

Sumitomo Mitsui Trust Holdings, Inc. (SuMi TRUST Holdings)
Financial Results for the Nine Months Ended December 31, 2022
[Japanese GAAP] (Consolidated)



January 31, 2023

Stock exchange listings: Tokyo and Nagoya (Code: 8309)
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Filing date of quarterly securities report (Shihanki Hokokusyo) (Scheduled): February 13, 2023
 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, 2022)

(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, 2022	1,252,182	24.5	203,254	4.8	145,690	2.7
December 31, 2021	1,006,081	9.0	193,921	7.7	141,867	12.0

(Note) Comprehensive Income: Nine months ended December 31, 2022 ¥113,745 million, (15.5)%
 Nine months ended December 31, 2021 ¥134,567 million, 63.9%

	Net Income per Share of Common Stock	Fully Diluted Net Income per Share of Common Stock
	Yen	Yen
Nine Months Ended		
December 31, 2022	393.49	393.26
December 31, 2021	378.76	378.52

(2) Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets Ratio
	Millions of Yen	Millions of Yen	%
As of			
December 31, 2022	68,155,710	2,756,718	4.0
March 31, 2022	64,633,220	2,745,288	4.2

(Reference) Shareholders' Equity: As of December 31, 2022 ¥ 2,726,471 million
 As of March 31, 2022 ¥ 2,715,556 million

(Note) Net Assets to Total Assets Ratio = (Net Assets – Subscription Rights to Shares – Non-Controlling Interests) / 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.

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, 2022	—	80.00	—	90.00	170.00
Ending March 31, 2023	—	100.00	—	—	—
Ending March 31, 2023 (Forecast)	—	—	—	100.00	200.00

(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, 2023)

(%: Changes from the previous fiscal year)

Fiscal Year Ending	Net Income Attributable to Owners of the Parent		Net Income per Share of Common Stock
	Millions of Yen	%	Yen
March 31, 2023	190,000	12.4	514.22

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

*Notes

- (1) Changes in Significant Subsidiaries during the Nine Months Ended December 31, 2022: None
(Changes in “specified subsidiaries” resulted in changes in the scope of consolidation)
- (2) Specific Accounting Treatments for the Preparation of the Quarterly Consolidated Financial Statements: Yes
(For further details, please refer to “3. Notes to the Consolidated Financial Statements” on page 6 of Accompanying Materials.)
- (3) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements
- | | |
|--|------|
| 1) Changes in accounting policies due to the revision of accounting standards: | Yes |
| 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, 2022	368,172,440 shares	As of March 31, 2022	375,291,440 shares
2) Number of treasury stock:	As of December 31, 2022	1,009,611 shares	As of March 31, 2022	716,750 shares
3) Average number of outstanding issued shares:	For the nine months ended December 31, 2022	370,250,957 shares	For the nine months ended December 31, 2021	374,559,057 shares

These consolidated financial results for the nine months ended December 31, 2022 (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, 2022, are based on information currently available to, and certain reasonable assumptions made by, SuMi TRUST Holdings (the “Company”). Moreover, the Company 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 the Company and its group companies, for further information that could significantly influence the Company’s financial position and operating results, as well as investment decisions by investors.

[Accompanying Materials]

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Consolidated Financial Statements and Notes to the Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2022	As of December 31, 2022
Assets:		
Cash and Due from Banks	18,223,364	20,011,585
Call Loans and Bills Bought	5,000	20,000
Receivables under Resale Agreements	150,741	115,072
Receivables under Securities Borrowing Transactions	652,534	429,138
Monetary Claims Bought	854,093	775,960
Trading Assets	967,565	1,918,347
Money Held in Trust	16,308	15,462
Securities	7,879,235	7,103,301
Loans and Bills Discounted	30,876,507	32,007,322
Foreign Exchanges	29,494	36,118
Lease Receivables and Investment Assets	688,141	683,100
Other Assets	3,354,333	3,903,485
Tangible Fixed Assets	224,535	220,761
Intangible Fixed Assets	125,667	144,417
Assets for Retirement Benefits	192,223	200,757
Deferred Tax Assets	15,613	14,987
Customers' Liabilities for Acceptances and Guarantees	541,228	694,164
Allowance for Loan Losses	(163,369)	(138,272)
Total Assets	64,633,220	68,155,710
Liabilities:		
Deposits	33,230,162	35,379,988
Negotiable Certificates of Deposit	6,587,944	7,723,611
Call Money and Bills Sold	799,524	89,474
Payables under Repurchase Agreements	1,485,033	1,014,427
Trading Liabilities	906,686	1,946,226
Borrowed Money	7,153,498	5,927,368
Foreign Exchanges	1,275	707
Short-Term Bonds Payable	2,387,553	2,815,888
Bonds Payable	2,076,604	2,218,078
Borrowed Money from Trust Account	4,298,827	4,251,081
Other Liabilities	2,312,326	3,240,659
Provision for Bonuses	21,087	9,385
Provision for Directors' Bonuses	181	166
Provision for Stocks Payment	732	1,248
Liabilities for Retirement Benefits	13,553	13,858
Provision for Reward Points Program	19,965	20,774
Provision for Reimbursement of Deposits	3,626	3,253
Provision for Contingent Losses	1,649	1,395
Deferred Tax Liabilities	44,081	44,845
Deferred Tax Liabilities for Land Revaluation	2,388	2,388
Acceptances and Guarantees	541,228	694,164
Total Liabilities	61,887,931	65,398,991

