

Sumitomo Mitsui Trust Holdings, Inc.



SUMITOMO MITSUI
TRUST GROUP

Investor Meeting on Financial Results for FY2011

May 24, 2012

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Definitions of terms in this document

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)

Consolidated figures for previous fiscal year: former Chuo Mitsui Trust Holdings (Consolidated) + Sumitomo Trust and Banking (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”

Overviews

Consolidated financial results

Net business profit before credit costs exceeded the previous fiscal year mainly due to the effect of the purchase accounting method through the management integration

Total credit costs remained stable at low level

Net income significantly increased from FY2010 due to the effect of the amortization of negative goodwill (¥43.4bn), etc.

Net business profit
before credit costs

Results (change from FY2010)

¥342.2bn [+ ¥51.5bn]

Total credit costs

¥(8.9)bn [+ ¥15.3bn]

Net income

¥164.6bn [+ ¥33.8bn]

Net income
(excl. negative goodwill)

¥121.2bn [¥(9.5)bn]

Financial strength

Continued to maintain the quality of loan assets

Reduction of shareholdings progressed steadily

NPL ratio

(Non-consolidated)

1.1% [(0.0)%]

Sales of stocks
(Non-consolidated)

¥61.0bn

Consolidated
balance of shareholdings
(Mar. 2012)

¥845.9bn (*)

(*) ¥37.0 bn of increase due to the effects on consolidated purchase accounting method through the management integration

Strategic business

The sales volume of investment trust and insurance products steadily increased in spite of the turmoil in stock market and yen appreciation etc.

Real estate brokerage fees decreased due to the delayed recovery in real estate market by the effect of the earthquake

Loans to individuals increased significantly due to the flexible loan rate policy according to client segment

Investment trust and
insurance sales
(Non-consolidated)

Results (change from FY2010)

¥1,360.8bn [+ ¥210.0bn]

Real estate
brokerage fees
(Consolidated)

¥24.0bn [¥(3.9)bn]

Individual loan balance
(Non-consolidated)

¥6,434.8bn [+ ¥488.6bn]



FY2011 financial results and financial condition



FY2011 financial results: Consolidated

- ▶ Net business profit before credit costs increased by 51.5 billion yen from FY2010 to 342.2 billion yen due to the effects of purchase accounting method in addition to the increase in that of non-consolidated (Three-company total) basis (Contribution of group companies to net business profit before credit costs (before consolidated adjustments) was 52.2 billion yen, and constitute 15.2% of total net business profit before credit costs (Consolidated))
- ▶ Net income increased by 33.8 billion yen from FY2010 to 164.6 billion yen mainly due to the gain on amortization of negative goodwill of 43.4 billion yen related to the share exchange
- ▶ Annual dividend on common share is 8.50 yen per share, which resulted in additional 0.50 yen dividend per share compared with the initial forecast at the beginning of FY2011 (consolidated dividend payout ratio is 30.3%)

(Billions of yen)	FY2010	FY2011	Change
Net business profit before credit costs	290.6	342.2	51.5
(Contribution of group companies before consolidated adjustments)	52.7	52.2	(0.5)
Gross business profit	622.2	710.5	88.2
General and administrative expenses	(342.6)	(375.6)	(33.0)
Net non-recurring profit, etc.	(94.2)	(62.7)	31.5
Ordinary profit	185.4	272.1	86.6
Extraordinary profit	7.2	22.8	15.5
Amortization of negative goodwill related to share exchange	-	43.4	43.4
Income before income taxes	192.7	294.9	102.2
Total income taxes	(42.0)	(109.3)	(67.3)
Net income	130.7	164.6	33.8
(Excl. amortization of negative goodwill related to share exchange)	130.7	121.2	(9.5)
Total credit costs	(24.3)	(8.9)	15.3
(Difference from non-consolidated (Three-company total))	(16.8)	(10.0)	6.8
Net gains on stocks	(3.1)	(33.9)	(30.7)
(Difference from non-consolidated (Three-company total))	4.2	9.2	4.9
Consolidated return on equity	7.32%	9.58%	2.26%
(Excl. amortization of negative goodwill related to share exchange)	7.32%	6.98%	(0.34%)
Dividend on common share (Yen)	---	8.50	---

< Composition of net business profit before credit costs >

- (1) Non-consolidated (Three-company total): ¥239.0bn
- (2) Group companies: ¥52.2bn
- (3) Effect of purchase accounting method: ¥50.9bn

< Major factors (change from FY2010) >

- (1) Net business profit before credit costs: + ¥51.5bn
 - Non-consolidated + ¥5.6bn [¥233.3bn → ¥239.0bn]
 - Consolidated difference + ¥45.8bn [¥57.3bn → ¥103.1bn]
 - Gross business profit increased by ¥28.5bn, and general and administrative expenses increased by ¥26.7bn due to the consolidation of Japan Trustee Services Bank
- (2) Contribution of group companies before consolidated adjustments: ¥(0.5)bn
 - Nikko Asset Management: + ¥0.9bn
 - Sumishin Panasonic Financial Services ¥(0.4)bn
- (3) Net non-recurring profit, etc.: + ¥31.5bn
Cancellation of amortization of net actuarial losses + ¥13.3bn
- (4) Total income taxes: ¥(67.3)bn
Disappearance of tax effect of the previous fiscal year resulting from the reorganization of subsidiaries: ¥(26.3)bn
Effect of decrease in deferred tax assets due to the reduction in corporate tax rate: ¥(15.9)bn

FY2011 financial results: Non-consolidated (Three-company total)

- ▶ Net business profit before credit costs increased by 5.6 billion yen from FY2010 to 239.0 billion yen by the accumulation of net gains on bonds through flexible portfolio management, which covered the decrease in net interest income and related profit and net fees and commissions and related profit
- ▶ Ordinary profit increased by 8.7 billion yen from FY2010 to 158.1 billion yen due to the improvement of total credit costs, while net gains on stocks decreased by the devaluation of stocks
- ▶ Net income decreased by 66.6 billion yen from FY2010 to 56.4 billion yen mainly due to the one-time effects such as extraordinary loss from the absorption of a subsidiary and the decrease in deferred tax assets resulting from the reduction in a corporate tax rate in addition to the disappearance of one-time profit posted in FY2010 (please see <Major one-time effects> on the right below)

(Billions of Yen)	FY2010	FY2011	Change
Net business profit before credit costs	233.3	239.0	5.6
Gross business profit	475.5	487.6	12.1
Net interest income and related profit	247.2	228.3	(18.9)
Net fees and commissions and related profit	170.6	164.9	(5.6)
Net trading profit	15.2	12.5	(2.7)
Net other operating profit	42.2	81.8	39.5
Net gains on bonds	37.9	79.2	41.2
General and administrative expenses	(242.1)	(248.6)	(6.5)
Net non-recurring profit, etc.	(83.9)	(80.8)	3.0
Net gains on stocks	(7.3)	(43.1)	(35.7)
Amortization of net actuarial losses	(25.8)	(23.5)	2.3
Other non-recurring profit	(50.7)	(14.1)	36.5
Ordinary profit	149.4	158.1	8.7
Extraordinary profit	0.7	(44.5)	(45.3)
Income before income taxes	150.1	113.6	(36.5)
Total income taxes	(27.1)	(57.2)	(30.0)
Net income	123.0	56.4	(66.6)
Total credit costs	(7.4)	1.1	8.5

< Major factors (change from FY2010) >

- Net interest income and related profit: ¥(18.9)bn
Domestic ¥(1.9)bn [¥205.9bn → ¥204.0bn]
International ¥(17.3)bn [¥40.0bn → ¥22.7bn]
(Income/expense in swaps ¥(12.4)bn)
- Net gains on bonds: + ¥41.2bn
Domestic bonds + ¥10.3bn [¥13.5bn → ¥23.9bn]
Foreign bonds + ¥30.8bn [¥24.4bn → ¥55.2bn]
- Other non-recurring profit: + ¥36.5bn
Reversal of allowance for loan losses, etc. +¥14.8bn
(transferred from extraordinary profit)
Provision for contingent loss +¥11.5bn [¥(6.5)bn → ¥5.0bn]
Losses on investment in partnerships +¥6.2bn [¥(10.6)bn → ¥(4.3)bn]

< Major one-time effects >

- Extraordinary profit: ¥(44.5)bn
Loss on cancellation of shares due to absorption of a subsidiary ¥(24.8)bn
(No effect on consolidated financial results)
Costs related to the management integration ¥(10.0)bn
Impairment loss on tangible fixed assets ¥(6.8)bn
(mainly related to the management integration)
- Total income taxes: ¥(57.2)bn
Effect of decrease in deferred tax assets due to the reduction in corporate tax rate ¥(12.9)bn

Financial results and contribution of major group companies

< Contribution of major group companies to consolidated financial results >

- ▶ Contribution to net business profit before credit costs (excluding one-time effect) stayed almost flat from FY2010 due to the stable contribution by Nikko Asset Management
- ▶ Contribution to net income (excluding one-time effect) decreased by 4.1 billion yen from FY2010 mainly due to the decrease in profit of Sumishin Panasonic Financial Services resulting from the posting of allowance, etc.

(Billions of Yen)	Net business profit before credit costs			Net income			Goodwill as of Mar. 2012	
	FY2010	FY2011	Change	FY2010	FY2011	Change	Amortization amount	Outstanding balance
Consolidation difference	57.3	103.1	45.8	7.7	108.2	100.4	(14.4)	119.9
Effect of purchase accounting method	-	50.9	50.9	-	81.7	81.7	---	---
Contribution (before consolidated adjustments) (*1)	52.7	52.2	(0.5)	17.7	23.4	5.7	(14.4)	119.9
(Excl. One-time effect) (*2)	52.7	52.2	(0.5)	27.6	23.4	(4.1)	---	---
Nikko Asset Management (Consolidated)	8.3	9.2	0.9	5.3	4.6	(0.7)	(*3) (10.2)	(*3) 65.7
Sumishin Panasonic Financial Services (Consolidated)	16.5	16.0	(0.4)	6.3	2.1	(4.1)	(0.2)	0.6
Sumishin Real Estate Loan & Finance (*4)	7.4	7.0	(0.4)	4.2	6.2	1.9	(3.8)	49.9
SBI Sumishin Net Bank (Consolidated)	1.9	2.5	0.5	1.7	2.5	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 (0.9 billion yen) and outstanding balance (9.4 billion yen) of affiliated companies

(*4) Figures for FY2010 include the 1HFY2010 result of First Credit Corporation

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

- ◆ Effects on differences between consolidated and non-consolidated for FY2011 are +50.9 billion yen in net business profit before credit costs, +81.7 billion yen in net income
- ◆ Impairment risk of shareholdings and cost burden of amortization of net actuarial losses are reduced

Note: By applying purchase accounting method, differences between consolidated and non-consolidated costs of revaluated (mark to market) assets/ liabilities were realized as profit/ loss resulting from amortization/ accumulation of such assets/ liabilities and sales of securities, etc.

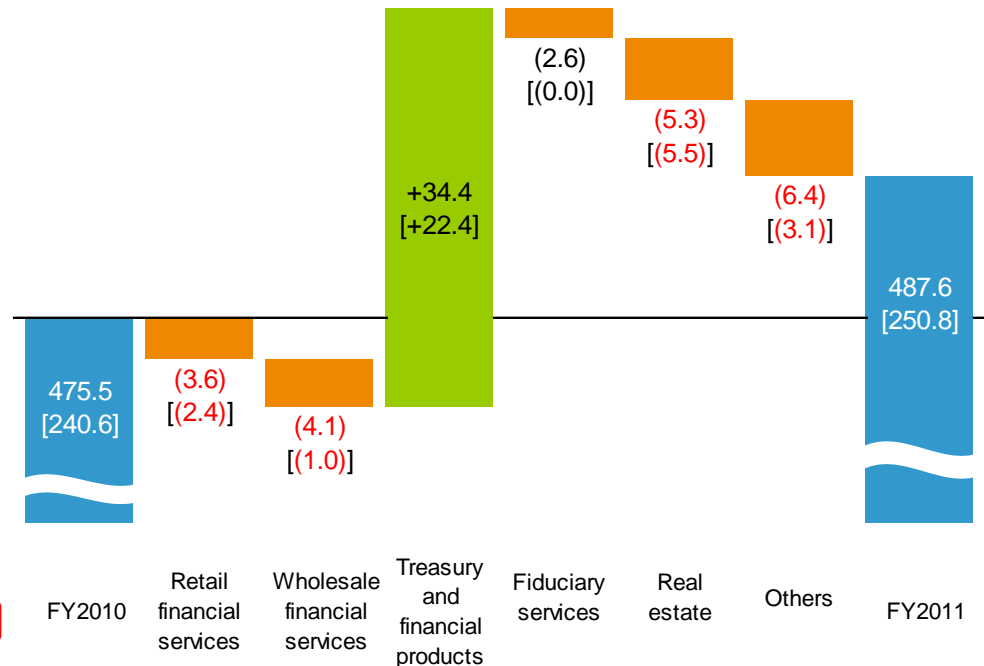
(Billions of Yen)	FY2011
Amortization/ Accumulation of loans and bills discounted, bonds and deposits, etc.	15.5
Effects of sales of bonds, etc.	35.4 (*)
Effect on net business profit before credit costs	50.9
Cancellation of amortization of net actuarial losses	13.3
Effects of sales/ cancellation of devaluation of stocks, etc.	12.5 (*)
Effect on ordinary profit	76.7
Effect on extraordinary profit	43.9
Tax effects on above items	(38.9)
Effect on net income	81.7

(*) One-time effect

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

- ▶ Gross business profit increased by 12.1 billion yen from FY2010 to 487.6 billion yen due to the significant increase of Treasury and financial products in spite of the difficult business environment such as stagnation of real estate market after the earthquake and European sovereign debt crisis, etc.
- ▶ Gross business profit of Retail financial services decreased by 3.6 billion yen from FY2010 mainly due to the decrease in net interest income resulting from the decline in loan-deposit margin in spite of the increase in fees of investment trust and insurance products
- ▶ Gross business profit of wholesale financial services decreased by 4.1 billion yen from FY2010 mainly due to the decrease in net interest income in addition to the decrease in fees from real estate NRL, while fees from syndicated loans increased

(Billions of yen)	Gross business profit (Non-consolidated (Three-company		
	FY2010	FY2011	Change
Retail financial services	144.2	140.6	(3.6)
Wholesale financial services	134.3	130.1	(4.1)
Stock transfer agency services	17.3	16.1	(1.2)
Gross business profit	31.8	30.6	(1.2)
Fees paid for outsourcing	(14.5)	(14.5)	(0.0)
Treasury and financial products	111.3	145.8	34.4
Fiduciary services	63.1	60.4	(2.6)
Gross business profit	87.9	85.2	(2.6)
Fees paid for outsourcing	(24.8)	(24.8)	0.0
Real estate	25.6	20.2	(5.3)
Others	(3.1)	(9.6)	(6.4)
Total	475.5	487.6	12.1



(*1) Figures of profit by business sections 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 "[]" indicate 1HFY2011 results.

