

Sumitomo Mitsui Trust Holdings, Inc.(SMTH)

Financial Results for the Three Months ended June 30, 2012

[Japanese GAAP] (Consolidated)



July 31, 2012

Stock exchange listings	: Tokyo, Osaka and Nagoya (code: 8309)
URL	: http://www.smth.jp/en/index.html
Representative	: Kunitaro Kitamura, President
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Filing date of quarterly securities report (Scheduled)	: August 14, 2012
Trading accounts	: Established
Payment date of cash dividends (Scheduled)	: —
Supplementary explanatory material	: Prepared
Information meeting (Scheduled)	: None

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

1. Consolidated Financial Results for the Three Months ended June 30, 2012 (April 1, 2012 through June 30, 2012)

(1) Consolidated Results of Operations (%: Change from the same period in the previous fiscal year)

	Ordinary Income		Ordinary Profit		Net Income	
Three Months ended	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
June 30, 2012	296,419	(3.5)	77,022	7.1	42,889	(52.1)
June 30, 2011	307,228	234.7	71,915	158.3	89,632	370.5

(Note) Comprehensive Income: June 30, 2012 ¥(39,041) million, (152.4)% June 30, 2011 ¥74,500 million, —%

	Net Income per Common Share	Net Income per Common Share (Fully Diluted)
Three Months ended	Yen	Yen
June 30, 2012	10.32	—
June 30, 2011	21.58	—

(Note) Net income per common share (fully diluted) is not stated as there are no potential shares that would have a dilutive effect.

(2) Consolidated Financial Conditions

	Total Assets	Net Assets	Net Assets to Total Assets Ratio
As of	Millions of Yen	Millions of Yen	%
June 30, 2012	34,317,816	2,276,592	5.1
March 31, 2012	34,376,309	2,337,031	5.3

(Reference) Shareholders' Equity: June 30, 2012 ¥1,761,934 million March 31, 2012 ¥1,826,844 million

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

2. Cash Dividends on Common Share

	Annual Cash Dividends per Share				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Total
Fiscal Year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2012	—	4.00	—	4.50	8.50
Fiscal Year ending March 31, 2013	—				
Fiscal Year ending March 31, 2013 (Forecast)		4.25	—	4.25	8.50

(Note) Revision of the latest dividend forecast announced: None

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

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

(%: Change from the previous fiscal year)

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

(Note) Revision of the latest consolidated earnings forecast announced: None

* Notes

(1) Changes in Important Subsidiaries during the Three Months ended June 30, 2012: Yes

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

Included: — (—)

Excluded: 1 company (The Chuo Mitsui Trust and Banking Company, Limited)

(For details, please refer to page 3, "2. Other Information" in "Accompanying Materials.")

(2) Specified Accounting Treatments to Preparation of Quarterly Consolidated Financial Statements :Yes

(For details, please refer to page 3, "2. Other Information" in "Accompanying Materials.")

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

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

(Note) SMTH and its domestic consolidated subsidiaries have changed their depreciation method, which falls under changes in accounting policies which are difficult to distinguish from changes in accounting estimates, since the first quarter of the fiscal year ending March 31, 2013. For details, please refer to page 3, "2. Other Information" in "Accompanying Materials.")

(4) Number of Shares Issued (Common shares)

1) Number of shares issued (including treasury stock)	June 30, 2012	4,153,486,408 shares	March 31, 2012	4,153,486,408 shares
2) Number of treasury stock	June 30, 2012	770,311 shares	March 31, 2012	763,613 shares
3) Average number of shares issued	June 30, 2012	4,152,720,044 shares	June 30, 2011	4,152,919,713 shares

for the three months ended June 30, 2012 and 2011

Statement Concerning the Status of the Quarterly Review Procedures

This financial results is not subject to quarterly review procedures pursuant to the "Financial Instruments and Exchange Act", and at the time of the release of this financial results, quarterly review procedures pursuant to the "Financial Instruments and Exchange Act" have not been completed.

Explanation for Proper Use of Forecasts and other Comments

Forecasts presented herein 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.

(Cash Dividends on Preferred Share)

Cash dividends per share on preferred share are as below:

The First Series of Class 7 Preferred Shares	Annual Cash Dividends per Share				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Total
Fiscal Year ended March 31, 2012	Yen —	Yen 21.15	Yen —	Yen 21.15	Yen 42.30
Fiscal Year ending March 31, 2013	—				
Fiscal Year ending March 31, 2013 (Forecast)		21.15	—	21.15	42.30

(Note) Revision of the latest dividend forecast announced: None

[Accompanying Materials]

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1. Qualitative Information related to Financial Statements

(1) Qualitative Information related to Consolidated Results of Operations

For the three months ended on June 30, 2012, net business profit before credit costs (Note) increased by ¥1.4 billion from the first quarter of the previous fiscal year to ¥72.0 billion, due to increase in net other operating profit mainly by net gains on bonds, despite decrease in net interest income and related profit and net fees and commissions and related profit.

