

**Sumitomo Mitsui Trust Holdings, Inc. (SuMi TRUST Holdings)**  
**Financial Results for the Fiscal Year Ended March 31, 2018**  
**[Japanese GAAP] (Consolidated)**



May 11, 2018

Stock exchange listings:	Tokyo and Nagoya (Code: 8309)
URL:	<a href="http://www.smth.jp/en/index.html">http://www.smth.jp/en/index.html</a>
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Date of ordinary general meeting of shareholders:	June 28, 2018
Filing date of securities report (Yukasyoken Hokokusyo) (Scheduled):	June 29, 2018
Specific trading accounts:	Established
Dividend payment date:	June 29, 2018
Explanatory material:	Prepared
Briefing on financial results:	Scheduled (for institutional investors and analysts)

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

## 1. Consolidated Financial Results (for the Fiscal Year Ended March 31, 2018)

### (1) Operating Results

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

Fiscal Year Ended	Ordinary Income		Ordinary Profit		Net Income Attributable to Owners of the Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
March 31, 2018	1,350,946	7.1	232,661	18.5	153,986	26.8
March 31, 2017	1,261,272	5.2	196,383	(29.4)	121,446	(27.2)

(Note) Comprehensive Income: Fiscal year ended March 31, 2018 ¥231,696 million, 49.1%

Fiscal year ended March 31, 2017 ¥155,354 million, 161.7%

Fiscal Year Ended	Net Income per Share of Common Stock	Fully Diluted Net Income per Share of Common Stock	Net Income to Net Assets Ratio	Ordinary Profit to Total Assets Ratio	Ordinary Profit to Ordinary Income Ratio
	Yen	Yen	%	%	%
March 31, 2018	403.92	403.75	6.1	0.3	17.2
March 31, 2017	317.24	317.16	5.0	0.3	15.6

(Reference) Equity in Earnings (Losses) of Affiliated Companies: Fiscal year ended March 31, 2018 ¥5,781 million

Fiscal year ended March 31, 2017 ¥6,950 million

(Note) SuMi TRUST Holdings consolidated its shares with a ratio of ten shares of common stock into one share effected on October 1, 2016. Net income per share of common stock and fully diluted net income per share of common stock are calculated as if the consolidation of shares had occurred at the beginning of the fiscal year ended March 31, 2017.

### (2) Financial Position

As of	Total Assets	Net Assets	Net Assets to Total Assets Ratio	Net Assets per Share of Common Stock
	Millions of Yen	Millions of Yen	%	Yen
March 31, 2018	68,356,798	2,872,325	3.8	6,897.36
March 31, 2017	65,453,725	2,791,682	3.8	6,437.58

(Reference) Shareholders' Equity: As of March 31, 2018 ¥2,624,667 million

As of March 31, 2017 ¥2,462,616 million

(Note 1) Net Assets to Total Assets Ratio = (Net Assets - Subscription Rights to Shares - Non-Controlling Interests) / Total Assets

(Note 2) The above Net Assets to Total Assets Ratio is different from the capital adequacy ratio prescribed in the notification of the Financial Services Agency with respect to the capital adequacy ratio.

### (3) Cash Flows

Fiscal Year Ended	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at the End of the Year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
March 31, 2018	2,840,458	(745,854)	(76,869)	26,540,249
March 31, 2017	7,533,343	(339,358)	26,026	24,531,391

## 2. Cash Dividends per Share of Common Stock

	Annual Cash Dividends per Share of Common Stock					Total Dividends Payment (Annual)	Payout Ratio (Consolidated)	Dividends to Net Asset Ratio (Consolidated)
	1st Quarter-End	2nd Quarter-End	3rd Quarter-End	Fiscal Year-End	Total			
Fiscal Year Ended	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
March 31, 2017	—	6.50	—	65.00	—	49,730	41.0	2.1
March 31, 2018	—	65.00	—	65.00	130.00	49,469	32.2	2.0
Fiscal Year Ending								
March 31, 2019 (Forecast)	—	65.00	—	65.00	130.00		30.0	

(Note) SuMi TRUST Holdings consolidated its shares with a ratio of ten shares of common stock into one share effected on October 1, 2016. Annual cash dividends per share of common stock for the fiscal year ended March 31, 2017, reflect the effect of the share consolidation, and total annual cash dividends per share of common stock are presented as “—.”

