



SUMITOMO MITSUI TRUST HOLDINGS

SuMi TRUST
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2020 ANNUAL REPORT
—FINANCIAL DATA SECTION—



SuMi TRUST



Symbol Mark

The symbol mark features "Future Bloom" representing the vision of the Sumitomo Mitsui Trust Group, which is "to generate new value through the combination of significant expertise and comprehensive capabilities, and to help the future of our clients and society bloom."



Corporate Color

The corporate color is "Future Blue," which represents the integration of the sense of value that the symbol mark implies, and evokes the closeness and the future.

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Board of Directors and Executive Officers (As of July 1, 2020)

Director, President (Representative Executive Officer) Tetsuo Ohkubo	Director (External) Shinichi Saito*¹	Executive Officer* ² Masahiro Tsuchiya	Executive Officer* ² Toshiaki Nakano
Director, Senior Managing Executive Officer (Representative Executive Officer) Jiro Araumi	Director (External) Takashi Yoshida*¹	Executive Officer* ² Toru Takakura	Executive Officer* ² Takuji Marui
Director, Senior Managing Executive Officer (Representative Executive Officer) Yutaka Nishida	Director (External) Hiroko Kawamoto*¹	Executive Officer* ² Kengo Noguchi	Executive Officer* ² Satoshi Kitai
Director, Executive Officer Masaru Hashimoto	Director (External) Mitsuhiro Aso*¹	Executive Officer* ² Seiji Iwakuma	Executive Officer* ² Masaya Noda
Director Kunitaro Kitamura	Senior Managing Executive Officer, Executive Officer* ² Atsushi Kaibara	Executive Officer* ² Shigeki Tanaka	Executive Officer* ² Atsushi Matsumoto
Director Hitoshi Tsunekage	Managing Executive Officer Hitoshi Sato	Executive Officer* ² Akira Yokota	Executive Officer* ² Nobuhisa Takahashi
Director Kuniyuki Shudo	Managing Executive Officer, Executive Officer* ² Futoshi Itani	Executive Officer* ² Toshio Masui	Executive Officer* ² Yasuyuki Suzuki
Director Kouji Tanaka	Managing Executive Officer Kazuya Oyama	Executive Officer* ² Yoshio Hishida	Executive Officer* ² Shinichi Nonomura
Director (External) Takeshi Suzuki*¹	Managing Executive Officer Junya Ueda	Executive Officer* ² Yoshinori Momose	Executive Officer* ² Manatomo Yoneyama
Director (External) Mikio Araki*¹	Executive Officer, Executive Officer* ² Shigenori Ikemura	Executive Officer* ² Nobuaki Yamaguchi	Executive Officer* ² Kazuteru Wakao
Director (External) Isao Matsushita*¹	Executive Officer* ² Yukihiro Kitano	Executive Officer* ² Daisuke Maeda	

*1 External Directors as provided for in Article 2, Item 15 of the Companies Act.

*2 Executive Officers as defined in our internal policy; unless otherwise annotated, Executive Officers are defined in the Companies Act.

Employees (As of March 31, 2020)

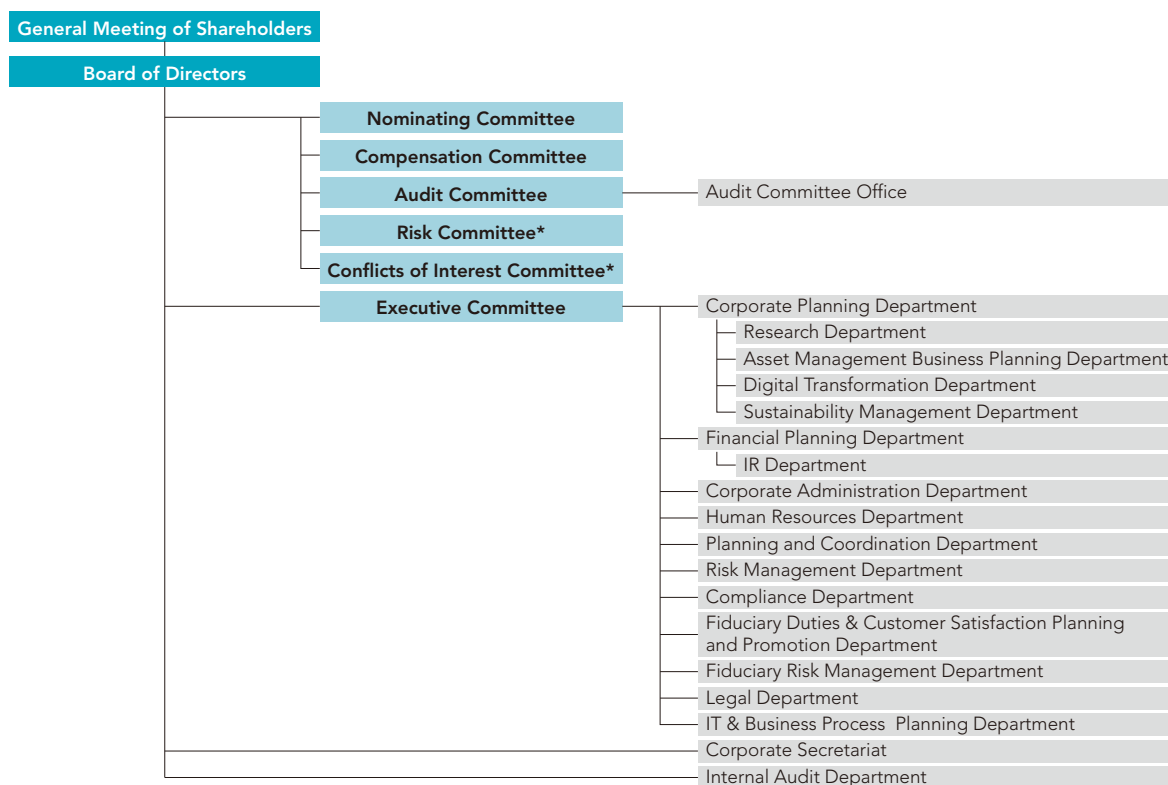
Category	March 31, 2020	March 31, 2019
Number of Employees	169	146
Average Age	51 years, 4 months	50 years, 1 month
Average Length of Employment	23 years, 1 month	23 years, 2 months
Average Annual Salary	¥12,013 thousand	¥13,037 thousand

Notes: 1. The number of employees indicates total personnel, etc., excluding employees seconded to other companies and temporary and part-time staff.

2. Employees include those seconded from SuMi TRUST Bank and the average length of employment includes years of employment at their own companies.

3. Average annual salary includes bonus and extra payment.

Organizational Chart (As of June 30, 2020)



*Risk Committee and Conflicts of Interest Committee are Voluntary committees.

Subsidiaries and Affiliated Companies (As of June 30, 2020)

Japan

Name	Location	Date of Establishment	Paid-in Capital (Millions)	Scope of Business	Ownership by SuMi TRUST Holdings (%)	Ownership by subsidiaries (%)
Sumitomo Mitsui Trust Bank, Limited	4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo	July 28, 1925	¥ 342,037	Trust and Banking Business	100.0	—
Sumitomo Mitsui Trust Asset Management Co., Ltd.	1-1, Shibakoen 1-chome, Minato-ku, Tokyo	November 1, 1986	¥ 2,000	Investment Management Business, Investment Advisory and Agency Business	100.0	—
Sumitomo Mitsui Trust Research Institute Co., Ltd.	33-1, Shiba 3-chome, Minato-ku, Tokyo	July 1, 1988	¥ 300	Survey, Research, Consulting, Investment Advisory Business	100.0	—
Nikko Asset Management Co., Ltd.	7-1, Akasaka 9-chome, Minato-ku, Tokyo	December 1, 1959	¥ 17,363	Investment Management Business, Investment Advisory and Agency Business	92.2	—
Mutual Fund & Insurance Research Institute	33-1, Shiba 3-chome, Minato-ku, Tokyo	December 1, 2017	¥ 150	Survey, Research, Consulting	88.0	—
UBS SuMi TRUST Wealth Advisory, Ltd.	4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo	September 25, 2019	¥ 5	Concurrent sales agency services, Financial instruments intermediary services	50.0	—
JTC Holdings, Ltd.	8-11, Harumi 1-chome, Chuo-ku, Tokyo	October 1, 2018	¥ 500	Holding Company of Trust Banks Specializing in Asset Administration Services	33.3	—
Japan Trustee Services Bank, Ltd.	8-11, Harumi 1-chome, Chuo-ku, Tokyo	June 20, 2000	¥ 51,000	Trust and Banking Business	—	100.0
Trust & Custody Services Bank, Ltd.	8-12, Harumi 1-chome, Chuo-ku, Tokyo	January 22, 2001	¥ 50,000	Trust and Banking Business	—	100.0

* For details concerning subsidiaries and affiliated companies of SuMi TRUST Bank, please refer to page 13.

Board of Directors and Executive Officers (As of July 1, 2020)

Chairman (Co-chairman) Kunitaro Kitamura	Senior Managing Executive Officer Naohiro Tanaka	Managing Executive Officer Daisuke Maeda	Executive Officer Kazuhiko Kasuya
Chairman (Co-chairman) Hitoshi Tsunekage	Senior Managing Executive Officer Seiji Iwakuma	Managing Executive Officer Junya Ueda	Executive Officer Takehiko Iwahara
President (Representative Director) Masaru Hashimoto	Senior Managing Executive Officer Shigeki Tanaka	Executive Officer Shigeki Moriki	Executive Officer Takafumi Arimura
Deputy President (Representative Director) Yukihiko Kitano	Managing Executive Officer Hitoshi Sato	Executive Officer Teruki Ido	Executive Officer Kouichi Kato
Deputy President (Representative Director) Tsuyoshi Saito	Managing Executive Officer Akira Yokota	Executive Officer Yuki Takada	Executive Officer Shinichi Tao
Director, Senior Managing Executive Officer Yutaka Nishida	Managing Executive Officer Toshio Masui	Executive Officer Miyo Yajima	Executive Officer Masakatsu Sato
Director, Senior Managing Executive Officer Jiro Araumi	Managing Executive Officer Kouji Koyanagi	Executive Officer Yasuo Hanashita	Executive Officer Manatomo Yoneyama
Director, Senior Managing Executive Officer Toru Takakura	Managing Executive Officer Toshiya Shimobepu	Executive Officer Atsushi Ueda	Executive Officer Takehiko Sakaue
Director, Senior Managing Executive Officer Masahiro Tsuchiya	Managing Executive Officer Futoshi Itani	Executive Officer Toshiaki Nakano	Executive Officer Kazuteru Wakao
Director, Senior Managing Executive Officer Atsushi Kaibara	Managing Executive Officer Kenji Kaiya	Executive Officer Takuji Marui	Executive Officer Makito Oono
Director, Senior Managing Executive Officer Kengo Noguchi	Managing Executive Officer Keiichi Hamano	Executive Officer Satoshi Kitai	Executive Officer Katsuji Oka
Director, Managing Executive Officer Kazuya Oyama	Managing Executive Officer Yutaka Fujisawa	Executive Officer Masaya Noda	Executive Officer Toru Nakagawa
Director Tetsuo Ohkubo	Managing Executive Officer Yoshinori Momose	Executive Officer Hitoshi Kotaka	Executive Officer Iwao Nakamura
Director (External) Hideki Kanda*	Managing Executive Officer Hideshi Sano	Executive Officer Tetsuya Hiwatashi	Executive Officer Masatoshi Yoshikawa
Director (External) Junko Sasaki*	Managing Executive Officer Yasunaga Matsumoto	Executive Officer Atsushi Matsumoto	Executive Officer Hidehiro Miyahara
Director (Audit and Supervisory Committee member) Kazuhisa Koashi	Managing Executive Officer Nobuaki Yamaguchi	Executive Officer Takumi Fujisawa	Executive Officer Junichiro Usui
Director (Audit and Supervisory Committee member) Tsutomu Kurai	Managing Executive Officer Ryouji Nishimoto	Executive Officer Nobuhisa Takahashi	Executive Officer Riro Sato
Director (Audit and Supervisory Committee member) (External) Hiroshi Mitsunaga*	Managing Executive Officer Masahiko Kitajima	Executive Officer Yasuyuki Suzuki	Executive Officer Kenji Amihama
Director (Audit and Supervisory Committee member) (External) Hiroya Nakakubo*	Managing Executive Officer Takashi Kameda	Executive Officer Shinichi Nonomura	
Director (Audit and Supervisory Committee member) (External) Kaoru Kashima*			

* External Directors as provided for in Article 2, Item 15 of the Companies Act.
Executive Officers as defined in our internal policy.

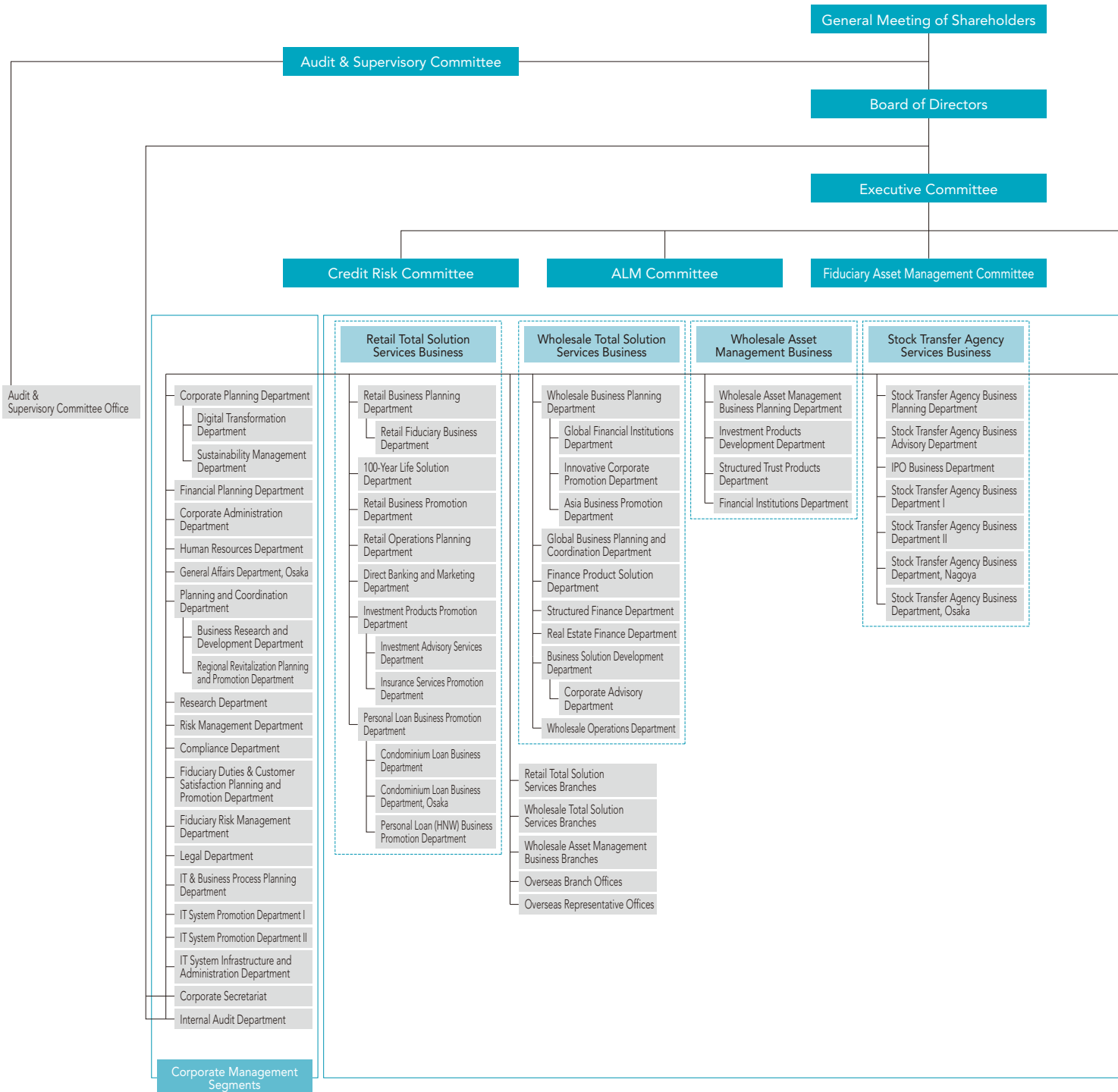
Employees (As of March 31, 2020)

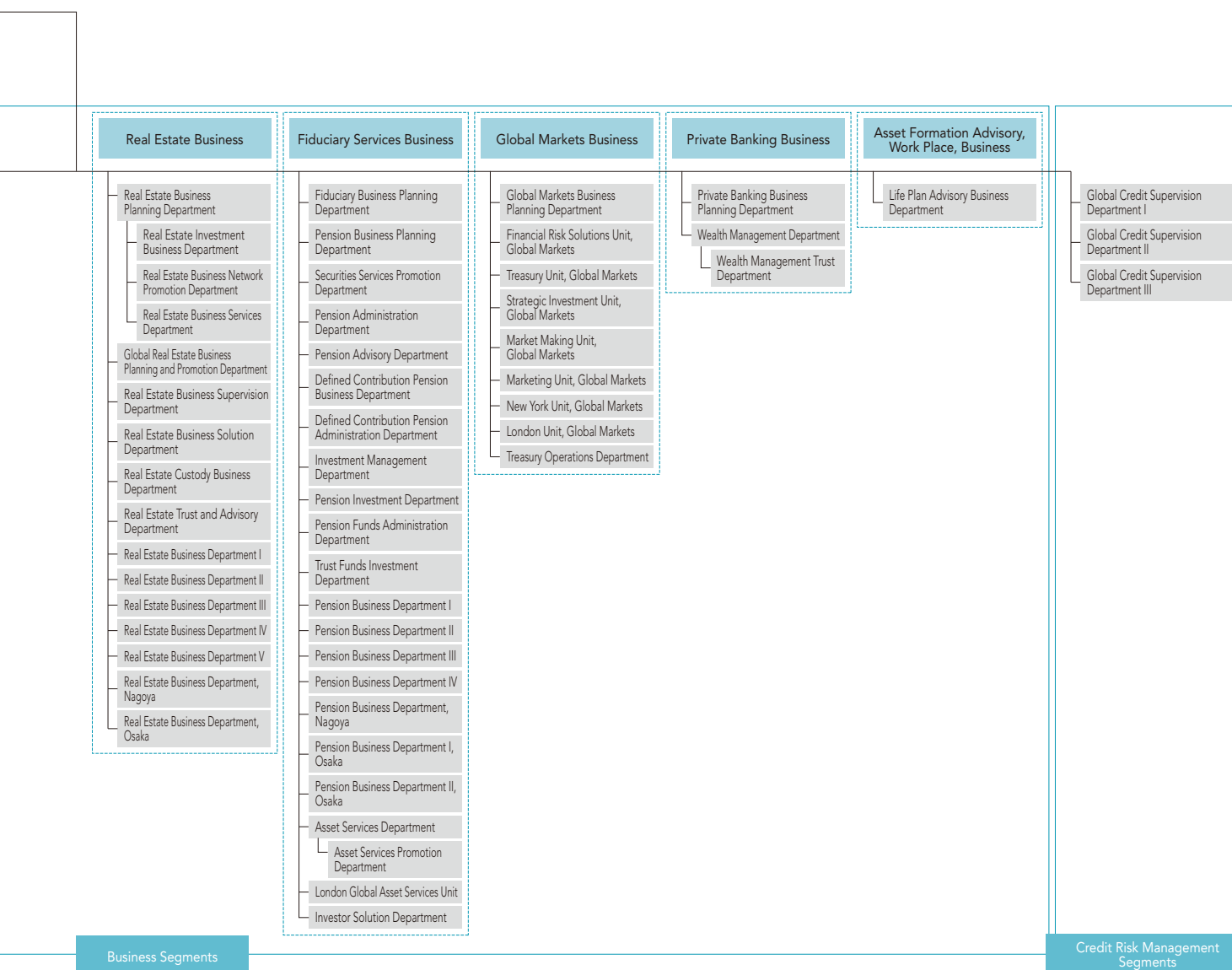
Category	March 31, 2020	March 31, 2019
Number of Employees	13,527	13,469
Average Age	41 years, 5 months	42 years, 5 months
Average Length of Employment	14 years, 1 month	13 years, 5 months
Average Annual Salary	¥7,349 thousand	¥7,198 thousand

Notes: 1. The number of employees indicates total personnel, etc., excluding employees seconded to other companies and temporary and part-time staff.
 2. Average annual salary includes bonus and extra payment.

Organizational Chart (As of June 30, 2020)

Corporate Data

Financial Data/
Sumitomo Mitsui Trust Holdings, Inc.Financial Data/
Sumitomo Mitsui Trust Bank, LimitedBasel III Disclosure Data/
Sumitomo Mitsui Trust Holdings, Inc.Basel III Disclosure Data/
Sumitomo Mitsui Trust Bank, Limited



Branches (As of June 30, 2020)

... These branches house two sales outlets under one roof, a “branch-in-a-branch” method.

Hokkaido, Tohoku

Sapporo Branch
Sapporo-Chuo Branch
 1, Kita 2-jo Nishi 4-chome, Chuo-ku, Sapporo,
 Hokkaido 060-0002, Japan

Sendai Branch
Sendai-Aoba Branch
 1-7, Chuo 2-chome, Aoba-ku, Sendai,
 Miyagi 980-0021, Japan

Tokyo

Tokyo Business Department

4-1, Marunouchi 1-chome, Chiyoda-ku,
 Tokyo 100-8233, Japan

Nihonbashi Business Department

Tokyo-Chuo Branch
 1-1, Nihonbashi-muromachi 2-chome, Chuo-ku,
 Tokyo 103-0022, Japan

Consulting Plaza Shinbashi (Shinbashi Sub-Branch, Tokyo Business Department)

20-1, Shinbashi 2-chome, Minato-ku,
 Tokyo 105-0004, Japan

Toranomon Consulting Office (Toranomon Sub-Branch, Tokyo Business Department)

7-1, Nishi Shinbashi 1-chome, Minato-ku,
 Tokyo 105-0003, Japan

Shiba Business Department

33-1, Shiba 3-chome, Minato-ku, Tokyo 105-8574, Japan

Shinjuku-Nishiguchi Branch

1-4, Nishi Shinjuku 1-chome, Shinjuku-ku,
 Tokyo 160-0023, Japan

Shinjuku Branch

26-11, Shinjuku 3-chome, Shinjuku-ku, Tokyo 160-0022, Japan

Ueno Branch

Ueno-Chuo Branch
 19-10, Ueno 1-chome, Taisho-ku, Tokyo 110-0005, Japan

Meguro Branch

25-5, Kamiosaki 2-chome, Shinagawa-ku,
 Tokyo 141-0021, Japan

Omori Branch

1-1, Sannou 2-chome, Ota-ku, Tokyo 143-0023, Japan

Sangenjaya Branch

1-1, Taishido 4-chome, Setagaya-ku, Tokyo 154-0004, Japan

Futako-Tamagawa Branch

22-12, Tamagawa 2-chome, Setagaya-ku,
 Tokyo 158-0094, Japan

Consulting Plaza Seijo (Seijo Sub-Branch, Shinjuku-Nishiguchi Branch)

5-34, Seijo 6-chome, Setagaya-ku,
 Tokyo 157-0066, Japan

Consulting Plaza Chofu (Chofu Sub-Branch, Shinjuku-Nishiguchi Branch)

48-26, Kojimacho 2-chome, Chofu,
 Tokyo 182-0026, Japan

Shibuya Branch

Shibuya-Chuo Branch
 2-3, Dogenzaka 1-chome, Shibuya-ku,
 Tokyo 150-0043, Japan

Shibuya Square A Building Sub-branch of Shibuya Branch Shibuya Square A Building Sub-branch of Shibuya Central Branch

9-5, Dogenzaka 1-chome, Shibuya-ku,
 Tokyo 150-0043, Japan

Jiyugaoka Branch

10-20, Jiyugaoka 2-chome, Meguro-ku,
 Tokyo 152-0035, Japan

Nakano Branch

62-5, Nakano 5-chome, Nakano-ku,
 Tokyo 164-0001, Japan

Ogikubo Branch

18-10, Kamiogi 1-chome, Suginami-ku,
 Tokyo 167-0043, Japan

Ikebukuro Branch

Ikebukuro-Higashiguchi Branch
 41-7, Higashi Ikebukuro 1-chome, Toshima-ku,
 Tokyo 170-0013, Japan

Shakujii Branch

14-1, Shakujii-cho 2-chome, Nerima-ku,
 Tokyo 177-0041, Japan

Kichijoji Branch

14-9, Kichijoji Hon-cho 1-chome, Musashino,
 Tokyo 180-0004, Japan

Kichijoji-Chuo Branch

2-14, Kichijoji Hon-cho 2-chome, Musashino,
 Tokyo 180-0004, Japan

Koganei Branch

10-1, Hon-cho 5-chome, Koganei, Tokyo 184-0004, Japan

Tachikawa Branch

Tachikawa-Kitaguchi Branch
 6-1, Akebono-cho 2-chome, Tachikawa,
 Tokyo 190-0012, Japan

Hachioji Branch

Hachioji-Ekima Branch
 9-1, Asahi-cho, Hachioji, Tokyo 192-0083, Japan

Machida Branch

3-4, Haramachida 6-chome, Machida,
 Tokyo 194-0013, Japan

Tama-Sakuragaoka Branch

1-5, Sekido 1-chome, Tama, Tokyo 206-0011, Japan

Consulting Plaza Seiseki (Seiseki-Sakuragaoka Sub-Branch, Tama-Sakuragaoka Branch)

7-5, Sekido 1-chome, Tama, Tokyo 206-0011, Japan

Consulting Plaza Tama-Center (Tama-Center Sub-Branch, Tama-Sakuragaoka Branch)

44, Ochiai 1-chome, Tama, Tokyo 206-0033, Japan

Kanto

Urawa Branch

12-1, Takasago 1-chome, Urawa-ku,
Saitama 330-0063, Japan

Omiya Branch

Omiya-Ekimae Branch

32, Daimon-cho 1-chome, Omiya-ku,
Saitama 330-8511, Japan

Tokorozawa Branch

Tokorozawa-Ekimae Branch

3-5, Hiyoshi-cho, Tokorozawa, Saitama 359-8691, Japan

Koshigaya Branch

14-22, Yayoi-cho, Koshigaya, Saitama 343-0816, Japan

Sugito Branch

13-12, Sugito 2-chome, Sugito-machi, Kitakatsushika-gun,
Saitama 345-0036, Japan

Chiba Branch

Chiba-Ekimae Branch

1-16, Fujimi 1-chome, Chuo-ku, Chiba 260-0015, Japan

Ichikawa Branch

7-13, Ichikawa 1-chome, Ichikawa, Chiba 272-0034, Japan

Funabashi Branch

3-1, Hon-cho 1-chome, Funabashi, Chiba 273-0005, Japan

Tsudanuma Branch

14-5, Maebara Nishi 2-chome, Funabashi,
Chiba 274-0825, Japan

Matsudo Branch

2-1, Hon-cho, Matsudo, Chiba 271-0091, Japan

Kashiwa Branch

1-2, Asahi-cho 1-chome, Kashiwa, Chiba 277-0852, Japan

Yachiyo Branch

3-1, Yachiyodai Minami 1-chome, Yachiyo,
Chiba 276-0033, Japan

Yokohamaeki-Nishiguchi Branch

Yokohama Branch

6-31, Minami Saiwai 1-chome, Nishi-ku, Yokohama, Kanagawa
220-0005, Japan

Yokohama Housing Loan Center Sub-Branch, Yokohamaeki-Nishiguchi Branch

6-1, Kita Saiwai 1-chome, Nishi-ku, Yokohama, Kanagawa
220-0004, Japan

Futamatagawa Branch

3-2, Futamatagawa 1-chome, Asahi-ku, Yokohama, Kanagawa
241-0821, Japan

Tama-Plaza Branch

15-8, Utsukushigaoka 2-chome, Aoba-ku, Yokohama,
Kanagawa 225-0002, Japan

Aobadai Branch

9-2, Aobadai 2-chome, Aoba-ku, Yokohama, Kanagawa
227-0062, Japan

Consulting Plaza Kohoku

(Kohoku Sub-Branch, Tama-Plaza Branch)

1-3, Nakagawa Chuo 1-chome, Tsuzuki-ku, Yokohama,
Kanagawa 224-0003, Japan

Konandai Branch

15-2-102, Konandai 3-chome, Konan-ku, Yokohama, Kanagawa
234-0054, Japan

Kamiooka Branch

18-5, Kamiooka Nishi 1-chome, Konan-ku, Yokohama,
Kanagawa 233-0002, Japan

Consulting Plaza Totsuka

(Totsuka Sub-Branch, Yokohamaeki-Nishiguchi Branch)

16-1, Totsuka-cho, Totsuka-ku, Yokohama,
Kanagawa 244-0003, Japan

Kawasaki Branch

3-1, Ekimae Hon-cho, Kawasaki-ku, Kawasaki,
Kanagawa 210-0007, Japan

Shin-Yurigaoka Branch

5-3, Kamiasao 1-chome, Asao-ku, Kawasaki,
Kanagawa 215-0021, Japan

Yokosuka Branch

3, Odaki-cho 2-chome, Yokosuka,
Kanagawa 238-0008, Japan

Fujisawa Branch

Fujisawa-Chuo Branch

21-1-101, Minami Fujisawa, Fujisawa,
Kanagawa 251-0055, Japan

Sagami-Ono Branch

13-7, Sagamiono 3-chome, Minami-ku, Sagami-hara,
Kanagawa 252-0303, Japan

Atsugi Branch

5-14, Naka-cho 3-chome, Atsugi,
Kanagawa 243-0018, Japan

Odawara Branch

2-12, Sakae-cho 1-chome, Odawara,
Kanagawa 250-0011, Japan

Utsunomiya Branch

4-12, Hon-cho, Utsunomiya, Tochigi 320-0033, Japan

Maebashi Branch

2-12, Hon-machi 2-chome, Maebashi,
Gunma 371-0023, Japan

Koshinetsu, Hokuriku

Kofu Branch

17-14, Marunouchi 1-chome, Kofu,
Yamanashi 400-0031, Japan

Niigata Branch Niigata-Chuo Branch

1178-1, Kamiokawa-maedori Rokuban-cho, Chuo-ku,
Niigata 951-8068, Japan

Toyama Branch

1-36, Sakura-machi 1-chome, Toyama 930-0003, Japan

Kanazawa Branch Kanazawa-Chuo Branch

1-18, Kami Tsutsumi-cho, Kanazawa,
Ishikawa 920-0869, Japan

Fukui Branch

7-1, Chuo 1-chome, Fukui 910-0006, Japan

Tokai

Nagoya Business Department Nagoya-Sakae Branch

15-33, Sakae 3-chome, Naka-ku, Nagoya,
Aichi 460-0008, Japan

Kanayamabashi Branch

14-9, Kanayama 1-chome, Naka-ku, Nagoya,
Aichi 460-0022, Japan

Nagoya-Ekimae Branch

26-8, Meieki 3-chome, Nakamura-ku, Nagoya,
Aichi 450-0002, Japan

Meieki-Minami Branch

24-30, Meieki Minami 1-chome, Nakamura-ku, Nagoya,
Aichi 450-0003, Japan

Hoshigaoka Branch

106, Inoue cho, Chikusa-ku, Nagoya,
Aichi 464-0026, Japan

Ichinomiya Branch

7-15, Sakae 3-chome, Ichinomiya, Aichi 491-0858, Japan

Okazaki Branch

16, Koseidori-Nishi 3-chome, Okazaki,
Aichi 444-0059, Japan

Toyohashi Branch

135, Ekimaeodori 1-chome, Toyohashi,
Aichi 440-0888, Japan

Shizuoka Branch Shizuoka-Chuo Branch

3-10, Koya-machi, Aoi-ku, Shizuoka 420-0852, Japan

Numazu Branch

4-2, Ote-machi 5-chome, Numazu, Shizuoka 410-0801, Japan

Gifu Branch

3, Nagazumi-cho 2-chome, Gifu 500-8175, Japan

Yokkaichi Branch

5-4, Suwa-cho, Yokkaichi, Mie 510-8650, Japan

Kinki

Osaka Business Department Osaka-Chuo Branch

5-33, Kitahama 4-chome, Chuo-ku, Osaka 540-8639, Japan

Umeda Branch Hankyu-Umeda Branch

8-47, Kakuda-cho, Kita-ku, Osaka 530-0017, Japan

Namba Branch Namba-Chuo Branch

1-60, Namba 5-chome, Chuo-ku, Osaka 542-0076, Japan

Namba Housing Loan Center Sub-Branch, Namba Branch

10-70, Namba-naka 2-chome, Naniwa-ku,
Osaka 556-0011, Japan

Abenobashi Branch Abeno Branch

6-1, Abenosuji 1-chome, Abeno-ku, Osaka 545-0052, Japan

Sakai Branch

59-2, Mikunigaoka Miyuki-dori, Sakai-ku, Sakai,
Osaka 590-0028, Japan

Consulting Plaza Izumigaoka (Semboku Sub-Branch, Sakai Branch)

2-1, Chayamadai 1-chome, Minami-ku, Sakai,
Osaka 590-0115, Japan

Yao Branch

6-8, Higashi Hon-machi 3-chome, Yao,
Osaka 581-0004, Japan

Hirakata Branch Keihan-Hirakata Branch

13-20, Oka Higashi-cho, Hirakata, Osaka 573-0032, Japan

Takatsuki Branch

5-20, Konya-machi, Takatsuki, Osaka 569-0804, Japan

Ibaraki Branch

2-30, Futaba-cho, Ibaraki, Osaka 567-0829, Japan

Toyonaka Branch

1-1, Hon-machi 1-chome, Toyonaka, Osaka 560-0021, Japan

Senri-Chuo Branch

1-3, Shinsenri Higashi-machi 1-chome, Toyonaka,
Osaka 560-0082, Japan

Ikeda Branch

1-1-134, Kureha-cho, Ikeda, Osaka 563-0048, Japan

Chugoku, Shikoku

Kobe Branch

Kobe-Sannomiya Branch

1-6, Goko-dori 8-chome, Chuo-ku, Kobe, Hyogo 651-0087, Japan

Consulting Plaza Seishin-Chuo

(Seishin-Chuo Sub-Branch, Kobe Branch)

9-4, Kojidai 5-chome, Nishi-ku, Kobe, Hyogo 651-2273, Japan

Tsukaguchi Branch

15-1, Tsukaguchi-cho 1-chome, Amagasaki, Hyogo 661-0002, Japan

Nishinomiya Branch

5-39, Takamatsu-cho, Nishinomiya, Hyogo 663-8204, Japan

Ashiya Branch

5-2, Funado-cho, Ashiya, Hyogo 659-0093, Japan

Kawanishi Branch

7-18, Chuo-cho, Kawanishi, Hyogo 666-0016, Japan

Akashi Branch

5-28, Higashinakano-machi, Akashi, Hyogo 673-0886, Japan

Himeji Branch

252, Ekimae-cho, Himeji, Hyogo 670-0927, Japan

Kyoto Branch

Kyoto-Shijo Branch

612, Karasuma-dori Shijo-sagaru Suiginya-cho, Shimogyo-ku, Kyoto 600-8411, Japan

Otsu Branch

3-10, Umebayashi 1-chome, Otsu, Shiga 520-0051, Japan

Nara-Saidaiji Branch

1-50, Saidaiji Higashi-machi 2-chome, Nara 631-0821, Japan

Consulting Plaza Gakuenmae

(Gakuenmae Sub-Branch, Nara-Saidaiji Branch)

8-11, Gakuen Kita 1-chome, Nara 631-0036, Japan

Wakayama Branch

3-17, Higashi Kuramae-cho, Wakayama 640-8203, Japan

Tottori Branch

103, Ima-machi 1-chome, Tottori 680-0822, Japan

Okayama Branch

Okayama-Chuo Branch

1-5, Ekimoto-machi, Kita-ku, Okayama 700-0024, Japan

Okayama-Ekimae Sub-Branch,

Okayama Branch

Okayama-Ekimae Sub-Branch,

Okayama-Chuo Branch

1-6, Ekimoto-machi, Kita-ku, Okayama 700-0024, Japan

Hiroshima Branch

Hiroshima-Chuo Branch

2-22, Kamiya-cho 1-chome, Naka-ku, Hiroshima 730-0031, Japan

Fukuyama Branch

15-1, Moto-machi, Fukuyama, Hiroshima 720-0063, Japan

Yamaguchi-Hofu Branch

4-24, Ebisu-machi 1-chome, Hofu, Yamaguchi 747-0036, Japan

Takamatsu Branch

9-4, Konya-machi, Takamatsu, Kagawa 760-0027, Japan

Matsuyama Branch

11-1, Sanban-cho 4-chome, Matsuyama, Ehime 790-0003, Japan

Kyushu

Fukuoka Branch

Fukuoka-Tenjin Branch

12-1, Tenjin 2-chome, Chuo-ku, Fukuoka 810-0001, Japan

Kita-Kyushu Branch

1-5, Kaji-machi 1-chome, Kokurakita-ku, Kita-Kyushu, Fukuoka 802-0004, Japan

Saga Branch

3-2, Matsubara 1-chome, Saga 840-0831, Japan

Kumamoto Branch

Kumamoto-Chuo Branch

2-5, Tetori Hon-cho, Chuo-ku, Kumamoto 860-0808, Japan

Oita Branch

3-23, Chuo-machi 1-chome, Oita 870-0035, Japan

Kagoshima Branch

7-8-101, Kinsei-cho, Kagoshima 892-0828, Japan

Overseas Network

Branch

New York Branch

1251 Avenue of the Americas, New York, NY 10020, U.S.A.

London Branch

155 Bishopsgate, London EC2M 3XU, U.K.

Singapore Branch

One Raffles Quay, #24-01 North Tower, Singapore 048583

Shanghai Branch

50F Jin Mao Tower, 88 Shiji Dadao Pudong New Area, Shanghai 200121, People's Republic of China

Hong Kong Branch

25/F, AIA Central, 1 Connaught Road, Central, Hong Kong

Representative Office

Beijing Representative Office

(Banking business)

Room 7009, 7th Floor, Chang Fu Gong Office Building, No. 26, Jianguomenwai Dajie, Chaoyang District, Beijing 100022, People's Republic of China

Beijing Representative Office

(Securities business)

Room 5011, 5th Floor, Chang Fu Gong Office Building, No. 26, Jianguomenwai Dajie, Chaoyang District, Beijing 100022, People's Republic of China

Jakarta Representative Office

20th Floor, Summitmas I, Jl. Jend. Sudirman, Kaveling 61-62, Jakarta 12190, Indonesia

Seoul Representative Office

20th Floor, Booyoung Taepyoung Building, 55, Sejong-daero, Jung-gu, Seoul 04513, Korea

Sydney Representative Office

Suite 3, Level 39, 259 George Street, Sydney NSW 2000, Australia

Number of Contracted Trust Agencies* (As of March 31, 2020)

*Trust Agency is a collective term that refers to trust contract agencies under the Trust Business Act as well as agencies concurrently engaged in trust business under Article 1 of the Act on Provision, etc. of Trust Business by Financial Institutions.

Type		Number of Agencies				
		Trust Contract Agencies	Agencies Engaged in Concurrent Business			
			Stock Transfer Agency Service	Service Related to Wills	Solicitation for National Pension Fund	Discretionary Investment Business
Banks, Shinkin Banks, etc.	109	68	44	73	52	1
Regional Banks	43	39	31	31	18	1
Second Regional Banks	17	13	7	12	10	—
Shinkin Central Bank, Shinkin Banks	37	13	3	21	24	—
Credit Union	8	—	—	8	—	—
Shoko Chukin Bank	1	1	—	—	—	—
City Banks, etc.	3	2	3	1	—	—
Securities Firms	8	2	4	8	—	—
Life Insurers and Business Enterprises	15	1	1	15	—	—
Total	132	71	49	96	52	1

Bank Service Agency (As of March 31, 2020)

Trade Name of Bank Service Agency	SBI Sumishin Net Bank, Ltd.
Business Offices, etc. Operating Bank Agency Service	Head Office, East Japan Operation Center, West Japan Operation Center, Ichigo Branch, Budou Branch, Mikan Branch, Lemon Branch, Ringo Branch, Banana Branch, Melon Branch, Kiwi Branch (11 Branches)

Subsidiaries and Affiliated Companies (As of June 30, 2020)

Japan

Name	Location	Date of Establishment	Paid-in Capital (Millions)	Scope of Business	Ownership by SuMi TRUST Bank (%)	Ownership by subsidiaries (%)
Tokyo Securities Transfer Agent Co., Ltd.	11, Kanda-nishikicho 3-chome, Chiyoda-ku, Tokyo	November 1, 1962	¥ 50	Stock Transfer Agency Services	100.0	—
Sumitomo Mitsui Trust Club Co., Ltd.	8-10, Harumi 1-chome, Chuo-ku, Tokyo	April 2, 1977	¥ 100	Credit Card Business	100.0	—
Sumitomo Mitsui Trust Guarantee Co., Ltd.	33-1, Shiba 3-chome, Minato-ku, Tokyo	July 10, 1978	¥ 301	Housing Loan Guaranty Business	100.0	—
Sumitomo Mitsui Trust General Service Co., Ltd.	33-1, Shiba 3-chome, Minato-ku, Tokyo	April 2, 1988	¥ 100	Property Leasing and Management Business	100.0	—
Sumitomo Mitsui Trust Wealth Partners Co., Ltd.	33-1, Shiba 3-chome, Minato-ku, Tokyo	November 6, 1989	¥ 155	Consulting Business	100.0	—
Sumitomo Mitsui Trust Business Service Co., Ltd.	33-1, Shiba 3-chome, Minato-ku, Tokyo	May 24, 1990	¥ 100	Back Office Services, Temporary Staffing Business, Outplacement Agency	100.0	—
Sumitomo Mitsui Trust Loan & Finance Co., Ltd.	20-1, Shinbashi 2-chome, Minato-ku, Tokyo	January 22, 1992	¥ 6,000	Money Lending Business	100.0	—
Sumitomo Mitsui Trust TA Solution Co., Ltd.	8-4, Izumi 2-chome, Suginami-ku, Tokyo	July 1, 1998	¥ 2,005	IT, Calculation Outsourcing Business	100.0	—
J-Eurus IR Co., Ltd.	3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo	December 27, 2000	¥ 10	Counseling Business	100.0	—
Sumitomo Mitsui Trust Real Estate Investment Management Co., Ltd.	11-1, Kanda-nishikicho 3-chome, Chiyoda-ku, Tokyo	November 7, 2005	¥ 300	Investment Management, Investment Advisory	100.0	—
Sumitomo Mitsui Trust Career Partners Co., Ltd.	33-1, Shiba 3-chome, Minato-ku, Tokyo	April 3, 2006	¥ 100	Training Programs, Personnel-related Services	100.0	—
Sumitomo Mitsui Trust Life Partners Co., Ltd.	11-1, Kanda-nishikicho 3-chome, Chiyoda-ku, Tokyo	January 28, 2019	¥ 100	Insurance Agency Business	100.0	—
Japan Securities Agents, Ltd.	2-4, Nihonbashi-kayabacho 1-chome, Chuo-ku, Tokyo	September 13, 1950	¥ 500	Stock Transfer Agency Services	85.1	—
Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.	2-3, Shibaura 1-chome, Minato-ku, Tokyo	February 27, 1967	¥ 25,584	General Leasing, Installment Purchase Services, Credit Card Business	84.8	—
Sumishin Guaranty Company Limited	33-1, Shiba 3-chome, Minato-ku, Tokyo	August 25, 1977	¥ 300	Loan Guarantee Business	—	100.0
Sumitomo Mitsui Trust Card Co., Ltd.	33-1, Shiba 3-chome, Minato-ku, Tokyo	June 24, 1983	¥ 100	Credit Card Business	50.0	50.0
Sumitomo Mitsui Trust Systems & Services Co., Ltd.	1-10, Nikko-cho, Fuchu, Tokyo	February 12, 1973	¥ 100	System Development and Operation Management Services	44.4	55.6
Sumitomo Mitsui Trust Investment Co., Ltd.	33-1, Shiba 3-chome, Minato-ku, Tokyo	March 22, 2000	¥ 100	Equity Investment Business	40.0	60.0
Sumitomo Mitsui Trust Realty Co., Ltd.	11-1, Kanda-nishikicho 3-chome, Chiyoda-ku, Tokyo	January 24, 1986	¥ 300	Real Estate Brokerage Business	4.7	95.3
SBI Sumishin Net Bank, Ltd.	6-1, Roppongi 1-chome, Minato-ku, Tokyo	June 3, 1986	¥ 31,000	Banking Business	50.0	—
Japan Pension Operation Service, Ltd.	24-1, Nihonbashi-hakozakicho, Chuo-ku, Tokyo	December 21, 2004	¥ 100	Calculation of Pension Payments, etc., Clerical Outsourcing Business	50.0	—
Japan Stockholders Data Service Company, Limited	8-4, Izumi 2-chome, Suginami-ku, Tokyo	April 1, 2008	¥ 2,000	Stock Transfer Outsourcing Business	50.0	—
Trust Capital Mezzanine LLC	5-1, Nihonbashi-muromachi 4-chome, Chuo-ku, Tokyo	January 21, 2020	¥ 60	Equity Investment Business	45.0	—
Sumishin Life Card Company, Limited.	31-19, Shiba 2-chome, Minato-ku, Tokyo	October 27, 2004	¥ 255	Credit Card Business	40.0	—
HR One Corporation	5-12, Tsukiji 5-chome, Chuo-ku, Tokyo	May 20, 2002	¥ 603	HR-related Services Business	33.4	—
JP Asset Management Co., Ltd.	5-11, Nihonbashi-honcho 1-chome, Chuo-ku, Tokyo	August 18, 2015	¥ 500	Investment Management	30.0	—
Japan Management Succession Support Co. Ltd.	2-1, Kasumigaseki 3-chome, Chiyoda-ku, Tokyo	April 16, 2015	¥ 489	M&A Consulting, Intermediary and Advisory Services	23.8	—
Enex Asset Management Co., Ltd.	2-5, Kasumigaseki 3-chome, Chiyoda-ku, Tokyo	August 19, 2013	¥ 382	Investment Corporation, Asset Management Business	22.4	—
Sky Ocean Asset Management Co., Ltd.	1-1, Minatomirai 3-chome, Nishi-ku, Yokohama, Kanagawa	November 25, 2014	¥ 300	Investment Management	21.0	—
Mitsui & Co., Logistics Partners Ltd.	2-1, Nishi-kanda 3-chome, Chiyoda-ku, Tokyo	July 13, 2004	¥ 150	Investment Corporation, Asset Management Business	20.0	—
Cardif Assurance Vie (Japan)	20-1, Sakuragaoka-cho, Shibuya-ku, Tokyo	July 3, 2017	¥ 20,600	Life Insurance Business	20.0	—

Overseas

Name	Location	Date of Establishment	Paid-in Capital (Millions)	Scope of Business	Ownership by SuMi TRUST Bank (%)	Ownership by subsidiaries (%)
Sumitomo Mitsui Trust (Hong Kong) Limited	25/F, AIA Central, 1 Connaught Road, Central, Hong Kong	July 4, 1978	\$ 45	Securities Business	100.0	—
Sumitomo Mitsui Trust Bank (Luxembourg) S.A.	2, rue Petermelchen, L-2370, Howald, Grand Duchy of Luxembourg	April 22, 1985	\$ 30	Trust, Banking, Securities Businesses	100.0	—
Sumitomo Mitsui Trust Bank (U.S.A.) Limited	111 River Street, Hoboken, NJ 07030, U.S.A.	May 20, 2002	\$ 56	Banking, Trust Businesses	100.0	—
Sumitomo Mitsui Trust (Ireland) Limited	Block 5, Harcourt Centre, Harcourt Road, Dublin 2, Ireland	June 1, 2004	€ 75.87	Trust Business	100.0	—
Sumitomo Mitsui Trust Bank (Thai) Public Company Limited	32nd Floor, Sathorn Square Office Tower, 98 North Sathorn Road, Silom, Bangrak, Bangkok 10500, Thailand	July 7, 2014	THB 20,000	Banking Business	99.9	0.0
BIDV-SuMi TRUST Leasing Co., Ltd.	20th Floor, Vincom Tower A, 191 Ba Trieu, Hai Ba Trung district, Ha Noi, Vietnam	September 4, 1998	VND 895,600	Leasing Business in Vietnam (including sales finance lease)	49.0	—
Zijin Trust Co., Ltd.	30th Floor, Zifeng Tower, 2 Zhongshan Road(N), Gulou District, Nanjing, Jiangsu Province, 210008, People's Republic of China	September 25, 1992	RMB 2,400	Trust Business	19.9	—
Nanjing Zijin Financial Leasing Co., Ltd.	9th Floor, 309, Hanzhongmendajie, Gulou District, Nanjing, Jiangsu Province, 210036, People's Republic of China	May 20, 2016	RMB 300	Leasing Business	15.0	5.0
Midwest Railcar Corporation	855 South Arbor Vitae Edwardsville, IL 62025, U.S.A.	December 31, 1998	\$ 0.47	Freight Railcar Operating Leasing Business in North America	—	100.0*

* The ownership by subsidiaries is the ownership ratio held by the U.S.-based company in which the SuMi TRUST Group, such as SuMi TRUST Bank and SuMi TRUST Bank's subsidiaries, has a 50.0% stake.

Financial Data:

Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings")

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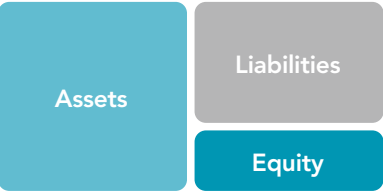
Financial Data:

How to Read the Financial Statements of Trust Banks (Unaudited)

Balance Sheets of Trust Banks

(1) The financial statements of trust banks comprise two balance sheets: one for a banking account and the other for a trust account. The balance sheet for the banking account presents capital, fund management, and finance of trust banks. The balance sheet for the trust account shows assets that trust banks manage, administer, and dispose on behalf of the beneficiaries, according to the trusts’ investment objectives, when the trusts have been set up for the trustors.

Balance sheet of banking account



Statement of trust account



(2) The outcomes (gains or losses) of asset management, administration, and disposition of the trust account pertain to the beneficiaries (after deducting trust fees). In principle, they do not affect the banking account. However, loan trusts and jointly operated money trusts (“JOMTs”), which are covered by deposit insurance, are treated as exceptions due to their principal guaranteed feature. As a result, the balance sheets for loan trusts and the JOMT accounts are disclosed, and, together with the banking account, become the “three major accounts” of trust banks. It is common for trust banks to manage various financial risks at the level of these accounts.

(Note) Japanese trust banks have stopped offering new loan trusts. The loan trusts, therefore, have a limited impact on the balance sheet and financial reporting.

(3) The liabilities section in statements of trust accounts shows the balance for each trust type. The assets section shows assets, such as loans, securities, real estate, and monetary claims, held in various trusts.

Money trusts include a wide variety of trust products. They include, for example, products with discretionary management rights, such as JOMTs and individually operated designated money trusts (referred to as *Shiteitan*), and products without discretionary management rights, such as specified money trusts (referred to as *Tokkin*). Fees for these products vary. Aside from money trusts, the trust banks have discretionary management rights for loan trusts and pension trusts, but not for investment trusts or securities trusts.

Statements of Income of Trust Banks

The trust banks disclose statements of income for banking accounts. The main components of "Net Business Profit before Credit Costs," which is equivalent to operating profit for other companies are as follows:

- (1) Trust Fees
- (2) Net Credit Cost of loan trusts and JOMT accounts
- (3) Net Interest Income
- (4) Net Fees and Commissions
- (5) Net Trading Income
- (6) Net Other Ordinary Income (gains or losses on sales of bonds, net gain or loss on foreign exchange transactions, net income or expense on derivatives other than trading or hedging)
- (7) Gross Business Profit: (1)+(3)+(4)+(5)+(6)
- (8) General and Administrative Expenses
- (9) Transfer to general allowance for loan losses
- (10) Net Business Profit: (7)–(8)–(9)
- (11) Net Business Profit before Credit Costs: (10)+(2)+(9)

Fee Revenues of Trust Banks: Trust Fees and Net Fees and Commissions

In trust banks, broadly speaking, there are two types of fee revenues: "Trust Fees" and "Net Fees and Commissions." Fees that trust banks receive on trust contracts are posted to "Trust Fees." Fees and commissions on general service contracts are posted to "Net Fees and Commissions." Note that fees related to the loan trusts and JOMT accounts have characteristics similar to the banking business (deposits and loans) and are generally excluded from "Trust Fees." Sumitomo Mitsui Trust Holdings, Inc. and its consolidated subsidiaries (together, the "SuMi TRUST Group") include these fees in "Net Interest Income and Related Profit."

Fee Revenues

Trust Fees (excluding loan trusts & JOMTs)

- Pension trust fees ^{*1}
- Individually operated designated money trust fees ^{*1}
- Investment trust & specified money trust fees ^{*2}
- Asset securitization-related trust fees
- Real estate brokerage fees

Net Fees and Commissions

- Investment trust and insurance sales fees
- Discretionary investment fees
- Real estate brokerage fees
- Stock transfer agency fees
- Syndicated loan fees

^{*1} Fees related to management and administration of money trusts with discretionary management rights

^{*2} Fees related to administration of money trusts without discretionary management rights

Financial Data:

Management's Discussion and Analysis (Unaudited)

Overview of Business Activities of the Company

Economic and Financial Environment

In looking back on the economic environment during the fiscal year under review, the economies of Europe and China slowed through the end of December 2019 primarily because of the ongoing US-China trade war, while weaknesses in Japan's domestic economy also materialized as October's consumption tax hike only made matters worse for sluggish production and exports in the manufacturing sector. From January onwards the world was gripped by COVID-19 and the global economy took a sharp turn for the worse as governments took steps to contain the spread of infection by enforcing city-wide lockdowns, among other measures, which served to drastically curtail economic activity. In Japan, the number of international visitors plummeted, and increasingly more people refrained from shopping for non-essential reasons.

The financial markets continued to be roiled by developments in the US-China trade spat through the end of December 2019. From January onwards the markets began to digest the impact of COVID-19 and a risk averse sentiment rapidly emerged, triggering a sharp decline in the Nikkei Stock Average to levels below ¥20,000. Heightened demand for US dollars by Japanese companies saw the yen weaken against the dollar from mid-March, while yields on 10-year JGBs briefly rose above 0%.

Developments of Business Activities

Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings") and its consolidated subsidiaries (together, "SuMi TRUST Group"), continued to implement our three-year (FY2017–19) medium-term management plan (Evolution to The Trust Bank—The Second Foundation—). In fiscal 2019, the last year of the plan, the entire Group worked together to complete the finishing touches and also pushed forward with the following initiatives for the purpose of establishing new growth fields.

(Four key initiatives)

1. Strengthening earnings capabilities that underpin stable growth
2. Future growth investments
3. Practicing appropriate risk control
4. Sophistication of management infrastructure—the source of competitiveness

1. Strengthening earnings capabilities that underpin stable growth

With the aim of becoming a financial group chosen by our clients as their "best partner," we pushed ahead with efforts to integrate the Group's functions and know-how and enhance our abilities to meet the increasingly diverse and sophisticated needs of our clients.

Given that we will soon enter an age in which many people are likely to live to the age of 100, through Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank") we commenced offering the 100-Year Life Solution Trust (100-Year Passport) to support enrichment of daily life, and monitoring support services, as well as a Solitary Trust product (the winning entry in an in-house business contest) that incorporates digital estate liquidation services. We also focused on expanding home loan balances in major regions across Japan by offering consulting services that take into account the assets and liabilities of our clients to pinpoint the right time for purchasing real estate—one of life's biggest decisions—and endeavored to lock in contracts for coverage-type insurance and installment-type products.

Last September, through Sumitomo Mitsui Trust Life Partners, we opened the new 100-year Life Assurance Plaza, which stays open late on weekdays and is also open on weekends and public holidays. This subsequently expanded our capacity to provide insurance consulting services to clients that are part of the working generation who might find it hard to visit our branches during daytime hours. By working more closely with SuMi TRUST Bank, Sumitomo Mitsui Trust Realty sought to ascertain the real estate needs of clients at sales offices and steadily increased housing brokerage revenue.

Furthermore, in a joint venture with the UBS Group—one of the world's leading integrated financial services group—we established UBS SuMi TRUST Wealth Advisory, Ltd. in January 2019. This alliance fundamentally reinforced our framework to meet the complex and broad-ranging needs of business owners and wealthy individual clients.

We combined the various functions of the Group to provide a wide range of solutions that meet the business challenges of our corporate clients; namely, consulting services regarding the enhancement of corporate governance and IR activities, and reviewing real estate holdings and pension systems. And as a way of supporting the enhancement of

employee benefit programs, we offered our consulting services to company employees concerning long-term asset formation and management according to their respective stages in life. In addition, we leveraged our know-how to focus on concluding contracts for renewable energy projects that contribute to reducing environmental impacts, maintained our volume of loan assets, and worked on improving the profitability of our overall portfolio.

Sumitomo Mitsui Trust Panasonic Finance sought to expand its lease transaction volume by collaborating with SuMi TRUST Bank to focus on real estate leasing and provide a diverse array of financial functions, including the development of leasing products for mainly individual clients. Sumitomo Mitsui Trust Loan & Finance harnessed its proprietary specialist screening know-how and worked together with Group companies and business partners alike to manage loan operations with an emphasis on balancing quality with quantity.

In a difficult operating environment where negative interest rate policies are becoming the norm, SuMi TRUST Bank increased assets under management for mainly corporate pension, public pension, and financial institutional clients by strengthening its ability to provide alternative assets and securitized debt products for mostly private assets, and also offered administration services for asset management and foreign bond lending transactions. SuMi TRUST Bank maintained its leading market share in the administration of defined contribution pension plans by mainly securing large system migration instalments.

With an eye on global growth in ESG investments, Sumitomo Mitsui Trust Asset Management beefed up its engagement activity framework and focused on expanding sales channels through the likes of brokerages and regional financial institutions. Nikko Asset Management (Nikko AM) addressed the varied needs of clients in Japan and overseas by developing and expanding its lineup of competitive investment management products.

In the asset administration business, we made steady progress on preparing for the upcoming July anticipated start of operations at the Custody Bank of Japan, an entity formed through the merger of three companies: Japan Trustee Services Bank, Trust & Custody Services Bank, and intermediate holding company of the former two companies JTC Holdings.

2. Future growth investments

As the digitalization of society continues to accelerate, we drastically overhauled our system investment plans on a Group-wide basis and considerably expanded our system investments in strategic business domains and digital fields such as cloud computing. More specifically, we stepped up our efforts to enhance client convenience and improve the productivity of branch operations by relocating and opening the Shibuya and Shibuya Chuo branches as our first next-generation trust branches. This new type of branch realizes a paperless environment with the use of multi-functional tablet devices.

Moreover, in order to accommodate the growing number of inheritance cases owing to the graying of Japan's population, we continued to carry out demonstration testing on the digitalization of information using blockchain technology so that we might establish an inheritance services platform capable of speeding up complex inheritance procedures and energize the market by guaranteeing transparency in real estate information. We also worked on making operations and marketing more efficient with the use of such digital technology as robotic process automation (RPA) and artificial intelligence (AI) in place of people to perform routine tasks.

3. Practicing appropriate risk control

Given the major ongoing changes in the economic and financial environment, we appropriately addressed credit risk, market risk, and various other aspects of risk management, accumulated enough capital required to satisfy regulatory requirements, and bolstered our initiatives for risk management framework and tackling financial crimes based on the fourth round of Mutual Evaluation Report of Japan by the Financial Action Task Force (FATF).

The Group took steps to further strengthen its financial base and continued to conduct stringent management of credit control, while some consolidated subsidiaries and corporations booked special provisions in light of the impacts COVID-19 is having on borrowers. In addition, as a result of systematically reducing our balance of strategic shareholdings aimed at mitigating financial risks, the balance (acquisition cost basis) of Japan-listed shares held by the SuMi TRUST Group decreased ¥32.1 billion year on year to ¥566.8 billion.

4. Sophistication of management infrastructure—the source of competitiveness

We also pushed ahead with the following initiatives in an effort to enhance the management infrastructure that supports the measures outlined above.

(1) Enhancing corporate governance

From the perspective of improving management maneuverability and Group-wide auditing and supervisory functions, as well as further enhancing governance in the asset management business, we reorganized both SuMi TRUST Bank and Nikko AM into companies with an Audit and Supervisory Committee and also made the latter a subsidiary whose shares are held directly by SuMi TRUST Holdings.

(2) Enhancing fiduciary duty

From the viewpoint of improving client-oriented business operations, we continued to draw on the opinions of our clients to improve the quality of our products and services, provided easy-to-understand information to clients at our branches, and took steps to raise awareness about improving client satisfaction and trust. Also, with the aim of expanding long-term, stable transactions with clients, we continued to switch our performance assessments to those that emphasize assets under management.

(3) Promoting sustainability activities

We consider sustainability activities to be a core part of the Group's management and we pay attention to the impacts our corporate activities have on the environment, society, and the economy. We therefore actively worked on delivering positive impact finance (PIF) solutions to support the business activities of our clients so they may contribute to the achievement of the SDGs. Moreover, we publicly announced our support of the eight key priorities set out in the G20 Fukuoka Policy Priorities on Aging and Financial Inclusion that were adopted at the Group of Twenty meeting of finance ministers and central bank governors (G20) last June. We also became a signatory to the Principles for Responsible Banking (PRB) advocated for by the United Nations Environment Programme Finance Initiative (UNEP FI) and officially launched last September. Moreover, in recognition of our approach to delivering PIF solutions, we were awarded the first-place prize (Minister of the Environment Award) in the financing category of the Ministry of the Environment's inaugural ESG Finance Awards Japan and the excellence award in the 5th Sustainable Finance Awards of

the Research Institute for Environmental Finance.

(4) Strengthening HR development and activities

Guided by our mission to have management harness the diversity and creativity of each and every individual—the very concept behind diversity and inclusion—the Group took active steps to realize a comfortable workplace environment and change mindsets mainly by supporting the career planning of female employees and nurturing and appointing women to management positions. As a result, we were selected as a “Nadeshiko Brand” by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange for our outstanding efforts on empowering women in the workplace. We were also named in the 2020 Bloomberg Gender-Equality Index in recognition of our initiatives to further gender equality.

We recognize the importance of creating an environment that supports the diversity, health, and motivation of each and every employee to ensure the Group's sustained growth, which is why we have established a comfortable workplace environment in an era in which many people will likely live to 100 by, for example, considering the extension of the mandatory retirement age. And in order to promote the physical and mental wellbeing of employees, we have continued to support a work-life balance by offering leave to employees requiring cancer treatment and providing more options on working styles with staggered starting times or teleworking, for example. Accordingly, our initiatives were recognized for the third year running with our selection in METI's White 500 as an organization having outstanding health and productivity management.

Results of Business Activities

(Consolidated Financial Results for the Fiscal Year 2019)

Consolidated BIS Capital Adequacy Ratio

Consolidated Equity Tier 1 capital ratio was 12.62%, Consolidated Tier 1 capital ratio was 14.47%, and Consolidated Total capital ratio was 17.23% as of March 31, 2020, exceeding the minimum regulatory requirements of 7.50%, 9.00%, and 11.00%, respectively.

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 ¥108.69 to U.S. \$1, the approximate rate of exchange as of March 31, 2020.

Operating Results (Consolidated)

Years Ended March 31	Millions of Yen			Millions of U.S. Dollars
	2020	2019	Changes	2020
Gross Profit (excluding Trust Account Credit Costs)	¥ 690,832	¥ 678,554	¥ 12,277	\$ 6,356
Trust Account Credit Costs (A)	(2)	—	(2)	(0)
General and Administrative Expenses (excluding non-recurring expenses)	(430,858)	(427,853)	(3,004)	(3,964)
Net Provision of General Allowance for Loan Losses (B)	(38,865)	20,637	(59,503)	(358)
Banking Account Credit Costs (C)	(6,120)	(25,531)	19,410	(56)
Reversal of Allowance for Loan Losses (D)	—	—	—	—
Recoveries of Written-Off Claims (E)	1,149	1,908	(759)	11
Net Gains (Losses) on Stocks and Other Securities	40,167	13,709	26,458	370
Net Income from Affiliated Companies Accounted for by the Equity Method	9,929	5,967	3,961	91
Impairment Loss	(19,360)	(15,786)	(3,573)	(178)
Others	(6,149)	(10,265)	4,115	(57)
Income Before Income Taxes	240,721	241,340	(619)	2,215
Net Income Attributable to Owners of the Parent	163,028	173,889	(10,860)	1,500
Total Credit Costs (A+B+C+D+E)	(43,838)	(2,984)	(40,854)	(403)
Net Business Profit Before Credit Costs	289,011	282,233	6,777	2,659

(Notes)

1) Gross Operating Profit = Trust Fees + (Interest Income – Interest Expenses) + (Fees and Commissions – Fees and Commissions Payments) + (Trading Income – Trading Expenses) + (Other Ordinary Income – Other Ordinary Expenses)

2) Net Business Profit Before Credit Costs is Substantial Gross Business Profit, less General Administrative Expenses. (The amounts of Substantial Gross Business Profit and General Administrative Expenses are calculated for internal control purposes, taking into account of share of profit and

losses of affiliated companies accounted for by the equity method.) Note that the differences between the amounts of Substantial Gross Business Profit and Gross Profit, and Total General Administrative Expenses and General Administrative Expenses are primarily the amount of Ordinary Profits (adjusted for non-recurring effects) from Affiliated Companies Accounted for by the Equity Method multiplied by the Ratio of Equity Holdings.

3) Amounts in parentheses represent losses or expenses, and profit decreases from the previous fiscal year.

Analysis on Operating Results (Consolidated)

Years Ended March 31	Millions of Yen			Millions of U.S. Dollars
	2020	2019	Changes	2020
Net Business Profit Before Credit Costs (Note 1)	¥ 289,011	¥ 282,233	¥ 6,777	\$ 2,659
Substantial Gross Business Profit (Note 1)	742,661	722,669	19,992	6,833
Substantial Interest Income (Note 2)	271,393	257,161	14,232	2,497
Interest Income	158,661	169,640	(10,978)	
Profits Earned from Market Deployment of Surplus Foreign Currency Fund	112,731	87,521	25,210	1,037
Fees and Commissions Related Income	405,872	413,266	(7,394)	3,734
Other Income (excluding Profits Earned From Market Deployment of Surplus Foreign Currency Fund)	65,395	52,241	13,154	602
General and Administrative Expenses (Note 1)	(453,650)	(440,435)	(13,215)	(4,174)
Total Credit Costs	(43,838)	(2,985)	(40,853)	(403)
Net Gain (Loss) on Stocks and Other Securities	40,167	13,709	26,458	370
Other Non-recurring profits (Losses)	(27,681)	(36,546)	8,864	(255)
Ordinary Profit	257,658	256,411	1,246	2,371
Extraordinary Profits (Losses)	(16,936)	(15,070)	(1,865)	(156)
Income before Income Taxes	240,721	241,340	(619)	2,215
Total Income Taxes	(75,627)	(60,599)	(15,027)	
Net Income Attributable to Non-Controlling Interests	(2,065)	(6,851)	4,786	(19)
Net Income Attributable to Owners of the Parent	163,028	173,889	(10,860)	1,500
Retrun on Shareholders' Equity	7.95%	7.12%	(0.83)%	
Dividends per Share of Common Stock (DPS)	140	150	10	
Dividends per Share of Common Stock (EPS)	458	434	(24)	
Total Number of Shares Outstanding (Million of Shares) (Note 3)	378.9	375.3	(3.5)	

(Notes)

1) The amounts of the net business profit before credit costs, the substantial gross business profit, and general and administrative expenses are counted in accordance with the internal administration of the company, taking into account the profits and losses of affiliated companies accounted for by the equity method.

2) The amount of the substantial interest income is the sum

of "Interest Income" and profits earned from market deployment of surplus foreign currency fund included in "Profits (Losses) on Sales of Foreign Exchanges."

3) The total number of shares outstanding is the average number of common stock (excluding treasury stock) outstanding.

Years Ended March 31	Millions of Yen			Millions of U.S. Dollars
	2020	2019	Changes	2020
Interest Income	¥ 169,640	¥ 158,661	¥ 10,978	\$ 1,561
Other Profits	139,762	178,127	(38,365)	1,286
Profits Earned from Market Deployment of Surplus Foreign Currency Fund	87,521	112,731	(25,210)	805
Profits other than Profits Earned from Market Deployment of Surplus Foreign Currency Fund	52,241	65,395	(13,154)	481

Major Profit and Losses (Consolidated)

Although interest income decrease by ¥10.9 billion (U.S. \$100 million) from the previous fiscal year to ¥158.6 billion (U.S. \$1,459 million), the substantial interest income, which includes profits earned from market deployment of surplus foreign currency fund increased by ¥14.2 billion (U.S. \$131 million) from the previous fiscal year to ¥271.3 billion (U.S. \$2,496 million). There have been improvements in domestic earnings related to deposits and loans as well.

"Fees and Commissions Related Income" decreased by ¥7.3 billion (U.S. \$67 million) to ¥405.8 billion (U.S. \$3,734 million) primarily due to a decrease in sales of investment management consulting business of group companies. Also, a substantial decrease when excluding a decrease of approximately ¥5.0 billion (U.S. \$46 million) in fees and commissions related income due to the deconsolidation (conversion to affiliated companies accounted for by the equity method) of Japan Trustee Services Bank, Ltd. is ¥2.0 billion (U.S. \$18 million).

"Other income (excluding profits earned from market deployment of surplus foreign currency fund)" increased by ¥13.1 billion (U.S. \$121 million) to ¥65.3 billion (U.S. \$601 million) due to corporate related non-interest income and others.

On the other hand, "General and Administrative Expenses" increased by ¥13.2 billion (U.S. \$121 million) from the previous fiscal year to ¥453.6 billion (U.S. \$4,173 million) due to an increase in system related general and administrative expenses.

As a result, "Net Business Profit Before Credit Costs," which represents the actual profit level calculated by making necessary adjustments to the above results, increased by ¥6.7 billion (U.S. \$62 million) from the previous fiscal year to ¥289.0 billion (U.S. \$2,659 million).

Credit Costs (Consolidated)

"Total Credit Costs" increased by ¥40.8 billion (U.S. \$375 million) from the previous fiscal year to ¥43.8 billion (U.S. \$403 million). This was mainly because of the recognition of allowance for loan losses due to the downgrading of the borrower categories of a part of obligors, in addition to the recognition of special allowance amounting to approximately ¥25.0 billion (U.S. \$230 million) prepared for economic slowdown associated with the spread of COVID-19.

Net Gains (Losses) on Stocks and Other Securities (Consolidated)

"Net Gains (Losses) on Stock and Other Securities" increased by ¥26.4 billion (U.S. \$243 million) from the previous fiscal year to ¥40.1 billion (U.S. \$369 million), mainly because of the following.

- Recognition of net gains on sales of stocks and other securities of approximately ¥39.0 billion (U.S. \$359 million) as a result of promotion to reduce strategic shareholdings
- Recognition of losses on impairment of stocks and other securities of approximately ¥11.0 billion (U.S. \$101 million) as a result of the decline in stock prices since February, 2020
- Recognition of gains on sales of the hedge investment trust of strategic shareholdings of approximately ¥12.0 billion (U.S. \$110 million)

Extraordinary Gain and Losses (Consolidated)

"Extraordinary Gains and Losses" are associated with Sumitomo Mitsui Trust Club Co., Ltd., and ¥16.9 billion (U.S. \$155 million) of losses was recognized, mainly due to the recognition of impairment losses on assets including goodwill amounting to approximately ¥9.0 billion (U.S. \$83 million) and impairment losses on software amounting to approximately ¥9.0 billion (U.S. \$83 million).

Financial Condition

Assets and Liabilities

As of March 31, 2020, consolidated "Total Assets" were ¥56,500.5 billion (U.S. \$520 billion), a decrease of ¥528.5 billion (U.S. \$5 billion), and consolidated "Total Net Assets" were ¥2,590.9 billion (U.S. \$24 billion), a decrease of ¥139.4 billion (U.S. \$1 billion), compared with those as of the end of the previous fiscal year, respectively.

In particular, "Cash and Due from Banks" decreased by ¥2,904.6 billion (U.S. \$27 billion) to ¥13,141.1 billion (U.S. \$121 billion), "Loans and Bills Discounted" increased by ¥677.6 billion (U.S. \$6 billion) to ¥29,703.3 billion (U.S. \$273 billion), "Securities" increased by ¥678.0 billion (U.S. \$6 billion) to ¥6,437.5 billion (U.S. \$59 billion), and "Deposits" decreased by ¥1,214.6 billion (U.S. \$11 billion) to ¥30,688.9 billion (U.S. \$282 billion), compared with those as of the end

of the previous fiscal year.

"Total Assets of Trust Accounts" were ¥224,425.3 billion (U.S. \$2,065 billion) as of March 31, 2020, an increase of ¥13,075.2 billion (U.S. \$120 billion), compared with the amount as of the end of the previous fiscal year.

Problem Assets under the Financial Reconstruction Act

As of March 31, 2020, the total balance of Bankrupt and Practically Bankrupt Loans, Doubtful Loans, and Substandard Loans of the Banking Account and the Principal Guaranteed Trust Accounts with a disclosure requirement under the Financial Reconstruction Act, increased by ¥2.6 billion (U.S. \$0.02 billion) from the end of the previous fiscal year to ¥86.8 billion (U.S. \$0.80 billion). The ratio of "Problem Assets under the Financial Reconstruction Act" to Total Balance remained flat at 0.3% since the previous fiscal year.

Problem Assets under the Financial Reconstruction Act

(SuMi TRUST Bank (non-consolidated basis) after partial direct write-offs)

Banking Account and Principal Guaranteed Trust Account (Combined)

As of March 31	Billions of Yen			Billions of U.S. Dollars
	2020	2019	Changes	2020
Problem Assets under the Financial Reconstruction Act	¥ 86.8	¥ 84.2	¥ 2.6	\$ 1
Total Balance	30,457.0	29,941.3	515.7	280
Ratio to Total Balance	0.3%	0.3%	0.0%	0.3%

Banking Account

Classification	Billions of Yen, Except for Percentages							
	Balance		Coverage Ratio		Collateral/Allowance		Allowance Ratio	
As of March 31	2020	2019	2020	2019	2020		2020	2019
Bankrupt and Practically Bankrupt Loans (A)	¥ 9.5	¥ 10.5	100%	100%	Specific Allowance Provided	¥ 2.6	100%	100%
					Covered by Collateral/Guarantee	6.8	—	—
Doubtful Loans (B)	38.6	54.5	94%	86%	Uncovered	2.2	85%	76%
					Specific Allowance Provided	13.3		
					Covered by Collateral/Guarantee	23.0	—	—
Substandard Loans (C)	38.0	18.4	41%	79%	Uncovered	22.2	12%	10%
					General Allowance Provided	3.0		
					Covered by Collateral/Guarantee	12.7	—	—
Total of (A), (B), and (C)	86.1	83.4						
Total Balance	30,430.3	29,910.3						
Ratio to Total Balance	0.3%	0.3%						

Principal Guaranteed Trust Account

Classification	Billions of Yen, Except for Percentages					
	Balance		Coverage Ratio		Collateral/Allowance	
As of March 31	2020	2019	2020	2019	2020	
Bankrupt and Practically Bankrupt Loans (A)	¥ 0.0	¥ 0.0	100%	100%	Covered by Collateral/Guarantee	¥ 0.0
Doubtful Loans (B)	0.7	0.7	100%	100%	Covered by Collateral/Guarantee	0.7
Substandard Loans (C)	0.0	0.0	100%	100%	Covered by Collateral/Guarantee	0.0
Total of (A), (B), and (C)	0.7	0.8			Allowance for Jointly Operated Money Trusts	0.0
Total Balance	26.7	31.0				
Ratio to Total Balance	2.7%	2.5%				

Net Interest Spread (Domestic Banking Account and Principal Guaranteed Trust Account)

Years Ended March 31	Percentage Points		
	2020	2019	Changes
Average Yield on Interest-Earning Assets (a)	0.53%	0.60%	(0.07)%
Loans and Bills Discounted (A)	0.66	0.69	(0.03)
Securities	1.51	2.16	(0.65)
Average Yield on Interest-Bearing Liabilities (b)	0.10	0.11	(0.01)
Deposits (B)	0.07	0.08	(0.01)
Gross Margin (a)–(b)	0.43	0.49	(0.06)
Loan-Deposit Margin (A)–(B)	0.59	0.61	(0.02)

Financial Summary:

Five-Year Summary (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
As of and for the fiscal years ended March 31

		Millions of Yen				
Consolidated Statements of Banking Account		2020	2019	2018	2017	2016
As of the Year-End						
Assets:						
Cash and Due from Banks	¥	13,141,192	¥ 16,045,864	¥ 28,841,328	¥ 26,944,478	¥ 19,924,523
Call Loans and Bills Bought		71,236	50,124	152,951	124,706	705,252
Securities		6,437,599	5,759,504	5,537,643	5,127,717	4,926,236
Loans and Bills Discounted		29,703,375	29,025,720	28,190,553	28,040,446	27,525,862
Foreign Exchanges		36,952	36,936	25,554	16,189	17,223
Customers' Liabilities for Acceptances and Guarantees		518,811	557,007	508,930	458,010	503,742
Others		6,591,384	5,553,956	5,099,836	4,742,176	4,627,107
Total Assets		¥ 56,500,552	¥ 57,029,113	¥ 68,356,798	¥ 65,453,725	¥ 58,229,948
Liabilities:						
Deposits and Negotiable Certificates of Deposit	¥	36,549,212	¥ 38,232,195	¥ 43,915,175	¥ 43,327,431	¥ 33,832,580
Call Money and Bills Sold		142,974	72,793	146,931	54,089	38,968
Borrowed Money		5,856,384	4,023,801	4,370,083	3,463,105	2,580,524
Foreign Exchanges		3,213	457	1,984	236	259
Acceptances and Guarantees		518,811	557,007	508,930	458,010	503,742
Others		10,839,049	11,412,500	16,541,366	15,359,168	18,569,363
Total Liabilities		¥ 53,909,645	¥ 54,298,756	¥ 65,484,472	¥ 62,662,042	¥ 55,525,436
Net Assets:						
Shareholders' Equity	¥	2,334,377	¥ 2,242,982	¥ 2,127,816	¥ 2,031,623	¥ 1,966,813
Accumulated Other Comprehensive Income		220,889	410,478	496,851	430,992	410,160
Subscription Rights to Shares		1,057	1,062	799	577	421
Non-Controlling Interests		34,583	75,832	246,858	328,488	327,116
Total Net Assets		¥ 2,590,907	¥ 2,730,356	¥ 2,872,325	¥ 2,791,682	¥ 2,704,511
Total Liabilities and Net Assets		¥ 56,500,552	¥ 57,029,113	¥ 68,356,798	¥ 65,453,725	¥ 58,229,948
For the Year						
Income:						
Trust Fees	¥	99,816	¥ 103,911	¥ 100,591	¥ 99,870	¥ 105,537
Interest Income		489,366	507,007	426,129	384,354	372,076
Fees and Commissions		401,723	402,867	397,881	397,531	356,247
Trading Income		102,189	27,093	10,035	18,338	15,964
Other Ordinary Income		349,778	356,927	306,725	296,261	286,009
Other Income		95,680	71,626	125,142	66,531	65,789
Total Income		¥ 1,538,556	¥ 1,469,434	¥ 1,366,505	¥ 1,262,887	¥ 1,201,625
Expenses:						
Interest Expenses	¥	361,890	¥ 371,845	¥ 246,071	¥ 165,271	¥ 141,131
Fees and Commissions Payments		109,666	97,755	87,974	85,319	80,428
Trading Expenses		—	—	—	1,297	428
Other Ordinary Expenses		280,488	249,652	230,442	318,885	216,036
General and Administrative Expenses		433,455	431,151	444,057	435,335	405,078
Other Expenses		112,333	77,688	119,136	65,642	85,385
Total Expenses		¥ 1,297,834	¥ 1,228,093	¥ 1,127,683	¥ 1,071,752	¥ 928,488
Income before Income Taxes		240,721	241,340	238,822	191,135	273,136
Net Income		¥ 165,094	¥ 180,741	¥ 165,746	¥ 134,206	¥ 179,150

Yen										
Per Share of Common Stock:										
Net Income per Share of Common Stock	¥	434.31	¥	458.91	¥	403.91	¥	317.24	¥	433.30
Diluted Net Income per Share of Common Stock		434.03		458.64		403.75		317.15		433.22
Net Assets per Share of Common Stock		6,822.48		7,008.67		6,897.36		6,437.57		6,181.19

		Millions of Yen				
Statements of Trust Account		2020	2019	2018	2017	2016
Trust Assets		¥224,425,327	¥ 211,350,067	¥ 201,698,118	¥ 188,467,733	¥ 174,908,223

SuMi TRUST Holdings consolidated its shares with a ratio of ten shares of common stock into one share on October 1, 2016. Net income per share of common stock and diluted net income per share of common stock are calculated as if the consolidation of shares had occurred at the beginning of the fiscal year ended March 31, 2016.

Trust assets are the amounts of trust assets held by consolidated subsidiaries that engage in the trust business in accordance with the Act on Engagement in Trust Business Activities by Financial Institutions. The consolidated subsidiary that engages in trust business activities is SuMi Trust Bank.

Five-Year Summary (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.
As of and for the fiscal years ended March 31

Non-Consolidated Statements	Millions of Yen				
	2020	2019	2018	2017	2016
As of the Year-End					
Assets:					
Current Assets:	¥ 175,470	¥ 133,676	¥ 71,542	¥ 76,718	¥ 82,563
Cash and Due from Banks	2,349	2,110	1,775	1,747	1,205
Securities	129,000	100,000	53,000	62,000	69,000
Non-Current Assets	2,049,283	2,069,816	2,004,970	1,891,389	1,741,389
Investments and Other Assets	2,049,281	2,069,815	2,004,969	1,891,388	1,741,388
Total Assets	¥ 2,224,754	¥ 2,203,492	¥ 2,076,512	¥ 1,968,108	¥ 1,824,180
Liabilities:					
Current Liabilities	¥ 4,616	¥ 3,161	¥ 3,119	¥ 2,783	¥ 2,562
Non-Current Liabilities	650,093	651,610	594,310	478,036	328,036
Bonds Payable	640,000	641,600	584,300	468,000	328,000
Total Liabilities	¥ 654,709	¥ 654,771	¥ 597,429	¥ 480,820	¥ 330,598
Net Assets:					
Shareholders' Equity	¥ 1,568,986	¥ 1,547,658	¥ 1,478,282	¥ 1,486,710	¥ 1,493,160
Subscription Rights to Shares	1,057	1,062	799	577	421
Total Net Assets	¥ 1,570,044	¥ 1,548,721	¥ 1,479,082	¥ 1,487,288	¥ 1,493,582
Total Liabilities and Net Assets	¥ 2,224,754	¥ 2,203,492	¥ 2,076,512	¥ 1,968,108	¥ 1,824,180
For the Year					
Operating Income:	¥ 97,597	¥ 123,149	¥ 57,301	¥ 58,218	¥ 59,926
Dividends Received from Subsidiaries	95,851	121,832	55,512	54,700	54,778
Operating Expenses:	3,709	3,341	3,071	2,035	2,315
General and Administrative Expenses	3,709	3,341	3,071	2,035	2,315
Operating Profit	¥ 93,888	¥ 119,808	¥ 54,230	¥ 56,183	¥ 57,611
Non-Operating Income	¥ 8,183	¥ 7,709	¥ 6,785	¥ 5,165	¥ 2,615
Non-Operating Expenses	9,430	11,327	11,678	10,971	9,722
Income before Income Taxes	¥ 92,640	¥ 116,190	¥ 49,337	¥ 50,378	¥ 50,504
Net Income	¥ 93,858	¥ 127,717	¥ 49,333	¥ 50,376	¥ 50,503
Yen					
Per Share of Common Stock:					
Net Income per Share of Common Stock	¥ 250.04	¥ 337.06	¥ 129.40	¥ 131.59	¥ 131.10
Diluted Net Income per Share of Common Stock	249.87	336.86	129.35	131.55	131.08
Net Assets per Share of Common Stock	4,189.14	4,087.87	3,884.77	3,886.44	3,882.88

SuMi TRUST Holdings consolidated its shares with a ratio of ten shares of common stock into one share on October 1, 2016. Net income per share of common stock and diluted net income per share of common stock are calculated as if the consolidation of shares had occurred at the beginning of the fiscal year ended March 31, 2016.

Financial Data: Consolidated Balance Sheet

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
As of March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Assets:			
Cash and Due from Banks	¥ 13,141,192	¥ 16,045,864	\$ 120,905
Call Loans and Bills Bought	71,236	50,124	655
Receivables under Resale Agreements	1,220,761	158,734	11,232
Receivables under Securities Borrowing Transactions	740,658	759,812	6,814
Monetary Claims Bought	999,705	1,082,650	9,198
Trading Assets (Notes 1, 2, and 4)	507,646	454,978	4,671
Money Held in Trust	7,230	1,393	67
Securities (Notes 2 and 4)	6,437,599	5,759,504	59,229
Loans and Bills Discounted (Notes 3, 4, and 5)	29,703,375	29,025,720	273,285
Foreign Exchanges	36,952	36,936	340
Lease Receivables and Investment Assets (Note 4)	673,880	653,447	6,200
Other Assets (Notes 4 and 8)	2,124,043	2,023,664	19,542
Tangible Fixed Assets (Note 6)	213,547	211,312	1,965
Intangible Fixed Assets (Note 7)	129,455	151,429	1,191
Assets for Retirement Benefits	87,096	138,931	801
Deferred Tax Assets	14,564	17,372	134
Customers' Liabilities for Acceptances and Guarantees	518,811	557,007	4,773
Allowance for Loan Losses	(127,205)	(99,770)	(1,170)
Total Assets	¥ 56,500,552	¥ 57,029,113	\$ 519,832
Liabilities:			
Deposits (Notes 4 and 9)	¥ 30,688,920	¥ 31,903,572	\$ 282,353
Negotiable Certificates of Deposit	5,860,292	6,328,622	53,917
Call Money and Bills Sold (Note 4)	142,974	72,793	1,315
Payables under Repurchase Agreements (Note 4)	1,558,919	1,603,191	14,343
Payables under Securities Lending Transactions (Note 4)	—	104,767	—
Trading Liabilities (Note 1)	371,950	258,771	3,422
Borrowed Money (Notes 4 and 10)	5,856,384	4,023,801	53,882
Foreign Exchanges	3,213	457	30
Short-Term Bonds Payable	1,707,097	1,472,786	15,706
Bonds Payable (Note 11)	1,125,731	1,378,328	10,357
Borrowed Money from Trust Account (Note 12)	4,750,289	5,408,009	43,705
Other Liabilities (Note 13)	1,215,433	994,424	11,183
Provision for Bonuses	18,619	17,542	171
Provision for Directors' Bonuses	172	343	2
Provision for Stocks Payment	279	—	3
Liabilities for Retirement Benefits	14,044	14,008	129
Provision for Reward Points Program	16,889	18,282	155
Provision for Reimbursement of Deposits	4,867	5,250	45
Provision for Contingent Losses	1,440	3,465	13
Deferred Tax Liabilities	50,875	130,479	468
Deferred Tax Liabilities for Land Revaluation (Note 6)	2,439	2,847	22
Acceptances and Guarantees	518,811	557,007	4,773
Total Liabilities	¥ 53,909,645	¥ 54,298,756	\$ 495,995
Net Assets:			
Total Shareholders' Equity:	¥ 2,334,377	¥ 2,242,982	\$ 21,477
Capital Stock	261,608	261,608	2,407
Capital Surplus	580,595	645,003	5,342
Retained Earnings	1,495,029	1,387,592	13,755
Treasury Stock	(2,855)	(51,222)	(26)
Total Accumulated Other Comprehensive Income:	220,889	410,478	2,032
Valuation Differences on Available-for-Sale Securities	351,459	467,448	3,234
Deferred Gains (Losses) on Hedges	(56,765)	(36,764)	(522)
Revaluation Reserve for Land (Note 6)	(6,623)	(5,698)	(61)
Foreign Currency Translation Adjustments	1,332	4,702	12
Remeasurements of Defined Benefit Plans	(68,513)	(19,209)	(630)
Subscription Rights to Shares	1,057	1,062	10
Non-Controlling Interests	34,583	75,832	318
Total Net Assets	¥ 2,590,907	¥ 2,730,356	\$ 23,838
Total Liabilities and Net Assets	¥ 56,500,552	¥ 57,029,113	\$ 519,832
	Yen		U.S. Dollars
Net Assets per Share of Common Stock	¥ 6,822.48	¥ 7,008.67	\$ 62.77

See accompanying notes.

The figures in U.S. dollars are converted from yen for the convenience of readers outside Japan at the rate of ¥108.69 to U.S. \$1.00, the exchange rate as of March 31, 2020.

Sumitomo Mitsui Trust Holdings, Inc. 2020 Financial Data Section

Consolidated Statement of Income

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the fiscal years ended March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Income:			
Trust Fees	¥ 99,816	¥ 103,911	\$ 918
Interest Income:	489,366	507,007	4,502
Interest on Loans and Discounts	346,886	360,348	3,192
Interest and Dividends on Securities	94,005	92,680	865
Interest on Call Loans and Bills Bought	1,431	1,523	13
Interest on Receivables under Resale Agreements	571	926	5
Interest on Receivables under Securities Borrowing Transactions	0	0	0
Interest on Deposits with Banks	36,831	43,140	339
Other Interest Income (Note 1)	9,640	8,387	89
Fees and Commissions	401,723	402,867	3,696
Trading Income (Note 2)	102,189	27,093	940
Other Ordinary Income (Note 3)	349,778	356,927	3,218
Other Income (Note 4)	95,680	71,626	880
Total Income	¥ 1,538,556	¥ 1,469,434	\$ 14,155
Expenses:			
Interest Expenses:	¥ 361,890	¥ 371,845	\$ 3,330
Interest on Deposits	125,997	128,792	1,159
Interest on Negotiable Certificates of Deposit	81,014	81,292	745
Interest on Call Money and Bills Sold	1,264	2,213	12
Interest on Payables under Repurchase Agreements	31,712	35,615	292
Interest on Payables under Securities Lending Transactions	2,302	2,636	21
Interest on Borrowings	13,238	15,740	122
Interest on Short-Term Bonds	29,049	23,343	267
Interest on Bonds	16,147	23,745	149
Other Interest Expenses (Note 1)	61,163	58,465	563
Fees and Commissions Payments	109,666	97,755	1,009
Other Ordinary Expenses (Note 3)	280,488	249,652	2,581
General and Administrative Expenses (Note 5)	433,455	431,151	3,988
Other Expenses (Note 4)	112,333	77,688	1,034
Total Expenses	¥ 1,297,834	¥ 1,228,093	\$ 11,941
Income before Income Taxes	¥ 240,721	¥ 241,340	\$ 2,215
Income Taxes:	75,627	60,599	696
Current	69,585	67,714	640
Deferred	6,042	(7,114)	56
Net Income	¥ 165,094	¥ 180,741	\$ 1,519
Net Income Attributable to Non-Controlling Interests	2,065	6,851	19
Net Income Attributable to Owners of the Parent	¥ 163,028	¥ 173,889	\$ 1,500
	Yen		U.S. Dollars
Net Income per Share of Common Stock	¥ 434.31	¥ 458.91	\$ 4.00
Diluted Net Income per Share of Common Stock	¥ 434.03	¥ 458.65	\$ 3.99

See accompanying notes.

Financial Data:

Consolidated Statement of Comprehensive Income

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the fiscal years ended March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Net Income	¥ 165,094	¥ 180,741	\$ 1,519
Other Comprehensive Income (Loss):			
Valuation Differences on Available-for-Sale Securities	(116,924)	(50,986)	(1,076)
Deferred Gains (Losses) on Hedges	(18,946)	(13,375)	(174)
Foreign Currency Translation Adjustments	(2,387)	676	(22)
Remeasurements of Defined Benefit Plans	(49,287)	(23,917)	(453)
Share of Other Comprehensive Income of Equity-Method Affiliated Companies	(1,523)	785	(14)
Total Other Comprehensive Income (Loss) (Note)	¥ (189,068)	¥ (86,815)	\$ (1,740)
Comprehensive Income:	¥ (23,974)	¥ 93,925	\$ (221)
Comprehensive Income Attributable to Owners of the Parent	(25,635)	87,148	(236)
Comprehensive Income Attributable to Non-Controlling Interests	1,660	6,777	15

See accompanying notes.

Consolidated Statement of Changes in Net Assets

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the fiscal years ended March 31, 2020 and 2019

From April 1, 2019 to March 31, 2020

	Millions of Yen				
	Shareholders' Equity				Total Shareholders' Equity
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	
Balance at the Beginning of the Year	¥ 261,608	¥ 645,003	¥ 1,387,592	¥ (51,222)	¥ 2,242,982
Changes during the Year					
Cash Dividends			(56,517)		(56,517)
Net Income Attributable to Owners of the Parent			163,028		163,028
Purchase of Treasury Stock				(17,494)	(17,494)
Disposal of Treasury Stock		(354)		1,835	1,481
Retirement of Treasury Stock		(64,024)		64,024	—
Purchase of Shares of Consolidated Subsidiaries		(29)			(29)
Sales of Shares of Consolidated Subsidiaries					—
Reversal of Revaluation Reserve for Land			925		925
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	(64,408)	107,437	48,366	91,395
Balance at the End of the Year	¥ 261,608	¥ 580,595	¥ 1,495,029	¥ (2,855)	¥ 2,334,377

	Millions of Yen								
	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Year	¥ 467,448	¥ (36,764)	¥ (5,698)	¥ 4,702	¥ (19,209)	¥ 410,478	¥ 1,062	¥ 75,832	¥ 2,730,356
Changes during the Year									
Cash Dividends									(56,517)
Net Income Attributable to Owners of the Parent									163,028
Purchase of Treasury Stock									(17,494)
Disposal of Treasury Stock									1,481
Retirement of Treasury Stock									—
Purchase of Shares of Consolidated Subsidiaries									(29)
Sales of Shares of Consolidated Subsidiaries									—
Reversal of Revaluation Reserve for Land									925
Net Changes of Items Other Than Shareholders' Equity	(115,989)	(20,001)	(925)	(3,369)	(49,303)	(189,589)	(5)	(41,249)	(230,843)
Total Changes during the Year	(115,989)	(20,001)	(925)	(3,369)	(49,303)	(189,589)	(5)	(41,249)	(139,448)
Balance at the End of the Year	¥ 351,459	¥ (56,765)	¥ (6,623)	¥ 1,332	¥ (68,513)	¥ 220,889	¥ 1,057	¥ 34,583	¥ 2,590,907

See accompanying notes.

From April 1, 2018 to March 31, 2019

	Millions of Yen				
	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Year	¥ 261,608	¥ 645,016	¥ 1,263,415	¥ (42,224)	¥ 2,127,816
Changes during the Year					
Cash Dividends			(49,343)		(49,343)
Net Income Attributable to Owners of the Parent			173,889		173,889
Purchase of Treasury Stock				(9,033)	(9,033)
Disposal of Treasury Stock		(0)		35	35
Retirement of Treasury Stock					—
Purchase of Shares of Consolidated Subsidiaries		(17)			(17)
Sales of Shares of Consolidated Subsidiaries		4			4
Reversal of Revaluation Reserve for Land			(369)		(369)
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	(13)	124,176	(8,998)	115,165
Balance at the End of the Year	¥ 261,608	¥ 645,003	¥ 1,387,592	¥ (51,222)	¥ 2,242,982

	Millions of Yen								
	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Year	¥ 516,663	¥ (22,746)	¥ (6,067)	¥ 4,281	¥ 4,720	¥ 496,851	¥ 799	¥ 246,858	¥ 2,872,325
Changes during the Year									
Cash Dividends									(49,343)
Net Income Attributable to Owners of the Parent									173,889
Purchase of Treasury Stock									(9,033)
Disposal of Treasury Stock									35
Retirement of Treasury Stock									—
Purchase of Shares of Consolidated Subsidiaries									(17)
Sales of Shares of Consolidated Subsidiaries									4
Reversal of Revaluation Reserve for Land									(369)
Net Changes of Items Other Than Shareholders' Equity	(49,214)	(14,017)	369	421	(23,930)	(86,372)	262	(171,025)	(257,135)
Total Changes during the Year	(49,214)	(14,017)	369	421	(23,930)	(86,372)	262	(171,025)	(141,969)
Balance at the End of the Year	¥ 467,448	¥ (36,764)	¥ (5,698)	¥ 4,702	¥ (19,209)	¥ 410,478	¥ 1,062	¥ 75,832	¥ 2,730,356

See accompanying notes.

From April 1, 2019 to March 31, 2020

	Millions of U.S. Dollars				
	Shareholders' Equity				Total Shareholders' Equity
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	
Balance at the Beginning of the Year	\$ 2,407	\$ 5,934	\$ 12,767	\$ (471)	\$ 20,637
Changes during the Year					
Cash Dividends			(520)		(520)
Net Income Attributable to Owners of the Parent			1,500		1,500
Purchase of Treasury Stock				(161)	(161)
Disposal of Treasury Stock		(3)		17	14
Retirement of Treasury Stock		(589)		589	—
Purchase of Shares of Consolidated Subsidiaries		(0)			(0)
Sales of Shares of Consolidated Subsidiaries					—
Reversal of Revaluation Reserve for Land			9		9
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	(593)	988	445	841
Balance at the End of the Year	\$ 2,407	\$ 5,342	\$ 13,755	\$ (26)	\$ 21,477

	Millions of U.S. Dollars								
	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Year	\$ 4,301	\$ (338)	\$ (52)	\$ 43	\$ (177)	\$ 3,777	\$ 10	\$ 698	\$ 25,121
Changes during the Year									
Cash Dividends									(520)
Net Income Attributable to Owners of the Parent									1,500
Purchase of Treasury Stock									(161)
Disposal of Treasury Stock									14
Retirement of Treasury Stock									—
Purchase of Shares of Consolidated Subsidiaries									(0)
Sales of Shares of Consolidated Subsidiaries									—
Reversal of Revaluation Reserve for Land									9
Net Changes of Items Other Than Shareholders' Equity	(1,067)	(184)	(9)	(31)	(454)	(1,744)	(0)	(380)	(2,124)
Total Changes during the Year	(1,067)	(184)	(9)	(31)	(454)	(1,744)	(0)	(380)	(1,283)
Balance at the End of the Year	\$ 3,234	\$ (522)	\$ (61)	\$ 12	\$ (630)	\$ 2,032	\$ 10	\$ 318	\$ 23,838

See accompanying notes.

Financial Data:

Consolidated Statement of Cash Flows

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the fiscal years ended March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Cash Flows from Operating Activities:			
Income before Income Taxes	¥ 240,721	¥ 241,340	\$ 2,215
Depreciation and Amortization	35,242	36,590	324
Impairment Losses	19,360	15,786	178
Amortization of Goodwill	9,422	9,468	87
Equity in Losses (Earnings) of Affiliated Companies	(9,929)	(5,967)	(91)
Increase (Decrease) in Allowance for Loan Losses	27,435	(3,149)	252
Increase (Decrease) in Provision for Bonuses	1,031	1,234	9
Increase (Decrease) in Provision for Directors' Bonuses	(171)	17	(2)
Increase (Decrease) in Provision for Stocks Payment	279	—	3
Decrease (Increase) in Assets for Retirement Benefits	53,840	26,516	495
Increase (Decrease) in Liabilities for Retirement Benefits	(150)	999	(1)
Increase (Decrease) in Provision for Reward Points Program	(1,393)	(175)	(13)
Increase (Decrease) in Provision for Reimbursement of Deposits	(383)	1,702	(4)
Increase (Decrease) in Provision for Contingent Losses	(2,025)	(1,162)	(19)
Interest Income	(489,366)	(507,007)	(4,502)
Interest Expenses	361,890	371,845	3,330
Loss (Gain) Related to Securities	(75,071)	(10,291)	(691)
Loss (Gain) on Money Held in Trust	1,030	(47)	9
Foreign Exchange Losses (Gains)	45,979	(38,601)	423
Loss (Gain) on Disposal of Fixed Assets	(2,423)	(715)	(22)
Net Decrease (Increase) in Trading Assets	(52,668)	(91,683)	(485)
Net Increase (Decrease) in Trading Liabilities	113,178	(7,376)	1,041
Net Decrease (Increase) in Loans and Bills Discounted	(680,583)	(981,229)	(6,262)
Net Increase (Decrease) in Deposits	(1,214,652)	1,432,360	(11,175)
Net Increase (Decrease) in Negotiable Certificates of Deposit	(468,330)	(234,713)	(4,309)
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowings)	1,832,583	(326,251)	16,861
Net Decrease (Increase) in Due from Banks (Excluding Due from the Bank of Japan)	(215,071)	334,528	(1,979)
Net Decrease (Increase) in Call Loans	(1,000,163)	(207,128)	(9,202)
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	19,153	(84,517)	176
Net Increase (Decrease) in Call Money	25,908	(215,448)	238
Net Increase (Decrease) in Payables under Securities Lending Transactions	(104,767)	63,468	(964)
Net Decrease (Increase) in Foreign Exchange-Assets	(16)	(11,382)	(0)
Net Increase (Decrease) in Foreign Exchange-Liabilities	2,755	(1,526)	25
Net Decrease (Increase) in Lease Receivables and Investment Assets	(20,432)	23,791	(188)
Net Increase (Decrease) in Short-Term Bonds Payable	234,311	409,917	2,156
Increase (Decrease) in Straight Bonds-Issuance and Redemption	(282,466)	(192,132)	(2,599)
Net Increase (Decrease) in Borrowed Money from Trust Account	(657,720)	476,319	(6,051)
Interest Received	512,084	519,157	4,711
Interest Paid	(376,605)	(361,941)	(3,465)
Other, Net	(215,869)	(221,931)	(1,986)
Subtotal	¥ (2,334,053)	¥ 460,661	\$ (21,474)
Income Taxes (Paid) Refunded	(61,252)	(86,343)	(564)
Net Cash Provided by (Used in) Operating Activities	¥ (2,395,306)	¥ 374,318	\$ (22,038)

(Continued)

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Cash Flows from Investing Activities:			
Purchase of Securities	¥ (6,064,069)	¥ (6,118,951)	\$ (55,792)
Proceeds from Sales of Securities	3,748,916	4,401,254	34,492
Proceeds from Redemption of Securities	1,732,611	1,543,239	15,941
Increase in Money Held in Trust	(6,900)	—	(63)
Purchase of Tangible Fixed Assets	(16,756)	(13,369)	(154)
Proceeds from Sales of Tangible Fixed Assets	7,380	2,650	68
Purchase of Intangible Fixed Assets	(31,497)	(29,045)	(290)
Purchase of Shares of Subsidiaries Resulting in Change in the Scope of Consolidation	(1,089)	—	(10)
Purchase of Shares of Affiliated Companies Accounted for Using the Equity Method	(54)	(11,178)	(1)
Net Cash Provided by (Used in) Investing Activities	¥ (631,459)	¥ (225,399)	\$ (5,810)
Cash Flows from Financing Activities:			
Repayments of Subordinated Borrowings	—	(20,000)	—
Proceeds from Issuance of Subordinated Bonds and Bonds with Subscription Rights to Shares	39,785	99,452	366
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares	(10,000)	—	(92)
Purchase of Shares of Subsidiaries without Change in the Scope of Consolidation	(71)	(47)	(1)
Proceeds from Sales of Shares of Subsidiaries without Change in the Scope of Consolidation	—	36	—
Repayments to Non-Controlling Interests	(41,000)	(152,000)	(377)
Cash Dividends Paid	(56,511)	(49,344)	(520)
Cash Dividends Paid to Non-Controlling Interests	(1,512)	(5,865)	(14)
Purchase of Treasury Stock	(17,494)	(9,033)	(161)
Proceeds from Sales of Treasury Stock	1,481	35	14
Net Cash Provided by (Used in) Financing Activities	¥ (85,323)	¥ (136,766)	\$ (785)
Effect of Exchange Rate Change on Cash and Cash Equivalents	¥ (7,654)	¥ (7,299)	\$ (70)
Net Increase (Decrease) in Cash and Cash Equivalents	¥ (3,119,743)	¥ 4,852	\$ (28,703)
Cash and Cash Equivalents at the Beginning of the Year	¥ 14,079,768	¥ 26,540,249	\$ 129,541
Net Increase (Decrease) in Cash and Cash Equivalents with Change in the Scope of Consolidation (Note 2)	¥ —	¥ (12,465,333)	\$ —
Cash and Cash Equivalents at the End of the Year (Note 1)	¥ 10,960,024	¥ 14,079,768	\$ 100,837

See accompanying notes.

Financial Data:

Notes to the Consolidated Financial Statements

Basis of Presentation of Financial Statements

The accompanying consolidated financial statements (banking account) have been prepared from the accounts maintained by Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings") and its consolidated subsidiaries (together, "SuMi TRUST Group") in accordance with the accounting principles generally accepted in Japan 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 consolidated financial statements, the consolidated financial statements of SuMi TRUST Holdings 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 consolidated financial statements are stated in Japanese yen, the currency of the country in which SuMi TRUST Holdings 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 ¥108.69 to U.S. \$1, the approximate rate of exchange as of March 31, 2020. 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 as of March 31, 2020:

62 companies

Principal Company:

Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank")

Changes in the consolidated subsidiaries during the current fiscal year are as follows:

Sumitomo Mitsui Trust Life Partners Co., Ltd. and three other companies are included in the scope of the consolidation due mainly to the acquisition of their shares from the fiscal year ended March 31, 2020.

CMTH Preferred Capital 7 (Cayman) Limited and two other companies are excluded from the scope of consolidation due to liquidation effective from the fiscal year ended March 31, 2020.

(2) Unconsolidated Subsidiaries

Principal Companies:

Hummingbird Co., Ltd.

ASIA GATEWAY I, L.P.

Hummingbird Co., Ltd. and 22 other companies are excluded from the scope of consolidation in accordance with Article 5, Paragraph 1, Item 2 of the Consolidated Financial Statements Regulations because they are operators 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 SuMi TRUST Holdings' interest in subsidiaries), retained earnings (amount corresponding to SuMi TRUST Holdings' interest in subsidiaries), accumulated other comprehensive income (amount corresponding to SuMi TRUST Holdings' interest in subsidiaries), and other financial data.

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:
34 companies
Principal Companies:
SBI Sumishin Net Bank, Ltd.

Changes in the affiliated companies accounted for by the equity method during the current fiscal year are as follows:

UBS SuMi TRUST Wealth Advisory, Ltd. and three other companies are newly established and included in the scope of application of the equity method from the fiscal year ended March 31, 2020.

(3) Unconsolidated Subsidiaries and Affiliated Companies that are Not Accounted for by the Equity Method:

Principal Companies:

Hummingbird Co., Ltd.

ASIA GATEWAY I, L.P.

Hummingbird Co., Ltd. and 22 other companies are excluded from the scope of the application of the equity method in accordance with Article 10, Paragraph 1, Item 2 of the Consolidated Financial Statements Regulations because they are operators engaged in leasing activities through silent partnership arrangements, and their assets and profits/

losses do not belong to the subsidiaries.

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

3. Balance Sheet Dates of the Consolidated Subsidiaries

(1) Balance sheet dates of consolidated subsidiaries are as follows:

April 30:	2 companies
May 31:	1 company
August 31:	1 company
September 30:	5 companies
November 30:	1 company
December 31:	6 companies
March 31:	46 companies

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

- Consolidated subsidiaries with a balance sheet date of April 30: Provisionally prepared financial statements as of January 31
- A consolidated subsidiary with a balance sheet date of May 31: Provisionally prepared financial statements as of February 28
- A consolidated subsidiary with a balance sheet date of August 31: Provisionally prepared financial statements as of February 28
- Consolidated subsidiaries with a balance sheet date of September 30: Provisionally prepared financial statements as of March 31
- A consolidated subsidiary with a balance sheet date of November 30: Provisionally prepared financial statements as of February 28
- The other consolidated subsidiaries: Financial statements as of their respective balance sheet dates.

Material transactions arising between the consolidated balance sheet date, March 31, 2020, and the above balance sheet dates of consolidated subsidiaries have been reflected in the 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 consolidated balance sheet on a trade-date basis, and gains and losses from such transactions are presented as "Trading Income" or "Trading Expenses" in the consolidated statement of income.

For the measurement of trading assets and trading liabilities, securities and monetary claims are stated at their fair values as of the consolidated balance sheet date, and trading-related financial derivatives, such as swaps, futures, and options, are stated at the amounts that would be settled if they were terminated on the consolidated balance sheet date.

Trading income and trading expenses include interest income or expenses, adjusting valuation differences of securities and monetary claims during the fiscal year and differences in resulting gains or losses from the settlement of financial derivatives assuming that the settlement was made in cash as of March 31, 2020 and 2019.

(2) Securities

(a) Under the accounting standards for financial instruments in Japan, SuMi TRUST Holdings 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. "Available-for-Sale Securities" are, in principle, valued at the market price at the balance sheet date (cost of securities sold is calculated using primarily the moving-average method). "Available-for-Sale Securities" for which their fair values are extremely difficult to be determined 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 consolidated balance sheet.

(b) Securities in money held in trust are classified and accounted for in the same manner as those described in 4. (1)

and 4. (2) (a) above.

(3) Financial Derivatives

Financial derivatives, excluding those for trading purposes, are stated at fair value.

(4) Depreciation and Amortization Methods

(a) Tangible fixed assets other than lease assets

Tangible fixed assets are depreciated using primarily the straight-line method.

Useful lives of major asset categories:

Buildings: 3 to 60 years

Others: 2 to 20 years

(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 SuMi TRUST Holdings or the consolidated subsidiaries, generally five years.

(c) Lease assets

The lease assets under "Tangible Fixed Assets" and "Intangible Fixed Assets" that are related to finance leases that do not transfer ownership of the lease assets to lessees are depreciated using the straight-line method over the lease term, assuming a residual value of zero.

(5) Allowance for Loan Losses

The major domestic consolidated subsidiaries record allowance for loan losses in accordance with internally established criteria for write-offs and allowance for loan losses.

For claims against borrowers that have initiated special liquidation proceedings or other bankruptcy proceedings ("legal bankruptcy") and against borrowers that are in substantially similar adverse condition ("virtual bankruptcy"), the allowance is provided based on the amount of claims, after the write-off stated below, net of the expected amount of recoveries from collateral and guarantees. For claims against borrowers that have not yet initiated bankruptcy proceedings, but are very likely to become bankrupt in the future ("possible bankruptcy"), an allowance is provided for the amount deemed necessary based on the overall assessment of the borrowers' solvency, after deducting the amount expected to be collected through the disposal of collateral or execution of guarantees from the claims.

For claims against large borrowers with certain credit risks and credit amounts that are classified as possible bankruptcy borrowers, restructured loan borrowers, or close-observation borrowers, if future cash flows from collection of the principal and interest can be reasonably estimated, the allowance is provided for the difference between the present value of

expected future cash flows discounted at the contracted interest rate prior to the loan restructuring and the carrying amount of the claim (the "estimated cash flow method").

For claims that are classified as other than those above, the allowance is provided based on the estimated loan losses over the next one to three years, which are calculated based on the average historical loan-loss ratios during a certain period on the basis of historical loan losses over the past one to three years.

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 ¥22,391 million (U.S. \$206 million) and ¥17,877 million as of March 31, 2020 and 2019, respectively.

Additional Information

Some of its consolidated subsidiaries made necessary modifications to the historical loan-loss ratios concerning the impact of COVID-19 on the borrowers.

In particular, some of its consolidated subsidiaries identified industries and products (collectively the "industries") that may be affected by downturn of business performance due to the spread of COVID-19, and recorded additional allowance for loan losses for estimated credit losses in the future assuming that internal ratings of certain credits of the industries will be downgraded to some extent.

(6) Provision for Bonuses

A provision for bonuses is provided for the estimated employee bonuses attributable to the current fiscal year.

(7) Provision for Directors' Bonuses

A provision for directors' bonuses is provided at SuMi TRUST Holdings and some of the consolidated subsidiaries for the estimated directors' bonuses attributable to the

current fiscal year.

(8) Provision for Stocks Payment

A provision for stocks payment is provided at SUMI TRUST Holdings and some of the consolidated subsidiaries for the estimated stock-based payments to directors under a stock compensation system attributable to the current fiscal year.

(9) Provision for Reward Points Program

A provision for reward points program is provided for the use of points granted to holders of Diners Club Card and other credit cards in the amount deemed necessary based on the reasonable estimates of the points to be used in the future.

(10) Provision for Reimbursement of Deposits in Dormant Accounts

At SuMi TRUST Bank, 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.

(11) Provision for Contingent Losses

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

(12) Accounting for Retirement Benefits

In determining the retirement benefit obligations, projected benefits to the periods up to the year ended March 31, 2020, are attributed based on the plan's benefit formula.

Past service cost and actuarial gains or losses are expensed using the following methods:

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

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

Some consolidated subsidiaries adopt the simplified method in calculating liabilities for retirement benefits and retirement benefit expenses for lump-sum retirement benefit plans, recording liabilities at amounts that would be required for voluntary termination at the year-end.

(13) Foreign Currency Translation

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

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

(14) 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 sales when lease payments are collected.

(15) Hedge Accounting

(a) Interest-related risk hedge

SuMi TRUST Bank manages 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 of February 13, 2002, "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), SuMi TRUST Bank has adopted "Macro Hedge Accounting" to account for certain interest-related derivatives, which are utilized to manage interest rate risk arising from transactions, such as loans and bills discounted, and deposits. Deferred gains (losses) on hedges in the consolidated balance sheet as of the end of the current fiscal year that have resulted from existing "Macro Hedge Accounting" are amortized over the remaining period designated under "Macro Hedge Accounting" of each hedging transaction.

Deferred losses on hedges associated with “Macro Hedge Accounting” were ¥35 million (U.S. \$0.3 million) and ¥58 million (before tax effect) as of March 31, 2020 and 2019, respectively.

(b) Currency-related risk hedge

SuMi TRUST Bank manages the foreign exchange risk arising from various assets and liabilities denominated in foreign currencies 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 of July 29, 2002, “Report No. 25”). The effectiveness of hedging instruments, such as cross-currency swaps and foreign exchange swaps, as a means of mitigating 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, which are the hedged items.

Additionally, transactions intended to hedge the foreign exchange 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 foreign currency payables of spot and forward foreign exchange contracts exist in excess of the acquisition cost of such foreign-denominated securities on a foreign currency basis.

The foreign exchange risk associated with investment in the shares of stocks in foreign subsidiaries and affiliated companies is individually hedged using forward exchange contracts denominated in the same currency, and foreign currency translation adjustments arising from the hedging instruments are included in “Foreign Currency Translation Adjustments.”

(c) Internal hedge transactions and others

Among derivatives transactions of SuMi TRUST Bank that take place between consolidated subsidiaries or that are made internally between 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 profits or losses, or deferred, rather than eliminated.

Deferred hedge accounting has 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.

(16) Amortization of Goodwill

Goodwill is amortized over a period within 20 years that is reasonably determined for each case. Goodwill deemed immaterial, however, is expensed as incurred.

(17) Scope of Cash and Cash Equivalents in the Consolidated Statement of Cash Flows

The balance of “Cash and Cash Equivalents” in the consolidated statement of cash flows is equivalent to the balance of “Cash and Due from Banks” presented in the consolidated balance sheet (cash and due from the Bank of Japan for SuMi TRUST Bank).

(18) National and Local Consumption Taxes

National and local consumption taxes (“consumption taxes”) payable by SuMi TRUST Holdings 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 fiscal year.

(19) Adoption of consolidated Tax Return System

Sumi Trust Holdings has adopted the consolidated tax return system from the fiscal year ended March 31, 2020.

(20) Adoption of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System

SuMi TRUST Bank and some of its consolidated subsidiaries in Japan did not adopt Paragraph 44 of “Implementation Guidance on Tax Effect Accounting” (Accounting Standards Board of Japan (ASBJ) Guidance No. 28, February 16, 2018) in accordance with Paragraph 3 of “Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System” (ASBJ Practical Issues Task Force (PITF) No. 39, March 31, 2020) and account for deferred tax assets and deferred tax liabilities based on the tax regulations before the revision. Such treatment is adopted on items transitioned to group tax sharing system established under “The Law Revising a Portion of Income Tax Law” (Act No. 8, 2020) and single taxation system items revised in conjunction with the transition to the group tax sharing system.

New Accounting Standards and Interpretations Not Yet Adopted

The following standard and guidance were issued but not yet adopted.

1. Accounting Standard for Revenue Recognition

- Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020)
- Implementation Guidance on Accounting Standard for Revenue Recognition (ASBJ Guidance No. 30, March 31, 2020)

(1) Overview

The above standard and guidance provide comprehensive principles for revenue recognition. Under the standard and guidance, revenue is recognized by applying following 5 steps:

- Step 1: Identify contract(s) with customers.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligation in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

(2) Effective date

Effective from the beginning of the fiscal year ending March 31, 2022.

(3) Effects of the application of the standards

SuMi TRUST Holdings is currently in the process of determining the effects of these new standards on the consolidated financial statements.

2. Accounting Standard for Fair Value Measurement

- Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30, July 4, 2019)
- Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, July 4, 2019)
- Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019)
- Implementation Guidance on Disclosures about Fair Value of Financial Instruments (ASBJ Guidance No. 19, March 31, 2020)

(1) Overview

"Accounting Standards for Fair Value Measurement" and

"Implementation Guidance on Accounting Standard for Fair Value Measurement" ("the standard and guidance for fair value measurement") are developed in order to enhance comparability with international accounting standards and, provide guidance for methods of fair value measurement. The standard and guidance for fair value measurement are adopted to fair value measurement of the following item:

- Financial instruments defined in "Accounting Standard for Financial Instruments"

In addition, "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" has been revised and specified what to disclose in the notes, such as the breakdown by the levels of the fair value hierarchy of financial instruments.

(2) Effective date

Effective from the beginning of the fiscal year ending March 31, 2022.

(3) Effects of the application of the standards

SuMi TRUST Holdings is currently in the process of determining the effects of these new standards on the consolidated financial statements.

3. Accounting Standard for Disclosure of Accounting Estimates

- "Accounting Standard for Disclosure of Accounting Estimates" (ASBJ Statement No. 31, March 31, 2020)

(1) Overview

The above standard is developed in order to disclose and enhance the understanding of the financial statement users on the details of accounting estimates of the items with risks of significantly affecting the financial statements of the next fiscal year, with regard to the amounts based on the accounting estimates recorded in the financial statements for the fiscal year ended March 31, 2020.

(2) Effective date

Effective from the end of the fiscal year ending March 31, 2021.

4. Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections (ASBJ Statement No. 24, March 31, 2020)

(1) Overview

The above standard provides the overview of the principles and procedures of the accounting process applied when the relevant accounting standards are unclear.

(2) Effective date

Effective from the end of the fiscal year ending March 31, 2021.

