quasi final disposal or in the process of final disposal (C)	Amount of final disposal in 2HFY2018	Progress ratio of final disposal (%) (A-B)/A	Adjusted progress ratio of final disposal (%) (*) (A-B+C)/A
Before 2HFY2015	3,548.9	12.9	3.1	1.3	99.6	99.7
1HFY2016	6.0	0.7	0.1	0.3	88.9	89.8
2HFY2016	5.7	1.5	0.2	0.3	73.9	78.0
1HFY2017	13.0	6.5	3.3	1.3	50.3	75.7
2HFY2017	9.6	7.0	0.2	0.4	27.1	29.5
1HFY2018	6.7	4.3	0.7	2.4	36.1	47.1
2HFY2018	33.0	33.0	15.6	-	-	47.4
Total	-----	65.7	23.3	6.0	-----	-----

(*) Progress ratio of final disposal considering quasi final disposal

17. Retirement benefits

[Consolidated]

		(Millions of yen)		
		Mar. 2019	Mar. 2018	Change
Projected benefit obligation	(A)	465,033	467,350	(2,316)
Discount rate		mainly 0.5%	mainly 0.5%	---
Plan assets	(B)	589,955	616,410	(26,454)
Liabilities for retirement benefits	(C)	14,008	14,159	(150)
Assets for retirement benefits	(D)	138,931	163,219	(24,288)

Note: (A) = (B) + (C) - (D)

• Remeasurements of retirement benefits (before considering tax effect accounting)

		(Millions of yen)		
		Mar. 2019	Mar. 2018	Change
Unrecognized net prior services costs		(165)	13	(178)
Unrecognized net actuarial loss		27,833	(6,819)	34,652
Total		27,667	(6,806)	34,473

		(Millions of yen)		
		FY2018	FY2017	Change
Retirement benefit expenses		(7,660)	(2,526)	(5,134)
Service cost - benefits earned		14,368	(14,719)	29,088
Interest cost on projected benefit obligation		2,338	(2,354)	4,693
Expected return on plan assets		(26,859)	25,746	(52,606)
Disposal of prior services costs		2,625	(51)	2,676
Disposal of actuarial loss		2	(10,062)	10,064
Others		(136)	(1,085)	948

[Non-consolidated]

		(Millions of yen)		
		Mar. 2019	Mar. 2018	Change
Projected benefit obligation	(A)	437,327	438,658	(1,330)
Discount rate		0.5%	0.5%	- %
Plan assets	(B)	574,969	600,290	(25,320)
Provision for retirement benefits	(C)	721	724	(3)
Prepaid pension expenses	(D)	170,685	161,208	9,477
Unrecognized net prior services costs	(E)	237	320	(83)
Unrecognized net actuarial loss	(F)	32,085	(1,468)	33,554

Note: (A) = (B) + (C) - (D) + (E) + (F)

		(Millions of yen)		
		FY2018	FY2017	Change
Retirement benefit expenses		6,456	(8,289)	14,745
Service cost - benefits earned		(12,664)	(12,974)	310
Interest cost on projected benefit obligation		(2,189)	(2,192)	2
Expected return on plan assets		26,417	25,261	1,155
Disposal of prior services costs		(83)	(125)	41
Disposal of actuarial loss		(3,261)	(16,187)	12,926
Others		(1,762)	(2,071)	309

18. Deferred tax assets

(1) Major factors for deferred tax assets and deferred tax liabilities

[Consolidated]

	(Billions of yen)		
	Mar. 2019	Mar. 2018	Change
Deferred tax assets (A)	17.3	23.1	(5.7)
Devaluation of securities	19.3	19.2	0.1
Allowance for loan losses (including written-off of loans)	38.5	40.2	(1.6)
Deferred gains/ losses on hedges	14.5	8.7	5.8
Liabilities for retirement benefits	10.0	0.2	9.8
Valuation difference due to share exchange	4.8	5.1	(0.2)
Others	68.0	68.9	(0.9)
Valuation allowance	(22.4)	(36.8)	14.4
Offset with deferred tax liabilities	(115.6)	(82.5)	(33.1)
Deferred tax liabilities (B)	130.4	181.0	(50.5)
Amount related retirement benefits	18.0	11.4	6.6
Valuation difference on available-for-sale securities	208.7	230.1	(21.4)
Valuation difference due to share exchange	6.7	7.7	(0.9)
Others	12.5	14.1	(1.6)
Offset with deferred tax assets	(115.6)	(82.5)	(33.1)
Net deferred tax assets (A) - (B)	(113.1)	(157.9)	44.8

