

*Explanatory Material*

*Fiscal Year 2020  
ended on Sep. 30, 2020*



**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]

(Millions of yen)

		1HFY2020	1HFY2019	Change
Consolidated gross business profit (*1)	1	331,004	352,929	(21,925)
Consolidated gross business profit (after written-off of principal guaranteed trust a/c) (1 + 20)	2	331,004	352,929	(21,925)
Net interest income and related profit	3	112,129	66,691	45,437
Net interest income	4	103,397	58,832	44,565
Trust fees from principal guaranteed trust a/c (before written-off of principal guaranteed trust a/c)	5	8,731	7,859	871
Net fees and commissions and related profit	6	164,099	187,918	(23,818)
Net fees and commissions	7	122,559	146,683	(24,124)
Other trust fees	8	41,540	41,235	305
Net trading profit	9	17,562	42,721	(25,158)
Net other operating profit	10	37,212	55,597	(18,385)
Net gains on foreign exchange transactions	11	9,262	41,756	(32,493)
Net gains on bonds	12	14,018	20,447	(6,429)
Net gains from derivatives other than for trading or hedging	13	2,658	(18,487)	21,146
General and administrative expenses	14	(205,162)	(211,907)	6,745
(excluding amortization of goodwill)	15	(201,225)	(207,401)	6,175
Personnel expenses	16	(93,434)	(94,385)	950
Non-personnel expenses excluding taxes	17	(102,977)	(108,837)	5,860
Taxes other than income taxes	18	(8,751)	(8,684)	(66)
Provision of general allowance for loan losses	19	-	(2,725)	2,725
Principal guaranteed trust a/c credit costs	20	-	(0)	0
Banking a/c credit costs	21	(2,583)	1,103	(3,687)
Written-off of loans	22	(1,777)	(410)	(1,366)
Provision of specific allowance for loan losses	23	-	1,654	(1,654)
Losses on sales of loans	24	(806)	(140)	(666)
Reversal of allowance for loan losses	25	141	-	141
Recoveries of written-off claims	26	368	393	(24)
Net gains on stocks	27	10,822	5,967	4,854
Losses on devaluation of stocks	28	(585)	(3,218)	2,633
Net income from affiliates by equity method	29	5,196	4,408	787
Others	30	(26,351)	933	(27,284)
<b>Ordinary profit</b>	31	<b>113,435</b>	<b>151,102</b>	<b>(37,667)</b>
Extraordinary profit	32	(497)	161	(658)
Net gains on disposal of fixed assets	33	(332)	286	(619)
Impairment loss on fixed assets	34	(164)	(124)	(39)
Income before income tax	35	112,938	151,264	(38,326)
Total income taxes	36	(31,850)	(43,427)	11,576
Income taxes-current	37	(29,457)	(26,630)	(2,827)
Income taxes-deferred	38	(2,392)	(16,796)	14,404
Net income	39	81,087	107,837	(26,749)
Net income attributable to non-controlling interests	40	(996)	(1,797)	801
<b>Net income attributable to owners of the parent</b>	41	<b>80,091</b>	<b>106,039</b>	<b>(25,948)</b>
Total credit costs (19 + 20 + 21 + 25 + 26)	42	(2,074)	(1,228)	(845)

(\*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)

<b>Consolidated net business profit before credit costs (*2)</b>	43	<b>141,095</b>	<b>154,135</b>	<b>(13,039)</b>
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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" <43>, 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	44	358,791	377,023	(18,231)
Substantial net fees and commissions and related profit	45	179,178	201,514	(22,336)
Substantial general and administrative expenses	46	(217,696)	(222,887)	5,191
Consolidated Fee income ratio	47	49.9%	53.4%	(3.5%)

## &lt;Difference from non-consolidated financial results (\*3)&gt;

Net business profit before credit costs	48	38,581	39,390	(809)
Net income attributable to owners of the parent (*4)	49	17,349	21,170	(3,820)
Total credit costs	50	(516)	(1,537)	1,021
Net gains on stocks	51	(894)	3,717	(4,612)

(\*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".

## &lt;Number of subsidiaries/ affiliates&gt;

	Sep. 2020	Mar. 2020	Change
Consolidated subsidiaries	62	62	0
Affiliates (subject to the equity method)	32	34	(2)

[Non-consolidated]

(Millions of yen)				
		1HFY2020	1HFY2019	Change
Gross business profit	1	224,979	236,517	(11,538)
Gross business profit (after written-off of principal guaranteed trust a/c) (1 + 24)	2	224,979	236,517	(11,537)
Net interest income and related profit	3	108,972	64,863	44,109
Net interest income	4	100,241	57,003	43,237
Domestic	5	76,924	76,498	426
International	6	23,316	(19,494)	42,810
Trust fees from principal guaranteed trust a/c (before written-off of principal guaranteed trust a/c)	7	8,731	7,859	871
Net fees and commissions and related profit	8	72,058	86,613	(14,555)
Net fees and commissions	9	30,517	45,378	(14,860)
Other trust fees	10	41,540	41,235	305
Net trading income	11	17,562	42,721	(25,158)
Net other operating profit	12	26,385	42,319	(15,934)
Net gains on foreign exchange transactions	13	9,220	40,766	(31,545)
Net gains on bonds	14	13,555	19,534	(5,979)
Net gains from derivatives other than for trading or hedging	15	4,332	(18,028)	22,360
General and administrative expenses	16	(122,464)	(121,771)	(692)
Personnel expenses	17	(53,520)	(53,788)	267
Non-personnel expenses	18	(62,211)	(61,405)	(806)
Taxes other than income taxes	19	(6,732)	(6,578)	(154)
<b>Net business profit before credit costs (1 + 16)</b>	20	<b>102,514</b>	114,745	(12,230)
Core net operating profit (20-14)	21	88,959	95,210	(6,251)
Core net operating profit (excluding gains/(losses) on cancellation of investment	22	88,769	96,595	(7,826)
Provision of general allowance for loan losses	23	-	-	-
Principal guaranteed trust a/c credit costs	24	-	(0)	0
Net business profit	25	102,514	114,745	(12,230)
Net non-recurring profit	26	(18,251)	197	(18,448)
Banking a/c credit costs	27	(2,409)	(199)	(2,209)
Written-off of loans	28	(1,602)	(59)	(1,542)
Provision of specific allowance for loan losses	29	-	-	-
Losses on sales of loans	30	(806)	(140)	(666)
Reversal of allowance for loan losses	31	663	349	314
Recoveries of written-off claims	32	187	159	27
Net gains on stocks	33	11,717	2,250	9,466
Losses on devaluation of stocks	34	(585)	(6,270)	5,685
Others	35	(28,410)	(2,362)	(26,048)
Amortization of net actuarial losses/ prior service cost	36	(6,111)	(2,816)	(3,294)
Provision for contingent loss	37	(15)	2,080	(2,096)
Losses on investment in partnerships	38	(2,415)	(748)	(1,666)
Net gains on stock related derivatives	39	(11,591)	1,022	(12,613)
<b>Ordinary profit</b>	40	<b>84,263</b>	114,942	(30,679)
Extraordinary profit	41	(501)	196	(697)
Net gains on disposal of fixed assets	42	(336)	321	(657)
Impairment loss on fixed assets	43	(164)	(124)	(39)
Income before income taxes	44	83,762	115,138	(31,376)
Total income taxes	45	(21,020)	(30,269)	9,249
Income taxes-current	46	(19,477)	(26,291)	6,814
Income taxes-deferred	47	(1,543)	(3,978)	2,434
<b>Net income</b>	48	<b>62,741</b>	84,869	(22,127)
Total credit costs (23 + 24 + 27 + 31 + 32)	49	(1,557)	309	(1,866)
Overhead ratio (-16/1)	50	54.43%	51.49%	2.94%

