

Sumitomo Mitsui Trust Holdings, Inc. (SMTH)
Financial Results for the Fiscal Year ended March 31, 2012
[Under Japanese GAAP] (Consolidated)



May 15, 2012

Stock exchange listings : Tokyo, Osaka and Nagoya (code: 8309)
 URL : <http://www.smth.jp/en/index.html>
 Representative : Kunitaro Kitamura, President
 For inquiry : Tadashi Nishimura, Managing Executive Officer,
 General Manager of Financial Planning Department
 TEL +81-3-3286-8354

Date of the ordinary general meeting of shareholders : June 28, 2012
 Payment date of cash dividends (Scheduled) : June 29, 2012
 Filing date of financial statements : June 29, 2012
 Trading accounts : Established
 Supplementary explanatory material : Prepared
 Information meeting (Scheduled) : Prepared (for institutional investors and analysts)

(All amounts less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year ended March 31, 2012

(1) Consolidated Results of Operations (%: Change from the previous period)

Fiscal Year Ended	Ordinary Income		Ordinary Profit		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
March 31, 2012	1,323,269	277.0	272,137	221.3	164,660	248.3
March 31, 2011	350,977	(4.0)	84,705	1.5	47,277	1.0

(Note) Comprehensive Income: March 31, 2012 ¥197,182 million, 690.4% March 31, 2011 ¥24,945 million, (85.6)%

Fiscal Year Ended	Net Income per Common Share	Net Income per Common Share (Fully Diluted)	Net Income to Net Assets Ratio	Ordinary Profit to Total Assets Ratio	Ordinary Profit to Ordinary Income Ratio
	Yen	Yen	%	%	%
March 31, 2012	38.54	—	—	1.1	20.6
March 31, 2011	28.51	—	7.2	0.6	24.1

(Reference) Equity in earning (losses) of affiliates: March 31, 2012 ¥3,561 million March 31, 2011 ¥553 million

(Note) Net Income per Common Share (Fully Diluted) for the fiscal year ended March 31, 2012 is not stated as there are no potential shares that would have a dilutive effect.

(Note) Net Income per Common Share (Fully Diluted) for the fiscal year ended March 31, 2011 is not stated as there are no potential shares.

(Note) For Net Income to Net Assets Ratio for the fiscal year ended March 31, 2012, please refer to page 9, "10.ROE" in "Explanatory Material."

(2) Consolidated Financial Conditions

As of	Total Assets	Net Assets	Net Assets to Total Assets Ratio	Net Assets per Common Share	Consolidated BIS Capital Adequacy Ratio
	Millions of Yen	Millions of Yen	%	Yen	%
March 31, 2012	34,376,309	2,337,031	5.3	413.11	16.68
March 31, 2011	14,231,070	844,130	4.6	395.94	16.46

(Reference) Net Assets less Minority Interests: March 31, 2012 ¥1,826,844 million March 31, 2011 ¥656,476 million

(Note) Net Assets to Total Assets Ratio = (Net Assets - Subscription Rights to Shares - Minority Interests) / Total Assets

(Note) Consolidated BIS Capital Adequacy Ratio is calculated in accordance with "Standard to Determine Bank Holding Company Capital Adequacy in Light of Assets Held by a Bank Holding Company or its Subsidiaries, Pursuant to Article 52-25 of the Banking Act" (Financial Service Agency Notification No.20, 2006).

The figures as of March 31, 2011 are the Consolidated BIS Capital Adequacy Ratio for the former Chuo Mitsui Trust Holdings, Inc. ("CMTH") for the fiscal year ended March 31, 2011, calculated according to Standard 2.

The ratio as of March 31, 2012 is the preliminary figure for immediate release purposes.

(3) Consolidated Cash Flows

Fiscal Year Ended	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at End of Period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
March 31, 2012	(1,495,329)	2,124,294	(22,660)	1,726,575
March 31, 2011	(519,408)	734,537	12,628	465,221

2. Cash Dividends on Common Share

Fiscal Year Ended	Annual Cash Dividends per Share					Total Dividends Payment (Annual)	Payout Ratio (Consolidated)	Dividends to Net Assets Ratio (Consolidated)
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Annual			
March 31, 2011	-	4.00	-	4.00	8.00	13,264	28.1	2.0
March 31, 2012	-	4.00	-	4.50	8.50	35,298	30.3	2.1
March 31, 2013 (Forecast)	-	4.25	-	4.25	8.50		30.6	

(Note) The figures above show the cash dividends on common shares. For other classes of SMTH shares with differing rights, please refer to "Cash Dividends on Preferred Shares."

(Note) SMTH sets returning profit to shareholders as one of important management policies and has a basic policy targeting consolidated payout ratio* to be 30 percentage or more.

(*) Consolidated Payout Ratio = Total Cash Dividends on Common Shares / (Consolidated Net Income (excluding Gain on Negative Goodwill) - Total Cash Dividends on Preferred Shares) × 100

For the fiscal year ended March 31, 2012, this is calculated after excluding the transient accounting gain on negative goodwill associated with the integration.

3. Consolidated Earnings Forecast for the Fiscal Year ending March 31, 2013

(%: Change from the previous period)

Six Months Ending	Ordinary Profit		Net Income		Net Income per Common Share
	Millions of Yen	%	Millions of Yen	%	Yen
September 30, 2012	110,000	(29.2)	55,000	(57.1)	12.68
March 31, 2013	230,000	(15.5)	120,000	(27.1)	27.78

*Notes

(1) Changes in Important Subsidiaries during the period : Yes

(Changes in specified subsidiaries resulting in changes in the scope of consolidation)

Included: 6 companies The Sumitomo Trust and Banking Co., Ltd., STB Preferred Capital 2 (Cayman) Limited, STB Preferred Capital 3 (Cayman) Limited, STB Preferred Capital 4 (Cayman) Limited, STB Preferred Capital 5 (Cayman) Limited, Japan Trustee Services Bank, Ltd.

Excluded: —

(Note) For details, please refer to page 3, "2.Organization of the Sumitomo Mitsui Trust Holdings Group ("SMTH Group") in "Accompanying Materials."

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

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

(3) Number of Issued Shares (Common Share)

- 1) Number of issued shares (including treasury stock)
 2) Number of treasury stock
 3) Average number of issued shares (for the fiscal year)

	March 31,2012	4,153,486,408 shares	March 31,2011	1,658,426,267 shares
1) Number of issued shares (including treasury stock)	March 31,2012	4,153,486,408 shares	March 31,2011	1,658,426,267 shares
2) Number of treasury stock	March 31,2012	763,613 shares	March 31,2011	411,673 shares
3) Average number of issued shares (for the fiscal year)	March 31,2012	4,152,789,786 shares	March 31,2011	1,658,044,193 shares

(Note) For details, please refer to page 40, "Per Common Share Information".

<Reference> Summary of Non-consolidated Financial Results

Non-Consolidated Financial Results for the Fiscal Year ended March 31, 2012

(1) Non-consolidated Results of Operations

(%: Change from the previous period)

	Operating Income		Operating Profit		Ordinary Profit		Net Income	
Fiscal Year Ended	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
March 31, 2012	41,253	81.2	28,902	133.7	27,416	185.1	27,409	207.7
March 31, 2011	22,764	66.8	12,366	298.1	9,615	321.1	8,906	210.8

	Net Income per Common Share	Net Income per Common Share (Fully Diluted)
Fiscal Year Ended	Yen	Yen
March 31, 2012	5.49	—
March 31, 2011	5.37	—

(Note) Net Income per Common Share (Fully Diluted) for the fiscal year ended March 31, 2012 is not stated as there are no potential shares that would have a dilutive effect.
 (Note) Net Income per Common Share (Fully Diluted) for the fiscal year ended March 31, 2011 is not stated as there are no potential shares.

(2) Non-consolidated Financial Conditions

	Total Assets	Net Assets	Net Assets to Total Assets Ratio	Net Assets per Common Share
As of	Millions of Yen	Millions of Yen	%	Yen
March 31, 2012	1,932,107	1,740,446	90.1	392.30
March 31, 2011	794,198	601,370	75.7	362.70

(Reference) Net Assets less Minority Interests: March 31, 2012 ¥1,740,440 million March 31, 2011 ¥601,370 million

(Note) Net Assets to Total Assets Ratio = (Net Assets - Subscription Rights to Shares) / Total Assets

Presentation on the Implementation Status of the Audit Procedures

These financial results stand out of range of audit procedures based on "Financial Instruments and Exchange Act." At the time of this disclosure, the procedures have not completed yet.

Explanation for Proper Use of Forecasts and other Notes

·Forecasts in this material are based on the information that is currently possessed by SMTH and certain reasonable assumptions. Actual results may differ materially from those forecasts depending on various future events and conditions.

·SMTH conducted a share exchange on April 1, 2011 under which SMTH became the parent company and The Sumitomo Trust and Banking Co., Ltd. ("STB") became the wholly owned subsidiary. Based on the Accounting Standard for Business Combinations, this share exchange is a reverse acquisition wherein SMTH is considered to be the acquired company and STB to be the acquiring company. Therefore, the consolidated assets and liabilities of SMTH were transferred to the consolidated balance sheets of STB at fair value. As a result, the figures for the fiscal year ended March 31, 2012 changed substantially when compared with those for the fiscal year ended March 31, 2011.

·Information meeting will be held for institutional investors and analysts. The contents of the meeting such as explanations about financial results will be posted on the web site, together with the handouts to be used on the day.

(Cash Dividends on Preferred Shares)

Cash dividends on preferred shares are as below:

The First Series of Class 7 Preferred Shares	Annual Cash Dividends per Share					Total Dividends Payment (Annual)
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Annual	
Fiscal Year Ended	Yen	Yen	Yen	Yen	Yen	Millions of Yen
March 31, 2011						
March 31, 2012	—	21.15	—	21.15	42.30	4,610
Fiscal Year Ending						
March 31, 2013 (Forecast)	—	21.15	—	21.15	42.30	

(Note) The First Series of Class 7 Preferred Shares was issued on April 1, 2011 in exchange for the First Series of Class 2 Preferred Shares of STB due to the share exchange.

(Reference) Cash Dividends on Common Share and the First Series of Class 2 Preferred Shares of STB

STB Common Shares	Annual Cash Dividends per Share				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Annual
Fiscal Year Ended	Yen	Yen	Yen	Yen	Yen
March 31, 2011	-	6.00	-	8.00	14.00

(Note) While all the Common Shares of STB were acquired by SMTH in the share exchange for Common Shares of SMTH on April 1, 2011, the year-end cash dividends for the fiscal year ended March 31, 2011 was paid by STB based on the last Register of Shareholders as of March 31, 2011.

STB The First Series of Class 2 Preferred Shares	Annual Cash Dividends per Share				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Annual
Fiscal Year Ended	Yen	Yen	Yen	Yen	Yen
March 31, 2011	-	21.15	-	21.15	42.30

(Note) While all the First Series of Class 2 Preferred Shares of STB were acquired by SMTH in the share exchange for the First Series of Class 7 Preferred Shares of SMTH on April 1, 2011, the year-end cash dividends for the fiscal year ended March 31, 2011 was paid by STB based on the Register of Shareholders as of March 31, 2011.

[Accompanying Materials]

Index

<u>1. Financial Results</u>	-----	2
(1) Analysis related to the Consolidated Financial Results of Operations	-----	2
(2) Analysis related to the Consolidated Financial Position	-----	2
(3) Basic Policy related to Profits Distribution and Cash Dividends for the Fiscal Year 2011 and 2012	-----	2
<u>2. Organization of the Sumitomo Mitsui Trust Holdings Group ("SMTH Group")</u>	-----	3
<u>3. Management Policy</u>	-----	4
(1) Basic Management Policy	-----	4
(2) Targeted Management Indicators	-----	5
(3) Midterm and Long Term Management Strategies and Issues to be Addressed	-----	5
<u>4. Consolidated Financial Statements</u>	-----	6
(1) Consolidated Balance Sheets	-----	6
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	-----	8
Consolidated Statements of Income	-----	8
Consolidated Statements of Comprehensive Income	-----	9
(3) Consolidated Statements of Changes in Net Assets	-----	10
(4) Consolidated Statements of Cash Flows	-----	12
Note for the Going-Concern Assumption	-----	14
Significant Accounting Policies and Practices	-----	14
Additional Information	-----	18
Notes to the Consolidated Financial Statements for the Fiscal Year ended March 31, 2012	-----	18
Consolidated Balance Sheets	-----	18
Consolidated Statements of Income	-----	20
Consolidated Statements of Changes in Net Assets	-----	21
Consolidated Statements of Cash Flows	-----	23
Financial Instruments	-----	24
Securities	-----	30
Money Held in Trust	-----	32
Valuation Difference on Available-for-Sale Securities	-----	32
Stock Option Plans	-----	33
Tax Effect Accounting	-----	35
Business Combination	-----	36
Segment Information	-----	38
Related Party Transactions	-----	39
Per Common Share Information	-----	40
Significant Subsequent Event	-----	41
<u>5. (Reference) Non-Consolidated Financial Statements</u>	-----	42
(1) Non-Consolidated Balance Sheets	-----	42
(2) Non-Consolidated Statements of Income	-----	43
(3) Non-Consolidated Statements of Changes in Net Assets	-----	44
Note for the Going-Concern Assumption	-----	46
<u>6. Other</u>	-----	47
(1) Changes in Directors and Executive Officers	-----	47

1. Financial Results

(1) Analysis related to the Consolidated Results of Operations

In the current fiscal year, "net business profit before credit costs (Note 1)" grew ¥51.5 billion from a year earlier to ¥342.2 billion (Note 2). This was attributable mainly to the continued strength of market-related earnings and the effects of consolidated accounting treatments related to the business integration.

Ordinary profit rose ¥86.6 billion from a year earlier to ¥272.1 billion. Although stock-related losses of ¥33.9 billion were recorded primarily as "losses on devaluation of stocks and other securities," credit costs were somewhat limited.

Net Income rose ¥33.8 billion from a year earlier to ¥164.6 billion. While there was a drawdown of deferred tax assets associated with the reduction in the corporate tax rate, there was also a gain on the amortization of negative goodwill (¥43.4 billion) arising from an exchange of shares. Excluding this gain on amortization of negative goodwill, net income declined ¥9.5 billion to ¥121.2 billion.

(Note 1) Please refer to the "Explanatory Material Fiscal Year Ended March 31, 2012" for an explanation of "net business profit before credit costs."

(Note 2) As for the figure comparison to the previous fiscal year, we compared to the sum of the amount of the former CMTH and STB.

(2) Analysis related to the Consolidated Financial Conditions

Consolidated total assets totaled ¥34,376.3 billion and consolidated net assets totaled ¥2,337.0 billion at the end of the consolidated current fiscal year. As to major accounts, loans and bills discounted totaled ¥20,636.4 billion, securities ¥6,795.7 billion, and deposits ¥22,077.8 billion. Aggregate trust assets totaled ¥168,335.6 billion.

In the current fiscal year, consolidated net cash used in operating activities totaled ¥1,495.3 billion, net cash provided by investment activities totaled ¥2,124.2 billion, net cash used by financing activities totaled ¥22.6 billion, and cash and cash equivalents at the end of the period totaled ¥1,726.5 billion.

