



SuMi TRUST
SUMITOMO MITSUI TRUST GROUP

Investor Meeting on Financial Results for 1HFY2023

November 17, 2023

Key Messages

Financial results for 1HFY2023, Forecast for FY2023

- ✓ Financial results for 1HFY2023 : Core business is steady. 22% progress in Net income due to reduction of bear funds with low B/E
- ✓ Forecast for FY2023 : Revised Net business profit before credit costs to ¥330bn (up +¥10bn), ¥85bn of Net income (down (¥115bn))

Initiatives to enhance corporate value

- ✓ Growth strategy : Structural changes in the macro environment are creating a tailwind for our growth centered on asset management and asset administration businesses
- ✓ Improvement of capital efficiency : Improvement of own B/S profitability and growth investment

Capital policy

- ✓ Capital management : CET1 ratio (finalized Basel3): 9.7% at the end of September, 2023
- ✓ Dividend policy : Dividend forecast for FY2023 (¥220 per share) remains unchanged

Agenda

- 1 **Financial results for 1HFY2023/Forecast for FY2023** P. 4~
- 2 **Initiatives to enhance corporate value** P. 13~
 - Our capabilities and strengths to accelerate virtuous circulation
 - Initiatives to key strategic businesses
 - Improvement of capital efficiency
- 3 **Capital policy** P. 41~
- Appendix** P. 45~

① Financial results for 1HFY2023 and forecast for FY2023

Revision of earnings forecasts for FY2023(announced on October 30)①

1 Steady progress in core businesses. Increased capital.

2 Accelerate activities to reduce strategic shareholdings in light of structural changes in the macro environment and drastically reduced bear funds with low B/E (Impairment level raised to above Nikkei 225 of 40,000 yen)

3 **Dividend forecast for FY2023 remains unchanged** (considered business progress and capital adequacy)

Request for PBR improvement by TSE



Stock price rise



End of deflation

Business

【FY2023】

- Steady progress in core businesses
- Revised up forecast of net business profit

【After FY2024】

- Upside mainly in asset management business

Capital

- Neutral impact from reduction of bear funds with low B/E
- Increased valuation differences on available-for sale securities after taking hedging into consideration

Response to future

- Drastically reduced unrealized loss of bear funds and addressed impairment risks
- Increased certainty of achieving future profit targets

Revision of earnings forecasts for FY2023 (announced on October 30)

- Steady progress in net business profit before credit costs. Revised full year forecast of net income downward by realizing losses from reduction of bear funds with low B/E
- Remains unchanged of dividend forecast for FY2023 considering business progress and capital adequacy

		1HFY2023		FY2023 forecasts (revised)	Change from previous ones	Key points of revision of consolidated earnings	
(Billions of Yen)							
1	Net business profit before credit costs	1	166.3	330.0	10.0	1	Steady progress driven by macro environment
2	Substantial gross business profit		428.4	860.0	10.0		
3	Substantial G&A expenses		(262.0)	(530.0)	—		
4	Total credit costs		(1.7)	(20.0)	—	2	Reduce bear funds with low B/E Accelerate activities to reduce strategic shareholdings
5	Net gains on stocks	2	(95.4)	(160.0)	(175.0)		
6	Other non-recurring profit		(17.5)	(35.0)	—	3	Downwardly revised mainly due to above 2 Increased certainty of achieving future profit targets
7	Ordinary profit		51.5	115.0	(165.0)		
8	Net income attributable to owners of the parent	3	44.0	85.0	(115.0)	4	Remain unchanged of dividend forecast considering business progress and capital adequacy
9	Dividend per share (common share) (Yen)	4	110 yen	220 yen	—		

(*) Market environment assumption (2HFY23) : Nikkei 225:¥ 32,000, USD/JPY ¥145

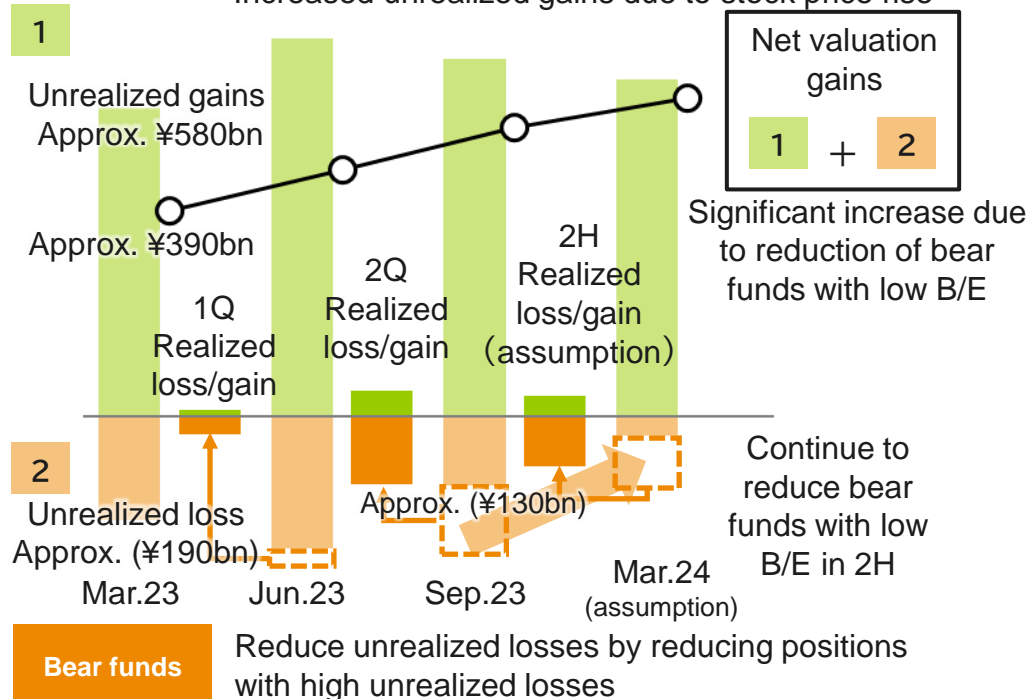
Reduction of bear funds with low B/E

- Accounting for losses on bear funds with high unrealized losses. Reduced risk to future periodic profit and loss
- Wipe out the risk of impairment of bear funds at levels below Nikkei 225 of 40,000 yen by the end of FY2023

Net valuation gains and losses

Strategic shareholdings

Steady reduction through dialogue with clients based on long-term relationship of trust
Increased unrealized gains due to stock price rise

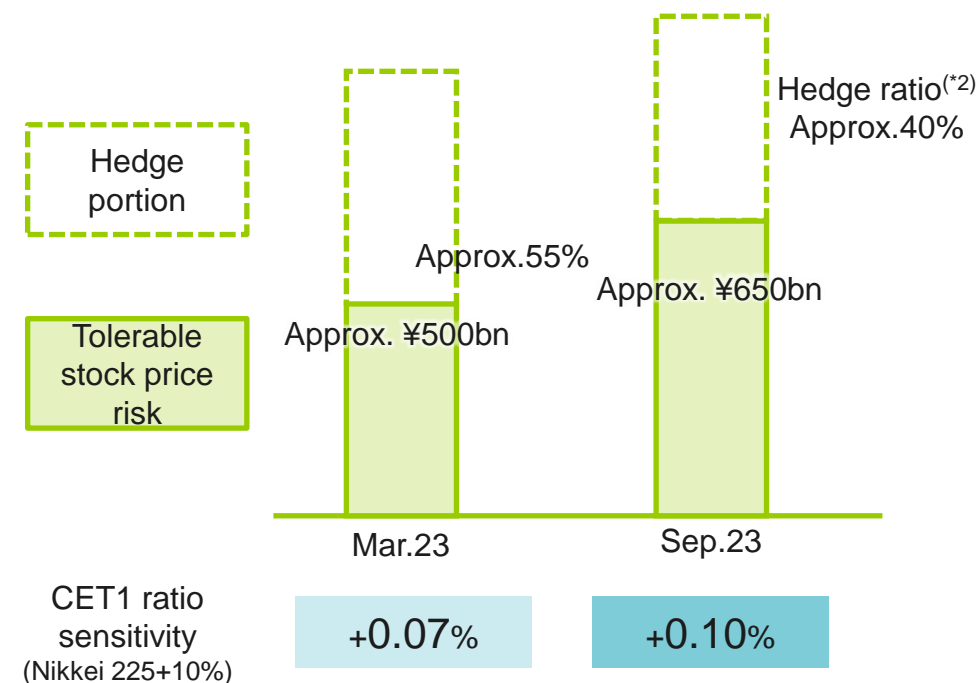


Impairment level raised to above Nikkei average of 40,000 yen^(*) at Mar.24

(*) TOPIX:2,920pt or above (calculate based on 13.7x of NT ratio as of Sep.23)

Revision of hedge policy

Reduced same amount of strategic shareholdings (market value) and hedge positions (decreasing hedge ratio)



Reduce hedge positions considering progress of strategic shareholdings reduction, market trends and capital

(**) Holding only TOPIX typed bear funds as of Sep. 23

(Ref.)Impact of stock price rise on our corporate value

- Stock price rise positively impacts our corporate value including various businesses and capital impact
- Sale of bear funds realizes losses in Net gains on stocks(P/L), while has a neutral impact on corporate value(B/S)

Impact of stock price rise on business performance and capital

Net business profit before credit costs(P/L)

Contribution to AUM increase due to growth of market value
Positive impact on mainly asset management business

(sensitivity(estimate): Nikkei 225 +¥1,000
→Net business profit before credit costs approx.+¥1.5bn/y (*))

Capital(B/S)

Increased valuation gains on strategic shareholdings more than unrealized losses on bear funds

(sensitivity(estimate): Nikkei 225 +10% → CET1ratio approx.+10bp (as of Sep.23))

Positive impact on corporate value due to stock price rise



Impact of realization of unrealized losses on bear funds on corporate value

Realization of losses on bear funds

Realized losses from sale of bear funds

Net gains on stocks(P/L)



Valuation differences on available-for-sale securities (B/S)

Improved hedge positions by sale of bear funds with low B/E

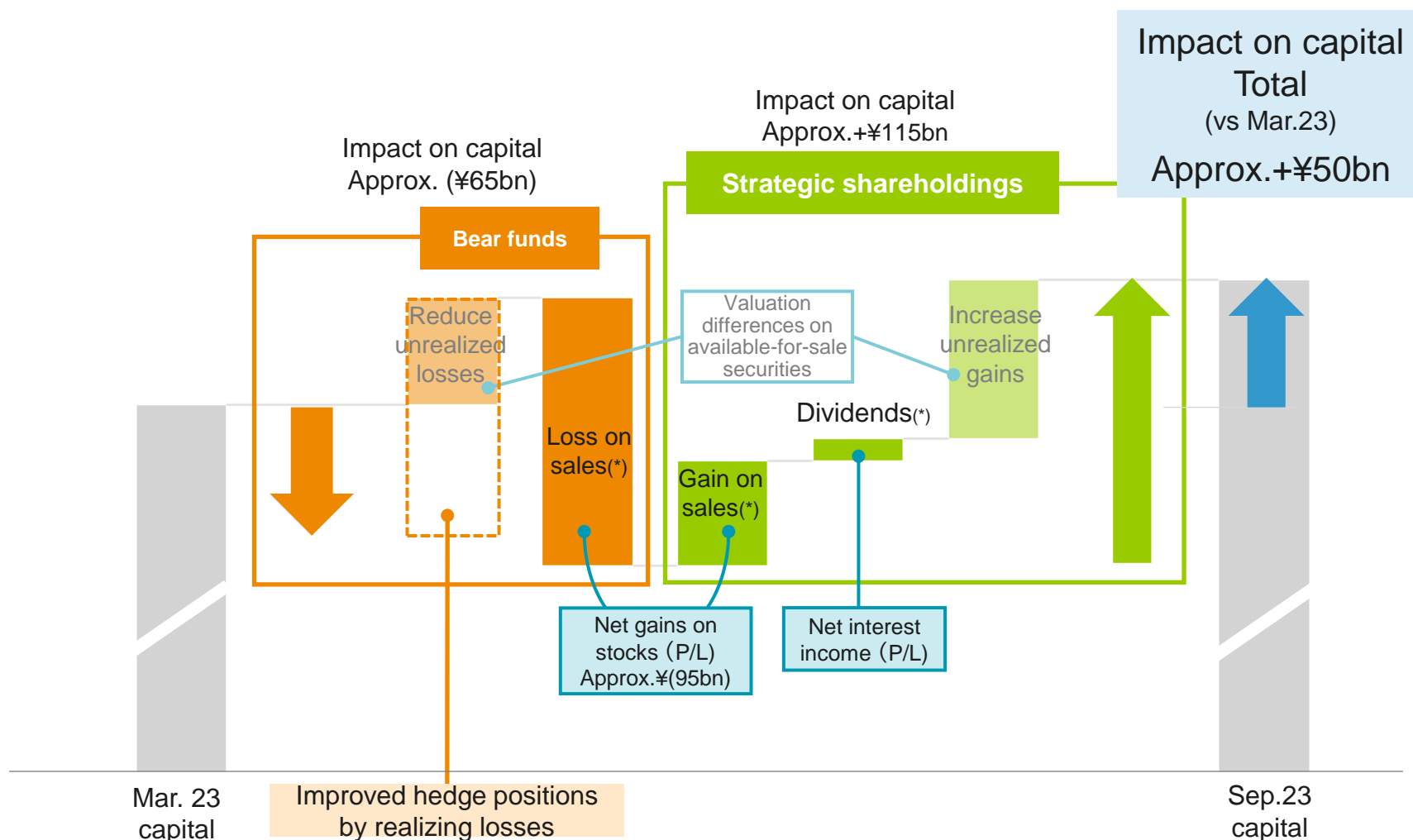
Neutral impact on corporate value due to realized losses



(*) Estimated assumption in case of +¥1,000 YoY of Nikkei 225 throughout the fiscal year

(Ref) Impact of stock price rise on capital related to strategic shareholdings and bear funds

Impact on capital based on actual 1HFY2023(image)

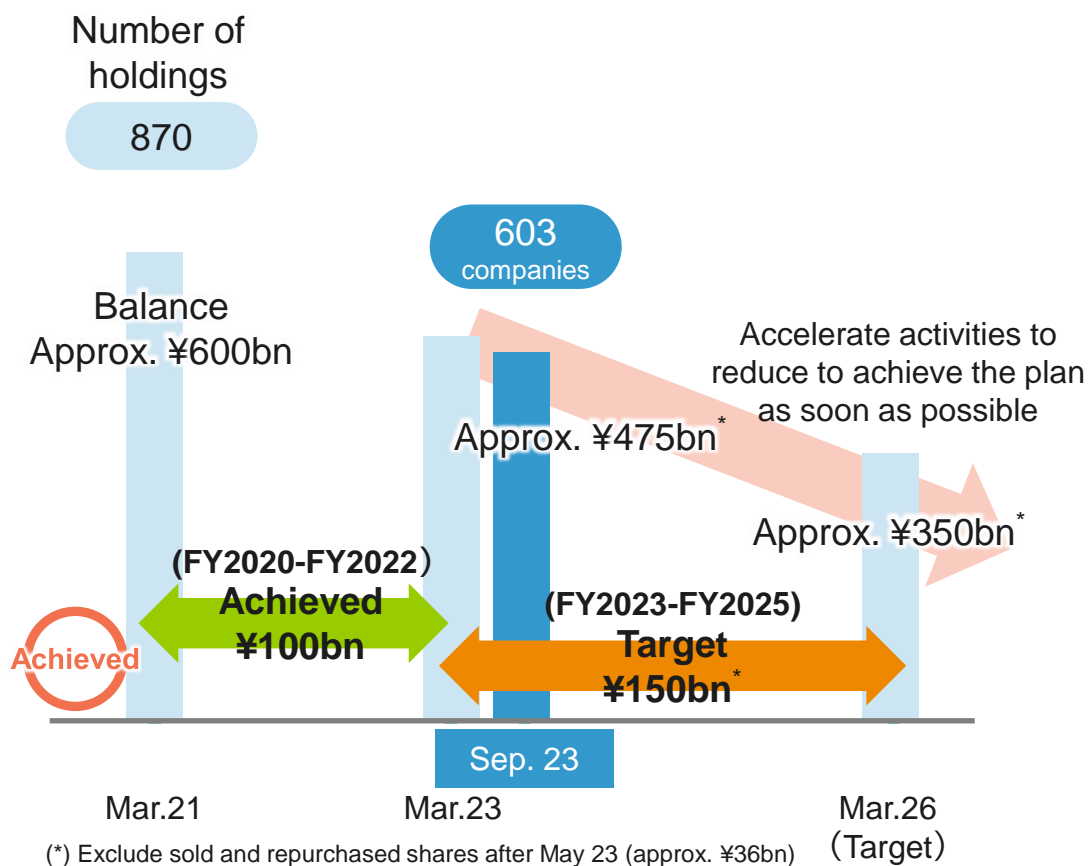


(*) After considering tax effect

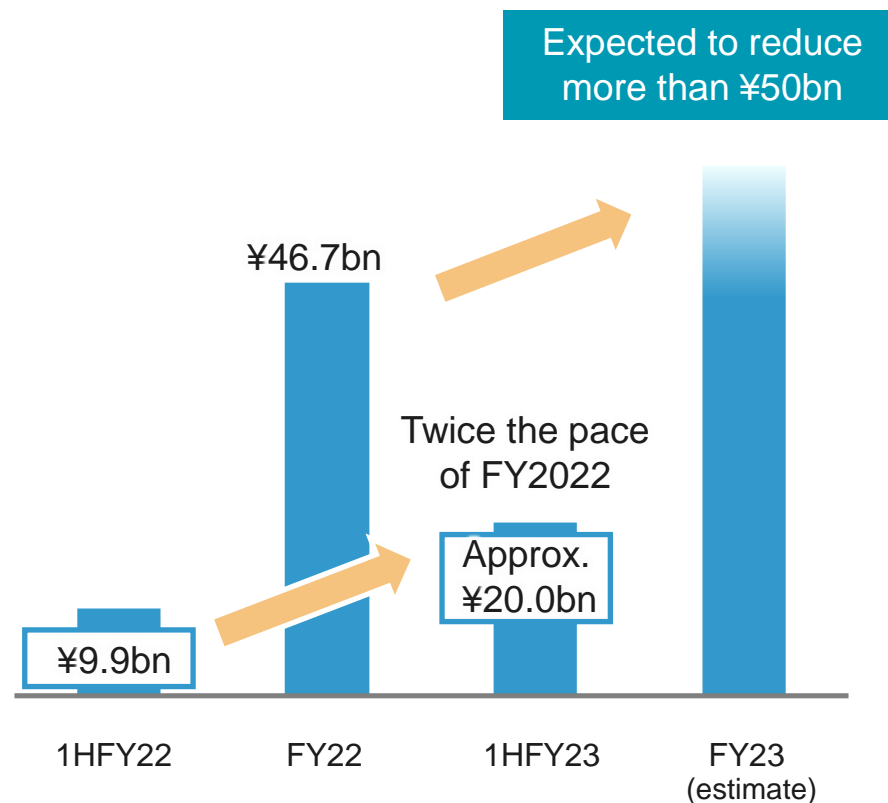
Reduction of strategic shareholdings

- Reduced steadily in balance and number of holdings since the announcement of reduction of strategic shareholdings to zero in May, 2021
- Reduction in FY2023 progressed at twice the pace of FY2022. Expected to reduce more than ¥50bn for the full year

Cost basis balance of strategic shareholdings and number of holdings



Achievement and expectation of reduction (cost basis)



Financial results for 1HFY2023

- Net business profit before credit costs: Steady progress. Strong performance in corporate credit related fees and favorable stock market condition and weaker yen also made a positive contribution
- Net income : Decreased mainly due to reduction of bear funds with low B/E
- Dividend forecast for FY2023: Remains unchanged considering business progress and capital adequacy

<Major KPIs>

		1HFY22	1HFY23	Change	FY23	Revised on October 30, 2023	
		Actual	Actual		Plan	change from FY22	change from initial plan
		(Yen bn)					
1	Net business profit before credit costs	168.2	166.3	(1.9)	330.0	+ 5.3	+ 10.0
2	Substantial gross business profit	408.5	428.4	+ 19.8	860.0	+ 45.8	+ 10.0
3	Substantial G&A Expenses	(240.2)	(262.0)	(21.8)	(530.0)	(40.4)	-
4	Total credit costs	(8.8)	(1.7)	+ 7.1	(20.0)	(9.5)	-
5	Net gains on stocks	(2.5)	(95.4)	(92.9)	(160.0)	(163.0)	(175.0)
6	Other net non-recurring profit, Extraordinary profit	(12.3)	(14.4)	(2.1)	(35.0)	+ 10.8	-
7	Net income	104.0	44.0	(59.9)	(*) 85.0	(106.0)	(115.0)
8	Fee income ratio	53.2%	52.8%	(0.4%)			
9	Overhead ratio	58.8%	61.1%	+ 2.3%	61.6%	+ 1.5%	(0.8%)
10	Return on equity	7.63%	3.07%	(4.56%)			
11	Common Equity Tier 1 capital ratio (*2)	11.11%	10.73%	(0.38%)			

<Per share information>

		1HFY22	1HFY23	Change	FY23	change from FY22
		Actual	Actual		Plan	
		(Yen)				
12	Earnings per share (EPS)	279	121	(158)	234	(316)
13	Dividend per share (DPS)	100	110	+ 10	220	+10
		Mar. 23	Sep. 23	Change		
		(Yen)				
14	Net assets per share (BPS)	7,686	8,107	+ 421		

