

Sumitomo Mitsui Trust Holdings, Inc. (SuMi TRUST Holdings)
Financial Results for the Fiscal Year Ended March 31, 2018
[Japanese GAAP] (Consolidated)



May 11, 2018

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) http://www.smth.jp/en/index.html Tetsuo Ohkubo, President Shinichi Nonomura, General Manager of Financial Planning Department TEL +81-3-3286-8354 June 28, 2018 June 29, 2018 Established June 29, 2018 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, 2018)

(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, 2018	1,350,946	7.1	232,661	18.5	153,986	26.8
March 31, 2017	1,261,272	5.2	196,383	(29.4)	121,446	(27.2)

(Note) Comprehensive Income: Fiscal year ended March 31, 2018 ¥231,696 million, 49.1%
 Fiscal year ended March 31, 2017 ¥155,354 million, 161.7%

	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, 2018	403.92	403.75	6.1	0.3	17.2
March 31, 2017	317.24	317.16	5.0	0.3	15.6

(Reference) Equity in Earnings (Losses) of Affiliated Companies: Fiscal year ended March 31, 2018 ¥5,781 million
 Fiscal year ended March 31, 2017 ¥6,950 million

(Note) SuMi TRUST Holdings consolidated its shares with a ratio of ten shares of common stock into one share effected on October 1, 2016. Net income per share of common stock and fully diluted net income per share of common stock are calculated as if the consolidation of shares had occurred at the beginning of the fiscal year ended March 31, 2017.

(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, 2018	68,356,798	2,872,325	3.8	6,897.36
March 31, 2017	65,453,725	2,791,682	3.8	6,437.58

(Reference) Shareholders' Equity: As of March 31, 2018 ¥2,624,667 million
 As of March 31, 2017 ¥2,462,616 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, 2018	2,840,458	(745,854)	(76,869)	26,540,249
March 31, 2017	7,533,343	(339,358)	26,026	24,531,391

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, 2017	—	6.50	—	65.00	—	49,730	41.0	2.1
March 31, 2018	—	65.00	—	65.00	130.00	49,469	32.2	2.0
Fiscal Year Ending March 31, 2019 (Forecast)	—	65.00	—	65.00	130.00		30.0	

(Note) SuMi TRUST Holdings consolidated its shares with a ratio of ten shares of common stock into one share effected on October 1, 2016. Annual cash dividends per share of common stock for the fiscal year ended March 31, 2017, reflect the effect of the share consolidation, and total annual cash dividends per share of common stock are presented as “—.”

3. Consolidated Earnings Forecast (for the Fiscal Year Ending March 31, 2019)

(%: 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, 2019	165,000	7.2	433.60

*Notes

(1) Changes in Significant Subsidiaries during the Fiscal Year Ended March 31, 2018: Yes

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

Included: —

(—)

Excluded: 2 companies

MTH Preferred Capital 5 (Cayman) Limited

STB Preferred Capital 3 (Cayman) Limited

(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: None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of Shares Issued (Common Stock)

1) Number of shares issued (including treasury stock):

As of March 31, 2018	390,348,640 shares	As of March 31, 2017	390,348,640 shares
As of March 31, 2018	9,816,662 shares	As of March 31, 2017	7,810,724 shares
For the fiscal year ended March 31, 2018	381,230,365 shares	For the fiscal year ended March 31, 2017	382,818,502 shares

2) Number of treasury stock:

3) Average number of outstanding issued shares:

(For further details, please refer to “Per Share of Common Stock Information” on page 14 of Accompanying Materials.)

(Note) SuMi TRUST Holdings consolidated its shares with a ratio of ten shares of common stock into one share effected on October 1, 2016. The average number of outstanding issued shares is calculated as if the consolidation of shares occurred at the beginning of the fiscal year ended March 31, 2017.

These consolidated financial results for the year ended March 31, 2018, 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, 2018, 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, 2018, “Net Business Profit Before Credit Costs” increased by ¥38.1 billion from the previous fiscal year to ¥270.5 billion, primarily due to a non-recurrence of previous fiscal year’s fall in market-related profit in Sumitomo Mitsui Trust Bank, Limited (“SuMi TRUST Bank”).

“Ordinary Profit” increased by ¥36.2 billion from the previous fiscal year to ¥232.6 billion. The increase primarily reflects a decrease in credit costs incurred due to a decline in balances from certain customers, partially offset by decrease in net gains on stocks.

As a result, “Net Income Attributable to Owners of the Parent” increased by ¥32.5 billion from the previous fiscal year to ¥153.9 billion.

(2) Analysis of Consolidated Financial Position

As of March 31, 2018, “Total Assets” increased by ¥2,903.0 billion to ¥68,356.7 billion and “Total Net Assets” increased by ¥80.6 billion to ¥2,872.3 billion from the end of the previous fiscal year.

In particular, “Cash and Due from Banks” increased by ¥1,896.8 billion to ¥28,841.3 billion, “Loans and Bills Discounted” increased by ¥150.1 billion to ¥28,190.5 billion, “Securities” increased by ¥409.9 billion to ¥5,537.6 billion, and “Deposits” increased by ¥1,351.0 billion to ¥37,351.8 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 ¥2,840.4 billion, a year-on-year decrease of ¥4,692.8 billion, and “Net Cash Used in Investing Activities” totaled ¥745.8 billion, a year-on-year increase of ¥406.4 billion, and “Net Cash Used in Financing Activities” totaled ¥76.8 billion, a year-on-year increase of ¥102.8 billion. “Cash and Cash Equivalents at the End of the Year” totaled ¥26,540.2 billion.

(4) Earnings Forecasts

The consolidated earnings forecast for the fiscal year ending March 31, 2019, is as follows: “Net Income Attributable to Owners of the Parent” of ¥165.0 billion, a year-on-year increase of ¥11.0 billion and “Net Income per Share of Common Stock” is ¥433.60 per share, a year-on-year increase of ¥29.68 per share.

The total cash dividends for the fiscal year ending March 31, 2019, are projected as ¥130 per share of common stock (including the interim dividends of ¥65 per share) based on the consolidated earnings forecast for the fiscal year ending March 31, 2019.

2. Basic Views of Selecting Accounting Standards

The SuMi TRUST Group adopts generally accepted accounting principles in Japan to facilitate financial statement comparability with other companies. As for the introduction of 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, 2017	As of March 31, 2018
Assets:		
Cash and Due from Banks	26,944,478	28,841,328
Call Loans and Bills Bought	124,706	152,951
Receivables under Resale Agreements	83,888	63,531
Receivables under Securities Borrowing Transactions	480,453	675,295
Monetary Claims Bought	906,572	955,938
Trading Assets	496,563	363,294
Money Held in Trust	1,650	1,357
Securities	5,127,717	5,537,643
Loans and Bills Discounted	28,040,446	28,190,553
Foreign Exchanges	16,189	25,554
Lease Receivables and Investment Assets	667,808	677,238
Other Assets	1,638,186	1,868,132
Tangible Fixed Assets:	225,814	214,386
Buildings	74,330	73,771
Land	125,959	116,650
Lease Assets	5,901	4,719
Construction in Progress	811	88
Other	18,812	19,216
Intangible Fixed Assets:	214,790	197,235
Software	114,447	107,563
Goodwill	90,492	81,038
Lease Assets	188	2
Other	9,661	8,630
Assets for Retirement Benefits	119,018	163,219
Deferred Tax Assets	23,243	23,127
Customers' Liabilities for Acceptances and Guarantees	458,010	508,930
Allowance for Loan Losses	(115,814)	(102,920)
Total Assets	65,453,725	68,356,798

(Continued)

(Millions of Yen)

	As of March 31, 2017	As of March 31, 2018
Liabilities:		
Deposits	36,000,814	37,351,839
Negotiable Certificates of Deposit	7,326,617	6,563,336
Call Money and Bills Sold	54,089	146,931
Payables under Repurchase Agreements	1,063,737	1,454,855
Payables under Securities Lending Transactions	13,699	41,299
Trading Liabilities	366,879	266,148
Borrowed Money	3,463,105	4,370,083
Foreign Exchanges	236	1,984
Short-Term Bonds Payable	904,248	1,062,869
Bonds Payable	1,385,098	1,470,715
Borrowed Money from Trust Account	10,274,143	11,070,725
Other Liabilities	1,151,325	932,825
Provision for Bonuses	16,331	16,740
Provision for Directors' Bonuses	259	325
Liabilities for Retirement Benefits	14,048	14,159
Provision for Reward Points Program	17,519	18,457
Provision for Reimbursement of Deposits	3,583	3,548
Provision for Contingent Losses	7,774	4,628
Deferred Tax Liabilities	137,501	181,050
Deferred Tax Liabilities for Land Revaluation	3,016	3,016
Acceptances and Guarantees	458,010	508,930
Total Liabilities	62,662,042	65,484,472
Net Assets:		
Capital Stock	261,608	261,608
Capital Surplus	645,048	645,016
Retained Earnings	1,159,028	1,263,415
Treasury Stock	(34,061)	(42,224)
Total Shareholders' Equity	2,031,623	2,127,816
Valuation Differences on Available-for-Sale Securities	476,848	516,663
Deferred Gains (Losses) on Hedges	(21,018)	(22,746)
Revaluation Reserve for Land	(6,067)	(6,067)
Foreign Currency Translation Adjustments	2,135	4,281
Adjustments for Retirement Benefits	(20,905)	4,720
Total Accumulated Other Comprehensive Income	430,992	496,851
Subscription Rights to Shares	577	799
Non-Controlling Interests	328,488	246,858
Total Net Assets	2,791,682	2,872,325
Total Liabilities and Net Assets	65,453,725	68,356,798

