

Financial Data:

Sumitomo Mitsui Trust Holdings, Inc. ("SMTH")

Consolidated Balance Sheets (Unaudited)	20
Consolidated Statements of Income (Unaudited)	21
Consolidated Statement of Comprehensive Income (Unaudited)	22
Consolidated Statements of Changes in Net Assets (Unaudited)	23
Consolidated Statements of Cash Flows (Unaudited)	25
Notes to Consolidated Financial Statements	27
Non-consolidated Balance Sheets (Unaudited)	64
Non-consolidated Statements of Income (Unaudited)	65
Non-consolidated Statements of Changes in Net Assets (Unaudited)	66
Statements of Trust Account (Unaudited)	68
Notes to Statements of Trust Account (Unaudited)	69

Financial Data:

Consolidated Balance Sheets (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
As of September 30, 2011 and March 31, 2011

	Millions of Yen		Millions of U.S. Dollars
	Sep. 30, 2011	Mar. 31, 2011	Sep. 30, 2011
Assets:			
Cash and Due from Banks	¥ 2,214,793	¥ 502,160	\$ 28,894
Call Loans and Bills Bought	289,856	6,936	3,781
Receivables under Resale Agreements	51,574	—	672
Receivables under Securities Borrowing Transactions	7,764	9,378	101
Monetary Claims Bought	483,836	99,921	6,312
Trading Assets (Note 7)	666,536	36,568	8,695
Money Held in Trust	24,256	2,065	316
Securities (Notes 1, 7 and 13)	7,569,596	3,710,513	98,755
Loans and Bills Discounted (Notes 2, 3, 4, 5, 6, 7 and 8)	20,593,126	8,864,266	268,664
Foreign Exchanges	6,656	12,259	86
Lease Receivables and Investment Assets (Note 7)	565,193	—	7,373
Other Assets (Note 7)	1,470,991	393,956	19,191
Tangible Fixed Assets (Notes 9 and 10)	240,020	123,584	3,131
Intangible Fixed Assets	208,025	56,994	2,713
Deferred Tax Assets	278,854	143,055	3,638
Customers' Liabilities for Acceptances and Guarantees	660,480	317,098	8,616
Allowance for Loan Losses	(150,660)	(47,690)	(1,965)
Total Assets	¥ 35,180,904	¥ 14,231,070	\$ 458,981
Liabilities:			
Deposits (Note 7)	¥ 22,191,060	¥ 9,292,002	\$ 289,511
Negotiable Certificates of Deposit	2,679,771	327,020	34,961
Call Money and Bills Sold	361,325	351,956	4,713
Payables under Repurchase Agreements (Note 7)	140,533	—	1,833
Payables under Securities Lending Transactions (Note 7)	648,420	1,161,653	8,459
Trading Liabilities	179,664	7,716	2,343
Borrowed Money (Notes 7 and 11)	1,598,469	678,983	20,854
Foreign Exchanges	70	—	0
Short-term Bonds Payable	331,660	—	4,326
Bonds Payable (Note 12)	949,527	267,247	12,387
Borrowed Money from Trust Account	2,016,429	801,657	26,306
Other Liabilities	1,090,524	156,055	14,227
Provision for Bonuses	11,409	3,133	148
Provision for Directors' Bonuses	102	—	1
Provision for Retirement Benefits	14,720	2,859	192
Provision for Directors' Retirement Benefits	184	253	2
Provision for Reimbursement of Deposits	6,316	—	82
Provision for Contingent Loss	17,705	15,335	230
Provision for Relocation Expenses	9,090	—	118
Deferred Tax Liabilities	3,544	3,967	46
Deferred Tax Liabilities for Land Revaluation (Note 9)	5,124	—	66
Acceptances and Guarantees	660,480	317,098	8,616
Total Liabilities	¥ 32,916,138	¥ 13,386,939	\$ 429,434
Net Assets:			
Total Shareholders' Equity:	¥ 1,800,158	¥ 667,328	\$ 23,485
Capital Stock	261,608	261,608	3,413
Capital Surplus	859,497	—	11,213
Retained Earnings	679,162	406,002	8,860
Treasury Stock	(111)	(282)	(1)
Total Accumulated Other Comprehensive Income:	(47,439)	(10,851)	(618)
Valuation Difference on Available-for-Sale Securities	(20,090)	4,408	(262)
Deferred Gains or Losses on Hedges	(7,240)	3,406	(94)
Revaluation Reserve for Land (Note 9)	(5,560)	(16,537)	(72)
Foreign Currency Translation Adjustment	(14,548)	(2,129)	(189)
Subscription Rights to Shares	1	—	0
Minority Interests	512,046	187,653	6,680
Total Net Assets	¥ 2,264,766	¥ 844,130	\$ 29,546
Total Liabilities and Net Assets	¥ 35,180,904	¥ 14,231,070	\$ 458,981
		Yen	U.S. Dollars
Net Assets per Common Share	¥ 395.25	¥ 395.94	\$ 5.15

See accompanying notes.

Financial Data:

Consolidated Statements of Income (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
For the six months ended September 30, 2011 and 2010

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2011	Six Months Ended Sep. 30, 2010	Six Months Ended Sep. 30, 2011
Income:			
Trust Fees	¥ 50,040	¥ 23,372	\$ 652
Interest Income:	186,602	81,042	2,434
Interest on Loans and Discounts	122,530	54,658	1,598
Interest and Dividends on Securities	57,438	23,616	749
Fees and Commissions	128,822	43,193	1,680
Trading Income	3,276	1,494	42
Other Ordinary Income	242,451	23,567	3,163
Other Income (Note 1)	58,449	14,071	762
Total Income	¥ 669,642	¥ 186,742	\$ 8,736
Expenses:			
Interest Expenses:	¥ 59,679	¥ 30,752	\$ 778
Interest on Deposits	37,193	21,038	485
Fees and Commissions Payments	31,370	10,549	409
Trading Expenses	208	40	2
Other Ordinary Expenses	159,039	4,852	2,074
General and Administrative Expenses	190,390	69,713	2,483
Other Expenses (Note 2)	34,529	15,999	450
Total Expenses	¥ 475,219	¥ 131,908	\$ 6,199
Income before Income Taxes and Minority Interests	¥ 194,423	¥ 54,833	\$ 2,536
Income Taxes:			
Current	20,389	3,621	266
Deferred	35,011	15,175	456
Income before Minority Interests	139,022	36,037	1,813
Minority Interests in Income	10,913	3,965	142
Net Income	¥ 128,109	¥ 32,071	\$ 1,671
		Yen	U.S. Dollars
Net Income per Common Share	¥ 30.29	¥ 19.34	\$ 0.39

See accompanying notes.

Financial Data:

Consolidated Statement of Comprehensive Income (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
For the six months ended September 30, 2011

	Millions of Yen	Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2011	Six Months Ended Sep. 30, 2011
Income before Minority Interests	¥ 139,022	\$ 1,813
Other Comprehensive Income:		
Valuation Difference on Available-for-Sale Securities	(26,303)	(343)
Deferred Gains or Losses on Hedges	(14,119)	(184)
Foreign Currency Translation Adjustment	(1,635)	(21)
Attributable to Equity-Method Affiliates	(3,016)	(39)
Total Other Comprehensive Income	(45,075)	(588)
Comprehensive Income:	93,946	1,225
Comprehensive Income Attributable to Owners of the Parent	83,388	1,087
Comprehensive Income Attributable to Minority Interests	10,557	137

Consolidated Statements of Changes in Net Assets (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
For the six months ended September 30, 2011 and 2010

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2011	Six Months Ended Sep. 30, 2010	Six Months Ended Sep. 30, 2011
Shareholders' Equity:			
Capital Stock:			
Balance at the Beginning of the Current Period	¥ 342,037	¥ 261,608	\$ 4,462
Changes during the Period:			
Increase from Share Exchange	(80,428)	—	(1,049)
Total Changes during the Period	¥ (80,428)	¥ —	\$ (1,049)
Balance at the End of the Current Period	¥ 261,608	¥ 261,608	\$ 3,413
Capital Surplus:			
Balance at the Beginning of the Current Period	¥ 297,051	¥ —	\$ 3,875
Changes during the Period:			
Cash Dividends	(6,632)	—	(86)
Increase from Share Exchange	569,542	—	7,430
Disposal of Treasury Stock	18	—	0
Retirement of Treasury Stock	(482)	—	(6)
Total Changes during the Period	¥ 562,446	¥ —	\$ 7,337
Balance at the End of the Current Period	¥ 859,497	¥ —	\$ 11,213
Retained Earnings:			
Balance at the Beginning of the Current Period	¥ 565,908	¥ 377,619	\$ 7,383
Changes during the Period:			
Cash Dividends	(15,701)	(13,264)	(204)
Net Income	128,109	32,071	1,671
Disposal of Treasury Stock	—	(1)	—
Reversal of Revaluation Reserve for Land	846	—	11
Total Changes during the Period	¥ 113,254	¥ 18,805	\$ 1,477
Balance at the End of the Current Period	¥ 679,162	¥ 396,425	\$ 8,860
Treasury Stock:			
Balance at the Beginning of the Current Period	¥ (482)	¥ (270)	\$ (6)
Changes during the Period:			
Purchase of Treasury Stock	(126)	(5)	(1)
Disposal of Treasury Stock	15	3	0
Retirement of Treasury Stock	482	—	6
Total Changes during the Period	¥ 371	¥ (2)	\$ 4
Balance at the End of the Current Period	¥ (111)	¥ (272)	\$ (1)
Total Shareholders' Equity:			
Balance at the Beginning of the Current Period	¥ 1,204,514	¥ 638,957	\$ 15,714
Changes during the Period:			
Cash Dividends	(22,333)	(13,264)	(291)
Net Income	128,109	32,071	1,671
Increase from Share Exchange	489,114	—	6,381
Purchase of Treasury Stock	(126)	(5)	(1)
Disposal of Treasury Stock	34	1	0
Reversal of Revaluation Reserve for Land	846	—	11
Total Changes during the Period	¥ 595,643	¥ 18,803	\$ 7,770
Balance at the End of the Current Period	¥ 1,800,158	¥ 657,761	\$ 23,485

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2011	Six Months Ended Sep. 30, 2010	Six Months Ended Sep. 30, 2011
Accumulated Other Comprehensive Income:			
Valuation Difference on Available-for-Sale Securities:			
Balance at the Beginning of the Current Period	¥ 6,064	¥ 35,002	\$ 79
Changes during the Period:			
Net Changes of Items other than Shareholders' Equity	(26,155)	(17,251)	(341)
Total Changes during the Period	¥ (26,155)	¥ (17,251)	\$ (341)
Balance at the End of the Current Period	¥ (20,090)	¥ 17,750	\$ (262)
Deferred Gains or Losses on Hedges:			
Balance at the Beginning of the Current Period	¥ 9,650	¥ 2,705	\$ 125
Changes during the Period:			
Net Changes of Items other than Shareholders' Equity	(16,890)	2,100	(220)
Total Changes during the Period	¥ (16,890)	¥ 2,100	\$ (220)
Balance at the End of the Current Period	¥ (7,240)	¥ 4,805	\$ (94)
Revaluation Reserve for Land:			
Balance at the Beginning of the Current Period	¥ (4,714)	¥ (15,532)	\$ (61)
Changes during the Period:			
Net Changes of Items other than Shareholders' Equity	(846)	—	(11)
Total Changes during the Period	¥ (846)	¥ —	\$ (11)
Balance at the End of the Current Period	¥ (5,560)	¥ (15,532)	\$ (72)
Foreign Currency Translation Adjustment:			
Balance at the Beginning of the Current Period	¥ (12,873)	¥ (1,738)	\$ (167)
Changes during the Period:			
Net Changes of Items other than Shareholders' Equity	(1,674)	(264)	(21)
Total Changes during the Period	¥ (1,674)	¥ (264)	\$ (21)
Balance at the End of the Current Period	¥ (14,548)	¥ (2,002)	\$ (189)
Total Accumulated Other Comprehensive Income:			
Balance at the Beginning of the Current Period	¥ (1,872)	¥ 20,436	\$ (24)
Changes during the Period:			
Net Changes of Items other than Shareholders' Equity	(45,566)	(15,415)	(594)
Total Changes during the Period	¥ (45,566)	¥ (15,415)	\$ (594)
Balance at the End of the Current Period	¥ (47,439)	¥ 5,021	\$ (618)
Subscription Rights to Shares:			
Balance at the Beginning of the Current Period	¥ —	¥ —	\$ —
Changes during the Period:			
Net Changes of Items other than Shareholders' Equity	1	—	0
Total Changes during the Period	¥ 1	¥ —	\$ 0
Balance at the End of the Current Period	¥ 1	¥ —	\$ 0
Minority Interests:			
Balance at the Beginning of the Current Period	¥ 304,454	¥ 187,161	\$ 3,972
Changes during the Period:			
Net Changes of Items other than Shareholders' Equity	207,592	172	2,708
Total Changes during the Period	¥ 207,592	¥ 172	\$ 2,708
Balance at the End of the Current Period	¥ 512,046	¥ 187,333	\$ 6,680
Total Net Assets:			
Balance at the Beginning of the Current Period	¥ 1,507,095	¥ 846,556	\$ 19,662
Changes during the Period:			
Cash Dividends	(22,333)	(13,264)	(291)
Net Income	128,109	32,071	1,671
Increase from Share Exchange	489,114	—	6,381
Purchase of Treasury Stock	(126)	(5)	(1)
Disposal of Treasury Stock	34	1	0
Reversal of Revaluation Reserve for Land	846	—	11
Net Changes of Items other than Shareholders' Equity	162,026	(15,243)	2,113
Total Changes during the Period	¥ 757,670	¥ 3,559	\$ 9,884
Balance at the End of the Current Period	¥ 2,264,766	¥ 850,115	\$ 29,546

See accompanying notes.