## 3. Consolidated Earnings Forecast (for the Fiscal Year Ending March 31, 2019)

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

Fiscal Year Ending	Net Income Attributable to Owners of the Parent		Net Income per Share of Common Stock	
	Millions of Yen	%	Yen	
March 31, 2019	165,000	7.2	433.60	

### \*Notes

(1) Changes in Significant Subsidiaries during the Fiscal Year Ended March 31, 2018: Yes

(Changes in “specified subsidiaries” resulted in changes in the scope of consolidation)

Included: — (—)

Excluded: 2 companies MTH Preferred Capital 5 (Cayman) Limited  
STB Preferred Capital 3 (Cayman) Limited

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

- |  |      |
|--|------|
| 1) Changes in accounting policies due to 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 |

(3) Number of Shares Issued (Common Stock)

- 1) Number of shares issued (including treasury stock):
- 2) Number of treasury stock:
- 3) Average number of outstanding issued shares:

As of March 31, 2018	390,348,640 shares	As of March 31, 2017	390,348,640 shares
As of March 31, 2018	9,816,662 shares	As of March 31, 2017	7,810,724 shares
For the fiscal year ended March 31, 2018	381,230,365 shares	For the fiscal year ended March 31, 2017	382,818,502 shares

(For further details, please refer to “Per Share of Common Stock Information” on page 14 of Accompanying Materials.)

(Note) SuMi TRUST Holdings consolidated its shares with a ratio of ten shares of common stock into one share effected on October 1, 2016. The average number of outstanding issued shares is calculated as if the consolidation of shares occurred at the beginning of the fiscal year ended March 31, 2017.

**These consolidated financial results for the year ended March 31, 2018, are out of the scope of the year-end audit procedures to be performed by certified public accountants or an audit firm.**

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

The forecasts for results of operations presented in the consolidated financial results for the year ended March 31, 2018, are based on information currently available to, and certain reasonable assumptions made by SuMi TRUST Holdings. Moreover, SuMi TRUST Holdings does not guarantee the achievement of these forecasts, and actual results may differ significantly from the forecasts due to various factors. Please refer to the most recent relevant materials including securities report, annual report, and other presentations disclosed by SuMi TRUST Holdings and its group companies, for further information that could significantly influence SuMi TRUST Holdings’ financial position and operating results, as well as investment decisions by investors.

A briefing on financial results will be held for institutional investors and analysts. The contents of the meeting, such as explanations about financial results, will be posted on SuMi TRUST Holdings’ website, together with the explanatory material to be used on the day.

[Accompanying Materials]

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## 1. Operating Results

### (1) Analysis of Consolidated Operating Results

For the fiscal year ended March 31, 2018, “Net Business Profit Before Credit Costs” increased by ¥38.1 billion from the previous fiscal year to ¥270.5 billion, primarily due to a non-recurrence of previous fiscal year’s fall in market-related profit in Sumitomo Mitsui Trust Bank, Limited (“SuMi TRUST Bank”).

“Ordinary Profit” increased by ¥36.2 billion from the previous fiscal year to ¥232.6 billion. The increase primarily reflects a decrease in credit costs incurred due to a decline in balances from certain customers, partially offset by decrease in net gains on stocks.

As a result, “Net Income Attributable to Owners of the Parent” increased by ¥32.5 billion from the previous fiscal year to ¥153.9 billion.

### (2) Analysis of Consolidated Financial Position

As of March 31, 2018, “Total Assets” increased by ¥2,903.0 billion to ¥68,356.7 billion and “Total Net Assets” increased by ¥80.6 billion to ¥2,872.3 billion from the end of the previous fiscal year.

In particular, “Cash and Due from Banks” increased by ¥1,896.8 billion to ¥28,841.3 billion, “Loans and Bills Discounted” increased by ¥150.1 billion to ¥28,190.5 billion, “Securities” increased by ¥409.9 billion to ¥5,537.6 billion, and “Deposits” increased by ¥1,351.0 billion to ¥37,351.8 billion, compared with those as of the end of the previous fiscal year.

