



**SuMi TRUST**  
SUMITOMO MITSUI TRUST GROUP

# Summary of Financial Results for 1QFY2018

July 27, 2018

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. Please refer to the most recent relevant materials including financial results (“Kessan Tanshin”)(including attached explanatory materials), the securities report and other presentations disclosed by Sumitomo Mitsui Trust Holdings and its group companies, for further information that could significantly influence its financial position and operating results as well as investment decisions by investors. Information regarding companies and other entities outside the group in this document has been obtained from publicly available information and other sources. The accuracy and appropriateness of that information has not been verified by the group and cannot be guaranteed. 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

Sumitomo Mitsui Trust Holdings (Consolidated): “Consolidated “ or “SuMi TRUST Holdings”

Sumitomo Mitsui Trust Bank (Non-consolidated): “Non-consolidated “ or “SuMi TRUST Bank”

Figures before FY2011 in Non-consolidated : CMTB (Non-consolidated) + CMAB (Non-consolidated) + STB (Non-consolidated)

Net income (on consolidated basis) : “Net income attributable to owners of the parent”

NPL (Non performing loans): “Problem assets based on the Financial Reconstruction Act”

Accounting for Business combination related to Management Integration

Purchase accounting method : Accounting method for business combination related to management integration

Results of applying purchase accounting method : Amount of effect from purchase accounting method

Financial indices per share

Indices regarding financial information per share such as “Net asset per 1 share,” “Dividends per 1 share,” are presented assuming that the consolidation of shares (one (1) share for every ten (10) shares) enacted on October 1, 2016, took place at the beginning of fiscal year ended March 31, 2016, for consistency purposes.

# Overview of profits

	(Yen bn)	FY17 1Q	FY18 1Q	Change	FY18 Forecast
1	Net business profit before credit costs (*1)	60.4	64.2	3.7	280.0
2	Substantial gross business profit (*1)	166.7	173.6	6.8	715.0
3	Net interest income and related profit	48.4	43.5	(4.9)	
4	Net fees and commissions and related profit	94.9	98.0	3.1	
5	Other profit	23.3	32.0	8.6	
6	Substantial G&A expenses (*1)	(106.2)	(109.3)	(3.0)	(435.0)
7	Total credit costs	2.1	(1.2)	(3.4)	(20.0)
8	Net gains on stocks	4.5	6.5	2.0	
9	Other net non-recurring profit	(5.7)	(2.9)	2.7	
10	Ordinary profit	61.4	66.6	5.1	255.0
11	Extraordinary profit	(0.0)	(0.2)	(0.1)	
12	Income before income taxes	61.3	66.3	5.0	
13	Total income taxes	(17.6)	(19.2)	(1.6)	
14	Income attributable to non-controlling interests	(3.6)	(2.6)	0.9	
15	Net income	40.1	44.4	4.3	165.0
16	Earnings per share (EPS) (Yen)	104	117	12	
17	Number of shares issued (mn shares) (*2)	382.5	379.8	(2.6)	

(\*1) "Net business profit before credit costs", "Substantial gross business profit" and "Substantial G&A expenses" are based on managerial accounting, taking gross income and expenses from affiliates into consideration.

(\*2) Average number of common shares outstanding (excluding treasury stocks) during the period.

## Net business profit before credit costs

- Domestic loan-deposit margin improved, and effective interest related earnings including profit attributable to deployment of surplus foreign currency funds increased (UP approx.¥6.0bn YoY, (\*3))
- Net fees and commissions and related profit increased, primarily due to steady progress in investment trust and insurance sales and asset management/administration businesses, while real estate related fees decreased
- Progress rate of 23% against full-year forecast is in line with initial plan

## Total credit costs

- Despite credit cost recorded due to deterioration of certain borrower, limited instance of new problem loans overall

## Net gains on stocks

- Progress made in reduction of strategic shareholdings (reduction of ¥4.3bn, profit of ¥6.5bn from disposal)

## Net income

- Increase of ¥4.3bn YoY
- Steady result at progress rate of 27% against full-year forecast of ¥165.0bn

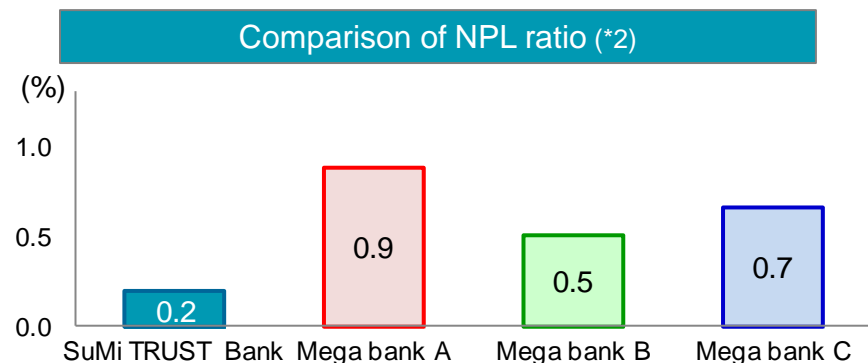
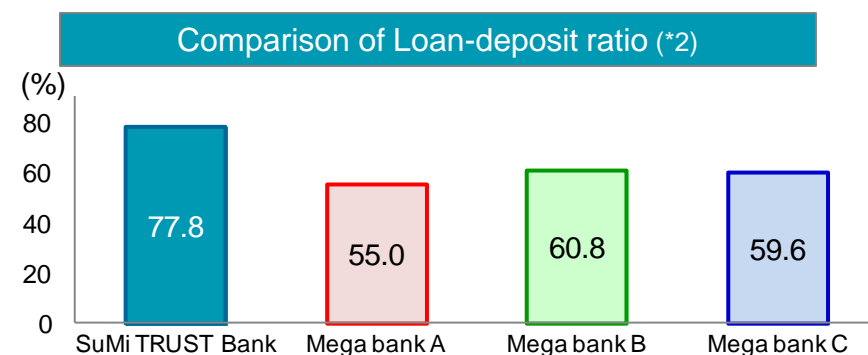
(\*3) Please refer to P6, for net interest income of SuMi TRUST Bank, which constitutes most of interest related earnings

# Overview of balance sheet

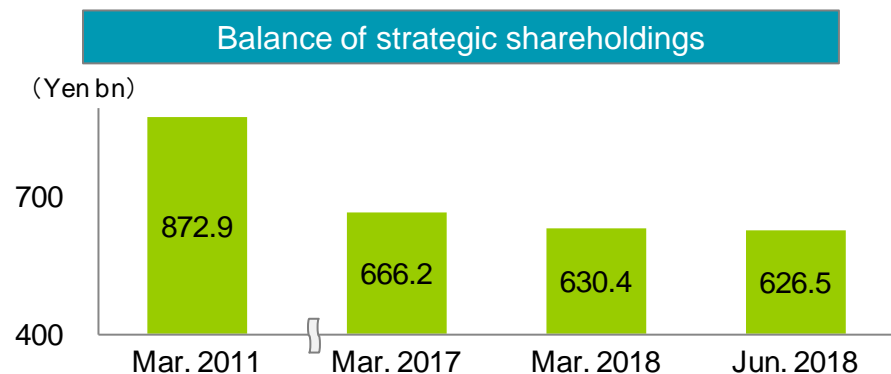
		Mar. 2018	Jun. 2018	Change
		(Yen bn)		
1	Assets	68,356.7	67,345.5	(1,011.2)
2	Cash and due from banks	28,841.3	27,499.3	(1,342.0)
3	Securities	5,537.6	6,125.5	587.9
4	Loans and bills discounted	28,190.5	28,101.3	(89.2)
5	Other assets	5,787.2	5,619.2	(167.9)
6	Liabilities	65,484.4	64,474.6	(1,009.8)
7	Deposits and NCD	43,915.1	42,397.2	(1,517.9)
8	Borrowed money from trust account	11,070.7	11,073.9	3.2
9	Other liabilities	10,498.5	11,003.3	504.7
10	Total net assets	2,872.3	2,870.9	(1.4)
11	Total shareholders' equity	2,127.8	2,138.5	10.7
12	Total accumulated OCI	496.8	482.4	(14.4)
13	Minority interests, etc.	247.6	249.9	2.2
14	Net assets per share (BPS) (Yen)	6,897	6,922	25
15	Number of shares issued (mn shares) (*1)	380.5	378.5	(1.9)