Financial Data:

Consolidated Statements of Cash Flows (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
For the six months ended September 30, 2011 and 2010

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2011	Six Months Ended Sep. 30, 2010	Six Months Ended Sep. 30, 2011
Net Cash Provided by (Used in) Operating Activities:			
Income before Income Taxes and Minority Interests	¥ 194,423	¥ 54,833	\$ 2,536
Depreciation and Amortization	18,287	5,638	238
Impairment Losses	4,131	—	53
Amortization of Goodwill	4,449	1,180	58
Gain on Negative Goodwill	(46,061)	—	(600)
Equity in Losses (Earnings) of Affiliates	(1,928)	(258)	(25)
Increase (Decrease) in Allowance for Loan Losses	(12,258)	(6,671)	(159)
Increase (Decrease) in Provision for Bonuses	(1,708)	(19)	(22)
Increase (Decrease) in Provision for Directors' Bonuses	(214)	—	(2)
Increase (Decrease) in Provision for Retirement Benefits	(1,868)	89	(24)
Increase (Decrease) in Provision for Directors' Retirement Benefits	(89)	(411)	(1)
Increase (Decrease) in Provision for Reimbursement of Deposits	(93)	—	(1)
Increase (Decrease) in Provision for Contingent Loss	(1,241)	1,208	(16)
Increase (Decrease) in Provision for Relocation Expenses	3,470	—	45
Gain on Fund Management	(186,602)	(81,042)	(2,434)
Financing Expenses	59,679	30,752	778
Loss (Gain) Related to Securities	(58,119)	(17,365)	(758)
Loss (Gain) on Money Held in Trust	(438)	(60)	(5)
Foreign Exchange Losses (Gains)	163,800	53,459	2,136
Loss (Gain) on Disposal of Fixed Assets	10	148	0
Net Decrease (Increase) in Trading Assets	(44,678)	3,848	(582)
Net Increase (Decrease) in Trading Liabilities	69,621	626	908
Net Decrease (Increase) in Loans and Bills Discounted	100,244	74,004	1,307
Net Increase (Decrease) in Deposit	535,313	172,540	6,983
Net Increase (Decrease) in Negotiable Certificates of Deposit	130,641	(56,020)	1,704
Net Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowings)	(259,777)	(771,372)	(3,389)
Net Decrease (Increase) in Due from Banks (excluding Due from the Bank of Japan)	(840,339)	7,620	(10,963)
Net Decrease (Increase) in Call Loans	(1)	6,172	(0)
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	1,613	(10,417)	21
Net Increase (Decrease) in Call Money	(490,513)	(31,668)	(6,399)
Net Increase (Decrease) in Payables under Securities Lending Transactions	(672,031)	(64,429)	(8,767)
Net Decrease (Increase) in Foreign Exchange-Assets	11,261	50	146
Net Increase (Decrease) in Foreign Exchange-Liabilities	40	(21)	0
Net Increase (Decrease) in Short-term Bonds Payable	(76,948)	—	(1,003)
Net Decrease (Increase) in Lease Receivables and Investment Assets	49,182	—	641
Increase (Decrease) in Straight Bonds-Issuance and Redemption	8,962	—	116
Net Increase (Decrease) in Borrowed Money from Trust Account	(258,224)	(122,356)	(3,368)
Proceeds from Fund Management	210,448	87,770	2,745
Payments for Finance	(78,058)	(29,175)	(1,018)
Other Net	71,034	13,536	926
Sub Total	¥ (1,394,577)	¥ (677,808)	\$ (18,194)
Income Taxes Paid	(27,943)	(4,957)	(364)
Net Cash Provided by (Used in) Operating Activities	¥ (1,422,520)	¥ (682,765)	\$ (18,558)

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2011	Six Months Ended Sep. 30, 2010	Six Months Ended Sep. 30, 2011
Net Cash Provided by (Used in) Investment Activities:			
Purchase of Securities	¥ (6,449,785)	¥ (5,357,472)	\$ (84,145)
Proceeds from Sales of Securities	6,246,731	5,828,572	81,496
Proceeds from Redemption of Securities	1,494,671	209,437	19,499
Decrease in Money Held in Trust	—	57	—
Purchase of Tangible Fixed Assets	(14,679)	(2,349)	(191)
Proceeds from Sales of Tangible Fixed Assets	332	160	4
Purchase of Intangible Fixed Assets	(14,440)	(3,593)	(188)
Proceeds from Sales of Intangible Fixed Assets	162	189	2
Purchase of Investments in Subsidiaries at Changes in Scope of Consolidation	4,339	—	56
Purchase of Investments in Subsidiaries	(1,530)	—	(19)
Net Cash Provided by (Used in) Investment Activities	¥ 1,265,801	¥ 675,001	\$ 16,514
Net Cash Provided by (Used in) Financing Activities:			
Increase in Subordinated Borrowings	¥ —	¥ 5,000	\$ —
Decrease in Subordinated Borrowings	—	(5,000)	—
Proceeds from Issuance of Subordinated Bonds and Bonds with Subscription Rights to Shares	42,779	—	558
Proceeds from Contributions by Minority Shareholders	723	—	9
Cash Dividends Paid	(22,332)	(13,264)	(291)
Cash Dividends Paid to Minority Shareholders	(9,526)	(3,744)	(124)
Purchase of Treasury Stock	(126)	(5)	(1)
Proceeds from Sales of Treasury Stock	34	1	0
Net Cash Provided by (Used in) Financing Activities	¥ 11,552	¥ (17,012)	\$ 150
Effect of Exchange Rate Change on Cash and Cash Equivalents	¥ (1,829)	¥ (259)	\$ (23)
Net Increase (Decrease) in Cash and Cash Equivalents	¥ (146,996)	¥ (25,036)	\$ (1,917)
Cash and Cash Equivalents at the Beginning of the Period (Note 2)	¥ 346,030	¥ 237,851	\$ 4,514
Increase (Decrease) in Cash and Cash Equivalents Resulting from Share Exchange (Note 3)	465,221	—	6,069
Increase (Decrease) in Cash and Cash Equivalents Resulting from Consolidation of Subsidiaries (Note 3)	314,342	—	4,101
Cash and Cash Equivalents at the End of the Period (Note 1)	¥ 978,597	¥ 212,815	\$ 12,767

See accompanying notes.

Notes to Consolidated Financial Statements

Basis of Presentation

The accompanying consolidated financial statements (banking account) have been prepared from the accounts maintained by Sumitomo Mitsui Trust Holdings, Inc. ("SMTH") and its consolidated subsidiaries (together, the "SMTH Group") in accordance with accounting principles generally accepted in Japan (Japanese GAAP), and certain accounting and disclosure rules under the Financial Instruments and Exchange Act of Japan and the Banking Act of Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to SMTH's consolidated financial statements issued domestically in order to present them in a form that is more familiar to readers outside Japan.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which SMTH is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥76.65 to U.S.\$1, the approximate rate of exchange as of September 30, 2011. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

Amounts less than one million Japanese yen and one million U.S. dollars have been truncated. As a result, the total may not be equal to the total of individual amounts.

Significant Accounting Policies and Practices

SMTH conducted a share exchange on April 1, 2011 under which SMTH became the parent company and The Sumitomo Trust and Banking Co., Ltd. ("STB") became the wholly owned subsidiary. Based on the Accounting Standard for Business Combinations, this share exchange is a reverse acquisition wherein SMTH is considered the acquired company and STB the acquiring company. Therefore, the consolidated assets and liabilities of SMTH were transferred to the consolidated balance sheets of

STB at fair value. As a result, there is no continuity between our consolidated-basis financial statements for the prior fiscal year and our interim consolidated-basis financial statements.

SMTH adopted Accounting Standards Board of Japan ("ASBJ") Statement No. 24 "Accounting Standard for Accounting Changes and Error Corrections" (issued by ASBJ on December 4, 2009) and Implementation Guidance No. 24 "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (issued by ASBJ on December 4, 2009) for accounting changes and corrections of past errors from the beginning of the current interim period, however, for purposes of comparison we present the notes to consolidated financial statements of the former Chuo Mitsui Trust Holdings, Inc. ("CMTH") for the prior interim period and the prior fiscal year.

1. Scope of Consolidation

(1) Consolidated Subsidiaries: 80 companies

Principle Companies

The Chuo Mitsui Trust and Banking Company, Limited
Chuo Mitsui Asset Trust and Banking Company, Limited
The Sumitomo Trust and Banking Co., Ltd.

Changes in the consolidated subsidiaries during the current interim period are as follows:

STB and its 51 consolidated subsidiaries were included in the scope of consolidation during the current interim period as a result of the share exchange between SMTH and STB. Because the share of voting rights held in Japan Trustee Services Bank, Ltd., an existing equity-method affiliate, also rose due to this share exchange, it was excluded from the scope of the equity method and included in the scope of consolidation during the current interim period.

DBS Asset Management Ltd. and three other companies were also included in the scope of consolidation during the current interim period due to the acquisition of shares. Since Chuo Mitsui Investments, Inc. and Chuo Mitsui Investments Singapore Pte. Ltd. were liquidated, they were excluded from the scope of consolidation during the current interim period.

(2) Unconsolidated Subsidiaries

Principle Companies

Chuo Mitsui Create Company, Limited

Unconsolidated subsidiaries are excluded from the scope of consolidation because they are immaterial to the extent that excluding such companies would not prevent a reasonable assessment of the corporate group's financial position or financial results even if excluded from the scope of consolidation, based on the size of their assets, ordinary income, net income (amount corresponding to SMTH's interest in the company), retained earnings (amount corresponding to SMTH's interest in the company), and deferred gains or losses on hedges (amount corresponding to SMTH's interest in the company).

Hummingbird Co., Ltd. and 41 other companies are excluded from the scope of consolidation in accordance with Paragraph 1, Item 2 of Article 5 of the Consolidated Financial Statements Regulations because they are operators engaged in leasing activities through silent partnership arrangements, and therefore their assets and income effectively do not belong to the subsidiary.

2. Application of the Equity Method

(1) Unconsolidated Subsidiaries Accounted for by the Equity Method:

None

(2) Affiliates Accounted for by the Equity Method:

14 companies

Principle Companies

Japan Stockholders Data Service Company, Limited

SBI Sumishin Net Bank, Ltd.

Businext Corporation

SBI Sumishin Net Bank, Ltd., an equity-method affiliate of STB, and nine other companies were included in the scope of the equity method during the current interim period as a result of the share exchange between SMTH and STB. Because the share of voting rights held in Japan Trustee Services Bank, Ltd., an existing equity-method affiliate, also rose due to this share exchange, it was excluded from the scope of the equity method during the current interim period.

Singapore Consortium Investment Management Limited and the other company were included in the scope of the equity method during the current interim period due to the acquisition of shares.

(3) Unconsolidated Subsidiaries and Affiliates that are Not Accounted for by the Equity Method

Principle Companies

Chuo Mitsui Create Company, Limited

Other unconsolidated subsidiaries and affiliates that are not accounted for by the equity method are excluded from the scope of the equity method because there would be no material effect on interim financial statements even if they were excluded from the scope of the equity method, based on the size of their net income (amount corresponding to SMTH's interest in the company), retained earnings (amount corresponding to SMTH's interest in the company), and deferred gains or losses on hedges (amount corresponding to SMTH's interest in the company).

Hummingbird Co., Ltd. and 41 other companies are excluded from the scope of the equity method in accordance with Paragraph 1, Item 2 of Article 7 of the Consolidated Financial Statements Regulations because they are operators engaged in leasing activities through silent partnership arrangements, and therefore their assets and income effectively do not belong to the subsidiary.

3. Consolidated Subsidiary (Interim) Closing Dates

(1) The interim closing dates for the consolidated subsidiaries are as follows:

October 31:	1 company
March 31:	1 company
May 31:	1 company
June 30:	15 companies
July 24:	6 companies
July 31:	4 companies
September 30:	52 companies

(2) A subsidiary with an interim closing date of October 31 is consolidated using interim financial statements provisionally prepared as of July 31, a subsidiary with an interim closing date of March 31 is consolidated using interim financial statements provisionally prepared as of September 30, a subsidiary with an interim closing date of May 31 is consolidated using interim financial statements provisionally prepared as of August 31, two of the subsidiaries with an interim closing date of June 30 are consolidated using interim financial statements provisionally prepared as of August 31 and September 30, respectively, subsidiaries with an interim closing date of July 24 are consolidated using interim financial statements provisionally prepared as of September 30, and other subsidiaries are consolidated using the interim financial statements as of their respective interim closing dates.

The necessary adjustments have been made for material transactions arising between the interim balance sheet date and the above interim closing dates.

4. Significant Accounting Policies

(1) Standards for the valuation of trading assets and liabilities, and standards for recording income and expenses

Trading account activities are conducted with the objective of generating profits by taking advantage of short-term fluctuations in interest rates, currency rates, financial markets or other indicators, or inter-market differences ("for trading purposes"). These positions are shown as trading assets or trading liabilities on the consolidated balance sheets on a trade date basis, and gains and losses from such transactions are shown as trading income or trading expenses on the consolidated statements of income.

Under trading assets and trading liabilities, trading account securities and monetary claims are stated at their fair values as of the balance sheet date and trading-related financial derivatives, such as swaps, futures and options, are stated at the amounts that would be settled if they were terminated on the interim balance sheet date.

Trading income and trading expenses include interests, changes in fair value of securities and monetary claims in the current interim period, and changes in values of financial derivatives which are estimated on the assumption that they are settled at the interim balance sheet date.

(2) Securities

(a) Under the accounting standard for financial instruments, SMTH is required to explicitly determine the purposes of holding each security and classify them into (i) securities held for trading purposes ("trading securities"), (ii) debt securities intended to be held to maturity ("held-to-maturity debt securities"), (iii) equity securities issued by subsidiaries and affiliates, or (iv) all other securities that are not classified in any of the above categories ("available-for-sale securities"). "Held-to-maturity debt securities" are carried at amortized cost using the moving average method. Equity securities issued by unconsolidated subsidiaries and affiliates not accounted for by the equity method are stated at moving average cost. Japanese stocks classified as "available-for-sale securities" with a fair value are valued at the average market price of the final month of the interim period. "Available-for-sale securities" with a fair value other than Japanese stocks are valued at the interim balance sheet date. "Available-for-sale securities" for which there is no reliable measure of fair value are carried at cost or amortized cost using the moving average method. Valuation differences on "available-for-sale securities" are recorded as a separate component of net assets and reported in the consolidated balance sheets.

(b) Securities in money held in trust are classified and accounted for in the same manner as securities described above.

(3) Financial Derivatives

Financial derivatives (excluding those for trading purposes) are stated at fair value.

(4) Depreciation and Amortization Methods

(a) Tangible Fixed Assets (except lease assets)

Tangible fixed assets of the consolidated subsidiary trust banks are depreciated using the declining-balance method (except for buildings acquired on or after April 1, 1998, which are depreciated using the straight-line method) and the estimated annual depreciation amount is allocated proportionally over each period.

