

Financial Data:

Sumitomo Mitsui Trust Bank, Limited ("SMTB")

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Financial Data:

Consolidated Balance Sheets (Unaudited)

Sumitomo Mitsui Trust Bank, Limited 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	¥ 7,438,437	¥ 5,751,322	\$ 67,962
Call Loans and Bills Bought	411,849	366,552	3,763
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)	5,134,088	5,629,697	46,908
Loans and Bills Discounted (Notes 2, 3, 4, 5, 6, 7, and 8)	24,412,632	23,689,058	223,048
Foreign Exchanges	10,985	12,114	100
Lease Receivables and Investment Assets (Note 7)	533,827	540,273	4,877
Other Assets (Note 7)	1,413,483	1,347,796	12,914
Tangible Fixed Assets (Notes 9 and 10)	233,051	237,265	2,129
Intangible Fixed Assets	148,299	195,131	1,355
Assets for Retirement Benefits	112,381	150,145	1,027
Deferred Tax Assets	18,181	19,692	166
Customers' Liabilities for Acceptances and Guarantees	504,944	485,384	4,613
Allowance for Loan Losses	(94,660)	(110,260)	(865)
Total Assets	¥ 41,861,595	¥ 40,178,429	\$ 382,472
Liabilities:			
Deposits (Note 7)	¥ 23,988,302	¥ 24,094,545	\$ 219,171
Negotiable Certificates of Deposit	6,490,378	5,203,179	59,300
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)	2,143,276	1,905,748	19,582
Foreign Exchanges	70	124	1
Short-Term Bonds Payable	1,026,914	904,882	9,383
Bonds Payable (Note 12)	1,025,150	1,055,826	9,366
Borrowed Money from Trust Account	1,487,632	1,342,001	13,592
Other Liabilities	1,038,385	1,128,130	9,487
Provision for Bonuses	12,766	14,894	117
Provision for Directors' Bonuses	120	255	1
Liabilities for Retirement Benefits	10,724	10,480	98
Provision for Reimbursement of Deposits	3,637	3,917	33
Provision for Contingent Losses	8,864	8,800	81
Deferred Tax Liabilities	68,788	32,062	628
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	¥ 39,472,721	¥ 37,899,940	\$ 360,646
Net Assets:			
Total Shareholders' Equity:	¥ 1,914,954	¥ 1,894,132	\$ 17,496
Capital Stock	342,037	342,037	3,125
Capital Surplus	601,259	601,259	5,493
Retained Earnings	971,657	950,835	8,878
Total Accumulated Other Comprehensive Income:	284,292	195,052	2,597
Valuation Differences on Available-for-Sale Securities	339,522	249,510	3,102
Deferred Gains (Losses) on Hedges	(16,822)	(11,151)	(154)
Revaluation Reserve for Land (Note 9)	650	1,622	6
Foreign Currency Translation Adjustments	5,069	5,228	46
Adjustments for Retirement Benefits	(44,127)	(50,156)	(403)
Minority Interests	189,627	189,304	1,733
Total Net Assets	¥ 2,388,874	¥ 2,278,489	\$ 21,826
Total Liabilities and Net Assets	¥ 41,861,595	¥ 40,178,429	\$ 382,472

	Yen	U.S. Dollars
Net Assets per Share of Common Stock	¥ 1,246.87	\$ 11.39

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 Bank, Limited 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	¥ 49,418	¥ 48,698	\$ 452
Interest Income:	180,656	177,957	1,651
Interest on Loans and Discounts	128,987	122,535	1,179
Interest and Dividends on Securities	41,536	48,273	380
Fees and Commissions	151,349	151,516	1,383
Trading Income	15,203	12,055	139
Other Ordinary Income	134,882	145,533	1,232
Other Income (Note 1)	39,216	65,763	358
Total Income	¥ 570,726	¥ 601,524	\$ 5,214
Expenses:			
Interest Expenses:	¥ 62,554	¥ 68,874	\$ 572
Interest on Deposits	34,447	36,761	315
Fees and Commissions Payments	43,041	42,695	393
Trading Expenses	134	272	1
Other Ordinary Expenses	112,002	116,044	1,023
General and Administrative Expenses (Note 2)	192,413	191,460	1,758
Other Expenses (Note 3)	64,295	65,165	587
Total Expenses	¥ 474,442	¥ 484,512	\$ 4,335
Income before Income Taxes and Minority Interests	¥ 96,284	¥ 117,012	\$ 880
Income Taxes:			
Current	8,576	11,537	78
Deferred	2,462	30,763	23
Income before Minority Interests	85,245	74,711	779
Minority Interests in Income	3,936	6,703	36
Net Income	¥ 81,309	¥ 68,008	\$ 743
		Yen	U.S. Dollars
Net Income per Share of Common Stock	¥ 47.17	¥ 39.23	\$ 0.43

See accompanying notes.

Financial Data:

Consolidated Statements of Comprehensive Income (Unaudited)

Sumitomo Mitsui Trust Bank, Limited 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	¥ 85,245	¥ 74,711	\$ 779
Other Comprehensive Income (Loss):			
Valuation Difference on Available-for-Sale Securities	83,382	65,618	762
Deferred Gains (Losses) on Hedges	(3,512)	1,910	(32)
Foreign Currency Translation Adjustments	85	5,209	1
Adjustments for Retirement Benefits	6,064	—	55
Attributable to Equity-Method Affiliates	4,396	2,147	40
Total Other Comprehensive Income (Loss)	¥ 90,417	¥ 74,885	\$ 826
Comprehensive Income:	¥ 175,662	¥149,596	\$ 1,605
Comprehensive Income Attributable to Owners of the Parent	¥ 171,521	¥142,810	\$ 1,567
Comprehensive Income Attributable to Minority Interests	4,141	6,786	38

See accompanying notes.

