

**Sumitomo Mitsui Trust Holdings, Inc. (SuMi TRUST Holdings)**  
**Financial Results for the Fiscal Year Ended March 31, 2022**  
**[Japanese GAAP] (Consolidated)**



May 12, 2022

Stock exchange listings:	Tokyo and Nagoya (Code: 8309)
URL:	<a href="https://www.smth.jp/en/index.html">https://www.smth.jp/en/index.html</a>
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Date of ordinary general meeting of shareholders:	June 23, 2022
Filing date of securities report (Yukasyoken Hokokusyo) (Scheduled):	June 24, 2022
Specific trading accounts:	Established
Dividend payment date:	June 24, 2022
Explanatory material:	Prepared
Briefing on financial results:	Scheduled (for institutional investors and analysts)

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

## 1. Consolidated Financial Results (for the Fiscal Year Ended March 31, 2022)

### (1) Operating Results

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

Fiscal Year Ended	Ordinary Income		Ordinary Profit		Net Income Attributable to Owners of the Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
March 31, 2022	1,401,091	1.5	229,704	25.4	169,078	18.9
March 31, 2021	1,380,434	(10.1)	183,155	(28.9)	142,196	(12.8)

(Note) Comprehensive Income: Fiscal year ended March 31, 2022 ¥90,859 million, (-54.8)%

Fiscal year ended March 31, 2021 ¥201,137 million, (—)%

Fiscal Year Ended	Net Income per Share of Common Stock	Fully Diluted Net Income per Share of Common Stock	Net Income to Net Assets Ratio	Ordinary Profit to Total Assets Ratio	Ordinary Profit to Ordinary Income Ratio
	Yen	Yen	%	%	%
March 31, 2022	451.40	451.13	6.3	0.4	16.4
March 31, 2021	379.65	379.42	5.4	0.3	13.3

(Reference) Equity in Earnings (Losses) of Affiliated Companies: Fiscal year ended March 31, 2022 ¥ 15,531 million

Fiscal year ended March 31, 2021 ¥11,677 million

### (2) Financial Position

As of	Total Assets	Net Assets	Net Assets to Total Assets Ratio	Net Assets per Share of Common Stock
	Millions of Yen	Millions of Yen	%	Yen
March 31, 2022	64,633,220	2,745,288	4.2	7,249.71
March 31, 2021	63,368,573	2,722,556	4.3	7,192.07

(Reference) Shareholders' Equity: As of March 31, 2022 ¥2,715,556 million

As of March 31, 2021 ¥2,693,760 million

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

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.

(Note 2) As mentioned in “(Changes in Presentation),” the Company has changed the presentation of assets and liabilities for derivative transactions, and reclassifications have been made in the consolidated financial statements for the fiscal year ended March 31, 2021.

### (3) Cash Flows

Fiscal Year Ended	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at the End of the Year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
March 31, 2022	(120,263)	(879,205)	(125,079)	15,733,650
March 31, 2021	6,553,089	(475,494)	(219,723)	16,799,146

## 2. Cash Dividends per Share of Common Stock

	Annual Cash Dividends per Share of Common Stock					Total Dividends Payment (Annual)	Payout Ratio (Consolidated)	Dividends to Net Asset Ratio (Consolidated)
	1st Quarter-End	2nd Quarter-End	3rd Quarter-End	Fiscal Year-End	Total			
Fiscal Year Ended	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
March 31, 2021	—	75.00	—	75.00	150.00	56,245	39.5	2.1
March 31, 2022	—	80.00	—	90.00	170.00	63,744	37.7	2.4
Fiscal Year Ending								
March 31, 2023 (Forecast)	—	100.00	—	100.00	200.00		39.5	

## 3. Consolidated Earnings Forecast (for the Fiscal Year Ending March 31, 2023)

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

Fiscal Year Ending	Net Income Attributable to Owners of the Parent		Net Income per Share of Common Stock
	Millions of Yen	%	Yen
March 31, 2023	190,000	12.4	507.24

### \*Notes

(1) Changes in Significant Subsidiaries during the Fiscal Year Ended March 31, 2022: None

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

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

- |  |      |
|--|------|
| 1) Changes in accounting policies due to the revision of accounting standards: | Yes  |
| 2) Changes in accounting policies other than 1) above:                         | None |
| 3) Changes in accounting estimates:  | None |
| 4) Restatements:   | None |

(3) Number of Shares Issued (Common Stock)

1) Number of shares issued (including treasury stock):	As of March 31, 2022	375,291,440 shares	As of March 31, 2021	375,291,440 shares
2) Number of treasury stock:	As of March 31, 2022	716,750 shares	As of March 31, 2021	745,818 shares
3) Average number of outstanding issued shares:	For the fiscal year ended March 31, 2022	374,562,607 shares	For the fiscal year ended March 31, 2021	374,542,241 shares

(For further details, please refer to “3. (5) Notes to the Consolidated Financial Statements (Per Share of Common Stock Information)” on page 16 of Accompanying Materials.)