Useful lives of major asset categories:

Buildings: 3 to 60 years

Other assets: 2 to 20 years

At SMTH and the other consolidated subsidiaries, tangible fixed assets are depreciated mainly using the declining-balance method over the estimated useful lives of the assets.

(b) Intangible Fixed Assets (except lease assets)

Intangible fixed assets are amortized using the straight-line method. Software for internal use is amortized over the useful life specified by SMTH or the consolidated subsidiaries, generally five years.

Goodwill is amortized over a reasonable number of years determined for each case but not to exceed 20 years. However, if immaterial, it is expensed in its entirety in the year in which it arises.

(c) Lease Assets

The lease assets within tangible fixed assets that are related to finance leases in which there is no transfer of ownership of the lease assets are depreciated using the straight-line method over the term of the lease and assuming a residual value of zero.

(5) Allowance for Loan Losses

The major domestic consolidated subsidiaries record allowance for loan losses in accordance with internally established standards for written-offs and allowance for loan losses.

For claims against borrowers that have initiated special liquidation proceedings or other bankruptcy proceedings ("legal bankruptcy") and against borrowers that are in substantially similar adverse condition ("virtual bankruptcy"), the allowance is provided based on the amount of claims, deducting the amount expected to be collected through the disposal of collateral or execution of guarantees from carrying amount after a direct deduction described below. For claims against borrowers that have not yet initiated bankruptcy proceedings but are very likely to do so ("pos-

sible bankruptcy"), the allowance is provided for the amount deemed necessary based on the overall assessment of the borrowers' repayment ability, deducting the amount expected to be collected through the disposal of collateral or execution of guarantees.

For claims against large borrowers that are classified as possible bankruptcy borrowers, restructured loan borrowers, or close observation borrowers, for which future cash flows from principal collection and interest receipt can be reasonably estimated, the allowance is provided for the difference between the present value of expected future cash flows discounted at the contracted interest rate prior to the loan restructuring and the carrying amount of the claim ("estimated cash flow method").

For claims that are classified as other than those above, a general allowance is provided based on the historical loan-loss-ratio.

All claims are assessed by the branches and the Credit Supervision departments based on the criteria for self-assessment of asset quality. The Internal Audit Department or the Risk Management Department, which are independent from the operating sections, monitor the results of such assessments and the allowance is provided based on the results of such assessments.

As for the other consolidated subsidiaries, the allowance for loan losses for general claims is provided based on the historical loan-loss-ratio, and the allowance for loan losses for specific claims is provided based on estimates of unrecoverable amounts for each claim.

In addition to the foregoing, an allowance has been provided in the amount deemed necessary after reasonably estimating the effects of the Great East Japan Earthquake.

For claims against borrowers who are legally bankrupt or virtually bankrupt with collateral or guarantees, the expected uncollectible amounts, net of amounts expected to be collected through the disposal of collateral or through the execution of guarantees, are directly deducted out of the original amount of claims. The deducted amount was ¥79,074 million (U.S.\$1,031 million).

(6) Provision for Bonuses

The provision for bonuses is provided for the estimated employee bonuses attributable to the current interim period.

(7) Provision for Directors' Bonuses

The provision for directors' bonuses is provided at some of the consolidated subsidiaries for the estimated directors' bonuses attributable to the current interim period.

(8) Provision for Retirement Benefits

The provision for retirement benefits is provided for the amount deemed as arising in the current interim period, based on the projected benefit obligation and the fair value of the plan assets as of the end of the fiscal year. Prepaid pension expenses of ¥142,392 million (U.S.\$1,857 million) are included within Other Assets.

Prior service cost and actuarial gains or losses are expensed using the following methods.

Prior service cost: Prior service cost is recognized using the straight-line method over the average expected remaining service years (generally 10 years).

Actuarial gains or losses: Actuarial differences are expensed using the straight-line method over a set number of years (generally 10 years), not to exceed the average remaining years of employee service in the business year in which the liabilities arise, beginning in the year after they rise.

(9) Provision for Directors' Retirement Benefits

At some consolidated subsidiaries, the provision for directors' retirement benefits is provided for the expected amount of directors' retirement benefits deemed as arising in the current interim period.

(10) Provision for Reimbursement of Deposits

At the consolidated subsidiary trust banks, the provision for reimbursement of deposits is provided for the deposits that were derecognized as liabilities under certain conditions against the estimated future reimbursement requested by customers calculated based on the past reimbursement record.

(11) Provision for Contingent Losses

The provision for contingent losses is provided for contingent losses associated with trust transactions in the amount deemed necessary based on estimated possible future losses.

(12) Provision for Relocation Expenses

The provision for relocation expenses is provided for losses associated with consolidating and jointly developing office buildings in the Tokyo metropolitan area in the reasonably estimated amount.

(13) Foreign Currency Translation

The consolidated subsidiary trust banks' assets and liabilities that are denominated in foreign currencies, and overseas branch accounts are generally translated into yen at the exchange rate prevailing at the interim balance sheet date, except for shares of affiliates translated into yen at the exchange rate prevailing at the acquisition date. Other consolidated subsidiaries' assets and liabilities that are denominated in foreign currencies are translated into yen at the exchange rate prevailing at their respective interim balance sheet dates.

(14) Accounting for Leases**(As lessee)**

As for the domestic consolidated subsidiaries, transactions of finance leases without transfer of ownerships which started before April 1, 2008 have been accounted for according to the same accounting treatment used in the operating leases.

(As lessor)

As for the domestic consolidated subsidiaries, the income and expenses for transactions of finance leases without transfer of ownerships were accounted for the sales and costs of goods sold when lease payments were collected.

(15) Hedge Accounting**(a) Interest Related Transactions**

The consolidated subsidiary trust banks manage the interest rate risk arising from various assets and liabilities by using financial derivative transactions and such transactions are generally treated as deferred hedges as specified in "Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry" (Japanese Institute of Certified Public Accountants ("JICPA") Industry Auditing Committee Report No. 24, "Report No. 24"). To evaluate the effectiveness of hedges designed to offset market fluctuations, the

deposits, loans and bills discounted and other hedged items and the interest rate swaps and other hedging transactions are grouped by their durations to maturity.

The effectiveness of hedges designed to fix cash flow is evaluated by verifying the correlation between the interest volatility factors for the hedged items and the hedging transactions.

In accordance with "Temporary Treatment for Accounting and Auditing concerning Application of Accounting Standard for Financial Instruments in Banking Industry" (JICPA Industry Auditing Committee Report No.15), SMTH had adopted "Macro Hedge Accounting" to account for certain interest related derivatives, which were utilized to manage interest rate exposure of certain changes of transactions such as loans and deposits. Deferred hedge gain (losses) resulted from "Macro Hedge Accounting" are amortized over the remaining period for each hedging transaction. Deferred hedge losses associated with macro hedges during the current interim period totaled ¥949 million (U.S.\$12 million) (before tax effect) and deferred hedge gains totaled ¥71 million (U.S.\$1 million) (before tax effect).

(b) Currency Related Transactions

The consolidated subsidiary trust banks manage foreign exchange risk arising from various assets and liabilities denominated in foreign currencies by using financial derivative transactions and such transactions are generally treated as deferred hedges as specified accordance with "Treatment for Accounting and Auditing of Application of Accounting Standard for Foreign Currency Transactions in Banking Industry" (JICPA Industry Auditing Committee Report No. 25, "Report No. 25").

The effectiveness of cross currency swaps and foreign exchange swaps as a means of hedging to mitigate the foreign exchange risk arising from monetary claims and debts denominated in foreign currencies is evaluated by verifying that the foreign-currency positions under hedging transactions are in amounts equivalent to the corresponding monetary claims and debts denominated in foreign currencies.

Additionally, transactions intended to hedge the currency risk associated with foreign-denominated available-for-

sale securities (other than bonds) are treated as portfolio hedges and fair-value hedge accounting is used, on the condition that specific foreign-denominated securities are designated in advance as hedged items and that there are forward obligations in excess of the foreign-currency basis acquisition cost of such foreign-denominated securities.

(c) Internal Hedge Transactions and Others

Among derivatives, those interest rate swaps and cross currency swaps designated as being for hedging purposes that take place between consolidated subsidiaries or other internal transactions that take place between a designated trading account and some other account are carried out in accordance with the standards for external covered transactions that are deemed to eliminate discretion and make it possible to strictly administer hedges, pursuant to the Report No. 24 and No. 25; and therefore the gains or expenses arising from such interest rate swaps and cross currency swaps are recognized in income or deferred rather than eliminated.

Certain assets and liabilities are treated as deferred hedges or fair value hedges, by the individual transaction.

Other consolidated subsidiaries treat transactions as deferred hedges, fair value hedges, or accrual-basis hedge accounting on interest rate swaps, by the individual transaction.

(16) Scope of Cash and Cash Equivalents in the Consolidated Statements of Cash Flows

The scope of "cash" in the consolidated statements of cash flows is the "Cash and Due from Banks" presented in the consolidated balance sheets (cash and due from the Bank of Japan in the case of the consolidated subsidiaries engaged in trust activities).

(17) National and Local Consumption Taxes

National and local consumption taxes payable by SMTH and its domestic consolidated subsidiaries are accounted for using the tax-excluded method. However, any non-deductible consumption taxes associated with asset purchases are recorded as an expense during the current interim period.

Additional Information

SMTH conducted the share exchange on April 1, 2011 under which SMTH became the parent company and STB became the wholly owned subsidiary. Based on the Accounting Standard for Business Combinations, this share exchange is a reverse acquisition wherein SMTH is considered the acquired company and STB the acquiring company. Therefore, the consolidated assets and liabilities of SMTH were transferred to the consolidated balance sheets of STB at fair value. As a result, there is no continuity between our consolidated-basis financial statements for the prior fiscal year and our interim consolidated-basis financial statements.

SMTH adopted ASBJ Statement No. 24 "Accounting Standard for Accounting Changes and Error Corrections" (issued by ASBJ on December 4, 2009) and Implementation Guidance No. 24 "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (issued by ASBJ on December 4, 2009) for accounting changes and corrections of past errors from the beginning of the current interim period, however, for purposes of comparison we present the notes to consolidated financial statements of CMTH for the prior interim period and the prior fiscal year.

Notes to the Consolidated Balance Sheets

1. Securities

"Securities" includes unconsolidated subsidiary and affiliate stockholdings valued at ¥32,815 million (U.S.\$428 million) and equity investments valued at ¥124,091 million (U.S.\$1,618 million).

As of the interim balance sheet date, securities held in hand, which SMTH purchased under resale agreement and borrowed with cash collateral, were ¥6,432 million (U.S.\$83 million). SMTH has the right, through sale or (re-) collateralization, to dispose of these securities, but still holds the entire amount as of the interim balance sheet date.

2. Loans and Bills Discounted

Loans and bills discounted includes ¥20,098 million (U.S.\$262 million) in loans in bankruptcy proceedings and ¥126,027 million (U.S.\$1,644 million) in other delinquent loans. Loans in bankruptcy proceedings are non-accrual loans outstanding (not including the portion written off) to borrowers who are legally bankrupt as defined in the Paragraph 1, Item 3 and 4 of Article 96 of "Enforcement Ordinance for the Corporation Tax Act" (Cabinet Order No. 97 of 1965).

Other delinquent loans are non-accrual loans other than (i) loans in bankruptcy proceedings and (ii) loans for which interest payments have been rescheduled in connection with a borrower's business restructuring or to otherwise provide support.

3. Loans More than Three Months Past Due

Loans and bills discounted includes ¥263 million (U.S.\$3 million) in loans more than three months past due. Loans more than three months past due are those loans for which principal or interest payments are more than three months past due (calculated from the day following the contractual payment date), excluding loans classified as loans in bankruptcy proceedings or other delinquent loans.

4. Restructured Loans

Loans and bills discounted includes ¥87,293 million (U.S.\$1,138 million) in restructured loans. Restructured loans are those loans whose terms have been modified by reducing or waiving interest, granting interest payment extensions, granting principal repayment extensions, forgiving debt, or otherwise making some arrangement favorable to the borrower in connection with a borrower's business restructuring or to otherwise provide support, excluding those loans classified as loans in bankruptcy proceedings, other delinquent loans, or loans more than three months past due.

5. Total of Bankruptcy, Delinquent, Loans More than Three Months Past Due and Restructured Loans

The total of loans in bankruptcy proceedings, other delinquent loans, loans more than three months past due and restructured loans is ¥233,683 million (U.S.\$3,048 million). The amounts presented in Notes 3. through 6. are before allowances for loan losses.

6. Bills Discounted

Bills discounted are treated as financial transactions in accordance with the Report No. 24. SMTH has the right to freely dispose of such commercial bills through sale or (re-) collateralization, and the total face value of such bills is ¥5,498 million (U.S.\$71 million).

7. Details of Assets Pledged as Collateral

Assets pledged as collateral

Trading Assets		
	¥	127,973 million (U.S.\$ 1,669 million)
Securities	¥	2,000,915 million (U.S.\$ 26,104 million)
Loans and Bills Discounted		
	¥	1,056,843 million (U.S.\$ 13,787 million)
Lease Receivables and Investment Assets		
	¥	18,998 million (U.S.\$ 247 million)
Other Assets	¥	634 million (U.S.\$ 8 million)
Debts against pledged assets		
Deposits	¥	41,675 million (U.S.\$ 543 million)
Payables under Repurchase Agreements		
	¥	140,533 million (U.S.\$ 1,833 million)
Payables under Securities Lending Transactions		
	¥	648,420 million (U.S.\$ 8,459 million)
Borrowed Money		
	¥	797,500 million (U.S.\$ 10,404 million)

In addition to the foregoing, ¥1,789,555 million (U.S.\$23,347 million) in securities and ¥172 million (U.S.\$2 million) in other assets have been pledged as collateral for settlement of cash and derivative transactions and others or substitution of margin of future market and others.

"Other Assets" includes ¥3,175 million (U.S.\$41 million) in initial margins of futures markets, ¥26,663 million (U.S.\$347 million) in security deposits, and ¥100,794 million (U.S.\$1,315 million) in cash collateral for derivatives transactions.

8. Overdraft Facilities and Commitment Lines of Credit

Overdraft facilities and committed lines of credit are agreements to extend a certain amount of credit at the customer's request as long as the terms of the agreement have not been violated. The amount of unused credit under such agreements is ¥10,733,773 million (U.S.\$140,036 million), of which ¥9,002,465 million (U.S.\$117,448 million) is attributable to agreements expiring within one year or which may be unconditionally canceled at any time.