Additional Information

Share Delivery Trust for the Directors

1. Overview

From the period ended March 31, 2020, a Performance-Based Stock Compensation System (the "System") was introduced that utilizes a trust, and applies to SuMi Trust Holdings' directors (excluding directors who are Audit Committee members and external directors) and executive officers (as defined in the Companies Act and in SuMi Trust Holdings' internal policies), and the directors (excluding directors who are Audit and Supervisory Committee members and external directors) and executive officers (as defined in the internal policies) of SuMi TRUST Bank and Sumitomo Mitsui Trust Asset Management Co., Ltd. ("SuMi TRUST AM"), which are core companies of the SuMi TRUST Group. The above mentioned directors and executive officers of SuMi TRUST Holdings, SuMi TRUST Bank, and SuMi TRUST AM are collectively referred to as the "Directors."

Under the System, a portion of the remuneration of the Directors is linked to performance targets set out in SuMi TRUST Holdings' current Midterm Management Plan. By

paying part of the remuneration for Directors in shares, the linkage between the remuneration of the Directors and the performance of the SuMi TRUST Group becomes clearer, and the Directors share the same benefits and risks of share price fluctuations with the shareholders. Through these initiatives, the System is designed to heighten the Director's attention to enhancement of medium- and long-term business performance and the corporate value of the SuMi TRUST Group.

SuMi TRUST Holdings contributes money to a trust set up under the System, and the trust acquires shares of SuMi TRUST Holdings. The Directors are awarded points based on the Shares Delivery Rules established individually by SuMi TRUST Holdings, SuMi TRUST Bank, and SuMi TRUST AM, and the number of shares of SuMi TRUST Holdings corresponding to the points granted are issued to the Directors through the trust.

2. Remaining Number of Shares of SuMi TRUST Holdings Held by the Trust

The carrying amount and the number of shares of SuMi TRUST Holdings held by the Trust as of March 31, 2020, were ¥1,469 million (U.S. \$14 million) and 429 thousand shares. The shares are recorded as treasury stock in the net assets section of the consolidated balance sheet as of March 31, 2020.

Notes to the Consolidated Balance Sheet**1. Trading Assets and Trading Liabilities**

(1) Trading assets as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Securities in Trading Account	¥ 6,096	¥ 106,883	\$ 56
Derivatives of Trading Securities	13	—	0
Derivatives of Securities Related to Trading Transactions	498	537	5
Trading-Related Financial Derivatives	450,031	291,252	4,141
Other Trading Assets	51,006	56,305	469
Total	¥ 507,646	¥ 454,978	\$ 4,671

(2) Trading liabilities as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Derivatives of Trading Securities	¥ —	¥ 35	\$ —
Derivatives of Securities Related to Trading Transactions	—	55	—
Trading-Related Financial Derivatives	371,950	258,681	3,422
Total	¥ 371,950	¥ 258,771	\$ 3,422

2. Securities

Securities held as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Government Bonds	¥ 1,480,969	¥ 420,371	\$ 13,626
Local Government Bonds	14,785	8,764	136
Corporate Bonds	671,856	613,432	6,181
Stocks	1,333,637	1,588,618	12,270
Other Securities	2,936,350	3,128,316	27,016
Total	¥ 6,437,599	¥ 5,759,504	\$ 59,229

"Securities" include stocks and equity investments in unconsolidated subsidiaries and affiliated companies as follows:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Stocks	¥ 153,657	¥ 147,664	\$ 1,414
Equity Investments	33,528	43,364	308

Securities borrowed under unsecured loan agreements and securities purchased under resale agreements or borrowed with cash collateral that SuMi TRUST Holdings has a right to freely sell or repledge, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Securities that are Further Collateralized	¥ 1,197,832	¥ 109,732	\$ 11,021
Securities that are Further Loaned	1,139,619	1,400,284	10,485
Securities Held without Selling or Repledging as of the End of the Fiscal Year	—	26,550	—

The bonds presented under "Securities" included guarantee obligations on corporate bonds that were placed through private securities offerings (Article 2, Paragraph 3 of the Financial Instruments and Exchange Act) amounting to ¥91,755 million (U.S. \$844 million) and ¥88,611 million as of March 31, 2020 and 2019, respectively.

3. Loans and Bills Discounted

Loans and bills discounted as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Bills Discounted	¥ 1,123	¥ 1,709	\$ 10
Loans on Bills	217,701	222,160	2,003
Loans on Deeds	27,801,810	27,185,584	255,790
Overdrafts	1,682,740	1,616,266	15,482
Total	¥ 29,703,375	¥ 29,025,720	\$ 273,285

Bills discounted are treated as financial transactions in accordance with Report No. 24. SuMi TRUST Holdings has a right to freely sell or (re-)pledge such commercial bills.

Loans and bills discounted as of March 31, 2020 and 2019, included the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Loans in Bankruptcy Proceedings	¥ 4,998	¥ 7,096	\$ 46
Delinquent Loans	53,112	70,358	489
Loans Past Due Three Months or More	3,341	—	31
Restructured Loans	38,964	23,255	358
Total	¥ 100,416	¥ 100,710	\$ 924

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”), and that meet the conditions 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).

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.

Loans past due three months or more 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 delinquent loans.

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, delinquent loans, or loans past due three months or more.

4. Assets Pledged

Assets pledged as collateral as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Assets Pledged as Collateral:			
Trading Assets	¥ 3,000	¥ 31,497	\$ 28
Securities	2,039,182	745,379	18,761
Loans and Bills Discounted	5,333,699	5,022,262	49,073
Lease Receivables and Investment Assets	57,605	59,711	530
Other Assets	99,232	359,914	913
Total	¥ 7,532,720	¥ 6,218,765	\$ 69,305
Corresponding Liabilities to Assets Pledged as Collateral:			
Deposits	¥ 22,045	¥ 7,943	\$ 203
Call Money and Bills Sold	54,345	—	500
Payables under Repurchase Agreements	582,927	787,052	5,363
Payables under Securities Lending Transactions	—	104,767	—
Borrowed Money	3,723,322	2,751,266	34,256

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
	2020	2019	2020
Securities	¥ 329,749	¥ 396,037	\$ 3,034

“Other Assets” include initial margins of futures, security deposits, cash collateral pledged for financial instruments, and cash collateral pledged for repurchase agreement transactions. Such amounts are as follows:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Initial Margins of Futures Markets	¥ 8,204	¥ 7,242	\$ 75
Security Deposits	23,654	26,671	218
Cash Collateral Pledged for Financial Instruments-Assets	801,997	609,432	7,379
Cash Collateral Pledged for Repurchase Agreement Transactions	8,759	11,067	81

5. Overdraft Facility Agreements and Commitment Lines of Credit

Overdraft facility agreements and commitment 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 amounts of unused credit under such agreements were ¥12,416,801 million (U.S. \$114,241 million) and ¥12,344,898 million, of which ¥8,133,494 million (U.S. \$74,832 million) and ¥8,098,841 million were attributable to agreements expiring within one year or which may be unconditionally canceled at any time, as of March 31, 2020 and 2019, respectively.

The balance of unused credit will not necessarily affect the

future cash flows of the consolidated subsidiaries because most of these agreements expire without credit being extended. Most of these agreements contain clauses allowing the consolidated subsidiaries to reject requests for credit outright or reduce the credit limits due to changed financial circumstances, the need to preserve claims, or other reasonable causes. Besides requesting collateral, such as real estate or securities, as necessary at the time of entering into the agreement, SuMi TRUST Holdings 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.

6. Tangible Fixed Assets

Tangible fixed assets as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Land	¥ 114,713	¥ 109,109	\$ 1,055
Buildings	73,926	74,053	680
Lease Assets	5,178	4,494	48
Construction in Progress	370	244	3
Other	19,358	23,410	178
Total	¥ 213,547	¥ 211,312	\$ 1,965

Accumulated depreciation amounted to ¥167,302 million (U.S. \$1,539 million) and ¥156,544 million, and advance depreciation amounted to ¥26,175 million (U.S. \$241 million) and ¥26,357 million as of March 31, 2020 and 2019, respectively.

In accordance with the Act on Revaluation of Land (Act No. 34, promulgated on March 31, 1998), land for commercial use of SuMi TRUST Bank was revalued, and the amount equivalent to the taxes on the resulting valuation difference was recorded as a "Deferred Tax Liabilities for Land Revaluation" in liabilities, and the amount net of such difference was recorded as a "Revaluation Reserve for Land" in net assets.

Revaluation date: March 31, 1999

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

The revaluation was calculated by reasonably adjusting the value of land based on the posted prices for benchmark properties as prescribed by Item 1 of Article 2 of the "Order for Enforcement of the Act on Revaluation of Land" (Cabinet Order No. 119, promulgated on March 31, 1998) and the land assessments under Item 4 of Article 2 of the same Order.

Differences between the fair value and the revalued carrying amount of the land for commercial use subject to Article 10 of the Act were ¥710 million (U.S. \$7 million) and ¥1,495 million as of March 31, 2020 and 2019, respectively.

7. Intangible Fixed Assets

Intangible fixed assets as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Software	¥ 79,211	¥ 83,108	\$ 729
Goodwill	45,087	60,092	415
Lease Assets	0	0	0
Other	5,156	8,227	47
Total	¥ 129,455	¥ 151,429	\$ 1,191

8. Other Assets

Other assets as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Domestic Exchange Settlement Account, Debit	¥ 1,057	¥ 951	\$ 10
Prepaid Expenses	7,640	7,284	70
Accrued Income	147,844	156,308	1,360
Initial Margins of Futures Markets	8,204	7,242	75
Variation Margins of Futures Markets	1,994	1,837	18
Financial Derivatives Other Than Trading Assets	429,705	295,325	3,953
Receivables for Securities Transactions	192,369	403,454	1,770
Cash Collateral Pledged for Financial Instruments-Assets	801,997	609,432	7,379
Other	533,230	541,825	4,906
Total	¥ 2,124,043	¥ 2,023,664	\$ 19,542

9. Deposits

Deposits as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Current Deposits, Ordinary Deposits, Saving Deposits and Deposits at Notice	¥ 8,527,615	¥ 9,577,759	\$ 78,458
Time Deposits	20,767,636	21,140,313	191,072
Other	1,393,668	1,185,498	12,822
Total	¥ 30,688,920	¥ 31,903,572	\$ 282,353

10. Borrowed Money

Borrowed money as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Subordinated Borrowings	¥ 60,000	¥ 60,000	\$ 552
Other Borrowed Money	5,796,384	3,963,801	53,330
Total	¥ 5,856,384	¥ 4,023,801	\$ 53,882

Weighted average interest rates on borrowed money were 0.24% and 0.42% for the fiscal years ended March 31, 2020 and 2019, respectively.

Annual maturities of borrowed money as of March 31, 2020, for the next five years are as follows:

Fiscal Years Ending March 31	Millions of Yen	Millions of U.S. Dollars
	2020	2020
2021	¥ 2,980,182	\$ 27,419
2022	1,285,691	11,829
2023	182,797	1,682
2024	727,164	6,690
2025	54,221	499
Total	¥ 5,230,057	\$ 48,119

11. Bonds Payable

Bonds payable as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Perpetual Subordinated Bonds	¥ 340,000	¥ 340,000	\$ 3,128
Subordinated Bonds	590,958	561,087	5,437
Other Bonds Payable	194,773	477,240	1,792
Total	¥ 1,125,731	¥ 1,378,328	\$ 10,357

Annual maturities of bonds payable as of March 31, 2020, for the next five years are as follows:

Fiscal Years Ending March 31	Millions of Yen	Millions of U.S. Dollars
	2020	2020
2021	¥ 1,938,173	\$ 17,832
2022	50,000	460
2023	60,000	552
2024	30,000	276
2025	46,500	428
Total	¥ 2,124,673	\$ 19,548

12. Borrowed Money from Trust Account

Borrowed money from trust account represents surplus funds in the trust accounts loaned to the banking account and utilized.

13. Other Liabilities

Other liabilities as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Domestic Exchange Settlement Account, Credit	¥ 1,123	¥ 807	\$ 10
Income Taxes Payable	20,131	25,133	185
Accrued Expenses	88,342	103,546	813
Unearned Income	80,246	78,715	738
Variation Margins of Futures Markets	977	—	9
Financial Derivatives Other Than Trading Liabilities	539,042	351,549	4,959
Lease Obligations	9,854	9,538	91
Asset Retirement Obligations	4,133	4,439	38
Payables for Securities Transactions	102,882	85,024	947
Provision for Loss on Interest Repayment	41	50	0
Cash Collateral Accepted for Financial Instruments-Liabilities	134,626	111,555	1,239
Other	234,031	224,063	2,153
Total	¥1,215,433	¥ 994,424	\$11,183

Notes to the Consolidated Statement of Income

1. Other Interest Income and Expenses

(1) Other interest income for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Interest on Monetary Claims Bought	¥ 5,217	¥ 3,872	\$ 48
Others	4,422	4,515	41
Total	¥ 9,640	¥ 8,387	\$ 89

(2) Other interest expenses for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Interest on Interest Rate Swaps	¥ 42,586	¥ 36,348	\$ 392
Others	18,577	22,116	171
Total	¥ 61,163	¥ 58,465	\$ 563

2. Trading Income and Expenses

(1) Trading income for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Net Income from Trading Securities and Derivatives	¥ 787	¥ 423	\$ 7
Net Income from Trading Transactions	1,034	583	10
Net Income from Trading-Related Financial Derivatives Transactions	100,309	26,022	923
Other Trading Income	57	64	1
Total	¥102,189	¥ 27,093	\$ 940

(2) Trading expenses were not incurred during the fiscal years ended March 31, 2020 and 2019.

3. Other Ordinary Income and Expenses

(1) Other ordinary income for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Net Gains on Foreign Exchange Transactions	¥ 50,064	¥ 96,385	\$ 461
Gains on Sales and Redemption of Bonds	46,682	19,689	430
Others	253,031	240,852	2,328
Total	¥ 349,778	¥ 356,927	\$ 3,218

(2) Other ordinary expenses for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Losses on Sales and Redemption of Bonds	¥ 11,338	¥ 23,106	\$ 104
Others	269,150	226,545	2,476
Total	¥ 280,488	¥ 249,652	\$ 2,581

4. Other Income and Expenses

(1) Other income for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Gains on Sales of Stocks and Other Securities	¥ 65,336	¥ 45,299	\$ 601
Gains on Money Held in Trust	45	47	0
Recoveries of Written-Off Claims	1,149	1,908	11
Equity in Earnings of Affiliated Companies	9,929	5,967	91
Gains on Disposal of Fixed Assets	3,154	1,518	29
Others	16,066	16,885	148
Total	¥ 95,680	¥ 71,626	\$ 880

(2) Other expenses for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Provision for Allowance for Loan Losses	¥ 39,972	¥ 209	\$ 368
Losses on Sales of Loans	972	11	9
Write-Off of Loans	3,475	4,395	32
Losses on Sales of Stocks and Other Securities	12,672	28,110	117
Losses on Impairment of Stocks and Other Securities	12,495	3,479	115
Losses on Money Held in Trust	1,076	—	10
Losses on Disposal of Fixed Assets	731	802	7
Losses on Impairment of Fixed Assets	19,360	15,786	178
Losses on Investment in Partnerships	2,397	2,898	22
Others	19,180	21,994	176
Total	¥ 112,333	¥ 77,688	\$ 1,034

5. General and Administrative Expenses

General and administrative expenses for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Taxes Other Than Income Taxes	¥ 17,796	¥ 16,340	\$ 164
Personnel Expenses	192,824	193,197	1,774
Others	222,834	221,613	2,050
Total	¥ 433,455	¥ 431,151	\$ 3,988

Note to the Consolidated Statement of Comprehensive Income**Reclassification Adjustments and the Related Tax Effects Concerning Other Comprehensive Income**

Reclassification adjustments and the related tax effects concerning other comprehensive income for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Valuation Difference on Available-for-Sale Securities:			
Changes during the Period	¥ (94,298)	¥ (66,133)	\$ (868)
Reclassification Adjustments	(73,243)	(6,622)	(674)
Before Tax Effects	(167,541)	(72,756)	(1,541)
Tax Effects	50,617	21,769	466
Valuation Difference on Available-for-Sale Securities	(116,924)	(50,986)	(1,076)
Deferred Gains (Losses) on Hedges:			
Changes during the Period	(72,505)	(55,533)	(667)
Reclassification Adjustments	42,592	36,309	392
Before Tax Effects	(29,912)	(19,224)	(275)
Tax Effects	10,965	5,849	101
Deferred Gains (Losses) on Hedges	(18,946)	(13,375)	(174)
Foreign Currency Translation Adjustments:			
Changes during the Period	(2,387)	676	(22)
Reclassification Adjustments	—	—	—
Before Tax Effects	(2,387)	676	(22)
Tax Effects	—	—	—
Foreign Currency Translation Adjustments	(2,387)	676	(22)
Remeasurements of Defined Benefit Plans:			
Changes during the Period	(73,035)	(37,173)	(672)
Reclassification Adjustments	2,021	2,628	19
Before Tax Effects	(71,014)	(34,545)	(653)
Tax Effects	21,727	10,628	200
Remeasurements of Defined Benefit Plans	(49,287)	(23,917)	(453)
Share of Other Comprehensive Income of Equity-Method Affiliated Companies:			
Changes during the Period	(1,242)	419	(11)
Reclassification Adjustments	(280)	366	(3)
Share of Other Comprehensive Income of Equity-Method Affiliated Companies	(1,523)	785	(14)
Total Other Comprehensive Income (Loss)	¥ (189,068)	¥ (86,815)	\$ (1,740)

Notes to the Consolidated Statement 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 fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Thousands of Shares				
	Authorized	Number of Shares Outstanding at the Beginning of the Fiscal Year	Increase	Decrease	Number of Shares Outstanding at the End of the Fiscal Year
March 31, 2020					
Number of Issued Shares:					
Common Share	850,000	390,348	—	15,057	375,291
Treasury Stock:					
Common Share		11,751	4,492	15,488	755

(Notes)

1) The number of shares of common stock decreased by 15,057 thousand shares due to cancellation.

2) The number of shares of common stock held as treasury stock increased by 4,492 thousand shares and its breakdown is as follows.

- Increased by 6 thousand shares due to the purchase of odd-lot or less than one thousand shares.
- Increased by 4,057 thousand shares due to the acquisition of treasury stock which was resolved at the meeting of the board of directors held on May 15, 2019.
- Increased by 429 thousand shares due to the acquisition under share delivery trust for the Directors.

3) The number of shares of common stock held as treasury stock decreased by 15,488 thousand shares and its breakdown is as follows.

• Decreased by 0 thousand shares due to purchase requests from odd-lot or less than one thousand shareholders.

• Decreased by 2 thousand shares due to transfer of shares upon exercise of stock option rights.

• Decreased by 429 thousand shares due to the sales under the share delivery trust for the Directors system.

• Decrease by 15,057 thousand shares due to cancellation.

4) The number of shares of common stock held as treasury stock at the end of the fiscal year include 429 thousand shares of SuMi TRUST Holdings held by share delivery trust for the Directors. The increase in the number of shares of common stock with regard to share delivery trust for the Directors is 429 thousand shares as of March 31, 2020.

	Thousands of Shares				
	Authorized	Number of Shares Outstanding at the Beginning of the Fiscal Year	Increase	Decrease	Number of Shares Outstanding at the End of the Fiscal Year
March 31, 2019					
Number of Issued Shares:					
Common Share	850,000	390,348	—	—	390,348
Treasury Stock:					
Common Share		9,816	1,943	8	11,751

(Notes)

1) The number of shares of common stock held as treasury stock increased by 7 thousand shares due to the purchase of odd-lot or less than one thousand shares and by 1,935 thousand shares due to the acquisition of treasury stock, which was resolved at the meeting of the board of directors held on May 11, 2018.

2) The number of shares of common stock held as treasury stock decreased by 0 thousand shares due to purchase requests from odd-lot or less than one thousand shareholders and by 8 thousand shares due to transfer of shares upon exercise of stock option rights.

2. Subscription Rights to Shares

Subscription rights to shares for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

		Millions of Yen		Millions of U.S. Dollars
		2020	2019	2020
SuMi TRUST Holdings	Subscription Rights to Shares as Stock Options	¥ 1,057	¥ 1,062	\$ 10

3. Dividends

Dividends paid for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

As for the fiscal year ended March 31, 2020:

Resolution	Type of Shares	Cash Dividends Declared Millions of Yen (Millions of U.S. Dollars)	Dividend Resources	Cash Dividends per Share Yen (U.S. Dollars)	Record Date	Effective Date
June 27, 2019						
Ordinary General Meeting of Shareholders	Common Share	¥ 28,394 (\$261)	Retained Earnings	¥ 75.00 (\$0.69)	March 31, 2019	June 28, 2019

Resolution	Type of Shares	Cash Dividends Declared Millions of Yen (Millions of U.S. Dollars)	Dividend Resources	Cash Dividends per Share Yen (U.S. Dollars)	Record Date	Effective Date
November 13, 2019						
Board of Directors' Meeting	Common Share	¥ 28,122 (\$259)	Retained Earnings	¥ 75.00 (\$0.69)	September 30, 2019	December 3, 2019

(Note) Cash dividends declared at the Board of Directors' Meeting held on November 13, 2019 include ¥32 million (U.S. \$0.3 million) of dividends for treasury stock held by the share delivery trust for the Directors.

Dividends with a record date during the current fiscal year ended March 31, 2020, but whose effective date is after March 31, 2020, are as follows:

Resolution	Type of Shares	Cash Dividends Declared	Dividend Resources	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen (Millions of U.S. Dollars)		Yen (U.S. Dollars)		
June 26, 2020						
Ordinary General Meeting of Shareholders	Common Share	¥ 28,122 (\$259)	Retained Earnings	¥ 75.00 (\$0.69)	March 31, 2020	June 29, 2020

(Note) Cash dividends declared in Ordinary General Meeting of Shareholders held on June 26, 2020 include ¥32 million (U.S. \$0 million) of dividends for treasury stock held by the share delivery trust for the Directors.

As for the fiscal year ended March 31, 2019:

Resolution	Type of Shares	Cash Dividends Declared	Dividend Resources	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen		Yen		
June 28, 2018						
Ordinary General Meeting of Shareholders	Common Share	¥ 24,734	Retained Earnings	¥ 65.00	March 31, 2018	June 29, 2018

Resolution	Type of Shares	Cash Dividends Declared	Dividend Resources	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen		Yen		
November 14, 2018						
Board of Directors' Meeting	Common Share	¥ 24,608	Retained Earnings	¥ 65.00	September 30, 2018	December 4, 2018

Dividends with a record date during the fiscal year ended March 31, 2019, but whose effective date is after March 31, 2019, are as follows:

Resolution	Type of Shares	Cash Dividends Declared	Dividend Resources	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen		Yen		
June 27, 2019						
Ordinary General Meeting of Shareholders	Common Share	¥ 28,394	Retained Earnings	¥ 75.00	March 31, 2019	June 28, 2019

Notes to the Consolidated Statement of Cash Flows

1. Reconciliation of Cash and Cash Equivalents

The following table reconciles cash and cash equivalents in the consolidated statement of cash flows and cash and due from banks in the consolidated balance sheet as of March 31, 2020 and 2019.

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Cash and Due from Banks	¥ 13,141,192	¥ 16,045,864	\$ 120,905
Due from Banks Held by SuMi TRUST Bank (Excluding Due from the Bank of Japan)	(2,181,167)	(1,966,096)	(20,068)
Cash and Cash Equivalents	¥ 10,960,024	¥ 14,079,768	\$ 100,837

2. Significant Non-Monetary Transactions

There were no significant non-monetary transactions during the fiscal year ended March 31, 2020.

Since JTSB, which was a consolidated subsidiary of SuMi TRUST Holdings, and TCSB have established JTC Holdings, a wholly owning parent company of JTSB and TCSB, through a joint share transfer, JTSB has been excluded from the scope of consolidation and included in the scope of application of the equity method effective from the fiscal year ended March 31, 2019. Accordingly, total assets and total liabilities decreased by ¥12,794,220 million(*) (U.S. \$115,315 million) and

¥12,734,918 million (U.S. \$114,781 million), respectively, due to the exclusion of JTSB from the scope of consolidation.

(*) The decreased amount of total assets includes cash and cash equivalents of ¥12,465,333 million (U.S. \$112,351 million) and the amount of cash and cash equivalents is presented as "Net Increase (Decrease) in Cash and Cash Equivalents with Changes in the Scope of Consolidation" in the consolidated statement of cash flows.

Leases

1. Finance Leases

As a lessee:

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. Operating Leases

As a lessee:

Total future lease payments under non-cancelable operating leases as of March 31, 2020 and 2019, were as follows:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Due in One Year or Less	¥ 3,827	¥ 3,654	\$ 35
Due in More Than One Year	20,390	22,356	188
Total	¥ 24,218	¥ 26,010	\$ 223

As a lessor:

Total future lease payments under non-cancelable operating leases as of March 31, 2020 and 2019, were as follows:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Due in One Year or Less	¥ 5,364	¥ 3,003	\$ 49
Due in More Than One Year	24,470	11,279	225
Total	¥ 29,835	¥ 14,282	\$ 274

Financial Instruments

1. Circumstances of Financial Instruments

(1) Policy on Financial Instruments

SuMi TRUST Group is engaged in a variety of financial service businesses, primarily trust banking business operated by SuMi TRUST Bank. To facilitate these businesses, SuMi TRUST Group raises funds through deposits from individual and corporate customers, borrowed money, and issuance of corporate bonds, and manages such funds as loans to individual and corporate customers, and securities on the investment side.

Each group company determines policies as well as measures for investing and funding financial assets and financial liabilities under its annual plan.

SuMi TRUST Holdings monitors risks associated with the group-wide financial assets and liabilities.

SuMi TRUST Bank monitors its respective risks while implementing comprehensive Asset-Liability Management (ALM). Meanwhile, SuMi TRUST Bank conducts derivatives transactions to control the market risk and other risks arising from its assets and liabilities within the level commensurate with its financial capacity. SuMi TRUST Bank is also engaged in trading securities and derivatives through trading accounts

("Trading Accounts") that are segregated from other accounts ("Banking Accounts") in accordance with Article 13-6-3 of the Ordinance for Enforcement of the Banking Act. Some consolidated subsidiaries are also engaged in trading securities.

(2) Description and Risks of Financial Instruments

1) Trading accounts

SuMi TRUST Group deals with over-the-counter (OTC) and listed derivatives transactions related to interest rates, exchange rates, bonds, credits, and commodities, as well as trading securities. These derivatives transactions are exposed to risks associated with fluctuation in interest rates, exchange rates, prices, credit risks, and other risks.

2) Banking accounts

Financial assets of SuMi TRUST Group are primarily loans to corporations and individuals in Japan and such assets are exposed to credit risks arising from default on contracts by customers.

Securities mainly consist of stocks and bonds that are held to maturity, as strategic investments, and for business development. These securities are exposed to issuers' credit risks, and risks associated with fluctuation in interest rates and market prices.

Deposits from individuals and corporations, borrowed money, and bonds payable are exposed to liquidity risks as becoming insolvent at their maturities, such as being out of markets under certain circumstances.

SuMi TRUST Group deals with OTC and listed derivatives transactions related to interest rates, exchange rates, stocks, bonds, and credits for avoiding market risks.

To reduce interest rate risk, a major risk, SuMi TRUST Group comprehensively manages various financial assets and liabilities, such as loans and bills discounted and deposits, by categorizing them based on characteristics of their interest rate risks, and applies hedge accounting to hedge such risk using interest rate swaps designated as hedging instruments. The hedge accounting is applied to some assets and liabilities by individual transaction.

To mitigate the exchange rate risk arising from various financial assets and liabilities of SuMi TRUST Bank denominated in foreign currencies, hedge accounting is applied to the exchange rate risk of foreign currency assets and liabilities designated as hedged items, using currency swaps and foreign exchange swaps designated as hedging instruments.

The details of hedge accounting are described in "Significant Accounting Policies and Practices."

(3) Risk Management for Financial Instruments

SuMi TRUST Holdings considers that the basis of group-wide risk management is to ensure the effectiveness of PDCA (Plan, Do, Check, Action) cycles for each risk category according to the "Risk Management Policy" established by the board of directors.

The risk management framework of each risk category is as follows:

1) Credit risk management

Credit risk is the risk of financial loss of SuMi TRUST Group when a customer or counterparty fails to meet its contractual obligations, and such risk is generated from claims, mainly loans, bills discounted, and securities. Credit risk is the most basic financial risk related to a credit creating function. SuMi TRUST Group continuously diversifies its credit portfolios and builds up a stronger customer base by expanding its credit risk management framework further, and by meeting a new and sound demand for credit.

(a) Risk management policy on credit risk

The basic policy of SuMi TRUST Group on credit risk management calls for "a diversified credit portfolio" and "strict management for individual credits."

For the former, SuMi TRUST Group manages credit exposures of each customer based on its limited credit amount, and periodically reviews impacts of identified risks to large customers and concentration in industry sectors, including the measurement of the credit risk. SuMi TRUST Group makes efforts to mitigate credit concentration risk on a country-by-country basis by managing the diversification of the overall credit portfolio.

For the latter, SuMi TRUST Group manages individual credits through processes, such as credit screening, self-assessment, and internal credit ratings. Credit ratings indicate the credit status of customers and the possibility of defaults on a scale, and provide the basis for credit screening of individual transactions and credit portfolio management. SuMi TRUST Group continuously evaluates solvency and collectability of credits based on the analysis, for instance the customer's financial condition, cash flows, and earning capacity through the self-assessment.

(b) Risk management framework for credit risk

In SuMi TRUST Bank, the board of directors decides on important matters related to credit risk management when developing management plans. The board of directors also decides on credit strategy and economic capital allocation plans, and approves the "Self-Assessment Rules" based on reports on credit risk management, including asset-assessment management, to ensure the soundness of the assets. As for screening and credit management of each case, the Global Credit Supervision Department is segregated from branches as part of a check-and-balance system. Furthermore, the Research Department evaluates credit risks by implementing internal credit ratings based on industry research and credit analysis of individual companies along with performing quantitative analysis from a neutral standpoint. SuMi TRUST Bank periodically holds a meeting of the Executive Committee and Credit Risk Committee to deliberate on material matters of controlling and managing credit risks. SuMi TRUST Bank has built up an appropriate management framework for risk management through the check-and-balance function, the committees' discussions, and the validation of the credit risk management and operation by the Risk Management Department.

2) Market risk management

Market risk is the risk of financial loss of SuMi TRUST Group through changes in income and value of assets and liabilities held, including off-balance items, due to fluctuations in various market risk factors, such as interest rates, exchange rates, equity prices, commodity prices, and credit spreads.

(a) Risk management policy on market risk

In managing market risk, SuMi TRUST Group maintains a basic policy to organize an appropriate risk management framework for market risk compatible with strategic goals, the scale and nature of its operations, and risk profiles from a perspective of soundness and appropriateness of its business.

(b) Risk management framework for market risk

With regard to market risk, SuMi TRUST Group maintains a basic policy for setting and controlling various risk limits and segregation of organizations related to market risk under its Rules for Risk Management. The practical application of the basic policy is stated in the Rules for Market Risk Management. Divisions that execute transactions (the front office) are clearly segregated from divisions that process transactions (the back office) for independent check purposes, and the Risk Management Department, which is independent from both of the front and back offices, centrally manages market risk. This department identifies and analyzes group-wide risk, tracks adherence to risk limits, and reports to respective directors in charge on a daily basis and to the board of directors periodically.

In SuMi TRUST Bank, the board of directors resolves ALM basic plans and risk management plans as important matters related to market risk under management plans. The ALM Committee resolves basic matters of ALM basic plans and risk management plans related to market risk regarding company-wide comprehensive risk management for assets and liabilities.

In SuMi TRUST Bank, the Risk Management Department is responsible for planning and implementing market risk management. The role of the Risk Management Department includes measuring risk levels and profits or losses and monitoring the status of market risk managed under ALM basic plans and the status of compliance with risk limits. The department reports its findings to the members of the ALM Committee on a daily basis, and to the ALM Committee as well as the board of directors periodically.

(c) Market risk management approach

SuMi TRUST Group uses Value at Risk ("VaR") to measure market risk exposures. VaR uses historical market fluctuation to statistically predict the maximum expected losses under specific conditions. Based on an internal model developed by SuMi TRUST Group, SuMi TRUST Group manages market risks by measuring VaR, calculating various risk management indicators, and carrying out various simulations.

VaR based on the internally developed model is calculated basically using the historical simulation method. Market risk can be classified into categories, such as interest rate risk, stock price risk, exchange rate risk, and others according to its characteristics. SuMi TRUST Group calculates market risk by simply adding up the risks of all categories without considering the correlation among these categories.

(d) Quantitative information related to market risk

(i) Trading accounts

SuMi TRUST Group uses VaR for managing risks associated with trading securities and some currency and interest-related derivatives transactions held in the Trading Accounts. The VaR model used is primarily based on the historical simulation method (with a holding period of 10 business days, confidence interval of 99%, and observation period of 1,300 business days).

As of March 31, 2020, the total amount of market risk (estimated potential loss) of financial instruments held by SuMi TRUST Group in the Trading Accounts was ¥8.8 billion (U.S. \$81 million).

SuMi TRUST Group performs back testing that compares the results of VaR calculations based on its internal model with actual profits or losses. The back testing for the fiscal year ended March 31, 2020, resulted in three instances where actual losses were in excess of VaR; therefore, SuMi TRUST Group considers that the measurement model properly captures market risk with sufficient accuracy. However, as VaR measures the amount of market risk under certain probabilities statistically calculated based on the past volatility, it may not properly capture those risks under extreme market movements.

(ii) Banking accounts

SuMi TRUST Group uses VaR for managing risks associated with financial assets and liabilities held in the Banking Accounts. The historical simulation method is the primary measurement method (with a holding period of a maximum of one year according to a position, confidence interval of 99%, and observation period of 1,300 business days).

As of March 31, 2020, the total amount of market risk (estimated potential loss) of financial instruments held by SuMi TRUST Group in the Banking Account was ¥782.9 billion (U.S. \$7,203 million).

SuMi TRUST Group performs back testing on certain positions held in the Banking Accounts that compares the results of VaR calculations based on its internal model with actual profits or losses regarding financial assets and liabilities subject to measurement. SuMi TRUST Group considers that the measurement model properly captures market risk with sufficient accuracy. However, as VaR measures the amount of market risk under certain probabilities statistically calculated based on past volatility in the market, it may not properly capture those risks under extreme market movements.

3) Funding liquidity risk management

Funding liquidity risk is the risk of financial loss to SuMi TRUST Group when the Group fails to raise necessary funds or is forced to raise funds at significantly higher rates.

(a) Funding liquidity risk management policy

With regard to funding liquidity risks, SuMi TRUST Group designs and implements a policy to build up a risk management framework for funding liquidity risks, recognizing that financial difficulties due to exposure to such risks could possibly lead SuMi TRUST Group directly to bankruptcy under certain circumstances.

(b) Funding liquidity risk management framework and methods

Funding liquidity risk management departments determine the extent of SuMi TRUST Group's cash crunch appropriately in cooperation with the liquidity management departments, while gathering and analyzing information related to both the internal environment, such as the Group's risk profiles, and external environment, such as economic circumstances or market conditions based on the risk management plan approved by the board of directors semiannually.

To reduce funding liquidity risks, the liquidity management departments manage cash flow within the predetermined appropriate limits, and the liquidity management departments monitor its compliance.

(4) Supplementary Explanation Concerning Fair Value of Financial Instruments

Fair value of financial instruments is based on quoted prices in markets. If a quoted price is not available, a reasonably calculated amount is used as fair value. Calculation of such amounts involves certain assumptions and may vary when different assumptions are employed.

2. Fair Values of Financial Instruments

The carrying amounts on the consolidated balance sheet and fair values of financial instruments as of March 31, 2020 and 2019, as well as the differences between these values are presented below. The fair values of unlisted stocks 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		
	2020			2020		
	Carrying Amount	Fair Value	Difference	Carrying Amount	Fair Value	Difference
(1) Cash and Due from Banks (*1)	¥ 13,141,128	¥ 13,141,128	¥ —	\$ 120,905	\$ 120,905	\$ —
(2) Call Loans and Bills Bought	71,236	71,236	—	655	655	—
(3) Receivables under Resale Agreements	1,220,761	1,220,761	—	11,232	11,232	—
(4) Receivables under Securities Borrowing Transactions	740,658	740,658	—	6,814	6,814	—
(5) Monetary Claims Bought (*1)	987,691	988,352	660	9,087	9,093	6
(6) Trading Assets						
Trading Securities	57,102	57,102	—	525	525	—
(7) Money Held in Trust	7,130	7,130	—	66	66	—
(8) Securities						
Held-to-Maturity Debt Securities	265,044	275,316	10,272	2,439	2,533	95
Available-for-Sale Securities	5,777,030	5,777,030	—	53,151	53,151	—
(9) Loans and Bills Discounted	29,703,375			273,285		
Allowance for Loan Losses (*2)	(112,691)			(1,037)		
	29,590,684	29,885,145	294,461	272,248	274,958	2,709
(10) Foreign Exchanges	36,952	36,952	—	340	340	—
(11) Lease Receivables and Investment Assets (*1)	667,370	682,846	15,475	6,140	6,283	142
Total Assets	¥ 52,562,791	¥ 52,883,661	¥ 320,869	\$ 483,603	\$ 486,555	\$ 2,952
(1) Deposits	¥ 30,688,920	¥ 30,709,549	¥ 20,628	\$ 282,353	\$ 282,543	\$ 190
(2) Negotiable Certificates of Deposit	5,860,292	5,860,292	—	53,917	53,917	—
(3) Call Money and Bills Sold	142,974	142,974	—	1,315	1,315	—
(4) Payables under Repurchase Agreements	1,558,919	1,558,919	—	14,343	14,343	—
(5) Payables under Securities Lending Transactions	—	—	—	—	—	—
(6) Borrowed Money	5,856,384	5,852,389	(3,995)	53,882	53,845	(37)
(7) Foreign Exchanges	3,213	3,213	—	30	30	—
(8) Short-Term Bonds Payable	1,707,097	1,707,097	—	15,706	15,706	—
(9) Bonds Payable	1,125,731	1,142,712	16,980	10,357	10,513	156
(10) Borrowed Money from Trust Account	4,750,289	4,750,289	—	43,705	43,705	—
Total Liabilities	¥ 51,693,823	¥ 51,727,436	¥ 33,613	\$ 475,608	\$ 475,917	\$ 309
Derivatives Transactions (*3)						
Derivatives Transactions Not Qualifying for Hedge Accounting	¥ (17,750)	¥ (17,750)	¥ —	\$ (163)	\$ (163)	\$ —
Derivatives Transactions Qualifying for Hedge Accounting	(12,992)	(12,992)	—	(120)	(120)	—
Total Derivatives Transactions	¥ (30,742)	¥ (30,742)	¥ —	\$ (283)	\$ (283)	\$ —

		Millions of Yen		
		2019		
		Carrying Amount	Fair Value	Difference
(1)	Cash and Due from Banks (*1)	¥ 16,045,791	¥ 16,045,791	¥ —
(2)	Call Loans and Bills Bought	50,124	50,124	—
(3)	Receivables under Resale Agreements	158,734	158,734	—
(4)	Receivables under Securities Borrowing Transactions	759,812	759,812	—
(5)	Monetary Claims Bought (*1)	1,071,381	1,072,265	883
(6)	Trading Assets			
	Trading Securities	163,188	163,188	—
(7)	Money Held in Trust	1,293	1,293	—
(8)	Securities			
	Held-to-Maturity Debt Securities	189,663	211,291	21,627
	Available-for-Sale Securities	5,197,514	5,197,514	—
(9)	Loans and Bills Discounted	29,025,720		
	Allowance for Loan Losses (*2)	(90,216)		
		28,935,504	29,195,077	259,573
(10)	Foreign Exchanges	36,936	36,936	—
(11)	Lease Receivables and Investment Assets (*1)	650,859	666,194	15,335
Total Assets		¥ 53,260,805	¥ 53,558,226	¥ 297,420
(1)	Deposits	¥ 31,903,572	¥ 31,925,607	¥ 22,034
(2)	Negotiable Certificates of Deposit	6,328,622	6,328,622	—
(3)	Call Money and Bills Sold	72,793	72,793	—
(4)	Payables under Repurchase Agreements	1,603,191	1,603,191	—
(5)	Payables under Securities Lending Transactions	104,767	104,767	—
(6)	Borrowed Money	4,023,801	4,026,869	3,067
(7)	Foreign Exchanges	457	457	—
(8)	Short-Term Bonds Payable	1,472,786	1,472,786	—
(9)	Bonds Payable	1,378,328	1,412,322	33,994
(10)	Borrowed Money from Trust Account	5,408,009	5,408,009	—
Total Liabilities		¥ 52,296,332	¥ 52,355,429	¥ 59,096
Derivatives Transactions (*3)				
	Derivatives Transactions Not Qualifying for Hedge Accounting	¥ 38,369	¥ 38,369	¥ —
	Derivatives Transactions Qualifying for Hedge Accounting	(61,576)	(61,576)	—
Total Derivatives Transactions		¥ (23,206)	¥ (23,206)	¥ —

(*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 consolidated balance sheet, 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) Derivatives transactions recorded in Trading Assets and Trading Liabilities or in Other Assets and Other Liabilities are presented collectively.

Receivables and payables arising from derivatives 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 with transactions without stated maturities are stated at their carrying amounts because the carrying amounts approximate fair value. 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 fair value.

(5) Monetary Claims Bought

Fair values of monetary claims bought for which counterparties' quoted prices or dealer/broker-quoted prices are available are stated at such prices. Fair values for all other 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 counterparties' 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 in money held in trust, which are individually managed with the principal objective of securities portfolio management, are stated at quoted market prices or dealer/broker-quoted prices. Notes regarding money held in trust by 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, counterparties' quoted prices, or dealer/broker-quoted prices. Investment trusts are stated at published reference prices.

Fair values of privately placed bonds guaranteed by SuMi TRUST Bank 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, floating-rate loans for which their carrying amounts are deemed to approximate fair value, 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 consolidated balance sheet at the consolidated balance sheet date, because such deducted amounts approximate fair value.

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 as the carrying amounts are deemed to approximate fair value because of the expected repayment periods and the interest terms.

(11) Lease Receivables and Investment Assets

Fair values of 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 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 Account

The obligations without stated maturities are stated at the amounts that would have to be paid on demand at the consolidated balance sheet date (carrying amount). Obligations with stated maturities are stated at their carrying amounts, because most of the obligations have short contractual

terms (one year or less) and the carrying amounts approximate the fair values.

(6) Borrowed Money

Borrowed money at floating rates is stated at their carrying amounts. The carrying amounts are deemed to approximate fair value 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 fair value.

(9) Bonds Payable

Bonds issued by SuMi TRUST Holdings 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 bonds.

Derivatives Transactions

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

(Note 2) The amounts of financial instruments on the consolidated balance sheet whose fair values are extremely difficult to be determined are as stated below, and such amounts are not included in the fair value information for financial instruments presented under the "Assets, (5) Monetary Claims Bought" or "Assets, (8) Available-for-Sale Securities" sections.

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
	Carrying Amount	Carrying Amount	Carrying Amount
Monetary Claims Bought	¥ 11,227	¥ 10,508	\$ 103
Securities	208,340	181,298	1,917
(1) Unlisted Stocks (*3)	73,478	75,126	676
(2) Investments in Associations	103,219	74,773	950
(3) Others (*3)	31,642	31,398	291
Total	¥ 219,567	¥ 191,807	\$ 2,020

(*1) The above financial instruments are excluded from the fair value disclosure because there are no quoted market prices, and therefore, there is no reliable measure of fair value.

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

(*3) During the fiscal year ended March 31, 2020, impairment

losses of ¥1,735 million (U.S. \$16 million) and ¥440 million (U.S. \$4 million) were recognized against Unlisted Stocks and Others, respectively.

During the fiscal year ended March 31, 2019, impairment losses of ¥477 million were recognized against Unlisted Stocks.

(Note 3) Redemption Schedule of Monetary Claims and Securities with Maturity after March 31, 2020 and 2019

March 31, 2020	Millions of Yen					
	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 7 Years	7 to 10 Years	More Than 10 Years
Due from Banks	¥ 13,058,474	¥ 1,740	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	71,236	—	—	—	—	—
Receivables under Resale Agreements	1,220,761	—	—	—	—	—
Receivables under Securities Borrowing Transactions	740,658	—	—	—	—	—
Monetary Claims Bought (*1)	793,015	104,699	33,434	19,275	14,964	33,464
Money Held in Trust	5,823	—	1,406	—	—	—
Securities	1,214,795	1,084,099	939,586	538,654	279,545	769,389
Held-to-Maturity Debt Securities	2,632	—	60	4,020	60,000	195,048
Government Bonds	—	—	60	—	60,000	55,000
Corporate Bonds	—	—	—	—	—	33,200
Available-for-Sale Securities with Maturity	1,212,162	1,084,099	939,526	534,633	219,545	574,341
Government Bonds	838,106	260,315	225,000	—	25,000	10,000
Local Government Bonds	1,228	—	4,546	2,924	6,090	—
Corporate Bonds	21,110	186,052	133,053	196,684	43,275	56,529
Loans and Bills Discounted (*2)	4,179,611	5,463,825	4,520,997	2,848,790	2,473,254	7,592,971
Lease Receivables and Investment Assets (*3)	163,446	239,007	127,633	65,418	50,939	10,717
Total	¥ 21,447,824	¥ 6,893,372	¥ 5,623,058	¥ 3,472,138	¥ 2,818,702	¥ 8,406,542

March 31, 2019	Millions of Yen					
	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 7 Years	7 to 10 Years	More Than 10 Years
Due from Banks	¥ 15,860,623	¥ 10,863	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	50,124	—	—	—	—	—
Receivables under Resale Agreements	136,544	22,190	—	—	—	—
Receivables under Securities Borrowing Transactions	759,812	—	—	—	—	—
Monetary Claims Bought (*1)	860,447	98,801	40,846	21,837	23,039	36,619
Money Held in Trust	100	—	1,293	—	—	—
Securities	663,105	362,763	1,098,438	467,925	626,127	667,285
Held-to-Maturity Debt Securities	25,636	—	—	4,779	40,000	115,606
Government Bonds	—	—	—	60	40,000	75,000
Corporate Bonds	—	—	—	—	—	33,200
Available-for-Sale Securities with Maturity	637,468	362,763	1,098,438	463,145	586,127	551,678
Government Bonds	269,506	15,154	—	—	—	15,000
Local Government Bonds	—	1,228	1,675	564	5,240	—
Corporate Bonds	18,152	109,488	157,385	185,850	61,602	44,971
Loans and Bills Discounted (*2)	4,427,885	5,431,777	4,467,195	3,162,082	2,235,338	6,690,158
Lease Receivables and Investment Assets (*3)	163,976	236,967	115,046	66,938	43,513	13,139
Total	¥ 22,922,620	¥ 6,163,363	¥ 5,722,820	¥ 3,718,783	¥ 2,928,018	¥ 7,407,202

March 31, 2020	Millions of U.S. Dollars					
	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 7 Years	7 to 10 Years	More Than 10 Years
Due from Banks	\$ 120,144	\$ 16	\$ —	\$ —	\$ —	\$ —
Call Loans and Bills Bought	655	—	—	—	—	—
Receivables under Resale Agreements	11,232	—	—	—	—	—
Receivables under Securities Borrowing Transactions	6,814	—	—	—	—	—
Monetary Claims Bought (*1)	7,296	963	308	177	138	308
Money Held in Trust	54	—	13	—	—	—
Securities	11,177	9,974	8,645	4,956	2,572	7,079
Held-to-Maturity Debt Securities	24	—	1	37	552	1,795
Government Bonds	—	—	1	—	552	506
Corporate Bonds	—	—	—	—	—	305
Available-for-Sale Securities with Maturity	11,152	9,974	8,644	4,919	2,020	5,284
Government Bonds	7,711	2,395	2,070	—	230	92
Local Government Bonds	11	—	42	27	56	—
Corporate Bonds	194	1,712	1,224	1,810	398	520
Loans and Bills Discounted (*2)	38,454	50,270	41,595	26,210	22,755	69,859
Lease Receivables and Investment Assets (*3)	1,504	2,199	1,174	602	469	99
Total	\$ 197,330	\$ 63,422	\$ 51,735	\$ 31,945	\$ 25,933	\$ 77,344

(*1) The balances exclude Monetary Claims Bought for borrowers who went into legal bankruptcy, virtual bankruptcy, and possible bankruptcy that are not expected to be collected, amounting to ¥105 million (U.S. \$1 million) and ¥100 million as of March 31, 2020 and 2019, respectively.

(*2) The balances exclude Loans and Bills Discounted for borrowers who went into legal bankruptcy, virtual bankruptcy, and possible bankruptcy that are not expected to be collected, amounting to ¥58,110 million (U.S. \$535 million) and ¥77,454 million, and those without maturity, amounting to ¥2,565,814 million (U.S. \$23,607 million)

and ¥2,530,900 million as of March 31, 2020 and 2019, respectively.

(*3) The balances exclude Lease Receivables and Investment Assets for borrowers who went into legal bankruptcy, virtual bankruptcy, and possible bankruptcy that are not expected to be collected, amounting to ¥665 million (U.S. \$6 million) and ¥1,229 million, and the sum of guaranteed residual values by lessee and estimated salvage values, amounting to ¥16,051 million (U.S. \$148 million) and ¥12,635 million as of March 31, 2020 and 2019, respectively.

(Note 4) Repayment Schedule of Bonds, Borrowed Money, and Other Interest-Bearing Liabilities after March 31, 2020 and 2019

March 31, 2020	Millions of Yen					
	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 7 Years	7 to 10 Years	More Than 10 Years
Deposits (*1)	¥ 23,560,192	¥ 4,537,687	¥ 2,589,537	¥ 1,183	¥ 320	¥ —
Negotiable Certificates of Deposit	5,815,292	45,000	—	—	—	—
Call Money and Bills Sold	142,974	—	—	—	—	—
Payables under Repurchase Agreements	1,471,967	86,952	—	—	—	—
Payables under Securities Lending Transactions	—	—	—	—	—	—
Borrowed Money	2,980,182	1,468,489	781,385	131,702	74,522	420,102
Short-Term Bonds Payable	1,708,473	—	—	—	—	—
Bonds Payable (*2)	229,700	110,000	76,500	163,000	190,000	—
Borrowed Money from Trust Account	4,750,289	—	—	—	—	—
Total	¥ 40,659,070	¥ 6,248,128	¥ 3,447,423	¥ 295,885	¥ 264,842	¥ 420,102

March 31, 2019	Millions of Yen					
	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 7 Years	7 to 10 Years	More Than 10 Years
Deposits (*1)	¥ 24,590,890	¥ 5,169,969	¥ 2,140,992	¥ 1,313	¥ 406	¥ —
Negotiable Certificates of Deposit	6,144,373	184,249	—	—	—	—
Call Money and Bills Sold	72,793	—	—	—	—	—
Payables under Repurchase Agreements	1,603,191	—	—	—	—	—
Payables under Securities Lending Transactions	104,767	—	—	—	—	—
Borrowed Money	2,906,910	340,021	172,421	135,283	129,659	339,506
Short-Term Bonds Payable	1,476,650	—	—	—	—	—
Bonds Payable (*2)	304,763	282,260	80,000	96,500	248,000	—
Borrowed Money from Trust Account	5,408,009	—	—	—	—	—
Total	¥ 42,612,349	¥ 5,976,500	¥ 2,393,414	¥ 233,097	¥ 378,065	¥ 339,506

March 31, 2020	Millions of U.S. Dollars					
	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 7 Years	7 to 10 Years	More Than 10 Years
Deposits (*1)	\$ 216,765	\$ 41,749	\$ 23,825	\$ 11	\$ 3	\$ —
Negotiable Certificates of Deposit	53,503	414	—	—	—	—
Call Money and Bills Sold	1,315	—	—	—	—	—
Payables under Repurchase Agreements	13,543	800	—	—	—	—
Payables under Securities Lending Transactions	—	—	—	—	—	—
Borrowed Money	27,419	13,511	7,189	1,212	686	3,865
Short-Term Bonds Payable	15,719	—	—	—	—	—
Bonds Payable (*2)	2,113	1,012	704	1,500	1,748	—
Borrowed Money from Trust Account	43,705	—	—	—	—	—
Total	\$ 374,083	\$ 57,486	\$ 31,718	\$ 2,722	\$ 2,437	\$ 3,865

(*1) The balance of demand deposits is included in "Within 1 Year." Deposits include balances of current accounts.

(*2) The balances exclude perpetual subordinated bonds without maturity, amounting to ¥356,100 million (U.S. \$3,276 million) and ¥366,100 million as of March 31, 2020 and 2019, respectively.

Securities

In addition to the “Securities” presented in the consolidated balance sheet, the following information includes securities in trading account and short-term corporate bonds under “Trading Assets” and loan-backed trust deeds reported under “Monetary Claims Bought.”

1. Trading Securities

	Valuation Difference Reflected in the Statements of Income		
	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Trading Securities	¥ (129)	¥ 396	\$ (1)

2. Held-to-Maturity Securities with Fair Value

March 31, 2020	Millions of Yen		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	¥ 118,407	¥ 136,239	¥ 17,831
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	33,200	33,652	452
Other Bonds	65,817	65,943	126
Foreign Bonds	845	849	4
Others	64,972	65,093	121
Subtotal	217,425	235,835	18,410
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	¥ —	¥ —	¥ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	112,591	104,574	(8,016)
Foreign Bonds	112,591	104,574	(8,016)
Others	—	—	—
Subtotal	112,591	104,574	(8,016)
Total	¥ 330,016	¥ 340,410	¥ 10,394

March 31, 2019	Millions of Yen		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	¥ 118,785	¥ 139,413	¥ 20,628
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	33,200	33,777	577
Other Bonds	105,701	106,290	589
Foreign Bonds	32,958	33,421	462
Others	72,742	72,869	127
Subtotal	257,686	279,481	21,795
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	¥ —	¥ —	¥ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	4,719	4,678	(40)
Foreign Bonds	4,719	4,678	(40)
Others	—	—	—
Subtotal	4,719	4,678	(40)
Total	¥ 262,405	¥ 284,160	¥ 21,755

March 31, 2020	Millions of U.S. Dollars		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	\$ 1,089	\$ 1,253	\$ 164
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	305	310	4
Other Bonds	606	607	1
Foreign Bonds	8	8	0
Others	598	599	1
Subtotal	2,000	2,170	169
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	\$ —	\$ —	\$ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	1,036	962	(74)
Foreign Bonds	1,036	962	(74)
Others	—	—	—
Subtotal	1,036	962	(74)
Total	\$ 3,036	\$ 3,132	\$ 96

3. Available-for-Sale Securities

March 31, 2020	Millions of Yen		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	¥ 996,484	¥ 415,197	¥ 581,286
Bonds	1,461,837	1,458,337	3,500
Government Bonds	1,053,929	1,053,492	437
Local Government Bonds	4,906	4,874	32
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	403,001	399,970	3,030
Other Securities	1,394,260	1,326,811	67,449
Foreign Stocks	2,613	190	2,422
Foreign Bonds	827,306	800,431	26,874
Others	564,340	526,188	38,151
Subtotal	3,852,582	3,200,346	652,235
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	¥ 114,128	¥ 151,609	¥ (37,481)
Bonds	554,166	555,804	(1,638)
Government Bonds	308,631	309,155	(523)
Local Government Bonds	9,879	9,914	(34)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	235,655	236,735	(1,079)
Other Securities	1,287,738	1,403,255	(115,516)
Foreign Stocks	874	1,320	(446)
Foreign Bonds	529,513	557,258	(27,745)
Others	757,351	844,675	(87,324)
Subtotal	1,956,033	2,110,669	(154,635)
Total	¥ 5,808,615	¥ 5,311,015	¥ 497,599

March 31, 2019	Millions of Yen		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	¥ 1,307,731	¥ 518,013	¥ 789,718
Bonds	549,521	545,928	3,592
Government Bonds	128,921	128,559	362
Local Government Bonds	7,202	7,143	59
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	413,397	410,226	3,170
Other Securities	1,052,590	1,015,060	37,529
Foreign Stocks	2,655	194	2,461
Foreign Bonds	713,975	704,807	9,168
Others	335,958	310,058	25,900
Subtotal	2,909,842	2,079,002	830,839
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	¥ 63,882	¥ 80,936	¥ (17,054)
Bonds	341,062	341,475	(413)
Government Bonds	172,664	172,688	(24)
Local Government Bonds	1,562	1,564	(1)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	166,835	167,223	(387)
Other Securities	1,909,423	2,057,063	(147,640)
Foreign Stocks	3,461	3,926	(465)
Foreign Bonds	741,247	745,713	(4,466)
Others	1,164,714	1,307,423	(142,708)
Subtotal	2,314,367	2,479,475	(165,108)
Total	¥ 5,224,210	¥ 4,558,478	¥ 665,731

March 31, 2020	Millions of U.S. Dollars		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	\$ 9,168	\$ 3,820	\$ 5,348
Bonds	13,450	13,417	32
Government Bonds	9,697	9,693	4
Local Government Bonds	45	45	0
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	3,708	3,680	28
Other Securities	12,828	12,207	621
Foreign Stocks	24	2	22
Foreign Bonds	7,612	7,364	247
Others	5,192	4,841	351
Subtotal	35,446	29,445	6,001
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	\$ 1,050	\$ 1,395	\$ (345)
Bonds	5,099	5,114	(15)
Government Bonds	2,840	2,844	(5)
Local Government Bonds	91	91	(0)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	2,168	2,178	(10)
Other Securities	11,848	12,911	(1,063)
Foreign Stocks	8	12	(4)
Foreign Bonds	4,872	5,127	(255)
Others	6,968	7,771	(803)
Subtotal	17,996	19,419	(1,423)
Total	\$ 53,442	\$ 48,864	\$ 4,578

4. Held-to-Maturity Securities Sold during the Fiscal Year

There were no held-to-maturity securities sold for the fiscal years ended March 31, 2020 and 2019.

5. Available-for-Sale Securities Sold during the Fiscal Year

Year Ended March 31, 2020	Millions of Yen		
	Amount Sold	Gain	Loss
Stocks	¥ 61,197	¥ 40,713	¥ 1,026
Bonds	372,898	2,542	2,930
Government Bonds	330,708	2,362	2,812
Local Government Bonds	2,518	11	0
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	39,671	168	117
Other Securities	3,099,134	68,445	20,034
Foreign Stocks	2,565	345	233
Foreign Bonds	2,573,278	42,816	7,757
Others	523,290	25,283	12,043
Total	¥ 3,533,230	¥111,701	¥ 23,991

Year Ended March 31, 2019	Millions of Yen		
	Amount Sold	Gain	Loss
Stocks	¥ 59,051	¥ 32,286	¥ 2,207
Bonds	308,004	1,688	1,007
Government Bonds	248,161	1,460	954
Local Government Bonds	7,077	2	24
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	52,766	225	28
Other Securities	4,068,159	30,959	48,003
Foreign Stocks	8,114	2	1,138
Foreign Bonds	3,278,617	17,131	21,191
Others	781,427	13,825	25,672
Total	¥ 4,435,215	¥ 64,934	¥ 51,217

Year Ended March 31, 2020	Millions of U.S. Dollars		
	Amount Sold	Gain	Loss
Stocks	\$ 563	\$ 375	\$ 9
Bonds	3,431	23	27
Government Bonds	3,043	22	26
Local Government Bonds	23	0	0
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	365	2	1
Other Securities	28,514	630	184
Foreign Stocks	24	3	2
Foreign Bonds	23,675	394	71
Others	4,815	233	111
Total	\$ 32,507	\$1,028	\$ 221

(Note) The above figures include "Available-for-Sale Securities" whose fair values are extremely difficult to be determined.

6. Securities Reclassified due to the Change of the Holding Purpose

There were no securities reclassified due to the change of the holding purpose during the fiscal years ended March 31, 2020 and 2019.

7. Impairment of Securities

Securities other than securities whose fair values are extremely difficult to be determined, or those deemed to be 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 consolidated balance sheet. The difference between the acquisition cost and the fair values is recognized as an impairment loss.

Impairment losses on Stocks recognized during the fiscal

years ended March 31, 2020 and 2019, were ¥10,738 million (U.S. \$99 million) and ¥3,001 million, respectively. Impairment losses on Others recognized during the fiscal year ended March 31, 2020 were ¥21 million (U.S. \$0.2 million).

The criteria for determining 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, the fair values of some securities are deemed unrecoverable and impairment losses are recognized when their fair values have declined more than 30% but less than 50% from acquisition cost and the fair values have continued to decline over a certain period.

Money Held in Trust

1. Money Held in Trust for Trading Purposes

There was no money held in trust for trading purposes for the fiscal year ended March 31, 2019.

Year Ended March 31, 2020	Millions of Yen	
	Carrying Amount	Valuation Difference Reflected in the Statement of Income
Money Held in Trust for Trading Purposes	¥ 5,823	¥ (1,076)

2. Held-to-Maturity Money Held in Trust

There was no held-to-maturity money held in trust for the fiscal years ended March 31, 2020 and 2019.

3. Other Money Held in Trust (other than those held for trading purposes or held-to-maturity)

March 31, 2020	Millions of Yen				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
Other Money Held in Trust	¥ 1,406	¥ 1,018	¥ 388	¥ 388	¥ —

March 31, 2019	Millions of Yen				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
Other Money Held in Trust	¥ 1,393	¥ 1,040	¥ 353	¥ 353	¥ —

March 31, 2020	Millions of U.S. Dollars				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
Other Money Held in Trust	\$ 13	\$ 9	\$ 4	\$ 4	\$ —

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

Valuation Differences on Available-for-Sale Securities

The following table shows components of "Valuation Differences on Available-for-Sale Securities" in the consolidated balance sheet.

March 31	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Valuation Differences			
Available-for-Sale Securities	¥ 499,573	¥ 667,220	\$ 4,596
Other Money Held in Trust	388	353	4
Total Valuation Differences	499,961	667,574	4,600
Amount Equivalent to Deferred Tax Assets (Liabilities)	(151,869)	(202,562)	(1,397)
Total (before Adjustment for Non-Controlling Interests and Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies)	348,092	465,012	3,203
Non-Controlling Interests	(74)	(266)	(1)
Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies	3,442	2,702	32
Valuation Differences on Available-for-Sale Securities	¥ 351,459	¥ 467,448	\$ 3,234

(Notes)

1) Foreign currency translation adjustments on available-for-sale securities, for which fair values are extremely difficult to be determined, are included in the "Available-for-Sale Securities" under "Valuation Difference."

2) The valuation difference of ¥2,132 million (U.S. \$20 million) and ¥1,589 million on available-for-sale securities composing assets held by associated companies as of March 31, 2020

and 2019, respectively, is included in "Available-for-Sale Securities" under "Valuation Difference."

3) The unamortized portion of valuation difference as of the 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. Derivatives Transactions Not Qualifying for Hedge Accounting

Derivatives transactions not qualifying for hedge accounting are grouped by 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 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 not qualifying for hedge accounting as of March 31, 2020 and 2019, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2020				2020			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
	Total	Over One Year			Total	Over One Year		
Listed								
Interest Futures								
Sold	¥ 20,873,613	¥ 7,936,931	¥ (48,309)	¥ (48,309)	\$ 192,047	\$ 73,024	\$ (444)	\$ (444)
Purchased	21,329,778	7,616,507	46,361	46,361	196,244	70,076	427	427
Interest Options								
Sold	2,942,641	—	(1,175)	(715)	27,074	—	(11)	(7)
Purchased	2,937,903	—	1,144	508	27,030	—	11	5
OTC								
Forward Rate Agreements								
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —
Purchased	—	—	—	—	—	—	—	—
Interest Rate Swaps								
Fixed Interest Rate Receivable/ Floating Interest Rate Payable	50,872,014	39,266,116	2,208,234	2,208,234	468,047	361,267	20,317	20,317
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	43,837,712	34,523,749	(2,159,973)	(2,159,973)	403,328	317,635	(19,873)	(19,873)
Floating Interest Rate Receivable/ Floating Interest Rate Payable	22,336,839	17,809,579	3,096	3,096	205,510	163,857	28	28
Interest Options								
Sold	9,925,297	9,906,302	(33,630)	(22,767)	91,317	91,143	(309)	(209)
Purchased	6,642,159	6,608,026	18,834	14,371	61,111	60,797	173	132
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 34,583	¥ 40,805			\$ 318	\$ 375

	Millions of Yen							
	2019							
	Notional Amount				Fair Value	Valuation Difference		
	Total		Over One Year					
Listed								
Interest Futures								
Sold	¥	44,621,033	¥	16,573,349	¥	(48,367)	¥	(48,367)
Purchased		44,455,416		16,528,250		47,846		47,846
Interest Options								
Sold		5,228,027		278,836		(303)		528
Purchased		4,173,799		222,706		306		(566)
OTC								
Forward Rate Agreements								
Sold	¥	—	¥	—	¥	—	¥	—
Purchased		—		—		—		—
Interest Rate Swaps								
Fixed Interest Rate Receivable/ Floating Interest Rate Payable		61,744,126		46,363,011		1,070,742		1,070,742
Floating Interest Rate Receivable/ Fixed Interest Rate Payable		57,657,504		43,512,290		(1,063,552)		(1,063,552)
Floating Interest Rate Receivable/ Floating Interest Rate Payable		20,877,371		16,746,641		2,295		2,295
Interest Options								
Sold		7,529,147		7,519,158		(8,106)		6,223
Purchased		3,541,520		3,537,021		13,810		7,641
Others								
Sold		—		—		—		—
Purchased		—		—		—		—
Total					¥	14,671	¥	22,789

(Notes)

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

2) The fair values of listed derivatives transactions are based on the closing prices on the Tokyo Financial Exchange and other exchanges. The fair values of OTC derivatives 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 March 31, 2020 and 2019, consist of the following:

	Millions of Yen								Millions of U.S. Dollars							
	2020								2020							
	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	¥	5,208,369	¥	4,495,735	¥	(4,770)	¥	(4,770)	\$	47,919	\$	41,363	\$	(44)	\$	(44)
Forward Exchange Contracts																
Sold	12,324,261		832,222		(78,921)		(78,921)		113,389		7,657		(726)		(726)	
Purchased	16,353,498		227,010		30,111		30,111		150,460		2,089		277		277	
Currency Options																
Sold	1,170,658		606,930		(43,375)		8,257		10,771		5,584		(399)		76	
Purchased	892,363		443,075		44,170		(2,909)		8,210		4,077		406		(27)	
Others																
Sold	—		—		—		—		—		—		—		—	
Purchased	—		—		—		—		—		—		—		—	
Total					¥ (52,784)		¥ (48,231)						\$ (486)		\$ (444)	

	Millions of Yen			
	2019		Fair Value	Valuation Difference
	Notional Amount			
	Total	Over One Year		
Listed				
Currency Futures				
Sold	¥	—	¥	—
Purchased		—		—
Currency Options				
Sold		—		—
Purchased		—		—
OTC				
Currency Swaps	¥	4,061,705	¥	3,842,184
			¥	9,866
			¥	9,866
Forward Exchange Contracts				
Sold		12,654,686		706,425
				(31,223)
Purchased		15,911,526		286,942
				50,008
Currency Options				
Sold		1,292,446		604,105
				(40,734)
Purchased		1,036,045		433,558
				39,396
Others				
Sold		—		—
Purchased		—		—
Total			¥	27,312
			¥	33,044

(Notes)

1) The above transactions are stated at their fair values and valuation differences are recorded in the consolidated statement 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 March 31, 2020 and 2019, consist of the following:

	Millions of Yen				Millions of U.S. Dollars				
	2020				2020				
	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	¥ 69,802	¥ —	¥ (1,245)	¥ (1,245)	\$ 642	\$ —	\$ (11)	\$ (11)	
Purchased	36,429	—	2,339	2,339	335	—	22	22	
Stock Index Options									
Sold	26,674	—	(868)	(347)	245	—	(8)	(3)	
Purchased	5,100	—	4	(35)	47	—	0	(0)	
OTC									
OTC Stock Options									
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —	
Purchased	—	—	—	—	—	—	—	—	
OTC Stock Swaps									
Volatility of Stock Price and Other Receivable/ Short-Term Floating Interest Rate Payable	—	—	—	—	—	—	—	—	
Short-Term Floating Interest Rate Receivable/ Volatility of Stock Price and Other Payable	—	—	—	—	—	—	—	—	
Others	—	—	—	—	—	—	—	—	
Sold	—	—	—	—	—	—	—	—	
Purchased	—	—	—	—	—	—	—	—	
Total			¥ 230	¥ 710			\$ 2	\$ 7	

	Millions of Yen			
	2019			Valuation Difference
	Notional Amount		Fair Value	
	Total	Over One Year		
Listed				
Stock Index Futures				
Sold	¥ 61,140	¥ —	¥ (401)	¥ (401)
Purchased	40,433	—	318	318
Stock Index Options				
Sold	56,344	—	(334)	77
Purchased	73,517	—	162	(212)
OTC				
OTC Stock Options				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
OTC Stock Swaps				
Volatility of Stock Price and Other Receivable/ Short-Term Floating Interest Rate Payable	—	—	—	—
Short-Term Floating Interest Rate Receivable/ Volatility of Stock Price and Other Payable	—	—	—	—
Others	—	—	—	—
Sold	—	—	—	—
Purchased	—	—	—	—
Total			¥ (254)	¥ (217)

(Notes)

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

2) The fair values of listed derivatives transactions are based on the closing prices on the Osaka Exchange and other exchanges. The fair values of OTC 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 March 31, 2020 and 2019, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2020				2020			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
	Total	Over One Year			Total	Over One Year		
Listed								
Bond Futures								
Sold	¥ 2,314,032	¥ —	¥ (55,526)	¥ (55,526)	\$ 21,290	\$ —	\$ (511)	\$ (511)
Purchased	2,407,161	—	55,375	55,375	22,147	—	509	509
Bond Future Options								
Sold	66,991	—	(325)	99	616	—	(3)	1
Purchased	47,986	—	169	(42)	442	—	2	(0)
OTC								
Bond Forward Contracts								
Sold	¥ 20,332	¥ —	¥ (252)	¥ (252)	\$ 187	\$ —	\$ (2)	\$ (2)
Purchased	33,816	—	649	649	311	—	6	6
Bond Options								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 89	¥ 303			\$ 1	\$ 3

	Millions of Yen			
	2019			Valuation Difference
	Notional Amount		Fair Value	
	Total	Over One Year		
Listed				
Bond Futures				
Sold	¥ 1,785,463	¥ —	¥ (25,077)	¥ (25,077)
Purchased	1,951,521	—	22,782	22,782
Bond Future Options				
Sold	223,845	—	(922)	(92)
Purchased	160,416	—	742	388
OTC				
Bond Forward Contracts				
Sold	¥ 201,772	¥ —	¥ (1,339)	¥ (1,339)
Purchased	68,671	—	393	393
Bond Options				
Sold	—	—	—	—
Purchased	—	—	—	—
Others				
Sold	—	—	—	—
Purchased	—	—	—	—
Total			¥ (3,420)	¥ (2,944)

(Notes)

1) The above transactions are stated at their fair values and valuation differences are recorded in the consolidated statement 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 transactions are calculated using option-pricing models.

(5) Commodity-Related Transactions

There were no commodity-related transactions not qualifying for hedge accounting as of March 31, 2020 and 2019.

(6) Credit Derivatives Transactions

Credit derivatives transactions not qualifying for hedge accounting as of March 31, 2020 and 2019, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2020				2020			
	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	¥ 59,034	¥ 45,934	¥ (59)	¥ (59)	\$ 543	\$ 423	\$ (1)	\$ (1)
Purchased	65,540	52,440	190	190	603	482	2	2
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 131	¥ 131			\$ 1	\$ 1

	Millions of Yen			
	2019			
	Notional Amount		Fair Value	Valuation Difference
	Total	Over One Year		
OTC				
Credit Default Swaps				
Sold	¥ 67,343	¥ 49,843	¥ 1,015	¥ 1,015
Purchased	64,155	46,655	(955)	(955)
Others				
Sold	—	—	—	—
Purchased	—	—	—	—
Total			¥ 60	¥ 60

(Notes)

- 1) The above transactions are stated at their fair values and valuation differences are recorded in the consolidated statement 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. Derivatives Transactions Qualifying for Hedge Accounting

Derivatives transactions qualifying for hedge accounting are grouped by type of underlying transactions. The notional amounts (or the amount equivalent to the principal specified in the contracts) and the fair values as of the 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 March 31, 2020 and 2019, consist of the following:

		Millions of Yen			Millions of U.S. Dollars								
		2020			2020								
		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 Financial Assets/Liabilities such as Loans and Bills Discounted, Available-for-Sale Securities (Bonds), Deposits, and Bonds Payable	¥	795,889	¥	132,000	¥	1,525	\$	7,323	\$	1,214	\$	14
Floating Interest Rate Receivable/ Fixed Interest Rate Payable													
		1,513,915	1,359,935	(52,136)	13,929	12,512	(480)						
Interest Futures													
Sold		—		—		—		—		—		—	
Purchased		—		—		—		—		—		—	
Interest Options													
Sold		—		—		—		—		—		—	
Purchased	—		—		—		—		—		—		
Others													
Sold	—		—		—		—		—		—		
Purchased	—		—		—		—		—		—		
Exceptional Treatment for Interest Rate Swaps													
Interest Rate Swaps													
Fixed Interest Rate Receivable/ Floating Interest Rate Payable		¥	—	¥	—			\$	—	\$	—		
Floating Interest Rate Receivable/ Fixed Interest Rate Payable													
		—		—		—		—		—		—	
Total						¥ (50,610)						\$ (466)	

		Millions of Yen		
		2019		
		Notional Amount		Fair Value
Major Hedged Item	Total	Over One Year		
Deferral Method				
Interest Rate Swaps				
Fixed Interest Rate Receivable/ Floating Interest Rate Payable		¥ 1,494,651	¥ 796,511	¥ 1,461
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	Interest-Earning/ Bearing Financial Assets/Liabilities such as Loans and Bills Discounted, Available-for-Sale Securities (Bonds), Deposits, and Bonds Payable	1,469,681	1,392,602	(37,909)
Interest Futures				
Sold		—	—	—
Purchased		—	—	—
Interest Options				
Sold		—	—	—
Purchased		—	—	—
Others				
Sold		—	—	—
Purchased		—	—	—
Exceptional Treatment for Interest Rate Swaps				
Interest Rate Swaps				
Fixed Interest Rate Receivable/ Floating Interest Rate Payable	Borrowed Money	¥ —	¥ —	
Floating Interest Rate Receivable/ Fixed Interest Rate Payable		200	—	(Note 3)
Total				¥ (36,448)

(Notes)

- 1) Deferred hedge accounting stipulated in Report No. 24 is applied, in principle.
- 2) Fair values are calculated mainly using the net present value method or option-pricing models.

- 3) Interest rate swaps to which exceptional treatment is applied are accounted for as part of the borrowings being hedged; therefore, their fair values are included in the fair value of Borrowed Money presented under "Financial Instruments."

(2) Currency-Related Transactions

Currency-related transactions qualifying for hedge accounting as of March 31, 2020 and 2019, consist of the following:

Major Hedged Item		Millions of Yen			Millions of U.S. Dollars		
		2020			2020		
		Notional Amount		Fair Value	Notional Amount		Fair Value
		Total	Over One Year		Total	Over One Year	
Deferral Method							
Currency Swaps		¥ 2,301,582	¥ 1,214,987	¥ 31,261	\$ 21,176	\$ 11,178	\$ 288
Forward Exchange Contracts							
Sold	Loans and Bills Discounted and Securities Denominated in Foreign Currencies	13,146	—	21	121	—	0
Purchased		4,793	—	3,889	44	—	36
Others							
Sold		—	—	—	—	—	—
Purchased		—	—	—	—	—	—
Method of Including Foreign Currency Translation Adjustments Arising from the Hedging Instruments in “Foreign Currency Translation Adjustments”							
Forward Exchange Contracts							
Sold	Investment in the Shares of Subsidiaries and Affiliated Companies	¥ 91,176	¥ —	¥ 2,446	\$ 839	\$ —	\$ 23
Purchased		—	—	—	—	—	—
Total				¥ 37,618			\$ 346

Major Hedged Item		Millions of Yen		
		2019		
		Notional Amount		Fair Value
		Total	Over One Year	
Deferral Method				
Currency Swaps		¥ 1,557,814	¥ 955,752	¥ (24,756)
Forward Exchange Contracts				
Sold	Loans and Bills Discounted	15,962	—	(45)
Purchased	and Securities Denominated in Foreign Currencies	17,877	—	63
Others				
Sold		—	—	—
Purchased		—	—	—
Method of Including Foreign Currency Translation Adjustments Arising from the Hedging Instruments in “Foreign Currency Translation Adjustments”				
Forward Exchange Contracts				
Sold	Investment in the Shares of Subsidiaries and	¥ 69,961	¥ —	¥ (391)
Purchased	Affiliated Companies	—	—	—
Total				¥ (25,128)

(Notes)

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

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

(3) Stock-Related Transactions

There were no stock-related transactions qualifying for hedge accounting as of March 31, 2020 and 2019.

(4) Bond-Related Transactions

There were no bond-related transactions qualifying for hedge accounting as of March 31, 2020 and 2019.

Retirement and Pension Plans

Retirement and Pension Plans for the Fiscal Years Ended March 31, 2020 and 2019

1. Outline of the Retirement Benefit Plans Adopted by SuMi TRUST Holdings

SuMi TRUST Bank, a consolidated subsidiary of SuMi TRUST Holdings, has defined benefit plans (a corporate pension fund plan and a lump-sum retirement benefit plan). Additionally, a lump-sum retirement benefit plan is offered to contract employees according to internal rules. SuMi TRUST Bank also has a defined contribution pension plan and may provide extra retirement payments to retiring

employees in some cases. SuMi TRUST Bank sets up employee retirement benefit trusts as part of its pension plan assets.

Other consolidated subsidiaries have lump-sum retirement benefit plans, defined benefit corporate pension plans and defined contribution pension plans. Some consolidated subsidiaries also participate in multiple employer pension plan.

Some consolidated subsidiaries adopt the computational shortcut method in calculating liabilities for retirement benefits and retirement benefit expenses for their defined benefit corporate pension plans and lump-sum retirement benefit plans.

2. Defined Benefit Plans

(1) Reconciliation of Retirement Benefit Obligations

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Retirement Benefit Obligations (opening balance)	¥ 465,033	¥ 467,350	\$ 4,279
Service Cost-Benefits Earned during the Fiscal Year	13,895	14,371	128
Interest Cost on Projected Benefit Obligations	2,340	2,338	22
Actuarial Gains and Losses that Arose during the Fiscal Year	122	688	1
Retirement Benefits Paid	(18,513)	(18,145)	(170)
Past Service Cost that Arose during the Fiscal Year	—	(176)	—
Other	97	(1,393)	1
Retirement Benefit Obligations (closing balance)	¥ 462,975	¥ 465,033	\$ 4,260

(2) Reconciliation of Plan Assets

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Plan Assets (opening balance)	¥ 589,955	¥ 616,410	\$ 5,428
Expected Return on Plan Assets	24,496	26,859	225
Actuarial Gains and Losses that Arose during the Fiscal Year	(72,913)	(36,661)	(671)
Contributions by the Employer	10,904	709	100
Retirement Benefits Paid	(16,416)	(16,350)	(151)
Other	—	(1,011)	—
Plan Assets (closing balance)	¥ 536,026	¥ 589,955	\$ 4,932

(3) Reconciliation between Closing Balances of Retirement Benefit Obligations and Plan Assets, and Liabilities and Assets for Retirement Benefits Recorded in the Consolidated Balance Sheet

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Retirement Benefit Obligations of Retirement Benefit Plans with Plan Assets	¥ 450,214	¥ 452,486	\$ 4,142
Plan Assets	(536,026)	(589,955)	(4,932)
	(85,812)	(137,469)	(790)
Retirement Benefit Obligations of Retirement Benefit Plans without Plan Assets	12,761	12,546	117
Net of Liabilities and Assets Recorded in the Consolidated Balance Sheet	¥ (73,051)	¥ (124,922)	\$ (672)

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Liabilities for Retirement Benefits	¥ 14,044	¥ 14,008	\$ 129
Assets for Retirement Benefits	(87,096)	(138,931)	(801)
Net of Liabilities and Assets Recorded in the Consolidated Balance Sheet	¥ (73,051)	¥ (124,922)	\$ (672)

(4) Breakdown of Retirement Benefit Expenses

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Service Cost-Benefits Earned during the Fiscal Year	¥ 13,895	¥ 14,371	\$ 128
Interest Cost on Projected Benefit Obligations	2,340	2,338	22
Expected Return on Plan Assets	(24,496)	(26,859)	(225)
Amortization of Actuarial Differences	1,993	2,625	18
Amortization of Past Service Cost	28	2	0
Other	671	628	6
Retirement Benefit Expenses for Defined Benefit Obligations	¥ (5,568)	¥ (6,893)	\$ (51)

(5) Remeasurements of Defined Benefit Plans

The breakdown of remeasurements of defined benefit plans (before tax effects) is as follows:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Past Service Cost	¥ 28	¥ 178	\$ 0
Actuarial Differences	(71,042)	(34,724)	(654)
Total	¥ (71,014)	¥ (34,545)	\$ (653)

(6) Remeasurements of Defined Benefit Plans

The breakdown of remeasurements of defined benefit plans (before tax effects) is as follows:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Unrecognized Past Service Cost	¥ (193)	¥ (165)	\$ (2)
Unrecognized Actuarial Differences	98,876	27,833	910
Total	¥ 98,683	¥ 27,667	\$ 908

(7) Plan Assets

1) The asset categories and proportion of the total plan asset are as follows:

	Proportion (%)	
	2020	2019
Debt Securities	32	27
Equity Securities	53	59
Cash and Due from Banks	2	2
Other	13	12
Total	100	100

(Note) The total plan asset includes the retirement benefit trusts set up for a corporate pension plan and a lump-sum retirement benefit plan. They account for 52% and 58% of the total plan asset for the fiscal years ended March 31, 2020 and 2019, respectively.

2) Expected long-term rate of return on plan assets

In order to determine the expected long-term rate of return on plan assets, SuMi TRUST Holdings considers the current and projected plan asset allocation, as well as the current and expected long-term rate of return on assets composing plan assets.

(8) Assumptions Used

Major assumptions used in actuarial calculation for the fiscal years ended March 31, 2020 and 2019, are as follows:

	2020	2019
Discount Rate	Mainly 0.5%	Mainly 0.5%
Expected Long-Term Rate of Return on Plan Assets	4.1%	4.3%

3. Defined Contribution Pension Plans

Contributions by SuMi TRUST Holdings and its consolidated subsidiaries to the defined contribution pension plans were ¥2,155 million (U.S. \$20 million) and ¥2,049 million for the years ended March 31, 2020 and 2019, respectively.

Stock Option Plans

1. Expenses Recorded in Connection with Stock Options during the Fiscal Years Ended March 31, 2020 and 2019

(1) SuMi TRUST Holdings

2020: There were no general and administrative expenses recorded.

2019: General and Administrative Expenses: ¥288 million

(2) Nikko Asset Management Co., Ltd. (consolidated subsidiary)

There were no relevant items.

2. Description of Stock Options

(1) SuMi TRUST Holdings

The following tables show stock options effective as of March 31, 2020. The number of stock options represents the number of shares after converting into equivalent shares, taking into account the consolidation of shares at a ratio of ten existing shares into one share effected on October 1, 2016.

1) Description of Stock Options

Year Ended March 31, 2020	SuMi TRUST Holdings Series 1 Subscription Rights to Shares	SuMi TRUST Holdings Series 2 Subscription Rights to Shares
Number of Eligible Persons and their Position	Directors and officers of SuMi TRUST Holdings: 22 Directors and officers of The Chuo Mitsui Trust and Banking Company, Limited: 19 Directors and officers of The Chuo Mitsui Asset Trust and Banking Company, Limited: 7 Directors and officers of The Sumitomo Trust and Banking Co., Ltd.: 24 Total: 72	Directors and officers of SuMi TRUST Holdings: 22 Directors and officers of SuMi TRUST Bank: 44 Total: 66
Number of Stock Options Granted by Class of Share	Common stock: 28,600 shares	Common stock: 26,000 shares
Grant Date	July 26, 2011	July 18, 2012
Vesting Conditions	1) A holder of the subscription rights to shares must be a director or officer of SuMi TRUST Holdings or its subsidiaries when exercising the rights, unless the holder is no longer in such a position because he or she has retired at the end of his or her term or for some other valid reason. 2) If a holder of subscription rights to shares is deceased and the entirety of the subscription rights to shares is inherited by a single legal heir ("inheritor of the rights"), the subscription rights to shares may be exercised by the inheritor of the rights. If the inheritor of the rights is deceased, heirs of the inheritor of the rights may not inherit the subscription rights to shares.	Same as on the left
Eligible Service Period	From July 26, 2011, to July 25, 2013	From July 18, 2012, to July 17, 2014
Exercise Period	From July 26, 2013, to July 25, 2021	From July 18, 2014, to July 17, 2022

Year Ended March 31, 2020	SuMi TRUST Holdings Series 3 Subscription Rights to Shares	SuMi TRUST Holdings Series 4 Subscription Rights to Shares
Number of Eligible Persons and their Position	Directors and officers of SuMi TRUST Holdings: 22 Directors and officers of SuMi TRUST Bank: 38 Total: 60	Directors and officers of SuMi TRUST Holdings: 23 Directors and officers of SuMi TRUST Bank: 40 Total: 63
Number of Stock Options Granted by Class of Share	Common stock: 39,800 shares	Common stock: 40,400 shares
Grant Date	July 19, 2013	August 1, 2014
Vesting Conditions	1) A holder of the subscription rights to shares must be a director or officer of SuMi TRUST Holdings or its subsidiaries when exercising the rights, unless the holder is no longer in such a position because he or she has retired at the end of his or her term or for some other valid reason. 2) If a holder of subscription rights to shares is deceased and the entirety of the subscription rights to shares is inherited by a single legal heir ("inheritor of the rights"), the subscription rights to shares may be exercised by the inheritor of the rights. If the inheritor of the rights is deceased, heirs of the inheritor of the rights may not inherit the subscription rights to shares.	1) A holder of the subscription rights to shares may exercise the rights the following day or onwards when the holder is no longer in a position of a director or officer of SuMi TRUST Holdings or SuMi TRUST Bank. 2) If a holder of subscription rights to shares is deceased and the entirety of the subscription rights to shares is inherited by a single legal heir ("inheritor of the rights"), the subscription rights to shares may be exercised by the inheritor of the rights. If the inheritor of the rights is deceased, heirs of the inheritor of the rights may not inherit the subscription rights to shares.
Eligible Service Period	From July 19, 2013, to July 18, 2015	Not specified
Exercise Period	From July 19, 2015, to July 18, 2023	From August 31, 2014, to July 31, 2044

Year Ended March 31, 2020	SuMi TRUST Holdings Series 5 Subscription Rights to Shares	SuMi TRUST Holdings Series 6 Subscription Rights to Shares
Number of Eligible Persons and their Position	Directors and officers of SuMi TRUST Holdings: 19 Directors and officers of SuMi TRUST Bank: 44 Total: 63	Directors and officers of SuMi TRUST Holdings: 21 Directors and officers of SuMi TRUST Bank: 42 Total: 63
Number of Stock Options Granted by Class of Share	Common stock: 32,700 shares	Common stock: 51,000 shares
Grant Date	July 31, 2015	July 29, 2016
Vesting Conditions	1) A holder of the subscription rights to shares may exercise the rights the following day or onwards when the holder is no longer in a position of a director or officer of SuMi TRUST Holdings or SuMi TRUST Bank. 2) If a holder of subscription rights to shares is deceased and the entirety of the subscription rights to shares is inherited by a single legal heir ("inheritor of the rights"), the subscription rights to shares may be exercised by the inheritor of the rights. If the inheritor of the rights is deceased, heirs of the inheritor of the rights may not inherit the subscription rights to shares.	Same as on the left
Eligible Service Period	Not specified	Same as on the left
Exercise Period	From August 31, 2015, to July 30, 2045	From August 31, 2016, to July 28, 2046

Year Ended March 31, 2020	SuMi TRUST Holdings Series 7 Subscription Rights to Shares	SuMi TRUST Holdings Series 8 Subscription Rights to Shares
Number of Eligible Persons and their Position	Directors and officers of SuMi TRUST Holdings: 26 Directors and officers of SuMi TRUST Bank: 41 Total: 67	Directors and officers of SuMi TRUST Holdings: 30 Directors and officers of SuMi TRUST Bank: 40 Total: 70
Number of Stock Options Granted by Class of Share	Common stock: 61,300 shares	Common stock: 69,000 shares
Grant Date	July 28, 2017	September 3, 2018
Vesting Conditions	1) A holder of the subscription rights to shares may exercise the rights the following day or onwards when the holder is no longer in a position of a director or officer of SuMi TRUST Holdings or SuMi TRUST Bank. 2) If a holder of subscription rights to shares is deceased and the entirety of the subscription rights to shares is inherited by a single legal heir ("inheritor of the rights"), the subscription rights to shares may be exercised by the inheritor of the rights. If the inheritor of the rights is deceased, heirs of the inheritor of the rights may not inherit the subscription rights to shares.	Same as on the left
Eligible Service Period	Not specified	Same as on the left
Exercise Period	From August 21, 2017, to July 27, 2047	From September 30, 2018, to September 2, 2048

2) Volume and Changes in Stock Options

i) Number of stock options

Year Ended March 31, 2020	Shares			
	SuMi TRUST Holdings Series 1 Subscription Rights to Shares	SuMi TRUST Holdings Series 2 Subscription Rights to Shares	SuMi TRUST Holdings Series 3 Subscription Rights to Shares	SuMi TRUST Holdings Series 4 Subscription Rights to Shares
Unvested Stock Options				
At the Beginning of the Fiscal Year	—	—	—	—
Granted	—	—	—	—
Forfeited	—	—	—	—
Vested	—	—	—	—
At the End of the Fiscal Year	—	—	—	—
Vested Stock Options				
At the Beginning of Fiscal Year	20,600	20,000	39,300	32,600
Vested	—	—	—	—
Exercised	600	700	—	—
Forfeited	—	—	—	—
At the End of the Fiscal Year	20,000	19,300	39,300	32,600

Year Ended March 31, 2020	Shares			
	SuMi TRUST Holdings Series 5 Subscription Rights to Shares	SuMi TRUST Holdings Series 6 Subscription Rights to Shares	SuMi TRUST Holdings Series 7 Subscription Rights to Shares	SuMi TRUST Holdings Series 8 Subscription Rights to Shares
Unvested Stock Options				
At the Beginning of the Fiscal Year	—	—	—	—
Granted	—	—	—	—
Forfeited	—	—	—	—
Vested	—	—	—	—
At the End of the Fiscal Year	—	—	—	—
Vested Stock Options				
At the Beginning of Fiscal Year	30,000	48,700	61,300	69,000
Vested	—	—	—	—
Exercised	—	600	—	600
Forfeited	—	—	—	—
At the End of the Fiscal Year	30,000	48,100	61,300	69,000

ii) Unit price information

Year Ended March 31, 2020	SuMi TRUST Holdings Series 1 Subscription Rights to Shares	SuMi TRUST Holdings Series 2 Subscription Rights to Shares	SuMi TRUST Holdings Series 3 Subscription Rights to Shares	SuMi TRUST Holdings Series 4 Subscription Rights to Shares
Exercise Price (yen)	4,000	4,000	5,190	1
Average Stock Price when Exercised (yen)	4,129	4,107	—	—
Fair Unit Value on the Grant Date (yen)	620	340	1,460	4,240

Year Ended March 31, 2020	SuMi TRUST Holdings Series 5 Subscription Rights to Shares	SuMi TRUST Holdings Series 6 Subscription Rights to Shares	SuMi TRUST Holdings Series 7 Subscription Rights to Shares	SuMi TRUST Holdings Series 8 Subscription Rights to Shares
Exercise Price (yen)	1	1	1	1
Average Stock Price when Exercised (yen)	—	4,030	—	3,974
Fair Unit Value on the Grant Date (yen)	5,447	3,246	3,870	4,183

(2) Nikko Asset Management Co., Ltd. (consolidated subsidiary)

The following tables show stock options effective as of March 31, 2020. The number of stock options represents the number of shares after converting into equivalent shares.

1) Description of Stock Options

Year Ended March 31, 2020	Resolution during Fiscal Year 2009	
Number of Eligible Persons and their Position	Directors and employees of Nikko Asset Management Co., Ltd. and its subsidiaries and affiliated companies: 271	Directors and employees of Nikko Asset Management Co., Ltd. and its subsidiaries and affiliated companies: 48
Number of Stock Options Granted by Class of Share	Common stock: 19,724,100 shares	Common stock: 1,702,800 shares
Grant Date	February 8, 2010	August 20, 2010
Vesting Conditions	The recipient must, in principle, be a director or an employee of Nikko Asset Management Co., Ltd., as of January 22, 2012 ("First Exercisable Date"); on the date immediately after which one full year has passed since the First Exercisable Date; and on the date immediately after which two full years have passed since the First Exercisable Date. In those periods, one half, one fourth and one fourth of the options held by the recipient will be vested, respectively. Nikko Asset Management Co., Ltd., must have implemented the IPO at the time of the exercise of any of these options.	
Eligible Service Period	From the grant date until two full years have passed since the First Exercisable Date	Same as on the left
Exercise Period	From January 22, 2012 to January 21, 2020	Same as on the left

	Resolution during the Fiscal Year 2011	Resolution during the Fiscal Year 2016
Number of Eligible Persons and their Position	Directors and employees of Nikko Asset Management Co., Ltd. and its subsidiaries and affiliated companies: 186	Directors and employees of Nikko Asset Management Co., Ltd. and its subsidiaries and affiliated companies: 16
Number of Stock Options Granted by Class of Share	Common stock: 6,101,700 shares	Common stock: 4,437,000 shares
Grant Date	October 7, 2011	July 15, 2016
Vesting Conditions	The recipient must, in principle, be a director or an employee of Nikko Asset Management Co., Ltd., as of October 7, 2013 ("First Exercisable Date"); on the date immediately after which one full year has passed since the First Exercisable Date; and on the date immediately after which two full years have passed since the First Exercisable Date. In those periods, one half, one fourth and one fourth of the options held by the recipient will be vested, respectively. Nikko Asset Management Co., Ltd., must have implemented the IPO at the time of the exercise of any of these options.	
Eligible Service Period	From the grant date until two full years have passed since the First Exercisable Date	From the grant date until two full years have passed since the First Exercisable Date
Exercise Period	From October 7, 2013 to October 6, 2021	From July 15, 2018 to July 31, 2026

	Resolution during the Fiscal Year 2016	Resolution during the Fiscal Year 2017
Number of Eligible Persons and their Position	Directors and employees of Nikko Asset Management Co., Ltd. and its subsidiaries and affiliated companies: 31	Directors and employees of Nikko Asset Management Co., Ltd. and its subsidiaries and affiliated companies: 36
Number of Stock Options Granted by Class of Share	Common stock: 4,409,000 shares	Common stock: 4,422,000 shares
Grant Date	April 27, 2017	April 27, 2018
Vesting Conditions	The recipient must, in principle, be a director or an employee of Nikko Asset Management Co., Ltd., as of April 27, 2019 ("First Exercisable Date"); on the date immediately after which one full year has passed since the First Exercisable Date; and on the date immediately after which two full years have passed since the First Exercisable Date. In those periods, one third, one third and one third of the options held by the recipient will be vested, respectively. Nikko Asset Management Co., Ltd., must have implemented the IPO at the time of the exercise of any of these options.	
Eligible Service Period	From the grant date until two full years have passed since the First Exercisable Date	From the grant date until two full years have passed since the First Exercisable Date
Exercise Period	From April 27, 2019 to April 30, 2027	From April 27, 2020 to April 30, 2028

2) Volume and Changes in Stock Options

i) Number of stock options

Year Ended March 31, 2020	Shares	
	Resolution during Fiscal Year 2009	
Grant Date	February 8, 2010	August 20, 2010
Unvested Stock Options		
At the Beginning of the Fiscal Year	1,171,500	75,900
Granted	—	—
Forfeited	1,171,500	75,900
Vested	—	—
At the End of the Fiscal Year	—	—
Vested Stock Options		
At the Beginning of the Fiscal Year	—	—
Vested	—	—
Exercised	—	—
Forfeited	—	—
At the End of the Fiscal Year	—	—

	Shares	
	Resolution during Fiscal Year 2011	
Grant Date	October 7, 2011	Resolution during Fiscal Year 2016 July 15, 2016
Unvested Stock Options		
At the Beginning of the Fiscal Year	2,055,900	3,618,000
Granted	—	—
Forfeited	871,200	2,272,000
Vested	—	—
At the End of the Fiscal Year	1,184,700	1,346,000
Vested Stock Options		
At the Beginning of the Fiscal Year	—	—
Vested	—	—
Exercised	—	—
Forfeited	—	—
At the End of the Fiscal Year	—	—

	Shares	
	Resolution during Fiscal Year 2016	
Grant Date	April 27, 2017	Resolution during Fiscal Year 2017 April 27, 2018
Unvested Stock Options		
At the Beginning of the Fiscal Year	3,811,000	4,356,000
Granted	—	—
Forfeited	1,417,000	1,417,000
Vested	—	—
At the End of the Fiscal Year	2,394,000	2,939,000
Vested Stock Options		
At the Beginning of the Fiscal Year	—	—
Vested	—	—
Exercised	—	—
Forfeited	—	—
At the End of the Fiscal Year	—	—

ii) Unit price information

Year Ended March 31, 2020	Resolution during Fiscal Year 2009	
Grant Date	February 8, 2010	August 20, 2010
Exercise Price	¥ 625	¥ 625
Fair Price on the Grant Date (Note 1)	0	0

	Resolution during Fiscal Year 2011	Resolution during Fiscal Year 2016
Grant Date	October 7, 2011	July 15, 2016
Exercise Price	¥ 737 (Note 3)	¥ 558
Fair Price on the Grant Date (Note 1)	0	0

	Resolution during Fiscal Year 2016	Resolution during Fiscal Year 2017
Grant Date	April 27, 2017	April 27, 2018
Exercise Price	¥ 553	¥ 694
Fair Price on the Grant Date (Note 1)	0	0

(Notes)

1) In lieu of fair value per share, the fair price refers to an estimate of each option's intrinsic value (the difference between the fair value of the share calculated by the comparable transaction price method and the exercise price).

2) The total amount of intrinsic value of the options was ¥1,633 million (U.S. \$15 million) as of March 31, 2020.

3) If the IPO price is set as any amount exceeding ¥737 (U.S. \$7), the Exercise Price shall be adjusted to an amount equal to the IPO Price on the IPO Date (the Exercise Price shall be adjusted to reflect appropriately the nature of any split or consolidation of shares after the Allotment Date, if any).

3. Method for Estimating a Fair Unit Price for Stock Options

There were no subscription rights to shares granted in the fiscal year ended March 31, 2020.

4. Method for Estimating the Number of Vested Stock Options

SuMi TRUST Holdings has adopted a method to reflect only the number of stock options that have been actually forfeited, because it is difficult to reasonably estimate the number that will be forfeited in the future.

Income Taxes

1. Deferred Tax Assets and Liabilities

Year Ended March 31	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Deferred Tax Assets:			
Tax Loss Carryforwards (Note)	¥ 4,314	¥ 15,668	\$ 40
Allowance for Loan Losses (including Direct Write-Offs of Loans with Guarantees or Collateral)	48,197	38,542	443
Impairment of Securities	19,196	19,387	177
Deferred Gains (Losses) on Hedges	25,682	14,560	236
Remeasurements of Defined Benefit Plans	30,674	10,080	282
Valuation Difference Due to Share Exchange	4,715	4,833	43
Other	55,763	52,379	513
Subtotal	188,543	155,453	1,735
Valuation Allowance for Tax Loss Carryforwards	(4,179)	(3,835)	(38)
Valuation Allowance for Deductible Temporary Differences	(20,163)	(18,597)	(186)
Valuation Allowance	(24,343)	(22,433)	(224)
Deferred Tax Assets	¥ 164,199	¥ 133,019	\$ 1,511
Deferred Tax Liabilities:			
Retirement Benefits	¥ (23,040)	¥ (18,047)	\$ (212)
Valuation Difference on Available-for-Sale Securities	(159,820)	(208,745)	(1,470)
Valuation Difference Due to Share Exchange	(5,804)	(6,779)	(53)
Other	(11,845)	(12,554)	(109)
Deferred Tax Liabilities	¥ (200,511)	¥ (246,127)	\$ (1,845)
Net Deferred Tax Assets (Liabilities)	¥ (36,311)	¥ (113,107)	\$ (334)

(Note) The expiration of tax loss carryforwards and the related valuation allowances as of March 31, 2020 and 2019, are as follows:

As of March 31, 2020	Millions of Yen						Total
	Within 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years	4 to 5 Years	More Than 5 Years	
Tax Loss Carryforwards (a)	¥ 611	¥ 428	¥ 430	¥ 152	¥ 155	¥ 2,535	¥ 4,314
Valuation Allowance	(602)	(422)	(331)	(152)	(142)	(2,529)	(4,179)
Deferred Tax Assets	9	5	99	—	13	6	134

As of March 31, 2019	Millions of Yen						Total
	Within 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years	4 to 5 Years	More Than 5 Years	
Tax Loss Carryforwards (a)	¥ 2,395	¥ 2,429	¥ 1,898	¥ 1,754	¥ 1,225	¥ 5,966	¥ 15,668
Valuation Allowance	(649)	(765)	(552)	(437)	(249)	(1,181)	(3,835)
Deferred Tax Assets	1,745	1,664	1,345	1,316	976	4,784	11,832 (b)

As of March 31, 2020	Millions of U.S. Dollars						Total
	Within 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years	4 to 5 Years	More Than 5 Years	
Tax Loss Carryforwards (a)	\$ 6	\$ 4	\$ 4	\$ 1	\$ 1	\$ 23	\$ 40
Valuation Allowance	(6)	(4)	(3)	(1)	(1)	(23)	(38)
Deferred Tax Assets	0	0	1	—	0	0	1

(Notes)

(a) The amount of tax loss carryforwards is calculated by multiplying tax losses by the effective statutory tax rate.

(b) The tax loss carryforwards of ¥15,668 million (U.S. \$144 million), calculated using the effective statutory tax rate, was recognized as a result of the exclusion of certain income, primarily dividend income of SuMi TRUST Holdings, from the

gross income for tax purposes. The deferred tax assets of ¥11,832 million (U.S. \$109 million) recognized for the tax loss carryforwards were considered as recoverable based on the taxable income projected on the basis of filing the consolidated tax return starting from April 1, 2019, and thus, valuation allowance is not recognized as of March 31, 2019.

2. Effective Income Tax Rate

Year Ended March 31	2020	2019
Effective Statutory Tax Rate	—%	30.62%
Adjustments:		
Changes in Valuation Allowance	—	(5.71)
Impairment Losses on Goodwill	—	1.46
Amortization of Goodwill	—	1.20
Share of Profit of Equity-Method Affiliated Companies	—	(0.76)
Permanent Differences (e.g., Cash Dividends Received)	—	(0.54)
Others	—	(1.16)
Effective Income Tax Rate	—%	25.11%

(Note) Disclosure on reconciliation between the effective statutory tax rate and the effective income tax rate is omitted since the difference was 5% or less of the effective statutory tax rate for the fiscal years ended March 31, 2020.

Segment Information

1. Reportable Segment Information

The SuMi TRUST Group's reportable segments are defined as operating segments for which discrete financial information is available. The Board of Directors and the Executive Committee of the SuMi TRUST Group periodically receive reporting on the operating results and other relevant information of the reportable segments to make decisions about the allocation of management resources and to assess performance.

The main activities of the reportable segment are presented below:

Retail Total Solution Services:

Provision of services to individual customers

Wholesale Financial Services:

Provision of services to corporate customers

Stock Transfer Agency Services:

Undertaking of stock-related services on behalf of customers

Real Estate:

Provision of services related to the real estate business

Fiduciary Services:

Operation of the pension business, the asset management business, and the asset administration business

Global Markets:

Marketing operations, market-making operations, investment operations, and financial management operations

2. Method for Calculating Substantial Gross Business Profit and Net Business Profit by Each Reportable Segment

Segment information is prepared based on internal management reports and the accounting policies used for the reportable segments are generally the same as those presented under "Significant Accounting Policies and Practices"; however, the reportable segments are accounted for in accordance with the rules for the internal management. Since each segment's information will not be used to make decisions about the allocation of resources or assess business performance at the management level, information about assets by reportable segment has not been generated.

“Net Business Profit” represents “Substantial Gross Business Profit,” less “Substantial G&A Expenses.” “Substantial Gross Business Profit” and “Substantial G&A Expenses” are financial figures generated on the basis of internal management reporting, and they represent “Gross Profit” and “General and Administrative Expenses (excluding any non-recurring expenses)” of SuMi TRUST Holdings and its consolidated

subsidiaries, reflecting profits or losses of equity-method affiliated companies (proportionate share of profits or losses, excluding any non-recurring items).

Income earned from inter-segment and cross-segment transactions is calculated by applying the criteria (market prices) specified in the rules for internal management.

3. Profit or Loss by Reportable Segment

	Millions of Yen								
	Retail Total Solution Services	Wholesale Financial Services	Stock Transfer Agency Services	Real Estate	Fiduciary Services		Global Markets	Others	Total
						Asset Management Business			
Year Ended March 31, 2020									
Substantial Gross Business Profit	¥ 192,763	¥ 206,166	¥ 37,443	¥ 56,927	¥ 171,793	¥ 81,936	¥ 72,590	¥ 4,976	¥ 742,661
General and Administrative Expenses	(169,882)	(73,663)	(18,973)	(24,524)	(105,909)	(52,380)	(15,049)	(45,647)	(453,650)
Net Business Profit	¥ 22,880	¥ 132,502	¥ 18,469	¥ 32,403	¥ 65,883	¥ 29,555	¥ 57,541	¥ (40,670)	¥ 289,011

	Millions of Yen								
	Retail Total Solution Services	Wholesale Financial Services	Stock Transfer Agency Services	Real Estate	Fiduciary Services		Global Markets	Others	Total
						Asset Management Business			
Year Ended March 31, 2019									
Substantial Gross Business Profit	¥ 199,892	¥ 193,892	¥ 37,031	¥ 54,388	¥ 172,188	¥ 71,857	¥ 45,683	¥ 19,591	¥ 722,669
General and Administrative Expenses	(168,949)	(70,463)	(18,613)	(24,235)	(109,123)	(47,572)	(15,317)	(33,732)	(440,435)
Net Business Profit	¥ 30,943	¥ 123,428	¥ 18,417	¥ 30,152	¥ 63,065	¥ 24,284	¥ 30,365	¥ (14,140)	¥ 282,233

	Millions of U.S. Dollars								
	Retail Total Solution Services	Wholesale Financial Services	Stock Transfer Agency Services	Real Estate	Fiduciary Services		Global Markets	Others	Total
						Asset Management Business			
Year Ended March 31, 2020									
Substantial Gross Business Profit	\$ 1,774	\$ 1,897	\$ 344	\$ 524	\$ 1,581	\$ 754	\$ 668	\$ 46	\$ 6,833
General and Administrative Expenses	(1,563)	(678)	(175)	(226)	(974)	(482)	(138)	(420)	(4,174)
Net Business Profit	\$ 211	\$ 1,219	\$ 170	\$ 298	\$ 606	\$ 272	\$ 529	\$ (374)	\$ 2,659

(Notes)

- 1) The figures represent “Substantial Gross Business Profit” in substitution for net sales to be presented by companies in other industries.
- 2) The amounts of “Substantial Gross Business Profit” include net interest income, net trust fees, net fees and commissions, net trading income, and net other ordinary income and expenses.
- 3) “General and Administrative Expenses” include personnel expenses and rent expenses.

- 4) Figures for the “Asset Management Business” are combined total of SuMi TRUST AM (consolidated), Nikko Asset Management Co., Ltd. (consolidated), and two affiliated companies accounted for by the equity method which are involved in asset management operations.
- 5) “Others” include costs of capital funding, dividends for shares for cross-shareholdings, general and administrative expenses of headquarters, and elimination of internal transactions.

Additional Information

In order to strengthen the asset management business, which is identified as a growing business area of the SuMi TRUST Group, SuMi TRUST Holdings split the asset management function from SuMi TRUST Bank, which is a consolidated subsidiary of SuMi TRUST Holdings, and integrated it into SuMi TRUST AM, which is also a consolidated subsidiary of SuMi TRUST Holdings in October 1, 2018. As a result, financial figures related to the "Asset Management Business," which are included in the "Fiduciary Services," can be now determinable, and thus, such figures are separately disclosed

under the "Fiduciary Services" as its component from the period ended March 30, 2020, taking into account the significance of the "Asset Management Business" in the business strategy of SuMi TRUST Group.

Since financial figures related to the "Asset Management Business" had not been managed prior to the split and integration of the asset management function, the financial figures related to the "Asset Management Business" for the period ended March 31, 2019 did not include those for SuMi TRUST Bank.

4. Reconciliation Between Total Profit or Loss for Reportable Segments and Income before Income Taxes in the Consolidated Statement of Income

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Net Business Profit	¥ 289,011	¥ 282,233	\$ 2,659
Other Income	95,680	71,626	880
Other Expenses	(112,333)	(77,688)	(1,034)
Other Adjustments	(31,636)	(34,831)	(291)
Income before Income Taxes	¥ 240,721	¥ 241,340	\$ 2,215

Related Information

1. Information by Services

Disclosure of information by services is omitted as similar disclosure is included in the "3. Profit or Loss by Reportable Segment" in the "Segment Information" section.

2. Geographic Information

(1) Income

Income by geographical area for the fiscal years ended March 31, 2020 and 2019, consists of the following:

Year Ended March 31, 2020	Millions of Yen				
	Japan	Americas	Europe	Asia and Oceania	Total
	¥ 1,173,962	¥ 160,931	¥ 91,734	¥ 111,927	¥ 1,538,556

Year Ended March 31, 2019	Millions of Yen				
	Japan	Americas	Europe	Asia and Oceania	Total
	¥ 1,106,433	¥ 158,817	¥ 87,455	¥ 116,727	¥ 1,469,434

Year Ended March 31, 2020	Millions of U.S. Dollars				
	Japan	Americas	Europe	Asia and Oceania	Total
	\$ 10,801	\$ 1,481	\$ 844	\$ 1,030	\$ 14,155

(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 SuMi TRUST Holdings, SuMi TRUST Bank (excluding overseas branches), and other domestic consolidated subsidiaries are presented under

"Japan." Income related to transactions by overseas branches of SuMi TRUST Bank 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 SuMi TRUST Group's tangible fixed assets on the consolidated balance sheet as of March 31, 2020 and 2019, are located in Japan; accordingly, tangible fixed assets by geographical area are not presented.

3. Information by Major Customer

Due to highly diversified income-generating transactions between SuMi TRUST Group and a significantly large number of SuMi TRUST Group's customers, transactions are not classified by major counterparty; accordingly, information by major customer is not presented.

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

Losses on impairment of fixed assets are not allocated to the reportable segments.

Losses on impairment of fixed assets recognized during the fiscal years ended March 31, 2020 and 2019, were ¥19,360 million (U.S. \$178 million) and ¥15,786 million, respectively.

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

Amortization of goodwill and unamortized balance of goodwill are not allocated to the reportable segments.

Amortization of goodwill recognized during the fiscal years ended March 31, 2020, and 2019, were ¥9,422 million (U.S. \$87 million) and ¥9,468 million, respectively. Unamortized balance of goodwill as of March 31, 2020, and 2019, were ¥45,087 million (U.S. \$415 million) and ¥60,092 million, respectively.

Information Related to Gain on Negative Goodwill by Reportable Segment

There was no gain on negative goodwill by reportable segment during the fiscal years ended March 31, 2020 and 2019.

Related-Party Transactions

There were no material transactions that need to be disclosed for the fiscal years ended March 31, 2020 and 2019.

Per Share of Common Stock Information

	Yen		U.S. Dollars
	2020	2019	2020
Net Assets per Share of Common Stock	¥ 6,822.48	¥ 7,008.67	\$ 62.77
Net Income per Share of Common Stock	434.31	458.91	4.00
Diluted Net Income per Share of Common Stock	434.03	458.64	3.99

(Notes)

1) Net assets per share of common stock and basis for calculation are as follows:

	Millions of Yen		Millions of U.S. Dollars
	As of March 31, 2020	As of March 31, 2019	As of March 31, 2020
Net Assets as Reported	¥ 2,590,907	¥ 2,730,356	\$ 23,838
Less:	35,641	76,895	328
Subscription Rights to Shares	1,057	1,062	10
Non-Controlling Interests	34,583	75,832	318
Net Assets Attributable to Common Shareholders	2,555,266	2,653,461	23,510
The Number of Shares of Common Stock Outstanding (Thousands of Shares)	374,536	378,596	374,536

2) Net income per share of common stock and diluted net income per share of common stock and basis for calculation are as follows:

	Millions of Yen		Millions of U.S. Dollars
	Fiscal Year Ended March 31, 2020	Fiscal Year Ended March 31, 2019	Fiscal Year Ended March 31, 2020
Net Income per Share of Common Stock			
Net Income Attributable to Owners of the Parent	¥ 163,028	¥ 173,889	\$ 1,500
Net Income Not Attributable to Common Shareholders	—	—	—
Net Income Related to Common Stock that is Attributable to Owners of the Parent	163,028	173,889	1,500
Average Number of Shares of Common Stock Outstanding (Thousands of Shares)	375,373	378,915	375,373
Diluted Net Income per Share of Common Stock			
Adjustments to Net Income Attributable to Owners of the Parent	—	—	—
Effect of Dilutive Securities (Thousands of Shares)	240	218	240
Subscription Rights to Shares (Thousands of Shares)	240	218	240
Summary of the potential shares that were excluded from calculation of diluted net income per share of common stock because they have no dilute effects	SuMi TRUST Holdings: Series 1 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 20,000 shares Series 2 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 19,300 shares Series 3 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 39,300 shares Consolidated Subsidiaries (Nikko Asset Management Co., Ltd. (NAM)): Subscription Rights to Shares (Stock Options) NAM Common Stock 7,863,700 shares	SuMi TRUST Holdings: Series 3 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 39,300 Shares Consolidated Subsidiaries (Nikko Asset Management Co., Ltd. (NAM)): Subscription Rights to Shares (Stock Options) NAM Common Stock: 15,088,300 shares	SuMi TRUST Holdings: Series 1 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 20,000 shares Series 2 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 19,300 shares Series 3 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 39,300 shares Consolidated Subsidiaries (Nikko Asset Management Co., Ltd. (NAM)): Subscription Rights to Shares (Stock Options) NAM Common Stock 7,863,700 shares

- 3) For the calculation of net income per share, the remaining number of shares of SuMi TRUST Holdings held by the share delivery trust for the directors, recorded as treasury stocks in the shareholders' equity, is included in the number of shares of treasury stocks deducted for the calculation of the average number of shares outstanding. For the calculation of net asset per share, it is also included in the number of shares of treasury stocks deducted from the total number of shares outstanding at the end of the fiscal year ended March 31, 2020.

For the calculation of net income per share, the average number of shares of treasury stock outstanding is 229 thousand shares for the fiscal year ended March 31, 2020 (not applicable for the fiscal year ended March 31, 2019). For the calculation of net asset per share, the total number of shares of treasury stock outstanding is 429 thousand shares (not applicable for the fiscal year ended March 31, 2019).

Significant Subsequent Event

Not Applicable.

Independent Auditors' Report



Independent Auditor's Report

To the Board of Directors of
Sumitomo Mitsui Trust Holdings, Inc.:

Opinion

We have audited the accompanying consolidated financial statements of Sumitomo Mitsui Trust Holdings, Inc. ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2020, the consolidated statement of income, statement of comprehensive income, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2020, and its consolidated financial performance and cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reasonableness of the estimated amount of allowance for loan losses for corporate customers	
The key audit matter	How the matter was addressed in our audit
<p>In the consolidated financial statements of Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings"), "Allowance for Loan Losses" amounted to ¥127.2 billion, which was provided for the total credit portfolios of ¥31,319.1 billion. "Loans and Bills Discounted" amounting to ¥29,703.3 billion represented the vast majority of the total credit portfolios and also accounted for a significant portion of its total assets of ¥56,500.5 billion.</p> <p>Of these amounts, the allowance for loan losses of ¥98.1 billion, the total credit portfolios of ¥30,430.2 billion and the loans and bills discounted of ¥29,953.5 billion (all including intra-group loans to consolidated subsidiaries) were recorded by Sumitomo Mitsui Trust Bank ("SuMi TRUST</p>	<p>The primary procedures we performed in assessing the reasonableness of the estimated amount of allowance for loan losses for corporate customers included the following:</p> <p>(1) Internal control testing</p> <p>We performed primarily the following procedures in which specialists in credit risk and IT were involved in assisting our evaluation of the design and operating effectiveness of internal controls related to the estimate of allowance for loan losses:</p> <p>(SuMi TRUST Bank)</p> <ul style="list-style-type: none"> Assessment of whether their internal criteria related to the self-assessment, write-offs, and provisions developed by the risk management

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Bank”), a major consolidated subsidiary. The majority of its allowance for loan losses was for corporate customers.

(1) Classification of borrowers

As described in Note 4. “Significant Accounting Policies,” (5) “Allowance for Loan Losses” to the consolidated financial statements, SuMi TRUST Bank performs the loan reviews and validates them, based on its internal criteria for self-assessment of asset quality, and records an allowance for loan losses in accordance with its policy for write-off and provision, according to the determined classification of each borrower.

The corporate borrowers of SuMi TRUST Bank are classified primarily based on the credit rating assigned by the credit risk management system that takes into account quantitative information, such as the borrowers’ financial information, as well as qualitative factors. Specifically, this classification process includes examining the borrowers’ solvency, based on their substantive financial condition, cash flow position, and earning capability, among others, and an overall assessment of their business sustainability and future profitability; ability to generate cash flows available for debt repayment; the reasonableness and feasibility of their business improvement plans; and support from other financial institutions, in addition to their industry/sector specific characteristics. Accordingly, the assessment requires judgment by SuMi TRUST Bank. A change in the classification of a large borrower (for which a significant amount of allowance for loan losses would be required, if its credit risk further deteriorated), in particular, may have a material impact on the amount of allowance for loan losses to be recognized in the consolidated financial statements. Therefore, a higher level of judgment is required for large borrowers whose credit risk could possibly change significantly, should their internal or external economic environments change.

(2) Estimated amount of allowance for loan losses considering the impact of the spread of COVID-19

As described in Note 4. “Significant Accounting Policies,” (5) “Allowance for Loan Losses” to the consolidated financial statements under “Additional Information,” because of the spread of COVID-19 affecting borrowers’ (corporate customers’) operations and financial performance,

department comply with rules of the accounting standards;

- Evaluation of controls which ensure that borrowers’ financial information entered into the credit risk management system by branches is complete and accurate;
- Evaluation of controls at the risk management department related to the credit rating determination model;
- Evaluation of IT application controls related to the determination of credit rating using quantitative information in the credit risk management system; and
- Evaluation of controls at the credit supervision department and the risk management department that validate the self-assessment, write-offs, and provisions for compliance with the internal criteria.

(Certain consolidated subsidiaries including SuMi TRUST Bank)

- Evaluation of controls that ensure the reasonableness of allowance for loan losses estimated based on certain assumptions is assessed in the meeting of C-suite executives.