### (3) Analysis of Consolidated Cash Flows

“Net Cash Provided by Operating Activities” totaled ¥2,840.4 billion, a year-on-year decrease of ¥4,692.8 billion, and “Net Cash Used in Investing Activities” totaled ¥745.8 billion, a year-on-year increase of ¥406.4 billion, and “Net Cash Used in Financing Activities” totaled ¥76.8 billion, a year-on-year increase of ¥102.8 billion. “Cash and Cash Equivalents at the End of the Year” totaled ¥26,540.2 billion.

### (4) Earnings Forecasts

The consolidated earnings forecast for the fiscal year ending March 31, 2019, is as follows: “Net Income Attributable to Owners of the Parent” of ¥165.0 billion, a year-on-year increase of ¥11.0 billion and “Net Income per Share of Common Stock” is ¥433.60 per share, a year-on-year increase of ¥29.68 per share.

The total cash dividends for the fiscal year ending March 31, 2019, are projected as ¥130 per share of common stock (including the interim dividends of ¥65 per share) based on the consolidated earnings forecast for the fiscal year ending March 31, 2019.

## 2. Basic Views of Selecting Accounting Standards

The SuMi TRUST Group adopts generally accepted accounting principles in Japan to facilitate financial statement comparability with other companies. As for the introduction of IFRS, we consider business development and operations of the SuMi TRUST Group as well as the internal and external changes, and the decision to adopt IFRS will be dealt with in an appropriate manner.

**3. Consolidated Financial Statements and Notes to the Consolidated Financial Statements****(1) Consolidated Balance Sheets**

(Millions of Yen)

	As of March 31, 2017	As of <b>March 31, 2018</b>
<b>Assets:</b>		
Cash and Due from Banks	26,944,478	<b>28,841,328</b>
Call Loans and Bills Bought	124,706	<b>152,951</b>
Receivables under Resale Agreements	83,888	<b>63,531</b>
Receivables under Securities Borrowing Transactions	480,453	<b>675,295</b>
Monetary Claims Bought	906,572	<b>955,938</b>
Trading Assets	496,563	<b>363,294</b>
Money Held in Trust	1,650	<b>1,357</b>
Securities	5,127,717	<b>5,537,643</b>
Loans and Bills Discounted	28,040,446	<b>28,190,553</b>
Foreign Exchanges	16,189	<b>25,554</b>
Lease Receivables and Investment Assets	667,808	<b>677,238</b>
Other Assets	1,638,186	<b>1,868,132</b>
Tangible Fixed Assets:	225,814	<b>214,386</b>
Buildings	74,330	<b>73,771</b>
Land	125,959	<b>116,650</b>
Lease Assets	5,901	<b>4,719</b>
Construction in Progress	811	<b>88</b>
Other	18,812	<b>19,216</b>
Intangible Fixed Assets:	214,790	<b>197,235</b>
Software	114,447	<b>107,563</b>
Goodwill	90,492	<b>81,038</b>
Lease Assets	188	<b>2</b>
Other	9,661	<b>8,630</b>
Assets for Retirement Benefits	119,018	<b>163,219</b>
Deferred Tax Assets	23,243	<b>23,127</b>
Customers' Liabilities for Acceptances and Guarantees	458,010	<b>508,930</b>
Allowance for Loan Losses	(115,814)	<b>(102,920)</b>
<b>Total Assets</b>	<b>65,453,725</b>	<b>68,356,798</b>

(Continued)

(Millions of Yen)