Credit costs were reversal of ¥10.3 billion, mainly due to the recording of reversal of allowance for loan losses. Net gains on stocks resulted in a loss of ¥2.1 billion due to the devaluation losses for stocks despite gains on sales of stocks.

As a result, ordinary profit increased by ¥5.1 billion from the first quarter of the previous fiscal year to ¥77.0 billion. Net income decreased by ¥46.7 billion from the first quarter of the previous fiscal year to ¥42.8 billion, mainly due to the gain on the amortization of negative goodwill (¥43.4 billion) related to a shares exchange, which was recorded in the previous fiscal year. Net income excluding this factor decreased by ¥3.3 billion compared with the first quarter of the previous fiscal year, and the progress rate of net income against the consolidated earnings forecasts for the fiscal year 2012 is approximately 35%.

(Note) Please refer to the “Explanatory Material 1st Quarter of Fiscal Year 2012 ended on June 30, 2012” for an explanation of net business profit before credit costs.

(2) Qualitative Information related to Consolidated Financial Conditions

Consolidated total assets as of June 30, 2012 totaled ¥34,317.8 billion, decreasing by ¥58.4 billion compared with the end of the previous fiscal year. Consolidated net assets as of June 30, 2012 totaled ¥2,276.5 billion, decreasing by ¥60.4 billion compared with the end of the previous fiscal year.

As to major accounts, compared with the end of the previous fiscal year loans and bills discounted decreased by ¥119.3 billion totalling ¥20,517.1 billion, securities increased by ¥922.1 billion totalling ¥7,717.9 billion and deposits decreased by ¥347.9 billion totalling ¥21,729.8 billion.

(3) Qualitative Information related to Consolidated Earnings Forecasts

There are no changes to the consolidated earnings forecasts as for the fiscal year ending March 31, 2013 (ordinary profit : ¥230.0 billion, net income : ¥120.0 billion), which was announced on May 15, 2012.

2. Other Information

(1) Changes in Important Subsidiaries during the Three Months ended June 30, 2012

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

Details of changes in specified subsidiaries resulting in changes in the scope of consolidation during the three months ended June 30, 2012 (1 excluded company) are as below.

Name	Address	Capital Stock (Millions of Yen)	Main Business Area	Share of Voting Rights Held
(Consolidated subsidiary) The Chuo Mitsui Trust and Banking Company, Limited	Minato-ku, Tokyo	399,697	Trust Banking Business	100.00%

(2) Specified Accounting Treatments to Preparation of Quarterly Consolidated Financial Statements

(Income Tax Expenses)

As for a part of subsidiaries, income tax expenses are calculated by multiplying the income before income taxes by the estimated effective income tax rate, which are reasonably estimated for the whole consolidated fiscal year.

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

(Changes in Accounting Policies that is difficult to distinguish from Changes in Accounting Estimates)

Following the revision of the "Corporation Tax Act", SMTH and its domestic consolidated subsidiaries have changed their depreciation method for those tangible fixed assets acquired on or after April 1, 2012 on the revised basis since the first quarter of the fiscal year ending March 31, 2013.

This change has immaterial impact on consolidated ordinary profit and income before income taxes and minority interests for the three months ended June 30, 2012.

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

(Millions of Yen)

	As of March 31, 2012	As of June 30, 2012
Assets:		
Cash and Due from Banks	2,597,784	1,330,297
Call Loans and Bills Bought	283,000	391,971
Receivables under Resale Agreements	55,275	76,721
Receivables under Securities Borrowing Transactions	18,616	208,183
Monetary Claims Bought	500,942	453,921
Trading Assets	601,138	726,068
Money Held in Trust	19,296	19,322
Securities	6,795,726	7,717,919
Loans and Bills Discounted	20,636,457	20,517,127
Foreign Exchanges	9,440	7,443
Lease Receivables and Investment Assets	549,689	539,028
Other Assets	1,200,118	1,166,676
Tangible Fixed Assets	244,904	240,797
Intangible Fixed Assets	205,167	202,292
Deferred Tax Assets	191,588	192,770
Customers' Liabilities for Acceptances and Guarantees	619,967	660,509
Allowance for Loan Losses	(152,805)	(133,234)
Total Assets	34,376,309	34,317,816
Liabilities:		
Deposits	22,077,837	21,729,849
Negotiable Certificates of Deposit	3,252,845	3,508,037
Call Money and Bills Sold	125,173	63,483
Payables under Repurchase Agreements	211,531	496,090
Payables under Securities Lending Transactions	227,956	25,425
Trading Liabilities	179,120	196,526
Borrowed Money	1,122,265	1,079,918
Foreign Exchanges	71	94
Short-term Bonds Payable	377,859	407,276
Bonds Payable	942,677	940,146
Borrowed Money from Trust Account	2,107,227	2,057,140
Other Liabilities	731,248	826,413
Provision for Bonuses	13,165	3,631
Provision for Directors' Bonuses	190	60
Provision for Retirement Benefits	15,314	15,924
Provision for Directors' Retirement Benefits	60	60
Provision for Reimbursement of Deposits	6,932	6,932
Provision for Contingent Loss	12,490	9,823
Provision for Relocation Expenses	8,895	6,508
Deferred Tax Liabilities	1,972	3,190
Deferred Tax Liabilities for Land Revaluation	4,472	4,180
Acceptances and Guarantees	619,967	660,509
Total Liabilities	32,039,277	32,041,223

