

Explanatory Material

*3rd Quarter of Fiscal Year 2018
ended on Dec. 31, 2018*



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"

Legal Disclaimer

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.

Financial figures

1. Status of profit and loss

[Consolidated]

		3QFY2018 (Cumulative total)	3QFY2017 (Cumulative total)	Change	Full FY2017 (Millions of Yen)
Consolidated gross business profit (*1)	1	506,981	498,554	8,426	676,873
Consolidated gross business profit (after written-off of principal guaranteed trust a/c) (1 + 20)	2	506,981	498,554	8,426	676,873
Net interest income and related profit	3	116,257	140,331	(24,073)	193,315
Net interest income	4	101,692	131,068	(29,376)	180,057
Trust fees from principal guaranteed trust a/c (before written-off of principal guaranteed trust a/c)	5	14,564	9,262	5,302	13,257
Net fees and commissions and related profit	6	293,030	292,680	349	397,240
Net fees and commissions	7	228,707	228,056	650	309,906
Other trust fees	8	64,323	64,624	(300)	87,333
Net trading profit	9	11,074	4,317	6,756	10,035
Net other operating profit	10	86,619	61,224	25,394	76,282
Net gains on bonds	11	(2,503)	7,027	(9,531)	(5,694)
Net gains from derivatives other than for trading or hedging	12	(1,849)	1,213	(3,062)	9,144
Net gains on foreign exchange transactions	13	72,809	33,874	38,935	46,646
General and administrative expenses	14	(319,196)	(319,611)	415	(432,924)
(excluding amortization of goodwill)	15	(312,095)	(312,510)	415	(423,455)
Personnel expenses	16	(142,776)	(147,565)	4,788	(197,406)
Non-personnel expenses excluding taxes	17	(164,430)	(159,434)	(4,995)	(217,780)
Taxes other than income taxes	18	(11,990)	(12,612)	622	(17,737)
Provision of general allowance for loan losses	19	-	-	-	-
Principal guaranteed trust a/c credit costs	20	-	-	-	-
Banking a/c credit costs	21	(2,831)	(2,232)	(598)	(5,122)
Written-off of loans	22	(2,753)	(2,146)	(606)	(4,538)
Provision of specific allowance for loan losses	23	-	-	-	-
Losses on sales of loans	24	(77)	(85)	7	(584)
Reversal of allowance for loan losses	25	13,567	3,107	10,460	5,292
Recoveries of written-off claims	26	1,654	1,593	61	2,818
Net gains on stocks	27	4,382	16,932	(12,550)	6,357
Losses on devaluation of stocks	28	(3,261)	(2)	(3,259)	(44)
Net income from affiliates by equity method	29	2,635	2,981	(345)	5,781
Others	30	(4,698)	(11,831)	7,133	(26,415)
Ordinary profit	31	202,495	189,493	13,002	232,661
Extraordinary profit	32	(3,059)	975	(4,034)	6,161
Income before income tax	33	199,436	190,469	8,967	238,822
Total income taxes	34	(59,149)	(58,225)	(924)	(73,075)
Income taxes-current	35	(47,925)	(44,675)	(3,249)	(57,646)
Income taxes-deferred	36	(11,224)	(13,549)	2,324	(15,429)
Net income	37	140,286	132,243	8,042	165,746
Net income attributable to non-controlling interests	38	(5,954)	(9,429)	3,474	(11,760)
Net income attributable to owners of the parent	39	134,332	122,814	11,517	153,986
Total credit costs (19 + 20 + 21 + 25 + 26)	40	12,391	2,468	9,922	2,988

(*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)	41	209,662	197,586	12,075	270,558
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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.)

(Reference) Major components of "Consolidated net business profit before credit costs" <41>, in which gross income and expense from the affiliates are taken into consideration for managerial accounting, are shown in the table below.