## 2. Breakdown of profit by business group

### (1) Gross business profit

[Non-consolidated]

	(Billions of yen)		
	1HFY2020	1HFY2019	Change
Retail total solution services	58.6	66.3	(7.6)
Wholesale financial services (*1)	68.7	72.6	(3.8)
Stock transfer agency services	18.1	16.5	1.6
Real estate	8.4	16.5	(8.0)
Fiduciary services	44.7	44.5	0.2
Global markets	36.0	41.7	(5.6)
Fees paid for outsourcing	(24.0)	(24.5)	0.5
Stock transfer agency services	(5.4)	(5.3)	(0.1)
Fiduciary services	(18.5)	(19.1)	0.6
Others (*2)	14.0	2.7	11.2
Gross business profit	224.9	236.5	(11.5)

(\*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)		
	1HFY2020	1HFY2019	Change
Retail total solution services	6.1	12.8	(6.7)
Wholesale financial services (*1)	59.4	64.3	(4.9)
Stock transfer agency services	11.3	9.7	1.6
Real estate	4.8	16.0	(11.1)
Fiduciary services	29.7	32.1	(2.3)
Asset Management Business (*2)	13.8	14.8	(0.9)
Global markets	28.5	34.4	(5.8)
Others (*3)	1.0	(15.4)	16.4
Net business profit before credit costs	141.0	154.1	(13.0)

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

(\*2) Total of asset management companies (SuMi TRUST AM, Nikko AM (consolidated), Sky Ocean Asset Management, JP Asset Management)

(\*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)		
	1HFY2020	1HFY2019	Change
Retail total solution services	(2.7)	4.1	(6.9)
Wholesale financial services (*1)	45.6	50.4	(4.8)
Stock transfer agency services	10.8	9.3	1.5
Real estate	3.6	11.7	(8.1)
Fiduciary services	14.2	14.2	(0.0)
Global markets	28.5	34.4	(5.8)
Others (*2)	2.4	(9.6)	12.0
Net business profit before credit costs	102.5	114.7	(12.2)

(\*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

## (1) Domestic banking a/c

[Non-consolidated]

	1HFY2020	2HFY2019	1HFY2019	(%) Change from 2HFY2019
Average yield on interest-earning assets (A)	<b>0.50</b>	0.53	0.54	(0.03)
Loans and bills discounted (B)	<b>0.63</b>	0.66	0.67	(0.03)
Securities	<b>1.20</b>	1.47	1.55	(0.27)
Average yield on interest-bearing liabilities (C)	<b>0.13</b>	0.14	0.14	(0.01)
Deposits (D)	<b>0.07</b>	0.08	0.08	(0.01)
Gross margin (A) - (C)	<b>0.37</b>	0.39	0.40	(0.02)
Loan-deposit margin (B) - (D)	<b>0.56</b>	0.58	0.59	(0.02)

## (2) Domestic banking a/c and principal guaranteed trust a/c combined

[Non-consolidated]

	1HFY2020	2HFY2019	1HFY2019	(%) Change from 2HFY2019
Average yield on interest-earning assets (A)	<b>0.50</b>	0.53	0.54	(0.03)
Loans and bills discounted (B)	<b>0.63</b>	0.66	0.67	(0.03)
Securities	<b>1.20</b>	1.47	1.55	(0.27)
Average yield on interest-bearing liabilities (C)	<b>0.09</b>	0.10	0.10	(0.01)
Deposits and Trust Principal (D)	<b>0.06</b>	0.07	0.07	(0.01)
Gross margin (A) - (C)	<b>0.41</b>	0.43	0.44	(0.02)
Loan-deposit margin (B) - (D)	<b>0.57</b>	0.59	0.60	(0.02)

## 4. Net gains on securities

[Consolidated]

	1HFY2020	1HFY2019	(Millions of yen) Change
Net gains on bonds	<b>14,018</b>	20,447	(6,429)
Gains on sales of bonds	<b>14,487</b>	25,165	(10,678)
Gains on redemption of bonds	<b>53</b>	309	(256)
Losses on sales of bonds	<b>(522)</b>	(5,027)	4,504
Losses on redemption of bonds	<b>(0)</b>	(0)	0
Losses on devaluation of bonds	-	-	-
Net gains on stocks	<b>10,822</b>	5,967	4,854
Gains on sales of stocks	<b>15,362</b>	9,449	5,912
Losses on sales of stocks	<b>(3,954)</b>	(262)	(3,691)
Losses on devaluation of stocks	<b>(585)</b>	(3,218)	2,633

[Non-consolidated]

	1HFY2020	1HFY2019	(Millions of yen) Change
Net gains on bonds	<b>13,555</b>	19,534	(5,979)
Gains on sales of bonds	<b>13,986</b>	24,557	(10,570)
Gains on redemption of bonds	-	-	-
Losses on sales of bonds	<b>(431)</b>	(5,022)	4,591
Losses on redemption of bonds	-	-	-
Losses on devaluation of bonds	-	-	-
Net gains on stocks	<b>11,717</b>	2,250	9,466
Gains on sales of stocks	<b>16,185</b>	8,975	7,210
Losses on sales of stocks	<b>(3,883)</b>	(454)	(3,428)
Losses on devaluation of stocks	<b>(585)</b>	(6,270)	5,685

## 5. Unrealized gains/ losses on investment securities

## (1) Securities with fair value

## [Consolidated]

	Sep. 2020				Mar. 2020		(Millions of yen) Change	
	Cost	Net	Unrealized gains	Unrealized losses	Cost	Net	Cost	Net
Available-for-sale securities	5,632,572	489,386	770,429	(281,043)	5,311,015	497,599	321,557	(8,213)
Japanese stocks (*)	558,449	702,058	738,331	(36,272)	566,807	543,804	(8,358)	158,254
Japanese bonds	2,338,989	2,355	4,090	(1,734)	2,014,141	1,862	324,847	493
Government bonds	1,642,249	(429)	519	(948)	1,362,647	(85)	279,602	(343)
Local government bonds	19,263	13	36	(23)	14,788	(2)	4,475	15
Corporate bonds	677,476	2,772	3,534	(761)	636,705	1,950	40,770	821
Others	2,735,134	(215,028)	28,008	(243,036)	2,730,066	(48,067)	5,067	(166,961)
Held-to-maturity debt securities	315,442	17,056	17,760	(704)	330,016	10,394	(14,573)	6,662

(\*) 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.

