



SUMITOMO MITSUI TRUST HOLDINGS

ANNUAL REPORT
—FINANCIAL DATA SECTION—

2023

SuMi TRUST
SUMITOMO MITSUI TRUST HOLDINGS



SuMi TRUST



Symbol Mark

The symbol mark features “Future Bloom” representing the purpose of Sumitomo Mitsui Trust Group, which is “creating new value with the power of trusts and let prosperous future for our clients and society bloom”.

The four clear petals show our “Mission” to each stakeholder of clients, society, shareholders and employees. The four colors of petals represent our value (codes of conduct): “Truthfulness and Loyalty” (natural green), “Dedication and Development” (golden orange), “Trust and Creativity” (blue green), and “Self-help and Self-discipline” (sky blue).



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, 2023)

Director, President
(Representative Executive Officer)
Toru Takakura

Director, Deputy President
(Representative Executive Officer)
Atsushi Kaibara

Director,
Senior Managing Executive Officer
Yasuyuki Suzuki

Director, Executive Officer
Kazuya Oyama

Chairman
Tetsuo Ohkubo

Director
Masaru Hashimoto

Director
Kouji Tanaka

Director
Toshiaki Nakano

Director (External)
Isao Matsushita*¹

Director (External)
Hiroko Kawamoto*¹

Director (External)
Mitsuhiro Aso*¹

Director (External)
Nobuaki Katoh*¹

Director (External)
Kaoru Kashima*¹

Director (External)
Tomonori Ito*¹

Director (External)
Hajime Watanabe*¹

Managing Executive Officer,
Executive Officer*²
Manatomo Yoneyama

Managing Executive Officer
Atsushi Matsumoto

Managing Executive Officer
Masakatsu Sato

Managing Executive Officer
Takumi Fujisawa

Managing Executive Officer
Kazuteru Wakao

Managing Executive Officer
Yuki Takada

Managing Executive Officer
Riro Sato

Managing Executive Officer
Masayuki Okamoto

Executive Officer
Miyo Yajima

Executive Officer, Executive Officer*²
Masaya Yamashiro

Executive Officer*²
Shigeki Tanaka

Executive Officer*²
Yoshio Hishida

Executive Officer*²
Nobuaki Yamaguchi

Executive Officer*²
Futoshi Itani

Executive Officer*²
Daisuke Maeda

Executive Officer*²
Junya Ueda

Executive Officer*²
Masaya Noda

Executive Officer*²
Nobuhisa Takahashi

Executive Officer*²
Takehiko Iwahara

Executive Officer*²
Takafumi Arimura

Executive Officer*²
Atsushi Ueda

Executive Officer*²
Shinichi Tao

Executive Officer*²
Chikako Matsumoto

Executive Officer*²
Tomoya Hirano

Executive Officer*²
Hideki Kiya

Executive Officer*²
Takahiro Yoshida

Executive Officer*²
Masanori Watanabe

Executive Officer*²
Kiyotaka Maita

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

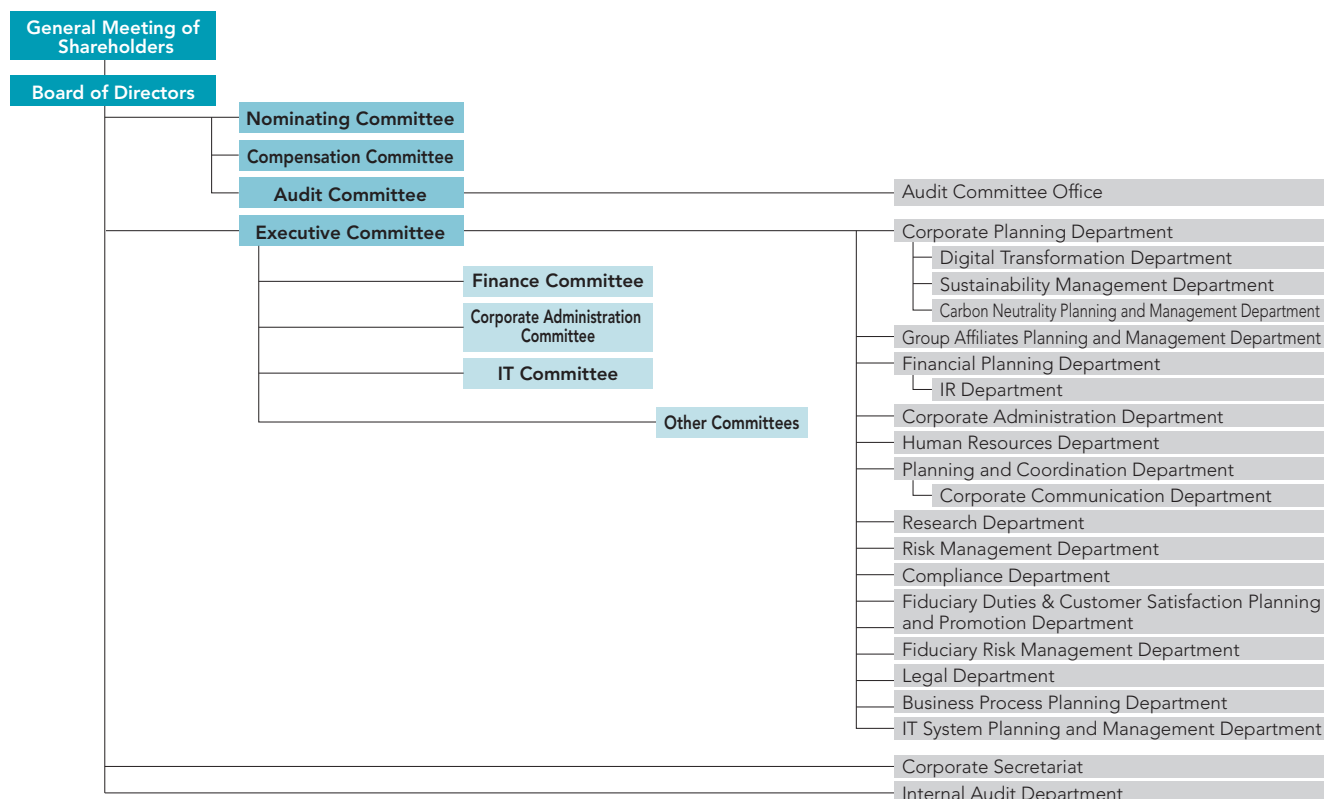
*² Executive Officers as defined in our internal policy; unless otherwise annotated, Executive Officers are defined in the Companies Act.

Employees (As of March 31, 2023)

Category	March 31, 2023	March 31, 2022
Number of Employees	285	233
Average Age	49 years, 9 months	49 years, 8 months
Average Length of Employment	20 years, 9 months	21 years, 1 month
Average Annual Salary	¥12,749 thousand	¥12,684 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, 2023)



Subsidiaries and Affiliated Companies (As of June 30, 2023)

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	—
Trust Base Co., Ltd.*	6-1, Otemachi 1-chome, Chiyoda-ku, Tokyo	April 1, 2021	¥ 100	Survey, Research, Consulting	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	99.0	0.9
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, Banking agency services	50.0	—
UBS SuMi TRUST Wealth Management Co., Ltd.	4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo	May 1, 2020	¥ 5,165	Securities business, Trust agreement agency services	49.0	—
Custody Bank of Japan, Ltd.	8-12, Harumi 1-chome, Chuo-ku, Tokyo	June 20, 2000	¥ 51,000	Trust and Banking Business	33.3	—

* Planned to be liquidated by the end of 2023

Note: 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, 2023)

Chairman
Masaru Hashimoto

President (Representative Director)
Kazuya Oyama

Deputy President (Representative Director)
Seiji Iwakuma

Deputy President (Representative Director)
Shigeki Tanaka

Deputy President (Representative Director)
Nobuaki Yamaguchi

Director, Senior Managing Executive Officer
Futoshi Itani

Director, Senior Managing Executive Officer
Yasuyuki Suzuki

Director, Managing Executive Officer
Manatomo Yoneyama

Director, Managing Executive Officer
Atsushi Matsumoto

Director, Managing Executive Officer
Masakatsu Sato

Director, Managing Executive Officer
Riro Sato

Director
Tetsuo Ohkubo

Director
Toru Takakura

Director (External)
Hideki Kanda*

Director (External)
Michiko Achilles*

Director (External)
Kazumi Torii*

Director (External)
Naoaki Mashita*

Director
(Audit and Supervisory Committee member)
Tsutomu Kurai

Director
(Audit and Supervisory Committee member)
Shigenori Ikemura

Director
(Audit and Supervisory Committee member)
(External)
Junko Sasaki*

Director
(Audit and Supervisory Committee member)
(External)
Hidefumi Date*

Director
(Audit and Supervisory Committee member)
(External)
Kazuo Sakakibara*

Deputy Chairman
Kengo Noguchi

Senior Managing Executive Officer
Toshiya Shimobepu

Senior Managing Executive Officer
Kenji Kaiya

Managing Executive Officer
Keiichi Hamano

Managing Executive Officer
Hideshi Sano

Managing Executive Officer
Yasunaga Matsumoto

Managing Executive Officer
Masahiko Kitajima

Managing Executive Officer
Daisuke Maeda

Managing Executive Officer
Junya Ueda

Managing Executive Officer
Masaya Noda

Managing Executive Officer
Satoshi Kitai

Managing Executive Officer
Tetsuya Hiwatashi

Managing Executive Officer
Takumi Fujisawa

Managing Executive Officer
Nobuhisa Takahashi

Managing Executive Officer
Kazuhiko Kasuya

Managing Executive Officer
Takehiko Iwahara

Managing Executive Officer
Takafumi Arimura

Managing Executive Officer
Kouichi Kato

Managing Executive Officer
Takehiko Sakaue

Managing Executive Officer
Kazuteru Wakao

Managing Executive Officer
Yuki Takada

Managing Executive Officer
Atsushi Ueda

Managing Executive Officer
Junichiro Usui

Executive Officer
Miyo Yajima

Executive Officer
Hitoshi Kotaka

Executive Officer
Shinichi Tao

Executive Officer
Makito Oono

Executive Officer
Masatoshi Yoshikawa

Executive Officer
Hidehiro Miyahara

Executive Officer
Kenji Amihama

Executive Officer
Toru Masuda

Executive Officer
Yuuko Nishigaya

Executive Officer
Natsuki Kitaguchi

Executive Officer
Hiroshi Matsumoto

Executive Officer
Michihiro Ooishi

Executive Officer
Shigeyuki Oouchi

Executive Officer
Kouichi Taguchi

Executive Officer
Makoto Takamura

Executive Officer
Nobuo Murakami

Executive Officer
Hisato Nakano

Executive Officer
Chikako Matsumoto

Executive Officer
Kenichi Fujimura

Executive Officer
Masaya Yamashiro

Executive Officer
Tomoya Hirano

Executive Officer
Hideki Kiya

Executive Officer
Naoki Ishibe

Executive Officer
Hirohiko Doi

Executive Officer
Takahiro Yoshida

Executive Officer
Takahiro Ishige

Executive Officer
Hiroko Konishi

Executive Officer
Hiromu Horiike

Executive Officer
Hirohiko Shiroiwa

Executive Officer
Masanori Watanabe

Executive Officer
Yoshihiko Yanagi

Executive Officer
Toshiro Izumi

Executive Officer
Masaya Wada

Executive Officer
Yasuhiro Takeyama

Executive Officer
Akira Matsuo

Executive Officer
Akira Matsumoto

Executive Officer
Kiwafumi Shimizu

Executive Officer
Morito Matsumura

Executive Officer
Kiyotaka Maita

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

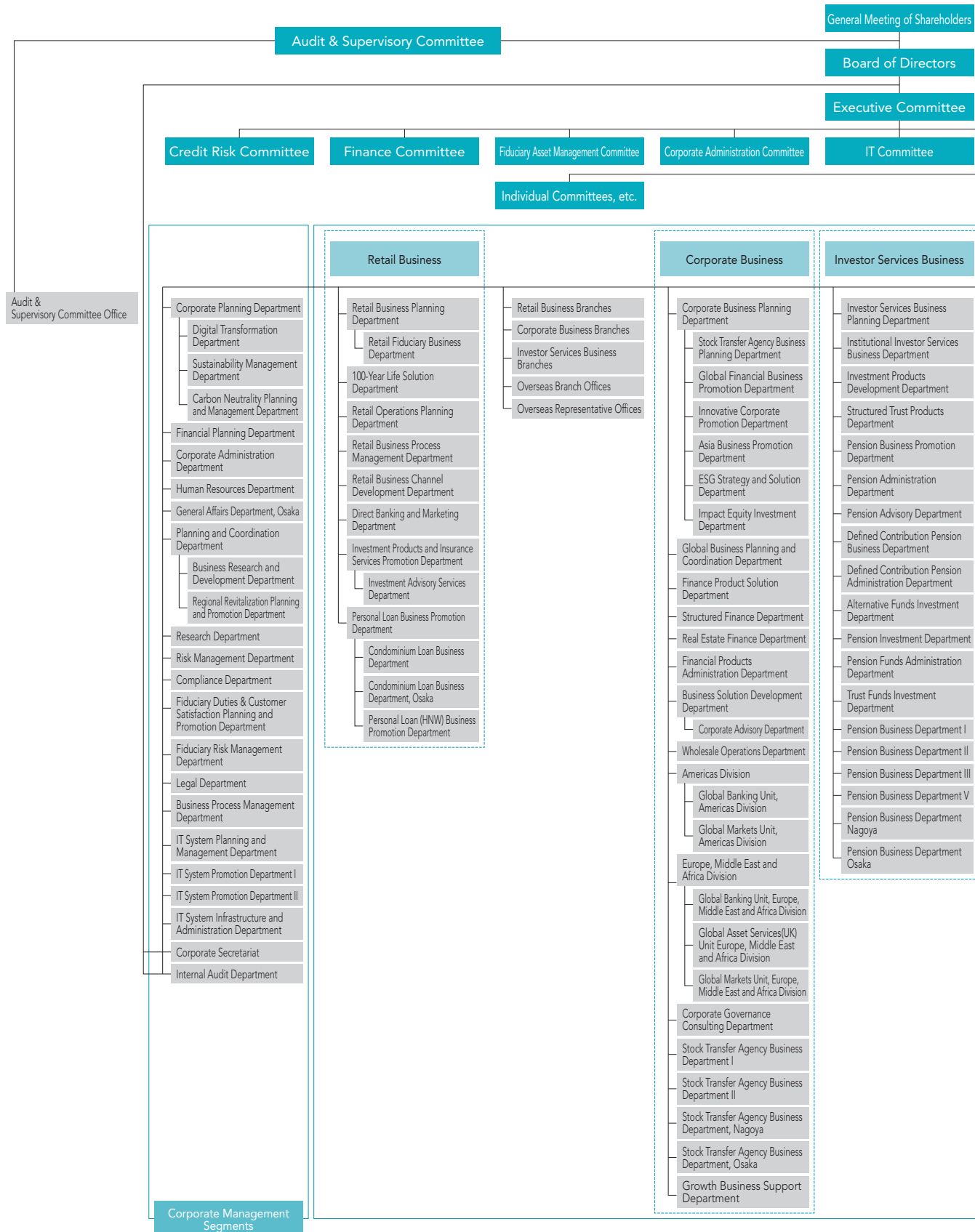
Employees (As of March 31, 2023)

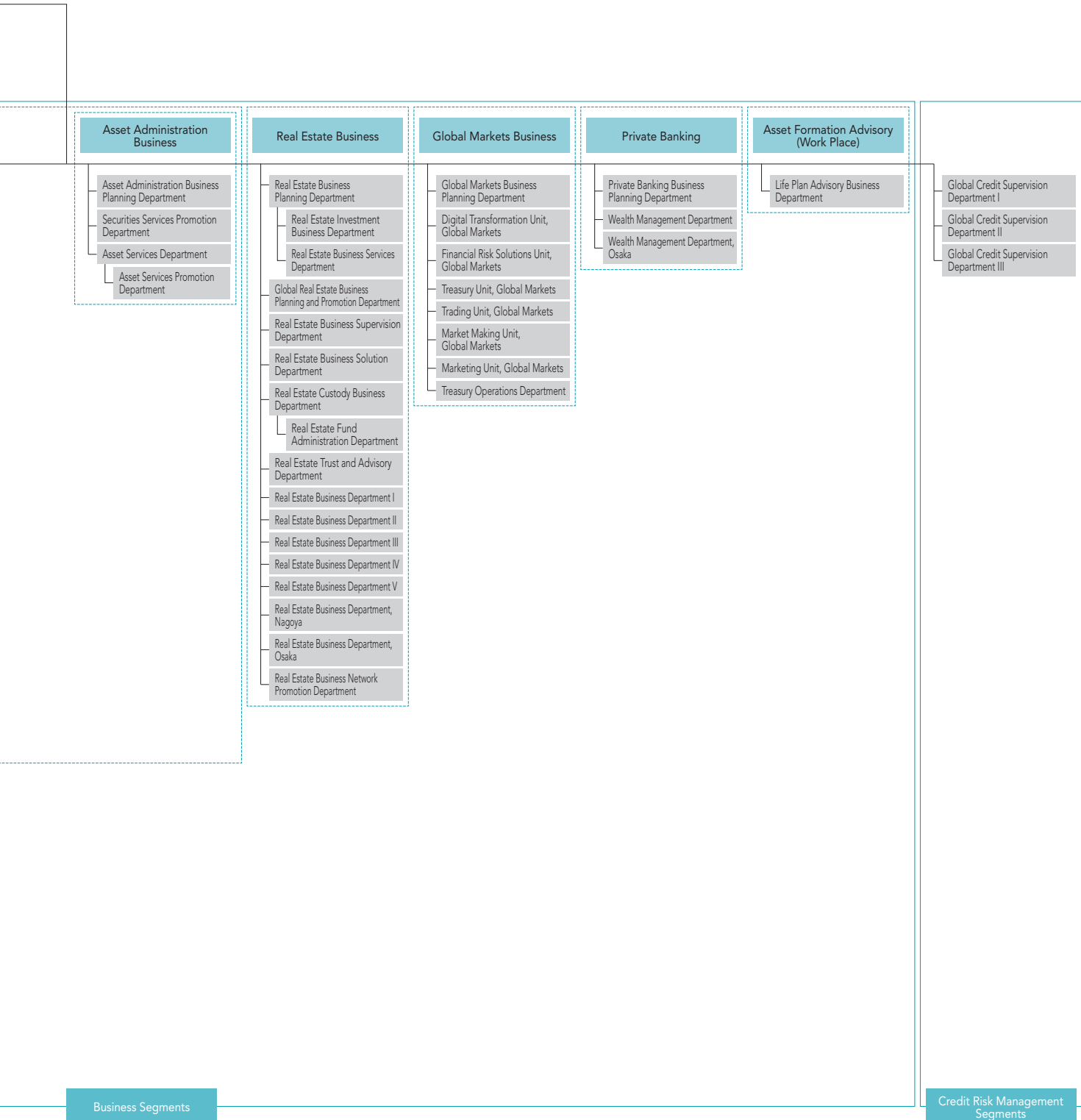
Category	March 31, 2023	March 31, 2022
Number of Employees	13,757	13,608
Average Age	41 years, 8 months	41 years, 7 months
Average Length of Employment	14 years, 6 months	14 years, 3 months
Average Annual Salary	¥7,158 thousand	¥6,956 thousand

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, 2023)

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, 2023)

... 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 Shimbashi (Shimbashi Sub-Branch, Tokyo Business Department)

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

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

7-1, Nishi Shimbashi 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, Taito-ku,
 Tokyo 110-0005, Japan

Meguro Branch

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

Omori Branch

1-1, Sanno 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, Kojima-cho 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-Chuo 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

17-1, Kamiogi 1-chome, Sugiyama-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

Kichijoji-Chuo Branch
 2-15, 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-Ekimae 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

2-1, Kashiwa 4-chome, Kashiwa,
Chiba 277-0005, 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, Sagamihara,
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

15-10, Kanayama 1-chome, Naka-ku, Nagoya,
Aichi 460-0022, Japan

Nagoya-Ekimae Branch

Meieki-Minami Branch

26-8, Meieki 3-chome, Nakamura-ku, Nagoya,
Aichi 450-0002, 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 510-0085, 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

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)

2-3, 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

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 2008, Building No. 2,
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, Summitas 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, 2023)

* 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.	110	60	41	76	51	1
Regional Banks	44	37	29	32	15	1
Second Regional Banks	15	9	6	12	9	—
Shinkin Central Bank, Shinkin Banks	39	12	3	24	27	—
Credit Union	8	—	—	8	—	—
Shoko Chukin Bank	1	1	—	—	—	—
City Banks, etc.	3	1	3	—	—	—
Securities Firms	7	1	4	6	—	—
Life Insurers and Business Enterprises	11	1	1	10	1	—
Total	128	62	46	92	52	1

Bank Service Agency (As of March 31, 2023)

Trade Name of Bank Service Agency	Business Offices, etc. Operating Bank Agency Service
SBI Sumishin Net Bank, Ltd.	Head Office, East Japan Operation Center, Shinjuku Business Headquarters, Ichigo Branch, Budou Branch, Mikan Branch, Lemon Branch, Ringo Branch, Banana Branch, Melon Branch, Kiwi Branch, Iruka Branch (12 Branches)
UBS AG (Bank) Tokyo Branch	Marunouchi Sub-branch, Osaka Sub-branch, Nagoya Sub-branch (3 Branches)
Sumitomo Mitsui Trust Life Partners Co., Ltd.	Consulting Plaza for Peaceful 100-Year life Shinjuku office, Consulting Plaza for Peaceful 100-Year life Nagoya office (2 Branches)

Subsidiaries and Affiliated Companies (As of June 30, 2023)

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, Shimbashi 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	Consulting 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, Banking Agency Services, Financial instruments intermediary services	100.0	—
Japan Extensive Infrastructure, Limited	4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo	February 21, 2023	¥ 200	Investment Advisory and Agency Business	90.0	—
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	55.5
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	5.0	95.0
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	—
HR One Corporation	5-12, Tsukiji 5-chome, Chuo-ku, Tokyo	May 20, 2002	¥ 603	HR-related Services Business	37.3	—
MFA, Inc.	10-5, Toranomon 1-chome, Minato-ku, Tokyo	March 1, 2022	¥ 60	Consulting Business	36.0	—
SBI Sumishin Net Bank, Ltd.	6-1, Roppongi 1-chome, Minato-ku, Tokyo	June 3, 1986	¥ 31,000	Banking Business	34.1	—
JP Asset Management Co., Ltd.	11-2, Nihonbashi-ningyocho 1-chome, Chuo-ku, Tokyo	August 18, 2015	¥ 500	Investment Management	30.0	—
Board Advisors Japan, Inc.	5-1, Otemachi 1-chome, Chiyoda-ku, Tokyo	November 9, 2018	¥ 102	Consulting, Recruitment Agency Business	25.4	—
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	¥ 50	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	—
SuMi TRUST Consulting (Beijing) Co., Ltd	Room 7009, Building No. 2, No. 26, Janguomenwai Dajie, Chaoyang District, Beijing 100022, People's Republic of China	February 1, 2021	RMB 4	Consulting 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.	23rd Floor, TNR Tower, 54A Nguyen Chi Thanh, Dong Da, Hanoi, 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 3,200	Trust Business	20.0	—
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 600	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 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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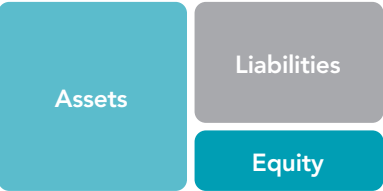
Financial Data:

How to Read the Financial Statements of Trust Banks

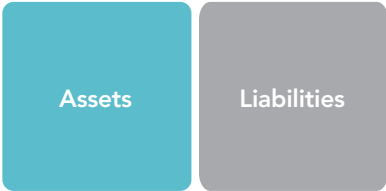
Balance Sheets of Trust Banks

(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

Overview of Business Activities of the Company

Economic and Financial Environment

In looking back on the financial and economic environment during the fiscal year under review, in overseas markets, signs of an economic slowdown grew stronger due to rising inflation and monetary tightening mainly in the West. In March 2023, rising interest rates triggered the collapse of a US regional bank, which in turn stoked broader concerns about the soundness of the financial system in Western countries. In Japan, even though business activity picked up overall, primarily in the service sector, weakness in exports emerged from around December 2022 in response to the deceleration of overseas economies and consumer spending was weighed down by rising commodity prices.

In the financial markets, fears of a global economic recession weighed on share prices and the Nikkei Stock Average maintained a weak undertone at around 27,000 yen. The yield on 10-year JGBs hovered close to 0.25%, the upper limit of the Bank of Japan's permissible trading range, but then advanced to around 0.50% when the BoJ widened the target range in December 2022. It then fell sharply back to around 0.30% in March 2023 due to growing speculation of a rate cut in the US by the end of 2023. Against the US dollar, the Japanese yen continued to weaken to around 150 yen in October 2022, reflecting the differences in the monetary policy stances of Japan and the US, but then strengthened to the 130 yen level when it became clear that inflation in the US had peaked.

Developments of Business Activities

SuMi TRUST Group's reason for existence ("Purpose") is creating new value with the power of trusts and let prosperous future for our clients and society bloom. Based on this purpose, we continue to advance our business operations.

Alongside developments in digitalization and the acceleration of corporate management practices that are focused on the SDGs and ESG issues, signs of an economic slowdown have grown stronger due to rising inflation and monetary tightening overseas as a result of skyrocketing prices for food and energy. In this environment and with a view to achieving our aforementioned stated purpose, we tackled the following three key topics in fiscal 2022, the final year of our Medium-Term Management Plan.

1. Strengthening our business portfolio to accelerate a virtuous cycle

With the aim of encouraging and leading various stakeholders to establish a virtuous cycle of funds, assets, and capital by providing high value-added products and services and investing in the creation of new value, SuMi TRUST Bank reorganized its business structure around individual, corporate, and investor clients.

For individual clients, SuMi TRUST Bank launched a smartphone app in April 2022 so that it can better support the asset formation efforts of a wide-range of clients as we approach the age of 100-year life. The Smart Life Designer app lets users view information about their deposits, stocks, and other financial assets, as well as their assets and liabilities, such as mortgage loans and pension details, all in one place. In this way, we are helping clients make life plans and build wealth in a methodical way.

UBS SuMi TRUST Wealth Management continues to provide optimal solutions to clients with wide-ranging and complex needs by fusing together the UBS Group's asset management and securities services and SuMi TRUST Group's various products and services in mainly inheritance, asset succession, and real estate fields.

SBI Sumishin Net Bank's smartphone app, which offers a level of convenience and security that only an online bank can provide, as well as the neobank services it delivers to partner companies for payments, deposits, lending, and other banking

functions, have been rated highly. As such, the number of SBI Sumishin Net Bank deposit accounts reached six million and total deposits exceeded eight trillion yen. In March 2023, SBI Sumishin Net Bank was listed on the Tokyo Stock Exchange's Standard Market. It will continue to collaborate with Group companies in an effort to create new financial services.

For corporate clients, given the growing importance of corporate management initiatives in the areas of ESG and sustainable management, the companies in SuMi TRUST Group worked together to expand the Group's lineup of solutions to support such actions as the transition to decarbonization, the development of governance frameworks, and human capital management.

SuMi TRUST Bank ramped up its impact equity investment initiative to support the adoption of next-generation energy and other cutting-edge technologies in society, as well as the decarbonization and energy transition efforts of companies.

In January 2023, SuMi TRUST Bank entered into a business alliance with Energy Capital Partners (ECP), a US-based private equity manager that specializes in electric power and environmental infrastructure. Not only will SuMi TRUST Bank expand and strengthen its transition-focused solutions by harnessing ECP's knowledge and investment know-how in the fields of energy and the environment, but it has also launched an initiative aimed at providing investment opportunities to clients through the creation of markets in the decarbonization space.

For investor clients such as corporate pensions, public pension fund, and financial institutions, we expanded our offerings of real estate, unlisted shares, and other private assets by capitalizing on the Group's ability to discover investment opportunities and develop products. SuMi TRUST Bank recorded growth in assets under management by continuing to develop and expand its range of alternative investment products for managing mainly non-traditional assets and real assets outside of stocks and bonds.

In the asset management business, under a Group-wide investment strategy, Sumitomo Mitsui Trust Asset Management focused on global engagement activities concerning climate change and forest conservation with an eye on global growth in ESG investments, while Nikko Asset Management 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, Custody Bank of Japan and SuMi TRUST Bank spearheaded efforts to strengthen functions and improve services, starting with the needs of clients. They also worked on bolstering their competitiveness by improving operational processes with the use of digital technology and streamlining and cutting costs by standardizing backbone systems.

2. Promoting strategic investments in pursuit of sustainable growth

We stepped up strategic investments in new growth opportunities and the creation of markets with the dual aim of helping to solve the issues faced by clients and society and ensuring the Group's own sustainable growth.

We formed a business alliance with the Apollo Group, an investment management firm with a world-class track record in managing alternative assets. SuMi TRUST Bank invested a total of 1.5 billion US dollars in a private asset portfolio managed by the Apollo Group. Improved access to overseas markets and the development of new investment products with the utilization of the Apollo Group's business platform and know-how enabled SuMi TRUST Bank to start enhancing its solutions through the creation of a market for, and more opportunities for investment in, private assets in Japan.

Meanwhile, in line with our policy of holding, in principle, no strategic shares as a conventional stable shareholder, SuMi TRUST Bank achieved its two-year target of reducing its strategic shareholdings by 100 billion yen on an acquisition cost basis after engaging in respectful dialogue with corporate clients. SuMi TRUST Bank is leveraging the investment capacity generated from the reduction of strategic shareholdings and making effective use of managerial resources for sustainable growth mainly by investing in impact equity to support, as an investor itself, climate change action and decarbonization measures. Also, as we look to push ahead with digital transformation, we signed a memorandum of understanding with Bitbank, Inc. to jointly examine the possibility of launching a custody service in the field of digital assets.

3. Enhancing and improving operational quality to live up to the fiduciary from our clients

(1) Improving operational quality

We have positioned, and are currently strengthening, operational quality as a key element in the Group's competitive advantage, which serves as the source of value provided to stakeholders.

From a defensive quality-enhancement standpoint of strengthening our governance system to mitigate or prevent risks, we heavily allocated human resources to, and invested in systems in, the area of risk management and compliance frameworks.

We are also implementing measures to improve quality with an offensive strategy in order to guarantee a level of service that exceeds client expectations by boosting productivity through the consolidation and standardization of work flow and with business process reforms based on client feedback.

(2) Promoting active HR participation and investing in human capital

The highly specialized work that is characteristic of the Group is underpinned by each and every employee and we recognize that giving employees the opportunities to unleash their full potential generates the value that we deliver to clients and society.

To generate further momentum in diversity, equity, and inclusion, we worked on developing environments and personnel systems that will empower women in the workplace, help employees balance childcare and nursing care with their working life, and contribute to improvements in human rights and equal rights for LGBTQ people. As a result, for the fifth straight year since 2019 we were listed by Bloomberg in the Bloomberg Gender-Equality Index in recognition of our initiatives to further gender equality.

In fields focusing on decarbonization and digitalization, for example, with the objective of assisting, from a financial perspective, innovation to help bring about a carbon-neutral society, we set up a Technology-based Finance Team of mainly doctoral-level science and engineering experts that possess technological know-how. We also continued to

build a diverse human resources portfolio by focusing our efforts on acquiring experts with specialized knowledge.

Also, as a way of investing more in human capital for our employees so they can help clients and society and create new value, we introduced a restricted stock compensation system as an incentive plan for employees of SuMi TRUST Bank.

(3) Sustainability management

In fiscal 2022 we announced details regarding the establishment of a milestone target for 2030 in line with the frameworks of the Net-Zero Banking Alliance (NZBA) and the Net Zero Asset Managers Initiative (NZAMI), as well as our initiatives that aim to harness the Group's functions to help achieve carbon neutrality.

We are also ramping up our positive impact finance service to continuously support activities that have positive impacts on the environment, society, and the economy, and expanding our offerings of various advisory products and services related to impact assessments. In recognition of these activities, we were awarded the Minister of the Environment Award in the general category in fiscal 2022 as a best case example for the Principles for Financial Action for the 21st Century.

Results of Business Activities

(Consolidated Financial Results for the Fiscal Year 2023)

For the fiscal year ended March 31, 2023, "Net Business Profit" decreased by ¥21.4 billion (U.S. \$161 million) from the previous fiscal year to ¥324.6 billion (U.S. \$2,431 million) because of a decrease in substantial funds-related income (*) primarily due to the overseas market-based higher interest rates, and an increase in "General and Administrative Expenses", while income from fees and commissions in the real estate brokerage business and the corporate credit business increased steadily.

"Ordinary Profit" increased by ¥56.1 billion (U.S. \$420 million) from the previous fiscal year to ¥285.8 billion (U.S. \$2,140 million), mainly due to improvements in "Net Gains on Stocks" and a decrease in "Total Credit Costs".

"Net Income Attributable to Owners of the Parent" increased by ¥21.9 billion (U.S. \$164 million) from the previous fiscal year to ¥191.0 billion (U.S. \$1,430 million), partly due to the extraordinary losses recorded by SuMi TRUST Bank, Limited, in connection with system renewal related to overseas business.

(*) Substantial funds-related income refers to funds-related income plus surplus funds in foreign currency included in foreign exchange gains or losses.

Major KPIs (Consolidated)

Years Ended March 31	Millions of Yen				Millions of U.S. Dollars	Millions of Yen		
	2023				2023	2023		2022
	Forecast	Changes from Previous Year	Forecast	Results	Results	Changes from Previous Year	Changes from Forecast	Results
Net Business Profit Before Credit Costs (Note 1)	¥ 320,000	¥ (4,641)	¥ 310,000	¥ 324,641	\$ 2,431	¥ (21,443)	¥ 14,641	¥ 346,085
Substantial Gross Business Profit (Note 1)	850,000	35,837	800,000	814,162	6,097	5,980	14,162	808,182
General and Administrative Expenses (Note 1)	(530,000)	(40,478)	(490,000)	(489,521)	(3,666)	(27,424)	478	(462,096)
Fee and Commission Income Ratio (%)				55.1%		1.1%		54.0%
Over Head Ratio (%)	62.4%	2.3%	61.3%	60.1%		3.0%	(1.2%)	57.1%
Return on Equity (%)				6.93%		0.68%		6.25%
Consolidated Equity Tier 1 Capital Ratio (%)				10.79%		(1.52)% (Note2)		12.31%

(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 consolidated equity Tier 1 capital ratio (calculated based on the finalization of the Basel III reforms) as of March 31, 2023 was 9.5%.

Consolidated BIS Capital Adequacy Ratio

Consolidated Equity Tier 1 capital ratio was 10.79%, Consolidated Tier 1 capital ratio was 12.01%, and Consolidated Total capital ratio was 13.24% as of March 31, 2023, exceeding the minimum regulatory requirements of 7.53%, 9.03%, and 11.03%, respectively.

The translation of Japanese yen amounts into U.S. dollar amounts in "Management's Discussion and Analysis" is included solely for the convenience of readers outside Japan. The translation has been made at the rate of ¥133.54 to U.S. \$1, the approximate rate of exchange as of March 31, 2023.

Operating Results (Consolidated)

Years Ended March 31	Millions of Yen			Millions of U.S. Dollars
	2023	2022	Changes	2023
Gross Profit (excluding Trust Account Credit Costs)	¥ 741,814	¥ 748,372	¥ (6,558)	\$ 5,555
General and Administrative Expenses (excluding non-recurring expenses)	(456,075)	(435,174)	(20,901)	(3,415)
Net Provision of General Allowance for Loan Losses (B)	3,563	14,341	(10,778)	27
Banking Account Credit Costs (C)	(15,164)	(57,554)	42,389	(114)
Reversal of Allowance for Loan Losses (D)	—	—	—	—
Recoveries of Written-Off Claims (E)	1,123	1,633	(509)	8
Net Gains (Losses) on Stocks and Other Securities	3,080	(38,337)	41,417	23
Net Income from Affiliated Companies Accounted for by the Equity Method	18,102	15,531	2,571	136
Impairment Loss	(18,187)	(1,468)	(16,718)	(136)
Others	(6,868)	(19,344)	12,475	(51)
Income Before Income Taxes	271,387	227,999	43,388	2,032
Net Income Attributable to Owners of the Parent	191,000	169,078	21,921	1,430
Total Credit Costs (A+B+C+D+E)	(10,477)	(41,579)	31,102	(78)
Net Business Profit Before Credit Costs	324,641	346,085	(21,443)	2,431

(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
	2023	2022	Changes	2023
Net Business Profit Before Credit Costs (Note 1)	¥ 324,641	¥ 346,085	¥(21,443)	\$ 2,431
Substantial Gross Business Profit (Note 1)	814,162	808,182	5,980	6,097
Substantial Interest Income (Note 2)	300,628	320,210	(19,582)	2,251
Interest Income	148,113	304,838	(156,725)	1,109
Profits Earned from Market Deployment of Surplus Foreign Currency Fund	152,515	15,371	137,143	1,142
Fees and Commissions Related Income	449,361	436,956	12,405	3,365
Other Income (excluding Profits Earned From Market Deployment of Surplus Foreign Currency Fund)	64,172	51,015	13,157	481
General and Administrative Expenses (Note 1)	(489,521)	(462,096)	(27,424)	(3,666)
Total Credit Costs	(10,477)	(41,579)	31,102	(78)
Net Gain (Loss) on Stocks and Other Securities	3,080	(38,337)	41,417	23
Other Non-recurring profits (Losses)	(31,403)	(36,464)	5,061	(235)
Ordinary Profit	285,840	229,704	56,136	2,140
Extraordinary Profits (Losses)	(14,453)	(1,704)	(12,748)	(108)
Income before Income Taxes	271,387	227,999	43,388	2,032
Total Income Taxes	(79,357)	(57,763)	(21,594)	(594)
Net Income Attributable to Non-Controlling Interests	(1,029)	(1,157)	127	(8)
Net Income Attributable to Owners of the Parent	191,000	169,078	21,921	1,430
Return on Equity (%)	6.93	6.25	0.68	
Dividends per Share of Common Stock (DPS)	210	170	40	
Earnings per Share of Common Stock (EPS)	517	451	65	
Total Number of Shares Outstanding (Million of Shares) (Note 3)	369.3	374.5	(5.2)	

(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.

Major Profit and Losses (Consolidated)

Years Ended March 31	Millions of Yen			Millions of U.S. Dollars
	2023	2022	Changes	2023
Interest Income	¥ 148,113	¥ 304,838	¥ (156,725)	\$ 1,109
Other Profits	216,687	66,386	150,301	1,623
Profits Earned from Market Deployment of Surplus Foreign Currency Fund	152,515	15,371	137,143	1,142
Profits other than Profits Earned from Market Deployment of Surplus Foreign Currency Fund	64,172	51,015	13,157	481

Interest income decreased by ¥156.7 billion (U.S. \$1,174 million) from the previous fiscal year to ¥148.1 billion (U.S. \$1,109 million), mainly due to the decline of positive effect of market conditions in the previous fiscal year. The substantial interest income, which includes profits earned from market deployment of surplus foreign currency fund decreased by ¥19.5 billion (U.S. \$147 million) from the previous fiscal year to ¥300.6 billion (U.S. \$ 2,251 million).

"Fees and Commissions Related Income" increased by ¥12.4 billion (U.S. \$93 million) from the previous fiscal year to ¥449.3 billion (U.S. \$3,365 million), due to a steady increase in fees and commissions in the real estate brokerage business and the corporate credit related business, while profits in the asset management business decreased due to factors such as declines in market prices.

"General and Administrative Expenses" increased by ¥27.4 billion (U.S. \$205 million) from the previous fiscal year to ¥489.5 billion (U.S. \$3,666 million), mainly due to an increase in investment in human capital and system related expenses, well as expenses linked to gross profit.

As a result, "Net Business Profit Before Credit Costs," which represents the actual profit level calculated by making necessary adjustments to the above results, decreased by ¥21.4 billion (U.S. \$161 million) from the previous fiscal year to ¥324.6 billion (U.S. \$2,431 million).

Credit Costs (Consolidated)

"Total Credit Costs" decreased by ¥31.1 billion (U.S. \$233 million) from the previous fiscal year to ¥10.4 billion (U.S. \$78 million) of losses, mainly because of a decrease in provision of allowance for loan losses.

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

"Net Gains (Losses) on Stock and Other Securities" arrived at ¥3.0 billion (U.S. \$22 million) of gain because of the recognition of gains on sale of strategic shareholdings of ¥83.8 billion (U.S. \$628 million) along with steady progress in reduction of strategic shareholdings, despite the realized losses of ¥79.3 billion (U.S. \$594 million), resulted from the reduction of hedge investment trusts for the purpose of reducing risks to the periodic profit or loss.

Extraordinary Gain and Losses (Consolidated)

"Extraordinary Gains and Losses" arrived at ¥14.4 billion (U.S. \$108 million) of losses, mainly because of the extraordinary losses of ¥15.9 billion (U.S. \$119 million) recorded by SuMi TRUST Bank, Limited, in connection with system renewal related to overseas business.

Financial Condition**Assets and Liabilities**

As of March 31, 2023, consolidated "Total Assets" were ¥69,022.7 billion (U.S. \$517 billion), an increase of ¥4,389.5 billion (U.S. \$329 billion), and consolidated "Total Net Assets" were ¥2,822.5 billion (U.S. \$21 billion), an increase of ¥77.2 billion (U.S. \$0.6 billion), compared with those as of the end of the previous fiscal year, respectively.

In particular, "Cash and Due from Banks" increased by ¥3,379.1 billion (U.S. \$25 billion) to ¥21,602.4 billion (U.S. \$162 billion), "Loans and Bills Discounted" increased by ¥934.4 billion (U.S. \$7 billion) to ¥31,810.9 billion (U.S. \$238 billion), "Securities" decreased by ¥946.1 billion (U.S. \$7 billion) to ¥6,933.0 billion (U.S. \$52 billion), and "Deposits" increased by ¥2,157.1 billion (U.S. \$16 billion) to ¥35,387.2 billion (U.S.

\$265 billion), compared with those as of the end of the previous fiscal year.

In the consolidated financial statements of SuMi TRUST Group, Cash and Due from Banks, credits on Loans and Bills Discounted and Securities, and reception of Deposits are mainly in Japanese yen. However, SuMi TRUST Group's policy is to balance the operations and financing in all currencies and to diversify and stabilize the funding base in foreign currencies through yen-based investment transactions by utilizing customer-related deposits and swap markets and issuance of bonds.

"Total Assets of Trust Accounts" were ¥256,225.7 billion (U.S. \$1,919 billion) as of March 31, 2023, an increase of

¥8,010.2 billion (U.S. \$60 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, 2023, 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, decreased by ¥65.2 billion (U.S. \$0.5 billion) from the end of the previous fiscal year to ¥134.2 billion (U.S. \$1 billion). The ratio of "Problem Assets under the Financial Reconstruction Act" to Total Balance decreased by 0.2% to 0.4% 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
	2023	2022	Changes	2023
Problem Assets under the Financial Reconstruction Act	¥ 134.2	¥ 199.4	¥ (65.2)	\$ 1
Total Balance	32,522.7	31,441.2	1,081.5	244
Ratio to Total Balance	0.4%	0.6%	(0.2)%	0.4%

Banking Account

Classification	Billions of Yen, Except for Percentages							
	Balance		Coverage Ratio		Collateral/Allowance		Allowance Ratio	
As of March 31	2023	2022	2023	2022	2023		2023	2022
Bankrupt and Practically Bankrupt Loans (A)	¥ 8.5	¥ 16.7	100%	100%	Specific Allowance Provided	¥ 3.0	100%	100%
					Covered by Collateral/Guarantee	5.4	—	—
Doubtful Loans (B)	86.1	117.0	74%	77%	Uncovered	21.9	62%	71%
					Specific Allowance Provided	36.8		
					Covered by Collateral/Guarantee	27.2	—	—
Substandard Loans (C)	39.5	64.9	48%	37%	Uncovered	20.3	22%	10%
					General Allowance Provided	5.8		
					Covered by Collateral/Guarantee	13.3	—	—
Total of (A), (B), and (C)	134.1	198.6						
Total Balance	32,512.2	31,427.9						
Ratio to Total Balance	0.4%	0.6%						

Principal Guaranteed Trust Account

Classification	Billions of Yen, Except for Percentages					
	Balance		Coverage Ratio		Collateral/Allowance	
As of March 31	2023	2022	2023	2022	2023	
Bankrupt and Practically Bankrupt Loans (A)	¥ —	¥ —		—	Covered by Collateral/Guarantee	¥ —
Doubtful Loans (B)	0.1	0.8	100%	100%	Covered by Collateral/Guarantee	0.1
Substandard Loans (C)	0.0	0.0	100%	100%	Covered by Collateral/Guarantee	0.0
Total of (A), (B), and (C)	0.1	0.8			Allowance for Jointly Operated Money Trusts	0.0
Total Balance	10.5	13.3				
Ratio to Total Balance	0.7%	5.8%				

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

Years Ended March 31	Percentage Points		
	2023	2022	Changes
Average Yield on Interest-Earning Assets (a)	0.53%	0.46%	0.07%
Loans and Bills Discounted (A)	0.63	0.63	(0.00)
Securities	1.91	1.15	0.76
Average Yield on Interest-Bearing Liabilities (b)	0.08	0.08	0.00
Deposits (B)	0.04	0.05	(0.01)
Gross Margin (a)–(b)	0.45	0.38	0.07
Loan-Deposit Margin (A)–(B)	0.59	0.58	0.01

Financial Summary:

Five-Year Summary

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		2023	2022	2021	2020	2019
As of the Year-End						
Assets:						
Cash and Due from Banks	¥	21,602,473	¥ 18,223,364	¥ 18,488,763	¥ 13,141,192	¥ 16,045,864
Call Loans and Bills Bought		24,006	5,000	8,766	71,236	50,124
Securities		6,933,067	7,879,235	6,983,483	6,437,599	5,759,504
Loans and Bills Discounted		31,810,926	30,876,507	30,506,968	29,703,375	29,025,720
Foreign Exchanges		47,445	29,494	25,396	36,952	36,936
Customers' Liabilities for Acceptances and Guarantees		562,523	541,228	511,782	518,811	557,007
Others		8,042,303	7,078,389	6,843,412	6,591,384	5,553,956
Total Assets		¥ 69,022,746	¥ 64,633,220	¥ 63,368,573	¥ 56,500,552	¥ 57,029,113
Liabilities:						
Deposits and Negotiable Certificates of Deposit	¥	42,848,293	¥ 39,818,106	¥ 40,628,273	¥ 36,549,212	¥ 38,232,195
Call Money and Bills Sold		1,912,878	799,524	60,675	142,974	72,793
Borrowed Money		6,039,543	7,153,498	5,782,602	5,856,384	4,023,801
Foreign Exchanges		847	1,275	577	3,213	457
Acceptances and Guarantees		562,523	541,228	511,782	518,811	557,007
Others		14,836,086	13,574,298	13,662,105	10,839,049	11,412,500
Total Liabilities		¥ 66,200,172	¥ 61,887,931	¥ 60,646,016	¥ 53,909,645	¥ 54,298,756
Net Assets:						
Shareholders' Equity	¥	2,587,824	¥ 2,517,528	¥ 2,416,003	¥ 2,334,377	¥ 2,242,982
Accumulated Other Comprehensive Income		204,259	198,028	277,756	220,889	410,478
Subscription Rights to Shares		945	1,006	1,024	1,057	1,062
Non-Controlling Interests		29,545	28,725	27,772	34,583	75,832
Total Net Assets		¥ 2,822,574	¥ 2,745,288	¥ 2,722,556	¥ 2,590,907	¥ 2,730,356
Total Liabilities and Net Assets		¥ 69,022,746	¥ 64,633,220	¥ 63,368,573	¥ 56,500,552	¥ 57,029,113
For the Year						
Income:						
Trust Fees	¥	109,721	¥ 110,539	¥ 102,883	¥ 99,816	¥ 103,911
Interest Income		660,308	375,659	363,749	489,366	507,007
Fees and Commissions		440,331	444,655	390,877	401,723	402,867
Trading Income		15,608	13,453	76	102,189	27,093
Other Ordinary Income		468,302	336,597	402,394	349,778	356,927
Other Income		129,767	120,731	158,185	95,680	71,626
Total Income		¥ 1,824,040	¥ 1,401,637	¥ 1,418,166	¥ 1,538,556	¥ 1,469,434
Expenses:						
Interest Expenses	¥	551,456	¥ 107,883	¥ 137,471	¥ 361,890	¥ 371,845
Fees and Commissions Payments		122,839	133,161	118,031	109,666	97,755
Trading Expenses		5,184	—	33,300	—	—
Other Ordinary Expenses		272,978	291,487	290,350	280,488	249,652
General and Administrative Expenses		460,336	435,567	431,422	433,455	431,151
Other Expenses		139,857	205,536	207,586	112,333	77,688
Total Expenses		¥ 1,552,653	¥ 1,173,637	¥ 1,218,163	¥ 1,297,834	¥ 1,228,093
Income before Income Taxes		271,387	227,999	200,003	240,721	241,340
Net Income		¥ 192,029	¥ 170,236	¥ 143,938	¥ 165,094	¥ 180,741
Per Share of Common Stock:						
Net Income per Share of Common Stock	¥	517.14	¥ 451.40	¥ 379.65	¥ 434.31	¥ 458.91
Diluted Net Income per Share of Common Stock		516.83	451.12	379.42	434.03	458.64
Net Assets per Share of Common Stock		7,686.52	7,249.70	7,192.07	6,822.48	7,008.67

1. SuMi Trust Holdings has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, June 17, 2021, "Guidance for Application of Fair Value Measurement") from the beginning of the current fiscal year ended March 31, 2023. The effect of applying "Guidance for Application of Fair Value Measurement" on Net Assets and Net Assets per Share of Common Stock is described in "Notes to Consolidated Financial Statements, Changes in Accounting Policies."
2. SuMi Trust Holdings has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29, March 31, 2020) and "Accounting Standard for Fair Value Measurement" (ASBJ Statement No.30, July 4, 2019) from the beginning of the fiscal year ended March 31, 2022. The amounts in "Five-Year Summary" have reflected those accounting standards after the fiscal year ended March 31, 2022.
3. For the purpose of accurately presenting credit risks with and without collateral for derivative transactions, financial assets and liabilities for derivative transactions measured at fair value are now presented on a gross basis based on the general rule from fiscal year ended March 31, 2022. To reflect this change in presentation, reclassifications have been made in the consolidated financial statements for the fiscal year ended March 31, 2021.
4. 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.

Financial Summary:

Five-Year Summary

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

Non-Consolidated Statements	Millions of Yen				
	2023	2022	2021	2020	2019
As of the Year-End					
Assets:					
Current Assets:	¥ 81,652	¥ 137,483	¥ 173,123	¥ 175,470	¥ 133,676
Cash and Due from Banks	5,632	18,978	2,541	2,349	2,110
Securities	59,000	104,000	164,000	129,000	100,000
Non-Current Assets	2,046,987	2,086,028	2,030,327	2,049,283	2,069,816
Investments and Other Assets	2,046,981	2,086,028	2,030,325	2,049,281	2,069,815
Total Assets	¥ 2,128,640	¥ 2,223,512	¥ 2,203,450	¥ 2,224,754	¥ 2,203,492
Liabilities:					
Current Liabilities	¥ 2,723	¥ 8,183	¥ 12,799	¥ 4,616	¥ 3,161
Non-Current Liabilities	605,450	645,303	620,209	650,093	651,610
Bonds Payable	590,000	630,000	610,000	640,000	641,600
Total Liabilities	¥ 608,173	¥ 653,486	¥ 633,009	¥ 654,709	¥ 654,771
Net Assets:					
Shareholders' Equity	¥ 1,519,521	¥ 1,569,019	¥ 1,569,417	¥ 1,568,986	¥ 1,547,658
Subscription Rights to Shares	945	1,006	1,024	1,057	1,062
Total Net Assets	¥ 1,520,466	¥ 1,570,025	¥ 1,570,441	¥ 1,570,044	¥ 1,548,721
Total Liabilities and Net Assets	¥ 2,128,640	¥ 2,223,512	¥ 2,203,450	¥ 2,224,754	¥ 2,203,492
For the Year					
Operating Income:	¥ 78,111	¥ 63,319	¥ 60,855	¥ 97,597	¥ 123,149
Dividends Received from Subsidiaries	71,279	58,154	56,256	95,851	121,832
Operating Expenses:	6,395	5,525	3,984	3,709	3,341
General and Administrative Expenses	6,395	5,525	3,984	3,709	3,341
Operating Profit	¥ 71,716	¥ 57,793	¥ 56,870	¥ 93,888	¥ 119,808
Non-Operating Income	¥ 6,746	¥ 6,715	¥ 7,891	¥ 8,183	¥ 7,709
Non-Operating Expenses	7,035	6,928	8,861	9,430	11,327
Income before Income Taxes	¥ 71,426	¥ 57,580	¥ 56,799	¥ 92,640	¥ 116,190
Net Income	¥ 71,257	¥ 57,620	¥ 56,637	¥ 93,858	¥ 127,717
Yen					
Per Share of Common Stock:					
Net Income per Share of Common Stock	¥ 192.93	¥ 153.83	¥ 151.21	¥ 250.04	¥ 337.06
Diluted Net Income per Share of Common Stock	192.81	153.74	151.12	249.87	336.86
Net Assets per Share of Common Stock	4,183.19	4,188.80	4,190.18	4,189.14	4,087.87

Financial Data:

Consolidated Balance Sheet

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
As of March 31, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Assets:			
Cash and Due from Banks	¥ 21,602,473	¥ 18,223,364	\$ 161,768
Call Loans and Bills Bought	24,006	5,000	180
Receivables under Resale Agreements	110,003	150,741	824
Receivables under Securities Borrowing Transactions	436,093	652,534	3,266
Monetary Claims Bought	970,058	854,093	7,264
Trading Assets (Notes 1 and 2)	1,514,603	967,565	11,342
Money Held in Trust	16,136	16,308	121
Securities (Notes 2 and 4)	6,933,067	7,879,235	51,918
Loans and Bills Discounted (Notes 3, 4 and 5)	31,810,926	30,876,507	238,213
Foreign Exchanges	47,445	29,494	355
Lease Receivables and Investment Assets (Note 4)	688,933	688,141	5,159
Other Assets (Notes 4, 8 and 14)	3,839,561	3,354,333	28,752
Tangible Fixed Assets (Note 6)	222,588	224,535	1,667
Intangible Fixed Assets (Note 7)	130,969	125,667	981
Assets for Retirement Benefits	232,625	192,223	1,742
Deferred Tax Assets	10,729	15,613	80
Customers' Liabilities for Acceptances and Guarantees	562,523	541,228	4,212
Allowance for Loan Losses	(129,998)	(163,369)	(973)
Total Assets	¥ 69,022,746	¥ 64,633,220	\$ 516,869
Liabilities:			
Deposits (Notes 4 and 9)	¥ 35,387,287	¥ 33,230,162	\$ 264,994
Negotiable Certificates of Deposit	7,461,005	6,587,944	55,871
Call Money and Bills Sold	1,912,878	799,524	14,324
Payables under Repurchase Agreements (Note 4)	1,030,780	1,485,033	7,719
Trading Liabilities (Note 1)	1,472,636	906,686	11,028
Borrowed Money (Notes 4 and 10)	6,039,543	7,153,498	45,226
Foreign Exchanges	847	1,275	6
Short-Term Bonds Payable	2,332,377	2,387,553	17,466
Bonds Payable (Note 11)	2,501,760	2,076,604	18,734
Borrowed Money from Trust Account (Note 12)	4,332,472	4,298,827	32,443
Other Liabilities (Notes 13 and 14)	3,038,112	2,312,326	22,751
Provision for Bonuses	19,136	21,087	143
Provision for Directors' Bonuses	402	181	3
Provision for Stocks Payment	1,064	732	8
Liabilities for Retirement Benefits	13,720	13,553	103
Provision for Reward Points Program	21,282	19,965	159
Provision for Reimbursement of Deposits	3,028	3,626	23
Provision for Contingent Losses	1,344	1,649	10
Deferred Tax Liabilities	65,585	44,081	491
Deferred Tax Liabilities for Land Revaluation (Note 6)	2,381	2,388	18
Acceptances and Guarantees	562,523	541,228	4,212
Total Liabilities	¥ 66,200,172	¥ 61,887,931	\$ 495,733
Net Assets:			
Total Shareholders' Equity:	¥ 2,587,824	¥ 2,517,528	19,379
Capital Stock	261,608	261,608	1,959
Capital Surplus	546,146	576,114	4,090
Retained Earnings	1,803,002	1,682,519	13,502
Treasury Stock	(22,933)	(2,714)	(172)
Total Accumulated Other Comprehensive Income:	204,259	198,028	1,530
Valuation Differences on Available-for-Sale Securities	258,240	277,617	1,934
Deferred Gains (Losses) on Hedges	(48,470)	(42,759)	(363)
Revaluation Reserve for Land (Note 6)	(6,855)	(6,839)	(51)
Foreign Currency Translation Adjustments	24,531	12,719	184
Remeasurements of Defined Benefit Plans	(23,187)	(42,708)	(174)
Subscription Rights to Shares	945	1,006	7
Non-Controlling Interests	29,545	28,725	221
Total Net Assets	¥ 2,822,574	¥ 2,745,288	21,137
Total Liabilities and Net Assets	¥ 69,022,746	¥ 64,633,220	\$ 516,869
	Yen		U.S. Dollars
Net Assets per Share of Common Stock	¥ 7,686.52	¥ 7,249.70	\$ 57.56

See accompanying notes.

The figures in U.S. dollars are converted from yen for the convenience of readers outside Japan at the rate of ¥133.54 to U.S. \$1.00, the exchange rate as of March 31, 2023.

Consolidated Statement of Income

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the fiscal years ended March 31, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Income:			
Trust Fees (Note 1)	¥ 109,721	¥ 110,539	\$ 822
Interest Income:	660,308	375,659	4,945
Interest on Loans and Discounts	425,715	260,871	3,188
Interest and Dividends on Securities	137,748	97,683	1,032
Interest on Call Loans and Bills Bought	1,316	685	10
Interest on Deposits with Banks	71,752	12,239	537
Other Interest Income (Note 2)	23,775	4,179	178
Fees and Commissions (Note 1)	440,331	444,655	3,297
Trading Income (Note 3)	15,608	13,453	117
Other Ordinary Income (Note 4)	468,302	336,597	3,507
Other Income (Note 5)	129,767	120,731	972
Total Income	¥ 1,824,040	¥ 1,401,637	\$ 13,659
Expenses:			
Interest Expenses:	¥ 551,456	¥ 107,883	\$ 4,130
Interest on Deposits	171,880	29,848	1,287
Interest on Negotiable Certificates of Deposit	139,247	6,787	1,043
Interest on Call Money and Bills Sold	1,202	481	9
Interest on Payables under Repurchase Agreements	32,286	1,665	242
Interest on Borrowings	13,968	4,635	105
Interest on Short-Term Bonds	55,767	3,271	418
Interest on Bonds	29,070	16,535	218
Other Interest Expenses (Note 2)	108,032	44,658	809
Fees and Commissions Payments	122,839	133,161	920
Trading Expenses (Note 3)	5,184	—	39
Other Ordinary Expenses (Note 4)	272,978	291,487	2,044
General and Administrative Expenses (Note 6)	460,336	435,567	3,447
Other Expenses (Note 5)	139,857	205,536	1,047
Total Expenses	¥ 1,552,653	¥ 1,173,637	\$ 11,627
Income before Income Taxes	¥ 271,387	¥ 227,999	\$ 2,032
Income Taxes:	79,357	57,763	594
Current	50,760	57,342	380
Deferred	28,597	420	214
Net Income	¥ 192,029	¥ 170,236	\$ 1,438
Net Income Attributable to Non-Controlling Interests	1,029	1,157	8
Net Income Attributable to Owners of the Parent	¥ 191,000	¥ 169,078	\$ 1,430
	Yen		U.S. Dollars
Net Income per Share of Common Stock	¥ 517.14	¥ 451.40	\$ 3.87
Diluted Net Income per Share of Common Stock	¥ 516.83	¥ 451.12	\$ 3.87

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, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Net Income	¥ 192,029	¥ 170,236	\$ 1,438
Other Comprehensive Income (Loss):			
Valuation Differences on Available-for-Sale Securities	(17,672)	(46,938)	(132)
Deferred Gains (Losses) on Hedges	(6,753)	135	(51)
Foreign Currency Translation Adjustments	8,584	4,045	64
Remeasurements of Defined Benefit Plans	19,517	(38,671)	146
Share of Other Comprehensive Income of Equity-Method Affiliated Companies	2,814	2,052	21
Total Other Comprehensive Income (Loss) (Note)	¥ 6,489	¥ (79,377)	\$ 49
Comprehensive Income:	¥ 198,519	¥ 90,859	\$ 1,487
Comprehensive Income Attributable to Owners of the Parent	¥ 197,246	¥ 89,451	\$ 1,477
Comprehensive Income Attributable to Non-Controlling Interests	1,272	1,407	10

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, 2023 and 2022

From April 1, 2022 to March 31, 2023

	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	¥ 576,114	¥ 1,682,519	¥ (2,714)	¥ 2,517,528
Changes during the Year					
Cash Dividends			(70,533)		(70,533)
Net Income Attributable to Owners of the Parent			191,000		191,000
Purchase of Treasury Stock				(50,364)	(50,364)
Disposal of Treasury Stock		(0)		142	141
Retirement of Treasury Stock		(30,003)		30,003	—
Purchase of Shares of Consolidated Subsidiaries		36			36
Reversal of Revaluation Reserve for Land			15		15
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	(29,968)	120,482	(20,218)	70,296
Balance at the End of the Year	¥ 261,608	¥ 546,146	¥ 1,803,002	¥ (22,933)	¥ 2,587,824

	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	¥ 277,617	¥ (42,759)	¥ (6,839)	¥ 12,719	¥ (42,708)	¥ 198,028	¥ 1,006	¥ 28,725	¥ 2,745,288
Changes during the Year									
Cash Dividends									(70,533)
Net Income Attributable to Owners of the Parent									191,000
Purchase of Treasury Stock									(50,364)
Disposal of Treasury Stock									141
Retirement of Treasury Stock									—
Purchase of Shares of Consolidated Subsidiaries									36
Reversal of Revaluation Reserve for Land									15
Net Changes of Items Other Than Shareholders' Equity	(19,376)	(5,710)	(15)	11,811	19,521	6,230	(61)	819	6,989
Total Changes during the Year	(19,376)	(5,710)	(15)	11,811	19,521	6,230	(61)	819	77,285
Balance at the End of the Year	¥ 258,240	¥ (48,470)	¥ (6,855)	¥ 24,531	¥ (23,187)	¥ 204,259	¥ 945	¥ 29,545	¥ 2,822,574

See accompanying notes.

From April 1, 2021 to March 31, 2022

	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	¥ 576,114	¥ 1,581,096	¥ (2,815)	¥ 2,416,003
Cumulative Effects of Changes in Accounting Policies			(9,636)		(9,636)
Restated Balance	261,608	576,114	1,571,460	(2,815)	2,406,367
Changes during the Year					
Cash Dividends			(58,119)		(58,119)
Net Income Attributable to Owners of the Parent			169,078		169,078
Purchase of Treasury Stock				(21)	(21)
Disposal of Treasury Stock		0		122	122
Retirement of Treasury Stock					—
Purchase of Shares of Consolidated Subsidiaries					—
Reversal of Revaluation Reserve for Land			100		100
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	0	111,059	101	111,160
Balance at the End of the Year	¥ 261,608	¥ 576,114	¥ 1,682,519	¥ (2,714)	¥ 2,517,528

	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	¥ 329,429	¥ (44,926)	¥ (6,739)	¥ 4,000	¥ (4,007)	¥ 277,756	¥ 1,024	¥ 27,772	¥ 2,722,556
Cumulative Effects of Changes in Accounting Policies								(0)	(9,636)
Restated Balance	329,429	(44,926)	(6,739)	4,000	(4,007)	277,756	1,024	27,772	2,712,920
Changes during the Year									
Cash Dividends									(58,119)
Net Income Attributable to Owners of the Parent									169,078
Purchase of Treasury Stock									(21)
Disposal of Treasury Stock									122
Retirement of Treasury Stock									—
Purchase of Shares of Consolidated Subsidiaries									—
Reversal of Revaluation Reserve for Land									100
Net Changes of Items Other Than Shareholders' Equity	(51,812)	2,166	(100)	8,719	(38,701)	(79,727)	(18)	953	(78,792)
Total Changes during the Year	(51,812)	2,166	(100)	8,719	(38,701)	(79,727)	(18)	953	32,368
Balance at the End of the Year	¥ 277,617	¥ (42,759)	¥ (6,839)	¥ 12,719	¥ (42,708)	¥ 198,028	¥ 1,006	¥ 28,725	¥ 2,745,288

See accompanying notes.

From April 1, 2022 to March 31, 2023

	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	\$ 1,959	\$ 4,314	\$ 12,599	\$ (20)	\$ 18,852
Changes during the Year					
Cash Dividends			(528)		(528)
Net Income Attributable to Owners of the Parent			1,430		1,430
Purchase of Treasury Stock				(377)	(377)
Disposal of Treasury Stock		(0)		1	1
Retirement of Treasury Stock		(225)		225	—
Purchase of Shares of Consolidated Subsidiaries		0			0
Reversal of Revaluation Reserve for Land			0		0
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	(224)	902	(151)	526
Balance at the End of the Year	\$ 1,959	\$ 4,090	\$ 13,502	\$ (172)	\$ 19,379

	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	\$ 2,079	\$ (320)	\$ (51)	\$ 95	\$ (320)	\$ 1,483	\$ 8	\$ 215	\$ 20,558
Changes during the Year									
Cash Dividends									(528)
Net Income Attributable to Owners of the Parent									1,430
Purchase of Treasury Stock									(377)
Disposal of Treasury Stock									1
Retirement of Treasury Stock									—
Purchase of Shares of Consolidated Subsidiaries									0
Reversal of Revaluation Reserve for Land									0
Net Changes of Items Other Than Shareholders' Equity	(145)	(43)	(0)	88	146	47	(0)	6	52
Total Changes during the Year	(145)	(43)	(0)	88	146	47	(0)	6	579
Balance at the End of the Year	\$ 1,934	\$ (363)	\$ (51)	\$ 184	\$ (174)	\$ 1,530	\$ 7	\$ 221	\$ 21,137

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, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Cash Flows from Operating Activities:			
Income before Income Taxes	¥ 271,387	¥ 227,999	\$ 2,032
Depreciation and Amortization	32,841	30,841	246
Impairment Losses	18,187	1,468	136
Amortization of Goodwill	8,001	7,882	60
Equity in Losses (Earnings) of Affiliated Companies	(18,102)	(15,531)	(136)
Increase (Decrease) in Allowance for Loan Losses	(33,371)	34,145	(250)
Increase (Decrease) in Provision for Bonuses	(1,951)	2,627	(15)
Increase (Decrease) in Provision for Directors' Bonuses	221	(38)	2
Increase (Decrease) in Provision for Stocks Payment	332	200	2
Decrease (Increase) in Assets for Retirement Benefits	(36,622)	39,540	(274)
Increase (Decrease) in Liabilities for Retirement Benefits	163	(338)	1
Increase (Decrease) in Provision for Reward Points Program	1,317	1,019	10
Increase (Decrease) in Provision for Reimbursement of Deposits	(598)	(511)	(4)
Increase (Decrease) in Provision for Contingent Losses	(305)	15	(2)
Interest Income	(660,308)	(375,659)	(4,945)
Interest Expenses	551,456	107,883	4,130
Loss (Gain) Related to Securities	17,340	55,500	130
Loss (Gain) on Money Held in Trust	71	257	1
Foreign Exchange Losses (Gains)	(158,496)	(184,288)	(1,187)
Loss (Gain) on Disposal of Fixed Assets	933	235	7
Net Decrease (Increase) in Trading Assets	(547,037)	(11,844)	(4,096)
Net Increase (Decrease) in Trading Liabilities	565,949	57,088	4,238
Net Decrease (Increase) in Loans and Bills Discounted	(934,418)	(369,539)	(6,997)
Net Increase (Decrease) in Deposits	2,157,125	(237,516)	16,153
Net Increase (Decrease) in Negotiable Certificates of Deposit	873,061	(572,650)	6,538
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowings)	(1,113,954)	1,415,895	(8,342)
Net Decrease (Increase) in Due from Banks (Excluding Due from the Bank of Japan)	59,878	(800,096)	448
Net Decrease (Increase) in Call Loans	(94,520)	51,543	(708)
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	216,441	75,155	1,621
Net Increase (Decrease) in Call Money	659,101	595,441	4,936
Net Decrease (Increase) in Foreign Exchange-Assets	(17,951)	(4,098)	(134)
Net Increase (Decrease) in Foreign Exchange-Liabilities	(427)	698	(3)
Net Decrease (Increase) in Lease Receivables and Investment Assets	(791)	7,031	(6)
Net Increase (Decrease) in Short-Term Bonds Payable	(55,175)	(157,495)	(413)
Increase (Decrease) in Straight Bonds-Issuance and Redemption	521,255	552,497	3,903
Net Increase (Decrease) in Borrowed Money from Trust Account	33,645	(616,380)	252
Interest Received	624,975	377,391	4,680
Interest Paid	(506,204)	(104,641)	(3,791)
Other, Net	259,976	(256,062)	1,947
Subtotal	¥ 2,693,425	¥ (64,331)	\$ 20,169
Income Taxes (Paid) Refunded	(77,212)	(55,931)	(578)
Net Cash Provided by (Used in) Operating Activities	¥ 2,616,213	¥ (120,263)	\$ 19,591

(Continued)

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Cash Flows from Investing Activities:			
Purchase of Securities	¥ (5,134,228)	¥ (9,173,484)	\$ (38,447)
Proceeds from Sales of Securities	1,931,779	4,226,468	14,466
Proceeds from Redemption of Securities	4,203,070	4,163,963	31,474
Increase in Money Held in Trust	—	(4,400)	—
Purchase of Tangible Fixed Assets	(8,658)	(8,882)	(65)
Proceeds from Sales of Tangible Fixed Assets	356	1,950	3
Purchase of Intangible Fixed Assets	(54,239)	(42,934)	(406)
Purchase of Shares of Affiliated Companies Accounted for Using the Equity Method	(1,441)	(41,987)	(11)
Proceeds from Sales of Shares of Affiliated Companies Accounted for Using the Equity Method	23,636	102	177
Net Cash Provided by (Used in) Investing Activities	¥ 960,275	¥ (879,205)	\$ 7,191
Cash Flows from Financing Activities:			
Proceeds from Subordinated Borrowings	—	5,000	—
Repayments of Subordinated Borrowings	—	(50,000)	—
Proceeds from Issuance of Subordinated Bonds and Bonds with Subscription Rights to Shares	19,888	19,898	149
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares	(116,100)	(41,500)	(869)
Proceeds from Share Issuance to Non-Controlling Shareholders	40	—	0
Cash Dividends Paid	(70,518)	(58,115)	(528)
Cash Dividends Paid to Non-Controlling Interests	(456)	(342)	(3)
Purchase of Treasury Stock	(50,364)	(21)	(377)
Proceeds from Sales of Treasury Stock	1	0	0
Net Cash Provided by (Used in) Financing Activities	¥ (217,509)	¥ (125,079)	\$ (1,629)
Effect of Exchange Rate Change on Cash and Cash Equivalents	¥ 80,007	¥ 59,053	\$ 599
Net Increase (Decrease) in Cash and Cash Equivalents	¥ 3,438,987	¥ (1,065,495)	\$ 25,752
Cash and Cash Equivalents at the Beginning of the Year	¥ 15,733,650	¥ 16,799,146	\$ 117,820
Cash and Cash Equivalents at the End of the Year (Note)	¥ 19,172,638	¥ 15,733,650	\$ 143,572

See accompanying notes.

Financial Data:

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 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 ¥133.54 to U.S. \$1, the approximate rate of exchange as of March 31, 2023. 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, 2023:**

58 companies

Principal Company:

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

Nikko Asset Management Co., Ltd.

Sumitomo Mitsui Trust Asset Management Co., Ltd.

Sumitomo Mitsui Trust Loan & Finance Co., Ltd.

Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.

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

Japan Extensive Infrastructure, Limited is newly established and included in the scope of the consolidation from the fiscal year ended March 31, 2023.

STB Finance Cayman Limited and one other company are

excluded from the scope of consolidation effective from the fiscal year ended March 31, 2023, due to liquidation.

(2) Unconsolidated Subsidiaries

Principal Companies:

Cattleya Co., Ltd.

Apollo Aligned Alternatives (C-2), L.P.

Cattleya Co., Ltd. and 10 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.

Apollo Aligned Alternatives (C-2), 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:**

30 companies

Principal Companies:

Custody Bank of Japan, Ltd.

SBI Sumishin Net Bank, Ltd.

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

MFA, Inc. is included in the scope of application of the equity method effective from the fiscal year ended March 31, 2023, due to the acquisition of its shares.

Yuryo Loan Co., Ltd. and three other companies are excluded from the scope of the application of the equity method effective from the fiscal year ended March 31, 2023, as the influence of SuMi TRUST Holdings and its subsidiaries has decreased.

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

Cattleya Co., Ltd.

Apollo Aligned Alternatives (C-2), L.P.

Cattleya Co., Ltd. and 10 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.

Apollo Aligned Alternatives (C-2), 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
August 31:	1 company
September 30:	4 companies
November 30:	1 company
December 31:	6 companies
March 31:	44 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 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, 2023, 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, 2023 and 2022.

Regarding valuation of specific market risks and credit risks for derivative transactions, fair value is measured in groups of financial assets and financial liabilities with the basis of the net asset or liability after offsetting financial assets and financial liabilities.

(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 valued at the market price (cost of securities sold is calculated using primarily the moving-average method). Equity securities with no market prices 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.

Regarding valuation of specific market risks and credit risks, fair value is measured in groups of financial assets and financial liabilities with the basis of the net asset or liability after offsetting financial assets and financial liabilities.

(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

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" 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 ("bankrupt borrowers") and against borrowers that are in substantially similar adverse condition ("virtually bankrupt borrowers"), 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 ("possibly bankrupt borrowers"), 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 possibly bankrupt 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 or three years, which are calculated based on the average historical loan-loss ratios or bankruptcy ratios during a certain period on the basis of historical loan losses or bankruptcy losses over the past one or three years, then adjusted based on future forecast.

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, etc. 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 bankrupt borrowers or virtually bankrupt borrowers with collateral or guarantees, claims against borrowers in legal or virtually bankrupt borrowers, 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 ¥18,210 million (U.S. \$136 million) and ¥23,943 million as of March 31, 2023 and 2022, respectively.

(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

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 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, 2023, 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: In principle, the full amount of past service cost is charged to profit or loss in the fiscal year they occur.

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) Basis for Recognition of Significant Revenues and Expenses

SuMi TRUST Group's main revenues from contracts with customers are "Trust Fees" and "Fees and Commissions" such as asset management and administration fees, stock transfer agency fees, real estate brokerage fees, and investment trust and insurance sales fees.

The timing of satisfying performance obligation in each transaction is determined based on the respective economic conditions as follows. The amount of consideration for transactions is generally received within approximately six months after the satisfaction of performance obligations and does not include significant financing components.

Trust fees and asset management and administration fees are recorded mainly in the "Investor Services Business," "Asset Management Business," and "Retail Business." SuMi TRUST Group is obligated to perform asset management and administrative services in accordance with the terms of trust agreements and various contracts. SuMi TRUST Group recognizes revenues from these performance obligations over a period of time since the benefits are expensed by the customer as the daily services are provided.

Stock transfer agency fees are mainly recorded in the "Wholesale Business." SuMi TRUST Group is obligated to perform shareholder registry management services and the like in accordance with agreement on entrustment of management of shareholder registry and the like. SuMi TRUST Group recognizes revenues from this performance obligation over a period of time since the benefits are expensed by the customer as the daily services are provided.

Real estate brokerage fees are recorded mainly in the "Real Estate Business." SuMi TRUST Group is obligated to perform real estate brokerage services based on real estate brokerage contracts. Revenues are recognized when the performance obligation is satisfied at the time when the real estate sales contract is executed or when the property is delivered. The timing of satisfying performance obligation is determined based on the significance of the duties after the execution of the real estate sales contract.

Fees on sales of investment trusts and insurance are mainly recorded in the "Retail Business." SuMi TRUST Group is obligated to provide product explanations and sales administrative services based on the terms and conditions of transactions and consignment agreements. Revenues are

recognized when the performance obligation is satisfied at the time of product sale.

(14) 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 as of 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.

(15) 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.

(16) 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 Committee Practical Guidance No. 24 of March 17, 2022, "Guidance 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 rate volatility factors for the hedged items and the hedging instruments.

(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 Committee Practical Guidance No. 25 of October 8, 2020, "Guidance 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 currency-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 currency-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 currency-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 Guidance No. 24 and Guidance 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.

(17) 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.

(18) 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).

(19) Nondeductible Consumption Taxes Associated with Assets

Nondeductible consumption taxes and local consumption taxes associated with assets are recorded as expenses in the current fiscal year.

(20) Adoption of Group Tax Sharing System

SuMi TRUST Holdings adopts the group tax sharing system.

(21) Adoption of Accounting Treatment and Disclosure Under Group Tax Sharing System

SuMi TRUST Holdings and some of its consolidated subsidiaries in Japan have shifted from the consolidated taxation system to the group tax sharing system effective from the current fiscal year. In accordance with this change, the treatment of accounting and disclosure of corporate taxes, local corporate taxes, and tax effect accounting under the group tax sharing system are in accordance with "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (Accounting Standards Board of Japan (ASBJ) Practical Issues Task Force (PITF) No.42, August 12, 2021, "ASBJ PITF No.42"). In accordance with Paragraph 32 (1) of ASBJ PITF No.42, the change in accounting policy resulting from the adoption of ASBJ PITF No.24 is not expected to have any effect on the consolidated financial statements.

Significant Accounting Estimates**1. Estimates of Allowance for Loan Losses**

(1) The Amounts Recorded in the Consolidated Financial Statements during the Fiscal Year Ended March 31, 2023 and 2022:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Allowance for Loan Losses	¥ 129,998	¥ 163,369	\$ 973

(2) Other Information that Assists Users of the Consolidated Financial Statements in Understanding the Nature of the Estimates

SuMi TRUST Bank assigns each borrower a "classification" in accordance with the borrower's solvency based on their financial conditions, funding stability, profitability, and others whenever there is disclosure of financial results or an event with an impact on the borrower's creditworthiness. SuMi TRUST Bank measures allowance for loan losses based on the "classification" assigned and transaction conditions of collateral and other factors. When deriving the "classification," quantitative as well as qualitative factors are taken into consideration.

Definition of each classification is as follows:

Classification	Definitions
Normal borrowers	Borrowers with good earnings performances and no significant financial problems
Borrowers requiring caution	Close monitoring is required due to sluggish/unstable business, financial problems, or problems with meeting loan terms and conditions such as reduction of interest rate and suspended payments
Substandard borrowers	Obligors with loans that are more than three months past due or with restructured loans within the "Borrowers Requiring Caution" category
Possibly bankrupt borrowers	Experiencing business difficulties, making insufficient progress in restructuring and highly likely to go bankrupt
Virtually bankrupt borrowers	Though not yet legally or formally bankrupt, has serious business difficulties and rehabilitation is unlikely
Bankrupt borrowers	Legally or formally bankrupt

The standard for allowances for loan losses for each classification is as follows:

Classification	Standards for allowances for loan losses
Normal borrowers	The allowance for loan losses is provided based on the estimated loan loss ratio, which is calculated based on the average historical loan-loss ratios during a certain period on the basis of historical loan losses over the past one year.
Borrowers requiring caution and Substandard borrowers	The allowance for loan losses is provided based on the estimated loan loss ratio, which is calculated based on the average historical loan-loss ratios or bankruptcy ratios during a certain period on the basis of historical loan losses or bankruptcy losses over the past three years. For some 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").
Possibly bankrupt borrowers	The 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 some 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").
Virtually bankrupt borrowers and Bankrupt borrowers	The allowance is provided based on the amount of claims, net of the expected amount of recoveries from collateral and guarantees. For claims against borrowers who are legally bankrupt or virtually bankrupt with collateral or guarantees, the 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.

For normal borrowers, borrowers requiring caution and substandard borrowers, changes in the loan loss ratios, etc.

have an impact on the allowance for loan losses. For possibly bankrupt borrowers, virtually bankrupt borrowers, and bankrupt borrowers, changes in the amount expected to be collected through the disposal of collateral or execution of guarantees have a significant impact on the allowance for loan losses.

(3) Adjustments of Expected Credit Losses Considering the Future Forecast

SuMi TRUST Bank and Sumitomo Mitsui Trust Panasonic Finance Co., Ltd. estimate the impact on credit risks that have not yet been reflected in the financial information and historical loan-loss ratios, etc. of the borrowers and make necessary adjustments to expected future credit losses, considering the impact of the changes in the current economic environment on the future business performance and funding of borrowers.

(Fiscal year ended March 31, 2022)

SuMi TRUST Bank identified industries that may have been affected by downturn of business performance due to the spread of COVID-19 and the international situation surrounding Ukraine, and other factors. An "additional allowance for loan losses based on the method considering future forecast" ("special allowance") has been recognized for certain credits in the industries.

Sumitomo Mitsui Trust Panasonic Finance Co., Ltd. identified industries that may have been affected by downturn of business performance due to the spread of COVID-19. Special allowance is recognized for certain credit in the industries by estimating the credit losses expected in the future, assuming that internal ratings would be downgraded to some extent depending on the degree of prospects for recovery.

(Fiscal year ended March 31, 2023)

SuMi TRUST Bank has determined that concerns over worsening future business performance and funding of borrowers caused directly by COVID-19 and the international situation surrounding Ukraine, and other factors have diminished.

On the other hand, in the current economic environment, there are signs of economic slowdown overseas, mainly in Europe and the United States, due to high inflation and monetary tightening. In Japan, rising prices are weighing on personal consumption. The financial markets are also in a phase of significant change with expanding yields volatility on 10-year government bonds and dollar-yen exchange rate.

Against the backdrop of the significant changes in the economic environment described above, SuMi TRUST Bank is reconsidering its credit management policy for credit risk management. Based on this, SuMi TRUST Bank selects "borrowers that contain the possibility of incurring credit cost due to changes in the business environment," and strengthens monitoring of such borrowers.

Considering this, SuMi TRUST Bank reconsidered the credit risk applicable to the special allowance and recorded a special allowance for the credit of the above-mentioned borrowers to reflect credit risk not yet reflected in the financial information and historical loan-loss ratios, etc. of the borrowers.

The specific calculation methods are as follows:

1. Predict the future transition of internal ratings based on quantitative information, etc., assuming the degree of deterioration in future credit risk for each internal rating of selected borrowers.
2. Recognize special allowance by estimating credit losses expected in the future, assuming the transition of internal rating as described above.

On the other hand, Sumitomo Mitsui Trust Panasonic Finance Co., Ltd. re-evaluated the special allowance based on the same method as of the fiscal year ended March 31, 2022, since its business and borrowers have different attributes and that some of its borrowers are still suffering the effects of deteriorating business performance due to the spread of COVID-19.

The special allowance recorded based on the above is as follows:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Adjustments for the impact of the prolonged outbreak of COVID-19			
SuMi TRUST Bank	¥ — (*)	¥ 16,481	\$ — (*)
Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.	2,963	4,541	22
Adjustments based on the credit risk information in the credit management policy which is revised in light of environmental changes			
SuMi TRUST Bank	16,539	—	124
Total	¥ 19,503	¥ 21,022	\$ 146

(*) SuMi TRUST Bank has determined that concerns over deterioration of the future business performance and funding of borrowers, which are directly caused mainly by the prolonged epidemic of COVID-19, have diminished; therefore, no adjustments were made to the expected credit losses as a result of this impact.

There is a high level of uncertainty about the assumptions used to recognize a special allowance, and the consolidated financial statements can be significantly affected if there is a change in the impact on the business performance and funding of borrowers due to the change in economic environment.

2. Estimates of Retirement Benefit Obligations

- (1) The Amounts Recorded in the Consolidated Financial Statements during the Fiscal Year Ended March 31, 2023 and 2022:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Retirement Benefit Obligations	¥ 382,087	¥ 423,883	\$ 2,861

The amounts of assets for retirement benefits and liabilities for retirement benefits recorded in the consolidated financial statements for the fiscal year ended March 31, 2023 were ¥232,625 million (U.S. \$1,742 million) and ¥13,720 million (U.S. \$103 million), respectively. The net amount of ¥218,904 million (U.S. \$1,639 million) was calculated by deducting plan assets of ¥600,992 million (U.S. \$4,500 million) from retirement benefit obligations of retirement benefit plans with and without plan assets of ¥368,367 million (U.S. \$2,758 million) and ¥13,720 million (U.S. \$103 million), respectively.

- (2) Other Information that Assists Users of the Consolidated Financial Statements in Understanding the Nature of the Estimates

Retirement benefit obligations, plan assets, and retirement benefit expenses are calculated based on assumptions used in actuarial calculation. These assumptions include discount rate, expected long-term rate of return on plan assets, employee turnover rate, and mortality rate.

Major assumptions used in actuarial calculation are as follows:

Discount rate	Expected long-term rate of return on plan assets
Mainly 1.2%	3.6%

SuMi TRUST Bank, which accounts for 94.2% of asset retirement obligations of SuMi TRUST Group, has set a discount rate based on the interest rates of high-quality domestic corporate bonds whose maturities are equal to the expected period up to the payment of salaries in the future.

The expected long-term rate of return on plan assets is determined by evaluating the historical results of operation and the expected interest rate in the future. The expected

long-term rate of return on plan assets is the weighted average rate of expected long-term rates of return on plan assets by groups of investment assets such as stocks and bonds.

(3) Impact of Changes in Assumptions on the Consolidated Financial Statements

The assumptions described in (2) will have a significant impact on retirement benefit obligations and retirement benefit expenses. The impacts on the consolidated financial statements when each of the discount rate and the expected long-term rate of return on plan assets of SuMi TRUST Bank changes by 0.5% are as follows:

	Impact on retirement benefit expenses	Impact on retirement benefit obligations
Discount rate:		
0.5% decrease	¥2,100 million increase	¥27,489 million increase
0.5% increase	¥1,884 million decrease	¥24,504 million decrease
Expected long-term rate of return on plan assets:		
0.5% decrease	¥2,953 million increase	—
0.5% increase	¥2,953 million decrease	—

3. Impairment of Fixed Assets

(1) The Amount Recorded during the Fiscal Year Ended March 31, 2023

SuMi TRUST Bank has been proceeding with a development project aimed at introducing a new accounting system for overseas components (the "System") for the purpose of maintaining and expanding overseas business. However, SuMi TRUST Bank has decided to change the renewal plan that assumes the introduction of the comprehensive package system currently under development, and to consider a new renewal plan that assumes the introduction of an alternative system for each service line. SuMi TRUST Bank has determined that some service lines of the System are abandoned or expected to have no use in the future because it is difficult to continue business with the System.