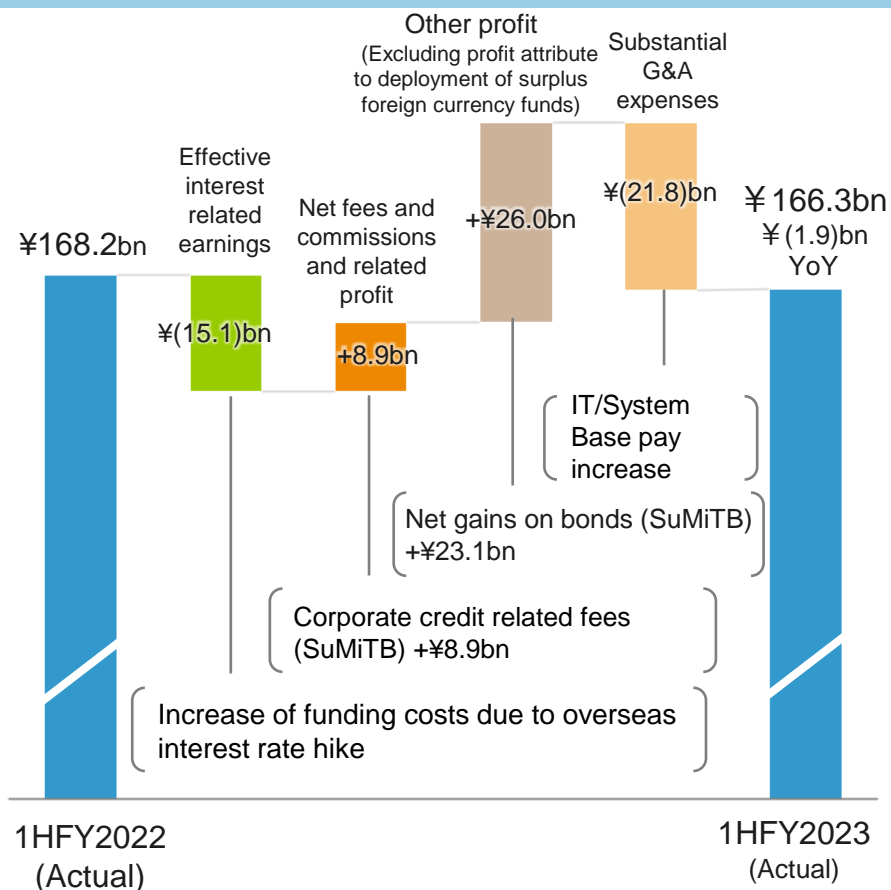
(*1) Excluding impact of gains/losses from sales of strategic shareholdings and bear funds(#5 net gains on stocks), estimated that net income will be roughly in line with our original forecast(¥200bn)

(*2) CET1 ratio(finalized Basel3) as of Sep. 23 is 9.7%

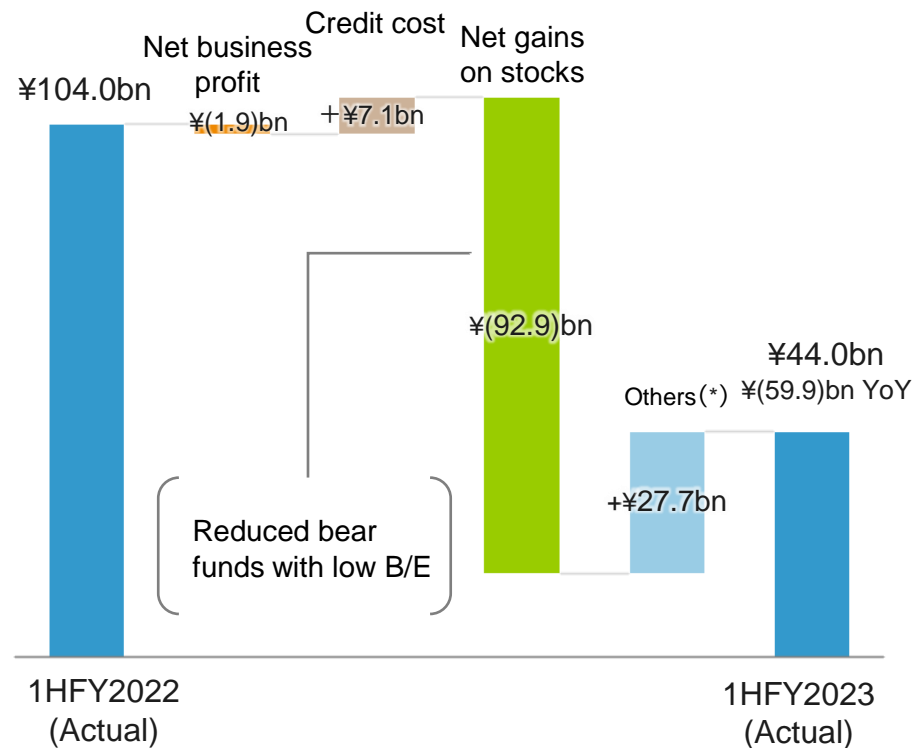
YoY Changes (Net business profit before credit costs and Net income)

- Net business profit before credit costs: Decreased (1.9)bn YoY. Despite positive contribution from corporate credit-related fees, as well as the improvement in net gains on bonds which were booked in FY2022, profit declined mainly by the increase in funding cost due to overseas rate hikes and other rises in costs
- Net income: Decreased (59.9)bn YoY, mainly due to decrease in net gains on stocks

Net business profit before credit costs



Net income



(*) Includes "total income taxes".

② Initiatives to enhance corporate value

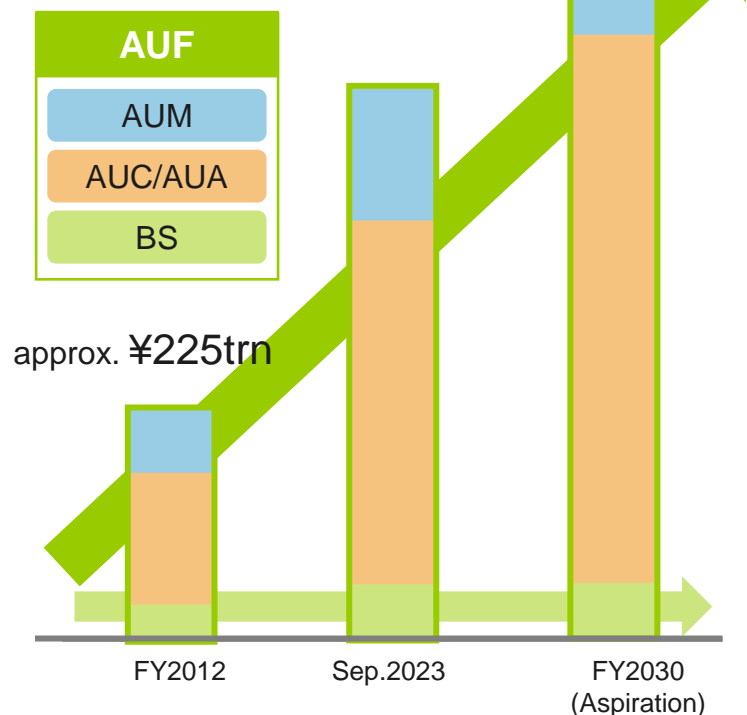
Assets Under Fiduciary

AUF (Assets Under Fiduciary)

Indicator of the scale of our initiatives to contribute to solving social issues and creating and expanding markets

Expand **AUF** centered around asset management and asset administration approx. ¥800trn

approx. ¥530trn^(*1)
(+¥30trn vs Mar.23)

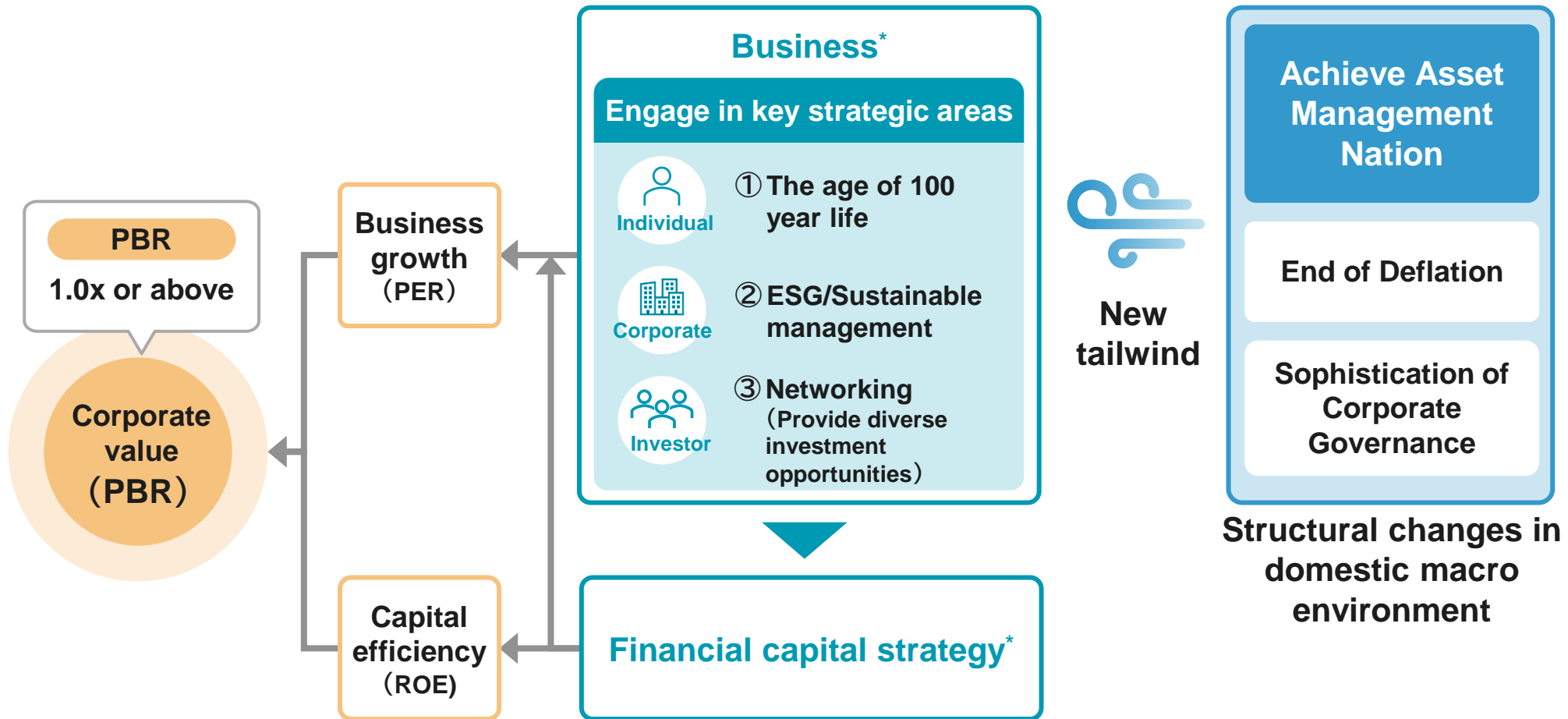


Breakdown of major items	Balance (vs Mar.23)	Aspiration ^(*2)	(Ref)
Assets Under Management	¥125trn (+¥4trn)	¥215trn	P.78
Private asset related	¥6trn (+¥0trn)	¥24trn	P.25
Assets Under Custody ^(*3)	¥273trn (+¥19trn)	¥460trn	P.78
Securitized real estate	25trn (+¥1trn)	¥30trn	P.77
Investment management consulting related	7trn (+¥0trn)	¥9trn	P.76
Total assets from will trustor	¥4trn (+¥0trn)	¥7trn	-
Credit portfolio Individual/Corporate	¥34trn (+¥1trn)	Improve profitability	P.79

(*1) Include approx. ¥20trn of increase due to redefine (Exclude difference vs Mar.23) (*2) Each "Aspiration" was already announced (*3) Include AUC at custody services and fund administrations, and balance that we provide BPO and report making services internally and externally

Initiatives to enhance corporate value

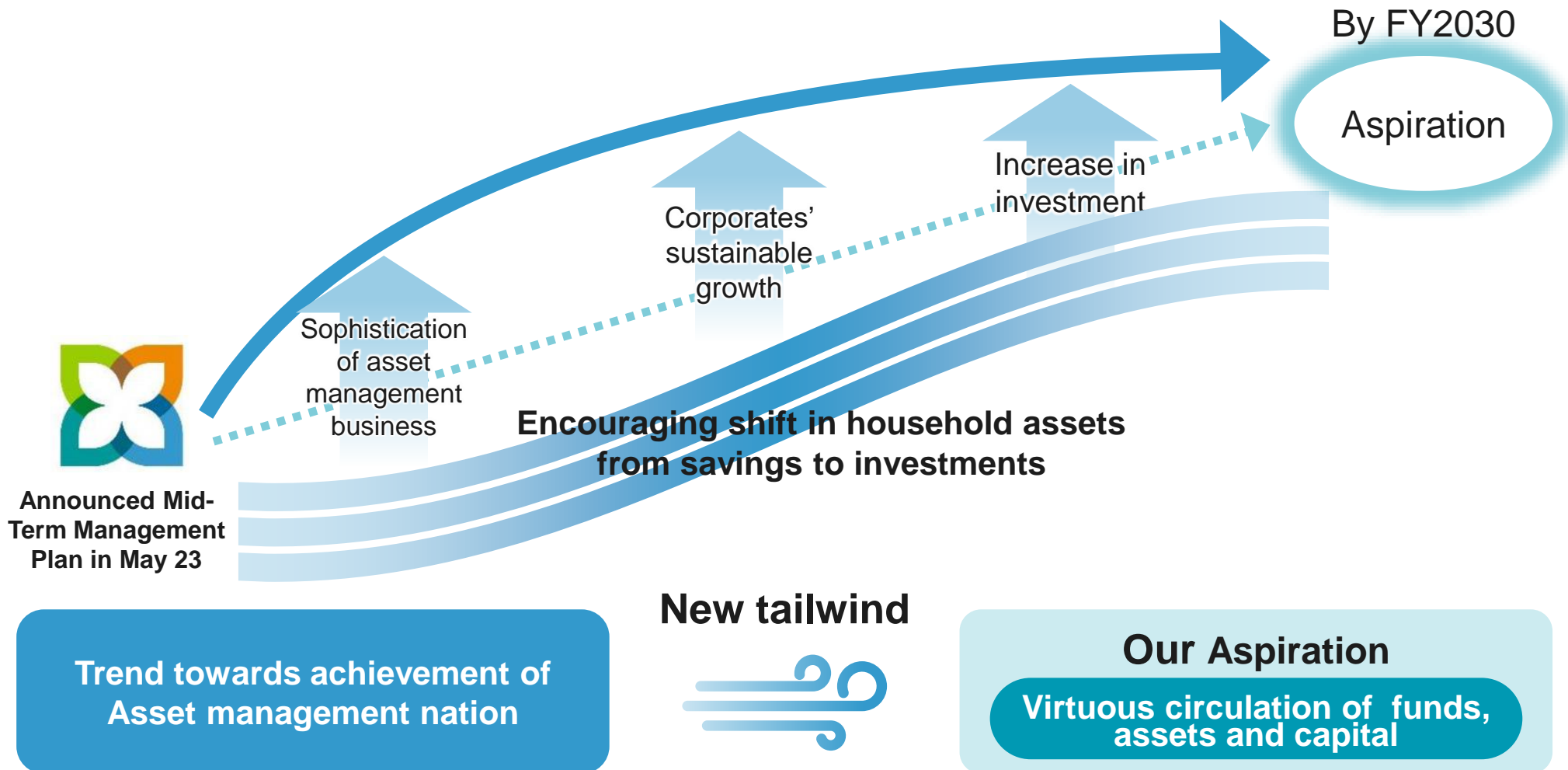
- Focus on three key strategic areas that create virtuous circulation of funds, assets and capital
- Structural changes in domestic macro environment create a new tailwind for our business growth



*: Generally corresponds to "9 Strategies" (1) to (4) in the Medium-Term Management Plan

Trend towards making Japan an Asset Management Nation

- Announced our growth strategy in May 2023, centered on asset management and asset administration businesses
- Accelerate virtuous circulation of funds, assets and capital by taking advantage of trend towards “the achievement of Asset Management Nation” as a new tailwind



◆ Our capabilities and strengths
to accelerate virtuous circulation

Our capabilities and strengths

Creating and accelerating a virtuous circulation of funds, assets and capital
by performing the functions of a trust
from the perspectives of both “business operators” and “investors”

Increase
in AUF

Basis of long-term relationship of trust with clients

- High quality expertise and the ability to make proposals
(finance, pensions, real estate, inheritance, etc.)
- Engagement-driven decision support for clients
- Diverse contact points in the investment chain

Combination of diverse asset management (AM) capabilities

- Cooperative framework that takes advantage of the unique characteristics of each AM company
- Sales and Distribution network in growing markets
- Seed investment and origination functions that leverage banking capabilities

Advisory
function

Asset
management
function

Asset administration
function

Platforms supporting virtuous circulation

- Extensive knowledge and operational skills in asset administration business

Virtuous circulation of funds, assets and capital

ESG/sustainable management

Corporate

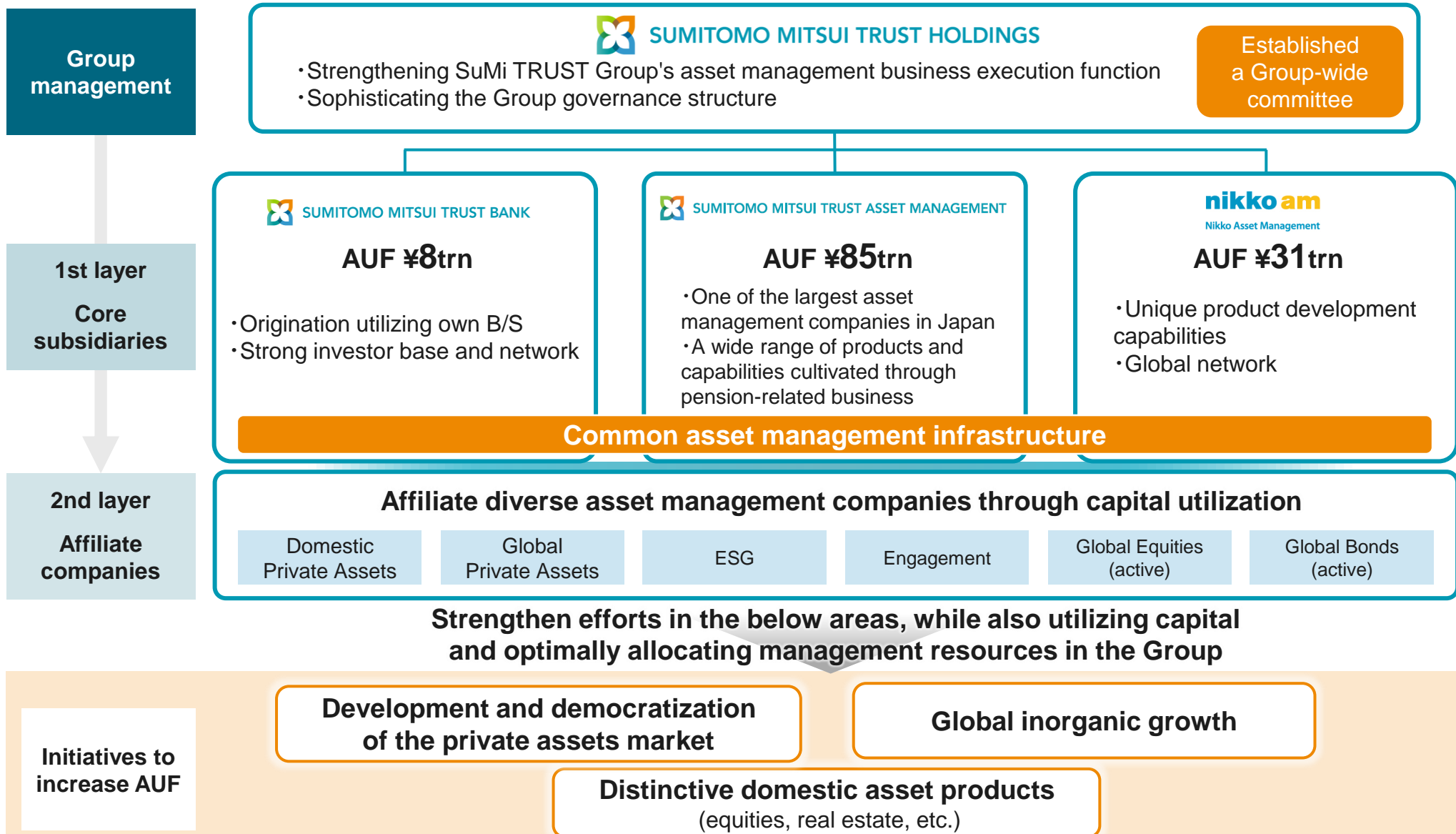
Investor

Individual

Networking

The age of 100-year life

Direction of the Group Asset Management Business (Structure and initiatives to increase AUF)



Initiatives for the Development of the Domestic Asset Management Industry

- Commenced efforts to develop domestic asset management industry through active investment in emerging managers, and domestic VC investments
- Invested in Osmosis, a leading company in the environmental area. Plans to expand the core subsidiary's know-how and product lineup and sales.

