



SuMi TRUST
SUMITOMO MITSUI TRUST GROUP

Summary of Financial Results for 1QFY2019

July 30, 2019

This presentation material contains information that constitutes forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors including changes in managerial circumstances. Please refer to the most recent relevant materials including financial results (“Kessan Tanshin”)(including attached explanatory materials), the securities report and other presentations disclosed by Sumitomo Mitsui Trust Holdings and its group companies, for further information that could significantly influence its financial position and operating results as well as investment decisions by investors. Information regarding companies and other entities outside the group in this document has been obtained from publicly available information and other sources. The accuracy and appropriateness of that information has not been verified by the group and cannot be guaranteed. This presentation does not constitute an offer to sell or a solicitation of an offer to subscribe for or purchase any securities.

Definitions of terms in this document

Sumitomo Mitsui Trust Holdings (Consolidated): “Consolidated “ or “SuMi TRUST Holdings”

Sumitomo Mitsui Trust Bank (Non-consolidated): “Non-consolidated “ or “SuMi TRUST Bank”

Figures before FY2011 in Non-consolidated : CMTB (Non-consolidated) + CMAB (Non-consolidated) + STB (Non-consolidated)

Net income (on consolidated basis) : “Net income attributable to owners of the parent”

NPL (Non performing loans): “Problem assets based on the Financial Reconstruction Act”

Accounting for Business combination related to Management Integration

Purchase accounting method : Accounting method for business combination related to management integration

Results of applying purchase accounting method : Amount of effect from purchase accounting method

Financial indices per share

Indices regarding financial information per share such as “Net asset per 1 share,” “Dividends per 1 share,” are presented assuming that the consolidation of shares (one (1) share for every ten (10) shares) enacted on October 1, 2016, took place at the beginning of fiscal year ended March 31, 2016, for consistency purposes.

Overview of profits

		(Yen bn)			FY19 Forecast
		FY18 1Q	FY19 1Q	Change	
1	Net business profit before credit costs (*1)	64.2	59.4	(4.8)	290.0
2	Substantial gross business profit (*1)	173.6	170.6	(3.0)	740.0
3	Net interest income and related profit	43.5	35.1	(8.4)	
4	Net fees and commissions and related profit	98.0	97.3	(0.6)	
5	Other profit	32.0	38.1	6.1	
6	o/w Profit attributable to deployment of surplus foreign currency funds	15.7	23.0	7.3	
7	Substantial G&A expenses (*1)	(109.3)	(111.1)	(1.7)	(450.0)
8	Total credit costs	(1.2)	(2.2)	(0.9)	(20.0)
9	Net gains on stocks	6.5	6.0	(0.4)	
10	Other net non-recurring profit	(2.9)	(2.2)	0.7	
11	Ordinary profit	66.6	60.9	(5.6)	270.0
12	Extraordinary profit	(0.2)	(0.0)	0.1	
13	Income before income taxes	66.3	60.9	(5.4)	
14	Total income taxes	(19.2)	(17.2)	2.0	
15	Income attributable to non-controlling interests	(2.6)	(1.0)	1.5	
16	Net income	44.4	42.5	(1.8)	180.0
17	Earnings per share (EPS) (Yen)	117	112	(4)	
18	Number of shares issued (mn shares) (*2)	379.8	377.8	(2.0)	

(*1) "Net business profit before credit costs", "Substantial gross business profit" and "Substantial G&A expenses" are based on managerial accounting, taking gross income and expenses from affiliates into consideration.

(*2) Average number of common shares outstanding (excluding treasury stocks) during the period

Net business profit before credit costs

- Effective interest related earnings were nearly the same level YoY
- Both domestic and international loan-deposit spread / income of SuMi TRUST Bank increased (Please refer to page5)

		(Yen bn)		
		FY18 1Q	FY19 1Q	Change
19	Effective interest related earnings	59.2	58.1	(1.1)
20	Net interest income and related profit	43.5	35.1	(8.4)
21	Profit attributable to deployment of surplus foreign currency funds	15.7	23.0	7.3

- As for fee business, investment management consulting decreased YoY resulting from volatile market environment while real estate brokerage and wholesale credit related fee increased YoY due to robust results
- Substantial G&A expenses increased due to planned IT related forward-looking investments of SuMi TRUST Bank
- Progress rate of approx. 20% against full year plan [¥290.0bn]

Total credit costs

- Limited occurrence of new problem loans

Net gains on stocks

- Strategic shareholdings reduction of approx. ¥2bn with gains of approx. ¥7bn on disposal

Net income

- Progress rate of approx. 24% against full year plan [¥180.0bn]

Overview of balance sheet

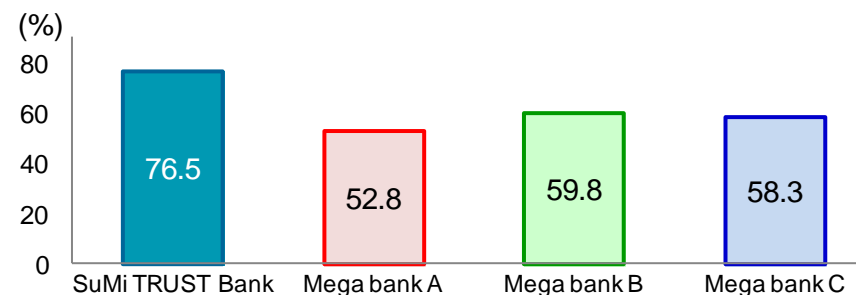
		(Yen bn)		
		Mar. 2019	Jun. 2019	Change
1	Assets	57,029.1	56,056.1	(972.9)
2	Cash and due from banks	16,045.8	15,255.5	(790.3)
3	Securities	5,759.5	6,165.8	406.3
4	Loans and bills discounted	29,025.7	28,692.0	(333.6)
5	Other assets	6,198.0	5,942.7	(255.3)
6	Liabilities	54,298.7	53,352.8	(945.8)
7	Deposits and NCD	38,232.1	37,729.2	(502.9)
8	Borrowed money from trust account	5,408.0	3,733.8	(1,674.1)
9	Other liabilities	10,658.5	11,889.8	1,231.2
10	Total net assets	2,730.3	2,703.2	(27.1)
11	Total shareholders' equity	2,242.9	2,244.3	1.3
12	Total accumulated OCI	410.4	381.5	(28.9)
13	Minority interests, etc.	76.8	77.3	0.4
14	Net assets per share (BPS) (Yen)	7,008	6,995	(12)
15	Number of shares issued (mn shares) (*1)	378.5	375.3	(3.2)

(Reference)

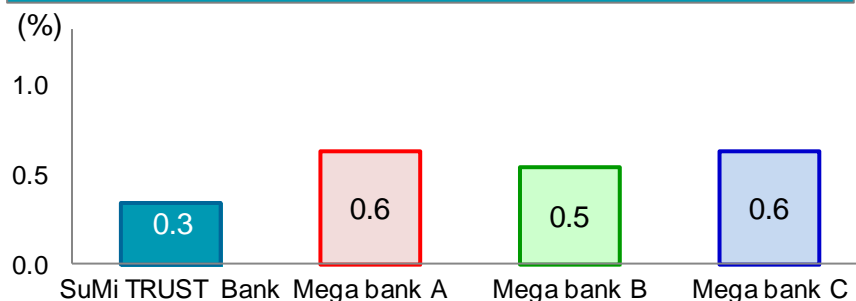
16	Loan-deposit ratio (SuMi TRUST Bank)	76.8%	76.5%	(0.3%)
17	NPL ratio (SuMi TRUST Bank)	0.3%	0.3%	0.0%

(*1) Number of common shares issued (excluding treasury stocks) as of the dates above

Comparison of Loan-deposit ratio (*2)