SuMi TRUST Bank has considered that there are impairment loss indicators as the decision falls under (2) Identification of Impairment Indicators described below, "when there is a change in the usage for the asset group that significantly reduces the recoverable amount."

As a result, some service lines of the System are expected to have no use in the future; therefore, the recoverable

amount is zero, and an impairment loss of ¥15,904 million (U.S. \$ 119 million) was recorded for the carrying amounts of the software in the target business areas, which occupy the majority of the development of the System.

(2) Other Information that Assists Users of the Consolidated Financial Statements in Understanding the Nature of the Estimates

(Identification of Impairment Indicators)

SuMi TRUST Holdings identifies an impairment indicator when an asset group falls under any of the following criteria. For assets that are not expected to be used, individual assets are subject to assessment:

- When gains and losses or cash flow from operating activities continues to be negative, or is expected to continue to be negative;
- When there is a change in the usage for the asset group that significantly reduced the recoverable amount;
- When the business environment in relation to the asset group has significantly deteriorated or is expected to deteriorate; and
- When the market price of the asset group decreased significantly.

(Recognition and Measurement of Impairment Losses)

For asset groups with indications of impairment, SuMi TRUST Bank determines whether impairment losses should be recognized by comparing the total undiscounted future cash flows with the asset's carrying amount. If the total amount of the cash flows is less than the carrying amount, the carrying amount is reduced to the recoverable amount and an impairment loss is recognized.

Changes in Accounting Policies

Application of Implementation Guidance on Accounting Standard for Fair Value Measurement

SuMi TRUST Holdings has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (Accounting Standards Board of Japan Guidance No.31, June 17, 2021, hereinafter referred to as the "Guidance for Application of Fair Value Measurement") since the beginning of the current fiscal year ended March 31, 2023. In accordance with the transitional treatment specified in Paragraph 27-2 of the Guidance for Application of Fair Value Measurement, SuMi TRUST Holdings has applied the new accounting policy stipulated by the Guidance on the Standard for Fair Value Measurement prospectively. Thus, some of the investment trusts, which were previously stated at the acquisition cost on the consolidated balance sheet,

are now measured at fair value based on factors, such as the net asset value.

As a result, Securities, Valuation Differences on Available-for-Sale Securities, and Deferred Tax Liabilities as of March 31, 2023, increased by ¥7,590 million, ¥5,266 million, and ¥2,324 million, respectively. The effect of this change on per share information for the current fiscal year ended March 31, 2023, is immaterial.

Information on investment trusts for the fiscal year ended March 31, 2022, is not presented in “Fair Values of Financial Instruments and Breakdown by Input Level” in the note for “Financial Instruments” in accordance with the measures specified in Paragraph 27-3 of the Guidance for Application of Fair Value Measurement.

New Accounting Standards and Interpretations Not Yet Adopted

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

- Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022)
- Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, October 28, 2022)
- Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022)

(1) Overview

The above standards and guidance provide the treatments for classification of income taxes when taxed on other comprehensive income and the tax effect on sales of shares of subsidiaries, etc. when the Group tax sharing system is applied.

(2) Effective date

Effective from the beginning of the fiscal year ending March 31, 2025.

(3) Effects of the application of the standards

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

Additional Information

Share Delivery Trust for the Directors

1. Overview

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 as defined 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 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 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 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, 2023 and 2022, were ¥1,272 million (U.S. \$10 million) and 371 thousand shares, and ¥1,344 million and 392 thousand shares, respectively. The shares are recorded as treasury stock in the net assets section of the consolidated balance sheet as of March 31, 2023.

RS Trust for Employees

1. Overview

SuMi TRUST Holdings introduced RS Trust (a system to deliver Restricted Stocks (“RS”) using the framework of a share delivery trust, the “System”) as an incentive plan for the employees of SuMi TRUST Bank.

The purpose of the System is that SuMi TRUST Holdings boosts investment in human capital, which plays an essential role in creating social and economic value and enhances the corporate value of SuMi TRUST group through contribution to our clients and society and creation of new value.

SuMi TRUST Holdings contributes money to a trust set up under the System, and the trust acquires shares of SuMi TRUST Holdings. Employees are awarded points based on the Shares Delivery Rules established individually by SuMi TRUST Bank and the number of shares of SuMi TRUST Holdings corresponding to the points granted are issued to Employees through the trust. However, such shares shall be subject to restrictions on transfers to each employee until their retirement.

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, 2023, were ¥1,386 million (U.S. \$10 million) and 324 thousand shares. The shares are recorded as treasury stock in the net assets section of the consolidated balance sheet as of March 31, 2023.

Notes to the Consolidated Balance Sheet

1. Trading Assets and Trading Liabilities

(1) Trading assets as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Securities in Trading Account	¥ 2,904	¥ 5,018	\$ 22
Derivatives of Trading Securities	14	47	0
Derivatives of Securities Related to Trading Transactions	880	25	7
Trading-Related Financial Derivatives	1,447,810	954,675	10,842
Other Trading Assets	62,992	7,799	472
Total	¥ 1,514,603	¥ 967,565	\$ 11,342

(2) Trading liabilities as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Derivatives of Securities Related to Trading Transactions	¥ 20	¥ 617	\$ 0
Trading-Related Financial Derivatives	1,472,616	906,069	11,028
Total	¥ 1,472,636	¥ 906,686	\$ 11,028

2. Securities

Securities held as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Government Bonds	¥ 1,549,273	¥ 2,839,688	\$ 11,602
Local Government Bonds	38,117	33,919	285
Corporate Bonds	722,507	730,020	5,410
Stocks	1,358,476	1,511,056	10,173
Other Securities	3,264,691	2,764,551	24,447
Total	¥ 6,933,067	¥ 7,879,235	\$ 51,918

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

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Stocks	¥ 203,838	¥ 220,307	\$ 1,526
Equity Investments	215,635	25,839	1,615

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
	2023	2022	2023
Securities that are Further Collateralized	¥ 111,102	¥ 149,251	\$ 832
Securities that are Further Loaned	750,675	1,069,208	5,621
Securities Held without Selling or Repledging as of the End of the Fiscal Year	—	662	—

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 ¥64,346 million (U.S. \$482 million) and ¥65,058 million as of March 31, 2023 and 2022, respectively.

3. Loans and Bills Discounted

Loans and bills discounted as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Bills Discounted	¥ 504	¥ 451	\$ 4
Loans on Bills	183,976	170,626	1,378
Loans on Deeds	30,005,242	29,142,560	224,691
Overdrafts	1,621,203	1,562,868	12,140
Total	¥ 31,810,926	¥ 30,876,507	\$ 238,213

Bills discounted are treated as financial transactions in accordance with Guidance No. 24. SuMi TRUST Holdings has a right to freely sell or (re-)pledge such commercial bills. The total face value of these bills amounted to ¥504 million (U.S. \$4 million) and ¥451 million as of March 31, 2023 and 2022, respectively.

Loans in accordance with the Banking Act and the Act on Emergency Measures for Revitalization of the Financial Functions are presented below. Loans include corporate bonds in “securities” (limited to those issued in private placement of securities prescribed in Section 3 of Paragraph 2 in the Financial Instruments and Exchange Act, and those with wholly or partially guaranteed redemption

of the principal and payment of the interest), loans and bills discounted, foreign exchanges, interest receivables, suspense payments, and customers’ liabilities for acceptances and guarantees in “other assets” presented in the consolidated balance sheet, and securities loaned (limited to those under a loan for use or lease contract) provided in the notes, etc.

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Bankrupt and Practically Bankrupt Loans	¥ 11,383	¥ 20,585	\$ 85
Doubtful Loans	97,246	130,069	728
Loans Past Due Three Months or More	—	—	—
Restructured Loans	43,335	69,474	325
Total	¥ 151,965	¥ 220,130	\$ 1,138

Bankrupt and practically bankrupt loans are those loans that have fallen into bankruptcy due to certain reasons, including initiation of bankruptcy proceedings, start of reorganization proceedings, or submission of an application to start rehabilitation proceedings and quasi-loans.

Doubtful loans are those loans with a strong likelihood that loan principals cannot be recovered and interest cannot be received according to the contract because of difficulties in the financial conditions and business performance of debtors who are not yet legally bankrupt, excluding those loans classified as bankrupt and practically bankrupt loans.

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 bankrupt and practically bankrupt loans and doubtful 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 bankrupt and practically bankrupt loans, doubtful loans or loans past due three months or more.

The above loans are presented at the amounts prior to deduction of allowances for loan losses.

4. Assets Pledged

Assets pledged as collateral as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Assets Pledged as Collateral:			
Securities	¥ 2,070,297	¥ 3,365,225	\$ 15,503
Loans and Bills Discounted	4,698,263	4,728,724	35,182
Lease Receivables and Investment Assets	46,602	54,956	349
Other Assets	34,323	60,425	257
Total	¥ 6,849,487	¥ 8,209,331	\$ 51,292
Corresponding Liabilities to Assets Pledged as Collateral:			
Deposits	¥ 16,561	¥ 21,788	\$ 124
Payables under Repurchase Agreements	485,939	527,313	3,639
Borrowed Money	4,521,315	5,739,492	33,857

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
	2023	2022	2023
Securities	¥ 382,875	¥ 499,469	\$ 2,867

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

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Initial Margins of Futures Markets	¥ 62,410	¥ 73,569	\$ 467
Security Deposits	22,979	27,062	172
Cash Collateral Pledged for Financial Instruments-Assets	967,493	1,025,240	7,245

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 ¥13,536,015 million (U.S. \$101,363 million) and ¥12,757,371 million, of which ¥8,786,731 million (U.S. \$65,798 million) and ¥8,558,906 million were attributable to agreements expiring within one year or which may be unconditionally canceled at any time, as of March 31, 2023 and 2022, 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, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Land	¥ 129,849	¥ 130,367	\$ 972
Buildings	71,015	72,726	532
Lease Assets	4,665	4,798	35
Construction in Progress	525	110	4
Other	16,532	16,532	124
Total	¥ 222,588	¥ 224,535	\$ 1,667

Accumulated depreciation amounted to ¥190,895 million (U.S. \$1,429 million) and ¥183,619 million, and advance depreciation amounted to ¥25,882 million (U.S. \$194 million) and ¥25,882 million as of March 31, 2023 and 2022, 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.

7. Intangible Fixed Assets

Intangible fixed assets as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Software	¥ 104,247	¥ 91,133	\$ 781
Goodwill	21,726	29,510	163
Other	4,995	5,024	37
Total	¥ 130,969	¥ 125,667	\$ 981

8. Other Assets

Other assets as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Domestic Exchange Settlement Account, Debit	¥ 862	¥ 1,029	\$ 6
Prepaid Expenses	9,623	8,257	72
Accrued Income	188,090	159,422	1,408
Initial Margins of Futures Markets	62,410	73,569	467
Variation Margins of Futures Markets	4,090	1,440	31
Financial Derivatives Other Than Trading Assets	1,739,326	1,500,703	13,025
Receivables for Securities Transactions	213,860	85,353	1,601
Cash Collateral Pledged for Financial Instruments-Assets	967,493	1,025,240	7,245
Other	653,802	499,316	4,896
Total	¥ 3,839,561	¥ 3,354,333	\$ 28,752

9. Deposits

Deposits as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Current Deposits, Ordinary Deposits, Saving Deposits and Deposits at Notice	¥ 10,789,670	¥ 9,482,500	\$ 80,797
Time Deposits	23,605,454	22,952,755	176,767
Other	992,162	794,906	7,430
Total	¥ 35,387,287	¥ 33,230,162	\$ 264,994

10. Borrowed Money

Borrowed money as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Subordinated Borrowings	¥ 15,000	¥ 15,000	\$ 112
Other Borrowed Money	6,024,543	7,138,498	45,114
Total	¥ 6,039,543	¥ 7,153,498	\$ 45,226

Weighted average interest rates on borrowed money were 0.42% and 0.10% for the fiscal years ended March 31, 2023 and 2022, respectively.

Annual maturities of borrowed money as of March 31, 2023, for the next five years are as follows:

Fiscal Years Ending March 31	Millions of Yen	Millions of U.S. Dollars
	2023	2023
2024	¥ 1,370,513	\$ 10,263
2025	2,480,428	18,574
2026	1,280,939	9,592
2027	64,322	482
2028	174,526	1,307
Total	¥ 5,370,729	\$ 40,218

11. Bonds Payable

Bonds payable as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Perpetual Subordinated Bonds	¥ 270,000	¥ 286,100	\$ 2,022
Subordinated Bonds	392,997	472,996	2,943
Other Bonds Payable	1,838,763	1,317,508	13,769
Total	¥ 2,501,760	¥ 2,076,604	\$ 18,734

Annual maturities of bonds payable as of March 31, 2023, for the next five years are as follows:

Fiscal Years Ending March 31	Millions of Yen	Millions of U.S. Dollars
	2023	2023
2024	¥ 2,833,248	\$ 21,216
2025	322,080	2,412
2026	540,620	4,048
2027	374,925	2,808
2028	312,740	2,342
Total	¥ 4,383,613	\$ 32,826

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, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Domestic Exchange Settlement Account, Credit	¥ 723	¥ 841	\$ 5
Income Taxes Payable	13,347	19,617	100
Accrued Expenses	111,781	64,726	837
Unearned Income	88,445	90,859	662
Variation Margins of Futures Markets	1,923	7,414	14
Financial Derivatives Other Than Trading Liabilities	1,933,195	1,574,196	14,477
Lease Obligations	12,930	12,632	97
Asset Retirement Obligations	3,832	3,881	29
Payables for Securities Transactions	209,650	65,626	1,570
Provision for Loss on Interest Repayment	38	39	0
Cash Collateral Accepted for Financial Instruments-Liabilities	450,879	240,455	3,376
Other	211,363	232,036	1,583
Total	¥ 3,038,112	¥ 2,312,326	\$ 22,751

14. Other Assets and Liabilities related to Revenue Recognition

The amounts of receivables from contracts with customers and the amounts of contract liabilities recognized in other assets and other liabilities, respectively, are presented in "Revenue Recognition, 2. Information Related to Contract Balance."

Notes to the Consolidated Statement of Income

1. Revenue from Contracts with the Customers

Income is not classified into revenues from contracts with customers and other revenue. The amount of revenues from contracts with customers is presented in "Revenue Recognition, 1.Information Related to Disaggregation of Revenue from Contracts with Customers for the Fiscal Year Ended March 31, 2023 and 2022."

2. Other Interest Income and Expenses

(1) Other interest income for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Interest on Monetary Claims Bought	¥ 2,495	¥ 2,438	\$ 19
Others	21,279	1,741	159
Total	¥ 23,775	¥ 4,179	\$ 178

(2) Other interest expenses for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Interest on Interest Rate Swaps	¥ 85,031	¥ 22,553	\$ 637
Others	23,001	22,105	172
Total	¥ 108,032	¥ 44,658	\$ 809

3. Trading Income and Expenses

(1) Trading income for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Net Income from Trading Securities and Derivatives	¥ —	¥ 268	\$ —
Net Income from Trading Transactions	15,548	812	116
Net Income from Trading-Related Financial Derivatives Transactions	—	12,315	—
Other Trading Income	60	57	0
Total	¥ 15,608	¥ 13,453	\$ 117

(2) Trading expenses for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Net Expenses on Trading Securities and Derivatives	¥ 149	¥ —	\$ 1
Net Expenses on Trading-Related Financial Derivatives Transactions	5,035	—	38
Total	¥ 5,184	¥ —	\$ 39

4. Other Ordinary Income and Expenses

(1) Other ordinary income for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Net Gains on Foreign Exchange Transactions	¥ 199,670	¥ 23,642	\$ 1,495
Gains on Sales and Redemption of Bonds	4,783	15,544	36
Net Income from Derivatives Other Than for Trading or Hedging	1,093	17,850	8
Others	262,754	279,559	1,968
Total	¥ 468,302	¥ 336,597	\$ 3,507

(2) Other ordinary expenses for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Losses on Sales and Redemption of Bonds	¥ 29,871	¥ 32,707	\$ 224
Others	243,107	258,779	1,820
Total	¥ 272,978	¥ 291,487	\$ 2,044

5. Other Income and Expenses

(1) Other income for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Gains on Sales of Stocks and Other Securities	¥ 88,161	¥ 94,042	\$ 660
Gains on Money Held in Trust	87	132	1
Recoveries of Written-Off Claims	1,123	1,633	8
Equity in Earnings of Affiliated Companies	18,102	15,531	136
Gains on Disposal of Fixed Assets	313	545	2
Others (Note)	21,978	8,847	165
Total	¥ 129,767	¥ 120,731	\$ 972

(Note) In the fiscal year ended March 31, 2023, "Others" include gains on sales of investments in subsidiaries and affiliated companies (stocks) of ¥4,667 million (U.S. \$35 million).

(2) Other expenses for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Provision for Allowance for Loan Losses	¥ 1,547	¥ 37,688	\$ 12
Losses on Sales of Loans	—	5	—
Write-Off of Loans	9,742	5,461	73
Losses on Sales of Stocks and Other Securities	83,439	131,436	625
Losses on Impairment of Stocks and Other Securities	1,642	943	12
Losses on Money Held in Trust	158	390	1
Losses on Disposal of Fixed Assets	1,246	780	9
Losses on Impairment of Fixed Assets (Note)	18,187	1,468	136
Losses on Investment in Partnerships	9,731	4,770	73
Others	14,162	22,592	106
Total	¥ 139,857	¥ 205,536	\$ 1,047

(Note) For the purpose of maintaining and expanding overseas business, SuMi TRUST Bank has been proceeding with a development project aimed at introducing a new accounting system for overseas components (the "System"). However, SuMi TRUST Bank has decided to change the renewal plan that assumes the introduction of the comprehensive package system currently under development, and to consider a new renewal plan that assumes the introduction of an alternative system for each business area.

Regarding the System developed so far, impairment losses are recorded for the business areas in which the use of the System has been abandoned or deemed difficult to continue operations through its use, as the investment amount is not expected to be recovered.

The impairment losses recognized as a result of the above were ¥15,904 million (U.S. \$119 million) for software, and the entire impairment losses including those were ¥18,187 million (U.S. \$136 million), which include impairment losses of tangible fixed assets of ¥222 million (U.S. \$2 million) and those of software of ¥17,964 million (U.S. \$135 million).

The recoverable amounts of software described above are measured at zero as it is not expected to be used in the future. For assets that are not expected to be used, individual assets are considered as one group.

6. General and Administrative Expenses

General and administrative expenses for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Taxes Other Than Income Taxes	¥ 14,340	¥ 13,768	\$ 107
Personnel Expenses	210,685	199,902	1,578
Others	235,310	221,896	1,762
Total	¥ 460,336	¥ 435,567	\$ 3,447

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, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Valuation Difference on Available-for-Sale Securities:			
Changes during the Period	¥ (46,896)	¥ (124,092)	\$ (351)
Reclassification Adjustments	21,399	59,221	160
Before Tax Effects	(25,497)	(64,871)	(191)
Tax Effects	7,824	17,932	59
Valuation Difference on Available-for-Sale Securities	(17,672)	(46,938)	(132)
Deferred Gains (Losses) on Hedges:			
Changes during the Period	(37,042)	(22,365)	(277)
Reclassification Adjustments	27,291	22,552	204
Before Tax Effects	(9,751)	186	(73)
Tax Effects	2,998	(51)	22
Deferred Gains (Losses) on Hedges	(6,753)	135	(51)
Foreign Currency Translation Adjustments:			
Changes during the Period	8,584	4,210	64
Reclassification Adjustments	(0)	(165)	(0)
Before Tax Effects	8,584	4,045	64
Tax Effects	—	—	—
Foreign Currency Translation Adjustments	8,584	4,045	64
Remeasurements of Defined Benefit Plans:			
Changes during the Period	24,312	(55,822)	182
Reclassification Adjustments	3,822	414	29
Before Tax Effects	28,135	(55,407)	211
Tax Effects	(8,618)	16,736	(65)
Remeasurements of Defined Benefit Plans	19,517	(38,671)	146
Share of Other Comprehensive Income of Equity-Method Affiliated Companies:			
Changes during the Period	371	2,079	3
Reclassification Adjustments	2,443	(27)	18
Share of Other Comprehensive Income of Equity-Method Affiliated Companies	2,814	2,052	21
Total Other Comprehensive Income (Loss)	¥ 6,489	¥ (79,377)	\$ 49

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, 2023 and 2022, 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, 2023					
Number of Issued Shares:					
Common Share	850,000	375,291	—	7,119	368,172
Treasury Stock:					
Common Share		716	11,368	7,156	4,928

(Notes)

1) The number of shares of common stock decreased by 7,119 thousand shares due to the retirement.

2) The breakdown of the number of shares of common stock held as treasury stock increased by 11,368 thousand shares is as follows.

- Increased by 5 thousand shares due to the purchase of odd-lot or less than one hundred shares.
- Increased by 7,119 thousand shares due to the purchase of treasury stock which is resolved at Board of Directors' Meeting held on February 24, 2022 and July 28, 2022.
- Increased by 3,919 thousand shares due to the purchase of treasury stock which is resolved at Board of Directors' Meeting held on February 27, 2023.
- Increased by 324 thousand shares due to the purchase under RS Trust system for employees.

3) The breakdown of the number of shares of common stock held as treasury stock decreased by 7,156 thousand shares

is as follows.

- Decreased by 0 thousand shares due to purchase requests of odd-lot or less than one hundred shares.
- Decreased by 16 thousand shares due to the transfer of shares upon exercise of stock option rights.
- Decreased by 20 thousand shares due to the sales under the share delivery trust for the Directors system.
- Decreased by 7,119 thousand shares due to the retirement.

4) The number of shares of common stock held as treasury stock at the end of the fiscal year include 695 thousand shares of SuMi TRUST Holdings held by share delivery trust for the Directors and RS Trust for employee. The decrease in the number of shares of common stock with regard to share delivery trust for the Directors is 20 thousand shares, and the increase in that of common stock with regard to RS Trust for employees is 324 thousand shares as of March 31, 2023.

	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, 2022					
Number of Issued Shares:					
Common Share	850,000	375,291	—	—	375,291
Treasury Stock:					
Common Share		745	5	34	716

(Notes)

1) The number of shares of common stock held as treasury stock increased by 5 thousand shares due to the purchase of odd lot or less than one hundred shares.

2) The number of shares of common stock held as treasury stock decreased by 0 thousand shares due to purchase requests for odd-lot or less than one hundred shares, 4 thousand shares due to transfer of shares upon exercise of stock option rights, and 29 thousand shares due to the sales under

the share delivery trust for the Directors system.

3) The number of shares of common stock held as treasury stock at the end of the fiscal year include 392 thousand shares of SuMi TRUST Holdings held by share delivery trust for the Directors. The decrease in the number of shares of common stock with regard to share delivery trust for the Directors is 29 thousand shares as of March 31, 2022.

2. Subscription Rights to Shares

Subscription rights to shares for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

		Millions of Yen		Millions of U.S. Dollars
		2023	2022	2023
SuMi TRUST Holdings	Subscription Rights to Shares as Stock Options	¥ 945	¥ 1,006	\$ 7

3. Dividends

Dividends paid for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

As for the fiscal year ended March 31, 2023:

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 23, 2022						
Ordinary General Meeting of Shareholders	Common Share	¥ 33,747 (\$253)	Retained Earnings	¥ 90.00 (\$0.67)	March 31, 2022	June 24, 2022

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 11, 2022						
Board of Directors' Meeting	Common Share	¥ 36,785 (\$275)	Retained Earnings	¥100.00 (\$0.75)	September 30, 2022	December 2, 2022

(Notes)

1) Cash dividends declared in Ordinary General Meeting of Shareholders held on June 23, 2022 include ¥35 million (U.S. \$0.3 million) of dividends for treasury stock held by the share delivery trust for the Directors.

2) Cash dividends declared at the Board of Directors' Meeting held on November 11, 2022 include ¥37 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, 2023, but whose effective date is after March 31, 2023, 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 23, 2023						
Ordinary General Meeting of Shareholders	Common Share	¥ 40,033 (\$300)	Retained Earnings	¥110.00 (\$0.82)	March 31, 2023	June 26, 2023

(Note) Cash dividends declared in Ordinary General Meeting of Shareholders held on June 23, 2023 include ¥76 million (U.S. \$0.6 million) of dividends for treasury stock held by the share delivery trust for the Directors and RS Trust for employee.

As for the fiscal year ended March 31, 2022:

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 23, 2021						
Ordinary General Meeting of Shareholders	Common Share	¥ 28,122	Retained Earnings	¥ 75.00	March 31, 2021	June 24, 2021

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 11, 2021						
Board of Directors' Meeting	Common Share	¥ 29,997	Retained Earnings	¥ 80.00	September 30, 2021	December 2, 2021

(Notes)

1) Cash dividends declared in the Ordinary General Meeting of Shareholders held on June 23, 2021 include ¥31 million of dividends for treasury stock held by the share delivery trust for the Directors.

2) Cash dividends declared at the Board of Directors' Meeting held on November 11, 2021 include ¥31 million of dividends for treasury stock held by the share delivery trust for the Directors.

Dividends with a record date during the fiscal year ended March 31, 2022, but whose effective date is after March 31, 2022, 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 23, 2022						
Ordinary General Meeting of Shareholders	Common Share	¥ 33,747	Retained Earnings	¥ 90.00	March 31, 2022	June 24, 2022

(Note) Cash dividends declared in Ordinary General Meeting of Shareholders held on June 23, 2022 include ¥35 million of dividends for treasury stock held by the share delivery trust for the Directors.

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, 2023 and 2022.

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Cash and Due from Banks	¥ 21,602,473	¥ 18,223,364	\$ 161,768
Due from Banks Held by SuMi TRUST Bank (Excluding Due from the Bank of Japan)	(2,429,835)	(2,489,713)	(18,196)
Cash and Cash Equivalents	¥ 19,172,638	¥ 15,733,650	\$ 143,572

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

Tangible fixed assets

Mainly branch buildings and office equipment

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, 2023 and 2022, were as follows:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Due in One Year or Less	¥ 3,390	¥ 3,998	\$ 25
Due in More Than One Year	14,864	14,988	111
Total	¥ 18,254	¥ 18,987	\$ 137

As a lessor:

Total future lease payments under non-cancelable operating leases as of March 31, 2023 and 2022, were as follows:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Due in One Year or Less	¥ 8,625	¥ 4,612	\$ 65
Due in More Than One Year	38,960	31,904	292
Total	¥ 47,586	¥ 36,517	\$ 356

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 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 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 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 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 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, 2023, the total amount of market risk (estimated potential loss) of financial instruments held by SuMi TRUST Group in the Trading Accounts was ¥9.1 billion (U.S. \$68 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, 2023, resulted in zero 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, 2023, the total amount of market risk (estimated potential loss) of financial instruments held by SuMi TRUST Group in the Banking Account was ¥753.6 billion (U.S. \$5,643 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.

(Note) The above ALM Committee has been changed to the Finance Committee due to organizational changes effective April 1, 2023.

(4) Supplementary Explanation Concerning Fair Value of Financial Instruments

Calculation of fair value of financial instruments involves certain assumptions and may vary when different assumptions are employed.

2. Fair Values of Financial Instruments and Breakdown by Input Level

The carrying amounts on the consolidated balance sheets and fair values of financial instruments as well as the differences between the carrying amounts on the consolidated balance sheets and fair values, and fair values by input level are presented below.

The amounts shown in the following table do not include equity securities with no market prices, and investments in partnerships (See Note 3).

The fair values of financial instruments are classified into the following three levels depending on the observability and significance of the input used in the fair value measurement.

Level 1: Fair value determined based on the (unadjusted) quoted price in an active market for the same asset or liability

Level 2: Fair value determined based on directly or indirectly observable inputs other than Level 1 inputs

Level 3: Fair value determined based on significant unobservable inputs

If multiple inputs with a significant impact are used for the fair value measurement of a financial instrument, the financial instrument is classified to the lowest priority level of fair value measurement in which each input belongs to.

(1) Financial assets and liabilities at fair value on the consolidated balance sheets

	Millions of Yen				Millions of U.S. Dollars			
	Mar. 31, 2023				Mar. 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Monetary Claims Bought	¥ —	¥ 129,295	¥ —	¥ 129,295	\$ —	\$ 968	\$ —	\$ 968
Trading Assets								
Trading Securities	2,799	63,097	—	65,897	21	473	—	493
Money Held in Trust	2,372	13,663	—	16,036	18	102	—	120
Securities								
Available-for-Sale Securities	3,184,546	2,732,909	1,292	5,918,748	23,847	20,465	10	44,322
Stocks	1,072,628	—	—	1,072,628	8,032	—	—	8,032
Bonds	1,431,999	744,932	1,292	2,178,224	10,723	5,578	10	16,311
Government Bonds	1,431,999	—	—	1,431,999	10,723	—	—	10,723
Local Government Bonds	—	38,117	—	38,117	—	285	—	285
Short-Term Bonds Payable	—	—	—	—	—	—	—	—
Corporate Bonds	—	706,815	1,292	708,107	—	5,293	10	5,303
Other Securities	679,918	1,987,976	—	2,667,895	5,091	14,887	—	19,978
Foreign Stocks	4,171	—	—	4,171	31	—	—	31
Foreign Bonds	655,198	1,163,873	—	1,819,071	4,906	8,716	—	13,622
Others	20,548	824,102	—	844,651	154	6,171	—	6,325
Total Assets	¥ 3,189,718	¥ 2,938,966	¥ 1,292	¥ 6,129,977	\$ 23,886	\$ 22,008	\$ 10	\$ 45,904
Derivative Transactions (*1)(*2)(*3)								
Interest Rate Related Transactions	¥ 1,838	¥ (106,856)	¥ 2,768	¥ (102,249)	\$ 14	\$ (800)	\$ 21	\$ (766)
Currency Related Transactions	—	(110,621)	—	(110,621)	—	(828)	—	(828)
Stock Related Transactions	(344)	—	—	(344)	(3)	—	—	(3)
Bond Related Transactions	(3,975)	(270)	—	(4,246)	(30)	(2)	—	(32)
Credit and Derivative Transactions	—	(338)	—	(338)	—	(3)	—	(3)
Total Derivative Transactions	¥ (2,480)	¥ (218,087)	¥ 2,768	¥ (217,799)	\$ (19)	\$ (1,633)	\$ 21	\$ (1,631)

(*1) Derivative transactions recorded in "Trading Assets" and "Trading Liabilities" or in "Other Assets" and "Other Liabilities" are presented collectively.

Receivables and payables arising from derivative transactions are presented on a net basis. Negative figures represent a liability balance after netting.

(*2) As for derivative transactions applying hedge accounting, ¥(166,193) million (U.S. \$(1,245) million) is recorded on the consolidated balance sheets as of March 31, 2023.

(*3) Derivative transactions qualifying for hedge accounting include interest rate swaps designated as hedging instruments to fix cash flows of hedged items such as loans and bills discounted, and deferred hedges have been adopted, in principle. In addition, "Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR" (ASBJ PITF No. 40, March 17, 2022) has been adopted to these hedge transactions.

	Millions of Yen			
	Mar. 31, 2022			
	Level 1	Level 2	Level 3	Total
Monetary Claims Bought	¥ —	¥ 128,794	¥ —	¥ 128,794
Trading Assets				
Trading Securities	4,908	7,909	—	12,817
Money Held in Trust	1,295	196	—	1,492
Securities				
Available-for-Sale Securities	4,493,704	1,789,540	2,130	6,285,375
Stocks	1,209,310	—	—	1,209,310
Bonds	2,722,035	747,409	2,130	3,471,575
Government Bonds	2,722,035	—	—	2,722,035
Local Government Bonds	—	33,919	—	33,919
Short-Term Bonds Payable	—	—	—	—
Corporate Bonds	—	713,489	2,130	715,620
Other Securities	562,358	1,042,130	—	1,604,489
Foreign Stocks	4,793	—	—	4,793
Foreign Bonds	556,467	1,042,130	—	1,598,598
Others	1,097	—	—	1,097
Total Assets	¥ 4,499,908	¥ 1,926,441	¥ 2,130	¥ 6,428,479
Derivative Transactions (*2)(*3)(*4)				
Interest Rate Related				
Transactions	¥ 828	¥ (83,990)	¥ 1,173	¥ (81,988)
Currency Related Transactions	—	55,268	—	55,268
Stock Related Transactions	(2,695)	—	—	(2,695)
Bond Related Transactions	6,256	47	—	6,303
Credit and				
Derivative Transactions	—	(2,319)	—	(2,319)
Total Derivative Transactions	¥ 4,389	¥ (30,994)	¥ 1,173	¥ (25,431)

(*1) The amounts of investment trusts for which transitional treatments are applied in accordance with Paragraph 26 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, July 4, 2019, "Guidance for Application of Fair Value Measurement") are not included in the table above. The amount of such investment trusts on the consolidated balance sheets includes financial assets of ¥902,171 million as of March 31, 2022.

(*2) Derivative transactions recorded in "Trading Assets" and "Trading Liabilities" or in "Other Assets" and "Other Liabilities" are presented collectively. Receivables and payables arising from derivative transactions are presented on a net basis. Negative figures represent a liability balance after netting.

(*3) As for derivative transactions applying hedge accounting, ¥(174,794) million is recorded on the consolidated balance sheets as of March 31, 2022.

(*4) Derivative transactions qualifying for hedge accounting include interest rate swaps designated as hedging instruments to fix cash flows of hedged items such as loans and bills discounted, and deferred hedges have been adopted, in principle. In addition, "Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR" (ASBJ PITF No. 40, March 17, 2022) has been adopted to these hedge transactions.

(2) Financial assets and liabilities which are not stated at fair value on the consolidated balance sheets

Cash and Due from Banks, Call Loans and Bills Bought, Receivables under Resale Agreements and Receivables under Securities Borrowing Transactions, Foreign Exchanges, Call Money and Bills Sold, Payables under Repurchase Agreements, Short-Term Bonds Payables, and Borrowed Money from Trust Account are not included in the following tables because most of such transactions have short contractual terms (one year or less) and the carrying amounts approximate fair value.

	Millions of Yen											
	Mar. 31, 2023											
	Level 1		Level 2		Level 3		Total	Consolidated balance sheet amount	Differences			
Monetary Claims Bought (*)	¥	—	¥	40,281	¥	800,687	¥	840,969	¥	840,501	¥	467
Securities												
Held-to-Maturity Securities		128,041		140,893		—		268,935		259,213		9,721
Government Bonds		128,041		—		—		128,041		117,274		10,767
Local Government Bonds		—		—		—		—		—		—
Short-Term Bonds Payable		—		—		—		—		—		—
Bonds Payable		—		14,526		—		14,526		14,400		126
Other Securities		—		126,366		—		126,366		127,539		(1,172)
Foreign Bonds		—		126,366		—		126,366		127,539		(1,172)
Others		—		—		—		—		—		—
Loans and Bills Discounted										31,810,926		
Allowance for Loan Losses (*)										(115,952)		
		—		—		31,888,015		31,888,015		31,694,973		193,041
Lease Receivables and Investment Assets (*)		—		—		692,032		692,032		683,446		8,585
Total Assets	¥	128,041	¥	181,175	¥	33,380,734	¥	33,689,951	¥	33,478,135	¥	211,816
Deposits	¥	—	¥	35,402,494	¥	—	¥	35,402,494	¥	35,387,287	¥	15,206
Negotiable Certificates of Deposit		—		7,461,005		—		7,461,005		7,461,005		—
Borrowed Money		—		5,984,928		—		5,984,928		6,039,543		(54,614)
Bonds Payable		—		2,448,305		—		2,448,305		2,501,760		(53,455)
Total Liabilities	¥	—	¥	51,296,734	¥	—	¥	51,296,734	¥	51,389,597	¥	(92,862)

(*) General allowances and specific allowances for loan losses are deducted from Loans and Bills Discounted. The allowance for credit losses on Monetary Claims Bought, and Lease Receivables and Investment Assets is directly deducted from the carrying amounts on the consolidated balance sheets, because the balance of the allowance is immaterial.

	Millions of Yen						
	Mar. 31, 2022						
	Level 1	Level 2	Level 3	Total	Consolidated balance sheet amount	Differences	
Monetary Claims Bought (*)	¥ —	¥ 46,091	¥ 679,295	¥ 725,386	¥ 724,950	¥ 436	
Securities							
Held-to-Maturity Securities	130,800	74,210	—	205,011	191,999	13,012	
Government Bonds	130,800	—	—	130,800	117,652	13,148	
Local Government Bonds	—	—	—	—	—	—	
Short-Term Bonds Payable	—	—	—	—	—	—	
Corporate Bonds	—	14,674	—	14,674	14,400	274	
Other Securities	—	59,536	—	59,536	59,947	(410)	
Foreign Bonds	—	59,536	—	59,536	59,947	(410)	
Others	—	—	—	—	—	—	
Loans and Bills Discounted					30,876,507		
Allowance for Loan Losses (*)					(147,884)		
	—	—	30,940,603	30,940,603	30,728,623	211,980	
Lease Receivables and Investment Assets (*)	—	—	696,544	696,544	681,554	14,990	
Total Assets	¥ 130,800	¥ 120,302	¥ 32,316,443	¥ 32,567,547	¥ 32,327,128	¥ 240,419	
Deposits	¥ —	¥ 33,245,281	¥ —	¥ 33,245,281	¥ 33,230,162	¥ 15,119	
Negotiable Certificates of Deposit	—	6,587,944	—	6,587,944	6,587,944	—	
Borrowed Money	—	7,125,970	—	7,125,970	7,153,498	(27,527)	
Bonds Payable	—	2,050,985	—	2,050,985	2,076,604	(25,619)	
Total Liabilities	¥ —	¥ 49,010,181	¥ —	¥ 49,010,181	¥ 49,048,209	¥ (38,027)	

(*) General allowances and specific allowances for loan losses are deducted from Loans and Bills Discounted. The allowance for credit losses on Monetary Claims Bought, and Lease Receivables and Investment Assets is directly deducted from the carrying amounts on the consolidated balance sheets, because the balance of the allowance is immaterial.

	Millions of U.S. Dollars					
	Mar. 31, 2023					
	Level 1	Level 2	Level 3	Total	Consolidated balance sheet amount	Differences
Monetary Claims Bought (*)	\$ —	\$ 302	\$ 5,996	\$ 6,298	\$ 6,294	\$ 3
Securities						
Held-to-Maturity Securities	959	1,055	—	2,014	1,941	73
Government Bonds	959	—	—	959	878	81
Local Government Bonds	—	—	—	—	—	—
Short-Term Bonds Payable	—	—	—	—	—	—
Corporate Bonds	—	109	—	109	108	1
Other Securities	—	946	—	946	955	(9)
Foreign Bonds	—	946	—	946	955	(9)
Others	—	—	—	—	—	—
Loans and Bills Discounted					238,213	
Allowance for Loan Losses (*)					(868)	
	—	—	238,790	238,790	237,344	1,446
Lease Receivables and Investment Assets (*)	—	—	5,182	5,182	5,118	64
Total Assets	\$ 959	\$ 1,357	\$ 249,968	\$ 252,284	\$ 250,697	\$ 1,586
Deposits	\$ —	\$ 265,108	\$ —	\$ 265,108	\$ 264,994	\$ 114
Negotiable Certificates of Deposit	—	55,871	—	55,871	55,871	—
Borrowed Money	—	44,817	—	44,817	45,226	(409)
Bonds Payable	—	18,334	—	18,334	18,734	(400)
Total Liabilities	\$ —	\$ 384,130	\$ —	\$ 384,130	\$ 384,825	\$ (695)

(*) General allowances and specific allowances for loan losses are deducted from Loans and Bills Discounted. The allowance for credit losses on Monetary Claims Bought, and Lease Receivables and Investment Assets is directly deducted from the carrying amounts on the consolidated balance sheets, because the balance of the allowance is immaterial.

(Note 1) Description of the Valuation techniques and inputs used to measure fair values

Monetary Claims Bought

Among monetary claims bought, securitized products are stated at reasonably calculated prices, which are equivalent to market prices, such as counterparties' quoted prices or dealer/broker-quoted prices, and are classified into Level 3 if those prices are comprised of significant unobservable inputs, and classified into Level 2 otherwise. Fair values for all other monetary claims bought are principally calculated in the same manner as Loans and Bills Discounted and mainly classified into Level 3.

Trading Assets

Bonds and other securities held for trading purposes whose fair values are stated at dealer association prices or counterparties' quoted prices are classified into Level 1 or Level 2 depending on the level of market activity. Others whose fair values are calculated by discounting future cash flows to their present values using observable inputs, are classified into Level 2.

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 and classified into Level 1 or Level 2 depending on the level of the components. Investment trusts and funds for which no market transaction prices are available, including privately placed investment trusts, are stated at fair value based on factors, such as the net asset value, if there are no significant restrictions on the cancellation or repurchase request that would require compensation for the risk from market participants, and are primarily classified into Level 2.

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

Securities

Listed stocks are stated at quoted market prices and mainly classified into Level 1 depending on the level of market activity.

Bonds are stated at quoted market prices announced in exchange traded transactions, over-the-counter transactions, and others, and classified into Level 1 if they are traded in an active market. If the market is not active, even though bonds are stated at quoted market prices, they are classified into Level 2. Bonds stated at prices obtained from a third party, such as pricing services and dealers/brokers, are classified into Level 3 if those prices are comprised of significant unobservable inputs, and classified into Level 2 otherwise. Fair values of certain bonds are calculated by classifying them according to their internal ratings and maturities, and discounting the aggregate principal and interest by the discount rate which takes into account risk factors, including credit risks. If the discount rate is a significant unobservable input, the fair values of the bonds are classified into Level 3, otherwise Level 2.

Fair values of listed investment trusts and funds are stated at quoted market prices and primarily classified into Level 1 based on the level of market activity. Investment trusts and funds for which no market transaction prices are available, including privately placed investment trusts, are stated at fair value based on factors, such as the net asset value, if there are no significant restrictions on the cancellation or repurchase request that would require market participants to pay for the risk, and are primarily classified into Level 2.

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 discount rate which takes into account risk factors, including credit risks. 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 bankrupt borrowers, virtually bankrupt borrowers, and possibly bankrupt borrowers, 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 sheets 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 value because of the expected repayment periods and the interest terms. These fair values are classified into Level 3.

Lease Receivables and Investment Assets

Fair values of lease receivables and investment assets are calculated by grouping these assets according to the types of receivables, internal ratings, maturities, and others, and discounting the aggregate principal and interest by the discount rate which takes into account risk factors, including credit risks. These fair values are classified into Level 3.

Deposits and 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). Time deposits with a fixed rate are grouped by product type and stated at the present value of their future cash flows discounted by the rates that would be newly used on the same type of deposits. Floating-rate time deposits and fixed-rate time deposits with short maturities (one year or less) are stated at their carrying amounts because the carrying amounts approximate the fair value. These fair values are classified into Level 2.

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 interest

rate adjusted for the residual term and credit risk. Fair values for obligations with short maturities (one year or less) are stated at their carrying amounts because they approximate fair value. These fair values are classified into Level 2.

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 interest rate adjusted for the residual term and credit risk. These fair values are classified into Level 2.

Derivative transactions

The fair values of listed derivatives, including interest rates, bonds, currencies, and stocks, are classified into Level 1 as these amounts are measured using the liquidation price quoted by exchanges, given that the liquidation price represents the latest transaction price, and the unadjusted quoted price in an active market can be used.

The fair values of over-the-counter derivative transactions, including embedded derivatives separated from the host contract and accounted for as a derivative, in other words, derivatives other than listed derivatives, are, in principle, measured by a valuation method, including the following: the present value of the estimated future cash flows and the option valuation model, which use inputs such as observable interest rate and exchange rate. The fair values of these transactions take into account credit risks of the counterparties and SuMi TRUST Holdings. The valuation models applied in certain transactions utilize unobservable inputs in markets, such as correlations in the past. Over-the-counter derivative transactions are classified into Level 2 if observable inputs are used or the impact of unobservable inputs to the fair values is not significant. If the impact of unobservable inputs to the fair values is significant, they are classified into Level 3.

(Note 2) Information about financial assets and liabilities measured and stated on the consolidated balance sheets at fair value and classified into Level 3

(1) Quantitative information on significant unobservable inputs

Mar. 31, 2023			
	Valuation technique	Significant unobservable inputs	Range
Securities			
Corporate Bonds	Discounted present value method	Discount Rate	1.1%
Derivative Transactions			
Interest Rate Related Transactions	Option valuation model	Correlation between interest rate and foreign exchange rate	(40.0)% - (3.5)%
		Correlation between interest rates	6.5%
Mar. 31, 2022			
	Valuation technique	Significant unobservable inputs	Range
Securities			
Corporate Bonds	Discounted present value method	Discount Rate	1.2%
Derivative Transactions			
Interest Rate Related Transactions	Option valuation model	Correlation between interest rate and foreign exchange rate	(47.4)% - (9.3)%
		Correlation between interest rates	10.3%

(2) Reconciliation between the beginning and ending balances, and net unrealized gains (losses) recognized in the profit or loss in the year

Reconciliation between the beginning and ending balances, and net unrealized gains (losses) recognized in the profit or loss in the fiscal year ended March 31, 2023, are as follows:

Millions of Yen								
Mar. 31, 2023								
	Beginning balance	Profit or losses for the period (*1)	Other comprehensive income (*2)	Net amount of purchase, issuance, sale, and settlement	Transfer to Level 3 (*3)	Transfer from Level 3 (*3)	Ending balance	Net unrealized gains (losses) on financial assets and liabilities held at consolidated balance sheet date recognized in profit or losses of the period (*1)
Securities	¥ 2,130	¥ —	¥ 262	¥ (1,100)	¥ —	¥ —	¥ 1,292	¥ —
Derivative Transactions (Interest Rate Related Transactions) (*4)	1,173	1,595	—	—	—	—	2,768	1,595

(*1) The amounts shown in the table above are included in "Trading Income" in the consolidated statements of income.

(*2) The amounts shown in the table above are included in "Valuation Differences on Available-for-Sale Securities" under "Other Comprehensive Income (Loss)" in the consolidated statements of comprehensive income.

(*3) The amounts of transfer from or to Level 3 are relevant to the changes in the observability of the inputs. The transfer was made at the end of the fiscal year.

(*4) Derivative transactions recorded in "Trading Assets" and "Trading Liabilities" or in "Other Assets" and "Other Liabilities" are presented collectively. Receivables and payables arising from derivative transactions are presented on a net basis. Negative figures represent a liability balance after netting.

	Millions of Yen							
	Mar. 31, 2022							
	Beginning balance	Profit or losses for the period (*1)	Other comprehensive income (*2)	Net amount of purchase, issuance, sale, and settlement	Transfer to Level 3 (*3)	Transfer from Level 3 (*3)	Ending balance	Net unrealized gains (losses) on financial assets and liabilities held at consolidated balance sheet date recognized in profit or losses of the period (*1)
Securities	¥ 813	¥ —	¥ (12)	¥ (52)	¥ 1,381	¥ —	¥ 2,130	¥ —
Derivative Transactions (Interest Rate Related Transactions) (*4)	(273)	1,449	—	(1)	—	—	1,173	1,249

(*1) The amounts shown in the table above are included in "Trading Income" in the consolidated statements of income.

(*2) The amounts shown in the table above are included in "Valuation Differences on Available-for-Sale Securities" under "Other Comprehensive Income (Loss)" in the consolidated statements of comprehensive income.

(*3) The amounts of transfer from or to Level 3 are relevant to the changes in the observability of the inputs. The transfer was made at the end of the fiscal year.

(*4) Derivative transactions recorded in "Trading Assets" and "Trading Liabilities" or in "Other Assets" and "Other Liabilities" are presented collectively. Receivables and payables arising from derivative transactions are presented on a net basis. Negative figures represent a liability balance after netting.

	Millions of U.S. Dollars							
	Mar. 31, 2023							
	Beginning balance	Profit or losses for the period (*1)	Other comprehensive income (*2)	Net amount of purchase, issuance, sale, and settlement	Transfer to Level 3 (*3)	Transfer from Level 3 (*3)	Ending balance	Net unrealized gains (losses) on financial assets and liabilities held at consolidated balance sheet date recognized in profit or losses of the period (*1)
Securities	\$ 16	\$ —	\$ 2	\$ (8)	\$ —	\$ —	\$ 10	\$ —
Derivative Transactions (Interest Rate Related Transactions) (*4)	9	12	—	—	—	—	21	12

(*1) The amounts shown in the table above are included in "Trading Income" in the consolidated statements of income.

(*2) The amounts shown in the table above are included in "Valuation Differences on Available-for-Sale Securities" under "Other Comprehensive Income (Loss)" in the consolidated statements of comprehensive income.

(*3) The amounts of transfer from or to Level 3 are relevant to the changes in the observability of the inputs. The transfer was made at the end of the fiscal year.

(*4) Derivative transactions recorded in "Trading Assets" and "Trading Liabilities" or in "Other Assets" and "Other Liabilities" are presented collectively. Receivables and payables arising from derivative transactions are presented on a net basis. Negative figures represent a liability balance after netting.

(3) Description of the fair value valuation process

At SuMi TRUST Group, the middle division creates policies and procedures for the calculation of fair values and procedures for the use of fair value valuation models, and based on them, the front and middle divisions collaboratively establish the fair value valuation model. In addition, the middle and other divisions verify the reasonableness of the valuation methods and the inputs used, and the appropriateness of the classification of the fair value level.

For the calculation of the fair value, the valuation model, which represents the nature, characteristics, and risks of each asset in the most appropriate manner, is utilized. Moreover, if quoted prices obtained from third parties are used, those prices are verified using an appropriate method, such as the review of the valuation method and the inputs used and comparison with the fair values of similar financial instruments.

(4) Description of the sensitivity of the fair value to changes in significant unobservable inputs

Discount Rate

The discount rate is determined for each financial asset and calculated based on the risk-free rate that incorporates other risk factors such as credit risk. A significant increase (decrease) in the discount rate would generally result in a significant decrease (increase) in the fair value.

Correlation

Correlation is an indicator of the relation of changes between variables such as interest rate and exchange rate. Correlation is used in the valuation technique of complex derivatives, and estimated based on historical results. A significant change in correlation would generally result in a significant increase or decrease in a fair value according to the nature and contractual terms and conditions of the financial instrument.

(Note 3) Consolidated balance sheet amounts of equity securities with no market prices, etc. and investments in partnership, etc. are as follows. These amounts are not included in "Securities" stated on the tables disclosed in "Fair Values of Financial Instruments and Breakdown by Input Level."

	Millions of Yen		Millions of U.S. Dollars
	Mar. 31, 2023	Mar. 31, 2022	Mar. 31, 2023
Equity Securities with No Market Prices, etc. (*1)(*3)	¥ 93,578	¥ 92,009	\$ 701
Investments in Partnership, etc. (*2)(*3)	242,150	174,836	1,813

(*1) Unlisted stocks are included in "Equity securities with no market prices, etc." and their fair values are not disclosed in accordance with Paragraph 5 of "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No.19, March 31, 2020).

(*2) "Investments in partnership, etc." mainly include silent partnerships and investment partnerships. These fair values are not disclosed in accordance with Paragraph 24-16 of the "Guidance for Application of Fair Value Measurement".

(*3) Impairment losses of ¥489 million (U.S. \$4 million) and ¥235 million were recognized against Unlisted Stocks and others as of March 31, 2023 and 2022, respectively, and those of ¥0 million (U.S. \$0 million) were recognized against Investments in Partnership, etc. as of March 31, 2023.

(Note4) Redemption Schedule of Monetary Claims and Securities with Maturity after March 31, 2023 and 2022

March 31, 2023	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	¥ 21,535,026	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	24,006	—	—	—	—	—
Receivables under Resale Agreements	110,003	—	—	—	—	—
Receivables under Securities Borrowing Transactions	436,093	—	—	—	—	—
Monetary Claims Bought (*1)	829,379	19,440	3,398	1,419	1,386	114,972
Money Held in Trust	16,036	100	—	—	—	—
Securities	1,041,108	1,250,034	1,041,754	427,973	502,088	683,648
Held-to-Maturity Debt Securities	—	5,410	20,000	40,000	67,018	124,570
Government Bonds	—	60	20,000	40,000	55,000	—
Corporate Bonds	—	—	—	—	—	14,400
Available-for-Sale Securities with Maturity	1,041,108	1,244,624	1,021,754	387,973	435,069	559,078
Government Bonds	350,628	605,477	460,000	—	—	15,000
Local Government Bonds	1,675	8,008	9,296	4,954	14,639	—
Corporate Bonds	55,754	259,901	208,777	65,601	87,390	29,078
Loans and Bills Discounted (*2)	4,772,709	6,825,891	4,373,913	2,638,392	2,417,897	8,091,073
Lease Receivables and Investment Assets (*3)	167,691	272,176	128,213	45,186	43,147	8,846
Total	¥ 28,932,055	¥ 8,367,642	¥ 5,547,279	¥ 3,112,973	¥ 2,964,518	¥ 8,898,541

March 31, 2022	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	¥ 18,147,555	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	5,000	—	—	—	—	—
Receivables under Resale Agreements	150,741	—	—	—	—	—
Receivables under Securities Borrowing Transactions	652,534	—	—	—	—	—
Monetary Claims Bought (*1)	708,547	29,605	6,268	1,668	1,439	106,099
Money Held in Trust	14,913	1,395	—	—	—	—
Securities	2,456,879	1,088,304	908,426	355,941	409,427	796,275
Held-to-Maturity Debt Securities	—	60	5,488	40,000	67,342	76,516
Government Bonds	—	60	—	40,000	60,000	15,000
Corporate Bonds	—	—	—	—	—	14,400
Available-for-Sale Securities with Maturity	2,456,879	1,088,244	902,938	315,941	342,084	719,759
Government Bonds	1,724,226	326,810	470,000	—	—	215,000
Local Government Bonds	1,200	4,546	10,630	1,136	16,619	—
Corporate Bonds	82,432	169,628	266,125	101,575	50,954	43,485
Loans and Bills Discounted (*2)	4,668,279	6,302,563	4,367,845	2,571,144	2,374,408	8,087,545
Lease Receivables and Investment Assets (*3)	166,497	243,502	146,501	53,097	45,085	10,713
Total	¥ 26,970,949	¥ 7,665,372	¥ 5,429,041	¥ 2,981,851	¥ 2,830,361	¥ 9,000,635

March 31, 2023	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	\$ 161,263	\$ —	\$ —	\$ —	\$ —	\$ —
Call Loans and Bills Bought	180	—	—	—	—	—
Receivables under Resale Agreements	824	—	—	—	—	—
Receivables under Securities Borrowing Transactions	3,266	—	—	—	—	—
Monetary Claims Bought (*1)	6,211	146	25	11	10	861
Money Held in Trust	120	1	—	—	—	—
Securities	7,796	9,361	7,801	3,205	3,760	5,119
Held-to-Maturity Debt Securities	—	41	150	300	502	933
Government Bonds	—	0	150	300	412	—
Corporate Bonds	—	—	—	—	—	108
Available-for-Sale Securities with Maturity	7,796	9,320	7,651	2,905	3,258	4,187
Government Bonds	2,626	4,534	3,445	—	—	112
Local Government Bonds	13	60	70	37	110	—
Corporate Bonds	418	1,946	1,563	491	654	218
Loans and Bills Discounted (*2)	35,740	51,115	32,754	19,757	18,106	60,589
Lease Receivables and Investment Assets (*3)	1,256	2,038	960	338	323	66
Total	\$ 216,655	\$ 62,660	\$ 41,540	\$ 23,311	\$ 22,199	\$ 66,636

(*1) The balances exclude Monetary Claims Bought for bankrupt borrowers, virtually bankrupt borrowers, and possibly bankrupt borrowers that are not expected to be collected, amounting to ¥23 million (U.S. \$0.2 million) and ¥24 million as of March 31, 2023 and 2022, respectively.

(*2) The balances exclude Loans and Bills Discounted for bankrupt borrowers, virtually bankrupt borrowers, and possibly bankrupt borrowers that are not expected to be collected, amounting to ¥101,179 million (U.S. \$ 758 million) and ¥142,058 million, and those without maturity, amounting to ¥2,589,868million (U.S. \$19,394 million) and ¥2,362,662 million as of March 31, 2023 and 2022, respectively.

(*3) The balances exclude Lease Receivables and Investment Assets for bankrupt borrowers, virtually bankrupt borrowers, and possibly bankrupt borrowers that are not expected to be collected, amounting to ¥725 million (U.S. \$5 million) and ¥678 million, and the sum of guaranteed residual values by lessee and estimated salvage values, amounting to ¥22,946 million (U.S. \$172 million) and ¥22,065 million as of March 31, 2023 and 2022, respectively.

(Note 5) Repayment Schedule of Bonds, Borrowed Money, and Other Interest-Bearing Liabilities after March 31, 2023 and 2022

March 31, 2023	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)	¥ 27,887,502	¥ 5,548,181	¥ 1,948,251	¥ 2,225	¥ 1,126	¥ —
Negotiable Certificates of Deposit	7,356,005	105,000	—	—	—	—
Call Money and Bills Sold	1,912,878	—	—	—	—	—
Payables under Repurchase Agreements	1,030,780	—	—	—	—	—
Borrowed Money	1,370,513	3,761,367	238,848	170,623	102,310	395,879
Short-Term Bonds Payable	2,339,243	—	—	—	—	—
Bonds Payable (*2)	494,005	862,700	687,665	100,000	88,000	—
Borrowed Money from Trust Account	4,332,472	—	—	—	—	—
Total	¥ 46,723,401	¥ 10,277,249	¥ 2,874,765	¥ 272,848	¥ 191,437	¥ 395,879

March 31, 2022	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)	¥ 25,352,703	¥ 5,699,782	¥ 2,175,496	¥ 2,128	¥ 50	¥ —
Negotiable Certificates of Deposit	6,532,944	55,000	—	—	—	—
Call Money and Bills Sold	799,524	—	—	—	—	—
Payables under Repurchase Agreements	1,485,033	—	—	—	—	—
Borrowed Money	1,872,544	3,301,699	1,238,578	282,356	80,253	378,065
Short-Term Bonds Payable	2,388,495	—	—	—	—	—
Bonds Payable (*2)	70,000	757,495	613,355	250,000	100,000	—
Borrowed Money from Trust Account	4,298,827	—	—	—	—	—
Total	¥ 42,800,073	¥ 9,813,976	¥ 4,027,430	¥ 534,484	¥ 180,304	¥ 378,065

March 31, 2023	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)	\$ 208,833	\$ 41,547	\$ 14,589	\$ 17	\$ 8	\$ —
Negotiable Certificates of Deposit	55,085	786	—	—	—	—
Call Money and Bills Sold	14,324	—	—	—	—	—
Payables under Repurchase Agreements	7,719	—	—	—	—	—
Borrowed Money	10,263	28,167	1,789	1,278	766	2,964
Short-Term Bonds Payable	17,517	—	—	—	—	—
Bonds Payable (*2)	3,699	6,460	5,150	749	659	—
Borrowed Money from Trust Account	32,443	—	—	—	—	—
Total	\$ 349,883	\$ 76,960	\$ 21,527	\$ 2,043	\$ 1,434	\$ 2,964

(*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 ¥270,000 million (U.S. \$2,022 million) and ¥286,100 million as of March 31, 2023 and 2022, 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
	2023	2022	2022
Trading Securities	¥ (16)	¥ (33)	\$ (0)

2. Held-to-Maturity Securities with Fair Value

March 31, 2023	Millions of Yen		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	¥ 117,274	¥ 128,041	¥ 10,767
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	14,400	14,526	126
Other Bonds	62,716	63,033	317
Foreign Bonds	22,710	22,751	41
Others	40,005	40,281	276
Subtotal	194,390	205,602	11,211
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	¥ —	¥ —	¥ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	104,828	103,614	(1,213)
Foreign Bonds	104,828	103,614	(1,213)
Others	—	—	—
Subtotal	104,828	103,614	(1,213)
Total	¥ 299,219	¥ 309,217	¥ 9,997

March 31, 2022	Millions of Yen		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	¥ 117,652	¥ 130,800	¥ 13,148
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	14,400	14,674	274
Other Bonds	51,464	51,586	122
Foreign Bonds	5,488	5,495	7
Others	45,976	46,091	114
Subtotal	183,517	197,061	13,544
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	¥ —	¥ —	¥ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	54,459	54,041	(417)
Foreign Bonds	54,459	54,041	(417)
Others	—	—	—
Subtotal	54,459	54,041	(417)
Total	¥ 237,976	¥ 251,103	¥ 13,127

March 31, 2023	Millions of U.S. Dollars		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	\$ 878	\$ 959	\$ 81
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	108	109	1
Other Bonds	470	472	2
Foreign Bonds	170	170	0
Others	300	302	2
Subtotal	1,456	1,540	84
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	\$ —	\$ —	\$ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	785	776	(9)
Foreign Bonds	785	776	(9)
Others	—	—	—
Subtotal	785	776	(9)
Total	\$ 2,241	\$ 2,316	\$ 75

3. Available-for-Sale Securities

March 31, 2023	Millions of Yen		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	¥ 1,022,233	¥ 436,517	¥ 585,715
Bonds	1,058,025	1,054,667	3,358
Government Bonds	569,703	569,548	154
Local Government Bonds	5,113	5,095	18
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	483,208	480,023	3,185
Other Securities	591,814	562,591	29,222
Foreign Stocks	4,171	365	3,806
Foreign Bonds	270,713	267,397	3,315
Others	316,929	294,829	22,100
Subtotal	2,672,072	2,053,775	618,296
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	¥ 50,395	¥ 58,906	¥ (8,510)
Bonds	1,120,199	1,123,921	(3,722)
Government Bonds	862,296	863,965	(1,668)
Local Government Bonds	33,003	33,477	(473)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	224,899	226,479	(1,580)
Other Securities	2,205,375	2,438,750	(233,374)
Foreign Stocks	—	—	—
Foreign Bonds	1,548,358	1,582,560	(34,201)
Others	657,017	856,189	(199,172)
Subtotal	3,375,970	3,621,577	(245,607)
Total	¥ 6,048,043	¥ 5,675,353	¥ 372,689

March 31, 2022	Millions of Yen		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	¥ 1,143,030	¥ 466,273	¥ 676,756
Bonds	1,583,022	1,580,317	2,704
Government Bonds	1,091,138	1,090,948	190
Local Government Bonds	3,141	3,126	15
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	488,741	486,243	2,498
Other Securities	631,562	607,706	23,856
Foreign Stocks	3,971	211	3,760
Foreign Bonds	426,787	422,930	3,857
Others	200,802	184,564	16,238
Subtotal	3,357,614	2,654,298	703,316
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	¥ 66,280	¥ 82,631	¥ (16,350)
Bonds	1,888,553	1,904,676	(16,123)
Government Bonds	1,630,897	1,645,706	(14,809)
Local Government Bonds	30,777	31,005	(227)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	226,878	227,964	(1,086)
Other Securities	1,936,929	2,206,046	(269,117)
Foreign Stocks	821	1,472	(650)
Foreign Bonds	1,171,810	1,194,570	(22,759)
Others	764,296	1,010,003	(245,706)
Subtotal	3,891,762	4,193,354	(301,591)
Total	¥ 7,249,377	¥ 6,847,652	¥ 401,725

March 31, 2023	Millions of U.S. Dollars		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	\$ 7,655	\$ 3,269	\$ 4,386
Bonds	7,923	7,898	25
Government Bonds	4,266	4,265	1
Local Government Bonds	38	38	0
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	3,618	3,595	24
Other Securities	4,432	4,213	219
Foreign Stocks	31	3	29
Foreign Bonds	2,027	2,002	25
Others	2,373	2,208	165
Subtotal	20,010	15,379	4,630
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	\$ 377	\$ 441	\$ (64)
Bonds	8,388	8,416	(28)
Government Bonds	6,457	6,470	(12)
Local Government Bonds	247	251	(4)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	1,684	1,696	(12)
Other Securities	16,515	18,262	(1,748)
Foreign Stocks	—	—	—
Foreign Bonds	11,595	11,851	(256)
Others	4,920	6,411	(1,491)
Subtotal	25,281	27,120	(1,839)
Total	\$ 45,290	\$ 42,499	\$ 2,791

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, 2023 and 2022.

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

Year Ended March 31, 2023	Millions of Yen		
	Amount Sold	Gain	Loss
Stocks	¥ 138,300	¥ 85,854	¥ 1,047
Bonds	692,606	1,233	6,930
Government Bonds	686,723	1,221	6,925
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	5,883	11	4
Other Securities	1,280,233	5,736	106,095
Foreign Stocks	1,998	—	1,102
Foreign Bonds	856,979	2,262	23,339
Others	421,255	3,474	81,653
Total	¥ 2,111,141	¥ 92,823	¥ 114,074

Year Ended March 31, 2022	Millions of Yen		
	Amount Sold	Gain	Loss
Stocks	¥ 142,168	¥ 91,190	¥ 3,243
Bonds	1,005,440	1,397	1,609
Government Bonds	979,797	1,282	1,541
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	25,643	115	67
Other Securities	3,019,509	16,772	159,290
Foreign Stocks	675	19	67
Foreign Bonds	2,595,705	13,353	30,964
Others	423,128	3,398	128,259
Total	¥ 4,167,119	¥ 109,361	¥ 164,143

Year Ended March 31, 2023	Millions of U.S. Dollars		
	Amount Sold	Gain	Loss
Stocks	\$ 1,036	\$ 643	\$ 8
Bonds	5,187	9	52
Government Bonds	5,142	9	52
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	44	0	0
Other Securities	9,587	43	794
Foreign Stocks	15	—	8
Foreign Bonds	6,417	17	175
Others	3,155	26	611
Total	\$ 15,809	\$ 695	\$ 854

(Note) The above figures include equity securities with no market prices and investments in partnerships.

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, 2023 and 2022.

7. Impairment of Securities

Securities other than equity securities with no market prices etc. and investments in partnerships etc., 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, 2023 and 2022, were ¥1,076 million (U.S. \$8 million) and ¥446 million, respectively. Impairment losses on Others recognized during the fiscal year ended March 31, 2023 and 2022 were ¥75 million (U.S. \$0.5 million) and ¥260 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

	Millions of Yen	
	Carrying Amount	Valuation Difference Reflected in the Statement of Income
Year Ended March 31, 2023		
Money Held in Trust for Trading Purposes	¥ 14,693	¥ (158)

	Millions of Yen	
	Carrying Amount	Valuation Difference Reflected in the Statement of Income
Year Ended March 31, 2022		
Money Held in Trust for Trading Purposes	¥ 14,913	¥ (332)

	Millions of U.S. Dollars	
	Carrying Amount	Valuation Difference Reflected in the Statement of Income
Year Ended March 31, 2023		
Money Held in Trust for Trading Purposes	\$110	\$ (1)

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, 2023 and 2022.

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

March 31, 2023	Millions of Yen				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
Other Money Held in Trust	¥ 1,442	¥ 993	¥ 449	¥ 449	¥ —

March 31, 2022	Millions of Yen				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
Other Money Held in Trust	¥ 1,395	¥ 989	¥ 406	¥ 406	¥ —

March 31, 2023	Millions of U.S. Dollars				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
Other Money Held in Trust	\$ 11	\$ 7	\$ 3	\$ 3	\$ —

(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
	2023	2022	2023
Valuation Differences			
Available-for-Sale Securities	¥ 379,595	¥ 405,138	\$ 2,843
Other Money Held in Trust	449	406	3
Total Valuation Differences	380,045	405,545	2,846
Amount Equivalent to Deferred Tax Assets (Liabilities)	(116,868)	(124,695)	(875)
Total (Before Adjustment for Non-Controlling Interests and Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies)	263,176	280,849	1,971
Non-Controlling Interests	(336)	(244)	(3)
Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies	(4,599)	(2,987)	(34)
Valuation Differences on Available-for-Sale Securities	¥ 258,240	¥ 277,617	\$ 1,934

(Notes)

1) Foreign currency translation adjustments on equity securities with no market prices denominated in foreign currencies are included in the "Available-for-Sale Securities" under "Valuation Difference."

2) The valuation difference of ¥6,416 million (U.S. \$48 million) and ¥3,086 million on available-for-sale securities composing assets held by associated companies as of March 31, 2023 and 2022, respectively, 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 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, 2023 and 2022, consist of the following:

	Millions of Yen				Millions of U.S. Dollars				
	2023				2023				
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference	
Total	Over One Year	Total			Over One Year				
Listed									
Interest Futures									
Sold	¥ 9,003,059	¥ 794,563	¥ (3,783)	¥ (3,783)	\$ 67,418	\$ 5,950	\$ (28)	\$ (28)	
Purchased	8,874,767	813,150	5,678	5,678	66,458	6,089	43	43	
Interest Options									
Sold	577,110	—	(245)	4	4,322	—	(2)	0	
Purchased	388,859	—	189	(6)	2,912	—	1	(0)	
OTC									
Forward Rate Agreements									
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —	
Purchased	—	—	—	—	—	—	—	—	
Interest Rate Swaps									
Fixed Interest Rate Receivable/ Floating Interest Rate Payable	54,749,386	46,204,255	(1,763,800)	(1,763,800)	409,985	345,996	(13,208)	(13,208)	
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	48,862,617	41,954,510	1,740,379	1,740,379	365,902	314,172	13,033	13,033	
Floating Interest Rate Receivable/ Floating Interest Rate Payable	12,976,843	10,842,019	(4,321)	(4,321)	97,176	81,189	(32)	(32)	
Interest Options									
Sold	9,569,663	9,531,770	(32,155)	(28,435)	71,661	71,378	(241)	(213)	
Purchased	7,268,885	7,268,785	35,787	33,349	54,432	54,432	268	250	
Others									
Sold	—	—	—	—	—	—	—	—	
Purchased	—	—	—	—	—	—	—	—	
Total			¥ (22,271)	¥ (20,935)			\$ (167)	\$ (157)	

	Millions of Yen			
	2022		Fair Value	Valuation Difference
	Notional Amount			
	Total	Over One Year		
Listed				
Interest Futures				
Sold	¥ 17,325,091	¥ 8,676,986	¥ 74,776	¥ 74,776
Purchased	16,430,494	8,676,986	(73,948)	(73,948)
Interest Options				
Sold	—	—	—	—
Purchased	—	—	—	—
OTC				
Forward Rate Agreements				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
Interest Rate Swaps				
Fixed Interest Rate Receivable/ Floating Interest Rate Payable	46,565,435	40,034,339	(274,059)	(274,059)
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	40,152,154	35,263,350	241,623	241,623
Floating Interest Rate Receivable/ Floating Interest Rate Payable	33,764,109	13,413,149	(6,670)	(6,670)
Interest Options				
Sold	9,558,634	9,548,395	(42,455)	(35,522)
Purchased	7,006,095	6,965,830	33,369	30,634
Others				
Sold	—	—	—	—
Purchased	—	—	—	—
Total			¥ (47,364)	¥ (43,167)

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

(2) Currency-Related Transactions

Currency-related transactions not qualifying for hedge accounting as of March 31, 2023 and 2022, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2023				2023			
	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	¥ 8,489,696	¥ 7,659,241	¥ 83,534	¥ 83,534	\$ 63,574	\$ 57,355	\$ 626	\$ 626
Forward Exchange Contracts								
Sold	19,974,757	1,793,292	(134,767)	(134,767)	149,579	13,429	(1,009)	(1,009)
Purchased	23,164,311	381,042	34,617	34,617	173,463	2,853	259	259
Currency Options								
Sold	1,569,541	917,749	(88,701)	(2,757)	11,753	6,872	(664)	(21)
Purchased	1,344,166	777,391	80,911	9,643	10,066	5,821	606	72
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ (24,404)	¥ (9,729)			\$ (183)	\$ (73)

	Millions of Yen							
	2022							
	Notional Amount		Fair Value	Valuation Difference				
	Total	Over One Year						
Listed								
Currency Futures								
Sold	¥	—	¥	—	¥	—	¥	—
Purchased		—		—		—		—
Currency Options								
Sold		—		—		—		—
Purchased		—		—		—		—
OTC								
Currency Swaps	¥	7,163,682	¥	6,540,039	¥	89,974	¥	89,974
Forward Exchange Contracts								
Sold		15,672,045		1,617,487		(576,219)		(576,219)
Purchased		18,844,572		283,636		690,736		690,736
Currency Options								
Sold		1,412,814		718,432		(75,527)		(7,637)
Purchased		1,027,966		558,220		66,483		14,041
Others								
Sold		—		—		—		—
Purchased		—		—		—		—
Total						¥ 195,447		¥ 210,895

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

(3) Stock-Related Transactions

Stock-related transactions not qualifying for hedge accounting as of March 31, 2023 and 2022, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2023				2023			
	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	¥ 25,203	¥ —	¥ (350)	¥ (350)	\$ 189	\$ —	\$ (3)	\$ (3)
Purchased	53	—	2	2	0	—	0	0
Stock Index Options								
Sold	—	—	—	—	—	—	—	—
Purchased	14,266	—	4	(10)	107	—	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			¥ (344)	¥ (359)			\$ (3)	\$ (3)

	Millions of Yen				
	2022				
	Notional Amount		Fair Value	Valuation Difference	
	Total	Over One Year			
Listed					
Stock Index Futures					
Sold	¥ 74,021	¥ —	¥ (4,650)	¥ (4,650)	
Purchased	45,631	—	1,918	1,918	
Stock Index Options					
Sold	14,474	—	(130)	29	
Purchased	18,081	—	166	(225)	
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			¥ (2,695)	¥ (2,927)	

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

(4) Bond-Related Transactions

Bond-related transactions not qualifying for hedge accounting as of March 31, 2023 and 2022, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2023				2023			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
	Total	Over One Year			Total	Over One Year		
Listed								
Bond Futures								
Sold	¥ 925,638	¥ —	¥ (24,016)	¥ (24,016)	\$ 6,932	\$ —	\$ (180)	\$ (180)
Purchased	837,670	—	20,037	20,037	6,273	—	150	150
Bond Future Options								
Sold	40,503	—	(175)	87	303	—	(1)	1
Purchased	54,767	—	179	(123)	410	—	1	(1)
OTC								
Bond Forward Contracts								
Sold	¥ 12,819	¥ —	¥ (282)	¥ (282)	\$ 96	\$ —	\$ (2)	\$ (2)
Purchased	—	—	—	—	—	—	—	—
Bond Options								
Sold	—	—	—	—	—	—	—	—
Purchased	994	994	11	(19)	7	7	0	(0)
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ (4,246)	¥ (4,317)			\$ (32)	\$ (32)

	Millions of Yen			
	2022			Valuation Difference
	Notional Amount		Fair Value	
	Total	Over One Year		
Listed				
Bond Futures				
Sold	¥ 1,058,961	¥ —	¥ 18,999	¥ 18,999
Purchased	902,988	—	(12,922)	(12,922)
Bond Future Options				
Sold	23,507	—	(159)	(42)
Purchased	26,654	—	339	154
OTC				
Bond Forward Contracts				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
Bond Options				
Sold	—	—	—	—
Purchased	994	994	47	15
Others				
Sold	—	—	—	—
Purchased	—	—	—	—
Total			¥ 6,303	¥ 6,204

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

(5) Commodity-Related Transactions

There were no commodity-related transactions not qualifying for hedge accounting as of March 31, 2023 and 2022.

(6) Credit Derivatives Transactions

Credit derivatives transactions not qualifying for hedge accounting as of March 31, 2023 and 2022, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2023				2023			
	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	¥ 22,600	¥ 19,100	¥ 460	¥ 460	\$ 169	\$ 143	\$ 3	\$ 3
Purchased	68,654	65,154	(798)	(798)	514	488	(6)	(6)
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ (338)	¥ (338)			\$ (3)	\$ (3)

	Millions of Yen			
	2022			
	Notional Amount		Fair Value	Valuation Difference
	Total	Over One Year		
OTC				
Credit Default Swaps				
Sold	¥ 29,000	¥ 18,000	¥ 611	¥ 611
Purchased	66,392	55,392	(2,930)	(2,930)
Others				
Sold	—	—	—	—
Purchased	—	—	—	—
Total			¥ (2,319)	¥ (2,319)

(Notes)

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

2) "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 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, 2023 and 2022, consist of the following:

		Millions of Yen			Millions of U.S. Dollars		
		2023			2023		
		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	Financial Assets/ Liabilities such as Loans and Bills Discounted, Available-for-Sale Securities (Bonds), Deposits, and Bonds Payable	¥ 1,583,341	¥ 1,139,336	¥ (85,848)	\$ 11,857	\$ 8,532	\$ (643)
Floating Interest Rate Receivable/ Fixed Interest Rate Payable		1,352,306	950,933	5,871	10,127	7,121	44
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		¥ (79,977)			\$ (599)		

		Millions of Yen		
		2022		Fair Value
		Notional Amount		
Major Hedged Item	Total	Over One Year		
Deferral Method				
Interest Rate Swaps				
Fixed Interest Rate Receivable/ Floating Interest Rate Payable		¥ 1,150,748	¥ 1,118,912	¥ (53,298)
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	Financial Assets/ Liabilities such as Loans and Bills Discounted, Available-for-Sale Securities (Bonds), Deposits, and Bonds Payable	1,779,306	1,351,050	18,674
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				¥ (34,624)

(Note) Deferred hedge accounting stipulated in Guidance No.24 is applied, in principle.

(2) Currency-Related Transactions

Currency-related transactions qualifying for hedge accounting as of March 31, 2023 and 2022, consist of the following:

Major Hedged Item		Millions of Yen			Millions of U.S. Dollars		
		2023			2023		
		Notional Amount		Fair Value	Notional Amount		Fair Value
		Total	Over One Year		Total	Over One Year	
Deferral Method							
Currency Swaps		¥ 3,909,750	¥ 2,017,931	¥ (94,221)	\$ 29,278	\$ 15,111	\$ (706)
Forward Exchange Contracts							
Sold	Loans and Bills Discounted	24,356	—	(418)	182	—	(3)
Purchased	and Securities Denominated in Foreign Currencies	495,253	—	9,140	3,709	—	68
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		¥ 110,525	¥ —	¥ (716)	\$ 828	\$ —	\$ (5)
Purchased		—	—	—	—	—	—
Total				¥ (86,216)			\$ (646)

Major Hedged Item		Millions of Yen		
		2022		
		Notional Amount		Fair Value
Total	Over One Year			
Deferral Method				
Currency Swaps		¥ 2,212,027	¥ 896,828	¥ (135,622)
Forward Exchange Contracts				
Sold	Loans and Bills Discounted	25,661	—	(849)
Purchased	and Securities Denominated	91,480	—	1,293
	in Foreign Currencies			
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			
Sold	Subsidiaries and	¥ 102,904	¥ —	¥ (4,990)
Purchased	Affiliated Companies	—	—	—
Total		¥ (140,169)		

(Note) Deferred hedge accounting stipulated in Guidance No.25 is applied, in principle.

(3) Stock-Related Transactions

There were no stock-related transactions qualifying for hedge accounting as of March 31, 2023 and 2022.

(4) Bond-Related Transactions

There were no bond-related transactions qualifying for hedge accounting as of March 31, 2023 and 2022.

Retirement and Pension Plans**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
	2023	2022	2023
Retirement Benefit Obligations (opening balance)	¥ 423,883	¥ 431,223	\$ 3,174
Service Cost-Benefits Earned during the Fiscal Year	10,162	10,880	76
Interest Cost on Projected Benefit Obligations	2,276	2,307	17
Actuarial Gains and Losses that Arose during the Fiscal Year	(37,086)	3,522	(278)
Retirement Benefits Paid	(17,149)	(18,365)	(128)
Past Service Cost that Arose during the Fiscal Year	—	—	—
Other (Note)	—	(5,685)	—
Retirement Benefit Obligations (closing balance)	¥ 382,087	¥ 423,883	\$ 2,861

(Note) "Other" recognized in the previous fiscal year was reversal due to the termination of the defined benefit plans for one of the consolidated subsidiaries.

(2) Reconciliation of Plan Assets

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Plan Assets (opening balance)	¥ 602,553	¥ 648,636	\$ 4,512
Expected Return on Plan Assets	21,820	22,608	163
Actuarial Gains and Losses that Arose during the Fiscal Year	(12,773)	(52,299)	(96)
Contributions by the Employer	4,755	4,936	36
Retirement Benefits Paid	(15,364)	(16,020)	(115)
Other (Note)	—	(5,307)	—
Plan Assets (closing balance)	¥ 600,992	¥ 602,553	\$ 4,500

(Note) "Other" recognized in the previous fiscal year was reversal due to the termination of the defined benefit plans for one of the consolidated subsidiaries.

(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
	2023	2022	2023
Retirement Benefit Obligations of Retirement Benefit Plans with Plan Assets	¥ 368,367	¥ 410,330	\$ 2,758
Plan Assets	(600,992)	(602,553)	(4,500)
	(232,625)	(192,223)	(1,742)
Retirement Benefit Obligations of Retirement Benefit Plans without Plan Assets	13,720	13,553	103
Net of Liabilities and Assets Recorded in the Consolidated Balance Sheet	¥ (218,904)	¥ (178,669)	\$ (1,639)

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Liabilities for Retirement Benefits	¥ 13,720	¥ 13,553	\$ 103
Assets for Retirement Benefits	(232,625)	(192,223)	(1,742)
Net of Liabilities and Assets Recorded in the Consolidated Balance Sheet	¥ (218,904)	¥ (178,669)	\$ (1,639)

(4) Breakdown of Retirement Benefit Expenses

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Service Cost-Benefits Earned during the Fiscal Year	¥ 10,162	¥ 10,880	\$ 76
Interest Cost on Projected Benefit Obligations	2,276	2,307	17
Expected Return on Plan Assets	(21,820)	(22,608)	(163)
Amortization of Actuarial Differences	3,841	479	29
Amortization of Past Service Cost	(18)	(65)	(0)
Other	424	378	3
Retirement Benefit Expenses for Defined Benefit Obligations	¥ (5,133)	¥ (8,627)	\$ (38)

(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
	2023	2022	2023
Past Service Cost	¥ (18)	¥ (65)	\$ (0)
Actuarial Differences	28,154	(55,342)	211
Total	¥ 28,135	¥ (55,407)	\$ 211

(6) Accumulated Remeasurements of Defined Benefit Plans

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

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Unrecognized Past Service Cost	¥ (84)	¥ (102)	\$ (1)
Unrecognized Actuarial Differences	33,414	61,569	250
Total	¥ 33,330	¥ 61,466	\$ 250

(7) Plan Assets

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

	Proportion (%)	
	2023	2022
Debt Securities	25	25
Equity Securities	61	59
Cash and Due from Banks	3	4
Other	11	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 56% and 55% of the total plan asset for the fiscal years ended March 31, 2023 and 2022, 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, 2023 and 2022, are as follows:

	2023	2022
Discount Rate	Mainly 1.2%	Mainly 0.5%
Expected Long-Term Rate of Return on Plan Assets	3.6%	3.5%

3. Defined Contribution Pension Plans

Contributions by SuMi TRUST Holdings and its consolidated subsidiaries to the defined contribution pension plans were ¥2,311 million (U.S. \$17 million) and ¥2,379 million for the years ended March 31, 2023 and 2022, respectively.

Stock Option Plans

1. Expenses Recorded in Connection with Stock Options during the Fiscal Years Ended March 31, 2023 and 2022

(1) SuMi TRUST Holdings

There were no relevant items.

(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, 2023. 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, 2023	SuMi TRUST Holdings Series 2 Subscription Rights to Shares	SuMi TRUST Holdings Series 3 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: 44 Total: 66	Directors and officers of SuMi TRUST Holdings: 22 Directors and officers of SuMi TRUST Bank: 38 Total: 60
Number of Stock Options Granted by Class of Share	Common stock: 26,000 shares	Common stock: 39,800 shares
Grant Date	July 18, 2012	July 19, 2013
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 18, 2012, to July 17, 2014	From July 19, 2013, to July 18, 2015
Exercise Period	From July 18, 2014, to July 17, 2022	From July 19, 2015, to July 18, 2023

Year Ended March 31, 2023	SuMi TRUST Holdings Series 4 Subscription Rights to Shares	SuMi TRUST Holdings Series 5 Subscription Rights to Shares
Number of Eligible Persons and their Position	Directors and officers of SuMi TRUST Holdings: 23 Directors and officers of SuMi TRUST Bank: 40 Total: 63	Directors and officers of SuMi TRUST Holdings: 19 Directors and officers of SuMi TRUST Bank: 44 Total: 63
Number of Stock Options Granted by Class of Share	Common stock: 40,400 shares	Common stock: 32,700 shares
Grant Date	August 1, 2014	July 31, 2015
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, 2014, to July 31, 2044	From August 31, 2015, to July 30, 2045

Year Ended March 31, 2023	SuMi TRUST Holdings Series 6 Subscription Rights to Shares	SuMi TRUST Holdings Series 7 Subscription Rights to Shares
Number of Eligible Persons and their Position	Directors and officers of SuMi TRUST Holdings: 21 Directors and officers of SuMi TRUST Bank: 42 Total: 63	Directors and officers of SuMi TRUST Holdings: 26 Directors and officers of SuMi TRUST Bank: 41 Total: 67
Number of Stock Options Granted by Class of Share	Common stock: 51,000 shares	Common stock: 61,300 shares
Grant Date	July 29, 2016	July 28, 2017
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, 2016, to July 28, 2046	From August 21, 2017, to July 27, 2047

Year Ended March 31, 2023	SuMi TRUST Holdings Series 8 Subscription Rights to Shares
Number of Eligible Persons and their Position	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: 69,000 shares
Grant Date	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.
Eligible Service Period	Not specified
Exercise Period	From September 30, 2018, to September 2, 2048

2) Volume and Changes in Stock Options

i) Number of stock options

Year Ended March 31, 2023	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	SuMi TRUST Holdings Series 5 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	18,900	39,300	30,200	28,100
Vested	—	—	—	—
Exercised	6,100	—	2,000	1,300
Forfeited	12,800	—	—	—
At the End of the Fiscal Year	—	39,300	28,200	26,800

Year Ended March 31, 2023	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	45,800	57,600	66,300
Vested	—	—	—
Exercised	2,800	3,500	1,000
Forfeited	—	—	—
At the End of the Fiscal Year	43,000	54,100	65,300

ii) Unit price information

Year Ended March 31, 2023	SuMi TRUST Holdings			
	Series 2 Subscription Rights to Shares	Series 3 Subscription Rights to Shares	Series 4 Subscription Rights to Shares	Series 5 Subscription Rights to Shares
Exercise Price (yen)	4,000	5,190	1	1
Average Stock Price when Exercised (yen)	4,198	—	4,258	4,292
Fair Unit Value on the Grant Date (yen)	340	1,460	4,240	5,447

Year Ended March 31, 2023	SuMi TRUST Holdings		
	Series 6 Subscription Rights to Shares	Series 7 Subscription Rights to Shares	Series 8 Subscription Rights to Shares
Exercise Price (yen)	1	1	1
Average Stock Price when Exercised (yen)	4,470	4,379	4,336
Fair Unit Value on the Grant Date (yen)	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, 2023. The number of stock options represents the number of shares after converting into equivalent shares.

