

Explanatory Material

*1st Quarter of Fiscal Year 2016
ended on June 30, 2016*



SUMITOMO MITSUI TRUST HOLDINGS

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<Definition of terms in this document>

Sumitomo MitsuiTrust Holdings (Consolidated): "SuMi TRUST Holdings" or "Consolidated"

Sumitomo Mitsui Trust Bank (Non-consolidated): "SuMi TRUST Bank" or "Non-Consolidated"

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Regarding forward-looking Statements contained in this material

This presentation material contains information that constitutes forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors including but not limited to changes in managerial circumstances. By virtue of the aforementioned reasons, Sumitomo Mitsui Trust Holdings, Inc. hereby cautions against sole reliance on such forward-looking statements in making investment decisions.

Summary of 1QFY2016 financial results

1. Financial Results

<Consolidated>

- (1) "Net business profit before credit costs" <1> decreased by 27.3 billion yen from 1QFY2015 to 49.8 billion yen resulting from decrease in "Net interest income and related profit" and "Net other operating profit" in SuMi TRUST Bank due primarily to decrease in market related profit.
- (2) "Ordinary profit" <2> decreased by 18.0 billion yen from 1QFY2015 to 48.8 billion yen, whereas "Net gains on stocks" <5> increased. "Net income attributable to owners of the parent" <3> decreased by 9.9 billion yen from 1QFY2015 to 32.2 billion yen.

[Consolidated]

		1QFY2016	1QFY2015	Change	(Billions of Yen)	
					Forecast for FY2016 1HFY2016	
Net business profit before credit costs (*1)	1	49.8	77.1	(27.3)	145.0	300.0
Ordinary profit	2	48.8	66.8	(18.0)	120.0	255.0
Net income attributable to owners of the parent	3	32.2	42.2	(9.9)	80.0	170.0
Total credit costs	4	1.6	(1.5)	3.1	(15.0)	(30.0)
Net gains/ losses on stocks	5	7.8	1.2	6.6		

(Difference from non-consolidated financial results) (*2)

Net business profit before credit costs	6	18.5	17.7	0.8
Net income attributable to owners of the parent (*3)	7	7.8	7.2	0.5
Total credit costs	8	(0.7)	(0.0)	(0.6)
Net gains/ losses on stocks	9	(1.2)	(0.4)	(0.7)

(*1) Consolidated net business profit before credit costs = Non-consolidated net business profit before credit costs + Ordinary profits of Other subsidiary companies (non-recurring effect adjusted) + Ordinary profits of Affiliates (non-recurring effect adjusted) x Ratio of equity holdings - Intra-group transaction (dividends, etc.)

(*2) Differences between "Consolidated (SuMi TRUST Holdings)" and "Non-consolidated (SuMi TRUST Bank)".

(*3) Differences between "Net income attributable to owners of the parent" in "<Consolidated>" and "Net income" in "<Non-consolidated>".

<Non-consolidated>

- (1) "Net business profit before credit costs" <18> decreased by 28.1 billion yen from 1QFY2015 to 31.2 billion yen resulting from decrease in "Net interest income and related profit" <11> and "Net other operating profit" <14> due primarily to decrease in market related profit.
- (2) "Ordinary profit" <24> decreased by 17.9 billion yen from 1QFY2015 to 32.8 billion yen, whereas "Net gains on stocks" <22> increased. "Net income" <28> decreased by 10.5 billion yen from 1QFY2015 to 24.4 billion yen.

[Non-consolidated]

		1QFY2016	1QFY2015	Change	(Billions of Yen)	
					Forecast for FY2016 1HFY2016	
Gross business profit	10	87.5	117.4	(29.9)		
Net interest income and related profit	11	40.1	53.5	(13.3)		
Net fees and commissions and related profit	12	42.9	45.2	(2.2)		
Net trading profit	13	(0.0)	4.3	(4.3)		
Net other operating profit	14	4.5	14.4	(9.8)		
Net gains on bonds	15	9.8	2.5	7.3		
Net gains from derivatives other than for trading or hedging	16	(14.0)	11.1	(25.2)		
General and administrative expenses	17	(56.2)	(58.0)	1.7		
Net business profit before credit costs	18	31.2	59.4	(28.1)	110.0	225.0
Net non-recurring profit	19	1.5	(8.6)	10.1		
Banking a/c credit costs	20	(0.2)	(2.3)	2.1		
Reversal of allowance for loan losses, etc.	21	2.5	0.9	1.6		
Net gains/ losses on stocks	22	9.0	1.6	7.3		
Others	23	(9.8)	(8.8)	(1.0)		
Ordinary profit	24	32.8	50.7	(17.9)	85.0	185.0
Extraordinary profit	25	(0.4)	(0.6)	0.1		
Income before income taxes	26	32.3	50.1	(17.7)		
Total income taxes	27	(7.9)	(15.1)	7.1		
Net income	28	24.4	34.9	(10.5)	65.0	135.0
Total credit costs	29	2.3	(1.4)	3.8	(15.0)	(25.0)

(For reference) Overview of the business operation

<Balance of major accounts>

(1) Ending balance of major accounts (Banking a/c and principal guaranteed trust a/c combined)

[Non-consolidated]

(Billions of Yen)

		June 2016	Mar. 2016	Change from Mar. 2016
Loans and bills discounte	1	26,731.5	27,100.2	(368.7)
Deposits, Trust principal (*)	2	30,154.4	33,422.4	(3,267.9)

(*) Deposits: Excluding NCDs.

