

Sumitomo Mitsui Trust Holdings, Inc.



SUMITOMO MITSUI
TRUST GROUP

IR Material for 3QFY2011

February 10, 2012

“Status of capital” (Page12) was added, in accordance with the announcement of capital adequacy ratio as of December 31, 2011.

January 31, 2012

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 changes in managerial circumstances.

This presentation does not constitute an offer to sell or a solicitation of an offer to subscribe for or purchase any securities.

Definitions of terms in this document

Consolidated two-company total: Former Chuo Mitsui Trust Holdings (Consolidated) + Sumitomo Trust and Banking (Consolidated)

Non-consolidated (Three-company total): Chuo Mitsui Trust and Banking (Non-consolidated) + Chuo Mitsui Asset Trust and Banking (Non-consolidated)
+ Sumitomo Trust and Banking (Non-consolidated)

Non-consolidated (Two-company total): Chuo Mitsui Trust and Banking (Non-consolidated) + Sumitomo Trust and Banking (Non-consolidated)

CMTB+CMAB (Non-consolidated): Chuo Mitsui Trust and Banking (Non-consolidated) + Chuo Mitsui Asset Trust and Banking (Non-consolidated)

Accounting for Business combination related to Management Integration

Applying accounting method for business combination: "Purchase accounting method", and its amount of effect: "Results of applying purchase accounting method"

3QFY2011 financial results: Consolidated

▶ Net business profit before credit costs increased by 37.4 billion yen from 3QFY2010 to 254.6 billion yen, due to the effects of purchase accounting method, as well as the steady contribution of group companies, while that on a non-consolidated (Three-company total) basis decreased.

→ Contribution of group companies to net business profit before credit costs (before consolidated adjustments) was 41.8 billion yen, and constituted its 16%.

▶ Net income increased by 21.6 billion yen from 3QFY2010 to 148.7 billion yen, mainly due to the gain on amortization of negative goodwill of 43.4 billion yen related to share exchange.

(Billions of yen)	3QFY2010 cumulative total	3QFY2011		Change from 3QFY2010
		1H	cumulative total	
Net business profit before credit costs (Contribution of group companies before consolidated adjustments)	217.2 39.8	175.6 28.1	254.6 41.8	37.4 1.9
Gross business profit	464.9	359.9	529.1	64.2
General and administrative expenses	(256.4)	(185.0)	(277.2)	(20.8)
Net non-recurring profit, etc.	(32.9)	(19.5)	(28.0)	4.8
Ordinary profit	175.5	155.2	223.7	48.2
Extraordinary profit	(0.9)	39.1	35.3	36.2
Amortization of negative goodwill related to share exchange	-	43.4	43.4	43.4
Income before income taxes	174.6	194.4	259.1	84.4
Total income taxes	(31.7)	(55.4)	(94.0)	(62.2)
Net income (Excl. amortization of negative goodwill related to share exchange)	127.1 127.1	128.1 84.6	148.7 105.3	21.6 (21.8)
Total credit costs (Difference from non-consolidated (Three-company total))	5.5 (7.4)	0.0 0.9	2.7 (1.4)	(2.8) 6.0
Net gains on stocks (Difference from non-consolidated (Three-company total))	6.2 2.1	(11.0) 12.2	(18.0) 13.7	(24.2) 11.5

< Composition of net business profit before credit costs(*) >

(1) Non-consolidated (Three-company total): ¥173.3bn

(2) Group companies: ¥ 41.8bn

(3) Effect of purchase accounting method: ¥45.2bn

(*) Added adjustment of dividend elimination, etc. to sum of (1) , (2) and (3)

< Major factors (change from 3QFY2010) >

(1) Net business profit before credit costs: + ¥37.4bn

• Non-consolidated ¥(1.3)bn [¥174.6bn → ¥173.3bn]

• Consolidated difference + ¥38.8bn [¥42.5bn → ¥81.3bn]

(2) Contribution of group companies before consolidated adjustments: + ¥1.9bn

Nikko Asset Management Co., Ltd.+ ¥0.9bn

SBI Sumishin Net Bank, Ltd. + ¥0.7bn

(3) General and administrative expenses: ¥(20.8)bn

Japan Trustee Services Bank ¥(20.0)bn (newly consolidated)

(4) Net non-recurring profit, etc.: + ¥4.8bn

Cancellation of amortization of net actuarial losses + ¥9.9bn

(5) Total income taxes: ¥(62.2)bn

Decrease in deferred tax asset resulting from the reduction in a corporate tax rate ¥(13.0)bn

3QFY2011 financial results: Non-consolidated (Three-company total)

- ▶ Net Business profit before credit cost decreased by 1.3 billion yen from 3QFY2010 to 173.3 billion yen due to the decrease in net interest income and net fees and commissions, while net other operating profit increased mainly due to the increase in net gains on bonds.
- ▶ Total credit costs stood at reversal of 4.2 billion yen, due to the limited occurrence of new credit cost and posting the reversal of allowance for loan losses resulting from the improvement of debtors' business conditions.
- ▶ Net income decreased by 52.0 billion yen from 3QFY2010 to 66.5 billion yen due to the devaluation of stocks and disappearance of tax merits posted in FY2010.