1) Description of Stock Options

Year Ended March 31, 2023	Resolution during the Fiscal Year 2016	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: 16	Directors and employees of Nikko Asset Management Co., Ltd. and its subsidiaries and affiliated companies: 31
Number of Stock Options Granted by Class of Share	Common stock: 4,437,000 shares	Common stock: 4,409,000 shares
Grant Date	July 15, 2016	April 27, 2017
Vesting Conditions	The recipient must, in principle, be a director or an employee of Nikko Asset Management Co., Ltd., as of July 15, 2018 ("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.	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 July 15, 2018 to July 31, 2026	From April 27, 2019 to April 30, 2027

	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: 36
Number of Stock Options Granted by Class of Share	Common stock: 4,422,000 shares
Grant Date	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, 2020 ("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
Exercise Period	From April 27, 2020 to April 30, 2028

2) Volume and Changes in Stock Options

i) Number of stock options

Year Ended March 31, 2023	Shares	
	Resolution during Fiscal Year 2016	Resolution during Fiscal Year 2016
Grant Date	July 15, 2016	April 27, 2017
Unvested Stock Options		
At the Beginning of the Fiscal Year	88,000	816,000
Granted	—	—
Forfeited	88,000	599,000
Vested	—	—
At the End of the Fiscal Year	—	217,000
Vested Stock Options		
At the Beginning of the Fiscal Year	—	—
Vested	—	—
Exercised	—	—
Forfeited	—	—
At the End of the Fiscal Year	—	—

Grant Date	Shares
	Resolution during Fiscal Year 2017
	April 27, 2018
Unvested Stock Options	
At the Beginning of the Fiscal Year	1,536,000
Granted	—
Forfeited	784,000
Vested	—
At the End of the Fiscal Year	752,000
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, 2023	Resolution during Fiscal Year 2016	Resolution during Fiscal Year 2016
Grant Date	July 15, 2016	April 27, 2017
Exercise Price	¥ 558	¥ 553
Fair Price on the Grant Date (Note 1)	0	0

	Resolution during Fiscal Year 2017
Grant Date	April 27, 2018
Exercise Price	¥ 694
Fair Price on the Grant Date (Note 1)	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 ¥344 million (U.S. \$3 million) as of March 31, 2023.

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

There were no subscription rights granted in the fiscal year ended March 31, 2023.

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. Breakdown of Major Factors Giving Rise to Deferred Tax Assets and Liabilities

Year Ended March 31	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Deferred Tax Assets:			
Impairment of Securities	¥ 17,147	¥ 18,094	\$ 128
Allowance for Loan Losses (Including Direct Write-Offs of Loans with Guarantees or Collateral)	34,555	55,080	259
Deferred Gains (Losses) on Hedges	21,391	18,366	160
Remeasurements of Defined Benefit Plans	10,263	18,945	77
Valuation Difference Due to Share Exchange	4,572	4,432	34
Other	69,510	72,892	521
Subtotal	157,441	187,810	1,179
Valuation Allowance	(19,993)	(20,900)	(150)
Deferred Tax Assets	¥ 137,448	¥ 166,909	\$ 1,029
Deferred Tax Liabilities:			
Retirement Benefits	¥ (51,861)	¥ (46,430)	\$ (388)
Valuation Difference on Available-for-Sale Securities	(122,854)	(131,370)	(920)
Valuation Difference Due to Share Exchange	(5,718)	(5,752)	(43)
Other	(11,869)	(11,823)	(89)
Deferred Tax Liabilities	¥ (192,304)	¥ (195,377)	\$ (1,440)
Net Deferred Tax Assets (Liabilities)	¥ (54,856)	¥ (28,467)	\$ (411)

2. Breakdown of Major Causes of Significant Differences Arising Between the Statutory Tax Rate and the Effective Tax Rate after Application of Tax Effect Accounting for Companies Submitting the Consolidated Financial Statements

Year Ended March 31	2023	2022
Effective Statutory Tax Rate	—%	30.62%
Adjustments:		
Changes in Valuation Allowance	—	(1.20)
Amortization of Goodwill	—	1.06
Share of Profit of Equity-Method Affiliated Companies	—	(2.09)
Permanent Differences (e.g., Cash Dividends Received)	—	(0.75)
Others	—	(2.31)
Effective Income Tax Rate	—%	25.33%

(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 year ended March 31, 2023.

3. Accounting for Corporation Tax and Local Corporation Tax and Tax Effect Accounting

SuMi TRUST Holdings and some of its consolidated subsidiaries in Japan have adopted the group tax sharing system effective from the current fiscal year. In addition, corporation tax and local corporation tax, as well as their tax

effects, are accounted for and disclosed under “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (Accounting Standards Board of Japan (ASBJ) Practical Issues Task Force (PITF) No.42 , August 12, 2021).

Revenue Recognition

1. Information Related to Disaggregation of Revenue from Contracts with Customers for the Current Fiscal Year Ended March 31, 2023 and 2022

SuMi TRUST Group has changed its reportable segments effective from the current fiscal year in line with the reorganization of SuMi TRUST Bank effective April 1, 2022, and segment information for the previous fiscal year is based on the new reportable segment classifications. The details of the change are described in "Notes to the Consolidated Financial Statements, Segment Information."

Year Ended March 31, 2023	Millions of Yen								Income Other than Those Disaggregated Revenue	Total
	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Asset Management	Others	Subtotal		
Trust Fees	¥ 6,796	¥ 13,349	¥ 85,769	¥ 3,807	¥ —	¥ —	¥ —	¥ 109,721	¥ —	¥ 109,721
Fees and Commissions	89,016	57,138	46,269	66,872	467	144,472	(46,031)	358,206	82,125	440,331
Income from Contracts with Customers	¥ 95,812	¥ 70,487	¥ 132,039	¥ 70,679	¥ 467	¥ 144,472	¥ (46,031)	¥ 467,928		

Year Ended March 31, 2022	Millions of Yen								Income Other than Those Disaggregated Revenue	Total
	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Asset Management	Others	Subtotal		
Trust Fees	¥ 6,738	¥ 12,396	¥ 87,889	¥ 3,513	¥ —	¥ —	¥ —	¥ 110,539	¥ —	¥ 110,539
Fees and Commissions	81,401	50,228	46,443	60,159	343	172,384	(41,834)	369,124	75,530	444,655
Income from Contracts with Customers	¥ 88,140	¥ 62,624	¥ 134,333	¥ 63,672	¥ 343	¥ 172,384	¥ (41,834)	¥ 479,664		

Year Ended March 31, 2023	Millions of U.S. Dollars								Income Other than Those Disaggregated Revenue	Total
	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Asset Management	Others	Subtotal		
Trust Fees	\$ 51	\$ 100	\$ 642	\$ 29	\$ —	\$ —	\$ —	\$ 822	\$ —	\$ 822
Fees and Commissions	667	428	346	501	4	1,082	(345)	2,682	615	3,297
Income from Contracts with Customers	\$ 717	\$ 528	\$ 989	\$ 529	\$ 4	\$ 1,082	\$ (345)	\$ 3,504		

(Note) "Others" includes elimination of internal transactions.

2. Information Related to Contract Balance

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Receivables from Contracts with Customers	¥ 104,016	¥ 107,494	\$ 779
Contract Liabilities	2,518	1,772	19

	Millions of Yen	
	2022	2021
Receivables from Contracts with Customers	¥ 107,494	¥ 100,863
Contract Liabilities	1,772	1,446

Receivables from contracts with customers and contract liabilities are included in "Other Assets" and "Other Liabilities," respectively, in the consolidated balance sheets. Contract liabilities retained at the beginning of the current fiscal year and the previous fiscal year are mainly recognized

as revenue for the fiscal years ended March 31, 2023 and 2022, respectively.

The amount of revenue from performance obligation satisfied or partially satisfied in the past year and recognized in the current fiscal year is immaterial.

3. Information Related to Transaction Prices Allocated to Residual Performance Obligations

For the fiscal years ended March 31, 2023 and 2022, the amount of revenue expected to be recognized from existing contracts after the fiscal years is immaterial. Contracts with their initial expected period of less than one year and with revenue recognized in the amount that SuMi TRUST Group is entitled to claim are not included in the notes.

Segment Information

1. Reportable Segment Information

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 SuMi TRUST Holdings 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 Business:

Provision of services to individual customers

Wholesale Business:

Provision of services to corporate customers

Investor Services Business:

Provision of services to investors

Real Estate Business:

Provision of services related to the real estate business

Global Markets Business:

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

Asset Management Business:

Asset management service operations

Change in Reportable Segments

SuMi TRUST Group aims to promote and lead a virtuous circle of funds, assets, and capital by various stakeholders through provision of high value-added products and services and investments to create new values. Effective as of April 1, 2022, reorganization of SuMi TRUST Bank, Limited has been implemented.

Reportable segments of SuMi TRUST Group were previously divided into "Retail Total Solution Services Business," "Wholesale Financial Services Business (Wholesale Total Solution Services Business and Wholesale Asset Management Business)," "Stock Transfer Agency Services Business," "Real Estate Business," "Fiduciary Services

Business," "Asset Management Business," and "Global Markets Business." Starting from the current consolidated fiscal year SuMi TRUST Group has reclassified them into the following segments: "Retail Business (former Retail Total Solution Services Business)," "Wholesale Business (former Wholesale Total Solution Services Business and former Stock Transfer Agency Services Business)," "Investor Services Business (former Wholesale Asset Management Business and former Fiduciary Services Business)," "Real Estate Business," "Global Markets Business," and "Asset Management Business."

Segment information for the fiscal year ended March 31, 2022, has been prepared based on the reportable segments after the change.

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.

"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.

"Fixed Assets" disclosed in the assets by reportable segments are the total amount of tangible fixed assets and intangible fixed asset. These assets are owned by SuMi TRUST Bank and allocated to each segment.

3. Profit or Loss and Fixed Assets by Reportable Segment

Millions of Yen								
Year Ended March 31, 2023	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Asset Management	Others	Total
Substantial Gross Business Profit	¥ 202,874	¥ 229,393	¥ 127,382	¥ 69,745	¥ 69,310	¥ 84,724	¥ 30,731	¥ 814,162
General and Administrative Expenses	(161,366)	(88,583)	(69,678)	(27,607)	(15,148)	(62,485)	(64,651)	(489,521)
Net Business Profit	¥ 41,507	¥ 140,809	¥ 57,703	¥ 42,138	¥ 54,162	¥ 22,239	¥ (33,919)	¥ 324,641
Fixed Assets	¥ 75,388	¥ 55,763	¥ 22,251	¥ 9,270	¥ 25,148	¥ —	¥ 165,735	¥ 353,557

Millions of Yen								
Year Ended March 31, 2022	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Asset Management	Others	Total
Substantial Gross Business Profit	¥ 190,844	¥ 212,075	¥ 137,854	¥ 62,792	¥ 52,303	¥ 101,967	¥ 50,344	¥ 808,182
General and Administrative Expenses	(158,631)	(84,635)	(67,099)	(25,892)	(15,704)	(61,444)	(48,689)	(462,096)
Net Business Profit	¥ 32,212	¥ 127,440	¥ 70,754	¥ 36,900	¥ 36,599	¥ 40,523	¥ 1,654	¥ 346,085
Fixed Assets	¥ 71,016	¥ 43,306	¥ 21,070	¥ 9,318	¥ 19,165	¥ —	¥ 186,325	¥ 350,202

Millions of U.S. Dollars								
Year Ended March 31, 2023	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Asset Management	Others	Total
Substantial Gross Business Profit	\$ 1,519	\$ 1,718	\$ 954	\$ 522	\$ 519	\$ 634	\$ 230	\$ 6,097
General and Administrative Expenses	(1,208)	(663)	(522)	(207)	(113)	(468)	(484)	(3,666)
Net Business Profit	\$ 311	\$ 1,054	\$ 432	\$ 316	\$ 406	\$ 167	\$ (254)	\$ 2,431
Fixed Assets	\$ 565	\$ 418	\$ 167	\$ 69	\$ 188	\$ —	\$ 1,241	\$ 2,648

(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 trust fees, net interest income, net fees and commissions, net trading income, and net other ordinary income and expenses.

3) "General and Administrative Expenses" include personnel expenses and non-personnel expenses.

4) "Others" include costs of capital funding, dividends for shares for cross-shareholdings, general and administrative

expenses of headquarters, and elimination of internal transactions.

5) The amount of "Fixed Assets" for each segment represents the amount of fixed assets owned by SuMi TRUST Bank. "Others" within "Fixed Assets" include corporate assets not allocated to any segment, fixed assets owned by consolidated subsidiaries outside the scope of allocation of resources, and adjustments for consolidation. For fixed assets not allocated to each segment, some of related expenses are allocated to each segment based on a reasonable allocation method.

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
	2023	2022	2023
Net Business Profit	¥ 324,641	¥ 346,085	\$ 2,431
Other Income	129,767	120,731	972
Other Expenses	(139,857)	(205,536)	(1,047)
Other Adjustments	(43,163)	(33,280)	(323)
Income before Income Taxes	¥ 271,387	¥ 227,999	\$ 2,032

Related Information

1. Information by Services

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

2. Geographic Information

(1) Income

Income by geographical area for the fiscal years ended March 31, 2023 and 2022, consists of the following:

Year Ended March 31, 2023	Millions of Yen				
	Japan	Americas	Europe	Asia and Oceania	Total
	¥ 1,317,365	¥ 220,877	¥ 150,908	¥ 134,888	¥ 1,824,040

Year Ended March 31, 2022	Millions of Yen				
	Japan	Americas	Europe	Asia and Oceania	Total
	¥ 1,216,885	¥ 72,283	¥ 55,428	¥ 57,040	¥ 1,401,637

Year Ended March 31, 2023	Millions of U.S. Dollars				
	Japan	Americas	Europe	Asia and Oceania	Total
	\$ 9,865	\$ 1,654	\$ 1,130	\$ 1,010	\$ 13,659

(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 oversea 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, 2023 and 2022, 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 allocated to reportable segments during the fiscal year ended March 31, 2023 and 2022 were as follows:

Millions of Yen								
Year Ended March 31, 2023	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Asset Management	Others	Total
Losses on Impairment of Fixed Assets	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 18,187	¥ 18,187

Millions of Yen								
Year Ended March 31, 2022	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Asset Management	Others	Total
Losses on Impairment of Fixed Assets	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 1,468	¥ 1,468

Millions of U.S. Dollars								
Year Ended March 31, 2023	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Asset Management	Others	Total
Losses on Impairment of Fixed Assets	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 136	\$ 136

(Note) The details of impairment losses are described in “Notes to the Consolidated Statement of Income, 5. Other Income and Expenses, (2).”

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, 2023, and 2022, were ¥8,001 million (U.S. \$60 million) and ¥7,882 million, respectively. Unamortized balance of goodwill as of March 31, 2023, and 2022, were ¥21,726 million (U.S. \$163 million) and ¥29,510 million, respectively.

Information Related to Gain on Negative Goodwill by Reportable Segment

There were no gains on negative goodwill by reportable segment during the fiscal years ended March 31, 2023 and 2022.

Related-Party Information

1. Related-Party Transactions

There were no material transactions that need to be disclosed for the fiscal years ended March 31, 2023 and 2022.

2. Notes to the Significant Affiliated Companies

There were no significant affiliated companies that need to be disclosed for the fiscal years ended March 31, 2023 and 2022.

Per Share of Common Stock Information

	Yen		U.S. Dollars
	2023	2022	2023
Net Assets per Share of Common Stock	¥ 7,686.52	¥ 7,249.70	\$ 57.56
Net Income per Share of Common Stock	517.14	451.40	3.87
Diluted Net Income per Share of Common Stock	516.83	451.12	3.87

(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, 2023	As of March 31, 2022	As of March 31, 2023
Net Assets as Reported	¥ 2,822,574	¥ 2,745,288	\$ 21,137
Less:	30,490	29,732	228
Subscription Rights to Shares	945	1,006	7
Non-Controlling Interests	29,545	28,725	221
Net Assets Attributable to Common Shareholders	2,792,083	2,715,556	20,908
The Number of Shares of Common Stock Outstanding (Thousands of Shares)	363,243	374,574	363,243

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
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023
Net Income per Share of Common Stock			
Net Income Attributable to Owners of the Parent	¥ 191,000	¥ 169,078	\$ 1,430
Net Income Not Attributable to Common Shareholders	—	—	—
Net Income Related to Common Stock that is Attributable to Owners of the Parent	191,000	169,078	1,430
Average Number of Shares of Common Stock Outstanding (Thousands of Shares)	369,334	374,562	369,334
Fully 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)	221	230	221
Subscription Rights to Shares (Thousands of Shares)	221	230	221
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	Series 3 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 39,300 shares	Series 2 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 18,900 shares Series 3 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 39,300 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 969,000 shares	Consolidated Subsidiaries Nikko Asset Management Co., Ltd. (NAM): Subscription Rights to Shares (Stock Options) NAM Common Stock 2,440,000 shares	Consolidated Subsidiaries Nikko Asset Management Co., Ltd. (NAM): Subscription Rights to Shares (Stock Options) NAM Common Stock 969,000 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 and RS Trust (a system to deliver Restricted Stocks ("RS") using the framework of a share delivery trust) for the employee 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, 2023.

For the calculation of net income per share, the average number of shares of treasury stock outstanding is 529 thousand shares for the fiscal year ended March 31, 2023 (404 thousand shares for the fiscal year ended March 31, 2022). For the calculation of net asset per share, the total number of shares of treasury stock outstanding is 695 thousand shares (392 thousand shares for the fiscal year ended March 31, 2022).

Significant Subsequent Event

There were no significant subsequent events that need to be disclosed for the fiscal years ended March 31, 2023 and 2022.

Financial Data:

Non-Consolidated Balance Sheet

Sumitomo Mitsui Trust Holdings, Inc.
As of March 31, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Assets:			
Current Assets:			
Cash and Due from Banks	¥ 5,632	¥ 18,978	\$ 42
Securities	59,000	104,000	442
Prepaid Expenses	465	234	3
Income Tax Refunds Receivable	14,378	12	108
Other Current Assets	2,176	14,258	16
Total Current Assets	81,652	137,483	611
Non-Current Assets:			
Tangible Fixed Assets:	0	0	0
Tools, Furniture, and Fixtures	0	0	0
Intangible Fixed Assets:	5	0	0
Software	0	0	0
Other Intangible Fixed Assets	5	—	0
Investments and Other Assets:	2,046,981	2,086,028	15,329
Investment Securities	720	652	5
Investments in Subsidiaries and Affiliated Companies (Stocks)	1,440,888	1,440,056	10,790
Long-Term Loans Receivable from Subsidiaries and Affiliated Companies	605,000	645,000	4,530
Deferred Tax Assets	277	224	2
Other Investments	94	94	1
Total Non-Current Assets	2,046,987	2,086,028	15,329
Total Assets	¥ 2,128,640	¥ 2,223,512	\$ 15,940
Liabilities:			
Current Liabilities:			
Accrued Expenses	¥ 1,980	¥ 2,032	\$ 15
Income Taxes Payable	71	5,338	1
Provision for Bonuses	317	259	2
Provision for Directors' Bonuses	88	77	1
Other Current Liabilities	265	475	2
Total Current Liabilities	2,723	8,183	20
Non-Current Liabilities:			
Bonds Payable	590,000	630,000	4,418
Long-Term Loans Payable	15,000	15,000	112
Provision for Share-Based Remuneration	227	150	2
Other Non-Current Liabilities	223	153	2
Total Non-Current Liabilities	605,450	645,303	4,534
Total Liabilities	¥ 608,173	¥ 653,486	\$ 4,554
Net Assets:			
Total Shareholders' Equity:	¥ 1,519,521	¥ 1,569,019	\$ 11,379
Capital Stock	261,608	261,608	1,959
Capital Surplus:	947,088	977,092	7,092
Legal Capital Surplus	702,933	702,933	5,264
Other Capital Surplus	244,154	274,158	1,828
Retained Earnings:	333,757	333,032	2,499
Other Retained Earnings:			
Retained Earnings Brought Forward	333,757	333,032	2,499
Treasury Stock-At Cost	(22,933)	(2,714)	(172)
Subscription Rights to Shares	945	1,006	7
Total Net Assets	¥ 1,520,466	¥ 1,570,025	\$ 11,386
Total Liabilities and Net Assets	¥ 2,128,640	¥ 2,223,512	\$ 15,940
	Yen		U.S. Dollars
Net Assets per Share of Common Stock	¥ 4,183.19	¥ 4,188.80	\$ 31.33

The figures in U.S. dollars are converted from yen for the convenience of readers outside Japan at the rate of ¥133.54 to U.S. \$1.00, the exchange rate as of March 31, 2023.

Sumitomo Mitsui Trust Holdings, Inc. 2023 Financial Data Section

Financial Data:

Non-Consolidated Statement of Income

Sumitomo Mitsui Trust Holdings, Inc.
For the fiscal years ended March 31, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Operating Income:			
Dividends Received from Subsidiaries	¥ 71,279	¥ 58,154	\$ 534
Fees and Commissions Received from Subsidiaries	6,832	5,164	51
Total Operating Income	78,111	63,319	585
Operating Expenses:			
General and Administrative Expenses	6,395	5,525	48
Total Operating Expenses	6,395	5,525	48
Operating Profit	71,716	57,793	537
Non-Operating Income:	6,746	6,715	51
Interest Income	6,659	6,641	50
Interest on Securities	4	8	0
Commission Fee	0	0	0
Other Non-Operating Income	81	65	1
Non-Operating Expenses:	7,035	6,928	53
Interest Expenses	103	76	1
Interest on Bonds Payable	6,556	6,564	49
Other Non-Operating Expenses	375	286	3
Income before Income Taxes	71,426	57,580	535
Income Taxes:	169	(40)	1
Current	222	(162)	2
Deferred	(52)	122	(0)
Net Income	¥ 71,257	¥ 57,620	\$ 534

	Yen	U.S. Dollars
Net Income per Share of Common Stock	¥ 192.93	\$ 1.44

Financial Data:

Non-Consolidated Statement of Changes in Net Assets

Sumitomo Mitsui Trust Holdings, Inc.
For the fiscal years ended March 31, 2023 and 2022

From April 1, 2022 to March 31, 2023

	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	¥ 274,158	¥ 977,092	¥ 333,032	¥ 333,032
Changes during the Year						
Cash Dividends					(70,533)	(70,533)
Net Income					71,257	71,257
Purchase of Treasury Stock						
Disposal of Treasury Stock			(0)	(0)		
Retirement of Treasury Stock			(30,003)	(30,003)		
Net Changes of Items Other Than Shareholders' Equity						
Total Changes during the Year	—	—	(30,004)	(30,004)	724	724
Balance at the End of the Year	¥ 261,608	¥ 702,933	¥ 244,154	¥ 947,088	¥ 333,757	¥ 333,757

	Millions of Yen			
	Shareholders' Equity		Subscription Rights to Shares	Total Net Assets
	Treasury Stock	Total Shareholders' Equity		
Balance at the Beginning of the Year	¥ (2,714)	¥ 1,569,019	¥ 1,006	¥ 1,570,025
Changes during the Year				
Cash Dividends		(70,533)		(70,533)
Net Income		71,257		71,257
Purchase of Treasury Stock	(50,364)	(50,364)		(50,364)
Disposal of Treasury Stock	142	141		141
Retirement of Treasury Stock	30,003	—		—
Net Changes of Items Other Than Shareholders' Equity			(61)	(61)
Total Changes during the Year	(20,218)	(49,498)	(61)	(49,559)
Balance at the End of the Year	¥ (22,933)	¥ 1,519,521	¥ 945	¥ 1,520,466

From April 1, 2021 to March 31, 2022

	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	¥ 274,158	¥ 977,092	¥ 333,531	¥ 333,531
Changes during the Year						
Cash Dividends					(58,119)	(58,119)
Net Income					57,620	57,620
Purchase of Treasury Stock						
Disposal of Treasury Stock			0	0		
Retirement of Treasury Stock						
Net Changes of Items Other Than Shareholders' Equity						
Total Changes during the Year	—	—	0	0	(499)	(499)
Balance at the End of the Year	¥ 261,608	¥ 702,933	¥ 274,158	¥ 977,092	¥ 333,032	¥ 333,032

	Millions of Yen			
	Shareholders' Equity		Subscription Rights to Shares	Total Net Assets
	Treasury Stock	Total Shareholders' Equity		
Balance at the Beginning of the Year	¥ (2,815)	¥ 1,569,417	¥ 1,024	¥ 1,570,441
Changes during the Year				
Cash Dividends		(58,119)		(58,119)
Net Income		57,620		57,620
Purchase of Treasury Stock	(21)	(21)		(21)
Disposal of Treasury Stock	122	122		122
Retirement of Treasury Stock		—		—
Net Changes of Items Other Than Shareholders' Equity			(18)	(18)
Total Changes during the Year	101	(397)	(18)	(415)
Balance at the End of the Year	¥ (2,714)	¥ 1,569,019	¥ 1,006	¥ 1,570,025

From April 1, 2022 to March 31, 2023

	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	\$ 1,959	\$ 5,264	\$ 2,053	\$ 7,317	\$ 2,494	\$ 2,494
Changes during the Year				—		—
Cash Dividends					(528)	(528)
Net Income					534	534
Purchase of Treasury Stock					—	—
Disposal of Treasury Stock	—	—	(0)	(0)	—	—
Retirement of Treasury Stock	1,959	5,264	(225)	(225)		
Net Changes of Items Other Than Shareholders' Equity	1,959	5,264	1,828	7,092		
Total Changes during the Year			(225)	(225)	5	5
Balance at the End of the Year	\$ 1,959	\$ 5,264	\$ 1,828	\$ 7,092	\$ 2,499	\$ 2,499

	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	\$ (20)	\$ 11,749	\$ 8	\$ 11,757
Changes during the Year				
Cash Dividends		(528)		(528)
Net Income		534		534
Purchase of Treasury Stock	(377)	(377)		(377)
Disposal of Treasury Stock	1	1		1
Retirement of Treasury Stock	225	—		—
Net Changes of Items Other Than Shareholders' Equity			(0)	(0)
Total Changes during the Year	(151)	(371)	(0)	(371)
Balance at the End of the Year	\$ (172)	\$ 11,379	\$ 7	\$ 11,386

Statement of Trust Account

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
As of March 31, 2023 and 2022

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Assets:			
Loans and Bills Discounted (Note 2)	¥ 2,154,605	¥ 2,131,254	\$ 16,135
Securities (Note 3)	846,569	859,127	6,339
Beneficiary Rights	188,494,811	182,799,711	1,411,523
Securities Held in Custody Accounts	20,674	22,534	155
Monetary Claims	26,147,491	25,361,961	195,803
Tangible Fixed Assets	23,154,632	21,118,391	173,391
Intangible Fixed Assets	229,624	200,412	1,720
Other Claims	9,856,778	10,789,374	73,811
Loans to Banking Account	4,332,472	4,298,827	32,443
Cash and Due from Banks	988,055	633,823	7,399
Total Assets	¥ 256,225,715	¥ 248,215,419	\$ 1,918,719
Liabilities:			
Money Trusts (Note 4)	¥ 38,420,310	¥ 36,216,311	\$ 287,706
Pension Trusts	14,043,977	14,525,120	105,167
Property Formation Benefit Trusts	18,439	18,820	138
Securities Investment Trusts	80,945,517	80,405,840	606,152
Money in Trust Other Than Money Trusts	40,257,727	39,748,080	301,466
Securities in Trust	23,513,485	22,159,577	176,078
Money Claims in Trust	26,400,850	25,588,821	197,700
Real Estate in Trust	825	876	6
Composite Trusts	32,624,581	29,551,969	244,306
Total Liabilities	¥ 256,225,715	¥ 248,215,419	\$ 1,918,719

See Notes to Statements of Trust Account

Financial Data:

Notes to Statement of Trust Account

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, 2023 and 2022, were ¥4,103,478 million (U.S. \$30,728 million) and ¥4,052,452 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 ¥133.54 to U.S. \$1, the approximate rate of exchange as of March 31, 2023. 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, 2023 and 2022, are for trust accounts in SuMi TRUST Bank.

2. Loans and Bills Discounted

Loans as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Loans on Deeds	¥ 1,709,285	¥ 1,685,034	\$ 12,800
Loans on Bills	445,320	446,220	3,335
Total	¥ 2,154,605	¥ 2,131,254	\$ 16,135

The balances of guaranteed trust account loans as of March 31, 2023 and 2022 stood at ¥10,461 million (U.S. \$78 million) and ¥13,316 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, 2023 and 2022, included the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Doubtful Loans	¥ 59	¥ 752	\$ 0
Restructured Loans	10	13	0
Total	¥ 70	¥ 765	\$ 1

3. Securities

Securities held as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Government Bonds	¥ 425,484	¥ 401,621	\$ 3,186
Local Government Bonds	30	30	0
Corporate Bonds	35,361	40,758	265
Stocks	6,270	6,444	47
Other Securities	379,423	410,272	2,841
Total	¥ 846,569	¥ 859,127	\$ 6,339

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
	2023	2022	2023
Assets:			
Loans and Bills Discounted	¥ 10,461	¥ 13,316	\$ 78
Other	4,093,352	4,039,461	30,653
Total	¥ 4,103,814	¥ 4,052,778	\$ 30,731
Liabilities:			
Principal	¥ 4,103,478	¥ 4,052,452	\$ 30,728
Allowance for Impairment of Guaranteed Trust Principal	11	12	0
Other	324	313	2
Total	¥ 4,103,814	¥ 4,052,778	\$ 30,731

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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Five-Year Summary

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				
	2023	2022	2021	2020	2019
As of the Year-End					
Assets:					
Cash and Due from Banks	¥ 21,522,753	¥ 18,142,775	¥ 18,430,787	¥ 13,087,816	¥ 16,042,864
Securities	6,804,176	7,748,019	6,882,670	6,343,103	5,692,564
Loans and Bills Discounted	31,810,926	30,876,507	30,506,968	29,703,375	29,022,792
Lease Receivables and Investment Assets	688,933	688,141	695,172	673,880	653,447
Tangible Fixed Assets	230,096	231,770	235,430	220,936	219,309
Intangible Fixed Assets	108,362	100,109	85,397	100,915	152,896
Customers' Liabilities for Acceptances and Guarantees	562,523	541,228	511,782	518,811	557,007
Others	7,140,213	6,181,543	5,930,257	5,767,259	4,700,499
Allowance for Loan Losses	(129,998)	(163,369)	(129,223)	(127,205)	(99,770)
Total Assets	¥ 68,737,987	¥ 64,346,726	¥ 63,149,243	¥ 56,288,892	¥ 56,941,609
Liabilities:					
Deposits and Negotiable Certificates of Deposit	¥ 42,937,929	¥ 39,963,734	¥ 40,819,028	¥ 36,706,332	¥ 38,359,319
Acceptances and Guarantees	562,523	541,228	511,782	518,811	557,007
Others	22,769,313	21,493,253	19,476,937	16,851,259	15,525,403
Total Liabilities	¥ 66,269,765	¥ 61,998,216	¥ 60,807,748	¥ 54,076,402	¥ 54,441,730
Net Assets:					
Shareholders' Equity	¥ 2,232,088	¥ 2,114,764	¥ 2,024,588	¥ 1,948,981	¥ 2,041,013
Accumulated Other Comprehensive Income	206,616	205,045	289,269	236,738	424,472
Non-Controlling Interests	29,517	28,699	27,637	26,769	34,393
Total Net Assets	¥ 2,468,222	¥ 2,348,510	¥ 2,341,495	¥ 21,212,489	¥ 2,499,879
Total Liabilities and Net Assets	¥ 68,737,987	¥ 64,346,726	¥ 63,149,243	¥ 56,288,892	¥ 56,941,609
For the Year					
Income:					
Trust Fees	¥ 109,721	¥ 110,539	¥ 102,883	¥ 99,816	¥ 100,301
Interest Income	659,022	370,231	362,978	491,762	511,540
Fees and Commissions	323,099	300,637	270,406	313,804	383,437
Trading Income	15,608	13,453	76	102,189	27,926
Other Ordinary Income	468,587	335,885	405,800	348,650	357,080
Other Income	124,297	119,392	151,138	93,529	71,551
Total Income	¥ 1,700,337	¥ 1,250,140	¥ 1,293,283	¥ 1,449,753	¥ 1,451,837
Expenses:					
Interest Expenses	¥ 551,043	¥ 107,883	¥ 137,834	¥ 362,021	¥ 372,068
Fees and Commissions Payments	93,602	92,926	86,836	90,649	109,242
Trading Expenses	5,184	—	33,300	—	—
Other Ordinary Expenses	272,606	291,353	290,111	281,279	250,699
General and Administrative Expenses	388,714	361,104	365,801	385,180	407,483
Other Expenses	138,581	195,012	206,275	115,262	76,810
Total Expenses	¥ 1,449,732	¥ 1,048,281	¥ 1,120,161	¥ 1,234,394	¥ 1,216,303
Income before Income Taxes	¥ 250,605	¥ 201,858	¥ 173,121	¥ 215,358	¥ 235,533
Net Income	¥ 178,676	¥ 150,379	¥ 126,119	¥ 147,678	¥ 165,580
Yen					
Per Share of Common Stock:					
Net Income per Share of Common Stock	¥ 106.08	¥ 89.11	¥ 74.86	¥ 87.89	¥ 96.47
Fully Diluted Net Income per Share of Common Stock	—	—	—	—	—
Net Assets per Share of Common Stock	1,456.34	1,385.34	1,381.78	1,305.26	1,472.33

Financial Summary:

Five-Year Summary

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

Non-Consolidated Statements of Banking Account	Millions of Yen				
	2023	2022	2021	2020	2019
As of the Year-End					
Assets:					
Cash and Due from Banks	¥ 21,364,216	¥ 17,925,030	¥ 18,216,321	¥ 12,916,014	¥ 15,831,242
Securities	6,999,285	7,951,169	7,090,335	6,625,035	6,091,898
Loans and Bills Discounted	31,947,351	30,916,363	30,691,618	29,953,513	29,404,142
Tangible Fixed Assets	182,820	184,334	186,717	189,926	195,414
Intangible Fixed Assets	89,534	77,756	58,880	70,937	65,607
Customers' Liabilities for Acceptances and Guarantees	458,822	426,405	383,537	359,757	385,467
Others	5,888,514	5,185,333	4,795,801	4,579,760	3,325,210
Allowance for Loan Losses	(105,798)	(136,300)	(100,846)	(98,191)	(75,211)
Total Assets	¥ 66,824,746	¥ 62,530,092	¥ 61,322,366	¥ 54,596,753	¥ 55,223,770
Liabilities:					
Deposits and Negotiable Certificates of Deposit	¥ 42,658,928	¥ 39,708,369	¥ 40,618,487	¥ 36,650,458	¥ 38,290,404
Acceptances and Guarantees	458,822	426,405	383,537	359,757	385,467
Others	21,579,079	20,344,012	18,270,801	15,569,113	14,276,060
Total Liabilities	¥ 64,696,830	¥ 60,478,786	¥ 59,272,826	¥ 52,579,329	¥ 52,951,932
Net Assets:					
Shareholders' Equity	¥ 1,915,815	¥ 1,807,041	¥ 1,752,055	¥ 1,705,866	¥ 1,829,610
Valuation and Translation Adjustments	212,099	244,263	297,484	311,558	442,227
Total Net Assets	¥ 2,127,915	¥ 2,051,305	¥ 2,049,539	¥ 2,017,424	¥ 2,271,838
Total Liabilities and Net Assets	¥ 66,824,746	¥ 62,530,092	¥ 61,322,366	¥ 54,596,753	¥ 55,223,770
For the Year					
Income:					
Trust Fees	¥ 109,721	¥ 110,539	¥ 102,883	¥ 99,816	¥ 100,972
Interest Income	665,844	360,361	345,877	474,575	520,790
Fees and Commissions	213,074	196,351	178,519	185,849	194,143
Trading Income	15,608	13,453	76	102,189	27,926
Other Ordinary Income	203,946	56,215	116,709	94,420	114,934
Other Income	119,454	102,866	139,243	82,349	60,606
Total Income	¥ 1,327,649	¥ 839,787	¥ 883,310	¥ 1,039,201	¥ 1,019,374
Expenses:					
Interest Expenses	¥ 552,582	¥ 104,274	¥ 133,693	¥ 356,435	¥ 366,989
Fees and Commissions Payments	109,382	106,900	99,698	95,322	89,832
Trading Expenses	5,184	—	33,300	—	—
Other Ordinary Expenses	32,847	35,082	25,388	51,868	34,608
General and Administrative Expenses	266,335	250,023	257,905	252,579	239,668
Other Expenses	137,030	194,377	203,658	105,475	83,466
Total Expenses	¥ 1,103,363	¥ 690,659	¥ 753,645	¥ 861,681	¥ 814,564
Income before Income Taxes	¥ 224,286	¥ 149,127	¥ 129,664	¥ 177,519	¥ 204,810
Net Income	¥ 169,135	¥ 113,343	¥ 95,941	¥ 124,706	¥ 148,661
Annual Dividends	¥ 60,383	¥ 49,850	¥ 49,867	¥ 201,461	¥ 121,320
Per Share of Common Stock:					
Net Income per Share of Common Stock	¥ 101.00	¥ 67.68	¥ 57.29	¥ 74.47	¥ 88.77
Fully Diluted Net Income per Share of Common Stock	—	—	—	—	—
Net Assets per Share of Common Stock	1,270.74	1,224.99	1,223.94	1,204.76	1,356.69

Financial Summary:

Five-Year Summary

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				
	2023	2022	2021	2020	2019
As of the Year-End					
Assets:					
Securities	¥ 846,569	¥ 859,127	¥ 857,610	¥ 1,075,184	¥ 1,253,465
Loans and Bills Discounted	2,154,605	2,131,254	1,804,393	1,543,160	1,445,195
Other	253,224,540	245,225,037	237,184,586	221,806,982	208,651,405
Total Assets	¥ 256,225,715	¥ 248,215,419	¥ 239,846,590	¥ 224,425,327	¥ 211,350,067
Liabilities:					
Money Trusts	¥ 38,420,310	¥ 36,216,311	¥ 34,196,939	¥ 33,415,451	¥ 32,877,994
Pension Trusts	14,043,977	14,525,120	13,107,254	13,023,778	13,113,501
Property Formation Benefit Trusts	18,439	18,820	18,954	19,060	18,865
Other Trusts	203,742,987	197,455,167	192,523,442	177,967,038	165,339,705
Total Liabilities	¥ 256,225,715	¥ 248,215,419	¥ 239,846,590	¥ 224,425,327	¥ 211,350,067

Total Employable Funds (Non-Consolidated)	Millions of Yen				
	2023	2022	2021	2020	2019
As of the Year-End					
Deposits	¥ 42,658,928	¥ 39,708,369	¥ 40,618,487	¥ 36,650,458	¥ 38,290,404
Money Trusts	38,420,310	36,216,311	34,196,939	33,415,451	32,877,994
Pension Trusts	14,043,977	14,525,120	13,107,254	13,023,778	13,113,501
Property Formation Benefit Trusts	18,439	18,820	18,954	19,060	18,865
Total Employable Funds*	¥ 95,141,656	¥ 90,468,620	¥ 87,941,635	¥ 83,108,748	¥ 84,300,766

* 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, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Assets:			
Cash and Due from Banks	¥ 21,522,753	¥ 18,142,775	\$ 161,171
Call Loans and Bills Bought	24,006	5,000	180
Receivables under Resale Agreements	110,003	150,741	824
Receivables under Securities Borrowing Transactions	436,093	652,534	3,266
Monetary Claims Bought	970,058	854,093	7,264
Trading Assets (Notes 1 and 2)	1,514,603	967,565	11,342
Money Held in Trust	1,442	1,395	11
Securities (Notes 2 and 4)	6,804,176	7,748,019	50,952
Loans and Bills Discounted (Notes 3, 4 and 5)	31,810,926	30,876,507	238,213
Foreign Exchanges	47,445	29,494	355
Lease Receivables and Investment Assets (Note 4)	688,933	688,141	5,159
Other Assets (Notes 4, 8 and 14)	3,781,008	3,302,723	28,314
Tangible Fixed Assets (Note 6)	230,096	231,770	1,723
Intangible Fixed Assets (Note 7)	108,362	100,109	811
Assets for Retirement Benefits	232,599	192,204	1,742
Deferred Tax Assets	22,951	25,791	172
Customers' Liabilities for Acceptances and Guarantees	562,523	541,228	4,212
Allowance for Loan Losses	(129,998)	(163,369)	(973)
Total Assets	¥ 68,737,987	¥ 64,346,726	\$ 514,737
Liabilities:			
Deposits (Notes 4 and 9)	¥ 35,417,923	¥ 33,271,789	\$ 265,223
Negotiable Certificates of Deposit	7,520,005	6,691,944	56,313
Call Money and Bills Sold	1,912,878	799,524	14,324
Payables under Repurchase Agreements (Note 4)	1,030,780	1,485,033	7,719
Trading Liabilities (Note 1)	1,472,636	906,686	11,028
Borrowed Money (Notes 4 and 10)	6,629,543	7,783,498	49,645
Foreign Exchanges	847	1,275	6
Short-Term Bonds Payable	2,332,377	2,387,553	17,466
Bonds Payable (Note 11)	1,911,760	1,446,604	14,316
Borrowed Money from Trust Account (Note 12)	4,332,472	4,298,827	32,443
Other Liabilities (Notes 13 and 14)	3,019,064	2,279,211	22,608
Provision for Bonuses	12,902	12,668	97
Provision for Directors' Bonuses	95	98	1
Provision for Stocks Payment	810	569	6
Liabilities for Retirement Benefits	11,442	11,380	86
Provision for Reward Points Program	21,282	19,965	159
Provision for Reimbursement of Deposits	3,028	3,626	23
Provision for Contingent Losses	1,344	1,649	10
Deferred Tax Liabilities	73,663	52,690	552
Deferred Tax Liabilities for Land Revaluation (Note 6)	2,381	2,388	18
Acceptances and Guarantees	562,523	541,228	4,212
Total Liabilities	¥ 66,269,765	¥ 61,998,216	\$ 496,254
Net Assets:			
Total Shareholders' Equity:	¥ 2,232,088	¥ 2,114,764	\$ 16,715
Capital Stock	342,037	342,037	2,561
Capital Surplus	342,889	342,853	2,568
Retained Earnings	1,547,162	1,429,874	11,586
Total Accumulated Other Comprehensive Income:	206,616	205,045	1,547
Valuation Differences on Available-for-Sale Securities	269,861	290,154	2,021
Deferred Gains (Losses) on Hedges	(47,792)	(41,661)	(358)
Revaluation Reserve for Land (Note 6)	(4,479)	(4,456)	(34)
Foreign Currency Translation Adjustments	12,202	3,713	91
Remeasurements of Defined Benefit Plans	(23,175)	(42,703)	(174)
Non-Controlling Interests	29,517	28,699	221
Total Net Assets	¥ 2,468,222	¥ 2,348,510	\$ 18,483
Total Liabilities and Net Assets	¥ 68,737,987	¥ 64,346,726	\$ 514,737
	Yen		U.S. Dollars
Net Assets per Share of Common Stock	¥ 1,456.34	¥ 1,385.34	\$ 10.91

See accompanying notes.

The figures in U.S. dollars are converted from yen for the convenience of readers outside Japan at the rate of ¥133.54 to U.S. \$1.00, the exchange rate as of March 31, 2023.

Consolidated Statement of Income

Sumitomo Mitsui Trust Bank, Limited and its Consolidated Subsidiaries
For the fiscal years ended March 31, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Income:			
Trust Fees (Note 1)	¥ 109,721	¥ 110,539	\$ 822
Interest Income:	659,022	370,231	4,935
Interest on Loans and Discounts	425,715	260,871	3,188
Interest and Dividends on Securities	137,153	92,296	1,027
Interest on Call Loans and Bills Bought	1,316	685	10
Interest on Deposits with Banks	71,061	12,199	532
Other Interest Income (Note 2)	23,775	4,179	178
Fees and Commissions (Note 1)	323,099	300,637	2,419
Trading Income (Note 3)	15,608	13,453	117
Other Ordinary Income (Note 4)	468,587	335,885	3,509
Other Income (Note 5)	124,297	119,392	931
Total Income	¥ 1,700,337	¥ 1,250,140	\$ 12,733
Expenses:			
Interest Expenses:	¥ 551,043	¥ 107,883	\$ 4,126
Interest on Deposits	171,880	29,848	1,287
Interest on Negotiable Certificates of Deposit	139,247	6,787	1,043
Interest on Call Money and Bills Sold	1,202	481	9
Interest on Payables under Repurchase Agreements	32,286	1,665	242
Interest on Borrowings	20,525	11,200	154
Interest on Short-Term Bonds	55,767	3,271	418
Interest on Bonds	22,514	9,971	169
Other Interest Expenses (Note 2)	107,619	44,658	806
Fees and Commissions Payments	93,602	92,926	701
Trading Expenses (Note 3)	5,184	—	39
Other Ordinary Expenses (Note 4)	272,606	291,353	2,041
General and Administrative Expenses (Note 6)	388,714	361,104	2,911
Other Expenses (Note 5)	138,581	195,012	1,038
Total Expenses	¥ 1,449,732	¥ 1,048,281	\$ 10,856
Income before Income Taxes	¥ 250,605	¥ 201,858	\$ 1,877
Income Taxes:	71,928	51,479	539
Current	45,358	48,285	340
Deferred	26,569	3,194	199
Net Income	¥ 178,676	¥ 150,379	\$ 1,338
Net Income Attributable to Non-Controlling Interests	1,027	1,155	8
Net Income Attributable to Owners of the Parent	¥ 177,649	¥ 149,223	\$ 1,330

	Yen		U.S. Dollars
Net Income per Share of Common Stock	¥ 106.08	¥ 89.11	\$ 0.79

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, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Net Income	¥ 178,676	¥ 150,379	\$ 1,338
Other Comprehensive Income (Loss):			
Valuation Differences on Available-for-Sale Securities	(18,588)	(50,031)	(139)
Deferred Gains (Losses) on Hedges	(7,174)	1,142	(54)
Foreign Currency Translation Adjustments	6,089	3,058	46
Remeasurements of Defined Benefit Plans	19,510	(38,219)	146
Share of Other Comprehensive Income of Equity-Method Affiliated Companies	1,998	515	15
Total Other Comprehensive Income (Loss) (Note)	¥ 1,835	¥ (83,534)	\$ 14
Comprehensive Income:	¥ 180,512	¥ 66,845	\$ 1,352
Comprehensive Income Attributable to Owners of the Parent	179,241	65,439	1,342
Comprehensive Income Attributable to Non-Controlling Interests	1,270	1,405	10

See accompanying notes.

Consolidated Statement of Changes in Net Assets

Sumitomo Mitsui Trust Bank, Limited and its Consolidated Subsidiaries
For the fiscal years ended March 31, 2023 and 2022

From April 1, 2022 to March 31, 2023

	Millions of Yen			
	Shareholders' Equity			
	Capital Stock	Capital Surplus	Retained Earnings	Total Shareholders' Equity
Balance at the Beginning of the Year	¥ 342,037	¥ 342,853	¥ 1,429,874	¥ 2,114,764
Changes during the Year				
Cash Dividends			(60,383)	(60,383)
Net Income Attributable to Owners of the Parent			177,649	177,649
Purchase of Shares of Consolidated Subsidiaries		36		36
Reversal of Revaluation Reserve for Land			22	22
Net Changes of Items Other Than Shareholders' Equity				
Total Changes during the Year	—	36	117,287	117,324
Balance at the End of the Year	¥ 342,037	¥ 342,889	¥ 1,547,162	¥ 2,232,088

	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	¥ 290,154	¥ (41,661)	¥ (4,456)	¥ 3,713	¥ (42,703)	¥ 205,045	¥ 28,699	¥ 2,348,510
Changes during the Year								
Cash Dividends								(60,383)
Net Income Attributable to Owners of the Parent								177,649
Purchase of Shares of Consolidated Subsidiaries								36
Reversal of Revaluation Reserve for Land								22
Net Changes of Items Other Than Shareholders' Equity	(20,292)	(6,131)	(22)	8,488	19,527	1,570	817	2,387
Total Changes during the Year	(20,292)	(6,131)	(22)	8,488	19,527	1,570	817	119,711
Balance at the End of the Year	¥ 269,861	¥ (47,792)	¥ (4,479)	¥ 12,202	¥ (23,175)	¥ 206,616	¥ 29,517	¥ 2,468,222

See accompanying notes.

From April 1, 2021 to March 31, 2022

	Millions of Yen			
	Shareholders' Equity			Total Shareholders' Equity
	Capital Stock	Capital Surplus	Retained Earnings	
Balance at the Beginning of the Year	¥ 342,037	¥ 342,853	¥ 1,339,698	¥ 2,024,588
Cumulative Effects of Changes in Accounting Policies			(9,636)	(9,636)
Restated Balance	342,037	342,853	1,330,061	2,014,951
Changes during the Year				
Cash Dividends			(49,850)	(49,850)
Net Income Attributable to Owners of the Parent			149,223	149,223
Purchase of Shares of Consolidated Subsidiaries				—
Reversal of Revaluation Reserve for Land			439	439
Net Changes of Items Other Than Shareholders' Equity				
Total Changes during the Year	—	—	99,812	99,812
Balance at the End of the Year	¥ 342,037	¥ 342,853	¥ 1,429,874	¥ 2,114,764

	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	¥ 345,053	¥ (44,836)	¥ (4,016)	¥ (2,452)	¥ (4,477)	¥ 289,269	¥ 27,637	¥ 2,341,495
Cumulative Effects of Changes in Accounting Policies							(0)	(9,636)
Restated Balance	345,053	(44,836)	(4,016)	(2,452)	(4,477)	289,269	27,636	2,331,858
Changes during the Year								
Cash Dividends								(49,850)
Net Income Attributable to Owners of the Parent								149,223
Purchase of Shares of Consolidated Subsidiaries								—
Reversal of Revaluation Reserve for Land								439
Net Changes of Items Other Than Shareholders' Equity	(54,899)	3,174	(439)	6,166	(38,225)	(84,224)	1,062	(83,161)
Total Changes during the Year	(54,899)	3,174	(439)	6,166	(38,225)	(84,224)	1,062	16,651
Balance at the End of the Year	¥ 290,154	¥ (41,661)	¥ (4,456)	¥ 3,713	¥ (42,703)	¥ 205,045	¥ 28,699	¥ 2,348,510

See accompanying notes.

From April 1, 2022 to March 31, 2023

	Millions of U.S. Dollars			
	Shareholders' Equity			
	Capital Stock	Capital Surplus	Retained Earnings	Total Shareholders' Equity
Balance at the Beginning of the Year	\$ 2,561	\$ 2,567	\$ 10,707	\$ 15,836
Changes during the Year				
Cash Dividends			(452)	(452)
Net Income Attributable to Owners of the Parent			1,330	1,330
Purchase of Shares of Consolidated Subsidiaries		0		0
Reversal of Revaluation Reserve for Land			0	0
Net Changes of Items Other Than Shareholders' Equity				
Total Changes during the Year	—	0	878	879
Balance at the End of the Year	\$ 2,561	\$ 2,568	\$ 11,586	\$ 16,715

	Millions of U.S. Dollars							
	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	\$ 2,173	\$ (312)	\$ (33)	\$ 28	\$ (320)	\$ 1,535	\$ 215	\$ 17,587
Changes during the Year								
Cash Dividends								(452)
Net Income Attributable to Owners of the Parent								1,330
Purchase of Shares of Consolidated Subsidiaries								0
Reversal of Revaluation Reserve for Land								0
Net Changes of Items Other Than Shareholders' Equity	(152)	(46)	(0)	64	146	12	6	18
Total Changes during the Year	(152)	(46)	(0)	64	146	12	6	896
Balance at the End of the Year	\$ 2,021	\$ (358)	\$ (34)	\$ 91	\$ (174)	\$ 1,547	\$ 221	\$ 18,483

See accompanying notes.

Financial Data:

Consolidated Statement of Cash Flows

Sumitomo Mitsui Trust Bank, Limited and its Consolidated Subsidiaries
For the fiscal years ended March 31, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Cash Flows from Operating Activities:			
Income before Income Taxes	¥ 250,605	¥ 201,858	\$ 1,877
Depreciation and Amortization	30,151	29,209	226
Impairment Losses	18,187	1,468	136
Amortization of Goodwill	4,499	4,399	34
Equity in Losses (Earnings) of Affiliated Companies	(15,764)	(13,647)	(118)
Increase (Decrease) in Allowance for Loan Losses	(33,371)	34,145	(250)
Increase (Decrease) in Provision for Bonuses	233	643	2
Increase (Decrease) in Provision for Directors' Bonuses	(2)	(4)	(0)
Increase (Decrease) in Provision for Stocks Payment	240	152	2
Decrease (Increase) in Assets for Retirement Benefits	(36,615)	40,205	(274)
Increase (Decrease) in Liabilities for Retirement Benefits	59	(457)	0
Increase (Decrease) in Provision for Reward Points Program	1,317	1,019	10
Increase (Decrease) in Provision for Reimbursement of Deposits	(598)	(511)	(4)
Increase (Decrease) in Provision for Contingent Losses	(305)	15	(2)
Interest Income	(659,022)	(370,231)	(4,935)
Interest Expenses	551,043	107,883	4,126
Loss (Gain) Related to Securities	15,416	55,268	115
Loss (Gain) on Money Held in Trust	(87)	(74)	(1)
Foreign Exchange Losses (Gains)	(157,440)	(182,426)	(1,179)
Loss (Gain) on Disposal of Fixed Assets	920	336	7
Net Decrease (Increase) in Trading Assets	(547,037)	(11,844)	(4,096)
Net Increase (Decrease) in Trading Liabilities	565,949	57,088	4,238
Net Decrease (Increase) in Loans and Bills Discounted	(934,418)	(369,539)	(6,997)
Net Increase (Decrease) in Deposits	2,146,133	(222,643)	16,071
Net Increase (Decrease) in Negotiable Certificates of Deposit	828,061	(632,650)	6,201
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowings)	(1,113,954)	1,415,895	(8,342)
Net Decrease (Increase) in Due from Banks (Excluding Due from the Bank of Japan)	59,878	(800,096)	448
Net Decrease (Increase) in Call Loans	(94,520)	51,543	(708)
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	216,441	75,155	1,621
Net Increase (Decrease) in Call Money	659,101	595,441	4,936
Net Decrease (Increase) in Foreign Exchange-Assets	(17,951)	(4,098)	(134)
Net Increase (Decrease) in Foreign Exchange-Liabilities	(427)	698	(3)
Net Decrease (Increase) in Lease Receivables and Investment Assets	(791)	7,031	(6)
Net Increase (Decrease) in Short-Term Bonds Payable	(55,175)	(157,495)	(413)
Increase (Decrease) in Straight Bonds-Issuance and Redemption	521,255	552,497	3,903
Net Increase (Decrease) in Borrowed Money from Trust Account	33,645	(616,380)	252
Interest Received	623,655	369,004	4,670
Interest Paid	(505,791)	(104,607)	(3,788)
Other, Net	262,713	(261,731)	1,967
Subtotal	¥ 2,616,229	¥ (147,481)	\$ 19,591
Income Taxes (Paid) Refunded	(59,857)	(37,605)	(448)
Net Cash Provided by (Used in) Operating Activities	¥ 2,556,372	¥ (185,086)	\$ 19,143

(Continued)

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Cash Flows from Investing Activities:			
Purchase of Securities	¥ (5,121,656)	¥ (9,168,630)	\$ (38,353)
Proceeds from Sales of Securities	1,916,907	4,220,006	14,355
Proceeds from Redemption of Securities	4,202,493	4,158,323	31,470
Purchase of Tangible Fixed Assets	(8,455)	(8,447)	(63)
Proceeds from Sales of Tangible Fixed Assets	356	1,950	3
Purchase of Intangible Fixed Assets	(51,484)	(39,714)	(386)
Purchase of Shares of Affiliated Companies Accounted for Using the Equity Method	(1,207)	(8,606)	(9)
Proceeds from Shares of Affiliated Companies Accounted for Using the Equity Method	23,636	102	177
Net Cash Provided by (Used in) Investing Activities	¥ 960,590	¥ (845,015)	\$ 7,193
Cash Flows from Financing Activities:			
Proceeds from Subordinated Borrowings	¥ 20,000	¥ 25,000	\$ 150
Repayments of Subordinated Borrowings	(60,000)	(50,000)	(449)
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares	(56,100)	(41,500)	(420)
Proceeds from Share Issuance to Non-Controlling Shareholders	40	—	0
Cash Dividends Paid	(60,383)	(49,850)	(452)
Cash Dividends Paid to Non-Controlling Interests	(456)	(342)	(3)
Net Cash Provided by (Used in) Financing Activities	¥ (156,900)	¥ (116,693)	\$ (1,175)
Effect of Exchange Rate Change on Cash and Cash Equivalents	¥ 79,794	¥ 58,686	\$ 598
Net Increase (Decrease) in Cash and Cash Equivalents	¥ 3,439,856	¥ (1,088,109)	\$ 25,759
Cash and Cash Equivalents at the Beginning of the Year	¥ 15,653,061	¥ 16,741,171	\$ 117,216
Cash and Cash Equivalents at the End of the Year (Note)	¥ 19,092,918	¥ 15,653,061	\$ 142,975

See accompanying notes.

Financial Data:

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 ¥133.54 to U.S. \$1, the approximate rate of exchange as of March 31, 2023. 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, 2023:

38 companies

Principal Companies:

Sumitomo Mitsui Trust Loan & Finance Co., Ltd.

Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.

Sumitomo Mitsui Trust Realty Co., Ltd.

Sumitomo Mitsui Trust Club Co., Ltd.

Sumitomo Mitsui Trust and Bank (U.S.A.) Limited

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

Japan Extensive Infrastructure, Limited is newly established and included in the scope of the consolidation from the fiscal year ended March 31, 2023.

STB Finance Cayman Limited is excluded from the scope

of consolidation effective from the fiscal year ended March 31, 2023, due to liquidation.

(2) Unconsolidated Subsidiaries

Principal Companies:

Cattleya Co., Ltd.

Apollo Aligned Alternatives (C-2), L.P.

Cattleya Co., Ltd. and 10 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.

Apollo Aligned Alternatives (C-2), 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:

19 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:

MFA, Inc. is included in the scope of application of the equity method effective from the fiscal year ended March 31, 2023, due to the acquisition of its shares.

Yuryo Loan Co., Ltd. and three other companies are excluded from the scope of the application of the equity method effective from the fiscal year ended March 31, 2023, as the influence of SuMi TRUST Bank has decreased.

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

Principal Companies:

Cattleya Co., Ltd.

Apollo Aligned Alternatives (C-2), L.P.

Cattleya Co., Ltd. and 10 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.

Apollo Aligned Alternatives (C-2), 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
August 31:	1 company
September 30:	4 companies
November 30:	1 company
December 31:	4 companies
March 31:	26 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 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, 2023, 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, 2023 and 2022.

Regarding valuation of specific market risks and credit risks for derivative transactions, fair value is measured in groups of financial assets and financial liabilities with the basis of the net asset or liability after offsetting financial assets and financial liabilities.

(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 that are not accounted for by the equity method are stated at moving-average cost. "Available-for-Sale Securities" are valued at the market price (cost of securities sold is calculated using primarily the moving-average method). Equity securities with no market prices 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.

Regarding valuation of specific market risks and credit risks, fair value is measured in groups of financial assets and financial liabilities with the basis of the net asset or liability after offsetting financial assets and financial liabilities.

(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

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" 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 ("bankrupt borrowers") and against borrowers that are in substantially similar adverse condition ("virtually bankrupt borrowers"), 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 ("possibly bankrupt borrowers"), 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 possibly bankrupt 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 or three years, which is calculated based on the average historical loan-loss ratios or bankruptcy ratios during a certain period on the basis of historical loan-losses or bankrupt losses over the past one or three years, with adjustments for future forecast.

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, etc. 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 bankrupt borrowers or virtually bankrupt borrowers with collateral or guarantees, claims against borrowers in legal or virtually bankrupt borrowers, 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 ¥18,210 million (U.S. \$136 million) and ¥23,943 million as of March 31, 2023 and 2022, respectively.

(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 Bank for the estimated stock-based payments to directors under a stock-based 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 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, 2023, 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: In principle, the full amount of past service cost is charged to profit or loss in the fiscal year they occur.

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) Basis for Recognition of Significant Revenues and Expenses

SuMi TRUST Bank Group's main revenues from contracts with customers are "Trust Fees" and "Fees and Commissions" such as asset administration fees, stock transfer agency fees, real estate brokerage fees, and investment trust and insurance sales fees.

The timing of satisfying performance obligation in each transaction is determined as follows based on the respective economic conditions. The amount of consideration for transactions is generally received within approximately six months after satisfying performance obligations and does not include significant financing components.

Trust fees and asset administration fees are recorded mainly in the "Investor Services Business," and "Retail Business." SuMi TRUST Bank Group is obligated to perform asset administrative services in accordance with the terms of trust agreements and various contracts. SuMi TRUST Bank Group recognizes revenues from these performance obligations over a period of time since the benefits are expensed by the customer as the daily services are provided.

Stock transfer agency fees are mainly recorded in the "Wholesale Business." SuMi TRUST Bank Group is obligated to perform shareholder registry management services and the like in accordance with the agreement on the entrustment of management of the shareholder registry and the like. SuMi TRUST Bank Group recognizes revenues from this performance obligation over a period of time since the benefits are expensed by the customer as the daily services are provided.

Real estate brokerage fees are recorded mainly in the "Real Estate Business." SuMi TRUST Bank Group is obligated to perform real estate brokerage services based on real estate brokerage contracts. Revenues are recognized when the performance obligation is satisfied at the time when the real estate sales contract is executed or when the property is delivered. The timing of satisfying performance obligation is determined based on the significance of the duties after the execution of the real estate sales contract.

Fees on sales of investment trusts and insurance are mainly recorded in the "Retail Business." SuMi TRUST Bank Group is obligated to provide product explanations and sales administrative services based on the terms and conditions of transactions and consignment agreements. Revenues are recognized when the performance obligation is satisfied at the time of product sale.

(14) 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 as of 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.

(15) 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.

(16) 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 Committee Practical Guidance No. 24 of March 17, 2022, "Guidance 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 rate volatility factors for the hedged items and those for the hedging instruments.

(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 Committee Practical Guidance No. 25 of October 8, 2020, "Guidance 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 currency-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 currency-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 currency-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 Guidance No. 24 and Guidance 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.

(17) 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.

(18) 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.

(19) Nondeductible Consumption Taxes Associated with Assets

Nondeductible consumption taxes and local consumption taxes associated with assets are recorded as expenses in the current fiscal year.

(20) Adoption of Group Tax Sharing System

SuMi TRUST Bank adopts the group tax sharing system.

(21) Adoption of Accounting Treatment and Disclosure Under Group Tax Sharing System

SuMi TRUST Bank has shifted from the consolidated taxation system to the group tax sharing system effective from the current fiscal year. In accordance with this change, the treatment of accounting and disclosure of corporate taxes, local corporate taxes, and tax effect accounting under the group tax sharing system are in accordance with "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (Accounting Standards Board of Japan (ASBJ) Practical Issues Task Force (PITF) No.42, August 12, 2021, "ASBJ PITF No.42"). In accordance with Paragraph 32 (1) of ASBJ PITF No.42, the change in accounting policy resulting from the adoption of ASBJ PITF No.42 is not expected to have any effect on the consolidated financial statements.

Significant Accounting Estimates

1. Estimates of Allowance for Loan Losses

(1) The Amounts Recorded in the Consolidated Financial Statements During the Fiscal Year Ended March 31, 2023 and 2022:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Allowance for Loan Losses	¥ 129,998	¥ 163,369	\$ 973

(2) Other Information that Assists Users of the Consolidated Financial Statements in Understanding the Nature of the Estimates

SuMi TRUST Bank assigns each borrower a "classification" in accordance with the borrower's solvency based on their financial conditions, funding stability, profitability, and others whenever there is disclosure of financial results or an event with an impact on the borrower's creditworthiness. SuMi TRUST Bank measures allowance for loan losses based on

the "classification" assigned and transaction conditions of collateral and other factors. When deriving the "classification," quantitative as well as qualitative factors are taken into consideration.

Definition of each classification is as follows:

Classification	Definitions
Normal borrowers	Borrowers with good earnings performances and no significant financial problems
Borrowers requiring caution	Close monitoring is required due to sluggish/unstable business, financial problems, or problems with meeting loan terms and conditions such as reduction of interest rate and suspended payments
Substandard borrowers	Obligors with loans that are more than three months past due or with restructured loans within the "Borrowers Requiring Caution" category
Possibly bankrupt borrowers	Experiencing business difficulties, making insufficient progress in restructuring and highly likely to go bankrupt
Virtually bankrupt borrowers	Though not yet legally or formally bankrupt, has serious business difficulties and rehabilitation is unlikely
Bankrupt borrowers	Legally or formally bankrupt

The standard for allowances for loan losses for each classification is as follows:

Classification	Standards for allowances for loan losses
Normal borrowers	The allowance for loan losses is provided based on the estimated loan loss ratio, which is calculated based on the average historical loan-loss ratios during a certain period on the basis of historical loan losses over the past one year.
Borrowers requiring caution and Substandard borrowers	The allowance for loan losses is provided based on the estimated loan loss ratio, which is calculated based on the average historical loan-loss ratios or bankruptcy ratios during a certain period on the basis of historical loan losses or bankruptcy losses over the past three years. For some 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").

Possibly bankrupt borrowers	The 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 some 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").
Virtually bankrupt borrowers and Bankrupt borrowers	The allowance is provided based on the amount of claims, net of the expected amount of recoveries from collateral and guarantees. For claims against borrowers who are legally bankrupt or virtually bankrupt with collateral or guarantees, the 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.

For normal borrowers, borrowers requiring caution and substandard borrowers, changes in the loan loss ratios, etc. have an impact on the allowance for loan losses. For possibly bankrupt borrowers, virtually bankrupt borrowers, and bankrupt borrowers, changes in the amount expected to be collected through the disposal of collateral or execution of guarantees have a significant impact on the allowance for loan losses.

(3) Adjustments of Expected Credit Losses Considering the Future Forecast

SuMi TRUST Bank and Sumitomo Mitsui Trust Panasonic Finance Co., Ltd. estimate the impact on credit risks that have not yet been reflected in the financial information and historical loan-loss ratios, etc. of the borrowers and make necessary adjustments to expected future credit losses, considering the impact of the changes in the current economic environment on the future business performance and funding of borrowers.

(Fiscal year ended March 31, 2022)

SuMi TRUST Bank identified industries that may have been affected by downturn of business performance due to the spread of COVID-19 and the international situation surrounding Ukraine, and other factors. An "additional allowance for loan losses based on the method considering

future forecast ("special allowance") has been recognized for certain credits in the industries.

Sumitomo Mitsui Trust Panasonic Finance Co., Ltd., identified industries that may have been affected by the downturn of business performance due to the spread of COVID-19. Special allowance is recognized for certain credits in the industry by estimating the credit losses expected in the future, assuming that internal ratings would be downgraded to some extent depending on the degree of prospects for recovery.

(Fiscal year ended March 31, 2023)

SuMi TRUST Bank determined that concerns over worsening future business performance and funding of its borrowers directly caused by COVID-19 and the international situation surrounding Ukraine, and other factors have diminished.

On the other hand, in the current economic environment, there are signs of economic slowdown overseas, mainly in Europe and the United States, due to high inflation and monetary tightening. In Japan, rising prices are weighing on personal consumption. The financial markets are also in a phase of great change, with expanding yield volatility on 10-year government bonds and the dollar-yen exchange rate.

Against the backdrop of the significant changes in the economic environment described above, we are reconsidering our credit management policy for credit risk management. Based on this, SuMi TRUST Bank selects "borrowers that contain the possibility of incurring credit cost due to changes in the business environment," and strengthens monitoring of such borrowers.

Considering this, SuMi TRUST Bank reconsidered the credit risk applicable to the special allowance and recorded a special allowance for the credits of the above-mentioned borrowers to reflect credit risk not yet reflected in the financial information and historical loan loss ratios, etc. of the borrowers.

The specific calculation methods are as follows.

1. Predict the future transition of internal ratings based on quantitative information, etc., assuming the degree of deterioration in future credit risk for each internal rating of selected borrowers.
2. Recognize special allowance by estimating credit losses expected in the future, assuming the transition of internal rating as described above.

On the other hand, Sumitomo Mitsui Trust Panasonic Finance Co., Ltd. re-evaluated the special allowance based on the same method as of the fiscal year ended March 31,

2022, since its business and borrowers have different attributes and that some of its borrowers are still suffering the effects of deteriorating business performance due to the spread of COVID-19.

The special allowance recorded based on the above is as follows:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Adjustments for the impact of the prolonged outbreak of COVID-19			
SuMi TRUST Bank	¥ — (*)	¥ 16,481	\$ — (*)
Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.	2,963	4,541	22
Adjustments based on the credit risk information in the credit management policy which is revised in light of environmental changes			
SuMi TRUST Bank	16,539	—	124
Total	¥ 19,503	¥ 21,022	\$ 146

(*)SuMi TRUST Bank has determined that concerns over deterioration of the future business performance and funding of borrowers, which are directly caused mainly by the prolonged epidemic of COVID-19, have diminished; therefore, no adjustments were made to the expected credit losses as a result of this impact.

There is a high level of uncertainty around the assumptions used to recognize a special allowance, and the consolidated financial statements can be significantly affected if there is a change in the impact on the business performance and funding of borrowers due to the change in economic environment.

2. Estimates of Retirement Benefit Obligations

(1) The Amounts Recorded in the Consolidated Financial Statements During the Fiscal Year Ended March 31, 2023 and 2022:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Retirement Benefit Obligations	¥ 379,639	¥ 421,543	\$ 2,843

The amounts of assets for retirement benefits and liabilities for retirement benefits recognized in the consolidated financial statements for the fiscal year ended March 31, 2023 were ¥232,599 million (U.S. \$1,741 million) and ¥11,442 million (U.S. \$85 million), respectively. The net amount of ¥221,156 million (U.S. \$1,656 million) was calculated by deducting plan assets of ¥600,796 million (U.S. \$4,498 million) from retirement benefit obligations of retirement benefit plans with and without plan assets of ¥368,196 million (U.S. \$2,757 million) and ¥11,442 million (U.S. \$85 million), respectively.

(2) Other Information that Assists Users of the Consolidated Financial Statements in Understanding the Nature of the Estimates.

Retirement benefit obligations, plan assets, and retirement benefit expenses are calculated based on assumptions used in actuarial calculation. These assumptions include discount rate, expected long-term rate of return on plan assets, employee turnover rate, and mortality rate.

Major assumptions used in actuarial calculation are as follows:

Discount rate	Expected long-term rate of return on plan assets
Mainly 1.2%	3.6%

SuMi TRUST Bank, which accounts for 94.8% of asset retirement obligations of SuMi TRUST Bank Group, has set a discount rate based on the interest rates of high-quality domestic corporate bonds whose maturities are equal to the expected period up to the payment of salaries in the future. The expected long-term rate of return on plan assets is determined by evaluating the historical results of operation and the expected interest rate in the future. The expected long-term rate of return on plan assets is the weighted average rate of expected long-term rates of return on plan assets by groups of investment assets such as stocks and bonds.

(3) Impact of Changes in Assumptions on the Consolidated Financial Statements

The assumptions described in (2) above have a significant impact on retirement benefit obligations and retirement benefit expenses. The impacts on the consolidated financial statements when each of the discount rate and the expected long-term rate of return on plan assets of SuMi TRUST Bank changes by 0.5% are as follows:

	Impact on retirement benefit expenses	Impact on retirement benefit obligations
Discount rate:		
0.5% decrease	¥2,100 million increase	¥27,489 million increase
0.5% increase	¥1,884 million decrease	¥24,504 million decrease
Expected long-term rate of return on plan assets:		
0.5% decrease	¥2,953 million increase	—
0.5% increase	¥2,953 million decrease	—

3. Impairment of Fixed Assets

(1) The Amount Recorded in the Consolidated Financial Statements During the Fiscal Year Ended March 31, 2023

SuMi TRUST Bank has been proceeding with a development project aimed at introducing a new accounting system for overseas components (the "System") for the purpose of maintaining and expanding overseas businesses. However, SuMi TRUST Bank has decided to change the renewal plan that assumes the introduction of the comprehensive package system currently under development, and to consider a new renewal plan that assumes the introduction of an alternative system for each service line. SuMi TRUST Bank has determined that some service lines of the System are abandoned or expected to have no use in the future because it is difficult to continue operations with the System.

SuMi TRUST Bank has considered that there are impairment loss indicators as the decision falls under (2) Identification of Impairment Indicators described below, "when there is a change in the usage for the asset group that significantly reduces the recoverable amount."

As a result, some service lines of the System are expected to have no use in the future; therefore, the recoverable amount is zero, and an impairment loss of ¥15,904 million (U.S. \$ 119 million) was recorded for the carrying amounts of the software in the target business areas, which occupy the majority of the development of the System.

(2) Other Information that Assists Users of the Consolidated Financial Statements in Understanding the Nature of the Estimates

(Identification of Impairment Indicators)

SuMi TRUST Bank identifies an impairment indicator when an asset group falls under any of the following criteria. For assets that are not expected to be used, individual assets are subject to assessment:

- When gains and losses or cash flow from operating activities continues to be negative, or is expected to continue to be negative;
- When there is a change in the usage for the asset group that significantly reduced the recoverable amount;
- When the business environment in relation to the asset group has significantly deteriorated or is expected to deteriorate; and
- When the market price of the asset group declines significantly.

(Recognition and Measurement of Impairment Losses)

For asset groups with indications of impairment, SuMi TRUST Bank determines whether impairment losses should be recognized by comparing the total undiscounted future cash flows with the asset's carrying amount. If the total amount of the cash flows is less than the carrying amount, the carrying amount is reduced to the recoverable amount, and an impairment loss is recognized.

Changes in Accounting Policies

Application of Implementation Guidance on Accounting Standard for Fair Value Measurement

SuMi TRUST Bank has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (Accounting Standards Board of Japan Guidance No.31, June 17, 2021, hereinafter referred to as the "Guidance for Application of Fair Value Measurement") since the beginning of the current fiscal year ended March 31, 2023. In accordance with the transitional treatment stipulated in Paragraph 27-2 of the Guidance for Application of Fair Value Measurement, SuMi TRUST Bank has applied the new accounting policy stipulated by the Guidance for Application of Fair Value Measurement prospectively. Thus, some of the investment trusts, which were previously stated at the acquisition cost on the consolidated balance sheet, are now measured at fair value based on factors, such as the net asset value.

As a result, Securities, Valuation Differences on Available-for-Sale Securities, and Deferred Tax Liabilities as of March 31, 2023, increased by ¥7,590 million, ¥5,266 million, and ¥2,324 million, respectively. The effect of this change on per share information for the current fiscal year ended March 31, 2023, is immaterial.

Information on investment trusts for the fiscal year ended March 31, 2022, is not presented in "Fair Values of Financial Instruments and Breakdown by Input Level" in the note for "Financial Instruments" in accordance with the measures specified in Paragraph 27-3 of the Guidance for Application of Fair Value Measurement.

New Accounting Standards and Interpretations Not Yet Adopted

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

- Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022)
- Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, October 28, 2022)
- Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022)

(1) Overviews

The above standards and guidance provide the treatments for classification of income taxes when taxed on other comprehensive income and the tax effect on sales of shares of subsidiaries, etc. when the Group tax sharing system is applied.

(2) Effective date

Effective from the beginning of the fiscal year ending March 31, 2025.

(3) Effects of the application of the standard

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

Notes to the Consolidated Balance Sheet

1. Trading Assets and Trading Liabilities

(1) Trading assets as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Securities in Trading Account	¥ 2,904	¥ 5,018	\$ 22
Derivatives of Trading Securities	14	47	0
Derivatives of Securities Related to Trading Transactions	880	25	7
Trading-Related Financial Derivatives	1,447,810	954,675	10,842
Other Trading Assets	62,992	7,799	472
Total	¥ 1,514,603	¥ 967,565	\$11,342

(2) Trading liabilities as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Derivatives of Securities Related to Trading Transactions	¥ 20	¥ 617	\$ 0
Trading-Related Financial Derivatives	1,472,616	906,069	11,028
Total	¥ 1,472,636	¥ 906,686	\$11,028

2. Securities

Securities held as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Government Bonds	¥ 1,549,273	¥ 2,839,688	\$ 11,602
Local Government Bonds	38,117	33,919	285
Corporate Bonds	722,507	730,020	5,410
Stocks	1,259,099	1,411,918	9,429
Other Securities	3,235,177	2,732,472	24,226
Total	¥ 6,804,176	¥ 7,748,019	\$ 50,952

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

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Stocks	¥ 116,836	¥ 133,672	\$ 875
Equity Investments	215,635	25,839	1,615

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
	2023	2022	2023
Securities that are Further Collateralized	¥ 111,102	¥ 149,251	\$ 832
Securities that are Further Loaned	750,675	1,069,208	5,621
Securities Held without Selling or Repledging as of the End of the Fiscal Year	—	662	—

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 ¥64,346 million (U.S. \$481 million) and ¥65,058 million as of March 31, 2023 and 2022, respectively.

3. Loans and Bills Discounted

Loans and bills discounted as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Bills Discounted	¥ 504	¥ 451	\$ 4
Loans on Bills	183,976	170,626	1,378
Loans on Deeds	30,005,242	29,142,560	224,691
Overdrafts	1,621,203	1,562,868	12,140
Total	¥ 31,810,926	¥ 30,876,507	\$ 238,213

Bills discounted are treated as financial transactions in accordance with Guidance 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 ¥504 million (U.S. \$4 million) and ¥451 million as of March 31, 2023 and 2022, respectively.

Loans in accordance with the Banking Act and the Act on Emergency Measures for Revitalization of the Financial Functions are presented below. Loans include corporate bonds in “securities” (limited to those issued in private placement of securities prescribed in Section 3 of Paragraph 2 in the Financial Instruments and Exchange Act, and those with wholly or partially guaranteed redemption of the principal

and payment of the interest), loans and bills discounted, foreign exchanges, interest receivables, suspense payments, and customers’ liabilities for acceptances and guarantees in “other assets,” presented in the consolidated balance sheet, and securities loaned (limited to those under a loan for use or lease contract) provided in the notes, etc.

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Bankrupt and Practically Bankrupt Loans	¥ 11,383	¥ 20,585	\$ 85
Doubtful Loans	97,246	130,069	728
Loans Past Due Three Months or More	—	—	—
Restructured Loans	43,335	69,474	325
Total	¥ 151,965	¥ 220,130	\$ 1,138

Bankrupt and practically bankrupt loans are those loans that have fallen into bankruptcy due to certain reasons, including initiation of bankruptcy proceedings, start of reorganization proceedings, or submission of an application to start rehabilitation proceedings and quasi-loans.

Doubtful loans are those loans with a strong likelihood that loan principals cannot be recovered and interest cannot be received according to the contract because of difficulties in the financial conditions and business performance of debtors who are not yet legally bankrupt, excluding those loans classified as bankrupt and practically bankrupt loans.

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 bankrupt and practically bankrupt loans and doubtful 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 bankrupt and practically bankrupt loans, doubtful loans or loans past due three months or more.

The above loans are presented at the amounts prior to deduction of allowances for loan losses.

4. Assets Pledged

Assets pledged as collateral as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Assets Pledged as Collateral:			
Securities	¥ 2,070,297	¥ 3,365,225	\$ 15,503
Loans and Bills Discounted	4,698,263	4,728,724	35,182
Lease Receivables and Investment Assets	46,602	54,956	349
Other Assets	34,323	60,425	257
Total	¥ 6,849,487	¥ 8,209,331	\$ 51,292
Corresponding Liabilities to Assets Pledged as Collateral:			
Deposits	¥ 16,561	¥ 21,788	\$ 124
Payables under Repurchase Agreements	485,939	527,313	3,639
Borrowed Money	4,521,315	5,739,492	33,857

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
	2023	2022	2023
Securities	¥ 382,875	¥ 499,469	\$ 2,867

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

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Initial Margins of Futures Markets	¥ 58,868	¥ 71,040	\$ 441
Security Deposits	22,729	26,767	170
Cash Collateral Pledged for Financial Instruments-Assets	967,493	1,025,240	7,245

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 ¥13,541,015 million (U.S. \$101,400 million) and ¥12,762,371 million, of which ¥8,791,731 million (U.S. \$65,835 million) and ¥8,563,906 million were attributable to agreements expiring within one year or which may be unconditionally canceled at any time, as of March 31, 2023 and 2022, 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 changes in 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, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Land	¥ 138,786	¥ 139,303	\$ 1,039
Buildings	70,397	72,062	527
Lease Assets	4,665	4,772	35
Construction in Progress	525	110	4
Other	15,721	15,520	118
Total	¥ 230,096	¥ 231,770	\$ 1,723

Accumulated depreciation amounted to ¥186,677 million (U.S. \$1,398 million) and ¥179,823 million, and advance depreciation amounted to ¥27,780 million (U.S. \$208 million) and ¥27,780 million as of March 31, 2023 and 2022, 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 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.

7. Intangible Fixed Assets

Intangible fixed assets as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Software	¥ 96,554	¥ 83,911	\$ 723
Goodwill	8,079	12,478	61
Other	3,729	3,719	28
Total	¥108,362	¥ 100,109	\$ 811

8. Other Assets

Other assets as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Domestic Exchange Settlement Account, Debit	¥ 862	¥ 1,029	\$ 6
Prepaid Expenses	7,587	6,535	57
Accrued Income	155,945	122,573	1,168
Initial Margins of Futures Markets	58,868	71,040	441
Variation Margins of Futures Markets	4,090	—	31
Financial Derivatives Other Than Trading Assets	1,739,276	1,500,702	13,024
Receivables for Securities Transactions	213,860	85,353	1,601
Cash Collateral Pledged for Financial Instruments-Assets	967,493	1,025,240	7,245
Other	633,023	490,248	4,740
Total	¥ 3,781,008	¥ 3,302,723	\$ 28,314

9. Deposits

Deposits as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Current Deposits, Ordinary Deposits, Saving Deposits and Deposits at Notice	¥ 10,813,306	¥ 9,517,128	\$ 80,974
Time Deposits	23,612,454	22,959,755	176,819
Other	992,162	794,906	7,430
Total	¥ 35,417,923	¥ 33,271,789	\$ 265,223

In the event of receivership, winding up proceedings or equivalent proceedings of the bank, Japanese law does not require our bank to confer lower priority to depositors of the foreign offices of our bank, vis-à-vis our home country depositors in the repayment of deposits.

10. Borrowed Money

Borrowed money as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Subordinated Borrowings	¥ 605,000	¥ 645,000	\$ 4,530
Other Borrowed Money	6,024,543	7,138,498	45,114
Total	¥ 6,629,543	¥ 7,783,498	\$ 49,645

Weighted average interest rates on borrowed money were 0.48% and 0.18% for the fiscal years ended March 31, 2023 and 2022, respectively.

Annual maturities of borrowed money as of March 31, 2023, for the next five years are as follows:

Fiscal Year Ending March 31	Millions of Yen	Millions of U.S. Dollars
	2023	2023
2024	¥ 1,370,513	\$ 10,263
2025	2,510,428	18,799
2026	1,340,939	10,041
2027	104,322	781
2028	194,526	1,457
Total	¥ 5,520,729	\$ 41,341

11. Bonds Payable

Bonds payable as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Perpetual Subordinated Bonds	¥ —	¥ 16,100	\$ —
Subordinated Bonds	72,997	112,996	547
Other Bonds Payable	1,838,763	1,317,508	13,769
Total	¥ 1,911,760	¥ 1,446,604	\$ 14,316

Annual maturities of bonds payable as of March 31, 2023, for the next five years are as follows:

Fiscal Year Ending March 31	Millions of Yen	Millions of U.S. Dollars
	2023	2023
2024	¥ 2,833,248	\$ 21,216
2025	292,080	2,187
2026	480,620	3,599
2027	334,925	2,508
2028	292,740	2,192
Total	¥ 4,233,613	\$ 31,703

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, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Domestic Exchange Settlement Account, Credit	¥ 723	¥ 841	\$ 5
Income Taxes Payable	11,914	10,268	89
Accrued Expenses	111,812	63,724	837
Unearned Income	88,444	90,857	662
Variation Margins of Futures Markets	1,875	7,414	14
Financial Derivatives Other Than Trading Liabilities	1,932,401	1,571,382	14,471
Lease Obligations	12,930	12,606	97
Asset Retirement Obligations	3,678	3,727	28
Payables for Securities Transactions	209,650	65,626	1,570
Provision for Loss on Interest Repayment	38	39	0
Cash Collateral Accepted for Financial Instruments-Liabilities	450,879	240,455	3,376
Other	194,715	212,267	1,458
Total	¥ 3,019,064	¥ 2,279,211	\$ 22,608

14. Other Assets and Liabilities related to Revenue Recognition

The amounts of receivables from contracts with customers and the amounts of contract liabilities recognized in other assets and other liabilities, respectively, are presented in "Revenue Recognition, 2. Information Related to Contract Balance."

Notes to the Consolidated Statement of Income

1. Revenue from Contracts with Customers

Income is not classified into revenues from contracts with customers and other revenue. The amount of revenues from contracts with customers is presented in "Revenue Recognition, 1. Information Related to Disaggregation of Revenue from Contracts with Customers for the Fiscal Year Ended March 31, 2023 and 2022."

2. Other Interest Income and Expenses

(1) Other interest income for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Interest on Monetary Claims Bought	¥ 2,495	¥ 2,438	\$ 19
Others	21,279	1,741	159
Total	¥ 23,775	¥ 4,179	\$ 178

(2) Other interest expenses for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Interest on Interest Rate Swaps	¥ 85,031	¥ 22,553	\$ 637
Others	22,587	22,105	169
Total	¥ 107,619	¥ 44,658	\$ 806

3. Trading Income and Expenses

(1) Trading income for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Net Income from Trading Securities and Derivatives	¥ —	¥ 268	\$ —
Net Income from Trading Transactions	15,548	812	116
Net Income from Trading-Related Financial Derivatives Transactions	—	12,315	—
Other Trading Income	60	57	0
Total	¥ 15,608	¥ 13,453	\$ 117

(2) Trading expenses for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Net Expenses on Trading Securities and Derivatives	¥ 149	¥ —	\$ 1
Net Expenses on Trading-Related Financial Derivatives Transactions	5,035	—	38
Total	¥ 5,184	¥ —	\$ 39

4. Other Ordinary Income and Expenses

(1) Other ordinary income for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Net Gains on Foreign Exchange Transactions	¥ 201,285	¥ 22,476	\$ 1,507
Gains on Sales and Redemption of Bonds	3,495	14,757	26
Net Income from Derivatives Other Than for Trading or Hedging	1,053	19,091	8
Others	262,754	279,559	1,968
Total	¥ 468,587	¥ 335,885	\$ 3,509

(2) Other ordinary expenses for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Losses on Sales and Redemption of Bonds	¥ 29,499	¥ 32,574	\$ 221
Others	243,107	258,779	1,820
Total	¥ 272,606	¥ 291,353	\$ 2,041

5. Other Income and Expenses

(1) Other income for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Gains on Sales of Stocks and Other Securities	¥ 89,955	¥ 94,956	\$ 674
Gains on Money Held in Trust	87	74	1
Recoveries of Written-Off Claims	1,123	1,633	8
Equity in Earnings of Affiliated Companies	15,764	13,647	118
Gains on Disposal of Fixed Assets	312	444	2
Others	17,053	8,635	128
Total	¥ 124,297	¥ 119,392	\$ 931

(Note) In the fiscal year ended March 31, 2023, "Others" include gains on sales of investments in subsidiaries and affiliated companies (stocks) of ¥4,667 million (U.S. \$35 million).