(2) Yields and margins (Domestic banking a/c)

[Non-consolidated]

(%)

		1QFY2016 (A)	2HFY2015 (B)	1HFY2015	Change (A) - (B)
Loan deposit margin	3	0.60	0.63	0.65	(0.03)
Loans and bills discounted	4	0.77	0.82	0.86	(0.05)
Deposits and trust principal	5	0.17	0.19	0.21	(0.02)

(3) Status of loans (Banking a/c and principal guaranteed trust a/c combined)

[Non-consolidated]

(Billions of Yen)

		June 2016	Mar. 2016	Change from Mar. 2016
Loans to individuals	6	8,119.3	7,932.1	187.1
Residential mortgage loans	7	7,608.8	7,422.1	186.6
Loans to corporations	8	18,612.2	19,168.1	(555.8)
Overseas Japanese borrowers	9	2,790.7	3,035.7	(245.0)
Non-Japanese borrowers	10	3,202.8	3,461.4	(258.6)

<Investment trust and Insurance>

(1) Sales volume and sales balance of investment trust/ insurance

[Non-consolidated]

<Sales volume>

(Billions of Yen)

		1QFY2016	1QFY2015	Change from 1QFY2015
Total sales volume	11	336.8	502.2	(165.3)
Investment trust	12	229.1	331.9	(102.7)
Fund wrap, SMA	13	30.0	106.0	(75.9)
Insurance	14	77.6	64.2	13.4

<Sales balance>

(Billions of Yen)

		June 2016	Mar. 2016	Change from Mar. 2016
Total sales balance	15	5,641.9	5,803.8	(161.8)
Investment trust	16	2,559.0	2,649.7	(90.6)
Fund wrap, SMA	17	814.1	848.3	(34.2)
Insurance	18	2,268.7	2,305.7	(36.9)

(2) Fees and commissions

[Non-consolidated]

(Billions of Yen)

		1QFY2016	1QFY2015	Change from 1QFY2015
Total fees and commissions	19	14.0	15.9	(1.8)
Sales fees of investment trust/ insurance	20	6.7	8.5	(1.7)
Administration Fee	21	7.3	7.3	(0.0)

<Overview of fiduciary services business>

(1) Assets under management

[Non-consolidated]

(Billions of Yen)

		June 2016		Mar. 2016	Change from Mar. 2016
Assets under management	22	47,932.1		51,020.1	(3,087.9)
Corporate pension trust	23	14,486.2		15,942.1	(1,455.8)
Public pension trust	24	9,724.5		10,475.2	(750.6)
Discretionary investment	25	23,721.3		24,602.7	(881.4)

(2) Gross business profit

[Non-consolidated]

(Billions of Yen)

		1QFY2016		1QFY2015	Change from 1QFY2015
Gross business profit	26	14.5		16.6	(2.1)
Gross business profit before outsourcing fees	27	22.0		23.9	(1.8)
Fees paid out for outsourcing	28	(7.5)		(7.3)	(0.2)

<Overview of real estate business>

Gross business profit

[Non-consolidated]

(Billions of Yen)

		1QFY2016		1QFY2015	Change from 1QFY2015
Gross business profit	29	4.4		4.2	0.2
Real estate brokerage fees	30	3.0		2.8	0.1
Real estate trust fees, etc.	31	1.4		1.4	0.0

2. Financial conditions

<Status of the securities holdings>

- (1) Cost of "Available-for-sale securities" <1> decreased by 195.2 billion yen from the end of March 2016 to 3,566.7 billion yen due primarily to decrease in "Government bonds" <4>. Unrealized gains/losses of "Available-for-sale securities" decreased by 38.6 billion yen from the end of March 2016 to 636.9 billion yen due primarily to decrease in unrealized gains of "Japanese stocks" <2>.
- (2) Cost of "Held-to-maturity debt securities" <6> decreased by 0.9 billion yen from the end of March 2016 to 419.6 billion yen, and unrealized gains/losses of those securities stood at net gains of 39.0 billion yen.

Securities with fair value

[Consolidated]

(Billions of Yen)

		June 2016			Change from Mar. 2016	
		Cost	Fair value	Net	Cost	Net
		Available-for-sale securities	1	3,566.7	4,203.7	636.9
Japanese stocks	2	690.6	1,229.6	539.0	(3.9)	(66.8)
Japanese bonds	3	1,115.0	1,118.4	3.4	(189.9)	1.6
Government bonds	4	474.5	476.3	1.8	(190.2)	0.4
Others	5	1,761.1	1,855.5	94.4	(1.3)	26.5
Held-to-maturity debt securities	6	419.6	458.7	39.0	(0.9)	2.1

[Non-consolidated]

(Billions of Yen)

		June 2016			Change from Mar. 2016	
		Cost	Fair value	Net	Cost	Net
		Available-for-sale securities	7	3,522.0	4,179.0	656.9
Japanese stocks	8	664.5	1,227.5	563.0	(2.6)	(67.9)
Japanese bonds	9	1,144.0	1,145.9	1.9	(171.5)	0.7
Government bonds	10	399.6	401.2	1.6	(170.2)	0.3
Others	11	1,713.5	1,805.5	91.9	10.7	27.3
Held-to-maturity debt securities	12	333.2	372.2	39.0	1.1	2.0

<Problem assets based on the Financial Reconstruction Act>

- (1) Total balance of "Problem assets based on the Financial Reconstruction Act" <1> decreased by 4.8 billion yen from the end of March 2016 to 85.3 billion yen.
"Ratio to total balance" <2> (ratio of "Problem assets based on the Financial Reconstruction Act" to total balance) stayed at the same level of 0.3% from the end of March 2016.
- (2) Coverage ratio with collateral values and allowance at the end of June 2016 for "Doubtful" <4> and "Substandard" <5> stood at 90.9% and 90.6% respectively, and coverage ratio for total balance of "Problem assets based on the Financial Reconstruction Act" stood at 92.0%, all of which represent prudent level.