(Reference)		Mar. 2018	Jun. 2018	Change
16	Loan-deposit ratio (SuMi TRUST Bank)	78.2%	77.8%	(0.4%)
17	NPL ratio (SuMi TRUST Bank)	0.2%	0.2%	(0.0%)

(\*1) Number of common shares issued (excluding treasury stocks) as of the date above



(\*2) SuMi TRUST Bank: as of Jun. 2018 Other major banks: as of Mar. 2018

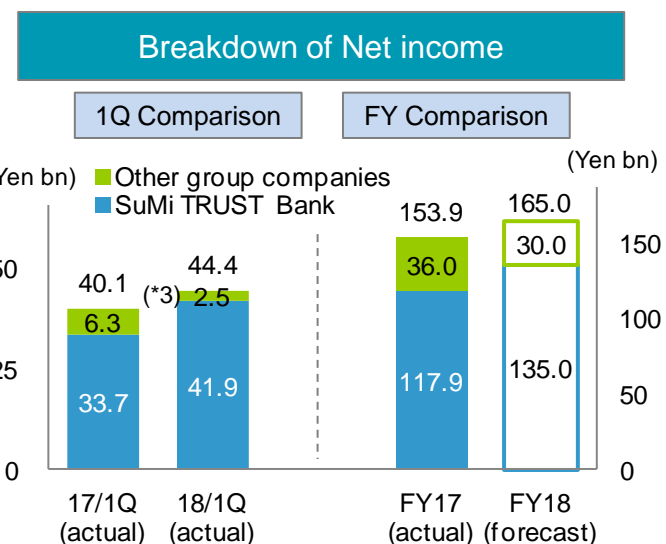
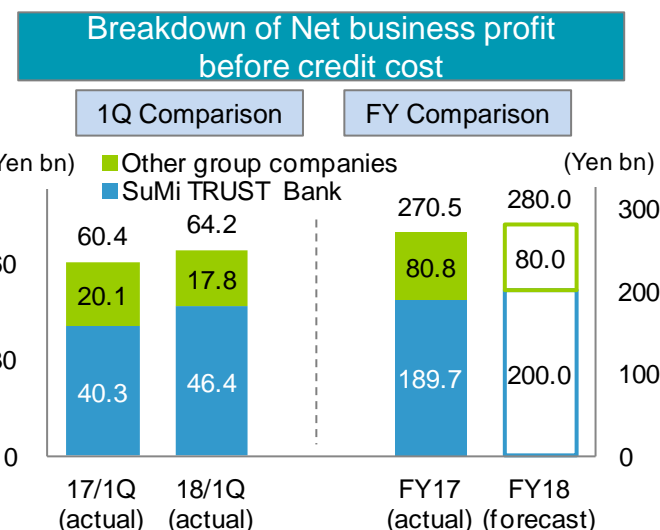


# Profit by group company

		(Yen bn)	FY17 1Q	FY18 1Q	Change
1	Net business profit before credit costs (*1)		60.4	64.2	3.7
2	o/w SuMi TRUST Bank		40.3	46.4	6.0
3	SuMi TRUST AM		1.4	1.1	(0.2)
4	Nikko AM (*2)		2.2	3.7	1.5
5	SuMi TRUST Realty		1.3	1.5	0.1
6	SuMi TRUST Panasonic Finance (*2)		3.4	2.7	(0.6)
7	SuMi TRUST Loan & Finance		2.4	2.6	0.2
8	SBI Sumishin Net Bank (*2)		1.5	1.9	0.4
9	SuMi TRUST Guarantee (*2)		2.9	2.9	(0.0)
10	SuMi TRUST Club		1.7	0.2	(1.4)
11	Effect of purchase accounting method		(0.6)	(0.6)	(0.0)
12	Net income (*1)		40.1	44.4	4.3
13	o/w SuMi TRUST Bank		33.7	41.9	8.1
14	SuMi TRUST AM		0.9	0.7	(0.2)
15	Nikko AM (*2)		1.2	2.3	1.1
16	SuMi TRUST Realty		0.9	1.0	0.1
17	SuMi TRUST Panasonic Finance (*2)		1.8	0.6	(1.2)
18	SuMi TRUST Loan & Finance		1.7	1.7	0.0
19	SBI Sumishin Net Bank (*2)		1.0	1.3	0.3
20	SuMi TRUST Guarantee (*2)		2.1	2.4	0.3
21	SuMi TRUST Club		0.6	(0.4)	(1.1)
22	Effect of purchase accounting method		0.0	0.2	0.1

(\*1) Figures on the table above are contribution of group companies, which are substantive amount excluding consolidation adjustment that do not relate directly to the group companies' business results, and dividend from group companies aimed to improve capital efficiency

(\*2) Consolidated basis



(\*3) Goodwill related to an affiliated company (approx. 2bn yen) was fully amortized in 18/1Q, taking into account of financial insignificance of the amount

