Terms with an asterisk are explained in "Glossary" on page 9.

Financial Highlights

In the consolidated financial results for the first half of fiscal year 2014, net business profit before credit costs increased by ¥7.6 billion year on year to ¥147.0 billion, due to an increase in net interest income and related profit of Sumitomo Mitsui Trust Bank (non-consolidated).

In addition, net income increased by ¥14.5 billion year on year to ¥83.7 billion, due to such factors as improvements in total credit costs, while posting costs associated with IT system integration at Sumitomo Mitsui Trust Bank (non-consolidated).

The interim dividend was ¥5.50 per common share.

• Overview of the Financial Results in the First Half of FY2014

<Consolidated> Sumitomo Mitsui Trust Holdings (Consolidated)

Billions of Yen (Unless specified otherwise)

	1H FY2014 (A)	1H FY2013 (B)	Change (A)–(B)	Rate of change	FY2013
Net Business Profit before Credit Costs*	147.0	139.4	7.6	5.5%	285.8
Ordinary Profit	152.3	124.5	27.7	22.3%	258.0
Net Income	83.7	69.2	14.5	21.0%	137.6
Total Credit Costs*	14.5	6.5	7.9	120.7%	9.1
Return on Equity	7.91%	7.23%	0.68%	—	7.13%
Net Income per Common Shares (Yen)	20.87	17.54	3.33	19.0%	34.48
Net Assets per Common Shares (Yen)	541.56	501.33	40.23	8.0%	511.02

<Non-consolidated> Sumitomo Mitsui Trust Bank (Non-consolidated)

Billions of Yen (Unless specified otherwise)

	1H FY2014 (A)	1H FY2013 (B)	Change (A)–(B)	Rate of change	FY2013
Net Business Profit before Credit Costs*	111.5	104.5	6.9	6.7%	211.8
Net Interest Income and Related Profit*	115.0	104.8	10.2	9.8%	215.7
Net Fees and Commissions and Related Profit*	95.5	95.9	(0.4)	(0.5%)	195.7
Net Trading Profit	15.0	11.8	3.2	27.4%	24.3
Net Other Operating Profit	10.7	16.7	(6.0)	(35.8%)	25.6
General and Administrative Expenses	(124.8)	(124.7)	(0.0)	(0.0%)	(249.7)
Net Non-recurring Profit, etc.	6.4	(14.2)	20.7	144.8%	(23.4)
Ordinary Profit	117.9	90.2	27.7	30.7%	188.4
Extraordinary Profit	(46.8)	(1.2)	(45.6)	(3,739.1%)	(2.4)
Net Income	68.3	56.2	12.1	21.5%	116.0
Total Credit Costs*	13.1	4.0	9.0	226.0%	7.6

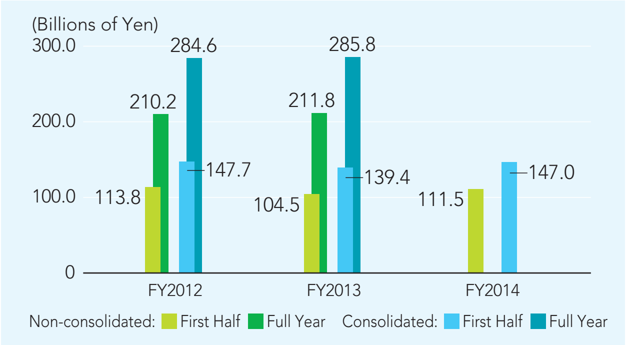
(Note) Amounts less than ¥100 million are rounded down.

<Dividends>

	1H FY2014 (A)	1H FY2013 (B)	Change (A)–(B)
Dividend per Share on Common Share (Yen)	5.50	5.00	0.50

Terms with an asterisk are explained in "Glossary" below.

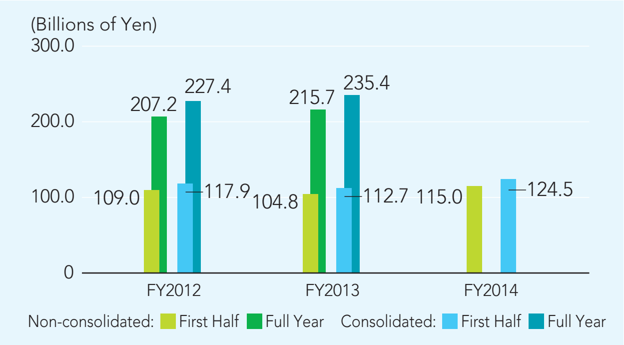
Status of Profit and Loss



• Net Business Profit before Credit Costs*

Net business profit before credit costs increased on both a consolidated and a non-consolidated basis, mainly due to an increase in net interest income and related profit.