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

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2017	March 31, 2018
Ordinary Income:	1,261,272	1,350,946
Trust Fees	99,870	100,591
Interest Income:	384,354	426,129
Interest on Loans and Discounts	279,228	307,030
Interest and Dividends on Securities	80,305	82,524
Interest on Call Loans and Bills Bought	1,341	1,900
Interest on Receivables under Resale Agreements	973	1,295
Interest on Receivables under Securities Borrowing Transactions	7	8
Interest on Deposits with Banks	18,110	26,906
Other Interest Income	4,387	6,463
Fees and Commissions	397,531	397,881
Trading Income	18,338	10,035
Other Ordinary Income	296,261	306,725
Other Income:	64,915	109,583
Reversal of Allowance for Loan Losses	—	5,292
Recoveries of Written-Off Claims	2,813	2,818
Other	62,101	101,471
Ordinary Expenses:	1,064,889	1,118,285
Interest Expenses:	165,271	246,071
Interest on Deposits	79,629	95,764
Interest on Negotiable Certificates of Deposit	27,879	42,334
Interest on Call Money and Bills Sold	912	1,290
Interest on Payables under Repurchase Agreements	8,230	16,404
Interest on Payables under Securities Lending Transactions	24	234
Interest on Borrowings	9,438	13,752
Interest on Short-Term Bonds	5,245	4,815
Interest on Bonds	17,269	23,078
Other Interest Expenses	16,642	48,396
Fees and Commissions Payments	85,319	87,974
Trading Expenses	1,297	—
Other Ordinary Expenses	318,885	230,442
General and Administrative Expenses	435,335	444,057
Other Expenses	58,779	109,738
Provision of Allowance for Loan Losses	26,320	—
Other	32,458	109,738
Ordinary Profit	196,383	232,661

(Continued)

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2017	March 31, 2018
Extraordinary Income:	1,615	15,559
Gains on Disposal of Fixed Assets	1,615	15,559
Extraordinary Losses:	6,863	9,397
Losses on Disposal of Fixed Assets	992	1,521
Impairment Losses	5,870	7,876
Income before Income Taxes	191,135	238,822
Income Taxes:	56,929	73,075
Current	52,274	57,646
Deferred	4,654	15,429
Net Income	134,206	165,746
Net Income Attributable to Non-Controlling Interests	12,759	11,760
Net Income Attributable to Owners of the Parent	121,446	153,986

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2017	March 31, 2018
Net Income	134,206	165,746
Other Comprehensive Income (Loss):	21,148	65,950
Valuation Differences on Available-for-Sale Securities	11,809	40,922
Deferred Gains (Losses) on Hedges	(9,314)	(2,491)
Foreign Currency Translation Adjustments	(1,360)	2,501
Adjustments for Retirement Benefits	20,293	25,674
Attributable to Equity-Method Affiliated Companies	(279)	(657)
Comprehensive Income:	155,354	231,696
(Breakdown)		
Comprehensive Income Attributable to Owners of the Parent	142,527	219,844
Comprehensive Income Attributable to Non-Controlling Interests	12,827	11,852

(3) Consolidated Statements of Changes in Net Assets

For the Fiscal Year Ended March 31, 2017

(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	645,106	1,087,195	(27,097)	1,966,813
Changes during the Year					
Cash Dividends			(49,861)		(49,861)
Net Income Attributable to Owners of the Parent			121,446		121,446
Purchase of Treasury Stock				(6,983)	(6,983)
Disposal of Treasury Stock		(0)		19	18
Purchase of Shares of Consolidated Subsidiaries		(57)			(57)
Reversal of Revaluation Reserve for Land			247		247
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	(58)	71,833	(6,964)	64,810
Balance at the End of the Year	261,608	645,048	1,159,028	(34,061)	2,031,623

	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	467,517	(13,169)	(5,819)	2,800	(41,168)	410,160	421	327,116	2,704,511
Changes during the Year									
Cash Dividends									(49,861)
Net Income Attributable to Owners of the Parent									121,446
Purchase of Treasury Stock									(6,983)
Disposal of Treasury Stock									18
Purchase of Shares of Consolidated Subsidiaries									(57)
Reversal of Revaluation Reserve for Land									247
Net Changes of Items Other Than Shareholders' Equity	9,331	(7,848)	(247)	(665)	20,263	20,832	155	1,372	22,360
Total Changes during the Year	9,331	(7,848)	(247)	(665)	20,263	20,832	155	1,372	87,171
Balance at the End of the Year	476,848	(21,018)	(6,067)	2,135	(20,905)	430,992	577	328,488	2,791,682

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)
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)
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

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2017	March 31, 2018
Cash Flows from Operating Activities:		
Income before Income Taxes	191,135	238,822
Depreciation and Amortization	32,336	35,145
Impairment Losses	5,870	7,876
Amortization of Goodwill	9,464	9,469
Equity in Losses (Earnings) of Affiliated Companies	(6,950)	(5,781)
Increase (Decrease) in Allowance for Loan Losses	24,962	(12,894)
Increase (Decrease) in Provision for Bonuses	10	408
Increase (Decrease) in Provision for Directors' Bonuses	4	66
Decrease (Increase) in Assets for Retirement Benefits	(13,650)	(34,379)
Increase (Decrease) in Liabilities for Retirement Benefits	135	2,028
Increase (Decrease) in Provision for Reward Points Program	(192)	938
Increase (Decrease) in Provision for Reimbursement of Deposits	(92)	(35)
Increase (Decrease) in Provision for Contingent Losses	131	(3,145)
Interest Income	(384,354)	(426,129)
Interest Expenses	165,271	246,071
Loss (Gain) Related to Securities	60,574	(662)
Loss (Gain) on Money Held in Trust	(43)	(46)
Foreign Exchange Losses (Gains)	18,015	53,813
Loss (Gain) on Disposal of Fixed Assets	(623)	(14,038)
Net Decrease (Increase) in Trading Assets	117,726	133,269
Net Increase (Decrease) in Trading Liabilities	(84,871)	(100,730)
Net Decrease (Increase) in Loans and Bills Discounted	(517,960)	(149,603)
Net Increase (Decrease) in Deposit	9,309,675	1,358,382
Net Increase (Decrease) in Negotiable Certificates of Deposit	195,985	(763,281)
Net Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowings)	877,614	931,928
Net Decrease (Increase) in Due from Banks (excluding Due from the Bank of Japan)	187,520	112,007
Net Decrease (Increase) in Call Loans	589,770	(57,294)
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	(153,996)	(194,841)
Net Increase (Decrease) in Call Money	425,402	483,959
Net Increase (Decrease) in Payables under Securities Lending Transactions	13,699	27,600
Net Decrease (Increase) in Foreign Exchange-Assets	1,034	(9,364)
Net Increase (Decrease) in Foreign Exchange-Liabilities	(22)	1,748
Net Decrease (Increase) in Lease Receivables and Investment Assets	(59,374)	(9,430)
Net Increase (Decrease) in Short-Term Bonds Payable	(348,958)	158,620
Increase (Decrease) in Straight Bonds-Issuance and Redemption	219,207	(14,128)
Net Increase (Decrease) in Borrowed Money from Trust Account	(3,420,456)	796,581
Proceeds from Fund Management	393,100	417,450
Payments for Finance	(161,877)	(249,778)
Other, Net	(57,493)	(81,965)
Subtotal	7,627,731	2,888,657
Income Taxes (Paid) Refunded	(94,387)	(48,199)
Net Cash Provided by (Used in) Operating Activities	7,533,343	2,840,458

(Continued)

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2017	March 31, 2018
Cash Flows from Investing Activities:		
Purchase of Securities	(5,658,711)	(7,254,037)
Proceeds from Sales of Securities	3,745,007	5,436,391
Proceeds from Redemption of Securities	1,657,757	1,086,414
Increase in Money Held in Trust	—	150
Purchase of Tangible Fixed Assets	(12,428)	(10,188)
Proceeds from Sales of Tangible Fixed Assets	3,148	25,059
Purchase of Intangible Fixed Assets	(49,752)	(25,136)
Proceeds from Sales of Intangible Fixed Assets	1	68
Purchase of Shares of Affiliated Companies Accounted for Using the Equity Method	(24,381)	(5,536)
Proceeds from Sales of Shares of Affiliated Companies Accounted for Using the Equity Method	—	961
Net Cash Provided by (Used in) Investing Activities	(339,358)	(745,854)
Cash Flows from Financing Activities:		
Proceeds from Subordinated Borrowings	10,000	—
Repayments of Subordinated Borrowings	(5,000)	(25,000)
Proceeds from Issuance of Subordinated Bonds and Bonds with Subscription Rights to Shares	139,133	149,143
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares	(50,000)	(50,000)
Purchase of Shares of Subsidiaries without Change in the Scope of Consolidation	(170)	(113)
Repayments to Non-Controlling Interests	—	(83,170)
Cash Dividends Paid	(49,847)	(49,594)
Cash Dividends Paid to Non-Controlling Interests	(11,123)	(9,972)
Purchase of Treasury Stock	(6,983)	(8,184)
Proceeds from Sales of Treasury Stock	18	22
Net Cash Provided by (Used in) Financing Activities	26,026	(76,869)
Effect of Exchange Rate Change on Cash and Cash Equivalents	(12,536)	(8,876)
Net Increase (Decrease) in Cash and Cash Equivalents	7,207,476	2,008,857
Cash and Cash Equivalents at the Beginning of the Year	17,323,915	24,531,391
Cash and Cash Equivalents at the End of the Year	24,531,391	26,540,249

(5) Notes to the Consolidated Financial Statements

(Notes on Going Concern Assumptions)

There is no applicable information.