[Non-consolidated] (Banking a/c and principal guaranteed trust a/c combined)

(Billions of Yen)

		June 2016	Mar. 2016	Change from Mar. 2016	June 2016	
					Coverage ratio	Allowance ratio
Problem assets based on the Financial Reconstruction Act	1	85.3	90.1	(4.8)	92.0%	64.5%
Ratio to total balance	2	0.3%	0.3%	(0.0%)		
Bankrupt and practically bankrupt	3	11.5	11.9	(0.4)	100.0%	100.0%
Doubtful	4	43.2	44.9	(1.7)	90.9%	65.7%
Substandard (a)	5	30.6	33.2	(2.7)	90.6%	23.5%
Ordinary assets	6	27,243.8	27,573.3	(329.5)		
Substandard debtors (excl. (a)) (b)	7	1.4	1.5	(0.0)		
Other special mention debtors (excl. (a) and (b))	8	370.4	366.8	3.6		
Ordinary debtors	9	26,871.9	27,205.0	(333.1)		

Financial figures

1. Status of profit and loss

[Consolidated]

(Millions of Yen)

		1QFY2016	1QFY2015	Change	Full FY2015
Consolidated gross business profit (*1)	1	146,419	166,082	(19,662)	697,810
Consolidated gross business profit (after written-off of principal guaranteed trust a/c) (1 + 19)	2	146,419	166,082	(19,662)	697,810
Net interest income and related profit	3	42,521	56,605	(14,083)	242,809
Net interest income	4	37,665	54,340	(16,675)	230,944
Trust fees from principal guaranteed trust a/c (before written-off of principal guaranteed trust a/c)	5	4,856	2,264	2,591	11,865
Net fees and commissions and related profit	6	92,630	85,170	7,460	369,491
Net fees and commissions	7	71,665	61,540	10,125	275,818
Other trust fees	8	20,965	23,630	(2,664)	93,672
Net trading profit	9	(42)	4,343	(4,386)	15,535
Net other operating profit	10	11,309	19,962	(8,652)	69,972
Net gains on bonds	11	9,865	2,705	7,159	52,342
Net gains from derivatives other than for trading or hedging	12	(13,816)	10,964	(24,780)	(22,226)
General and administrative expenses	13	(102,842)	(96,828)	(6,013)	(405,019)
(excluding amortization of goodwill)	14	(100,475)	(94,855)	(5,619)	(396,603)
Personnel expenses	15	(46,802)	(46,037)	(764)	(187,282)
Non-personnel expenses excluding taxes	16	(51,727)	(46,913)	(4,814)	(202,246)
Taxes other than income taxes	17	(4,312)	(3,878)	(433)	(15,490)
Provision of general allowance for loan losses	18	-	-	-	(6,812)
Principal guaranteed trust a/c credit costs	19	-	-	-	-
Banking a/c credit costs	20	(390)	(2,534)	2,144	(21,938)
Written-off of loans	21	(291)	(2,719)	2,428	(9,377)
Provision of specific allowance for loan losses	22	-	-	-	(12,383)
Losses on sales of loans	23	(98)	185	(284)	(177)
Reversal of allowance for loan losses	24	822	411	411	-
Recoveries of written-off claims	25	1,214	591	623	2,795
Net gains on stocks	26	7,804	1,201	6,602	29,660
Losses on devaluation of stocks	27	(1,723)	(1)	(1,721)	(6,350)
Net income from affiliates by equity method	28	1,558	2,601	(1,043)	7,702
Others	29	(5,761)	(4,669)	(1,091)	(26,136)
Ordinary profit	30	48,825	66,855	(18,029)	278,061
Extraordinary profit	31	443	(416)	860	(4,924)
Income before income tax	32	49,269	66,438	(17,169)	273,136
Total income taxes	33	(13,813)	(20,923)	7,109	(93,986)
Income taxes-current	34	(5,947)	(14,615)	8,667	(72,470)
Income taxes-deferred	35	(7,865)	(6,307)	(1,558)	(21,515)
Net income	36	35,456	45,515	(10,059)	179,150
Net income attributable to non-controlling interests	37	(3,196)	(3,295)	98	(12,240)
Net income attributable to owners of the parent	38	32,259	42,220	(9,960)	166,909
Total credit costs (18 + 19 + 20 + 24 + 25)	39	1,647	(1,531)	3,179	(25,955)

(*1) Consolidated gross business profit = Trust fees + (Interest income - Interest expenses) + (Fees and commissions - Fees and commissions payments) + (Trading income - Trading expenses) + (Other operating income - Other operating expenses)

Consolidated net business profit before credit costs (*2)	40	49,819	77,146	(27,327)	318,331
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(*2) Consolidated net business profit before credit costs = Non-consolidated net business profit before credit costs + Ordinary profits of other subsidiary companies (non-recurring effect adjusted) + Ordinary profits of affiliates (non-recurring effect adjusted) x Ratio of equity holdings - Intra-group transaction (dividends, etc.)