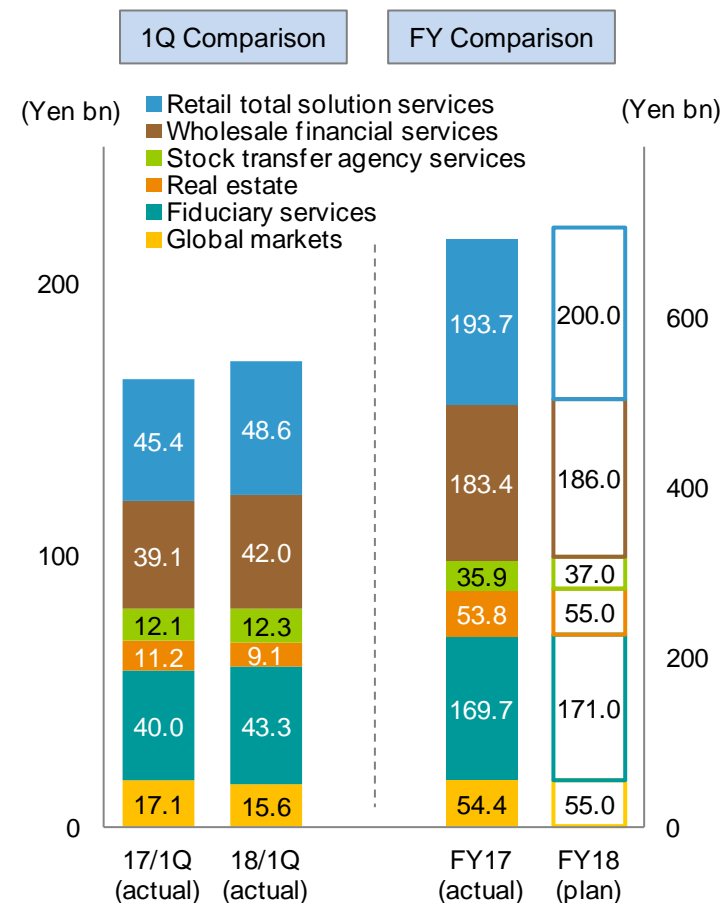
# Profit by business segment

(Yen bn)		FY17 1Q	FY18 1Q	Change	FY18 Plan
1	Net business profit before credit costs	60.4	64.2	3.7	280.0
2	Substantial gross business profit (*1)	166.7	173.6	6.8	715.0
3	Retail total solution services	45.4	48.6	3.1	200.0
4	SuMi TRUST Bank	29.8	33.7	3.8	137.0
5	Other group companies	15.5	14.8	(0.6)	63.0
6	Wholesale financial services (*2)	39.1	42.0	2.8	186.0
7	SuMi TRUST Bank	25.4	28.4	2.9	130.0
8	Other group companies	13.6	13.5	(0.1)	56.0
9	Stock transfer agency services	12.1	12.3	0.1	37.0
10	SuMi TRUST Bank	7.3	7.6	0.3	21.0
11	Other group companies	4.8	4.6	(0.1)	16.0
12	Real estate	11.2	9.1	(2.0)	55.0
13	SuMi TRUST Bank	6.1	3.8	(2.2)	33.0
14	Other group companies	5.0	5.2	0.1	22.0
15	Fiduciary services	40.0	43.3	3.3	171.0
16	SuMi TRUST Bank	15.0	15.2	0.2	63.0
17	Other group companies	25.0	28.1	3.0	108.0
18	Global markets	17.1	15.6	(1.5)	55.0
19	Substantial G&A Expenses	(106.2)	(109.3)	(3.0)	(435.0)
20	SuMi TRUST Bank	(58.5)	(57.6)	0.8	(240.0)
21	Other group companies	(47.7)	(51.6)	(3.8)	(195.0)

(\*1) Dividend from group companies aimed to improve capital efficiency not included in profit for each business segments

(\*2) Combined total of Wholesale total solution services and Wholesale asset management

## Breakdown by business segment



# Overview of profit (SuMi TRUST Bank)

(Yen bn)		FY17 1Q	FY18 1Q	Change	Substantial <sup>(*)</sup>
1	Net business profit before credit costs	40.3	76.5	36.2	6.0
2	Gross business profit	98.8	134.2	35.4	5.2
3	Net interest income and related profit	42.0	67.6	25.5	(4.5)
4	Net fees and commissions and related profit	41.4	42.2	0.8	0.8
5	Net trading profit	0.2	2.4	2.1	2.1
6	Net other operating profit	15.0	21.9	6.8	6.8
7	o/w Net gains on foreign exchange transactions	6.3	20.3	14.0	14.0
8	Net gains on bonds	6.3	1.7	(4.6)	(4.6)
9	Net gains from derivatives <sup>(*)</sup>	2.4	(0.1)	(2.5)	(2.5)
10	General and administrative expenses	(58.5)	(57.6)	0.8	0.8
11	Total credit costs	2.1	1.0	(1.1)	(1.1)
12	Other non-recurring profit	2.7	9.4	6.6	6.6
13	o/w Net gains on stocks	5.4	5.7	0.3	0.3
14	Amortization of net actuarial losses	(4.0)	(0.8)	3.2	3.2
15	Ordinary profit	45.3	87.0	41.7	11.5
16	Extraordinary profit	(0.0)	(0.1)	(0.1)	(0.1)
17	Income before income taxes	45.2	86.8	41.5	11.4
18	Total income taxes	(11.4)	(14.7)	(3.2)	(3.2)
19	Net income	33.7	72.0	38.2	8.1

	FY17 1Q	F18 1Q	Change	
20	Net interest income and related profit	42.0	67.6	25.5
21	Net interest income	39.2	62.8	23.6
22	Domestic business	32.3	63.3	30.9
23	o/w Dividend from group companies aimed to improve capital efficiency	-	30.1	30.1
24	International business	6.9	(0.4)	(7.3)
25	Trust fees <sup>(*)</sup>	2.8	4.7	1.9
26	o/w Profit attributable to deployment of surplus foreign currency funds	4.5	15.7	11.1
27	(Ref.) Effective interest related earnings <sup>(*)</sup>	46.6	53.2	6.5
28	Net fees and commissions and related profit	41.4	42.2	0.8
29	o/w Investment management consulting	12.1	13.8	1.7
30	Asset management/administration	15.0	15.2	0.2
31	Real estate brokerage	4.7	2.5	(2.1)
32	Stock transfer agency services	7.3	7.6	0.3
33	Inheritance related services	0.9	0.7	(0.2)
34	Wholesale credit related	4.7	4.6	(0.0)
35	Net gains on bonds	6.3	1.7	(4.6)
36	Domestic bonds	0.0	0.1	0.0
37	Foreign bonds	6.3	1.5	(4.7)

(\*1) Excluding dividend from group companies aimed to improve capital efficiency.

(\*2) Net gains from derivatives other than for trading or hedging

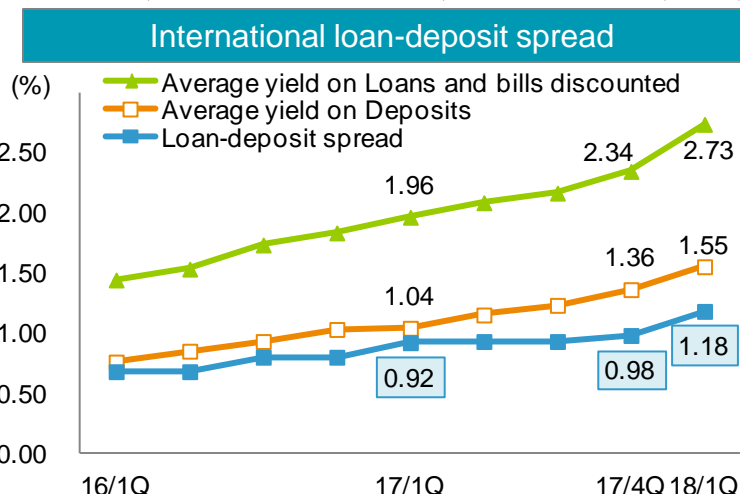
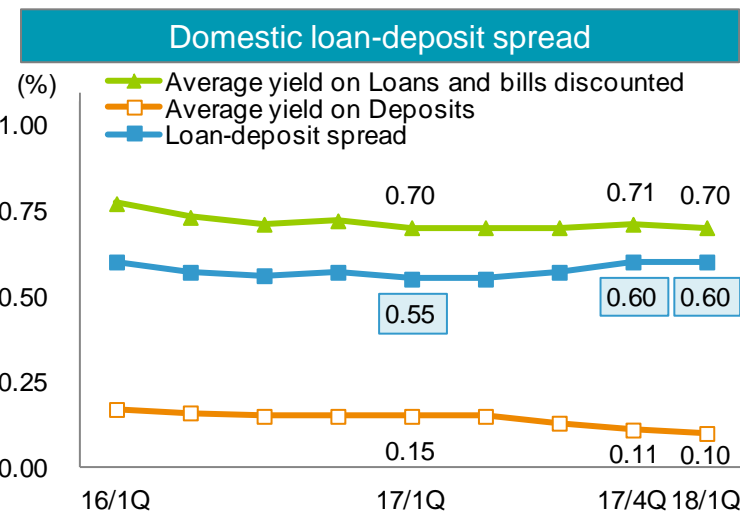
(\*3) Trust fees from principal guaranteed trust a/c