Direction of major Initiatives

- **Identification of emerging managers and support for their fundraising** (Case ①)
- **Turn asset managers with unique edges into our affiliates** (Case ②)
- **Expansion of products that contribute to the development of the domestic market**

Considering a domestic listed stock engagement fund (characterized by "nurturing value" through friendly dialogue with companies)

① Domestic Emerging Venture Capital (VC) Investment (May 23)



(*1) Aozora Corporate Investment Co., Ltd., SUMITOMO MITSUI TRUST INVESTMENT CO., LTD

(*2) Aozora Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, and one major domestic financial institution

② Investment in Osmosis (Nov. 23)



- **HR development for ESG asset management**
- **New product development**

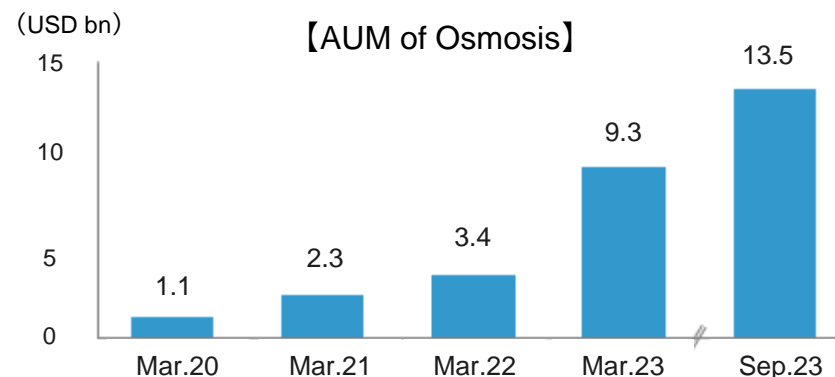
- **Sales and distribution of Osmosis products**

Strategic Partnership (minority investment)



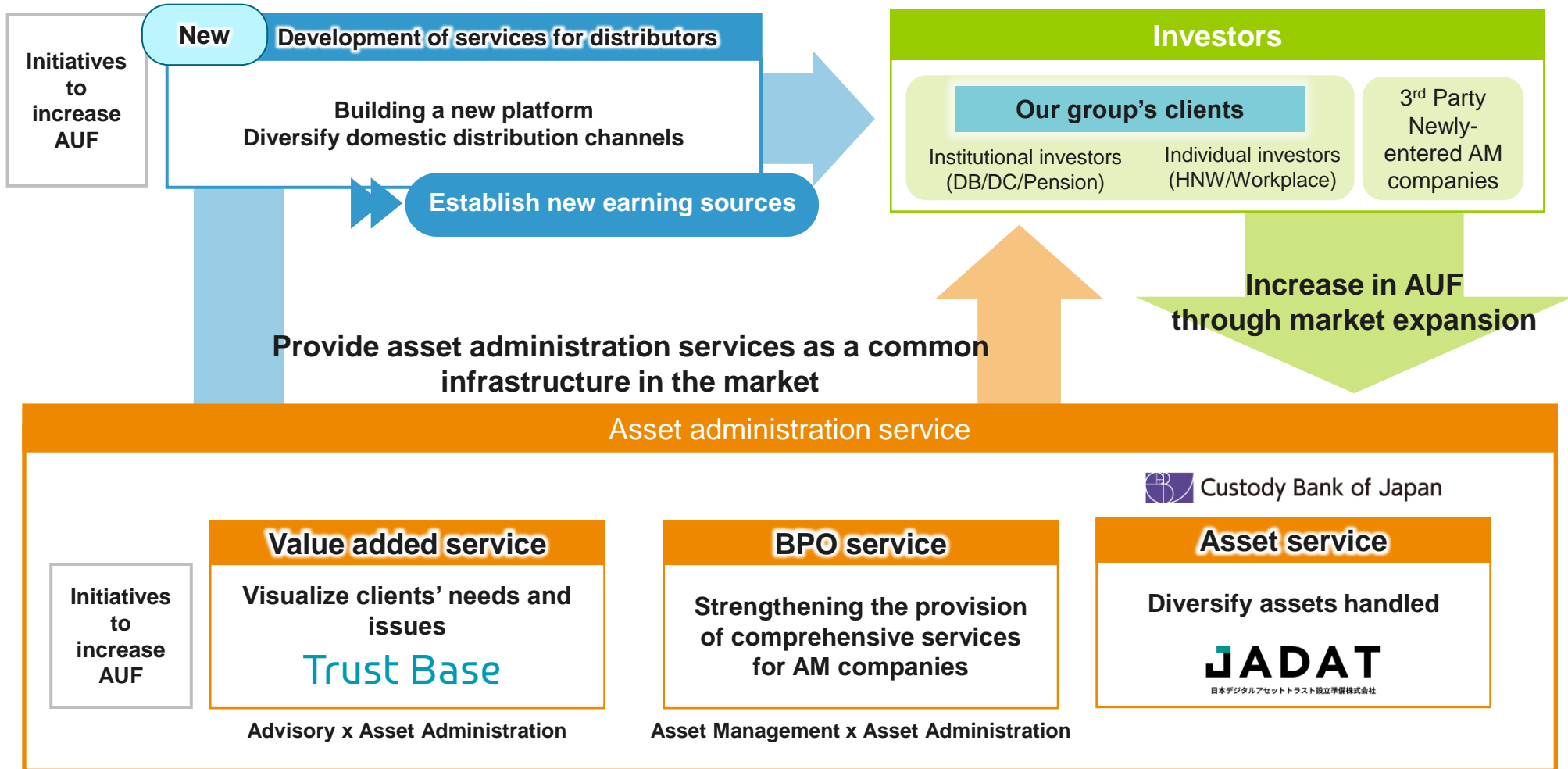
AM company in UK, established in 2009

Strengths in active management specializing in the environment area and expanding AUM dramatically



Direction of Asset Administration Business

- In addition to value-added improvements in various services, develop services for distributors to build a new platform in the domestic asset administration market



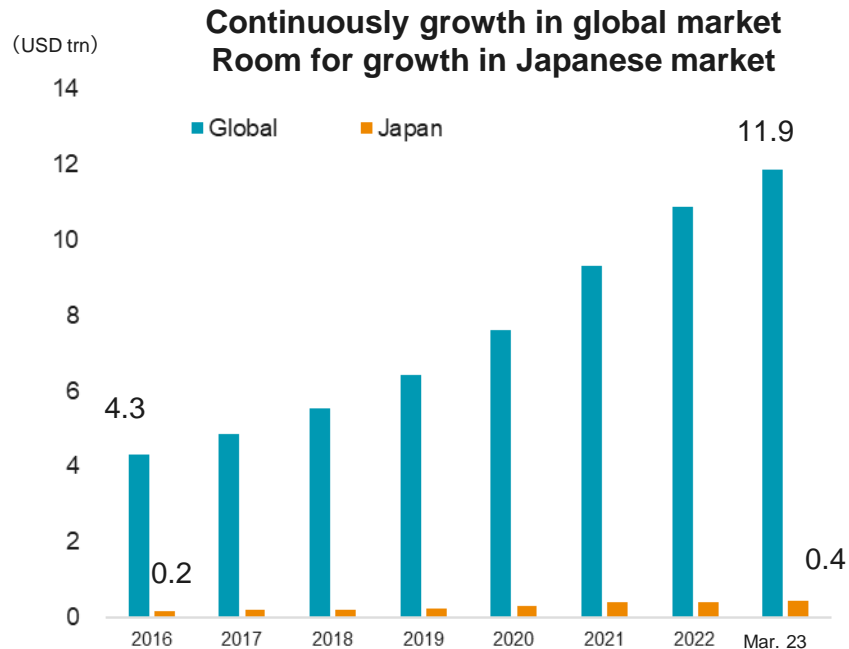
◆ Initiatives to key strategic businesses

- Expect future growth of Japanese private asset market as its current share is small in expanding global market
- Provide various private asset investment opportunities as a diversification option to investors

Expecting private asset market growth

【_Funded private assets^(*)】

Assets include private equities, corporate debt, real estate, infrastructure and natural resource investments, etc.



(Source)Preqin Pro

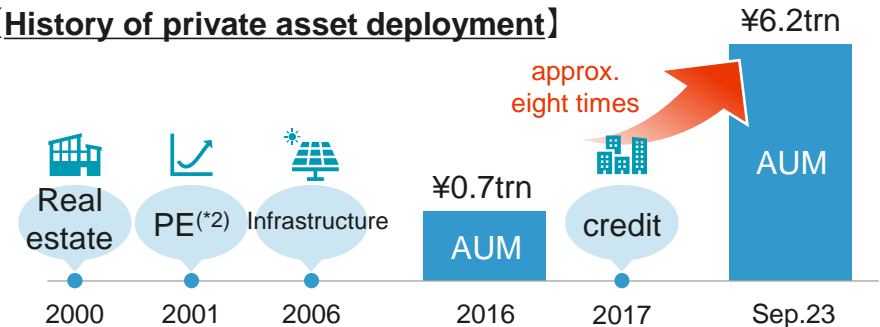
(*)Only AUM(asset management companies and funds) that can find from public data

Providing private asset investment opportunities

Institutional investors

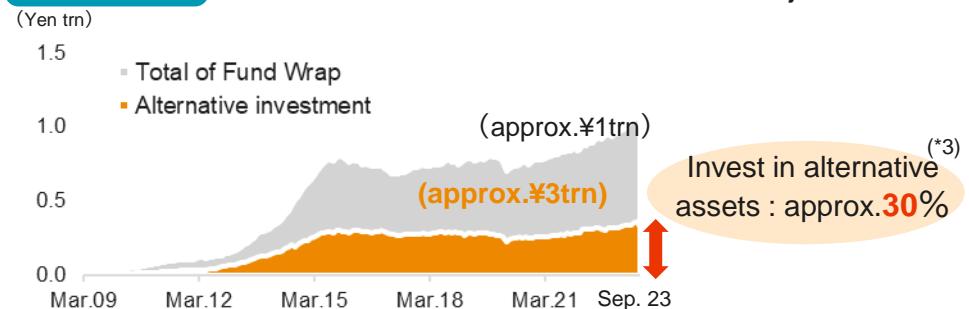
Lead the domestic market with over 20 years of experience in private asset market

【History of private asset deployment】



Individual investors

Provide diversified investment opportunities based on attributes and investment objectives



(*)invested in PE since 1991 using own B/S

(*) Hedge funds, commodity, REIT

- Create and accelerate a virtuous circulation of funds, taking the lead through our capability to identify assets and utilize proprietary account
- Strengthen alliances with external partners with unique edges. Newly launched first fund investing in domestic infrastructure in Sep.23

Leveraging B/S and alliances with strategic partners

leveraging proprietary account and funds from investors

Promote a virtuous circulation of private asset as a pilot

expertise



Proprietary account

Impact equity investment

Collaboration with external partners with unique edges

Further strengthening of origination and structuring

Apollo Global Management

Investment in alternative assets portfolio

Expanding access to us primary market

Energy Capital Partners

Investment in flagship fund managed by ECP

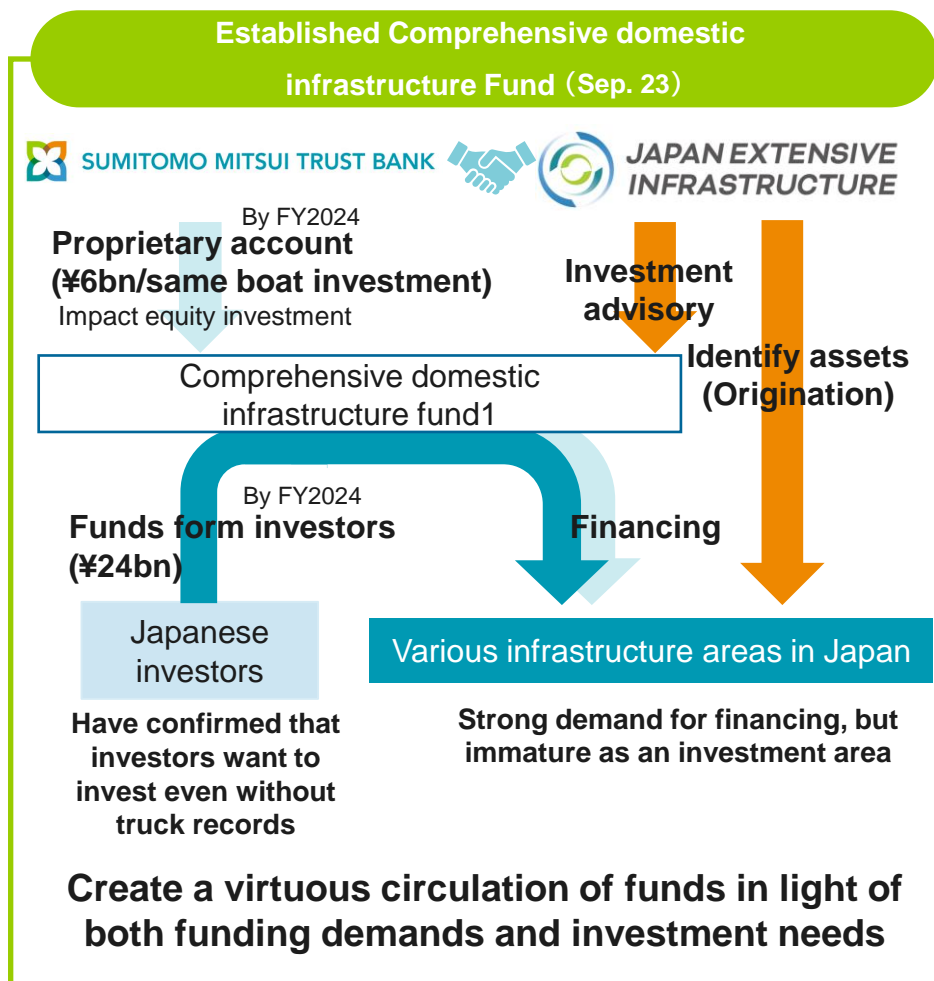
leveraging investment know-how in decarbonized area

Mercuria Holdings

Jointly established an investment advisory company(*)

Developing domestic infrastructure market (see right side)

(*) Japan extensive infrastructure

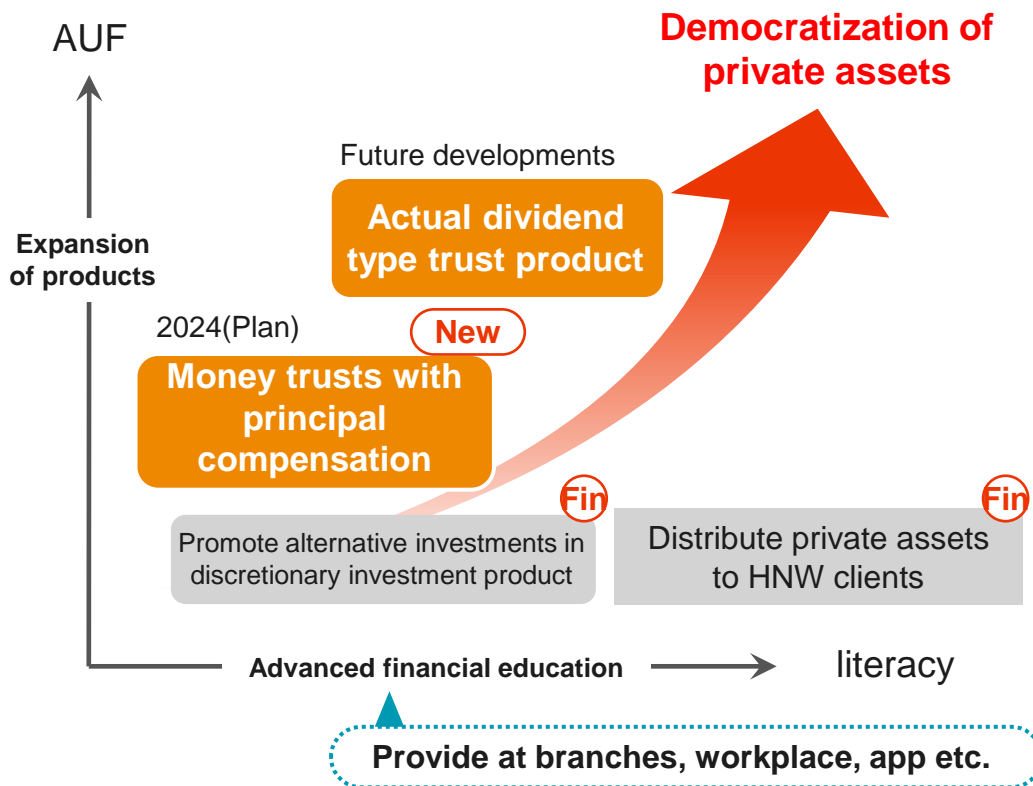


Private asset-related initiatives ③

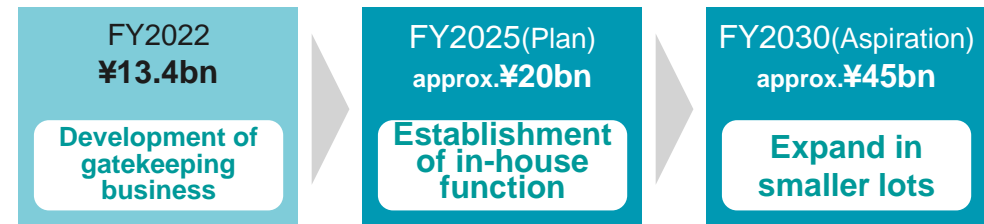
- Provide advanced financial education cultivated over many years in pension business. Introduce new products in response to the increased literacy of individual investors in the future
- Aim to achieve private asset AUF of ¥24trn and related income of ¥45bn by expanding in smaller lots

Advanced financial education and expansion of products

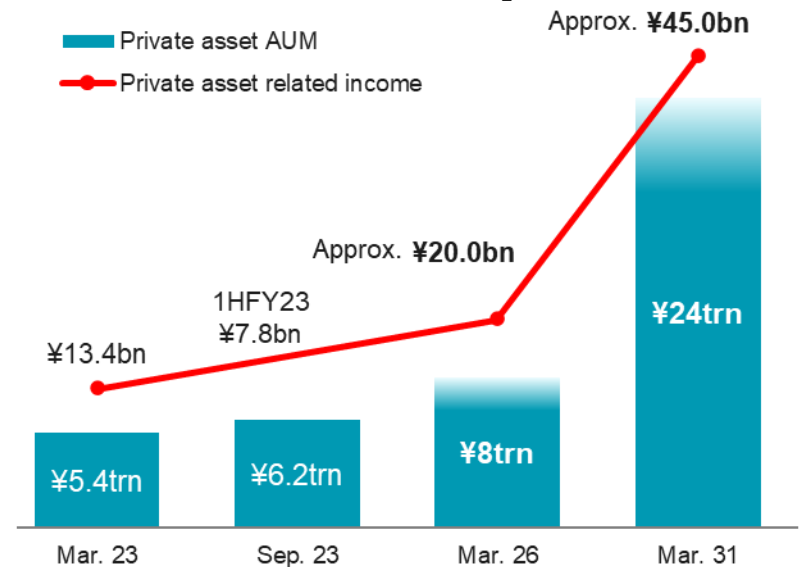
Achieve democratization of private assets by utilizing strengths of trust-related capability, such as financial education and flexible product development



Private asset AUM and related income



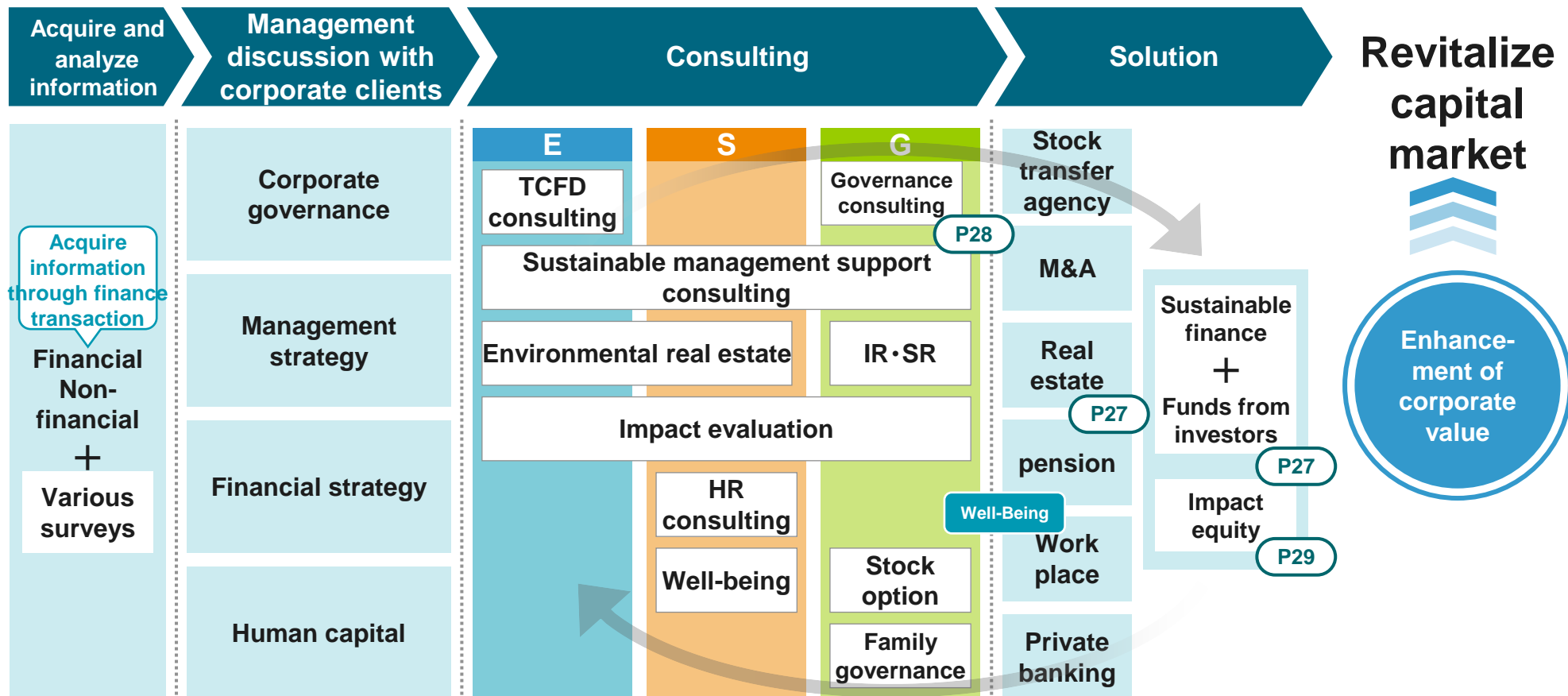
[Private asset AUM and related income]