Substantial consolidated gross business profit	42	535,938	518,205	17,732	705,751
Substantial net fees and commissions and related profit	43	306,057	296,786	9,271	405,426
Substantial general and administrative expenses	44	(326,276)	(320,618)	(5,657)	(432,924)
Consolidated Fee income ratio	45	57.1%	57.2%	(0.1%)	57.4%

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

Net business profit before credit costs	46	32,354	62,258	(29,904)	80,805
Net income attributable to owners of the parent (*4)	47	(8,731)	26,779	(35,511)	36,006
Total credit costs	48	(4,049)	(1,870)	(2,178)	(4,034)
Net gains on stocks	49	1,344	(588)	1,932	371

(*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>

	Dec. 2018	Mar. 2018	Change
Consolidated subsidiaries	50	60	(4)
Affiliates (subject to the equity method)	51	30	6

[Non-consolidated]

		3QFY2018 (Cumulative total)	3QFY2017 (Cumulative total)	Change	(Millions of Yen) Full FY2017
Gross business profit	1	351,375	311,591	39,783	426,852
Gross business profit (after written-off of principal guaranteed trust a/c) (1 + 21)	2	351,375	311,591	39,783	426,852
Net interest income and related profit	3	137,630	128,174	9,456	176,579
Net interest income	4	123,066	118,912	4,154	163,321
Trust fees from principal guaranteed trust a/c (before written-off of principal guaranteed trust a/c)	5	14,564	9,262	5,302	13,257
Net fees and commissions and related profit	6	137,076	137,378	(301)	190,285
Net fees and commissions	7	75,876	76,962	(1,086)	108,672
Other trust fees	8	61,200	60,415	784	81,612
Net trading income	9	11,107	4,700	6,407	10,421
Net other operating profit	10	65,560	41,338	24,221	49,566
Net gains on foreign exchange transactions	11	71,772	32,717	39,054	45,346
Net gains on bonds	12	(2,935)	6,951	(9,886)	(5,750)
Net gains from derivatives other than for trading or hedging	13	(3,197)	1,804	(5,002)	9,464
General and administrative expenses	14	(174,067)	(176,263)	2,196	(237,099)
Personnel expenses	15	(80,344)	(81,973)	1,629	(109,584)
Non-personnel expenses	16	(84,552)	(84,674)	121	(114,831)
Taxes other than income taxes	17	(9,170)	(9,616)	445	(12,683)
Net business profit before credit costs (1 + 14)	18	177,307	135,327	41,979	189,752
(Excluding Net gains on bonds) (18 - 12)	19	180,243	128,376	51,866	195,503
Provision of general allowance for loan losses	20	-	-	-	-
Principal guaranteed trust a/c credit costs	21	-	-	-	-
Net business profit	22	177,307	135,327	41,979	189,752
Net non-recurring profit	23	12,114	5,206	6,908	(16,784)
Banking a/c credit costs	24	(1,150)	(1,607)	456	(1,635)
Written-off of loans	25	(1,073)	(1,522)	449	(1,539)
Provision of specific allowance for loan losses	26	-	-	-	-
Losses on sales of loans	27	(77)	(85)	7	(96)
Reversal of allowance for loan losses	28	16,510	5,293	11,217	7,809
Recoveries of written-off claims	29	1,080	653	427	849
Net gains on stocks	30	3,038	17,520	(14,482)	5,985
Losses on devaluation of stocks	31	(847)	(0)	(847)	(36)
Others	32	(7,364)	(16,654)	9,289	(29,793)
Amortization of net actuarial losses/ prior service cost	33	(2,508)	(12,245)	9,736	(16,312)
Provision for contingent loss	34	3,077	1,119	1,957	3,145
Losses on investment in partnerships	35	(1,206)	(1,614)	408	(2,140)
Net gains on stock related derivatives	36	(2,217)	(2,658)	440	(2,432)
Ordinary profit	37	189,422	140,533	48,888	172,967
Extraordinary profit	38	(3,830)	(7,544)	3,713	(8,312)
Net gains on disposal of fixed assets	39	(62)	3	(65)	(534)
Impairment loss on fixed assets	40	(3,767)	(7,547)	3,779	(7,778)
Income before income taxes	41	185,591	132,989	52,602	164,655
Total income taxes	42	(42,527)	(36,954)	(5,573)	(46,675)
Income taxes-current	43	(32,059)	(25,169)	(6,890)	(36,227)
Income taxes-deferred	44	(10,467)	(11,785)	1,317	(10,448)
Net income	45	143,064	96,034	47,029	117,980
Total credit costs (20 + 21 + 24 + 28 + 29)	46	16,440	4,339	12,101	7,022
Overhead ratio (-14/1)	47	49.54%	56.57%	(7.03%)	55.55%