Financial Data:

Consolidated Statements of Changes in Net Assets (Unaudited)

Sumitomo Mitsui Trust Bank, Limited 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	Total Shareholders' Equity
Balance at the Beginning of the Period	¥ 342,037	¥ 601,259	¥ 950,835	¥ 1,894,132
Cumulative Effect of Changes in Accounting Policies			(30,887)	(30,887)
Balance at the Beginning of the Period after the Cumulative Effect	342,037	601,259	919,948	1,863,244
Changes during the Period				
Cash Dividends			(30,571)	(30,571)
Net Income			81,309	81,309
Reversal of Revaluation Reserve for Land			971	971
Net Changes of Items Other Than Shareholders' Equity				
Total Changes during the Period	—	—	51,709	51,709
Balance at the End of the Period	¥ 342,037	¥ 601,259	¥ 971,657	¥ 1,914,954

	Millions of Yen							Total Net Assets
	Accumulated Other Comprehensive Income							
	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	Minority Interests	
Balance at the Beginning of the Period	¥ 249,510	¥ (11,151)	¥ 1,622	¥ 5,228	¥ (50,156)	¥ 195,052	¥ 189,304	¥ 2,278,489
Cumulative Effect of Changes in Accounting Policies								(30,887)
Balance at the Beginning of the Period after the Cumulative Effect	249,510	(11,151)	1,622	5,228	(50,156)	195,052	189,304	2,247,601
Changes during the Period								
Cash Dividends								(30,571)
Net Income								81,309
Reversal of Revaluation Reserve for Land								971
Net Changes of Items Other Than Shareholders' Equity	90,012	(5,670)	(971)	(158)	6,029	89,240	322	89,562
Total Changes during the Period	90,012	(5,670)	(971)	(158)	6,029	89,240	322	141,272
Balance at the End of the Period	¥ 339,522	¥ (16,822)	¥ 650	¥ 5,069	¥ (44,127)	¥ 284,292	¥ 189,627	¥ 2,388,874

(Continued)

For the Six Months Ended September 30, 2013

	Millions of Yen			
	Shareholders' Equity			
	Capital Stock	Capital Surplus	Retained Earnings	Total Shareholders' Equity
Balance at the Beginning of the Period	¥ 342,037	¥ 608,794	¥ 844,517	¥ 1,795,349
Changes during the Period				
Cash Dividends		(7,535)	(27,045)	(34,580)
Net Income			68,008	68,008
Reversal of Revaluation Reserve for Land			635	635
Net Changes of Items Other Than Shareholders' Equity				
Total Changes during the Period	—	(7,535)	41,598	34,063
Balance at the End of the Period	¥ 342,037	¥ 601,259	¥ 886,116	¥ 1,829,412

	Millions of Yen							Minority Interests	Total Net Assets
	Accumulated Other Comprehensive Income					Total Accumulated Other Comprehensive Income			
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits				
Balance at the Beginning of the Period	¥ 185,208	¥ (14,063)	¥ 2,864	¥ (6,556)	¥ —	¥ 167,452	¥ 307,922	¥ 2,270,724	
Changes during the Period									
Cash Dividends								(34,580)	
Net Income								68,008	
Reversal of Revaluation Reserve for Land								635	
Net Changes of Items Other Than Shareholders' Equity	64,245	4,123	(635)	6,433	—	74,166	(49,099)	25,067	
Total Changes during the Period	64,245	4,123	(635)	6,433	—	74,166	(49,099)	59,130	
Balance at the End of the Period	¥ 249,454	¥ (9,940)	¥ 2,228	¥ (123)	¥ —	¥ 241,619	¥ 258,822	¥ 2,329,854	

(Continued)

For the Six Months Ended September 30, 2014

	Millions of U.S. Dollars			
	Shareholders' Equity			
	Capital Stock	Capital Surplus	Retained Earnings	Total Shareholders' Equity
Balance at the Beginning of the Period	\$ 3,125	\$ 5,493	\$ 8,687	\$ 17,306
Cumulative Effect of Changes in Accounting Policies			(282)	(282)
Balance at the Beginning of the Period after the Cumulative Effect	3,125	5,493	8,405	17,024
Changes during the Period				
Cash Dividends			(279)	(279)
Net Income			743	743
Reversal of Revaluation Reserve for Land			9	9
Net Changes of Items Other Than Shareholders' Equity				
Total Changes during the Period	—	—	472	472
Balance at the End of the Period	\$ 3,125	\$ 5,493	\$ 8,878	\$ 17,496

	Millions of U.S. Dollars								
	Accumulated Other Comprehensive Income							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	\$ 2,280	\$ (102)	\$ 15	\$ 48	\$ (458)	\$ 1,782	\$ 1,730	\$ 20,818	
Cumulative Effect of Changes in Accounting Policies								(282)	
Balance at the Beginning of the Period after the Cumulative Effect	2,280	(102)	15	48	(458)	1,782	1,730	20,535	
Changes during the Period									
Cash Dividends								(279)	
Net Income								743	
Reversal of Revaluation Reserve for Land								9	
Net Changes of Items Other Than Shareholders' Equity	822	(52)	(9)	(1)	55	815	3	818	
Total Changes during the Period	822	(52)	(9)	(1)	55	815	3	1,291	
Balance at the End of the Period	\$ 3,102	\$ (154)	\$ 6	\$ 46	\$ (403)	\$ 2,597	\$ 1,733	\$ 21,826	

See accompanying notes.