(2) Classification of borrowers

We selected certain individual corporate borrowers for our testing, based on both quantitative and qualitative factors, and assessed whether the borrowers were appropriately classified. While quantitative factors included the possible effect on the amount of allowance for loan losses from inappropriate classification, qualitative factors included the determination of whether a significant change to their credit risk rating is expected, should their economic environments change.

We performed primarily the following procedures to evaluate whether the borrowers selected through the above process were classified appropriately:

- Assessment of whether the borrowers were classified in accordance with the internal criteria for self-assessment by inspecting the results of the analysis on the borrowers’ financial information performed by SuMi TRUST Bank, as well as other relevant records and documents used in the classification of the borrowers, including qualitative information; and



certain consolidated subsidiaries of SuMi TRUST Holdings recognized an additional allowance for loan losses of ¥24.6 billion.

In estimating the amount of additional allowance for loan losses, certain industries and products (collectively the “industries”), where the adverse impact of the spread of COVID-19 on the financial performance was considered more severe than others, were identified, and the amount of credit losses was estimated for certain credit portfolios within the industries assuming that their credit rating assigned by the credit risk management system had been downgraded to a certain extent.

As estimating the impact of the spread of COVID-19 involves a high degree of estimation uncertainty, there may be a material impact on the consolidated financial statements if the assumptions used for the estimate were not reasonable.

Based on the above, we determined that the reasonableness of the estimated amount of allowance for loan losses for corporate customers was of most significance in our audit of the consolidated financial statements for the current fiscal year and identified it as a key audit matter.

- Assessment of whether the classification of the borrowers was appropriate by inquiring of personnel in the relevant departments (branches, the credit supervision department, and the risk management department) of SuMi TRUST Bank, and examining the information of the borrowers that was obtained independently by ourselves.

In assessing whether the borrowers were appropriately classified, particularly for large borrowers whose credit risk could significantly change, should their economic environments change, we performed an overall assessment of their business environment, financial performance and condition, cash flow position, and support from other financial institutions, as well as future prospect of their industry and the borrower's competitive advantages.

- (3) Estimated amount of allowance for loan losses considering the impact of the spread of COVID-19

In assessing the impact of the spread of COVID-19 on the allowance for loan losses of SuMi TRUST Group companies, we inspected the materials and minutes of the meetings at SuMi TRUST Group companies in which the additional allowance was discussed and the recognition of the allowance was approved, and inquired of members of the meeting and other attendees.

In addition, in order to assess the reasonableness of assumptions used to estimate the amount of allowance (especially, those related to the identification of industries where adverse impact on the financial performance was considered more severe, and certain credit portfolios for which credit risks was more likely to increase, as well as the extent to which the internal credit ratings would have to be downgraded), we performed primarily the following procedures:

- Inquiries of personnel in the relevant departments (the research department, credit supervision department, financial planning department, and risk management department) of SuMi TRUST Bank as well as the relevant departments of other consolidated subsidiaries;
- Review of information from external sources, such as the results of impact studies published by third-party institutions and reports issued by external economists; and
- Assessment of the consistency with the policy



of the SuMi TRUST Group related to the credit risk management and its internal risk information.

Reasonableness of impairment loss recognized on fixed assets related to Sumitomo Mitsui Trust Club Co., Ltd.

The key audit matter			How the matter was addressed in our audit															
<p>In the consolidated financial statements of Sumitomo Mitsui Trust Holdings, Inc. for the current fiscal year, an impairment loss of ¥17.7 billion was recognized on the fixed assets of ¥22.6 billion as set out in the table below related to Sumitomo Mitsui Trust Club Co., Ltd. (“SuMi TRUST CLUB”), which was part of the losses on impairment of fixed assets of ¥19.3 billion reported in the consolidated statement of income.</p> <p>(Billions of yen)</p> <table><tr><th>Account</th><th>Pre-impairment carrying amount</th><th>Impairment loss</th></tr><tr><td>Goodwill ⁽¹⁾</td><td>6.4</td><td>6.4</td></tr><tr><td>Other intangible fixed assets ⁽¹⁾</td><td>2.6</td><td>2.6</td></tr><tr><td>Other fixed assets ⁽²⁾</td><td>13.6</td><td>8.6</td></tr><tr><td>Total</td><td>22.6</td><td>17.7</td></tr></table>			Account	Pre-impairment carrying amount	Impairment loss	Goodwill ⁽¹⁾	6.4	6.4	Other intangible fixed assets ⁽¹⁾	2.6	2.6	Other fixed assets ⁽²⁾	13.6	8.6	Total	22.6	17.7	<p>The primary procedures we performed to evaluate the reasonableness of the impairment loss recognized on fixed assets related to SuMi TRUST CLUB included the following:</p> <p>(1) Internal control testing</p> <p>We evaluated the design and operating effectiveness of internal controls related to the judgment as to whether an impairment loss on fixed assets should be recognized and the measurement of impairment loss. In this evaluation, we specifically focused on the internal controls relevant to the estimate of future cash flows used in the judgment on whether to recognize an impairment loss, including a business plan as the basis of such estimate.</p> <p>(2) Evaluation of the reasonableness of estimated future cash flows</p> <p>In order to evaluate the reasonableness of the estimated future cash flows, we performed the following procedures mainly on the business plan as the basis of the estimate (particularly, the feasibility of the measures to increase the number of the premium credit card membership, which was a major underlying assumption) and the uncertainty reflected in the future cash flows (particularly, the impact of the spread of COVID-19 on its performance):</p> <ul style="list-style-type: none">● Inspection of materials supporting the business plan and inquiry of personnel in the Corporate Planning Department of SuMi TRUST CLUB and other relevant departments (the Retail Business Planning Department and the Financial Planning Department) of Sumitomo Mitsui Trust Bank, Limited who were responsible for the preparation of the business plan;● Review of external information such as future growth rates of the credit card market estimated by third parties as well as reports and other materials issued by external economists on the impact of COVID-19;
Account	Pre-impairment carrying amount	Impairment loss																
Goodwill ⁽¹⁾	6.4	6.4																
Other intangible fixed assets ⁽¹⁾	2.6	2.6																
Other fixed assets ⁽²⁾	13.6	8.6																
Total	22.6	17.7																
<p>(1) Goodwill and other intangible assets recognized at the acquisition of SuMi TRUST CLUB.</p> <p>(2) Other fixed assets, mainly software, held by SuMi TRUST CLUB.</p> <p>While these fixed assets are depreciated or amortized in a systematic manner, whenever an indication of impairment is identified, it is necessary to determine whether an impairment loss should be recognized, by comparing the carrying amount of an asset group (or a larger group to which goodwill has been allocated) with the undiscounted future cash flows that would be generated by the asset group. If it is deemed necessary, based on such assessment, to recognize an impairment loss, the carrying amount of the asset group is written down to its recoverable</p>																		



amount with the reduction in the carrying amount recognized as an impairment loss.

With respect to SuMi TRUST CLUB, which operates the credit card business, whose results are reported within the Retail Total Solution Services Business segment, its operations were expected to incur continuous losses. As there was an indication of impairment in the current fiscal year, determining whether an impairment loss should be recognized was necessary.

The future cash flows used in the determination was estimated on the basis of a business plan developed by SuMi TRUST CLUB incorporating future uncertainty. The estimate reflected an increased revenue from operations, mainly due to a rise in the number of the premium credit card membership as a result of various promotion measures, as well as the impact of the spread of COVID-19 on its performance. Accordingly, this estimate involved a high degree of estimation uncertainty and required management's judgment.

In addition, once it is determined that an impairment loss should be recognized, high level valuation expertise is required to select an appropriate valuation method and input data for estimating a discount rate used to measure a recoverable amount based on the value in use.

Based on the above, we determined that the reasonableness of impairment loss recognized on fixed assets related to SuMi TRUST CLUB was of most significance in our audit of the consolidated financial statements for the current fiscal year and identified it as a key audit matter.

- Analysis of factors that led to failure to achieve the previous business plans and evaluation of whether those factors were appropriately considered in the estimate of future cash flows; and

- Evaluation of whether uncertainty is appropriately reflected to the future cash flows by performing sensitivity analyses for key assumptions (analyses to evaluate the effect that a change in the assumptions has on the future cash flows).

(3) Evaluation of the reasonableness of discount rate

The primary procedures we performed on the discount rates used in calculating the value in use, with the assistance of valuation specialists in our domestic network firm, were as follows:

- Evaluation of the appropriateness of the method used to calculate the discount rates in light of the requirements in the accounting standards; and

- Evaluation of the reasonableness of input parameters (risk-free rate, beta, and the market risk premium).

Responsibilities of Management and the audit committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee are responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Convenience Translation

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2020 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in "Basis of Presentation of Financial Statements" to the consolidated financial statements.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Toshiya Mori
Designated Engagement Partner
Certified Public Accountant

Tomomi Mase
Designated Engagement Partner
Certified Public Accountant

Takashi Fujisawa
Designated Engagement Partner
Certified Public Accountant

KPMG AZSA LLC
Tokyo Office, Japan
June 26, 2020

Notes to the Reader of Independent Auditor's Report:

This is a copy of the Independent Auditor's Report and the original copies are kept separately by the Company and KPMG AZSA LLC.

Financial Data:

Non-Consolidated Balance Sheets (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.
As of March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Assets:			
Current Assets:			
Cash and Due from Banks	¥ 2,349	¥ 2,110	\$ 22
Securities	129,000	100,000	1,187
Prepaid Expenses	201	183	2
Income Tax Refunds Receivable	15,588	28,924	143
Other Current Assets	28,330	2,457	261
Total Current Assets	175,470	133,676	1,614
Non-Current Assets:			
Tangible Fixed Assets:	0	0	0
Tools, Furniture, and Fixtures	0	0	0
Intangible Fixed Assets:	1	0	0
Software	1	0	0
Investments and Other Assets:	2,049,281	2,069,815	18,854
Investment Securities	652	652	6
Investments in Subsidiaries and Affiliated Companies (Stocks)	1,398,398	1,447,538	12,866
Long-Term Loans Receivable from Subsidiaries and Affiliated Companies	650,000	610,000	5,980
Deferred Tax Assets	136	11,530	1
Other Investments	94	94	1
Total Non-Current Assets	2,049,283	2,069,816	18,854
Total Assets	¥ 2,224,754	¥ 2,203,492	\$ 20,469
Liabilities:			
Current Liabilities:			
Accrued Expenses	¥ 2,457	¥ 2,803	\$ 23
Income Taxes Payable	969	4	9
Provision for Bonuses	187	174	2
Provision for Directors' Bonuses	42	49	0
Other Current Liabilities	959	129	9
Total Current Liabilities	4,616	3,161	42
Non-Current Liabilities:			
Bonds Payable	640,000	641,600	5,888
Long-Term Loans Payable	10,000	10,000	92
Provision for share-based remuneration	52	—	0
Other Non-Current Liabilities	40	10	0
Total Non-Current Liabilities	650,093	651,610	5,981
Total Liabilities	¥ 654,709	¥ 654,771	\$ 6,024
Net Assets:			
Total Shareholders' Equity:	¥ 1,568,986	¥ 1,547,658	\$ 14,435
Capital Stock	261,608	261,608	2,407
Capital Surplus:	977,094	1,041,473	8,990
Legal Capital Surplus	702,933	702,933	6,467
Other Capital Surplus	274,160	338,540	2,522
Retained Earnings:	333,139	295,798	3,065
Other Retained Earnings:			
Retained Earnings Brought Forward	333,139	295,798	3,065
Treasury Stock-At Cost	(2,855)	(51,222)	(26)
Subscription Rights to Shares	1,057	1,062	10
Total Net Assets	¥ 1,570,044	¥ 1,548,721	\$ 14,445
Total Liabilities and Net Assets	¥ 2,224,754	¥ 2,203,492	\$ 20,469
			Yen
			U.S. Dollars
Net Assets per Share of Common Stock	¥ 4,189.14	¥ 4,087.87	\$ 38.54

The figures in U.S. dollars are converted from yen for the convenience of readers outside Japan at the rate of ¥108.69 to U.S. \$1.00, the exchange rate as of March 31, 2020.

Financial Data:

Non-Consolidated Statements of Income (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.
For the fiscal years ended March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Operating Income:			
Dividends Received from Subsidiaries	¥ 95,851	¥ 121,832	\$ 882
Fees and Commissions Received from Subsidiaries	1,745	1,317	16
Total Operating Income	97,597	123,149	898
Operating Expenses:			
General and Administrative Expenses	3,709	3,341	34
Total Operating Expenses	3,709	3,341	34
Operating Profit	93,888	119,808	864
Non-Operating Income:	8,183	7,709	75
Interest Income	8,128	7,628	75
Interest on Securities	1	0	0
Commission Fee	0	28	0
Other Non-Operating Income	53	52	0
Non-Operating Expenses:	9,430	11,327	87
Interest Expenses	77	76	1
Interest on Bonds Payable	8,766	10,275	81
Other Non-Operating Expenses	586	974	5
Income before Income Taxes	92,640	116,190	852
Income Taxes:	(1,217)	(11,526)	(11)
Current	(12,611)	4	(116)
Deferred	11,393	(11,530)	105
Net Income	¥ 93,858	¥ 127,717	\$ 864

	Yen	U.S. Dollars
Net Income per Share of Common Stock	¥ 250.04	\$ 2.30

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

Sumitomo Mitsui Trust Holdings, Inc.
For the fiscal years ended March 31, 2020 and 2019

From April 1, 2019 to March 31, 2020

	Millions of Yen					
	Shareholders' Equity					
	Capital Stock	Capital Surplus			Retained Earnings	
		Legal Capital Surplus	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings Retained Earnings Brought Forward	Total Retained Earnings
Balance at the Beginning of the Year	¥ 261,608	¥ 702,933	¥ 338,540	¥ 1,041,473	¥ 295,798	¥ 295,798
Changes during the Year						
Cash Dividends					(56,517)	(56,517)
Net Income					93,858	93,858
Purchase of Treasury Stock						
Disposal of Treasury Stock			(354)	(354)		
Retirement of Treasury Stock			(64,024)	(64,024)		
Net Changes of Items Other Than Shareholders' Equity						
Total Changes during the Year	—	—	(64,379)	(64,379)	37,341	37,341
Balance at the End of the Year	¥ 261,608	¥ 702,933	¥ 274,160	¥ 977,094	¥ 333,139	¥ 333,139

	Millions of Yen			
	Shareholders' Equity		Subscription Rights to Shares	Total Net Assets
	Treasury Stock	Total Shareholders' Equity		
Balance at the Beginning of the Year	¥ (51,222)	¥ 1,547,658	¥ 1,062	¥ 1,548,721
Changes during the Year				
Cash Dividends		(56,517)		(56,517)
Net Income		93,858		93,858
Purchase of Treasury Stock	(17,494)	(17,494)		(17,494)
Disposal of Treasury Stock	1,835	1,481		1,481
Retirement of Treasury Stock	64,024	—		—
Net Changes of Items Other Than Shareholders' Equity			(5)	(5)
Total Changes during the Year	48,366	21,328	(5)	21,322
Balance at the End of the Year	¥ (2,855)	¥ 1,568,986	¥ 1,057	¥ 1,570,044

From April 1, 2018 to March 31, 2019

	Millions of Yen					
	Shareholders' Equity					
	Capital Surplus				Retained Earnings	
	Capital Stock	Legal Capital Surplus	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings Retained Earnings Brought Forward	Total Retained Earnings
Balance at the Beginning of the Year	¥ 261,608	¥ 702,933	¥ 338,540	¥ 1,041,473	¥ 217,424	¥ 217,424
Changes during the Year						
Cash Dividends					(49,343)	(49,343)
Net Income					127,717	127,717
Purchase of Treasury Stock						
Disposal of Treasury Stock			(0)	(0)		
Net Changes of Items Other Than Shareholders' Equity						
Total Changes during the Year	—	—	(0)	(0)	78,374	78,374
Balance at the End of the Year	¥ 261,608	¥ 702,933	¥ 338,540	¥ 1,041,473	¥ 295,798	¥ 295,798

	Millions of Yen			
	Shareholders' Equity		Subscription Rights to Shares	Total Net Assets
	Treasury Stock	Total Shareholders' Equity		
Balance at the Beginning of the Year	¥ (42,224)	¥ 1,478,282	¥ 799	¥ 1,479,082
Changes during the Year				
Cash Dividends		(49,343)		(49,343)
Net Income		127,717		127,717
Purchase of Treasury Stock	(9,033)	(9,033)		(9,033)
Disposal of Treasury Stock	35	35		35
Net Changes of Items Other Than Shareholders' Equity			262	262
Total Changes during the Year	(8,998)	69,375	262	69,638
Balance at the End of the Year	¥ (51,222)	¥ 1,547,658	¥ 1,062	¥ 1,548,721

From April 1, 2019 to March 31, 2020

	Millions of U.S. Dollars					
	Shareholders' Equity					
	Capital Surplus				Retained Earnings	
	Capital Stock	Legal Capital Surplus	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings Retained Earnings Brought Forward	Total Retained Earnings
Balance at the Beginning of the Year	\$ 2,407	\$ 6,467	\$ 3,115	\$ 9,582	\$ 2,721	\$ 2,721
Changes during the Year						
Cash Dividends					(520)	(520)
Net Income					864	864
Purchase of Treasury Stock						
Disposal of Treasury Stock			(3)	(3)		
Retirement of Treasury Stock			(589)	(589)		
Net Changes of Items Other Than Shareholders' Equity						
Total Changes during the Year	—	—	(592)	(592)	344	344
Balance at the End of the Year	\$ 2,407	\$ 6,467	\$ 2,522	\$ 8,990	\$ 3,065	\$ 3,065

	Millions of U.S. Dollars			
	Shareholders' Equity		Subscription Rights to Shares	Total Net Assets
	Treasury Stock	Total Shareholders' Equity		
Balance at the Beginning of the Year	\$ (471)	\$ 14,239	\$ 10	\$ 14,249
Changes during the Year				
Cash Dividends		(520)		(520)
Net Income		864		864
Purchase of Treasury Stock	(161)	(161)		(161)
Disposal of Treasury Stock	17	14		14
Retirement of Treasury Stock	589	—		—
Net Changes of Items Other Than Shareholders' Equity			(0)	(0)
Total Changes during the Year	445	196	(0)	196
Balance at the End of the Year	\$ (26)	\$ 14,435	\$ 10	\$ 14,445

Financial Data:

Statements of Trust Account (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
As of March 31, 2020 and 2019

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Assets:			
Loans and Bills Discounted (Note 2)	¥ 1,543,160	¥ 1,445,195	\$ 14,198
Securities (Note 3)	1,075,184	1,253,465	9,892
Beneficiary Rights	172,441,244	160,593,574	1,586,542
Securities Held in Custody Accounts	22,849	23,123	210
Monetary Claims	19,271,003	19,475,082	177,302
Tangible Fixed Assets	17,315,570	15,722,230	159,312
Intangible Fixed Assets	194,224	217,971	1,787
Other Claims	7,273,403	6,717,177	66,919
Loans to Banking Account	4,750,289	5,408,009	43,705
Cash and Due from Banks	538,396	494,234	4,954
Total Assets	¥ 224,425,327	¥ 211,350,067	\$ 2,064,820
Liabilities:			
Money Trusts (Note 4)	¥ 33,415,451	¥ 32,877,994	\$ 307,438
Pension Trusts	13,023,778	13,113,501	119,825
Property Formation Benefit Trusts	19,060	18,865	175
Securities Investment Trusts	79,777,245	74,389,341	733,989
Money in Trust Other Than Money Trusts	32,458,304	27,349,339	298,632
Securities in Trust	20,975,736	19,914,130	192,987
Money Claims in Trust	19,383,820	19,592,309	178,340
Real Estate in Trust	78,450	77,297	722
Composite Trusts	25,293,482	24,017,287	232,712
Total Liabilities	¥ 224,425,327	¥ 211,350,067	\$ 2,064,820

See Notes to Statements of Trust Account (Unaudited).

Notes to Statements of Trust Account (Unaudited)

1. Trust Accounts

Under the Trust Act of Japan, trust activities must be administered separately from a commercial banking business. As a result, assets accepted in trust must be segregated from the assets held by SuMi TRUST Holdings. Within the general category of trust accounts, each trust account is segregated from other trust assets. Accordingly, the financial statements of SuMi TRUST Holdings do not reflect SuMi TRUST Holdings' records as to the assets accepted in trust, which are maintained separately under the trust account.

Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by SuMi TRUST Bank, and such guaranteed principal as of March 31, 2020 and 2019, was ¥4,602,967 million (U.S. \$42,350 million)

and ¥5,291,601 million, respectively.

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 ¥108.69 to U.S. \$1, the approximate rate of exchange as of March 31, 2020. 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, the total may not be equal to sum of individual amounts.

2. Loans and Bills Discounted

Loans as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Loans on Deeds	¥ 1,160,640	¥ 1,017,575	\$ 10,678
Loans on Bills	382,520	427,620	3,519
Total	¥ 1,543,160	¥ 1,445,195	\$ 14,198

The balances of guaranteed trust account loans as of March 31, 2020 and 2019 stood at ¥26,710 million (U.S. \$246 million) and ¥30,967 million respectively, which included the following:

Under certain trust agreements, repayment of the principal of customers' trust assets are guaranteed by SuMi TRUST Bank, and loans on such guaranteed trust assets as of March 31, 2020 and 2019, included the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Other Delinquent Loans	¥ 680	¥ 722	\$ 6
Restructured Loans	34	41	0
Total	¥ 714	¥ 763	\$ 7

3. Securities

Securities held as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Government Bonds	¥ 599,390	¥ 609,882	\$ 5,515
Local Government Bonds	30	30	0
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	113,807	153,716	1,047
Stocks	8,164	8,379	75
Other Securities	353,792	481,457	3,255
Total	¥ 1,075,184	¥ 1,253,465	\$ 9,892

(Note) The balances as of March 31, 2020 and 2019 are for SuMi TRUST Bank only.

4. Balance of Money Trusts

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

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Assets:			
Loans and Bills Discounted	¥ 26,710	¥ 30,967	\$ 246
Securities	—	29	—
Other	4,576,633	5,261,076	42,107
Total	¥ 4,603,344	¥ 5,292,073	\$ 42,353
Liabilities:			
Principal	¥ 4,602,967	¥ 5,291,601	\$ 42,350
Allowance for Impairment of Guaranteed Trust Principal	70	81	1
Other	306	390	3
Total	¥ 4,603,344	¥ 5,292,073	\$ 42,353

In the case of certain money trusts, the principal amount is guaranteed, and as the above table indicates, an allowance for the impairment of guaranteed trust principal is set aside by SuMi TRUST Bank. The figures in the table include funds entrusted from other trusts managed by SuMi TRUST Bank.

Financial Data:

Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank")

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Financial Summary: Five-Year Summary (Unaudited)

Sumitomo Mitsui Trust Bank, Limited and its Consolidated Subsidiaries
As of and for the fiscal years ended March 31

Consolidated Statements of Banking Account	Millions of Yen				
	2020	2019	2018	2017	2016
As of the Year-End					
Assets:					
Cash and Due from Banks	¥ 13,087,816	¥ 16,042,864	¥ 15,661,926	¥ 14,269,687	¥ 14,428,660
Securities	6,343,103	5,692,564	5,523,148	5,068,155	4,815,901
Loans and Bills Discounted	29,703,375	29,022,792	28,000,640	27,982,411	26,740,793
Lease Receivables and Investment Assets	673,880	653,447	677,238	667,808	608,433
Tangible Fixed Assets	220,936	219,309	221,961	231,288	232,549
Intangible Fixed Assets	100,915	152,896	178,131	195,981	184,293
Customers' Liabilities for Acceptances and Guarantees	518,811	557,007	508,930	458,010	503,742
Others	5,767,259	4,700,499	4,141,731	3,782,999	4,189,737
Allowance for Loan Losses	(127,205)	(99,770)	(102,903)	(115,794)	(90,829)
Total Assets	¥ 56,288,892	¥ 56,941,609	¥ 54,810,805	¥ 52,540,547	¥ 51,613,282
Liabilities:					
Deposits and Negotiable Certificates of Deposit	¥ 36,706,332	¥ 38,359,319	¥ 36,153,471	¥ 36,604,051	¥ 33,777,450
Acceptances and Guarantees	518,811	557,007	508,930	458,010	503,742
Others	16,851,259	15,525,403	15,430,814	12,845,480	14,789,619
Total Liabilities	¥ 54,076,402	¥ 54,441,730	¥ 52,093,216	¥ 49,907,542	¥ 49,070,812
Net Assets:					
Shareholders' Equity	¥ 1,948,981	¥ 2,041,013	¥ 2,064,444	¥ 1,999,635	¥ 1,940,738
Accumulated Other Comprehensive Income	236,738	424,472	509,704	441,390	411,067
Non-Controlling Interests	26,769	34,393	143,439	191,979	190,663
Total Net Assets	¥ 2,212,489	¥ 2,499,879	¥ 2,717,588	¥ 2,633,005	¥ 2,542,469
Total Liabilities and Net Assets	¥ 56,288,892	¥ 56,941,609	¥ 54,810,805	¥ 52,540,547	¥ 51,613,282
For the Year					
Income:					
Trust Fees	¥ 99,816	¥ 100,301	¥ 94,624	¥ 94,289	¥ 100,175
Interest Income	491,762	511,540	431,598	389,888	373,463
Fees and Commissions	313,804	383,437	380,132	378,510	336,948
Trading Income	102,189	27,926	10,035	18,338	15,964
Other Ordinary Income	348,650	357,080	306,724	296,260	286,008
Other Income	93,529	71,551	127,725	68,986	53,790
Total Income	¥ 1,449,753	¥ 1,451,837	¥ 1,350,842	¥ 1,246,274	¥ 1,166,350
Expenses:					
Interest Expenses	¥ 362,021	¥ 372,068	¥ 246,248	¥ 165,813	¥ 143,065
Fees and Commissions Payments	90,649	109,242	104,778	100,677	94,016
Trading Expenses	—	—	—	1,297	428
Other Ordinary Expenses	281,279	250,699	230,440	318,885	216,036
General and Administrative Expenses	385,180	407,483	419,102	420,929	390,654
Other Expenses	115,262	76,810	115,504	66,243	85,647
Total Expenses	¥ 1,234,394	¥ 1,216,303	¥ 1,116,703	¥ 1,073,846	¥ 929,847
Income before Income Taxes	¥ 215,358	¥ 235,533	¥ 234,768	¥ 172,427	¥ 236,503
Net Income	¥ 147,678	¥ 165,580	¥ 163,437	¥ 121,062	¥ 148,149
Per Share of Common Stock:					
Net Income per Share of Common Stock	¥ 87.89	¥ 96.47	¥ 93.08	¥ 67.56	¥ 84.05
Fully Diluted Net Income per Share of Common Stock	—	—	—	—	—
Net Assets per Share of Common Stock	1,305.26	1,472.33	1,537.23	1,457.73	1,404.45

Five-Year Summary (Unaudited)

Sumitomo Mitsui Trust Bank, Limited
As of and for the fiscal years ended March 31

Non-Consolidated Statements of Banking Account	Millions of Yen				
	2020	2019	2018	2017	2016
As of the Year-End					
Assets:					
Cash and Due from Banks	¥ 12,916,014	¥ 15,831,242	¥ 15,408,170	¥ 13,963,744	¥ 14,130,060
Securities	6,625,035	6,091,898	5,972,337	5,518,947	5,311,214
Loans and Bills Discounted	29,953,513	29,404,142	28,259,093	28,158,969	27,044,368
Tangible Fixed Assets	189,926	195,414	198,328	200,957	200,688
Intangible Fixed Assets	70,937	65,607	66,969	91,265	69,867
Customers' Liabilities for Acceptances and Guarantees	359,757	385,467	398,773	391,434	401,825
Others	4,579,760	3,325,210	2,934,934	2,733,960	3,162,871
Allowance for Loan Losses	(98,191)	(75,211)	(77,169)	(90,030)	(64,305)
Total Assets	¥ 54,596,753	¥ 55,223,770	¥ 53,161,437	¥ 50,969,247	¥ 50,256,590
Liabilities:					
Deposits and Negotiable Certificates of Deposit	¥ 36,650,458	¥ 38,290,404	¥ 36,151,191	¥ 36,542,541	¥ 33,721,544
Acceptances and Guarantees	359,757	385,467	398,773	391,434	401,825
Others	15,569,113	14,276,060	14,239,205	11,725,547	13,847,956
Total Liabilities	¥ 52,579,329	¥ 52,951,932	¥ 50,789,170	¥ 48,659,522	¥ 47,971,327
Net Assets:					
Shareholders' Equity	¥ 1,705,866	¥ 1,829,610	¥ 1,865,959	¥ 1,839,012	¥ 1,815,536
Valuation and Translation Adjustments	311,558	442,227	506,307	470,711	469,727
Total Net Assets	¥ 2,017,424	¥ 2,271,838	¥ 2,372,266	¥ 2,309,724	¥ 2,285,263
Total Liabilities and Net Assets	¥ 54,596,753	¥ 55,223,770	¥ 53,161,437	¥ 50,969,247	¥ 50,256,590
For the Year					
Income:					
Trust Fees	¥ 99,816	¥ 100,972	¥ 94,870	¥ 94,289	¥ 100,288
Interest Income	474,575	520,790	409,528	370,630	357,465
Fees and Commissions	185,849	194,143	195,171	200,728	188,193
Trading Income	102,189	27,926	10,421	18,338	15,964
Other Ordinary Income	94,420	114,934	79,056	72,114	74,119
Other Income	82,349	60,606	100,469	54,090	38,926
Total Income	¥ 1,039,201	¥ 1,019,374	¥ 889,518	¥ 810,192	¥ 774,956
Expenses:					
Interest Expenses	¥ 356,435	¥ 366,989	¥ 246,207	¥ 167,378	¥ 145,351
Fees and Commissions Payments	95,322	89,832	86,499	84,593	76,688
Trading Expenses	—	—	—	1,297	428
Other Ordinary Expenses	51,868	34,608	29,490	119,483	28,219
General and Administrative Expenses	252,579	239,668	254,234	262,466	251,989
Other Expenses	105,475	83,466	108,431	63,647	57,084
Total Expenses	¥ 861,681	¥ 814,564	¥ 724,862	¥ 698,866	¥ 559,761
Income before Income Taxes	¥ 177,519	¥ 204,810	¥ 164,655	¥ 111,325	¥ 215,196
Net Income	¥ 124,706	¥ 148,661	¥ 117,980	¥ 77,663	¥ 143,154
Annual Dividends	¥ 201,461	¥ 121,320	¥ 55,360	¥ 54,556	¥ 54,606
Per Share of Common Stock:					
Net Income per Share of Common Stock	¥ 74.47	¥ 88.77	¥ 70.45	¥ 46.37	¥ 85.48
Fully Diluted Net Income per Share of Common Stock	—	—	—	—	—
Net Assets per Share of Common Stock	1,204.76	1,356.69	1,416.67	1,379.32	1,364.71

Financial Summary:

Five-Year Summary (Unaudited)

Sumitomo Mitsui Trust Bank, Limited and its Consolidated Subsidiaries
As of and for the fiscal years ended March 31

Statements of Trust Account	Millions of Yen				
	2020	2019	2018	2017	2016
As of the Year-End					
Assets:					
Securities	¥ 1,075,184	¥ 1,253,465	¥ 1,834,427	¥ 3,077,763	¥ 1,954,552
Loans and Bills Discounted	1,543,160	1,445,195	1,306,319	1,410,062	1,072,436
Other	221,806,982	208,651,405	198,557,372	183,979,907	171,881,233
Total Assets	¥224,425,327	¥ 211,350,067	¥ 201,698,118	¥ 188,467,733	¥ 174,908,223
Liabilities:					
Money Trusts	¥ 33,415,451	¥ 32,877,994	¥ 31,416,663	¥ 30,217,814	¥ 32,486,242
Pension Trusts	13,023,778	13,113,501	13,720,536	14,828,508	16,305,604
Property Formation Benefit Trusts	19,060	18,865	17,930	17,575	18,030
Loan Trusts	—	—	—	10,683	12,169
Other Trusts	177,967,038	165,339,705	156,542,988	143,393,150	126,086,176
Total Liabilities	¥224,425,327	¥ 211,350,067	¥ 201,698,118	¥ 188,467,733	¥ 174,908,223

Total Employable Funds (Non-Consolidated)	Millions of Yen				
	2020	2019	2018	2017	2016
As of the Year-End					
Deposits	¥ 36,650,458	¥ 38,290,404	¥ 36,151,191	¥ 36,542,541	¥ 33,721,544
Money Trusts	33,415,451	32,877,994	31,416,663	30,217,814	32,486,242
Pension Trusts	13,023,778	13,113,501	13,720,536	14,828,508	16,305,604
Property Formation Benefit Trusts	19,060	18,865	17,930	17,575	18,030
Loan Trusts	—	—	—	10,683	12,169
Total Employable Funds*	¥ 83,108,748	¥ 84,300,766	¥ 81,306,322	¥ 81,617,123	¥ 82,543,591

* Total Employable Funds represents the total amount of the Deposits in the Banking Account and funds included under the Money Trusts, Pension Trusts, Property Formation Benefit Trusts and Loan Trusts in the Trust Account.

Financial Data:

Consolidated Balance Sheet

Sumitomo Mitsui Trust Bank, Limited and its Consolidated Subsidiaries
As of March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Assets:			
Cash and Due from Banks	¥ 13,087,816	¥ 16,042,864	\$ 120,414
Call Loans and Bills Bought	71,236	50,124	655
Receivables under Resale Agreements	1,220,761	158,734	11,232
Receivables under Securities Borrowing Transactions	740,658	759,812	6,814
Monetary Claims Bought	999,705	1,082,650	9,198
Trading Assets (Notes 1, 2, and 4)	507,646	454,978	4,671
Money Held in Trust	1,406	1,393	13
Securities (Notes 2 and 4)	6,343,103	5,692,564	58,360
Loans and Bills Discounted (Notes 3, 4, and 5)	29,703,375	29,022,792	273,285
Foreign Exchanges	36,952	36,936	340
Lease Receivables and Investment Assets (Note 4)	673,880	653,447	6,200
Other Assets (Notes 4 and 8)	2,072,673	1,986,352	19,070
Tangible Fixed Assets (Note 6)	220,936	219,309	2,033
Intangible Fixed Assets (Note 7)	100,915	152,896	928
Assets for Retirement Benefits	87,075	138,909	801
Deferred Tax Assets	29,142	30,606	268
Customers' Liabilities for Acceptances and Guarantees	518,811	557,007	4,773
Allowance for Loan Losses	(127,205)	(99,770)	(1,170)
Total Assets	¥ 56,288,892	¥ 56,941,609	\$ 517,885
Liabilities:			
Deposits (Notes 4 and 9)	¥ 30,717,040	¥ 31,930,697	\$ 282,611
Negotiable Certificates of Deposit	5,989,292	6,428,622	55,104
Call Money and Bills Sold (Note 4)	142,974	72,793	1,315
Payables under Repurchase Agreements (Note 4)	1,558,919	1,603,191	14,343
Payables under Securities Lending Transactions (Note 4)	—	104,767	—
Trading Liabilities (Note 1)	371,950	258,771	3,422
Borrowed Money (Notes 4 and 10)	6,496,384	4,623,801	59,770
Foreign Exchanges	3,213	457	30
Short-Term Bonds Payable	1,707,097	1,472,786	15,706
Bonds Payable (Note 11)	485,368	777,834	4,466
Borrowed Money from Trust Account (Note 12)	4,750,289	5,408,009	43,705
Other Liabilities (Note 13)	1,221,403	993,243	11,237
Provision for Bonuses	12,881	17,161	119
Provision for Directors' Bonuses	74	294	1
Provision for Stocks Payment	219	—	2
Liabilities for Retirement Benefits	12,079	13,470	111
Provision for Reward Points Program	16,889	18,282	155
Provision for Reimbursement of Deposits	4,867	5,250	45
Provision for Contingent Losses	1,440	3,465	13
Deferred Tax Liabilities	62,767	148,972	577
Deferred Tax Liabilities for Land Revaluation (Note 6)	2,439	2,847	22
Acceptances and Guarantees	518,811	557,007	4,773
Total Liabilities	¥ 54,076,402	¥ 54,441,730	\$ 497,529
Net Assets:			
Total Shareholders' Equity:	¥ 1,948,981	¥ 2,041,013	\$ 17,932
Capital Stock	342,037	342,037	3,147
Capital Surplus	342,853	391,397	3,154
Retained Earnings	1,264,091	1,307,578	11,630
Total Accumulated Other Comprehensive Income:	236,738	424,472	2,178
Valuation Differences on Available-for-Sale Securities	369,924	481,923	3,403
Deferred Gains (Losses) on Hedges	(57,389)	(36,833)	(528)
Revaluation Reserve for Land (Note 6)	(3,901)	(2,345)	(36)
Foreign Currency Translation Adjustments	(2,493)	4,394	(23)
Remeasurements of Defined Benefit Plans	(69,401)	(22,665)	(639)
Non-Controlling Interests	26,769	34,393	246
Total Net Assets	¥ 2,212,489	¥ 2,499,879	\$ 20,356
Total Liabilities and Net Assets	¥ 56,288,892	¥ 56,941,609	\$ 517,885
	Yen		U.S. Dollars
Net Assets per Share of Common Stock	¥ 1,305.26	¥ 1,472.33	\$ 12.01

See accompanying notes.

The figures in U.S. dollars are converted from yen for the convenience of readers outside Japan at the rate of ¥108.69 to U.S. \$1.00, the exchange rate as of March 31, 2020.

Financial Data:

Consolidated Statement of Income

Sumitomo Mitsui Trust Bank, Limited and its Consolidated Subsidiaries
For the fiscal years ended March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Income:			
Trust Fees	¥ 99,816	¥ 100,301	\$ 918
Interest Income:	491,762	511,540	4,524
Interest on Loans and Discounts	349,813	363,275	3,218
Interest and Dividends on Securities	93,712	92,672	862
Interest on Call Loans and Bills Bought	1,431	1,522	13
Interest on Receivables under Resale Agreements	571	926	5
Interest on Receivables under Securities Borrowing Transactions	0	0	0
Interest on Deposits with Banks	36,592	44,755	337
Other Interest Income (Note 1)	9,640	8,387	89
Fees and Commissions	313,804	383,437	2,887
Trading Income (Note 2)	102,189	27,926	940
Other Ordinary Income (Note 3)	348,650	357,080	3,208
Other Income (Note 4)	93,529	71,551	861
Total Income	¥ 1,449,753	¥ 1,451,837	\$ 13,338
Expenses:			
Interest Expenses:	¥ 362,021	¥ 372,068	\$ 3,331
Interest on Deposits	125,997	128,785	1,159
Interest on Negotiable Certificates of Deposit	81,014	81,292	745
Interest on Call Money and Bills Sold	1,264	2,213	12
Interest on Payables under Repurchase Agreements	31,712	35,615	292
Interest on Payables under Securities Lending Transactions	2,302	2,636	21
Interest on Borrowings	21,289	23,291	196
Interest on Short-Term Bonds	29,049	23,343	267
Interest on Bonds	8,226	16,449	76
Other Interest Expenses (Note 1)	61,164	58,439	563
Fees and Commissions Payments	90,649	109,242	834
Other Ordinary Expenses (Note 3)	281,279	250,699	2,588
General and Administrative Expenses (Note 5)	385,180	407,483	3,544
Other Expenses (Note 4)	115,262	76,810	1,060
Total Expenses	¥ 1,234,394	¥ 1,216,303	\$ 11,357
Income before Income Taxes	¥ 215,358	¥ 235,533	\$ 1,981
Income Taxes:	67,679	69,952	623
Current	74,626	64,849	687
Deferred	(6,947)	5,103	(64)
Net Income	¥ 147,678	¥ 165,580	\$ 1,359
Net Income Attributable to Non-Controlling Interests	487	4,035	4
Net Income Attributable to Owners of the Parent	¥ 147,190	¥ 161,545	\$ 1,354
		Yen	U.S. Dollars
Net Income per Share of Common Stock	¥ 87.89	¥ 96.47	\$ 0.81

See accompanying notes.

Financial Data:

Consolidated Statement of Comprehensive Income

Sumitomo Mitsui Trust Bank, Limited and its Consolidated Subsidiaries
For the fiscal years ended March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Net Income	¥ 147,678	¥ 165,580	\$ 1,359
Other Comprehensive Income (Loss):			
Valuation Differences on Available-for-Sale Securities	(112,186)	(50,857)	(1,032)
Deferred Gains (Losses) on Hedges	(19,201)	(13,417)	(177)
Foreign Currency Translation Adjustments	(1,680)	628	(15)
Remeasurements of Defined Benefit Plans	(46,755)	(23,373)	(430)
Share of Other Comprehensive Income of Equity-Method Affiliated Companies	(1,344)	772	(12)
Total Other Comprehensive Income (Loss) (Note)	¥ (181,169)	¥ (86,246)	\$ (1,667)
Comprehensive Income:	¥ (33,490)	¥ 79,333	\$ (308)
Comprehensive Income Attributable to Owners of the Parent	(33,687)	75,391	(310)
Comprehensive Income Attributable to Non-Controlling Interests	197	3,942	2

See accompanying notes.

Financial Data:

Consolidated Statement of Changes in Net Assets

Sumitomo Mitsui Trust Bank, Limited and its Consolidated Subsidiaries
For the fiscal years ended March 31, 2020 and 2019

From April 1, 2019 to March 31, 2020

	Millions of Yen			
	Shareholders' Equity			
	Capital Stock	Capital Surplus	Retained Earnings	Total Shareholders' Equity
Balance at the Beginning of the Year	¥ 342,037	¥ 391,397	¥ 1,307,578	¥ 2,041,013
Changes during the Year				
Cash Dividends		(48,544)	(201,461)	(250,006)
Net Income Attributable to Owners of the Parent			147,190	147,190
Changes in the Scope of Consolidation			9,228	9,228
Decrease by Corporate Division - Split-off Type				—
Purchase of Shares of Consolidated Subsidiaries				—
Reversal of Revaluation Reserve for Land			1,555	1,555
Net Changes of Items Other Than Shareholders' Equity				
Total Changes during the Year	—	(48,544)	(43,486)	(92,031)
Balance at the End of the Year	¥ 342,037	¥ 342,853	¥ 1,264,091	¥ 1,948,981

	Millions of Yen							
	Accumulated Other Comprehensive Income							Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income	Non-Controlling Interests	
Balance at the Beginning of the Year	¥ 481,923	¥ (36,833)	¥ (2,345)	¥ 4,394	¥ (22,665)	¥ 424,472	¥ 34,393	¥ 2,499,879
Changes during the Year								
Cash Dividends								(250,006)
Net Income Attributable to Owners of the Parent								147,190
Changes in the Scope of Consolidation								9,228
Decrease by Corporate Division - Split-off Type								—
Purchase of Shares of Consolidated Subsidiaries								—
Reversal of Revaluation Reserve for Land								1,555
Net Changes of Items Other Than Shareholders' Equity	(111,998)	(20,556)	(1,555)	(6,887)	(46,735)	(187,734)	(7,624)	(195,358)
Total Changes during the Year	(111,998)	(20,556)	(1,555)	(6,887)	(46,735)	(187,734)	(7,624)	(287,389)
Balance at the End of the Year	¥ 369,924	¥ (57,389)	¥ (3,901)	¥ (2,493)	¥ (69,401)	¥ 236,738	¥ 26,769	¥ 2,212,489

See accompanying notes.

From April 1, 2018 to March 31, 2019

	Millions of Yen			
	Shareholders' Equity			
	Capital Stock	Capital Surplus	Retained Earnings	Total Shareholders' Equity
Balance at the Beginning of the Year	¥ 342,037	¥ 455,988	¥ 1,266,419	¥ 2,064,444
Changes during the Year				
Cash Dividends		(46,033)	(121,320)	(167,353)
Net Income Attributable to Owners of the Parent			161,545	161,545
Changes in the Scope of Consolidation				—
Decrease by Corporate Division - Split-off Type		(18,540)		(18,540)
Purchase of Shares of Consolidated Subsidiaries		(17)		(17)
Reversal of Revaluation Reserve for Land			933	933
Net Changes of Items Other Than Shareholders' Equity				
Total Changes during the Year	—	(64,590)	41,158	(23,431)
Balance at the End of the Year	¥ 342,037	¥ 391,397	¥ 1,307,578	¥ 2,041,013

	Millions of Yen							
	Accumulated Other Comprehensive Income						Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income		
Balance at the Beginning of the Year	¥ 531,047	¥ (22,773)	¥ (1,412)	¥ 2,166	¥ 677	¥ 509,704	¥ 143,439	¥ 2,717,588
Changes during the Year								
Cash Dividends								(167,353)
Net Income Attributable to Owners of the Parent								161,545
Changes in the Scope of Consolidation								—
Decrease by Corporate Division - Split-off Type								(18,540)
Purchase of Shares of Consolidated Subsidiaries								(17)
Reversal of Revaluation Reserve for Land								933
Net Changes of Items Other Than Shareholders' Equity	(49,123)	(14,060)	(933)	2,227	(23,342)	(85,231)	(109,045)	(194,277)
Total Changes during the Year	(49,123)	(14,060)	(933)	2,227	(23,342)	(85,231)	(109,045)	(217,709)
Balance at the End of the Year	¥ 481,923	¥ (36,833)	¥ (2,345)	¥ 4,394	¥ (22,665)	¥ 424,472	¥ 34,393	¥ 2,499,879

See accompanying notes.

From April 1, 2019 to March 31, 2020

	Millions of U.S. Dollars			
	Shareholders' Equity			
	Capital Stock	Capital Surplus	Retained Earnings	Total Shareholders' Equity
Balance at the Beginning of the Year	\$ 3,147	\$ 3,601	\$ 12,030	\$ 18,778
Changes during the Year				
Cash Dividends		(447)	(1,854)	(2,300)
Net Income Attributable to Owners of the Parent			1,354	1,354
Changes in the Scope of Consolidation			85	85
Decrease by Corporate Division - Split-off Type				—
Purchase of Shares of Consolidated Subsidiaries				—
Reversal of Revaluation Reserve for Land			14	14
Net Changes of Items Other Than Shareholders' Equity				
Total Changes during the Year	—	(447)	(400)	(847)
Balance at the End of the Year	\$ 3,147	\$ 3,154	\$ 11,630	\$ 17,932

	Millions of U.S. Dollars							
	Accumulated Other Comprehensive Income						Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income		
Balance at the Beginning of the Year	\$ 4,434	\$ (339)	\$ (22)	\$ 40	\$ (209)	\$ 3,905	\$ 316	\$ 23,000
Changes during the Year								
Cash Dividends								(2,300)
Net Income Attributable to Owners of the Parent								1,354
Changes in the Scope of Consolidation								85
Decrease by Corporate Division - Split-off Type								—
Purchase of Shares of Consolidated Subsidiaries								—
Reversal of Revaluation Reserve for Land								14
Net Changes of Items Other Than Shareholders' Equity	(1,030)	(189)	(14)	(63)	(430)	(1,727)	(70)	(1,797)
Total Changes during the Year	(1,030)	(189)	(14)	(63)	(430)	(1,727)	(70)	(2,644)
Balance at the End of the Year	\$ 3,403	\$ (528)	\$ (36)	\$ (23)	\$ (639)	\$ 2,178	\$ 246	\$ 20,356

See accompanying notes.

Consolidated Statement of Cash Flows

Sumitomo Mitsui Trust Bank, Limited and its Consolidated Subsidiaries
For the fiscal years ended March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Cash Flows from Operating Activities:			
Income before Income Taxes	¥ 215,358	¥ 235,533	\$ 1,981
Depreciation and Amortization	34,574	32,470	318
Impairment Losses	19,360	16,817	178
Amortization of Goodwill	6,939	9,968	64
Equity in Losses (Earnings) of Affiliated Companies	(8,612)	(5,978)	(79)
Increase (Decrease) in Allowance for Loan Losses	27,435	(3,132)	252
Increase (Decrease) in Provision for Bonuses	(3,096)	1,138	(28)
Increase (Decrease) in Provision for Directors' Bonuses	(205)	17	(2)
Increase (Decrease) in Provision for Stocks Payment	219	—	2
Decrease (Increase) in Assets for Retirement Benefits	57,525	27,395	529
Increase (Decrease) in Liabilities for Retirement Benefits	(139)	935	(1)
Increase (Decrease) in Provision for Reward Points Program	(1,393)	(175)	(13)
Increase (Decrease) in Provision for Reimbursement of Deposits	(383)	1,702	(4)
Increase (Decrease) in Provision for Contingent Losses	(2,025)	(1,162)	(19)
Interest Income	(491,762)	(511,540)	(4,524)
Interest Expenses	362,021	372,068	3,331
Loss (Gain) Related to Securities	(69,206)	(8,915)	(637)
Loss (Gain) on Money Held in Trust	(70)	(72)	(1)
Foreign Exchange Losses (Gains)	45,606	(38,601)	420
Loss (Gain) on Disposal of Fixed Assets	(2,450)	(1,006)	(23)
Net Decrease (Increase) in Trading Assets	(52,668)	(91,683)	(485)
Net Increase (Decrease) in Trading Liabilities	113,178	(7,376)	1,041
Net Decrease (Increase) in Loans and Bills Discounted	(680,583)	(1,018,847)	(6,262)
Net Increase (Decrease) in Deposits	(1,214,659)	2,398,945	(11,175)
Net Increase (Decrease) in Negotiable Certificates of Deposit	(439,330)	(187,713)	(4,042)
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowings)	1,832,583	(326,251)	16,861
Net Decrease (Increase) in Due from Banks (Excluding Due from the Bank of Japan)	(215,071)	334,589	(1,979)
Net Decrease (Increase) in Call Loans	(1,000,163)	(179,128)	(9,202)
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	19,153	(135,764)	176
Net Increase (Decrease) in Call Money	25,908	(215,448)	238
Net Increase (Decrease) in Payables under Securities Lending Transactions	(104,767)	63,468	(964)
Net Decrease (Increase) in Foreign Exchange-Assets	(16)	(11,382)	(0)
Net Increase (Decrease) in Foreign Exchange-Liabilities	2,755	(1,526)	25
Net Decrease (Increase) in Lease Receivables and Investment Assets	(20,432)	23,791	(188)
Net Increase (Decrease) in Short-Term Bonds Payable	234,311	409,917	2,156
Increase (Decrease) in Straight Bonds-Issuance and Redemption	(282,466)	(192,132)	(2,599)
Net Increase (Decrease) in Borrowed Money from Trust Account	(657,720)	235,545	(6,051)
Interest Received	511,156	520,473	4,703
Interest Paid	(376,201)	(361,651)	(3,461)
Other, Net	(215,876)	(201,676)	(1,986)
Subtotal	¥ (2,331,216)	¥ 1,183,608	\$ (21,448)
Income Taxes (Paid) Refunded	(57,128)	(70,244)	(526)
Net Cash Provided by (Used in) Operating Activities	¥ (2,388,345)	¥ 1,113,363	\$ (21,974)

(Continued)

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Cash Flows from Investment Activities:			
Purchase of Securities	¥ (6,059,706)	¥ (6,084,792)	\$ (55,752)
Proceeds from Sales of Securities	3,744,234	4,399,149	34,449
Proceeds from Redemption of Securities	1,730,260	1,543,239	15,919
Purchase of Tangible Fixed Assets	(16,425)	(12,368)	(151)
Proceeds from Sales of Tangible Fixed Assets	7,380	2,645	68
Purchase of Intangible Fixed Assets	(29,599)	(24,719)	(272)
Purchase of Shares of Subsidiaries Resulting in Change in the Scope of Consolidation	(1,089)	—	(10)
Purchase of Shares of Affiliated Companies Accounted for Using the Equity Method	(49)	(11,178)	(0)
Net Cash Provided by (Used in) Investment Activities	¥ (624,994)	¥ (188,024)	\$ (5,750)
Cash Flows from Financing Activities:			
Proceeds from Subordinated Borrowings	¥ 40,000	¥ 100,000	\$ 368
Repayments of Subordinated Borrowings	—	(20,000)	—
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares	(10,000)	—	(92)
Purchase of Shares of Subsidiaries without Change in the Scope of Consolidation	—	(47)	—
Repayments to Non-Controlling Interests	—	(110,000)	—
Cash Dividends Paid	(142,084)	(167,353)	(1,307)
Cash Dividends Paid to Non-Controlling Interests	(391)	(2,648)	(4)
Net Cash Provided by (Used in) Financing Activities	¥ (112,475)	¥ (200,049)	\$ (1,035)
Effect of Exchange Rate Change on Cash and Cash Equivalents	¥ (7,705)	¥ (7,226)	\$ (71)
Net Increase (Decrease) in Cash and Cash Equivalents	¥ (3,133,520)	¥ 718,064	\$ (28,830)
Cash and Cash Equivalents at the Beginning of the Year	¥ 14,076,767	¥ 13,361,241	\$ 129,513
Net Increase (Decrease) in Cash and Cash Equivalents with Change in the Scope of Consolidation	¥ (36,598)	¥ (2,537)	\$ (337)
Cash and Cash Equivalents at the End of the Year (Note)	¥ 10,906,648	¥ 14,076,767	\$ 100,346

See accompanying notes.

Notes to Consolidated Financial Statements

Basis of Presentation of Financial Statements

The accompanying consolidated financial statements (banking account) have been prepared from the accounts maintained by Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank") and its consolidated subsidiaries (together, "SuMi TRUST Bank Group") in accordance with the accounting principles generally accepted in Japan 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 consolidated financial statements, the consolidated financial statements of SuMi TRUST Bank 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 consolidated financial statements are stated in Japanese yen, the currency of the country in which SuMi TRUST Bank 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 ¥108.69 to U.S. \$1, the approximate rate of exchange as of March 31, 2020. 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 as of March 31, 2020:

39 companies

Principal Companies:

Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.

Sumitomo Mitsui Trust Club Co., Ltd.

Sumitomo Mitsui Trust Realty Co., Ltd.

Sumitomo Mitsui Trust Loan & Finance Co., Ltd.

Sumitomo Mitsui Trust and Bank (U.S.A.) Limited

Changes in the consolidated subsidiaries during the current fiscal year are as follows:

Sumitomo Mitsui Trust Life Partners, Limited and two other companies are included in the scope of the consolidation from the fiscal year ended March 31, 2020, due mainly to the acquisition of their shares.

Nikko Asset Management Co., Ltd. and its 16 subsidiaries are excluded from the scope of consolidation effective from the fiscal year ended March 31, 2020, as they became directly owned subsidiaries of SuMi TRUST Holdings, a parent company of SuMi TRUST Bank, through a transfer of their shares.

J-Hope Limited Liability Company and one other company are excluded from the scope of consolidation due mainly to their liquidation effective from the fiscal year ended March 31, 2020.

(2) Unconsolidated Subsidiaries

Principal Companies:

Hummingbird Co., Ltd.

Asia GATEWAY I, L.P.

Hummingbird Co., Ltd., and 22 other companies are excluded from the scope of consolidation in accordance with Article 5, Paragraph 1, Item 2 of the Consolidated Financial Statements Regulations, because they are operators 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 SuMi TRUST Bank's interest in subsidiaries), retained earnings (amount corresponding to SuMi TRUST Bank's interest in subsidiaries), accumulated other comprehensive income (amount corresponding to SuMi TRUST Bank's interest in subsidiaries), and other financial data.

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:
23 companies

Principal Companies:

SBI Sumishin Net Bank, Ltd.

Changes in affiliated companies accounted for by the equity method during the current fiscal year are as follows:

NetMove Corporation and two other companies are included in the scope of application of the equity method due mainly to the acquisition of their shares from the fiscal year ended March 31, 2020.

Rongtong Fund Management Co., Ltd. and six other

companies, affiliated companies of Nikko Asset Management Co., Ltd., are excluded from the scope of the application of the equity method from the fiscal year ended March 31, 2020, since they are no longer SuMi TRUST Bank's affiliated companies due to the transfer of their shares as explained in 1. (1) above.

(3) Unconsolidated Subsidiaries and Affiliated Companies that are Not Accounted for by the Equity Method:

Principal Companies:

Hummingbird Co., Ltd.

ASIA GATEWAY I, L.P.

Hummingbird Co., Ltd., and 22 other companies are excluded from the scope of application of the equity method in accordance with Article 10, Paragraph 1, Item 2 of the Consolidated Financial Statements Regulations because they are operators engaged in leasing activities through silent partnership arrangements, and their assets and profits/losses do not belong to the subsidiaries.

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

3. Balance Sheet Dates of the Consolidated Subsidiaries

(1) Balance sheet dates of consolidated subsidiaries are as follows:

April 30:	2 companies
May 31:	1 company
August 31:	1 company
September 30:	5 companies
November 30:	1 company
December 31:	4 companies
March 31:	25 companies

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

- Consolidated subsidiaries with a balance sheet date of April 30: Provisionally prepared financial statements as of January 31

- A consolidated subsidiary with a balance sheet date of May 31: Provisionally prepared financial statements as of February 28
- A consolidated subsidiary with a balance sheet date of August 31: Provisionally prepared financial statements as of February 28
- Consolidated subsidiaries with a balance sheet date of September 30: Provisionally prepared financial statements as of March 31
- A consolidated subsidiary with a balance sheet date of November 30: Provisionally prepared financial statements as of February 28
- The other consolidated subsidiaries: Financial statements as of their respective balance sheet dates.

Material transactions arising between the consolidated balance sheet date, March 31, 2020, and the above balance sheet dates of subsidiaries have been reflected in the 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 consolidated balance sheet on a trade-date basis, and gains and losses from such transactions are presented as "Trading Income" or "Trading Expenses" in the consolidated statement of income.

For the measurement of trading assets and trading liabilities, securities and monetary claims are stated at their fair values as of the consolidated balance sheet date, and trading-related financial derivatives, such as swaps, futures, and options, are stated at the amounts that would be settled if they were terminated on the consolidated balance sheet date.

Trading income and trading expenses include interest income or expenses, adjusting valuation differences of securities and monetary claims during the fiscal year and differences in resulting gains or losses from the settlement of financial derivatives assuming that the settlement was made in cash as of March 31, 2020 and 2019.

(2) Securities

(a) Under the accounting standards for financial instruments in Japan, SuMi TRUST Bank 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. "Available-for-Sale Securities" are, in principle, valued at the market price at the balance sheet date (cost of securities sold is calculated using primarily the moving-average method). "Available-for-Sale Securities" for which their fair values are extremely difficult to be determined 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 consolidated balance sheet.

(b) Securities in money held in trust are classified and accounted for in the same manner as those described in 4. (1) and 4. (2) (a) above.

(3) Financial Derivatives

Financial derivatives, excluding those for trading purposes, are stated at fair value.

(4) Depreciation and Amortization Methods

(a) Tangible fixed assets other than lease assets

Tangible fixed assets are depreciated using primarily the straight-line method.

Useful lives of major asset categories:

Buildings: 3 to 60 years

Others: 2 to 20 years

(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 SuMi TRUST Bank or the consolidated subsidiaries, generally five years.

(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

SuMi TRUST Bank 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 estimated loan losses over the next one to three years, which are calculated based on the average historical loan-loss ratios during a certain period on the basis of historical loan losses over the past one to three years.

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 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 ¥22,391 million (U.S. \$206 million) and ¥17,877 million as of March 31, 2020 and 2019, respectively.

Additional Information

SuMi TRUST Bank and some of its consolidated subsidiaries made necessary modifications to the historical loan-loss ratios concerning the impact of the spread of COVID-19 on the borrowers.

In particular, SuMi TRUST Bank and some of its consolidated subsidiaries identified industries and products (collectively the "industries") that may be affected by downturn of business performance due to the spread of COVID-19, and recorded additional allowance for loan losses for estimated credit losses in the future assuming that internal ratings of certain credits of the industries will be downgraded to some extent.

(6) Provision for Bonuses

A provision for bonuses is provided for the estimated employee bonuses attributable to the current fiscal year.

(7) Provision for Directors' Bonuses

A provision for directors' bonuses is provided for the estimated directors' bonuses attributable to the current fiscal year.

(8) Provision for Stocks Payment

A provision for stocks payment is provided at SuMi TRUST Holdings and some of the consolidated subsidiaries for the estimated stock-based payments to directors under a stock compensation system attributable to the current fiscal year.

(9) Provision for Reward Points Program

A provision for reward points program is provided for the use of points granted to holders of Diners Club Card and other credit cards in the amount deemed necessary based on the reasonable estimates of the points to be used in the future.

(10) 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.

(11) Provision for Contingent Losses

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

(12) Accounting for Retirement Benefits

In determining the retirement benefit obligations, projected benefits to the periods up to the year ended March 31, 2020, are attributed based on the plan's benefit formula.

Past service cost and actuarial gains or losses are expensed using the following methods:

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

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

Some consolidated subsidiaries adopt the simplified method in calculating liabilities for retirement benefits and retirement benefit expenses for lump-sum retirement benefit plans, recording liabilities at amounts that would be required for voluntary termination at the year-end.

(13) Foreign Currency Translation

Assets and liabilities of SuMi TRUST Bank that are denominated in foreign currencies and overseas branch accounts are generally translated into yen at the exchange rates prevailing at the consolidated balance sheet date, except for shares of stocks in 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 balance sheet dates.

(14) 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 sales when lease payments are collected.

(15) Hedge Accounting

(a) Interest-related risk hedge

SuMi TRUST Bank manages 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 of February 13, 2002, "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 those for 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), SuMi TRUST Bank has adopted "Macro Hedge Accounting" to account for certain interest-related derivatives, which are utilized to manage interest rate risk arising from transactions, such as loans and bills discounted, and deposits. Deferred gains (losses) on hedges in the consolidated balance sheet as of the end of the current fiscal year that have resulted from existing "Macro Hedge Accounting" are amortized over the remaining period designated under "Macro Hedge Accounting" of each hedging transaction.

Deferred losses on hedges associated with "Macro Hedge Accounting" were ¥35 million (U.S. \$0.3 million) and ¥58 million (before tax effect) as of March 31, 2020 and 2019, respectively.

(b) Currency-related risk hedge

SuMi TRUST Bank manages the foreign exchange risk arising from various assets and liabilities denominated in foreign currencies 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 of July 29, 2002, "Report No. 25"). The effectiveness of hedging instruments, such as cross-currency swaps and foreign exchange swaps, as a means of mitigating 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, which are the hedged items.

Additionally, transactions intended to hedge the foreign exchange 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 foreign currency payables of spot and forward foreign exchange contracts exist in excess of the acquisition cost of such foreign-denominated securities on a foreign currency basis.

The foreign exchange risk associated with investment in the shares of stocks in foreign subsidiaries and affiliated companies is individually hedged using forward exchange contracts denominated in the same currency, and foreign currency translation adjustments arising from the hedging instruments are included in "Foreign Currency Translation Adjustments."

(c) Internal hedge transactions and others

Among derivatives transactions of SuMi TRUST Bank that take place between consolidated subsidiaries or that are made internally between 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 profits or losses, or deferred, rather than eliminated.

Deferred hedge accounting has 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.

(16) Amortization of Goodwill

Goodwill is amortized over a period within 20 years that is reasonably determined for each case. Goodwill deemed immaterial, however, is expensed as incurred.

(17) Scope of Cash and Cash Equivalents in the Consolidated Statement of Cash Flows

For SuMi TRUST Bank, the balance of "Cash and Cash Equivalents" in the consolidated statement of cash flows is equivalent to the balance of cash and due from the Bank of Japan under "Cash and Due from Banks" presented in the consolidated balance sheet. For the consolidated subsidiaries, the balance of "Cash and Cash Equivalents" in the consolidated statement of cash flows is equivalent to the balance of "Cash and Due from Banks" presented in the consolidated balance sheet.

(18) National and Local Consumption Taxes

National and local consumption taxes ("consumption taxes") payable by SuMi TRUST Bank 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 fiscal year.

(19) Adoption of Consolidated Tax Return System

SuMi TRUST Bank has adopted the consolidated tax return system from the fiscal year ended March 31, 2020.

(20) Adoption of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System

SuMi TRUST Bank and some of its consolidated subsidiaries in Japan did not adopt Paragraph 44 of "Implementation Guidance on Tax Effect Accounting" (Accounting Standards Board of Japan (ASBJ) Guidance No. 28, February 16, 2018) in accordance with Paragraph 3 of "Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System" (ASBJ Practical Issues Task Force (PITF) No. 39, March 31, 2020) and account for deferred tax assets and deferred tax liabilities based on the tax regulations before the revision. Such treatment is adopted on items transitioned to group tax sharing system established under "The Law Revising a Portion of Income Tax Law" (Act No. 8, 2020) and single taxation system items revised in conjunction with the transition to the group tax sharing system.

New Accounting Standards and Interpretations Not Yet Adopted

The following standard and guidance were issued but not yet adopted.

1. Accounting Standard for Revenue Recognition

- Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020)
- Implementation Guidance on Accounting Standard for Revenue Recognition (ASBJ Guidance No. 30, March 31, 2020)

(1) Overview

The above standard and guidance provide comprehensive principles for revenue recognition. Under the standard and guidance, revenue is recognized by applying following 5 steps:

- Step 1: Identify contract(s) with customers.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligation in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

(2) Effective date

Effective from the beginning of the fiscal year ending March 31, 2022.

(3) Effects of the application of the standards

SuMi TRUST Bank is currently in the process of determining the effects of these new standards on the consolidated financial statements.

2. Accounting Standard for Fair Value Measurement

- Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30, July 4, 2019)
- Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, July 4, 2019)
- Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019)
- Implementation Guidance on Disclosures about Fair Value of Financial Instruments (ASBJ Guidance No. 19, March 31, 2020)

(1) Overview

"Accounting Standards for Fair Value Measurement" and "Implementation Guidance on Accounting Standard for Fair Value Measurement" ("the standard and guidance for fair value measurement") are developed in order to enhance comparability with international accounting standards and, provide guidance for methods of fair value measurement. The standard and guidance for fair value measurement are adopted to fair value measurement of the following item:

- Financial instruments defined in "Accounting Standard for Financial Instruments"

In addition, "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" has been revised and specified what to disclose in the notes, such as the breakdown by the levels of the fair value hierarchy of financial instruments.

(2) Effective date

Effective from the beginning of the fiscal year ending March 31, 2022.

(3) Effects of the application of the standards

SuMi TRUST Bank is currently in the process of determining the effects of these new standards on the consolidated financial statements.

3. Accounting Standard for Disclosure of Accounting Estimates

- “Accounting Standard for Disclosure of Accounting Estimates” (ASBJ Statement No. 31, March 31, 2020)

(1) Overview

The above standard is developed in order to disclose and enhance the understanding of the financial statement users on the details of accounting estimates of the items with risks of significantly affecting the financial statements of the next fiscal year, with regard to the amounts based on the accounting estimates recorded in the financial statements for the fiscal year ended March 31, 2020.

(2) Effective date

Effective from the end of the fiscal year ending March 31, 2021.

4. Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections (ASBJ Statement No. 24, March 31, 2020)

(1) Overview

The above standard provides the overview of the principles and procedures of the accounting process applied when the relevant accounting standards are unclear.

(2) Effective date

Effective from the end of the fiscal year ending March 31, 2021.

Notes to the Consolidated Balance Sheet

1. Trading Assets and Trading Liabilities

(1) Trading assets as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Securities in Trading Account	¥ 6,096	¥ 106,883	\$ 56
Derivatives of Trading Securities	13	—	0
Derivatives of Securities Related to Trading Transactions	498	537	5
Trading-Related Financial Derivatives	450,031	291,252	4,141
Other Trading Assets	51,006	56,305	469
Total	¥ 507,646	¥ 454,978	\$ 4,671

(2) Trading liabilities as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Derivatives of Trading Securities	¥ —	¥ 35	\$ —
Derivatives of Securities Related to Trading Transactions	—	55	—
Trading-Related Financial Derivatives	371,950	258,681	3,422
Total	¥ 371,950	¥ 258,771	\$ 3,422

2. Securities

Securities held as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Government Bonds	¥ 1,480,969	¥ 420,371	\$ 13,626
Local Government Bonds	14,785	8,764	136
Corporate Bonds	671,856	613,432	6,181
Stocks	1,270,178	1,535,280	11,686
Other Securities	2,905,313	3,114,714	26,730
Total	¥ 6,343,103	¥ 5,692,564	\$ 58,360

"Securities" include stocks and equity investments in unconsolidated subsidiaries and affiliated companies as follows:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Stocks	¥ 104,059	¥ 108,170	\$ 957
Equity Investments	33,528	43,364	308

Securities borrowed under unsecured loan agreements and securities purchased under resale agreements or borrowed with cash collateral that SuMi TRUST Bank has a right to freely sell or repledge, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Securities that are Further Collateralized	¥ 1,197,832	¥ 109,732	\$ 11,021
Securities that are Further Loaned	1,139,619	1,400,284	10,485
Securities Held without Selling or Repledging as of the End of the Fiscal Year	—	26,550	—

The bonds presented under "Securities" included guarantee obligations on corporate bonds that were placed through private securities offerings (Article 2, Paragraph 3 of the Financial Instruments and Exchange Act) amounting to ¥91,755 million (U.S. \$844 million) and ¥88,611 million as of March 31, 2020 and 2019, respectively.

3. Loans and Bills Discounted

Loans and bills discounted as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Bills Discounted	¥ 1,123	¥ 1,709	\$ 10
Loans on Bills	217,701	222,160	2,003
Loans on Deeds	27,801,810	27,182,656	255,790
Overdrafts	1,682,740	1,616,266	15,482
Total	¥ 29,703,375	¥ 29,022,792	\$ 273,285

Bills discounted are treated as financial transactions in accordance with Report No. 24. SuMi TRUST Bank has a right to freely sell or (re)pledge such commercial bills. The total face value of these bills amounted to ¥1,123 million (U.S. \$10 million) and ¥1,709 million as of March 31, 2020 and 2019, respectively.

Loans and bills discounted as of March 31, 2020 and 2019, included the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Loans in Bankruptcy Proceedings	¥ 4,998	¥ 7,096	\$ 46
Delinquent Loans	53,112	70,358	489
Loans Past Due Three Months or More	3,341	—	31
Restructured Loans	38,964	23,255	358
Total	¥ 100,416	¥ 100,710	\$ 924

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"), and that meet the conditions 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).

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.

Loans past due three months or more 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 delinquent loans.

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, delinquent loans, or loans past due three months or more.

4. Assets Pledged

Assets pledged as collateral as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Assets Pledged as Collateral:			
Trading Assets	¥ 3,000	¥ 31,497	\$ 28
Securities	2,039,182	745,379	18,761
Loans and Bills Discounted	5,333,699	5,022,262	49,073
Lease Receivables and Investment Assets	57,605	59,711	530
Other Assets	99,232	359,914	913
Total	¥ 7,532,720	¥ 6,218,765	\$ 69,305
Corresponding Liabilities to Assets Pledged as Collateral:			
Deposits	¥ 22,045	¥ 7,943	\$ 203
Call Money and Bills Sold	54,345	—	500
Payables under Repurchase Agreements	582,927	787,052	5,363
Payables under Securities Lending Transactions	—	104,767	—
Borrowed Money	3,723,322	2,751,266	34,256

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
	2020	2019	2020
Securities	¥ 329,749	¥ 396,037	\$ 3,034

“Other Assets” include initial margins of futures, security deposits, cash collateral pledged for financial instruments, and cash collateral pledged for repurchase agreement transactions. Such amounts are as follows:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Initial Margins of Futures Markets	¥ 5,937	¥ 5,752	\$ 55
Security Deposits	23,274	26,621	214
Cash Collateral Pledged for Financial Instruments-Assets	801,997	609,432	7,379
Cash Collateral Pledged for Repurchase Agreement Transactions	8,759	11,067	81

5. Overdraft Facility Agreements and Commitment Lines of Credit

Overdraft facility agreements and commitment 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 amounts of unused credit under such agreements were ¥12,416,801 million (U.S. \$114,241 million) and ¥12,344,898 million, of which ¥8,133,494 million (U.S. \$74,832 million) and ¥8,098,841 million were attributable to agreements expiring within one year or which may be unconditionally canceled at any time, as of March 31, 2020 and 2019, respectively.

The balance of unused credit will not necessarily affect the

future cash flows of SuMi TRUST Bank and its consolidated subsidiaries because most of these agreements expire without credit being extended. Most of these agreements contain clauses allowing SuMi TRUST Bank 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, SuMi TRUST Bank 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.

6. Tangible Fixed Assets

Tangible fixed assets as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Land	¥ 123,612	¥ 118,008	\$ 1,137
Buildings	73,316	73,759	675
Lease Assets	5,178	4,493	48
Construction in Progress	370	231	3
Other	18,458	22,817	170
Total	¥ 220,936	¥ 219,309	\$ 2,033

Accumulated depreciation amounted to ¥172,832 million (U.S. \$1,590 million) and ¥173,813 million, and advance depreciation amounted to ¥28,085 million (U.S. \$258 million) and ¥28,822 million as of March 31, 2020 and 2019, respectively.

In accordance with the Act on Revaluation of Land (Act No. 34, promulgated on March 31, 1998), land for commercial use of SuMi TRUST Bank was revalued, and the amount equivalent to the taxes on the resulting valuation difference was recorded as a "Deferred Tax Liabilities for 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 reasonably adjusting the value of land based on the following prices: 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.

The difference between the fair value and the revalued carrying amount of the land for commercial use subject to Article 10 of the Act as of March 31, 2020 is not presented because the fair value of the land exceeded its revalued carrying amount. The difference between the fair value and the revalued carrying amount of the land was ¥611 million as of March 31, 2019.

7. Intangible Fixed Assets

Intangible fixed assets as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Software	¥ 75,892	¥ 81,585	\$ 698
Goodwill	21,276	63,091	196
Lease Assets	0	0	0
Other	3,746	8,219	34
Total	¥ 100,915	¥ 152,896	\$ 928

8. Other Assets

Other assets as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Domestic Exchange Settlement Account, Debit	¥ 1,057	¥ 951	\$ 10
Prepaid Expenses	6,127	6,858	56
Accrued Income	121,132	150,788	1,114
Initial Margins of Futures Markets	5,937	5,752	55
Variation Margins of Futures Markets	1,994	1,837	18
Financial Derivatives Other Than Trading Assets	429,482	295,243	3,951
Receivables for Securities Transactions	192,369	403,454	1,770
Cash Collateral Pledged for Financial Instruments-Assets	801,997	609,432	7,379
Other	512,576	512,033	4,716
Total	¥ 2,072,673	¥ 1,986,352	\$ 19,070

9. Deposits

Deposits as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Current Deposits, Ordinary Deposits, Saving Deposits and Deposits at Notice	¥ 8,548,735	¥ 9,597,884	\$ 78,652
Time Deposits	20,774,636	21,147,313	191,137
Other	1,393,668	1,185,498	12,822
Total	¥ 30,717,040	¥ 31,930,697	\$ 282,611

10. Borrowed Money

Borrowed money as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Subordinated Borrowings	¥ 700,000	¥ 660,000	\$ 6,440
Other Borrowed Money	5,796,384	3,963,801	53,330
Total	¥ 6,496,384	¥ 4,623,801	\$ 59,770

Weighted average interest rates on borrowed money were 0.33% and 0.53% for the fiscal years ended March 31, 2020 and 2019, respectively.

Annual maturities of borrowed money as of March 31, 2020, for the next five years are as follows:

Fiscal Years Ending March 31	Millions of Yen	Millions of U.S. Dollars
	2020	2020
2021	¥ 2,980,182	\$ 27,419
2022	1,285,691	11,829
2023	182,797	1,682
2024	727,164	6,690
2025	84,221	775
Total	¥ 5,260,057	\$ 48,395

11. Bonds Payable

Bonds payable as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Perpetual Subordinated Bonds	¥ 16,100	¥ 26,100	\$ 148
Subordinated Bonds	274,494	274,493	2,525
Other Bonds Payable	194,773	477,240	1,792
Total	¥ 485,368	¥ 777,834	\$ 4,466

Annual maturities of bonds payable as of March 31, 2020, for the next five years are as follows:

Fiscal Years Ending March 31	Millions of Yen	Millions of U.S. Dollars
	2020	2020
2021	¥ 1,938,173	\$ 17,832
2022	50,000	460
2023	60,000	552
2024	30,000	276
2025	16,500	152
Total	¥ 2,094,673	\$ 19,272

12. Borrowed Money from Trust Account

Borrowed money from trust account represents surplus funds in the trust accounts loaned to the banking account and utilized.

13. Other Liabilities

Other liabilities as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Domestic Exchange Settlement Account, Credit	¥ 1,123	¥ 807	\$ 10
Income Taxes Payable	16,567	23,131	152
Accrued Expenses	88,538	107,774	815
Unearned Income	80,245	78,715	738
Variation Margins of Futures Markets	977	—	9
Financial Derivatives Other Than Trading Liabilities	538,853	351,548	4,958
Lease Obligations	9,854	9,536	91
Asset Retirement Obligations	4,001	4,308	37
Payables for Securities Transactions	102,882	85,024	947
Provision for Loss on Interest Repayment	41	50	0
Cash Collateral Accepted for Financial Instruments-Liabilities	134,626	111,555	1,239
Other	243,691	220,790	2,242
Total	¥ 1,221,403	¥ 993,243	\$ 11,237

Notes to the Consolidated Statement of Income

1. Other Interest Income and Expenses

(1) Other interest income for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Interest on Monetary Claims Bought	¥ 5,217	¥ 3,872	\$ 48
Others	4,422	4,515	41
Total	¥ 9,640	¥ 8,387	\$ 89

(2) Other interest expenses for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Interest on Interest Rate Swaps	¥ 42,586	¥ 36,348	\$ 392
Others	18,578	22,090	171
Total	¥ 61,164	¥ 58,439	\$ 563

2. Trading Income and Expenses

(1) Trading income for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Net Income from Trading Securities and Derivatives	¥ 787	¥ 423	\$ 7
Net Income from Trading Transactions	1,034	583	10
Net Income from Trading-Related Financial Derivatives Transactions	100,309	26,854	923
Other Trading Income	57	64	1
Total	¥ 102,189	¥ 27,926	\$ 940

(2) Trading expenses were not incurred during the fiscal years ended March 31, 2020 and 2019.

3. Other Ordinary Income and Expenses

(1) Other ordinary income for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Net Gains on Foreign Exchange Transactions	¥ 49,901	¥ 96,585	\$ 459
Gains on Sales and Redemption of Bonds	45,717	19,642	421
Others	253,031	240,852	2,328
Total	¥ 348,650	¥ 357,080	\$ 3,208

(2) Other ordinary expenses for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Losses on Sales and Redemption of Bonds	¥ 11,295	¥ 23,071	\$ 104
Others	269,984	227,628	2,484
Total	¥ 281,279	¥ 250,699	\$ 2,588

4. Other Income and Expenses

(1) Other income for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Gains on Sales of Stocks and Other Securities	¥ 64,993	¥ 44,237	\$ 598
Gains on Money Held in Trust	70	72	1
Recoveries of Written-Off Claims	1,149	1,908	11
Equity in Earnings of Affiliated Companies	8,612	5,978	79
Gains on Disposal of Fixed Assets	3,154	1,579	29
Others	15,549	17,773	143
Total	¥ 93,529	¥ 71,551	\$ 861

(2) Other expenses for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Provision for Allowance for Loan Losses	¥ 39,972	¥ 226	\$ 368
Losses on Sales of Loans	972	11	9
Write-Off of Loans	3,475	4,395	32
Losses on Sales of Stocks and Other Securities	13,036	30,620	120
Losses on Impairment of Stocks and Other Securities	16,731	1,272	154
Losses on Disposal of Fixed Assets	704	573	6
Losses on Impairment of Fixed Assets	19,360	16,817	178
Losses on Investment in Partnerships	2,397	2,898	22
Others	18,613	19,994	171
Total	¥ 115,262	¥ 76,810	\$ 1,060

5. General and Administrative Expenses

General and administrative expenses for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Taxes Other Than Income Taxes	¥ 17,001	¥ 15,766	\$ 156
Personnel Expenses	171,906	183,028	1,582
Others	196,272	208,687	1,806
Total	¥ 385,180	¥ 407,483	\$ 3,544

Note to the Consolidated Statement of Comprehensive Income

Reclassification Adjustments and the Related Tax Effects Concerning Other Comprehensive Income

Reclassification adjustments and the related tax effects concerning other comprehensive income for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Valuation Difference on Available-for-Sale Securities:			
Changes during the Period	¥ (93,039)	¥ (66,690)	\$ (856)
Reclassification Adjustments	(67,885)	(5,844)	(625)
Before Tax Effects	(160,925)	(72,535)	(1,481)
Tax Effects	48,739	21,678	448
Valuation Difference on Available-for-Sale Securities	(112,186)	(50,857)	(1,032)
Deferred Gains (Losses) on Hedges:			
Changes during the Period	(73,012)	(55,594)	(672)
Reclassification Adjustments	42,586	36,309	392
Before Tax Effects	(30,426)	(19,285)	(280)
Tax Effects	11,225	5,867	103
Deferred Gains (Losses) on Hedges	(19,201)	(13,417)	(177)
Foreign Currency Translation Adjustments:			
Changes during the Period	(1,680)	628	(15)
Reclassification Adjustments	—	—	—
Before Tax Effects	(1,680)	628	(15)
Tax Effects	—	—	—
Foreign Currency Translation Adjustments	(1,680)	628	(15)
Remeasurements of Defined Benefit Plans:			
Changes during the Period	(73,067)	(37,173)	(672)
Reclassification Adjustments	5,702	3,483	52
Before Tax Effects	(67,365)	(33,690)	(620)
Tax Effects	20,609	10,316	190
Remeasurements of Defined Benefit Plans	(46,755)	(23,373)	(430)
Share of Other Comprehensive Income of Equity-Method Affiliated Companies:			
Changes during the Period	(1,064)	406	(10)
Reclassification Adjustments	(280)	366	(3)
Share of Other Comprehensive Income of Equity-Method Affiliated Companies	(1,344)	772	(12)
Total Other Comprehensive Income (Loss)	¥ (181,169)	¥ (86,246)	\$ (1,667)

Notes to the Consolidated Statement of Changes in Net Assets

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

Classes and the number of issued shares of common stock for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

	Thousands of Shares				
	Authorized	Number of Shares Outstanding at the Beginning of the Fiscal Year	Increase	Decrease	Number of Shares Outstanding at the End of the Fiscal Year
March 31, 2020					
Number of Issued Shares:					
Common Share	3,000,000	1,674,537	—	—	1,674,537

	Thousands of Shares				
	Authorized	Number of Shares Outstanding at the Beginning of the Fiscal Year	Increase	Decrease	Number of Shares Outstanding at the End of the Fiscal Year
March 31, 2019					
Number of Issued Shares:					
Common Share	3,000,000	1,674,537	—	—	1,674,537

2. Subscription Rights to Shares

There were no subscription rights to shares for the fiscal years ended March 31, 2020 and 2019.

3. Dividends

Dividends paid for the fiscal years ended March 31, 2020 and 2019, consisted of the following:

As for the fiscal year ended March 31, 2020:

(1) Cash dividends paid

Resolution	Type of Shares	Cash Dividends Declared	Dividend Resources	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen (Millions of U.S. Dollars)		Yen (U.S. Dollars)		
June 27, 2019						
Original General Meeting of Shareholders	Common Share	¥ 36,270	Retained	¥ 21.66	March 31,	June 28,
		(\$334)	Earnings	(\$0.20)	2019	2019
		¥ 48,544	Capital	¥ 28.99	March 31,	June 28,
		(\$447)	Surplus	(\$0.27)	2019	2019

Resolution	Type of Shares	Cash Dividends Declared	Dividend Resources	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen (Millions of U.S. Dollars)		Yen (U.S. Dollars)		
November 13, 2019						
Board of Directors' Meeting	Common Share	¥ 57,269 (\$527)	Retained Earnings	¥ 34.20 (\$0.31)	September 30, 2019	December 2, 2019

(2) Dividends-in-kind distributed

Resolution	Type of Shares	Type of Dividend Property	Carrying Amount of the Dividend Property Millions of Yen (Millions of U.S. Dollars)	Dividend Resources	Cash Dividends per Share ^(Note) Yen (U.S. Dollars)	Record Date	Effective Date
June 27, 2019							
Ordinary General Meeting of Shareholders	Common Share	Securities	¥ 107,921 (\$993)	Retained Earnings	¥ — (\$—)	March 31, 2019	July 1, 2019

(Note) Amounts available for dividends will be allocated in full to the sole owner of the common stock, SuMi TRUST Holdings, and therefore, the amount of cash dividends per share is not determined.

Dividends with a record date during the current fiscal year ended March 31, 2020, but whose effective date is after March 31, 2020, are as follows:

Resolution	Type of Shares	Cash Dividends Declared	Dividend Resources	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen (Millions of U.S. Dollars)		Yen (U.S. Dollars)		
June 26, 2020						
Original General Meeting of Shareholders	Common Share	¥ 21,735 (\$200)	Retained Earnings	¥ 12.98 (\$0.12)	March 31, 2020	June 29, 2020

As for the fiscal year ended March 31, 2019:

Resolution	Type of Shares	Cash Dividends Declared Millions of Yen	Dividend Resources	Cash Dividends per Share Yen	Record Date	Effective Date
June 28, 2018						
Original General Meeting of Shareholders	Common Share	¥ 45,296	Retained Earnings	¥ 27.05	March 31, 2018	June 29, 2018
		¥ 46,033	Capital Surplus	¥ 27.49	March 31, 2018	June 29, 2018

Resolution	Type of Shares	Cash Dividends Declared Millions of Yen	Dividend Resources	Cash Dividends per Share Yen	Record Date	Effective Date
November 14, 2018						
Board of Directors' Meeting	Common Share	¥ 76,023	Retained Earnings	¥ 45.40	September 30, 2018	December 3, 2018

Dividends with a record date during the fiscal year ended March 31, 2019, but whose effective date is after March 31, 2019 are as follows:

(1) Cash dividends paid

Resolution	Type of Shares	Cash Dividends Declared Millions of Yen	Dividend Resources	Cash Dividends per Share Yen	Record Date	Effective Date
June 27, 2019						
Ordinary General Meeting of Shareholders	Common Share	¥ 36,270	Retained Earnings	¥ 21.66	March 31, 2019	June 28, 2019
		¥ 48,544	Capital Surplus	¥ 28.99	March 31, 2019	June 28, 2019

(2) Dividends-in-kind distributed

Resolution	Type of Shares	Type of Dividend Property	Carrying Amount of the Dividend Property Millions of Yen	Dividend Resources	Cash Dividends per Share ^(Note) Yen	Record Date	Effective Date
June 27, 2019							
Ordinary General Meeting of Shareholders	Common Share	Securities	¥ 107,921	Retained Earnings	¥ —	March 31, 2019	July 1, 2019

(Note) Amounts available for dividends will be allocated in full to the sole owner of the common stock, SuMi TRUST Holdings, and therefore, the amount of cash dividends per share is not determined.

Note to the Consolidated Statement of Cash Flows

Reconciliation of Cash and Cash Equivalents

The following table reconciles cash and cash equivalents in the consolidated statement of cash flows and cash and due from banks in the consolidated balance sheet as of March 31, 2020 and 2019.

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Cash and Due from Banks	¥ 13,087,816	¥ 16,042,864	\$ 120,414
Due from Banks (Excluding Due from the Bank of Japan)	(2,181,167)	(1,966,096)	(20,068)
Cash and Cash Equivalents	¥ 10,906,648	¥ 14,076,767	\$ 100,346

Leases

1. Finance Leases

As a lessee:

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. Operating Leases

As a lessee:

Total future lease payments under non-cancelable operating leases as of March 31, 2020 and 2019, were as follows:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Due in One Year or Less	¥ 2,564	¥ 3,654	\$ 24
Due in More Than One Year	12,970	22,356	119
Total	¥ 15,534	¥ 26,010	\$ 143

As a lessor:

Total future lease payments under non-cancelable operating leases as of March 31, 2020 and 2019, were as follows:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Due in One Year or Less	¥ 5,364	¥ 3,003	\$ 49
Due in More Than One Year	24,470	11,279	225
Total	¥ 29,835	¥ 14,282	\$ 274

Financial Instruments

1. Circumstances of Financial Instruments

(1) Policy on Financial Instruments

SuMi TRUST Bank Group is engaged in a variety of financial service businesses, primarily trust banking business operated by SuMi TRUST Bank. To facilitate these businesses, SuMi TRUST Bank Group raises funds through deposits from individual and corporate customers, borrowed money, and issuance of corporate bonds, and manages such funds as loans to individual and corporate customers, and securities on the investment side.

Each group company determines policies as well as measures for investing and funding financial assets and financial liabilities under its annual plan.

SuMi TRUST Holdings monitors risks associated with the group-wide financial assets and liabilities.

SuMi TRUST Bank monitors its respective risks while implementing comprehensive Asset-Liability Management (ALM). Meanwhile, SuMi TRUST Bank conducts derivatives transactions to control the market risk and other risks arising from its assets and liabilities within the level commensurate with its financial capacity. SuMi TRUST Bank is also engaged in trading securities and derivatives through trading accounts ("Trading Accounts") that are segregated from other accounts ("Banking Accounts") in accordance with Article 13-6-3 of the Ordinance for Enforcement of the Banking Act. Some consolidated subsidiaries are also engaged in trading securities.

(2) Description and Risks of Financial Instruments

1) Trading accounts

SuMi TRUST Bank Group deals with over-the-counter (OTC) and listed derivatives transactions related to interest rates, exchange rates, bonds, credits, and commodities as well as trading securities. These derivatives transactions are exposed to risks associated with fluctuation in interest rates, exchange rates, prices, credit risks, and other risks.

2) Banking accounts

Financial assets of SuMi TRUST Bank Group are primarily loans to corporations and individuals in Japan and such assets are exposed to credit risks arising from default on contracts by customers.

Securities mainly consist of stocks and bonds that are held to maturity, as strategic investments, and for business development. These securities are exposed to issuers' credit risks, and risks associated with fluctuation in interest rates and market prices.

Deposits from individuals and corporations, borrowed money, and bonds payable are exposed to liquidity risks as becoming insolvent at their maturities, such as being out of markets under certain circumstances.

SuMi TRUST Bank Group deals with OTC and listed derivatives transactions related to interest rates, exchange rates, stocks, bonds, and credits for avoiding market risks.

To reduce interest rate risk, a major risk, SuMi TRUST Bank Group comprehensively manages various financial assets and liabilities, such as loans and bills discounted and deposits, by categorizing them based on characteristics of their interest rate risks, and applies hedge accounting to hedge such risk using interest rate swaps designated as hedging instruments. The hedge accounting is applied to some assets and liabilities by individual transaction.

To mitigate the exchange rate risk arising from various financial assets and liabilities of SuMi TRUST Bank denominated in foreign currencies, hedge accounting is applied to the exchange rate risk of foreign currency assets and liabilities designated as hedged items, using currency swaps and foreign exchange swaps designated as hedging instruments.

The details of hedge accounting are described in "Significant Accounting Policies and Practices."

(3) Risk Management for Financial Instruments

SuMi TRUST Bank Group considers that the basis of group-wide risk management is to ensure the effectiveness of PDCA (Plan, Do, Check, Action) cycles for each risk category according to the "Risk Management Policy" established by the board of directors.

The risk management framework of each risk category is as follows:

1) Credit risk management

Credit risk is the risk of financial loss of SuMi TRUST Bank Group when a customer or counterparty fails to meet its contractual obligations, and such risk is generated from claims, mainly loans, bills discounted, and securities. Credit risk is the most basic financial risk related to a credit creating function. SuMi TRUST Bank Group continuously diversifies its credit portfolios and builds up a stronger customer base by expanding its credit risk management framework further, and by meeting a new and sound demand for credit.

(a) Risk management policy on credit risk

The basic policy of SuMi TRUST Bank Group on credit risk management calls for "a diversified credit portfolio" and "strict management for individual credits."

For the former, SuMi TRUST Bank Group manages

credit exposures of each customer based on its limited credit amount, and periodically reviews impacts of identified risks to large customers and concentration in industry sectors, including the measurement of the credit risk. SuMi TRUST Bank Group makes efforts to mitigate credit concentration risk on a country-by-country basis by managing the diversification of the overall credit portfolio.

For the latter, SuMi TRUST Bank Group manages individual credits through processes such as credit screening, self-assessment, and internal credit ratings. Credit ratings indicate the credit status of customers and the possibility of defaults on a scale, and provide the basis for credit screening of individual transactions and credit portfolio management. SuMi TRUST Bank Group continuously evaluates solvency and collectability of credits based on the analysis, for instance the customer's financial condition, cash flows, and earning capacity through the self-assessment.

(b) Risk management framework for credit risk

In SuMi TRUST Bank, the board of directors decides on important matters related to credit risk management when developing management plans. The board of directors also decides on credit strategy and economic capital allocation plans, and approves the Self-Assessment Rules based on reports on credit risk management, including asset-assessment management, to ensure the soundness of the assets. As for screening and credit management of each case, the Global Credit Supervision Department is segregated from branches as part of a check-and-balance system. Furthermore, the Research Department evaluates credit risks by implementing internal credit ratings based on industry research and credit analysis of individual companies along with performing quantitative analysis from a neutral standpoint. SuMi TRUST Bank periodically holds a meeting of the Executive Committee and Credit Risk Committee to deliberate on material matters of controlling and managing credit risks. SuMi TRUST Bank has built up an appropriate management framework for risk management through the check-and-balance function, the committees' discussions, and the validation of the credit risk management and operation by the Risk Management Department.

2) Market risk management

Market risk is the risk of financial loss of SuMi TRUST Bank Group through changes in income and value of assets and liabilities held, including off-balance items, due to fluctuations in various market risk factors, such as interest rates, exchange rates, equity prices, commodity prices, and credit spreads.

(a) Risk management policy on market risk

In managing market risk, SuMi TRUST Bank Group ensures the soundness of its business by appropriately controlling risks, and strives to secure reasonable profits which correspond to strategic goals, the scale and nature of its operations, and risk profiles through an advanced risk management framework.

(b) Risk management framework for market risk

With regard to market risk, SuMi TRUST Bank Group maintains a basic policy for setting and controlling various risk limits and segregation of organizations related to market risk under its Rules for Risk Management. The practical application of the basic policy is stated in the Rules for Market Risk Management. Divisions that execute transactions (the front office) are clearly segregated from divisions that process transactions (the back office) for independent check purposes, and the Risk Management Department, which is independent from both of the front and back offices, centrally manages market risk. This department identifies and analyzes group-wide risk, tracks adherence to risk limits, and reports to respective directors in charge on a daily basis and to the board of directors periodically.

In SuMi TRUST Bank, the board of directors resolves ALM basic plans and risk management plans as important matters related to market risk under management plans. The ALM Committee resolves basic matters of ALM basic plans and risk management plans related to market risk regarding company-wide comprehensive risk management for assets and liabilities.

In SuMi TRUST Bank, the Risk Management Department is responsible for planning and implementing market risk management. The role of the Risk Management Department includes measuring risk levels and profits or losses and monitoring the status of market risk managed under ALM basic plans and the status of compliance with risk limits. The department reports its findings to the members of the ALM Committee on a daily basis, and to the ALM Committee as well as the board of directors periodically.

(c) Market risk management approach

SuMi TRUST Bank Group uses Value at Risk ("VaR") to measure market risk exposures. VaR uses historical market fluctuation to statistically predict the maximum expected losses

under specific conditions. Based on an internal model developed by SuMi TRUST Bank Group, SuMi TRUST Bank manages market risks by measuring VaR, calculating various risk management indicators, and carrying out various simulations.

VaR based on the internally developed model is calculated basically using the historical simulation method. Market risk can be classified into categories, such as interest rate risk, stock price risk, exchange rate risk, and others according to its characteristics. SuMi TRUST Bank calculates market risk by simply adding up the risks of all categories without considering the correlation among these categories.

(d) Quantitative information related to market risk

(i) Trading accounts

SuMi TRUST Bank Group uses VaR for managing risks associated with trading securities and some currency and interest-related derivatives transactions held in the Trading Accounts. The VaR model used is primarily based on the historical simulation method (with a holding period of 10 business days, confidence interval of 99%, and observation period of 1,300 business days).

As of March 31, 2020, the total amount of market risk (estimated potential loss) of financial instruments held by SuMi TRUST Bank Group in the Trading Accounts was ¥8.8 billion (U.S. \$81 million).

SuMi TRUST Bank Group performs back testing that compares the results of VaR calculations based on its internal model with actual profits or losses. The back testing for the fiscal year ended March 31, 2020, resulted in three instances where actual losses were in excess of VaR; therefore, SuMi TRUST Bank Group considers that the measurement model properly captures market risk with sufficient accuracy. However, as VaR measures the amount of market risk under certain probabilities statistically calculated based on the past volatility, it may not properly capture those risks under extreme market movements.

(ii) Banking accounts

SuMi TRUST Bank Group uses VaR for managing risks associated with financial assets and liabilities held in the Banking Accounts. The historical simulation method is the primary measurement method (with a holding period of a maximum of one year according to a position; confidence interval of 99%; and observation period of 1,300 business days).

As of March 31, 2020, the total amount of market risk (estimated potential loss) of financial instruments held by SuMi TRUST Bank Group in the Banking Account was ¥779.8 billion (U.S. \$7,175 million).

SuMi TRUST Bank Group performs back testing on certain positions held in the "Banking Accounts" that compares the

results of VaR calculations based on its internal model with actual profits or losses regarding financial assets and liabilities subject to measurement. SuMi TRUST Bank Group considers that the measurement model properly captures market risk with sufficient accuracy. However, as VaR measures the amount of market risk under certain probabilities statistically calculated based on past volatility in the market, it may not properly capture those risks under extreme market movements.

3) Funding liquidity risk management

Funding liquidity risk is the risks of financial loss to SuMi TRUST Bank Group when the Group fails to raise necessary funds or is forced to raise funds at significantly higher rates.

(a) Funding liquidity risks management policy

With regard to funding liquidity risk, SuMi TRUST Bank Group designs and implements a policy to build up a risk management framework for funding liquidity risk, recognizing that financial difficulties due to exposure to such risks could possibly lead SuMi TRUST Bank Group directly to bankruptcy under certain circumstances.

(b) Funding liquidity risk management framework and methods

Funding liquidity risk management departments determine the extent of SuMi TRUST Bank Group's cash crunch appropriately in cooperation with the liquidity management departments, while gathering and analyzing information related to both the internal environment, such as SuMi TRUST Bank Group's risk profiles, and external environment, such as economic circumstances or market conditions, based on the risk management plan approved by the board of directors semiannually.

To reduce funding liquidity risks, the liquidity management departments manage cash flow within the predetermined appropriate limits, and the liquidity management departments monitor its compliance.

(4) Supplementary Explanation Concerning Fair Value of Financial Instruments

Fair value of financial instruments is based on quoted prices in markets. If a quoted price is not available, a reasonably calculated amount is used as fair value. Calculation of such amounts involves certain assumptions and may vary when different assumptions are employed.

2. Fair Values of Financial Instruments

The carrying amounts on the consolidated balance sheet and fair values of financial instruments as of March 31, 2020 and 2019, as well as the differences between these values are presented below. The fair values of unlisted stocks 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		
	2020			2020		
	Carrying Amount	Fair Value	Difference	Carrying Amount	Fair Value	Difference
(1) Cash and Due from Banks (*1)	¥ 13,087,752	¥ 13,087,752	¥ —	\$ 120,414	\$ 120,414	\$ —
(2) Call Loans and Bills Bought	71,236	71,236	—	655	655	—
(3) Receivables under Resale Agreements	1,220,761	1,220,761	—	11,232	11,232	—
(4) Receivables under Securities Borrowing Transactions	740,658	740,658	—	6,814	6,814	—
(5) Monetary Claims Bought (*1)	987,691	988,352	660	9,087	9,093	6
(6) Trading Assets						
Trading Securities	57,102	57,102	—	525	525	—
(7) Money Held in Trust	1,306	1,306	—	12	12	—
(8) Securities						
Held-to-Maturity Debt Securities	265,044	275,316	10,272	2,439	2,533	95
Available-for-Sale Securities	5,746,404	5,746,404	—	52,870	52,870	—
(9) Loans and Bills Discounted	29,703,375			273,285		
Allowance for Loan Losses (*2)	(112,691)			(1,037)		
	29,590,684	29,885,145	294,461	272,248	274,958	2,709
(10) Foreign Exchanges	36,952	36,952	—	340	340	—
(11) Lease Receivables and Investment Assets (*1)	667,370	682,846	15,475	6,140	6,283	142
Total Assets	¥ 52,472,965	¥ 52,793,835	¥ 320,869	\$ 482,776	\$ 485,729	\$ 2,952
(1) Deposits	¥ 30,717,040	¥ 30,737,668	¥ 20,628	\$ 282,611	\$ 282,801	\$ 190
(2) Negotiable Certificates of Deposit	5,989,292	5,989,292	—	55,104	55,104	—
(3) Call Money and Bills Sold	142,974	142,974	—	1,315	1,315	—
(4) Payables under Repurchase Agreements	1,558,919	1,558,919	—	14,343	14,343	—
(5) Payables under Securities Lending Transactions	—	—	—	—	—	—
(6) Borrowed Money	6,496,384	6,501,545	5,160	59,770	59,817	47
(7) Foreign Exchanges	3,213	3,213	—	30	30	—
(8) Short-Term Bonds Payable	1,707,097	1,707,097	—	15,706	15,706	—
(9) Bonds Payable	485,368	495,616	10,247	4,466	4,560	94
(10) Borrowed Money from Trust Account	4,750,289	4,750,289	—	43,705	43,705	—
Total Liabilities	¥ 51,850,579	¥ 51,886,615	¥ 36,036	\$ 477,050	\$ 477,382	\$ 332
Derivatives Transactions (*3)						
Derivatives Transactions Not Qualifying for Hedge Accounting	¥ (17,764)	¥ (17,764)	¥ —	\$ (163)	\$ (163)	\$ —
Derivatives Transactions Qualifying for Hedge Accounting	(13,013)	(13,013)	—	(120)	(120)	—
Total Derivatives Transactions	¥ (30,777)	¥ (30,777)	¥ —	\$ (283)	\$ (283)	\$ —

		Millions of Yen		
		2019		
		Carrying Amount	Fair Value	Difference
(1)	Cash and Due from Banks (*1)	¥ 16,042,791	¥ 16,042,791	¥ —
(2)	Call Loans and Bills Bought	50,124	50,124	—
(3)	Receivables under Resale Agreements	158,734	158,734	—
(4)	Receivables under Securities Borrowing Transactions	759,812	759,812	—
(5)	Monetary Claims Bought (*1)	1,071,381	1,072,265	883
(6)	Trading Assets			
	Trading Securities	163,188	163,188	—
(7)	Money Held in Trust	1,293	1,293	—
(8)	Securities			
	Held-to-Maturity Debt Securities	189,663	211,291	21,627
	Available-for-Sale Securities	5,183,912	5,183,912	—
(9)	Loans and Bills Discounted	29,022,792		
	Allowance for Loan Losses (*2)	(90,216)		
		28,932,576	29,195,077	262,501
(10)	Foreign Exchanges	36,936	36,936	—
(11)	Lease Receivables and Investment Assets (*1)	650,859	666,194	15,335
Total Assets		¥ 53,241,275	¥ 53,541,623	¥ 300,348
(1)	Deposits	¥ 31,930,697	¥ 31,952,731	¥ 22,034
(2)	Negotiable Certificates of Deposit	6,428,622	6,428,622	—
(3)	Call Money and Bills Sold	72,793	72,793	—
(4)	Payables under Repurchase Agreements	1,603,191	1,603,191	—
(5)	Payables under Securities Lending Transactions	104,767	104,767	—
(6)	Borrowed Money	4,623,801	4,646,002	22,200
(7)	Foreign Exchanges	457	457	—
(8)	Short-Term Bonds Payable	1,472,786	1,472,786	—
(9)	Bonds Payable	777,834	795,153	17,319
(10)	Borrowed Money from Trust Account	5,408,009	5,408,009	—
Total Liabilities		¥ 52,422,962	¥ 52,484,517	¥ 61,554
Derivatives Transactions (*3)				
	Derivatives Transactions Not Qualifying for Hedge Accounting	¥ 38,370	¥ 38,370	¥ —
	Derivatives Transactions Qualifying for Hedge Accounting	(61,658)	(61,658)	—
Total Derivatives Transactions		¥ (23,288)	¥ (23,288)	¥ —

(*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 consolidated balance sheet 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) Derivatives transactions recorded in Trading Assets and Trading Liabilities or in Other Assets and Other Liabilities are presented collectively.

Receivables and payables arising from derivatives 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 with transactions without stated maturities are stated at their carrying amounts because the carrying amounts approximate fair value. 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 fair value.

(5) Monetary Claims Bought

Fair values of monetary claims bought for which counterparties' quoted prices or dealer/broker-quoted prices are available are stated at such prices. Fair values for all other 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 counterparties' 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 in money held in trust, which are individually managed with the principal objective of securities portfolio management, are stated at quoted market prices or dealer/broker-quoted prices. Notes regarding money held in trust by 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, counterparties' quoted prices, or dealer/broker-quoted prices. Investment trusts are stated at published reference prices. Fair values of privately placed bonds guaranteed by SuMi TRUST Bank 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, floating-rate loans for which their carrying amounts are deemed to approximate fair value, 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 consolidated balance sheet at the consolidated balance sheet date, because such deducted amounts approximate fair value.

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 as 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 of 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 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 Account

The obligations without stated maturities are stated at the amounts that would have to be paid on demand at the consolidated balance sheet date (carrying amount). Obligations with stated maturities are stated at their carrying amounts because

most of obligations have short contractual terms (one year or less) and the carrying amounts approximate the fair values.

(6) Borrowed Money

Borrowed money at floating rates is stated at their carrying amounts. The carrying amounts are deemed to approximate fair value 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 fair value.

(9) Bonds Payable

Bonds issued by SuMi TRUST Bank 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 bonds.

Derivatives Transactions

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

(Note 2) The amounts of financial instruments on the consolidated balance sheet whose fair values are extremely difficult to be determined are as stated below, and such amounts are not included in the fair value information for financial instruments presented under the "Assets, (5) Monetary Claims Bought" or "Assets, (8) Available-for-Sale Securities" section.

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
	Carrying Amount	Carrying Amount	Carrying Amount
Monetary Claims Bought	¥ 11,227	¥ 10,508	\$ 103
Securities	194,071	167,454	1,786
(1) Unlisted Stocks (*3)	59,209	61,281	545
(2) Investments in Associations	103,219	74,773	950
(3) Others (*3)	31,642	31,398	291
Total	¥ 205,299	¥ 177,962	\$ 1,889

(*1) The above financial instruments are excluded from the fair value disclosure because there are no quoted market prices, and therefore, there is no reliable measure of fair value.

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

(*3) During the fiscal year ended March 31, 2020, impairment losses of ¥1,735 million (U.S. \$16 million) and ¥440 million (U.S. \$4 million) were recognized against Unlisted Stocks and Others, respectively.

During the fiscal year ended March 31, 2019, impairment losses of ¥477 million were recognized against Unlisted Stocks.

(Note 3) Redemption Schedule of Monetary Claims and Securities with Maturity after March 31, 2020 and 2019

March 31, 2020	Millions of Yen					
	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 7 Years	7 to 10 Years	More Than 10 Years
Due from Banks	¥ 13,005,100	¥ 1,740	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	71,236	—	—	—	—	—
Receivables under Resale Agreements	1,220,761	—	—	—	—	—
Receivables under Securities Borrowing Transactions	740,658	—	—	—	—	—
Monetary Claims Bought (*1)	793,015	104,699	33,434	19,275	14,964	33,464
Money Held in Trust	—	—	1,406	—	—	—
Securities	1,214,775	1,084,044	939,481	537,892	265,992	769,360
Held-to-Maturity Debt Securities	2,632	—	60	4,020	60,000	195,048
Government Bonds	—	—	60	—	60,000	55,000
Corporate Bonds	—	—	—	—	—	33,200
Available-for-Sale Securities with Maturity	1,212,142	1,084,044	939,421	533,871	205,992	574,312
Government Bonds	838,106	260,315	225,000	—	25,000	10,000
Local Government Bonds	1,228	—	4,546	2,924	6,090	—
Corporate Bonds	21,110	186,052	133,053	196,684	43,275	56,529
Loans and Bills Discounted (*2)	4,179,611	5,463,825	4,520,997	2,848,790	2,473,254	7,592,971
Lease Receivables and Investment Assets (*3)	163,446	239,007	127,633	65,418	50,939	10,717
Total	¥ 21,388,606	¥ 6,893,316	¥ 5,622,953	¥ 3,471,376	¥ 2,805,150	¥ 8,406,513

March 31, 2019	Millions of Yen					
	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 7 Years	7 to 10 Years	More Than 10 Years
Due from Banks	¥ 15,857,622	¥ 10,863	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	50,124	—	—	—	—	—
Receivables under Resale Agreements	136,544	22,190	—	—	—	—
Receivables under Securities Borrowing Transactions	759,812	—	—	—	—	—
Monetary Claims Bought (*1)	860,447	98,801	40,846	21,837	23,039	36,619
Money Held in Trust	100	—	1,293	—	—	—
Securities	660,837	362,284	1,098,426	467,921	616,206	667,284
Held-to-Maturity Debt Securities	25,636	—	—	4,779	40,000	115,606
Government Bonds	—	—	—	60	40,000	75,000
Corporate Bonds	—	—	—	—	—	33,200
Available-for-Sale Securities with Maturity	635,200	362,284	1,098,426	463,142	576,206	551,678
Government Bonds	269,506	15,154	—	—	—	15,000
Local Government Bonds	—	1,228	1,675	564	5,240	—
Corporate Bonds	18,152	109,488	157,385	185,850	61,602	44,971
Loans and Bills Discounted (*2)	4,427,885	5,431,777	4,467,195	3,162,082	2,235,338	6,690,158
Lease Receivables and Investment Assets (*3)	163,976	236,967	115,046	66,938	43,513	13,139
Total	¥ 22,917,352	¥ 6,162,883	¥ 5,722,808	¥ 3,718,779	¥ 2,918,097	¥ 7,407,202

March 31, 2020	Millions of U.S. Dollars					
	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 7 Years	7 to 10 Years	More Than 10 Years
Due from Banks	\$ 119,653	\$ 16	\$ —	\$ —	\$ —	\$ —
Call Loans and Bills Bought	655	—	—	—	—	—
Receivables under Resale Agreements	11,232	—	—	—	—	—
Receivables under Securities Borrowing Transactions	6,814	—	—	—	—	—
Monetary Claims Bought (*1)	7,296	963	308	177	138	308
Money Held in Trust	—	—	13	—	—	—
Securities	11,177	9,974	8,644	4,949	2,447	7,078
Held-to-Maturity Debt Securities	24	—	1	37	552	1,795
Government Bonds	—	—	1	—	552	506
Corporate Bonds	—	—	—	—	—	305
Available-for-Sale Securities with Maturity	11,152	9,974	8,643	4,912	1,895	5,284
Government Bonds	7,711	2,395	2,070	—	230	92
Local Government Bonds	11	—	42	27	56	—
Corporate Bonds	194	1,712	1,224	1,810	398	520
Loans and Bills Discounted (*2)	38,454	50,270	41,595	26,210	22,755	69,859
Lease Receivables and Investment Assets (*3)	1,504	2,199	1,174	602	469	99
Total	\$ 196,785	\$ 63,422	\$ 51,734	\$ 31,938	\$ 25,809	\$ 77,344

(*1) The balances exclude Monetary Claims Bought for borrowers who went into legal bankruptcy, virtual bankruptcy, and possible bankruptcy that are not expected to be collected, amounting to ¥105 million (U.S. \$1million) and ¥100 million as of March 31, 2020 and 2019, respectively.

(*2) The balances exclude Loans and Bills Discounted for borrowers who went into legal bankruptcy, virtual bankruptcy, and possible bankruptcy that are not expected to be collected, amounting to ¥58,110 million (U.S. \$535 million) and ¥77,454 million, and those without maturity, amounting to ¥2,565,814 million (U.S. \$23,607 million)

and ¥2,530,900 million as of March 31, 2020 and 2019, respectively.

(*3) The balances exclude Lease Receivables and Investment Assets for borrowers who went into legal bankruptcy, virtual bankruptcy, and possible bankruptcy that are not expected to be collected, amounting to ¥665 million (U.S. \$6 million) and ¥1,229 million, and the sum of guaranteed residual values by lessee and estimated salvage values, amounting to ¥16,051 million (U.S. \$148 million) and ¥12,635 million as of March 31, 2020 and 2019, respectively.

(Note 4) Repayment Schedule of Bonds, Borrowed Money, and Other Interest-Bearing Liabilities after March 31, 2020 and 2019

March 31, 2020	Millions of Yen					
	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 7 Years	7 to 10 Years	More Than 10 Years
Deposits (*1)	¥ 23,588,311	¥ 4,537,687	¥ 2,589,537	¥ 1,183	¥ 320	¥ —
Negotiable Certificates of Deposit	5,944,292	45,000	—	—	—	—
Call Money and Bills Sold	142,974	—	—	—	—	—
Payables under Repurchase Agreements	1,471,967	86,952	—	—	—	—
Payables under Securities Lending Transactions	—	—	—	—	—	—
Borrowed Money (*2)	2,980,182	1,468,489	811,385	231,702	244,522	420,102
Short-Term Bonds Payable	1,708,473	—	—	—	—	—
Bonds Payable (*3)	229,700	110,000	46,500	63,000	20,000	—
Borrowed Money from Trust Account	4,750,289	—	—	—	—	—
Total	¥ 40,816,190	¥ 6,248,128	¥ 3,447,423	¥ 295,885	¥ 264,842	¥ 420,102

March 31, 2019	Millions of Yen					
	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 7 Years	7 to 10 Years	More Than 10 Years
Deposits (*1)	¥ 24,618,014	¥ 5,169,969	¥ 2,140,992	¥ 1,313	¥ 406	¥ —
Negotiable Certificates of Deposit	6,244,373	184,249	—	—	—	—
Call Money and Bills Sold	72,793	—	—	—	—	—
Payables under Repurchase Agreements	1,603,191	—	—	—	—	—
Payables under Securities Lending Transactions	104,767	—	—	—	—	—
Borrowed Money (*2)	2,906,910	340,021	172,421	225,283	299,659	339,506
Short-Term Bonds Payable	1,476,650	—	—	—	—	—
Bonds Payable (*3)	304,763	282,260	80,000	6,500	78,000	—
Borrowed Money from Trust Account	5,408,009	—	—	—	—	—
Total	¥ 42,739,474	¥ 5,976,500	¥ 2,393,414	¥ 233,097	¥ 378,065	¥ 339,506

March 31, 2020	Millions of U.S. Dollars					
	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 7 Years	7 to 10 Years	More Than 10 Years
Deposits (*1)	\$ 217,024	\$ 41,749	\$ 23,825	\$ 11	\$ 3	\$ —
Negotiable Certificates of Deposit	54,690	414	—	—	—	—
Call Money and Bills Sold	1,315	—	—	—	—	—
Payables under Repurchase Agreements	13,543	800	—	—	—	—
Payables under Securities Lending Transactions	—	—	—	—	—	—
Borrowed Money (*2)	27,419	13,511	7,465	2,132	2,250	3,865
Short-Term Bonds Payable	15,719	—	—	—	—	—
Bonds Payable (*3)	2,113	1,012	428	580	184	—
Borrowed Money from Trust Account	43,705	—	—	—	—	—
Total	\$ 375,528	\$ 57,486	\$ 31,718	\$ 2,722	\$ 2,437	\$ 3,865

(*1) The balance of demand deposits is included in "Within 1 Year." Deposits include balances of current accounts.

(*2) The balances exclude perpetual subordinated debts without maturity, amounting to ¥340,000 million (U.S. \$3,128 million) and ¥340,000 million as of March 31, 2020 and 2019, respectively.

(*3) The balances exclude perpetual subordinated bonds without maturity, amounting to ¥16,100 million (U.S. \$148 million) and ¥26,100 million as of March 31, 2020 and 2019, respectively.

Securities

In addition to the "Securities" presented in the consolidated balance sheet, the following information includes securities in trading account and short-term corporate bonds under "Trading Assets" and loan-backed trust deeds reported under "Monetary Claims Bought."

1. Trading Securities

	Valuation Difference Reflected in the Statement of Income		
	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Trading Securities	¥ (129)	¥ 396	\$ (1)

2. Held-to-Maturity Securities with Fair Value

March 31, 2020	Millions of Yen		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	¥ 118,407	¥ 136,239	¥ 17,831
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	33,200	33,652	452
Other Bonds	65,817	65,943	126
Foreign Bonds	845	849	4
Others	64,972	65,093	121
Subtotal	217,425	235,835	18,410
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	¥ —	¥ —	¥ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	112,591	104,574	(8,016)
Foreign Bonds	112,591	104,574	(8,016)
Others	—	—	—
Subtotal	112,591	104,574	(8,016)
Total	¥ 330,016	¥ 340,410	¥ 10,394

March 31, 2019	Millions of Yen		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	¥ 118,785	¥ 139,413	¥ 20,628
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	33,200	33,777	577
Other Bonds	105,701	106,290	589
Foreign Bonds	32,958	33,421	462
Others	72,742	72,869	127
Subtotal	257,686	279,481	21,795
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	¥ —	¥ —	¥ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	4,719	4,678	(40)
Foreign Bonds	4,719	4,678	(40)
Others	—	—	—
Subtotal	4,719	4,678	(40)
Total	¥ 262,405	¥ 284,160	¥ 21,755

March 31, 2020	Millions of U.S. Dollars		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	\$ 1,089	\$ 1,253	\$ 164
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	305	310	4
Other Bonds	606	607	1
Foreign Bonds	8	8	0
Others	598	599	1
Subtotal	2,000	2,170	169
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	\$ —	\$ —	\$ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	1,036	962	(74)
Foreign Bonds	1,036	962	(74)
Others	—	—	—
Subtotal	1,036	962	(74)
Total	\$ 3,036	\$ 3,132	\$ 96

3. Available-for-Sale Securities

March 31, 2020	Millions of Yen		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	¥ 1,016,948	¥ 417,757	¥ 599,190
Bonds	1,461,837	1,458,337	3,500
Government Bonds	1,053,929	1,053,492	437
Local Government Bonds	4,906	4,874	32
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	403,001	399,970	3,030
Other Securities	1,384,110	1,320,023	64,086
Foreign Stocks	2,613	190	2,422
Foreign Bonds	827,306	800,431	26,874
Others	554,190	519,401	34,789
Subtotal	3,862,896	3,196,118	666,777
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	¥ 93,664	¥ 120,510	¥ (26,846)
Bonds	554,166	555,804	(1,638)
Government Bonds	308,631	309,155	(523)
Local Government Bonds	9,879	9,914	(34)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	235,655	236,735	(1,079)
Other Securities	1,267,263	1,381,288	(114,024)
Foreign Stocks	874	1,320	(446)
Foreign Bonds	529,513	557,258	(27,745)
Others	736,875	822,708	(85,833)
Subtotal	1,915,093	2,057,603	(142,509)
Total	¥ 5,777,990	¥ 5,253,722	¥ 524,268

March 31, 2019	Millions of Yen		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	¥ 1,322,686	¥ 510,373	¥ 812,313
Bonds	549,521	545,928	3,592
Government Bonds	128,921	128,559	362
Local Government Bonds	7,202	7,143	59
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	413,397	410,226	3,170
Other Securities	1,048,184	1,013,984	34,199
Foreign Stocks	2,655	194	2,461
Foreign Bonds	713,975	704,807	9,168
Others	331,552	308,982	22,570
Subtotal	2,920,392	2,070,287	850,104
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	¥ 48,927	¥ 64,770	¥ (15,843)
Bonds	341,062	341,475	(413)
Government Bonds	172,664	172,688	(24)
Local Government Bonds	1,562	1,564	(1)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	166,835	167,223	(387)
Other Securities	1,900,226	2,047,460	(147,233)
Foreign Stocks	3,461	3,926	(465)
Foreign Bonds	741,247	745,713	(4,466)
Others	1,155,517	1,297,820	(142,302)
Subtotal	2,290,215	2,453,706	(163,490)
Total	¥ 5,210,608	¥ 4,523,993	¥ 686,614

March 31, 2020	Millions of U.S. Dollars		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	\$ 9,356	\$ 3,844	\$ 5,513
Bonds	13,450	13,417	32
Government Bonds	9,697	9,693	4
Local Government Bonds	45	45	0
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	3,708	3,680	28
Other Securities	12,734	12,145	590
Foreign Stocks	24	2	22
Foreign Bonds	7,612	7,364	247
Others	5,099	4,779	320
Subtotal	35,540	29,406	6,135
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	\$ 862	\$ 1,109	\$ (247)
Bonds	5,099	5,114	(15)
Government Bonds	2,840	2,844	(5)
Local Government Bonds	91	91	(0)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	2,168	2,178	(10)
Other Securities	11,659	12,709	(1,049)
Foreign Stocks	8	12	(4)
Foreign Bonds	4,872	5,127	(255)
Others	6,780	7,569	(790)
Subtotal	17,620	18,931	(1,311)
Total	\$ 53,160	\$ 48,337	\$ 4,824

4. Held-to-Maturity Securities Sold during the Fiscal Year

There were no held-to-maturity securities sold for the fiscal years ended March 31, 2020 and 2019.

