

# Top Message

First, we would like to extend our heartfelt thanks to all stakeholders for your invaluable support. This annual report was created to explain our fiscal year 2011 results and the situation of each business. We hope it proves useful to you.



(Right)  
**Hitoshi Tsunekage**  
Chairman

(Left)  
**Kunitaro Kitamura**  
President

Regarding the economic environment in fiscal year 2011, we faced a global economic slowdown, amid a deepening of Europe's sovereign debt crisis. In Japan, reconstruction demand following the Great East Japan Earthquake had a positive impact, but the pace of the country's economic recovery slowed as the yen's historic appreciation and other factors held down exports and curbed growth in corporate profits.

Amid this economic and financial environment, Sumitomo Mitsui Trust Group (the "Group") was established in April 2011 through the management integration of Chuo Mitsui Trust Holdings, Inc., and The Sumitomo Trust and Banking Co., Ltd. To consolidate our position as "The Trust Bank," a leading trust bank group which boasts the largest scale and highest status in Japan, and to achieve the early realization of synergy effects of the management integration, we proceeded with preparations to establish our new bank and to integrate our affiliated companies. We also worked to enhance our earnings power through cooperation among group companies.

In fiscal year 2011, on a consolidated basis, net business profit before credit costs increased by ¥51.5 billion year on year to ¥342.2 billion, and net income amounted to ¥164.6 billion.

The increase in net business profit before credit costs was attributable to such factors as steady growth in market-related earnings as well as the effects of consolidated accounting treatment following the management integration. If transient accounting factors such as the gain on negative goodwill and the lower corporate tax rate are excluded, net income remained virtually on par with the previous year's level, as the increase in net business profit before credit costs, etc., absorbed the negative factors, such as losses on devaluation of stocks and other securities.

We have decided to pay a year-end dividend of ¥4.5 per share.


Including the interim dividend paid last December, the total annual dividend for the fiscal year ended March 31, 2012 will be ¥8.5.

Finally, we must report a regrettable incident and apologize.

The Securities and Exchange Surveillance Commission has recently made a recommendation for the issuance of an order for the payment of an administrative monetary penalty against Sumitomo Mitsui Trust Bank, Limited, for the violation of the Financial Instruments and Exchange Act (insider trading) with respect to the sale of shares, etc., on several occasions in 2010 by the former Chuo Mitsui Asset Trust and Banking Company, Limited. The Group recognizes this to be a very serious incident, and has reflected deeply on this matter. We are strengthening the compliance systems of all group companies by taking measures to prevent a similar transgression, and all of us, including both executives and employees, will do our best to quickly recover the trust of shareholders, clients and the market.

We humbly request your continuing support.

July 2012

Chairman 

President 