(2) Other expenses for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Provision for Allowance for Loan Losses	¥ 1,547	¥ 37,688	\$ 12
Losses on Sales of Loans	—	5	—
Write-Off of Loans	9,742	5,461	73
Losses on Sales of Stocks and Other Securities	83,337	130,580	624
Losses on Impairment of Stocks and Other Securities	696	1,827	5
Losses on Disposal of Fixed Assets	1,232	780	9
Losses on Impairment of Fixed Assets	18,187	1,468	136
Losses on Investment in Partnerships	9,731	4,770	73
Others	14,106	12,429	106
Total	¥ 138,581	¥ 195,012	\$ 1,038

(Note) For the purpose of maintaining and expanding overseas business, SuMi TRUST Bank has been proceeding with a development project aimed at introducing a new accounting system for overseas components (the "System"). However, SuMi TRUST Bank has decided to change the renewal plan that assumes the introduction of the comprehensive package system currently under development, and to consider a new renewal plan that assumes the introduction of an alternative system for each business area.

Regarding the System developed so far, impairment losses are recorded for the business areas in which the use of the system has been abandoned or deemed difficult to continue operations through its use, as the investment amount is not expected to be recovered.

The impairment losses recognized as a result of the above were ¥15,904 million (U.S. \$119 million) for software, and the entire impairment losses including those were ¥18,187 million (U.S. \$136 million), which include impairment losses of tangible fixed assets of ¥222 million (U.S. \$2 million) and those of software of ¥17,964 million (U.S. \$135 million).

The recoverable amounts of the software described above are measured at zero as it is not expected to be used in the future. For assets that are not expected to be used, individual assets are considered as one group.

6. General and Administrative Expenses

General and administrative expenses for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Taxes Other Than Income Taxes	¥ 13,397	¥ 12,852	\$ 100
Personnel Expenses	176,616	165,469	1,323
Others	198,700	182,782	1,488
Total	¥ 388,714	¥ 361,104	\$ 2,911

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, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Valuation Difference on Available-for-Sale Securities:			
Changes during the Period	¥ (47,389)	¥ (126,145)	\$ (355)
Reclassification Adjustments	20,632	56,774	155
Before Tax Effects	(26,756)	(69,371)	(200)
Tax Effects	8,168	19,340	61
Valuation Difference on Available-for-Sale Securities	(18,588)	(50,031)	(139)
Deferred Gains (Losses) on Hedges:			
Changes during the Period	(36,318)	(20,914)	(272)
Reclassification Adjustments	25,960	22,553	194
Before Tax Effects	(10,358)	1,639	(78)
Tax Effects	3,183	(496)	24
Deferred Gains (Losses) on Hedges	(7,174)	1,142	(54)
Foreign Currency Translation Adjustments:			
Changes during the Period	6,089	3,224	46
Reclassification Adjustments	(0)	(165)	(0)
Before Tax Effects	6,089	3,058	46
Tax Effects	—	—	—
Foreign Currency Translation Adjustments	6,089	3,058	46
Remeasurements of Defined Benefit Plans:			
Changes during the Period	24,302	(55,834)	182
Reclassification Adjustments	3,823	1,077	29
Before Tax Effects	28,126	(54,757)	211
Tax Effects	(8,615)	16,537	(65)
Remeasurements of Defined Benefit Plans	19,510	(38,219)	146
Share of Other Comprehensive Income of Equity-Method Affiliated Companies:			
Changes during the Period	(444)	542	(3)
Reclassification Adjustments	2,443	(27)	18
Share of Other Comprehensive Income of Equity-Method Affiliated Companies	1,998	515	15
Total Other Comprehensive Income (Loss)	¥ 1,835	¥ (83,534)	\$ 14

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, 2023 and 2022, 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, 2023					
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, 2022					
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, 2023 and 2022.

3. Dividends

Dividends paid for the fiscal years ended March 31, 2023 and 2022, consisted of the following:

As for the fiscal year ended March 31, 2023:

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 23, 2022						
Ordinary General Meeting of Shareholders	Common Share	¥ 23,594 (\$177)	Retained Earnings	¥ 14.09 (\$0.11)	March 31, 2022	June 24, 2022

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 11, 2022						
Board of Directors' Meeting	Common Share	¥ 36,789 (\$275)	Retained Earnings	¥ 21.97 (\$0.16)	September 30, 2022	December 1, 2022

Dividends with a record date during the fiscal year ended March 31, 2023, but whose effective date is after March 31, 2023, 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 23, 2023						
Ordinary General Meeting of Shareholders	Common Share	¥ 31,330 (\$235)	Retained Earnings	¥ 18.71 (\$0.14)	March 31, 2023	June 26, 2023

As for the fiscal year ended March 31, 2022:

Resolution	Type of Shares	Cash Dividends Declared Millions of Yen	Dividend Resources	Cash Dividends per Share Yen	Record Date	Effective Date
June 23, 2021						
Ordinary General Meeting of Shareholders	Common Share	¥ 19,843 (\$149)	Retained Earnings	¥ 11.85 (\$0.09)	March 31, 2021	June 24, 2021

Resolution	Type of Shares	Cash Dividends Declared Millions of Yen	Dividend Resources	Cash Dividends per Share Yen	Record Date	Effective Date
November 11, 2021						
Board of Directors' Meeting	Common Share	¥ 30,007 (\$225)	Retained Earnings	¥ 17.92 (\$0.13)	September 30, 2021	December 1, 2021

Dividends with a record date during the current fiscal year ended March 31, 2022, but whose effective date is after March 31, 2022, are as follows:

Resolution	Type of Shares	Cash Dividends Declared Millions of Yen	Dividend Resources	Cash Dividends per Share Yen	Record Date	Effective Date
June 23, 2022						
Ordinary General Meeting of Shareholders	Common Share	¥ 23,594 (\$177)	Retained Earnings	¥ 14.09 (\$0.11)	March 31, 2022	June 24, 2022

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, 2023 and 2022.

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Cash and Due from Banks	¥ 21,522,753	¥ 18,142,775	\$ 161,171
Due from Banks (Excluding Due from the Bank of Japan)	(2,429,835)	(2,489,713)	(18,196)
Cash and Cash Equivalents	¥ 19,092,918	¥ 15,653,061	\$ 142,975

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

Tangible fixed assets

Mainly branch buildings and office equipment

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, 2023 and 2022, were as follows:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Due in One Year or Less	¥ 2,142	¥ 2,608	\$ 16
Due in More Than One Year	10,748	9,618	80
Total	¥ 12,890	¥ 12,226	\$ 97

As a lessor:

Total future lease payments under non-cancelable operating leases as of March 31, 2023 and 2022, were as follows:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Due in One Year or Less	¥ 8,625	¥ 4,612	\$ 65
Due in More Than One Year	38,960	31,904	292
Total	¥ 47,586	¥ 36,517	\$ 356

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 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, 2023, the total amount of market risk (estimated potential loss) of financial instruments held by SuMi TRUST Bank Group in the Trading Accounts was ¥9.1 billion (U.S. \$68 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, 2023, resulted in zero 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, 2023, the total amount of market risk (estimated potential loss) of financial instruments held by SuMi TRUST Bank Group in the Banking Account was ¥750.2 billion (U.S. \$5,618 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 risk 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.

(Note) The above ALM Committee has been changed to the Finance Committee due to organizational changes effective April 1, 2023.

(4) Supplementary Explanation Concerning Fair Value of Financial Instruments

Calculation of financial instruments involves certain assumptions and may vary when different assumptions are employed.

2. Fair Values of Financial Instruments and Breakdown by Input Level

The carrying amounts on the consolidated balance sheet and fair values of financial instruments as of March 31, 2023 and 2022, as well as the differences between these values and fair values by input level are presented below.

The amounts shown in the following table do not include equity securities with no market prices and investments in partnerships (See Note 3).

The fair values of financial instruments are classified into the following three levels depending on the observability and significance of the input used in the fair value measurement.

Level 1: Fair value determined based on the (unadjusted) quoted price in an active market for the same asset or liability

Level 2: Fair value determined based on directly or indirectly observable inputs other than Level 1 inputs

Level 3: Fair value determined based on significant unobservable inputs

If multiple inputs with a significant impact are used for the fair value measurement of a financial instrument, the financial instrument is classified at the lowest priority level of fair value measurement in which each input belongs.

(1) Financial assets and liabilities at fair value on the consolidated balance sheets

	Millions of Yen				Millions of U.S. Dollars			
	Mar. 31, 2023				Mar. 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Monetary Claims Bought	¥ —	¥ 129,295	¥ —	¥ 129,295	\$ —	\$ 968	\$ —	\$ 968
Trading Assets								
Trading Securities	2,799	63,097	—	65,897	21	473	—	493
Money Held in Trust	1,342	—	—	1,342	10	—	—	10
Securities								
Available-for-Sale Securities	3,178,308	2,710,358	1,292	5,889,959	23,800	20,296	10	44,106
Stocks	1,072,628	—	—	1,072,628	8,032	—	—	8,032
Bonds	1,431,999	744,932	1,292	2,178,224	10,723	5,578	10	16,311
Government Bonds	1,431,999	—	—	1,431,999	10,723	—	—	10,723
Local Government Bonds	—	38,117	—	38,117	—	285	—	285
Short-Term Bonds Payable	—	—	—	—	—	—	—	—
Corporate Bonds	—	706,815	1,292	708,107	—	5,293	10	5,303
Other Securities	673,680	1,965,425	—	2,639,105	5,045	14,718	—	19,763
Foreign Stocks	4,171	—	—	4,171	31	—	—	31
Foreign Bonds	655,198	1,163,873	—	1,819,071	4,906	8,716	—	13,622
Others	14,310	801,552	—	815,862	107	6,002	—	6,109
Total Assets	¥ 3,182,450	¥ 2,902,751	¥ 1,292	¥ 6,086,494	\$ 23,831	\$ 21,737	\$ 10	\$ 45,578
Derivative Transactions (*1)(*2)(*3)								
Interest Rate Related								
Transactions	¥ 1,838	¥ (106,856)	¥ 2,768	¥ (102,249)	\$ 14	\$ (800)	\$ 21	\$ (766)
Currency Related Transactions	—	(110,134)	—	(110,134)	—	(825)	—	(825)
Stock Related Transactions	(87)	—	—	(87)	(1)	—	—	(1)
Bond Related Transactions	(3,975)	(270)	—	(4,246)	(30)	(2)	—	(32)
Credit and								
Derivative Transactions	—	(338)	—	(338)	—	(3)	—	(3)
Total Derivative Transactions	¥ (2,223)	¥ (217,600)	¥ 2,768	¥ (217,055)	\$ (17)	\$ (1,629)	\$ 21	\$ (1,625)

(*1) 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.

(*2) As for derivative transactions applying hedge accounting, ¥(165,728) million (U.S. \$(1,421) million) is recorded on the consolidated balance sheets as of March 31, 2023.

(*3) Derivative transactions qualifying for hedge accounting include interest rate swaps designated as hedging instruments to fix cash flows of hedged items such as loans and bills discounted, and deferred hedges have been adopted, in principle. In addition, "Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR" (ASBJ PITF No. 40, March 17, 2022) has been adopted to these hedge transactions.

	Millions of Yen			
	Mar. 31, 2022			
	Level 1	Level 2	Level 3	Total
Monetary Claims Bought	¥ —	¥ 128,794	¥ —	¥ 128,794
Trading Assets				
Trading Securities	4,908	7,909	—	12,817
Money Held in Trust	1,295	—	—	1,295
Securities				
Available-for-Sale Securities	4,493,704	1,789,540	2,130	6,285,375
Stocks	1,209,310	—	—	1,209,310
Bonds	2,722,035	747,409	2,130	3,471,575
Government Bonds	2,722,035	—	—	2,722,035
Local Government Bonds	—	33,919	—	33,919
Short-Term Bonds Payable	—	—	—	—
Corporate Bonds	—	713,489	2,130	715,620
Other Securities	562,358	1,042,130	—	1,604,489
Foreign Stocks	4,793	—	—	4,793
Foreign Bonds	556,467	1,042,130	—	1,598,598
Others	1,097	—	—	1,097
Total Assets	¥ 4,499,908	¥ 1,926,244	¥ 2,130	¥ 6,428,283
Derivative Transactions (*2)(*3)(*4)				
Interest Rate Related				
Transactions	¥ 828	¥ (83,990)	¥ 1,173	¥ (81,988)
Currency Related Transactions	—	56,484	—	56,484
Stock Related Transactions	(1,098)	—	—	(1,098)
Bond Related Transactions	6,256	47	—	6,303
Credit and				
Derivative Transactions	—	(2,319)	—	(2,319)
Total Derivative Transactions	¥ 5,985	¥ (29,778)	¥ 1,173	¥ (22,619)

(*1) The amounts of investment trusts for which transitional treatments are applied in accordance with Paragraph 26 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (Accounting Standards Board of Japan Guidance No. 31, July 4, 2019) are not included in the table above. The amount of such investment trusts on the consolidated balance sheets includes financial assets of ¥855,840 million as of March 31, 2022.

(*2) 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.

(*3) As for derivative transactions applying hedge accounting, ¥(173,870) million is recorded on the consolidated balance sheets as of March 31, 2022.

(*4) Derivative transactions qualifying for hedge accounting include interest rate swaps designated as hedging instruments to fix cash flows of hedged items such as loans and bills discounted, and deferred hedges have been adopted, in principle. In addition, "Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR" (ASBJ PITF No. 40, March 17, 2022) has been adopted to these hedge transactions.

(2) Financial assets and liabilities which are not stated at fair value on the consolidated balance sheets

Cash and Due from Banks, Call Loans and Bills Bought, Receivables under Resale Agreements and Receivables under Securities Borrowing Transactions, Foreign Exchanges, Call Money and Bills Sold, Payables under Repurchase Agreements, Short-Term Bonds Payables, and Borrowed Money from Trust Account are not included in the following tables because most of such transactions have short contractual terms (one year or less) and the carrying amounts approximate fair value.

	Millions of Yen						
	Mar. 31, 2023						
	Level 1	Level 2	Level 3	Total	Consolidated balance sheet amount	Difference	
Monetary Claims Bought (*)	¥ —	¥ 40,281	¥ 800,687	¥ 840,969	¥ 840,501	¥ 467	
Securities							
Held-to-Maturity Securities	128,041	140,893	—	268,935	259,213	9,721	
Government Bonds	128,041	—	—	128,041	117,274	10,767	
Local Government Bonds	—	—	—	—	—	—	
Short-Term Bonds Payable	—	—	—	—	—	—	
Corporate Bonds	—	14,526	—	14,526	14,400	126	
Other Securities	—	126,366	—	126,366	127,539	(1,172)	
Foreign Bonds	—	126,366	—	126,366	127,539	(1,172)	
Others	—	—	—	—	—	—	
Loans and Bills Discounted					31,810,926		
Allowance for Loan Losses (*)					(115,952)		
	—	—	31,888,015	31,888,015	31,694,973	193,041	
Lease Receivables and Investment Assets (*)	—	—	692,032	692,032	683,446	8,585	
Total Assets	¥ 128,041	¥ 181,175	¥ 33,380,734	¥ 33,689,951	¥ 33,478,135	¥ 211,816	
Deposits	¥ —	¥ 35,433,130	¥ —	¥ 35,433,130	¥ 35,417,923	¥ 15,206	
Negotiable Certificates of Deposit	—	7,520,005	—	7,520,005	7,520,005	—	
Borrowed Money	—	6,568,204	—	6,568,204	6,629,543	(61,338)	
Bonds Payable	—	1,864,552	—	1,864,552	1,911,760	(47,207)	
Total Liabilities	¥ —	¥ 51,385,893	¥ —	¥ 51,385,893	¥ 51,479,233	¥ (93,339)	

(*) General allowances and specific allowances for loan losses are deducted from Loans and Bills Discounted. The allowance for credit losses on Monetary Claims Bought, and Lease Receivables and Investment Assets is directly deducted from the carrying amounts on the consolidated balance sheets, because the balance of the allowance is immaterial.

	Millions of Yen						
	Mar. 31, 2022						
	Level 1	Level 2	Level 3	Total	Consolidated balance sheet amount	Difference	
Monetary Claims Bought (*)	¥ —	¥ 46,091	¥ 679,295	¥ 725,386	¥ 724,950	¥ 436	
Securities							
Held-to-Maturity Securities	130,800	74,210	—	205,011	191,999	13,012	
Government Bonds	130,800	—	—	130,800	117,652	13,148	
Local Government Bonds	—	—	—	—	—	—	
Short-Term Bonds Payable	—	—	—	—	—	—	
Corporate Bonds	—	14,674	—	14,674	14,400	274	
Other Securities	—	59,536	—	59,536	59,947	(410)	
Foreign Bonds	—	59,536	—	59,536	59,947	(410)	
Others	—	—	—	—	—	—	
Loans and Bills Discounted					30,876,507		
Allowance for Loan Losses (*)					(147,884)		
	—	—	30,940,603	30,940,603	30,728,623	211,980	
Lease Receivables and Investment Assets (*)	—	—	696,544	696,544	681,554	14,990	
Total Assets	¥ 130,800	¥ 120,302	¥ 32,316,443	¥ 32,567,547	¥ 32,327,128	¥ 240,419	
Deposits	¥ —	¥ 33,286,909	¥ —	¥ 33,286,909	¥ 33,271,789	¥ 15,119	
Negotiable Certificates of Deposit	—	6,691,944	—	6,691,944	6,691,944	—	
Borrowed Money	—	7,763,328	—	7,763,328	7,783,498	(20,169)	
Bonds Payable	—	1,412,698	—	1,412,698	1,446,604	(33,905)	
Total Liabilities	¥ —	¥ 49,154,881	¥ —	¥ 49,154,881	¥ 49,193,836	¥ (38,955)	

(*) General allowances and specific allowances for loan losses are deducted from Loans and Bills Discounted. The allowance for credit losses on Monetary Claims Bought, and Lease Receivables and Investment Assets is directly deducted from the carrying amounts on the consolidated balance sheets, because the balance of the allowance is immaterial.

	Millions of U.S. Dollars					
	Mar. 31, 2023					
	Level 1	Level 2	Level 3	Total	Consolidated balance sheet amount	Difference
Monetary Claims Bought (*)	\$ —	\$ 302	\$ 5,996	\$ 6,298	\$ 6,294	\$ 3
Securities						
Held-to-Maturity Securities	959	1,055	—	2,014	1,941	73
Government Bonds	959	—	—	959	878	81
Local Government Bonds	—	—	—	—	—	—
Short-Term Bonds Payable	—	—	—	—	—	—
Corporate Bonds	—	109	—	109	108	1
Other Securities	—	946	—	946	955	(9)
Foreign Bonds	—	946	—	946	955	(9)
Others	—	—	—	—	—	—
Loans and Bills Discounted					238,213	
Allowance for Loan Losses (*)					(868)	
	—	—	238,790	238,790	237,344	1,446
Lease Receivables and Investment Assets (*)	—	—	5,182	5,182	5,118	64
Total Assets	\$ 959	\$ 1,357	\$ 249,968	\$ 252,284	\$ 250,697	\$ 1,586
Deposits	\$ —	\$ 265,337	\$ —	\$ 265,337	\$ 265,223	\$ 114
Negotiable Certificates of Deposit	—	56,313	—	56,313	56,313	—
Borrowed Money	—	49,185	—	49,185	49,645	(459)
Bonds Payable	—	13,963	—	13,963	14,316	(354)
Total Liabilities	\$ —	\$ 384,798	\$ —	\$ 384,798	\$ 385,497	\$ (699)

(*) General allowances and specific allowances for loan losses are deducted from Loans and Bills Discounted. The allowance for credit losses on Monetary Claims Bought, and Lease Receivables and Investment Assets is directly deducted from the carrying amounts on the consolidated balance sheets, because the balance of the allowance is immaterial.

(Note 1) Description of the Valuation techniques and inputs used to measure fair values

Monetary Claims Bought

Among monetary claims bought, securitized products are stated at reasonably calculated prices, which are equivalent to market prices, such as counterparties' quoted prices or dealer/broker-quoted prices, and are classified into Level 3 if those prices are comprised of significant unobservable inputs, and classified into Level 2 otherwise. Fair values for all other monetary claims bought are principally calculated in the same manner as Loans and Bills Discounted and mainly classified into Level 3.

Trading Assets

Bonds and other securities held for trading purposes whose fair values are stated at dealer association prices or counterparties' quoted prices are classified into Level 1 or Level 2 depending on the level of market activity. Others whose fair values are calculated by discounting future cash flows to their present values using observable inputs, are classified into Level 2.

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 and mainly classified into Level 1 depending on the level of the components.

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

Securities

Listed stocks are stated at quoted market prices and mainly classified into Level 1 depending on the level of market activity.

Bonds are stated at quoted market prices announced in exchange traded transactions, over-the-counter transactions, and others, and classified into Level 1 if they are traded in an active market. If the market is not active, even though bonds are stated at quoted market prices, they are classified into Level 2. Bonds stated at prices obtained from a third party, such as pricing services and dealers/brokers, are

classified into Level 3 if those prices are comprised of significant unobservable inputs, and classified into Level 2 otherwise. Fair values of certain bonds are calculated by classifying them according to their internal ratings and maturities, and discounting the aggregate principal and interest by the discount rate which takes into account risk factors, including credit risks. If the discount rate is a significant unobservable input, the fair values of the bonds are classified into Level 3, otherwise Level 2.

Fair values of listed investment trusts and funds are stated at quoted market prices and primarily classified into Level 1 based on the level of market activity. Investment trusts and funds for which no market transaction prices are available, including privately placed investment trusts, are stated at fair value based on factors, such as the net asset value, if there are no significant restrictions on the cancellation or repurchase request that would require market participants to pay for the risk, and are primarily classified into Level 2.

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 discount rate which takes into account risk factors, including credit risks. 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 bankrupt borrowers, virtually bankrupt borrowers, and possibly bankrupt borrowers, 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 sheets 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 value because of the expected repayment periods and the interest terms. These fair values are classified into Level 3.

Lease Receivables and Investment Assets

Fair values of lease receivables and investment assets are calculated by grouping these assets according to the types of receivables, internal ratings, maturities, and others, and discounting the aggregate principal and interest by the discount rate which takes into account risk factors, including credit risks. These fair values are classified into Level 3.

Deposits and 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). Time deposits with a fixed rate are grouped by product type and stated at the present value of their future cash flows discounted by the rates that would be newly used on the same type of deposits. Floating-rate time deposits and fixed-rate time deposits with short maturities (one year or less) are stated at their carrying amounts because the carrying amounts approximate the fair value. These fair values are classified into Level 2.

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 interest rate adjusted for the residual term and credit risk. Fair values for obligations with short maturities (one year or less) are stated at their carrying amounts because they approximate fair value. These fair values are classified into Level 2.

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 interest rate adjusted for the residual term and credit risk. These fair values are classified into Level 2.

Derivative transactions

The fair values of listed derivatives, including interest rates, bonds, currencies, and stocks, are classified into Level 1 as these amounts are measured using the liquidation price quoted by exchanges, given that the liquidation price represents the latest transaction price, and the unadjusted quoted price in an active market can be used.

The fair values of over-the-counter derivative transactions, including embedded derivatives separated from the host contract and accounted for as a derivative, in other words, derivatives other than listed derivatives, are, in principle, measured by a valuation method, including the following: the present value of the estimated future cash flows and the option valuation model, which use inputs such as observable interest rate and exchange rate. The fair values of these transactions take into account credit risks of the counterparties and SuMi TRUST Bank. The valuation models applied in certain transactions utilize unobservable inputs in markets, such as correlations in the past. Over-the-counter derivative transactions are classified into Level 2 if observable inputs are used or the impact of unobservable inputs to the fair values is not significant. If the impact of unobservable inputs to the fair values is significant, they are classified into Level 3.

(Note 2) Information about financial assets and liabilities measured and stated on the consolidated balance sheets at fair value and classified into Level 3

(1) Quantitative information on significant unobservable inputs

		Mar. 31, 2023	
	Valuation technique	Significant unobservable inputs	Range
Securities			
Corporate Bonds	Discounted present value method	Discount Rate	1.1%
Derivative Transactions			
Interest Rate Related Transactions	Option valuation model	Correlation between interest rate and foreign exchange rate	(40.0)% - (3.5)%
		Correlation between interest rates	6.5%

		Mar. 31, 2022	
	Valuation technique	Significant unobservable inputs	Range
Securities			
Corporate Bonds	Discounted present value method	Discount Rate	1.2%
Derivative Transactions			
Interest Rate Related Transactions	Option valuation model	Correlation between interest rate and foreign exchange rate	(47.4)% - (9.3)%
		Correlation between interest rates	10.3%

(2) Reconciliation between the beginning and ending balances, and net unrealized gains (losses) recognized in the profit or loss in the year

Reconciliation between the beginning and ending balances, and net unrealized gains (losses) recognized in the profit or loss in the fiscal year ended March 31, 2023, are as follows:

Millions of Yen								
Mar. 31, 2023								
	Beginning balance	Profit or losses for the period (*1)	Other comprehensive income (*2)	Net amount of purchase, issuance, sale, and settlement	Transfer to Level 3 (*3)	Transfer from Level 3 (*3)	Ending balance	Net unrealized gains (losses) on financial assets and liabilities held at consolidated balance sheet date recognized in profit or losses of the period (*1)
Securities	¥ 2,130	¥ —	¥ 262	¥ (1,100)	¥ —	¥ —	¥ 1,292	¥ —
Derivative Transactions (Interest Rate Related Transactions) (*4)	1,173	1,595	—	—	—	—	2,768	1,595

(*1) The amounts shown in the table above are included in "Trading Income" in the consolidated statements of income.

(*2) The amounts shown in the table above are included in "Valuation Differences on Available-for-Sale Securities" under "Other Comprehensive Income (Loss)" in the consolidated statements of comprehensive income.

(*3) The amounts of transfer from or to Level 3 are relevant to the changes in the observability of the inputs. The transfer was made at the end of the fiscal year.

(*4) Derivative transactions recorded in "Trading Assets" and "Trading Liabilities" or in "Other Assets" and "Other Liabilities" are presented collectively. Receivables and payables arising from derivative transactions are presented on a net basis. Negative figures represent a liability balance after netting.

Millions of Yen								
Mar. 31, 2022								
	Beginning balance	Profit or losses for the period (*1)	Other comprehensive income (*2)	Net amount of purchase, issuance, sale, and settlement	Transfer to Level 3 (*3)	Transfer from Level 3 (*3)	Ending balance	Net unrealized gains (losses) on financial assets and liabilities held at consolidated balance sheet date recognized in profit or losses of the period (*1)
Securities	¥ 813	¥ —	¥ (12)	¥ (52)	¥ 1,381	¥ —	¥ 2,130	¥ —
Derivative Transactions (Interest Rate Related Transactions) (*4)	(273)	1,449	—	(1)	—	—	1,173	1,249

(*1) The amounts shown in the table above are included in "Trading Income" in the consolidated statements of income.

(*2) The amounts shown in the table above are included in "Valuation Differences on Available-for-Sale Securities" under "Other Comprehensive Income (Loss)" in the consolidated statements of comprehensive income.

(*3) The amounts of transfer from or to Level 3 are relevant to the changes in the observability of the inputs. The transfer was made at the end of the current fiscal year.

(*4) Derivative transactions recorded in "Trading Assets" and "Trading Liabilities" or in "Other Assets" and "Other Liabilities" are presented collectively. Receivables and payables arising from derivative transactions are presented on a net basis. Negative figures represent a liability balance after netting.

	Millions of U.S. Dollars							
	Mar. 31, 2023							
	Beginning balance	Profit or losses for the period (*1)	Other comprehensive income (*2)	Net amount of purchase, issuance, sale, and settlement	Transfer to Level 3 (*3)	Transfer from Level 3 (*3)	Ending balance	Net unrealized gains (losses) on financial assets and liabilities held at consolidated balance sheet date recognized in profit or losses of the period (*1)
Securities	\$ 16	\$ —	\$ 2	\$ (8)	\$ —	\$ —	\$ 10	\$ —
Derivative Transactions (Interest Rate Related Transactions) (*4)	9	12	—	—	—	—	21	12

(*1) The amounts shown in the table above are included in "Trading Income" in the consolidated statements of income.

(*2) The amounts shown in the table above are included in "Valuation Differences on Available-for-Sale Securities" under "Other Comprehensive Income (Loss)" in the consolidated statements of comprehensive income.

(*3) The amounts of transfer from or to Level 3 are relevant to the changes in the observability of the inputs. The transfer was made at the end of the fiscal year.

(*4) Derivative transactions recorded in "Trading Assets" and "Trading Liabilities" or in "Other Assets" and "Other Liabilities" are presented collectively. Receivables and payables arising from derivative transactions are presented on a net basis. Negative figures represent a liability balance after netting.

(3) Description of the fair value valuation process

At SuMi TRUST Bank Group, the middle division creates policies and procedures for the calculation of fair values and procedures for the use of fair value valuation models, and based on them, the front and middle divisions collaboratively establish the fair value valuation model. In addition, the middle and other divisions verify the reasonableness of the valuation methods and the inputs used, and the appropriateness of the classification of the fair value level.

For the calculation of the fair value, the valuation model, which represents the nature, characteristics, and risks of each asset in the most appropriate manner, is utilized. Moreover, if quoted prices obtained from third parties are used, those prices are verified using an appropriate method, such as the review of the valuation method and the inputs used and comparison with the fair values of similar financial instruments.

(4) Description of the sensitivity of the fair value to changes in significant unobservable inputs

Discount Rate

The discount rate is determined for each financial asset and calculated based on the risk-free rate that incorporates other risk factors such as credit risk. A significant increase (decrease) in the discount rate would generally result in a significant decrease (increase) in the fair value.

Correlation

Correlation is an indicator of the relation of changes between variables such as interest rate and exchange rate. Correlation is used in the valuation technique of complex derivatives, and estimated based on historical results. A significant change in correlation would generally result in a significant increase or decrease in a fair value according to the nature and contractual terms and conditions of the financial instrument.

(Note 3) Consolidated balance sheet amounts of equity securities with no market prices, etc. and investments in partnership, etc. are as follows. These amounts are not included in "Securities" stated on the tables disclosed in "Fair Values of Financial Instruments and Breakdown by Input Level."

	Millions of Yen	Millions of Yen	Millions of U.S. Dollars
	Mar. 31, 2023	Mar. 31, 2022	Mar. 31, 2023
Equity Securities with No Market Prices, etc. (*1)(*3)	¥ 81,203	¥ 79,506	\$ 608
Investments in Partnership, etc. (*2)(*3)	241,425	174,373	1,808

(*1) Unlisted stocks are included in "Equity securities with no market prices, etc." and their fair values are not disclosed in accordance with Paragraph 5 of "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No.19, March 31, 2020).

(*2) "Investments in partnership, etc." mainly include silent partnerships and investment partnerships. These fair values are not disclosed in accordance with Paragraph 24-16 of the "Guidance for Application of Fair Value Measurement".

(*3) Impairment losses of ¥489 million (U.S. \$4 million) and ¥334 million were recognized against Unlisted Stocks and others as of March 31, 2023 and 2022, respectively, and those of ¥0 million (U.S. \$0 million) were recognized against Investments in Partnership, etc. as of March 31, 2023.

(Note4) Redemption Schedule of Monetary Claims and Securities with Maturity after March 31, 2023 and 2022

	Millions of Yen					
March 31, 2023	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	¥ 21,455,307	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	24,006	—	—	—	—	—
Receivables under Resale Agreements	110,003	—	—	—	—	—
Receivables under Securities Borrowing Transactions	436,093	—	—	—	—	—
Monetary Claims Bought (*1)	829,379	19,440	3,398	1,419	1,386	114,972
Money Held in Trust	1,342	100	—	—	—	—
Securities	1,041,103	1,249,918	1,041,077	426,041	497,354	682,598
Held-to-Maturity Debt Securities	—	5,410	20,000	40,000	67,018	124,570
Government Bonds	—	60	20,000	40,000	55,000	—
Corporate Bonds	—	—	—	—	—	14,400
Available-for-Sale Securities with Maturity	1,041,103	1,244,508	1,021,077	386,041	430,335	558,028
Government Bonds	350,628	605,477	460,000	—	—	15,000
Local Government Bonds	1,675	8,008	9,296	4,954	14,639	—
Corporate Bonds	55,754	259,901	208,777	65,601	87,390	29,078
Loans and Bills Discounted (*2)	4,772,709	6,825,891	4,373,913	2,638,392	2,417,897	8,091,073
Lease Receivables and Investment Assets (*3)	167,691	272,176	128,213	45,186	43,147	8,846
Total	¥ 28,837,637	¥ 8,367,527	¥ 5,546,602	¥ 3,111,041	¥ 2,959,784	¥ 8,897,491

March 31, 2022	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	¥ 18,066,966	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	5,000	—	—	—	—	—
Receivables under Resale Agreements	150,741	—	—	—	—	—
Receivables under Securities Borrowing Transactions	652,534	—	—	—	—	—
Monetary Claims Bought (*1)	708,547	29,605	6,268	1,668	1,439	106,099
Money Held in Trust	—	1,395	—	—	—	—
Securities	2,456,707	1,088,284	907,993	351,704	403,077	796,255
Held-to-Maturity Debt Securities	—	60	5,488	40,000	67,342	76,516
Government Bonds	—	60	—	40,000	60,000	15,000
Corporate Bonds	—	—	—	—	—	14,400
Available-for-Sale Securities with Maturity	2,456,707	1,088,224	902,505	311,704	335,734	719,739
Government Bonds	1,724,226	326,810	470,000	—	—	215,000
Local Government Bonds	1,200	4,546	10,630	1,136	16,619	—
Corporate Bonds	82,432	169,628	266,125	101,575	50,954	43,485
Loans and Bills Discounted (*2)	4,668,279	6,302,563	4,367,845	2,571,144	2,374,408	8,087,545
Lease Receivables and Investment Assets (*3)	166,497	243,502	146,501	53,097	45,085	10,713
Total	¥ 26,875,275	¥ 7,665,352	¥ 5,428,609	¥ 2,977,614	¥ 2,824,011	¥ 9,000,615

March 31, 2023	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	\$ 160,666	\$ —	\$ —	\$ —	\$ —	\$ —
Call Loans and Bills Bought	180	—	—	—	—	—
Receivables under Resale Agreements	824	—	—	—	—	—
Receivables under Securities Borrowing Transactions	3,266	—	—	—	—	—
Monetary Claims Bought (*1)	6,211	146	25	11	10	861
Money Held in Trust	10	1	—	—	—	—
Securities	7,796	9,360	7,796	3,190	3,724	5,112
Held-to-Maturity Debt Securities	—	41	150	300	502	933
Government Bonds	—	0	150	300	412	—
Corporate Bonds	—	—	—	—	—	108
Available-for-Sale Securities with Maturity	7,796	9,319	7,646	2,891	3,223	4,179
Government Bonds	2,626	4,534	3,445	—	—	112
Local Government Bonds	13	60	70	37	110	—
Corporate Bonds	418	1,946	1,563	491	654	218
Loans and Bills Discounted (*2)	35,740	51,115	32,754	19,757	18,106	60,589
Lease Receivables and Investment Assets (*3)	1,256	2,038	960	338	323	66
Total	\$ 215,948	\$ 62,659	\$ 41,535	\$ 23,297	\$ 22,164	\$ 66,628

(*1) The balances exclude Monetary Claims Bought for bankrupt borrowers, virtually bankrupt borrowers, and possibly bankrupt borrowers that are not expected to be collected, amounting to ¥23 million (U.S. \$0.2 million) and ¥24 million as of March 31, 2023 and 2022, respectively.

(*2) The balances exclude Loans and Bills Discounted for bankrupt borrowers, virtually bankrupt borrowers, and possibly bankrupt borrowers that are not expected to be collected, amounting to ¥101,179 million (U.S. \$758 million) and ¥142,058 million, and those without maturity, amounting to ¥2,589,868 million (U.S. \$19,394 million) and ¥2,362,662 million as of March 31, 2023 and 2022, respectively.

(*3) The balances exclude Lease Receivables and Investment Assets for bankrupt borrowers, virtually bankrupt borrowers, and possibly bankrupt borrowers that are not expected to be collected, amounting to ¥725 million (U.S. \$5 million) and ¥678 million, and the sum of guaranteed residual values by lessee and estimated salvage values, amounting to ¥22,946 million (U.S. \$172 million) and ¥22,065 million as of March 31, 2023 and 2022, respectively.

(Note 5) Repayment Schedule of Bonds, Borrowed Money, and Other Interest-Bearing Liabilities after March 31, 2023 and 2022

March 31, 2023	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)	¥ 27,918,138	¥ 5,548,181	¥ 1,948,251	¥ 2,225	¥ 1,126	¥ —
Negotiable Certificates of Deposit	7,415,005	105,000	—	—	—	—
Call Money and Bills Sold	1,912,878	—	—	—	—	—
Payables under Repurchase Agreements	1,030,780	—	—	—	—	—
Borrowed Money (*2)	1,370,513	3,851,367	298,848	260,623	182,310	395,879
Short-Term Bonds Payable	2,339,243	—	—	—	—	—
Bonds Payable (*3)	494,005	772,700	627,665	10,000	8,000	—
Borrowed Money from Trust Account	4,332,472	—	—	—	—	—
Total	¥ 46,813,037	¥ 10,277,249	¥ 2,874,765	¥ 272,848	¥ 191,437	¥ 395,879

March 31, 2022	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)	¥ 25,394,331	¥ 5,699,782	¥ 2,175,496	¥ 2,128	¥ 50	¥ —
Negotiable Certificates of Deposit	6,636,944	55,000	—	—	—	—
Call Money and Bills Sold	799,524	—	—	—	—	—
Payables under Repurchase Agreements	1,485,033	—	—	—	—	—
Borrowed Money (*2)	1,872,544	3,331,699	1,338,578	412,356	185,253	373,065
Short-Term Bonds Payable	2,388,495	—	—	—	—	—
Bonds Payable (*3)	70,000	727,495	513,355	120,000	—	—
Borrowed Money from Trust Account	4,298,827	—	—	—	—	—
Total	¥ 42,945,701	¥ 9,813,976	¥ 4,027,430	¥ 534,484	¥ 185,304	¥ 373,065

March 31, 2023	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)	\$ 209,062	\$ 41,547	\$ 14,589	\$ 17	\$ 8	\$ —
Negotiable Certificates of Deposit	55,526	786	—	—	—	—
Call Money and Bills Sold	14,324	—	—	—	—	—
Payables under Repurchase Agreements	7,719	—	—	—	—	—
Borrowed Money (*2)	10,263	28,841	2,238	1,952	1,365	2,964
Short-Term Bonds Payable	17,517	—	—	—	—	—
Bonds Payable (*3)	3,699	5,786	4,700	75	60	—
Borrowed Money from Trust Account	32,443	—	—	—	—	—
Total	\$ 350,554	\$ 76,960	\$ 21,527	\$ 2,043	\$ 1,434	\$ 2,964

(*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 ¥270,000 million (U.S. \$2,022 million) and ¥270,000 million as of March 31, 2023 and 2022, respectively.

(*3) The balances exclude perpetual subordinated bonds without maturity, amounting to ¥16,100 million as of March 31, 2022.

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
	2023	2022	2023
Trading Securities	¥ (16)	¥ (33)	\$ (0)

2. Held-to-Maturity Securities with Fair Value

March 31, 2023	Millions of Yen		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	¥ 117,274	¥ 128,041	¥ 10,767
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	14,400	14,526	126
Other Bonds	62,716	63,033	317
Foreign Bonds	22,710	22,751	41
Others	40,005	40,281	276
Subtotal	194,390	205,602	11,211
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	¥ —	¥ —	¥ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	104,828	103,614	(1,213)
Foreign Bonds	104,828	103,614	(1,213)
Others	—	—	—
Subtotal	104,828	103,614	(1,213)
Total	¥ 299,219	¥ 309,217	¥ 9,997

March 31, 2022	Millions of Yen		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	¥ 117,652	¥ 130,800	¥ 13,148
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	14,400	14,674	274
Other Bonds	51,464	51,586	122
Foreign Bonds	5,488	5,495	7
Others	45,976	46,091	114
Subtotal	183,517	197,061	13,544
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	¥ —	¥ —	¥ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	54,459	54,041	(417)
Foreign Bonds	54,459	54,041	(417)
Others	—	—	—
Subtotal	54,459	54,041	(417)
Total	¥ 237,976	¥ 251,103	¥ 13,127

March 31, 2023	Millions of U.S. Dollars		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	\$ 878	\$ 959	\$ 81
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	108	109	1
Other Bonds	470	472	2
Foreign Bonds	170	170	0
Others	300	302	2
Subtotal	1,456	1,540	84
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	\$ —	\$ —	\$ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Bonds	785	776	(9)
Foreign Bonds	785	776	(9)
Others	—	—	—
Subtotal	785	776	(9)
Total	\$ 2,241	\$ 2,316	\$ 75

3. Available-for-Sale Securities

March 31, 2023	Millions of Yen		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	¥ 1,029,290	¥ 422,361	¥ 606,928
Bonds	1,058,025	1,054,667	3,358
Government Bonds	569,703	569,548	154
Local Government Bonds	5,113	5,095	18
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	483,208	480,023	3,185
Other Securities	568,582	544,071	24,511
Foreign Stocks	4,171	365	3,806
Foreign Bonds	270,713	267,397	3,315
Others	293,698	276,308	17,389
Subtotal	2,655,898	2,021,100	634,798
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	¥ 43,338	¥ 50,336	¥ (6,997)
Bonds	1,120,199	1,123,921	(3,722)
Government Bonds	862,296	863,965	(1,668)
Local Government Bonds	33,003	33,477	(473)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	224,899	226,479	(1,580)
Other Securities	2,199,818	2,433,878	(234,060)
Foreign Stocks	—	—	—
Foreign Bonds	1,548,358	1,582,560	(34,201)
Others	651,459	851,317	(199,858)
Subtotal	3,363,356	3,608,136	(244,780)
Total	¥ 6,019,254	¥ 5,629,236	¥ 390,017

March 31, 2022	Millions of Yen		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	¥ 1,147,241	¥ 448,916	¥ 698,324
Bonds	1,583,022	1,580,317	2,704
Government Bonds	1,091,138	1,090,948	190
Local Government Bonds	3,141	3,126	15
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	488,741	486,243	2,498
Other Securities	599,341	582,649	16,692
Foreign Stocks	3,971	211	3,760
Foreign Bonds	426,787	422,930	3,857
Others	168,582	159,507	9,074
Subtotal	3,329,605	2,611,884	717,720
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	¥ 62,069	¥ 74,530	¥ (12,461)
Bonds	1,888,553	1,904,676	(16,123)
Government Bonds	1,630,897	1,645,706	(14,809)
Local Government Bonds	30,777	31,005	(227)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	226,878	227,964	(1,086)
Other Securities	1,937,534	2,206,591	(269,056)
Foreign Stocks	821	1,472	(650)
Foreign Bonds	1,171,810	1,194,570	(22,759)
Others	764,902	1,010,548	(245,646)
Subtotal	3,888,157	4,185,798	(297,640)
Total	¥ 7,217,762	¥ 6,797,682	¥ 420,079

March 31, 2023	Millions of U.S. Dollars		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	\$ 7,708	\$ 3,163	\$ 4,545
Bonds	7,923	7,898	25
Government Bonds	4,266	4,265	1
Local Government Bonds	38	38	0
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	3,618	3,595	24
Other Securities	4,258	4,074	184
Foreign Stocks	31	3	29
Foreign Bonds	2,027	2,002	25
Others	2,199	2,069	130
Subtotal	19,888	15,135	4,754
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	\$ 325	\$ 377	\$ (52)
Bonds	8,388	8,416	(28)
Government Bonds	6,457	6,470	(12)
Local Government Bonds	247	251	(4)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	1,684	1,696	(12)
Other Securities	16,473	18,226	(1,753)
Foreign Stocks	—	—	—
Foreign Bonds	11,595	11,851	(256)
Others	4,878	6,375	(1,497)
Subtotal	25,186	27,019	(1,833)
Total	\$ 45,075	\$ 42,154	\$ 2,921

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, 2023 and 2022.

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

Year Ended March 31, 2023	Millions of Yen		
	Amount Sold	Gain	Loss
Stocks	¥ 138,300	¥ 87,647	¥ 945
Bonds	692,606	1,233	6,930
Government Bonds	686,723	1,221	6,925
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	5,883	11	4
Other Securities	1,265,362	4,569	105,730
Foreign Stocks	1,998	—	1,102
Foreign Bonds	856,979	2,262	23,339
Others	406,384	2,307	81,288
Total	¥ 2,096,270	¥ 93,450	¥ 113,607

Year Ended March 31, 2022	Millions of Yen		
	Amount Sold	Gain	Loss
Stocks	¥ 142,168	¥ 92,105	¥ 2,388
Bonds	1,005,440	1,397	1,609
Government Bonds	979,797	1,282	1,541
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	25,643	115	67
Other Securities	3,013,050	16,205	159,156
Foreign Stocks	675	19	67
Foreign Bonds	2,595,705	13,353	30,964
Others	416,669	2,831	128,125
Total	¥ 4,160,660	¥ 109,708	¥ 163,154

Year Ended March 31, 2023	Millions of U.S. Dollars		
	Amount Sold	Gain	Loss
Stocks	\$ 1,036	\$ 656	\$ 7
Bonds	5,187	9	52
Government Bonds	5,142	9	52
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	44	0	0
Other Securities	9,476	34	792
Foreign Stocks	15	—	8
Foreign Bonds	6,417	17	175
Others	3,043	17	609
Total	\$ 15,698	\$ 700	\$ 851

(Note) The above figures include equity securities with no market prices etc. and investments in partnerships etc..

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, 2023 and 2022.

7. Impairment of Securities

Securities other than equity securities with no market prices etc. and investments in partnerships etc., 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, 2023 and 2022, were ¥131 million

(U.S. \$1 million) and ¥1,232 million, respectively. Impairment losses on Others recognized during the fiscal year ended March 31, 2023 and 2022, were ¥75 million (U.S. \$1 million) and ¥260 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, 2023 and 2022.

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, 2023 and 2022.

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, 2023					
Other Money Held in Trust	¥ 1,442	¥ 993	¥ 449	¥ 449	¥ —

	Millions of Yen				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
March 31, 2022					
Other Money Held in Trust	¥ 1,395	¥ 989	¥ 406	¥ 406	¥ —

	Millions of U.S. Dollars				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
March 31, 2023					
Other Money Held in Trust	\$ 11	\$ 7	\$ 3	\$ 3	\$ —

(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
	2023	2022	2023
Valuation Differences			
Available-for-Sale Securities	¥ 396,409	¥ 423,182	\$ 2,968
Other Money Held in Trust	449	406	3
Total Valuation Differences	396,859	423,588	2,972
Amount Equivalent to Deferred Tax Assets (Liabilities)	(122,176)	(130,316)	(915)
Total (Before Adjustment for Non-Controlling Interests and Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies)	274,683	293,271	2,057
Non-Controlling Interests	(336)	(244)	(3)
Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies	(4,484)	(2,872)	(34)
Valuation Differences on Available-for-Sale Securities	¥ 269,861	¥ 290,154	\$ 2,021

(Notes)

1) Foreign currency translation adjustments on equity securities with no market prices etc. denominated in foreign currencies, are included in the "Available-for-Sale Securities" under "Valuation Differences."

2) The valuation difference of ¥6,416 million (U.S. \$48 million) and ¥3,086 million on available-for-sale securities composing assets held by associated companies as of March 31, 2023 and 2022, respectively, 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 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, 2023 and 2022, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2023				2023			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
	Total	Over One Year			Total	Over One Year		
Listed								
Interest Futures								
Sold	¥ 9,003,059	¥ 794,563	¥ (3,783)	¥ (3,783)	\$ 67,418	\$ 5,950	\$ (28)	\$ (28)
Purchased	8,874,767	813,150	5,678	5,678	66,458	6,089	43	43
Interest Options								
Sold	577,110	—	(245)	4	4,322	—	(2)	0
Purchased	388,859	—	189	(6)	2,912	—	1	(0)
OTC								
Forward Rate Agreements								
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —
Purchased	—	—	—	—	—	—	—	—
Interest Rate Swaps								
Fixed Interest Rate Receivable/ Floating Interest Rate Payable	54,749,386	46,204,255	(1,763,800)	(1,763,800)	409,985	345,996	(13,208)	(13,208)
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	48,862,617	41,954,510	1,740,379	1,740,379	365,902	314,172	13,033	13,033
Floating Interest Rate Receivable/ Floating Interest Rate Payable	12,976,843	10,842,019	(4,321)	(4,321)	97,176	81,189	(32)	(32)
Interest Options								
Sold	9,569,663	9,531,770	(32,155)	(28,435)	71,661	71,378	(241)	(213)
Purchased	7,268,885	7,268,785	35,787	33,349	54,432	54,432	268	250
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ (22,271)	¥ (20,935)			\$ (167)	\$ (157)

	Millions of Yen			
	2022		Fair Value	Valuation Difference
	Notional Amount			
	Total	Over One Year		
Listed				
Interest Futures				
Sold	¥ 17,325,091	¥ 8,676,986	¥ 74,776	¥ 74,776
Purchased	16,430,494	8,676,986	(73,948)	(73,948)
Interest Options				
Sold	—	—	—	—
Purchased	—	—	—	—
OTC				
Forward Rate Agreements				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
Interest Rate Swaps				
Fixed Interest Rate Receivable/ Floating Interest Rate Payable	46,565,435	40,034,339	(274,059)	(274,059)
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	40,152,154	35,263,350	241,623	241,623
Floating Interest Rate Receivable/ Floating Interest Rate Payable	33,764,109	13,413,149	(6,670)	(6,670)
Interest Options				
Sold	9,558,634	9,548,395	(42,455)	(35,522)
Purchased	7,006,095	6,965,830	33,369	30,634
Others				
Sold	—	—	—	—
Purchased	—	—	—	—
Total			¥ (47,364)	¥ (43,167)

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

(2) Currency-Related Transactions

Currency-related transactions not qualifying for hedge accounting as of March 31, 2023 and 2022, consist of the following:

	Millions of Yen								Millions of U.S. Dollars							
	2023								2023							
	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	¥	8,489,696	¥	7,659,241	¥	83,534	¥	83,534	\$	63,574	\$	57,355	\$	626	\$	626
Forward Exchange Contracts																
Sold	19,971,382		1,793,292		(134,745)		(134,745)		149,554		13,429		(1,009)		(1,009)	
Purchased	23,164,311		381,042		34,617		34,617		173,463		2,853		259		259	
Currency Options																
Sold	1,569,541		917,749		(88,701)		(2,757)		11,753		6,872		(664)		(21)	
Purchased	1,344,166		777,391		80,911		9,643		10,066		5,821		606		72	
Others																
Sold	—		—		—		—		—		—		—		—	
Purchased	—		—		—		—		—		—		—		—	
Total					¥ (24,382)		¥ (9,706)						\$ (183)		\$ (73)	

	Millions of Yen			
	2022		Fair Value	Valuation Difference
	Notional Amount			
	Total	Over One Year		
Listed				
Currency Futures				
Sold	¥	—	¥	—
Purchased		—		—
Currency Options				
Sold		—		—
Purchased		—		—
OTC				
Currency Swaps	¥ 7,163,682	¥ 6,540,039	¥ 89,974	¥ 89,974
Forward Exchange Contracts				
Sold	15,666,803	1,617,487	(575,926)	(575,926)
Purchased	18,844,572	283,636	690,736	690,736
Currency Options				
Sold	1,412,814	718,432	(75,527)	(7,637)
Purchased	1,027,966	558,220	66,483	14,041
Others				
Sold	—	—	—	—
Purchased	—	—	—	—
Total			¥ 195,739	¥ 211,187

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

(3) Stock-Related Transactions

Stock-related transactions not qualifying for hedge accounting as of March 31, 2023 and 2022, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2023				2023			
	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	¥ 1,824	¥ —	¥ (93)	¥ (93)	\$ 14	\$ —	\$ (1)	\$ (1)
Purchased	53	—	2	2	0	—	0	0
Stock Index Options								
Sold	—	—	—	—	—	—	—	—
Purchased	14,266	—	4	(10)	107	—	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			¥ (87)	¥ (102)			\$ (1)	\$ (1)

	Millions of Yen			
	2022			
	Notional Amount		Fair Value	Valuation Difference
	Total	Over One Year		
Listed				
Stock Index Futures				
Sold	¥ 53,183	¥ —	¥ (3,054)	¥ (3,054)
Purchased	45,631	—	1,918	1,918
Stock Index Options				
Sold	14,474	—	(130)	29
Purchased	18,081	—	166	(225)
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			¥ (1,098)	¥ (1,331)

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

(4) Bond-Related Transactions

Bond-related transactions not qualifying for hedge accounting as of March 31, 2023 and 2022, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2023				2023			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
	Total	Over One Year			Total	Over One Year		
Listed								
Bond Futures								
Sold	¥ 925,638	¥ —	¥ (24,016)	¥ (24,016)	\$ 6,932	\$ —	\$ (180)	\$ (180)
Purchased	837,670	—	20,037	20,037	6,273	—	150	150
Bond Future Options								
Sold	40,503	—	(175)	87	303	—	(1)	1
Purchased	54,767	—	179	(123)	410	—	1	(1)
OTC								
Bond Forward Contracts								
Sold	¥ 12,819	¥ —	¥ (282)	¥ (282)	\$ 96	\$ —	\$ (2)	\$ (2)
Purchased	—	—	—	—	—	—	—	—
Bond Options								
Sold	—	—	—	—	—	—	—	—
Purchased	994	994	11	(19)	7	7	0	(0)
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ (4,246)	¥ (4,317)			\$ (32)	\$ (32)

	Millions of Yen			
	2022		Fair Value	Valuation Difference
	Notional Amount			
	Total	Over One Year		
Listed				
Bond Futures				
Sold	¥ 1,058,961	¥ —	¥ 18,999	¥ 18,999
Purchased	902,988	—	(12,922)	(12,922)
Bond Future Options				
Sold	23,507	—	(159)	(42)
Purchased	26,654	—	339	154
OTC				
Bond Forward Contracts				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
Bond Options				
Sold	—	—	—	—
Purchased	994	994	47	15
Others				
Sold	—	—	—	—
Purchased	—	—	—	—
Total			¥ 6,303	¥ 6,204

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

(5) Commodity-Related Transactions

There were no commodity-related transactions not qualifying for hedge accounting as of March 31, 2023 and 2022.

(6) Credit Derivatives Transactions

Credit derivatives transactions not qualifying for hedge accounting as of March 31, 2023 and 2022, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	2023				2023			
	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	¥ 22,600	¥ 19,100	¥ 460	¥ 460	\$ 169	\$ 143	\$ 3	\$ 3
Purchased	68,654	65,154	(798)	(798)	514	488	(6)	(6)
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ (338)	¥ (338)			\$ (3)	\$ (3)

	Millions of Yen			
	2022			
	Notional Amount		Fair Value	Valuation Difference
	Total	Over One Year		
OTC				
Credit Default Swaps				
Sold	¥ 29,000	¥ 18,000	¥ 611	¥ 611
Purchased	66,392	55,392	(2,930)	(2,930)
Others				
Sold	—	—	—	—
Purchased	—	—	—	—
Total			¥(2,319)	¥(2,319)

(Notes)

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

2) "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 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, 2023 and 2022, consist of the following:

		Millions of Yen			Millions of U.S. Dollars		
		2023			2023		
		Notional Amount		Fair Value	Notional Amount		Fair Value
		Total	Over One Year		Total	Over One Year	
Deferral Method							
Interest Rate Swaps							
Fixed Interest	Financial Assets/ Liabilities such as Loans and Bills Discounted, Available-for-Sale Securities (Bonds), Deposits, and Bonds Payable						
Rate Receivable/ Floating Interest							
Rate Payable		¥ 1,583,341	¥ 1,139,336	¥ (85,848)	\$ 11,857	\$ 8,532	\$ (643)
Floating Interest							
Rate Receivable/ Fixed Interest							
Rate Payable		1,352,306	950,933	5,871	10,127	7,121	44
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		¥ (79,977)			\$ (599)		

		Millions of Yen		
		2022		Fair Value
		Notional Amount		
	Major Hedged Item	Total	Over One Year	
Deferral Method				
Interest Rate Swaps				
Fixed Interest Rate Receivable/ Floating Interest Rate Payable		¥ 1,150,748	¥ 1,118,912	¥ (53,298)
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	Financial Assets/ Liabilities such as Loans and Bills Discounted, Available-for-Sale Securities (Bonds), Deposits, and Bonds Payable	1,779,306	1,351,050	18,674
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				¥ (34,624)

(Note) Deferred hedge accounting stipulated in Guidance No.24 is applied, in principle.

(2) Currency-Related Transactions

Currency-related transactions qualifying for hedge accounting as of March 31, 2023 and 2022, consist of the following:

Major Hedged Item		Millions of Yen			Millions of U.S. Dollars		
		2023			2023		
		Notional Amount		Fair Value	Notional Amount		Fair Value
		Total	Over One Year		Total	Over One Year	
Deferral Method							
Currency Swaps		¥ 3,909,750	¥ 2,017,931	¥ (94,221)	\$ 29,278	\$ 15,111	\$ (706)
Forward Exchange Contracts							
Sold	Loans and Bills Discounted	1,801	—	26	13	—	0
Purchased	and Securities Denominated	493,929	—	9,120	3,699	—	68
Others							
Sold	in Foreign Currencies	—	—	—	—	—	—
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	¥ 105,988	¥ —	¥ (677)	\$ 794	\$ —	\$ (5)
Purchased	Affiliated Companies	—	—	—	—	—	—
Total				¥ (85,751)			\$ (642)

Major Hedged Item		Millions of Yen		
		2022		
		Notional Amount		Fair Value
		Total	Over One Year	
Deferral Method				
Currency Swaps		¥ 2,212,027	¥ 896,828	¥ (135,622)
Forward Exchange Contracts				
Sold	Loans and Bills Discounted	1,560	—	(3)
Purchased	and Securities Denominated in Foreign Currencies	90,437	—	1,259
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			
Sold	Subsidiaries and	¥ 98,890	¥ —	¥ (4,879)
Purchased	Affiliated Companies	—	—	—
Total		¥ (139,245)		

(Note) Deferred hedge accounting stipulated in Guidance No.25 is applied, in principle.

(3) Stock-Related Transactions

There were no stock-related transactions qualifying for hedge accounting as of March 31, 2023 and 2022.

(4) Bond-Related Transactions

There were no bond-related transactions qualifying for hedge accounting as of March 31, 2023 and 2022.

Retirement and Pension Plans

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
	2023	2022	2023
Retirement Benefit Obligations (opening balance)	¥ 421,543	¥ 429,015	\$ 3,157
Service Cost-Benefits Earned during the Fiscal Year	9,883	10,466	74
Interest Cost on Projected Benefit Obligations	2,269	2,301	17
Actuarial Gains and Losses that Arose during the Fiscal Year	(37,075)	3,534	(278)
Retirement Benefits Paid	(16,980)	(18,089)	(127)
Past Service Cost that Arose during the Fiscal Year	—	—	—
Other (Note)	—	(5,685)	—
Retirement Benefit Obligations (closing balance)	¥ 379,639	¥ 421,543	\$ 2,843

(Note) "Other" recognized in the previous fiscal year was reversal due to the termination of the defined benefit plans for one of the consolidated subsidiaries.

(2) Reconciliation of Plan Assets

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Plan Assets (opening balance)	¥ 602,366	¥ 648,464	\$ 4,511
Expected Return on Plan Assets	21,822	22,606	163
Actuarial Gains and Losses that Arose during the Fiscal Year	(12,773)	(52,299)	(96)
Contributions by the Employer	4,740	4,922	36
Retirement Benefits Paid	(15,360)	(16,019)	(115)
Other (Note)	—	(5,307)	—
Plan Assets (closing balance)	¥ 600,796	¥ 602,366	\$ 4,499

(Note) "Other" recognized in the previous fiscal year was reversal due to the termination of the defined benefit plans for one of the consolidated subsidiaries.

(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
	2023	2022	2023
Retirement Benefit Obligations of Retirement Benefit Plans with Plan Assets	¥ 368,196	¥ 410,162	\$ 2,757
Plan Assets	(600,796)	(602,366)	(4,499)
	(232,599)	(192,204)	(1,742)
Retirement Benefit Obligations of Retirement Benefit Plans without Plan Assets	11,442	11,380	86
Net of Liabilities and Assets Recorded in the Consolidated Balance Sheet	¥ (221,156)	¥ (180,823)	\$ (1,656)

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Liabilities for Retirement Benefits	¥ 11,442	¥ 11,380	\$ 86
Assets for Retirement Benefits	(232,599)	(192,204)	(1,742)
Net of Liabilities and Assets Recorded in the Consolidated Balance Sheet	¥ (221,156)	¥ (180,823)	\$ (1,656)

(4) Breakdown of Retirement Benefit Expenses

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Service Cost-Benefits Earned during the Fiscal Year	¥ 9,883	¥ 10,466	\$ 74
Interest Cost on Projected Benefit Obligations	2,269	2,301	17
Expected Return on Plan Assets	(21,822)	(22,606)	(163)
Amortization of Actuarial Differences	3,842	1,142	29
Amortization of Past Service Cost	(18)	(65)	(0)
Other	162	217	1
Retirement Benefit Expenses for Defined Benefit Obligations	¥ (5,683)	¥ (8,544)	\$ (43)

(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
	2023	2022	2023
Past Service Cost	¥ (18)	¥ (65)	\$ (0)
Actuarial Differences	28,145	(54,691)	211
Total	¥ 28,126	¥ (54,757)	\$ 211

(6) Accumulated Remeasurements of Defined Benefit Plans

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

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Unrecognized Past Service Cost	¥ (84)	¥ (102)	\$ (1)
Unrecognized Actuarial Differences	33,467	61,612	251
Total	¥ 33,383	¥ 61,509	\$ 250

(7) Plan Assets

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

	Proportion (%)	
	2023	2022
Debt Securities	25	25
Equity Securities	61	59
Cash and Due from Banks	3	4
Other	11	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 56% and 55% of the total plan asset for the fiscal years ended March 31, 2023 and 2022, 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, 2023 and 2022, are as follows:

	2023	2022
Discount Rate	Mainly 1.2%	Mainly 0.5%
Expected Long-Term Rate of Return on Plan Assets	3.6%	3.5%

3. Defined Contribution Pension Plans

Contributions by SuMi TRUST Bank and its consolidated subsidiaries to the defined contribution pension plans were ¥1,783 million (U.S. \$13 million) and ¥1,890 million for the years ended March 31, 2023 and 2022, respectively.

Income Taxes

1. Breakdown of Major Factors Giving Rise to Deferred Tax Assets and Liabilities

Year Ended March 31	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Deferred Tax Assets:			
Impairment of Securities	¥ 17,029	¥ 17,976	\$ 128
Allowance for Loan Losses (Including Direct Write-Offs of Loans with Guarantees or Collateral)	34,555	55,080	259
Deferred Gains (Losses) on Hedges	21,096	17,885	158
Remeasurements of Defined Benefit Plans	10,261	18,945	77
Other	64,427	64,273	482
Subtotal	147,371	174,160	1,104
Valuation Allowance	(13,153)	(13,869)	(98)
Deferred Tax Assets	¥ 134,217	¥ 160,291	\$ 1,005
Deferred Tax Liabilities:			
Retirement Benefits	¥ (51,853)	¥ (46,424)	\$ (388)
Valuation Differences on Available-for-Sale Securities	(121,804)	(129,915)	(912)
Other	(11,272)	(10,849)	(84)
Deferred Tax Liabilities	¥ (184,930)	¥ (187,190)	\$ (1,385)
Net Deferred Tax Assets (Liabilities)	¥ (50,712)	¥ (26,898)	\$ (380)

2. Breakdown of Major Causes of Significant Differences Arising Between the Statutory Tax Rate and the Effective Tax Rate after Application of Tax Effect Accounting for Companies Submitting the Consolidated Financial Statements

Year Ended March 31	2023	2022
Effective Statutory Tax Rate	30.62%	30.62%
Adjustments:		
Changes in Valuation Allowance	(0.29)	(1.25)
Amortization of Goodwill	0.55	0.67
Share of Profit of Equity-Method Affiliated Companies	(1.92)	(2.07)
Permanent Differences (e.g., Cash Dividends Received)	(0.88)	(0.97)
Others	0.62	(1.50)
Effective Income Tax Rate	28.70%	25.50%

3. Accounting for Corporation Tax and Local Corporation Tax and Tax Effect Accounting

SuMi TRUST Bank and some of its consolidated subsidiaries in Japan have adopted the group tax sharing system effective from the current fiscal year. In addition, corporation tax and local corporation tax, as well as their tax effects, are accounted for and disclosed under "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (Accounting Standards Board of Japan (ASBJ) Practical Issues Task Force (PITF) No.42, August 12, 2021, "ASBJ PITF No.42").

Revenue Recognition

1. Information Related to Disaggregation of Revenue from Contracts with Customers for the Fiscal Year Ended March 31, 2023 and 2022

SuMi TRUST Bank Group has changed its reportable segments effective from the current fiscal year in line with the reorganization of SuMi TRUST Bank effective April 1, 2022, and segment information for the previous fiscal year is based on the new reportable segment classifications. The details of the change are described in "Notes to the Consolidated Financial Statements, Segment Information."

Year Ended March 31, 2023	Millions of Yen									
	SuMi Trust Bank						Subsidiaries	Total	Income other than those disaggregated revenue	Total
	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Others				
Trust Fees	¥ 6,796	¥ 13,349	¥ 85,769	¥ 3,807	¥ —	¥ —	¥ —	¥ 109,721	¥ —	¥ 109,721
Fees and Commissions	61,723	40,775	14,802	40,343	467	—	82,861	240,973	82,125	323,099
Income from Contracts with Customers	¥ 68,519	¥ 54,124	¥ 100,571	¥ 44,151	¥ 467	¥ —	¥ 82,861	¥ 350,695		

Year Ended March 31, 2022	Millions of Yen									
	SuMi Trust Bank						Subsidiaries	Total	Income other than those disaggregated revenue	Total
	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Others				
Trust Fees	¥ 6,738	¥ 12,396	¥ 87,889	¥ 3,513	¥ —	¥ —	¥ —	¥ 110,539	¥ —	¥ 110,539
Fees and Commissions	57,881	35,545	17,082	35,760	343	—	78,493	225,106	75,530	300,637
Income from Contracts with Customers	¥ 64,620	¥ 47,941	¥ 104,972	¥ 39,274	¥ 343	¥ —	¥ 78,493	¥ 335,646		

Year Ended March 31, 2023	Millions of U.S. Dollars									
	SuMi Trust Bank						Subsidiaries	Subtotal	Ordinary Income Other than Those Disaggregated Revenue	Total
	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Others				
Trust Fees	\$ 51	\$ 100	\$ 642	\$ 29	\$ —	\$ —	\$ —	\$ 822	\$ —	\$ 822
Fees and Commissions	462	305	111	302	4	—	620	1,805	615	2,419
Income from Contracts with Customers	\$ 513	\$ 405	\$ 753	\$ 331	\$ 4	\$ —	\$ 620	\$ 2,626		

(Note) "Subsidiaries" includes elimination of internal transactions.

2. Information Related to Contract Balance

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Receivables from Contracts with Customers	¥ 68,869	¥ 67,676	\$ 516
Contract Liabilities	2,512	1,767	19

	Millions of Yen	
	2022	2021
Receivables from Contracts with Customers	¥ 67,676	¥ 62,108
Contract Liabilities	1,767	1,443

Receivables from contracts with customers and contract liabilities are included in "Other Assets" and "Other Liabilities", respectively in the consolidated balance sheets. Contract liabilities retained at the beginning of the current fiscal year and the previous fiscal year are mainly recognized

as revenue for the current fiscal years ended March 31, 2023 and 2022.

The amount of revenue from performance obligation satisfied or partially satisfied in the past year recognized in the current fiscal year is immaterial.

3. Information Related to Transaction Prices Allocated to Residual Performance Obligations

For the fiscal years ended March 31, 2023 and 2022, the amount of revenue expected to be recognized from existing contracts after the fiscal years is immaterial. Contracts with an initial expected period of less than one year and revenue recognized by the amount that SuMi TRUST Bank Group is entitled to claim are not included in the notes.

Segment Information

1. Reportable Segment Information

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 SuMi TRUST Bank 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 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 Business:

Provision of services to individual customers

Wholesale Business:

Provision of services to corporate customers

Investor Services Business:

Provision of services to investors

Real Estate Business:

Provision of services related to the real estate business

Global Markets Business:

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

Change in Reportable Segments

SuMi TRUST Group aims to promote and lead a virtuous circle of funds, assets, and capital by various stakeholders through provision of high value-added products and services and investments to create new values. Effective as of April 1, 2022, reorganization of SuMi TRUST Bank, Limited has been implemented.

Reportable segments of SuMi TRUST Bank Group were previously divided into "Retail Total Solution Services Business," "Wholesale Financial Services Business (Wholesale Total Solution Services Business and Wholesale Asset Management Business)," "Stock Transfer Agency Services Business," "Real Estate Business," "Fiduciary Services Business," and "Global Markets Business." Starting from the fiscal year ended March 31, 2023, SuMi TRUST Bank Group has reclassified them into the following segments: "Retail Business (former Retail Total Solution Services)," "Wholesale Business (former Wholesale Total Solution Services Business and former Stock Transfer

Agency Services Business),” “Investor Services Business (former Wholesale Asset Management Business and former Fiduciary Services Business),” “Real Estate Business,” and “Global Markets Business.”

Segment information for the fiscal year ended March 31, 2022, has been prepared based on the reportable segments after the change.

2. Method for Calculating 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.

Income earned from inter-segment and cross-segment

transactions is calculated by applying the criteria (market prices) specified in the rules for internal management.

“Fixed Assets” disclosed in the assets by reportable segments are the total amount of tangible fixed assets and intangible fixed asset. The assets owned by SuMi TRUST Bank are allocated to each segment.

3. Profit or Loss and Fixed Assets by Reportable Segment

Year Ended March 31, 2023	Millions of Yen						
	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Others	Total
Gross Business Profit	¥ 134,111	¥ 153,593	¥ 76,042	¥ 44,150	¥ 69,310	¥ 30,988	¥ 508,198
General and Administrative Expenses	(112,760)	(42,406)	(32,911)	(10,202)	(15,148)	(48,862)	(262,293)
Net Business Profit	¥ 21,351	¥ 111,186	¥ 43,131	¥ 33,947	¥ 54,162	¥ (17,874)	¥ 245,905
Fixed Assets	¥ 75,388	¥ 55,763	¥ 22,251	¥ 9,270	¥ 25,148	¥ 84,532	¥ 272,354

Year Ended March 31, 2022	Millions of Yen						
	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Others	Total
Gross Business Profit	¥ 131,317	¥ 140,620	¥ 93,005	¥ 39,274	¥ 52,303	¥ 34,141	¥ 490,663
General and Administrative Expenses	(117,612)	(41,403)	(33,549)	(9,924)	(15,704)	(30,377)	(248,572)
Net Business Profit	¥ 13,705	¥ 99,216	¥ 59,455	¥ 29,349	¥ 36,599	¥ 3,764	¥ 242,090
Fixed Assets	¥ 71,016	¥ 43,306	¥ 21,070	¥ 9,318	¥ 19,165	¥ 98,212	¥ 262,090

Year Ended March 31, 2023	Millions of U.S. Dollars						
	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Others	Total
Gross Business Profit	\$ 1,004	\$ 1,150	\$ 569	\$ 331	\$ 519	\$ 232	\$ 3,806
General and Administrative Expenses	(844)	(318)	(246)	(76)	(113)	(366)	(1,964)
Net Business Profit	\$ 160	\$ 833	\$ 323	\$ 254	\$ 406	\$ (134)	\$ 1,841
Fixed Assets	\$ 565	\$ 418	\$ 167	\$ 69	\$ 188	\$ 633	\$ 2,040

(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 trust fees, net interest income, net fees and commissions, net trading income, and net other ordinary income and expenses.
- 3) “General and Administrative Expenses” include personnel expenses and non-personnel expenses.

4) “Others” include costs of capital funding, dividends for shares for cross-shareholdings, and general and administrative expenses of headquarters.

5) “Others” within “Fixed Assets” include corporate assets not allocated to any segment. For fixed assets not allocated to each segment, some of related expenses are allocated to each segment based on a reasonable allocation method.

4. Reconciliation Between Total Amount for Reportable Segments and the Carrying Amounts in the Consolidated Financial Statement

(1) 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
	2023	2022	2023
Total Profit or Loss for Reportable Segments (Net Business Profit)	¥ 245,905	¥ 242,090	\$ 1,841
Net Business Profit of Consolidated Subsidiaries that are Excluded from the Reportable Segments (Note)	50,289	60,566	377
Other Income	124,297	119,392	931
Other Expenses	(138,581)	(195,012)	(1,038)
Other Adjustments	(31,306)	(25,177)	(234)
Income before Income Taxes	¥ 250,605	¥ 201,858	\$ 1,877

(Note) The amounts include elimination of internal transactions.

(2) Total Fixed Assets for Reportable Segments and Fixed Assets in the Consolidated Balance Sheet

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Total Fixed Assets for Reportable Segments	¥ 272,354	¥ 262,090	\$ 2,040
Fixed Assets of Consolidated Subsidiaries that are Excluded from the Reportable Segments	63,654	67,194	477
Consolidated Adjustments	2,450	2,594	18
Fixed Assets	¥ 338,459	¥ 331,879	\$ 2,535

Related Information

1. Information by Services

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

2. Geographic Information

(1) Income

Income by geographical area for the fiscal years ended March 31, 2023 and 2022, consists of the following:

Year Ended March 31, 2023	Millions of Yen				
	Japan	Americas	Europe	Asia and Oceania	Total
	¥ 1,211,917	¥ 219,529	¥ 141,823	¥ 127,066	¥ 1,700,337

Year Ended March 31, 2022	Millions of Yen				
	Japan	Americas	Europe	Asia and Oceania	Total
	¥ 1,092,463	¥ 66,702	¥ 41,446	¥ 49,527	¥ 1,250,140

Year Ended March 31, 2023	Millions of U.S. Dollars				
	Japan	Americas	Europe	Asia and Oceania	Total
	\$ 9,075	\$ 1,644	\$ 1,062	\$ 952	\$ 12,733

(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, 2023 and 2022, 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 recognized during the fiscal year ended March 31, 2023 and 2022 were as follows:

Year Ended March 31, 2023	Millions of Yen						Total
	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Others	
Losses on Impairment of Fixed Assets	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 16,660	¥ 16,660

Year Ended March 31, 2022	Millions of Yen						Total
	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Others	
Losses on Impairment of Fixed Assets	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 1,409	¥ 1,409

Year Ended March 31, 2023	Millions of U.S. Dollars						Total
	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Others	
Losses on Impairment of Fixed Assets	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 125	\$ 125

(Note 1) Losses on impairment of fixed assets not allocated to the reportable segments during the fiscal years ended March 31, 2023, and 2022, were ¥1,527 million (U.S. \$11 million) and ¥59 million, respectively, and these were impairment losses recognized by consolidated subsidiaries.

(Note 2) The details of impairment losses are described in "Notes to the Consolidated Statement of Income, 5. Other Income and Expenses, (2)."

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, 2023, and 2022, were ¥4,499 million (U.S. \$34 million) and ¥4,399 million, respectively. Unamortized balance of goodwill as of March 31, 2023, and 2022, were ¥8,079 million (U.S. \$60 million) and ¥12,478 million, respectively.

Information Related to Gain on Negative Goodwill by Reportable Segment

There were no gains on negative goodwill by reportable segment during the fiscal years ended March 31, 2023 and 2022.

Related-Party Information

1. Related-Party Transactions

Transactions of SuMi TRUST Bank with its parent company for the fiscal years ended March 31, 2023 and 2022, are as follows:

Year Ended March 31, 2023

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 (\$ 1,959)	Bank holding company	Direct 100	Money lending transaction	Borrowing of funds ^(Note)	¥ 20,000 (\$ 150)	Bonds payable ^(Note)	¥ 605,000 (\$ 4,530)
							Repayment of funds	¥ 60,000 (\$ 449)		
							Payment of interest ^(Note)	¥ 6,659 (\$ 50)	Accrued Expenses	¥ 1,898 (\$ 14)

Year Ended March 31, 2022

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 (\$ 1,959)	Bank holding company	Direct 100	Money lending transaction	Borrowing of funds ^(Note)	¥ 25,000 (\$ 187)	Bonds payable ^(Note)	¥ 645,000 (\$ 4,830)
							Payment of interest ^(Note)	¥ 6,641 (\$ 50)	Accrued Expenses	¥ 1,923 (\$ 14)

Terms and conditions of transactions and policies applied in deciding the terms and conditions

(Note) Loans are all subordinated borrowings with a debt relief clause at the contractual point of non-variability. 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 condensed financial information of significant affiliated companies for the fiscal year ended March 31, 2023.

Per Share of Common Stock Information

	Yen		U.S. Dollars
	2023	2022	2023
Net Assets per Share of Common Stock	¥ 1,456.34	¥ 1,385.34	\$ 10.91
Net Income per Share of Common Stock	106.08	89.11	0.79

(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, 2023	As of March 31, 2022	As of March 31, 2023
Net Assets as Reported	¥ 2,468,222	¥ 2,348,510	\$ 18,483
Less:	29,517	28,699	221
Non-Controlling Interests	29,517	28,699	221
Net Assets Attributable to Common Shareholders	2,438,705	2,319,810	18,262
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, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023
Net Income per Share of Common Stock			
Net Income Attributable to Owners of the Parent	¥ 177,649	¥ 149,223	\$ 1,330
Net Income Not Attributable to Common Shareholders	—	—	—
Net Income Related to Common Stock that is Attributable to Owners of the Parent	177,649	149,223	1,330
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, 2023 and 2022 is not presented because there were no potential shares.

Significant Subsequent Event

There were no significant subsequent events that need to be disclosed for the fiscal years ended March 31, 2023 and 2022.

Financial Data:

Non-Consolidated Balance Sheet

Sumitomo Mitsui Trust Bank, Limited
As of March 31, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Assets:			
Cash and Due from Banks:	¥ 21,364,216	¥ 17,925,030	\$ 159,984
Cash	67,427	75,795	505
Due from Banks	21,296,788	17,849,235	159,479
Call Loans	24,006	5,000	180
Receivables under Resale Agreements	110,003	150,741	824
Receivables under Securities Borrowing Transactions	436,093	652,534	3,266
Monetary Claims Bought	124,649	123,567	933
Trading Assets:	1,609,798	1,048,258	12,055
Trading Account Securities	2,904	5,018	22
Derivatives of Trading Securities	14	47	0
Derivatives of Securities Related to Trading Transactions	880	25	7
Trading-Related Financial Derivatives	1,447,810	954,675	10,842
Other Trading Assets	158,187	88,492	1,185
Money Held in Trust	99	99	1
Securities:	6,999,285	7,951,169	52,413
Government Bonds	1,549,213	2,839,628	11,601
Local Government Bonds	38,117	33,919	285
Corporate Bonds	722,507	730,020	5,410
Stocks	1,374,077	1,516,253	10,290
Other Securities	3,315,368	2,831,348	24,827
Loans and Bills Discounted:	31,947,351	30,916,363	239,234
Bills Discounted	504	451	4
Loans on Bills	200,541	190,138	1,502
Loans on Deeds	29,237,658	28,443,342	218,943
Overdrafts	2,508,647	2,282,430	18,786
Foreign Exchanges:	47,445	29,494	355
Due from Foreign Banks	47,445	29,494	355
Other Assets:	3,271,413	2,922,768	24,498
Domestic Exchange Settlement Account, Debit	862	1,029	6
Prepaid Expenses	3,056	2,285	23
Accrued Income	142,159	111,101	1,065
Initial Margins of Futures Markets	58,868	71,040	441
Variation Margin of Futures Markets	4,090	—	31
Derivatives Other Than for Trading	1,735,754	1,499,100	12,998
Cash Collateral Pledged for Financial Instruments	967,493	1,025,240	7,245
Receivables for Securities Transactions	213,860	85,353	1,601
Other Assets	145,267	127,617	1,088
Tangible Fixed Assets:	182,820	184,334	1,369
Buildings	60,977	62,426	457
Land	103,812	104,329	777
Lease Assets	3,533	3,843	26
Construction in Progress	497	110	4
Other	13,999	13,623	105
Intangible Fixed Assets:	89,534	77,756	670
Software	85,933	74,152	644
Other	3,600	3,603	27
Prepaid Pension Expenses	265,005	252,869	1,984
Customers' Liabilities for Acceptances and Guarantees	458,822	426,405	3,436
Allowance for Loan Losses	(105,798)	(136,300)	(792)
Total Assets	¥ 66,824,746	¥ 62,530,092	\$ 500,410

The figures in U.S. dollars are converted from yen for the convenience of readers outside Japan at the rate of ¥133.54 to U.S. \$1.00, the exchange rate as of March 31, 2023.