(Segment Information)

1. Reportable Segment Information

SuMi TRUST Group's reportable segments are defined as operating segments for which discrete financial information is available and that is regularly reviewed by the Board of Directors in determining resources to be allocated to the segments and in assessing their business performance.

SuMi TRUST Group comprises SuMi TRUST Bank Group (SuMi TRUST Bank and its consolidated subsidiaries) and other consolidated subsidiaries, and SuMi TRUST Bank Group is treated as a reportable segment of "SuMi TRUST Bank." The main activities of the reportable segments are presented below.

SuMi TRUST Bank: Trust banking business

2. Ordinary Income, Profit or Losses, Assets, Liabilities, and Other Items of Reportable Segment

(Millions of Yen)

	Reportable Segment		Others	Total	Adjustment	Reported Amount
	SuMi TRUST Bank	Total				
Ordinary Income						
Unaffiliated Customers	1,316,682	1,316,682	36,684	1,353,366	(2,420)	1,350,946
Intersegment	16,795	16,795	89,118	105,913	(105,913)	—
Total	1,333,477	1,333,477	125,802	1,459,279	(108,333)	1,350,946
Segment Profit	234,768	234,768	59,848	294,616	(55,794)	238,822
Segment Assets	54,810,805	54,810,805	16,028,876	70,839,681	(2,482,883)	68,356,798
Segment Liabilities	52,093,216	52,093,216	14,378,004	66,471,221	(986,748)	65,484,472
Others						
Depreciation and Amortization	28,319	28,319	6,825	35,114	0	35,145
Amortization of Goodwill	9,968	9,968	—	9,968	(499)	9,469
Interest Income	431,598	431,598	63,672	495,271	(69,141)	426,129
Interest Expenses	246,248	246,248	10,654	256,903	(10,831)	246,071
Equity in Earnings of Affiliated Companies	5,781	5,781	—	5,781	—	5,781
Extraordinary Income	17,364	17,364	—	17,364	(1,805)	15,559
(Gains on Disposal of Fixed Assets)	17,364	17,364	—	17,364	(1,805)	15,559
Extraordinary Loss	8,941	8,941	456	9,397	—	9,397
(Losses on Disposal of Fixed Assets)	1,064	1,064	456	1,521	—	1,521
(Impairment Losses)	7,876	7,876	—	7,876	—	7,876
Unamortized Balance of Goodwill	84,537	84,537	—	84,537	(3,498)	81,038
Investment in Affiliated Companies Accounted for by the Equity Method	93,132	93,132	—	93,132	—	93,132

(Notes)

- The figures represent ordinary income in substitution for net sales to be presented by companies in other industries.
- The figures under SuMi TRUST Bank represent consolidated amounts.
- "Others" include SuMi TRUST Group and its consolidated subsidiaries other than SuMi TRUST Bank group companies.
- The figures shown under "Adjustment" represent the consolidation adjustments for internal transactions and include realized valuation differences arising from business combinations.
- Segment profits have been adjusted to "Income before Income Taxes" as presented in the consolidated statements of income.

(Per Share of Common Stock Information)

		Fiscal Year Ended March 31, 2018
Net Assets per Share of Common Stock	Yen	6,897.36
Net Income per Share of Common Stock	Yen	403.92
Fully Diluted Net Income per Share of Common Stock	Yen	403.75

(Notes)

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

		As of March 31, 2018
Net Assets as Reported	Millions of Yen	2,872,325
Less:	Millions of Yen	247,658
Subscription Rights to Shares	Millions of Yen	799
Non-Controlling Interests	Millions of Yen	246,858
Net Assets Attributable to Common Shareholders	Millions of Yen	2,624,667
The Number of Shares of Common Stock Outstanding	Thousands of Shares	380,531

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, 2018
Net Income per Share of Common Stock		
Net Income Attributable to Owners of the Parent	Millions of Yen	153,986
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	153,986
Average Number of Shares of Common Stock Outstanding	Thousands of Shares	381,230
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	160
Subscription Rights to Shares	Thousands of Shares	160
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 11,785,000 shares

(Significant Subsequent Events)

(Redemption of Non-dilutive Preferred Securities)

1. On May 11, 2018, SuMi TRUST Holdings approved to redeem the Non-dilutive Preferred Securities, in full, issued by CMTH Preferred Capital 6 (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 11, 2018.
2. On May 11, 2018, SuMi TRUST Holdings approved to redeem the Non-dilutive Preferred Securities, in full, issued by STB Preferred Capital 4 (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 11, 2018.

(Purchase of Own Shares)

SuMi TRUST Holdings held a meeting of the Board of Directors on May 11, 2018, and resolved to repurchase its own shares pursuant to the provision of its Articles of Incorporation in accordance with Paragraph 1 of Article 459 of the Companies Act of Japan, as described below.

(1) Reasons for purchase of own shares	For the purposes of enhancing shareholder returns and greater capital efficiency
(2) Class of shares to be repurchased	Common stock of SuMi TRUST Holdings
(3) Total number of shares to be repurchased	Up to 2,000,000 shares
(4) Total amount of repurchase	Up to ¥9.0 billion
(5) Repurchase period	From May 14, 2018 to June 29, 2018
(6) Repurchase method	Market purchases on the Tokyo Stock Exchange based on a discretionary trading contract

Explanatory Material

*Fiscal Year 2017
ended on Mar. 31, 2018*



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)

		FY2017	FY2016	Change
Consolidated gross business profit (*1)	1	676,873	625,582	51,291
Consolidated gross business profit (after written-off of principal guaranteed trust a/c) (1 + 19)	2	676,873	625,582	51,291
Net interest income and related profit	3	193,315	232,561	(39,246)
Net interest income	4	180,057	219,083	(39,025)
Trust fees from principal guaranteed trust a/c (before written-off of principal guaranteed trust a/c)	5	13,257	13,477	(220)
Net fees and commissions and related profit	6	397,240	398,604	(1,364)
Net fees and commissions	7	309,906	312,212	(2,305)
Other trust fees	8	87,333	86,392	941
Net trading profit	9	10,035	17,040	(7,004)
Net other operating profit	10	76,282	(22,624)	98,907
Net gains on bonds	11	(5,694)	(97,063)	91,368
Net gains from derivatives other than for trading or hedging	12	9,144	20,803	(11,658)
General and administrative expenses	13	(432,924)	(419,680)	(13,244)
(excluding amortization of goodwill)	14	(423,455)	(410,215)	(13,240)
Personnel expenses	15	(197,406)	(191,386)	(6,020)
Non-personnel expenses excluding taxes	16	(217,780)	(210,957)	(6,823)
Taxes other than income taxes	17	(17,737)	(17,336)	(400)
Provision of general allowance for loan losses	18	-	(29,493)	29,493
Principal guaranteed trust a/c credit costs	19	-	-	-
Banking a/c credit costs	20	(5,122)	(1,871)	(3,250)
Written-off of loans	21	(4,538)	(4,776)	238
Provision of specific allowance for loan losses	22	-	3,173	(3,173)
Losses on sales of loans	23	(584)	(268)	(315)
Reversal of allowance for loan losses	24	5,292	-	5,292
Recoveries of written-off claims	25	2,818	2,813	4
Net gains on stocks	26	6,357	36,488	(30,131)
Losses on devaluation of stocks	27	(44)	(3,848)	3,803
Net income from affiliates by equity method	28	5,781	6,950	(1,168)
Others	29	(26,415)	(24,405)	(2,009)
Ordinary profit	30	232,661	196,383	36,277
Extraordinary profit	31	6,161	(5,247)	11,409
Impairment loss on fixed assets	32	14,038	623	13,415
Impairment loss on fixed assets	33	(7,876)	(5,870)	(2,005)
Income before income tax	34	238,822	191,135	47,687
Total income taxes	35	(73,075)	(56,929)	(16,146)
Income taxes-current	36	(57,646)	(52,274)	(5,371)
Income taxes-deferred	37	(15,429)	(4,654)	(10,774)
Net income	38	165,746	134,206	31,540
Net income attributable to non-controlling interests	39	(11,760)	(12,759)	999
Net income attributable to owners of the parent	40	153,986	121,446	32,540
Total credit costs (18 + 19 + 20 + 24 + 25)	41	2,988	(28,551)	31,540

(*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)	42	270,558	232,363	38,194
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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" <42>, 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	43	705,751	654,566	51,184
Substantial net fees and commissions and related profit	44	405,426	408,321	(2,894)
Substantial general and administrative expenses	45	(435,192)	(422,203)	(12,989)
Consolidated Fee income ratio	46	57.4%	62.3%	(4.9%)

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

Net business profit before credit costs	47	80,805	81,811	(1,005)
Net income attributable to owners of the parent (*4)	48	36,006	43,783	(7,776)
Total credit costs	49	(4,034)	(3,578)	(455)
Net gains on stocks	50	371	5,188	(4,816)

(*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. 2018	Mar. 2017	Change
Consolidated subsidiaries	64	71	(7)
Affiliates (subject to the equity method)	24	23	1

[Non-consolidated]

(Millions of yen)