<Difference from non-consolidated financial results (*3)>

Net business profit before credit costs	41	18,537	17,736	801	69,146
Net income attributable to owners of the parent (*4)	42	7,845	7,249	595	23,755
Total credit costs	43	(745)	(70)	(675)	(11,781)
Net gains on stocks	44	(1,245)	(484)	(760)	10,916

(*3) Differences between "Consolidated" and "Non-consolidated".

(*4) Differences between "Net income attributable to owners of the parent" in "Consolidated" and "Net income" in "Non-consolidated".

<Number of subsidiaries/ affiliates>

		June 2016	Mar. 2016	Change
Consolidated subsidiaries	45	73	73	-
Affiliates (subject to the equity method)	46	22	19	3

[Non-consolidated]

		1QFY2016	1QFY2015	Change	(Millions of Yen) Full FY2015
Gross business profit	1	87,574	117,499	(29,924)	485,343
Gross business profit (after written-off of principal guaranteed trust a/c) (1 + 21)	2	87,574	117,499	(29,924)	485,343
Net interest income and related profit	3	40,125	53,520	(13,394)	223,978
Net interest income	4	35,269	51,255	(15,986)	212,113
Trust fees from principal guaranteed trust a/c (before written-off of principal guaranteed trust a/c)	5	4,856	2,264	2,591	11,865
Net fees and commissions and related profit	6	42,956	45,224	(2,268)	199,928
Net fees and commissions	7	23,389	22,987	402	111,504
Other trust fees	8	19,566	22,237	(2,670)	88,423
Net trading income	9	(42)	4,343	(4,386)	15,535
Net other operating profit	10	4,535	14,410	(9,875)	45,900
Net gains on foreign exchange transactions	11	8,686	625	8,061	16,500
Net gains on bonds	12	9,891	2,537	7,354	51,720
Net gains from derivatives other than for trading or hedging	13	(14,062)	11,188	(25,250)	(22,877)
General and administrative expenses	14	(56,292)	(58,088)	1,795	(236,158)
Personnel expenses	15	(25,669)	(26,917)	1,247	(108,294)
Non-personnel expenses	16	(27,256)	(27,899)	643	(115,002)
Taxes other than income taxes	17	(3,366)	(3,271)	(95)	(12,861)
Net business profit before credit costs (1 + 14)	18	31,282	59,410	(28,128)	249,184
(Excluding Net gains on bonds) (18 - 12)	19	21,390	56,873	(35,482)	197,464
Provision of general allowance for loan losses	20	-	-	-	(6,394)
Principal guaranteed trust a/c credit costs	21	-	-	-	-
Net business profit	22	31,282	59,410	(28,128)	242,790
Net non-recurring profit	23	1,551	(8,632)	10,184	(23,912)
Banking a/c credit costs	24	(201)	(2,378)	2,176	(9,655)
Written-off of loans	25	(102)	(2,563)	2,460	(6,493)
Provision of specific allowance for loan losses	26	-	-	-	(2,984)
Losses on sales of loans	27	(98)	185	(284)	(177)
Reversal of allowance for loan losses	28	1,578	484	1,094	-
Recoveries of written-off claims	29	1,015	432	583	1,876
Net gains on stocks	30	9,049	1,686	7,363	18,743
Losses on devaluation of stocks	31	(607)	(0)	(607)	(3,714)
Others	32	(9,890)	(8,857)	(1,032)	(34,876)
Amortization of net actuarial losses/ prior service cost	33	(7,149)	(3,743)	(3,405)	(14,973)
Provision for contingent loss	34	104	378	(273)	891
Losses on investment in partnerships	35	(1,112)	(1,717)	604	(8,731)
Net gains on stock related derivatives	36	(2,002)	(3,772)	1,770	(3,551)
Ordinary profit	37	32,833	50,778	(17,944)	218,877
Extraordinary profit	38	(445)	(641)	195	(3,681)
Net gains on disposal of fixed assets	39	(193)	(119)	(73)	(1,479)
Impairment loss on fixed assets	40	(252)	(521)	269	(2,202)
Income before income taxes	41	32,388	50,136	(17,748)	215,196
Total income taxes	42	(7,974)	(15,166)	7,191	(72,042)
Income taxes-current	43	(1,193)	(11,470)	10,277	(57,621)
Income taxes-deferred	44	(6,781)	(3,695)	(3,085)	(14,421)
Net income	45	24,413	34,970	(10,556)	143,154
Total credit costs (20 + 21 + 24 + 28 + 29)	46	2,392	(1,461)	3,854	(14,174)
Overhead ratio (-14/1)	47	64.28%	49.44%	14.84%	48.66%

2. Breakdown of profit by business group

(1) Gross business profit

[Non-consolidated]

	(Billions of yen)		
	1QFY2016	1QFY2015	Change
Retail financial services	32.4	35.5	(3.0)
Wholesale financial services	23.5	24.7	(1.1)
Stock transfer agency services	10.4	9.8	0.5
Real estate	4.4	4.2	0.2
Fiduciary services	22.0	23.9	(1.8)
Global markets	6.4	23.4	(17.0)
Fees paid out for outsourcing	(10.6)	(10.4)	(0.2)
Stock transfer agency services	(3.0)	(3.1)	0.0
Fiduciary services	(7.5)	(7.3)	(0.2)
Others (*)	(1.3)	6.0	(7.3)
Gross business profit	87.5	117.4	(29.9)

(*) Figures for "Others" include costs of capital funding, dividends of shares for cross-shareholdings, general and administrative expenses of headquarters, etc.