	As of March 31, 2017	As of March 31, 2018
<b>Liabilities:</b>		
Deposits	36,000,814	37,351,839
Negotiable Certificates of Deposit	7,326,617	6,563,336
Call Money and Bills Sold	54,089	146,931
Payables under Repurchase Agreements	1,063,737	1,454,855
Payables under Securities Lending Transactions	13,699	41,299
Trading Liabilities	366,879	266,148
Borrowed Money	3,463,105	4,370,083
Foreign Exchanges	236	1,984
Short-Term Bonds Payable	904,248	1,062,869
Bonds Payable	1,385,098	1,470,715
Borrowed Money from Trust Account	10,274,143	11,070,725
Other Liabilities	1,151,325	932,825
Provision for Bonuses	16,331	16,740
Provision for Directors' Bonuses	259	325
Liabilities for Retirement Benefits	14,048	14,159
Provision for Reward Points Program	17,519	18,457
Provision for Reimbursement of Deposits	3,583	3,548
Provision for Contingent Losses	7,774	4,628
Deferred Tax Liabilities	137,501	181,050
Deferred Tax Liabilities for Land Revaluation	3,016	3,016
Acceptances and Guarantees	458,010	508,930
<b>Total Liabilities</b>	<b>62,662,042</b>	<b>65,484,472</b>
<b>Net Assets:</b>		
Capital Stock	261,608	261,608
Capital Surplus	645,048	645,016
Retained Earnings	1,159,028	1,263,415
Treasury Stock	(34,061)	(42,224)
<b>Total Shareholders' Equity</b>	<b>2,031,623</b>	<b>2,127,816</b>
Valuation Differences on Available-for-Sale Securities	476,848	516,663
Deferred Gains (Losses) on Hedges	(21,018)	(22,746)
Revaluation Reserve for Land	(6,067)	(6,067)
Foreign Currency Translation Adjustments	2,135	4,281
Adjustments for Retirement Benefits	(20,905)	4,720
<b>Total Accumulated Other Comprehensive Income</b>	<b>430,992</b>	<b>496,851</b>
Subscription Rights to Shares	577	799
Non-Controlling Interests	328,488	246,858
<b>Total Net Assets</b>	<b>2,791,682</b>	<b>2,872,325</b>
<b>Total Liabilities and Net Assets</b>	<b>65,453,725</b>	<b>68,356,798</b>

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

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2017	March 31, 2018
<b>Ordinary Income:</b>	1,261,272	1,350,946
Trust Fees	99,870	100,591
<b>Interest Income:</b>	384,354	426,129
Interest on Loans and Discounts	279,228	307,030
Interest and Dividends on Securities	80,305	82,524
Interest on Call Loans and Bills Bought	1,341	1,900
Interest on Receivables under Resale Agreements	973	1,295
Interest on Receivables under Securities Borrowing Transactions	7	8
Interest on Deposits with Banks	18,110	26,906
Other Interest Income	4,387	6,463
Fees and Commissions	397,531	397,881
Trading Income	18,338	10,035
Other Ordinary Income	296,261	306,725
<b>Other Income:</b>	64,915	109,583
Reversal of Allowance for Loan Losses	—	5,292
Recoveries of Written-Off Claims	2,813	2,818
Other	62,101	101,471
<b>Ordinary Expenses:</b>	1,064,889	1,118,285
<b>Interest Expenses:</b>	165,271	246,071
Interest on Deposits	79,629	95,764
Interest on Negotiable Certificates of Deposit	27,879	42,334
Interest on Call Money and Bills Sold	912	1,290
Interest on Payables under Repurchase Agreements	8,230	16,404
Interest on Payables under Securities Lending Transactions	24	234
Interest on Borrowings	9,438	13,752
Interest on Short-Term Bonds	5,245	4,815
Interest on Bonds	17,269	23,078
Other Interest Expenses	16,642	48,396
Fees and Commissions Payments	85,319	87,974
Trading Expenses	1,297	—
<b>Other Ordinary Expenses</b>	318,885	230,442
General and Administrative Expenses	435,335	444,057
<b>Other Expenses</b>	58,779	109,738
Provision of Allowance for Loan Losses	26,320	—
Other	32,458	109,738
<b>Ordinary Profit</b>	196,383	232,661

(Continued)