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Liabilities:			
Deposits:	¥ 35,041,223	¥ 32,898,724	\$ 262,402
Current Deposits	1,915,209	1,639,928	14,342
Ordinary Deposits	8,832,263	7,749,739	66,139
Saving Deposits	1,747	1,885	13
Deposits at Notice	76,808	88,529	575
Time Deposits	23,222,892	22,623,620	173,902
Other Deposits	992,300	795,020	7,431
Negotiable Certificates of Deposit	7,617,705	6,809,644	57,044
Call Money	2,086,480	932,640	15,624
Payables under Repurchase Agreements	1,030,780	1,485,033	7,719
Trading Liabilities:	1,472,636	906,686	11,028
Derivatives of Securities Related to Trading Transactions	20	617	0
Trading-Related Financial Derivatives	1,472,616	906,069	11,028
Borrowed Money:	6,185,153	7,335,261	46,317
Borrowing from Other Banks	6,185,153	7,335,261	46,317
Foreign Exchanges:	8,568	15,362	64
Due to Foreign Banks	8,066	15,082	60
Foreign Bills Payable	501	280	4
Short-Term Bonds Payable	1,697,150	1,845,782	12,709
Bonds Payable	1,847,560	1,371,604	13,835
Borrowed Money from Trust Account	4,332,472	4,298,827	32,443
Other Liabilities:	2,823,095	2,066,310	21,140
Domestic Exchange Settlement Account, Credit	723	841	5
Income Taxes Payable	5,426	4,981	41
Accrued Expenses	105,913	58,719	793
Unearned Revenue	38,343	34,547	287
Variation Margin of Futures Markets	1,875	7,414	14
Trading Account Securities Borrowed	—	662	—
Derivatives Other Than for Trading	1,931,427	1,570,467	14,463
Cash Collateral Accepted For Financial Instruments	450,879	240,455	3,376
Lease Obligations	5,483	5,772	41
Asset Retirement Obligations	3,023	3,127	23
Payables for Securities Transactions	209,650	65,626	1,570
Other	70,349	73,694	527
Provision for Bonuses	9,602	9,599	72
Provision for Directors' Bonuses	95	98	1
Provision for Stocks Payment	810	569	6
Provision for Retirement Benefits	1,018	940	8
Provision for Reimbursement of Deposits	3,028	3,626	23
Provision for Contingent Losses	1,344	1,649	10
Deferred Tax Liabilities	76,900	67,628	576
Deferred Tax Liabilities for Land Revaluation	2,381	2,388	18
Acceptances and Guarantees	458,822	426,405	3,436
Total Liabilities	¥ 64,696,830	¥ 60,478,786	\$ 484,475
Net Assets:			
Total Shareholders' Equity:	¥ 1,915,815	¥ 1,807,041	\$ 14,346
Capital Stock	342,037	342,037	2,561
Capital Surplus:	343,066	343,066	2,569
Legal Capital Surplus	273,016	273,016	2,044
Other Capital Surplus	70,049	70,049	525
Retained Earnings:	1,230,712	1,121,938	9,216
Legal Retained Earnings	69,020	69,020	517
Other Retained Earnings:	1,161,691	1,052,917	8,699
Other Voluntary Reserves	371,870	371,870	2,785
Retained Earnings Brought Forward	789,821	681,047	5,914
Total Valuation and Translation Adjustments:	212,099	244,263	1,588
Valuation Difference on Available-for-Sale Securities	272,426	291,152	2,040
Deferred Gains (Losses) on Hedges	(55,847)	(42,431)	(418)
Revaluation Reserve for Land	(4,479)	(4,456)	(34)
Total Net Assets	¥ 2,127,915	¥ 2,051,305	\$ 15,935
Total Liabilities and Net Assets	¥ 66,824,746	¥ 62,530,092	\$ 500,410

Financial Data:

Non-Consolidated Statement of Income

Sumitomo Mitsui Trust Bank, Limited
For the fiscal years ended March 31, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Income:			
Trust Fees	¥ 109,721	¥ 110,539	\$ 822
Interest Income:	665,844	360,361	4,986
Interest on Loans and Discounts	402,565	241,182	3,015
Interest and Dividends on Securities	166,568	106,126	1,247
Interest on Call Loans and Bills Bought	670	423	5
Interest on Due from Banks	74,945	11,551	561
Other Interest Income	21,093	1,077	158
Fees and Commissions:	213,074	196,351	1,596
Fees and Commissions on Domestic and Foreign Exchanges	1,337	1,345	10
Other Fees and Commissions	211,736	195,005	1,586
Trading Income:	15,608	13,453	117
Gains on Trading Account Securities Transactions	—	268	—
Income from Securities and Derivatives Related to Trading Transactions	15,548	812	116
Income from Trading-Related Financial Derivatives Transactions	—	12,315	—
Other Trading Income	60	57	0
Other Ordinary Income:	203,946	56,215	1,527
Gain on Foreign Exchange Transactions	199,248	22,227	1,492
Gains on Sales of Bonds	3,495	14,751	26
Gains on Redemption of Bonds	—	5	—
Gains on Derivatives Other Than for Trading-Assets	1,053	19,091	8
Other	149	139	1
Other Income:	119,454	102,866	895
Recoveries of Written-Off Claims	674	1,052	5
Gains on Sales of Stocks and Other Securities	89,952	95,015	674
Other	28,827	6,797	216
Total Income	¥ 1,327,649	¥ 839,787	\$ 9,942

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Expenses:			
Interest Expenses:	¥ 552,582	¥ 104,274	\$ 4,138
Interest on Deposits	169,377	28,750	1,268
Interest on Negotiable Certificates of Deposit	139,247	6,787	1,043
Interest on Call Money and Bills Sold	5,769	839	43
Interest on Payables under Repurchase Agreements	32,286	1,665	242
Interest on Borrowings and Rediscounts	18,668	9,282	140
Interest on Short-Term Bonds	55,497	2,992	416
Interest on Bonds	22,369	9,836	168
Interest on Interest Swaps	84,935	22,439	636
Other Interest Expenses	24,432	21,681	183
Fees and Commissions Payments:	109,382	106,900	819
Fees and Commissions on Domestic and Foreign Exchanges	825	779	6
Other Fees and Commissions	108,556	106,120	813
Trading Expenses:	5,184	—	39
Expenses on Trading Securities and Derivatives	149	—	1
Expenses on Trading-Related Financial Derivatives Transactions	5,035	—	38
Other Ordinary Expenses:	32,847	35,082	246
Loss on Sale of Bonds	29,499	32,574	221
Losses on Redemption of Bonds	0	—	0
Other Ordinary Expenses	3,346	2,508	25
General and Administrative Expenses	266,335	250,023	1,994
Other Expenses:	137,030	194,377	1,026
Provision of Allowance for Loan Losses	4,511	39,600	34
Written-Off Loans	8,267	3,803	62
Losses on Sales of Stocks and Other Securities	83,337	130,568	624
Losses on Devaluation of Stocks and Other Securities	646	1,811	5
Impairment Loss	16,660	1,409	125
Other	23,608	17,184	177
Total Expenses	¥ 1,103,363	¥ 690,659	\$ 8,262
Income before Income Taxes	¥ 224,286	¥ 149,127	\$ 1,680
Income Taxes:	55,150	35,784	413
Current	31,701	34,729	237
Deferred	23,449	1,054	176
Net Income	¥ 169,135	¥ 113,343	\$ 1,267

	Yen	U.S. Dollars
Net Income per Share of Common Stock	¥ 101.00	\$ 0.76

Financial Data:

Non-Consolidated Statement of Changes in Net Assets

Sumitomo Mitsui Trust Bank, Limited
For the fiscal years ended March 31, 2023 and 2022

From April 1, 2022 to March 31, 2023

	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	¥ 70,049	¥ 343,066	¥ 69,020	¥ 1,052,917	¥ 1,121,938	¥ 1,807,041
Changes during the Year								
Cash Dividends						(60,383)	(60,383)	(60,383)
Net Income						169,135	169,135	169,135
Reversal of Revaluation Reserve for Land						22	22	22
Net Changes of Items Other Than Shareholders' Equity								
Total Changes during the Year						108,773	108,773	108,773
Balance at the End of the Year	¥ 342,037	¥ 273,016	¥ 70,049	¥ 343,066	¥ 69,020	¥ 1,161,691	¥ 1,230,712	¥ 1,915,815

	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	¥ 291,152	¥ (42,431)	¥ (4,456)	¥ 244,263	¥ 2,051,305
Changes during the Year					
Cash Dividends					(60,383)
Net Income					169,135
Reversal of Revaluation Reserve for Land					22
Net Changes of Items Other Than Shareholders' Equity	(18,725)	(13,416)	(22)	(32,163)	(32,163)
Total Changes during the Year	(18,725)	(13,416)	(22)	(32,163)	76,610
Balance at the End of the Year	¥ 272,426	¥ (55,847)	¥ (4,479)	¥ 212,099	¥ 2,127,915

From April 1, 2021 to March 31, 2022

	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	¥ 70,049	¥ 343,066	¥ 69,020	¥ 997,931	¥ 1,066,952	¥ 1,752,055
Cumulative Effects of Changes in Accounting Policies						(8,945)	(8,945)	(8,945)
Restated Balance	342,037	273,016	70,049	343,066	69,020	988,985	1,058,006	1,743,109
Changes during the Year								
Cash Dividends						(49,850)	(49,850)	(49,850)
Net Income						113,343	113,343	113,343
Reversal of Revaluation Reserve for Land						439	439	439
Net Changes of Items Other Than Shareholders' Equity								
Total Changes during the Year	—	—	—	—	—	63,932	63,932	63,932
Balance at the End of the Year	¥ 342,037	¥ 273,016	¥ 70,049	¥ 343,066	¥ 69,020	¥ 1,052,917	¥ 1,121,938	¥ 1,807,041

	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	¥ 340,796	¥ (39,295)	¥ (4,016)	¥ 297,484	¥ 2,049,539
Cumulative Effects of Changes in Accounting Policies					(8,945)
Restated Balance	340,796	(39,295)	(4,016)	297,484	2,040,593
Changes during the Year					
Cash Dividends					(49,850)
Net Income					113,343
Reversal of Revaluation Reserve for Land					439
Net Changes of Items Other Than Shareholders' Equity	(49,644)	(3,136)	(439)	(53,220)	(53,220)
Total Changes during the Year	(49,644)	(3,136)	(439)	(53,220)	10,711
Balance at the End of the Year	¥ 291,152	¥ (42,431)	¥ (4,456)	¥ 244,263	¥ 2,051,305

From April 1, 2022 to March 31, 2023

	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	\$ 2,561	\$ 2,044	\$ 525	\$ 2,569	\$ 517	\$ 7,885	\$ 8,402	\$ 13,532
Cumulative Effects of Changes in Accounting Policies								
Restated Balance								
Changes during the Year								
Cash Dividends						(452)	(452)	(452)
Net Income						1,267	1,267	1,267
Reversal of Revaluation Reserve for Land						0	0	0
Net Changes of Items Other Than Shareholders' Equity								
Total Changes during the Year						815	815	815
Balance at the End of the Year	\$ 2,561	\$ 2,044	\$ 525	\$ 2,569	\$ 517	\$ 8,699	\$ 9,216	\$ 14,346

	Millions of U.S. Dollars				
	Valuation and Translation Adjustments				
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Total Valuation and Translation Adjustments	Total Net Assets
Balance at the Beginning of the Year	\$ 2,180	\$ (318)	\$ (33)	\$ 1,829	\$ 15,361
Cumulative Effects of Changes in Accounting Policies					
Restated Balance					
Changes during the Year					
Cash Dividends				(452)	
Net Income				1,267	
Reversal of Revaluation Reserve for Land					0
Net Changes of Items Other Than Shareholders' Equity	(140)	(100)	(0)	(241)	(241)
Total Changes during the Year	(140)	(100)	(0)	(241)	574
Balance at the End of the Year	\$ 2,040	\$ (418)	\$ (34)	\$ 1,588	\$ 15,935

Statement of Trust Account

Sumitomo Mitsui Trust Bank, Limited and its Consolidated Subsidiaries
Fiscal year ended March 31, 2023 and 2022

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Assets:			
Loans and Bills Discounted (Note 2)	¥ 2,154,605	¥ 2,131,254	\$ 16,135
Securities (Note 3)	846,569	859,127	6,339
Beneficiary Rights	188,494,811	182,799,711	1,411,523
Securities Held in Custody Accounts	20,674	22,534	155
Monetary Claims	26,147,491	25,361,961	195,803
Tangible Fixed Assets	23,154,632	21,118,391	173,391
Intangible Fixed Assets	229,624	200,412	1,720
Other Claims	9,856,778	10,789,374	73,811
Loans to Banking Account	4,332,472	4,298,827	32,443
Cash and Due from Banks	988,055	633,823	7,399
Total Assets	¥ 256,225,715	¥ 248,215,419	\$ 1,918,719
Liabilities:			
Money Trusts (Note 4)	¥ 38,420,310	¥ 36,216,311	\$ 287,706
Pension Trusts	14,043,977	14,525,120	105,167
Property Formation Benefit Trusts	18,439	18,820	138
Securities Investment Trusts	80,945,517	80,405,840	606,152
Money in Trust Other Than Money Trusts	40,257,727	39,748,080	301,466
Securities in Trust	23,513,485	22,159,577	176,078
Money Claims in Trust	26,400,850	25,588,821	197,700
Real Estate in Trust	825	876	6
Composite Trusts	32,624,581	29,551,969	244,306
Total Liabilities	¥ 256,225,715	¥ 248,215,419	\$ 1,918,719

See Notes to Statements of Trust Account.

Financial Data:

Notes to Statement of Trust Account

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, 2023 and 2022, were ¥4,103,478 million (U.S. \$30,728 million) and ¥4,052,452 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 ¥133.54 to U.S. \$1, the approximate rate of exchange as of March 31, 2023. 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, 2023 and 2022, are for trust accounts in SuMi TRUST Bank.

2. Loans and Bills Discounted

Loans as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Loans on Deeds	¥ 1,709,285	¥ 1,685,034	\$ 12,800
Loans on Bills	445,320	446,220	3,335
Total	¥ 2,154,605	¥ 2,131,254	\$ 16,135

The balances of guaranteed trust account loans as of March 31, 2023 and 2022, stood at ¥10,461 million (U.S. \$78 million) and ¥13,316 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, 2023 and 2022, included the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Doubtful Loans	¥ 59	¥ 752	\$ 0
Restructured Loans	10	13	0
Total	¥ 70	¥ 765	\$ 1

3. Securities

Securities held as of March 31, 2023 and 2022, consisted of the following:

	Millions of Yen		Millions of U.S. Dollars
	2023	2022	2023
Government Bonds	¥ 425,484	¥ 401,621	\$ 3,186
Local Government Bonds	30	30	0
Corporate Bonds	35,361	40,758	265
Stocks	6,270	6,444	47
Other Securities	379,423	410,272	2,841
Total	¥ 846,569	¥ 859,127	\$ 6,339

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
	2023	2022	2023
Assets:			
Loans and Bills Discounted	¥ 10,461	¥ 13,316	\$ 78
Other	4,093,352	4,039,461	30,653
Total	¥ 4,103,814	¥ 4,052,778	\$ 30,731
Liabilities:			
Principal	¥ 4,103,478	¥ 4,052,452	\$ 30,728
Allowance for Impairment of Guaranteed Trust Principal	11	12	0
Other	324	313	2
Total	¥ 4,103,814	¥ 4,052,778	\$ 30,731

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 2023.

[Qualitative Disclosure Data: SuMi TRUST Holdings]

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Sumitomo Mitsui Trust Holdings, Inc.

1. Overview of the Risk Management of Sumitomo Mitsui Trust Group

(1) Basic Policy on Risk Management

Sumitomo Mitsui Trust Group ("SuMi TRUST Group", hereinafter referred to as "the Group") follows a basic policy of accurately assessing risk conditions and implementing necessary measures through a series of risk management activities, including risk identification, evaluation, monitoring, control and mitigation, based on the Group's management policy and basic policy on the internal control system.

The Group's risk management framework encompasses the Risk Appetite Framework (please refer to (3) below) and is linked to functions organically within the Group.

(2) Risk Management System

1) Risk Governance System

For the group-wide risk governance system, the Group has developed a Three Lines of Defense system consisting of risk management by Individual Group 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]

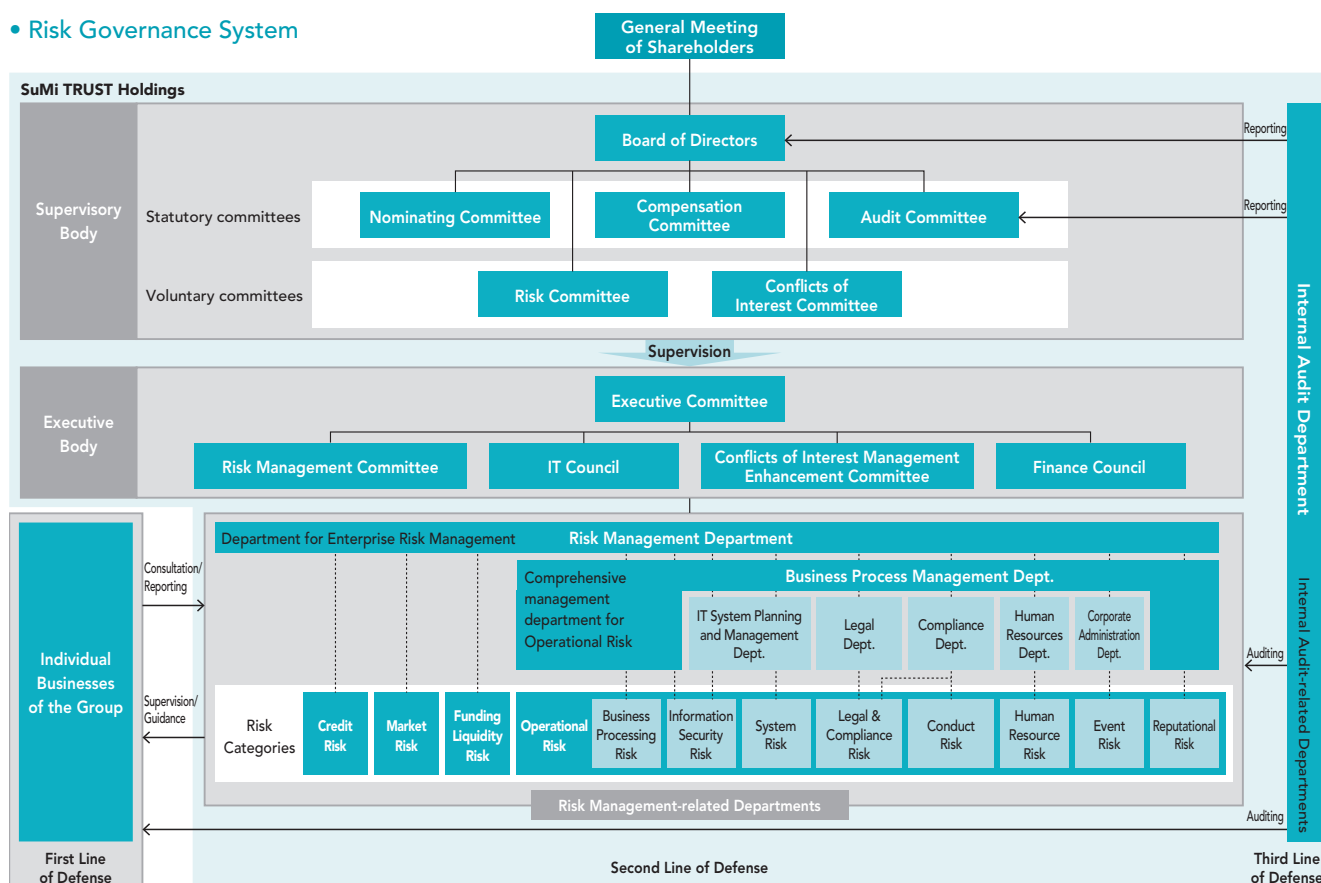
Each Group business identifies and gains an understanding of the risk characteristics involved in carrying out its own business, based on knowledge of the services and products in that business.

Each Group business takes risks within the scope of its risk appetite in accordance with its risk-taking policy, evaluates risks, and swiftly implements risk control at the on-site level when risks that are outside of its risk appetite materialize. In addition, the status of risk management is reported to the second line of defense in a timely manner.

[Second Line of Defense]

In accordance with the Group-wide basic policy on risk management approved by the Board of Directors, as control departments responsible for the management of each risk category, the Risk Management Department and risk management-related departments perform a check and balance function for the risk taking of the first line of defense,

• Risk Governance System



and supervise and provide guidance regarding the risk governance system from an independent standpoint.

The Risk Management Department, as an enterprise risk management department identifies and evaluates group-wide risks, creates a risk management process, and sets risk limits. In addition, it formulates group-wide recovery strategies, in advance, to prepare for cases when risks materialize. Furthermore, it shares information with risk management-related departments appropriately, monitors the overall status of risks and risk management in an integrated manner, and reports the status to the Executive Committee and the Board of Directors.

[Third Line of Defense]

The Internal Audit Department audits the effectiveness and appropriateness of the group-wide risk governance system and processes from a standpoint independent of the first and second lines of defense.

[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.

[Board of Directors]

The Board of Directors is composed of all of the directors. It decides on the Group's management policy and strategic goals for risk taking of the Group, formulates a risk management policy, etc. that reflects these strategic goals based on a solid understanding of where and what risks exist, 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 Group.

[Risk Committee]

The Risk Committee receives requests for consultation from the Board of Directors on matters concerning the recognition of the environment surrounding the 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 Group's fiduciary duties and conflict of interest management, which are the foundation on

which the Group seeks to become the "Best Partner" of its clients based on a fiduciary spirit, reviews their appropriateness, and reports its findings.

2) Risk Management Process

In the 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 Group are comprehensively identified, while ensuring the comprehensiveness of the Group's operations and the risks to be managed are identified based on the size and characteristics of the identified risks. Among those risks, risks that are particularly important are managed as material risks.

[Risk Evaluation]

The risks identified as requiring management undergo analysis, evaluation, and measurement in a manner appropriate for the scale, characteristics, and risk profiles of each of the Group's businesses. Among those risks, 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" (risks that require management attention due to their potential to have a material impact on the Group's business capabilities and earnings targets within one year) or "emerging risks" (risks that could have a material impact in the medium to long term; i.e., after one year).

[Risk Monitoring]

After setting KRIs^{*1} and other indicators, risk conditions are monitored with appropriate frequency, given the conditions of the Group's internal environment (risk profiles, allocated capital usage status, etc.) and external environment (economy, markets, etc.). Recommendations, guidance, and advice are given to each of the Group's businesses based on the risk conditions. Monitoring results are reported and submitted to the Board of Directors, the Executive Committee, and other bodies regularly or as needed^{*2}.

^{*1} KRI: Key Risk Indicator

^{*2} 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 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 events that could have a significant impact on the soundness of management occurs, such as the risk amounts exceeding the acceptable range of risk appetite or 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 according to the severity of the risk.

[Risk predictor management for top risks, etc.]

We select top risks, emerging risks, and others, based on the features of the business model and risk characteristics of the Group.

We set risk appetite indicators for risks resulting from internal factors and early warning indicators for risks resulting from external factors for monitoring purpose.

■ Main top risks and emerging risks

Risks related to falling prices for strategic shareholdings, etc.
Risks related to concentration of credit in major obligors in the credit portfolio
Risks related to cyber attacks
Risks related to climate change
Risks related to the manifestation of geopolitical risk (e.g., Ukraine crisis)
Risks related to innovation
Risks related to Japan's declining birthrate and aging population

(3) Risk Appetite

1) Outline of the Risk Appetite Framework

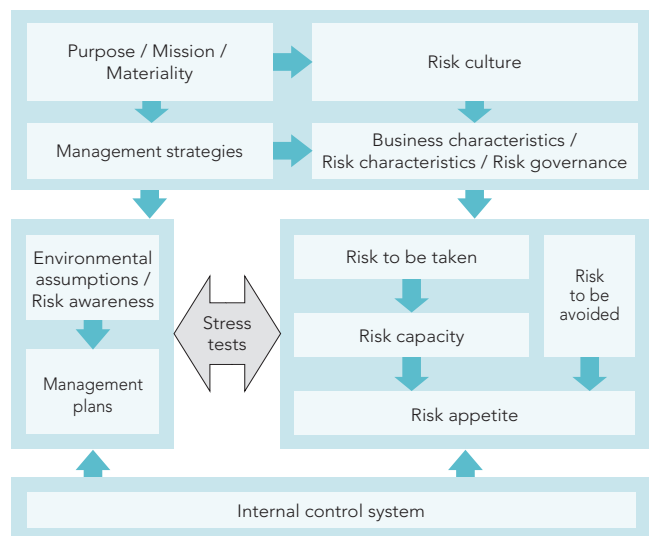
The Risk Appetite Framework is a group-wide corporate management framework consisting of the process for determining risk appetite within the Group's risk capacity, together with an internal control system that monitors the process and ensures its appropriateness and sufficiency, in order to achieve management strategies formulated based on the Group's Purpose, Mission, Materiality and others.

With the primary objective of balancing improvement in profitability with enhancement of risk management, the Group's Risk Appetite Framework establishes communication

processes through the setting, propagation, and monitoring of risk appetite and promotes the improvement of transparency in the decision-making process, the optimization of the allocation of management resources, and the strengthening of the monitoring system for risk-taking overall.

Through the above, the Group is promoting the enhancement of risk governance, which forms a part of corporate governance, with the aim to achieve sound and sustainable development through the value creation process by implementing and upgrading the Risk Appetite Framework.

• Overview of the Risk Appetite Framework



2) Risk Appetite Operation

A. Determining Risk Appetite Target

The Group classifies risks into two categories: (1) risks to be taken (that occurs in relation to activities that generate returns) and (2) risks to be avoided (such as conduct risk that cannot be tolerated by the Group).

Under the Group's Risk Appetite Framework, the Board of Directors establishes a risk-taking policy, based on the Purpose and others, and sets risk appetite indicators taking the results of stress tests into account. In addition, the Executive Committee sets a detailed risk-taking policy and risk appetite indicators for each business type within the scope of the policy set by the Board of Directors. The Group maintains the Risk Appetite Statement to clarify the overall picture, policy, and indicators of the Risk Appetite Framework.

The risk-taking policy and risk appetite indicators are determined in a manner consistent with the management plan, and are reviewed at least once a year or when necessary.

B. Risk Appetite Monitoring

The Group sets risk appetite indicators from the three perspectives of return, risk, and cost, and regularly monitors and verifies that risk taking is conducted appropriately.

In addition, we set risk appetite indicators for each materiality to monitor actions to address material issues in order to ensure that the value creation process is functioning appropriately, and that financial and non-financial capital are circulating.

If the risk appetite indicators deviate from the set levels, the Group analyzes the cause and implements countermeasures or reconsiders the levels of risk taking.

(4) Fostering and Instilling a Risk Culture

The Group defines risk culture as a basic philosophy that prescribes the codes, attitudes, and conduct of the Group's organizations, as well as its directors, officers, and employees, that flexibly execute risk taking, risk management, and risk control based on an appropriate assessment of risks, guided by a high degree of self-discipline based on a fiduciary spirit.

We define risk-taking policies for each Group business when formulating its management plan, and encourage appropriate risk-taking by all directors, officers and employees.

In this way, the Group aims to build sustainable business models that contribute to enhancing corporate value and stakeholder value, and strives to get risk culture understood and embraced through e-Learning and discussion-based training, etc., to foster risk culture and get it rooted across the Group.

(5) Risk Characteristics

Based on a fiduciary spirit, and leveraging its significant expertise and comprehensive capabilities, the Group, as a trust group, strives to create distinct value through a total solution business model that combines its banking, asset management and asset administration, real estate businesses and others.

Each of the Group's businesses faces various risks, including credit risk, market risk, funding liquidity risk, and operational risk, depending on its business characteristics.

In this context, as a basis for improving management of risks related to trust business operations, we have established the Group-wide Trust Business Guidelines to provide information about basic matters that warrant caution. 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.

With regards to conduct risk as well, SuMi TRUST Bank, which is the core of the Group, periodically assesses the status of major risks and strives to promote and foster awareness among directors, officers and employees through internal training, etc., thereby reducing and managing risks and preventing them from materializing.

• 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 may adversely affect the Group, clients, markets, financial infrastructure, society, or the work environment due to inadequate or failed business processes, the activities of executives and 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 and 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.
Conduct 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. * Appropriate service level set by the Group based on an understanding of reasonable expectations
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.

(6) Enterprise Risk Management

1) Enterprise Risk Management System

We manage risks by comprehensively ascertaining the risks faced by the Group, which are evaluated on an individual risk category basis, and comparing and contrasting them against our corporate strength i.e. capital adequacy (enterprise risk management).

We evaluate the effectiveness of our risk management and risk control annually, and when a need arises due to changes in the business environment or other circumstances, we will consider revisions to our risk category system, risk management system, and other policies.

Among the risks we manage through our enterprise risk management, we aggregate risks that can be quantitatively measured using a single yardstick, such as VaR*, and compare aggregated risk value against our corporate strength i.e. capital adequacy, thereby managing risks (integrated risk management).

*VaR: Value at Risk

• 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

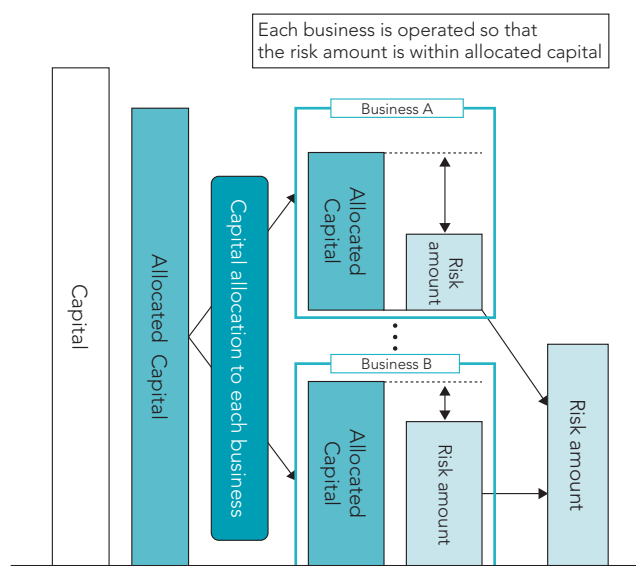
2) Capital Allocation Operations

For the purpose of the Group's capital allocation operations, SuMi TRUST Holdings allocates capital to each Group business for 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 level. 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 Group business is operated within both the allocated amount of risk capital and its risk appetite. The Risk Management Department measures risk amounts on a monthly basis, and reports regularly on the risk status,

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.

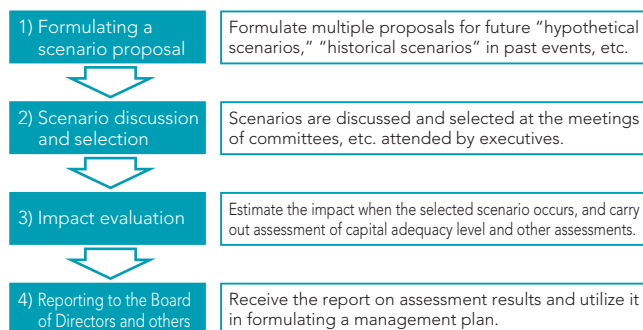
• Historical Scenario Stress Testing

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



(7) 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 ratio regulations, for improving the quality and amount of capital, strengthening risk identification, etc.

In this context, as part of the Group's efforts to advance its risk management, we have been applying Advanced Measurement Approach to operational risks since the end of March 2014 and 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, liquidity coverage ratio was added to the first pillar at the end of March 2015 as part of the liquidity ratio regulations, followed by leverage ratio at the end of March 2019 and net stable funding ratio at the end of September 2021 as part of the liquidity ratio regulations. The Group complies with these regulations.

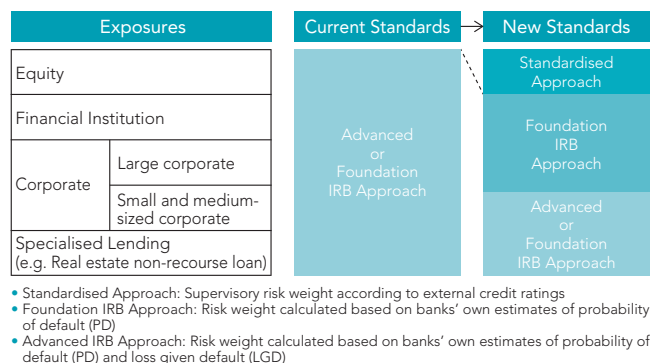
Moreover, in December 2015, the Group was designated as one of Domestic Systemically Important Banks (D-SIBs), which is the "domestic version" of Global Systemically Important Banks (G-SIBs) specified by the Financial Stability Board (FSB), and is subject to the 0.5% surcharge defined under capital regulatory 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

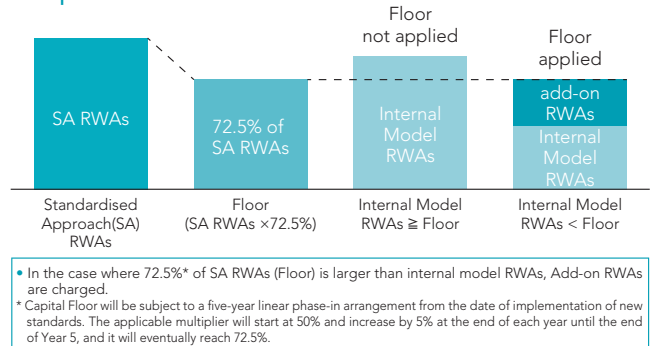
made the final agreement to make revisions related to a risk-weighted assets measurement approach, which is the denominator of capital adequacy ratio, in December 2017. While partially constraining the use of internally-modelled approaches by banks, the Committee adopted capital floors based on standardised approaches in order to prevent the undervaluation of risk-weighted assets based on internal models.

Financial institutions subject to international standards in Japan will be required to introduce the finalized Basel III framework in 2024. In April 2022, the Notification of Financial Services Agency that defines regulatory standards in Japan was announced. The Group will therefore continue to improve its risk management structure in preparation for the introduction of the new regulations by establishing a risk-asset calculation system compliant with the new regulatory requirements and by considering a portfolio management methodology based on appropriate profitability control, among other measures.

• Regulatory Reform of Risk-weighted Assets Measurement Approach for Credit Risk



• Capital Floor Structure



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. After the introduction of the new regulations described above, the contents of our disclosures will be further enhanced.

(8) Crisis Management

The Group strives to develop systems to swiftly and appropriately implement measures in the event of disasters, large-scale 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.

In the event of a crisis, an emergency response headquarters led by the President will be established to ensure the safety of our clients, directors, officers, employees, and their families as a top priority.

Further, we have BCPs (business continuity plans) in place to continue to provide services in the event of a crisis. In order to ensure the effectiveness of our BCPs, we periodically conduct exercises and revise their content.

In particular, we have been working to develop and enhance alternative systems, such as backup offices and backup systems, to prepare for large-scale disasters. In order to prepare for the outbreak and spread of new infectious diseases, we are striving to prevent the spread of infection and maintain our functions as a social infrastructure by using our experience in dealing with the COVID-19 pandemic such as further enhancing and utilizing the teleworking environments, etc.

We have designated addressing cyberattacks, which are causing damage throughout society, as a top risk, and we are planning and promoting our cyber security measures at the initiative of management through the formulation of the "Cyber Security Management Declaration."

- We have established SuMiTRUST-CSIRT* as a specialized organization for cybersecurity measures, and have built a management framework that collects and analyzes threat and vulnerability information from within and outside the Group, plans and implements security measures, and reports to management. We are also promoting the upgrading of security measures through security review meetings and our IT Council, as well as by utilizing outside expertise.
- The Group has established internal rules and regulations based on U.S. security standards, and has developed processes for responding to cyberattacks both in normal times and in emergency situations.
- In addition to conducting cybersecurity risk assessments and system vulnerability assessments on a regular basis for the Group, including its subsidiaries and affiliates, we are promoting the standardization of cybersecurity rules and regulations to enhance and standardize the cybersecurity framework for the Group as a whole.

* CSIRT (Computer Security Incident Response Team): In-house organization that collects, analyzes, and responds to early warning information about attacks.

2. Credit Risk Management

(1) Definition of Credit Risk

Credit risk is defined as the "risk resulting in losses incurred by the 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 Group in performing banking operations.

Major risk among the credit risks for the 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 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 assets specific to industries, etc.

(3) Credit Risk Management Policy

The basic policy of the 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 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, SuMi TRUST Holdings also works to maintain and establish the systems at each of the Group companies. SuMi TRUST Bank, which is the Group's core bank, maintains the risk management system at the consolidated and global levels in order to manage credit risk.

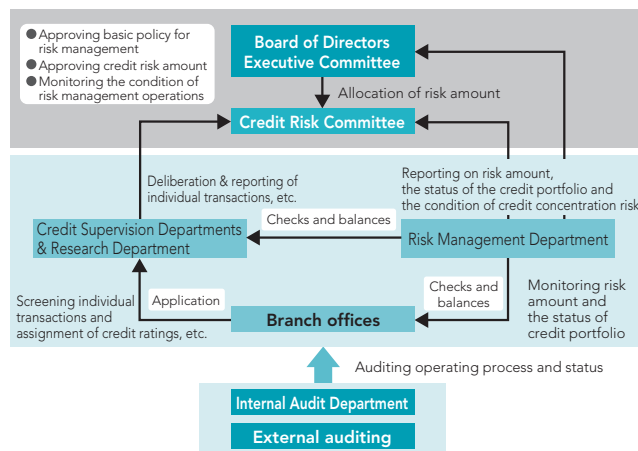
At SuMi TRUST Bank, the Credit Risk Committee, which is the management-level meeting, establishes credit strategies and credit risk management plans once yearly. The established plans are further submitted to the Executive Committee and the Board of Directors for discussion and resolution (approval) 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 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 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

• 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	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.	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	Claims against Sub-Performing Obligors with Delinquent/ Restructured Debt	Claims against Sub-Performing Obligors with Delinquent/ Restructured Debt
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 with Delinquent / Restructured debt	Obligor with debt past due three or more months and / or restructured debt
8	Obligor categorized as “Sub-Performing Obligor” in asset assessment and careful attention is required because of its extremely deteriorated financial condition, etc.	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		
9	Obligor categorized as “Possibly Insolvent Obligor” in asset assessment					Substantially Insolvent Obligor	Obligor, not legally or formally bankrupt, but virtually bankrupt
10	Obligor categorized as either “Substantially Insolvent Obligor” or “Bankrupt / Insolvent Obligor” in asset assessment or bankruptcy is occurred	Bankrupt / Insolvent Obligor	Obligor entering corporate reorganization, liquidation or other statutory procedures				

* As for obligor ratings and structured ratings, we subdivide them further as necessary (e.g. 5+, 5, 5-, etc.).

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 138 "(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" above, they are aggregated according to the obligor categorizations through asset assessment.

Most of the overdue loans with a delinquency period of three months or more are classified as "Doubtful Claims" or lower based on the Financial Revitalization Act. However, loans that are delinquent for up to roughly six months are not necessarily classified as "Doubtful Claims" or lower if there is little concern that the delinquency period will lengthen.

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.

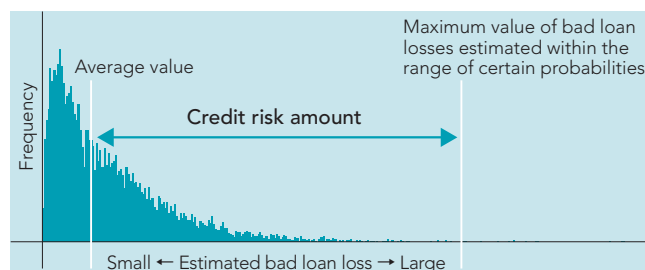
3) Credit Risk Quantification

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" below).

• 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 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.

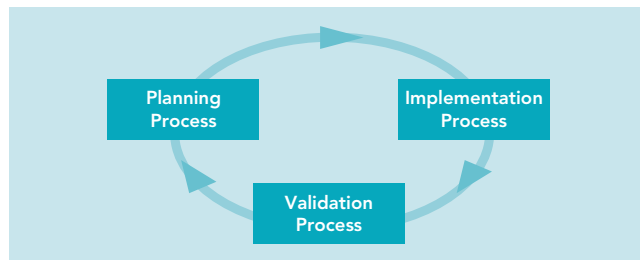
Credit pool management system is designed to manage small-lot loans to individuals – such as mortgage loan and card loans – as transaction groups (pools) with similar risk characteristics. Credit pool classifications are compiled

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 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 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 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 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 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 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 2023, 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 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.

B. Application Method Per Asset Class

The 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 Group applies to each asset class are shown on page 231.

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)).

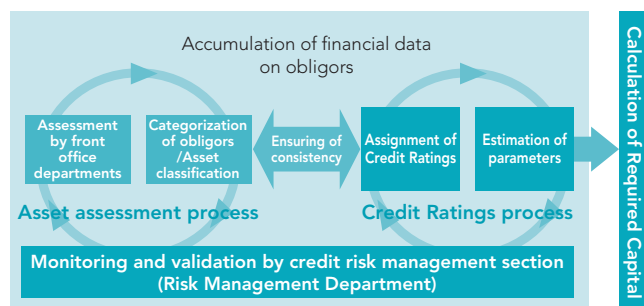
Parameters are estimated for those to be applied to corporate exposures, etc. and those to be applied to retail exposures (credit pool management target). In principle, estimated parameters are verified annually. The verification results are reported to the Credit Risk Committee and the Executive Committee. 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 233.

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.

• Basic Process of the IRB Approach



• 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)
		Loss Given Default (LGD)
	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)	Exposure At Default (EAD)
Standard of default (loan loss)	When the obligor categorized as "Possibly Insolvent Obligor" or lower	When the obligor categorized as "Sub-Performing Obligor with Delinquent and/or Restructured debt" or lower
Parameter calculation method	<p>Expected loan loss ratio:</p> <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. 	Please refer to "Definition of Each Parameter and the Outline of the Estimation and Verification Method" on page 233

• 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	—	29%	30%	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	5%	5%	Supervisory Formula	Structured Ratings, Facility Ratings
			Real estate non-recourse loans (with high volatility) and other loans not stated above	1%	1%	Supervisory Slotting Criteria Approach	
		Sovereign Exposures	—	37%	38%	Supervisory Formula	Obligor Ratings, Facility Ratings
		Financial Institution Exposures	—	1%	1%	Supervisory Formula	Obligor Ratings, Facility Ratings
	Retail Exposures		Residential mortgage exposures	16%	16%	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 Japanese unlisted equities of obligors with credit exposures	1%	1%	Supervisory Formula	Obligor Ratings
			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		—	2%	2%	Look-through Approach	Obligor ratings, etc.
	Purchased Receivables		Regulatory formula for underlying assets	1%	1%	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 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 off-balance 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 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 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

SuMi TRUST Bank, the core bank of the 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 Group's market risks is losses due to drop of prices of strategic shareholdings, etc. In addition to the basic policy of reducing strategic shareholdings, we have been working to control risk by hedging against market fluctuations. From fiscal 2021, the Group has shifted to a policy of not holding any of the conventional strategic shareholdings (shareholding of business partners as stable shareholders without the purpose of forming capital or business alliances, etc.), and based on this policy, we will continue to reduce our strategic shareholdings and hedging volume.

(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 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

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.

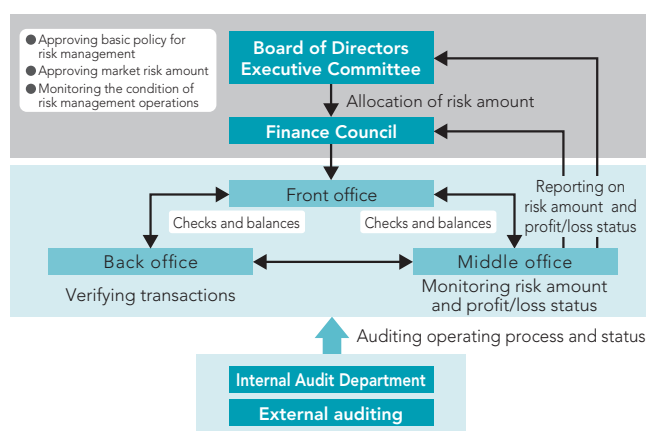
SuMi TRUST Bank develops the Asset Liability Management (ALM)* basic plan that covers comprehensive risk operation and management of assets and liabilities from the viewpoints of the entire company and a risk management plan concerning market risk and funding liquidity risk once in six months at the Finance Council, 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 Finance Council 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 Finance Council 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 Finance Council, 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 T/10 times ALM related position: 63 days (3 months) Credit investment, strategic shareholdings, and credit valuation adjustment (CVA) Others: 260 days (1 year) 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 (For CVA, sensitivity-based 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 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 Δ EVE and Δ NII 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.

In the case of both SuMi TRUST Holdings (consolidated) and SuMi TRUST Bank (consolidated and non-consolidated), Δ EVE is maximized with "steepener" (this result has not changed from the previous fiscal year). However, the ratio of Δ EVE to Tier 1 capital is still well below the regulated level of 15%, and interest rate risk in the banking book is low.

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 Finance Council, a management-level meeting body. At that time, alarm points are set for the increase/decrease of the economic value of equity (Δ EVE) of the position. IRRBB is measured monthly, and alarm points are monitored. Reports on the measurement results are submitted monthly to the Finance Council.

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 0.6 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 Group's position, and other factors.

The correlation (considering dispersion or offset) of different currencies is treated as follows.

Δ EVE: Correlation of different currencies is not considered, and only the currencies for which EVE decreases are combined.

Δ NII: 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 Δ NII, 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 Δ EVE and Δ NII

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 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 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 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 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 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 may adversely affect the Group, clients, markets, financial infrastructure, society, or the work environment due to inadequate or failed business processes, the activities of executives and employees, computer systems, or due to external events. The Group classifies operational risk into business processing risk, system risk, information security risk, legal and compliance risk, conduct 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 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 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 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 Group strives to diminish and mitigate risks through monitoring of development status by related departments, such as risk management-related departments.

Moreover, we face the risk of being used for financial crime activities, including money laundering and terrorist financing, resulting from ineffective anti-money laundering and terrorist financing measures, which could pose a serious threat to the soundness of our financial system. This also exposes us to the risk of being subjected to administrative dispositions such as business suspension orders, payment of large fines, and deterioration of our reputation. The 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 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 Group's operations, and products and services that the 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

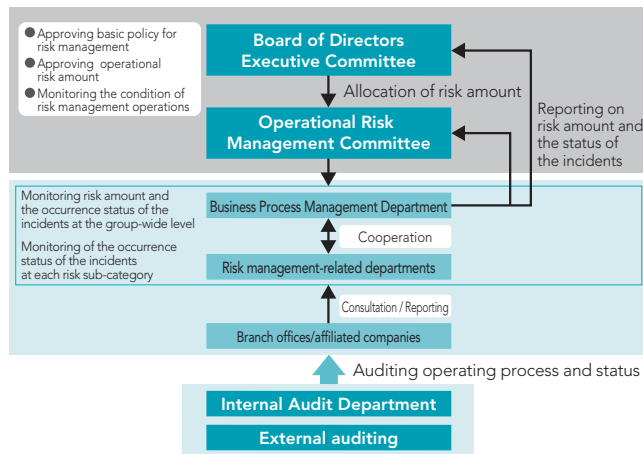
The Group is striving to create a system related to operational risk management of each Group company based on the basic policy on operational risk management of the entire Group.

At SuMi TRUST Bank, which is the core bank of the Group, policies related to the operational risk management system and other important matters including plans, 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 Business Process 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 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 executives and employees, 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 Group may incur losses due to inappropriate business procedures arising from executives and 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 Group recognizes that business processing risk is something unavoidable in the course of business execution. The 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 Business Process Management 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 an operational 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 Group may incur losses due to such reasons as computer system failure, malfunctions and defects, as well as the risk that the Group may incur losses due to unauthorized use of computers.

Since computer systems are vital for the 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 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 System Planning and Management 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 large-scale failures and disasters 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 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 Group

adequately maintains and manages all information assets under its care.

In SuMi TRUST Bank, the Business Process Management Department and the IT System Planning and Management 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 importance, 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 executives and employees 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).

With respect to conduct risk management, SuMi TRUST Bank regularly assesses the status of major conduct risks and works to reduce and manage risks and prevent risks from

materializing by promoting and fostering the awareness of executives and employees through internal training and other means.

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 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 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 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 eleven 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 Group
External loss data	Information on operational risk losses collected from the outside of the Group
Business environment and internal control status	An element affecting operational risk and relating to the business environment and internal control status of the 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 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.

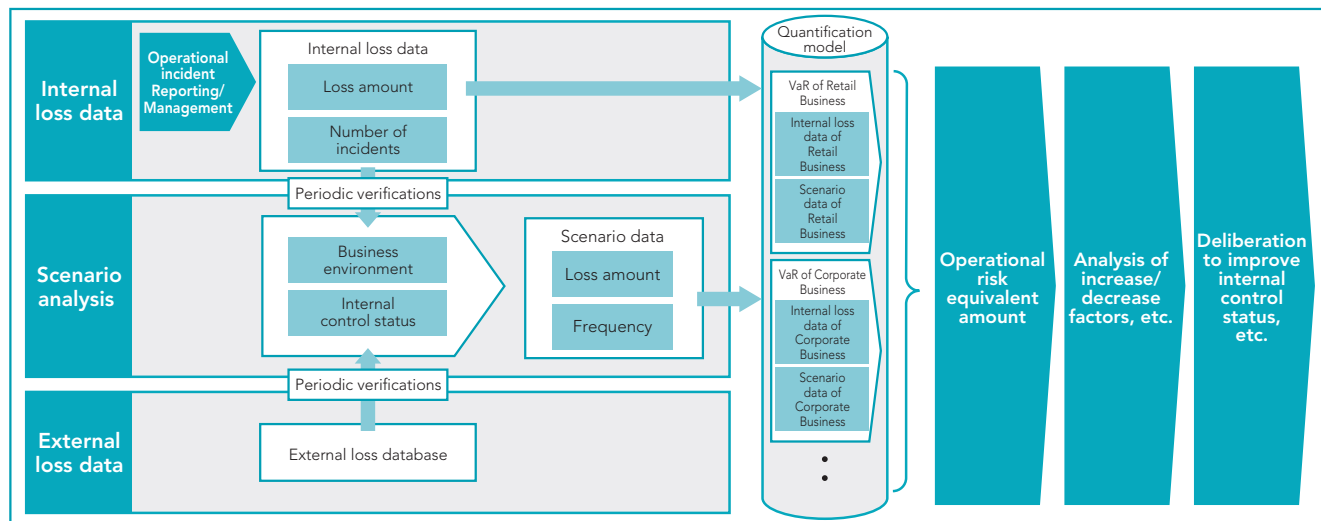
C. Measurement Model for Operational Risk Amount

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.

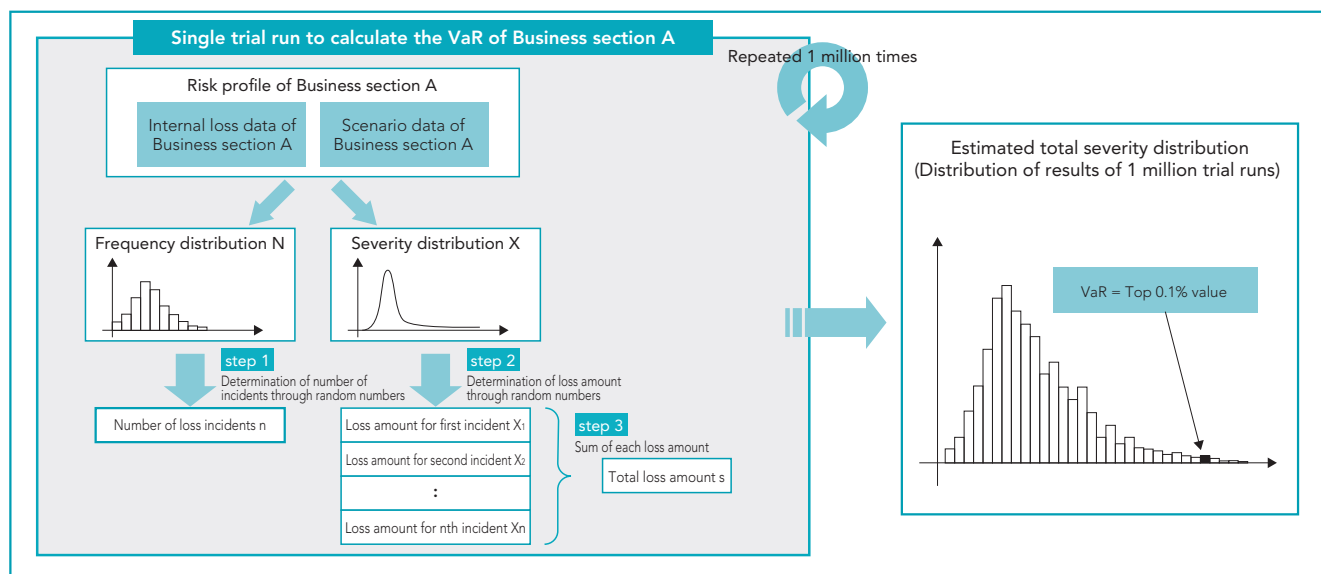
The Poisson distribution has been applied to the frequency distribution, and our own distribution method has been applied to severity distribution in order to grasp the amount of tail risk.

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 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 Group places emphasis on substantial effectiveness of guarantees by confirming the guarantor’s capacity and intention of guarantee. The guarantees that the 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 calculation of credit risk-weighted assets in a limited manner. The 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 2023, we employed netting only for assets to which the Foundational 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 Group, although guarantees on obligors are offered by their respective parent companies in many cases, this is not always significantly inclined for specific guarantors. SuMi TRUST Bank, which is the core bank of the 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 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 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 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 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 synergetic effect of any adverse correlation between the derivatives exposures transaction and the creditworthiness of the other party of the transaction (the counterparty). Currently, the 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 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 Group's overall exposure is currently low, and we have recognized that the impact is limited.

3) Compliance with Capital Regulatory Standards

The 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 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 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 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 Group manages resecuritised products in the same manner.

B. Originator

The Group will consider using securitisation transactions, which are originated by the 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 Group bears after implementation of securitisation. Securitised products originated by the Group are held by investors outside the Group and are not held by the 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 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 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	Held
Nexus Asset Funding Corporation	Included	Held
Fresco Asset Funding Corporation	Included	Held
Greer 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 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 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 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 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 re-securitisation 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 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 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 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.

Strategic shareholdings of 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, our policy is to not hold conventional strategic shareholdings (shareholding of business partners as stable shareholders without the purpose of forming capital or business alliances, etc.). Based on this policy, we are working to reduce our strategic shareholdings, and we are also flexibly implementing hedging transactions to limit the risk of share price fluctuations.

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 a holding period of one year and a 99% confidence interval. 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 2023, the valuation of the equity securities in the Group’s consolidated financial statements is determined as follows: 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 valued at the market price (cost of securities sold is calculated using primarily the moving-average method). Equity securities with no market prices 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.

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.

Corporate Data

KM1: Key Metrics

Consolidated

KM1 Basel III Template No.		Millions of Yen, %				
		a	b	c	d	e
		March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	¥ 2,509,770	¥ 2,488,849	¥ 2,478,725	¥ 2,514,599	¥ 2,480,157
2	Tier 1	2,793,511	2,770,846	2,760,252	2,796,283	2,761,527
3	Total capital	3,081,287	3,070,609	3,091,460	3,163,929	3,144,436
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	23,256,895	22,684,414	22,293,002	20,732,714	20,135,316
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio	10.79%	10.97%	11.11%	12.12%	12.31%
6	Tier 1 ratio	12.01%	12.21%	12.38%	13.48%	13.71%
7	Total capital ratio	13.24%	13.53%	13.86%	15.26%	15.61%
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	0.03%	0.02%	0.00%	0.00%	0.00%
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	3.03%	3.02%	3.00%	3.00%	3.00%
12	CET1 available after meeting the bank's minimum capital requirements	5.24%	5.53%	5.86%	7.26%	7.61%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	52,117,307	52,208,484	53,780,647	52,870,097	51,876,951
14	Basel III leverage ratio	5.36%	5.30%	5.13%	5.28%	5.32%

KM1 Basel III Template No.		Millions of Yen, %				
		a	b	c	d	e
		Fiscal Year 2022 4th Quarter	Fiscal Year 2022 3rd Quarter	Fiscal Year 2022 2nd Quarter	Fiscal Year 2022 1st Quarter	Fiscal Year 2021 4th Quarter
Consolidated Liquidity Coverage Ratio (LCR)						
15	Total HQLA allowed to be included in the calculation	¥ 19,451,554	¥ 19,347,711	¥ 19,092,731	¥ 18,252,532	¥ 17,729,217
16	Net cash outflows	14,058,935	13,043,191	12,770,595	12,501,166	11,018,789
17	Consolidated LCR	138.3%	148.3%	149.5%	146.0%	160.8%
Consolidated Net Stable Funding Ratio (NSFR)						
18	Total available stable funding	36,384,855	36,047,995	36,508,303	36,164,445	35,985,670
19	Total required stable funding	31,662,323	31,526,581	32,024,750	31,018,596	30,784,893
20	Consolidated NSFR	114.9%	114.3%	114.0%	116.5%	116.8%

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

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 2023, 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 "SuMi TRUST Holdings Group") and the companies included in the scope of accounting consolidation.

(2) The number of consolidated subsidiaries that belong to SuMi TRUST Holdings Group is 58. 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 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			Millions of Yen, %		
As of March 31			a	b	c
Basel III Template No.	Items		2023	2022	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		¥ 2,547,791	¥ 2,483,781	
1a	of Which: Capital Stock and Capital Surplus		807,755	837,723	
2	of Which: Retained Earnings		1,803,002	1,682,519	
1c	of Which: Treasury Stock (Deduction)		22,933	2,714	
26	of Which: Earnings to be Distributed (Deduction)		40,033	33,747	
	of Which: Others		—	—	
1b	Subscription Rights to Common Shares		945	1,006	
3	Accumulated Other Comprehensive Income		204,259	198,028	(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)	2,752,995	2,682,815	
Common Equity Tier 1 Capital: Regulatory Adjustments					
8+9	Intangible Assets Other than Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)		122,286	123,049	
8	of Which: Goodwill (Including Those Equivalent)		46,042	56,025	
9	of Which: Other Intangible Assets		76,243	67,024	
10	Deferred Tax Assets That Rely on Future Profitability Excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)		427	653	
11	Deferred Gains or Losses on Derivatives under Hedge Accounting		(49,287)	(62,022)	
12	Shortfall of Eligible Provisions to Expected Losses		—	—	
13	Securitisation Gain on Sale		925	1,344	
14	Gains and Losses Due to Changes in Own Credit Risk on Fair Valued Liabilities		7,454	6,253	
15	Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits) (Net of Related Deferred Tax Liabilities)		161,380	133,350	
16	Investments in Own Shares (Excluding Those Reported in the Net Assets Section)		37	29	
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)	243,224	202,658	
Common Equity Tier 1 Capital (CET1)					
29	Common Equity Tier 1 Capital	(C) = (A)-(B)	¥ 2,509,770	¥ 2,480,157	

CC1 As of March 31		Millions of Yen, %		
Basel III Template No.	Items	a	b	c
		2023	2022	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	270,000	270,000
		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)	13,750	11,380
	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)	283,750	281,380
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	10	10
	42	Regulatory Adjustments Applied to Additional Tier 1 Due to Insufficient Tier 2 to Cover Deductions	—	—
	43	Additional Tier 1 Capital: Regulatory Adjustments (E)	10	10
Additional Tier 1 Capital (AT1)				
	44	Additional Tier 1 Capital (F) = (D) – (E)	283,740	281,370
Tier 1 Capital (T1 = CET1 + AT1)				
	45	Tier 1 Capital (G) = (C) + (F)	2,793,511	2,761,527
Tier 2 Capital: Instruments and Provisions				
		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	270,630	339,855
	46	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)	3,049	2,163
	47+49	Eligible Tier 2 Capital Instruments Subject to Phase out from Tier 2 Capital	—	—
	47	of Which: Directly Issued and Issued by Special Purpose Vehicles	—	—
	49	of Which: Issued by Subsidiaries	—	—
	50	Provisions Allowed in Group Tier 2	15,635	42,429
	50a	of Which: General Allowance for Credit Losses	3,525	3,050
	50b	of Which: Excess Amount of Eligible Provisions to Expected Losses	12,110	39,379
	51	Tier 2 Capital: Instruments and Provisions (H)	¥ 289,316	¥ 384,448

CC1		Millions of Yen, %		
As of March 31		a	b	c
Basel III Template No.	Items	2023	2022	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)	287,776	382,908	
Total Capital (TC = T1 + T2)				
59	Total Capital (K) = (G) + (J)	3,081,287	3,144,436	
Total Risk Weighted Assets				
60	Total Risk Weighted Assets (L)	23,256,895	20,135,316	
Capital Ratios and Buffers (Consolidated)				
61	Common Equity Tier 1 Capital Ratio (C)/(L)	10.79%	12.31%	
62	Tier 1 Capital Ratio (G)/(L)	12.01%	13.71%	
63	Total Capital Ratio (K)/(L)	13.24%	15.61%	
64	Total of bank CET1 specific buffer requirements	3.03%	3.00%	
65	of Which: Capital conservation buffer requirement	2.50%	2.50%	
66	of Which: Countercyclical buffer requirement	0.03%	0.00%	
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	5.24%	7.61%	
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)	179,145	105,325	
73	Significant Investments in the Common Stock of Banking, Financial and Insurance Entities (Amount below the Thresholds for Deduction)	177,753	191,918	
74	Mortgage Servicing Rights (Amount below the Thresholds for Deduction)	—	—	
75	Deferred Tax Assets Arising from Temporary Differences (Amount below the Thresholds for Deduction)	46,719	56,165	
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)	3,525	3,050	
77	Cap on Inclusion of Provisions in Tier 2 under Standardised Approach	14,764	13,252	
78	Provisions Eligible for Inclusion in Tier 2 in Respect of Exposures Subject to Internal Ratings-Based Approach (Prior to Applicable of Cap)	12,110	39,379	
79	Cap on Inclusion of Provisions in Tier 2 under Internal Ratings-Based Approach	111,059	96,874	
Capital Instruments Subject to Phase out Arrangements				
82	Current Cap on Additional Tier 1 Instruments Subject to Phase out Arrangements	—	—	
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	—	—	
85	Amount Excluded from Tier 2 Due to Cap (Excess over Cap after Redemptions and Maturities)	¥ —	¥ —	

Note: SuMi TRUST Holdings' consolidated capital adequacy ratio calculation was audited by KPMG AZSA LLC, an external auditor, in accordance 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).

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.smt.h.jp/english/investors/report/basel>).

Explanation on Reconciliation between Balance Sheet Items and Regulatory Capital Elements

Consolidated

Fiscal Year 2022

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	¥ 21,602,473		
Call Loans and Bills Bought	24,006		
Receivables under Resale Agreements	110,003		
Receivables under Securities Borrowing Transactions	436,093		
Monetary Claims Bought	970,058		
Trading Assets	1,514,603		
Money Held in Trust	16,136		7-a
Securities	6,933,067		3-b, 7-b
Loans and Bills Discounted	31,810,926		7-c
Foreign Exchanges	47,445		
Lease Receivables and Investment Assets	688,933		
Other Assets	3,839,561		7-d
Tangible Fixed Assets	222,588		
Intangible Fixed Assets	130,969		3-a
Assets for Retirement Benefits	232,625		4
Deferred Tax Assets	10,729		5-a
Customers' Liabilities for Acceptances and Guarantees	562,523		
Allowance for Loan Losses	(129,998)		
Total Assets	¥ 69,022,746		

CC2	Items	a	c	d
		Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Liabilities)				
Deposits		¥ 35,387,287		
Negotiable Certificates of Deposit		7,461,005		
Call Money and Bills Sold		1,912,878		
Payables under Repurchase Agreements		1,030,780		
Trading Liabilities		1,472,636		
Borrowed Money		6,039,543		9-a
Foreign Exchanges		847		
Short-term Bonds Payable		2,332,377		
Bonds Payable		2,501,760		9-b
Borrowed Money from Trust Account		4,332,472		
Other Liabilities		3,038,112		7-e
Provision for Bonuses		19,136		
Provision for Directors' Bonuses		402		
Provision for Stocks Payment		1,064		
Liabilities for Retirement Benefits		13,720		
Provision for Reward Points Program		21,282		
Provision for Reimbursement of Deposits		3,028		
Provision for Contingent Losses		1,344		
Deferred Tax Liabilities		65,585		5-b
Deferred Tax Liabilities for Land Revaluation		2,381		5-c
Acceptances and Guarantees		562,523		
Total Liabilities		66,200,172		
(Net Assets)				
Capital Stock		261,608		1-a
Capital Surplus		546,146		1-b
Retained Earnings		1,803,002		1-c
Treasury Stock		(22,933)		1-d
Total Shareholders' Equity		2,587,824		
Valuation Differences on Available-for-Sale Securities		258,240		
Deferred Gains (Losses) on Hedges		(48,470)		6
Revaluation Reserve for Land		(6,855)		
Foreign Currency Translation Adjustments		24,531		
Adjustments for Retirement Benefits		(23,187)		
Total Accumulated Other Comprehensive Income		204,259	(a)	
Subscription Rights to Shares		945		2
Non-controlling Interests		29,545		8
Total Net Assets		2,822,574		
Total Liabilities and Net Assets		¥ 69,022,746		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appendix)

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	546,146		1-b
Retained Earnings	1,803,002		1-c
Treasury Stock	(22,933)		1-d
Total Shareholders' Equity	¥ 2,587,824		

(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	¥ 2,587,824	Shareholders' Equity Attributable to Common Shares (before Adjusting National Specific Regulatory Adjustments (Earnings to be Distributed))	
of Which: Capital Stock and Capital Surplus	807,755		1a
of Which: Retained Earnings	1,803,002		2
of Which: Treasury Stock (Deduction)	22,933		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	¥ 945		2
of Which: Subscription Rights to Shares Issued by the Bank Holding Company	945		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Subscription Rights to Common Shares	¥ 945		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	¥ 130,969		3-a
Securities	6,933,067		3-b
of Which: Goodwill Arising on the Application of the Equity Method	24,316		
Associated Deferred Tax Liabilities	32,999		

(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)	¥ 46,042		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	76,243	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	¥ 232,625		4
Associated Deferred Tax Liabilities	71,244		

(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)	¥ 161,380		15

5. Deferred tax assets**(1) Consolidated balance sheet**

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Assets	¥ 10,729		5-a
Deferred Tax Liabilities	65,585		5-b
Deferred Tax Liabilities for Land Revaluation	2,381		5-c
Associated Intangible Fixed Assets	32,999		
Associated Assets for Retirement Benefits	71,244		

(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)	¥ 427	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)	46,719	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)	46,719		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	¥ (48,470)		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	¥ (49,287)	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.
Money Held in Trust	¥ 16,136		7-a
Securities	6,933,067		7-b
Loans and Bills Discounted	31,810,926	Including Subordinated Debts	7-c
Other Assets	3,839,561	Including derivatives	7-d
Other Liabilities	¥ 3,038,112	Including derivatives	7-e

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Investments in Own Capital	¥ 37		
Common Equity Tier 1 Capital	37		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	179,145		
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)	179,145		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	179,303		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	10		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	177,753		73

8. Non-controlling Interests

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Non-controlling Interests	¥ 29,545		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)	13,750	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)	3,049	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	¥ 6,039,543		9–a
Bonds Payable	2,501,760		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	¥ 270,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	270,630		46

Fiscal Year 2021

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	¥	18,223,364		
Call Loans and Bills Bought		5,000		
Receivables under Resale Agreements		150,741		
Receivables under Securities Borrowing Transactions		652,534		
Monetary Claims Bought		854,093		
Trading Assets		967,565		
Money Held in Trust		16,308		
Securities		7,879,235		3–b, 7–a
Loans and Bills Discounted		30,876,507		7–b
Foreign Exchanges		29,494		
Lease Receivables and Investment Assets		688,141		
Other Assets		3,354,333		7–c
Tangible Fixed Assets		224,535		
Intangible Fixed Assets		125,667		3–a
Assets for Retirement Benefits		192,223		4
Deferred Tax Assets		15,613		5–a
Customers’ Liabilities for Acceptances and Guarantees		541,228		
Allowance for Loan Losses		(163,369)		
Total Assets	¥	64,633,220		

CC2	Items	a	c	d
		Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Liabilities)				
Deposits	¥ 33,230,162			
Negotiable Certificates of Deposit	6,587,944			
Call Money and Bills Sold	799,524			
Payables under Repurchase Agreements	1,485,033			
Trading Liabilities	906,686			
Borrowed Money	7,153,498			9-a
Foreign Exchanges	1,275			
Short-term Bonds Payable	2,387,553			
Bonds Payable	2,076,604			9-b
Borrowed Money from Trust Account	4,298,827			
Other Liabilities	2,312,326			7-d
Provision for Bonuses	21,087			
Provision for Directors' Bonuses	181			
Provision for Stocks Payment	732			
Liabilities for Retirement Benefits	13,553			
Provision for Reward Points Program	19,965			
Provision for Reimbursement of Deposits	3,626			
Provision for Contingent Losses	1,649			
Deferred Tax Liabilities	44,081			5-b
Deferred Tax Liabilities for Land Revaluation	2,388			5-c
Acceptances and Guarantees	541,228			
Total Liabilities	61,887,931			
(Net Assets)				
Capital Stock	261,608			1-a
Capital Surplus	576,114			1-b
Retained Earnings	1,682,519			1-c
Treasury Stock	(2,714)			1-d
Total Shareholders' Equity	2,517,528			
Valuation Differences on Available-for-Sale Securities	277,617			
Deferred Gains (Losses) on Hedges	(42,759)			6
Revaluation Reserve for Land	(6,839)			
Foreign Currency Translation Adjustments	12,719			
Adjustments for Retirement Benefits	(42,708)			
Total Accumulated Other Comprehensive Income	198,028	(a)		
Subscription Rights to Shares	1,006			2
Non-controlling Interests	28,725			8
Total Net Assets	2,745,288			
Total Liabilities and Net Assets	¥ 64,633,220			

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appendix)

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	576,114		1-b
Retained Earnings	1,682,519		1-c
Treasury Stock	(2,714)		1-d
Total Shareholders' Equity	¥ 2,517,528		

(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	¥ 2,517,528	Shareholders' Equity Attributable to Common Shares (before Adjusting National Specific Regulatory Adjustments (Earnings to be Distributed))	
of Which: Capital Stock and Capital Surplus	837,723		1a
of Which: Retained Earnings	1,682,519		2
of Which: Treasury Stock (Deduction)	2,714		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	¥ 1,006		2
of Which: Subscription Rights to Shares Issued by the Bank Holding Company	1,006		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Subscription Rights to Common Shares	¥ 1,006		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	¥ 125,667		3-a
Securities	7,879,235		3-b
of Which: Goodwill Arising on the Application of the Equity Method	26,515		
Associated Deferred Tax Liabilities	29,133		

(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)	¥ 56,025		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	67,024	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	¥ 192,223		4
Associated Deferred Tax Liabilities	58,872		

(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)	¥ 133,350		15

5. Deferred tax assets

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Assets	¥ 15,613		5-a
Deferred Tax Liabilities	44,081		5-b
Deferred Tax Liabilities for Land Revaluation	2,388		5-c
Associated Intangible Fixed Assets	29,133		
Associated Assets for Retirement Benefits	58,872		

(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)	¥ 653	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)	56,165	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)	56,165		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	¥ (42,759)		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	¥ (62,022)	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	¥ 7,879,235		7-a
Loans and Bills Discounted	30,876,507	Including Subordinated Debts	7-b
Other Assets	3,354,333	Including derivatives	7-c
Other Liabilities	¥ 2,312,326	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	¥ 29		
Common Equity Tier 1 Capital	29		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	105,325		
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)	105,325		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	193,468		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	10		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	191,918		73

8. Non-controlling Interests

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Non-controlling Interests	¥ 28,725		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)	11,380	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)	2,163	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	¥ 7,153,498		9–a
Bonds Payable	2,076,604		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	¥ 270,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	339,855		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							
	2023				2022			
	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	¥ 55,699,987	¥ 48,618,240	¥ 3,176,602	¥ 3,905,145	¥ 52,708,775	¥ 44,467,458	¥ 4,460,179	¥ 3,781,137
Outside Japan	8,055,672	5,855,508	1,320,461	879,702	7,000,315	5,432,862	1,102,540	464,912
Total for Geographic Regions	¥ 63,755,659	¥ 54,473,748	¥ 4,497,063	¥ 4,784,847	¥ 59,709,090	¥ 49,900,320	¥ 5,562,720	¥ 4,246,049
Manufacturing	4,927,457	3,236,020	380,104	1,311,332	4,713,051	3,092,841	351,745	1,268,464
Agriculture and Forestry	5,744	5,744	0	—	4,117	4,117	0	—
Fisheries	95	1	94	—	66	1	64	—
Mining and Quarrying of Stones and Gravel	134,585	73,056	201	61,327	80,924	68,005	162	12,756
Construction	376,851	259,171	25,301	92,377	335,291	212,858	22,894	99,538
Electricity, Gas, Heat Supply and Water	1,671,358	1,447,385	32,007	191,965	1,604,628	1,309,216	29,248	266,163
Information and Communication	444,852	326,659	3,480	114,711	463,918	358,425	3,259	102,233
Transport and Postal Activities	1,481,175	1,167,751	112,976	200,447	1,578,711	1,250,310	110,113	218,286
Wholesale and Retail Trade	1,993,863	1,602,412	58,586	332,864	1,993,066	1,618,779	56,561	317,725
Finance and Insurance	2,167,284	1,437,299	472,978	257,007	2,138,194	1,379,681	494,434	264,078
Real Estate	4,063,364	3,378,226	373,862	311,275	4,157,535	3,513,530	363,138	280,866
Goods Rental and Leasing	1,275,053	1,163,694	2,842	108,515	1,281,564	1,109,573	2,872	169,119
Local Public Bodies	146,314	102,956	38,117	5,240	153,741	114,366	33,919	5,455
Individuals	11,754,441	11,471,425	—	283,015	11,798,546	11,509,294	—	289,252
Others	33,313,217	28,801,942	2,996,509	1,514,765	29,405,731	24,359,317	4,094,304	952,108
Total for Industry Sectors	¥ 63,755,659	¥ 54,473,748	¥ 4,497,063	¥ 4,784,847	¥ 59,709,090	¥ 49,900,320	¥ 5,562,720	¥ 4,246,049
To 1 year	28,654,585	26,093,165	963,699	1,597,720	25,729,450	22,023,311	2,259,777	1,446,360
> 1 year to 3 years	8,091,437	5,555,266	1,051,603	1,484,567	7,275,422	5,104,110	801,988	1,369,323
> 3 years to 5 years	7,074,267	5,592,276	854,597	627,393	7,305,938	5,755,275	933,053	617,609
> 5 years	19,935,369	17,233,039	1,627,162	1,075,166	19,398,280	17,017,623	1,567,901	812,755
Total for Residual Maturity	¥ 63,755,659	¥ 54,473,748	¥ 4,497,063	¥ 4,784,847	¥ 59,709,090	¥ 49,900,320	¥ 5,562,720	¥ 4,246,049

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, 2023		FY2022	As of March 31, 2022		FY2021
	Term-end balance of exposures	Allowances for loan losses	Write-offs	Term-end balance of exposures	Allowances for loan losses	Write-offs
Japan	¥ 127,585	¥ 44,531	¥ 43,581	¥ 184,932	¥ 78,127	¥ 10,974
Outside Japan	36,395	7,282	2,543	54,258	7,989	2,675
Total for Geographic Regions	¥ 163,981	¥ 51,814	¥ 46,125	¥ 239,191	¥ 86,116	¥ 13,650
Manufacturing	64,889	35,706	39,494	101,488	60,168	5,743
Agriculture and Forestry	127	77	—	144	86	—
Fisheries	0	0	—	3	3	—
Mining and Quarrying of Stones and Gravel	10	1	—	10	1	—
Construction	814	561	6	599	458	24
Electricity, Gas, Heat Supply and Water	17	0	—	41	0	—
Information and Communication	83	68	2	88	72	4
Transport and Postal Activities	1,826	741	16	2,501	791	5
Wholesale and Retail Trade	2,462	1,143	2	8,226	5,779	6
Finance and Insurance	345	64	39	1,636	264	5
Real Estate	10,651	213	125	15,142	709	171
Goods Rental and Leasing	205	118	2,465	3,136	2,710	0
Local Public Bodies	—	—	—	—	—	—
Individuals	38,212	2,324	1,391	44,953	4,057	4,972
Others	44,335	10,791	2,582	61,218	11,012	2,717
Total for Industry Sectors	¥ 163,981	¥ 51,814	¥ 46,125	¥ 239,191	¥ 86,116	¥ 13,650

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	
	2023	2022
< 1 month	¥ 55,832	¥ 57,015
≥ 1 month to < 2 months	11,027	11,072
≥ 2 months to < 3 months	10,419	9,053
≥ 3 months	—	—
Total	¥ 77,280	¥ 77,141

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	
	2023	2022
Amounts of Increased Allowances for Such Exposures Due to the Restructuring of the Loan Conditions	¥ 46,391	¥ 80,131
Other Amounts	—	—
Term-end Balance of Exposures	¥ 46,391	¥ 80,131

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	
	2023	2022
Total exposures relating to funds	¥ 1,398,571	¥ 1,206,013
Look-through Approach	999,434	803,115
Mandate-based Approach	399,032	402,782
Probability Approach (subject to 250% risk weight)	—	—
Probability Approach (subject to 400% risk weight)	—	—
Fall-Back Approach (subject to 1,250% risk weight)	104	115

Note: Exposures subject to the calculation of credit risk-weighted assets under the provisions of Article 54-5 and 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, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Credit risk (excluding counterparty credit risk)	¥ 13,526,356	¥ 12,428,600	¥ 1,140,774	¥ 1,048,742
2	of Which: Standardised Approach (SA)	556,708	410,820	44,536	32,865
3	of Which: Internal Ratings-Based (IRB) Approach	12,222,112	11,344,677	1,036,435	962,028
	of Which: Significant investments in commercial entities	—	—	—	—
	of Which: Lease residual value	138,902	66,079	11,112	5,286
	Other assets	608,633	607,023	48,690	48,561
4	Counterparty credit risk (CCR)	1,234,786	1,271,839	100,644	103,834
5	of Which: Standardised Approach for Counterparty Credit Risk (SA-CCR)	—	—	—	—
	of Which: Current Exposure Method (CEM)	375,435	409,215	31,818	34,692
6	of Which: Expected Positive Exposure (EPE)	—	—	—	—
	of Which: Credit Valuation Adjustment (CVA)	644,470	660,133	51,557	52,810
	of Which: Central Counterparty (CCP)	76,398	55,007	6,111	4,400
	Others	138,481	147,482	11,156	11,930
7	Equity positions in banking book under market-based approach	301,987	226,481	25,608	19,205
8	Equity investment in funds (Look-Through Approach (LTA))	1,987,217	893,876	158,977	71,510
9	Equity investment in funds (Mandate-Based Approach (MBA))	1,669,856	1,363,728	133,588	109,098
	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)	1,311	1,448	104	115
11	Settlement risk	—	—	—	—
12	Securitisation exposures in banking book	320,847	357,010	25,667	28,560
13	of Which: Internal Rating-Based Approach (SEC-IRBA)	303,454	341,805	24,276	27,344
14	of Which: External Rating-Based Approach (SEC-ERBA)	17,232	14,852	1,378	1,188
15	of Which: Standardised Approach (SEC-SA)	—	—	—	—
	of Which: subject to 1,250% risk weight	160	352	12	28
16	Market risk	1,838,234	1,268,574	147,058	101,485
17	of Which: Standardised Approach (SA)	82,169	33,718	6,573	2,697
18	of Which: Internal Model Approaches (IMA)	1,756,065	1,234,856	140,485	98,788
19	Operational risk	1,006,720	945,703	80,537	75,656
20	of Which: Basic Indicator Approach (BIA)	219,688	209,208	17,575	16,736
21	of Which: The Standardised Approach (TSA)	—	—	—	—
22	of Which: Advanced Measurement Approach (AMA)	787,031	736,495	62,962	58,919
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	561,184	620,460	47,588	52,615
	Amounts included under transitional arrangements	—	—	—	—
24	Floor adjustment	—	—	—	—
25	Total (after applying scaling factor)	¥ 23,256,895	¥ 20,135,316	¥ 1,860,551	¥ 1,610,825

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, 2023						
	a	b	c	d	e	f	g
	Carrying values of items						
	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	¥ 21,602,473	¥ 21,602,473	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	24,006	24,006	—	—	—	—	—
Receivables under Resale Agreements	110,003	—	110,003	—	—	—	—
Receivables under Securities Borrowing Transactions	436,093	—	436,093	—	—	—	—
Monetary Claims Bought	970,058	856,703	—	113,354	—	—	—
Trading Assets	1,514,603	—	1,448,705	—	1,514,603	—	—
Money Held in Trust	16,136	16,130	—	—	—	—	5
Securities	6,933,067	6,230,277	—	702,758	—	—	31
Loans and Bills Discounted	31,810,926	31,428,425	—	382,500	—	—	—
Foreign Exchanges	47,445	47,445	—	—	—	—	—
Lease Receivables and Investment Assets	688,933	688,933	—	—	—	—	—
Other Assets	3,839,561	565,213	2,676,046	9,660	1,739,326	588,641	—
Tangible Fixed Assets	222,588	222,588	—	—	—	—	—
Intangible Fixed Assets	130,969	32,999	—	—	—	—	97,969
Assets for Retirement Benefits	232,625	71,244	—	—	—	—	161,380
Deferred Tax Assets	10,729	10,301	—	—	—	—	427
Customers' Liabilities for Acceptances and Guarantees	562,523	562,523	—	—	—	—	—
Allowance for Loan Losses	(129,998)	(129,998)	—	—	—	—	—
Total Assets	¥ 69,022,746	¥ 62,229,268	¥ 4,670,849	¥ 1,208,273	¥ 3,253,930	¥ 848,456	
Liabilities:							
Deposits	¥ 35,387,287	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 35,387,287
Negotiable Certificates of Deposit	7,461,005	—	—	—	—	—	7,461,005
Call Money and Bills Sold	1,912,878	—	—	—	—	—	1,912,878
Payables under Repurchase Agreements	1,030,780	—	1,030,780	—	—	—	—
Trading Liabilities	1,472,636	—	1,472,636	—	1,472,636	—	—
Borrowed Money	6,039,543	—	—	—	—	—	6,039,543
Foreign Exchanges	847	—	—	—	—	—	847
Short-Term Bonds Payable	2,332,377	—	—	—	—	—	2,332,377
Bonds Payable	2,501,760	—	—	—	—	—	2,501,760
Borrowed Money from Trust Account	4,332,472	—	—	—	—	—	4,332,472
Other Liabilities	3,038,112	—	2,304,915	—	1,933,195	733,196	—
Provision for Bonuses	19,136	—	—	—	—	—	19,136
Provision for Directors' Bonuses	402	—	—	—	—	—	402
Provision for Stocks Payment	1,064	—	—	—	—	—	1,064
Liabilities for Retirement Benefits	13,720	—	—	—	—	—	13,720
Provision for Reward Points Program	21,282	—	—	—	—	—	21,282
Provision for Reimbursement of Deposits	3,028	—	—	—	—	—	3,028
Provision for Contingent Losses	1,344	—	—	—	—	—	1,344
Deferred Tax Liabilities	65,585	—	—	—	—	—	65,585
Deferred Tax Liabilities for Land Revaluation	2,381	—	—	—	—	—	2,381
Acceptances and Guarantees	562,523	—	—	—	—	—	562,523
Total Liabilities	¥ 66,200,172	¥ —	¥ 4,808,333	¥ —	¥ 3,405,831	¥ 61,391,839	

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, 2022						
	a	b	c	d	e	f	g
	Carrying values of items						
	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	¥ 18,223,364	¥ 18,223,364	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	5,000	5,000	—	—	—	—	—
Receivables under Resale Agreements	150,741	—	150,741	—	—	—	—
Receivables under Securities Borrowing Transactions	652,534	—	652,534	—	—	—	—
Monetary Claims Bought	854,093	749,019	—	105,073	—	—	—
Trading Assets	967,565	—	954,747	—	967,565	—	—
Money Held in Trust	16,308	16,308	—	—	—	—	—
Securities	7,879,235	7,281,068	—	598,136	—	—	29
Loans and Bills Discounted	30,876,507	30,511,438	—	365,069	—	—	—
Foreign Exchanges	29,494	29,494	—	—	—	—	—
Lease Receivables and Investment Assets	688,141	688,141	—	—	—	—	—
Other Assets	3,354,333	168,380	2,555,498	1,570	1,500,703	628,884	—
Tangible Fixed Assets	224,535	224,535	—	—	—	—	—
Intangible Fixed Assets	125,667	29,133	—	—	—	96,534	—
Assets for Retirement Benefits	192,223	58,872	—	—	—	133,350	—
Deferred Tax Assets	15,613	14,960	—	—	—	653	—
Customers' Liabilities for Acceptances and Guarantees	541,228	541,228	—	—	—	—	—
Allowance for Loan Losses	(163,369)	(163,369)	—	—	—	—	—
Total Assets	¥ 64,633,220	¥ 58,377,576	¥ 4,313,523	¥ 1,069,850	¥ 2,468,269	¥ 859,452	
Liabilities:							
Deposits	¥ 33,230,162	¥ —	¥ —	¥ —	¥ —	¥ 33,230,162	—
Negotiable Certificates of Deposit	6,587,944	—	—	—	—	6,587,944	—
Call Money and Bills Sold	799,524	—	—	—	—	799,524	—
Payables under Repurchase Agreements	1,485,033	—	1,485,033	—	—	—	—
Trading Liabilities	906,686	—	906,686	—	906,686	—	—
Borrowed Money	7,153,498	—	—	—	—	7,153,498	—
Foreign Exchanges	1,275	—	—	—	—	1,275	—
Short-Term Bonds Payable	2,387,553	—	—	—	—	2,387,553	—
Bonds Payable	2,076,604	—	—	—	—	2,076,604	—
Borrowed Money from Trust Account	4,298,827	—	—	—	—	4,298,827	—
Other Liabilities	2,312,326	—	1,735,568	—	1,574,196	576,758	—
Provision for Bonuses	21,087	—	—	—	—	21,087	—
Provision for Directors' Bonuses	181	—	—	—	—	181	—
Provision for Stocks Payment	732	—	—	—	—	732	—
Liabilities for Retirement Benefits	13,553	—	—	—	—	13,553	—
Provision for Reward Points Program	19,965	—	—	—	—	19,965	—
Provision for Reimbursement of Deposits	3,626	—	—	—	—	3,626	—
Provision for Contingent Losses	1,649	—	—	—	—	1,649	—
Deferred Tax Liabilities	44,081	—	—	—	—	44,081	—
Deferred Tax Liabilities for Land Revaluation	2,388	—	—	—	—	2,388	—
Acceptances and Guarantees	541,228	—	—	—	—	541,228	—
Total Liabilities	¥ 61,887,931	¥ —	¥ 4,127,288	¥ —	¥ 2,480,883	¥ 57,760,642	

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

LI2		Millions of Yen				
		March 31, 2023				
		a	b	c	d	e
Item No.		Total	Items subject to:			Market risk
			Credit risk (excluding amounts relevant to columns c and d)	Counterparty credit risk	Securitisation (excluding amounts relevant to column e)	
1	Asset carrying value amount under scope of regulatory consolidation	¥ 68,174,289	¥ 62,229,268	¥ 4,670,849	¥ 1,208,273	¥ 3,253,930
2	Liabilities carrying value amount under scope of regulatory consolidation	4,808,333	—	4,808,333	—	3,405,831
3	Total net amount under regulatory scope of consolidation	63,365,956	62,229,268	(137,483)	1,208,273	(151,901)
4	Off-balance sheet amounts	5,143,051	4,813,095	—	329,956	—
5	Differences due to netting, the exposure calculation method, etc.	3,219,982	—	3,842,087	—	(622,105)
6	Differences due to consideration of allowances and write-offs	23,682	23,682	—	—	—
7	Other	46,719	46,719	—	—	—
8	Regulatory exposure amounts	71,799,392	67,112,767	3,704,603	1,538,229	(774,007)

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 8.

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: Differences due to taking into account off-balance sheet amounts, 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, 2022				
		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	¥ 63,773,767	¥ 58,377,576	¥ 4,313,523	¥ 1,069,850	¥ 2,468,269
2	Liabilities carrying value amount under scope of regulatory consolidation	4,127,288	—	4,127,288	—	2,480,883
3	Total net amount under regulatory scope of consolidation	59,646,479	58,377,576	186,234	1,069,850	(12,614)
4	Off-balance sheet amounts	4,264,429	3,930,312	—	334,117	—
5	Differences due to netting, the exposure calculation method, etc.	2,783,618	—	2,877,909	—	(94,291)
6	Differences due to consideration of allowances and write-offs	30,373	30,373	—	—	—
7	Other	56,165	56,165	—	—	—
8	Regulatory exposure amounts	66,781,066	62,394,428	3,064,143	1,403,967	(106,905)

- 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 8.
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: Differences due to off-balance sheet amounts, consideration of allowances and write-offs, and other adjustments such as deferred tax assets (temporary differences)
 - 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, 2023			
		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	¥ 152,107	¥ 31,251,411	¥ 116,064	¥ 31,287,455
2	Debt Securities	0	3,553,686	—	3,553,686
3	Other on-balance sheet assets (debt-based assets)	13,832	23,351,887	13,216	23,352,502
4	Total on-balance sheet assets (1+2+3)	165,939	58,156,985	129,281	58,193,644
Off-balance sheet assets					
5	Acceptances and Guarantees, etc.	113	562,410	716	561,806
6	Commitments, etc.	42	5,035,259	1,344	5,033,957
7	Total off-balance sheet assets (5+6)	156	5,597,669	2,061	5,595,764
Total					
8	Total (4+7)	¥ 166,095	¥ 63,754,654	¥ 131,342	¥ 63,789,408

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, 2022			
		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	¥ 227,989	¥ 30,269,561	¥ 147,852	¥ 30,349,699
2	Debt Securities	749	4,663,271	—	4,664,020
3	Other on-balance sheet assets (debt-based assets)	16,124	19,822,885	14,630	19,824,380
4	Total on-balance sheet assets (1+2+3)	244,863	54,755,718	162,482	54,838,099
Off-balance sheet assets					
5	Acceptances and Guarantees, etc.	143	541,084	886	540,341
6	Commitments, etc.	1,367	4,328,591	1,649	4,328,309
7	Total off-balance sheet assets (5+6)	1,510	4,869,676	2,536	4,868,651
Total					
8	Total (4+7)	¥ 246,374	¥ 59,625,395	¥ 165,019	¥ 59,706,751

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, 2023
		Amounts
1	Stock of defaulted loans and debt securities at the end of the previous fiscal year	¥ 244,863
2	Of which: Newly defaulted	28,466
3	Changes in stock of loans and debt securities	Of which: Returning to non-defaulted status
4	for each factor during the fiscal year	Of which: Written-offs
5	Of which: Other factors	(29,763)
6	Stock of defaulted loans and debt securities at the end of the fiscal year (1+2-3-4+5)	165,939

Notes: 1. The end of the previous fiscal year indicates March 31, 2022, and the end of the fiscal year indicates March 31, 2023.

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, 2022
		Amounts
1	Stock of defaulted loans and debt securities at the end of the previous fiscal year	¥ 161,273
2	Of which: Newly defaulted	131,922
3	Changes in stock of loans and debt securities	Of which: Returning to non-defaulted status
4	for each factor during the fiscal year	Of which: Written-offs
5	Of which: Other factors	(27,251)
6	Stock of defaulted loans and debt securities at the end of the fiscal year (1+2-3-4+5)	244,863

Notes: 1. The end of the previous fiscal year indicates March 31, 2021, and the end of the fiscal year indicates March 31, 2022.