(2) Net business profit before credit costs

[Consolidated]

	(Billions of yen)		
	1QFY2016	1QFY2015	Change
Retail financial services	6.8	6.3	0.4
Wholesale financial services	19.4	20.0	(0.5)
Stock transfer agency services	6.8	6.5	0.3
Real estate	3.6	3.3	0.3
Fiduciary services	11.7	14.3	(2.6)
Global markets	3.1	20.7	(17.5)
Others (*)	(1.9)	5.8	(7.7)
Net business profit before credit costs	49.8	77.1	(27.3)

(*) Figures for "Others" include costs of capital funding, dividends of shares for cross-shareholdings, general and administrative expenses of headquarters, etc.

[Non-consolidated]

	(Billions of yen)		
	1QFY2016	1QFY2015	Change
Retail financial services	1.6	4.1	(2.5)
Wholesale financial services	13.7	14.5	(0.8)
Stock transfer agency services	6.5	5.9	0.5
Real estate	2.3	2.0	0.2
Fiduciary services	7.4	9.3	(1.9)
Global markets	3.1	20.7	(17.5)
Others (*)	(3.6)	2.4	(6.1)
Net business profit before credit costs	31.2	59.4	(28.1)

(*) Figures for "Others" include costs of capital funding, dividends of shares for cross-shareholdings, general and administrative expenses of headquarters, etc.

3. Yields and margins

Domestic banking a/c

[Non-consolidated]

	1QFY2016	2HFY2015	1HFY2015	(%) Change from 2HFY2015
Average yield on interest-earning assets (A)	0.55	0.69	0.76	(0.14)
Loans and bills discounted (B)	0.77	0.82	0.86	(0.05)
Securities	0.88	1.42	1.78	(0.54)
Average yield on interest-bearing liabilities (C)	0.22	0.24	0.24	(0.02)
Deposits (D)	0.17	0.19	0.21	(0.02)
Gross margin (A) - (C)	0.33	0.45	0.52	(0.12)
Loan-deposit margin (B) - (D)	0.60	0.63	0.65	(0.03)

4. Unrealized gains/ losses on investment securities

(1) Securities with fair value

[Consolidated]

	(Billions of Yen)							
	June 2016				Mar. 2016		Change	
	Cost	Net	Unrealized gains	Unrealized losses	Cost	Net	Cost	Net
Available-for-sale securities	3,566.7	636.9	685.3	(48.3)	3,762.0	675.5	(195.2)	(38.6)
Japanese stocks (*)	690.6	539.0	568.9	(29.8)	694.5	605.9	(3.9)	(66.8)
Japanese bonds	1,115.0	3.4	6.6	(3.2)	1,304.9	1.7	(189.9)	1.6
Government bonds	474.5	1.8	1.8	-	664.8	1.4	(190.2)	0.4
Local government bonds	2.5	0.0	0.0	-	4.8	0.0	(2.2)	0.0
Corporate bonds	637.9	1.5	4.7	(3.2)	635.3	0.2	2.6	1.2
Others	1,761.1	94.4	109.7	(15.3)	1,762.5	67.8	(1.3)	26.5
Held-to-maturity debt securities	419.6	39.0	39.1	(0.1)	420.5	36.9	(0.9)	2.1

(*) Fair value of listed stocks included in "Available-for-sale securities" is determined based on the average quoted market price over the month preceding the balance sheet date.

[Non-consolidated]

	(Billions of Yen)							
	June 2016				Mar. 2016		Change	
	Cost	Net	Unrealized gains	Unrealized losses	Cost	Net	Cost	Net
Available-for-sale securities	3,522.0	656.9	704.0	(47.0)	3,685.5	696.7	(163.4)	(39.7)
Japanese stocks (*)	664.5	563.0	590.8	(27.7)	667.1	630.9	(2.6)	(67.9)
Japanese bonds	1,144.0	1.9	6.4	(4.4)	1,315.5	1.1	(171.5)	0.7
Government bonds	399.6	1.6	1.6	-	569.8	1.2	(170.2)	0.3
Local government bonds	2.5	0.0	0.0	-	4.8	0.0	(2.2)	0.0
Corporate bonds	741.8	0.2	4.7	(4.4)	740.8	(0.1)	0.9	0.4
Others	1,713.5	91.9	106.7	(14.8)	1,702.8	64.5	10.7	27.3
Held-to-maturity debt securities	333.2	39.0	39.1	(0.1)	332.1	36.9	1.1	2.0

(*) Fair value of listed stocks included in "Available-for-sale securities" is determined based on the average quoted market price over the month preceding the balance sheet date.