Because most of these agreements expire without credit being extended, the balance of unused credit will not necessarily affect the future cash flows of the consolidated subsidiaries. In addition, most of these agreements contain clauses allowing the consolidated subsidiaries to reject requests for credit outright or reduce credit limits due to changed financial circumstances, the need to preserve claims, or other reasonable causes. Besides requesting collateral in the form of real estate or securities as necessary at the time of the agreement, SMTH has also adopted other measures to keep credit sound, such as periodically assessing the condition of our customers' businesses using pre-determined internal procedures, and revising agreements as needed.

9. Revaluation Reserve for Land

In accordance with the Act on Revaluation of Land (Act No. 34, promulgated on March 31, 1998), land for commercial use taken over from STB was revalued, and an amount equivalent to the taxes on the resulting valuation difference was recorded as deferred tax liabilities for land revaluation in liabilities, and the amount remaining after deducting this was recorded as revaluation reserve for land in net assets.

Revaluation Date: March 31, 1999

The revaluation was calculated, after making reasonable adjustments, based on the posted prices for benchmark properties as prescribed by Item 1 of Article 2 of the Order for Enforcement of the Act on Revaluation of Land (Cabinet Order No. 119, promulgated on March 31, 1998) and the frontage price under Item 4 of Article 2 of the same Order.

10. Accumulated Depreciation of Tangible Fixed Assets

Accumulated depreciation of tangible fixed assets is ¥114,307 million (U.S.\$1,491 million).

11. Borrowed Money

Borrowed money includes ¥220,723 million (U.S.\$2,879 million) in subordinated borrowings.

12. Bonds Payable

Bonds payable includes ¥885,426 million (U.S.\$11,551 million) in subordinated bonds.

13. Guarantee Liabilities for Privately-offered Corporate Bonds

The bonds within "Securities" include ¥244,932 million (U.S.\$3,195 million) in guarantees for bonds that were placed through private securities offerings (Paragraph 3 of Article 2 of the Financial Instruments and Exchange Act).

14. Principal of Guaranteed Trust Account

The principal amount of the trusts held by the consolidated subsidiary trust banks through guaranteed trust agreements includes ¥1,290,790 million (U.S.\$16,840 million) in money trusts and ¥179,079 million (U.S.\$2,336 million) in loan trusts.

Notes to the Consolidated Statements of Income

1. Other Income

1) "Other Income" includes ¥1,928 million (U.S.\$25 million) in equity-method investment income, ¥1,444 million (U.S.\$18 million) in gains on sales of stocks and other securities, and ¥46,061 million (U.S.\$600 million) in gain on negative goodwill.

2) "Gain on Negative Goodwill" includes ¥43,431 million (U.S.\$566 million) arising from the business combination carried out as a result of the share exchange between SMTH and STB, as well as the difference between the acquisition cost of acquiring shares in certain consolidated subsidiaries from minority shareholders and the decline in the amount of the corresponding minority interests.

2. Other Expenses

"Other Expenses" includes ¥10,393 million (U.S.\$135 million) in losses on devaluation of stocks and other securities, ¥3,470 million (U.S.\$45 million) in provision for relocation expenses, ¥2,792 million (U.S.\$36 million) in management integration expenses, ¥4,131 million (U.S.\$53 million) in impairment loss, and ¥289 million (U.S.\$3 million) in loss on disposal of fixed assets.

Notes to the Consolidated Statements of Changes in Net Assets

1. Issued Shares and Treasury Stock

Issued shares and treasury stock for six months ended September 30, 2011 consisted of the following:

	Thousands of Shares				
	Authorized	Number of Shares Outstanding at the Beginning of the Current Period	Increase	Decrease	Number of Shares Outstanding at the End of the Current Period
September 30, 2011					
Number of Issued Shares:					
Common Share	8,500,000	1,658,426	2,495,060	—	4,153,486
The First Series of Class 7 Preferred Shares	200,000	—	109,000	—	109,000
Total	8,700,000	1,658,426	2,604,060	—	4,262,486
Treasury Stock:					
Common Share		411	444	123	733

1) The number of issued common shares increased by 2,495,060 thousand shares as a result of the new shares issued in conjunction with the share exchange for STB common shares that was executed on April 1, 2011.

2) The number of First Series of Class 7 Preferred Shares increased by 109,000 thousand shares as a result of the new shares issued in conjunction with the share exchange for STB First Series of Class 2 Preferred Shares that was executed on April 1, 2011.

3) The number of common shares held as treasury stocks increased by 440 thousand shares due to purchases of odd-lot shares and by 4 thousand shares due to purchases of fractional shares in conjunction with the share exchange with STB that was executed on April 1, 2011.

4) The number of common shares held as treasury stock decreased by 123 thousand shares due to purchase requests from odd-lot shareholders.

2. Subscription Rights to Shares

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2011	Sep. 30, 2011
SMTH		
Subscription Rights to Shares as Stock Option	¥ 1	\$ 0

3. Dividends

(1) Dividends paid for six months ended September 30, 2011 consisted of the following:

The following dividend amounts were paid to shareholders

appearing in the last record of the Register of Shareholders of the former Chuo Mitsui Trust Holdings, Inc. as of March 31, 2011.

Resolution	Type of Shares	Cash Dividends Declared	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen (Millions of U.S. Dollars)	Yen (U.S. Dollars)		
June 29, 2011					
Ordinary General Meeting of Shareholders	Common Share	¥6,632 (\$ 86)	¥ 4.00 (\$ 0.05)	March 31, 2011	June 30, 2011

SMTH conducted the share exchange on April 1, 2011 under which SMTH became the parent company and STB became the wholly owned subsidiary. The following dividend amounts were approved at the Ordinary General

Meeting of Shareholders of STB and distributed by STB to shareholders appearing in the last record of the Register of Shareholders as of March 31, 2011.

Resolution	Type of Shares	Cash Dividends Declared	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen (Millions of U.S. Dollars)	Yen (U.S. Dollars)		
June 28, 2011					
Ordinary General Meeting of Shareholders	Common Share	¥ 13,396 (\$ 174)	¥ 8.00 (\$ 0.10)	March 31, 2011	June 30, 2011
	The First Series of Class 2 Preferred Shares	¥ 2,305 (\$ 30)	¥ 21.15 (\$ 0.27)	March 31, 2011	June 30, 2011

(2) For six months ended September 30, 2011, dividends, whose record date is during the current interim period and whose effective date of distribution is after the end of the current interim period, are as follows:

The following dividend amounts were paid to shareholders appearing in the last record of SMTH's Register of Shareholders as of September 30, 2011.

Resolution	Type of Shares	Cash Dividends Declared	Resources Allotted for the Distribution	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen (Millions of U.S. Dollars)		Yen (U.S. Dollars)		
November 14, 2011						
Board of Directors' Meeting	Common Share	¥ 16,611 (\$ 216)	Retained Earnings	¥ 4.00 (\$ 0.05)	September 30, 2011	December 2, 2011
	The First Series of Class 7 Preferred Shares	¥ 2,305 (\$ 30)	Retained Earnings	¥ 21.15 (\$ 0.27)	September 30, 2011	December 2, 2011

Notes to the Consolidated Statements of Cash Flows

1. Reconciliation of Cash and Cash Equivalents

The following table shows the reconciliation between cash and cash equivalents in the statements of cash flows, and cash and due from banks in the balance sheets as of September 30, 2011.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2011	Sep. 30, 2011
Cash and Due from Banks	¥ 2,214,793	\$ 28,894
Due from Banks (excluding Due from the Bank of Japan)	(1,236,196)	(16,127)
Cash and Cash Equivalents	¥ 978,597	\$ 12,767

2. Information about the Business Combination (Reverse Acquisition)

SMTH conducted the share exchange on April 1, 2011 under which SMTH became the parent company and STB became the wholly owned subsidiary. Based on the Accounting Standard for Business Combinations, this share exchange is a reverse acquisition wherein SMTH is considered the acquired company and STB the acquiring company. Therefore, the consolidated assets and liabilities of SMTH were transferred to the consolidated balance sheets of STB at fair value. The amount presented as "Cash and Cash Equivalents at the Beginning of the Period" represents STB's initial balance. As a result, there is no continuity between SMTH's ending balance for cash and cash equivalents from the prior fiscal year and the "Cash and Cash Equivalents at the Beginning of the Period" for the current interim period.

3. Material Nonmonetary Transactions

(1) As a result of the share exchange between SMTH as the acquired company and STB as the acquiring company, assets and liabilities of SMTH are acquired and assumed at the fair value. The acquired assets and assumed liabilities are as follows:

Amount of Assets	
Total Assets	¥ 14,158,131 million (U.S.\$ 184,711 million)
Loans and Bills Discounted	¥ 8,855,145 million (U.S.\$ 115,527 million)
Amount of Liabilities	
Total Liabilities	¥ 13,437,699 million (U.S.\$ 175,312 million)
Deposits	¥ 9,326,751 million (U.S.\$ 121,679 million)

SMTH's cash and cash equivalents ending balance of ¥465,221 million (U.S.\$6,069 million) is presented as the "Increase in Cash and Cash Equivalents Resulting from the Share Exchange."

(2) Because the share of voting rights held in Japan Trustee Services Bank, Ltd., an existing equity-method affiliate, increased due to this share exchange, it was excluded from the scope of the equity method and included in the scope of consolidation during the current interim period. The increases in assets and liabilities due to Japan Trustee Services Bank, Ltd. in the scope of consolidation are as follows:

Amount of Assets	
Total Assets	¥ 1,177,842 million (U.S.\$ 15,366 million)
Amount of Liabilities	
Total Liabilities	¥ 1,120,127 million (U.S.\$ 14,613 million)

The increase in the amount of cash and cash equivalents due to Japan Trustee Services Bank, Ltd.'s addition to the scope of consolidation is presented as "Increase in Cash and Cash Equivalents Resulting from Consolidation of Subsidiaries."

Leases**1. Finance Leases**

As lessee:

(1) Finance leases with no transfer of ownership

1) Description of lease assets

As of September 30, 2011, these assets consisted mainly of office equipment.

2) Method for amortizing lease assets

It is stated in "(4) Depreciation and Amortization Methods" of "4. Significant Accounting Policies" in the Significant Accounting Policies and Practices.

(2) Finance leases with no transfer of ownership that are treated as operating leases for accounting purposes

1) Acquisition costs, accumulated depreciation, accumulated impairment losses, and net leased property

Tangible fixed assets

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2011	Sep. 30, 2011
Acquisition Costs	¥ 8	\$ 0
Accumulated Depreciation	7	0
Accumulated Impairment Losses	—	—
Net Leased Property	0	0

Intangible fixed assets

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2011	Sep. 30, 2011
Acquisition Costs	¥ —	\$ —
Accumulated Depreciation	—	—
Accumulated Impairment Losses	—	—
Net Leased Property	—	—

Total

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2011	Sep. 30, 2011
Acquisition Costs	¥ 8	\$ 0
Accumulated Depreciation	7	0
Accumulated Impairment Losses	—	—
Net Leased Property	0	0

2) Obligations under finance leases

Obligations under finance leases as of September 30, 2011 were as follows:

	Millions of Yen		Millions of U.S. Dollars	
	Sep. 30, 2011		Sep. 30, 2011	
Due in One Year or Less	¥	0	\$	0
Due More than One Year		0		0
Total	¥	1	\$	0

3) Provision for lessee's impairment losses on unrecognized finance lease assets

There were no provisions for lessee's impairment losses on unrecognized finance lease assets as of September 30, 2011.

4) Total lease payments, reversal of provision for lessee's impairment losses on unrecognized finance lease assets, depreciation expenses, interest expenses, and impairment losses

Total lease payments, reversal of provision for lessee's impairment losses on unrecognized finance lease assets, depreciation expenses, interest expenses, and impairment losses for six months ended September 30, 2011 were as follows:

	Millions of Yen		Millions of U.S. Dollars	
	Sep. 30, 2011		Sep. 30, 2011	
Total Lease Payments	¥	0	\$	0
Reversal of Provision for Lessee's Impairment Losses on Unrecognized Finance Lease Assets		—		—
Depreciation Expenses		0		0
Interest Expenses		0		0
Impairment Losses		—		—

5) Depreciation expense and interest expense, which were not reflected in the accompanying consolidated statements of operations, were computed by the straight-line method and the interest method, respectively.

2. Operating Leases

As lessee:

Total future lease payments under non-cancelable operating leases as of September 30, 2011 were as follows:

	Millions of Yen		Millions of U.S. Dollars	
	Sep. 30, 2011		Sep. 30, 2011	
Due in One Year or Less	¥	3,974	\$	51
Due More than One Year		3,142		40
Total	¥	7,116	\$	92

As lessor:

Total future lease payments receivable under non-cancelable operating leases as of September 30, 2011 were as follows:

	Millions of Yen		Millions of U.S. Dollars	
	Sep. 30, 2011		Sep. 30, 2011	
Due in One Year or Less	¥	40,779	\$	532
Due More than One Year		69,714		909
Total	¥	110,493	\$	1,441

Financial Instruments

Fair Values of Financial Instruments

The carrying amounts on the consolidated balance sheets and fair values of financial instruments as of September 30, 2011 as well as the differences between these values are presented below. Because it is extremely difficult to determine the fair value of unlisted shares, they are excluded from the following table (see Note 2).