**These consolidated financial results for the year ended March 31, 2022, are out of the scope of the year-end audit procedures to be performed by certified public accountants or an audit firm.**

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

The forecasts for results of operations presented in the consolidated financial results for the year ended March 31, 2022, are based on information currently available to, and certain reasonable assumptions made by, SuMi TRUST Holdings. Moreover, SuMi TRUST Holdings does not guarantee the achievement of these forecasts, and actual results may differ significantly from the forecasts due to various factors. Please refer to the most recent relevant materials including securities report, annual report, and other presentations disclosed by SuMi TRUST Holdings and its group companies, for further information that could significantly influence SuMi TRUST Holdings’ financial position and operating results, as well as investment decisions by investors.

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

[Accompanying Materials]

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## 1. Operating Results

### (1) Analysis of Consolidated Operating Results

For the fiscal year ended March 31, 2022, “Net Business Profit” increased by ¥51.3 billion from the previous fiscal year to ¥346.0 billion because of an increase in substantial funds-related income (\*) primarily due to the improvement in revenue and expenditure on loans and deposits in Japan and overseas, and the decline in overseas market-based interest rates, in addition to solid income from fees and commissions in the real estate brokerage business, investment management consulting business, and asset management business.

“Ordinary profit” increased by ¥46.5 billion from the previous year to ¥229.7 billion, mainly due to improvements in gains or losses on stock-related derivatives and net gains on stock due to reduction of strategic shareholdings, despite increases of allowance for loan losses due to the deterioration of business conditions of some customers and increases in credit costs resulting from the revaluation of special reserves against the impact of changes in the economic environments on credit risk.

“Net Income Attributable to Owners of the Parent” increased by ¥26.8 billion from the previous fiscal year to ¥169.0 billion, partly due to the loss of extraordinary gains from the recognition of the full amount of past service costs related to retirement benefits charged to profit or loss in the previous year.

(\*) Substantial funds-related income refers to funds-related income plus surplus funds in foreign currency included in foreign exchange gains or losses.

(Reference)

	Fiscal Year Ended	Changes from the Fiscal Year Ended	Fiscal Year Ended
	March 31, 2022	March 31, 2021	March 31, 2021
Substantial Gross Business Profit	808.1	68.8	739.2
General and Administrative Expenses	(462.0)	(17.5)	(444.5)
Net Business Profit	346.0	51.3	294.7
Ordinary Profit	229.7	46.5	183.1
Net Income Attributable to Owners of the Parent	169.0	26.8	142.1
Total Credit Costs	(41.5)	(33.7)	(7.8)
Net Gains on Stocks	(38.3)	5.1	(43.5)

### (2) Analysis of Consolidated Financial Position

As of March 31, 2022, “Total Assets” increased by ¥1,264.6 billion to ¥64,633.2 billion and “Total Net Assets” increased by ¥22.7 billion to ¥2,745.2 billion from the end of the previous fiscal year.

In particular, “Cash and Due from Banks” decreased by ¥265.3 billion to ¥18,223.3 billion, “Loans and Bills Discounted” increased by ¥369.5 billion to ¥30,876.5 billion, “Securities” increased by ¥895.7 billion to ¥7,879.2 billion, and “Deposits” decreased by ¥237.5 billion to ¥33,230.1 billion, compared with those as of the end of the previous fiscal year.

### (3) Analysis of Consolidated Cash Flows

“Net Cash Used in Operating Activities” totaled ¥120.2 billion, a year-on-year increase of ¥6,673.3 billion, and “Net Cash Used in Investing Activities” totaled ¥879.2 billion, a year-on-year increase of ¥403.7 billion, and “Net Cash Used in Financing Activities” totaled ¥125.0 billion, a year-on-year decrease of ¥94.6 billion. “Cash and Cash Equivalents at the End of the Year” totaled ¥15,733.6 billion.

### (4) Earnings Forecasts

The consolidated earnings forecast for the fiscal year ending March 31, 2023, is as follows: “Net Business Profit” of ¥310.0 billion, a year-on-year decrease of ¥36.0 billion, and “Net Income Attributable to Owners of the Parent” of ¥190.0 billion, a year-on-year increase of ¥20.9 billion.

The total cash dividends for the fiscal year ending March 31, 2023, are projected as ¥200 per share of common stock, a year-on-year increase of ¥30, based on the consolidated earnings forecast for the fiscal year ending March 31, 2023.

## **2. Basic Views of Selecting Accounting Standards**

SuMi TRUST Holdings and its consolidated subsidiaries adopt generally accepted accounting principles in Japan to facilitate financial statement comparability with other companies. As for the introduction of International Financial Reporting Standards (IFRS), we consider business development and operations of the SuMi TRUST Group as well as the internal and external changes, and the decision to adopt IFRS will be dealt with in an appropriate manner.

