

Sumitomo Mitsui Trust Holdings, Inc. (SuMi TRUST Holdings)
 Financial Results for the Nine Months Ended December 31, 2018
 [Japanese GAAP] (Consolidated)



January 30, 2019

Stock exchange listings: Tokyo and Nagoya (Code: 8309)
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Filing date of quarterly securities report
 (Shihanki Hokokusyo) (Scheduled): February 13, 2019
 Specific trading accounts: Established
 Dividend payment date: —
 Explanatory material: Prepared
 Briefing on financial results: Not scheduled

(Amounts less than one million yen are rounded down.)

1. Consolidated Financial Results (for the Nine Months Ended December 31, 2018)

(1) Operating Results

(%: Changes from the same period in the previous fiscal year)

	Ordinary Income		Ordinary Profit		Net Income Attributable to Owners of the Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Nine Months Ended						
December 31, 2018	1,077,253	13.5	202,495	6.9	134,332	9.4
December 31, 2017	948,949	3.8	189,493	(6.0)	122,814	(5.6)

(Note) Comprehensive Income: Nine months ended December 31, 2018 ¥72,225 million, (61.8%)
 Nine months ended December 31, 2017 ¥188,996 million, 143.3%

	Net Income per Share of Common Stock	Fully Diluted Net Income per Share of Common Stock
Nine Months Ended	Yen	Yen
December 31, 2018	354.42	354.22
December 31, 2017	321.96	321.83

(2) Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets Ratio
As of	Millions of Yen	Millions of Yen	%
December 31, 2018	57,069,112	2,709,784	4.6
March 31, 2018	68,356,798	2,872,325	3.8

(Reference) Shareholders' Equity: As of December 31, 2018 ¥2,632,789 million
 As of March 31, 2018 ¥2,624,667 million

(Note 1) Net Assets to Total Assets Ratio = (Net Assets – Subscription Rights to Shares – Non-Controlling Interests) / Total Assets

(Note 2) The above Net Assets to Total Assets Ratio is different from the capital adequacy ratio prescribed in the notification of the Financial Services Agency with respect to the capital adequacy ratio.

2. Cash Dividends per Share of Common Stock

	Annual Cash Dividends per Share of Common Stock				
	1st Quarter-End	2nd Quarter-End	3rd Quarter-End	Fiscal Year-End	Total
Fiscal Year	Yen	Yen	Yen	Yen	Yen
Ended March 31, 2018	—	65.00	—	65.00	130.00
Ending March 31, 2019	—	65.00	—		
Ending March 31, 2019 (Forecast)				75.00	140.00

(Note) Revision of latest announced estimates for cash dividends per share of common stock: No

3. Consolidated Earnings Forecast (for the Fiscal Year Ending March 31, 2019)

(%: Changes from the previous fiscal year)

	Net Income Attributable to Owners of the Parent	Net Income per Share of Common Stock
Fiscal Year Ending	Millions of Yen	Yen
March 31, 2019	175,000	462.23

(Note) Revision of latest announced forecast of consolidated earnings: No

*Notes

(1) Changes in Significant Subsidiaries during the Nine Months Ended December 31, 2018: Yes

(Changes in “specified subsidiaries” resulted in changes in the scope of consolidation)

Included: — (—)
CMTH Preferred Capital 6 (Cayman) Limited
Excluded: 3 companies STB Preferred Capital 4 (Cayman) Limited
Japan Trustee Services Bank, Ltd.

(2) Specific Accounting Treatments for the Preparation of the Quarterly Consolidated Financial Statements: Yes

(For further details, please refer to “1. (3) Notes to the Consolidated Financial Statements” on page 6 of Accompanying Materials.)

(3) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements

- 1) Changes in accounting policies due to the revision of accounting standards: None
2) Changes in accounting policies other than 1) above: Yes
3) Changes in accounting estimates: None
4) Restatements: None

(For further details, please refer to “1. (3) Notes to the Consolidated Financial Statements” on page 6 of Accompanying Materials.)