Financial Data:

Consolidated Statements of Cash Flows (Unaudited)

Sumitomo Mitsui Trust Bank, Limited 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	¥ 96,284	¥ 117,012	\$ 880
Depreciation and Amortization	14,452	14,595	132
Impairment Losses	1,658	528	15
Amortization of Goodwill	4,300	4,537	39
Equity in Losses (Earnings) of Affiliated Companies	(3,134)	(2,295)	(29)
Increase (Decrease) in Allowance for Loan Losses	(15,600)	(19,149)	(143)
Increase (Decrease) in Provision for Bonuses	(2,127)	(1,602)	(19)
Increase (Decrease) in Provision for Directors' Bonuses	(135)	(17)	(1)
Increase (Decrease) in Provision for Retirement Benefits	—	(539)	—
Decrease (Increase) in Assets for Retirement Benefits	16,473	—	151
Increase (Decrease) in Liabilities for Retirement Benefits	(719)	—	(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	(180,656)	(177,957)	(1,651)
Financing Expenses	62,554	68,874	572
Loss (Gain) Related to Securities	(32,493)	(1,910)	(297)
Loss (Gain) on Money Held in Trust	(634)	(849)	(6)
Foreign Exchange Losses (Gains)	(86,207)	(61,255)	(788)
Loss (Gain) on Disposal of Fixed Assets	(768)	666	(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	(723,573)	(610,730)	(6,611)
Net Increase (Decrease) in Deposit	(98,633)	670,926	(901)
Net Increase (Decrease) in Negotiable Certificates of Deposit	1,287,198	683,373	11,761
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)	(123,905)	(758,311)	(1,132)
Net Decrease (Increase) in Call Loans	240,317	39,236	2,196
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	6,446	16,928	59
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	145,630	55,411	1,331
Proceeds from Fund Management	186,660	171,582	1,705
Payments for Finance	(83,546)	(73,496)	(763)
Other, Net	(157,216)	117,175	(1,436)
Subtotal	¥ 942,462	¥ 1,729,387	\$ 8,611
Income Taxes Paid	(14,691)	(12,469)	(134)
Net Cash Provided by (Used in) Operating Activities	¥ 927,770	¥ 1,716,917	\$ 8,477

(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	¥ (3,216,503)	¥ (2,918,467)	\$ (29,388)
Proceeds from Sales of Securities	3,086,039	1,788,902	28,196
Proceeds from Redemption of Securities	941,474	1,779,520	8,602
Decrease in Money Held in Trust	12,000	5,650	110
Purchase of Tangible Fixed Assets	(6,267)	(6,103)	(57)
Proceeds from Sales of Tangible Fixed Assets	3,934	1,216	36
Purchase of Intangible Fixed Assets	(13,754)	(22,442)	(126)
Purchase of Investments in Subsidiaries with Changes in the Scope of Consolidation	—	(1,638)	—
Net Cash Provided by (Used in) Investing Activities	¥ 806,923	¥ 626,638	\$ 7,373
Net Cash Provided by (Used in) Financing Activities:			
Increase in Subordinated Borrowings	¥ 30,000	¥ —	\$ 274
Decrease in Subordinated Borrowings	(60,000)	—	(548)
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares	(99,000)	(93,500)	(905)
Repayments to Minority Shareholders	—	(50,000)	—
Cash Dividends Paid	(30,571)	(34,580)	(279)
Cash Dividends Paid to Minority Shareholders	(3,305)	(5,907)	(30)
Net Cash Provided by (Used in) Financing Activities	¥ (162,876)	¥ (183,988)	\$ (1,488)
Effect of Exchange Rate Change on Cash and Cash Equivalents	¥ (8,608)	¥ 27,639	\$ (79)
Net Increase (Decrease) in Cash and Cash Equivalents	¥ 1,563,209	¥ 2,187,206	\$ 14,282
Cash and Cash Equivalents at the Beginning of the Period	¥ 4,235,050	¥ 1,853,984	\$ 38,694
Cash and Cash Equivalents at the End of the Period (Note 1)	¥ 5,798,260	¥ 4,041,190	\$ 52,976

See accompanying notes.

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 Bank, Limited ("SMTB") and its consolidated subsidiaries (together, the "SMTB 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 SMTB 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 SMTB 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: 68 companies
- Principal Company
 - Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.
 - Nikko Asset Management Co., Ltd.
 - Sumitomo Mitsui Trust Loan & Finance Co., Ltd.
 - Sumitomo Mitsui Trust Realty Co., Ltd.
 - Sumitomo Mitsui Trust Guarantee Co., Ltd.
 - Sumitomo Mitsui Trust and Bank (U.S.A.) Limited

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.