(Billions of Yen)	3QFY2010 cumulative total	3QFY2011		Change from 3QFY2010
		1H	cumulative total	
Net business profit before credit costs	174.6	129.5	173.3	(1.3)
Gross business profit	355.2	250.8	355.4	0.2
Net interest income and related profit	180.0	123.4	173.4	(6.6)
Net fees and commissions and related profit	119.4	79.4	116.2	(3.1)
Net trading profit	9.2	3.1	5.4	(3.7)
Net other operating profit	46.4	44.7	60.3	13.8
Net gains on bonds	44.9	50.6	63.0	18.1
General and administrative expenses	(180.5)	(121.2)	(182.1)	(1.6)
Net non-recurring profit, etc.	(33.5)	(42.0)	(52.9)	(19.4)
Reversal of allowance for loan losses	-	1.9	7.4	7.4
Net gains on stocks	4.0	(23.2)	(31.7)	(35.8)
Amortization of net actuarial losses	(19.5)	(11.7)	(17.6)	1.8
Ordinary profit	141.1	87.5	120.3	(20.7)
Extraordinary profit	(3.9)	(7.5)	(8.9)	(4.9)
Income before income taxes	137.1	79.9	111.3	(25.7)
Total income taxes	(18.5)	(22.3)	(44.8)	(26.3)
Net income	118.6	57.6	66.5	(52.0)
Total credit costs	13.0	(0.8)	4.2	(8.8)

< Major factors (change from 3QFY2010) >

- Net interest income and related profit: ¥(6.6)bn**
 Net interest income ¥(6.6)bn [¥172.4bn → ¥165.7bn]
 [Domestic ¥(0.1)bn, International ¥(6.5)bn]
- Net fees and commissions and related profit: ¥(3.1)bn**
 Fees of investment trust/ Insurance + ¥3.6bn
 [¥30.0bn → ¥33.6bn]
 Real estate brokerage fees ¥(2.1)bn [¥10.3bn → ¥8.1bn]
- Net other operating profit: + ¥13.8bn**
 - Net gains on bonds + ¥18.1bn
 [Domestic bonds + ¥0.9bn, Foreign bonds + ¥17.1bn]
 - Net gains from derivatives other than for trading or hedging ¥(2.8)bn
- Extraordinary profit: ¥(4.9)bn**
 - Disappearance of impairment loss on shares of a subsidiary in 1HFY2010 + ¥15.2bn
 - Decrease of reversal of allowance for loan losses ¥(13.0)bn
 - Impairment loss on tangible fixed assets ¥(3.9)bn
 [¥(0.3)bn → ¥(4.3)bn]
 - Costs related to the Management Integration + ¥0.1bn
 [¥(4.8)bn → ¥(4.6)bn]
- Total income taxes: ¥(26.3)bn**
 Decrease in deferred tax asset resulting from the reduction in a corporate tax rate ¥(10.6)bn

Financial results and contribution of major group companies and effects by applying purchase accounting method

- ▶ Contribution to net business profit before credit costs (excluding one-time effect) increased by 1.9 billion yen from 3QFY2010 due to the increase in that of SBI Sumishin Net Bank, Ltd.
- ▶ Contribution to net income (excluding one-time effect) decreased by 1.2 billion yen from 3QFY2010 mainly due to the decrease in that of Sumishin Panasonic Financial Services Co., Ltd.
- ▶ Effects on consolidation difference are 45.2 billion yen at the level of net business profit before credit costs, and 76.7 billion yen at the level of net income.

< Contribution of major group companies to consolidated financial results > (Billions of yen)	Net business profit before credit costs			Net income			Goodwill as of Dec. 2011	
	3QFY2010	3QFY2011	Change	3QFY2010	3QFY2011	Change	Amortization amount	Outstanding balance
Consolidation difference	42.5	81.3	38.8	8.5	82.2	73.6	(7.2)	118.4
Effect of purchase accounting method	-	45.2	45.2	-	76.7	76.7	---	---
Contribution (before consolidated adjustments) (*1)	39.8	41.8	1.9	15.5	23.3	7.7	(7.2)	118.4
(Excl. One-time effect) (*2)	39.8	41.8	1.9	24.5	23.3	(1.2)	---	---
Nikko Asset Management Co., Ltd. (Consolidated)	6.1	7.0	0.9	4.0	3.4	(0.5)	(*3) (4.0)	(*3) 66.4
Sumishin Panasonic Financial Services Co., Ltd. (Consolidated)	13.0	11.9	(1.1)	6.9	3.4	(3.4)	(0.1)	0.7
Sumishin Real Estate Loan & Finance, Ltd. (*4)	5.8	5.9	0.1	4.5	5.2	0.6	(2.9)	50.9
SBI Sumishin Net Bank, Ltd. (Consolidated)	1.2	2.0	0.7	1.2	2.0	0.8	---	---

(*1) Contribution of group companies (before consolidated adjustments) is a substantive amount which excludes consolidation adjustments that do not relate directly to the group companies' business results. (Non-consolidated profit/loss of the holding company, elimination of dividend, amortization of goodwill, etc.)

(*2) Adjusted one-time effect of business restructuring of STB's subsidiaries.

(*3) Include an amortization amount (0.7 billion yen) and outstanding balance (4.6 billion yen) of affiliated companies

(*4) Figure for 3QFY2010 includes First Credit's 1HFY2010 result

< Effects on differences between consolidated and non-consolidated financial results >

	3QFY2011
Amortization/ Accumulation of loans and bills discounted, bonds and deposits, etc.	13.1 bn
Effects of sales of bonds, etc.	32.1 bn (*)
Effect on net business profit before credit costs	45.2 bn
Cancellation of amortization of net actuarial losses	9.9 bn
Effects of sales/ cancellation of devaluation of stocks, etc.	13.7 bn (*)
Effect on ordinary profit	68.9 bn
Tax effects on above items	(35.6) bn
Effect on net income	76.7 bn

◆ By applying purchase accounting method, differences between consolidated and non-consolidated costs of assets/ liabilities which were object of the revaluation (mark to market) were recognized, which caused consolidated and non-consolidated financial results as to profit/ loss resulting from amortization/ accumulation of related assets/ liabilities or sales of securities.

