

Financial Data:

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

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Financial Data:

Consolidated Balance Sheets (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
As of September 30, 2014 and March 31, 2014

	Millions of Yen		Millions of U.S. Dollars
	As of Sep. 30, 2014	As of Mar. 31, 2014	As of Sep. 30, 2014
Assets:			
Cash and Due from Banks	¥ 8,419,972	¥ 6,916,949	\$ 76,930
Call Loans and Bills Bought	768,849	651,552	7,025
Receivables under Resale Agreements	109,593	88,069	1,001
Receivables under Securities Borrowing Transactions	307,593	289,377	2,810
Monetary Claims Bought	629,433	936,435	5,751
Trading Assets (Notes 1 and 7)	536,040	537,029	4,898
Money Held in Trust	1,432	13,344	13
Securities (Notes 1, 7, and 13)	5,267,349	5,764,450	48,126
Loans and Bills Discounted (Notes 2, 3, 4, 5, 6, 7, and 8)	24,490,282	23,824,035	223,758
Foreign Exchanges	10,985	12,114	100
Lease Receivables and Investment Assets (Note 7)	533,827	540,204	4,877
Other Assets (Note 7)	1,409,809	1,333,355	12,881
Tangible Fixed Assets (Notes 9 and 10)	225,832	229,583	2,063
Intangible Fixed Assets	164,092	210,536	1,499
Assets for Retirement Benefits	112,579	150,153	1,029
Deferred Tax Assets	15,239	17,128	139
Customers' Liabilities for Acceptances and Guarantees	504,944	485,384	4,613
Allowance for Loan Losses	(94,687)	(110,289)	(865)
Total Assets	¥ 43,413,170	¥ 41,889,413	\$ 396,648
Liabilities:			
Deposits (Note 7)	¥ 24,010,912	¥ 24,123,328	\$ 219,378
Negotiable Certificates of Deposit	6,389,378	5,100,179	58,377
Call Money and Bills Sold	300,184	200,005	2,743
Payables under Repurchase Agreements (Note 7)	1,096,905	1,291,641	10,022
Payables under Securities Lending Transactions (Note 7)	11,387	—	104
Trading Liabilities	250,574	214,104	2,289
Borrowed Money (Notes 7 and 11)	2,113,420	1,906,117	19,309
Foreign Exchanges	70	124	1
Short-Term Bonds Payable	1,026,914	904,882	9,383
Bonds Payable (Note 12)	1,056,815	1,057,772	9,656
Borrowed Money from Trust Account	2,934,859	2,941,748	26,815
Other Liabilities	1,048,343	1,139,718	9,578
Provision for Bonuses	13,281	15,415	121
Provision for Directors' Bonuses	120	255	1
Liabilities for Retirement Benefits	11,515	11,311	105
Provision for Reimbursement of Deposits	3,637	3,917	33
Provision for Contingent Losses	8,864	8,800	81
Deferred Tax Liabilities	76,579	39,705	700
Deferred Tax Liabilities for Land Revaluation (Note 9)	3,712	3,954	34
Acceptances and Guarantees (Note 7)	504,944	485,384	4,613
Total Liabilities	¥ 40,862,421	¥ 39,448,370	\$ 373,343
Net Assets:			
Total Shareholders' Equity:	¥ 1,933,407	¥ 1,901,775	\$ 17,665
Capital Stock	261,608	261,608	2,390
Capital Surplus	754,267	754,267	6,891
Retained Earnings	918,133	886,491	8,389
Treasury Stock	(601)	(591)	(5)
Total Accumulated Other Comprehensive Income:	291,154	203,599	2,660
Valuation Difference on Available-for-Sale Securities	320,447	229,637	2,928
Deferred Gains (Losses) on Hedges	(17,582)	(12,585)	(161)
Revaluation Reserve for Land (Note 9)	(6,198)	(5,761)	(57)
Foreign Currency Translation Adjustments	7,184	7,343	66
Adjustments for Retirement Benefits	(12,695)	(15,033)	(116)
Subscription Rights to Shares	232	47	2
Minority Interests	325,954	335,620	2,978
Total Net Assets	¥ 2,550,749	¥ 2,441,043	\$ 23,305
Total Liabilities and Net Assets	¥ 43,413,170	¥ 41,889,413	\$ 396,648
	Yen		U.S. Dollars
Net Assets per Share of Common Stock	¥ 541.56	¥ 511.02	\$ 4.95

See accompanying notes.

The figures in U.S. Dollars are converted from a yen basis for convenience at the rate of ¥109.45 to U.S. \$1.00, the exchange rate prevailing as of September 30, 2014.

Financial Data:

Consolidated Statements of Income (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the Six Months Ended September 30, 2014 and 2013

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2014	Six Months Ended Sep. 30, 2013	Six Months Ended Sep. 30, 2014
Income:			
Trust Fees	¥ 52,160	¥ 51,441	\$ 477
Interest Income:	180,938	175,581	1,653
Interest on Loans and Discounts	127,743	119,684	1,167
Interest and Dividends on Securities	42,488	48,446	388
Fees and Commissions	160,011	159,298	1,462
Trading Income	15,203	12,055	139
Other Ordinary Income	134,937	145,462	1,233
Other Income (Note 1)	37,827	64,001	346
Total Income	¥ 581,079	¥ 607,842	\$ 5,309
Expenses:			
Interest Expenses:	¥ 61,317	¥ 66,782	\$ 560
Interest on Deposits	32,199	34,168	294
Fees and Commissions Payments	35,679	35,080	326
Trading Expenses	134	272	1
Other Ordinary Expenses	112,002	116,182	1,023
General and Administrative Expenses (Note 2)	202,157	200,078	1,847
Other Expenses (Note 3)	64,259	65,990	587
Total Expenses	¥ 475,551	¥ 484,386	\$ 4,345
Income before Income Taxes and Minority Interests	¥ 105,527	¥ 123,455	\$ 964
Income Taxes:			
Current	9,385	12,306	86
Deferred	5,890	32,198	54
Income before Minority Interests	90,251	78,951	825
Minority Interests in Income	6,501	9,736	59
Net Income	¥ 83,750	¥ 69,214	\$ 765
		Yen	U.S. Dollars
Net Income per Share of Common Stock	¥ 20.87	¥ 17.54	\$ 0.19

See accompanying notes.

Financial Data:

Consolidated Statements of Comprehensive Income (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the Six Months Ended September 30, 2014 and 2013

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2014	Six Months Ended Sep. 30, 2013	Six Months Ended Sep. 30, 2014
Income before Minority Interests	¥ 90,251	¥ 78,951	\$ 825
Other Comprehensive Income (Loss):			
Valuation Differences on Available-for-Sale Securities	84,181	68,018	769
Deferred Gains (Losses) on Hedges	(2,838)	3,021	(26)
Foreign Currency Translation Adjustments	85	5,195	1
Adjustments for Retirement Benefits	2,373	—	22
Attributable to Equity-Method Affiliates Companies	4,396	2,147	40
Total Other Comprehensive Income (Loss)	¥ 88,198	¥ 78,382	\$ 806
Comprehensive Income:	¥178,450	¥ 157,333	\$ 1,630
Comprehensive Income Attributable to Owners of the Parent	¥171,743	¥ 147,486	\$ 1,569
Comprehensive Income Attributable to Minority Interests	6,707	9,847	61

See accompanying notes.

Financial Data:

Consolidated Statements of Changes in Net Assets (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the Six Months Ended September 30, 2014 and 2013

For the Six Months Ended September 30, 2014

	Millions of Yen				
	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Period	¥ 261,608	¥ 754,267	¥ 886,491	¥ (591)	¥ 1,901,775
Cumulative Effect of Changes in Accounting Policies			(30,729)		(30,729)
Balance at the Beginning of the Period after the Cumulative Effect	261,608	754,267	855,761	(591)	1,871,046
Changes during the Period					
Cash Dividends			(21,815)		(21,815)
Net Income			83,750		83,750
Purchase of Treasury Stock				(25)	(25)
Disposal of Treasury Stock		0		15	15
Reversal of Revaluation Reserve for Land			437		437
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Period	—	0	62,371	(10)	62,361
Balance at the End of the Period	¥ 261,608	¥ 754,267	¥ 918,133	¥ (601)	¥ 1,933,407

	Millions of Yen								
	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Minority Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Period	¥ 229,637	¥ (12,585)	¥ (5,761)	¥ 7,343	¥ (15,033)	¥ 203,599	¥ 47	¥ 335,620	¥ 2,441,043
Cumulative Effect of Changes in Accounting Policies									(30,729)
Balance at the Beginning of the Period after the Cumulative Effect	229,637	(12,585)	(5,761)	7,343	(15,033)	203,599	47	335,620	2,410,313
Changes during the Period									
Cash Dividends									(21,815)
Net Income									83,750
Purchase of Treasury Stock									(25)
Disposal of Treasury Stock									15
Reversal of Revaluation Reserve for Land									437
Net Changes of Items Other Than Shareholders' Equity	90,810	(4,997)	(437)	(158)	2,338	87,555	184	(9,666)	78,073
Total Changes during the Period	90,810	(4,997)	(437)	(158)	2,338	87,555	184	(9,666)	140,435
Balance at the End of the Period	¥ 320,447	¥ (17,582)	¥ (6,198)	¥ 7,184	¥ (12,695)	¥ 291,154	¥ 232	¥ 325,954	¥ 2,550,749

(Continued)

For the Six Months Ended September 30, 2013

	Millions of Yen				
	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Period	¥ 261,608	¥ 752,973	¥ 790,139	¥ (93,164)	¥ 1,711,556
Changes during the Period					
Cash Dividends			(19,810)		(19,810)
Net Income			69,214		69,214
Purchase of Treasury Stock				(55)	(55)
Disposal of Treasury Stock		1,292		92,675	93,968
Reversal of Revaluation Reserve for Land			221		221
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Period	—	1,292	49,625	92,619	143,538
Balance at the End of the Period	¥ 261,608	¥ 754,266	¥ 839,764	¥ (544)	¥ 1,855,095

	Millions of Yen								
	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Minority Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Period	¥ 161,522	¥ (17,154)	¥ (5,457)	¥ (4,427)	¥ —	¥ 134,482	¥19	¥ 484,415	¥ 2,330,474
Changes during the Period									
Cash Dividends									(19,810)
Net Income									69,214
Purchase of Treasury Stock									(55)
Disposal of Treasury Stock									93,968
Reversal of Revaluation Reserve for Land									221
Net Changes of Items Other Than Shareholders' Equity	66,618	5,234	(221)	6,419	—	78,049	9	(79,274)	(1,215)
Total Changes during the Period	66,618	5,234	(221)	6,419	—	78,049	9	(79,274)	142,323
Balance at the End of the Period	¥ 228,140	¥ (11,920)	¥ (5,679)	¥ 1,991	¥ —	¥ 212,532	¥29	¥ 405,141	¥ 2,472,797

(Continued)

For the Six Months Ended September 30, 2014

	Millions of U.S. Dollars				
	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Period	\$ 2,390	\$ 6,891	\$ 8,100	\$ (5)	\$ 17,376
Cumulative Effect of Changes in Accounting Policies			(281)		(281)
Balance at the Beginning of the Period after the Cumulative Effect	2,390	6,891	7,819	(5)	17,095
Changes during the Period					
Cash Dividends			(199)		(199)
Net Income			765		765
Purchase of Treasury Stock				(0)	(0)
Disposal of Treasury Stock		0		0	0
Reversal of Revaluation Reserve for Land			4		4
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Period	—	0	570	(0)	570
Balance at the End of the Period	\$ 2,390	\$ 6,891	\$ 8,389	\$ (5)	\$ 17,665

	Millions of U.S. Dollars								
	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Minority Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Period	\$ 2,098	\$ (115)	\$ (53)	\$ 67	\$ (137)	\$ 1,860	\$ 0	\$ 3,066	\$ 22,303
Cumulative Effect of Changes in Accounting Policies									(281)
Balance at the Beginning of the Period after the Cumulative Effect	2,098	(115)	(53)	67	(137)	1,860	0	3,066	22,022
Changes during the Period									
Cash Dividends									(199)
Net Income									765
Purchase of Treasury Stock									(0)
Disposal of Treasury Stock									0
Reversal of Revaluation Reserve for Land									4
Net Changes of Items Other Than Shareholders' Equity	830	(46)	(4)	(1)	21	800	2	(88)	713
Total Changes during the Period	830	(46)	(4)	(1)	21	800	2	(88)	1,283
Balance at the End of the Period	\$ 2,928	\$ (161)	\$ (57)	\$ 66	\$ (116)	\$ 2,660	\$ 2	\$ 2,978	\$ 23,305

See accompanying notes.