<Reference 1>

Breakdown of "Available-for-sale securities (Others)"

[Non-consolidated]

	(Billions of Yen)					
	June 2016		Mar. 2016		Change	
	Cost	Net	Cost	Net	Cost	Net
Domestic investment (*1)	108.7	2.2	120.2	2.3	(11.4)	(0.0)
Asset-backed securities	40.8	0.9	43.7	0.7	(2.9)	0.1
Others	67.9	1.3	76.4	1.5	(8.5)	(0.1)
International investment (*1)	969.8	7.6	956.7	7.8	13.1	(0.2)
Foreign government bonds	949.8	13.1	935.4	10.6	14.4	2.4
US Treasury	539.3	7.7	503.0	6.0	36.2	1.6
European government bonds (*2)	2.4	0.2	30.1	0.2	(27.7)	(0.0)
US agency MBS	39.8	0.4	39.8	0.3	(0.0)	0.0
Corporate bonds, etc. (*3)	295.0	3.0	285.5	2.6	9.4	0.4
Foreign stocks and others	19.9	(5.5)	21.3	(2.8)	(1.3)	(2.6)
Others (Investment trust, etc.) (*4)	634.8	82.0	625.8	54.4	9.0	27.6
Total	1,713.5	91.9	1,702.8	64.5	10.7	27.3

(*1) "Domestic investment" and "International investment" are basically categorized by the countries where final exposure exists.

(*2) German government bonds (Bunds), UK government bonds (Gilts) and French government bonds (OATs).

(*3) Corporate bonds which are based on issuer's credit risk.

(*4) "Investment trust" and investment securities uncategorizable into "Domestic investment" or "International investment".

<Reference 2>

Breakdown of "Held-to-maturity debt securities"

[Non-consolidated]

	(Billions of Yen)					
	June 2016		Mar. 2016		Change	
	Cost	Net	Cost	Net	Cost	Net
Held-to-maturity debt securities	333.2	39.0	332.1	36.9	1.1	2.0
Japanese Government Bonds	177.7	28.2	190.3	24.2	(12.5)	4.0
Japanese Local Government Bonds	-	-	-	-	-	-
Japanese Corporate Bonds	20.9	0.5	21.3	0.2	(0.4)	0.2
Others	134.5	10.2	120.4	12.4	14.1	(2.1)
Domestic investment (*)	18.8	0.2	20.6	0.3	(1.8)	(0.1)
International investment (*)	115.7	10.0	99.7	12.1	15.9	(2.0)

(*) "Domestic investment" and "International investment" are basically categorized by the countries where final exposure exists.

(2) Securities with no available fair value

[Non-consolidated]

	(Billions of Yen)		
	June 2016	Mar. 2016	Change
	Cost		
Available-for-sale securities	158.5	147.2	11.3
Japanese stocks	56.6	41.8	14.8
Japanese bonds	-	-	-
Others	101.8	105.3	(3.4)
Domestic investment (*)	67.4	67.8	(0.4)
International investment (*)	34.4	37.4	(2.9)

(*) "Domestic investment" and "International investment" are basically categorized by the countries where final exposure exists.

5. Deferred unrealized gains/ losses of derivative transactions qualified for hedge accounting

[Non-consolidated]

(Billions of Yen)

	June 2016	Mar. 2016	Change
Interest rate related	(19.4)	(10.7)	(8.6)
Interest rate swaps	(19.4)	(10.7)	(8.6)
Currency related	2.0	(0.7)	2.8
Total	(17.3)	(11.4)	(5.8)

Note: Before considering tax effect accounting.

6. Loans and Deposits (Banking a/c and principal guaranteed trust a/c combined)

(1) Balance of loans and deposits

[Non-consolidated]

(Billions of Yen)

	June 2016		Mar. 2016	Change	
	Total	Domestic branches	Total	Total	Domestic branches
Loans and bills discounted	26,731.5	23,008.2	27,100.2	(368.7)	(4.2)
Banking account	26,677.2	22,953.9	27,044.3	(367.1)	(2.6)
Principal guaranteed trust account	54.2	54.2	55.9	(1.6)	(1.6)
Deposits, Trust principal	30,154.4	27,453.0	33,422.4	(3,267.9)	(3,039.7)
Deposits (*)	26,726.8	24,025.4	26,467.4	259.4	487.6
Trust principal	3,427.6	3,427.6	6,954.9	(3,527.3)	(3,527.3)

(*) Excluding NCDs.

(2) Overseas loans

[Non-consolidated]

(Billions of Yen)

	June 2016	Mar. 2016	Change
Loans to overseas Japanese borrowers (*)	2,790.7	3,035.7	(245.0)
Loans to non-Japanese borrowers (*)	3,202.8	3,461.4	(258.6)
North America	888.8	922.2	(33.4)
Europe	1,012.6	1,155.0	(142.3)
Latin America	145.5	144.4	1.0
Asia and Oceania	937.6	1,016.0	(78.3)

(*) Loans to overseas Japanese borrowers: Based on borrowers' location

Loans to non-Japanese borrowers: Based on the location of final exposure

(3) Loans by industry

[Non-consolidated]

(Billions of Yen)

	June 2016	Mar. 2016	Change
Domestic branches (excluding offshore accounts)	23,007.4	23,011.6	(4.1)
Manufacturing	2,575.3	2,658.2	(82.8)
Agriculture, forestry, fisheries, mining, quarrying of stone and gravel gathering	12.5	13.2	(0.7)
Construction	125.3	126.6	(1.3)
Electricity, gas, heat supply and water	818.7	795.1	23.5
Information and communications	316.7	338.3	(21.5)
Transport and postal activities	1,089.3	1,109.7	(20.3)
Wholesale and retail trade	1,195.9	1,203.9	(7.9)
Finance and insurance	2,725.6	3,032.6	(307.0)
Real estate	3,148.5	3,061.2	87.2
Goods rental and leasing	799.5	828.4	(28.9)
Others	10,199.7	9,843.8	355.8
Overseas branches and offshore accounts	3,724.0	4,088.6	(364.5)
Total	26,731.5	27,100.2	(368.7)

Note: The above table is made based on the categorization of "Survey on loans by industry" of Bank of Japan.