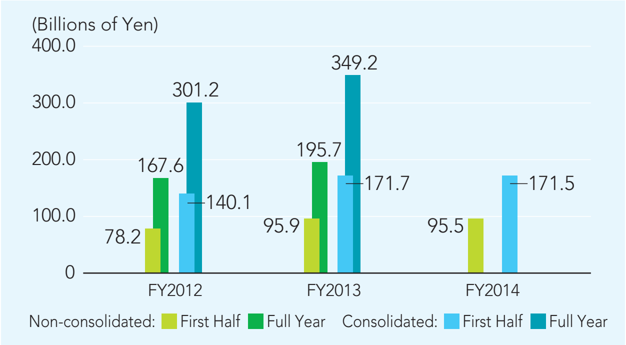
While net fees and commissions and related profit remained at almost the same year on year, there was an increase in net interest income and related profit. As a result, net business profit before credit costs increased by ¥6.9 billion year on year to ¥111.5 billion on a non-consolidated basis, and by ¥7.6 billion year on year to ¥147.0 billion on a consolidated basis.



• Net Interest Income and Related Profit*

Net interest income and related profit increased due to an increase in loans to overseas and an improvement in the loan-deposit gross margin.

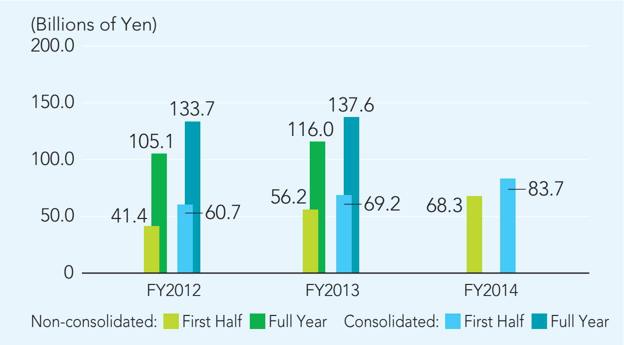
Income from the loan-deposit margin increased mainly due to an increase in credit to overseas borrowers. As a result, net interest income and related profit increased by ¥10.2 billion year on year to ¥115.0 billion on a non-consolidated basis, and by ¥11.8 billion year on year to ¥124.5 billion on a consolidated basis.



• Net Fees and Commissions and Related Profit*

Net fees and commissions and related profit from investment trust and insurance products were steady, but fees from the Real Estate Business decreased.

Although related revenue from investment trust and insurance products increased due to the accumulation of the sales balance resulting from an improvement in the market environment, fees from the Real Estate Business decreased mainly because contracts of some brokerage transactions were delayed until the second half of fiscal year 2014. As a result, net fees and commissions and related profit decreased by ¥0.4 billion year on year to ¥95.5 billion on a non-consolidated basis, and by ¥0.2 billion year on year to ¥171.5 billion on a consolidated basis.



• Net Income

Net income increased due to such factors as improvement in total credit costs.

Costs associated with IT system integration were presented as extraordinary losses. Meanwhile, in addition to total credit costs that resulted in gains on the reversal of allowance for loan losses, income from tax effects was recorded. As a result, net income increased by ¥12.1 billion year on year to ¥68.3 billion on a non-consolidated basis, and by ¥14.5 billion year on year to ¥83.7 billion on a consolidated basis.

Glossary

Net Business Profit before Credit Costs
Substantial profit of a bank's core businesses, calculated by eliminating the effects of non-recurring factors, such as total credit costs and net gains on stock from ordinary profit.

Total Credit Costs
Costs incurred in posting allowances for losses on loans and writing off loans.

Net Interest Income and Related Profit
Net revenues after subtracting interest paid on deposits, etc., from revenues on loans and securities investment.

Net Fees and Commissions and Related Profit
Net profit of the sales fees of investment trusts, real estate brokerage fees, and trust fees for assets under management, etc.