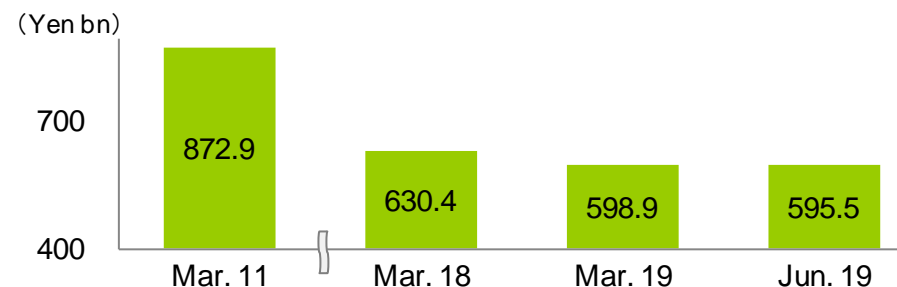
Comparison of NPL ratio (*2)



(*2) SuMi TRUST Bank: as of Jun. 2019

Mega banks (sum of bank subsidiaries): as of Mar. 2019

Balance of strategic shareholdings (Cost base)



Profit by group company

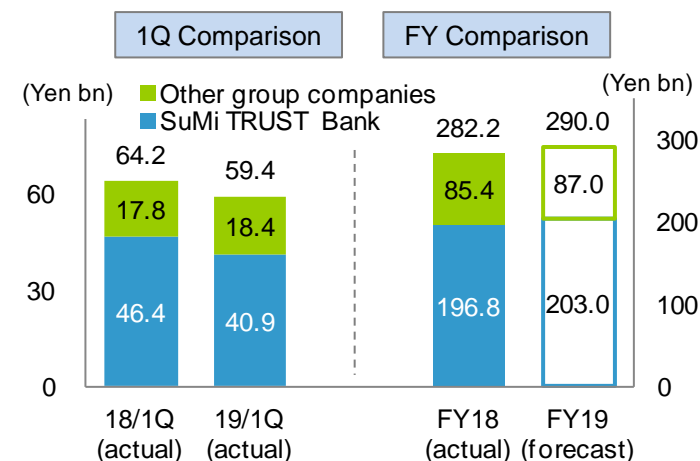
		FY18 1Q	FY19 1Q	Change	
1	Net business profit before credit costs (*1)	64.2	59.4	(4.8)	
2	o/w SuMi TRUST Bank	46.4	40.9	(*2)	(5.4)
3	SuMi TRUST AM	1.1	3.5	(*2)	2.3
4	Nikko AM (*3)	3.7	3.6		(0.1)
5	SuMi TRUST Realty	1.5	1.4		(0.1)
6	SuMi TRUST Panasonic Finance (*3)	2.7	2.4		(0.3)
7	SuMi TRUST Loan & Finance	2.6	2.9		0.2
8	SBI Sumishin Net Bank (*3)	1.9	2.1		0.1
9	SuMi TRUST Guarantee (*3)	2.9	2.8		(0.0)
10	SuMi TRUST Club	0.2	0.9		0.6
11	Effect of purchase accounting method	(0.6)	(0.6)		(0.0)
12	Net income (*1)	44.4	42.5	(1.8)	
13	o/w SuMi TRUST Bank	41.9	34.7	(7.1)	
14	SuMi TRUST AM	0.7	2.5	1.7	
15	Nikko AM (*3)	2.3	2.2	(0.0)	
16	SuMi TRUST Realty	1.0	0.9	(0.0)	
17	SuMi TRUST Panasonic Finance (*3)	0.6	1.0	0.4	
18	SuMi TRUST Loan & Finance	1.7	1.9	0.1	
19	SBI Sumishin Net Bank (*3)	1.3	1.3	0.0	
20	SuMi TRUST Guarantee (*3)	2.4	1.9	(0.4)	
21	SuMi TRUST Club	(0.4)	0.3	0.8	
22	Effect of purchase accounting method	0.2	0.1	(0.0)	

(*1) Figures on the table above are contribution of group companies, which are substantive amount excluding consolidation adjustment that do not relate directly to the group companies' business results, and dividend from group companies aimed to improve capital efficiency

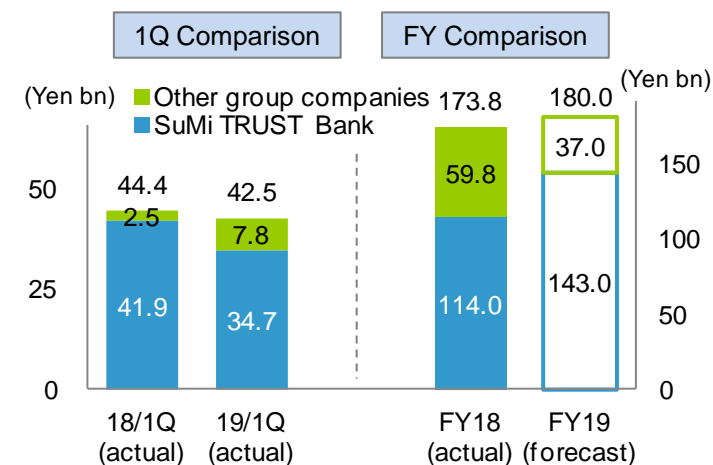
(*2) Including the impact of reorganization of asset management functions on Oct. 1, 2018
(Please refer to Page4)

(*3) Consolidated basis

Breakdown of Net business profit before credit cost



Breakdown of Net income



Profit by business segment

	(Yen bn)	FY18/1Q Net business profit before credit costs	FY18/1Q		FY19/1Q		FY19 Plan Substantial gross business profit	
			Substantial gross business profit	Change	Substantial G&A expenses	Net business profit before credit costs		Change
1 Total		64.2	170.6	(3.0)	(111.1)	59.4	(4.8)	740.0
2 Retail total solution services		7.3	48.0	(0.5)	(41.2)	6.8	(0.5)	201.0
3 SuMi TRUST Bank		3.8	32.7	(1.0)	(30.4)	2.3	(1.5)	138.0
4 Other group companies		3.4	15.3	0.4	(10.8)	4.4	1.0	63.0
5 Wholesale financial services (*2)		24.6	45.7	3.6	(18.2)	27.4	2.8	196.0
6 SuMi TRUST Bank		17.7	32.0	3.6	(11.2)	20.8	3.1	138.0
7 Other group companies		6.9	13.6	0.0	(6.9)	6.6	(0.2)	58.0
8 Stock transfer agency services		7.1	12.4	0.0	(5.3)	7.1	(0.0)	38.0
9 SuMi TRUST Bank		6.7	7.6	(0.0)	(0.9)	6.7	(0.0)	22.0
10 Other group companies		0.4	4.7	0.1	(4.3)	0.4	(0.0)	16.0
11 Real estate		3.1	10.0	0.8	(5.9)	4.0	0.8	55.0
12 SuMi TRUST Bank		1.5	4.8	0.9	(2.3)	2.5	1.0	33.0
13 Other group companies		1.5	5.1	(0.0)	(3.6)	1.4	(0.1)	22.0
14 Fiduciary services		14.5	41.8	(*3) (1.4)	(26.1)	15.7	(*3) 1.2	165.0
15 SuMi TRUST Bank		8.3	12.4	(2.7)	(5.4)	7.0	(1.2)	50.0
16 Other group companies		6.1	29.4	1.3	(20.6)	8.7	2.5	115.0
17 o/w Asset management business (*4)		4.9	19.9	3.7	(12.6)	7.3	2.3	---
18 Global markets		11.8	14.1	(1.5)	(3.6)	10.5	(1.2)	58.0

(*1) In this page, dividend from group companies aimed to improve capital efficiency are excluded from each business segment

(*2) Combined total of Wholesale total solution services and Wholesale asset management

(*3) Please refer to right table for the impact of reorganization of asset management functions and changing to affiliated company of Japan Trustee Services Bank relating to the establishment of JTC Holdings on Oct.1, 2018

(*4) Sum of Asset management companies (SuMi TRUST AM, Nikko AM (consolidated), Sky Ocean AM, JP AM)

(Yen bn)	Substantial gross business profit	Substantial G&A expenses	Net business profit before credit costs
SuMi TRUST Bank	(3.0)	1.0	(2.0)
Other group companies	0.5	1.5	2.0
SuMi TRUST AM	3.0	(1.0)	2.0
JTC HD・JTSB	(2.5)	2.5	-