5. Available-for-Sale Securities Sold during the Fiscal Year

Year Ended March 31, 2020	Millions of Yen		
	Amount Sold	Gain	Loss
Stocks	¥ 61,272	¥ 40,370	¥ 1,389
Bonds	372,898	2,542	2,930
Government Bonds	330,708	2,362	2,812
Local Government Bonds	2,518	11	0
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	39,671	168	117
Other Securities	3,094,393	67,796	20,011
Foreign Stocks	2,565	345	233
Foreign Bonds	2,573,278	42,816	7,757
Others	518,549	24,634	12,020
Total	¥ 3,528,563	¥ 110,710	¥ 24,331

Year Ended March 31, 2019	Millions of Yen		
	Amount Sold	Gain	Loss
Stocks	¥ 59,051	¥ 31,224	¥ 4,716
Bonds	308,004	1,688	1,007
Government Bonds	248,161	1,460	954
Local Government Bonds	7,077	2	24
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	52,766	225	28
Other Securities	4,066,610	30,911	47,967
Foreign Stocks	8,114	2	1,138
Foreign Bonds	3,278,617	17,131	21,191
Others	779,878	13,777	25,637
Total	¥ 4,433,666	¥ 63,824	¥ 53,691

Year Ended March 31, 2020	Millions of U.S. Dollars		
	Amount Sold	Gain	Loss
Stocks	\$ 564	\$ 371	\$ 13
Bonds	3,431	23	27
Government Bonds	3,043	22	26
Local Government Bonds	23	0	0
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	365	2	1
Other Securities	28,470	624	184
Foreign Stocks	24	3	2
Foreign Bonds	23,675	394	71
Others	4,771	227	111
Total	\$ 32,464	\$ 1,019	\$ 224

(Note) The above figures include "Available-for-Sale Securities" whose fair values are extremely difficult to be determined.

6. Securities Reclassified due to the Change of the Holding Purpose

There were no securities reclassified due to the change of the holding purpose during the fiscal years ended March 31, 2020 and 2019.

7. Impairment of Securities

Securities other than securities whose fair values are extremely difficult to be determined, or those deemed to be 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 consolidated balance sheet. The difference between the acquisition cost and the fair values is recognized as an impairment loss.

Impairment losses on Stocks recognized during the fiscal years ended March 31, 2020 and 2019, were ¥14,995 million (U.S. \$138 million) and ¥794 million, respectively.

The criteria for determining 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, the fair values of some securities are deemed unrecoverable and impairment losses are recognized when their fair values have declined more than 30%, but less than 50% from acquisition cost and the fair values have continued to decline over a certain period.

Money Held in Trust

1. Money Held in Trust for Trading Purposes

There was no money held in trust for trading purposes for the fiscal years ended March 31, 2020 and 2019.

2. Held-to-Maturity Money Held in Trust

There was no held-to-maturity money held in trust for the fiscal years ended March 31, 2020 and 2019.

3. Other Money Held in Trust (other than those held for trading purposes or held-to-maturity)

	Millions of Yen				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
March 31, 2020					
Other Money Held in Trust	¥ 1,406	¥ 981	¥ 424	¥ 424	¥ —

	Millions of Yen				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
March 31, 2019					
Other Money Held in Trust	¥ 1,393	¥ 978	¥ 415	¥ 415	¥ —

	Millions of U.S. Dollars				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
March 31, 2020					
Other Money Held in Trust	\$ 13	\$ 9	\$ 4	\$ 4	\$ —

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

Valuation Differences on Available-for-Sale Securities

The following table shows components of Valuation Differences on Available-for-Sale Securities in the consolidated balance sheet.

March 31	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Valuation Differences			
Available-for-Sale Securities	¥ 526,335	¥ 688,119	\$ 4,843
Other Money Held in Trust	424	415	4
Total Valuation Differences	526,760	688,534	4,846
Amount Equivalent to Deferred Tax Assets (Liabilities)	(160,215)	(209,008)	(1,474)
Total (Before Adjustment for Non-Controlling Interests and Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies)	366,544	479,525	3,372
Non-Controlling Interests	(74)	(266)	(1)
Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies	3,454	2,663	32
Valuation Differences on Available-for-Sale Securities	¥ 369,924	¥ 481,923	\$ 3,403

(Notes)

1) Foreign currency translation adjustments on available-for-sale securities, for which fair values are extremely difficult to be determined, are included in the "Available-for-Sale Securities" under "Valuation Differences."

2) The valuation difference of ¥2,132 million (U.S. \$20 million) and ¥1,589 million on available-for-sale securities composing assets held by associated companies as of March 31, 2020 and

2019, respectively, is included in "Available-for-Sale Securities" under "Valuation Differences."

3) The unamortized portion of valuation difference as of the consolidated balance sheet date arising from the reclassification of the holding purpose of securities is included in "Available-for-Sale Securities" under "Valuation Differences."

Derivatives

1. Derivatives Transactions Not Qualifying for Hedge Accounting

Derivatives transactions not qualifying for hedge accounting are grouped by 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 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 not qualifying for hedge accounting as of March 31, 2020 and 2019, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2020				2020			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
	Total	Over One Year			Total	Over One Year		
Listed								
Interest Futures								
Sold	¥ 20,873,613	¥ 7,936,931	¥ (48,309)	¥ (48,309)	\$ 192,047	\$ 73,024	\$ (444)	\$ (444)
Purchased	21,329,778	7,616,507	46,361	46,361	196,244	70,076	427	427
Interest Options								
Sold	2,942,641	—	(1,175)	(715)	27,074	—	(11)	(7)
Purchased	2,937,903	—	1,144	508	27,030	—	11	5
OTC								
Forward Rate Agreements								
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —
Purchased	—	—	—	—	—	—	—	—
Interest Rate Swaps								
Fixed Interest Rate Receivable/ Floating Interest Rate Payable	50,872,014	39,266,116	2,208,234	2,208,234	468,047	361,267	20,317	20,317
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	43,837,712	34,523,749	(2,159,973)	(2,159,973)	403,328	317,635	(19,873)	(19,873)
Floating Interest Rate Receivable/ Floating Interest Rate Payable	22,336,839	17,809,579	3,096	3,096	205,510	163,857	28	28
Interest Options								
Sold	9,925,297	9,906,302	(33,630)	(22,767)	91,317	91,143	(309)	(209)
Purchased	6,642,159	6,608,026	18,834	14,371	61,111	60,797	173	132
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 34,583	¥ 40,805			\$ 318	\$ 375

	Millions of Yen							
	2019							
	Notional Amount				Fair Value	Valuation Difference		
	Total		Over One Year					
Listed								
Interest Futures								
Sold	¥	44,621,033	¥	16,573,349	¥	(48,367)	¥	(48,367)
Purchased		44,455,416		16,528,250		47,846		47,846
Interest Options								
Sold		5,228,027		278,836		(303)		528
Purchased		4,173,799		222,706		306		(566)
OTC								
Forward Rate Agreements								
Sold	¥	—	¥	—	¥	—	¥	—
Purchased		—		—		—		—
Interest Rate Swaps								
Fixed Interest Rate Receivable/ Floating Interest Rate Payable		61,744,126		46,363,011		1,070,742		1,070,742
Floating Interest Rate Receivable/ Fixed Interest Rate Payable		57,657,504		43,512,290		(1,063,552)		(1,063,552)
Floating Interest Rate Receivable/ Floating Interest Rate Payable		20,877,371		16,746,641		2,295		2,295
Interest Options								
Sold		7,529,147		7,519,158		(8,106)		6,223
Purchased		3,541,520		3,537,021		13,810		7,641
Others								
Sold		—		—		—		—
Purchased		—		—		—		—
Total					¥	14,671	¥	22,789

(Notes)

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

2) The fair values of listed derivatives transactions are based on the closing prices on the Tokyo Financial Exchange and other exchanges. The fair values of OTC derivatives 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 March 31, 2020 and 2019, consist of the following:

	Millions of Yen								Millions of U.S. Dollars							
	2020								2020							
	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	¥	5,208,369	¥	4,495,735	¥	(4,770)	¥	(4,770)	\$	47,919	\$	41,363	\$	(44)	\$	(44)
Forward Exchange Contracts																
Sold	12,322,468		832,222		(78,937)		(78,937)		113,373		7,657		(726)		(726)	
Purchased	16,353,498		227,010		30,111		30,111		150,460		2,089		277		277	
Currency Options																
Sold	1,170,658		606,930		(43,375)		8,257		10,771		5,584		(399)		76	
Purchased	892,363		443,075		44,170		(2,909)		8,210		4,077		406		(27)	
Others																
Sold	—		—		—		—		—		—		—		—	
Purchased	—		—		—		—		—		—		—		—	
Total					¥ (52,800)		¥ (48,247)						\$ (486)		\$ (444)	

	Millions of Yen							
	2019							
	Notional Amount				Fair Value	Valuation Difference		
	Total		Over One Year					
Listed								
Currency Futures								
Sold	¥	—	¥	—	¥	—	¥	—
Purchased		—		—		—		—
Currency Options								
Sold		—		—		—		—
Purchased		—		—		—		—
OTC								
Currency Swaps	¥	4,061,705	¥	3,842,184	¥	9,866	¥	9,866
Forward Exchange Contracts								
Sold		12,654,686		706,425		(31,223)		(31,223)
Purchased		15,911,526		286,942		50,008		50,008
Currency Options								
Sold		1,292,446		604,105		(40,734)		16,433
Purchased		1,036,045		433,558		39,396		(12,040)
Others								
Sold		—		—		—		—
Purchased		—		—		—		—
Total					¥	27,312	¥	33,044

(Notes)

1) The above transactions are stated at their fair values and valuation differences are recorded in the consolidated statement 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 March 31, 2020 and 2019, consist of the following:

	Millions of Yen				Millions of U.S. Dollars				
	2020				2020				
	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	¥ 59,844	¥ —	¥ (1,243)	¥ (1,243)	\$ 551	\$ —	\$ (11)	\$ (11)	
Purchased	36,429	—	2,339	2,339	335	—	22	22	
Stock Index Options									
Sold	26,674	—	(868)	(347)	245	—	(8)	(3)	
Purchased	5,100	—	4	(35)	47	—	0	(0)	
OTC									
OTC Stock Options									
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —	
Purchased	—	—	—	—	—	—	—	—	
OTC Stock Swaps									
Volatility of Stock Price and Other Receivable/ Short-Term Floating Interest Rate Payable	—	—	—	—	—	—	—	—	
Short-Term Floating Interest Rate Receivable/ Volatility of Stock Price and Other Payable	—	—	—	—	—	—	—	—	
Others									
Sold	—	—	—	—	—	—	—	—	
Purchased	—	—	—	—	—	—	—	—	
Total			¥ 231	¥ 711			\$ 2	\$ 7	

	Millions of Yen			
	2019		Fair Value	Valuation Difference
	Notional Amount			
	Total	Over One Year		
Listed				
Stock Index Futures				
Sold	¥ 54,354	¥ —	¥ (400)	¥ (400)
Purchased	40,433	—	318	318
Stock Index Options				
Sold	56,344	—	(334)	77
Purchased	73,517	—	162	(212)
OTC				
OTC Stock Options				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
OTC Stock Swaps				
Volatility of Stock Price and Other Receivable/ Short-Term Floating Interest Rate Payable	—	—	—	—
Short-Term Floating Interest Rate Receivable/ Volatility of Stock Price and Other Payable	—	—	—	—
Others				
Sold	—	—	—	—
Purchased	—	—	—	—
Total			¥ (253)	¥ (216)

(Notes)

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

2) The fair values of listed derivatives transactions are based on the closing prices on the Osaka Exchange and other exchanges. The fair values of OTC 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 March 31, 2020 and 2019, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2020				2020			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
	Total	Over One Year			Total	Over One Year		
Listed								
Bond Futures								
Sold	¥ 2,314,032	¥ —	¥ (55,526)	¥ (55,526)	\$ 21,290	\$ —	\$ (511)	\$ (511)
Purchased	2,407,161	—	55,375	55,375	22,147	—	509	509
Bond Future Options								
Sold	66,991	—	(325)	99	616	—	(3)	1
Purchased	47,986	—	169	(42)	442	—	2	(0)
OTC								
Bond Forward Contracts								
Sold	¥ 20,332	¥ —	¥ (252)	¥ (252)	\$ 187	\$ —	\$ (2)	\$ (2)
Purchased	33,816	—	649	649	311	—	6	6
Bond Options								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 89	¥ 303			\$ 1	\$ 3

	Millions of Yen			
	2019			Valuation Difference
	Notional Amount		Fair Value	
	Total	Over One Year		
Listed				
Bond Futures				
Sold	¥ 1,785,463	¥ —	¥ (25,077)	¥ (25,077)
Purchased	1,951,521	—	22,782	22,782
Bond Future Options				
Sold	223,845	—	(922)	(92)
Purchased	160,416	—	742	388
OTC				
Bond Forward Contracts				
Sold	¥ 201,772	¥ —	¥ (1,339)	¥ (1,339)
Purchased	68,671	—	393	393
Bond Options				
Sold	—	—	—	—
Purchased	—	—	—	—
Others				
Sold	—	—	—	—
Purchased	—	—	—	—
Total				
			¥ (3,420)	¥ (2,944)

(Notes)

1) The above transactions are stated at their fair values and valuation differences are recorded in the consolidated statement 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 transactions are calculated using option-pricing models.

(5) Commodity-Related Transactions

There were no commodity-related transactions not qualifying for hedge accounting as of March 31, 2020 and 2019.

(6) Credit Derivatives Transactions

Credit derivatives transactions not qualifying for hedge accounting as of March 31, 2020 and 2019, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2020				2020			
	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	¥ 59,034	¥ 45,934	¥ (59)	¥ (59)	\$ 543	\$ 423	\$ (1)	\$ (1)
Purchased	65,540	52,440	190	190	603	482	2	2
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 131	¥ 131			\$ 1	\$ 1

	Millions of Yen			
	2019			
	Notional Amount		Fair Value	Valuation Difference
	Total	Over One Year		
OTC				
Credit Default Swaps				
Sold	¥ 67,343	¥ 49,843	¥ 1,015	¥ 1,015
Purchased	64,155	46,655	(955)	(955)
Others				
Sold	—	—	—	—
Purchased	—	—	—	—
Total			¥ 60	¥ 60

(Notes)

- 1) The above transactions are stated at their fair values and valuation differences are recorded in the consolidated statement 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. Derivatives Transactions Qualifying for Hedge Accounting

Derivatives transactions qualifying for hedge accounting are grouped by type of underlying transactions. The notional amounts (or the amount equivalent to the principal specified in the contracts) and the fair values as of the 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 March 31, 2020 and 2019, consist of the following:

		Millions of Yen			Millions of U.S. Dollars								
		2020			2020								
		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 Financial Assets/Liabilities such as Loans and Bills Discounted, Available-for-Sale Securities (Bonds), Deposits, and Bonds Payable	¥	795,889	¥	132,000	¥	1,525	\$	7,323	\$	1,214	\$	14
Floating Interest Rate Receivable/ Fixed Interest Rate Payable			1,513,915		1,359,935		(52,136)		13,929		12,512		(480)
Interest Futures													
Sold			—		—		—		—		—		—
Purchased			—		—		—		—		—		—
Interest Options													
Sold			—		—		—		—		—		—
Purchased			—		—		—		—		—		—
Others													
Sold		—		—		—		—		—		—	
Purchased		—		—		—		—		—		—	
Exceptional Treatment for Interest Rate Swaps													
Interest Rate Swaps													
Fixed Interest Rate Receivable/ Floating Interest Rate Payable			—		—				—		—		
Floating Interest Rate Receivable/ Fixed Interest Rate Payable			—		—				—		—		
Total		¥ (50,610)								\$ (466)			

		Millions of Yen		
		2019		Fair Value
		Notional Amount		
Major Hedged Item		Total	Over One Year	
Deferral Method				
Interest Rate Swaps				
Fixed Interest Rate Receivable/ Floating Interest Rate Payable		¥ 1,494,651	¥ 796,511	¥ 1,461
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	Interest-Earning/ Bearing Financial Assets/Liabilities such as Loans and Bills Discounted, Available-for-Sale Securities (Bonds), Deposits, and Bonds Payable	1,469,681	1,392,602	(37,909)
Interest Futures				
Sold		—	—	—
Purchased		—	—	—
Interest Options				
Sold		—	—	—
Purchased		—	—	—
Others				
Sold		—	—	—
Purchased		—	—	—
Exceptional Treatment for Interest Rate Swaps				
Interest Rate Swaps				
Fixed Interest Rate Receivable/ Floating Interest Rate Payable	Borrowed Money	—	—	
Floating Interest Rate Receivable/ Fixed Interest Rate Payable		200	—	(Note 3)
Total				¥ (36,448)

(Notes)

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

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

3) Interest rate swaps to which exceptional treatment is applied are accounted for as part of the borrowings being hedged; therefore, their fair values are included in the fair value of Borrowed Money presented under "Financial Instruments."

(2) Currency-Related Transactions

Currency-related transactions qualifying for hedge accounting as of March 31, 2020 and 2019, consist of the following:

Major Hedged Item		Millions of Yen			Millions of U.S. Dollars		
		2020			2020		
		Notional Amount		Fair Value	Notional Amount		Fair Value
		Total	Over One Year		Total	Over One Year	
Deferral Method							
Currency Swaps		¥ 2,301,582	¥ 1,214,987	¥ 31,261	\$ 21,176	\$ 11,178	\$ 288
Forward Exchange Contracts							
Sold	Loans and Bills Discounted and Securities Denominated in Foreign Currencies	—	—	—	—	—	—
Purchased		3,890	—	3,890	36	—	36
Others							
Sold		—	—	—	—	—	—
Purchased		—	—	—	—	—	—
Method of Including Foreign Currency Translation Adjustments Arising from the Hedging Instruments in “Foreign Currency Translation Adjustments”							
Forward Exchange Contracts	Investment in the Shares of Subsidiaries and Affiliated Companies						
Sold		¥ 88,516	¥ —	¥ 2,446	\$ 814	\$ —	\$ 23
Purchased		—	—	—	—	—	—
Total				¥ 37,597			\$ 346

Major Hedged Item		Millions of Yen		
		2019		
		Notional Amount		Fair Value
		Total	Over One Year	
Deferral Method				
Currency Swaps		¥ 1,557,814	¥ 955,752	¥ (24,756)
Forward Exchange Contracts				
Sold	Loans and Bills Discounted	6,068	—	(127)
Purchased	and Securities Denominated in Foreign Currencies	17,856	—	63
Others				
Sold		—	—	—
Purchased		—	—	—
Method of Including Foreign Currency Translation Adjustments Arising from the Hedging Instruments in “Foreign Currency Translation Adjustments”				
Forward Exchange Contracts				
Sold	Investment in the Shares of Subsidiaries and Affiliated Companies	¥ 69,961	¥ —	¥ (391)
Purchased		—	—	—
Total		¥ (25,210)		

(Notes)

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

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

(3) Stock-Related Transactions

There were no stock-related transactions qualifying for hedge accounting as of March 31, 2020 and 2019.

(4) Bond-Related Transactions

There were no bond-related transactions qualifying for hedge accounting as of March 31, 2020 and 2019.

Retirement and Pension Plans

Retirement and Pension Plans for the Fiscal Years Ended March 31, 2020 and 2019

1. Outline of the Retirement Benefit Plans Adopted by SuMi TRUST Bank

SuMi TRUST Bank has defined benefit plans (a corporate pension fund plan and a lump-sum retirement benefit plan). Additionally, a lump-sum retirement benefit plan is offered to contract employees according to internal rules. SuMi TRUST Bank also has a defined contribution pension plan and may provide extra retirement payments to retiring employees in some cases. SuMi TRUST Bank sets up employee retirement benefit trusts as part of its pension plan assets.

Consolidated subsidiaries have lump-sum retirement benefit plans, defined benefit corporate pension plans, and defined contribution pension plans. Some consolidated subsidiaries also participate in multiple employer pension plan.

Some consolidated subsidiaries adopt the computational shortcut method in calculating liabilities for retirement benefits and retirement benefit expenses for their defined benefit corporate pension plans and lump-sum retirement benefit plans.

2. Defined Benefit Plans

(1) Reconciliation of Retirement Benefit Obligations

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Retirement Benefit Obligations (opening balance)	¥ 464,353	¥ 465,406	\$ 4,272
Service Cost-Benefits Earned during the Fiscal Year	13,697	14,192	126
Interest Cost on Projected Benefit Obligations	2,339	2,337	22
Actuarial Gains and Losses that Arose during the Fiscal Year	154	688	1
Retirement Benefits Paid	(18,326)	(18,095)	(169)
Past Service Cost that Arose during the Fiscal Year	—	(176)	—
Other	(1,344)	—	(12)
Retirement Benefit Obligations (closing balance)	¥ 460,872	¥ 464,353	\$ 4,240

(2) Reconciliation of Plan Assets

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Plan Assets (opening balance)	¥ 589,793	¥ 615,318	\$ 5,426
Expected Return on Plan Assets	24,495	26,844	225
Actuarial Gains and Losses that Arose during the Fiscal Year	(72,913)	(36,661)	(671)
Contributions by the Employer	10,892	633	100
Retirement Benefits Paid	(16,398)	(16,342)	(151)
Plan Assets (closing balance)	¥ 535,869	¥ 589,793	\$ 4,930

(3) Reconciliation between Closing Balances of Retirement Benefit Obligations and Plan Assets, and Liabilities and Assets for Retirement Benefits Recorded in the Consolidated Balance Sheet

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Retirement Benefit Obligations of Retirement Benefit Plans with Plan Assets	¥ 450,076	¥ 452,344	\$ 4,141
Plan Assets	(535,869)	(589,793)	(4,930)
	(85,792)	(137,448)	(789)
Retirement Benefit Obligations of Retirement Benefit Plans without Plan Assets	10,796	12,008	99
Net of Liabilities and Assets Recorded in the Consolidated Balance Sheet	¥ (74,996)	¥ (125,439)	\$ (690)

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Liabilities for Retirement Benefits	¥ 12,079	¥ 13,470	\$ 111
Assets for Retirement Benefits	(87,075)	(138,909)	(801)
Net of Liabilities and Assets Recorded in the Consolidated Balance Sheet	¥ (74,996)	¥ (125,439)	\$ (690)

(4) Breakdown of Retirement Benefit Expenses

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Service Cost-Benefits Earned during the Fiscal Year	¥ 13,697	¥ 14,192	\$ 126
Interest Cost on Projected Benefit Obligations	2,339	2,337	22
Expected Return on Plan Assets	(24,495)	(26,844)	(225)
Amortization of Actuarial Differences	5,674	3,480	52
Amortization of Past Service Cost	28	2	0
Other	592	608	5
Retirement Benefit Expenses for Defined Benefit Obligations	¥ (2,164)	¥ (6,223)	\$ (20)

(5) Remeasurements of Defined Benefit Plans

The breakdown of remeasurements of defined benefit plans (before tax effect) is as follows:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Past Service Cost	¥ 28	¥ 178	\$ 0
Actuarial Differences	(67,393)	(33,869)	(620)
Total	¥ (67,365)	¥ (33,690)	\$ (620)

(6) Remeasurements of Defined Benefit Plans

The breakdown of remeasurements of defined benefit plans (before tax effect) is as follows:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Unrecognized Past Service Cost	¥ (193)	¥ (165)	\$ (2)
Unrecognized Actuarial Differences	100,240	32,850	922
Total	¥ 100,046	¥ 32,684	\$ 920

(7) Plan Assets

1) The asset categories and proportion of the total plan asset are as follows:

	Proportion (%)	
	2020	2019
Debt Securities	32	27
Equity Securities	53	59
Cash and Due from Banks	2	2
Other	13	12
Total	100	100

(Note) The total plan asset includes the retirement benefit trusts set up for a corporate pension plan and a lump-sum retirement benefit plan. They account for 52% and 58% of the total plan asset for the fiscal years ended March 31, 2020 and 2019, respectively.

2) Expected long-term rate of return on plan assets

In order to determine the expected long-term rate of return on plan assets, SuMi TRUST Bank considers the current and projected plan asset allocation, as well as the current and expected long-term rate of return on assets composing plan assets.

(8) Assumptions Used

Major assumptions used in actuarial calculation for the fiscal years ended March 31, 2020 and 2019, are as follows:

	2020	2019
Discount Rate	Mainly 0.5%	Mainly 0.5%
Expected Long-Term Rate of Return on Plan Assets	4.1%	4.3%

3. Defined Contribution Pension Plans

Contributions by SuMi TRUST Bank and its consolidated subsidiaries to the defined contribution pension plans were ¥1,882 million (U.S. \$17 million) and ¥2,006 million for the years ended March 31, 2020 and 2019, respectively.

Income Taxes

1. Deferred Tax Assets and Liabilities

Year Ended March 31	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Deferred Tax Assets:			
Allowance for Loan Losses (Including Direct Write-Offs of Loans with Guarantees or Collateral)	¥ 48,197	¥ 38,542	\$ 443
Impairment of Securities	18,891	19,163	174
Deferred Gains (Losses) on Hedges	25,662	14,520	236
Remeasurements of Defined Benefit Plans	30,674	10,080	282
Other	53,922	53,225	496
Subtotal	¥ 177,347	¥ 135,533	\$ 1,632
Valuation Allowance	(16,839)	(14,830)	(155)
Deferred Tax Assets	¥ 160,508	¥ 120,702	\$ 1,477
Deferred Tax Liabilities:			
Retirement Benefits	¥ (23,034)	¥ (18,041)	\$ (212)
Valuation Differences on Available-for-Sale Securities	(159,820)	(208,571)	(1,470)
Other	(11,278)	(12,456)	(104)
Deferred Tax Liabilities	¥ (194,133)	¥ (239,069)	\$ (1,786)
Net Deferred Tax Assets (Liabilities)	¥ (33,625)	¥ (118,366)	\$ (309)

2. Effective Income Tax Rate

Disclosure on reconciliation between the effective statutory tax rate and the effective income tax rate is omitted since the difference was 5% or less of the effective statutory tax rate for the fiscal years ended March 31, 2020 and 2019.

Segment Information

1. Reportable Segment Information

The SuMi TRUST Bank Group's reportable segments are defined as operating segments for which discrete financial information is available. The Board of Directors and the Executive Committee of the SuMi TRUST Bank Group periodically receive reporting on the operating results and other relevant information of the reportable segments to make decisions about the allocation of management resources and to assess performance.

The reportable segments of the SuMi TRUST Bank Group are determined based on services offered by SuMi TRUST Bank.

The main activities of the reportable segment are presented below:

Retail Total Solution Services:

Provision of services to individual customers

Wholesale Financial Services:

Provision of services to corporate customers

Stock Transfer Agency Services:

Undertaking of stock-related services on behalf of customers

Real Estate:

Provision of services related to the real estate business

Fiduciary Services:

Operation of the pension business, the asset management business, and the asset administration business

Global Markets:

Marketing operations, market-making operations, investment operations, and financial management operations

2. Method for Calculating Substantial Gross Business Profit and Net Business Profit by Each Reportable Segment

Segment information is prepared based on internal management reports and the accounting policies used for the reportable segments are generally the same as those presented under "Significant Accounting Policies and Practices"; however, the reportable segments are accounted for in accordance with the rules for the internal management. Since each segment's information will not be used to make decisions about the allocation of resources or assess business performance at the management level, information about assets by reportable segment has not been generated.

Income earned from inter-segment and cross-segment transactions is calculated by applying the criteria (market prices) specified in the rules for internal management.

3. Profit or Loss by Reportable Segment

	Millions of Yen							Total
	Retail Total Solution Services	Wholesale Financial Services	Stock Transfer Agency Services	Real Estate	Fiduciary Services	Global Markets	Others	
Year Ended March 31, 2020								
Gross Business Profit	¥ 130,483	¥ 147,088	¥ 21,386	¥ 35,454	¥ 52,355	¥ 72,590	¥ (6,130)	¥ 453,227
General and Administrative Expenses	(123,114)	(44,228)	(3,742)	(9,595)	(22,057)	(15,049)	(28,630)	(246,417)
Net Business Profit	¥ 7,368	¥ 102,859	¥ 17,643	¥ 25,859	¥ 30,297	¥ 57,541	¥ (34,761)	¥ 206,809

	Millions of Yen							Total
	Retail Total Solution Services	Wholesale Financial Services	Stock Transfer Agency Services	Real Estate	Fiduciary Services	Global Markets	Others	
Year Ended March 31, 2019								
Gross Business Profit	¥ 138,028	¥ 137,275	¥ 21,471	¥ 32,410	¥ 57,452	¥ 45,683	¥ 35,015	¥ 467,337
General and Administrative Expenses	(122,687)	(41,965)	(3,736)	(9,303)	(24,232)	(15,317)	(18,611)	(235,855)
Net Business Profit	¥ 15,341	¥ 95,310	¥ 17,734	¥ 23,106	¥ 33,220	¥ 30,365	¥ 16,403	¥ 231,482

	Millions of U.S. Dollars							Total
	Retail Total Solution Services	Wholesale Financial Services	Stock Transfer Agency Services	Real Estate	Fiduciary Services	Global Markets	Others	
Year Ended March 31, 2020								
Gross Business Profit	\$ 1,201	\$ 1,353	\$ 197	\$ 326	\$ 482	\$ 668	\$ (56)	\$ 4,170
General and Administrative Expenses	(1,133)	(407)	(34)	(88)	(203)	(138)	(263)	(2,267)
Net Business Profit	\$ 68	\$ 946	\$ 162	\$ 238	\$ 279	\$ 529	\$ (320)	\$ 1,903

(Notes)

- 1) The figures represent "Gross Business Profit" in substitution for net sales to be presented by companies in other industries.
- 2) The amounts of "Gross Business Profit" include net interest income, net trust fees, net fees and commissions, net trading income, and net other ordinary income and expenses.

3) "General and Administrative Expenses" include personnel expenses and rent expenses.

4) "Others" include costs of capital funding, dividends for shares for cross-shareholdings, and general and administrative expenses of headquarters.

4. Reconciliation Between Total Profit or Loss for Reportable Segments and Income Taxes in the Consolidated Statement of Income

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Total Profit or Loss for Reportable Segments (Net Business Profit)	¥ 206,809	¥ 231,482	\$ 1,903
Net Business Profit of Consolidated Subsidiaries that are Excluded from the Reportable Segments (Note)	60,067	46,139	553
Other Income	93,529	71,551	676
Other Expenses	(115,262)	(76,810)	(876)
Other Adjustments	(29,785)	(36,829)	(274)
Income before Income Taxes	¥ 215,358	¥ 235,533	\$ (1,981)

(Note) The amounts include elimination of internal transactions.

Related Information

1. Information by Services

Disclosure of information by services is omitted as similar disclosure is included in the "3. Profit or Loss by Reportable Segment" in the "Segment Information" section.

2. Geographic Information

(1) Income

Income by geographical area for the fiscal years ended March 31, 2020 and 2019, consists of the following:

Year Ended March 31, 2020	Millions of Yen				
	Japan	Americas	Europe	Asia and Oceania	Total
	¥ 1,095,455	¥ 160,783	¥ 87,244	¥ 106,270	¥ 1,449,753

Year Ended March 31, 2019	Millions of Yen				
	Japan	Americas	Europe	Asia and Oceania	Total
	¥ 1,088,865	¥ 158,870	¥ 87,133	¥ 116,967	¥ 1,451,837

Year Ended March 31, 2020	Millions of U.S. Dollars				
	Japan	Americas	Europe	Asia and Oceania	Total
	\$ 10,079	\$ 1,479	\$ 803	\$ 978	\$ 13,338

(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 SuMi TRUST Bank (excluding oversea branches) and other domestic consolidated subsidiaries are presented under "Japan." Income related

to transactions by overseas branches of SuMi TRUST Bank 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 SuMi TRUST Bank Group's tangible fixed assets on the consolidated balance sheet as of March 31, 2020 and 2019, are located in Japan; accordingly, tangible fixed assets by geographical area are not presented.

3. Information by Major Customer

Due to highly diversified income-generating transactions between SuMi TRUST Bank Group and a significantly large number of SuMi TRUST Bank Group's customers, transactions are not classified by major counterparty; accordingly, information by major customer is not presented.

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

Losses on impairment of fixed assets are not allocated to the reportable segments.

Losses on impairment of fixed assets recognized during the fiscal years ended March 31, 2020 and 2019, were ¥19,360 million (U.S. \$178 million) and ¥16,817 million, respectively.

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

Amortization of goodwill and unamortized balance of goodwill are not allocated to the reportable segments.

Amortization of goodwill recognized during the fiscal years ended March 31, 2020, and 2019, were ¥6,939 million (U.S. \$64 million) and ¥9,968 million, respectively. Unamortized balance of goodwill as of March 31, 2020, and 2019, were ¥21,276 million (U.S. \$196 million) and ¥63,091 million, respectively.

Information Related to Gain on Negative Goodwill by Reportable Segment

There was no gain on negative goodwill by reportable segment during the fiscal years ended March 31, 2020 and 2019.

Related Party Transactions

1. Related Party Transactions

Transactions of the SuMi TRUST Bank with its parent company for the fiscal year ended March 31, 2020 and 2019, are as follows:

Type	Company Name	Company Location	Capital	Type of Business	Share of Voting Rights Held (%)	Business Relationship	Transaction Details	Transaction Amounts	Accounts	Ending Balances
			Millions of Yen (Millions of U.S. Dollars)					Millions of Yen (Millions of U.S. Dollars)		Millions of Yen (Millions of U.S. Dollars)
Parent company	Sumitomo Mitsui Trust Holdings, Inc.	Chiyoda-ku, Tokyo	¥ 261,608 (\$ 2,407)	Bank holding company	Direct 100	Money lending transaction	Borrowing of funds ^(Note)	¥ 40,000 (\$ 368)	Bonds payable ^(Note)	¥ 650,000 (\$ 5,980)
							Payment of interest ^(Note)	¥ 8,128 (\$ 75)	Accrued Expenses	¥ 2,452 (\$ 23)

Type	Company Name	Company Location	Capital	Type of Business	Share of Voting Rights Held (%)	Business Relationship	Transaction Details	Transaction Amounts	Accounts	Ending Balances
			Millions of Yen					Millions of Yen		Millions of Yen
Parent company	Sumitomo Mitsui Trust Holdings, Inc.	Chiyoda-ku, Tokyo	¥ 261,608	Bank holding company	Direct 100	Money lending transaction	Borrowing of funds ^(Note)	¥ 100,000	Bonds payable ^(Note)	¥ 610,000
							Payment of interest ^(Note)	¥ 7,628	Accrued Expenses	¥ 2,393

Terms and conditions of transactions and policies applied in deciding the terms and conditions

(Note) Loans are all subordinated borrowings. The interest rates of the loans are determined reasonably based on the market interest rates and other rates.

2. Notes on the Parent Company or Significant Affiliated Companies

(1) Parent Company

Sumitomo Mitsui Trust Holdings, Inc. (listed on the Tokyo Stock Exchange and the Nagoya Stock Exchange)

(2) Condensed Financial Information of Significant Affiliated Companies

There was no significant condensed financial information of significant affiliated companies for the fiscal year ended March 31, 2020 to be disclosed.

Per Share of Common Stock Information

	Yen		U.S. Dollars
	2020	2019	2020
Net Assets per Share of Common Stock	¥ 1,305.26	¥ 1,472.33	\$ 12.01
Net Income per Share of Common Stock	87.89	96.47	0.81

(Notes)

1) Net assets per share of common stock and basis for calculation are as follows:

	Millions of Yen		Millions of U.S. Dollars
	As of March 31, 2020	As of March 31, 2019	As of March 31, 2020
Net Assets as Reported	¥ 2,212,489	¥ 2,499,879	\$ 20,356
Less:	26,769	34,393	246
Non-Controlling Interests	26,769	34,393	246
Net Assets Attributable to Common Shareholders	2,185,720	2,465,485	20,110
The Number of Shares of Common Stock Outstanding (Thousands of Shares)	1,674,537	1,674,537	1,674,537

2) Net income per share of common stock and basis for calculation are as follows:

	Millions of Yen		Millions of U.S. Dollars
	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2020
Net Income per Share of Common Stock			
Net Income Attributable to Owners of the Parent	¥ 147,190	¥ 161,545	\$ 1,354
Net Income Not Attributable to Common Shareholders	—	—	—
Net Income Related to Common Stock that is Attributable to Owners of the Parent	147,190	161,545	1,354
Average Number of Shares of Common Stock Outstanding (Thousands of Shares)	1,674,537	1,674,537	1,674,537

3) Diluted net income per share of common stock and basis for calculation

Diluted net income per share of common stock for the fiscal years ended March 31, 2020 and 2019 is not presented because there were no dilutive potential shares.

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

Fiscal year ended March 31, 2020:

Consolidated subsidiary (Nikko Asset Management Co., Ltd.)

Subscription rights to shares (stock options): 7,863,700 shares of common stock

Fiscal year ended March 31, 2019:

Consolidated subsidiary (Nikko Asset Management Co., Ltd.)

Subscription rights to shares (stock options): 15,088,300 shares of common stock

Nikko Asset Management Co., Ltd. has been excluded from the scope of consolidation effective for the fiscal year ended March 31, 2020. Thus, there is no applicable information as of March 31, 2020.

Significant Subsequent Event

Not applicable.

Independent Auditors' Report



Independent Auditor's Report

To the Board of Directors of
Sumitomo Mitsui Trust Bank, Limited:

Opinion

We have audited the accompanying consolidated financial statements of Sumitomo Mitsui Trust Bank, Limited ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2020, the consolidated statement of income, statement of comprehensive income, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2020, and its consolidated financial performance and cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the audit and supervisory committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit and supervisory committee are responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

KPMG AZSA LLC, a limited liability audit corporation incorporated under the Japanese Certified Public Accountants Law and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.



As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit and supervisory committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Convenience Translation

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2020 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in "Basis of Presentation of Financial Statements" to the consolidated financial statements.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.



Toshiya Mori
Designated Engagement Partner
Certified Public Accountant

Tomomi Mase
Designated Engagement Partner
Certified Public Accountant

Takashi Fujisawa
Designated Engagement Partner
Certified Public Accountant

KPMG AZSA LLC
Tokyo Office, Japan
June 26, 2020

Notes to the Reader of Independent Auditor's Report:

This is a copy of the Independent Auditor's Report and the original copies are kept separately by the Company and KPMG AZSA LLC.

Financial Data:

Non-Consolidated Balance Sheets (Unaudited)

Sumitomo Mitsui Trust Bank, Limited
As of March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Assets:			
Cash and Due from Banks:	¥ 12,916,014	¥ 15,831,242	\$ 118,834
Cash	80,966	174,328	745
Due from Banks	12,835,048	15,656,913	118,089
Call Loans	71,236	50,124	655
Receivables under Resale Agreements	1,220,761	158,734	11,232
Receivables under Securities Borrowing Transactions	740,658	759,812	6,814
Monetary Claims Bought	64,146	56,403	590
Trading Assets:	609,158	543,587	5,605
Trading Account Securities	6,096	106,883	56
Derivatives of Trading Securities	13	—	0
Derivatives of Securities Related to Trading Transactions	498	537	5
Trading-Related Financial Derivatives	450,031	291,252	4,141
Other Trading Assets	152,518	144,914	1,403
Money Held in Trust	99	99	1
Securities:	6,625,035	6,091,898	60,953
Government Bonds	1,480,909	420,311	13,625
Local Government Bonds	14,785	8,764	136
Corporate Bonds	729,623	677,597	6,713
Stocks	1,405,587	1,791,213	12,932
Other Securities	2,994,129	3,194,011	27,547
Loans and Bills Discounted:	29,953,513	29,404,142	275,587
Bills Discounted	1,123	1,709	10
Loans on Bills	367,094	402,721	3,377
Loans on Deeds	27,130,353	26,578,006	249,612
Overdrafts	2,454,941	2,421,705	22,587
Foreign Exchanges:	36,952	36,936	340
Due from Foreign Banks	36,952	36,936	340
Other Assets:	1,650,474	1,548,827	15,185
Domestic Exchange Settlement Account, Debit	1,057	951	10
Prepaid Expenses	2,225	2,528	20
Accrued Income	109,444	118,043	1,007
Initial Margins of Futures Markets	5,937	5,752	55
Variation Margin of Futures Markets	1,994	1,837	18
Derivatives Other Than for Trading	425,477	294,656	3,915
Cash Collateral Pledged for Financial Instruments	801,997	609,432	7,379
Receivables for Securities Transactions	192,369	403,454	1,770
Other Assets	109,971	112,169	1,012
Tangible Fixed Assets:	189,926	195,414	1,747
Buildings	65,089	66,058	599
Land	104,535	105,030	962
Lease Assets	4,280	4,483	39
Construction in Progress	363	137	3
Other	15,658	19,704	144
Intangible Fixed Assets:	70,937	65,607	653
Software	67,335	62,006	620
Other	3,602	3,600	33
Prepaid Pension Expenses	186,272	170,685	1,714
Customers' Liabilities for Acceptances and Guarantees	359,757	385,467	3,310
Allowance for Loan Losses	(98,191)	(75,211)	(903)
Total Assets	¥ 54,596,753	¥ 55,223,770	\$ 502,316

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Liabilities:			
Deposits:	¥ 30,537,466	¥ 31,744,181	\$ 280,959
Current Deposits	1,164,341	1,146,047	10,712
Ordinary Deposits	7,371,011	8,438,234	67,817
Saving Deposits	1,863	1,874	17
Deposits at Notice	41,015	45,141	377
Time Deposits	20,565,418	20,926,890	189,212
Other Deposits	1,393,816	1,185,992	12,824
Negotiable Certificates of Deposit	6,112,992	6,546,222	56,242
Call Money	201,249	132,317	1,852
Payables under Repurchase Agreements	1,558,919	1,603,191	14,343
Payables under Securities Lending Transactions	—	104,767	—
Trading Liabilities:	371,950	258,771	3,422
Derivatives of Trading Securities	—	35	—
Derivatives of Securities Related to Trading Transactions	—	55	—
Trading-Related Financial Derivatives	371,950	258,681	3,422
Borrowed Money:	5,973,015	4,101,951	54,955
Borrowing from Other Banks	5,973,015	4,101,951	54,955
Foreign Exchanges:	23,724	35,009	218
Due to Foreign Banks	20,691	34,703	190
Foreign Bills Sold	1	—	0
Foreign Bills Payable	3,030	306	28
Short-Term Bonds Payable	1,136,819	949,302	10,459
Bonds Payable	415,368	727,834	3,822
Borrowed Money from Trust Account	4,750,289	5,408,009	43,705
Other Liabilities:	1,026,229	777,043	9,442
Domestic Exchange Settlement Account, Credit	1,123	807	10
Income Taxes Payable	11,164	14,369	103
Accrued Expenses	80,115	94,386	737
Unearned Revenue	18,828	9,843	173
Variation Margin of Futures Markets	977	—	9
Trading Account Securities Borrowed	10,087	26,437	93
Derivatives Other Than for Trading	536,831	350,349	4,939
Cash Collateral Accepted For Financial Instruments	134,626	111,555	1,239
Lease Obligations	5,720	6,017	53
Asset Retirement Obligations	3,277	3,852	30
Payables for Securities Transactions	101,223	85,024	931
Other	122,253	74,398	1,125
Provision for Bonuses	9,909	9,026	91
Provision for Directors' Bonuses	74	84	1
Provision for Stocks Payment	219	—	2
Provision for Retirement Benefits	736	721	7
Provision for Reimbursement of Deposits	4,867	5,250	45
Provision for Contingent Losses	1,440	3,465	13
Deferred Tax Liabilities	91,860	156,466	845
Deferred Tax Liabilities for Land Revaluation	2,439	2,847	22
Acceptances and Guarantees	359,757	385,467	3,310
Total Liabilities	¥ 52,579,329	¥ 52,951,932	\$ 483,755
Net Assets:			
Total Shareholders' Equity:	¥ 1,705,866	¥ 1,829,610	\$ 15,695
Capital Stock	342,037	342,037	3,147
Capital Surplus:	343,066	391,610	3,156
Legal Capital Surplus	273,016	273,016	2,512
Other Capital Surplus	70,049	118,594	644
Retained Earnings:	1,020,763	1,095,962	9,392
Legal Retained Earnings	69,020	69,020	635
Other Retained Earnings:	951,742	1,026,941	8,756
Other Voluntary Reserves	371,870	371,870	3,421
Retained Earnings Brought Forward	579,872	655,071	5,335
Total Valuation and Translation Adjustments:	311,558	442,227	2,866
Valuation Difference on Available-for-Sale Securities	363,461	475,633	3,344
Deferred Gains (Losses) on Hedges	(48,002)	(31,061)	(442)
Revaluation Reserve for Land	(3,901)	(2,345)	(36)
Total Net Assets	¥ 2,017,424	¥ 2,271,838	\$ 18,561
Total Liabilities and Net Assets	¥ 54,596,753	¥ 55,223,770	\$ 502,316

Financial Data:

Non-Consolidated Statements of Income (Unaudited)

Sumitomo Mitsui Trust Bank, Limited
For the fiscal years ended March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Income:			
Trust Fees	¥ 99,816	¥ 100,972	\$ 918
Interest Income:	474,575	520,790	4,366
Interest on Loans and Discounts	331,371	343,314	3,049
Interest and Dividends on Securities	104,306	131,915	960
Interest on Call Loans and Bills Bought	950	1,174	9
Interest on Receivables under Resale Agreements	571	926	5
Interest on Receivables under Securities Borrowing Transactions	0	0	0
Interest on Due from Banks	34,196	40,323	315
Other Interest Income	3,179	3,134	29
Fees and Commissions:	185,849	194,143	1,710
Fees and Commissions on Domestic and Foreign Exchanges	1,475	1,372	14
Other Fees and Commissions	184,373	192,770	1,696
Trading Income:	102,189	27,926	940
Gains on Trading Account Securities Transactions	787	423	7
Income from Securities and Derivatives Related to Trading Transactions	1,034	583	10
Income from Trading-Related Financial Derivatives Transactions	100,309	26,854	923
Other Trading Income	57	64	1
Other Ordinary Income:	94,420	114,934	869
Gain on Foreign Exchange Transactions	48,614	95,183	447
Gains on Sales of Bonds	45,716	18,993	421
Gains on Redemption of Bonds	—	53	—
Other	88	704	1
Other Income:	82,349	60,606	758
Recoveries of Written-Off Claims	615	1,153	6
Gains on Sales of Stocks and Other Securities	64,976	44,113	598
Reversal of Allowance for Loan Losses	—	2,268	—
Other	16,757	13,070	154
Total Income	¥ 1,039,201	¥ 1,019,374	\$ 9,561

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Expenses:			
Interest Expenses:	¥ 356,435	¥ 366,989	\$ 3,279
Interest on Deposits	121,989	124,788	1,122
Interest on Negotiable Certificates of Deposit	81,014	81,292	745
Interest on Call Money and Bills Sold	2,587	2,263	24
Interest on Payables under Repurchase Agreements	31,712	35,615	292
Interest on Payables under Securities Lending Transactions	2,302	2,636	21
Interest on Borrowings and Rediscounts	19,051	22,934	175
Interest on Short-Term Bonds	28,928	23,209	266
Interest on Bonds	8,044	16,381	74
Interest on Interest Swaps	42,448	36,157	391
Other Interest Expenses	18,356	21,707	169
Fees and Commissions Payments:	95,322	89,832	877
Fees and Commissions on Domestic and Foreign Exchanges	721	837	7
Other Fees and Commissions	94,601	88,995	870
Other Ordinary Expenses:	51,868	34,608	477
Loss on Sale of Bonds	11,295	22,894	104
Losses on Redemption of Bonds	440	—	4
Expenses on Derivatives Other Than for Trading or Hedging	40,059	11,321	369
Other Ordinary Expenses	72	392	1
General and Administrative Expenses	252,579	239,668	2,324
Other Expenses:	105,475	83,466	970
Provision of Allowance for Loan Losses	33,472	—	308
Written-Off Loans	1,360	1,180	13
Losses on Sales of Stocks and Other Securities	13,036	30,619	120
Losses on Devaluation of Stocks and Other Securities	35,249	25,583	324
Impairment Loss	1,482	5,317	14
Other	20,872	20,765	192
Total Expenses	¥ 861,681	¥ 814,564	\$ 7,928
Income before Income Taxes	¥ 177,519	¥ 204,810	\$ 1,633
Income Taxes:	52,813	56,148	486
Current	59,180	45,926	544
Deferred	(6,367)	10,222	(59)
Net Income	¥ 124,706	¥ 148,661	\$ 1,147

	Yen	U.S. Dollars
Net Income per Share of Common Stock	¥ 74.47	\$ 0.69

Financial Data:

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

Sumitomo Mitsui Trust Bank, Limited
For the fiscal years ended March 31, 2020 and 2019

From April 1, 2019 to March 31, 2020

	Millions of Yen							
	Shareholders' Equity							
	Capital Stock	Capital Surplus			Retained Earnings			Total Shareholders' Equity
		Legal Capital Surplus	Other Capital Surplus	Total Capital Surplus	Legal Retained Earnings	Other Retained Earnings	Total Retained Earnings	
Balance at the Beginning of the Year	¥ 342,037	¥ 273,016	¥ 118,594	¥ 391,610	¥ 69,020	¥ 1,026,941	¥ 1,095,962	¥ 1,829,610
Changes during the Year								
Cash Dividends			(48,544)	(48,544)		(201,461)	(201,461)	(250,006)
Net Income						124,706	124,706	124,706
Decrease due to a Corporate Split-Off								
Reversal of Revaluation Reserve for Land						1,555	1,555	1,555
Net Changes of Items Other Than Shareholders' Equity								
Total Changes during the Year			(48,544)	(48,544)		(75,199)	(75,199)	(123,744)
Balance at the End of the Year	¥ 342,037	¥ 273,016	¥ 70,049	¥ 343,066	¥ 69,020	¥ 951,742	¥ 1,020,763	¥ 1,705,866

	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 Year	¥ 475,633	¥ (31,061)	¥ (2,345)	¥ 442,227	¥ 2,271,838
Changes during the Year					
Cash Dividends					(250,006)
Net Income					124,706
Decrease due to a Corporate Split-Off					
Reversal of Revaluation Reserve for Land					1,555
Net Changes of Items Other Than Shareholders' Equity	(112,171)	(16,941)	(1,555)	(130,669)	(130,669)
Total Changes during the Year	(112,171)	(16,941)	(1,555)	(130,669)	(254,413)
Balance at the End of the Year	¥ 363,461	¥ (48,002)	¥ (3,901)	¥ 311,558	¥ 2,017,424

From April 1, 2018 to March 31, 2019

	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 Year	¥ 342,037	¥ 273,016	¥ 183,217	¥ 456,233	¥ 69,020	¥ 998,667	¥ 1,067,688	¥ 1,865,959
Changes during the Year								
Cash Dividends			(46,033)	(46,033)		(121,320)	(121,320)	(167,353)
Net Income						148,661	148,661	148,661
Decrease due to a Corporate Split-Off			(18,589)	(18,589)				(18,589)
Reversal of Revaluation Reserve for Land						933	933	933
Net Changes of Items Other Than Shareholders' Equity								
Total Changes during the Year	—	—	(64,622)	(64,622)	—	28,274	28,274	(36,348)
Balance at the End of the Year	¥ 342,037	¥ 273,016	¥ 118,594	¥ 391,610	¥ 69,020	¥ 1,026,941	¥ 1,095,962	¥ 1,829,610

	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 Year	¥ 525,874	¥ (18,154)	¥ (1,412)	¥ 506,307	¥ 2,372,266
Changes during the Year					
Cash Dividends					(167,353)
Net Income					148,661
Decrease due to a Corporate Split-Off					(18,589)
Reversal of Revaluation Reserve for Land					933
Net Changes of Items Other Than Shareholders' Equity	(50,241)	(12,906)	(933)	(64,080)	(64,080)
Total Changes during the Year	(50,241)	(12,906)	(933)	(64,080)	(100,428)
Balance at the End of the Year	¥ 475,633	¥ (31,061)	¥ (2,345)	¥ 442,227	¥ 2,271,838

From April 1, 2019 to March 31, 2020

	Millions of U.S. Dollars							
	Shareholders' Equity							
	Capital Stock	Capital Surplus			Retained Earnings			Total Shareholders' Equity
Legal Capital Surplus		Other Capital Surplus	Total Capital Surplus	Legal Retained Earnings	Other Retained Earnings	Total Retained Earnings		
Balance at the Beginning of the Year	\$ 3,147	\$ 2,512	\$ 1,091	\$ 3,603	\$ 635	\$ 9,448	\$ 10,083	\$ 16,833
Changes during the Year								
Cash Dividends			(447)	(447)		(1,854)	(1,854)	(2,300)
Net Income						1,147	1,147	1,147
Decrease due to a Corporate Split-Off								
Reversal of Revaluation Reserve for Land						14	14	14
Net Changes of Items Other Than Shareholders' Equity								
Total Changes during the Year			(447)	(447)		(692)	(692)	(1,139)
Balance at the End of the Year	\$ 3,147	\$ 2,512	\$ 644	\$ 3,156	\$ 635	\$ 8,756	\$ 9,392	\$ 15,695

	Millions of U.S. Dollars				
	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 Year	\$ 4,376	\$ (286)	\$ (22)	\$ 4,069	\$ 20,902
Changes during the Year					
Cash Dividends					(2,300)
Net Income					1,147
Decrease due to a Corporate Split-Off					
Reversal of Revaluation Reserve for Land					14
Net Changes of Items Other Than Shareholders' Equity	(1,032)	(156)	(14)	(1,202)	(1,202)
Total Changes during the Year	(1,032)	(156)	(14)	(1,202)	(2,341)
Balance at the End of the Year	\$ 3,344	\$ (442)	\$ (36)	\$ 2,866	\$ 18,561

Financial Data:

Statements of Trust Account (Unaudited)

Sumitomo Mitsui Trust Bank, Limited and its Consolidated Subsidiaries
Fiscal year ended March 31, 2020 and 2019

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Assets:			
Loans and Bills Discounted (Note 2)	¥ 1,543,160	¥ 1,445,195	\$ 14,198
Securities (Note 3)	1,075,184	1,253,465	9,892
Beneficiary Rights	172,441,244	160,593,574	1,586,542
Securities Held in Custody Accounts	22,849	23,123	210
Monetary Claims	19,271,003	19,475,082	177,302
Tangible Fixed Assets	17,315,570	15,722,230	159,312
Intangible Fixed Assets	194,224	217,971	1,787
Other Claims	7,273,403	6,717,177	66,919
Loans to Banking Account	4,750,289	5,408,009	43,705
Cash and Due from Banks	538,396	494,234	4,954
Total Assets	¥ 224,425,327	¥ 211,350,067	\$ 2,064,820
Liabilities:			
Money Trusts (Note 4)	¥ 33,415,451	¥ 32,877,994	\$ 307,438
Pension Trusts	13,023,778	13,113,501	119,825
Property Formation Benefit Trusts	19,060	18,865	175
Securities Investment Trusts	79,777,245	74,389,341	733,989
Money in Trust Other Than Money Trusts	32,458,304	27,349,339	298,632
Securities in Trust	20,975,736	19,914,130	192,987
Money Claims in Trust	19,383,820	19,592,309	178,340
Real Estate in Trust	78,450	77,297	722
Composite Trusts	25,293,482	24,017,287	232,712
Total Liabilities	¥ 224,425,327	¥ 211,350,067	\$ 2,064,820

See Notes to Statements of Trust Account (Unaudited).

Notes to Statements of Trust Account (Unaudited)

1. Trust Accounts

Under the Trust Act of Japan, trust activities must be administered separately from a commercial banking business. As a result, assets accepted in trust must be segregated from the assets held by SuMi TRUST Bank. Within the general category of trust accounts, each trust account is segregated from other trust assets. Accordingly, the financial statements of SuMi TRUST Bank do not reflect SuMi TRUST Bank's records as to the assets accepted in trust, which are maintained separately under the trust account.

Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by SuMi TRUST Bank, and such guaranteed principal as of March 31, 2020 and 2019, was ¥4,602,967 million (U.S. \$42,350 million) and ¥5,291,601 million, respectively.

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 ¥108.69 to U.S. \$1, the approximate rate of exchange as of March 31, 2020. 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, the total may not be equal to sum of individual amounts.

The amounts presented in the statements of trust account as of March 31, 2020 and 2019, are for trust accounts in SuMi TRUST Bank.

2. Loans and Bills Discounted

Loans as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Loans on Deeds	¥ 1,160,640	¥ 1,017,575	\$ 10,678
Loans on Bills	382,520	427,620	3,519
Total	¥ 1,543,160	¥ 1,445,195	\$ 14,198

The balances of guaranteed trust account loans as of March 31, 2020 and 2019, stood at ¥26,710 million (U.S. \$246 million) and ¥30,967 million respectively, which included the following:

Under certain trust agreements, repayment of the principal of customers' trust assets are guaranteed by SuMi TRUST Bank, and loans on such guaranteed trust assets as of March 31, 2020 and 2019, included the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Other Delinquent Loans	¥ 680	¥ 722	\$ 6
Restructured Loans	34	41	0
Total	¥ 714	¥ 763	\$ 7

3. Securities

Securities held as of March 31, 2020 and 2019, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Government Bonds	¥ 599,390	¥ 609,882	\$ 5,515
Local Government Bonds	30	30	0
Corporate Bonds	113,807	153,716	1,047
Stocks	8,164	8,379	75
Other Securities	353,792	481,457	3,255
Total	¥ 1,075,184	¥ 1,253,465	\$ 9,892

4. Balance of Money Trusts

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

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Assets:			
Loans and Bills Discounted	¥ 26,710	¥ 30,967	\$ 246
Securities	—	29	—
Other	4,576,633	5,261,076	42,107
Total	¥ 4,603,344	¥ 5,292,073	\$ 42,353
Liabilities:			
Principal	¥ 4,602,967	¥ 5,291,601	\$ 42,350
Allowance for Impairment of Guaranteed Trust Principal	70	81	1
Other	306	390	3
Total	¥ 4,603,344	¥ 5,292,073	\$ 42,353

In the case of certain money trusts, the principal amount is guaranteed, and as the above table indicates, an allowance for the impairment of guaranteed trust principal is set aside by SuMi TRUST Bank. The figures in the table include funds entrusted from other trusts managed by SuMi TRUST Bank.

Basel III Disclosure Data

This section outlines matters to be stated in explanatory documents relating to the fiscal year, separately stipulated by the Commissioner of the Financial Services Agency (Notification No.7 of Financial Services Agency, 2014) with regard to the status of capital adequacy, as set forth in Article 19-2, Paragraph1, Item 5-(d) of the Ordinance for Enforcement of the Banking Act (Ministry of Finance Ordinance No.10, 1982).

The following disclosure, unless otherwise stated, is with respect to Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings") as of the end of March 2020.

[Qualitative Disclosure Data: SuMi TRUST Holdings]

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Qualitative Disclosure Data:

Sumitomo Mitsui Trust Holdings, Inc.

1. Overview of the Risk Management of the Sumitomo Mitsui Trust Group

(1) Basic Policy on Risk Management

In order to ensure sound management, secure revenue through risk taking based on management strategies, and achieve sustainable growth, the Sumitomo Mitsui Trust Group (the "SuMi TRUST Group") follows a basic policy of accurately assessing risk conditions and implementing necessary risk-related measures through a series of risk management activities, including risk identification, evaluation, monitoring, control and mitigation, validation for advancement, and review, based on the management policy and basic policy on the internal control system of the SuMi TRUST Group.

The risk management framework of the SuMi TRUST Group encompasses the Risk Appetite Framework (please refer to (5) below), and integrates it to function organically within the SuMi TRUST Group.

(2) Risk Characteristics of the SuMi TRUST Group

Based on a fiduciary spirit, and leveraging its significant expertise and comprehensive capabilities, the SuMi TRUST Group, as a financial group specialised in trust banking, strives to create distinct value through a total solution business model that combines its banking, asset management

and administration, real estate businesses and others.

The businesses of the SuMi TRUST Group consist of the Retail Total Solution (TS) Services Business, the Wholesale Total Solution (TS) Services Business, the Wholesale Asset Management (AM) Business, the Stock Transfer Agency Services Business, the Real Estate Business, the Fiduciary Services Business, the Global Markets Business, the Private Banking (PB) Business, and the Asset Formation Advisory, Work place, Business, etc.

The Group faces various risks, including credit risk, market risk, funding liquidity risk, and operational risk, which vary depending on the business characteristics of each of the businesses. As a basis for improving management of risks related to trust business operations, we have established Group-wide Trust Business Guidelines to provide information about basic matters that warrant caution. Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank") primarily manages these risks in the operational risk category, particularly in terms of its duty of due care as a prudent manager, duty of loyalty, and duty to segregate property as a trustee.

Reporting is regularly performed regarding whether the overall risk of the SuMi TRUST Group, combining the risks of each business, is within the limits of risk capacity (soundness and liquidity) that have been determined by the Board of Directors.

• Businesses and Main Risk Characteristics of the Group

Individual Businesses	Retail TS	Wholesale TS	Wholesale AM	Stock Transfer Agency Services	Real Estate	Fiduciary Services	Global Markets	Private Banking	Asset Formation Advisory, Work place	Asset Management	Corporate Management*
Risk Category											
Credit Risk	○	○	○				○	○	○		
Market Risk		○	○				○				○
Funding Liquidity Risk							○				
Operational Risk	○	○	○	○	○	○	○	○	○	○	○

* Strategic shareholdings management, etc.

• Risk Definition

Risk Category	Definition
Credit Risk	Risk that the Group may incur losses due to a decrease or impairment of the value of assets (including off-balance sheet assets), for reasons such as deterioration of the financial condition of obligors. In this regard, "country risk" in particular refers to the risk that the Group may incur losses on credit provided overseas, due to the foreign exchange, political, or economic conditions in the country where our clients operate.
Market Risk	Risk that the Group may incur losses due to fluctuations in the value of assets/liabilities (including off-balance sheet assets/liabilities), or in the earnings generated from assets/liabilities, due to fluctuations in various market risk factors, such as interest rates, foreign exchange rates, stocks, commodities, and credit spreads. In this regard, "market liquidity risk" in particular refers to the risk that the Group may incur losses due to a situation in which it becomes impossible to conduct transactions in the market, or becomes obligatory to trade at prices that are significantly more disadvantageous than usual, due to market turmoil.
Funding Liquidity Risk	Risk that the Group may incur losses in a situation where it becomes impossible to secure necessary funds, or becomes obligatory to raise funds at interest rates significantly higher than usual.
Operational Risk (Below are "risk sub-categories" within Operational Risk)	Risk that the Group may incur losses due to inadequate or failed business processes, the activities of executives or employees, computer systems, or due to external events.
Business Processing Risk	Risk that the Group may incur losses due to inappropriate business procedures arising from executives or employees neglecting to engage in proper business activities, or other incidents such as accidents or fraud.
System Risk	Risk that the Group may incur losses due to reasons such as computer system failures, malfunctions, and defects, as well as the risk that the Group may incur losses due to unauthorized computer usage.
Information Security Risk	Risk that the Group may incur losses due to the improper management or maintenance of information assets. This includes information leaks, information errors, and misuse of information, as well as an inability to use the information system.
Legal & Compliance Risk	Risk that the Group may incur losses due to uncertainty regarding the legal aspects of transactions, or due to insufficient compliance with laws, regulations, etc.
Human Resource Risk	Risk that the Group may incur losses due to personnel and labor management issues, such as unequal or unfair management of personnel, and harassment.
Event Risk	Risk that the Group may incur losses due to external events that impair business, such as natural disasters, crimes such as terrorism, damage to public infrastructure that prevents its functioning, and the spread of infectious diseases, or due to the inappropriate use or management of tangible assets.
Reputational Risk	Risk that the Group may incur losses as a result of a deterioration of the reputation of SuMi TRUST Holdings or its subsidiaries, due to reasons such as mass media reports, rumors, or speculation.

(3) Risk Governance System

For the group-wide risk governance system, the SuMi TRUST Group has developed a Three Lines of Defense system consisting of risk management by individual businesses (first line of defense), risk management by the Risk Management Department and individual risk management-related departments (second line of defense), and validation by the Internal Audit Department (third line of defense).

[First Line of Defense]

Each Group business identifies and gains an understanding of the risk characteristics involved in carrying out its own business, based on knowledge of the services and products in that business.

Each business engages in risk taking within the established range of risk appetite, and, when a risk materializes, promptly implements risk control at the on-site level.

[Second Line of Defense]

The Risk Management Department performs overall risk management, identifies and evaluates group-wide risks, creates a risk management process, and sets risk limits in accordance with the group-wide risk management policy de-

termined by the Board of Directors. In addition, it formulates group-wide recovery strategies, in advance, to prepare for cases when risks materialize.

The Risk Management Department and risk management-related departments act as a restraint function for the risk taking of the first line of defense, and supervise and provide guidance regarding the risk governance system.

The Risk Management Department reports on the status of risk management to the Executive Committee and the Board of Directors.

[Third Line of Defense]

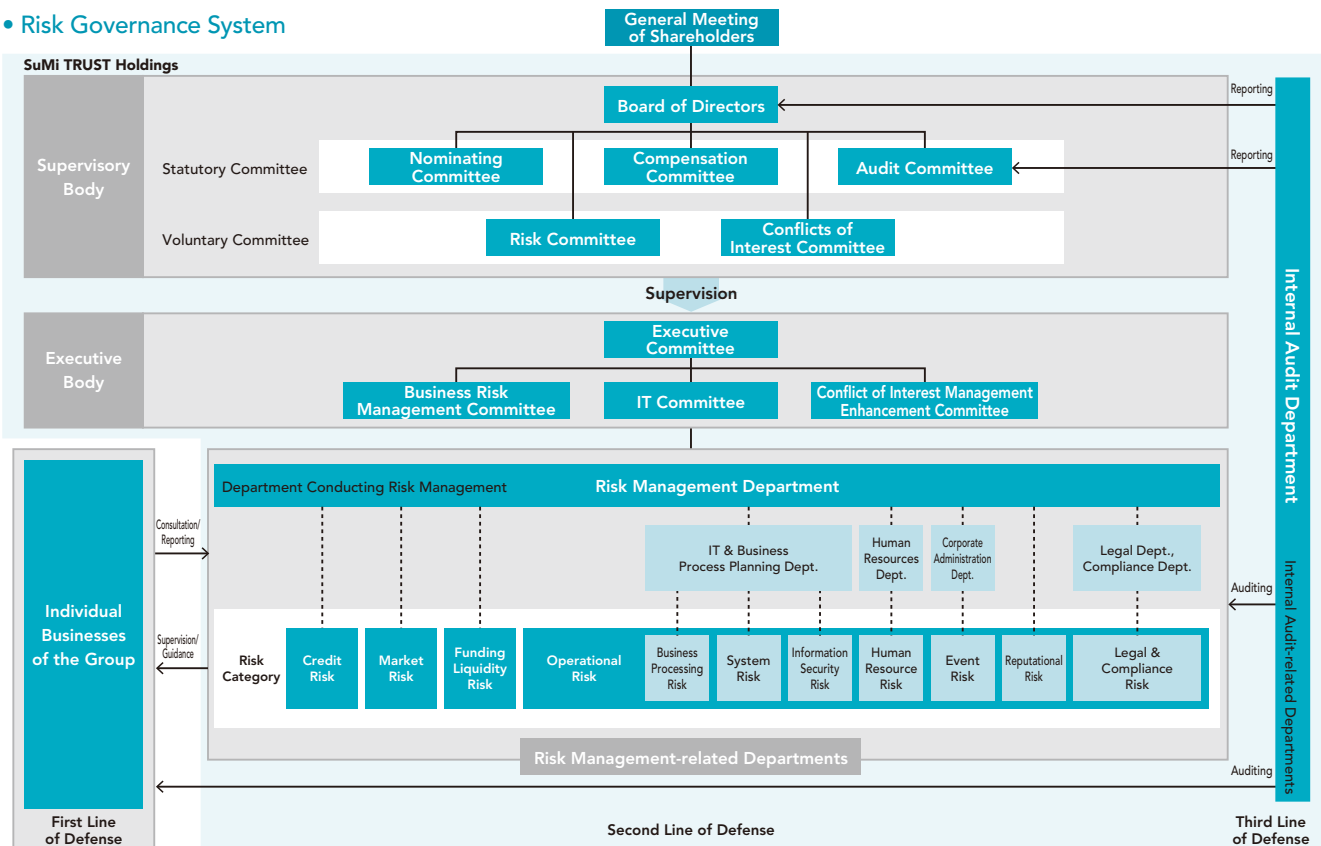
The Internal Audit Department verifies the effectiveness and appropriateness of the group-wide risk governance system and processes from an independent standpoint.

[Executive Committee]

The Executive Committee is composed of representative executive officers* and executive officers* designated by the President. It makes decisions on matters concerning risk management and undertakes preliminary discussions regarding matters to be resolved by and reported to the Board of Directors.

* Executive officers defined by the Companies Act.

• Risk Governance System



[Board of Directors]

The Board of Directors is composed of all of the directors. It decides on the management policy and strategic goals for risk taking of the SuMi TRUST Group, formulates a risk management policy, etc. that reflects these strategic goals based on a solid understanding of the location and nature of risks, and develops an appropriate risk governance system and supervises its implementation. The Board of Directors has voluntarily established the Risk Committee and the Conflicts of Interest Committee, as advisory bodies, based on the business strategies and risk characteristics of the SuMi TRUST Group.

[Risk Committee]

The Risk Committee receives requests for consultation from the Board of Directors on matters concerning the business circumstances surrounding the SuMi TRUST Group and the effectiveness of its risk management, etc., reviews their appropriateness, and reports its findings.

[Conflicts of Interest Committee]

The Conflicts of Interest Committee receives requests for consultation from the Board of Directors on matters concerning the fiduciary duties and conflict of interest management, which are the foundation on which the SuMi TRUST Group seeks to become the "Best Partner" of its clients based on a fiduciary spirit, reviews their appropriateness, and reports its findings.

(4) Risk Management Process

In the SuMi TRUST Group, the Risk Management Department and individual risk management-related departments act as the second line of defense, performing risk management using the following procedure. This risk management process, along with its associated systems, undergoes regular auditing by the Internal Audit Department, which acts as the third line of defense.

[Risk Identification]

The risks faced by the SuMi TRUST Group are comprehensively identified, while ensuring the comprehensiveness of operations of the SuMi TRUST Group and the risks to be managed are identified based on the scale and characteristics of the identified risks. Of note, risks that are particularly important are managed as material risks.

[Risk Evaluation]

The risks identified as requiring management undergo analysis, assessment, and measurement in a manner appropriate

for the business scale, characteristics, and risk profiles. We periodically evaluate material risks in terms of frequency of occurrence, degree of impact, and severity to determine whether they can be classified as top risks or emerging risks. The former are risks that have the potential to significantly affect the Group's capacity to execute business and achieve earnings targets within one year, while the latter are risks that have the potential to have a significant effect over the medium to long term.

When risks cannot be quantified, their impact is assessed to the greatest extent possible, and they are managed through measures such as implementing preventive measures based on the nature of the risks.

[Risk Monitoring]

Risk conditions are monitored with appropriate frequency, given the conditions of internal environment (risk profiles, allocated capital usage status, etc.) and external environment (economy, markets, etc.) of the SuMi TRUST Group. Recommendations, guidance, and advice are given to the businesses of the SuMi TRUST Group based on the risk conditions. Monitoring contents are reported and submitted to the Board of Directors, the Executive Committee, and other bodies regularly or as needed.*

* The information on risks is reported to the Executive Committee and the Board of Directors on a monthly or quarterly basis according to its content. The information on risks to be reported is created by using internal databases, and risk measurement systems, etc. The SuMi TRUST Group is developing and advancing management information systems while complying with the "Principles for Risk Data Aggregation" of the Basel Committee on Banking Supervision.

• Main Items to Be Reported to the Board of Directors and Executive Committee

Frequency	Contents to be reported
Monthly	Comprehensive risk situation (including whether the risk amount is within the limit) ⇒ Specifically, the amount of risk, usage of allocated capital, the amount of regulatory risk, and risk appetite situation, etc., for each business and each risk category are reported.
Quarterly	1) Status of the external environment, including the economic circulation, 2) whether the risk amount is within the limit, the risk profile, and its trend, 3) the progress and evaluation of risk management plans, etc. ⇒ Specifically, the status of top risk, etc., as well as items to be reported monthly are reported.

[Risk Control and Mitigation]

If any incidents that could have a significant impact on the soundness of management occur, such as the risk amounts exceeding the risk limits, or the existence of concerns that it might do so, appropriate reports are presented to the Board of Directors, the Executive Committee, and other bodies, and the necessary countermeasures are implemented.

[Risk predictor management for top risks, etc.]

Risk appetite indicators are defined for risks resulting from internal factors, based on the features of the business model and risk characteristics of the SuMi TRUST Group, and these management indicators are monitored. Regarding risks resulting from external factors, the top risks are selected, and risk predictors are monitored. Countermeasures are implemented based on the monitoring results for both types of risks.

The top risks at present include “the global spread of COVID-19,” “falling prices for strategic shareholdings, etc.” “concentration of credit to large obligors in the credit portfolio,” and “cyber attacks.” Along with countermeasures, these risks are reported to the Board of Directors and the Executive Committee.

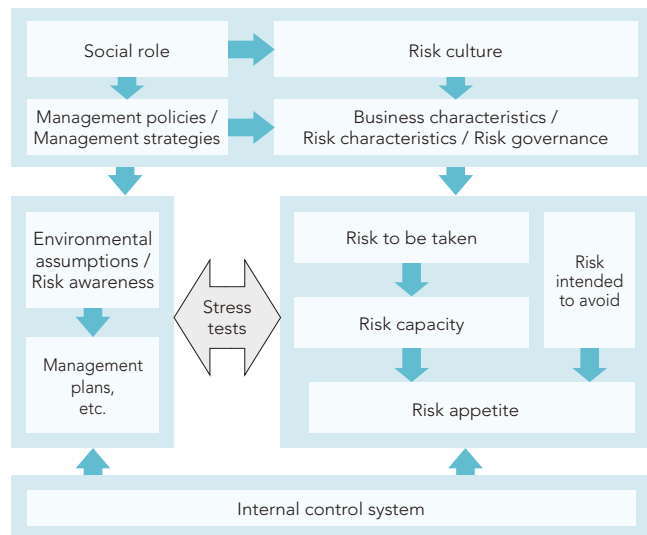
Emerging risks at present include “climate change,” “innovation,” and “Japan’s declining birthrate and aging population.” We are analyzing these risks and considering necessary countermeasures.

(5) Risk Appetite Framework

The SuMi TRUST Group defines the Risk Appetite Framework (RAF) as a company-wide framework for business management composed of a process for determining risk appetite* within the risk capacity range to complete management strategies designed by the Board of Directors based on the social roles and management principles of the SuMi TRUST Group, and internal control system for supporting them.

* Risk appetite: indicators of the category and level of risks SuMi TRUST GROUP should take or avoid within its risk capacity in order to implement management strategies designed by the management based on the social roles and management principles of the SuMi TRUST Group

The basic management strategies of the SuMi TRUST Group are to enhance its profitability and advance risk management. The SuMi TRUST Group aims to improve the transparency of the discussions and decision making processes regarding all kinds of risk-taking policies, including capital allocation and revenue maximization through the setting, conveyance and monitoring of risk appetite, and achieve the optimization and streamlining of allocation of management resources and the strengthening of the monitoring system, by using RAF as the common language within the SuMi TRUST Group.

• Outline of Risk Appetite Framework

The SuMi TRUST Group formulated the Risk Appetite Statement (RAS), which describes the entire framework of RAF and the details of risk appetite, etc. After thoroughly informing RAS among the staff of the Group, the SuMi TRUST Group utilizes RAS during discussions based on its management strategies and promotes the fostering and spread of sound risk culture. In addition, risk appetite-related indicators are monitored continuously, and the results of monitoring are reported to the Board of Directors and Executive Committee every six months.

(6) Fostering of Risk Culture

The SuMi TRUST Group defines risk culture as a basic philosophy that prescribes the codes, attitudes, and conduct of the SuMi TRUST Group’s organization, as well as executives and employees, that flexibly carries out risk-taking, risk management, and risk control based on an appropriate evaluation of risks, guided by a high degree of self-discipline with the background of fiduciary spirit.

In order to improve its corporate value and stakeholder value, the SuMi TRUST Group takes risk based on risk appetite, strictly complies with applicable laws and regulations to establish solid credibility from clients and society, and takes a resolute stance against antisocial forces.

In order to foster and spread “risk culture,” the SuMi TRUST Group formulates risk-taking policies by line of business to clarify its business strategies with the aim of building a sustainable business model while ensuring soundness through adequate risk-taking by all employees. At each office, the SuMi TRUST Group aims to foster the culture of recognizing the “importance of becoming familiar with risks” and “appropriate attitudes for challenging risks” and taking action.

In addition, the executives and employees of the SuMi TRUST Group follow the “Codes of Conduct regarding Risks” in order to support sustainable growth, while ensuring the soundness of management.

(7) Enterprise Risk Management

1) Enterprise Risk Management System

The SuMi TRUST Group manage risks by comprehensively grasping the risks faced by the Group, which are evaluated on an individual risk category basis, and comparing and contrasting them against our corporate strength (enterprise risk management).

Among the risks we manage through our enterprise risk management, we combine the risk values for risks that can be quantitatively measured using a single standard, such as VaR, and compare the combined value against our corporate strength (capital position), thereby managing risks (integrated risk management).

• Overview of Risk Measurement Approaches in Integrated Risk Management

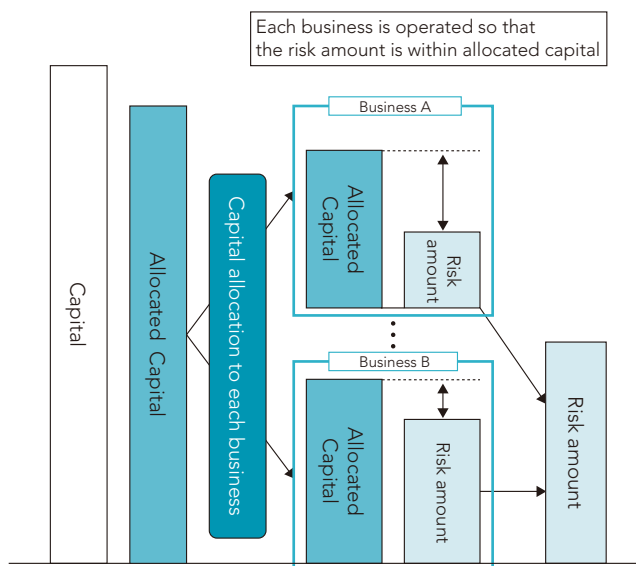
Risk category	Main scope	Main measurement approaches
Credit risk	Assets such as loans and bills discounted (including off-balance transactions)	Monte Carlo Simulation Method
Market risk	Risks related to trading accounts, banking accounts' interest rates, foreign exchange, stocks, commodities, and credit spreads (including off-balance transactions)	Historical Simulation Method
Operational risk	Business processes, the activities of executives and employees, and computer systems, etc.	Monte Carlo Simulation Method

2) Capital Allocation Operations

For the purpose of capital allocation operations of the SuMi TRUST Group, SuMi TRUST Holdings allocates capital to each business, including the Group companies, based on each risk category (credit risk, market risk, and operational risk) in consideration of the external environment, risk-return performance status, scenario analysis, and the results of assessments of capital adequacy levels. The capital allocation plan is subject to the approval of the Board of Directors. Capital allocation levels are determined based on the Group's risk appetite.

Each business is operated within both the allocated amount of risk capital and its risk appetite. The Risk Management Department measures the risk amount on a monthly basis, and reports regularly on the risk conditions, compared to the allocated capital and risk appetite, to the Board of Directors, and others.

• Capital Allocation Scheme



3) Stress Tests and Assessment of Capital Adequacy Level

The Risk Management Department performs three types of stress tests (hypothetical scenario stress testing, historical scenario stress testing, and examination of probability of occurrence) each time a capital allocation plan is formulated or reviewed, with the aim of ensuring capital adequacy from the standpoint of depositor protection. Based on the results of these stress tests, it assesses the level of capital adequacy, and reports to the Board of Directors, and others.

• Hypothetical Scenario Stress Testing

Assessment of capital adequacy level by formulating a stress scenario that has a sufficiently strong impact and a realistic probability of occurrence and then estimating capital adequacy ratio, etc. in times of stress.

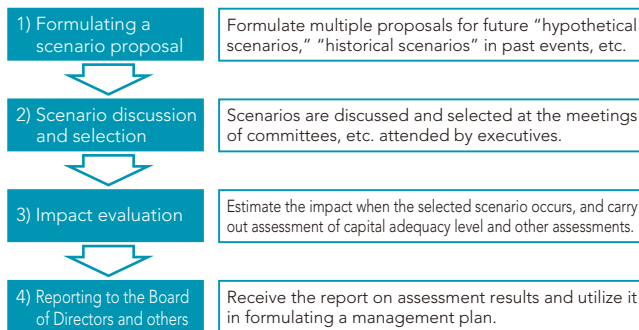
• Historical Scenario Stress Testing

Assessment of capital adequacy level through estimation of capital adequacy ratio, etc. in times of stress using parameters from stress times that had occurred in the past.

• Examination of Probability of Occurrence

Assessment of capital adequacy level by comparing the risk with 99.9% confidence interval with total capital defined under capital regulatory standards.

• Stress Test Framework



(8) Compliance with the Basel Standards

The Basel rules, which are the international standard rules regarding the soundness of banks, consist of "the first pillar," which defines the minimum capital requirements such as capital regulatory standards, "the second pillar," which regulates the inspection on self-management and supervision of financial institutions, and "the third pillar," which regulates market discipline, which is subject to market evaluation based on appropriate disclosure.

Basel II was implemented in Japan at the end of March 2007. Since the end of March 2013, Basel III has been implemented in a phased manner. Basel III is composed of capital regulatory standards, leverage ratio regulations, and liquidity regulations, for improving the quality and amount of capital, strengthening risk identification, etc.

Under such circumstances, as part of the efforts to advance its risk management, the SuMi TRUST Group adopted the Advanced Measurement Approach to operational risks since the end of March 2014, and the Advanced Internal Ratings-Based (AIRB) Approach to credit risks since the end of March 2015, both in compliance with the capital regulatory standards. In addition, as part of the liquidity regulations, liquidity coverage ratio and leverage ratio have been added to the first pillar since the end of March 2015, and the end of March 2019, respectively, with which the SuMi TRUST Group has duly complied.

Moreover, in December 2015, the SuMi TRUST Group was designated as one of Domestic Systemically Important Banks (D-SIBs), which is the "domestic version" of Global Systemically Important Banks (G-SIBs) specified by the Financial Stability Board (FSB), and is subject to the 0.5% surcharge defined under capital regulatory standards.

After implementing Basel III, the Basel Committee on Banking Supervision has been continually reviewing capital regulatory standards. To ensure appropriate risk sensitivity, simplicity and comparability of regulations, the Committee made the final agreement to make revisions related to a risk-weighted assets measurement approach, which is the denominator of capital adequacy ratio, in December 2017.

While partially constraining the use of internally-modelled approaches by banks, the Committee adopted capital floors based on standardised approaches in order to prevent the undervaluation of risk-weighted assets based on internal models.

In order to comply with this new regulation scheduled to be implemented at the end of March 2022, the SuMi TRUST Group will engage in the development of a risk management system geared to the launch of this new regulation, including the creation of the system for calculating risk assets in compliance with the new regulatory requirements and the preparation for establishing a portfolio management methodology based on adequate profitability control.

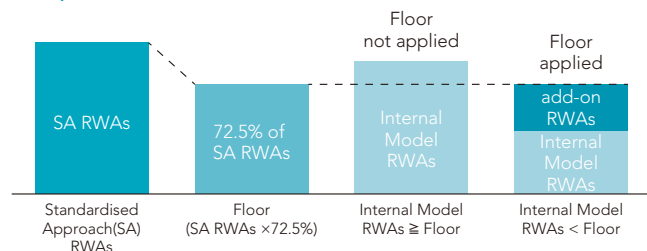
* The implementation has been postponed for one year from the original schedule to give priority to fighting the COVID-19 pandemic.

• Regulatory Reform of Risk-weighted Assets Measurement Approach for Credit Risk

Exposures	Current Standards	New Standards
Equity	Advanced or Foundation IRB Approach	Standardised Approach
Financial Institution		Foundation IRB Approach
Corporate		Advanced or Foundation IRB Approach
Specialised Lending (e.g. Real estate non-recourse loan)		Advanced or Foundation IRB Approach

- Standardised Approach: Supervisory risk weight according to external credit ratings
- Foundation IRB Approach: Risk weight calculated based on banks' own estimates of probability of default (PD)
- Advanced IRB Approach: Risk weight calculated based on banks' own estimates of probability of default (PD) and loss given default (LGD)

• Capital Floor Structure



- In the case where $72.5\% \text{ of SA RWAs}$ (Floor) is larger than internal model RWAs, Add-on RWAs are charged.
- Capital Floor will be subject to a five-year linear phase-in arrangement from the date of implementation of new standards. The applicable multiplier will start at 50% and increase by 5% at the end of each year until the end of Year 5, and it will eventually reach 72.5%.

As for the third pillar, from the end of March 2018, the adoption of common disclosure templates for internationally active banks, and the enhancement of disclosure items have been implemented to offer necessary information that is sufficiently comparable to all market participants.

(9) Crisis Management

The SuMi TRUST Group has developed systems to swiftly and appropriately implement emergency and crisis response

measures in the event of natural disasters, computer system failures, outbreaks of new infectious diseases, and the like, which are rooted in its public mission and social responsibilities as a financial institution, and strives to disseminate information regarding these systems throughout the organization.

Specifically, we have developed BCPs (business continuity plans) for continuing business in the event of a crisis, after securing the safety of our clients, directors, officers, employees, and their families. In order to ensure the effectiveness of our BCPs, we periodically conduct exercises and revise their content. In addition, we have created a response system in which, in the event of a crisis, an emergency response headquarters is created, which is headed by the President.

For large-scale natural disasters such as earthquakes, which are envisioned as having a significant impact, we are enhancing our response system through the preparation of backup offices and backup systems.

We are also strengthening our security measures at the initiative of management to respond to cyber attacks, which are causing damage throughout society, through the formulation of the "Cyber Security Management Declaration." Specifically, the Group has established SuMiTRUST-CSIRT as an internal organization for gathering information, conducting analysis, implementing measures concerning cyber attacks, and allocating necessary staffing. The Group also works to continuously strengthen human resources and to enhance the management system through collaboration with external specialized agencies. In addition, we are endeavoring to strengthen our ability to respond to incidents through the creation and improvement of manuals, etc. for use in both normal times and emergencies, and periodic training and drills.

In responding to the coronavirus pandemic, our basic stance is to ensure the health and safety of employees and their families, ensure business continuity as a key piece of social infrastructure, and to prevent the spread of infection in society. We are striving to balance the maintenance of services with safety considerations by establishing an emergency response headquarters, activating our BCPs, and actively encouraging telework.

2. Credit Risk Management

(1) Definition of Credit Risk

Credit risk is defined as the "risk resulting in losses incurred by The Sumitomo Mitsui Trust Group (the "SuMi TRUST Group") due to a decrease or impairment in value of an asset (including off-balance sheet assets) owing to such reasons as deterioration in the financial condition of an obligor." Of this, country risk in particular means "risk resulting in losses incurred by the Group on credit provided overseas, due to foreign exchange rates or political and economic conditions of the country of the obligor."

(2) Characteristics of Credit Risk

Credit risk is the most fundamental risk concerning the basic function of finance – "credit creation function" – and it is one of the most significant risks that are borne by the Sumitomo Mitsui Trust Group (the "SuMi TRUST Group") in performing banking operations.

Major risk among the credit risks for the SuMi TRUST Group is the risk of a large amount of loan-loss (or the provision for the allowance) being generated through default or credit deterioration of our major obligors. To control the "credit concentration risk" arising from the credit concentration to specific corporate groups, and "chain-reacting default risk" arising from the credit concentration to specific regions, industries, etc., the SuMi TRUST Group strives to appropriately control the risks by setting the credit guideline amounts based on obligor ratings and country ratings, and monitoring the balance of credit and risk amount specific to industries, etc.

(3) Credit Risk Management Policy

The basic policy of the SuMi TRUST Group's credit risk management is "stricter management of individual credit" and "credit portfolio diversification." Regarding the former, we make our individual credit management more precise through our screening and investigation of each transaction, asset assessment, and credit ratings that we assign internally. Regarding the latter, we endeavor to mitigate the concentration risk by managing diversification of our credit portfolio as a whole according to the industries and countries incorporating major obligors. Additionally, we regularly measure the credit risk amount in order to quantitatively grasp the possibility of the loss of portfolio.

Also, we maintain "risk-return adjustment" by reflecting the profit level established after taking into consideration the projected loss ratio and overhead ratio per credit rating on the transaction terms of individual transactions, to secure the profit margin (spread) proportionate to the risks.

Incidentally, the SuMi TRUST Group's credit risk management covers not only credit transactions via banking accounts, but also the transactions with trust accounts with a principal guaranteed contract.

(4) Credit Risk Management System

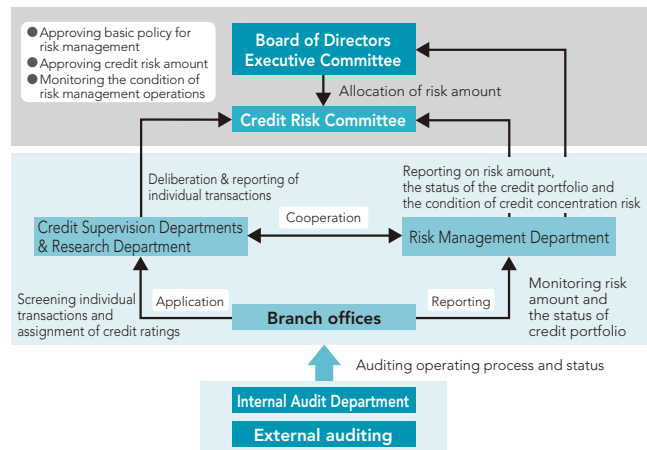
In addition to supervising credit risk management of the entire Group, Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings") also works to maintain and establish the systems at each of the Group companies. Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank"), which is the SuMi TRUST Group's core bank, maintains the risk management system at the consolidated and global levels in order to manage credit risk.

At SuMi TRUST Bank, the Credit Risk Committee, which is the management-level meeting, establishes credit strategies and credit risk management plans once yearly. The established plans are further submitted to the Executive Committee and the Board of Directors for discussion and resolution (approval) to decide important matters regarding risk management. The Credit Risk Committee is called regularly to discuss the basic policy for credit operations, and important matters concerning individual investments and loans transactions, as well as trust transactions. By controlling credit risk, it is working to secure the revenue while keeping an eye on the soundness of assets.

The Risk Management Department, operating as a credit risk management section, manages the portfolio through credit concentration risk management and credit risk amount measuring; manages and inspects the asset assessment and write-offs and allowances for loan losses systems; manages the internal rating system; and inspects the appropriateness of the rating systems and parameters. The details of monitoring and the risk control measures for credit risk, such as the status of the portfolio, credit risk amount, status of rating fluctuation, and the management status of credit limit amounts, are reported to the Credit Risk Committee each month, and to the Executive Committee once a quarter.

The branch offices apply for the granting of individual transactions and ratings to the credit supervision departments and the research department. The credit supervision departments screen individual transactions, while the research department undertakes industrial research and the creditworthiness research of individual corporations. The Risk Management Department keeps the initiatives of these departments in check. The Internal Audit Department, which is independent from the other departments, audits the internal management system for each of the processes to inspect the appropriateness and effectiveness of the risk management system.

• Credit Risk Management System



(5) Credit Risk Management Method

In order to manage the credit risk appropriately, the SuMi TRUST Group strives to construct and maintain a sound portfolio via the two mutually-complementing approaches: "individual credit management" – managing each individual transaction through credit screening at entry point and mid-term monitoring management – and "credit portfolio management" –analyzing and evaluating risk concentration conditions to the specific types of industry, regions, certain corporate groups, etc., while regarding the whole credit as a single lump portfolio to manage them from a macro viewpoint.

1) Credit Rating, Asset Assessment and Write-Offs and Allowances for Loan Losses

A. Credit Rating

"Credit rating" indicates, in a graded manner, a client's credit condition and the possibility of default/loss, and serves as the basis for the screening of individual transactions and credit portfolio management. There are several different types of credit ratings: "obligor rating" aimed at corporations including sovereigns and financial institutions; "structured rating" aimed at structured finances such as real estate non-recourse loans; and "facility rating" indicating the possibility of loss per transaction. For the details of SuMi TRUST Bank's internal rating system, please refer to 2 (6) "Internal Rating System."

B. Asset Assessment

Asset assessment signifies the classification of the contents of the SuMi TRUST Group's assets through individually screening them into graded levels of recovery risk and value damage risk, as part of the preparatory process for write-offs and allowances for loan losses. At SuMi TRUST Bank, all assets

in banking accounts and the trust accounts with a principal guaranteed contract are put through asset assessment as a general rule and as for clients, their “obligor categorization” based on their repayment capability according to financial condition, funding liquidity, profitability, etc., is determined each time their financial results are disclosed and/or whenever a situation that might affect their creditworthiness arises. Additionally, the “categorization” of each asset is determined once a quarter based on the result of the obligor categorization, security condition, etc., and this is reflected in the write-offs and allowances for loan losses appropriately as well as utilized in the management of credit risk.

C. Relationship Between Credit Rating and Asset Assessment

The two systems – credit rating and asset assessment – are operated with shared financial data on the clients that serve as the basis for mutually securing consistency. We are able to correctly assess the soundness of our credit portfolio by operating the two systems that enable us to grasp the clients’ creditworthiness in a timely and appropriate manner.

D. Write-offs and Allowances for Loan Losses

Write-offs and allowances for loan losses signify the act

of disposing losses of the appropriate amount in the quarterly settlement of accounts through timely and reasonable estimation of the amount of losses in the future by a track record of loan-loss, etc., based on the result of asset assessment. For the overview of SuMi TRUST Bank’s allowances for loan losses and write-off criteria, please refer to page 131 “(5) Allowance for Loan Losses” of “4. Significant Accounting Policies.”

E. Disclosure of Non-performing Loans

Non-performing loans to be disclosed include the risk management loans based on the Banking Act, and non-performing loans based on the Financial Revitalization Act.

As seen in the “Tables of Credit Rating, Asset Assessment and Disclosed Non-performing Loans” following below, they are aggregated according to the obligor categorizations through asset assessment.

Incidentally, the delinquent loans that are overdue for or over three months are almost always classified as “Doubtful Claims” or lower based on the Financial Revitalization Act. However, those with little concern for a long-term delinquency may not occasionally be classified as above “Doubtful Claims” or lower up to roughly six months overdue.

• Tables of Credit Rating, Asset Assessment and Disclosed Non-performing Loans

Credit rating		Asset assessment				Classification of non-performing loans based on the Financial Revitalization Act	Classification of risk management loan
Rating Rank*	Definition	Obligor category	Definition	Asset Classification	Definition		
1	Highest credibility of payment of principal and interest	Sound Obligor	Obligor that is operationally and financially sound	Class I (unclassified)	Assets with no risk of collection or no risk of impairment of the asset value	Normal Claims	
2	Very high credibility of payment of principal and interest						
3	High credibility of payment of principal and interest, but prone to be affected by the worsening business environment, etc.						
4	Perceived credibility of payment of principal and interest, but with declining potential						
5	No problem for credibility of payment of principal and interest at present but with potentiality of declining by deterioration of business environment, etc.						
6	Capable for principal and interest payment, but with potentiality of losing the ability if the business environment is deteriorated, etc.						
7	Obligor categorized as “Sub-Performing Obligor” in asset assessment and higher attention is required because of its sluggish and unstable operating performance, weak financial condition, etc.	Sub-Performing Obligor	Obligor required attention for monitoring because of following situations • Obligor with delinquency on obligations (payment of principal or interest) • Obligor with operational or financial problems	Class II	Assets with higher-than-acceptable level of risk of collection	Substandard Claims	Restructured Loans / Loans Past Due Three Months or More
8	Obligor categorized as “Sub-Performing Obligor” in asset assessment and careful attention is required because of its extremely deteriorated financial condition, etc.						
9	Obligor categorized as “Possibly Insolvent Obligor” in asset assessment	Possibly Insolvent Obligor	Obligor with high probability of bankruptcy in the future due to significantly weak business conditions and unfavorable progress of business restructuring plan	Class III	Assets with high potential of impairment or loss, whose rational estimate of loss amount is difficult	Doubtful Claims	Delinquent Loans
10	Obligor categorized as either “Substantially Insolvent Obligor” or “Bankrupt / Insolvent Obligor” in asset assessment or bankruptcy is occurred	Substantially Insolvent Obligor	Obligor, not legally or formally bankrupt, but virtually bankrupt	Class IV	Assets regarded uncollectible or worthless	Bankrupt and substantially bankrupt Claims	
		Bankrupt / Insolvent Obligor	Obligor entering corporate reorganization, liquidation or other statutory procedures				
							Loans in Bankruptcy Procedures

* As for obligor ratings and structured ratings, we subdivide them further as necessary (e.g. 5+, 5, 5-, etc.).

2) Credit Concentration Risk Management

Based on our belief that grasping the exposure of each client is the basis of credit risk management, we uniformly manage the transactions such as loans, investments and off-balance transactions, and monitor the status of observance of credit limit set against each of the segments (specific corporate groups, industries, countries of the location, etc.). We also regularly examine the impact of the materializing risks to major clients and industry diversification.

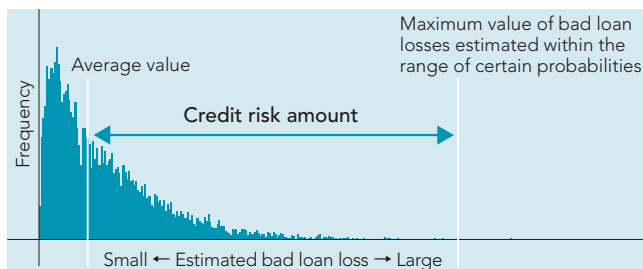
Based on our various client management systems, we micro-manage the credit conditions, credit balance, trading conditions, etc., of each clients.

3) Credit Risk Quantification

With our credit risk quantification, we quantitatively grasp the potentiality of banks' assets being affected by losses by loan losses over the coming year, and based on the estimation values such as probability of default (PD) and loss given default (LGD) per rating, measure the difference between maximum loan losses (maximum possible amount of loss within the scope of given probabilities) and expected loan losses (the mean value of losses) as credit risk amount.

At SuMi TRUST Bank, we employ the "Monte Carlo Simulation Method" to depict the distribution of loss amount: we run numerous potential scenarios (100,000 cases) as our risk measurement method to estimate the maximum loss via loss severity distribution (please refer to "Credit Risk Amount" on the right).

• Credit Risk Amount



In measuring them, we take the correlation between individual assets into consideration; therefore our computed credit risk amount is able to reflect not only the quality of individual assets, but also the diversification effect of our credit portfolio as a whole. By monitoring credit risk amount regularly, we aim to grasp the conditions of "credit portfolio diversification" and "stricter management of individual credit" and check the appropriateness of capital rationing as well as the soundness of business operation.

SuMi TRUST Bank also strives to advance the risk measurement and the scenario setting to suit the characteristics of individual assets.

(6) Internal Rating System

1) Overview of the Internal Rating System

The internal rating system of SuMi TRUST Bank which is the SuMi TRUST Group's core bank, is designed to ensure the accurate evaluation process of financial assets held based on its risk management policies, and to assist in its revenue management and credit risk management. The system in turn consists of a credit rating system and a credit pool management system.

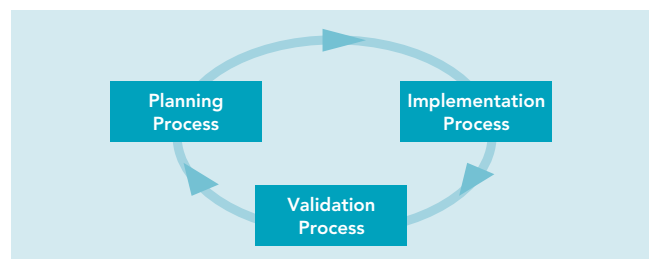
The credit rating system is broadly classified into the Japanese rating system (Japanese credit rating) and the Non-Japanese rating system (Non-Japanese credit rating), and each system comprises obligor ratings that reflect the PD of ordinary corporations; structured ratings that show the potentiality of real estate non-recourse loans and occurrence of default in project finances, etc.; and facility ratings that show the potentiality of occurrence of loss taking guarantees, collateral, credit terms, etc., of each facility into consideration.

Credit pool management system is designed to manage small-lot loans to individuals – such as mortgage loan and card loans – as transaction groups (pools) with similar risk characteristics. Credit pool classifications are compiled using products, clients, transaction details, security condition, delinquency status, etc. as indicators, and they include the mortgage loan pool with related company guarantees and business use loan pool.

2) Operation of the Internal Rating System

The process of the assignment of credit ratings, etc. comprises the "planning process" in which the definition of credit ratings, etc., and the procedures and criteria (credit rating policies) are drawn up, the "implementation process" in which the credit rating assignment criteria and credit pool allotment criteria are appropriately implemented, and the "validation process" in which the appropriateness and objectivity of credit ratings, etc., are ensured.

• Administration Process of Credit Ratings



A. Planning Process

The planning process is a process to formulate models such as specific credit rating assignment criteria, credit pool classification, and "credit rating models" to ensure the objectivity of our internal rating systems, and is carried out by the credit risk management sections.

[Process of Model Introduction (for Credit Rating Models)]

A credit rating model is a tool to statistically estimate the rating ranks corresponding to the PD (probability of default) of the clients using their financial indicators, etc.

When introducing the credit rating models developed by the Group, such as those aimed at the domestic corporations, the following process is followed:

First, the credit risk management sections develop a model and the development process and the verification details are compiled in a document (model description document*). Then the document is verified by the persons in charge but independent from the development project section of the same departments. In addition, the Internal Audit Department audits the document and confirms the validity of the development and validation process.

Meanwhile, when applying the credit rating models developed by external credit rating agencies, etc., such as those aimed at the overseas corporations, the following process is followed:

The credit risk management sections verify said model and put the findings into a document. Then the Internal Audit Department audits the document and confirms the validity of the validation process.

The performances of these models, etc. are also verified as part of the internal rating system annual reviews, and their outlines are reported to both the Credit Risk Committee and the Executive Committee.

* Model description document: a document detailing the contents such as the logic behind the model development, estimation methods, data employed, method of selecting parameters (financial indicators), and performance verification of the developed model (comparison with old models)

B. Implementation Process

During the implementation process, assignment of credit ratings and allotment of credit pool classifications are carried out following the criteria determined during the planning process. The assignment of credit ratings and the allotment of credit pool classifications are carried out by the research department and the Business Management Department as the "implementation departments." The actual process of implementing the credit ratings comprises new assignment, regular review of at least once a year, and monthly reviews, to help the credit ratings to be reviewed at the right time

according to the fluctuation in the clients' creditworthiness.

Credit ratings are granted as a combination of "quantitative assessment" and "qualitative assessment." "Quantitative assessment" is an evaluation based on the credit rating models, etc., while the "qualitative assessment" is a human evaluation (by expert judgement). Because credit ratings are evaluated as a combination of "quantitative assessment" and "qualitative assessment," ultimately monitoring the objectivity of "qualitative assessment" by expert judgement, etc., becomes important in securing the appropriateness of the ratings.

At SuMi TRUST Bank, the credit risk management sections monitor if the assignment of credit ratings by the implementation departments is carried out appropriately according to the criteria, and this monitoring function ensures the appropriateness of the implementation process as a whole, including the expert judges' objectivity.

• Implementation Process of Credit Ratings



C. Validation Process

In order to ensure the objectivities of credit ratings, etc., and the credit rating models, as well as the appropriateness of their results, the credit risk management sections carry out a validation process annually in the name of the validation department.

In carrying out the validation, the implementation departments manage the data to be verified, and the validation department runs the following validation process:

- Verifying the appropriateness of credit rating results
- Verifying the objectivity of credit rating assignment criteria
- Verifying the appropriateness of credit pool classification
- Verifying the validity of the parameters applied to credit ratings and credit pools respectively

The validation results are reported to both the Credit Risk Committee and the Executive Committee.

3) System Procedure for the Assignment of Internal Ratings

The outline of main procedures in the assignment of ratings and allocating the credit pool classification based on the internal rating system is as follows. For the outline of models used in the SuMi TRUST Group's individual portfolios, please refer to 2 (7) "Compliance with Capital Regulatory Standards."

A. Obligor Rating (Japanese Credit Rating)**[Target]**

Japanese corporations (domiciled and Japanese-descended non-domicile residents)

[Quantitative Assessment]

The credit rating models (industry-based), in which the clients' financial indicators are used as the explanatory variables, and their typical PD as the explained variable, are employed.

[Qualitative Assessment]

The information that is not reflected in the financial indicators, such as business affiliations, industry trends, external credit ratings and future cash-flow stability, is evaluated by the persons in charge of assignment of the industry-based credit ratings (expert judges) from the implementation departments. To mitigate the unevenness of the evaluation results, the qualitative assessment items are put together into a document to restrict the adjustment discretion. In addition, the credit risk management sections monitor the adjustment details in order to ensure the objectivity of the evaluation.

B. Obligor Rating (Non-Japanese Credit Rating)**[Target]**

Overseas corporations (Non-Japanese-descended and non-domiciled residents)

[Quantitative Assessment]

The credit rating models (industry- and regions-based) to reproduce the external credit ratings by using the financial indicators as the explanatory variables are employed.

[Qualitative Assessment]

These are evaluated mainly through comparing the peer companies in the same industry, but also taking into consideration the evaluation indicators specific to overseas, while ensuring consistency with the qualitative assessment criteria for Japanese credit rating. To mitigate the unevenness of the evaluation results, the qualitative assessment items are put together into a document to limit adjustment discretion. In addition, the credit risk management sections monitor the adjustment details in order to ensure the objectivity of the evaluation.

C. Structured Rating**[Target]**

Structured finance transaction, whose underlying resource for principal and interest payment is cash-flow generated by specific financing asset or the financing project

[Quantitative Assessment]

This is evaluated using indicators with high correlations with probability of default and default risks, depending on the financing asset and the risk characteristics of the transaction. For example, in the case of a real estate non-recourse

loan, we would adopt LTV (Loan to Value) and DSCR (Debt Service Coverage Ratio).

[Qualitative Assessment]

Adjustment to the rating level based on quantitative assessments to reflect the financing asset and transaction specific individual characteristics that quantitative assessment indicators are not capable of capturing. For example, if a credit enhancement is available externally, the rating levels are amended based on its probability. As the qualitative assessment of structured ratings tends to be strongly transaction specific, in the assignment of the ratings, the credit risk management sections monitor the validities of the qualitative assessment in order to ensure its objectivity.

D. Facility Rating**[Target]**

Loans to corporates, sovereigns, and financial institutions to which an obligor rating (Japanese credit rating) is assigned and loans for specialised lending (but limited to those subject to AIRB) to which a structured rating is assigned (including payment acceptance/commitment line)

[Evaluation Method]

Expected loss taking account of guarantees, collateral, credit terms, etc. of each facility is evaluated and a rating according to the level is assigned.

E. Credit Pool Classification**[Subject of Assignment]**

Small credit for loans targeted at individuals. (However, out of loans to individuals, credit transactions for business loan with outstanding balance of 100 million yen or more are subject to credit ratings to each obligor.)

[Assignment of Credit Pool Classification]

Regarding target credit, credit pool classifications (each class consisting of similar level of exposure of credit risk) are set using indicators (risk drivers) such as risk characteristics of clients, risk characteristics of transactions (products), security condition, and delinquency situation. Furthermore, each credit pool is categorized as "residential mortgage exposures," "qualifying revolving retail exposures" and "other retail exposures."

Assignment to the credit pool classifications is carried out by the implementation departments based on the products and transaction details.

(7) Compliance with Capital Regulatory Standards

1) Application of the Internal Ratings-based Approach

A. Scope of the Internal Ratings-based Approach Application

As a method of calculating credit risk-weighted assets related to the calculation of required capital demanded by the capital regulatory standards, the SuMi TRUST Group adopts the “internal ratings-based approach” that uses data such as credit ratings, which are used for obligors’ credit management within SuMi TRUST Holdings. Since the end of March 2015, SuMi TRUST Holdings and SuMi TRUST Bank have been using the Advanced Internal Ratings-Based Approach (AIRB). The scope of the application of the internal ratings-based approach in the SuMi TRUST Group is as follows.

(A) Business Unit

Type of the internal ratings-based approach	Major companies
Advanced Internal Ratings-Based Approach (AIRB)	Sumitomo Mitsui Trust Holdings, Inc. Sumitomo Mitsui Trust Bank, Limited
Foundation Internal Ratings-Based Approach (FIRB)	Sumitomo Mitsui Trust Guarantee Co., Ltd. Sumishin Guaranty Company Limited Sumitomo Mitsui Trust Card Co., Ltd. Sumitomo Mitsui Trust Loan & Finance Co., Ltd. Sumitomo Mitsui Trust Panasonic Finance Co., Ltd. Sumitomo Mitsui Trust Club Co., Ltd.

(B) Asset Class

Type of the internal ratings-based approach	Asset contents
Advanced Internal Ratings-Based Approach (AIRB)	Loans and securities for corporates, etc.*
Foundation Internal Ratings-Based Approach (FIRB)	Assets excluding those following below <ul style="list-style-type: none"> • Assets which are subject to AIRB • Assets which are not subject to AIRB or FIRB

* Corporates not subject to specialised lending are limited to those to which a domestic credit rating is assigned.

Out of specialised lending, AIRB applies to real estate non-recourse loans (excluding those with high volatility), project finance, and object finance for ships and aircrafts.

Loans include acceptances & guarantees and commitment lines, etc. Also, those concerning subordinated debt, derivatives transactions, repo transactions and call loans are excluded.

B. Exclusion of the Application of the Internal Ratings-based Approach

In the SuMi TRUST Group, the standardised approach* is applied as exclusion of the application of the internal ratings-based approach, among the subsidiaries of SuMi TRUST Holdings and SuMi TRUST Bank, to the business units in which the proportion of credit operations, etc. is low or

credit operation is not performed as well as to certain asset classes that are not significant from the viewpoint of credit risk management. The exclusion is determined carefully based on the importance from the following points with respect to target business units and asset classes.

- The magnitude of the expected loss related to credit risk and the frequency of credit provision
- Positioning in the investments and loans policy or credit risk management policy
- Proportion to the entire credit risk-weighted assets.

* The standardised approach is a method to calculate the risk-weighted assets using the external credit ratings of eligible rating agencies, instead of the SuMi TRUST Bank’s credit ratings (internal ratings). The eligible rating agencies that are used to determine risk weights are Rating and Investment Information, Inc. (R&I), Japan Credit Rating Agency, Ltd. (JCR), Moody’s Investors Service, Inc. (Moody’s), S&P Global Ratings (S&P), and Fitch Ratings, Inc., (Fitch).

C. Phased Rollout of the Internal Ratings-based Approach

The SuMi TRUST Group applies the standardised approach to subsidiaries (business units) that are in preparation for application of the internal ratings-based approach, assuming the approach will change to the internal ratings-based approach in the future. As of the end of March 2020, Sumitomo Mitsui Trust Bank (Thai) Public Company Limited falls under this category.

2) Calculation of the Required Capital Using the Internal Ratings-based Approach

As mentioned in 1), the SuMi TRUST Group mainly applies the internal ratings-based approach to calculate the regulatory required capital.

A. Basic Process of the Internal Ratings-based Approach

With the internal ratings-based approach, the regulatory required capital is calculated by the following three steps.

[First Step] Assignment of Credit Ratings, etc. (Credit Ratings and Credit Pool Classifications)

The bank develops a unique ratings system (internal rating system)* according to its risk characteristics, and based on this system, we give a rating to clients. Credit ratings, etc. not only ensure consistency with asset assessment, but also ensure the accuracy through validation by each credit risk management section.

* For details of the internal rating system of SuMi TRUST Bank, please refer to 2 (6) “Internal Rating System.”

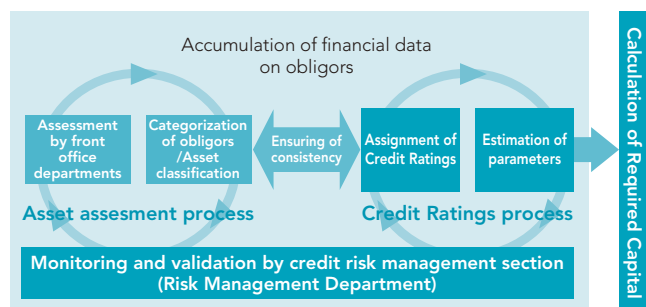
[Second Step] Estimation of Parameters

The results of individual credits (default actual data) that are performed based on credit ratings, etc. are aggregated and parameters (input variables) necessary for credit risk-weighted assets calculation are estimated. The validity of the estimated parameters is periodically verified.

[Third Step] Calculation of the Required Capital

The required capital is calculated by applying the parameters to the formula that is announced.

• Basic Process of the IRB Approach



B. Application Method Per Asset Class

The SuMi TRUST Group determines the scope of the internal ratings-based approach based on the accumulation status of internal performance data such as risk characteristics for each asset class and default performance required to estimate parameters. In the capital regulatory standards, methods for calculating risk weights and credit ratings to be used vary for each asset with credit risk. The credit ratings, etc. and the outline of credit risk-weighted assets calculation

method that the SuMi TRUST Group applies to each asset class are shown on page 216.

C. Estimation and Verification of Parameters

The key parameters that need to be estimated to calculate the credit risk-weighted assets are probability of default (PD), loss given default (LGD), and exposure at default (EAD) (credit conversion factor (CCF)).

Parameters are estimated for those to be applied to corporate exposures, etc. and those to be applied to retail exposures (credit pool management target). In principle, estimated parameters are verified annually. The verification results are reported to the Credit Risk Committee and the Executive Committee. The results are also subject to internal audits.

The definition of each parameter and the outline of the estimation method and verification method are shown on page 217.

In principle, the parameters used in the capital regulatory standards are the same as the ones that are used for regulatory purposes and internal control management purposes to ensure objectivity and accuracy. For the internal control management purposes, the parameters are used for credit risk amount measurement and credit limit amount management.

The main differences of the parameters used in the calculation of allowances and capital adequacy ratio are as follows.

• Main Differences of the Parameters Used in the Calculation of Allowances and Capital Adequacy Ratio

	Calculation of allowances	Calculation of capital adequacy ratios
Parameters to be used	Expected loan loss ratio based on historical loan loss rate	Probability of Default (PD)
	The actual balance of loans (for the undrawn balance of the commitment line, the amount calculated by multiplying the amount by the actual withdrawal rate)	Loss Given Default (LGD)
Standard of default (loan loss)	When the obligor categorized as "Possibly Insolvent Obligor" or lower	Exposure At Default (EAD)
Parameter calculation method	Expected loan loss ratio: <ul style="list-style-type: none"> for Sound Obligor: The average value of historical one year loan loss rate for the most recent three periods, with floor adjustment taking into consideration the longer-term time horizon. for Sub-Performing Obligor or lower: The average value of historical three years' cumulative loan loss rate for the most recent three periods, with floor adjustment taking into consideration the longer-term time horizon. 	When the obligor categorized as "Sub-Performing Obligor with Delinquent and/or Restructured debt" or lower Please refer to "Definition of Each Parameter and the Outline of the Estimation and Verification Method" on page 217

• Credit Risk-weighted Assets Calculation Method and Credit Ratings Applied to Each Asset Class

Approach method	Asset Class*1		Sub-class	EAD ratio*2		Calculation method of credit risk-weighted assets	Assignment of credit ratings, etc.*3
				1)	2)		
Internal Ratings-based Approach	Corporate Exposures, etc.	Corporate Exposures	—	34%	34%	Supervisory Formula	Obligor Ratings, Facility Ratings
		Specialised Lending	Real estate non-recourse loans (excluding those with high volatility), project finance, and object finance for ships and aircraft	6%	6%	Supervisory Formula	Structured Ratings, Facility Ratings
			Real estate non-recourse loans (with high volatility) and other loans not stated above	0%	0%	Supervisory Slotting Criteria Approach	
		Sovereign Exposures	—	29%	29%	Supervisory Formula	Obligor Ratings, Facility Ratings
		Financial Institution Exposures	—	2%	2%	Supervisory Formula	Obligor Ratings, Facility Ratings
	Retail Exposures	Residential mortgage exposures		18%	18%	Supervisory Formula	Credit Pools
		Qualifying revolving retail exposures		1%	1%	Supervisory Formula	Credit Pools
		Other retail exposures		2%	2%	Supervisory Formula	Credit Pools
	Equity Exposures	Japanese listed equities		1%	1%	Supervisory Formula	Obligor Ratings
		Japanese unlisted equities of obligors with credit exposures		1%	1%	Supervisory Formula	
		Japanese unlisted equities of obligors with no credit exposures Non-Japanese equities		0%	0%	Simple Risk-weight Method (Market-based Approach)	
	Exposures relating to Funds		—	3%	3%	Look-through Approach	Obligor ratings, etc.
	Purchased Receivables	Regulatory formula for underlying assets		2%	2%	Supervisory Formula	Obligor Ratings, Facility Ratings
		Slotting criteria approach for underlying assets		0%	0%	Supervisory Slotting Criteria Approach	Structured Ratings
		Cases where classification is not possible due to multiple underlying assets		0%	0%	Top-down Approach	Credit Pools
	Others	Other assets, etc.		1%	1%	Designated risk weight is applied	—
Standardised Approach	Phased rollout/exclusion of IRB Approach		—	2%	2%	Designated risk weight is applied	—

[Applicable Credit Risk-weighted Assets Calculation Method]

Supervisory Formula	A method of calculating by using a predetermined function formula (risk weight function formula)
Supervisory Slotting Criteria Approach	A method of associating internal ratings with five predetermined ranks and calculating using a designated risk weight
Simple Risk-weight Method	A method of calculating by using a designated risk weight
Look-through Approach	A method of applying the calculation method according to the underlying assets
Top-down Approach	A method of calculating purchased assets as one aggregate using a predetermined function formula (risk weight function formula)

*1 Corporate exposures, etc., include lease transactions. In addition, corporate exposures, etc. include the exposures for small and mid-sized entities (SME).

