

Explanatory Material

*Fiscal Year 2015
ended on Mar. 31, 2016*



SUMITOMO MITSUI TRUST HOLDINGS

<Status of BIS capital adequacy ratio (Basel III, international standard)>

- (1) "Common Equity Tier 1 capital ratio" <1>, "Tier 1 capital ratio" <2> and "Total capital ratio" <3> at the end of March 2016 stood at 11.36%, 13.36% and 16.75%, respectively, all of which exceeded regulatory minimum requirements.
- (2) "Common Equity Tier 1 capital ratio" <8>, Pro forma on fully-loaded basis, increased by 0.79 percentage points from the end of March 2015 to 11.68% due to decrease in credit risk-weighted assets, in addition to accumulation of retained earnings.

[Consolidated]		(Billions of Yen)			
		Mar. 2016 (Preliminary)	Mar. 2015	Change from Mar. 2015	Minimum requirement
Common Equity Tier 1 capital ratio	1	11.36%	10.28%	1.08%	5.25%
Tier 1 capital ratio	2	13.36%	11.45%	1.91%	6.75%
Total capital ratio	3	16.75%	15.57%	1.18%	8.75%
Common Equity Tier 1 capital	4	2,053.8	1,939.8	113.9	
Tier 1 capital	5	2,415.3	2,160.6	254.6	
Total capital	6	3,026.7	2,938.2	88.4	
Total risk-weighted assets	7	18,065.8	18,868.4	(802.6)	

(*) Capital conservation buffer, countercyclical capital buffer and surcharge for domestic systemically important banks are taken into account and added to minimum regulatory requirements for each capital ratio.

<Reference> Fully-loaded basis (*)

Common Equity Tier 1 capital ratio	8	11.68%	10.89%	0.79%	
Common Equity Tier 1 capital	9	2,103.9	2,040.0	63.9	
Total risk-weighted assets	10	18,012.7	18,727.1	(714.3)	

(*) Fully-loaded basis: Pro forma without considering transitional arrangements concerning "Regulatory adjustments", etc.

3. Forecast for FY2016

[Consolidated]		(Billions of Yen)			
		Forecast for FY2016		FY2015	Change
		1H	Full (A)	Actual (B)	(A) - (B)
Net business profit before credit costs	1	145.0	300.0	318.3	(18.3)
Ordinary profit	2	120.0	255.0	278.0	(23.0)
Net income attributable to owners of the parent	3	80.0	170.0	166.9	3.0
Total credit costs	4	(15.0)	(30.0)	(25.9)	(4.0)
Dividend per common share (Yen) (*1)	5	6.50	13.00	13.00	-
Consolidated dividend payout ratio (*2)	6	-----	29.4%	30.0%	(0.6%)

(*1) SuMi TRUST Holdings plans to consolidate its shares on the basis of one (1) share for every ten (10) shares on October 1st, 2016, as it announced on May 12th, 2016.

The forecast of the annual dividend per common share (Yen) for FY2016 would be 130 yen on the assumption that the consolidation is executed at the beginning of FY2016.

(*2) Consolidated dividend payout ratio = {Total amount of dividends for common shares / (Profit (loss) attributable to owners of parent - Total amount of dividends for preferred shares)} x100

[Non-consolidated]		(Billions of Yen)			
		Forecast for FY2016		FY2015	Change
		1H	Full (A)	Actual (B)	(A) - (B)
Net business profit before credit costs	7	110.0	225.0	249.1	(24.1)
Ordinary profit	8	85.0	185.0	218.8	(33.8)
Net income	9	65.0	135.0	143.1	(8.1)
Total credit costs	10	(15.0)	(25.0)	(14.1)	(10.8)