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2017	March 31, 2018
Extraordinary Income:	1,615	15,559
Gains on Disposal of Fixed Assets	1,615	15,559
Extraordinary Losses:	6,863	9,397
Losses on Disposal of Fixed Assets	992	1,521
Impairment Losses	5,870	7,876
<b>Income before Income Taxes</b>	191,135	238,822
Income Taxes:	56,929	73,075
Current	52,274	57,646
Deferred	4,654	15,429
<b>Net Income</b>	134,206	165,746
<b>Net Income Attributable to Non-Controlling Interests</b>	12,759	11,760
<b>Net Income Attributable to Owners of the Parent</b>	121,446	153,986



Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2017	March 31, 2018
<b>Net Income</b>	134,206	<b>165,746</b>
Other Comprehensive Income (Loss):	21,148	<b>65,950</b>
Valuation Differences on Available-for-Sale Securities	11,809	<b>40,922</b>
Deferred Gains (Losses) on Hedges	(9,314)	<b>(2,491)</b>
Foreign Currency Translation Adjustments	(1,360)	<b>2,501</b>
Adjustments for Retirement Benefits	20,293	<b>25,674</b>
Attributable to Equity-Method Affiliated Companies	(279)	<b>(657)</b>
<b>Comprehensive Income:</b>	155,354	<b>231,696</b>
<b>(Breakdown)</b>		
Comprehensive Income Attributable to Owners of the Parent	142,527	<b>219,844</b>
Comprehensive Income Attributable to Non-Controlling Interests	12,827	<b>11,852</b>

(3) Consolidated Statements of Changes in Net Assets  
For the Fiscal Year Ended March 31, 2017

(Millions of Yen)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Year	261,608	645,106	1,087,195	(27,097)	1,966,813
Changes during the Year					
Cash Dividends			(49,861)		(49,861)
Net Income Attributable to Owners of the Parent			121,446		121,446
Purchase of Treasury Stock				(6,983)	(6,983)
Disposal of Treasury Stock		(0)		19	18
Purchase of Shares of Consolidated Subsidiaries		(57)			(57)
Reversal of Revaluation Reserve for Land			247		247
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	(58)	71,833	(6,964)	64,810
Balance at the End of the Year	261,608	645,048	1,159,028	(34,061)	2,031,623

	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Year	467,517	(13,169)	(5,819)	2,800	(41,168)	410,160	421	327,116	2,704,511
Changes during the Year									
Cash Dividends									(49,861)
Net Income Attributable to Owners of the Parent									121,446
Purchase of Treasury Stock									(6,983)
Disposal of Treasury Stock									18
Purchase of Shares of Consolidated Subsidiaries									(57)
Reversal of Revaluation Reserve for Land									247
Net Changes of Items Other Than Shareholders' Equity	9,331	(7,848)	(247)	(665)	20,263	20,832	155	1,372	22,360
Total Changes during the Year	9,331	(7,848)	(247)	(665)	20,263	20,832	155	1,372	87,171
Balance at the End of the Year	476,848	(21,018)	(6,067)	2,135	(20,905)	430,992	577	328,488	2,791,682

## For the Fiscal Year Ended March 31, 2018

(Millions of Yen)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Year	261,608	645,048	1,159,028	(34,061)	2,031,623
Changes during the Year					
Cash Dividends			(49,599)		(49,599)
Net Income Attributable to Owners of the Parent			153,986		153,986
Purchase of Treasury Stock				(8,184)	(8,184)
Disposal of Treasury Stock		0		22	22
Purchase of Shares of Consolidated Subsidiaries		(32)			(32)
Reversal of Revaluation Reserve for Land			—		—
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	(31)	104,386	(8,162)	96,192
Balance at the End of the Year	261,608	645,016	1,263,415	(42,224)	2,127,816

	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Year	476,848	(21,018)	(6,067)	2,135	(20,905)	430,992	577	328,488	2,791,682
Changes during the Year									
Cash Dividends									(49,599)
Net Income Attributable to Owners of the Parent									153,986
Purchase of Treasury Stock									(8,184)
Disposal of Treasury Stock									22
Purchase of Shares of Consolidated Subsidiaries									(32)
Reversal of Revaluation Reserve for Land									—
Net Changes of Items Other Than Shareholders' Equity	39,814	(1,728)	—	2,145	25,626	65,858	222	(81,630)	(15,549)
Total Changes during the Year	39,814	(1,728)	—	2,145	25,626	65,858	222	(81,630)	80,643
Balance at the End of the Year	516,663	(22,746)	(6,067)	4,281	4,720	496,851	799	246,858	2,872,325