2 The proportion of EAD for each asset class in total EAD () on the 1) consolidated basis of SuMi TRUST Holdings and 2) consolidated basis of SuMi TRUST Bank is stated.

(*) Counterparty credit risk exposures, such as derivatives transactions and repo transactions and securitisation exposures are excluded from the aggregate calculation. For securitisation exposures, "Method based on Internal Ratings-Based Approach," "Rating-Based Approach," and others are used.

*3 The outline of the rating models used by the SuMi TRUST Group's core bank, SuMi TRUST Bank, is as follows.

	Outline of models	Applied asset class
Japanese obligor ratings	<p>[Rating model] A model (developed in-house) that uses financial indicators as explanatory variables and a typical PD as explained variables is used. Different combinations of financial indicator and weight are used for each of the five industries (manufacturing industry, wholesale/retail industry, service industry [including non-banking], transport/communication industry, construction/real estate industry).</p> <p>[PD estimation] PD is estimated for each rating category.</p>	<ul style="list-style-type: none"> • Corporate exposures • Equity exposures • Exposures relating to Funds • Purchased receivables
Non-Japanese obligor ratings	<p>[Rating model] A model (developed by external credit rating agencies) that uses financial indicators as explanatory variables and reproduces external credit ratings is used. Different combinations of financial indicator and weight are used for each of the eight regions and industries (North America, Europe, Asia, Pacific, emerging countries, airlines, real estate investment business, real estate development business).</p> <p>[PD estimation] PD is estimated for each rating category.</p>	<ul style="list-style-type: none"> • Corporate exposures • Equity exposures • Exposures relating to Funds • Purchased receivables
Credit pool classifications	<p>[Credit pool classifications] Credit pool classifications (consisting of exposures with comparable levels of credit risk) are established based on indicators (risk drivers), such as the risk characteristics of the obligor, the risk characteristics of transactions (products), the security condition, and the delinquency situation, etc.</p> <p>[PD classification] PD is estimated for each credit pool classification or estimation category where multiple credit pool classifications are aggregated.</p>	<ul style="list-style-type: none"> • Retail exposures • Purchased receivables

• Definition of Each Parameter and the Outline of the Estimation and Verification Method

Type of parameters and definition	Summary of the methods for estimation and verification	
	Corporate Exposures, etc.	Retail Exposures
PD (Probability of Default) - An estimate of the probability that a borrower or transaction will be unable to meet its debt obligation in a particular period	[Estimation method] <ul style="list-style-type: none"> PD is estimated for each rating category. In addition, the estimated value is called "typical PD" as a long-term stable representation of its creditworthiness. Estimated values are calculated by using the long-term average default rate based on the internal performance data or data of the external credit rating agencies, and modification is made, taking into account the recession period. ^{*1} [Verification method] <ul style="list-style-type: none"> The validity of the level of estimated values is verified by confirming the order of the actual default rate and carrying out backtestings comparing the actual value with the estimated value. 	[Estimation method] <ul style="list-style-type: none"> PD is estimated for each credit pool classification or the estimation category where multiple credit pool classifications are aggregated. For residential mortgage, estimated values are calculated by using the long-term average default rate based on internal performance data, and modification is made, taking into account statistical variance adjustment and seasoning effect. ^{*2} [Verification method] <ul style="list-style-type: none"> The validity of the level of estimated values is verified by confirming the seasoning effect and carrying out backtestings.
LGD (Loss Given Default) - An estimate of the ratio of expected loss in case a borrower or transaction falls into default against the exposure at default	[Estimation method] <ul style="list-style-type: none"> LGD is estimated for each security category (classified into four according to the ratio of collateralized amount to exposure amount) or category (classified according to the characteristics of the underlying assets). The estimated value is called "typical LGD" as a long-term stable representation of the loss rate level. Estimated values are calculated by using the long-term average default loss rate based on internal results data or external results data and adjusted for statistical variances and periods of economic downturn. ^{*3} [Verification method] <ul style="list-style-type: none"> In addition to verifying the robustness of modeling and adjustment methods, the validity of the level of the estimated value is verified by carrying out backtestings. 	[Estimation method] <ul style="list-style-type: none"> LGD is estimated for each credit pool classification or the estimation category where multiple credit pool classifications are aggregated. Estimated values are calculated by using the actual collection results from the default obligor using the internal performance data. Statistical variance adjustment and economic downturn adjustment are added to the model. ^{*4} [Verification method] <ul style="list-style-type: none"> In addition to verifying the robustness of correction methods, the validity of the level of the estimated value is verified by carrying out backtestings.
EAD (Exposure At Default) - Estimated amount of exposure at default, taking into account the possibility of additional withdrawal of off-balance sheet assets such as commitment line. EAD estimates the withdrawal rate (credit conversion factor (CCF)) against the undrawn balance of offbalance sheet assets	[Estimation method] <ul style="list-style-type: none"> CCF is not estimated, but estimate values are determined based on parameter set by regulatory authority. 	[Estimation method] <ul style="list-style-type: none"> EAD is estimated for each credit pool classification or the estimation category where multiple credit pool classifications are aggregated. Estimated values are calculated by using the actual additional withdrawal results from the default obligor based on the internal performance data, and statistical variance adjustment is made. ^{*5} [Verification method] <ul style="list-style-type: none"> In addition to verifying the robustness of correction methods, the validity of the level of the estimated value is verified by carrying out backtestings.

- ^{*1} • For the portfolio with low default probability (LDP: Low Default Portfolio), conservative estimates are made by accumulating the rating transition matrix in the estimation process, even for the rating category where no default has occurred or default rarely occurs.
- For corporate exposures, etc., excluding sovereign exposures, if the level of the estimate falls below the regulatory floor level (0.03%) (Japanese rating: 1 to 3, Non-Japanese rating: 1 to 2), the floor value is applied.
- As described above, the estimated value is calculated based on the long-term default actual data including the recession period, and it is confirmed by test that the estimated value is sufficiently conservative as compared with each single year actual default rate in the past three periods.
- ^{*2} • For retail exposures, as for the pool classifications where the level of the estimated value is below the regulatory floor level (0.03%), the floor value is applied.
- As described above, the estimated value is calculated based on the long-term default actual data including the recession period, and, for most of the pool classifications, it is confirmed by conducting backtestings that the estimated value is sufficiently conservative as compared with each single year actual default rate in the past three periods. As a result of backtestings, parameters for pools that exceed the parameter correction standard are corrected to appropriate levels.
- ^{*3} • Correction of the recession period is based on the correlation between LGD and economic indicators.
- When performing estimation based on internal results data, the estimated value is calculated based on the model LGD formulating the relationship between collection factors and collection rate, which enables stable calculation of the estimated values even for LDP portfolios. In addition, the validity of the estimated value level is verified by backtestings.
- When using internal results data, for obligors who have completed the collection procedure, average period from the default of the obligor to the completion of the collection procedure is less than two years.
- ^{*4} • Correction of the recession period is based on the correlation between LGD and economic indicators.
- As for residential mortgage, approximately 80% of the cases have been completed the collection procedure within five years from default.
- ^{*5} • The estimate of CCF uses data on commitment line contracts and line of credit contracts for which installment has not been implemented and employs a cohort method based on the proportion of additional withdrawals up to the default point for undrawn balances at the beginning of the fiscal year.

3. Market Risk Management

(1) Definition of Market Risk

Market risk refers to the risk that the Sumitomo Mitsui Trust Group (the "SuMi TRUST Group") may incur losses due to fluctuations in the value of assets/liabilities (including off-balance sheet assets/liabilities), or in the earnings generated from assets/liabilities, due to fluctuations in various market risk factors, such as interest rates, foreign exchange rates, stocks, commodities, and credit spreads. Of this, "market liquidity risk" in particular means risk that the SuMi TRUST Group may incur losses caused in a situation where it becomes impossible to conduct transactions in the market or becomes obligatory to trade at prices significantly disadvantageous than usual due to market turmoil.

(2) Characteristics of Market Risk

Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank"), the core bank of the SuMi TRUST Group, operates a business (banking) to secure profits through interest rate risk control of assets and liabilities, and a business (trading) to secure profits through transactions such as short-term trading of interest rates and foreign exchange rates. In these businesses, we use Value at Risk (VaR), etc. and manage market risk using the same structure.

For trading, we aim at securing stable profits through market-making operations such as foreign exchange rates and derivatives.

The main risk in the SuMi TRUST Group's market risks is losses due to drop of prices of strategic shareholdings, etc. As for strategic shareholdings by SuMi TRUST Bank, it strives to appropriately control risks with a basic policy of reducing outstanding balances and hedging.

(3) Market Risk Management Policy

In managing market risk, we aim to ensure adequate profits commensurate with the strategic targets, scale and characteristics of the business of the SuMi TRUST Group. We are doing this by improving the management system, along with ensuring its operational soundness by adequate control over risks.

(4) Market Risk Management System

Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings") oversees risk management of the market and funding liquidity of the entire group and is working to improve the structure of each Group company. SuMi TRUST Bank has developed a risk management system at the consolidated and global levels in order to manage market and funding liquidity risks.

SuMi TRUST Bank develops the Asset Liability Management

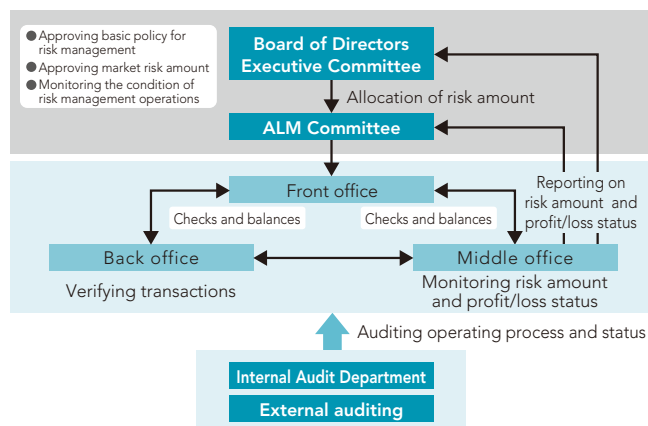
(ALM)* basic plan that covers comprehensive risk operation and management of assets and liabilities from the viewpoints of the entire company and a risk management plan concerning market risk and funding liquidity risk once in six months at the ALM Committee, a management-level meeting body. The developed plans are deliberated and resolved (approved) by the Executive Committee and the Board of Directors, and important matters related to risk management are decided. By holding the ALM Committee monthly and controlling market risk and funding liquidity risk, we are making efforts to improve the soundness of the composition of assets and liabilities and stabilize earnings.

In addition, the front office (market-based transactions departments), back office (administration departments), and middle office (risk management departments) are independent. This way, a system of mutual check and balance among departments is in place. The front office and back office operate business such as appropriate control of risks in accordance with the size and characteristics, and human resource development in order to ensure the effectiveness of risk management based on accurate recognition of the risks. The middle office develops or operates the risk management process including identification, evaluation, monitoring, control and reduction of market risk, and plans and promotes risk management systems to demonstrate the check function for the front office, etc. In addition to having the function of planning and developing policies and procedures concerning market risk management, the middle office also has the function of monitoring market risk status such as market risk amount and profit and loss measurement.

The appropriateness and effectiveness of the risk management systems are verified by internal auditing or external auditing.

* ALM (Asset Liability Management): managing cash flow, liquidity, foreign exchange risk, and interest rate risk, etc., by grasping the characteristics of expirations and interest rates of our assets and liabilities.

• Market Risk/Funding Liquidity Risk Management System



(5) Market Risk Management Method

Within the scope of capital, SuMi TRUST Holdings develops a capital allocation plan and allocates capital to each Group company. Based on the allocated capital, SuMi TRUST Bank sets various limits including loss limit to control the risk and loss to a certain range.

We conduct multifaceted risk management from quantitative and qualitative perspectives. As for the compliance status of various limits, it is reported daily to the members of the ALM Committee through monitoring of the market risks status. Multiple risk analyses including identifying sensitivities to risk factors for each position, predictive management of risk factor fluctuations, and preparation for emergency using stress tests are also reported regularly to the Board of Directors and the ALM Committee, etc.

In the measurement of interest rate risk, we estimate and reflect the core deposit, term deposits redemption ratio and conditional prepayment rate of mortgage loan, etc. For details, please refer to 3 (7) 6 "Calculation Method of Interest Rate Risk."

Measurement Model for Market Risk Amount

The market risk amount is measured by the internal model method using VaR as a scale. Details of the measurement model are as follows.

Measurement model	Historical simulation method
Confidence interval	99%
Holding period	Trading: 10 days Banking: Convert VaR of holding period 10 days by square route $\sqrt{T/10}$ times ALM related position: 63 days (3 months) Credit investment and strategic shareholdings: 260 days (1 year) Others: 21 days (1 month)
Observation period	1,300 days (5 years)
Update frequency	Daily
Weighting	Historical weight method is applied. (Assign a higher probability to recent historical scenarios than older historical scenarios)
Price revaluation	Full revaluation method
Fluctuation of risk factors	Absolute return

The scope of application of the internal model is interest rate risk, equity position risk, foreign exchange risk, and commodities risk (excluding some products) at SuMi TRUST Bank. The correlation between each risk factor is not taken into consideration, and the risk amount is simply added when creating synthesis of risk.

In order to verify the reliability and effectiveness of the internal model, backtestings are performed to compare the actual results of the daily profit/loss and the virtual profit/loss with the daily VaR whose holding period is one day. In addition, the validity of the model calculation method and precondition

is verified periodically to ensure that the assumption for VaR calculation is not deviating from the actual market situation.

The VaR measurement using the historical simulation method that is affected by market fluctuations in the past observation period has a limit that it is impossible to capture large market fluctuations that have not occurred in the past or occurred outside of the observation period. This limit is complemented by implementing stress tests. The amount of loss when applying the expected scenario based on the maximum fluctuation range of each risk factor in the past and the future forecast to the current portfolio is regularly estimated.

(6) Compliance with Capital Adequacy Regulations Calculation of Market Risk Equivalent Amount

The market risk equivalent amount refers to the sum of market risk in the trading account and foreign exchange risk and commodities risk in accounts other than the trading account, which is a factor used to calculate capital adequacy ratio. The SuMi TRUST Group calculates the market risk equivalent amount mainly by applying the Internal Model Approaches*. For calculation, general market risks and individual risks are simply added.

General market risk consists of VaR, which measures using the most recent market data, and stressed VaR, which measures using market data during the stress period. The preconditions of stressed VaR differ from the market risk measurement model described in 3 (5) "Market Risk Management Method" as follows.

Holding period	10 days (Convert VaR of holding period 1 day by square route ten times)
Observation period	260 days (1 year)
Weighting	Not applicable

Furthermore, the observation period is, in principle, set as the stress period for the stressed VaR in which the risk amount becomes the largest, taking into consideration the market data from 2007 onwards and the holding position in the past one year.

* Standardised approach is applied to the general individual risks of SuMi TRUST Bank as well as the foreign exchange risk of consolidated subsidiaries.

(7) Interest Rate Risk Management in the Banking Book

1) Definition of the Interest Rate Risk in the Banking Book

Interest rate risk in the banking book (IRRBB) is the risk that the capital and profit/loss of banks will be damaged now or in the future due to adverse impact on the banking book positions by changes in interest rate levels.

The present value is considered as economic value of equity (EVE) and future profits are considered as net interest income (NII), and the loss ranges against the current interest rate level are measured as ΔEVE and ΔNII respectively. The

scope of the measurement is a position with interest rate risk in the banking book of SuMi TRUST Bank, and other Group companies that hold interest rate risk.

2) Characteristics of Interest Rate Risk in the Banking Book

IRRBB is caused by maturity dates mismatch (gap risk), interest rate mismatch (basis risk), and optionality associated with interest rate change (option risk) in the banking account positions.

The ratio of ΔEVE to Tier 1 capital of SuMi TRUST Holdings and SuMi TRUST Bank is well below the regulated level of 15%, and the interest rate risk in the banking book is low. ΔEVE is maximized associated with “parallel up” as same as last year-end. Fluctuations of ΔEVE as well as its ratio to Tier 1 capital remains within a limited range.

3) Interest Rate Risk in the Banking Book Management Policy

The risk management policy concerning IRRBB is the same as 3 (3) “Market Risk Management Policy.”

To control interest rate risk, hedge accounting is applied to transactions that use interest rate swaps as hedging instruments and meet the application requirements of hedge accounting.

4) Interest Rate Risk in the Banking Book Management System

SuMi TRUST Holdings oversees risk management related to the IRRBB of the entire Group, and SuMi TRUST Bank maintains and manages IRRBB management systems at the consolidated and global levels.

5) Interest Rate Risk in the Banking Book Management Method

At SuMi TRUST Bank, the ALM basic plan that covers comprehensive risk operation and management of assets and liabilities from the viewpoints of the entire company is developed once in six months at the ALM Committee, a management-level meeting body. At that time, alarm points are set for the increase/decrease of the economic value of equity (ΔEVE) of the position. IRRBB is measured monthly, and alarm points are monitored. Reports on the measurement results are submitted monthly to the ALM Committee.

6) Calculation Method of Interest Rate Risk

The assumptions, etc. for calculating IRRBB are as follows.

• Non-maturity Deposits (“NMDs”)

The maximum maturity of the interest rate revision assigned to non-maturity deposits is five years, and the average maturity is 0.7 years.

• Core Deposits

The standardised approach exemplified by the Financial

Services Agency is applied to the cases of SuMi TRUST Bank. Out of the NMDs that the clients can withdraw at any time, we recognize the balance that is expected to be stable and non-linked to interest rate as deposits with the maximum maturity of five years and the average maturity of 2.5 years.

• Term Deposits Redemption Ratio

Targeting yen-based term deposits, the redemption rate is set after checking past redemption results.

• Conditional Prepayment Rate of Loans

Targeting mortgage loan, etc., the prepayment rate is set after checking past repayment results.

• Treatment of Foreign Currencies

The target currencies are determined based on their respective ratio in the scale of the balance sheet, importance to the SuMi TRUST Group’s position, and other factors.

The correlation (considering dispersion or offset) of different currencies is treated as follows.

ΔEVE : Correlation of different currencies is not considered, and only the currencies for which EVE decreases are combined.

ΔNII : Correlation of different currencies is considered, and the currencies for which NII increases and the currencies for which NII decreases are simply combined.

• Treatment of Spreads

In calculation, spreads are not included in discounted interest rates and cash flows.

• Pass-through Rate of Received Credit Interest Rates

In measuring ΔNII , upon reviewing of interest rates of received credit (term deposits, etc.), the pass-through rate is estimated based on the past record to understand how much the interest rates of received credit follow the fluctuation of the market interest rates.

7) Interest Rate Risk Other Than ΔEVE and ΔNII

SuMi TRUST Bank measures and manages the market risk amount by the method described in 3 (5) “Market Risk Management Method.”

With the stress test conducted to complement the limitation of VaR, we are striving to grasp the potential vulnerability by including the portfolio of the entire SuMi TRUST Bank including both banking accounts and trading accounts in the measurement range, reproducing scenarios that give a certain fluctuation (shock) to risk factors or past stress events such as the collapse of Lehman Brothers, or developing a forward looking virtual scenario that takes into consideration the future position and the market situation.

4. Funding Liquidity Risk Management

(1) Definition of Funding Liquidity Risk

The funding liquidity risk refers to “the risk that the SuMi TRUST Group may incur losses in a situation where it becomes impossible to secure necessary funds or becomes obligatory to raise funds at interest rates significantly higher than usual.”

(2) Characteristics of Funding Liquidity Risk

The main risk in the funding liquidity risk of the SuMi TRUST Group is deterioration of foreign currency funding when assuming downgrades of Japan and/or Japanese financial institutions. Sumitomo Mitsui Trust Bank, Limited, which is the core bank of the SuMi TRUST Group, has developed medium- to long-term procurement policies according to each currency's characteristics such as the status of assets/liabilities and market liquidity, and is striving to operate stable foreign currency financing that can withstand the market disruptions and cash outflows in the past.

(3) Funding Liquidity Risk Management Policy

In managing funding liquidity risk, based on the full recognition that risk materialization may directly lead to the bankruptcy of the SuMi TRUST Group, our basic policy is to implement proper funding liquidity risk management with two pillars: 1) “to pursue the balance between funding cost and stability” by various means of procurement, and 2) “emergency preparedness” by verifying procurement capability and countermeasures under the stress environment in advance.

Based on the compliance with international standards on bank capital and liquidity (Basel III, etc.), we will continue to promote the advancement of funding liquidity risk management systems.

(4) Funding Liquidity Risk Management System

The funding liquidity risk management systems are the same framework as 3 (4) “Market Risk Management System.”

(5) Funding Liquidity Risk Management Method

As the indicator of funding liquidity risk management, the ALM basic plan specifies the limits for the funding liquidity mismatch amount* for each company, office and currency as well as the responses at the time of limit conflict. The compliance status is also monitored on a daily basis. In addition, stress tests are performed based on multiple scenarios such as sudden changes in the market environment and changes in the procurement environment specific to the SuMi TRUST Group to grasp the amount of funds needed when funding liquidity risk materializes.

As countermeasures for the materialization of funding liquidity risk, a financing phase (peacetime, presage time, concern time, crisis time) is established according to tightness of the financing situation. Qualitative/quantitative events that may affect financing are monitored from peacetime as crisis management indicators, and a contingency plan is developed as countermeasures against the crisis. Regarding the contingency plan, the adequacy of the financing amount at the time of materialization of funding liquidity risk is verified by stress tests to ensure feasibility through periodic training.

* Funding liquidity mismatch amount: the amount of funds needed on a daily basis to cover the final figure of the settlement account for each currency.

5. Operational Risk Management

(1) Definition of Operational Risk

Operational risk refers to the risk that the Sumitomo Mitsui Trust Group (the “SuMi TRUST Group”) may incur losses resulting from inappropriate business processes, the activities of executives or employees and computer systems as well as from external events. The SuMi TRUST Group classifies operation risk into business processing risk, system risk, information security risk, legal and compliance risk, human resource risk, event risk and reputational risk for the purpose of risk management.

(2) Characteristics of Operational Risk

Major risks related to the SuMi TRUST Group's operational risk are cyber attacks, delay in system development and increases in development costs, along with the risks associated with ineffective anti-money laundering and terrorist financing measures.

Our business operations are exposed to the risk of being adversely affected by cyber attacks (such as ransomware attacks and DDoS attacks*), resulting in suspension of services, leakage of information, destruction and alteration of data, etc. The SuMi TRUST Group recognizes cyber security measures as one of the critical management priorities, and formulated the “Cyber Security Management Declaration,” thereby promoting security enhancing measures under the initiative of the management.

* DDoS attack: Distributed Denial of Service attack; an attempt to render services unavailable by imposing high processing load on a target computer from multiple machines.

Furthermore, the SuMi TRUST Group's business performance may be adversely influenced by various factors, including costs arising from postponed system releases due to delay in progress with system development projects and maintenance of alternative systems, and additional costs incurred for development employee allowances as a result of increases in development costs. The SuMi TRUST Group strives to diminish and mitigate risks through monitoring of

development status by related departments, such as risk management-related departments.

Moreover, we are exposed to the risks of being subjected to an administrative disposition including business suspension order or huge fine, or to a bad reputation resulting from ineffective anti-money laundering and terrorist financing measures. The SuMi TRUST Group strives to diminish and mitigate risks through a risk-based approach by enhancing measures for eliminating money laundering, etc., based on gap analysis benchmarking against the regulatory requirements (including those overseas), and the clarification of the challenges to be addressed.

(3) Operational Risk Management Policy

Upon building an operational risk management system, the SuMi TRUST Group recognizes operational risk to be an inevitable risk incidental to business execution, implements proper risk management according to the scale and characteristics of operations and risks, and ensures business soundness and appropriateness.

In preparation for enhancement of the SuMi TRUST Group's operations, and products and services that the SuMi TRUST Group provides, and development of new risks following changes in social and economic environments, such as advancement of information technology and diversifying needs, we will further enhance our operational risk management system.

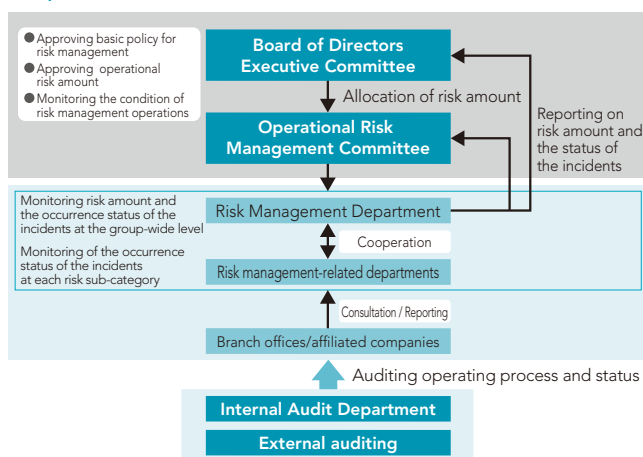
(4) Operational Risk Management System

The SuMi TRUST Group is striving to create a system related to operational risk management of each Group company based on the basic policy on operational risk management of the entire Group.

At Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank"), which is the core bank of the SuMi TRUST Group, policies related to the operational risk management system and other important matters, such as "the risk management plan (operational risk)," are planned and proposed at the Operational Risk Management Committee and the Executive Committee, and resolved (approved) by the Board of Directors.

Based on such policies, we have established a department in charge of comprehensive operational risk management, and risk management-related departments for each sub-category of operational risk. The Risk Management Department, the department in charge of comprehensive operational risk management, is working on creation and enhancement of the operational risk management system in cooperation with each risk management-related department.

• Operational Risk Management System



(5) Operational Risk Management Method

Operational risks involved in all areas of the SuMi TRUST Group's business, including outsourced business, are subject to operational risk management, which adequately identifies and assesses risk from both qualitative and quantitative perspectives. Meanwhile, preventative measures against risk materialization, as well as responses in the event of materialization, causal analysis and measures to prevent recurrence are developed to mitigate operational risk.

SuMi TRUST Bank has defined any cases, in which a client or we have incurred losses as a result of inappropriate business procedures in the course of operations by employees and officers, as an operational incident or a minor incident (hereinafter "operational incident, etc."), and has established a system of reporting and managing operational incidents, etc. in an effort to properly deal with such operational incidents, etc. upon their occurrence, prevent and reduce recurrence, and improve the quality of business processing.

Any operational incident, etc. will be reported upon its occurrence in a timely manner to the business supervision departments, risk management-related departments, and the Risk Management Department through registration to the reporting system by the department that caused operational incidents, etc. Furthermore, according to the impact of a relevant case, such as the scope of influence and the amount of loss, the operational incident, etc. will be reported to the Operational Risk Management Subcommittee, the Operational Risk Management Committee, the Executive Committee, and any other related committees. The department in which the incident, etc. has occurred will take proper and expeditious action toward clients involved in accordance with the instructions by the business supervision department and other related departments, examine and analyze the causes of the incident, etc., and discuss, plan, and implement measures to prevent recurrence.

As for periodical analysis, the business supervision departments regularly analyze the occurrence tendency of operational incidents, etc. taking place in each business and their causes, and develop measures to prevent recurrence that are deemed effective for the business in general. In addition, risk management-related departments and the Risk Management Department develop and review effective measures to prevent recurrence from group-wide and cross-sectional perspectives.

(6) Risk Management for Each Sub-category

1) Business Processing Risk Management

Business processing risk refers to the risk that the SuMi TRUST Group may incur losses due to inappropriate business procedures arising from executives or employees neglecting to engage in proper business activities, or other incidents such as accidents or fraud. Engaging in a broad range of businesses including banking, asset management, asset administration (including trust business) and real estate, the SuMi TRUST Group recognizes that business processing risk is something unavoidable in the course of business execution. The SuMi TRUST Group is processing risk management in accordance with the scale and characteristics of business operations and risk so as to ensure peace of mind and satisfaction for its clients.

In SuMi TRUST Bank, the IT & Business Process Planning Department, which is responsible for comprehensive management of business processing risk, comprehensively reviews inter-business issues concerning business processing risk and business process streamlining, and develops a system for ensuring the effectiveness of SuMi TRUST Bank's business processing risk management from a company-wide viewpoint. Meanwhile, we have established a department to oversee and provide guidance to business processing operations at each business, which reviews policies set out in each business and provides guidance and training on general business processing to the head office departments and the business offices. Furthermore, SuMi TRUST Bank developed a risk management plan that incorporated the goals for business processing risk management and it has implemented activities to mitigate business processing risk, including documentation of business processing, exhaustive checks for clerical errors and associated analysis, development of remedial measures and cautioning based on the macro analysis of clerical errors, outsourcing management, and self-inspection.

2) System Risk Management

System risk refers to the risk that the SuMi TRUST Group may incur losses due to such reasons as computer system

failure, malfunctions and defects, as well as the risk that the SuMi TRUST Group may incur losses due to unauthorized use of computers. Since computer systems are vital for the SuMi TRUST Group to carry out its business operations, it recognizes that system risk is a serious risk with potential impacts on a wide range of clients, which may cause disrepute to the Group. Therefore, the SuMi TRUST Group is conducting adequate system risk management in accordance with the importance, nature and operational function of each system. In SuMi TRUST Bank, the IT & Business Process Planning Department, which is responsible for system risk management, strives to mitigate system risk, through measures to prevent system risk from materializing, adequate response and causal analysis of the risk when materialized, and development of measures to prevent recurrence.

Moreover, SuMi TRUST Bank enhances the credibility of hardware and software as well as system operation, through measures including maintenance of hardware, securing of spare/alternate functions, back-up in place and preparation of manuals. In addition to above, measures for ensuring security of the information system and preventing illegal access and use by insider or through cyber or other attacks are also in place. Meanwhile, in order to minimize the impact of failure or disaster on the information system and to ensure early recovery and business continuity, we have in place a clarified communication and response system, manuals describing alternate measures and recovery procedures, along with the implementation of education and training on operations.

3) Information Security Risk Management

Information security risk refers to the risk that the SuMi TRUST Group may incur losses because information assets are not properly maintained or managed. This includes information leaks, incorrect information, an inability to use the information system and misuse of information. Since the information asset is one of the critical management resources involving the risk that could disrupt the basis of management, the SuMi TRUST Group adequately maintains and manages all information assets under its care.

In SuMi TRUST Bank, the IT & Business Process Planning Department, which is responsible for information security risk management, is committed to developing and enhancing an information security risk management system.

SuMi TRUST Bank places degrees of importance on all information assets under its care according to the impact of potential losses that SuMi TRUST Bank and clients may incur in the event of their leaks, loss or alteration. Methods and procedures for acquisition, use, management, safekeeping, internal communication, external use and disposal of information assets are set out according to the degrees of impor-

tance, for the effective implementation of security measures.

Meanwhile, we, as a business operator handling personal information and in charge of affairs using the individual number and affairs related to the individual number, adequately manage personal information, individual number and specific personal information (individual number and specific personal information, hereinafter referred to as "Specific Personal Information") in compliance with the Act on the Protection of Personal Information, the Act on the Use of Numbers to Identify a Specific Individual in the Administrative Procedure and guidelines set forth by government agencies, in addition to other standards. In addition, we have announced the "Declaration for the Protection of Personal Information" in an extensive effort to protect the personal information and Specific Personal Information of our clients and shareholders.

SuMi TRUST Bank is providing education and information to raise awareness of the information security risk management on a company-wide basis. Furthermore, the adequacy and effectiveness of the personal information management system are verified and ensured through self-inspection and internal audits.

4) Risk Management of Other Sub-categories

Regarding legal and compliance risk management, we not only are promoting compliance by setting compliance standards that employees and officers should follow and fostering their awareness of compliance, but also examine the consistency and compliance concerning company regulations and other rules, and the legality and suitability of transactions and business procedures from the legal perspective (legal checks). Furthermore, with regard to risks (conduct risk) that the SuMi TRUST Group may incur losses due to a variety of trouble and complaints arising in the course of business execution because products and services that the SuMi TRUST Group provides do not match clients' true profit and expectations, and risks attributed to any acts that have adverse influence and go against the SuMi TRUST Group's expected obligations to ensure soundness of the financial market and valid competitive environments, we are forging ahead with the establishment of a system for preventing such risks and dealing properly with them when they materialize.

In order to manage human resource risk, we have been poised to handle issues related to personnel and labor management, such as unequal or unfair management of personnel and harassment, through a multitude of approaches, including internal training and education, interviews, and establishment of consultation desk.

As event risk management, in an effort to tackle natural disasters, the spread of infectious diseases, occurrence of fire, crimes, or traffic accidents that may impair business, we have adopted various steps, including measures to avert disaster in case that disaster strikes, preventive measures, such as disaster prevention, protection against crimes, and safe driving management, and establishment of a business continuity management system.

For managing reputational risk, we are striving to prevent any harmful reputation and rumor from growing by detecting mass media reports and online posting that may damage the SuMi TRUST Group's reputations, and have set up a system of dealing with clients and making external announcements in a timely and proper manner in response to negative reputations or rumors, if any.

(7) Compliance with Capital Regulatory Standards

1) Calculation of Operational Risk Equivalent Amount

Since the end of March 2014, the SuMi TRUST Group has adopted the Advanced Measurement Approach in lieu of the Standardised Approach, which was used previously, in the calculation of the operational risk equivalent amount under capital adequacy requirements.

Exceptionally, we adopt the Basic Indicator Approach for a portion of the corporations deemed less important in the calculation of the operational risk equivalent amount and corporations that are in preparation for the adoption of the Advanced Measurement Approach.

2) Outline of the Advanced Measurement Approach

A. Measurement Framework

The SuMi TRUST Group calculates the operational risk equivalent amount by aggregating "each maximum loss amounts of operational risk expected over a period of one year, with 99.9% one-sided confidence interval (hereinafter "VaR")," for each of the nine quantification units (all business sections, corporate management sections and earthquakes) that are based on the consistency between management regarding operational incidents and profit management.

The operational risk equivalent amount is calculated using the four elements that are required for the adoption of the Advanced Measurement Approach, i.e. internal loss data, external loss data, business environment and the internal control status, and scenario analysis, as well as the quantification model. The results of the calculation are utilized in activities to enhance operational risk management, including the deliberation of measures to improve the internal control status.

• Overview of 4 Elements of Scenario Analysis

Element	Details
Internal loss data	Information on operational risk losses arising inside the SuMi TRUST Group
External loss data	Information on operational risk losses collected from the outside of the SuMi TRUST Group
Business environment and internal control status	An element affecting operational risk and relating to the business environment and internal control status of the SuMi TRUST Group
Scenario analysis	An estimation method based on expert knowledge and experience, and information on operational risk, regarding the amount and frequency of serious operational risk losses

Additionally, in the calculation of the operational risk equivalent amount, we do not reflect the mitigating effects of insurance, and do not exclude expected loss or conduct adjustments based on the correlation between the quantification units.

B. Scenario Analysis

In order to accurately understand the SuMi TRUST Group's risk profile, we identify events involving a large amount of losses associated with operational risk that cannot be covered by internal loss data alone when we conduct scenario

analysis. We also construct scenario data that estimate loss amount and probability of such events.

The evaluation results of elements including the business environment and the internal control status are reflected in the subjects to the construction of scenario data, and the estimation of loss amount and frequency.

In addition, we ensure the objectivity, accuracy and completeness of the constructed scenario data by conducting verification using both internal loss data and external loss data.

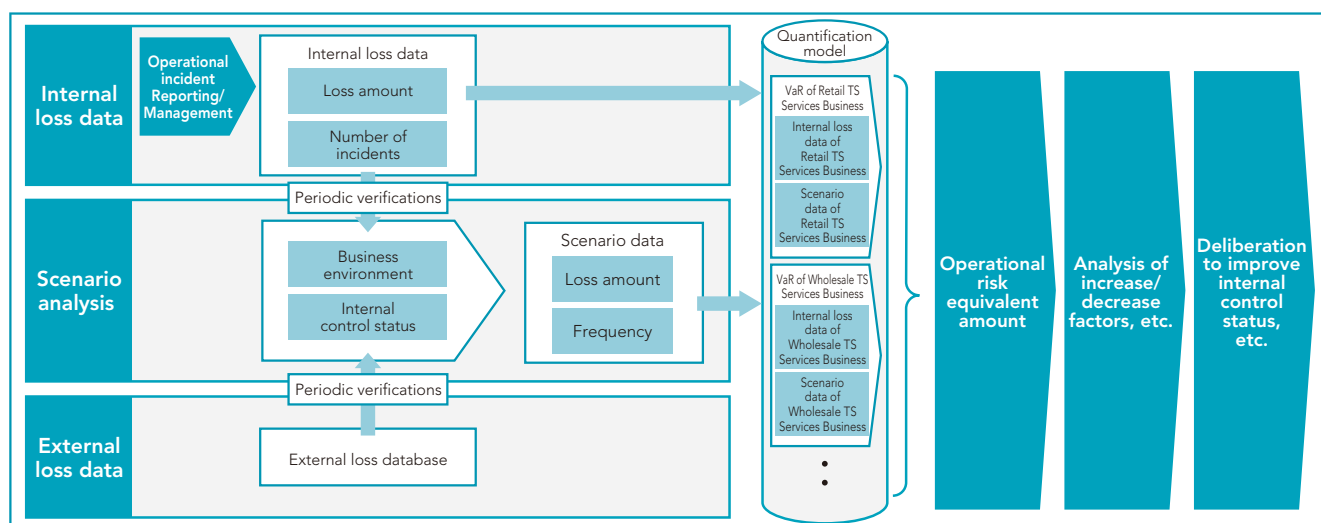
C. Measurement Model for Operational Risk Amount

The VaR of each measurement unit is calculated by plotting frequency distributions and severity distribution based on the internal loss data and the scenario data prepared through the scenario analysis, and expressed through Monte Carlo Simulation that mixes such distributions and estimates the total severity distribution.

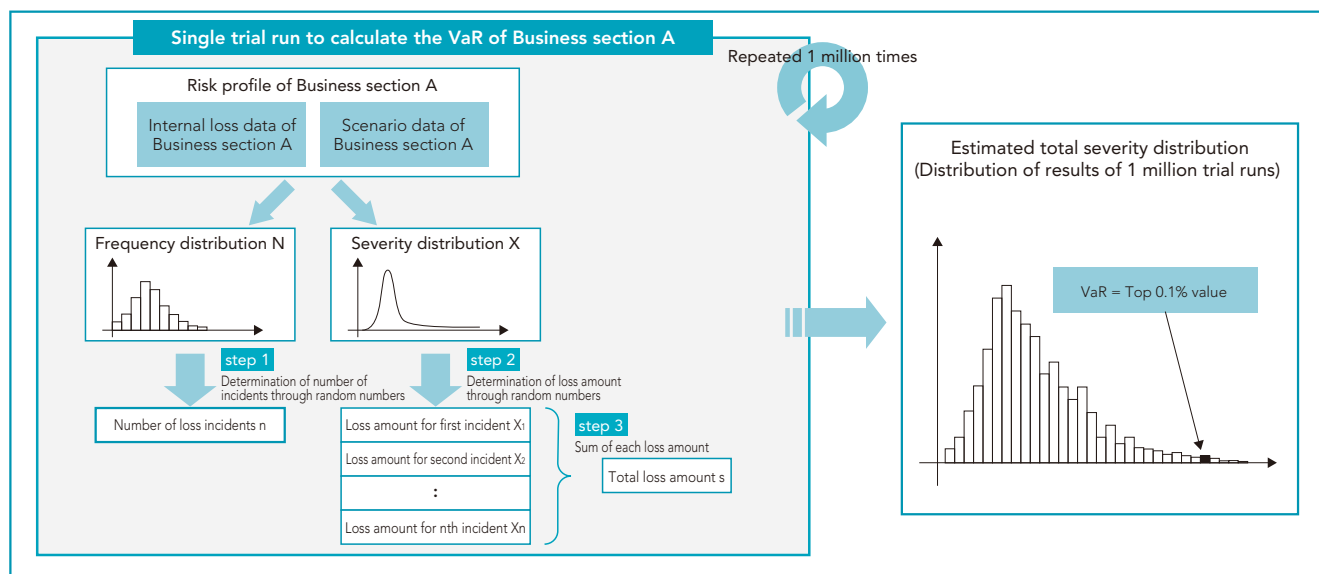
The Poisson distribution has been applied to the frequency distribution, and our own distribution method has been applied to severity distribution in order to grasp the amount of tail risk.

We confirm the appropriateness of the quantification model and the results of the VaR calculations by conducting periodic verifications such as backtestings.

• Outline of the Quantification Framework



• Outline of Quantification Model



6. Other Matters

(1) Credit Risk Mitigation Techniques

1) Implementation of Credit Risk Mitigation Techniques

Controls of credit exposures can be achieved not simply by reducing the balance of outstanding credit but also by seeking to loan protection via collateral and guarantees. These protection measures are collectively called “credit risk mitigation techniques.”

While we measure the creditworthiness of clients comprehensively by looking at their business status and technological capabilities as well as their future potential, we also employ the credit risk mitigation techniques in order to cover deficiencies in creditworthiness or enhance the quality of loans.

In doing this, it is necessary for the credit risk mitigation techniques to be “valid” both legally and practically. In order to ensure that validity, we set internal standards for sound and reliable protection and management.

At that time, we uniformly manage information of collateral and guarantees through a system.

2) Details of Collateral Evaluation and Management

As a uniform decision on acceptance of collateral and guarantees cannot be made due to individual circumstances, such as creditworthiness of obligors, we determine whether or not to accept collateral or guarantees by taking into consideration various factors, including the compatibility with the purpose of use and characteristics of loans and bills discounted, collateral value, the guarantor’s capability for performance of guarantee, and legal validity.

As the ultimate purpose of collateral is to acquire monetary value through conversion into cash of a relevant property, we have defined requirements for accepting collateral that 1) collateral value is acknowledged, 2) foreclosure sale of a relevant property is easy, and 3) it is easy to obtain and manage collateral.

Financial assets such as term deposits and securities, and real estate have accounted largely for the collateral that the SuMi TRUST Group has accepted. As a general rule, we evaluate collateral of real estate, and other similar property at least once a year, and other collateral with fair value, such as securities, on a regular basis.

Guarantees are classified into several categories, such as specific debt guarantee that guarantees only specific debts, and revolving guarantee. The forms of providing guarantees also vary, including the official contract for guarantees, letter of indemnity on guarantee, and commitment to guarantee. Regardless of the category and form of guarantee, the SuMi TRUST Group places emphasis on substantial effectiveness of guarantees by confirming the guarantor’s capacity and intention of guarantee. The guarantees that the SuMi TRUST Group has accepted have been made up greatly of cases in which parent companies guarantee debts of their respective subsidiaries in corporate credit transactions. We regularly check the guarantor’s intention of guarantee.

3) Compliance with Capital Regulatory Standards

The capital regulatory standards specify types and requirements regarding credit risk mitigation techniques that can decrease risk-weighted assets according to the calcula-

tion of credit risk-weighted assets in a limited manner. The SuMi TRUST Group has defined the scope of the credit risk mitigation techniques that can be applied to calculation of a capital adequacy ratio depending on risk-weighted assets measurement approaches after closely examining the eligibility for the requirements.

With regard to assets to which the Advanced Internal Ratings-Based Approach (AIRB) is applied, we consider the collateral effect through the Loss Given Default (LGD). We have adopted the credit risk mitigation techniques for assets to which the Foundational Internal Ratings-Based Approach (FIRB) is applied, and the details are as follows:

• Overview of Credit Risk Mitigation Techniques (CRM)

CRM techniques	Major requirements
Offsetting of loans and bills discounted against deposits in our banks (netting)*	<ul style="list-style-type: none"> • Term deposits • A valid banking transaction contract, or any other effective agreement, with a statement about timely offsetting has been concluded.
Guarantees and credit derivatives	<ul style="list-style-type: none"> • The creditworthiness of the guarantor (the party providing protection) is greater than that of the obligor. • The contract has been concluded in writing and does not include any provision that disturbs performance of guarantee (offering of protection).
Eligible collateral	
Eligible financial collateral (deposits in our banks, stocks, and debt securities)	<ul style="list-style-type: none"> • Establishment of security rights (such as the right of pledge) • Any special agreement that restricts exercise of security rights has not been concluded.
Eligible real estate collateral (real estate, foundations)	<ul style="list-style-type: none"> • Register of settlement of mortgage (definitive/provisional registration) • Any special agreement that restricts exercise of security rights has not been concluded. • Investigation of soil pollution has been completed, or the impact of soil pollution has been taken into consideration in evaluation.
Other eligible asset collateral (ships, aircrafts)	<ul style="list-style-type: none"> • Establishment of security rights (definitive/provisional registration; with security rights being set as the first right) • Any special agreement that restricts exercise of security rights has not been concluded.

* In the fiscal year ended March 2020, we employed netting only for assets to which the Foundation Internal Ratings-Based Approach was applied.

4) Concentration of Credit and Market Risks Following the Adoption of Credit Risk Mitigation Techniques

Guarantees and credit derivatives have been considered as approaches involving risk concentration.

In the SuMi TRUST Group, although guarantees on obligors are offered by their respective parent companies in many cases, this is not always significantly inclined for specific guarantors. Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank"), which is the core bank of the SuMi TRUST Group monitors and manages concentration risks for the entire corporate group, with guarantees taken into consideration.

The notional principal of the protection of the credit derivatives that SuMi TRUST Bank has purchased is not noteworthy enough to be defined as risk concentration. It is managed by being included in the credit limit amount of the provider of protection.

(2) Credit Risk for the Other Party of Derivatives Transactions and Repo Transactions (Counterparty Credit Risk)

1) Risk Characteristics

Counterparty credit risk ("CCR") is a risk that the SuMi TRUST Group may incur loss due to nonfulfillment of a contract when a counterparty, the other party of a transaction, such as a derivatives transaction, has gone bankrupt. The

SuMi TRUST Group has conducted various derivatives transactions (such as the interest rate swap transaction) with financial institutions.

2) Risk Management Policy

A. Management of Counterparty Credit Risk Exposures

With regard to CCR, the SuMi TRUST Group has set a credit line for clients, such as financial institutions, for each type of market-based transactions and manage CCR exposures. We have managed credit concentration risk of each client by setting a credit limit amount in the same manner as for corporates and adding up credit transactions for loans, etc. and market-based transactions. Furthermore, in the same manner as other exposures, we allocate capital to each business and monitor the usage status.

B. Credit Risk Mitigation Techniques and Collateral Management

As a general rule, SuMi TRUST Bank, the core bank of the Group, reduces credit risk by entering into legally valid bilateral netting contracts (such as an ISDA Master Agreement) with clients when conducting derivatives and repo transactions. Furthermore, with the aim of minimizing credit risk at the time of conducting derivatives transactions, SuMi TRUST Bank is promoting the conclusion of a Credit Support Annex (CSA) as a supplementary contract of the ISDA Master

Agreement. A CSA is a bilateral agreement that supplements credit through a pledge of collateral corresponding to the amount of unrealized loss by the party holding unrealized loss to the other party with unrealized gain based on calculation of the present value of derivatives transactions, etc. or other similar items between SuMi TRUST Bank and the counterparty with which SuMi TRUST Bank has concluded the CSA.

The SuMi TRUST Group transfers collateral on a continuous basis with the counterparty with which we have entered into a CSA so that unrealized gains and losses become neutral. However, we will be required to offer additional collateral when the creditworthiness of either party has deteriorated and the party's rating has dropped, with the impacts of such deterioration taken into consideration. The amount of additional collateral varies depending on the details of the contract concluded with each company.

C. Management of Wrong-way Risk

Wrong-way risk is risk of losses expanding through the synergistic effect of any adverse correlation between the derivatives exposures transaction and the creditworthiness of the other party of the transaction (the counterparty). Currently, the SuMi TRUST Group manages this risk by mitigating credit risk through conclusion of CSAs, and grasping CCR in a timely and proper manner.

D. Impact of Deteriorated Creditworthiness of Our Banks

As specified in B. above, the SuMi TRUST Group has regularly transferred collateral with counterparties in derivatives transactions and other similar transactions. In these transactions, we may be required to provide additional collateral to counterparties due to deterioration of our own creditworthiness. However, the proportion of derivatives transactions to the SuMi TRUST Group's overall exposure is currently low, and we have recognized that the impact is limited.

3) Compliance with Capital Regulatory Standards

The SuMi TRUST Group has adopted the "Current Exposure Method" in risk-weighted asset calculation of counterparty credit risk. The approach is one of the methods for calculating the credit equivalent amount of derivatives transactions by adding the add-on (which corresponds to the amount for potential future exposure, and is calculated by multiplying the notional amount by the split based on residual maturity) to the "replacement cost" (as calculated through fair market valuation of transactions).

In accordance with the capital regulatory standards (Basel III) which have been revised with financial crisis taken into consideration, the SuMi TRUST Group calculates risk-weighted

assets for Credit Value Adjustment (CVA) that adjusts exposure when the creditworthiness of counterparty has changed, and for the Central Counterparty (CCP) exposures.

(3) Securitisation Transactions

1) Risk Characteristics

Securitisation transactions are transactions in which, on the back of one or more assets, the credit risk related to the assets is stratified into two or more layers that are in a relationship of a senior-subordinated structure and part or all of the assets are transferred to a third party. Typical examples include Residential Mortgage Backed Securities (RMBS), Commercial Mortgage Backed Securities (CMBS), and Collateralized Loan Obligation (CLO) according to underlying assets, and resecuritised products with securitised products as underlying assets. The method of grasping credit risk differs between the originator (the party that composes products) and an investor (the party that purchases products) in securitisation transactions. When the originator has accepted the subordinated part of assets at the time of product composition, some credit risk will remain. Meanwhile, when the investor has bought a securitised product, credit risk will arise. Furthermore, as securitised products underlie resecuritised products, it will become complicated to grasp risks regarding resecuritised products, and credit risk of resecuritised products may become greater than those of general securitised products.

Although the SuMi TRUST Group engages in activities primarily as the investor, we have yielded business results in product composition as an originator.

2) Risk Management Policy

A. Investor

In principle, the SuMi TRUST Group invests in securitised products, to which high external credit ratings have been assigned, and manages risks by the assignment of credit ratings (structured ratings) based on the internal rating system. During an investment period, we strive to obtain stable earnings opportunities by periodically monitoring not only external credit ratings but also the status and performance of the assets underlying securitised products, and risk characteristics and structure status of securitisation transactions, and then reflecting such status for reviewing credit ratings. The SuMi TRUST Group manages resecuritised products in the same manner.

B. Originator

The SuMi TRUST Group will consider using securitisation transactions, which are originated by the SuMi TRUST Group, according to situations as a method for controlling

portfolios of finance receivables held. When doing so, we will construct transaction content in which an intended transfer of credit risk is made effectively, and properly calculate the part of credit risk-weighted assets that the SuMi TRUST Group bears after implementation of securitisation. As a general rule, while the securitised products originated by the SuMi TRUST Group have been held by investors outside the consolidated holding company group, part of the products have been owned by SBI Sumishin Net Bank, Ltd., one of the SuMi TRUST Group's affiliates.

3) Risk Management Method

We measure credit risk amount of securitisation exposures based on the value of credit risk-weighted assets specified by the capital regulatory standards. In addition, interest rate risk involved in securitisation exposures is subject to measurement of market risk amount.

4) Securitisation transactions of Third Party Assets

With regard to securitisation transactions of assets purchased from third parties, the SuMi TRUST Group has engaged in liquidation of receivables mainly by buying multiple receivables, such as accounts receivables and bills of credit, via specific purpose companies (SPCs), and provides Asset Based Lending (ABL) to SPCs and sets up backup lines for Asset Backed Commercial Papers (ABCPs) issued by SPCs. In addition, SuMi TRUST Bank has conducted proper management of underlying assets for investors.

In the SuMi TRUST Group, securitisation conduits, such as SPCs and trust as follows, conduct securitisation transactions of third party assets. We have never offered securitisation conduits credit supplementation not stipulated in respective contracts.

Name of securitisation conduit	Whether to be included in the consolidation scope* according to calculation of the capital adequacy ratio	Whether or not securitisation exposure is held
Vector Asset Funding Corporation	Included	Not held
Nexus Asset Funding Corporation	Included	Held
Fresco Asset Funding Corporation	Included	Held
Creceer Asset Funding Corporation	Included	Held
RBA Asset Funding Corporation	Not included	Not held
Sumitomo Mitsui Trust Bank, Limited (Trust account)	Not included	Held

* The consolidation scope according to calculation of the capital adequacy ratio of SuMi TRUST Holdings and SuMi TRUST Bank.

5) Accounting Policy

When conducting securitisation transactions, as a general rule, the SuMi TRUST Group adopts a selling process that results in derecognition of financial assets through the transfer of the control over contractual rights to the financial assets to another party in accordance with "Accounting Standards for Financial Instruments" (Accounting Standards Board of Japan (ASBJ) Statement No. 10). For instance, in the case of finance receivables, in principle, assets are derecognized upon legal completion of transfer of the assets and receipt of consideration for the transfer; however, in the event that we hold retained interests after conducting securitisation transactions, the SuMi TRUST Group does not recognize sales of the assets corresponding to the retained interests, and renders it subject to measurement of credit risk-weighted assets. Meanwhile, regarding transactions in which a considerable degree of credit is offered without prior payment of capital, the SuMi TRUST Group will employ a financial process of posting raised capital as a liability. In addition, when we possess assets for the purpose of securitisation transactions, the SuMi TRUST Group evaluates the assets in accordance with "Accounting Standards for Financial Instruments" and records them in the banking account.

6) Compliance with Capital Regulatory Standards

With regard to calculation of credit risk-weighted assets for securitisation exposures, we have prioritized calculation methods, and selected from applicable calculation methods on which the highest priority has been placed. First of all, if it is possible to grasp the required capital ratio of the underlying assets as calculated by using the Internal Ratings-Based Approach, we use the "Securitisation Internal Ratings-Based Approach" to calculate the risk weight. Then, if it is difficult to apply the "Securitisation Internal Ratings-Based Approach," we calculate the risk weight of securitisation exposures to which eligible external ratings has been assigned by applying the "Securitisation External Ratings-Based Approach." Then, if it is difficult to apply either of the aforementioned two approaches, and that it is possible to grasp the required capital ratio of the underlying assets as calculated by using the Standardised Approach, we use the "Securitisation Standardised Approach" to calculate the risk weight. If it is impossible to apply any of the aforementioned approaches, we apply 1,250% risk weight. In the case of resecuritisation products, we use the "Standardised Approach-Based Approach" or apply 1,250% risk weight.

The eligible rating agencies used for calculating the value of credit risk-weighted assets based on the "Rating-Based Approach" include 5 companies, which are Rating and Investment Information, Inc. (R&I), Japan Credit Rating

Agency, Ltd. (JCR), Moody's Investors Service, Inc. (Moody's), S&P Global Ratings (S&P), and Fitch Ratings, Inc., (Fitch).

While the SuMi TRUST Group essentially has rendered securitisation exposure subject to calculation of credit risk-weighted assets, we use the "Standardised Approach" for calculating market risk equivalent amount.

(4) Capital Subscriptions and Other Similar Exposures or Equity Exposures

1) Risk Characteristics

As part of capital subscription business, the SuMi TRUST Group has strategically made equity investments in the banking accounts and held stocks with the aim of investing in organizations expected to bring benefits to the SuMi TRUST Group and cementing relationships with clients (strategic shareholdings). Stocks are characterized as involving the risk of fluctuation in their prices (market risk) as well as the risk that the issuers may become in default (credit risk).

Equity investment is aimed to pursue medium-term risk return, being exposed to the risk of fluctuation in cash flows, such as dividend distribution, and the risk that the Net Asset Value of the subscriber's share on the capital may fluctuate.

The purpose of strategic shareholdings is to obtain earnings incidental to long-term transaction relationships while taking into consideration the corporate governance code and other factors. Listed shares with market prices are subject to fair market valuation and are exposed to a risk of fluctuation in their market prices. Unlisted shares are also exposed to a risk that their estimated value may decline.

2) Risk Management Policy

We properly manage stocks held in the banking accounts, by taking into consideration profitability, within a scope of a certain risk amount through a framework of credit risk and market risk management according to the purpose of holding the stocks and risk characteristics.

For equity investments, etc., we make every effort to limit risk by scrutinizing transactions, taking into account market conditions and the investment performance of the portfolio manager.

In addition, as for strategic shareholdings, while making continuing effort to reduce the balance, we are flexibly conducting hedging operations with the aim of lessening the risk of price fluctuation of the stocks that we have held.

3) Risk Management Method

Concerning the stocks held in the category of "available-for-sale securities," we measure risk according to whether or not there is a market price. We recognize a risk of price fluctuation for the stocks with market price and measure the

stock VaR with the estimated holding period (a time horizon) set as one year and the 99% one-sided confidence interval for each side in a similar way to other market risk of the banking accounts such as interest rate risk. Meanwhile, regarding unlisted shares without market prices, as it is not possible to directly observe price fluctuation, we measure the risk amount with the holding period of one year while using an approach for indirectly estimating the volatility by selecting an appropriate alternate index, and a reference to the Supervisory Formula Approach specified by the capital regulatory standards, depending on situations.

Concerning "Shares of Subsidiaries," we have rendered the assets and liabilities held by a relevant subsidiary subject to direct risk management. Furthermore, as for "Shares of Affiliated Companies," fluctuations in the value of our interest in relevant affiliated companies due to equity in losses or earnings are subject to risk management.

4) Accounting Policy

As of the end of March 2020, with regard to the securities stated in the SuMi TRUST Group's consolidated financial statements, equity securities issued by unconsolidated subsidiaries and affiliated companies not accounted for by the equity method are valued using the "moving-average cost," and securities classified as available-for-sale securities are in principle valued using the "fair value based on the market price, etc., on the consolidated balance sheet date (cost of securities sold is calculated using primarily the moving-average method)." However, "available-for-sale securities" for which their fair values are extremely difficult to be determined 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 consolidated balance sheets.

5) Compliance with Capital Regulatory Standards

We measure the required capital of credit risk with an approach applied according to whether relevant equities are Japanese or Non-Japanese, and whether or not relevant equities are listed. Japanese equities are measured based on the Supervisory Formula Approach using the credit ratings assigned to relevant issuers.

Furthermore, we apply the Simple Risk-weight Method (Market-Based Approach) that multiplies the risk weight determined according to whether the equities are listed or not, in order to measure any Japanese equities without credit ratings, and Non-Japanese equities. The market risk amount is measured using VaR as a scale. For more details, please refer to "(5) Market Risk Management Method" of "3. Market Risk Management."

Basel III Disclosure Data

Sumitomo Mitsui Trust Holdings, Inc.

This section outlines and discloses matters to be stated in explanatory documents relating to the fiscal year, separately stipulated by the Commissioner of the Financial Services Agency (Notification No.7 of Financial Services Agency, 2014) with regard to the status of capital adequacy, as set forth in Article 19-2, Paragraph 1, Item 5-(d) of the Ordinance for Enforcement of the Banking Act (Ministry of Finance Ordinance No.10, 1982), as well as separately stipulated by the Commissioner of the Financial Services Agency (Notification No.7 of Financial Services Agency, 2015) with regard to the status of management soundness relating to liquidity, as set forth in Article 19-2, Paragraph 1, Item 5-(e) of the Ordinance for Enforcement of the Banking Act.

[Quantitative Disclosure Data: SuMi TRUST Holdings]

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Quantitative Disclosure Data:

Sumitomo Mitsui Trust Holdings, Inc.

KM1: Key Metrics

Consolidated

KM1 Basel III Template No.		Millions of Yen, %				
		a	b	c	d	e
		March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	¥ 2,404,831	¥ 2,468,174	¥ 2,452,519	¥ 2,423,767	¥ 2,412,110
2	Tier 1	2,758,167	2,820,867	2,805,439	2,817,576	2,806,512
3	Total capital	3,283,105	3,341,856	3,328,099	3,351,100	3,320,139
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	19,053,967	19,770,298	19,010,206	19,336,412	19,790,115
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio	12.62%	12.48%	12.90%	12.53%	12.18%
6	Tier 1 ratio	14.47%	14.26%	14.75%	14.57%	14.18%
7	Total capital ratio	17.23%	16.90%	17.50%	17.33%	16.77%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement	0.00%	0.02%	0.02%	0.03%	0.03%
10	Bank G-SIB and/or D-SIB additional requirements	0.50%	0.50%	0.50%	0.50%	0.50%
11	Total of bank CET1 specific buffer requirements	3.00%	3.02%	3.02%	3.03%	3.03%
12	CET1 available after meeting the bank's minimum capital requirements	8.12%	7.98%	8.40%	8.03%	7.68%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	59,325,377	58,132,689	60,114,680	59,077,414	60,009,211
14	Basel III leverage ratio	4.64%	4.85%	4.66%	4.76%	4.67%

KM1		Millions of Yen, %				
Basel III Template No.		Fiscal Year 2019 4th Quarter	Fiscal Year 2019 3rd Quarter	Fiscal Year 2019 2nd Quarter	Fiscal Year 2019 1st Quarter	Fiscal Year 2018 4th Quarter
Liquidity Coverage Ratio (LCR)						
15	Total HQLA allowed to be included in the calculation	¥ 14,412,361	¥ 15,227,585	¥ 15,446,412	¥ 15,297,151	¥ 15,231,564
16	Net cash outflows	11,150,192	11,856,662	11,469,926	12,470,590	11,951,199
17	Consolidated LCR	129.2%	128.4%	134.6%	122.6%	127.4%

Note: Month-end data used for some items instead of daily data to calculate figures prior to 2Q FY2019.

Capital Adequacy Ratio

Consolidated

We calculate the consolidated BIS capital adequacy ratio in line with provisions of Article 52-25 of the Banking Act and on the basis of calculation formula prescribed under the criteria for judging whether a bank holding company and its subsidiaries' capital adequacy ratios are appropriate in light of assets held (the Financial Services Agency 2006 Notification No. 20, hereinafter referred to as the "FSA Bank Holding Company Capital Adequacy Notification").

As of the end of March 2020, we used the Advanced Internal Ratings-Based (IRB) Approach for the calculation of credit risk-weighted assets, the Advanced Measurement Approach for the calculation of operational risk, and market risk regulations.

Scope of Consolidation

Consolidated

(1) There is no difference between companies belonging to the group of companies subject to the consolidated BIS capital adequacy ratio as prescribed by the FSA Bank Holding Company Capital Adequacy Notification, Article 3 (hereinafter referred to as the "SuMi TRUST Holdings Group") and the companies included in the scope of accounting consolidation.

(2) The number of consolidated subsidiaries that belong to the SuMi TRUST Holdings Group is 62. The principal company is the following.

Name	Principal Business Operations
Sumitomo Mitsui Trust Bank, Limited	Trust and Banking Businesses

(3) There is no affiliated company that undertakes financial services subject to the FSA Bank Holding Company Capital Adequacy Notification, Article 9.

(4) There are no particular restrictions etc. on the transfer of funds and capital within the SuMi TRUST Holdings Group.

(5) Of the subsidiaries which are banking, financial and insurance entities that are outside the scope of regulatory consolidation, none failed to meet the regulatory required capital.

Composition of Capital (Consolidated BIS capital adequacy ratio)

Consolidated

CC1: Composition of Capital

CC1 As of March 31		Millions of Yen, %		
Basel III Template No.	Items	a	b	c
		2020	2019	Reference Numbers to Reconciliation with the Balance Sheet
Common Equity Tier 1 Capital: Instruments and Reserves				
1a+2–1c–26	Directly Issued Qualifying Common Share Capital Plus Related Capital Surplus and Retained Earnings	¥ 2,306,255	¥ 2,214,587	
1a	of Which: Capital Stock and Capital Surplus	842,204	906,612	
2	of Which: Retained Earnings	1,495,029	1,387,592	
1c	of Which: Treasury Stock (Deduction)	2,855	51,222	
26	of Which: Earnings to be Distributed (Deduction)	28,122	28,394	
	of Which: Others	—	—	
1b	Subscription Rights to Common Shares	1,057	1,062	
3	Accumulated Other Comprehensive Income	220,889	410,478	(a)
5	Common Share Capital Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Common Equity Tier 1)	—	—	
6	Common Equity Tier 1 Capital: Instruments and Reserves (A)	2,528,201	2,626,128	
Common Equity Tier 1 Capital: Regulatory Adjustments				
8+9	Intangible Assets Other than Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	107,352	130,507	
8	of Which: Goodwill (Including Those Equivalent)	48,532	66,377	
9	of Which: Other Intangible Assets	58,820	64,129	
10	Deferred Tax Assets That Rely on Future Profitability Excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	435	11,969	
11	Deferred Gains or Losses on Derivatives under Hedge Accounting	(45,964)	(31,751)	
12	Shortfall of Eligible Provisions to Expected Losses	—	5,606	
13	Securitisation Gain on Sale	1,122	1,307	
14	Gains and Losses Due to Changes in Own Credit Risk on Fair Valued Liabilities	—	—	
15	Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits) (Net of Related Deferred Tax Liabilities)	60,414	96,379	
16	Investments in Own Shares (Excluding Those Reported in the Net Assets Section)	8	1	
17	Reciprocal Cross-Holdings in Common Equity	—	—	
18	Investments in the Common Stock of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions, Where the Bank Does Not Own More than 10% of the Issued Share Capital (Amount above 10% Threshold)	—	—	
19+20+21	Amount above the 10% Threshold on the Specified Items	—	—	
19	of Which: Significant Investments in the Common Stock of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	—	—	
20	of Which: Mortgage Servicing Rights	—	—	
21	of Which: Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	—	
22	Amount Exceeding the 15% Threshold on the Specified Items	—	—	
23	of Which: Significant Investments in the Common Stock of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	—	—	
24	of Which: Mortgage Servicing Rights	—	—	
25	of Which: Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	—	
27	Regulatory Adjustments Applied to Common Equity Tier 1 Due to Insufficient Additional Tier 1 and Tier 2 to Cover Deductions	—	—	
28	Common Equity Tier 1 Capital: Regulatory Adjustments (B)	123,370	214,018	
Common Equity Tier 1 Capital (CET1)				
29	Common Equity Tier 1 Capital (C) = (A)–(B)	¥ 2,404,831	¥ 2,412,110	

CC1		Millions of Yen, %		
As of March 31		a	b	c
Basel III Template No.	Items	2020	2019	Reference Numbers to Reconciliation with the Balance Sheet
Additional Tier 1 Capital: Instruments				
30	31a Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	¥ —	¥ —	
	31b Subscription Rights to Additional Tier 1 Instruments	—	—	
	32 Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	340,000	340,000	
	Qualifying Additional Tier 1 Instruments Issued by Special Purpose Vehicles	—	—	
	34–35 Additional Tier 1 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Additional Tier 1)	13,336	13,402	
	33+35 Eligible Tier 1 Capital Instruments Subject to Phase out from Additional Tier 1 Capital	—	41,000	
	33 of Which: Directly Issued and Issued by Special Purpose Vehicles	—	41,000	
	35 of Which: Issued by Subsidiaries	—	—	
	36 Additional Tier 1 Capital: Instruments (D)	353,336	394,402	
Additional Tier 1 Capital: Regulatory Adjustments				
37	Investments in Own Additional Tier 1 Instruments	—	—	
38	Reciprocal Cross-Holdings in Additional Tier 1 Instruments	—	—	
39	Investments in the Additional Tier 1 Instruments of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions, Where the Bank Does not Own More than 10% of the Issued Common Share Capital of the Entity (Amount above 10% Threshold)	—	—	
40	Significant Investments in the Additional Tier 1 Instruments of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	—	—	
42	Regulatory Adjustments Applied to Additional Tier 1 Due to Insufficient Tier 2 to Cover Deductions	—	—	
43	Additional Tier 1 Capital: Regulatory Adjustments (E)	—	—	
Additional Tier 1 Capital (AT1)				
44	Additional Tier 1 Capital (F) = (D) – (E)	353,336	394,402	
Tier 1 Capital (T1 = CET1 + AT1)				
45	Tier 1 Capital (G) = (C) + (F)	2,758,167	2,806,512	
Tier 2 Capital: Instruments and Provisions				
46	Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	—	—	
	Subscription Rights to Tier 2 Instruments	—	—	
	Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	306,584	270,000	
	Qualifying Tier 2 Instruments Issued by Special Purpose Vehicles	—	—	
	48–49 Tier 2 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Tier 2)	2,432	2,936	
	47+49 Eligible Tier 2 Capital Instruments Subject to Phase out from Tier 2 Capital	171,581	239,264	
	47 of Which: Directly Issued and Issued by Special Purpose Vehicles	—	—	
	49 of Which: Issued by Subsidiaries	171,581	239,264	
	50 Provisions Allowed in Group Tier 2	45,878	2,965	
	50a of Which: General Allowance for Credit Losses	3,100	2,965	
50b	of Which: Excess Amount of Eligible Provisions to Expected Losses	42,778	—	
51	Tier 2 Capital: Instruments and Provisions (H)	¥ 526,478	¥ 515,167	

CC1	As of March 31		Millions of Yen, %			
Basel III Template No.			Items	a	b	c
				2020	2019	Reference Numbers to Reconciliation with the Balance Sheet
Tier 2 Capital: Regulatory Adjustments						
52	Investments in Own Tier 2 Instruments	¥	—	¥	—	
53	Reciprocal Cross-Holdings in Tier 2 Instruments and Other TLAC Liabilities		—		—	
54	Investments in the Tier 2 Instruments and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions, Where the Bank Does not Own More than 10% of the Issued Common Share Capital of the Entity (Amount above 10% Threshold)		—		—	
55	Significant Investments in the Tier 2 Instruments and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions		1,540		1,540	
57	Tier 2 Capital: Regulatory Adjustments	(I)	1,540		1,540	
Tier 2 Capital (T2)						
58	Tier 2 Capital	(J) = (H) – (I)	524,938		513,627	
Total Capital (TC = T1 + T2)						
59	Total Capital	(K) = (G) + (J)	3,283,105		3,320,139	
Total Risk Weighted Assets						
60	Total Risk Weighted Assets	(L)	19,053,967		19,790,115	
Capital Ratios and Buffers (Consolidated)						
61	Common Equity Tier 1 Capital Ratio	(C)/(L)	12.62%		12.18%	
62	Tier 1 Capital Ratio	(G)/(L)	14.47%		14.18%	
63	Total Capital Ratio	(K)/(L)	17.23%		16.77%	
64	Total of bank CET1 specific buffer requirements		3.00%		3.03%	
65	of Which: Capital conservation buffer requirement		2.50%		2.50%	
66	of Which: Countercyclical buffer requirement		0.00%		0.03%	
67	of Which: Bank G-SIB and/or D-SIB additional requirements		0.50%		0.50%	
68	CET1 available after meeting the bank's minimum capital requirements		8.12%		7.68%	
Regulatory Adjustments (before Risk Weighting)						
72	Investments in the Instruments of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Where the Bank Does not Own More than 10% of the Issued Share Capital (Amount below the Threshold for Deduction)		114,974		133,167	
73	Significant Investments in the Common Stock of Banking, Financial and Insurance Entities (Amount below the Thresholds for Deduction)		152,917		148,502	
74	Mortgage Servicing Rights (Amount below the Thresholds for Deduction)		—		—	
75	Deferred Tax Assets Arising from Temporary Differences (Amount below the Thresholds for Deduction)		13,478		—	
Provisions Included in Tier 2 Capital: Instruments and Provisions						
76	Provisions Eligible for Inclusion in Tier 2 in Respect of Exposures Subject to Standardised Approach (Prior to Applicable of Cap)		3,100		2,965	
77	Cap on Inclusion of Provisions in Tier 2 under Standardised Approach		9,498		9,187	
78	Provisions Eligible for Inclusion in Tier 2 in Respect of Exposures Subject to Internal Ratings-Based Approach (Prior to Applicable of Cap)		42,778		—	
79	Cap on Inclusion of Provisions in Tier 2 under Internal Ratings-Based Approach		91,832		98,714	
Capital Instruments Subject to Phase out Arrangements						
82	Current Cap on Additional Tier 1 Instruments Subject to Phase out Arrangements		109,000		163,500	
83	Amount Excluded from Additional Tier 1 Due to Cap (Excess over Cap after Redemptions and Maturities)		—		—	
84	Current Cap on Tier 2 Instruments Subject to Phase out Arrangements		171,581		257,372	
85	Amount Excluded from Tier 2 Due to Cap (Excess over Cap after Redemptions and Maturities)	¥	17,609	¥	—	

Note: SuMi TRUST Holdings received a certain procedure by KPMG AZSA LLC of the calculation of the consolidated BIS capital adequacy ratio in line with "Practical Guidance on Agreed-Upon Procedures Engagement for Capital Adequacy Ratio and Leverage Ratio Calculation" (Practical Guidance 4465 for Specialized Business of the Japanese Institute of Certified Public Accountants, August 27, 2019).

The certain procedure is not part of the audit of the consolidated financial statements or the audit of the internal control over the financial reporting but was conducted by the external auditor on the agreed-upon scope and under agreed-upon examination procedures, and is a report of the results presented to us. It thus does not represent an opinion or conclusion by the external auditor regarding the consolidated BIS capital adequacy ratio itself or parts of internal control over the procedure to calculate the ratio.

Main Features and Further Information of Regulatory Capital Instruments

Consolidated

Outline and Details of Agreements Concerning Capital Funding Instruments are available on our website (<https://www.smth.jp/en/ir/basel/index.html>).

Explanation on Reconciliation between Balance Sheet Items and Regulatory Capital Elements

Consolidated

Fiscal Year 2019

CC2: Reconciliation of Regulatory Capital to Balance Sheet

CC2	Items	a	c	d
		Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Assets)				
	Cash and Due from Banks	¥ 13,141,192		
	Call Loans and Bills Bought	71,236		
	Receivables under Resale Agreements	1,220,761		
	Receivables under Securities Borrowing Transactions	740,658		
	Monetary Claims Bought	999,705		
	Trading Assets	507,646		
	Money Held in Trust	7,230		
	Securities	6,437,599		3-b, 7-a
	Loans and Bills Discounted	29,703,375		7-b
	Foreign Exchanges	36,952		
	Lease Receivables and Investment Assets	673,880		
	Other Assets	2,124,043		7-c
	Tangible Fixed Assets	213,547		
	Intangible Fixed Assets	129,455		3-a
	Assets for Retirement Benefits	87,096		4
	Deferred Tax Assets	14,564		5-a
	Customers' Liabilities for Acceptances and Guarantees	518,811		
	Allowance for Loan Losses	(127,205)		
	Total Assets	¥ 56,500,552		

CC2	Items	a	c	d
		Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Liabilities)				
Deposits	¥ 30,688,920			
Negotiable Certificates of Deposit	5,860,292			
Call Money and Bills Sold	142,974			
Payables under Repurchase Agreements	1,558,919			
Payables under Securities Lending Transactions	—			
Trading Liabilities	371,950			
Borrowed Money	5,856,384			9-a
Foreign Exchanges	3,213			
Short-term Bonds Payable	1,707,097			
Bonds Payable	1,125,731			9-b
Borrowed Money from Trust Account	4,750,289			
Other Liabilities	1,215,433			7-d
Provision for Bonuses	18,619			
Provision for Directors' Bonuses	172			
Provision for Stocks Payment	279			
Liabilities for Retirement Benefits	14,044			
Provision for Reward Points Program	16,889			
Provision for Reimbursement of Deposits	4,867			
Provision for Contingent Losses	1,440			
Deferred Tax Liabilities	50,875			5-b
Deferred Tax Liabilities for Land Revaluation	2,439			5-c
Acceptances and Guarantees	518,811			
Total Liabilities	53,909,645			
(Net Assets)				
Capital Stock	261,608			1-a
Capital Surplus	580,595			1-b
Retained Earnings	1,495,029			1-c
Treasury Stock	(2,855)			1-d
Total Shareholders' Equity	2,334,377			
Valuation Differences on Available-for-Sale Securities	351,459			
Deferred Gains (Losses) on Hedges	(56,765)			6
Revaluation Reserve for Land	(6,623)			
Foreign Currency Translation Adjustments	1,332			
Adjustments for Retirement Benefits	(68,513)			
Total Accumulated Other Comprehensive Income	220,889	(a)		
Subscription Rights to Shares	1,057			2
Non-controlling Interests	34,583			8
Total Net Assets	2,590,907			
Total Liabilities and Net Assets	¥ 56,500,552			

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appendix)

Note: Amounts in the "Composition of capital" exclude items for regulatory purpose under transitional arrangement.

1. Shareholders' equity

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Capital Stock	¥ 261,608		1-a
Capital Surplus	580,595		1-b
Retained Earnings	1,495,029		1-c
Treasury Stock	(2,855)		1-d
Total Shareholders' Equity	¥ 2,334,377		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Common Share Capital Plus Related Capital Surplus and Retained Earnings	¥ 2,334,377	Shareholders' Equity Attributable to Common Shares (before Adjusting National Specific Regulatory Adjustments (Earnings to be Distributed))	
of Which: Capital Stock and Capital Surplus	842,204		1a
of Which: Retained Earnings	1,495,029		2
of Which: Treasury Stock (Deduction)	2,855		1c
of Which: Others	—		
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	—	Shareholders' Equity Attributable to Preferred Shares with a Loss Absorbency at the Point of Non-Viability	31a

2. Subscription Rights to Shares

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Subscription Rights to Shares	¥ 1,057		2
of Which: Subscription Rights to Shares Issued by the Bank Holding Company	1,057		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Subscription Rights to Common Shares	¥ 1,057		1b
Subscription Rights to Additional Tier 1 Instruments	—		31b
Subscription Rights to Tier 2 Instruments	—		46

3. Intangible assets

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Intangible Fixed Assets	¥ 129,455		3-a
Securities	6,437,599		3-b
of Which: Goodwill Arising on the Application of the Equity Method	3,445		
Associated Deferred Tax Liabilities	25,547		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Goodwill (Net of Related Deferred Tax Liabilities, Including Those Equivalent)	¥ 48,532		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	58,820	Excluding Goodwill, Mortgage Servicing Rights (Software, etc.)	9
Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	—		
Amount above the 10% Threshold on the Specified Items	—		20
Amount exceeding the 15% Threshold on the Specified Items	—		24
Amount below the Thresholds for Deduction (before Risk Weighting)	—		74

4. Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits)**(1) Consolidated balance sheet**

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Assets for Retirement Benefits	¥ 87,096		4
Associated Deferred Tax Liabilities	26,681		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits) (Net of Related Deferred Tax Liabilities)	¥ 60,414		15

5. Deferred tax assets**(1) Consolidated balance sheet**

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Assets	¥ 14,564		5-a
Deferred Tax Liabilities	50,875		5-b
Deferred Tax Liabilities for Land Revaluation	2,439		5-c
Associated Intangible Fixed Assets	25,547		
Associated Assets for Retirement Benefits	26,681		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Tax Assets That Rely on Future Profitability excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	¥ 435	This Item Does not Agree with the Amount Reported on the Consolidated Balance Sheet Due to Offsetting of Assets and Liabilities.	10
Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	13,478	This Item Does not Agree with the Amount Reported on the Consolidated Balance Sheet Due to Offsetting of Assets and Liabilities.	
Amount above the 10% Threshold on the Specified Items	—		21
Amount exceeding the 15% Threshold on the Specified Items	—		25
Amount below the Thresholds for Deduction (before Risk Weighting)	13,478		75

6. Deferred gains or losses on hedges

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Gains (Losses) on Hedges	¥ (56,765)		6

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Gains or Losses on Derivatives under Hedge Accounting	¥ (45,964)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

7. Investments in the Capital and Other TLAC Liabilities of Financial Entities

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Securities	¥ 6,437,599		7-a
Loans and Bills Discounted	29,703,375	Including Subordinated Debts	7-b
Other Assets	2,124,043	Including derivatives	7-c
Other Liabilities	¥ 1,215,433	Including derivatives	7-d

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Investments in Own Capital	¥ 8		
Common Equity Tier 1 Capital	8		16
Additional Tier 1 Capital	—		37
Tier 2 Capital	—		52
Reciprocal Cross-holdings in the Capital and other TLAC Liabilities	—		
Common Equity Tier 1 Capital	—		17
Additional Tier 1 Capital	—		38
Tier 2 Capital and Other TLAC Liabilities	—		53
Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Where the Bank Does not Own More than 10% of the Issued Share Capital	114,974		
Common Equity Tier 1 Capital	—		18
Additional Tier 1 Capital	—		39
Tier 2 Capital and Other TLAC Liabilities	—		54
Amount below the Thresholds for Deduction (before risk weighting)	114,974		72
Significant Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	154,457		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	—		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	152,917		73

8. Non-controlling Interests

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Non-controlling Interests	¥ 34,583		8

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Common Share Capital Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Common Equity Tier 1)	¥ —	After Reflecting Amounts Eligible for Inclusion (after Non-controlling Interest Adjustments)	5
Qualifying Additional Tier 1 Instruments Issued by Special Purpose Vehicles	—		30–31ab–32
Additional Tier 1 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Additional Tier 1)	13,336	After Reflecting Amounts Eligible for Inclusion (after Non-controlling Interest Adjustments)	34–35
Qualifying Tier 2 Instruments Issued by Special Purpose Vehicles	—		46
Tier 2 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Tier 2)	2,432	After Reflecting Amounts Eligible for Inclusion (after Non-controlling Interest Adjustments)	48–49

9. Other Capital Instruments

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Borrowed Money	¥ 5,856,384		9–a
Bonds Payable	1,125,731		9–b

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	¥ 340,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	306,584		46

Fiscal Year 2018

CC2	Items	a	c	d
		Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Assets)				
	Cash and Due from Banks	¥ 16,045,864		
	Call Loans and Bills Bought	50,124		
	Receivables under Resale Agreements	158,734		
	Receivables under Securities Borrowing Transactions	759,812		
	Monetary Claims Bought	1,082,650		
	Trading Assets	454,978		
	Money Held in Trust	1,393		
	Securities	5,759,504		3–b, 7–a
	Loans and Bills Discounted	29,025,720		7–b
	Foreign Exchanges	36,936		
	Lease Receivables and Investment Assets	653,447		
	Other Assets	2,023,664		7–c
	Tangible Fixed Assets	211,312		
	Intangible Fixed Assets	151,429		3–a
	Assets for Retirement Benefits	138,931		4
	Deferred Tax Assets	17,372		5–a
	Customers’ Liabilities for Acceptances and Guarantees	557,007		
	Allowance for Loan Losses	(99,770)		
	Total Assets	¥ 57,029,113		

Financial Data/
Sumitomo Mitsui Trust Holdings, Inc.Financial Data/
Sumitomo Mitsui Trust Bank, LimitedBasel III Disclosure Data/
Sumitomo Mitsui Trust Holdings, Inc.Basel III Disclosure Data/
Sumitomo Mitsui Trust Bank, Limited

CC2	Items	a	c	d
		Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Liabilities)				
Deposits	¥ 31,903,572			
Negotiable Certificates of Deposit	6,328,622			
Call Money and Bills Sold	72,793			
Payables under Repurchase Agreements	1,603,191			
Payables under Securities Lending Transactions	104,767			
Trading Liabilities	258,771			
Borrowed Money	4,023,801			9-a
Foreign Exchanges	457			
Short-term Bonds Payable	1,472,786			
Bonds Payable	1,378,328			9-b
Borrowed Money from Trust Account	5,408,009			
Other Liabilities	994,424			7-d
Provision for Bonuses	17,542			
Provision for Directors' Bonuses	343			
Liabilities for Retirement Benefits	14,008			
Provision for Reward Points Program	18,282			
Provision for Reimbursement of Deposits	5,250			
Provision for Contingent Losses	3,465			
Deferred Tax Liabilities	130,479			5-b
Deferred Tax Liabilities for Land Revaluation	2,847			5-c
Acceptances and Guarantees	557,007			
Total Liabilities	54,298,756			
(Net Assets)				
Capital Stock	261,608			1-a
Capital Surplus	645,003			1-b
Retained Earnings	1,387,592			1-c
Treasury Stock	(51,222)			1-d
Total Shareholders' Equity	2,242,982			
Valuation Difference on Available-for-Sale Securities	467,448			
Deferred Gains or Losses on Hedges	(36,764)			6
Revaluation Reserve for Land	(5,698)			
Foreign Currency Translation Adjustment	4,702			
Adjustments for Retirement Benefits	(19,209)			
Total Accumulated Other Comprehensive Income	410,478	(a)		
Subscription Rights to Shares	1,062			2
Non-controlling Interests	75,832			8
Total Net Assets	2,730,356			
Total Liabilities and Net Assets	¥ 57,029,113			

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appendix)

Note: Amounts in the "Composition of Capital" exclude items for regulatory purpose under transitional arrangement.

1. Shareholders' equity

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Capital Stock	¥ 261,608		1-a
Capital Surplus	645,003		1-b
Retained Earnings	1,387,592		1-c
Treasury Stock	(51,222)		1-d
Total Shareholders' Equity	¥ 2,242,982		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Common Share Capital Plus Related Capital Surplus and Retained Earnings	¥ 2,242,982	Shareholders' Equity Attributable to Common Shares (before Adjusting National Specific Regulatory Adjustments (Earnings to be Distributed))	
of Which: Capital Stock and Capital Surplus	906,612		1a
of Which: Retained Earnings	1,387,592		2
of Which: Treasury Stock (Deduction)	51,222		1c
of Which: Others	—		
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	—	Shareholders' Equity Attributable to Preferred Shares with a Loss Absorbency at the Point of Non-Viability	31a

2. Subscription Rights to Shares

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Subscription Rights to Shares	¥ 1,062		2
of Which: Subscription Rights to Shares Issued by the Bank Holding Company	1,062		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Subscription Rights to Common Shares	¥ 1,062		1b
Subscription Rights to Additional Tier 1 Instruments	—		31b
Subscription Rights to Tier 2 Instruments	—		46

3. Intangible assets

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Intangible Fixed Assets	¥ 151,429		3-a
Securities	5,759,504		3-b
of Which: Goodwill Arising on the Application of the Equity Method	6,285		
Associated Deferred Tax Liabilities	¥ 27,206		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Goodwill (Net of Related Deferred Tax Liabilities, Including Those Equivalent)	¥ 66,377		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	64,129	Excluding Goodwill, Mortgage Servicing Rights (Software, etc.)	9
Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	—		
Amount above the 10% Threshold on the Specified Items	—		20
Amount exceeding the 15% Threshold on the Specified Items	—		24
Amount below the Thresholds for Deduction (before Risk Weighting)	—		74

4. Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits)

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Assets for Retirement Benefits	¥ 138,931		4
Associated Deferred Tax Liabilities	42,551		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits) (Net of Related Deferred Tax Liabilities)	¥ 96,379		15

5. Deferred tax assets

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Assets	¥ 17,372		5-a
Deferred Tax Liabilities	130,479		5-b
Deferred Tax Liabilities for Land Revaluation	2,847		5-c
Associated Intangible Fixed Assets	27,206		
Associated Assets for Retirement Benefits	42,551		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Tax Assets That Rely on Future Profitability excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	¥ 11,969	This Item Does not Agree with the Amount Reported on the Consolidated Balance Sheet Due to Offsetting of Assets and Liabilities.	10
Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	This Item Does not Agree with the Amount Reported on the Consolidated Balance Sheet Due to Offsetting of Assets and Liabilities.	
Amount above the 10% Threshold on the Specified Items	—		21
Amount exceeding the 15% Threshold on the Specified Items	—		25
Amount below the Thresholds for Deduction (before Risk Weighting)	—		75

6. Deferred gains or losses on hedges

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Gains or Losses on Hedges	¥ (36,764)		6

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Gains or Losses on Derivatives under Hedge Accounting	¥ (31,751)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

7. Investments in the capital of financial entities

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Securities	¥ 5,759,504		7-a
Loans and Bills Discounted	29,025,720	Including subordinated Debts	7-b
Other Assets	2,023,664	Including derivatives	7-c
Other Liabilities	¥ 994,424	Including derivatives	7-d

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Investments in Own Capital Instruments	¥ 1		
Common Equity Tier 1 Capital	1		16
Additional Tier 1 Capital	—		37
Tier 2 Capital	—		52
Reciprocal Cross-holdings in the Capital and other TLAC Liabilities	—		
Common Equity Tier 1 Capital	—		17
Additional Tier 1 Capital	—		38
Tier 2 Capital and Other TLAC Liabilities	—		53
Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Where the Bank Does not Own More than 10% of the Issued Share Capital	133,167		
Common Equity Tier 1 Capital	—		18
Additional Tier 1 Capital	—		39
Tier 2 Capital and Other TLAC Liabilities	—		54
Amount below the Thresholds for Deduction (before Risk Weighting)	133,167		72
Significant Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	150,042		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	—		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before Risk Weighting)	148,502		73

8. Non-controlling Interests

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Non-controlling Interests	¥ 75,832		8

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Common Share Capital Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Common Equity Tier 1)	¥ —	Maximum Amount (after Accounting for Adjustments for Non-controlling Interests)	5
Qualifying Additional Tier 1 Instruments Issued by Special Purpose Vehicles	—		30–31ab–32
Additional Tier 1 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Additional Tier 1)	13,402	Maximum Amount (after Accounting for Adjustments for Non-controlling Interests)	34–35
Qualifying Tier 2 Instruments Issued by Special Purpose Vehicles	—		46
Tier 2 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Tier 2)	2,936	Maximum Amount (after Accounting for Adjustments for Non-controlling Interests)	48–49

9. Other Capital Instruments

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Borrowed Money	¥ 4,023,801		9–a
Bonds Payable	1,378,328		9–b

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	¥ 340,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	270,000		46

Credit Risk

Consolidated

Term-end Balance of Credit Risk Exposures by Category and their Breakdown by Major Type of Assets

As of March 31	Millions of Yen							
	2020				2019			
	Term-end balance of exposures				Term-end balance of exposures			
	Total	Loans, Call Loans, Deposits, etc.	Securities	Other Off-balance Sheet Transactions	Total	Loans, Call Loans, Deposits, etc.	Securities	Other Off-balance Sheet Transactions
Japan	¥ 45,280,055	¥ 39,116,928	¥ 2,861,269	¥ 3,301,857	¥ 46,831,410	¥ 41,567,976	¥ 1,862,877	¥ 3,400,556
Outside Japan	6,345,338	4,967,535	950,920	426,881	6,610,177	4,972,149	1,066,216	571,811
Total for Geographic Regions	¥ 51,625,393	¥ 44,084,464	¥ 3,812,190	¥ 3,728,738	¥ 53,441,588	¥ 46,540,126	¥ 2,929,093	¥ 3,972,368
Manufacturing	4,375,010	2,965,142	244,922	1,164,944	4,359,502	3,000,435	288,313	1,070,753
Agriculture and Forestry	5,530	5,528	2	—	5,583	5,573	10	—
Fisheries	32	0	31	—	31	1	29	—
Mining and Quarrying of Stones and Gravel	63,134	60,582	70	2,480	104,752	26,857	74	77,820
Construction	277,625	201,530	14,006	62,088	224,906	140,712	17,049	67,144
Electricity, Gas, Heat Supply and Water	1,435,848	1,177,202	9,131	249,513	1,398,339	1,163,403	11,339	223,596
Information and Communication	547,495	521,944	4,017	21,532	522,404	464,731	4,071	53,600
Transport and Postal Activities	1,433,447	1,198,672	108,438	126,336	1,475,192	1,220,131	121,656	133,404
Wholesale and Retail Trade	1,898,634	1,550,306	64,691	283,636	1,921,158	1,546,038	64,899	310,220
Finance and Insurance	2,073,351	1,464,303	392,559	216,488	2,014,941	1,444,242	368,676	202,023
Real Estate	4,135,291	3,476,468	386,885	271,938	4,074,192	3,409,830	383,251	281,110
Goods Rental and Leasing	1,229,180	1,094,906	3,709	130,563	1,116,829	1,009,615	4,421	102,792
Local Public Bodies	151,352	128,500	14,785	8,065	123,753	108,871	8,764	6,117
Individuals	11,135,706	10,796,943	—	338,762	10,980,124	10,658,486	—	321,638
Others	22,863,753	19,442,429	2,568,937	852,387	25,119,875	22,341,193	1,656,535	1,122,146
Total for Industry Sectors	¥ 51,625,393	¥ 44,084,464	¥ 3,812,190	¥ 3,728,738	¥ 53,441,588	¥ 46,540,126	¥ 2,929,093	¥ 3,972,368
To 1 year	19,847,455	17,466,862	1,215,100	1,165,492	22,659,299	20,811,518	661,255	1,186,525
> 1 year to 3 years	6,044,163	4,270,761	619,462	1,153,939	5,630,919	4,098,004	325,579	1,207,335
> 3 years to 5 years	6,776,432	5,644,114	694,596	437,722	6,222,598	5,201,374	479,099	542,125
> 5 years	18,957,342	16,702,726	1,283,031	971,584	18,928,770	16,429,228	1,463,159	1,036,382
Total for Residual Maturity	¥ 51,625,393	¥ 44,084,464	¥ 3,812,190	¥ 3,728,738	¥ 53,441,588	¥ 46,540,126	¥ 2,929,093	¥ 3,972,368

Notes: 1. Of exposures subject to the calculation of credit risk-weighted assets, the above lists corporate, retail, equities, etc., purchased receivables, lease transactions as well as exposures subject to phased rollout of the IRB Approach.
2. "Others" in the industry sectors include non-residents and state public services. Exposures for residual maturity of over 5 years include those with no fixed maturities.
3. The above data represents amounts after credit risk mitigation effects of netting contracts allowed under the law and netting against the obligor's cash on deposit.

Term-end Balance of Obligors' exposures related to Loans prescribed in the provisions of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions, Allowances, and Write-offs, as well as their Breakdown by Geographic Regions and Industry Sectors

	Millions of Yen					
	As of March 31, 2020		FY2019	As of March 31, 2019		FY2018
	Term-end balance of exposures	Allowances for loan losses	Write-offs	Term-end balance of exposures	Allowances for loan losses	Write-offs
Japan	¥ 96,440	¥ 25,119	¥ 14,650	¥ 95,384	¥ 25,381	¥ 4,144
Outside Japan	30,897	7,569	4	20,693	6,771	—
Total for Geographic Regions	¥ 127,337	¥ 32,689	¥ 14,654	¥ 116,077	¥ 32,153	¥ 4,144
Manufacturing	11,943	4,320	9,652	17,910	12,474	201
Agriculture and Forestry	284	160	0	283	110	6
Fisheries	11	11	—	—	—	1
Mining and Quarrying of Stones and Gravel	1,350	77	79	1,341	34	1,019
Construction	958	751	61	308	108	80
Electricity, Gas, Heat Supply and Water	3,741	2,590	1	4,053	2,791	—
Information and Communication	107	96	14	68	5	34
Transport and Postal Activities	1,694	659	22	2,555	642	31
Wholesale and Retail Trade	9,076	6,146	1,443	7,739	4,786	139
Finance and Insurance	234	171	7	292	180	15
Real Estate	13,841	760	20	11,833	300	23
Goods Rental and Leasing	3,369	2,918	5	875	0	44
Local Public Bodies	—	—	—	—	—	—
Individuals	45,765	4,652	3,123	46,617	3,720	2,195
Others	34,958	9,371	221	22,196	6,997	352
Total for Industry Sectors	¥ 127,337	¥ 32,689	¥ 14,654	¥ 116,077	¥ 32,153	¥ 4,144

Notes: 1. "Others" in the industry sectors include non-residents.

2. Allowances for loan losses include "general allowances for loan losses" and "specific allowances for loan losses", etc.

Term-end Balance of Exposures by Past Due Periods (excluding "Doubtful Claims" and "Bankrupt and substantially bankrupt Claims")

As of March 31	Millions of Yen	
	2020	2019
< 1 month	¥ 65,387	¥ 73,399
≥ 1 month to < 2 months	12,095	15,287
≥ 2 months to < 3 months	11,023	11,035
≥ 3 months	3,341	—
Total	¥ 91,848	¥ 99,722

Note: Among the term-end balance of exposures for each past due period, "Doubtful Claims" and "Bankrupt and substantially bankrupt Claims" prescribed in the provisions of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions are excluded, in aggregate calculation.

Term-end Balance of Exposures of obligors whose loan conditions were Restructured for the purpose of restructuring or supporting business management ; of which Amounts of Increased Allowances for such exposures and Other Amounts due to the restructuring of the loan conditions

As of March 31	Millions of Yen	
	2020	2019
Amounts of Increased Allowances for Such Exposures Due to the Restructuring of the Loan Conditions	¥ 50,311	¥ 26,269
Other Amounts	—	—
Term-end Balance of Exposures	¥ 50,311	¥ 26,269

Note: Restructured loans are those loans that provide some arrangements favorable to the obligors for the purpose of restructuring or supporting business management, such as by reducing or exempting interest, postponing principal or interest payments, forgiving loans, and providing other benefits to the obligors, excluding those loans classified as "Loans in Bankruptcy Procedures", "Delinquent Loans", and "Loans past due three months or more". In principle, the allowances for restructured loans has been all increased after restructuring loan conditions.

Equity Investments in Funds

Consolidated

Exposures Relating to Funds

As of March 31	Millions of Yen	
	2020	2019
Total exposures relating to funds	¥ 1,507,471	¥ 1,674,750
Look-through Approach	1,279,862	1,469,553
Mandate-based Approach	227,517	205,083
Probability Approach (subject to 250% risk weight)	—	—
Probability Approach (subject to 400% risk weight)	—	—
Fall-Back Approach (subject to 1,250% risk weight)	91	113

Note: Exposures subject to the calculation of credit risk-weighted assets under the provisions of Article 145 of the FSA Capital Adequacy Notification are shown.

Disclosure Data Designated as Per the Appended Forms

Consolidated

OV1: Overview of Risk-weighted assets (RWA)

OV1 Basel III Template No.		Millions of Yen			
		Risk-weighted assets (RWA)		Minimum capital requirements	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Credit risk (excluding counterparty credit risk)	¥ 12,172,577	¥ 13,253,676	¥ 1,028,035	¥ 1,119,884
2	of Which: Standardised Approach (SA)	291,431	293,959	23,314	23,516
3	of Which: Internal Ratings-Based (IRB) Approach	11,297,792	12,414,652	958,052	1,052,762
	of Which: Significant investments in commercial entities	—	—	—	—
	of Which: Lease residual value	59,850	30,191	4,788	2,415
	Other assets	523,503	514,873	41,880	41,189
4	Counterparty credit risk (CCR)	1,202,212	905,537	98,141	73,869
5	of Which: Standardised Approach for Counterparty Credit Risk (SA-CCR)	—	—	—	—
	of Which: Current Exposure Method (CEM)	393,082	280,935	33,317	23,806
6	of Which: Expected Positive Exposure (EPE)	—	—	—	—
	of Which: Credit Valuation Adjustment (CVA)	663,147	496,123	53,051	39,689
	of Which: Central Counterparty (CCP)	49,867	41,617	3,989	3,329
	Others	96,113	86,860	7,782	7,043
7	Equity positions in banking book under market-based approach	221,843	175,521	18,812	14,884
8	Equity investment in funds (Look-Through Approach (LTA))	861,656	1,153,184	68,932	92,254
9	Equity investment in funds (Mandate-Based Approach (MBA))	849,782	746,991	67,982	59,759
	Equity investment in funds (Probability Approach (PA) subject to 250% risk weight)	—	—	—	—
	Equity investment in funds (Probability Approach (PA) subject to 400% risk weight)	—	—	—	—
10	Equity investment in funds (Fall-Back Approach (FBA) subject to 1,250% risk weight)	1,137	1,422	91	113
11	Settlement risk	—	—	—	—
12	Securitisation exposures in banking book	348,026	322,082	27,842	25,766
13	of Which: Internal Rating-Based Approach (SEC-IRBA)	334,315	304,053	26,745	24,324
14	of Which: External Rating-Based Approach (SEC-ERBA)	12,804	14,696	1,024	1,175
15	of Which: Standardised Approach (SEC-SA)	—	—	—	—
	of Which: subject to 1,250% risk weight	906	3,332	72	266
16	Market risk	1,334,541	1,104,072	106,763	88,325
17	of Which: Standardised Approach (SA)	22,727	22,272	1,818	1,781
18	of Which: Internal Model Approaches (IMA)	1,311,813	1,081,800	104,945	86,544
19	Operational risk	941,219	960,854	75,297	76,868
20	of Which: Basic Indicator Approach (BIA)	186,498	174,122	14,919	13,929
21	of Which: The Standardised Approach (TSA)	—	—	—	—
22	of Which: Advanced Measurement Approach (AMA)	754,721	786,731	60,377	62,938
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	382,294	371,255	32,418	31,482
	Amounts included under transitional arrangements	—	—	—	—
24	Floor adjustment	—	—	—	—
25	Total (after applying scaling factor)	¥ 19,053,967	¥ 19,790,115	¥ 1,524,317	¥ 1,583,209

Note: Total risk-weighted assets of Template No.25 are only applied scaling factor.

Financial Data/
Sumitomo Mitsui Trust Holdings, Inc.Financial Data/
Sumitomo Mitsui Trust Bank, LimitedBasel III Disclosure Data/
Sumitomo Mitsui Trust Holdings, Inc.Basel III Disclosure Data/
Sumitomo Mitsui Trust Bank, Limited

LI1: Differences between accounting and regulatory scopes of consolidation and mapping of consolidated financial statement categories with regulatory risk categories

LI1	Millions of Yen						
	March 31, 2020						
	a	b	c	d	e	f	g
	Carrying values as reported in published consolidated financial statement	Carrying values under scope of regulatory consolidation	Credit risk (excluding amounts relevant to columns d and e)	Counterparty credit risk	Securitisation (excluding amounts relevant to column f)	Market risk	Items not subject to capital requirements or subject to deduction from capital
Assets:							
Cash and Due from Banks	¥ 13,141,192	¥ 13,141,192	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	71,236	71,236	—	—	—	—	—
Receivables under Resale Agreements	1,220,761	—	1,220,761	—	—	—	—
Receivables under Securities Borrowing Transactions	740,658	—	740,658	—	—	—	—
Monetary Claims Bought	999,705	956,067	—	43,637	—	—	—
Trading Assets	507,646	—	450,544	—	507,646	—	—
Money Held in Trust	7,230	7,230	—	—	—	—	—
Securities	6,437,599	5,927,180	—	510,419	—	—	—
Loans and Bills Discounted	29,703,375	29,313,191	—	390,184	—	—	—
Foreign Exchanges	36,952	36,952	—	—	—	—	—
Lease Receivables and Investment Assets	673,880	673,880	—	—	—	—	—
Other Assets	2,124,043	394,724	1,233,103	3,846	429,705	492,369	—
Tangible Fixed Assets	213,547	213,547	—	—	—	—	—
Intangible Fixed Assets	129,455	—	—	—	—	—	129,455
Assets for Retirement Benefits	87,096	—	—	—	—	—	87,096
Deferred Tax Assets	14,564	—	—	—	—	—	14,564
Customers' Liabilities for Acceptances and Guarantees	518,811	518,811	—	—	—	—	—
Allowance for Loan Losses	(127,205)	(127,205)	—	—	—	—	—
Total Assets	¥ 56,500,552	¥ 51,126,809	¥ 3,645,067	¥ 948,088	¥ 937,351	¥ 723,485	
Liabilities:							
Deposits	¥ 30,688,920	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 30,688,920
Negotiable Certificates of Deposit	5,860,292	—	—	—	—	—	5,860,292
Call Money and Bills Sold	142,974	—	—	—	—	—	142,974
Payables under Repurchase Agreements	1,558,919	—	1,558,919	—	—	—	—
Payables under Securities Lending Transactions	—	—	—	—	—	—	—
Trading Liabilities	371,950	—	371,950	—	371,950	—	—
Borrowed Money	5,856,384	—	—	—	—	—	5,856,384
Foreign Exchanges	3,213	—	—	—	—	—	3,213
Short-Term Bonds Payable	1,707,097	—	—	—	—	—	1,707,097
Bonds Payable	1,125,731	—	—	—	—	—	1,125,731
Borrowed Money from Trust Account	4,750,289	—	—	—	—	—	4,750,289
Other Liabilities	1,215,433	—	673,658	—	539,042	541,774	—
Provision for Bonuses	18,619	—	—	—	—	—	18,619
Provision for Directors' Bonuses	172	—	—	—	—	—	172
Provision for Stocks Payment	279	—	—	—	—	—	279
Liabilities for Retirement Benefits	14,044	—	—	—	—	—	14,044
Provision for Reward Points Program	16,889	—	—	—	—	—	16,889
Provision for Reimbursement of Deposits	4,867	—	—	—	—	—	4,867
Provision for Contingent Losses	1,440	—	—	—	—	—	1,440
Deferred Tax Liabilities	50,875	—	—	—	—	—	50,875
Deferred Tax Liabilities for Land Revaluation	2,439	—	—	—	—	—	2,439
Acceptances and Guarantees	518,811	—	—	—	—	—	518,811
Total Liabilities	¥ 53,909,645	¥ —	¥ 2,604,527	¥ —	¥ 910,992	¥ 51,305,117	

Notes: 1. Derivatives transactions included in "trading assets" and "trading liabilities" and foreign exchanges included in "other assets" and "other liabilities" are subject to capital charge in both counterparty credit risk and market risk. Accordingly, the sum of amounts in Columns a and b is not equal to the sum of amounts in Columns c to g.

2. Among market risks, the foreign exchange risk in banking accounts is not easily linked to individual items of accounts in the consolidated balance sheet. Accordingly, it is not included in the above figures.

LI1	Millions of Yen						
	March 31, 2019						
	a	b	c	d	e	f	g
	Carrying values as reported in published consolidated financial statement	Carrying values under scope of regulatory consolidation	Credit risk (excluding amounts relevant to columns d and e)	Counterparty credit risk	Securitisation (excluding amounts relevant to column f)	Market risk	Items not subject to capital requirements or subject to deduction from capital
Assets:							
Cash and Due from Banks	¥ 16,045,864	¥ 16,045,864	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	50,124	50,124	—	—	—	—	—
Receivables under Resale Agreements	158,734	—	158,734	—	—	—	—
Receivables under Securities Borrowing Transactions	759,812	—	759,812	—	—	—	—
Monetary Claims Bought	1,082,650	1,035,011	—	47,638	—	—	—
Trading Assets	454,978	—	291,789	—	454,978	—	—
Money Held in Trust	1,393	1,393	—	—	—	—	—
Securities	5,759,504	5,385,240	—	374,263	—	—	—
Loans and Bills Discounted	29,025,720	28,564,089	—	461,630	—	—	—
Foreign Exchanges	36,936	36,936	—	—	—	—	—
Lease Receivables and Investment Assets	653,447	653,447	—	—	—	—	—
Other Assets	2,023,664	416,590	928,183	3,221	295,325	675,669	—
Tangible Fixed Assets	211,312	211,312	—	—	—	—	—
Intangible Fixed Assets	151,429	—	—	—	—	—	151,429
Assets for Retirement Benefits	138,931	—	—	—	—	—	138,931
Deferred Tax Assets	17,372	—	—	—	—	—	17,372
Customers' Liabilities for Acceptances and Guarantees	557,007	556,890	—	117	—	—	—
Allowance for Loan Losses	(99,770)	(99,770)	—	—	—	—	—
Total Assets	¥ 57,029,113	¥ 52,857,131	¥ 2,138,519	¥ 886,871	¥ 750,303	¥ 983,401	
Liabilities:							
Deposits	¥ 31,903,572	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 31,903,572
Negotiable Certificates of Deposit	6,328,622	—	—	—	—	—	6,328,622
Call Money and Bills Sold	72,793	—	—	—	—	—	72,793
Payables under Repurchase Agreements	1,603,191	—	1,603,191	—	—	—	—
Payables under Securities Lending Transactions	104,767	—	104,767	—	—	—	—
Trading Liabilities	258,771	—	258,771	—	258,771	—	—
Borrowed Money	4,023,801	—	—	—	—	—	4,023,801
Foreign Exchanges	457	—	—	—	—	—	457
Short-Term Bonds Payable	1,472,786	—	—	—	—	—	1,472,786
Bonds Payable	1,378,328	—	—	—	—	—	1,378,328
Borrowed Money from Trust Account	5,408,009	—	—	—	—	—	5,408,009
Other Liabilities	994,424	—	472,423	—	351,549	521,950	—
Provision for Bonuses	17,542	—	—	—	—	—	17,542
Provision for Directors' Bonuses	343	—	—	—	—	—	343
Liabilities for Retirement Benefits	14,008	—	—	—	—	—	14,008
Provision for Reward Points Program	18,282	—	—	—	—	—	18,282
Provision for Reimbursement of Deposits	5,250	—	—	—	—	—	50
Provision for Contingent Losses	3,465	—	—	—	—	—	8,716
Deferred Tax Liabilities	130,479	—	—	—	—	—	130,479
Deferred Tax Liabilities for Land Revaluation	2,847	—	—	—	—	—	2,847
Acceptances and Guarantees	557,007	—	—	—	—	—	557,007
Total Liabilities	¥ 54,298,756	¥ —	¥ 2,439,154	¥ —	¥ 610,321	¥ 51,859,602	

Notes: 1. Derivatives transactions included in "trading assets" and "trading liabilities" and foreign exchanges included in "other assets" and "other liabilities" are subject to capital charge in both counterparty credit risk and market risk. Accordingly, the sum of amounts in Columns a and b is not equal to the sum of amounts in Columns c to g.

2. Among market risks, the foreign exchange risk in banking accounts is not easily linked to individual items of accounts in the consolidated balance sheet. Accordingly, it is not included in the above figures.

LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

Item No.		Millions of Yen				
		March 31, 2020				
		a	b	c	d	e
		Items subject to:				
		Total	Credit risk (excluding amounts relevant to columns c and d)	Counterparty credit risk	Securitisation (excluding amounts relevant to column e)	Market risk
1	Asset carrying value amount under scope of regulatory consolidation	¥ 55,777,067	¥ 51,126,809	¥ 3,645,067	¥ 948,088	¥ 937,351
2	Liabilities carrying value amount under scope of regulatory consolidation	2,604,527	—	2,604,527	—	910,992
3	Total net amount under regulatory scope of consolidation	53,172,539	51,126,809	1,040,539	948,088	26,359
4	Off-balance sheet amounts	3,629,341	3,423,672	—	205,669	—
5	Differences due to netting, the exposure calculation method, etc.	1,596,907	—	2,036,007	—	(439,099)
6	Differences due to consideration of allowances and write-offs	40,686	40,686	—	—	—
7	Regulatory exposure amounts	58,439,475	54,591,168	3,076,546	1,153,757	(412,740)

Notes: 1. Derivatives transactions included in "trading assets" and "trading liabilities" and foreign exchanges included in "other assets" and "other liabilities" are subject to capital charge in both counterparty credit risk and market risk. Accordingly, the amount in Column a is not equal to the sum of amounts in Columns b to e, for Item No. 1, 2, 3, and 7.

2. Among market risks, the foreign exchange risk in banking accounts is not easily linked to individual items of accounts in the consolidated balance sheet. Accordingly, it is not included in the above figures.

3. The major factors in the difference between the amount of exposure in the capital regulatory standards and the amount posted in the consolidated balance sheet for each risk category are as follows:

- Credit Risk and Securitisation Exposures: Off-balance sheet amounts and differences due to consideration of allowances and write-offs
- Counterparty credit risk: Difference due to netting, the application of the credit risk mitigation techniques, and the application of the Current Exposure Method to the exposure calculation method
- Market risk: Difference due to netting, etc.

Item No.		Millions of Yen				
		March 31, 2019				
		a	b	c	d	e
		Items subject to:				
		Total	Credit risk (excluding amounts relevant to columns c and d)	Counterparty credit risk	Securitisation (excluding amounts relevant to column e)	Market risk
1	Asset carrying value amount under scope of regulatory consolidation	¥ 56,045,711	¥ 52,857,131	¥ 2,138,519	¥ 886,871	¥ 750,303
2	Liabilities carrying value amount under scope of regulatory consolidation	2,439,154	—	2,439,154	—	610,321
3	Total net amount under regulatory scope of consolidation	53,606,557	52,857,131	(300,634)	886,871	139,982
4	Off-balance sheet amounts	3,689,958	3,463,541	—	226,416	—
5	Differences due to netting, the exposure calculation method, etc.	1,976,133	—	2,200,781	—	(224,648)
6	Differences due to consideration of allowances and write-offs	40,119	40,119	—	—	—
7	Regulatory exposure amounts	59,312,768	56,360,793	1,900,147	1,113,287	(84,666)

Notes: 1. Derivatives transactions included in "trading assets" and "trading liabilities" and foreign exchanges included in "other assets" and "other liabilities" are subject to capital charge in both counterparty credit risk and market risk. Accordingly, the amount in Column a is not equal to the sum of amounts in Columns b to e, for Item No. 1, 2, 3, and 7.

2. Among market risks, the foreign exchange risk in banking accounts is not easily linked to individual items of accounts in the consolidated balance sheet. Accordingly, it is not included in the above figures.

3. The major factors in the difference between the amount of exposure in the capital regulatory standards and the amount posted in the consolidated balance sheet for each risk category are as follows:

- Credit Risk and Securitisation Exposures: Off-balance sheet amounts and differences due to consideration of allowances and write-offs
- Counterparty credit risk: Difference due to netting, the application of the credit risk mitigation techniques, and the application of the Current Exposure Method to the exposure calculation method
- Market risk: Difference due to netting, etc.

CR1: Credit quality of assets

CR1 Item No.		Millions of Yen			
		March 31, 2020			
		a	b	c	d
		Gross carrying values of		Allowances	Net values (a+b-c)
Defaulted exposures	Non-defaulted exposures				
On-balance sheet assets					
1	Loans and Bills Discounted	¥ 122,779	¥ 29,165,498	¥ 110,093	¥ 29,178,183
2	Debt Securities	720	3,126,705	—	3,127,426
3	Other on-balance sheet assets (debt-based assets)	20,109	14,891,103	15,891	14,895,321
4	Total on-balance sheet assets (1+2+3)	143,609	47,183,307	125,985	47,200,931
Off-balance sheet assets					
5	Acceptances and Guarantees, etc.	694	523,550	1,220	523,025
6	Commitments, etc.	918	3,560,273	1,440	3,559,751
7	Total off-balance sheet assets (5+6)	1,613	4,083,824	2,660	4,082,777
Total					
8	Total (4+7)	¥ 145,222	¥ 51,267,132	¥ 128,645	¥ 51,283,709

Note: The aggregate calculation on this statement does not include counterparty credit risk, the credit risk related to securitisation transactions, or the credit risk related to funds.

CR1 Item No.		Millions of Yen			
		March 31, 2019			
		a	b	c	d
		Gross carrying values of		Allowances	Net values (a+b-c)
Defaulted exposures	Non-defaulted exposures				
On-balance sheet assets					
1	Loans and Bills Discounted	¥ 115,111	¥ 28,420,486	¥ 87,931	¥ 28,447,666
2	Debt Securities	0	2,161,177	—	2,161,177
3	Other on-balance sheet assets (debt-based assets)	23,162	18,019,666	10,493	18,032,335
4	Total on-balance sheet assets (1+2+3)	138,273	48,601,330	98,425	48,641,179
Off-balance sheet assets					
5	Acceptances and Guarantees, etc.	720	559,905	1,345	559,280
6	Commitments, etc.	1,006	3,620,654	3,465	3,618,195
7	Total off-balance sheet assets (5+6)	1,726	4,180,560	4,811	4,177,476
Total					
8	Total (4+7)	¥ 140,000	¥ 52,781,891	¥ 103,236	¥ 52,818,655

Note: The aggregate calculation on this statement does not include counterparty credit risk, the credit risk related to securitisation transactions, or the credit risk related to funds.

CR2: Changes in stock of defaulted loans and debt securities

CR2		Millions of Yen
Item No.		March 31, 2020
		Amounts
1	Stock of defaulted loans and debt securities at the end of the previous fiscal year	¥ 138,273
2	Of which: Newly defaulted	95,303
3	Changes in stock of loans and debt securities for each factor during the fiscal year	Of which: Returning to non-defaulted status 25,234
4	Of which: Written-offs	14,565
5	Of which: Other factors	(50,168)
6	Stock of defaulted loans and debt securities at the end of the fiscal year (1+2-3-4+5)	143,609

Notes: 1. The end of the previous fiscal year indicates March 31, 2019, and the end of the fiscal year indicates March 31, 2020.

2. The main factor for the item 5. "Of which: Other factors" is the stock decrease caused by the collection of defaulted exposures.

CR2		Millions of Yen
Item No.		March 31, 2019
		Amounts
1	Stock of defaulted loans and debt securities at the end of the previous fiscal year	¥ 109,458
2	Of which: Newly defaulted	66,446
3	Changes in stock of loans and debt securities for each factor during the fiscal year	Of which: Returning to non-defaulted status 15,712
4	Of which: Written-offs	4,048
5	Of which: Other factors	(17,869)
6	Stock of defaulted loans and debt securities at the end of the fiscal year (1+2-3-4+5)	138,273

Notes: 1. The end of the previous fiscal year indicates March 31, 2018, and the end of the fiscal year indicates March 31, 2019.

2. The main factor for the item 5. "Of which: Other factors" is the stock decrease caused by the collection of defaulted exposures.