## [Non-consolidated]

	Sep. 2020				Mar. 2020		(Millions of yen) Change	
	Cost	Net	Unrealized gains	Unrealized losses	Cost	Net	Cost	Net
Available-for-sale securities	5,583,668	508,379	782,938	(274,558)	5,262,113	520,069	321,555	(11,690)
Japanese stocks (*)	530,580	728,182	756,271	(28,089)	537,190	570,971	(6,610)	157,210
Japanese bonds	2,394,685	1,241	4,090	(2,848)	2,073,087	683	321,597	558
Government bonds	1,642,249	(429)	519	(948)	1,362,647	(85)	279,602	(343)
Local government bonds	19,263	13	36	(23)	14,788	(2)	4,475	15
Corporate bonds	733,172	1,658	3,534	(1,875)	695,651	771	37,520	886
Others	2,658,402	(221,044)	22,576	(243,620)	2,651,834	(51,585)	6,567	(169,458)
Held-to-maturity debt securities	260,148	16,939	17,643	(704)	271,307	10,275	(11,158)	6,663

(\*) 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.

## &lt;Reference 1&gt;

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

## [Non-consolidated]

	Sep. 2020		Mar. 2020		(Millions of yen) Change	
	Cost	Net	Cost	Net	Cost	Net
Domestic investment (*)	69,745	1,245	62,619	1,409	7,126	(164)
Asset-backed securities	6,191	816	7,607	830	(1,416)	(14)
Others	63,554	429	55,011	579	8,542	(150)
International investment (*)	1,207,025	10,677	1,278,662	(910)	(71,636)	11,587
Foreign government bonds	1,205,585	10,423	1,277,183	(1,267)	(71,597)	11,691
US Treasury	354,947	11,947	349,473	22,911	5,474	(10,964)
European government bonds (*)	3,098	36	62,841	(391)	(59,743)	428
US agency MBS	72,014	350	75,790	1,788	(3,776)	(1,438)
Corporate bonds, etc. (*)	762,091	(2,206)	773,688	(25,678)	(11,597)	23,472
Foreign stocks and others	1,440	253	1,479	357	(39)	(103)
Others (Investment trust, etc.) (*)	1,381,630	(232,967)	1,310,552	(52,084)	71,078	(180,882)
Total	2,658,402	(221,044)	2,651,834	(51,585)	6,567	(169,458)

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

(\*) French government bonds (OATs), Spanish government bonds, Belgian government bonds, and Irish government bonds.

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

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

## &lt;Reference 2&gt;

## Breakdown of "Held-to-maturity debt securities"

[Non-consolidated]

	(Millions of yen)					
	Sep. 2020		Mar. 2020		Change	
	Cost	Net	Cost	Net	Cost	Net
Held-to-maturity debt securities	<b>260,148</b>	<b>16,939</b>	271,307	10,275	(11,158)	6,663
Japanese Government Bonds	<b>118,158</b>	<b>17,219</b>	118,347	17,830	(188)	(611)
Japanese Local Government Bonds	-	-	-	-	-	-
Japanese Corporate Bonds	<b>33,200</b>	<b>410</b>	33,200	452	-	(41)
Others	<b>108,790</b>	<b>(690)</b>	119,759	(8,007)	(10,969)	7,317
Domestic investment (*)	<b>694</b>	<b>1</b>	8,496	4	(7,802)	(3)
International investment (*)	<b>108,096</b>	<b>(691)</b>	111,262	(8,012)	(3,166)	7,320

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

## (2) Securities with no available fair value

[Non-consolidated]

	(Millions of yen)		
	Sep. 2020	Mar. 2020	Change
	Cost	Cost	
Available-for-sale securities	<b>229,214</b>	227,714	1,499
Japanese stocks	<b>54,304</b>	53,822	482
Japanese bonds	-	-	-
Others	<b>174,909</b>	173,891	1,017
Domestic investment (*)	<b>96,989</b>	97,799	(810)
International investment (*)	<b>77,920</b>	76,092	1,827

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



## 6. Maturity ladder of securities

<"Held-to-maturity debt securities" with fair value and "Available-for-sale securities" with fair value>

[Consolidated]

(Millions of yen)										
	Sep. 2020					Mar. 2020				
	Less than 1 year	1 year to 5 years	5 years to 10 years	Over 10 years	Total	Less than 1 year	1 year to 5 years	5 years to 10 years	Over 10 years	Total
Japanese bonds	1,098,678	852,018	338,589	203,477	2,492,763	861,124	813,308	337,668	155,510	2,167,611
Government bonds	1,061,434	468,228	128,220	102,156	1,760,039	838,724	488,732	87,973	65,538	1,480,969
Local government bonds	464	6,675	12,135	-	19,276	1,228	4,539	9,017	-	14,785
Corporate bonds	36,779	377,114	198,233	101,320	713,448	21,170	320,036	240,677	89,971	671,856
Others	417,191	1,067,708	456,481	648,221	2,589,603	354,454	1,233,541	491,362	688,268	2,767,627

Note: Including NCD in "Cash and Due from Banks" and "Monetary Claims Bought", as well as securities.

[Non-consolidated]

(Millions of yen)										
	Sep. 2020					Mar. 2020				
	Less than 1 year	1 year to 5 years	5 years to 10 years	Over 10 years	Total	Less than 1 year	1 year to 5 years	5 years to 10 years	Over 10 years	Total
Japanese bonds	1,098,678	851,958	338,589	258,059	2,547,285	861,124	813,248	337,668	213,276	2,225,318
Government bonds	1,061,434	468,168	128,220	102,156	1,759,979	838,724	488,672	87,973	65,538	1,480,909
Local government bonds	464	6,675	12,135	-	19,276	1,228	4,539	9,017	-	14,785
Corporate bonds	36,779	377,114	198,233	155,903	768,030	21,170	320,036	240,677	147,738	729,623
Others	386,292	1,065,935	440,787	578,661	2,471,677	319,244	1,233,382	477,048	615,242	2,644,917

Note: Including NCD in "Cash and Due from Banks" and "Monetary Claims Bought", as well as securities.

## 7. Shareholdings

1) Balance of listed stocks

[Consolidated]

(Billions of yen)		
	Sep. 2020	Mar. 2020
Cost basis	558.4	566.8
Fair value basis	1,260.5	1,110.6

2) Reduction of cross shareholdings

[Consolidated]

(Billions of yen)			
	FY2020	FY2019	
	1H	Full	1H
Cost basis	8.0	21.3	3.7

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

[Consolidated]

(Millions of yen)			
	Sep. 2020	Mar. 2020	Change
Interest rate related	(73,320)	(80,502)	7,181
Interest rate swaps	(73,320)	(80,502)	7,181
Currency related	(5,102)	6,050	(11,153)
Total	(78,423)	(74,451)	(3,971)

Note: Before considering tax effect accounting.

[Non-consolidated]

(Millions of yen)			
	Sep. 2020	Mar. 2020	Change
Interest rate related	(70,126)	(78,597)	8,470
Interest rate swaps	(70,126)	(78,597)	8,470
Currency related	(1,128)	6,855	(7,984)
Total	(71,255)	(71,741)	486

Note: Before considering tax effect accounting.