7. Problem assets based on the Financial Reconstruction Act (Banking a/c and principal guaranteed trust a/c combined)

(1) Problem assets based on the Financial Reconstruction Act (After partial direct written-off)

[Non-consolidated]

	(Billions of yen)					
	June 2016		Mar. 2016		Change	
	Total	Banking a/c	Total	Banking a/c	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act (a)	85.3	80.2	90.1	85.0	(4.8)	(4.7)
Bankrupt and practically bankrupt	11.5	11.5	11.9	11.9	(0.4)	(0.4)
Doubtful	43.2	38.2	44.9	39.9	(1.7)	(1.7)
Substandard (b)	30.6	30.5	33.2	33.2	(2.7)	(2.7)
Ordinary assets	27,243.8	27,194.6	27,573.3	27,522.5	(329.5)	(327.9)
Assets to substandard debtors (excluding Substandard) (c)	1.4	1.4	1.5	1.5	(0.0)	(0.0)
Assets to other special mention debtors	370.4	358.8	366.8	355.1	3.6	3.7
Assets to ordinary debtors	26,871.9	26,834.3	27,205.0	27,165.9	(333.1)	(331.6)
Total balance (d)	27,329.1	27,274.8	27,663.4	27,607.5	(334.3)	(332.6)
Ratio to total balance (a) / (d)	0.3%	0.3%	0.3%	0.3%	(0.0%)	(0.0%)
Assets to substandard debtors (b) + (c)	32.0	32.0	34.7	34.6	(2.7)	(2.7)

Note : Partial direct written-off: June 2016: 19.0 billion yen, Mar. 2016: 20.4 billion yen

(2) Coverage ratio and allowance ratio of Problem assets based on the Financial Reconstruction Act

[Non-consolidated]

	(Billions of yen)					
	June 2016		Mar. 2016		Change	
	Total	Banking a/c	Total	Banking a/c	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act	85.3	80.2	90.1	85.0	(4.8)	(4.7)
Coverage ratio	92.0%	91.5%	90.4%	89.9%	1.6%	1.6%
Allowance ratio	64.5%	64.5%	61.5%	61.5%	3.0%	3.0%
Bankrupt and practically bankrupt	11.5	11.5	11.9	11.9	(0.4)	(0.4)
Coverage ratio	100.0%	100.0%	100.0%	100.0%	- %	- %
Allowance ratio	100.0%	100.0%	100.0%	100.0%	- %	- %
Doubtful	43.2	38.2	44.9	39.9	(1.7)	(1.7)
Coverage ratio	90.9%	89.7%	91.0%	89.9%	(0.1%)	(0.2%)
Allowance ratio	65.7%	65.7%	66.4%	66.4%	(0.7%)	(0.7%)
Substandard	30.6	30.5	33.2	33.2	(2.7)	(2.7)
Coverage ratio	90.6%	90.6%	86.2%	86.2%	4.4%	4.4%
Allowance ratio	23.5%	23.5%	22.5%	22.5%	1.0%	1.0%

Note: Other than the above mentioned, there are Reserves for loan trust of 0.0 billion yen and Reserves for JOMT (Jointly-operated money trust) of 0.1 billion yen as of June 2016.

<Reference> Other referential financial figures of SuMi TRUST Bank

(1) Balance Sheets

[Non-consolidated]

	June 2016	Mar. 2016	Change
	(Billions of yen)		
Assets:			
Cash and due from banks	11,028.5	14,130.0	(3,101.5)
Call loans	278.4	505.2	(226.8)
Receivables under resale agreements	78.2	110.3	(32.1)
Receivables under securities borrowing transactions	381.2	326.4	54.7
Monetary claims bought	96.1	108.5	(12.3)
Trading assets	865.4	699.4	165.9
Money held in trust	0.0	0.0	-
Securities	5,133.4	5,311.2	(177.7)
Loans and bills discounted	26,677.2	27,044.3	(367.1)
Foreign exchanges	10.6	17.2	(6.6)
Other assets	1,647.2	1,219.6	427.5
Tangible fixed assets	200.1	200.6	(0.5)
Intangible fixed assets	80.2	69.8	10.3
Prepaid pension expenses	171.8	175.7	(3.9)
Customers' liabilities for acceptances and guarantees	435.2	401.8	33.3
Allowance for loan losses	(61.6)	(64.3)	2.7
Total assets	47,022.5	50,256.5	(3,233.9)
Liabilities:			
Deposits	26,726.8	26,467.4	259.4
Negotiable certificates of deposit	6,316.6	7,254.1	(937.4)
Call money	964.1	385.2	578.8
Payables under repurchase agreements	716.3	653.4	62.8
Payables under securities lending transactions	173.8	-	173.8
Trading liabilities	494.7	451.7	43.0
Borrowed money	2,564.9	2,372.1	192.7
Foreign exchanges	0.3	0.2	0.1
Short-term bonds payable	420.9	903.1	(482.1)
Corporate bonds	786.0	855.8	(69.8)
Borrowed money from trust account	3,508.6	7,026.3	(3,517.7)
Other liabilities	1,512.5	1,029.7	482.7
Provision for bonuses	2.2	9.2	(7.0)
Provision for directors' bonuses	-	0.1	(0.1)
Provision for retirement benefits	0.6	0.6	0.0
Provision for reimbursement of deposits	3.6	3.6	-
Provision for contingent loss	7.5	7.6	(0.1)
Deferred tax liabilities	139.2	145.4	(6.2)
Deferred tax liabilities for land revaluation	3.1	3.1	(0.0)
Acceptances and guarantees	435.2	401.8	33.3
Total liabilities	44,777.7	47,971.3	(3,193.5)
Net assets:			
Capital stock	342.0	342.0	-
Capital surplus	492.2	492.2	-
Legal capital surplus	273.0	273.0	-
Other capital surplus	219.2	219.2	-
Retained earnings	971.3	981.2	(9.9)
Legal retained earnings	69.0	69.0	-
Other retained earnings	902.3	912.2	(9.9)
Other voluntary reserve	371.8	371.8	-
Retained earnings brought forward	530.4	540.3	(9.9)
Shareholders' equity	1,805.6	1,815.5	(9.9)
Valuation difference on available-for-sale securities	451.5	477.7	(26.1)
Deferred gains/ losses on hedges	(11.5)	(7.3)	(4.2)
Revaluation reserve for land	(0.7)	(0.6)	(0.0)
Valuation and translation adjustments	439.2	469.7	(30.4)
Total net assets	2,244.8	2,285.2	(40.4)
Total liabilities and net assets	47,022.5	50,256.5	(3,233.9)