CR3: Credit risk mitigation techniques (CRM) – overview

CR3		Millions of Yen				
		March 31, 2020				
Item No.		a	b	c	d	e
		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans and Bills Discounted	¥ 28,617,886	¥ 560,297	¥ 262,517	¥ 185,954	¥ —
2	Debt Securities	3,075,495	51,930	1,000	45,431	—
3	Other on-balance sheet assets (debt-based assets)	14,890,153	5,167	162	5,004	—
4	Total (1+2+3)	¥ 46,583,536	¥ 617,395	¥ 263,680	¥ 236,389	¥ —
5	Of which defaulted	114,625	4,985	3,983	—	—

CR3		Millions of Yen				
		March 31, 2019				
Item No.		a	b	c	d	e
		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans and Bills Discounted	¥ 27,901,734	¥ 545,932	¥ 253,059	¥ 193,265	¥ —
2	Debt Securities	2,084,128	77,048	3,006	72,804	—
3	Other on-balance sheet assets (debt-based assets)	18,027,157	5,178	173	5,004	—
4	Total (1+2+3)	¥ 48,013,020	¥ 628,159	¥ 256,239	¥ 271,074	¥ —
5	Of which defaulted	102,216	4,529	4,034	7	—

CR4: Standardised approach – Credit risk exposure and Credit risk mitigation (CRM) effects

CR4		Millions of Yen, %										
		March 31, 2020										
		a		b		c		d		e		f
Item No.	Asset classes	Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		Credit RWA amount		RWA density				
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount							
1	Cash	¥	10	¥	—	¥	10	¥	—	¥	0	0.00%
2	Government of Japan and Bank of Japan (BOJ)		60		—		60		—		0	0.00
3	Foreign central governments and foreign central banks		340,528		—		340,528		—		31,335	9.20
4	Bank for International Settlements, etc.		—		—		—		—		—	—
5	Local governments of Japan		—		—		—		—		—	—
6	Foreign non-central government public sector entities (PSEs)		72		—		72		—		33	46.10
7	Multilateral development banks (MDBs)		—		—		—		—		—	—
8	Japan Finance Organization for Municipalities (JFM)		—		—		—		—		—	—
9	Government-affiliated agencies of Japan		—		—		—		—		—	—
10	The three local public corporations		—		—		—		—		—	—
11	Financial institutions and type I financial instruments business operators		165,520		10,000		165,520		2,000		47,547	28.38
12	Corporates, etc.		197,774		376,332		197,774		14,738		212,513	100.00
13	SMEs, etc. and individuals		—		—		—		—		—	—
14	Residential mortgage loans		—		—		—		—		—	—
15	Real estate acquisition activities, etc.		—		—		—		—		—	—
16	Past due loans for three months or more, etc. (excluding residential mortgage loans)		1		—		1		—		1	130.65
17	Past due loans for three months or more (residential mortgage loans)		—		—		—		—		—	—
18	Uncollected notes		—		—		—		—		—	—
19	Guaranteed by credit guarantee corporations, etc.		—		—		—		—		—	—
20	Guaranteed by the Regional Economy Vitalization Corporation of Japan (REVIC), etc.		—		—		—		—		—	—
21	Investments, etc. (excluding significant investments)		—		—		—		—		—	—
22	Total	¥	703,966	¥	386,332	¥	703,966	¥	16,738	¥	291,431	40.43%

CR4		Millions of Yen, %					
		March 31, 2019					
Item No.	Asset classes	a	b	c	d	e	f
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		Credit RWA amount	RWA density
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		
1	Cash	¥ 47	¥ —	¥ 47	¥ —	¥ 0	0.00%
2	Government of Japan and Bank of Japan (BOJ)	60	—	60	—	0	0.00
3	Foreign central governments and foreign central banks	256,081	—	256,081	—	29,513	11.52
4	Bank for International Settlements, etc.	—	—	—	—	—	—
5	Local governments of Japan	—	—	—	—	—	—
6	Foreign non-central government public sector entities (PSEs)	49	—	49	—	21	42.33
7	Multilateral development banks (MDBs)	—	—	—	—	—	—
8	Japan Finance Organization for Municipalities (JFM)	—	—	—	—	—	—
9	Government-affiliated agencies of Japan	—	—	—	—	—	—
10	The three local public corporations	—	—	—	—	—	—
11	Financial institutions and type I financial instruments business operators	171,707	—	171,707	—	43,223	25.17
12	Corporates, etc.	216,369	391,286	216,369	9,734	218,133	96.47
13	SMEs, etc. and individuals	—	—	—	—	—	—
14	Residential mortgage loans	—	—	—	—	—	—
15	Real estate acquisition activities, etc.	—	—	—	—	—	—
16	Past due loans for three months or more, etc. (excluding residential mortgage loans)	2,047	—	2,047	—	3,067	149.81
17	Past due loans for three months or more (residential mortgage loans)	—	—	—	—	—	—
18	Uncollected notes	—	—	—	—	—	—
19	Guaranteed by credit guarantee corporations, etc.	—	—	—	—	—	—
20	Guaranteed by the Regional Economy Vitalization Corporation of Japan (REVIC), etc.	—	—	—	—	—	—
21	Investments, etc. (excluding significant investments)	—	—	—	—	—	—
22	Total	¥ 646,363	¥ 391,286	¥ 646,363	¥ 9,734	¥ 293,959	44.80%

CR5: Standardised approach – Exposures by asset classes and risk weights

CR5		Millions of Yen											
		March 31, 2020											
Item No.	Asset classes	Risk weight	Credit risk exposure amounts (post-CCF and post-CRM)										
			a	b	c	d	e	f	g	h	i	j	k
			0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total
1	Cash	¥	10	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	10
2	Government of Japan and Bank of Japan (BOJ)		60	—	—	—	—	—	—	—	—	—	60
3	Foreign central governments and foreign central banks		277,857	—	—	—	62,671	—	—	—	—	—	340,528
4	Bank for International Settlements, etc.		—	—	—	—	—	—	—	—	—	—	—
5	Local governments of Japan		—	—	—	—	—	—	—	—	—	—	—
6	Foreign non-central government public sector entities (PSEs)		—	—	23	—	40	—	8	—	—	—	72
7	Multilateral development banks (MDBs)		—	—	—	—	—	—	—	—	—	—	—
8	Japan Finance Organization for Municipalities (JFM)		—	—	—	—	—	—	—	—	—	—	—
9	Government-affiliated agencies of Japan		—	—	—	—	—	—	—	—	—	—	—
10	The three local public corporations		—	—	—	—	—	—	—	—	—	—	—
11	Financial institutions and type I financial instruments business operators		—	—	135,266	—	23,518	—	8,734	—	—	—	167,520
12	Corporates, etc.		—	—	—	—	—	—	212,513	—	—	—	212,513
13	SMEs, etc. and individuals		—	—	—	—	—	—	—	—	—	—	—
14	Residential mortgage loans		—	—	—	—	—	—	—	—	—	—	—
15	Real estate acquisition activities, etc.		—	—	—	—	—	—	—	—	—	—	—
16	Past due loans for three months or more, etc. (excluding residential mortgage loans)		—	—	—	—	0	—	—	0	—	—	1
17	Past due loans for three months or more (residential mortgage loans)		—	—	—	—	—	—	—	—	—	—	—
18	Uncollected notes		—	—	—	—	—	—	—	—	—	—	—
19	Guaranteed by credit guarantee corporations, etc.		—	—	—	—	—	—	—	—	—	—	—
20	Guaranteed by the Regional Economy Vitalization Corporation of Japan (REVIC), etc.		—	—	—	—	—	—	—	—	—	—	—
21	Investments, etc. (excluding significant investments)		—	—	—	—	—	—	—	—	—	—	—
22	Total	¥	277,927	¥ —	¥ 135,290	¥ —	¥ 86,231	¥ —	¥ 221,256	¥ 0	¥ —	¥ —	¥ 720,705

CR5		Millions of Yen											
		March 31, 2019											
Item No.	Asset classes	Risk weight	Credit risk exposure amounts (post-CCF and post-CRM)										
			a	b	c	d	e	f	g	h	i	j	k
			0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total
1	Cash	¥	47	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 47
2	Government of Japan and Bank of Japan (BOJ)		60	—	—	—	—	—	—	—	—	—	60
3	Foreign central governments and foreign central banks		197,054	—	—	—	59,026	—	—	—	—	—	256,081
4	Bank for International Settlements, etc.		—	—	—	—	—	—	—	—	—	—	—
5	Local governments of Japan		—	—	—	—	—	—	—	—	—	—	—
6	Foreign non-central government public sector entities (PSEs)		—	—	24	—	18	—	6	—	—	—	49
7	Multilateral development banks (MDBs)		—	—	—	—	—	—	—	—	—	—	—
8	Japan Finance Organization for Municipalities (JFM)		—	—	—	—	—	—	—	—	—	—	—
9	Government-affiliated agencies of Japan		—	—	—	—	—	—	—	—	—	—	—
10	The three local public corporations		—	—	—	—	—	—	—	—	—	—	—
11	Financial institutions and type I financial instruments business operators		—	—	146,794	—	22,095	—	2,817	—	—	—	171,707
12	Corporates, etc.		—	—	—	—	16,170	—	209,933	—	—	—	226,104
13	SMEs, etc. and individuals		—	—	—	—	—	—	—	—	—	—	—
14	Residential mortgage loans		—	—	—	—	—	—	—	—	—	—	—
15	Real estate acquisition activities, etc.		—	—	—	—	—	—	—	—	—	—	—
16	Past due loans for three months or more, etc. (excluding residential mortgage loans)		—	—	—	—	3	—	—	2,043	—	—	2,047
17	Past due loans for three months or more (residential mortgage loans)		—	—	—	—	—	—	—	—	—	—	—
18	Uncollected notes		—	—	—	—	—	—	—	—	—	—	—
19	Guaranteed by credit guarantee corporations, etc.		—	—	—	—	—	—	—	—	—	—	—
20	Guaranteed by the Regional Economy Vitalization Corporation of Japan (REVIC), etc.		—	—	—	—	—	—	—	—	—	—	—
21	Investments, etc. (excluding significant investments)		—	—	—	—	—	—	—	—	—	—	—
22	Total	¥	197,162	¥ —	¥ 146,819	¥ —	¥ 97,314	¥ —	¥ 212,758	¥ 2,043	¥ —	¥ —	¥ 656,097

CR6: IRB – Credit risk exposures by portfolio and PD range

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2020											
		a	b	c	d	e	f	g	h	i	j	k	l
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Sovereign exposures (Advanced Internal Ratings-Based Approach (AIRB))													
1	0.00 to < 0.15	¥ 2,252,178	¥ 33	75.00%	¥ 2,269,637	0.00%	0.0	32.09%	1.8	¥ 14,071	0.62%	¥ 8	
2	0.15 to < 0.25	2,906	469	75.00	314	0.20	0.0	31.13	3.6	121	38.73	0	
3	0.25 to < 0.50	—	—	—	—	—	—	—	—	—	—	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	2,255,084	502	75.00	2,269,951	0.00	0.0	32.09	1.8	14,193	0.62	8	¥ 59
Sovereign exposures (Foundation Internal Ratings-Based Approach (FIRB))													
1	0.00 to < 0.15	13,225,296	102,116	92.02	13,359,874	0.00	0.0	44.99	1.0	86,772	0.64	117	
2	0.15 to < 0.25	0	—	—	0	0.20	0.0	45.00	1.0	0	30.51	0	
3	0.25 to < 0.50	41,559	8,528	75.00	32,224	0.28	0.0	43.60	2.6	19,988	62.02	39	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	27,759	—	—	559	6.02	0.0	45.00	2.0	846	151.38	15	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	13,294,615	110,644	90.71	13,392,658	0.00	0.1	44.99	1.1	107,606	0.80	172	143
Financial Institution exposures (AIRB)													
1	0.00 to < 0.15	433,512	—	—	452,652	0.05	0.0	32.10	3.3	104,083	22.99	75	
2	0.15 to < 0.25	49,000	9,000	75.00	55,750	0.20	0.0	32.10	1.1	12,700	22.78	36	
3	0.25 to < 0.50	1,086	—	—	1,086	0.30	0.0	11.81	1.0	112	10.37	0	
4	0.50 to < 0.75	1,400	1,000	75.00	2,150	0.50	0.0	32.10	1.0	806	37.50	3	
5	0.75 to < 2.50	17,984	8,651	87.57	25,559	1.14	0.0	32.10	1.0	14,185	55.49	94	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	502,983	18,651	80.83	537,199	0.12	0.0	32.05	2.9	131,888	24.55	209	339
Financial Institution exposures (FIRB)													
1	0.00 to < 0.15	456,549	122,155	80.67	554,966	0.06	0.0	44.17	1.5	120,062	21.63	162	
2	0.15 to < 0.25	1,626	—	—	1,626	0.20	0.0	72.66	4.2	1,617	99.44	2	
3	0.25 to < 0.50	23,583	6,521	75.00	25,974	0.27	0.0	45.00	1.2	13,568	52.23	32	
4	0.50 to < 0.75	1	—	—	1	0.50	0.0	45.00	1.0	0	52.44	0	
5	0.75 to < 2.50	4,197	—	—	4,197	1.78	0.0	45.00	4.4	5,727	136.44	33	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	485,959	128,676	80.39	586,767	0.08	0.1	44.29	1.6	140,976	24.02	230	164

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2020											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Corporate exposures (excluding SME exposures and specialised lending) (AIRB)													
1	0.00 to < 0.15	¥ 6,864,526	¥ 2,434,624	75.70%	¥ 8,776,921	0.07%	0.7	31.45%	2.6	¥ 1,688,245	19.23%	¥ 2,141	
2	0.15 to < 0.25	1,972,574	362,044	76.22	2,208,815	0.20	0.4	30.69	2.5	714,099	32.32	1,389	
3	0.25 to < 0.50	1,302,246	168,894	74.83	1,432,960	0.30	0.4	31.15	2.4	579,608	40.44	1,377	
4	0.50 to < 0.75	1,083,258	240,765	74.84	1,258,310	0.50	0.7	28.83	2.4	560,606	44.55	1,832	
5	0.75 to < 2.50	869,047	126,389	68.72	911,662	1.50	0.7	28.69	2.1	604,461	66.30	3,948	
6	2.50 to < 10.00	147,526	10,071	78.93	155,899	5.93	0.0	24.41	2.4	132,293	84.85	2,280	
7	10.00 to < 100.00	89,160	35	75.00	89,036	18.67	0.0	31.14	3.6	152,138	170.87	5,180	
8	100.00 (Default)	30,930	—	—	34,760	100.00	0.0	32.06	1.0	14,279	41.08	10,004	
9	Sub-total	12,359,271	3,342,824	75.40	14,868,366	0.64	3.3	30.85	2.5	4,445,734	29.90	28,155	¥ 67,246
Corporate exposures (excluding SME exposures and specialised lending) (FIRB)													
1	0.00 to < 0.15	810,879	129,185	80.98	928,172	0.07	0.9	53.50	3.1	350,278	37.73	360	
2	0.15 to < 0.25	80,031	—	—	83,225	0.20	0.4	59.85	3.1	61,408	73.78	102	
3	0.25 to < 0.50	328,629	57,328	78.25	372,638	0.29	0.6	46.44	2.6	235,325	63.15	511	
4	0.50 to < 0.75	171,069	19,437	75.88	186,972	0.58	0.8	42.74	3.5	162,888	87.11	472	
5	0.75 to < 2.50	371,451	20,283	75.83	387,350	1.39	1.2	44.26	3.8	464,244	119.85	2,379	
6	2.50 to < 10.00	149,046	14,721	90.04	162,248	6.09	0.3	45.22	4.3	303,501	187.05	4,451	
7	10.00 to < 100.00	64,517	—	—	62,651	26.25	0.0	44.76	3.9	166,620	265.94	7,359	
8	100.00 (Default)	12,929	179	92.62	16,489	100.00	0.0	44.40	1.0	0	0.00	7,321	
9	Sub-total	1,988,553	241,136	80.05	2,199,748	2.33	4.6	49.07	3.3	1,744,266	79.29	22,959	14,304
SME exposures (AIRB)													
1	0.00 to < 0.15	39,785	4,000	75.00	42,785	0.11	0.0	29.77	3.9	11,454	26.77	15	
2	0.15 to < 0.25	75,498	1,723	75.00	73,043	0.20	0.0	31.69	3.2	23,046	31.55	47	
3	0.25 to < 0.50	30,525	—	—	30,525	0.30	0.0	31.81	2.1	9,146	29.96	30	
4	0.50 to < 0.75	40,764	713	78.50	39,747	0.50	0.0	20.72	2.5	11,058	27.82	41	
5	0.75 to < 2.50	116,545	8,508	78.94	115,961	1.59	0.1	20.33	2.9	50,012	43.12	368	
6	2.50 to < 10.00	6,682	523	76.13	7,080	7.03	0.0	19.93	1.8	4,028	56.89	101	
7	10.00 to < 100.00	829	—	—	107	18.67	0.0	11.81	5.0	58	53.89	2	
8	100.00 (Default)	1,880	—	—	3,978	100.00	0.0	28.40	1.0	1,437	36.12	1,015	
9	Sub-total	312,511	15,468	77.37	313,230	2.18	0.3	25.53	2.9	110,241	35.19	1,621	3,283
SME exposures (FIRB)													
1	0.00 to < 0.15	27	—	—	27	0.12	0.0	45.00	1.0	5	20.42	0	
2	0.15 to < 0.25	39	—	—	39	0.20	0.0	45.00	1.0	10	26.73	0	
3	0.25 to < 0.50	4	—	—	4	0.30	0.0	45.00	1.0	1	33.97	0	
4	0.50 to < 0.75	111,701	1,671	75.00	112,133	0.50	0.5	38.65	4.5	72,824	64.94	218	
5	0.75 to < 2.50	273,580	1,531	79.63	272,355	1.57	1.5	39.74	4.7	252,649	92.76	1,710	
6	2.50 to < 10.00	9,107	1	0.00	9,140	7.39	0.0	40.54	3.5	11,757	128.63	272	
7	10.00 to < 100.00	524	—	—	524	18.67	0.0	45.00	2.6	1,011	192.88	44	
8	100.00 (Default)	5,217	235	98.80	5,802	100.00	0.0	40.11	1.0	0	0.00	2,327	
9	Sub-total	400,202	3,439	78.66	400,027	2.85	2.3	39.47	4.6	338,260	84.55	4,574	587

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2020											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Specialised lending (AIRB)													
1	0.00 to < 0.15	¥ 1,386,047	¥ 150,657	75.00%	¥ 1,499,040	0.08%	0.3	27.34%	4.2	¥ 356,139	23.75%	¥ 361	
2	0.15 to < 0.25	71,748	5,850	75.00	76,136	0.20	0.0	25.91	3.7	25,107	32.97	40	
3	0.25 to < 0.50	540,609	142,098	74.83	646,951	0.29	0.1	24.16	4.4	254,982	39.41	465	
4	0.50 to < 0.75	282,051	44,188	75.61	315,465	0.56	0.0	20.69	4.3	138,436	43.88	377	
5	0.75 to < 2.50	312,508	62,662	74.17	358,985	1.37	0.0	27.37	4.0	266,355	74.19	1,399	
6	2.50 to < 10.00	77,678	30,088	75.00	100,244	5.02	0.0	28.54	3.8	102,946	102.69	1,371	
7	10.00 to < 100.00	12,524	9,828	75.00	19,895	25.06	0.0	37.70	3.5	41,186	207.01	2,102	
8	100.00 (Default)	12,642	1,478	64.93	13,606	100.00	0.0	22.95	1.0	5,129	37.69	2,712	
9	Sub-total	2,695,811	446,852	74.86	3,030,325	1.11	0.7	26.02	4.2	1,190,283	39.27	8,830	¥ 8,768
Specialised lending (FIRB)													
1	0.00 to < 0.15	2,228	—	—	2,228	0.09	0.3	45.00	1.0	401	18.02	0	
2	0.15 to < 0.25	66	—	—	66	0.20	0.0	45.00	1.0	20	30.51	0	
3	0.25 to < 0.50	1,192	—	—	1,192	0.30	0.1	45.00	1.0	467	39.22	1	
4	0.50 to < 0.75	223	—	—	223	0.59	0.0	45.00	1.0	127	57.05	0	
5	0.75 to < 2.50	599	—	—	599	1.32	0.0	45.00	1.0	486	81.21	3	
6	2.50 to < 10.00	103	—	—	103	4.95	0.0	45.00	1.0	134	130.15	2	
7	10.00 to < 100.00	66	—	—	66	27.62	0.0	45.00	1.0	148	223.15	8	
8	100.00 (Default)	0	—	—	0	100.00	0.0	45.00	1.0	0	0.00	0	
9	Sub-total	4,480	—	—	4,480	0.87	0.6	45.00	1.0	1,787	39.89	17	—
Equity exposures (PD/LGD Approach)													
1	0.00 to < 0.15	1,054,812	—	—	433,493	0.07	0.3	90.00	5.0	515,854	118.99	—	
2	0.15 to < 0.25	97,479	—	—	36,941	0.20	0.1	90.00	5.0	56,861	153.92	—	
3	0.25 to < 0.50	61,834	—	—	24,134	0.30	0.2	90.00	5.0	42,371	175.56	—	
4	0.50 to < 0.75	33,500	—	—	16,506	0.50	0.2	90.00	5.0	33,359	202.10	—	
5	0.75 to < 2.50	19,469	—	—	16,095	1.31	0.2	90.00	5.0	44,910	279.02	—	
6	2.50 to < 10.00	3,229	—	—	1,947	6.74	0.0	90.00	5.0	8,423	432.58	—	
7	10.00 to < 100.00	0	—	—	0	18.68	0.0	90.00	5.0	0	703.02	—	
8	100.00 (Default)	61	—	—	19	100.00	0.0	90.00	5.0	217	1,125.00	—	
9	Sub-total	1,270,387	—	—	529,136	0.17	1.3	90.00	5.0	701,998	132.66	—	
Purchased receivables for corporates, etc. (default risk) (AIRB)													
1	0.00 to < 0.15	8,690	—	—	8,690	0.10	0.0	32.10	2.8	2,241	25.78	2	
2	0.15 to < 0.25	18,858	—	—	18,858	0.20	0.0	32.10	2.4	5,904	31.31	12	
3	0.25 to < 0.50	3,750	—	—	3,750	0.30	0.0	32.10	4.2	1,976	52.71	3	
4	0.50 to < 0.75	3,752	—	—	3,752	0.50	0.0	31.85	3.1	2,169	57.81	6	
5	0.75 to < 2.50	28,502	—	—	28,502	1.61	0.0	31.88	3.8	25,491	89.43	146	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	2,309	—	—	2,309	100.00	0.0	32.10	1.0	949	41.12	665	
9	Sub-total	65,863	—	—	65,863	4.32	0.0	31.99	3.2	38,732	58.80	837	312

CR6		Millions of Yen, %, 1,000 cases, Year													
		March 31, 2020													
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l		
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions		
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (AIRB)															
1	0.00 to < 0.15	¥ —	¥ —	—%	¥ —	—%	—	—%	—	¥ —	—%	¥ —	—		
2	0.15 to < 0.25	1,710	—	—	1,710	0.22	0.0	100.00	1.0	1,239	72.47	—			
3	0.25 to < 0.50	—	—	—	—	—	—	—	—	—	—	—			
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—			
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—			
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—			
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—			
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—			
9	Sub-total	1,710	—	—	1,710	0.22	0.0	100.00	1.0	1,239	72.47	—	¥ —		
Purchased receivables for corporates, etc. (default risk) (FIRB)															
1	0.00 to < 0.15	483,484	2,372	75.00	485,263	0.06	0.3	45.00	1.1	66,743	13.75	136			
2	0.15 to < 0.25	64,422	—	—	64,422	0.21	0.1	45.00	1.0	20,241	31.41	60			
3	0.25 to < 0.50	132,722	—	—	132,722	0.33	0.2	45.00	1.2	58,650	44.19	200			
4	0.50 to < 0.75	48,097	2,717	75.00	50,134	0.54	1.2	45.00	1.2	29,126	58.09	122			
5	0.75 to < 2.50	56,045	—	—	56,045	1.57	5.3	45.00	1.3	49,537	88.38	397			
6	2.50 to < 10.00	5,310	—	—	5,310	6.19	1.1	45.00	1.1	7,782	146.56	148			
7	10.00 to < 100.00	2,322	—	—	2,322	16.89	0.0	45.00	1.6	4,806	206.95	176			
8	100.00 (Default)	4,037	—	—	4,037	100.00	0.0	45.00	1.0	0	0.00	1,816			
9	Sub-total	796,441	5,089	75.00	800,258	0.84	8.5	45.00	1.1	236,888	29.60	3,059	560		
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (FIRB)															
1	0.00 to < 0.15	578,025	5,089	75.00	581,842	0.06	0.4	94.35	1.1	167,833	28.84	17			
2	0.15 to < 0.25	19,872	—	—	19,872	0.22	0.1	99.49	1.0	14,065	70.77	0			
3	0.25 to < 0.50	39,216	—	—	39,216	0.34	0.2	66.44	1.3	27,085	69.06	29			
4	0.50 to < 0.75	1,001	—	—	1,001	0.50	0.0	45.00	2.9	877	87.58	2			
5	0.75 to < 2.50	6,020	—	—	6,020	0.91	0.2	95.12	1.2	9,071	150.66	3			
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—			
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—			
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—			
9	Sub-total	644,136	5,089	75.00	647,953	0.09	1.1	92.75	1.1	218,932	33.78	53	—		
Purchased receivables for retail (default risk)															
1	0.00 to < 0.15	—	—	—	—	—	—	—	—	—	—	—			
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—			
3	0.25 to < 0.50	58,756	—	—	58,775	0.30	35.0	75.28	—	23,858	40.59	136			
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—			
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—			
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—			
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—			
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—			
9	Sub-total	58,756	—	—	58,775	0.30	35.0	75.28	—	23,858	40.59	136	237		

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2020											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Qualifying revolving retail exposures													
1	0.00 to < 0.15	¥ 0	¥ 42,186	28.14%	¥ 11,872	0.10%	44.6	62.62%	—	¥ 481	4.05%	¥ 8	
2	0.15 to < 0.25	36,647	819,182	12.66	140,429	0.23	198.2	66.45	—	11,466	8.16	221	
3	0.25 to < 0.50	25,516	829,416	7.96	91,609	0.36	171.5	75.34	—	11,933	13.02	250	
4	0.50 to < 0.75	31,871	281,217	12.66	67,498	0.57	86.9	66.45	—	11,105	16.45	255	
5	0.75 to < 2.50	15,059	213,789	13.84	44,649	1.15	126.6	67.39	—	12,520	28.04	346	
6	2.50 to < 10.00	37,209	85,971	13.43	48,758	4.85	49.1	66.92	—	36,992	75.86	1,585	
7	10.00 to < 100.00	378	1,403	13.33	566	49.24	0.7	66.08	—	969	171.29	188	
8	100.00 (Default)	109	3,614	9.64	16,063	100.00	19.3	67.40	—	15,630	97.30	9,576	
9	Sub-total	146,792	2,276,782	11.37	421,448	4.81	697.2	68.47	—	101,100	23.98	12,433	¥ 17,707
Residential mortgage exposures													
1	0.00 to < 0.15	4,025,749	14,944	100.00	4,040,694	0.09	136.9	18.34	—	174,400	4.31	737	
2	0.15 to < 0.25	2,941,838	82	100.00	2,941,920	0.17	139.4	18.06	—	194,374	6.60	939	
3	0.25 to < 0.50	2,612,664	2,340	100.00	2,615,015	0.35	157.1	18.11	—	285,730	10.92	1,669	
4	0.50 to < 0.75	41,039	—	—	41,039	0.62	2.8	22.43	—	8,404	20.47	57	
5	0.75 to < 2.50	132,716	19	100.00	132,736	0.89	13.5	21.22	—	32,538	24.51	249	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	68,321	20	100.00	68,342	20.21	3.8	18.68	—	71,391	104.46	2,607	
8	100.00 (Default)	33,521	15	100.00	34,837	100.00	2.0	20.05	—	8,496	24.38	6,307	
9	Sub-total	9,855,850	17,422	100.00	9,874,584	0.69	455.8	18.26	—	775,336	7.85	12,569	26,674
Other retail exposures													
1	0.00 to < 0.15	0	23,634	22.78	5,384	0.10	21.7	22.17	—	316	5.87	1	
2	0.15 to < 0.25	15,790	—	—	15,790	0.18	1.7	46.37	—	2,781	17.61	13	
3	0.25 to < 0.50	350,660	—	—	350,660	0.32	121.7	59.56	—	114,313	32.59	673	
4	0.50 to < 0.75	320,724	447	100.00	321,469	0.57	91.1	39.06	—	99,369	30.91	749	
5	0.75 to < 2.50	178,853	146,533	28.29	220,324	1.21	289.7	66.15	—	158,137	71.77	1,863	
6	2.50 to < 10.00	28,279	26,105	57.09	43,184	4.32	46.1	29.25	—	18,682	43.26	636	
7	10.00 to < 100.00	21,642	497	83.87	22,104	15.78	1.9	33.00	—	13,241	59.90	1,330	
8	100.00 (Default)	7,495	1,524	31.52	20,304	100.00	12.5	52.67	—	5,473	26.95	10,258	
9	Sub-total	923,447	198,741	31.74	999,223	3.13	586.8	51.97	—	412,315	41.26	15,526	19,210
Lease transactions													
1	0.00 to < 0.15	203,370	—	—	203,370	0.07	0.4	45.00	2.6	50,473	24.81	73	
2	0.15 to < 0.25	135,781	—	—	135,781	0.20	0.1	45.00	4.1	81,744	60.20	125	
3	0.25 to < 0.50	23,758	—	—	23,758	0.30	0.1	45.00	2.1	12,383	52.12	33	
4	0.50 to < 0.75	40,113	—	—	40,113	0.50	0.2	45.00	3.1	31,065	77.44	91	
5	0.75 to < 2.50	41,132	—	—	41,132	1.63	0.3	45.00	3.0	43,943	106.83	302	
6	2.50 to < 10.00	2,919	—	—	2,919	6.16	0.0	45.00	2.7	4,547	155.79	80	
7	10.00 to < 100.00	283	—	—	283	18.67	0.0	45.00	3.2	563	198.85	23	
8	100.00 (Default)	157	—	—	157	100.00	0.0	45.00	1.0	0	0.00	70	
9	Sub-total	447,516	—	—	447,516	0.39	1.3	45.00	3.1	224,722	50.21	801	4,928
Total (all portfolios)		¥ 48,510,376	¥ 6,811,321	53.22%	¥ 51,449,227	0.65%	1,799.7	35.37%	2.2	¥ 10,960,365	21.30%	¥ 112,195	¥ 164,527

Notes: 1. "Number of obligors" in Column f: "Qualifying revolving retail exposures," "Residential mortgage exposures," and "Other retail exposures" are tallied with the number of loans, because it is difficult to grasp the number of some obligors.

2. Purchased receivables for retail (dilution risk and originator risk of loan participation) are not applicable.

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2019											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Sovereign exposures (Advanced Internal Ratings-Based Approach (AIRB))													
1	0.00 to < 0.15	¥ 1,107,745	¥ 33	75.00%	¥ 1,121,315	0.00%	0.0	32.52%	1.7	¥ 15,426	1.37%	¥ 8	
2	0.15 to < 0.25	4,778	277	75.00	94	0.20	0.0	28.16	2.4	25	27.49	0	
3	0.25 to < 0.50	995	530	75.00	397	0.30	0.0	32.53	5.0	233	58.79	0	
4	0.50 to < 0.75	1	—	—	1	0.50	0.0	32.53	4.9	1	71.56	0	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	1,113,521	840	75.00	1,121,809	0.00	0.0	32.52	1.7	15,687	1.39	9	¥ 71
Sovereign exposures (Foundation Internal Ratings-Based Approach (FIRB))													
1	0.00 to < 0.15	16,154,670	248,926	95.57	16,453,018	0.00	0.1	44.99	1.1	84,798	0.51	135	
2	0.15 to < 0.25	0	—	—	0	0.20	0.0	45.00	1.0	0	30.51	0	
3	0.25 to < 0.50	52,379	4,610	75.00	20,560	0.28	0.0	42.81	2.1	11,617	56.50	25	
4	0.50 to < 0.75	0	—	—	0	0.50	0.0	45.00	1.0	0	52.44	0	
5	0.75 to < 2.50	2,601	92	100.00	2,499	1.78	0.0	44.62	1.1	2,316	92.66	19	
6	2.50 to < 10.00	28,184	—	—	984	5.36	0.0	35.57	2.8	1,113	113.13	15	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	16,237,835	253,629	95.20	16,477,063	0.00	0.1	44.99	1.1	99,845	0.60	196	536
Financial Institution exposures (AIRB)													
1	0.00 to < 0.15	429,035	340	75.00	430,026	0.04	0.0	32.53	2.8	89,722	20.86	68	
2	0.15 to < 0.25	32,000	9,000	75.00	38,750	0.20	0.0	32.53	1.3	9,391	24.23	25	
3	0.25 to < 0.50	1,109	—	—	1,109	0.30	0.0	11.99	1.0	116	10.53	0	
4	0.50 to < 0.75	1,400	1,000	75.00	2,150	0.50	0.0	32.53	1.0	817	38.00	3	
5	0.75 to < 2.50	14,512	6,368	85.20	19,938	1.12	0.0	32.53	1.1	11,258	56.46	73	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	478,056	16,708	78.89	491,974	0.10	0.0	32.48	2.6	111,306	22.62	171	336
Financial Institution exposures (FIRB)													
1	0.00 to < 0.15	685,370	142,033	82.80	802,750	0.06	0.1	43.60	1.4	146,867	18.29	219	
2	0.15 to < 0.25	1,168	—	—	1,168	0.20	0.0	70.66	1.0	560	47.91	1	
3	0.25 to < 0.50	28,396	5,869	75.00	30,299	0.30	0.0	67.01	4.0	43,624	143.97	62	
4	0.50 to < 0.75	3	—	—	3	0.50	0.0	45.00	1.0	1	52.44	0	
5	0.75 to < 2.50	3,736	—	—	3,736	1.77	0.0	45.00	4.8	5,283	141.42	29	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	718,676	147,903	82.49	837,957	0.07	0.1	44.49	1.6	196,337	23.43	312	220

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2019											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Corporate exposures (excluding SME exposures and specialised lending) (AIRB)													
1	0.00 to < 0.15	¥ 6,300,280	¥ 2,415,175	75.61%	¥ 8,229,831	0.07%	0.7	32.04%	2.6	¥ 1,591,366	19.33%	¥ 1,959	
2	0.15 to < 0.25	2,277,239	432,352	76.18	2,580,853	0.20	0.4	31.43	2.6	856,102	33.17	1,663	
3	0.25 to < 0.50	1,125,691	210,731	75.98	1,268,287	0.30	0.4	31.48	2.5	519,249	40.94	1,231	
4	0.50 to < 0.75	1,081,504	216,823	75.40	1,243,507	0.50	0.7	30.06	2.4	591,849	47.59	1,887	
5	0.75 to < 2.50	787,729	115,784	73.03	822,338	1.35	0.8	28.94	2.4	538,946	65.53	3,243	
6	2.50 to < 10.00	220,720	28,913	84.55	247,723	6.62	0.0	27.26	2.2	256,729	103.63	4,560	
7	10.00 to < 100.00	19,816	37	75.00	19,161	18.67	0.0	28.80	1.7	27,395	142.97	1,031	
8	100.00 (Default)	23,865	951	75.00	28,721	100.00	0.0	32.48	1.0	13,211	45.99	8,273	
9	Sub-total	11,836,847	3,420,770	75.68	14,440,424	0.56	3.2	31.45	2.6	4,394,850	30.43	23,849	¥ 47,758
Corporate exposures (excluding SME exposures and specialised lending) (FIRB)													
1	0.00 to < 0.15	788,993	147,720	85.45	928,540	0.07	0.9	52.92	3.0	357,563	38.50	371	
2	0.15 to < 0.25	105,699	—	—	106,318	0.20	0.4	59.44	3.2	78,450	73.78	129	
3	0.25 to < 0.50	272,857	78,050	80.42	336,073	0.29	0.6	45.69	2.4	197,898	58.88	452	
4	0.50 to < 0.75	171,892	10,011	75.40	180,198	0.60	0.7	48.42	3.7	192,133	106.62	521	
5	0.75 to < 2.50	405,200	22,850	74.23	422,182	1.44	1.3	43.40	3.9	511,161	121.07	2,632	
6	2.50 to < 10.00	164,500	3,770	82.11	167,542	6.03	0.4	45.06	4.3	311,435	185.88	4,559	
7	10.00 to < 100.00	36,370	1,664	72.88	35,566	29.72	0.0	44.68	4.2	92,651	260.50	4,718	
8	100.00 (Default)	13,276	205	90.28	15,707	100.00	0.0	44.11	1.0	0	0.00	6,929	
9	Sub-total	1,958,791	264,274	82.49	2,192,130	2.07	4.6	49.13	3.3	1,741,292	79.43	20,315	13,172
SME exposures (AIRB)													
1	0.00 to < 0.15	48,149	4,830	75.00	50,100	0.11	0.0	32.53	3.7	14,742	29.42	19	
2	0.15 to < 0.25	81,826	—	—	79,339	0.20	0.0	30.67	3.6	26,676	33.62	49	
3	0.25 to < 0.50	10,167	—	—	10,167	0.30	0.0	28.14	2.7	2,996	29.46	8	
4	0.50 to < 0.75	50,866	474	75.00	49,710	0.50	0.0	19.90	3.2	14,427	29.02	49	
5	0.75 to < 2.50	115,194	11,185	76.32	114,080	1.52	0.2	21.60	2.9	53,422	46.82	374	
6	2.50 to < 10.00	9,832	1,594	75.00	10,938	7.13	0.0	21.45	1.6	6,580	60.15	169	
7	10.00 to < 100.00	4,040	—	—	3,293	18.67	0.0	16.82	1.5	2,203	66.89	103	
8	100.00 (Default)	1,367	—	—	2,168	100.00	0.0	27.21	1.0	827	38.13	524	
9	Sub-total	321,444	18,083	75.81	319,798	1.81	0.3	25.49	3.2	121,876	38.11	1,300	2,885
SME exposures (FIRB)													
1	0.00 to < 0.15	53	—	—	53	0.12	0.0	45.00	1.0	11	21.55	0	
2	0.15 to < 0.25	54	—	—	54	0.20	0.0	45.00	1.0	14	26.66	0	
3	0.25 to < 0.50	1	—	—	1	0.30	0.0	45.00	1.0	0	36.27	0	
4	0.50 to < 0.75	96,097	932	75.00	95,925	0.50	0.5	38.64	4.7	63,631	66.33	187	
5	0.75 to < 2.50	249,549	687	85.85	247,948	1.59	1.3	39.55	4.6	227,607	91.79	1,578	
6	2.50 to < 10.00	10,874	—	—	10,805	7.40	0.0	40.96	3.2	13,957	129.17	326	
7	10.00 to < 100.00	228	—	—	228	18.67	0.0	44.54	4.8	461	202.15	19	
8	100.00 (Default)	8,547	250	99.99	8,983	100.00	0.0	43.79	1.0	0	0.00	3,934	
9	Sub-total	365,406	1,870	82.33	364,000	3.92	2.0	39.46	4.5	305,685	83.97	6,046	600

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2019											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Specialised lending (AIRB)													
1	0.00 to < 0.15	¥ 537,680	¥ 10,807	75.00%	¥ 545,785	0.06%	0.0	18.07%	3.3	¥ 58,342	10.68%	¥ 61	
2	0.15 to < 0.25	84,129	2,700	75.00	86,154	0.20	0.0	18.07	3.0	17,301	20.08	31	
3	0.25 to < 0.50	54,223	—	—	54,223	0.30	0.0	18.07	1.2	9,227	17.01	30	
4	0.50 to < 0.75	257,122	—	—	257,122	0.50	0.0	18.07	4.3	94,747	36.84	234	
5	0.75 to < 2.50	57,285	3,100	75.00	59,610	1.23	0.0	18.07	4.3	29,262	49.08	133	
6	2.50 to < 10.00	130	—	—	130	7.65	0.0	18.07	1.0	82	63.08	1	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	990,572	16,607	75.00	1,003,027	0.27	0.1	18.07	3.5	208,963	20.83	493	¥ 1,017
Specialised lending (FIRB)													
1	0.00 to < 0.15	206	—	—	206	0.08	0.0	45.00	1.0	33	16.14	0	
2	0.15 to < 0.25	47	—	—	47	0.20	0.0	45.00	1.0	14	30.51	0	
3	0.25 to < 0.50	18	—	—	18	0.30	0.0	45.00	1.0	7	39.51	0	
4	0.50 to < 0.75	111	—	—	111	0.50	0.0	45.00	1.0	58	52.44	0	
5	0.75 to < 2.50	17	—	—	17	1.74	0.0	45.00	1.0	15	90.55	0	
6	2.50 to < 10.00	0	—	—	0	7.65	0.0	45.00	1.0	1	157.03	0	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	401	—	—	401	0.30	0.1	45.00	1.0	130	32.39	0	—
Equity exposures (PD/LGD Approach)													
1	0.00 to < 0.15	1,278,797	29	100.00	506,224	0.07	0.3	90.00	5.0	608,065	120.11	—	
2	0.15 to < 0.25	125,988	—	—	45,859	0.20	0.1	90.00	5.0	69,714	152.01	—	
3	0.25 to < 0.50	59,246	—	—	22,468	0.30	0.1	90.00	5.0	38,862	172.96	—	
4	0.50 to < 0.75	48,216	—	—	21,156	0.50	0.2	90.00	5.0	43,068	203.57	—	
5	0.75 to < 2.50	21,568	—	—	16,935	1.26	0.2	90.00	5.0	46,403	274.00	—	
6	2.50 to < 10.00	4,000	—	—	2,258	6.66	0.0	90.00	5.0	10,230	453.01	—	
7	10.00 to < 100.00	14	—	—	4	18.67	0.0	90.00	5.0	33	731.60	—	
8	100.00 (Default)	10	—	—	3	100.00	0.0	90.00	5.0	36	1,125.00	—	
9	Sub-total	1,537,843	29	100.00	614,910	0.16	1.3	90.00	5.0	816,416	132.76	—	
Purchased receivables for corporates, etc. (default risk) (AIRB)													
1	0.00 to < 0.15	8,055	—	—	8,055	0.09	0.0	32.53	3.3	2,221	27.58	2	
2	0.15 to < 0.25	29,955	—	—	29,955	0.20	0.0	32.53	2.3	9,367	31.27	19	
3	0.25 to < 0.50	1,700	—	—	1,700	0.30	0.0	32.53	4.3	919	54.10	1	
4	0.50 to < 0.75	40,613	—	—	40,613	0.50	0.0	32.53	4.0	25,769	63.45	66	
5	0.75 to < 2.50	32,381	—	—	32,381	1.67	0.0	32.46	3.9	29,754	91.88	175	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	112,704	—	—	112,704	0.72	0.0	32.51	3.5	68,033	60.36	266	7

CR6		Millions of Yen, %, 1,000 cases, Year															
		March 31, 2019															
		a	b		c	d		e	f	g	h	i	j	k	l		
Item No.	PD scale	On-balance sheet gross exposures		Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions			
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (AIRB)																	
1	0.00 to < 0.15	¥	—	¥	—	—%	¥	—	—%	—	—%	—	¥	—	—%	¥	—
2	0.15 to < 0.25		—		—		—	—	—	—		—		—		—	
3	0.25 to < 0.50		1,140		—		1,140	0.25	0.0	100.00	1.0	886	77.74		—		
4	0.50 to < 0.75		—		—		—	—	—	—		—	—		—		
5	0.75 to < 2.50		—		—		—	—	—	—		—	—		—		
6	2.50 to < 10.00		—		—		—	—	—	—		—	—		—		
7	10.00 to < 100.00		—		—		—	—	—	—		—	—		—		
8	100.00 (Default)		—		—		—	—	—	—		—	—		—		
9	Sub-total		1,140		—		1,140	0.25	0.0	100.00	1.0	886	77.74		—	¥	—
Purchased receivables for corporates, etc. (default risk) (FIRB)																	
1	0.00 to < 0.15		605,927		—		605,927	0.06	0.3	45.00	1.1	87,288	14.40		180		
2	0.15 to < 0.25		85,732		—		85,732	0.20	0.1	45.00	1.0	26,297	30.67		79		
3	0.25 to < 0.50		78,795		—		78,795	0.30	0.3	45.00	1.1	31,979	40.58		109		
4	0.50 to < 0.75		93,164		—		93,164	0.51	1.3	45.00	1.1	50,102	53.77		214		
5	0.75 to < 2.50		56,214		—		56,214	1.48	4.8	45.00	1.5	48,501	86.27		375		
6	2.50 to < 10.00		10,764		—		10,764	4.87	1.4	45.00	2.7	16,283	151.26		236		
7	10.00 to < 100.00		2,664		—		2,664	21.75	0.0	45.00	2.5	5,974	224.24		260		
8	100.00 (Default)		76		—		76	100.00	0.0	45.00	1.0	0	0.00		34		
9	Sub-total		933,340		—		933,340	0.35	8.5	45.00	1.1	266,426	28.54		1,490		1,010
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (FIRB)																	
1	0.00 to < 0.15		663,563		—		663,563	0.05	0.3	94.66	1.1	173,641	26.16		17		
2	0.15 to < 0.25		20,627		—		20,627	0.22	0.1	99.80	1.0	14,624	70.89		0		
3	0.25 to < 0.50		16,869		—		16,869	0.37	0.2	80.98	1.4	14,674	86.98		7		
4	0.50 to < 0.75		1,295		—		1,295	0.50	0.0	45.00	2.5	1,048	80.95		2		
5	0.75 to < 2.50		8,586		—		8,586	0.94	0.3	92.95	1.4	12,996	151.36		8		
6	2.50 to < 10.00		—		—		—	—	—	—		—	—		—		
7	10.00 to < 100.00		—		—		—	—	—	—		—	—		—		
8	100.00 (Default)		—		—		—	—	—	—		—	—		—		
9	Sub-total		710,941		—		710,941	0.08	1.0	94.37	1.1	216,985	30.52		35		—
Purchased receivables for retail (default risk)																	
1	0.00 to < 0.15		—		—		—	—	—	—		—	—		—		
2	0.15 to < 0.25		—		—		—	—	—	—		—	—		—		
3	0.25 to < 0.50		72,898		—		72,898	0.31	35.9	72.54	—	28,736	39.42		165		
4	0.50 to < 0.75		—		—		—	—	—	—		—	—		—		
5	0.75 to < 2.50		—		—		—	—	—	—		—	—		—		
6	2.50 to < 10.00		—		—		—	—	—	—		—	—		—		
7	10.00 to < 100.00		—		—		—	—	—	—		—	—		—		
8	100.00 (Default)		—		—		—	—	—	—		—	—		—		
9	Sub-total		72,898		—		72,898	0.31	35.9	72.54	—	28,736	39.42		165		276

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2019											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Qualifying revolving retail exposures													
1	0.00 to < 0.15	¥ 0	¥ 42,560	28.44%	¥ 12,106	0.11%	43.9	64.25%	—	¥ 524	4.33%	¥ 8	
2	0.15 to < 0.25	40,983	845,956	11.53	138,564	0.24	201.1	58.77	—	10,228	7.38	198	
3	0.25 to < 0.50	19,038	667,036	8.26	74,192	0.37	149.8	72.92	—	9,496	12.80	200	
4	0.50 to < 0.75	32,814	280,686	11.53	65,191	0.59	85.1	58.77	—	9,786	15.01	227	
5	0.75 to < 2.50	16,076	190,244	11.63	38,208	0.94	91.7	62.91	—	8,769	22.95	226	
6	2.50 to < 10.00	44,516	136,231	13.29	62,624	5.00	96.2	59.70	—	43,013	68.68	1,864	
7	10.00 to < 100.00	385	1,488	10.49	541	56.14	0.7	63.73	—	813	150.18	196	
8	100.00 (Default)	166	4,722	7.57	16,807	100.00	20.7	60.53	—	5,032	29.93	9,772	
9	Sub-total	153,981	2,168,927	10.97	408,238	5.29	689.6	62.11	—	87,663	21.47	12,695	¥ 18,240
Residential mortgage exposures													
1	0.00 to < 0.15	3,211,628	17,556	100.00	3,229,185	0.10	112.5	19.71	—	159,641	4.94	688	
2	0.15 to < 0.25	2,990,500	115	100.00	2,990,616	0.18	142.1	18.36	—	206,606	6.90	1,008	
3	0.25 to < 0.50	2,273,100	2,584	100.00	2,275,684	0.34	116.8	18.19	—	246,297	10.82	1,424	
4	0.50 to < 0.75	700,591	73	100.00	700,664	0.51	46.4	19.98	—	111,220	15.87	719	
5	0.75 to < 2.50	130,195	19	100.00	130,215	0.92	12.7	22.22	—	34,196	26.26	265	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	81,493	35	100.00	81,528	20.34	4.2	19.23	—	87,890	107.80	3,255	
8	100.00 (Default)	30,930	24	100.00	32,073	100.00	1.8	20.87	—	8,415	26.23	6,023	
9	Sub-total	9,418,440	20,409	100.00	9,439,968	0.74	436.8	18.97	—	854,268	9.04	13,385	23,339
Other retail exposures													
1	0.00 to < 0.15	0	25,295	22.91	5,795	0.11	23.0	19.44	—	308	5.32	1	
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to < 0.50	277,137	—	—	277,137	0.31	121.4	55.64	—	83,915	30.27	493	
4	0.50 to < 0.75	360,872	571	100.00	361,443	0.58	101.0	39.74	—	113,239	31.32	852	
5	0.75 to < 2.50	157,862	148,343	28.60	200,301	1.14	282.2	65.10	—	138,800	69.29	1,534	
6	2.50 to < 10.00	64,836	26,106	54.24	78,998	3.80	67.6	45.23	—	50,704	64.18	1,328	
7	10.00 to < 100.00	3,666	754	91.86	4,359	41.53	1.1	39.27	—	3,831	87.89	844	
8	100.00 (Default)	9,781	1,423	34.20	23,035	100.00	13.6	49.19	—	6,312	27.40	10,826	
9	Sub-total	874,158	202,494	31.67	951,071	3.48	610.3	50.27	—	397,113	41.75	15,881	16,106
Lease transactions													
1	0.00 to < 0.15	127,287	—	—	127,287	0.05	0.4	45.00	3.1	30,100	23.64	31	
2	0.15 to < 0.25	184,569	—	—	184,569	0.20	0.1	45.00	3.3	96,033	52.03	170	
3	0.25 to < 0.50	21,888	—	—	21,888	0.30	0.1	45.00	2.0	11,090	50.66	30	
4	0.50 to < 0.75	33,751	—	—	33,751	0.50	0.2	45.00	3.1	25,989	77.00	76	
5	0.75 to < 2.50	44,629	—	—	44,629	1.51	0.3	45.00	2.8	45,430	101.79	304	
6	2.50 to < 10.00	2,510	—	—	2,510	6.26	0.0	45.00	2.9	3,773	150.26	70	
7	10.00 to < 100.00	305	—	—	305	18.67	0.0	45.00	3.5	638	208.69	25	
8	100.00 (Default)	—	—	—	526	100.00	0.0	45.00	1.0	0	0.00	237	
9	Sub-total	414,942	—	—	415,469	0.50	1.3	45.00	3.1	213,055	51.28	946	3,519
Total (all portfolios)		¥ 48,251,943	¥ 6,532,547	54.10%	¥ 50,909,270	0.55%	1,796.1	36.89%	2.0	¥ 10,145,561	19.92%	¥ 97,562	¥ 129,100

Notes: 1. "Number of obligors" in Column f: "Qualifying revolving retail exposures," "Residential mortgage exposures," and "Other retail exposures" are tallied with the number of loans, because it is difficult to grasp the number of some obligors.

2. Purchased receivables for retail (dilution risk and originator risk of loan participation) are not applicable.

CR7: IRB – Effect on RWA of credit derivatives used as CRM technique

Item No.	Portfolio	Millions of Yen	
		March 31, 2020	
		a	b
		Pre-credit derivatives credit RWA amounts	Actual credit RWA amounts
1	Sovereign Exposures – FIRB	¥ 108,192	¥ 108,192
2	Sovereign Exposures – AIRB	12,818	12,818
3	Financial Institution Exposures – FIRB	141,054	141,054
4	Financial Institution Exposures – AIRB	129,364	129,364
5	Corporate exposures (excluding specialised lending) – FIRB	2,081,863	2,081,863
6	Corporate exposures (excluding specialised lending) – AIRB	4,559,875	4,559,875
7	Specialised lending – FIRB	339,214	339,214
8	Specialised lending – AIRB	1,190,283	1,190,283
9	Retail – Qualifying revolving retail exposures	101,100	101,100
10	Retail – Residential mortgage exposures	775,336	775,336
11	Retail – Other retail exposures	412,315	412,315
12	Equity Exposures – FIRB	923,841	923,841
13	Equity Exposures – AIRB	—	—
14	Purchased receivables – FIRB	479,679	479,679
15	Purchased receivables – AIRB	39,972	39,972
16	Total	¥ 11,294,912	¥ 11,294,912

Note: The SuMi TRUST Group does not use credit derivatives as credit risk mitigation techniques.

Item No.	Portfolio	Millions of Yen	
		March 31, 2019	
		a	b
		Pre-credit derivatives credit RWA amounts	Actual credit RWA amounts
1	Sovereign Exposures – FIRB	¥ 100,435	¥ 100,435
2	Sovereign Exposures – AIRB	14,903	14,903
3	Financial Institution Exposures – FIRB	196,461	196,461
4	Financial Institution Exposures – AIRB	111,017	111,017
5	Corporate exposures (excluding specialised lending) – FIRB	2,046,264	2,046,264
6	Corporate exposures (excluding specialised lending) – AIRB	4,517,798	4,517,798
7	Specialised lending – FIRB	2,269,220	2,269,220
8	Specialised lending – AIRB	208,963	208,963
9	Retail – Qualifying revolving retail exposures	87,663	87,663
10	Retail – Residential mortgage exposures	854,268	854,268
11	Retail – Other retail exposures	397,113	397,113
12	Equity Exposures – FIRB	991,938	991,938
13	Equity Exposures – AIRB	—	—
14	Purchased receivables – FIRB	512,148	512,148
15	Purchased receivables – AIRB	68,919	68,919
16	Total	¥ 12,377,118	¥ 12,377,118

Note: The SuMi TRUST Group does not use credit derivatives as credit risk mitigation techniques.

CR8: RWA flow statements of credit risk exposures under IRB

CR8 Item No.		Billions of Yen	
		March 31, 2020	
		RWA amounts	
1	RWA at the end of the previous fiscal year	¥ 13,219	
2	Asset size	331	
3	Asset quality	(365)	
4	Model updates	(23)	
5	Factor of RWA changes	Methodology and policy	
6	Acquisitions and disposals	(819)	
7	Foreign exchange movements	—	
8	Others	(159)	
9	RWA at the end of the fiscal year	—	
		¥ 12,184	

Note: The end of the previous fiscal year indicates March 31, 2019, and the end of the fiscal year indicates March 31, 2020.

CR8 Item No.		Billions of Yen	
		March 31, 2019	
		RWA amounts	
1	RWA at the end of the previous fiscal year	¥ 13,427	
2	Asset size	652	
3	Asset quality	(900)	
4	Model updates	(115)	
5	Factor of RWA changes	Methodology and policy	
6	Acquisitions and disposals	73	
7	Foreign exchange movements	(1)	
8	Others	82	
9	RWA at the end of the fiscal year	—	
		¥ 13,219	

Note: The end of the previous fiscal year indicates March 31, 2018, and the end of the fiscal year indicates March 31, 2019.

CR9: IRB – Backtesting of probability of default (PD) per portfolio

Entities subject to AIRB and FIRB

CR9		%, Cases													Credit RWA amounts ratio
		March 31, 2020 (Period covered: September 30, 2018 - September 30, 2019)													
a	b	c					d	e	f		g	h	i		
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Defaulted obligors during the reported period	Of which: new defaulted obligors during the reported period	Average historical annual default rate (5 years)		
		S&P	Moody's	Fitch	R&I	JCR			September 30, 2018	September 30, 2019					
Sovereign Exposures	—	AAA~ B	Aaa~ B2	AAA~ B	AAA~ BB	AAA~ BB+	0.00%	0.13%	574	667	0	0	0.00%	0.9%	
Financial Institution Exposures	—	AA~ B+	Aa2~ B1	AA~ B+	AA+~ BB-	AAA~ BB	0.11	0.32	424	426	0	0	0.00	2.3	
Corporate Exposures (Japanese)	≥ 0% to 0.03%	AAA~ A-	Aaa~ A3	—	AAA~ AA-	AAA~ AA	0.03	0.03	426	442	0	0	0.00	50.4	
	> 0.03% to 0.1%	BBB+~ BBB-	Baa1~ Baa3	—	A+~ A-	AA~ A	0.07	0.07	476	483	0	0	0.00		
	> 0.1% to 0.5%	BB+~ BB-	Ba1~ Ba3	—	BBB+~ BBB-	A~ BBB	0.21	0.23	2,201	2,238	0	0	0.01		
	> 0.5% to 5%	B+~ B-	B1~ B3	—	BB+~ BB-	BBB~ BB	1.03	1.31	4,713	4,851	8	0	0.16		
	> 5% to <100%	—	—	—	—	—	7.71	9.19	230	239	8	0	3.03		
Corporate Exposures (Non-Japanese)	≥ 0% to 0.03%	AAA~ AA-	Aaa~ Aa3	AAA~ AA-	—	—	0.03	0.03	34	35	0	0	0.00	10.0	
	> 0.03% to 0.1%	A+~ A-	A1~ A3	A+~ A-	—	—	0.06	0.06	117	107	0	0	0.00		
	> 0.1% to 0.5%	BBB+~ BBB-	Baa1~ Baa3	BBB+~ BBB-	—	—	0.24	0.26	228	235	0	0	0.00		
	> 0.5% to 15%	BB+~ B-	Ba1~ B3	BB+~ B-	—	—	2.50	2.71	576	590	1	0	0.07		
	> 15% to < 100%	—	—	—	—	—	34.71	34.71	16	19	0	0	9.66		
Purchased receivables for corporates, etc. (Top-down approach)	—	—	—	—	AAA~ BB+	AAA~ BBB-	4.30	4.72	1,326	314	4	0	0.63	0.0	
Qualifying revolving retail exposures	≥ 0% to 10%						0.55	0.36	40,909	41,995	32	0	0.10	0.0	
	> 10% to < 100%						24.63	24.63	136	175	25	0	14.22		
Residential mortgage exposures	≥ 0% to 2%						0.22	0.24	462,164	502,091	319	0	0.09	6.8	
	> 2% to < 100%						20.58	20.50	4,862	5,205	636	0	12.56		
Other retail exposures	≥ 0% to 10%						0.80	1.14	40,543	39,766	107	0	0.36	0.4	
	> 10% to < 100%						24.83	25.92	222	264	43	0	17.04		

Entities subject to FIRB

CR9		%, Cases												Credit RWA amount ratio
March 31, 2020 (Period covered: September 30, 2018 - September 30, 2019)														
a	b	c					d	e	f		g	h	i	
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Defaulted obligors during the reported period	Of which: new defaulted obligors during the reported period	Average historical annual default rate (5 years)	
		S&P	Moody's	Fitch	R&I	JCR			September 30, 2018	September 30, 2019				
Sovereign Exposures	—	—	—	—	AAA~ BBB	AAA~ BBB+	0.01%	0.03%	184	213	0	0	0.00%	0.0%
Financial Institution Exposures	—	—	—	—	AA+~ BB-	AAA~ BB	0.05	0.33	7	5	0	0	0.00	0.0
Corporate Exposures (Japanese)	≥ 0% to 0.03%	—	—	—	AAA~ AA-	AAA~ AA	0.03	0.03	49	46	0	0	0.00	3.3
	> 0.03% to 0.1%	—	—	—	A+~ A-	AA~ A	0.07	0.07	89	86	0	0	0.00	
	> 0.1% to 0.5%	—	—	—	BBB+~ BBB-	A~ BBB	0.22	0.23	497	480	0	0	0.00	
	> 0.5% to 5%	—	—	—	BB+~ BB-	BBB~ BB	1.29	1.22	912	958	11	1	0.71	
	> 5% to < 100%	—	—	—	—	—	8.40	8.18	233	260	13	2	5.34	
Qualifying revolving retail exposures	≥ 0% to 10%						1.03	0.94	618,334	611,483	3,009	43	0.76	0.7
	> 10% to < 100%						60.91	61.44	680	584	353	0	59.71	
Residential mortgage exposures	≥ 0% to 2%						0.67	0.75	12,728	13,129	48	0	0.37	0.3
	> 2% to < 100%						23.99	23.99	273	270	32	0	12.65	
Other retail exposures	≥ 0% to 10%						1.06	1.52	319,319	321,040	2,006	64	0.61	2.8
	> 10% to < 100%						45.79	64.07	903	906	444	1	47.38	

- Notes: 1. On the previous page, Sumitomo Mitsui Trust Holdings, Inc., Sumitomo Mitsui Trust Bank, Limited and specific purpose companies (SPCs) engaging in liquidation of receivables, subject to AIRB and FIRB, are counted. On this page, Group companies (i.e. Sumitomo Mitsui Trust Guarantee Co., Ltd., Sumishin Guaranty Company Limited, Sumitomo Mitsui Trust Card Co., Ltd., Sumitomo Mitsui Trust Loan & Finance Co., Ltd., Sumitomo Mitsui Trust Panasonic Finance Co., Ltd., and Sumitomo Mitsui Trust Club Co., Ltd.), subject to FIRB, are counted.
2. Column a: As for "Corporate Exposures (excluding specialised lending)," "Specialised lending (subject to the PD/LGD Approach)," "Equity exposures (subject to the PD/LGD Approach)," and "Purchased receivables (other than those for corporates, etc. subject to top-down approach)," the same rating system (same PD) is used, and so these portfolio classifications have been integrated into "Corporate Exposures". In addition, different rating systems (PD) are used in Japanese rating and Non-Japanese rating, and so "Corporate Exposures" are classified into "Japanese" and "Non-Japanese."
3. Column c: With reference to the internal rating for each obligor, the range of external rating is stated in accordance with the relation between the internal rating and external rating of the internal rules for the SuMi TRUST Group.
4. The PD estimation of the SuMi TRUST Group covers the one-year default results with the reference date being the end of September every year. Accordingly, Column d and Column e were obtained with the reference date being the end of September 2018. In addition, Column g and Column h were obtained by counting the number of defaulted obligors from the end of September 2018 to the end of September 2019.
5. Column f to Column h: "Qualifying revolving retail exposures," "Residential mortgage exposures," and "Other retail exposures" are tallied with the number of loans, because it is difficult to grasp the number of some obligors.
6. "Average historical annual default rate (5 years)" in column i represents the average value of the actual default rate for each year of the latest seven years rather than the latest five years.
7. The scope of application of the major model used in the consolidation range specified by the capital regulatory standards is determined while considering the portfolio classifications specified by regulations and credit decisions based on the risk driver of each portfolio (explanatory variables of the adopted rating model, etc.). "Credit RWA amounts ratio" of each internal model is stated for each portfolio*.
- * "Credit RWA amounts ratio" (obtained with the reference date being the end of September 2019) is the ratio of RWA amounts for each portfolio to the total RWA amounts subject to the IRB approach (excluding counterparty credit risk, the credit risk related to securitisation transactions, and the credit risk related to funds).
8. In the ">10% to <100%" category of "Other retail exposures" of entities subject to FIRB, "Average historical annual default rate (5 years)" in Column i exceeds "Weighted average PD (EAD weighted)" in Column d. This is attributable to the difference in the method for obtaining average values. The appropriateness of the PD estimation in each pool classification is examined regularly every year.

Entities subject to AIRB and FIRB

CR9		%, Cases												
		March 31, 2019 (Period covered: September 30, 2017 - September 30, 2018)												
a	b	c					d	e	f		g	h	i	Credit RWA amounts ratio
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Defaulted obligors during the reported period	Of which: new defaulted obligors during the reported period	Average historical annual default rate (5 years)	
		S&P	Moody's	Fitch	R&I	JCR			September 30, 2017	September 30, 2018				
Sovereign Exposures	—	AAA~ B-	Aaa~ B3	AAA~ B-	AAA~ BB+	AAA~ BBB-	0.02%	0.18%	534	579	0	0	0.00%	0.8%
Financial Institution Exposures	—	AAA~ B	Aaa~ B2	AAA~ B	AA+~ BB-	AAA~ BB	0.15	0.40	417	426	0	0	0.00	2.0
Corporate Exposures (Japanese)	≥ 0% to 0.03%	AAA~ A-	Aaa~ A3	—	AAA~ AA-	AAA~ AA	0.02	0.02	403	422	0	0	0.00	49.8
	> 0.03% to 0.1%	BBB+~ BBB-	Baa1~ Baa3	—	A+~ A-	AA~ A	0.07	0.07	442	469	0	0	0.00	
	> 0.1% to 0.5%	BB+~ BB-	Ba1~ Ba3	—	BBB+~ BBB-	A~ BBB	0.21	0.23	2,167	2,198	0	0	0.01	
	> 0.5% to 5%	B+~ B-	B1~ B3	—	BB+~ BB-	BBB~ BB	1.08	1.33	4,556	4,714	2	0	0.16	
	> 5% to < 100%	—	—	—	—	—	18.00	10.62	275	230	8	0	2.95	
Corporate Exposures (Non- Japanese)	≥ 0% to 0.03%	AAA~ AA-	Aaa~ Aa3	AAA~ AA-	—	—	0.03	0.03	24	32	0	0	0.00	9.0
	> 0.03% to 0.1%	A+~ A-	A1~ A3	A+~ A-	—	—	0.07	0.07	99	114	0	0	0.00	
	> 0.1% to 0.5%	BBB+~ BBB-	Baa1~ Baa3	BBB+~ BBB-	—	—	0.27	0.29	191	228	0	0	0.00	
	> 0.5% to 15%	BB+~ B-	Ba1~ B3	BB+~ B-	—	—	2.76	2.87	606	576	0	0	0.05	
	> 15% to < 100%	—	—	—	—	—	34.12	34.12	16	15	0	0	11.27	
Purchased receivables for corporates, etc. (Top-down approach)	—	—	—	—	AAA~ BB+	AAA~ BBB-	3.54	0.84	2,880	1,326	3	0	0.70	0.1
Qualifying revolving retail exposures	≥ 0% to 2%	/	/	/	/	/	0.54	0.33	38,086	41,081	18	0	0.10	0.0
	> 2% to < 100%	/	/	/	/	/	24.92	24.92	127	136	21	0	13.53	
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.22	0.24	441,808	476,742	356	0	0.10	6.4
	> 2% to < 100%	/	/	/	/	/	21.11	21.11	4,070	4,999	554	0	12.47	
Other retail exposures	≥ 0% to 5%	/	/	/	/	/	0.74	0.82	42,546	41,786	123	0	0.38	0.4
	> 5% to < 100%	/	/	/	/	/	24.91	26.08	213	225	48	0	16.66	

Entities subject to FIRB

CR9		%, Cases												Credit RWA amounts ratio	
		March 31, 2019 (Period covered: September 30, 2017 - September 30, 2018)													
a	b	c					d	e	f		g	h	i		
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Defaulted obligors during the reported period	Of which: new defaulted obligors during the reported period	Average historical annual default rate (5 years)		
		S&P	Moody's	Fitch	R&I	JCR			September 30, 2017	September 30, 2018					
Sovereign Exposures	—	—	—	—	AAA~ BBB	AAA~ BBB+	0.01%	0.06%	164	184	0	0	0.00%	0.0%	
Financial Institution Exposures	—	—	—	—	AA+~ BB-	AAA~ BB	0.06	0.39	7	7	0	0	0.00	0.0	
Corporate Exposures (Japanese)	≥ 0% to 0.03%	—	—	—	AAA~ AA-	AAA~ AA	0.03	0.03	54	49	0	0	0.00	3.3	
	> 0.03% to 0.1%	—	—	—	A+~ A-	AA~ A	0.07	0.07	101	89	0	0	0.00		
	> 0.1% to 0.5%	—	—	—	BBB+~ BBB-	A~ BBB	0.22	0.24	522	497	0	0	0.00		
	> 0.5% to 5%	—	—	—	BB+~ BB-	BBB~ BB	1.34	1.30	972	913	7	1	0.63		
	> 5% to < 100%	—	—	—	—	—	8.57	7.53	182	234	10	1	5.30		
Qualifying revolving retail exposures	≥ 0% to 1%	/	/	/	/	/	0.42	0.43	85,180	83,967	295	24	0.28	0.1	
	> 1% to < 100%	/	/	/	/	/	83.20	82.76	85	100	59	0	70.62		
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.70	0.78	12,662	12,858	57	0	0.37	0.3	
	> 2% to < 100%	/	/	/	/	/	24.79	24.79	263	275	29	0	12.81		
Other retail exposures	≥ 0% to 5%	/	/	/	/	/	1.06	0.96	330,135	330,306	1,940	73	0.60	2.5	
	> 5% to < 100%	/	/	/	/	/	42.98	57.04	770	903	369	0	46.81		

Notes: 1. On the previous page, Sumitomo Mitsui Trust Holdings, Inc., Sumitomo Mitsui Trust Bank, Limited and specific purpose companies (SPCs) engaging in liquidation of receivables, subject to AIRB and FIRB, are counted. On this page, Group companies (i.e. Sumitomo Mitsui Trust Guarantee Co., Ltd., Sumishin Guaranty Company Limited, Sumitomo Mitsui Trust Card Co., Ltd., Sumitomo Mitsui Trust Loan & Finance Co., Ltd. and Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.), subject to FIRB, are counted.

2. Column a: As for "Corporate Exposures (excluding specialised lending)," "Specialised lending (subject to the PD/LGD Approach)," "Equity exposures (subject to the PD/LGD Approach)," and "Purchased receivables (other than those for corporates, etc. subject to top-down approach)," the same rating system (same PD) is used, and so these portfolio classifications have been integrated into "Corporate Exposures". In addition, different rating systems (PD) are used in Japanese rating and Non-Japanese rating, and so "Corporate Exposures" are classified into "Japanese" and "Non-Japanese."

3. Column c: With reference to the internal rating for each obligor, the range of external rating is stated in accordance with the relation between the internal rating and external rating of the internal rules for the SuMi TRUST Group.

4. The PD estimation of the SuMi TRUST Group covers the one-year default results with the reference date being the end of September every year. Accordingly, Column d and Column e were obtained with the reference date being the end of September 2017. In addition, Column g and Column h were obtained by counting the number of defaulted obligors from the end of September 2017 to the end of September 2018.

5. Column f to Column h: "Qualifying revolving retail exposures," "Residential mortgage exposures," and "Other retail exposures" are tallied with the number of loans, because it is difficult to grasp the number of some obligors.

6. "Average historical annual default rate (5 years)" in column i represents the average value of the actual default rate for each year of the latest six years rather than the latest five years.

7. The scope of application of the major model used in the consolidation range specified by the capital regulatory standards is determined while considering the portfolio classifications specified by regulations and credit decisions based on the risk driver of each portfolio (explanatory variables of the adopted rating model, etc.). "Credit RWA amounts ratio" of each internal model is stated for each portfolio*.

* "Credit RWA amounts ratio" (obtained with the reference date being the end of September 2018) is the ratio of RWA amounts for each portfolio to the total RWA amounts subject to the IRB approach (excluding counterparty credit risk, the credit risk related to securitisation transactions, and the credit risk related to funds).

8. In the ">5% to <100%" category of "Other retail exposures" of entities subject to FIRB, "Average historical annual default rate (5 years)" in Column i exceeds "Weighted average PD (EAD weighted)" in Column d. This is attributable to the difference in the method for obtaining average values. The appropriateness of the PD estimation in each pool classification is examined regularly every year.

CR10: IRB – Specialised Lending (Supervisory Slotting Criteria Approach) and Equity Exposures (Market-Based Approach, etc.)

CR10		Millions of Yen, %										
March 31, 2020												
a	b	c	d	e	f	g	h	i	j	k	l	
Specialised lending (supervisory slotting criteria approach)												
Other than high-volatility commercial real estate (HVCRE)												
Regulatory categories	Remaining maturity	On-balance sheet amounts	Off-balance sheet amounts	RW	Exposure amounts (EAD)					Credit RWA amounts	Expected losses	
					PF	OF	CF	IPRE	Total			
Strong	< 2.5 years	¥ —	¥ —	50%	¥ —	¥ —	—	¥ —	¥ —	¥ —	—	¥ —
	2.5 years≤	—	—	70%	—	—	—	—	—	—	—	—
Good	< 2.5 years	—	—	70%	—	—	—	—	—	—	—	—
	2.5 years≤	—	—	90%	—	—	—	—	—	—	—	—
Satisfactory		—	—	115%	—	—	—	—	—	—	—	—
Weak		—	—	250%	—	—	—	—	—	—	—	—
Default		—	—	—	—	—	—	—	—	—	—	—
Total		¥ —	¥ —	—	¥ —	¥ —	—	¥ —	¥ —	—	¥ —	¥ —
HVCRE												
Regulatory categories	Remaining maturity	On-balance sheet amounts	Off-balance sheet amounts	RW						Exposure amounts (EAD)	Credit RWA amounts	Expected losses
Strong	< 2.5 years	4,128	—	70%						4,128	2,890	16
	2.5 years≤	2,407	3,049	95%						4,694	4,459	18
Good	< 2.5 years	19,855	727	95%						20,401	19,381	81
	2.5 years≤	49,668	48,183	120%						85,805	102,967	343
Satisfactory		39,072	39,882	140%						68,984	96,577	1,931
Weak		38,806	7,539	250%						44,460	111,151	3,556
Default		—	—	—						—	—	—
Total		¥ 153,938	¥ 99,381	—						¥ 228,474	¥ 337,426	¥ 5,948
Equity exposures (Market-Based Approach, etc.)												
Equity exposures subject to market-based approach												
Categories		On-balance sheet amounts	Off-balance sheet amounts	RW						Exposure amounts (EAD)	Credit RWA amounts	
Simple risk weight method – Listed shares		12,442	27,944	300%						40,386	121,160	
Simple risk weight method – Unlisted shares		23,379	2,388	400%						25,170	100,682	
Internal Models Approach		—	—	—						—	—	
Total		¥ 35,821	¥ 30,332	—						¥ 65,557	¥ 221,843	
Equity exposures subject to 100% risk weight												
Equity exposures subject to 100% risk weight in accordance with the provisions of Article 166, Paragraph 1 of the FSA Capital Adequacy Notification or Paragraph 1 of Article 144 of the FSA Bank Holding Company Capital Adequacy Notification		—	—	100%						—	—	

CR10		Millions of Yen, %									
March 31, 2019											
a	b	c	d	e	f	g	h	i	j	k	l
Specialised lending (supervisory slotting criteria approach)											
Other than high-volatility commercial real estate (HVCRE)											
Regulatory categories	Remaining maturity	On-balance sheet amounts	Off-balance sheet amounts	RW	Exposure amounts (EAD)					Credit RWA amounts	Expected losses
					PF	OF	CF	IPRE	Total		
Strong	< 2.5 years	¥ 67,716	¥ 10,735	50%	¥ 44,689	¥ 7,074	¥ —	¥ 24,013	¥ 75,777	¥ 37,888	¥ —
	2.5 years≤	534,449	112,496	70%	408,155	210,579	—	90	618,825	433,177	2,475
Good	< 2.5 years	113,434	33,813	70%	41,704	58,967	—	38,122	138,795	97,156	555
	2.5 years≤	682,699	220,609	90%	586,859	230,379	—	30,991	848,231	763,407	6,785
Satisfactory		270,940	48,881	115%	158,545	96,873	—	51,727	307,146	353,218	8,600
Weak		54,978	9,559	250%	12,853	37,630	—	11,664	62,148	155,370	4,971
Default		15,891	1,508	—	15,356	1,514	—	—	16,871	—	8,435
Total		¥1,740,111	¥437,604	—	¥ 1,268,165	¥643,020	¥ —	¥156,609	¥ 2,067,795	¥ 1,840,220	¥31,824
HVCRE											
Regulatory categories	Remaining maturity	On-balance sheet amounts	Off-balance sheet amounts	RW					Exposure amounts (EAD)	Credit RWA amounts	Expected losses
Strong	< 2.5 years	8,922	—	70%					8,922	6,245	35
	2.5 years≤	35	—	95%					35	34	0
Good	< 2.5 years	8,889	—	95%					8,889	8,444	35
	2.5 years≤	35,944	9,662	120%					43,190	51,828	172
Satisfactory		139,008	87,246	140%					204,443	286,220	5,724
Weak		16,896	18,056	250%					30,439	76,097	2,435
Default		—	—	—					—	—	—
Total		¥ 209,695	¥114,965	—					¥ 295,919	¥ 428,870	¥ 8,403
Equity exposures (Market-Based Approach, etc.)											
Equity exposures subject to market-based approach											
Categories		On-balance sheet amounts	Off-balance sheet amounts	RW					Exposure amounts (EAD)	Credit RWA amounts	
Simple risk weight method – Listed shares		7,936	23,496	300%					31,432	94,298	
Simple risk weight method – Unlisted shares		20,305	—	400%					20,305	81,222	
Internal Models Approach		—	—	—					—	—	
Total		¥ 28,241	¥ 23,496	—					¥ 51,738	¥ 175,521	
Equity exposures subject to 100% risk weight											
Equity exposures subject to 100% risk weight in accordance with the provisions of Article 166, Paragraph 1 of the FSA Capital Adequacy Notification or Paragraph 1 of Article 144 of the FSA Bank Holding Company Capital Adequacy Notification		—	—	100%					—	—	

CCR1: Analysis of counterparty credit risk (CCR) exposure by approach

CCR1		Millions of Yen					
		March 31, 2020					
		a	b	c	d	e	f
Item No.		RC	PFE	Effective EPE (EEPE)	Alpha used for computing regulatory EAD	EAD post-CRM	RWA amounts
1	SA-CCR	¥ —	¥ —		1.4	¥ —	¥ —
	Current Exposure Method (CEM)	428,371	497,019			925,390	393,082
2	Expected Exposure Method (IMM)			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					1,663,723	96,113
5	Exposure variation estimation model					—	—
6	Total						¥ 489,196

CCR1		Millions of Yen					
		March 31, 2019					
		a	b	c	d	e	f
Item No.		RC	PFE	Effective EPE (EEPE)	Alpha used for computing regulatory EAD	EAD post-CRM	RWA amounts
1	SA-CCR	¥ —	¥ —		1.4	¥ —	¥ —
	Current Exposure Method (CEM)	304,012	463,054			767,066	280,935
2	Expected Exposure Method (IMM)			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					563,627	86,860
5	Exposure variation estimation model					—	—
6	Total						¥ 367,796

CCR2: Credit valuation adjustment (CVA) capital charge

CCR2		Millions of Yen	
		March 31, 2020	
		a	b
Item No.		EAD post-CRM	RWA amounts (Amounts calculated by dividing CVA risk equivalent amounts by 8%)
1	Total portfolios subject to advanced risk measurement method	¥ —	¥ —
2	(i) Amount of CVA Value at Risk (including the multiplier)		—
3	(ii) Amount of CVA Stressed Value at Risk (including the multiplier)		—
4	Total portfolios subject to the standardised risk measurement method	832,686	663,147
5	Total portfolios subject to the CVA capital charge	¥ 832,686	¥ 663,147

CCR2		Millions of Yen	
		March 31, 2019	
		a	b
Item No.		EAD post-CRM	RWA amounts (Amounts calculated by dividing CVA risk equivalent amounts by 8%)
1	Total portfolios subject to advanced risk measurement method	¥ —	¥ —
2	(i) Amount of CVA Value at Risk (including the multiplier)		—
3	(ii) Amount of CVA Stressed Value at Risk (including the multiplier)		—
4	Total portfolios subject to the standardised risk measurement method	690,868	496,123
5	Total portfolios subject to the CVA capital charge	¥ 690,868	¥ 496,123

CCR3: CCR exposures by regulatory portfolio and risk weights

CCR3		Millions of Yen									
		March 31, 2020									
		a	b	c	d	e	f	g	h	i	
Item No.	Regulatory portfolio	Risk weight	Credit equivalent amounts (post-CRM)								
			0%	10%	20%	50%	75%	100%	150%	Other	Total
1	Government of Japan and Bank of Japan (BOJ)		¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	Foreign central governments and foreign central banks		—	—	—	—	—	—	—	—	—
3	Bank for International Settlements, etc.		—	—	—	—	—	—	—	—	—
4	Local governments of Japan		—	—	—	—	—	—	—	—	—
5	Foreign non-central government public sector entities (PSEs)		—	—	—	—	—	—	—	—	—
6	Multilateral development banks (MDBs)		—	—	—	—	—	—	—	—	—
7	Japan Finance Organization for Municipalities (JFM)		—	—	—	—	—	—	—	—	—
8	Government-affiliated agencies of Japan		—	—	—	—	—	—	—	—	—
9	The three local public corporations		—	—	—	—	—	—	—	—	—
10	Financial institutions and type I financial instruments business operators		—	—	384,004	—	—	—	—	—	384,004
11	Corporates, etc.		—	—	—	—	—	—	—	—	—
12	SMEs, etc. and individuals		—	—	—	—	—	—	—	—	—
13	Other than the above		—	—	—	—	—	—	—	—	—
14	Total		¥ —	¥ —	¥ 384,004	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 384,004

Note: The aggregate calculation on this statement includes exposures based on the standardised approach only.

CCR3		Millions of Yen									
		March 31, 2019									
		a	b	c	d	e	f	g	h	i	
Item No.	Regulatory portfolio	Risk weight	Credit equivalent amounts (post-CRM)								
			0%	10%	20%	50%	75%	100%	150%	Other	Total
1	Government of Japan and Bank of Japan (BOJ)		¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	Foreign central governments and foreign central banks		—	—	—	—	—	—	—	—	—
3	Bank for International Settlements, etc.		—	—	—	—	—	—	—	—	—
4	Local governments of Japan		—	—	—	—	—	—	—	—	—
5	Foreign non-central government public sector entities (PSEs)		—	—	—	—	—	—	—	—	—
6	Multilateral development banks (MDBs)		—	—	—	—	—	—	—	—	—
7	Japan Finance Organization for Municipalities (JFM)		—	—	—	—	—	—	—	—	—
8	Government-affiliated agencies of Japan		—	—	—	—	—	—	—	—	—
9	The three local public corporations		—	—	—	—	—	—	—	—	—
10	Financial institutions and type I financial instruments business operators		—	—	336,784	—	—	—	—	—	336,784
11	Corporates, etc.		—	—	—	—	—	—	—	—	—
12	SMEs, etc. and individuals		—	—	—	—	—	—	—	—	—
13	Other than the above		—	—	—	—	—	—	—	—	—
14	Total		¥ —	¥ —	¥ 336,784	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 336,784

Note: The aggregate calculation on this statement includes exposures based on the standardised approach only.

CCR4: IRB – CCR exposures by portfolio and PD scale

CCR4		Millions of Yen, %, 1,000 cases, Year						
		March 31, 2020						
Item No.	PD scale	a	b	c	d	e	f	g
		EAD post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA	RWA density
Sovereign exposures								
1	0.00 to < 0.15	¥ 1,103,545	0.00%	0.0	44.74%	0.1	¥ 3,031	0.27%
2	0.15 to < 0.25	—	—	—	—	—	—	—
3	0.25 to < 0.50	313	0.26	0.0	45.00	1.0	149	47.82
4	0.50 to < 0.75	—	—	—	—	—	—	—
5	0.75 to < 2.50	1,958	1.88	0.0	45.00	1.0	1,836	93.77
6	2.50 to < 10.00	—	—	—	—	—	—	—
7	10.00 to < 100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	1,105,817	0.00	0.0	44.74	0.1	5,017	0.45
Financial Institution exposures								
1	0.00 to < 0.15	453,530	0.05	0.1	15.89	2.5	94,107	20.74
2	0.15 to < 0.25	408	0.20	0.0	45.00	2.9	179	44.01
3	0.25 to < 0.50	37,474	0.28	0.0	21.96	4.0	30,425	81.18
4	0.50 to < 0.75	229	0.50	0.0	45.00	1.0	120	52.44
5	0.75 to < 2.50	30	1.03	0.0	45.00	1.0	22	74.38
6	2.50 to < 10.00	—	—	—	—	—	—	—
7	10.00 to < 100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	491,673	0.06	0.1	16.24	2.6	124,855	25.39
Corporate exposures and SME exposures								
1	0.00 to < 0.15	338,649	0.06	0.4	9.79	2.7	88,009	25.98
2	0.15 to < 0.25	16,110	0.20	0.0	45.00	3.9	9,037	56.10
3	0.25 to < 0.50	51,886	0.30	0.1	45.00	4.8	41,179	79.36
4	0.50 to < 0.75	25,209	0.63	0.1	45.00	4.7	26,206	103.95
5	0.75 to < 2.50	64,624	1.43	0.1	45.15	4.8	86,046	133.14
6	2.50 to < 10.00	16,529	3.39	0.0	45.00	4.7	26,538	160.54
7	10.00 to < 100.00	884	34.71	0.0	45.00	2.9	2,442	276.03
8	100.00 (Default)	61	100.00	0.0	45.00	1.0	0	0.00
9	Sub-total	513,957	0.46	0.9	13.23	3.4	279,461	54.37
Total (all portfolios)		¥ 2,111,448	0.13%	1.1	22.40%	1.5	¥ 409,334	19.38%

Note: The SuMi TRUST Group applies the Foundation Internal Ratings-Based Approach to the calculation of risk-weighted assets related to counterparty credit risk.

CCR4		Millions of Yen, %, 1,000 cases, Year							
		March 31, 2019							
Item No.	PD scale	a	b	c	d	e	f	g	
		EAD post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA	RWA density	
Sovereign exposures									
1	0.00 to < 0.15	¥ 24,077	0.01%	0.0	19.76%	2.1	¥ 2,623	10.89%	
2	0.15 to < 0.25	—	—	—	—	—	—	—	
3	0.25 to < 0.50	501	0.26	0.0	45.00	1.5	278	55.57	
4	0.50 to < 0.75	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	
9	Sub-total	24,579	0.02	0.0	19.99	2.1	2,902	11.81	
Financial Institution exposures									
1	0.00 to < 0.15	400,433	0.05	0.1	11.24	2.7	87,496	21.85	
2	0.15 to < 0.25	271	0.20	0.0	45.00	2.2	125	46.33	
3	0.25 to < 0.50	19,814	0.30	0.0	17.74	3.4	16,170	81.61	
4	0.50 to < 0.75	176	0.50	0.0	45.00	1.0	92	52.44	
5	0.75 to < 2.50	156	1.03	0.0	45.00	1.0	116	74.38	
6	2.50 to < 10.00	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	
9	Sub-total	420,852	0.06	0.1	11.45	2.7	104,001	24.71	
Corporate exposures and SME exposures									
1	0.00 to < 0.15	358,606	0.06	0.4	10.86	2.2	80,848	22.54	
2	0.15 to < 0.25	28,675	0.20	0.1	45.00	4.1	16,934	59.05	
3	0.25 to < 0.50	26,581	0.30	0.1	45.00	4.7	20,700	77.87	
4	0.50 to < 0.75	10,000	0.51	0.1	45.00	4.5	9,247	92.46	
5	0.75 to < 2.50	44,076	1.49	0.1	45.00	4.7	58,382	132.45	
6	2.50 to < 10.00	1,865	4.91	0.0	45.00	4.0	3,038	162.86	
7	10.00 to < 100.00	400	33.20	0.0	45.00	3.6	1,098	274.33	
8	100.00 (Default)	—	—	—	—	—	—	—	
9	Sub-total	470,207	0.27	0.9	13.18	2.7	190,249	40.46	
Total (all portfolios)		¥ 915,639	0.17%	1.0	12.44%	2.7	¥ 297,154	32.45%	

Note: The SuMi TRUST Group applies the Foundation Internal Ratings-Based Approach to the calculation of risk-weighted assets related to counterparty credit risk.

CCR5: Composition of collateral for CCR exposure

CCR5		Millions of Yen					
		March 31, 2020					
Item No.		a	b	c	d	e	f
		Collateral used in derivative transactions				Collateral used in repo transactions	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated	received	of posted collateral
1	Cash (domestic currency)	¥ —	¥ 126,581	¥ —	¥ 321,222	¥ 1,068,982	¥ 750,758
2	Cash (other currency)	—	8,357	—	183,139	1,129,347	30,521
3	Domestic sovereign debt	—	7,053	—	20,180	181,075	1,289,027
4	Other sovereign debt	—	—	—	—	993,263	1,679,432
5	Government agency debt	—	—	—	—	237,766	486,789
6	Corporate bonds	—	—	—	—	409,906	—
7	Equity securities	—	—	—	9,584	587,566	721,116
8	Other collateral	—	—	—	—	—	—
9	Total	¥ —	¥ 141,992	¥ —	¥ 534,127	¥ 4,607,910	¥ 4,957,645

CCR5		Millions of Yen					
		March 31, 2019					
Item No.		a	b	c	d	e	f
		Collateral used in derivative transactions				Collateral used in repo transactions	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated	received	of posted collateral
1	Cash (domestic currency)	¥ —	¥ 110,968	¥ —	¥ 241,809	¥ 26,439	¥ 786,303
2	Cash (other currency)	—	673	—	91,676	1,090,592	31,180
3	Domestic sovereign debt	—	1,740	—	6,871	76,915	311,905
4	Other sovereign debt	—	—	—	—	1,137,589	1,608,996
5	Government agency debt	—	—	—	—	589,731	545,503
6	Corporate bonds	—	—	—	—	114,373	13,571
7	Equity securities	—	—	—	9,505	649,732	778,187
8	Other collateral	—	—	—	—	—	—
9	Total	¥ —	¥ 113,381	¥ —	¥ 349,862	¥ 3,685,373	¥ 4,075,649

CCR6: Credit derivatives exposures

Item No.		Millions of Yen	
		March 31, 2020	
		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	¥ 53,600	¥ 68,600
2	Index credit default swaps	11,940	5,434
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	¥ 65,540	¥ 74,034
Fair values			
7	Positive fair value (asset)	596	425
8	Negative fair value (liability)	(406)	(441)

Item No.		Millions of Yen	
		March 31, 2019	
		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	¥ 63,600	¥ 121,846
2	Index credit default swaps	724	4,345
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	¥ 64,324	¥ 126,192
Fair values			
7	Positive fair value (asset)	81	1,250
8	Negative fair value (liability)	(701)	(117)

CCR7: RWA flow statements of CCR exposures under Internal Model Method (IMM)

As of March 31, 2020

Not applicable.

As of March 31, 2019

Not applicable.

CCR8: Exposures to central counterparties (CCP)

Item No.	CCR8	Millions of Yen	
		March 31, 2020	
		a	b
		EAD to CCP (post-CRM)	RWA amounts
1	Exposures to qualifying central counterparties (QCCPs) (total)		¥ 49,867
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	2,036,944	40,738
3	(i) OTC derivatives	1,759,635	35,192
4	(ii) Exchange-traded derivatives	222,792	4,455
5	(iii) Repo transactions	54,516	1,090
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	—
8	Non-segregated initial margin	93,786	1,875
9	Pre-funded default fund contributions	20,508	7,253
10	Unfunded default fund contributions	—	—
11	Exposures to non-QCCPs (total)		¥ —
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	—	—
13	(i) OTC derivatives	—	—
14	(ii) Exchange-traded derivatives	—	—
15	(iii) Repo transactions	—	—
16	(iv) Netting sets where cross-product netting has been approved	—	—
17	Segregated initial margin	—	—
18	Non-segregated initial margin	—	—
19	Pre-funded default fund contributions	—	—
20	Unfunded default fund contributions	—	—

Item No.	CCR8	Millions of Yen	
		March 31, 2019	
		a	b
		EAD to CCP (post-CRM)	RWA amounts
1	Exposures to qualifying central counterparties (QCCPs) (total)		¥ 41,617
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1,062,146	21,242
3	(i) OTC derivatives	783,629	15,672
4	(ii) Exchange-traded derivatives	261,998	5,239
5	(iii) Repo transactions	16,517	330
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	—
8	Non-segregated initial margin	55,520	1,110
9	Pre-funded default fund contributions	15,437	19,264
10	Unfunded default fund contributions	—	—
11	Exposures to non-QCCPs (total)		¥ —
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	—	—
13	(i) OTC derivatives	—	—
14	(ii) Exchange-traded derivatives	—	—
15	(iii) Repo transactions	—	—
16	(iv) Netting sets where cross-product netting has been approved	—	—
17	Segregated initial margin	—	—
18	Non-segregated initial margin	—	—
19	Pre-funded default fund contributions	—	—
20	Unfunded default fund contributions	—	—

SEC1: Securitisation exposures by underlying asset type (securitisation exposures subject to the calculation of the amount of credit risk-weighted assets only)

SEC1		Millions of Yen								
		March 31, 2020								
		a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
Item No.	Type of underlying asset	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	¥ 75,122	¥ —	¥ 75,122	¥ 127,403	¥ —	¥ 127,403	¥ 139,219	¥ —	¥ 139,219
2	Residential mortgage	75,122	—	75,122	86,287	—	86,287	64,847	—	64,847
3	Credit card	—	—	—	492	—	492	26,253	—	26,253
4	Other retail exposures	—	—	—	40,623	—	40,623	48,118	—	48,118
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	18,752	—	18,752	—	—	—	742,846	—	742,846
7	Loans to corporates	—	—	—	—	—	—	720,622	—	720,622
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	18,752	—	18,752	—	—	—	22,223	—	22,223
10	Other wholesale	—	—	—	—	—	—	—	—	—
11	Re-securitisation	—	—	—	—	—	—	—	—	—

SEC1		Millions of Yen								
		March 31, 2019								
		a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
Item No.	Type of underlying asset	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	¥ 62,706	¥ —	¥ 62,706	¥ 139,483	¥ —	¥ 139,483	¥ 232,977	¥ —	¥ 232,977
2	Residential mortgage	62,706	—	62,706	96,477	—	96,477	68,852	—	68,852
3	Credit card	—	—	—	1,565	—	1,565	43,969	—	43,969
4	Other retail exposures	—	—	—	41,441	—	41,441	120,155	—	120,155
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	16,910	—	16,910	—	—	—	657,440	—	657,440
7	Loans to corporates	—	—	—	—	—	—	635,250	—	635,250
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	16,910	—	16,910	—	—	—	22,189	—	22,189
10	Other wholesale	—	—	—	—	—	—	—	—	—
11	Re-securitisation	—	—	—	—	—	—	—	—	—

SEC2: Securitisation exposures by underlying asset type (securitisation exposures subject to the calculation of the market risk equivalent amounts only)

As of March 31, 2020

Not applicable.

As of March 31, 2019

Not applicable.

SEC3: Securitisation exposures subject to the calculation of the amount of credit risk-weighted assets and related capital requirements (bank acting as originator or sponsor)

Item No.	SEC3	Millions of Yen														
		March 31, 2020														
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Total														
		Traditional securitisations (sub-total)							Synthetic securitisations (sub-total)							
		Securitisation				Re-securitisation			Securitisation				Re-securitisation			
				Retail underlying	Wholesale		Senior	Non-senior			Retail underlying	Wholesale		Senior	Non-senior	
Exposure values (by RW bands)																
1	≤ 20% risk weight	¥127,331	¥127,331	¥127,331	¥127,331	¥	—	¥	—	¥	—	¥	—	¥	—	¥
2	> 20% to 50% risk weight	2,272	2,272	2,272	2,272	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	47,869	47,869	47,869	47,869	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	43,732	43,732	43,732	24,980	18,752	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	72	72	72	72	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	220,713	220,713	220,713	201,961	18,752	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	492	492	492	492	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	72	72	72	72	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	156,305	156,305	156,305	104,805	51,500	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	73	73	73	73	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	906	906	906	906	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	12,504	12,504	12,504	8,384	4,120	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	5	5	5	5	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	72	72	72	72	—	—	—	—	—	—	—	—	—	—	—

SEC3		Millions of Yen															
		March 31, 2019															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
		Item No.	Total														
	Traditional securitisations (sub-total)						Synthetic securitisations (sub-total)										
	Securitisation		Re-securitisation			Securitisation		Re-securitisation									
		Retail underlying	Wholesale			Senior	Non-senior		Retail underlying	Wholesale		Senior	Non-senior				
Exposure values (by RW bands)																	
1	≤ 20% risk weight	¥138,561	¥138,561	¥138,561	¥138,561	¥	—	¥	—	¥	—	¥	—	¥	—	¥	—
2	> 20% to 50% risk weight	2,890	2,890	2,890	2,890	—	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	43,538	43,538	43,538	43,538	—	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	33,842	33,842	33,842	16,932	16,910	—	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	266	266	266	266	—	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																	
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	217,699	217,699	217,699	200,789	16,910	—	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,134	1,134	1,134	1,134	—	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	266	266	266	266	—	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																	
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	138,523	138,523	138,523	92,170	46,353	—	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	205	205	205	205	—	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	3,332	3,332	3,332	3,332	—	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																	
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	11,081	11,081	11,081	7,373	3,708	—	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	16	16	16	16	—	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	266	266	266	266	—	—	—	—	—	—	—	—	—	—	—	—

SEC4: Securitisation exposures subject to the calculation of the amount of credit risk-weighted assets and related capital requirements (bank acting as investor)

Item No.	SEC4	Millions of Yen														
		March 31, 2020														
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Total														
		Traditional securitisations (sub-total)							Synthetic securitisations (sub-total)							
		Securitisation				Re-securitisation			Securitisation				Re-securitisation			
				Retail un- derlying	Wholesale		Senior	Non-senior			Retail un- derlying	Wholesale		Senior	Non-senior	
Exposure values (by RW bands)																
1	≤ 20% risk weight	¥766,385	¥766,385	¥766,385	¥107,216	¥659,169	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	38,784	38,784	38,784	24,713	14,071	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	72,345	72,345	72,345	2,739	69,606	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	4,550	4,550	4,550	4,550	—	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	839,785	839,785	839,785	96,939	742,846	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	42,279	42,279	42,279	42,279	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	178,008	178,008	178,008	21,982	156,026	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	12,730	12,730	12,730	12,730	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	14,240	14,240	14,240	1,758	12,482	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,018	1,018	1,018	1,018	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—

SEC4		Millions of Yen														
		March 31, 2019														
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Item No.	Total													
	Traditional securitisations (sub-total)						Synthetic securitisations (sub-total)									
	Securitisation		Re-securitisation			Securitisation		Re-securitisation								
		Retail underlying	Wholesale			Senior	Non-senior		Retail underlying	Wholesale		Senior	Non-senior			
Exposure values (by RW bands)																
1	≤ 20% risk weight	¥739,235	¥739,235	¥739,235	¥203,032	¥536,203	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	109,431	109,431	109,431	25,898	83,533	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	41,749	41,749	41,749	4,047	37,702	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	834,642	834,642	834,642	177,202	657,440	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	55,775	55,775	55,775	55,775	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	165,529	165,529	165,529	29,361	136,168	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	14,491	14,491	14,491	14,491	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	13,241	13,241	13,241	2,348	10,893	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,159	1,159	1,159	1,159	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—

MR1: Market risk under standardised approach

MR1		Millions of Yen
		March 31, 2020
Item No.		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	¥ 4,765
2	Equity risk (general and specific)	—
3	Foreign exchange risk	17,961
4	Commodity risk	—
	Options transactions	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Specific risk related to securitisation exposures	—
9	Total	¥ 22,727

MR1		Millions of Yen
		March 31, 2019
Item No.		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	¥ 4,528
2	Equity risk (general and specific)	—
3	Foreign exchange risk	17,744
4	Commodity risk	—
	Options transactions	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Specific risk related to securitisation exposures	—
9	Total	¥ 22,272

MR2: Risk-weighted Assets Flow Statements of Market Risk Exposures under Internal Model Approach

MR2		Billions of Yen					
		March 31, 2020					
		a	b	c	d	e	f
Item No.		VaR	Stressed VaR	Additional risk	Comprehensive risk	Others	Total RWA
1a	RWA at the end of previous reporting period (March 31, 2019)	¥ 181	¥ 900	¥ —	¥ —		¥ 1,081
1b	Regulatory adjustment ratio (1a/1c)	3.26	3.04	—	—		3.08
1c	RWA at the end of the previous fiscal year	55	295	—	—		350
2	Movement in risk levels	35	(24)	—	—		11
3	Model updates/changes	—	—	—	—		—
4	Factor of Methodology and policy	—	—	—	—		—
5	RWA changes Acquisitions and disposals	—	—	—	—		—
6	Foreign exchange movements	(0)	7	—	—		6
7	Others	19	(5)	—	—		13
8a	RWA at the end of the fiscal year	110	272	—	—		382
8b	Regulatory adjustment ratio (8c/8a)	2.69	3.72	—	—		3.42
8c	RWA at the end of current reporting period (March 31, 2020)	297	1,013	—	—		1,311

Note: The end of the previous fiscal year indicates March 31, 2019, and the end of the fiscal year indicates March 31, 2020.

MR2		Billions of Yen					
		March 31, 2019					
		a	b	c	d	e	f
Item No.		VaR	Stressed VaR	Additional risk	Comprehensive risk	Others	Total RWA
1a	RWA at the end of previous reporting period (March 31, 2018)	¥ 243	¥ 749	¥ —	¥ —		¥ 993
1b	Regulatory adjustment ratio (1a/1c)	4.06	3.46	—	—		3.59
1c	RWA at the end of the previous fiscal year	59	216	—	—		276
2	Movement in risk levels	(0)	77	—	—		76
3	Model updates/changes	1	(10)	—	—		(8)
4	Factor of Methodology and policy	—	—	—	—		—
5	RWA changes Acquisitions and disposals	—	—	—	—		—
6	Foreign exchange movements	1	(5)	—	—		(3)
7	Others	(7)	17	—	—		10
8a	RWA at the end of the fiscal year	55	295	—	—		350
8b	Regulatory adjustment ratio (8c/8a)	3.26	3.04	—	—		3.08
8c	RWA at the end of current reporting period (March 31, 2019)	181	900	—	—		1,081

Note: The end of the previous fiscal year indicates March 31, 2018, and the end of the fiscal year indicates March 31, 2019.

MR3: Values of Internal Model Approaches (IMA) (Market risk)

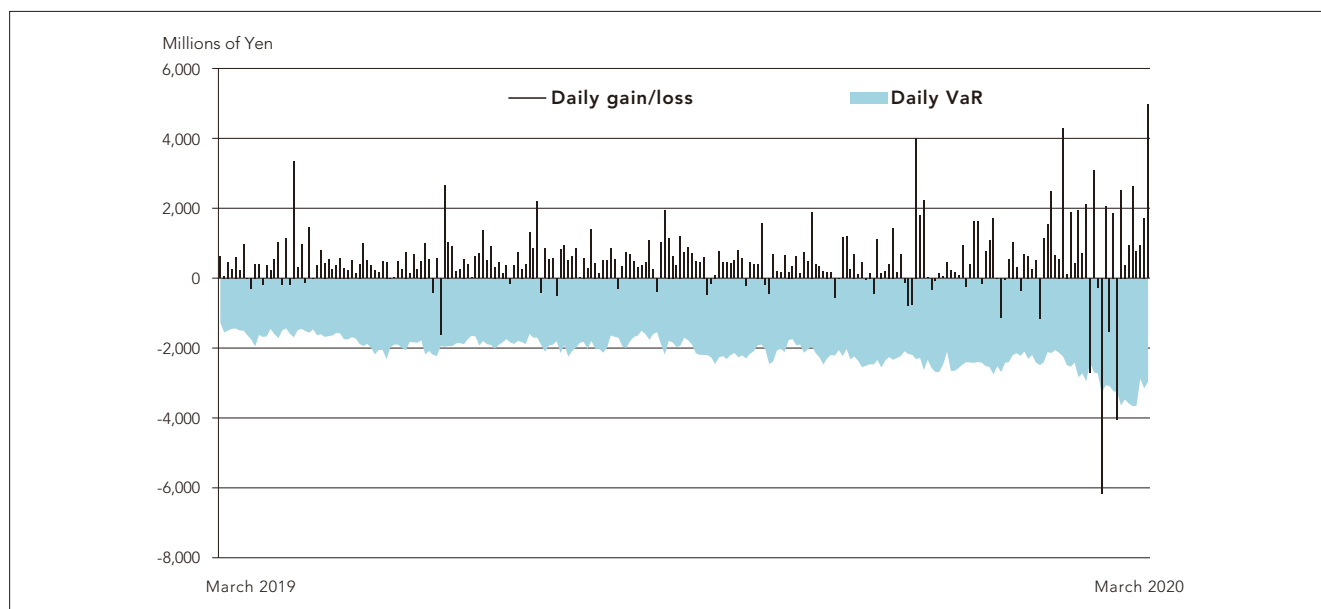
MR3 Item No.	Millions of Yen March 31, 2020
VaR (holding period:10 business days, one-sided confidence interval:99%)	
1 Maximum value	¥ 10,749
2 Average value	6,292
3 Minimum value	3,923
4 Period end	8,833
Stressed VaR (holding period:10 business days, one-sided confidence interval:99%)	
5 Maximum value	32,726
6 Average value	24,541
7 Minimum value	15,998
8 Period end	21,785
Incremental risk charge (one-sided confidence interval: 99.9%)	
9 Maximum value	—
10 Average value	—
11 Minimum value	—
12 Period end	—
Comprehensive risk capital charge (one-sided confidence interval: 99.9%)	
13 Maximum value	—
14 Average value	—
15 Minimum value	—
16 Period end	—
17 Floor (modified standardised measurement method)	—

MR3 Item No.	Millions of Yen March 31, 2019
VaR (holding period:10 business days, one-sided confidence interval:99%)	
1 Maximum value	¥ 9,631
2 Average value	6,350
3 Minimum value	3,906
4 Period end	4,455
Stressed VaR (holding period:10 business days, one-sided confidence interval:99%)	
5 Maximum value	32,028
6 Average value	23,719
7 Minimum value	15,276
8 Period end	23,612
Incremental risk charge (one-sided confidence interval: 99.9%)	
9 Maximum value	—
10 Average value	—
11 Minimum value	—
12 Period end	—
Comprehensive risk capital charge (one-sided confidence interval: 99.9%)	
13 Maximum value	—
14 Average value	—
15 Minimum value	—
16 Period end	—
17 Floor (modified standardised measurement method)	—

MR4: Backtesting results by Internal Model Approaches (IMA)

MR4

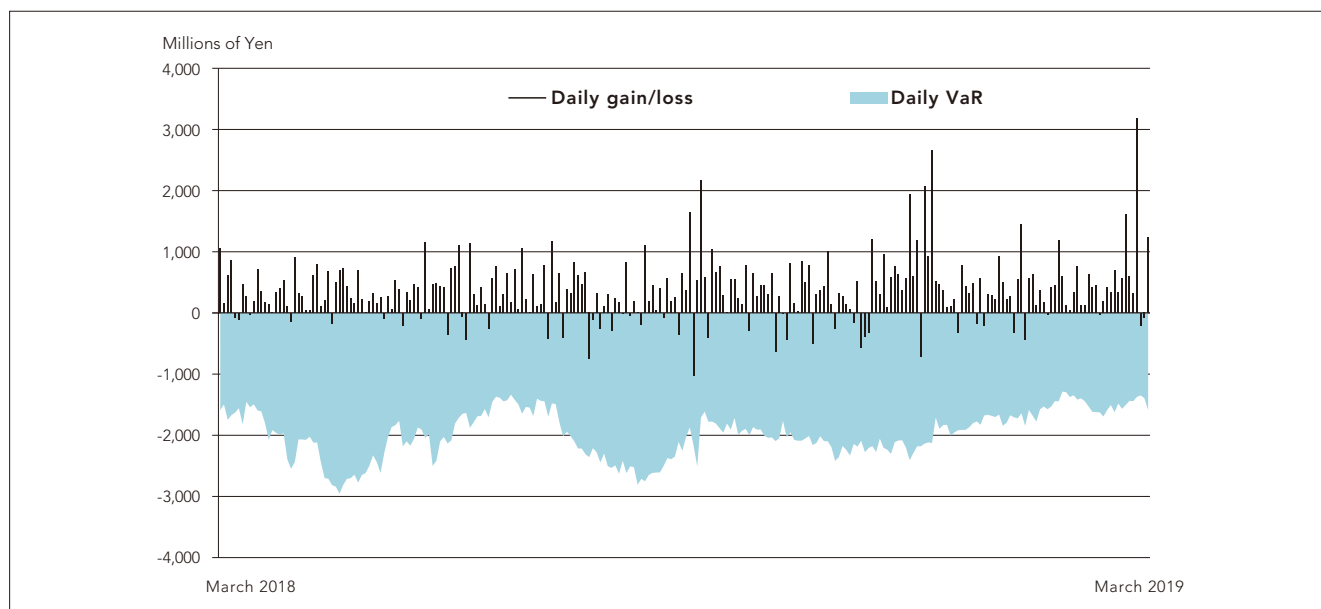
March 31, 2020



Note: As shown above, during the reported period, three exceedances occurred in backtesting.

MR4

March 31, 2019



Note: As shown above, during the reported period, there was no exceedance occurred in backtesting.

IRRBB1: Interest rate risk

Item No.	IRRBB1	Millions of Yen			
		a	b	c	d
		ΔEVE		ΔNII	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Parallel up	¥ 118,515	¥ 110,954	¥ (49,316)	¥ (78,942)
2	Parallel down	—	32,044	51,114	81,126
3	Steepener	84,912	89,205		
4	Flattener	—	—		
5	Short rate up	901	3,956		
6	Short rate down	4,773	27,160		
7	Maximum	118,515	110,954	51,114	81,126
		e		f	
		March 31, 2020		March 31, 2019	
8	Tier 1 Capital	¥ 2,758,167		¥ 2,806,512	

CCyB1: Countercyclical buffer requirement: Status by Country or Region

Country or region	Millions of Yen, %			
	March 31, 2020			
	a	b	c	d
	Countercyclical capital buffer rate	Risk-weighted assets used in the computation of the countercyclical capital buffer	Bank-specific countercyclical capital buffer rate	Counter cyclical buffer requirement amount
France	0.25%	¥ 32,704		
Hong Kong	1.00%	48,457		
Luxembourg	0.25%	76,717		
Subtotal		157,878		
Total		¥ 15,100,955	0.00%	¥ —

Notes: 1. The amount of credit RWA by country or region is, in principle, calculated on the basis of where the ultimate risk of the exposure resides (based on the country or region where the borrower resides). However, with respect to securitisation exposures and equity investments in funds whose country or region are difficult to identify, calculations are made according to the country or region in which the exposure is booked.

2. The ratio of the SuMi TRUST Group's exposures in the three countries or regions in which the countercyclical buffer requirement set by regulatory authorities exceeded 0 to the SuMi TRUST Group's total exposures was limited.

Country or region	Millions of Yen, %			
	March 31, 2019			
	a	b	c	d
	Countercyclical capital buffer rate	Risk-weighted assets used in the computation of the countercyclical capital buffer	Bank-specific countercyclical capital buffer rate	Counter cyclical buffer requirement amount
Hong Kong	2.50%	¥ 77,520		
Sweden	2.00%	2,359		
United Kingdom	1.00%	310,256		
Subtotal		390,136		
Total		¥ 15,713,808	0.03%	¥ 5,937

Notes: 1. The amount of credit RWA by country or region is, in principle, calculated on the basis of where the ultimate risk of the exposure resides (based on the country or region where the borrower resides). However, with respect to securitisation exposures and equity investments in funds whose country or region are difficult to identify, calculations are made according to the country or region in which the exposure is booked.

2. The ratio of the SuMi TRUST Group's exposures in the three countries or regions in which the countercyclical buffer requirement set by regulatory authorities exceeded 0 to the SuMi TRUST Group's total exposures was limited.

Indicators for Assessing Global Systemically Important Banks (G-SIBs)

Consolidated

GSIB1: Indicators for Assessing G-SIBs

GSIB1			Millions of Yen	
Basel III Template No.			March 31, 2020	March 31, 2019
1	Cross-jurisdictional activity	Cross-jurisdictional claims	¥ 8,479,909	¥ 8,594,442
2		Cross-jurisdictional liabilities	14,128,254	13,701,295
3	Size	Total exposures	59,493,586	60,253,670
4	Interconnectedness	Intra-financial system assets	6,251,975	5,045,254
5		Intra-financial system liabilities	6,988,253	8,178,301
6		Securities outstanding	9,864,511	10,685,036
7	Substitutability / Financial institution infrastructure	Assets under custody	254,682,381	230,254,779
8		Payments through settlement systems	973,168,450	896,293,204
9		Underwritten transactions in debt and equity markets	10,151	15,431
10	Complexity	Notional amount of over-the-counter (OTC) derivatives	174,462,401	191,324,056
11		Level 3 assets	669,726	703,586
12		Trading and available-for-sale (AFS) securities	3,436,026	3,711,983

Composition of Basel III Leverage Ratio

Consolidated

As of March 31			Millions of Yen, %	
Basel III Template No. (Table 2)	Basel III Template No. (Table 1)	Items	2020	2019
On-Balance Sheet Exposures				
1		On-Balance Sheet Exposures before Deducting Adjustment Items	¥ 52,633,729	¥ 54,631,119
1a	1	Total Assets Reported in the Consolidated Balance Sheet	56,500,552	57,029,113
1b	2	The Amount of Assets of Subsidiaries that are not Included in the Scope of the Basel III Leverage Ratio on a Consolidated Basis (Deduction)	—	—
1c	7	The Amount of Assets of Subsidiaries that are Included in the Scope of the Basel III Leverage Ratio on a Consolidated Basis(except Those Included in the Total Assets Reported in the Consolidated Balance Sheet)	—	—
1d	3	The Amount of Assets that are Deducted from the Total Assets Reported in the Consolidated Balance Sheet (except Adjustment Items) (Deduction)	3,866,823	2,397,993
2	7	The Amount of Adjustment Items Pertaining to Tier 1 Capital (Deduction)	168,212	244,462
3		Total On-Balance Sheet Exposures (A)	52,465,517	54,386,656
Exposures Related to Derivative Transactions				
4		The Amount Equivalent to Replacement Cost Associated with Derivatives Transactions, etc. Multiplied by 1.4		
		Replacement Cost Associated with Derivatives Transactions, etc.	650,790	448,438
5		The Amount Equivalent to Potential Future Exposure Associated with Derivatives Transactions, etc. Multiplied by 1.4		
		Add-On Amount Associated with Derivatives Transactions, etc.	904,492	988,145
		The Amount of Receivables Arising from Providing Cash Margin in Relation to Derivatives Transactions, etc.	504,362	333,486
6		The Amount of Receivables Arising from Providing Collateral, Provided where Deducted from the Consolidated Balance Sheet Pursuant to the Operative Accounting Framework		
		The Amount of Receivables Arising from Providing Cash Margin, Provided where Deducted from the Consolidated Balance Sheet Pursuant to the Operative Accounting Framework	—	—
7		The Amount of Deductions of Receivables (out of those Arising from Providing Cash Variation Margin) (Deduction)	169,673	119,286
8		The Amount of Client-Cleared Trade Exposures for which a Bank or Bank Holding Company Acting as Clearing Member is not Obligated to Make Any Indemnification (Deduction)		
9		Adjusted Effective Notional Amount of Written Credit Derivatives	74,034	126,192
10		The Amount of Deductions from Effective Notional Amount of Written Credit Derivatives (Deduction)	53,600	63,600
11	4	Total Exposures Related to Derivative Transactions (B)	1,910,406	1,713,376
Exposures Related to Repo Transactions				
12		The Amount of Assets Related to Repo Transactions, etc.	1,961,419	918,547
13		The Amount of Deductions from the Assets Above (Line 12) (Deduction)	—	—
14		The Exposures for Counterparty Credit Risk for Repo Transactions, etc.	287,850	252,883
15		The Exposures for Agent Repo Transaction		
16	5	The Total Exposures Related to Repo Transactions, etc. (C)	2,249,270	1,171,431
Exposures Related to Off-Balance Sheet Transactions				
17		Notional Amount of Off-Balance Sheet Transactions	7,426,754	7,541,069
18		The Amount of Adjustments for Conversion in Relation to Off-Balance Sheet Transactions (Deduction)	4,726,571	4,803,322
19	6	Total Exposures Related to Off-Balance Sheet Transactions (D)	2,700,183	2,737,747
Basel III Leverage Ratio on a Consolidated Basis				
20		The Amount of Capital (Tier 1 Capital) (E)	2,758,167	2,806,512
21	8	Total Exposures (F) = (A)+(B)+(C)+(D)	¥ 59,325,377	¥ 60,009,211
22		Basel III Leverage Ratio on a Consolidated Basis (G) = (E)/(F)	4.64%	4.67%

Note: SuMi TRUST Holdings received a certain procedure by KPMG AZSA LLC of the calculation of the Basel III leverage ratio in line with "Practical Guidance on Agreed-Upon Procedures Engagement for Capital Adequacy Ratio and Leverage Ratio Calculation" (Practical Guidance 4465 for Specialized Business of the Japanese Institute of Certified Public Accountants, August 27, 2019).

The certain procedure is not part of the audit of the consolidated financial statements or the audit of the internal control over the financial reporting but was conducted by the external auditor on the agreed-upon scope and under agreed-upon examination procedures, and is a report of the results presented to us. It thus does not represent an opinion or conclusion by the external auditor regarding the Basel III leverage ratio itself or parts of internal control over the procedure to calculate the ratio.

Liquidity Coverage Ratio (LCR)

Consolidated

Quantitative Disclosure Items for the Liquidity Coverage Ratio (LCR) on a consolidated basis

Items		Millions of Yen, %, the Number of Data			
		Fiscal Year 2019 4th Quarter		Fiscal Year 2019 3rd Quarter	
High-Quality Liquid Assets (1)					
1	Total high-quality liquid assets (HQLA)		14,412,361		15,227,585
Cash Outflows (2)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
2	Cash outflows related to unsecured retail funding	¥ 17,914,127	¥ 830,981	¥ 17,686,799	¥ 829,384
3	of which: Stable deposits	723,125	21,693	705,619	21,168
4	of which: Less stable deposits	8,052,225	809,287	8,041,014	808,216
5	Cash outflows related to unsecured wholesale funding	12,837,801	10,435,598	12,750,320	10,875,881
6	of which: Qualifying operational deposits	—	—	0	0
7	of which: Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	10,480,171	8,077,968	10,442,172	8,567,733
8	of which: Debt securities	2,357,630	2,357,630	2,308,148	2,308,148
9	Cash outflows related to secured funding, etc.		113,698		141,480
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	5,383,536	1,544,383	5,404,251	1,515,919
11	of which: Cash outflows related to derivative transactions, etc.	333,644	333,644	269,806	269,806
12	of which: Cash outflows related to funding programs	—	—	0	0
13	of which: Cash outflows related to credit and liquidity facilities	5,049,892	1,210,739	5,134,445	1,246,113
14	Cash outflows related to contractual funding obligations, etc.	525,379	369,886	445,802	334,997
15	Cash outflows related to contingencies	10,947,809	21,830	11,146,969	23,935
16	Total cash outflows		13,316,376		13,721,596
Cash Inflows (3)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
17	Cash inflows related to secured lending, etc.	107,077	746	55,582	0
18	Cash inflows related to collection of loans, etc.	2,790,920	1,857,979	2,337,861	1,617,876
19	Other cash inflows	504,121	307,459	403,693	247,058
20	Total cash inflows	3,402,118	2,166,184	2,797,136	1,864,934
Consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation		14,412,361		15,227,585
22	Net cash outflows		11,150,192		11,856,662
23	Consolidated Liquidity Coverage Ratio (LCR)		129.2		128.4
24	The number of data used to calculate the average value		58		62

Qualitative Disclosure Items for the Liquidity Coverage Ratio (LCR) on a consolidated basis

(1) Items concerning fluctuations in the LCR over time

Our consolidated LCR has trended steadily for the most part in the past two years.

(2) Items concerning evaluation of the LCR level

Our consolidated LCR satisfies the regulated level (100%) as required under liquidity ratio regulations and the actual LCR is roughly in line with our initial forecast. Up ahead, we do not expect our LCR to deviate significantly from the current level.

(3) Items concerning the composition of totals for eligible high-quality liquid assets

The majority of our eligible high-quality liquid assets are reserve deposit held at central banks and sovereign bonds. There have been no material fluctuations in the composition of currencies, their types and locations. Furthermore, there has been no material difference between totals for eligible high-quality assets and net cash outflows in major currencies.

(4) Other items concerning LCR

We apply neither the “treatment for qualifying operational deposit” nor the “additional collateral required to market valuation changes based on the scenario approach.”

Furthermore, taking account of the impact to LCR, we are using month-end data in lieu of daily data for the consolidated subsidiary companies of minor importance with practical restrictions.