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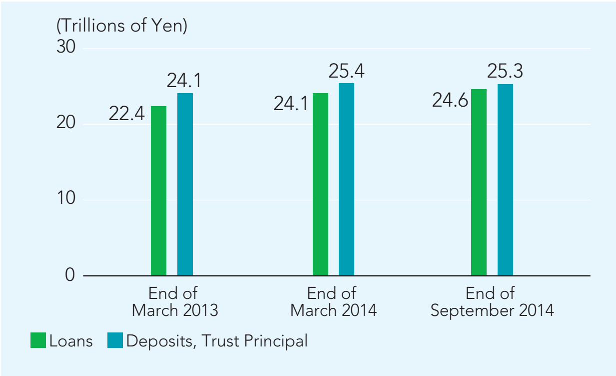
Terms with an asterisk are explained in "Glossary" below.

Financial Status

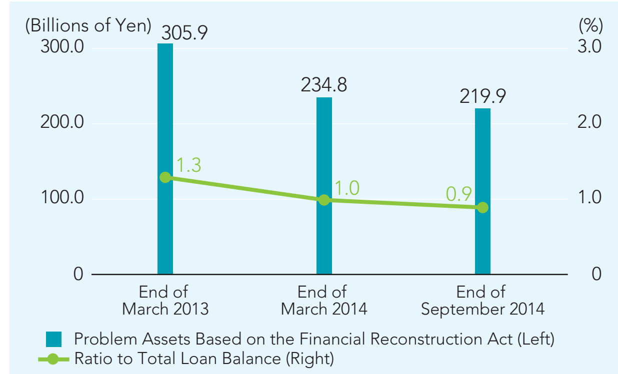


• Loans and Deposits (Non-consolidated)

Both loans and deposits for overseas increased.

Loans increased by ¥0.5 trillion from the end of the previous fiscal year to ¥24.6 trillion, due to increases in loans to individuals and loans to overseas. Deposits, etc.* remained almost the same as at the end of the previous fiscal year at ¥25.3 trillion, because the deposits of individuals decreased but deposits of corporate clients increased in overseas.

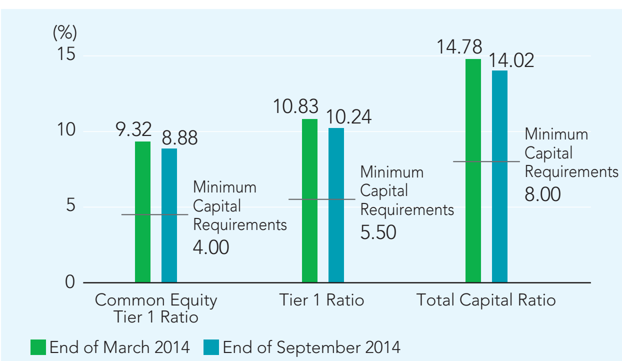
* Deposits, etc. include the principal guaranteed trust account (loan trusts and jointly operated money trusts), but exclude negotiable certificates of deposit. It should be noted that new offerings of loan trusts have been suspended.



• Problem Assets Based on the Financial Reconstruction Act* (Non-consolidated)

The ratio to total loan balance remained low at 0.9%.

The total balance of problem assets based on the financial reconstruction act, as a whole, decreased by ¥14.9 billion from the end of the previous fiscal year to ¥219.9 billion, mainly due to upgrades in credit status resulting from an improvement in the credit conditions of obligors. The ratio of problem assets based on the financial reconstruction act to the total loan balance decreased by 0.1 of a percentage point from the end of the previous fiscal year to 0.9%. As for the ratio of problem assets covered by collateral and the allowance for loan losses, the coverage ratio came to 95% for doubtful loans* and 71% for substandard loans*, indicating that a sufficient level of financial provision remained to be ensured.



• Capital Adequacy Ratio, etc.* (Consolidated)

Sufficient levels were continuously ensured.

While there was an improvement in capital due to factors such as the accumulation of net income, risk-weighted assets increased due to regulatory treatments. As a result, the Common Equity Tier 1 ratio and total capital ratio declined by 0.44 and 0.76 of a percentage point from the end of the previous fiscal year to 8.88% and 14.02%, respectively, both of which were well above the current regulatory required levels of 4.00% and 8.00%, respectively.

*** Basel Ⅲ:**
Basel Ⅲ is a new capital regulatory standard that was announced by the Basel Committee on Banking Supervision in December 2010. Basel Ⅲ, intended to enhance the soundness of internationally active banks, has been adopted in Japan as of the end of March 2013. Basel Ⅲ newly defines "Common Equity Tier 1," which is comprised of capital components that can be used to cover unexpected losses and do not need to be repaid, such as common equity and retained earnings, and requires that the ratio of those capital components to risk-weighted assets, such as investments and loans, ("Common Equity Tier 1 ratio") must be kept higher than a prescribed level.