(\*4) Net interest income and related profit - Dividend from group companies to aimed to improve capital efficiency + Profit attributable to deployment of surplus foreign currency funds



# Net interest income (SuMi TRUST Bank)

	FY18/1Q					
	Average Balance	Change from 17/1Q	Average Yield	Change from 17/1Q	Income/Expenses	Change from 17/1Q
(Average balance: Yen trn) (Income/Expenses: Yen bn)						
1 Net interest income					62.8	23.6
2 Domestic business			(*0.67%	0.29%	63.3	30.9
3 Interest-earning assets	37.62	3.59	(*0.83%	0.27%	78.6	30.7
4 o/w Loans and bills discounted	21.39	0.46	0.70%	(0.00%)	37.4	0.6
5 Securities	3.43	0.33	(*4.62%	3.50%	39.5	30.9
6 Income on swaps	---	---	---	---	0.2	(0.6)
7 Interest-bearing liabilities	36.85	3.53	0.16%	(0.02%)	(15.3)	0.1
8 o/w Deposits	23.25	0.15	0.10%	(0.05%)	(6.2)	2.7
9 Borrowings from trust a/c	3.86	1.59	0.49%	0.01%	(4.7)	(2.0)
10 International business			(0.04%)	(0.28%)	(0.4)	(7.3)
11 Interest-earning assets	13.11	1.61	2.03%	0.34%	66.4	17.8
12 o/w Loans and bills discounted	6.48	(0.51)	2.73%	0.77%	44.1	9.9
13 Due from banks	2.39	0.36	1.30%	0.45%	7.8	3.4
14 Securities	2.08	0.41	2.32%	0.20%	12.1	3.2
15 Interest-bearing liabilities	12.93	1.41	2.07%	0.62%	(66.9)	(25.1)
16 o/w Deposits	5.64	0.89	1.55%	0.51%	(21.8)	(9.4)
17 NCD / USCP	4.60	0.35	1.82%	0.81%	(20.8)	(10.1)
18 Repo	1.49	0.39	1.81%	0.84%	(6.7)	(4.0)
19 Expenses on swaps	---	---	---	---	(8.9)	0.2
20 (+) Trust fees from principal guaranteed trust a/c					4.7	1.9
21 (+) Profit attributable to deployment of surplus foreign currency funds					15.7	11.1
22 (-) Dividend from group companies aimed to improve capital efficiency					30.1	30.1
23 Effective interest related earnings					53.2	6.5
24 (Ref.) Loan-deposit spread / income in domestic business			0.60%	0.05%	31.2	3.4



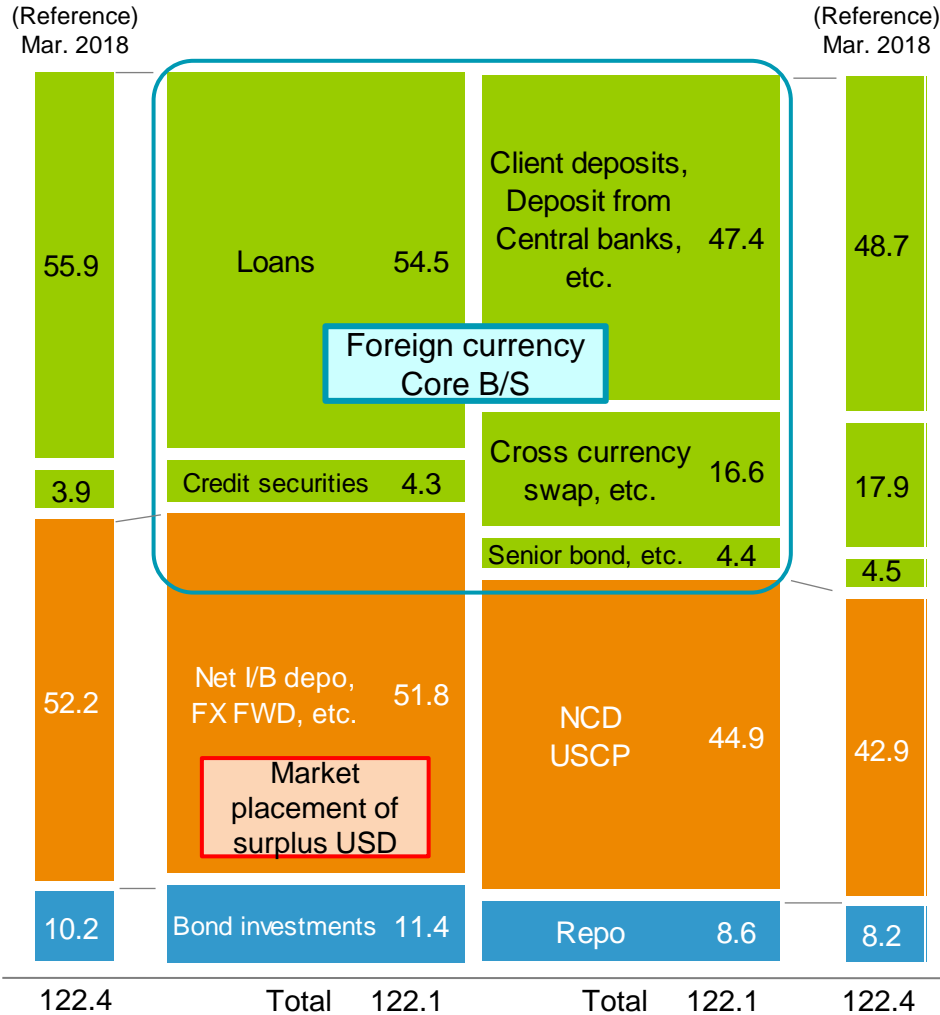
(\* Average Yield excluding dividend from group companies aimed to improve capital efficiency

Domestic business	Average Yield	Change from 17/1Q
o/w Interest-earning assets	0.35%	(0.03%)
o/w Securities	1.10%	(0.02%)



# (Reference) Status of foreign currency balance sheet (SuMi TRUST Bank)

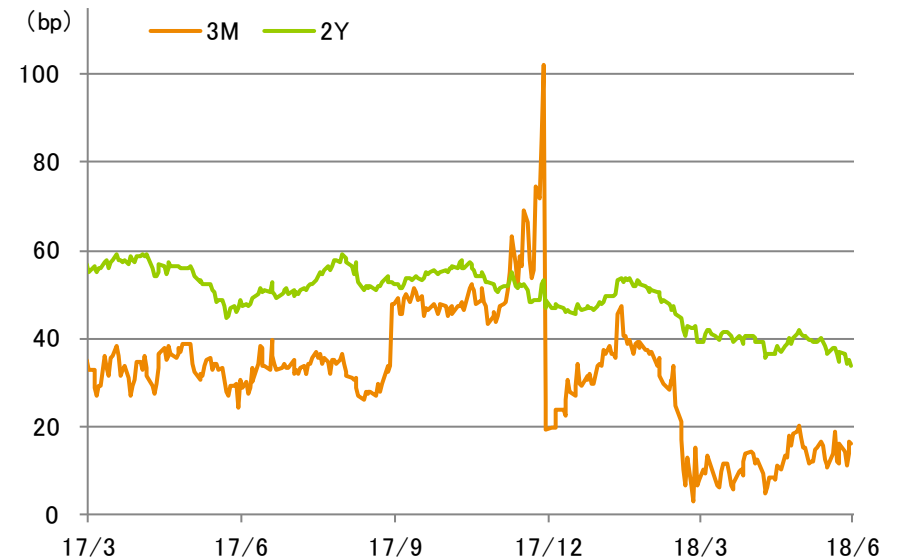
## Foreign currency B/S (as of Jun. 2018) (USD bn)