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

(Millions of Yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets:</b>		
Cash and Due from Banks	18,488,763	18,223,364
Call Loans and Bills Bought	8,766	5,000
Receivables under Resale Agreements	160,268	150,741
Receivables under Securities Borrowing Transactions	727,689	652,534
Monetary Claims Bought	892,309	854,093
Trading Assets	962,849	967,565
Money Held in Trust	12,223	16,308
Securities	6,983,483	7,879,235
Loans and Bills Discounted	30,506,968	30,876,507
Foreign Exchanges	25,396	29,494
Lease Receivables and Investment Assets	695,172	688,141
Other Assets	2,936,013	3,354,333
Tangible Fixed Assets:	228,180	224,535
Buildings	73,966	72,726
Land	130,586	130,367
Lease Assets	5,061	4,798
Construction in Progress	108	110
Other	18,458	16,532
Intangible Fixed Assets:	112,303	125,667
Software	69,946	91,133
Goodwill	37,292	29,510
Other	5,065	5,024
Assets for Retirement Benefits	231,165	192,223
Deferred Tax Assets	14,459	15,613
Customers' Liabilities for Acceptances and Guarantees	511,782	541,228
Allowance for Loan Losses	(129,223)	(163,369)
<b>Total Assets</b>	<b>63,368,573</b>	<b>64,633,220</b>

(Continued)

(Millions of Yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities:</b>		
Deposits	33,467,678	33,230,162
Negotiable Certificates of Deposit	7,160,594	6,587,944
Call Money and Bills Sold	60,675	799,524
Payables under Repurchase Agreements	1,628,440	1,485,033
Trading Liabilities	850,660	906,686
Borrowed Money	5,782,602	7,153,498
Foreign Exchanges	577	1,275
Short-Term Bonds Payable	2,545,049	2,387,553
Bonds Payable	1,545,605	2,076,604
Borrowed Money from Trust Account	4,915,208	4,298,827
Other Liabilities	2,035,474	2,312,326
Provision for Bonuses	18,460	21,087
Provision for Directors' Bonuses	219	181
Provision for Stocks Payment	532	732
Liabilities for Retirement Benefits	13,752	13,553
Provision for Reward Points Program	18,945	19,965
Provision for Reimbursement of Deposits	4,138	3,626
Provision for Contingent Losses	1,633	1,649
Deferred Tax Liabilities	81,594	44,081
Deferred Tax Liabilities for Land Revaluation	2,388	2,388
Acceptances and Guarantees	511,782	541,228
<b>Total Liabilities</b>	<b>60,646,016</b>	<b>61,887,931</b>
<b>Net Assets:</b>		
Capital Stock	261,608	261,608
Capital Surplus	576,114	576,114
Retained Earnings	1,581,096	1,682,519
Treasury Stock	(2,815)	(2,714)
<b>Total Shareholders' Equity</b>	<b>2,416,003</b>	<b>2,517,528</b>
Valuation Differences on Available-for-Sale Securities	329,429	277,617
Deferred Gains (Losses) on Hedges	(44,926)	(42,759)
Revaluation Reserve for Land	(6,739)	(6,839)
Foreign Currency Translation Adjustments	4,000	12,719
Adjustments for Retirement Benefits	(4,007)	(42,708)
<b>Total Accumulated Other Comprehensive Income</b>	<b>277,756</b>	<b>198,028</b>
Subscription Rights to Shares	1,024	1,006
Non-Controlling Interests	27,772	28,725
<b>Total Net Assets</b>	<b>2,722,556</b>	<b>2,745,288</b>
<b>Total Liabilities and Net Assets</b>	<b>63,368,573</b>	<b>64,633,220</b>

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

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2021	March 31, 2022
<b>Ordinary Income:</b>	1,380,434	1,401,091
Trust Fees	102,883	110,539
Interest Income:	363,749	375,659
Interest on Loans and Discounts	271,246	260,871
Interest and Dividends on Securities	75,898	97,683
Interest on Call Loans and Bills Bought	550	685
Interest on Receivables under Resale Agreements	20	—
Interest on Receivables under Securities Borrowing Transactions	0	—
Interest on Deposits with Banks	11,038	12,239
Other Interest Income	4,994	4,179
Fees and Commissions	390,877	444,655
Trading Income	76	13,453
Other Ordinary Income	402,394	336,597
Other Income:	120,453	120,186
Recoveries of Written-Off Claims	809	1,633
Other	119,644	118,553
<b>Ordinary Expenses:</b>	1,197,279	1,171,387
Interest Expenses:	137,471	107,883
Interest on Deposits	45,221	29,848
Interest on Negotiable Certificates of Deposit	14,198	6,787
Interest on Call Money and Bills Sold	371	481
Interest on Payables under Repurchase Agreements	3,576	1,665
Interest on Borrowings	6,911	4,635
Interest on Short-Term Bonds	5,763	3,271
Interest on Bonds	12,858	16,535
Other Interest Expenses	48,570	44,658
Fees and Commissions Payments	118,031	133,161
Trading Expenses	33,300	—
Other Ordinary Expenses	290,350	291,487
General and Administrative Expenses	431,422	435,567
Other Expenses	186,702	203,286
Provision of Allowance for Loan Losses	3,277	37,688
Other	183,424	165,598
<b>Ordinary Profit</b>	183,155	229,704