Overview of profit (SuMi TRUST Bank)

	(Yen bn)			Excluding dividend from group companies (*1)					Excluding dividend from group companies (*1)		
		FY18 1Q	FY19 1Q	FY18 1Q	FY19 1Q	Change	FY18 1Q	FY19 1Q	Change		
1	Net business profit before credit costs	76.5	43.9	46.4	40.9	(5.4)	21	Effective interest related earnings (*3)	53.2	53.7	0.4
2	Gross business profit	134.2	103.9	104.1	101.0	(3.1)	22	Domestic business	37.9	37.8	(0.1)
3	Net interest income and related profit	67.6	33.6	37.5	30.6	(6.8)	23	International business	15.2	15.9	0.6
4	Net fees and commissions and related profit (*2)	42.2	40.5	42.2	40.5	(1.7)	24	Net interest income and related profit	(0.4)	(7.1)	(6.6)
5	Net trading profit	2.4	16.1	2.4	16.1	13.7	25	Profit attributable to deployment of surplus foreign currency funds	15.7	23.0	7.3
6	Net other operating profit	21.9	13.6	21.9	13.6	(8.3)	(*3) Net interest income and related profit minus Dividend from group companies aimed to improve capital efficiency plus Profit attributable to deployment of surplus foreign currency funds				
7	o/w Net gains on foreign exchange transactions	20.3	15.0	20.3	15.0	(5.3)	26	Net fees and commissions and related profit	42.2	40.5	(1.7)
8	o/w Profit attributable to deployment of surplus foreign currency funds	15.7	23.0	15.7	23.0	7.3	27	Excluding impact of reorganization of asset management functions	42.2	43.5	1.2
9	Net gains on bonds	1.7	2.4	1.7	2.4	0.7	28	o/w Investment management consulting	13.8	12.0	(1.8)
10	Net gains from derivatives	(0.1)	(3.8)	(0.1)	(3.8)	(3.7)	29	Asset management/administration	15.2	12.4	(2.7)
11	General and administrative expenses (*2)	(57.6)	(60.0)	(57.6)	(60.0)	(2.3)	30	Excluding impact of reorganization of asset management functions	15.2	15.4	0.2
12	Total credit costs	1.0	(1.1)	1.0	(1.1)	(2.1)	31	Real estate brokerage	2.5	3.4	0.9
13	Other non-recurring profit	9.4	6.3	9.4	6.3	(3.1)	32	Stock transfer agency services	7.6	7.6	(0.0)
14	o/w Net gains on stocks	5.7	6.1	5.7	6.1	0.3	33	Inheritance related services	0.7	0.7	(0.0)
15	Amortization of net actuarial losses	(0.8)	(1.4)	(0.8)	(1.4)	(0.5)	34	Wholesale credit related	4.6	6.3	1.6
16	Ordinary profit	87.0	49.0	56.8	46.1	(10.7)	35	Net gains on bonds	1.7	2.4	0.7
17	Extraordinary profit	(0.1)	(0.0)	(0.1)	(0.0)	0.1	36	Domestic bonds	0.1	0.8	0.6
18	Income before income taxes	86.8	48.9	56.6	46.0	(10.6)	37	Foreign bonds	1.5	1.6	0.0
19	Total income taxes	(14.7)	(11.2)	(14.7)	(11.2)	3.4					
20	Net income	72.0	37.6	41.9	34.7	(7.1)					

(*1) Excluding dividend of FY19/1Q: ¥2.9bn from group companies aimed to improve capital efficiency, affecting 1, 2, 3, 16, 18, 20FY18/1Q: ¥30.1bn,

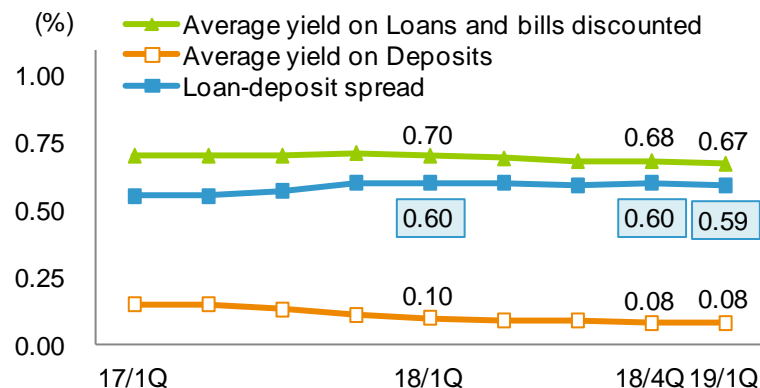
(*2) FY19/1Q figures include the impact of reorganization of asset management functions on Oct. 1, 2018

Net fees and commissions and related profit: approx. ¥3bn, General and administrative expenses: approx. ¥1bn

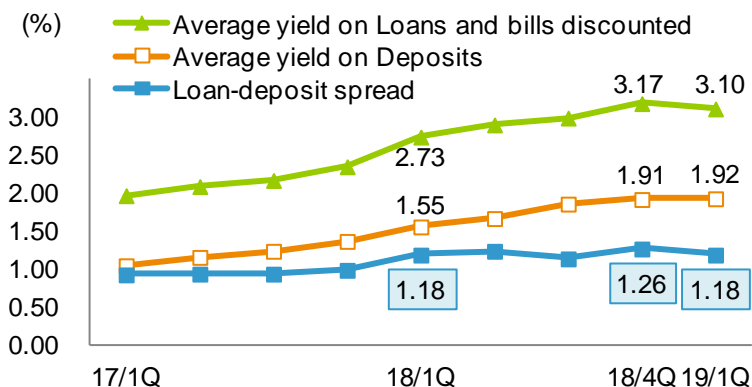
Net interest income (SuMi TRUST Bank)

	FY19/1Q					
	Average Balance	Change from FY18/1Q	Average Yield	Change from FY18/1Q	Income/Expenses	Change from FY18/1Q
1 Net interest income					29.6	(33.2)
2 Domestic business			0.38%	(0.29%)	36.7	(26.5)
3 Interest-earning assets	38.68	1.06	0.52%	(0.31%)	50.5	(28.1)
4 o/w Loans and bills discounted	22.47	1.08	0.67%	(0.03%)	37.5	0.0
5 Securities	3.41	(0.01)	1.34%	(3.28%)*	11.4	(28.1)
6 Income on swaps	---	---	---	---	-	(0.2)
7 Interest-bearing liabilities	37.95	1.10	0.14%	(0.02%)	(13.7)	1.5
8 o/w Deposits	24.86	1.61	0.08%	(0.02%)	(5.2)	0.9
9 Borrowings from trust a/c	3.28	(0.57)	0.49%	-	(4.0)	0.7
10 Expenses on swaps	---	---	---	---	(0.0)	(0.0)
11 International business			(0.26%)	(0.22%)	(7.1)	(6.6)
12 Interest-earning assets	13.47	0.36	2.21%	0.18%	74.0	7.6
13 o/w Loans and bills discounted	6.48	0.00	3.10%	0.37%	50.0	5.9
14 Due from banks	2.10	(0.29)	1.67%	0.37%	8.7	0.9
15 Securities	2.14	0.05	2.47%	0.15%	13.1	1.0
16 Interest-bearing liabilities	13.18	0.25	2.47%	0.40%	(81.2)	(14.2)
17 o/w Deposits	5.65	0.00	1.92%	0.37%	(27.0)	(5.2)
18 NCD / USCP	5.23	0.63	2.29%	0.47%	(29.7)	(8.9)
19 Repo	1.47	(0.01)	2.49%	0.68%	(9.1)	(2.3)
20 Expenses on swaps	---	---	---	---	(9.8)	(0.8)
21 (+) Trust fees from principal guaranteed trust a/c					4.0	(0.7)
22 (+) Profit attributable to deployment of surplus foreign currency funds					23.0	7.3
23 (-) Dividend from group companies aimed to improve capital efficiency					2.9	(27.1)
24 Effective interest related earnings					53.7	0.4
25 Loan-deposit spread / income in domestic business			0.59%	(0.01%)	32.2	0.9
26 Loan-deposit spread / income in international business			1.18%	(0.00%)	23.0	0.6