The consolidated BIS capital adequacy ratio (Standard 1) was 16.68% at the end of the current fiscal year .

(3) Basic Policy related to the Profits Distribution and Cash Dividends for the Fiscal Year 2011 and 2012

SMTH views returning profits to shareholders as an important management policy, and our basic policy is to aim for a consolidated payout ratio of 30% as a means of returning profits to shareholders commensurate with our business results. Based on this policy, we intend to distribute a year-end dividend of 4.5 yen per common share.

Annual dividend for the fiscal year ended March 31, 2012 will be 8.5 yen per common share including interim dividend per share 4.0 yen distributed on December, 2011.

Meanwhile, annual dividend forecast per share on common share for fiscal year ended March 31, 2013 will be 8.5yen (interim dividend per share 4.25 yen) on the condition of earnings forecasts.

(Note) Consolidated payout ratio = $\frac{\text{total cash dividends on common shares} \div (\text{consolidated net income (excluding gain on negative goodwill)} - \text{total cash dividends on preferred shares})}{\text{total cash dividends on common shares}} \times 100$

For the year ended March 31, 2012, this is calculated after excluding the transient accounting gain on negative goodwill associated with the integration.

2. Organization of the Sumitomo Mitsui Trust Holdings Group ("SMTH Group")

SMTH Group comprises three trust bank groups—The Chuo Mitsui Trust and Banking Company, Limited ("CMTB"), Chuo Mitsui Asset Trust and Banking Company, Limited ("CMAB") and The Sumitomo Trust and Banking Co., Ltd. ("STB")—and other consolidated subsidiaries, and is engaged in a broad range of financial services activities. SMTH Group encompasses 77 consolidated subsidiaries and 24 affiliates accounted for by the equity-method.

CMTB, CMAB and STB merged on April 1, 2012 and the company name was changed to Sumitomo Mitsui Trust Bank, Limited ("SMTB").

SMTH Group reportable segments are presented as below.

(as of March 31, 2012)

Sumitomo Mitsui Trust Holdings, Inc.	The Chuo Mitsui Trust and Banking Company, Limited	<ul style="list-style-type: none"> ○ Tokyo Securities Transfer Agent Co., Ltd. ○ Chuo Mitsui Guarantee Co., Ltd. ○ Chuo Mitsui Card Co., Ltd. ○ Chuo Mitsui Realty Company, Limited ○ CMTB Facilities Co., Ltd. ○ Chuo Mitsui Trust Realty Company, Limited
	Chuo Mitsui Asset Trust and Banking Company, Limited	
	The Sumitomo Trust and Banking Co., Ltd.	<ul style="list-style-type: none"> ○ Nikko Asset Management Co., Ltd. ○ Sumishin Panasonic Financial Services Co., Ltd. ○ Sumishin Guaranty Company Limited ○ Sumishin Card Company, Limited ○ Sumishin Realty Company, Limited ○ The Sumishin Shinko Company Limited ○ Sumishin Wealth Partners Co., Limited ○ Sumishin Real Estate Loan & Finance, Limited ○ STB Investment Corporation ○ STB Real Estate Investment Management Co., Ltd. ○ The Sumitomo Trust Finance (H.K.) Limited ○ Sumitomo Trust and Banking (Luxembourg) S.A. ○ Sumitomo Trust and Banking Co. (U.S.A.) △ SBI Sumishin Net Bank, Ltd. △ BUSINEXT CORPORATION
	Other	<ul style="list-style-type: none"> ○ STB Asset Management Co., Ltd. ○ Chuo Mitsui Asset Management Company, Limited ○ STB Research Institute Co., Ltd. ○ Chuo Mitsui Capital Company, Limited ○ Japan Trustee Services Bank, Ltd.

(Note 1) The "○" symbol denotes consolidated subsidiaries and the "△" symbol denotes affiliates accounted for by the equity-method

(Note 2) Companies in the "Other" category do not belong to reportable segment.

Meanwhile, details of changes in specified subsidiaries resulting in changes in the scope of consolidation during the fiscal year ended March 31, 2012 (6 newly included companies) are as below.

Name	Address	Capital Stock (Millions of Yen)	Main Business Area	Share of Voting Rights Held
(Consolidated subsidiaries) The Sumitomo Trust and Banking Co., Ltd.	Chuo-ku, Osaka	342,037	Trust Banking Business	100.00%
STB Preferred Capital 2 (Cayman) Limited	George Town, Grand Cayman, British West Indies	51,500	Financial-related Business	100.00%
STB Preferred Capital 3 (Cayman) Limited	George Town, Grand Cayman, British West Indies	51,500	Financial-related Business	100.00%
STB Preferred Capital 4 (Cayman) Limited	George Town, Grand Cayman, British West Indies	111,600	Financial-related Business	100.00%
STB Preferred Capital 5 (Cayman) Limited	George Town, Grand Cayman, British West Indies	70,900	Financial-related Business	100.00%
Japan Trustee Services Bank, Ltd.	Chuo-ku, Tokyo	51,000	Trust Banking Business	66.66%

3. Management Policy

(1) Basic Management Policy

SMTH Group has stated our Mission and Vision in order to present a clear picture of the company group that we envision.

A. Our Mission

- Swiftly provide comprehensive solutions to clients by fully utilizing the significant expertise and comprehensive capabilities.
- Adhere to the principles of sound management based on a high degree of self-discipline with the background of "Trustee Spirit" and establish strong credibility from society.
- Strive to fulfill all shareholder expectations by creating distinct values through fusing the various functions featuring the trust bank group.
- Offer a workplace where the diversity and creativity of its employees are more fully utilized to add value to the organization and where employees can have pride and be highly motivated in fulfilling their missions.

B. Our Vision: Towards "The Trust Bank"

Based on the "Trustee Spirit" and with significant expertise and comprehensive capabilities, SMTH Group will create distinct values by leveraging a new business model, combining its Banking, Asset Management and Administration, and Real Estate businesses, and will move onto the global stage as a leading trust bank group which boasts the largest and highest status in Japan.

(2) Targeted Management Indicators

For the fiscal year ending March 31, 2016, the final year of the mid-term management plan, SMTH sets targets of ¥400 billion of consolidated net business profit and ¥200 billion of consolidated net income, and as a mid-term target, about 10% as ROE.

(3) Midterm and Long Term Management Strategies and Issues to be Addressed

Amid the continued uncertain social and economic situation within and outside of Japan, and against backdrop of Japan's rapidly aging society, increasing globalization, and the effects of the earthquake, our customers are facing increasingly sophisticated and complicated issues, and therefore our group will play a bigger role in their lives. To become the sort of financial institution whose existence is indispensable for our customers, we are building a new business model under which we will generate distinct added value "befitting the Sumitomo Mitsui Trust Group as a true trust bank group" as we aim to establish "The Trust Bank" brand with a solid presence in not just the trust bank industry, but in the broader financial services industry.

(i) Strengthening earnings from existing businesses and building a distinctive business model

We will strengthen and concentrate upon the fee-based businesses that we view as our strategic areas – trust and insurance sales, asset management and administration, and real estate – while simultaneously strengthening our basic ability to generate earnings by restructuring our highly profitable credit portfolio while bearing in mind factors such as credit risk. As we strengthen the earning capacity of these existing businesses, we will work to transform the products and services, sales organizations, and business processes of our group companies as we seek to build up the group-wide ability to provide solutions and establish a new business model under which we provide distinctly added value.

(ii) Strategically allocating business resources while remaining committed to improving efficiency through streamlining

By reallocating the personnel freed up through integration to strategic areas where profits are expected to grow, we will maximize the benefits of our expanded group-wide business resources and build up consolidated-basis earnings.

We will strengthen our commitment to our efforts to improve group-wide efficiencies and cost reductions by pursuing cost synergies through branch and office consolidation and business and system integration in order to achieve the industry's best overhead ratio.

(iii) Strengthening our financial position and elevating the level of risk management and compliance

In order to ensure that we have a solid financial foundation and that we are financially sound we will systematically reduce cross-share holdings and make more efficient use of capital by strengthening off-balance sheet businesses, and thereby move towards addressing Basel III requirements.

On the risk management front, we will increase the level of preparedness for unexpected events, while on the compliance front we will put in place and enforce rigorous measures to restore confidence, including measures aimed at preventing the recurrence of violation of insider trading rules.

(iv) Public Injections of Capital

The Resolution and Collection Corp. (RCC) holds 500,875,000 of the Company's common shares (¥200.35 billion when issued). As of March 31, 2012, this is the equivalent of approximately 12% of the outstanding shares of SMTH.

In keeping with the principle of quickly returning this public money, we are pursuing discussions with the relevant authorities along the lines of repaying the amount as quickly as possible through means such as public sales, while fully bearing in mind the need to maintain soundness and avoid having an adverse impact on the market.

4. Consolidated Financial Statements**(1) Consolidated Balance Sheets**

(Millions of Yen)

	As of March 31, 2011	As of March 31, 2012
Assets:		
Cash and Due from Banks	502,160	2,597,784
Call Loans and Bills Bought	6,936	283,000
Receivables under Resale Agreements	—	55,275
Receivables under Securities Borrowing Transactions	9,378	18,616
Monetary Claims Bought	99,921	500,942
Trading Assets	36,568	601,138
Money Held in Trust	2,065	19,296
Securities	3,710,513	6,795,726
Loans and Bills Discounted	8,864,266	20,636,457
Foreign Exchanges	12,259	9,440
Lease Receivables and Investment Assets	—	549,689
Other Assets	393,956	1,200,118
Tangible Fixed Assets:	123,584	244,904
Buildings	34,835	82,763
Land	80,955	144,607
Lease Assets	—	299
Construction in Progress	291	1,300
Other	7,502	15,933
Intangible Fixed Assets:	56,994	205,167
Software	18,886	75,730
Goodwill	33,034	111,886
Other	5,074	17,550
Deferred Tax Assets	143,055	191,588
Customers' Liabilities for Acceptances and Guarantees	317,098	619,967
Allowance for Loan Losses	(47,690)	(152,805)
Total Assets	14,231,070	34,376,309
Liabilities:		
Deposits	9,292,002	22,077,837
Negotiable Certificates of Deposit	327,020	3,252,845
Call Money and Bills Sold	351,956	125,173
Payables under Repurchase Agreements	—	211,531
Payables under Securities Lending Transactions	1,161,653	227,956
Trading Liabilities	7,716	179,120
Borrowed Money	678,983	1,122,265
Foreign Exchanges	—	71
Short-term Bonds Payable	—	377,859
Bonds Payable	267,247	942,677
Borrowed Money from Trust Account	801,657	2,107,227
Other Liabilities	156,055	731,248
Provision for Bonuses	3,133	13,165
Provision for Directors' Bonuses	—	190
Provision for Retirement Benefits	2,859	15,314
Provision for Directors' Retirement Benefits	253	60
Provision for Reimbursement of Deposits	—	6,932
Provision for Contingent Loss	15,335	12,490
Provision for Relocation Expenses	—	8,895
Deferred Tax Liabilities	3,967	1,972
Deferred Tax Liabilities for Land Revaluation	—	4,472
Acceptances and Guarantees	317,098	619,967
Total Liabilities	13,386,939	32,039,277

(Continued)

	(Millions of Yen)	
	As of March 31, 2011	As of March 31, 2012
Net Assets:		
Capital Stock	261,608	261,608
Capital Surplus	—	859,499
Retained Earnings	406,002	696,824
Treasury Stock	(282)	(120)
Total Shareholders' Equity	667,328	1,817,812
Valuation Difference on Available-for-Sale Securities	4,408	32,442
Deferred Gains or Losses on Hedges	3,406	(5,546)
Revaluation Reserve for Land	(16,537)	(4,955)
Foreign Currency Translation Adjustment	(2,129)	(12,907)
Total Accumulated Other Comprehensive Income	(10,851)	9,032
Subscription Rights to Shares	—	6
Minority Interests	187,653	510,181
Total Net Assets	844,130	2,337,031
Total Liabilities and Net Assets	14,231,070	34,376,309

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

	Fiscal Year Ended March 31, 2011	Fiscal Year Ended March 31, 2012
	(Millions of Yen)	
Ordinary Income	350,977	1,323,269
Trust Fees	46,720	98,207
Interest Income:	160,477	374,744
Interest on Loans and Bills Discounts	106,584	242,952
Interest and Dividends on Securities	48,613	119,035
Interest on Call Loans and Bills Bought	367	745
Interest on Receivables under Resale Agreements	—	434
Interest on Receivables under Securities Borrowing Transactions	139	125
Interest on Deposits with Banks	452	5,762
Other Interest Income	4,320	5,688
Fees and Commissions	82,579	262,914
Trading Income	3,943	12,488
Other Ordinary Income	36,224	533,445
Other Income:	21,032	41,468
Recoveries of Written-off Claims	—	13,437
Other	21,032	28,030
Ordinary Expenses	266,272	1,051,131
Interest Expenses:	59,694	121,067
Interest on Deposits	40,794	71,602
Interest on Negotiable Certificates of Deposit	524	6,197
Interest on Call Money and Bills Sold	537	1,609
Interest on Payables under Repurchase Agreements	—	479
Interest on Payables under Securities Lending Transactions	2,537	1,703
Interest on Borrowings and Rediscounts	2,675	9,773
Interest on Short-term Bonds	—	583
Interest on Bonds	7,642	18,432
Other Interest Expenses	4,983	10,684
Fees and Commissions Payments	20,890	59,580
Trading Expenses	441	83
Other Ordinary Expenses	9,228	389,422
General and Administrative Expenses	140,931	386,558
Other Expenses:	35,086	94,419
Provision of Allowance for Loan Losses	—	15,252
Other	35,086	79,166
Ordinary Profit	84,705	272,137
Extraordinary Income:	7,832	46,409
Gain on Disposal of Noncurrent Assets	141	347
Gain on Negative Goodwill	—	46,061
Reversal of Allowance for Loan Losses	764	—
Recoveries of Written-off Claims	6,926	—
Extraordinary Loss:	5,753	23,579
Loss on Disposal of Noncurrent Assets	759	823
Impairment Loss	1,108	11,578
Management Integration Expenses	3,397	—
Other Extraordinary Loss	489	11,176
Income before Income Taxes and Minority Interests	86,783	294,967
Income Taxes:	31,977	109,339
Current	6,452	19,735
Deferred	25,524	89,604
Income before Minority Interests	54,806	185,628
Minority Interests in Income	7,529	20,967
Net Income	47,277	164,660

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Fiscal Year Ended March 31, 2011	Fiscal Year Ended March 31, 2012
Income before Minority Interests	54,806	185,628
Other Comprehensive Income:		
Valuation Difference on Available-for-Sale Securities	(30,147)	25,924
Deferred Gains or Losses on Hedges	701	(13,530)
Revaluation Reserve for Land	—	632
Foreign Currency Translation Adjustment	(390)	(102)
Attributable to Equity Method Affiliates	(22)	(1,370)
Total Other Comprehensive Income	(29,860)	11,554
Comprehensive Income:	24,945	197,182
Comprehensive Income Attributable to Owners of the Parent	16,993	176,439
Comprehensive Income Attributable to Minority Interests	7,952	20,743