Financial Data:

Consolidated Statements of Cash Flows (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the Six Months Ended September 30, 2014 and 2013

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2014	Six Months Ended Sep. 30, 2013	Six Months Ended Sep. 30, 2014
Net Cash Provided by (Used in) Operating Activities:			
Income before Income Taxes and Minority Interests	¥ 105,527	¥ 123,455	\$ 964
Depreciation and Amortization	17,907	18,007	164
Impairment Losses	1,469	460	13
Amortization of Goodwill	4,050	4,287	37
Equity in Losses (Earnings) of Affiliated Companies	(3,134)	(2,295)	(29)
Increase (Decrease) in Allowance for Loan Losses	(15,601)	(19,150)	(143)
Increase (Decrease) in Provision for Bonuses	(2,134)	(1,618)	(19)
Increase (Decrease) in Provision for Directors' Bonuses	(135)	(17)	(1)
Increase (Decrease) in Provision for Retirement Benefits	—	(4,609)	—
Decrease (Increase) in Assets for Retirement Benefits	10,537	—	96
Increase (Decrease) in Liabilities for Retirement Benefits	(758)	—	(7)
Increase (Decrease) in Provision for Reimbursement of Deposits	(280)	(1,450)	(3)
Increase (Decrease) in Provision for Contingent Losses	64	1,036	1
Gain on Fund Management	(180,938)	(175,581)	(1,653)
Financing Expenses	61,317	66,782	560
Loss (Gain) Related to Securities	(31,761)	1,722	(290)
Loss (Gain) on Money Held in Trust	(635)	(762)	(6)
Foreign Exchange Losses (Gains)	(86,207)	(61,255)	(788)
Loss (Gain) on Disposal of Fixed Assets	(748)	668	(7)
Net Decrease (Increase) in Trading Assets	989	84,881	9
Net Increase (Decrease) in Trading Liabilities	36,470	(8,857)	333
Net Decrease (Increase) in Loans and Bills Discounted	(667,548)	(560,443)	(6,099)
Net Increase (Decrease) in Deposit	(102,558)	674,560	(937)
Net Increase (Decrease) in Negotiable Certificates of Deposit	1,289,198	584,373	11,779
Net Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowings)	267,528	588,477	2,444
Net Decrease (Increase) in Due from Banks (excluding Due from the Bank of Japan)	(123,849)	(758,252)	(1,132)
Net Decrease (Increase) in Call Loans	168,317	59,236	1,538
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	(18,215)	(88,392)	(166)
Net Increase (Decrease) in Call Money	(94,557)	553,750	(864)
Net Increase (Decrease) in Payables under Securities Lending Transactions	11,387	—	104
Net Decrease (Increase) in Foreign Exchange—Assets	1,128	26,689	10
Net Increase (Decrease) in Foreign Exchange—Liabilities	(54)	(0)	(0)
Net Decrease (Increase) in Lease Receivables and Investment Assets	6,376	16,901	58
Net Increase (Decrease) in Short-Term Bonds Payable	122,032	188,316	1,115
Increase (Decrease) in Straight Bonds-Issuance and Redemption	63,344	132,203	579
Net Increase (Decrease) in Borrowed Money from Trust Account	(6,889)	(3,970)	(63)
Proceeds from Fund Management	187,768	173,526	1,716
Payments for Finance	(83,845)	(74,835)	(766)
Other, Net	(169,675)	120,426	(1,550)
Subtotal	¥ 765,886	¥ 1,658,271	\$ 6,998
Income Taxes (Paid) Refunded	(16,179)	7,814	(148)
Net Cash Provided by (Used in) Operating Activities	¥ 749,707	¥ 1,666,085	\$ 6,850

(Continued)

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2014	Six Months Ended Sep. 30, 2013	Six Months Ended Sep. 30, 2014
Net Cash Provided by (Used in) Investing Activities:			
Purchase of Securities	¥ (3,271,525)	¥ (3,160,833)	\$ (29,891)
Proceeds from Sales of Securities	3,086,058	1,788,908	28,196
Proceeds from Redemption of Securities	998,274	1,963,525	9,121
Decrease in Money Held in Trust	12,000	5,650	110
Purchase of Tangible Fixed Assets	(6,787)	(6,477)	(62)
Proceeds from Sales of Tangible Fixed Assets	3,934	1,216	36
Purchase of Intangible Fixed Assets	(17,145)	(25,984)	(157)
Net Cash Provided by (Used in) Investing Activities	¥ 804,809	¥ 566,005	\$ 7,353
Net Cash Provided by (Used in) Financing Activities:			
Decrease in Subordinated Borrowings	(60,000)	—	(548)
Proceeds from Issuance of Subordinated Bonds and Bonds with Subscription Rights to Shares	29,850	—	273
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares	(99,000)	(93,500)	(905)
Repayments to Minority Shareholders	(10,000)	(80,000)	(91)
Cash Dividends Paid	(21,800)	(19,836)	(199)
Cash Dividends Paid to Minority Shareholders	(5,859)	(9,113)	(54)
Purchase of Treasury Stock	(25)	(55)	(0)
Proceeds from Sales of Treasury Stock	15	89,866	0
Net Cash Provided by (Used in) Financing Activities	¥ (166,820)	¥ (112,639)	\$ (1,524)
Effect of Exchange Rate Change on Cash and Cash Equivalents	¥ (8,608)	¥ 27,639	\$ (79)
Net Increase (Decrease) in Cash and Cash Equivalents	¥ 1,379,088	¥ 2,147,091	\$ 12,600
Cash and Cash Equivalents at the Beginning of the Period	¥ 5,400,503	¥ 2,609,409	\$ 49,342
Cash and Cash Equivalents at the End of the Period (Note 1)	¥ 6,779,591	¥ 4,756,500	\$ 61,942

See accompanying notes.

Financial Data:

Notes to the Interim Consolidated Financial Statements (Unaudited)

Basis of Presentation

The accompanying interim 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 the 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 interim consolidated financial statements, the interim consolidated financial statements of SMTH issued in Japan have been reclassified and rearranged in order to present them in a form that is more familiar to readers outside Japan.

The interim consolidated financial statements are stated in Japanese yen, the currency of the country in which SMTH is incorporated and operates. The translation of Japanese yen amounts into U.S. dollar amounts is included solely for the convenience of readers outside Japan. The translation has been made at the rate of ¥109.45 to U.S. \$1, the approximate rate of exchange as of September 30, 2014. 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 have been rounded down and amounts less than one million U.S. dollars have been rounded off. As a result, total balances may not be equal to the sum of individual amounts.

Significant Accounting Policies and Practices

1. Scope of Consolidation

(1) Consolidated Subsidiaries: 75 companies

Principal Company

Sumitomo Mitsui Trust Bank, Limited ("SMTB")

Changes in the consolidated subsidiaries during the interim period ended September 30, 2014, are as follows:

The newly established Sumitomo Mitsui Trust Bank (Thai) Public Company Limited was included in the scope of consolidation during the interim period ended September 30, 2014.

Since MTH Preferred Capital 4 (Cayman) Limited and one other company liquidated, they were excluded from the scope of consolidation during the interim period.

(2) Unconsolidated Subsidiaries

Principal Company

Hummingbird Co., Ltd

ASIA GATEWAY I, L.P.

Hummingbird Co., Ltd. and 34 other companies are excluded from the scope of consolidation in accordance with Paragraph 1, Item 2 of Article 5 of "Ordinance on Terminology, Forms and Preparation Methods of Interim Financial Statements, etc.," because they are the operators that are engaged in leasing activities through silent partnership arrangements and their assets and profits/losses do not belong to the subsidiaries.

ASIA GATEWAY I, L.P. and other unconsolidated subsidiaries are excluded from the scope of consolidation, because they are immaterial to the extent that excluding such companies from consolidation would not prevent a reasonable assessment of the corporate group's financial position and financial results. Such materiality is determined based on the size of their assets, ordinary income, net income (amount corresponding to SMTH's interest in subsidiaries), retained earnings (amount corresponding to SMTH's interest in subsidiaries), and accumulated other comprehensive income (amount corresponding to SMTH's interest in subsidiaries).

2. Application of the Equity Method

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

None

(2) Affiliated Companies Accounted for by the Equity Method:

30 companies

Principal Companies

Japan Stockholders Data Service Company, Limited

SBI Sumishin Net Bank, Ltd.

Changes in the affiliated companies accounted for by the equity method during the interim period ended September 30, 2014, are as follows:

Affin Fund Management Berhad and one other company were included in the scope of application of the equity method through acquisition of shares during the interim period ended September 30, 2014.

(3) Unconsolidated Subsidiaries and Affiliated Companies that are Not Accounted for by the Equity Method
Principal Company
Hummingbird Co., Ltd
ASIA GATEWAY I, L.P.

Hummingbird Co., Ltd. and 34 other companies are excluded from the scope of application of the equity method in accordance with Paragraph 1, Item 2 of Article 7 of "Ordinance on Terminology, Forms and Preparation Methods of Interim Financial Statements, etc.," because they are the operators that are engaged in leasing activities through silent partnership arrangements and their assets and profits/losses do not belong to the subsidiaries.

ASIA GATEWAY I, L.P. and other unconsolidated subsidiaries and affiliated companies that are not accounted for by the equity method are excluded from the scope of application of the equity method because such exclusion would not materially affect the interim consolidated financial statements. Such materiality is determined based on the size of their net income (amount corresponding to SMTH's interest in subsidiaries and affiliated companies), retained earnings (amount corresponding to SMTH's interest in subsidiaries and affiliated companies), and accumulated other comprehensive income (amount corresponding to SMTH's interest in subsidiaries and affiliated companies).

3. Interim Balance Sheet Dates of the Consolidated Subsidiaries

(1) The interim balance sheet dates of the consolidated subsidiaries are as follows:

October 31:	2 companies
December 31:	1 company
February 28:	1 company
March 31:	6 companies
May 31:	1 company
June 30:	13 companies
July 24:	3 companies
July 31:	2 companies
September 30:	46 companies

(2) Subsidiaries are consolidated using the interim financial statements as of the following dates:

Subsidiaries with an interim balance sheet date of October 31: provisionally prepared interim financial statements as of July 31

A subsidiary with an interim balance sheet date of December 31: provisionally prepared interim financial statements as of June 30

A subsidiary with an interim balance sheet date of February 28: provisionally prepared interim financial statements as of August 31

Subsidiaries with an interim balance sheet date of March 31: provisionally prepared interim financial statements as of September 30

A subsidiary with an interim balance sheet date of May 31: provisionally prepared interim financial statements as of August 31

One of the subsidiaries with an interim balance sheet date of June 30: provisionally prepared interim financial statements as of September 30

Subsidiaries with an interim balance sheet date of July 24: provisionally prepared interim financial statements as of September 30

Other subsidiaries: interim financial statements as of their respective interim balance sheet dates.

Material transactions arising between the interim consolidated balance sheet date, September 30, 2014, and the above interim balance sheet dates of subsidiaries have been reflected to the interim consolidated financial statements.