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

- ▶ Average loan balance steadily increased in both domestic business and international business due to the expansion of loans to individuals and loans to Japanese corporations operating overseas
- ▶ The loan-deposit margin (domestic business) decreased by 5 basis point from FY2010 to 0.84% due to the decline in market interest rate, but the range of decrease is contracting from the previous year
- ▶ Net interest income decreased by 18.9 billion yen from FY2010 due to one-time deterioration of income/expense in swaps in addition to the shrinkage of loan-deposit margin

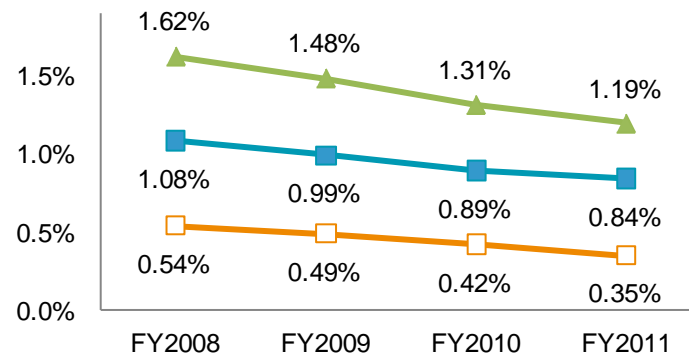
< Breakdown of net interest income (Banking a/c and Principal guaranteed trust a/c combined) >

	FY2011					
	Average balance	Change from FY2010	Yield	Change from FY2010	Income/Expense	Change from FY2010
Net interest income					228.3	(18.9)
Domestic business			0.74%	0.00%	204.0	(1.9)
Interest-earning assets	27.44	(0.29)	1.13%	(0.04%)	311.5	(13.2)
Loans and bills discounted (A)	18.26	0.06	1.19%	(0.12%)	217.8	(20.9)
Securities (*1)	6.00	(0.07)	1.16%	0.25%	70.0	14.2
Interest-bearing liabilities	27.26	(0.11)	0.39%	(0.04%)	(107.4)	11.3
Deposits (*2) (B)	22.07	0.62	0.35%	(0.07%)	(79.1)	11.0
International business			0.71%	(0.26%)	22.7	(17.3)
Interest-earning assets	4.53	0.12	1.78%	(0.12%)	81.0	(3.1)
Loans and bills discounted	2.01	0.38	1.37%	(0.03%)	27.7	4.9
Securities	1.91	(0.43)	2.32%	(0.06%)	44.6	(11.2)
Interest-bearing liabilities	5.44	0.73	1.06%	0.13%	(58.2)	(14.1)
Deposits	1.14	0.25	0.62%	0.04%	(7.1)	(1.9)
Others					1.5	0.3
Loan-deposit margin (*3) (A) + (B)			0.84%	(0.05%)	138.7	(9.9)

(*1) Securities + Monetary Claims Bought (*2) Deposits + Trust principal (*3) As to yield, (A) - (B)

Domestic loan-deposit margin (Banking a/c and Principal guaranteed trust a/c combined)

- ▲ Average yield on Loans and bills discounted
- Average yield on Deposits, etc.
- Loan-deposit margin



< Major factors (change from FY2010) >

- Securities (Domestic business) : + ¥14.2bn
 - JGB's : + ¥2.8bn [¥16.2bn → ¥19.0bn]
 - Japanese stocks : + ¥5.6bn [¥21.6bn → ¥27.3bn]
- Swaps : ¥(16.4)bn
 - Domestic business
¥(3.9)bn [¥14.5bn → ¥10.6bn]
 - International business
¥(12.4)bn [¥(3.1)bn → ¥(15.6)bn]

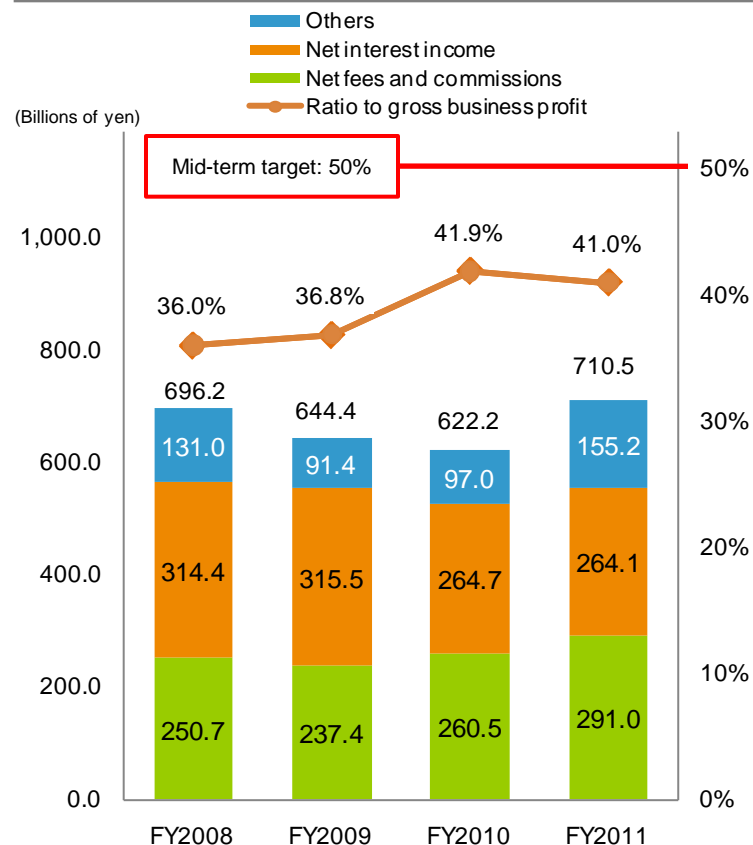
Breakdown of net fees and commissions

- ▶ Net fees and commissions and related profit (non-consolidated (Three-company total)) decreased by 5.6 billion yen from FY2010 to 164.9 billion yen mainly due to the decrease in real estate brokerage fees, while fees of investment trust and insurance products increased
- ▶ Ratio of net fees and commissions to gross business profit fell by 0.9 points from FY2010 to 41.0% due to the significant increase in net other operating profit including net gains on bonds, while consolidated net fees and commissions increased through the consolidation of Japan Trustee Services Bank

(Billions of yen)	Non-consolidated (Three-company total)		Consolidated (*)	
	FY2011	Change from FY2010	FY2011	Change from FY2010
Net fees and commissions and related profit	164.9	(5.6)	291.0	30.5
(Net fees and commissions)	83.1	(1.6)	203.3	28.5
(Other trust fees)	81.7	(4.0)	87.7	2.0
Investment trust and Insurance Sales	44.8	3.9	44.8	3.9
Fiduciary services business	60.4	(2.6)	143.2	30.9
Profit	85.2	(2.6)	150.1	13.0
Fees paid for outsourcing	(24.8)	0.0	(6.9)	17.9
Stock transfer agency services	16.1	(1.2)	26.6	(1.2)
Profit	30.6	(1.2)	33.1	(1.0)
Fees paid for outsourcing	(14.5)	(0.0)	(6.4)	(0.1)
Real estate business	19.1	(5.4)	31.6	(5.2)
Others (Loan arrangement fees, etc.)	24.3	(0.3)	44.7	2.0
Ratio to gross business profit	33.8%	(2.1%)	41.0%	(0.9%)

(*) Figures are after eliminations of intra-group transactions

Trend of net fees and commissions (consolidated)



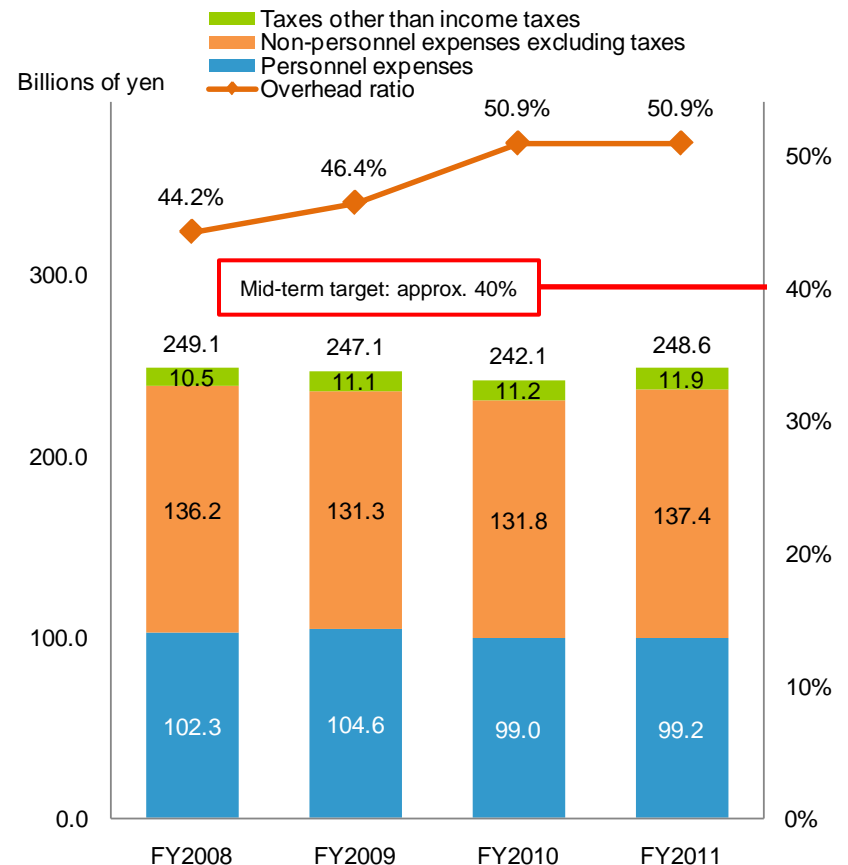
General and administrative expenses

- ▶ General and administrative expenses (Non-consolidated (Three-company total)) increased by 6.5 billion yen from FY2010 to 248.6 billion yen mainly due to the increase in non-personnel expenses excluding taxes such as management service fee, which started to be paid by Sumitomo Trust and Banking to Sumitomo Mitsui Trust Holdings through the management integration
- ▶ Overhead ratio (Non-consolidated (Three-company total)) stayed at the same level as FY 2010 due to the increase in gross business profit in spite of the above mentioned increase in general and administrative expenses

(Billions of yen)	Non-consolidated (Three-company total)		
	FY2010	FY2011	Change
Personnel expenses	(99.0)	(99.2)	(0.1)
Salaries etc.	(93.7)	(94.4)	(0.6)
Retirement benefit expenses	9.4	10.9	1.4
Others	(14.8)	(15.8)	(1.0)
Non-personnel expenses excluding taxes	(131.8)	(137.4)	(5.6)
IT system-related costs	(36.1)	(37.7)	(1.6)
Others	(95.6)	(99.7)	(4.0)
Taxes other than income taxes	(11.2)	(11.9)	(0.6)
General and administrative expenses (a)	(242.1)	(248.6)	(6.5)
Overhead ratio ((a) / gross business profit)	50.9%	50.9%	0.0%

(Billions of yen)	(Reference) Consolidated		
	FY2010	FY2011	Change
Personnel expenses	(154.2)	(164.8)	(10.6)
Non-personnel expenses excluding taxes	(175.6)	(197.1)	(21.5)
Taxes other than income taxes	(12.7)	(13.6)	(0.9)
General and administrative expenses	(342.6)	(375.6)	(33.0)

Trend of general and administrative expenses (Non-consolidated (Three-company total))



Breakdown of total credit costs and migration analysis

- ▶ Consolidated total credit costs resulted in 8.9 billion yen due to the postings of allowance by the group companies, while Non-consolidated (Two-company total) total credit costs was the reversal of 1.1 billion yen due to the reversal of allowance by the improvement of debtors' business conditions and recoveries of written-off claims in spite of posting the conservative allowance for a large client
- ▶ Allowance for loan losses of 8.5 billion yen for housing loan company (*Jusen*) and the reversal of allowance for the Great East Japan Earthquake, etc. (+8.5 billion yen) were posted

< Total credit costs >

(Billions of yen)	FY2010	FY2011		Major factors (FY2011)
		1H	2H	
Total credit costs (Non-consolidated (Two-company total))	(7.4)	(0.8)	1.9	1.1
General allowance for loan losses	2.9	15.4	6.6	22.1
Specific allowance for loan losses	(0.0)	(16.2)	(13.0)	(29.3)
Recoveries of written-off claims	7.2	0.5	12.0	12.6
Losses on sales of claims, written-off	(17.6)	(0.5)	(3.6)	(4.2)
Total credit costs (Group companies)	(16.8)	0.9	(10.9)	(10.0)
Total	(24.3)	0.0	(9.0)	(8.9)

< Migration analysis (Non-consolidated (Two-company total)) >

(Billions of yen)	Mar. 2011	Mar. 2012	Change	Downgrade	Downgrade	Upgrade	Upgrade	Repayment, etc.
	Balance	Balance		(+)	(-)	(+)	(-)	
Bankrupt and practically bankrupt	41.3	33.3	(7.9)	21.0			(4.3)	(24.7)
Doubtful	93.7	124.0	30.4	78.3	(1.7)	1.5	(12.5)	(35.2)
Assets to substandard debtors	138.5	120.1	(18.5)	24.0	(0.9)	1.1	(19.6)	(23.0)
Assets to other special mention debtors	711.2	703.4	(7.9)	306.0	(23.4)	13.4	(166.9)	(136.9)
Total	984.7	980.8	(3.9)					

Forecast for FY2012

Forecast for FY2012

- ▶ Net business profit before credit costs is forecasted to be 275.0 billion yen (consolidated) and 210.0 billion yen (non-consolidated) due to the decrease in the effect of purchase accounting method and the profit from Global markets
- ▶ Net income is forecasted to be 120.0 billion yen (consolidated) and 95.0 billion yen (non-consolidated) due to the standardization of total credit costs and disappearance of one-time effects in FY2011, etc
- ▶ The full year dividend on common share is forecasted to be 8.50 yen per share according to the dividend policy which targets approx. 30.0% as consolidated dividend payout ratio

< Consolidated >	FY2011 (Actual)	Full	FY2012 1H	Change
(Billions of yen)				
Net business profit before credit costs	342.2	275.0	130.0	(67.2) (1)
Ordinary profit	272.1	230.0	110.0	(42.1)
Net income	164.6	120.0	55.0	(44.6)
(Excl. Amortization of negative goodwill)	121.2	120.0	55.0	(1.2)
Total credit costs	(8.9)	(30.0)	(15.0)	(21.0) (2)
Dividend on common share (Yen)	8.50	8.50	4.25	-
Consolidated dividend payout ratio (*1)	30.3%	30.6%	---	0.3%

(*1) Consolidated dividend pay out ratio of FY2011 is calculated by excluding amortization of negative goodwill.

< Sumitomo Mitsui Trust Bank (Non-consolidated) >

Net business profit before credit costs	239.0	210.0	100.0	(29.0)
Gross business profit	487.6	455.0	220.0	(32.6)
Retail financial services	140.6	145.0	70.0	4.3 (3)
Wholesale financial services	114.0	120.0	56.0	5.9 (4)
Stock transfer agency services	30.6	(*2) 30.0	16.0	(0.6)
Real estate	20.2	27.0	13.0	6.7 (5)
Fiduciary services	85.2	(*2) 85.0	42.0	(0.2)
Global markets	145.8	90.0	45.0	(55.8) (6)
General and administrative expenses	(248.6)	(245.0)	(120.0)	3.6
Total credit costs	1.1	(20.0)	(10.0)	(21.1) (7)
Other net non-recurring profit	(81.9)	(25.0)	(10.0)	56.9 (8)
Ordinary profit	158.1	165.0	80.0	6.8
Net income	56.4	95.0	45.0	38.5

(*2) Fees paid for outsourcing are not included.

(Stock transfer agency services: 15.0bn yen, Fiduciary services: 25.0bn yen)

- Net business profit before credit costs:
Consolidation difference: ¥65.0bn (*)
• Effect of purchase accounting method: Approx. ¥5.0bn
(*) Effect from standardization of accounting method of consolidated net business profit before credit costs: Approx. ¥9.0bn
- Total credit costs : Consolidated difference: ¥10.0bn
• Sumitomo Mitsui Trust Panasonic Finance
• Sumitomo Mitsui Trust Loan & Finance, etc.
- Retail financial services: + ¥4.3bn from FY2011
• Continuous increase in sales of investment trust and insurance products, etc.
• Profit from deposit is expected to stay flat, while profit from loans will decrease in interest income.
- Wholesale financial services: + ¥5.9bn from FY2011
• Increase in loans profit by the enhancement in overseas lending
• Increase in fees by the sales of financial instruments
- Real estate: + ¥6.7bn from FY2011
• Increase transactions by utilizing the expanded client base
• Strengthen the earning power by enhancing brokerage of small and medium sized properties
- Global markets: ¥(55.8)bn from FY2011
• Expecting stabilization of net gains on bonds which had high profit in FY2011.
- Total credit costs (Non-consolidated): Forecast ¥(20.0)bn
• Estimated to be stabilized (Approx. 10bp of total loan balance)
- Other net non-recurring profit: Forecast ¥(25.0)bn
• Amortization of net actuarial losses: Approx. ¥(20.0)bn, etc.

