

Top Message

First, we would like to extend our heartfelt thanks to all stakeholders for your invaluable support.

We have compiled and hereby present our Interim Report for the first half of fiscal year 2014. We hope it proves useful to you.



Kunitaro Kitamura President Hitoshi Tsunekage Chairman

Ongoing depreciation of the yen has led to improved business performance in the Japanese economy. The benefits have gone mainly to exporter companies, while consumers feel uncertainty due to the impact of rising prices for raw materials and energy.

Overseas, the United States has decided to end quantitative easing as its economy recovers. In Europe, concerns about deflation have been rekindled, and market attention is focused on what comes next in terms of fiscal and monetary policy.

In this business environment, the Sumitomo Mitsui Trust Group (hereinafter "the Group") worked as a whole to provide its unique added value as Japan's sole independent financial group specialized in trust banking, centered on Sumitomo Mitsui Trust Bank, Limited (SMTB). At the same time, it strived to strengthen its capacity for sustainable growth to provide clients peace of mind and ensure satisfaction.

In the first half of fiscal year 2014, net business profit before credit costs increased ¥7.6 billion year on year to ¥147.0 billion on a consolidated basis. Net income was up ¥14.5 billion year on year to ¥83.7 billion.

Net business profit before credit costs increased, primarily due to a rise in net interest income and related profit at SMTB. Furthermore, net income increased year on year due to improvements in total credit costs and other factors. Costs associated with integration of systems at SMTB were posted in advance.

At SMTB, the core of the Group, integration of banking IT systems was finished in November 2014. All branches have completed the switchover. Although we regret any inconvenience experienced by our clients during this process, all executives and employees will work together to further improve convenience and service so that clients will be able to enjoy the benefits resulting from management integration.

We look forward to your continuing warm support.

January 2015

Chairman

Handwritten signature of Hitoshi Tsunekage in black ink.

President

Handwritten signature of Kunitaro Kitamura in black ink.