

Summary of Financial Results for FY2023

May 14, 2024

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 changes in managerial circumstances. This material includes summary figures that have not been audited so the numbers may change. Please refer to the most recent relevant materials including financial results (“Kessan Tanshin”)(including attached explanatory materials), the securities report and other presentations disclosed by Sumitomo Mitsui Trust Holdings and its group companies, for further information that could significantly influence its financial position and operating results as well as investment decisions by investors. Information regarding companies and other entities outside the group in this document has been obtained from publicly available information and other sources. The accuracy and appropriateness of that information has not been verified by the group and cannot be guaranteed. This presentation does not constitute an offer to sell or a solicitation of an offer to subscribe for or purchase any securities.

Definitions of terms in this document

Sumitomo Mitsui Trust Holdings (Consolidated): “Consolidated “ or “SuMi TRUST Holdings”

Sumitomo Mitsui Trust Bank (Non-consolidated): “Non-consolidated “ or “SuMi TRUST Bank”

Net income (on consolidated basis) : “Net income attributable to owners of the parent”

NPL (Non performing loans): “Problem assets based on the Financial Reconstruction Act”

Financial indices per share

Indices regarding financial information such as “Earnings per share”, “Net assets per share”, and “Number of shares issued” are presented assuming that the stock split of shares (two (2) for each share of common stock) enacted on January 1, 2024, was taken place at the beginning of fiscal year 2022, for consistency purposes.

Financial results for FY2023 / Forecast for FY2024

- Net business profit before credit costs: Achieved ¥338.6bn, exceeding revised fiscal year forecast. Strong performance in net fees and commissions and favorable stock market condition and weaker yen also made a positive contribution
- Net income: Decreased mainly due to reduction of bear funds with low B/E. Maintain dividend forecast as no impact on capital
- FY24 forecast of Net income: ¥240.0bn. Aiming to achieve FY25 target one year earlier.
- Dividend per share: ¥145 (increased by ¥35 YoY including commemorative dividend)

<Major KPIs>

	(Yen bn)	FY22		FY23		FY24		
		Actual	Forecast	Actual	Change	change from Forecast	Plan	change from FY23
1	Net business profit before credit costs	324.6	330.0	338.6	+ 14.0	+ 8.6	340.0	+ 1.3
2	Substantial gross business profit	814.1	860.0	874.1	+ 59.9	+ 14.1	910.0	+ 35.8
3	Substantial G&A Expenses	(489.5)	(530.0)	(535.4)	(45.9)	(5.4)	(570.0)	(34.5)
4	Total credit costs	(10.4)	(20.0)	(11.8)	(1.4)	+ 8.2	(20.0)	(8.1)
5	Net gains on stocks	3.0	(160.0)	(188.5)	(191.5)	(28.5)	50.0	+ 238.5
6	Other net non-recurring profit, Extraordinary profit	(45.8)	(35.0)	(40.3)	+ 5.5	(5.3)	(40.0)	+ 0.3
7	Net income	191.0	85.0	79.1	(111.8)	(5.9)	240.0	+ 160.8
8	Fee income ratio	55.1%		54.7%	(0.4%)			
9	Overhead ratio	60.1%	61.6%	61.3%	+ 1.2%	(0.2%)	62.6%	+ 1.3%
10	Return on equity	6.93%		2.68%	(4.25%)	(*1)		
11	Common Equity Tier 1 capital ratio	10.79%		11.35%	+ 0.56%	(*2)		



100th
Anniversary

Commemorative dividend
¥10 per share

<Per share information>

	(Yen)	FY22		FY23		FY24	
		Actual	Actual	Change	Plan	change from FY23	
12	Earnings per share (EPS)	258	109	(149)	330	+221	
13	Dividend per share (DPS)	105	110	+5	145	+35	
	(Yen)	Mar. 23	Mar. 24	Change			
14	Net assets per share (BPS)	3,843	4,316	+473			

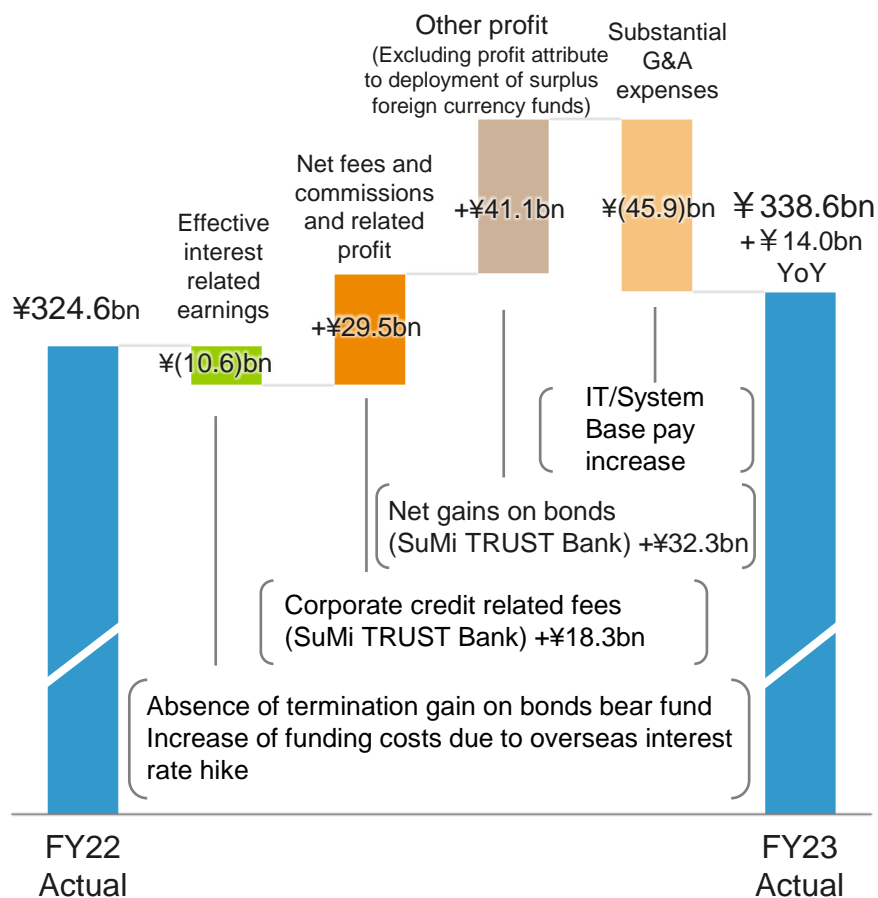
(*1) Excluding impact of gains/losses from sales of strategic shareholdings and bear funds(#5 net gains on stocks), estimated that net income will be roughly in line with our original forecast(¥200.0bn)

(*2) CET1 capital ratio on finalized Basel III (fully phased basis) as of Mar. 2024 is 10.2%

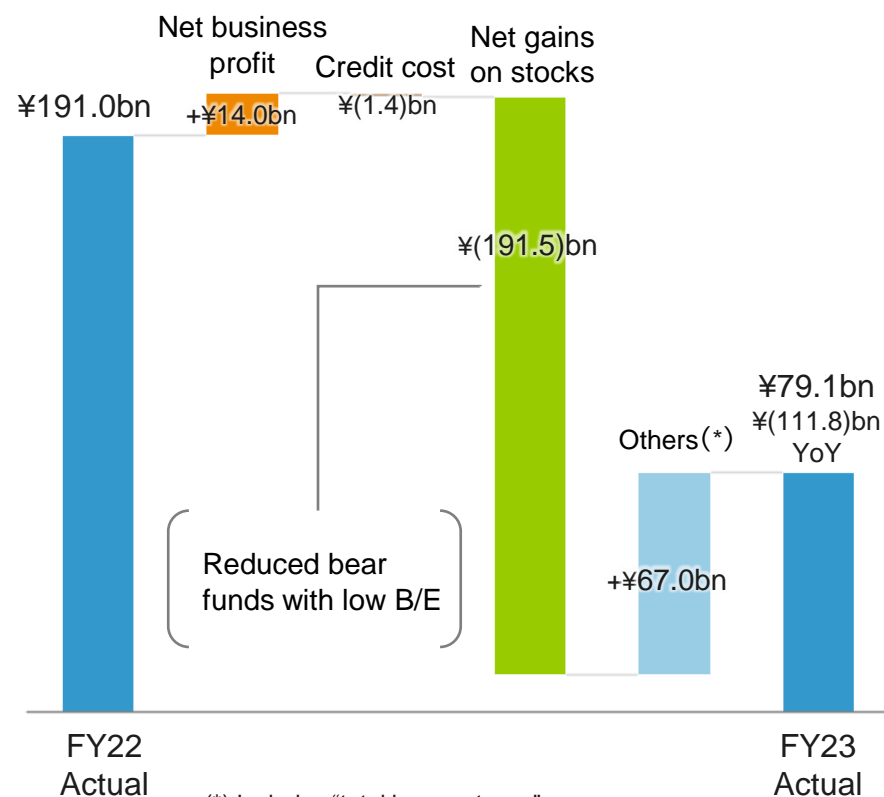
YoY Changes(Net business profit before credit cost and Net income)

- Net business profit before credit costs: Increased ¥14.0bn YoY. Strong performance in corporate credit related fees and steady asset management and asset administration fees by favorable stock market condition and weaker yen exceeded increase of substantial G&A expenses
- Net income: Decreased by ¥(111.8)bn YoY, mainly due to decrease in net gains on stocks

Net business profit before credit cost



Net income



(*) Includes "total income taxes".