	Millions of Yen			Millions of U.S.Dollars		
	Sep. 30, 2011			Sep. 30, 2011		
	Carrying Amount	Fair Value	Difference	Carrying Amount	Fair Value	Difference
(1) Cash and Due from Banks (*1)	¥ 2,214,724	¥ 2,214,724	¥ —	\$ 28,893	\$ 28,893	\$ —
(2) Call Loans and Bills Bought	289,856	289,856	—	3,781	3,781	—
(3) Receivables under Resale Agreements	51,574	51,574	—	672	672	—
(4) Receivables under Securities Borrowing Transactions	7,764	7,764	—	101	101	—
(5) Monetary Claims Bought (*1)	454,825	455,514	689	5,933	5,942	8
(6) Trading Assets Trading Securities	340,173	340,173	—	4,438	4,438	—
(7) Money Held in Trust	12,256	12,256	—	159	159	—
(8) Securities Held-to-Maturity Debt Securities	597,660	633,588	35,927	7,797	8,265	468
Available-for-Sale Securities	6,630,362	6,630,362	—	86,501	86,501	—
(9) Loans and Bills Discounted	20,593,126			268,664		
Allowance for Loan Losses (*2)	(113,908)			(1,486)		
	20,479,217	20,621,795	142,578	267,178	269,038	1,860
(10) Foreign Exchanges	6,656	6,656	—	86	86	—
(11) Lease Receivables and Investment Assets (*1)	556,143	566,040	9,896	7,255	7,384	129
Total Assets	¥ 31,641,216	¥ 31,830,307	¥ 189,091	\$ 412,801	\$ 415,268	\$ 2,466
(1) Deposits	¥ 22,191,060	¥ 22,216,564	¥ 25,503	\$ 289,511	\$ 289,844	\$ 332
(2) Negotiable Certificates of Deposit	2,679,771	2,679,771	—	34,961	34,961	—
(3) Call Money and Bills Sold	361,325	361,325	—	4,713	4,713	—
(4) Payables under Repurchase Agreements	140,533	140,533	—	1,833	1,833	—
(5) Payables under Securities Lending Transactions	648,420	648,420	—	8,459	8,459	—
(6) Borrowed Money	1,598,469	1,609,067	10,597	20,854	20,992	138
(7) Foreign Exchanges	70	70	—	0	0	—
(8) Short-term Bonds Payable	331,660	331,660	—	4,326	4,326	—
(9) Bonds Payable	949,527	964,988	15,460	12,387	12,589	201
(10) Borrowed Money from Trust Account	2,016,429	2,016,429	—	26,306	26,306	—
Total Liabilities	¥ 30,917,269	¥ 30,968,832	¥ 51,562	\$ 403,356	\$ 404,029	\$ 672
Derivatives (*3)						
Derivative Transactions Not Qualifying for Hedge Accounting	¥ 133,578	¥ 133,578	¥ —	\$ 1,742	\$ 1,742	\$ —
Derivative Transactions Qualifying for Hedge Accounting	135,606	135,606	—	1,769	1,769	—
Total Derivatives	¥ 269,184	¥ 269,184	¥ —	\$ 3,511	\$ 3,511	\$ —

(*1) Because they are immaterial, the allowance for credit losses corresponding to cash and due from banks, monetary claims bought, and lease receivables and investment assets are directly deducted from the carrying amounts on the consolidated balance sheets.

(*2) A general allowance for loan losses and specific allowances for loan losses are deducted from loans and bills discounted.

(*3) Derivative transactions included in trading assets and trading liabilities or in other assets and other liabilities are presented collectively. Receivables and payables arising from derivative transactions are presented on a net basis.

(Note 1) Method for calculating fair values of financial instruments

Assets

(1) Cash and Due from Banks, (2) Call Loans and Bills Bought, (3) Receivables under Resale Agreements, (4) Receivables under Securities Borrowing Transactions, and (10) Foreign Exchanges

Because carrying amount closely approximates fair value for those transactions with no stated maturities, fair values for these instruments are stated at carrying amount. Because most transactions with stated maturities have short contractual terms (one year or less), carrying amount closely approximates fair value, and therefore fair values for these instruments are stated at carrying amount.

(5) Monetary Claims Bought

Fair values for those monetary claims bought for which there are dealer association prices or dealer/broker-quoted prices are stated at such prices. Fair values for all other such claims are principally stated at present value, which is calculated by classifying them according to their internal ratings and maturities and discounting their future cash flows.

(6) Trading Assets

Bonds and other securities held for trading purposes are stated at dealer association prices or dealer/broker-quoted prices. For short-term corporate bonds, present value is calculated by discounting future cash flows.

(7) Money Held in Trust

The securities that constitute the trust assets for money held in trust are stated at quoted market prices or dealer/broker-quoted prices.

Notes regarding money held in trust, classified by the purpose for which it is held, are presented under "Money Held in Trust."

(8) Securities

Stocks are stated at quoted market prices. Bonds are stated at quoted market prices, dealer association prices, or dealer/broker-quoted prices. Investment trusts are stated at published reference prices. Privately placed bonds guaranteed by SMTH are stated at present value, which is calculated by classifying them according to their internal ratings and

maturities and discounting their future cash flows.

Floating rate Japanese government bonds are stated at reasonably calculated values. The reasonably calculated values are provided by independent third parties and calculated by inputting price-determining variables such as JGB yields and swaption volatilities into discounted cash flow method and option pricing models.

Some asset-backed securities related to foreign credit investments are stated at reasonably calculated values. This applies to some residential mortgage backed securities and credit card backed securities. Discounted cash flow method is the model used to calculate the reasonably calculated prices based on the reasonable estimates of managers involved with such instruments, and the price-determining variables include default rates, recovery rates, pre-payment rates, and discount rates.

Notes regarding securities, classified by the purpose for which they are held, are presented under "Securities."

(9) Loans and Bills Discounted

Loan fair values are calculated by grouping loans according to loan terms, internal ratings, and maturities, and then discounting the aggregate principal and interest by the assumed interest rate for similar new loans. However, fair values for variable rate loans for which the carrying amount is deemed to closely approximate fair value due to the nature of the loan or the borrower's credit situation subsequent to the execution of the loan are stated at carrying amount.

Fair values for loans with no stated maturity (because the amount of credit is limited to value of the collateral or due to some other special characteristics) are stated at carrying amount because the carrying amount is deemed to closely approximate fair value due to reasons such as the expected repayment time and the interest terms.

For loans to borrowers under legal bankruptcy, virtual bankruptcy and possible bankruptcy, estimated loan losses are calculated based on the present value of estimated future cash flows or the expected recoverable amounts from collateral or guarantees. Therefore, fair values for these loans are stated at the amount after deducting the current estimated loan losses from the interim balance sheet amounts at the interim balance sheet date, because this closely approximates fair value.

(11) Lease Receivables and Investment Assets

Fair values for lease receivables and investment assets are calculated by grouping these assets according to their internal ratings and maturities, and then discounting the aggregate principal and interest by the assumed interest rate for similar new agreements.

Liabilities**(1) Deposits and (2) Negotiable Certificates of Deposit**

Demand deposits are stated at the amount that would have to be paid on demand at the interim balance sheet date (carrying amount).

Yen fixed-rate time deposits are grouped by product type and stated at the present value of their future cash flows, using the rate that would be paid on new deposits as the discount rate. Fair values for fixed-rate time deposits with short maturities (one year or less) and floating-rate time deposits are generally stated at carrying amount because carrying amount closely approximates fair value.

(3) Call Money and Bills Sold, (4) Payables under Repurchase Agreements, (5) Payables under Securities Lending Transactions, (7) Foreign Exchanges, (8) Short-term Bonds Payable, and (10) Borrowed Money from Trust Accounts

Those obligations with no stated maturities are stated at the amount that would have to be paid on demand at the interim balance sheet date (carrying amount). Because

obligations with stated maturities have short contractual terms (one year or less), and carrying amount closely approximates fair value, fair values for these instruments are stated at carrying amount.

(6) Borrowed Money

Borrowed money is stated at present value, which is calculated by discounting future cash flows by the assumed interest rate on similar borrowing. Fair values for obligations with short maturities (one year or less) are stated at carrying amount, which closely approximates fair value.

Fair values for borrowings by consolidated subsidiaries at variable rates are stated at carrying amount, which closely approximates fair value because it reflects short-term market interest rates and there have been no significant changes in credit condition subsequent to the borrowing.

(9) Bonds Payable

Bonds issued by SMTH and its consolidated subsidiaries are stated at market prices if such prices are available. Fair value for other bonds are stated at present value, calculated by discounting future cash flows by the assumed interest rate on similar corporate bonds.

Derivatives

Information about the fair value of derivatives is presented under "Derivatives."

(Note 2) The following financial instruments for which there is no reliable measure of fair value are not included in the market value information for financial instruments presented under "Assets, (8) Available-for-Sale Securities."

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2011	Sep. 30, 2011
	Carrying Amount	Carrying Amount
Securities	¥ 184,666	\$ 2,409
Unlisted Stocks (*3)	131,434	1,714
Investments in Associations	41,092	536
Others (*3)	12,139	158
Total	¥ 184,666	\$ 2,409

(*1) The above financial instruments are excluded from fair value disclosure because there are no quoted market prices and therefore there is no reliable measure of fair value.

(*2) Subsidiary and affiliate shares are not included in the above table.

(*3) During the current interim period, impairment losses of ¥201 million (U.S.\$2 million) and ¥366 million (U.S.\$4 million) were recognized against unlisted stocks and other financial instruments, respectively.

Securities

- *1. In addition to the "Securities" presented in the consolidated balance sheets, the following information also includes the loan backed trust deeds within "Monetary Claims Bought."
- *2. "Subsidiary and affiliate shares" are presented as a note to the interim financial statements.

1. Held-to-Maturity Securities with Fair Value

September 30, 2011	Millions of Yen		
	Carrying Amount	Fair Value	Difference
Securities for which the Fair Value Exceeds the Amount Recorded in Consolidated Balance Sheets			
Government Bonds	¥ 174,901	¥ 182,967	¥ 8,066
Local Government Bonds	—	—	—
Short-term Corporate Bonds	—	—	—
Corporate Bonds	7,227	7,254	27
Other Securities	285,952	317,704	31,752
Foreign Bonds	236,945	268,227	31,282
Others	49,006	49,476	470
Subtotal	468,080	507,926	39,845
Securities for which the Fair Value does not Exceed the Amount Recorded in Consolidated Balance Sheets			
Government Bonds	¥ —	¥ —	¥ —
Local Government Bonds	—	—	—
Short-term Corporate Bonds	—	—	—
Corporate Bonds	14,913	14,892	(21)
Other Securities	166,472	163,045	(3,427)
Foreign Bonds	163,672	160,246	(3,426)
Others	2,800	2,799	(0)
Subtotal	181,386	177,937	(3,448)
Total	¥ 649,467	¥ 685,864	¥ 36,397

September 30, 2011	Millions of U.S. Dollars		
	Carrying Amount	Fair Value	Difference
Securities for which the Fair Value Exceeds the Amount Recorded in Consolidated Balance Sheets			
Government Bonds	\$ 2,281	\$ 2,387	\$ 105
Local Government Bonds	—	—	—
Short-term Corporate Bonds	—	—	—
Corporate Bonds	94	94	0
Other Securities	3,730	4,144	414
Foreign Bonds	3,091	3,499	408
Others	639	645	6
Subtotal	6,106	6,626	519
Securities for which the Fair Value does not Exceed the Amount Recorded in Consolidated Balance Sheets			
Government Bonds	\$ —	\$ —	\$ —
Local Government Bonds	—	—	—
Short-term Corporate Bonds	—	—	—
Corporate Bonds	194	194	(0)
Other Securities	2,171	2,127	(44)
Foreign Bonds	2,135	2,090	(44)
Others	36	36	(0)
Subtotal	2,366	2,321	(44)
Total	\$ 8,473	\$ 8,948	\$ 474

2. Available-for-Sale Securities

September 30, 2011	Millions of Yen		
	Carrying Amount	Acquisition Cost	Difference
Securities for which the Fair Value Exceeds the Amount Recorded in Consolidated Balance Sheets			
Stocks	¥ 323,063	¥ 254,437	¥ 68,626
Bonds	3,360,519	3,315,389	45,129
Government Bonds	2,845,857	2,806,390	39,466
Local Government Bonds	11,642	11,463	179
Short-term Corporate Bonds	—	—	—
Corporate Bonds	503,019	497,535	5,483
Other Securities	862,653	815,684	46,969
Foreign Stocks	467	122	345
Foreign Bonds	679,509	648,929	30,580
Others	182,675	166,632	16,043
Subtotal	4,546,236	4,385,511	160,725
Securities for which the Fair Value does not Exceed the Amount Recorded in Consolidated Balance Sheets			
Stocks	¥ 515,448	¥ 638,745	¥(123,296)
Bonds	1,093,386	1,095,719	(2,333)
Government Bonds	793,811	794,004	(193)
Local Government Bonds	2,563	2,573	(10)
Short-term Corporate Bonds	—	—	—
Corporate Bonds	297,011	299,141	(2,130)
Other Securities	668,105	687,869	(19,763)
Foreign Stocks	—	—	—
Foreign Bonds	409,682	416,226	(6,543)
Others	258,423	271,643	(13,219)
Subtotal	2,276,940	2,422,334	(145,393)
Total	¥ 6,823,177	¥ 6,807,845	¥ 15,331

September 30, 2011	Millions of U.S. Dollars		
	Carrying Amount	Acquisition Cost	Difference
Securities for which the Fair Value Exceeds the Amount Recorded in Consolidated Balance Sheets			
Stocks	\$ 4,214	\$ 3,319	\$ 895
Bonds	43,842	43,253	588
Government Bonds	37,127	36,613	514
Local Government Bonds	151	149	2
Short-term Corporate Bonds	—	—	—
Corporate Bonds	6,562	6,491	71
Other Securities	11,254	10,641	612
Foreign Stocks	6	1	4
Foreign Bonds	8,865	8,466	398
Others	2,383	2,173	209
Subtotal	59,311	57,214	2,096
Securities for which the Fair Value does not Exceed the Amount Recorded in Consolidated Balance Sheets			
Stocks	\$ 6,724	\$ 8,333	\$ (1,608)
Bonds	14,264	14,295	(30)
Government Bonds	10,356	10,358	(2)
Local Government Bonds	33	33	(0)
Short-term Corporate Bonds	—	—	—
Corporate Bonds	3,874	3,902	(27)
Other Securities	8,716	8,974	(257)
Foreign Stocks	—	—	—
Foreign Bonds	5,344	5,430	(85)
Others	3,371	3,543	(172)
Subtotal	29,705	31,602	(1,896)
Total	\$ 89,017	\$ 88,817	\$ 200

3. Impairment of Securities

Available-for-sale securities at fair value other than trading securities are treated as impaired when fair value has declined significantly from the acquisition cost and it is deemed unlikely that the fair value will recover to the acquisition cost. Such securities are recorded at fair value on the consolidated balance sheets and the valuation difference is treated as a loss during the current interim period. Impairment losses on stocks during the current interim period totaled ¥10,154 million (U.S.\$132 million). For securities issuers classified as "normal" for the purposes of

asset self-assessment, securities are deemed to have "declined significantly" when the fair value has fallen by 50% or more from the acquisition cost; and for issuers classified as "close observation borrowers," securities are deemed to have "declined significantly" when the fair value has fallen by 30% or more from the acquisition cost. Some other securities are treated as impaired when their fair value has declined more than 30% but less than 50% from their acquisition cost and they have continued to decline over a certain amount of time.