Policy on business initiatives for FY2012

FY2012 initiatives policy

1. Enhance the fee related businesses

Expand market share and profit by pro-actively allocating management resources to the fee related business

- Enhance sales force at early stage
- Enhance comprehensive consulting capability to the expanded client base (both for corporations and for individuals) by further cooperation among business sections and group companies

2. Enhance basic earning power in banking business

Enhance the basic earning power by expanding the loan balance considering the profitability under the environment with continuing historic low interest rate

- Pro-actively expanding the loans to individuals by providing competitive loan rate according to the client profiles, while obtaining profitability
- Expanding loans to Japanese corporations operating overseas and loans to non-Japanese corporations by capturing strong demand for financing. Cross selling of products through improvement of business status in domestic market

3. Strict cost control

Effort to minimize the effect of the cost of management integration

- Minimize the effect of management integration cost by restraining the cost operation for the purpose of realizing the cost synergy effects

4. Establish enhanced financial soundness

Control the credit risks and market risks appropriately

Promote advanced measures to control risk-weighted assets considering the introduction of Basel III regulation

- Control downside risk by maintaining credit portfolio with quality
- Accelerate the reduction of cross-shareholdings to reduce the risk
- Continue to manage bond portfolio considering interest rate risk for whole balance sheet
- Accelerate the consideration to introduce the Advanced Internal Rating Based approach (AIRB) for the credit risk and the Advanced Measurement Approach (AMA) for the operational risk



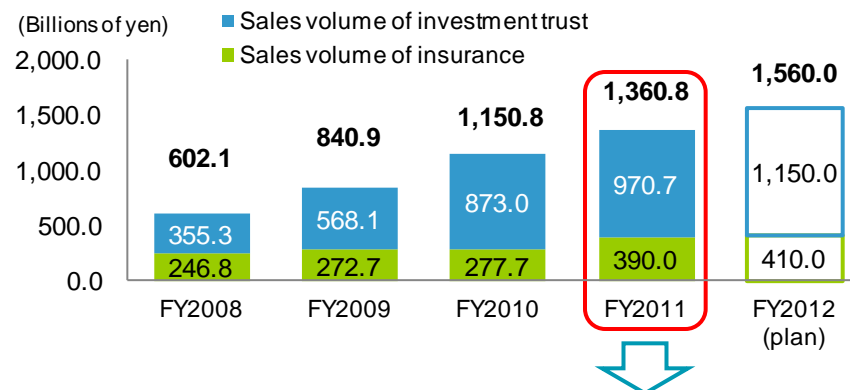
Strengthen fee businesses 1: Investment trust and insurance sales

- ▶ Sales volume of investment trust and insurance products increased by 18% from FY2010 in spite of the slowdown in sales of investment trust due to the turmoil in the stock market caused by the European sovereign debt crisis and the effect of yen appreciation
- ▶ The sales fees of investment trust increased by 12% from FY2010, which is continuous increase after Lehman shock in 2008

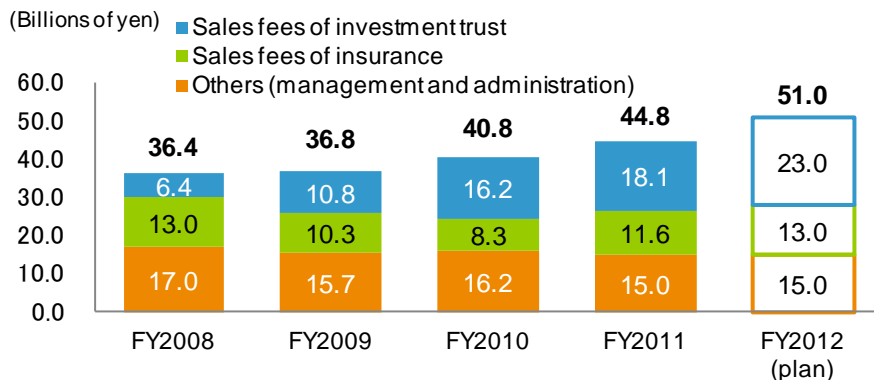
Income (Non-consolidated (Two-company total))

(Billions of yen)	FY2011 Actual	Change from FY2010	FY2012 Plan
Total	44.8	3.9	51.0
Sales fees of investment trust	18.1	1.9	23.0
Sales fees of insurance	11.6	3.2	13.0
Others (management and administration)	15.0	(1.1)	15.0

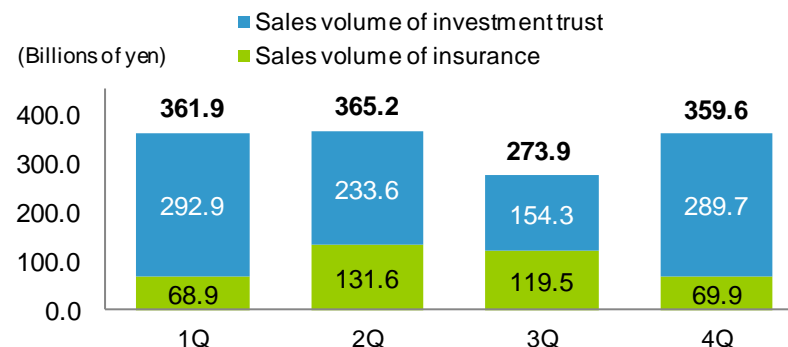
Trend of Sales volume



Trend of Income (Non-consolidated (Two-company total))



Trend of Sales volume (quarterly)



Strengthen fee businesses 1: Investment trust and insurance sales

(Business strategy)

- ▶ Increasing sales personnel to enhance the sales force for the wealthy client base which features the trust bank
- ▶ Expand both flow base profit and stock base profit by enhancing sales of fund wrap/ SMA by utilizing investment know-how for institutional investors
- ▶ Enhance comprehensive consulting capability by cooperation among business sections and group companies, and provide various products and services according to client profiles

Enhancement in sales personnel

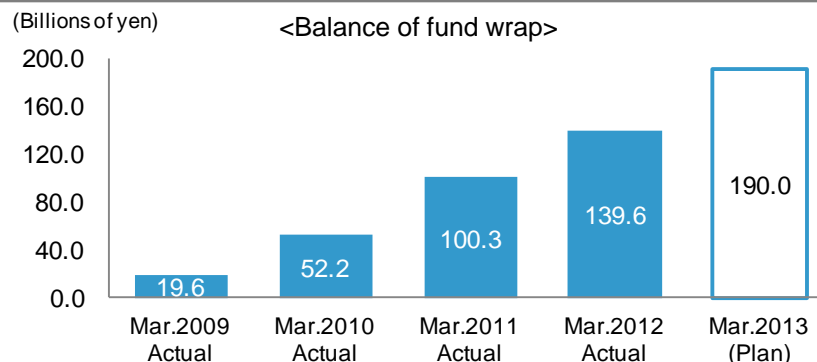
[Client base of Retail financial services]

- ◆ Number of fixed type product holders
→ Approx. 2.3 million
- ◆ Average entrusted assets per client
→ Approx. 8 million yen
- ◆ Clients over 50 years old
→ Over 70% against total client

Current sales staffs
→ Approx. 3,000

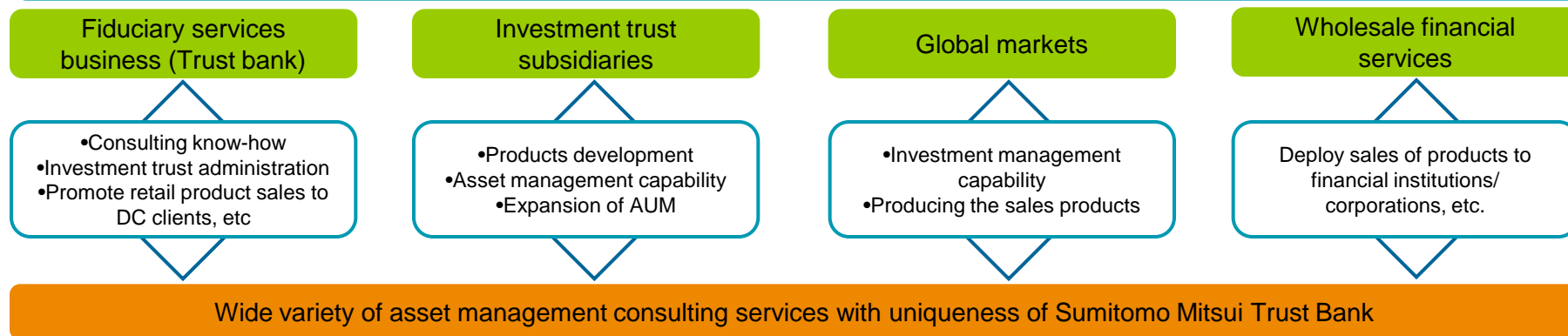
Increase in sales
personnel on Midterm
Management Plan
→ +400 (+ 13%)

Enhancement in sales of discretionary investment products



Cooperation among business sections and group companies

Differentiate business model from those of mega banks by demonstrating comprehensive consulting capability through cooperation among other business sections and group companies



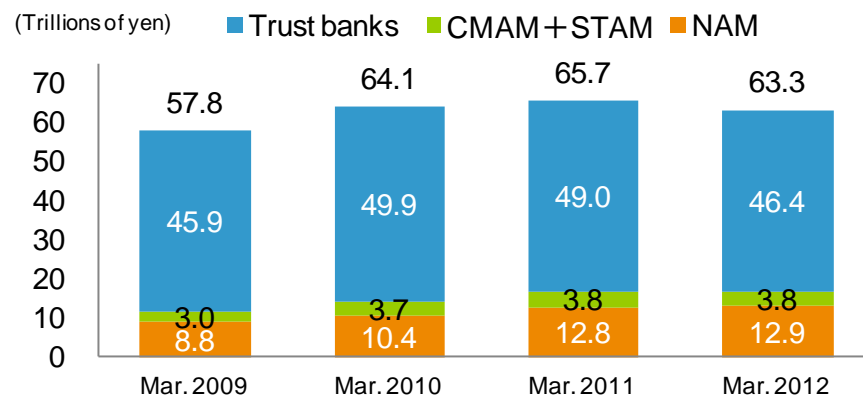
Strengthen fee businesses 2: Fiduciary services

- ▶ Assets under management of trust banks such as pension trust, etc stood almost flat excluding the effect of the decrease in investment discretion due to the excess payment of pension benefits (approx. -3.4 trillion yen) and the increase in fair value (approx. + 0.8 trillion yen)
- ▶ Assets under management of subsidiaries increased by approx. 0.2 trillion yen due to the acquisition of DBS AM by Nikko AM

Assets under management (AUM)

(Trillions of yen)	Mar. 2011	Mar. 2012	Change
	Actual	Actual	
Assets under management	65.7	63.3	(2.3)
Trust banks	49.0	46.4	(2.6)
Corporate pension	13.6	13.5	(0.1)
Public pension	8.2	8.8	0.5
Investment discretion	27.1	24.1	(3.0)
Subsidiaries	16.6	16.8	0.2
CMAM+STAM	3.8	3.8	0.0
Nikko Asset Management	12.8	12.9	0.1

Assets under management (AUM) by company



USD/JPY	98.10	93.25	83.13	82.15
TOPIX	773.66	978.81	869.38	854.35

Income (Non-consolidated (Three-company total))

(Billions of yen)	FY2011	Change from FY2010	FY2012
	Actual		Plan
Fiduciary services business	60.4	(2.6)	60.0
Gross business profit	85.2	(2.6)	85.0
Fees paid for outsourcing	(24.8)	0.0	(25.0)

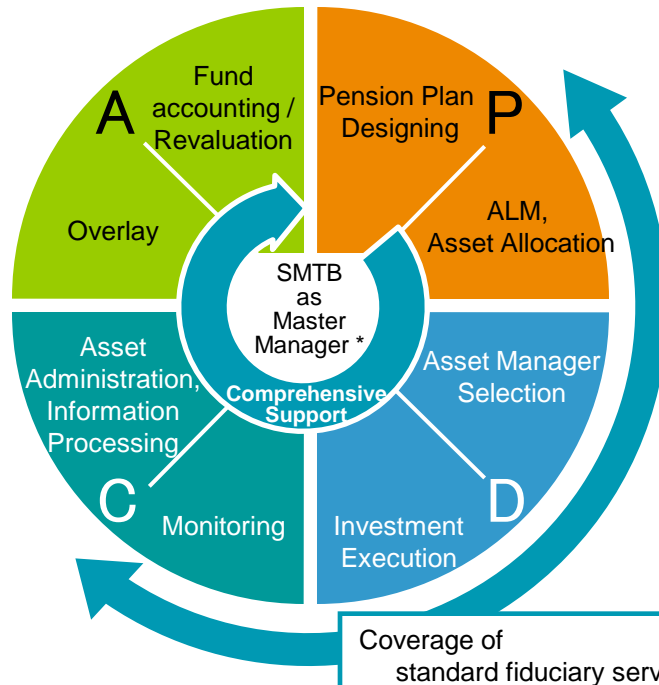
Assets under custody (AUC)

(Trillions of yen) (Billions of USD)	Mar. 2011	Mar. 2012	Change
	Actual	Actual	
Domestic custody business (JTBSB)	184	181	(3)
Global custody business (STBUSA)	209	214	4

Strengthen fee businesses 2: Fiduciary services (Business strategy)

Japanese domestic institutional investors market

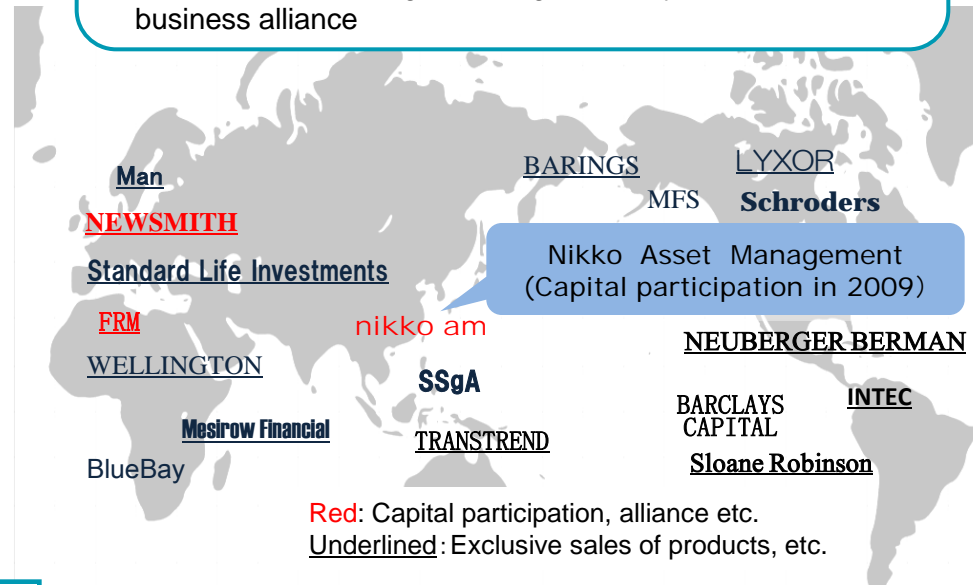
- ▶ Taking market share and profit by providing comprehensive fiduciary service from pension plan designing to asset administration and consulting services



* Master Manager: Asset Management Company which takes comprehensive responsibility of passive fund manager, overlay manager, transition manager, master custodian and consultant

Global market

- ◆ Global footprint according to the characteristics by regions
- ▶ Asia: Promotion by Sumitomo Mitsui Trust Bank and Nikko Asset Management
- ▶ Europe: Expanding product line-up and enhancing the overseas AUM through "Strategic Minority Interest" and business alliance



Strengthen capability of Asian equities investment management by increasing the investment professionals to 30 staffs, which is one of the strongest platform in Japan

Cooperation among business sections and group companies

Retail financial services → Utilizing consulting know-how for institutional investors into retail consulting capability

Wholesale financial services → Providing investment products from subsidiaries and Sumitomo Mitsui Trust Bank to regional banks etc., which have strong demand for investment of surplus cash

Strengthen fee businesses 3: Real estate

- ▶ Brokerage fees decreased by 3.9 billion yen from FY2010 due to the stagnation of investment demand in real estate market after the earthquake
- ▶ Brokerage fees showed tendency to recover after 3QFY2011 by capturing the demand for sales/purchase and effective use of real estate by integrated operations in trust bank subsidiaries

Real estate business (Group basis)

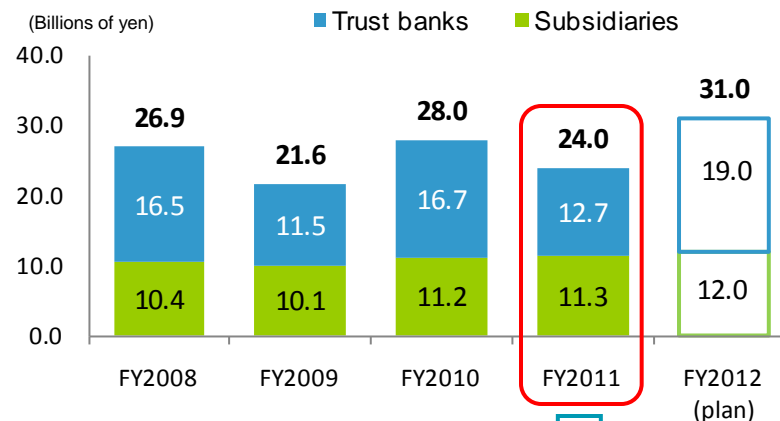
(Billions of yen)	FY2011 Actual	Change from FY2010	FY2012 Plan
	Real estate brokerage fees	24.0	(3.9)
Trust banks	12.7	(4.0)	19.0
Subsidiaries	11.3	0.1	12.0
Real estate trust fees, etc.	6.4	(1.3)	7.0
Others	2.1	(0.1)	1.0
Group companies	1.0	(0.2)	-
Total	32.7	(5.4)	39.0

(Billions of yen)	Mar. 2012	Change from Mar. 2011
Balance of securitized real estate	9,504.7	38.5
Balance of real estate asset management	269.9	(11.0)

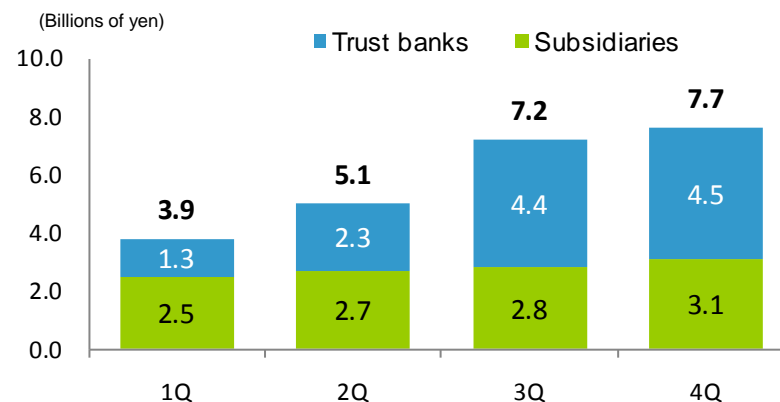
	FY2010		FY2011	
	1H	2H	1H	2H
Number of brokerage transactions	207	203	183	320