(3) Consolidated Statements of Changes in Net Assets

(Millions of Yen)

	Fiscal Year Ended March 31, 2011	Fiscal Year Ended March 31, 2012
Shareholders' Equity:		
Capital Stock:		
Balance at the Beginning of the Current Period	261,608	342,037
Changes during the Period:		
Increase due to Share Exchange	—	(80,428)
Total Changes during the Period	—	(80,428)
Balance at the End of the Current Period	261,608	261,608
Capital Surplus:		
Balance at the Beginning of the Current Period	—	297,051
Changes during the Period:		
Cash Dividends (from Capital Surplus)	—	(6,632)
Increase due to Share Exchange	—	569,542
Disposal of Treasury Stock	—	19
Retirement of Treasury Stock	—	(482)
Total Changes during the Period	—	562,448
Balance at the End of the Current Period	—	859,499
Retained Earnings:		
Balance at the Beginning of the Current Period	377,619	565,908
Changes during the Period:		
Cash Dividends	(19,896)	(34,618)
Net Income	47,277	164,660
Disposal of treasury stock	(3)	—
Reversal of Revaluation Reserve for Land	1,004	873
Total Changes during the Period	28,382	130,916
Balance at the End of the Current Period	406,002	696,824
Treasury Stock:		
Balance at the Beginning of the Current Period	(270)	(482)
Changes during the Period:		
Purchase of Treasury Stock	(17)	(138)
Disposal of Treasury Stock	5	18
Retirement of Treasury Stock	—	482
Total Changes during the Period	(11)	362
Balance at the End of the Current Period	(282)	(120)
Total Shareholders' Equity:		
Balance at the Beginning of the Current Period	638,957	1,204,514
Changes during the Period:		
Cash Dividends	(19,896)	(41,250)
Net Income	47,277	164,660
Increase due to Share Exchange	—	489,114
Purchase of Treasury Stock	(17)	(138)
Disposal of Treasury Stock	2	38
Reversal of Revaluation Reserve for Land	1,004	873
Total Changes during the Period	28,370	613,298
Balance at the End of the Current Period	667,328	1,817,812

(Continued)

(Millions of Yen)

	Fiscal Year Ended March 31, 2011	Fiscal Year Ended March 31, 2012
Accumulated Other Comprehensive Income:		
Valuation Difference on Available-for-Sale Securities:		
Balance at the Beginning of the Current Period	35,002	6,064
Changes during the Period:		
Net Changes of Items other than Shareholders' Equity	(30,593)	26,377
Total Changes during the Period	(30,593)	26,377
Balance at the End of the Current Period	4,408	32,442
Deferred Gains or Losses on Hedges:		
Balance at the Beginning of the Current Period	2,705	9,650
Changes during the Period:		
Net Changes of Items other than Shareholders' Equity	701	(15,197)
Total Changes during the Period	701	(15,197)
Balance at the End of the Current Period	3,406	(5,546)
Revaluation Reserve for Land:		
Balance at the Beginning of the Current Period	(15,532)	(4,714)
Changes during the Period:		
Net Changes of Items other than Shareholders' Equity	(1,004)	(241)
Total Changes during the Period	(1,004)	(241)
Balance at the End of the Current Period	(16,537)	(4,955)
Foreign Currency Translation Adjustment:		
Balance at the Beginning of the Current Period	(1,738)	(12,873)
Changes during the Period:		
Net Changes of Items other than Shareholders' Equity	(390)	(33)
Total Changes during the Period	(390)	(33)
Balance at the End of the Current Period	(2,129)	(12,907)
Total Accumulated Other Comprehensive Income:		
Balance at the Beginning of the Current Period	20,436	(1,872)
Changes during the Period:		
Net Changes of Items other than Shareholders' Equity	(31,288)	10,905
Total Changes during the Period	(31,288)	10,905
Balance at the End of the Current Period	(10,851)	9,032
Subscription Rights to Shares:		
Balance at the Beginning of the Current Period	—	—
Changes during the Period:		
Net Changes of Items other than Shareholders' Equity	—	6
Total Changes during the Period	—	6
Balance at the End of the Current Period	—	6
Minority Interests:		
Balance at the Beginning of the Current Period	187,161	304,454
Changes during the Period:		
Net Changes of Items other than Shareholders' Equity	492	205,726
Total Changes during the Period	492	205,726
Balance at the End of the Current Period	187,653	510,181
Total Net Assets:		
Balance at the Beginning of the Current Period	846,556	1,507,095
Changes during the Period:		
Cash Dividends	(19,896)	(41,250)
Net Income	47,277	164,660
Increase due to Share Exchange	—	489,114
Purchase of Treasury Stock	(17)	(138)
Disposal of Treasury Stock	2	38
Reversal of Revaluation Reserve for Land	1,004	873
Net Changes of Items other than Shareholders' Equity	(30,796)	216,637
Total Changes during the Period	(2,425)	829,936
Balance at the End of the Current Period	844,130	2,337,031

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Fiscal Year Ended March 31, 2011	Fiscal Year Ended March 31, 2012
Net Cash Provided by (Used in) Operating Activities:		
Income before Income Taxes and Minority Interests	86,783	294,967
Depreciation and Amortization	12,296	37,830
Impairment Losses	1,108	11,578
Amortization of Goodwill	2,270	8,578
Gain on Negative Goodwill	—	(46,061)
Equity in Losses (Earnings) of Affiliates	(553)	(3,561)
Increase (Decrease) in Allowance for Loan Losses	(5,720)	(9,465)
Increase (Decrease) in Provision for Bonuses	(26)	(12)
Increase (Decrease) in Provision for Directors' Bonuses	—	(126)
Increase (Decrease) in Provision for Retirement Benefits	197	(1,274)
Increase (Decrease) in Provision for Directors' Retirement Benefits	(1,450)	(213)
Increase (Decrease) in Provision for Reimbursement of Deposits	—	522
Increase (Decrease) in Provision for Contingent Loss	3,313	(6,487)
Increase (Decrease) in Provision for Relocation Expenses	—	3,275
Gain on Fund Management	(160,477)	(374,744)
Financing Expenses	59,694	121,067
Loss (Gain) Related to Securities	(29,479)	(69,431)
Loss (Gain) on Money Held in Trust	(115)	(451)
Foreign Exchange Losses (Gains)	50,355	60,855
Loss (Gain) on Disposal of Fixed Assets	617	476
Net Decrease (Increase) in Trading Assets	(13,790)	17,102
Net Increase (Decrease) in Trading Liabilities	(195)	69,077
Net Decrease (Increase) in Loans and Bills Discounted	77,682	45,119
Net Increase (Decrease) in Deposit	532,084	433,350
Net Increase (Decrease) in Negotiable Certificates of Deposit	(170)	703,714
Net Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowings)	(538,263)	(729,467)
Net Decrease (Increase) in Due from Banks (excluding Due from the Bank of Japan)	(12,551)	(475,229)
Net Decrease (Increase) in Call Loans	1,890	(13,644)
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	(7,857)	(9,238)
Net Increase (Decrease) in Call Money	45,795	(655,667)
Net Increase (Decrease) in Payables under Securities Lending Transactions	(541,044)	(1,092,494)
Net Decrease (Increase) in Foreign Exchange Assets	(11,492)	8,477
Net Increase (Decrease) in Foreign Exchange Liabilities	(21)	40
Net Decrease (Increase) in Lease Receivables and Investment Assets	—	64,686
Net Increase (Decrease) in Short-term Bonds Payable	—	(30,749)
Increase (Decrease) in Straight Bonds Issuance and Redemption	—	6,002
Net Increase (Decrease) in Borrowed Money from Trust Account	(193,955)	(167,425)
Proceeds from Fund Management	169,068	386,542
Payments for Finance	(52,624)	(148,518)
Other Net	16,268	113,928
Sub Total	(510,362)	(1,447,070)
Income Taxes Paid	(9,045)	(48,259)
Net Cash Provided by (Used in) Operating Activities	(519,408)	(1,495,329)

(Continued)

	(Millions of Yen)	
	Fiscal Year Ended March 31, 2011	Fiscal Year Ended March 31, 2012
Net Cash Provided by (Used in) Investment Activities:		
Purchase of Securities	(7,517,154)	(11,719,378)
Proceeds from Sales of Securities	7,828,396	10,808,438
Proceeds from Redemption of Securities	434,664	3,091,918
Decrease in Money Held in Trust	109	5,000
Purchase of Tangible Fixed Assets	(5,717)	(28,478)
Proceeds from Sales of Tangible Fixed Assets	1,437	750
Purchase of Intangible Fixed Assets	(7,537)	(30,554)
Proceeds from Sales of Intangible Fixed Assets	339	665
Purchase of Investments in Subsidiaries at Changes in Scope of Consolidation	—	4,339
Proceeds from Sales of Investments in Subsidiaries at Changes in Scope of Consolidation	—	(2,287)
Investment for Affiliates Accounted for by the Equity Method	—	(4,588)
Purchase of Investments in Subsidiaries	—	(1,530)
Net Cash Provided by (Used in) Investment Activities	734,537	2,124,294
Net Cash Provided by (Used in) Financing Activities:		
Increase in Subordinated Borrowings	5,000	5,000
Decrease in Subordinated Borrowings	(5,000)	(2,500)
Proceeds from Issuance of Subordinated Bonds and Bonds with Subscription Rights to Shares	40,000	82,596
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares	—	(47,241)
Repayment to Minority Shareholders	—	(434)
Proceeds from Contributions by Minority Shareholders	—	4
Cash Dividends Paid	(19,896)	(41,258)
Cash Dividends Paid to Minority Shareholders	(7,460)	(18,726)
Purchase of Treasury Stock	(17)	(138)
Proceeds from Sales of Treasury Stock	2	38
Net Cash Provided by (Used in) Financing Activities	12,628	(22,660)
Effect of Exchange Rate Change on Cash and Cash Equivalents	(388)	(5,322)
Net Increase (Decrease) in Cash and Cash Equivalents	227,369	600,981
Cash and Cash Equivalents at the Beginning of the Period	237,851	346,030
Increase in Cash and Cash Equivalents Resulting from Share Exchange	—	465,221
Increase (Decrease) in Cash and Cash Equivalents at Changes in Scope of Consolidation	—	314,342
Cash and Cash Equivalents at the End of the Period	465,221	1,726,575

All amounts less than one million yen are rounded down.

Note for the Going-Concern Assumption

There are no corresponding items.

Significant Accounting Policies and Practices

SMTH conducted a share exchange on April 1, 2011 under which SMTH became the parent company and STB became the wholly owned subsidiary. Based on the Accounting Standard for Business Combinations, this share exchange is a reverse acquisition wherein SMTH is considered to be the acquired company and STB to be the acquiring company. Therefore, the consolidated assets and liabilities of SMTH were transferred to the consolidated balance sheets of STB at fair value. Therefore, there is no continuity from our consolidated financial statements for the prior fiscal year to our consolidated financial statements for the current fiscal year. In addition, we presented financial figures of the former CMTH as the comparative information in the consolidated financial statements for the current fiscal year and we presented the notes to consolidated financial statements for the current fiscal year for the following items.

1. Scope of Consolidation

(1) Consolidated Subsidiaries 77 companies

Principal Companies

The Chuo Mitsui Trust and Banking Company, Limited

Chuo Mitsui Asset Trust and Banking Company, Limited

The Sumitomo Trust and Banking Co., Ltd.

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

STB and its 51 consolidated subsidiaries were included in the scope of consolidation during the current fiscal year as a result of the share exchange between SMTH and STB. Because the share of voting rights held in Japan Trustee Services Bank, Ltd., an existing equity-method affiliate, also rose due to this share exchange, it was excluded from the scope of the equity method and included in the scope of consolidation during the current fiscal year.

Nikko Asset Management Asia Limited and four other companies were also added to the scope of consolidation during the current fiscal year due to the acquisition of shares. Chuo Mitsui Finance Service Co., Ltd (divestiture), CMTB Equity Investments Co., Ltd. (merger), Chuo Mitsui Investments, Inc. and two other companies (liquidation), and Nikko AM Global Umbrella Fund (SICAV) (decreased interest) were excluded from the scope of consolidation during the current fiscal year.

(2) Unconsolidated Subsidiaries

Principal Company

Chuo Mitsui Create Company, Limited

Unconsolidated subsidiaries are excluded from the scope of consolidation because they are immaterial to the extent that excluding such companies would not prevent a reasonable assessment of the corporate group's financial position or financial results even if excluded from the scope of consolidation, based on the size of their assets, ordinary income, net income (amount corresponding to SMTH's interest in the company), retained earnings (amount corresponding to SMTH's interest in the company), and deferred gains or losses on hedges (amount corresponding to SMTH's interest in the company).

Hummingbird Co., Ltd. and 41 other companies are excluded from the scope of consolidation in accordance with Paragraph 1, Item 2 of Article 5 of the Consolidated Financial Statements Regulations because they are operators engaged in leasing activities through silent partnership arrangements, and therefore their assets and income effectively do not belong to the subsidiaries.

2. Application of the Equity Method

(1) Unconsolidated Subsidiaries Accounted for by the Equity Method:

None

(2) Affiliates Accounted for by the Equity Method: 24 companies

Principle Companies

SBI Sumishin Net Bank, Ltd.

Businext Corporation

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

SBI Sumishin Net Bank, Ltd., an equity-method affiliate of STB, and nine other companies were included in the scope of the equity method during the current fiscal year as a result of the share exchange between SMTH and STB. Because the share of voting rights held in Japan Trustee Services Bank, Ltd., an existing equity-method affiliate, also rose due to this share exchange, it was excluded from the scope of the equity method during the current fiscal year.

New Smith LLP and ten other companies were included in the scope of the equity method during the current fiscal year due to the acquisition of shares, and Nikko AM Global Umbrella Fund (SICAV) was excluded from the scope of consolidation and included in the scope of the equity method during the current fiscal year due to decreased interest.

(3) Unconsolidated Subsidiaries and Affiliates that are Not Accounted for by the Equity Method

Principle Company

Chuo Mitsui Create Company, Limited

Unconsolidated subsidiaries and affiliates that are not accounted for by the equity method are excluded from the scope of the equity method because there would be no material effect on consolidated financial statements even if they were excluded from the scope of the equity method, based on the size of their net income (amount corresponding to SMTH's interest in the company), retained earnings (amount corresponding to SMTH's interest in the company), and deferred gains or losses on hedges (amount corresponding to SMTH's interest in the company).

Hummingbird Co., Ltd. and 41 other companies are excluded from the scope of the equity method in accordance with Paragraph 1, Item 2 of Article 10 of the Consolidated Financial Statements Regulations because they are operators engaged in leasing activities through silent partnership arrangements, and therefore their assets and income effectively do not belong to the subsidiaries.