4. Significant Accounting Policies

(1) Trading Assets/Liabilities and Income/Expenses

Trading account activities are conducted to seek profits by taking advantage of short-term fluctuations in interest rates, currency rates, financial markets or other indicators, or intermarket differences (for trading purposes). The fluctuations in such items are presented as “trading assets” or “trading liabilities” in the interim consolidated balance sheets on a trade-date basis, and gains and losses from such transactions are presented as “trading income” or “trading expenses” in the interim consolidated statements of income.

For the measurement of trading assets and trading liabilities, securities and monetary claims are stated at their fair values as of the interim consolidated balance sheet date, and trading-related financial derivatives, such as swaps, futures and options, are stated at their settlement amounts as of the interim consolidated balance sheet date.

Trading income and trading expenses include interest income or expenses, changes in fair values of securities and monetary claims during the interim period, and changes in values of financial derivatives between the beginning and end of interim period.

(2) Securities

(a) Under the accounting standards for financial instruments in Japan, SMTH is required to determine the purposes of holding each security and classify such security 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 affiliated companies, 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 (the straight-line method). Equity securities issued by unconsolidated subsidiaries and affiliated companies not accounted for by the equity method are stated at moving-average cost. Japanese stocks classified as “available-for-sale securities” are, in principle, valued at the average market price during the final month in the interim period. “Available-for-sale securities” other than Japanese stocks are, in principle, valued at the market price

at the interim balance sheet date. “Available-for-sale securities” whose fair value is extremely difficult to estimate are carried at 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 interim 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 other than lease assets

Tangible fixed assets of SMTB are depreciated using the declining-balance method, except for the buildings (excluding accompanying facilities) 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
Others:	2 to 20 years

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

(b) Intangible fixed assets other than 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 within 20 years. However, if immaterial, it is expensed in its entirety in the year in which it arises.

(c) Lease assets

The lease assets under “Tangible Fixed Assets” and “Intangible Fixed Assets” that are related to finance leases that do not transfer ownership of the lease assets to lessees are depreciated using the straight-line method over the lease term, 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 criteria for write-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, after the write-off stated below, net of the expected amount of recoveries from collateral and guarantees. For claims against borrowers that have not yet initiated bankruptcy proceedings but are very likely to become bankrupt in the future ("possible bankruptcy"), an allowance is provided for the amount deemed necessary based on the overall assessment of the borrowers' solvency, after deducting the amount expected to be collected through the disposal of collateral or execution of guarantees from the claims.

For claims against large borrowers with certain credit risks and credit amounts that are classified as possible bankruptcy borrowers, restructured loan borrowers, or close-observation borrowers, if future cash flows from collection of the principal and interest 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 (the "estimated cash flow method").

For claims that are classified as other than those above, the allowance is provided based on the historical loan-loss ratios during a certain period.

All claims are assessed at branches and credit supervision departments based on the criteria for self-assessment of asset quality. The Risk Management Department, which is independent from the operating sections, monitors 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 ratios, and the allowance for loan losses for specific claims, such as possible uncollectible claims, is provided based on the estimate of unrecoverable amount for each claim.

For claims against borrowers who are legally bankrupt or virtually bankrupt with collateral or guarantees, claims against borrowers in legal or virtual bankruptcy, net of amounts expected to be collected through the disposal of collateral or through the execution of guarantees, are directly deducted from the original amount of claims. The deducted amount was ¥22,403 million (U.S. \$205 million).

(6) Provision for Bonuses

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

(7) Provision for Directors Bonuses

A provision for directors' bonuses is provided for the estimated directors' bonuses attributable to the current interim period.

(8) Provision for Reimbursement of Deposits in Dormant Accounts

At SMTB, a provision for reimbursement of deposits in dormant accounts is provided for the deposits that were derecognized as liabilities under certain conditions. Such provision is provided against the estimated future reimbursement to be requested by customers based on the past reimbursement record.

(9) Provision for Contingent Losses

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

(10) Accounting for Retirement Benefits

In determining the retirement benefit obligations, SMTH adopts the benefit formula basis to attribute projected benefit obligations to the interim period ended September 30, 2014. Past service cost and actuarial gains or losses are expensed using the following methods:

Past service cost: Past service cost is recognized using the straight-line method, primarily over 10 years within the employees' average remaining service period at incurrence.

Actuarial gains or losses: Actuarial differences are expensed using the straight-line method, primarily over 10 years within the employees' average remaining service period, commencing from the next fiscal year of incurrence.

Some consolidated subsidiaries adopt the computational short-cut method in calculating liabilities for retirement benefits and retirement benefit expenses, recording liabilities at amounts to be required for voluntary termination at the end of the current interim period.

(11) Foreign Currency Translation

Assets and liabilities of SMTB that are denominated in foreign currencies and overseas branch accounts are generally translated into yen at the exchange rates prevailing at the interim consolidated balance sheet dates, except for shares of affiliated companies translated into yen at the exchange rates prevailing at the acquisition dates.

Assets and liabilities of other consolidated subsidiaries that are denominated in foreign currencies are translated into yen at the exchange rates prevailing at their respective interim balance sheet dates.

(12) Accounting for Leases

As for the consolidated subsidiaries in Japan, income and expenses arising from transactions of finance leases that do not transfer ownerships to lessees are recognized as sales and costs of goods sold when lease payments are collected.

(13) Hedge Accounting

(a) Interest-related transactions

SMTB manages the interest rate risk arising from various assets and liabilities by using financial derivatives transactions. 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, hedged items, such as deposits, loans and bills discounted, and hedging instruments, such as interest rate swaps, are grouped by duration 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 instruments.

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), SMTB has adopted "Macro Hedge Accounting" to account for certain interest-related derivatives, which are utilized to manage interest rate exposure of certain changes of transactions, such as loans and bills discounted, and deposits. Deferred gains (losses) on hedges in the interim consolidated balance sheets as of the end of the current interim period that have resulted from existing "Macro Hedge Accounting" are amortized over the remaining period designated under "Macro Hedge Accounting" for each hedging transaction.

Deferred losses on hedge associated with "Macro Hedge Accounting" during the current interim period ended September 30, 2014, totaled ¥400 million (U.S. \$4 million) (before tax effect).

(b) Currency-related transactions

SMTB manages the foreign exchange risk arising from various assets and liabilities denominated in foreign currencies by using financial derivatives transactions. Such transactions are generally treated as deferred hedges as specified in "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 hedging instruments, such as cross-currency swaps and foreign exchange swaps as a means of hedging against the foreign exchange risk arising from monetary claims and debts denominated in foreign currencies, is evaluated by verifying that the foreign-currency positions of such hedging instruments are in amounts equivalent to the corresponding monetary claims and debts denominated in foreign currencies, the hedged items.

Additionally, transactions intended to hedge the currency risk associated with foreign-denominated securities (other than bonds) are treated as portfolio hedges. Fair value hedge accounting has been adopted to account for such transactions on the conditions that specific foreign-denominated securities are designated in advance as hedged items and that forward obligations exist in excess of the acquisition cost of such foreign-denominated securities on a foreign-currency basis.

(c) Stock-related transactions

SMTB manages the risk of fluctuations in underlying stock prices of some “available-for-sale securities” by using financial derivatives transactions. Such transactions are generally treated as fair value hedges and the effectiveness of those hedges is evaluated individually by a ratio analysis, i.e. a comparison of the hedged item with the changes in the fair values of the corresponding hedging instrument.

(d) Internal hedge transactions and others

Among derivatives transactions of SMTB that take place between consolidated subsidiaries or designated trading accounts and some other accounts, those interest rate swaps and cross-currency swaps designated as hedging instruments are carried out in accordance with standards for cover deals with external parties, which eliminate discretion and enable strict management on hedges pursuant to Report No. 24 and Report No. 25. Accordingly, income or expenses arising from such interest rate swaps and cross-currency swaps are recognized as profit or loss, or deferred, rather than eliminated.

Deferred hedge and fair value hedge accounting have been adopted for certain assets and liabilities by individual transactions.

Other consolidated subsidiaries account for such transactions as deferred hedges or exceptional treatment for interest rate swaps by individual transactions.

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

The balance of “Cash and Cash Equivalents” in the interim consolidated statements of cash flows composes the balance of “Cash and Due from Banks” presented in the interim consolidated balance sheets (cash and due from the Bank of Japan for SMTB and Japan Trustee Services Bank, Ltd. (“JTSB”)).

(15) National and Local Consumption Taxes

National and local consumption taxes (“consumption taxes”) payable by SMTH and its consolidated subsidiaries in Japan are accounted for by the tax-excluded method. However, any nondeductible consumption taxes associated with asset purchases are recorded as expenses in the current interim period.

(Changes in Accounting Policy)

(Application of Accounting Standard and Related Guidance for Retirement Benefits)

SMTH applied the “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26 of May 17, 2012) (the “Accounting Standard”) and the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25 of May 17, 2012) (the “Guidance”) from the current interim period, specifically items prescribed at paragraph 35 of the Accounting Standard and paragraph 67 of the Guidance. In accordance with the Accounting Standard and the Guidance, SMTH reviewed the calculation methods for defined benefit obligations and service cost, and revised the methods to attribute retirement benefits to periods of service under the plan’s benefit formula for both SMTB and some consolidated subsidiaries. Previously, SMTB applied a point basis, and the consolidated subsidiaries applied a straight-line basis. In addition, SMTB and other consolidated subsidiaries changed the method of determining the discount rate to a method that applies a single weighted average discount rate reflecting the estimated amount of benefit payments, in principle.

For the application of the Accounting Standard and the Guidance, SMTH adopted the transitional provision at paragraph 37 of the Accounting Standard, recording the amounts of the change in the calculation methods for defined benefit obligations and service cost by adjusting “Retained Earnings” at the beginning of the current interim period.

As a result, “Assets for Retirement Benefits” decreased by ¥46,709 million (U.S. \$427 million), “Liabilities for Retirement Benefits” increased by ¥1,036 million (U.S. \$9 million), and “Retained Earnings” decreased by ¥30,729 million (U.S. \$281 million) as of the beginning of the current interim period. The effects to “Ordinary Profit and Income before Income Taxes and Minority Interests” for the current interim period ended September 30, 2014, are immaterial. The effect on per share information is stated in the relevant section.

Notes to the Interim Consolidated Balance Sheets

1. Securities

"Securities" includes stocks and equity investments in unconsolidated subsidiaries and affiliated companies.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Stocks	¥ 49,125	\$ 449
Equity Investments	52,530	480

Securities borrowed under loan agreements without collateral, and securities purchased under resale agreements and borrowing transactions with cash collateral that SMTH is permitted to sell or repledge.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Securities that Are Further Loaned	¥ 777,220	\$ 7,101

2. Loans and Bills Discounted

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Loans in Bankruptcy Proceedings	¥ 3,096	\$ 28
Other Delinquent Loans	110,221	1,007

Loans in bankruptcy proceedings are loans whose interest receivable is not recorded due to delinquency in principal or interest payments for a significant period or other reasons excluding loans that have been written off ("nonaccrual loans"), due to the reasons as prescribed in Paragraph 1, Items 3 and 4 of Article 96 of "Enforcement Ordinance for the Corporation Tax Act" (Cabinet Order No. 97 of 1965).

Other delinquent loans are nonaccrual loans other than (i) loans in bankruptcy proceedings and (ii) loans for which the terms of interest payments have been extended in connection with the borrower's business restructuring or to otherwise provide support.

3. Loans More than Three Months Past Due

There were no loans more than three months past due as of September 30, 2014.

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

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Restructured Loans	¥ 118,782	\$ 1,085

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 providing some arrangements favorable to the borrower in connection with the 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

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Total of Bankruptcy, Delinquent, Loans More than Three Months Past Due, and Restructured Loans	¥ 232,101	\$ 2,121

The amounts presented in Notes 2 through 5 are before allowances for loan losses.