## Foreign currency ALM management

- ◆ Loans and credit securities constituting core foreign currency denominated assets, are funded by “sticky” client deposits and central bank deposits as well as “long term” yen swaps and senior bonds issuance.
- ◆ Short term funds sourced through NCD/USCP markets are categorized as contingent funding buffer for foreign currency B/S, and the funds are utilized in the inter-bank or foreign exchange market.

## Basis swap spread (CCS) (USD/JPY)



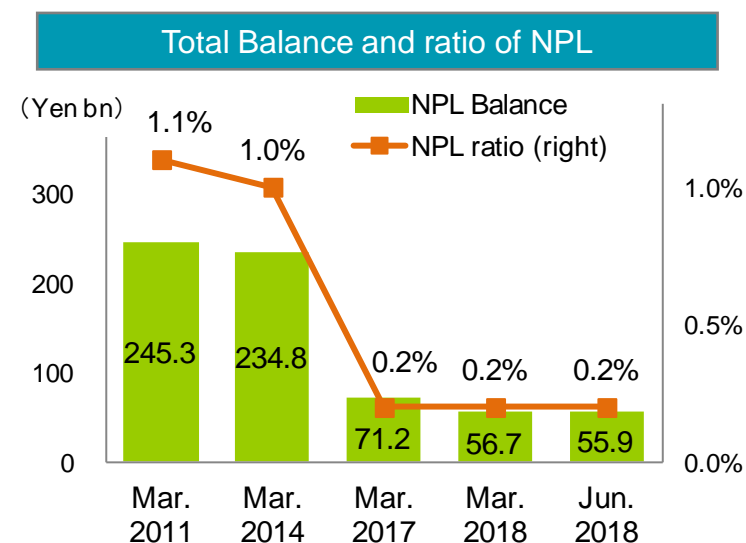
# Total credit costs and problem assets

[Total credit costs]		FY17	FY18	Major factors (1QFY18)
(Yen bn)		1Q	1Q	
1	SuMi TRUST Bank	2.1	1.0	Downgraded: Approx. (1.0) Upgraded: Approx. +0.5 Decrease in loan balance, etc. (including recoveries): Approx. +1.5
2	General allowance for loan losses	2.6	1.4	
3	Specific allowance for loan losses	0.1	(0.0)	
4	Recoveries of written-off claims	0.2	0.5	
5	Losses on sales of claims, written-off	(0.9)	(0.9)	
6	Other group companies, etc.	(0.0)	(2.2)	SuMi TRUST Panasonic Finance (1.4)
7	Total	2.1	(1.2)	

[NPL (SuMi TRUST Bank)]		Jun. 2018	Coverage ratio (*1)	Allowance ratio (*2)	Change from Mar. 2018
(Yen bn)					
8	NPL	55.9	95.8%	78.8%	(0.8)
9	NPL ratio (ratio to Total loan balance)	0.2%	---	---	(0.0%)
10	Bankrupt and practically bankrupt	12.1	100.0%	100.0%	0.1
11	Doubtful	26.4	92.7%	74.6%	(0.6)
12	Substandard	17.4	97.5%	32.6%	(0.2)
13	Other special mention debtors	529.4	---	---	(19.0)
14	Ordinary assets	28,094.8	---	---	(118.5)
15	Total loan balance	28,680.2	---	---	(138.3)

(\*1) (Collateral value + allowance for loan losses) / Loan balance

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



# Securities portfolio

[Securities with fair value]	Costs		Unrealized gains/losses (*1)	
	(Yen bn)	Jun. 2018	Change from Mar. 2018	Jun. 2018
1 Available-for-sale securities	4,951.8	589.6	723.1	(16.1)
2 Japanese stocks	626.5	(3.9)	903.0	26.8
3 Japanese bonds	1,022.7	206.8	2.4	0.1
4 Others	3,302.5	386.7	(182.3)	(43.1)
5 Held-to-maturity debt securities	261.2	(3.7)	21.2	(0.6)

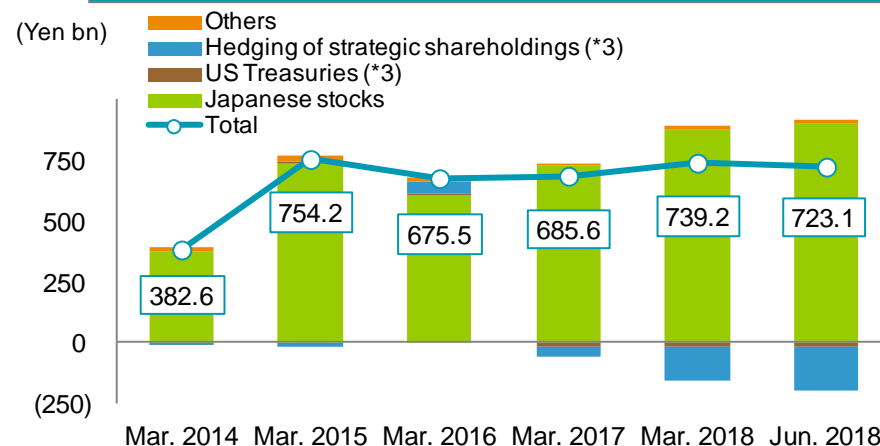
[Securities with fair value (SuMi TRUST Bank)]				
	Jun. 2018	Change from Mar. 2018	Jun. 2018	Change from Mar. 2018
6 Available-for-sale securities	4,918.1	556.7	738.7	(15.2)
7 Japanese stocks	601.6	(4.7)	925.1	27.8
8 Japanese bonds	1,065.6	177.8	1.1	0.2
9 o/w Government bonds	430.8	189.5	0.2	0.0
10 Others	3,250.8	383.6	(187.5)	(43.3)
11 Domestic investment	82.7	0.5	1.7	(0.0)
12 International investment	1,628.8	374.7	(18.9)	(2.1)
13 o/w US Treasury	744.8	248.7	(18.9)	(0.1)
14 Others (Investment trust, etc.)	1,539.2	8.2	(170.2)	(41.1)
15 o/w for hedging of strategic shareholdings (*2)	1,346.6	-	(176.0)	(41.7)

(\*1) From FY18, figures for "Japanese stocks" are determined based on quoted market price as of balance sheet date, which was previously based on average quoted market price over the month preceding balance sheet date

(\*2) Of which hedging effect under capital regulation is recognized: Costs JPY882.1bn, Unrealized gains/losses JPY(143.1)bn

16 Held-to-maturity debt securities	191.4	(2.1)	21.1	(0.6)
17 o/w Government bonds	119.0	(0.0)	19.6	(0.2)
18 International investment	34.1	(1.5)	0.8	(0.5)

