

Progress of Midterm Management Plan

The SuMi TRUST Group has started its Midterm Management Plan for the three years from FY2014 to FY2016. In FY2014, the first year of the plan, we made efforts to enhance the fee-related business, where the SuMi TRUST Group has the strength, and to expand the loan-related business. In addition, we developed businesses in new areas through stronger coordination across business sections and the SuMi TRUST Group. Those efforts are now paying off in the form of steady results.

Progress toward midterm revenue and financial targets

In FY2014, both net business profit before credit costs and net income increased by more than 10% from FY2013, getting the first year of the Midterm Management Plan off to a good start. In addition, we kept above 50% fee income ratio and steadily decreased overhead ratio toward target achievement.

	First year of Midterm Management Plan			FY2015 Forecast		Final year of Midterm Management Plan		CAGR
	FY2013 Actual	FY2014 Actual	Change from FY2013	FY2015 Forecast	Change from FY2014	FY2016 Target	Change from FY2013	
(Billions of Yen)								
<Consolidated>								
Net business profit before credit costs	285.8	316.7	30.8	315.0	(1.7)	355.0	69.1	7.4%
Net income	137.6	159.6	21.9	165.0	5.3	180.0	42.3	9.3%
Fee income to gross business profit ratio	53.0%	51.4%	(1.6%)			50% or above		Long-term target
Return on shareholders' equity	7.8%	8.6%	0.8%			8.5-9.0%		Approx. 10%
<Non-consolidated>								
Net business profit before credit costs	211.8	245.7	33.8	245.0	(0.7)	270.0	58.1	8.4%
Net income	116.0	130.5	14.5	130.0	(0.5)	145.0	28.9	7.7%
Overhead Ratio (OHR)	54.1%	50.3%	(3.8%)			45-50%		

Recomposition of revenue structure

Expansion of fee income <consolidated>

- Fee income increased ¥64.7bn from FY2011
- Growth of recurring fees which are stable earning source exceeded that of upfront fees

Expansion of banking income (loan-deposit income) <non-consolidated>

- Driven by growth of overseas credit, increase in loan-deposit income of international business covered decrease in that of domestic business, and achieved overall growth of loan-deposit income
- Ratio of loan-deposit income of domestic business to gross business profit decreased by approx. 4% to 24% from FY2011