Asian Islamic Investment Management Sdn. Bhd. was excluded from the scope of consolidation and has become an equity-method affiliated company during the interim period. This is due to a reduction in the ownership ratio through sale of shares.

(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 SMTB's interest in subsidiaries), retained earnings (amount corresponding to SMTB's interest in subsidiaries), and accumulated other comprehensive income (amount corresponding to SMTB'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 was included in the scope of application of the equity method through acquisition of shares during the interim period ended September 30, 2014.

Asian Islamic Investment Management Sdn. Bhd., which was previously a consolidated subsidiary, has become an affiliated company due to a reduction in the ownership ratio through sale of its shares. Accordingly, it is included in the scope of the application of an equity-method from the current interim period.

(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 income or loss do not substantially belong to them.

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 SMTB's interest in subsidiaries and affiliated companies), retained earnings (amount corresponding to SMTB's interest in subsidiaries and affiliated companies), and accumulated other comprehensive income (amount corresponding to SMTB'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 31:	2 companies
September 30:	42 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

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 inter-market 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, SMTB 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 their 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 the 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 SMTB 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

SMTB records 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

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, SMTB 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 8 to 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 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

For SMTB, the balance of "Cash and Cash Equivalents" in the interim consolidated statements of cash flows equals the balance of cash and due from the Bank of Japan under "Cash and Due from Banks" presented in the interim consolidated balance sheets. For the consolidated subsidiaries, 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.

(15) National and Local Consumption Taxes

National and local consumption taxes ("consumption taxes") payable by SMTB 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)

SMTB 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, SMTB 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 of its consolidated subsidiaries. Previously, SMTB applied a point basis, and its 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, SMTB 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 ¥1,282 million (U.S. \$12 million), and "Retained Earnings" decreased by ¥30,887 million (U.S. \$282 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	53,485	489

Securities borrowed under loan agreements without collateral, and securities purchased under resale agreements and borrowing transactions with cash collateral that SMTB 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. SMTB 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	¥ 520,745	\$ 4,758

“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	20,204	185
Cash Collateral Paid for Financial Instruments	505,801	4,621

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	¥ 10,780,639	\$ 98,498
Attributable to Agreements Expiring within One Year or which May Be Unconditionally Canceled at Any Time	7,771,220	71,002

The balance of unused credit will not necessarily affect the future cash flows of SMTB and its consolidated subsidiaries, because most of these agreements expire without credit being extended. Most of these agreements contain clauses allowing the SMTB and its 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, SMTB 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, 1998 and 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); the standard prices for benchmark properties as prescribed by Item 2 of Article 2, the registered prices in tax lists for such land for commercial use as prescribed by Item 3 of Article 2; 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	¥ 197,316	\$ 1,803

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	¥ 165,000	\$ 1,508

12. Bonds Payable

Bonds payable includes subordinated bonds.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
Subordinated Bonds	¥ 616,694	\$ 5,634

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	¥ 12,262	\$ 112
Reversal of Allowance for Loan Losses	14,054	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	¥ 77,072	\$ 704

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	¥ 364	\$ 3
Management Integration Expenses	3,753	34
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				Number of Shares Outstanding at the End of the Current Period
	Authorized	Number of Shares Outstanding at the Beginning of the Current Period	Increase	Decrease	
September 30, 2014					
Number of Issued Shares:					
Common Share	3,000,000	1,674,537	—	—	1,674,537
The First Series of Class II Preferred Shares	109,000	109,000	—	—	109,000
Total	3,109,000	1,783,537	—	—	1,783,537

2. Subscription Rights to Shares

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2014	Sep. 30, 2014
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	¥ 28,266 (\$258)	¥ 16.88 (\$0.15)	March 31, 2014	June 30, 2014
	The First Series of Class 2 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 2 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	¥22,622 (\$207)	Retained Earnings	¥ 13.51 (\$0.12)	September 30, 2014	December 1, 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	¥ 7,438,437	\$ 67,962
Due from Banks (excluding Due from the Bank of Japan)	(1,640,177)	(14,986)
Cash and Cash Equivalents	¥ 5,798,260	\$ 52,976

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)	¥ 7,438,333	¥ 7,438,333	¥ —	\$ 67,961	\$ 67,961	\$ —
(2) Call Loans and Bills Bought	411,849	411,849	—	3,763	3,763	—
(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	4,491,436	4,491,436	—	41,036	41,036	—
(9) Loans and Bills Discounted	24,412,632			223,048		
Allowance for Loan Losses (*2)	(83,485)			(763)		
	24,329,146	24,579,926	250,779	222,285	224,577	2,291
(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	¥ 38,774,999	¥ 39,075,369	¥ 300,369	\$ 354,271	\$ 357,016	\$ 2,744
(1) Deposits	¥ 23,988,302	¥ 24,012,111	¥ 23,809	\$ 219,171	\$ 219,389	\$ 218
(2) Negotiable Certificates of Deposit	6,490,378	6,490,378	—	59,300	59,300	—
(3) Call Money and Bills Sold	300,184	300,184	—	2,743	2,743	—
(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	—			
(6) Borrowed Money	2,143,276	2,152,998	9,722	19,582	19,671	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	1,025,150	1,059,864	34,713	9,366	9,684	317
(10) Borrowed Money from Trust Account	1,487,632	1,487,632	—	13,592	13,592	—
Total Liabilities	¥ 37,570,203	¥ 37,638,447	¥ 68,244	\$ 343,264	\$ 343,887	\$ 624
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 SMTB 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 SMTB 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	¥ 155,394	\$ 1,420
Unlisted Stocks (*3)	95,500	873
Investments in Associations	56,761	519
Others (*3)	3,133	29
Total	¥ 155,394	\$ 1,420