Glossary

Problem Assets Based on the Financial Reconstruction Act
Assets for which disclosure is required by the Financial Reconstruction Act, and which are classified as follows. These are generally used in referring to "non-performing loans."

Bankrupt and Practically Bankrupt
Assets to debtors who are legally bankrupt (due to bankruptcy, corporate reorganization or rehabilitation proceedings, etc.), or virtually bankrupt.

Doubtful
Assets to debtors who are not legally bankrupt, but whose financial conditions and business results have deteriorated, with a high likelihood that the lender will not be able to collect the principal or receive interest in accordance with the contract.

Substandard
Assets more than three months past due and assets whose terms have been modified to support debtors through such means as interest reductions or exemptions.

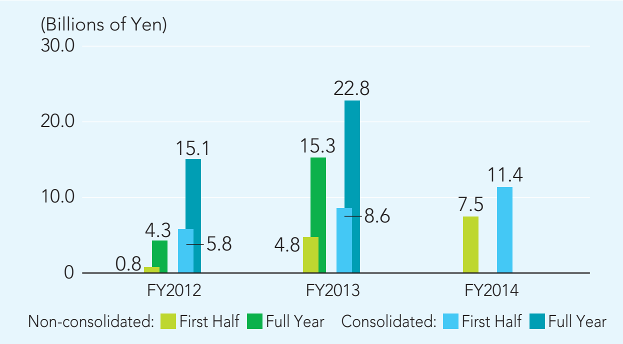
Capital Adequacy Ratio, etc.
Basel Ⅲ* defines the composition of capital in three steps: Common Equity Tier 1 capital, Tier 1 capital and total capital. The ratios obtained by dividing them by risk-weighted assets refer to Common Equity Tier 1 ratio, Tier 1 ratio and total capital ratio, respectively.

Common Equity Tier 1 Capital
Common Equity Tier 1 capital is composed of core capital, consisting primarily of the capital stock, capital surplus and retained earnings.

Tier 1 Capital
Tier 1 capital is composed of Common Equity Tier 1 plus Additional Tier 1 capital, which includes preferred shares, etc.

Total Capital
Total capital is the total amount of capital, composed of Tier 1 capital and Tier 2 capital, which includes debt capital such as subordinated debt and subordinated loans.

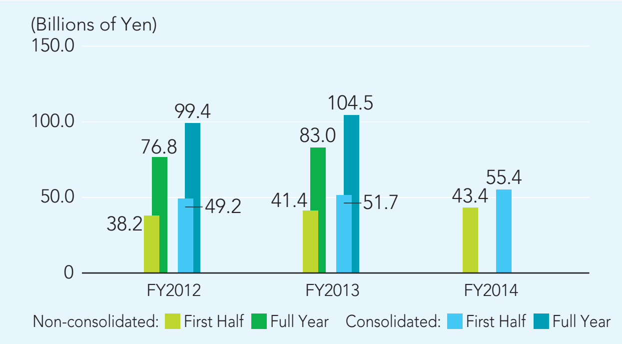
Net Business Profit before Credit Costs, by Business



• Retail Financial Services Business

Net business profit before credit costs increased mainly due to an increase in related fees from investment trust and insurance products.

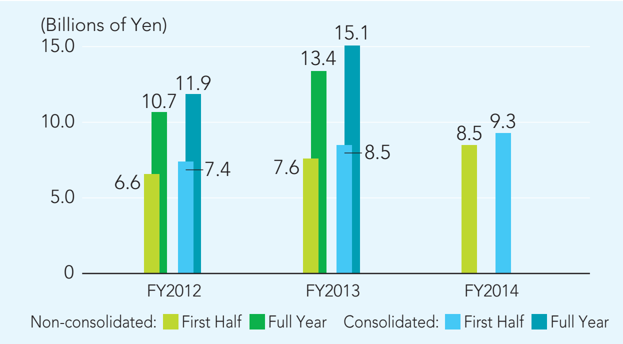
In addition to an improvement of income from the loan-deposit margin due to the accumulation of balance of housing loans, there were increases both in sales amounts and sales balance of investment trust and insurance products and related fees increased. As a result, net business profit before credit costs increased by ¥2.6 billion year on year to ¥7.5 billion on a non-consolidated basis, and by ¥2.8 billion year on year to ¥11.4 billion on a consolidated basis.



