

Sumitomo Mitsui Trust Holdings, Inc. (SMTH)

Financial Results for the Three Months Ended June 30, 2013

[Japanese GAAP](Consolidated)



July 31, 2013

Stock exchange listings:	Tokyo and Nagoya (Code: 8309)
URL:	http://www.smth.jp/en/index.html
Representative:	Kunitaro Kitamura, President
Contact:	Tadashi Nishimura, Managing Executive Officer, General Manager of Financial Planning Department TEL +81-3-3286-8354
Filing date of quarterly securities report (Scheduled):	August 13, 2013
Specific trading accounts:	Established
Payment date of cash dividends (Scheduled):	—
Explanatory material:	Prepared
Briefing on financial results :	Not scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2013 (from April 1, 2013 to June 30, 2013)

(1) Consolidated Results of Operations (Percentages represent changes 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, 2013	330,533	11.5	65,614	(14.8)	39,076	(8.9)
June 30, 2012	296,419	(3.5)	77,022	7.1	42,889	(52.1)

(Note) Comprehensive Income: Three months ended June 30, 2013 ¥44,798 million, —% Three months ended June 30, 2012 ¥(39,041) million, —%

	Net Income per Share of Common Stock	Net Income per Share of Common Stock (Fully Diluted)
Three Months Ended	Yen	Yen
June 30, 2013	10.48	10.48
June 30, 2012	10.32	—

(Note) For the three months ended June 30, 2013, net income per share of common stock (fully diluted) is not presented because no potentially dilutive securities were issued and outstanding.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets Ratio
As of	Millions of Yen	Millions of Yen	%
June 30, 2013	37,574,662	2,449,000	5.2
March 31, 2013	37,704,031	2,330,474	4.8

(Reference) Shareholders' Equity: As of June 30, 2013 ¥1,960,050 million As of March 31, 2013 ¥1,846,039 million

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

2. Cash Dividends per Share of Common Stock

	Annual Cash Dividends per Share of Common Stock				
	Three Months End	Six Months End	Nine Months End	Year-End	Total
Fiscal Year Ended	Yen	Yen	Yen	Yen	Yen
March 31, 2013	—	4.25	—	4.75	9.00
March 31, 2014	—				
March 31, 2014 (Forecast)		5.00	—	5.00	10.00

(Note) The latest dividend forecast remains unchanged.

(Note) The dividend information above represents the cash dividends on shares of common stock. For dividends on shares of other classes of stock of SMTH (unlisted) with different rights, please refer to "Cash Dividends on Shares of Other Classes of Stock" stated below.

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2014 (From April 1, 2013 to March 31, 2014)

(Percentages represent changes from the same periods in 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, 2013	105,000	0.2	60,000	(1.2)	15.65
March 31, 2014	225,000	(11.8)	130,000	(2.8)	34.02

(Note) The latest consolidated earnings forecast remains unchanged.

*** Notes**

(1) Changes in Significant Subsidiaries during the Three Months Ended June 30, 2013 : None
(Changes in "specified subsidiaries" resulted in changes in the scope of consolidation)

(2) Specific Accounting Treatments for the Preparation of the Quarterly Consolidated Financial Statements : Yes
(For further details, please refer to "2. Matters Relating to Summary Information (Notes)" on page 3 of Accompanying Materials.)

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

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

(4) Number of Shares Issued (Shares of Common Stock)

- 1) Number of shares issued (including treasury stock)
- 2) Number of treasury stock
- 3) Average number of shares issued for the three months ended

June 30, 2013	3,903,486,408 shares	March 31, 2013	3,903,486,408 shares
June 30, 2013	1,244,208 shares	March 31, 2013	218,176,798 shares
June 30, 2013	3,725,816,462 shares	June 30, 2012	4,152,720,044 shares

Statement Concerning the Status of the Quarterly Review Procedures

These consolidated financial results for the three months ended June 30, 2013 are out of the scope of the quarterly review procedures required by the Financial Instruments and Exchange Act. Therefore, the quarterly review procedures on the quarterly consolidated financial statements have not been completed at the time of disclosure of these consolidated financial results for the three months ended June 30, 2013.

Explanation Concerning the Appropriate Use of the Forecasts for Results of Operations and Other Special Matters

The forecasts for results of operations presented in this report are based on the information currently available to SMTH and certain reasonable assumptions. Actual results may differ significantly from the forecasts due to various factors.

(Cash Dividends on Shares of Other Classes of Stock)

Cash dividends per share of other classes of stock with different rights from shares of common stock are as follows:

Shares of the First Series of Class 7 Preferred Stock	Annual Cash Dividends per Share of Common Stock				
	Three Months Ended	Six Months Ended	Nine Months Ended	Year-End	Total
Fiscal Year Ended March 31, 2013	— Yen	21.15 Yen	— Yen	21.15 Yen	42.30 Yen
Fiscal Year Ending March 31, 2014	—				
Fiscal Year Ending March 31, 2014 (Forecast)		21.15	—	21.15	42.30

(Note) The latest dividend forecast remains unchanged.