## (4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2017	March 31, 2018
<b>Cash Flows from Operating Activities:</b>		
Income before Income Taxes	191,135	238,822
Depreciation and Amortization	32,336	35,145
Impairment Losses	5,870	7,876
Amortization of Goodwill	9,464	9,469
Equity in Losses (Earnings) of Affiliated Companies	(6,950)	(5,781)
Increase (Decrease) in Allowance for Loan Losses	24,962	(12,894)
Increase (Decrease) in Provision for Bonuses	10	408
Increase (Decrease) in Provision for Directors' Bonuses	4	66
Decrease (Increase) in Assets for Retirement Benefits	(13,650)	(34,379)
Increase (Decrease) in Liabilities for Retirement Benefits	135	2,028
Increase (Decrease) in Provision for Reward Points Program	(192)	938
Increase (Decrease) in Provision for Reimbursement of Deposits	(92)	(35)
Increase (Decrease) in Provision for Contingent Losses	131	(3,145)
Interest Income	(384,354)	(426,129)
Interest Expenses	165,271	246,071
Loss (Gain) Related to Securities	60,574	(662)
Loss (Gain) on Money Held in Trust	(43)	(46)
Foreign Exchange Losses (Gains)	18,015	53,813
Loss (Gain) on Disposal of Fixed Assets	(623)	(14,038)
Net Decrease (Increase) in Trading Assets	117,726	133,269
Net Increase (Decrease) in Trading Liabilities	(84,871)	(100,730)
Net Decrease (Increase) in Loans and Bills Discounted	(517,960)	(149,603)
Net Increase (Decrease) in Deposit	9,309,675	1,358,382
Net Increase (Decrease) in Negotiable Certificates of Deposit	195,985	(763,281)
Net Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowings)	877,614	931,928
Net Decrease (Increase) in Due from Banks (excluding Due from the Bank of Japan)	187,520	112,007
Net Decrease (Increase) in Call Loans	589,770	(57,294)
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	(153,996)	(194,841)
Net Increase (Decrease) in Call Money	425,402	483,959
Net Increase (Decrease) in Payables under Securities Lending Transactions	13,699	27,600
Net Decrease (Increase) in Foreign Exchange-Assets	1,034	(9,364)
Net Increase (Decrease) in Foreign Exchange-Liabilities	(22)	1,748
Net Decrease (Increase) in Lease Receivables and Investment Assets	(59,374)	(9,430)
Net Increase (Decrease) in Short-Term Bonds Payable	(348,958)	158,620
Increase (Decrease) in Straight Bonds-Issuance and Redemption	219,207	(14,128)
Net Increase (Decrease) in Borrowed Money from Trust Account	(3,420,456)	796,581
Proceeds from Fund Management	393,100	417,450
Payments for Finance	(161,877)	(249,778)
Other, Net	(57,493)	(81,965)
<b>Subtotal</b>	<b>7,627,731</b>	<b>2,888,657</b>
Income Taxes (Paid) Refunded	(94,387)	(48,199)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>7,533,343</b>	<b>2,840,458</b>

(Continued)