(Continued)



(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2021	March 31, 2022
Extraordinary Income:	37,731	545
Gains on Disposal of Fixed Assets	151	545
Other	37,580	—
Extraordinary Losses:	20,884	2,249
Losses on Disposal of Fixed Assets	710	780
Impairment Losses	20,173	1,468
<b>Income before Income Taxes</b>	<b>200,003</b>	<b>227,999</b>
Income Taxes:	56,064	57,763
Current	50,991	57,342
Deferred	5,073	420
<b>Net Income</b>	<b>143,938</b>	<b>170,236</b>
<b>Net Income Attributable to Non-Controlling Interests</b>	<b>1,742</b>	<b>1,157</b>
<b>Net Income Attributable to Owners of the Parent</b>	<b>142,196</b>	<b>169,078</b>

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2021	March 31, 2022
<b>Net Income</b>	143,938	<b>170,236</b>
Other Comprehensive Income (Loss):	57,199	<b>(79,377)</b>
Valuation Differences on Available-for-Sale Securities	(20,301)	<b>(46,938)</b>
Deferred Gains (Losses) on Hedges	9,944	<b>135</b>
Foreign Currency Translation Adjustments	1,982	<b>4,045</b>
Adjustments for Retirement Benefits	64,492	<b>(38,671)</b>
Attributable to Equity-Method Affiliated Companies	1,080	<b>2,052</b>
<b>Comprehensive Income:</b>	201,137	<b>90,859</b>
<b>(Breakdown)</b>		
Comprehensive Income Attributable to Owners of the Parent	199,178	<b>89,451</b>
Comprehensive Income Attributable to Non-Controlling Interests	1,958	<b>1,407</b>

(3) Consolidated Statements of Changes in Net Assets  
For the Fiscal Year Ended March 31, 2021

(Millions of Yen)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Year	261,608	580,595	1,495,029	(2,855)	2,334,377
Changes during the Year					
Cash Dividends			(56,244)		(56,244)
Net Income Attributable to Owners of the Parent			142,196		142,196
Purchase of Treasury Stock				(19)	(19)
Disposal of Treasury Stock		(2)		60	57
Purchase of Shares of Consolidated Subsidiaries		(4,478)			(4,478)
Reversal of Revaluation Reserve for Land			115		115
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	(4,480)	86,067	40	81,626
Balance at the End of the Year	261,608	576,114	1,581,096	(2,815)	2,416,003

	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Year	351,459	(56,765)	(6,623)	1,332	(68,513)	220,889	1,057	34,583	2,590,907
Changes during the Year									
Cash Dividends									(56,244)
Net Income Attributable to Owners of the Parent									142,196
Purchase of Treasury Stock									(19)
Disposal of Treasury Stock									57
Purchase of Shares of Consolidated Subsidiaries									(4,478)
Reversal of Revaluation Reserve for Land									115
Net Changes of Items Other Than Shareholders' Equity	(22,030)	11,839	(115)	2,667	64,506	56,866	(33)	(6,811)	50,022
Total Changes during the Year	(22,030)	11,839	(115)	2,667	64,506	56,866	(33)	(6,811)	131,649
Balance at the End of the Year	329,429	(44,926)	(6,739)	4,000	(4,007)	277,756	1,024	27,772	2,722,556

## For the Fiscal Year Ended March 31, 2022

(Millions of Yen)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the beginning of the Year	261,608	576,114	1,581,096	(2,815)	2,416,003
Cumulative Effects of Changes in Accounting Policies			(9,636)		(9,636)
Restated Balance	261,608	576,114	1,571,460	(2,815)	2,406,367
Changes during the Year					
Cash Dividends			(58,119)		(58,119)
Net Income Attributable to Owners of the Parent			169,078		169,078
Purchase of Treasury Stock				(21)	(21)
Disposal of Treasury Stock		0		122	122
Purchase of Shares of Consolidated Subsidiaries					—
Reversal of Revaluation Reserve for Land			100		100
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Year	—	0	111,059	101	111,160
Balance at the End of the Year	261,608	576,114	1,682,519	(2,714)	2,517,528