Basel III Disclosure Data

This section outlines matters to be stated in explanatory documents relating to the fiscal year, separately stipulated by the Commissioner of the Financial Services Agency (Notification No.21 of Financial Services Agency, 2012) with regard to the matters regarding compensation as having significant consequences on the business operation or asset status of a bank, a bank holding company, or their subsidiaries, as set forth in Article 19-2, Paragraph 1, Item 6, Article 19-3, Item 4 and Article 34-26, Paragraph 1, Item 5 of the Ordinance for Enforcement of the Banking Act (Ministry of Finance Ordinance No. 10, 1982).

The following disclosure, unless otherwise stated, is with respect to Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings") as of the end of March 2020.

[Compensation Disclosure Data: SuMi TRUST Holdings]

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Compensation Disclosure Data:

Sumitomo Mitsui Trust Holdings, Inc.

1. Development Status of Organizational Structures Concerning Compensation, etc. for Applicable Officers and Employees within the SuMi TRUST Group

(1) Scope of "Applicable Officers and Employees"

The scope of "applicable officers" and "applicable employees, etc." (collectively the "applicable officers and employees") as defined in the compensation notification to be disclosed is as follows:

(i) Scope of "Applicable Officers"

Applicable officers include directors, and executive officers*¹ of SuMi TRUST Holdings, but exclude external directors.

*¹ Executive officers defined by the Companies Act.

(ii) Scope of "Applicable Employees, etc."

Of SuMi TRUST Holdings' officers and employees outside the scope of applicable officers as well as officers and employees of its significant consolidated subsidiaries, a "person receiving a substantial amount of compensation" with significant consequence on the business operation or asset status of SuMi TRUST Holdings and its significant consolidated subsidiaries, are subject to disclosure as applicable employees, etc.

(a) Scope of "Significant Consolidated Subsidiary"

"Significant consolidated subsidiary" refers to a consolidated subsidiary either with its total assets representing more than 2% of the consolidated total assets, or with significant consequence on the SuMi TRUST Holdings Group's management, namely Sumitomo Mitsui Trust Bank, Limited and Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.

(b) Scope of a "Person Receiving a Substantial Amount of Compensation"

A "person receiving a substantial amount of compensation" refers to a person who receives compensation in excess of a certain threshold amount from SuMi TRUST Holdings or its significant consolidated subsidiaries. Such a threshold amount is set at ¥40 million within the SuMi TRUST Holdings Group. This threshold amount has been determined based on

the average compensation for officers paid in fiscal year 2019 (excluding the compensation paid to the officers who were newly appointed or retired in the fiscal year), and is commonly applicable across all significant consolidated subsidiaries, as more or less the same level and system of compensation is shared among all significant consolidated subsidiaries.

With respect to a person receiving lump-sum retirement benefit, this amount is first wholly deducted from the amount of compensation, then the "lump-sum retirement benefit divided by the number of years of service" is added back to calculate the deemed compensation for the purpose of determining whether the compensation is substantial or not.

(c) Scope of "Those with Significant Consequence on the Business Operation or Asset Status of the SuMi TRUST Holdings Group"

"Those with significant consequence on the business operation or asset status of the group" refers to the persons who normally conduct transactions, or manage business affairs that have considerable impact on the business operation of SuMi TRUST Holdings, the SuMi TRUST Holdings Group or its significant consolidated subsidiaries, or whose transactions can cause loss with significant impact on their asset status. Specifically, they include executive officers*² of SuMi TRUST Holdings and employees equivalent to general managers in the departments involving loan operations and market risk management.

*² Executive officers defined in internal policy.

(2) Names, Compositions, and Duties of the Committees and Other Major Institutions Which Supervise the Determination, Payment, and the Execution of Other Duties Regarding the Compensation, etc. for Applicable Officers and Employees

(i) Establishment and Securement of the Compensation Committee, etc.

SuMi TRUST Holdings is a company with Three Committees and has established a Compensation Committee, a statutory committee, to deliberate and decide the compensation system of directors and executive officers*¹ and the content of the compensation. The Committee shall prescribe policy on decisions on the content of remuneration for individual

directors and executive officers*¹ of SuMi TRUST Holdings, and decide the content of remuneration for individual executive officers*¹ and directors. In addition, the amounts of remuneration for individual executive officers*² of SuMi TRUST Holdings are reported to the Compensation Committee.

The Compensation Committee is chaired by an external director, and a majority of the committee members are external directors. The committee oversees and checks the operation of the remuneration system for directors, executive officers*¹, and executive officers*², and has the authority to determine the policy for setting remuneration while being independent of the business promotion department.

(ii) Determination of Compensation for Applicable Employees, etc.

Compensation for employees, etc. within the SuMi TRUST Holdings Group is payable, subject to the policies established primarily by the Boards of Directors and others of SuMi TRUST Holdings and its significant consolidated subsidiaries. According to such policies, compensation systems are designed by human resources departments of SuMi TRUST Holdings and its significant consolidated subsidiaries, independent of the business promotion departments and documented as payroll rules, etc. Information on the compensation systems of the significant consolidated subsidiaries is reported to, and verified by, the Human Resources Department of SuMi TRUST Holdings on a regular basis.

(iii) Determination of Compensation, etc. for Overseas Employees, etc.

Compensation for overseas employees, etc. are determined and payable under the local compensation system established by each overseas operation on its own, in compliance with local laws and regulations and local employment practice. Establishment and change of overseas compensation systems require consultation with, and validity verification by, the Human Resources Department of SuMi TRUST Holdings.

(iv) Total Amount of Compensation Paid to the Members of the Compensation Committee, etc. and the Number of Meetings Held for Compensation Committee, etc.

	The number of meetings held (April 1, 2019-March 31, 2020)	Total amount of compensation*
Compensation Committee (SuMi TRUST Holdings)	11 times	—
Board of Directors (SuMi TRUST Bank)	2 times	—

Note: The total amount of compensation, etc. is not stated as the amount equivalent to the compensation related to the execution of the duties for the Compensation Committee, etc. alone cannot be calculated separately.

2. Adequacy Evaluation of Design and Operation of the Compensation System for Applicable Officers and Employees of SuMi TRUST Holdings

(1) Policies Concerning Compensation, etc. for Applicable Officers and Employees

(i) Policies Concerning Compensation for “Applicable Officers”

The Compensation Committee determines the content of remuneration for individual directors and executive officers.*¹

Our aim is for the remunerations for directors and executive officers*¹ to function effectively as an incentive for improvement of corporate performance and expansion of enterprise value in order to realize stable and sustainable growth of the SuMi TRUST Group, including its core subsidiary, SuMi TRUST Bank. Furthermore, we have created a remuneration structure that considers the balance of short-term incentives and medium- to long-term incentives. This is to ensure remuneration that is not focusing on single-year performance evaluation in which short-term contribution to profit is emphasized, but focusing on officers’ qualifications and capabilities as senior management, and based on a comprehensive evaluation that reflects assessment of medium- to long-term performance. As a holding company, in order to ensure that the supervisory function is fully exercised at each Group company, SuMi TRUST Holdings determines individual remuneration based on an accurate recognition of the role that corporate officers are expected to play in terms of business management and their results, and highly transparent, fair and objective evaluations.

Furthermore, we have introduced a share delivery trust system as a form of stock compensation linked to our medium-term performance to further enhance the motivation and morale of directors and executive officers so as to help drive stock price increases, improve our medium- to long-term performance, and ultimately boost shareholder profits.

(ii) Policies Concerning Compensation for “Applicable Employees, etc.”

Compensations for the applicable employees, etc. of the SuMi TRUST Group are determined by performance assessments, to reflect each employee’s contribution to corporate performance in determining a performance-linked portion and evaluating target achieving performance. The human resources departments at each company have ensured that compensation payments are not excessively performance-oriented, on the basis of the compensation system in place, current status of performance assessment and actual payment records.

On the other hand, compensations for applicable overseas employees, etc. are determined under a basic principle by which payrolls are determined based on job description and responsibility, while bonuses are determined based on performance. Meanwhile, the total compensation budget is capped locally, based on the performance of each operation, preventing excessive impact on the overall compensation fund from individual employees’ extraordinary performance.

(2) Regarding the influence of the overall level of remuneration on capital

(i) Officer compensation

The Compensation Committee determines remuneration for officers after checking the situation of profit and loss in the current term and the consistency with future management strategies. It has been confirmed that the total payment amount of officer compensation in the current term does not produce significant effects, considering the profit level, etc. in the current term.

(ii) Salaries for employees

As for the salaries for employees, the business situation of SuMi TRUST Holdings is reflected in the part that changes according to the performance of SuMi TRUST Holdings and individuals and bonuses. It has been confirmed that the total payment amount of salaries for employees in the current term does not produce significant effects, considering the profit level, etc. in the current term.

(3) Regarding the monitoring of the operation of the remuneration system

As for variable remuneration, such as directors’ bonuses, the Compensation Committee monitors the operation of the remuneration system by checking the ratio of variable remuneration to the total amount of remuneration and the appropriateness of the payment amount, and confirms that performance-based pay is not excessive.

3. Regarding the Items about the Consistency between the Systems of Remuneration for Target Executives and Employees of SuMi TRUST Holdings and Risk Management, and the Linkage between the Remuneration and Performance of Target Employees of the SuMi TRUST Group

The remunerations for target executives are determined by the Compensation Committee. Budget allocation is conducted while taking into account the financial condition, etc. of the SuMi TRUST Group in order to determine remuneration for target employees.

4. Types, Total Amount of Payment, and Payment Method of Compensation, etc. for Applicable Officers and Employees of the SuMi TRUST Group

(1) REM1: Compensation, etc. Allocated to the Fiscal Year under Review

REM1: Compensation, etc. allocated to the fiscal year under review		Persons, Millions of Yen	
Item No.		a	b
		Applicable Officers	Applicable Employees, etc.
1	The number of applicable officers and employees, etc.	16	24
2	Total amount of fixed compensation (3+5+7)	225	588
3	of Which: Cash compensation amount	225	588
4	of 3 above: Deferred amount	—	—
5	of Which: Stock compensation amount or Stock-linked compensation amount	—	—
6	of 5 above: Deferred amount	—	—
7	of Which: Other compensation amount	—	—
8	of 7 above: Deferred amount	—	—
9	The number of applicable officers and employees, etc.	12	20
10	Total amount of variable compensation (11+13+15)	180	476
11	of Which: Cash compensation amount	143	418
12	of 11 above: Deferred amount	—	—
13	of Which: Stock compensation amount or Stock-linked compensation amount	36	58
14	of 13 above: Deferred amount	—	—
15	of Which: Other compensation amount	—	—
16	of 15 above: Deferred amount	—	—
17	The number of applicable officers and employees, etc.	—	—
18	Total amount of Retirement benefits	—	—
19	of Which: Deferred amount	—	—
20	The number of applicable officers and employees, etc.	—	1
21	Total amount of other compensations	—	3
22	of Which: Deferred amount	—	—
23	Total amount of compensations (2+10+18+21)	405	1,067

(2) REM2: Special Rewards, etc.

REM2: Special rewards, etc.	Persons, Millions of Yen					
	a	b	c	d	e	f
	Bonus guarantee		Lump-sum payment when hiring		Premium retirement payment	
	Headcount	Total amount	Headcount	Total amount	Headcount	Total amount
Applicable Officers	—	—	—	—	—	—
Applicable Employees, etc.	—	—	—	—	—	—

5. Other Items to be Referred Concerning the Compensation System for Applicable Officers and Employees of the SuMi TRUST Group

Not applicable, other than those items raised in the preceding sections.

Basel III Disclosure Data

Sumitomo Mitsui Trust Bank, Limited

This section outlines matters to be stated in explanatory documents relating to the fiscal year, separately stipulated by the Commissioner of the Financial Services Agency (Notification No. 7 of Financial Services Agency, 2014) with regard to the status of capital adequacy as set forth in Article 19-2, Paragraph 1, Item 5-(d) of the Ordinance for Enforcement of the Banking Act (Ministry of Finance Ordinance No. 10, 1982).

The following disclosure, unless otherwise stated, is with respect to Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank") as of the end of March 2020.

[Qualitative Disclosure Data: SuMi TRUST Bank]

Qualitative disclosure data of SuMi TRUST Bank is stated in line with the qualitative disclosure data of SuMi TRUST Holdings. Please refer to pages 201-230.

This section outlines and discloses matters to be stated in explanatory documents relating to the fiscal year, separately stipulated by the Commissioner of the Financial Services Agency (Notification No.7 of Financial Services Agency, 2014) with regard to the status of capital adequacy, as set forth in Article 19-2, Paragraph 1, Item 5-(d) of the Ordinance for Enforcement of the Banking Act (Ministry of Finance Ordinance No.10, 1982), as well as separately stipulated by the Commissioner of the Financial Services Agency (Notification No.7 of Financial Services Agency, 2015) with regard to the status of management soundness relating to liquidity, as set forth in Article 19-2, Paragraph 1, Item 5-(e) of the Ordinance for Enforcement of the Banking Act.

[Quantitative Disclosure Data: SuMi TRUST Bank]

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Quantitative Disclosure Data:

Sumitomo Mitsui Trust Bank, Limited

KM1: Key Metrics

Consolidated

KM1 Basel III Template No.		Millions of Yen, %				
		a	b	c	d	e
		March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	¥ 2,068,648	¥ 2,126,088	¥ 2,115,555	¥ 2,087,033	¥ 2,068,239
2	Tier 1	2,420,402	2,477,180	2,466,947	2,439,841	2,421,640
3	Total capital	2,944,968	2,997,793	2,989,248	2,973,365	2,935,268
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	18,657,616	19,363,782	18,667,159	19,109,831	19,529,822
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio	11.08%	10.97%	11.33%	10.92%	10.59%
6	Tier 1 ratio	12.97%	12.79%	13.21%	12.76%	12.39%
7	Total capital ratio	15.78%	15.48%	16.01%	15.55%	15.02%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	59,140,679	57,940,472	59,946,397	58,982,403	59,930,811
14	Basel III leverage ratio	4.09%	4.27%	4.11%	4.13%	4.04%

KM1		Millions of Yen, %				
Basel III Template No.		Fiscal Year 2019 4th Quarter	Fiscal Year 2019 3rd Quarter	Fiscal Year 2019 2nd Quarter	Fiscal Year 2019 1st Quarter	Fiscal Year 2018 4th Quarter
Liquidity Coverage Ratio (LCR)						
15	Total HQLA allowed to be included in the calculation	¥ 14,412,361	¥ 15,227,585	¥ 15,446,412	¥ 15,297,151	¥ 15,231,564
16	Net cash outflows	11,278,102	11,969,705	11,584,160	12,552,800	12,064,738
17	Consolidated LCR	127.7%	127.2%	133.3%	121.8%	126.2%

Note: Month-end data used for some items instead of daily data to calculate figures prior to 2Q FY2019.

Capital Adequacy Ratio

Consolidated

We calculate the BIS capital adequacy ratio on both a consolidated and non-consolidated basis in line with provisions of Article 14-2 of the Banking Act and on the basis of calculation formula prescribed under the criteria for judging whether a bank's capital adequacy ratio is appropriate in light of assets held (the Financial Services Agency 2006 Notification No. 19, hereinafter referred to as the "FSA Capital Adequacy Notification").

As of the end of March 2020, we used the Advanced Internal Ratings-Based (IRB) Approach for the calculation of credit risk-weighted assets, the Advanced Measurement Approach for the calculation of operational risk, and market risk regulations.

Scope of Consolidation

Consolidated

(1) There is no difference between companies belonging to the group of companies subject to the consolidated BIS capital adequacy ratio as prescribed by the FSA Capital Adequacy Notification, Article 3 (hereinafter referred to as the "SuMi TRUST Bank Group") and the companies included in the scope of accounting consolidation.

(2) The number of consolidated subsidiaries that belong to the SuMi TRUST Bank Group is 39. The principal companies are the following.

Name	Principal Business Operations
Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.	General Leasing, Installment Purchase Services, Credit Card Business
Sumitomo Mitsui Trust Club Co., Ltd.	Credit Card Business
Sumitomo Mitsui Trust Realty Co., Ltd.	Real Estate Brokerage Business
Sumitomo Mitsui Trust Loan & Finance Co., Ltd.	Money Lending Business
Sumitomo Mitsui Trust Bank (U.S.A.) Limited	Banking, Trust Business

(3) There is no affiliated company that undertakes financial services subject to the FSA Capital Adequacy Notification, Article 9.

(4) There are no particular restrictions on the transfer of funds and capital within the SuMi TRUST Bank Group.

(5) Of the subsidiaries which are banking, financial and insurance entities that are outside the scope of regulatory consolidation, none failed to meet the regulatory required capital.

Composition of Capital (Consolidated BIS capital adequacy ratio)

Consolidated

CC1:Composition of Capital

CC1 As of March 31	Items	Millions of Yen, %		
		a	b	c
Basel III Template No.		2020	2019	Reference Numbers to Reconciliation with the Balance Sheet
Common Equity Tier 1 Capital: Instruments and Reserves				
1a+2-1c-26	Directly Issued Qualifying Common Share Capital Plus Related Capital Surplus and Retained Earnings	¥ 1,927,246	¥ 1,848,276	
1a	of Which: Capital Stock and Capital Surplus	684,890	733,435	
2	of Which: Retained Earnings	1,264,091	1,307,578	
1c	of Which: Treasury Stock (Deduction)	—	—	
26	of Which: Earnings to be Distributed (Deduction)	21,735	192,737	
	of Which: Others	—	—	
1b	Subscription Rights to Common Shares	—	—	
3	Accumulated Other Comprehensive Income	236,738	424,472	(a)
5	Common Share Capital Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Common Equity Tier 1)	—	—	
6	Common Equity Tier 1 Capital: Instruments and Reserves (A)	2,163,984	2,272,748	
Common Equity Tier 1 Capital: Regulatory Adjustments				
8+9	Intangible Assets Other than Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	80,214	132,443	
8	of Which: Goodwill (Including Those Equivalent)	24,598	69,376	
9	of Which: Other Intangible Assets	55,615	63,067	
10	Deferred Tax Assets That Rely on Future Profitability Excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	187	608	
11	Deferred Gains or Losses on Derivatives under Hedge Accounting	(46,588)	(31,820)	
12	Shortfall of Eligible Provisions to Expected Losses	—	5,606	
13	Securitisation Gain on Sale	1,122	1,307	
14	Gains and Losses Due to Changes in Own Credit Risk on Fair Valued Liabilities	—	—	
15	Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits) (Net of Related Deferred Tax Liabilities)	60,400	96,364	
16	Investments in Own Shares (Excluding Those Reported in the Net Assets Section)	—	—	
17	Reciprocal Cross-Holdings in Common Equity	—	—	
18	Investments in the Common Stock of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions, Where the Bank Does Not Own More than 10% of the Issued Share Capital (Amount above 10% Threshold)	—	—	
19+20+21	Amount above the 10% Threshold on the Specified Items	—	—	
19	of Which: Significant Investments in the Common Stock of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	—	—	
20	of Which: Mortgage Servicing Rights	—	—	
21	of Which: Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	—	
22	Amount Exceeding the 15% Threshold on the Specified Items	—	—	
23	of Which: Significant Investments in the Common Stock of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	—	—	
24	of Which: Mortgage Servicing Rights	—	—	
25	of Which: Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	—	
27	Regulatory Adjustments Applied to Common Equity Tier 1 Due to Insufficient Additional Tier 1 and Tier 2 to Cover Deductions	—	—	
28	Common Equity Tier 1 Capital: Regulatory Adjustments (B)	95,336	204,508	
Common Equity Tier 1 Capital (CET1)				
29	Common Equity Tier 1 Capital (C) = (A)-(B)	¥ 2,068,648	¥ 2,068,239	

CC1		Millions of Yen, %		
As of March 31		a	b	c
Basel III Template No.	Items	2020	2019	Reference Numbers to Reconciliation with the Balance Sheet
Additional Tier 1 Capital: Instruments				
30	31a Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	¥ —	¥ —	
	31b Subscription Rights to Additional Tier 1 Instruments	—	—	
	32 Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	340,000	340,000	
	Qualifying Additional Tier 1 Instruments Issued by Special Purpose Vehicles	—	—	
	34–35 Additional Tier 1 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Additional Tier 1)	11,754	13,400	
	33+35 Eligible Tier 1 Capital Instruments Subject to Phase out from Additional Tier 1 Capital	—	—	
	33 of Which: Directly Issued and Issued by Special Purpose Vehicles	—	—	
	35 of Which: Issued by Subsidiaries	—	—	
	36 Additional Tier 1 Capital: Instruments (D)	351,754	353,400	
Additional Tier 1 Capital: Regulatory Adjustments				
	37 Investments in Own Additional Tier 1 Instruments	—	—	
	38 Reciprocal Cross-Holdings in Additional Tier 1 Instruments	—	—	
	39 Investments in the Additional Tier 1 Instruments of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions, Where the Bank Does not Own More than 10% of the Issued Common Share Capital of the Entity (Amount above 10% Threshold)	—	—	
	40 Significant Investments in the Additional Tier 1 Instruments of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	—	—	
	42 Regulatory Adjustments Applied to Additional Tier 1 Due to Insufficient Tier 2 to Cover Deductions	—	—	
	43 Additional Tier 1 Capital: Regulatory Adjustments (E)	—	—	
Additional Tier 1 Capital (AT1)				
	44 Additional Tier 1 Capital (F) = (D) – (E)	351,754	353,400	
Tier 1 Capital (T1 = CET1 + AT1)				
	45 Tier 1 Capital (G) = (C) + (F)	2,420,402	2,421,640	
Tier 2 Capital: Instruments and Provisions				
46	Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	—	—	
	Subscription Rights to Tier 2 Instruments	—	—	
	Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	306,584	270,000	
	Qualifying Tier 2 Instruments Issued by Special Purpose Vehicles	—	—	
48–49	Tier 2 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Tier 2)	2,060	2,936	
47+49	Eligible Tier 2 Capital Instruments Subject to Phase out from Tier 2 Capital	171,581	239,264	
	47 of Which: Directly Issued and Issued by Special Purpose Vehicles	171,581	239,264	
	49 of Which: Issued by Subsidiaries	—	—	
50	Provisions Allowed in Group Tier 2	45,878	2,965	
50a	of Which: General Allowance for Credit Losses	3,100	2,965	
50b	of Which: Excess Amount of Eligible Provisions to Expected Losses	42,778	—	
51	Tier 2 Capital: Instruments and Provisions (H)	¥ 526,106	¥ 515,167	

CC1 As of March 31	Items	Millions of Yen, %		
		a	b	c
	Basel III Template No.	2020	2019	Reference Numbers to Reconciliation with the Balance Sheet
Tier 2 Capital: Regulatory Adjustments				
52	Investments in Own Tier 2 Instruments	¥ —	¥ —	
53	Reciprocal Cross-Holdings in Tier 2 Instruments and Other TLAC Liabilities	—	—	
54	Investments in the Tier 2 Instruments and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions, Where the Bank Does not Own More than 10% of the Issued Common Share Capital of the Entity (Amount above 10% Threshold)	—	—	
55	Significant Investments in the Tier 2 Instruments and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	1,540	1,540	
57	Tier 2 Capital: Regulatory Adjustments (I)	1,540	1,540	
Tier 2 Capital (T2)				
58	Tier 2 Capital (J) = (H) - (I)	524,566	513,627	
Total Capital (TC = T1 + T2)				
59	Total Capital (K) = (G) + (J)	2,944,968	2,935,268	
Total Risk Weighted Assets				
60	Total Risk Weighted Assets (L)	18,657,616	19,529,822	
Capital Ratios (Consolidated)				
61	Common Equity Tier 1 Capital Ratio (C)/(L)	11.08%	10.59%	
62	Tier 1 Capital Ratio (G)/(L)	12.97%	12.39%	
63	Total Capital Ratio (K)/(L)	15.78%	15.02%	
Regulatory Adjustments (before Risk Weighting)				
72	Investments in the Instruments of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Where the Bank Does not Own More than 10% of the Issued Share Capital (Amount below the Threshold for Deduction)	108,315	126,654	
73	Significant Investments in the Common Stock of Banking, Financial and Insurance Entities (Amount below the Thresholds for Deduction)	103,040	109,009	
74	Mortgage Servicing Rights (Amount below the Thresholds for Deduction)	—	—	
75	Deferred Tax Assets Arising from Temporary Differences (Amount below the Thresholds for Deduction)	14,634	—	
Provisions Included in Tier 2 Capital: Instruments and Provisions				
76	Provisions Eligible for Inclusion in Tier 2 in Respect of Exposures Subject to Standardised Approach (Prior to Applicable of Cap)	3,100	2,965	
77	Cap on Inclusion of Provisions in Tier 2 under Standardised Approach	7,359	8,182	
78	Provisions Eligible for Inclusion in Tier 2 in Respect of Exposures Subject to Internal Ratings-Based Approach (Prior to Applicable of Cap)	42,778	—	
79	Cap on Inclusion of Provisions in Tier 2 under Internal Ratings-Based Approach	91,018	98,006	
Capital Instruments Subject to Phase out Arrangements				
82	Current Cap on Additional Tier 1 Instruments Subject to Phase out Arrangements	77,800	116,700	
83	Amount Excluded from Additional Tier 1 Due to Cap (Excess over Cap after Redemptions and Maturities)	—	—	
84	Current Cap on Tier 2 Instruments Subject to Phase out Arrangements	171,581	257,372	
85	Amount Excluded from Tier 2 Due to Cap (Excess over Cap after Redemptions and Maturities)	¥ 17,609	¥ —	

Note: SuMi TRUST Bank received a certain procedure by KPMG AZSA LLC of the calculation of the consolidated BIS capital adequacy ratio in line with "Practical Guidance on Agreed-Upon Procedures Engagement for Capital Adequacy Ratio and Leverage Ratio Calculation" (Practical Guidance 4465 for Specialized Business of the Japanese Institute of Certified Public Accountants, August 27, 2019).

The certain procedure is not part of the audit of the consolidated financial statements or the audit of the internal control over the financial reporting but was conducted by the external auditor on the agreed-upon scope and under agreed-upon examination procedures, and is a report of the results presented to us. It thus does not represent an opinion or conclusion by the external auditor regarding the consolidated BIS capital adequacy ratio itself or parts of internal control over the procedure to calculate the ratio.

Main Features and Further Information of Regulatory Capital Instruments

Consolidated

Main Features and Further Information of Regulatory Capital Instruments are available on our website (<https://www.smth.jp/en/ir/basel/index.html>).

Explanation on Reconciliation between Balance Sheet Items and Regulatory Capital Elements

Consolidated

Fiscal Year 2019

CC2: Reconciliation of Regulatory Capital to Balance Sheet

CC2	Items	a	c	d
		Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Assets)				
	Cash and Due from Banks	¥ 13,087,816		
	Call Loans and Bills Bought	71,236		
	Receivables under Resale Agreements	1,220,761		
	Receivables under Securities Borrowing Transactions	740,658		
	Monetary Claims Bought	999,705		
	Trading Assets	507,646		
	Money Held in Trust	1,406		
	Securities	6,343,103		2-b, 6-a
	Loans and Bills Discounted	29,703,375		6-b
	Foreign Exchanges	36,952		
	Lease Receivables and Investment Assets	673,880		
	Other Assets	2,072,673		6-c
	Tangible Fixed Assets	220,936		
	Intangible Fixed Assets	100,915		2-a
	Assets for Retirement Benefits	87,075		3
	Deferred Tax Assets	29,142		4-a
	Customers' Liabilities for Acceptances and Guarantees	518,811		
	Allowance for Loan Losses	(127,205)		
	Total Assets	¥ 56,288,892		

CC2	Items	a	c	d
		Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
	(Liabilities)			
	Deposits	¥ 30,717,040		
	Negotiable Certificates of Deposit	5,989,292		
	Call Money and Bills Sold	142,974		
	Payables under Repurchase Agreements	1,558,919		
	Payables under Securities Lending Transactions	—		
	Trading Liabilities	371,950		
	Borrowed Money	6,496,384		8
	Foreign Exchanges	3,213		
	Short-term Bonds Payable	1,707,097		
	Bonds Payable	485,368		
	Borrowed Money from Trust Account	4,750,289		
	Other Liabilities	1,221,403		6-d
	Provision for Bonuses	12,881		
	Provision for Directors' Bonuses	74		
	Provision for Stocks Payment	219		
	Liabilities for Retirement Benefits	12,079		
	Provision for Reward Points Program	16,889		
	Provision for Reimbursement of Deposits	4,867		
	Provision for Contingent Losses	1,440		
	Deferred Tax Liabilities	62,767		4-b
	Deferred Tax Liabilities for Land Revaluation	2,439		4-c
	Acceptances and Guarantees	518,811		
	Total Liabilities	54,076,402		
	(Net Assets)			
	Capital Stock	342,037		1-a
	Capital Surplus	342,853		1-b
	Retained Earnings	1,264,091		1-c
	Total Shareholders' Equity	1,948,981		
	Valuation Differences on Available-for-Sale Securities	369,924		
	Deferred Gains (Losses) on Hedges	(57,389)		5
	Revaluation Reserve for Land	(3,901)		
	Foreign Currency Translation Adjustments	(2,493)		
	Adjustments for Retirement Benefits	(69,401)		
	Total Accumulated Other Comprehensive Income	236,738	(a)	
	Non-controlling Interests	26,769		7
	Total Net Assets	2,212,489		
	Total Liabilities and Net Assets	¥ 56,288,892		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appendix)

Note: Amounts in the "Composition of capital" exclude items for regulatory purpose under transitional arrangement.

1. Shareholders' equity

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Capital Stock	¥ 342,037		1-a
Capital Surplus	342,853		1-b
Retained Earnings	1,264,091		1-c
Total Shareholders' Equity	¥ 1,948,981		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Common Share Capital Plus Related Capital Surplus and Retained Earnings	¥ 1,948,981	Shareholders' Equity Attributable to Common Shares (before Adjusting National Specific Regulatory Adjustments (Earnings to be Distributed))	
of Which: Capital Stock and Capital Surplus	684,890		1a
of Which: Retained Earnings	1,264,091		2
of Which: Treasury Stock (Deduction)	—		1c
of Which: Others	—		
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	—	Shareholders' Equity Attributable to Preferred Shares with a Loss Absorbency at the Point of Non-Viability	31a

2. Intangible assets

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Intangible Fixed Assets	¥ 100,915		2-a
Securities	6,343,103		2-b
of Which: Goodwill Arising on the Application of the Equity Method	3,322		
Associated Deferred Tax Liabilities	24,024		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Goodwill (Net of Related Deferred Tax Liabilities, Including Those Equivalent)	¥ 24,598		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	55,615	Excluding Goodwill, Mortgage Servicing Rights (Software, etc.)	9
Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	—		
Amount above the 10% Threshold on the Specified Items	—		20
Amount exceeding the 15% Threshold on the Specified Items	—		24
Amount below the Thresholds for Deduction (before Risk Weighting)	—		74

3. Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits)**(1) Consolidated balance sheet**

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Assets for Retirement Benefits	¥ 87,075		3
Associated Deferred Tax Liabilities	26,674		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits) (Net of Related Deferred Tax Liabilities)	¥ 60,400		15

4. Deferred tax assets**(1) Consolidated balance sheet**

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Assets	¥ 29,142		4-a
Deferred Tax Liabilities	62,767		4-b
Deferred Tax Liabilities for Land Revaluation	2,439		4-c
Associated Intangible Fixed Assets	24,024		
Associated Assets for Retirement Benefits	26,674		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Tax Assets That Rely on Future Profitability excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	¥ 187	This Item Does not Agree with the Amount Reported on the Consolidated Balance Sheet Due to Offsetting of Assets and Liabilities.	10
Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	14,634	This Item Does not Agree with the Amount Reported on the Consolidated Balance Sheet Due to Offsetting of Assets and Liabilities.	
Amount above the 10% Threshold on the Specified Items	—		21
Amount exceeding the 15% Threshold on the Specified Items	—		25
Amount below the Thresholds for Deduction (before Risk Weighting)	14,634		75

5. Deferred gains or losses on hedges

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Gains (Losses) on Hedges	¥ (57,389)		5

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Gains or Losses on Derivatives under Hedge Accounting	¥ (46,588)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

6. Investments in the Capital and Other TLAC Liabilities of Financial Entities

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Securities	¥ 6,343,103		6-a
Loans and Bills Discounted	29,703,375	Including Subordinated Debts	6-b
Other Assets	2,072,673	Including derivatives	6-c
Other Liabilities	¥ 1,221,403	Including derivatives	6-d

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Investments in Own Capital	¥ —		
Common Equity Tier 1 Capital	—		16
Additional Tier 1 Capital	—		37
Tier 2 Capital	—		52
Reciprocal Cross-Holdings in the Capital and Other TLAC Liabilities	—		
Common Equity Tier 1 Capital	—		17
Additional Tier 1 Capital	—		38
Tier 2 Capital and Other TLAC Liabilities	—		53
Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Where the Bank Does not Own More than 10% of the Issued Share Capital	108,315		
Common Equity Tier 1 Capital	—		18
Additional Tier 1 Capital	—		39
Tier 2 Capital and Other TLAC Liabilities	—		54
Amount below the Thresholds for Deduction (before risk weighting)	108,315		72
Significant Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	104,580		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	—		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	103,040		73

7. Non-controlling Interests

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Non-controlling Interests	¥ 26,769		7

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Common Share Capital Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Common Equity Tier 1)	¥ —	After Reflecting Amounts Eligible for Inclusion (after Non-controlling Interest Adjustments)	5
Qualifying Additional Tier 1 Instruments Issued by Special Purpose Vehicles	—		30–31ab–32
Additional Tier 1 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Additional Tier 1)	11,754	After Reflecting Amounts Eligible for Inclusion (after Non-controlling Interest Adjustments)	34–35
Qualifying Tier 2 Instruments Issued by Special Purpose Vehicles	—		46
Tier 2 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Tier 2)	2,060	After Reflecting Amounts Eligible for Inclusion (after Non-controlling Interest Adjustments)	48–49

8. Other Capital Instruments

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Borrowed Money	¥ 6,496,384		8

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	¥ 340,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	306,584		46

Fiscal Year 2018

CC2	Items	a	c	d
		Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Assets)				
	Cash and Due from Banks	¥ 16,042,864		
	Call Loans and Bills Bought	50,124		
	Receivables under Resale Agreements	158,734		
	Receivables under Securities Borrowing Transactions	759,812		
	Monetary Claims Bought	1,082,650		
	Trading Assets	454,978		
	Money Held in Trust	1,393		
	Securities	5,692,564		2-b, 6-a
	Loans and Bills Discounted	29,022,792		6-b
	Foreign Exchanges	36,936		
	Lease Receivables and Investment Assets	653,447		
	Other Assets	1,986,352		6-c
	Tangible Fixed Assets	219,309		
	Intangible Fixed Assets	152,896		2-a
	Assets for Retirement Benefits	138,909		3
	Deferred Tax Assets	30,606		4-a
	Customers' Liabilities for Acceptances and Guarantees	557,007		
	Allowance for Loan Losses	(99,770)		
	Total Assets	¥ 56,941,609		

CC2	Items	a	c	d
		Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
	(Liabilities)			
	Deposits	¥ 31,930,697		
	Negotiable Certificates of Deposit	6,428,622		
	Call Money and Bills Sold	72,793		
	Payables under Repurchase Agreements	1,603,191		
	Payables under Securities Lending Transactions	104,767		
	Trading Liabilities	258,771		
	Borrowed Money	4,623,801		8
	Foreign Exchanges	457		
	Short-term Bonds Payable	1,472,786		
	Bonds Payable	777,834		
	Borrowed Money from Trust Account	5,408,009		
	Other Liabilities	993,243		6-d
	Provision for Bonuses	17,161		
	Provision for Directors' Bonuses	294		
	Liabilities for Retirement Benefits	13,470		
	Provision for Reward Points Program	18,282		
	Provision for Reimbursement of Deposits	5,250		
	Provision for Contingent Losses	3,465		
	Deferred Tax Liabilities	148,972		4-b
	Deferred Tax Liabilities for Land Revaluation	2,847		4-c
	Acceptances and Guarantees	557,007		
	Total Liabilities	54,441,730		
	(Net Assets)			
	Capital Stock	342,037		1-a
	Capital Surplus	391,397		1-b
	Retained Earnings	1,307,578		1-c
	Total Shareholders' Equity	2,041,013		
	Valuation Difference on Available-for-Sale Securities	481,923		
	Deferred Gains or Losses on Hedges	(36,833)		5
	Revaluation Reserve for Land	(2,345)		
	Foreign Currency Translation Adjustment	4,394		
	Adjustments for Retirement Benefits	(22,665)		
	Total Accumulated Other Comprehensive Income	424,472	(a)	
	Non-controlling Interests	34,393		7
	Total Net Assets	2,499,879		
	Total Liabilities and Net Assets	¥ 56,941,609		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appendix)

Note: Amounts in the "Composition of Capital" exclude items for regulatory purpose under transitional arrangement.

1. Shareholders' equity

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Capital Stock	¥ 342,037		1-a
Capital Surplus	391,397		1-b
Retained Earnings	1,307,578		1-c
Total Shareholders' Equity	¥ 2,041,013		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Common Share Capital Plus Related Capital Surplus and Retained Earnings	¥ 2,041,013	Shareholders' Equity Attributable to Common Shares (before Adjusting National Specific Regulatory Adjustments (Earnings to be Distributed))	
of Which: Capital Stock and Capital Surplus	733,435		1a
of Which: Retained Earnings	1,307,578		2
of Which: Treasury Stock (Deduction)	—		1c
of Which: Others	—		
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	—	Shareholders' Equity Attributable to Preferred Shares with a Loss Absorbency at the Point of Non-Viability	31a

2. Intangible assets

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Intangible Fixed Assets	¥ 152,896		2-a
Securities	5,692,564		2-b
of Which: Goodwill Arising on the Application of the Equity Method	6,285		
Associated Deferred Tax Liabilities	26,737		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Goodwill (Net of Related Deferred Tax Liabilities, Including Those Equivalent)	¥ 69,376		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	63,067	Excluding Goodwill, Mortgage Servicing Rights (Software, etc.)	9
Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	—		
Amount above the 10% Threshold on the Specified Items	—		20
Amount exceeding the 15% Threshold on the Specified Items	—		24
Amount below the Thresholds for Deduction (before Risk Weighting)	—		74

3. Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits)**(1) Consolidated balance sheet**

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Assets for Retirement Benefits	¥ 138,909		3
Associated Deferred Tax Liabilities	42,545		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits) (Net of Related Deferred Tax Liabilities)	¥ 96,364		15

4. Deferred tax assets**(1) Consolidated balance sheet**

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Assets	¥ 30,606		4-a
Deferred Tax Liabilities	148,972		4-b
Deferred Tax Liabilities for Land Revaluation	2,847		4-c
Associated Intangible Fixed Assets	26,737		
Associated Assets for Retirement Benefits	42,545		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Tax Assets That Rely on Future Profitability excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	¥ 608	This Item Does not Agree with the Amount Reported on the Consolidated Balance Sheet Due to Offsetting of Assets and Liabilities.	10
Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	This Item Does not Agree with the Amount Reported on the Consolidated Balance Sheet Due to Offsetting of Assets and Liabilities.	
Amount above the 10% Threshold on the Specified Items	—		21
Amount exceeding the 15% Threshold on the Specified Items	—		25
Amount below the Thresholds for Deduction (before Risk Weighting)	—		75

5. Deferred gains or losses on hedges

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Gains or Losses on Hedges	¥ (36,833)		5

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Gains or Losses on Derivatives under Hedge Accounting	¥ (31,820)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

6. Investments in the capital of financial entities

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Securities	¥ 5,692,564		6-a
Loans and Bills Discounted	29,022,792	Including subordinated Debts	6-b
Other Assets	1,986,352	Including derivatives	6-c
Other Liabilities	¥ 993,243	Including derivatives	6-d

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Investments in Own Capital	¥ —		
Common Equity Tier 1 Capital	—		16
Additional Tier 1 Capital	—		37
Tier 2 Capital	—		52
Reciprocal Cross-Holdings in the Capital and Other TLAC Liabilities	—		
Common Equity Tier 1 Capital	—		17
Additional Tier 1 Capital	—		38
Tier 2 Capital and Other TLAC Liabilities	—		53
Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Where the Bank Does not Own More than 10% of the Issued Share Capital	126,654		
Common Equity Tier 1 Capital	—		18
Additional Tier 1 Capital	—		39
Tier 2 Capital and Other TLAC Liabilities	—		54
Amount below the Thresholds for Deduction (before risk weighting)	126,654		72
Significant Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	110,549		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	—		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	109,009		73

7. Non-controlling Interests

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Non-controlling Interests	¥ 34,393		7

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Common Share Capital Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Common Equity Tier 1)	¥ —	Maximum Amount (after Accounting for Adjustments for Non-controlling Interests)	5
Qualifying Additional Tier 1 Instruments Issued by Special Purpose Vehicles	—		30–31ab–32
Additional Tier 1 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Additional Tier 1)	13,400	Maximum Amount (after Accounting for Adjustments for Non-controlling Interests)	34–35
Qualifying Tier 2 Instruments Issued by Special Purpose Vehicles	—		46
Tier 2 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Tier 2)	2,936	Maximum Amount (after Accounting for Adjustments for Non-controlling Interests)	48–49

8. Other Capital Instruments

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Borrowed Money	¥ 4,623,801		8

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	¥ 340,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	270,000		46

Credit Risk

Consolidated

Term-end Balance of Credit Risk Exposures by Category and their Breakdown by Major Type of Assets

As of March 31	Millions of Yen							
	2020				2019			
	Term-end balance of exposures				Term-end balance of exposures			
	Total	Loans, Call Loans, Deposits, etc.	Securities	Other Off-balance Sheet Transactions	Total	Loans, Call Loans, Deposits, etc.	Securities	Other Off-balance Sheet Transactions
Japan	¥ 45,226,390	¥ 39,116,928	¥ 2,807,601	¥ 3,301,860	¥ 46,787,214	¥ 41,567,976	¥ 1,818,681	¥ 3,400,557
Outside Japan	6,344,400	4,967,535	949,983	426,881	6,610,177	4,972,149	1,066,216	571,811
Total for Geographic Regions	¥ 51,570,790	¥ 44,084,464	¥ 3,757,584	¥ 3,728,741	¥ 53,397,392	¥ 46,540,126	¥ 2,884,897	¥ 3,972,369
Manufacturing	4,375,010	2,965,142	244,922	1,164,944	4,359,502	3,000,435	288,313	1,070,753
Agriculture and Forestry	5,530	5,528	2	—	5,583	5,573	10	—
Fisheries	32	0	31	—	31	1	29	—
Mining and Quarrying of Stones and Gravel	63,134	60,582	70	2,480	104,752	26,857	74	77,820
Construction	277,625	201,530	14,006	62,088	224,906	140,712	17,049	67,144
Electricity, Gas, Heat Supply and Water	1,435,848	1,177,202	9,131	249,513	1,398,339	1,163,403	11,339	223,596
Information and Communication	547,495	521,944	4,017	21,532	522,404	464,731	4,071	53,600
Transport and Postal Activities	1,433,447	1,198,672	108,438	126,336	1,475,192	1,220,131	121,656	133,404
Wholesale and Retail Trade	1,898,634	1,550,306	64,691	283,636	1,921,158	1,546,038	64,899	310,220
Finance and Insurance	2,012,028	1,464,303	331,236	216,488	2,009,526	1,444,242	363,260	202,023
Real Estate	4,135,291	3,476,468	386,885	271,938	4,074,192	3,409,830	383,251	281,110
Goods Rental and Leasing	1,229,772	1,094,906	4,301	130,563	1,117,422	1,009,615	5,013	102,792
Local Public Bodies	151,352	128,500	14,785	8,065	123,753	108,871	8,764	6,117
Individuals	11,135,706	10,796,943	—	338,762	10,980,124	10,658,486	—	321,638
Others	22,869,881	19,442,429	2,575,062	852,390	25,080,502	22,341,193	1,617,162	1,122,147
Total for Industry Sectors	¥ 51,570,790	¥ 44,084,464	¥ 3,757,584	¥ 3,728,741	¥ 53,397,392	¥ 46,540,126	¥ 2,884,897	¥ 3,972,369
To 1 year	19,847,455	17,466,862	1,215,100	1,165,492	22,659,299	20,811,518	661,255	1,186,525
> 1 year to 3 years	6,044,163	4,270,761	619,462	1,153,939	5,630,919	4,098,004	325,579	1,207,335
> 3 years to 5 years	6,776,432	5,644,766	693,944	437,722	6,222,598	5,202,026	478,447	542,125
> 5 years	18,902,739	16,702,074	1,229,077	971,587	18,884,574	16,428,576	1,419,614	1,036,383
Total for Residual Maturity	¥ 51,570,790	¥ 44,084,464	¥ 3,757,584	¥ 3,728,741	¥ 53,397,392	¥ 46,540,126	¥ 2,884,897	¥ 3,972,369

Notes: 1. Of exposures subject to the calculation of credit risk-weighted assets, the above lists corporate, retail, equities, etc., purchased receivables, lease transactions as well as exposures subject to phased rollout of the IRB Approach.
2. "Others" in the industry sectors include non-residents and state public services. Exposures for residual maturity of over 5 years include those with no fixed maturities.
3. The above data represents amounts after credit risk mitigation effects of netting contracts allowed under the law and netting against the obligor's cash on deposit.

Term-end Balance of Obligors' exposures related to Loans prescribed in the provisions of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions, Allowances, and Write-offs, as well as their Breakdown by Geographic Regions and Industry Sectors

	Millions of Yen					
	As of March 31, 2020		FY2019	As of March 31, 2019		FY2018
	Term-end balance of exposures	Allowances for loan losses	Write-offs	Term-end balance of exposures	Allowances for loan losses	Write-offs
Japan	¥ 96,440	¥ 25,119	¥ 14,650	¥ 95,384	¥ 25,381	¥ 4,144
Outside Japan	30,897	7,569	4	20,693	6,771	—
Total for Geographic Regions	¥ 127,337	¥ 32,689	¥ 14,654	¥ 116,077	¥ 32,153	¥ 4,144
Manufacturing	11,943	4,320	9,652	17,910	12,474	201
Agriculture and Forestry	284	160	0	283	110	6
Fisheries	11	11	—	—	—	1
Mining and Quarrying of Stones and Gravel	1,350	77	79	1,341	34	1,019
Construction	958	751	61	308	108	80
Electricity, Gas, Heat Supply and Water	3,741	2,590	1	4,053	2,791	—
Information and Communication	107	96	14	68	5	34
Transport and Postal Activities	1,694	659	22	2,555	642	31
Wholesale and Retail Trade	9,076	6,146	1,443	7,739	4,786	139
Finance and Insurance	234	171	7	292	180	15
Real Estate	13,841	760	20	11,833	300	23
Goods Rental and Leasing	3,369	2,918	5	875	0	44
Local Public Bodies	—	—	—	—	—	—
Individuals	45,765	4,652	3,123	46,617	3,720	2,195
Others	34,958	9,371	221	22,196	6,997	352
Total for Industry Sectors	¥ 127,337	¥ 32,689	¥ 14,654	¥ 116,077	¥ 32,153	¥ 4,144

Notes: 1. "Others" in the industry sectors include non-residents.

2. Allowances for loan losses include "general allowances for loan losses" and "specific allowances for loan losses", etc.

Term-end Balance of Exposures by Past Due Periods (excluding "Doubtful Claims" and "Bankrupt and substantially bankrupt Claims")

As of March 31	Millions of Yen	
	2020	2019
< 1 month	¥ 65,387	¥ 73,399
≥ 1 month to < 2 months	12,095	15,287
≥ 2 months to < 3 months	11,023	11,035
≥ 3 months	3,341	—
Total	¥ 91,848	¥ 99,722

Note: Among the term-end balance of exposures for each past due period, "Doubtful Claims" and "Bankrupt and substantially bankrupt Claims" prescribed in the provisions of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions are excluded, in aggregate calculation.

Term-end Balance of Exposures of obligors whose loan conditions were Restructured for the purpose of restructuring or supporting business management ; of which Amounts of Increased Allowances for such exposures and Other Amounts due to the restructuring of the loan conditions

As of March 31	Millions of Yen	
	2020	2019
Amounts of Increased Allowances for Such Exposures Due to the Restructuring of the Loan Conditions	¥ 50,311	¥ 26,269
Other Amounts	—	—
Term-end Balance of Exposures	¥ 50,311	¥ 26,269

Note: Restructured loans are those loans that provide some arrangements favorable to the obligors for the purpose of restructuring or supporting business management, such as by reducing or exempting interest, postponing principal or interest payments, forgiving loans, and providing other benefits to the obligors, excluding those loans classified as "Loans in Bankruptcy Procedures", "Delinquent Loans", and "Loans past due three months or more". In principle, the allowances for restructured loans has been all increased after restructuring loan conditions.

Equity Investments in Funds

Consolidated

Exposures Relating to Funds

As of March 31	Millions of Yen	
	2020	2019
Total exposures relating to funds	¥ 1,471,030	¥ 1,661,148
Look-through Approach	1,279,862	1,469,553
Mandate-based Approach	191,076	191,480
Probability Approach (subject to 250% risk weight)	—	—
Probability Approach (subject to 400% risk weight)	—	—
Fall-Back Approach (subject to 1,250% risk weight)	91	113

Note: Exposures subject to the calculation of credit risk-weighted assets under the provisions of Article 167 of the FSA Capital Adequacy Notification are shown.

Disclosure Data Designated as Per the Appended Forms

Consolidated

OV1: Overview of Risk-weighted assets (RWA)

OV1 Basel III Template No.		Millions of Yen			
		Risk-weighted assets (RWA)		Minimum capital requirements	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Credit risk (excluding counterparty credit risk)	¥ 12,085,492	¥ 13,195,265	¥ 1,021,035	¥ 1,115,178
2	of Which: Standardised Approach (SA)	280,125	293,105	22,410	23,448
3	of Which: Internal Ratings-Based (IRB) Approach	11,290,809	12,407,702	957,460	1,052,173
	of Which: Significant investments in commercial entities	—	—	—	—
	of Which: Lease residual value	59,850	30,191	4,788	2,415
	Other assets	454,706	464,265	36,376	37,141
4	Counterparty credit risk (CCR)	1,201,970	905,383	98,122	73,857
5	of Which: Standardised Approach for Counterparty Credit Risk (SA-CCR)	—	—	—	—
	of Which: Current Exposure Method (CEM)	392,916	280,827	33,304	23,798
6	of Which: Expected Positive Exposure (EPE)	—	—	—	—
	of Which: Credit Valuation Adjustment (CVA)	663,072	496,078	53,045	39,686
	of Which: Central Counterparty (CCP)	49,867	41,617	3,989	3,329
	Others	96,113	86,860	7,782	7,043
7	Equity positions in banking book under market-based approach	221,775	175,521	18,806	14,884
8	Equity investment in funds (Look-Through Approach (LTA))	861,670	1,153,184	68,933	92,254
9	Equity investment in funds (Mandate-Based Approach (MBA))	763,076	712,155	61,046	56,972
	Equity investment in funds (Probability Approach (PA) subject to 250% risk weight)	—	—	—	—
	Equity investment in funds (Probability Approach (PA) subject to 400% risk weight)	—	—	—	—
	Equity investment in funds (Fall-Back Approach (FBA) subject to 1,250% risk weight)	1,137	1,422	91	113
10	Settlement risk	—	—	—	—
11	Securitisation exposures in banking book	348,026	322,082	27,842	25,766
12	of Which: Internal Rating-Based Approach (SEC-IRBA)	334,315	304,053	26,745	24,324
13	of Which: External Rating-Based Approach (SEC-ERBA)	12,804	14,696	1,024	1,175
14	of Which: Standardised Approach (SEC-SA)	—	—	—	—
15	of Which: Subject to 1,250% risk weight	906	3,332	72	266
16	Market risk	1,325,398	1,104,072	106,031	88,325
17	of Which: Standardised Approach (SA)	13,585	22,272	1,086	1,781
18	of Which: Internal Model Approaches (IMA)	1,311,813	1,081,800	104,945	86,544
19	Operational risk	860,710	899,035	68,856	71,922
20	of Which: Basic Indicator Approach (BIA)	166,809	173,667	13,344	13,893
21	of Which: The Standardised Approach (TSA)	—	—	—	—
22	of Which: Advanced Measurement Approach (AMA)	693,900	725,368	55,512	58,029
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	257,586	272,523	21,843	23,109
	Amounts included under transitional arrangements	—	—	—	—
24	Floor adjustment	—	—	—	—
25	Total (after applying scaling factor)	¥ 18,657,616	¥ 19,529,822	¥ 1,492,609	¥ 1,562,385

Note: Total risk-weighted assets of Template No.25 are only applied scaling factor.

LI1: Differences between accounting and regulatory scopes of consolidation and mapping of consolidated financial statement categories with regulatory risk categories

LI1	Millions of Yen						
	March 31, 2020						
	a	b	c	d	e	f	g
	Carrying values as reported in published consolidated financial statement	Carrying values under scope of regulatory consolidation	Credit risk (excluding amounts relevant to columns d and e)	Counterparty credit risk	Securitisation (excluding amounts relevant to column f)	Market risk	Items not subject to capital requirements or subject to deduction from capital
Assets:							
Cash and Due from Banks	¥ 13,087,816	¥ 13,087,816	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	71,236	71,236	—	—	—	—	—
Receivables under Resale Agreements	1,220,761	—	1,220,761	—	—	—	—
Receivables under Securities Borrowing Transactions	740,658	—	740,658	—	—	—	—
Monetary Claims Bought	999,705	956,067	—	43,637	—	—	—
Trading Assets	507,646	—	450,544	—	507,646	—	—
Money Held in Trust	1,406	1,406	—	—	—	—	—
Securities	6,343,103	5,832,684	—	510,419	—	—	—
Loans and Bills Discounted	29,703,375	29,313,191	—	390,184	—	—	—
Foreign Exchanges	36,952	36,952	—	—	—	—	—
Lease Receivables and Investment Assets	673,880	673,880	—	—	—	—	—
Other Assets	2,072,673	343,578	1,232,880	3,846	429,482	492,369	—
Tangible Fixed Assets	220,936	220,936	—	—	—	—	—
Intangible Fixed Assets	100,915	—	—	—	—	100,915	—
Assets for Retirement Benefits	87,075	—	—	—	—	87,075	—
Deferred Tax Assets	29,142	—	—	—	—	29,142	—
Customers' Liabilities for Acceptances and Guarantees	518,811	518,811	—	—	—	—	—
Allowance for Loan Losses	(127,205)	(127,205)	—	—	—	—	—
Total Assets	¥ 56,288,892	¥ 50,929,354	¥ 3,644,844	¥ 948,088	¥ 937,128	¥ 709,502	
Liabilities:							
Deposits	¥ 30,717,040	¥ —	¥ —	¥ —	¥ —	¥ 30,717,040	—
Negotiable Certificates of Deposit	5,989,292	—	—	—	—	5,989,292	—
Call Money and Bills Sold	142,974	—	—	—	—	142,974	—
Payables under Repurchase Agreements	1,558,919	—	1,558,919	—	—	—	—
Payables under Securities Lending Transactions	—	—	—	—	—	—	—
Trading Liabilities	371,950	—	371,950	—	371,950	—	—
Borrowed Money	6,496,384	—	—	—	—	6,496,384	—
Foreign Exchanges	3,213	—	—	—	—	3,213	—
Short-Term Bonds Payable	1,707,097	—	—	—	—	1,707,097	—
Bonds Payable	485,368	—	—	—	—	485,368	—
Borrowed Money from Trust Account	4,750,289	—	—	—	—	4,750,289	—
Other Liabilities	1,221,403	—	673,470	—	538,853	547,933	—
Provision for Bonuses	12,881	—	—	—	—	12,881	—
Provision for Directors' Bonuses	74	—	—	—	—	74	—
Provision for Stocks Payment	219	—	—	—	—	219	—
Liabilities for Retirement Benefits	12,079	—	—	—	—	12,079	—
Provision for Reward Points Program	16,889	—	—	—	—	16,889	—
Provision for Reimbursement of Deposits	4,867	—	—	—	—	4,867	—
Provision for Contingent Losses	1,440	—	—	—	—	1,440	—
Deferred Tax Liabilities	62,767	—	—	—	—	62,767	—
Deferred Tax Liabilities for Land Revaluation	2,439	—	—	—	—	2,439	—
Acceptances and Guarantees	518,811	—	—	—	—	518,811	—
Total Liabilities	¥ 54,076,402	¥ —	¥ 2,604,339	¥ —	¥ 910,803	¥ 51,472,063	

Notes: 1. Derivatives transactions included in "trading assets" and "trading liabilities" and foreign exchanges included in "other assets" and "other liabilities" are subject to capital charge in both counterparty credit risk and market risk. Accordingly, the sum of amounts in Columns a and b is not equal to the sum of amounts in Columns c to g.
2. Among market risks, the foreign exchange risk in banking accounts is not easily linked to individual items of accounts in the consolidated balance sheet. Accordingly, it is not included in the above figures.

LI1	Millions of Yen						
	March 31, 2019						
	a	b	c	d	e	f	g
	Carrying values as reported in published consolidated financial statement	Carrying values under scope of regulatory consolidation	Credit risk (excluding amounts relevant to columns d and e)	Counterparty credit risk	Securitisation (excluding amounts relevant to column f)	Market risk	Items not subject to capital requirements or subject to deduction from capital
Assets:							
Cash and Due from Banks	¥ 16,042,864	¥ 16,042,864	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	50,124	50,124	—	—	—	—	—
Receivables under Resale Agreements	158,734	—	158,734	—	—	—	—
Receivables under Securities Borrowing Transactions	759,812	—	759,812	—	—	—	—
Monetary Claims Bought	1,082,650	1,035,011	—	47,638	—	—	—
Trading Assets	454,978	—	291,789	—	454,978	—	—
Money Held in Trust	1,393	1,393	—	—	—	—	—
Securities	5,692,564	5,318,300	—	374,263	—	—	—
Loans and Bills Discounted	29,022,792	28,561,162	—	461,630	—	—	—
Foreign Exchanges	36,936	36,936	—	—	—	—	—
Lease Receivables and Investment Assets	653,447	653,447	—	—	—	—	—
Other Assets	1,986,352	379,360	928,101	3,221	295,243	675,669	—
Tangible Fixed Assets	219,309	219,309	—	—	—	—	—
Intangible Fixed Assets	152,896	—	—	—	—	—	152,896
Assets for Retirement Benefits	138,909	—	—	—	—	—	138,909
Deferred Tax Assets	30,606	—	—	—	—	—	30,606
Customers' Liabilities for Acceptances and Guarantees	557,007	556,890	—	117	—	—	—
Allowance for Loan Losses	(99,770)	(99,770)	—	—	—	—	—
Total Assets	¥ 56,941,609	¥ 52,755,029	¥ 2,138,437	¥ 886,871	¥ 750,221	¥ 998,082	—
Liabilities:							
Deposits	¥ 31,930,697	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 31,930,697
Negotiable Certificates of Deposit	6,428,622	—	—	—	—	—	6,428,622
Call Money and Bills Sold	72,793	—	—	—	—	—	72,793
Payables under Repurchase Agreements	1,603,191	—	1,603,191	—	—	—	—
Payables under Securities Lending Transactions	104,767	—	104,767	—	—	—	—
Trading Liabilities	258,771	—	258,771	—	258,771	—	—
Borrowed Money	4,623,801	—	—	—	—	—	4,623,801
Foreign Exchanges	457	—	—	—	—	—	457
Short-Term Bonds Payable	1,472,786	—	—	—	—	—	1,472,786
Bonds Payable	777,834	—	—	—	—	—	777,834
Borrowed Money from Trust Account	5,408,009	—	—	—	—	—	5,408,009
Other Liabilities	993,243	—	472,422	—	351,548	520,770	—
Provision for Bonuses	17,161	—	—	—	—	—	17,161
Provision for Directors' Bonuses	294	—	—	—	—	—	294
Liabilities for Retirement Benefits	13,470	—	—	—	—	—	13,470
Provision for Reward Points Program	18,282	—	—	—	—	—	18,282
Provision for Reimbursement of Deposits	5,250	—	—	—	—	—	50
Provision for Contingent Losses	3,465	—	—	—	—	—	8,716
Deferred Tax Liabilities	148,972	—	—	—	—	—	148,972
Deferred Tax Liabilities for Land Revaluation	2,847	—	—	—	—	—	2,847
Acceptances and Guarantees	557,007	—	—	—	—	—	557,007
Total Liabilities	¥ 54,441,730	¥ —	¥ 2,439,153	¥ —	¥ 610,320	¥ 52,002,576	—

Notes: 1. Derivatives transactions included in "trading assets" and "trading liabilities" and foreign exchanges included in "other assets" and "other liabilities" are subject to capital charge in both counterparty credit risk and market risk. Accordingly, the sum of amounts in Columns a and b is not equal to the sum of amounts in Columns c to g.

2. Among market risks, the foreign exchange risk in banking accounts is not easily linked to individual items of accounts in the consolidated balance sheet. Accordingly, it is not included in the above figures.

LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

Item No.	LI2	Millions of Yen				
		March 31, 2020				
		a	b	c	d	e
Item No.	LI2	Items subject to:				
		Total	Credit risk (excluding amounts relevant to columns c and d)	Counterparty credit risk	Securitisation (excluding amounts relevant to column e)	Market risk
1	Asset carrying value amount under scope of regulatory consolidation	¥ 55,579,389	¥ 50,929,354	¥ 3,644,844	¥ 948,088	¥ 937,128
2	Liabilities carrying value amount under scope of regulatory consolidation	2,604,339	—	2,604,339	—	910,803
3	Total net amount under regulatory scope of consolidation	52,975,050	50,929,354	1,040,504	948,088	26,324
4	Off-balance sheet amounts	3,633,094	3,427,425	—	205,669	—
5	Differences due to netting, the exposure calculation method, etc.	1,596,228	—	2,035,292	—	(439,064)
6	Differences due to consideration of allowances and write-offs	40,686	40,686	—	—	—
7	Regulatory exposure amounts	58,245,059	54,397,466	3,075,797	1,153,757	(412,740)

Notes: 1. Derivatives transactions included in "trading assets" and "trading liabilities" and foreign exchanges included in "other assets" and "other liabilities" are subject to capital charge in both counterparty credit risk and market risk. Accordingly, the amount in Column a is not equal to the sum of amounts in Columns b to e, for Item No. 1, 2, 3, and 7.

2. Among market risks, the foreign exchange risk in banking accounts is not easily linked to individual items of accounts in the consolidated balance sheet. Accordingly, it is not included in the above figures.

3. The major factors in the difference between the amount of exposure in the capital regulatory standards and the amount posted in the consolidated balance sheet for each risk category are as follows:

- Credit Risk and Securitisation Exposures: Off-balance sheet amounts and differences due to consideration of allowances and write-offs
- Counterparty credit risk: Difference due to netting, the application of the credit risk mitigation techniques, and the application of the Current Exposure Method to the exposure calculation method
- Market risk: Difference due to netting, etc.

Item No.	LI2	Millions of Yen				
		March 31, 2019				
		a	b	c	d	e
Item No.	LI2	Items subject to:				
		Total	Credit risk (excluding amounts relevant to columns c and d)	Counterparty credit risk	Securitisation (excluding amounts relevant to column e)	Market risk
1	Asset carrying value amount under scope of regulatory consolidation	¥ 55,943,527	¥ 52,755,029	¥ 2,138,437	¥ 886,871	¥ 750,221
2	Liabilities carrying value amount under scope of regulatory consolidation	2,439,153	—	2,439,153	—	610,320
3	Total net amount under regulatory scope of consolidation	53,504,374	52,755,029	(300,715)	886,871	139,900
4	Off-balance sheet amounts	3,668,866	3,442,449	—	226,416	—
5	Differences due to netting, the exposure calculation method, etc.	1,975,752	—	2,200,320	—	(224,567)
6	Differences due to consideration of allowances and write-offs	40,119	40,119	—	—	—
7	Regulatory exposure amounts	59,189,112	56,237,598	1,899,604	1,113,287	(84,666)

Notes: 1. Derivatives transactions included in "trading assets" and "trading liabilities" and foreign exchanges included in "other assets" and "other liabilities" are subject to capital charge in both counterparty credit risk and market risk. Accordingly, the amount in Column a is not equal to the sum of amounts in Columns b to e, for Item No. 1, 2, 3, and 7.

2. Among market risks, the foreign exchange risk in banking accounts is not easily linked to individual items of accounts in the consolidated balance sheet. Accordingly, it is not included in the above figures.

3. The major factors in the difference between the amount of exposure in the capital regulatory standards and the amount posted in the consolidated balance sheet for each risk category are as follows:

- Credit Risk and Securitisation Exposures: Off-balance sheet amounts and differences due to consideration of allowances and write-offs
- Counterparty credit risk: Difference due to netting, the application of the credit risk mitigation techniques, and the application of the Current Exposure Method to the exposure calculation method
- Market risk: Difference due to netting, etc.

CR1: Credit quality of assets

CR1		Millions of Yen			
		March 31, 2020			
Item No.		a	b	c	d
		Gross carrying values of		Allowances	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		
On-balance sheet assets					
1	Loans and Bills Discounted	¥ 122,779	¥ 29,165,498	¥ 110,093	¥ 29,178,183
2	Debt Securities	720	3,126,705	—	3,127,426
3	Other on-balance sheet assets (debt-based assets)	20,109	14,788,800	15,891	14,793,018
4	Total on-balance sheet assets (1+2+3)	143,609	47,081,004	125,985	47,098,629
Off-balance sheet assets					
5	Acceptances and Guarantees, etc.	694	523,550	1,220	523,025
6	Commitments, etc.	918	3,560,273	1,440	3,559,751
7	Total off-balance sheet assets (5+6)	1,613	4,083,824	2,660	4,082,777
Total					
8	Total (4+7)	¥ 145,222	¥ 51,164,829	¥ 128,645	¥ 51,181,406

Note: The aggregate calculation on this statement does not include counterparty credit risk, the credit risk related to securitisation transactions, or the credit risk related to funds.

CR1 Item No.		Millions of Yen			
		March 31, 2019			
		a	b	c	d
		Gross carrying values of		Allowances	Net values (a+b-c)
Defaulted exposures	Non-defaulted exposures				
On-balance sheet assets					
1	Loans and Bills Discounted	¥ 115,111	¥ 28,417,558	¥ 87,931	¥ 28,444,738
2	Debt Securities	0	2,161,177	—	2,161,177
3	Other on-balance sheet assets (debt-based assets)	23,162	17,980,976	10,493	17,993,645
4	Total on-balance sheet assets (1+2+3)	138,273	48,559,712	98,425	48,599,561
Off-balance sheet assets					
5	Acceptances and Guarantees, etc.	720	559,905	1,345	559,280
6	Commitments, etc.	1,006	3,620,654	3,465	3,618,195
7	Total off-balance sheet assets (5+6)	1,726	4,180,560	4,811	4,177,476
Total					
8	Total (4+7)	¥ 140,000	¥ 52,740,273	¥ 103,236	¥ 52,777,037

Note: The aggregate calculation on this statement does not include counterparty credit risk, the credit risk related to securitisation transactions, or the credit risk related to funds.

CR2: Changes in stock of defaulted loans and debt securities

CR2 Item No.		Millions of Yen
		March 31, 2020
		Amounts
1	Stock of defaulted loans and debt securities at the end of the previous fiscal year	¥ 138,273
2	Of which: Newly defaulted	95,303
3	Changes in stock of loans and debt securities	Of which: Returning to non-defaulted status 25,234
4	for each factor during the fiscal year	Of which: Written-offs 14,565
5		Of which: Other factors (50,168)
6	Stock of defaulted loans and debt securities at the end of the fiscal year (1+2-3-4+5)	143,609

Notes: 1. The end of the previous fiscal year indicates March 31, 2019, and the end of the fiscal year indicates March 31, 2020.

2. The main factor for the item 5. "Of which: Other factors" is the stock decrease caused by the collection of defaulted exposures.

CR2 Item No.		Millions of Yen
		March 31, 2019
		Amounts
1	Stock of defaulted loans and debt securities at the end of the previous fiscal year	¥ 109,458
2	Of which: Newly defaulted	66,446
3	Changes in stock of loans and debt securities	Of which: Returning to non-defaulted status 15,712
4	for each factor during the fiscal year	Of which: Written-offs 4,048
5		Of which: Other factors (17,869)
6	Stock of defaulted loans and debt securities at the end of the fiscal year (1+2-3-4+5)	138,273

Notes: 1. The end of the previous fiscal year indicates March 31, 2018, and the end of the fiscal year indicates March 31, 2019.

2. The main factor for the item 5. "Of which: Other factors" is the stock decrease caused by the collection of defaulted exposures.

CR3: Credit risk mitigation techniques (CRM) – overview

CR3 Item No.		Millions of Yen				
		March 31, 2020				
		a	b	c	d	e
		Exposures unsecured	Exposures secured	Exposures secured by col-lateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans and Bills Discounted	¥ 28,617,886	¥ 560,297	¥ 262,517	¥ 185,954	¥ —
2	Debt Securities	3,075,495	51,930	1,000	45,431	—
3	Other on-balance sheet assets (debt-based assets)	14,787,851	5,167	162	5,004	—
4	Total (1+2+3)	¥ 46,481,233	¥ 617,395	¥ 263,680	¥ 236,389	¥ —
5	Of which defaulted	114,625	4,985	3,983	—	—

CR3 Item No.		Millions of Yen				
		March 31, 2019				
		a	b	c	d	e
		Exposures unsecured	Exposures secured	Exposures secured by col-lateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans and Bills Discounted	¥ 27,898,806	¥ 545,932	¥ 253,059	¥ 193,265	¥ —
2	Debt Securities	2,084,128	77,048	3,006	72,804	—
3	Other on-balance sheet assets (debt-based assets)	17,988,466	5,178	173	5,004	—
4	Total (1+2+3)	¥ 47,971,401	¥ 628,159	¥ 256,239	¥ 271,074	¥ —
5	Of which defaulted	102,216	4,529	4,034	7	—

CR4: Standardised approach – Credit risk exposure and Credit risk mitigation (CRM) effects

CR4		Millions of Yen, %											
		March 31, 2020											
		a		b		c		d		e		f	
		Exposures pre-CCF and pre-CRM				Exposures post-CCF and post-CRM				Credit RWA amount	RWA density		
Asset classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount								
1	Cash	¥	7	¥	—	¥	7	¥	—	¥	0	0.00%	
2	Government of Japan and Bank of Japan (BOJ)		60		—		60		—		0	0.00	
3	Foreign central governments and foreign central banks		340,528		—		340,528		—		31,335	9.20	
4	Bank for International Settlements, etc.		—		—		—		—		—	—	
5	Local governments of Japan		—		—		—		—		—	—	
6	Foreign non-central government public sector entities (PSEs)		—		—		—		—		—	—	
7	Multilateral development banks (MDBs)		—		—		—		—		—	—	
8	Japan Finance Organization for Municipalities (JFM)		—		—		—		—		—	—	
9	Government-affiliated agencies of Japan		—		—		—		—		—	—	
10	The three local public corporations		—		—		—		—		—	—	
11	Financial institutions and type I financial instruments business operators		112,814		—		112,814		—		36,479	32.33	
12	Corporates, etc.		197,570		376,332		197,570		14,738		212,309	100.00	
13	SMEs, etc. and individuals		—		—		—		—		—	—	
14	Residential mortgage loans		—		—		—		—		—	—	
15	Real estate acquisition activities, etc.		—		—		—		—		—	—	
16	Past due loans for three months or more, etc. (excluding residential mortgage loans)		1		—		1		—		1	130.65	
17	Past due loans for three months or more (residential mortgage loans)		—		—		—		—		—	—	
18	Uncollected notes		—		—		—		—		—	—	
19	Guaranteed by credit guarantee corporations, etc.		—		—		—		—		—	—	
20	Guaranteed by the Regional Economy Vitalization Corporation of Japan (REVIC), etc.		—		—		—		—		—	—	
21	Investments, etc. (excluding significant investments)		—		—		—		—		—	—	
22	Total		¥ 650,981		¥ 376,332		¥ 650,981		¥ 14,738		¥ 280,125	42.07%	

CR4		Millions of Yen, %										
		March 31, 2019										
		a		b		c		d		e		f
Item No.	Asset classes	Exposures pre-CCF and pre-CRM				Exposures post-CCF and post-CRM				Credit RWA amount	RWA density	
		On-balance sheet amount		Off-balance sheet amount		On-balance sheet amount		Off-balance sheet amount				
1	Cash	¥	47	¥	—	¥	47	¥	—	¥	0	0.00%
2	Government of Japan and Bank of Japan (BOJ)		60		—		60		—		0	0.00
3	Foreign central governments and foreign central banks		256,081		—		256,081		—		29,513	11.52
4	Bank for International Settlements, etc.		—		—		—		—		—	—
5	Local governments of Japan		—		—		—		—		—	—
6	Foreign non-central government public sector entities (PSEs)		—		—		—		—		—	—
7	Multilateral development banks (MDBs)		—		—		—		—		—	—
8	Japan Finance Organization for Municipalities (JFM)		—		—		—		—		—	—
9	Government-affiliated agencies of Japan		—		—		—		—		—	—
10	The three local public corporations		—		—		—		—		—	—
11	Financial institutions and type I financial instruments business operators		167,824		—		167,824		—		42,447	25.29
12	Corporates, etc.		216,313		391,286		216,313		9,734		218,077	96.47
13	SMEs, etc. and individuals		—		—		—		—		—	—
14	Residential mortgage loans		—		—		—		—		—	—
15	Real estate acquisition activities, etc.		—		—		—		—		—	—
16	Past due loans for three months or more, etc. (excluding residential mortgage loans)		2,047		—		2,047		—		3,067	149.81
17	Past due loans for three months or more (residential mortgage loans)		—		—		—		—		—	—
18	Uncollected notes		—		—		—		—		—	—
19	Guaranteed by credit guarantee corporations, etc.		—		—		—		—		—	—
20	Guaranteed by the Regional Economy Vitalization Corporation of Japan (REVIC), etc.		—		—		—		—		—	—
21	Investments, etc. (excluding significant investments)		—		—		—		—		—	—
22	Total	¥	642,374	¥	391,286	¥	642,374	¥	9,734	¥	293,105	44.94%

CR5: Standardised approach – Exposures by asset classes and risk weights

CR5		Millions of Yen											
		March 31, 2020											
Item No.	Asset classes	Risk weight	a	b	c	d	e	f	g	h	i	j	k
			Credit risk exposure amounts (post-CCF and post-CRM)										
			0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total
1	Cash	¥	7	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	7
2	Government of Japan and Bank of Japan (BOJ)		60	—	—	—	—	—	—	—	—	—	60
3	Foreign central governments and foreign central banks		277,857	—	—	—	62,671	—	—	—	—	—	340,528
4	Bank for International Settlements, etc.		—	—	—	—	—	—	—	—	—	—	—
5	Local governments of Japan		—	—	—	—	—	—	—	—	—	—	—
6	Foreign non-central government public sector entities (PSEs)		—	—	—	—	—	—	—	—	—	—	—
7	Multilateral development banks (MDBs)		—	—	—	—	—	—	—	—	—	—	—
8	Japan Finance Organization for Municipalities (JFM)		—	—	—	—	—	—	—	—	—	—	—
9	Government-affiliated agencies of Japan		—	—	—	—	—	—	—	—	—	—	—
10	The three local public corporations		—	—	—	—	—	—	—	—	—	—	—
11	Financial institutions and type I financial instruments business operators		—	—	80,984	—	23,094	—	8,734	—	—	—	112,814
12	Corporates, etc.		—	—	—	—	—	—	212,309	—	—	—	212,309
13	SMEs, etc. and individuals		—	—	—	—	—	—	—	—	—	—	—
14	Residential mortgage loans		—	—	—	—	—	—	—	—	—	—	—
15	Real estate acquisition activities, etc.		—	—	—	—	—	—	—	—	—	—	—
16	Past due loans for three months or more, etc. (excluding residential mortgage loans)		—	—	—	—	0	—	—	0	—	—	1
17	Past due loans for three months or more (residential mortgage loans)		—	—	—	—	—	—	—	—	—	—	—
18	Uncollected notes		—	—	—	—	—	—	—	—	—	—	—
19	Guaranteed by credit guarantee corporations, etc.		—	—	—	—	—	—	—	—	—	—	—
20	Guaranteed by the Regional Economy Vitalization Corporation of Japan (REVIC), etc.		—	—	—	—	—	—	—	—	—	—	—
21	Investments, etc. (excluding significant investments)		—	—	—	—	—	—	—	—	—	—	—
22	Total	¥	277,924	¥ —	¥ 80,984	¥ —	¥ 85,766	¥ —	¥ 221,043	¥ 0	¥ —	¥ —	¥ 665,720

CR5		Millions of Yen												
		March 31, 2019												
		a	b	c	d	e	f	g	h	i	j	k		
Item No.	Credit risk exposure amounts (post-CCF and post-CRM)													
	Asset classes	Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total	
1	Cash	¥	47	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	47	
2	Government of Japan and Bank of Japan (BOJ)		60	—	—	—	—	—	—	—	—	—	60	
3	Foreign central governments and foreign central banks		197,054	—	—	—	59,026	—	—	—	—	—	256,081	
4	Bank for International Settlements, etc.		—	—	—	—	—	—	—	—	—	—	—	
5	Local governments of Japan		—	—	—	—	—	—	—	—	—	—	—	
6	Foreign non-central government public sector entities (PSEs)		—	—	—	—	—	—	—	—	—	—	—	
7	Multilateral development banks (MDBs)		—	—	—	—	—	—	—	—	—	—	—	
8	Japan Finance Organization for Municipalities (JFM)		—	—	—	—	—	—	—	—	—	—	—	
9	Government-affiliated agencies of Japan		—	—	—	—	—	—	—	—	—	—	—	
10	The three local public corporations		—	—	—	—	—	—	—	—	—	—	—	
11	Financial institutions and type I financial instruments business operators		—	—	142,912	—	22,095	—	2,817	—	—	—	167,824	
12	Corporates, etc.		—	—	—	—	16,170	—	209,876	—	—	—	226,047	
13	SMEs, etc. and individuals		—	—	—	—	—	—	—	—	—	—	—	
14	Residential mortgage loans		—	—	—	—	—	—	—	—	—	—	—	
15	Real estate acquisition activities, etc.		—	—	—	—	—	—	—	—	—	—	—	
16	Past due loans for three months or more, etc. (excluding residential mortgage loans)		—	—	—	—	3	—	—	2,043	—	—	2,047	
17	Past due loans for three months or more (residential mortgage loans)		—	—	—	—	—	—	—	—	—	—	—	
18	Uncollected notes		—	—	—	—	—	—	—	—	—	—	—	
19	Guaranteed by credit guarantee corporations, etc.		—	—	—	—	—	—	—	—	—	—	—	
20	Guaranteed by the Regional Economy Vitalization Corporation of Japan (REVIC), etc.		—	—	—	—	—	—	—	—	—	—	—	
21	Investments, etc. (excluding significant investments)		—	—	—	—	—	—	—	—	—	—	—	
22	Total	¥	197,162	¥ —	¥ 142,912	¥ —	¥ 97,296	¥ —	¥ 212,694	¥ 2,043	¥ —	¥ —	¥ 652,108	

CR6: IRB – Credit risk exposures by portfolio and PD range

CR6		Millions of Yen, %, 1,000 cases, Year											
Item No.	PD scale	March 31, 2020											
		a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Sovereign exposures (Advanced Internal Ratings-Based Approach (AIRB))													
1	0.00 to < 0.15	¥ 2,252,178	¥ 33	75.00%	¥ 2,269,637	0.00%	0.0	32.09%	1.8	¥ 14,071	0.62%	¥ 8	
2	0.15 to < 0.25	2,906	469	75.00	314	0.20	0.0	31.13	3.6	121	38.73	0	
3	0.25 to < 0.50	—	—	—	—	—	—	—	—	—	—	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	2,255,084	502	75.00	2,269,951	0.00	0.0	32.09	1.8	14,193	0.62	8	¥ 59
Sovereign exposures (Foundation Internal Ratings-Based Approach (FIRB))													
1	0.00 to < 0.15	13,225,296	102,116	92.02	13,359,874	0.00	0.0	44.99	1.0	86,772	0.64	117	
2	0.15 to < 0.25	0	—	—	0	0.20	0.0	45.00	1.0	0	30.51	0	
3	0.25 to < 0.50	41,559	8,528	75.00	32,224	0.28	0.0	43.60	2.6	19,988	62.02	39	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	27,759	—	—	559	6.02	0.0	45.00	2.0	846	151.38	15	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	13,294,615	110,644	90.71	13,392,658	0.00	0.1	44.99	1.1	107,606	0.80	172	143
Financial Institution exposures (AIRB)													
1	0.00 to < 0.15	433,512	—	—	452,652	0.05	0.0	32.10	3.3	104,083	22.99	75	
2	0.15 to < 0.25	49,000	9,000	75.00	55,750	0.20	0.0	32.10	1.1	12,700	22.78	36	
3	0.25 to < 0.50	1,086	—	—	1,086	0.30	0.0	11.81	1.0	112	10.37	0	
4	0.50 to < 0.75	1,400	1,000	75.00	2,150	0.50	0.0	32.10	1.0	806	37.50	3	
5	0.75 to < 2.50	17,984	8,651	87.57	25,559	1.14	0.0	32.10	1.0	14,185	55.49	94	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	502,983	18,651	80.83	537,199	0.12	0.0	32.05	2.9	131,888	24.55	209	339
Financial Institution exposures (FIRB)													
1	0.00 to < 0.15	456,549	122,155	80.67	554,966	0.06	0.0	44.17	1.5	120,062	21.63	162	
2	0.15 to < 0.25	1,626	—	—	1,626	0.20	0.0	72.66	4.2	1,617	99.44	2	
3	0.25 to < 0.50	23,583	6,521	75.00	25,974	0.27	0.0	45.00	1.2	13,568	52.23	32	
4	0.50 to < 0.75	1	—	—	1	0.50	0.0	45.00	1.0	0	52.44	0	
5	0.75 to < 2.50	4,197	—	—	4,197	1.78	0.0	45.00	4.4	5,727	136.44	33	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	485,959	128,676	80.39	586,767	0.08	0.1	44.29	1.6	140,976	24.02	230	164

CR6		Millions of Yen, %, 1,000 cases, Year											
Item No.	PD scale	March 31, 2020											
		a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Corporate exposures (excluding SME exposures and specialised lending) (AIRB)													
1	0.00 to < 0.15	¥ 6,864,526	¥ 2,434,624	75.70%	¥ 8,776,921	0.07%	0.7	31.45%	2.6	¥ 1,688,245	19.23%	¥ 2,141	
2	0.15 to < 0.25	1,972,574	362,044	76.22	2,208,815	0.20	0.4	30.69	2.5	714,099	32.32	1,389	
3	0.25 to < 0.50	1,302,246	168,894	74.83	1,432,960	0.30	0.4	31.15	2.4	579,608	40.44	1,377	
4	0.50 to < 0.75	1,083,258	240,765	74.84	1,258,310	0.50	0.7	28.83	2.4	560,606	44.55	1,832	
5	0.75 to < 2.50	869,047	126,389	68.72	911,662	1.50	0.7	28.69	2.1	604,461	66.30	3,948	
6	2.50 to < 10.00	147,526	10,071	78.93	155,899	5.93	0.0	24.41	2.4	132,293	84.85	2,280	
7	10.00 to < 100.00	89,160	35	75.00	89,036	18.67	0.0	31.14	3.6	152,138	170.87	5,180	
8	100.00 (Default)	30,930	—	—	34,760	100.00	0.0	32.06	1.0	14,279	41.08	10,004	
9	Sub-total	12,359,271	3,342,824	75.40	14,868,366	0.64	3.3	30.85	2.5	4,445,734	29.90	28,155	¥ 67,246
Corporate exposures (excluding SME exposures and specialised lending) (FIRB)													
1	0.00 to < 0.15	810,879	129,185	80.98	928,172	0.07	0.9	53.50	3.1	350,278	37.73	360	
2	0.15 to < 0.25	80,031	—	—	83,225	0.20	0.4	59.85	3.1	61,408	73.78	102	
3	0.25 to < 0.50	328,629	57,328	78.25	372,638	0.29	0.6	46.44	2.6	235,325	63.15	511	
4	0.50 to < 0.75	171,069	19,437	75.88	186,972	0.58	0.8	42.74	3.5	162,888	87.11	472	
5	0.75 to < 2.50	371,451	20,283	75.83	387,350	1.39	1.2	44.26	3.8	464,244	119.85	2,379	
6	2.50 to < 10.00	149,046	14,721	90.04	162,248	6.09	0.3	45.22	4.3	303,501	187.05	4,451	
7	10.00 to < 100.00	64,517	—	—	62,651	26.25	0.0	44.76	3.9	166,620	265.94	7,359	
8	100.00 (Default)	12,929	179	92.62	16,489	100.00	0.0	44.40	1.0	0	0.00	7,321	
9	Sub-total	1,988,553	241,136	80.05	2,199,748	2.33	4.6	49.07	3.3	1,744,266	79.29	22,959	14,304
SME exposures (AIRB)													
1	0.00 to < 0.15	39,785	4,000	75.00	42,785	0.11	0.0	29.77	3.9	11,454	26.77	15	
2	0.15 to < 0.25	75,498	1,723	75.00	73,043	0.20	0.0	31.69	3.2	23,046	31.55	47	
3	0.25 to < 0.50	30,525	—	—	30,525	0.30	0.0	31.81	2.1	9,146	29.96	30	
4	0.50 to < 0.75	40,764	713	78.50	39,747	0.50	0.0	20.72	2.5	11,058	27.82	41	
5	0.75 to < 2.50	116,545	8,508	78.94	115,961	1.59	0.1	20.33	2.9	50,012	43.12	368	
6	2.50 to < 10.00	6,682	523	76.13	7,080	7.03	0.0	19.93	1.8	4,028	56.89	101	
7	10.00 to < 100.00	829	—	—	107	18.67	0.0	11.81	5.0	58	53.89	2	
8	100.00 (Default)	1,880	—	—	3,978	100.00	0.0	28.40	1.0	1,437	36.12	1,015	
9	Sub-total	312,511	15,468	77.37	313,230	2.18	0.3	25.53	2.9	110,241	35.19	1,621	3,283
SME exposures (FIRB)													
1	0.00 to < 0.15	27	—	—	27	0.12	0.0	45.00	1.0	5	20.42	0	
2	0.15 to < 0.25	39	—	—	39	0.20	0.0	45.00	1.0	10	26.73	0	
3	0.25 to < 0.50	4	—	—	4	0.30	0.0	45.00	1.0	1	33.97	0	
4	0.50 to < 0.75	111,701	1,671	75.00	112,133	0.50	0.5	38.65	4.5	72,824	64.94	218	
5	0.75 to < 2.50	273,580	1,531	79.63	272,355	1.57	1.5	39.74	4.7	252,649	92.76	1,710	
6	2.50 to < 10.00	9,107	1	0.00	9,140	7.39	0.0	40.54	3.5	11,757	128.63	272	
7	10.00 to < 100.00	524	—	—	524	18.67	0.0	45.00	2.6	1,011	192.88	44	
8	100.00 (Default)	5,217	235	98.80	5,802	100.00	0.0	40.11	1.0	0	0.00	2,327	
9	Sub-total	400,202	3,439	78.66	400,027	2.85	2.3	39.47	4.6	338,260	84.55	4,574	587

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2020											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Specialised lending (AIRB)													
1	0.00 to < 0.15	¥ 1,386,047	¥ 150,657	75.00%	¥ 1,499,040	0.08%	0.3	27.34%	4.2	¥ 356,139	23.75%	¥ 361	
2	0.15 to < 0.25	71,748	5,850	75.00	76,136	0.20	0.0	25.91	3.7	25,107	32.97	40	
3	0.25 to < 0.50	540,609	142,098	74.83	646,951	0.29	0.1	24.16	4.4	254,982	39.41	465	
4	0.50 to < 0.75	282,051	44,188	75.61	315,465	0.56	0.0	20.69	4.3	138,436	43.88	377	
5	0.75 to < 2.50	312,508	62,662	74.17	358,985	1.37	0.0	27.37	4.0	266,355	74.19	1,399	
6	2.50 to < 10.00	77,678	30,088	75.00	100,244	5.02	0.0	28.54	3.8	102,946	102.69	1,371	
7	10.00 to < 100.00	12,524	9,828	75.00	19,895	25.06	0.0	37.70	3.5	41,186	207.01	2,102	
8	100.00 (Default)	12,642	1,478	64.93	13,606	100.00	0.0	22.95	1.0	5,129	37.69	2,712	
9	Sub-total	2,695,811	446,852	74.86	3,030,325	1.11	0.7	26.02	4.2	1,190,283	39.27	8,830	¥ 8,768
Specialised lending (FIRB)													
1	0.00 to < 0.15	2,228	—	—	2,228	0.09	0.3	45.00	1.0	401	18.02	0	
2	0.15 to < 0.25	66	—	—	66	0.20	0.0	45.00	1.0	20	30.51	0	
3	0.25 to < 0.50	1,192	—	—	1,192	0.30	0.1	45.00	1.0	467	39.22	1	
4	0.50 to < 0.75	223	—	—	223	0.59	0.0	45.00	1.0	127	57.05	0	
5	0.75 to < 2.50	599	—	—	599	1.32	0.0	45.00	1.0	486	81.21	3	
6	2.50 to < 10.00	103	—	—	103	4.95	0.0	45.00	1.0	134	130.15	2	
7	10.00 to < 100.00	66	—	—	66	27.62	0.0	45.00	1.0	148	223.15	8	
8	100.00 (Default)	0	—	—	0	100.00	0.0	45.00	1.0	0	0.00	0	
9	Sub-total	4,480	—	—	4,480	0.87	0.6	45.00	1.0	1,787	39.89	17	—
Equity exposures (PD/LGD Approach)													
1	0.00 to < 0.15	1,051,512	—	—	430,193	0.07	0.3	90.00	5.0	511,630	118.93	—	
2	0.15 to < 0.25	97,203	—	—	36,664	0.20	0.1	90.00	5.0	56,359	153.71	—	
3	0.25 to < 0.50	60,985	—	—	23,285	0.30	0.2	90.00	5.0	40,849	175.43	—	
4	0.50 to < 0.75	33,223	—	—	16,229	0.50	0.2	90.00	5.0	32,626	201.03	—	
5	0.75 to < 2.50	19,468	—	—	16,094	1.31	0.2	90.00	5.0	44,907	279.02	—	
6	2.50 to < 10.00	3,229	—	—	1,947	6.74	0.0	90.00	5.0	8,423	432.58	—	
7	10.00 to < 100.00	0	—	—	0	18.68	0.0	90.00	5.0	0	703.02	—	
8	100.00 (Default)	61	—	—	19	100.00	0.0	90.00	5.0	217	1,125.00	—	
9	Sub-total	1,265,684	—	—	524,433	0.17	1.3	90.00	5.0	695,015	132.52	—	
Purchased receivables for corporates, etc. (default risk) (AIRB)													
1	0.00 to < 0.15	8,690	—	—	8,690	0.10	0.0	32.10	2.8	2,241	25.78	2	
2	0.15 to < 0.25	18,858	—	—	18,858	0.20	0.0	32.10	2.4	5,904	31.31	12	
3	0.25 to < 0.50	3,750	—	—	3,750	0.30	0.0	32.10	4.2	1,976	52.71	3	
4	0.50 to < 0.75	3,752	—	—	3,752	0.50	0.0	31.85	3.1	2,169	57.81	6	
5	0.75 to < 2.50	28,502	—	—	28,502	1.61	0.0	31.88	3.8	25,491	89.43	146	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	2,309	—	—	2,309	100.00	0.0	32.10	1.0	949	41.12	665	
9	Sub-total	65,863	—	—	65,863	4.32	0.0	31.99	3.2	38,732	58.80	837	312

CR6		Millions of Yen, %, 1,000 cases, Year												
		March 31, 2020												
		a	b	c	d	e	f	g	h	i	j	k	l	
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions	
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (AIRB)														
1	0.00 to < 0.15	¥ —	¥ —	—%	¥ —	—%	—	—%	—	¥ —	—%	¥ —	—	
2	0.15 to < 0.25	1,710	—	—	1,710	0.22	0.0	100.00	1.0	1,239	72.47	—	—	
3	0.25 to < 0.50	—	—	—	—	—	—	—	—	—	—	—	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	1,710	—	—	1,710	0.22	0.0	100.00	1.0	1,239	72.47	—	¥ —	
Purchased receivables for corporates, etc. (default risk) (FIRB)														
1	0.00 to < 0.15	483,484	2,372	75.00	485,263	0.06	0.3	45.00	1.1	66,743	13.75	136	—	
2	0.15 to < 0.25	64,422	—	—	64,422	0.21	0.1	45.00	1.0	20,241	31.41	60	—	
3	0.25 to < 0.50	132,722	—	—	132,722	0.33	0.2	45.00	1.2	58,650	44.19	200	—	
4	0.50 to < 0.75	48,097	2,717	75.00	50,134	0.54	1.2	45.00	1.2	29,126	58.09	122	—	
5	0.75 to < 2.50	56,045	—	—	56,045	1.57	5.3	45.00	1.3	49,537	88.38	397	—	
6	2.50 to < 10.00	5,310	—	—	5,310	6.19	1.1	45.00	1.1	7,782	146.56	148	—	
7	10.00 to < 100.00	2,322	—	—	2,322	16.89	0.0	45.00	1.6	4,806	206.95	176	—	
8	100.00 (Default)	4,037	—	—	4,037	100.00	0.0	45.00	1.0	0	0.00	1,816	—	
9	Sub-total	796,441	5,089	75.00	800,258	0.84	8.5	45.00	1.1	236,888	29.60	3,059	560	
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (FIRB)														
1	0.00 to < 0.15	578,025	5,089	75.00	581,842	0.06	0.4	94.35	1.1	167,833	28.84	17	—	
2	0.15 to < 0.25	19,872	—	—	19,872	0.22	0.1	99.49	1.0	14,065	70.77	0	—	
3	0.25 to < 0.50	39,216	—	—	39,216	0.34	0.2	66.44	1.3	27,085	69.06	29	—	
4	0.50 to < 0.75	1,001	—	—	1,001	0.50	0.0	45.00	2.9	877	87.58	2	—	
5	0.75 to < 2.50	6,020	—	—	6,020	0.91	0.2	95.12	1.2	9,071	150.66	3	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	644,136	5,089	75.00	647,953	0.09	1.1	92.75	1.1	218,932	33.78	53	—	
Purchased receivables for retail (default risk)														
1	0.00 to < 0.15	—	—	—	—	—	—	—	—	—	—	—	—	
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to < 0.50	58,756	—	—	58,775	0.30	35.0	75.28	—	23,858	40.59	136	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	58,756	—	—	58,775	0.30	35.0	75.28	—	23,858	40.59	136	237	

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2020											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Qualifying revolving retail exposures													
1	0.00 to < 0.15	¥ 0	¥ 42,186	28.14%	¥ 11,872	0.10%	44.6	62.62%	—	¥ 481	4.05%	¥ 8	
2	0.15 to < 0.25	36,647	819,182	12.66	140,429	0.23	198.2	66.45	—	11,466	8.16	221	
3	0.25 to < 0.50	25,516	829,416	7.96	91,609	0.36	171.5	75.34	—	11,933	13.02	250	
4	0.50 to < 0.75	31,871	281,217	12.66	67,498	0.57	86.9	66.45	—	11,105	16.45	255	
5	0.75 to < 2.50	15,059	213,789	13.84	44,649	1.15	126.6	67.39	—	12,520	28.04	346	
6	2.50 to < 10.00	37,209	85,971	13.43	48,758	4.85	49.1	66.92	—	36,992	75.86	1,585	
7	10.00 to < 100.00	378	1,403	13.33	566	49.24	0.7	66.08	—	969	171.29	188	
8	100.00 (Default)	109	3,614	9.64	16,063	100.00	19.3	67.40	—	15,630	97.30	9,576	
9	Sub-total	146,792	2,276,782	11.37	421,448	4.81	697.2	68.47	—	101,100	23.98	12,433	¥ 17,707
Residential mortgage exposures													
1	0.00 to < 0.15	4,025,749	14,944	100.00	4,040,694	0.09	136.9	18.34	—	174,400	4.31	737	
2	0.15 to < 0.25	2,941,838	82	100.00	2,941,920	0.17	139.4	18.06	—	194,374	6.60	939	
3	0.25 to < 0.50	2,612,664	2,340	100.00	2,615,015	0.35	157.1	18.11	—	285,730	10.92	1,669	
4	0.50 to < 0.75	41,039	—	—	41,039	0.62	2.8	22.43	—	8,404	20.47	57	
5	0.75 to < 2.50	132,716	19	100.00	132,736	0.89	13.5	21.22	—	32,538	24.51	249	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	68,321	20	100.00	68,342	20.21	3.8	18.68	—	71,391	104.46	2,607	
8	100.00 (Default)	33,521	15	100.00	34,837	100.00	2.0	20.05	—	8,496	24.38	6,307	
9	Sub-total	9,855,850	17,422	100.00	9,874,584	0.69	455.8	18.26	—	775,336	7.85	12,569	26,674
Other retail exposures													
1	0.00 to < 0.15	0	23,634	22.78	5,384	0.10	21.7	22.17	—	316	5.87	1	
2	0.15 to < 0.25	15,790	—	—	15,790	0.18	1.7	46.37	—	2,781	17.61	13	
3	0.25 to < 0.50	350,660	—	—	350,660	0.32	121.7	59.56	—	114,313	32.59	673	
4	0.50 to < 0.75	320,724	447	100.00	321,469	0.57	91.1	39.06	—	99,369	30.91	749	
5	0.75 to < 2.50	178,853	146,533	28.29	220,324	1.21	289.7	66.15	—	158,137	71.77	1,863	
6	2.50 to < 10.00	28,279	26,105	57.09	43,184	4.32	46.1	29.25	—	18,682	43.26	636	
7	10.00 to < 100.00	21,642	497	83.87	22,104	15.78	1.9	33.00	—	13,241	59.90	1,330	
8	100.00 (Default)	7,495	1,524	31.52	20,304	100.00	12.5	52.67	—	5,473	26.95	10,258	
9	Sub-total	923,447	198,741	31.74	999,223	3.13	586.8	51.97	—	412,315	41.26	15,526	19,210
Lease transactions													
1	0.00 to < 0.15	203,370	—	—	203,370	0.07	0.4	45.00	2.6	50,473	24.81	73	
2	0.15 to < 0.25	135,781	—	—	135,781	0.20	0.1	45.00	4.1	81,744	60.20	125	
3	0.25 to < 0.50	23,758	—	—	23,758	0.30	0.1	45.00	2.1	12,383	52.12	33	
4	0.50 to < 0.75	40,113	—	—	40,113	0.50	0.2	45.00	3.1	31,065	77.44	91	
5	0.75 to < 2.50	41,132	—	—	41,132	1.63	0.3	45.00	3.0	43,943	106.83	302	
6	2.50 to < 10.00	2,919	—	—	2,919	6.16	0.0	45.00	2.7	4,547	155.79	80	
7	10.00 to < 100.00	283	—	—	283	18.67	0.0	45.00	3.2	563	198.85	23	
8	100.00 (Default)	157	—	—	157	100.00	0.0	45.00	1.0	0	0.00	70	
9	Sub-total	447,516	—	—	447,516	0.39	1.3	45.00	3.1	224,722	50.21	801	4,928
Total (all portfolios)		¥ 48,505,673	¥ 6,811,321	53.22%	¥ 51,444,524	0.65%	1,799.7	35.36%	2.2	¥ 10,953,383	21.29%	¥ 112,195	¥ 164,527

Notes: 1. "Number of obligors" in Column f: "Qualifying revolving retail exposures," "Residential mortgage exposures," and "Other retail exposures" are tallied with the number of loans, because it is difficult to grasp the number of some obligors.

2. Purchased receivables for retail (dilution risk and originator risk of loan participation) are not applicable.

CR6		Millions of Yen, %, 1,000 cases, Year											
Item No.	PD scale	March 31, 2019											
		a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Sovereign exposures (Advanced Internal Ratings-Based Approach (AIRB))													
1	0.00 to < 0.15	¥ 1,107,745	¥ 33	75.00%	¥ 1,121,315	0.00%	0.0	32.52%	1.7	¥ 15,426	1.37%	¥ 8	
2	0.15 to < 0.25	4,778	277	75.00	94	0.20	0.0	28.16	2.4	25	27.49	0	
3	0.25 to < 0.50	995	530	75.00	397	0.30	0.0	32.53	5.0	233	58.79	0	
4	0.50 to < 0.75	1	—	—	1	0.50	0.0	32.53	4.9	1	71.56	0	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	1,113,521	840	75.00	1,121,809	0.00	0.0	32.52	1.7	15,687	1.39	9	¥ 71
Sovereign exposures (Foundation Internal Ratings-Based Approach (FIRB))													
1	0.00 to < 0.15	16,154,670	248,926	95.57	16,453,018	0.00	0.1	44.99	1.1	84,798	0.51	135	
2	0.15 to < 0.25	0	—	—	0	0.20	0.0	45.00	1.0	0	30.51	0	
3	0.25 to < 0.50	52,379	4,610	75.00	20,560	0.28	0.0	42.81	2.1	11,617	56.50	25	
4	0.50 to < 0.75	0	—	—	0	0.50	0.0	45.00	1.0	0	52.44	0	
5	0.75 to < 2.50	2,601	92	100.00	2,499	1.78	0.0	44.62	1.1	2,316	92.66	19	
6	2.50 to < 10.00	28,184	—	—	984	5.36	0.0	35.57	2.8	1,113	113.13	15	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	16,237,835	253,629	95.20	16,477,063	0.00	0.1	44.99	1.1	99,845	0.60	196	536
Financial Institution exposures (AIRB)													
1	0.00 to < 0.15	429,035	340	75.00	430,026	0.04	0.0	32.53	2.8	89,722	20.86	68	
2	0.15 to < 0.25	32,000	9,000	75.00	38,750	0.20	0.0	32.53	1.3	9,391	24.23	25	
3	0.25 to < 0.50	1,109	—	—	1,109	0.30	0.0	11.99	1.0	116	10.53	0	
4	0.50 to < 0.75	1,400	1,000	75.00	2,150	0.50	0.0	32.53	1.0	817	38.00	3	
5	0.75 to < 2.50	14,512	6,368	85.20	19,938	1.12	0.0	32.53	1.1	11,258	56.46	73	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	478,056	16,708	78.89	491,974	0.10	0.0	32.48	2.6	111,306	22.62	171	336
Financial Institution exposures (FIRB)													
1	0.00 to < 0.15	685,370	142,033	82.80	802,750	0.06	0.1	43.60	1.4	146,867	18.29	219	
2	0.15 to < 0.25	1,168	—	—	1,168	0.20	0.0	70.66	1.0	560	47.91	1	
3	0.25 to < 0.50	28,396	5,869	75.00	30,299	0.30	0.0	67.01	4.0	43,624	143.97	62	
4	0.50 to < 0.75	3	—	—	3	0.50	0.0	45.00	1.0	1	52.44	0	
5	0.75 to < 2.50	3,736	—	—	3,736	1.77	0.0	45.00	4.8	5,283	141.42	29	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	718,676	147,903	82.49	837,957	0.07	0.1	44.49	1.6	196,337	23.43	312	220

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2019											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Corporate exposures (excluding SME exposures and specialised lending) (AIRB)													
1	0.00 to < 0.15	¥ 6,300,280	¥ 2,415,175	75.61%	¥ 8,229,831	0.07%	0.7	32.04%	2.6	¥ 1,591,366	19.33%	¥ 1,959	
2	0.15 to < 0.25	2,277,239	432,352	76.18	2,580,853	0.20	0.4	31.43	2.6	856,102	33.17	1,663	
3	0.25 to < 0.50	1,125,691	210,731	75.98	1,268,287	0.30	0.4	31.48	2.5	519,249	40.94	1,231	
4	0.50 to < 0.75	1,081,504	216,823	75.40	1,243,507	0.50	0.7	30.06	2.4	591,849	47.59	1,887	
5	0.75 to < 2.50	787,729	115,784	73.03	822,338	1.35	0.8	28.94	2.4	538,946	65.53	3,243	
6	2.50 to < 10.00	220,720	28,913	84.55	247,723	6.62	0.0	27.26	2.2	256,729	103.63	4,560	
7	10.00 to < 100.00	19,816	37	75.00	19,161	18.67	0.0	28.80	1.7	27,395	142.97	1,031	
8	100.00 (Default)	23,865	951	75.00	28,721	100.00	0.0	32.48	1.0	13,211	45.99	8,273	
9	Sub-total	11,836,847	3,420,770	75.68	14,440,424	0.56	3.2	31.45	2.6	4,394,850	30.43	23,849	¥ 47,758
Corporate exposures (excluding SME exposures and specialised lending) (FIRB)													
1	0.00 to < 0.15	788,993	147,720	85.45	928,540	0.07	0.9	52.92	3.0	357,563	38.50	371	
2	0.15 to < 0.25	105,699	—	—	106,318	0.20	0.4	59.44	3.2	78,450	73.78	129	
3	0.25 to < 0.50	272,857	78,050	80.42	336,073	0.29	0.6	45.69	2.4	197,898	58.88	452	
4	0.50 to < 0.75	171,892	10,011	75.40	180,198	0.60	0.7	48.42	3.7	192,133	106.62	521	
5	0.75 to < 2.50	405,200	22,850	74.23	422,182	1.44	1.3	43.40	3.9	511,161	121.07	2,632	
6	2.50 to < 10.00	164,500	3,770	82.11	167,542	6.03	0.4	45.06	4.3	311,435	185.88	4,559	
7	10.00 to < 100.00	36,370	1,664	72.88	35,566	29.72	0.0	44.68	4.2	92,651	260.50	4,718	
8	100.00 (Default)	13,276	205	90.28	15,707	100.00	0.0	44.11	1.0	0	0.00	6,929	
9	Sub-total	1,958,791	264,274	82.49	2,192,130	2.07	4.6	49.13	3.3	1,741,292	79.43	20,315	13,172
SME exposures (AIRB)													
1	0.00 to < 0.15	48,149	4,830	75.00	50,100	0.11	0.0	32.53	3.7	14,742	29.42	19	
2	0.15 to < 0.25	81,826	—	—	79,339	0.20	0.0	30.67	3.6	26,676	33.62	49	
3	0.25 to < 0.50	10,167	—	—	10,167	0.30	0.0	28.14	2.7	2,996	29.46	8	
4	0.50 to < 0.75	50,866	474	75.00	49,710	0.50	0.0	19.90	3.2	14,427	29.02	49	
5	0.75 to < 2.50	115,194	11,185	76.32	114,080	1.52	0.2	21.60	2.9	53,422	46.82	374	
6	2.50 to < 10.00	9,832	1,594	75.00	10,938	7.13	0.0	21.45	1.6	6,580	60.15	169	
7	10.00 to < 100.00	4,040	—	—	3,293	18.67	0.0	16.82	1.5	2,203	66.89	103	
8	100.00 (Default)	1,367	—	—	2,168	100.00	0.0	27.21	1.0	827	38.13	524	
9	Sub-total	321,444	18,083	75.81	319,798	1.81	0.3	25.49	3.2	121,876	38.11	1,300	2,885
SME exposures (FIRB)													
1	0.00 to < 0.15	53	—	—	53	0.12	0.0	45.00	1.0	11	21.55	0	
2	0.15 to < 0.25	54	—	—	54	0.20	0.0	45.00	1.0	14	26.66	0	
3	0.25 to < 0.50	1	—	—	1	0.30	0.0	45.00	1.0	0	36.27	0	
4	0.50 to < 0.75	96,097	932	75.00	95,925	0.50	0.5	38.64	4.7	63,631	66.33	187	
5	0.75 to < 2.50	249,549	687	85.85	247,948	1.59	1.3	39.55	4.6	227,607	91.79	1,578	
6	2.50 to < 10.00	10,874	—	—	10,805	7.40	0.0	40.96	3.2	13,957	129.17	326	
7	10.00 to < 100.00	228	—	—	228	18.67	0.0	44.54	4.8	461	202.15	19	
8	100.00 (Default)	8,547	250	99.99	8,983	100.00	0.0	43.79	1.0	0	0.00	3,934	
9	Sub-total	365,406	1,870	82.33	364,000	3.92	2.0	39.46	4.5	305,685	83.97	6,046	600

CR6		Millions of Yen, %, 1,000 cases, Year											
Item No.	PD scale	March 31, 2019											
		a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Specialised lending (AIRB)													
1	0.00 to < 0.15	¥ 537,680	¥ 10,807	75.00%	¥ 545,785	0.06%	0.0	18.07%	3.3	¥ 58,342	10.68%	¥ 61	
2	0.15 to < 0.25	84,129	2,700	75.00	86,154	0.20	0.0	18.07	3.0	17,301	20.08	31	
3	0.25 to < 0.50	54,223	—	—	54,223	0.30	0.0	18.07	1.2	9,227	17.01	30	
4	0.50 to < 0.75	257,122	—	—	257,122	0.50	0.0	18.07	4.3	94,747	36.84	234	
5	0.75 to < 2.50	57,285	3,100	75.00	59,610	1.23	0.0	18.07	4.3	29,262	49.08	133	
6	2.50 to < 10.00	130	—	—	130	7.65	0.0	18.07	1.0	82	63.08	1	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	990,572	16,607	75.00	1,003,027	0.27	0.1	18.07	3.5	208,963	20.83	493	¥ 1,017
Specialised lending (FIRB)													
1	0.00 to < 0.15	206	—	—	206	0.08	0.0	45.00	1.0	33	16.14	0	
2	0.15 to < 0.25	47	—	—	47	0.20	0.0	45.00	1.0	14	30.51	0	
3	0.25 to < 0.50	18	—	—	18	0.30	0.0	45.00	1.0	7	39.51	0	
4	0.50 to < 0.75	111	—	—	111	0.50	0.0	45.00	1.0	58	52.44	0	
5	0.75 to < 2.50	17	—	—	17	1.74	0.0	45.00	1.0	15	90.55	0	
6	2.50 to < 10.00	0	—	—	0	7.65	0.0	45.00	1.0	1	157.03	0	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	401	—	—	401	0.30	0.1	45.00	1.0	130	32.39	0	—
Equity exposures (PD/LGD Approach)													
1	0.00 to < 0.15	1,275,497	29	100.00	502,925	0.07	0.3	90.00	5.0	603,842	120.06	—	
2	0.15 to < 0.25	125,712	—	—	45,583	0.20	0.1	90.00	5.0	69,212	151.83	—	
3	0.25 to < 0.50	58,397	—	—	21,619	0.30	0.1	90.00	5.0	37,374	172.87	—	
4	0.50 to < 0.75	47,939	—	—	20,879	0.50	0.2	90.00	5.0	42,335	202.75	—	
5	0.75 to < 2.50	21,567	—	—	16,934	1.26	0.2	90.00	5.0	46,400	274.00	—	
6	2.50 to < 10.00	4,000	—	—	2,258	6.66	0.0	90.00	5.0	10,230	453.01	—	
7	10.00 to < 100.00	14	—	—	4	18.67	0.0	90.00	5.0	33	731.60	—	
8	100.00 (Default)	10	—	—	3	100.00	0.0	90.00	5.0	36	1,125.00	—	
9	Sub-total	1,533,140	29	100.00	610,207	0.16	1.3	90.00	5.0	809,466	132.65	—	
Purchased receivables for corporates, etc. (default risk) (AIRB)													
1	0.00 to < 0.15	8,055	—	—	8,055	0.09	0.0	32.53	3.3	2,221	27.58	2	
2	0.15 to < 0.25	29,955	—	—	29,955	0.20	0.0	32.53	2.3	9,367	31.27	19	
3	0.25 to < 0.50	1,700	—	—	1,700	0.30	0.0	32.53	4.3	919	54.10	1	
4	0.50 to < 0.75	40,613	—	—	40,613	0.50	0.0	32.53	4.0	25,769	63.45	66	
5	0.75 to < 2.50	32,381	—	—	32,381	1.67	0.0	32.46	3.9	29,754	91.88	175	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	112,704	—	—	112,704	0.72	0.0	32.51	3.5	68,033	60.36	266	7

CR6		Millions of Yen, %, 1,000 cases, Year													
		March 31, 2019													
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l		
		On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions		
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (AIRB)															
1	0.00 to < 0.15	¥ —	¥ —	—%	¥ —	—%	—	—%	—	¥ —	—%	¥ —	—		
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	—		
3	0.25 to < 0.50	1,140	—	—	1,140	0.25	0.0	100.00	1.0	886	77.74	—	—		
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	—		
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	—		
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	—		
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	—		
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	—		
9	Sub-total	1,140	—	—	1,140	0.25	0.0	100.00	1.0	886	77.74	—	¥ —		
Purchased receivables for corporates, etc. (default risk) (FIRB)															
1	0.00 to < 0.15	605,927	—	—	605,927	0.06	0.3	45.00	1.1	87,288	14.40	180	—		
2	0.15 to < 0.25	85,732	—	—	85,732	0.20	0.1	45.00	1.0	26,297	30.67	79	—		
3	0.25 to < 0.50	78,795	—	—	78,795	0.30	0.3	45.00	1.1	31,979	40.58	109	—		
4	0.50 to < 0.75	93,164	—	—	93,164	0.51	1.3	45.00	1.1	50,102	53.77	214	—		
5	0.75 to < 2.50	56,214	—	—	56,214	1.48	4.8	45.00	1.5	48,501	86.27	375	—		
6	2.50 to < 10.00	10,764	—	—	10,764	4.87	1.4	45.00	2.7	16,283	151.26	236	—		
7	10.00 to < 100.00	2,664	—	—	2,664	21.75	0.0	45.00	2.5	5,974	224.24	260	—		
8	100.00 (Default)	76	—	—	76	100.00	0.0	45.00	1.0	0	0.00	34	—		
9	Sub-total	933,340	—	—	933,340	0.35	8.5	45.00	1.1	266,426	28.54	1,490	1,010		
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (FIRB)															
1	0.00 to < 0.15	663,563	—	—	663,563	0.05	0.3	94.66	1.1	173,641	26.16	17	—		
2	0.15 to < 0.25	20,627	—	—	20,627	0.22	0.1	99.80	1.0	14,624	70.89	0	—		
3	0.25 to < 0.50	16,869	—	—	16,869	0.37	0.2	80.98	1.4	14,674	86.98	7	—		
4	0.50 to < 0.75	1,295	—	—	1,295	0.50	0.0	45.00	2.5	1,048	80.95	2	—		
5	0.75 to < 2.50	8,586	—	—	8,586	0.94	0.3	92.95	1.4	12,996	151.36	8	—		
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	—		
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	—		
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	—		
9	Sub-total	710,941	—	—	710,941	0.08	1.0	94.37	1.1	216,985	30.52	35	—		
Purchased receivables for retail (default risk)															
1	0.00 to < 0.15	—	—	—	—	—	—	—	—	—	—	—	—		
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	—		
3	0.25 to < 0.50	72,898	—	—	72,898	0.31	35.9	72.54	—	28,736	39.42	165	—		
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	—		
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	—		
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	—		
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	—		
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	—		
9	Sub-total	72,898	—	—	72,898	0.31	35.9	72.54	—	28,736	39.42	165	276		

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2019											
		a	b	c	d	e	f	g	h	i	j	k	l
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Qualifying revolving retail exposures													
1	0.00 to < 0.15	¥ 0	¥ 42,560	28.44%	¥ 12,106	0.11%	43.9	64.25%	—	¥ 524	4.33%	¥ 8	
2	0.15 to < 0.25	40,983	845,956	11.53	138,564	0.24	201.1	58.77	—	10,228	7.38	198	
3	0.25 to < 0.50	19,038	667,036	8.26	74,192	0.37	149.8	72.92	—	9,496	12.80	200	
4	0.50 to < 0.75	32,814	280,686	11.53	65,191	0.59	85.1	58.77	—	9,786	15.01	227	
5	0.75 to < 2.50	16,076	190,244	11.63	38,208	0.94	91.7	62.91	—	8,769	22.95	226	
6	2.50 to < 10.00	44,516	136,231	13.29	62,624	5.00	96.2	59.70	—	43,013	68.68	1,864	
7	10.00 to < 100.00	385	1,488	10.49	541	56.14	0.7	63.73	—	813	150.18	196	
8	100.00 (Default)	166	4,722	7.57	16,807	100.00	20.7	60.53	—	5,032	29.93	9,772	
9	Sub-total	153,981	2,168,927	10.97	408,238	5.29	689.6	62.11	—	87,663	21.47	12,695	¥ 18,240
Residential mortgage exposures													
1	0.00 to < 0.15	3,211,628	17,556	100.00	3,229,185	0.10	112.5	19.71	—	159,641	4.94	688	
2	0.15 to < 0.25	2,990,500	115	100.00	2,990,616	0.18	142.1	18.36	—	206,606	6.90	1,008	
3	0.25 to < 0.50	2,273,100	2,584	100.00	2,275,684	0.34	116.8	18.19	—	246,297	10.82	1,424	
4	0.50 to < 0.75	700,591	73	100.00	700,664	0.51	46.4	19.98	—	111,220	15.87	719	
5	0.75 to < 2.50	130,195	19	100.00	130,215	0.92	12.7	22.22	—	34,196	26.26	265	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	81,493	35	100.00	81,528	20.34	4.2	19.23	—	87,890	107.80	3,255	
8	100.00 (Default)	30,930	24	100.00	32,073	100.00	1.8	20.87	—	8,415	26.23	6,023	
9	Sub-total	9,418,440	20,409	100.00	9,439,968	0.74	436.8	18.97	—	854,268	9.04	13,385	23,339
Other retail exposures													
1	0.00 to < 0.15	0	25,295	22.91	5,795	0.11	23.0	19.44	—	308	5.32	1	
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to < 0.50	277,137	—	—	277,137	0.31	121.4	55.64	—	83,915	30.27	493	
4	0.50 to < 0.75	360,872	571	100.00	361,443	0.58	101.0	39.74	—	113,239	31.32	852	
5	0.75 to < 2.50	157,862	148,343	28.60	200,301	1.14	282.2	65.10	—	138,800	69.29	1,534	
6	2.50 to < 10.00	64,836	26,106	54.24	78,998	3.80	67.6	45.23	—	50,704	64.18	1,328	
7	10.00 to < 100.00	3,666	754	91.86	4,359	41.53	1.1	39.27	—	3,831	87.89	844	
8	100.00 (Default)	9,781	1,423	34.20	23,035	100.00	13.6	49.19	—	6,312	27.40	10,826	
9	Sub-total	874,158	202,494	31.67	951,071	3.48	610.3	50.27	—	397,113	41.75	15,881	16,106
Lease transactions													
1	0.00 to < 0.15	127,287	—	—	127,287	0.05	0.4	45.00	3.1	30,100	23.64	31	
2	0.15 to < 0.25	184,569	—	—	184,569	0.20	0.1	45.00	3.3	96,033	52.03	170	
3	0.25 to < 0.50	21,888	—	—	21,888	0.30	0.1	45.00	2.0	11,090	50.66	30	
4	0.50 to < 0.75	33,751	—	—	33,751	0.50	0.2	45.00	3.1	25,989	77.00	76	
5	0.75 to < 2.50	44,629	—	—	44,629	1.51	0.3	45.00	2.8	45,430	101.79	304	
6	2.50 to < 10.00	2,510	—	—	2,510	6.26	0.0	45.00	2.9	3,773	150.26	70	
7	10.00 to < 100.00	305	—	—	305	18.67	0.0	45.00	3.5	638	208.69	25	
8	100.00 (Default)	—	—	—	526	100.00	0.0	45.00	1.0	0	0.00	237	
9	Sub-total	414,942	—	—	415,469	0.50	1.3	45.00	3.1	213,055	51.28	946	3,519
Total (all portfolios)		¥ 48,247,240	¥ 6,532,547	54.10%	¥ 50,904,567	0.55%	1,796.1	36.88%	2.0	¥ 10,138,611	19.91%	¥ 97,562	¥ 129,100

Notes: 1. "Number of obligors" in Column f: "Qualifying revolving retail exposures," "Residential mortgage exposures," and "Other retail exposures" are tallied with the number of loans, because it is difficult to grasp the number of some obligors.