6. Bills Discounted

Bills discounted are treated as financial transactions in accordance with Report No. 24. SMTH has a right to freely sell or repledge such commercial bills. The total face value of such bills is as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Bills Discounted	¥ 3,202	\$ 29

7. Assets Pledged as Collateral

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Assets Pledged as Collateral:		
Trading Assets	¥ 107,872	\$ 986
Securities	1,220,802	11,154
Loans and Bills Discounted	1,281,872	11,712
Lease Receivables and Investment Assets	12,177	111
Other Assets	29,208	267
Total	¥ 2,651,934	\$ 24,230
Corresponding Liabilities to Assets Pledged as Collateral:		
Deposits	¥ 44,615	\$ 408
Payables under Repurchase Agreements	806,924	7,373
Payables under Securities Lending Transactions	11,387	104
Borrowed Money	982,450	8,976
Acceptances and Guarantees	20,689	189
Total	¥ 1,866,067	\$ 17,049

In addition to the foregoing, the following assets have been pledged as collateral for settlement of exchange and others, or as a substitution of margin of futures and others.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Securities	¥ 655,844	\$ 5,992
Loans and Bills Discounted	60,600	554

"Other Assets" includes initial margins of futures, security deposits, and cash collateral paid for financial instruments. Such amounts are as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Initial Margins of Futures	¥ 5,673	\$ 52
Security Deposits	20,249	185
Cash Collateral Paid for Financial Instruments	506,301	4,626

8. Overdraft Facility Agreements and Commitment Lines of Credit

Overdraft facility agreements 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 as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Amount of Unused Credit under such Agreements	¥10,779,639	\$ 98,489
Attributable to Agreements Expiring within One Year or which May Be Unconditionally Canceled at Any Time	7,770,220	70,993

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

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 from SMTB was revalued, and the amount equivalent to the taxes on the resulting valuation difference was recorded as a "deferred tax liability on land revaluation" in liabilities, and the amount net of such difference was recorded as a "revaluation reserve for land" in net assets.

Revaluation date: March 31, 1999

Revaluation method prescribed by Paragraph 3 of Article 3 of the Act:

The revaluation was calculated by adjusting the value of land 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 land assessments under Item 4 of Article 2 of the same order.

10. Accumulated Depreciation of Tangible Fixed Assets

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Accumulated Depreciation of Tangible Fixed Assets	¥ 143,061	\$ 1,307

11. Borrowed Money

Borrowed money includes subordinated borrowings with lower priority for fulfillment of obligation than other debts.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Subordinated Borrowings	¥ 135,143	\$ 1,235

12. Bonds Payable

Bonds payable includes subordinated bonds.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Subordinated Bonds	¥ 648,358	\$ 5,924

13. Guarantee Obligations on Corporate Bonds Placed through Private Securities Offerings

The bonds presented under "Securities" include guarantees for bonds that were placed through private securities offerings (Paragraph 3 of Article 2 of the Financial Instruments and Exchange Act).

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Guarantee Obligations on Corporate Bonds Placed through Private Securities Offerings	¥ 154,410	\$ 1,411

14. Principal of Guaranteed Trust Accounts

The principal amount of the trusts held by SMTB through guaranteed trust agreements is as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Money Trusts	¥ 1,450,973	\$ 13,257
Loan Trusts	14,761	135

Notes to the Interim Consolidated Statements of Income

1. Other Income

Other income for the six months ended September 30, 2014, consists of the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Gains on Sales of Stocks and Other Securities	¥ 11,639	\$ 106
Reversal of Allowance for Loan Losses	14,055	128

2. General and Administrative Expenses

General and administrative expenses for the six months ended September 30, 2014, consist of following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Salaries and Allowances	¥ 82,095	\$ 750

3. Other Expenses

Other expenses for the six months ended September 30, 2014, consist of the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Losses on Sales of Stocks and Other Securities	¥ 544	\$ 5
Management Integration Expenses	3,781	35
Losses on Investment in Associations	1,638	15
Information Technology System Integration Costs	46,058	421

Notes to the Interim Consolidated Statements of Changes in Net Assets

1. Class and the Number of Issued Shares of Common Stock and Treasury Stock

Classes and the number of issued shares of common stock and treasury stock for the six months ended September 30, 2014, consist 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, 2014					
Number of Issued Shares:					
Common Share	8,500,000	3,903,486	—	—	3,903,486
The First Series of Class VII Preferred Shares	109,000	109,000	—	—	109,000
Total	8,609,000	4,012,486	—	—	4,012,486
Treasury Stock:					
Common Share		1,359	56 ¹⁾	34 ²⁾	1,382

(Notes)

1) The number of common shares held as treasury stock increased by 56 thousand shares because of purchases of odd-lot shares.

2) The number of shares of common stock held as treasury stock decreased by 4 thousand shares because of purchase requests from odd-lot shareholders, and by 30 thousand shares because of exercise of stock options.

2. Subscription Rights to Shares

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
SMTH		
Subscription Rights to Shares as Stock Options	¥ 232	\$ 2
Consolidated Subsidiary (Nikko Asset Management Co., Ltd.)		
Subscription Rights to Shares as Stock Options	—	—
Subscription Rights to Shares as Treasury Stock Options	—	—

3. Dividends

(1) Dividends paid for the six months ended September 30, 2014, consist of the following:

Resolution	Type of Shares	Total Cash Dividends	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen (Millions of U.S. Dollars)	Yen (U.S. Dollars)		
June 27, 2014					
Ordinary General Meeting of Shareholders	Common Share	¥ 19,510 (\$178)	¥ 5.00 (\$0.05)	March 31, 2014	June 30, 2014
	The First Series of Class VII Preferred Shares	¥ 2,305 (\$21)	¥ 21.15 (\$0.19)	March 31, 2014	June 30, 2014

(2) Dividends with a record date during the current interim period ended September 30, 2014, but whose effective date is after September 30, 2014, are as follows:

Resolution	Type of Shares	Total Cash Dividends	Dividend Resource	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen (Millions of U.S. Dollars)		Yen (U.S. Dollars)		
July 31, 2014 Board of Directors' Meeting	The First Series of Class VII Preferred Shares	¥ 2,305 (\$21)	Retained Earnings	¥ 21.15 (\$0.19)	September 30, 2014	October 1, 2014
November 13, 2014 Board of Directors' Meeting	Common Share	¥ 21,461 (\$196)	Retained Earnings	¥ 5.50 (\$0.05)	September 30, 2014	December 2, 2014

Notes to the Interim Consolidated Statements of Cash Flows

1. Reconciliation of Cash and Cash Equivalents

The following table shows reconciliation between cash and cash equivalents in the interim consolidated statements of cash flows and cash and due from banks in the interim consolidated balance sheets as of September 30, 2014.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Cash and Due from Banks	¥ 8,419,972	\$ 76,930
Due from Consolidated Subsidiaries in Japan Involving in Trust Banking Business (excluding Due from the Bank of Japan)	(1,640,381)	(14,987)
Cash and Cash Equivalents	¥ 6,779,591	\$ 61,942

Leases

1. Finance Leases

As a lessee:

(1) Finance leases that do not transfer ownership of the lease assets to lessees

1) Description of lease assets

i) Tangible fixed assets

Mainly store buildings and office equipment

ii) Intangible fixed assets

Software

2) Method for amortizing lease assets

Refer to "(4) Depreciation and Amortization Methods" of "4. Significant Accounting Policies" in the Significant Accounting Policies and Practices.

(2) Finance leases that do not transfer ownership of the lease assets to lessees accounted for as operating leases

There were no corresponding items for the six months ended September 30, 2014.

2. Operating Leases

As a lessee:

Total future lease payments under non-cancelable operating leases as of September 30, 2014, were as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Due in One Year or Less	¥ 4,424	\$ 40
Due More than One Year	12,156	111
Total	¥ 16,580	\$ 151

As a lessor:

Total future lease payments receivable under non-cancelable operating leases as of September 30, 2014, were as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Due in One Year or Less	¥ 3,563	\$ 33
Due More than One Year	2,857	26
Total	¥ 6,421	\$ 59

Financial Instruments

Fair Values of Financial Instruments

The carrying amounts on the interim consolidated balance sheets and fair values of financial instruments as of September 30, 2014, as well as the differences between these values are presented below. The fair values of unlisted shares are excluded from the following table, because such fair values are extremely difficult to be determined. (See Note 2).

	Millions of Yen			Millions of U.S. Dollars		
	Sep. 30, 2014			Sep. 30, 2014		
	Carrying Amount	Fair Value	Difference	Carrying Amount	Fair Value	Difference
(1)Cash and Due from Banks (*1)	¥ 8,419,868	¥ 8,419,868	¥ —	\$ 76,929	\$ 76,929	\$ —
(2)Call Loans and Bills Bought	768,849	768,849	—	7,025	7,025	—
(3)Receivables under Resale Agreements	109,593	109,593	—	1,001	1,001	—
(4)Receivables under Securities Borrowing Transactions	307,593	307,593	—	2,810	2,810	—
(5)Monetary Claims Bought (*1)	592,911	593,553	641	5,417	5,423	6
(6)Trading Assets Trading Securities	166,044	166,044	—	1,517	1,517	—
(7)Money Held in Trust	1,432	1,432	—	13	13	—
(8)Securities Held-to-Maturity Debt Securities	384,642	425,779	41,136	3,514	3,890	376
Available-for-Sale Securities	4,626,594	4,626,594	—	42,271	42,271	—
(9)Loans and Bills Discounted Allowance for Loan Losses (*2)	24,490,282 (83,485)			223,758 (763)		
	24,406,796	24,640,526	233,729	222,995	225,130	2,135
(10)Foreign Exchanges	10,985	10,985	—	100	100	—
(11)Lease Receivables and Investment Assets (*1)	531,030	538,841	7,811	4,852	4,923	71
Total Assets	¥ 40,326,342	¥ 40,609,661	¥ 283,319	\$ 368,445	\$ 371,034	\$ 2,589
(1)Deposits	¥ 24,010,912	¥ 24,030,529	¥ 19,617	\$ 219,378	\$ 219,557	\$ 179
(2)Negotiable Certificates of Deposit	6,389,378	6,389,378	—	58,377	58,377	—
(3)Call Money and Bills Sold	300,184	300,184	—	2,743	2,742	—
(4)Payables under Repurchase Agreements	1,096,905	1,096,905	—	10,022	10,022	—
(5)Payables under Securities Lending Transactions	11,387	11,387	—	104	104	—
(6)Borrowed Money	2,113,420	2,123,125	9,705	19,309	19,398	89
(7)Foreign Exchanges	70	70	—	1	1	—
(8)Short-term Bonds Payable	1,026,914	1,026,914	—	9,383	9,383	—
(9)Bonds Payable	1,056,815	1,089,810	32,995	9,656	9,957	301
(10)Borrowed Money from Trust Account	2,934,859	2,934,859	—	26,815	26,815	—
Total Liabilities	¥ 38,940,847	¥ 39,003,165	¥ 62,317	\$ 355,787	\$ 356,356	\$ 569
Derivative Transactions (*3)						
Derivative Transactions Not Qualifying for Hedge Accounting	¥ 152,305	¥ 152,305	¥ —	\$ 1,392	\$ 1,392	\$ —
Derivative Transactions Qualifying for Hedge Accounting	(236,708)	(236,708)	—	(2,163)	(2,163)	—
Total Derivatives Transactions	¥ (84,402)	¥ (84,402)	¥ —	\$ (771)	\$ (771)	\$ —

(*1) The allowance for credit losses corresponding to Cash and Due from Banks, Monetary Claims Bought, and Lease Receivables and Investment Assets is directly deducted from the carrying amounts on the interim consolidated balance sheets, because the balance of the allowance is immaterial.

(*2) A general allowance for loan losses and specific allowances for loan losses are deducted from Loans and Bills Discounted.

(*3) Derivative transactions recorded 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. Negative figures represent a liability balance after netting.