Initiatives to enhance corporate value for clients ①

ESG/Sustainable management

- Visualize corporate clients' management issues and provide various solutions
- Contribute to revitalizing capital market by fruitful dialogues with clients and enhancing corporate value



Long-term relationships of trust based on finance transactions 

- External environment changed, such as improvement of capital efficiency and sophistication of corporate governance
- Provide optimal solutions unique to our Group, to address to issues faced by our corporate clients

Corporates' issues

E

Enormous finance needs for decarbonization

S

Enhancement of human capital management

G

Sophistication of corporate governance

Solution for **Asset**

Revise own properties

Towards enhancement of corporate value

Sophistication of corporate governance

Improvement of capital efficiency

Sample of CRE strategy proposal

Support for developing real estate business strategy

- Redefined client's real estate business vision
- Organized issues and analyze potentials of properties
- Supported development of mid-term management plan with real estate business as growth driver

Number of CRE strategy proposals to enhance corporate value **tripled** (*1)

*1: CRE: Corporate Real Estate. Tripled YoY

Solution for **Liability**

Sustainable finance

Steady increase

Mar.22
approx. ¥1trn

Sep.23
approx. **¥3trn**
(includes approx.¥0.5trn:PIF)

Mar.31
¥15trn

PIF

Increased funds from investors

■ SuMiTB

■ Investors

Introduce FW(Aug.22-)
PI Evaluation FW(*2)
drives balance growth

approx.
¥15bn

Sep.21 Mar.22 Sep.22 Mar.23 Sep.23

approx.
¥460bn

*2: Positive Impact Evaluation Framework: Other financial institutions can use SuMiTB's positive impact evaluation as a reference for their own PIF initiatives



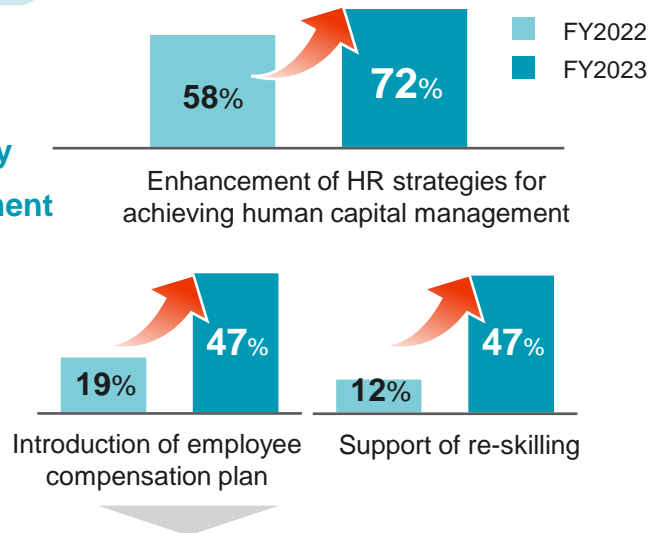
- More companies are prioritizing human resource strategies in light of human capital management trend
- Contribute enhancement of corporate value by providing various solutions with alliances

Governance survey / human capital survey (2023)

Governance survey® 1,888 companies participated

【Topics of interest】

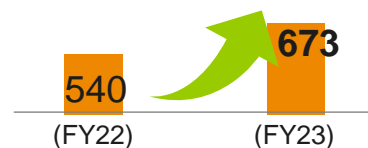
- **Prioritize HR strategy**
- **Employees engagement**
- Fruitful dialogue with investors
- Cost of capital



Recognize high interest in human capital management

Human capital survey (focus on human capital)

Increased participants



Providing solution

Support menu

- Holding IR/SR meetings
 - Evaluation of the Board of Directors
 - Introduction of compensation framework
 - Revision of organization
 - Succession plan **New**
 - Invite external directors **New**
- : Provided by Board Advisors Japan

Introduction of stock compensation scheme for employees

Introduction of RS Trust

- The number of group employees: 30,000people
- Aim to strengthen awareness of business performance and stock price, improve employee engagement and enhance corporate value

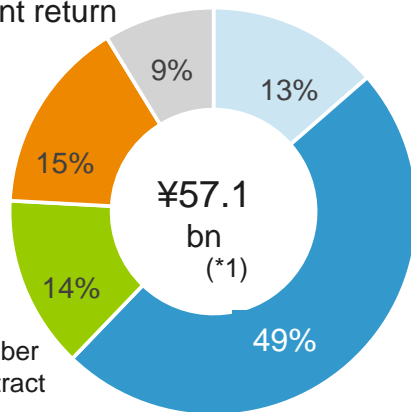
Enhance employee engagement

Improve productivity

- Steady progress of impact equity investments. As of June,23 :¥57.1bn
- Contribute to expanding start-up market by solving issues faced by start-ups and institutional investors

Impact equity investment

Investment return



Portfolio return target
IRR of more than 10% (per year)

- Income: IRR 5-7%
- Development: IRR 7-15%
- Private Equity: IRR 12-17%
- Venture Capital: IRR 15-25%

(*1)
Cumulative number
until Jun.23 contract
basis

Investment in self-driving truck companies(Sep.23)

Due to labor shortage, overtime work limits for truck drivers in 2024 is urgent social issues

Transportation by self-driving trucks that utilize autonomous Level4 of driving technology

Sustainable logistics

IRR of more than 15%

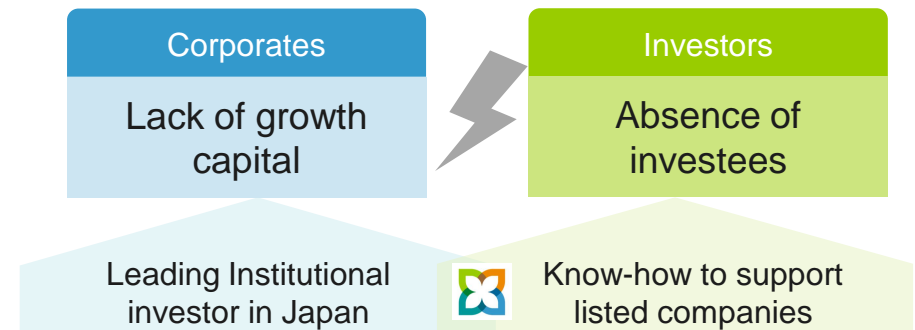


(self-driving truck)

Initiatives in Start-up market

Issues in Japanese Start-up market

Division between unlisted and listed markets



Main strategy

Strategic IR support

Secondary fund

Financing for later companies

Crossover fund

By FY2025
accumulated
¥50bn(plan)

For virtuous circulation of funds and expansion of start-up market by utilizing group capabilities

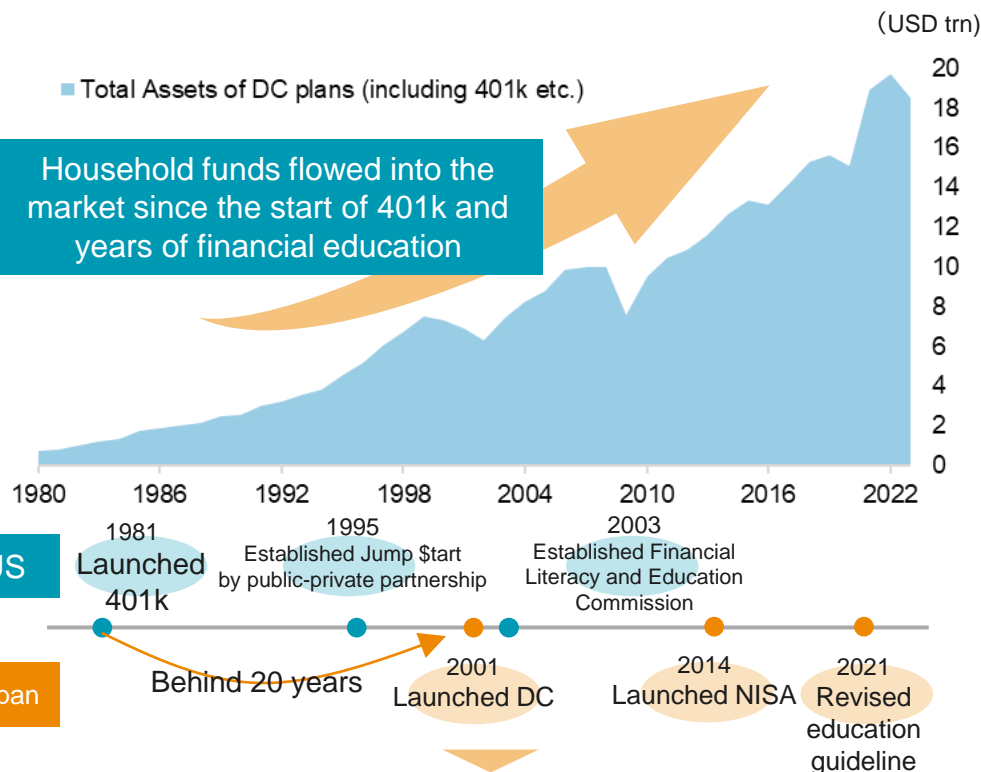
(*2) Provide IR support for unlisted companies. Support financing from institutional investors around listing

Shift from savings to investments ① ~Financial education~

The age of 100-year life

- In the US, there was a significant increase in pension assets, with the spread of financial education since introduction of 401k
- Support long-term asset formation by providing our advanced financial education to a wide range of generations

Spread of financial education and balance of pension assets in the US*1



Opportunity for market expansion has come in Japan 20 years behind the US

*1 Source :ICI (US)

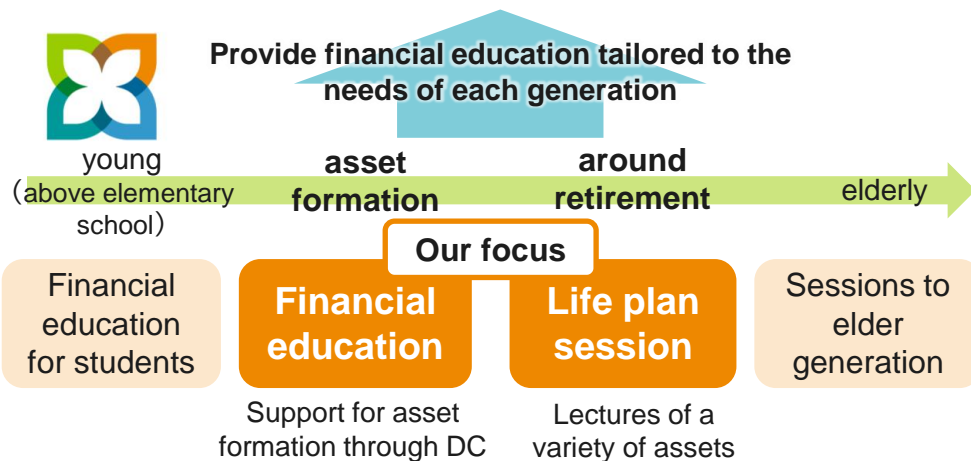
Provide financial education to a wide range of generations

The reason why Japanese people don't invest*2

Lack of knowledge about investing	40%
Concerned about buying and holding	26%
More comfortable with a guarantee of principal, such as deposit	23%

(*2) Source: FSA "customer survey result of risky financial products (Jun.21)"

Issue: Improving financial literacy

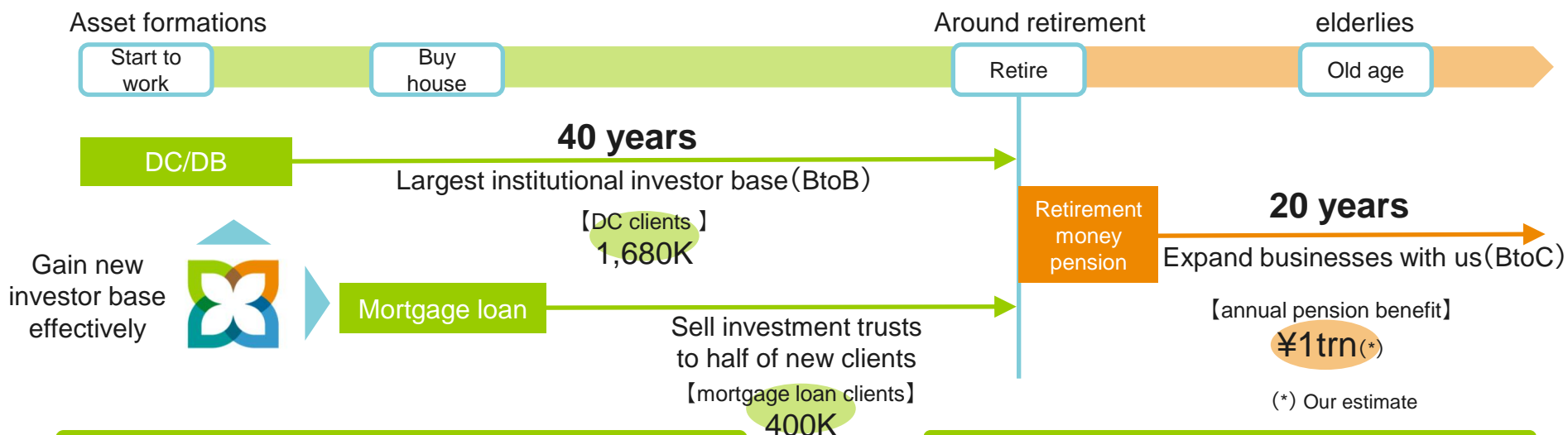


Shift from savings to investments ② ~Financial education~

The age of 100-year life

- Provide financial education to asset formations generation with DC and mortgage loans and leverage our strengths of ultra long term and high quality individual investor base.
- Utilize digital technology like application as well as in person. Cultivate asset formation generation by diversifying financial education tools and channels

Developing ultra long term relationship through supports for asset formation

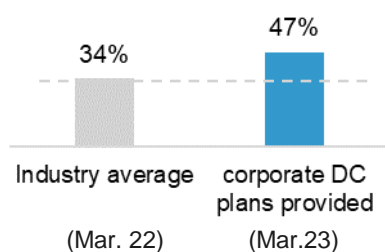
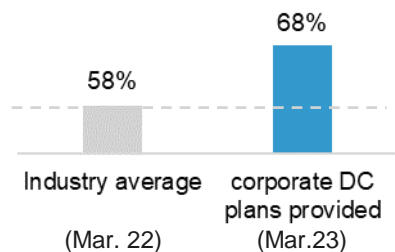


Developing literacy through advanced financial education

Contribute to expanding investment by developing literacy

【mutual funds selection】

【employees of matching contributions】



Arousing needs through app

Smart Life Designer

スマートライフデザイナー



Calculate future cash flow
Simulate for asset formation
Provide information to develop literacy

Provide functions mutually (Sep. 23-)



Highly convenient payment function



Shift from savings to investments ③ ~new NISA~

The age of 100-year life

- Acceleration in shift from savings to investments in domestic market by launching new NISA
- Aim to increase AUF exceeding market growth by further enhancing presence of asset management business at SuMi TAM and Nikko AM in domestic retail market

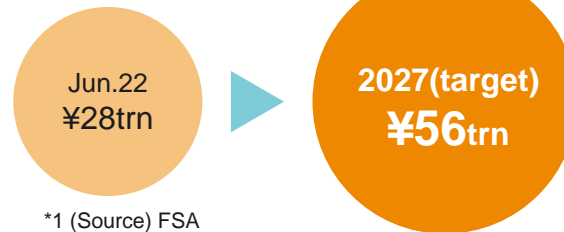
New NISA (Nippon Individual Saving Account)

Summary

- 1 Increase tax exemption limit
- 2 Permanence of system
- 3 Simplify system and structure

【NISA purchase amount*1】

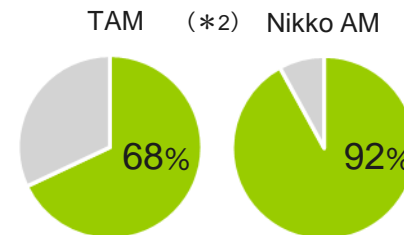
Pushing expansion of investment by support system for asset formation



Initiatives at SuMiTAM/Nikko AM

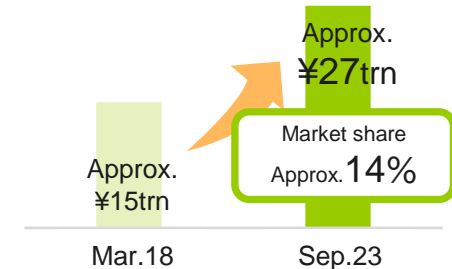
Increase in line with market growth by utilizing sales network outside the group

【Outside group】



*2 Exclude DC investment trust

【AUM(public stock investment trust)*3】

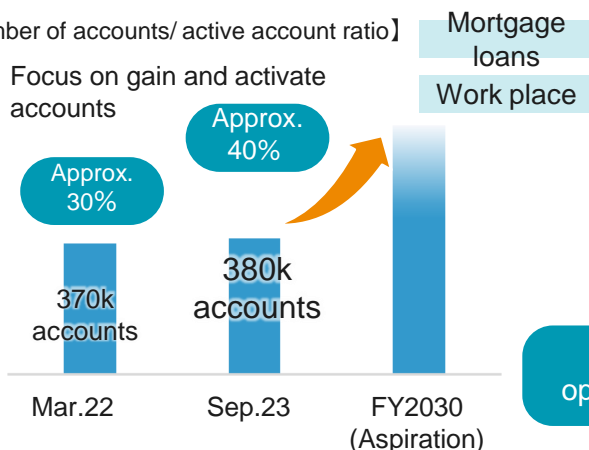


*3 Include ETF. Sum of balance at TAM and Nikko AM
(Source) Investment trusts association

Initiatives at SuMi Trust Bank

【number of accounts/ active account ratio】

Focus on gain and activate accounts



Expansion of trading profit opportunities starting from NISA

Products for NISA

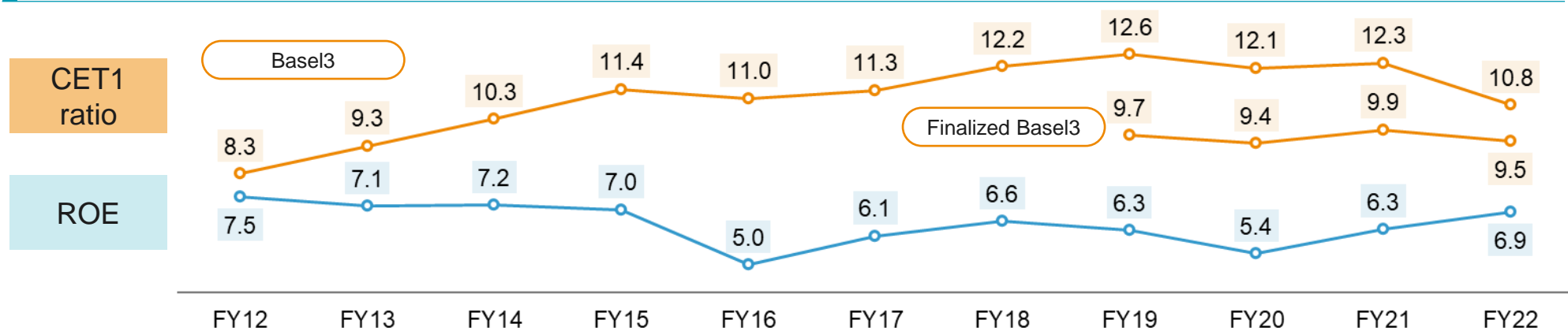
- Investment trusts pursuing long-term stable return
 - Balanced
 - High Dividend
 - Low risk
- Active investment trusts focusing on long-term megatrend
 - Innovation
 - FinTech
 - Semiconductor
 - Mobility
 - In-bound

◆ Improvement of capital efficiency

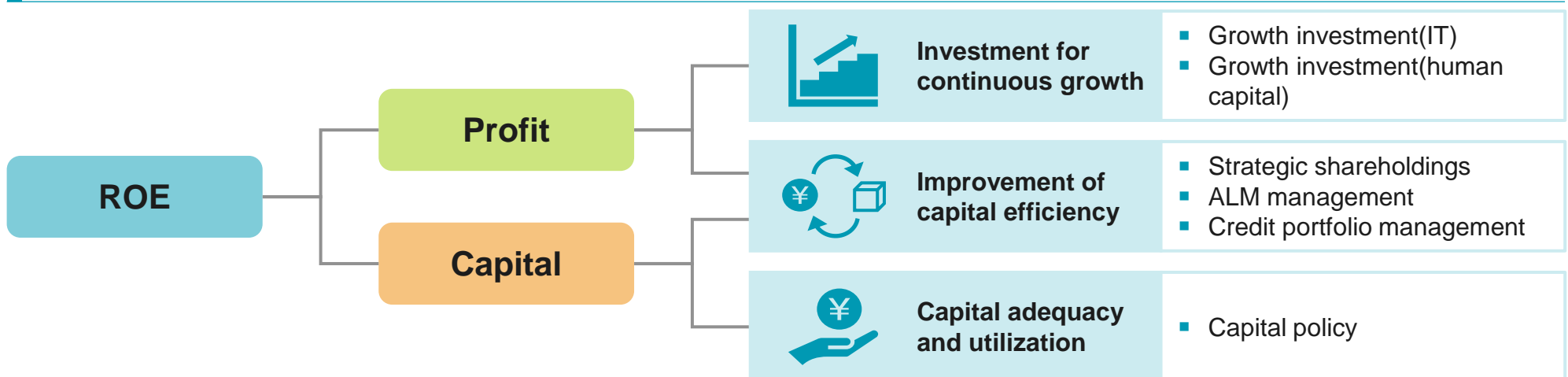
Improvement of capital efficiency ~Overall picture~