Money Held in Trust

1. Held-to-Maturity Money Held in Trust

There were no corresponding items as of September 30, 2011.

2. Other Money Held in Trust (other than those held for trading purposes or held-to-maturity, as of September 30, 2011)

September 30, 2011	Millions of Yen				
	Carrying Amount	Acquisition Cost	Valuation Difference	Positive Difference	Negative Difference
Other Money Held in Trust	¥ 14,187	¥ 14,014	¥ 172	¥ 172	¥ —

September 30, 2011	Millions of U.S. Dollars				
	Carrying Amount	Acquisition Cost	Valuation Difference	Positive Difference	Negative Difference
Other Money Held in Trust	\$ 185	\$ 182	\$ 2	\$ 2	\$ —

“Positive Difference” and “Negative Difference” represent the items of the “Valuation Difference.”

Valuation Difference on Available-for-Sale Securities

The following table shows component items of “Valuation Difference on Available-for-Sale Securities” in the consolidated balance sheets.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2011	Sep. 30, 2011
Valuation Difference		
Available-for-Sale Securities	¥ (31,900)	\$ (416)
Other Money Held in Trust	172	2
Total Valuation Difference	(31,726)	(413)
Amount Equivalent to Deferred Tax Assets (Liabilities)	12,542	163
Total (before Adjustment for Minority Interests)	(19,183)	(250)
Minority Interests	746	9
Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliates	(160)	(2)
Valuation Difference on Available-for-Sale Securities	¥ (20,090)	\$ (262)

1) The foreign currency translation adjustment on available-for-sale securities for which there is no reliable measure of fair value is included in the “Available-for-Sale Securities” item under “Valuation Difference.”

2) The valuation difference of ¥816 million (U.S.\$10 million) associated with partnerships and other similar assets is included in the “Available-for-Sale Securities” item under “Valuation Difference.”

3) The valuation differences unamortized as of the interim balance sheet date arising from the reclassification of the holding purpose of securities is included in the “Available-for-Sale Securities” item under “Valuation Difference.”

Derivatives

1. Derivative Transactions Not Qualifying for Hedge Accounting

Derivative transactions not qualifying for hedge accounting are grouped by the type of underlying transaction. The value of such contracts (or the amount equivalent to principal specified in the contracts), the fair values, and the valuation differences as of the interim balance sheet date, as well as the methods for determining such fair values are presented below. The contract values do not reflect the market risk associated with the derivatives.

(1) Interest Related Transactions

Interest related transactions not qualifying for hedge accounting as of September 30, 2011 consisted of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2011				Sep. 30, 2011			
	Contract Value		Fair Value	Valuation Difference	Contract Value		Fair Value	Valuation Difference
	Total	Over One Year			Total	Over One Year		
Listed								
Interest Futures								
Sold	¥ 5,126,521	¥ 606,598	¥ (6,197)	¥ (6,197)	\$ 66,882	\$ 7,913	\$ (80)	\$ (80)
Purchased	5,548,434	588,124	4,721	4,721	72,386	7,672	61	61
Interest Options								
Sold	1,417,473	17,636	(452)	70	18,492	230	(5)	0
Purchased	1,317,144	13,802	452	(80)	17,183	180	5	(1)
OTC								
Forward Rate Agreements								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Interest Rate Swaps								
Fix Rcv-Flt Pay	107,525,515	80,746,864	2,833,149	2,833,149	1,402,811	1,053,448	36,962	36,962
Flt Rcv-Fix Pay	103,091,078	77,850,483	(2,702,203)	(2,702,203)	1,344,958	1,015,661	(35,253)	(35,253)
Flt Rcv-Flt Pay	4,034,567	3,175,847	6,203	6,203	52,636	41,433	80	80
Interest Options								
Sold	4,980,368	4,742,698	(143,654)	(76,664)	64,975	61,874	(1,874)	(1,000)
Purchased	4,083,090	3,898,590	131,714	44,076	53,269	50,862	1,718	575
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 123,733	¥ 103,076			\$ 1,614	\$ 1,344

1) The above transactions are evaluated on mark-to-market basis and valuation differences are recorded in the consolidated statements of income.

2) Fair values of listed transactions are calculated mainly using the closing prices on the Tokyo Financial Exchange and other exchanges. Fair values of OTC transactions are calculated mainly using discounted cash flow method or option pricing models.

(2) Currency Related Transactions

Currency related transactions not qualifying for hedge accounting as of September 30, 2011 consisted of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2011				Sep. 30, 2011			
	Contract Value		Fair Value	Valuation Difference	Contract Value		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
Listed								
Currency Futures								
Sold	¥	—	¥	—	¥	—	¥	—
Purchased		—		—		—		—
Currency Options								
Sold		—		—		—		—
Purchased		—		—		—		—
OTC								
Currency Swaps		1,219,612		812,124		2,379		2,379
Forward								
Sold		4,269,328		531,644		194,167		194,167
Purchased		4,248,934		675,952		(193,589)		(193,589)
Currency Options								
Sold		3,317,183		1,827,291		(172,476)		23,272
Purchased		3,115,986		1,716,526		180,581		(13,378)
Others								
Sold		—		—		—		—
Purchased		—		—		—		—
Total				¥	11,062	¥	12,852	
								\$ 144
								\$ 167

1) The above transactions are evaluated on mark-to-market basis and valuation differences are recorded in the consolidated statements of income.

2) Fair values are calculated mainly using discounted cash flow method or option pricing models.

(3) Stock Related Transactions

Stock related transactions not qualifying for hedge accounting as of September 30, 2011 consisted of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2011				Sep. 30, 2011			
	Contract Value		Fair Value	Valuation Difference	Contract Value		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
Listed								
Stock Index Futures								
Sold	¥ 18,890	¥ —	¥ 300	¥ 300	\$ 246	\$ —	\$ 3	\$ 3
Purchased	13,309	—	(516)	(516)	173	—	(6)	(6)
Stock Index Options								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
OTC								
Stock Options								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Stock Index and Other Swaps								
Stock Price Index Volatility Receivable/ Short-term Floating Interest Rate Payable	52,584	52,584	(7,594)	(7,594)	686	686	(99)	(99)
Short-term Floating Interest Rate Receivable/ Stock Price Index Volatility Payable	52,584	52,584	7,594	7,594	686	686	99	99
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ (215)	¥ (215)			\$ (2)	\$ (2)

1) The above transactions are evaluated on mark-to-market basis and valuation differences are recorded in the consolidated statements of income.

2) Fair values of listed transactions are calculated mainly using the closing prices on the Tokyo Stock Exchange and other exchanges. Fair values of OTC transactions are calculated mainly using discounted cash flow method or option pricing models.

(4) Bond Related Transactions

Bond related transactions not qualifying for hedge accounting as of September 30, 2011 consisted of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2011				Sep. 30, 2011			
	Contract Value		Fair Value	Valuation Difference	Contract Value		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
Listed								
Bond Futures								
Sold	¥ 291,460	¥ —	¥ (323)	¥ (323)	\$ 3,802	\$ —	\$ (4)	\$ (4)
Purchased	230,316	—	(88)	(88)	3,004	—	(1)	(1)
Bond Future Options								
Sold	20,704	—	(43)	33	270	—	(0)	0
Purchased	11,502	—	39	(3)	150	—	0	(0)
OTC								
Bond Options								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ (415)	¥ (382)			\$ (5)	\$ (4)

1) The above transactions are evaluated on mark-to-market basis and valuation differences are recorded in the consolidated statements of income.

2) Fair values are calculated mainly using the closing prices on the Tokyo Stock Exchange and other exchanges.

(5) Commodity Related Transactions

There were no commodity related transactions not qualifying for hedge accounting as of September 30, 2011.

(6) Credit Derivative Transactions

Credit derivative transactions not qualifying for hedge accounting as of September 30, 2011 consisted of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2011				Sep. 30, 2011			
	Contract Value		Fair Value	Valuation Difference	Contract Value		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
OTC								
Credit Default Swap								
Sold	¥ 5,000	¥ —	¥ (586)	¥ (586)	\$ 65	\$ —	\$ (7)	\$ (7)
Purchased	—	—	—	—	—	—	—	—
Total			¥ (586)	¥ (586)			\$ (7)	\$ (7)

1) The above transactions are evaluated on mark-to-market basis and valuation differences are recorded in the consolidated statements of income.

2) Fair values are determined using discounted cash flow method and a theoretical value model that utilizes analyses

such as comparisons of credit default swap market price time-series and comparisons of prices between similar products.

3) "Sold" indicates credit risk that has been assumed, and "Purchased" indicates the credit risk that has been transferred to another party.

2. Derivative Transactions Qualifying for Hedge Accounting

Derivative transactions qualifying for hedge accounting are grouped by the type of underlying transaction. The value of such contracts (or the amount equivalent to principal specified in the contracts), the fair values, and the valuation differences as of the interim balance sheet date, as well as the methods for determining such fair values are presented below. The contract amounts do not reflect the market risk associated with the derivatives.

(1) Interest Related Transactions

Interest related transactions qualifying for hedge accounting as of September 30, 2011 consisted of the following:

Major Hedged Item	Millions of Yen			Millions of U.S. Dollars			
	Sep. 30, 2011			Sep. 30, 2011			
	Contract Value		Fair Value	Contract Value		Fair Value	
	Total	Over One Year		Total	Over One Year		
Principle							
Interest Rate Swaps							
Fix Rcv-Flt Pay	Interest-earning/bearing Financial Assets/Liabilities such as Loans and Bills Discounted, Other Securities (Bonds), Deposits, Bonds Payable	¥ 868,272	¥ 598,795	¥ 19,464	\$ 11,327	\$ 7,812	\$ 253
Flt Rcv-Fix Pay		959,201	872,865	(56,256)	12,514	11,387	(733)
Interest Futures							
Sold	Financial Assets/Liabilities such as Loans and Bills Discounted, Other Securities (Bonds), Deposits, Bonds Payable	—	—	—	—	—	—
Purchased		—	—	—	—	—	—
Interest Options							
Sold	Financial Assets/Liabilities such as Loans and Bills Discounted, Other Securities (Bonds), Deposits, Bonds Payable	—	—	—	—	—	—
Purchased		—	—	—	—	—	—
Others							
Sold	Financial Assets/Liabilities such as Loans and Bills Discounted, Other Securities (Bonds), Deposits, Bonds Payable	—	—	—	—	—	—
Purchased		—	—	—	—	—	—
Accrual-Basis Hedge Accounting							
Interest Rate Swaps							
Fix Rcv-Flt Pay	Borrowed Money	462	462	(Note 3)	6	6	(Note 3)
Flt Rcv-Fix Pay		4,067	4,067	(Note 3)	53	53	(Note 3)
Total				¥ (36,792)			\$ (480)

1) Generally treated as deferred hedges in accordance with the Report No. 24.

2) Fair values are calculated mainly using discounted cash flow method or option pricing models.

3) Because these interest rate swaps, which are based on accrual-basis hedge accounting, are treated as part of the borrowings that they are being used to hedge, their fair value is included in the fair value of such Borrowed Money presented under "Financial Instruments."

(2) Currency Related Transactions

Currency related transactions qualifying for hedge accounting as of September 30, 2011 consisted of the following:

Major Hedged Item	Millions of Yen			Millions of U.S. Dollars			
	Sep. 30, 2011			Sep. 30, 2011			
	Contract Value		Fair Value	Contract Value		Fair Value	
Total	Over One Year	Total		Over One Year			
Principle							
Currency Swaps	Loans and Bills	¥ 744,171	¥ 267,217	¥ 172,482	\$ 9,708	\$ 3,486	\$ 2,250
Forward	Discounted,						
Sold	Securities, and	46,183	—	(153)	602	—	(1)
Purchased	Corporate Bonds	3,278	1,859	(144)	42	24	(1)
Others	Denominated in						
Sold	Foreign Currency	—	—	—	—	—	—
Purchased		—	—	—	—	—	—
Total				¥ 172,184			\$ 2,246

1) Generally treated as deferred hedges in accordance with the Report No. 25.

2) Fair values are calculated mainly using discounted cash flow method.

(3) Stock Related Transactions

There were no stock related transactions qualifying for hedge accounting as of September 30, 2011.

(4) Bond Related Transactions

Bond related transactions qualifying for hedge accounting as of September 30, 2011 consisted of the following:

Major Hedged Item	Millions of Yen			Millions of Yen			
	Sep. 30, 2011			Sep. 30, 2011			
	Contract Value		Fair Value	Contract Value		Fair Value	
Total	Over One Year	Total		Over One Year			
Method of Recognizing Gains or Losses on Hedged Items							
Bond OTC Options							
Sold	Securities	¥ 400,000	¥ —	¥ (10)	\$ 5,218	\$ —	\$ (0)
Purchased		400,000	—	224	5,218	—	2
Total				¥ 213			\$ 2

1) Fair values are calculated mainly using option pricing model.

Stock Option Plans

1. Expenses Recorded in Connection with Stock Options during the Current Interim Period

General and Administrative Expenses: ¥1 million (U.S.\$0 million)

2. Description of Stock Options Granted during the Current Interim Period

Sumitomo Mitsui Trust Holdings Inc.

	Sumitomo Mitsui Trust Holdings, Inc. Series 1 Stock Acquisition Rights
Number of eligible persons, by position	22 directors and officers of Sumitomo Mitsui Trust Holdings, Inc. 19 directors and officers of The Chuo Mitsui Trust and Banking Company, Limited 7 directors and officers of Chuo Mitsui Asset Trust and Banking Company, Limited 24 directors and officers of The Sumitomo Trust and Banking Co., Ltd.
Number of stock options granted by class of share	Note: 286,000 shares of common stock
Grant date	July 26, 2011
Vesting conditions	1) Holders of the Stock Acquisition Rights must be a director or officer of SMTH or its subsidiaries when exercising the rights, unless the holder is no longer in such a position because he or she has retired at the end of his or her term or for some other valid reason. 2) If a holder of Stock Acquisition Rights is deceased and the entirety of the Stock Acquisition Rights is inherited by a single legal heir ("inheritor of the rights"), the Stock Acquisition Rights may be exercised by the inheritor of the rights. If the inheritor of the rights is deceased, the heirs of the inheritor of the rights may not inherit the Stock Acquisition Rights.
Eligible service period	July 26, 2011 to July 25, 2013
Exercise period	July 26, 2011 to July 25, 2021
Exercise price	¥400 (U.S.\$5.21)
Fair unit value on the grant date	¥62 (U.S.\$0.80)

Note: Converted into the number of equivalent shares.