◆ An effect of these differences for 3QFY2011 is 76.7 billion yen of profit at the level of net income, including factors such as gains/ losses on sales or devaluation of securities (33.3 billion yen), as well as gain on amortization of negative goodwill related to share exchange (43.4 billion yen).

◆ Impairment risk of shareholdings and cost burden of amortization of net actuarial losses are reduced

Note: Effects by applying purchase accounting method in this page include gain on amortization of negative goodwill of 43.4 billion yen.

(*) One-time effect



Breakdown of profit by business: Non-consolidated (Three-company total)

- ▶ Gross business profit stayed at the same as that of 3QFY2010 due to the drastic increase in that of Treasury and financial products by taking the opportunity of market interest rate lowering, while the profit of Real estate stagnated due to the effect of the earthquake.
- ▶ Gross business profit of Retail financial services decreased by 2.8 billion yen due to the decrease in net interest income and disappearance of securitization profit of 2.2 billion yen posted in FY2010, while fees of investment trust/ insurance increased by 3.6 billion yen from 3QFY2010.
- ▶ Gross business profit of Wholesale financial services decreased by 2.5 billion yen, mainly due to the decrease in loan arrangement fees.

(Billions of yen)	3QFY2010	3QFY2011		Change from 3QFY2010
	cumulative total	1H	cumulative total	
Retail financial services	106.6	70.7	103.8	(2.8)
Wholesale financial services	95.6	65.1	93.1	(2.5)
Stock transfer agency services	14.0	8.8	13.2	(0.7)
Gross business profit	25.4	16.5	24.7	(0.7)
Fees paid for outsourcing	(11.4)	(7.6)	(11.4)	0.0
Treasury and financial products	99.8	80.8	115.9	16.0
Fiduciary services	45.7	30.6	44.9	(0.8)
Gross business profit	63.9	42.9	63.4	(0.5)
Fees paid for outsourcing	(18.1)	(12.3)	(18.4)	(0.2)
Real estate	16.6	7.5	13.6	(3.0)
Others	(9.5)	(4.1)	(16.0)	(6.5)
Total	355.2	250.8	355.4	0.2



(*1) Figures of profit by business are tentative calculations based on certain assumptions (transfer pricing, etc.) under managerial accounting.

(*2) Figures for "Others" include costs of capital funding, dividends of shares for cross-shareholdings, general and administrative expenses of headquarters, etc.

(*) Figures in parentheses indicate 1HFY2011 results.

Forecast for FY2011 (Announced on January 2012)

- ▶ Consolidated net business profit before credit costs and net income (excluding gain on amortization of negative goodwill) progressed 79% and 78%, respectively, compared with the full year forecast of 320.0 billion yen and 135.0 billion yen.
- ▶ The year-end dividend will be calculated and paid based on the dividend policy which targets consolidated dividend payout ratio of approx. 30%.

< Consolidated >	FY2011			<Reference> (B) – (A)
	(Billions of yen)	3QFY2011 (Actual)(A)	Full (Forecast)(B)	
Net business profit before credit costs	175.6	254.6	320.0	65.3
Ordinary profit	155.2	223.7	265.0	41.2
Net income	128.1	148.7	180.0	31.2
(Excl. Amortization of negative goodwill)	84.6	105.3	135.0	29.6
Total credit costs	0.0	2.7	(20.0)	(22.7)
Dividend on common share (Yen)	4.0	---	8.0	---
Consolidated dividend payout ratio (*1)	---	---	25.5%	---

< Non-consolidated (Three-company total) >

Net business profit before credit costs	129.5	173.3	235.0	61.6
Gross business profit	250.8	355.4	485.0	129.5
Retail financial services	70.7	103.8	143.0	39.1
Wholesale financial services	72.8	104.5	149.0	44.4
Stock transfer agency services	16.5	24.7	(*2) 31.0	6.2
Treasury and financial products	80.8	115.9	125.0	9.0
Fiduciary services	42.9	63.4	(*2) 87.0	23.5
Real estate	7.5	13.6	29.0	15.3
General and administrative expenses	(121.2)	(182.1)	(250.0)	(67.8)
Ordinary profit	87.5	120.3	165.0	44.6
Net income	57.6	66.5	(*3) 80.0	13.4
Total credit costs	(0.8)	4.2	(15.0)	(19.2)

(*1) Consolidated dividend payout ratio is calculated by excluding amortization of negative goodwill.

(*2) Fees paid for outsourcing are not included. (Stock transfer agency services: 15.0bn yen, Fiduciary services: 25.0bn yen)

(*3) Net income (non-consolidated (Three-company total)) decreased by approx. 20bn yen in accordance with the effect of the merger among subsidiaries (net income decreased by approx. 20bn yen).

However, SMTH's earnings forecasts on a consolidated basis will not be changed by the merger, because the merger will be conducted as a reorganization within SMTH group.

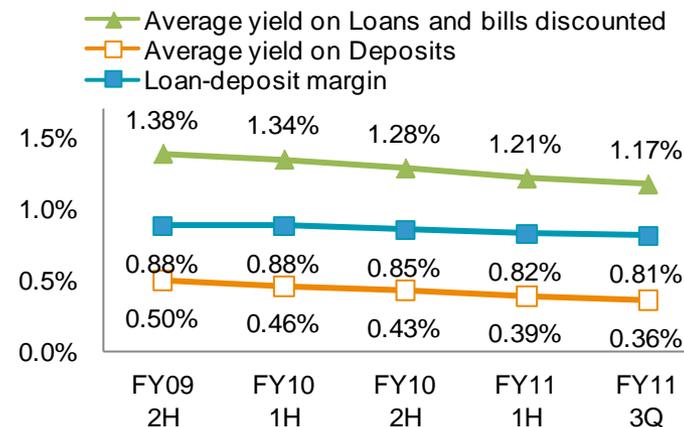
(*4) Figures of profit by business are tentative calculations based on certain assumptions (transfer pricing, etc.) under managerial accounting.