3. Balance Sheet Dates of Consolidated Subsidiaries

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

April 30	1 company
November 30	1 company
December 31	10 companies
January 24	6 companies
January 31	4 companies
March 31	55 companies

(2) A subsidiary with a balance sheet date of April 30 is consolidated using financial statements provisionally prepared as of January 31, a subsidiary with a balance sheet date of November 30 is consolidated using financial statements provisionally prepared as of February 29, one of the subsidiaries with a balance sheet date of December 31 is consolidated using financial statements provisionally prepared as of March 31, subsidiaries with balance sheet dates of January 24 are consolidated using financial statements provisionally prepared as of March 31, and other subsidiaries are consolidated using the financial statements as of their respective balance sheet dates.

The necessary adjustments have been made for material transactions arising between the balance sheet date and the above closing dates.

4. Accounting Policies

(1) Trading Account Activities

Trading account activities are conducted with the objective of generating 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"). These positions are shown as "Trading Assets" or "Trading Liabilities" on the consolidated balance sheets on a trade date basis, and gains and losses from such transactions are shown as "Trading Income" or "Trading Expenses" on the consolidated statements of income.

Under trading assets and trading liabilities, trading account securities and monetary claims are stated at their fair values as of the 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 balance sheet date.

Trading income and trading expenses include interests, changes in fair value of securities and monetary claims in the current fiscal year, and changes in values of financial derivatives which are estimated on the assumption that they are settled at the balance sheet date.

(2) Securities

(a) Under the accounting standard for financial instruments, SMTH is required to explicitly determine the purposes of holding each security and classify them 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 affiliates, 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. Equity securities issued by unconsolidated subsidiaries and affiliates not accounted for by the equity method are stated at moving average cost. Japanese stocks classified as "available-for-sale securities" with fair value are valued at the average market price of the final month of the fiscal year. "Available-for-sale securities" with fair value other than Japanese stocks are valued at the balance sheet date. "Available-for-sale securities" whose fair value is extremely difficult to estimate are carried at cost using the moving average method. Valuation differences on "available-for-sale securities" are recorded as a separate component of net assets and reported in the consolidated balance sheets.

(b) Securities in money held in trust are classified and accounted for in the same manner as securities described above.

(3) Financial Derivatives

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

(4) Depreciation and Amortization Methods

(a) Tangible Fixed Assets (except lease assets)

Tangible fixed assets of the consolidated subsidiary trust banks are depreciated using the declining-balance method (except for buildings acquired on or after April 1, 1998, which are depreciated using the straight-line method).

Useful lives of major asset categories:

Buildings:	3 to 60 years
Other assets:	2 to 20 years

At SMTH and the other consolidated subsidiaries, tangible fixed assets are depreciated mainly using the straight-line method over the estimated useful lives of the assets.

(b) Intangible Fixed Assets

Intangible fixed assets are amortized using the straight-line method. Software for internal use is amortized over the useful life specified by SMTH or the consolidated subsidiaries, generally five years.

(c) Lease Assets

The lease assets within tangible fixed assets that are related to finance leases in which there is no transfer of ownership of the lease assets are depreciated using the straight-line method over the term of the lease and 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 standards for written-offs and allowance for loan losses.

For claims against borrowers that have initiated special liquidation proceedings or other bankruptcy proceedings ("legal bankruptcy") and against borrowers that are in substantially similar adverse condition ("virtual bankruptcy"), the allowance is provided based on the amount of claims, deducting the amount expected to be collected through the disposal of collateral or execution of guarantees from carrying amount after a direct deduction described below. For claims against borrowers that have not yet initiated bankruptcy proceedings but are very likely to do so ("possible bankruptcy"), the allowance is provided for the amount deemed necessary based on the overall assessment of the borrowers' repayment ability, deducting the amount expected to be collected through the disposal of collateral or execution of guarantees.

For claims against large borrowers that are classified as possible bankruptcy borrowers, restructured loan borrowers, or close observation borrowers, for which future cash flows from principal collection and interest receipt 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 ("estimated cash flow method"). For claims that are classified as other than those above, a general allowance is provided based on the historical loan-loss-ratio.

All claims are assessed by the branches and the Global Credit Supervision Department based on the criteria for self-assessment of asset quality. The Internal Audit Department and the Risk Management Department, which are independent from the operating sections, monitor the results of such assessments and the allowance is provided based on 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-ratio, and the allowance for loan losses for specific claims is provided based on estimates of unrecoverable amounts for each claim.

For claims against borrowers who are legally bankrupt or virtually bankrupt with collateral or guarantees, the expected uncollectible amounts, net of amounts expected to be collected through the disposal of collateral or through the execution of guarantees, are directly deducted out of the original amount of claims. The deducted amount was ¥57,639 million .

(6) Provision for Bonuses

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

(7) Provision for Directors' Bonuses

The provision for directors' bonuses is provided at some of the consolidated subsidiaries for the estimated directors' bonuses attributable to the current fiscal year.

(8) Provision for Retirement Benefits

The provision for retirement benefits is provided based on the projected benefit obligation and the fair value of the plan assets at the respective balance sheet date. Prepaid pension expenses of ¥152,474 million are included within "Other Assets". Prior service cost and actuarial gains or losses are expensed using the following methods.

Prior service cost: Prior service cost is recognized using the straight-line method over the average expected remaining service years (generally 10 years).

Actuarial gains or losses: Actuarial differences are expensed using the straight-line method over a set number of years (generally 10 years), not to exceed the average remaining years of employee service in the business year in which the liabilities arise, beginning in the year after they rise.

(Additional Information)

In conjunction with the merger of three SMTH consolidated subsidiaries (CMTB, CMAB and STB) on April 1, 2012, the current retirement benefit plans of SMTH and the three subsidiaries transitioned to a new retirement benefit program consisting of a defined-benefit pension plan, a defined-contribution pension plan, and a lump-sum retirement benefit plan on

the same day.

For accounting purposes, this transition is treated as prescribed in "Accounting for Transfers between Retirement Benefit Plans" (ASBJ Guidance No. 1, January 31, 2002) and in "Practical Solution on Accounting for Transfers between Retirement Benefit Plans" (PITF No. 2, revised February 7, 2007).

Due to this transfer, the projected benefit obligation increased ¥836 million and a past service cost of the same amount was incurred. From the current consolidated fiscal year, this amount is recognized in income or expenses using the straight-line method over the average expected remaining service years (10 years).

This change will have no material effect on profit or loss in the current fiscal year.

(9) Provision for Directors' Retirement Benefits

The provision for directors' retirement benefits is provided at some of the consolidated subsidiaries for the expected amount of directors' retirement benefits deemed as arising in the current fiscal year.

(10) Provision for Reimbursement of Deposits

At the consolidated subsidiary trust banks, the provision for reimbursement of deposits is provided for the deposits that were derecognized as liabilities under certain conditions against the estimated future reimbursement requested by customers calculated based on the past reimbursement record.

(11) Provision for Contingent Losses

The provision for contingent losses is provided for contingent losses associated with trust transactions in the amount deemed necessary based on estimated possible future losses.

(12) Provision for Relocation Expenses

The provision for relocation expenses is provided for losses associated with consolidating and jointly developing office buildings in the Tokyo metropolitan area in the reasonably estimated amount.

(13) Foreign Currency Translation

The consolidated subsidiary trust banks' assets and liabilities that are denominated in foreign currencies, and overseas branch accounts are generally translated into yen at the exchange rate prevailing at the balance sheet date, except for shares of affiliates translated into yen at the exchange rate prevailing at the acquisition date. Other consolidated subsidiaries' assets and liabilities that are denominated in foreign currencies are translated into yen at the exchange rate prevailing at their respective balance sheet dates.

(14) Accounting for Leases

(As lessees)

As for the domestic consolidated subsidiaries, transactions of finance leases without transfer of ownerships which started before April 1, 2008 have been accounted for according to the same accounting treatment used in the operating leases.

(As lessors)

As for the domestic consolidated subsidiaries, the income and expenses for transactions of finance leases without transfer of ownerships were accounted for the sales and costs of goods sold when lease payments were collected.

(15) Hedge Accounting

(a) Interest Related Transactions

The consolidated subsidiary trust banks manage interest rate risk arising from various assets and liabilities by using financial derivative transactions and such transactions are generally treated as deferred hedges as specified in "Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry" (Japanese Institute of Certified Public Accountants ("JICPA") Industry Auditing Committee Report No. 24, "Report No. 24"). To evaluate the effectiveness of hedges designed to offset market fluctuations, the deposits, loans and bills discounted and other hedged items and the interest rate swaps and other hedging transactions are grouped by their durations to maturity. The effectiveness of hedges designed to fix cash flow is evaluated by verifying the correlation between the interest volatility factors for the hedged items and the hedging transactions.

In accordance with "Temporary Treatment for Accounting and Auditing concerning Application of Accounting Standard for Financial Instruments in Banking Industry" (JICPA Industry Auditing Committee Report No.15), SMTH had adopted "Macro Hedge Accounting" to account for certain interest related derivatives, which were utilized to manage interest rate exposure of certain changes of transactions such as loans and deposits. Deferred hedge gain (losses) resulted from "Macro Hedge Accounting" are amortized over the remaining period for each hedging transaction. Deferred hedge losses associated with macro hedges during the current fiscal year totaled ¥824 million (before tax effect) and deferred hedge gains totaled ¥24 million (before tax effect).

(b) Currency Related Transactions

The consolidated subsidiary trust banks manage foreign exchange risk arising from various assets and liabilities denominated in foreign currencies by using financial derivative transactions and such transactions are generally treated as deferred hedges as specified accordance with "Treatment for Accounting and Auditing of Application of Accounting Standard for Foreign Currency Transactions in Banking Industry" (JICPA Industry Auditing Committee Report No. 25,

"Report No. 25").

The effectiveness of cross currency swaps and foreign exchange swaps as a means of hedging to mitigate the foreign exchange risk arising from monetary claims and debts denominated in foreign currencies is evaluated by verifying that the foreign-currency positions under hedging transactions are in amounts equivalent to the corresponding monetary claims and debts denominated in foreign currencies.

Additionally, transactions intended to hedge the currency risk associated with foreign-denominated available-for-sale securities (other than bonds) are treated as portfolio hedges and fair-value hedge accounting is used, on the condition that specific foreign-denominated securities are designated in advance as hedged items and that there are forward obligations in excess of the foreign-currency basis acquisition cost of such foreign-denominated securities.

(c) Internal Hedge Transactions and Others

Among derivatives, those interest rate swaps and cross currency swaps designated as being for hedging purposes that take place between consolidated subsidiaries or other internal transactions that take place between a designated trading account and some other account are carried out in accordance with the standards for external covered transactions that are deemed to eliminate discretion and make it possible to strictly administer hedges, pursuant to the Report No. 24 and No. 25; and therefore the gains or expenses arising from such interest rate swaps and cross currency swaps are recognized in income or deferred rather than eliminated.

Certain assets and liabilities are treated as deferred hedges or fair value hedges, by the individual transaction.

Other consolidated subsidiaries treat transactions as deferred hedges, fair value hedges, or accrual-basis hedge accounting on interest rate swaps, by the individual transaction.

(16) Amortization of Goodwill

Goodwill is amortized over the duration that is reasonably determined by each case within 20 years. However, it is expensed as incurred during the each fiscal year if deemed immaterial.

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

The scope of "cash" in the consolidated statements of cash flows is the "Cash and Due from Banks" presented in the consolidated balance sheets (cash and due from the Bank of Japan in the case of the consolidated subsidiaries engaged in trust activities).

(18) National and Local Consumption Taxes

National and local consumption taxes payable by SMTH and its domestic consolidated subsidiaries are accounted for using the tax-excluded method. However, any non-deductible consumption taxes associated with asset purchases are recorded as an expense during the current fiscal year.

Additional Information

SMTH conducted a share exchange on April 1, 2011 under which SMTH became the parent company and STB became the wholly owned subsidiary. Based on the Accounting Standard for Business Combinations, this share exchange is a reverse acquisition wherein SMTH is considered to be the acquired company and STB to be the acquiring company. Therefore, the consolidated assets and liabilities of SMTH were transferred to the consolidated balance sheets of STB at fair value. Therefore, there is no continuity from our consolidated financial statements for the prior fiscal year to our consolidated financial statements for the current fiscal year. SMTH adopted ASBJ Statement No. 24 "Accounting Standard for Accounting Changes and Error Corrections" (issued by ASBJ on December 4, 2009) and Implementation Guidance No. 24 "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (issued by ASBJ on December 4, 2009) for accounting changes and corrections of past errors from the beginning of the Period, therefore, for purposes of comparison we present the notes to consolidated financial statements of the former CMTH for the prior fiscal year.

Notes to the Consolidated Financial Statements for the Fiscal Year ended March 31, 2012

Consolidated Balance Sheets

1. Investments in Stocks and Investments of Affiliates

Investments in stocks and investments of affiliates excluding consolidated subsidiaries were ¥138,120 million

2. Loans in Bankruptcy Proceedings and Other Delinquent Loans

Loans and bills discounted includes ¥19,602 million in loans in bankruptcy proceedings and ¥128,451 million in other delinquent loans. Loans in bankruptcy proceedings are non-accrual loans outstanding (not including the portion written off) to borrowers who are legally bankrupt as defined in the Paragraph 1, Item 3 and 4 of Article 96 of "Enforcement Ordinance for the Corporation Tax Act" (Cabinet Order No. 97 of 1965).

Other delinquent loans are non-accrual loans other than (i) loans in bankruptcy proceedings and (ii) loans for which interest payments have been rescheduled in connection with a borrower's business restructuring or to otherwise provide support.

3. Loans More than Three Months Past Due

Loans and bills discounted includes ¥64 million in loans more than three months past due. Loans more than three months past due are those loans for which principal or interest payments are more than three months past due (calculated from the day following the contractual payment date), excluding loans classified as loans in bankruptcy proceedings or other delinquent loans.

4. Restructured Loans

Loans and bills discounted includes ¥91,624 million in restructured 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 making some arrangement favorable to the borrower in connection with a borrower's business restructuring or to otherwise provide support, excluding those loans classified as loans in bankruptcy proceedings, other delinquent loans, or loans more than three months past due.

5. Total of Bankruptcy, Delinquent, Loans More than Three Months Past Due and Restructured Loans

The total of loans in bankruptcy proceedings, other delinquent loans, loans more than three months past due and restructured loans is ¥239,742 million. The amounts presented in Notes 2. through 5. are before allowances for loan losses.

6. Bills Discounted

Bills discounted are treated as financial transactions in accordance with the Report No. 24. SMTH has the right to freely dispose of such commercial bills through sale or (re-) collateralization, and the total face value of such bills is ¥6,923 million.

7. Details of Assets Pledged as Collateral

Assets pledged as collateral			
Trading Assets	¥	109,183	million
Securities	¥	1,345,166	million
Loans and Bills Discounted	¥	1,135,513	million
Lease Receivables and Investment Assets	¥	14,161	million
Other Assets	¥	382	million
Debts against pledged assets			
Deposits	¥	3,779	million
Payables under Repurchase Agreements	¥	211,531	million
Payables under Securities Lending Transactions	¥	227,956	million
Borrowed Money	¥	321,350	million

In addition to the foregoing, ¥1,323,866 million in securities and ¥992 million in other assets have been pledged as collateral for settlement of cash and derivative transactions and others or substitution of margin of future market and others.