(4) Number of Shares Issued (Common Stock)

1) Number of shares issued (including treasury stock):	As of December 31, 2018	390,348,640 shares	As of March 31, 2018	390,348,640 shares
2) Number of treasury stock:	As of December 31, 2018	11,751,068 shares	As of March 31, 2018	9,816,662 shares
3) Average number of outstanding issued shares:	For the nine months ended December 31, 2018	379,019,630 shares	For the nine months ended December 31, 2017	381,458,864 shares

These consolidated financial results for the nine months ended December 31, 2018 (the quarterly consolidated financial results), are out of the scope of the quarterly review procedures to be performed by certified public accountants or an audit firm.

Explanation Concerning the Appropriate Use of the Forecasts for Results of Operations and Other Special Matters

The forecasts for results of operations presented in the consolidated financial results for the nine months ended December 31, 2018, are based on information currently available to, and certain reasonable assumptions made by SuMi TRUST Holdings. Moreover, SuMi TRUST Holdings does not guarantee the achievement of these forecasts, and actual results may differ significantly from the forecasts due to various factors. Please refer to the most recent relevant materials, including securities report, annual report, and other presentations, disclosed by SuMi TRUST Holdings and its group companies, for further information that could significantly influence SuMi TRUST Holdings' financial position and operating results, as well as investment decisions by investors.

[Accompanying Materials]

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1. Consolidated Financial Statements and Notes to the Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2018	As of December 31, 2018
Assets:		
Cash and Due from Banks	28,841,328	16,285,627
Call Loans and Bills Bought	152,951	296,896
Receivables under Resale Agreements	63,531	157,353
Receivables under Securities Borrowing Transactions	675,295	745,706
Monetary Claims Bought	955,938	810,501
Trading Assets	363,294	447,014
Money Held in Trust	1,357	1,389
Securities	5,537,643	6,130,822
Loans and Bills Discounted	28,190,553	28,618,145
Foreign Exchanges	25,554	37,636
Lease Receivables and Investment Assets	677,238	665,877
Other Assets	1,868,132	1,812,337
Tangible Fixed Assets	214,386	208,492
Intangible Fixed Assets	197,235	167,094
Assets for Retirement Benefits	163,219	172,326
Deferred Tax Assets	23,127	22,733
Customers' Liabilities for Acceptances and Guarantees	508,930	575,082
Allowance for Loan Losses	(102,920)	(85,924)
Total Assets	68,356,798	57,069,112
Liabilities:		
Deposits	37,351,839	31,133,118
Negotiable Certificates of Deposit	6,563,336	6,496,017
Call Money and Bills Sold	146,931	56,681
Payables under Repurchase Agreements	1,454,855	1,678,598
Payables under Securities Lending Transactions	41,299	139,451
Trading Liabilities	266,148	242,779
Borrowed Money	4,370,083	4,046,982
Foreign Exchanges	1,984	1,097
Short-Term Bonds Payable	1,062,869	1,629,406
Bonds Payable	1,470,715	1,573,650
Borrowed Money from Trust Account	11,070,725	5,518,682
Other Liabilities	932,825	1,057,028
Provision for Bonuses	16,740	7,767
Provision for Directors' Bonuses	325	90
Liabilities for Retirement Benefits	14,159	13,719
Provision for Reward Points Program	18,457	17,650
Provision for Reimbursement of Deposits	3,548	3,858
Provision for Contingent Losses	4,628	1,550
Deferred Tax Liabilities	181,050	163,266
Deferred Tax Liabilities for Land Revaluation	3,016	2,847
Acceptances and Guarantees	508,930	575,082
Total Liabilities	65,484,472	54,359,327

(Continued)

(Millions of Yen)

	As of March 31, 2018	As of December 31, 2018
Net Assets:		
Capital Stock	261,608	261,608
Capital Surplus	645,016	645,003
Retained Earnings	1,263,415	1,348,034
Treasury Stock	(42,224)	(51,219)
Total Shareholders' Equity	2,127,816	2,203,427
Valuation Differences on Available-for-Sale Securities	516,663	452,182
Deferred Gains (Losses) on Hedges	(22,746)	(27,089)
Revaluation Reserve for Land	(6,067)	(5,698)
Foreign Currency Translation Adjustments	4,281	3,862
Adjustments for Retirement Benefits	4,720	6,105
Total Accumulated Other Comprehensive Income	496,851	429,362
Subscription Rights to Shares	799	1,067
Non-Controlling Interests	246,858	75,927
Total Net Assets	2,872,325	2,709,784
Total Liabilities and Net Assets	68,356,798	57,069,112