		FY2017	FY2016	Change
Gross business profit	1	426,852	383,349	43,502
Gross business profit (after written-off of principal guaranteed trust a/c) (1 + 23)	2	426,852	383,349	43,502
Net interest income and related profit	3	176,579	216,729	(40,150)
Net interest income	4	163,321	203,251	(39,930)
Domestic	5	143,430	141,072	2,357
International	6	19,891	62,179	(42,288)
Trust fees from principal guaranteed trust a/c (before written-off of principal guaranteed trust a/c)	7	13,257	13,477	(220)
Net fees and commissions and related profit	8	190,285	196,947	(6,662)
Net fees and commissions	9	108,672	116,135	(7,462)
Other trust fees	10	81,612	80,811	800
Net trading income	11	10,421	17,040	(6,618)
Net other operating profit	12	49,566	(47,368)	96,934
Net gains on foreign exchange transactions	13	45,346	28,608	16,737
Net gains on bonds	14	(5,750)	(96,958)	91,208
Net gains from derivatives other than for trading or hedging	15	9,464	21,181	(11,717)
General and administrative expenses	16	(237,099)	(232,797)	(4,301)
Personnel expenses	17	(109,584)	(106,719)	(2,865)
Non-personnel expenses	18	(114,831)	(112,532)	(2,298)
Taxes other than income taxes	19	(12,683)	(13,545)	862
Net business profit before credit costs (1 + 16)	20	189,752	150,552	39,200
(Excluding Net gains on bonds) (20 - 14)	21	195,503	247,511	(52,007)
Provision of general allowance for loan losses	22	-	(27,957)	27,957
Principal guaranteed trust a/c credit costs	23	-	-	-
Net business profit	24	189,752	122,594	67,158
Net non-recurring profit	25	(16,784)	(5,283)	(11,501)
Banking a/c credit costs	26	(1,635)	1,267	(2,902)
Written-off of loans	27	(1,539)	(378)	(1,161)
Provision of specific allowance for loan losses	28	-	1,913	(1,913)
Losses on sales of loans	29	(96)	(268)	171
Reversal of allowance for loan losses	30	7,809	-	7,809
Recoveries of written-off claims	31	849	1,717	(867)
Net gains on stocks	32	5,985	31,300	(25,314)
Losses on devaluation of stocks	33	(36)	(9,168)	9,132
Others	34	(29,793)	(39,567)	9,773
Amortization of net actuarial losses/ prior service cost	35	(16,312)	(28,596)	12,283
Provision for contingent loss	36	3,145	(131)	3,277
Losses on investment in partnerships	37	(2,140)	(3,076)	936
Net gains on stock related derivatives	38	(2,432)	(4,387)	1,954
Ordinary profit	39	172,967	117,311	55,656
Extraordinary profit	40	(8,312)	(5,985)	(2,326)
Net gains on disposal of fixed assets	41	(534)	(209)	(324)
Impairment loss on fixed assets	42	(7,778)	(5,776)	(2,001)
Income before income taxes	43	164,655	111,325	53,329
Total income taxes	44	(46,675)	(33,662)	(13,012)
Income taxes-current	45	(36,227)	(32,701)	(3,526)
Income taxes-deferred	46	(10,448)	(961)	(9,486)
Net income	47	117,980	77,663	40,316
Total credit costs (22 + 23 + 26 + 30 + 31)	48	7,022	(24,973)	31,996
Overhead ratio (-16/1)	49	55.55%	60.73%	(5.18%)

2. Breakdown of profit by business group

(1) Gross business profit

[Non-consolidated]

	(Billions of yen)		
	FY2017	FY2016	Change
Retail total solution services	132.8	140.2	(7.4)
Wholesale financial services (*1)	128.6	118.5	10.0
Stock transfer agency services	30.0	29.7	0.3
Real estate	32.1	32.0	0.1
Fiduciary services	93.1	90.7	2.3
Global markets	54.4	8.2	46.1
Fees paid for outsourcing	(40.3)	(39.5)	(0.7)
Stock transfer agency services	(9.9)	(10.1)	0.1
Fiduciary services	(30.3)	(29.4)	(0.9)
Others (*2)	(4.1)	3.3	(7.4)
Gross business profit	426.8	383.3	43.5

(*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)		
	FY2017	FY2016	Change
Retail total solution services	23.4	33.6	(10.1)
Wholesale financial services (*1)	116.6	104.0	12.6
Stock transfer agency services	17.4	17.1	0.3
Real estate	29.8	29.3	0.4
Fiduciary services	59.1	50.0	9.1
Global markets	39.3	(4.7)	44.1
Others (*2)	(15.4)	2.9	(18.3)
Net business profit before credit costs	270.5	232.3	38.1

(*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.

[Non-consolidated]

	(Billions of yen)		
	FY2017	FY2016	Change
Retail total solution services	11.1	15.7	(4.5)
Wholesale financial services (*1)	89.1	78.6	10.5
Stock transfer agency services	16.7	16.2	0.4
Real estate	23.1	23.1	(0.0)
Fiduciary services	35.9	32.5	3.4
Global markets	39.3	(4.7)	44.1
Others (*2)	(25.7)	(10.9)	(14.7)
Net business profit before credit costs	189.7	150.5	39.2

(*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]

	FY2017	2HFY2017	1HFY2017	FY2016	(%) Change from FY2016
Average yield on interest-earning assets (A)	0.57	0.56	0.58	0.62	(0.05)
Loans and bills discounted (B)	0.70	0.71	0.70	0.73	(0.03)
Securities	1.45	1.44	1.45	1.52	(0.07)
Average yield on interest-bearing liabilities (C)	0.17	0.16	0.18	0.20	(0.03)
Deposits (D)	0.14	0.12	0.15	0.16	(0.02)
Gross margin (A) - (C)	0.40	0.40	0.40	0.42	(0.02)
Loan-deposit margin (B) - (D)	0.56	0.59	0.55	0.57	(0.01)

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

[Non-consolidated]

	FY2017	2HFY2017	1HFY2017	FY2016	(%) Change from FY2016
Average yield on interest-earning assets (A)	0.57	0.56	0.58	0.62	(0.05)
Loans and bills discounted (B)	0.70	0.71	0.70	0.73	(0.03)
Securities	1.45	1.44	1.46	1.52	(0.07)
Average yield on interest-bearing liabilities (C)	0.13	0.12	0.14	0.16	(0.03)
Deposits and Trust Principal (D)	0.12	0.11	0.14	0.14	(0.02)
Gross margin (A) - (C)	0.44	0.44	0.44	0.46	(0.02)
Loan-deposit margin (B) - (D)	0.58	0.60	0.56	0.59	(0.01)

4. Net gains on securities

[Consolidated]

	(Millions of yen)		
	FY2017	FY2016	Change
Net gains on bonds	(5,694)	(97,063)	91,368
Gains on sales of bonds	23,438	21,656	1,781
Gains on redemption of bonds	1	-	1
Losses on sales of bonds	(29,135)	(118,712)	89,577
Losses on redemption of bonds	(0)	(7)	7
Losses on devaluation of bonds	(0)	-	(0)
Net gains on stocks	6,357	36,488	(30,131)
Gains on sales of stocks	79,464	46,243	33,221
Losses on sales of stocks	(73,062)	(5,906)	(67,155)
Losses on devaluation of stocks	(44)	(3,848)	3,803

[Non-consolidated]

	(Millions of yen)		
	FY2017	FY2016	Change
Net gains on bonds	(5,750)	(96,958)	91,208
Gains on sales of bonds	23,211	21,630	1,580
Gains on redemption of bonds	-	-	-
Losses on sales of bonds	(28,962)	(118,589)	89,627
Losses on redemption of bonds	-	-	-
Losses on devaluation of bonds	(0)	-	(0)
Net gains on stocks	5,985	31,300	(25,314)
Gains on sales of stocks	78,656	46,191	32,464
Losses on sales of stocks	(72,634)	(5,723)	(66,911)
Losses on devaluation of stocks	(36)	(9,168)	9,132

5. Unrealized gains/ losses on investment securities

(1) Securities with fair value

[Consolidated]

	Mar. 2018				Sep. 2017		Mar. 2017		Change from Mar. 2017	
	Cost	Net	Unrealized gains	Unrealized losses	Cost	Net	Cost	Net	Cost	Net
Available-for-sale securities	4,362,107	739,288	913,482	(174,193)	4,103,769	709,059	3,969,312	685,647	392,795	53,641
Japanese stocks (*)	630,471	876,220	888,933	(12,713)	654,363	817,601	666,284	730,472	(35,812)	145,747
Japanese bonds	815,888	2,283	2,990	(706)	874,559	2,869	845,788	1,771	(29,900)	512
Government bonds	241,306	165	182	(16)	253,000	52	215,291	(35)	26,014	200
Local government bonds	7,287	(2)	18	(20)	4,824	(15)	4,802	(11)	2,485	8
Corporate bonds	567,295	2,120	2,790	(669)	616,734	2,832	625,694	1,817	(58,399)	303
Others	2,915,747	(139,215)	21,558	(160,773)	2,574,846	(111,411)	2,457,239	(46,596)	458,508	(92,619)
Held-to-maturity debt securities	264,938	21,923	21,923	-	286,513	22,696	344,728	26,917	(79,790)	(4,994)

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

[Non-consolidated]

	Mar. 2018				Sep. 2017		Mar. 2017		Change from Mar. 2017	
	Cost	Net	Unrealized gains	Unrealized losses	Cost	Net	Cost	Net	Cost	Net
Available-for-sale securities	4,361,385	754,043	933,245	(179,201)	4,073,553	725,736	3,921,346	704,050	440,039	49,993
Japanese stocks (*)	606,400	897,293	912,940	(15,647)	628,124	840,879	639,704	754,234	(33,304)	143,058
Japanese bonds	887,745	954	2,990	(2,036)	914,876	1,400	879,618	250	8,126	703
Government bonds	241,306	165	182	(16)	218,195	48	170,466	(100)	70,839	265
Local government bonds	7,287	(2)	18	(20)	4,824	(15)	4,802	(11)	2,485	8
Corporate bonds	639,151	791	2,790	(1,998)	691,857	1,367	704,349	362	(65,197)	428
Others	2,867,240	(144,203)	17,314	(161,518)	2,530,552	(116,543)	2,402,023	(50,434)	465,216	(93,769)
Held-to-maturity debt securities	193,583	21,821	21,821	-	208,944	22,607	263,432	26,847	(69,848)	(5,025)

(*) Fair value of listed stocks included in "Available-for-sale securities" is determined based on the average quoted market price over the month preceding the balance sheet date.