"Other Assets" includes ¥2,578 million in initial margins of futures markets, ¥28,518 million in security deposits, and ¥135,168 million in cash collateral for derivatives transactions.

8. Overdraft Facilities and Commitment Lines of Credit

Overdraft facilities 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 amount of unused credit under such agreements is ¥10,995,004 million, of which ¥9,107,162 million is attributable to agreements expiring within one year or which may be unconditionally canceled at any time.

Because most of these agreements expire without credit being extended, the balance of unused credit will not necessarily affect the future cash flows of the consolidated subsidiaries. In addition, most of these agreements contain clauses allowing the consolidated subsidiaries to reject requests for credit outright or reduce credit limits due to changed financial circumstances, the need to preserve claims, or other reasonable causes. Besides requesting collateral in the form of real estate or securities as necessary at the time of the agreement, SMTH has also adopted other measures to keep credit sound, such as periodically assessing the condition of our customers' businesses using pre-determined internal procedures, and revising agreements as needed.

9. Revaluation Reserve for Land

In accordance with the "Act on Revaluation of Land" (Act No. 34, promulgated on March 31, 1998), land for commercial use taken over from STB was revalued, and an amount equivalent to the taxes on the resulting valuation difference was recorded as "Deferred Tax Liabilities for Land Revaluation" in liabilities, and the amount remaining after deducting this was recorded as "Revaluation Reserve for Land" in net assets.

Revaluation Date: March 31, 1999

The revaluation was calculated, after making reasonable adjustments, 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 frontage price under Item 4 of Article 2 of the same Order.

Difference between the fair value and revalued book value of the land for business operations subject to the Article 10 of the Act was ¥8,859 million.

10. Accumulated Depreciation of Tangible Fixed Assets

Accumulated depreciation of tangible fixed assets is ¥119,745 million.

11. Advanced Depreciation

Advanced Depreciation, which is allowed by the tax law, was ¥27,500 million.

12. Borrowed Money

Borrowed money includes ¥222,629 million in subordinated borrowings.

13. Bonds Payable

Bonds payable includes ¥881,476 million in subordinated bonds.

14. Guarantee Liabilities for Privately-offered Corporate Bonds

The bonds within "Securities" include ¥251,485 million in guarantees for bonds that were placed through private securities offerings (Paragraph 3 of Article 2 of the "Financial Instruments and Exchange Act)."

15. Principal of Guaranteed Trust Account

The principal amount of the trusts held by the consolidated subsidiary trust banks through guaranteed trust agreements includes ¥1,283,031 million in money trusts and ¥141,584 million in loan trusts.

16. Leases

Other than "Tangible Fixed Assets" in the consolidated balance sheets, SMTH and its subsidiaries use a part of tools, furniture and fixtures applying finance lease contracts where the ownership is not transferred.

17. Projected Pension Obligations

Projected pension obligations and others were as follows.

Projected Benefit Obligations	¥	(392,365)	million
Plan Assets (Fair Value)	¥	461,765	million
Unfunded projected benefit obligation	¥	69,400	million
Unrecognized net actuarial gain or loss	¥	67,759	million
Unrecognized prior service costs (net)	¥	(0)	million
Net amount recorded on the consolidated balance sheets	¥	137,160	million
Prepaid pension expenses	¥	152,474	million
Provision for retirement benefits	¥	(15,314)	million

Consolidated Statements of Income

1. Other Income

"Other Income" includes ¥7,325 million in gains on sales of stocks and other securities.

2. Other Expenses

"Other Expenses" includes ¥30,345 million in losses on devaluation of stocks and other securities and ¥10,909 million in losses on sales of stocks and other securities.

3. Gain on Negative Goodwill

"Gain on Negative Goodwill" includes difference between the acquisition cost of the shares of the specific consolidated subsidiaries obtained from minority shareholders and corresponding decrease of minority interests, as well as the amount ¥43,431 million due to the business combination by share exchange between SMTH and STB.

4. Extraordinary Loss

"Extraordinary Loss" includes ¥8,840 million in expenses related to "Management Integration Expenses."

Consolidated Statements of Changes in Net Assets

1. Issued Shares and Treasury Stock

Issued shares and Treasury Stock for the fiscal ended March 31, 2012 consisted of the following:

(Thousands of Shares)

	Number of Shares Outstanding at the Beginning of the Current Period	Increase	Decrease	Number of Shares Outstanding at the End of the Current Period	Note
Number of Issued Shares:					
Common Share	1,658,426	2,495,060	—	4,153,486	Note1
The First Series of Class 7 Preferred Shares	—	109,000	—	109,000	Note2
Total	1,658,426	2,604,060	—	4,262,486	
Treasury Stock:					
Common Share	411	490	138	763	Notes3, 4

Notes:

- The number of issued common shares increased by 2,495,060 thousand shares as a result of the new shares issued in conjunction with the share exchange for STB common shares that was executed on April 1, 2011.
- The number of The First Series of Class 7 Preferred Shares increased by 109,000 thousand shares as a result of the new shares issued in conjunction with the share exchange for STB First Series of Class 2 Preferred Shares that was executed on April 1, 2011.
- The number of common shares held as treasury stocks increased by 486 thousand shares due to purchases of odd-lot shares and by 4 thousand shares due to purchases of fractional shares in conjunction with the share exchange with STB that was executed on April 1, 2011.
- The number of common shares held as treasury stock decreased by 138 thousand shares due to purchase requests from odd-lot shareholders.

2. Subscription Rights to Shares

(Millions of Yen)

		Number of Shares Outstanding at the End of the Current Period
SMTH	Subscription Rights to Shares as Stock Options	6
Consolidated Subsidiary (Nikko Asset Management Co., Ltd)	Subscription Rights to Shares as Stock Options	—
	Subscription Rights to Shares as Treasury Stock Options	—

3. Dividends

(1) Dividends paid during the fiscal year ended March 31, 2012 consisted of the following:

The following dividend amounts were paid to shareholders appearing in the last record of the Register of Shareholders of the former CMTH as of March 31, 2011.

Resolution	Type of Shares	Millions of Yen	Yen	Record Date	Effective Date
		Total Dividends Payment	Cash Dividends per Share		
June 29, 2011 Ordinary General Meeting of Shareholders	Common Share	6,632	4.00	March 31, 2011	June 30, 2011

SMTH conducted a share exchange on April 1, 2011 under which SMTH became the parent company and STB became the wholly owned subsidiary. The following dividend amounts were approved at the Ordinary General Meeting of Shareholders of STB and distributed by STB to shareholders appearing in the last record of the Register of Shareholders as of March 31, 2011.

Resolution	Type of Shares	Millions of Yen	Yen	Record Date	Effective Date
		Total Dividends Payment	Cash Dividends per Share		
June 28, 2011 Ordinary General Meeting of Shareholders	Common Share	13,396	8.00	March 31, 2011	June 30, 2011
	The First Series of Class 2 Preferred Shares	2,305	21.15	March 31, 2011	June 30, 2011

The following dividend amounts were paid to shareholders appearing in the last record of the Register of Shareholders of SMTH as of September 30, 2011.

Resolution	Type of Shares	Millions of Yen	Yen	Record Date	Effective Date
		Total Dividends Payment	Cash Dividends per Share		
November 14, 2011 Board of Directors' Meeting	Common Share	16,611	4.00	September 30, 2011	December 2, 2011
	The First Series of Class 7 Preferred Shares	2,305	21.15	September 30, 2011	December 2, 2011

(2) During the fiscal year ended March 31, 2012, dividends, whose record date is by this period and whose effective date of distribution is after the end of this period, are as following:

SMTH is planning to make the following proposal to the ordinary general meeting of shareholders to be held on June 28, 2012.

Resolution	Type of Shares	Millions of Yen	Resources Allotted for the Distribution	Yen	Record Date	Effective Date of Distribution
		Total Dividends Payment		Cash Dividends per Share		
June 28, 2012 Ordinary General Meeting of Shareholders	Common Share	18,687	Retained Earnings	4.50	March 31, 2012	June 29, 2012
	The First Series of Class 7 Preferred Shares	2,305	Retained Earnings	21.15	March 31, 2012	June 29, 2012

Consolidated Statements of Cash Flows

1. Reconciliation of Cash and Cash Equivalents

The following table shows the reconciliation between "Cash and Cash Equivalents" in the consolidated statements of cash flows, and "Cash and Due from Banks" in the consolidated balance sheets as of March 31, 2012.

Cash and Due from Banks	¥	2,597,784	million
Due from Banks (excluding due from Bank of Japan)	¥	(871,209)	million
Cash and Cash Equivalents	¥	1,726,575	million

2. Information about the Business Combination (Reverse Acquisition)

SMTH conducted a share exchange on April 1, 2011 under which SMTH became the parent company and STB became the wholly owned subsidiary. Based on the Accounting Standard for Business Combinations, this share exchange is a reverse acquisition wherein SMTH is considered to be the acquired company and STB to be the acquiring company. Therefore, the consolidated assets and liabilities of SMTH were transferred to the consolidated balance sheets of STB at fair value. The amount presented as "Cash and Cash Equivalents at the Beginning of the Period" represents STB's initial balance. As a result, there is no continuity between SMTH's ending balance for "Cash and Cash Equivalents" from the prior fiscal year and the "Cash and Cash Equivalents at the Beginning of the Period" for the current fiscal year.

3. Material Nonmonetary Transactions

(1) As a result of the share exchange between SMTH as the acquired company and STB as the acquiring company, the acquired assets and assumed liabilities are as follows:

Amount of Assets

Total Assets ¥ 14,158,131 million

Loans and Bills Discounted ¥ 8,855,145 million

Amount of Liabilities

Total Liabilities ¥ 13,437,699 million

Deposits ¥ 9,326,751 million

SMTH's cash and cash equivalents end of prior fiscal year of ¥465,221 million is presented as the "Increase in Cash and Cash Equivalents Resulting from Share Exchange."

(2) Because the share of voting rights held in Japan Trustee Services Bank, Ltd., an existing equity-method affiliate, increased due to this share exchange, it was excluded from the scope of the equity method and included in the scope of consolidation during the current fiscal year. The increases in assets and liabilities due to Japan Trustee Services Bank, Ltd. in the scope of consolidation are as follows:

Amount of Assets

Total Assets ¥ 1,177,842 million

Amount of Liabilities

Total Liabilities ¥ 1,120,127 million

The increase in the amount of cash and cash equivalents due to Japan Trustee Services Bank, Ltd.'s addition to the scope of consolidation is presented as "Increase (Decrease) in Cash and Cash Equivalents at Changes in Scope of Consolidation."

Financial Instruments

1. Circumstances of Financial Instruments

(1) Group Policy for Financial Instruments

With SMTH in a pivotal position as bank holding company, SMTH Group is engaged in a range of financial service businesses including trust banking business by CMTB, CMAB and STB, lease business by the subsidiaries of the trust banking companies, finance-related businesses such as investment trust management business and private equity fund management business, research and consulting business, credit guarantee business and credit card business by other subsidiaries. To facilitate these businesses, SMTH Group is holding financial assets such as loans for individual and corporate customers, and securities, while funding through savings deposits from individual and corporate customers, borrowed money and issuance of corporate bonds. The policies as well as measures regarding how to manage or fund financial assets and liabilities are determined primarily under the annual plans prepared by each Group company.

Risks associated with the Group-wide financial assets and liabilities are monitored by SMTH.

CMTB, CMAB and STB are monitoring their respective risks while implementing comprehensive Asset-Liability Management (ALM). Meanwhile CMTB and STB are engaged in derivative transactions in an effort to control market risk and other risks arising from its assets and liabilities within the level commensurate with its management capacity. In addition, CMTB and STB are engaged in trading transactions for securities and derivatives while establishing "Trading accounts" distinguished from other accounts ("Banking accounts").

(2) Content and Risks of Financial Instruments

(a) Credit Risk

SMTH Group's credit arrangement involves loans to individual and corporate customers, along with investment in shares and bonds issued by its client companies and derivative transactions. Such credit arrangement is exposed to credit risk of the counterparties in the event of deterioration in their financial condition.

(b) Market Risk

In the course of trading and investment activities, SMTH Group handles financial instruments including equity securities, investment trusts, investments in silent partnership, foreign securities, foreign exchanges and derivatives, in addition to a portfolio of domestic bonds consisting of primarily the Japanese government bonds. These financial instruments are exposed to the market risk of fluctuations in interest rates, foreign exchange rates, and market prices of securities as well as volatility. Some of these financial instruments are less liquid than listed equity securities and government bonds and thus more prone to market fluctuations.

One of SMTH Group's main sources of earnings is the spread between the interest income from loans and securities and interest expenses on deposits, which is exposed to the interest rate risk that such profit can be compromised by the magnitude and timing of fluctuations in investment interest rate and funding interest rate.

(c) Liquidity Risk on Fund Raising

SMTH Group raises funds primarily through savings deposits from domestic corporate and individual customers, along with repurchase agreements in bond lending market, borrowed money and issuance of corporate bonds. These financing activities are exposed to the liquidity risk that financing could become costlier or more restricted due to the circumstances including deterioration in SMTH Group's financial condition or business results, bad reputation of SMTH Group, worsening economic environment and lowering market liquidity.

(d) Purpose for Derivative Transactions

(i) Banking Accounts

In banking accounts, SMTH Group enters into derivative transactions for the purpose of hedging against interest rate risk, currency exchange risk, and other risks pertaining to SMTH Group's assets and liabilities. In principle, the mark-to-market accounting is applied to the banking account derivative transactions of SMTH Group. For those having high hedge effectiveness out of hedged derivative transactions, hedge accounting is applied and they are treated under the deferral hedge method, the fair value hedge method and the special hedge accounting method for interest rate swaps.

(ii) Trading Accounts

In trading accounts, SMTH Group engages in derivative transactions primarily as a mean of earning a profit from short-term price fluctuations. SMTH Group also provides its customers with a broad range of high-value-added products and financial risk management methods based on these transactions. Before entering into such transactions, SMTH Group endeavors to ensure customers to have sufficient understanding of the content and risks entailed in such transactions.

(3) Risk Management for Financial Instruments

SMTH Group sets out basic framework of the group-wide risk management in the Rules for Risk Management. Also, SMTH Group establishes Risk Management Department to control risk management providing supervision, control and guidance to bank subsidiaries regarding the development of an appropriate risk management system, as well as monitoring SMTH Group's risk situation.

(a) Credit Risk Management

SMTH Group's basic policy for managing credit risk associated with transactions involving credit arrangement is set out in the "Rules for Credit Risk Management", while specific procedures such as a rating system, assessment of assets and centralized credit risk management are set out in the "Rules for Corporation Credit Rating" and other rules.

To determine whether to provide credit for individual cases, the Credit Supervision Department independent of the Marketing Department is conducting rigorous credit assessment and control in terms of the criteria including purpose of loans, repayment capability, collateral effect and profitability on a case-by-case basis.

Credit lines for derivative and other transactions are established through strict procedures, in accordance with trading standards provided separately.