2. Breakdown of profit by business group

(1) Gross business profit

[Non-consolidated]

	(Billions of yen)		
	3QFY2018	3QFY2017	Change
	(Cumulative total)	(Cumulative total)	
Retail total solution services	101.9	96.0	5.8
Wholesale financial services (*1)	98.1	93.2	4.9
Stock transfer agency services	25.4	24.5	0.8
Real estate	22.2	22.1	0.1
Fiduciary services	69.5	68.6	0.9
Global markets	36.7	45.2	(8.4)
Fees paid out for outsourcing	(33.3)	(30.6)	(2.6)
Stock transfer agency services	(7.6)	(7.7)	0.1
Fiduciary services	(25.6)	(22.9)	(2.7)
Others (*2)	30.5	(7.6)	38.1
Gross business profit	351.3	311.5	39.7

(*1) Figures for Wholesale financial services are combined total of Wholesale total solution services and Wholesale asset management.

(*2) 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)		
	3QFY2018	3QFY2017	Change
	(Cumulative total)	(Cumulative total)	
Retail total solution services	23.6	20.6	3.0
Wholesale financial services (*1)	86.3	83.9	2.4
Stock transfer agency services	15.6	14.9	0.7
Real estate	20.2	20.2	0.0
Fiduciary services	49.2	41.7	7.4
Global markets	25.3	33.6	(8.3)
Others (*2)	(10.9)	(17.6)	6.6
Net business profit before credit costs	209.6	197.5	12.0

(*1) Figures for Wholesale financial services are combined total of Wholesale total solution services and Wholesale asset management.

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

(*3) Treatment of offsetting transactions among the subsidiaries in calculation for breakdown of profit by business on a consolidated basis is partially changed.

[Non-consolidated]

	(Billions of yen)		
	3QFY2018	3QFY2017	Change
	(Cumulative total)	(Cumulative total)	
Retail total solution services	10.5	5.3	5.2
Wholesale financial services (*1)	66.3	63.9	2.3
Stock transfer agency services	14.8	14.2	0.6
Real estate	15.2	15.3	(0.1)
Fiduciary services	25.0	25.3	(0.2)
Global markets	25.3	33.6	(8.3)
Others (*2)	19.8	(22.5)	42.3
Net business profit before credit costs	177.3	135.3	41.9

(*1) Figures for Wholesale financial services are combined total of Wholesale total solution services and Wholesale asset management.

(*2) 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]

	(%)				
	3QFY2018 (Cumulative total)	3QFY2018	1HFY2018	3QFY2017 (Cumulative total)	Change from 3QFY2017
Average yield on interest-earning assets (A)	0.62	0.49	0.69	0.55	0.07
Loans and bills discounted (B)	0.69	0.68	0.69	0.70	(0.01)
Securities	2.36	1.04	3.04	1.19	1.17
Average yield on interest-bearing liabilities (C)	0.16	0.16	0.16	0.17	(0.01)
Deposits (D)	0.09	0.09	0.10	0.14	(0.05)
Gross margin (A) - (C)	0.46	0.33	0.53	0.38	0.08
Loan-deposit margin (B) - (D)	0.60	0.59	0.59	0.56	0.04

4. Unrealized gains/ losses on investment securities

(1) Securities with fair value

[Consolidated]