## 9. BIS capital adequacy ratio (Basel III)

(1) BIS capital adequacy ratio (International standard)

[Consolidated]

(Billions of yen)						Minimum requirement (*) (Sep. 2020)
			Sep. 2020 (Preliminary)	Mar. 2020	Change	
Common Equity Tier 1 capital ratio	(8) / (20)	1	<b>12.42%</b>	12.62%	(0.20%)	7.50%
Tier 1 capital ratio	(12) / (20)	2	<b>14.21%</b>	14.47%	(0.26%)	9.00%
Total capital ratio	(16) / (20)	3	<b>16.99%</b>	17.23%	(0.24%)	11.00%
Directly issued qualifying capital plus retained earnings		4	<b>2,357.8</b>	2,306.2	51.5	
Accumulated Other Comprehensive Income ("OCI")		5	<b>216.4</b>	220.8	(4.4)	
Instruments and reserves		6	<b>2,575.2</b>	2,528.2	47.0	
Regulatory adjustments		7	<b>(125.4)</b>	(123.3)	(2.0)	
Common Equity Tier 1 capital (CET1)		8	<b>2,449.8</b>	2,404.8	45.0	
Directly issued qualifying Additional Tier 1 instruments		9	<b>340.0</b>	340.0	-	
Eligible Tier 1 capital instruments subject to phase-out arrangements		10	-	0.0	0.0	
Additional Tier 1 capital (AT1)		11	<b>352.7</b>	353.3	(0.5)	
Tier 1 capital (T1 = CET1 + AT1)		12	<b>2,802.6</b>	2,758.1	44.4	
Directly issued qualifying Tier 2 instruments		13	<b>341.6</b>	306.5	35.0	
Eligible Tier 2 capital instruments subject to phase-out arrangements		14	<b>170.6</b>	171.5	(0.9)	
Tier 2 capital (T2)		15	<b>546.6</b>	524.9	21.6	
Total capital (T1 + T2)		16	<b>3,349.2</b>	3,283.1	66.1	
Amount of credit risk-weighted assets		17	<b>17,393.1</b>	16,778.2	614.9	
Amount of market risk equivalents		18	<b>1,330.7</b>	1,334.5	(3.8)	
Amount of operational risk equivalents		19	<b>987.2</b>	941.2	46.0	
Total risk weighted assets		20	<b>19,711.0</b>	19,053.9	657.1	

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

## [SuMi TRUST Bank (Consolidated)]

(Billions of yen)						Minimum requirement
			Sep. 2020 (Preliminary)	Mar. 2020	Change	
Common Equity Tier 1 capital ratio	(4) / (7)	1	<b>10.91%</b>	11.08%	(0.17%)	4.50%
Tier 1 capital ratio	(5) / (7)	2	<b>12.73%</b>	12.97%	(0.24%)	6.00%
Total capital ratio	(6) / (7)	3	<b>15.56%</b>	15.78%	(0.22%)	8.00%
Common Equity Tier 1 capital		4	<b>2,103.6</b>	2,068.6	34.9	
Tier 1 capital		5	<b>2,454.8</b>	2,420.4	34.4	
Total capital		6	<b>3,001.1</b>	2,944.9	56.1	
Total risk weighted assets		7	<b>19,281.0</b>	18,657.6	623.4	

## [SuMi TRUST Bank (Non-consolidated)]

(Billions of yen)						Minimum requirement
			Sep. 2020 (Preliminary)	Mar. 2020	Change	
Common Equity Tier 1 capital ratio	(11) / (14)	8	<b>10.05%</b>	10.23%	(0.18%)	4.50%
Tier 1 capital ratio	(12) / (14)	9	<b>11.87%</b>	12.10%	(0.23%)	6.00%
Total capital ratio	(13) / (14)	10	<b>14.66%</b>	14.86%	(0.20%)	8.00%
Common Equity Tier 1 capital		11	<b>1,874.9</b>	1,853.2	21.7	
Tier 1 capital		12	<b>2,214.9</b>	2,193.2	21.7	
Total capital		13	<b>2,736.0</b>	2,693.3	42.7	
Total risk weighted assets		14	<b>18,653.9</b>	18,113.1	540.7	

## (2) Leverage ratio

## [Consolidated]

(Billions of yen)						Minimum requirement
			Sep. 2020 (Preliminary)	Mar. 2020	Change	
Leverage ratio	(16) / (17)	15	<b>5.85%</b>	4.64%	1.21%	3.00%
Tier 1 capital		16	<b>2,802.6</b>	2,758.1	44.4	
Total Exposure		17	<b>47,847.5</b>	59,325.3	(11,477.8)	

## [SuMi TRUST Bank (Consolidated)]

(Billions of yen)						Minimum requirement
			Sep. 2020 (Preliminary)	Mar. 2020	Change	
Leverage ratio	(19) / (20)	18	<b>5.15%</b>	4.09%	1.06%	3.00%
Tier 1 capital		19	<b>2,454.8</b>	2,420.4	34.4	
Total Exposure		20	<b>47,662.1</b>	59,140.6	(11,478.5)	

## [SuMi TRUST Bank (Non-consolidated)]

(Billions of yen)						Minimum requirement
			Sep. 2020 (Preliminary)	Mar. 2020	Change	
Leverage ratio	(22) / (23)	21	<b>4.83%</b>	3.82%	1.01%	3.00%
Tier 1 capital		22	<b>2,214.9</b>	2,193.2	21.7	
Total Exposure		23	<b>45,805.0</b>	57,397.2	(11,592.1)	

## 10. Return on equity (ROE)

## [Consolidated]

	1HFY2020	1HFY2019	Change
Return (Net income) on shareholders' equity	<b>6.76%</b>	9.32%	(2.56%)
Return (Net income) on equity	<b>6.19%</b>	7.96%	(1.77%)

Note1: Return on shareholders' equity (equity)

= Net income attributable to owners of the parents

+{ (Beginning balance of shareholders' equity (equity) + Ending balance of shareholders' equity (equity) ) ÷ 2 } X 100

Note2: Shareholders' equity = Total net assets - Share purchase warrants - Minority interests - Total accumulated other comprehensive income

Note3: Equity = Total net assets - Share purchase warrants - Minority interests

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

## (1) Balance of loans and deposits, etc.

[Non-consolidated]

		(Millions of yen)					
		Sep. 2020		Mar. 2020		Change	
		Total	Domestic branches	Total	Domestic branches	Total	Domestic branches
Loans and bills discounted	(Ending balance)	<b>30,198,712</b>	<b>26,216,308</b>	29,980,224	25,900,423	218,488	315,885
	(Average balance)	<b>30,513,916</b>	<b>26,462,343</b>	29,135,750	25,266,861	1,378,165	1,195,482
Banking account	(Ending balance)	<b>30,181,186</b>	<b>26,198,782</b>	29,953,513	25,873,712	227,673	325,070
	(Average balance)	<b>30,489,276</b>	<b>26,437,703</b>	29,106,829	25,237,940	1,382,447	1,199,763
Principal guaranteed trust account	(Ending balance)	<b>17,525</b>	<b>17,525</b>	26,710	26,710	(9,185)	(9,185)
	(Average balance)	<b>24,639</b>	<b>24,639</b>	28,920	28,920	(4,281)	(4,281)
Deposits, Trust principal	(Ending balance)	<b>37,087,026</b>	<b>32,434,016</b>	35,140,434	30,455,058	1,946,591	1,978,958
	(Average balance)	<b>35,223,774</b>	<b>30,800,017</b>	33,421,582	28,810,946	1,802,192	1,989,071
Deposits (*)	(Ending balance)	<b>33,777,147</b>	<b>29,124,138</b>	30,537,466	25,852,090	3,239,681	3,272,047
	(Average balance)	<b>31,805,807</b>	<b>27,382,051</b>	30,311,263	25,700,627	1,494,544	1,681,423
Time deposits	(Ending balance)	<b>22,932,328</b>	<b>18,570,708</b>	20,565,418	16,147,578	2,366,910	2,423,129
	(Average balance)	<b>21,502,202</b>	<b>17,365,262</b>	20,417,305	16,089,483	1,084,897	1,275,778
Liquid deposits	(Ending balance)	<b>9,620,875</b>	<b>9,329,805</b>	8,578,231	8,310,993	1,042,643	1,018,811
	(Average balance)	<b>9,183,030</b>	<b>8,896,744</b>	8,629,294	8,347,267	553,735	549,477
Trust principal	(Ending balance)	<b>3,309,878</b>	<b>3,309,878</b>	4,602,967	4,602,967	(1,293,089)	(1,293,089)
	(Average balance)	<b>3,417,966</b>	<b>3,417,966</b>	3,110,319	3,110,319	307,647	307,647

(\*) Excluding NCD.