	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Year	329,429	(44,926)	(6,739)	4,000	(4,007)	277,756	1,024	27,772	2,722,556
Cumulative Effects of Changes in Accounting Policies								(0)	(9,636)
Restated Balance	329,429	(44,926)	(6,739)	4,000	(4,007)	277,756	1,024	27,772	2,712,920
Changes during the Year									
Cash Dividends									(58,119)
Net Income Attributable to Owners of the Parent									169,078
Purchase of Treasury Stock									(21)
Disposal of Treasury Stock									122
Purchase of Shares of Consolidated Subsidiaries									—
Reversal of Revaluation Reserve for Land									100
Net Changes of Items Other Than Shareholders' Equity	(51,812)	2,166	(100)	8,719	(38,701)	(79,727)	(18)	953	(78,792)
Total Changes during the Year	(51,812)	2,166	(100)	8,719	(38,701)	(79,727)	(18)	953	32,368
Balance at the End of the Year	277,617	(42,759)	(6,839)	12,719	(42,708)	198,028	1,006	28,725	2,745,288

## (4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Fiscal Year Ended	
	March 31, 2021	March 31, 2022
<b>Cash Flows from Operating Activities:</b>		
Income before Income Taxes	200,003	227,999
Depreciation and Amortization	34,552	30,841
Impairment Losses	20,173	1,468
Amortization of Goodwill	7,875	7,882
Equity in Losses (Earnings) of Affiliated Companies	(11,677)	(15,531)
Increase (Decrease) in Allowance for Loan Losses	2,018	34,145
Increase (Decrease) in Provision for Bonuses	(159)	2,627
Increase (Decrease) in Provision for Directors' Bonuses	47	(38)
Increase (Decrease) in Provision for Stocks Payment	252	200
Decrease (Increase) in Assets for Retirement Benefits	(132,340)	39,540
Increase (Decrease) in Liabilities for Retirement Benefits	(441)	(338)
Increase (Decrease) in Provision for Reward Points Program	2,056	1,019
Increase (Decrease) in Provision for Reimbursement of Deposits	(728)	(511)
Increase (Decrease) in Provision for Contingent Losses	193	15
Interest Income	(363,749)	(375,659)
Interest Expenses	137,471	107,883
Loss (Gain) Related to Securities	50,309	55,500
Loss (Gain) on Money Held in Trust	(3,071)	257
Foreign Exchange Losses (Gains)	(56,942)	(184,288)
Loss (Gain) on Disposal of Fixed Assets	558	235
Net Decrease (Increase) in Trading Assets	375,744	(11,844)
Net Increase (Decrease) in Trading Liabilities	(352,237)	57,088
Net Decrease (Increase) in Loans and Bills Discounted	(803,592)	(369,539)
Net Increase (Decrease) in Deposit	2,778,758	(237,516)
Net Increase (Decrease) in Negotiable Certificates of Deposit	1,300,302	(572,650)
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowings)	(73,782)	1,415,895
Net Decrease (Increase) in Due from Banks (Excluding Due from the Bank of Japan)	491,550	(800,096)
Net Decrease (Increase) in Call Loans	1,230,261	51,543
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	12,968	75,155
Net Increase (Decrease) in Call Money	(12,776)	595,441
Net Decrease (Increase) in Foreign Exchange-Assets	11,556	(4,098)
Net Increase (Decrease) in Foreign Exchange-Liabilities	(2,636)	698
Net Decrease (Increase) in Lease Receivables and Investment Assets	(21,292)	7,031
Net Increase (Decrease) in Short-Term Bonds Payable	837,951	(157,495)
Increase (Decrease) in Straight Bonds-Issuance and Redemption	570,236	552,497
Net Increase (Decrease) in Borrowed Money from Trust Account	164,918	(616,380)
Proceeds from Fund Management	383,204	377,391
Payments for Finance	(162,409)	(104,641)
Other, Net	(25,174)	(256,062)
Subtotal	6,589,955	(64,331)
Income Taxes (Paid) Refunded	(36,865)	(55,931)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>6,553,089</b>	<b>(120,263)</b>

(Continued)

