

Sumitomo Mitsui Trust Holdings, Inc. (SuMi TRUST Holdings)
Financial Results for the Nine Months Ended December 31, 2014
[Japanese GAAP](Consolidated)



January 29, 2015

Stock exchange listings:	Tokyo and Nagoya (Code: 8309)
URL:	http://www.smth.jp/en/index.html
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Filing date of quarterly securities report (Shihanki Hokokusyo) (Scheduled):	February 13, 2015
Specific trading accounts:	Established
Dividend payment date:	—
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 Nine Months Ended December 31, 2014)

(1) Operating Results

(%: Changes from the same period in the previous fiscal year)

	Ordinary Income		Ordinary Profit		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Nine Months Ended						
December 31, 2014	895,043	(0.9)	232,561	20.3	126,511	15.9
December 31, 2013	902,854	11.2	193,311	7.0	109,170	8.4

(Note) Comprehensive Income: Nine months ended December 31, 2014 ¥308,148 million, 40.1%
 Nine months ended December 31, 2013 ¥219,972 million, 140.9%

	Net Income per Share of Common Stock	Net Income per Share of Common Stock (Fully Diluted)
	Yen	Yen
Nine Months Ended		
December 31, 2014	31.83	31.82
December 31, 2013	27.80	27.80

(2) Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets Ratio
	Millions of Yen	Millions of Yen	%
As of			
December 31, 2014	45,688,353	2,547,520	4.9
March 31, 2014	41,889,413	2,441,043	5.0

(Reference) Shareholders' Equity: As of December 31, 2014 ¥2,218,145 million
 As of March 31, 2014 ¥2,105,375 million

(Note) Net Assets to Total Assets Ratio = (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				
	1st Quarter-End	2nd Quarter-End	3rd Quarter-End	Fiscal Year-End	Total
Fiscal Year					
Ended March 31, 2014	—	5.00	—	5.00	10.00
Ending March 31, 2015	—	5.50	—	5.50	11.00
Ending March 31, 2015 (Forecast)				5.50	11.00

(Notes) 1. Revision of latest announced estimates for cash dividends per share of common stock: None

2. The dividend information above represents the cash dividends on shares of common stock. For dividends on shares of other classes of stock of SuMi TRUST Holdings (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, 2015)

(%: Changes from the same period in the previous fiscal year)

	Ordinary Profit		Net Income		Net Income per Share of Common Stock
	Millions of Yen	%	Millions of Yen	%	Yen
Fiscal Year Ending					
March 31, 2015	275,000	6.6	150,000	9.0	37.84

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

SuMi TRUST Holdings acquired and cancelled all of the shares of its First Series of Class VII Preferred Shares on October 1, 2014, based on the resolution of the Board of Directors. Accordingly, SuMi TRUST Holdings calculated Net Income per Share of Common Stock in the consolidated earnings forecast for the fiscal year ending March 31, 2015, by reflecting the effects of the acquisition of these preferred shares.

*** Notes**

(1) Changes in Significant Subsidiaries during the Nine Months Ended December 31, 2014:
(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 2 of Accompanying Materials.)

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

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

(For further details, please refer to "2. Matters Relating to Summary Information (Notes)" on page 2 of Accompanying Materials.)

(4) Number of Shares Issued (Common Stock)

1) Number of shares issued (including treasury stock):	As of December 31, 2014	3,903,486,408 shares	As of March 31, 2014	3,903,486,408 shares
2) Number of treasury stock:	As of December 31, 2014	1,418,548 shares	As of March 31, 2014	1,359,952 shares
3) Average number of outstanding issued shares:	For the nine months ended December 31, 2014	3,902,106,734 shares	For the nine months ended December 31, 2013	3,843,843,174 shares

Statement Concerning the Status of the Quarterly Review Procedures

These consolidated financial results for the nine months ended December 31, 2014, 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 nine months ended December 31, 2014.

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 SuMi TRUST Holdings 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 VII Preferred Stock	Annual Cash Dividends per Share				
	1st Quarter- End	2nd Quarter- End	3rd Quarter- End	Fiscal Year- End	Total
Fiscal Year	Yen	Yen	Yen	Yen	Yen
Ended March 31, 2014	—	21.15	—	21.15	42.30
Ending March 31, 2015	—	21.15			21.15

SuMi TRUST Holdings has acquired and cancelled all of the First Series of Class VII Preferred Stock on October 1, 2014.

[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 nine months ended on December 31, 2014, Net Business Profit before Credit Costs (Note) increased by ¥19.8 billion year on year to ¥232.8 billion. This was primarily due to an increase in net interest income and related profit of Sumitomo Mitsui Trust Bank, Limited (SuMi TRUST Bank).

Ordinary Profit increased by ¥39.2 billion year on year to ¥232.5 billion due to improvements in total credit costs and net gains on stocks.

Net Income for the period increased by ¥17.3 billion year on year to ¥126.5 billion. There was a positive effect from a change in the example categories of SuMi TRUST Bank under the practical guidelines for tax effect accounting, while SuMi TRUST Bank posted banking IT system integration costs as Extraordinary Losses.

