

Sumitomo Mitsui Trust Holdings, Inc. (SuMi TRUST Holdings)
Financial Results for the Nine Months Ended December 31, 2020
[Japanese GAAP] (Consolidated)



January 28, 2021

Stock exchange listings: Tokyo and Nagoya (Code: 8309)
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Filing date of quarterly securities report
 (Shihanki Hokokusyo) (Scheduled): February 10, 2021
 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 Nine Months Ended December 31, 2020)

(1) Operating Results

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

	Ordinary Income		Ordinary Profit		Net Income Attributable to Owners of the Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Nine Months Ended						
December 31, 2020	922,610	(18.6)	180,024	(17.4)	126,613	(17.8)
December 31, 2019	1,132,775	5.2	217,844	7.6	153,973	14.6

(Note) Comprehensive Income: Nine months ended December 31, 2020 ¥82,088 million, (4.3)%

Nine months ended December 31, 2019 ¥85,737 million, 18.7%

	Net Income per Share of Common Stock	Fully Diluted Net Income per Share of Common Stock
Nine Months Ended	Yen	Yen
December 31, 2020	338.05	337.84
December 31, 2019	409.88	409.62

(2) Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets Ratio
As of	Millions of Yen	Millions of Yen	%
December 31, 2020	60,698,082	2,615,079	4.2
March 31, 2020	56,500,552	2,590,907	4.5

(Reference) Shareholders' Equity: As of December 31, 2020 ¥2,579,214 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	Yen	Yen	Yen	Yen	Yen
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)

	Net Income Attributable to Owners of the Parent		Net Income per Share of Common Stock
Fiscal Year Ending	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 Nine Months Ended December 31, 2020: None

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

(For further details, please refer to “1. (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 December 31, 2020	375,291,440 shares	As of March 31, 2020	375,291,440 shares
As of December 31, 2020	747,259 shares	As of March 31, 2020	755,159 shares
For the nine months ended December 31, 2020	374,541,365 shares	For the nine months ended December 31, 2019	375,650,195 shares

2) Number of treasury stock:

3) Average number of outstanding issued shares:

These consolidated financial results for the nine months ended December 31, 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 nine months ended December 31, 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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1. Consolidated Financial Statements and Notes to the Consolidated Financial Statements**(1) Consolidated Balance Sheets**

(Millions of Yen)

	As of March 31, 2020	As of December 31, 2020
Assets:		
Cash and Due from Banks	13,141,192	16,946,010
Call Loans and Bills Bought	71,236	1,299,099
Receivables under Resale Agreements	1,220,761	160,032
Receivables under Securities Borrowing Transactions	740,658	760,823
Monetary Claims Bought	999,705	783,840
Trading Assets	507,646	498,361
Money Held in Trust	7,230	9,973
Securities	6,437,599	6,806,714
Loans and Bills Discounted	29,703,375	30,092,589
Foreign Exchanges	36,952	27,860
Lease Receivables and Investment Assets	673,880	684,872
Other Assets	2,124,043	1,763,657
Tangible Fixed Assets	213,547	214,217
Intangible Fixed Assets	129,455	129,935
Assets for Retirement Benefits	87,096	105,807
Deferred Tax Assets	14,564	13,126
Customers' Liabilities for Acceptances and Guarantees	518,811	525,124
Allowance for Loan Losses	(127,205)	(123,966)
Total Assets	56,500,552	60,698,082
Liabilities:		
Deposits	30,688,920	34,146,184
Negotiable Certificates of Deposit	5,860,292	6,946,530
Call Money and Bills Sold	142,974	116,140
Payables under Repurchase Agreements	1,558,919	1,566,787
Trading Liabilities	371,950	332,376
Borrowed Money	5,856,384	5,638,332
Foreign Exchanges	3,213	382
Short-Term Bonds Payable	1,707,097	2,565,002
Bonds Payable	1,125,731	1,292,474
Borrowed Money from Trust Account	4,750,289	3,849,221
Other Liabilities	1,215,433	1,020,402
Provision for Bonuses	18,619	8,420
Provision for Directors' Bonuses	172	41
Provision for Stocks Payment	279	459
Liabilities for Retirement Benefits	14,044	14,132
Provision for Reward Points Program	16,889	16,691
Provision for Reimbursement of Deposits	4,867	4,415
Provision for Contingent Losses	1,440	1,504
Deferred Tax Liabilities	50,875	35,989
Deferred Tax Liabilities for Land Revaluation	2,439	2,388
Acceptances and Guarantees	518,811	525,124
Total Liabilities	53,909,645	58,083,002