## Unrealized gains/losses of AFS securities with fair value



(\*3) SuMi TRUST Bank

## Reduction of strategic shareholdings (\*4)

(Yen bn)	FY17		FY18	
	1H	2H	1Q	
19 Reduction amount	13.3	21.9	35.2	4.3

(Ref.) Cumulative reduction since merger (from FY11 to FY17): ¥281.6bn

Cumulative reduction based on current plan (from FY16 to FY20): ¥67.4bn

(\*4) Purchase cost of listed shares

## Securities portfolio of Global markets (\*5)

(Yen bn)	10BPV (*6)		Duration (years) (*6)	
	Jun. 2018	Change from Mar. 2018	Jun. 2018	Change from Mar. 2018
20 JPY	3.7	1.0	6.0	(0.8)
21 Others	2.2	(0.6)	3.4	(0.6)

(\*5) Managerial reporting basis; "HTM debt securities" and "AFS securities" are combined

(\*6) In the calculation of 10BPV and duration, investment balance hedged by derivatives transactions, etc. were excluded

# (Reference) Forecast for FY2018

- ▶ Net business profit before credit costs and Net income both expected to exceed FY17 results
- ▶ Dividend on ordinary share forecast to be 130 yen per share, in line with the policy of consolidated dividend payout ratio of 30%

(Yen bn)		FY17 Actual	1H	FY18 Forecast	Change from FY17		
						Substantial (*)	
1	Net business profit before credit costs	270.5	130.0	280.0	9.4	9.4	(1)
2	SuMi TRUST Bank	189.7	125.0	235.0	45.2	(*) 10.2	
3	Substantial gross business profit	705.7	345.0	715.0	9.2	9.2	
4	SuMi TRUST Bank	426.8	245.0	475.0	48.1	(*) 13.1	
5	Other group companies	278.8	100.0	240.0	(38.8)	(*) (3.8)	
6	Substantial G&A Expenses	(435.1)	(215.0)	(435.0)	0.1	0.1	
7	SuMi TRUST Bank	(237.0)	(120.0)	(240.0)	(2.9)	(2.9)	
8	Other group companies	(198.0)	(95.0)	(195.0)	3.0	3.0	
9	Total credit costs	2.9	(10.0)	(20.0)	(22.9)	(22.9)	(2)
10	SuMi TRUST Bank	7.0	(10.0)	(20.0)	(27.0)	(27.0)	
11	Other group companies	(4.0)	0.0	0.0	4.0	4.0	
12	Net gains on stocks	6.3	15.0	30.0	23.6	23.6	(3)
13	Other non-recurring profit	(47.2)	(10.0)	(35.0)	12.2	12.2	(4)
14	Ordinary profit	232.6	125.0	255.0	22.3	22.3	
15	o/w SuMi TRUST Bank	172.9	130.0	230.0	57.0	(*) 22.0	
16	Net income	153.9	80.0	165.0	11.0	11.0	
17	o/w SuMi TRUST Bank	117.9	100.0	170.0	52.0	(*) 17.0	
18	Dividend per common share (Yen)	130	65	130	±0		
19	Consolidated dividend payout ratio	32.1%	---	30.0%	(2.1%)		

(\*) Excluding dividend from group companies, which are planned to be paid in FY18 to improve capital efficiency.

## 【Assumptions】

- (1) Net business profit before credit costs: +¥9.4bn YoY  
 • Substantial gross business profit assumes increase, whereas substantial G&A expenses forecasted to remain in line with previous year
- (2) Total credit costs: forecast ¥(20.0)bn  
 • Estimated to be around 7bp of total credit portfolio of ¥30trn
- (3) Net gains on stocks: forecast ¥30.0bn  
 • Assumes reduction of strategic shareholdings in accordance with current plan
- (4) Other non-recurring profit: forecast ¥(35.0)bn  
 • Non-recurrence of one-time depreciation related to IT system in FY17

# Fee business: Investment management consulting for retail clients

- ▶ Sales of investment trust decreased, but total sales volume increased ¥10.7bn to ¥359.2bn due to recovery in sales of insurance
- ▶ Income increased ¥1.7bn YoY, primarily due to increased sales volume of insurance

## Income for distributor of investment products

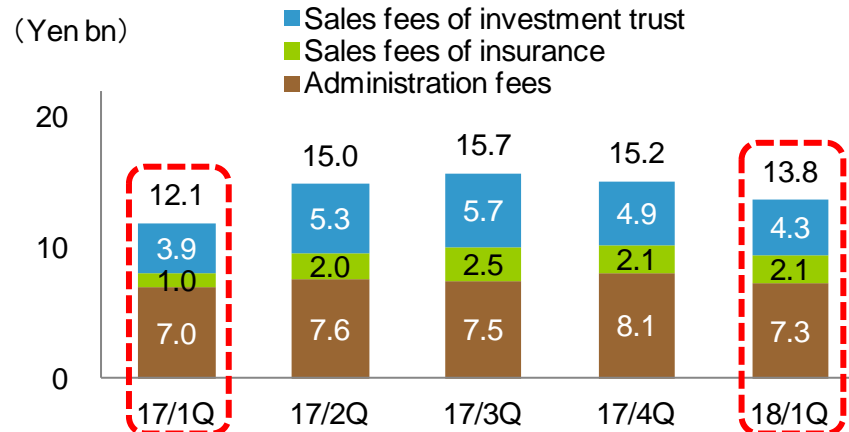
		FY17	FY18	Change
(Yen bn)		1Q	1Q	
1	Income total	12.1	13.8	1.7
2	Sales fees of investment trust	3.9	4.3	0.3
3	Sales fees of insurance	1.0	2.1	1.0
4	Administration fees	7.0	7.3	0.3

## Sales volume / balance

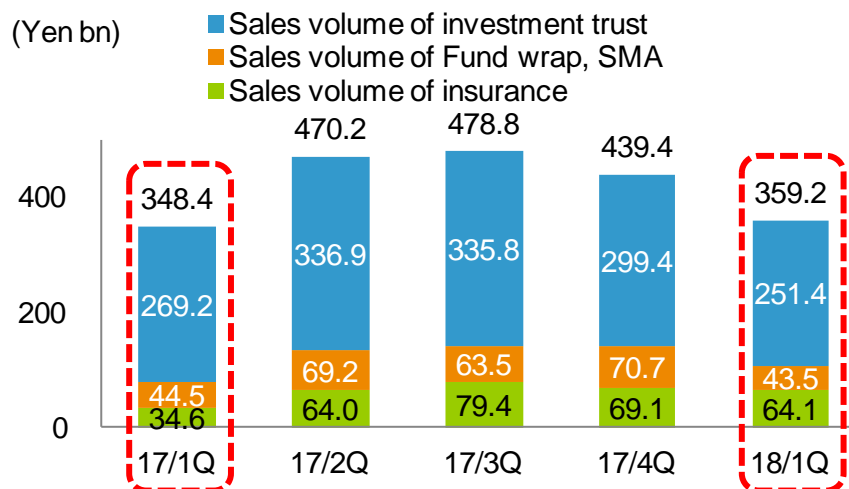
		FY17	FY18	Change
(Yen bn)		1Q	1Q	
5	Sales volume total	348.4	359.2	10.7
6	Investment trust	269.2	251.4	(17.7)
7	Fund wrap, SMA	44.5	43.5	(0.9)
8	Insurance	34.6	64.1	29.5