[Accompanying Materials]

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1. Qualitative Information Related to the Quarterly Consolidated Financial Statements

(1) Qualitative Information Related to the Consolidated Results of Operations

For the three months ended June 30, 2013, "Net business profit before credit costs (Note)" decreased by ¥0.9 billion from the same period of the previous fiscal year to ¥71.0 billion. This was due to the significant decrease in one-time effect on consolidated accounting method resulting from the management integration, while net business profit before credit costs of Sumitomo Mitsui Trust Bank, Limited (SMTB) and the contribution of group companies increased.

"Total credit costs" stood at a reversal of ¥3.7 billion due to the posting of a reversal of allowance for loan losses. Net stock-related losses stood at 4.2 billion yen combining "Net gains/ losses on stocks" and "Net gains/ losses on stock related derivatives".

As a result, "Ordinary Profit" decreased by ¥11.4 billion to ¥65.6 billion and "Net Income" decreased by ¥3.8 billion to ¥39.0 billion from the same period of the previous fiscal year. The progress ratio of net income against the consolidated earnings forecasts for the fiscal year 2013 is approximately 30%.

(Note) For further details of "Net business profit before credit costs," please refer to the "Explanatory Material / 1st Quarter of Fiscal Year 2013 ended on June 30, 2013."

(2) Qualitative Information related to the Consolidated Financial Position

As of June 30, 2013, consolidated "Total Assets" decreased by ¥129.3 billion to ¥37,574.6 billion and consolidated "Total Net Assets" increased by ¥118.5 billion to ¥2,449.0 billion from the end of the previous fiscal year.

In particular, "Loans and Bills Discounted" increased by ¥89.3 billion to ¥22,481.0 billion, "Securities" decreased by ¥834.7 billion to ¥5,511.2 billion, and "Deposits" decreased by ¥58.7 billion to ¥22,965.1 billion from the end of the previous fiscal year.

(3) Qualitative Information Related to the Consolidated Earnings Forecasts

There are no changes to the consolidated earnings forecasts for the fiscal year ending March 31, 2014 (ordinary profit: ¥225.0 billion, net income: ¥130.0 billion) which were announced on May 15, 2013.

2. Matters Relating to Summary Information (Notes)

Specific Accounting Treatments for the Preparation of the Quarterly Consolidated Financial Statements

(Income tax expenses)

Income tax expenses of certain consolidated subsidiaries are calculated by reasonably estimating the effective tax rate based on the expected income before income tax (net of the effects of deferred taxes) for the fiscal year to which the three-month period pertains, and multiplying income before income tax for the three-month period by the estimated effective tax rate.

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

(Millions of Yen)

	As of March 31, 2013	As of June 30, 2013
Assets:		
Cash and Due from Banks	3,902,377	4,438,641
Call Loans and Bills Bought	514,228	373,686
Receivables under Resale Agreements	91,911	75,501
Receivables under Securities Borrowing Transactions	207,494	248,416
Monetary Claims Bought	491,805	704,734
Trading Assets	716,594	701,498
Money Held in Trust	19,014	19,001
Securities	6,346,001	5,511,233
Loans and Bills Discounted	22,391,660	22,481,035
Foreign Exchanges	59,570	11,650
Lease Receivables and Investment Assets	553,532	540,629
Other Assets	1,446,809	1,479,750
Tangible Fixed Assets	230,595	230,323
Intangible Fixed Assets	205,775	208,659
Deferred Tax Assets	75,685	61,904
Customers' Liabilities for Acceptances and Guarantees	583,945	613,537
Allowance for Loan Losses	(132,970)	(125,541)
Total Assets	37,704,031	37,574,662
Liabilities:		
Deposits	23,023,897	22,965,101
Negotiable Certificates of Deposit	4,103,517	3,684,749
Call Money and Bills Sold	168,355	207,009
Payables under Repurchase Agreements	605,742	424,825
Trading Liabilities	233,133	189,465
Borrowed Money	1,169,032	1,451,191
Foreign Exchanges	106	137
Short-term Bonds Payable	940,067	1,140,451
Bonds Payable	986,363	949,237
Borrowed Money from Trust Account	2,483,248	2,317,829
Other Liabilities	1,023,319	1,145,319
Provision for Bonuses	14,631	4,003
Provision for Directors' Bonuses	187	80
Provision for Retirement Benefits	16,132	11,915
Provision for Reimbursement of Deposits	6,207	6,207
Provision for Contingent Losses	9,720	9,494
Deferred Tax Liabilities	1,825	1,064
Deferred Tax Liabilities for Land Revaluation	4,122	4,040
Acceptances and Guarantees	583,945	613,537
Total Liabilities	35,373,557	35,125,662

(Continued)

