

Sumitomo Mitsui Trust Holdings, Inc. (SuMi TRUST Holdings)
Financial Results for the Three Months Ended June 30, 2020
[Japanese GAAP] (Consolidated)



July 30, 2020

Stock exchange listings: Tokyo and Nagoya (Code: 8309)
 URL: <https://www.smth.jp/en/index.html>
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Filing date of quarterly securities report (Shihanki Hokokusyo) (Scheduled): August 12, 2020
 Specific trading accounts: Established
 Dividend payment date: —
 Explanatory material: Prepared
 Briefing on financial results: Not scheduled

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

1. Consolidated Financial Results (for the Three Months Ended June 30, 2020)

(1) Operating Results

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

Three Months Ended	Ordinary Income		Ordinary Profit		Net Income Attributable to Owners of the Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
June 30, 2020	303,794	(13.7)	40,374	(33.8)	28,507	(33.1)
June 30, 2019	352,154	4.0	60,995	(8.4)	42,596	(4.3)

(Note) Comprehensive Income: Three months ended June 30, 2020 ¥13,032 million (10.1)%

Three months ended June 30, 2019 ¥14,491 million (55.7)%

Three Months Ended	Net Income per Share of Common Stock	Fully Diluted Net Income per Share of Common Stock
	Yen	Yen
June 30, 2020	76.11	76.07
June 30, 2019	112.75	112.67

(2) Financial Position

As of	Total Assets	Net Assets	Net Assets to Total Assets Ratio
	Millions of Yen	Millions of Yen	%
June 30, 2020	57,599,218	2,575,055	4.4
March 31, 2020	56,500,552	2,590,907	4.5

(Reference) Shareholders' Equity: As of June 30, 2020 ¥2,539,529 million

As of March 31, 2020 ¥2,555,266 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.

2. Cash Dividends per Share of Common Stock

	Annual Cash Dividends per Share of Common Stock				
	1st Quarter-End	2nd Quarter-End	3rd Quarter-End	Fiscal Year-End	Total
Fiscal Year Ended March 31, 2020	—	75.00	—	75.00	150.00
Ending March 31, 2021	—	75.00	—	75.00	150.00
Ending March 31, 2021 (Forecast)	—	75.00	—	75.00	150.00

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

3. Consolidated Earnings Forecast (for the Fiscal Year Ending March 31, 2021)

(%: Changes from 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, 2021	140,000	(14.1)	373.79

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

*Notes

(1) Changes in Significant Subsidiaries during the Three Months Ended June 30, 2020: None

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

(2) Specific Accounting Treatments for the Preparation of the Quarterly Consolidated Financial Statements: Yes

(For further details, please refer to “3. Notes to the Consolidated Financial Statements” on page 6 of Accompanying Materials.)

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

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of Shares Issued (Common Stock)

1) Number of shares issued (including treasury stock):

As of June 30, 2020	375,291,440 shares	As of March 31, 2020	375,291,440 shares
As of June 30, 2020	752,718 shares	As of March 31, 2020	755,159 shares
For the three months ended June 30, 2020	374,536,799 shares	For the three months ended June 30, 2019	377,805,923 shares

2) Number of treasury stock:

3) Average number of outstanding issued shares:

These consolidated financial results for the three months ended June 30, 2020 (the quarterly consolidated financial results), are out of the scope of the quarterly review 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 three months ended June 30, 2020, 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.

[Accompanying Materials]

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Consolidated Financial Statements and Notes to the Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2020	As of June 30, 2020
Assets:		
Cash and Due from Banks	13,141,192	14,830,489
Call Loans and Bills Bought	71,236	85,803
Receivables under Resale Agreements	1,220,761	432,547
Receivables under Securities Borrowing Transactions	740,658	783,168
Monetary Claims Bought	999,705	745,280
Trading Assets	507,646	480,344
Money Held in Trust	7,230	8,287
Securities	6,437,599	6,156,833
Loans and Bills Discounted	29,703,375	30,559,029
Foreign Exchanges	36,952	52,877
Lease Receivables and Investment Assets	673,880	667,217
Other Assets	2,124,043	1,876,582
Tangible Fixed Assets	213,547	213,173
Intangible Fixed Assets	129,455	130,174
Assets for Retirement Benefits	87,096	92,853
Deferred Tax Assets	14,564	13,951
Customers' Liabilities for Acceptances and Guarantees	518,811	596,551
Allowance for Loan Losses	(127,205)	(125,948)
Total Assets	56,500,552	57,599,218
Liabilities:		
Deposits	30,688,920	33,130,281
Negotiable Certificates of Deposit	5,860,292	6,079,601
Call Money and Bills Sold	142,974	54,809
Payables under Repurchase Agreements	1,558,919	1,624,990
Trading Liabilities	371,950	329,986
Borrowed Money	5,856,384	5,294,058
Foreign Exchanges	3,213	1,414
Short-Term Bonds Payable	1,707,097	2,340,413
Bonds Payable	1,125,731	1,156,466
Borrowed Money from Trust Account	4,750,289	3,414,179
Other Liabilities	1,215,433	909,565
Provision for Bonuses	18,619	5,512
Provision for Directors' Bonuses	172	13
Provision for Stocks Payment	279	333
Liabilities for Retirement Benefits	14,044	14,065
Provision for Reward Points Program	16,889	16,458
Provision for Reimbursement of Deposits	4,867	4,867
Provision for Contingent Losses	1,440	1,545
Deferred Tax Liabilities	50,875	46,607
Deferred Tax Liabilities for Land Revaluation	2,439	2,439
Acceptances and Guarantees	518,811	596,551
Total Liabilities	53,909,645	55,024,163