## (2) Ending balance of deposits classified by depositors (Domestic branches)

[Non-consolidated]

(Millions of yen)			
	Sep. 2020	Mar. 2020	Change
Individuals	<b>18,068,348</b>	17,865,016	203,332
Deposits	<b>16,583,016</b>	16,358,604	224,412
Trust principal (Principal guaranteed)	<b>1,485,331</b>	1,506,411	(21,079)
Corporations and other organizations (*1)	<b>14,250,797</b>	12,274,085	1,976,712
Deposits	<b>12,426,250</b>	9,177,529	3,248,721
Trust principal (Principal guaranteed)	<b>1,824,546</b>	3,096,556	(1,272,009)
Total	<b>32,319,145</b>	30,139,101	2,180,044

(\*1) "Other organizations" are public organizations and financial institutions.

(\*2) Excluding NCD and offshore accounts

## 12. Loans (Banking a/c and principal guaranteed trust a/c combined)

## 1) Loans to small and mid-sized enterprises, etc.

[Non-consolidated]

	(Millions of yen, %)		
	Sep. 2020	Mar. 2020	Change
Loan balance	17,182,549	17,104,368	78,181
Loans to individuals	10,573,795	10,443,216	130,578
Ratio to total loan balance	65.5	66.0	(0.5)

## 2) Loans to individuals

[Non-consolidated]

	(Millions of yen)		
	Sep. 2020	Mar. 2020	Change
Residential mortgage loans	9,922,462	9,801,073	121,389
Loans to individual for business use (*)	607,648	594,389	13,259
Other consumer loans	43,683	47,754	(4,070)
Total	10,573,795	10,443,216	130,578

## 3) Loans by industry

[Non-consolidated]

	(Millions of yen)		
	Sep. 2020	Mar. 2020	Change
Domestic Branches (excluding offshore accounts)	26,216,308	25,900,423	315,885
Manufacturing	3,045,891	2,643,446	402,444
Agriculture, forestry, fisheries, mining, quarrying of stone and gravel gathering	61,620	64,348	(2,728)
Construction	192,637	184,452	8,185
Electricity, gas, heat supply and water	1,209,894	1,171,913	37,981
Information and communications	355,574	428,496	(72,922)
Transport and postal activities	1,243,983	1,146,820	97,163
Wholesale and retail trade	1,263,904	1,253,829	10,074
Finance and insurance	2,272,162	2,487,735	(215,572)
Real estate	3,602,749	3,523,096	79,652
Goods rental and leasing	1,133,213	1,174,796	(41,583)
Others	11,834,677	11,821,487	13,190
Overseas branches and offshore accounts	3,982,404	4,079,800	(97,396)
Total	30,198,712	29,980,224	218,488

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

## 13. 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)

[Consolidated]

	Sep. 2020		Mar. 2020		Change	
	Total	Banking a/c	Total	Banking a/c	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act	136,598	136,393	111,737	111,022	24,860	25,370
Bankrupt and practically bankrupt	26,751	26,724	14,562	14,534	12,188	12,189
Doubtful	59,016	58,871	53,489	52,836	5,527	6,035
Substandard	50,831	50,797	43,686	43,651	7,145	7,146
Ordinary assets	31,584,902	31,567,582	31,234,137	31,208,141	350,764	359,440
Total balance (b)	31,721,501	31,703,975	31,345,875	31,319,164	375,625	384,810
Ratio to total balance (a) / (b)	0.4%	0.4%	0.4%	0.4%	0.0%	0.0%

Note : Partial direct written-off: Sep. 2020: 23,830 million yen, Mar. 2020: 22,127 million yen

[Non-consolidated]

	Sep. 2020		Mar. 2020		Change	
	Total	Banking a/c	Total	Banking a/c	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act	109,657	109,451	86,825	86,110	22,831	23,340
Bankrupt and practically bankrupt	21,809	21,782	9,521	9,493	12,288	12,288
Doubtful	44,205	44,060	39,231	38,578	4,974	5,481
Substandard (b)	43,642	43,608	38,073	38,038	5,569	5,570
Ordinary assets	30,578,110	30,560,789	30,370,170	30,344,174	207,939	216,615
Assets to substandard debtors (excluding Substandard) (c)	1,094	1,094	6,098	6,098	(5,003)	(5,003)
Assets to other special mention debtors	455,440	454,580	418,492	409,836	36,948	44,743
Assets to ordinary debtors	30,121,575	30,105,115	29,945,579	29,928,239	175,995	176,875
Total balance (d)	30,687,767	30,670,241	30,456,996	30,430,285	230,771	239,956
Ratio to total balance (a) / (d)	0.4%	0.4%	0.3%	0.3%	0.1%	0.1%
Assets to substandard debtors (b) + (c)	44,737	44,703	44,171	44,137	565	566

Note : Partial direct written-off: Sep. 2020: 10,514 million yen, Mar. 2020: 8,889 million yen

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

[Non-consolidated]

	Sep. 2020		Mar. 2020		Change	
	Total	Banking a/c	Total	Banking a/c	Total	Banking a/c
Problem assets based on the Financial Reconstruction Act	109,657	109,451	86,825	86,110	22,831	23,340
Coverage ratio	77.1%	77.0%	71.8%	71.6%	5.3%	5.4%
Allowance ratio	49.5%	49.5%	43.8%	43.8%	5.7%	5.7%
Bankrupt and practically bankrupt	21,809	21,782	9,521	9,493	12,288	12,288
Coverage ratio	100.0%	100.0%	100.0%	100.0%	- %	- %
Allowance ratio	100.0%	100.0%	100.0%	100.0%	- %	- %
Doubtful	44,205	44,060	39,231	38,578	4,974	5,481
Coverage ratio	91.5%	91.5%	94.4%	94.3%	(2.9%)	(2.8%)
Allowance ratio	82.9%	82.9%	85.9%	85.9%	(3.0%)	(3.0%)
Substandard	43,642	43,608	38,073	38,038	5,569	5,570
Coverage ratio	51.0%	50.9%	41.5%	41.5%	9.5%	9.4%
Allowance ratio	11.4%	11.4%	12.1%	12.1%	(0.7%)	(0.7%)

Note: Other than the above mentioned, there is Reserves for JOMT (Jointly-operated money trust) of 0.0 billion yen as of Sep. 2020.