	Fiscal Year Ended	
	March 31, 2021	March 31, 2022
<b>Cash Flows from Investing Activities:</b>		
Purchase of Securities	(7,135,053)	(9,173,484)
Proceeds from Sales of Securities	3,071,193	4,226,468
Proceeds from Redemption of Securities	3,651,551	4,163,963
Increase in Money Held in Trust	(2,000)	(4,400)
Purchase of Tangible Fixed Assets	(27,800)	(8,882)
Proceeds from Sales of Tangible Fixed Assets	751	1,950
Purchase of Intangible Fixed Assets	(34,086)	(42,934)
Purchase of Shares of Affiliated Companies Accounted for Using the Equity Method	(49)	(41,987)
Proceeds from Sales of Shares of Affiliated Companies Accounted for Using the Equity Method	—	102
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(475,494)</b>	<b>(879,205)</b>
<b>Cash Flows from Financing Activities:</b>		
Proceeds from Subordinated Borrowings	—	5,000
Payments of Subordinated Borrowings	—	(50,000)
Proceeds from Issuance of Subordinated Bonds and Bonds with Subscription Rights to Shares	39,784	19,898
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares	(190,000)	(41,500)
Purchase of Shares of Subsidiaries without Change in the Scope of Consolidation	(12,655)	—
Cash Dividends Paid	(56,241)	(58,115)
Cash Dividends Paid to Non-Controlling Interests	(593)	(342)
Purchase of Treasury Stock	(19)	(21)
Proceeds from Sales of Treasury Stock	1	0
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>(219,723)</b>	<b>(125,079)</b>
<b>Effect of Exchange Rate Change on Cash and Cash Equivalents</b>	<b>(18,749)</b>	<b>59,053</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>5,839,121</b>	<b>(1,065,495)</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>10,960,024</b>	<b>16,799,146</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>16,799,146</b>	<b>15,733,650</b>

## (5) Notes to the Consolidated Financial Statements

### (Notes on Going Concern Assumptions)

There is no applicable information.

### (Changes in Accounting Policies)

#### (Application of Accounting Standard for Revenue Recognition)

The Company has applied the “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan (ASBJ) Statement No.29, March 31, 2020, “the standard for revenue recognition”) from the beginning of the current fiscal year ended March 31, 2022. Once control of a promised good or service is transferred to the customer, the Company recognizes revenue at the amount that the Company expects to receive in exchange for the good or service.

Application of the standard for revenue recognition is in accordance with the transitional treatments specified in the proviso in Paragraph 84 of the standard for revenue recognition. The cumulative effect of applying the new accounting policy retrospectively prior to the current fiscal year ended March 31, 2022 is added to or deducted from retained earnings as of the beginning of the current fiscal year, and the new accounting policy is applied to the balance at the beginning of the current fiscal year.

The effects of this change in the accounting policy on the consolidated financial statements are immaterial.

#### (Application of Accounting Standard for Fair Value Measurement)

The Company has applied the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No.30, July 4, 2019, “the standard for fair value measurement”) from the beginning of the current fiscal year ended March 31, 2022. In accordance with Paragraph 8 of the standard for fair value measurement, the fair value adjustment method for the calculation of the fair value of derivative transactions has been revised to a method that maximizes the use of observable inputs estimated from derivatives traded in the market. Such revision is a result of the application of the standard for fair value measurement, and the cumulative effect of applying the new accounting policy retrospectively prior to the current fiscal year ended March 31, 2022 is reflected as retained earnings as of the beginning of the current fiscal year, in accordance with the transitional measures specified in Paragraph 20 of the standard for fair value measurement.

As a result, trading assets decreased by ¥7,127 million, other assets decreased by ¥8,105 million, deferred tax assets increased by ¥3,948 million, trading liabilities decreased by ¥1,061 million, other liabilities decreased by ¥1,277 million, retained earnings decreased by ¥8,945 million, and net assets per share of common stock decreased by ¥23.88 as of the beginning of the current fiscal year ended March 31, 2022.

### (Changes in Presentation)

#### (Presentation of financial assets and liabilities for derivative transactions based on fair value)

Previously, derivative transactions included in “Trading Assets,” “Trading Liabilities,” “Other Assets,” and “Other Liabilities” were presented on a net basis for transactions that met the requirements under the practical guidance for accounting for financial instruments. However, for the purpose of accurately presenting credit risks with and without collateral for derivative transactions, financial assets and liabilities for derivative transactions measured at fair value are now presented on a gross basis based on a general rule from the current fiscal year ended March 31, 2022. To reflect this change in presentation, reclassifications have been made in the consolidated financial statements for the fiscal year ended March 31, 2021.

As a result, “Trading Assets” of ¥433,766 million, “Other Assets” of ¥2,260,399 million, “Trading Liabilities” of ¥321,576 million, and “Other Liabilities” of ¥1,359,860 million, presented in the consolidated balance sheet for the fiscal year ended March 31, 2021, changed to ¥962,849 million, ¥2,936,013 million, ¥850,660 million, and ¥2,035,474 million, respectively.

In addition, “Net Decrease (Increase) in Trading Assets” of ¥73,880 million and “Net Increase (Decrease) in Trading Liabilities” of ¥(50,373) million in the consolidated statements of cash flows for the previous fiscal year are now presented as ¥ 375,744 million and ¥(352,237) million, respectively.

(Segment Information)

1. Reportable Segment Information

The SuMi TRUST Group's reportable segments are defined as operating segments for which discrete financial information is available. The Board of Directors and the Executive Committee periodically receive reporting on the operating results and other relevant information of the reportable segments to make decisions about the allocation of management resources and to assess performance.