(Continued)

(Millions of Yen)

	As of March 31, 2020	As of June 30, 2020
Net Assets:		
Capital Stock	261,608	261,608
Capital Surplus	580,595	580,395
Retained Earnings	1,495,029	1,495,414
Treasury Stock	(2,855)	(2,844)
Total Shareholders' Equity	2,334,377	2,334,573
Valuation Differences on Available-for-Sale Securities	351,459	335,202
Deferred Gains (Losses) on Hedges	(56,765)	(58,154)
Revaluation Reserve for Land	(6,623)	(6,623)
Foreign Currency Translation Adjustments	1,332	1,027
Adjustments for Retirement Benefits	(68,513)	(66,496)
Total Accumulated Other Comprehensive Income	220,889	204,955
Subscription Rights to Shares	1,057	1,044
Non-Controlling Interests	34,583	34,481
Total Net Assets	2,590,907	2,575,055
Total Liabilities and Net Assets	56,500,552	57,599,218

2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income

(Millions of Yen)

	For the Three Months Ended	
	June 30, 2019	June 30, 2020
Ordinary Income:	352,154	303,794
Trust Fees	24,009	24,040
Interest Income:	123,229	92,377
Interest on Loans and Discounts	91,211	74,386
Interest and Dividends on Securities	17,506	12,659
Fees and Commissions	97,685	86,758
Trading Income	16,154	9,202
Other Ordinary Income	75,400	84,861
Other Income	15,674	6,554
Ordinary Expenses:	291,158	263,420
Interest Expenses:	95,902	46,685
Interest on Deposits	33,436	15,497
Fees and Commissions Payments	26,766	27,343
Trading Expenses	–	1
Other Ordinary Expenses	54,996	68,152
General and Administrative Expenses	106,310	102,665
Other Expenses	7,182	18,570
Ordinary Profit	60,995	40,374
Extraordinary Income:	16	0
Gains on Disposal of Fixed Assets	–	0
Extraordinary Losses:	106	284
Losses on Disposal of Fixed Assets	34	172
Impairment Losses	72	111
Income before Income Taxes	60,905	40,090
Income Taxes:	17,219	11,157
Current	11,398	10,165
Deferred	5,821	991
Net Income	43,685	28,932
Net Income Attributable to Non-Controlling Interests	1,089	425
Net Income Attributable to Owners of the Parent	42,596	28,507

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	For the Three Months Ended	
	June 30, 2019	June 30, 2020
Net Income	43,685	28,932
Other Comprehensive Income (Loss):	(29,194)	(15,900)
Valuation Differences on Available-for-Sale Securities	(20,038)	(15,971)
Deferred Gains (Losses) on Hedges	(8,180)	(1,771)
Foreign Currency Translation Adjustments	(1,011)	447
Adjustments for Retirement Benefits	366	2,012
Attributable to Equity-Method Affiliated Companies	(329)	(617)
Comprehensive Income:	14,491	13,032
(Breakdown)		
Comprehensive Income Attributable to Owners of the Parent	13,622	12,573
Comprehensive Income Attributable to Non-Controlling Interests	868	458

3. Notes to the Consolidated Financial Statements

(Notes on Going-Concern Assumptions)

There is no applicable information.

(Notes on Significant Changes in Total Shareholders' Equity)

There is no applicable information.

(Specific Accounting Treatments for the Preparation of the Quarterly Consolidated Financial Statements)

(Income tax expenses)

Income tax expenses of certain consolidated subsidiaries are calculated by reasonably estimating the effective tax rate based on the expected income before income taxes (net of the effects of deferred taxes) for the fiscal year to which the three-month period pertains, and multiplying income before income taxes for the three-month period by the estimated effective tax rate.

(Additional Information)

For the fiscal year ended March 31, 2020, Some of its consolidated subsidiaries made necessary modifications to the historical loan-loss ratios concerning the impact of COVID-19 on the borrowers.

In particular, some of its consolidated subsidiaries identified industries and products ("the industries and others") that may be affected by downturn of business performance due to the spread of COVID-19, and recorded additional allowance for loan losses for estimated credit losses in the future assuming that internal ratings of certain credits of the industries and others will be downgraded to some extent.

There is no significant change in such assumption for the three-month period ended June 30, 2020.