[Non-consolidated]

	(Billions of yen)		
	Mar. 2019	Mar. 2018	Change
Deferred tax assets (A)	-	-	-
Devaluation of securities	31.6	24.2	7.3
Allowance for loan losses (including written-off of loans)	22.1	23.4	(1.3)
Deferred gains/ losses on hedges	13.7	8.0	5.6
Others	28.4	30.6	(2.1)
Valuation allowance	(21.5)	(13.6)	(7.9)
Offset with deferred tax liabilities	(74.3)	(72.7)	(1.6)
Deferred tax liabilities (B)	156.4	173.4	(16.9)
Amount related retirement benefits	18.6	12.0	6.6
Valuation difference on available-for-sale securities	207.2	228.8	(21.6)
Others	4.9	5.2	(0.3)
Offset with deferred tax assets	(74.3)	(72.7)	(1.6)
Net deferred tax assets (A) - (B)	(156.4)	(173.4)	16.9

(2) Adequacy for calculating and posting net deferred tax assets

[Non-consolidated]

SuMi TRUST Bank applied the category 2 of the Guidance No. 26 of the Accounting Standards (*) for tax effect accounting and posted net deferred tax assets as a company reporting stable taxable income.

(*) Guidance on Recoverability of Deferred Tax Assets (the Accounting Standards Board of Japan (ASBJ))

(Reference) Taxable income before deduction of loss carryforwards for the past 5 years

	(Billions of yen)				
	FY2018	FY2017	FY2016	FY2015	FY2014
Taxable income before deduction of loss carryforwards	148.9	127.6	106.4	177.5	118.5
Net business profit before credit costs	231.4	189.7	150.5	249.1	245.7

<Reference> Other referential financial figures of SuMi TRUST Bank

(1) Balance Sheets

[Non-consolidated]

	Mar. 2019	Mar. 2018	(Billions of yen) Change
Assets:			
Cash and due from banks	15,831.2	15,408.1	423.0
Call loans	50.1	92.9	(42.8)
Receivables under resale agreements	158.7	63.5	95.2
Receivables under securities borrowing transactions	759.8	624.0	135.7
Monetary claims bought	56.4	67.7	(11.3)
Trading assets	543.5	470.8	72.6
Money held in trust	0.0	0.0	-
Securities	6,091.8	5,972.3	119.5
Loans and bills discounted	29,404.1	28,259.0	1,145.0
Foreign exchanges	36.9	25.5	11.3
Other assets	1,548.8	1,428.8	119.9
Tangible fixed assets	195.4	198.3	(2.9)
Intangible fixed assets	65.6	66.9	(1.3)
Prepaid pension expenses	170.6	161.2	9.4
Customers' liabilities for acceptances and guarantees	385.4	398.7	(13.3)
Allowance for loan losses	(75.2)	(77.1)	1.9
Total assets	55,223.7	53,161.4	2,062.3
Liabilities:			
Deposits	31,744.1	29,392.2	2,351.9
Negotiable certificates of deposit	6,546.2	6,758.9	(212.7)
Call money	132.3	494.8	(362.5)
Payables under repurchase agreements	1,603.1	1,454.8	148.3
Payables under securities lending transactions	104.7	41.2	63.4
Trading liabilities	258.7	266.1	(7.3)
Borrowed money	4,101.9	4,367.1	(265.2)
Foreign exchanges	35.0	1.9	33.0
Short-term bonds payable	949.3	605.2	344.0
Corporate bonds	727.8	944.9	(217.1)
Borrowed money from trust account	5,408.0	5,172.4	235.5
Other liabilities	777.0	695.8	81.2
Provision for bonuses	9.0	8.9	0.1
Provision for directors' bonuses	0.0	0.0	0.0
Provision for retirement benefits	0.7	0.7	(0.0)
Provision for reimbursement of deposits	5.2	3.5	1.7
Provision for contingent loss	3.4	4.6	(1.1)
Deferred tax liabilities	156.4	173.4	(16.9)
Deferred tax liabilities for land revaluation	2.8	3.0	(0.1)
Acceptances and guarantees	385.4	398.7	(13.3)
Total liabilities	52,951.9	50,789.1	2,162.7
Net assets:			
Capital stock	342.0	342.0	-
Capital surplus	391.6	456.2	(64.6)
Legal capital surplus	273.0	273.0	-
Other capital surplus	118.5	183.2	(64.6)
Retained earnings	1,095.9	1,067.6	28.2
Legal retained earnings	69.0	69.0	-
Other retained earnings	1,026.9	998.6	28.2
Other voluntary reserve	371.8	371.8	-
Retained earnings brought forward	655.0	626.7	28.2
Shareholders' equity	1,829.6	1,865.9	(36.3)
Valuation difference on available-for-sale securities	475.6	525.8	(50.2)
Deferred gains/ losses on hedges	(31.0)	(18.1)	(12.9)
Revaluation reserve for land	(2.3)	(1.4)	(0.9)
Valuation and translation adjustments	442.2	506.3	(64.0)
Total net assets	2,271.8	2,372.2	(100.4)
Total liabilities and net assets	55,223.7	53,161.4	2,062.3