Segment Information

1. Reportable Segment Information

The SMTH Group's reportable segments are units for which discrete financial information is available, and which are regularly monitored by the Board of Directors in determining resource allocation and in evaluating business performance.

The SMTH Group comprises three trust bank groups, CMTB, CMAB, and STB, and these three trust bank groups

are treated as reportable segments. The main activities of each reportable segment are presented below.

CMTB: Trust banking business centered on banking business, real estate business, and stock transfer agency services

CMAB: Trust banking business centered on custody services

STB: Trust banking business

2. Method for Calculating Ordinary Income, Profit or Losses, Assets, Liabilities, and Other Items by Reportable Segment

The accounting policies used for the reportable segments are the same as those presented under "Significant Accounting Policies and Practices," and the profit figures shown for the reporting segments are income before

income taxes and minority interests.

Internal transactions between segments are recorded at amounts equivalent to transactions with unaffiliated clients.

In notes "Segment Information" and "Related Information," ordinary income represents total income less extraordinary income, and ordinary expenses represent total expenses less extraordinary loss.

3. Ordinary Income, Profit or Losses, Assets, Liabilities, and Other Items by Reportable Segment

Six Months Ended September 30, 2011	Millions of Yen							
	Reportable Segment				Others	Total	Adjustment	Carrying Amount
	CMTB	CMAB	STB	Total				
Ordinary Income:								
Unaffiliated Customers	¥ 134,804	¥ 20,081	¥ 434,910	¥ 589,796	¥ 19,300	¥ 609,097	¥ 14,205	¥ 623,302
Intersegment	8,317	1,204	6,289	15,811	24,609	40,420	(40,420)	—
Total	¥ 143,122	¥ 21,286	¥ 441,199	¥ 605,608	¥ 43,909	¥ 649,517	¥ (26,215)	¥ 623,302
Segment Profit	¥ 18,118	¥ 4,839	¥ 79,980	¥ 102,938	¥ 16,211	¥ 119,149	¥ 75,273	¥ 194,423
Segment Assets	¥ 13,234,826	¥ 86,520	¥ 20,972,716	¥ 34,294,062	¥ 3,148,449	¥ 37,442,512	¥ (2,261,607)	¥ 35,180,904
Segment Liabilities	¥ 12,515,056	¥ 48,328	¥ 19,449,304	¥ 32,012,689	¥ 1,151,726	¥ 33,164,416	¥ (248,277)	¥ 32,916,138
Others								
Depreciation and Amortization	¥ 5,243	¥ 711	¥ 8,692	¥ 14,647	¥ 3,706	¥ 18,354	¥ (66)	¥ 18,287
Amortization of Goodwill	249	—	4,449	4,699	—	4,699	(249)	4,449
Interest Income	76,590	45	112,146	188,781	19,191	207,973	(21,371)	186,602
Interest Expenses	27,560	35	40,717	68,314	4,055	72,370	(12,690)	59,679
Equity in Earnings (Losses) of Affiliates	141	—	1,898	2,040	—	2,040	(111)	1,928
Extraordinary Income	13	—	512	526	—	526	45,814	46,340
(Gain on Disposal of Fixed Assets)	13	—	265	279	—	279	—	279
(Gain on Negative Goodwill)	—	—	246	246	—	246	45,814	46,061
Extraordinary Loss	2,379	342	4,467	7,190	39	7,229	(16)	7,213
(Impairment Loss)	1,042	56	2,982	4,081	—	4,081	49	4,131
(Management Integration Expense)	1,149	285	1,406	2,841	17	2,858	(66)	2,792
Unamortized Balance of Goodwill	6,747	—	115,436	122,184	—	122,184	(6,747)	115,436
Investment to Affiliates Accounted for by the Equity Method	1,156	—	51,018	52,175	—	52,175	(19,551)	32,624

Six Months Ended September 30, 2011	Millions of U.S. Dollars							
	Reportable Segment				Others	Total	Adjustment	Carrying Amount
	CMTB	CMAB	STB	Total				
Ordinary Income:								
Unaffiliated Customers	\$ 1,758	\$ 261	\$ 5,673	\$ 7,694	\$ 251	\$ 7,946	\$ 185	\$ 8,131
Intersegment	108	15	82	206	321	527	(527)	—
Total	\$ 1,867	\$ 277	\$ 5,756	\$ 7,900	\$ 572	\$ 8,473	\$ (342)	\$ 8,131
Segment Profit	\$ 236	\$ 63	\$ 1,043	\$ 1,342	\$ 211	\$ 1,554	\$ 982	\$ 2,536
Segment Assets	\$ 172,665	\$ 1,128	\$ 273,616	\$ 447,411	\$ 41,075	\$ 488,486	\$ (29,505)	\$ 458,981
Segment Liabilities	\$ 163,275	\$ 630	\$ 253,741	\$ 417,647	\$ 15,025	\$ 432,673	\$ (3,239)	\$ 429,434
Others								
Depreciation and Amortization	\$ 68	\$ 9	\$ 113	\$ 191	\$ 48	\$ 239	\$ 0	\$ 238
Amortization of Goodwill	3	—	58	61	—	61	(3)	58
Interest Income	999	0	1,463	2,462	250	2,713	(278)	2,434
Interest Expenses	359	0	531	891	52	944	(165)	778
Equity in Earnings (Losses) of Affiliates	1	—	24	26	—	26	(1)	25
Extraordinary Income	0	—	6	6	—	6	597	604
(Gain on Disposal of Fixed Assets)	0	—	3	3	—	3	—	3
(Gain on Negative Goodwill)	—	—	3	3	—	3	597	600
Extraordinary Loss	31	4	58	93	0	94	0	94
(Impairment Loss)	13	0	38	53	—	53	0	53
(Management Integration Expense)	15	3	18	37	0	37	(0)	36
Unamortized Balance of Goodwill	88	—	1,506	1,594	—	1,594	(88)	1,506
Investment to Affiliates Accounted for by the Equity Method	15	—	665	680	—	680	(255)	425

1) Ordinary income is presented in place of sales of companies in other industry.

2) As for reportable segments, consolidated-basis figures are presented for CMTB and STB.

3) The "Others" column reflects data from consolidated subsidiaries that are part of SMTH, but outside of the above three trust banking groups.

4) "Adjustment" represents the consolidation adjustment. The adjustments under ordinary income and segment profit include valuation differences arising from the business combination and gain on negative goodwill.

5) The adjustment for gain on negative goodwill includes ¥43,431 million (U.S.\$566 million) in gain on negative goodwill arising from the business combination carried out as a result of the share exchange between SMTH and STB.

6) Segment profit has been adjusted to income before income taxes and minority interests as presented in the consolidated statements of income.

Related Information

1. Services Information

Six Months Ended September 30, 2011	Millions of Yen			Total
	Trust Banking Business	Leasing Business	Others	
Ordinary Income:				
Unaffiliated Customers	¥ 357,083	¥ 167,600	¥ 98,618	¥ 623,302

Six Months Ended September 30, 2011	Millions of U.S. Dollars			Total
	Trust Banking Business	Leasing Business	Others	
Ordinary Income:				
Unaffiliated Customers	\$ 4,658	\$ 2,186	\$ 1,286	\$ 8,131

1) Ordinary income is presented in place of sales of companies in other industry.

2) "Trust Banking Business" comprises the ordinary income of CMTB, CMAB, STB, and Japan Trustee Services Bank, Ltd.

2. Geographic Information

(1) Ordinary Income

More than 90% of the SMTH Group's ordinary income on the consolidated statements of income is classified as attributable to domestic unaffiliated customers, and therefore geographic region information about ordinary income is not presented.

3. Major Customer Information

The voluminous transactions associated with ordinary income arising from transactions between the SMTH Group and the SMTH Group's customers are not classified by major counterparty, and therefore information about major customers is not presented.

(2) Tangible Fixed Assets

More than 90% of the SMTH Group's tangible fixed assets on the consolidated balance sheets is classified as located in Japan, and therefore geographic region information about tangible fixed assets is not presented.

4. Information related to Losses on Impairment of Fixed Assets by Reportable Segment

This information is not disclosed in this section, because it would be similar to the "Segment Information."

5. Information related to Amortization of Goodwill and Unamortized Balance of Goodwill by Reportable Segment

This information is not disclosed in this section, because it would be similar to the "Segment Information."

6. Information related to Gain on Negative Goodwill by Reportable Segment

This information is not disclosed in this section, because it would be similar to the "Segment Information."

Note on Business Combination

1. Outline of Business Combination

(1) Name and Business Content of Acquired Company

Name of acquired company
Chuo Mitsui Trust Holdings, Inc.
Business content
Bank holding company

(2) Main Reasons for Business Combination

CMTH and STB aim to create "The Trust Bank," a new trust bank group that, with a combination of significant expertise and comprehensive capabilities, will provide better and swifter comprehensive solutions to their clients than ever before, by combining their personnel, know-how and other managerial resources and fusing both groups' strengths, such as the diversity of the STB Group and the agility of the CMTH Group.

(3) Date of Business Combination

April 1, 2011

(4) Legal Form of Business Combination

Share exchange, under which CMTH became the parent company, and STB became the wholly owned subsidiary.

(5) Name of Company after Business Combination

Sumitomo Mitsui Trust Holdings, Inc.

(6) Acquired Voting Rights Ratio

100%

(7) Main Grounds for the Determination of the Acquiring Company

SMTH has adopted ASBJ Statement No. 21 "Accounting Standard for Business Combinations" (issued by ASBJ on December 26, 2008) and Implementation Guidance No. 10 "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (issued by ASBJ on December 26, 2008). According to them, shareholders of STB, which is a wholly owned subsidiary company in the share exchange,

hold the majority of voting rights of the company following the business combination. Therefore, it was decided that STB would be the acquiring company, with CMTH as the acquired company.

2. Period of Earnings of the Acquired Company included in the Interim Consolidated Statements of Income Described at Acquisition Cost of the Acquired Company

April 1, 2011 through September 30, 2011

3. Acquisition Cost of the Acquired Company

¥489,114 million (U.S.\$6,381 million)

4. Share Exchange Ratio by Type of Share, Calculation Method, and Number of Shares Delivered

(1) Share Exchange Ratio by Type of Share

(a) Common Shares

For each common share of STB, 1.49 shares of common share of SMTH have been allotted and delivered.

(b) Preferred Shares

For each First Series of Class 2 Preferred Shares of STB, one share of the First Series of Class 7 Preferred Shares of SMTH has been allotted and delivered.

(2) Calculation Method of the Share Exchange Ratio

(a) Common Shares

In order to support the respective efforts of CMTH and STB to ensure the fairness of the exchange ratio of common shares ("Common Share Exchange Ratio") for this share exchange, CMTH had requested JP Morgan Securities Japan Co., Ltd. and Nomura Securities Co., Ltd. to perform financial analyses, while STB had requested UBS Securities Japan Ltd. and Daiwa Securities Capital Markets Co., Ltd., to perform similar analyses. Referring to the results of those financial analyses, CMTH and STB, on several occasions, conducted careful negotiations and discussions on the Common Share Exchange Ratio, comprehensively taking into consideration factors such as the financial position, assets, and future prospects of each party. As a result, CMTH and STB have reached the conclusion that the above Common Share Exchange Ratio is appropriate.

(b) Preferred Shares

CMTH and STB had agreed that the terms and conditions of the First Series of SMTH Class 7 Preferred Shares shall be substantially the same as those of the First Series of Class 2 Preferred Shares, and reached the conclusion that the above share exchange ratio for preferred shares is appropriate, after comprehensively taking into consideration the "bond-type" nature of those shares and the fact that there is no market price for the First Series of Class 2 Preferred Shares.

(3) Number of Shares Delivered

(a) Common Shares

2,495,060,141 shares

(b) Preferred Shares

109,000,000 shares

5. Amount of Gain on Negative Goodwill and Reason for Recognizing Negative Goodwill

(1) Amount of Gain on Negative Goodwill

¥43,431 million (U.S.\$566 million)

(2) Reason for Recognizing Negative Goodwill

Negative goodwill was recognized as the shareholders' equity (deducting minority interest from net of assets and liabilities acquired) exceeded the acquisition cost of acquired company.

6. Amount of Assets Acquired and Liabilities Acquired on Date of Business Combination

(1) Assets

Total Assets ¥ 14,158,131 million (U.S.\$ 184,711 million)

Loans and Bills Discounted

¥ 8,855,145 million (U.S.\$ 115,527 million)

(2) Liabilities

Total Liabilities

¥ 13,437,699 million (U.S.\$ 175,312 million)

Deposits

¥ 9,326,751 million (U.S.\$ 121,679 million)

Per Common Share Information

1. Net Assets per Common Share

Six Months Ended September 30, 2011	Net Income (Loss) [Millions of Yen] (Numerator)	Common Share Outstanding [Thousands of Shares] (Denominator)	Per Common Share Amount [Yen]
Net Assets as Reported	¥ 2,264,766		
Less:	(623,353)		
Issue Amount of Preferred Shares	(109,000)		
Dividends on Preferred Shares	(2,305)		
Subscription Rights to Shares	(1)		
Minority Interests	(512,046)		
Net Assets Attributable to Common Shareholders	1,641,413	4,152,753	¥ 395.25

Six Months Ended September 30, 2011	Net Income (Loss) [Millions of U.S. Dollars] (Numerator)	Common Share Outstanding [Thousands of Shares] (Denominator)	Per Common Share Amount [U.S. Dollars]
Net Assets as Reported	\$ 29,546		
Less:	(8,132)		
Issue Amount of Preferred Shares	(1,422)		
Dividends on Preferred Shares	(30)		
Subscription Rights to Shares	(0)		
Minority Interests	(6,680)		
Net Assets Attributable to Common Shareholders	21,414	4,152,753	\$ 5.15

2. Net Income per Common Share

Six Months Ended September 30, 2011	Net Income (Loss) [Millions of Yen] (Numerator)	Average Common Share Outstanding [Thousands of Shares] (Denominator)	Per Common Share Amount [Yen]
Net Income	¥ 128,109		
Basic Net Income per Common Share			
Net Income Not Attributable to Common Shareholders	2,305		
Dividends on Preferred Shares	2,305		
Net Income Attributable to Common Shareholders	125,804	4,152,838	¥ 30.29

Six Months Ended September 30, 2011	Net Income (Loss) [Millions of U.S. Dollars] (Numerator)	Average Common Share Outstanding [Thousands of Shares] (Denominator)	Per Common Share Amount [U.S. Dollars]
Net Income	\$ 1,671		
Basic Net Income per Common Share			
Net Income Not Attributable to Common Shareholders	30		
Dividends on Preferred Shares	30		
Net Income Attributable to Common Shareholders	1,641	4,152,838	\$ 0.39

Fully-diluted net income per common share is not presented for the prior interim period because there were no potential shares in existence. Fully-diluted net income per common share is not presented for the current interim period because there are no dilutive potential shares in existence. The potential shares that were excluded from calculation of fully-diluted net income per common share because they have no dilutive effect are as follows.