Overview of profits

	(Yen bn)	FY22	FY23	Change
1	Net business profit before credit costs (*1)	324.6	338.6	14.0
2	Substantial gross business profit (*1)	814.1	874.1	59.9
3	Effective interest related earnings (*2)	300.6	289.9	(10.6)
4	Net fees and commissions and related profit	449.3	478.8	29.5
5	Other profit (Excluding profit attributable to deployment of surplus foreign currency funds)	64.1	105.3	41.1
6	Substantial G&A expenses (*1)	(489.5)	(535.4)	(45.9)
7	Total credit costs	(10.4)	(11.8)	(1.4)
8	Net gains on stocks	3.0	(188.5)	(191.5)
9	Other net non-recurring profit	(31.4)	(36.9)	(5.5)
10	Ordinary profit	285.8	101.3	(184.5)
11	Extraordinary profit	(14.4)	(3.3)	11.1
12	Income before income taxes	271.3	97.9	(173.4)
13	Total income taxes	(79.3)	(17.6)	61.7
14	Income attributable to non-controlling interests	(1.0)	(1.1)	(0.1)
15	Net income	191.0	79.1	(111.8)
16	Earnings per share (EPS) (Yen)	258	109	(149)
17	Number of shares issued (mn shares) (*3)	738.6	725.5	(13.1)

(Reference)

18	Net interest income and related profit	148.1	(84.5)	(232.6)
19	Other profit	216.6	479.8	263.1
20	Profit attributable to deployment of surplus foreign currency funds	152.5	374.5	222.0
21	Other	64.1	105.3	41.1

(*1) "Net business profit before credit costs", "Substantial gross business profit" and "Substantial G&A expenses" are based on managerial accounting, taking gross income and expenses from affiliates into consideration

(*2) "Effective interest related earnings" is sum of "Net interest income and related profit" and "Profit attributable to deployment of surplus foreign currency funds", included in "Other profit"

(*3) Average number of common shares outstanding (excluding treasury stocks) during the period

Net business profit before credit costs (#1)

- Achieved ¥338.6bn of 103% vs FY23 revised forecast of ¥330.0bn
- (#3: Effective interest related earnings) Decreased YoY ¥(10.6)bn due to absence of termination gain on bonds bear fund and funding cost increase as overseas interest rates rise, while deterioration range was improved as rising overseas interest rates peaked out
- (#4: Net fees and commissions and related profit) Increased YoY ¥29.5bn mainly due to strong performance of corporate credit related fees
- (#6: Substantial G&A expenses) Increased YoY. Investments in human capital and expenses linked with gross business profit increases in addition to the weaker yen increase. Generally as expected at the beginning of FY23

Total credit costs (#7)

- Posted ¥(11.8)bn of total credit costs resulting with enough room for the forecast of ¥(20.0)bn

Net gains on stocks (#8)

- Posted ¥108.5bn of gains from reducing strategic shareholdings.
- Posted ¥(298.1)bn of realized losses from sale of bear funds. Reducing bear funds with low B/E drastically in line with the disclosed policy of Oct. 23

Other net non-recurring profit, extraordinary profit

- (#9: Other net non-recurring profit) Decreased YoY ¥(5.5)bn mainly due to one-time factors at group companies in FY22
- (#11: Extraordinary profit) Increased YoY ¥11.1bn due to reversal of one-time factors in FY22 (extraordinary losses due to IT system renewal related to overseas operations at SuMi TRUST Bank)

Net income (#15)

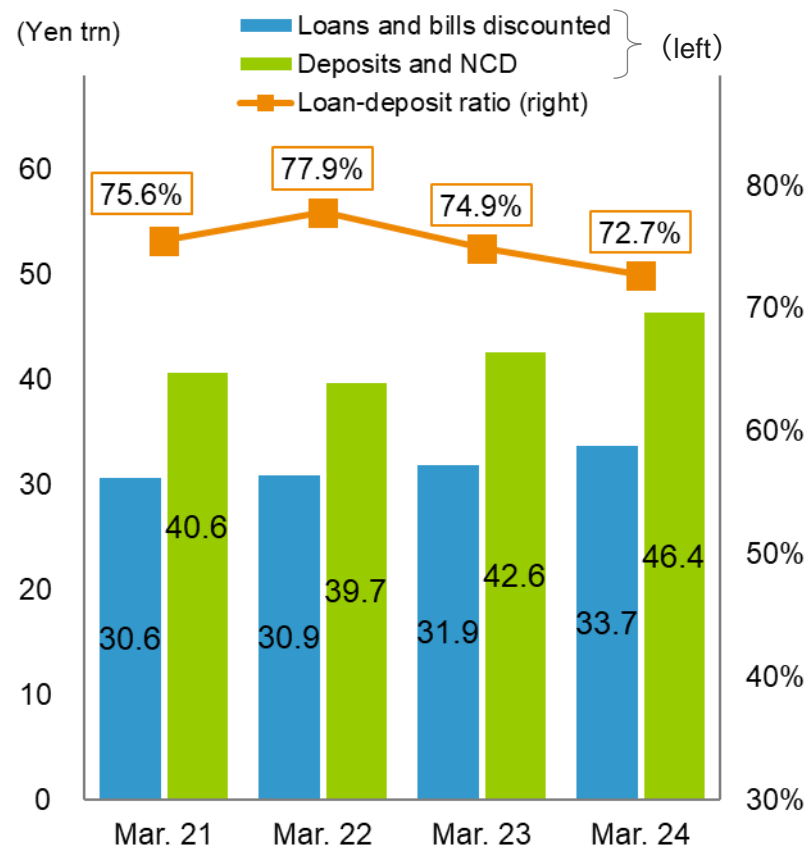
- Achieved 93% progress vs FY23 forecast of ¥85.0bn as reducing bear funds with low B/E drastically. Certainty of achieving future profit targets has improved.

Overview of balance sheet

		(Yen bn)		
		Mar. 23	Mar. 24	Change
1	Assets	69,022.7	75,876.9	6,854.1
2	Cash and due from banks	21,602.4	22,831.6	1,229.1
3	Securities	6,933.0	9,938.9	3,005.8
4	Loans and bills discounted	31,810.9	33,420.9	1,609.9
5	Other assets	8,676.2	9,685.4	1,009.1
6	Liabilities	66,200.1	72,739.2	6,539.0
7	Deposits and NCD	42,848.2	46,639.2	3,790.9
8	Borrowed money from trust account	4,332.4	4,327.7	(4.6)
9	Other liabilities	19,019.4	21,772.1	2,752.7
10	Total net assets	2,822.5	3,137.6	315.1
11	Total shareholders' equity	2,587.8	2,566.3	(21.4)
12	Total accumulated OCI	204.2	539.9	335.6
13	Minority interests, etc.	30.4	31.3	0.8
14	Net assets per share (BPS) (Yen)	3,843	4,316	473
15	Number of shares issued (mn shares) (*)	726.4	719.5	(6.8)
(Reference)				
16	Loan-deposit ratio (SuMi TRUST Bank)	74.9%	72.7%	(2.2%)
17	NPL ratio (SuMi TRUST Bank)	0.4%	0.3%	(0.1%)

(*) Number of common shares issued (excluding treasury stocks) as of the date above

Loan - deposit ratio (SuMi TRUST Bank)



Profit by group company

		(Yen bn)	FY22	FY23	Change
1	Net business profit before credit costs (*1)		324.6	338.6	14.0
2	o/w SuMi TRUST Bank (*2)(*4)		245.9	275.9	30.0
3	SuMi TRUST AM		7.9	6.6	(1.3)
4	Nikko AM (*3)		13.9	10.7	(3.1)
5	SuMi TRUST Realty		7.3	7.4	0.1
6	SuMi TRUST Panasonic Finance (*3)		8.6	9.2	0.5
7	SuMi TRUST Loan & Finance		10.9	11.7	0.7
8	Sumitomo Mitsui Trust Bank (U.S.A.)		5.0	10.2	5.1
9	Sumitomo Mitsui Trust (Hong Kong) (*4)		5.0	3.0	(1.9)
10	SuMi TRUST Guarantee (*3)		11.6	11.2	(0.4)
11	SuMi TRUST Club		3.7	1.7	(1.9)
12	UBS SuMi TRUST Wealth Management		2.5	2.6	0.1
13	Net income (*1)		191.0	79.1	(111.8)
14	o/w SuMi TRUST Bank (*2)(*4)		169.1	57.8	(111.2)
15	SuMi TRUST AM		5.4	4.5	(0.8)
16	Nikko AM (*3)		12.7	11.1	(1.5)
17	SuMi TRUST Realty		5.2	5.2	0.0
18	SuMi TRUST Panasonic Finance (*3)		5.8	6.0	0.1
19	SuMi TRUST Loan & Finance		7.6	8.1	0.4
20	Sumitomo Mitsui Trust Bank (U.S.A.)		4.0	8.0	3.9
21	Sumitomo Mitsui Trust (Hong Kong) (*4)		4.2	2.6	(1.5)
22	SuMi TRUST Guarantee (*3)		8.5	7.9	(0.6)
23	SuMi TRUST Club		1.6	1.3	(0.3)
24	UBS SuMi TRUST Wealth Management		1.8	2.1	0.2

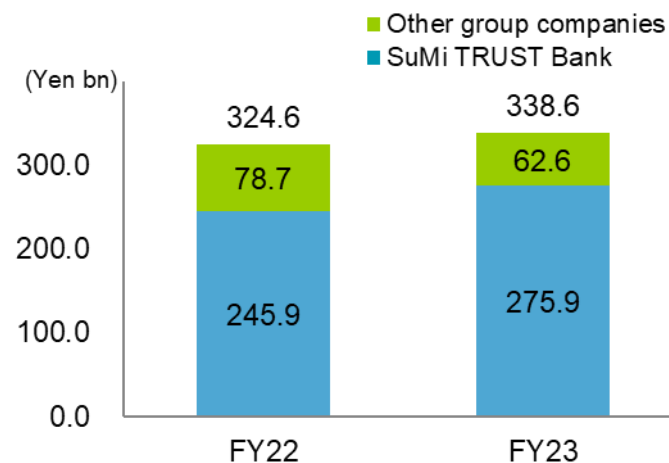
(*1) Figures on the table above are contribution of group companies, which are substantive amount excluding consolidation adjustment that do not relate directly to the group companies' business results.