(2) Statements of Income
[Non-consolidated]

	(Billions of yen)		
	FY2018	FY2017	Change
Ordinary income	1,017.8	889.1	128.7
Trust fees	100.9	94.8	6.1
Interest income	520.7	409.5	111.2
Interest on loans and discounts	343.3	291.5	51.7
Interest and dividends on securities	131.9	86.7	45.2
Fees and commissions	194.1	195.1	(1.0)
Trading income	27.9	10.4	17.5
Other ordinary income	114.9	79.0	35.8
Other income	59.0	100.0	(41.0)
Ordinary expenses	808.7	716.1	92.5
Interest expenses	366.9	246.2	120.7
Interest on deposits	124.7	93.6	31.1
Fees and commissions payments	89.8	86.4	3.3
Other ordinary expenses	34.6	29.4	5.1
General and administrative expenses	239.6	254.2	(14.5)
Other expenses	77.6	99.7	(22.0)
Ordinary profit	209.0	172.9	36.1
Extraordinary income	1.5	0.3	1.1
Extraordinary losses	5.7	8.6	(2.8)
Income before Income Taxes	204.8	164.6	40.1
Income taxes-Current	45.9	36.2	9.6
Income taxes-Deferred	10.2	10.4	(0.2)
Income taxes	56.1	46.6	9.4
Net income	148.6	117.9	30.6

(3) Statement of trust account
[Non-consolidated]

	(Billions of yen)		
	Mar. 2019	Mar. 2018	Change
Loans and bills discounted	1,445.1	1,306.3	138.8
Securities	1,253.4	1,834.4	(580.9)
Beneficiary rights	160,593.5	153,552.8	7,040.7
Securities held in custody accounts	23.1	29.3	(6.2)
Money claims	19,475.0	17,142.5	2,332.5
Tangible fixed assets	15,722.2	14,717.2	1,004.9
Intangible fixed assets	217.9	205.5	12.3
Other claims	6,717.1	7,287.6	(570.5)
Loans to banking account	5,408.0	5,172.4	235.5
Cash and due from banks	494.2	449.6	44.6
Total assets	211,350.0	201,698.1	9,651.9
Money trusts	32,877.9	31,416.6	1,461.3
Pension trusts	13,113.5	13,720.5	(607.0)
Property formation benefit trusts	18.8	17.9	0.9
Securities investment trusts	74,389.3	74,634.2	(244.8)
Money entrusted, other than money trusts	27,349.3	21,572.4	5,776.8
Securities trusts	19,914.1	19,411.0	503.1
Money claim trusts	19,592.3	17,265.8	2,326.4
Land and fixtures trusts	77.2	89.4	(12.1)
Composite trusts	24,017.2	23,570.0	447.2
Total liabilities	211,350.0	201,698.1	9,651.9

Note: The amount of retrusted assets to Japan Trustee Services Bank, Ltd. for asset administration is included in Beneficiary rights:

Mar. 2019: 159,658.6 billion yen, Mar. 2018: 152,855.5 billion yen

(4) Breakdown of principal guaranteed trust a/c
[Non-consolidated]

			(Billions of yen)	
Mar. 2019			Mar. 2018	
			Change	
Money trusts	Loans and bills discounted	30.9	36.2	(5.2)
	Securities	0.0	0.0	-
	Others	5,261.0	5,038.4	222.5
	Total assets	5,292.0	5,074.7	217.3
	Principal	5,291.6	5,074.3	217.2
	Reserves for JOMT (Jointly-operated money trust)	0.0	0.0	(0.0)
	Others	0.3	0.3	0.0
	Total liabilities	5,292.0	5,074.7	217.3