- Improve capital efficiency by investing in sustainable growth and improving profitability of own balance sheet

Historical CET1 ratio and ROE (%)



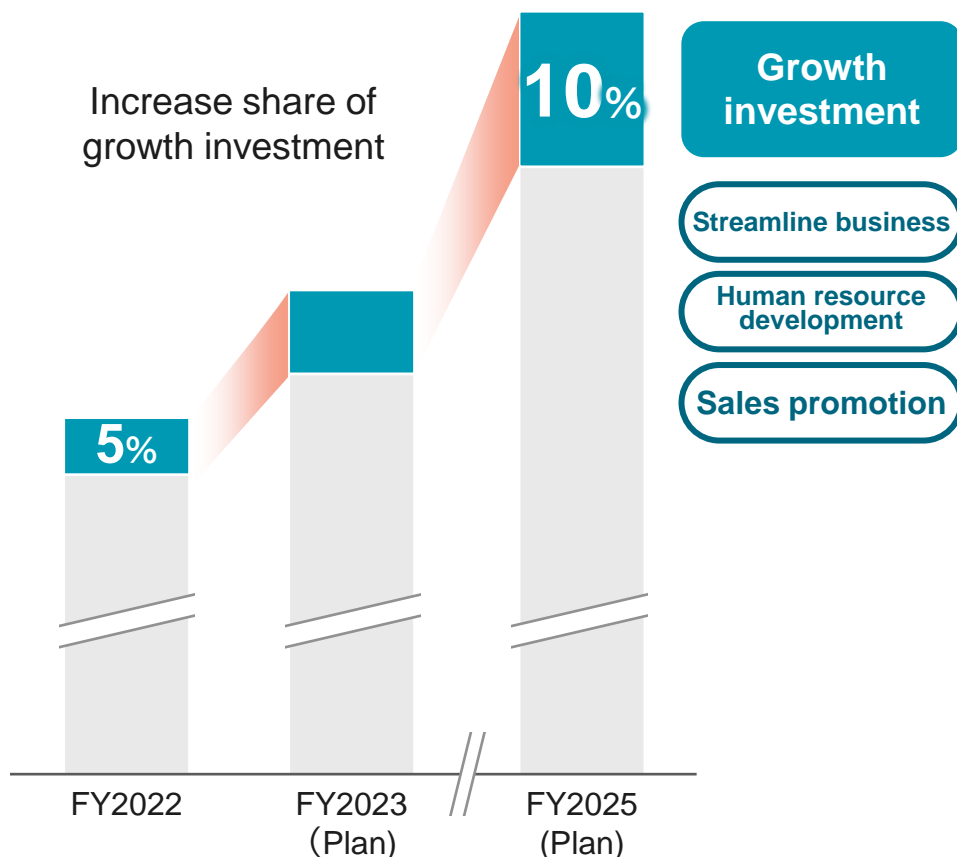
Initiatives to improve ROE



Growth investment ~IT system Investment~

- Invest in IT systems for future growth. Double the share of growth investment in FY2025 vs FY2022
- Streamline contact center operation through use of generative AI by collaboration with PKSHA

IT system investment plan (FY2023-2025)



(*) managerial accounting basis

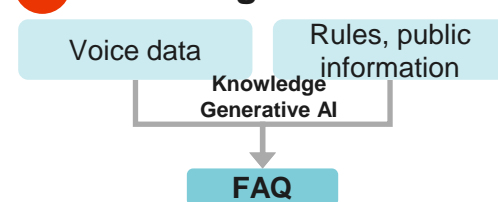
Sales promotion activity using generative AI

Collaborate with PKSHA, which has advanced knowledge in generative AI



Image of contact center utilization

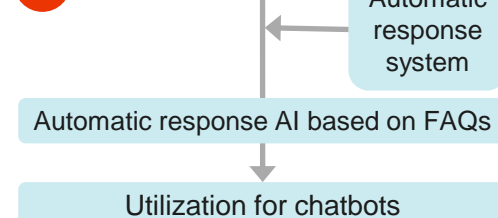
1 Knowledge database



Streamline businesses and Human resource development

- Cross-sectional analysis of vast amounts of data
- Guidance for operators

2 Interactive AI



Sales promotion

- Automatic response based on FAQs
- Plan to expand to branches

Growth investment ~Human capital investment~

- Shift personnel to growth areas such as key strategic businesses or IT/DX during Medium-Term Management Plan
- Provide employees with opportunities to learn on their own by increasing human capital investment

Personnel allocation plan(FY2023-2025)

SuMi TRUST Bank

Shift personnel to growth areas by reallocation and mid-career recruitment

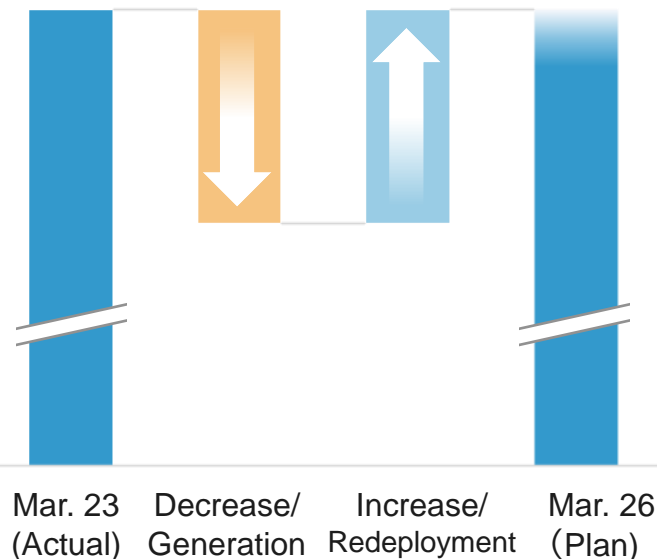
Redeployment

- Key strategic areas
- IT/DX
- Sustainable

approx. 600 people

Generation

- Review human resources
- Improve productivity

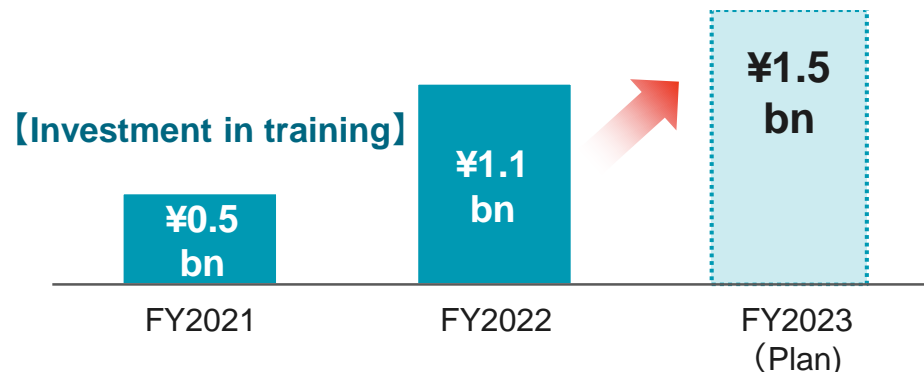


Group companies

Plan to increase headcount mainly in asset management business and real estate business for retail clients

Training and development of human resources

Provide reskilling opportunities through training programs



Aidemy GX (Start in Sep. 2023)



Aidemy

- Provide GX education for all group employees
- Improve skills in responding to GX-related consultations

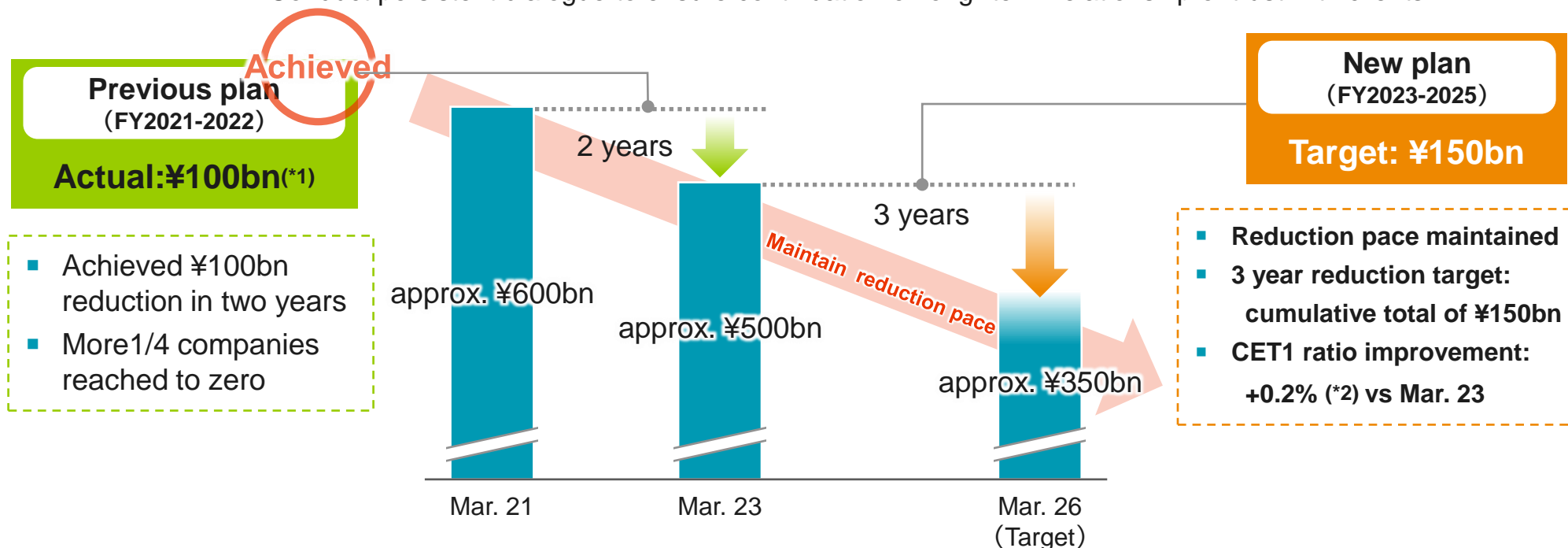
Strategic shareholdings

Announcement of reduction of strategic shareholdings to zero (May, 2021)

We shall not hold any “strategic shareholding as a conventional stable shareholder.”

Cost basis balance of strategic shareholdings

Conduct persistent dialogue to ensure continuation of long- term relationship of trust with clients



Proxy voting

- Exercised voting rights according to voting rights guidelines for strategic shareholdings at SuMi TRUST bank since Jun. 22
- Emphasize pre-engagement activities that lead to enhance corporate value for corporate clients

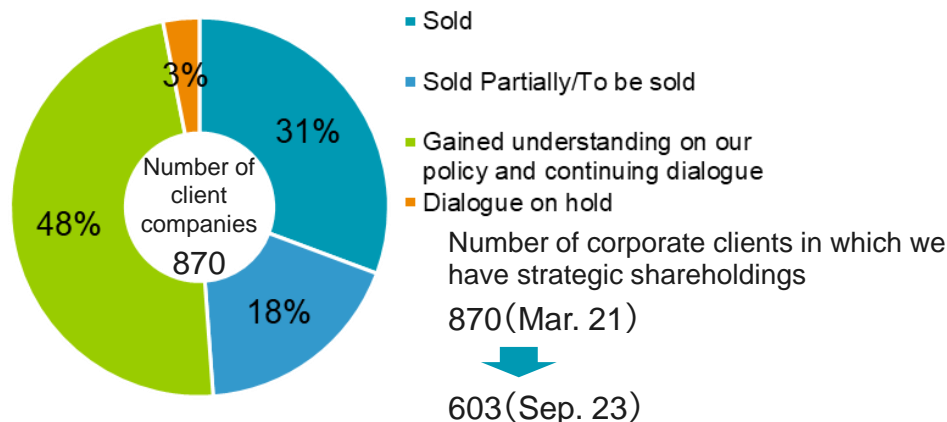
*1: Achieved ¥100.6bn reduction exclude sold and repurchased shares in FY2020/4Q

*2: Estimate based on actual results as of the end of Mar. 23 (finalized Basel III), incorporating a reduction in RWA equivalent to the reduction target (¥150 bn) for the new plan period.

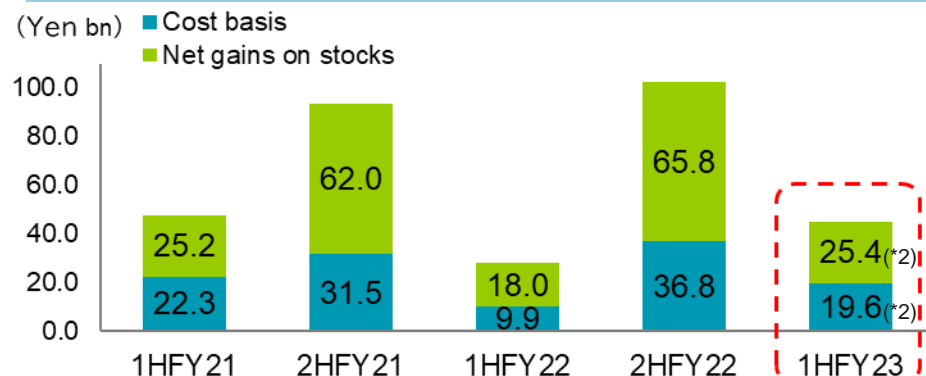
Reduction of strategic shareholdings

- Continue careful dialogue with clients based on long-term relationship of trust. The number of companies with strategic shareholdings decreased by 30% since March 2021
- Amount sold / to be sold reached approx. ¥35bn. Expect to exceed ¥50bn reduction in FY2023

Dialogue with clients

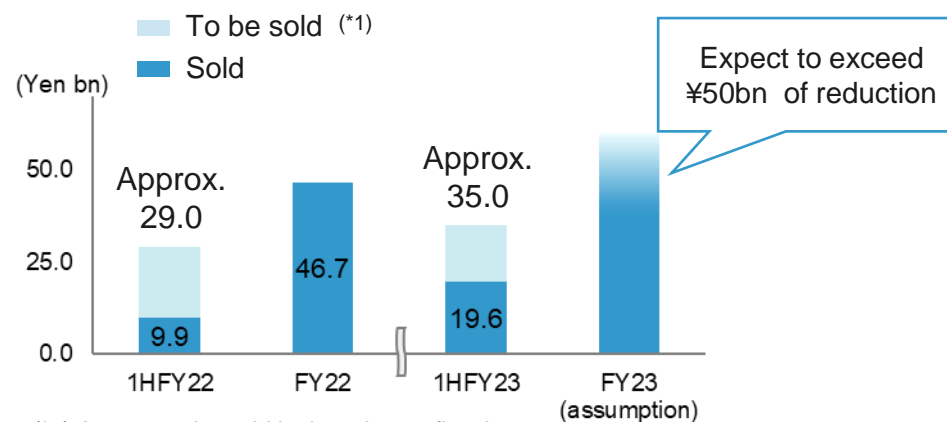


Reduction (consolidated basis)



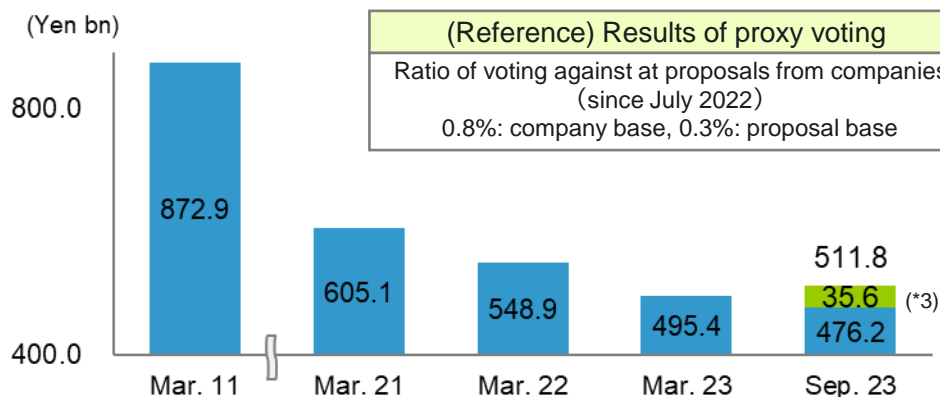
(*) Excluding sold and repurchased shares in FY23/2Q (Net gains on stocks: Approx. ¥36bn)

Amount sold/ to be sold (cost basis) (consolidated basis)



(*) Amount to be sold in the relevant fiscal year

Cost basis balance of strategic shareholdings (consolidated basis)



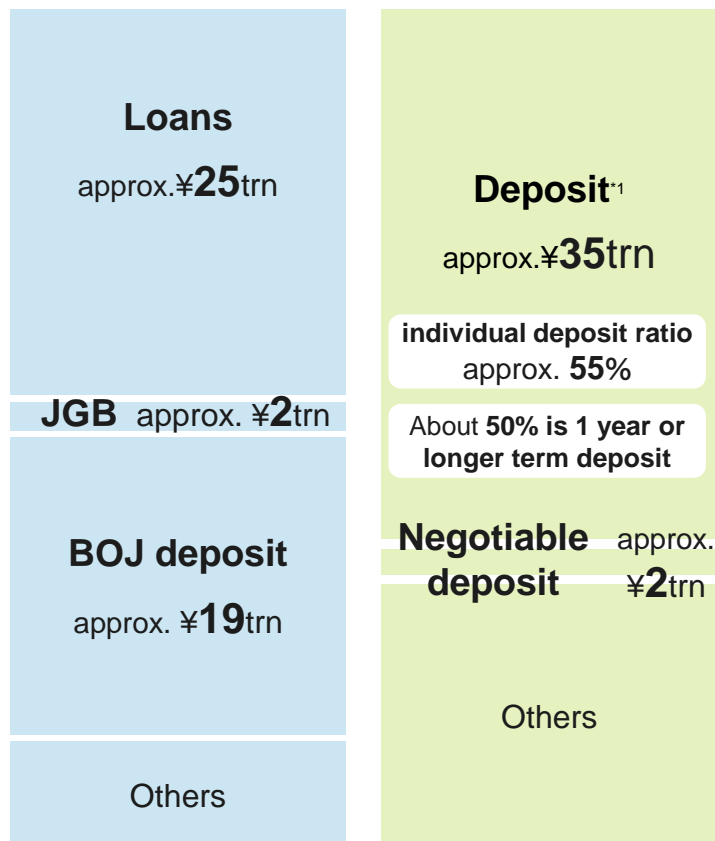
(Reference) Results of proxy voting

Ratio of voting against at proposals from companies (since July 2022)
0.8%: company base, 0.3%: proposal base

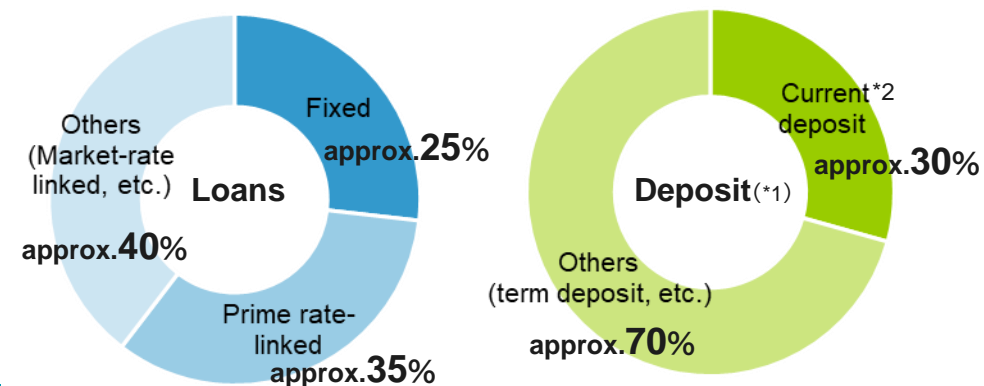
ALM management ~Impact of interest rate hikes~

- Stable funding structure centered on time deposits from retail clients
- Increased net interest income when interest rates hike. Could be further increase in income from increased investments in securities, depending on market conditions

JPY denominated balance sheet (as of Sep. 23)



Loans and Deposits (as of Sep.23)



Impact of interest rate hike (estimate)

Scenario	End negative interest	Interest hike in parallel in every term maturity
impact (net business profit)	+ approx. ¥10bn /year	+ approx. ¥40bn /year
premise	<ul style="list-style-type: none"> Interest rate Include FY2024 market condition (estimate based on OIS) Balance As of the end of Sep.23 	<ul style="list-style-type: none"> Interest rate shift +50bp in parallel Balance As of the end of Sep.23

(Ref.) Effect of shifting a part of BOJ deposit to securities investment

+ ¥5bn
(¥1trn invested at 0.5%)

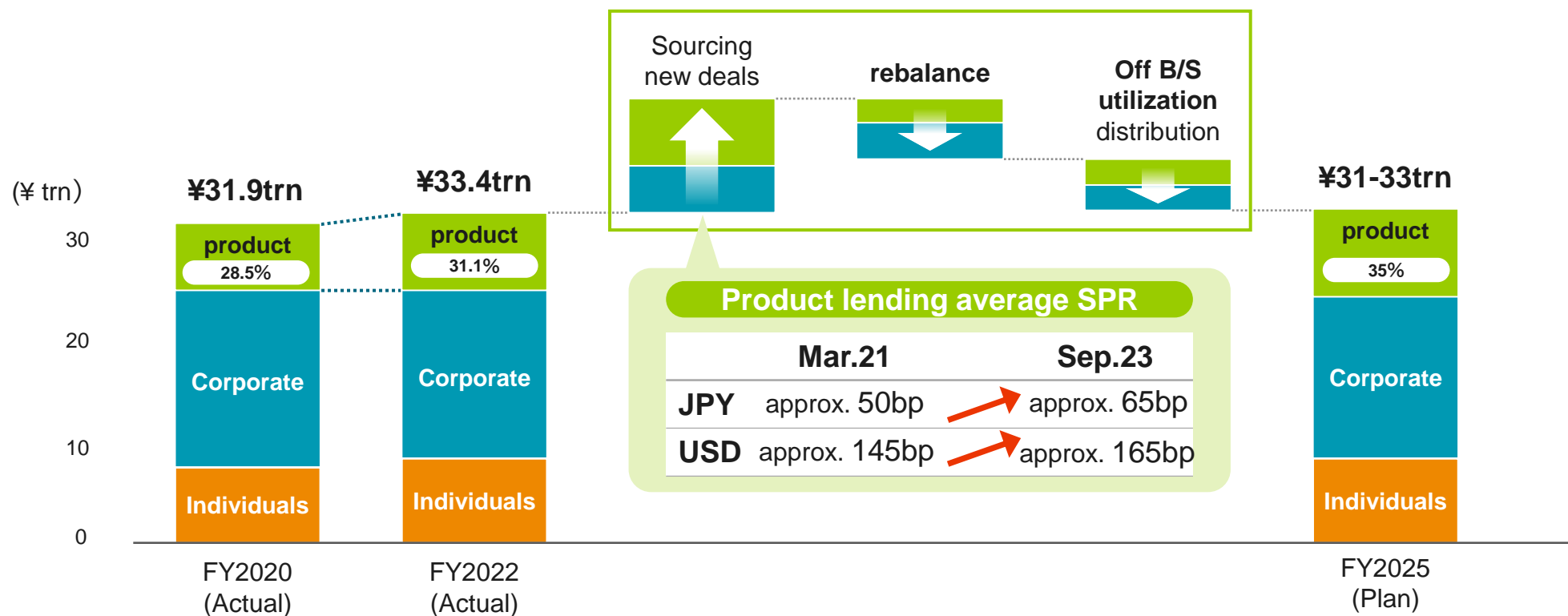
(*)1 Managerial reporting basis; Deposits and trust principal, exclude negotiable deposit
 (*)2 Current deposits include liquid deposits, separate deposits, non-resident yen deposits, etc.