(*2) Including dividend from group companies (FY22: ¥30.1bn, FY23: ¥46.6bn, YoY change: +¥16.5bn)

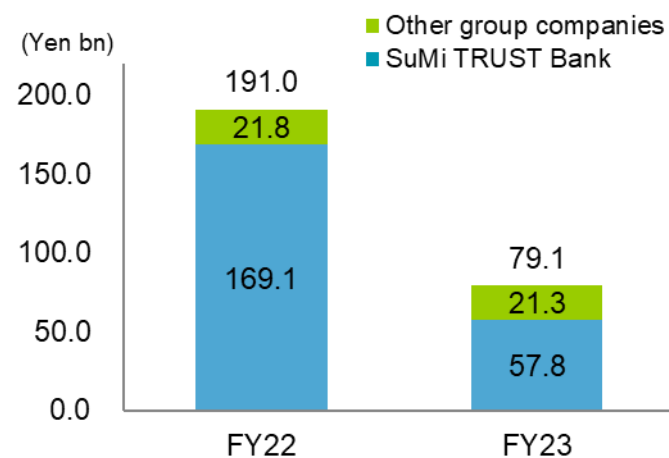
(*3) Consolidated basis

(*4) Reviewed profit method in FY23/4Q (SuMi TRUST Bank: Substantial gross business profit approx. +¥3.0bn, Sumitomo Mitsui Trust (Hong Kong): Substantial G&A expenses approx. ¥(3.0)bn)

Breakdown of Net business profit before credit costs



Breakdown of Net income



Profit by business segment

		FY22 Net business profit before credit costs (*1)	Substantial gross business profit (*1)		FY23 Net business profit before credit costs (*1)		FY23 Plan Net business profit before credit costs (*1)	
			Change	Substantial G&A expenses	Change			
1	Total	324.6	874.1	59.9	(535.4)	338.6	14.0	330.0
2	Wealth Management Business	41.5	213.0	10.1	(172.8)	40.1	(1.3)	33.0
3	SuMi TRUST Bank	21.3	142.0	7.9	(120.6)	21.3	0.0	15.0
4	Other group companies	20.1	70.9	2.2	(52.2)	18.7	(1.3)	18.0
5	Corporate Business	140.8	265.3	35.9	(102.3)	162.9	22.1	141.0
6	SuMi TRUST Bank	111.1	180.4	26.8	(49.7)	130.7	19.5	114.0
7	Other group companies	29.6	84.8	9.0	(52.5)	32.2	2.6	27.0
8	Investor Services Business	57.7	143.9	16.5	(81.2)	62.7	5.0	63.0
9	SuMi TRUST Bank (*2)	43.1	82.4	6.3	(37.8)	44.5	1.4	45.0
10	Other group companies (*2)	14.5	61.5	10.1	(43.3)	18.1	3.5	18.0
11	Real Estate Business	42.1	65.7	(3.9)	(30.0)	35.6	(6.4)	40.0
12	SuMi TRUST Bank	33.9	38.6	(5.4)	(11.3)	27.3	(6.6)	32.0
13	Other group companies	8.1	27.0	1.4	(18.6)	8.3	0.1	8.0
14	Global Markets Business	54.1	65.9	(3.3)	(19.6)	46.3	(7.8)	44.0
15	Asset Management Business (*3)	22.2	87.1	2.3	(69.1)	17.9	(4.2)	23.0

(*1) Substantial gross business profit and net business profit include a part of non-recurring profit (net gains on stocks, net gains on stocks related derivatives and others) and adjust at total

(*2) Reviewed profit method in FY23/4Q (SuMi TRUST Bank: Substantial gross business profit approx. +¥3.0bn,
Other group companies: Substantial G&A expenses approx. ¥(3.0)bn)

(*3) Sum of Asset management companies (SuMi TRUST AM (consolidated), Nikko AM (consolidated), Sky Ocean AM, JP AM)

(*2)

Overview of profit (SuMi TRUST Bank)

(Yen bn)		FY22	FY23	Change
1	Net business profit before credit costs	245.9	275.9	30.0
2	Gross business profit	508.1	566.1	57.9
3	Effective interest related earnings	285.9	289.0	3.1
4	Net interest income and related profit	133.4	(85.4)	(218.8)
5	Profit attributable to deployment of surplus foreign currency funds	152.5	374.5	222.0
6	Net fees and commissions and related profit	193.2	211.2	17.9
7	Net trading profit	57.1	48.1	(9.0)
8	Net gains on foreign exchange transactions			
	Net trading profit	10.4	75.9	65.4
9	Net gains on foreign exchange transactions (Excluding Profit attributable to deployment of surplus foreign currency funds)	46.7	(27.7)	(74.5)
10	Net gains on bonds	(26.0)	6.3	32.3
11	Net gains from derivatives	1.0	15.2	14.1
12	General and administrative expenses	(262.2)	(290.1)	(27.8)
13	Total credit costs	(12.4)	(11.5)	0.8
14	Other non-recurring profit	(8.8)	(205.6)	(196.8)
15	o/w Net gains on stocks	5.9	(188.6)	(194.5)
16	Amortization of net actuarial losses	(3.8)	(4.7)	(0.9)
17	Ordinary profit	224.5	58.7	(165.8)
18	Extraordinary profit	(0.3)	(3.7)	(3.4)
19	Income before income taxes	224.2	54.9	(169.3)
20	Total income taxes	(55.1)	2.9	58.0
21	Net income	169.1	57.8	(111.2)

	FY22	FY23	Change	
22	Gross business profit	508.1	566.1	57.9
23	Net interest income and related profit	133.4	(85.4)	(218.8)
24	Net fees and commissions and related profit	193.2	211.2	17.9
25	Net trading profit	10.4	75.9	65.4
26	Net other operating profit	171.0	364.4	193.3
27	o/w Net gains on foreign exchange transactions	199.2	346.7	147.5
28	Profit attributable to deployment of surplus foreign currency funds	152.5	374.5	222.0
29	other	46.7	(27.7)	(74.5)
30	Net gains on bonds	(26.0)	6.3	32.3
31	Net gains from derivatives	1.0	15.2	14.1
32	Net fees and commissions and related profit	193.2	211.2	17.9
33	o/w Investment management consulting	41.3	43.6	2.2
34	Asset management/administration	67.1	75.3	8.2
35	Real estate brokerage	37.4	31.3	(6.1)
36	Stock transfer agency services	24.4	24.5	0.1
37	Inheritance related services	4.4	4.6	0.1
38	Corporate credit related	34.7	53.1	18.3
39	Net gains on bonds	(26.0)	6.3	32.3
40	Domestic bonds	(5.6)	1.2	6.9
41	Foreign bonds	(20.3)	5.1	25.4

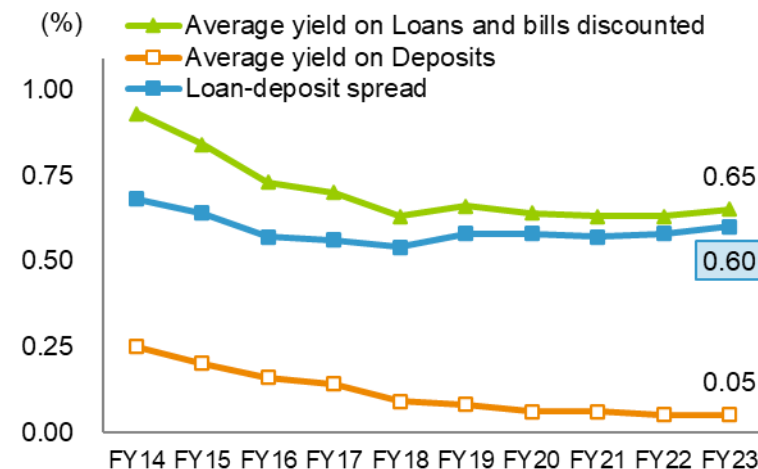
(*) Including dividend from subsidiaries (FY22: ¥30.1bn, FY23: ¥46.6bn, YoY change: +¥16.5bn)

Net interest income (SuMi TRUST Bank)

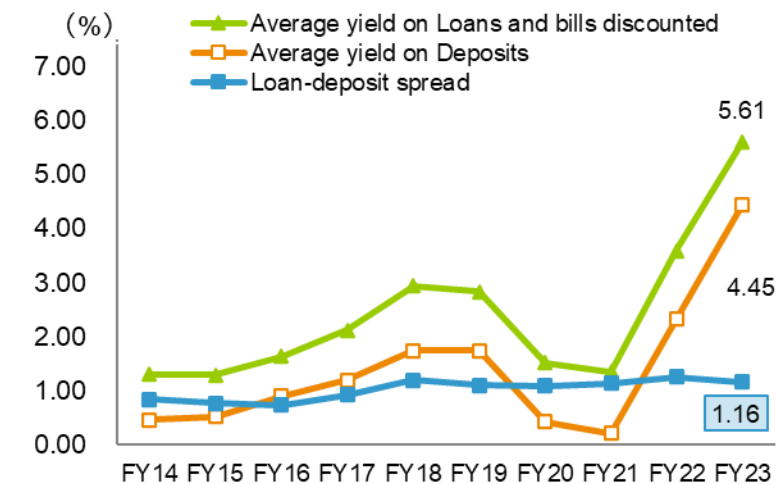
	FY23					
	Average Balance	Change from FY22	Average Yield	Change from FY22	Income/ Expenses	Change from FY22
(Average balance: Yen trn) (Income/Expenses: Yen bn)						
1 Net interest income					(106.6)	(219.8)
2 Domestic business			0.38%	(0.02%)	188.9	0.6
3 Interest-earning assets	49.21	2.71	0.50%	(0.03%)	249.7	1.6
4 o/w Loans and bills discounted	24.92	0.07	0.65%	0.02%	162.3	4.1
5 Securities	4.14	(0.19)	1.95%	0.04%	80.9	(2.2)
6 Interest-bearing liabilities	48.72	2.84	0.12%	(0.01%)	(60.7)	(1.0)
7 o/w Deposits	29.65	1.94	0.05%	0.00%	(16.9)	(1.2)
8 Borrowings from trust a/c	4.47	0.18	0.47%	0.01%	(21.1)	(1.0)
9 Swaps	---	---	---	---	(6.4)	2.9
10 International business			(1.56%)	(1.08%)	(295.5)	(220.5)
11 Interest-earning assets	19.38	2.79	3.99%	1.46%	774.4	354.0
12 o/w Loans and bills discounted	7.89	1.09	5.61%	2.02%	442.7	198.3
13 Due from banks	2.58	(0.06)	4.93%	2.35%	127.2	58.7
14 Securities	3.67	0.77	4.65%	1.78%	170.9	87.5
15 Interest-bearing liabilities	19.26	2.82	5.55%	2.54%	(1,070.0)	(574.5)
16 o/w Deposits	7.19	0.60	4.45%	2.12%	(320.6)	(166.9)
17 NCD / USCP	8.20	1.53	5.14%	2.23%	(422.1)	(227.7)
18 Repo	1.35	0.10	5.43%	2.85%	(73.5)	(41.3)
19 Expenses on swaps	---	---	---	---	(160.1)	(84.5)
20 (+) Trust fees from principal guaranteed trust a/c					21.1	1.0
21 (+) Profit attributable to deployment of surplus foreign currency funds					374.5	222.0
22 Effective interest related earnings					289.0	3.1
23 Loan-deposit spread / income in domestic business			0.60%	0.02%	145.4	2.9
24 Loan-deposit spread / income in international business			1.16%	(0.10%)	122.1	31.4

(*) Including dividend from subsidiaries (FY22:¥30.1bn, FY23:¥46.6bn, YoY change: +¥16.5bn)

Domestic loan-deposit spread (YoY)