<Reference 1>

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

[Non-consolidated]

	Mar. 2018		Sep. 2017		Mar. 2017		Change from Mar. 2017	
	Cost	Net	Cost	Net	Cost	Net	Cost	Net
Domestic investment (*1)	82,188	1,777	89,170	1,969	93,783	1,953	(11,595)	(175)
Asset-backed securities	22,334	735	25,896	728	30,004	717	(7,669)	17
Others	59,853	1,042	63,274	1,240	63,779	1,236	(3,925)	(193)
International investment (*1)	1,254,078	(16,876)	1,379,661	(11,078)	1,329,938	(15,880)	(75,859)	(996)
Foreign government bonds	1,240,475	(18,416)	1,365,761	(12,521)	1,309,688	(15,939)	(69,213)	(2,476)
US Treasury	496,102	(18,733)	752,907	(14,252)	782,066	(17,329)	(285,964)	(1,404)
European government bonds (*2)	129,424	1,248	55,954	(396)	26,948	68	102,476	1,179
US agency MBS	112,027	(3,157)	103,081	(924)	85,251	(1,104)	26,775	(2,053)
Corporate bonds, etc. (*3)	479,204	2,327	385,355	2,931	335,729	2,258	143,475	69
Foreign stocks and others	13,603	1,539	13,900	1,443	20,249	58	(6,646)	1,480
Others (Investment trust, etc.) (*4)	1,530,973	(129,104)	1,061,720	(107,434)	978,301	(36,507)	552,671	(92,597)
Total	2,867,240	(144,203)	2,530,552	(116,543)	2,402,023	(50,434)	465,216	(93,769)

(*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. 2018		Sep. 2017		Mar. 2017		Change from Mar. 2017	
	Cost	Net	Cost	Net	Cost	Net	Cost	Net
Held-to-maturity debt securities	193,583	21,821	208,944	22,607	263,432	26,847	(69,848)	(5,025)
Japanese Government Bonds	119,103	19,832	123,292	19,877	139,988	20,059	(20,884)	(227)
Japanese Local Government Bonds	-	-	-	-	-	-	-	-
Japanese Corporate Bonds	29,000	535	29,000	411	29,141	155	(141)	379
Others	45,480	1,453	56,652	2,318	94,303	6,631	(48,822)	(5,178)
Domestic investment (*)	9,733	22	10,703	25	12,281	25	(2,547)	(3)
International investment (*)	35,746	1,430	45,948	2,293	82,021	6,605	(46,274)	(5,174)

(*) "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. 2018	Sep. 2017	Mar. 2017	Change from
		Cost		Mar. 2017
Available-for-sale securities	176,025	151,289	158,010	18,014
Japanese stocks	54,464	54,164	54,173	291
Japanese bonds	-	-	-	-
Others	121,561	97,124	103,837	17,723
Domestic investment (*)	76,129	56,055	65,829	10,299
International investment (*)	45,431	41,069	38,007	7,423

(*) "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. 2018					Mar. 2017				
	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	166,067	359,826	237,287	203,154	966,335	323,668	303,469	194,691	195,110	1,016,940
Government bonds	128,561	75,408	31,380	125,284	360,634	235,853	101	60	119,481	355,495
Local government bonds	-	2,399	4,885	-	7,284	-	1,363	3,427	-	4,790
Corporate bonds	37,505	282,018	201,022	77,869	598,416	87,815	302,004	191,203	75,629	656,653
Others	225,645	1,071,858	976,150	464,673	2,738,328	310,027	869,195	770,752	544,716	2,494,691

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

[Non-consolidated]

(Millions of yen)

	Mar. 2018					Mar. 2017				
	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	166,067	359,826	237,227	273,681	1,036,802	278,587	303,469	194,631	272,310	1,048,998
Government bonds	128,561	75,408	31,320	125,284	360,574	190,771	101	-	119,481	310,354
Local government bonds	-	2,399	4,885	-	7,284	-	1,363	3,427	-	4,790
Corporate bonds	37,505	282,018	201,022	148,396	668,943	87,815	302,004	191,203	152,829	733,853
Others	209,159	1,071,229	974,386	378,295	2,633,070	282,248	868,568	769,827	451,299	2,371,944

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. 2018	Mar. 2017
Cost basis	630.4	666.2
Fair value basis	1,506.6	1,396.7

2) Reduction of cross shareholdings

[Consolidated]

(Billions of yen)

	FY2017		FY2016	
	Full	1H	Full	1H
Cost basis	35.2	13.3	32.2	5.1

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

[Consolidated]

(Millions of yen)

	Mar. 2018	Sep. 2017	Mar. 2017	Change from Mar. 2017
Interest rate related	(27,989)	(23,300)	(20,507)	(7,481)
Interest rate swaps	(27,989)	(23,300)	(20,507)	(7,481)
Currency related	(106)	(3,588)	(4,151)	4,044
Total	(28,095)	(26,889)	(24,659)	(3,436)

Note: Before considering tax effect accounting.

[Non-consolidated]

(Millions of yen)

	Mar. 2018	Sep. 2017	Mar. 2017	Change from Mar. 2017
Interest rate related	(27,529)	(22,809)	(20,004)	(7,524)
Interest rate swaps	(27,529)	(22,809)	(20,004)	(7,524)
Currency related	1,289	(1,537)	(3,127)	4,416
Total	(26,240)	(24,346)	(23,132)	(3,108)

Note: Before considering tax effect accounting.

9. BIS capital adequacy ratio (Basel III, international standard)

[Consolidated]

(Billions of yen)						Minimum requirement (*1) (Mar. 2018)
			Mar. 2018 (Preliminary)	Mar. 2017	Change	
Common Equity Tier 1 capital ratio	(8) / (21)	1	11.33%	11.04%	0.29%	6.75%
Tier 1 capital ratio	(12) / (21)	2	13.74%	13.54%	0.20%	8.25%
Total capital ratio	(16) / (21)	3	16.31%	16.42%	(0.11%)	10.25%
Directly issued qualifying capital plus retained earnings		4	2,103.0	2,006.7	96.3	
Accumulated Other Comprehensive Income ("OCI")		5	496.8	344.7	152.0	
Instruments and reserves		6	2,602.7	2,360.8	241.9	
Regulatory adjustments		7	(276.9)	(218.9)	(57.9)	
Common Equity Tier 1 capital (CET1)		8	2,325.8	2,141.8	183.9	
Directly issued qualifying Additional Tier 1 instruments		9	290.0	220.0	70.0	
Eligible Tier 1 capital instruments subject to phase-out arrangements		10	193.0	272.5	(79.5)	
Additional Tier 1 capital (AT1)		11	495.5	483.8	11.7	
Tier 1 capital (T1 = CET1 + AT1)		12	2,821.4	2,625.7	195.6	
Directly issued qualifying Tier 2 instruments		13	220.0	140.0	80.0	
Eligible Tier 2 capital instruments subject to phase-out arrangements		14	299.2	361.4	(62.2)	
Tier 2 capital (T2)		15	526.7	560.1	(33.3)	
Total capital (T1 + T2)		16	3,348.1	3,185.8	162.3	
Amount included in credit risk-weighted assets subject to phase-out arrangements		17	-	39.2	(39.2)	
Amount of credit risk-weighted assets		18	18,352.1	17,855.8	496.3	
Amount of market risk equivalents		19	1,163.8	551.4	612.4	
Amount of operational risk equivalents		20	1,006.8	984.6	22.2	
Total risk weighted assets		21	20,522.9	19,391.9	1,131.0	

(*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.

<Reference>Fully-loaded basis (*2)

[Consolidated]

(Billions of yen)					
			Mar. 2018 (Preliminary)	Mar. 2017	Change
Common Equity Tier 1 capital ratio	(23) / (24)	22	11.33%	11.19%	0.14%
Common Equity Tier 1 capital (CET1)		23	2,325.8	2,166.5	159.2
Total risk weighted assets		24	20,522.9	19,352.6	1,170.3

(*2) Pro forma without considering transitional arrangements concerning "Regulatory adjustments", etc.