	(Millions of Yen)	
	As of March 31, 2013	As of June 30, 2013
Net Assets:		
Capital Stock	261,608	261,608
Capital Surplus	752,973	754,266
Retained Earnings	790,139	809,554
Treasury Stock	(93,164)	(531)
Total Shareholders' Equity	1,711,556	1,824,898
Valuation Difference on Available-for-Sale Securities	161,522	150,410
Deferred Losses on Hedges	(17,154)	(9,403)
Revaluation Reserve for Land	(5,457)	(5,606)
Foreign Currency Translation Adjustment	(4,427)	(248)
Total Accumulated Other Comprehensive Income	134,482	135,152
Subscription Rights to Shares	19	22
Minority Interests	484,415	488,927
Total Net Assets	2,330,474	2,449,000
Total Liabilities and Net Assets	37,704,031	37,574,662

(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, 2012	For the Three Months Ended June 30, 2013
Ordinary Income:	296,419	330,533
Trust Fees	22,540	24,618
Interest Income:	80,773	85,748
Interest on Loans and Discounts	59,362	59,431
Interest and Dividends on Securities	18,555	23,205
Fees and Commissions	61,546	75,192
Trading Income	178	7,717
Other Ordinary Income	103,415	85,493
Other Income	27,964	51,763
Ordinary Expenses:	219,396	264,918
Interest Expenses:	29,044	37,024
Interest on Deposits	17,745	17,162
Fees and Commissions Payments	17,753	16,815
Trading Expenses	1,065	530
Other Ordinary Expenses	61,426	61,734
General and Administrative Expenses	94,261	98,699
Other Expenses	15,845	50,114
Ordinary Profit	77,022	65,614
Extraordinary Income:	4,826	218
Gains on Disposal of Fixed Assets	2,725	218
Gains on Negative Goodwill	2,101	—
Extraordinary Losses:	6,720	240
Losses on Disposal of Fixed Assets	148	224
Impairment Losses	2,626	15
Other Extraordinary Losses	3,945	—
Income before Income Taxes and Minority Interests	75,128	65,593
Income Taxes:	27,153	21,692
Current	7,390	5,454
Deferred	19,762	16,238
Income before Minority Interests	47,975	43,900
Minority Interests in Income	5,086	4,823
Net Income	42,889	39,076

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	For the Three Months Ended June 30, 2012	For the Three Months Ended June 30, 2013
Income before Minority Interests	47,975	43,900
Other Comprehensive Income (Loss):	(87,017)	898
Valuation Difference on Available-for-Sale Securities	(80,189)	(9,081)
Deferred Gains (Losses) on Hedges	(4,183)	3,364
Foreign Currency Translation Adjustment	3	3,259
Attributable to Equity Method Affiliates	(2,647)	3,354
Comprehensive Income (Loss):	(39,041)	44,798
Comprehensive Income (Loss) Attributable to Owners of the Parent	(43,906)	39,895
Comprehensive Income Attributable to Minority Interests	4,864	4,902

(3) Note on Going Concern Assumptions

There is no applicable information.

(4) Note on Significant Change in Total Shareholders' Equity

For the Three Months Ended June 30, 2013 (from April 1, 2013 to June 30, 2013)

(Millions of Yen)

	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Current Period	261,608	752,973	790,139	(93,164)	1,711,556
Changes of Items during the Three Months Ended June 30, 2013:					
Cash Dividends			(19,810)		(19,810)
Net Income			39,076		39,076
Purchase of Treasury Stock				(37)	(37)
Disposal of Treasury Stock *1		1,292		92,670	93,963
Retirement of Treasury Stock		(0)			(0)
Reversal of Revaluation Reserve for Land			149		149
Total of Changes of Items during the Three Months Ended June 30, 2013	—	1,292	19,415	92,633	113,341
Balance at the End of the Current Period	261,608	754,266	809,554	(531)	1,824,898

*1 The balance mainly represents sales of treasury stock through global offering, which was resolved at the meeting of the Board of Directors held on May 29, 2013.

(5) Note on Significant Subsequent Events

1. On May 31, 2013, SMTH held the meeting of the Board of Directors and resolved to redeem the non-dilutive preferred securities, in full, issued by MTH Preferred Capital 3 (Cayman) Limited, a consolidated subsidiary. The non-dilutive preferred securities were redeemed, in full, on July 25, 2013.

Description of the non-dilutive preferred securities redeemed

- (i) Issuer
MTH Preferred Capital 3 (Cayman) Limited
- (ii) Type of securities redeemed
Non-cumulative perpetual preferred securities
- (iii) Aggregate amount redeemed
¥30.0 billion
- (iv) Date of redemption
July 25, 2013

2. On May 31, 2013, SMTH held the meeting of the Board of Directors and resolved to redeem the non-dilutive preferred securities, in full, issued by STB Preferred Capital 2 (Cayman) Limited, a consolidated subsidiary. The non-dilutive preferred securities were redeemed, in full, on July 25, 2013.

Description of the non-dilutive preferred securities redeemed

- (i) Issuer
STB Preferred Capital 2 (Cayman) Limited
- (ii) Type of securities redeemed
Non-cumulative perpetual preferred securities
- (iii) Aggregate amount redeemed
¥50.0 billion
- (iv) Date of redemption
July 25, 2013