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, 2023				
		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	¥ 29,922,767	¥ 1,364,687	¥ 396,547	¥ 278,130	¥ —
2	Debt Securities	3,553,686	—	—	—	—
3	Other on-balance sheet assets (debt-based assets)	23,352,391	110	101	4	—
4	Total (1+2+3)	¥ 56,828,846	¥ 1,364,798	¥ 396,648	¥ 278,134	¥ —
5	Of which defaulted	109,760	7,419	6,600	—	—

CR3 Item No.		Millions of Yen				
		March 31, 2022				
		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	¥ 29,144,608	¥1,205,090	¥ 336,640	¥ 164,745	¥ —
2	Debt Securities	4,645,034	18,986	—	18,900	—
3	Other on-balance sheet assets (debt-based assets)	19,824,285	94	91	3	—
4	Total (1+2+3)	¥ 53,613,928	¥1,224,171	¥ 336,731	¥ 183,648	¥ —
5	Of which defaulted	161,567	5,861	4,555	—	—

CR4: Standardised approach – Credit risk exposure and Credit risk mitigation (CRM) effects

CR4		Millions of Yen, %											
		March 31, 2023											
		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	¥	35	¥	—	¥	35	¥	—	¥	—	—%	
2	Government of Japan and Bank of Japan (BOJ)	60		—		60		—		—		—	
3	Foreign central governments and foreign central banks	274,205		—		274,205		—		27,209		9.92	
4	Bank for International Settlements, etc.	—		—		—		—		—		—	
5	Local governments of Japan	37		—		37		—		—		—	
6	Foreign non-central government public sector entities (PSEs)	22,005		—		22,005		—		21,966		99.82	
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	313,434		—		313,434		—		147,858		47.17	
12	Corporates, etc.	346,335		120,772		346,335		13,741		359,672		99.88	
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		79.69	
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	¥	956,114	¥	120,772	¥	956,114	¥	13,741	¥	556,708	57.40%	

CR4		Millions of Yen, %					
Item No.	Asset classes	March 31, 2022					
		a		b		c	
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		Credit RWA amount	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		RWA density
1	Cash	¥ 36	¥ —	¥ 36	¥ —	¥ —	—%
2	Government of Japan and Bank of Japan (BOJ)	60	—	60	—	—	—
3	Foreign central governments and foreign central banks	272,010	—	272,010	—	17,736	6.52
4	Bank for International Settlements, etc.	—	—	—	—	—	—
5	Local governments of Japan	12	—	12	—	—	—
6	Foreign non-central government public sector entities (PSEs)	14,108	—	14,108	—	13,964	98.97
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	241,904	—	241,904	—	87,845	36.31
12	Corporates, etc.	279,320	135,587	279,320	12,053	291,273	99.96
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	—	0	146.97
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	¥ 807,453	¥ 135,587	¥ 807,453	¥ 12,053	¥ 410,820	50.13%

CR5: Standardised approach – Exposures by asset classes and risk weights

CR5		Millions of Yen											
		March 31, 2023											
Item No.		a	b	c	d	e	f	g	h	i	j	k	
	Asset classes	Credit risk exposure amounts (post-CCF and post-CRM)											
	Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total	
1	Cash	¥ 35	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 35	
2	Government of Japan and Bank of Japan (BOJ)	60	—	—	—	—	—	—	—	—	—	60	
3	Foreign central governments and foreign central banks	219,785	—	—	—	54,419	—	—	—	—	—	274,205	
4	Bank for International Settlements, etc.	—	—	—	—	—	—	—	—	—	—	—	
5	Local governments of Japan	37	—	—	—	—	—	—	—	—	—	37	
6	Foreign non-central government public sector entities (PSEs)	—	—	15	—	53	—	21,936	—	—	—	22,005	
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	—	—	202,636	—	6,931	—	103,865	—	—	—	313,434	
12	Corporates, etc.	—	—	—	—	811	—	359,266	—	—	—	360,077	
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	—	—	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	¥ 219,917	¥ —	¥ 202,652	¥ —	¥ 62,217	¥ —	¥ 485,068	¥ 0	¥ —	¥ —	¥ 969,856	

CR5		Millions of Yen											
		March 31, 2022											
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	¥	36	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	36
2	Government of Japan and Bank of Japan (BOJ)		60	—	—	—	—	—	—	—	—	—	60
3	Foreign central governments and foreign central banks		236,538	—	—	—	35,472	—	—	—	—	—	272,010
4	Bank for International Settlements, etc.		—	—	—	—	—	—	—	—	—	—	—
5	Local governments of Japan		12	—	—	—	—	—	—	—	—	—	12
6	Foreign non-central government public sector entities (PSEs)		—	—	147	—	51	—	13,909	—	—	—	14,108
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		—	—	187,518	—	8,089	—	46,297	—	—	—	241,904
12	Corporates, etc.		—	—	—	—	201	—	291,172	—	—	—	291,373
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	—	—	0
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	¥	236,646	¥ —	¥ 187,666	¥ —	¥ 43,814	¥ —	¥ 351,379	¥ 0	¥ —	¥ —	¥ 819,506

CR6: IRB – Credit risk exposures by portfolio and PD range

CR6		Millions of Yen, %, 1,000 cases, Year											
Item No.	PD scale	March 31, 2023											
		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	¥ 2,449,235	¥ 33	75.00%	¥ 2,460,278	0.00%	0.0	33.13%	2.2	¥ 25,715	1.04%	¥ 16	
2	0.15 to < 0.25	824	—	—	293	0.20	0.0	33.14	3.7	120	41.14	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	2,450,059	33	75.00	2,460,571	0.00	0.0	33.13	2.2	25,835	1.04	16	¥ 33
Sovereign exposures (Foundation Internal Ratings-Based Approach (FIRB))													
1	0.00 to < 0.15	22,230,617	207,623	75.17	22,386,706	0.00	0.1	44.99	1.0	117,747	0.52	141	
2	0.15 to < 0.25	0	—	—	0	0.20	0.0	45.00	1.0	0	30.44	0	
3	0.25 to < 0.50	12,483	0	75.00	12,483	0.29	0.0	45.00	3.8	9,069	72.64	16	
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	22,243,100	207,623	75.17	22,399,190	0.00	0.1	44.99	1.0	126,816	0.56	158	300
Financial Institution exposures (AIRB)													
1	0.00 to < 0.15	487,600	—	—	496,343	0.05	0.0	31.71	2.5	93,661	18.87	87	
2	0.15 to < 0.25	44,000	9,000	75.00	50,750	0.20	0.0	33.14	1.2	12,391	24.41	34	
3	0.25 to < 0.50	11,285	7,575	86.79	17,860	0.49	0.0	33.14	1.3	7,364	41.23	29	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	6,394	2,116	90.35	8,306	1.48	0.0	33.14	1.1	5,313	63.97	40	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	549,279	18,691	81.52	573,259	0.10	0.0	31.90	2.4	118,731	20.71	191	323
Financial Institution exposures (FIRB)													
1	0.00 to < 0.15	219,348	136,795	75.00	321,945	0.06	0.0	47.49	2.2	95,488	29.65	94	
2	0.15 to < 0.25	21,819	—	—	21,819	0.20	0.0	74.56	1.7	13,656	62.58	33	
3	0.25 to < 0.50	4,018	—	—	4,018	0.31	0.0	45.00	0.0	1,208	30.07	5	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	3,354	—	—	3,354	1.31	0.0	45.00	2.7	3,669	109.40	19	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	248,540	136,795	75.00	351,137	0.08	0.0	49.12	2.1	114,023	32.47	153	89

CR6		Millions of Yen, %, 1,000 cases, Year											
Item No.	PD scale	March 31, 2023											
		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	¥ 7,333,421	¥ 2,866,609	75.97%	¥ 9,634,156	0.07%	0.7	32.28%	2.5	¥ 1,793,227	18.61%	¥ 2,371	
2	0.15 to < 0.25	1,881,814	447,238	74.73	2,176,781	0.20	0.3	31.75	2.2	692,236	31.80	1,412	
3	0.25 to < 0.50	2,342,885	639,487	74.85	2,816,888	0.39	1.1	31.29	2.0	1,158,048	41.11	3,463	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	872,287	120,799	73.66	919,094	1.58	0.7	28.89	2.2	598,683	65.13	4,238	
6	2.50 to < 10.00	72,455	7,689	78.60	80,888	7.45	0.0	26.63	1.8	78,828	97.45	1,609	
7	10.00 to < 100.00	21,211	430	100.00	8,735	18.41	0.0	32.88	1.0	13,957	159.77	529	
8	100.00 (Default)	67,779	—	—	69,735	100.00	0.0	33.13	1.0	32,676	46.85	20,495	
9	Sub-total	12,591,854	4,082,255	75.60	15,706,279	0.73	3.0	31.81	2.3	4,367,657	27.80	34,118	¥ 73,919
Corporate exposures (excluding SME exposures and specialised lending) (FIRB)													
1	0.00 to < 0.15	847,072	280,692	81.54	1,081,505	0.07	0.7	51.47	2.8	368,763	34.09	424	
2	0.15 to < 0.25	37,573	34,381	100.00	72,113	0.20	0.3	55.77	2.4	46,451	64.41	82	
3	0.25 to < 0.50	557,465	105,236	74.69	635,711	0.34	1.4	45.86	2.9	421,163	66.25	978	
4	0.50 to < 0.75	121,441	30,607	75.00	144,397	0.62	0.0	44.94	3.3	130,866	90.62	407	
5	0.75 to < 2.50	422,269	25,202	74.39	440,947	1.43	1.4	43.00	3.8	520,027	117.93	2,704	
6	2.50 to < 10.00	116,738	2,338	70.95	118,383	5.37	0.2	43.33	4.2	199,275	168.32	2,724	
7	10.00 to < 100.00	64,966	—	—	64,966	27.91	0.0	44.86	4.1	170,955	263.14	8,131	
8	100.00 (Default)	26,775	0	0.00	32,407	100.00	0.0	43.78	1.0	0	0.00	14,189	
9	Sub-total	2,194,302	478,459	80.51	2,590,433	2.59	4.5	47.77	3.1	1,857,503	71.70	29,643	17,781
SME exposures (AIRB)													
1	0.00 to < 0.15	68,309	5,150	75.00	68,171	0.12	0.0	30.84	1.7	11,260	16.51	26	
2	0.15 to < 0.25	121,534	2,999	75.00	98,370	0.20	0.0	30.01	3.3	29,884	30.37	60	
3	0.25 to < 0.50	112,953	10,728	94.24	111,756	0.43	0.0	24.14	2.9	33,009	29.53	110	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	114,459	14,659	76.91	122,439	1.63	0.1	22.95	2.8	59,910	48.93	445	
6	2.50 to < 10.00	7,979	405	63.10	8,235	7.34	0.0	21.13	1.2	4,888	59.36	129	
7	10.00 to < 100.00	249	—	—	249	18.41	0.0	12.38	1.6	123	49.72	5	
8	100.00 (Default)	1,891	—	—	1,950	100.00	0.0	26.59	1.0	722	37.04	460	
9	Sub-total	427,376	33,942	81.76	411,173	1.30	0.3	26.24	2.7	139,799	34.00	1,238	1,651
SME exposures (FIRB)													
1	0.00 to < 0.15	5,033	—	—	5,033	0.12	0.0	74.79	4.9	4,006	79.59	4	
2	0.15 to < 0.25	44	—	—	44	0.20	0.0	44.98	1.0	11	26.67	0	
3	0.25 to < 0.50	103,562	3,877	75.00	105,048	0.49	0.6	37.66	4.4	64,077	60.99	193	
4	0.50 to < 0.75	1,290	—	—	1,290	0.62	0.0	40.00	4.9	967	75.01	3	
5	0.75 to < 2.50	282,835	4,890	75.66	284,287	1.66	1.5	39.48	4.7	263,520	92.69	1,870	
6	2.50 to < 10.00	5,839	—	—	5,997	7.24	0.0	39.53	4.0	7,524	125.45	169	
7	10.00 to < 100.00	2,131	—	—	2,131	18.41	0.0	45.00	1.2	4,223	198.19	176	
8	100.00 (Default)	3,840	59	0.00	3,928	100.00	0.0	39.43	1.0	0	0.00	1,549	
9	Sub-total	404,577	8,828	74.85	407,761	2.45	2.3	39.48	4.5	344,332	84.44	3,967	281

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2023											
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	¥ 1,426,193	¥ 185,780	75.07%	¥ 1,565,675	0.08%	0.3	27.84%	4.1	¥ 385,920	24.64%	¥ 400	
2	0.15 to < 0.25	89,724	43,093	75.00	122,044	0.20	0.0	31.37	4.1	53,644	43.95	78	
3	0.25 to < 0.50	866,367	188,471	75.13	1,007,982	0.31	0.2	24.12	4.4	408,044	40.48	772	
4	0.50 to < 0.75	199,718	46,118	73.58	233,656	0.65	0.0	24.66	4.4	129,339	55.35	375	
5	0.75 to < 2.50	337,240	45,194	72.26	369,902	1.50	0.0	24.99	3.2	231,374	62.55	1,379	
6	2.50 to < 10.00	61,948	42,880	73.51	93,470	4.00	0.0	25.68	3.5	80,057	85.64	1,001	
7	10.00 to < 100.00	106,651	18,393	75.00	120,445	18.87	0.0	32.87	3.0	204,182	169.52	7,772	
8	100.00 (Default)	4,281	—	—	4,287	100.00	0.0	30.74	1.0	1,836	42.84	1,171	
9	Sub-total	3,092,126	569,931	74.62	3,517,465	1.21	0.8	26.51	4.1	1,494,401	42.48	12,952	¥ 4,380
Specialised lending (FIRB)													
1	0.00 to < 0.15	4,764	—	—	4,764	0.09	0.2	45.00	1.0	831	17.45	2	
2	0.15 to < 0.25	87	—	—	87	0.20	0.0	45.00	1.0	26	30.44	0	
3	0.25 to < 0.50	3,413	—	—	3,413	0.31	0.2	45.00	1.0	1,363	39.94	4	
4	0.50 to < 0.75	842	—	—	842	0.65	0.0	45.00	1.0	505	59.98	2	
5	0.75 to < 2.50	1,113	—	—	1,113	1.30	0.0	45.00	1.0	896	80.49	6	
6	2.50 to < 10.00	165	—	—	165	4.87	0.0	45.00	1.0	212	128.34	3	
7	10.00 to < 100.00	724	—	—	724	15.43	0.0	45.00	1.0	1,459	201.45	50	
8	100.00 (Default)	0	—	—	0	100.00	0.0	45.00	1.0	0	0.00	0	
9	Sub-total	11,111	—	—	11,111	1.40	0.6	45.00	1.0	5,295	47.65	70	—
Equity exposures (PD/LGD Approach)													
1	0.00 to < 0.15	994,116	—	—	585,811	0.07	0.2	90.00	5.0	678,278	115.78	—	
2	0.15 to < 0.25	126,546	—	—	83,762	0.20	0.1	90.00	5.0	122,516	146.26	—	
3	0.25 to < 0.50	80,760	—	—	48,832	0.36	0.3	90.00	5.0	88,660	181.55	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	22,527	—	—	18,761	1.64	0.2	90.00	5.0	57,078	304.22	—	
6	2.50 to < 10.00	4,805	—	—	3,902	7.20	0.0	90.00	5.0	16,615	425.72	—	
7	10.00 to < 100.00	100	—	—	100	18.41	0.0	90.00	5.0	730	726.62	—	
8	100.00 (Default)	60	—	—	60	100.00	0.0	90.00	5.0	675	1,125.00	—	
9	Sub-total	1,228,917	—	—	741,231	0.19	1.0	90.00	5.0	964,554	130.12	—	
Purchased receivables for corporates, etc. (default risk) (AIRB)													
1	0.00 to < 0.15	9,250	—	—	9,250	0.09	0.0	33.14	3.8	2,846	30.77	3	
2	0.15 to < 0.25	6,000	—	—	6,000	0.20	0.0	33.14	4.0	2,610	43.51	4	
3	0.25 to < 0.50	23,939	—	—	23,939	0.42	0.0	31.34	3.2	12,075	50.44	32	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	53,297	—	—	53,297	1.50	0.0	33.05	3.7	47,031	88.24	265	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	510	—	—	510	18.41	0.0	33.14	1.8	853	167.24	31	
8	100.00 (Default)	4,641	—	—	4,641	100.00	0.0	33.14	1.0	2,175	46.86	1,364	
9	Sub-total	97,640	—	—	97,640	5.80	0.0	32.65	3.5	67,592	69.22	1,700	7

CR6		Millions of Yen, %, 1,000 cases, Year												
		March 31, 2023												
		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	¥ 915	¥ —	—%	¥ 915	0.12%	0.0	100.00%	1.0	¥ 454	49.70%	¥ —		
2	0.15 to < 0.25	2,280	—	—	2,280	0.22	0.0	100.00	1.0	1,631	71.54	—		
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	3,195	—	—	3,195	0.19	0.0	100.00	1.0	2,086	65.29	—	¥ —	
Purchased receivables for corporates, etc. (default risk) (FIRB)														
1	0.00 to < 0.15	440,066	4,956	100.00	445,023	0.05	0.2	45.00	1.1	58,399	13.12	111		
2	0.15 to < 0.25	78,866	—	—	78,866	0.20	0.1	45.00	1.0	24,419	30.96	72		
3	0.25 to < 0.50	145,132	6,677	75.00	150,140	0.37	1.2	45.00	1.3	70,878	47.20	250		
4	0.50 to < 0.75	1,688	1,669	75.00	2,940	0.62	0.0	45.00	4.9	3,140	106.78	8		
5	0.75 to < 2.50	87,488	—	—	87,488	1.53	3.7	45.00	1.1	72,700	83.09	604		
6	2.50 to < 10.00	4,653	—	—	4,653	6.49	0.5	45.00	1.0	6,816	146.47	135		
7	10.00 to < 100.00	0	6,009	75.00	4,507	13.43	0.0	45.00	4.9	10,907	242.00	272		
8	100.00 (Default)	4,731	—	—	4,731	100.00	0.0	45.00	1.0	0	0.00	2,129		
9	Sub-total	762,627	19,312	81.41	778,351	1.02	5.9	45.00	1.2	247,262	31.76	3,585	419	
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (FIRB)														
1	0.00 to < 0.15	539,930	18,110	81.84	554,752	0.07	0.6	90.10	1.1	166,445	30.00	23		
2	0.15 to < 0.25	53,995	—	—	53,995	0.21	0.1	99.23	1.0	38,201	70.74	0		
3	0.25 to < 0.50	18,576	1,201	75.00	19,478	0.43	0.0	83.25	1.5	19,151	98.32	8		
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—		
5	0.75 to < 2.50	1,891	—	—	1,891	0.99	0.0	90.04	1.2	6,208	328.24	2		
6	2.50 to < 10.00	954	—	—	954	3.54	0.0	100.00	1.0	2,464	258.33	—		
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—		
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—		
9	Sub-total	615,348	19,312	81.41	631,071	0.10	0.8	90.69	1.1	232,471	36.83	34	—	
Purchased receivables for retail (default risk)														
1	0.00 to < 0.15	—	—	—	—	—	—	—	—	—	—	—		
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—		
3	0.25 to < 0.50	20,381	—	—	20,381	0.29	24.3	72.13	—	7,750	38.02	43		
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	20,381	—	—	20,381	0.29	24.3	72.13	—	7,750	38.02	43	51	

CR6		Millions of Yen, %, 1,000 cases, Year											
Item No.	PD scale	March 31, 2023											
		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	¥ 37,673	26.78%	¥ 10,089	0.09%	41.3	58.93%	—	¥ 343	3.40%	¥ 5	
2	0.15 to < 0.25	44,899	673,196	11.22	120,479	0.21	185.7	71.83	—	9,918	8.23	188	
3	0.25 to < 0.50	20,354	989,063	7.16	91,241	0.35	128.4	76.32	—	11,711	12.83	244	
4	0.50 to < 0.75	41,639	272,152	11.22	72,194	0.53	88.0	71.83	—	12,167	16.85	276	
5	0.75 to < 2.50	11,696	195,865	12.34	35,869	1.12	102.8	70.89	—	10,440	29.10	285	
6	2.50 to < 10.00	33,816	62,685	11.88	41,265	4.92	39.4	71.97	—	33,950	82.27	1,462	
7	10.00 to < 100.00	179	1,100	10.93	300	51.09	0.4	68.47	—	521	173.83	109	
8	100.00 (Default)	99	4,522	7.74	6,982	100.00	7.6	72.26	—	7,962	114.02	4,409	
9	Sub-total	152,686	2,236,260	9.80	378,421	2.78	593.9	72.50	—	87,014	22.99	6,981	¥ 8,488
Residential mortgage exposures													
1	0.00 to < 0.15	4,352,764	11,997	100.00	4,364,761	0.10	144.8	15.63	—	161,908	3.70	685	
2	0.15 to < 0.25	2,221,679	28	100.00	2,221,707	0.16	98.2	16.37	—	126,577	5.69	601	
3	0.25 to < 0.50	3,641,317	979	100.00	3,642,309	0.32	217.2	15.78	—	324,156	8.89	1,845	
4	0.50 to < 0.75	73,813	—	—	73,813	0.68	5.5	20.65	—	14,790	20.03	104	
5	0.75 to < 2.50	99,441	19	100.00	99,460	0.86	9.9	18.43	—	20,842	20.95	158	
6	2.50 to < 10.00	6,391	—	—	6,391	7.36	0.2	12.57	—	3,199	50.06	59	
7	10.00 to < 100.00	57,322	11	100.00	57,333	19.48	3.4	16.58	—	52,998	92.44	1,869	
8	100.00 (Default)	27,314	10	100.00	27,869	100.00	1.6	17.32	—	7,923	28.42	4,194	
9	Sub-total	10,480,044	13,046	100.00	10,493,647	0.57	481.1	15.91	—	712,396	6.78	9,518	25,172
Other retail exposures													
1	0.00 to < 0.15	0	20,285	21.48	4,358	0.09	18.1	18.15	—	189	4.34	0	
2	0.15 to < 0.25	177,463	—	—	177,463	0.23	52.8	69.78	—	56,582	31.88	296	
3	0.25 to < 0.50	176,430	—	—	176,430	0.36	65.5	39.07	—	42,135	23.88	262	
4	0.50 to < 0.75	400,679	123,425	27.27	434,668	0.55	235.6	35.23	—	119,035	27.38	888	
5	0.75 to < 2.50	166,117	7,026	99.67	173,120	1.26	94.3	61.55	—	117,375	67.79	1,379	
6	2.50 to < 10.00	41,982	15,008	36.79	47,505	6.28	36.1	34.67	—	25,198	53.04	1,055	
7	10.00 to < 100.00	2,673	836	92.23	3,476	35.36	0.7	32.35	—	2,562	73.70	508	
8	100.00 (Default)	8,490	1,852	29.59	17,071	100.00	9.3	47.91	—	7,674	44.95	7,565	
9	Sub-total	973,838	168,434	30.79	1,034,095	2.60	512.7	46.32	—	370,753	35.85	11,957	13,383
Lease transactions													
1	0.00 to < 0.15	201,478	—	—	201,478	0.08	0.4	45.00	2.5	49,971	24.80	72	
2	0.15 to < 0.25	134,119	—	—	134,119	0.20	0.1	45.00	3.5	73,230	54.60	123	
3	0.25 to < 0.50	55,961	—	—	55,961	0.42	0.3	45.00	2.5	36,072	64.46	107	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	39,588	—	—	39,588	1.72	0.3	45.00	2.6	40,590	102.53	307	
6	2.50 to < 10.00	9,021	—	—	9,021	5.33	0.0	45.00	2.0	13,027	144.40	216	
7	10.00 to < 100.00	15,178	—	—	15,178	18.41	0.0	45.00	3.9	36,313	239.23	1,258	
8	100.00 (Default)	112	—	—	385	100.00	0.0	45.00	1.0	0	0.00	173	
9	Sub-total	455,460	—	—	455,733	1.10	1.2	45.00	2.9	249,206	54.68	2,258	2,057
Total (all portfolios)		¥ 59,002,470	¥ 7,992,924	56.36%	¥ 63,062,153	0.57%	1,633.4	36.40%	1.9	¥ 11,535,487	18.29%	¥ 118,592	¥ 148,344

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, 2022											
		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	¥ 3,587,234	¥ 33	75.00%	¥ 3,602,414	0.00%	0.0	32.09%	1.9	¥ 27,695	0.76%	¥ 16	
2	0.15 to < 0.25	2,223	—	—	385	0.20	0.0	31.83	2.6	125	32.41	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	3,589,457	33	75.00	3,602,800	0.00	0.0	32.09	1.9	27,820	0.77	16	¥ 44
Sovereign exposures (Foundation Internal Ratings-Based Approach (FIRB))													
1	0.00 to < 0.15	18,540,535	122,103	75.34	18,651,439	0.00	0.1	44.99	1.0	101,782	0.54	123	
2	0.15 to < 0.25	0	—	—	0	0.20	0.0	45.00	1.0	0	30.44	0	
3	0.25 to < 0.50	21,628	0	75.00	12,728	0.29	0.0	45.00	3.0	8,750	68.74	16	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	10,082	—	—	82	35.80	0.0	45.00	1.0	213	258.11	13	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	18,572,246	122,103	75.34	18,664,250	0.00	0.1	44.99	1.0	110,746	0.59	154	185
Financial Institution exposures (AIRB)													
1	0.00 to < 0.15	512,156	8,500	100.00	534,878	0.05	0.0	31.10	2.8	106,014	19.82	88	
2	0.15 to < 0.25	51,000	9,000	75.00	57,750	0.20	0.0	32.10	1.3	13,788	23.87	37	
3	0.25 to < 0.50	8,800	7,575	86.79	15,375	0.49	0.0	32.10	1.0	5,762	37.48	24	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	6,277	1,996	91.28	8,099	1.43	0.0	30.58	1.4	4,803	59.31	34	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	578,233	27,071	87.35	616,102	0.09	0.0	31.21	2.6	130,368	21.16	185	343
Financial Institution exposures (FIRB)													
1	0.00 to < 0.15	158,235	113,103	75.00	243,063	0.05	0.0	48.01	1.3	52,966	21.79	70	
2	0.15 to < 0.25	1,729	—	—	1,729	0.20	0.0	71.02	2.3	1,180	68.25	2	
3	0.25 to < 0.50	22,314	—	—	22,314	0.27	0.0	58.44	1.5	14,312	64.14	36	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	3,167	—	—	3,167	1.76	0.0	45.00	3.8	4,206	132.80	25	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	185,447	113,103	75.00	270,274	0.09	0.0	48.98	1.3	72,665	26.88	134	61

CR6		Millions of Yen, %, 1,000 cases, Year											
Item No.	PD scale	March 31, 2022											
		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	¥ 7,149,077	¥ 2,801,193	76.04%	¥ 9,339,244	0.07%	0.6	31.42%	2.5	¥ 1,713,083	18.34%	¥ 2,268	
2	0.15 to < 0.25	1,722,211	466,183	75.89	2,044,349	0.20	0.3	30.61	2.1	597,443	29.22	1,278	
3	0.25 to < 0.50	2,267,134	500,491	72.10	2,629,361	0.38	1.1	30.20	2.2	1,049,116	39.90	2,997	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	998,803	202,761	70.49	1,099,367	1.58	0.7	28.36	2.2	717,185	65.23	4,930	
6	2.50 to < 10.00	66,860	11,808	79.03	78,106	7.07	0.0	24.74	1.7	67,830	86.84	1,345	
7	10.00 to < 100.00	7,590	234	75.00	6,067	18.41	0.0	23.85	2.2	7,265	119.75	266	
8	100.00 (Default)	122,147	—	—	127,932	100.00	0.0	32.09	1.0	52,602	41.11	36,851	
9	Sub-total	12,333,824	3,982,671	75.25	15,324,428	1.13	3.0	30.85	2.3	4,204,527	27.43	49,938	¥106,738
Corporate exposures (excluding SME exposures and specialised lending) (FIRB)													
1	0.00 to < 0.15	839,060	121,671	78.78	939,667	0.07	0.8	52.29	2.8	323,649	34.44	366	
2	0.15 to < 0.25	45,696	66,740	100.00	112,581	0.20	0.3	54.03	2.2	67,955	60.36	124	
3	0.25 to < 0.50	501,230	65,356	74.16	548,835	0.33	1.3	46.32	2.7	350,565	63.87	820	
4	0.50 to < 0.75	88,007	13,159	75.00	97,877	0.62	0.0	45.00	3.7	93,440	95.46	276	
5	0.75 to < 2.50	375,270	21,737	75.53	391,737	1.44	1.3	44.12	3.7	473,425	120.85	2,503	
6	2.50 to < 10.00	116,417	2,218	78.30	118,270	5.36	0.2	44.35	4.1	202,528	171.24	2,816	
7	10.00 to < 100.00	71,076	—	—	71,077	30.21	0.0	44.99	3.8	190,956	268.65	9,662	
8	100.00 (Default)	31,604	896	96.65	37,803	100.00	0.0	44.51	1.0	0	0.00	16,830	
9	Sub-total	2,068,364	291,779	82.24	2,317,850	3.22	4.2	48.52	3.0	1,702,520	73.45	33,398	18,463
SME exposures (AIRB)													
1	0.00 to < 0.15	55,704	582	75.00	54,187	0.12	0.0	30.59	2.2	11,006	20.31	20	
2	0.15 to < 0.25	102,593	—	—	96,153	0.20	0.0	30.14	3.2	28,887	30.04	59	
3	0.25 to < 0.50	85,649	7,119	90.09	89,560	0.41	0.0	24.74	2.8	27,195	30.36	88	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	111,412	18,255	76.77	122,834	1.59	0.1	21.85	2.7	56,253	45.79	418	
6	2.50 to < 10.00	6,530	111	77.53	6,616	7.34	0.0	20.54	1.5	3,898	58.91	102	
7	10.00 to < 100.00	1,292	—	—	1,292	18.41	0.0	22.32	2.8	1,281	99.16	53	
8	100.00 (Default)	1,277	—	—	1,306	100.00	0.0	21.50	1.0	349	26.71	253	
9	Sub-total	364,460	26,068	80.37	371,950	1.24	0.3	25.94	2.8	128,873	34.64	995	1,097
SME exposures (FIRB)													
1	0.00 to < 0.15	15	—	—	15	0.11	0.0	45.00	1.0	2	18.80	0	
2	0.15 to < 0.25	45	—	—	45	0.20	0.0	45.00	1.0	12	26.98	0	
3	0.25 to < 0.50	106,414	1,412	75.00	105,982	0.48	0.6	38.22	4.6	67,536	63.72	197	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	314,453	1,986	77.62	313,489	1.67	1.7	39.36	4.8	292,822	93.40	2,066	
6	2.50 to < 10.00	6,748	—	—	6,762	7.32	0.0	38.55	4.1	8,285	122.53	188	
7	10.00 to < 100.00	2,195	—	—	2,223	18.41	0.0	45.00	1.4	4,356	195.98	184	
8	100.00 (Default)	5,992	0	0.00	6,184	100.00	0.0	40.10	1.0	0	0.00	2,480	
9	Sub-total	435,864	3,399	76.52	434,703	2.95	2.5	39.11	4.7	373,016	85.80	5,117	405

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2022											
		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
Specialised lending (AIRB)													
1	0.00 to < 0.15	¥1,320,005	¥101,243	75.00%	¥1,395,938	0.08%	0.3	26.30%	4.1	¥ 312,385	22.37%	¥ 314	
2	0.15 to < 0.25	85,887	22,114	75.00	102,472	0.20	0.0	30.80	3.8	42,750	41.71	64	
3	0.25 to < 0.50	869,979	143,937	74.99	977,920	0.33	0.2	24.34	4.3	404,129	41.32	795	
4	0.50 to < 0.75	151,786	52,471	75.18	191,238	0.64	0.0	25.07	4.3	105,239	55.03	309	
5	0.75 to < 2.50	363,252	47,578	73.65	398,295	1.48	0.0	24.74	3.4	253,091	63.54	1,467	
6	2.50 to < 10.00	99,872	55,054	73.27	140,211	3.92	0.0	23.35	3.6	110,294	78.66	1,230	
7	10.00 to < 100.00	73,761	18,286	75.00	87,475	22.66	0.0	38.88	4.0	185,006	211.49	8,065	
8	100.00 (Default)	15,398	1,331	75.00	16,401	100.00	0.0	28.29	1.0	5,570	33.96	4,195	
9	Sub-total	2,979,942	442,016	74.65	3,309,953	1.61	0.8	25.82	4.1	1,418,468	42.85	16,443	¥ 5,257
Specialised lending (FIRB)													
1	0.00 to < 0.15	1,213	—	—	1,213	0.08	0.2	45.00	1.0	197	16.26	0	
2	0.15 to < 0.25	71	—	—	71	0.20	0.0	45.00	1.0	21	30.44	0	
3	0.25 to < 0.50	1,371	—	—	1,371	0.32	0.1	45.00	1.0	557	40.62	2	
4	0.50 to < 0.75	270	—	—	270	0.63	0.0	45.00	1.0	159	59.19	0	
5	0.75 to < 2.50	550	—	—	550	1.44	0.0	45.00	1.0	461	83.78	3	
6	2.50 to < 10.00	78	—	—	78	3.67	0.0	45.00	1.0	91	116.67	1	
7	10.00 to < 100.00	203	—	—	203	17.87	0.0	45.00	1.0	418	205.72	16	
8	100.00 (Default)	0	—	—	0	100.00	0.0	45.00	1.0	0	0.00	0	
9	Sub-total	3,759	—	—	3,759	1.46	0.6	45.00	1.0	1,907	50.73	24	—
Equity exposures (PD/LGD Approach)													
1	0.00 to < 0.15	1,107,433	—	—	542,498	0.07	0.3	90.00	5.0	620,248	114.33	—	
2	0.15 to < 0.25	121,996	—	—	63,349	0.20	0.1	90.00	5.0	92,740	146.39	—	
3	0.25 to < 0.50	95,660	—	—	52,370	0.36	0.4	90.00	5.0	95,187	181.75	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	36,491	—	—	28,959	1.79	0.2	90.00	5.0	89,227	308.10	—	
6	2.50 to < 10.00	3,009	—	—	2,198	6.57	0.0	90.00	5.0	9,283	422.29	—	
7	10.00 to < 100.00	415	—	—	415	18.41	0.0	90.00	5.0	2,560	616.26	—	
8	100.00 (Default)	283	—	—	160	100.00	0.0	90.00	5.0	1,804	1,125.00	—	
9	Sub-total	1,365,289	—	—	689,953	0.23	1.1	90.00	5.0	911,053	132.04	—	
Purchased receivables for corporates, etc. (default risk) (AIRB)													
1	0.00 to < 0.15	12,881	—	—	12,881	0.10	0.0	32.10	3.3	3,531	27.41	4	
2	0.15 to < 0.25	7,000	—	—	7,000	0.20	0.0	32.10	5.0	3,379	48.27	4	
3	0.25 to < 0.50	11,578	—	—	11,578	0.31	0.0	32.10	2.3	4,608	39.80	11	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	64,425	—	—	64,425	1.53	0.0	31.60	4.0	57,110	88.64	313	
6	2.50 to < 10.00	2,018	—	—	2,018	7.88	0.0	32.10	3.6	2,740	135.78	51	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	2,895	—	—	2,895	100.00	0.0	32.10	1.0	1,190	41.12	834	
9	Sub-total	100,799	—	—	100,799	4.07	0.0	31.78	3.7	72,560	71.98	1,219	488

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2022											
		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	¥ 4,442	¥ —	—%	¥ 4,442	0.12%	0.0	100.00%	1.0	¥ 2,208	49.70%	¥ —	
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	
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	4,442	—	—	4,442	0.12	0.0	100.00	1.0	2,208	49.70	—	¥ —
Purchased receivables for corporates, etc. (default risk) (FIRB)													
1	0.00 to < 0.15	306,276	4,019	100.00	310,295	0.06	0.2	45.00	1.0	42,010	13.53	89	
2	0.15 to < 0.25	81,589	—	—	81,589	0.20	0.1	45.00	1.0	25,312	31.02	75	
3	0.25 to < 0.50	112,416	2,892	75.00	114,585	0.37	1.0	45.00	1.1	51,756	45.16	192	
4	0.50 to < 0.75	423	2,639	75.00	2,402	0.62	0.0	45.00	4.5	2,452	102.08	6	
5	0.75 to < 2.50	47,170	—	—	47,170	1.52	3.3	45.00	1.1	38,989	82.65	323	
6	2.50 to < 10.00	4,330	—	—	4,330	6.56	0.5	45.00	1.0	6,384	147.43	127	
7	10.00 to < 100.00	522	—	—	522	18.41	0.0	45.00	1.0	1,140	218.32	43	
8	100.00 (Default)	4,546	—	—	4,546	100.00	0.0	45.00	1.0	0	0.00	2,045	
9	Sub-total	557,274	9,550	85.52	565,442	1.14	5.4	45.00	1.1	168,046	29.71	2,903	365
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (FIRB)													
1	0.00 to < 0.15	386,470	6,658	90.09	392,468	0.06	0.3	92.50	1.1	113,138	28.82	13	
2	0.15 to < 0.25	54,292	—	—	54,292	0.21	0.1	92.00	1.0	35,343	65.09	7	
3	0.25 to < 0.50	16,136	2,892	75.00	18,305	0.40	0.1	73.75	1.6	15,796	86.29	12	
4	0.50 to < 0.75	18	—	—	18	0.62	0.0	45.00	1.0	10	58.78	0	
5	0.75 to < 2.50	1,521	—	—	1,521	1.01	0.1	91.46	1.2	8,840	581.09	1	
6	2.50 to < 10.00	3,250	—	—	3,250	6.88	0.0	100.00	1.0	10,750	330.68	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	461,689	9,550	85.52	469,857	0.14	0.7	91.76	1.1	183,879	39.13	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	32,046	—	—	32,046	0.30	29.5	70.83	—	12,135	37.86	69	
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	32,046	—	—	32,046	0.30	29.5	70.83	—	12,135	37.86	69	88

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2022											
		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	¥ 39,550	27.13%	¥ 10,730	0.09%	42.7	59.37%	—	¥ 380	3.55%	¥ 6	
2	0.15 to < 0.25	41,972	706,261	11.31	121,914	0.22	197.3	70.80	—	10,120	8.30	193	
3	0.25 to < 0.50	19,951	945,124	7.43	90,210	0.35	137.6	75.96	—	11,682	12.94	244	
4	0.50 to < 0.75	34,826	242,256	11.31	62,247	0.54	79.0	70.80	—	10,488	16.84	239	
5	0.75 to < 2.50	11,201	212,375	12.36	37,469	1.15	109.8	70.10	—	10,956	29.24	302	
6	2.50 to < 10.00	31,691	62,122	12.05	39,181	4.82	38.7	70.96	—	31,356	80.03	1,341	
7	10.00 to < 100.00	188	1,166	11.09	317	48.23	0.5	67.08	—	538	169.51	107	
8	100.00 (Default)	42	3,374	8.53	7,708	100.00	8.7	71.20	—	8,856	114.89	4,779	
9	Sub-total	139,872	2,212,231	10.05	369,779	3.00	614.6	71.68	—	84,378	22.81	7,214	¥ 9,047
Residential mortgage exposures													
1	0.00 to < 0.15	4,595,396	11,505	100.00	4,606,902	0.10	154.3	17.46	—	195,407	4.24	833	
2	0.15 to < 0.25	2,156,221	28	100.00	2,156,249	0.17	96.0	17.19	—	132,592	6.14	636	
3	0.25 to < 0.50	3,535,196	1,269	100.00	3,536,476	0.33	210.5	16.56	—	338,399	9.56	1,944	
4	0.50 to < 0.75	81,937	—	—	81,937	0.69	6.1	21.18	—	17,059	20.81	121	
5	0.75 to < 2.50	95,837	19	100.00	95,857	0.89	9.9	19.15	—	21,364	22.28	164	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	62,721	4	100.00	62,726	19.28	3.6	17.40	—	60,537	96.51	2,126	
8	100.00 (Default)	32,338	14	100.00	33,402	100.00	1.8	18.54	—	9,503	28.45	5,432	
9	Sub-total	10,559,648	12,843	100.00	10,573,551	0.63	482.5	17.15	—	774,863	7.32	11,258	25,355
Other retail exposures													
1	0.00 to < 0.15	0	21,411	21.91	4,691	0.09	19.2	18.44	—	213	4.54	0	
2	0.15 to < 0.25	165,451	—	—	165,451	0.24	50.6	68.65	—	52,725	31.86	278	
3	0.25 to < 0.50	192,735	—	—	192,735	0.37	67.0	37.89	—	45,478	23.59	286	
4	0.50 to < 0.75	352,775	404	100.00	353,475	0.54	85.4	34.12	—	92,673	26.21	680	
5	0.75 to < 2.50	176,754	136,520	31.29	219,477	1.17	256.4	60.29	—	141,121	64.29	1,606	
6	2.50 to < 10.00	38,864	15,414	36.74	44,528	6.35	38.6	33.76	—	23,177	52.05	1,001	
7	10.00 to < 100.00	2,547	859	93.07	3,382	35.60	0.7	30.39	—	2,350	69.47	454	
8	100.00 (Default)	8,847	1,767	31.23	18,773	100.00	10.2	48.33	—	9,125	48.60	8,344	
9	Sub-total	937,976	176,377	31.08	1,002,517	2.83	528.4	46.44	—	366,866	36.59	12,654	15,552
Lease transactions													
1	0.00 to < 0.15	213,286	—	—	213,286	0.07	0.4	45.00	2.6	52,422	24.57	75	
2	0.15 to < 0.25	128,970	—	—	128,970	0.20	0.1	45.00	3.9	74,446	57.72	118	
3	0.25 to < 0.50	53,527	—	—	53,527	0.43	0.3	45.00	2.5	35,242	65.83	104	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	43,152	—	—	43,152	1.74	0.3	45.00	2.6	44,873	103.98	338	
6	2.50 to < 10.00	14,226	—	—	14,226	5.25	0.0	45.00	3.7	23,615	165.99	336	
7	10.00 to < 100.00	5,028	—	—	5,028	18.41	0.0	45.00	3.9	12,178	242.16	416	
8	100.00 (Default)	—	—	—	513	100.00	0.0	45.00	1.0	0	0.00	231	
9	Sub-total	458,193	—	—	458,707	0.78	1.2	45.00	3.0	242,778	52.92	1,621	5,251
Total (all portfolios)		¥ 55,728,834	¥ 7,428,799	55.05%	¥ 59,183,170	0.74%	1,675.9	35.43%	2.0	¥ 10,989,683	18.56%	¥ 143,385	¥ 188,749

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, 2023	
		a	b
Item No.	Portfolio	Pre-credit derivatives credit RWA amounts	Actual credit RWA amounts
1	Sovereign Exposures – FIRB	¥ 126,816	¥ 126,816
2	Sovereign Exposures – AIRB	24,895	24,895
3	Financial Institution Exposures – FIRB	114,023	114,023
4	Financial Institution Exposures – AIRB	117,941	117,941
5	Corporate exposures (excluding specialised lending) – FIRB	2,201,835	2,201,835
6	Corporate exposures (excluding specialised lending) – AIRB	4,509,187	4,509,187
7	Specialised lending – FIRB	691,919	691,919
8	Specialised lending – AIRB	1,494,401	1,494,401
9	Retail – Qualifying revolving retail exposures	87,014	87,014
10	Retail – Residential mortgage exposures	712,396	712,396
11	Retail – Other retail exposures	370,753	370,753
12	Equity Exposures – FIRB	1,266,542	1,266,542
13	Equity Exposures – AIRB	—	—
14	Purchased receivables – FIRB	487,484	487,484
15	Purchased receivables – AIRB	69,678	69,678
16	Total	¥ 12,274,892	¥ 12,274,892

Note: SuMi TRUST Group does not use credit derivatives as credit risk mitigation techniques.

CR7		Millions of Yen	
		March 31, 2022	
		a	b
Item No.	Portfolio	Pre-credit derivatives credit RWA amounts	Actual credit RWA amounts
1	Sovereign Exposures – FIRB	¥ 110,746	¥ 110,746
2	Sovereign Exposures – AIRB	26,586	26,586
3	Financial Institution Exposures – FIRB	72,665	72,665
4	Financial Institution Exposures – AIRB	128,594	128,594
5	Corporate exposures (excluding specialised lending) – FIRB	2,075,536	2,075,536
6	Corporate exposures (excluding specialised lending) – AIRB	4,336,409	4,336,409
7	Specialised lending – FIRB	356,900	356,900
8	Specialised lending – AIRB	1,418,468	1,418,468
9	Retail – Qualifying revolving retail exposures	84,378	84,378
10	Retail – Residential mortgage exposures	774,863	774,863
11	Retail – Other retail exposures	366,866	366,866
12	Equity Exposures – FIRB	1,137,535	1,137,535
13	Equity Exposures – AIRB	—	—
14	Purchased receivables – FIRB	364,060	364,060
15	Purchased receivables – AIRB	74,768	74,768
16	Total	¥ 11,328,380	¥ 11,328,380

Note: 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, 2023	
	RWA amounts	
1	RWA at the end of the previous fiscal year	¥ 12,472
2	Asset size	1,062
3	Asset quality	(364)
4	Model updates	—
5	Factor of RWA changes	Methodology and policy
6	Acquisitions and disposals	—
7	Foreign exchange movements	272
8	Others	—
9	RWA at the end of the fiscal year	¥ 13,444

Note: The end of the previous fiscal year indicates March 31, 2022, and the end of the fiscal year indicates March 31, 2023.

CR8 Item No.	Billions of Yen	
	March 31, 2022	
	RWA amounts	
1	RWA at the end of the previous fiscal year	¥ 12,707
2	Asset size	33
3	Asset quality	(533)
4	Model updates	—
5	Factor of RWA changes	Methodology and policy
6	Acquisitions and disposals	—
7	Foreign exchange movements	265
8	Others	—
9	RWA at the end of the fiscal year	¥ 12,472

Note: The end of the previous fiscal year indicates March 31, 2021, and the end of the fiscal year indicates March 31, 2022.

CR9: IRB – Backtesting of probability of default (PD) per portfolio

Entities subject to AIRB and FIRB

CR9		%, Cases												Credit RWA amounts ratio	
		March 31, 2023 (Period covered: September 30, 2021 - September 30, 2022)													
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, 2021	September 30, 2022					
Sovereign Exposures	—	AAA~ B-	Aaa~ B3	AAA~ B-	AAA~ BBB	AAA~ BBB+	0.00%	0.07%	794	825	0	0	0.00%	1.2%	
Financial Institution Exposures	—	AA~ B-	Aa2~ B3	AA~ B-	AA+~ BB-	AAA~ BB	0.10	0.19	420	431	0	0	0.00	1.8	
Corporate Exposures (Japanese)	≥ 0% to 0.03%	AAA~ A-	Aaa~ A3	—	AAA~ AA-	AAA~ AA	0.03	0.03	521	547	0	0	0.00	56.3	
	> 0.03% to 0.1%	BBB+~ BBB-	Baa1~ Baa3	—	A+~ A-	AA~ A	0.06	0.06	559	564	0	0	0.01		
	> 0.1% to 0.5%	BB+~ BB-	Ba1~ Ba3	—	BBB+~ BBB-	A~ BBB	0.19	0.22	2,732	2,807	1	0	0.02		
	> 0.5% to 5%	B+~ B-	B1~ B3	—	BB+~ BB-	BBB~ BB	1.05	1.23	5,498	5,585	4	0	0.17		
	> 5% to < 100%	—	—	—	—	—	12.00	8.87	285	257	12	0	3.63		
Corporate Exposures (Non-Japanese)	≥ 0% to 0.03%	AAA~ AA-	Aaa~ Aa3	AAA~ AA-	—	—	0.03	0.03	46	40	0	0	0.00	12.9	
	> 0.03% to 0.1%	A+~ A-	A1~ A3	A+~ A-	—	—	0.06	0.06	135	149	0	0	0.00		
	> 0.1% to 0.5%	BBB+~ BBB-	Baa1~ Baa3	BBB+~ BBB-	—	—	0.24	0.25	311	344	0	0	0.00		
	> 0.5% to 15%	BB+~ B-	Ba1~ B3	BB+~ B-	—	—	2.43	2.61	599	614	0	0	0.20		
	> 15% to < 100%	—	—	—	—	—	35.80	35.80	58	63	3	0	11.53		
Purchased receivables for corporates, etc. (Top- down approach)	—	—	—	—	AAA~ BB+	AAA~ BBB-	3.40	3.40	253	0	0	0	0.00	0.0	
Qualifying revolving retail exposures	≥ 0% to 10%	/	/	/	/	/	0.43	0.28	41,170	39,646	32	0	0.09	0.0	
	> 10% to < 100%	/	/	/	/	/	23.49	23.49	90	86	19	0	15.28		
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.20	0.23	544,382	555,598	241	0	0.08	5.5	
	> 2% to < 100%	/	/	/	/	/	18.69	19.05	3,576	3,772	531	0	12.96		
Other retail exposures	≥ 0% to 10%	/	/	/	/	/	0.64	0.85	36,933	35,628	91	0	0.35	0.4	
	> 10% to < 100%	/	/	/	/	/	23.61	25.43	147	138	21	0	17.25		

Entities subject to FIRB

CR9		%, Cases												Credit RWA amounts ratio
March 31, 2023 (Period covered: September 30, 2021 - September 30, 2022)														
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, 2021	September 30, 2022				
Sovereign Exposures	—	—	—	—	AAA~ BBB	AAA~ BBB+	0.02%	0.03%	225	216	0	0	0.00%	0.0%
Financial Institution Exposures	—	—	—	—	A+~ BBB	AA~ BBB+	0.27	0.18	3	4	0	0	0.00	0.0
Corporate Exposures (Japanese)	≥ 0% to 0.03%	—	—	—	AAA~ AA-	AAA~ AA	0.03	0.03	36	37	0	0	0.00	3.1
	> 0.03% to 0.1%	—	—	—	A+~ A-	AA~ A	0.06	0.06	83	89	0	0	0.00	
	> 0.1% to 0.5%	—	—	—	BBB+~ BBB-	A~ BBB	0.19	0.17	420	427	0	0	0.02	
	> 0.5% to 5%	—	—	—	BB+~ BB-	BBB~ BB	1.23	1.11	834	838	2	2	0.73	
	> 5% to < 100%	—	—	—	—	—	9.88	8.70	200	198	3	1	4.62	
Qualifying revolving retail exposures	≥ 0% to 10%	/	/	/	/	/	0.93	0.78	566,943	548,648	3,008	88	0.70	0.6
	> 10% to < 100%	/	/	/	/	/	61.25	61.25	490	527	316	0	59.81	
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.67	0.73	12,670	12,200	18	0	0.36	0.3
	> 2% to < 100%	/	/	/	/	/	21.92	21.92	339	323	28	0	11.82	
Other retail exposures	≥ 0% to 10%	/	/	/	/	/	0.98	1.42	296,485	291,125	1,046	38	0.56	2.4
	> 10% to < 100%	/	/	/	/	/	34.12	55.42	576	600	234	1	47.17	

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)," 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 SuMi TRUST Group.

4. The PD estimation of 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 2021. In addition, Column g and Column h were obtained by counting the number of defaulted obligors from the end of September 2021 to the end of September 2022.

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 ten 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 2022) 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, 2022 (Period covered: September 30, 2020 - September 30, 2021)												
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, 2020	September 30, 2021				
Sovereign Exposures	—	AAA~ B-	Aaa~ B3	AAA~ B-	AAA~ BBB-	AAA~ BBB	0.00%	0.10%	757	792	0	0	0.00%	0.9%
Financial Institution Exposures	—	AA~ B-	Aa2~ B3	AA~ B-	AA+~ BB-	AAA~ BB	0.10	0.19	422	420	0	0	0.00	1.6
Corporate Exposures (Japanese)	≥ 0% to 0.03%	AAA~ A-	Aaa~ A3	—	AAA~ AA-	AAA~ AA	0.03	0.03	542	522	0	0	0.00	60.4
	> 0.03% to 0.1%	BBB+~ BBB-	Baa1~ Baa3	—	A+~ A-	AA~ A	0.06	0.06	572	560	0	0	0.02	
	> 0.1% to 0.5%	BB+~ BB-	Ba1~ Ba3	—	BBB+~ BBB-	A~ BBB	0.20	0.22	2,765	2,732	0	0	0.01	
	> 0.5% to 5%	B+~ B-	B1~ B3	—	BB+~ BB-	BBB~ BB	1.02	1.22	5,213	5,498	9	0	0.18	
	> 5% to < 100%	—	—	—	—	—	9.74	7.89	294	285	7	0	3.57	
Corporate Exposures (Non-Japanese)	≥ 0% to 0.03%	AAA~ AA-	Aaa~ Aa3	AAA~ AA-	—	—	0.03	0.03	48	48	0	0	0.00	11.1
	> 0.03% to 0.1%	A+~ A-	A1~ A3	A+~ A-	—	—	0.06	0.06	128	135	0	0	0.00	
	> 0.1% to 0.5%	BBB+~ BBB-	Baa1~ Baa3	BBB+~ BBB-	—	—	0.23	0.24	281	310	0	0	0.00	
	> 0.5% to 15%	BB+~ B-	Ba1~ B3	BB+~ B-	—	—	2.35	2.87	570	599	1	0	0.22	
	> 15% to < 100%	—	—	—	—	—	34.71	34.71	53	58	3	0	12.24	
Purchased receivables for corporates, etc. (Top- down approach)	—	—	—	—	AAA~ BB+	AAA~ BBB-	3.53	3.53	301	253	0	0	0.53	0.0
Qualifying revolving retail exposures	≥ 0% to 10%	/	/	/	/	/	0.46	0.30	41,973	41,170	30	0	0.09	0.0
	> 10% to < 100%	/	/	/	/	/	23.78	23.78	124	90	20	0	14.63	
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.20	0.22	521,749	544,382	328	0	0.09	6.1
	> 2% to < 100%	/	/	/	/	/	19.97	19.93	3,817	3,576	552	0	12.75	
Other retail exposures	≥ 0% to 10%	/	/	/	/	/	0.61	0.61	38,141	36,933	99	0	0.36	0.4
	> 10% to < 100%	/	/	/	/	/	23.90	25.63	160	147	33	0	17.57	

Entities subject to FIRB

CR9		% , Cases												Credit RWA amounts ratio
March 31, 2022 (Period covered: September 30, 2020 - September 30, 2021)														
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, 2020	September 30, 2021				
Sovereign Exposures	—	—	—	—	AAA~ BBB	AAA~ BBB+	0.02%	0.03%	236	225	0	0	0.00%	0.0%
Financial Institution Exposures	—	—	—	—	AA+~ BBB	AAA~ BBB+	0.13	0.18	5	3	0	0	0.00	0.0
Corporate Exposures (Japanese)	≥ 0% to 0.03%	—	—	—	AAA~ AA-	AAA~ AA	0.03	0.03	40	36	0	0	0.00	3.2
	> 0.03% to 0.1%	—	—	—	A+~ A-	AA~ A	0.06	0.06	77	83	0	0	0.00	
	> 0.1% to 0.5%	—	—	—	BBB+~ BBB-	A~ BBB	0.19	0.19	450	420	1	0	0.02	
	> 0.5% to 5%	—	—	—	BB+~ BB-	BBB~ BB	1.19	1.12	885	834	10	0	0.78	
	> 5% to < 100%	—	—	—	—	—	7.55	7.87	228	200	8	0	4.97	
Qualifying revolving retail exposures	≥ 0% to 10%	/	/	/	/	/	0.95	0.82	594,682	566,943	3,445	110	0.72	0.7
	> 10% to < 100%	/	/	/	/	/	63.20	62.95	499	490	314	0	59.29	
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.65	0.72	13,031	12,670	41	0	0.38	0.3
	> 2% to < 100%	/	/	/	/	/	22.51	22.51	316	339	30	0	12.21	
Other retail exposures	≥ 0% to 10%	/	/	/	/	/	1.02	1.48	305,485	295,730	1,149	31	0.58	2.6
	> 10% to < 100%	/	/	/	/	/	41.84	63.35	566	560	285	2	47.90	

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)," 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 SuMi TRUST Group.

4. The PD estimation of 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 2020. In addition, Column g and Column h were obtained by counting the number of defaulted obligors from the end of September 2020 to the end of September 2021.

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 nine 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 2021) 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.

CR10: IRB – Specialised Lending (Supervisory Slotting Criteria Approach) and Equity Exposures (Market-Based Approach, etc.)

CR10		Millions of Yen, %										
March 31, 2023												
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	3,602	—	70%	3,602	—	—	—	3,602	2,521	14	
	2.5 years≤	179	—	90%	—	179	—	—	179	161	1	
Satisfactory		6,633	—	115%	3,630	—	—	3,003	6,633	7,628	185	
Weak		—	—	250%	—	—	—	—	—	—	—	
Default		—	—	—	—	—	—	—	—	—	—	
Total		¥ 10,415	¥ —	—	¥7,232	¥179	¥ —	¥3,003	¥ 10,415	¥ 10,312	¥ 201	
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	34,856	2,205	70%						36,510	25,557	146
	2.5 years≤	4,352	26,457	95%						24,194	22,985	96
Good	< 2.5 years	4,424	100	95%						4,499	4,274	17
	2.5 years≤	31,605	34,686	120%						57,620	69,144	230
Satisfactory		77,003	193,287	140%						221,969	310,756	6,215
Weak		37,654	79,710	250%						97,437	243,594	7,795
Default		—	—	—						—	—	—
Total		¥ 189,896	¥ 336,447	—						¥ 442,231	¥ 676,312	¥14,501
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		11,384	2,519	300%						13,740	41,220	
Simple risk weight method – Unlisted shares		39,612	34,105	400%						65,191	260,766	
Internal Models Approach		—	—	—						—	—	
Total		¥ 50,997	¥ 36,625	—						¥ 78,931	¥ 301,987	
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, 2022											
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	11,006	6,383	70%						15,794	11,055	63	
	2.5 years≤	2,682	4,368	95%						5,958	5,660	23	
Good	< 2.5 years	45,048	8,966	95%						51,772	49,184	207	
	2.5 years≤	45,247	71,026	120%						98,516	118,220	394	
Satisfactory		50,799	95,003	140%						122,051	170,872	3,417	
Weak		—	—	250%						—	—	—	
Default		—	—	—						—	—	—	
Total		¥ 154,783	¥185,747	—						¥ 294,094	¥ 354,993	¥ 4,105	
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		9,347	15,799	300%						25,147	75,441		
Simple risk weight method – Unlisted shares		35,446	3,085	400%						37,760	151,040		
Internal Models Approach		—	—	—						—	—		
Total		¥ 44,793	¥ 18,884	—						¥ 62,907	¥ 226,481		
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, 2023					
		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)	431,346	781,275			1,212,622	375,435
2	Expected Exposure Method (IMM)			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					774,667	138,481
5	Exposure variation estimation model					—	—
6	Total						¥ 513,916

CCR1		Millions of Yen					
		March 31, 2022					
		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)	640,927	611,576			1,252,504	409,215
2	Expected Exposure Method (IMM)			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					846,397	147,482
5	Exposure variation estimation model					—	—
6	Total						¥ 556,698

CCR2: Credit valuation adjustment (CVA) capital charge

CCR2		Millions of Yen	
		March 31, 2023	
		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	989,621	644,470
5	Total portfolios subject to the CVA capital charge	¥ 989,621	¥ 644,470

CCR2		Millions of Yen	
		March 31, 2022	
		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	1,209,187	660,133
5	Total portfolios subject to the CVA capital charge	¥1,209,187	¥ 660,133

CCR3: CCR exposures by regulatory portfolio and risk weights

CCR3		Millions of Yen									
		March 31, 2023									
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		—	—	612,728	—	—	—	—	—	612,728
11	Corporates, etc.		—	—	—	—	—	—	—	—	—
12	SMEs, etc. and individuals		—	—	—	—	—	—	—	—	—
13	Other than the above		—	—	—	—	—	1,224	—	—	1,224
14	Total		¥ —	¥ —	¥ 612,728	¥ —	¥ —	¥ 1,224	¥ —	¥ —	¥ 613,952

Note: The aggregate calculation on this statement includes exposures based on the standardised approach only.

CCR3		Millions of Yen									
		March 31, 2022									
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		—	—	600,903	—	—	—	—	—	600,903
11	Corporates, etc.		—	—	—	—	—	—	—	—	—
12	SMEs, etc. and individuals		—	—	—	—	—	—	—	—	—
13	Other than the above		—	—	—	—	—	6	—	—	6
14	Total		¥ —	¥ —	¥ 600,903	¥ —	¥ —	¥ 6	¥ —	¥ —	¥ 600,909

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, 2023								
		a		b	c	d	e	f		g
Item No.	PD scale		EAD post-CRM	Average PD	Number of obligors	Average LGD	Average maturity		Credit RWA	RWA density
Sovereign exposures										
1	0.00 to < 0.15	¥	34,325	0.01%	0.0	39.42%	1.4	¥	2,432	7.08%
2	0.15 to < 0.25		—	—	—	—	—		—	—
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		34,325	0.01	0.0	39.42	1.4		2,432	7.08
Financial Institution exposures										
1	0.00 to < 0.15		632,632	0.04	0.1	20.91	2.5		130,197	20.58
2	0.15 to < 0.25		71	0.20	0.0	45.00	3.7		43	60.77
3	0.25 to < 0.50		19,527	0.28	0.0	16.30	4.0		17,701	90.65
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		652,230	0.05	0.1	20.74	2.6		147,942	22.68
Corporate exposures and SME exposures										
1	0.00 to < 0.15		263,502	0.04	0.3	15.33	2.4		53,246	20.20
2	0.15 to < 0.25		13,238	0.20	0.0	46.52	2.5		5,957	45.00
3	0.25 to < 0.50		14,571	0.35	0.1	45.00	2.5		8,524	58.49
4	0.50 to < 0.75		—	—	—	—	—		—	—
5	0.75 to < 2.50		4,002	1.40	0.0	45.00	3.2		4,338	108.41
6	2.50 to < 10.00		440	7.50	0.0	45.00	1.6		715	162.18
7	10.00 to < 100.00		—	—	—	—	—		—	—
8	100.00 (Default)		—	—	—	—	—		—	—
9	Sub-total		295,755	0.10	0.6	16.45	2.4		72,783	24.60
Specialised lending										
1	0.00 to < 0.15		30,389	0.10	0.1	45.00	4.2		13,344	43.91
2	0.15 to < 0.25		957	0.20	0.0	45.00	4.6		615	64.27
3	0.25 to < 0.50		23,361	0.29	0.0	45.00	4.9		18,561	79.45
4	0.50 to < 0.75		26,306	0.65	0.0	45.00	4.7		27,792	105.65
5	0.75 to < 2.50		44,808	1.33	0.0	45.00	4.7		57,664	128.69
6	2.50 to < 10.00		29,246	3.10	0.0	45.00	4.8		46,333	158.42
7	10.00 to < 100.00		77	13.81	0.0	45.00	5.0		188	243.81
8	100.00 (Default)		—	—	—	—	—		—	—
9	Sub-total		155,147	1.15	0.3	45.00	4.6		164,499	106.02
Total (all portfolios)		¥	1,137,458	0.21%	1.1	21.05%	2.8	¥	387,658	34.08%

Note: 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, 2022								
		a		b	c	d	e	f		g
Item No.	PD scale		EAD post-CRM	Average PD	Number of obligors	Average LGD	Average maturity		Credit RWA	RWA density
Sovereign exposures										
1	0.00 to < 0.15	¥	29,100	0.01%	0.0	21.10%	1.7	¥	2,338	8.03%
2	0.15 to < 0.25		—	—	—	—	—		—	—
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		29,100	0.01	0.0	21.10	1.7		2,338	8.03
Financial Institution exposures										
1	0.00 to < 0.15		710,740	0.04	0.1	24.39	2.0		131,195	18.45
2	0.15 to < 0.25		201	0.20	0.0	89.61	2.4		126	62.85
3	0.25 to < 0.50		18,912	0.30	0.0	35.36	4.4		18,013	95.24
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		729,854	0.05	0.1	24.60	2.0		149,335	20.46
Corporate exposures and SME exposures										
1	0.00 to < 0.15		464,563	0.04	0.3	13.70	1.6		85,418	18.38
2	0.15 to < 0.25		18,437	0.20	0.0	45.00	2.0		7,429	40.29
3	0.25 to < 0.50		17,290	0.36	0.1	45.65	2.3		10,042	58.08
4	0.50 to < 0.75		—	—	—	—	—		—	—
5	0.75 to < 2.50		4,088	1.64	0.1	45.00	2.9		4,604	112.62
6	2.50 to < 10.00		409	4.22	0.0	45.00	4.6		681	166.34
7	10.00 to < 100.00		143	35.80	0.0	45.00	1.0		370	258.11
8	100.00 (Default)		—	—	—	—	—		—	—
9	Sub-total		504,932	0.09	0.6	14.48	1.6		108,546	21.49
Specialised lending										
1	0.00 to < 0.15		53,459	0.09	0.1	45.00	4.6		23,915	44.73
2	0.15 to < 0.25		1,259	0.20	0.0	45.00	4.1		774	61.51
3	0.25 to < 0.50		23,255	0.31	0.0	45.00	4.9		18,620	80.06
4	0.50 to < 0.75		26,262	0.65	0.0	45.00	4.8		28,109	107.03
5	0.75 to < 2.50		23,862	1.26	0.0	45.00	4.7		30,136	126.28
6	2.50 to < 10.00		45,807	3.11	0.0	45.00	4.8		72,479	158.22
7	10.00 to < 100.00		259	13.95	0.0	45.00	4.9		632	243.75
8	100.00 (Default)		—	—	—	—	—		—	—
9	Sub-total		174,167	1.18	0.3	45.00	4.7		174,667	100.28
Total (all portfolios)		¥	1,438,054	0.20%	1.1	20.49%	2.2	¥	434,887	30.24%

Note: 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, 2023					
		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
Item No.		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash (domestic currency)	¥ —	¥ 489,069	¥ —	¥ 349,191	¥ 110,003	¥ 436,093
2	Cash (other currency)	—	603,603	—	553,303	1,030,780	983
3	Domestic sovereign debt	9,707	34,104	17,970	54,515	282,806	314,304
4	Other sovereign debt	2,853	—	—	—	994,578	2,960,192
5	Government agency debt	—	—	—	—	157,314	45,711
6	Corporate bonds	—	—	—	—	214,348	—
7	Equity securities	—	—	—	6,554	1,138,863	673,387
8	Other collateral	—	—	—	—	—	—
9	Total	¥ 12,561	¥ 1,126,777	¥ 17,970	¥ 963,565	¥ 3,928,695	¥ 4,430,672

CCR5		Millions of Yen					
		March 31, 2022					
		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
Item No.		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash (domestic currency)	¥ —	¥ 166,263	¥ —	¥ 480,779	¥ 50,028	¥ 803,276
2	Cash (other currency)	—	220	—	323,716	1,435,005	972
3	Domestic sovereign debt	12,815	858	14,455	30,797	337,823	353,438
4	Other sovereign debt	859	—	—	—	1,155,773	2,738,273
5	Government agency debt	—	—	—	—	129,008	97,303
6	Corporate bonds	—	—	—	—	312,503	199,355
7	Equity securities	—	—	—	6,995	1,074,742	819,386
8	Other collateral	—	—	—	—	—	—
9	Total	¥ 13,674	¥ 167,342	¥ 14,455	¥ 842,289	¥ 4,494,884	¥ 5,012,006

CCR6: Credit derivatives exposures

Item No.		Millions of Yen	
		March 31, 2023	
		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	¥ 22,600	¥ 22,600
2	Index credit default swaps	46,054	—
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	¥ 68,654	¥ 22,600
Fair values			
7	Positive fair value (asset)	47	507
8	Negative fair value (liability)	(507)	(47)

CCR6		Millions of Yen	
		March 31, 2022	
Item No.		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	¥ 29,000	¥ 29,000
2	Index credit default swaps	37,392	—
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	¥ 66,392	¥ 29,000
Fair values			
7	Positive fair value (asset)	32	643
8	Negative fair value (liability)	(2,963)	(32)

CCR7: RWA flow statements of CCR exposures under Internal Model Method (IMM)

As of March 31, 2023

Not applicable.

As of March 31, 2022

Not applicable.

CCR8: Exposures to central counterparties (CCP)

CCR8		Millions of Yen	
		March 31, 2023	
Item No.		a	b
		EAD to CCP (post-CRM)	RWA amounts
1	Exposures to qualifying central counterparties (QCCPs) (total)		¥ 76,398
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	2,475,738	49,514
3	(i) OTC derivatives	2,330,868	46,617
4	(ii) Exchange-traded derivatives	53,376	1,067
5	(iii) Repo transactions	91,494	1,829
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	—
8	Non-segregated initial margin	366,646	7,332
9	Pre-funded default fund contributions	29,908	19,550
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, 2022	
Item No.		a	b
		EAD to CCP (post-CRM)	RWA amounts
1	Exposures to qualifying central counterparties (QCCPs) (total)		¥ 55,007
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1,536,663	30,733
3	(i) OTC derivatives	1,241,187	24,823
4	(ii) Exchange-traded derivatives	202,133	4,042
5	(iii) Repo transactions	93,342	1,866
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	—
8	Non-segregated initial margin	242,227	4,844
9	Pre-funded default fund contributions	32,748	19,429
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, 2023								
Item No.	Type of underlying asset	a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	¥ 85,532	¥ —	¥ 85,532	¥ 296,443	¥ —	¥ 296,443	¥ 183,039	¥ —	¥ 183,039
2	Residential mortgage	85,532	—	85,532	26,922	—	26,922	145,666	—	145,666
3	Credit card	—	—	—	45,547	—	45,547	28,015	—	28,015
4	Other retail exposures	—	—	—	223,973	—	223,973	9,357	—	9,357
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	6,856	—	6,856	6,403	—	6,403	960,547	—	960,547
7	Loans to corporates	—	—	—	—	—	—	960,547	—	960,547
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	6,856	—	6,856	6,403	—	6,403	—	—	—
10	Other wholesale	—	—	—	—	—	—	—	—	—
11	Re-securitisation	—	—	—	—	—	—	—	—	—

SEC1		Millions of Yen								
		March 31, 2022								
Item No.	Type of underlying asset	a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	¥ 85,983	¥ —	¥ 85,983	¥ 377,826	¥ —	¥ 377,826	¥ 126,073	¥ —	¥ 126,073
2	Residential mortgage	85,983	—	85,983	67,793	—	67,793	87,427	—	87,427
3	Credit card	—	—	—	40,787	—	40,787	28,428	—	28,428
4	Other retail exposures	—	—	—	269,245	—	269,245	10,216	—	10,216
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	6,548	—	6,548	14,921	—	14,921	791,122	—	791,122
7	Loans to corporates	—	—	—	—	—	—	791,122	—	791,122
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	6,548	—	6,548	14,921	—	14,921	—	—	—
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, 2023

Not applicable.

As of March 31, 2022

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)

SEC3		Millions of Yen														
		March 31, 2023														
Item No.		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	¥ 229,021	¥ 229,021	¥ 229,021	¥ 222,617	¥ 6,403	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	125,536	125,536	125,536	125,536	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	28,626	28,626	28,626	28,626	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	12,039	12,039	12,039	5,182	6,856	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	12	12	12	12	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	390,779	390,779	390,779	377,518	13,260	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	4,443	4,443	4,443	4,443	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	12	12	12	12	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	134,895	134,895	134,895	104,421	30,474	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	967	967	967	967	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	160	160	160	160	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	10,791	10,791	10,791	8,353	2,437	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	77	77	77	77	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	12	12	12	12	—	—	—	—	—	—	—	—	—	—	—

SEC3		Millions of Yen														
		March 31, 2022														
Item No.		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	¥328,047	¥328,047	¥328,047	¥313,125	¥14,921	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	101,665	101,665	101,665	101,665	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	44,314	44,314	44,314	44,314	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	11,224	11,224	11,224	4,676	6,548	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	28	28	28	28	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	485,006	485,006	485,006	463,535	21,470	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	245	245	245	245	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	28	28	28	28	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	155,117	155,117	155,117	126,415	28,701	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	36	36	36	36	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	352	352	352	352	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	12,409	12,409	12,409	10,113	2,296	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	2	2	2	2	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	28	28	28	28	—	—	—	—	—	—	—	—	—	—	—

SEC4: Securitisation exposures subject to the calculation of the amount of credit risk-weighted assets and related capital requirements (bank acting as investor)

SEC4		Millions of Yen														
		March 31, 2023														
		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	¥1,096,481	¥1,096,481	¥1,096,481	¥158,753	¥937,727	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	23,545	23,545	23,545	1,393	22,152	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	16,359	16,359	16,359	15,691	668	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	7,200	7,200	7,200	7,200	—	—	—	—	—	—	—	—	—	—	—
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)	1,115,572	1,115,572	1,115,572	155,024	960,547	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	28,015	28,015	28,015	28,015	—	—	—	—	—	—	—	—	—	—	—
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)	168,558	168,558	168,558	29,378	139,180	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	16,265	16,265	16,265	16,265	—	—	—	—	—	—	—	—	—	—	—
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)	13,484	13,484	13,484	2,350	11,134	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,301	1,301	1,301	1,301	—	—	—	—	—	—	—	—	—	—	—
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, 2022														
Item No.		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	¥830,760	¥830,760	¥830,760	¥96,969	¥733,790	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	17,672	17,672	17,672	16,024	1,647	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	3,988	3,988	3,988	3,376	611	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	64,773	64,773	64,773	9,701	55,071	—	—	—	—	—	—	—	—	—	—
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)	888,767	888,767	888,767	97,644	791,122	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	28,428	28,428	28,428	28,428	—	—	—	—	—	—	—	—	—	—	—
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)	186,688	186,688	186,688	18,116	168,571	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	14,815	14,815	14,815	14,815	—	—	—	—	—	—	—	—	—	—	—
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)	14,935	14,935	14,935	1,449	13,485	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,185	1,185	1,185	1,185	—	—	—	—	—	—	—	—	—	—	—
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, 2023
Item No.		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	¥ 17,885
2	Equity risk (general and specific)	—
3	Foreign exchange risk	64,272
4	Commodity risk	11
	Options transactions	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Specific risk related to securitisation exposures	—
9	Total	¥ 82,169

MR1		Millions of Yen
		March 31, 2022
Item No.		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	¥ 4,521
2	Equity risk (general and specific)	—
3	Foreign exchange risk	29,197
4	Commodity risk	—
	Options transactions	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Specific risk related to securitisation exposures	—
9	Total	¥ 33,718

MR2: Risk-weighted Assets Flow Statements of Market Risk Exposures under Internal Model Approach

MR2		Billions of Yen					
		March 31, 2023					
		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, 2022)	¥ 275	¥ 959	¥ —	¥ —		¥ 1,234
1b	Regulatory adjustment ratio (1a/1c)	2.58	3.74	—	—		3.40
1c	RWA at the end of the previous fiscal year	106	255	—	—		362
2	Movement in risk levels	(11)	70	—	—		58
3	Model updates/changes	—	—	—	—		—
4	Factor of						
5	RWA changes						
6	Methodology and policy	—	—	—	—		—
7	Acquisitions and disposals	—	—	—	—		—
8	Foreign exchange movements	(5)	(8)	—	—		(13)
9	Others	23	(14)	—	—		9
8a	RWA at the end of the fiscal year	114	302	—	—		416
8b	Regulatory adjustment ratio (8c/8a)	3.94	4.31	—	—		4.21
8c	RWA at the end of current reporting period (March 31, 2023)	451	1,305	—	—		1,756

Note: The end of the previous fiscal year indicates March 31, 2022, and the end of the fiscal year indicates March 31, 2023.

MR2		Billions of Yen					
		March 31, 2022					
		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, 2021)	¥ 365	¥ 1,039	¥ —	¥ —		¥ 1,405
1b	Regulatory adjustment ratio (1a/1c)	3.13	3.08	—	—		3.09
1c	RWA at the end of the previous fiscal year	116	336	—	—		453
2	Movement in risk levels	(9)	(22)	—	—		(31)
3	Model updates/changes	(33)	49	—	—		15
4	Factor of						
5	RWA changes						
6	Methodology and policy	—	—	—	—		—
7	Acquisitions and disposals	—	—	—	—		—
8	Foreign exchange movements	(3)	(55)	—	—		(58)
9	Others	36	(52)	—	—		(16)
8a	RWA at the end of the fiscal year	106	255	—	—		362
8b	Regulatory adjustment ratio (8c/8a)	2.58	3.74	—	—		3.40
8c	RWA at the end of current reporting period (March 31, 2022)	275	959	—	—		1,234

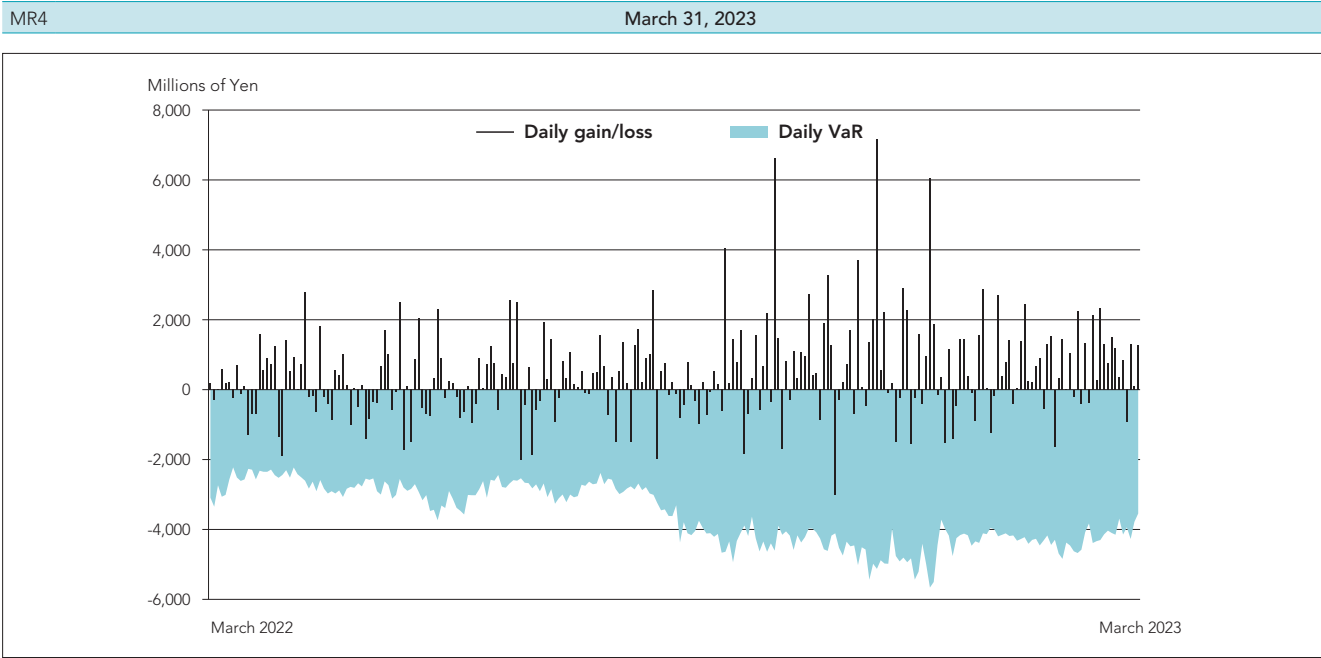
Note: The end of the previous fiscal year indicates March 31, 2021, and the end of the fiscal year indicates March 31, 2022.

MR3: Values of Internal Model Approaches (IMA) (Market risk)

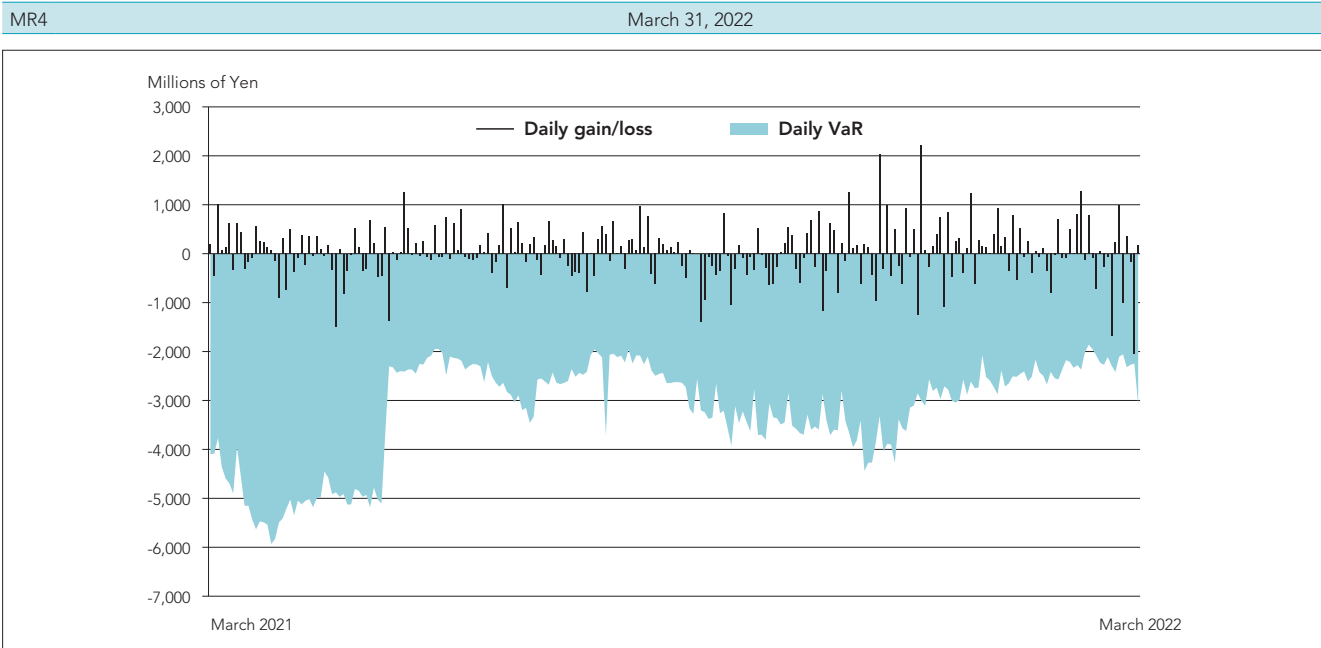
MR3 Item No.	Millions of Yen March 31, 2023
VaR (holding period:10 business days, one-sided confidence interval:99%)	
1 Maximum value	¥ 16,680
2 Average value	11,099
3 Minimum value	7,159
4 Period end	9,135
Stressed VaR (holding period:10 business days, one-sided confidence interval:99%)	
5 Maximum value	44,291
6 Average value	30,705
7 Minimum value	18,089
8 Period end	24,219
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, 2022
VaR (holding period:10 business days, one-sided confidence interval:99%)	
1 Maximum value	¥ 15,601
2 Average value	8,618
3 Minimum value	5,388
4 Period end	8,552
Stressed VaR (holding period:10 business days, one-sided confidence interval:99%)	
5 Maximum value	46,371
6 Average value	33,841
7 Minimum value	20,195
8 Period end	20,464
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)



Note: As shown above, during the reported period, there was no exceedance occurred in backtesting.



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, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Parallel up	¥ 40,982	¥ 94,116	¥ (100,104)	¥ (123,722)
2	Parallel down	—	2,127	96,930	119,484
3	Steepener	61,868	106,332		
4	Flattener	1,605	—		
5	Short rate up	5,491	75		
6	Short rate down	21,915	22,118		
7	Maximum	61,868	106,332	96,930	119,484
		e		f	
		March 31, 2023		March 31, 2022	
8	Tier 1 Capital	¥ 2,793,511		¥ 2,761,527	

CCyB1: Countercyclical buffer requirement: Status by Country or Region

Country or region	Millions of Yen, %			
	March 31, 2023			
	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
Australia	1.00%	¥ 157,790		
Germany	0.75%	34,744		
Hong Kong	1.00%	26,479		
Luxembourg	0.50%	117,080		
Sweden	1.00%	3,903		
United Kingdom	1.00%	351,255		
Subtotal		691,255		
Total		¥ 18,758,476	0.03%	¥6,977

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 SuMi TRUST Group's exposures in the six countries or regions in which the countercyclical buffer requirement set by regulatory authorities exceeded 0 to SuMi TRUST Group's total exposures was limited.

Country or region	Millions of Yen, %			
	March 31, 2022			
	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	1.00%	¥ 37,060		
Luxembourg	0.50%	79,071		
Subtotal		116,131		
Total		¥ 16,314,922	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 SuMi TRUST Group's exposures in the two countries or regions in which the countercyclical buffer requirement set by regulatory authorities exceeded 0 to 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 Basel III Template No.			Millions of Yen	
			March 31, 2023	March 31, 2022
1	Cross-jurisdictional activity	Cross-jurisdictional claims	¥ 12,541,563	¥ 10,557,253
2		Cross-jurisdictional liabilities	17,202,904	15,676,420
3	Size	Total exposures	70,946,055	67,218,303
4	Interconnectedness	Intra-financial system assets	6,189,970	6,566,865
5		Intra-financial system liabilities	10,003,170	7,892,338
6		Securities outstanding	13,947,791	12,552,343
7	Substitutability / Financial institution infrastructure	Assets under custody	293,905,768	296,607,074
8		Payments through settlement systems	846,086,785	675,131,439
9		Underwritten transactions in debt and equity markets	5,443	8,365
10		Total trading volume	1,296,635	1,369,560
11	Complexity	Notional amount of over-the-counter (OTC) derivatives	195,550,470	186,626,026
12		Level 3 assets	339,791	352,601
13		Trading and available-for-sale (AFS) securities	3,372,864	3,183,461

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

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	2023	2022
On-Balance Sheet Exposures				
1		On-Balance Sheet Exposures before Deducting Adjustment Items	¥ 45,353,432	¥ 44,943,111
1a	1	Total Assets Reported in the Consolidated Balance Sheet	50,478,136	49,548,958
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)	5,124,704	4,605,846
2	7	The Amount of Adjustment Items Pertaining to Tier 1 Capital (Deduction)	284,142	257,093
3		Total On-Balance Sheet Exposures (A)	45,069,289	44,686,018
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.	719,406	958,636
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.	1,199,063	1,069,627
		The Amount of Receivables Arising from Providing Cash Margin in Relation to Derivatives Transactions, etc.	823,974	804,496
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)	84,270	149,682
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	22,600	29,000
10		The Amount of Deductions from Effective Notional Amount of Written Credit Derivatives (Deduction)	22,600	29,000
11	4	Total Exposures Related to Derivative Transactions (B)	2,658,175	2,683,078
Exposures Related to Repo Transactions				
12		The Amount of Assets Related to Repo Transactions, etc.	546,097	803,276
13		The Amount of Deductions from the Assets Above (Line 12) (Deduction)	—	—
14		The Exposures for Counterparty Credit Risk for Repo Transactions, etc.	228,299	417,004
15		The Exposures for Agent Repo Transaction		
16	5	The Total Exposures Related to Repo Transactions, etc. (C)	774,396	1,220,280
Exposures Related to Off-Balance Sheet Transactions				
17		Notional Amount of Off-Balance Sheet Transactions	8,981,004	8,399,573
18		The Amount of Adjustments for Conversion in Relation to Off-Balance Sheet Transactions (Deduction)	5,365,558	5,111,999
19	6	Total Exposures Related to Off-Balance Sheet Transactions (D)	3,615,445	3,287,573
Basel III Leverage Ratio on a Consolidated Basis				
20		The Amount of Capital (Tier 1 Capital) (E)	2,793,511	2,761,527
21	8	Total Exposures (F) = (A)+(B)+(C)+(D)	¥ 52,117,307	¥ 51,876,951
22		Basel III Leverage Ratio on a Consolidated Basis (G) = (E)/(F)	5.36%	5.32%
		Minimum leverage ratio requirement	3.00%	
		Leverage ratio buffer requirement	—%	
Basel III Leverage Ratio If Including Deposits Held with the Bank of Japan				
		Total Exposures (F)	¥ 52,117,307	¥ 51,876,951
		Deposits Held with the Bank of Japan	18,544,609	15,084,261
		Total Exposures If Including Deposits Held with the Bank of Japan (F')	70,661,917	66,961,213
		Basel III Leverage Ratio If Including Deposits Held with the Bank of Japan (H) = (E)/(F')	3.95%	4.12%

Note: SuMi TRUST Holdings' Basel III leverage ratio calculation was audited by KPMG AZSA LLC, an external auditor, in accordance 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).