Note: Non-consolidated (Two company total)

Real estate brokerage fees



< Real estate brokerage fees (quarterly) >



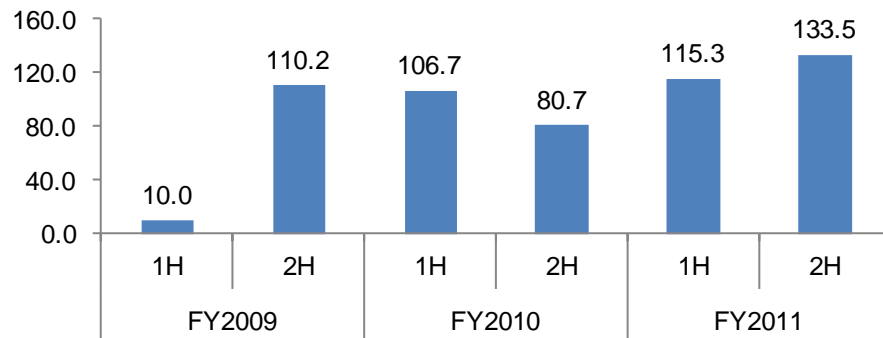
Strengthen fee businesses 3: Real estate (Business strategy)

- ▶ Assume continuous recovery in real estate market from increased issuance of investment unit by J-REIT and scheduled redemptions of CMBS
- ▶ Established real estate information development team in major branches to gather information held by expanded client base, and enhance capability to utilize such information

Increasing purchase demand by J-REIT

<New investment unit issued by J-REIT>

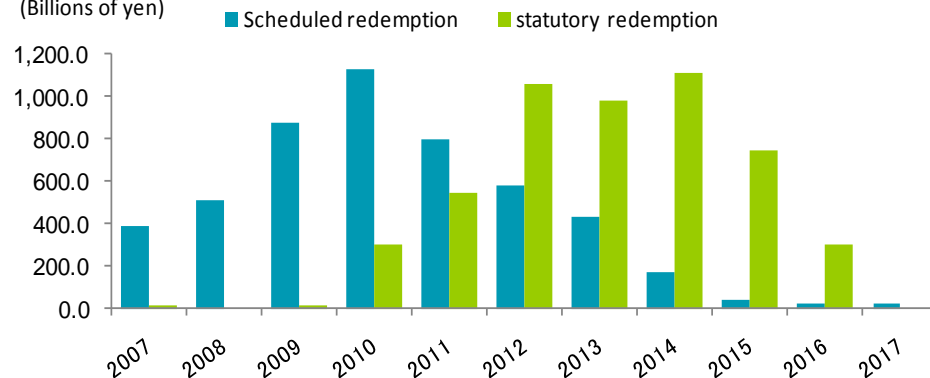
(Billions of yen)



Increasing statutory redemptions of CMBS after 2012

<Scheduled redemption and Statutory redemption of CMBS>

(Billions of yen)



Cooperation among business sections and group companies

Wholesale financial services

Pursue real estate information held by remarkably expanded corporate client base, and provide such information

Retail financial services

Utilize real estate information from wealthy clients through property administration business.
Respond to loan demands for individual clients arising from real estate transaction

Real estate information development team

Coordination of real estate information

Brokerage/ Consulting

Finance

Securitization

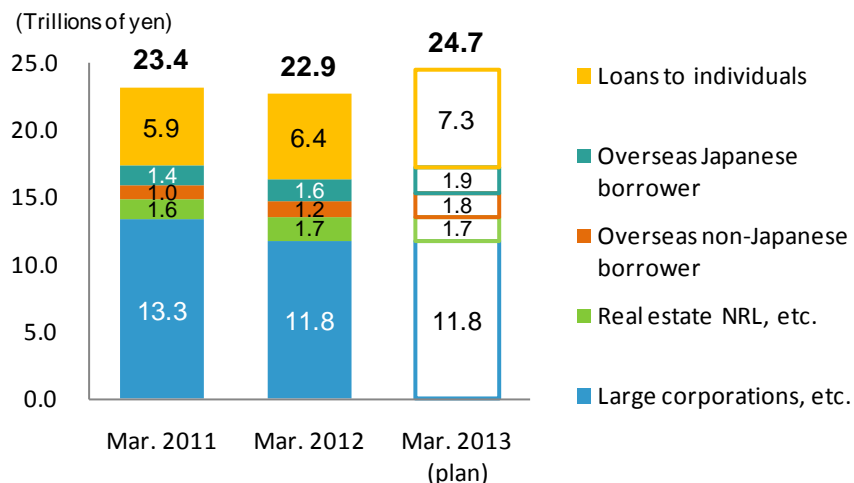
Real estate brokerage subsidiary



Enhancing basic earnings power: Credit portfolio strategy 1

- ▶ Loan balance to individuals increased steadily mainly due to the increase in housing loans (+0.5 trillion yen)
- ▶ Loans to Japanese corporations operating overseas increased due to stable demand for financing mainly from financing subsidiaries of manufacturing companies (+0.2 trillion yen)
- ▶ Loans to large corporations, etc. decreased by 1.5 trillion yen due to the decrease in short-term loans during the end of fiscal year
→ Effect on average loan balance and profits are limited

Credit portfolio

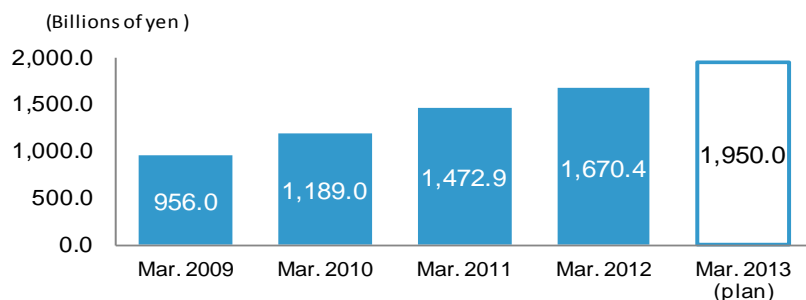


Loans to individuals

< Balance and execution amount (Non-consolidated (Two-company total)) >

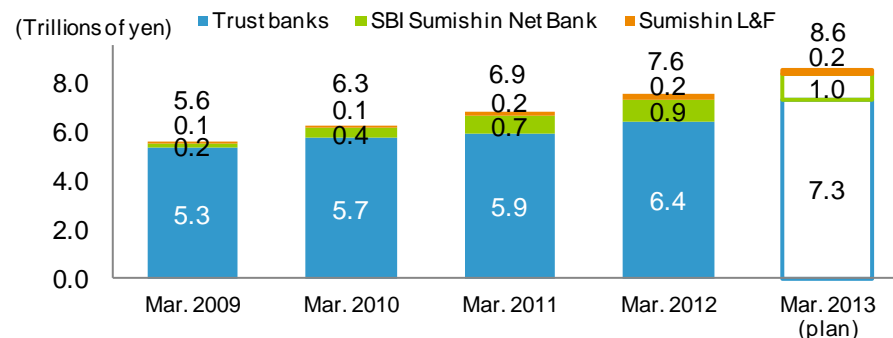
(Billions of yen)	FY2011		FY2012
	Actual	Change from FY2010	Plan
Balance of loans to individuals	6,434.8	488.6	7,300.0
Housing loans	5,936.7	555.3	6,800.0
Execution Amount	1,093.3	286.3	1,500.0
Housing loans	1,073.3	288.7	1,450.0

Balance of credit to Japanese corporations operating overseas (Non-consolidated (Two-company total))



USD/JPY	98.10	93.25	83.13	82.15
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< Individual loan balance >



Enhancing basic earnings power: Credit portfolio strategy 2

Wholesale financial services (Loans to corporations etc.)

<Global Strategy>

Enhancing the credits to overseas Japanese and non-Japanese borrowers



FY2012 Annual Plan: Approx.+ 900.0 billion yen

Japanese corporations operating overseas Approx.+300.0 billion yen	Non-Japanese corporation Approx.+600.0 billion yen
<ul style="list-style-type: none"> Additional personnel resource to capture strong demand for financing Further promotion for project finance involving Japanese corporations Positive promotion as sustainable profit base 	<p>Asia: Enhancing the bi-lateral lending to top-tier corporation</p> <p>Europe: Increase quality assets capturing the opportunity of European financial crisis</p> <p>US: Investment management type of credit such as high yield loan</p>

Non-cash credit transactions without liquidity burden, and asset management type of credit to sell to clients in addition to standard loans

<Japanese domestic strategy>

- ▶ Promotion of cross selling by utilizing the improvement of business status
Syndicated loans, real estate, pension etc.
→ Collaboration between Fiduciary services and Real estate business
- ▶ Providing investment products to regional banks with strong demand for investment
→ Collaboration between Fiduciary services and Global markets

Retail financial services (Loans to individuals etc.)

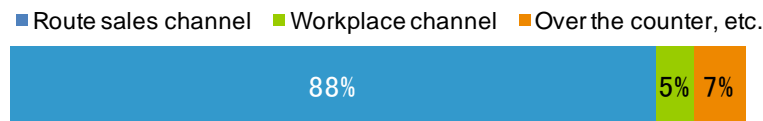
Enhancing the loan balance with precise loan rate policy according to the client segment and enhancement of channels



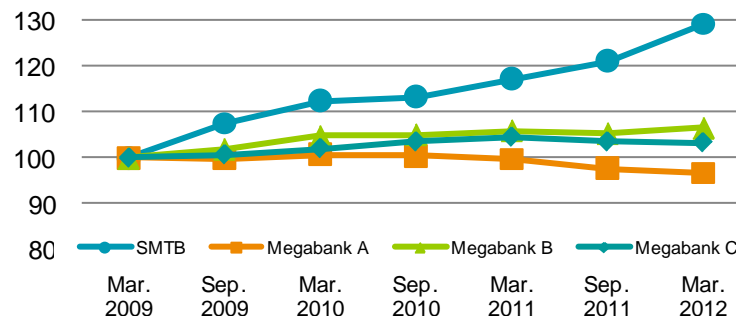
FY2012 Annual Plan: Approx.+ 900.0 billion yen

- Expanding the loan balance with precise interest rate policy according to the client segment (credit quality), loan term and collateral conditions, etc, while obtaining profitability
- Reducing OHR by suppressing the cost due to the management integration

< Housing loan transactions by channel >



< Housing loan balance > (Mar. 2009 = 100)

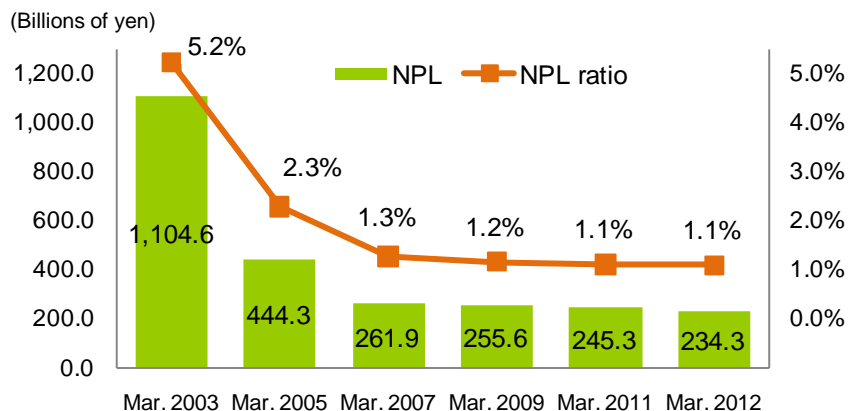


Balance sheet

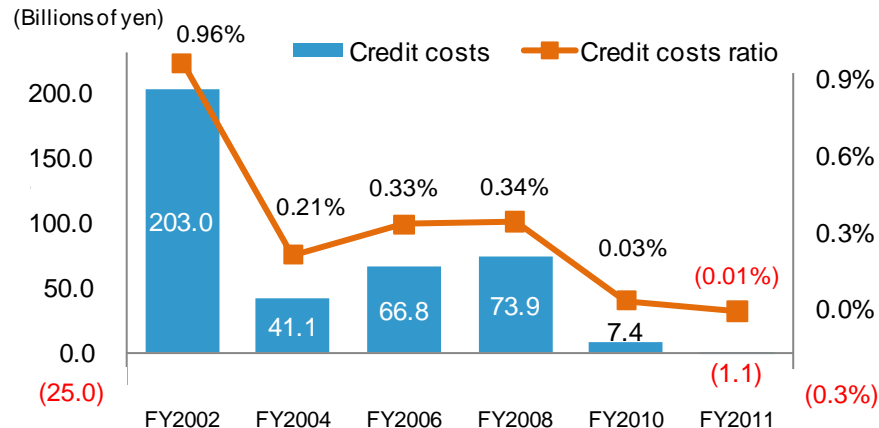
Problem assets based on the Financial Reconstruction Act: Non-consolidated (Two-company total)

- ▶ Ratio of “Problem assets based on the Financial Reconstruction Act” to the total loan balance and credit cost ratio continued to remain at low level due to quality of credit portfolio
- ▶ Coverage ratio for “Problem assets based on the Financial Reconstruction Act” reached 86.1%, which represents sufficient level

Balance and ratio to total loan balance of NPLs



Total credit costs and credit cost ratio



	(Billions of yen)			
	Mar. 2012	Coverage ratio (*1)	Allowance ratio (*2)	Change from Mar. 2011
Problem assets based on the Financial Reconstruction Act	234.3	86.1%	57.9%	(11.0)
(Ratio to total loan balance)	1.1%	---	---	(0.0%)
Bankrupt and practically bankrupt	33.3	100.0%	100.0%	(7.9)
Doubtful	124.0	90.1%	62.5%	30.4
Substandard	76.9	73.5%	29.5%	(33.4)
Assets to other special mention debtors	746.5	---	---	7.1
Ordinary assets	20,658.9	---	---	(429.7)
Total	21,639.7	---	---	(433.5)

(*1) (Collateral value after considering haircuts + allowance for loan losses) / Loan balance

(*2) Allowance for loan losses / (Loan balance - collateral value after considering haircuts)

Effect of European sovereign debt crisis

- ▶ Over 80% of credit exposure to Europe is constituted by Germany, U.K., France and Switzerland
- ▶ No sovereign exposure to GIIPS, and limited exposure to private corporations
- ▶ Foreign currency funding is constituted mainly by CCS and foreign exchange forward to ensure stable funding

<Credit exposure to Europe (Non-consolidated (Two-company total)) >

(Billions of yen)	Mar.2012					
	Germany	U.K.	France	Switzerland	GIIPS(*2)	
Exposure to Europe	764.0	216.3	176.8	138.8	100.8	8.2
Sovereign	119.5	50.4	13.2	24.9	-	-
Corporations (*1)	644.5	165.8	163.5	113.9	100.8	8.2
Financial institutions	329.4	50.0	90.0	66.9	90.5	-

(*1) Excl. inter-bank transaction (*2) Greece, Italy, Ireland, Portugal and Spain

<Foreign currency B/S (as of Mar. 2012)>

(Billions of USD)

Loans	21.5	Customer deposits	3.4
		Foreign currency deposit converted from JPY	9.6
Credit securities	6.9	Deposit from central banks, USCPs, etc.	16.7
Other investment	0.0		
Net I/B depo	0.5	Subordinated debt	0.7
Bond investments	4.0	Repo	2.5

<Overview of foreign currency funding >

- (1) Bond investments are basically covered by bond repo transactions
- (2) Loans and credit securities, etc. are covered by stable funding mainly by CCS and FWD converting Japanese yen into foreign currencies
 - Balance of JPY deposits exceeds that of JPY loans by approx. 3.3 trillion yen, thus there is enough room to convert Japanese yen into foreign currencies
- (3) Client deposits, deposit from central banks, USCPs, etc.
 - Promote diversification of fund suppliers and funding methods
- (4) Inter-bank transactions have excess net loans

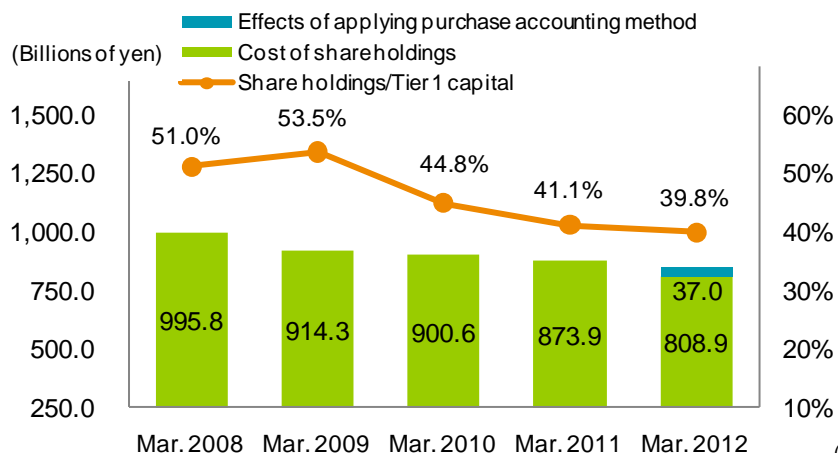
Securities portfolio and interest rate risk