• Wholesale Financial Services Business

Net business profit before credit costs increased mainly due to an increase in credit to overseas borrowers.

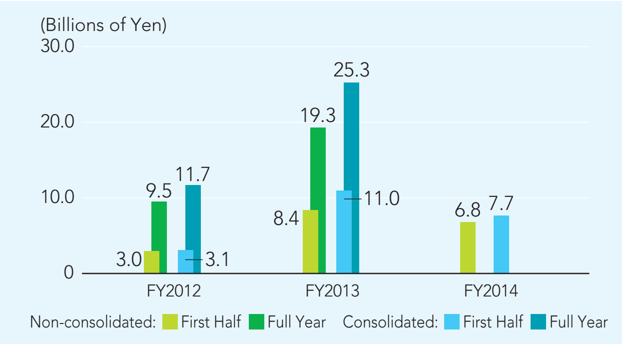
Net business profit before credit costs increased by ¥2.0 billion year on year to ¥43.4 billion on a non-consolidated basis, and by ¥3.6 billion year on year to ¥55.4 billion on a consolidated basis, due to expansion of credit to overseas borrowers, while domestic demand for financing continued to be weak.



• Stock Transfer Agency Services Business

Net business profit before credit costs increased because of progress in the streamlining of administrative operations.

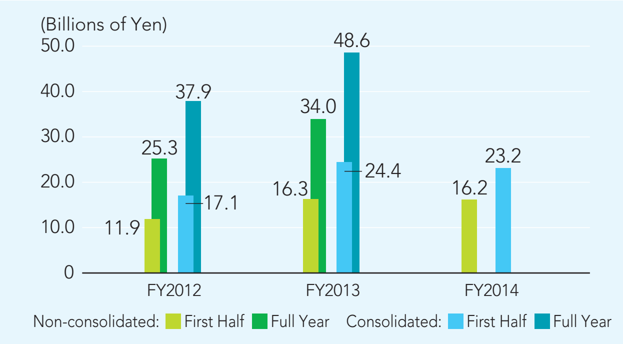
The regular fees received for shareholder administration, etc. remained almost the same as the previous fiscal year. Meanwhile, cost reduction due to the streamlining of administrative operations, including that of group companies, contributed. As a result, net business profit before credit costs increased by ¥0.8 billion year on year to ¥8.5 billion on a non-consolidated basis, and by ¥0.7 billion year on year to ¥9.3 billion on a consolidated basis.



• Real Estate Business

Net business profit before credit costs decreased due to a decrease in real estate brokerage revenue.

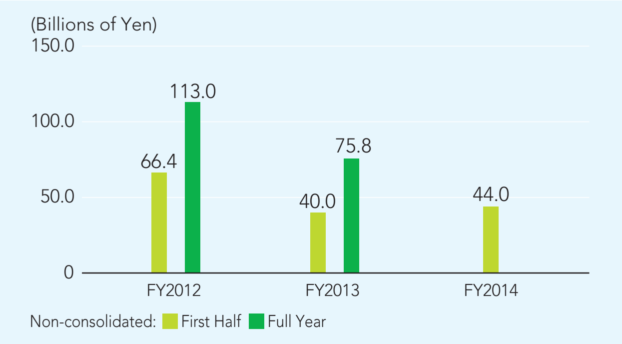
Real estate brokerage revenue decreased due to factors such as delays in contracts of some transactions until the second half of the fiscal year and a reactionary drop following the consumption tax hike. As a result, net business profit before credit costs decreased by ¥1.5 billion year on year to ¥6.8 billion on a non-consolidated basis, and by ¥3.3 billion year on year to ¥7.7 billion on a consolidated basis including subsidiaries.



• Fiduciary Services Business

Net business profit before credit costs decreased due to a strategic increase in general and administrative expenses at subsidiaries.

Although the assets under management increased due to an improvement of the market environment as well as net cash inflows, there was a strategic increase in general and administrative expenses at subsidiaries. As a result, net business profit before credit costs remained the same as the previous fiscal year at ¥16.2 billion on a non-consolidated basis, and decreased by ¥1.2 billion year on year to ¥23.2 billion on a consolidated basis.



• Global Markets Business

Net business profit before credit costs increased due to the flexible management of bond investments.

Net business profit before credit costs increased by ¥4.0 billion year on year to ¥44.0 billion due to proper bond investments that appropriately captured the stage of lowering interest rates.