(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

These instruments for those transactions without stated maturities are stated at their carrying amounts, because the carrying amounts approximate the fair values. For transactions with stated maturities, corresponding instruments are stated at their carrying amounts, because most of such transactions have short contractual terms (one year or less) and the carrying amounts approximate the fair values.

(5) Monetary Claims Bought

Monetary claims bought with counterparties' quoted prices or dealer/broker-quoted prices are stated at such prices. Fair values for all other such claims are calculated by classifying them according to their internal ratings and maturities and discounting future cash flows to their present values.

(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, their fair values are calculated by discounting future cash flows to their present values.

(7) Money Held in Trust

Securities managed as trust assets for money held in trust, which are individually managed primarily for the management of securities, are stated at quoted market prices or dealer/broker-quoted prices.

Notes regarding money held in trust by its holding purposes are presented under the "Money Held in Trust" section.

(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. Fair values of privately placed bonds guaranteed by SMTH are calculated by classifying them according to their internal ratings and maturities, and discounting future cash flows to their present value.

Notes regarding securities by their holding purpose are presented under the "Securities" section.

(9) Loans and Bills Discounted

Fair values of loans and bills discounted are calculated by grouping loans according to loan terms, internal ratings, and maturities; and discounting the aggregate principal and interest by the assumed interest rate for similar new loans. However, variable-rate loans for which their carrying amounts are deemed to approximate fair values, due to the nature of the loan or the borrower's credit situation subsequent to the execution of the loans, are stated at their carrying amounts.

For claims executed to borrowers who went into 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 claims are stated at the amounts by deducting the allowance for loan losses from the amounts in the interim balance sheets at the interim consolidated balance sheet date, because such deducted amounts approximate the fair values.

Loans without stated maturities as the amount of credit is limited to the value of the collateral or due to some other special characteristics are stated at their carrying amounts, because the carrying amounts are deemed to approximate the fair values because of the expected repayment periods and the interest terms.

(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 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 consolidated 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 discounted by the rates that would be paid on new deposits. Fixed-rate time deposits with short maturities (one year or less) and floating-rate time deposits are generally stated at their carrying amounts because the carrying amounts approximate the fair values.

(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 without stated maturities are stated at the amounts that would have to be paid on demand at the interim consolidated balance sheet date (carrying amount). Obligations with stated maturities are stated at their carrying amounts, because they have short contractual terms (one year or less) and the carrying amounts approximate the fair values.

(Note 2) The amounts of financial instruments for which fair values are not reliably determinable are as stated below, and such amounts are not included in the market value

(6) Borrowed Money

Borrowed money at variable rates is stated at its carrying amounts. The carrying amounts are deemed to approximate the fair values, because such amounts reflect short-term market interest rates and there have been no significant changes in credit condition subsequent to undertaking the borrowed money. Fair values of borrowed money at fixed rates are calculated by discounting their future cash flows by the assumed interest rate on similar borrowings. Fair values for obligations with short maturities (one year or less) are stated at their carrying amounts, because they approximate the fair values.

(9) Bonds Payable

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

Derivatives

Notes regarding fair values of derivatives are presented under the "Derivatives" section.

information for financial instruments presented under the "Assets, (8) Available-for-Sale Securities" section.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
	Carrying Amount	Carrying Amount
Securities	¥ 154,456	\$ 1,411
Unlisted Stocks (*3)	94,609	864
Investments in Associations	56,713	518
Others (*3)	3,133	29
Total	¥ 154,456	\$ 1,411

(*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) Stocks in subsidiaries and affiliated companies are not included in the above table.

(*3) During the current interim period, impairment losses of ¥171 million (U.S.\$2 million) and ¥0 million (U.S.\$0 million) were recognized against Unlisted Stocks and Others, respectively.

Securities

- *1. In addition to the "Securities" presented in the interim consolidated balance sheets, the following information includes negotiable certificates of deposit reported under "Cash and Due from Banks" and loan-backed trust deeds reported under "Monetary Claims Bought."
- *2. "Stocks in Subsidiaries and Affiliated Companies" is presented as a note to the interim financial statements.

1. Held-to-Maturity Securities

September 30, 2014	Millions of Yen		
	Carrying Amount	Fair Value	Difference
Securities of which Fair Value Exceeds Carrying Amount			
Government Bonds	¥ 235,179	¥ 248,151	¥ 12,972
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	3,086	3,119	32
Other Bonds	167,111	195,806	28,694
Foreign Bonds	140,722	168,870	28,147
Others	26,388	26,935	547
Subtotal	405,377	447,077	41,699
Securities of which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	¥ 140	¥ 140	¥ (0)
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	5,513	5,497	(16)
Foreign Bonds	5,513	5,497	(16)
Others	—	—	—
Subtotal	5,654	5,637	(16)
Total	¥ 411,031	¥ 452,715	¥ 41,683

September 30, 2014	Millions of U.S. Dollars		
	Carrying Amount	Fair Value	Difference
Securities of which Fair Value Exceeds Carrying Amount			
Government Bonds	\$ 2,149	\$ 2,267	\$ 119
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	28	28	0
Other Bonds	1,527	1,789	262
Foreign Bonds	1,286	1,543	257
Others	241	246	5
Subtotal	3,704	4,085	381
Securities of which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	\$ 1	\$ 1	\$ (0)
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	50	50	(0)
Foreign Bonds	50	50	(0)
Others	—	—	—
Subtotal	52	52	(0)
Total	\$ 3,755	\$ 4,136	\$ 381

2. Available-for-Sale Securities

September 30, 2014	Millions of Yen		
	Carrying Amount	Acquisition Cost	Difference
Securities of which Carrying Amount Exceeds Acquisition Cost			
Stocks	¥ 1,127,778	¥ 595,065	¥ 532,712
Bonds	1,039,202	1,033,811	5,390
Government Bonds	583,262	582,038	1,224
Local Government Bonds	10,360	10,100	260
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	445,578	441,673	3,905
Other Securities	816,025	795,234	20,791
Foreign Stocks	2,783	1,518	1,264
Foreign Bonds	718,342	707,050	11,291
Others	94,899	86,664	8,235
Subtotal	2,983,005	2,424,111	558,894
Securities of which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	¥ 108,122	¥ 128,766	¥ (20,644)
Bonds	472,971	473,653	(682)
Government Bonds	349,990	349,992	(2)
Local Government Bonds	2,610	2,619	(9)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	120,371	121,041	(670)
Other Securities	1,113,253	1,138,613	(25,359)
Foreign Stocks	—	—	—
Foreign Bonds	906,218	910,823	(4,605)
Others	207,035	227,789	(20,754)
Subtotal	1,694,347	1,741,033	(46,686)
Total	¥ 4,677,352	¥ 4,165,144	¥ 512,208

September 30, 2014	Millions of U.S. Dollars		
	Carrying Amount	Acquisition Cost	Difference
Securities of which Carrying Amount Exceeds Acquisition Cost			
Stocks	\$ 10,304	\$ 5,437	\$ 4,867
Bonds	9,495	9,446	49
Government Bonds	5,329	5,318	11
Local Government Bonds	95	92	2
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	4,071	4,035	36
Other Securities	7,456	7,266	190
Foreign Stocks	25	14	12
Foreign Bonds	6,563	6,460	103
Others	867	792	75
Subtotal	27,255	22,148	5,106
Securities of which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	\$ 988	\$ 1,176	\$ (189)
Bonds	4,321	4,328	(6)
Government Bonds	3,198	3,198	(0)
Local Government Bonds	24	24	(0)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	1,100	1,106	(6)
Other Securities	10,171	10,403	(232)
Foreign Stocks	—	—	—
Foreign Bonds	8,280	8,322	(42)
Others	1,892	2,081	(190)
Subtotal	15,481	15,907	(427)
Total	\$ 42,735	\$ 38,055	\$ 4,680

3. Impairment of Securities

Available-for-sale securities other than securities whose fair values are not reliably determinable, not trading securities, are treated as impaired when their fair values have declined significantly from the acquisition cost and it is deemed unlikely to recover to the acquisition cost. Such securities are recorded at their fair values in the interim consolidated balance sheets. The difference between the acquisition cost and the fair values is recognized as an impairment loss.

There were no impairment losses on securities recognized during the current interim period.

The criteria to determine whether the fair values of securities have significantly declined are as follows:

For securities whose issuers are classified as "normal" under the asset self-assessment, a decline of 50% or more in the fair values compared with the acquisition cost; for securities whose issuers are classified as "close-observation borrowers," a decline of 30% or more in the fair values compared with the acquisition cost. In addition, some securities are deemed that their fair values are unrecoverable and impairment losses are recognized when their fair values have declined more than 30% but less than 50% compared with their acquisition cost and the fair values have continued to decline over a certain period.

Money Held in Trust

1. Held-to-Maturity Money Held in Trust

There was no held-to-maturity money held in trust as of September 30, 2014.

2. Other Money Held in Trust (other than those held for trading purposes or held to maturity as of September 30, 2014)

September 30, 2014	Millions of Yen				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
Other Money Held in Trust	¥ 1,432	¥ 1,030	¥ 401	¥ 401	¥ —

September 30, 2014	Millions of U.S. Dollars				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
Other Money Held in Trust	\$ 13	\$ 9	\$ 4	\$ 4	\$ —

(Note) The amount of "Difference" is net of "Positive Difference" and "Negative Difference."

Valuation Difference on Available-for-Sale Securities

The following table shows components of "Valuation Difference on Available-for-Sale Securities" in the interim consolidated balance sheets.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Valuation Difference		
Available-for-Sale Securities	¥484,334	\$ 4,425
Other Money Held in Trust	401	4
Total Valuation Difference	484,735	4,429
Amount Equivalent to Deferred Tax Assets (Liabilities)	170,271	1,556
Total (before Adjustment for Minority Interests and Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies)	314,464	2,873
Minority Interests	166	2
Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies	6,150	56
Valuation Difference on Available-for-Sale Securities	¥320,447	\$ 2,928

(Notes)

1) Foreign currency translation adjustments on available-for-sale securities, for which fair values are not reliably determinable, are included in the "Available-for-Sale Securities" under "Valuation Difference."

2) The valuation difference of ¥29 million (U.S. \$0.26 million) on available-for-sale securities composing assets held by associates is included in "Available-for-Sale Securities" under "Valuation Difference."

3) The unamortized portion of valuation difference as of the interim consolidated balance sheet date arising from the reclassification of the holding purpose of securities is included in "Available-for-Sale Securities" 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 transactions. The notional amounts (or the amount equivalent to the principal specified in the contracts), the fair values, and the valuation differences as of the interim consolidated 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, 2014, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2014				Sep. 30, 2014			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
Listed								
Interest Futures								
Sold	¥38,994,919	¥ 28,833,158	¥ (5,133)	¥ (5,133)	\$ 356,281	\$ 263,437	\$ (47)	\$ (47)
Purchased	36,853,122	26,214,932	7,620	7,620	336,712	239,515	70	70
Interest Options								
Sold	3,522,267	625,133	(936)	389	32,182	5,712	(9)	4
Purchased	2,590,439	409,533	751	(365)	23,668	3,742	7	(3)
OTC								
Forward Rate Agreements								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Interest Rate Swaps								
Fixed Interest Rate Receivable/ Floating Interest Rate Payable	66,641,221	54,777,504	1,821,371	1,821,371	608,874	500,480	16,641	16,641
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	65,489,366	53,521,465	(1,702,952)	(1,702,952)	598,350	489,004	(15,559)	(15,559)
Fixed Interest Rate Receivable/ Fixed Interest Rate Payable	4,566,598	3,540,888	4,310	4,310	41,723	32,352	39	39
Interest Options								
Sold	4,845,046	4,748,851	(56,419)	(4,946)	44,267	43,388	(515)	(45)
Purchased	3,782,497	3,721,209	33,528	3,061	34,559	33,999	306	28
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 102,141	¥ 123,356			\$ 933	\$ 1,127

(Notes)

1) The above transactions are stated at their fair values and valuation differences are recorded in the interim consolidated statements of income.