[SuMi TRUST Bank (Consolidated)]

			(Billions of yen)			Minimum requirement
			Mar. 2018 (Preliminary)	Mar. 2017	Change	
Common Equity Tier 1 capital ratio	(4) / (7)	1	10.85%	10.76%	0.09%	4.50%
Tier 1 capital ratio	(5) / (7)	2	12.87%	12.67%	0.20%	6.00%
Total capital ratio	(6) / (7)	3	15.45%	15.58%	(0.13%)	8.00%
Common Equity Tier 1 capital		4	2,218.3	2,076.1	142.2	
Tier 1 capital		5	2,630.4	2,445.7	184.7	
Total capital		6	3,156.6	3,007.0	149.6	
Total risk weighted assets		7	20,427.3	19,291.1	1,136.2	

[SuMi TRUST Bank (Non-consolidated)]

			(Billions of yen)			Minimum requirement
			Mar. 2018 (Preliminary)	Mar. 2017	Change	
Common Equity Tier 1 capital ratio	(11) / (14)	8	10.60%	10.60%	-%	4.50%
Tier 1 capital ratio	(12) / (14)	9	12.60%	12.60%	-%	6.00%
Total capital ratio	(13) / (14)	10	15.20%	15.55%	(0.35%)	8.00%
Common Equity Tier 1 capital		11	2,121.5	1,998.0	123.5	
Tier 1 capital		12	2,521.5	2,375.1	146.3	
Total capital		13	3,040.7	2,931.2	109.4	
Total risk weighted assets		14	20,004.5	18,844.2	1,160.3	

<Reference> Leverage ratio
[Consolidated]

			(Billions of yen)		
			Mar. 2018 (Preliminary)	Mar. 2017	Change
Leverage ratio	(16) / (17)	15	3.98%	3.87%	0.11%
Tier 1 capital		16	2,821.4	2,625.7	195.6
Total Exposure		17	70,807.8	67,843.4	2,964.4

[SuMi TRUST Bank (Consolidated)]

			(Billions of yen)		
			Mar. 2018 (Preliminary)	Mar. 2017	Change
Leverage ratio	(19) / (20)	18	4.59%	4.45%	0.14%
Tier 1 capital		19	2,630.4	2,445.7	184.7
Total Exposure		20	57,273.0	54,937.1	2,335.9

11. Return on equity (ROE)
[Consolidated]

	FY2017	FY2016	Change
Return (Net income) on shareholders' equity	7.40%	6.07%	1.33%
Return (Net income) on equity	6.05%	5.01%	1.04%

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 } × 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. 2018		Sep. 2017	Mar. 2017	Change from Mar. 2017	
		Total	Domestic branches	Total	Total	Total	Domestic branches
Loans and bills discounted	(Ending balance)	28,295,313	24,709,443	28,270,790	28,206,155	89,158	261,509
	(Average balance)	27,838,291	24,217,564	28,104,894	27,339,937	498,353	890,841
Banking account	(Ending balance)	28,259,093	24,673,223	28,226,793	28,158,969	100,124	272,475
	(Average balance)	27,794,452	24,173,725	28,059,441	27,287,649	506,803	899,290
Principal guaranteed trust account	(Ending balance)	36,220	36,220	43,996	47,186	(10,966)	(10,966)
	(Average balance)	43,838	43,838	45,453	52,288	(8,449)	(8,449)
Deposits, Trust principal	(Ending balance)	34,466,562	29,459,852	32,557,602	32,911,754	1,554,808	986,327
	(Average balance)	30,808,863	26,695,269	30,452,767	30,022,353	786,510	(40,045)
Deposits (*)	(Ending balance)	29,392,255	24,385,544	29,202,613	29,019,323	372,931	(195,549)
	(Average balance)	28,216,744	24,103,150	28,233,908	27,426,886	789,858	(36,698)
Time deposits	(Ending balance)	21,207,994	16,478,399	21,749,463	21,508,417	(300,423)	(732,644)
	(Average balance)	20,994,289	17,045,706	21,236,663	20,356,410	637,878	(59,746)
Liquid deposits	(Ending balance)	6,886,270	6,609,502	6,153,614	6,265,806	620,463	484,388
	(Average balance)	6,172,956	6,008,496	6,004,256	5,724,288	448,668	319,513
Trust principal	(Ending balance)	5,074,307	5,074,307	3,354,988	3,892,430	1,181,876	1,181,876
	(Average balance)	2,592,118	2,592,118	2,218,859	2,595,466	(3,347)	(3,347)

(*) Excluding NCD.

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

[Non-consolidated]

(Millions of yen)

	Mar. 2018	Sep. 2017	Mar. 2017	Change from Mar. 2017
Individuals	17,447,295	17,658,700	17,606,670	(159,374)
Deposits (*1)	15,924,744	16,133,872	16,107,670	(182,926)
Trust principal (Principal guaranteed)	1,522,551	1,524,827	1,498,999	23,551
Corporations and other organizations (*2)	11,555,741	9,819,350	10,598,037	957,704
Deposits (*1)	8,003,985	7,989,189	8,204,606	(200,620)
Trust principal (Principal guaranteed)	3,551,755	1,830,160	2,393,430	1,158,325
Total	29,003,037	27,478,050	28,204,707	798,329

(*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. 2018	Sep. 2017	Mar. 2017	(Millions of yen, %) Change from Mar.
Loan balance	16,130,489	15,429,687	15,148,025	982,464
Loans to individuals	9,450,458	9,185,013	8,926,939	523,519
Ratio to total loan balance	65.2	63.0	61.9	3.3

2) Loans to individuals

[Non-consolidated]

	Mar. 2018	Sep. 2017	Mar. 2017	(Millions of yen) Change from Mar.
Residential mortgage loans	8,874,754	8,619,353	8,378,608	496,146
Loans to individual for business use	515,373	502,386	479,248	36,125
Other consumer loans	60,329	63,274	69,082	(8,752)
Total	9,450,458	9,185,013	8,926,939	523,519

3) Loans by industry

[Non-consolidated]

	Mar. 2018	Sep. 2017	Mar. 2017	(Millions of yen) Change from Mar.
Domestic Branches (excluding offshore accounts)	24,709,443	24,465,688	24,447,276	262,167
Manufacturing	2,486,208	2,563,957	2,595,570	(109,362)
Agriculture, forestry, fisheries, mining, quarrying of stone and gravel gathering	12,130	11,602	12,863	(732)
Construction	120,415	115,708	129,886	(9,471)
Electricity, gas, heat supply and water	1,047,733	928,728	891,300	156,432
Information and communications	412,206	407,140	405,065	7,141
Transport and postal activities	1,111,401	1,120,896	1,126,269	(14,867)
Wholesale and retail trade	1,171,868	1,232,039	1,219,736	(47,867)
Finance and insurance	2,805,668	2,719,366	2,977,078	(171,410)
Real estate	3,427,559	3,309,865	3,246,402	181,157
Goods rental and leasing	986,215	959,245	897,508	88,706
Others	11,128,035	11,097,136	10,945,593	182,441
Overseas branches and offshore accounts	3,585,870	3,805,102	3,758,878	(173,008)
Total	28,295,313	28,270,790	28,206,155	89,158

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. 2018		Sep. 2017	Mar. 2017	Change from Mar. 2017	
	Total	Banking a/c	Total	Total	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act (a)	89,255	88,365	99,216	108,942	(19,686)	(15,545)
Bankrupt and practically bankrupt	16,406	16,395	17,452	12,299	4,106	4,107
Doubtful	46,780	45,948	52,208	59,004	(12,223)	(8,101)
Substandard	26,068	26,020	29,555	37,639	(11,570)	(11,550)
Ordinary assets	29,744,179	29,708,849	29,836,306	29,505,576	238,602	245,426
Total balance (b)	29,833,435	29,797,214	29,935,523	29,614,519	218,915	229,881
Ratio to total balance (a) / (b)	0.3%	0.3%	0.3%	0.4%	(0.1%)	(0.1%)

Note : Partial direct written-off: Mar. 2018: 15,050 million yen, Sep. 2017: 17,318 million yen, Mar. 2017: 19,974 million yen

[Non-consolidated]

	Mar. 2018		Sep. 2017	Mar. 2017	Change from Mar. 2017	
	Total	Banking a/c	Total	Total	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act (a)	56,709	55,819	61,796	71,169	(14,459)	(10,317)
Bankrupt and practically bankrupt	12,033	12,022	13,208	7,939	4,094	4,094
Doubtful	27,022	26,190	27,901	35,419	(8,396)	(4,274)
Substandard (b)	17,654	17,606	20,686	27,811	(10,156)	(10,137)
Ordinary assets	28,761,716	28,726,386	28,726,798	28,663,981	97,734	104,559
Assets to substandard debtors (excluding Substandard) (c)	1,333	1,317	1,294	1,231	101	102
Assets to other special mention debtors	547,121	537,197	446,683	554,344	(7,223)	(6,151)
Assets to ordinary debtors	28,213,261	28,187,871	28,278,820	28,108,405	104,856	110,607
Total balance (d)	28,818,426	28,782,205	28,788,594	28,735,150	83,275	94,241
Ratio to total balance (a) / (d)	0.2%	0.2%	0.2%	0.2%	(0.0%)	(0.0%)
Assets to substandard debtors (b) + (c)	18,987	18,923	21,980	29,042	(10,055)	(10,034)

Note : Partial direct written-off: Mar. 2018: 9,292 million yen, Sep. 2017: 11,322 million yen, Mar. 2017: 13,817 million yen

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

[Non-consolidated]

	Mar. 2018		Sep. 2017	Mar. 2017	Change from Mar. 2017	
	Total	Banking a/c	Total	Total	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act	56,709	55,819	61,796	71,169	(14,459)	(10,317)
Coverage ratio	95.8%	95.7%	97.6%	90.7%	5.1%	5.7%
Allowance ratio	78.4%	78.4%	80.1%	62.0%	16.4%	16.4%
Bankrupt and practically bankrupt	12,033	12,022	13,208	7,939	4,094	4,094
Coverage ratio	100.0%	100.0%	100.0%	100.0%	- %	- %
Allowance ratio	100.0%	100.0%	100.0%	100.0%	- %	- %
Doubtful	27,022	26,190	27,901	35,419	(8,396)	(4,274)
Coverage ratio	92.9%	92.7%	96.5%	88.9%	4.0%	5.6%
Allowance ratio	74.6%	74.6%	70.9%	62.8%	11.8%	11.8%
Substandard	17,654	17,606	20,686	27,811	(10,156)	(10,137)
Coverage ratio	97.4%	97.4%	97.5%	90.3%	7.1%	7.1%
Allowance ratio	34.7%	34.7%	43.5%	19.5%	15.2%	15.2%

Note: Other than the above mentioned, there is Reserves for JOMT (Jointly-operated money trust) of 0.0 billion yen as of Mar. 2018.