Domestic loan-deposit spread



International loan-deposit spread

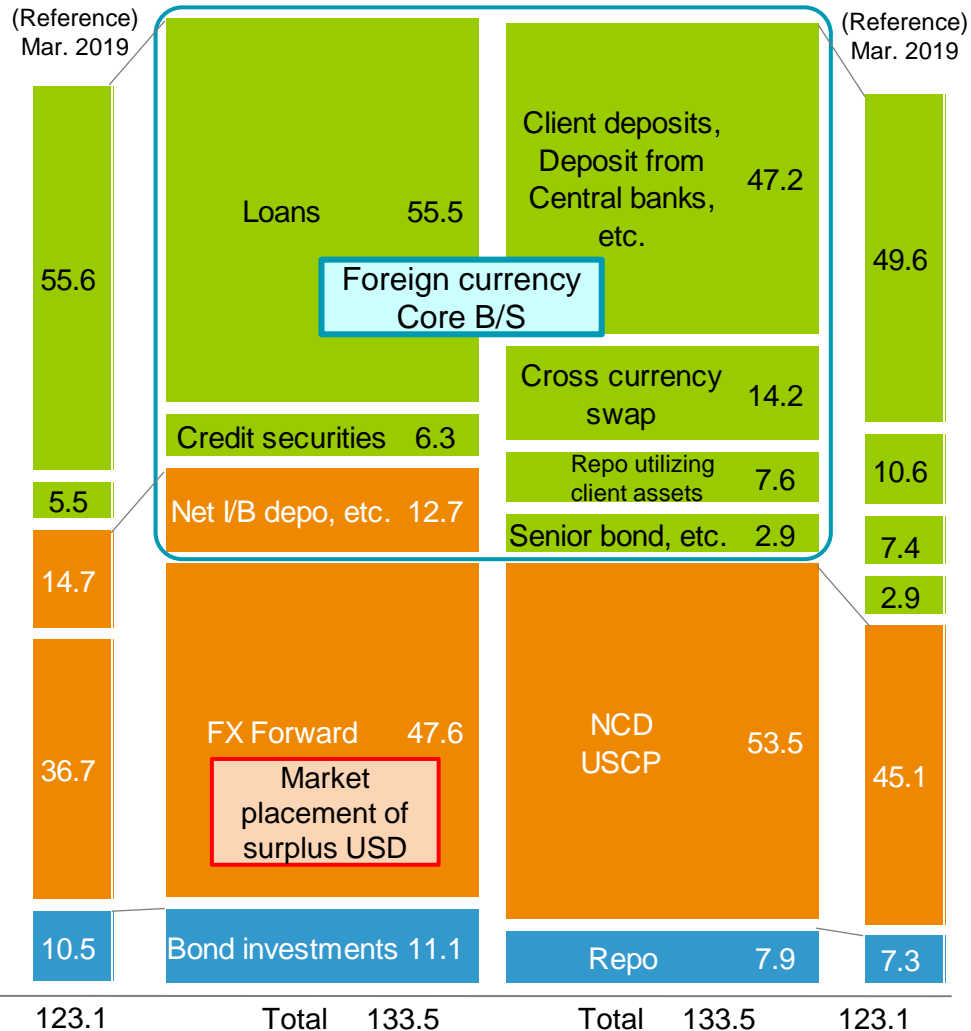


(*) Breakdown of securities income/expenses in domestic business

	FY18/1Q	FY19/1Q	Change
Securities	39.5	11.4	(28.1)
Dividend from group companies to improve their capital efficiency	30.1	2.9	(27.1)
Sales gain/loss of investment trust	0.8	(0.7)	(1.5)
Other income/expenses	8.5	9.2	0.6

(Reference) Status of foreign currency balance sheet (SuMi TRUST Bank)

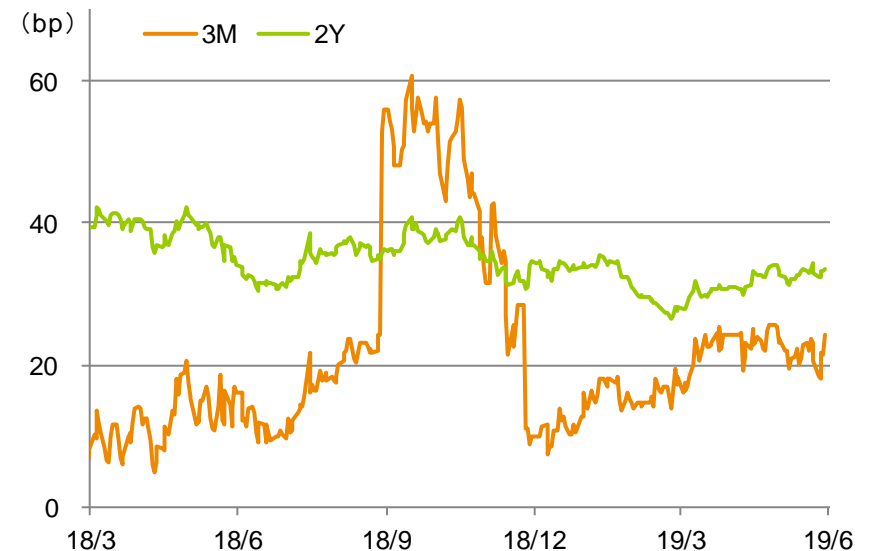
Foreign currency B/S (as of Jun. 2019) (USD bn)



Foreign currency ALM management

- ◆ Loans and credit securities constituting core foreign currency denominated assets, are funded by “sticky” client deposits and central bank deposits as well as “long term” yen swaps and senior bonds issuance.
- ◆ Short term funds sourced through NCD/USCP markets are categorized as contingent funding buffer for foreign currency B/S, and the funds are utilized in the inter-bank or foreign exchange market.

Basis swap spread (CCS) (USD/JPY)



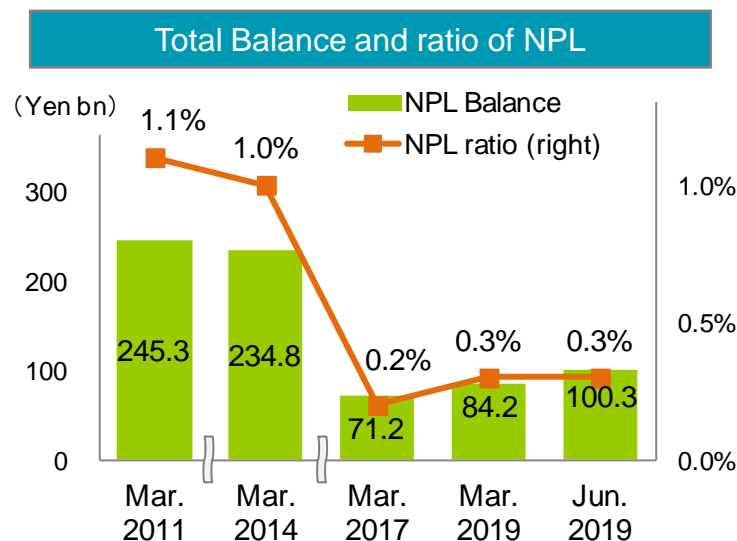
Total credit costs and problem assets

[Total credit costs]		FY18 1Q	FY19 1Q	Major factors (FY19/1Q)
	(Yen bn)			
1	SuMi TRUST Bank	1.0	(1.1)	
2	General allowance for loan losses	1.4	(1.5)	Downgraded: Approx. (1.0) Upgraded: Approx. +0.0 Decrease in loan balance, etc. (including recoveries): Approx. +0.0
3	Specific allowance for loan losses	(0.0)	0.3	
4	Recoveries of written-off claims	0.5	0.0	
5	Losses on sales of claims, written-off	(0.9)	(0.0)	
6	Other group companies, etc.	(2.2)	(1.1)	
7	Total	(1.2)	(2.2)	