(*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 Securities	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 Securities	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 Securities	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 Securities	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	¥ 1,123,589	¥ 554,053	¥ 569,536
Bonds	904,103	898,731	5,372
Government Bonds	448,163	446,957	1,206
Local Government Bonds	10,360	10,100	260
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	445,578	441,673	3,905
Other Securities	821,467	801,534	19,933
Foreign Stocks	2,783	1,518	1,264
Foreign Bonds	718,342	707,050	11,291
Others	100,342	92,964	7,377
Subtotal	2,849,160	2,254,318	594,841
Securities of which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	¥ 112,311	¥ 138,537	¥ (26,226)
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	1,107,752	1,133,986	(26,234)
Foreign Stocks	—	—	—
Foreign Bonds	906,218	910,823	(4,605)
Others	201,534	223,163	(21,629)
Subtotal	1,693,035	1,746,178	(53,143)
Total	¥ 4,542,195	¥ 4,000,496	¥ 541,698

September 30, 2014	Millions of U.S. Dollars		
	Carrying Amount	Acquisition Cost	Difference
Securities of which Carrying Amount Exceeds Acquisition Cost			
Stocks	\$ 10,266	\$ 5,062	\$ 5,204
Bonds	8,260	8,211	49
Government Bonds	4,095	4,084	11
Local Government Bonds	95	92	2
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	4,071	4,035	36
Other Securities	7,505	7,323	182
Foreign Stocks	25	14	12
Foreign Bonds	6,563	6,460	103
Others	917	849	67
Subtotal	26,032	20,597	5,435
Securities of which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	\$ 1,026	\$ 1,266	\$ (240)
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	10,121	10,361	(240)
Foreign Stocks	—	—	—
Foreign Bonds	8,280	8,322	(42)
Others	1,841	2,039	(198)
Subtotal	15,469	15,954	(486)
Total	\$ 41,500	\$ 36,551	\$ 4,949

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.

Impairment losses recognized during the current interim period were ¥69 million (U.S. \$0.63 million) on stocks.

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	¥ 861	¥ 571	¥ 571	¥ —

September 30, 2014	Millions of U.S. Dollars				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
Other Money Held in Trust	\$ 13	\$ 8	\$ 5	\$ 5	\$ —

(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	¥ 513,807	\$ 4,694
Other Money Held in Trust	571	5
Total Valuation Difference	514,378	4,700
Amount Equivalent to Deferred Tax Assets (Liabilities)	180,844	1,652
Total (before Adjustment for Minority Interests and Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies)	333,534	3,047
Minority Interests	162	1
Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies	6,150	56
Valuation Difference on Available-for-Sale Securities	¥ 339,522	\$ 3,102

(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	\$ 20,282	\$ 85
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	Financial Assets/Liabilities such as Loans and Bills Discounted,	798,979	708,403	(35,455)	7,300	6,472	(324)
Interest Futures	Available-for-Sale	—	—	—	—	—	—
Sold	Securities (Bonds),	—	—	—	—	—	—
Purchased	Deposits, and	—	—	—	—	—	—
Interest Options	Bonds Payable	—	—	—	—	—	—
Sold		—	—	—	—	—	—
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	\$ 11,837	\$ (1,927)
Forward Exchange						
Contracts						
Sold	—	—	—	—	—	—
Purchased	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						
Short-Term Floating Interest Rate Receivable/ Volatility of Stock Price and Others Payable	¥ 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

There were no corresponding items as of September 30, 2014.

Segment Information

1. Reportable Segment Information

The SMTB 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 SMTB Group comprises SMTB and its consolidated subsidiaries, and SMTB and Sumitomo Mitsui Trust Panasonic Finance Co., Ltd. (SMTPFC), which are treated as reportable segments. The main activities of the reportable segments are presented below.

SMTB: Trust banking business

SMTPFC: Leasing 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	SMTPFC	Total				
Income:							
Unaffiliated Customers	¥ 376,627	¥ 114,651	¥ 491,278	¥ 79,448	¥ 570,726	¥ —	¥ 570,726
Intersegment	5,092	851	5,943	31,819	37,763	(37,763)	—
Total	¥ 381,720	¥ 115,502	¥ 497,222	¥ 111,267	¥ 608,490	¥ (37,763)	¥ 570,726
Segment Profit	¥ 71,142	¥ 6,800	¥ 77,942	¥ 24,457	¥ 102,400	¥ (6,115)	¥ 96,284
Segment Assets	¥ 40,809,299	¥ 879,908	¥ 41,689,207	¥ 8,459,478	¥ 50,148,685	¥ (8,287,090)	¥ 41,861,595
Segment Liabilities	¥ 38,690,610	¥ 730,890	¥ 39,421,501	¥ 7,981,408	¥ 47,402,909	¥ (7,930,188)	¥ 39,472,721
Others							
Depreciation and Amortization	¥ 12,676	¥ 578	¥ 13,254	¥ 1,658	¥ 14,912	¥ (460)	¥ 14,452
Amortization of Goodwill	—	—	—	1,141	1,141	3,158	4,300
Interest Income	173,976	1,116	175,093	12,013	187,106	(6,449)	180,656
Interest Expenses	63,919	1,911	65,830	2,084	67,915	(5,360)	62,554
Gain on Disposal of Fixed Assets	1,060	516	1,576	—	1,576	—	1,576
Impairment Loss	1,008	—	1,008	—	1,008	650	1,658
IT System Integration Costs	46,693	—	46,693	—	46,693	(635)	46,058
Unamortized Balance of Goodwill	—	—	—	26,849	26,849	67,107	93,957