		Mar. 2018	Jun. 2018	Change
(Yen bn)				
9	Balance total	6,158.9	6,242.0	83.1
10	Investment trust	2,891.5	2,932.1	40.5
11	Fund wrap, SMA	830.9	840.8	9.8
12	Insurance	2,436.3	2,469.1	32.7
13	Wrap Selection	1,669.4	1,708.9	39.5

## Income for distributor (quarterly)



## Sales volume (quarterly)

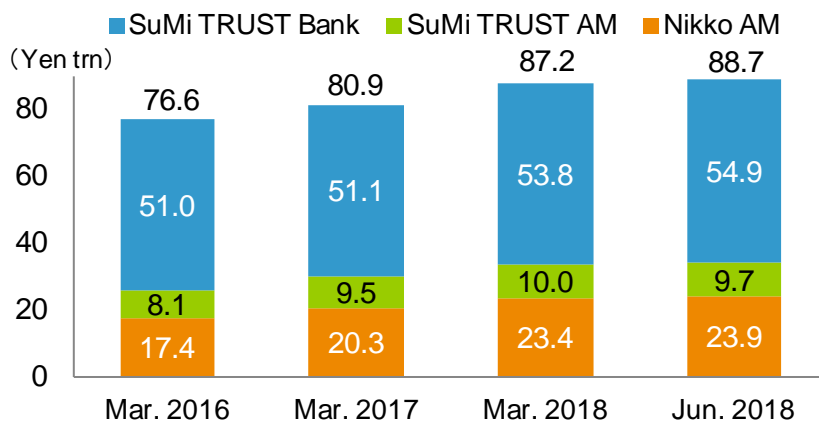


# Fee business: Asset management/administration (Fiduciary services)

- ▶ AUM: Increased by ¥1.3trn from Mar. 2018 to ¥88.7trn, due to increase in market value from higher stock prices
- ▶ AUC: Increased for both domestic and overseas assets from Mar. 2018

## Assets under management (AUM)

		Mar. 2018	Jun. 2018	Change
(Yen trn)				
1	Assets under management	87.2	88.7	1.4
2	SuMi TRUST Bank	53.8	54.9	1.1
3	Corporate pension trust	13.6	13.4	(0.1)
4	Public pension trust	11.8	11.8	(0.0)
5	Discretionary investment	28.2	29.6	1.3
6	Subsidiaries	33.4	33.7	0.2
7	SuMi TRUST AM	10.0	9.7	(0.2)
8	Nikko AM	23.4	23.9	0.5



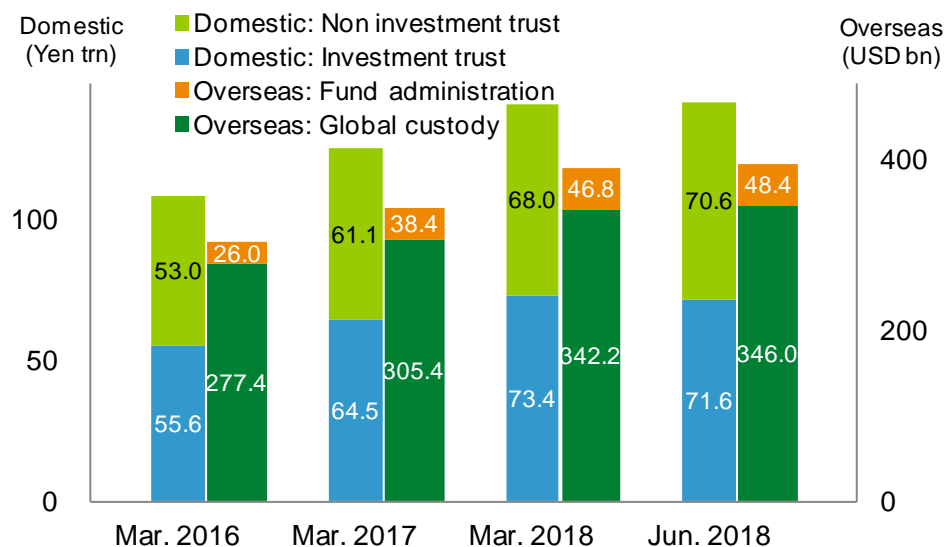
USD/JPY	112.63	112.15	106.24	110.52
TOPIX	1,347.20	1,512.60	1,716.30	1,730.89

## Assets under custody/administration

		Mar. 2018	Jun. 2018	Change
[Domestic] (Yen trn)				
9	Investment trust (*1)	73.4	71.6	(1.8)
10	Non investment trust (*1)	68.0	70.6	2.5
[Overseas] (USD bn)				
11	Global custody (*2)	342.2	346.0	3.8
12	Fund administration	46.8	48.4	1.6

(\*1) Entrusted balance of SuMi TRUST Bank

(\*2) Combined figures of SuMi TRUST Bank (U.S.A.), SuMi TRUST (UK) and SuMi TRUST Bank (Lux.)



# Fee business: Real estate

- ▶ Real estate brokerage fees from corporate clients (SuMi TRUST Bank): ¥2.5bn, a decrease of ¥2.1bn as compared with previous years' good performance due to contribution from large-size transaction
- ▶ Real estate brokerage fees from retail clients (SuMi TRUST Realty): In line with previous year at ¥4.8bn with continuing good performance

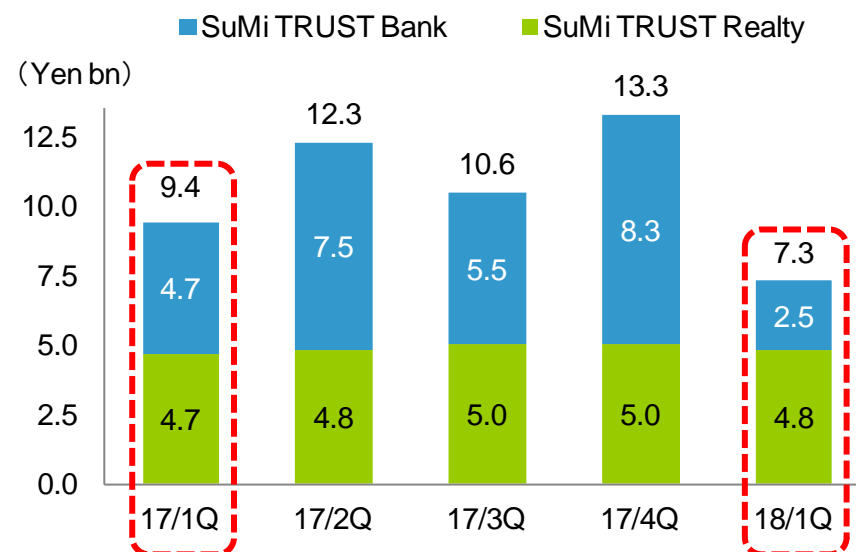
## Income

(Yen bn)		FY17 1Q	FY18 1Q	Change
1	Real estate brokerage fees	9.4	7.3	(2.0)
2	SuMi TRUST Bank	4.7	2.5	(2.1)
3	SuMi TRUST Realty	4.7	4.8	0.1
4	Real estate trust fees, etc.	1.4	1.3	(0.0)
5	Net other real estate profit	0.3	0.3	(0.0)
6	SuMi TRUST Bank	-	-	-
7	Group companies	0.3	0.3	(0.0)
8	Total	11.2	9.1	(2.0)
9	o/w SuMi TRUST Bank	6.1	3.8	(2.2)