2. Purchased receivables for retail (dilution risk and originator risk of loan participation) are not applicable.

CR7: IRB – Effect on RWA of credit derivatives used as CRM technique

CR7		Millions of Yen	
		March 31, 2020	
		a	b
Item No.	Portfolio	Pre-credit derivatives credit RWA amounts	Actual credit RWA amounts
1	Sovereign Exposures – FIRB	¥ 108,192	¥ 108,192
2	Sovereign Exposures – AIRB	12,818	12,818
3	Financial Institution Exposures – FIRB	141,054	141,054
4	Financial Institution Exposures – AIRB	129,364	129,364
5	Corporate exposures (excluding specialised lending) – FIRB	2,081,863	2,081,863
6	Corporate exposures (excluding specialised lending) – AIRB	4,559,875	4,559,875
7	Specialised lending – FIRB	339,214	339,214
8	Specialised lending – AIRB	1,190,283	1,190,283
9	Retail – Qualifying revolving retail exposures	101,100	101,100
10	Retail – Residential mortgage exposures	775,336	775,336
11	Retail – Other retail exposures	412,315	412,315
12	Equity Exposures – FIRB	916,790	916,790
13	Equity Exposures – AIRB	—	—
14	Purchased receivables – FIRB	479,679	479,679
15	Purchased receivables – AIRB	39,972	39,972
16	Total	¥ 11,287,862	¥ 11,287,862

Note: The SuMi TRUST Group does not use credit derivatives as credit risk mitigation techniques.

CR7		Millions of Yen	
		March 31, 2019	
		a	b
Item No.	Portfolio	Pre-credit derivatives credit RWA amounts	Actual credit RWA amounts
1	Sovereign Exposures – FIRB	¥ 100,435	¥ 100,435
2	Sovereign Exposures – AIRB	14,903	14,903
3	Financial Institution Exposures – FIRB	196,461	196,461
4	Financial Institution Exposures – AIRB	111,017	111,017
5	Corporate exposures (excluding specialised lending) – FIRB	2,046,264	2,046,264
6	Corporate exposures (excluding specialised lending) – AIRB	4,517,798	4,517,798
7	Specialised lending – FIRB	2,269,220	2,269,220
8	Specialised lending – AIRB	208,963	208,963
9	Retail – Qualifying revolving retail exposures	87,663	87,663
10	Retail – Residential mortgage exposures	854,268	854,268
11	Retail – Other retail exposures	397,113	397,113
12	Equity Exposures – FIRB	984,988	984,988
13	Equity Exposures – AIRB	—	—
14	Purchased receivables – FIRB	512,148	512,148
15	Purchased receivables – AIRB	68,919	68,919
16	Total	¥ 12,370,168	¥ 12,370,168

Note: The SuMi TRUST Group does not use credit derivatives as credit risk mitigation techniques.

CR8: RWA flow statements of credit risk exposures under IRB

CR8 Item No.		Billions of Yen	
		March 31, 2020	
		RWA amounts	
1	RWA at the end of the previous fiscal year	¥ 13,108	
2	Asset size	315	
3	Asset quality	(365)	
4	Model updates	(23)	
5	Factor of RWA changes	(819)	
6	Acquisitions and disposals	—	
7	Foreign exchange movements	(159)	
8	Others	—	
9	RWA at the end of the fiscal year	¥ 12,056	

Note: The end of the previous fiscal year indicates March 31, 2019, and the end of the fiscal year indicates March 31, 2020.

CR8 Item No.		Billions of Yen	
		March 31, 2019	
		RWA amounts	
1	RWA at the end of the previous fiscal year	¥ 13,413	
2	Asset size	552	
3	Asset quality	(898)	
4	Model updates	(115)	
5	Factor of RWA changes	73	
6	Acquisitions and disposals	—	
7	Foreign exchange movements	82	
8	Others	—	
9	RWA at the end of the fiscal year	¥ 13,108	

Note: The end of the previous fiscal year indicates March 31, 2018, and the end of the fiscal year indicates March 31, 2019.

CR9: IRB – Backtesting of probability of default (PD) per portfolio

Entities subject to AIRB and FIRB

CR9		%, Cases													Credit RWA amounts ratio
		March 31, 2020 (Period covered: September 30, 2018 - September 30, 2019)													
a	b	c					d	e	f		g	h	i		
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Defaulted obligors during the reported period	Of which: new defaulted obligors during the reported period	Average historical annual default rate (5 years)		
		S&P	Moody's	Fitch	R&I	JCR			September 30, 2018	September 30, 2019					
Sovereign Exposures	—	AAA~ B	Aaa~ B2	AAA~ B	AAA~ BB	AAA~ BB+	0.00%	0.13%	574	667	0	0	0.00%	0.9%	
Financial Institution Exposures	—	AA~ B+	Aa2~ B1	AA~ B+	AA+~ BB-	AAA~ BB	0.11	0.32	424	426	0	0	0.00	2.4	
Corporate Exposures (Japanese)	≥ 0% to 0.03%	AAA~ A-	Aaa~ A3	—	AAA~ AA-	AAA~ AA	0.03	0.03	426	442	0	0	0.00	50.9	
	> 0.03% to 0.1%	BBB+~ BBB-	Baa1~ Baa3	—	A+~ A-	AA~ A	0.07	0.07	476	483	0	0	0.00		
	> 0.1% to 0.5%	BB+~ BB-	Ba1~ Ba3	—	BBB+~ BBB-	A~ BBB	0.21	0.23	2,199	2,236	0	0	0.01		
	> 0.5% to 5%	B+~ B-	B1~ B3	—	BB+~ BB-	BBB~ BB	1.03	1.31	4,712	4,850	8	0	0.16		
	> 5% to <100%	—	—	—	—	—	7.71	9.19	230	239	8	0	3.03		
Corporate Exposures (Non- Japanese)	≥ 0% to 0.03%	AAA~ AA-	Aaa~ Aa3	AAA~ AA-	—	—	0.03	0.03	34	35	0	0	0.00	10.1	
	> 0.03% to 0.1%	A+~ A-	A1~ A3	A+~ A-	—	—	0.06	0.06	117	107	0	0	0.00		
	> 0.1% to 0.5%	BBB+~ BBB-	Baa1~ Baa3	BBB+~ BBB-	—	—	0.24	0.26	228	235	0	0	0.00		
	> 0.5% to 15%	BB+~ B-	Ba1~ B3	BB+~ B-	—	—	2.50	2.71	576	590	1	0	0.07		
	> 15% to <100%	—	—	—	—	—	34.71	34.71	16	19	0	0	9.66		
Purchased receivables for corporates, etc. (Top-down approach)	—	—	—	—	AAA~ BB+	AAA~ BBB-	4.30	4.72	1,326	314	4	0	0.63	0.0	
Qualifying revolving retail exposures	≥ 0% to 10%	/	/	/	/	/	0.55	0.36	40,909	41,995	32	0	0.10	0.0	
	> 10% to < 100%	/	/	/	/	/	24.63	24.63	136	175	25	0	14.22		
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.22	0.24	462,164	502,091	319	0	0.09	6.9	
	> 2% to < 100%	/	/	/	/	/	20.58	20.50	4,862	5,205	636	0	12.56		
Other retail exposures	≥ 0% to 10%	/	/	/	/	/	0.80	1.14	40,543	39,766	107	0	0.36	0.4	
	> 10% to < 100%	/	/	/	/	/	24.83	25.92	222	264	43	0	17.04		

Entities subject to FIRB

CR9		%, Cases													Credit RWA amounts ratio
		March 31, 2020 (Period covered: September 30, 2018 - September 30, 2019)													
a	b	c					d	e	f		g	h	i		
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Defaulted obligors during the reported period	Of which: new defaulted obligors during the reported period	Average historical annual default rate (5 years)		
		S&P	Moody's	Fitch	R&I	JCR			September 30, 2018	September 30, 2019					
Sovereign Exposures	—	—	—	—	AAA~ BBB	AAA~ BBB+	0.01%	0.03%	184	213	0	0	0.00%	0.0%	
Financial Institution Exposures	—	—	—	—	AA+~ BB-	AAA~ BB	0.05	0.33	7	5	0	0	0.00	0.0	
Corporate Exposures (Japanese)	≥ 0% to 0.03%	—	—	—	AAA~ AA-	AAA~ AA	0.03	0.03	49	46	0	0	0.00	3.4	
	> 0.03% to 0.1%	—	—	—	A+~ A-	AA~ A	0.07	0.07	89	86	0	0	0.00		
	> 0.1% to 0.5%	—	—	—	BBB+~ BBB-	A~ BBB	0.22	0.23	497	480	0	0	0.00		
	> 0.5% to 5%	—	—	—	BB+~ BB-	BBB~ BB	1.29	1.22	912	958	11	1	0.71		
	> 5% to < 100%	—	—	—	—	—	8.40	8.18	233	260	13	2	5.34		
Qualifying revolving retail exposures	≥ 0% to 10%	/	/	/	/	/	1.03	0.94	618,334	611,483	3,009	43	0.76	0.7	
	> 10% to < 100%	/	/	/	/	/	60.91	61.44	680	584	353	0	59.71		
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.67	0.75	12,728	13,129	48	0	0.37	0.3	
	> 2% to < 100%	/	/	/	/	/	23.99	23.99	273	270	32	0	12.65		
Other retail exposures	≥ 0% to 10%	/	/	/	/	/	1.06	1.52	319,319	321,040	2,006	64	0.61	2.8	
	> 10% to < 100%	/	/	/	/	/	45.79	64.07	903	906	444	1	47.38		

Notes: 1. On the previous page, Sumitomo Mitsui Trust Bank, Limited and specific purpose companies (SPCs) engaging in liquidation of receivables, subject to AIRB and FIRB, are counted. On this page, Group companies (i.e. Sumitomo Mitsui Trust Guarantee Co., Ltd., Sumishin Guaranty Company Limited, Sumitomo Mitsui Trust Card Co., Ltd., Sumitomo Mitsui Trust Loan & Finance Co., Ltd., Sumitomo Mitsui Trust Panasonic Finance Co., Ltd., and Sumitomo Mitsui Trust Club Co., Ltd.), subject to FIRB, are counted.

2. Column a: As for "Corporate Exposures (excluding specialised lending)," "Specialised lending (subject to the PD/LGD Approach)," Equity exposures (subject to the PD/LGD Approach)," and "Purchased receivables (other than those for corporates, etc. subject to top-down approach)," the same rating system (same PD) is used, and so these portfolio classifications have been integrated into "Corporate Exposures". In addition, different rating systems (PD) are used in Japanese rating and Non-Japanese rating, and so "Corporate Exposures" are classified into "Japanese" and "Non-Japanese".

3. Column c: With reference to the internal rating for each obligor, the range of external rating is stated in accordance with the relation between the internal rating and external rating of the internal rules for the SuMi TRUST Group.

4. The PD estimation of the SuMi TRUST Group covers the one-year default results with the reference date being the end of September every year. Accordingly, Column d and Column e were obtained with the reference date being the end of September 2018. In addition, Column g and Column h were obtained by counting the number of defaulted obligors from the end of September 2018 to the end of September 2019.

5. Column f to Column h: "Qualifying revolving retail exposures," "Residential mortgage exposures," and "Other retail exposures" are tallied with the number of loans, because it is difficult to grasp the number of some obligors.

6. "Average historical annual default rate (5 years)" in column i represents the average value of the actual default rate for each year of the latest seven years rather than the latest five years.

7. The scope of application of the major model used in the consolidation range specified by the capital regulatory standards is determined while considering the portfolio classifications specified by regulations and credit decisions based on the risk driver of each portfolio (explanatory variables of the adopted rating model, etc.). "Credit RWA amounts ratio" of each internal model is stated for each portfolio*.

* "Credit RWA amounts ratio" (obtained with the reference date being the end of September 2019) is the ratio of RWA amounts for each portfolio to the total RWA amounts subject to the IRB approach (excluding counterparty credit risk, the credit risk related to securitisation transactions, and the credit risk related to funds).

8. In the ">10% to <100%" category of "Other retail exposures" of entities subject to FIRB, "Average historical annual default rate (5 years)" in Column i exceeds "Weighted average PD (EAD weighted)" in Column d. This is attributable to the difference in the method for obtaining average values. The appropriateness of the PD estimation in each pool classification is examined regularly every year.

Entities subject to AIRB and FIRB

CR9		%, Cases													Credit RWA amounts ratio
		March 31, 2019 (Period covered: September 30, 2017 - September 30, 2018)													
a	b	c					d	e	f		g	h	i		
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Defaulted obligors during the reported period	Of which: new defaulted obligors during the reported period	Average historical annual default rate (5 years)		
		S&P	Moody's	Fitch	R&I	JCR			September 30, 2017	September 30, 2018					
Sovereign Exposures	—	AAA~ B-	Aaa~ B3	AAA~ B-	AAA~ BB+	AAA~ BBB-	0.02%	0.18%	534	579	0	0	0.00%	0.8%	
Financial Institution Exposures	—	AAA~ B	Aaa~ B2	AAA~ B	AA+~ BB-	AAA~ BB	0.15	0.40	417	426	0	0	0.00	2.0	
Corporate Exposures (Japanese)	≥ 0% to 0.03%	AAA~ A-	Aaa~ A3	—	AAA~ AA-	AAA~ AA	0.02	0.02	403	422	0	0	0.00	49.8	
	> 0.03% to 0.1%	BBB+~ BBB-	Baa1~ Baa3	—	A+~ A-	AA~ A	0.07	0.07	442	469	0	0	0.00		
	> 0.1% to 0.5%	BB+~ BB-	Ba1~ Ba3	—	BBB+~ BBB-	A~ BBB	0.21	0.23	2,165	2,196	0	0	0.01		
	> 0.5% to 5%	B+~ B-	B1~ B3	—	BB+~ BB-	BBB~ BB	1.08	1.33	4,555	4,713	2	0	0.16		
	> 5% to <100%	—	—	—	—	—	18.00	10.62	275	230	8	0	2.95		
Corporate Exposures (Non- Japanese)	≥ 0% to 0.03%	AAA~ AA-	Aaa~ Aa3	AAA~ AA-	—	—	0.03	0.03	24	32	0	0	0.00	9.0	
	> 0.03% to 0.1%	A+~ A-	A1~ A3	A+~ A-	—	—	0.07	0.07	99	114	0	0	0.00		
	> 0.1% to 0.5%	BBB+~ BBB-	Baa1~ Baa3	BBB+~ BBB-	—	—	0.27	0.29	191	228	0	0	0.00		
	> 0.5% to 15%	BB+~ B-	Ba1~ B3	BB+~ B-	—	—	2.76	2.87	606	576	0	0	0.05		
	> 15% to <100%	—	—	—	—	—	34.12	34.12	16	15	0	0	11.27		
Purchased receivables for corporates, etc. (Top-down approach)	—	—	—	—	AAA~ BB+	AAA~ BBB-	3.54	0.84	2,880	1,326	3	0	0.70	0.1	
Qualifying revolving retail exposures	≥ 0% to 2%	/	/	/	/	/	0.54	0.33	38,086	41,081	18	0	0.10	0.0	
	> 2% to < 100%	/	/	/	/	/	24.92	24.92	127	136	21	0	13.53		
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.22	0.24	441,808	476,742	356	0	0.10	6.4	
	> 2% to < 100%	/	/	/	/	/	21.11	21.11	4,070	4,999	554	0	12.47		
Other retail exposures	≥ 0% to 5%	/	/	/	/	/	0.74	0.82	42,546	41,786	123	0	0.38	0.4	
	> 5% to < 100%	/	/	/	/	/	24.91	26.08	213	225	48	0	16.66		

Entities subject to FIRB

CR9		%, Cases												Credit RWA amounts ratio
		March 31, 2019 (Period covered: September 30, 2017 - September 30, 2018)												
a	b	c					d	e	f		g	h	i	
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Defaulted obligors during the reported period	Of which: new defaulted obligors during the reported period	Average historical annual default rate (5 years)	
		S&P	Moody's	Fitch	R&I	JCR			September 30, 2017	September 30, 2018				
Sovereign Exposures	—	—	—	—	AAA~ BBB	AAA~ BBB+	0.01	0.06	164	184	0	0	0.00	0.0%
Financial Institution Exposures	—	—	—	—	AA+~ BB-	AAA~ BB	0.06	0.39	7	7	0	0	0.00	0.0
Corporate Exposures (Japanese)	≥ 0% to 0.03%	—	—	—	AAA~ AA-	AAA~ AA	0.03	0.03	54	49	0	0	0.00	3.3
	> 0.03% to 0.1%	—	—	—	A+~ A-	AA~ A	0.07	0.07	101	89	0	0	0.00	
	> 0.1% to 0.5%	—	—	—	BBB+~ BBB-	A~ BBB	0.22	0.24	522	497	0	0	0.00	
	> 0.5% to 5%	—	—	—	BB+~ BB-	BBB~ BB	1.34	1.30	972	913	7	1	0.63	
	> 5% to < 100%	—	—	—	—	—	8.57	7.53	182	234	10	1	5.30	
Qualifying revolving retail exposures	≥ 0% to 1%	/	/	/	/	/	0.42	0.43	85,180	83,967	295	24	0.28	0.1
	> 1% to < 100%	/	/	/	/	/	83.20	82.76	85	100	59	0	70.62	
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.70	0.78	12,662	12,858	57	0	0.37	0.3
	> 2% to < 100%	/	/	/	/	/	24.79	24.79	263	275	29	0	12.81	
Other retail exposures	≥ 0% to 5%	/	/	/	/	/	1.06	0.96	330,135	330,306	1,940	73	0.60	2.5
	> 5% to < 100%	/	/	/	/	/	42.98	57.04	770	903	369	0	46.81	

Notes: 1. On the previous page, Sumitomo Mitsui Trust Bank, Limited and specific purpose companies (SPCs) engaging in liquidation of receivables, subject to AIRB and FIRB, are counted. On this page, Group companies (i.e. Sumitomo Mitsui Trust Guarantee Co., Ltd., Sumishin Guaranty Company Limited, Sumitomo Mitsui Trust Card Co., Ltd., Sumitomo Mitsui Trust Loan & Finance Co., Ltd. and Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.), subject to FIRB, are counted.

2. Column a: As for "Corporate Exposures (excluding specialised lending)," "Specialised lending (subject to the PD/LGD Approach)," "Equity exposures (subject to the PD/LGD Approach)," and "Purchased receivables (other than those for corporates, etc. subject to top-down approach)," the same rating system (same PD) is used, and so these portfolio classifications have been integrated into "Corporate Exposures". In addition, different rating systems (PD) are used in Japanese rating and Non-Japanese rating, and so "Corporate Exposures" are classified into "Japanese" and "Non-Japanese".

3. Column c: With reference to the internal rating for each obligor, the range of external rating is stated in accordance with the relation between the internal rating and external rating of the internal rules for the SuMi TRUST Group.

4. The PD estimation of the SuMi TRUST Group covers the one-year default results with the reference date being the end of September every year. Accordingly, Column d and Column e were obtained with the reference date being the end of September 2017. In addition, Column g and Column h were obtained by counting the number of defaulted obligors from the end of September 2017 to the end of September 2018.

5. Column f to Column h: "Qualifying revolving retail exposures," "Residential mortgage exposures," and "Other retail exposures" are tallied with the number of loans, because it is difficult to grasp the number of some obligors.

6. "Average historical annual default rate (5 years)" in column i represents the average value of the actual default rate for each year of the latest six years rather than the latest five years.

7. The scope of application of the major model used in the consolidation range specified by the capital regulatory standards is determined while considering the portfolio classifications specified by regulations and credit decisions based on the risk driver of each portfolio (explanatory variables of the adopted rating model, etc.). "Credit RWA amounts ratio" of each internal model is stated for each portfolio*.

* "Credit RWA amounts ratio" (obtained with the reference date being the end of September 2018) is the ratio of RWA amounts for each portfolio to the total RWA amounts subject to the IRB approach (excluding counterparty credit risk, the credit risk related to securitisation transactions, and the credit risk related to funds).

8. In the ">5% to <100%" category of "Other retail exposures" of entities subject to FIRB, "Average historical annual default rate (5 years)" in Column i exceeds "Weighted average PD (EAD weighted)" in Column d. This is attributable to the difference in the method for obtaining average values. The appropriateness of the PD estimation in each pool classification is examined regularly every year.

CR10: IRB – Specialised Lending (Supervisory Slotting Criteria Approach) and Equity Exposures (Market-Based Approach, etc.)

CR10		Millions of Yen, %										
March 31, 2020												
a	b	c	d	e	f	g	h	i	j	k	l	
Specialised lending (supervisory slotting criteria approach)												
Other than high-volatility commercial real estate (HVCRE)												
Regulatory categories	Remaining maturity	On-balance sheet amounts	Off-balance sheet amounts	RW	Exposure amounts (EAD)					Credit RWA amounts	Expected losses	
					PF	OF	CF	IPRE	Total			
Strong	< 2.5 years	¥ —	¥ —	50%	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	
	2.5 years≤	—	—	70%	—	—	—	—	—	—	—	
Good	< 2.5 years	—	—	70%	—	—	—	—	—	—	—	
	2.5 years≤	—	—	90%	—	—	—	—	—	—	—	
Satisfactory		—	—	115%	—	—	—	—	—	—	—	
Weak		—	—	250%	—	—	—	—	—	—	—	
Default		—	—	—	—	—	—	—	—	—	—	
Total		¥ —	¥ —	—	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	
HVCRE												
Regulatory categories	Remaining maturity	On-balance sheet amounts	Off-balance sheet amounts	RW						Exposure amounts (EAD)	Credit RWA amounts	Expected losses
Strong	< 2.5 years	4,128	—	70%						4,128	2,890	16
	2.5 years≤	2,407	3,049	95%						4,694	4,459	18
Good	< 2.5 years	19,855	727	95%						20,401	19,381	81
	2.5 years≤	49,668	48,183	120%						85,805	102,967	343
Satisfactory		39,072	39,882	140%						68,984	96,577	1,931
Weak		38,806	7,539	250%						44,460	111,151	3,556
Default		—	—	—						—	—	—
Total		¥ 153,938	¥ 99,381	—						¥ 228,474	¥ 337,426	¥ 5,948
Equity exposures (Market-Based Approach, etc.)												
Equity exposures subject to market-based approach												
Categories		On-balance sheet amounts	Off-balance sheet amounts	RW						Exposure amounts (EAD)	Credit RWA amounts	
Simple risk weight method – Listed shares		12,442	27,944	300%						40,386	121,160	
Simple risk weight method – Unlisted shares		23,362	2,388	400%						25,153	100,615	
Internal Models Approach		—	—	—						—	—	
Total		¥ 35,804	¥ 30,332	—						¥ 65,540	¥ 221,775	
Equity exposures subject to 100% risk weight												
Equity exposures subject to 100% risk weight in accordance with the provisions of Article 166, Paragraph 1 of the FSA Capital Adequacy Notification or Paragraph 1 of Article 144 of the FSA Bank Holding Company Capital Adequacy Notification		—	—	100%						—	—	

CR10		Millions of Yen, % March 31, 2019										
a	b	c	d	e	f	g	h	i	j	k	l	
Specialised lending (supervisory slotting criteria approach)												
Other than high-volatility commercial real estate (HVCRE)												
Regulatory categories	Remaining maturity	On-balance sheet amounts	Off-balance sheet amounts	RW	Exposure amounts (EAD)					Credit RWA amounts	Expected losses	
					PF	OF	CF	IPRE	Total			
Strong	< 2.5 years	¥ 67,716	¥ 10,735	50%	¥ 44,689	¥ 7,074	¥ —	¥ 24,013	¥ 75,777	¥ 37,888	¥ —	
	2.5 years≤	534,449	112,496	70%	408,155	210,579	—	90	618,825	433,177	2,475	
Good	< 2.5 years	113,434	33,813	70%	41,704	58,967	—	38,122	138,795	97,156	555	
	2.5 years≤	682,699	220,609	90%	586,859	230,379	—	30,991	848,231	763,407	6,785	
Satisfactory		270,940	48,881	115%	158,545	96,873	—	51,727	307,146	353,218	8,600	
Weak		54,978	9,559	250%	12,853	37,630	—	11,664	62,148	155,370	4,971	
Default		15,891	1,508	—	15,356	1,514	—	—	16,871	—	8,435	
Total		¥ 1,740,111	¥ 437,604	—	¥ 1,268,165	¥ 643,020	¥ —	¥ 156,609	¥ 2,067,795	¥ 1,840,220	¥ 31,824	
HVCRE												
Regulatory categories	Remaining maturity	On-balance sheet amounts	Off-balance sheet amounts	RW						Exposure amounts (EAD)	Credit RWA amounts	Expected losses
Strong	< 2.5 years	8,922	—	70%						8,922	6,245	35
	2.5 years≤	35	—	95%						35	34	0
Good	< 2.5 years	8,889	—	95%						8,889	8,444	35
	2.5 years≤	35,944	9,662	120%						43,190	51,828	172
Satisfactory		139,008	87,246	140%						204,443	286,220	5,724
Weak		16,896	18,056	250%						30,439	76,097	2,435
Default		—	—	—						—	—	—
Total		¥ 209,695	¥ 114,965	—						¥ 295,919	¥ 428,870	¥ 8,403
Equity exposures (Market-Based Approach, etc.)												
Equity exposures subject to market-based approach												
Categories		On-balance sheet amounts	Off-balance sheet amounts	RW						Exposure amounts (EAD)	Credit RWA amounts	
Simple risk weight method – Listed shares		7,936	23,496	300%						31,432	94,298	
Simple risk weight method – Unlisted shares		20,305	—	400%						20,305	81,222	
Internal Models Approach		—	—	—						—	—	
Total		¥ 28,241	¥ 23,496	—						¥ 51,738	¥ 175,521	
Equity exposures subject to 100% risk weight												
Equity exposures subject to 100% risk weight in accordance with the provisions of Article 166, Paragraph 1 of the FSA Capital Adequacy Notification or Paragraph 1 of Article 144 of the FSA Bank Holding Company Capital Adequacy Notification		—	—	100%						—	—	

CCR1: Analysis of counterparty credit risk (CCR) exposure by approach

CCR1		Millions of Yen					
		March 31, 2020					
Item No.		a	b	c	d	e	f
		RC	PFE	Effective EPE (EEPE)	Alpha used for computing regulatory EAD	EAD post-CRM	RWA amounts
1	SA-CCR	¥ —	¥ —		1.4	¥ —	¥ —
	Current Exposure Method (CEM)	427,594	496,963			924,558	392,916
2	Expected Exposure Method (IMM)			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					1,663,723	96,113
5	Exposure variation estimation model					—	—
6	Total						¥ 489,030

CCR1		Millions of Yen					
		March 31, 2019					
Item No.		a	b	c	d	e	f
		RC	PFE	Effective EPE (EEPE)	Alpha used for computing regulatory EAD	EAD post-CRM	RWA amounts
1	SA-CCR	¥ —	¥ —		1.4	¥ —	¥ —
	Current Exposure Method (CEM)	303,469	463,054			766,524	280,827
2	Expected Exposure Method (IMM)			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					563,627	86,860
5	Exposure variation estimation model					—	—
6	Total						¥ 367,688

CCR2: Credit valuation adjustment (CVA) capital charge

CCR2		Millions of Yen	
		March 31, 2020	
		a	b
Item No.		EAD post-CRM	RWA amounts (Amounts calculated by dividing CVA risk equivalent amounts by 8%)
1	Total portfolios subject to advanced risk measurement method	¥ —	¥ —
2	(i) Amount of CVA Value at Risk (including the multiplier)		—
3	(ii) Amount of CVA Stressed Value at Risk (including the multiplier)		—
4	Total portfolios subject to the standardised risk measurement method	832,014	663,072
5	Total portfolios subject to the CVA capital charge	¥ 832,014	¥ 663,072

CCR2		Millions of Yen	
		March 31, 2019	
		a	b
Item No.		EAD post-CRM	RWA amounts (Amounts calculated by dividing CVA risk equivalent amounts by 8%)
1	Total portfolios subject to advanced risk measurement method	¥ —	¥ —
2	(i) Amount of CVA Value at Risk (including the multiplier)		—
3	(ii) Amount of CVA Stressed Value at Risk (including the multiplier)		—
4	Total portfolios subject to the standardised risk measurement method	690,461	496,078
5	Total portfolios subject to the CVA capital charge	¥ 690,461	¥ 496,078

CCR3: CCR exposures by regulatory portfolio and risk weights

CCR3		Millions of Yen									
		March 31, 2020									
Item No.	Regulatory portfolio	Risk weight	Credit equivalent amounts (post-CRM)								
			a	b	c	d	e	f	g	h	i
			0%	10%	20%	50%	75%	100%	150%	Other	Total
1	Government of Japan and Bank of Japan (BOJ)		¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	Foreign central governments and foreign central banks		—	—	—	—	—	—	—	—	—
3	Bank for International Settlements, etc.		—	—	—	—	—	—	—	—	—
4	Local governments of Japan		—	—	—	—	—	—	—	—	—
5	Foreign non-central government public sector entities (PSEs)		—	—	—	—	—	—	—	—	—
6	Multilateral development banks (MDBs)		—	—	—	—	—	—	—	—	—
7	Japan Finance Organization for Municipalities (JFM)		—	—	—	—	—	—	—	—	—
8	Government-affiliated agencies of Japan		—	—	—	—	—	—	—	—	—
9	The three local public corporations		—	—	—	—	—	—	—	—	—
10	Financial institutions and type I financial instruments business operators		—	—	383,171	—	—	—	—	—	383,171
11	Corporates, etc.		—	—	—	—	—	—	—	—	—
12	SMEs, etc. and individuals		—	—	—	—	—	—	—	—	—
13	Other than the above		—	—	—	—	—	—	—	—	—
14	Total		¥ —	¥ —	¥ 383,171	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 383,171

Note: The aggregate calculation on this statement includes exposures based on the standardised approach only.

CCR3		Millions of Yen									
		March 31, 2019									
Item No.	Regulatory portfolio	Risk weight	Credit equivalent amounts (post-CRM)								
			a	b	c	d	e	f	g	h	i
			0%	10%	20%	50%	75%	100%	150%	Other	Total
1	Government of Japan and Bank of Japan (BOJ)		¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	Foreign central governments and foreign central banks		—	—	—	—	—	—	—	—	—
3	Bank for International Settlements, etc.		—	—	—	—	—	—	—	—	—
4	Local governments of Japan		—	—	—	—	—	—	—	—	—
5	Foreign non-central government public sector entities (PSEs)		—	—	—	—	—	—	—	—	—
6	Multilateral development banks (MDBs)		—	—	—	—	—	—	—	—	—
7	Japan Finance Organization for Municipalities (JFM)		—	—	—	—	—	—	—	—	—
8	Government-affiliated agencies of Japan		—	—	—	—	—	—	—	—	—
9	The three local public corporations		—	—	—	—	—	—	—	—	—
10	Financial institutions and type I financial instruments business operators		—	—	336,241	—	—	—	—	—	336,241
11	Corporates, etc.		—	—	—	—	—	—	—	—	—
12	SMEs, etc. and individuals		—	—	—	—	—	—	—	—	—
13	Other than the above		—	—	—	—	—	—	—	—	—
14	Total		¥ —	¥ —	¥ 336,241	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 336,241

Note: The aggregate calculation on this statement includes exposures based on the standardised approach only.

CCR4: IRB – CCR exposures by portfolio and PD scale

CCR4		Millions of Yen, %, 1,000 cases, Year						
Item No.	PD scale	March 31, 2020						
		a	b	c	d	e	f	g
		EAD post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA	RWA density
Sovereign exposures								
1	0.00 to < 0.15	¥ 1,103,545	0.00%	0.0	43.85%	0.1	¥ 3,031	0.27%
2	0.15 to < 0.25	—	—	—	—	—	—	—
3	0.25 to < 0.50	313	0.26	0.0	45.00	1.0	149	47.82
4	0.50 to < 0.75	—	—	—	—	—	—	—
5	0.75 to < 2.50	1,958	1.88	0.0	45.00	1.0	1,836	93.77
6	2.50 to < 10.00	—	—	—	—	—	—	—
7	10.00 to < 100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	1,105,817	0.00	0.0	43.85	0.1	5,017	0.45
Financial Institution exposures								
1	0.00 to < 0.15	453,530	0.05	0.1	14.37	2.5	94,107	20.74
2	0.15 to < 0.25	408	0.20	0.0	45.00	2.9	179	44.01
3	0.25 to < 0.50	37,474	0.28	0.0	11.88	4.0	30,425	81.18
4	0.50 to < 0.75	229	0.50	0.0	45.00	1.0	120	52.44
5	0.75 to < 2.50	30	1.03	0.0	45.00	1.0	22	74.38
6	2.50 to < 10.00	—	—	—	—	—	—	—
7	10.00 to < 100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	491,673	0.06	0.1	14.15	2.6	124,855	25.39
Corporate exposures and SME exposures								
1	0.00 to < 0.15	338,649	0.06	0.4	10.38	2.7	88,009	25.98
2	0.15 to < 0.25	16,110	0.20	0.0	45.00	3.9	9,037	56.10
3	0.25 to < 0.50	51,886	0.30	0.1	45.00	4.8	41,179	79.36
4	0.50 to < 0.75	25,209	0.63	0.1	45.00	4.7	26,206	103.95
5	0.75 to < 2.50	64,624	1.43	0.1	45.15	4.8	86,046	133.14
6	2.50 to < 10.00	16,529	3.39	0.0	45.00	4.7	26,538	160.54
7	10.00 to < 100.00	884	34.71	0.0	45.00	2.9	2,442	276.03
8	100.00 (Default)	61	100.00	0.0	45.00	1.0	0	0.00
9	Sub-total	513,957	0.46	0.9	13.95	3.4	279,461	54.37
Total (all portfolios)		¥ 2,111,448	0.13%	1.1	21.73%	1.5	¥ 409,334	19.38%

Note: The SuMi TRUST Group applies the Foundation Internal Ratings-Based Approach to the calculation of risk-weighted assets related to counterparty credit risk.

CCR4		Millions of Yen, %, 1,000 cases, Year						
		March 31, 2019						
Item No.	PD scale	a	b	c	d	e	f	g
		EAD post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA	RWA density
Sovereign exposures								
1	0.00 to < 0.15	¥ 24,077	0.01%	0.0	19.76%	2.1	¥ 2,623	10.89%
2	0.15 to < 0.25	—	—	—	—	—	—	—
3	0.25 to < 0.50	501	0.26	0.0	45.00	1.5	278	55.57
4	0.50 to < 0.75	—	—	—	—	—	—	—
5	0.75 to < 2.50	—	—	—	—	—	—	—
6	2.50 to < 10.00	—	—	—	—	—	—	—
7	10.00 to < 100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	24,579	0.02	0.0	19.99	2.1	2,902	11.81
Financial Institution exposures								
1	0.00 to < 0.15	400,433	0.05	0.1	11.24	2.7	87,496	21.85
2	0.15 to < 0.25	271	0.20	0.0	45.00	2.2	125	46.33
3	0.25 to < 0.50	19,814	0.30	0.0	17.74	3.4	16,170	81.61
4	0.50 to < 0.75	176	0.50	0.0	45.00	1.0	92	52.44
5	0.75 to < 2.50	156	1.03	0.0	45.00	1.0	116	74.38
6	2.50 to < 10.00	—	—	—	—	—	—	—
7	10.00 to < 100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	420,852	0.06	0.1	11.45	2.7	104,001	24.71
Corporate exposures and SME exposures								
1	0.00 to < 0.15	358,606	0.06	0.4	10.86	2.2	80,848	22.54
2	0.15 to < 0.25	28,675	0.20	0.1	45.00	4.1	16,934	59.05
3	0.25 to < 0.50	26,581	0.30	0.1	45.00	4.7	20,700	77.87
4	0.50 to < 0.75	10,000	0.51	0.1	45.00	4.5	9,247	92.46
5	0.75 to < 2.50	44,076	1.49	0.1	45.00	4.7	58,382	132.45
6	2.50 to < 10.00	1,865	4.91	0.0	45.00	4.0	3,038	162.86
7	10.00 to < 100.00	400	33.20	0.0	45.00	3.6	1,098	274.33
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	470,207	0.27	0.9	13.18	2.7	190,249	40.46
Total (all portfolios)		¥ 915,639	0.17%	1.0	12.44%	2.7	¥ 297,154	32.45%

Note: The SuMi TRUST Group applies the Foundation Internal Ratings-Based Approach to the calculation of risk-weighted assets related to counterparty credit risk.

CCR5: Composition of collateral for CCR exposure

CCR5		Millions of Yen					
		March 31, 2020					
Item No.		a	b	c	d	e	f
		Collateral used in derivative transactions				Collateral used in repo transactions	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash (domestic currency)	¥ —	¥ 126,581	¥ —	¥ 321,222	¥ 1,068,982	¥ 750,758
2	Cash (other currency)	—	8,357	—	183,139	1,129,347	30,521
3	Domestic sovereign debt	—	7,053	—	20,180	181,075	1,289,027
4	Other sovereign debt	—	—	—	—	993,263	1,679,432
5	Government agency debt	—	—	—	—	237,766	486,789
6	Corporate bonds	—	—	—	—	409,906	—
7	Equity securities	—	—	—	9,584	587,566	721,116
8	Other collateral	—	—	—	—	—	—
9	Total	¥ —	¥ 141,992	¥ —	¥ 534,127	¥ 4,607,910	¥ 4,957,645

CCR5		Millions of Yen					
		March 31, 2019					
Item No.		a	b	c	d	e	f
		Collateral used in derivative transactions				Collateral used in repo transactions	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash (domestic currency)	¥ —	¥ 110,968	¥ —	¥ 241,809	¥ 26,439	¥ 786,303
2	Cash (other currency)	—	673	—	91,676	1,090,592	31,180
3	Domestic sovereign debt	—	1,740	—	6,871	76,915	311,905
4	Other sovereign debt	—	—	—	—	1,137,589	1,608,996
5	Government agency debt	—	—	—	—	589,731	545,503
6	Corporate bonds	—	—	—	—	114,373	13,571
7	Equity securities	—	—	—	9,505	649,732	778,187
8	Other collateral	—	—	—	—	—	—
9	Total	¥ —	¥ 113,381	¥ —	¥ 349,862	¥ 3,685,373	¥ 4,075,649

CCR6: Credit derivatives exposures

Item No.		Millions of Yen	
		March 31, 2020	
		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	¥ 53,600	¥ 68,600
2	Index credit default swaps	11,940	5,434
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	¥ 65,540	¥ 74,034
Fair values			
7	Positive fair value (asset)	596	425
8	Negative fair value (liability)	(406)	(441)

CCR6		Millions of Yen	
		March 31, 2019	
Item No.		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	¥ 63,600	¥ 121,846
2	Index credit default swaps	724	4,345
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	¥ 64,324	¥ 126,192
Fair values			
7	Positive fair value (asset)	81	1,250
8	Negative fair value (liability)	(701)	(117)

CCR7: RWA flow statements of CCR exposures under Internal Model Method (IMM)

As of March 31, 2020

Not applicable.

As of March 31, 2019

Not applicable.

CCR8: Exposures to central counterparties (CCP)

CCR8		Millions of Yen	
		March 31, 2020	
Item No.		a	b
		EAD to CCP (post-CRM)	RWA amounts
1	Exposures to qualifying central counterparties (QCCPs) (total)		¥ 49,867
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	2,036,944	40,738
3	(i) OTC derivatives	1,759,635	35,192
4	(ii) Exchange-traded derivatives	222,792	4,455
5	(iii) Repo transactions	54,516	1,090
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	—
8	Non-segregated initial margin	93,786	1,875
9	Pre-funded default fund contributions	20,508	7,253
10	Unfunded default fund contributions	—	—
11	Exposures to non-QCCPs (total)		¥ —
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	—	—
13	(i) OTC derivatives	—	—
14	(ii) Exchange-traded derivatives	—	—
15	(iii) Repo transactions	—	—
16	(iv) Netting sets where cross-product netting has been approved	—	—
17	Segregated initial margin	—	—
18	Non-segregated initial margin	—	—
19	Pre-funded default fund contributions	—	—
20	Unfunded default fund contributions	—	—

CCR8		Millions of Yen	
		March 31, 2019	
Item No.		a	b
		EAD to CCP (post-CRM)	RWA amounts
1	Exposures to qualifying central counterparties (QCCPs) (total)		¥ 41,617
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1,062,146	21,242
3	(i) OTC derivatives	783,629	15,672
4	(ii) Exchange-traded derivatives	261,998	5,239
5	(iii) Repo transactions	16,517	330
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	—
8	Non-segregated initial margin	55,520	1,110
9	Pre-funded default fund contributions	15,437	19,264
10	Unfunded default fund contributions	—	—
11	Exposures to non-QCCPs (total)		¥ —
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	—	—
13	(i) OTC derivatives	—	—
14	(ii) Exchange-traded derivatives	—	—
15	(iii) Repo transactions	—	—
16	(iv) Netting sets where cross-product netting has been approved	—	—
17	Segregated initial margin	—	—
18	Non-segregated initial margin	—	—
19	Pre-funded default fund contributions	—	—
20	Unfunded default fund contributions	—	—

SEC1: Securitisation exposures by underlying asset type (securitisation exposures subject to the calculation of the amount of credit risk-weighted assets only)

SEC1		Millions of Yen								
		March 31, 2020								
		a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
Item No.	Type of underlying asset	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	¥ 75,122	¥ —	¥ 75,122	¥ 127,403	¥ —	¥ 127,403	¥ 139,219	¥ —	¥ 139,219
2	Residential mortgage	75,122	—	75,122	86,287	—	86,287	64,847	—	64,847
3	Credit card	—	—	—	492	—	492	26,253	—	26,253
4	Other retail exposures	—	—	—	40,623	—	40,623	48,118	—	48,118
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	¥ 18,752	¥ —	¥ 18,752	¥ —	¥ —	¥ —	¥ 742,846	¥ —	¥ 742,846
7	Loans to corporates	—	—	—	—	—	—	720,622	—	720,622
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	18,752	—	18,752	—	—	—	22,223	—	22,223
10	Other wholesale	—	—	—	—	—	—	—	—	—
11	Re-securitisation	—	—	—	—	—	—	—	—	—

SEC1		Millions of Yen								
		March 31, 2019								
		a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
Item No.	Type of underlying asset	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	¥ 62,706	¥ —	¥ 62,706	¥ 139,483	¥ —	¥ 139,483	¥ 232,977	¥ —	¥ 232,977
2	Residential mortgage	62,706	—	62,706	96,477	—	96,477	68,852	—	68,852
3	Credit card	—	—	—	1,565	—	1,565	43,969	—	43,969
4	Other retail exposures	—	—	—	41,441	—	41,441	120,155	—	120,155
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	¥ 16,910	¥ —	¥ 16,910	¥ —	¥ —	¥ —	¥ 657,440	¥ —	¥ 657,440
7	Loans to corporates	—	—	—	—	—	—	635,250	—	635,250
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	16,910	—	16,910	—	—	—	22,189	—	22,189
10	Other wholesale	—	—	—	—	—	—	—	—	—
11	Re-securitisation	—	—	—	—	—	—	—	—	—

SEC2: Securitisation exposures by underlying asset type (securitisation exposures subject to the calculation of the market risk equivalent amounts only)

As of March 31, 2020

Not applicable.

As of March 31, 2019

Not applicable.

SEC3: Securitisation exposures subject to the calculation of the amount of credit risk-weighted assets and related capital requirements (bank acting as originator or sponsor)

Item No.	SEC3	Millions of Yen														
		March 31, 2020														
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Total														
		Traditional securitisations (sub-total)							Synthetic securitisations (sub-total)							
		Securitisation				Re-securitisation			Securitisation				Re-securitisation			
				Retail un- derlying	Wholesale		Senior	Non-senior			Retail un- derlying	Wholesale		Senior	Non-senior	
Exposure values (by RW bands)																
1	≤ 20% risk weight	¥127,331	¥127,331	¥127,331	¥127,331	¥	—	¥	—	¥	—	¥	—	¥	—	¥
2	> 20% to 50% risk weight	2,272	2,272	2,272	2,272	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	47,869	47,869	47,869	47,869	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	43,732	43,732	43,732	24,980	18,752	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	72	72	72	72	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	220,713	220,713	220,713	201,961	18,752	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	492	492	492	492	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	72	72	72	72	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	156,305	156,305	156,305	104,805	51,500	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	73	73	73	73	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	906	906	906	906	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	12,504	12,504	12,504	8,384	4,120	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	5	5	5	5	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	72	72	72	72	—	—	—	—	—	—	—	—	—	—	—

SEC3		Millions of Yen															
		March 31, 2019															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
		Total															
Item No.		Traditional securitisations (sub-total)							Synthetic securitisations (sub-total)								
		Securitisation				Re-securitisation				Securitisation			Re-securitisation				
				Retail underlying	Wholesale			Senior	Non-senior				Retail underlying	Wholesale		Senior	Non-senior
Exposure values (by RW bands)																	
1	≤ 20% risk weight	¥138,561	¥138,561	¥138,561	¥138,561	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	2,890	2,890	2,890	2,890	—	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	43,538	43,538	43,538	43,538	—	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	33,842	33,842	33,842	16,932	16,910	—	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	266	266	266	266	—	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																	
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	217,699	217,699	217,699	200,789	16,910	—	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,134	1,134	1,134	1,134	—	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	266	266	266	266	—	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																	
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	138,523	138,523	138,523	92,170	46,353	—	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	205	205	205	205	—	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	3,332	3,332	3,332	3,332	—	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																	
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	11,081	11,081	11,081	7,373	3,708	—	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	16	16	16	16	—	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	266	266	266	266	—	—	—	—	—	—	—	—	—	—	—	—

SEC4: Securitisation exposures subject to the calculation of the amount of credit risk-weighted assets and related capital requirements (bank acting as investor)

Item No.	SEC4	Millions of Yen														
		March 31, 2020														
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Total														
		Traditional securitisations (sub-total)							Synthetic securitisations (sub-total)							
		Securitisation				Re-securitisation			Securitisation				Re-securitisation			
				Retail underlying	Wholesale		Senior	Non-senior			Retail underlying	Wholesale		Senior	Non-senior	
Exposure values (by RW bands)																
1	≤ 20% risk weight	¥766,385	¥766,385	¥766,385	¥107,216	¥659,169	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	38,784	38,784	38,784	24,713	14,071	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	72,345	72,345	72,345	2,739	69,606	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	4,550	4,550	4,550	4,550	—	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	839,785	839,785	839,785	96,939	742,846	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	42,279	42,279	42,279	42,279	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	178,008	178,008	178,008	21,982	156,026	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	12,730	12,730	12,730	12,730	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	14,240	14,240	14,240	1,758	12,482	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,018	1,018	1,018	1,018	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—

SEC4		Millions of Yen															
		March 31, 2019															
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
		Total															
Item No.		Traditional securitisations (sub-total)							Synthetic securitisations (sub-total)								
		Securitisation				Re-securitisation				Securitisation			Re-securitisation				
				Retail underlying	Wholesale			Senior	Non-senior				Retail underlying	Wholesale		Senior	Non-senior
Exposure values (by RW bands)																	
1	≤ 20% risk weight	¥739,235	¥739,235	¥739,235	¥203,032	¥536,203	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	109,431	109,431	109,431	25,898	83,533	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	41,749	41,749	41,749	4,047	37,702	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																	
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	834,642	834,642	834,642	177,202	657,440	—	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	55,775	55,775	55,775	55,775	—	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																	
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	165,529	165,529	165,529	29,361	136,168	—	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	14,491	14,491	14,491	14,491	—	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																	
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	13,241	13,241	13,241	2,348	10,893	—	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,159	1,159	1,159	1,159	—	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—	—

MR1: Market risk under standardised approach

MR1		Millions of Yen
Item No.		March 31, 2020
		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	¥ 4,765
2	Equity risk (general and specific)	—
3	Foreign exchange risk	8,819
4	Commodity risk	—
	Options transactions	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Specific risk related to securitisation exposures	—
9	Total	¥ 13,585

MR1		Millions of Yen
Item No.		March 31, 2019
		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	¥ 4,528
2	Equity risk (general and specific)	—
3	Foreign exchange risk	17,744
4	Commodity risk	—
	Options transactions	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Specific risk related to securitisation exposures	—
9	Total	¥ 22,272

MR2: Risk-weighted Assets Flow Statements of Market Risk Exposures under Internal Model Approach

MR2		Billions of Yen					
		March 31, 2020					
		a	b	c	d	e	f
Item No.		VaR	Stressed VaR	Additional risk	Comprehensive risk	Others	Total RWA
1a	RWA at the end of previous reporting period (March 31, 2019)	¥ 181	¥ 900	¥ —	¥ —		¥ 1,081
1b	Regulatory adjustment ratio (1a/1c)	3.26	3.04	—	—		3.08
1c	RWA at the end of the previous fiscal year	55	295	—	—		350
2	Movement in risk levels	35	(24)	—	—		11
3	Model updates/changes	—	—	—	—		—
4	Factor of	—	—	—	—		—
5	RWA changes	—	—	—	—		—
6	Acquisitions and disposals	(0)	7	—	—		6
7	Foreign exchange movements	19	(5)	—	—		13
8a	RWA at the end of the fiscal year	110	272	—	—		382
8b	Regulatory adjustment ratio (8c/8a)	2.69	3.72	—	—		3.42
8c	RWA at the end of current reporting period (March 31, 2020)	297	1,013	—	—		1,311

Note: The end of the previous fiscal year indicates March 31, 2019, and the end of the fiscal year indicates March 31, 2020.

MR2		Billions of Yen					
		March 31, 2019					
		a	b	c	d	e	f
Item No.		VaR	Stressed VaR	Additional risk	Comprehensive risk	Others	Total RWA
1a	RWA at the end of previous reporting period (March 31, 2018)	¥ 243	¥ 749	¥ —	¥ —		¥ 993
1b	Regulatory adjustment ratio (1a/1c)	4.06	3.46	—	—		3.59
1c	RWA at the end of the previous fiscal year	59	216	—	—		276
2	Movement in risk levels	(0)	77	—	—		76
3	Model updates/changes	1	(10)	—	—		(8)
4	Factor of	—	—	—	—		—
5	RWA changes	—	—	—	—		—
6	Acquisitions and disposals	1	(5)	—	—		(3)
7	Foreign exchange movements	(7)	17	—	—		10
8a	RWA at the end of the fiscal year	55	295	—	—		350
8b	Regulatory adjustment ratio (8c/8a)	3.26	3.04	—	—		3.08
8c	RWA at the end of current reporting period (March 31, 2019)	181	900	—	—		1,081

Note: The end of the previous fiscal year indicates March 31, 2018, and the end of the fiscal year indicates March 31, 2019.

MR3: Values of Internal Model Approaches (IMA) (Market risk)

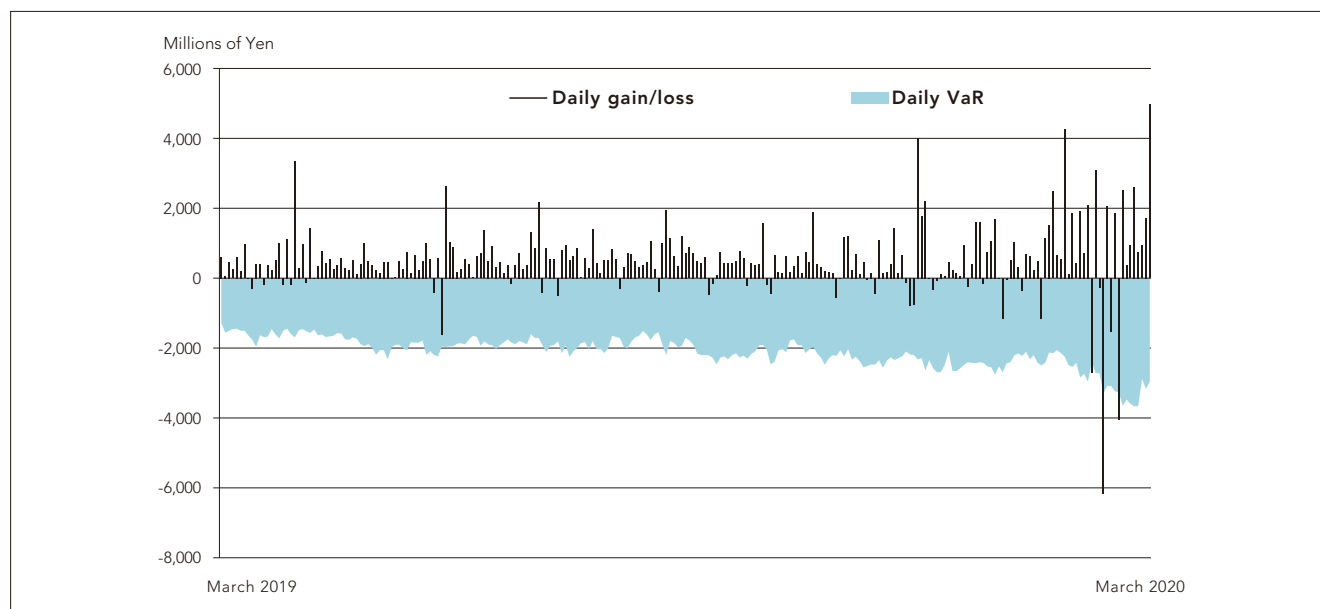
MR3 Item No.	Millions of Yen March 31, 2020
VaR (holding period:10 business days, one-sided confidence interval:99%)	
1 Maximum value	¥ 10,749
2 Average value	6,292
3 Minimum value	3,923
4 Period end	8,833
Stressed VaR (holding period:10 business days, one-sided confidence interval:99%)	
5 Maximum value	32,726
6 Average value	24,541
7 Minimum value	15,998
8 Period end	21,785
Incremental risk charge (one-sided confidence interval: 99.9%)	
9 Maximum value	—
10 Average value	—
11 Minimum value	—
12 Period end	—
Comprehensive risk capital charge (one-sided confidence interval: 99.9%)	
13 Maximum value	—
14 Average value	—
15 Minimum value	—
16 Period end	—
17 Floor (modified standardised measurement method)	—

MR3 Item No.	Millions of Yen March 31, 2019
VaR (holding period:10 business days, one-sided confidence interval:99%)	
1 Maximum value	¥ 9,631
2 Average value	6,350
3 Minimum value	3,906
4 Period end	4,455
Stressed VaR (holding period:10 business days, one-sided confidence interval:99%)	
5 Maximum value	32,028
6 Average value	23,719
7 Minimum value	15,276
8 Period end	23,612
Incremental risk charge (one-sided confidence interval: 99.9%)	
9 Maximum value	—
10 Average value	—
11 Minimum value	—
12 Period end	—
Comprehensive risk capital charge (one-sided confidence interval: 99.9%)	
13 Maximum value	—
14 Average value	—
15 Minimum value	—
16 Period end	—
17 Floor (modified standardised measurement method)	—

MR4: Backtesting results by Internal Model Approaches (IMA)

MR4

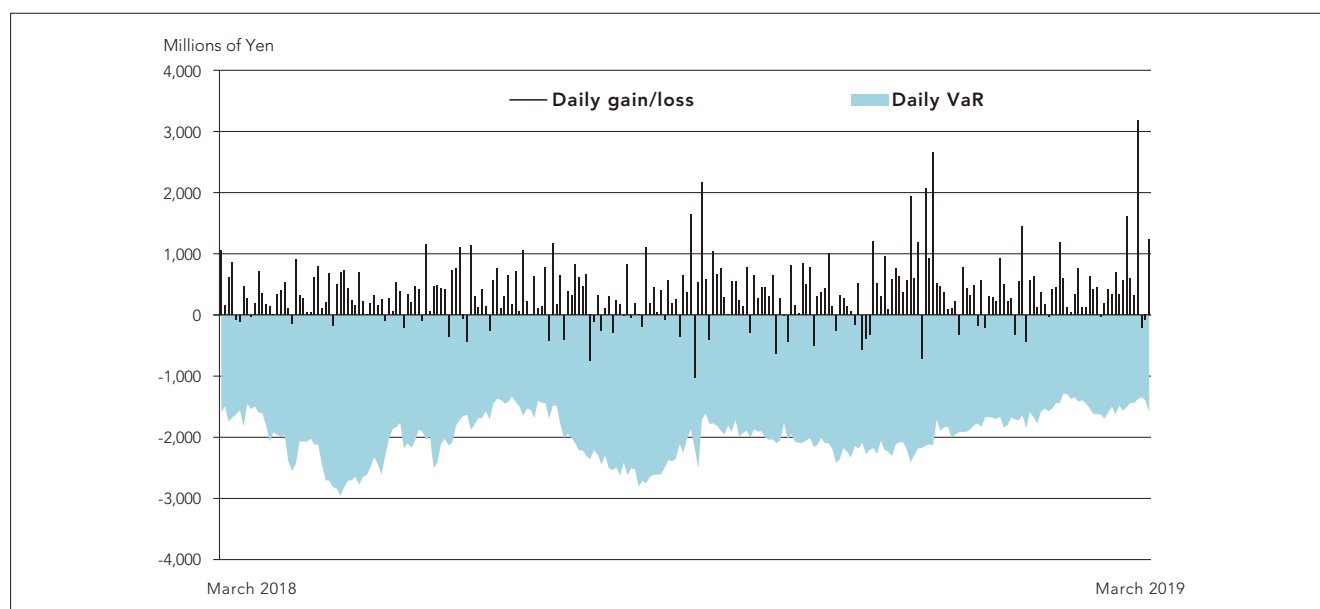
March 31, 2020



Note: As shown above, during the reported period, three exceedances occurred in backtesting.

MR4

March 31, 2019



Note: As shown above, during the reported period, there was no exceedance occurred in backtesting.

IRRBB1: Interest rate risk

IRRBB1		Millions of Yen			
		a	b	c	d
		ΔEVE		ΔNII	
Item No.		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Parallel up	¥ 118,515	¥ 110,954	¥ (49,316)	¥ (78,942)
2	Parallel down	—	32,044	51,114	81,126
3	Steepener	84,912	89,205		
4	Flattener	—	—		
5	Short rate up	901	3,956		
6	Short rate down	4,773	27,160		
7	Maximum	118,515	110,954	51,114	81,126
		e		f	
		March 31, 2020		March 31, 2019	
8	Tier 1 Capital	¥ 2,420,402		¥ 2,421,640	

Composition of Basel III Leverage Ratio

Consolidated

As of March 31			Millions of Yen, %	
Basel III Template No. (Table 2)	Basel III Template No. (Table 1)	Items	2020	2019
On-Balance Sheet Exposures				
1		On-Balance Sheet Exposures before Deducting Adjustment Items	¥ 52,422,292	¥ 54,543,698
1a	1	Total Assets Reported in the Consolidated Balance Sheet	56,288,892	56,941,609
1b	2	The Amount of Assets of Subsidiaries that are not Included in the Scope of the Basel III Leverage Ratio on a Consolidated Basis (Deduction)	—	—
1c	7	The Amount of Assets of Subsidiaries that are Included in the Scope of the Basel III Leverage Ratio on a Consolidated Basis (except Those Included in the Total Assets Reported in the Consolidated Balance Sheet)	—	—
1d	3	The Amount of Assets that are Deducted from the Total Assets Reported in the Consolidated Balance Sheet (except Adjustment Items) (Deduction)	3,866,600	2,397,911
2	7	The Amount of Adjustment Items Pertaining to Tier 1 Capital (Deduction)	140,802	235,022
3		Total On-Balance Sheet Exposures (A)	52,281,489	54,308,676
Exposures Related to Derivative Transactions				
4		The Amount Equivalent to Replacement Cost Associated with Derivatives Transactions, etc. Multiplied by 1.4	650,735	448,438
5		The Amount Equivalent to Potential Future Exposure Associated with Derivatives Transactions, etc. Multiplied by 1.4	903,876	987,726
		Add-On Amount Associated with Derivatives Transactions, etc.	504,362	333,486
6		The Amount of Receivables Arising from Providing Cash Margin in Relation to Derivatives Transactions, etc.	504,362	333,486
		The Amount of Receivables Arising from Providing Collateral, Provided where Deducted from the Consolidated Balance Sheet Pursuant to the Operative Accounting Framework	—	—
		The Amount of Receivables Arising from Providing Cash Margin, Provided where Deducted from the Consolidated Balance Sheet Pursuant to the Operative Accounting Framework	—	—
7		The Amount of Deductions of Receivables (out of those Arising from Providing Cash Variation Margin) (Deduction)	169,673	119,286
8		The Amount of Client-Cleared Trade Exposures for which a Bank or Bank Holding Company Acting as Clearing Member is not Obligated to Make Any Indemnification (Deduction)	74,034	126,192
9		Adjusted Effective Notional Amount of Written Credit Derivatives	53,600	63,600
10		The Amount of Deductions from Effective Notional Amount of Written Credit Derivatives (Deduction)	53,600	63,600
11	4	Total Exposures Related to Derivative Transactions (B)	1,909,734	1,712,957
Exposures Related to Repo Transactions				
12		The Amount of Assets Related to Repo Transactions, etc.	1,961,419	918,547
13		The Amount of Deductions from the Assets Above (Line 12) (Deduction)	—	—
14		The Exposures for Counterparty Credit Risk for Repo Transactions, etc.	287,850	252,883
15		The Exposures for Agent Repo Transaction	2,249,270	1,171,431
16	5	The Total Exposures Related to Repo Transactions, etc. (C)	2,249,270	1,171,431
Exposures Related to Off-Balance Sheet Transactions				
17		Notional Amount of Off-Balance Sheet Transactions	7,426,754	7,541,069
18		The Amount of Adjustments for Conversion in Relation to Off-Balance Sheet Transactions (Deduction)	4,726,571	4,803,322
19	6	Total Exposures Related to Off-Balance Sheet Transactions (D)	2,700,183	2,737,747
Basel III Leverage Ratio on a Consolidated Basis				
20		The Amount of Capital (Tier 1 Capital) (E)	2,420,402	2,421,640
21	8	Total Exposures (F) = (A)+(B)+(C)+(D)	¥ 59,140,679	¥ 59,930,811
22		Basel III Leverage Ratio on a Consolidated Basis (G) = (E)/(F)	4.09%	4.04%

Note: SuMi TRUST Bank received a certain procedure by KPMG AZSA LLC of the calculation of the Basel III leverage ratio in line with "Practical Guidance on Agreed-Upon Procedures Engagement for Capital Adequacy Ratio and Leverage Ratio Calculation" (Practical Guidance 4465 for Specialized Business of the Japanese Institute of Certified Public Accountants, August 27, 2019).

The certain procedure is not part of the audit of the consolidated financial statements or the audit of the internal control over the financial reporting but was conducted by the external auditor on the agreed-upon scope and under agreed-upon examination procedures, and is a report of the results presented to us. It thus does not represent an opinion or conclusion by the external auditor regarding the Basel III leverage ratio itself or parts of internal control over the procedure to calculate the ratio.

Liquidity Coverage Ratio (LCR)

Consolidated

Quantitative Disclosure Items for the Liquidity Coverage Ratio (LCR) on a consolidated basis

Items		Millions of Yen, %, the Number of Data			
		Fiscal Year 2019 4th Quarter		Fiscal Year 2019 3rd Quarter	
High-Quality Liquid Assets (1)					
1	Total high-quality liquid assets (HQLA)	¥ 14,412,361		¥ 15,227,585	
Cash Outflows (2)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
2	Cash outflows related to unsecured retail funding	¥ 17,914,127	¥ 830,981	¥ 17,686,799	¥ 829,384
3	of which: Stable deposits	723,125	21,693	705,619	21,168
4	of which: Less stable deposits	8,052,225	809,287	8,041,014	808,216
5	Cash outflows related to unsecured wholesale funding	12,984,336	10,581,603	12,881,330	11,006,610
6	of which: Qualifying operational deposits	—	—	0	0
7	of which: Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	10,501,879	8,099,146	10,469,634	8,594,914
8	of which: Debt securities	2,482,457	2,482,457	2,411,696	2,411,696
9	Cash outflows related to secured funding, etc.	113,698		141,480	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	5,388,536	1,546,383	5,409,251	1,517,919
11	of which: Cash outflows related to derivative transactions, etc.	333,644	333,644	269,806	269,806
12	of which: Cash outflows related to funding programs	—	—	0	0
13	of which: Cash outflows related to credit and liquidity facilities	5,054,892	1,212,739	5,139,445	1,248,113
14	Cash outflows related to contractual funding obligations, etc.	505,285	349,791	426,116	315,311
15	Cash outflows related to contingencies	10,947,809	21,830	11,146,969	23,935
16	Total cash outflows	13,444,286		13,834,639	
Cash Inflows (3)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
17	Cash inflows related to secured lending, etc.	107,077	746	55,582	0
18	Cash inflows related to collection of loans, etc.	2,790,920	1,857,979	2,337,861	1,617,876
19	Other cash inflows	504,121	307,459	403,693	247,058
20	Total cash inflows	3,402,118	2,166,184	2,797,136	1,864,934
Consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation	14,412,361		15,227,585	
22	Net cash outflows	11,278,102		11,969,705	
23	Consolidated Liquidity Coverage Ratio (LCR)	127.7		127.2	
24	The number of data used to calculate the average value	58		62	

Qualitative Disclosure Items for the Liquidity Coverage Ratio (LCR) on a consolidated basis

(1) Items concerning fluctuations in the LCR over time

Our consolidated LCR has trended steadily for the most part in the past two years.

(2) Items concerning evaluation of the LCR level

Our consolidated LCR satisfies the regulated level (100%) as required under liquidity ratio regulations and the actual LCR is roughly in line with our initial forecast. Up ahead, we do not expect our LCR to deviate significantly from the current level.

(3) Items concerning the composition of totals for eligible high-quality liquid assets

The majority of our eligible high-quality liquid assets are reserve deposit held at central banks and sovereign bonds. There have been no material fluctuations in the composition of currencies, their types and locations. Furthermore, there has been no material difference between totals for eligible high-quality assets and net cash outflows in major currencies.

(4) Other items concerning LCR

We apply neither the "treatment for qualifying operational deposit" nor the "additional collateral required to market valuation changes based on the scenario approach."

Furthermore, taking account of the impact to LCR, we are using month-end data in lieu of daily data for the consolidated subsidiary companies of minor importance with practical restrictions.

KM1: Key Metrics

Non-consolidated

KM1 Basel III Template No.		Millions of Yen, %				
		a	b	c	d	e
		March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	¥ 1,853,206	¥ 1,925,493	¥ 1,912,687	¥ 1,930,945	¥ 1,919,843
2	Tier 1	2,193,206	2,265,493	2,252,687	2,270,945	2,259,843
3	Total capital	2,693,326	2,771,187	2,769,965	2,798,706	2,767,568
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	18,113,159	18,825,656	18,149,949	18,550,949	19,152,340
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio	10.23%	10.22%	10.53%	10.40%	10.02%
6	Tier 1 ratio	12.10%	12.03%	12.41%	12.24%	11.79%
7	Total capital ratio	14.86%	14.72%	15.26%	15.08%	14.45%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	57,397,289	56,211,082	58,115,701	57,098,271	58,241,947
14	Basel III leverage ratio	3.82%	4.03%	3.87%	3.97%	3.88%

KM1 Basel III Template No.		Millions of Yen, %				
		a	b	c	d	e
		Fiscal Year 2019 4th Quarter	Fiscal Year 2019 3rd Quarter	Fiscal Year 2019 2nd Quarter	Fiscal Year 2019 1st Quarter	Fiscal Year 2018 4th Quarter
Liquidity Coverage Ratio (LCR)						
15	Total HQLA allowed to be included in the calculation	¥ 14,166,020	¥ 15,025,280	¥ 15,251,414	¥ 15,100,550	¥ 15,076,420
16	Net cash outflows	10,353,796	10,997,609	10,783,358	11,388,356	11,067,028
17	Non-consolidated LCR	136.8%	136.6%	141.4%	132.5%	136.2%

Note: Month-end data used for some items instead of daily data to calculate figures prior to 2Q FY2019.

Composition of Capital (Non-consolidated BIS capital adequacy ratio)

Non-consolidated

CC1: Composition of Capital

CC1 As of March 31 Basel III Template No.	Items	Millions of Yen, %		
		a	b	c
		2020	2019	Reference Numbers to Reconciliation with the Balance Sheet
Common Equity Tier 1 Capital: Instruments and Reserves				
1a+2-1c-26	Directly Issued Qualifying Common Share Capital Plus Related Capital Surplus and Retained Earnings	¥ 1,684,131	¥ 1,636,873	
1a	of Which: Capital Stock and Capital Surplus	685,103	733,648	
2	of Which: Retained Earnings	1,020,763	1,095,962	
1c	of Which: Treasury Stock (Deduction)	—	—	
26	of Which: Earnings to be Distributed (Deduction)	21,735	192,737	
	of Which: Others	—	—	
1b	Subscription Rights to Common Shares	—	—	
3	Valuation and Translation Adjustments	311,557	442,226	(a)
6	Common Equity Tier 1 Capital: Instruments and Reserves (A)	1,995,688	2,079,100	
Common Equity Tier 1 Capital: Regulatory Adjustments				
8+9	Intangible Assets Other than Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	49,216	45,518	
8	of Which: Goodwill (Including Those Equivalent)	—	—	
9	of Which: Other Intangible Assets	49,216	45,518	
10	Deferred Tax Assets That Rely on Future Profitability Excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	—	
11	Deferred Gains or Losses on Derivatives under Hedge Accounting	(37,200)	(26,048)	
12	Shortfall of Eligible Provisions to Expected Losses	—	19,931	
13	Securitisation Gain on Sale	1,231	1,433	
14	Gains and Losses Due to Changes in Own Credit Risk on Fair Valued Liabilities	—	—	
15	Defined-Benefit Pension Fund Net Assets (Prepaid Pension Expenses) (Net of Related Deferred Tax Liabilities)	129,235	118,421	
16	Investments in Own Shares (Excluding Those Reported in the Net Assets Section)	—	—	
17	Reciprocal Cross-Holdings in Common Equity	—	—	
18	Investments in the Common Stock of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions, Where the Bank Does Not Own More than 10% of the Issued Share Capital (Amount above 10% Threshold)	—	—	
19+20+21	Amount above the 10% Threshold on the Specified Items	—	—	
19	of Which: Significant Investments in the Common Stock of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	—	—	
20	of Which: Mortgage Servicing Rights	—	—	
21	of Which: Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	—	
22	Amount Exceeding the 15% Threshold on the Specified Items	—	—	
23	of Which: Significant Investments in the Common Stock of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	—	—	
24	of Which: Mortgage Servicing Rights	—	—	
25	of Which: Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	—	
27	Regulatory Adjustments Applied to Common Equity Tier 1 Due to Insufficient Additional Tier 1 and Tier 2 to Cover Deductions	—	—	
28	Common Equity Tier 1 Capital: Regulatory Adjustments (B)	142,482	159,257	
Common Equity Tier 1 Capital (CET1)				
29	Common Equity Tier 1 Capital (C) = (A)-(B)	¥ 1,853,206	¥ 1,919,843	

Financial Data/
Sumitomo Mitsui Trust Holdings, Inc.Financial Data/
Sumitomo Mitsui Trust Bank, LimitedBasel III Disclosure Data/
Sumitomo Mitsui Trust Holdings, Inc.Basel III Disclosure Data/
Sumitomo Mitsui Trust Bank, Limited

CC1		Millions of Yen, %		
As of March 31		a	b	c
Basel III Template No.	Items	2020	2019	Reference Numbers to Reconciliation with the Balance Sheet
Additional Tier 1 Capital: Instruments				
30	Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	¥ —	¥ —	
	31a			
	31b	—	—	
	32	340,000	340,000	
	Qualifying Additional Tier 1 Instruments Issued by Special Purpose Vehicles	—	—	
33+35	Eligible Tier 1 Capital Instruments Subject to Phase out from Additional Tier 1 Capital	—	—	
36	Additional Tier 1 Capital: Instruments (D)	340,000	340,000	
Additional Tier 1 Capital: Regulatory Adjustments				
37	Investments in Own Additional Tier 1 Instruments	—	—	
38	Reciprocal Cross-Holdings in Additional Tier 1 Instruments	—	—	
39	Investments in the Additional Tier 1 Instruments of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions, Where the Bank Does not Own More than 10% of the Issued Common Share Capital of the Entity (Amount above 10% Threshold)	—	—	
40	Significant Investments in the Additional Tier 1 Instruments of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	—	—	
42	Regulatory Adjustments Applied to Additional Tier 1 Due to Insufficient Tier 2 to Cover Deductions	—	—	
43	Additional Tier 1 Capital: Regulatory Adjustments (E)	—	—	
Additional Tier 1 Capital (AT1)				
44	Additional Tier 1 Capital (F) = (D) – (E)	340,000	340,000	
Tier 1 Capital (T1 = CET1 + AT1)				
45	Tier 1 Capital (G) = (C) + (F)	2,193,206	2,259,843	
Tier 2 Capital: Instruments and Provisions				
46	Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	—	—	
	Subscription Rights to Tier 2 Instruments	—	—	
	Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	306,584	270,000	
	Qualifying Tier 2 Instruments Issued by Special Purpose Vehicles	—	—	
47+49	Eligible Tier 2 Capital Instruments Subject to Phase out from Tier 2 Capital	171,581	239,264	
50	Provisions Allowed in Group Tier 2	23,493	—	
50a	of Which: General Allowance for Credit Losses	—	—	
50b	of Which: Excess Amount of Eligible Provisions to Expected Losses	23,493	—	
51	Tier 2 Capital: Instruments and Provisions (H)	¥ 501,659	¥ 509,264	

CC1 As of March 31		Items	Millions of Yen, %				
			a		b		c
			2020		2019		Reference Numbers to Reconciliation with the Balance Sheet
Basel III Template No.							
Tier 2 Capital: Regulatory Adjustments							
52	Investments in Own Tier 2 Instruments	¥	—	¥	—		
53	Reciprocal Cross-Holdings in Tier 2 Instruments and Other TLAC Liabilities		—		—		
54	Investments in the Tier 2 Instruments and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions, Where the Bank Does not Own More than 10% of the Issued Common Share Capital of the Entity (Amount above 10% Threshold)		—		—		
55	Significant Investments in the Tier 2 Instruments and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions		1,540		1,540		
57	Tier 2 Capital: Regulatory Adjustments	(I)	1,540		1,540		
Tier 2 Capital (T2)							
58	Tier 2 Capital	(J) = (H) – (I)	500,119		507,724		
Total Capital (TC = T1 + T2)							
59	Total Capital	(K) = (G) + (J)	2,693,326		2,767,568		
Total Risk Weighted Assets							
60	Total Risk Weighted Assets	(L)	18,113,159		19,152,340		
Capital Ratios (Non-consolidated)							
61	Common Equity Tier 1 Capital Ratio	(C)/(L)	10.23%		10.02%		
62	Tier 1 Capital Ratio	(G)/(L)	12.10%		11.79%		
63	Total Capital Ratio	(K)/(L)	14.86%		14.45%		
Regulatory Adjustments (before Risk Weighting)							
72	Investments in the Instruments of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Where the Bank Does not Own More than 10% of the Issued Share Capital (Amount below the Threshold for Deduction)		105,516		121,742		
73	Significant Investments in the Common Stock of Banking, Financial and Insurance Entities (Amount below the Thresholds for Deduction)		62,987		62,925		
74	Mortgage Servicing Rights (Amount below the Thresholds for Deduction)		—		—		
75	Deferred Tax Assets Arising from Temporary Differences (Amount below the Thresholds for Deduction)		—		—		
Provisions Included in Tier 2 Capital: Instruments and Provisions							
76	Provisions Eligible for Inclusion in Tier 2 in Respect of Exposures Subject to Standardised Approach (Prior to Applicable of Cap)		—		—		
77	Cap on Inclusion of Provisions in Tier 2 under Standardised Approach		2,157		2,110		
78	Provisions Eligible for Inclusion in Tier 2 in Respect of Exposures Subject to Internal Ratings-Based Approach (Prior to Applicable of Cap)		23,493		—		
79	Cap on Inclusion of Provisions in Tier 2 under Internal Ratings-Based Approach		91,578		100,136		
Capital Instruments Subject to Phase out Arrangements							
82	Current Cap on Additional Tier 1 Instruments Subject to Phase out Arrangements		77,800		116,700		
83	Amount Excluded from Additional Tier 1 Due to Cap (Excess over Cap after Redemptions and Maturities)		—		—		
84	Current Cap on Tier 2 Instruments Subject to Phase out Arrangements		171,581		257,372		
85	Amount Excluded from Tier 2 Due to Cap (Excess over Cap after Redemptions and Maturities)	¥	17,609	¥	—		

Note: SuMi TRUST Bank received a certain procedure by KPMG AZSA LLC of the calculation of the non-consolidated BIS capital adequacy ratio in line with "Practical Guidance on Agreed-Upon Procedures Engagement for Capital Adequacy Ratio and Leverage Ratio Calculation" (Practical Guidance 4465 for Specialized Business of the Japanese Institute of Certified Public Accountants, August 27, 2019).

The certain procedure is not part of the audit of the non-consolidated financial statements or the audit of the internal control over the financial reporting but was conducted by the external auditor on the agreed-upon scope and under agreed-upon examination procedures, and is a report of the results presented to us. It thus does not represent an opinion or conclusion by the external auditor regarding the non-consolidated BIS capital adequacy ratio itself or parts of internal control over the procedure to calculate the ratio.

Explanation on Reconciliation between Balance Sheet Items and Regulatory Capital Elements

Non-consolidated

Fiscal Year 2019

CC2: Reconciliation of Regulatory Capital to Balance Sheet

CC2	a	b	c	d
Items	Non-consolidated Balance Sheet (Millions of Yen)	Under Regulatory Scope of Consolidation (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Assets)				
Cash and Due from Banks	¥ 12,916,014	¥ 12,916,015		
Call Loans	71,236	71,236		
Receivables under Resale Agreements	1,220,761	1,220,761		
Receivables under Securities Borrowing Transactions	740,658	740,658		
Monetary Claims Bought	64,146	64,146		
Trading Assets	609,158	609,158		
Money Held in Trust	99	99		
Securities	6,625,035	6,625,034		6-a
Loans and Bills Discounted	29,953,513	29,953,513		6-b
Foreign Exchanges	36,952	36,952		
Other Assets	1,650,474	1,650,474		6-c
Tangible Fixed Assets	189,926	189,926		
Intangible Fixed Assets	70,937	70,937		2
Prepaid Pension Expenses	186,272	186,272		3
Customers' Liabilities for Acceptances and Guarantees	359,757	359,757		
Allowance for Loan Losses	(98,191)	(98,191)		
Total Assets	¥ 54,596,753	¥ 54,596,753		

CC2	Items	a	b	c	d
		Non-consolidated Balance Sheet (Millions of Yen)	Under Regulatory Scope of Consolidation (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Liabilities)					
Deposits	¥	30,537,466	¥	30,537,466	
Negotiable Certificates of Deposit		6,112,992		6,112,992	
Call Money		201,249		201,249	
Payables under Repurchase Agreements		1,558,919		1,558,919	
Payables under Securities Lending Transactions		—		—	
Trading Liabilities		371,950		371,950	
Borrowed Money		5,973,015		5,973,015	7
Foreign Exchanges		23,724		23,724	
Short-term Bonds Payable		1,136,819		1,136,819	
Bonds Payable		415,368		415,368	
Borrowed Money from Trust Account		4,750,289		4,750,289	
Other Liabilities		1,026,229		1,026,229	6–d
Provision for Bonuses		9,909		9,909	
Provision for Directors’ Bonuses		74		74	
Provision for Stocks Payment		219		219	
Provision for Retirement Benefits		736		736	
Provision for Reimbursement of Deposits		4,867		4,867	
Provision for Contingent Losses		1,440		1,440	
Deferred Tax Liabilities		91,860		91,860	4–a
Deferred Tax Liabilities for Land Revaluation		2,439		2,439	4–b
Acceptances and Guarantees		359,757		359,757	
Total Liabilities		52,579,329		52,579,329	
(Net Assets)					
Capital Stock		342,037		342,037	1–a
Capital Surplus		343,066		343,066	1–b
Retained Earnings		1,020,763		1,020,763	1–c
Total Shareholders’ Equity		1,705,866		1,705,866	
Valuation Differences on Available-for-Sale Securities		363,461		363,461	
Deferred Gains (Losses) on Hedges		(48,002)		(48,002)	5
Revaluation Reserve for Land		(3,901)		(3,901)	
Foreign Currency Translation Adjustments		—		(0)	
Total Valuation and Translation Adjustments		311,558		311,557	(a)
Total Net Assets		2,017,424		2,017,424	
Total Liabilities and Net Assets	¥	54,596,753	¥	54,596,753	

(Appendix)

Note: Amounts in the "Composition of capital" exclude items for regulatory purpose under transitional arrangement.

1. Shareholders' equity

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Capital Stock	¥ 342,037		1-a
Capital Surplus	343,066		1-b
Retained Earnings	1,020,763		1-c
Total Shareholders' Equity	¥ 1,705,866		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Common Share Capital Plus Related Capital Surplus and Retained Earnings	¥ 1,705,866	Shareholders' Equity Attributable to Common Shares (before Adjusting National Specific Regulatory Adjustments (Earnings to be Distributed))	
of Which: Capital Stock and Capital Surplus	685,103		1a
of Which: Retained Earnings	1,020,763		2
of Which: Treasury Stock (Deduction)	—		1c
of Which: Others	—		
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	—	Shareholders' Equity Attributable to Preferred Shares with a Loss Absorbency at the Point of Non-Viability	31a

2. Intangible assets

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Intangible Fixed Assets	¥ 70,937		2
Associated Deferred Tax Liabilities	21,721		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Goodwill (Net of Related Deferred Tax Liabilities, Including Those Equivalent)	¥ —		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	49,216	Excluding Goodwill, Mortgage Servicing Rights (Software, etc.)	9
Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	—		
Amount above the 10% Threshold on the Specified Items	—		20
Amount exceeding the 15% Threshold on the Specified Items	—		24
Amount below the Thresholds for Deduction (before Risk Weighting)	—		74

3. Defined-benefit pension fund net assets (prepaid pension Expenses)

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Prepaid Pension Expenses	¥ 186,272		3
Associated Deferred Tax Liabilities	57,036		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Defined-Benefit Pension Fund Net Assets (Prepaid Pension Expenses) (Net of Related Deferred Tax Liabilities)	¥ 129,235		15

4. Deferred tax assets

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Liabilities	¥ 91,860		4-a
Deferred Tax Liabilities for Land Revaluation	2,439		4-b
Associated Intangible Fixed Assets	21,721		
Associated Prepaid Pension Expenses	57,036		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Tax Assets That Rely on Future Profitability excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	¥ —	This Item Does not Agree with the Amount Reported on the Balance Sheet Due to Offsetting of Assets and Liabilities.	10
Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	This Item Does not Agree with the Amount Reported on the Balance Sheet Due to Offsetting of Assets and Liabilities.	
Amount above the 10% Threshold on the Specified Items	—		21
Amount exceeding the 15% Threshold on the Specified Items	—		25
Amount below the Thresholds for Deduction (before Risk Weighting)	—		75

5. Deferred gains or losses on hedges

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Gains (Losses) on Hedges	¥ (48,002)		5

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Gains or Losses on Derivatives under Hedge Accounting	¥ (37,200)	Excluding those items whose valuation differences arising from hedged items are recognized as "Valuation and translation adjustments"	11

6. Investments in the Capital and Other TLAC Liabilities of Financial Entities

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Securities	¥ 6,625,035		6-a
Loans and Bills Discounted	29,953,513	Including Subordinated Debts	6-b
Other Assets	1,650,474	Including derivatives	6-c
Other Liabilities	¥ 1,026,229	Including derivatives	6-d

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Investments in Own Capital	¥ —		
Common Equity Tier 1 Capital	—		16
Additional Tier 1 Capital	—		37
Tier 2 Capital	—		52
Reciprocal Cross-Holdings in the Capital and Other TLAC Liabilities	—		
Common Equity Tier 1 Capital	—		17
Additional Tier 1 Capital	—		38
Tier 2 Capital and Other TLAC Liabilities	—		53
Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Where the Bank Does not Own More than 10% of the Issued Share Capital	105,516		
Common Equity Tier 1 Capital	—		18
Additional Tier 1 Capital	—		39
Tier 2 Capital and Other TLAC Liabilities	—		54
Amount below the Thresholds for Deduction (before risk weighting)	105,516		72
Significant Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	64,527		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	—		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	62,987		73

7. Other Capital Instruments

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Borrowed Money	¥ 5,973,015		7

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	¥ 340,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	306,584		46

Fiscal Year 2018

CC2: Reconciliation of Regulatory Capital to Balance Sheet

CC2	a	b	c	d
Items	Non-consolidated Balance Sheet (Millions of Yen)	Under Regulatory Scope of Consolidation (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Assets)				
Cash and Due from Banks	¥ 15,831,242	¥ 15,831,243		
Call Loans	50,124	50,124		
Receivables under Resale Agreements	158,734	158,734		
Receivables under Securities Borrowing Transactions	759,812	759,812		
Monetary Claims Bought	56,403	56,403		
Trading Assets	543,587	543,587		
Money Held in Trust	99	99		
Securities	6,091,898	6,091,897		6-a
Loans and Bills Discounted	29,404,142	29,404,142		6-b
Foreign Exchanges	36,936	36,936		
Other Assets	1,548,827	1,548,827		6-c
Tangible Fixed Assets	195,414	195,414		
Intangible Fixed Assets	65,607	65,607		2
Prepaid Pension Expenses	170,685	170,685		3
Customers' Liabilities for Acceptances and Guarantees	385,467	385,467		
Allowance for Loan Losses	(75,211)	(75,211)		
Total Assets	¥ 55,223,770	¥ 55,223,770		

CC2		a	b	c	d
	Items	Non-consolidated Balance Sheet (Millions of Yen)	Under Regulatory Scope of Consolidation (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Liabilities)					
	Deposits	¥ 31,744,181	¥ 31,744,181		
	Negotiable Certificates of Deposit	6,546,222	6,546,222		
	Call Money	132,317	132,317		
	Payables under Repurchase Agreements	1,603,191	1,603,191		
	Payables under Securities Lending Transactions	104,767	104,767		
	Trading Liabilities	258,771	258,771		
	Borrowed Money	4,101,951	4,101,951		7
	Foreign Exchanges	35,009	35,009		
	Short-term Bonds Payable	949,302	949,302		
	Bonds Payable	727,834	727,834		
	Borrowed Money from Trust Account	5,408,009	5,408,009		
	Other Liabilities	777,043	777,043		6-d
	Provision for Bonuses	9,026	9,026		
	Provision for Directors' Bonuses	84	84		
	Provision for Retirement Benefits	721	721		
	Provision for Reimbursement of Deposits	5,250	5,250		
	Provision for Contingent Loss	3,465	3,465		
	Deferred Tax Liabilities	156,466	156,466		4-a
	Deferred Tax Liabilities for Land Revaluation	2,847	2,847		4-b
	Acceptances and Guarantees	385,467	385,467		
	Total Liabilities	52,951,932	52,951,932		
(Net Assets)					
	Capital Stock	342,037	342,037		1-a
	Capital Surplus	391,610	391,610		1-b
	Retained Earnings	1,095,962	1,095,962		1-c
	Total Shareholders' Equity	1,829,610	1,829,610		
	Valuation Difference on Available-for-Sale Securities	475,633	475,633		
	Deferred Gains or Losses on Hedges	(31,061)	(31,061)		5
	Revaluation Reserve for Land	(2,345)	(2,345)		
	Foreign Currency Translation Adjustments	—	(0)		
	Total Valuation and Translation Adjustments	442,227	442,226	(a)	
	Total Net Assets	2,271,838	2,271,837		
	Total Liabilities and Net Assets	¥ 55,223,770	¥ 55,223,770		

(Appendix)

Note: Amounts in the "Composition of Capital" exclude items for regulatory purpose under transitional arrangement.

1. Shareholders' equity

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Capital Stock	¥ 342,037		1-a
Capital Surplus	391,610		1-b
Retained Earnings	1,095,962		1-c
Total Shareholders' Equity	¥ 1,829,610		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Common Share Capital Plus Related Capital Surplus and Retained Earnings	¥ 1,829,610	Shareholders' Equity Attributable to Common Shares (before Adjusting National Specific Regulatory Adjustments (Earnings to be Distributed))	
of Which: Capital Stock and Capital Surplus	733,648		1a
of Which: Retained Earnings	1,095,962		2
of Which: Treasury Stock (Deduction)	—		1c
of Which: Others	—		
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	—	Shareholders' Equity Attributable to Preferred Shares with a Loss Absorbency at the Point of Non-Viability	31a

2. Intangible assets

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Intangible Fixed Assets	¥ 65,607		2
Associated Deferred Tax Liabilities	20,088		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Goodwill (Net of Related Deferred Tax Liabilities, Including Those Equivalent)	¥ —		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	45,518	Excluding Goodwill, Mortgage Servicing Rights (Software, etc.)	9
Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	—		
Amount above the 10% Threshold on the Specified Items	—		20
Amount exceeding the 15% Threshold on the Specified Items	—		24
Amount below the Thresholds for Deduction (before Risk Weighting)	—		74

3. Defined-benefit pension fund net assets (prepaid pension Expenses)

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Prepaid Pension Expenses	¥ 170,685		3
Associated Deferred Tax Liabilities	52,263		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Defined-Benefit Pension Fund Net Assets (Prepaid Pension Expenses) (Net of Related Deferred Tax Liabilities)	¥ 118,421		15

4. Deferred tax assets

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Liabilities	¥ 156,466		4-a
Deferred Tax Liabilities for Land Revaluation	2,847		4-b
Associated Intangible Fixed Assets	20,088		
Associated Prepaid Pension Expenses	52,263		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Tax Assets That Rely on Future Profitability excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	¥ —	This Item Does not Agree with the Amount Reported on the Balance Sheet Due to Offsetting of Assets and Liabilities.	10
Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	This Item Does not Agree with the Amount Reported on the Balance Sheet Due to Offsetting of Assets and Liabilities.	
Amount above the 10% Threshold on the Specified Items	—		21
Amount exceeding the 15% Threshold on the Specified Items	—		25
Amount below the Thresholds for Deduction (before Risk Weighting)	—		75

5. Deferred gains or losses on hedges

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Gains or Losses on Hedges	¥ (31,061)		5

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Gains or Losses on Derivatives under Hedge Accounting	¥ (26,048)	Excluding those items whose valuation differences arising from hedged items are recognized as "Valuation and translation adjustments"	11

6. Investments in the capital of financial entities

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Securities	¥ 6,091,898		6-a
Loans and Bills Discounted	29,404,142	Including subordinated loans	6-b
Other Assets	1,548,827	Including derivatives	6-c
Other Liabilities	¥ 777,043	Including derivatives	6-d

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Investments in Own Capital	¥ —		
Common Equity Tier 1 Capital	—		16
Additional Tier 1 Capital	—		37
Tier 2 Capital	—		52
Reciprocal Cross-Holdings in the Capital and Other TLAC Liabilities	—		
Common Equity Tier 1 Capital	—		17
Additional Tier 1 Capital	—		38
Tier 2 Capital and Other TLAC Liabilities	—		53
Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Where the Bank Does not Own More than 10% of the Issued Share Capital	121,742		
Common Equity Tier 1 Capital	—		18
Additional Tier 1 Capital	—		39
Tier 2 Capital and Other TLAC Liabilities	—		54
Amount below the Thresholds for Deduction (before risk weighting)	121,742		72
Significant Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	64,465		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	—		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	62,925		73

7. Other Capital Instruments

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Borrowed Money	¥ 4,101,951		7

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	¥ 340,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	270,000		46

Disclosure Data Designated as Per the Appended Forms

Non-consolidated

OV1: Overview of Risk-weighted assets (RWA)

OV1 Basel III Template No.		Millions of Yen			
		Risk-weighted assets (RWA)		Minimum capital requirements	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Credit risk (excluding counterparty credit risk)	¥ 12,128,127	¥ 13,469,635	¥ 1,017,944	¥ 1,130,635
2	of Which: Standardised Approach (SA)	798	2,912	63	232
3	of Which: Internal Ratings-Based (IRB) Approach	9,936,345	11,055,054	842,602	937,468
	of Which: Significant investments in commercial entities	—	—	—	—
	of Which: Lease residual value	—	—	—	—
	Other assets	2,190,983	2,411,669	175,278	192,933
4	Counterparty credit risk (CCR)	1,122,066	834,658	91,729	68,198
5	of Which: Standardised Approach for Counterparty Credit Risk (SA-CCR)	—	—	—	—
	of Which: Current Exposure Method (CEM)	389,713	277,387	33,047	23,522
6	of Which: Expected Positive Exposure (EPE)	—	—	—	—
	of Which: Credit Valuation Adjustment (CVA)	663,005	495,998	53,040	39,679
	of Which: Central Counterparty (CCP)	49,867	41,617	3,989	3,329
	Others	19,479	19,655	1,651	1,666
7	Equity positions in banking book under market-based approach	198,330	159,785	16,818	13,549
8	Equity Investments in Funds (Look-through Approach)	861,670	1,153,184	68,933	92,254
9	Equity Investments in Funds (Mandate-based Approach)	762,411	663,188	60,992	53,055
	Equity Investments in Funds (Probability Approach 250%)	—	—	—	—
	Equity Investments in Funds (Probability Approach 400%)	—	—	—	—
10	Equity Investments in Funds (Probability Approach 1,250%)	1,137	1,422	91	113
11	Settlement risk	—	—	—	—
12	Securitisation exposures in banking book	275,322	256,556	22,025	20,524
13	of Which: Internal Rating-Based Approach (SEC-IRBA)	262,517	239,805	21,001	19,184
14	of Which: External Rating-Based Approach (SEC-ERBA)	12,804	14,696	1,024	1,175
15	of Which: Standardised Approach (SEC-SA)	—	—	—	—
	of Which: Subject to 1,250% risk weight	0	2,053	0	164
16	Market risk	1,316,579	1,086,328	105,326	86,906
17	of Which: Standardised Approach (SA)	4,765	4,528	381	362
18	of Which: Internal Model Approaches (IMA)	1,311,813	1,081,800	104,945	86,544
19	Operational risk	647,978	670,113	51,838	53,609
20	of Which: Basic Indicator Approach (BIA)	428	428	34	34
21	of Which: The Standardised Approach (TSA)	—	—	—	—
22	of Which: Advanced Measurement Approach (AMA)	647,549	669,684	51,803	53,574
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	157,454	157,313	13,352	13,340
	Amounts included under transitional arrangements	—	—	—	—
24	Floor adjustment	—	—	—	—
25	Total (after applying scaling factor)	¥ 18,113,159	¥ 19,152,340	¥ 1,449,052	¥ 1,532,187

Note: Total risk-weighted assets of Template No.25 are only applied scaling factor.

IRRBB1: Interest rate risk

IRRBB1		Millions of Yen			
		a	b	c	d
		ΔEVE		ΔNII	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Item No.					
1	Parallel up	¥ 96,619	¥ 106,647	¥ (51,228)	¥ (80,087)
2	Parallel down	—	47,688	53,025	82,271
3	Steeper	75,152	82,902		
4	Flattener	—	—		
5	Short rate up	—	3,956		
6	Short rate down	11,190	32,177		
7	Maximum	96,619	106,647	53,025	82,271
		e		f	
		March 31, 2020		March 31, 2019	
8	Tier 1 Capital	¥ 2,193,206		¥ 2,259,843	

Composition of Basel III Leverage Ratio

Non-consolidated

As of March 31			Millions of Yen, %	
Basel III Template No. (Table2)	Basel III Template No. (Table1)	Items	2020	2019
On-Balance Sheet Exposures				
1		On-balance Sheet Exposures before Deducting Adjustment Items	¥ 50,893,212	¥ 52,997,986
1a	1	Total Assets Reported in the Non-consolidated Balance Sheet	54,596,753	55,223,770
1b	3	The Amount of Assets that are Deducted from the Total Assets Reported in the Non-consolidated Balance Sheet (except adjustment items) (Deduction)	3,703,541	2,225,784
2	7	The Amount of Adjustment Items Pertaining to Tier1 Capital (Deduction)	178,452	183,871
3		Total On-Balance Sheet Exposures (A)	50,714,759	52,814,114
Exposures Related to Derivative Transactions				
4		The Amount Equivalent to Replacement Cost Associated with Derivatives Transactions, etc. Multiplied by 1.4		
		Replacement Cost Associated with Derivatives Transactions, etc.	650,734	447,852
5		The Amount Equivalent to Potential Future Exposure Associated with Derivatives Transactions, etc. Multiplied by 1.4		
		Add-On Amount Associated with Derivatives Transactions, etc.	899,937	983,509
		The Amount of Receivables Arising from Providing Cash Margin in Relation to Derivatives Transactions, etc.	504,362	333,486
6		The Amount of Receivables Arising from Providing Collateral, Provided where Deducted from the Non-Consolidated Balance Sheet Pursuant to the Operative Accounting Framework		
		The Amount of Receivables Arising from Providing Cash Margin, Provided where Deducted from the Non-Consolidated Balance Sheet Pursuant to the Operative Accounting Framework	—	—
7		The Amount of Deductions of Receivables (out of those Arising from Providing Cash Variation Margin) (Deduction)	169,673	119,286
8		The Amount of Client-Cleared Trade Exposures for which a Bank Acting as Clearing Member is not Obligated to Make any Indemnification (Deduction)		
9		Adjusted Effective Notional Amount of Written Credit Derivatives	74,034	126,192
10		The Amount of Deductions from Effective Notional Amount of Written Credit Derivatives (Deduction)	53,600	63,600
11	4	Total Exposures Related to Derivative Transactions (B)	1,905,796	1,708,153
Exposures Related to Repo Transactions				
12		The Amount of Assets Related to Repo Transactions, etc.	1,961,419	918,547
13		The Amount of Deductions from the Assets Above (Line 12) (Deduction)	—	—
14		The Exposures for Counterparty Credit Risk for Repo Transactions, etc.	282,730	251,178
15		The Exposures for Agent Repo Transaction		
16	5	The Total Exposures Related to Repo Transactions, etc. (C)	2,244,150	1,169,725
Exposures Related to Off-Balance Sheet Transactions				
17		Notional Amount of Off-Balance Sheet Transactions	4,907,732	4,963,061
18		The Amount of Adjustments for Conversion in Relation to Off-Balance Sheet Transactions (Deduction)	2,375,148	2,413,107
19	6	Total Exposures Related to Off-Balance Sheet Transactions (D)	2,532,583	2,549,953
Basel III Leverage ratio on a Non-consolidated Basis				
20		The Amount of Capital (Tier 1 Capital) (E)	2,193,206	2,259,843
21	8	Total Exposures (F) = (A)+(B)+(C)+(D)	¥ 57,397,289	¥ 58,241,947
22		Basel III Leverage Ratio on a Non-consolidated Basis (G) = (E)/(F)	3.82%	3.88%

Note: SuMi TRUST Bank received a certain procedure by KPMG AZSA LLC of the calculation of the Basel III leverage ratio in line with "Practical Guidance on Agreed-Upon Procedures Engagement for Capital Adequacy Ratio and Leverage Ratio Calculation" (Practical Guidance 4465 for Specialized Business of the Japanese Institute of Certified Public Accountants, August 27, 2019).

The certain procedure is not part of the audit of the non-consolidated financial statements or the audit of the internal control over the financial reporting but was conducted by the external auditor on the agreed-upon scope and under agreed-upon examination procedures, and is a report of the results presented to us. It thus does not represent an opinion or conclusion by the external auditor regarding the Basel III leverage ratio itself or parts of internal control over the procedure to calculate the ratio.

Liquidity Coverage Ratio (LCR)

Non-consolidated

Quantitative Disclosure Items for the Liquidity Coverage Ratio (LCR) on a non-consolidated basis

Items		Millions of Yen, %, the Number of Data			
		Fiscal Year 2019 4th Quarter		Fiscal Year 2019 3rd Quarter	
High-Quality Liquid Assets (1)					
1	Total high-quality liquid assets (HQLA)	¥ 14,166,020		¥ 15,025,280	
Cash Outflows (2)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
2	Cash outflows related to unsecured retail funding	¥ 17,914,158	¥ 830,990	¥ 17,686,868	¥ 829,405
3	of which: Stable deposits	723,125	21,693	705,619	21,168
4	of which: Less stable deposits	8,052,256	809,296	8,041,083	808,236
5	Cash outflows related to unsecured wholesale funding	12,707,897	10,306,870	12,613,857	10,739,838
6	of which: Qualifying operational deposits	—	—	0	0
7	of which: Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	10,353,766	7,952,739	10,323,056	8,449,037
8	of which: Debt securities	2,354,131	2,354,131	2,290,801	2,290,801
9	Cash outflows related to secured funding, etc.	113,698		141,480	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	4,587,020	1,462,850	4,672,528	1,447,662
11	of which: Cash outflows related to derivative transactions, etc.	285,124	285,124	231,978	231,978
12	of which: Cash outflows related to funding programs	—	—	0	0
13	of which: Cash outflows related to credit and liquidity facilities	4,301,896	1,177,726	4,440,550	1,215,684
14	Cash outflows related to contractual funding obligations, etc.	398,584	243,179	315,455	204,713
15	Cash outflows related to contingencies	12,475,321	21,907	12,702,678	23,998
16	Total cash outflows	12,979,494		13,387,096	
Cash Inflows (3)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
17	Cash inflows related to secured lending, etc.	107,077	746	55,582	0
18	Cash inflows related to collection of loans, etc.	3,210,848	2,335,136	2,754,165	2,148,551
19	Other cash inflows	482,497	289,816	396,262	240,936
20	Total cash inflows	3,800,422	2,625,698	3,206,009	2,389,487
Non-consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation	14,166,020		15,025,280	
22	Net cash outflows	10,353,796		10,997,609	
23	Non-consolidated Liquidity Coverage Ratio (LCR)	136.8		136.6	
24	The number of data used to calculate the average value	58		62	

Qualitative Disclosure Items for the Liquidity Coverage Ratio (LCR) on a non-consolidated basis

(1) Items concerning fluctuations in the LCR over time

Our non-consolidated LCR has trended steadily for the most part in the past two years.

(2) Items concerning evaluation of the LCR level

Our non-consolidated LCR satisfies the regulated level (100%) as required under liquidity ratio regulations and the actual LCR is roughly in line with our initial forecast. Up ahead, we do not expect our LCR to deviate significantly from the current level.

(3) Items concerning the composition of totals for eligible high-quality liquid assets

The majority of our eligible high-quality liquid assets are reserve deposit held at central banks and sovereign bonds. There have been no material fluctuations in the composition of currencies, their types and locations. Furthermore, there has been no material difference between totals for eligible high-quality assets and net cash outflows in major currencies.

(4) Other items concerning LCR

We apply neither the “treatment for qualifying operational deposit” nor the “additional collateral required to market valuation changes based on the scenario approach.”

Basel III Disclosure Data

This section outlines matters to be stated in explanatory documents relating to the fiscal year, separately stipulated by the Commissioner of the Financial Services Agency (Notification No.21 of Financial Services Agency, 2012) with regard to the matters regarding compensation as having significant consequences on the business operation or asset status of a bank, a bank holding company, or their subsidiaries, as set forth in Article 19-2, Paragraph 1, Item 6, Article 19-3, Item 4 and Article 34-26, Paragraph 1, Item 5 of the Ordinance for Enforcement of the Banking Act (Ministry of Finance Ordinance No.10, 1982).

The following disclosure, unless otherwise stated, is with respect to Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank") as of the end of March 2020.

[Compensation Disclosure Data: SuMi TRUST Bank]

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Compensation Disclosure Data:

Sumitomo Mitsui Trust Bank, Limited**1. Development Status of Organizational Structures Concerning Compensation, etc. for Applicable Officers and Employees within the SuMi TRUST Bank Group****(1) Scope of "Applicable Officers and Employees"**

The scope of "applicable officers" and "applicable employees, etc." (collectively "applicable officers and employees") as defined in the compensation notification to be disclosed is as follows:

(i) Scope of "Applicable Officers"

Applicable officers include directors (excluding Audit and Supervisory Committee members), directors that are members of the Audit and Supervisory Committee, and corporate auditors of SuMi TRUST Bank, but exclude external directors and external auditors.

(ii) Scope of "Applicable Employees, etc."

Of SuMi TRUST Bank's officers and employees outside the scope of applicable officers as well as officers and employees of its significant consolidated subsidiaries, a "person receiving a substantial amount of compensation" with significant consequence on the business operation or asset status of SuMi TRUST Bank and its significant consolidated subsidiaries, are subject to disclosure as applicable employees, etc.

(a) Scope of "Significant Consolidated Subsidiary"

"Significant consolidated subsidiary" refers to a consolidated subsidiary either with its total assets representing more than 2% of the consolidated total assets, or with significant consequence on the SuMi TRUST Bank Group's management, namely Sumitomo Mitsui Trust Bank, Limited and Sumitomo Mitsui Trust Panasonic Financial Co., Ltd.

(b) Scope of a "Person Receiving a Substantial Amount of Compensation"

A "person receiving a substantial amount of compensation" refers to a person who receives compensation in excess of a certain threshold amount from SuMi TRUST Bank or its significant consolidated subsidiaries. Such a threshold amount is set at ¥40 million within the SuMi TRUST Bank Group.

With respect to a person receiving lump-sum retirement benefit, this amount is first wholly deducted from the amount of compensation, then the "lump-sum retirement benefit divided by the number of years of service" is added back to calculate the deemed compensation for the purpose of determining whether the compensation is substantial or not.

(c) Scope of "Those with Significant Consequence on the Business Operation or Asset Status of the SuMi TRUST Bank Group"

"Those with significant consequence on the business operation or asset status of the group" refers to the persons who normally conduct transactions, or manage business affairs that have considerable impact on the business operation of SuMi TRUST Bank, the SuMi TRUST Bank Group or its significant consolidated subsidiaries, or whose transactions can cause loss with significant impact on their asset status. Specifically, they include executive officers and employees equivalent to general managers in the departments involving loan operations and market risk management.

(2) Names, Compositions, and Duties of the Committees and Other Major Institutions Which Supervise the Determination, Payment, and the Execution of Other Duties Regarding the Compensation, etc. for Applicable Officers and Employees**(i) Establishment and Securement of the Compensation Committee, etc.**

SuMi TRUST Bank determines the total amount of remuneration for directors and executive officers at the General Meeting of Shareholders. In determining remuneration for directors and executive officers for this fiscal year, the allocation of remuneration for individual directors, excluding Audit and Supervisory Committee members, is decided by the Board of Directors, while that for individual corporate auditors and directors that are members of the Audit and Supervisory Committee is entrusted to deliberations by corporate auditors and directors that are members of the Audit and Supervisory Committee, within the total amount of remuneration for directors and executive officers decided by the General Meeting of Shareholders.

SuMi TRUST Bank consults the Compensation Committee of SuMi TRUST Holdings on the policy regarding decisions on the content of compensation for directors (excluding Audit and Supervisory Committee members) and executive officers and reports the findings to the Board of Directors. The amounts of remuneration, etc. determined for individual directors and executive officers are also reported to the Compensation Committee.

(ii) Determination of Compensation for Applicable Employees, etc.

Compensation for employees, etc. within the SuMi TRUST Bank Group is payable, subject to the policies established primarily by the Boards of Directors, etc. of SuMi TRUST Bank and its significant consolidated subsidiaries. According to such policies, compensation systems are designed by human resources departments of SuMi TRUST Bank and its significant consolidated subsidiaries, independent of the business promotion departments and documented as payroll rules, etc. Information on the compensation systems of the significant consolidated subsidiaries is reported to, and verified by, the Human Resources Department of SuMi TRUST Bank on a regular basis.

(iii) Determination of Compensation, etc. for Overseas Employees, etc.

Compensation for overseas employees, etc. are determined and payable under the local compensation system established by each overseas operation on its own, in compliance with local laws and regulations and local employment practice. Establishment and change of overseas compensation systems require consultation with, and validity verification by, the Human Resources Department of SuMi TRUST Bank.

(iv) Total Amount of Compensation Paid to the Members of the Compensation Committee, etc. and the Number of Meetings Held for Compensation Committee, etc.

	The number of meetings held (April 1, 2019-March 31, 2020)	Total amount of compensation*
Board of Directors (SuMi TRUST Bank)	2 times	—

Note: The total amount of compensation, etc. is not stated as the amount equivalent to the compensation related to the execution of the duties for the Board of Directors alone cannot be calculated separately.

2. Adequacy Evaluation of Design and Operation of the Compensation System for Applicable Officers and Employees of SuMi TRUST Bank

(1) Policies Concerning Compensation, etc. for Applicable Officers and Employees

(i) Policies Concerning the Compensation for “Applicable Officers”

The limit on compensation for directors and officers for this fiscal year as decided by the General Meeting of Shareholders is ¥1,160 million per year for directors, excluding Audit and Supervisory Committee members, and ¥240 million per year for directors that are members of the Audit and Supervisory Committee. An annual limit of ¥200 million for stock compensation (share delivery trust system) for directors, excluding Audit and Supervisory Committee members, has also been separately resolved. Compensation is capped by these limits. For the period April through June 2019, the annual compensation amount was ¥1,160 million for directors and ¥240 million for corporate auditors, while the limit on separate stock options (share acquisition rights) for directors was ¥100 million per year. Compensation for directors and corporate auditors is capped by these limits.

Compensation for directors is intended to function effectively as an incentive to make improvements in corporate performance and expand corporate value in order to achieve steady and sustainable growth of the SuMi TRUST Bank Group.

The amount of compensation is also aimed at reflecting corporate performance, the contribution of each director to corporate performance, efforts for expansion of business operations in the medium- to long-terms, and for improvement of corporate value, and so forth. Amounts of compensation are determined based on an annual compensation policy determined by the Board of Directors and on an objective evaluation made by the Performance Evaluation Committee.

Furthermore, we have introduced a share delivery trust system as a form of stock compensation linked to our medium-term performance to further enhance the motivation and morale of directors so as to help drive stock price increases, improve our medium- to long-term performance, and ultimately boost shareholder profits.

(ii) Policies Concerning Compensation for “Applicable Employees, etc.”

Compensations for the applicable employees, etc. of the SuMi TRUST Bank Group are determined by performance assessments, to reflect each employee's contribution to corporate performance in determining a performance-linked portion and evaluating target achieving performance. The human resources departments at each company have ensured that compensation payments are not excessively performance-oriented, on the basis of the compensation system in place, current status of performance assessment and actual payment records.

On the other hand, compensations for applicable overseas employees, etc. are determined under a basic principle by which payrolls are determined based on job description and responsibility, while bonuses are determined based on performance. Meanwhile, the total compensation budget is capped locally, based on the performance of each operation, preventing excessive impact on the overall compensation fund from individual employees' extraordinary performance.

(2) Regarding the Influence of the Overall Level of Remuneration on Capital**(i) Officer Compensation**

The Board of Directors determines remuneration for officers after checking the situation of profit and loss in the current term and the consistency with future management strategies. It has been confirmed that the total payment amount of officer compensation in the current term does not produce significant effects, considering the profit level, etc. in the current term.

(ii) Salaries for Employees

As for the salaries for employees, the business situation of SuMi TRUST Bank is reflected in the part that changes according to the performance of SuMi TRUST Bank and individuals and bonuses. It has been confirmed that the total payment amount of salaries for employees in the current term does not produce significant effects, considering the profit level, etc. in the current term.

(3) Regarding the monitoring of the operation of the remuneration system

As for variable remuneration, such as directors' bonuses, the Compensation Committee of SuMi TRUST Holdings monitors the operation of the remuneration system by checking the ratio of variable remuneration to the total amount of remuneration and the appropriateness of the payment amount, and confirms that performance-based pay is not excessive.

3. Regarding the Items about the Consistency between the Systems of Remuneration for Target Executives and Employees of SuMi TRUST Bank and Risk Management, and the Linkage between the Remuneration and Performance of Target Employees of the SuMi TRUST Bank Group

In determining remuneration, etc. for applicable directors and executive officers, the amount is determined by the Compensation Committee. In determining remuneration, etc. for applicable employees, etc., an adequate budget is arranged in consideration of the Group's financial condition, as well as other factors.

4. Types, Total Amount of Payment, and Payment Method of Compensation, etc. for Applicable Officers and Employees of the SuMi TRUST Bank Group

(1) REM1: Compensation, etc. Allocated to the Fiscal Year under Review

REM1: Compensation, etc. allocated to the fiscal year under review		Persons, Millions of Yen	
		a	b
Item No.		Applicable Officers	Applicable Employees, etc.
1	The number of applicable officers and employees, etc.	16	8
2	Total amount of fixed compensation (3+5+7)	317	271
3	of Which: Cash compensation amount	317	271
4	of 3 above: Deferred amount	—	—
5	of Which: Stock compensation amount or Stock-linked compensation amount	—	—
6	of 5 above: Deferred amount	—	—
7	of Which: Other compensation amount	—	—
8	of 7 above: Deferred amount	—	—
9	The number of applicable officers and employees, etc.	12	8
10	Total amount of variable compensation (11+13+15)	308	168
11	of Which: Cash compensation amount	250	168
12	of 11 above: Deferred amount	—	—
13	of Which: Stock compensation amount or Stock-linked compensation amount	58	—
14	of 13 above: Deferred amount	—	—
15	of Which: Other compensation amount	—	—
16	of 15 above: Deferred amount	—	—
17	The number of applicable officers and employees, etc.	—	—
18	Total amount of Retirement benefits	—	—
19	of Which: Deferred amount	—	—
20	The number of applicable officers and employees, etc.	1	—
21	Total amount of other compensations	3	—
22	of Which: Deferred amount	—	—
23	Total amount of compensations (2+10+18+21)	629	439

Financial Data/
Sumitomo Mitsui Trust Holdings, Inc.Financial Data/
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Sumitomo Mitsui Trust Bank, Limited

(2) REM2: Special Rewards, etc.

REM2: Special rewards, etc.	Persons, Millions of Yen					
	a	b	c	d	e	f
	Bonus guarantee		Lump-sum payment when hiring		Premium retirement payment	
	Headcount	Total amount	Headcount	Total amount	Headcount	Total amount
Applicable Officers	—	—	—	—	—	—
Applicable Employees, etc.	—	—	—	—	—	—

5. Other Items to be Referred Concerning the Compensation System for Applicable Officers and Employees of the SuMi TRUST Bank Group

Not applicable, other than those items raised in the preceding sections.

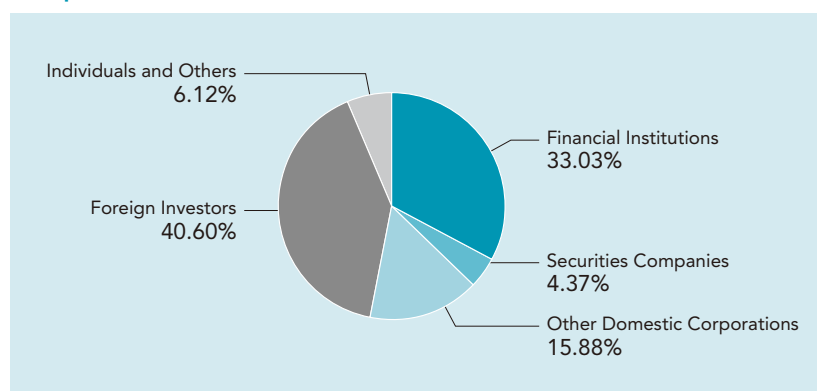
Stock Information (as of March 31, 2020)

Major Shareholders (Common Shares)

Shareholder Name	Number of Shares Held (Shares)	Shareholding Ratio (%)
1 The Master Trust Bank of Japan, Ltd. (Trust Account)	27,367,500	7.29
2 Japan Trustee Services Bank, Ltd. (Trust Account)	20,896,800	5.57
3 Japan Trustee Services Bank, Ltd. (Trust Account 9)	13,205,500	3.52
4 JP Morgan Chase Bank 385151	8,560,603	2.28
5 Japan Trustee Services Bank, Ltd. (Trust Account 5)	7,595,000	2.02
6 The Bank of New York Mellon 140051	7,229,700	1.92
7 Japan Trustee Services Bank, Ltd. (Trust Account 7)	7,019,800	1.87
8 SSBTC Client Omnibus Account	6,174,177	1.64
9 State Street Bank West Client - Treaty 505234	4,933,635	1.31
10 Barclays Securities Japan Limited	4,029,174	1.07

(Note) The shareholding ratio is calculated by excluding the treasury stock and rounded down to second decimal places.

Composition of Shareholders (Common Shares)



(Note 1) Excluding the treasury stock (326,159 shares)

(Note 2) The component ratio is rounded off to second decimal places.

ADR (American Depositary Receipt) Information

ADR:	Underlying Share Ratio 1:1
Exchange:	OTC (Over-the-Counter)
Symbol:	SUTNY
CUSIP:	86562X106
Level of Program:	Level I
Depository:	The Bank of New York Mellon Depository Receipts Division 240 Greenwich Street, New York, NY 10286, U.S.A. Telephone: 1 (201) 680-6825 U.S. toll free: 888-269-2377 (888-BNY-ADRS) http://www.adrbnymellon.com

Other Data

Authorized Shares:	
Common Shares:	850,000,000 Shares
Preferred Shares:	40,000,000 Shares
Number of Shares issued:	
Common Shares:	375,291,440 Shares
Preferred Shares:	0 Shares
Number of Shareholders:	
Common Shares:	57,414
Preferred Shares:	0

Disclosure Policy

SuMi TRUST Holdings is fully aware of the importance of its social responsibility and public mission, and constantly seeks to secure unwavering trust from society through sound management based on rigorous self-discipline. For this purpose, we endeavor to ensure appropriate disclosure of corporate information to assure the transparency of our corporate management.

Attitude toward Disclosure

We not only comply strictly with various laws and rules, such as the Companies Act, the Banking Law and the Financial Instruments and Exchange Act (including the rules for timely disclosure of corporate information, etc., defined by securities exchanges on which our shares are listed), but also endeavor to disclose corporate information that helps our clients, shareholders, and investors better understand the SuMi TRUST Group, under the basic conditions of appropriate timing, accuracy and fairness, and realize highly transparent management.

We do not release personal information, client data or any information, the disclosure of which violates the rights of the parties concerned by such action.

Disclosure Methods

When disclosing information, we make active use of the Internet, various publications and other media tools to reach the broadest possible number of interested parties, whether clients, shareholders or investors, in or outside Japan, in a timely, accurate and fair manner.

In the disclosure of various materials, we strive to provide easy-to-understand explanations of the main points of SuMi TRUST Group's management policies, business results, finance situation, etc. We explain these main points at our information meetings, etc.

Establishment of Disclosure System

We maintain and promote the appropriate disclosure system by such means as the establishment of an Information Disclosure Committee to ensure disclosure of SuMi TRUST Group's information in accordance with the above disclosure policy.

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