Six Months Ended September 30, 2014	Millions of U.S. Dollars						Reported Amount
	Reportable Segment			Others	Total	Adjustment	
	SMTB	SMTDFC	Total				
Income:							
Unaffiliated Customers	\$ 3,441	\$ 1,048	\$ 4,489	\$ 726	\$ 5,214	\$ —	\$ 5,214
Intersegment	47	8	54	291	345	(345)	—
Total	\$ 3,488	\$ 1,055	\$ 4,543	\$ 1,017	\$ 5,560	\$ (345)	\$ 5,214
Segment Profit	\$ 650	\$ 62	\$ 712	\$ 223	\$ 936	\$ (56)	\$ 880
Segment Assets	\$ 372,858	\$ 8,039	\$ 380,897	\$ 77,291	\$ 458,188	\$ (75,716)	\$ 382,472
Segment Liabilities	\$ 353,500	\$ 6,678	\$ 360,178	\$ 72,923	\$ 433,101	\$ (72,455)	\$ 360,646
Others							
Depreciation and Amortization	\$ 116	\$ 5	\$ 121	\$ 15	\$ 136	\$ (4)	\$ 132
Amortization of Goodwill	—	—	—	10	10	29	39
Interest Income	1,590	10	1,600	110	1,710	(59)	1,651
Interest Expenses	584	17	601	19	621	(49)	572
Gain on Disposal of Fixed Assets	10	5	14	—	14	—	14
Impairment Loss	9	—	9	—	9	6	15
IT System Integration Costs	427	—	427	—	427	(6)	421
Unamortized Balance of Goodwill	—	—	—	245	245	613	858

(Notes)

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

- 4) The figures shown under "Adjustment" represent the consolidation adjustments for internal transactions.
- 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	¥ 376,627	¥ 114,651	¥ 79,448	¥ 570,726

Six Months Ended September 30, 2014	Millions of U.S. Dollars			
	Trust Banking Business	Leasing Business	Others	Total
Income:				
Unaffiliated Customers	\$ 3,441	\$ 1,048	\$ 726	\$ 5,214

(Note) The figures represent Income in substitution for net sales to be presented by companies in other industries.

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
¥ 502,431	¥ 22,913	¥ 21,379	¥ 24,002	¥ 570,726

Millions of U.S. Dollars				
Japan	Americas	Europe	Asia and Oceania	Total
\$ 4,591	\$ 209	\$ 195	\$ 219	\$ 5,214

(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 SMTB and its domestic consolidated subsidiaries (excluding oversea branches) are presented under "Japan." Income related to transactions

by overseas branches of domestic consolidated 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 SMTB 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 SMTB Group and an enormous number of the SMTB 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	¥ 2,388,874		
Less:	(300,932)		
Issue Amount of Shares of Preferred Stock	(109,000)		
Interim Dividends on Shares of Preferred Stock	(2,305)		
Minority Interests	(189,627)		
Net Assets Attributable to Common Shareholders	¥ 2,087,941	1,674,537	¥1,246.87

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	\$ 21,826		
Less:	(2,749)		
Issue Amount of Shares of Preferred Stock	(996)		
Interim Dividends on Shares of Preferred Stock	(21)		
Minority Interests	(1,733)		
Net Assets Attributable to Common Shareholders	\$ 19,077	1,674,537	\$ 11.39

2. 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	¥ 81,309		
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	¥ 79,003	1,674,537	¥ 47.17

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	\$ 743		
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	\$ 722	1,674,537	\$ 0.43

(Note) Fully-diluted net income per share of common stock is not presented because there were no potentially dilutive securities issued and outstanding. The summary of potentially dilutive securities that were excluded from calculation of fully-diluted net income per share of common stock because they have no dilutive effects is as follows.

1) Consolidated Subsidiaries (Nikko Asset Management Co., Ltd.)