	(Billions of Yen)									
	Dec. 2018				Sep. 2018		Change from Sep. 2018		Mar. 2018	
	Cost	Net	Unrealized gains	Unrealized losses	Cost	Net	Cost	Net	Cost	Net
Available-for-sale securities	4,965.3	646.8	789.0	(142.2)	5,027.5	682.5	(62.1)	(35.7)	4,362.1	739.2
Japanese stocks (*)	606.3	702.7	721.2	(18.5)	612.7	964.8	(6.3)	(262.1)	630.4	876.2
Japanese bonds	924.0	2.7	3.2	(0.5)	931.6	1.3	(7.6)	1.3	815.8	2.2
Government bonds	337.0	(0.0)	0.0	(0.0)	352.2	(0.1)	(15.2)	0.1	241.3	0.1
Local government bonds	7.0	0.0	0.0	(0.0)	6.5	(0.0)	0.4	0.0	7.2	(0.0)
Corporate bonds	579.9	2.6	3.2	(0.5)	572.8	1.5	7.1	1.1	567.2	2.1
Others	3,434.9	(58.6)	64.4	(123.0)	3,483.1	(283.6)	(48.1)	225.0	2,915.7	(139.2)
Held-to-maturity debt securities	262.1	20.6	20.6	(0.0)	267.1	19.0	(5.0)	1.5	264.9	21.9

(*) From FY2018, fair value of listed stocks included in "Available-for-sale securities" is determined based on the quoted market price over the consolidated balance sheet date, which was previously determined based on the average quoted market price over the month preceding the consolidated balance sheet date.

[Non-consolidated]

	(Billions of Yen)									
	Dec. 2018				Sep. 2018		Change from Sep. 2018		Mar. 2018	
	Cost	Net	Unrealized gains	Unrealized losses	Cost	Net	Cost	Net	Cost	Net
Available-for-sale securities	4,948.0	665.5	806.6	(141.1)	4,990.5	699.6	(42.4)	(34.1)	4,361.3	754.0
Japanese stocks (*)	580.9	725.9	743.4	(17.4)	586.2	988.5	(5.2)	(262.5)	606.4	897.2
Japanese bonds	991.0	1.4	3.2	(1.8)	966.6	0.0	24.3	1.3	887.7	0.9
Government bonds	337.0	(0.0)	0.0	(0.0)	318.7	(0.1)	18.2	0.1	241.3	0.1
Local government bonds	7.0	0.0	0.0	(0.0)	6.5	(0.0)	0.4	0.0	7.2	(0.0)
Corporate bonds	646.9	1.4	3.2	(1.7)	641.3	0.2	5.6	1.1	639.1	0.7
Others	3,376.0	(61.9)	59.9	(121.8)	3,437.6	(288.9)	(61.6)	227.0	2,867.2	(144.2)
Held-to-maturity debt securities	195.5	20.4	20.5	(0.0)	199.1	18.9	(3.5)	1.5	193.5	21.8

(*) From FY2018, fair value of listed stocks included in "Available-for-sale securities" is determined based on the quoted market price over the consolidated balance sheet date, which was previously determined based on the average quoted market price over the month preceding the consolidated balance sheet date.

<Reference 1>

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

[Non-consolidated]

	(Billions of Yen)							
	Dec. 2018		Sep. 2018		Change from Sep. 2018		Mar. 2018	
	Cost	Net	Cost	Net	Cost	Net	Cost	Net
Domestic investment (*1)	79.4	1.9	82.3	1.5	(2.9)	0.3	82.1	1.7
Asset-backed securities	17.0	0.7	18.5	0.6	(1.4)	0.0	22.3	0.7
Others	62.4	1.1	63.8	0.8	(1.4)	0.2	59.8	1.0
International investment (*1)	1,719.3	(14.9)	1,717.9	(29.5)	1.3	14.5	1,254.0	(16.8)
Foreign government bonds	1,710.5	(14.2)	1,704.3	(31.1)	6.2	16.8	1,240.4	(18.4)
US Treasury	748.6	(10.7)	808.7	(27.4)	(60.1)	16.7	496.1	(18.7)
European government bonds (*2)	56.7	0.1	31.6	(0.2)	25.1	0.3	129.4	1.2
US agency MBS	234.5	(2.3)	213.3	(4.7)	21.2	2.4	112.0	(3.1)
Corporate bonds, etc. (*3)	657.0	(1.1)	624.5	1.5	32.4	(2.6)	479.2	2.3
Foreign stocks and others	8.7	(0.7)	13.6	1.5	(4.9)	(2.3)	13.6	1.5
Others (Investment trust, etc.) (*4)	1,577.2	(48.8)	1,637.2	(260.9)	(60.0)	212.0	1,530.9	(129.1)
Total	3,376.0	(61.9)	3,437.6	(288.9)	(61.6)	227.0	2,867.2	(144.2)