Breakdown of net interest income: Non-consolidated (Two-company total)

- ▶ Net interest income decreased by 6.6 billion yen from 3QFY2010 due to the shrinkage of loan-deposit margin and deterioration of income/expense in swaps, while income/expense of securities, etc. improved.
- ▶ The decrease in loan-deposit margin (domestic business) from 1HFY2011 to 3Q2011 lowered to 0.01%, though loan-deposit margin for 3QFY2011 (accumulative total) decreased by 0.05% from 3QFY2010 (accumulative total) to 0.82% due to the decline in market interest rate.

	3QFY2011(cumulative total)					
	Average balance	Change from 3QFY 2010	Yield	Change from 3QFY 2010	Income/Expense	Change from 3QFY 2010
(Average balance: Trillions of yen) (Income/Expense: Billions of yen)						
Net interest income					165.7	(6.6)
Domestic business			0.72%	(0.01%)	145.9	(0.1)
Interest-earning assets	26.50	0.07	1.14%	(0.05%)	229.0	(8.2)
Loans and bills discounted (A)	17.99	0.15	1.20%	(0.13%)	163.0	(15.9)
Securities	5.88	0.15	1.07%	0.23%	47.5	10.9
Interest-bearing liabilities	26.17	0.13	0.42%	(0.04%)	(83.0)	8.1
Deposits (B)	20.63	0.96	0.38%	(0.08%)	(60.2)	7.9
International business			0.78%	(0.11%)	19.7	(6.5)
Interest-earning assets	4.44	0.16	1.71%	(0.06%)	57.2	(0.0)
Loans and bills discounted	1.90	0.33	1.33%	(0.06%)	19.2	2.5
Securities	1.97	(0.34)	2.27%	0.06%	33.9	(4.7)
Interest-bearing liabilities	5.31	0.67	0.93%	0.05%	(37.4)	(6.4)
Deposits	1.09	0.25	0.60%	0.03%	(5.0)	(1.3)
Loan-deposit margin (A) + (B)			0.82%	(0.05%)	102.7	(7.9)

(*) As to yield, (A) – (B)



< Major factors (change from 3QFY2010) >

- Securities(Domestic business) : + ¥10.9bn
 - Japanese bonds + ¥4.0bn [¥10.9bn → ¥14.9bn]
 - Securities + ¥5.8bn [¥11.5bn → ¥17.3bn]
- Swaps : ¥(7.0)bn
 - Domestic business
¥(1.2)bn [¥(10.7)bn → ¥(9.5)bn]
 - International business
¥(5.8)bn [¥(2.6)bn → ¥(8.5)bn]

(Note) Figures in this page do not include principal guaranteed trust account, thus there are some differences from those shown in 1H/Full fiscal year.

Status of prioritized Strategic Area (1)

- ▶ Sales volume of investment trust/ insurance increased by 20% from 3QFY2010 due to the steady sales of insurance products, while sales of investment trust slowed down from 3Q due to the drastic yen appreciation.
- ▶ Execution amount of individual loans increased by 50% from 3QFY2010 due to active efforts in residential mortgage loans.
- ▶ Balance of credit to overseas Japanese borrowers increased to over 1.5 trillion yen by augmenting loans to manufactures etc. in Europe and emerging countries.

Investment trust and insurance sales business

	3QFY2010	3QFY2011		Change from 3QFY2010
	(Billions of yen) cumulative	1H	cumulative	
Profit total	30.0	23.7	33.6	3.6
Sales fees of investment trust	11.1	10.1	12.7	1.5
Sales fees of insurance	7.3	5.7	9.5	2.1
Others (management and administration)	11.4	7.8	11.3	(0.0)

	3QFY2010	3QFY2011		Change from 3QFY2010
	(Billions of yen) cumulative	1H	cumulative	
Sales volume total	829.8	727.2	1,001.1	171.3
Investment trust	574.5	492.6	636.2	61.6
Fund wrap, SMA	37.8	34.0	44.7	6.9
Insurance	217.3	200.5	320.1	102.7

	Mar. 2011	Sep. 2011	Dec. 2011	Change from Mar. 2011
	(Billions of yen) Actual	Actual	Actual	
Blance total	4,330.2	4,115.2	4,218.3	(111.9)
Investment trust	2,189.5	1,929.5	1,918.3	(271.2)
Fund wrap, SMA	100.3	118.7	122.7	22.3
Insurance	2,040.3	2,067.0	2,177.2	136.9

Individual loans business

	3QFY2010	3QFY2011		Change from 3QFY2010
	(Billions of yen) cumulative	1H	cumulative	
Execution amount	456.0	436.2	701.0	245.0
Residential mortgage loans	442.0	428.0	688.7	246.6

	Mar. 2011	Sep. 2011	Dec. 2011	Change from Mar. 2011
	(Billions of yen) Actual	Actual	Actual	
Balance	5,946.1	6,085.3	6,218.1	271.9
Residential mortgage loans	5,381.4	5,559.6	5,706.8	325.4

Credit to overseas Japanese borrowers

	Mar. 2011	Sep. 2011	Dec. 2011	Change from Mar. 2011
	(Billions of yen) Actual	Actual	Actual	
Balance	1,472.9	1,451.1	1,543.5	70.6
(Reference) USD/JPY	83.13	76.63	77.72	(5.41)

Status of prioritized Strategic Area (2)

- ▶ AUM decreased by 6.7 trillion yen from Mar. 2011 to 58.9 trillion yen because of significant decrease in discretionary investment due to public pension's excess payment of approx. 3.6 trillion yen, and by decline in fair value of investment trust.
- ▶ AUC of domestic custody stood at almost the same level as that of the previous fiscal year, while AUC of global custody decreased due to the effect of European financial crisis.
- ▶ Real estate brokerage fees of trust banks decreased because brokerage transactions of large properties stagnated by the effect of the earthquake, while brokerage fees of subsidiaries which treat the brokerage transaction of residential properties and small-and-medium-sized properties stayed stable.