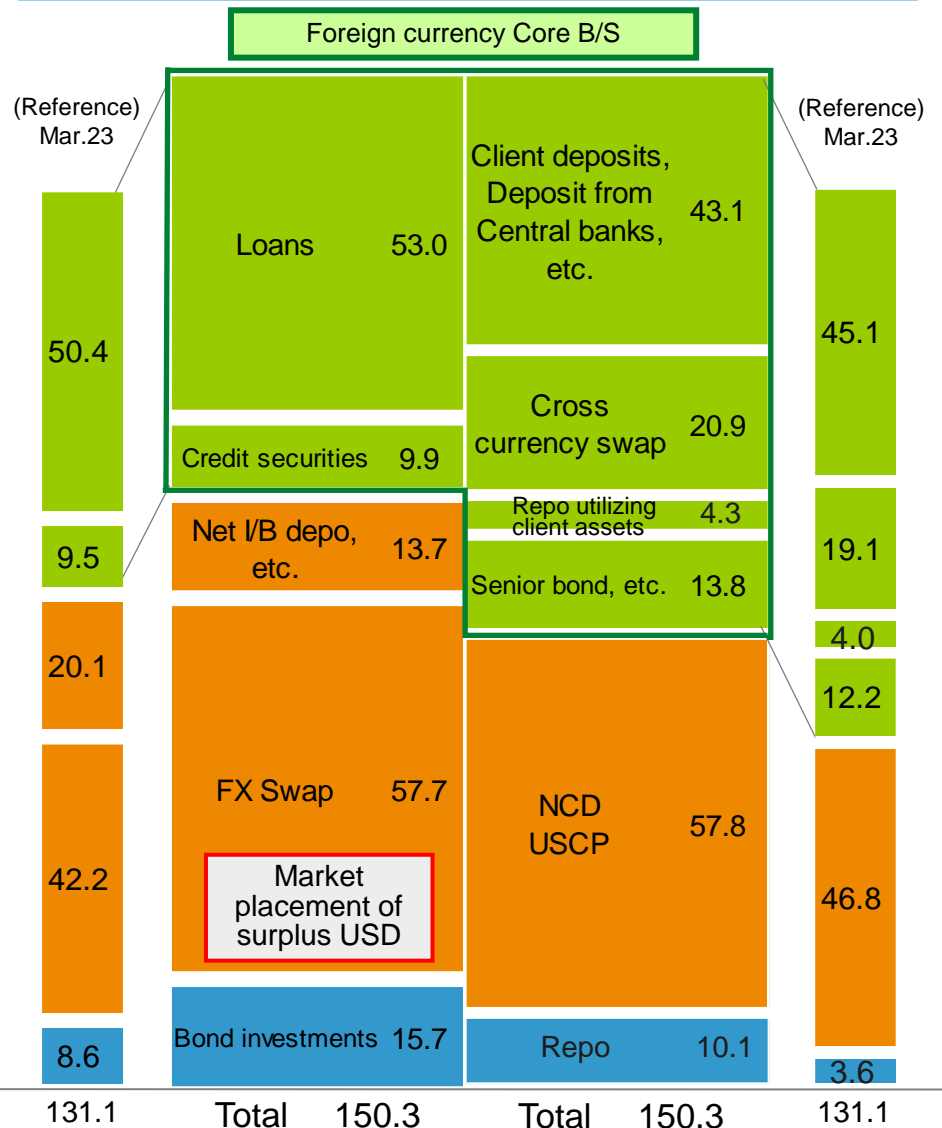


International loan-deposit spread (YoY)



(Reference) Status of foreign currency balance sheet (SuMi TRUST Bank)

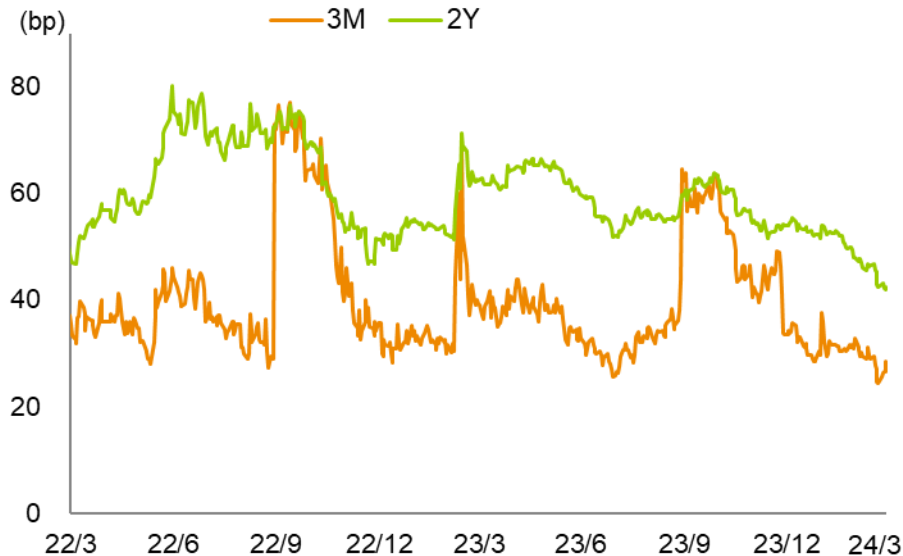
Foreign currency B/S (as of Mar. 24) (USD bn)



Foreign currency ALM management

- ◆ Loans and credit investment securities constitute foreign currency Core B/S assets, which are funded utilizing stable sources such as “sticky” client deposits, deposits from central banks, long-term yen CCS, client asset repos and senior bonds.
- ◆ Short term funds sourced through NCD/USCP markets are categorized as contingent funding buffer, and the funds are utilized as short-term funds in the interbank or foreign exchange market.

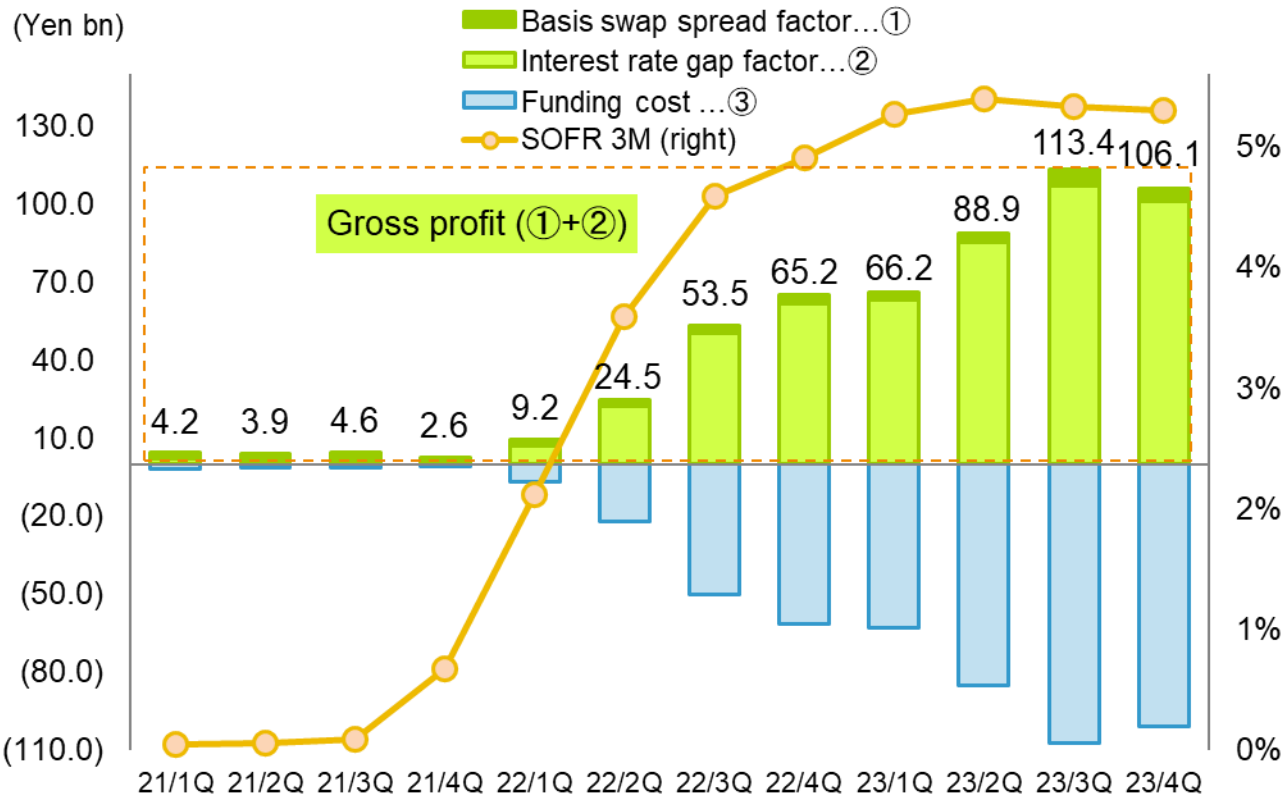
Basis swap spread (*) (USD/JPY)



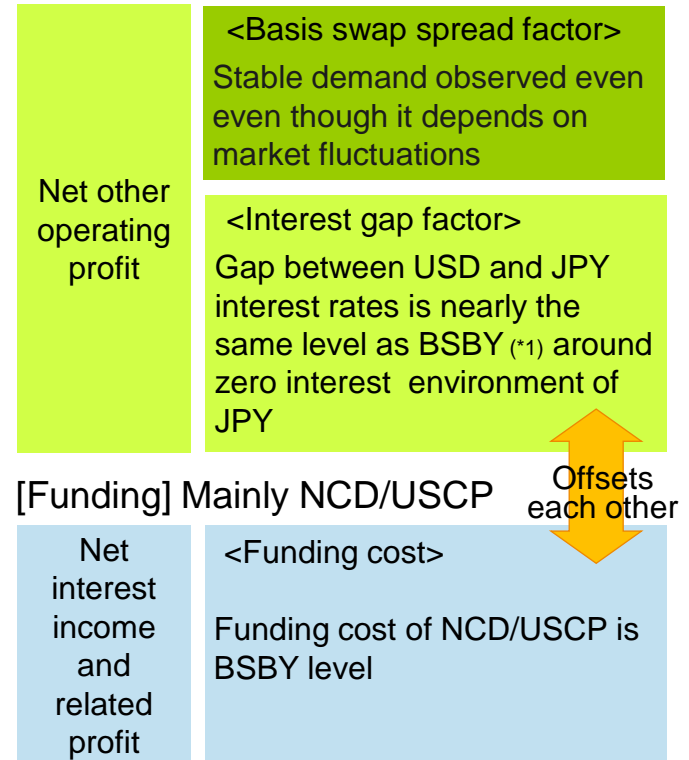
(*) Basis swap spread with SOFR and TONA as the indexes

Profit structure of market deployment of surplus foreign currency

- Profit from FX swap consists of basis swap spread and interest rate gap. Interest rate gap is offset by USD funding costs
- Increased gross funding costs and investment profits due to rising US short-term interest rate. Net profit increased YoY



[Investment] FX Swap



(*1) Bloomberg Short-term Bank Yield Index

(*2) The above contents are simplified to promote understanding the structure of the operations, although actual profitability of market placement of surplus foreign currency changes depending on market environment. Figures show gross profits as sum of basis swap spread factor and interest gap factor. Funding costs are estimated by Libor until FY22/4Q and by BSBY from FY23/1Q.