(*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)							
	Dec. 2018		Sep. 2018		Change from Sep. 2018		Mar. 2018	
	Cost	Net	Cost	Net	Cost	Net	Cost	Net
Held-to-maturity debt securities	195.5	20.4	199.1	18.9	(3.5)	1.5	193.5	21.8
Japanese Government Bonds	118.8	19.4	118.9	17.7	(0.0)	1.6	119.1	19.8
Japanese Local Government Bonds	-	-	-	-	-	-	-	-
Japanese Corporate Bonds	29.0	0.5	29.0	0.4	-	0.0	29.0	0.5
Others	47.7	0.5	51.2	0.7	(3.4)	(0.1)	45.4	1.4
Domestic investment (*)	8.3	0.0	8.8	0.0	(0.4)	(0.0)	9.7	0.0
International investment (*)	39.3	0.5	42.4	0.7	(3.0)	(0.1)	35.7	1.4

(*) "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)			
	Dec. 2018	Sep. 2018	Change from	Mar. 2018
	Cost	Cost	Sep. 2018	Cost
Available-for-sale securities	205.4	192.3	13.1	176.0
Japanese stocks	53.9	54.3	(0.4)	54.4
Japanese bonds	-	-	-	-
Others	151.5	137.9	13.6	121.5
Domestic investment (*)	96.7	85.8	10.8	76.1
International investment (*)	54.8	52.0	2.7	45.4

(*) "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)

	Dec. 2018	Sep. 2018	Change from Sep. 2018	Mar. 2018
Interest rate related	(33.9)	(12.4)	(21.4)	(27.5)
Interest rate swaps	(33.9)	(12.4)	(21.4)	(27.5)
Currency related	1.6	0.8	0.7	1.2
Total	(32.3)	(11.6)	(20.6)	(26.2)

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)

	Dec. 2018		Sep. 2018	Change from Sep. 2018		Mar. 2018
	Total	Domestic branches	Total	Total	Domestic branches	Total
Loans and bills discounted	28,826.0	25,003.9	28,904.5	(78.4)	(1.0)	28,295.3
Banking account	28,793.6	24,971.5	28,870.8	(77.2)	0.1	28,259.0
Principal guaranteed trust account	32.4	32.4	33.6	(1.2)	(1.2)	36.2
Deposits, Trust principal	36,276.8	31,602.5	35,559.9	716.9	1,468.9	34,466.5
Deposits (*)	30,874.9	26,200.5	30,717.7	157.2	909.1	29,392.2
Trust principal	5,401.9	5,401.9	4,842.2	559.7	559.7	5,074.3

(*) Excluding NCDs.

(2) Loans by industry

[Non-consolidated]

(Billions of Yen)

	Dec. 2018	Sep. 2018	Change from Sep. 2018	Mar. 2018
Domestic branches (excluding offshore accounts)	25,003.9	25,004.9	(1.0)	24,709.4
Manufacturing	2,671.1	2,552.8	118.2	2,486.2
Agriculture, forestry, fisheries, mining, quarrying of stone and gravel gathering	8.6	8.5	0.1	12.1
Construction	121.2	121.0	0.1	120.4
Electricity, gas, heat supply and water	1,126.6	1,091.7	34.8	1,047.7
Information and communications	379.8	536.0	(156.2)	412.2
Transport and postal activities	1,135.5	1,130.4	5.0	1,111.4
Wholesale and retail trade	1,189.2	1,191.5	(2.3)	1,171.8
Finance and insurance	2,606.2	2,692.7	(86.4)	2,805.6
Real estate	3,404.5	3,381.0	23.4	3,427.5
Goods rental and leasing	1,029.2	1,009.7	19.5	986.2
Others	11,331.6	11,289.0	42.5	11,128.0
Overseas branches and offshore accounts	3,822.1	3,899.5	(77.4)	3,585.8
Total	28,826.0	28,904.5	(78.4)	28,295.3