- ▶ Cost of available-for-sale securities decreased by 1,433.9 billion yen from Mar. 2011 to 5,922.0 billion yen due to the significant decrease in Japanese bonds and Others resulting from the sales of both Japanese and foreign government bonds, while Japanese bonds had 547.6 billion yen of increase by the effect of consolidation of Japan Trustee Services Bank
- ▶ Unrealized gains/ losses of available-for-sale securities stood at the net gains of 96.4 billion yen resulting from the improvement of unrealized gains of foreign bonds, while the valuation of Japanese stocks decreased due to the revaluation of purchase accounting
- ▶ Ratio of shareholdings to Tier 1 capital decreased by 1.3 points to 39.8% from the previous fiscal year mainly due to the promotion of sales of approx. 60.0 billion yen, though the costs increased by 37.0 billion yen resulting from the revaluation in the purchase accounting method (in addition, shareholdings are partially hedged)

< Breakdown of securities with fair value >

(Billions of yen)	Costs			Fair value			Unrealized gains/ losses		
	Mar. 2011	Mar. 2012	Change	Mar. 2011	Mar. 2012	Change	Mar. 2011	Mar. 2012	Change
Available-for-sale securities	7,356.0	5,922.0	(1,433.9)	7,424.2	6,018.5	(1,405.6)	68.1	96.4	28.2
Japanese stocks	873.9	845.9	(27.9)	957.1	896.1	(60.9)	83.2	50.2	(33.0)
Japanese bonds	4,050.6	3,828.7	(221.9)	4,058.5	3,854.8	(203.7)	7.8	26.0	18.2
Others	2,431.4	1,247.4	(1,184.0)	2,408.5	1,267.5	(1,140.9)	(22.9)	20.1	43.0
Held-to-maturity debt securities	724.8	640.0	(84.8)	775.0	676.9	(98.1)	50.1	36.9	(13.2)

Cross-shareholdings / Tier 1 capital (Consolidated)



(*) Figures are Non-consolidated basis before Mar. 2011

Interest rate risk <Simulation(*)>

(Billions of yen, %)	Mar. 2011 Actual	Mar. 2012 Preliminary	Change
Total interest risk	119.5	7.8	(111.7)
Tier 1 + Tier 2	3,085.7	3,045.1	(40.6)
Outlier ratio	3.88%	0.26%	(3.62%)

(*) Combined figures of CMTB (non-consolidated) and STB (consolidated)

Securities portfolio of treasury and financial products (Non-consolidated (Two-company total))

(Billions of yen)	10BPV (*2)		Duration (Year) (*2)	
	Mar. 2012	Change from Mar. 2011	Mar. 2012	Change from Mar. 2011
JPY	6.5	(5.6)	2.5	(1.5)
Others	1.4	(6.6)	5.1	(0.8)

(*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 excluded.

Status of capital, financial and capital policies

Status of capital and public funds

- ▶ Consolidated Tier 1 capital ratio increased to 11.87% as of Mar. 2012 mainly due to the decrease in Corporate, etc. among credit risk-weighted assets in accordance with the decrease in loan balance in addition to the increase in Tier 1 capital through accumulation of retained earnings
- ▶ The increase in risk-weighted assets by strengthened framework of Basel II (revision of market risk and securitization products) is limited to 110.0 billion yen

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

(Billions of yen)	Mar. 2011 Simulation (*)	Mar. 2012 Preliminary
Total qualifying capital	2,922.0	2,985.7
Tier 1 capital	2,045.5	2,125.5
Shareholders' equity	1,714.7	1,796.8 (1)
Preferred shares	109.0	109.0
Minority interests	510.6	510.1
Preferred securities	463.5	463.5
Tier 2 capital	990.3	983.6
Subordinated debts	971.9	955.9 (2)
Deduction	(113.8)	(123.4)
Total risk-weighted assets	18,754.1	17,894.4
Amount of credit risk-weighted assets	17,384.0	16,460.5 (3)
Amount of market risk equivalents	157.4	219.5 (4)
Amount of operational risk equivalents	1,212.6	1,214.3
BIS capital adequacy ratio	15.58%	16.68%
Tier 1 capital ratio	10.90%	11.87%

(*) Simulation after considering effects related to the management integration based on consolidated two-company total (Please refer to the below)

- (1) Shareholders' equity: +82.1 billion yen
 - Net income (excl. amortization of negative goodwill) : +121.2 billion yen
 - dividends: (39.9) billion yen
- (2) Subordinated debts: (16.0) billion yen
 - Issuance of publicly-issued domestic subordinated bonds: +83.0 billion yen
 - Redemption of subordinated bonds: (50.8) billion yen
 - Amortization of subordinated bonds: (50.0) billion yen, etc.
- (3) Credit risk-weighted assets: (0.92) trillion yen
 - Corporate, etc.: approx. (0.29) trillion yen
 - Securitization, etc.: approx. (0.11) trillion yen etc.
- (4) Market risk: +0.06 trillion yen
 - Effects on applying stressed VaR: approx. +0.11 trillion yen, etc.

Outline of public funds

Type of issuance	Common shares (converted from preferred shares in Aug. 2009)
Number of shares issued	500,875,000 shares
Capital stock issued	200,350 million yen
Book value per share	400 yen per share
Shareholding ratio	12.06%

<(Reference) Effects related to the management integration>

(i) Major effects of purchase accounting method

Tier 1 capital: approx. (100.0) billion yen, Total risk-weighted assets: approx. (40.0) billion yen

(ii) Others (consolidation of Japan Trustee Services Bank, and effect of unification of standards, etc.)

Tier 1 capital: approx. +20.0 billion yen, Total risk-weighted assets: approx. (160.0) billion yen



Preparation for new Basel regulations

- ▶ Common equity Tier 1 (“CET 1”) ratio as of Mar. 2012 was 6.0%-6.5% after deducting all deduction items (8.5%-9.0% after considering phase-in arrangements)
- ▶ CET 1 ratio will be approx. 8% after deducting all deduction items in the last year of Midterm Management Plan (Mar. 2016), and possible to sufficiently achieve each requirement level by accumulation of retained earnings and risk-weighted asset control without capital increase
- ▶ The effect of increase in risk-weighted assets (RWA) by adopting Basel III will be limited
- ▶ Continuous effort will be made to efficiently manage RWA and to promote stricter control over deduction items from CET 1

[Simulation of CET 1 ratio]

		Mar. 2012	Mar. 2013 (Partial introduction)	Mar. 2016 (Last year of Midterm Management Plan)	Mar. 2019 (Full-scale introduction)
CET 1 ratio	After considering phase-in arrangements	8.5%-9.0%	8.5%-9.0%	8.5%-9.0%	Mid-9%
	Deducting all deduction items	6.0%-6.5%	6.5%-7.0%	Approx. 8%	
Minimum capital requirements + Capital conservation buffer			3.5%	5.125%	7.0%

Assumptions

- ◆ Accumulation of earnings is based on the Midterm Management Plan (until Mar. 2016). From FY2016 onwards, it is based on the assumption that the earnings estimate will continue to be flat (consolidated dividend payout ratio: 30%). Improvement in unrealized gains/ losses of “available-for-sale securities” are not included. Effects of deducting items from CET 1 are included according to the table shown below
- ◆ RWA is based on the Midterm Management Plan (until Mar. 2016). Effects of increasing RWA by introduction of Basel III are based on the assumption that the simulation shown below will continue to be flat. Effects of introducing advanced method to calculate RWA are not included

Effect of increasing RWA by introduction of Basel III (Simulation)

(Billions of Yen)	Increased amount	Ratio to current RWA
Counterparty credit risk charge (CVA), etc.	Approx. 800.0	Less than 5%

Deducting items from CET 1 by introduction of Basel III (Simulation)

(Billions of Yen)	Mar. 2012	Mar. 2016 (Last year of Midterm Management Plan)
Deduction from CET 1	Approx. 550.0	Approx. 450.0
Holdings in other financial institutions	Approx. 30.0	Improvement through amortization of goodwill as well as decrease in DTA
Deferred tax assets	Approx. 70.0	
Intangibles (other than goodwill)	Approx. 90.0	
Goodwill	Approx. 120.0	
Advanced benefit paid	Approx. 150.0	

(Reference) RWA / Total assets as of Mar. 2012

- Possibility of decreasing RWA by sophistication in measurement of RWA

	SMTH	Mega bank A	Mega bank B	Mega bank C
RWA / total assets	51%	37%	37%	32%

3 mega banks have already adopted AIRB.

[Measures for improvement in CET 1 ratio]

Promote measures shown below in addition to the accumulation of retained earnings through steady achievement of Midterm Management Plan and the control of RWA

- (1) Strict management of deduction items included in CET 1
→ Reduction of holdings in other financial institutions, etc.
- (2) Promote sophisticated measurement of RWA (AIRB, AMA)
- (3) Reduce risks of decline in CET 1 ratio
→ Reduction of cross-shareholdings, etc.

Financial and capital policies

Basic approach to financial and capital policies

Looking towards Basel III, we aim to maximize shareholder's interests through the basic approach of ensuring adequate capital (in terms of both quality and quantity), enhancing our sound financial base, and pursuing enhanced capital efficiency

Financial targets

(Medium-term target)

Consolidated ROE: approx. 10%

(Reference)

Estimated Common equity Tier 1 ratio in fiscal year ending Mar. 2016: approx. 8%

Policy on repayment of public funds

- Aim at early repayment by methods such as sales in the market corresponding to share price movement
- No plans for capital increase to repay public funds

Policy on reduction of cross-shareholdings

Cross-shareholding balance (after adjusting hedge effects) as of the end of Mar. 2014:
approx. 30% of consolidated Tier 1 under current regulations

Basic policy on returns for shareholders

Our basic policy is to share profits with shareholders in accordance with profit level of each fiscal year
Dividend policy for common shares is to target approximately 30% as consolidated dividend payout ratio

<Supplement (1)>
Summary of
Midterm Management Plan

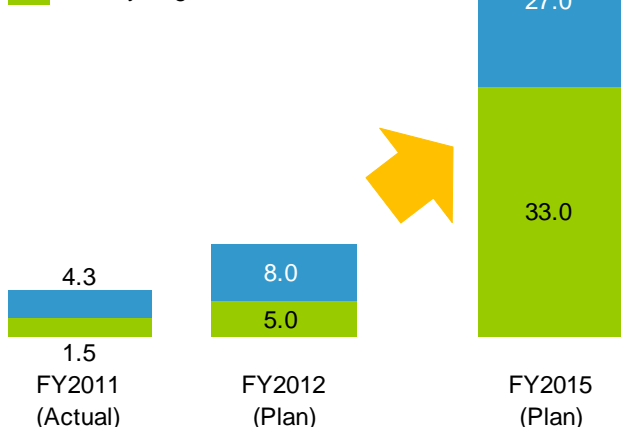
Summary of Midterm Management Plan

Realization of Synergy

(Billions of yen)

Revenue Synergies

Cost Synergies



<Revenue Synergies>(FY2015)

Investment trust and insurance sales:	¥8.0bn
Loans to individuals:	¥8.0bn
Corporate credit/ Financial products sales:	¥4.0bn
Loans to Japanese corporations operating overseas:	¥3.0bn
Real estate:	¥2.0bn
Asset management and administration:	¥2.0bn

<Cost Synergies > (FY2015)

Consolidation of headquarters and branches:	¥17.0bn
IT system-related costs:	¥11.0bn
Personnel costs:	¥5.0bn

<Source of Revenue Synergies>

- Relocate personnel from headquarter to sales force
- Cross selling for expanded client base

<Source of Cost Synergies>

- Cost reduction by efficient integration of headquarters and branches
- Reduction in IT investment
- Suppression in personnel cost

Midterm revenue and financial targets

<Consolidated>

(Billions of yen)

	FY2011 (Actual)	Basic Scenario FY2015 (Target)	Upside Scenario FY2015 (Target)
Net business profit before credit costs	342.2	400.0	440.0
Net Income (excl. amortization of negative goodwill)	164.6 (121.2)	200.0	220.0
ROE (excl. amortization of negative goodwill)	9.58% (6.98%)	Approx. 9%	Approx. 10%

<Non-Consolidated>

	FY2011 (Actual)	FY2015 (Target)
OHR	50.99%	Approx. 40%

	Basic scenario	Upside Scenario
	FY2015	FY2015
3M Tibor	0.725%	0.85%
10yr JGB	1.60%	1.75%
Nikkei 225	13,000 yen	14,000 yen



Business Strategy and Growth Indication

Strategic business areas			FY2011 Actual	FY2015
	Strategic keyword		Growth Indication	
Sales of investment trusts and insurance products	Increase in sales force Further improvement of comprehensive consulting service	Sales volume	Approx. ¥1.4trn	Approx. ¥1.8trn
Asset management	Comprehensive services Globalization	Assets under management	Approx. ¥63trn	Approx. ¥63trn
Investment Trust	Enhance investment management, product development capability and sales force	Assets under management	Approx. ¥17trn	Approx. ¥24trn
Real estate	Enhancement of information sourcing capability Cultivation of stronger and sounder client base	Brokerage fees	Approx. ¥20.0bn	Approx. ¥50.0bn

Basic earnings power areas			FY2011 Actual	FY2015
	Strategic keyword		Growth indication	
Loans	Retailization, Globalization	Loan balance	Approx. ¥21trn	Approx. ¥28trn
Individuals	Enhance competitiveness by increase in sales personnel and cost reduction	Loan balance	Approx. ¥6trn	Approx. ¥10trn
Japanese corporations operating overseas	Increase in sales personnel to capture positive demand for funding	Loan balance	Approx. ¥1trn	Approx. ¥2trn

<Supplement (2)> Credit portfolio

International credit investment

- ▶ International credit investment increased by 145.8 billion yen from Mar. 2011 to 1,271.3 billion yen due to the increase in loans to corporations
- ▶ Available-for-sale securities decreased by 63.1 billion yen from Mar. 2011 mainly due to the redemption of corporate bonds. Unrealized gains/losses decreased by 3.5 billion yen, but still maintain unrealized gains of 9.7 billion yen
- ▶ Held-to-maturity debt securities steadily decreased by 69.3 billion yen from Mar. 2011 due to the redemption of RMBS, etc.
- ▶ Loan balance to corporate borrowers increased by 278.2 billion yen from Mar. 2011 to 571.5 billion yen as a result of making loans to sound corporations by capturing the opportunity of European financial crisis

(Billions of yen)	Mar. 2012				Mar. 2012 Unrealized gains/losses	Mar. 2012 Change from Mar. 2011	Mar. 2012 Unrealized gains/losses ratio
	Balance	North America	Europe	Change from Mar. 2011			
Available-for-sale securities (*1)	309.5	14.7	171.2	(63.1)	9.7	(3.5)	3.1%
Asset-backed securities	3.5	0.3	2.9	(1.0)	7.7	(1.8)	219.9%
Corporate bonds	306.0	14.3	168.3	(62.1)	1.9	(1.6)	0.6%
Bonds issued by financial institutions	63.5	4.9	44.1	(13.7)	(0.2)	0.2	(0.4%)
Held-to-maturity debt securities (*2)	364.0	159.9	169.0	(69.3)	27.0	(13.1)	7.4%
Asset-backed securities	162.3	98.7	63.5	(47.9)	27.7	(12.9)	17.1%
CLO	109.6	79.7	29.8	(8.8)	17.6	(6.7)	16.0%
RMBS	31.3	-	31.3	(31.7)	5.4	(4.7)	17.5%
Corporate bonds	201.7	61.2	105.5	(21.3)	(0.6)	(0.2)	(0.3%)
Loans to overseas non-Japanese borrowers (*3)	571.5	118.6	295.9	278.2			
Securities with no available fair value	26.3			0.0			
Total international credit investment	1,271.3	293.3	636.3	145.8			

(*1) Other than the above mentioned, there are US residential mortgage related GSE bonds of 28.1 billion yen (Constituted by GNMA only)