Fiduciary services business

<Assets under management (AUM)>

(Trillions of yen)	Mar. 2011	Sep. 2011	Dec. 2011	Change from Mar. 2011
	Actual	Actual	Actual	
Assets under management	65.7	59.0	58.9	(6.7)
Trust banks	49.0	43.3	43.4	(5.6)
Corporate pension trust	13.6	12.6	12.6	(1.0)
Public pension trust	8.2	7.8	7.9	(0.3)
Discretionary investment	27.1	22.9	22.8	(4.2)
Subsidiaries	16.6	15.6	15.5	(1.0)
CMAM+STAM	3.8	3.6	3.6	(0.1)
Nikko Asset Management	12.8	12.0	11.8	(0.9)

<Assets under custody (AUC)>

(Trillions of yen)	Mar. 2011	Sep. 2011	Dec. 2011	Change from Mar. 2011
	Actual	Actual	Actual	
(Billions of USD)	Actual	Actual	Actual	Change from Mar. 2011
Domestic custody business (JTSB)	184	183	182	(1)
Global custody business (STBUSA)	209	192	192	(17)

Real estate business

<Results>

(Billions of yen)	3QFY2010	3QFY2011		Change from 3QFY2010
	cumulative	1H	cumulative	
Real estate brokerage fees	18.5	9.1	16.5	(2.0)
Trust banks	10.3	3.7	8.1	(2.1)
Subsidiaries	8.1	5.3	8.3	0.1
Real estate trust fees, etc.	5.8	3.3	4.8	(1.0)
Others	1.4	1.0	1.4	0.0
Group companies	0.9	0.5	0.7	(0.1)
Total	25.8	13.5	22.7	(3.0)

<Asset management and administration>

(Billions of yen)	Mar. 2011	Sep. 2011	Dec. 2011	Change from Mar. 2011
	Actual	Actual	Actual	
Balance of securitized real estate	9,466.1	9,353.1	9,329.0	(137.1)
Balance of real estate asset management	280.9	271.8	271.7	(9.1)

Breakdown of total credit costs and problem assets based on the Financial Reconstruction Act

- ▶ As to the total credit costs, reversal of 4.2 billion yen on a non-consolidated basis and that of 2.7 billion yen on a consolidated basis were posted, as the reversal of allowance for loan losses resulting from the upgrade of debtors and decline in the loan balance exceeded the increase in allowance for loan losses resulting from the downgrade of debtors.
- ▶ Balance of problem assets decreased by 3.8 billion yen from Mar. 2011 to 241.5 billion yen due to the decrease in Substandard loans, etc., while Doubtful loans increased. Ratio of problem assets to total loan balance stayed at low level of 1.2%, almost the same level as that of the previous fiscal year. Coverage ratio reached sufficient level of 88%.

<Total credit costs>

(Billions of yen)	FY2010	3QFY2011		Major factors (3QFY2011(cumulative))
		1H	cumulative	
Total credit costs (Two-company total)	(7.4)	(0.8)	4.2	Downgrade of debtors: Approx. (12.5) Decrease in loan balance: Approx. +11.5, Upgrade of debtors: Approx. +4.0 Allowance for housing loan companies: Approx. (8.5), Effect from unification of calculating method of reserves: Approx. +8.5, etc.
General allowance for loan losses	2.9	15.4	16.1	
Specific allowance for loan losses	(0.0)	(16.2)	(11.0)	
Losses on sales of claims, written-off	(17.6)	(0.5)	(1.8)	
Total credit costs (Group companies)	(16.8)	0.9	(1.4)	
Total	(24.3)	0.0	2.7	

<Problem assets based on the Financial Reconstruction Act (Non-consolidated two-company total)>

(Billions of yen)	Mar. 2011	Dec. 2011		Collateral/Allowance	Coverage ratio (*1)	Allowance ratio (*2)	
	Actual	Actual	Change				
Problem assets based on the Financial Reconstruction Act (Ratio to total loan balance)	245.3 1.1%	241.5 1.2%	(3.8) 0.1%		88.0%	58.5%	
Loans in bankrupt and practically bankrupt	41.3	33.8	(7.4)	Total	33.8	100.0%	100.0%
				Collateral value	23.4		
				Specific allowance for loan losses	10.4		
Doubtful loans	93.7	134.3	40.6	Total	123.3	91.8%	68.4%
				Collateral value	99.7		
				Specific allowance for loan losses	23.7		
Substandard loans	110.3	73.4	(37.0)	Total	55.3	75.4%	27.0%
				Collateral value	48.6		
				Specific allowance for loan losses	6.7		
Loans to other special mention debtors	739.4	714.4	(25.1)	(*1) (Collateral value after considering haircuts + allowance for loan losses) / Loan balance			
Ordinary assets	21,088.5	19,885.4	(1,203.1)	(*2) Allowance for loan losses / (Loan balance - Collateral value after considering haircuts)			
Total loan balance	22,073.2	20,841.2	(1,232.0)				