2) The fair values of listed derivative transactions are based on the closing prices on the Tokyo Financial Exchange and other exchanges. The fair values of over-the-counter (OTC) derivative transactions are calculated using the net present value method or option-pricing models.

(2) Currency-Related Transactions

Currency-related transactions not qualifying for hedge accounting as of September 30, 2014, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2014				Sep. 30, 2014			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
Listed								
Currency Futures								
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —
Purchased	—	—	—	—	—	—	—	—
Currency Options								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
OTC								
Currency Swaps	1,554,261	1,453,838	1,220	1,220	14,201	13,283	11	11
Forward Exchange Contracts								
Sold	6,818,475	355,037	(170,138)	(170,138)	62,298	3,244	(1,554)	(1,554)
Purchased	6,903,234	444,007	237,886	237,886	63,072	4,057	2,173	2,173
Currency Options								
Sold	1,502,081	598,041	(85,927)	(29,618)	13,724	5,464	(785)	(271)
Purchased	1,328,979	524,534	65,729	13,332	12,142	4,792	601	122
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 48,770	¥ 52,682			\$ 446	\$ 481

(Notes)

1) The above transactions are stated at their fair values and valuation differences are recorded in the interim consolidated statements of income.

2) The fair values are calculated using the net present value method or option-pricing models.

(3) Stock-Related Transactions

Stock-related transactions not qualifying for hedge accounting as of September 30, 2014, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2014				Sep. 30, 2014			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
Listed								
Stock Index Futures								
Sold	¥ 80,021	¥ —	¥ 450	¥ 450	\$ 731	\$ —	\$ 4	\$ 4
Purchased	71,211	—	(585)	(585)	651	—	(5)	(5)
Stock Index Options								
Sold	39,687	—	(166)	84	363	—	(2)	1
Purchased	99,101	—	1,131	(564)	905	—	10	(5)
OTC								
OTC Stock Options								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
OTC Stock Swaps								
Volatility of Stock Price and Other Receivable/ Short-Term Floating Interest Rate Payable	27,700	27,700	43	43	253	253	0	0
Short-Term Floating Interest Rate Receivable/ Volatility of Stock Price and Other Payable	27,700	27,700	(43)	(43)	253	253	(0)	(0)
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 830	¥ (614)			\$ 8	\$ (6)

(Notes)

1) The above transactions are stated at their fair values and valuation differences are recorded in the interim consolidated statements of income.

2) The fair values of listed derivative transactions are based on the closing prices on the Osaka Exchange and other exchanges. The fair values of OTC derivative transactions are calculated using the net present value method or option-pricing models.

(4) Bond-Related Transactions

Bond-related transactions not qualifying for hedge accounting as of September 30, 2014, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2014				Sep. 30, 2014			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
Listed								
Bond Futures								
Sold	¥ 2,027,080	¥ —	¥ (2,698)	¥ (2,698)	\$ 18,521	\$ —	\$ (25)	\$ (25)
Purchased	1,915,076	—	4,712	4,712	17,497	—	43	43
Bond Future Options								
Sold	202,297	—	(1,316)	(575)	1,848	—	(12)	(5)
Purchased	235,828	—	431	(206)	2,155	—	4	(2)
OTC								
Bond Forward Contracts								
Sold	51,514	—	(52)	(52)	471	—	(0)	(0)
Purchased	74,992	—	81	81	685	—	1	1
OTC Bond Options								
Sold	11,614	—	(41)	(21)	106	—	(0)	(0)
Purchased	11,614	—	11	(25)	106	—	0	(0)
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 1,127	¥ 1,214			\$ 10	\$ 11

(Notes)

1) The above transactions are stated at their fair values and valuation differences are recorded in the interim consolidated statements of income.

2) The fair values of listed derivative transactions are based on the closing prices on the Osaka Exchange and other exchanges. The fair values of OTC derivative transactions are calculated according to the prices offered by quote information vendors.

(5) Commodity-Related Transactions

There were no commodity-related transactions not qualifying for hedge accounting as of September 30, 2014.

(6) Credit Derivative Transactions

Credit derivative transactions not qualifying for hedge accounting as of September 30, 2014, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2014				Sep. 30, 2014			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
OTC								
Credit Default Swaps								
Sold	¥ 41,424	¥ 41,424	¥ 864	¥ 864	\$ 378	\$ 378	\$ 8	\$ 8
Purchased	50,981	50,981	(1,429)	(1,429)	466	466	(13)	(13)
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ (564)	¥ (564)			\$ (5)	\$ (5)

(Notes)

- 1) The above transactions are stated at their fair values and valuation differences are recorded in the interim consolidated statements of income.
- 2) The fair values are calculated using the net present value method.

- 3) "Sold" represents transactions under which the credit risk has been assumed, and "Purchased" represents transactions under which the credit risk 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 transactions. The value of such contracts (or the amount equivalent to the principal specified in the contracts), the fair values, and the valuation differences as of the interim consolidated balance sheet date, as well as the methods for determining such fair values are presented below. The notional 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, 2014, consist of the following:

Major Hedged Item	Millions of Yen			Millions of U.S. Dollars		
	Sep. 30, 2014			Sep. 30, 2014		
	Notional Amount		Fair Value	Notional Amount		Fair Value
	Total	Over One Year		Total	Over One Year	
Deferral Method						
Interest Rate Swaps						
Fixed Interest Rate Receivable/ Floating Interest Rate Payable	Interest-Earning/Bearing	¥ 3,548,034	¥ 2,219,913	¥ 9,275	\$ 32,417	\$ 85
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	Assets/Liabilities such as Loans and Bills Discounted,	798,979	708,403	(35,455)	7,300	(324)
Interest Futures Sold	Available-for-Sale	—	—	—	—	—
Purchased	Securities	—	—	—	—	—
Interest Options Sold	(Bonds), Deposits, and Bonds Payable	—	—	—	—	—
Purchased		—	—	—	—	—
Others Sold		—	—	—	—	—
Purchased		—	—	—	—	—
Total				¥ (26,179)		\$ (239)

(Notes)

1) Deferred hedge accounting stipulated in Report No. 24 is applied, in principle.

2) The fair values are calculated mainly using the net present value method or option-pricing models.

(2) Currency-Related Transactions

Currency-related transactions qualifying for hedge accounting as of September 30, 2014, consist of the following:

Major Hedged Item	Millions of Yen			Millions of U.S. Dollars		
	Sep. 30, 2014			Sep. 30, 2014		
	Notional Amount		Fair Value	Notional Amount		Fair Value
	Total	Over One Year		Total	Over One Year	
Deferral Method						
Currency Swaps		¥ 1,816,823	¥ 1,295,587	¥ (210,956)	\$ 16,600	\$ (1,927)
Forward Exchange Contracts Sold	Loans and Bills Discounted and Securities	—	—	—	—	—
Purchased	Denominated in Foreign Currency	9,706	—	289	89	3
Others Sold		—	—	—	—	—
Purchased		—	—	—	—	—
Total				¥ (210,667)		\$ (1,925)

(Notes)

1) Deferred hedge accounting stipulated in Report No. 25 is applied, in principle.

2) The fair values are calculated mainly using the net present value method.

(3) Stock-Related Transactions

Stock-related transactions qualifying for hedge accounting as of September 30, 2014, consist of the following:

Major Hedged Item	Millions of Yen			Millions of U.S. Dollars									
	Sep. 30, 2014			Sep. 30, 2014									
	Notional Amount		Fair Value	Notional Amount		Fair Value							
	Total	Over One Year		Total	Over One Year								
Fair Values Method													
OTC Stock Swaps													
Volatility of Stock Price and Others Receivable/Short-Term Floating Interest Rate Payable	Available-for-Sale Securities	¥	—	¥	—	¥	—	\$	—	\$	—	\$	—
Short-Term Floating Interest Rate Receivable/Volatility of Stock Price and Others Payable	(Stock)												
			12,557	3,814	138	115	35	1					
Total					¥ 138			\$ 1					

(Note) The fair values are calculated using the net present value method.

(4) Bond-Related Transactions

There were no bond-related transactions qualifying for hedge accounting as of September 30, 2014.

Stock Option Plans

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

General and Administrative Expenses: ¥185 million (U.S. \$1.69 million)

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

Sumitomo Mitsui Trust Holdings, Inc.

	Sumitomo Mitsui Trust Holdings, Inc. Series 4 Stock Acquisition Rights
Number of eligible persons and their position	23 directors and officers of Sumitomo Mitsui Trust Holdings, Inc. 40 directors and officers of Sumitomo Mitsui Trust Bank, Limited Total 63
Number of stock options granted by class of share	404,000 shares of common stock (Note)
Grant date	August 1, 2014
Vesting conditions	1) A holder of the Stock Acquisition Rights may exercise the rights from the following day when he or she no longer holds a position as a director or officer of SMTH and SMTB. 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, heirs of the inheritor of the rights may not inherit the Stock Acquisition Rights.
Eligible service period	Not fixed
Exercise period	August 31, 2014 to July 31, 2044
Exercise price	¥1 (U.S. \$0.01)
Fair unit value on the grant date	¥424 (U.S. \$3.87)

Note: Converted into the number of equivalent shares.

Segment Information

1. Reportable Segment Information

The SMTH Group's reportable segments are defined as operation segments for which discrete financial information is available and which is regularly reviewed by the Board of Directors in determining resources to be allocated to the segments and in assessing their business performance.

The SMTH Group comprises SMTB Group (SMTB and its consolidated subsidiaries) and other consolidated subsidiaries, and SMTB Group is treated as a reportable segment. The main activities of the reportable segments are presented below.

SMTB: Trust banking business

2. Method for Calculating 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 amount of segment profit presented for the reportable segments is Income before Income Taxes and Minority Interests.

Prices for internal transactions among segments are the same as the prices for transactions with unaffiliated customers.

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

Six Months Ended September 30, 2014	Millions of Yen					
	Reportable Segment		Others	Total	Adjustment	Reported Amount
	SMTB	Total				
Income:						
Unaffiliated Customers	¥ 565,600	¥ 565,600	¥ 17,584	¥ 583,185	¥ (2,106)	¥ 581,079
Intersegment	5,126	5,126	45,386	50,513	(50,513)	—
Total	¥ 570,726	¥ 570,726	¥ 62,971	¥ 633,698	¥ (52,619)	¥ 581,079
Segment Profit	¥ 96,284	¥ 96,284	¥ 33,233	¥ 129,518	¥ (23,991)	¥ 105,527
Segment Assets	¥ 41,861,595	¥ 41,861,595	¥ 3,475,692	¥ 45,337,288	¥ (1,924,117)	¥ 43,413,170
Segment Liabilities	¥ 39,472,721	¥ 39,472,721	¥ 1,656,306	¥ 41,129,027	¥ (266,605)	¥ 40,862,421
Others						
Depreciation and Amortization	¥ 14,452	¥ 14,452	¥ 3,455	¥ 17,907	¥ —	¥ 17,907
Amortization of Goodwill	4,300	4,300	—	4,300	(249)	4,050
Interest Income	180,656	180,656	33,926	214,582	(33,643)	180,938
Interest Expenses	62,554	62,554	2,813	65,368	(4,050)	61,317
Equity in Earnings of Affiliated Companies	3,134	3,134	—	3,134	—	3,134
Gain on Disposal of Fixed Assets	1,576	1,576	—	1,576	3	1,579
Impairment Loss	1,658	1,658	—	1,658	(189)	1,469
IT System Integration Costs	46,058	46,058	—	46,058	—	46,058
Unamortized Balance of Goodwill	93,957	93,957	—	93,957	(5,248)	88,709
Investment to Affiliated Companies						
Accounted for by the Equity Method	50,868	50,868	—	50,868	—	50,868