The main activities of the reportable segment are presented below:

Retail Total Solution Services:	Provision of services to individual customers
Wholesale Financial Services (Wholesale Total Solution Services Business and Wholesale Asset Management Business):	Provision of services to corporate customers
Stock Transfer Agency Services:	Undertaking of stock-related services on behalf of customers
Real Estate:	Provision of services related to the real estate business
Fiduciary Services:	Provision of services related to the pension business and the asset administration business
Asset Management Business:	Asset management service operations
Global Markets:	Marketing operations, market-making operations, investment operations, and financial management operations

The SuMi Trust Group used to disclose the "Asset Management Business" as a component of the "Fiduciary Services" until the consolidated fiscal year ended March 31, 2021. However, the "Asset Management Business" has been separated from the "Fiduciary Services" and disclosed as a separate segment effective from the fiscal year ended March 31, 2022.

2. Method for Calculating Substantial Gross Business Profit and Net Business Profit by Each Reportable Segment

Segment information is prepared based on internal management reports, and the accounting policies used for the reportable segments are generally the same as those that are bases for the preparation of consolidated financial statements; however, the reportable segments are accounted for in accordance with the rules for the internal management.

"Net Business Profit" represents "Substantial Gross Business Profit," less "Substantial G&A Expenses." "Substantial Gross Business Profit" and "Substantial G&A Expenses" are financial figures generated on the basis of internal management reporting, and they represent "Substantial Gross Business Profit" and "Substantial G&A Expenses (excluding any non-recurring expenses)" of SuMi TRUST Holdings and its consolidated subsidiaries, reflecting gains or losses of equity-method affiliated companies (proportionate share of gains or losses, excluding any non-recurring items).

Income earned from inter-segment and cross-segment transactions is calculated by applying the criteria (market prices) specified in the rules for internal management.

"Fixed Assets" disclosed in the assets by reportable segments are the total amount of tangible fixed assets and intangible fixed assets. These assets are owned by SuMi TRUST Bank and allocated to each segment.



### 3. Profit or Loss and Fixed Assets by Reportable Segment

(Millions of Yen)

	Retail Total Solution Services	Wholesale Financial Services	Stock Transfer Agency Services	Real Estate	Fiduciary Services	Asset Management Business	Global Markets	Others	Total
Substantial Gross Business Profit	190,844	212,528	40,861	62,792	96,539	101,967	52,303	50,344	808,182
General and Administrative Expenses	(158,631)	(77,600)	(19,850)	(25,892)	(54,284)	(61,444)	(15,704)	(48,689)	(462,096)
Net Business Profit	32,212	134,928	21,011	36,900	42,255	40,523	36,599	1,654	346,085
Fixed Assets	71,016	45,530	1,976	9,318	16,870	—	19,165	186,325	350,202

(Note 1) The figures represent "Substantial Gross Business Profit" in substitution for net sales to be presented by companies in other industries.

(Note 2) The amounts of "Substantial Gross Business Profit" include net trust fees, net interest income, net fees and commissions, net trading income, and net other ordinary income and expenses.

(Note 3) "General and Administrative Expenses" include personnel expenses and non-personnel expenses.

(Note 4) Figures for the "Asset Management Business" are combined total of SuMi TRUST Asset Management (consolidated), Nikko Asset Management Co., Ltd. (consolidated), and two affiliated companies accounted for using the equity method which are involved in asset management operations.

(Note 5) "Others" include costs of capital funding, dividends for shares for cross-shareholdings, general and administrative expenses of headquarters, and internal transactions to be eliminated.

(Note 6) The amount of "Fixed Assets" for each segment represents the amount of fixed assets owned by SuMi TRUST Bank. "Others" for "Fixed Assets" include shared assets not allocated to any segment, fixed assets owned by consolidated subsidiaries outside the scope of allocation of resources, and adjustments for consolidation. For fixed assets not allocated to each segment, some of related expenses are allocated to each segment based on a reasonable allocation method.

### 4. Reconciliation between Total Profit or Loss for Reportable Segments and Consolidated Statements of Income

(Millions of Yen)

	Amounts
Net Business Profit	346,085
Other Income	120,186
Other Expenses	(203,286)
Other Adjustments	(33,280)
Ordinary Profit	229,704

(Per Share of Common Stock Information)

		Fiscal Year Ended March 31, 2022
Net Assets per Share of Common Stock	Yen	7,249.71
Net Income per Share of Common Stock	Yen	451.40
Fully Diluted Net Income per Share of Common Stock	Yen	451.13

(Notes)