(Continued)

(Millions of Yen)

	As of March 31, 2020	As of December 31, 2020
Net Assets:		
Capital Stock	261,608	261,608
Capital Surplus	580,595	580,161
Retained Earnings	1,495,029	1,565,513
Treasury Stock	(2,855)	(2,823)
Total Shareholders' Equity	2,334,377	2,404,460
Valuation Differences on Available-for-Sale Securities	351,459	297,844
Deferred Gains (Losses) on Hedges	(56,765)	(54,949)
Revaluation Reserve for Land	(6,623)	(6,739)
Foreign Currency Translation Adjustments	1,332	1,053
Adjustments for Retirement Benefits	(68,513)	(62,454)
Total Accumulated Other Comprehensive Income	220,889	174,754
Subscription Rights to Shares	1,057	1,037
Non-Controlling Interests	34,583	34,827
Total Net Assets	2,590,907	2,615,079
Total Liabilities and Net Assets	56,500,552	60,698,082

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

(Millions of Yen)

	For the Nine Months Ended	
	December 31, 2019	December 31, 2020
Ordinary Income:	1,132,775	922,610
Trust Fees	73,685	75,859
Interest Income:	372,444	266,608
Interest on Loans and Discounts	267,933	206,247
Interest and Dividends on Securities	64,493	47,459
Fees and Commissions	298,736	277,424
Trading Income	47,549	10,437
Other Ordinary Income	300,850	259,272
Other Income	39,510	33,007
Ordinary Expenses:	914,931	742,585
Interest Expenses:	289,131	110,385
Interest on Deposits	100,296	36,992
Fees and Commissions Payments	82,021	85,889
Trading Expenses	342	192
Other Ordinary Expenses	203,391	192,400
General and Administrative Expenses	318,681	316,076
Other Expenses	21,363	37,640
Ordinary Profit	217,844	180,024
Extraordinary Income:	3,154	14
Gains on Disposal of Fixed Assets	3,154	14
Extraordinary Losses:	939	819
Losses on Disposal of Fixed Assets	448	476
Impairment Losses	491	343
Income before Income Taxes	220,058	179,219
Income Taxes:	63,852	51,139
Current	43,127	46,495
Deferred	20,724	4,644
Net Income	156,206	128,080
Net Income Attributable to Non-Controlling Interests	2,233	1,466
Net Income Attributable to Owners of the Parent	153,973	126,613

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	For the Nine Months Ended	
	December 31, 2019	December 31, 2020
Net Income	156,206	128,080
Other Comprehensive Income (Loss):	(70,469)	(45,992)
Valuation Differences on Available-for-Sale Securities	(61,607)	(52,783)
Deferred Gains (Losses) on Hedges	(9,151)	794
Foreign Currency Translation Adjustments	(465)	(246)
Adjustments for Retirement Benefits	1,065	6,041
Attributable to Equity-Method Affiliated Companies	(310)	200
Comprehensive Income:	85,737	82,088
(Breakdown)		
Comprehensive Income Attributable to Owners of the Parent	83,622	80,594
Comprehensive Income Attributable to Non-Controlling Interests	2,114	1,493

(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 nine-month period pertains, and multiplying income before income taxes for the nine-month period by the estimated effective tax rate.

(Additional Information)

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

In particular, some of the 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 nine-month period ended December 31, 2020.