Total credit costs and Non-Performing Loans (NPLs) based on Banking Act and Reconstruction Act

[Total credit costs]		FY22	FY23		Major factors (FY23)
(Yen bn)			1H	2H	
1	SuMi TRUST Bank	(12.4)	(0.6)	(10.8)	(11.5)
2	General allowance for loan losses	0.9	(2.1)	(4.2)	(6.4)
3	Specific allowance for loan losses	(5.4)	5.3	(7.1)	(1.7)
4	Recoveries of written-off claims	0.6	0.2	0.6	0.9
5	Losses on sales of claims, written-off	(8.5)	(4.1)	(0.2)	(4.3)
6	Other group companies, etc.	1.9	(1.0)	0.7	(0.2)
7	Total	(10.4)	(1.7)	(10.1)	(11.8)

Downgraded: Approx. ¥(20.5)bn
 Upgraded: Approx. +¥11.0bn
 Changes in loan balance, etc. (including recoveries of written-offs):
 Approx. ¥(2.0)bn

As of March 2024, special loan loss provision of approx. ¥18.0bn

SuMi TRUST Panasonic Finance ¥(0.3)bn

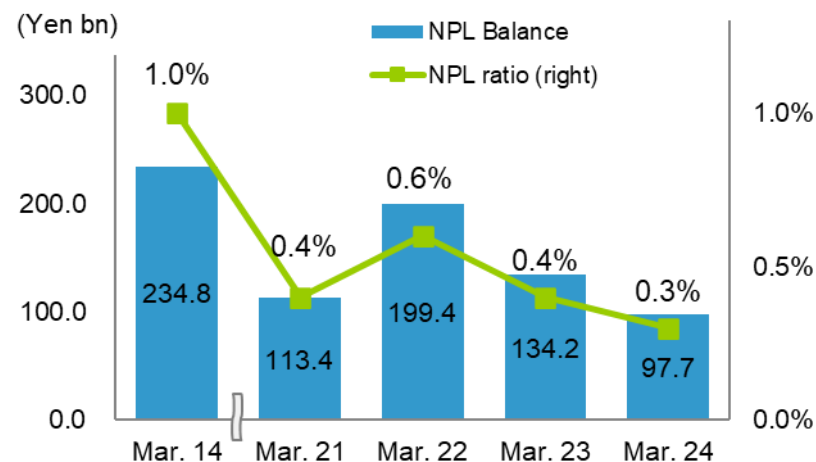
[Non-performing loans (NPLs) based on Banking Act and Reconstruction Act]

		Mar. 24	Coverage ratio (*1)	Allowance ratio (*2)	Change from Mar. 23
(Yen bn)					
8	Total	97.7	73.2%	49.8%	(36.5)
9	NPL ratio	0.3%	---	---	(0.1%)
10	Bankrupt and practically bankrupt	8.8	100.0%	100.0%	0.3
11	Doubtful	44.8	83.1%	71.8%	(41.3)
12	Substandard	44.1	57.7%	15.3%	4.6
13	Loans past due 3 months or more	10.6	---	---	10.6
14	Restructured loans	33.5	---	---	(6.1)
15	Assets to borrowers requiring caution(excluding Substandard)	442.8	---	---	146.4
16	Assets to normal borrowers	33,852.5	---	---	1,760.4
17	Grand total	34,393.1	---	---	1,870.4

(*1) (Collateral value + allowance for loan losses) / Loan balance

(*2) Allowance for loan losses / (Loan balance - Collateral value after considering haircuts)

Total Balance and ratio of NPL



Securities portfolio

[Consolidated] (*1)

	(Yen bn)	Costs		Unrealized gains/losses	
		Mar. 24	Change from Mar. 23	Mar. 24	Change from Mar. 23
1 Available-for-sale securities	8,263.0	2,587.6	681.7	309.0	
2 Japanese stocks	443.5	(51.8)	769.8	192.6	
3 Japanese bonds	3,803.9	1,625.3	(11.4)	(11.0)	
4 Others	4,015.5	1,014.1	(76.6)	127.5	
5 Held-to-maturity securities	263.7	(35.4)	8.1	(1.8)	

[SuMi TRUST Bank (Available-for-sale securities)] (*1)

6 Available-for-sale securities	8,089.5	2,567.0	688.2	302.0
7 Japanese stocks	420.6	(51.0)	788.9	190.5
8 Japanese bonds	3,803.9	1,625.3	(11.4)	(11.0)
9 o/w Government bonds	3,047.9	1,614.4	(9.8)	(8.3)
10 Others	3,864.9	992.6	(89.2)	122.5
11 Domestic investment	108.9	1.0	1.3	(0.4)
12 International investment	3,156.2	1,389.9	(50.8)	(20.8)
13 o/w US Treasury (*2)	1,762.4	1,111.9	(48.7)	(31.5)
14 Others (Investment trust, etc.)	599.8	(398.3)	(39.7)	143.7
15 o/w for hedging of strategic shareholdings	303.6	(322.7)	(67.0)	124.6

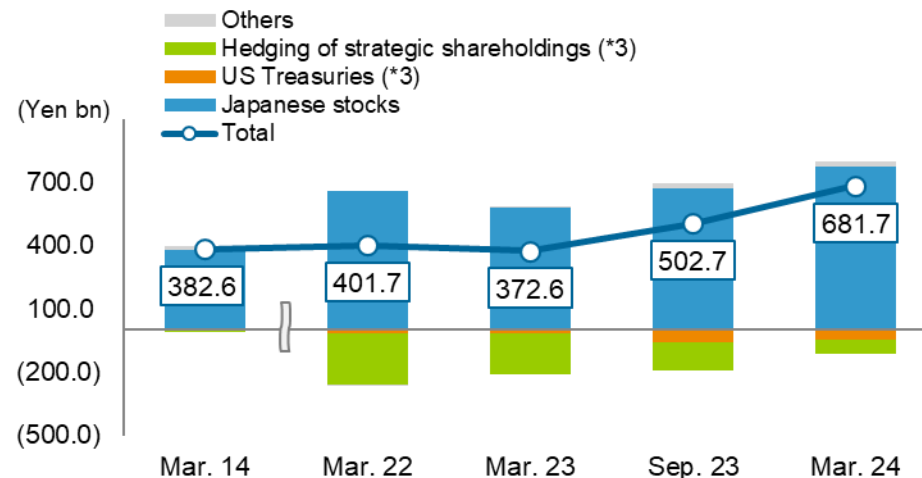
[SuMi TRUST Bank (Held-to-maturity securities)]

16 Held-to-maturity securities	263.6	(35.4)	8.1	(1.8)
17 o/w Government bonds	116.8	(0.3)	7.8	(2.9)
18 International investment	102.0	(25.4)	0.1	1.3

(*1) Not include stocks with no market price and investment partnership and others

(*2) Unrealized losses on US Treasury after adjusting PL from hedging transactions is ¥(37.5)bn

Unrealized gains/losses of AFS securities with fair value



(*3) SuMi TRUST Bank

Securities portfolio of Global markets (*4)

	(Yen bn)	10BPV (*5)		Duration (years) (*5)	
		Mar. 24	Change from Mar. 23	Mar. 24	Change from Mar. 23
19 JPY	8.8	3.5	2.6	(0.4)	
20 Others (*6)	4.7	3.6	2.4	1.0	

(*4) Managerial reporting basis; "HTM securities" and "AFS securities" are combined

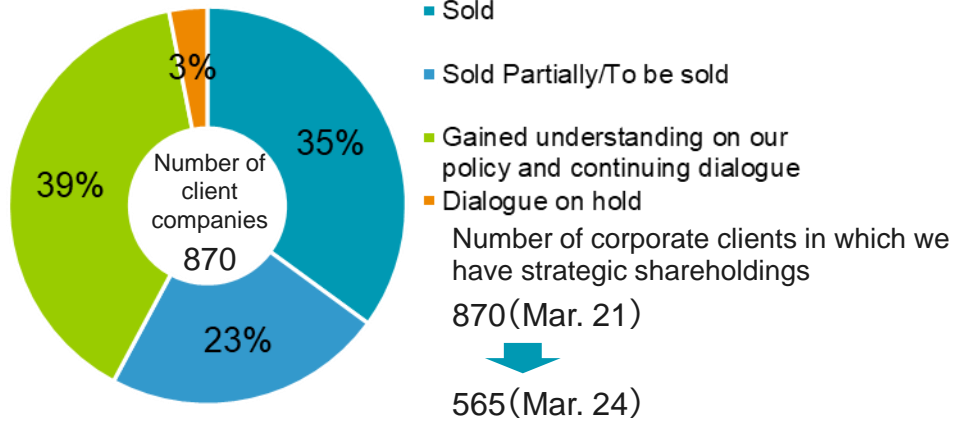
(*5) In the calculation of 10BPV and duration, investment balance hedging transactions were excluded

(*6) total of securities denominated in USD, EUR and GBP

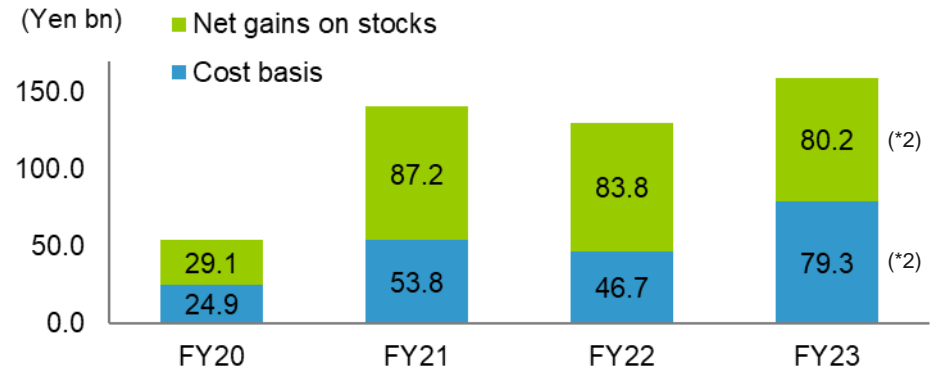
Reduction of strategic shareholdings

- 3 year reduction target: Cumulative total of ¥150.0bn(cost basis). Reduced ¥79.3bn(52% progress) in FY23
- Continue careful dialogue with clients based on long-term relationship of trust. The number of client companies with strategic shareholdings decreased by 35% since March 2021