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2017	March 31, 2018
<b>Cash Flows from Investing Activities:</b>		
Purchase of Securities	(5,658,711)	(7,254,037)
Proceeds from Sales of Securities	3,745,007	5,436,391
Proceeds from Redemption of Securities	1,657,757	1,086,414
Increase in Money Held in Trust	—	150
Purchase of Tangible Fixed Assets	(12,428)	(10,188)
Proceeds from Sales of Tangible Fixed Assets	3,148	25,059
Purchase of Intangible Fixed Assets	(49,752)	(25,136)
Proceeds from Sales of Intangible Fixed Assets	1	68
Purchase of Shares of Affiliated Companies Accounted for Using the Equity Method	(24,381)	(5,536)
Proceeds from Sales of Shares of Affiliated Companies Accounted for Using the Equity Method	—	961
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(339,358)</b>	<b>(745,854)</b>
<b>Cash Flows from Financing Activities:</b>		
Proceeds from Subordinated Borrowings	10,000	—
Repayments of Subordinated Borrowings	(5,000)	(25,000)
Proceeds from Issuance of Subordinated Bonds and Bonds with Subscription Rights to Shares	139,133	149,143
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares	(50,000)	(50,000)
Purchase of Shares of Subsidiaries without Change in the Scope of Consolidation	(170)	(113)
Repayments to Non-Controlling Interests	—	(83,170)
Cash Dividends Paid	(49,847)	(49,594)
Cash Dividends Paid to Non-Controlling Interests	(11,123)	(9,972)
Purchase of Treasury Stock	(6,983)	(8,184)
Proceeds from Sales of Treasury Stock	18	22
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>26,026</b>	<b>(76,869)</b>
<b>Effect of Exchange Rate Change on Cash and Cash Equivalents</b>	<b>(12,536)</b>	<b>(8,876)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>7,207,476</b>	<b>2,008,857</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>17,323,915</b>	<b>24,531,391</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>24,531,391</b>	<b>26,540,249</b>

(5) Notes to the Consolidated Financial Statements

(Notes on Going Concern Assumptions)

There is no applicable information.

## (Segment Information)

## 1. Reportable Segment Information

SuMi TRUST Group's reportable segments are defined as operating segments for which discrete financial information is available and that is regularly reviewed by the Board of Directors in determining resources to be allocated to the segments and in assessing their business performance.

SuMi TRUST Group comprises SuMi TRUST Bank Group (SuMi TRUST Bank and its consolidated subsidiaries) and other consolidated subsidiaries, and SuMi TRUST Bank Group is treated as a reportable segment of "SuMi TRUST Bank." The main activities of the reportable segments are presented below.

SuMi TRUST Bank: Trust banking business

## 2. Ordinary Income, Profit or Losses, Assets, Liabilities, and Other Items of Reportable Segment

(Millions of Yen)

	Reportable Segment		Others	Total	Adjustment	Reported Amount
	SuMi TRUST Bank	Total				
Ordinary Income						
Unaffiliated Customers	1,316,682	1,316,682	36,684	1,353,366	(2,420)	1,350,946
Intersegment	16,795	16,795	89,118	105,913	(105,913)	—
Total	1,333,477	1,333,477	125,802	1,459,279	(108,333)	1,350,946
Segment Profit	234,768	234,768	59,848	294,616	(55,794)	238,822
Segment Assets	54,810,805	54,810,805	16,028,876	70,839,681	(2,482,883)	68,356,798
Segment Liabilities	52,093,216	52,093,216	14,378,004	66,471,221	(986,748)	65,484,472
Others						
Depreciation and Amortization	28,319	28,319	6,825	35,114	0	35,145
Amortization of Goodwill	9,968	9,968	—	9,968	(499)	9,469
Interest Income	431,598	431,598	63,672	495,271	(69,141)	426,129
Interest Expenses	246,248	246,248	10,654	256,903	(10,831)	246,071
Equity in Earnings of Affiliated Companies	5,781	5,781	—	5,781	—	5,781
Extraordinary Income	17,364	17,364	—	17,364	(1,805)	15,559
(Gains on Disposal of Fixed Assets)	17,364	17,364	—	17,364	(1,805)	15,559
Extraordinary Loss	8,941	8,941	456	9,397	—	9,397
(Losses on Disposal of Fixed Assets)	1,064	1,064	456	1,521	—	1,521
(Impairment Losses)	7,876	7,876	—	7,876	—	7,876
Unamortized Balance of Goodwill	84,537	84,537	—	84,537	(3,498)	81,038
Investment in Affiliated Companies Accounted for by the Equity Method	93,132	93,132	—	93,132	—	93,132

## (Notes)

- The figures represent ordinary income in substitution for net sales to be presented by companies in other industries.
- The figures under SuMi TRUST Bank represent consolidated amounts.
- "Others" include SuMi TRUST Group and its consolidated subsidiaries other than SuMi TRUST Bank group companies.
- The figures shown under "Adjustment" represent the consolidation adjustments for internal transactions and include realized valuation differences arising from business combinations.
- Segment profits have been adjusted to "Income before Income Taxes" as presented in the consolidated statements of income.