## Assets under management / administration

(Yen bn)		Mar. 2018	Jun. 2018	Change
10	Securitized real estate	15,320.0	15,566.4	246.3
11	Assets under custody from J-REITs	13,397.9	13,677.9	279.9
12	Assets under managemet	709.1	720.0	10.9
13	Private placement funds	438.2	449.2	10.9
14	J-REITs	270.8	270.8	-

## Real estate brokerage fees (quarterly)





# Loan/investment business: Credit portfolio

► Credit portfolio balance: Decreased ¥0.12trn from Mar. 2018, due primarily to repayment of short term corporate lending provided in the previous fiscal year end

## Advanced amount and balance for individuals

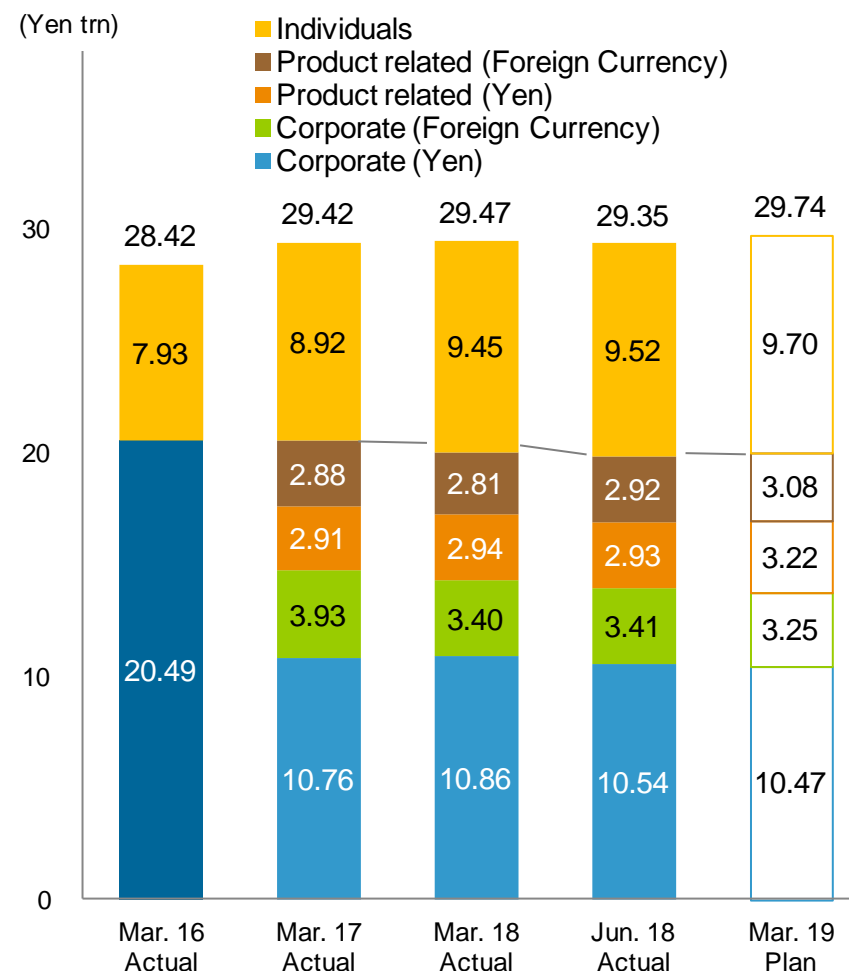
(Yen bn)		FY17	FY18	Change
		1Q	1Q	
1	Advanced amount of loans to individuals	290.8	262.3	(28.5)
2	o/w Residential mortgage loans	272.5	245.3	(27.2)

(Yen bn)		Mar. 2018	Jun. 2018	Change
3	Balance of loans to individuals	9,450.4	9,523.0	72.5
4	o/w Residential mortgage loans	8,874.7	8,947.5	72.8

## Balance of credit for corporates

(Yen bn)		Mar. 2018	Jun. 2018	Change
5	Corporate (Yen)	10,866.8	10,544.1	(322.7)
6	Corporate (Foreign Currency)	3,401.9	3,418.8	16.8
7	Product related (Yen)	2,946.5	2,938.6	(7.8)
8	Product related (Foreign Currency)	2,813.5	2,927.8	114.2
9	Total balance of credit for corporates	20,029.0	19,829.5	(199.4)
10	o/w Product related	5,760.1	5,866.5	106.4
	USD/JPY	106.24	110.52	4.28

## Credit portfolio balance



# Capital

- ✓ Common Equity Tier 1 capital ratio: UP 0.23 percentage points from Mar. 2018 to 11.56%, due primarily to increase in retained earnings contributed to accumulation of common equity and decrease in risk-weighted assets
- ✓ Leverage ratio and liquidity coverage ratio maintained levels well in excess of regulatory requirements

## <Capital and total risk-weighted assets>

(Yen bn)		Mar. 2018	Jun. 2018	Change
1	Total capital ratio	16.31%	16.78%	0.47%
2	Tier 1 capital ratio	13.74%	14.00%	0.26%
3	Common Equity Tier 1 capital ratio	11.33%	11.56%	0.23%
4	Total capital	3,348.1	3,411.5	63.4
5	Tier 1 capital	2,821.4	2,845.7	24.3
6	Common Equity Tier 1 capital	2,325.8	2,349.4	23.6
7	Instruments and reserves	2,602.7	2,623.6	20.9
8	Accumulated other comprehensive income (*1)	496.8	482.4	(14.4)
9	Regulatory adjustments	(276.9)	(274.2)	2.6
10	Additional Tier 1 capital	495.5	496.2	0.7
11	Tier 2 capital	526.7	565.8	39.0
12	Total risk-weighted assets	20,522.9	20,322.7	(200.1)
13	Credit risk	18,352.1	18,074.3	(277.7)
14	Market risk	1,163.8	1,241.4	77.6
15	Operational risk	1,006.8	1,006.8	—

(\*1) Valuation differences on Available-for-Sale Securities (Jun. 2018): ¥504.8bn

## < Major factors of change in capital >

- (1) Common Equity Tier 1 capital: +¥23.6bn
- Net income: +¥44.4bn
  - Repurchase of own shares: ¥(8.9)bn
  - Accumulated other comprehensive income: ¥(14.4)bn

## < Major factors of change in total risk-weighted assets >

- (2) Credit risk: ¥(277.7)bn
- Decrease in loans to large corporations etc.

## <Other ratios required in prudential regulations>

(Yen bn)		Jun. 2018	Change. from Mar. 2018
16	Leverage ratio	4.08%	0.10%
17	SuMi TRUST Bank (Consolidated) (*2)	4.64%	0.05%
18	Tier 1 capital	2,845.7	24.3
19	Total exposure	69,699.3	(1,108.4)
20	Liquidity coverage ratio (*3)	125.2%	(6.7%)
21	SuMi TRUST Bank (Consolidated) (*2)	147.5%	(16.1%)
22	Total high-quality liquid assets	28,382.5	1,132.5
23	Net cash outflows (*4)	22,653.0	1,995.9

(\*2) Excluding the impact of funds inflow into the banking account from trust account at JTSEB

(\*3) Average figures in 1QFY2018. "Change from Mar. 2018" represents the comparison to figure for 4QFY2017 calculated in the same manner

(\*4) Month-end data used for some items instead of daily data to calculate figures