Credit portfolio

- Corporate: Good progress in shift to product related credit with higher profitability
- Retail: Expand client base and increase long-term relationships with clients through mortgage loans

Credit portfolio plan (corporate and retail)

(SuMi TRUST Bank)



Focus on improving capital efficiency without expanding balance sheet

③ Capital policy

Basic approach to capital management

- Target for CET1 ratio (Finalized Basel3) remains unchanged at “stably maintain 10% or above”. As of Sep.23: 9.7%
- Focus on shareholder returns, in addition to utilizing capital for future growth. Based on a progressive dividend, repurchase own shares in a flexible manner

✓ Target of CET1 ratio(*)

Basic policy
Stably maintain 10% or above

Regulation :7.5%
Financial buffer :2.0%
Management buffer:0.5%

Financial capital utilization
<ul style="list-style-type: none"> ✓ Growth investment (expand trust group's businesses) ✓ Investment for solving social issue ✓ Share repurchase

Current level(9.7%) :
Capital utilization phase

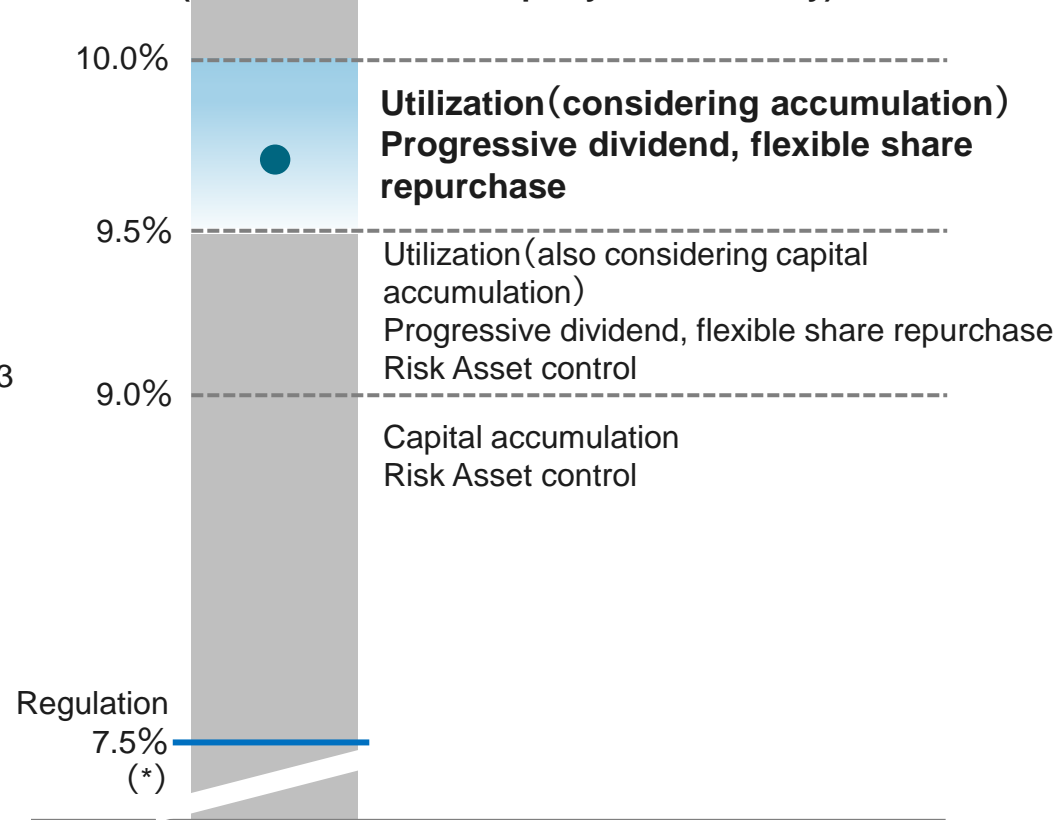
- Time frame for finalized Basel 3
- Stable profit accumulation
- Readiness for various risks
- Reduction of strategic shareholdings to zero

(Ref.) impact on CET1 ratio of each indicator(as of Sep.23)

		(10)%	+10%
Stock Price	Nikkei 225	(11)bp	+10bp
FX	JPY/USD	+26bp	(25)bp

✓ Capital management

(balance between adequacy and efficiency)

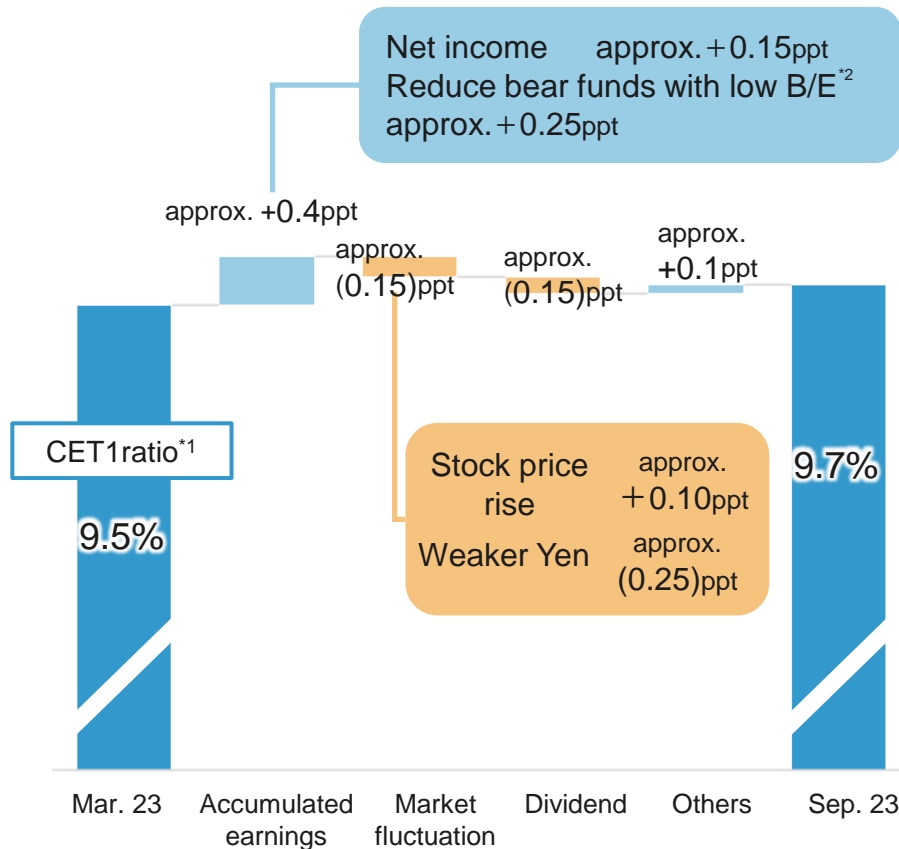


(*)CET1 ratio :Finalized Basel 3. Includes valuation difference on AFS.

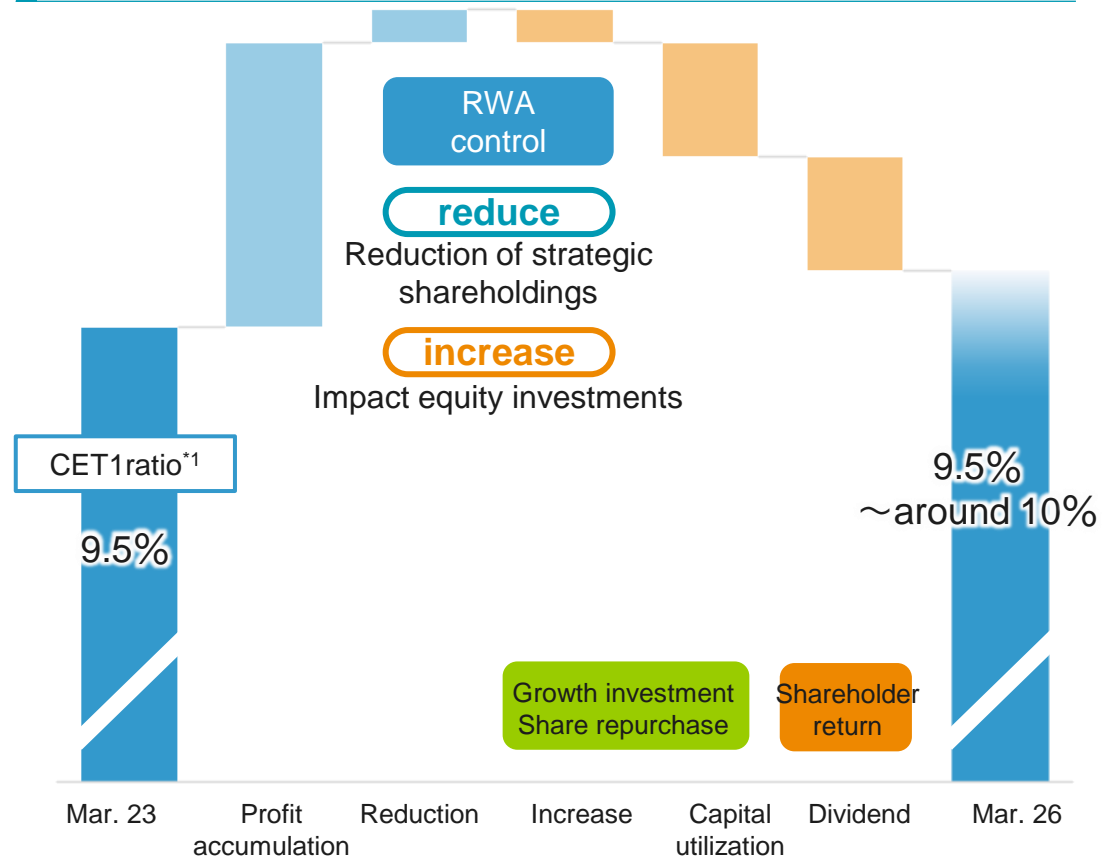
Capital allocation (CET1 ratio)

- Increased CET1 ratio in 1HFY2023 mainly by accumulated earnings and improvement of valuation differences on AFS securities due to stock price rise
- Invest in the future growth while utilizing accumulated earnings for dividends, growth investments and share repurchase during Medium- Term Management Plan

1HFY2023 (actual)



Future plan (FY2023-2025)



(*1) CET1ratio: Finalized Basel3. Includes valuation differences on AFS.

(*2) Consider reduction of unrealized losses on bear funds (see p.9)

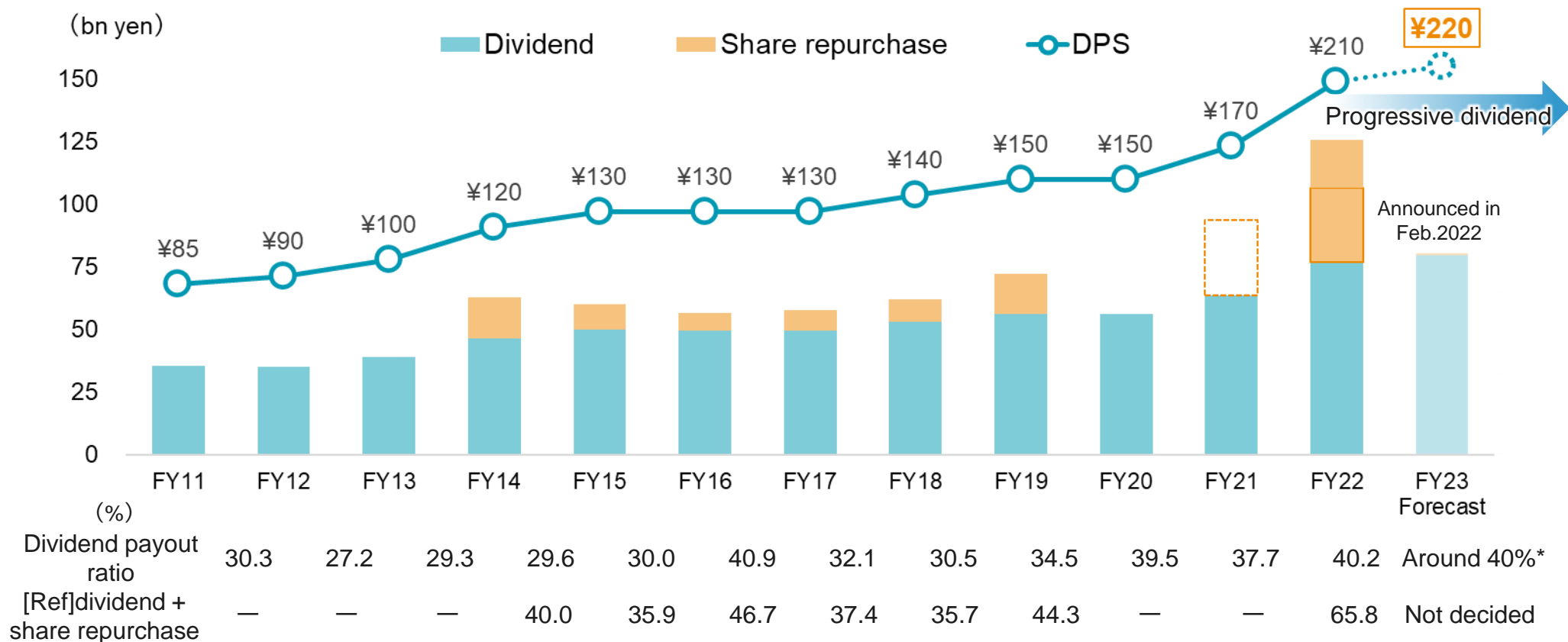
Dividend and share repurchase~

Dividend

Dividend per share will be progressive, while aiming to increase the dividend per share through profit growth. The dividend payout ratio will be determined at 40% or above

Share repurchase

Share repurchase will be implemented flexibility on the premise of securing sufficient capital, while balancing the use of capital for medium-to long term profit growth and the effects of better capital efficiency



(*) Before considering reduction of bear funds with low B/E. After consideration:94.1%

Appendix

Key Performance Indicators(KPI)

Financial Results for FY2022
May19, 2023

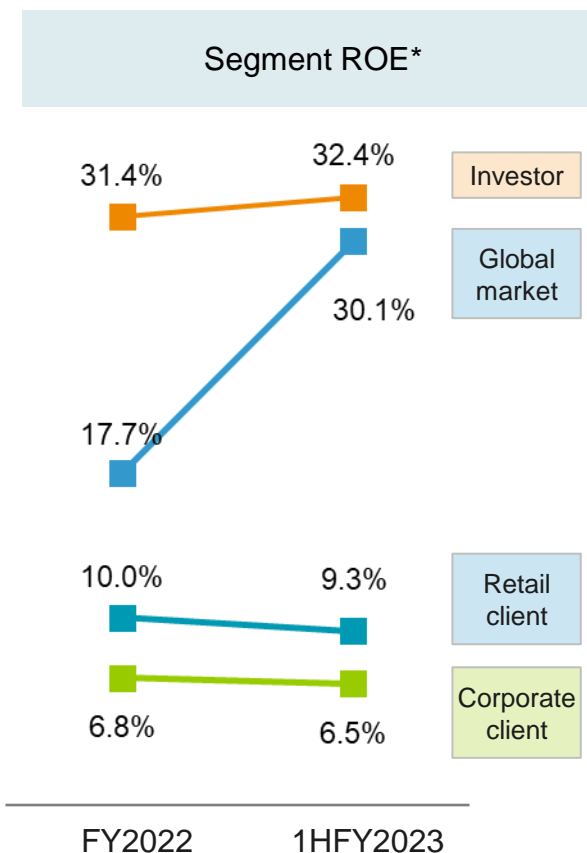
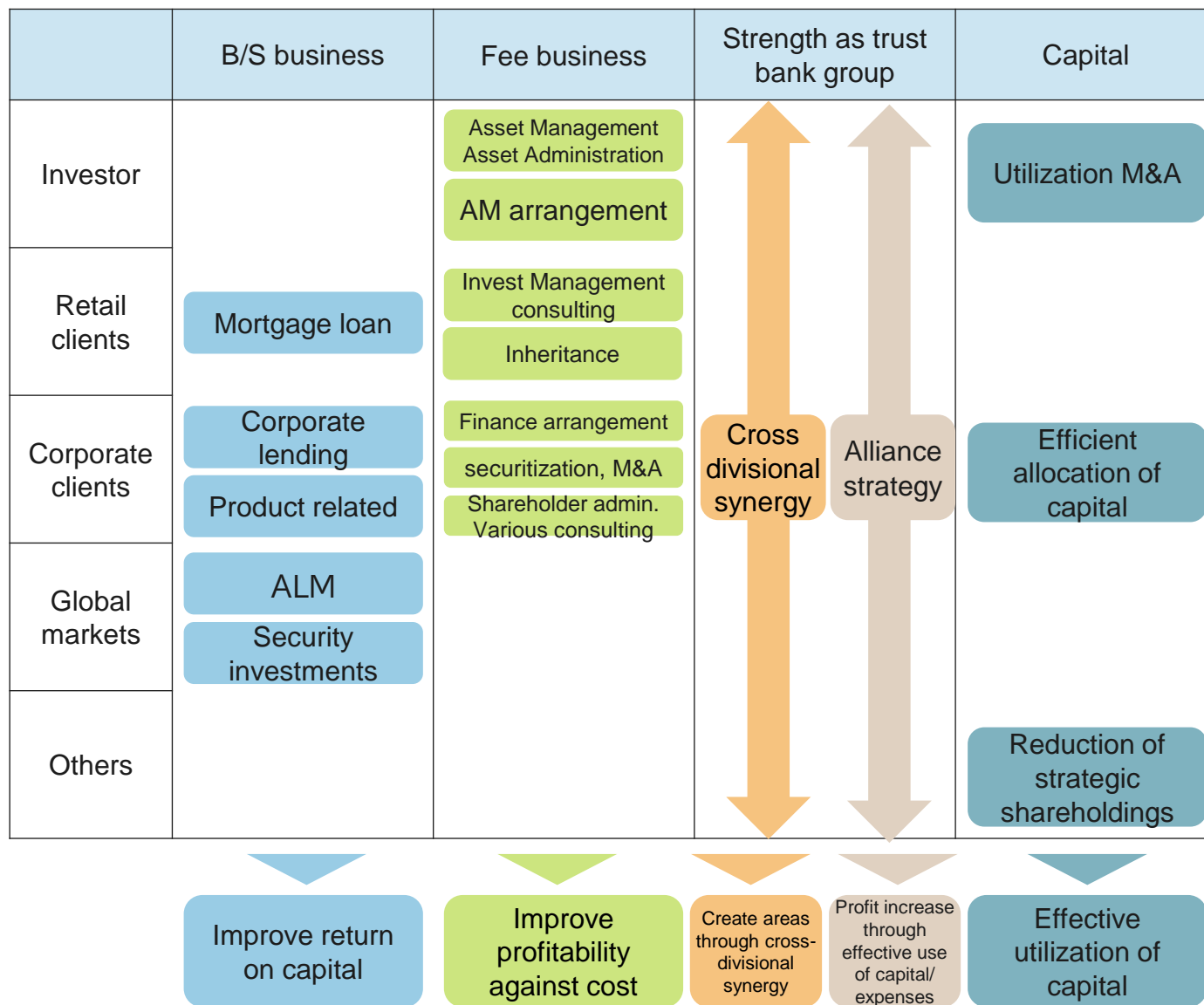
		FY2022 (Actual)	FY2023 (Plan)*1	FY2025 (Target) *1	By FY2030 (Aspiration)
Profitability Efficiency	Return on equity	6.93%	Lower 7% range	8% or above	10% or above
Source of investment/distribution	Substantial gross business profit	¥814.1bn	¥850.0bn ¥860.0bn*3	¥920.0bn	¥1trn or above
Earning power/Growth	Net business profit	¥324.6bn	¥320.0bn ¥330.0bn*3	¥355.0bn	¥400.0bn or above
	Net income	¥191.0bn	¥200.0bn ¥85.0bn*3	¥240.0bn	¥300.0bn or above
Business model	AUF(outstanding) ^(*2)	¥480trn	¥500trn	¥600trn	¥800trn
	Fee income ratio	55%	Mid-50% range	Mid-50% range	60% or above
Cost effectiveness	OHR	60%	Lower 60% range	Lower 60% range	Upper 50% range
Capital adequacy	CET1 ratio (Finalized Basel III)	9.5%	Mid-9% range	9.5% ~around 10%	Stably maintain 10% or above