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

		As of March 31, 2022
Net Assets as Reported	Millions of Yen	2,745,288
Less:	Millions of Yen	29,732
Subscription Rights to Shares	Millions of Yen	1,006
Non-Controlling Interests	Millions of Yen	28,725
Net Assets Attributable to Common Shareholders	Millions of Yen	2,715,556
The Number of Shares of Common Stock Outstanding	Thousands of Shares	374,574

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

		Fiscal Year Ended March 31, 2022
Net Income per Share of Common Stock		
Net Income Attributable to Owners of the Parent	Millions of Yen	169,078
Net Income Not Attributable to Common Shareholders	Millions of Yen	—
Net Income Related to Common Stock that is Attributable to Owners of the Parent	Millions of Yen	169,078
Average Number of Shares of Common Stock Outstanding	Thousands of Shares	374,562
Fully Diluted Net Income per Share of Common Stock		
Adjustments to Net Income Attributable to Owners of the Parent	Millions of Yen	—
Effect of Dilutive Securities	Thousands of Shares	230
Subscription Rights to Shares	Thousands of Shares	230
Summary of the potential shares that were excluded from calculation of fully diluted net income per share of common stock because they have no dilutive effect		<p>SuMi TRUST Holdings: Series 2 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 18,900 shares</p> <p>Series 3 Subscription Rights to Shares (Stock Options) SuMi TRUST Holdings Common Stock 39,300 shares</p> <p>Consolidated Subsidiaries Nikko Asset Management Co., Ltd. (NAM): Subscription Rights to Shares (Stock Options) NAM Common Stock 2,440,000 shares</p>

3. In the calculation of net income per share of common stock, shares of SuMi TRUST Holdings remaining in the share delivery trust for the Directors, which have been recorded as treasury stock in shareholders' equity, are included in treasury stock. Treasury stock is excluded from the calculation of the average number of shares of common stock outstanding for the fiscal year ended March 31, 2022. In addition, in the calculation of net assets per share of common stock, such shares are included in treasury stock, which is also excluded from the number of shares of common stock outstanding as of March 31, 2022.

The average number of shares of treasury stock, which is excluded from the calculation of net income per share of common stock, is 404 thousand for the fiscal year ended March 31, 2022. The number of shares of treasury stock, which is also excluded from the calculation of net assets per share of common stock, is 392 thousand as of March 31, 2022.

(Significant Subsequent Events)

(Change in Reportable Segment)

The Group aims to promote and lead a virtuous circle of funds, assets, and capital by various stakeholders through provision of high value-added products and services and investments to create new values. Effective as of April 1, 2022, reorganization of Sumitomo Mitsui Trust Bank, Limited has been implemented.

As a result of the above, the Group's reportable segments were previously divided into "Retail Total Solution Services," "Wholesale Financial Services (Wholesale Total Solution Services Business and Wholesale Asset Management Business)," "Stock Transfer Agency Services," "Real Estate," "Fiduciary Services," "Asset Management Business," and "Global Markets." However, from the consolidated fiscal year ending March 31, 2023, the Group will reclassify them into the following segments: "Retail (former Retail Total Solution Services)," "Wholesale (former Wholesale Total Solution Services Business and former Stock Transfer Agency Services)," "Investor Services (former Wholesale Asset Management Business and former Fiduciary Services)," "Real Estate," "Global Markets," and "Asset Management Business."

Information regarding the amount of Substantial Gross Business Profit, Substantial G&A Expenses, and Net Business Profit by reportable segment for the fiscal year ended March 31, 2022, Substantial Gross Business Profit based on the new reportable segment classifications is as follows:

For the Fiscal Year Ended March 31, 2022

(Millions of Yen)

	Retail	Wholesale	Investor Services	Real Estate	Global Markets	Asset Management Business	Others	Total
Substantial Gross Business Profit	190,844	212,075	137,854	62,792	52,303	101,967	50,344	808,182
General and Administrative Expenses	(158,631)	(84,635)	(67,099)	(25,892)	(15,704)	(61,444)	(48,689)	(462,096)
Net Business Profit	32,212	127,440	70,754	36,900	36,599	40,523	1,654	346,085

(Note 1) The figures represent "Substantial Gross Business Profit" in substitution for net sales to be presented by companies in other industries.

(Note 2) The amounts of "Substantial Gross Business Profit" include net trust fees, net interest income, net fees and commissions, net trading income, and net other ordinary income and expenses.

(Note 3) "General and Administrative Expenses" include personnel expenses and non-personnel expenses.

(Note 4) Figures for the "Asset Management Business" are combined total of SuMi TRUST AM (consolidated), Nikko Asset Management Co., Ltd. (consolidated), and two affiliated companies accounted for using the equity method which are involved in asset management operations.

(Note 5) "Others" include costs of capital funding, dividends for shares for cross-shareholdings, general and administrative expenses of headquarters, and internal transactions to be eliminated.

(Note 6) Information regarding "Fixed Assets" by reportable segment after the change is currently being calculated.