(Note) For further details of Net Business Profit before Credit Costs, please refer to the "Explanatory Material / 3rd Quarter of Fiscal Year 2014 Ended on December 31, 2014."

(2) Qualitative Information Related to the Consolidated Financial Position

As of December 31, 2014, consolidated Total Assets increased by ¥3,798.9 billion to ¥45,688.3 billion and consolidated Total Net Assets also increased by ¥106.4 billion to ¥2,547.5 billion from the end of the previous fiscal year.

In particular, Loans and Bills Discounted increased by ¥1,390.1 billion to ¥25,214.2 billion, Securities decreased by ¥458.6 billion to ¥5,305.7 billion, and Deposits increased by ¥174.7 billion to ¥24,298.0 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, 2015 (Ordinary Profit: ¥275.0 billion, Net Income: ¥150.0 billion), which were announced on November 13, 2014.

2. Matters Relating to Summary Information (Notes)

(1) 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 nine-month period pertains, and multiplying income before income tax for the nine-month period by the estimated effective tax rate.

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

(Changes in Accounting Policy)

(Application of Accounting Standard for Retirement Benefits)

SuMi TRUST Holdings applied the "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26 of May 17, 2012) (the "Accounting Standard") and the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25 of May 17, 2012) (the "Guidance") from the three months ended June 30, 2014, specifically items prescribed at paragraph 35 of the Accounting Standard and paragraph 67 of the Guidance. In accordance with the Accounting Standard and the Guidance, SuMi TRUST Holdings reviewed the calculation methods for Defined benefit obligations and service cost, and revised the methods to attribute Retirement Benefits to periods of service under the plan's benefit formula for both SuMi TRUST Bank and some consolidated subsidiaries. Previously, SuMi TRUST Bank applied a point basis and the consolidated subsidiaries applied a straight-line basis. In addition, SuMi TRUST Bank and other consolidated subsidiaries changed the method of determining the discount rate to a method that applies a single weighted-average discount rate reflecting the estimated amount of benefit payments, in principle.

For the application of the Accounting Standard and the Guidance, SuMi TRUST Holdings adopted the transitional provision at paragraph 37 of the Accounting Standard, recording the amounts of the change in the calculation methods for defined benefit obligations and service cost by adjusting Retained Earnings at the beginning of the nine months ended December 31, 2014.

As a result, Assets for Retirement Benefits decreased by ¥46,709 million, Liabilities for Retirement Benefits increased by ¥1,036 million, and Retained Earnings decreased by ¥30,729 million as of the beginning of the nine months ended December 31, 2014. The effects to Ordinary Profit and Income before Income Taxes and Minority Interests for the nine months ended December 31, 2014, are immaterial.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	As of March 31, 2014	As of December 31, 2014
(Millions of Yen)		
Assets:		
Cash and Due from Banks	6,916,949	8,984,081
Call Loans and Bills Bought	651,552	504,184
Receivables under Resale Agreements	88,069	138,104
Receivables under Securities Borrowing Transactions	289,377	309,779
Monetary Claims Bought	936,435	798,547
Trading Assets	537,029	1,122,803
Money Held in Trust	13,344	1,605
Securities	5,764,450	5,305,798
Loans and Bills Discounted	23,824,035	25,214,222
Foreign Exchanges	12,114	14,475
Lease Receivables and Investment Assets	540,204	522,642
Other Assets	1,333,355	1,772,004
Tangible Fixed Assets	229,583	225,699
Intangible Fixed Assets	210,536	160,102
Assets for Retirement Benefits	150,153	117,712
Deferred Tax Assets	17,128	14,463
Customers' Liabilities for Acceptances and Guarantees	485,384	571,360
Allowance for Loan Losses	(110,289)	(89,233)
Total Assets	41,889,413	45,688,353
Liabilities:		
Deposits	24,123,328	24,298,060
Negotiable Certificates of Deposit	5,100,179	7,252,706
Call Money and Bills Sold	200,005	278,688
Payables under Repurchase Agreements	1,291,641	813,760
Payables under Securities Lending Transactions	—	2,042
Trading Liabilities	214,104	778,527
Borrowed Money	1,906,117	2,210,991
Foreign Exchanges	124	897
Short-Term Bonds Payable	904,882	1,168,657
Bonds Payable	1,057,772	1,104,019
Borrowed Money from Trust Account	2,941,748	3,042,113
Other Liabilities	1,139,718	1,463,306
Provision for Bonuses	15,415	6,218
Provision for Directors' Bonuses	255	180
Liabilities for Retirement Benefits	11,311	11,448
Provision for Reimbursement of Deposits	3,917	3,637
Provision for Contingent Losses	8,800	8,739
Deferred Tax Liabilities	39,705	121,766
Deferred Tax Liabilities for Land Revaluation	3,954	3,712
Acceptances and Guarantees	485,384	571,360
Total Liabilities	39,448,370	43,140,832

(Continued)