(*1) Market environment assumption (FY2023/FY2025) : 10YJGB yield 0.50%/0.70%, Nikkei225 ¥28,000/¥28,000, USD/JPY ¥130/¥120

(*2): AUF:Assets Under Fiduciary

(*3) Plan based on revision of earnings forecasts for FY2023 (announced on October 30). Market environment assumption (2HFY23) : Nikkei 225:¥ 32,000, USD/JPY ¥145

Segment ROE

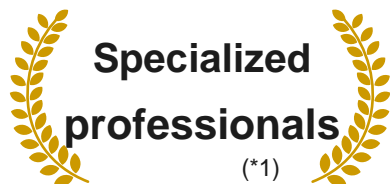


(*)

- Profit in Global markets business and Real estate business is divided into Investor, Retail client or Corporate client, respectively
- In the case of accounting for pension related business shift from Investor to Corporate client.
Corporate client ROE : FY2022:7.9%, 1HFY2023:7.5%
- Investor includes Asst management business
- Not included above graphs are headquarters expense, profit/loss and RWA of strategic shareholdings and bear funds

◆ Human resource strategy

- Highly specialized and diverse employees in a wide range of business areas



Certified Fellows
391

**Real Estate
Transaction Specialist**
6,489

**Certified
Gerontology Concierges**
1,082

**Financial Planner
1st Grade**
730

		Actual (Sep. 23)	Target/Direction
Gender	Female management positions ^(*2)	30.1%	30% or above (by Oct. 24)
	Female directors and executive officers ^(*3)	4	—
	Paternity leave ^(*4)	117%	100%
Mid-career recruitment	Management position	21%	Fair appointment
Foreign nationals	Management position at overseas ^(*5)	70%	Fair appointment
Persons with disability	Employment rate	2.2%	—

【Executive support】

Executive officers directly support women's career development

Executive officers' own awareness

Network among female employees

【External evaluation】



2023
健康経営優良法人
Health and productivity
ホワイト500

*1 As of Sep. 23 *2: women responsible for management operations *3: SuMi TRUST Holdings *4: FY2022 *5: As of Mar.23

- Provide various supports to independent, career-oriented employees. Expanding support menus in light of active utilization by employees

Autonomous career development



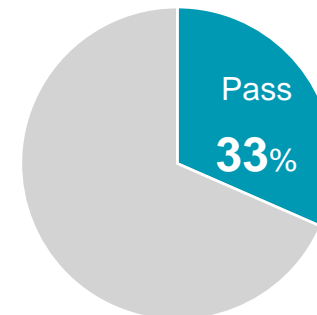
* : FY2022 (actual)

▲ Discussion at seminar

Career development support

Job posting system

【FY2022 results】



※ Applicants data

- Number: 377 people
- Average age: 31.6 years old

Support for younger employees' to develop independent and career-oriented development
Expand application menu

In-house side job system

- Integrate know-how and human resources across businesses
- Launched external or group-wide side job system in April, 2023

【examples of in-house side job system】

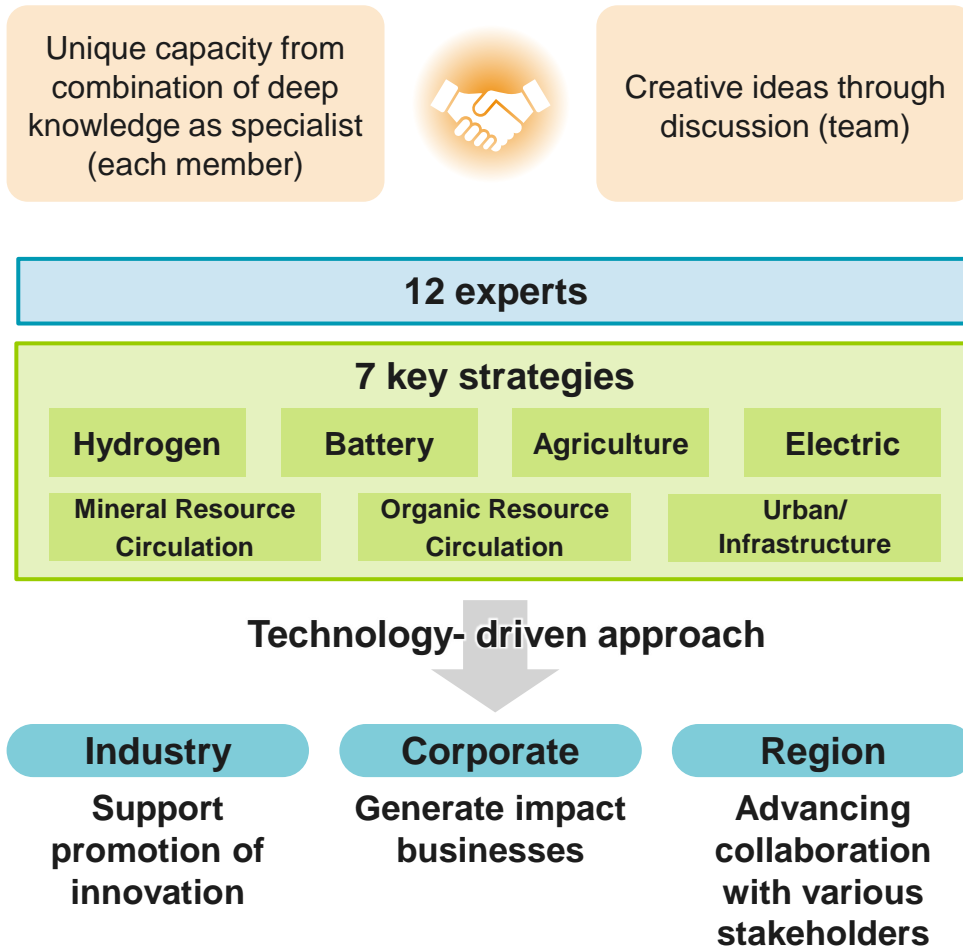
- Well-being promotion
- Sustainability
- Corporate communication
- Life plan consulting
- IR (focus on individual shareholders)
- RPA builder

◆ Sustainability

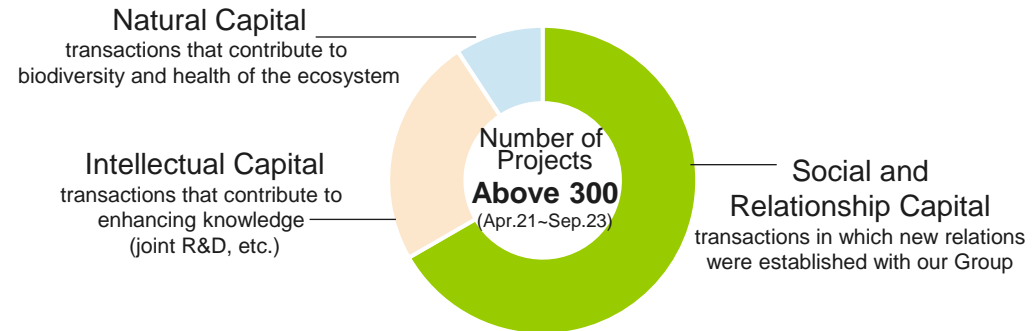
Development of impact businesses

- Accelerate impact business by steady increase of transaction merging “technology”, “finance” and “policy”

Technology-Based Finance (TBF) team

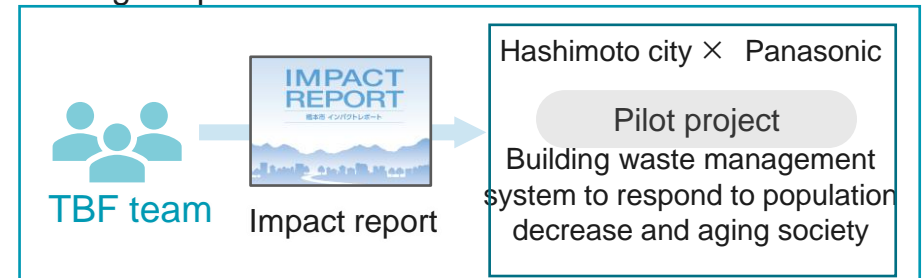


Initiatives by TBF team



Initiatives in Hashimoto-city (Social and Relationship Capital)

- Support acceleration of projects that solve social issues through impact evaluation



Contribute to expansion to other regions and growing our businesses

Road Map and Progress Toward Carbon Neutrality

Carbon Neutral Commitment

Transition planning

Fiscal year	FY2020	FY2021	FY2022	FY2023	...	2030	2040
Net zero GHGEs in inv. & loan portfolio (NZBA)		Joined					
Power generation(intensity, g-CO ₂ e/kWh)	249	243				138 – 173	
Oil & Gas(reduction ratio, Mt-CO ₂ e)	3.6	(3.6)%				(13)% – (31)%	
Real estate (intensity,kg-CO ₂ e/m ²)		64				34 – 41	
Shipping (Portfolio Climate Alignment)	(0.8)%	(0.4)%				≤ 0%	
Other highly carbon intensive sectors*1				“Iron & steel” “automotive” by Sep. 2024			
Net zero GHGEs in Asset Management portfolio (NZAMI)		Joined					
Sumitomo Mitsui Trust Asset Management					»	Halve intensity of 50% of AUM ² from 2019	
Nikko Asset Management					»	Halve intensity of 43% of AUM ³ from 2019	
Total amount of performed sustainable financing		¥0.83trn	Approx. ¥2trn		»	¥15trn	
Loan balance for coal-burning power plants							
For project		¥142.7bn	Approx. ¥140bn		»	Halve from Mar. 31, 2020	Zero
For corporates (new/expansion)		¥20.1bn	Approx. ¥14bn		»		Zero
Net Zero GHGEs from Our GROUP(Scope1,2)		23,763 t-CO ₂ e			»	Net Zero	
SuMi TRUST Bank Group*4 (branch offices in Japan)		22,228 t-CO ₂ e	Partial introduction of renewable energy in branch offices		FY2025: 7,224 t-CO ₂ e*5		

*1: 9 sectors to which targets should be set with priority according to the NZBA guideline: “power generation”, “oil & gas”, “real estate”, “transportation”, “iron & steel”, “coal”, “cement”, “aluminum”, “agriculture”.

*2: Targeting 43 trillion yen, 50% of 85 trillion yen of total managing assets as of Jun.30, 2021. Excluded managing assets are sovereign bonds, etc., for which a method to calculate has not been established yet but will be successively added as target assets, when a method is established from now on.

*3: Targeting about 13 trillion yen, 43% of 31 trillion of total managing assets as of Dec. 31, 2021.

*4: On a consolidate basis of SuMi TRUST Bank as a top and other group companies including subsidiaries such as Sumitomo Mitsui Trust Panasonic Finance and Sumitomo Mitsui Trust Loan & Finance

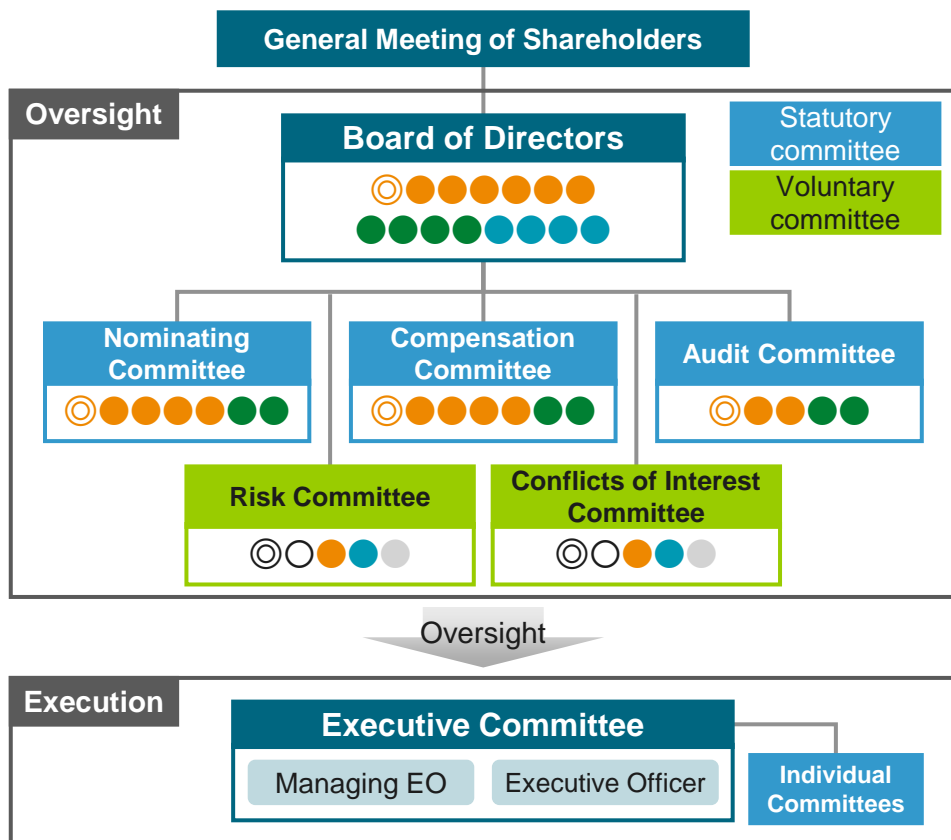
*5: Joined the GX League in FY2023 and set the intermediate targets, but emissions from our internal commercial vehicles are excluded from the targets for FY2025.

◆ Corporate governance

Governance ~Oversight structure~

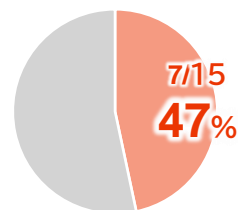
Oversight structure

- Company with Three Committees
 - The Board of Directors' meeting and other committees to be chaired by external directors
- ◎: External (Director Chairman) ●: External (Directors) ◎: External (Experts, Chairman)
 ○: External (Experts) ●: Internal・Non-executive ●: Internal・Executive
 ●: Executive officer (non-director)

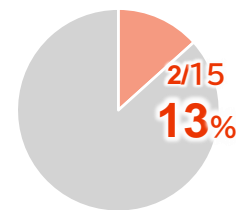


Breakdown by director types

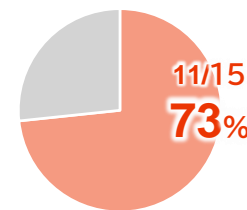
Independent external directors



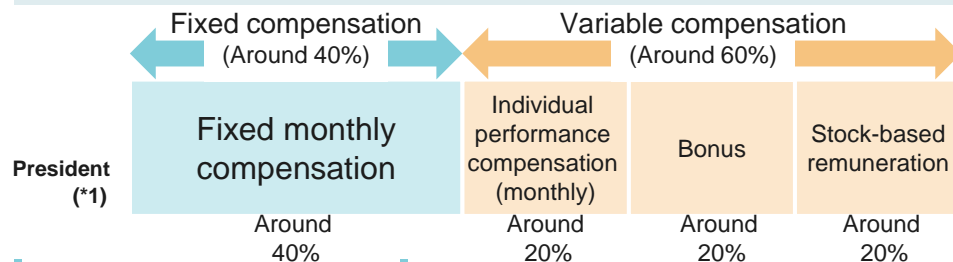
Female directors



Non-executive directors



Directors' compensation



Stock-based remuneration

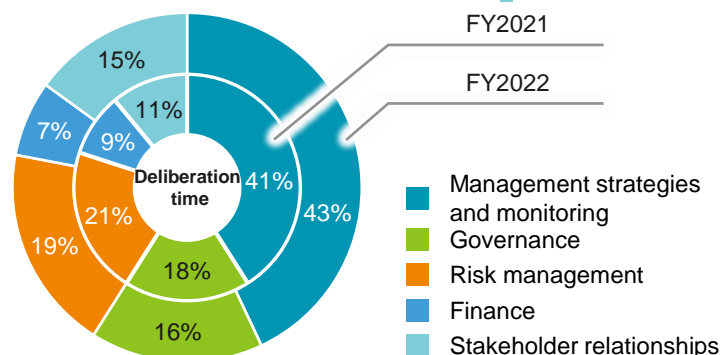
Indicators (KPIs) for performance-linked compensation		Assessment weighting	
Linked to near-term earnings	(1) Consolidated net business profit	33.3%	22.2%
	(2) Consolidated net profit attributable to owners of the parent		11.1%
Linked to medium-term financial metrics	(3) Consolidated shareholders' equity and ROE	33.3%	11.1%
	(4) Consolidated CET1 ratio (common equity tier 1 capital ratio)		11.1%
	(5) Consolidated overhead ratio (OHR)		11.1%
Linked to ESG	(6) ESG overall assessment (categories: climate change, FD & CS activities, employee engagement, DE&I (empowerment of women, etc.), ESG assessment by external organizations ^{*2})	33.3%	

*1: Monthly compensation (for non-presidents) around 45%: fixed compensation, around 25% individual performance compensation, around 20%: bonus for directors and executive officers, around 10%: stock remuneration *2: MSCI, FTSE, Sustainalytics

Initiatives at the Board of Directors in FY2022

Deliberations at the Board of Directors in FY2022

Deliberations at the Board of Directors



Main themes for deliberations and topics at the Board of Directors during FY2022

Theme category	Main topics
Purpose/materiality/value creation process	Materiality management
Policy on establishing desirable stakeholder relationships	Dialogue policy with stakeholders, sustainability policy, strategic shareholdings and voting rights exercise
Medium-to long- term management strategies	Group's Medium-Term Management Plan
Discipline on capital distribution	Human capital, DX strategy
Basic policy on internal management	Group governance, conduct risk management for Group

Please see to [Annual report 2023 on page 60](#) for more information.

Results of the evaluation of the Board of Directors in FY2022 (evaluation results, issues and future initiatives)

- Confirmed improvements in effectiveness through the formulation of the Medium-Term Management Plan, internal management of Group, enhanced discussions on policies for building desirable relationships with diverse stakeholders and other measures at the meeting of the Board of Directors in FY2022
- The Board of directors and each committee are aware of their perspective objectives and are endeavoring to invigorate discussions and improve their supervisory functions. An adequate degree of effectiveness is being sustained

Please see to [Annual report 2023 on page 61](#) for more information.

Issues that are recognized in FY2022 evaluation

- ✓ Discussion on business portfolios for improved profitability and growth capabilities of business strategies
- ✓ Organic collaboration with the subsidiaries and affiliates, and discussions to realize Group strategy based on the collaboration
- ✓ Enhanced discussion in light of expectations from various stakeholders

Effective Board of Directors ~Skill matrix and Composition of statutory committees~

		Name	Skill matrix (knowledge, expertise and experience)								Statutory committees				
			Corporate management	Financial and accounting	Legal, risk management and compliance	Trust, investment and asset administration	Digital, IT technology	Internationality (*1)	Sustainability			Nominating	Compensation	Audit	
									Environment (*2)	Society (*3)	DE&I				
External	Directors	Isao Matsushita	●	●					●	●	●		◎	○	
		Hiroko Kawamoto	●		●							●	○	◎	
		Mitsuhiro Aso			●				●		●		○	○	◎
		Nobuaki Katoh	●				●		●	●	●		○	○	
		Kaoru Kashima	●	●	●							●			○
		Tomonori Ito				●			●	●					○
		Hajime Watanabe	●	●	●	●			●	●	●		○	○	
Internal	Directors (Non-executive)	Tetsuo Ohkubo	●	●	●	●				●	●	●	○	○	
		Masaru Hashimoto	●	●	●	●				●	●	●	○	○	
		Kouji Tanaka	●		●	●									○
		Toshiaki Nakano	●		●	●									○
	Directors (Executive)	Toru Takakura	●		●	●				●	●	●			
		Atsushi Kaibara	●		●	●									
		Yasuyuki Suzuki	●		●	●									
		Kazuya Oyama	●	●	●	●				●	●	●			

(*1) Includes overseas working experience, academic collaboration with overseas universities etc.