Dialogue with clients



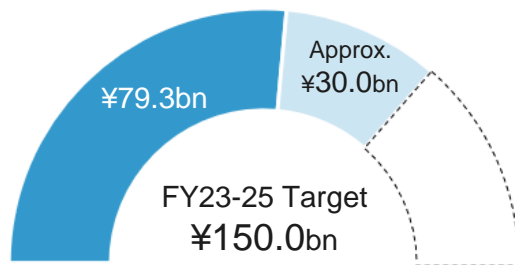
Reduction (consolidated basis)



(*)2 Excluding sold and repurchased shares in FY23/2Q(Net gains on stocks : Approx.¥28bn)

Amount sold/ to be sold (cost basis) (consolidated basis)

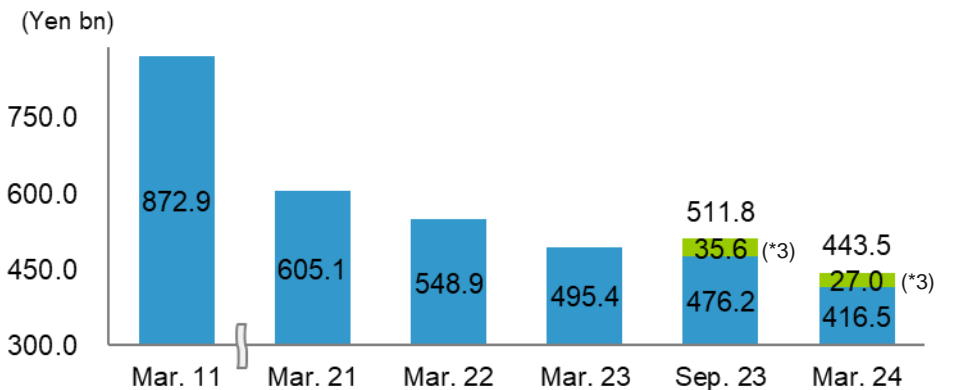
- To be sold (*1)
- Sold



More than 70% progress against 3 years target, including amount to be sold

Continue persistent dialogue to achieve the target as soon as possible

Cost basis balance of strategic shareholdings(consolidated basis)



(*)3 Sold and repurchased shares in FY23/2Q

(*1) Amount to be sold in FY24

(Reference) Hedge policy of strategic shareholdings -Background and current status-

- Accounted for losses on bear funds on FY2023. Reduced risk to future periodic profit and loss
- Posted ¥(67.0)bn of losses on bear funds on March 2024. Limited risk of impairment of bear funds at levels below TOPIX of 3,500pt

Risk management based on business model characteristics and risk characteristics

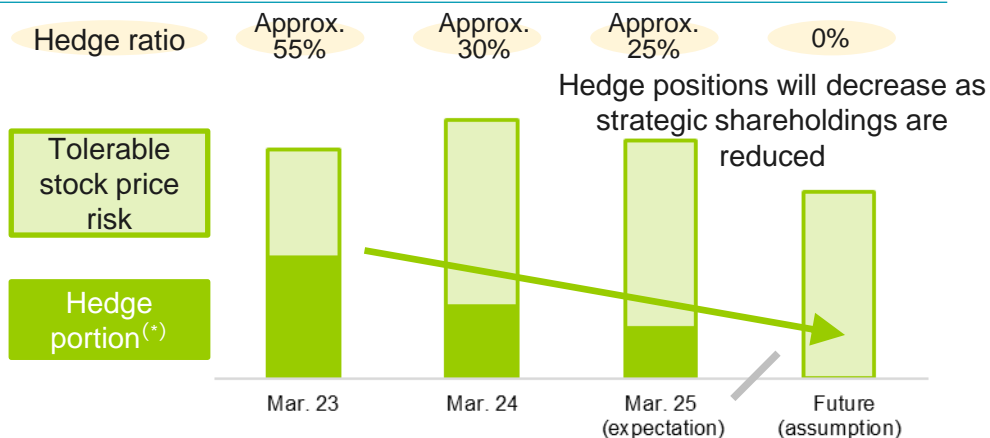
Risk Scenario	Initiatives
Price declines of strategic shareholdings ↓ Decrease in capital (Increase in capital when stock price rise)	<p>1 Reduction of strategic shareholdings</p> <ul style="list-style-type: none"> Announce that the Group shall not hold any strategic shareholdings as a conventional stable shareholder on May. 21 Reduce ¥180.0bn(cost basis) in 3 years Accelerate reduction driven by favorable environment <p>2 Hedge partial of price fluctuation risk</p> <ul style="list-style-type: none"> Hedged by bear funds Adjust hedge ratio regarding changes in the environment Sophisticate hedging instruments (Introduction of TRS etc.)

Impact of Bear funds Operations in FY2023

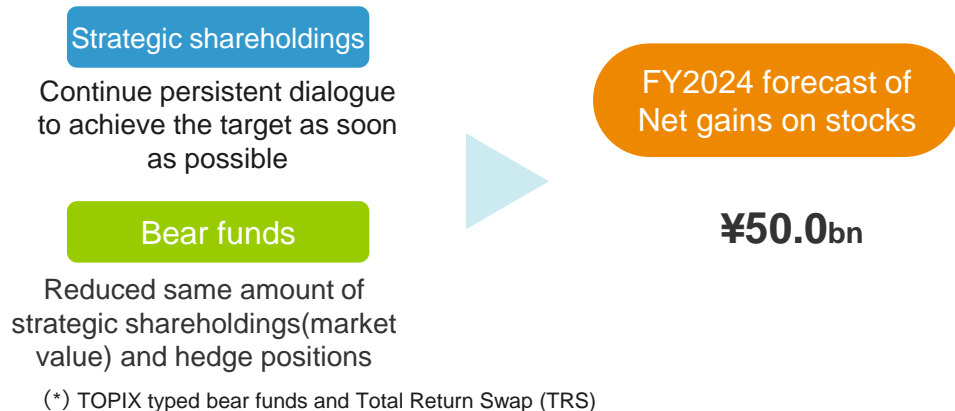
Realized gains/losses	Unrealized gains	Hedge ratio
Realized losses of bear funds ¥(298.1)bn	Mar. 23 ¥(191.6)bn	Mar. 23 Approx. 55%
Realized gains of strategic shareholdings +¥108.5bn	Mar. 24 ¥(67.0)bn	Mar. 24 Approx. 30%

- Drastically reduced bear funds with low B/E
→ Limited risk of impairment of bear funds at levels below TOPIX of 3,500pt
- Significant increase in unrealized gains. Increased certainty of achieving future profit targets
- Lower hedge ratio in light of structural changes in the macro environment

Hedge policy of strategic shareholdings



Impact on forecasts for FY2024



Capital

- Common Equity Tier 1 ratio: 11.35%. Up 0.56 ppt from Mar. 23 mainly due to increase in retained earnings and increase in capital associated with stock price rise.
CET1 capital ratio on finalized Basel III (fully phased basis): 10.2% also up 0.7 ppt from Mar. 23.
- Both Leverage ratio and Liquidity coverage ratio maintained levels well in excess of regulatory requirements

<Capital and total risk-weighted assets (consolidated)> (*1)

(Yen bn)		Mar. 23	Mar. 24	Change
1	Total capital ratio	13.24%	13.64%	0.40%
2	Tier 1 capital ratio	12.01%	12.55%	0.54%
3	Common Equity Tier 1 capital ratio	10.79%	11.35%	0.56%
4	Total capital	3,081.2	3,238.9	157.6
5	Tier 1 capital	2,793.5	2,978.8	185.3
6	Common Equity Tier 1 capital	2,509.7	2,694.3	184.6
7	Instruments and reserves	2,752.9	3,067.5	314.5
8	Accumulated other comprehensive income (*2)	204.2	539.9	335.6
9	Regulatory adjustments	(243.2)	(373.1)	(129.9)
10	Additional Tier 1 capital	283.7	284.4	0.7
11	Tier 2 capital	287.7	260.0	(27.7)
12	Total risk-weighted assets	23,256.8	23,731.0	474.1
13	Credit risk	20,411.9	21,372.3	960.3
14	Market risk	1,838.2	1,006.2	(831.9)
15	Operational risk	1,006.7	1,352.4	345.7
16	Floor adjustment	-	-	-

(*1) Implemented finalized Basel III from Mar.24

(*2) Valuation differences on Available-for-Sale Securities (Mar. 2024): ¥477.6bn
(Change from Mar. 2023: +¥219.4bn)

(*3) Calculated according to the revision of Financial Services Agency Notification (effective as of June 30, 2020). For reference, figures on item 18 and 21 are calculated according to the basis applied before the revision.