	(Millions of Yen)	
	As of March 31, 2014	As of December 31, 2014
Net Assets:		
Capital Stock	261,608	261,608
Capital Surplus	754,267	645,260
Retained Earnings	886,491	937,127
Treasury Stock	(591)	(618)
Total Shareholders' Equity	1,901,775	1,843,378
Valuation Differences on Available-for-Sale Securities	229,637	400,828
Deferred Gains (Losses) on Hedges	(12,585)	(21,274)
Revaluation Reserve for Land	(5,761)	(6,198)
Foreign Currency Translation Adjustments	7,343	13,223
Adjustments for Retirement Benefits	(15,033)	(11,810)
Total Accumulated Other Comprehensive Income	203,599	374,767
Subscription Rights to Shares	47	238
Minority Interests	335,620	329,136
Total Net Assets	2,441,043	2,547,520
Total Liabilities and Net Assets	41,889,413	45,688,353

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

	(Millions of Yen)	
	For the Nine Months Ended	
	December 31, 2013	December 31, 2014
Ordinary Income:	902,854	895,043
Trust Fees	76,106	77,253
Interest Income:	264,214	273,114
Interest on Loans and Discounts	183,916	196,423
Interest and Dividends on Securities	67,741	59,833
Fees and Commissions	234,897	241,018
Trading Income	20,890	26,680
Other Ordinary Income	236,091	215,755
Other Income	70,654	61,221
Ordinary Expenses:	709,543	662,482
Interest Expenses:	100,611	94,318
Interest on Deposits	50,533	48,232
Fees and Commissions Payments	52,615	54,201
Trading Expenses	103	157
Other Ordinary Expenses	186,714	172,701
General and Administrative Expenses	300,258	302,209
Other Expenses	69,239	38,893
Ordinary Profit	193,311	232,561
Extraordinary Income:	303	1,620
Gains on Disposal of Fixed Assets	303	1,620
Extraordinary Losses:	2,233	58,719
Losses on Disposal of Fixed Assets	1,245	1,501
Impairment Losses	987	2,624
Other Extraordinary Losses	—	54,592
Income before Income Taxes and Minority Interests	191,381	175,462
Income Taxes:	68,407	39,403
Current	18,706	30,456
Deferred	49,701	8,947
Income before Minority Interests	122,974	136,059
Minority Interests in Income	13,804	9,548
Net Income	109,170	126,511

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	For the Nine Months Ended	
	December 31, 2013	December 31, 2014
Income before Minority Interests	122,974	136,059
Other Comprehensive Income (Loss):	96,998	172,088
Valuation Differences on Available-for-Sale Securities	80,892	160,639
Deferred Gains (Losses) on Hedges	4,817	(2,941)
Foreign Currency Translation Adjustments	7,810	5,055
Adjustments for Retirement Benefits	—	3,241
Attributable to Equity Method Affiliates	3,478	6,093
Comprehensive Income:	219,972	308,148
Comprehensive Income Attributable to Owners of the Parent	205,797	298,116
Comprehensive Income Attributable to Minority Interests	14,174	10,031

(3) Note on Going Concern Assumptions

There is no applicable information.

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

For the Nine Months Ended December 31, 2014 (from April 1, 2014 to December 31, 2014)

(Millions of Yen)

	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Current Period	261,608	754,267	886,491	(591)	1,901,775
Cumulative Effect of Changes in Accounting Policy			(30,729)		(30,729)
Balance after Cumulative Effect of Changes in Accounting Policy at the Beginning of the Current Period	261,608	754,267	855,761	(591)	1,871,046
Changes of Items during the Nine Months Ended December 31, 2014:					
Cash Dividends			(45,582)		(45,582)
Net Income			126,511		126,511
Purchase of Treasury Stock ^(Note)				(109,050)	(109,050)
Disposal of Treasury Stock		0		16	17
Cancellation of Treasury Stock ^(Note)		(109,006)		109,006	—
Reversal of Revaluation Reserve for Land			437		437
Total of Changes of Items during the Nine Months Ended December 31, 2014	—	(109,006)	81,365	(27)	(27,667)
Balance at the End of the Current Period	261,608	645,260	937,127	(618)	1,843,378

(Note) The figure mainly represents the acquisition and cancellation of First Series of Class VII Preferred Stock, which were resolved at the meeting of the Board of Directors held on July 31, 2014.

(5) Note on Significant Subsequent Events

(Repurchase of Own Shares)

The Board of SuMi TRUST Holdings' Directors resolved at the meeting held on January 29, 2015 to repurchase its own shares pursuant to the provision of its Articles of Incorporation in accordance with Article 459, Paragraph 1 of the Companies Act of Japan.

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|---|---|
| 1) Reason for Repurchase | :SuMi TRUST Holdings will repurchase its own shares in order to improve shareholder return as well as capital efficiency. |
| 2) Class of shares to be repurchased | :Common stock of SuMi TRUST Holdings |
| 3) Total number of shares to be repurchased | :Up to 39,000,000 shares |
| 4) Total amount of repurchase | :Up to JPY 20,000,000,000 |
| 5) Repurchase period | :From January 30, 2015 to June 30, 2015 |
| 6) Repurchase method | :Market purchases on the Tokyo Stock Exchange based on a discretionary trading contract |