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

[Non-consolidated]

(Millions of yen)

	Mar. 2018	Sep. 2017	Mar. 2017	Change from Mar. 2017
Domestic Branches (excluding offshore accounts)	51,725	56,078	67,838	(16,113)
Manufacturing	3,076	5,617	13,080	(10,004)
Agriculture, forestry, fisheries, mining, quarrying of stone and gravel gathering	-	-	974	(974)
Construction	3	9	10	(7)
Information and communications	2	2	2	(0)
Transport and postal activities	29	58	379	(350)
Wholesale and retail trade	5,558	864	879	4,678
Finance and insurance	244	228	278	(33)
Real estate	7,854	13,057	15,167	(7,312)
Others	34,956	36,239	37,064	(2,108)
Overseas branches and offshore accounts	4,984	5,717	3,330	1,653
Total	56,709	61,796	71,169	(14,459)

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 debtors (exc. Special mention (exc. Substandard))	(1) Bankrupt/ practically bankrupt	12.0	(1) Guarantee and collateral	9.2	Entirely covered by allowances	Entirely written-off or covered by allowances	(1) Specific allowance for loan losses	2.7	100.0	100.0
Virtual bankruptcy											
Possible bankruptcy		(2) Doubtful	27.0	(2) Guarantee and collateral	19.4	Partially covered by allowances		(2) Specific allowance for loan losses	5.6	92.9	74.6
Requiring careful monitoring		(3) Substandard	17.7	(3) Guarantee and collateral	16.9			(3) General allowance for loan losses	0.2	97.4	34.7
		(4) Ordinary assets (A + B + C) 28,761.7		A. Assets to substandard debtors (exc. Substandard) 1.3							
		B. Assets to other special mention debtors (exc. Assets to substandard debtors) 547.1									
Normal		C. Assets to ordinary debtors 28,213.3									
		Problem assets based on the Financial Reconstruction Act (1) + (2) + (3) 56.7		Guarantee and collateral (1) + (2) + (3) 45.7				Allowance for loan losses (1) + (2) + (3) 8.6		95.8	78.4
Total balance (1) + (2) + (3) + (4) 28,818.4				Not categorized, category II 28,816.5		category III 1.9	category IV -				

(*) 0.0 billion yen of reserves for loan trust and reserves for JOYT (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. 2018	Sep. 2017	Mar. 2017	Change from Mar. 2017
Allowance for loan losses	102,920	104,181	115,814	(12,894)
General allowance for loan losses	88,579	91,621	97,567	(8,988)
Specific allowance for loan losses	14,340	12,560	18,246	(3,905)
Partial direct written-off	16,705	18,804	20,070	(3,365)

[Non-consolidated]

	(Millions of yen)			
	Mar. 2018	Sep. 2017	Mar. 2017	Change from Mar. 2017
Allowance for loan losses	77,169	79,405	90,030	(12,861)
General allowance for loan losses	68,254	73,281	79,336	(11,082)
Specific allowance for loan losses	8,914	6,124	10,693	(1,778)
Partial direct written-off	9,318	11,349	13,840	(4,521)

(Trust account)

[Non-consolidated]

	(Millions of yen)			
	Mar. 2018	Sep. 2017	Mar. 2017	Change from Mar. 2017
Reserves for loan trust	-	50	53	(53)
Reserves for JOMT (Jointly-operated money trust)	89	92	90	(0)
Total	89	142	143	(53)

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. 2018	Sep. 2017	Mar. 2017	Change from Mar. 2017
Assets to Special mention debtors	6.15	9.38	8.57	(2.42)
Substandard	1.38	1.86	2.39	(1.01)
Against uncovered portion	33.17	39.89	19.04	14.13
Other special mention	6.32	9.75	8.90	(2.58)
Against uncovered portion	16.22	20.42	14.86	1.36
Assets to Ordinary debtors	0.11	0.10	0.10	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. 2015	Sep. 2015	Mar. 2016	Sep. 2016	Mar. 2017	Sep. 2017	Mar. 2018	Change from Sep. 2017
Total	92.1	74.2	56.9	46.8	43.4	41.1	39.1	(2.1)
Loans outstanding in doubtful or worse categories as of Mar. 2015 and disposal thereafter	92.1	68.6	42.5	29.5	24.5	20.4	14.0	(6.4)
New entry to doubtful or worse categories during 1HFY2015 and disposal thereafter		5.6	3.5	2.5	1.8	1.4	1.3	(0.1)
New entry to doubtful or worse categories during 2HFY2015 and disposal thereafter			10.8	8.8	7.9	1.2	0.7	(0.5)
New entry to doubtful or worse categories during 1HFY2016 and disposal thereafter				6.0	3.5	1.6	1.3	(0.4)
New entry to doubtful or worse categories during 2HFY2016 and disposal thereafter					5.7	3.5	2.6	(0.9)
New entry to doubtful or worse categories during 1HFY2017 and disposal thereafter						13.0	9.6	(3.4)
New entry to doubtful or worse categories during 2HFY2017 and disposal thereafter							9.6	9.6

(2) Progress of final disposal

[Non-consolidated]

(Billions of yen)

Period	Primary amount (A)	Amount as of Mar. 2018 (B)	Quasi final disposal or in the process of final disposal (C)	Amount of final disposal in 2HFY2017	Progress ratio of final disposal (%) (A-B)/A	Adjusted progress ratio of final disposal (%) (*) (A-B+C)/A
Before 2HFY2014	3,532.6	14.0	3.3	6.4	99.6	99.6
1HFY2015	5.6	1.3	0.0	0.1	76.7	77.3
2HFY2015	10.8	0.7	0.1	0.5	93.8	94.3
1HFY2016	6.0	1.3	0.2	0.4	78.5	81.0
2HFY2016	5.7	2.6	0.2	0.9	54.1	57.3
1HFY2017	13.0	9.6	3.8	3.4	26.0	55.5
2HFY2017	9.6	9.6	0.2	-	-	1.9
Total	-----	39.1	7.7	11.7	-----	-----

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

17. Retirement benefits

[Consolidated]

		(Millions of yen)		
		Mar. 2018	Mar. 2017	Change
Projected benefit obligation	(A)	467,350	467,409	(59)
Discount rate		mainly 0.5%	mainly 0.5%	---
Plan assets	(B)	616,410	572,379	44,031
Liabilities for retirement benefits	(C)	14,159	14,048	110
Assets for retirement benefits	(D)	163,219	119,018	44,201

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

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

		(Millions of yen)		
		Mar. 2018	Mar. 2017	Change
Unrecognized net prior services costs		13	64	(51)
Unrecognized net actuarial loss		(6,819)	30,260	(37,080)
Total		(6,806)	30,325	(37,131)

		(Millions of yen)		
		FY2017	FY2016	Change
Retirement benefit expenses		(2,526)	(5,150)	2,623
Service cost - benefits earned		(14,719)	(15,266)	547
Interest cost on projected benefit obligation		(2,354)	(2,370)	15
Expected return on plan assets		25,746	28,152	(2,405)
Disposal of prior services costs		(51)	(95)	44
Disposal of actuarial loss		(10,062)	(14,319)	4,257
Others		(1,085)	(1,249)	164

[Non-consolidated]

		(Millions of yen)		
		Mar. 2018	Mar. 2017	Change
Projected benefit obligation	(A)	438,658	439,100	(441)
Discount rate		0.5%	0.5%	- %
Plan assets	(B)	600,290	556,790	43,500
Provision for retirement benefits	(C)	724	695	29
Prepaid pension expenses	(D)	161,208	160,295	913
Unrecognized net prior services costs	(E)	320	445	(125)
Unrecognized net actuarial loss	(F)	(1,468)	41,464	(42,932)

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

		(Millions of yen)		
		FY2017	FY2016	Change
Retirement benefit expenses		(8,289)	(18,876)	10,587
Service cost - benefits earned		(12,974)	(13,519)	545
Interest cost on projected benefit obligation		(2,192)	(2,221)	29
Expected return on plan assets		25,261	27,743	(2,481)
Disposal of prior services costs		(125)	(166)	41
Disposal of actuarial loss		(16,187)	(28,429)	12,242
Others		(2,071)	(2,282)	210

18. Deferred tax assets

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

[Consolidated]