1) Sumitomo Mitsui Trust Holdings, Inc.

A description of these securities is presented in the subsection of the Notes to Consolidated Financial Statements titled "Stock Option Plans."

2) Subsidiaries (Nikko Asset Management Co., Ltd.)

(1) Stock Acquisition Rights (stock options)	Nikko Asset Management Common Shares	23,736,900 shares
(2) Stock Acquisition Rights (stock options)	Nikko Asset Management Common Shares	2,955,200 shares

Important Subsequent Event

There were no corresponding items.

Financial Data:

Non-consolidated Balance Sheets (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.
As of September 30, 2011 and March 31, 2011

	Millions of Yen		Millions of U.S. Dollars
	Sep. 30, 2011	Mar. 31, 2011	Sep. 30, 2011
Assets:			
Current Assets:			
Cash and Due from Banks	¥ 1,843	¥ 1,462	\$ 24
Securities	27,000	23,000	352
Accrued Income	1	0	0
Income Tax Refunds Receivable	2,955	3,438	38
Other Current Assets	714	868	9
Total Current Assets	32,514	28,769	424
Non-current Assets:			
Tangible Fixed Assets	0	1	0
Intangible Fixed Assets	6	7	0
Investments and Other Assets:			
Investment Securities	652	652	8
Investments in Subsidiaries and Affiliates (Stocks)	1,901,700	764,391	24,810
Other Investments	356	376	4
Total Non-current Assets	1,902,715	765,428	24,823
Total Assets	¥ 1,935,230	¥ 794,198	\$ 25,247
Liabilities:			
Current Liabilities:			
Accrued Expenses	¥ 1,394	¥ 1,365	\$ 18
Income Taxes Payable	9	2	0
Provision for Bonuses	183	90	2
Other Current Liabilities	135	296	1
Total Current Liabilities	1,722	1,755	22
Non-current Liabilities:			
Bonds Payable	189,700	189,700	2,474
Provision for Retirement Benefits	—	1,177	—
Other Non-current Liabilities	166	195	2
Total Non-current Liabilities	189,866	191,072	2,477
Total Liabilities	¥ 191,588	¥ 192,827	\$ 2,499
Net Assets:			
Total Shareholders' Equity:			
Capital Stock	261,608	261,608	3,413
Capital Surplus	1,255,945	118,665	16,385
Legal Capital Surplus	702,933	65,411	9,173
Other Capital Surplus	553,011	53,254	7,216
Retained Earnings	226,432	221,379	2,954
Other Retained Earnings	226,432	221,379	2,954
Retained Earnings Brought Forward	226,432	221,379	2,954
Treasury Stock-At Cost	(346)	(282)	(4)
Subscription Rights to Shares	1	—	0
Total Net Assets	¥ 1,743,641	¥ 601,370	\$ 22,748
Total Liabilities and Net Assets	¥ 1,935,230	¥ 794,198	\$ 25,247

Financial Data:

Non-consolidated Statements of Income (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.

For the six months ended September 30, 2011 and 2010

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2011	Six Months Ended Sep. 30, 2010	Six Months Ended Sep. 30, 2011
Operating Income:			
Dividends Received from Subsidiaries	¥ 14,771	¥ 17,068	\$ 192
Fees and Commissions Received from Subsidiaries	4,079	3,444	53
Total Operating Income	18,851	20,512	245
Operating Expenses:			
Interest on Bonds Payable	3,741	3,783	48
General and Administrative Expenses	2,146	1,498	28
Total Operating Expenses	5,887	5,281	76
Operating Profit	12,963	15,230	169
Non-operating Income	20	55	0
Non-operating Expenses	1,295	1,947	16
Income before Income Taxes	11,688	13,338	152
Income Taxes:			
Current	3	1	0
Deferred	—	305	—
Net Income	¥ 11,685	¥ 13,031	\$ 152
Net Income per Common Share			
	Yen	U.S. Dollars	
	¥ 2.25	¥ 7.85	\$0.02

Financial Data:

Non-consolidated Statements of Changes in Net Assets (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.

For the six months ended September 30, 2011 and 2010

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2011	Six Months Ended Sep. 30, 2010	Six Months Ended Sep. 30, 2011
Shareholders' Equity:			
Capital Stock:			
Balance at the Beginning of the Current Period	¥ 261,608	¥ 261,608	\$ 3,413
Changes during the Period:			
Total Changes during the Period	¥ —	¥ —	\$ —
Balance at the End of the Current Period	¥ 261,608	¥ 261,608	\$ 3,413
Capital Surplus:			
Legal Capital Surplus:			
Balance at the Beginning of the Current Period	¥ 65,411	¥ 65,411	\$ 853
Changes during the Period:			
Increase from Share Exchange	1,137,308	—	14,837
Reversal of Legal Capital Surplus	(499,786)	—	(6,520)
Total Changes during the Period	¥ 637,522	¥ —	\$ 8,317
Balance at the End of the Current Period	¥ 702,933	¥ 65,411	\$ 9,170
Other Capital Surplus:			
Balance at the Beginning of the Current Period	¥ 53,254	¥ 53,257	\$ 694
Changes during the Period:			
Reversal of Legal Capital Surplus	499,786	—	6,520
Disposal of Treasury Stock	(28)	(1)	(0)
Total Changes during the Period	¥ 499,757	¥ (1)	\$ 6,519
Balance at the End of the Current Period	¥ 553,011	¥ 53,255	\$ 7,214
Total Capital Surplus:			
Balance at the Beginning of the Current Period	¥ 118,665	¥ 118,668	\$ 1,548
Changes during the Period:			
Increase from Share Exchange	1,137,308	—	14,837
Disposal of Treasury Stock	(28)	(1)	(0)
Total Changes during the Period	¥ 1,137,280	¥ (1)	\$ 14,837
Balance at the End of the Current Period	¥ 1,255,945	¥ 118,666	\$ 16,385
Retained Earnings:			
Other Retained Earnings:			
Retained Earnings Brought Forward:			
Balance at the Beginning of the Current Period	¥ 221,379	¥ 232,368	\$ 2,888
Changes during the Period:			
Cash Dividends	(6,632)	(13,264)	(86)
Net Income	11,685	13,031	152
Total Changes during the Period	¥ 5,053	¥ (233)	\$ 65
Balance at the End of the Current Period	¥ 226,432	¥ 232,135	\$ 2,954
Total Retained Earnings:			
Balance at the Beginning of the Current Period	¥ 221,379	¥ 232,368	\$ 2,888
Changes during the Period:			
Cash Dividends	(6,632)	(13,264)	(86)
Net Income	11,685	13,031	152
Total Changes during the Period	¥ 5,053	¥ (233)	\$ 65
Balance at the End of the Current Period	¥ 226,432	¥ 232,135	\$ 2,954

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2011	Six Months Ended Sep. 30, 2010	Six Months Ended Sep. 30, 2011
Treasury Stock:			
Balance at the Beginning of the Current Period	¥ (282)	¥ (270)	\$ (3)
Changes during the Period:			
Purchase of Treasury Stock	(126)	(5)	(1)
Disposal of Treasury Stock	62	3	0
Total Changes during the Period	¥ (64)	¥ (2)	\$ (0)
Balance at the End of the Current Period	¥ (346)	¥ (272)	\$ (4)
Total Shareholders' Equity:			
Balance at the Beginning of the Current Period	¥ 601,370	¥ 612,375	\$ 7,845
Changes during the Period:			
Cash Dividends	(6,632)	(13,264)	(86)
Net Income	11,685	13,031	152
Increase from Share Exchange	1,137,308	—	14,837
Purchase of Treasury Stock	(126)	(5)	(1)
Disposal of Treasury Stock	34	1	0
Total Changes during the Period	¥ 1,142,269	¥ (237)	\$ 14,902
Balance at the End of the Current Period	¥ 1,743,640	¥ 612,138	\$ 22,748
Subscription Rights to Shares:			
Balance at the Beginning of the Current Period	¥ —	¥ —	\$ —
Changes during the Period:			
Net Changes of Items other than Shareholders' Equity	1	—	0
Total Changes during the Period	¥ 1	¥ —	\$ 0
Balance at the End of the Current Period	¥ 1	¥ —	\$ 0
Total Net Assets:			
Balance at the Beginning of the Current Period	¥ 601,370	¥ 612,375	\$ 7,845
Changes during the Period:			
Cash Dividends	(6,632)	(13,264)	(86)
Net Income	11,685	13,031	152
Increase from Share Exchange	1,137,308	—	14,837
Purchase of Treasury Stock	(126)	(5)	(1)
Disposal of Treasury Stock	34	1	0
Net Changes of Items other than Shareholders' Equity	1	—	0
Total Changes during the Period	¥ 1,142,270	¥ (237)	\$ 14,902
Balance at the End of the Current Period	¥ 1,743,641	¥ 612,138	\$ 22,748

Financial Data:

Statements of Trust Account (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.
As of September 30, 2011 and March 31, 2011

	Millions of Yen		Millions of U.S. Dollars
	Sep. 30, 2011	Mar. 31, 2011	Sep. 30, 2011
Assets:			
Loans and Bills Discounted (Note 2)	¥ 543,903	¥ 231,858	\$ 7,095
Securities	76,478,673	80,477	997,764
Securities held for Investment Trust	23,051,383	—	300,735
Foreign Investment Held for Investment Trust	17,507,490	—	228,408
Beneficiary Rights	76,502	30,598,538	998
Securities Held in Custody Accounts	20,303,010	120	264,879
Monetary Claims	12,169,761	1,417,076	158,770
Tangible Fixed Assets	9,318,870	5,029,793	121,576
Intangible Fixed Assets	66,917	31,047	873
Other Claims	2,847,282	37,047	37,146
Call Loan	3,495,066	—	45,597
Due from Banking Account	2,016,429	801,657	26,306
Cash and Due from Banks	2,272,200	204,436	29,643
Total Assets	¥170,147,491	¥ 38,432,054	\$ 2,219,797
Liabilities:			
Money Trusts (Note 3)	¥ 24,848,055	¥ 9,082,635	\$ 324,175
Pension Trusts	12,725,454	6,995,575	166,020
Property Formation Benefit Trusts	22,057	13,339	287
Loan Trusts (Note 4)	180,418	228,260	2,353
Securities Investment Trusts	38,716,523	12,494,552	505,107
Money in Trust Other than Money Trusts	3,919,547	339,469	51,135
Securities in Trust	20,168,729	1,385,581	263,127
Money Claims in Trust	9,607,098	1,435,954	125,337
Real Estate in Trust	118,626	76,231	1,547
Composite Trusts	59,840,939	6,380,413	780,703
Other Trusts	40	40	0
Total Liabilities	¥170,147,491	¥ 38,432,054	\$ 2,219,797

See Notes to Statements of Trust Account (Unaudited).

Notes to Statements of Trust Account (Unaudited)

1. Trust Accounts

Under the Trust Act of Japan, trust activities must be administered separately from a commercial banking business. As a result, assets accepted in trust must be segregated from other assets. Within the general category of trust accounts, each trust account is segregated from other trust assets. Accordingly, the financial statements of SMTH, do not reflect SMTH's records as to the assets accepted in trust, which are maintained separately under the trust account.

Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by subsidiary trust banks, and such guaranteed principal as of September 30, 2011, was ¥1,469,870 million (U.S.\$19,176 million).

The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers

outside Japan and have been made at the rate of ¥76.65 to U.S.\$1, the approximate rate of exchange as of September 30, 2011. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

Amounts less than one million Japanese yen and one million U.S. dollars have been truncated. As a result, the total may not be equal to the total of individual amounts.

The amount of the trust accounts as of March 31, 2011, is calculated by adding up each trust account in CMTB and CMAB.

The amount of the trust accounts as of September 30, 2011, is calculated by adding up each trust account and by deducting in CMTB, CMAB, STB, and Japan Trustee Services Bank, Ltd.

2. Loans and Bills Discounted

Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by subsidiary trust banks, and loans on such guaranteed trust assets as of September 30, 2011, included the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2011	Sep. 30, 2011
Loans to Borrowers in Bankruptcy	¥ 13	\$ 0
Non-accrual Loans	44,718	583
Loans More than Three Months Past Due	—	—
Restructured Loans	463	6
Total	¥ 45,195	\$ 589

3. Balance of Money Trusts

The principal amounts of certain money trusts are guaranteed and the balance of these accounts is as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2011	Sep. 30, 2011
Assets:		
Loans	¥ 371,348	\$ 4,844
Securities	48	0
Other	920,523	12,009
Total	¥ 1,291,920	\$ 16,854
Liabilities:		
Principal	¥ 1,290,790	\$ 16,840
Allowance for the Impairment of Guaranteed Trust Principal	270	3
Other	859	11
Total	¥ 1,291,920	\$ 16,854

In the case of certain money trusts, the principal amount is guaranteed and, as the above table indicates, allowance for the impairment of guaranteed trust principal is set aside by subsidiary trust banks. The figures of the table include funds reinvested from the other trusts managed by subsidiary trust banks.

4. Balance of Loan Trusts

The balance of loan trusts is as follows (the figures of the table include funds reinvested from the other trusts managed by subsidiary trust banks):

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2011	Sep. 30, 2011
Assets:		
Loans	¥ —	\$ —
Securities	480	6
Other	181,275	2,364
Total	¥ 181,755	\$ 2,371
Liabilities:		
Principal	¥ 179,079	\$ 2,336
Allowance for the Impairment of Guaranteed Trust Principal	1,203	15
Other	1,472	19
Total	¥ 181,755	\$ 2,371

As in certain money trusts, the principal amount of loan trusts is guaranteed and, as the above table indicates, allowance for the impairment of guaranteed trust principal is set aside by subsidiary trust banks.