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 2022 4th Quarter		Fiscal Year 2022 3rd Quarter	
High-Quality Liquid Assets (1)					
1	Total high-quality liquid assets (HQLA)	¥ 19,451,554		¥ 19,347,711	
Cash Outflows (2)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
2	Cash outflows related to unsecured retail funding	¥ 19,095,882	¥ 902,830	¥ 19,051,934	¥ 914,814
3	of which: Stable deposits	1,786,650	53,599	1,788,463	53,653
4	of which: Less stable deposits	8,488,939	849,230	8,608,609	861,160
5	Cash outflows related to unsecured wholesale funding	15,829,359	12,409,749	14,664,765	11,506,303
6	of which: Qualifying operational deposits	—	—	—	—
7	of which: Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	12,163,109	8,743,499	11,393,428	8,234,967
8	of which: Debt securities	3,666,249	3,666,249	3,271,336	3,271,336
9	Cash outflows related to secured funding, etc.	—		702	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	7,492,054	2,608,549	7,475,551	2,581,495
11	of which: Cash outflows related to derivative transactions, etc.	1,360,692	1,360,692	1,237,270	1,237,270
12	of which: Cash outflows related to funding programs	—	—	—	—
13	of which: Cash outflows related to credit and liquidity facilities	6,131,361	1,247,857	6,238,280	1,344,224
14	Cash outflows related to contractual funding obligations, etc.	298,680	213,172	236,298	164,432
15	Cash outflows related to contingencies	667,669	17,799	662,611	17,706
16	Total cash outflows	16,152,101		15,185,455	
Cash Inflows (3)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
17	Cash inflows related to secured lending, etc.	¥ 192,306	¥ —	¥ 230,742	¥ —
18	Cash inflows related to collection of loans, etc.	2,678,181	1,698,798	2,526,458	1,704,190
19	Other cash inflows	472,417	394,366	554,542	438,073
20	Total cash inflows	3,342,905	2,093,165	3,311,743	2,142,263
Consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation	¥ 19,451,554		¥ 19,347,711	
22	Net cash outflows	14,058,935		13,043,191	
23	Consolidated Liquidity Coverage Ratio (LCR)	138.3%		148.3%	
24	The number of data used to calculate the average value	60		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 liquid 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.

Net Stable Funding Ratio (NSFR)

Consolidated

Consolidated Net Stable Funding Ratio

Quantitative Disclosure Items for the Net Stable Funding Ratio (NSFR) on a consolidated basis

Item No.		Millions of Yen, %						
		Fiscal Year 2022 4th Quarter						
		Unweighted value by residual maturity				Weighted value		
No maturity	< 6 months	6 months to < 1yr	≥ 1yr					
Available stable funding (ASF) items (1)								
1	Capital	¥ 3,055,431	¥ —	¥ —	¥ 305,000	¥ 3,360,431		
2	of which: Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital (excluding the proportion of Tier 2 instruments with residual maturity of less than one year) before the application of capital deductions	3,055,431	—	—	240,630	3,296,062		
3	of which: Other capital instruments that are not included in the above category	—	—	—	64,369	64,369		
4	Funding from retail and small business customers	12,972,952	—	—	5,831,434	17,507,091		
5	of which: Stable deposits	—	—	—	—	—		
6	of which: Less stable deposits	12,972,952	—	—	5,831,434	17,507,091		
7	Wholesale funding	5,683,302	23,509,280	2,813,502	9,045,839	15,504,586		
8	of which: Operational deposits	—	—	—	—	—		
9	of which: Other wholesale funding	5,683,302	23,509,280	2,813,502	9,045,839	15,504,586		
10	Liabilities with matching interdependent assets	—	—	—	—	—		
11	Other liabilities	470,374	1,198,712	—	137,039	12,744		
12	of which: Derivative liabilities	—	—	—	137,039	—		
13	of which: All other liabilities and equity not included in the above categories	470,374	1,198,712	—	—	12,744		
14	Total available stable funding	—	—	—	—	¥ 36,384,855		
Required stable funding (RSF) items (2)								
15	HQLA	—	—	—	—	¥ 1,065,921		
16	Deposits held at financial institutions for operational purposes	—	—	—	44,747	44,747		
17	Loans, repo transactions-related assets, securities and other similar assets	184,523	5,897,274	2,139,808	27,561,904	26,271,303		
18	of which: Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	—	546,097	—	—	0		
19	of which: Loans to- and repo transactions with- financial institutions (not included in item 18)	61,519	1,011,003	513,708	2,374,193	2,832,254		
20	of which: Loans and repo transactions-related assets (not included in item 18, 19 and 22)	—	3,789,743	1,200,467	11,616,262	12,329,888		
21	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	802,089	94,194	237,202	602,323		
22	of which: Residential mortgages	—	422,028	360,199	10,964,493	8,688,327		
23	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	327,566	256,557	6,001,131	4,349,636		
24	of which: Securities that are not in default and do not qualify as HQLA and other similar assets	123,004	128,401	65,433	2,606,955	2,420,833		
25	Assets with matching interdependent liabilities	—	—	—	—	—		
26	Other assets	1,167,235	549,688	2,870	2,798,257	3,765,533		
27	of which: Physical traded commodities, including gold	—	—	—	—	—		
28	of which: Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs (including those that are not recorded on consolidated balance sheet)	—	—	—	302,697	257,292		
29	of which: Derivative assets	—	—	—	—	—		
30	of which: Derivative liabilities (before deduction of variation margin posted)	—	—	—	40,529	40,529		
31	of which: All other assets not included in the above categories	1,167,235	549,688	2,870	2,455,030	3,467,711		
32	Off-balance sheet items	—	—	—	7,196,661	514,817		
33	Total required stable funding	—	—	—	—	¥ 31,662,323		
34	Consolidated net stable funding ratio (NSFR)	—	—	—	—	114.9%		

Item No.		Millions of Yen, %					
		Fiscal Year 2022 3rd Quarter					
		Unweighted value by residual maturity				Weighted value	
No maturity	< 6 months	6 months to < 1yr	≥ 1yr				
Available stable funding (ASF) items (1)							
1	Capital	¥ 3,032,710	¥ —	¥ —	¥ 305,000	¥ 3,337,710	
2	of which: Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital (excluding the proportion of Tier 2 instruments with residual maturity of less than one year) before the application of capital deductions	3,032,710	—	—	248,022	3,280,733	
3	of which: Other capital instruments that are not included in the above category	—	—	—	56,977	56,977	
4	Funding from retail and small business customers	13,117,025	—	—	5,724,763	17,530,085	
5	of which: Stable deposits	—	—	—	—	—	
6	of which: Less stable deposits	13,117,025	—	—	5,724,763	17,530,085	
7	Wholesale funding	5,425,933	22,573,589	2,003,406	9,394,578	15,165,327	
8	of which: Operational deposits	—	—	—	—	—	
9	of which: Other wholesale funding	5,425,933	22,573,589	2,003,406	9,394,578	15,165,327	
10	Liabilities with matching interdependent assets	—	—	—	—	—	
11	Other liabilities	259,909	1,243,647	—	217,965	14,872	
12	of which: Derivative liabilities	—	—	—	217,965	—	
13	of which: All other liabilities and equity not included in the above categories	259,909	1,243,647	—	—	14,872	
14	Total available stable funding					¥ 36,047,995	
Required stable funding (RSF) items (2)							
15	HQLA					¥ 1,089,789	
16	Deposits held at financial institutions for operational purposes	—	—	—	55,941	55,941	
17	Loans, repo transactions-related assets, securities and other similar assets	175,767	6,110,135	2,115,545	27,771,397	26,465,207	
18	of which: Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	—	544,210	—	—	0	
19	of which: Loans to- and repo transactions with- financial institutions (not included in item 18)	66,723	949,480	458,525	2,315,460	2,727,854	
20	of which: Loans and repo transactions-related assets (not included in item 18, 19 and 22)	—	4,115,273	1,197,153	11,600,073	12,478,439	
21	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	783,628	76,460	231,182	580,313	
22	of which: Residential mortgages	—	420,833	353,013	11,048,009	8,685,063	
23	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	325,989	250,535	6,108,659	4,371,678	
24	of which: Securities that are not in default and do not qualify as HQLA and other similar assets	109,043	80,337	106,853	2,807,854	2,573,849	
25	Assets with matching interdependent liabilities	—	—	—	—	—	
26	Other assets	985,587	476,248	3,566	2,448,949	3,423,007	
27	of which: Physical traded commodities, including gold	—	—	—	—	—	
28	of which: Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs (including those that are not recorded on consolidated balance sheet)					258,985	
29	of which: Derivative assets					—	
30	of which: Derivative liabilities (before deduction of variation margin posted)					58,100	
31	of which: All other assets not included in the above categories	985,587	476,248	3,566	2,131,863	3,144,769	
32	Off-balance sheet items					6,891,261	
33	Total required stable funding					¥ 31,526,581	
34	Consolidated net stable funding ratio (NSFR)					114.3%	

Qualitative Disclosure Items for the Net Stable Funding Ratio (NSFR) on a consolidated basis

(1) Items concerning fluctuations in the consolidated NSFR over time

Our consolidated NSFR has remained stable mainly due to our predetermined funding policy on the sticky money.

(2) Items concerning special provisions for interdependent assets and liabilities

The “Special provisions for interdependent assets and liabilities” stipulated in the items under Article 99 of the Financial Services Agency Notification on Liquidity Ratio are not applied on a consolidated basis.

(3) Other items concerning consolidated NSFR

Our consolidated NSFR satisfies the regulated level (100%), and we do not expect NSFR to deviate significantly from the current level in the future.

Currently, the entire amount of funding from retail and small business customers is recorded as “less stable deposits.”

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 2023.

[Compensation Disclosure Data: SuMi TRUST Holdings]

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5. Other Items to be Referred Concerning the Compensation System for Applicable Officers and Employees of SuMi TRUST Group	326

Compensation Disclosure Data:

Sumitomo Mitsui Trust Holdings, Inc.

1. Development Status of Organizational Structures Concerning Compensation, etc. for Applicable Officers and Employees within 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 SuMi TRUST Holdings Group's management, namely Sumitomo Mitsui Trust Bank, Limited.

(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 SuMi TRUST Holdings Group. This threshold amount has been determined based on the average compensation for officers paid in fiscal year 2022

(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 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, 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 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, 2022-March 31, 2023)	Total amount of compensation*
Compensation Committee (SuMi TRUST Holdings)	12 times	—
Board of Directors (SuMi TRUST Bank)	1 time	—

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 Group has defined its “Purpose” as “Creating new value with the power of trusts and let prosperous future for our clients and society bloom,” and placed at the core of its management philosophy the notion of “balanced creation of both social value and economic value” with the goal of realizing the development of a sustainable society and achieving sustainable and stable growth for the Group. Recognizing the role that officer compensation plays in each and every executive’s efforts to realize the goal and act in a manner that embodies its “Purpose,” SuMi TRUST Holdings will constantly review its policies and systems to ensure that they are based on the philosophy.

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 SuMi TRUST Group, including its core subsidiary, SuMi TRUST Bank. Furthermore, we have created a remuneration structure that considers the balance of shortterm 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 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 performance-based 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 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 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 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	
		a	b
Item No.		Applicable Officers	Applicable Employees, etc.
1	The number of applicable officers and employees, etc.	17	36
2	Total amount of fixed compensation (3+5+7)	¥ 301	¥ 1,230
3	of Which: Cash compensation amount	301	1,230
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.	15	34
10	Total amount of variable compensation (11+13+15)	¥ 279	¥ 726
11	of Which: Cash compensation amount	218	657
12	of 11 above: Deferred amount	—	—
13	of Which: Stock compensation amount or Stock-linked compensation amount	61	69
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.	3	3
21	Total amount of other compensations	¥ 2	¥ 2
22	of Which: Deferred amount	—	—
23	Total amount of compensations (2+10+18+21)	¥ 583	¥ 1,959

(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 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 2023.

[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 216-247.

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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Liquidity Coverage Ratio (LCR)	396		
Net Stable Funding Ratio (NSFR)	397		

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, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Available capital (amounts)					
1 Common Equity Tier 1 (CET1)	¥ 2,208,099	¥ 2,163,879	¥ 2,151,864	¥ 2,173,778	¥ 2,142,557
2 Tier 1	2,491,839	2,445,875	2,433,390	2,455,461	2,423,927
3 Total capital	2,779,614	2,745,637	2,764,597	2,823,107	2,806,835
Risk-weighted assets (amounts)					
4 Total risk-weighted assets (RWA)	22,662,408	22,116,217	21,743,948	20,194,869	19,590,422
Risk-based capital ratios as a percentage of RWA					
5 Common Equity Tier 1 ratio	9.74%	9.78%	9.89%	10.76%	10.93%
6 Tier 1 ratio	10.99%	11.05%	11.19%	12.15%	12.37%
7 Total capital ratio	12.26%	12.41%	12.71%	13.97%	14.32%
Basel III leverage ratio					
13 Total Basel III leverage ratio exposure measure	51,875,741	51,968,866	53,548,001	52,638,727	51,640,697
14 Basel III leverage ratio	4.80%	4.70%	4.54%	4.66%	4.69%

KM1 Basel III Template No.	Millions of Yen, %				
	a	b	c	d	e
	Fiscal Year 2022 4th Quarter	Fiscal Year 2022 3rd Quarter	Fiscal Year 2022 2nd Quarter	Fiscal Year 2022 1st Quarter	Fiscal Year 2021 4th Quarter
Consolidated Liquidity Coverage Ratio (LCR)					
15 Total HQLA allowed to be included in the calculation	¥ 19,451,554	¥ 19,347,711	¥ 19,092,731	¥ 18,252,532	¥ 17,729,217
16 Net cash outflows	14,112,230	13,108,601	12,831,948	12,567,292	11,085,943
17 Consolidated LCR	137.8%	147.5%	148.7%	145.2%	159.9%
Consolidated Net Stable Funding Ratio (NSFR)					
18 Total available stable funding	36,041,041	35,681,220	36,138,973	35,778,862	35,600,930
19 Total required stable funding	31,383,240	31,246,650	31,752,283	30,746,100	30,504,195
20 Consolidated NSFR	114.8%	114.1%	113.8%	116.3%	116.7%

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 2023, 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 "SuMi TRUST Bank Group") and the companies included in the scope of accounting consolidation.

(2) The number of consolidated subsidiaries that belong to SuMi TRUST Bank Group is 38. The principal companies are the following.

Name	Principal Business Operations
Sumitomo Mitsui Trust Loan & Finance Co., Ltd.	Money Lending Business
Sumitomo Mitsui Trust Panasonic Finance Co., Ltd.	General Leasing, Installment Purchase Services, Credit Card Business
Sumitomo Mitsui Trust Realty Co., Ltd.	Real Estate Brokerage Business
Sumitomo Mitsui Trust Guarantee Co., Ltd.	Loan Guarantee Business
Sumitomo Mitsui Trust Club Co., Ltd.	Credit Card 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 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	Basel III Template No.	Items	Millions of Yen, %		
			a	b	c
			2023	2022	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	¥ 2,200,758	¥ 2,091,170	
1a		of Which: Capital Stock and Capital Surplus	684,926	684,890	
2		of Which: Retained Earnings	1,547,162	1,429,874	
1c		of Which: Treasury Stock (Deduction)	—	—	
26		of Which: Earnings to be Distributed (Deduction)	31,330	23,594	
		of Which: Others	—	—	
1b		Subscription Rights to Common Shares	—	—	
3		Accumulated Other Comprehensive Income	206,616	205,045	(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)	2,407,374	2,296,216	
Common Equity Tier 1 Capital: Regulatory Adjustments					
8+9		Intangible Assets Other than Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	77,733	73,197	
8		of Which: Goodwill (Including Those Equivalent)	8,079	12,478	
9		of Which: Other Intangible Assets	69,654	60,719	
10		Deferred Tax Assets That Rely on Future Profitability Excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	408	450	
11		Deferred Gains or Losses on Derivatives under Hedge Accounting	(48,610)	(60,924)	
12		Shortfall of Eligible Provisions to Expected Losses	—	—	
13		Securitisation Gain on Sale	925	1,344	
14		Gains and Losses Due to Changes in Own Credit Risk on Fair Valued Liabilities	7,454	6,253	
15		Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits) (Net of Related Deferred Tax Liabilities)	161,362	133,337	
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)	199,274	153,658	
Common Equity Tier 1 Capital (CET1)					
29		Common Equity Tier 1 Capital (C) = (A)-(B)	¥ 2,208,099	¥ 2,142,557	

CC1		Millions of Yen, %		
As of March 31		a	b	c
Basel III Template No.	Items	2023	2022	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	270,000	270,000	
	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)	13,749	11,379	
	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)	283,749	281,379	
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	10	10	
	42 Regulatory Adjustments Applied to Additional Tier 1 Due to Insufficient Tier 2 to Cover Deductions	—	—	
	43 Additional Tier 1 Capital: Regulatory Adjustments (E)	10	10	
Additional Tier 1 Capital (AT1)				
	44 Additional Tier 1 Capital (F) = (D) – (E)	283,739	281,369	
Tier 1 Capital (T1 = CET1 + AT1)				
	45 Tier 1 Capital (G) = (C) + (F)	2,491,839	2,423,927	
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	270,630	339,855	
	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)	3,049	2,163	
47+49	Eligible Tier 2 Capital Instruments Subject to Phase out from Tier 2 Capital	—	—	
	47 of Which: Directly Issued and Issued by Special Purpose Vehicles	—	—	
	49 of Which: Issued by Subsidiaries	—	—	
50	Provisions Allowed in Group Tier 2	15,635	42,429	
50a	of Which: General Allowance for Credit Losses	3,525	3,050	
50b	of Which: Excess Amount of Eligible Provisions to Expected Losses	12,110	39,379	
	51 Tier 2 Capital: Instruments and Provisions (H)	¥ 289,315	¥ 384,448	

CC1 As of March 31	Items	Millions of Yen, %		
		a	b	c
		2023	2022	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)	287,775	382,908	
	Total Capital (TC = T1 + T2)			
59	Total Capital (K) = (G) + (J)	2,779,614	2,806,835	
	Total Risk Weighted Assets			
60	Total Risk Weighted Assets (L)	22,662,408	19,590,422	
	Capital Ratios (Consolidated)			
61	Common Equity Tier 1 Capital Ratio (C)/(L)	9.74%	10.93%	
62	Tier 1 Capital Ratio (G)/(L)	10.99%	12.37%	
63	Total Capital Ratio (K)/(L)	12.26%	14.32%	
	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)	172,436	98,717	
73	Significant Investments in the Common Stock of Banking, Financial and Insurance Entities (Amount below the Thresholds for Deduction)	114,594	131,359	
74	Mortgage Servicing Rights (Amount below the Thresholds for Deduction)	—	—	
75	Deferred Tax Assets Arising from Temporary Differences (Amount below the Thresholds for Deduction)	48,363	56,041	
	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)	3,525	3,050	
77	Cap on Inclusion of Provisions in Tier 2 under Standardised Approach	12,430	10,695	
78	Provisions Eligible for Inclusion in Tier 2 in Respect of Exposures Subject to Internal Ratings-Based Approach (Prior to Applicable of Cap)	12,110	39,379	
79	Cap on Inclusion of Provisions in Tier 2 under Internal Ratings-Based Approach	109,926	95,763	
	Capital Instruments Subject to Phase out Arrangements			
82	Current Cap on Additional Tier 1 Instruments Subject to Phase out Arrangements	—	—	
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	—	—	
85	Amount Excluded from Tier 2 Due to Cap (Excess over Cap after Redemptions and Maturities)	—	—	

Note: SuMi TRUST Holdings' consolidated capital adequacy ratio calculation was audited by KPMG AZSA LLC, an external auditor, in accordance 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).

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/english/investors/report/basel>).

Explanation on Reconciliation between Balance Sheet Items and Regulatory Capital Elements

Consolidated

Fiscal Year 2022

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	¥	21,522,753		
Call Loans and Bills Bought		24,006		
Receivables under Resale Agreements		110,003		
Receivables under Securities Borrowing Transactions		436,093		
Monetary Claims Bought		970,058		
Trading Assets		1,514,603		
Money Held in Trust		1,442		6-a
Securities		6,804,176		2-b, 6-b
Loans and Bills Discounted		31,810,926		6-c
Foreign Exchanges		47,445		
Lease Receivables and Investment Assets		688,933		
Other Assets		3,781,008		6-d
Tangible Fixed Assets		230,096		
Intangible Fixed Assets		108,362		2-a
Assets for Retirement Benefits		232,599		3
Deferred Tax Assets		22,951		4-a
Customers' Liabilities for Acceptances and Guarantees		562,523		
Allowance for Loan Losses		(129,998)		
Total Assets	¥	68,737,987		

CC2	a	c	d
Items	Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Liabilities)			
Deposits	¥ 35,417,923		
Negotiable Certificates of Deposit	7,520,005		
Call Money and Bills Sold	1,912,878		
Payables under Repurchase Agreements	1,030,780		
Trading Liabilities	1,472,636		
Borrowed Money	6,629,543		8
Foreign Exchanges	847		
Short-term Bonds Payable	2,332,377		
Bonds Payable	1,911,760		
Borrowed Money from Trust Account	4,332,472		
Other Liabilities	3,019,064		6-e
Provision for Bonuses	12,902		
Provision for Directors' Bonuses	95		
Provision for Stocks Payment	810		
Liabilities for Retirement Benefits	11,442		
Provision for Reward Points Program	21,282		
Provision for Reimbursement of Deposits	3,028		
Provision for Contingent Losses	1,344		
Deferred Tax Liabilities	73,663		4-b
Deferred Tax Liabilities for Land Revaluation	2,381		4-c
Acceptances and Guarantees	562,523		
Total Liabilities	66,269,765		
(Net Assets)			
Capital Stock	342,037		1-a
Capital Surplus	342,889		1-b
Retained Earnings	1,547,162		1-c
Total Shareholders' Equity	2,232,088		
Valuation Differences on Available-for-Sale Securities	269,861		
Deferred Gains (Losses) on Hedges	(47,792)		5
Revaluation Reserve for Land	(4,479)		
Foreign Currency Translation Adjustments	12,202		
Adjustments for Retirement Benefits	(23,175)		
Total Accumulated Other Comprehensive Income	206,616	(a)	
Non-controlling Interests	29,517		7
Total Net Assets	2,468,222		
Total Liabilities and Net Assets	¥ 68,737,987		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appendix)

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	342,889		1-b
Retained Earnings	1,547,162		1-c
Total Shareholders' Equity	¥ 2,232,088		

(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	¥ 2,232,088	Shareholders' Equity Attributable to Common Shares (before Adjusting National Specific Regulatory Adjustments (Earnings to be Distributed))	
of Which: Capital Stock and Capital Surplus	684,926		1a
of Which: Retained Earnings	1,547,162		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	¥ 108,362		2-a
Securities	6,804,176		2-b
of Which: Goodwill Arising on the Application of the Equity Method	—		
Associated Deferred Tax Liabilities	30,629		

(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)	¥ 8,079		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	69,654	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	¥ 232,599		3
Associated Deferred Tax Liabilities	71,236		

(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)	¥ 161,362		15

4. Deferred tax assets**(1) Consolidated balance sheet**

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Assets	¥ 22,951		4-a
Deferred Tax Liabilities	73,663		4-b
Deferred Tax Liabilities for Land Revaluation	2,381		4-c
Associated Intangible Fixed Assets	30,629		
Associated Assets for Retirement Benefits	71,236		

(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)	¥ 408	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)	48,363	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)	48,363		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	¥ (47,792)		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	¥ (48,610)	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.
Money Held in Trust	¥ 1,442		6-a
Securities	6,804,176		6-b
Loans and Bills Discounted	31,810,926	Including Subordinated Debts	6-c
Other Assets	3,781,008	Including derivatives	6-d
Other Liabilities	¥ 3,019,064	Including derivatives	6-e

(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	172,436		
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)	172,436		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	116,144		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	10		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	114,594		73

7. Non-controlling Interests

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Non-controlling Interests	¥ 29,517		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)	13,749	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)	3,049	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	¥ 6,629,543		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	¥ 270,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	270,630		46

Fiscal Year 2021

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	¥ 18,142,775		
	Call Loans and Bills Bought	5,000		
	Receivables under Resale Agreements	150,741		
	Receivables under Securities Borrowing Transactions	652,534		
	Monetary Claims Bought	854,093		
	Trading Assets	967,565		
	Money Held in Trust	1,395		
	Securities	7,748,019		2-b, 6-a
	Loans and Bills Discounted	30,876,507		6-b
	Foreign Exchanges	29,494		
	Lease Receivables and Investment Assets	688,141		
	Other Assets	3,302,723		6-c
	Tangible Fixed Assets	231,770		
	Intangible Fixed Assets	100,109		2-a
	Assets for Retirement Benefits	192,204		3
	Deferred Tax Assets	25,791		4-a
	Customers' Liabilities for Acceptances and Guarantees	541,228		
	Allowance for Loan Losses	(163,369)		
	Total Assets	¥ 64,346,726		

CC2	Items	a	c	d
		Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
	(Liabilities)			
	Deposits	¥ 33,271,789		
	Negotiable Certificates of Deposit	6,691,944		
	Call Money and Bills Sold	799,524		
	Payables under Repurchase Agreements	1,485,033		
	Trading Liabilities	906,686		
	Borrowed Money	7,783,498		8
	Foreign Exchanges	1,275		
	Short-term Bonds Payable	2,387,553		
	Bonds Payable	1,446,604		
	Borrowed Money from Trust Account	4,298,827		
	Other Liabilities	2,279,211		6-d
	Provision for Bonuses	12,668		
	Provision for Directors' Bonuses	98		
	Provision for Stocks Payment	569		
	Liabilities for Retirement Benefits	11,380		
	Provision for Reward Points Program	19,965		
	Provision for Reimbursement of Deposits	3,626		
	Provision for Contingent Losses	1,649		
	Deferred Tax Liabilities	52,690		4-b
	Deferred Tax Liabilities for Land Revaluation	2,388		4-c
	Acceptances and Guarantees	541,228		
	Total Liabilities	61,998,216		
	(Net Assets)			
	Capital Stock	342,037		1-a
	Capital Surplus	342,853		1-b
	Retained Earnings	1,429,874		1-c
	Total Shareholders' Equity	2,114,764		
	Valuation Differences on Available-for-Sale Securities	290,154		
	Deferred Gains (Losses) on Hedges	(41,661)		5
	Revaluation Reserve for Land	(4,456)		
	Foreign Currency Translation Adjustments	3,713		
	Adjustments for Retirement Benefits	(42,703)		
	Total Accumulated Other Comprehensive Income	205,045	(a)	
	Non-controlling Interests	28,699		7
	Total Net Assets	2,348,510		
	Total Liabilities and Net Assets	¥ 64,346,726		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appendix)

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	1,429,874		1-c
Total Shareholders' Equity	¥ 2,114,764		

(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	¥ 2,114,764	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	1,429,874		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	¥ 100,109		2-a
Securities	7,748,019		2-b
of Which: Goodwill Arising on the Application of the Equity Method	—		
Associated Deferred Tax Liabilities	26,912		

(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)	¥ 12,478		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	60,719	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	¥ 192,204		3
Associated Deferred Tax Liabilities	58,866		

(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)	¥ 133,337		15

4. Deferred tax assets**(1) Consolidated balance sheet**

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Assets	¥ 25,791		4-a
Deferred Tax Liabilities	52,690		4-b
Deferred Tax Liabilities for Land Revaluation	2,388		4-c
Associated Intangible Fixed Assets	26,912		
Associated Assets for Retirement Benefits	58,866		

(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)	¥ 450	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)	56,041	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)	56,041		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	¥ (41,661)		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	¥ (60,924)	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	¥ 7,748,019		6-a
Loans and Bills Discounted	30,876,507	Including Subordinated Debts	6-b
Other Assets	3,302,723	Including derivatives	6-c
Other Liabilities	¥ 2,279,211	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	98,717		
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)	98,717		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	132,909		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	10		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	131,359		73

7. Non-controlling Interests

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Non-controlling Interests	¥ 28,699		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)	11,379	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)	2,163	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	¥ 7,783,498		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	¥ 270,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	339,855		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							
	2023				2022			
	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	¥ 55,625,020	¥ 48,618,240	¥ 3,101,635	¥ 3,905,145	¥ 52,637,996	¥ 44,467,458	¥ 4,389,401	¥ 3,781,137
Outside Japan	8,055,672	5,855,508	1,320,461	879,702	7,000,315	5,432,862	1,102,540	464,912
Total for Geographic Regions	¥ 63,680,692	¥ 54,473,748	¥ 4,422,096	¥ 4,784,847	¥ 59,638,311	¥ 49,900,320	¥ 5,491,941	¥ 4,246,049
Manufacturing	4,927,457	3,236,020	380,104	1,311,332	4,713,051	3,092,841	351,745	1,268,464
Agriculture and Forestry	5,744	5,744	0	—	4,117	4,117	0	—
Fisheries	95	1	94	—	66	1	64	—
Mining and Quarrying of Stones and Gravel	134,585	73,056	201	61,327	80,924	68,005	162	12,756
Construction	376,851	259,171	25,301	92,377	335,291	212,858	22,894	99,538
Electricity, Gas, Heat Supply and Water	1,671,358	1,447,385	32,007	191,965	1,604,628	1,309,216	29,248	266,163
Information and Communication	444,852	326,659	3,480	114,711	463,918	358,425	3,259	102,233
Transport and Postal Activities	1,481,175	1,167,751	112,976	200,447	1,578,711	1,250,310	110,113	218,286
Wholesale and Retail Trade	1,993,863	1,602,412	58,586	332,864	1,993,066	1,618,779	56,561	317,725
Finance and Insurance	2,161,869	1,437,299	467,562	257,007	2,132,779	1,379,681	489,019	264,078
Real Estate	4,063,364	3,378,226	373,862	311,275	4,157,535	3,513,530	363,138	280,866
Goods Rental and Leasing	1,275,922	1,163,694	3,712	108,515	1,282,325	1,109,573	3,632	169,119
Local Public Bodies	146,314	102,956	38,117	5,240	153,741	114,366	33,919	5,455
Individuals	11,754,441	11,471,425	—	283,015	11,798,546	11,509,294	—	289,252
Others	33,242,796	28,801,942	2,926,088	1,514,765	29,339,607	24,359,317	4,028,181	952,108
Total for Industry Sectors	¥ 63,680,692	¥ 54,473,748	¥ 4,422,096	¥ 4,784,847	¥ 59,638,311	¥ 49,900,320	¥ 5,491,941	¥ 4,246,049
To 1 year	28,654,585	26,093,165	963,699	1,597,720	25,729,450	22,023,311	2,259,777	1,446,360
> 1 year to 3 years	8,091,437	5,555,266	1,051,603	1,484,567	7,275,422	5,104,110	801,988	1,369,323
> 3 years to 5 years	7,074,267	5,592,276	854,597	627,393	7,305,938	5,755,275	933,053	617,609
> 5 years	19,860,401	17,233,039	1,552,195	1,075,166	19,327,501	17,017,623	1,497,122	812,755
Total for Residual Maturity	¥ 63,680,692	¥ 54,473,748	¥ 4,422,096	¥ 4,784,847	¥ 59,638,311	¥ 49,900,320	¥ 5,491,941	¥ 4,246,049

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.

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

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, 2023		FY2022	As of March 31, 2022		FY2021
	Term-end balance of exposures	Allowances for loan losses	Write-offs	Term-end balance of exposures	Allowances for loan losses	Write-offs
Japan	¥ 127,585	¥ 44,531	¥ 43,581	¥ 184,932	¥ 78,127	¥ 10,974
Outside Japan	36,395	7,282	2,543	54,258	7,989	2,675
Total for Geographic Regions	¥ 163,981	¥ 51,814	¥ 46,125	¥ 239,191	¥ 86,116	¥ 13,650
Manufacturing	64,889	35,706	39,494	101,488	60,168	5,743
Agriculture and Forestry	127	77	—	144	86	—
Fisheries	0	0	—	3	3	—
Mining and Quarrying of Stones and Gravel	10	1	—	10	1	—
Construction	814	561	6	599	458	24
Electricity, Gas, Heat Supply and Water	17	0	—	41	0	—
Information and Communication	83	68	2	88	72	4
Transport and Postal Activities	1,826	741	16	2,501	791	5
Wholesale and Retail Trade	2,462	1,143	2	8,226	5,779	6
Finance and Insurance	345	64	39	1,636	264	5
Real Estate	10,651	213	125	15,142	709	171
Goods Rental and Leasing	205	118	2,465	3,136	2,710	0
Local Public Bodies	—	—	—	—	—	—
Individuals	38,212	2,324	1,391	44,953	4,057	4,972
Others	44,335	10,791	2,582	61,218	11,012	2,717
Total for Industry Sectors	¥ 163,981	¥ 51,814	¥ 46,125	¥ 239,191	¥ 86,116	¥ 13,650

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	
	2023	2022
< 1 month	¥ 55,832	¥ 57,015
≥ 1 month to < 2 months	11,027	11,072
≥ 2 months to < 3 months	10,419	9,053
≥ 3 months	—	—
Total	¥ 77,280	¥ 77,141

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	
	2023	2022
Amounts of Increased Allowances for Such Exposures Due to the Restructuring of the Loan Conditions	¥ 46,391	¥ 80,131
Other Amounts	—	—
Term-end Balance of Exposures	¥ 46,391	¥ 80,131

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	
	2023	2022
Total exposures relating to funds	¥ 1,364,618	¥ 1,163,332
Look-through Approach	999,434	803,115
Mandate-based Approach	365,079	360,100
Probability Approach (subject to 250% risk weight)	—	—
Probability Approach (subject to 400% risk weight)	—	—
Fall-Back Approach (subject to 1,250% risk weight)	104	115

Note: Exposures subject to the calculation of credit risk-weighted assets under the provisions of Article 76-5 and 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, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Credit risk (excluding counterparty credit risk)	¥ 13,446,715	¥ 12,355,554	¥ 1,134,377	¥ 1,042,867
2	of Which: Standardised Approach (SA)	540,033	396,270	43,202	31,701
3	of Which: Internal Ratings-Based (IRB) Approach	12,216,740	11,338,133	1,035,979	961,473
	of Which: Significant investments in commercial entities	—	—	—	—
	of Which: Lease residual value	138,902	66,079	11,112	5,286
	Other assets	551,038	555,070	44,083	44,405
4	Counterparty credit risk (CCR)	1,234,326	1,271,434	100,608	103,802
5	of Which: Standardised Approach for Counterparty Credit Risk (SA-CCR)	—	—	—	—
	of Which: Current Exposure Method (CEM)	375,138	408,955	31,795	34,671
6	of Which: Expected Positive Exposure (EPE)	—	—	—	—
	of Which: Credit Valuation Adjustment (CVA)	644,308	659,988	51,544	52,799
	of Which: Central Counterparty (CCP)	76,398	55,007	6,111	4,400
	Others	138,481	147,482	11,156	11,930
7	Equity positions in banking book under market-based approach	279,851	207,882	23,731	17,628
8	Equity investment in funds (Look-Through Approach (LTA))	1,987,297	893,938	158,983	71,515
9	Equity investment in funds (Mandate-Based Approach (MBA))	1,561,034	1,228,579	124,882	98,286
	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)	1,311	1,448	104	115
10	Settlement risk	—	—	—	—
12	Securitisation exposures in banking book	320,847	357,010	25,667	28,560
13	of Which: Internal Rating-Based Approach (SEC-IRBA)	303,454	341,805	24,276	27,344
14	of Which: External Rating-Based Approach (SEC-ERBA)	17,232	14,852	1,378	1,188
15	of Which: Standardised Approach (SEC-SA)	—	—	—	—
	of Which: Subject to 1,250% risk weight	160	352	12	28
16	Market risk	1,794,366	1,252,756	143,549	100,220
17	of Which: Standardised Approach (SA)	38,300	17,900	3,064	1,432
18	of Which: Internal Model Approaches (IMA)	1,756,065	1,234,856	140,485	98,788
19	Operational risk	831,832	806,414	66,546	64,513
20	of Which: Basic Indicator Approach (BIA)	132,991	129,679	10,639	10,374
21	of Which: The Standardised Approach (TSA)	—	—	—	—
22	of Which: Advanced Measurement Approach (AMA)	698,841	676,735	55,907	54,138
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	407,314	468,441	34,540	39,723
	Amounts included under transitional arrangements	—	—	—	—
24	Floor adjustment	—	—	—	—
25	Total (after applying scaling factor)	¥ 22,662,408	¥ 19,590,422	¥ 1,812,992	¥ 1,567,233

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, 2023						
	a	b	c	d	e	f	g
	Carrying values of items						
	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	¥ 21,522,753	¥ 21,522,753	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	24,006	24,006	—	—	—	—	—
Receivables under Resale Agreements	110,003	—	110,003	—	—	—	—
Receivables under Securities Borrowing Transactions	436,093	—	436,093	—	—	—	—
Monetary Claims Bought	970,058	856,703	—	113,354	—	—	—
Trading Assets	1,514,603	—	1,448,705	—	1,514,603	—	—
Money Held in Trust	1,442	1,442	—	—	—	—	—
Securities	6,804,176	6,101,417	—	702,758	—	—	—
Loans and Bills Discounted	31,810,926	31,428,425	—	382,500	—	—	—
Foreign Exchanges	47,445	47,445	—	—	—	—	—
Lease Receivables and Investment Assets	688,933	688,933	—	—	—	—	—
Other Assets	3,781,008	506,710	2,675,996	9,660	1,739,276	588,641	—
Tangible Fixed Assets	230,096	230,096	—	—	—	—	—
Intangible Fixed Assets	108,362	30,629	—	—	—	77,733	—
Assets for Retirement Benefits	232,599	71,236	—	—	—	161,362	—
Deferred Tax Assets	22,951	22,543	—	—	—	408	—
Customers' Liabilities for Acceptances and Guarantees	562,523	562,523	—	—	—	—	—
Allowance for Loan Losses	(129,998)	(129,998)	—	—	—	—	—
Total Assets	¥ 68,737,987	¥ 61,964,870	¥ 4,670,799	¥ 1,208,273	¥ 3,253,880	¥ 828,146	
Liabilities:							
Deposits	¥ 35,417,923	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 35,417,923
Negotiable Certificates of Deposit	7,520,005	—	—	—	—	—	7,520,005
Call Money and Bills Sold	1,912,878	—	—	—	—	—	1,912,878
Payables under Repurchase Agreements	1,030,780	—	1,030,780	—	—	—	—
Trading Liabilities	1,472,636	—	1,472,636	—	1,472,657	—	—
Borrowed Money	6,629,543	—	—	—	—	6,629,543	—
Foreign Exchanges	847	—	—	—	—	847	—
Short-Term Bonds Payable	2,332,377	—	—	—	—	2,332,377	—
Bonds Payable	1,911,760	—	—	—	—	1,911,760	—
Borrowed Money from Trust Account	4,332,472	—	—	—	—	4,332,472	—
Other Liabilities	3,019,064	—	2,304,121	—	1,932,401	714,942	—
Provision for Bonuses	12,902	—	—	—	—	12,902	—
Provision for Directors' Bonuses	95	—	—	—	—	95	—
Provision for Stocks Payment	810	—	—	—	—	810	—
Liabilities for Retirement Benefits	11,442	—	—	—	—	11,442	—
Provision for Reward Points Program	21,282	—	—	—	—	21,282	—
Provision for Reimbursement of Deposits	3,028	—	—	—	—	3,028	—
Provision for Contingent Losses	1,344	—	—	—	—	1,344	—
Deferred Tax Liabilities	73,663	—	—	—	—	73,663	—
Deferred Tax Liabilities for Land Revaluation	2,381	—	—	—	—	2,381	—
Acceptances and Guarantees	562,523	—	—	—	—	562,523	—
Total Liabilities	¥ 66,269,765	¥ —	¥ 4,807,539	¥ —	¥ 3,405,058	¥ 61,462,226	

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, 2022						
	a	b	c	d	e	f	g
	Carrying values of items						
	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	¥ 18,142,775	¥ 18,142,775	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	5,000	5,000	—	—	—	—	—
Receivables under Resale Agreements	150,741	—	150,741	—	—	—	—
Receivables under Securities Borrowing Transactions	652,534	—	652,534	—	—	—	—
Monetary Claims Bought	854,093	749,019	—	105,073	—	—	—
Trading Assets	967,565	—	954,747	—	967,565	—	—
Money Held in Trust	1,395	1,395	—	—	—	—	—
Securities	7,748,019	7,149,882	—	598,136	—	—	—
Loans and Bills Discounted	30,876,507	30,511,438	—	365,069	—	—	—
Foreign Exchanges	29,494	29,494	—	—	—	—	—
Lease Receivables and Investment Assets	688,141	688,141	—	—	—	—	—
Other Assets	3,302,723	109,357	2,562,911	1,570	1,500,702	628,884	—
Tangible Fixed Assets	231,770	231,770	—	—	—	—	—
Intangible Fixed Assets	100,109	26,912	—	—	—	73,197	—
Assets for Retirement Benefits	192,204	58,866	—	—	—	133,337	—
Deferred Tax Assets	25,791	25,341	—	—	—	450	—
Customers' Liabilities for Acceptances and Guarantees	541,228	541,228	—	—	—	—	—
Allowance for Loan Losses	(163,369)	(163,369)	—	—	—	—	—
Total Assets	¥ 64,346,726	¥ 58,107,254	¥ 4,320,935	¥ 1,069,850	¥ 2,468,267	¥ 835,868	—
Liabilities:							
Deposits	¥ 33,271,789	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 33,271,789
Negotiable Certificates of Deposit	6,691,944	—	—	—	—	6,691,944	—
Call Money and Bills Sold	799,524	—	—	—	—	799,524	—
Payables under Repurchase Agreements	1,485,033	—	1,485,033	—	—	—	—
Trading Liabilities	906,686	—	906,686	—	906,686	—	—
Borrowed Money	7,783,498	—	—	—	—	7,783,498	—
Foreign Exchanges	1,275	—	—	—	—	1,275	—
Short-Term Bonds Payable	2,387,553	—	—	—	—	2,387,553	—
Bonds Payable	1,446,604	—	—	—	—	1,446,604	—
Borrowed Money from Trust Account	4,298,827	—	—	—	—	4,298,827	—
Other Liabilities	2,279,211	—	1,732,753	—	1,571,382	546,457	—
Provision for Bonuses	12,668	—	—	—	—	12,668	—
Provision for Directors' Bonuses	98	—	—	—	—	98	—
Provision for Stocks Payment	569	—	—	—	—	569	—
Liabilities for Retirement Benefits	11,380	—	—	—	—	11,380	—
Provision for Reward Points Program	19,965	—	—	—	—	19,965	—
Provision for Reimbursement of Deposits	3,626	—	—	—	—	3,626	—
Provision for Contingent Losses	1,649	—	—	—	—	1,649	—
Deferred Tax Liabilities	52,690	—	—	—	—	52,690	—
Deferred Tax Liabilities for Land Revaluation	2,388	—	—	—	—	2,388	—
Acceptances and Guarantees	541,228	—	—	—	—	541,228	—
Total Liabilities	¥ 61,998,216	¥ —	¥ 4,124,474	¥ —	¥ 2,478,068	¥ 57,873,742	—

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

LI2		Millions of Yen				
		March 31, 2023				
		a	b	c	d	e
		Item No.	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	¥ 67,909,841	¥ 61,964,870	¥ 4,670,799	¥ 1,208,273	¥ 3,253,880
2	Liabilities carrying value amount under scope of regulatory consolidation	4,807,539	—	4,807,539	—	3,405,058
3	Total net amount under regulatory scope of consolidation	63,102,302	61,964,870	(136,739)	1,208,273	(151,178)
4	Off-balance sheet amounts	5,146,801	4,816,845	—	329,956	—
5	Differences due to netting, the exposure calculation method, etc.	3,173,161	—	3,839,858	—	(666,697)
6	Differences due to consideration of allowances and write-offs	23,682	23,682	—	—	—
7	Other	48,363	48,363	—	—	—
8	Regulatory exposure amounts	71,494,311	66,853,762	3,703,118	1,538,229	(817,875)

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 8.

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: Differences due to taking into account off-balance sheet amounts, 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, 2022				
		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	¥ 63,510,857	¥ 58,107,254	¥ 4,320,935	¥ 1,069,850	¥ 2,468,267
2	Liabilities carrying value amount under scope of regulatory consolidation	4,124,474	—	4,124,474	—	2,478,068
3	Total net amount under regulatory scope of consolidation	59,386,383	58,107,254	196,460	1,069,850	(9,801)
4	Off-balance sheet amounts	4,268,179	3,934,062	—	334,117	—
5	Differences due to netting, the exposure calculation method, etc.	2,753,459	—	2,866,381	—	(112,922)
6	Differences due to consideration of allowances and write-offs	30,373	30,373	—	—	—
7	Other	56,041	56,041	—	—	—
8	Regulatory exposure amounts	66,494,437	62,127,732	3,062,842	1,403,967	(122,723)

- 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 8.
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: Differences due to off-balance sheet amounts, consideration of allowances and write-offs, and other adjustments such as deferred tax assets (temporary differences)
 - 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, 2023			
		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	¥ 152,107	¥ 31,251,411	¥ 116,064	¥ 31,287,455
2	Debt Securities	0	3,553,686	—	3,553,686
3	Other on-balance sheet assets (debt-based assets)	13,832	23,208,918	13,216	23,209,533
4	Total on-balance sheet assets (1+2+3)	165,939	58,014,016	129,281	58,050,675
Off-balance sheet assets					
5	Acceptances and Guarantees, etc.	113	562,410	716	561,806
6	Commitments, etc.	42	5,040,259	1,344	5,038,957
7	Total off-balance sheet assets (5+6)	156	5,602,669	2,061	5,600,764
Total					
8	Total (4+7)	¥ 166,095	¥ 63,616,686	¥ 131,342	¥ 63,651,440

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, 2022			
		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	¥ 227,989	¥ 30,269,561	¥ 147,852	¥ 30,349,699
2	Debt Securities	749	4,663,271	—	4,664,020
3	Other on-balance sheet assets (debt-based assets)	16,124	19,689,885	14,630	19,691,380
4	Total on-balance sheet assets (1+2+3)	244,863	54,622,718	162,482	54,705,099
Off-balance sheet assets					
5	Acceptances and Guarantees, etc.	143	541,084	886	540,341
6	Commitments, etc.	1,367	4,328,591	1,649	4,328,309
7	Total off-balance sheet assets (5+6)	1,510	4,869,676	2,536	4,868,651
Total					
8	Total (4+7)	¥ 246,374	¥ 59,492,395	¥ 165,019	¥ 59,573,751

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, 2023
		Amounts
1	Stock of defaulted loans and debt securities at the end of the previous fiscal year	¥ 244,863
2	Of which: Newly defaulted	28,466
3	Changes in stock of loans and debt securities	Of which: Returning to non-defaulted status 31,137
4	for each factor during the fiscal year	Of which: Written-offs 46,489
5	Of which: Other factors	(29,763)
6	Stock of defaulted loans and debt securities at the end of the fiscal year (1+2-3-4+5)	165,939

Notes: 1. The end of the previous fiscal year indicates March 31, 2022, and the end of the fiscal year indicates March 31, 2023.

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, 2022
		Amounts
1	Stock of defaulted loans and debt securities at the end of the previous fiscal year	¥ 161,273
2	Of which: Newly defaulted	131,922
3	Changes in stock of loans and debt securities	Of which: Returning to non-defaulted status 10,117
4	for each factor during the fiscal year	Of which: Written-offs 10,962
5	Of which: Other factors	(27,251)
6	Stock of defaulted loans and debt securities at the end of the fiscal year (1+2-3-4+5)	244,863

Notes: 1. The end of the previous fiscal year indicates March 31, 2021, and the end of the fiscal year indicates March 31, 2022.

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, 2023				
		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	¥ 29,922,767	¥ 1,364,687	¥ 396,547	¥ 278,130	¥ —
2	Debt Securities	3,553,686	—	—	—	—
3	Other on-balance sheet assets (debt-based assets)	23,209,423	110	101	4	—
4	Total (1+2+3)	¥ 56,685,877	¥ 1,364,798	¥ 396,648	¥ 278,134	¥ —
5	Of which defaulted	109,760	7,419	6,600	—	—

CR3 Item No.		Millions of Yen				
		March 31, 2022				
		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	¥ 29,144,608	¥ 1,205,090	¥ 336,640	¥ 164,745	¥ —
2	Debt Securities	4,645,034	18,986	—	18,900	—
3	Other on-balance sheet assets (debt-based assets)	19,691,285	94	91	3	—
4	Total (1+2+3)	¥ 53,480,928	¥ 1,224,171	¥ 336,731	¥ 183,648	¥ —
5	Of which defaulted	161,567	5,861	4,555	—	—

CR4: Standardised approach – Credit risk exposure and Credit risk mitigation (CRM) effects

Item No.	Asset classes	Millions of Yen, % March 31, 2023					
		a		b		c	
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		Credit RWA amount	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		RWA density
1	Cash	¥ 35	¥ —	¥ 35	¥ —	¥ —	—%
2	Government of Japan and Bank of Japan (BOJ)	60	—	60	—	—	—
3	Foreign central governments and foreign central banks	274,205	—	274,205	—	27,209	9.92
4	Bank for International Settlements, etc.	—	—	—	—	—	—
5	Local governments of Japan	—	—	—	—	—	—
6	Foreign non-central government public sector entities (PSEs)	21,925	—	21,925	—	21,925	100.00
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	231,451	—	231,451	—	131,462	56.79
12	Corporates, etc.	346,098	120,772	346,098	13,741	359,434	99.88
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	79.69
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	¥ 873,777	¥ 120,772	¥ 873,777	¥ 13,741	¥ 540,033	60.84%

CR4		Millions of Yen, %					
		March 31, 2022					
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	¥ 36	¥ —	¥ 36	¥ —	¥ —	—%
2	Government of Japan and Bank of Japan (BOJ)	60	—	60	—	—	—
3	Foreign central governments and foreign central banks	272,010	—	272,010	—	17,736	6.52
4	Bank for International Settlements, etc.	—	—	—	—	—	—
5	Local governments of Japan	—	—	—	—	—	—
6	Foreign non-central government public sector entities (PSEs)	13,898	—	13,898	—	13,898	100.00
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	172,997	—	172,997	—	73,590	42.53
12	Corporates, etc.	279,092	135,587	279,092	12,053	291,045	99.96
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	—	0	146.97
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	¥ 738,094	¥ 135,587	¥ 738,094	¥ 12,053	¥ 396,270	52.82%

CR5: Standardised approach – Exposures by asset classes and risk weights

CR5		Millions of Yen											
		March 31, 2023											
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	¥	35	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	35
2	Government of Japan and Bank of Japan (BOJ)		60	—	—	—	—	—	—	—	—	—	60
3	Foreign central governments and foreign central banks		219,785	—	—	—	54,419	—	—	—	—	—	274,205
4	Bank for International Settlements, etc.		—	—	—	—	—	—	—	—	—	—	—
5	Local governments of Japan		—	—	—	—	—	—	—	—	—	—	—
6	Foreign non-central government public sector entities (PSEs)		—	—	—	—	—	—	21,925	—	—	—	21,925
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		—	—	120,654	—	6,931	—	103,865	—	—	—	231,451
12	Corporates, etc.		—	—	—	—	811	—	359,028	—	—	—	359,840
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	—	—	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	¥	219,880	¥ —	¥ 120,654	¥ —	¥ 62,163	¥ —	¥ 484,820	¥ 0	¥ —	¥ —	¥ 887,519

CR5		Millions of Yen												
		March 31, 2022												
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	¥	36	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	36
2	Government of Japan and Bank of Japan (BOJ)		60	—	—	—	—	—	—	—	—	—	—	60
3	Foreign central governments and foreign central banks		236,538	—	—	—	35,472	—	—	—	—	—	—	272,010
4	Bank for International Settlements, etc.		—	—	—	—	—	—	—	—	—	—	—	—
5	Local governments of Japan		—	—	—	—	—	—	—	—	—	—	—	—
6	Foreign non-central government public sector entities (PSEs)		—	—	—	—	—	—	13,898	—	—	—	—	13,898
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		—	—	120,188	—	6,511	—	46,297	—	—	—	—	172,997
12	Corporates, etc.		—	—	—	—	201	—	290,944	—	—	—	—	291,146
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	—	—	—	0
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	¥	236,634	¥ —	¥ 120,188	¥ —	¥ 42,184	¥ —	¥ 351,140	¥ 0	¥ —	¥ —	¥ —	750,148

CR6: IRB – Credit risk exposures by portfolio and PD range

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2023											
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	¥ 2,449,235	¥ 33	75.00%	¥ 2,460,278	0.00%	0.0	33.13%	2.2	¥ 25,715	1.04%	¥ 16	
2	0.15 to < 0.25	824	—	—	293	0.20	0.0	33.14	3.7	120	41.14	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	2,450,059	33	75.00	2,460,571	0.00	0.0	33.13	2.2	25,835	1.04	16	¥ 33
Sovereign exposures (Foundation Internal Ratings-Based Approach (FIRB))													
1	0.00 to < 0.15	22,230,617	207,623	75.17	22,386,706	0.00	0.1	44.99	1.0	117,747	0.52	141	
2	0.15 to < 0.25	0	—	—	0	0.20	0.0	45.00	1.0	0	30.44	0	
3	0.25 to < 0.50	12,483	0	75.00	12,483	0.29	0.0	45.00	3.8	9,069	72.64	16	
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	22,243,100	207,623	75.17	22,399,190	0.00	0.1	44.99	1.0	126,816	0.56	158	300
Financial Institution exposures (AIRB)													
1	0.00 to < 0.15	487,600	—	—	496,343	0.05	0.0	31.71	2.5	93,661	18.87	87	
2	0.15 to < 0.25	44,000	9,000	75.00	50,750	0.20	0.0	33.14	1.2	12,391	24.41	34	
3	0.25 to < 0.50	11,285	7,575	86.79	17,860	0.49	0.0	33.14	1.3	7,364	41.23	29	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	6,394	2,116	90.35	8,306	1.48	0.0	33.14	1.1	5,313	63.97	40	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	549,279	18,691	81.52	573,259	0.10	0.0	31.90	2.4	118,731	20.71	191	323
Financial Institution exposures (FIRB)													
1	0.00 to < 0.15	219,348	136,795	75.00	321,945	0.06	0.0	47.49	2.2	95,488	29.65	94	
2	0.15 to < 0.25	21,819	—	—	21,819	0.20	0.0	74.56	1.7	13,656	62.58	33	
3	0.25 to < 0.50	4,018	—	—	4,018	0.31	0.0	45.00	0.0	1,208	30.07	5	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	3,354	—	—	3,354	1.31	0.0	45.00	2.7	3,669	109.40	19	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	248,540	136,795	75.00	351,137	0.08	0.0	49.12	2.1	114,023	32.47	153	89

CR6		Millions of Yen, %, 1,000 cases, Year											
Item No.	PD scale	March 31, 2023											
		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	¥ 7,333,421	¥ 2,866,609	75.97%	¥ 9,634,156	0.07%	0.7	32.28%	2.5	¥ 1,793,227	18.61%	¥ 2,371	
2	0.15 to < 0.25	1,881,814	447,238	74.73	2,176,781	0.20	0.3	31.75	2.2	692,236	31.80	1,412	
3	0.25 to < 0.50	2,342,885	639,487	74.85	2,816,888	0.39	1.1	31.29	2.0	1,158,048	41.11	3,463	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	872,287	120,799	73.66	919,094	1.58	0.7	28.89	2.2	598,683	65.13	4,238	
6	2.50 to < 10.00	72,455	7,689	78.60	80,888	7.45	0.0	26.63	1.8	78,828	97.45	1,609	
7	10.00 to < 100.00	21,211	430	100.00	8,735	18.41	0.0	32.88	1.0	13,957	159.77	529	
8	100.00 (Default)	67,779	—	—	69,735	100.00	0.0	33.13	1.0	32,676	46.85	20,495	
9	Sub-total	12,591,854	4,082,255	75.60	15,706,279	0.73	3.0	31.81	2.3	4,367,657	27.80	34,118	¥ 73,919
Corporate exposures (excluding SME exposures and specialised lending) (FIRB)													
1	0.00 to < 0.15	847,072	280,692	81.54	1,081,505	0.07	0.7	51.47	2.8	368,763	34.09	424	
2	0.15 to < 0.25	37,573	34,381	100.00	72,113	0.20	0.3	55.77	2.4	46,451	64.41	82	
3	0.25 to < 0.50	557,465	105,236	74.69	635,711	0.34	1.4	45.86	2.9	421,163	66.25	978	
4	0.50 to < 0.75	121,441	30,607	75.00	144,397	0.62	0.0	44.94	3.3	130,866	90.62	407	
5	0.75 to < 2.50	422,269	25,202	74.39	440,947	1.43	1.4	43.00	3.8	520,027	117.93	2,704	
6	2.50 to < 10.00	116,738	2,338	70.95	118,383	5.37	0.2	43.33	4.2	199,275	168.32	2,724	
7	10.00 to < 100.00	64,966	—	—	64,966	27.91	0.0	44.86	4.1	170,955	263.14	8,131	
8	100.00 (Default)	26,775	0	0.00	32,407	100.00	0.0	43.78	1.0	0	0.00	14,189	
9	Sub-total	2,194,302	478,459	80.51	2,590,433	2.59	4.5	47.77	3.1	1,857,503	71.70	29,643	17,781
SME exposures (AIRB)													
1	0.00 to < 0.15	68,309	5,150	75.00	68,171	0.12	0.0	30.84	1.7	11,260	16.51	26	
2	0.15 to < 0.25	121,534	2,999	75.00	98,370	0.20	0.0	30.01	3.3	29,884	30.37	60	
3	0.25 to < 0.50	112,953	10,728	94.24	111,756	0.43	0.0	24.14	2.9	33,009	29.53	110	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	114,459	14,659	76.91	122,439	1.63	0.1	22.95	2.8	59,910	48.93	445	
6	2.50 to < 10.00	7,979	405	63.10	8,235	7.34	0.0	21.13	1.2	4,888	59.36	129	
7	10.00 to < 100.00	249	—	—	249	18.41	0.0	12.38	1.6	123	49.72	5	
8	100.00 (Default)	1,891	—	—	1,950	100.00	0.0	26.59	1.0	722	37.04	460	
9	Sub-total	427,376	33,942	81.76	411,173	1.30	0.3	26.24	2.7	139,799	34.00	1,238	1,651
SME exposures (FIRB)													
1	0.00 to < 0.15	5,033	—	—	5,033	0.12	0.0	74.79	4.9	4,006	79.59	4	
2	0.15 to < 0.25	44	—	—	44	0.20	0.0	44.98	1.0	11	26.67	0	
3	0.25 to < 0.50	103,562	3,877	75.00	105,048	0.49	0.6	37.66	4.4	64,077	60.99	193	
4	0.50 to < 0.75	1,290	—	—	1,290	0.62	0.0	40.00	4.9	967	75.01	3	
5	0.75 to < 2.50	282,835	4,890	75.66	284,287	1.66	1.5	39.48	4.7	263,520	92.69	1,870	
6	2.50 to < 10.00	5,839	—	—	5,997	7.24	0.0	39.53	4.0	7,524	125.45	169	
7	10.00 to < 100.00	2,131	—	—	2,131	18.41	0.0	45.00	1.2	4,223	198.19	176	
8	100.00 (Default)	3,840	59	0.00	3,928	100.00	0.0	39.43	1.0	0	0.00	1,549	
9	Sub-total	404,577	8,828	74.85	407,761	2.45	2.3	39.48	4.5	344,332	84.44	3,967	281

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2023											
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	¥ 1,426,193	¥ 185,780	75.07%	¥ 1,565,675	0.08%	0.3	27.84%	4.1	¥ 385,920	24.64%	¥ 400	
2	0.15 to < 0.25	89,724	43,093	75.00	122,044	0.20	0.0	31.37	4.1	53,644	43.95	78	
3	0.25 to < 0.50	866,367	188,471	75.13	1,007,982	0.31	0.2	24.12	4.4	408,044	40.48	772	
4	0.50 to < 0.75	199,718	46,118	73.58	233,656	0.65	0.0	24.66	4.4	129,339	55.35	375	
5	0.75 to < 2.50	337,240	45,194	72.26	369,902	1.50	0.0	24.99	3.2	231,374	62.55	1,379	
6	2.50 to < 10.00	61,948	42,880	73.51	93,470	4.00	0.0	25.68	3.5	80,057	85.64	1,001	
7	10.00 to < 100.00	106,651	18,393	75.00	120,445	18.87	0.0	32.87	3.0	204,182	169.52	7,772	
8	100.00 (Default)	4,281	—	—	4,287	100.00	0.0	30.74	1.0	1,836	42.84	1,171	
9	Sub-total	3,092,126	569,931	74.62	3,517,465	1.21	0.8	26.51	4.1	1,494,401	42.48	12,952	¥ 4,380
Specialised lending (FIRB)													
1	0.00 to < 0.15	4,764	—	—	4,764	0.09	0.2	45.00	1.0	831	17.45	2	
2	0.15 to < 0.25	87	—	—	87	0.20	0.0	45.00	1.0	26	30.44	0	
3	0.25 to < 0.50	3,413	—	—	3,413	0.31	0.2	45.00	1.0	1,363	39.94	4	
4	0.50 to < 0.75	842	—	—	842	0.65	0.0	45.00	1.0	505	59.98	2	
5	0.75 to < 2.50	1,113	—	—	1,113	1.30	0.0	45.00	1.0	896	80.49	6	
6	2.50 to < 10.00	165	—	—	165	4.87	0.0	45.00	1.0	212	128.34	3	
7	10.00 to < 100.00	724	—	—	724	15.43	0.0	45.00	1.0	1,459	201.45	50	
8	100.00 (Default)	0	—	—	0	100.00	0.0	45.00	1.0	0	0.00	0	
9	Sub-total	11,111	—	—	11,111	1.40	0.6	45.00	1.0	5,295	47.65	70	—
Equity exposures (PD/LGD Approach)													
1	0.00 to < 0.15	990,817	—	—	582,512	0.07	0.2	90.00	5.0	674,946	115.86	—	
2	0.15 to < 0.25	126,534	—	—	83,750	0.20	0.1	90.00	5.0	122,499	146.26	—	
3	0.25 to < 0.50	79,647	—	—	47,719	0.36	0.3	90.00	5.0	86,640	181.56	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	22,526	—	—	18,760	1.64	0.2	90.00	5.0	57,075	304.22	—	
6	2.50 to < 10.00	4,805	—	—	3,902	7.20	0.0	90.00	5.0	16,615	425.72	—	
7	10.00 to < 100.00	100	—	—	100	18.41	0.0	90.00	5.0	730	726.62	—	
8	100.00 (Default)	60	—	—	60	100.00	0.0	90.00	5.0	675	1,125.00	—	
9	Sub-total	1,224,492	—	—	736,806	0.19	1.0	90.00	5.0	959,183	130.18	—	
Purchased receivables for corporates, etc. (default risk) (AIRB)													
1	0.00 to < 0.15	9,250	—	—	9,250	0.09	0.0	33.14	3.8	2,846	30.77	3	
2	0.15 to < 0.25	6,000	—	—	6,000	0.20	0.0	33.14	4.0	2,610	43.51	4	
3	0.25 to < 0.50	23,939	—	—	23,939	0.42	0.0	31.34	3.2	12,075	50.44	32	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	53,297	—	—	53,297	1.50	0.0	33.05	3.7	47,031	88.24	265	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	510	—	—	510	18.41	0.0	33.14	1.8	853	167.24	31	
8	100.00 (Default)	4,641	—	—	4,641	100.00	0.0	33.14	1.0	2,175	46.86	1,364	
9	Sub-total	97,640	—	—	97,640	5.80	0.0	32.65	3.5	67,592	69.22	1,700	7

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2023											
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	¥ 915	¥ —	—%	¥ 915	0.12%	0.0	100.00%	1.0	¥ 454	49.70%	¥ —	—
2	0.15 to < 0.25	2,280	—	—	2,280	0.22	0.0	100.00	1.0	1,631	71.54	—	—
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	3,195	—	—	3,195	0.19	0.0	100.00	1.0	2,086	65.29	—	¥ —
Purchased receivables for corporates, etc. (default risk) (FIRB)													
1	0.00 to < 0.15	440,066	4,956	100.00	445,023	0.05	0.2	45.00	1.1	58,399	13.12	111	—
2	0.15 to < 0.25	78,866	—	—	78,866	0.20	0.1	45.00	1.0	24,419	30.96	72	—
3	0.25 to < 0.50	145,132	6,677	75.00	150,140	0.37	1.2	45.00	1.3	70,878	47.20	250	—
4	0.50 to < 0.75	1,688	1,669	75.00	2,940	0.62	0.0	45.00	4.9	3,140	106.78	8	—
5	0.75 to < 2.50	87,488	—	—	87,488	1.53	3.7	45.00	1.1	72,700	83.09	604	—
6	2.50 to < 10.00	4,653	—	—	4,653	6.49	0.5	45.00	1.0	6,816	146.47	135	—
7	10.00 to < 100.00	0	6,009	75.00	4,507	13.43	0.0	45.00	4.9	10,907	242.00	272	—
8	100.00 (Default)	4,731	—	—	4,731	100.00	0.0	45.00	1.0	0	0.00	2,129	—
9	Sub-total	762,627	19,312	81.41	778,351	1.02	5.9	45.00	1.2	247,262	31.76	3,585	419
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (FIRB)													
1	0.00 to < 0.15	539,930	18,110	81.84	554,752	0.07	0.6	90.10	1.1	166,445	30.00	23	—
2	0.15 to < 0.25	53,995	—	—	53,995	0.21	0.1	99.23	1.0	38,201	70.74	0	—
3	0.25 to < 0.50	18,576	1,201	75.00	19,478	0.43	0.0	83.25	1.5	19,151	98.32	8	—
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	—
5	0.75 to < 2.50	1,891	—	—	1,891	0.99	0.0	90.04	1.2	6,208	328.24	2	—
6	2.50 to < 10.00	954	—	—	954	3.54	0.0	100.00	1.0	2,464	258.33	—	—
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	—
9	Sub-total	615,348	19,312	81.41	631,071	0.10	0.8	90.69	1.1	232,471	36.83	34	—
Purchased receivables for retail (default risk)													
1	0.00 to < 0.15	—	—	—	—	—	—	—	—	—	—	—	—
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	—
3	0.25 to < 0.50	20,381	—	—	20,381	0.29	24.3	72.13	—	7,750	38.02	43	—
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	20,381	—	—	20,381	0.29	24.3	72.13	—	7,750	38.02	43	51

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2023											
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	¥ 37,673	26.78%	¥ 10,089	0.09%	41.3	58.93%	—	¥ 343	3.40%	¥ 5	
2	0.15 to < 0.25	44,899	673,196	11.22	120,479	0.21	185.7	71.83	—	9,918	8.23	188	
3	0.25 to < 0.50	20,354	989,063	7.16	91,241	0.35	128.4	76.32	—	11,711	12.83	244	
4	0.50 to < 0.75	41,639	272,152	11.22	72,194	0.53	88.0	71.83	—	12,167	16.85	276	
5	0.75 to < 2.50	11,696	195,865	12.34	35,869	1.12	102.8	70.89	—	10,440	29.10	285	
6	2.50 to < 10.00	33,816	62,685	11.88	41,265	4.92	39.4	71.97	—	33,950	82.27	1,462	
7	10.00 to < 100.00	179	1,100	10.93	300	51.09	0.4	68.47	—	521	173.83	109	
8	100.00 (Default)	99	4,522	7.74	6,982	100.00	7.6	72.26	—	7,962	114.02	4,409	
9	Sub-total	152,686	2,236,260	9.80	378,421	2.78	593.9	72.50	—	87,014	22.99	6,981	8,488
Residential mortgage exposures													
1	0.00 to < 0.15	4,352,764	11,997	100.00	4,364,761	0.10	144.8	15.63	—	161,908	3.70	685	
2	0.15 to < 0.25	2,221,679	28	100.00	2,221,707	0.16	98.2	16.37	—	126,577	5.69	601	
3	0.25 to < 0.50	3,641,317	979	100.00	3,642,309	0.32	217.2	15.78	—	324,156	8.89	1,845	
4	0.50 to < 0.75	73,813	—	—	73,813	0.68	5.5	20.65	—	14,790	20.03	104	
5	0.75 to < 2.50	99,441	19	100.00	99,460	0.86	9.9	18.43	—	20,842	20.95	158	
6	2.50 to < 10.00	6,391	—	—	6,391	7.36	0.2	12.57	—	3,199	50.06	59	
7	10.00 to < 100.00	57,322	11	100.00	57,333	19.48	3.4	16.58	—	52,998	92.44	1,869	
8	100.00 (Default)	27,314	10	100.00	27,869	100.00	1.6	17.32	—	7,923	28.42	4,194	
9	Sub-total	10,480,044	13,046	100.00	10,493,647	0.57	481.1	15.91	—	712,396	6.78	9,518	25,172
Other retail exposures													
1	0.00 to < 0.15	0	20,285	21.48	4,358	0.09	18.1	18.15	—	189	4.34	0	
2	0.15 to < 0.25	177,463	—	—	177,463	0.23	52.8	69.78	—	56,582	31.88	296	
3	0.25 to < 0.50	176,430	—	—	176,430	0.36	65.5	39.07	—	42,135	23.88	262	
4	0.50 to < 0.75	400,679	123,425	27.27	434,668	0.55	235.6	35.23	—	119,035	27.38	888	
5	0.75 to < 2.50	166,117	7,026	99.67	173,120	1.26	94.3	61.55	—	117,375	67.79	1,379	
6	2.50 to < 10.00	41,982	15,008	36.79	47,505	6.28	36.1	34.67	—	25,198	53.04	1,055	
7	10.00 to < 100.00	2,673	836	92.23	3,476	35.36	0.7	32.35	—	2,562	73.70	508	
8	100.00 (Default)	8,490	1,852	29.59	17,071	100.00	9.3	47.91	—	7,674	44.95	7,565	
9	Sub-total	973,838	168,434	30.79	1,034,095	2.60	512.7	46.32	—	370,753	35.85	11,957	13,383
Lease transactions													
1	0.00 to < 0.15	201,478	—	—	201,478	0.08	0.4	45.00	2.5	49,971	24.80	72	
2	0.15 to < 0.25	134,119	—	—	134,119	0.20	0.1	45.00	3.5	73,230	54.60	123	
3	0.25 to < 0.50	55,961	—	—	55,961	0.42	0.3	45.00	2.5	36,072	64.46	107	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	39,588	—	—	39,588	1.72	0.3	45.00	2.6	40,590	102.53	307	
6	2.50 to < 10.00	9,021	—	—	9,021	5.33	0.0	45.00	2.0	13,027	144.40	216	
7	10.00 to < 100.00	15,178	—	—	15,178	18.41	0.0	45.00	3.9	36,313	239.23	1,258	
8	100.00 (Default)	112	—	—	385	100.00	0.0	45.00	1.0	0	0.00	173	
9	Sub-total	455,460	—	—	455,733	1.10	1.2	45.00	2.9	249,206	54.68	2,258	2,057
Total (all portfolios)		¥ 58,998,044	¥ 7,992,924	56.36%	¥ 63,057,728	0.57%	1,633.4	36.40%	1.9	¥ 11,530,115	18.28%	¥ 118,592	¥ 148,344

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, 2022											
		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	¥ 3,587,234	¥ 33	75.00%	¥ 3,602,414	0.00%	0.0	32.09%	1.9	¥ 27,695	0.76%	¥ 16	
2	0.15 to < 0.25	2,223	—	—	385	0.20	0.0	31.83	2.6	125	32.41	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	3,589,457	33	75.00	3,602,800	0.00	0.0	32.09	1.9	27,820	0.77	16	¥ 44
Sovereign exposures (Foundation Internal Ratings-Based Approach (FIRB))													
1	0.00 to < 0.15	18,540,535	122,103	75.34	18,651,439	0.00	0.1	44.99	1.0	101,782	0.54	123	
2	0.15 to < 0.25	0	—	—	0	0.20	0.0	45.00	1.0	0	30.44	0	
3	0.25 to < 0.50	21,628	0	75.00	12,728	0.29	0.0	45.00	3.0	8,750	68.74	16	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	10,082	—	—	82	35.80	0.0	45.00	1.0	213	258.11	13	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	18,572,246	122,103	75.34	18,664,250	0.00	0.1	44.99	1.0	110,746	0.59	154	185
Financial Institution exposures (AIRB)													
1	0.00 to < 0.15	512,156	8,500	100.00	534,878	0.05	0.0	31.10	2.8	106,014	19.82	88	
2	0.15 to < 0.25	51,000	9,000	75.00	57,750	0.20	0.0	32.10	1.3	13,788	23.87	37	
3	0.25 to < 0.50	8,800	7,575	86.79	15,375	0.49	0.0	32.10	1.0	5,762	37.48	24	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	6,277	1,996	91.28	8,099	1.43	0.0	30.58	1.4	4,803	59.31	34	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	578,233	27,071	87.35	616,102	0.09	0.0	31.21	2.6	130,368	21.16	185	343
Financial Institution exposures (FIRB)													
1	0.00 to < 0.15	158,235	113,103	75.00	243,063	0.05	0.0	48.01	1.3	52,966	21.79	70	
2	0.15 to < 0.25	1,729	—	—	1,729	0.20	0.0	71.02	2.3	1,180	68.25	2	
3	0.25 to < 0.50	22,314	—	—	22,314	0.27	0.0	58.44	1.5	14,312	64.14	36	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	3,167	—	—	3,167	1.76	0.0	45.00	3.8	4,206	132.80	25	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	185,447	113,103	75.00	270,274	0.09	0.0	48.98	1.3	72,665	26.88	134	61

CR6		Millions of Yen, %, 1,000 cases, Year											
Item No.	PD scale	March 31, 2022											
		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	¥ 7,149,077	¥ 2,801,193	76.04%	¥ 9,339,244	0.07%	0.6	31.42%	2.5	¥ 1,713,083	18.34%	¥ 2,268	
2	0.15 to < 0.25	1,722,211	466,183	75.89	2,044,349	0.20	0.3	30.61	2.1	597,443	29.22	1,278	
3	0.25 to < 0.50	2,267,134	500,491	72.10	2,629,361	0.38	1.1	30.20	2.2	1,049,116	39.90	2,997	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	998,803	202,761	70.49	1,099,367	1.58	0.7	28.36	2.2	717,185	65.23	4,930	
6	2.50 to < 10.00	66,860	11,808	79.03	78,106	7.07	0.0	24.74	1.7	67,830	86.84	1,345	
7	10.00 to < 100.00	7,590	234	75.00	6,067	18.41	0.0	23.85	2.2	7,265	119.75	266	
8	100.00 (Default)	122,147	—	—	127,932	100.00	0.0	32.09	1.0	52,602	41.11	36,851	
9	Sub-total	12,333,824	3,982,671	75.25	15,324,428	1.13	3.0	30.85	2.3	4,204,527	27.43	49,938	¥106,738
Corporate exposures (excluding SME exposures and specialised lending) (FIRB)													
1	0.00 to < 0.15	839,060	121,671	78.78	939,667	0.07	0.8	52.29	2.8	323,649	34.44	366	
2	0.15 to < 0.25	45,696	66,740	100.00	112,581	0.20	0.3	54.03	2.2	67,955	60.36	124	
3	0.25 to < 0.50	501,230	65,356	74.16	548,835	0.33	1.3	46.32	2.7	350,565	63.87	820	
4	0.50 to < 0.75	88,007	13,159	75.00	97,877	0.62	0.0	45.00	3.7	93,440	95.46	276	
5	0.75 to < 2.50	375,270	21,737	75.53	391,737	1.44	1.3	44.12	3.7	473,425	120.85	2,503	
6	2.50 to < 10.00	116,417	2,218	78.30	118,270	5.36	0.2	44.35	4.1	202,528	171.24	2,816	
7	10.00 to < 100.00	71,076	—	—	71,077	30.21	0.0	44.99	3.8	190,956	268.65	9,662	
8	100.00 (Default)	31,604	896	96.65	37,803	100.00	0.0	44.51	1.0	0	0.00	16,830	
9	Sub-total	2,068,364	291,779	82.24	2,317,850	3.22	4.2	48.52	3.0	1,702,520	73.45	33,398	18,463
SME exposures (AIRB)													
1	0.00 to < 0.15	55,704	582	75.00	54,187	0.12	0.0	30.59	2.2	11,006	20.31	20	
2	0.15 to < 0.25	102,593	—	—	96,153	0.20	0.0	30.14	3.2	28,887	30.04	59	
3	0.25 to < 0.50	85,649	7,119	90.09	89,560	0.41	0.0	24.74	2.8	27,195	30.36	88	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	111,412	18,255	76.77	122,834	1.59	0.1	21.85	2.7	56,253	45.79	418	
6	2.50 to < 10.00	6,530	111	77.53	6,616	7.34	0.0	20.54	1.5	3,898	58.91	102	
7	10.00 to < 100.00	1,292	—	—	1,292	18.41	0.0	22.32	2.8	1,281	99.16	53	
8	100.00 (Default)	1,277	—	—	1,306	100.00	0.0	21.50	1.0	349	26.71	253	
9	Sub-total	364,460	26,068	80.37	371,950	1.24	0.3	25.94	2.8	128,873	34.64	995	1,097
SME exposures (FIRB)													
1	0.00 to < 0.15	15	—	—	15	0.11	0.0	45.00	1.0	2	18.80	0	
2	0.15 to < 0.25	45	—	—	45	0.20	0.0	45.00	1.0	12	26.98	0	
3	0.25 to < 0.50	106,414	1,412	75.00	105,982	0.48	0.6	38.22	4.6	67,536	63.72	197	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	314,453	1,986	77.62	313,489	1.67	1.7	39.36	4.8	292,822	93.40	2,066	
6	2.50 to < 10.00	6,748	—	—	6,762	7.32	0.0	38.55	4.1	8,285	122.53	188	
7	10.00 to < 100.00	2,195	—	—	2,223	18.41	0.0	45.00	1.4	4,356	195.98	184	
8	100.00 (Default)	5,992	0	0.00	6,184	100.00	0.0	40.10	1.0	0	0.00	2,480	
9	Sub-total	435,864	3,399	76.52	434,703	2.95	2.5	39.11	4.7	373,016	85.80	5,117	405

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2022											
		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
Specialised lending (AIRB)													
1	0.00 to < 0.15	¥ 1,320,005	¥101,243	75.00%	¥ 1,395,938	0.08%	0.3	26.30%	4.1	¥ 312,385	22.37%	¥ 314	
2	0.15 to < 0.25	85,887	22,114	75.00	102,472	0.20	0.0	30.80	3.8	42,750	41.71	64	
3	0.25 to < 0.50	869,979	143,937	74.99	977,920	0.33	0.2	24.34	4.3	404,129	41.32	795	
4	0.50 to < 0.75	151,786	52,471	75.18	191,238	0.64	0.0	25.07	4.3	105,239	55.03	309	
5	0.75 to < 2.50	363,252	47,578	73.65	398,295	1.48	0.0	24.74	3.4	253,091	63.54	1,467	
6	2.50 to < 10.00	99,872	55,054	73.27	140,211	3.92	0.0	23.35	3.6	110,294	78.66	1,230	
7	10.00 to < 100.00	73,761	18,286	75.00	87,475	22.66	0.0	38.88	4.0	185,006	211.49	8,065	
8	100.00 (Default)	15,398	1,331	75.00	16,401	100.00	0.0	28.29	1.0	5,570	33.96	4,195	
9	Sub-total	2,979,942	442,016	74.65	3,309,953	1.61	0.8	25.82	4.1	1,418,468	42.85	16,443	¥ 5,257
Specialised lending (FIRB)													
1	0.00 to < 0.15	1,213	—	—	1,213	0.08	0.2	45.00	1.0	197	16.26	0	
2	0.15 to < 0.25	71	—	—	71	0.20	0.0	45.00	1.0	21	30.44	0	
3	0.25 to < 0.50	1,371	—	—	1,371	0.32	0.1	45.00	1.0	557	40.62	2	
4	0.50 to < 0.75	270	—	—	270	0.63	0.0	45.00	1.0	159	59.19	0	
5	0.75 to < 2.50	550	—	—	550	1.44	0.0	45.00	1.0	461	83.78	3	
6	2.50 to < 10.00	78	—	—	78	3.67	0.0	45.00	1.0	91	116.67	1	
7	10.00 to < 100.00	203	—	—	203	17.87	0.0	45.00	1.0	418	205.72	16	
8	100.00 (Default)	0	—	—	0	100.00	0.0	45.00	1.0	0	0.00	0	
9	Sub-total	3,759	—	—	3,759	1.46	0.6	45.00	1.0	1,907	50.73	24	—
Equity exposures (PD/LGD Approach)													
1	0.00 to < 0.15	1,104,134	—	—	539,199	0.07	0.3	90.00	5.0	616,046	114.25	—	
2	0.15 to < 0.25	121,984	—	—	63,337	0.20	0.1	90.00	5.0	92,724	146.39	—	
3	0.25 to < 0.50	94,437	—	—	51,148	0.36	0.3	90.00	5.0	92,865	181.56	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	36,490	—	—	28,958	1.79	0.2	90.00	5.0	89,224	308.10	—	
6	2.50 to < 10.00	3,009	—	—	2,198	6.57	0.0	90.00	5.0	9,283	422.29	—	
7	10.00 to < 100.00	415	—	—	415	18.41	0.0	90.00	5.0	2,560	616.26	—	
8	100.00 (Default)	283	—	—	160	100.00	0.0	90.00	5.0	1,804	1,125.00	—	
9	Sub-total	1,360,754	—	—	685,418	0.23	1.1	90.00	5.0	904,510	131.96	—	
Purchased receivables for corporates, etc. (default risk) (AIRB)													
1	0.00 to < 0.15	12,881	—	—	12,881	0.10	0.0	32.10	3.3	3,531	27.41	4	
2	0.15 to < 0.25	7,000	—	—	7,000	0.20	0.0	32.10	5.0	3,379	48.27	4	
3	0.25 to < 0.50	11,578	—	—	11,578	0.31	0.0	32.10	2.3	4,608	39.80	11	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	64,425	—	—	64,425	1.53	0.0	31.60	4.0	57,110	88.64	313	
6	2.50 to < 10.00	2,018	—	—	2,018	7.88	0.0	32.10	3.6	2,740	135.78	51	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	2,895	—	—	2,895	100.00	0.0	32.10	1.0	1,190	41.12	834	
9	Sub-total	100,799	—	—	100,799	4.07	0.0	31.78	3.7	72,560	71.98	1,219	488

CR6		Millions of Yen, %, 1,000 cases, Year											
Item No.	PD scale	March 31, 2022											
		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	¥ 4,442	¥ —	—%	¥ 4,442	0.12%	0.0	100.00%	1.0	¥ 2,208	49.70%	¥ —	—
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	—
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	4,442	—	—	4,442	0.12	0.0	100.00	1.0	2,208	49.70	—	¥ —
Purchased receivables for corporates, etc. (default risk) (FIRB)													
1	0.00 to < 0.15	306,276	4,019	100.00	310,295	0.06	0.2	45.00	1.0	42,010	13.53	89	—
2	0.15 to < 0.25	81,589	—	—	81,589	0.20	0.1	45.00	1.0	25,312	31.02	75	—
3	0.25 to < 0.50	112,416	2,892	75.00	114,585	0.37	1.0	45.00	1.1	51,756	45.16	192	—
4	0.50 to < 0.75	423	2,639	75.00	2,402	0.62	0.0	45.00	4.5	2,452	102.08	6	—
5	0.75 to < 2.50	47,170	—	—	47,170	1.52	3.3	45.00	1.1	38,989	82.65	323	—
6	2.50 to < 10.00	4,330	—	—	4,330	6.56	0.5	45.00	1.0	6,384	147.43	127	—
7	10.00 to < 100.00	522	—	—	522	18.41	0.0	45.00	1.0	1,140	218.32	43	—
8	100.00 (Default)	4,546	—	—	4,546	100.00	0.0	45.00	1.0	0	0.00	2,045	—
9	Sub-total	557,274	9,550	85.52	565,442	1.14	5.4	45.00	1.1	168,046	29.71	2,903	365
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (FIRB)													
1	0.00 to < 0.15	386,470	6,658	90.09	392,468	0.06	0.3	92.50	1.1	113,138	28.82	13	—
2	0.15 to < 0.25	54,292	—	—	54,292	0.21	0.1	92.00	1.0	35,343	65.09	7	—
3	0.25 to < 0.50	16,136	2,892	75.00	18,305	0.40	0.1	73.75	1.6	15,796	86.29	12	—
4	0.50 to < 0.75	18	—	—	18	0.62	0.0	45.00	1.0	10	58.78	0	—
5	0.75 to < 2.50	1,521	—	—	1,521	1.01	0.1	91.46	1.2	8,840	581.09	1	—
6	2.50 to < 10.00	3,250	—	—	3,250	6.88	0.0	100.00	1.0	10,750	330.68	—	—
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	—
9	Sub-total	461,689	9,550	85.52	469,857	0.14	0.7	91.76	1.1	183,879	39.13	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	32,046	—	—	32,046	0.30	29.5	70.83	—	12,135	37.86	69	—
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	32,046	—	—	32,046	0.30	29.5	70.83	—	12,135	37.86	69	88

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2022											
		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	¥ 39,550	27.13%	¥ 10,730	0.09%	42.7	59.37%	—	¥ 380	3.55%	¥ 6	
2	0.15 to < 0.25	41,972	706,261	11.31	121,914	0.22	197.3	70.80	—	10,120	8.30	193	
3	0.25 to < 0.50	19,951	945,124	7.43	90,210	0.35	137.6	75.96	—	11,682	12.94	244	
4	0.50 to < 0.75	34,826	242,256	11.31	62,247	0.54	79.0	70.80	—	10,488	16.84	239	
5	0.75 to < 2.50	11,201	212,375	12.36	37,469	1.15	109.8	70.10	—	10,956	29.24	302	
6	2.50 to < 10.00	31,691	62,122	12.05	39,181	4.82	38.7	70.96	—	31,356	80.03	1,341	
7	10.00 to < 100.00	188	1,166	11.09	317	48.23	0.5	67.08	—	538	169.51	107	
8	100.00 (Default)	42	3,374	8.53	7,708	100.00	8.7	71.20	—	8,856	114.89	4,779	
9	Sub-total	139,872	2,212,231	10.05	369,779	3.00	614.6	71.68	—	84,378	22.81	7,214	¥ 9,047
Residential mortgage exposures													
1	0.00 to < 0.15	4,595,396	11,505	100.00	4,606,902	0.10	154.3	17.46	—	195,407	4.24	833	
2	0.15 to < 0.25	2,156,221	28	100.00	2,156,249	0.17	96.0	17.19	—	132,592	6.14	636	
3	0.25 to < 0.50	3,535,196	1,269	100.00	3,536,476	0.33	210.5	16.56	—	338,399	9.56	1,944	
4	0.50 to < 0.75	81,937	—	—	81,937	0.69	6.1	21.18	—	17,059	20.81	121	
5	0.75 to < 2.50	95,837	19	100.00	95,857	0.89	9.9	19.15	—	21,364	22.28	164	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	62,721	4	100.00	62,726	19.28	3.6	17.40	—	60,537	96.51	2,126	
8	100.00 (Default)	32,338	14	100.00	33,402	100.00	1.8	18.54	—	9,503	28.45	5,432	
9	Sub-total	10,559,648	12,843	100.00	10,573,551	0.63	482.5	17.15	—	774,863	7.32	11,258	25,355
Other retail exposures													
1	0.00 to < 0.15	0	21,411	21.91	4,691	0.09	19.2	18.44	—	213	4.54	0	
2	0.15 to < 0.25	165,451	—	—	165,451	0.24	50.6	68.65	—	52,725	31.86	278	
3	0.25 to < 0.50	192,735	—	—	192,735	0.37	67.0	37.89	—	45,478	23.59	286	
4	0.50 to < 0.75	352,775	404	100.00	353,475	0.54	85.4	34.12	—	92,673	26.21	680	
5	0.75 to < 2.50	176,754	136,520	31.29	219,477	1.17	256.4	60.29	—	141,121	64.29	1,606	
6	2.50 to < 10.00	38,864	15,414	36.74	44,528	6.35	38.6	33.76	—	23,177	52.05	1,001	
7	10.00 to < 100.00	2,547	859	93.07	3,382	35.60	0.7	30.39	—	2,350	69.47	454	
8	100.00 (Default)	8,847	1,767	31.23	18,773	100.00	10.2	48.33	—	9,125	48.60	8,344	
9	Sub-total	937,976	176,377	31.08	1,002,517	2.83	528.4	46.44	—	366,866	36.59	12,654	15,552
Lease transactions													
1	0.00 to < 0.15	213,286	—	—	213,286	0.07	0.4	45.00	2.6	52,422	24.57	75	
2	0.15 to < 0.25	128,970	—	—	128,970	0.20	0.1	45.00	3.9	74,446	57.72	118	
3	0.25 to < 0.50	53,527	—	—	53,527	0.43	0.3	45.00	2.5	35,242	65.83	104	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	43,152	—	—	43,152	1.74	0.3	45.00	2.6	44,873	103.98	338	
6	2.50 to < 10.00	14,226	—	—	14,226	5.25	0.0	45.00	3.7	23,615	165.99	336	
7	10.00 to < 100.00	5,028	—	—	5,028	18.41	0.0	45.00	3.9	12,178	242.16	416	
8	100.00 (Default)	—	—	—	513	100.00	0.0	45.00	1.0	0	0.00	231	
9	Sub-total	458,193	—	—	458,707	0.78	1.2	45.00	3.0	242,778	52.92	1,621	5,251
Total (all portfolios)		¥ 55,724,300	¥ 7,428,799	55.05%	¥ 59,178,635	0.74%	1,675.9	35.43%	2.0	¥ 10,983,140	18.55%	¥ 143,385	¥ 188,749

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, 2023	
		a	b
Item No.	Portfolio	Pre-credit derivatives credit RWA amounts	Actual credit RWA amounts
1	Sovereign Exposures – FIRB	¥ 126,816	¥ 126,816
2	Sovereign Exposures – AIRB	24,895	24,895
3	Financial Institution Exposures – FIRB	114,023	114,023
4	Financial Institution Exposures – AIRB	117,941	117,941
5	Corporate exposures (excluding specialised lending) – FIRB	2,201,835	2,201,835
6	Corporate exposures (excluding specialised lending) – AIRB	4,509,187	4,509,187
7	Specialised lending – FIRB	691,919	691,919
8	Specialised lending – AIRB	1,494,401	1,494,401
9	Retail – Qualifying revolving retail exposures	87,014	87,014
10	Retail – Residential mortgage exposures	712,396	712,396
11	Retail – Other retail exposures	370,753	370,753
12	Equity Exposures – FIRB	1,239,034	1,239,034
13	Equity Exposures – AIRB	—	—
14	Purchased receivables – FIRB	487,484	487,484
15	Purchased receivables – AIRB	69,678	69,678
16	Total	¥ 12,247,385	¥ 12,247,385

Note: SuMi TRUST Bank Group does not use credit derivatives as credit risk mitigation techniques.