(*4) Average figures in 4QFY2023. "Change from Mar. 23" represents the comparison to figure for 4QFY2022 calculated in the same manner

<Major factors of change in capital adequacy ratios>

[Capital]

(1) Common Equity Tier 1 capital: +¥184.6bn

- Net income: +¥79.1bn
- Valuation differences on AFS (considering valuation differences on hedging items): +¥219.4bn
- Dividend: ¥(79.6)bn • Repurchase of own shares : ¥(21.0)bn

[Risk-weighted assets]

(2) Risk-weighted assets: +¥474.1bn

- Increase in foreign currency-denominated assets due to JPY depreciation: approx. +¥980.0bn
- Decrease due to implementation of finalized Basel III: approx. ¥(1,000.0)bn
- Increase in investment which contributes to our group's growth and solutions to social issues: approx. +¥400.0bn

<Other ratios required in prudential regulations (consolidated)>

(Yen bn)		Mar. 24	Change from Mar. 23
17	Leverage ratio (*1)(*3)	5.25%	(0.11%)
18	Including current account with the Bank of Japan	3.87%	(0.08%)
19	Tier 1 capital	2,978.8	185.3
20	Total exposure (*3)	56,653.1	4,535.8
21	Including current account with the Bank of Japan	76,937.7	6,275.8
22	Liquidity coverage ratio (*4)	170.5%	32.2%
23	Total high-quality liquid assets	21,239.7	1,788.1
24	Net cash outflows	12,455.7	(1,603.2)

Forecasts for FY2024

- Net business profit: ¥ 340.0bn increased by ¥1.3bn YoY. Aim substantial gross business profit growth due to steady performance in net fees and commissions in addition to yen interest rate hike, while substantial G&A expenses increase as inflation advance
- Net income: Aiming to achieve FY25 target one year earlier. Assume ¥240.0bn mainly due to increase in net gains and stocks
- Dividend per share: Increased by ¥35 YoY due to commemorative dividend of ¥10 in addition to the regular dividend of ¥135. Consolidated dividend payout ratio of 43.5%

(Yen bn)		FY23 Actual	FY24 Forecast	Change from FY23
1	Net business profit before credit costs	338.6	340.0	1.3
2	SuMi TRUST Bank	275.9	250.0	(25.9)
3	Substantial gross business profit	874.1	910.0	35.8
4	SuMi TRUST Bank (*)	566.1	555.0	(11.1)
5	Other group companies (*)	308.0	355.0	46.9
6	Substantial G&A Expenses	(535.4)	(570.0)	(34.5)
7	SuMi TRUST Bank	(290.1)	(305.0)	(14.8)
8	Other group companies	(245.3)	(265.0)	(19.6)
9	Total credit costs	(11.8)	(20.0)	(8.1)
10	Net gains on stocks	(188.5)	50.0	238.5
11	Other non-recurring profit	(36.9)	(40.0)	(3.0)
12	Ordinary profit	101.3	330.0	228.6
13	Net income	79.1	240.0	160.8
14	SuMi TRUST Bank	57.8	195.0	137.1
15	Dividend per common share (Yen)	110	145	+35

(*) SuMi TRUST Bank includes dividends from subsidiaries (FY23(actual) :¥46.6bn, FY24(forecast) : approx.¥20.0bn)
Other group companies includes offset elimination of transaction between group companies related above dividends (FY23(actual):¥(46.6)bn, FY24(forecast): approx. ¥(20.0)bn)

【Shareholder return policy [announced on May 12, 2023]】

- ✓ Dividend per share will be progressive, while aiming to increase the dividend per share through profit growth. The dividend payout ratio will be determined at 40% or above.
- ✓ Share repurchase will be implemented flexibly on the premise of securing sufficient capital, while balancing the use of capital for medium-to-long term profit growth and the effects of better capital efficiency

【Assumptions】

- (1) Net business profit: +¥1.3bn vs YoY
 - Substantial gross business profit is expected to increase by +¥35.8bn due to strong performance in net fees and commissions mainly from asset management and asset administration business and interest rate hike
 - Substantial G&A Expenses will increase due to the impact of inflation and growth investment in IT system and human capital
- (2) Total credit costs: forecast ¥(20.0)bn
 - Total credit costs of ¥(20.0)bn is assumed based on past results, while no specific client is considered
- (3) Net gains on stocks: forecast +¥50.0bn
 - Unrealized gains/losses of strategic shareholdings and bear funds improved as accounted for losses on bear funds on FY2023
 - Increase forecast in light of the progress in reduction of strategic shareholdings

Plan and Target by business segment

		(Yen bn)					
		Substantial gross business profit	FY23 Net business profit before credit costs	Substantial gross business profit	Change	FY24 Plan Net business profit before credit costs	Change
1	Total	874.1	338.6	910.0	35.8	340.0	1.3
2	Wealth Management Business	213.0	40.1	220.0	6.9	40.0	(0.1)
3	SuMi TRUST Bank	142.0	21.3	149.0	6.9	22.0	0.6
4	Other group companies	70.9	18.7	71.0	0.0	18.0	(0.7)
5	Corporate Business	265.3	162.9	264.0	(1.3)	152.0	(10.9)
6	SuMi TRUST Bank	180.4	130.7	175.0	(5.4)	119.0	(11.7)
7	Other group companies	84.8	32.2	89.0	4.1	33.0	0.7
8	Investor Services Business	143.9	62.7	151.0	7.0	64.0	1.2
9	SuMi TRUST Bank	82.4	44.5	87.0	4.5	47.0	2.4
10	Other group companies	61.5	18.1	64.0	2.4	17.0	(1.1)
11	Real Estate Business	65.7	35.6	70.5	4.7	39.0	3.3
12	SuMi TRUST Bank	38.6	27.3	43.0	4.3	31.0	3.6
13	Other group companies	27.0	8.3	27.5	0.4	8.0	(0.3)
14	Global Markets Business	65.9	46.3	76.0	10.0	55.0	8.6
15	Asset Management Business (*)	87.1	17.9	94.0	6.8	25.0	7.0

(*) Sum of Asset management companies (SuMi TRUST AM (consolidated), Nikko AM (consolidated), Sky Ocean AM, JP AM)

Forecasts for FY2024 and Image of Future Profit

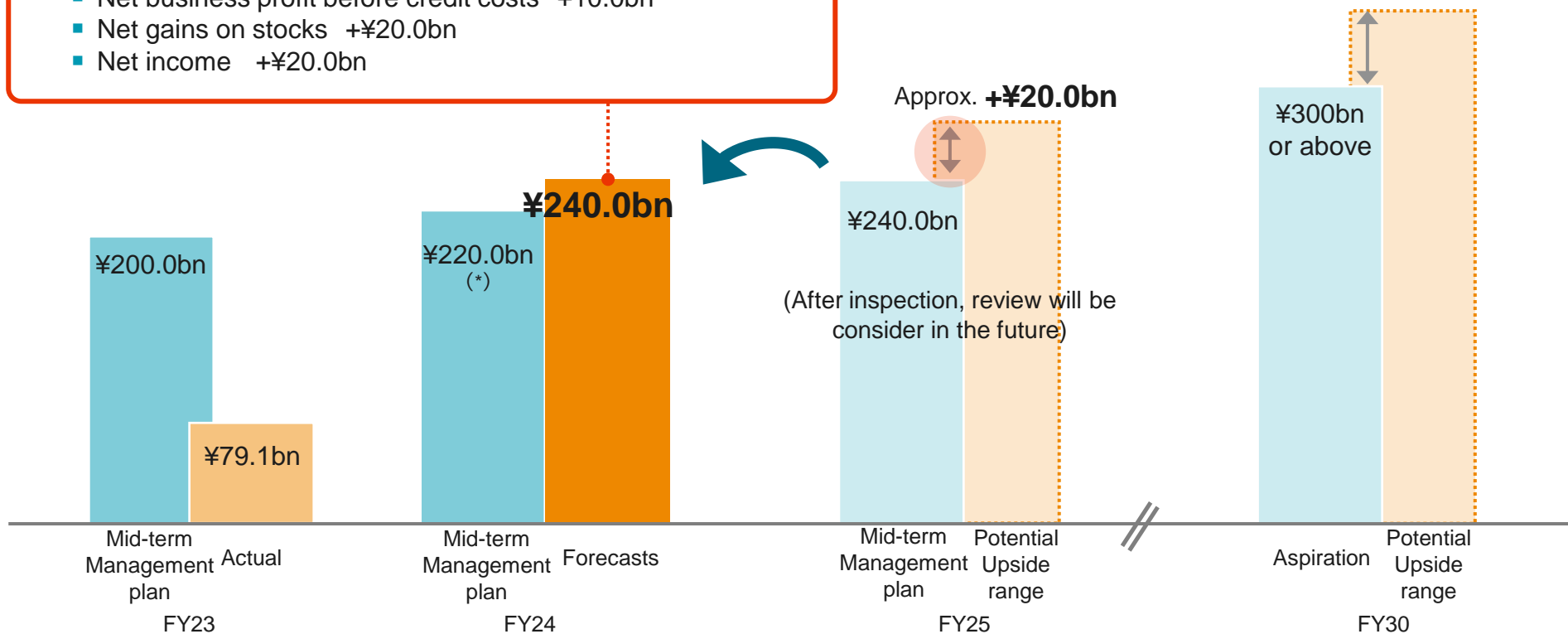
Actual and plan of net income

Steady progress in business strategy. Challenge to achieve ROE of 10% as early as possible, given a new tailwind for increase in investment

Aiming to achieve FY25 target one year earlier

Major review compared to the FY24 initial plan(*)

- Net business profit before credit costs +10.0bn
- Net gains on stocks +¥20.0bn
- Net income +¥20.0bn



(*) Previously undisclosed at the time of release of the mid-term plan in May.2023

Fee business: Invest management consulting

- Total income increased by ¥2.2bn YoY to ¥43.6bn mainly due to increase of administration fees
- Total balance increased by ¥1.4trn to ¥8.8trn from Mar. 2023. Growth of market value was approx. ¥1.1trn

Income from marketing of investment products

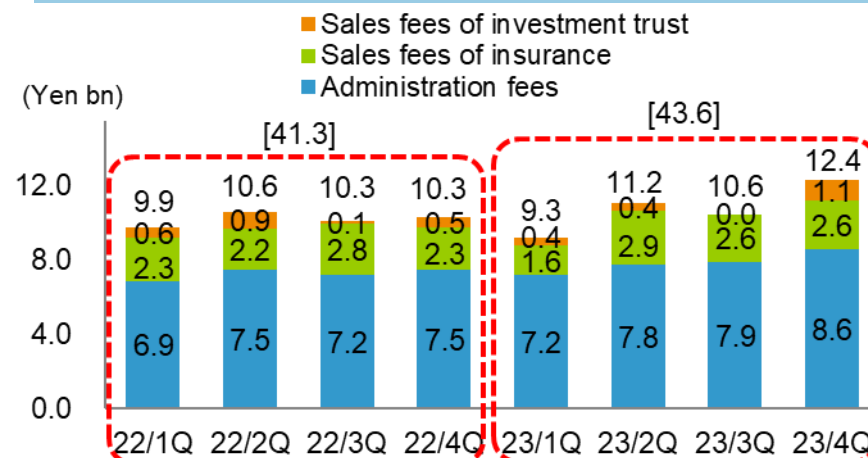
(Yen bn)		FY22	FY23	Change
1	Income total	41.3	43.6	2.2
2	Sales fees of investment trust	2.2	2.1	(0.1)
3	Sales fees of insurance	9.7	9.9	0.1
4	Administration fees	29.3	31.6	2.2