[NPL (SuMi TRUST Bank)]		Jun. 2019	Coverage ratio (*1)	Allowance ratio (*2)	Change from Mar. 2019
	(Yen bn)				
8	NPL	100.3	79.9%	57.2%	16.1
9	NPL ratio (ratio to Total loan balance)	0.3%	---	---	0.0%
10	Bankrupt and practically bankrupt	10.1	100.0%	100.0%	(0.4)
11	Doubtful	55.2	87.1%	76.4%	0.0
12	Substandard	34.9	62.8%	8.8%	16.5
13	Other special mention debtors	422.0	---	---	6.7
14	Ordinary assets	28,987.6	---	---	(454.3)
15	Total loan balance	29,509.8	---	---	(431.5)

(*1) (Collateral value + allowance for loan losses) / Loan balance

(*2) Allowance for loan losses / (Loan balance - Collateral value after considering haircuts)



Securities portfolio

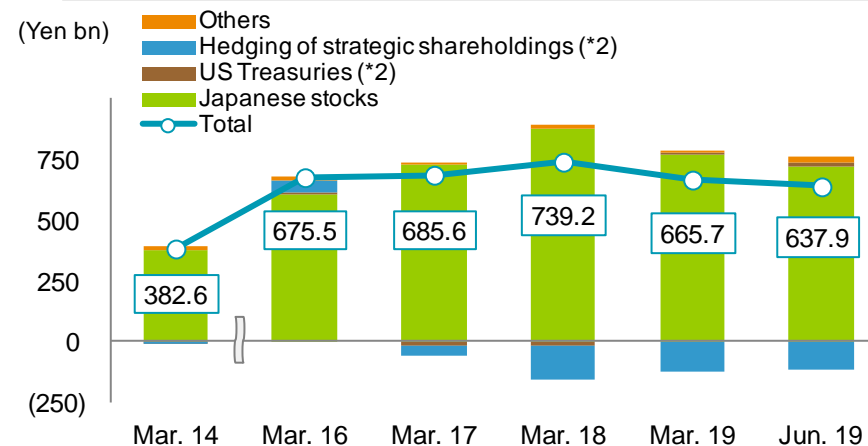
[Securities with fair value]		Costs		Unrealized gains/losses	
		(Yen bn)	Jun. 2019	Change from Mar. 2019	Jun. 2019
1	Available-for-sale securities	4,910.2	351.7	637.9	(27.7)
2	Japanese stocks	595.5	(3.4)	721.8	(50.8)
3	Japanese bonds	956.2	68.8	3.2	0.0
4	Others	3,358.4	286.3	(87.0)	23.0
5	Held-to-maturity debt securities	340.6	78.2	22.4	0.7

[Securities with fair value (SuMi TRUST Bank)]		Costs		Unrealized gains/losses		
		(Yen bn)	Jun. 2019	Change from Mar. 2019	Jun. 2019	Change from Mar. 2019
6	Available-for-sale securities	4,884.1	351.8	653.8	(27.4)	
7	Japanese stocks	570.6	(3.3)	744.3	(50.9)	
8	Japanese bonds	1,020.1	67.4	1.9	(0.0)	
9	o/w Government bonds	332.3	31.1	0.0	(0.2)	
10	Others	3,293.2	287.8	(92.4)	23.4	
11	Domestic investment	56.0	(19.4)	1.7	(0.1)	
12	International investment	1,700.4	330.5	22.1	17.7	
13	o/w US Treasury	654.8	220.5	16.1	10.9	
14	Others (Investment trust, etc.)	1,536.7	(23.3)	(116.2)	5.7	
15	o/w for hedging of strategic shareholdings (*1)	1,395.4	(30.6)	(118.5)	4.6	

(*1) Of which hedging effect under capital regulation is recognized: Costs JPY 1,162.3bn, Unrealized gains/losses JPY (114.4)bn

16	Held-to-maturity debt securities	277.4	79.8	22.3	0.7
17	o/w Government bonds	118.6	(0.0)	21.3	0.6
18	International investment	118.0	80.3	0.3	(0.0)

Unrealized gains/losses of AFS securities with fair value



(*2) SuMi TRUST Bank

Reduction of strategic shareholdings (*3)

(Yen bn)	FY18		FY19	
	1H	2H	1Q	
19 Reduction amount	16.9	11.7	28.7	1.8

(Ref.) Cumulative reduction since merger (from FY 11 to FY 17): ¥281.6bn

Cumulative reduction based on current plan (from FY 16 to FY 20): ¥98.1bn

(*3) Purchase cost of listed shares

Securities portfolio of Global markets (*4)

(Yen bn)	10BPV (*5)		Duration (years) (*5)	
	Jun. 2019	Change from Mar. 2019	Jun. 2019	Change from Mar. 2019
20 JPY	2.0	(0.1)	3.8	(0.6)
21 Others	4.5	2.2	4.7	1.2

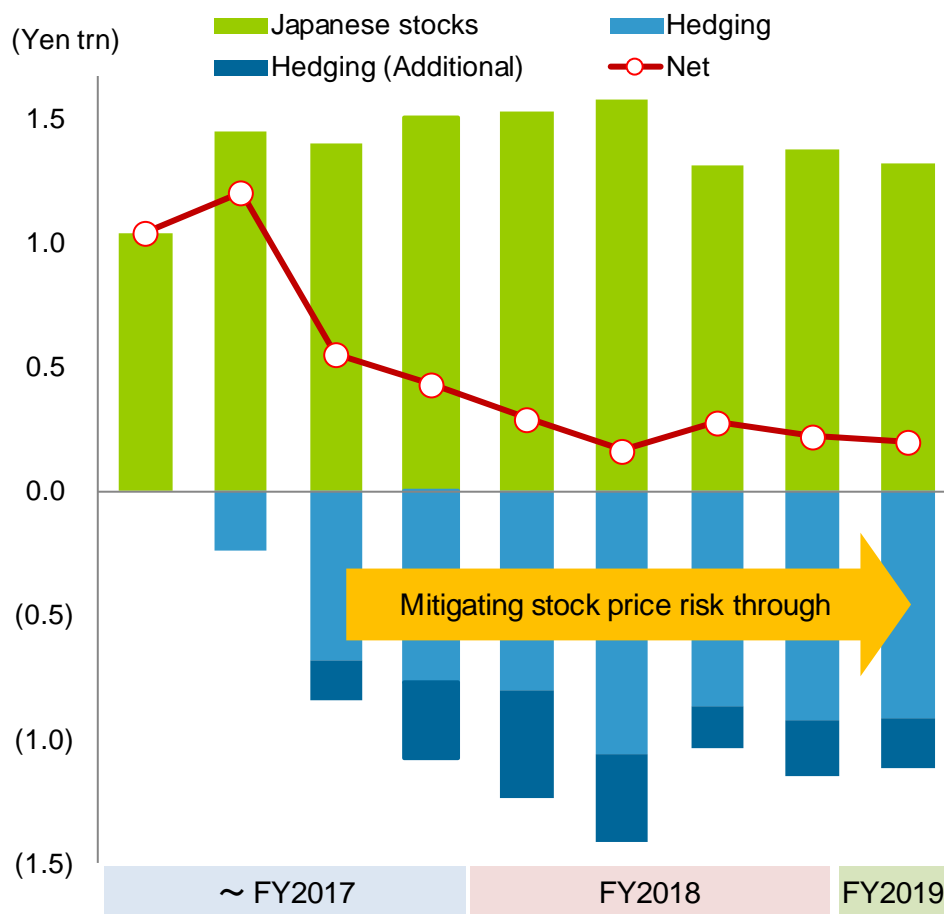
(*4) Managerial reporting basis; "HTM debt securities" and "AFS securities" are combined

(*5) In the calculation of 10BPV and duration, investment balance hedged by derivatives transactions etc. were excluded