CR7		Millions of Yen	
		March 31, 2022	
		a	b
Item No.	Portfolio	Pre-credit derivatives credit RWA amounts	Actual credit RWA amounts
1	Sovereign Exposures – FIRB	¥ 110,746	¥ 110,746
2	Sovereign Exposures – AIRB	26,586	26,586
3	Financial Institution Exposures – FIRB	72,665	72,665
4	Financial Institution Exposures – AIRB	128,594	128,594
5	Corporate exposures (excluding specialised lending) – FIRB	2,075,536	2,075,536
6	Corporate exposures (excluding specialised lending) – AIRB	4,336,409	4,336,409
7	Specialised lending – FIRB	356,900	356,900
8	Specialised lending – AIRB	1,418,468	1,418,468
9	Retail – Qualifying revolving retail exposures	84,378	84,378
10	Retail – Residential mortgage exposures	774,863	774,863
11	Retail – Other retail exposures	366,866	366,866
12	Equity Exposures – FIRB	1,112,392	1,112,392
13	Equity Exposures – AIRB	—	—
14	Purchased receivables – FIRB	364,060	364,060
15	Purchased receivables – AIRB	74,768	74,768
16	Total	¥ 11,303,237	¥ 11,303,237

Note: SuMi TRUST Bank 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, 2023	
		RWA amounts	
1	RWA at the end of the previous fiscal year	¥ 12,298	
2	Asset size	1,057	
3	Asset quality	(362)	
4	Model updates	—	
5	Factor of RWA changes	Methodology and policy	
6	Acquisitions and disposals	—	
7	Foreign exchange movements	272	
8	Others	—	
9	RWA at the end of the fiscal year	¥ 13,266	

Note: The end of the previous fiscal year indicates March 31, 2022, and the end of the fiscal year indicates March 31, 2023.

CR8 Item No.		Billions of Yen	
		March 31, 2022	
		RWA amounts	
1	RWA at the end of the previous fiscal year	¥ 12,580	
2	Asset size	1	
3	Asset quality	(548)	
4	Model updates	—	
5	Factor of RWA changes	Methodology and policy	
6	Acquisitions and disposals	—	
7	Foreign exchange movements	265	
8	Others	—	
9	RWA at the end of the fiscal year	¥ 12,298	

Note: The end of the previous fiscal year indicates March 31, 2021, and the end of the fiscal year indicates March 31, 2022.

CR9: IRB – Backtesting of probability of default (PD) per portfolio

Entities subject to AIRB and FIRB

CR9		%, Cases												Credit RWA amounts ratio	
		March 31, 2023 (Period covered: September 30, 2021 - September 30, 2022)													
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, 2021	September 30, 2022					
Sovereign Exposures	—	AAA~ B-	Aaa~ B3	AAA~ B-	AAA~ BBB	AAA~ BBB+	0.00%	0.07%	794	825	0	0	0.00%	1.2%	
Financial Institution Exposures	—	AA~ B-	Aa2~ B3	AA~ B-	AA+~ BB-	AAA~ BB	0.09	0.19	420	431	0	0	0.00	1.8	
Corporate Exposures (Japanese)	≥ 0% to 0.03%	AAA~ A-	Aaa~ A3	—	AAA~ AA-	AAA~ AA	0.03	0.03	521	547	0	0	0.00	57.0	
	> 0.03% to 0.1%	BBB+~ BBB-	Baa1~ Baa3	—	A+~ A-	AA~ A	0.06	0.06	559	564	0	0	0.02		
	> 0.1% to 0.5%	BB+~ BB-	Ba1~ Ba3	—	BBB+~ BBB-	A~ BBB	0.19	0.22	2,730	2,805	1	0	0.01		
	> 0.5% to 5%	B+~ B-	B1~ B3	—	BB+~ BB-	BBB~ BB	1.05	1.23	5,497	5,585	4	0	0.18		
	> 5% to <100%	—	—	—	—	—	12.00	8.87	285	256	12	0	3.57		
Corporate Exposures (Non-Japanese)	≥ 0% to 0.03%	AAA~ AA-	Aaa~ Aa3	AAA~ AA-	—	—	0.03	0.03	46	40	0	0	0.00	13.1	
	> 0.03% to 0.1%	A+~ A-	A1~ A3	A+~ A-	—	—	0.06	0.06	135	149	0	0	0.00		
	> 0.1% to 0.5%	BBB+~ BBB-	Baa1~ Baa3	BBB+~ BBB-	—	—	0.24	0.25	311	344	0	0	0.00		
	> 0.5% to 15%	BB+~ B-	Ba1~ B3	BB+~ B-	—	—	2.43	2.61	599	614	0	0	0.20		
	> 15% to <100%	—	—	—	—	—	35.80	35.80	58	63	3	0	11.53		
Purchased receivables for corporates, etc. (Top- down approach)	—	—	—	—	AAA~ BB+	AAA~ BBB-	3.40	3.40	253	0	0	0	0.00	0.0	
Qualifying revolving retail exposures	≥ 0% to 10%	/	/	/	/	/	0.43	0.28	41,170	39,646	32	0	0.09	0.0	
	> 10% to < 100%	/	/	/	/	/	23.49	23.49	90	86	19	0	15.28		
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.20	0.23	544,382	555,598	241	0	0.08	5.6	
	> 2% to < 100%	/	/	/	/	/	18.69	19.05	3,576	3,772	531	0	12.96		
Other retail exposures	≥ 0% to 10%	/	/	/	/	/	0.64	0.85	36,933	35,628	91	0	0.35	0.4	
	> 10% to < 100%	/	/	/	/	/	23.61	25.43	147	138	21	0	17.25		

Entities subject to FIRB

CR9		% , Cases												Credit RWA amounts ratio
		March 31, 2023 (Period covered: September 30, 2021 - September 30, 2022)												
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, 2021	September 30, 2022				
Sovereign Exposures	—	—	—	—	AAA~ BBB	AAA~ BBB+	0.02%	0.03%	225	216	0	0	0.00%	0.0%
Financial Institution Exposures	—	—	—	—	A+~ BBB	AA~ BBB+	0.27	0.18	3	4	0	0	0.00	0.0
Corporate Exposures (Japanese)	≥ 0% to 0.03%	—	—	—	AAA~ AA-	AAA~ AA	0.03	0.03	36	37	0	0	0.00	3.1
	> 0.03% to 0.1%	—	—	—	A+~ A-	AA~ A	0.06	0.06	83	89	0	0	0.00	
	> 0.1% to 0.5%	—	—	—	BBB+~ BBB-	A~ BBB	0.19	0.17	420	427	0	0	0.02	
	> 0.5% to 5%	—	—	—	BB+~ BB-	BBB~ BB	1.23	1.11	834	838	2	2	0.73	
	> 5% to < 100%	—	—	—	—	—	9.88	8.70	200	198	3	1	4.62	
Qualifying revolving retail exposures	≥ 0% to 10%	/	/	/	/	/	0.93	0.78	566,943	548,648	3,008	88	0.70	0.6
	> 10% to < 100%	/	/	/	/	/	61.25	61.25	490	527	316	0	59.81	
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.67	0.73	12,670	12,200	18	0	0.36	0.3
	> 2% to < 100%	/	/	/	/	/	21.92	21.92	339	323	28	0	11.82	
Other retail exposures	≥ 0% to 10%	/	/	/	/	/	0.98	1.42	296,485	291,125	1,046	38	0.56	2.4
	> 10% to < 100%	/	/	/	/	/	34.12	55.42	576	600	234	1	47.17	

- 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)," 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 SuMi TRUST Group.
4. The PD estimation of 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 2021. In addition, Column g and Column h were obtained by counting the number of defaulted obligors from the end of September 2021 to the end of September 2022.
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 ten 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 2022) 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, 2022 (Period covered: September 30, 2020 - September 30, 2021)													
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, 2020	September 30, 2021					
Sovereign Exposures	—	AAA~ B-	Aaa~ B3	AAA~ B-	AAA~ BBB-	AAA~ BBB	0.00%	0.10%	757	792	0	0	0.00%	0.9%	
Financial Institution Exposures	—	AA~ B-	Aa2~ B3	AA~ B-	AA+~ BB-	AAA~ BB	0.10	0.19	422	420	0	0	0.00	1.6	
Corporate Exposures (Japanese)	≥ 0% to 0.03%	AAA~ A-	Aaa~ A3	—	AAA~ AA-	AAA~ AA	0.03	0.03	542	522	0	0	0.00	61.1	
	> 0.03% to 0.1%	BBB+~ BBB-	Baa1~ Baa3	—	A+~ A-	AA~ A	0.06	0.06	572	560	0	0	0.02		
	> 0.1% to 0.5%	BB+~ BB-	Ba1~ Ba3	—	BBB+~ BBB-	A~ BBB	0.20	0.22	2,763	2,730	0	0	0.01		
	> 0.5% to 5%	B+~ B-	B1~ B3	—	BB+~ BB-	BBB~ BB	1.02	1.22	5,212	5,497	9	0	0.18		
	> 5% to <100%	—	—	—	—	—	9.74	7.89	294	285	7	0	3.57		
Corporate Exposures (Non-Japanese)	≥ 0% to 0.03%	AAA~ AA-	Aaa~ Aa3	AAA~ AA-	—	—	0.03	0.03	48	48	0	0	0.00	11.3	
	> 0.03% to 0.1%	A+~ A-	A1~ A3	A+~ A-	—	—	0.06	0.06	128	135	0	0	0.00		
	> 0.1% to 0.5%	BBB+~ BBB-	Baa1~ Baa3	BBB+~ BBB-	—	—	0.23	0.24	281	310	0	0	0.00		
	> 0.5% to 15%	BB+~ B-	Ba1~ B3	BB+~ B-	—	—	2.35	2.87	570	599	1	0	0.22		
	> 15% to <100%	—	—	—	—	—	34.71	34.71	53	58	3	0	12.24		
Purchased receivables for corporates, etc. (Top- down approach)	—	—	—	—	AAA~ BB+	AAA~ BBB-	3.53	3.53	301	253	0	0	0.53	0.0	
Qualifying revolving retail exposures	≥ 0% to 10%	/	/	/	/	/	0.46	0.30	41,973	41,170	30	0	0.09	0.0	
	> 10% to < 100%	/	/	/	/	/	23.78	23.78	124	90	20	0	14.63		
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.20	0.22	521,749	544,382	328	0	0.09	6.1	
	> 2% to < 100%	/	/	/	/	/	19.97	19.93	3,817	3,576	552	0	12.75		
Other retail exposures	≥ 0% to 10%	/	/	/	/	/	0.61	0.61	38,141	36,933	99	0	0.36	0.4	
	> 10% to < 100%	/	/	/	/	/	23.90	25.63	160	147	33	0	17.57		

Entities subject to FIRB

CR9		%, Cases												Credit RWA amounts ratio	
		March 31, 2022 (Period covered: September 30, 2020 - September 30, 2021)													
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, 2020	September 30, 2021					
Sovereign Exposures	—	—	—	—	AAA~ BBB	AAA~ BBB+	0.02%	0.03%	236	225	0	0	0.00%	0.0%	
Financial Institution Exposures	—	—	—	—	AA+~ BBB	AAA~ BBB+	0.13	0.18	5	3	0	0	0.00	0.0	
Corporate Exposures (Japanese)	≥ 0% to 0.03%	—	—	—	AAA~ AA-	AAA~ AA	0.03	0.03	40	36	0	0	0.00	3.2	
	> 0.03% to 0.1%	—	—	—	A+~ A-	AA~ A	0.06	0.06	77	83	0	0	0.00		
	> 0.1% to 0.5%	—	—	—	BBB+~ BBB-	A~ BBB	0.19	0.19	450	420	1	0	0.02		
	> 0.5% to 5%	—	—	—	BB+~ BB-	BBB~ BB	1.19	1.12	885	834	10	0	0.78		
	> 5% to < 100%	—	—	—	—	—	7.55	7.87	228	200	8	0	4.97		
Qualifying revolving retail exposures	≥ 0% to 10%	/	/	/	/	/	0.95	0.82	594,682	566,943	3,445	110	0.72	0.7	
	> 10% to < 100%	/	/	/	/	/	63.20	62.95	499	490	314	0	59.29		
Residential mortgage exposures	≥ 0% to 2%	/	/	/	/	/	0.65	0.72	13,031	12,670	41	0	0.38	0.3	
	> 2% to < 100%	/	/	/	/	/	22.51	22.51	316	339	30	0	12.21		
Other retail exposures	≥ 0% to 10%	/	/	/	/	/	1.02	1.48	305,485	295,730	1,149	31	0.58	2.6	
	> 10% to < 100%	/	/	/	/	/	41.84	63.35	566	560	285	2	47.90		

- 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)," 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 SuMi TRUST Group.
4. The PD estimation of 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 2020. In addition, Column g and Column h were obtained by counting the number of defaulted obligors from the end of September 2020 to the end of September 2021.
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 nine 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 2021) 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.

CR10: IRB – Specialised Lending (Supervisory Slotting Criteria Approach) and Equity Exposures (Market-Based Approach, etc.)

CR10		Millions of Yen, %										
March 31, 2023												
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	3,602	—	70%	3,602	—	—	—	3,602	2,521	14	
	2.5 years≤	179	—	90%	—	179	—	—	179	161	1	
Satisfactory		6,633	—	115%	3,630	—	—	3,003	6,633	7,628	185	
Weak		—	—	250%	—	—	—	—	—	—	—	—
Default		—	—	—	—	—	—	—	—	—	—	—
Total		¥ 10,415	¥ —	—	¥ 7,232	¥ 179	¥ —	¥ 3,003	¥ 10,415	¥ 10,312	¥ 201	
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	34,856	2,205	70%						36,510	25,557	146
	2.5 years≤	4,352	26,457	95%						24,194	22,985	96
Good	< 2.5 years	4,424	100	95%						4,499	4,274	17
	2.5 years≤	31,605	34,686	120%						57,620	69,144	230
Satisfactory		77,003	193,287	140%						221,969	310,756	6,215
Weak		37,654	79,710	250%						97,437	243,594	7,795
Default		—	—	—						—	—	—
Total		¥ 189,896	¥ 336,447	—						¥ 442,231	¥ 676,312	¥ 14,501
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		4,120	2,519	300%						6,475	19,426	
Simple risk weight method – Unlisted shares		39,526	34,105	400%						65,106	260,424	
Internal Models Approach		—	—	—						—	—	
Total		¥ 43,647	¥ 36,625	—						¥ 71,581	¥ 279,851	
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, 2022												
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	11,006	6,383	70%						15,794	11,055	63
	2.5 years≤	2,682	4,368	95%						5,958	5,660	23
Good	< 2.5 years	45,048	8,966	95%						51,772	49,184	207
	2.5 years≤	45,247	71,026	120%						98,516	118,220	394
Satisfactory		50,799	95,003	140%						122,051	170,872	3,417
Weak		—	—	250%						—	—	—
Default		—	—	—						—	—	—
Total		¥ 154,783	¥ 185,747	—	¥ 294,094	¥ 354,993	¥ 4,105					
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		5,707	15,799	300%						21,506	64,520	
Simple risk weight method – Unlisted shares		33,526	3,085	400%						35,840	143,361	
Internal Models Approach		—	—	—						—	—	
Total		¥ 39,233	¥ 18,884	—	¥ 57,347					¥ 207,882		
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, 2023					
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)	429,911	781,226			1,211,137	375,138
2	Expected Exposure Method (IMM)			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					774,667	138,481
5	Exposure variation estimation model					—	—
6	Total						¥ 513,619

CCR1		Millions of Yen					
		March 31, 2022					
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)	639,628	611,575			1,251,203	408,955
2	Expected Exposure Method (IMM)			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					846,397	147,482
5	Exposure variation estimation model					—	—
6	Total						¥ 556,438

CCR2: Credit valuation adjustment (CVA) capital charge

CCR2		Millions of Yen	
		March 31, 2023	
Item No.		a	b
		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	988,136	644,308
5	Total portfolios subject to the CVA capital charge	¥ 988,136	¥ 644,308

CCR2		Millions of Yen	
		March 31, 2022	
Item No.		a	b
		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	1,207,886	659,988
5	Total portfolios subject to the CVA capital charge	¥ 1,207,886	¥ 659,988

CCR3: CCR exposures by regulatory portfolio and risk weights

CCR3		Millions of Yen									
		March 31, 2023									
Item No.	Regulatory portfolio	Risk weight	a	b	c	d	e	f	g	h	i
			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		—	—	611,243	—	—	—	—	—	611,243
11	Corporates, etc.		—	—	—	—	—	—	—	—	—
12	SMEs, etc. and individuals		—	—	—	—	—	—	—	—	—
13	Other than the above		—	—	—	—	—	1,224	—	—	1,224
14	Total		¥ —	¥ —	¥ 611,243	¥ —	¥ —	¥ 1,224	¥ —	¥ —	¥ 612,467

Note: The aggregate calculation on this statement includes exposures based on the standardised approach only.

CCR3		Millions of Yen									
		March 31, 2022									
Item No.	Regulatory portfolio	Risk weight	a	b	c	d	e	f	g	h	i
			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		—	—	599,601	—	—	—	—	—	599,601
11	Corporates, etc.		—	—	—	—	—	—	—	—	—
12	SMEs, etc. and individuals		—	—	—	—	—	—	—	—	—
13	Other than the above		—	—	—	—	—	6	—	—	6
14	Total		¥ —	¥ —	¥ 599,601	¥ —	¥ —	¥ 6	¥ —	¥ —	¥ 599,608

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, 2023								
		a		b	c	d	e	f		g
Item No.	PD scale		EAD post-CRM	Average PD	Number of obligors	Average LGD	Average maturity		Credit RWA	RWA density
Sovereign exposures										
1	0.00 to < 0.15	¥	34,325	0.01%	0.0	39.42%	1.4	¥	2,432	7.08%
2	0.15 to < 0.25		—	—	—	—	—		—	—
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		34,325	0.01	0.0	39.42	1.4		2,432	7.08
Financial Institution exposures										
1	0.00 to < 0.15		632,632	0.04	0.1	20.91	2.5		130,197	20.58
2	0.15 to < 0.25		71	0.20	0.0	45.00	3.7		43	60.77
3	0.25 to < 0.50		19,527	0.28	0.0	16.30	4.0		17,701	90.65
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		652,230	0.05	0.1	20.74	2.6		147,942	22.68
Corporate exposures and SME exposures										
1	0.00 to < 0.15		263,502	0.04	0.3	15.33	2.4		53,246	20.20
2	0.15 to < 0.25		13,238	0.20	0.0	46.52	2.5		5,957	45.00
3	0.25 to < 0.50		14,571	0.35	0.1	45.00	2.5		8,524	58.49
4	0.50 to < 0.75		—	—	—	—	—		—	—
5	0.75 to < 2.50		4,002	1.40	0.0	45.00	3.2		4,338	108.41
6	2.50 to < 10.00		440	7.50	0.0	45.00	1.6		715	162.18
7	10.00 to < 100.00		—	—	—	—	—		—	—
8	100.00 (Default)		—	—	—	—	—		—	—
9	Sub-total		295,755	0.10	0.6	16.45	2.4		72,783	24.60
Specialised lending										
1	0.00 to < 0.15		30,389	0.10	0.1	45.00	4.2		13,344	43.91
2	0.15 to < 0.25		957	0.20	0.0	45.00	4.6		615	64.27
3	0.25 to < 0.50		23,361	0.29	0.0	45.00	4.9		18,561	79.45
4	0.50 to < 0.75		26,306	0.65	0.0	45.00	4.7		27,792	105.65
5	0.75 to < 2.50		44,808	1.33	0.0	45.00	4.7		57,664	128.69
6	2.50 to < 10.00		29,246	3.10	0.0	45.00	4.8		46,333	158.42
7	10.00 to < 100.00		77	13.81	0.0	45.00	5.0		188	243.81
8	100.00 (Default)		—	—	—	—	—		—	—
9	Sub-total		155,147	1.15	0.3	45.00	4.6		164,499	106.02
Total (all portfolios)		¥	1,137,458	0.21%	1.1	21.05%	2.8	¥	387,658	34.08%

Note: SuMi TRUST Bank 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, 2022								
		a		b	c	d	e	f		g
Item No.	PD scale		EAD post-CRM	Average PD	Number of obligors	Average LGD	Average maturity		Credit RWA	RWA density
Sovereign exposures										
1	0.00 to < 0.15	¥	29,100	0.01%	0.0	21.10%	1.7	¥	2,338	8.03%
2	0.15 to < 0.25		—	—	—	—	—		—	—
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		29,100	0.01	0.0	21.10	1.7		2,338	8.03
Financial Institution exposures										
1	0.00 to < 0.15		710,740	0.04	0.1	24.39	2.0		131,195	18.45
2	0.15 to < 0.25		201	0.20	0.0	89.61	2.4		126	62.85
3	0.25 to < 0.50		18,912	0.30	0.0	35.36	4.4		18,013	95.21
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		729,854	0.05	0.1	24.60	2.0		149,335	20.46
Corporate exposures and SME exposures										
1	0.00 to < 0.15		464,563	0.04	0.3	13.70	1.6		85,418	18.38
2	0.15 to < 0.25		18,437	0.20	0.0	45.00	2.0		7,429	40.29
3	0.25 to < 0.50		17,290	0.36	0.1	45.65	2.3		10,042	58.08
4	0.50 to < 0.75		—	—	—	—	—		—	—
5	0.75 to < 2.50		4,088	1.64	0.1	45.00	2.9		4,604	112.62
6	2.50 to < 10.00		409	4.22	0.0	45.00	4.6		681	166.34
7	10.00 to < 100.00		143	35.80	0.0	45.00	1.0		370	258.11
8	100.00 (Default)		—	—	—	—	—		—	—
9	Sub-total		504,932	0.09	0.6	14.48	1.6		108,546	21.49
Specialised lending										
1	0.00 to < 0.15		53,459	0.09	0.1	45.00	4.6		23,915	44.73
2	0.15 to < 0.25		1,259	0.20	0.0	45.00	4.1		774	61.51
3	0.25 to < 0.50		23,255	0.31	0.0	45.00	4.9		18,620	80.06
4	0.50 to < 0.75		26,262	0.65	0.0	45.00	4.8		28,109	107.03
5	0.75 to < 2.50		23,862	1.26	0.0	45.00	4.7		30,136	126.28
6	2.50 to < 10.00		45,807	3.11	0.0	45.00	4.8		72,479	158.22
7	10.00 to < 100.00		259	13.95	0.0	45.00	4.9		632	243.75
8	100.00 (Default)		—	—	—	—	—		—	—
9	Sub-total		174,167	1.18	0.3	45.00	4.7		174,667	100.28
Total (all portfolios)		¥	1,438,054	0.20%	1.1	20.49%	2.2	¥	434,887	30.24%

Note: SuMi TRUST Bank 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, 2023					
		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
Item No.		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash (domestic currency)	¥ —	¥ 489,069	¥ —	¥ 349,191	¥ 110,003	¥ 436,093
2	Cash (other currency)	—	603,603	—	553,303	1,030,780	983
3	Domestic sovereign debt	9,707	34,104	17,970	54,515	282,806	314,304
4	Other sovereign debt	2,853	—	—	—	994,578	2,960,192
5	Government agency debt	—	—	—	—	157,314	45,711
6	Corporate bonds	—	—	—	—	214,348	—
7	Equity securities	—	—	—	6,554	1,138,863	673,387
8	Other collateral	—	—	—	—	—	—
9	Total	¥ 12,561	¥ 1,126,777	¥ 17,970	¥ 963,565	¥ 3,928,695	¥ 4,430,672

CCR5		Millions of Yen					
		March 31, 2022					
		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
Item No.		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash (domestic currency)	¥ —	¥ 166,263	¥ —	¥ 480,779	¥ 50,028	¥ 803,276
2	Cash (other currency)	—	220	—	323,716	1,435,005	972
3	Domestic sovereign debt	12,815	858	14,455	30,797	337,823	353,438
4	Other sovereign debt	859	—	—	—	1,155,773	2,738,273
5	Government agency debt	—	—	—	—	129,008	97,303
6	Corporate bonds	—	—	—	—	312,503	199,355
7	Equity securities	—	—	—	6,995	1,074,742	819,386
8	Other collateral	—	—	—	—	—	—
9	Total	¥ 13,674	¥ 167,342	¥ 14,455	¥ 842,289	¥ 4,494,884	¥ 5,012,006

CCR6: Credit derivatives exposures

CCR6 Item No.		Millions of Yen	
		March 31, 2023	
		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	¥ 22,600	¥ 22,600
2	Index credit default swaps	46,054	—
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	¥ 68,654	¥ 22,600
Fair values			
7	Positive fair value (asset)	47	507
8	Negative fair value (liability)	(507)	(47)

CCR6		Millions of Yen	
		March 31, 2022	
Item No.		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	¥ 29,000	¥ 29,000
2	Index credit default swaps	37,392	—
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	¥ 66,392	¥ 29,000
Fair values			
7	Positive fair value (asset)	32	643
8	Negative fair value (liability)	(2,963)	(32)

CCR7: RWA flow statements of CCR exposures under Internal Model Method (IMM)

As of March 31, 2023

Not applicable.

As of March 31, 2022

Not applicable.

CCR8: Exposures to central counterparties (CCP)

Item No.	CCR8	Millions of Yen	
		March 31, 2023	
		a	b
		EAD to CCP (post-CRM)	RWA amounts
1	Exposures to qualifying central counterparties (QCCPs) (total)		¥ 76,398
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	2,475,738	49,514
3	(i) OTC derivatives	2,330,868	46,617
4	(ii) Exchange-traded derivatives	53,376	1,067
5	(iii) Repo transactions	91,494	1,829
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	—
8	Non-segregated initial margin	366,646	7,332
9	Pre-funded default fund contributions	29,908	19,550
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, 2022	
		a	b
		EAD to CCP (post-CRM)	RWA amounts
1	Exposures to qualifying central counterparties (QCCPs) (total)		¥ 55,007
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1,536,663	30,733
3	(i) OTC derivatives	1,241,187	24,823
4	(ii) Exchange-traded derivatives	202,133	4,042
5	(iii) Repo transactions	93,342	1,866
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	—
8	Non-segregated initial margin	242,227	4,844
9	Pre-funded default fund contributions	32,748	19,429
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, 2023								
Item No.	Type of underlying asset	a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	¥ 85,532	¥ —	¥ 85,532	¥ 296,443	¥ —	¥ 296,443	¥ 183,039	¥ —	¥ 183,039
2	Residential mortgage	85,532	—	85,532	26,922	—	26,922	145,666	—	145,666
3	Credit card	—	—	—	45,547	—	45,547	28,015	—	28,015
4	Other retail exposures	—	—	—	223,973	—	223,973	9,357	—	9,357
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	6,856	—	6,856	6,403	—	6,403	960,547	—	960,547
7	Loans to corporates	—	—	—	—	—	—	960,547	—	960,547
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	6,856	—	6,856	6,403	—	6,403	—	—	—
10	Other wholesale	—	—	—	—	—	—	—	—	—
11	Re-securitisation	—	—	—	—	—	—	—	—	—

SEC1		Millions of Yen								
		March 31, 2022								
Item No.	Type of underlying asset	a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	¥ 85,983	¥ —	¥ 85,983	¥ 377,826	¥ —	¥ 377,826	¥ 126,073	¥ —	¥ 126,073
2	Residential mortgage	85,983	—	85,983	67,793	—	67,793	87,427	—	87,427
3	Credit card	—	—	—	40,787	—	40,787	28,428	—	28,428
4	Other retail exposures	—	—	—	269,245	—	269,245	10,216	—	10,216
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	6,548	—	6,548	14,921	—	14,921	791,122	—	791,122
7	Loans to corporates	—	—	—	—	—	—	791,122	—	791,122
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	6,548	—	6,548	14,921	—	14,921	—	—	—
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, 2023

Not applicable.

As of March 31, 2022

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)

SEC3		Millions of Yen														
		March 31, 2023														
		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	¥229,021	¥229,021	¥229,021	¥222,617	¥ 6,403	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	125,536	125,536	125,536	125,536	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	28,626	28,626	28,626	28,626	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	12,039	12,039	12,039	5,182	6,856	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	12	12	12	12	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	390,779	390,779	390,779	377,518	13,260	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	4,443	4,443	4,443	4,443	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	12	12	12	12	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	134,895	134,895	134,895	104,421	30,474	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	967	967	967	967	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	160	160	160	160	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	10,791	10,791	10,791	8,353	2,437	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	77	77	77	77	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	12	12	12	12	—	—	—	—	—	—	—	—	—	—	—

SEC3		Millions of Yen														
		March 31, 2022														
Item No.		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	¥328,047	¥328,047	¥328,047	¥313,125	¥14,921	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	101,665	101,665	101,665	101,665	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	44,314	44,314	44,314	44,314	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	11,224	11,224	11,224	4,676	6,548	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	28	28	28	28	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	485,006	485,006	485,006	463,535	21,470	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	245	245	245	245	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	28	28	28	28	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	155,117	155,117	155,117	126,415	28,701	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	36	36	36	36	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	352	352	352	352	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	12,409	12,409	12,409	10,113	2,296	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	2	2	2	2	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	28	28	28	28	—	—	—	—	—	—	—	—	—	—	—

SEC4: Securitisation exposures subject to the calculation of the amount of credit risk-weighted assets and related capital requirements (bank acting as investor)

SEC4		Millions of Yen														
		March 31, 2023														
		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	¥1,096,481	¥1,096,481	¥1,096,481	¥158,753	¥937,727	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	23,545	23,545	23,545	1,393	22,152	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	16,359	16,359	16,359	15,691	668	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	7,200	7,200	7,200	7,200	—	—	—	—	—	—	—	—	—	—	—
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)	1,115,572	1,115,572	1,115,572	155,024	960,547	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	28,015	28,015	28,015	28,015	—	—	—	—	—	—	—	—	—	—	—
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)	168,558	168,558	168,558	29,378	139,180	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	16,265	16,265	16,265	16,265	—	—	—	—	—	—	—	—	—	—	—
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)	13,484	13,484	13,484	2,350	11,134	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,301	1,301	1,301	1,301	—	—	—	—	—	—	—	—	—	—	—
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, 2022														
Item No.		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	¥830,760	¥830,760	¥830,760	¥96,969	¥733,790	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	17,672	17,672	17,672	16,024	1,647	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	3,988	3,988	3,988	3,376	611	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	64,773	64,773	64,773	9,701	55,071	—	—	—	—	—	—	—	—	—	—
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)	888,767	888,767	888,767	97,644	791,122	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	28,428	28,428	28,428	28,428	—	—	—	—	—	—	—	—	—	—	—
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)	186,688	186,688	186,688	18,116	168,571	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	14,815	14,815	14,815	14,815	—	—	—	—	—	—	—	—	—	—	—
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)	14,935	14,935	14,935	1,449	13,485	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,185	1,185	1,185	1,185	—	—	—	—	—	—	—	—	—	—	—
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, 2023
Item No.		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	¥ 17,885
2	Equity risk (general and specific)	—
3	Foreign exchange risk	20,404
4	Commodity risk	11
	Options transactions	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Specific risk related to securitisation exposures	—
9	Total	¥ 38,300

MR1		Millions of Yen
		March 31, 2022
Item No.		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	¥ 4,521
2	Equity risk (general and specific)	—
3	Foreign exchange risk	13,379
4	Commodity risk	—
	Options transactions	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Specific risk related to securitisation exposures	—
9	Total	¥ 17,900

MR2: Risk-weighted Assets Flow Statements of Market Risk Exposures under Internal Model Approach

MR2		Billions of Yen					
		March 31, 2023					
		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, 2022)	¥ 275	¥ 959	¥ —	¥ —		¥ 1,234
1b	Regulatory adjustment ratio (1a/1c)	2.58	3.74	—	—		3.40
1c	RWA at the end of the previous fiscal year	106	255	—	—		362
2	Movement in risk levels	(11)	70	—	—		58
3	Model updates/changes	—	—	—	—		—
4	Factor of						
5	RWA changes						
6	Methodology and policy	—	—	—	—		—
7	Acquisitions and disposals	—	—	—	—		—
8	Foreign exchange movements	(5)	(8)	—	—		(13)
9	Others	23	(14)	—	—		9
8a	RWA at the end of the fiscal year	114	302	—	—		416
8b	Regulatory adjustment ratio (8c/8a)	3.94	4.31	—	—		4.21
8c	RWA at the end of current reporting period (March 31, 2023)	451	1,305	—	—		1,756

Note: The end of the previous fiscal year indicates March 31, 2022, and the end of the fiscal year indicates March 31, 2023.

MR2		Billions of Yen					
		March 31, 2022					
		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, 2021)	¥ 365	¥ 1,039	¥ —	¥ —		¥ 1,405
1b	Regulatory adjustment ratio (1a/1c)	3.13	3.08	—	—		3.09
1c	RWA at the end of the previous fiscal year	116	336	—	—		453
2	Movement in risk levels	(9)	(22)	—	—		(31)
3	Model updates/changes	(33)	49	—	—		15
4	Factor of						
5	RWA changes						
6	Methodology and policy	—	—	—	—		—
7	Acquisitions and disposals	—	—	—	—		—
8	Foreign exchange movements	(3)	(55)	—	—		(58)
9	Others	36	(52)	—	—		(16)
8a	RWA at the end of the fiscal year	106	255	—	—		362
8b	Regulatory adjustment ratio (8c/8a)	2.58	3.74	—	—		3.40
8c	RWA at the end of current reporting period (March 31, 2022)	275	959	—	—		1,234

Note: The end of the previous fiscal year indicates March 31, 2021, and the end of the fiscal year indicates March 31, 2022.

MR3: Values of Internal Model Approaches (IMA) (Market risk)

MR3 Item No.	Millions of Yen March 31, 2023
VaR (holding period:10 business days, one-sided confidence interval:99%)	
1 Maximum value	¥ 16,680
2 Average value	11,099
3 Minimum value	7,159
4 Period end	9,135
Stressed VaR (holding period:10 business days, one-sided confidence interval:99%)	
5 Maximum value	44,291
6 Average value	30,705
7 Minimum value	18,089
8 Period end	24,219
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, 2022
VaR (holding period:10 business days, one-sided confidence interval:99%)	
1 Maximum value	¥ 15,601
2 Average value	8,618
3 Minimum value	5,388
4 Period end	8,552
Stressed VaR (holding period:10 business days, one-sided confidence interval:99%)	
5 Maximum value	46,371
6 Average value	33,841
7 Minimum value	20,195
8 Period end	20,464
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)	—

IRRBB1: Interest rate risk

IRRBB1		Millions of Yen			
		a	b	c	d
		ΔEVE		ΔNII	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Item No.					
1	Parallel up	¥ 40,982	¥ 94,116	¥ (100,104)	¥ (123,722)
2	Parallel down	—	2,127	96,930	119,484
3	Steepener	61,868	106,332		
4	Flattener	1,605	—		
5	Short rate up	5,491	75		
6	Short rate down	21,915	22,118		
7	Maximum	61,868	106,332	96,930	119,484
		e		f	
		March 31, 2023		March 31, 2022	
8	Tier 1 Capital	¥ 2,491,839		¥ 2,423,927	

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	2023	2022
On-Balance Sheet Exposures				
1		On-Balance Sheet Exposures before Deducting Adjustment Items	¥ 45,068,723	¥ 44,658,060
1a	1	Total Assets Reported in the Consolidated Balance Sheet	50,193,378	49,262,464
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)	5,124,654	4,604,404
2	7	The Amount of Adjustment Items Pertaining to Tier 1 Capital (Deduction)	239,515	206,994
3		Total On-Balance Sheet Exposures (A)	44,829,208	44,451,065
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.	719,356	958,635
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.	1,197,629	1,068,328
		The Amount of Receivables Arising from Providing Cash Margin in Relation to Derivatives Transactions, etc.	823,974	804,496
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)	84,270	149,682
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	22,600	29,000
10		The Amount of Deductions from Effective Notional Amount of Written Credit Derivatives (Deduction)	22,600	29,000
11	4	Total Exposures Related to Derivative Transactions (B)	2,656,690	2,681,776
Exposures Related to Repo Transactions				
12		The Amount of Assets Related to Repo Transactions, etc.	546,097	803,276
13		The Amount of Deductions from the Assets Above (Line 12) (Deduction)	—	—
14		The Exposures for Counterparty Credit Risk for Repo Transactions, etc.	228,299	417,004
15		The Exposures for Agent Repo Transaction		
16	5	The Total Exposures Related to Repo Transactions, etc. (C)	774,396	1,220,280
Exposures Related to Off-Balance Sheet Transactions				
17		Notional Amount of Off-Balance Sheet Transactions	8,981,004	8,399,573
18		The Amount of Adjustments for Conversion in Relation to Off-Balance Sheet Transactions (Deduction)	5,365,558	5,111,999
19	6	Total Exposures Related to Off-Balance Sheet Transactions (D)	3,615,445	3,287,573
Basel III Leverage Ratio on a Consolidated Basis				
20		The Amount of Capital (Tier 1 Capital) (E)	2,491,839	2,423,927
21	8	Total Exposures (F) = (A)+(B)+(C)+(D)	¥ 51,875,741	¥ 51,640,697
22		Basel III Leverage Ratio on a Consolidated Basis (G) = (E)/(F)	4.80%	4.69%
		Minimum leverage ratio requirement	3.00%	
Basel III Leverage Ratio on a Consolidated Basis If Including Deposits Held with the Bank of Japan				
		Total Exposure (F)	¥ 51,875,741	¥ 51,640,697
		Deposits Held with the Bank of Japan	18,544,609	15,084,261
		Total Exposure If Including Deposits Held with the Bank of Japan (F')	70,420,351	66,724,959
		Basel III Leverage Ratio on a Consolidated Basis If Including Deposits Held with the Bank of Japan (H) = (E)/(F')	3.53%	3.63%

Note: SuMi TRUST Holdings' Basel III leverage ratio calculation was audited by KPMG AZSA LLC, an external auditor, in accordance 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).

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 2022 4th Quarter		Fiscal Year 2022 3rd Quarter	
High-Quality Liquid Assets (1)					
1	Total high-quality liquid assets (HQLA)	¥ 19,451,554		¥ 19,347,711	
Cash Outflows (2)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
2	Cash outflows related to unsecured retail funding	¥ 19,095,882	¥ 902,830	¥ 19,051,934	¥ 914,814
3	of which: Stable deposits	1,786,650	53,599	1,788,463	53,653
4	of which: Less stable deposits	8,488,939	849,230	8,608,609	861,160
5	Cash outflows related to unsecured wholesale funding	15,888,004	12,468,394	14,728,175	11,569,713
6	of which: Qualifying operational deposits	—	—	—	—
7	of which: Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	12,197,771	8,778,161	11,443,112	8,284,651
8	of which: Debt securities	3,690,233	3,690,233	3,285,062	3,285,062
9	Cash outflows related to secured funding, etc.	—		702	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	7,497,054	2,610,549	7,480,551	2,583,495
11	of which: Cash outflows related to derivative transactions, etc.	1,360,692	1,360,692	1,237,270	1,237,270
12	of which: Cash outflows related to funding programs	—	—	—	—
13	of which: Cash outflows related to credit and liquidity facilities	6,136,361	1,249,857	6,243,280	1,346,224
14	Cash outflows related to contractual funding obligations, etc.	291,330	205,822	236,298	164,432
15	Cash outflows related to contingencies	667,669	17,799	662,611	17,706
16	Total cash outflows	16,205,396		15,250,865	
Cash Inflows (3)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
17	Cash inflows related to secured lending, etc.	¥ 192,306	¥ —	¥ 230,742	¥ —
18	Cash inflows related to collection of loans, etc.	2,678,181	1,698,798	2,526,458	1,704,190
19	Other cash inflows	472,417	394,366	554,542	438,073
20	Total cash inflows	3,342,905	2,093,165	3,311,743	2,142,263
Consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation	¥ 19,451,554		¥ 19,347,711	
22	Net cash outflows	14,112,230		13,108,601	
23	Consolidated Liquidity Coverage Ratio (LCR)	137.8%		147.5%	
24	The number of data used to calculate the average value	60		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 liquid 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.

Net Stable Funding Ratio (NSFR)

Consolidated

Consolidated Net Stable Funding Ratio

Quantitative Disclosure Items for the Net Stable Funding Ratio (NSFR) on a consolidated basis

Item No.		Millions of Yen, %						Weighted value
		Fiscal Year 2022 4th Quarter						
		Unweighted value by residual maturity						
No maturity	< 6 months	6 months to < 1yr	≥ 1yr					
Available stable funding (ASF) items (1)								
1	Capital	¥ 2,709,809	¥ —	¥ —	¥ 305,000	¥ 3,014,809		
2	of which: Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital (excluding the proportion of Tier 2 instruments with residual maturity of less than one year) before the application of capital deductions	2,709,809	—	—	240,630	2,950,439		
3	of which: Other capital instruments that are not included in the above category	—	—	—	64,369	64,369		
4	Funding from retail and small business customers	12,972,952	—	—	5,831,434	17,507,091		
5	of which: Stable deposits	—	—	—	—	—		
6	of which: Less stable deposits	12,972,952	—	—	5,831,434	17,507,091		
7	Wholesale funding	5,706,938	23,573,280	2,815,502	9,045,839	15,506,422		
8	of which: Operational deposits	—	—	—	—	—		
9	of which: Other wholesale funding	5,706,938	23,573,280	2,815,502	9,045,839	15,506,422		
10	Liabilities with matching interdependent assets	—	—	—	—	—		
11	Other liabilities	472,266	1,176,758	—	137,039	12,717		
12	of which: Derivative liabilities				137,039			
13	of which: All other liabilities and equity not included in the above categories	472,266	1,176,758	—	—	12,717		
14	Total available stable funding					¥ 36,041,041		
Required stable funding (RSF) items (2)								
15	HQLA					¥ 1,065,921		
16	Deposits held at financial institutions for operational purposes	—	—	—	44,747	44,747		
17	Loans, repo transactions-related assets, securities and other similar assets	184,523	5,897,274	2,139,808	27,561,904	26,271,303		
18	of which: Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	—	546,097	—	—	0		
19	of which: Loans to- and repo transactions with- financial institutions (not included in item 18)	61,519	1,011,003	513,708	2,374,193	2,832,254		
20	of which: Loans and repo transactions-related assets (not included in item 18, 19 and 22)	—	3,789,743	1,200,467	11,616,262	12,329,888		
21	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	802,089	94,194	237,202	602,323		
22	of which: Residential mortgages	—	422,028	360,199	10,964,493	8,688,327		
23	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	327,566	256,557	6,001,131	4,349,636		
24	of which: Securities that are not in default and do not qualify as HQLA and other similar assets	123,004	128,401	65,433	2,606,955	2,420,833		
25	Assets with matching interdependent liabilities	—	—	—	—	—		
26	Other assets	1,151,461	549,688	2,870	2,534,697	3,486,200		
27	of which: Physical traded commodities, including gold	—				—		
28	of which: Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs (including those that are not recorded on consolidated balance sheet)				302,697	257,292		
29	of which: Derivative assets				—	—		
30	of which: Derivative liabilities (before deduction of variation margin posted)				40,529	40,529		
31	of which: All other assets not included in the above categories	1,151,461	549,688	2,870	2,191,471	3,188,378		
32	Off-balance sheet items				7,201,661	515,067		
33	Total required stable funding					¥ 31,383,240		
34	Consolidated net stable funding ratio (NSFR)							114.8%

Financial Data/
Sumitomo Mitsui Trust Holdings, Inc.Financial Data/
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Item No.		Millions of Yen, %						
		Fiscal Year 2022 3rd Quarter					Weighted value	
		Unweighted value by residual maturity						
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr			
Available stable funding (ASF) items (1)								
1	Capital	¥ 2,662,431	¥ —	¥ —	¥ 305,000	¥ 2,967,431		
2	of which: Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital (excluding the proportion of Tier 2 instruments with residual maturity of less than one year) before the application of capital deductions	2,662,431	—	—	248,022	2,910,454		
3	of which: Other capital instruments that are not included in the above category	—	—	—	56,977	56,977		
4	Funding from retail and small business customers	13,117,278	—	—	5,724,763	17,530,313		
5	of which: Stable deposits	—	—	—	—	—		
6	of which: Less stable deposits	13,117,278	—	—	5,724,763	17,530,313		
7	Wholesale funding	5,478,027	22,624,189	2,008,406	9,394,578	15,168,627		
8	of which: Operational deposits	—	—	—	—	—		
9	of which: Other wholesale funding	5,478,027	22,624,189	2,008,406	9,394,578	15,168,627		
10	Liabilities with matching interdependent assets	—	—	—	—	—		
11	Other liabilities	259,914	1,220,544	—	217,965	14,847		
12	of which: Derivative liabilities				217,965			
13	of which: All other liabilities and equity not included in the above categories	259,914	1,220,544	—	—	14,847		
14	Total available stable funding					¥ 35,681,220		
Required stable funding (RSF) items (2)								
15	HQLA					¥ 1,089,789		
16	Deposits held at financial institutions for operational purposes	—	—	—	55,941	55,941		
17	Loans, repo transactions-related assets, securities and other similar assets	175,767	6,110,135	2,115,545	27,771,397	26,465,207		
18	of which: Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	—	544,210	—	—	0		
19	of which: Loans to- and repo transactions with- financial institutions (not included in item 18)	66,723	949,480	458,525	2,315,460	2,727,854		
20	of which: Loans and repo transactions-related assets (not included in item 18, 19 and 22)	—	4,115,273	1,197,153	11,600,073	12,478,439		
21	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	783,628	76,460	231,182	580,313		
22	of which: Residential mortgages	—	420,833	353,013	11,048,009	8,685,063		
23	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	325,989	250,535	6,108,659	4,371,678		
24	of which: Securities that are not in default and do not qualify as HQLA and other similar assets	109,043	80,337	106,853	2,807,854	2,573,849		
25	Assets with matching interdependent liabilities	—	—	—	—	—		
26	Other assets	969,414	476,248	3,566	2,184,942	3,142,826		
27	of which: Physical traded commodities, including gold	—				—		
28	of which: Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs (including those that are not recorded on consolidated balance sheet)				258,985	220,137		
29	of which: Derivative assets				—	—		
30	of which: Derivative liabilities (before deduction of variation margin posted)				58,100	58,100		
31	of which: All other assets not included in the above categories	969,414	476,248	3,566	1,867,856	2,864,588		
32	Off-balance sheet items				6,896,261	492,884		
33	Total required stable funding					¥ 31,246,650		
34	Consolidated net stable funding ratio (NSFR)					114.1%		

Qualitative Disclosure Items for the Net Stable Funding Ratio (NSFR) on a consolidated basis

(1) Items concerning fluctuations in the consolidated NSFR over time

Our consolidated NSFR has remained stable mainly due to our predetermined funding policy on the sticky money.

(2) Items concerning special provisions for interdependent assets and liabilities

The “Special provisions for interdependent assets and liabilities” stipulated in the items under Article 101 of the Financial Services Agency Notification on Liquidity Ratio are not applied on a consolidated basis.

(3) Other items concerning consolidated NSFR

Our consolidated NSFR satisfies the regulated level (100%), and we do not expect NSFR to deviate significantly from the current level in the future.

Currently, the entire amount of funding from retail and small business customers is recorded as “less stable deposits.”

KM1: Key Metrics

Non-consolidated

KM1 Basel III Template No.		Millions of Yen, %				
		a	b	c	d	e
		March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	¥ 1,899,007	¥ 1,840,821	¥ 1,842,395	¥ 1,881,161	¥ 1,852,771
2	Tier 1	2,168,997	2,110,811	2,112,385	2,151,151	2,122,761
3	Total capital	2,442,050	2,392,665	2,425,728	2,499,854	2,486,809
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	21,771,535	21,166,974	20,859,113	19,292,037	18,815,901
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio	8.72%	8.69%	8.83%	9.75%	9.84%
6	Tier 1 ratio	9.96%	9.97%	10.12%	11.15%	11.28%
7	Total capital ratio	11.21%	11.30%	11.62%	12.95%	13.21%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	49,893,138	49,905,626	51,550,175	50,667,876	49,725,068
14	Basel III leverage ratio	4.34%	4.22%	4.09%	4.24%	4.26%

KM1 Basel III Template No.		Millions of Yen, %				
		a	b	c	d	e
		Fiscal Year 2022 4th Quarter	Fiscal Year 2022 3rd Quarter	Fiscal Year 2022 2nd Quarter	Fiscal Year 2022 1st Quarter	Fiscal Year 2021 4th Quarter
Non-consolidated Liquidity Coverage Ratio (LCR)						
15	Total HQLA allowed to be included in the calculation	¥ 19,204,229	¥ 19,077,215	¥ 18,813,231	¥ 18,013,261	¥ 17,487,539
16	Net cash outflows	13,454,497	12,441,462	12,236,688	12,089,252	10,583,950
17	Non-consolidated LCR	142.7%	153.3%	153.7%	149.0%	165.2%
Non-consolidated Net Stable Funding Ratio (NSFR)						
18	Total available stable funding	35,131,413	34,901,872	35,339,762	34,933,245	34,769,782
19	Total required stable funding	28,930,866	28,961,348	29,509,927	28,584,166	28,267,940
20	Non-consolidated NSFR	121.4%	120.5%	119.7%	122.2%	123.0%

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
		2023	2022	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	¥ 1,884,485	¥ 1,783,447	
1a	of Which: Capital Stock and Capital Surplus	685,103	685,103	
2	of Which: Retained Earnings	1,230,712	1,121,938	
1c	of Which: Treasury Stock (Deduction)	—	—	
26	of Which: Earnings to be Distributed (Deduction)	31,330	23,594	
	of Which: Others	—	—	
1b	Subscription Rights to Common Shares	—	—	
3	Valuation and Translation Adjustments	212,099	244,263	(a)
6	Common Equity Tier 1 Capital: Instruments and Reserves (A)	2,096,585	2,027,711	
Common Equity Tier 1 Capital: Regulatory Adjustments				
8+9	Intangible Assets Other than Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	62,118	53,947	
8	of Which: Goodwill (Including Those Equivalent)	—	—	
9	of Which: Other Intangible Assets	62,118	53,947	
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	(56,665)	(61,694)	
12	Shortfall of Eligible Provisions to Expected Losses	—	—	
13	Securitisation Gain on Sale	808	993	
14	Gains and Losses Due to Changes in Own Credit Risk on Fair Valued Liabilities	7,454	6,253	
15	Defined-Benefit Pension Fund Net Assets (Prepaid Pension Expenses) (Net of Related Deferred Tax Liabilities)	183,860	175,440	
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)	197,577	174,939	
Common Equity Tier 1 Capital (CET1)				
29	Common Equity Tier 1 Capital (C) = (A)-(B)	¥ 1,899,007	¥ 1,852,771	

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/
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CC1		Millions of Yen, %		
As of March 31		a	b	c
Basel III Template No.	Items	2023	2022	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	—	—	
	Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	¥ 270,000	¥ 270,000	
	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)	270,000	270,000	
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	10	10	
42	Regulatory Adjustments Applied to Additional Tier 1 Due to Insufficient Tier 2 to Cover Deductions	—	—	
43	Additional Tier 1 Capital: Regulatory Adjustments (E)	10	10	
Additional Tier 1 Capital (AT1)				
44	Additional Tier 1 Capital (F) = (D) – (E)	269,990	269,990	
Tier 1 Capital (T1 = CET1 + AT1)				
45	Tier 1 Capital (G) = (C) + (F)	2,168,997	2,122,761	
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	270,630	339,855	
	Qualifying Tier 2 Instruments Issued by Special Purpose Vehicles	—	—	
47+49	Eligible Tier 2 Capital Instruments Subject to Phase out from Tier 2 Capital	—	—	
50	Provisions Allowed in Group Tier 2	3,962	25,733	
50a	of Which: General Allowance for Credit Losses	—	—	
50b	of Which: Excess Amount of Eligible Provisions to Expected Losses	3,962	25,733	
51	Tier 2 Capital: Instruments and Provisions (H)	¥ 274,592	¥ 365,588	

CC1 As of March 31 Basel III Template No.	Items	Millions of Yen, %				
		a		b		c
		2023		2022		
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)		273,052		364,048	
Total Capital (TC = T1 + T2)						
59	Total Capital (K) = (G) + (J)		2,442,050		2,486,809	
Total Risk Weighted Assets						
60	Total Risk Weighted Assets (L)		21,771,535		18,815,901	
Capital Ratios (Non-consolidated)						
61	Common Equity Tier 1 Capital Ratio (C)/(L)		8.72%		9.84%	
62	Tier 1 Capital Ratio (G)/(L)		9.96%		11.28%	
63	Total Capital Ratio (K)/(L)		11.21%		13.21%	
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)		168,789		95,249	
73	Significant Investments in the Common Stock of Banking, Financial and Insurance Entities (Amount below the Thresholds for Deduction)		60,555		66,072	
74	Mortgage Servicing Rights (Amount below the Thresholds for Deduction)		—		—	
75	Deferred Tax Assets Arising from Temporary Differences (Amount below the Thresholds for Deduction)		29,278		31,220	
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		3,521		3,221	
78	Provisions Eligible for Inclusion in Tier 2 in Respect of Exposures Subject to Internal Ratings-Based Approach (Prior to Applicable of Cap)		3,962		25,733	
79	Cap on Inclusion of Provisions in Tier 2 under Internal Ratings-Based Approach		110,095		95,829	
Capital Instruments Subject to Phase out Arrangements						
82	Current Cap on Additional Tier 1 Instruments Subject to Phase out Arrangements		—		—	
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		—		—	
85	Amount Excluded from Tier 2 Due to Cap (Excess over Cap after Redemptions and Maturities)	¥	—	¥	—	

Note: SuMi TRUST Holdings' non-consolidated capital adequacy ratio calculation was audited by KPMG AZSA LLC, an external auditor, in accordance 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).

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 2022

CC2: Reconciliation of Regulatory Capital to Balance Sheet

CC2	Items	a	b	c
		Non-consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Assets)				
	Cash and Due from Banks	¥ 21,364,216		
	Call Loans	24,006		
	Receivables under Resale Agreements	110,003		
	Receivables under Securities Borrowing Transactions	436,093		
	Monetary Claims Bought	124,649		
	Trading Assets	1,609,798		
	Money Held in Trust	99		6-a
	Securities	6,999,285		6-b
	Loans and Bills Discounted	31,947,351		6-c
	Foreign Exchanges	47,445		
	Other Assets	3,271,413		6-d
	Tangible Fixed Assets	182,820		
	Intangible Fixed Assets	89,534		2
	Prepaid Pension Expenses	265,005		3
	Customers' Liabilities for Acceptances and Guarantees	458,822		
	Allowance for Loan Losses	(105,798)		
	Total Assets	¥ 66,824,746		

CC2	Items	a	b	c
		Non-consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Liabilities)				
Deposits	¥	35,041,223		
Negotiable Certificates of Deposit		7,617,705		
Call Money		2,086,480		
Payables under Repurchase Agreements		1,030,780		
Trading Liabilities		1,472,636		
Borrowed Money		6,185,153		7
Foreign Exchanges		8,568		
Short-term Bonds Payable		1,697,150		
Bonds Payable		1,847,560		
Borrowed Money from Trust Account		4,332,472		
Other Liabilities		2,823,095		6–e
Provision for Bonuses		9,602		
Provision for Directors’ Bonuses		95		
Provision for Stocks Payment		810		
Provision for Retirement Benefits		1,018		
Provision for Reimbursement of Deposits		3,028		
Provision for Contingent Losses		1,344		
Deferred Tax Liabilities		76,900		4–a
Deferred Tax Liabilities for Land Revaluation		2,381		4–b
Acceptances and Guarantees		458,822		
Total Liabilities		64,696,830		
(Net Assets)				
Capital Stock		342,037		1–a
Capital Surplus		343,066		1–b
Retained Earnings		1,230,712		1–c
Total Shareholders’ Equity		1,915,815		
Valuation Differences on Available-for-Sale Securities		272,426		
Deferred Gains (Losses) on Hedges		(55,847)		5
Revaluation Reserve for Land		(4,479)		
Foreign Currency Translation Adjustments		—		
Total Valuation and Translation Adjustments		212,099	(a)	
Total Net Assets		2,127,915		
Total Liabilities and Net Assets	¥	66,824,746		

Note: The regulatory balance sheet is the same as the accounting balance sheet.

(Appendix)

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	1,230,712		1-c
Total Shareholders' Equity	¥ 1,915,815		

(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	¥ 1,915,815	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	1,230,712		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	¥ 89,534		2
Associated Deferred Tax Liabilities	27,415		

(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)	62,118	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	¥ 265,005		3
Associated Deferred Tax Liabilities	81,144		

(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)	¥ 183,860		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	¥ 76,900		4-a
Deferred Tax Liabilities for Land Revaluation	2,381		4-b
Associated Intangible Fixed Assets	27,415		
Associated Prepaid Pension Expenses	81,144		

(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)	29,278	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)	29,278		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	¥ (55,847)		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	¥ (56,665)	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.
Money Held in Trust	¥ 99		6-a
Securities	6,999,285		6-b
Loans and Bills Discounted	31,947,351	Including Subordinated Debts	6-c
Other Assets	3,271,413	Including derivatives	6-d
Other Liabilities	¥ 2,823,095	Including derivatives	6-e

(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	168,789		
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)	168,789		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	62,105		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	10		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	60,555		73

7. Other Capital Instruments

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Borrowed Money	¥ 6,185,153		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	¥ 270,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	270,630		46

Fiscal Year 2021

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
(Assets)				
Cash and Due from Banks	¥ 17,925,030	¥ 17,925,031		
Call Loans	5,000	5,000		
Receivables under Resale Agreements	150,741	150,741		
Receivables under Securities Borrowing Transactions	652,534	652,534		
Monetary Claims Bought	123,567	123,567		
Trading Assets	1,048,258	1,048,258		
Money Held in Trust	99	99		
Securities	7,951,169	7,951,168		6-a
Loans and Bills Discounted	30,916,363	30,916,363		6-b
Foreign Exchanges	29,494	29,494		
Other Assets	2,922,768	2,922,768		6-c
Tangible Fixed Assets	184,334	184,334		
Intangible Fixed Assets	77,756	77,756		2
Prepaid Pension Expenses	252,869	252,869		3
Customers' Liabilities for Acceptances and Guarantees	426,405	426,405		
Allowance for Loan Losses	(136,300)	(136,300)		
Total Assets	¥ 62,530,092	¥ 62,530,092		

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	¥ 32,898,724	¥ 32,898,724		
Negotiable Certificates of Deposit	6,809,644	6,809,644		
Call Money	932,640	932,640		
Payables under Repurchase Agreements	1,485,033	1,485,033		
Trading Liabilities	906,686	906,686		
Borrowed Money	7,335,261	7,335,261		7
Foreign Exchanges	15,362	15,362		
Short-term Bonds Payable	1,845,782	1,845,782		
Bonds Payable	1,371,604	1,371,604		
Borrowed Money from Trust Account	4,298,827	4,298,827		
Other Liabilities	2,066,310	2,066,310		6-d
Provision for Bonuses	9,599	9,599		
Provision for Directors' Bonuses	98	98		
Provision for Stocks Payment	569	569		
Provision for Retirement Benefits	940	940		
Provision for Reimbursement of Deposits	3,626	3,626		
Provision for Contingent Losses	1,649	1,649		
Deferred Tax Liabilities	67,628	67,628		4-a
Deferred Tax Liabilities for Land Revaluation	2,388	2,388		4-b
Acceptances and Guarantees	426,405	426,405		
Total Liabilities	60,478,786	60,478,786		
(Net Assets)				
Capital Stock	342,037	342,037		1-a
Capital Surplus	343,066	343,066		1-b
Retained Earnings	1,121,938	1,121,938		1-c
Total Shareholders' Equity	1,807,041	1,807,041		
Valuation Differences on Available-for-Sale Securities	291,152	291,152		
Deferred Gains (Losses) on Hedges	(42,431)	(42,431)		5
Revaluation Reserve for Land	(4,456)	(4,456)		
Foreign Currency Translation Adjustments	—	(0)		
Total Valuation and Translation Adjustments	244,263	244,263	(a)	
Total Net Assets	2,051,305	2,051,305		
Total Liabilities and Net Assets	¥ 62,530,092	¥ 62,530,092		

(Appendix)

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	1,121,938		1-c
Total Shareholders' Equity	¥ 1,807,041		

(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	¥ 1,807,041	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	1,121,938		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	¥ 77,756		2
Associated Deferred Tax Liabilities	23,808		

(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)	53,947	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	¥ 252,869		3
Associated Deferred Tax Liabilities	77,428		

(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)	¥ 175,440		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	¥ 67,628		4-a
Deferred Tax Liabilities for Land Revaluation	2,388		4-b
Associated Intangible Fixed Assets	23,808		
Associated Prepaid Pension Expenses	77,428		

(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)	31,220	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)	31,220		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	¥ (42,431)		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	¥ (61,694)	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	¥ 7,951,169		6-a
Loans and Bills Discounted	30,916,363	Including Subordinated Debts	6-b
Other Assets	2,922,768	Including derivatives	6-c
Other Liabilities	¥ 2,066,310	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	95,249		
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)	95,249		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	67,622		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	10		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	66,072		73

7. Other Capital Instruments

(1) Non-consolidated balance sheet

Non-consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Borrowed Money	¥ 7,335,261		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	¥ 270,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	339,855		46

Disclosure Data Designated as Per the Appended Forms

Non-consolidated

OV1: Overview of Risk-weighted assets (RWA)

OV1 Base III Template No.		Millions of Yen			
		Risk-weighted assets (RWA)		Minimum capital requirements	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Credit risk (excluding counterparty credit risk)	¥ 13,326,102	¥ 12,290,526	¥ 1,118,471	¥ 1,032,083
2	of Which: Standardised Approach (SA)	844	827	67	66
3	of Which: Internal Ratings-Based (IRB) Approach	10,913,090	10,175,272	925,430	862,863
	of Which: Significant investments in commercial entities	—	—	—	—
	of Which: Lease residual value	—	—	—	—
	Other assets	2,412,167	2,114,426	192,973	169,154
4	Counterparty credit risk (CCR)	1,107,530	1,149,099	90,463	94,014
5	of Which: Standardised Approach for Counterparty Credit Risk (SA-CCR)	—	—	—	—
	of Which: Current Exposure Method (CEM)	371,522	407,204	31,505	34,530
6	of Which: Expected Positive Exposure (EPE)	—	—	—	—
	of Which: Credit Valuation Adjustment (CVA)	643,376	659,325	51,470	52,746
	of Which: Central Counterparty (CCP)	76,398	55,007	6,111	4,400
	Others	16,232	27,562	1,376	2,337
7	Equity positions in banking book under market-based approach	175,413	186,018	14,875	15,774
8	Equity Investments in Funds (Look-through Approach)	1,987,297	893,938	158,983	71,515
9	Equity Investments in Funds (Mandate-based Approach)	1,560,189	1,228,015	124,815	98,241
	Equity Investments in Funds (Probability Approach 250%)	—	—	—	—
	Equity Investments in Funds (Probability Approach 400%)	—	—	—	—
10	Equity Investments in Funds (Probability Approach 1,250%)	1,311	1,448	104	115
11	Settlement risk	—	—	—	—
12	Securitisation exposures in banking book	266,300	289,158	21,304	23,132
13	of Which: Internal Rating-Based Approach (SEC-IRBA)	249,067	274,306	19,925	21,944
14	of Which: External Rating-Based Approach (SEC-ERBA)	17,232	14,852	1,378	1,188
15	of Which: Standardised Approach (SEC-SA)	—	—	—	—
	of Which: Subject to 1,250% risk weight	0	0	0	0
16	Market risk	1,775,223	1,240,649	142,017	99,251
17	of Which: Standardised Approach (SA)	19,158	5,793	1,532	463
18	of Which: Internal Model Approaches (IMA)	1,756,065	1,234,856	140,485	98,788
19	Operational risk	645,616	631,520	51,649	50,521
20	of Which: Basic Indicator Approach (BIA)	—	—	—	—
21	of Which: The Standardised Approach (TSA)	—	—	—	—
22	of Which: Advanced Measurement Approach (AMA)	645,616	631,520	51,649	50,521
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	224,506	243,170	19,038	20,620
	Amounts included under transitional arrangements	—	—	—	—
24	Floor adjustment	—	—	—	—
25	Total (after applying scaling factor)	¥ 21,771,535	¥ 18,815,901	¥ 1,741,722	¥ 1,505,272

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	
		March 31, 2023		March 31, 2022	
Item No.		ΔEVE		ΔNII	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Parallel up	¥ 17,096	¥ 74,043	¥ (103,567)	¥ (124,791)
2	Parallel down	18,359	2,132	100,393	120,552
3	Steepener	52,059	98,697		
4	Flattener	1,605	—		
5	Short rate up	5,491	75		
6	Short rate down	29,448	28,865		
7	Maximum	52,059	98,697	100,393	120,552
		e		f	
		March 31, 2023		March 31, 2022	
8	Tier 1 Capital	¥ 2,168,997		¥ 2,122,761	

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	2023	2022
On-Balance Sheet Exposures				
1		On-balance Sheet Exposures before Deducting Adjustment Items	¥ 43,262,706	¥ 42,957,850
1a	1	Total Assets Reported in the Non-consolidated Balance Sheet	48,280,137	47,445,830
1b	3	The Amount of Assets that are Deducted from the Total Assets Reported in the Non-consolidated Balance Sheet (except adjustment items) (Deduction)	5,017,430	4,487,979
2	7	The Amount of Adjustment Items Pertaining to Tier1 Capital (Deduction)	245,989	229,397
3		Total On-Balance Sheet Exposures (A)	43,016,716	42,728,453
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.	715,954	957,062
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.	1,193,702	1,066,025
		The Amount of Receivables Arising from Providing Cash Margin in Relation to Derivatives Transactions, etc.	823,974	804,496
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)	84,270	149,682
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	22,600	29,000
10		The Amount of Deductions from Effective Notional Amount of Written Credit Derivatives (Deduction)	22,600	29,000
11	4	Total Exposures Related to Derivative Transactions (B)	2,649,361	2,677,901
Exposures Related to Repo Transactions				
12		The Amount of Assets Related to Repo Transactions, etc.	546,097	803,276
13		The Amount of Deductions from the Assets Above (Line 12) (Deduction)	—	—
14		The Exposures for Counterparty Credit Risk for Repo Transactions, etc.	226,619	406,377
15		The Exposures for Agent Repo Transaction		
16	5	The Total Exposures Related to Repo Transactions, etc. (C)	772,716	1,209,654
Exposures Related to Off-Balance Sheet Transactions				
17		Notional Amount of Off-Balance Sheet Transactions	6,612,055	5,936,622
18		The Amount of Adjustments for Conversion in Relation to Off-Balance Sheet Transactions (Deduction)	3,157,712	2,827,562
19	6	Total Exposures Related to Off-Balance Sheet Transactions (D)	3,454,342	3,109,059
Basel III Leverage ratio on a Non-consolidated Basis				
20		The Amount of Capital (Tier 1 Capital) (E)	2,168,997	2,122,761
21	8	Total Exposures (F) = (A)+(B)+(C)+(D)	¥ 49,893,138	¥ 49,725,068
22		Basel III Leverage Ratio on a Non-consolidated Basis (G) = (E)/(F)	4.34%	4.26%
		Minimum leverage ratio requirement	3.00%	
Basel III Leverage Ratio on a Non-consolidated Basis If Including Deposits Held with the Bank of Japan				
		Total Exposures (F)	¥ 49,893,138	¥ 49,725,068
		Deposits held with the Bank of Japan	18,544,609	15,084,261
		Total exposure if including deposits held with the Bank of Japan (F')	68,437,747	64,809,330
		Basel III Leverage Ratio on a Non-consolidated Basis If Including Deposits Held with the Bank of Japan (H) = (E)/(F')	3.16%	3.27%

Note: SuMi TRUST Holdings' Basel III leverage ratio calculation was audited by KPMG AZSA LLC, an external auditor, in accordance 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).

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 2022 4th Quarter		Fiscal Year 2022 3rd Quarter	
High-Quality Liquid Assets (1)					
1	Total high-quality liquid assets (HQLA)	¥ 19,204,229		¥ 19,077,215	
Cash Outflows (2)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
2	Cash outflows related to unsecured retail funding	¥ 19,095,882	¥ 902,830	¥ 19,051,934	¥ 914,814
3	of which: Stable deposits	1,786,650	53,599	1,788,463	53,653
4	of which: Less stable deposits	8,488,939	849,230	8,608,609	861,160
5	Cash outflows related to unsecured wholesale funding	15,312,303	11,941,028	14,140,359	11,021,485
6	of which: Qualifying operational deposits	—	—	—	—
7	of which: Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	11,843,270	8,471,995	11,058,798	7,939,924
8	of which: Debt securities	3,469,033	3,469,033	3,081,560	3,081,560
9	Cash outflows related to secured funding, etc.	—		702	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	6,536,880	2,565,062	6,526,041	2,536,808
11	of which: Cash outflows related to derivative transactions, etc.	1,291,282	1,291,282	1,159,723	1,159,723
12	of which: Cash outflows related to funding programs	—	—	—	—
13	of which: Cash outflows related to credit and liquidity facilities	5,245,597	1,273,779	5,366,317	1,377,085
14	Cash outflows related to contractual funding obligations, etc.	300,396	214,888	243,637	171,771
15	Cash outflows related to contingencies	676,580	18,187	670,997	18,084
16	Total cash outflows	15,641,997		14,663,665	
Cash Inflows (3)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
17	Cash inflows related to secured lending, etc.	¥ 192,306	¥ —	¥ 230,742	¥ —
18	Cash inflows related to collection of loans, etc.	2,754,224	1,818,775	2,586,303	1,807,940
19	Other cash inflows	446,147	368,724	530,104	414,262
20	Total cash inflows	3,392,678	2,187,499	3,347,150	2,222,203
Non-consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation	¥ 19,204,229		¥ 19,077,215	
22	Net cash outflows	13,454,497		12,441,462	
23	Non-consolidated Liquidity Coverage Ratio (LCR)	142.7%		153.3%	
24	The number of data used to calculate the average value	60		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 liquid 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.”

Net Stable Funding Ratio (NSFR)

Non-consolidated

Non-consolidated Net Stable Funding Ratio

Quantitative Disclosure Items for the Net Stable Funding Ratio (NSFR) on a non-consolidated basis

Item No.		Millions of Yen, %					
		Fiscal Year 2022 4th Quarter					
		Unweighted value by residual maturity				Weighted value	
No maturity	< 6 months	6 months to < 1yr	≥ 1yr				
Available stable funding (ASF) items (1)							
1	Capital	¥ 2,370,547	¥ —	¥ —	¥ 305,000	¥ 2,675,547	
2	of which: Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital (excluding the proportion of Tier 2 instruments with residual maturity of less than one year) before the application of capital deductions	2,370,547	—	—	240,630	2,611,177	
3	of which: Other capital instruments that are not included in the above category	—	—	—	64,369	64,369	
4	Funding from retail and small business customers	12,975,005	—	—	5,831,434	17,508,939	
5	of which: Stable deposits	—	—	—	—	—	
6	of which: Less stable deposits	12,975,005	—	—	5,831,434	17,508,939	
7	Wholesale funding	5,820,486	23,159,747	2,793,788	8,671,296	14,946,926	
8	of which: Operational deposits	—	—	—	—	—	
9	of which: Other wholesale funding	5,820,486	23,159,747	2,793,788	8,671,296	14,946,926	
10	Liabilities with matching interdependent assets	—	—	—	—	—	
11	Other liabilities	586,941	281,489	—	137,039	0	
12	of which: Derivative liabilities	—	—	—	137,039	—	
13	of which: All other liabilities and equity not included in the above categories	586,941	281,489	—	—	0	
14	Total available stable funding	—	—	—	—	¥ 35,131,413	
Required stable funding (RSF) items (2)							
15	HQLA	—	—	—	—	¥ 1,065,921	
16	Deposits held at financial institutions for operational purposes	—	122,683	—	118,667	180,009	
17	Loans, repo transactions-related assets, securities and other similar assets	187,018	6,832,308	2,020,548	26,547,806	25,465,813	
18	of which: Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	—	546,097	—	—	0	
19	of which: Loans to- and repo transactions with- financial institutions (not included in item 18)	64,014	2,055,465	537,376	2,531,869	3,158,808	
20	of which: Loans and repo transactions-related assets (not included in item 18, 19 and 22)	—	3,789,743	1,200,467	11,616,262	12,329,888	
21	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	802,089	94,194	237,202	602,323	
22	of which: Residential mortgages	—	217,406	217,271	9,792,719	7,508,684	
23	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	132,330	131,913	5,966,717	4,156,279	
24	of which: Securities that are not in default and do not qualify as HQLA and other similar assets	123,004	223,596	65,433	2,606,955	2,468,431	
25	Assets with matching interdependent liabilities	—	—	—	—	—	
26	Other assets	1,454,098	549,688	2,870	489,976	1,744,114	
27	of which: Physical traded commodities, including gold	—	—	—	—	—	
28	of which: Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs (including those that are not recorded on consolidated balance sheet)	—	—	—	302,697	257,292	
29	of which: Derivative assets	—	—	—	—	—	
30	of which: Derivative liabilities (before deduction of variation margin posted)	—	—	—	40,529	40,529	
31	of which: All other assets not included in the above categories	1,454,098	549,688	2,870	146,749	1,446,293	
32	Off-balance sheet items	—	—	—	6,408,866	475,007	
33	Total required stable funding	—	—	—	—	¥ 28,930,866	
34	Non-consolidated net stable funding ratio (NSFR)	—	—	—	—	121.4%	

Item No.		Millions of Yen, %					
		Fiscal Year 2022 3rd Quarter					
		Unweighted value by residual maturity				Weighted value	
No maturity	< 6 months	6 months to < 1yr	≥ 1yr				
Available stable funding (ASF) items (1)							
1	Capital	¥ 2,321,696	¥ —	¥ —	¥ 305,000	¥ 2,626,696	
2	of which: Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital (excluding the proportion of Tier 2 instruments with residual maturity of less than one year) before the application of capital deductions	2,321,696	—	—	248,022	2,569,719	
3	of which: Other capital instruments that are not included in the above category	—	—	—	56,977	56,977	
4	Funding from retail and small business customers	13,120,352	—	—	5,724,763	17,533,080	
5	of which: Stable deposits	—	—	—	—	—	
6	of which: Less stable deposits	13,120,352	—	—	5,724,763	17,533,080	
7	Wholesale funding	5,574,931	22,037,414	2,141,886	9,073,686	14,742,095	
8	of which: Operational deposits	—	—	—	—	—	
9	of which: Other wholesale funding	5,574,931	22,037,414	2,141,886	9,073,686	14,742,095	
10	Liabilities with matching interdependent assets	—	—	—	—	—	
11	Other liabilities	354,937	282,961	—	217,965	0	
12	of which: Derivative liabilities	—	—	—	217,965	—	
13	of which: All other liabilities and equity not included in the above categories	354,937	282,961	—	—	0	
14	Total available stable funding	—	—	—	—	¥ 34,901,872	
Required stable funding (RSF) items (2)							
15	HQLA	—	—	—	—	¥ 1,089,789	
16	Deposits held at financial institutions for operational purposes	—	104,492	15,928	92,453	152,664	
17	Loans, repo transactions-related assets, securities and other similar assets	178,174	6,844,433	1,995,490	26,711,615	25,561,799	
18	of which: Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	—	544,210	—	—	0	
19	of which: Loans to- and repo transactions with- financial institutions (not included in item 18)	69,131	1,843,952	472,812	2,404,716	2,958,786	
20	of which: Loans and repo transactions-related assets (not included in item 18, 19 and 22)	—	4,115,273	1,197,153	11,600,073	12,478,439	
21	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	783,628	76,460	231,182	580,313	
22	of which: Residential mortgages	—	219,261	218,670	9,898,971	7,530,025	
23	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	133,479	133,047	6,075,123	4,183,281	
24	of which: Securities that are not in default and do not qualify as HQLA and other similar assets	109,043	121,735	106,853	2,807,854	2,594,548	
25	Assets with matching interdependent liabilities	—	—	—	—	—	
26	Other assets	1,263,831	476,248	3,566	453,107	1,705,409	
27	of which: Physical traded commodities, including gold	—	—	—	—	—	
28	of which: Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs (including those that are not recorded on consolidated balance sheet)	—	—	—	258,985	220,137	
29	of which: Derivative assets	—	—	—	—	—	
30	of which: Derivative liabilities (before deduction of variation margin posted)	—	—	—	58,100	58,100	
31	of which: All other assets not included in the above categories	1,263,831	476,248	3,566	136,021	1,427,170	
32	Off-balance sheet items	—	—	—	6,080,681	451,685	
33	Total required stable funding	—	—	—	—	¥ 28,961,348	
34	Non-consolidated net stable funding ratio (NSFR)	—	—	—	—	120.5%	

Qualitative Disclosure Items for the Net Stable Funding Ratio (NSFR) on a non-consolidated basis**(1) Items concerning fluctuations in the non-consolidated NSFR over time**

Our non-consolidated NSFR has remained stable mainly due to our predetermined funding policy on the sticky money.

(2) Items concerning special provisions for interdependent assets and liabilities

The “Special provisions for interdependent assets and liabilities” stipulated in the items under Article 101 of the Financial Services Agency Notification on Liquidity Ratio are not applied on a non-consolidated basis.

(3) Other items concerning non-consolidated NSFR

Our non-consolidated NSFR satisfies the regulated level (100%), and we do not expect NSFR to deviate significantly from the current level in the future.

Currently, the entire amount of funding from retail and small business customers is recorded as “less stable deposits.”

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 2023.

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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 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 of the Company, and exclude external directors.

(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 Group management. No entities qualify.

(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 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 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, 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 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, 2022-March 31, 2023)	Total amount of compensation*
Board of Directors (SuMi TRUST Bank)	1 time	—

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 Group has defined its “Purpose” as “Creating new value with the power of trusts and let prosperous future for our clients and society bloom,” and placed at the core of its management philosophy the notion of “balanced creation of both social value and economic value” with the goal of realizing the development of a sustainable society and achieving sustainable and stable growth for the Group. Recognizing the role that officer compensation plays in each and every executive’s efforts to realize the goal and act in a manner that embodies its “Purpose,” SuMi TRUST Holdings will constantly review its policies and systems to ensure that they are based on the philosophy.

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) for directors, excluding Audit and Supervisory Committee members, has also been separately resolved. Compensation 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 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 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 performance-based 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 SuMi TRUST Bank Group

In determining the remuneration of applicable officers, we consult with the Compensation Committee of SuMi TRUST Holdings regarding the policy for determining remuneration for individuals, and the decision is made by the Board of Directors after receiving the report of the Committee. In addition, we have introduced a system whereby individual remuneration is reported to the Compensation Committee for deliberation, and a system is in place to check whether the remuneration is appropriate in accordance with SuMi TRUST Holdings’ policy for determining individual remuneration as reported by the Compensation Committee. In determining the remuneration of applicable employees, SuMi TRUST Group takes into consideration the Group’s financial situation and other factors before implementing budgetary measures.

4. Types, Total Amount of Payment, and Payment Method of Compensation, etc. for Applicable Officers and Employees of 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	
Item No.		a	b
		Applicable Officers	Applicable Employees, etc.
1	The number of applicable officers and employees, etc.	13	23
2	Total amount of fixed compensation (3+5+7)	¥ 303	¥ 926
3	of Which: Cash compensation amount	303	926
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.	11	23
10	Total amount of variable compensation (11+13+15)	¥ 310	¥ 416
11	of Which: Cash compensation amount	241	416
12	of 11 above: Deferred amount	—	—
13	of Which: Stock compensation amount or Stock-linked compensation amount	69	—
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.	3	—
21	Total amount of other compensations	¥ 2	¥ —
22	of Which: Deferred amount	—	—
23	Total amount of compensations (2+10+18+21)	¥ 616	¥ 1,342

(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 SuMi TRUST Bank Group

Not applicable, other than those items raised in the preceding sections.

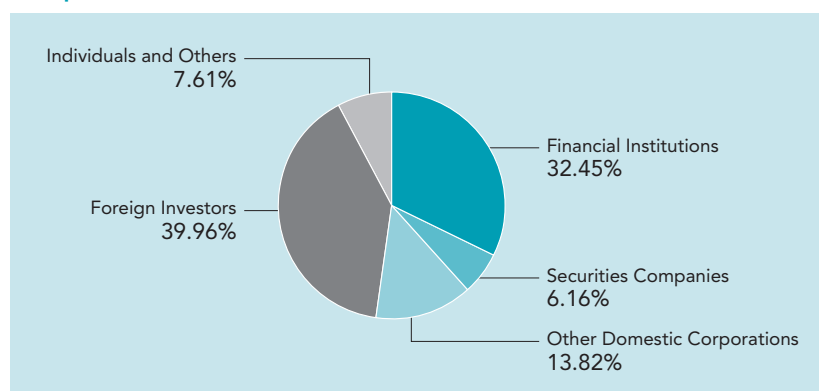
Stock Information (as of March 31, 2023)

Major Shareholders (Common Shares)

Shareholder Name	Number of Shares Held (Shares)	Shareholding Ratio (%)
1 The Master Trust Bank of Japan, Ltd. (Trust Account)	63,757,300	17.51
2 Custody Bank of Japan, Ltd. (Trust Account)	24,678,867	6.78
3 Northern Trust Co. (AVFC) Re Silchester International Investors International Value Equity Trust	7,561,400	2.07
4 State Street Bank West Client - Treaty 505234	5,926,935	1.62
5 State Street Bank and Trust Company 505001	5,846,621	1.60
6 SSBTC Client Omnibus Account	5,117,589	1.40
7 Northern Trust Co. (AVFC) Re U.S. Tax Exempted Pension Funds	5,095,855	1.40
8 JPMorgan Securities Japan Co., Ltd.	4,976,444	1.36
9 The Bank of New York Mellon 140051	4,953,100	1.36
10 JP Morgan Chase Bank 385781	4,824,238	1.32

(Note) The shareholding ratio is calculated by excluding the treasury stock and rounded down to second decimal places.

Composition of Shareholders (Common Shares)



(Note1) Number of Shares per Unit: 100 shares

(Note2) Treasury Stock (4,232,973 shares) is included 42,329 units in "Individuals and Others" and 73 shares in "Shares constituting less than one unit".

(Note3) The component ratio is rounded off to two decimal places.

ADR (American Depositary Receipt) Information

ADR:	Underlying Share Ratio 10ADR = 1 Underlying Share
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) https://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:	364,025,840 Shares
Preferred Shares:	0 Shares
Number of Shareholders: (*)	
Common Shares:	49,310
Preferred Shares:	0

(*) Excluding shareholders who hold shares constituting less than one unit (13,234)

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 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 Corporate Communication Committee to ensure disclosure of SuMi TRUST Group's information in accordance with the above disclosure policy.

Contact:

IR Department

Telephone: +81 (3) 3286-8354

e-mail: ir@smth.jp

URL: <https://www.smth.jp/en/ir/index.html>