(1) Stock Acquisition Rights (stock options)	Nikko Asset Management Common Stock	24,839,100 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, SMTB 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 ¥18.44 (U.S. \$0.17). 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 Bank, Limited
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	¥ 7,231,033	¥ 5,614,828	\$ 66,067
Call Loans	411,849	366,552	3,763
Receivables under Resale Agreements	109,593	88,069	1,001
Receivables under Securities Borrowing Transactions	307,593	289,377	2,810
Monetary Claims Bought	124,392	258,311	1,137
Trading Assets	611,147	585,467	5,584
Money Held in Trust	—	12,000	0
Securities	5,473,393	5,971,283	50,008
Loans and Bills Discounted	24,621,421	24,034,244	224,956
Foreign Exchanges	10,985	12,114	100
Other Assets:	1,200,702	1,136,155	10,970
Other Assets	1,200,702	1,136,155	10,970
Tangible Fixed Assets	199,891	203,326	1,826
Intangible Fixed Assets	46,874	90,515	428
Prepaid Pension Expenses	180,812	227,175	1,652
Customers' Liabilities for Acceptances and Guarantees	350,668	317,332	3,204
Allowance for Loan Losses	(71,060)	(84,089)	(649)
Total Assets	¥ 40,809,299	¥ 39,122,664	\$ 372,858
Liabilities:			
Deposits	¥ 23,887,174	¥ 24,072,972	\$ 218,247
Negotiable Certificates of Deposit	6,598,278	5,304,179	60,286
Call Money	354,909	251,455	3,243
Payables under Repurchase Agreements	1,096,905	1,291,641	10,022
Receivables under Securities Borrowing Transactions	11,387	—	104
Trading Liabilities	250,575	214,138	2,289
Borrowed Money	1,791,599	1,574,581	16,369
Foreign Exchanges	70	228	1
Short-Term Bonds Payable	821,040	667,403	7,502
Bonds Payable	976,150	995,826	8,919
Borrowed Money from Trust Account	1,487,632	1,342,001	13,592
Other Liabilities:	943,621	971,748	8,621
Income Taxes Payable	1,085	8,202	10
Lease Obligations	1,451	1,558	13
Asset Retirement Obligations	3,547	3,375	32
Other	937,537	958,611	8,566
Provision for Bonuses	8,488	8,787	78
Provision for Directors' Bonuses	—	105	—
Provision for Retirement Benefits	635	628	6
Provision for Reimbursement of Deposits	3,637	3,917	33
Provision for Contingent Losses	8,864	8,800	81
Deferred Tax Liabilities	95,257	61,793	870
Deferred Tax Liabilities for Land Revaluation	3,712	3,954	34
Acceptances and Guarantees	350,668	317,332	3,204
Total Liabilities	¥ 38,690,610	¥ 37,091,495	\$ 353,500
Net Assets:			
Total Shareholders' Equity:	¥ 1,796,830	¥ 1,788,176	\$ 16,417
Capital Stock	342,037	342,037	3,125
Capital Surplus:	601,259	601,259	5,493
Legal Capital Surplus	273,016	273,016	2,494
Other Capital Surplus	328,242	328,242	2,999
Retained Earnings:	853,534	844,879	7,798
Legal Retained Earnings	69,020	69,020	631
Other Retained Earnings:	784,513	775,858	7,168
Other Voluntary Reserves	371,870	371,870	3,398
Retained Earnings Brought Forward	412,643	403,988	3,770
Total Valuation and Translation Adjustments:	321,857	242,992	2,941
Valuation Difference on Available-for-Sale Securities	331,141	247,804	3,026
Deferred Gains (Losses) on Hedges	(9,934)	(6,434)	(91)
Revaluation Reserve for Land	650	1,622	6
Total Net Assets	¥ 2,118,688	¥ 2,031,168	\$ 19,358
Total Liabilities and Net Assets	¥ 40,809,299	¥ 39,122,664	\$ 372,858

Financial Data:

Non-Consolidated Statements of Income (Unaudited)

Sumitomo Mitsui Trust Bank, Limited

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	¥ 49,418	¥ 48,719	\$ 452
Interest Income:	173,976	173,254	1,590
Interest on Loans and Discounts	123,326	117,367	1,127
Interest and Dividends on Securities	42,816	50,528	391
Fees and Commissions	86,841	86,768	793
Trading Income	15,203	12,103	139
Other Ordinary Income	26,171	29,648	239
Other Income	30,108	57,677	275
Total Income	¥ 381,720	¥ 408,170	\$ 3,488
Expenses:			
Interest Expenses:	¥ 63,919	¥ 72,374	\$ 584
Interest on Deposits	34,427	36,698	315
Fees and Commissions Payments	35,787	35,630	327
Trading Expenses	134	272	1
Other Ordinary Expenses	15,409	12,874	141
General and Administrative Expenses	133,805	134,345	1,223
Other Expenses	61,522	63,613	562
Total Expenses	¥ 310,577	¥ 319,111	\$ 2,838
Income before Income Taxes	¥ 71,142	¥ 89,059	\$ 650
Income Taxes:			
Current	2,052	4,109	19
Deferred	773	28,745	7
Net Income	¥ 68,316	¥ 56,204	\$ 624
		Yen	U.S. Dollars
Net Income per Share of Common Stock	¥ 39.42	¥ 32.18	\$ 0.36

Financial Data:

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

Sumitomo Mitsui Trust Bank, Limited

For the six months ended September 30, 2014 and 2013

For the Six Months Ended September 30, 2014

	Millions of Yen							
	Shareholders' Equity							Total Shareholders' Equity
	Capital Stock	Capital Surplus			Retained Earnings			
		Legal Capital Surplus	Other Capital Surplus	Total Capital Surplus	Legal Retained Earnings	Other Retained Earnings	Total Retained Earnings	
Balance at the Beginning of the Period	¥ 342,037	¥ 273,016	¥ 328,242	¥ 601,259	¥ 69,020	¥ 775,858	¥ 844,879	¥ 1,788,176
Cumulative Effect of Changes in Accounting Policies						(30,062)	(30,062)	(30,062)
Balance at the Beginning of the Period after the Cumulative Effect	342,037	273,016	328,242	601,259	69,020	745,796	814,817	1,758,113
Changes during the Period								
Cash Dividends						(30,571)	(30,571)	(30,571)
Net Income						68,316	68,316	68,316
Reversal of Revaluation Reserve for Land						971	971	971
Net Changes of Items Other Than Shareholders' Equity								
Total Changes during the Period	—	—	—	—	—	38,716	38,716	38,716
Balance at the End of the Period	¥ 342,037	¥ 273,016	¥ 328,242	¥ 601,259	¥ 69,020	¥ 784,513	¥ 853,534	¥ 1,796,830