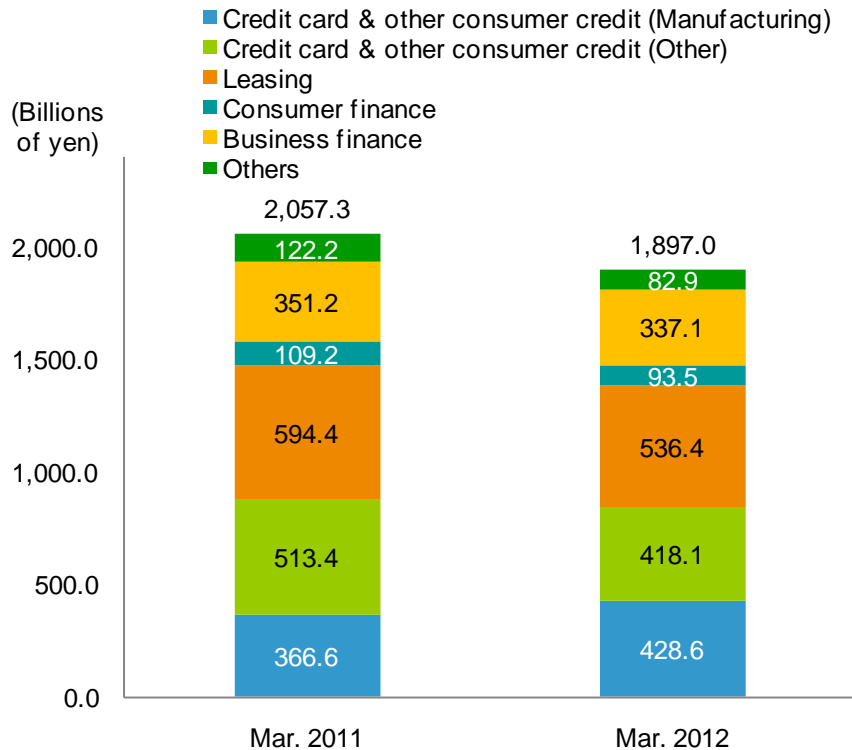
(*2) Unamortized amount of unrealized loss related to ABS transferred to held-to-maturity debt securities (before considering tax effect): (45.7) billion yen

(*3) Definition has been changed to include domestic yen-denominated loans with its final risk countries in overseas

Loans to nonbank financial industry: Non-consolidated (Two-company total)

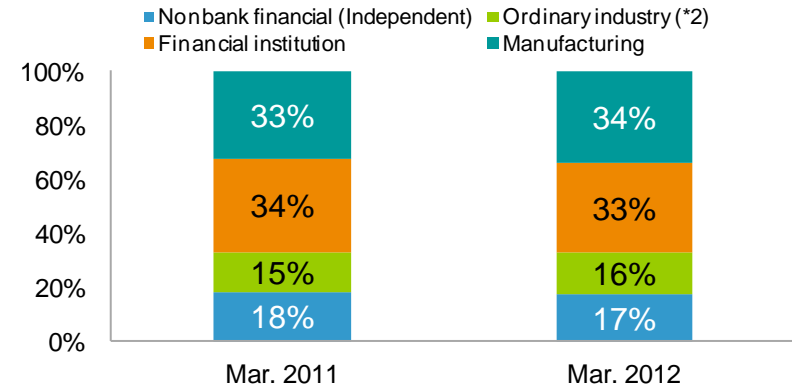
- ▶ Outstanding balance of loans to the nonbank financial industry continued to decrease in the shrinking market of leasing and consumer finance industry
- ▶ Making loans mainly to financing subsidiaries of manufacturing companies which take roles of group finance and sales finance

Outstanding loans to nonbank financial industry ^(*)



(*) Figures are tentative calculations combining standardized managerial figures of CMTB and STB. Loans to government agency, money market dealer (Tanshi kaisha), etc. are excluded.

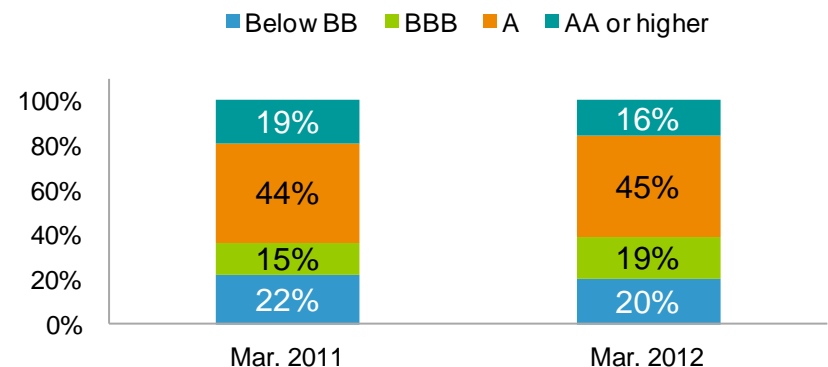
Characteristics of borrowers by industry



(*2) Ordinary industry: Retail / Services etc.

Characteristics of borrowers by rating (Parent company basis) ^(*)

(*3) On internal credit ratings basis (shown by rating marks based on the general correspondence to external credit ratings)



Real estate-related loans: Non-consolidated (Two-company total)

- ▶ Outstanding balance of real estate-related loans decreased by 29.7 billion yen from Mar. 2011 mainly due to the decrease in loans to real estate companies
- ▶ Outstanding balance of real estate non-recourse loans (NRL) increased by 39.5 billion yen, and continuously working on pro-actively lending to the sound borrowers

Balance of real estate-related loans

(Billions of yen)	Mar. 2011	Mar. 2012	Change
Real estate-related loans	2,782.0	2,752.2	(29.7)
Corporate	1,082.7	987.6	(95.1)
NRL (*)	1,285.7	1,325.2	39.5
REIT	403.9	433.6	29.6
CMBS	9.5	5.7	(3.8)

(*) Include bond-type

<reference>

Real estate equity investment	33.0	35.6	2.6
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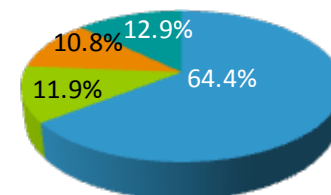
Changes in balance of real estate NRL and loans to REIT

Mar. 2011	(Billions of yen)			Mar. 2012
	Advance (+)	Collection (-)	Change from Mar. 2011	
1,689.7	695.8	626.6	69.1	1,758.9

Characteristics of real estate NRL

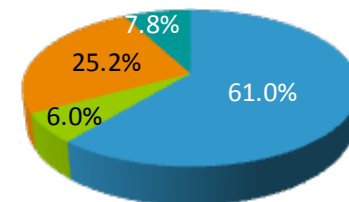
<By area of underlying assets>

■ Tokyo 5 central wards (a)
 ■ Tokyo (excl. (a))
 ■ Tokyo Met. Area
 ■ Other



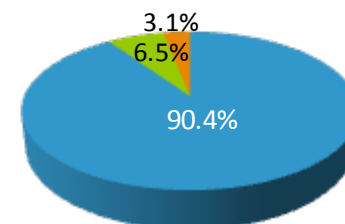
<By underlying assets>

■ Office
 ■ Residential
 ■ Commercial
 ■ Other



LTV of real estate NRL (based on external appraisal value)

■ 70% or below
 ■ 70%-90%
 ■ over 90%



<Supplement (3)>
Financial results
and finance-related

Non-consolidated financial results

(Billions of yen)	Non-consolidated (Three-company total)			CMTB + CMAB (Non-consolidated)			STB (Non-consolidated)		
	FY2010	FY2011	Change	FY2010	FY2011	Change	FY2010	FY2011	Change
	Net business profit before credit costs	233.3	239.0	5.6	103.5	98.6	(4.8)	129.7	140.3
Gross business profit	475.5	487.6	12.1	217.3	212.8	(4.4)	258.2	274.8	16.6
Net interest income and related profit	247.2	228.3	(18.9)	106.4	108.5	2.1	140.8	119.8	(21.0)
Net fees and commissions and related profit	170.6	164.9	(5.6)	80.2	76.8	(3.4)	90.3	88.1	(2.2)
Net trading profit	15.2	12.5	(2.7)	3.5	3.1	(0.3)	11.7	9.4	(2.3)
Net other operating profit	42.2	81.8	39.5	27.1	24.3	(2.7)	15.1	57.4	42.3
Net gains on bonds	37.9	79.2	41.2	27.5	24.2	(3.2)	10.4	54.9	44.4
General and administrative expenses	(242.1)	(248.6)	(6.5)	(113.7)	(114.1)	(0.4)	(128.4)	(134.5)	(6.0)
Net non-recurring profit, etc.	(83.9)	(80.8)	3.0	(26.1)	(51.3)	(25.1)	(57.7)	(29.4)	28.2
Net gains on stocks	(7.3)	(43.1)	(35.7)	(1.1)	(28.1)	(27.0)	(6.2)	(14.9)	(8.7)
Amortization of unrecognized net actuarial loss	(25.8)	(23.5)	2.3	(13.6)	(13.3)	0.3	(12.2)	(10.2)	1.9
Other non-recurring profit	(50.7)	(14.1)	36.5	(11.4)	(9.8)	1.5	(39.3)	(4.3)	34.9
Ordinary profit	149.4	158.1	8.7	77.3	47.3	(30.0)	72.0	110.8	38.7
Extraordinary profit	0.7	(44.5)	(45.3)	2.1	(36.5)	(38.7)	(1.4)	(8.0)	(6.6)
Impairment loss on shares of a subsidiary	(15.2)	-	15.2	-	-	-	(15.2)	-	15.2
Losses/gains on cancellation of shares due to absorption of a subsidiary	1.4	(24.8)	(26.3)	-	(24.8)	(24.8)	1.4	-	(1.4)
Costs related to the Management Integration	(7.1)	(10.0)	(2.8)	(3.9)	(5.3)	(1.4)	(3.2)	(4.6)	(1.4)
Gain on return of substitute portion related to employee services of employees' pension fund	18.3	-	(18.3)	-	-	-	18.3	-	(18.3)
Income before income taxes	150.1	113.6	(36.5)	79.5	10.8	(68.7)	70.6	102.7	32.1
Total income taxes	(27.1)	(57.2)	(30.0)	(30.0)	(8.3)	21.7	2.9	(48.8)	(51.7)
Net income	123.0	56.4	(66.6)	49.4	2.4	(47.0)	73.5	53.9	(19.5)
Total credit costs	(7.4)	1.1	8.5	6.7	1.7	(5.0)	(14.1)	(0.5)	13.5

Contribution of major group companies to consolidated financial results

	Net business profit before credit costs			Net income		
	FY2010	FY2011	Change	FY2010	FY2011	Change
(Billions of yen)						
Consolidated difference	57.3	103.1	45.8	7.7	108.2	100.4
Effect of purchase accounting method	-	50.9	50.9	-	81.7	81.7
Contribution (before consolidated adjustments) (*1)	52.7	52.2	(0.5)	17.7	23.4	5.7
Excl. One-time effect (*2)	52.7	52.2	(0.5)	27.6	23.4	(4.1)
STB Asset Management Co., Ltd.	0.8	0.5	(0.3)	0.4	(0.1)	(0.6)
Chuo Mitsui Asset Management Company, Limited.	0.4	0.3	(0.1)	0.2	0.1	(0.1)
Nikko Asset Management Co., Ltd. (Consolidated)	8.3	9.2	0.9	5.3	4.6	(0.7)
Japan Trustee Services Bank Ltd.	1.7	1.0	(0.6)	0.7	0.3	(0.3)
Sumitomo Trust & Banking Co. (U.S.A.)	1.0	1.5	0.5	0.6	0.9	0.3
Tokyo Securities Transfer Agent Co., Ltd.	0.3	0.6	0.2	0.1	0.3	0.1
Sumishin Realty Company Limited	0.7	0.7	0.0	0.3	0.3	(0.0)
Chuo Mitsui Realty Company, Limited	0.1	0.0	(0.1)	0.1	(0.3)	(0.4)
STB Real Estate Investment Management Co., Ltd.	0.4	0.3	(0.1)	0.2	0.2	(0.0)
Chuo Mitsui Trust Realty Company, Limited	(0.1)	(0.1)	0.0	(0.1)	(0.1)	0.0
Sumishin Panasonic Financial Services Co., Ltd. (Consolidated)	16.5	16.0	(0.4)	6.3	2.1	(4.1)
Sumishin Real Estate Loan & Finance, Ltd. (*3)	7.4	7.0	(0.4)	4.2	6.2	1.9
SBI Sumishin Net Bank, Ltd. (Consolidated)	1.9	2.5	0.5	1.7	2.5	0.8
Chuo Mitsui Guarantee Co., Ltd.	4.0	3.0	(1.0)	0.6	(0.9)	(1.5)
Sumishin Guarantee Company Limited	3.4	3.7	0.3	1.6	1.4	(0.1)
CMTB Equity Investments, Co., Ltd.	1.5	0.6	(0.9)	2.8	0.5	(2.2)
One-time effect (*2)	-	-	-	(9.8)	-	9.8

(*1) Exclude the amount of consolidation adjustments such as performance of holding company alone, elimination of dividend and amortization of goodwill, etc.

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

(*3) Financial result of FY2010 includes the 1HFY2010 result of First Credit Corporation

Breakdown of profits by business

(Billions of yen)	Gross business profit (Non-consolidated (Three-company total))			CMTB + CMAB (Non-consolidated)			STB (Non-consolidated)		
	FY2010	FY2011	Change	FY2010	FY2011	Change	FY2010	FY2011	Change
	Retail financial services	144.2	140.6	(3.6)	71.4	73.1	1.6	72.7	67.4
Wholesale financial services	134.3	130.1	(4.1)	48.8	47.7	(1.1)	85.4	82.4	(3.0)
Stock transfer agency services	17.3	16.1	(1.2)	10.6	9.9	(0.7)	6.6	6.1	(0.4)
Gross business profit	31.8	30.6	(1.2)	18.0	17.4	(0.6)	13.7	13.2	(0.5)
Fees paid for outsourcing	(14.5)	(14.5)	(0.0)	(7.4)	(7.4)	(0.0)	(7.1)	(7.0)	0.0
Treasury and financial products	111.3	145.8	34.4	56.1	56.1	0.0	55.2	89.6	34.3
Fiduciary services	63.1	60.4	(2.6)	30.8	29.6	(1.2)	32.2	30.7	(1.4)
Gross business profit	87.9	85.2	(2.6)	39.9	38.8	(1.1)	47.9	46.3	(1.5)
Fees paid for outsourcing	(24.8)	(24.8)	0.0	(9.0)	(9.2)	(0.1)	(15.7)	(15.6)	0.1
Real estate	25.6	20.2	(5.3)	10.9	7.7	(3.1)	14.7	12.5	(2.2)
Others	(3.1)	(9.6)	(6.4)	(0.8)	(1.6)	(0.7)	(2.2)	(8.0)	(5.7)
Total	475.5	487.6	12.1	217.3	212.8	(4.4)	258.2	274.8	16.6

(Billions of yen)	Net business profit before credit costs (Non-consolidated (Three-company total))			Net business profit before credit costs (Consolidated)		
	FY2010	FY2011	Change	FY2010	FY2011	Change
	Retail financial services	21.0	16.8	(4.1)	29.0	24.2
Wholesale financial services	99.1	94.6	(4.5)	126.4	119.9	(6.4)
Stock transfer agency services	14.3	13.2	(1.1)	15.0	14.4	(0.5)
Treasury and financial products	99.8	133.8	33.9	99.8	133.8	33.9
Fiduciary services	34.2	31.0	(3.2)	46.4	45.0	(1.4)
Real estate	15.3	10.0	(5.2)	16.7	11.2	(5.5)
Others	(36.2)	(47.4)	(11.1)	(27.9)	7.8	35.8
Total	233.3	239.0	5.6	290.6	342.2	51.5

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

General and administrative expenses

(Billions of yen)	Non-consolidated (Three-company total)			CMTB + CMAB (Non-consolidated)			STB (Non-consolidated)		
	FY2010	FY2011	Change	FY2010	FY2011	Change	FY2010	FY2011	Change
	Personnel expenses	(99.0)	(99.2)	(0.1)	(50.4)	(51.4)	(1.0)	(48.6)	(47.7)
Salaries etc.	(93.7)	(94.4)	(0.6)	(46.5)	(48.4)	(1.8)	(47.1)	(45.9)	1.1
Retirement benefit expenses	9.4	10.9	1.4	2.5	3.9	1.3	6.9	7.0	0.0
Others	(14.8)	(15.8)	(1.0)	(6.4)	(6.9)	(0.5)	(8.3)	(8.8)	(0.4)
Non-personnel expenses excluding taxes	(131.8)	(137.4)	(5.6)	(58.0)	(58.1)	(0.0)	(73.7)	(79.3)	(5.5)
IT system-related costs	(36.1)	(37.7)	(1.6)	(16.8)	(16.9)	(0.0)	(19.2)	(20.8)	(1.5)
Others	(95.6)	(99.7)	(4.0)	(41.1)	(41.1)	(0.0)	(54.5)	(58.5)	(3.9)
Taxes other than income taxes	(11.2)	(11.9)	(0.6)	(5.2)	(4.5)	0.6	(6.0)	(7.3)	(1.3)
Total General and administrative expenses (a)	(242.1)	(248.6)	(6.5)	(113.7)	(114.1)	(0.4)	(128.4)	(134.5)	(6.0)
Overhead ratio ((a)/Gross business profit)	50.9%	50.9%	0.0%	52.3%	53.6%	1.3%	49.7%	48.9%	(0.8%)