(b) Market Risk Management

(i) Market Risk Management

With regard to market risk, SMTH Group maintains a basic policy for managing market risks associated with market transactions through its Rules for Market Risk Management and follows the Regulations for Market Risk Management to define specific managing methods, settlement and management of various limits and separation of organizations. An independent check system has been established whereby the divisions that execute transactions are clearly separate from the divisions that process the transactions, and overall management of market risk is consolidated under the Risk Management Department, which is independent of both the front and back offices and pinpoints the status of activities undertaken by both office categories. This department identifies and analyzes group-wide risk, tracks compliance with risk limits and reports to the director in charge on a daily basis and to the Executive Committee on a monthly basis.

In CMTB, risks arising from the fluctuations of investment interest rate and funding interest rate are managed by ALM. For the purpose of ALM, the Financial Planning Department supervises overall ALM operations, and the Risk Management Department is responsible for management and analysis, such as risk monitoring. The Risk Management Department is engaged in day-to-day monitoring by using gap analysis and interest rate sensitivity analysis based on the comprehensive grasp of interest rates and terms/maturities of financial asset and liabilities, which are reported monthly to the ALM Committee established with the purpose to discuss matters regarding ALM. The ALM Committee also discusses the matters including the corporate policy for market-related transactions, development of cash planning and implementation of hedging operation.

In STB, the Board of Directors approves and determines the ALM Basic Plan and a risk management plan as important matters related to market risks under management plans. The Executive Committee deliberates and decides the ALM Basic Plan and a risk management plan referred by the ALM Committee. The ALM Committee plans the ALM Basic Plan on the company-wide comprehensive risk operational management for assets/liabilities as well as a risk management plan related to market risk. The role of the Corporate Risk Management Department includes the monitoring of conditions of market risk managed under the ALM Basic Plan, measuring of risk amount and profits/losses, and planning and promoting market risk management measures. It also monitors the status of risk limits and loss limits. The department reports its findings to the members of the ALM Committee on a daily basis, and periodically to the ALM Committee as well as the Board of Directors.

(ii) Quantitative Information regarding Market Risk

a) Financial Instruments held in Banking Account

As calculation method for the Value at Risk (VaR) of financial instruments held in banking account, in CMTB, it adopts historical simulation method (confidence interval : 99%, holding period : set in accordance with the components of instruments (maximum 1 year), and observation period : 3 years). And in STB, it adopts the variance-covariance method for interest rates and foreign exchange, and mainly historical simulation method for stock prices (confidence interval : 99%, holding period : set in accordance with the components of instruments (maximum 1 year), and observation period : 260 business days (for interest rates and foreign rates), 1 year and 5 years together (for stock prices)).

As of March 31, 2012, the total amount of market risks (estimated loss) for financial instruments held in banking account of SMTH Group was ¥570,500 million (CMTB : ¥257,000 million, STB : ¥310,100 million).

We conduct the back testing in order to compare the VaR calculated by model with the actual profits and losses. Through the results of the back testing in 2011, we confirm that the model covers the market risks precisely enough. Nonetheless, VaR measures the market risks under a certain event probability calculated statistically on the basis of the historical market volatility and it could not cover the market risk in case market environment changes drastically.

b) Financial Instruments held in trading Account

As calculation method for the Value at Risk (VaR) of financial instruments held in trading account by historical simulation method (confidence interval : 99%, holding period : 10 business days, and observation period : 3 years) in CMTB, and by mainly variance-covariance method (confidence interval : 99%, holding period : 10 business days, and observation period : 260 business days) in STB.

As of March 31, 2012, the total amount of market risks (estimated loss) for financial instruments held in trading account of SMTH Group was ¥2,500 million (CMTB : ¥100 million, STB : ¥2,400 million).

We conduct the back testing in order to compare the VaR calculated by model with the actual profits and losses. Through the results of the back testing in 2011, we confirm that the model covers the market risks precisely enough. Nonetheless, VaR measures the market risks under a certain event probability calculated statistically on the basis of the historical market volatility and it could not cover the market risk in case market environment changes drastically.

(iii) Liquidity Risk Management on Fund Raising

SMTH Group's basic policy for managing liquidity risk is set out in the Rules for Cash Flow Risk Management. Liquidity risk is managed by the Risk Management Department that monitors compliance with the predetermined guidelines on funding gap, while contingency procedures are in place to enable flexible responses in the event of an emergency.

(4) Supplementary Explanation Concerning Fair Values of Financial Instruments

Fair values of financial instruments are based on quoted prices in active markets. If a quoted price is not available, other rational valuation techniques are used instead. Calculation of such fair value involves certain assumptions, and could vary when different assumptions are employed.

2. Fair Values of Financial Instruments

The carrying amounts on the consolidated balance sheets and fair values of financial instruments as of March 31, 2012 as well as the differences between these values are presented below. Because it is extremely difficult to determine the fair value of unlisted shares, they are excluded from the following table (see Note 2).

(Millions of Yen)

	Carrying Amount	Fair Value	Difference
(1) Cash and Due from Banks (*1)	2,597,718	2,597,718	—
(2) Call Loans and Bills Bought	283,000	283,000	—
(3) Receivables under Resale Agreements	55,275	55,275	—
(4) Receivables under Securities Borrowing Transactions	18,616	18,616	—
(5) Monetary Claims Bought (*1)	470,829	471,640	811
(6) Trading Assets			
Trading Securities	284,102	284,102	—
(7) Money Held in Trust	7,296	7,296	—
(8) Securities			
Held-to-Maturity Debt Securities	589,460	625,951	36,490
Available-for-Sale Securities	5,892,748	5,892,748	—
(9) Loans and Bills Discounted	20,636,457		
Allowance for Loan Losses (*2)	(107,513)		
	20,528,944	20,691,549	162,604
(10) Foreign Exchanges	9,440	9,440	—
(11) Lease Receivables and Investment Assets (*1)	540,545	548,530	7,985
Total Assets	31,277,978	31,485,870	207,891
(1) Deposits	22,077,837	22,108,915	31,078
(2) Negotiable Certificates of Deposit	3,252,845	3,252,845	—
(3) Call Money and Bills Sold	125,173	125,173	—
(4) Payables under Repurchase Agreements	211,531	211,531	—
(5) Payables under Securities Lending Transactions	227,956	227,956	—
(6) Borrowed Money	1,122,265	1,130,689	8,424
(7) Foreign Exchanges	71	71	—
(8) Short-term Bonds Payable	377,859	377,859	—
(9) Bonds Payable	942,677	959,147	16,469
(10) Borrowed Money from Trust Account	2,107,227	2,107,227	—
Total Liabilities	30,445,446	30,501,418	55,972
Derivatives (*3)			
Derivative Transactions Not Qualifying for Hedge Accounting	134,910	134,910	—
Derivative Transactions Qualifying for Hedge Accounting	32,565	32,565	—
Total Derivatives	167,475	167,475	—

(*1) Because they are immaterial, the allowance for credit losses corresponding to cash and due banks, monetary claims bought and lease receivables and investment assets are directly deducted from the carrying amounts on the consolidated balance sheets.

(*2) A general allowance for loan losses and specific allowance for loan losses are deducted from loans and bills discounted.

(*3) Derivative transactions included in trading assets and liabilities or in other assets and other liabilities are presented collectively.

Receivables and payables arising from derivative transactions are presented on a net basis.

(Note 1) Method for calculating fair values of financial instruments

Assets

(1) Cash and Due from Banks, (2) Call Loans and Bills Bought, (3) Receivables under Resale Agreements, (4) Receivables under Securities Borrowing Transactions, and (10) Foreign Exchanges

Because carrying amount closely approximates fair value for those transactions with no stated maturities, fair values for these instruments are stated at carrying amount. Because most transactions with stated maturities have short contractual terms (one year or less), carrying amount closely approximates fair value, and therefore fair values for these instruments are stated at carrying amount.

(5) Monetary Claims Bought

Fair values for those monetary claims bought for which there are dealer association prices or dealer/broker-quoted prices are stated at such prices. Fair values for all other such claims are principally stated at present value, which is calculated by classifying them according to their internal ratings and maturities and discounting their future cash flows.

(6) Trading Assets

Bonds and other securities held for trading purposes are stated at dealer association prices or dealer/broker-quoted prices. For short-term corporate bonds, present value is calculated by discounting future cash flows.

(7) Money Held in Trust

The securities that constitute the trust assets for money held in trust are stated at quoted market prices or dealer/broker-quoted prices.

Notes regarding money held in trust, classified by the purpose for which it is held, are presented under "Money Held in Trust."

(8) Securities

Stocks are stated at quoted market prices. Bonds are stated at quoted market prices, dealer association prices, or dealer/broker-quoted prices. Investment trusts are stated at published reference prices. Privately placed bonds guaranteed by SMTH are stated at present value, which is calculated by classifying them according to their internal ratings and maturities and discounting their future cash flows.

Floating rate Japanese government bonds are stated at reasonably calculated values. The reasonably calculated values are provided by independent third parties and calculated by inputting price-determining variables such as JGB yields and swaption volatilities into discounted cash flow method and option pricing models.

Some asset-backed securities related to foreign credit investments are stated at reasonably calculated values. This applies to some residential mortgage backed securities and credit card backed securities. Discounted cash flow method is the model used to calculate the reasonably calculated prices based on the reasonable estimates of managers involved with such instruments, and the price-determining variables include default rates, recovery rates, pre-payment rates, and discount rates.

Notes regarding securities, classified by the purpose for which they are held, are presented under "Securities."

(9) Loans and Bills Discounted

Loan fair values are calculated by grouping loans according to loan terms, internal ratings, and maturities, and then discounting the aggregate principal and interest by the assumed interest rate for similar new loans. However, fair values for variable rate loans for which the carrying amount is deemed to closely approximate fair value due to the nature of the loan or the borrower's credit situation subsequent to the execution of the loan are stated at carrying amount.

Fair values for loans with no stated maturity (because the amount of credit is limited to value of the collateral or due to some other special characteristics) are stated at carrying amount because the carrying amount is deemed to closely approximate fair value due to reasons such as the expected repayment time and the interest terms.

For loans to borrowers under legal bankruptcy, virtual bankruptcy and possible bankruptcy, estimated loan losses are calculated based on the present value of estimated future cash flows or the expected recoverable amounts from collateral or guarantees. Therefore, fair values for these loans are stated at the amount after deducting the current estimated loan losses from the consolidated balance sheet amounts at the balance sheet date, because this closely approximates fair value.

(11) Lease Receivables and Investment Assets

Fair values for lease receivables and investment assets are calculated by grouping these assets according to their internal ratings and maturities, and then discounting the aggregate principal and interest by the assumed interest rate for similar new agreements.

Liabilities

(1) Deposits and (2) Negotiable Certificates of Deposit

Demand deposits are stated at the amount that would have to be paid on demand at the balance sheet date (carrying amount).

Yen fixed-rate time deposits are grouped by product type and stated at the present value of their future cash flows, using the rate that would be paid on new deposits as the discount rate. Fair values for fixed-rate time deposits with short maturities (one year or less) and floating-rate time deposits are generally stated at carrying amount because carrying amount closely approximates fair value.

(3) Call Money and Bills Sold, (4) Payables under Repurchase Agreements, (5) Payables under Securities Lending Transactions, (7) Foreign Exchanges, (8) Short-term Bonds Payable, and (10) Borrowed Money from Trust Accounts

Those obligations with no stated maturities are stated at the amount that would have to be paid on demand at the balance sheet date (carrying amount). Because obligations with stated maturities have short contractual terms (one year or less), and carrying amount closely approximates fair value, fair values for these instruments are stated at carrying amount.

(6) Borrowed Money

Borrowed money is stated at present value, which is calculated by discounting future cash flows by the assumed interest rate on similar borrowing. Fair values for obligations with short maturities (one year or less) are stated at carrying amount, which closely approximates fair value.

Fair values for borrowings by consolidated subsidiaries at variable rates are stated at carrying amount, which closely

approximates fair value because it reflects short-term market interest rates and there have been no significant changes in credit condition subsequent to the borrowing.

(9) Bonds Payable

Bonds issued by SMTH and its consolidated subsidiaries are stated at market prices if such prices are available. Fair value for other bonds are stated at present value, calculated by discounting future cash flows by the assumed interest rate on similar corporate bonds.

Derivatives

The fair values of listed derivatives transactions are based on the closing prices on an exchange or dealer price quotations. The fair values of OTC derivatives transactions are calculated mainly using discount cash flow method and option pricing models and others.

(Note 2) The following financial instruments whose fair value is extremely difficult to estimate are not included in the market value information for financial instruments presented under "Assets, (8) Available-for-Sale Securities."

(Millions of Yen)

Item	Carrying Amount
Securities	175,396
Unlisted Stocks (*3)	122,137
Investments in Associations	49,424
Others (*3)	3,834
Total	175,396

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

(*2) Stocks of subsidiaries and affiliates are not included in the table.

(*3) For the fiscal year ended March 31, 2012, ¥8,471 million of unlisted stocks and ¥148 million of others were written off.

Securities

In addition to the "Securities" presented in the consolidated balance sheets, the following information also includes trading securities and short-term corporate bonds within "Trading Assets", the loan backed trust deeds within "Monetary Claims Bought." and others.

1. Trading Securities (as of March 31, 2012)

(Millions of Yen)

Item	Valuation Difference Included in the Statements of Income
Trading Securities	72

2. Held-to-Maturity Securities with Fair Value (as of March 31, 2012)

(Millions of Yen)

Item	Carrying Amount	Fair Value	Difference
Securities for which the Fair Value Exceeds the Amount Recorded in Consolidated Balance Sheet			
Government Bonds	164,912	172,483	7,571
Local Government Bonds	—	—	—
Short-term Corporate Bonds	—	—	—
Corporate Bonds	5,880	5,913	33
Others	301,494	333,706	32,211
Foreign Bonds	252,137	283,899	31,762
Others	49,357	49,807	449
Subtotal	472,288	512,104	39,815
Securities for which the Fair Value does not Exceed the Amount Recorded in Consolidated Balance Sheet			
Government Bonds	125	124	(0)
Local Government Bonds	—	—	—
Short-term Corporate Bonds	—	—	—
Corporate Bonds	11,435	11,383	(52)
Others	156,169	153,346	(2,823)
Foreign Bonds	154,969	152,146	(2,823)
Others	1,200	1,200	—
Subtotal	167,730	164,854	(2,875)
Total	640,018	676,958	36,939

3. Available-for-Sale Securities (as of March 31, 2012)

(Millions of Yen)

Item	Carrying Amount	Acquisition Cost	Difference
Securities for which the Carrying Amount Exceeds the Acquisition Cost			
Stocks	559,082	440,864	118,218
Bonds	2,152,171	2,123,924	28,247
Government Bonds	1,691,200	1,668,451	22,749
Local Government Bonds	11,491	11,290	201
Short-term Corporate Bonds	—	—	—
Corporate Bonds	449,479	444,181	5,297
Others	628,627	594,350	34,277
Foreign Stocks	594	130	464
Foreign Bonds	529,354	511,984	17,369
Others	98,678	82,235	16,443
Subtotal	3,339,882	3,159,138	180,743
Securities for which the Carrying Amount does not Exceed the Acquisition Cost			
Stocks	337,107	405,108	(68,000)
Bonds	1,702,642	1,704,802	(2,160)
Government Bonds	1,335,832	1,336,207	(374)
Local Government Bonds	5,380	5,398	(17)
Short-term Corporate Bonds	—	—	—
Corporate Bonds	361,429	363,197	(1,767)
Others	638,921	653,049	(14,127)
Foreign Stocks	—	—	—
Foreign Bonds	397,015	401,316	(4,301)
Others	241,906	251,732	(9,826)
Subtotal	2,678,672	2,762,960	(84,288)
Total	6,018,554	5,922,099	96,454

(Note) The features and carrying amounts of the "Available-for-Sale Securities" for which no reliable measure of fair value is described in "Financial Instruments."