Securities portfolio

- ▶ Cost of available-for-sale securities (consolidated) decreased by 576.1 billion yen from Mar. 2011 to 6,779.8 billion yen, due to the decrease in that of “others” resulting from the selling of foreign government bonds etc., while Japanese bonds increased by the effect of consolidation of Japan Trustee Services Bank (effected amount: approx. 600.0 billion yen).
- ▶ Unrealized gains/losses of available-for-sale securities (consolidated) decreased by 76.7 billion yen from Mar. 2011 to unrealized losses of 8.5 billion yen, mainly due to deterioration of those Japanese stocks resulting from the stagnation of stock price.
- ▶ Cost of held-to-maturity debt securities (consolidated) decreased by 87.1 billion yen to 637.7 billion yen, mainly due to the decrease in balance of ABS.

<Breakdown of securities with fair value (Consolidated)>

(Billions of yen)	Costs			Fair value			Unrealized gains/ losses		
	Mar. 2011	Dec. 2011	Change	Mar. 2011	Dec. 2011	Change	Mar. 2011	Dec. 2011	Change
Available-for-sale securities	7,356.0	6,779.8	(576.1)	7,424.2	6,771.2	(652.9)	68.1	(8.5)	(76.7)
Japanese stocks	873.9	881.0	7.1	957.1	813.0	(144.0)	83.2	(67.9)	(151.2)
Domestic bonds	4,050.6	4,275.5	224.8	4,058.5	4,311.0	252.5	7.8	35.5	27.7
Others	2,431.4	1,623.2	(808.1)	2,408.5	1,647.0	(761.4)	(22.9)	23.8	46.7
Held-to-maturity debt securities	724.8	637.7	(87.1)	775.0	670.9	(104.0)	50.1	33.2	(16.9)

<Available-for-sale securities (Non-consolidated (Three-company total))>

Available-for-sale securities	7,291.8	6,099.6	(1,192.2)	7,341.7	6,111.5	(1,230.1)	49.8	11.9	(37.9)
Japanese stocks	813.5	779.4	(34.1)	878.7	745.8	(132.9)	65.1	(33.6)	(98.8)
Domestic bonds	4,070.6	3,706.4	(364.2)	4,078.5	3,734.2	(344.2)	7.8	27.8	19.9
Government bond	3,238.6	2,863.1	(375.5)	3,244.7	2,886.3	(358.4)	6.0	23.1	17.1
Others	2,407.5	1,613.7	(793.8)	2,384.4	1,631.4	(752.9)	(23.1)	17.7	40.9
Foreign government bonds	1,478.3	678.8	(799.4)	1,452.7	696.4	(756.3)	(25.5)	17.5	43.1
Corporate bond (International)	368.1	301.7	(66.3)	371.6	302.6	(69.0)	3.5	0.8	(2.6)

<Held-to-maturity debt securities (Non-consolidated (Three-company total))>

Held-to-maturity debt securities	724.2	636.7	(87.4)	774.3	670.3	(104.0)	50.1	33.5	(16.6)
Japanese government bonds	184.4	169.4	(15.0)	192.3	177.2	(15.0)	7.9	7.8	(0.0)
Foreign bonds (Corporate)	223.0	201.7	(21.3)	222.5	199.8	(22.6)	(0.4)	(1.8)	(1.3)
Asset-backed securities (International) (*)	210.3	154.3	(55.9)	251.0	179.0	(71.9)	40.7	24.7	(15.9)

(*) Unamortization balance of unrealized loss on asset-backed securities which were reclassified from AFS to HTM during FY2008 (2011/12: (44.5) bn yen, 2011/3: (61.0) bn yen)

Credit exposure to Europe/Securities portfolio of treasury and financial products

- ▶ Credit Exposure to Europe is 612.7 billion yen, mostly constituted by those to Germany, UK and France.
- ▶ Credit Exposure to GIIPS is quite limited, and does not include sovereign exposure.
- ▶ Exposure of securities portfolio held by treasury and financial products business decreased significantly, while 33.2 billion yen unrealized gains for the Japanese bonds and 19.2 billion yen unrealized gains for foreign bonds were posted due to the decline in market interest rates.
- ▶ Duration of Japanese bonds and foreign bonds declined by 0.8 year and 1.3 year from Mar. 2011 to 3.3 year and 4.6 year, respectively.

<Credit Exposure to Europe>

(Billions of yen)	DEC. 2011				
	Germany	U.K.	France	GIIPS(*2)	
Exposure to Europe	612.7	205.1	104.1	136.8	7.5
Sovereign	115.4	70.2	-	25.7	-
Corporations (*1)	497.3	134.8	104.1	111.1	7.5
Financial Institutions	187.7	20.0	30.0	65.8	-

(*1) Excl. I/B transaction (*2) Greece, Italy, Ireland, Portugal and Spain

<Securities portfolio of treasury and financial products business>

(Billions of yen)	Cost			Unrealized gains/losses			10BPV (*2)			Duration (*2)		
	Mar. 2011	Dec. 2011	Change	Mar. 2011	Dec. 2011	Change	Mar. 2011	Dec. 2011	Change	Mar. 2011	Dec. 2011	Change
JPY	3,467.7	3,116.8	(350.9)	13.9	33.2	19.2	12.2	9.6	(2.6)	4.1	3.3	(0.8)
Others	1,457.8	631.7	(826.0)	(26.7)	19.2	46.0	8.0	2.7	(5.2)	6.0	4.6	(1.3)
USD	1,275.7	540.9	(734.8)	(21.5)	18.3	39.9	7.3	2.5	(4.8)	5.8	4.4	(1.3)
EUR, etc	182.0	90.8	(91.1)	(5.1)	0.9	6.1	0.6	0.2	(0.4)	3.9	2.8	(1.1)

(*1) Managerial reporting basis; "Held-to-maturity debt securities" and "Available-for-sale securities" are combined.