	Millions of Yen					Total Net Assets
	Valuation and Translation Adjustments					
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Total Valuation and Translation Adjustments		
Balance at the Beginning of the Period	¥ 247,804	¥ (6,434)	¥ 1,622	¥ 242,992	¥ 2,031,168	
Cumulative Effect of Changes in Accounting Policies					(30,062)	
Balance at the Beginning of the Period after the Cumulative Effect	247,804	(6,434)	1,622	242,992	2,001,106	
Changes during the Period						
Cash Dividends					(30,571)	
Net Income					68,316	
Reversal of Revaluation Reserve for Land					971	
Net Changes of Items Other Than Shareholders' Equity	83,337	(3,500)	(971)	78,865	78,865	
Total Changes during the Period	83,337	(3,500)	(971)	78,865	117,582	
Balance at the End of the Period	¥ 331,141	¥ (9,934)	¥ 650	¥ 321,857	¥ 2,118,688	

(Continued)

For the Six Months Ended September 30, 2013

	Millions of Yen							
	Shareholders' Equity							Total Shareholders' Equity
	Capital Stock	Capital Surplus			Retained Earnings			
Legal Capital Surplus		Other Capital Surplus	Total Capital Surplus	Legal Retained Earnings	Other Retained Earnings	Total Retained Earnings		
Balance at the Beginning of the Period	¥ 342,037	¥ 273,016	¥ 335,778	¥ 608,794	¥ 69,020	¥ 687,964	¥ 756,985	¥ 1,707,817
Changes during the Period								
Cash Dividends			(7,535)	(7,535)		(27,045)	(27,045)	(34,580)
Net Income						56,204	56,204	56,204
Reversal of Revaluation Reserve for Land						635	635	635
Net Changes of Items Other Than Shareholders' Equity								
Total Changes during the Period	—	—	(7,535)	(7,535)	—	29,795	29,795	22,259
Balance at the End of the Period	¥ 342,037	¥ 273,016	¥ 328,242	¥ 601,259	¥ 69,020	¥ 717,759	¥ 786,780	¥ 1,730,077

	Millions of Yen				
	Valuation and Translation Adjustments				Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Total Valuation and Translation Adjustments	
Balance at the Beginning of the Period	¥ 181,641	¥ (7,609)	¥ 2,864	¥ 176,896	¥ 1,884,714
Changes during the Period					
Cash Dividends					(34,580)
Net Income					56,204
Reversal of Revaluation Reserve for Land					635
Net Changes of Items Other Than Shareholders' Equity	66,271	1,612	(635)	67,247	67,247
Total Changes during the Period	66,271	1,612	(635)	67,247	89,506
Balance at the End of the Period	¥ 247,912	¥ (5,997)	¥ 2,228	¥ 244,143	¥ 1,974,221

(Continued)

For the Six Months Ended September 30, 2014

	Millions of U.S. Dollars							
	Shareholders' Equity							Total Shareholders' Equity
	Capital Stock	Capital Surplus			Retained Earnings			
	Legal Capital Surplus	Other Capital Surplus	Total Capital Surplus	Legal Retained Earnings	Other Retained Earnings	Total Retained Earnings		
Balance at the Beginning of the Period	\$ 3,125	\$ 2,494	\$ 2,999	\$ 5,493	\$ 631	\$ 7,089	\$ 7,719	\$ 16,338
Cumulative Effect of Changes in Accounting Policies						(275)	(275)	(275)
Balance at the Beginning of the Period after the Cumulative Effect	3,125	2,494	2,999	5,493	631	6,814	7,445	16,063
Changes during the Period								
Cash Dividends						(279)	(279)	(279)
Net Income						624	624	624
Reversal of Revaluation Reserve for Land						9	9	9
Net Changes of Items Other Than Shareholders' Equity								
Total Changes during the Period	—	—	—	—	—	354	354	354
Balance at the End of the Period	\$ 3,125	\$ 2,494	\$ 2,999	\$ 5,493	\$ 631	\$ 7,168	\$ 7,634	\$ 16,417

	Millions of U.S. Dollars					Total Net Assets
	Valuation and Translation Adjustments					
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Total Valuation and Translation Adjustments		
Balance at the Beginning of the Period	\$ 2,264	\$ (59)	\$ 15	\$ 2,220	\$ 18,558	
Cumulative Effect of Changes in Accounting Policies					(275)	
Balance at the Beginning of the Period after the Cumulative Effect	2,264	(59)	15	2,220	18,283	
Changes during the Period						
Cash Dividends					(279)	
Net Income					624	
Reversal of Revaluation Reserve for Land					9	
Net Changes of Items Other Than Shareholders' Equity	761	(32)	(9)	721	721	
Total Changes during the Period	761	(32)	(9)	721	1,074	
Balance at the End of the Period	\$ 3,026	\$ (91)	\$ 6	\$ 2,941	\$ 19,358	