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)

	Dec. 2018		Sep. 2018		Change from Sep.		Mar. 2018	
	Total	Banking a/c	Total	Banking a/c	Total	Banking a/c	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act (a)	57.7	56.8	60.3	59.5	(2.7)	(2.6)	56.7	55.8
Bankrupt and practically bankrupt	11.0	11.0	12.1	12.1	(1.2)	(1.2)	12.0	12.0
Doubtful	27.5	26.7	26.6	25.8	0.9	0.9	27.0	26.2
Substandard (b)	19.2	19.2	21.6	21.6	(2.4)	(2.4)	17.7	17.6
Ordinary assets	29,290.6	29,259.0	29,359.9	29,327.1	(69.3)	(68.1)	28,761.7	28,726.4
Assets to substandard debtors (excluding Substandard) (c)	0.9	0.9	1.0	1.0	(0.1)	(0.1)	1.3	1.3
Assets to other special mention debtors	437.5	427.9	428.5	418.8	9.0	9.1	547.1	537.2
Assets to ordinary debtors	28,852.2	28,830.2	28,930.4	28,907.4	(78.2)	(77.1)	28,213.3	28,187.9
Total balance (d)	29,348.3	29,315.9	29,420.2	29,386.6	(71.9)	(70.7)	28,818.4	28,782.2
Ratio to total balance (a) / (d)	0.2%	0.2%	0.2%	0.2%	0.0%	(0.0%)	0.2%	0.2%
Assets to substandard debtors (b) + (c)	20.2	20.1	22.6	22.6	(2.4)	(2.4)	19.0	18.9

Note : Partial direct written-off: Dec. 2018: 8.3 billion yen, Sep. 2018: 8.8 billion yen, Mar. 2018: 9.3 billion yen

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

[Non-consolidated]

(Billions of yen)

	Dec. 2018		Sep. 2018		Change from Sep.		Mar. 2018	
	Total	Banking a/c	Total	Banking a/c	Total	Banking a/c	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act	57.7	56.8	60.3	59.5	(2.7)	(2.6)	56.7	55.8
Coverage ratio	89.4%	89.2%	89.4%	89.2%	(0.0%)	(0.0%)	95.8%	95.7%
Allowance ratio	61.7%	61.7%	60.4%	60.4%	1.3%	1.3%	78.4%	78.4%
Bankrupt and practically bankrupt	11.0	11.0	12.1	12.1	(1.2)	(1.2)	12.0	12.0
Coverage ratio	100.0%	100.0%	100.0%	100.0%	- %	- %	100.0%	100.0%
Allowance ratio	100.0%	100.0%	100.0%	100.0%	- %	- %	100.0%	100.0%
Doubtful	27.5	26.7	26.6	25.8	0.9	0.9	27.0	26.2
Coverage ratio	91.7%	91.5%	91.2%	90.9%	0.5%	0.6%	92.9%	92.7%
Allowance ratio	74.4%	74.4%	72.8%	72.8%	1.6%	1.6%	74.6%	74.6%
Substandard	19.2	19.2	21.6	21.6	(2.4)	(2.4)	17.7	17.6
Coverage ratio	80.0%	79.9%	81.2%	81.2%	(1.2%)	(1.3%)	97.4%	97.4%
Allowance ratio	10.9%	10.9%	12.1%	12.1%	(1.2%)	(1.2%)	34.7%	34.7%

Note: Other than the above mentioned, there is Reserves for JOMT (Jointly-operated money trust) of 0.0 billion yen as of December 2018.