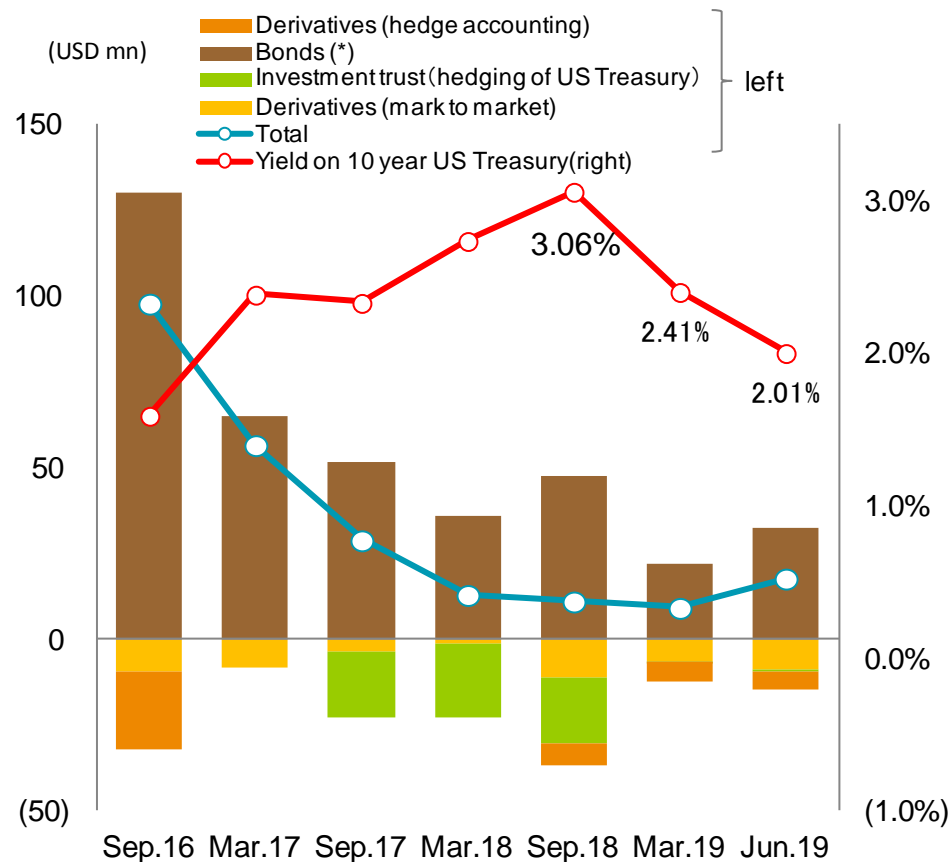
Preparation for risk: (Stock price, US interest rate risk)

- ✓ Hedge ratio against strategic shareholdings increased in FY18 has been maintained at approx. 80%, aimed to enhance resilience against price volatility
- ✓ Regarding bond investments in Global Markets, unrealized gains increased through flexible trading while continuing restrained operation

Hedge positions against strategic shareholdings



US interest rate (10BPV) risk (Non-consolidated)



Forecast for FY2019

- ✓ Net business profit and net income attributable to owner of the parent both expected to exceed FY18 results
- ✓ Dividend on ordinary share to be increased by 10 yen per share to 150 yen. Total payout ratio to be approx. 40%, in line with our medium term plan due to repurchase of own shares of ¥15.9bn (approx. 4mn shares) executed through May 2019 to Jul. 2019

	(Yen bn)	FY18		FY19		Excluding dividend from group companies (*)		
		Actual	1H	Forecast	FY18 Actual	FY19 Forecast	Change	
1	Net business profit before credit costs	282.2	140.0	290.0	282.2	290.0	7.7	
2	SuMi TRUST Bank	231.4	100.0	210.0	196.8	203.0	6.1	
3	Substantial gross business profit	722.6	360.0	740.0	722.6	740.0	17.3	
4	SuMi TRUST Bank	467.3	220.0	450.0	432.6	443.0	10.3	
5	Other group companies	255.3	140.0	290.0	289.9	297.0	7.0	
6	Substantial G&A Expenses	(440.4)	(220.0)	(450.0)	(440.4)	(450.0)	(9.5)	
7	SuMi TRUST Bank	(235.8)	(120.0)	(240.0)	(235.8)	(240.0)	(4.1)	
8	Other group companies	(204.5)	(100.0)	(210.0)	(204.5)	(210.0)	(5.4)	
9	Total credit costs	(2.9)	(10.0)	(20.0)	(2.9)	(20.0)	(17.0)	
10	Net gains on stocks	13.7	15.0	30.0	13.7	30.0	16.2	
11	Other non-recurring profit	(36.5)	(15.0)	(30.0)	(36.5)	(30.0)	6.5	
12	Ordinary profit	256.4	130.0	270.0	256.4	270.0	13.5	
13	o/w SuMi TRUST Bank	209.0	105.0	210.0	174.4	203.0	28.5	
14	Net income	173.8	85.0	180.0	173.8	180.0	6.1	
15	o/w SuMi TRUST Bank	148.6	75.0	150.0	114.0	143.0	28.9	
16	Dividend per common share (Yen)	140	75	150			+10	
17	Consolidated dividend payout ratio	30.5%	---	31.5%			-	
18	Total payout ratio	35.7%	---	Approx.40%			Approx.+4%	

【Assumptions】

- Net business profit before credit costs: +¥7.7bn YoY
 - Profit by business segment is shown on P.4
 - Increase of substantial G&A expenses forecasted to forward-looking investments to reduce future expenses.
- Total credit costs: forecast ¥(20.0)bn
 - Estimated to be around 10bp of total corporate credit portfolio of ¥20trn
- Net gains on stocks: forecast ¥30.0bn
 - Assumes reduction of strategic shareholdings in accordance with current plan

(*) Excluding dividend from group companies, which are planned to be paid to improve their capital efficiency.

FY2018 (actual): ¥34.6bn, FY2019 (plan): approx. ¥7bn

Fee business: Investment management consulting

- ✓ Total sales volume decreased ¥97.7bn YoY to ¥261.5bn due to fall in investment trust sales while volatile market environment continued
- ✓ Income decreased ¥1.8bn YoY as fees from investment trust sales decreased while fees from insurance sales and administrative fees remained the same level YoY

Income for distributor of investment products

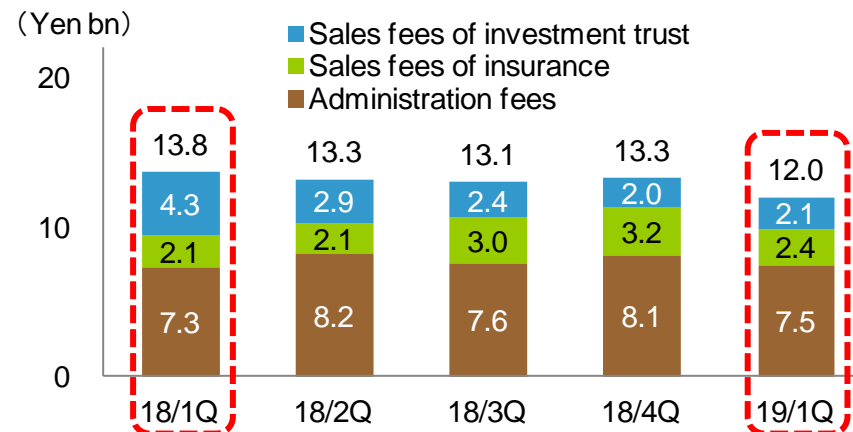
(Yen bn)	FY18	FY19	Change	FY19
	1Q	1Q		Plan
1 Income total	13.8	12.0	(1.8)	56.0
2 Sales fees of investment trust	4.3	2.1	(2.2)	12.0
3 Sales fees of insurance	2.1	2.4	0.2	12.0
4 Administration fees	7.3	7.5	0.1	32.0