Sales volume / balance

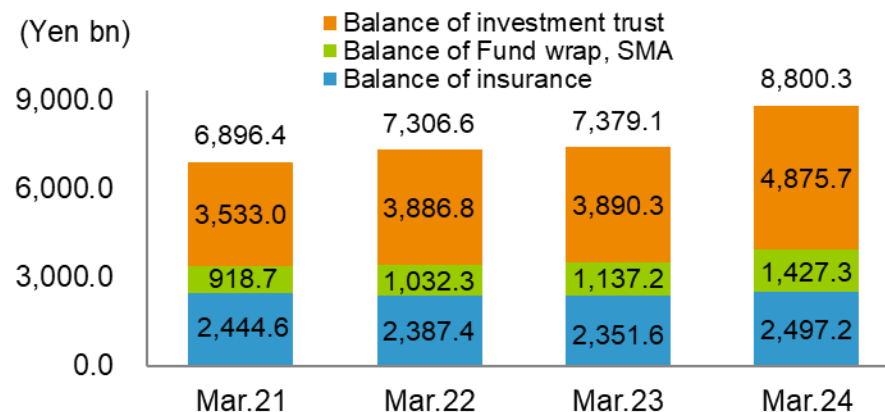
(Yen bn)		FY22	FY23	Change
5	Sales volume total	1,234.8	1,383.4	148.5
6	Investment trust	664.8	827.3	162.5
7	Fund wrap, SMA	212.3	247.6	35.2
8	Insurance	357.6	308.4	(49.2)

(Yen bn)		Mar. 23	Mar. 24	Change
9	Balance total	7,379.1	8,800.3	1,421.2
10	Investment trust	3,890.3	4,875.7	985.3
11	Fund wrap, SMA	1,137.2	1,427.3	290.1
12	Insurance	2,351.6	2,497.2	145.6

Income from marketing (quarterly)



Balance



Fee business: Real estate

- Corporate real estate brokerage: Despite steady performance in 4Q, decreased YoY to ¥31.3bn compared to highest income of FY22
- Retail real estate brokerage: Exceeding strong results of FY22 and maintained strength by YoY to ¥25.1bn

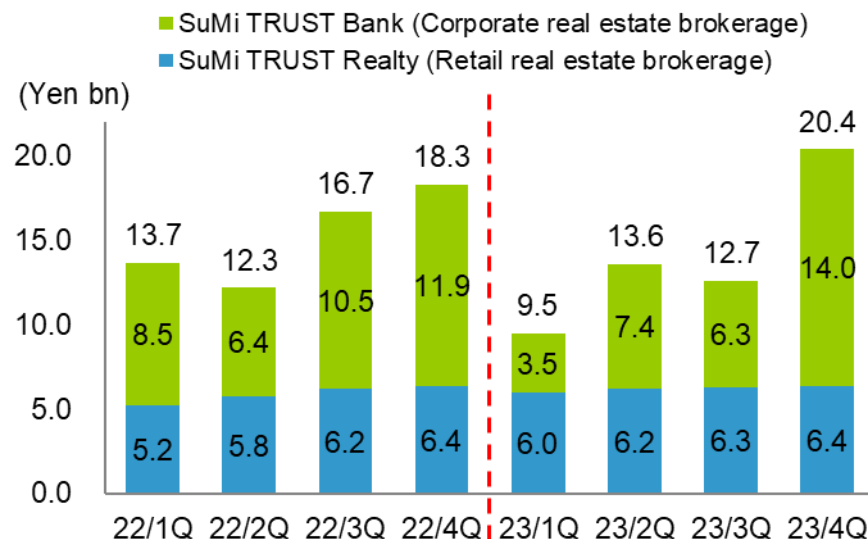
Income (group base)

(Yen bn)		FY22	FY23	Change
1	Real estate brokerage fees	61.2	56.4	(4.8)
2	SuMi TRUST Bank	37.4	31.3	(6.1)
3	SuMi TRUST Realty	23.7	25.1	1.3
4	Real estate trust fees, etc.	6.6	7.2	0.5
5	Net other real estate profit	1.8	2.0	0.2
6	SuMi TRUST Bank	(0.0)	0.1	0.1
7	Group companies	1.8	1.9	0.1
8	Total	69.7	65.7	(3.9)
9	o/w SuMi TRUST Bank	44.1	38.6	(5.4)

Assets under management / administration

(Yen bn)		Mar. 23	Mar. 24	Change
10	Securitized real estate	24,182.3	27,309.2	3,126.9
11	Assets under custody from J-REITs	17,023.4	18,163.7	1,140.2
12	Assets under management	658.4	801.5	143.1
13	Private placement funds	367.9	511.0	143.1
14	J-REITs	290.5	290.5	-

Real estate brokerage fees (quarterly)



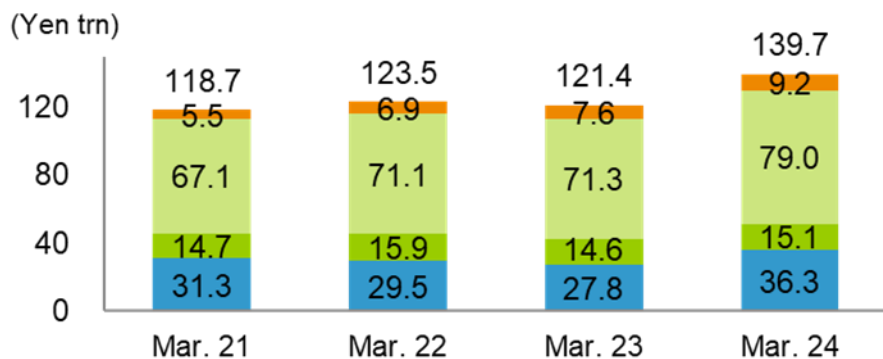
Fee business: Asset management/administration

- AUM increased by ¥18.2trn to approx. ¥140trn from Mar. 23 mainly due to growth of market value
- AUC increased in each asset category of both domestic and overseas mainly due to growth of market value

Assets under management (AUM)

(Yen trn)		Mar. 23	Mar. 24	Change
1	Assets under management	121.4	139.7	18.2
2	SuMi TRUST Bank (*1)	7.6	9.2	1.5
3	Private asset	5.4	6.8	1.3
4	SuMi TRUST AM	85.9	94.2	8.2
5	Nikko AM	27.8	36.3	8.4

(*1) Not include duplicate amount from re-entrustment to SuMi TRUST AM and Nikko AM



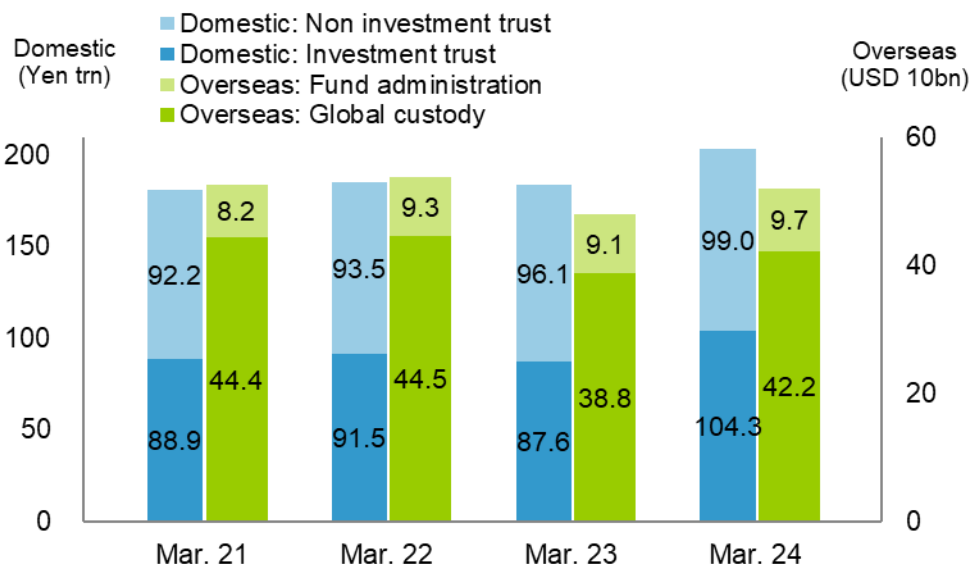
USD/JPY	110.65	122.38	133.54	151.42
TOPIX	1,954.00	1,946.40	2,003.50	2,768.62

Assets under custody/administration (AUC)

(Yen trn)		Mar. 23	Mar. 24	Change
[Domestic]				
6	Investment trust (*2)	87.6	104.3	16.6
7	Non investment trust (*2)	96.1	99.0	2.8
[Overseas] (USD 10bn)				
8	Global custody (*3)	38.8	42.2	3.4
9	Fund administration	9.1	9.7	0.6

(*2) Entrusted balance of SuMi TRUST Bank

(*3) Combined figures of SuMi TRUST Bank, SuMi TRUST Bank (U.S.A) and SuMi TRUST Bank (Lux.)



Loan/Investment: Credit portfolio (SuMi TRUST Bank)

- Individual: New mortgage loans continued to decline, due to policy of focusing on loan profitability. Outstanding of loans also decreased from Mar. 23
- Corporate credit: Continue to shift to product lending. Increase in balance was mainly due to product lending (foreign currency) and JPY depreciation

Individual clients

(Yen bn)		FY22		FY23	
					Change
1	Annual amount of new loans to individuals	907.5	769.8	(137.7)	
2	Mortgage loans	796.6	682.2	(114.4)	

(Yen bn)		Mar. 23		Mar. 24	
					Change
3	Outstanding of individual loans	11,094.4	11,040.6	(53.8)	
4	Mortgage loans	10,461.5	10,390.2	(71.2)	

Corporate clients

(Yen bn)		Mar. 23		Mar. 24	
					Change(*2)
5	Corporate lending (Yen)	11,859.6	12,222.2	362.5	
6	Corporate lending (Foreign Currency)	3,533.6	4,070.2	536.6	
7	Product related (Yen)	3,128.7	3,332.1	203.3	
8	Product related (Foreign Currency)	3,824.9	4,698.3	873.3	
9	Total balance of credit for corporates(*1)	22,347.0	24,322.9	1,975.8	
10	Product related	6,953.7	8,030.4	1,076.7	

(*1) Balance of equity investment(excluding strategic shareholdings) is ¥576.6bn on Mar. 24

(*2) Impact of foreign exchange: Corporate lending(Foreign Currency) approx. ¥470.0bn,
Product related (Foreign Currency) approx. ¥550.0bn

Credit portfolio balance

- Individuals
 - Product related (Foreign Currency)
 - Product related (Yen)
 - Corporate (Foreign Currency)
 - Corporate (Yen)
- (Yen trn)