(Billions of yen)	(Reference) Consolidated		
	FY2010	FY2011	Change
	Personnel expenses	(154.2)	(164.8)
Non-personnel expenses excluding taxes	(175.6)	(197.1)	(21.5)
Taxes other than income taxes	(12.7)	(13.6)	(0.9)
Total General and administrative expenses	(342.6)	(375.6)	(33.0)

Securities portfolio (Details)

<Breakdown of securities with fair value (Consolidated)>

(Billions of yen)	Costs			Fair value			Unrealized gains/ losses		
	Mar. 2011	Mar. 2012	Change	Mar. 2011	Mar. 2012	Change	Mar. 2011	Mar. 2012	Change
Available-for-sale securities	7,356.0	5,922.0	(1,433.9)	7,424.2	6,018.5	(1,405.6)	68.1	96.4	28.2
Japanese stocks	873.9	845.9	(27.9)	957.1	896.1	(60.9)	83.2	50.2	(33.0)
Domestic bonds	4,050.6	3,828.7	(221.9)	4,058.5	3,854.8	(203.7)	7.8	26.0	18.2
Others	2,431.4	1,247.4	(1,184.0)	2,408.5	1,267.5	(1,140.9)	(22.9)	20.1	43.0
Held-to-maturity debt securities	724.8	640.0	(84.8)	775.0	676.9	(98.1)	50.1	36.9	(13.2)

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

Available-for-sale securities	7,291.8	5,356.7	(1,935.1)	7,341.7	5,480.4	(1,861.2)	49.8	123.7	73.9
Japanese stocks	813.5	808.4	(5.1)	878.7	895.5	16.8	65.1	87.1	21.9
Domestic bonds	4,070.6	3,305.9	(764.7)	4,078.5	3,327.0	(751.5)	7.8	21.0	13.2
Government bond	3,238.6	2,462.9	(775.7)	3,244.7	2,479.3	(765.3)	6.0	16.3	10.3
Others	2,407.5	1,242.3	(1,165.2)	2,384.4	1,257.9	(1,126.5)	(23.1)	15.5	38.7
Foreign government bonds	1,134.1	314.0	(820.1)	1,111.6	324.6	(786.9)	(22.5)	10.6	33.1
US Treasury	928.0	185.8	(742.2)	910.3	193.7	(716.5)	(17.7)	7.9	25.6
European government bonds	163.0	48.8	(114.2)	157.7	49.3	(108.4)	(5.3)	0.4	5.7
US agency MBS	344.1	28.1	(316.0)	341.1	29.1	(312.0)	(2.9)	1.0	4.0
Corporate bond (International)	368.1	306.0	(62.1)	371.6	307.9	(63.7)	3.5	1.9	(1.6)

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

Held-to-maturity debt securities	724.2	638.9	(85.2)	774.3	676.1	(98.2)	50.1	37.2	(12.9)
Japanese government bonds	184.4	164.4	(19.9)	192.3	172.0	(20.3)	7.9	7.5	(0.3)
Foreign bonds (Corporate)	223.0	201.7	(21.3)	222.5	201.0	(21.5)	(0.4)	(0.6)	(0.2)
Asset-backed securities (International) (*)	210.3	162.3	(47.9)	251.0	190.0	(60.9)	40.7	27.7	(12.9)

(*) Unamortized balance of unrealized loss on asset-backed securities which were reclassified from AFS to HTM during FY2008: 2012/3: (45.7)bn yen (2011/3: (61.0)bn yen)

Status of capital (Details)

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

(Billions of yen)			Mar. 2011 Combined total	Mar. 2011 Simulation (*)	Mar. 2012 Preliminary (No.1 standard)
	CMTH (No.1 standard)	STB (International standard)			
Total qualifying capital	1,119.3	1,880.8	3,000.2	2,922.0	2,985.7
Tier 1 capital	791.1	1,333.9	2,125.0	2,045.5	2,125.5
Shareholders' equity	660.6	1,188.8	1,849.4	1,714.7	1,796.8
Preferred shares	-	109.0	109.0	109.0	109.0
Minority interests	187.8	303.5	491.4	510.6	510.1
Preferred securities	183.5	280.0	463.5	463.5	463.5
Goodwill equivalents	(33.0)	(123.2)	(156.2)	(123.2)	(111.8)
Tier 2 capital	343.7	646.6	990.3	990.3	983.6
Subordinated debts	343.7	628.2	971.9	971.9	955.9
Deduction (double gearing, etc.)	(15.4)	(99.6)	(115.1)	(113.8)	(123.4)
Total risk-weighted assets	6,927.0	12,028.0	18,955.0	18,754.1	17,894.4
Amount of credit risk-weighted assets	6,443.6	11,146.3	17,590.0	17,384.0	16,460.5
Amount of market risk equivalents / 8%	18.0	139.3	157.4	157.4	219.5
Amount of operational risk equivalents / 8%	465.2	742.3	1,207.5	1,212.6	1,214.3
BIS capital adequacy ratio	16.15%	15.63%	15.82%	15.58%	16.68%
Tier 1 capital ratio	11.42%	11.09%	11.21%	10.90%	11.87%

(*) Simulation after considering effects related to the management integration based on consolidated two-company total

<(Reference) Effects related to the management integration>

(i) Effects of purchase accounting method

• Tier 1 capital: approx. (100.0) billion yen • Total risk-weighted assets: approx. (40.0) billion yen

(ii) Others (consolidation of Japan Trustee Services Bank, and effect of standardization, etc.)

• Tier 1 capital: approx. +20.0 billion yen • Total risk-weighted assets: approx. (160.0) billion yen

Deferred tax assets

< Deferred tax assets >

(Billions of yen)	Non-consolidated (Two-company total)			CMTB		STB		Consolidated		
	Mar. 2011	Mar. 2012	Change	Mar.2012	Change	Mar.2012	Change	Mar. 2011	Mar.2012	Change
	Deferred tax assets (A)	277.9	218.4	(59.5)	132.6	(15.5)	85.7	(44.0)	311.2	287.6
Devaluation of securities	83.3	49.6	(33.6)	18.7	3.9	30.9	(37.6)	80.6	46.5	(34.0)
Allowance for loan losses (including written-off of loans)	56.0	41.2	(14.7)	12.5	(7.5)	28.7	(7.1)	66.8	56.7	(10.0)
Provision for retirement benefits	17.1	15.1	(1.9)	1.3	(1.4)	13.8	(0.4)	25.2	22.5	(2.6)
Loss carry forwards	75.0	80.4	5.4	74.8	(0.1)	5.5	5.5	92.2	86.4	(5.7)
Valuation difference on available-for-sale securities	11.3	-	(11.3)	-	(11.3)	-	-	11.9	0.0	(11.9)
Valuation allowance	(28.7)	(32.7)	(3.9)	(17.8)	4.4	(14.8)	(8.4)	(49.7)	(45.6)	4.1
Deferred tax liabilities (B)	60.6	75.2	14.6	22.1	8.4	53.1	6.1	71.9	98.0	26.0
Employee retirement benefit trust	41.4	41.6	0.1	7.7	(1.0)	33.9	1.2	41.4	42.7	1.3
Valuation difference on available-for-sale securities	3.3	22.0	18.7	7.0	7.0	15.0	11.7	7.6	22.6	14.9
Net deferred tax assets (A) - (B)	217.3	143.1	(74.1)	110.5	(23.9)	32.6	(50.2)	239.2	189.6	(49.6)
Percentage to Tier 1	10.3%	6.9%	(3.4%)	15.4%	(3.2%)	2.4%	(3.6%)	---	8.9%	---

< CMTB >

(Billions of yen)

	FY2007	FY2008	FY2009	FY2010	FY2011
Taxable income before deduction of loss carry forwards	158.4	(194.8)	92.8	65.5	15.1
Net business profit before credit costs	127.2	93.2	92.8	88.6	85.6

Although there are significant operating loss carry forwards on the tax base, as the loss carry forwards are due to temporary factors, "examples (4) proviso" of Practical Guideline is applied. Period for estimated future taxable income is 5 years, which is allowed to record pursuant to Practical Guideline subject to rational earnings projection.

< STB >

(Billions of yen)

	FY2007	FY2008	FY2009	FY2010	FY2011
Taxable income before deduction of loss carry forwards	144.6	86.8	(3.0)	42.6	(14.7)
Net business profit before credit costs	173.8	201.0	175.4	129.7	140.3

Although there are significant operating loss carry forwards on the tax base, as the loss carry forwards are due to temporary factors, "examples (4) proviso" of Practical Guideline is applied. Period for estimated future taxable income is 5 years, which is allowed to record pursuant to Practical Guideline subject to rational earnings projection.

(Reference) Estimated taxable income for further 5 years

Sum of 5 years

Projected amount of net business profit before credit costs used for the estimation	457.5
Projected amount of net income used for the estimation	365.3
Estimated amount of taxable income before adjustments	420.3

(Reference) Estimated taxable income for further 5 years

Sum of 5 years

Projected amount of net business profit before credit costs used for the estimation	679.4
Projected amount of net income used for the estimation	524.0
Estimated amount of taxable income before adjustments	558.0

B/S as of effective date of the share exchange (simulation)

(Billions of yen)	CMTH (Consolidated)			STB (Consolidated)			Pro forma (1)+(2)	JTSB Mar. 2011	Consolidated adjustments	SMTH (Reference)
	Mar. 2011	Purchase a/c method	Succession amount (1)	Mar. 2011	Results of integration	Succession amount (2)				
Assets	14,231.0	(72.9)	14,158.1	20,926.0	-	20,926.0	35,084.2	1,177.7	(38.4)	36,223.5
Cash and due from banks	502.1	-	502.1	704.6	-	704.6	1,206.7	314.6	-	1,521.4
Monetary claims bought	99.9	0.4	100.3	439.3	-	439.3	539.6	-	-	539.6
Securities	3,710.5	(21.2)	3,689.2	4,616.5	-	4,616.5	8,305.7	561.5	(38.4)	8,828.8
Loans and bills discounted	8,817.5	37.6	8,855.1	11,794.9	-	11,794.9	20,650.1	-	-	20,650.1
Other assets	393.0	(86.3)	306.7	1,452.1	-	1,452.1	1,758.9	15.4	-	1,774.3
Tangible fixed assets	123.5	(18.1)	105.4	127.5	-	127.5	233.0	1.4	-	234.5
Intangible fixed assets	56.9	(33.2)	23.7	164.9	-	164.9	188.7	24.2	-	213.0
Deferred tax assets	143.0	47.8	190.9	100.1	-	100.1	291.1	0.3	-	291.4
Liabilities	13,386.9	50.7	13,437.6	19,418.9	-	19,418.9	32,856.6	1,120.0	-	33,976.7
Deposits	9,292.0	34.7	9,326.7	12,298.5	-	12,298.5	21,625.2	43.2	-	21,668.5
Negotiable certificates of deposits	327.0	-	327.0	2,222.1	-	2,222.1	2,549.1	-	-	2,549.1
Borrowed money	678.9	3.8	682.8	1,176.0	-	1,176.0	1,858.8	-	-	1,858.8
Corporate bonds	267.2	5.2	272.4	634.2	-	634.2	906.7	-	-	906.7
Borrowed money from trust account	801.6	-	801.6	431.7	-	431.7	1,233.3	1,041.2	-	2,274.6
Provision for retirement benefits	2.8	4.6	7.5	8.6	-	8.6	16.2	0.3	-	16.5
Deferred tax liabilities	3.9	2.2	6.2	0.0	-	0.0	6.2	-	-	6.2
Net assets	844.1	(123.6)	720.4	1,507.0	-	1,507.0	2,227.4	57.7	(38.4)	2,246.7
Capital stock	261.6	-	261.6	342.0	(342.0)	-	261.6	51.0	(51.0)	261.6
Capital surplus	-	227.5	227.5	297.0	341.5	638.6	866.1	-	-	866.1
Retained earnings	406.0	(362.5)	43.4	565.9	-	565.9	609.3	6.6	(6.6)	609.3
Treasury stock	(0.2)	0.2	-	(0.4)	0.4	-	-	-	-	-
Total accumulated other comprehensive income	(10.8)	10.8	-	(1.8)	-	(1.8)	(1.8)	0.0	(0.0)	(1.8)
Minority interest	187.6	0.2	187.8	304.4	-	304.4	492.2	-	19.2	511.5

(*) Figures for CMTH (Consolidated) indicate amount after considering allowance for loan losses.

JTJB: Japan Trustee Services Bank (non-consolidated), SMTH: Sumitomo Mitsui Trust Holdings (consolidated)

<Supplement (4)> Performance by Business Sections

Retail financial services/ Wholesale financial services

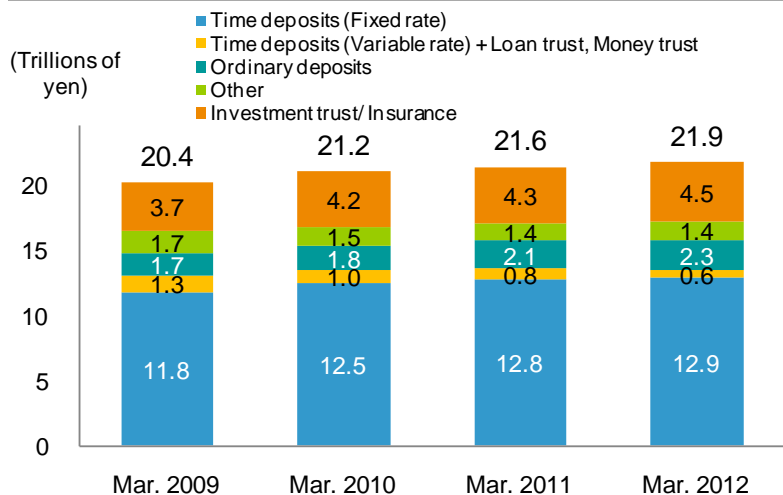
Retail financial services/ Gross business profit

(Billions of yen)	FY2010	FY2011	Change
Business profit	104.8	96.2	(8.5)
Net interest income, etc.	63.4	50.4	(13.0)
Individual loans	40.3	41.5	1.2
Deposits	18.2	8.8	(9.4)
Others	4.7	-	(4.7)
Net fees and commissions	41.4	45.8	4.4
Investment trust/ Insurance	40.8	44.5	3.6
Others	0.5	1.2	0.7
Adjustments among businesses	39.3	44.3	4.9
Gross business profit	144.2	140.6	(3.6)

Wholesale financial services/ Gross business profit

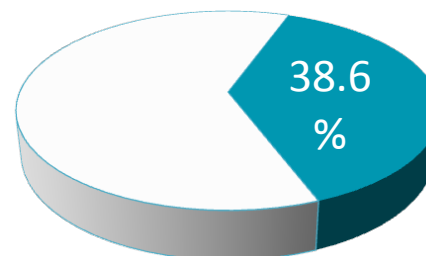
(Billions of yen)	FY2010	FY2011	Change
Business profit	172.4	167.6	(4.7)
Net interest income, etc.	124.0	121.5	(2.5)
Loans, etc.	119.1	113.9	(5.1)
Deposits	4.3	3.0	(1.2)
Others	0.5	4.4	3.8
Net fees and commissions	48.3	46.1	(2.2)
Real estate NRL	9.6	6.5	(3.0)
Syndicated loan	15.0	17.9	2.8
Securitization	4.2	6.3	2.1
Stock transfer agency services	31.8	30.6	(1.2)
Fees paid for outsourcing	(14.5)	(14.5)	(0.0)
Adjustments among businesses	(38.0)	(37.4)	0.5
Gross business profit	134.3	130.1	(4.1)

Total depositary assets from individuals

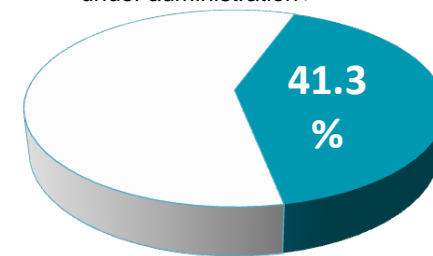


Market share of stock transfer agency services^(*) (as of Mar.2012)

< Number of listed corporate clients >



< Number of shareholders under administration >



(*) Combined total of CMTB, STB, and Tokyo Securities Transfer Agent

Treasury and financial products

Gross business profit

(Billions of yen)	FY2010			FY2011			Change		
		CMTB	STB		CMTB	STB		CMTB	STB
Financial operations	77.9	52.7	18.3	106.9	45.9	45.5	29.0	(6.8)	27.1
Investment operations			6.8			15.4			8.6
Marketing functions	33.3	3.3	30.0	38.8	10.2	28.6	5.4	6.9	(1.4)
Total	111.3	56.1	55.2	145.8	56.1	89.6	34.4	0.0	34.3

Note: Figures of CMTB are tentative calculations based on certain assumptions (transfer pricing, etc.) under managerial accounting.

<Financial operations> Financial operations managing potential market risks(*) involved in the overall balance sheet

(*) Interest rate risk associated with ordinary deposits, equity risk, etc.