<Reference> Other referential financial figures of SuMi TRUST Bank

(1) Balance Sheets

[Non-consolidated]

	Dec. 2018	Sep. 2018	Change from Sep. 2018	(Billions of yen) Mar. 2018
Assets:				
Cash and due from banks	15,966.2	16,413.8	(447.6)	15,408.1
Call loans	296.8	65.1	231.7	92.9
Receivables under resale agreements	157.3	32.3	125.0	63.5
Receivables under securities borrowing transactions	745.7	726.9	18.7	624.0
Monetary claims bought	58.4	56.4	1.9	67.7
Trading assets	510.9	406.1	104.7	470.8
Money held in trust	0.0	0.0	-	0.0
Securities	6,505.5	6,583.1	(77.6)	5,972.3
Loans and bills discounted	28,793.6	28,870.8	(77.2)	28,259.0
Foreign exchanges	37.6	29.6	7.9	25.5
Other assets	1,333.7	1,503.7	(169.9)	1,428.8
Tangible fixed assets	194.7	193.8	0.8	198.3
Intangible fixed assets	67.4	65.4	1.9	66.9
Prepaid pension expenses	168.0	165.7	2.2	161.2
Customers' liabilities for acceptances and guarantees	395.4	390.7	4.7	398.7
Allowance for loan losses	(61.0)	(61.1)	0.0	(77.1)
Total assets	55,170.8	55,443.2	(272.3)	53,161.4
Liabilities:				
Deposits	30,874.9	30,717.7	157.2	29,392.2
Negotiable certificates of deposit	6,714.6	7,131.6	(417.0)	6,758.9
Call money	116.1	666.9	(550.8)	494.8
Payables under repurchase agreements	1,678.5	1,789.9	(111.3)	1,454.8
Payables under securities lending transactions	139.4	115.0	24.3	41.2
Trading liabilities	242.7	224.9	17.8	266.1
Borrowed money	4,113.1	4,306.9	(193.8)	4,367.1
Foreign exchanges	20.6	18.8	1.7	1.9
Short-term bonds payable	1,152.0	839.7	312.2	605.2
Corporate bonds	923.0	955.8	(32.7)	944.9
Borrowed money from trust account	5,518.6	4,963.9	554.7	5,172.4
Other liabilities	851.2	773.1	78.1	695.8
Provision for bonuses	2.4	8.4	(6.0)	8.9
Provision for directors' bonuses	-	-	-	0.0
Provision for retirement benefits	0.7	0.7	(0.0)	0.7
Provision for reimbursement of deposits	3.8	3.8	-	3.5
Provision for contingent loss	1.5	1.5	0.0	4.6
Deferred tax liabilities	155.2	170.4	(15.2)	173.4
Deferred tax liabilities for land revaluation	2.8	2.8	(0.0)	3.0
Acceptances and guarantees	395.4	390.7	4.7	398.7
Total liabilities	52,907.5	53,083.4	(175.9)	50,789.1
Net assets:				
Capital stock	342.0	342.0	-	342.0
Capital surplus	391.6	410.2	(18.5)	456.2
Legal capital surplus	273.0	273.0	-	273.0
Other capital surplus	118.5	137.1	(18.5)	183.2
Retained earnings	1,089.9	1,128.9	(38.9)	1,067.6
Legal retained earnings	69.0	69.0	-	69.0
Other retained earnings	1,020.9	1,059.9	(38.9)	998.6
Other voluntary reserve	371.8	371.8	-	371.8
Retained earnings brought forward	649.0	688.0	(38.9)	626.7
Shareholders' equity	1,823.5	1,881.1	(57.5)	1,865.9
Valuation difference on available-for-sale securities	464.0	488.4	(24.3)	525.8
Deferred gains/ losses on hedges	(22.4)	(8.0)	(14.3)	(18.1)
Revaluation reserve for land	(1.9)	(1.7)	(0.1)	(1.4)
Valuation and translation adjustments	439.7	478.5	(38.8)	506.3
Total net assets	2,263.3	2,359.7	(96.3)	2,372.2
Total liabilities and net assets	55,170.8	55,443.2	(272.3)	53,161.4