Sales volume / balance

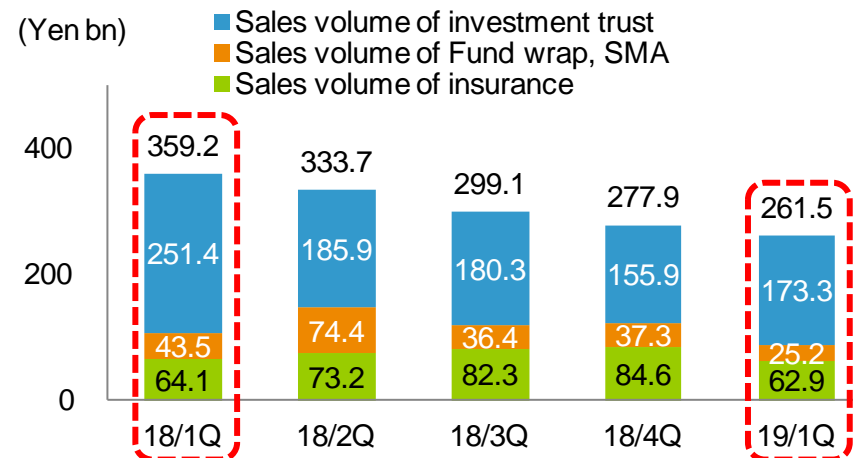
(Yen bn)	FY18	FY19	Change	FY19
	1Q	1Q		Plan
5 Sales volume total	359.2	261.5	(97.7)	1,340.0
6 Investment trust	251.4	173.3	(78.0)	825.0
7 Fund wrap, SMA	43.5	25.2	(18.3)	175.0
8 Insurance	64.1	62.9	(1.2)	340.0

(Yen bn)	Mar. 2019	Jun. 2019	Change	Mar. 2020
				Plan
9 Balance total	6,376.3	6,340.2	(36.0)	6,500.0
10 Investment trust	2,930.5	2,912.6	(17.9)	2,940.0
11 Fund wrap, SMA	891.9	881.4	(10.4)	900.0
12 Insurance	2,553.8	2,546.1	(7.6)	2,660.0
13 Wrap Selection	1,774.5	1,736.6	(37.9)	1,870.0

Income for distributor (quarterly)



Sales volume (quarterly)



Fee business: Asset management/administration (Fiduciary services)

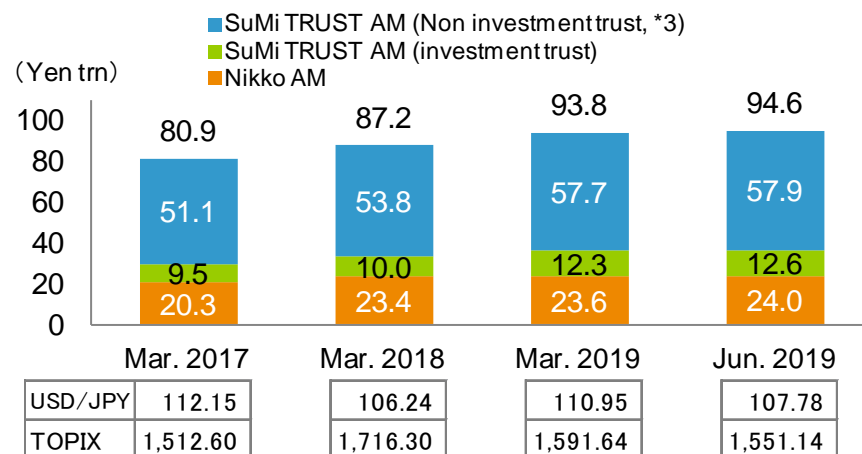
- ✓ AUM increased by ¥0.8trn to ¥94.6trn from March 2019 due mainly to cash inflow
- ✓ AUC increased for each asset category in both domestic and overseas from March 2019

Assets under management (AUM)

		Mar. 2019	Jun. 2019	Change
	(Yen trn)			
1	Assets under management (*1)	93.8	94.6	0.8
2	SuMi TRUST AM	70.1	70.5	0.4
3	Investment trust	12.3	12.6	0.3
4	Non investment trust (*2)	57.7	57.9	0.1
5	Corporate pension trust	13.7	13.8	0.0
6	Public pension trust	11.1	10.9	(0.2)
7	Discretionary investment	32.8	33.1	0.3
8	Nikko AM	23.6	24.0	0.3

(*1) Categorized by entity actually managing asset

(*2) Partially include AUM managed by SuMi TRUST Bank



(*3) Managed by SuMi TRUST Bank until the end of Sep. 2018

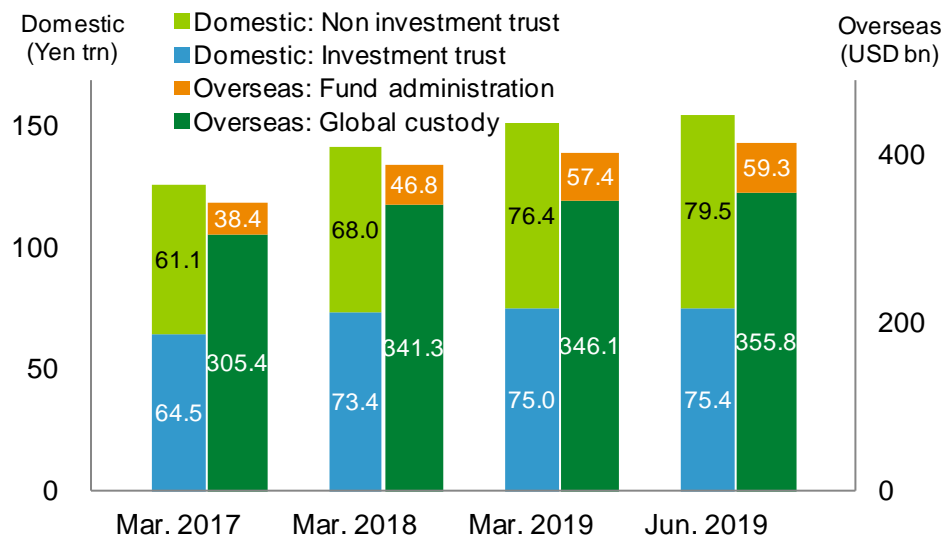
USD/JPY	112.15	106.24	110.95	107.78
TOPIX	1,512.60	1,716.30	1,591.64	1,551.14

Assets under custody/administration

		Mar. 2019	Jun. 2019	Change
	(Yen trn)			
9	[Domestic] Investment trust (*4)	75.0	75.4	0.4
10	Non investment trust (*4)	76.4	79.5	3.0
	[Overseas] (USD bn)			
11	Global custody (*5)	346.1	355.8	9.7
12	Fund administration	57.4	59.3	1.8

(*4) Entrusted balance of SuMi TRUST Bank

(*5) Combined figures of SuMi TRUST Bank (U.S.A.), SuMi TRUST (UK) and SuMi TRUST Bank (Lux.)



Fee business: Real estate

- ✓ Real estate brokerage fees from corporate clients (SuMi TRUST Bank): Increased ¥0.9bn YoY to ¥3.4bn due to stable deal flow
- ✓ Real estate brokerage fees from retail clients (SuMi TRUST Realty): Stayed at the same level YoY of ¥4.9bn

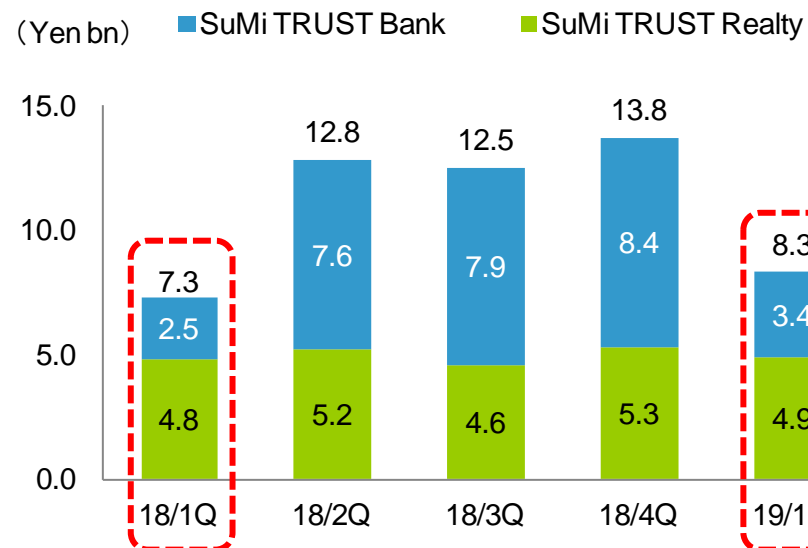
Income (group base)