(Continued)

(Millions of Yen)

	As of March 31, 2022	As of December 31, 2022
Net Assets:		
Capital Stock	261,608	261,608
Capital Surplus	576,114	546,147
Retained Earnings	1,682,519	1,757,677
Treasury Stock	(2,714)	(3,982)
Total Shareholders' Equity	2,517,528	2,561,450
Valuation Differences on Available-for-Sale Securities	277,617	223,309
Deferred Gains (Losses) on Hedges	(42,759)	(38,723)
Revaluation Reserve for Land	(6,839)	(6,839)
Foreign Currency Translation Adjustments	12,719	27,983
Adjustments for Retirement Benefits	(42,708)	(40,709)
Total Accumulated Other Comprehensive Income	198,028	165,020
Subscription Rights to Shares	1,006	952
Non-Controlling Interests	28,725	29,294
Total Net Assets	2,745,288	2,756,718
Total Liabilities and Net Assets	64,633,220	68,155,710

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, 2021	December 31, 2022
Ordinary Income:	1,006,081	1,252,182
Trust Fees	82,442	82,019
Interest Income:	276,747	443,663
Interest on Loans and Discounts	195,193	294,789
Interest and Dividends on Securities	69,544	86,681
Fees and Commissions	326,517	327,193
Trading Income	38,885	13,405
Other Ordinary Income	210,066	329,176
Other Income	71,421	56,724
Ordinary Expenses:	812,159	1,048,928
Interest Expenses:	78,490	339,848
Interest on Deposits	21,840	105,789
Fees and Commissions Payments	101,084	91,400
Trading Expenses	—	3,195
Other Ordinary Expenses	205,276	209,970
General and Administrative Expenses	322,051	339,851
Other Expenses	105,256	64,661
Ordinary Profit	193,921	203,254
Extraordinary Income:	464	26
Gains on Disposal of Fixed Assets	464	26
Extraordinary Losses:	1,518	1,437
Losses on Disposal of Fixed Assets	504	699
Impairment Losses	1,014	737
Income before Income Taxes	192,867	201,843
Income Taxes:	50,359	55,479
Current	39,552	34,854
Deferred	10,807	20,624
Net Income	142,508	146,364
Net Income Attributable to Non-Controlling Interests	640	673
Net Income Attributable to Owners of the Parent	141,867	145,690

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	For the Nine Months Ended	
	December 31, 2021	December 31, 2022
Net Income	142,508	146,364
Other Comprehensive Income (Loss):	(7,940)	(32,618)
Valuation Differences on Available-for-Sale Securities	(9,759)	(47,638)
Deferred Gains (Losses) on Hedges	(3,074)	1,991
Foreign Currency Translation Adjustments	2,179	10,099
Adjustments for Retirement Benefits	203	1,988
Attributable to Equity-Method Affiliated Companies	2,510	940
Comprehensive Income:	134,567	113,745
(Breakdown)		
Comprehensive Income Attributable to Owners of the Parent	133,767	112,683
Comprehensive Income Attributable to Non-Controlling Interests	799	1,062

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.

(Changes in Accounting Policies)

(Application of Implementation Guidance on Accounting Standard for Fair Value Measurement)

The Company has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (Accounting Standards Board of Japan Guidance No.31, June 17, 2021, hereinafter referred to as the "Guidance for the Standard for Fair Value Measurement") since the beginning of the nine-month period ended December 31, 2022. In accordance with the transitional measures specified in Paragraph 27-2 of the Guidance for the Standard for Fair Value Measurement, the Company has applied the new accounting policy stipulated by the Guidance on the Standard for Fair Value Measurement prospectively. Thus, some of the investment trusts, which were previously stated at the acquisition cost on the consolidated balance sheet, are now measured at fair value based on factors, such as the net asset value.

As a result, Securities, Valuation Differences on Available-for-Sale Securities, and Deferred Tax Liabilities as of December 31, 2022, increased by ¥7,757 million, ¥5,381 million, and ¥2,375 million, respectively. The effect of this change on per share information for the nine-month period ended December 31, 2022, is immaterial.