(*2) In the calculation of 10BPV and duration, investment balance hedged by derivative transactions, etc. were executed.

Status of capital (as of the end December, 2011)

- ▶ Consolidated Tier I capital ratio as of the end of December 2011 stood at 11.86%, mainly due to the decline in credit risk-weighted assets (RWA) centering on those to corporate, etc. resulting from the decrease in loan balance, in addition to the increase in Tier I capital through accumulation of retained earnings
- ▶ RWA increased by approximately 120.0 billion yen, which have limited effects, due to the strengthened framework of Basel II (Market risk, Securitization products)

<Status of capital and total risk-weighted assets (No.1 standard: International standard for bank holding company) (Consolidated)>

(Billions of yen)	Mar. 2011 Simulation (*)	Dec. 2011 Actual
Total qualifying capital	2,922.0	2,915.6
Tier I capital	2,045.5	2,088.4
Shareholders' equity	1,714.7	1,801.9 (1)
Preferred shares	109.0	109.0
Minority interests	510.6	514.6
Preferred securities	463.5	463.5
Tier II capital	990.3	941.3
Subordinated debts	971.9	928.5 (2)
Deduction (double gearing, etc.)	(113.8)	(114.1)
Total risk-weighted assets	18,754.1	17,608.4
Amount of credit risk-weighted assets	17,384.0	16,177.9 (3)
Amount of market risk equivalents	157.4	241.6 (4)
Amount of operational risk equivalents	1,212.6	1,188.7
BIS capital adequacy ratio	15.58%	16.55%
Tier I capital ratio	10.90%	11.86%

(*) Simulation after considering effects related to the Management Integration based on Consolidated two-company total

< Major factors of change in capital during 3QFY2011(Cumulative period)>

- (1) Shareholders' equity: +87.2 billion yen
 - Net income (excl. amortization of negative goodwill) : +105.3 billion yen
 - Interim dividends: (18.9) billion yen
- (2) Subordinated debts: (43.4) billion yen
 - Issuance of publicly-issued subordinated bonds: +43.0 billion yen
 - Redemption of subordinated bonds: (48.8) billion yen
 - Amortization of subordinated bonds: (36.0) billion yen etc.

<Major factors of change in risk-weighted assets during 3QFY2011(Cumulative period)>

- (3) Credit risk-weighted assets: (1.20) trillion yen
 - Corporate, etc.: approx. (0.67) trillion yen
 - Stocks, etc.: approx. (0.09) trillion yen etc.
- (4) Market risk: +0.08 trillion yen
 - Effects on applying stressed VaR: approx. +0.11 trillion yen etc.

<Effects related to the Management Integration>

- (i) Effects of purchase accounting method
 - Tier I capital: approx. (100.0) billion yen
 - Total risk-weighted assets: approx. (40.0) billion yen
- (ii) Others (consolidation of JTSB, unification of standards etc.)
 - Tier I capital: approx. +20.0 billion yen
 - Total risk-weighted assets: approx. (160.0) billion yen

JTSB: Japan Trustee Services Bank

[For reference] Non-consolidated financial results

(Billions of yen)	Non-consolidated (Three-company total)				CMTB+CMAB (Non-consolidated)				STB (Non-consolidated)			
	3QFY2010 cumulative total	3QFY2011		Change from 3QFY2010	3QFY2010 cumulative total	3QFY2011		Change from 3QFY2010	3QFY2010 cumulative total	3QFY2011		Change from 3QFY2010
		1H	cumulative total			1H	cumulative total			1H	cumulative total	
Net business profit before credit costs	174.6	129.5	173.3	(1.3)	83.3	51.2	69.3	(13.9)	91.3	78.2	103.9	12.5
Gross business profit	355.2	250.8	355.4	0.2	168.7	108.0	155.0	(13.6)	186.4	142.7	200.3	13.8
Net interest income and related profit	180.0	123.4	173.4	(6.6)	75.9	55.8	80.5	4.6	104.0	67.5	92.8	(11.2)
Net fees and commissions and related profit	119.4	79.4	116.2	(3.1)	60.1	38.7	57.0	(3.1)	59.2	40.7	59.2	(0.0)
Net trading profit	9.2	3.1	5.4	(3.7)	2.2	1.6	2.0	(0.1)	7.0	1.5	3.4	(3.6)
Net other operating profit	46.4	44.7	60.3	13.8	30.3	11.8	15.4	(14.9)	16.1	32.9	44.8	28.7
Net gains on bonds	44.9	50.6	63.0	18.1	29.4	13.6	16.5	(12.8)	15.4	37.0	46.4	30.9
General and administrative expenses	(180.5)	(121.2)	(182.1)	(1.6)	(85.4)	(56.7)	(85.7)	(0.3)	(95.1)	(64.5)	(96.3)	(1.2)
Net non-recurring profit, etc	(33.5)	(42.0)	(52.9)	(19.4)	(11.8)	(25.6)	(35.4)	(23.6)	(21.7)	(16.3)	(17.4)	4.2
Reversal of allowance for loan losses	-	1.9	7.4	7.4	-	-	-	-	-	1.9	7.4	7.4
Net gains on stocks	4.0	(23.2)	(31.7)	(35.8)	6.2	(12.6)	(17.5)	(23.8)	(2.2)	(10.6)	(14.2)	(11.9)
Amortization of unrecognized net actuarial loss	(19.5)	(11.7)	(17.6)	1.8	(10.2)	(6.6)	(9.9)	0.2	(9.3)	(5.1)	(7.6)	1.6
Ordinary profit	141.1	87.5	120.3	(20.7)	71.4	25.6	33.8	(37.6)	69.6	61.9	86.4	16.8
Extraordinary profit	(3.9)	(7.5)	(8.9)	(4.9)	9.3	(3.4)	(4.1)	(13.5)	(13.3)	(4.1)	(4.7)	8.6
Reversal of allowance for loan losses	13.0	-	-	(13.0)	9.9	-	-	(9.9)	3.1	-	-	(3.1)
Impairment loss on shares of a subsidiary	(15.2)	-	-	15.2	-	-	-	-	(15.2)	-	-	15.2
Cost related to the Management Integration	(4.8)	(3.5)	(4.6)	0.1	(2.5)	(2.1)	(2.8)	(0.3)	(2.2)	(1.4)	(1.8)	0.4
Income before income taxes	137.1	79.9	111.3	(25.7)	80.8	22.1	29.6	(51.2)	56.2	57.7	81.7	25.4
Total income taxes	(18.5)	(22.3)	(44.8)	(26.3)	(26.4)	(2.1)	(13.4)	12.9	7.8	(20.1)	(31.3)	(39.2)
Net income	118.6	57.6	66.5	(52.0)	54.4	20.0	16.1	(38.2)	64.1	37.6	50.3	(13.7)
Total credit costs	13.0	(0.8)	4.2	(8.8)	11.2	(2.6)	(2.2)	(13.4)	1.8	1.8	6.4	4.6