(2) Statements of Income

[Non-consolidated]

(Billions of yen)			
	1QFY2016	1QFY2015	Change
Ordinary income	180.3	174.0	6.3
Trust fees	24.4	24.5	(0.0)
Interest income	78.9	83.1	(4.1)
Interest on loans and discounts	62.5	62.2	0.3
Interest and dividends on securities	11.6	16.5	(4.8)
Fees and commissions	43.9	41.8	2.0
Trading income	0.1	4.3	(4.2)
Other ordinary income	18.6	15.5	3.1
Other income	14.1	4.5	9.5
Ordinary expenses	147.5	123.2	24.2
Interest expenses	43.6	31.8	11.8
Interest on deposits	17.0	14.6	2.4
Fees and commissions payments	20.5	18.8	1.6
Trading expenses	0.2	0.0	0.1
Other ordinary expenses	14.1	1.1	12.9
General and administrative expenses	63.6	62.0	1.6
Other expenses	5.2	9.2	(4.0)
Ordinary profit	32.8	50.7	(17.9)
Extraordinary income	0.0	0.0	0.0
Extraordinary losses	0.4	0.6	(0.1)
Income before Income Taxes	32.3	50.1	(17.7)
Income taxes-Current	1.1	11.4	(10.2)
Income taxes-Deferred	6.7	3.6	3.0
Income taxes	7.9	15.1	(7.1)
Net income	24.4	34.9	(10.5)

(3) Statement of trust account

[Non-consolidated]

(Billions of yen)			
	June 2016	Mar. 2016	Change
Loans and bills discounted	1,086.6	1,072.4	14.2
Securities	2,806.7	1,954.5	852.2
Beneficiary rights	133,340.3	130,637.0	2,703.2
Securities held in custody accounts	31.4	32.3	(0.9)
Money claims	13,458.5	12,955.6	502.9
Tangible fixed assets	12,805.6	12,727.7	77.9
Intangible fixed assets	178.2	155.4	22.7
Other claims	7,866.0	7,969.1	(103.0)
Loans to banking account	3,508.6	7,026.3	(3,517.7)
Cash and due from banks	341.3	377.5	(36.2)
Total assets	175,423.7	174,908.2	515.5
Money trusts	29,153.0	32,486.2	(3,333.1)
Pension trusts	15,038.8	16,305.6	(1,266.7)
Property formation benefit trusts	18.3	18.0	0.2
Loan trusts	11.7	12.1	(0.4)
Securities investment trusts	63,554.2	61,220.5	2,333.6
Money entrusted, other than money trusts	10,866.6	10,141.6	724.9
Securities trusts	20,764.8	20,010.6	754.1
Money claim trusts	13,479.1	13,026.6	452.4
Land and fixtures trusts	108.1	107.4	0.6
Composite trusts	22,428.8	21,579.1	849.6
Total liabilities	175,423.7	174,908.2	515.5

Note: The amount of re-trusted assets to Japan Trustee Services Bank, Ltd. for asset administration is included in Beneficiary rights:

June 2016: 132,842.9 billion yen, Mar. 2016: 130,228.6 billion yen

(4) Breakdown of principal guaranteed trust a/c
[Non-consolidated]

		(Billions of yen)		
		June 2016	Mar. 2016	Change
Money trusts	Loans and bills discounted	54.2	55.9	(1.6)
	Securities	0.0	0.0	-
	Others	3,362.8	6,888.0	(3,525.1)
	Total assets	3,417.1	6,943.9	(3,526.7)
	Principal	3,416.3	6,943.2	(3,526.9)
	Reserves for JOMT (Jointly-operated money trust)	0.1	0.1	-
	Others	0.7	0.5	0.1
Total liabilities	3,417.1	6,943.9	(3,526.7)	
Loan trusts	Loans and bills discounted	-	-	-
	Securities	-	-	-
	Others	11.7	12.1	(0.4)
	Total assets	11.7	12.1	(0.4)
	Principal	11.2	11.7	(0.4)
	Reserves for loan trust	0.0	0.0	(0.0)
	Others	0.3	0.4	(0.0)
Total liabilities	11.7	12.1	(0.4)	