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
 Consolidated Statements of Income

(Millions of Yen)

	For the Nine Months Ended	
	December 31, 2017	December 31, 2018
Ordinary Income:	948,949	1,077,253
Trust Fees	73,886	78,888
Interest Income:	314,213	370,310
Interest on Loans and Discounts	231,247	266,805
Interest and Dividends on Securities	54,984	65,063
Fees and Commissions	293,541	300,154
Trading Income	4,317	11,074
Other Ordinary Income	225,319	254,012
Other Income	37,669	62,813
Ordinary Expenses:	759,455	874,757
Interest Expenses:	183,144	268,617
Interest on Deposits	72,565	94,031
Fees and Commissions Payments	65,485	71,447
Other Ordinary Expenses	164,094	167,393
General and Administrative Expenses	327,794	321,477
Other Expenses	18,936	45,821
Ordinary Profit	189,493	202,495
Extraordinary Income:	9,105	153
Gains on Disposal of Fixed Assets	9,105	153
Extraordinary Losses:	8,129	3,212
Losses on Disposal of Fixed Assets	690	475
Impairment Losses	7,439	2,737
Income before Income Taxes	190,469	199,436
Income Taxes:	58,225	59,149
Current	44,675	47,925
Deferred	13,549	11,224
Net Income	132,243	140,286
Net Income Attributable to Non-Controlling Interests	9,429	5,954
Net Income Attributable to Owners of the Parent	122,814	134,332

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	For the Nine Months Ended	
	December 31, 2017	December 31, 2018
Net Income	132,243	140,286
Other Comprehensive Income (Loss):	56,752	(68,061)
Valuation Differences on Available-for-Sale Securities	49,672	(64,774)
Deferred Gains (Losses) on Hedges	(2,838)	(4,327)
Foreign Currency Translation Adjustments	4,721	8
Adjustments for Retirement Benefits	4,935	1,426
Attributable to Equity-Method Affiliated Companies	262	(393)
Comprehensive Income:	188,996	72,225
(Breakdown)		
Comprehensive Income Attributable to Owners of the Parent	179,287	66,474
Comprehensive Income Attributable to Non-Controlling Interests	9,708	5,751

(3) Notes to the Consolidated Financial Statements

(Notes on Going Concern Assumptions)

There is no applicable information.

(Notes on Significant Changes in Total Shareholders' Equity)

There is no applicable information.

(Specific Accounting Treatments for the Preparation of the Quarterly Consolidated Financial Statements)

(Income tax expenses)

Income tax expenses of certain consolidated subsidiaries are calculated by reasonably estimating the effective tax rate based on the expected income before income taxes (net of the effects of deferred taxes) for the fiscal year to which the nine-month period pertains, and multiplying income before income taxes for the nine-month period by the estimated effective tax rate.

(Changes in Accounting Policies)

The stocks classified as "Available-for-sale securities" that have market value are valued at the market price at the balance sheet date effective from the three months ended June 30, 2018, which were previously valued at the average market price during the final month of each quarterly period.

SuMi TRUST Holdings is currently in the efforts of enhancing company-wide risk management, including reduction of market price fluctuation risk and control of economic value of the strategic shareholdings. In the midst of such circumstances, SuMi TRUST Holdings adopted the above change in accounting policies since it came to a conclusion that the market price at the balance sheet date is more appropriate to represent the financial position of the SuMi TRUST Group as of that date, considering the finalization of Basel III reforms in December 2017 and recent discussions over strategic shareholdings.

The new accounting policy is not applied retrospectively, as its effects on the consolidated profit and loss for the nine months ended December 31, 2017, and cumulative effects up to the beginning of the nine months ended December 31, 2018, are immaterial.