(Per Share of Common Stock Information)

		Fiscal Year Ended March 31, 2018
Net Assets per Share of Common Stock	Yen	6,897.36
Net Income per Share of Common Stock	Yen	403.92
Fully Diluted Net Income per Share of Common Stock	Yen	403.75

(Notes)

1. Net Assets per Share of Common Stock and Basis for Calculation

		As of March 31, 2018
Net Assets as Reported	Millions of Yen	2,872,325
Less:	Millions of Yen	247,658
Subscription Rights to Shares	Millions of Yen	799
Non-Controlling Interests	Millions of Yen	246,858
Net Assets Attributable to Common Shareholders	Millions of Yen	2,624,667
The Number of Shares of Common Stock Outstanding	Thousands of Shares	380,531

2. Net Income per Share of Common Stock and Fully Diluted Net Income per Share of Common Stock and Basis for Calculation

		Fiscal Year ended March 31, 2018
Net Income per Share of Common Stock		
Net Income Attributable to Owners of the Parent	Millions of Yen	153,986
Net Income Not Attributable to Common Shareholders	Millions of Yen	—
Net Income Related to Common Stock that is Attributable to Owners of the Parent	Millions of Yen	153,986
Average Number of Shares of Common Stock Outstanding	Thousands of Shares	381,230
Fully Diluted Net Income per Share of Common Stock		
Adjustments to Net Income Attributable to Owners of the Parent	Millions of Yen	—
Effect of Dilutive Securities	Thousands of Shares	160
Subscription Rights to Shares	Thousands of Shares	160
Summary of the potential shares that were excluded from calculation of fully diluted net income per share of common stock because they have no dilutive effect		<p>SuMi TRUST Holdings: Series 3 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 39,300 shares</p> <p>Consolidated Subsidiaries Nikko Asset Management Co., Ltd. (NAM): Subscription Rights to Shares (Stock Options) NAM Common Stock 11,785,000 shares</p>



(Significant Subsequent Events)

(Redemption of Non-dilutive Preferred Securities)

1. On May 11, 2018, SuMi TRUST Holdings approved to redeem the Non-dilutive Preferred Securities, in full, issued by CMTH Preferred Capital 6 (Cayman) Limited, a Special Purpose Subsidiary, which is a 100% direct subsidiary of SuMi TRUST Holdings, and decided to dissolve such Special Purpose Subsidiary accordingly. For further details, please refer to “Notice Regarding Redemption of Non-dilutive Preferred Securities, Dissolution of Subsidiaries and Change of Specified Subsidiaries” also released today, May 11, 2018.
2. On May 11, 2018, SuMi TRUST Holdings approved to redeem the Non-dilutive Preferred Securities, in full, issued by STB Preferred Capital 4 (Cayman) Limited, a Special Purpose Subsidiary, which is a 100% direct subsidiary of SuMi TRUST Holdings, and decided to dissolve such Special Purpose Subsidiary accordingly. For further details, please refer to “Notice Regarding Redemption of Non-dilutive Preferred Securities, Dissolution of Subsidiaries and Change of Specified Subsidiaries” also released today, May 11, 2018.

(Purchase of Own Shares)

SuMi TRUST Holdings held a meeting of the Board of Directors on May 11, 2018, and resolved to repurchase its own shares pursuant to the provision of its Articles of Incorporation in accordance with Paragraph 1 of Article 459 of the Companies Act of Japan, as described below.

- |  |  |
|--|--|
| (1) Reasons for purchase of own shares       | For the purposes of enhancing shareholder returns and greater 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 2,000,000 shares   |
| (4) Total amount of repurchase               | Up to ¥9.0 billion   |
| (5) Repurchase period                        | From May 14, 2018 to June 29, 2018   |
| (6) Repurchase method                        | Market purchases on the Tokyo Stock Exchange based on a discretionary trading contract |