(2) Statements of Income

[Non-consolidated]

(Billions of yen)			
	3QFY2018 (Cumulative total)	3QFY2017 (Cumulative total)	Change
Ordinary income	758.5	608.5	149.9
Trust fees	75.7	69.6	6.0
Interest income	389.6	302.1	87.4
Interest on loans and discounts	253.8	220.4	33.3
Interest and dividends on securities	102.3	58.0	44.3
Fees and commissions	142.5	141.9	0.5
Trading income	11.1	4.7	6.4
Other ordinary income	81.8	56.7	25.1
Other income	57.6	33.3	24.3
Ordinary expenses	569.1	468.0	101.1
Interest expenses	266.5	183.2	83.3
Interest on deposits	91.1	70.8	20.2
Fees and commissions payments	66.6	65.0	1.6
Other ordinary expenses	16.2	15.3	0.8
General and administrative expenses	176.8	189.0	(12.2)
Other expenses	42.7	15.3	27.4
Ordinary profit	189.4	140.5	48.8
Extraordinary income	0.1	0.3	(0.2)
Extraordinary losses	3.9	7.9	(3.9)
Income before Income Taxes	185.5	132.9	52.6
Income taxes-Current	32.0	25.1	6.8
Income taxes-Deferred	10.4	11.7	(1.3)
Income taxes	42.5	36.9	5.5
Net income	143.0	96.0	47.0

(3) Statement of trust account

[Non-consolidated]

(Billions of yen)				
	Dec. 2018	Sep. 2018	Change from Sep. 2018	Mar. 2018
Loans and bills discounted	1,292.7	1,341.7	(48.9)	1,306.3
Securities	1,598.2	1,689.4	(91.1)	1,834.4
Beneficiary rights	160,186.4	156,476.8	3,709.6	153,552.8
Securities held in custody accounts	23.1	27.8	(4.6)	29.3
Money claims	19,004.7	17,979.3	1,025.3	17,142.5
Tangible fixed assets	15,288.5	15,107.4	181.1	14,717.2
Intangible fixed assets	213.5	210.3	3.1	205.5
Other claims	6,891.8	7,114.8	(222.9)	7,287.6
Loans to banking account	5,518.6	4,963.9	554.7	5,172.4
Cash and due from banks	436.0	470.6	(34.6)	449.6
Total assets	210,454.0	205,382.3	5,071.7	201,698.1
Money trusts	32,960.8	32,389.9	570.9	31,416.6
Pension trusts	13,433.1	13,783.4	(350.2)	13,720.5
Property formation benefit trusts	18.2	18.1	0.0	17.9
Securities investment trusts	74,327.4	72,935.1	1,392.2	74,634.2
Money entrusted, other than money trusts	26,141.8	24,285.3	1,856.5	21,572.4
Securities trusts	20,479.7	19,931.9	547.8	19,411.0
Money claim trusts	19,109.4	18,093.5	1,015.8	17,265.8
Land and fixtures trusts	77.2	78.1	(0.8)	89.4
Composite trusts	23,906.0	23,866.7	39.3	23,570.0
Total liabilities	210,454.0	205,382.3	5,071.7	201,698.1

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

December 2018: 159,307.2 billion yen, September 2018: 155,631.4 billion yen, Mar. 2018: 152,855.5 billion yen

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

		(Billions of yen)			
		Dec. 2018	Sep. 2018	Change from Sep. 2018	Mar. 2018
Money trusts	Loans and bills discounted	32.4	33.6	(1.2)	36.2
	Securities	0.0	0.0	-	0.0
	Others	5,369.9	4,808.8	561.0	5,038.4
	Total assets	5,402.3	4,842.5	559.8	5,074.7
	Principal	5,401.9	4,842.2	559.7	5,074.3
	Reserves for JOMT (Jointly-operated money trust)	0.0	0.0	-	0.0
	Others	0.3	0.2	0.0	0.3
	Total liabilities	5,402.3	4,842.5	559.8	5,074.7