4. Held-to-Maturity Securities Sold during the Current Fiscal Year (from April 1, 2011 to March 31, 2012)

There are no corresponding items.

5. Available-for-Sale Securities Sold during the Current Fiscal Year (from April 1, 2011 to March 31, 2012)

(Millions of Yen)

Item	Amounts Sold	Gain	Loss
Stocks	55,601	5,039	9,290
Bonds	5,448,129	33,336	874
Government Bonds	5,338,568	32,639	845
Local Government Bonds	14,917	166	23
Short-term Corporate Bonds	—	—	—
Corporate Bonds	94,643	530	5
Others	4,986,869	80,469	6,587
Foreign Bonds	4,846,505	78,187	4,199
Others	140,364	2,282	2,388
Total	10,490,599	118,846	16,752

(Note) The "Available-for-Sale Securities" for which no reliable measure of fair value is included.

6. Impairment of Securities

Available-for-sale securities at fair value other than trading securities are treated as impaired when the fair value has declined significantly from the acquisition cost and it is deemed unlikely that the fair value will recover to the acquisition cost. Such securities are recorded at fair value on the consolidated balance sheets and the valuation difference is treated as a loss during the current fiscal year. Impairment losses on stocks during the current fiscal year totaled ¥8,848 million, which included ¥8,659 million of stocks and ¥189 million of others. For securities issuers classified as "normal" for the purposes of asset self-assessment, securities are deemed to have "declined significantly" when the fair value has fallen by 50% or more from the acquisition cost; and for issuers classified as "close observation borrowers," securities are deemed to have "declined significantly" when the fair value has fallen by 30% or more from the acquisition cost. Some other securities are treated as impaired when their fair value has declined more than 30% but less than 50% from their acquisition cost and they have continued to decline over a certain amount of time.

Money Held in Trust

1. Money Held in Trust for Trading Purpose (as of March 31, 2012)

(Millions of Yen)

Item	Carrying Amount	Valuation Difference Included in the Statements of Income
Money Held in Trust for Trading Purpose	5,017	(1)

2. Money Held in Trust being Held to Maturity (as of March 31, 2012)

There are no corresponding items.

3. Other Money Held in Trust (other than for Trading Purpose and being Held-to-Maturity) (as of March 31, 2012)

(Millions of Yen)

Item	Carrying Amount	Acquisition Cost	Valuation Difference	Positive Difference	Negative Difference
Other Money Held in Trust	14,278	14,028	250	250	—

(Note) "Positive Difference" and "Negative Difference" represent the items of the "Valuation Difference."

Valuation Difference on Available-for-Sale Securities

The following table shows component items of "Valuation Difference on Available-for-Sale Securities" in the consolidated balance sheets.

(Millions of Yen)

Item	Amount
Valuation Difference	
Available-for-Sale Securities	50,079
Other Money Held in Trust	250
Total Valuation Difference	50,330
Amount Equivalent to Deferred Tax Assets(Liabilities)	(17,310)
Total(before Adjustment for Minority Interests)	33,019
Minority Interests	(726)
Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliates	149
Valuation Difference on Available-for-Sale Securities	32,442

(Note)

1. The foreign currency translation adjustment on available-for-sale securities for which there is no reliable measure of fair value is included in the "Available-for-Sale Securities" item under "Valuation Difference."
2. The valuation difference of ¥(274) million associated with partnerships and other similar assets is included in the "Available-for-Sale Securities" item under "Valuation Difference."
3. The valuation differences unamortized as of the balance sheet date arising from the reclassification of the holding purpose of securities is included in the "Available-for-Sale Securities" item under "Valuation Difference."

Stock Option Plans

1. Expenses Recorded in Connection with Stock Options during the Current Fiscal year

General and Administrative Expenses: ¥6 million

2. Description of Stock Options Granted during the Current Fiscal year

(1) Content of Stock Options

	SMTH Series 1 Subscription Rights to Shares
Number of Eligible Persons by Position	22 directors and officers of SMTH 19 directors and officers of CMTB 7 directors and officers of CMAB 24 directors and officers of STB Total: 72 persons
Number of Type of Stock Options Granted (Note)	286,000 shares of common stock
Grant Date	July 26, 2011
Vesting Conditions	1) Holders of the Subscription Rights to Shares must be a director or officer of SMTH or its subsidiaries when exercising the rights, unless the holder is no longer in such a position because he or she 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, the heirs of the inheritor of the rights may not inherit the Subscription Rights to Shares.
Eligible Service Period	July 26, 2011 to July 25, 2013
Exercise Period	July 26, 2013 to July 25, 2021

(Note) Converted into the number of equivalent shares.

(2) Volume and Changes in Stock Options

1) Number of Stock Options

	SMTH Series 1 Subscription Rights to Shares
Unvested Stock Options (shares)	
At the Beginning of the Fiscal Year	—
Granted	286,000
Forfeited	—
Vested	—
Unvested	286,000
Vested Stock Options (shares)	
At the Beginning of the Fiscal Year	—
Vested	—
Exercised	—
Forfeited	—
Unexercised	—

2) Unit Price Information

	SMTH Series 1 Subscription Rights to Shares
Exercise Price (yen)	400
Average Stock Price when Exercised (yen)	—
Fair Unit Value on the Grant Date (yen)	62

3. Method for Estimating Fair Unit Value of Stock Options

The method used to estimate the fair unit value of the SMTH Series 1 Subscription Rights to Shares as of the end of the current fiscal year is described as below.

(1) Valuation Technique Used: Black-Scholes Model

(2) Principal Parameters and Method for Estimating

	SMTH Series 1 Subscription Rights to Shares
Stock Price Volatility (Note 1)	40.8%
Expected Time to Exercise (Note 2)	6.0 years
Dividend Yield (Note 3)	3.00%
Risk-Free Interest Rate (Note 4)	0.51%

(Notes)

1. Stock price volatility calculated based on the closing prices for common stock of SMTH on the final trading day of each week during the past continuous period corresponding to the expected time to exercise.
2. Because it is not possible to reasonably estimate the expected time to exercise for the stock options, the period between the time of the calculation and the mid-point of the exercise period is used, pursuant to “Guidance on Accounting Standard for Share-based Payment and its Implementation Guidance” (ASBJ Guidance No.11 of May 31, 2006).
3. Based on the actual dividends on common shares paid for the year ended March 2011 by the former CMTH and STB.
4. Japanese Government Bond yield corresponding to the expected time to exercise

4. Method for estimating the number of vested stock options

Because it is fundamentally difficult to reasonably estimate the number that will be invalidated in the future, we have adopted the method of only reflecting the number that have actually been invalidated.

Tax Effect Accounting

Effect of change in corporate tax rate

“The Act to Partially Amend the Income Tax Act to Create a Tax Structure that Addresses Socio-Economic Structural Changes” (Act No.114 of 2011) and “The Act on Special Measures to Secure the Financial Resources Necessary to Carry Out Reconstruction after the Great East Japan Earthquake” (Act No.117 of 2011) were promulgated on December 2, 2011, and as a result the corporate tax rate was lowered and a special corporate tax was imposed for reconstruction beginning in the fiscal year that started on April 1, 2012. As a result, the statutory effective income tax rate used to calculate deferred tax assets and deferred tax liabilities was lowered from 40.69% to 38.01% for temporary differences expected to be eliminated during the time period beginning in the fiscal year starting on April 1, 2012 and ending in the fiscal year starting on April 1, 2014, and to 35.64% for temporary differences expected to be eliminated from the fiscal year starting on April 1, 2015 onwards.

The normal effective statutory tax rate for CMTB, our consolidated subsidiary, was lowered from 40.63% to 37.95% for temporary differences expected to be eliminated during the time period beginning in the fiscal year starting on April 1, 2012 and ending in the fiscal year starting on April 1, 2014, and to 35.57% for temporary differences expected to be eliminated from the fiscal year starting on April 1, 2015 onwards. The normal effective statutory tax rate for CMAB was lowered from 40.67% to 37.99% for temporary differences expected to be eliminated during the time period beginning in the fiscal year starting on April 1, 2012 and ending in the fiscal year starting on April 1, 2014, and to 35.62% for temporary differences expected to be eliminated from the fiscal year starting on April 1, 2015 onwards. The normal effective statutory tax rate for STB was lowered from 40.59% to 37.93% for temporary differences expected to be eliminated during the time period beginning in the fiscal year starting on April 1, 2012 and ending in the fiscal year starting on April 1, 2014, and to 35.56% for temporary differences expected to be eliminated from the fiscal year starting on April 1, 2015 onwards. As a result of the change in the tax rate, Deferred Tax Assets decreased ¥13,867 million, Deferred Tax Liabilities decreased ¥86 million, Valuation Difference on Available-for-Sale Securities increased ¥2,443 million, Deferred Gains or Losses on Hedges decreased ¥278 million, and Income Taxes – Deferred increased ¥15,946 million. Deferred Tax Liabilities for Land Revaluation decreased ¥632 million and the Revaluation Reserve for Land increased by the same amount.

Business Combination

Former CMTH has conducted a statutory share exchange which took effect on April 1, 2011 and changed its trade name to SMTH, following the conclusion of the Share Exchange Agreement and Management Integration Agreement with STB on August 24, 2010, and the approval of the extraordinary general meetings of shareholders held on December 22, 2010.

1. Outline of Business Combination

(1) Name and Business Content of Acquired Company

Name of acquired company: Chuo Mitsui Trust Holdings, Inc.
Business content: bank holding company

(2) Main Reasons for Business Combination

Former CMTH and STB aim to create "The Trust Bank," a new trust bank group that, with a combination of significant expertise and comprehensive capabilities, will provide better and swifter comprehensive solutions to their clients than ever before, by combining their personnel, know-how and other managerial resources and fusing both groups' strengths, such as the diversity of the STB Group and the agility of the CMTH Group.

(3) Date of Business Combination

April 1, 2011

(4) Legal Form of Business Combination

Share exchange, under which former CMTH became the parent company, and STB became the wholly owned subsidiary.

(5) Name of Company after Business Combination

Sumitomo Mitsui Trust Holdings, Inc.

(6) Acquired Voting Rights Ratio

100%

(7) Main Grounds for the Determination of the Acquiring Company

SMTH has adopted ASBJ Statement No. 21 "Accounting Standard for Business Combinations" (issued by ASBJ on December 26, 2008) and Implementation Guidance No. 10 "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (issued by ASBJ on December 26, 2008). According to them, shareholders of STB, which is a wholly owned subsidiary company in the share exchange, hold the majority of voting rights of the company following the business combination. Therefore, it was decided that STB would be the acquiring company, with former CMTH as the acquired company.

2. Period of Earnings of the Acquired Company included in the Consolidated Statements of Income Described at Acquisition Cost of the Acquired Company

April 1, 2011 through March 31, 2012

3. Acquisition Cost of the Acquired Company

¥489,114 million

4. Share Exchange Ratio by Type of Share, Calculation Method, and Number of Shares Delivered

(1) Share Exchange Ratio by Type of Share

(a) Common Shares

For each common share of STB, 1.49 shares of common share of SMTH have been allotted and delivered.

(b) Preferred Shares

For each First Series of Class 2 Preferred Shares of STB, one share of the First Series of Class 7 Preferred Shares of SMTH has been allotted and delivered.

(2) Calculation Method of the Share Exchange Ratio

(a) Common Shares

In order to support the respective efforts of former CMTH and STB to ensure the fairness of the exchange ratio of common shares ("Common Share Exchange Ratio") for this share exchange, former CMTH had requested JP Morgan Securities Japan Co., Ltd. and Nomura Securities Co., Ltd. to perform financial analyses, while STB had requested UBS Securities Japan Ltd. and Daiwa Securities Capital Markets Co., Ltd., to perform similar analyses. Referring to the results of those financial analyses, former CMTH and STB, on several occasions, conducted careful negotiations and discussions on the Common Share Exchange Ratio, comprehensively taking into consideration factors such as the financial position, assets, and future prospects of each party. As a result, former CMTH and STB have reached the conclusion that the above Common Share Exchange Ratio is appropriate.

(b) Preferred Shares

Former CMTH and STB had agreed that the terms and conditions of the First Series of SMTH Class 7 Preferred Shares shall be substantially the same as those of the First Series of Class 2 Preferred Shares, and reached the conclusion that the

above share exchange ratio for preferred shares is appropriate, after comprehensively taking into consideration the "bond-type" nature of those shares and the fact that there is no market price for the First Series of Class 2 Preferred Shares.

(3) Number of Shares Delivered

- (a) Common Shares
2,495,060,141 shares
- (b) Preferred Shares
109,000,000 shares

5. Amount of Gain on Negative Goodwill and Reason for Recognizing Negative Goodwill

(1) Amount of Gain on Negative Goodwill

¥43,431 million

(2) Reason for Recognizing Negative Goodwill

Negative goodwill was recognized as the shareholders' equity (deducting minority interest from net of assets and liabilities acquired) exceeded the acquisition cost of acquired company.

6. Amount of Assets Acquired and Liabilities Acquired on Date of Business Combination

(1) Assets

Total Assets:	¥ 14,158,131 million
Loans and Bills Discounted:	¥ 8,855,145 million

(2) Liabilities

Total Liabilities:	¥ 13,437,699 million
Deposits:	¥ 9,326,751 million

Segment Information

1. Reportable Segment Information

SMTH Group's reportable segments are units for which discrete financial information is available, and which are regularly monitored by the Board of Directors in determining resource allocation and in evaluating business performance.

SMTH Group comprises three trust bank groups, CMTB, CMAB, and STB, and these three trust bank groups are treated as reportable segments. The main activities of each reportable segment are presented below.

CMTB: trust banking business centered on banking business, real estate business, and stock transfer agency services

CMAB: trust banking business centered on custody services

STB: trust banking business

2. Method for Calculating Ordinary Income, Profit or Losses, Assets, Liabilities, and Other Items by Reportable Segment

The accounting policies used for the reportable segments are the same as those presented under "Significant Accounting Policies and Practices", and the profit figures shown for the reporting segments are income before income taxes and minority interests.

Internal transactions between segments are recorded at amounts equivalent to transactions with unaffiliated clients.

In notes "Segment Information" and "Related Information", ordinary income represents total income less extraordinary income, and ordinary expenses represent total expenses less extraordinary losses.