[For reference] Breakdown of profits by business(detail)

(Billions of yen)	Gross Business Profit (Non-Consolidated (Three-Company total))				CMTB+CMAB (Non-consolidated)				STB (Non-consolidated)			
	3QFY2010 cumulative total	3QFY2011		Change from 3QFY2010	3QFY2010 cumulative total	3QFY2011		Change from 3QFY2010	3QFY2010 cumulative total	3QFY2011		Change from 3QFY2010
		1H	cumulative total			1H	cumulative total			1H	cumulative total	
Retail financial services	106.6	70.7	103.8	(2.8)	54.5	37.4	55.0	0.4	52.1	33.3	48.7	(3.3)
Wholesale financial services	95.6	65.1	93.1	(2.5)	36.0	22.5	34.8	(1.1)	59.5	42.5	58.2	(1.3)
Stock transfer agency services	14.0	8.8	13.2	(0.7)	9.1	5.4	8.4	(0.7)	4.8	3.4	4.8	(0.0)
Gross business profit	25.4	16.5	24.7	(0.7)	15.0	9.3	14.5	(0.5)	10.4	7.1	10.2	(0.2)
Fees paid for outsourcing	(11.4)	(7.6)	(11.4)	0.0	(5.9)	(3.9)	(6.0)	(0.1)	(5.5)	(3.7)	(5.3)	0.1
Treasury and financial products	99.8	80.8	115.9	16.0	53.5	29.5	44.3	(9.2)	46.3	51.2	71.6	25.3
Fiduciary services	45.7	30.6	44.9	(0.8)	22.6	15.0	22.2	(0.4)	23.1	15.5	22.7	(0.4)
Gross business profit	63.9	42.9	63.4	(0.5)	29.3	19.6	29.0	(0.3)	34.5	23.3	34.3	(0.2)
Fees paid for outsourcing	(18.1)	(12.3)	(18.4)	(0.2)	(6.7)	(4.6)	(6.8)	(0.1)	(11.4)	(7.7)	(11.5)	(0.1)
Real estate	16.6	7.5	13.6	(3.0)	8.4	3.3	5.5	(2.8)	8.2	4.2	8.0	(0.1)
Others	(9.5)	(4.1)	(16.0)	(6.5)	(6.5)	0.1	(6.9)	(0.4)	(2.9)	(4.2)	(9.0)	(6.1)
Total	355.2	250.8	355.4	0.2	168.7	108.0	155.0	(13.6)	186.4	142.7	200.3	13.8

(Billions of yen)	Gross Business Profit (Non-Consolidated (Three-Company total))				Net business profit before credit costs (Consolidated)			
	3QFY2010 cumulative total	3QFY2011		Change from 3QFY2010	3QFY2010 cumulative total	3QFY2011		Change from 3QFY2010
		1H	cumulative total			1H	cumulative total	
Retail financial services	14.1	9.4	11.3	(2.8)	20.8	14.0	17.2	(3.6)
Wholesale financial services	69.7	47.3	66.8	(2.9)	90.9	61.7	87.1	(3.7)
Stock transfer agency services	11.8	7.3	11.0	(0.7)	12.3	8.0	11.9	(0.3)
Treasury and financial products	91.5	75.0	107.0	15.5	91.5	75.0	107.0	15.5
Fiduciary services	24.1	16.0	22.8	(1.2)	33.1	22.6	32.6	(0.4)
Real estate	8.8	2.5	6.0	(2.7)	9.7	2.9	7.3	(2.3)
Others	(33.6)	(20.9)	(40.7)	(7.0)	(28.9)	(0.9)	3.1	32.0
Total	174.6	129.5	173.3	(1.3)	217.2	175.6	254.6	37.4

(*1) Figures of Chuo Mitsui are tentative calculations based on certain assumptions (transfer pricing, etc.)
(*2) Figures for "Other" includes cost of capital funding, dividend of cross-shareholdings, general and administrative expenses of headquarters, results of applying purchase accounting method, etc.