(3) Problem assets based on the Financial Reconstruction Act by industry  
[Non-consolidated]

	(Millions of yen)		
	Sep. 2020	Mar. 2020	Change
Domestic Branches (excluding offshore accounts)	70,733	59,331	11,402
Manufacturing	13,076	8,481	4,594
Agriculture, forestry, fisheries, mining, quarrying of stone and gravel gathering	80	342	(261)
Construction	-	0	(0)
Electricity, gas, heat supply and water	3,447	3,679	(232)
Information and communications	51	1	49
Transport and postal activities	-	-	-
Wholesale and retail trade	5,996	6,495	(498)
Finance and insurance	141	160	(18)
Real estate	10,526	8,731	1,794
Others	37,413	31,438	5,975
Overseas branches and offshore accounts	38,923	27,494	11,429
Total	109,657	86,825	22,831

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

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

[Non-consolidated]

[Non-consolidated]		(Billions of yen, %)									
Borrower classification under the self-assessment		Problem assets based on the Financial Reconstruction Act		Self-assessment				Allowance (*)	Coverage ratio	Allowance ratio	
				Not categorized	Category II	Category III	Category IV				
Legal bankruptcy			(1) Bankrupt/ practically bankrupt 21.8	(1) Guarantee and collateral 18.0	Entirely covered by allowances	Entirely written-off or covered by allowances	(1) Specific allowance for loan losses 3.7	100.0	100.0		
Virtual bankruptcy			(2) Doubtful 44.2	(2) Guarantee and collateral 22.4	Partially covered by allowances		(2) Specific allowance for loan losses 18.0	91.5	82.9		
Possible bankruptcy			(3) Substandard 43.6	(3) Guarantee and collateral 19.4			(3) General allowance for loan losses 2.7	51.0	11.4		
Requiring careful monitoring	Substandard debtors	(4) Ordinary assets (A + B + C) 30,578.1	A. Assets to substandard debtors (exc. Substandard) 1.1								
			B. Assets to other special mention debtors (exc. Assets to substandard debtors) 455.4								
			C. Assets to ordinary debtors 30,121.6								
Normal											
			Problem assets based on the Financial Reconstruction Act (1) + (2) + (3) 109.7	Guarantee and collateral (1) + (2) + (3) 59.9			Allowance for loan losses (1) + (2) + (3) 24.6	77.1	49.5		
Total balance (1) + (2) + (3) + (4) 30,687.8			Not categorized, category II 30,683.3		category III 4.3	category IV -					

(\*) 0.0 billion yen of reserves for loan trust and reserves for JOMT (Jointly-operated money trust) are posted in principal guaranteed trust account.

(Billions of yen, %)

Borrower classification under the self-assessment		Problem assets based on the Financial Reconstruction Act	Self-assessment				Allowance (*)	Coverage ratio	Allowance ratio
			Not categorized	Category II	Category III	Category IV			
Legal bankruptcy		(1) Bankrupt/practically bankrupt 21.8	(1) Guarantee and collateral 18.0	Entirely covered by allowances	Entirely written-off or covered by allowances		(1) Specific allowance for loan losses 3.7	100.0	100.0
Virtual bankruptcy									
Possible bankruptcy		(2) Doubtful 44.2	(2) Guarantee and collateral 22.4	Partially covered by allowances			(2) Specific allowance for loan losses 18.0	91.5	82.9
Requiring careful monitoring	Substandard debtors	(3) Substandard 43.6	(3) Guarantee and collateral 19.4				(3) General allowance for loan losses 2.7	51.0	11.4
	Special mention (exc. Substandard)	A. Assets to substandard debtors (exc. Substandard) 1.1							
		B. Assets to other special mention debtors (exc. Assets to substandard debtors) 455.4							
		(4) Ordinary assets (A + B + C) 30,578.1							
Normal		C. Assets to ordinary debtors 30,121.6							
		Problem assets based on the Financial Reconstruction Act (1) + (2) + (3) 109.7	Guarantee and collateral (1) + (2) + (3) 59.9				Allowance for loan losses (1) + (2) + (3) 24.6	77.1	49.5
Total balance (1) + (2) + (3) + (4)		30,687.8	Not categorized, category II 30,683.3	category III 4.3	category IV -				

(\*) 0.0 billion yen of reserves for loan trust and reserves for JOMT (Jointly-operated money trust) are posted in principal guaranteed trust account.



## 15. Allowance for loan losses

## (1) Balance of allowance for loan losses

(Banking account)

[Consolidated]

(Millions of yen)

	Sep. 2020	Mar. 2020	Change
Allowance for loan losses	<b>124,896</b>	127,205	(2,309)
General allowance for loan losses	<b>98,563</b>	106,736	(8,172)
Specific allowance for loan losses	<b>26,332</b>	20,469	5,863
Partial direct written-off	<b>24,123</b>	22,391	1,732

[Non-consolidated]

(Millions of yen)

	Sep. 2020	Mar. 2020	Change
Allowance for loan losses	<b>96,448</b>	98,191	(1,742)
General allowance for loan losses	<b>74,070</b>	81,676	(7,605)
Specific allowance for loan losses	<b>22,378</b>	16,515	5,863
Partial direct written-off	<b>10,514</b>	8,889	1,624

(Trust account)

[Non-consolidated]

(Millions of yen)

	Sep. 2020	Mar. 2020	Change
Reserves for JOMT (Jointly-operated money trust)	<b>21</b>	70	(49)

Note: Trust a/c is principal guaranteed trust a/c

## (2) Reserve ratio for assets to special mention/ ordinary debtors (general allowance for loan losses)

(Banking account)

[Non-consolidated]

(%)

	Sep. 2020	Mar. 2020	Change
Assets to Special mention debtors	<b>5.60</b>	7.29	(1.69)
Substandard	<b>6.23</b>	8.75	(2.52)
Against uncovered portion	<b>11.50</b>	12.66	(1.16)
Other special mention	<b>5.54</b>	7.13	(1.59)
Against uncovered portion	<b>11.85</b>	14.53	(2.68)
Assets to Ordinary debtors	<b>0.15</b>	0.16	(0.01)

Note: The above list indicates the ratio of general allowance for loan losses to each asset.

## 16. Final disposal of non-performing loans (Banking a/c and principal guaranteed trust a/c combined)

## (1) Loans outstanding in doubtful or worse categories

[Non-consolidated]

(Billions of yen)

	Sep. 2017	Mar. 2018	Sep. 2018	Mar. 2019	Sep. 2019	Mar. 2020	Sep. 2020	Change from Mar. 2020
Total	41.1	39.1	38.7	65.7	68.4	48.8	<b>66.0</b>	17.3
Loans outstanding in doubtful or worse categories as of Sep. 2017 and disposal thereafter	41.1	29.4	24.6	21.4	18.5	15.9	<b>11.7</b>	(4.2)
New entry to doubtful or worse categories during 1HFY2017 and disposal thereafter		9.6	7.4	7.0	6.2	6.0	<b>5.9</b>	(0.2)
New entry to doubtful or worse categories during 1HFY2018 and disposal thereafter			6.7	4.3	2.9	1.5	<b>0.9</b>	(0.6)
New entry to doubtful or worse categories during 2HFY2018 and disposal thereafter				33.0	14.0	9.7	<b>5.8</b>	(3.9)
New entry to doubtful or worse categories during 1HFY2019 and disposal thereafter					26.8	3.5	<b>2.5</b>	(1.0)
New entry to doubtful or worse categories during 2HFY2019 and disposal thereafter						12.2	<b>8.6</b>	(3.6)
New entry to doubtful or worse categories during 1HFY2020 and disposal thereafter							<b>30.7</b>	30.7