(Yen bn)		FY18 1Q	FY19 1Q	Change	FY19 Plan
1	Real estate brokerage fees	7.3	8.3	0.9	48.0
2	SuMi TRUST Bank	2.5	3.4	0.9	27.0
3	SuMi TRUST Realty	4.8	4.9	0.0	21.0
4	Real estate trust fees, etc.	1.3	1.4	0.0	6.0
5	Net other real estate profit	0.3	0.2	(0.1)	1.0
6	SuMi TRUST Bank	-	-	-	-
7	Group companies	0.3	0.2	(0.1)	1.0
8	Total	9.1	10.0	0.8	55.0
9	o/w SuMi TRUST Bank	3.8	4.8	0.9	33.0

Assets under management / administration

(Yen bn)		Mar. 2019	Jun. 2019	Change
10	Securitized real estate	16,389.1	16,773.1	383.9
11	Assets under custody from J-REITs	14,529.9	14,859.1	329.2
12	Assets under managemet	732.1	695.1	△ 36.9
13	Private placement funds	463.5	424.5	△ 39.0
14	J-REITs	268.6	270.6	2.0

Real estate brokerage fees (quarterly)



Loan/investment business: Credit portfolio (SuMi TRUST Bank)

- ✓ Credit portfolio balance decreased by ¥0.43trn from Mar. 2019 to ¥30.30trn due mainly to decrease of short term loans to corporates
- ✓ Profitability of lending taken into consideration in managing our corporate lending portfolio with more emphasis on product related loans

Advanced amount and balance for individuals

	(Yen bn)	FY18	FY19	Change	FY19 Plan
		1Q	1Q		
1	Advanced amount of loans to individuals	262.3	295.5	33.1	1,150.0
2	o/w Residential mortgage loans	245.3	277.5	32.1	1,050.0

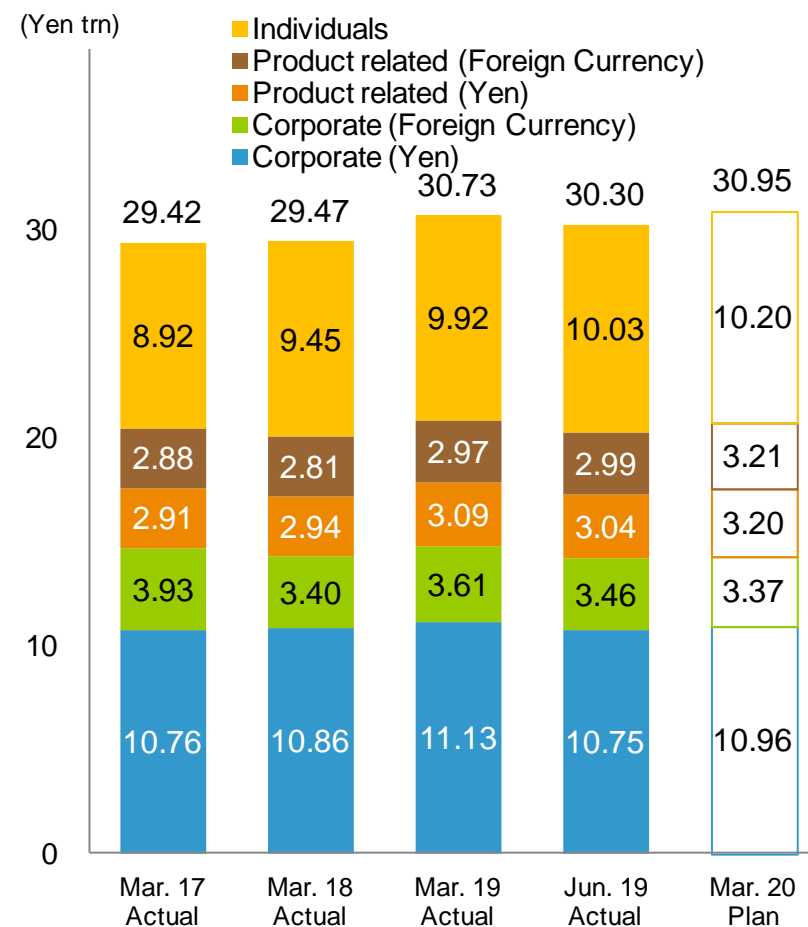
	(Yen bn)	Mar. 2019	Jun. 2019	Change	Mar. 2020 Plan
3	Balance of loans to individuals	9,920.6	10,038.7	118.1	10,200.0
4	o/w Residential mortgage loans	9,314.0	9,432.8	118.8	9,500.0

Balance of credit for corporates

	(Yen bn)	Mar. 2019	Jun. 2019	Change
5	Corporate (Yen)	11,131.1	10,759.6	(371.5)
6	Corporate (Foreign Currency)	3,617.2	3,464.3	(152.9)
7	Product related (Yen)	3,098.7	3,049.2	(49.4)
8	Product related (Foreign Currency)	2,971.2	2,994.5	23.2
9	Total balance of credit for corporates	20,818.5	20,267.7	(550.7)
10	o/w Product related	6,070.0	6,043.8	(26.2)

USD/JPY 110.95 107.78 (3.17)

Credit portfolio balance



Capital

- ✓ Common Equity Tier 1 capital ratio: UP 0.35 percentage points from Mar. 2019 to 12.53%, due primarily to increase in retained earnings contributed to accumulation of common equity and decrease in risk-weighted assets, mainly reduced in loans to corporations. Pro-forma CET1 capital ratio on Finalized Basel III reforms basis is at high 9% range
- ✓ Leverage ratio and liquidity coverage ratio maintained levels well in excess of regulatory requirements

<Capital and total risk-weighted assets>

(Yen bn)		Mar. 2019	Jun. 2019	Change
1	Total capital ratio	16.77%	17.33%	0.56%
2	Tier 1 capital ratio	14.18%	14.57%	0.39%
3	Common Equity Tier 1 capital ratio	12.18%	12.53%	0.35%
4	Total capital	3,320.1	3,351.1	30.9
5	Tier 1 capital	2,806.5	2,817.5	11.0
6	Common Equity Tier 1 capital	2,412.1	2,423.7	11.6
7	Instruments and reserves	2,626.1	2,626.9	0.8
8	Accumulated other comprehensive income (*1)	410.4	381.5	(28.9)
9	Regulatory adjustments	(214.0)	(203.1)	10.8
10	Additional Tier 1 capital	394.4	393.8	(0.5)
11	Tier 2 capital	513.6	533.5	19.8
12	Total risk-weighted assets	19,790.1	19,336.4	(453.7)
13	Credit risk	17,725.1	17,299.6	(425.5)
14	Market risk	1,104.0	1,075.8	(28.1)
15	Operational risk	960.8	960.8	—

< Major factors of change in capital >

- (1) Common Equity Tier 1 capital: +¥11.6bn
- Net income +¥42.5bn
 - Repurchase of own shares ¥(12.8)bn
 - Unrealized gains/losses of AFS ¥(19.0)bn

< Major factors of change in total risk-weighted assets >

- (2) Credit risk: ¥(425.5)bn
- Decrease in loans to corporations etc.

<Other ratios required in prudential regulations>

(Yen bn)		Jun. 2019	Change. from Mar. 2019
16	Leverage ratio	4.76%	0.09%
17	Tier 1 capital	2,817.5	11.0
18	Total exposure	59,077.4	(931.7)
19	Liquidity coverage ratio (*2)	145.7%	(3.6%)
20	Total high-quality liquid assets	15,299.2	66.4
21	Net cash outflows	10,495.3	295.9

(*2) Average figures in 1QFY2019. "Change from Mar. 2019" represents the comparison to figure for 4QFY2018 calculated in the same manner

(*1) Valuation differences on Available-for-Sale Securities(Jun. 2019): ¥448.4bn