(Continued)

	Preferred Share". March 31, 2012	(Millions of Yen) As of June 30, 2012
Net Assets:		
Capital Stock	261,608	261,608
Capital Surplus	859,499	859,499
Retained Earnings	696,824	719,268
Treasury Stock	(120)	(122)
Total Shareholders' Equity	1,817,812	1,840,254
Valuation Difference on Available-for-Sale Securities	32,442	(47,771)
Deferred Gains or Losses on Hedges	(5,546)	(11,641)
Revaluation Reserve for Land	(4,955)	(5,512)
Foreign Currency Translation Adjustment	(12,907)	(13,394)
Total Accumulated Other Comprehensive Income	9,032	(78,320)
Subscription Rights to Shares	6	10
Minority Interests	510,181	514,647
Total net Assets	2,337,031	2,276,592
Total Liabilities and Net Assets	34,376,309	34,317,816

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

(Millions of Yen)

	For the Three Months Ended June 30, 2011	For the Three Months Ended June 30, 2012
Ordinary Income:	307,228	296,419
Trust Fees	24,991	22,540
Interest Income:	94,600	80,773
Interest on Loans and Discounts	62,866	59,362
Interest and Dividends on Securities	27,126	18,555
Fees and Commissions	62,551	61,546
Trading Income	1,014	178
Other Ordinary Income	112,040	103,415
Other Income	12,029	27,964
Ordinary Expenses:	235,313	219,396
Interest Expenses:	31,792	29,044
Interest on Deposits	19,213	17,745
Fees and Commissions Payments	14,620	17,753
Trading Expenses	—	1,065
Other Ordinary Expenses	85,023	61,426
General and Administrative Expenses	96,239	94,261
Other Expenses	7,637	15,845
Ordinary Profit	71,915	77,022
Extraordinary Income:	44,355	4,826
Gain on Disposal of Noncurrent Assets	6	2,725
Gain on Negative Goodwill	44,349	2,101
Extraordinary Loss:	1,270	6,720
Loss on Disposal of Noncurrent Assets	175	148
Impairment Loss	28	2,626
Other Extraordinary Losses	1,066	3,945
Income before Income Taxes and Minority Interests	115,000	75,128
Income Taxes:	19,488	27,153
Current	4,530	7,390
Deferred	14,957	19,762
Income before Minority Interests	95,512	47,975
Minority Interests in Income	5,879	5,086
Net Income	89,632	42,889

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	For the Three Months Ended June 30, 2011	For the Three Months Ended June 30, 2012
Income before Minority Interests	95,512	47,975
Other Comprehensive Income:	(21,011)	(87,017)
Valuation Difference on Available-for-Sale Securities	(16,512)	(80,189)
Deferred Gains or Losses on Hedges	(3,931)	(4,183)
Foreign Currency Translation Adjustment	352	3
Attributable to Equity Method Affiliates	(920)	(2,647)
Comprehensive Income:	74,500	(39,041)
Comprehensive Income Attributable to Owners of the Parent	68,853	(43,906)
Comprehensive Income Attributable to Minority Interests	5,647	4,864

(3) Note on Going Concern Assumptions

There is no applicable information.

(4) Note on Significant Change of Shareholders' Equity

There is no applicable information.

(5) Note on Business Combination

(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: The Sumitomo Trust and Banking Co., Ltd.

Business: trust banking business

2) Combined Companies

Name: The Chuo Mitsui Trust and Banking Company, Limited

Business: trust banking business

Name: Chuo Mitsui Asset Trust and Banking Company, Limited

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

The former Sumitomo Trust and Banking group and the former Chuo Mitsui Trust group integrated operations on April 1, 2012, giving birth to the new Sumitomo Mitsui Trust Holdings, Inc.

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 establish 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 was treated as an under common control transaction.

(6) Note on Significant Subsequent Event

On May 31, 2012, SMTH held a Board of Directors' meeting and resolved to redeem the Non-dilutive Preferred Securities issued by its subsidiary, MTH Preferred Capital 1 (Cayman) Limited (the "Special Purpose Subsidiary"), in full, and redeemed those securities in full on July 25, 2012.

Description of redeemed Non-dilutive Preferred Securities

1) Issuer

MTH Preferred Capital 1 (Cayman) Limited

2) Type of Security

Japanese Yen denominated non-cumulative perpetual preferred securities

3) Aggregate Redeemed Amount

27.5 billion yen

4) Redemption Date

July 25, 2012