## (2) Progress of final disposal

[Non-consolidated]

(Billions of yen)

Period	Primary amount (A)	Amount as of Sep. 2020 (B)	Quasi final disposal or in the process of final disposal (C)	Amount of final disposal in 1HFY2020	Progress ratio of final disposal (%) (A-B)/A	Adjusted progress ratio of final disposal (%) (*) (A-B+C)/A
Before 1HFY2017	3,573.6	11.7	3.1	4.2	99.6	99.7
2HFY2017	9.6	5.9	0.0	0.2	39.0	39.3
1HFY2018	6.7	0.9	0.1	0.6	86.8	88.7
2HFY2018	33.0	5.8	0.1	3.9	82.4	82.7
1HFY2019	26.8	2.5	0.3	1.0	90.5	91.5
2HFY2019	12.2	8.6	0.2	3.6	29.6	31.1
1HFY2020	30.7	30.7	15.1	-	-	49.0
Total	-----	<b>66.0</b>	18.8	<b>13.4</b>	-----	-----

(\*) Progress ratio of final disposal considering quasi final disposal

## 17. Retirement benefits

[Consolidated]

		(Millions of yen)		
		Sep. 2020	Mar. 2020	Change
Projected benefit obligation	(A)	<b>461,814</b>	462,975	(1,160)
Discount rate		<b>mainly 0.5%</b>	mainly 0.5%	---
Plan assets	(B)	<b>546,281</b>	536,026	10,254
Liabilities for retirement benefits	(C)	<b>14,146</b>	14,044	101
Assets for retirement benefits	(D)	<b>98,613</b>	87,096	11,517

Note: (A) = (B) + (C) - (D)

• Remeasurements of retirement benefits (before considering tax effect accounting)

		(Millions of yen)		
		Sep. 2020	Mar. 2020	Change
Unrecognized net prior services costs		<b>(209)</b>	(193)	(15)
Unrecognized net actuarial loss		<b>93,082</b>	98,876	(5,794)
Total		<b>92,873</b>	98,683	(5,810)

		(Millions of yen)		
		1HFY2020	1HFY2019	Change
Retirement benefit expenses		<b>(2,591)</b>	1,683	(4,274)
Service cost - benefits earned		<b>(6,726)</b>	(6,967)	240
Interest cost on projected benefit obligation		<b>(1,167)</b>	(1,170)	2
Expected return on plan assets		<b>12,382</b>	12,247	134
Disposal of prior services costs		<b>(15)</b>	(14)	(1)
Disposal of actuarial loss		<b>(5,794)</b>	(996)	(4,797)
Others (*)		<b>(1,269)</b>	(1,416)	146

(\*) Others include required contributions

[Non-consolidated]

		(Millions of yen)		
		Sep. 2020	Mar. 2020	Change
Projected benefit obligation	(A)	<b>434,044</b>	435,399	(1,355)
Discount rate		<b>0.5%</b>	0.5%	- %
Plan assets	(B)	<b>531,389</b>	521,262	10,127
Provision for retirement benefits	(C)	<b>759</b>	736	22
Prepaid pension expenses	(D)	<b>191,666</b>	186,272	5,393
Unrecognized net prior services costs	(E)	<b>111</b>	153	(41)
Unrecognized net actuarial loss	(F)	<b>93,450</b>	99,519	(6,069)

Note: (A) = (B) + (C) - (D) + (E) + (F)

		(Millions of yen)		
		1HFY2020	1HFY2019	Change
Retirement benefit expenses		<b>(1,765)</b>	1,101	(2,867)
Service cost - benefits earned		<b>(5,934)</b>	(6,144)	210
Interest cost on projected benefit obligation		<b>(1,086)</b>	(1,091)	4
Expected return on plan assets		<b>12,207</b>	12,053	153
Disposal of prior services costs		<b>(41)</b>	(41)	-
Disposal of actuarial loss		<b>(6,069)</b>	(2,774)	(3,294)
Others (*)		<b>(840)</b>	(899)	58

(\*) Others include required contributions

## 18. Deferred tax assets

## (1) Major factors for deferred tax assets and deferred tax liabilities

[Consolidated]

	(Billions of yen)		
	Sep. 2020	Mar. 2020	Change
Deferred tax assets (A)	13.7	14.5	(0.8)
Loss carry forwards	4.3	4.3	0.0
Devaluation of securities	18.9	19.1	(0.2)
Allowance for loan losses (including written-off of loans)	47.3	48.1	(0.8)
Deferred gains/ losses on hedges	23.8	25.6	(1.8)
Liabilities for retirement benefits	28.7	30.6	(1.8)
Valuation difference due to share exchange	4.6	4.7	(0.1)
Others	54.4	55.7	(1.2)
Valuation allowance	(24.1)	(24.3)	0.2
Offset with deferred tax liabilities	(144.5)	(149.6)	5.0
Deferred tax liabilities (B)	53.2	50.8	2.4
Amount related retirement benefits	24.9	23.0	1.9
Valuation difference on available-for-sale securities	156.1	159.8	(3.6)
Valuation difference due to share exchange	5.8	5.8	-
Others	10.9	11.8	(0.8)
Offset with deferred tax assets	(144.5)	(149.6)	5.0
Net deferred tax assets (A) - (B)	(39.5)	(36.3)	(3.2)

[Non-consolidated]

	(Billions of yen)		
	Sep. 2020	Mar. 2020	Change
Deferred tax assets (A)	-	-	-
Devaluation of securities	37.1	37.1	(0.0)
Allowance for loan losses (including written-off of loans)	29.2	30.1	(0.8)
Deferred gains/ losses on hedges	21.8	23.7	(1.9)
Others	30.4	30.3	0.1
Valuation allowance	(25.9)	(26.0)	0.0
Offset with deferred tax liabilities	(92.7)	(95.3)	2.6
Deferred tax liabilities (B)	91.4	91.8	(0.4)
Amount related retirement benefits	25.6	23.6	1.9
Valuation difference on available-for-sale securities	154.7	158.6	(3.9)
Others	3.7	4.8	(1.1)
Offset with deferred tax assets	(92.7)	(95.3)	2.6
Net deferred tax assets (A) - (B)	(91.4)	(91.8)	0.4

## (2) Adequacy for calculating and posting net deferred tax assets

[Non-consolidated]

SuMi TRUST Bank applied the category 2 of the Guidance No. 26 of the Accounting Standards (\*) for tax effect accounting and posted net deferred tax assets as a company reporting stable taxable income.