Six Months Ended September 30, 2014	Millions of U.S. Dollars					
	Reportable Segment		Others	Total	Adjustment	Reported Amount
	SMTB	Total				
Income:						
Unaffiliated Customers	\$ 5,168	\$ 5,168	\$ 161	\$ 5,328	\$ (19)	\$ 5,309
Intersegment	47	47	415	462	(462)	—
Total	\$ 5,214	\$ 5,214	\$ 575	\$ 5,790	\$ (481)	\$ 5,309
Segment Profit	\$ 880	\$ 880	\$ 304	\$ 1,183	\$ (219)	\$ 964
Segment Assets	\$ 382,472	\$ 382,472	\$ 31,756	\$ 414,228	\$ (17,580)	\$ 396,648
Segment Liabilities	\$ 360,646	\$ 360,646	\$ 15,133	\$ 375,779	\$ (2,436)	\$ 373,343
Others						
Depreciation and Amortization	\$ 132	\$ 132	\$ 32	\$ 164	\$ —	\$ 164
Amortization of Goodwill	39	39	—	39	(2)	37
Interest Income	1,651	1,651	310	1,961	(307)	1,653
Interest Expenses	572	572	26	597	(37)	560
Equity in Earnings of Affiliated Companies	29	29	—	29	—	29
Gain on Disposal of Fixed Assets	14	14	—	14	0	14
Impairment Loss	15	15	—	15	(2)	13
IT System Integration Costs	421	421	—	421	—	421
Unamortized Balance of Goodwill	858	858	—	858	(48)	810
Investment to Affiliated Companies						
Accounted for by the Equity Method	465	465	—	465	—	465

(Notes)

- 1) The figures represent Income in substitution for net sales to be presented by companies in other industries.
- 2) The figures under SMTB represent consolidated amounts.
- 3) "Others" includes the SMTH and its consolidated subsidiaries other than the SMTB group companies.

- 4) The figures shown under "Adjustment" represent the consolidation adjustments for internal transactions and include realized valuation differences arising from business combinations.
- 5) Segment profits have been adjusted to "Income before Income Taxes and Minority Interests" as presented in the interim consolidated statements of income.

Related Information

1. Information by Services

Six Months Ended September 30, 2014	Millions of Yen			
	Trust Banking Business	Leasing Business	Others	Total
Income:				
Unaffiliated Customers	¥ 374,712	¥ 114,651	¥ 91,715	¥ 581,079

Six Months Ended September 30, 2014	Millions of U.S. Dollars			
	Trust Banking Business	Leasing Business	Others	Total
Income:				
Unaffiliated Customers	\$ 3,424	\$ 1,048	\$ 838	\$ 5,309

(Notes)

- 1) The figures represent Income in substitution for net sales to be presented by companies in other industries.
- 2) "Trust Banking Business" comprises income of SMTB and Japan Trustee Services Bank, Ltd ("JTSB").

2. Geographic Information

(1) Income

Income by geographical area for the six months ended September 30, 2014, consists of the following:

Millions of Yen				
Japan	Americas	Europe	Asia and Oceania	Total
¥ 512,783	¥ 22,913	¥ 21,379	¥ 24,002	¥ 581,079

Millions of U.S. Dollars				
Japan	Americas	Europe	Asia and Oceania	Total
\$ 4,685	\$ 209	\$ 195	\$ 219	\$ 5,309

(Notes)

- 1) The figures represent Income in substitution for net sales to be presented by companies in other industries.
- 2) Income related to transactions by SMTH, its domestic consolidated banking subsidiaries (excluding overseas branches), and other domestic consolidated subsidiaries are presented under "Japan." Income related to transactions by overseas branches of domestic consolidated banking subsidiaries and foreign consolidated subsidiaries are presented under "Americas," "Europe," or "Asia and Oceania" based on the location of each overseas branch and subsidiary, reflecting their geographical proximity.

(2) Tangible Fixed Assets

More than 90% of the SMTH Group's tangible fixed assets on the interim consolidated balance sheets are located in Japan; accordingly, tangible fixed assets by geographical area are not presented.

3. Information by Major Customer

Due to voluminous income-generating transactions between the SMTH Group and an enormous number of the SMTH Group's customers, transactions are not classified by major counterparty; accordingly, information by major customers is not presented.

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

Information is not provided in this section because the same information is disclosed in the "Segment Information" section.

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

Information is not provided in this section because the same information is disclosed in the "Segment Information" section.

Information related to Gain on Negative Goodwill by Reportable Segment

There was no gain on negative goodwill by reportable segment during the interim period ended September 30, 2014.

Per Share of Common Stock Information

1. Net Assets per Share of Common Stock

Six Months Ended September 30, 2014	Net Assets [Millions of Yen] (Numerator)	The Number of Shares of Common Stock Outstanding [Thousands of Shares] (Denominator)	Amount per Share of Common Stock [Yen]
Net Assets as Reported	¥ 2,550,749		
Less:	(437,491)		
Issue Amount of Shares of Preferred Stock	(109,000)		
Interim Dividends on Shares of Preferred Stock	(2,305)		
Subscription Rights to Shares	(232)		
Minority Interests	(325,954)		
Net Assets Attributable to Common Shareholders	¥ 2,113,257	3,902,104	¥ 541.56

Six Months Ended September 30, 2014	Net Assets [Millions of U.S. Dollars] (Numerator)	The Number of Shares of Common Stock Outstanding [Thousands of Shares] (Denominator)	Amount per Share of Common Stock [U.S. Dollars]
Net Assets as Reported	\$ 23,305		
Less:	(3,997)		
Issue Amount of Shares of Preferred Stock	(996)		
Interim Dividends on Shares of Preferred Stock	(21)		
Subscription Rights to Shares	(2)		
Minority Interests	(2,978)		
Net Assets Attributable to Common Shareholders	\$ 19,308	3,902,104	\$ 4.95

2. Net Income per Share of Common Stock and Basis for Calculation, and Fully Diluted Net Income per Share of Common Stock and Basis for Calculation

Six Months Ended September 30, 2014	Net Income (Loss) [Millions of Yen] (Numerator)	Average Number of Shares of Common Stock Outstanding [Thousands of Shares] (Denominator)	Amount per Share of Common Stock [Yen]
Net Income	¥ 83,750		
Basic Net Income per Share of Common Stock			
Net Income Not Attributable to Common Shareholders	(2,305)		
Interim Dividends on Shares of Preferred Stock	(2,305)		
Net Income Attributable to Common Shareholders	¥ 81,444	3,902,112	¥ 20.87

Six Months Ended September 30, 2014	Net Income (Loss) [Millions of U.S. Dollars] (Numerator)	Average Number of Shares of Common Stock Outstanding [Thousands of Shares] (Denominator)	Amount per Share of Common Stock [U.S. Dollars]
Net Income	\$ 765		
Basic Net Income per Share of Common Stock			
Net Income Not Attributable to Common Shareholders	(21)		
Interim Dividends on Shares of Preferred Stock	(21)		
Net Income Attributable to Common Shareholders	\$ 744	3,902,112	\$ 0.19

Six Months Ended September 30, 2014	Adjustments to Net Income [Millions of Yen]	Effect of Dilutive Securities [Thousands of Shares]	Fully Diluted Amount per Share of Common Stock [Yen]
Fully-Diluted Net Income per Share of Common Stock			
Adjustments to Net Income Attributable to Common Shareholders	¥ —		
Effect of Dilutive Securities:			
Subscription Rights to Shares		454	¥ 20.86

Six Months Ended September 30, 2014	Adjustments to Net Income [Millions of U.S. Dollars]	Effect of Dilutive Securities [Thousands of Shares]	Fully Diluted Amount per Share of Common Stock [U.S. Dollars]
Fully-Diluted Net Income per Share of Common Stock			
Adjustments to Net Income Attributable to Common Shareholders	\$ —		
Effect of Dilutive Securities:			
Subscription Rights to Shares		454	\$ 0.19

The summary of the potential shares that were excluded from calculation of fully-diluted net income per share of common stock because they have no dilutive effect are as follows.

1) Sumitomo Mitsui Trust Holdings, Inc.

Stock Acquisition Rights (stock options)	SMTH Common Stock	398,000 shares
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2) Consolidated Subsidiaries (Nikko Asset Management Co., Ltd.)

(1) Stock Acquisition Rights (stock options)	Nikko Asset Management Common Stock	25,274,700 shares
(2) Stock Acquisition Rights (treasury stock options)	Nikko Asset Management Common Stock	2,955,200 shares

Changes in Accounting Policies

SMTH applied the "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26 of May 17, 2012) (the "Accounting Standard") and the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25 of May 17, 2012) (the "Guidance") from the current interim period, specifically items prescribed at paragraph 35 of the Accounting Standard and paragraph 67 of the Guidance. For the application of the Accounting Standard and the Guidance, SMTH adopted the transitional provision at paragraph 37 of the Accounting Standard.

As a result, the net assets per share of common stock as of the beginning of the current interim period decreased by ¥7.87 (U.S. \$0.07). The effects on the net income per share of common stock and fully diluted net income per share of common stock for the current interim period ended September 30, 2014, are immaterial.

Significant Subsequent Event

(Acquisition and Cancellation of the First Series of Class VII Preferred Stock)

The Board of SMTH's Directors resolved at the meeting held on July 31, 2014 to acquire all of the shares of its First Series of Class VII Preferred Stock pursuant to Article 19, paragraph 2 of the Articles of Incorporation of SMTH and section 7 of the terms and conditions of such preferred stock, and to cancel all of the shares to be acquired, pursuant to the provision of Article 178 of the Companies Act.

Following the above resolution, SMTH acquired and cancelled all of the shares of its First Series of Class VII Preferred Stock on October 1, 2014.

Acquisition Method:	Acquisition in accordance with the provision of acquisition article of the First Series of Class VII Preferred Stock
Class of Shares Acquired and Cancelled	First Series of Class VII Preferred Stock
Total Number of Shares Acquired and Cancelled	109,000,000 shares
Total Amount of Acquisition and Cancellation	¥109,006,540,000 (¥1,000.06 per share (Note)) (\$995,948,287 (\$9.14 per share))
Acquisition Date	October 1, 2014
Cancellation Method	Deduction from Capital Surplus

(Note)

(i) ¥1,000 + (ii) ¥0.06 ((i) U.S. \$9.14 + (ii) U.S. \$0.001)

where:

(i) The amount paid in per share of the preferred stock.