	(Billions of yen)		
	Mar. 2018	Mar. 2017	Change
Deferred tax assets (A)	23.1	23.2	(0.1)
Devaluation of securities	19.2	21.0	(1.8)
Allowance for loan losses (including written-off of loans)	40.2	45.8	(5.6)
Deferred gains/ losses on hedges	8.7	7.5	1.1
Liabilities for retirement benefits	0.2	13.1	(12.8)
Valuation difference due to share exchange	5.1	5.1	(0.0)
Others	68.9	70.7	(1.7)
Valuation allowance	(36.8)	(36.7)	(0.1)
Offset with deferred tax liabilities	(82.5)	(103.5)	21.0
Deferred tax liabilities (B)	181.0	137.5	43.5
Amount related retirement benefits	11.4	10.1	1.2
Valuation difference on available-for-sale securities	230.1	213.1	17.0
Valuation difference due to share exchange	7.7	9.3	(1.6)
Others	14.1	8.3	5.8
Offset with deferred tax assets	(82.5)	(103.5)	21.0
Net deferred tax assets (A) - (B)	(157.9)	(114.2)	(43.6)

[Non-consolidated]

	(Billions of yen)		
	Mar. 2018	Mar. 2017	Change
Deferred tax assets (A)	-	-	-
Devaluation of securities	24.2	26.3	(2.0)
Allowance for loan losses (including written-off of loans)	23.4	28.8	(5.4)
Deferred gains/ losses on hedges	8.0	6.9	1.0
Others	30.6	32.4	(1.7)
Valuation allowance	(13.6)	(14.4)	0.8
Offset with deferred tax liabilities	(72.7)	(80.2)	7.4
Deferred tax liabilities (B)	173.4	147.0	26.3
Amount related retirement benefits	12.0	10.1	1.8
Valuation difference on available-for-sale securities	228.8	212.0	16.8
Others	5.2	5.1	0.1
Offset with deferred tax assets	(72.7)	(80.2)	7.4
Net deferred tax assets (A) - (B)	(173.4)	(147.0)	(26.3)

(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)				
	FY2017	FY2016	FY2015	FY2014	FY2013
Taxable income before deduction of loss carryforwards	127.2	106.4	177.5	118.5	107.4
Net business profit before credit costs	189.7	150.5	249.1	245.7	211.8

<Reference> Other referential financial figures of SuMi TRUST Bank

(1) Balance Sheets

[Non-consolidated]

(Billions of yen)

	Mar. 2018	Mar. 2017	Change
Assets:			
Cash and due from banks	15,408.1	13,963.7	1,444.4
Call loans	92.9	64.7	28.2
Receivables under resale agreements	63.5	83.8	(20.3)
Receivables under securities borrowing transactions	624.0	464.9	159.0
Monetary claims bought	67.7	92.9	(25.1)
Trading assets	470.8	663.0	(192.1)
Money held in trust	0.0	0.0	-
Securities	5,972.3	5,518.9	453.3
Loans and bills discounted	28,259.0	28,158.9	100.1
Foreign exchanges	25.5	16.1	9.3
Other assets	1,428.8	1,187.8	240.9
Tangible fixed assets	198.3	200.9	(2.6)
Intangible fixed assets	66.9	91.2	(24.2)
Prepaid pension expenses	161.2	160.2	0.9
Customers' liabilities for acceptances and guarantees	398.7	391.4	7.3
Allowance for loan losses	(77.1)	(90.0)	12.8
Total assets	53,161.4	50,969.2	2,192.1
Liabilities:			
Deposits	29,392.2	29,019.3	372.9
Negotiable certificates of deposit	6,758.9	7,523.2	(764.2)
Call money	494.8	400.1	94.6
Payables under repurchase agreements	1,454.8	1,063.7	391.1
Payables under securities lending transactions	41.2	13.6	27.6
Trading liabilities	266.1	366.8	(100.7)
Borrowed money	4,367.1	3,365.2	1,001.9
Foreign exchanges	1.9	2.2	(0.2)
Short-term bonds payable	605.2	418.8	186.4
Corporate bonds	944.9	1,029.0	(84.1)
Borrowed money from trust account	5,172.4	3,973.6	1,198.8
Other liabilities	695.8	920.7	(224.9)
Provision for bonuses	8.9	9.0	(0.0)
Provision for directors' bonuses	0.0	0.0	(0.0)
Provision for retirement benefits	0.7	0.6	0.0
Provision for reimbursement of deposits	3.5	3.5	(0.0)
Provision for contingent loss	4.6	7.7	(3.1)
Deferred tax liabilities	173.4	147.0	26.3
Deferred tax liabilities for land revaluation	3.0	3.0	-
Acceptances and guarantees	398.7	391.4	7.3
Total liabilities	50,789.1	48,659.5	2,129.6
Net assets:			
Capital stock	342.0	342.0	-
Capital surplus	456.2	492.2	(36.0)
Legal capital surplus	273.0	273.0	-
Other capital surplus	183.2	219.2	(36.0)
Retained earnings	1,067.6	1,004.7	62.9
Legal retained earnings	69.0	69.0	-
Other retained earnings	998.6	935.7	62.9
Other voluntary reserve	371.8	371.8	-
Retained earnings brought forward	626.7	563.8	62.9
Shareholders' equity	1,865.9	1,839.0	26.9
Valuation difference on available-for-sale securities	525.8	487.6	38.2
Deferred gains/ losses on hedges	(18.1)	(15.8)	(2.3)
Revaluation reserve for land	(1.4)	(1.0)	(0.3)
Valuation and translation adjustments	506.3	470.7	35.5
Total net assets	2,372.2	2,309.7	62.5
Total liabilities and net assets	53,161.4	50,969.2	2,192.1

(2) Statements of Income
[Non-consolidated]

	(Billions of yen)		
	FY2017	FY2016	Change
Ordinary income	889.1	809.5	79.5
Trust fees	94.8	94.2	0.5
Interest income	409.5	370.6	38.8
Interest on loans and discounts	291.5	266.4	25.1
Interest and dividends on securities	86.7	82.6	4.0
Fees and commissions	195.1	200.7	(5.5)
Trading income	10.4	18.3	(7.9)
Other ordinary income	79.0	72.1	6.9
Other income	100.0	53.4	46.6
Ordinary expenses	716.1	692.2	23.9
Interest expenses	246.2	167.3	78.8
Interest on deposits	93.6	78.3	15.3
Fees and commissions payments	86.4	84.5	1.9
Trading expenses	-	1.2	(1.2)
Other ordinary expenses	29.4	119.4	(89.9)
General and administrative expenses	254.2	262.4	(8.2)
Other expenses	99.7	57.0	42.7
Ordinary profit	172.9	117.3	55.6
Extraordinary income	0.3	0.6	(0.2)
Extraordinary losses	8.6	6.6	2.0
Income before Income Taxes	164.6	111.3	53.3
Income taxes-Current	36.2	32.7	3.5
Income taxes-Deferred	10.4	0.9	9.4
Income taxes	46.6	33.6	13.0
Net income	117.9	77.6	40.3

(3) Statement of trust account

[Non-consolidated]

	(Billions of yen)		
	Mar. 2018	Mar. 2017	Change
Loans and bills discounted	1,306.3	1,410.0	(103.7)
Securities	1,834.4	3,077.7	(1,243.3)
Beneficiary rights	153,552.8	143,214.8	10,337.9
Securities held in custody accounts	29.3	29.2	0.0
Money claims	17,142.5	15,065.1	2,077.3
Tangible fixed assets	14,717.2	13,643.4	1,073.8
Intangible fixed assets	205.5	178.1	27.4
Other claims	7,287.6	7,451.1	(163.4)
Loans to banking account	5,172.4	3,973.6	1,198.8
Cash and due from banks	449.6	424.2	25.4
Total assets	201,698.1	188,467.7	13,230.3
Money trusts	31,416.6	30,217.8	1,198.8
Pension trusts	13,720.5	14,828.5	(1,107.9)
Property formation benefit trusts	17.9	17.5	0.3
Loan trusts	-	10.6	(10.6)
Securities investment trusts	74,634.2	69,115.2	5,519.0
Money entrusted, other than money trusts	21,572.4	15,544.8	6,027.5
Securities trusts	19,411.0	20,114.0	(703.0)
Money claim trusts	17,265.8	15,148.5	2,117.3
Land and fixtures trusts	89.4	109.3	(19.9)
Composite trusts	23,570.0	23,361.0	208.9
Total liabilities	201,698.1	188,467.7	13,230.3

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

Mar. 2018: 152,855.5 billion yen, Mar. 2017: 142,691.7 billion yen

(4) Breakdown of principal guaranteed trust a/c

[Non-consolidated]

			(Billions of yen)	
Mar. 2018			Mar. 2017	Change
Money trusts	Loans and bills discounted	36.2	47.1	(10.9)
	Securities	0.0	0.0	
	Others	5,038.4	3,835.2	1,203.2
	Total assets	5,074.7	3,882.4	1,192.2
	Principal	5,074.3	3,882.1	1,192.1
	Reserves for JOMT (Jointly-operated money trust)	0.0	0.0	(0.0)
	Others	0.3	0.2	0.1
	Total liabilities	5,074.7	3,882.4	1,192.2
Loan trusts	Loans and bills discounted	-	-	-
	Securities	-	-	-
	Others	-	10.6	(10.6)
	Total assets	-	10.6	(10.6)
	Principal	-	10.2	(10.2)
	Reserves for loan trust	-	0.0	(0.0)
	Others	-	0.3	(0.3)
	Total liabilities	-	10.6	(10.6)