(\*) Guidance on Recoverability of Deferred Tax Assets (the Accounting Standards Board of Japan (ASBJ))

## (Reference) Taxable income before deduction of loss carryforwards for the past 5 years

	(Billions of yen)				
	FY2019	FY2018	FY2017	FY2016	FY2015
Taxable income before deduction of loss carryforwards	195.3	146.2	127.6	106.4	177.5
Net business profit before credit costs	206.8	231.4	189.7	150.5	249.1

## &lt;Reference&gt; Other referential financial figures of SuMi TRUST Bank

## (1) Balance Sheets

[Non-consolidated]

(Billions of yen)

	Sep. 2020	Mar. 2020	Change
<b>Assets:</b>			
Cash and due from banks	17,124.6	12,916.0	4,208.6
Call loans	21.8	71.2	(49.4)
Receivables under resale agreements	145.0	1,220.7	(1,075.7)
Receivables under securities borrowing transactions	779.6	740.6	38.9
Monetary claims bought	44.5	64.1	(19.6)
Trading assets	554.4	609.1	(54.7)
Money held in trust	0.0	0.0	-
Securities	6,922.7	6,625.0	297.6
Loans and bills discounted	30,181.1	29,953.5	227.6
Foreign exchanges	46.1	36.9	9.2
Other assets	1,290.0	1,650.4	(360.4)
Tangible fixed assets	189.6	189.9	(0.3)
Intangible fixed assets	73.1	70.9	2.1
Prepaid pension expenses	191.6	186.2	5.3
Customers' liabilities for acceptances and guarantees	388.0	359.7	28.3
Allowance for loan losses	(96.4)	(98.1)	1.7
<b>Total assets</b>	<b>57,856.2</b>	<b>54,596.7</b>	<b>3,259.4</b>
<b>Liabilities:</b>			
Deposits	33,777.1	30,537.4	3,239.6
Negotiable certificates of deposit	7,235.7	6,112.9	1,122.7
Call money	86.3	201.2	(114.9)
Payables under repurchase agreements	1,379.0	1,558.9	(179.8)
Payables under securities lending transactions	-	-	-
Trading liabilities	325.4	371.9	(46.4)
Borrowed money	5,751.8	5,973.0	(221.1)
Foreign exchanges	18.0	23.7	(5.6)
Short-term bonds payable	1,947.1	1,136.8	810.3
Corporate bonds	527.0	415.3	111.7
Borrowed money from trust account	3,517.4	4,750.2	(1,232.8)
Other liabilities	745.4	1,026.2	(280.7)
Provision for bonuses	8.1	9.9	(1.7)
Provision for directors' bonuses	-	0.0	(0.0)
Provision for stocks payment	0.3	0.2	0.0
Provision for retirement benefits	0.7	0.7	0.0
Provision for reimbursement of deposits	4.4	4.8	(0.4)
Provision for contingent loss	1.4	1.4	0.0
Deferred tax liabilities	91.4	91.8	(0.4)
Deferred tax liabilities for land revaluation	2.4	2.4	-
Acceptances and guarantees	388.0	359.7	28.3
<b>Total liabilities</b>	<b>55,807.7</b>	<b>52,579.3</b>	<b>3,228.4</b>
<b>Net assets:</b>			
Capital stock	342.0	342.0	-
Capital surplus	343.0	343.0	-
Legal capital surplus	273.0	273.0	-
Other capital surplus	70.0	70.0	-
Retained earnings	1,061.7	1,020.7	41.0
Legal retained earnings	69.0	69.0	-
Other retained earnings	992.7	951.7	41.0
Other voluntary reserve	371.8	371.8	-
Retained earnings brought forward	620.8	579.8	41.0
Shareholders' equity	1,746.8	1,705.8	41.0
Valuation difference on available-for-sale securities	354.9	363.4	(8.5)
Deferred gains/ losses on hedges	(49.4)	(48.0)	(1.4)
Revaluation reserve for land	(3.9)	(3.9)	-
Valuation and translation adjustments	301.5	311.5	(10.0)
<b>Total net assets</b>	<b>2,048.4</b>	<b>2,017.4</b>	<b>30.9</b>
<b>Total liabilities and net assets</b>	<b>57,856.2</b>	<b>54,596.7</b>	<b>3,259.4</b>

(2) Statements of Income  
[Non-consolidated]

	(Billions of yen)		
	1HFY2020	1HFY2019	Change
Ordinary income	<b>372.3</b>	513.5	(141.1)
Trust fees	<b>50.2</b>	49.0	1.1
Interest income	<b>178.7</b>	248.0	(69.2)
Interest on loans and discounts	<b>131.0</b>	172.3	(41.2)
Interest and dividends on securities	<b>41.7</b>	53.4	(11.6)
Fees and commissions	<b>79.1</b>	92.6	(13.5)
Trading income	<b>17.5</b>	42.8	(25.2)
Other ordinary income	<b>27.5</b>	65.3	(37.7)
Other income	<b>18.9</b>	15.5	3.4
Ordinary expenses	<b>288.0</b>	398.5	(110.4)
Interest expenses	<b>78.5</b>	191.0	(112.4)
Interest on deposits	<b>25.9</b>	63.6	(37.6)
Fees and commissions payments	<b>48.6</b>	47.3	1.3
Trading expenses	<b>-</b>	0.1	(0.1)
Other ordinary expenses	<b>1.1</b>	23.0	(21.8)
General and administrative expenses	<b>128.7</b>	124.7	3.9
Other expenses	<b>30.9</b>	12.2	18.6
Ordinary profit	<b>84.2</b>	114.9	(30.6)
Extraordinary income	<b>-</b>	0.6	(0.6)
Extraordinary losses	<b>0.5</b>	0.4	0.0
Income before Income Taxes	<b>83.7</b>	115.1	(31.3)
Income taxes-Current	<b>19.4</b>	26.2	(6.8)
Income taxes-Deferred	<b>1.5</b>	3.9	(2.4)
Income taxes	<b>21.0</b>	30.2	(9.2)
Net income	<b>62.7</b>	84.8	(22.1)

(3) Statement of trust account  
[Non-consolidated]

	(Billions of yen)		
	Sep. 2020	Mar. 2020	Change
Loans and bills discounted	1,498.2	1,543.1	(44.8)
Securities	984.2	1,075.1	(90.9)
Beneficiary rights	180,267.9	172,441.2	7,826.6
Securities held in custody accounts	22.6	22.8	(0.1)
Money claims	22,489.6	19,271.0	3,218.6
Tangible fixed assets	18,102.9	17,315.5	787.3
Intangible fixed assets	195.3	194.2	1.1
Other claims	7,241.8	7,273.4	(31.6)
Loans to banking account	3,517.4	4,750.2	(1,232.8)
Cash and due from banks	549.9	538.3	11.5
<b>Total assets</b>	<b>234,870.2</b>	<b>224,425.3</b>	<b>10,444.8</b>
Money trusts	32,736.1	33,415.4	(679.3)
Pension trusts	12,560.6	13,023.7	(463.1)
Property formation benefit trusts	18.7	19.0	(0.3)
Securities investment trusts	81,136.2	79,777.2	1,358.9
Money entrusted, other than money trusts	37,001.9	32,458.3	4,543.6
Securities trusts	22,713.0	20,975.7	1,737.2
Money claim trusts	22,591.3	19,383.8	3,207.5
Land and fixtures trusts	0.9	78.4	(77.4)
Composite trusts	26,111.2	25,293.4	817.7
<b>Total liabilities</b>	<b>234,870.2</b>	<b>224,425.3</b>	<b>10,444.8</b>

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

Sep. 2020: 179,320.7 billion yen, Mar. 2020: 171,496.3 billion yen

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

(Billions of yen)				
		Sep. 2020	Mar. 2020	Change
Money trusts	Loans and bills discounted	17.5	26.7	(9.1)
	Others	3,292.5	4,576.6	(1,284.0)
	Total assets	3,310.1	4,603.3	(1,293.2)
	Principal	3,309.8	4,602.9	(1,293.0)
	Reserves for JOMT (Jointly-operated money trust)	0.0	0.0	(0.0)
	Others	0.2	0.3	(0.0)
	Total liabilities	3,310.1	4,603.3	(1,293.2)