3. Ordinary Income, Profit or Losses, Assets, Liabilities, and Other Items by Reportable Segment

(Millions of Yen)

Item	Reportable Segment				Others	Total	Adjustment	Carrying Amount
	CMTB	CMAB	STB	Total				
Ordinary Income								
Unaffiliated Customers	268,411	39,690	948,920	1,257,021	40,539	1,297,561	25,707	1,323,269
Intersegment	18,207	2,267	18,743	39,218	48,717	87,935	(87,935)	-
Total	286,619	41,957	967,663	1,296,240	89,256	1,385,497	(62,227)	1,323,269
Segment Profit	25,226	9,286	132,131	166,645	36,186	202,832	92,134	294,967
Segment Assets	12,347,860	72,850	21,438,505	33,859,216	3,130,444	36,989,660	(2,613,351)	34,376,309
Segment Liabilities	11,590,870	33,052	19,894,162	31,518,085	1,131,019	32,649,105	(609,827)	32,039,277
Others								
Depreciation and Amortization	10,440	1,425	18,590	30,456	7,507	37,963	(133)	37,830
Amortization of Goodwill	499	—	8,578	9,077	—	9,077	(499)	8,578
Interest Income	151,575	69	220,681	372,326	42,417	414,744	(39,999)	374,744
Interest Expenses	52,961	56	90,046	143,064	8,013	151,077	(30,010)	121,067
Equity in Earnings(Losses) of Affiliates	278	—	4,345	4,623	—	4,623	(1,062)	3,561
Extraordinary Income	31	—	563	595	—	595	45,813	46,409
(Gains on Disposal of Fixed Assets)	31	—	316	348	—	348	(0)	347
(Gains on Negative Goodwill)	—	—	246	246	—	246	45,814	46,061
Extraordinary Loss (Impairment Loss)	9,722	772	13,578	24,073	155	24,229	(649)	23,579
(Management Integration Expenses)	3,544	56	8,462	12,063	54	12,117	(538)	11,578
(Management Integration Expenses)	3,392	714	4,785	8,893	58	8,951	(110)	8,840
Unamortized Balance of Goodwill	6,497	—	111,886	118,384	—	118,384	(6,497)	111,886
Investment to Affiliates Accounted for by the Equity Method	1,270	—	42,536	43,806	—	43,806	(1,857)	41,949

(Notes)

1. Ordinary income is presented in place of sales of companies in other industries.
2. As for reportable segments, consolidated-basis figures are presented for CMTB and STB.
3. The "Others" column reflects data from consolidated subsidiaries that are part of SMTH, but outside of the above three trust banking groups.
4. "Adjustment" represents the consolidation adjustment. The adjustments under ordinary income and segment profit include valuation differences arising from the business combination and gain on negative goodwill.
5. The adjustment for gain on negative goodwill includes ¥ 43,431 million in gain on negative goodwill arising from the business combination carried out as a result of the share exchange between SMTH and STB.
6. Segment profit has been adjusted to income before income taxes and minority interests as presented in the consolidated statements of income.

Related Information

1. Services Information

(Millions of Yen)

	Trust Banking Business	Leasing Business	Others	Total
Ordinary income: Unaffiliated Customers	735,701	422,741	164,826	1,323,269

(Notes)

1. Ordinary income is presented in place of sales of companies in other industries.
2. "Trust Banking Business" comprises the ordinary income of CMTB, CMAB, STB, and Japan Trustee Services Bank, Ltd.

2. Geographic Information

(1) Ordinary Income

More than 90% of SMTH Group's ordinary income on the consolidated statements of income is classified as attributable to domestic unaffiliated customers, and therefore geographic region information about ordinary income is not presented.

(2) Tangible Fixed Assets

More than 90% of SMTH Group's tangible fixed assets on the consolidated balance sheets is classified as located in Japan, and therefore geographic region information about tangible fixed assets is not presented.

3. Major Customer Information

The voluminous transactions associated with ordinary income arising from transactions between SMTH Group and SMTH Group's customers are not classified by major counterparty, and therefore information about major customers is not presented.

4. Information related to Losses on Impairment of Fixed Assets by Reportable Segment

This information is not disclosed in this section, because it would be similar to the "Segment Information."

5. Information related to Amortization of Goodwill and Unamortized Balance of Goodwill by Reportable Segment

This information is not disclosed in this section, because it would be similar to the "Segment Information."

6. Information related to Gain on Negative Goodwill by Reportable Segment

This information is not disclosed in this section, because it would be similar to the "Segment Information."

Related Party Transactions

There are no material transactions to be described.

Per Common Share Information

		Fiscal year ended March 31, 2012
Net Assets per Common Share	Yen	413.11
Net Income per Common Share	Yen	38.54

(Notes)

1. The calculation basis of Net Assets per Common Share is as follows.

		As of March 31, 2012
Net Assets	Millions of Yen	2,337,031
Deduction from Net Assets	Millions of Yen	621,492
Issue Amount of Preferred Shares	Millions of Yen	109,000
Cash Dividend on Preferred Shares	Millions of Yen	2,305
Subscription Rights to Shares	Millions of Yen	6
Minority Interests	Millions of Yen	510,181
Net Assets Attributable to Common Shareholders	Millions of Yen	1,715,539
Common Shares Outstanding	Thousands of Shares	4,152,722

2. The calculation basis of Net Income per Common Share is as follows.

		Fiscal year ended March 31, 2012
Net Income per Common Share:		
Net Income	Millions of yen	164,660
Net Income not Attributable to Common Shareholders	Millions of yen	4,610
Cash Dividends on Preferred Shares	Millions of yen	4,610
Net Income Attributable to Common Shareholders	Millions of yen	160,049
Average Common Shares Outstanding	Thousands of Shares	4,152,789

3. Fully-diluted net income per common share is not presented for the current fiscal year because there are no dilutive potential shares in existence. The potential shares that are excluded from calculation of fully-diluted net income per common share because they have no dilutive effect are as follows.

(1) SMTH

A description of these securities is presented in the subsection of the Notes to Consolidated Financial Statements titled "Stock Option Plans."

(2) Consolidated Subsidiary (Nikko Asset Management Co., Ltd. (NAM))

(a) Subscription Rights to Shares (stock options)	NAM Common Shares	29,294,100 shares
(b) Subscription Rights to Shares (treasury stock options)	NAM Common Shares	2,995,200 shares

Significant Subsequent Event

"Under Common Control Transactions and others"

On December 26, 2011, our three consolidated trust bank subsidiaries, The Chuo Mitsui Trust and Banking Company, Limited ("CMTB"), Chuo Mitsui Asset Trust and Banking Company, Limited ("CMAB"), and The Sumitomo Trust and Banking Co., Ltd. ("STB") executed a "Merger Agreement" stating their agreement to merge with an effective date of April 1, 2012.

Pursuant to the abovementioned agreement, CMTB, CMAB, and STB merged on April 1, 2012 and the company name was changed to Sumitomo Mitsui Trust Bank, Limited

1. Description of the Transaction

(1) Name and Business of the Combining Companies

1) Combining Company

Name: STB

Business: trust banking business

2) Combined Companies

Name: CMTB

Business: trust banking business

Name: CMAB

Business: trust banking business

(2) Date of Business Combination

April 1, 2012

(3) Legal Form of Business Combination

A merger by absorption with STB as the surviving entity, and CMTB and CMAB as absorbed entities.

(4) Name of Company after Business Combination

Sumitomo Mitsui Trust Bank, Limited

(5) Other Matters Related to the Transaction

With the objective of creating "The Trust Bank," a new trust banking group that combines expertise and comprehensive capabilities to swiftly provide "total solutions" to our customers, the former Sumitomo Trust & Banking group and the former Chuo Mitsui Trust group integrated operations on April 1, 2011, giving birth to the new Sumitomo Mitsui Trust Holdings, Inc. (Chuo Mitsui Trust Holdings, Inc. changed its name on April 1, 2011).

Now, in view of the objective to integrate operations and in order to maximize the benefits of this integration, the three trust banks have been merged to create Sumitomo Mitsui Trust Bank, Limited

2. Description of the Accounting Treatment Used

Pursuant to "Accounting Standard for Business Combinations and Related Matters" (ASBJ Statement No. 21 of December 26, 2008) and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10 of December 26, 2008), this is treated as an "under common control" transaction.

5. (Reference) Non-Consolidated Financial Statements**(1) Non-Consolidated Balance Sheets**

	As of March 31, 2011	As of March 31, 2012
(Millions of Yen)		
Assets:		
Current Assets:		
Cash and Due from Banks	1,462	2,077
Securities	23,000	—
Prepaid Expenses	10	6
Income Tax Refunds Receivable	3,438	6,749
Other Current Assets	858	93
Total Current Assets	28,769	8,927
Non-current Assets:		
Tangible Fixed Assets:		
Tools, Furniture and Fixtures	1	0
Intangible Fixed Assets:		
Software	7	5
Investments and Other Assets:	765,419	1,923,175
Investment Securities	652	652
Investments in Subsidiaries and Affiliates (Stocks)	764,391	1,922,168
Other Investments	376	354
Total Non-current Assets	765,428	1,923,180
Total Assets	794,198	1,932,107
Liabilities:		
Current Liabilities:		
Accrued Expenses	1,365	1,363
Income Taxes Payable	2	18
Provision for Bonuses	90	218
Other Current Liabilities	296	199
Total Current Liabilities	1,755	1,799
Non-current Liabilities:		
Bonds Payable	189,700	189,700
Provision for Retirement Benefits	1,177	—
Other Non-current Liabilities	195	161
Total Non-current Liabilities	191,072	189,861
Total Liabilities	192,827	191,661
Net Assets:		
Shareholders' Equity:		
Capital Stock	261,608	261,608
Capital Surplus:		
Legal Capital Surplus	65,411	702,933
Other Capital Surplus	53,254	553,008
Total Capital Surplus	118,665	1,255,942
Retained Earnings:		
Other Retained Earnings	221,379	223,240
Retained Earnings Brought Forward	221,379	223,240
Total Retained Earnings	221,379	223,240
Treasury Stock	(282)	(351)
Total Shareholders' Equity	601,370	1,740,440
Subscription Rights to Shares	—	6
Total Net Assets	601,370	1,740,446
Total Liabilities and Net Assets	794,198	1,932,107

(2) Non-Consolidated Statements of Income

(Millions of Yen)

	Fiscal Year Ended March 31, 2011	Fiscal Year Ended March 31, 2012
Operating Income:		
Dividends Received from Subsidiaries	17,112	33,738
Fees and Commissions Received from Subsidiaries	5,652	7,514
Total Operating Income	22,764	41,253
Operating Expenses:		
Interest on Bonds Payable	7,487	7,430
General and Administrative Expenses	2,911	4,920
Total Operating Expenses	10,398	12,351
Operating Profit	12,366	28,902
Non-operating Income:	41	28
Interest Income	0	1
Interest on Securities	19	12
Commission Fee	0	2
Interest on Refund of Income Taxes and Other	6	3
Other Non-operating Expenses	14	8
Non-operating Expenses:	2,792	1,513
Commission Fee	128	212
Management Integration Expenses	2,661	1,298
Other Non-operating Expenses	3	2
Ordinary Profit	9,615	27,416
Extraordinary Income:	22	—
Other Extraordinary Income	22	—
Income before Income Taxes	9,638	27,416
Income Taxes:		
Current	3	6
Deferred	727	—
Total Income Taxes	731	6
Net Income	8,906	27,409

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

(Millions of Yen)

	Fiscal Year Ended March 31, 2011	Fiscal Year Ended March 31, 2012
Shareholders' Equity:		
Capital Stock:		
Balance at the Beginning of the Current Period	261,608	261,608
Changes during the Period:		
Total Changes during the Period	—	—
Balance at the End of the Current Period	261,608	261,608
Capital Surplus:		
Legal Capital Surplus:		
Balance at the Beginning of the Current Period	65,411	65,411
Changes during the Period:		
Increase due to Share Exchange	—	1,137,308
Reversal of Legal Capital Surplus	—	(499,786)
Total Changes during the Period	—	637,522
Balance at the End of the Current Period	65,411	702,933
Other Capital Surplus:		
Balance at the Beginning of the Current Period	53,257	53,254
Changes during the Period:		
Reversal of Legal Capital Surplus	—	499,786
Disposal of Treasury Stock	(3)	(31)
Total Changes during the Period	(3)	499,754
Balance at the End of the Current Period	53,254	553,008
Total Capital Surplus:		
Balance at the Beginning of the Current Period	118,668	118,665
Changes during the Period:		
Increase due to Share Exchange	—	1,137,308
Disposal of Treasury Stock	(3)	(31)
Total Changes during the Period	(3)	1,137,276
Balance at the End of the Current Period	118,665	1,255,942
Retained Earnings:		
Other Retained Earnings:		
Balance at the Beginning of the Current Period	232,368	221,379
Changes during the Period:		
Cash Dividends	(19,896)	(25,548)
Net Income	8,906	27,409
Total Changes during the Period	(10,989)	1,861
Balance at the End of the Current Period	221,379	223,240
Total Retained Earnings:		
Balance at the Beginning of the Current Period	232,368	221,379
Changes during the Period:		
Cash Dividends	(19,896)	(25,548)
Net Income	8,906	27,409
Total Changes during the Period	(10,989)	1,861
Balance at the End of the Current Period	221,379	223,240

(Continued)

	Fiscal Year Ended March 31, 2011	Fiscal Year Ended March 31, 2012
(Millions of Yen)		
Treasury Stock:		
Balance at the Beginning of the Current Period	(270)	(282)
Changes during the Period:		
Purchase of Treasury Stock	(17)	(138)
Disposal of Treasury Stock	5	69
Total Changes during the Period	(11)	(68)
Balance at the End of the Current Period	(282)	(351)
Total Shareholders' Equity:		
Balance at the Beginning of the Current Period	612,375	601,370
Changes during the Period:		
Increase due to Share Exchange	—	1,137,308
Cash Dividends	(19,896)	(25,548)
Net Income	8,906	27,409
Purchase of Treasury Stock	(17)	(138)
Disposal of Treasury Stock	2	38
Total Changes during the Period	(11,004)	1,139,069
Balance at the End of the Current Period	601,370	1,740,440
Subscription Rights to Shares:		
Balance at the Beginning of the Current Period	—	—
Changes during the Period:		
Net Changes of Items other than Shareholders' Equity	—	6
Total Changes during the Period	—	6
Balance at the End of the Current Period	—	6
Total Net Assets:		
Balance at the Beginning of the Current Period	612,375	601,370
Changes during the Period:		
Increase due to Share Exchange	—	1,137,308
Cash Dividends	(19,896)	(25,548)
Net Income	8,906	27,409
Purchase of Treasury Stock	(17)	(138)
Disposal of Treasury Stock	2	38
Net Changes of Items other than Shareholders' Equity	—	6
Total Changes during the Period	(11,004)	1,139,075
Balance at the End of the Current Period	601,370	1,740,446

Note for the Going-Concern Assumption

There are no corresponding items.

6. Other

Changes in Directors and Executive Officers

(Effective on June 28, 2012 (Planned))

1. Changes in Representatives

Not applicable.

2. Changes in Directors

Retiring Directors (Planned)

Kazuo Tanabe (Currently Director)

Appointed as General Counsel of Sumitomo Mitsui Trust Bank, Limited on April 1, 2012

Junichi Sayato (Currently Director)

Appointed as President of Sumitomo Mitsui Trust General Service Co., Ltd. on April 1, 2012

(End)