<Investment operations> Proprietary investment pursuing absolute return, trading

<Marketing functions> Market-making operations for interest rate and forex products; Creation & Sales of financial products

Securities portfolio of treasury and financial products business

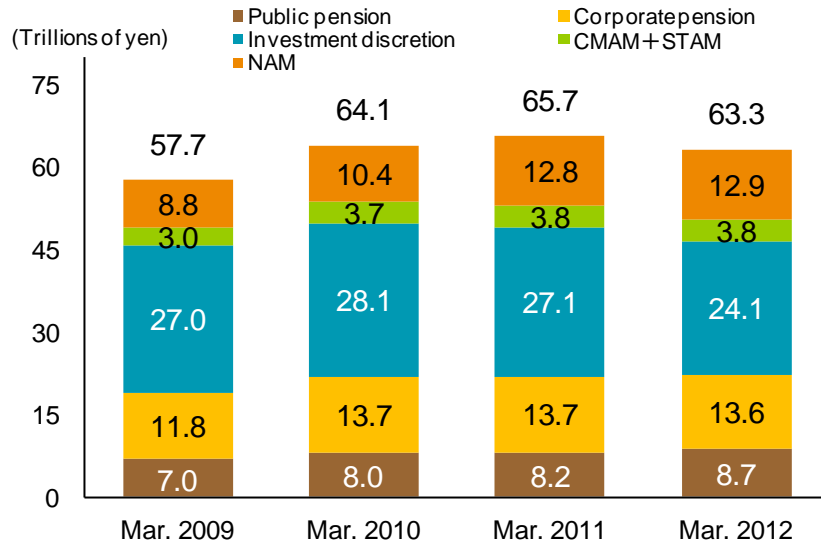
(Billions of yen)	Cost		Unrealized gains/losses		10BPV (*2)		Duration (*2)	
	Mar. 2012	Change fm Mar. 2011	Mar. 2012	Change fm Mar. 2011	Mar. 2012	Change fm Mar. 2011	Mar. 2012	Change fm Mar. 2011
JPY	2,730.7	(736.9)	25.9	11.9	6.5	(5.6)	2.5	(1.5)
Others	319.3	(1,138.4)	11.3	38.0	1.4	(6.6)	5.1	(0.8)
USD	222.7	(1,052.9)	9.4	31.0	1.1	(6.2)	6.2	(0.0)
EUR, etc.	96.5	(85.4)	1.8	7.0	0.3	(0.3)	3.2	(0.6)

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

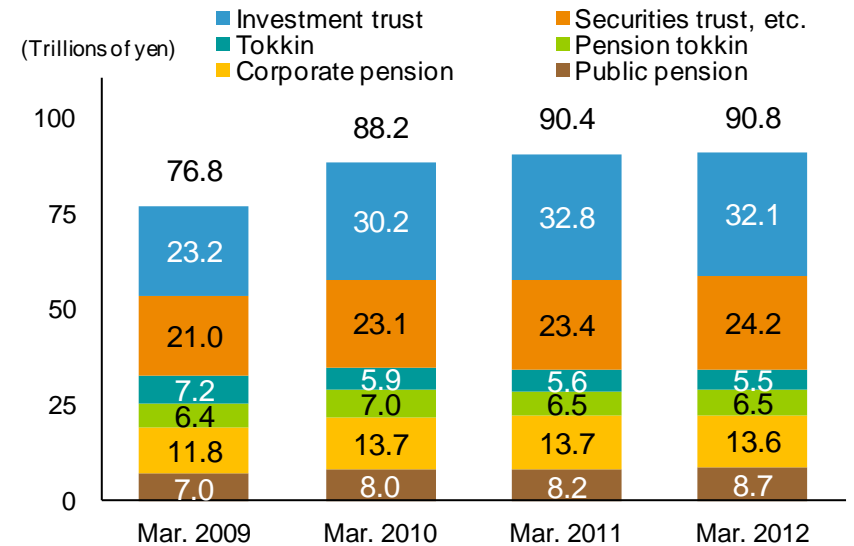
(*2) In the calculation of 10BPV and duration, investment balance hedged by derivative transactions, etc. were excluded.

Fiduciary services business

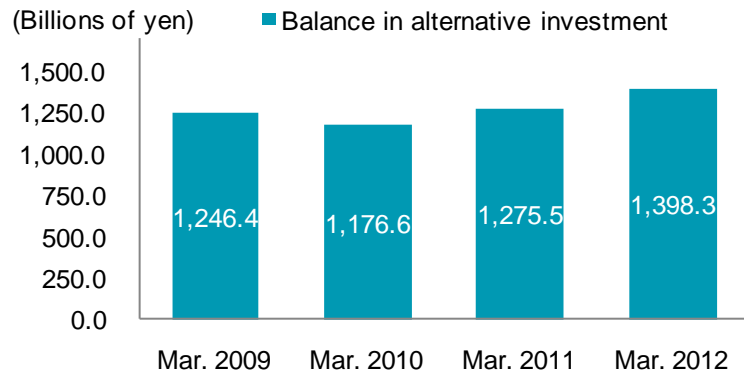
Assets under management (AUM) (Consolidated)



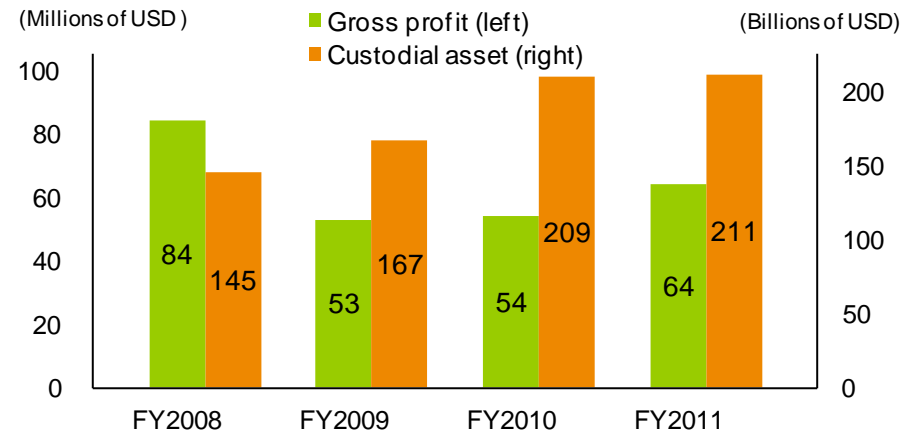
Entrusted assets



Balance of alternative investment (Corporate pension)

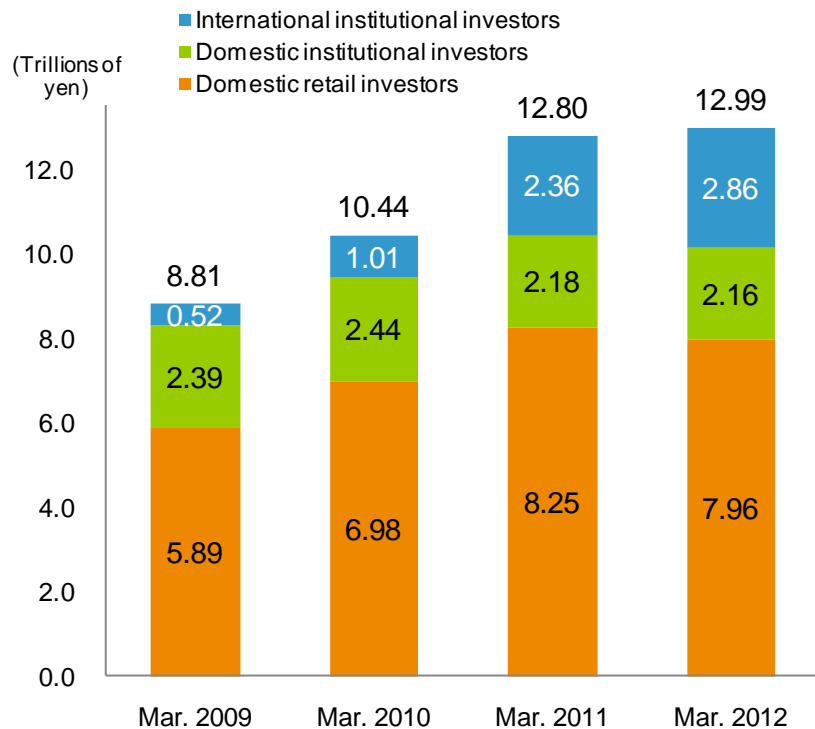


Global custody business



Financial related business in group companies 1. Nikko AM (Consolidated)

Assets under management (AUM)

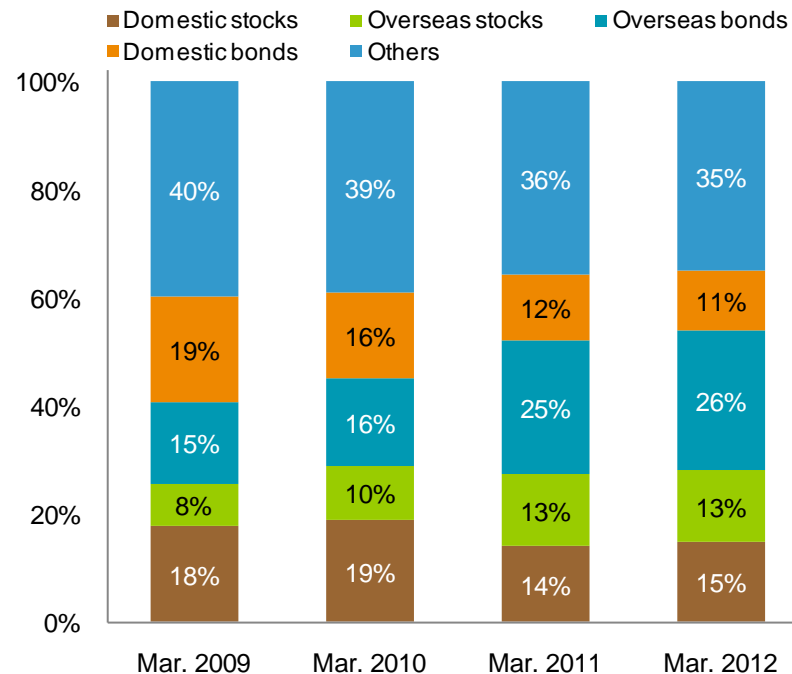


(Billions of yen)	FY2008	FY2009	FY2010	FY2011
Net cash inflow/outflow	(184.0)	(0.8)	262.8	(249.8)
International institutional investors	43.4	172.0	(9.2)	0.3
Domestic institutional investors	(76.5)	(132.5)	(262.9)	(74.8)
Domestic retail investors	(150.8)	(40.3)	535.0	(175.2)

P/L

(Billions of yen)	FY2010	FY2011	Change
Net business profit	7.1	8.7	1.6
Ordinary profit	8.2	9.3	1.0
Net income	5.0	4.8	(0.1)

Breakdown of AUM by asset type



Financial related business in group companies

2. SBI Sumishin Net Bank (Consolidated)

Major business figures

(Billions of yen)	Mar. 2011	Mar. 2012	Change
Number of account (millions)	1.04	1.36	0.32
Deposits	1,552.3	2,282.6	730.3
Loans	748.0	954.0	205.9

P/L

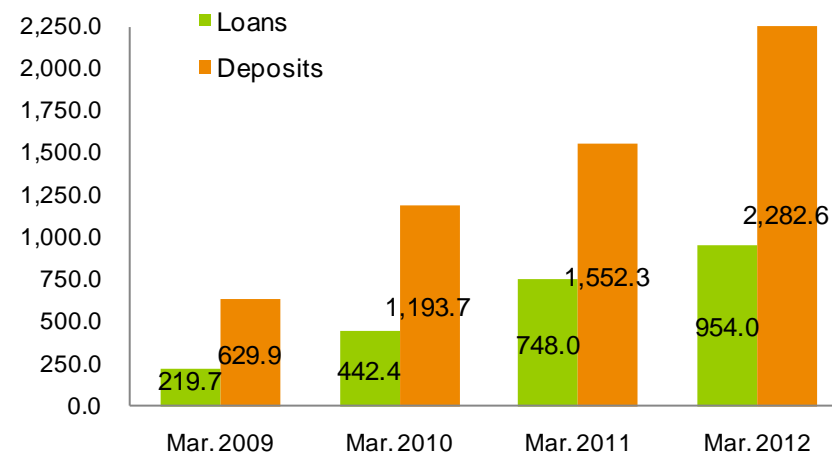
(Billions of yen)	FY2010	FY2011	Change
Net business profit	3.9	5.7	1.8
Ordinary income	3.6	5.7	2.1
Net income	3.5	5.1	1.6

B/S

(Billions of yen)	Mar. 2011	Mar. 2012	Change
Total assets	1,696.1	2,378.3	682.2
Net assets	41.2	43.3	2.1
Shareholders' equity	42.0	47.1	5.1

Balance of loans and deposits

(Billions of yen)



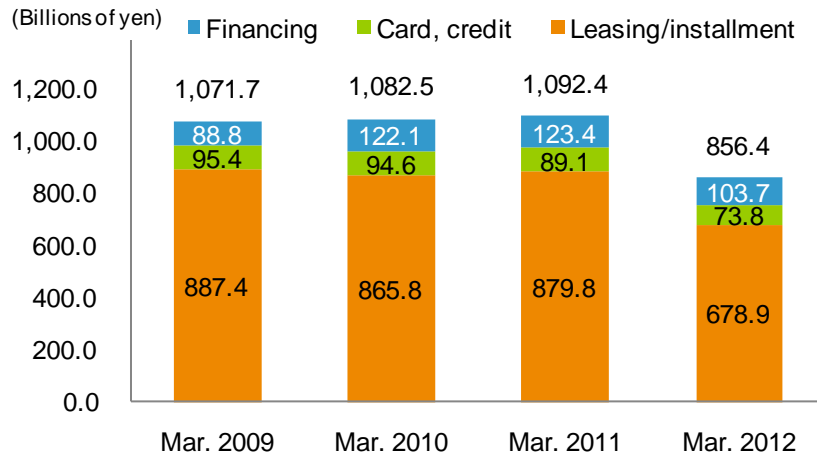
Major business policy

- Synergy with Sumitomo Mitsui Trust Bank (“SMTB”)
SBI Sumishin Net Bank started to provide housing loan service as an agent of SMTB (former Sumitomo Trust and Banking) from January 2012
→The number of housing loan application through the website of SBI Sumishin Net Bank achieved the average of 100 per day and loans executed is forecasted to exceed 20.0 billion yen as of the end of May 2012
- Diversification of funding method
Deposits increased to 2.3 trillion yen due to the inflow of ordinary deposit such as “Hybrid deposits”, which leads to the reduction of the funding cost with ordinary deposit ratio of 42 %

Financial related business in group companies

3. Leasing, real estate-related finance, housing loans

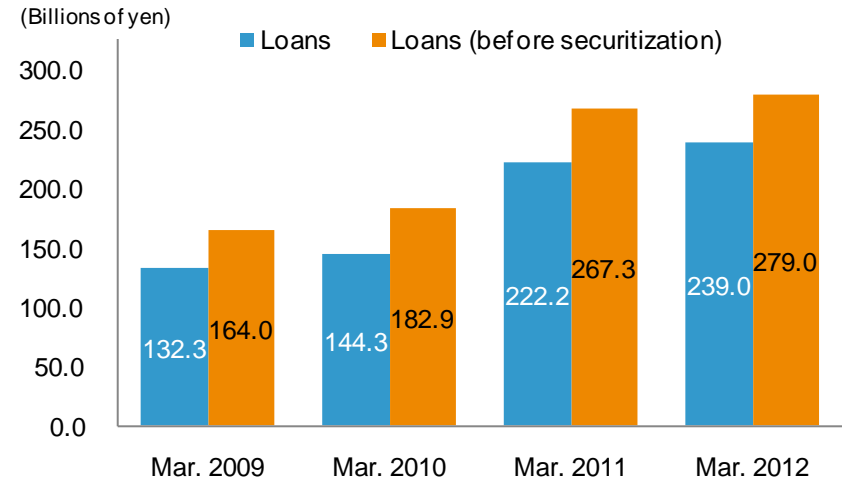
Sumishin Panasonic Financial Services (Consolidated)



(Billions of yen)	FY2010	FY2011	Change
Net business profit	18.5	13.3	(5.1)
Leasing profit	312.1	422.6	110.4
Leasing expense	(272.5)	(385.8)	(113.3)
G&A expense	(21.0)	(23.4)	(2.3)
Ordinary profit	18.2	13.1	(5.0)
Net income	7.6	2.7	(4.8)
Total credit costs (*)	(3.5)	(8.1)	(4.6)

(*) Total credit costs are included in Leasing expense and G&A expense.

Sumishin Real Estate Loan & Finance



(Billions of yen)	FY2010	FY2011	Change
Net business profit	4.1	4.7	0.5
Loan profit	8.3	11.3	2.9
G&A expense	(4.1)	(6.6)	(2.4)
Ordinary profit	4.2	5.1	0.8
Net income	2.3	6.1	3.8
Total credit costs	(0.8)	0.7	1.6