(ii) The amount of the deemed accrued dividend
(¥21.21* - ¥21.15**) (U.S. \$0.19* - U.S. \$0.19**)

* ¥21.21 (U.S. \$0.19) (calculated as follows: rounded off to the third decimal point):

¥42.30 (U.S. \$0.39) (the annual amount of preferred dividend per share) x 183 days (the number of days during the period from and including April 1, 2014 up to and including September 30, 2014) / 365 days

** ¥21.15 (U.S. \$0.19): The amount of interim dividend per share to be paid in advance on the acquisition date.

Financial Data:

Non-Consolidated Balance Sheets (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.
As of September 30, 2014 and March 31, 2014

	Millions of Yen		Millions of U.S. Dollars
	As of Sep. 30, 2014	As of Mar. 31, 2014	As of Sep. 30, 2014
Assets:			
Current Assets:			
Cash and Due from Banks	¥ 1,149	¥ 2,465	\$ 11
Securities	101,000	103,000	923
Prepaid Expenses	6	6	0
Income Tax Refunds Receivable	6,282	6,314	57
Other Current Assets	44	48	0
Total Current Assets	108,483	111,835	991
Non-Current Assets:			
Tangible Fixed Assets	0	0	0
Intangible Fixed Assets	1	1	0
Investments and Other Assets:			
Investment Securities	652	652	6
Investments in Subsidiaries and Affiliated Companies (Stocks)	1,639,642	1,640,442	14,981
Long-Term Loans Receivable from Subsidiaries and Affiliated Companies	30,000	—	274
Other Investments	105	105	1
Total Non-Current Assets	1,670,400	1,641,201	15,262
Deferred Assets	2,276	2,959	21
Total Assets	¥ 1,781,160	¥ 1,755,995	\$ 16,274
Liabilities:			
Current Liabilities:			
Accrued Expenses	¥ 893	¥ 896	\$ 8
Income Taxes Payable	4	3	0
Unearned Revenue	1,507	1,507	14
Provision for Bonuses	74	76	1
Other Current Liabilities	177	120	2
Total Current Liabilities	2,657	2,604	24
Non-Current Liabilities:			
Bonds Payable	148,000	128,800	1,352
Other Non-Current Liabilities	1,105	1,859	10
Total Non-Current Liabilities	149,105	130,659	1,362
Total Liabilities	¥ 151,762	¥ 133,263	\$ 1,387
Net Assets:			
Total Shareholders' Equity:			
Capital Stock	¥ 1,629,165	¥ 1,622,684	\$ 14,885
Capital Surplus:			
Legal Capital Surplus	261,608	261,608	2,390
Other Capital Surplus:			
Legal Capital Surplus	1,150,479	1,150,479	10,511
Other Capital Surplus	702,933	702,933	6,422
Other Capital Surplus	447,545	447,545	4,089
Retained Earnings:			
Other Retained Earnings:			
Retained Earnings Brought Forward	217,679	211,187	1,989
Other Retained Earnings:			
Retained Earnings Brought Forward	217,679	211,187	1,989
Treasury Stock—At Cost	(601)	(591)	(5)
Subscription Rights to Shares	232	47	2
Total Net Assets	¥ 1,629,398	¥ 1,622,731	\$ 14,887
Total Liabilities and Net Assets	¥ 1,781,160	¥ 1,755,995	\$ 16,274

Financial Data:

Non-Consolidated Statements of Income (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.
For the Six Months Ended September 30, 2014 and 2013

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2014	Six Months Ended Sep. 30, 2013	Six Months Ended Sep. 30, 2014
Operating Income:			
Dividends Received from Subsidiaries	¥ 30,719	¥ 27,220	\$ 281
Fees and Commissions Received from Subsidiaries	2,245	2,835	21
Total Operating Income	32,965	30,056	301
Operating Expenses:			
General and Administrative Expenses	1,318	1,873	12
Total Operating Expenses	1,318	1,873	12
Operating Profit	31,646	28,182	289
Non-Operating Income	161	138	1
Non-Operating Expenses	3,498	4,035	32
Income before Income Taxes	28,308	24,286	259
Income Taxes:			
Current	0	0	0
Net Income	¥ 28,307	¥ 24,285	\$ 259
Net Income per Share of Common Stock			
	¥ 6.66	¥ 5.76	\$0.06

Financial Data:

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

Sumitomo Mitsui Trust Holdings, Inc.
For the Six Months Ended September 30, 2014 and 2013

For the Six Months Ended September 30, 2014

	Millions of Yen					
	Shareholders' Equity					
	Capital Stock	Capital Surplus			Retained Earnings	
		Legal Capital Surplus	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings Retained Earnings Brought Forward	Total Retained Earnings
Balance at the Beginning of the Period	¥ 261,608	¥ 702,933	¥ 447,545	¥ 1,150,479	¥ 211,187	¥ 211,187
Changes during the Period						
Cash Dividends					(21,815)	(21,815)
Net Income					28,307	28,307
Purchase of Treasury Stock						
Disposal of Treasury Stock			0	0		
Net Changes of Items Other Than Shareholders' Equity						
Total Changes during the Period	—	—	0	0	6,491	6,491
Balance at the End of the Period	¥ 261,608	¥ 702,933	¥ 447,545	¥ 1,150,479	¥ 217,679	¥ 217,679

	Millions of Yen			
	Shareholders' Equity			Total Net Assets
	Treasury Stock	Total Shareholders' Equity	Subscription Rights to Shares	
Balance at the Beginning of the Period	¥ (591)	¥ 1,622,684	¥ 47	¥ 1,622,731
Changes during the Period				
Cash Dividends		(21,815)		(21,815)
Net Income		28,307		28,307
Purchase of Treasury Stock	(25)	(25)		(25)
Disposal of Treasury Stock	15	15		15
Net Changes of Items Other Than Shareholders' Equity			184	184
Total Changes during the Period	(10)	6,481	184	6,666
Balance at the End of the Period	¥ (601)	¥ 1,629,165	¥ 232	¥ 1,629,398

(Continued)

For the Six Months Ended September 30, 2013

	Millions of Yen					
	Shareholders' Equity					
	Capital Stock	Capital Surplus			Retained Earnings	
		Legal Capital Surplus	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings Retained Earnings Brought Forward	Total Retained Earnings
Balance at the Beginning of the Period	¥ 261,608	¥ 702,933	¥ 446,251	¥ 1,149,185	¥ 228,382	¥ 228,382
Changes during the Period						
Cash Dividends					(19,810)	(19,810)
Net Income					24,285	24,285
Purchase of Treasury Stock						
Disposal of Treasury Stock			1,292	1,292		
Net Changes of Items Other Than Shareholders' Equity						
Total Changes during the Period	—	—	1,292	1,292	4,474	4,474
Balance at the End of the Period	¥ 261,608	¥ 702,933	¥ 447,544	¥ 1,150,478	¥ 232,857	¥ 232,857

	Millions of Yen			
	Shareholders' Equity			Total Net Assets
	Treasury Stock	Total Shareholders' Equity	Subscription Rights to Shares	
Balance at the Beginning of the Period	¥ (93,164)	¥ 1,546,012	¥ 19	¥ 1,546,032
Changes during the Period				
Cash Dividends		(19,810)		(19,810)
Net Income		24,285		24,285
Purchase of Treasury Stock	(55)	(55)		(55)
Disposal of Treasury Stock	92,675	93,968		93,968
Net Changes of Items Other Than Shareholders' Equity			9	9
Total Changes during the Period	92,619	98,387	9	98,396
Balance at the End of the Period	¥ (544)	¥ 1,644,399	¥ 29	¥ 1,644,429

(Continued)

For the Six Months Ended September 30, 2014

	Millions of U.S. Dollars					
	Shareholders' Equity					
	Capital Stock	Capital Surplus			Retained Earnings	
		Legal Capital Surplus	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings Retained Earnings Brought Forward	Total Retained Earnings
Balance at the Beginning of the Period	\$ 2,390	\$ 6,422	\$ 4,089	\$ 10,511	\$ 1,930	\$ 1,930
Changes during the Period						
Cash Dividends					(199)	(199)
Net Income					259	259
Purchase of Treasury Stock						
Disposal of Treasury Stock			0	0		
Net Changes of Items Other Than Shareholders' Equity						
Total Changes during the Period	—	—	0	0	59	59
Balance at the End of the Period	\$ 2,390	\$ 6,422	\$ 4,089	\$ 10,511	\$ 1,989	\$ 1,989

	Millions of U.S. Dollars			
	Shareholders' Equity		Subscription Rights to Shares	Total Net Assets
	Treasury Stock	Total Shareholders' Equity		
Balance at the Beginning of the Period	\$ (5)	\$ 14,826	\$ 0	\$ 14,826
Changes during the Period				
Cash Dividends		(199)		(199)
Net Income		259		259
Purchase of Treasury Stock	(0)	(0)		(0)
Disposal of Treasury Stock	0	0		0
Net Changes of Items Other Than Shareholders' Equity			2	2
Total Changes during the Period	(0)	59	2	61
Balance at the End of the Period	\$ (5)	\$ 14,885	\$ 2	\$ 14,887

Financial Data:

Statements of Trust Account (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.
As of September 30, 2014 and March 31, 2014

	Millions of Yen		Millions of U.S. Dollars
	As of Sep. 30, 2014	As of Mar. 31, 2014	As of Sep. 30, 2014
Assets:			
Loans and Bills Discounted (Note 2)	¥ 665,193	¥ 541,613	\$ 6,078
Securities	81,204,880	78,962,207	741,936
Securities Held for Investment Trust	33,536,962	30,271,970	306,414
Foreign Investments Held for Investment Trust	19,558,575	17,968,460	178,699
Beneficiary Rights	244,167	250,467	2,231
Securities Held in Custody Accounts	22,468,505	21,532,341	205,286
Monetary Claims	15,730,558	15,911,620	143,724
Tangible Fixed Assets	10,579,653	10,025,287	96,662
Intangible Fixed Assets	131,359	113,341	1,200
Other Claims	10,214,858	10,733,267	93,329
Call Loans	6,027,238	5,431,172	55,068
Due from Banking Accounts	2,934,859	2,941,748	26,815
Cash and Due from Banks	2,975,329	3,099,765	27,184
Total Assets	¥ 206,272,143	¥ 197,783,263	\$ 1,884,624
Liabilities:			
Money Trusts (Note 3)	¥ 26,297,142	¥ 24,274,159	\$ 240,266
Pension Trusts	16,430,911	16,341,006	150,123
Property Formation Benefit Trusts	18,516	20,102	169
Loan Trusts (Note 4)	15,384	32,322	141
Securities Investment Trusts	45,994,844	43,472,286	420,236
Money in Trust Other than Money Trusts	8,022,803	7,553,796	73,301
Securities in Trust	22,463,473	21,506,508	205,240
Money Claims in Trust	11,045,175	10,934,451	100,915
Movables in Trust	—	0	—
Real Estate in Trust	115,366	114,418	1,054
Composite Trusts	75,868,524	73,534,211	693,180
Total Liabilities	¥ 206,272,143	¥ 197,783,263	\$ 1,884,624

See Notes to Interim Statements of Trust Account (Unaudited).

Notes to Interim 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 the assets held by SMTH. Within the general category of trust accounts, each trust account is segregated from other trust assets. Accordingly, the interim 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 SMTB, and such guaranteed principal as of September 30, 2014, was ¥1,465,734 million (U.S. \$13,392 million).

The translation of Japanese yen amounts into U.S. dollar amounts is included solely for the convenience of readers outside Japan. The translation has been made at the rate of ¥109.45 to U.S. \$1, the approximate rate of exchange as of September 30, 2014. 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 rounded down. As a result, the total may not be equal to sum of individual amounts.

Each amount presented in the interim statements of trust account as of March 31 and September 30, 2014, is the sum of trust accounts in SMTB and JTSB. Re-trust amounts between these consolidated subsidiaries for asset management are excluded from the amounts presented in the statements of trust account.

2. Loans and Bills Discounted

Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by SMTB, and loans on such guaranteed trust assets as of September 30, 2014, include the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Loans in Bankruptcy Proceedings	¥ —	\$ —
Other Delinquent Loans	16,164	148
Restructured Loans	1,068	10
Total	¥ 17,232	\$ 157

3. Balance of Money Trusts

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

	Millions of Yen		Millions of U.S. Dollars	
	Sep. 30, 2014		Sep. 30, 2014	
Assets:				
Loans and Bills Discounted	¥	73,626	\$	673
Securities		30		0
Other		1,377,857		12,589
Total	¥	1,451,514	\$	13,262
Liabilities:				
Principal	¥	1,450,973	\$	13,257
Allowance for Impairment of Guaranteed Trust Principal		85		1
Other		455		4
Total	¥	1,451,514	\$	13,262

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 SMTB. The figures in the table include funds reinvested from other trusts managed by SMTB.

4. Balance of Loan Trusts

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

	Millions of Yen		Millions of U.S. Dollars	
	Sep. 30, 2014		Sep. 30, 2014	
Assets:				
Loans and Bills Discounted	¥	—	\$	—
Securities		—		—
Other		15,384		141
Total	¥	15,384	\$	141
Liabilities:				
Principal	¥	14,761	\$	135
Special Reserve Fund		153		1
Other		469		4
Total	¥	15,384	\$	141

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 SMTB. The figures in the table include funds reinvested from other trusts managed by SMTB.