(*2) Includes ESG/environmental ranked finance and supply chain management

(*3) Human rights and supply chain management

Functioning of the Board of Directors of subsidiaries in group governance

Premise in group governance by the Board of Directors at SuMi TRUST Holdings

Companies Act (Article 416)

- The stock company performs the duties of the development of systems necessary to ensure the properness of operations of a group of enterprises

Banking Act (Article 52-21)

- A bank holding company must carry out business management of a bank holding company group to which it belongs
- A bank holding company must endeavor to ensure the sound and appropriate management of services at any bank that its subsidiary company

Classification of Group governance and management policy

Key subsidiaries with significant impact on group management

Expected role

Autonomous supervisory function

Group management

- Management strategy
- Control by supervisory board

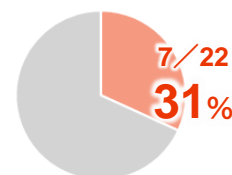
Subsidiaries

- Sumitomo Mitsui Trust Bank
- Sumitomo Mitsui Trust Asset Management
- Nikko Asset Management

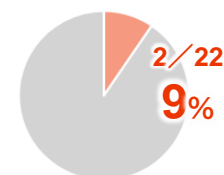


SUMITOMO MITSUI TRUST BANK

External directors



Female directors

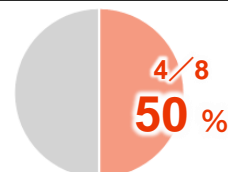


As of Sep.23

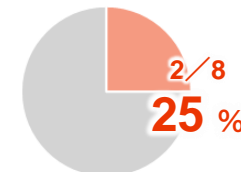


SUMITOMO MITSUI TRUST ASSET MANAGEMENT

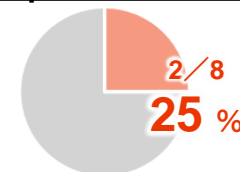
External directors



Female directors



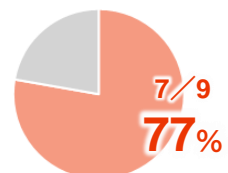
Non-Japanese directors



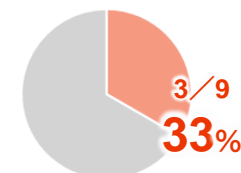
As of Sep.23

nikko am Nikko Asset Management

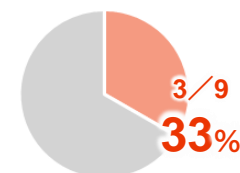
External directors



Female directors



Non-Japanese directors



As of Sep.23



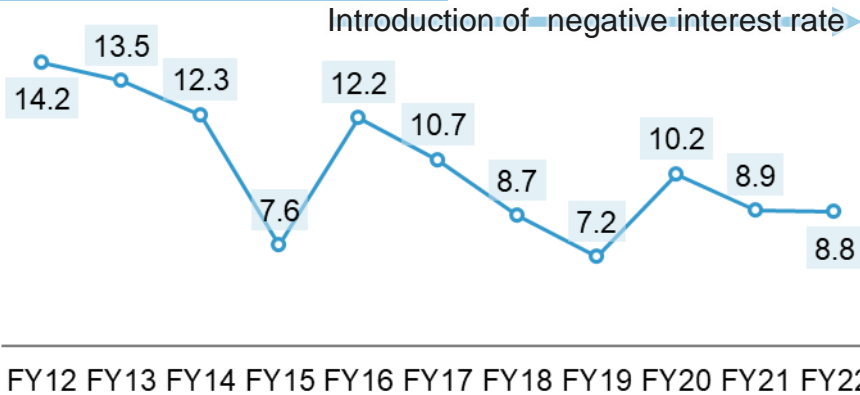
SUMITOMO MITSUI TRUST HOLDINGS

◆ Management conscious of capital cost and stock price

Management conscious of capital cost and stock price

- Control earning volatility by stable profit growth with higher fee income ratio and appropriate risk control
- Continuous efforts to improve and sophisticate our disclosure by utilizing investor's implication through dialogues

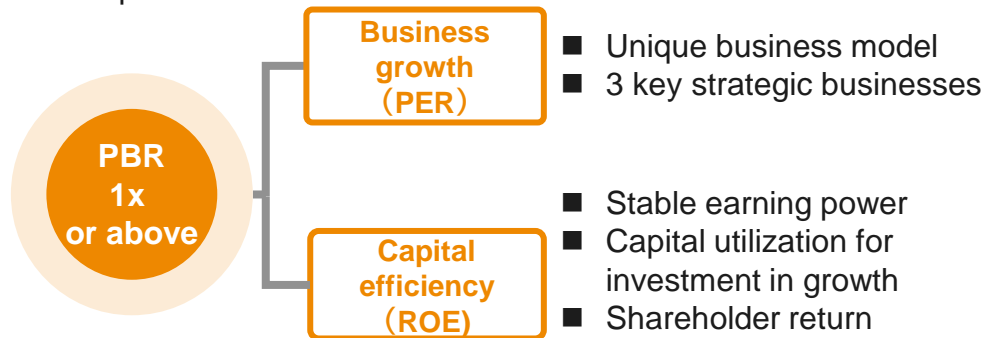
Historical PER



Enhancement of corporate value

See p.15

Enhance corporate value by a virtuous circulation of funds, assets and capital



Initiatives to lower capital cost

Control earning volatility

- High-quality earnings growth
 - Increase fee income ratio
 - Build diversified business portfolio
- Appropriate risk control
 - Initiative to reduce strategic shareholdings to zero
 - Improve profitability of credit portfolio

Dialogue with capital market

- Dialogue with various stakeholders
 - Easy-to-understand information disclosure and announcement to investors
 - Enhancement of engagement to corporates
 - Timely information sharing to Board of Directors
 - Reflection on management strategy

Achievement of dialogues with shareholders/investors

Dialogue Request

- Sophisticated disclosure of strategic shareholdings
- Detailed disclosure of skill matrix

Respond Result

- Timely disclosure of strategic shareholdings list on website
- Clarify relationships between skills and materiality

Continuously disclose progress by utilizing investor meetings

Summary of financial results for 1HFY2023

Overview of profits

(Yen bn)		1HFY22	1HFY23	Change	FY23 Forecast ^(*)
1	Net business profit before credit costs (*2)	168.2	166.3	(1.9)	330.0
2	Substantial gross business profit (*2)	408.5	428.4	19.8	860.0
3	Effective interest related earnings (*3)	151.3	136.1	(15.1)	
4	Net fees and commissions and related profit	217.5	226.5	8.9	
5	Other profit (Excluding profit attributable to deployment of surplus foreign currency funds)	39.6	65.7	26.0	
6	Substantial G&A expenses (*2)	(240.2)	(262.0)	(21.8)	(530.0)
7	Total credit costs	(8.8)	(1.7)	7.1	(20.0)
8	Net gains on stocks	(2.5)	(95.4)	(92.9)	(160.0)
9	Other net non-recurring profit	(11.7)	(17.5)	(5.8)	(35.0)
10	Ordinary profit	145.1	51.5	(93.5)	115.0
11	Extraordinary profit	(0.6)	3.0	3.6	
12	Income before income taxes	144.4	54.6	(89.8)	
13	Total income taxes	(39.9)	(10.1)	29.7	
14	Income attributable to non-controlling interests	(0.5)	(0.4)	0.1	
15	Net income	104.0	44.0	(59.9)	85.0
16	Earnings per share (EPS) (Yen)	279	121	(158)	
17	Number of shares issued (mn shares) (*4)	371.7	363.1	(8.6)	
(Reference)					
18	Net interest income and related profit	117.5	(18.9)	(136.4)	
19	Other profit	73.4	220.8	147.3	
20	Profit attributable to deployment of surplus foreign currency funds	33.7	155.0	121.3	
21	Other	39.6	65.7	26.0	

(*)1 Revised on October 30, 2023.

(*)2 "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

(*)3 "Effective interest related earnings" is sum of "Net interest income and related profit" and "Profit attributable to deployment of surplus foreign currency funds", included in "Other profit"

(*)4 Average number of common shares outstanding (excluding treasury stocks) during the period

Net business profit before credit costs (#1)

• ¥166.3bn vs FY23 original forecast of ¥320.0bn (52% progress) due to strong performance in corporate credit related fees and positive contribution such as rise in stock price and weaker yen
Revised up full year forecast to ¥330.0bn(+10bn)

• Decreased ¥(1.9)bn YoY mainly due to ¥(15.1)bn of deterioration of effective interest related earnings from overseas interest rate hikes. Generally as expected at the beginning of FY23

• (#4: Net fees and commissions and related profit) Increased ¥8.9bn YoY Strong corporate credit related fees was the driver. Meanwhile, real estate brokerage fees declined. Steady asset management and asset administration fees due to rise in stock price and weaker yen

• (#6: Substantial G&A expenses) Increased YoY mainly due to investments in human capital and expenses linked with gross business profit increases

Net gains on stocks (#8)

• Posted ¥62.0bn of gains from reducing strategic shareholdings. Accelerate reduction of strategic shareholdings to twice the pace of FY22

• Posted ¥(157.0)bn of realized losses from sale of bear funds. Drastically reduced bear funds with low B/E in light of structural changes in the macro environment

• Continue to reduce bear funds with low B/E in 2H. Wipe out the risk of impairment of bear funds at levels below Nikkei 225 of ¥40,000 by the end of FY23

Net income (#15)

• Drastically reduced bear funds with low B/E to ease concerns about fluctuations in future periodic earnings. Posted ¥44.0bn, which is 22% progress vs original full year forecast

• Revised full year forecast to ¥85.0bn(decreased by ¥(115.0)bn) due to continuously reduction and changes in positions of bear funds in 2H (Disclosed on October 30, 2023)

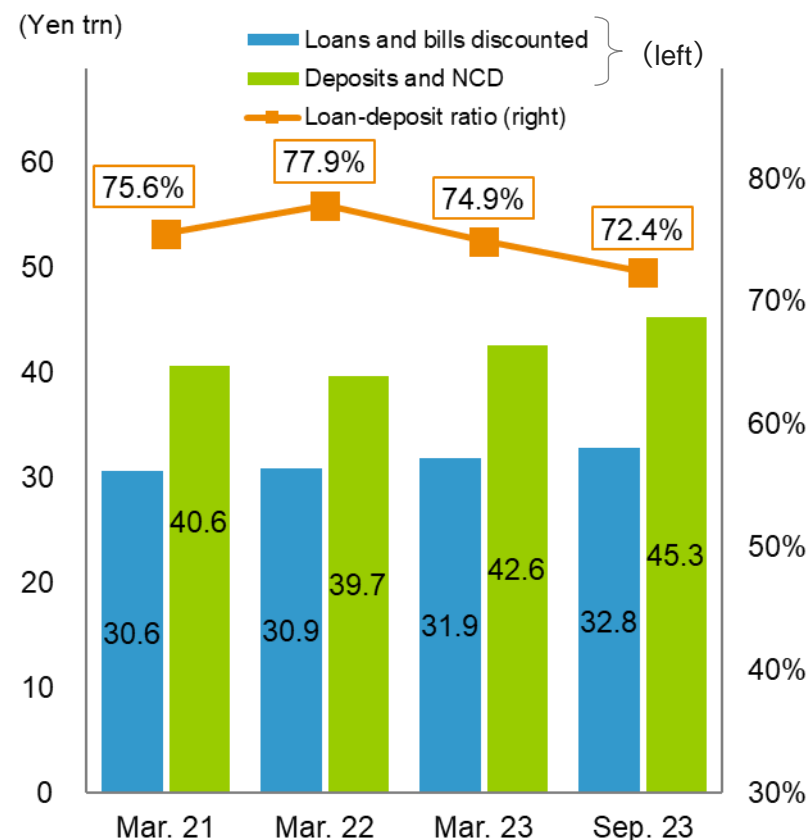
Overview of balance sheet

(Yen bn)		Mar. 23	Sep. 23	Change
1	Assets	69,022.7	73,145.1	4,122.4
2	Cash and due from banks	21,602.4	22,257.0	654.5
3	Securities	6,933.0	8,190.2	1,257.1
4	Loans and bills discounted	31,810.9	32,722.6	911.6
5	Other assets	8,676.2	9,975.2	1,298.9
6	Liabilities	66,200.1	70,170.1	3,970.0
7	Deposits and NCD	42,848.2	45,502.5	2,654.2
8	Borrowed money from trust account	4,332.4	4,794.8	462.3
9	Other liabilities	19,019.4	19,872.8	853.4
10	Total net assets	2,822.5	2,974.9	152.3
11	Total shareholders' equity	2,587.8	2,591.3	3.4
12	Total accumulated OCI	204.2	352.9	148.7
13	Minority interests, etc.	30.4	30.6	0.1
14	Net assets per share (BPS) (Yen)	7,686	8,107	421
15	Number of shares issued (mn shares) (*)	363.2	363.1	(0.1)

(Reference)			
16	Loan-deposit ratio (SuMi TRUST Bank)	74.9%	72.4% (2.5%)
17	NPL ratio (SuMi TRUST Bank)	0.4%	0.3% (0.1%)

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

Loan - deposit ratio (SuMi TRUST Bank)



Profit by group company

	(Yen bn)	1HFY22	1HFY23	Change
1 Net business profit before credit costs (*1)		168.2	166.3	(1.9)
2 o/w SuMi TRUST Bank (*2)		126.1	152.1	26.0
3 SuMi TRUST AM		4.8	3.3	(1.5)
4 Nikko AM (*3)		8.2	6.1	(2.1)
5 SuMi TRUST Realty		3.1	3.7	0.6
6 SuMi TRUST Panasonic Finance (*3)		4.6	4.6	(0.0)
7 SuMi TRUST Loan & Finance		5.4	5.7	0.3
8 Sumitomo Mitsui Trust Bank (U.S.A.)		1.2	4.9	3.6
9 Sumitomo Mitsui Trust (Hong Kong)		2.4	3.0	0.5
10 SuMi TRUST Guarantee (*3)		5.8	5.6	(0.2)
11 SuMi TRUST Club		2.1	0.9	(1.2)
12 UBS SuMi TRUST Wealth Management		2.1	1.9	(0.2)
13 Net income (*1)		104.0	44.0	(59.9)
14 o/w SuMi TRUST Bank (*2)		82.4	48.9	(33.5)
15 SuMi TRUST AM		3.3	2.3	(1.0)
16 Nikko AM (*3)		9.0	8.0	(0.9)
17 SuMi TRUST Realty		2.2	2.6	0.3
18 SuMi TRUST Panasonic Finance (*3)		3.2	2.4	(0.7)
19 SuMi TRUST Loan & Finance		3.8	4.0	0.2
20 Sumitomo Mitsui Trust Bank (U.S.A.)		1.0	3.9	2.8
21 Sumitomo Mitsui Trust (Hong Kong)		2.0	2.6	0.5
22 SuMi TRUST Guarantee (*3)		4.3	3.9	(0.4)
23 SuMi TRUST Club		1.3	0.3	(0.9)
24 UBS SuMi TRUST Wealth Management		1.5	1.5	(0.0)

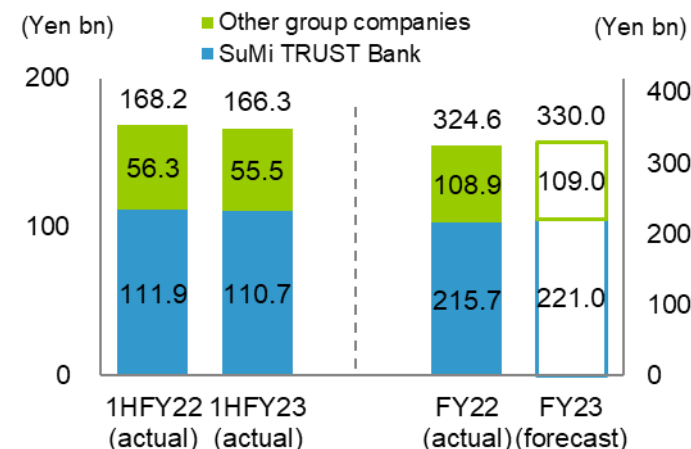
(*1) Figures on the table above are contribution of group companies, which are substantive amount excluding consolidation adjustment that do not relate directly to the group companies' business results.

(*2) Including dividend from group companies (1HFY22:¥14.2bn, 1HFY23:¥41.3bn, YoY change: +¥27.1bn)

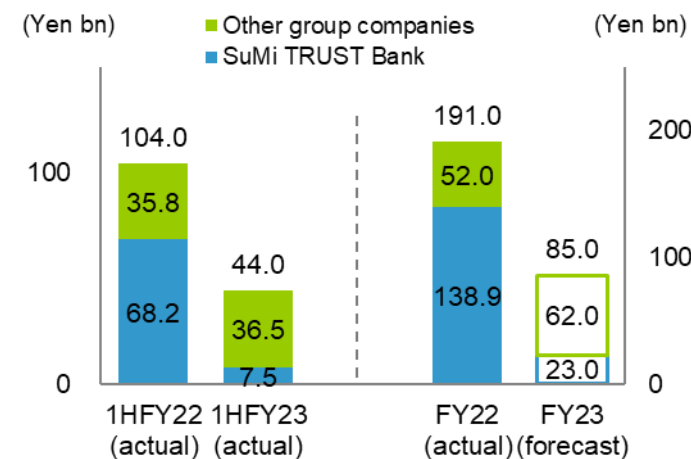
(*3) Consolidated basis

(*4) On the right bar chart, SuMiTRUST Bank figures do not include dividends from subsidiaries(see *2 and P22 in details)

Breakdown of Net business profit before credit costs (*4)



Breakdown of Net income (*4)



Profit by business segment

		1HFY22 Net business profit before credit costs (*1)			1HFY23		FY23 Plan Substantial gross business profit (*1)	Revised on
			Substantial gross business profit (*1)	Change	Net business profit before credit costs (*1)	Change		October 30, 2023
(Yen bn)								Change from initial plan
1	Total	168.2	428.4	19.8	166.3	(1.9)	330.0	10.0
2	Retail Business	21.6	105.0	4.7	20.9	(0.6)	33.0	-
3	SuMi TRUST Bank	10.1	69.2	3.3	10.6	0.5	15.0	-
4	Other group companies	11.4	35.7	1.3	10.2	(1.1)	18.0	-
5	Corporate Business	67.5	124.1	13.2	73.5	6.0	141.0	2.0
6	SuMi TRUST Bank	53.0	83.1	8.8	58.5	5.5	114.0	2.0
7	Other group companies	14.5	41.0	4.3	15.0	0.5	27.0	-
8	Investor Services Business	29.5	67.8	3.9	29.9	0.4	63.0	2.0
9	SuMi TRUST Bank	23.3	37.8	(1.5)	19.6	(3.7)	45.0	-
10	Other group companies	6.1	29.9	5.4	10.2	4.1	18.0	2.0
11	Real Estate Business	16.8	27.6	(2.4)	13.1	(3.6)	40.0	-
12	SuMi TRUST Bank	13.2	14.4	(3.7)	8.9	(4.3)	32.0	-
13	Other group companies	3.5	13.2	1.3	4.1	0.6	8.0	-
14	Global Markets Business	33.7	43.6	2.7	34.7	1.0	44.0	-
15	Asset Management Business (*2)	13.2	43.3	(0.5)	9.7	(3.5)	23.0	2.0

(*1) Substantial gross business profit and net business profit include a part of non-recurring profit (net gains on stocks, net gains on stocks related derivatives and others) and adjust at total

(*2) Sum of Asset management companies (SuMiTRUST AM (consolidated), Nikko AM (consolidated), Sky Ocean AM, JP AM)

Overview of profit (SuMi TRUST Bank)

	(Yen bn)	1HFY22	1HFY23	Change
1	Net business profit before credit costs	126.1	152.1	26.0
2	Gross business profit	254.9	294.3	39.3
3	Effective interest related earnings	143.9	154.7	10.7
4	Net interest income and related profit	110.1	(0.3)	(110.5)
5	Profit attributable to deployment of surplus foreign currency funds	33.7	155.0	121.3
6	Net fees and commissions and related profit	90.8	94.4	3.5
7	Net trading profit	18.5	23.9	5.3
8	Net gains on foreign exchange transactions			
9	Net trading profit	(31.7)	(8.6)	23.1
9	Net gains on foreign exchange transactions (Excluding Profit attributable to deployment of surplus foreign currency funds)	50.2	32.5	(17.7)
10	Net gains on bonds	(25.8)	(2.7)	23.1
11	Net gains from derivatives	28.0	25.1	(2.8)
12	General and administrative expenses	(128.7)	(142.1)	(13.3)
13	Total credit costs	(8.9)	(0.6)	8.2
14	Other non-recurring profit	(7.3)	(104.4)	(97.1)
15	o/w Net gains on stocks	(0.5)	(97.0)	(96.5)
16	Amortization of net actuarial losses	(1.9)	(2.3)	(0.4)
17	Ordinary profit	109.8	47.0	(62.8)
18	Extraordinary profit	(0.5)	1.0	1.5
19	Income before income taxes	109.3	48.0	(61.2)
20	Total income taxes	(26.9)	0.8	27.7
21	Net income	82.4	48.9	(33.5)

		1HFY22	1HFY23	Change
22	Gross business profit	254.9	294.3	39.3
23	Net interest income and related profit	110.1	(0.3)	(110.5)
24	Net fees and commissions and related profit	90.8	94.4	3.5
25	Net trading profit	(31.7)	(8.6)	23.1
26	Net other operating profit	85.5	208.8	123.2
27	o/w Net gains on foreign exchange transactions	84.0	187.6	103.6
28	Profit attributable to deployment of surplus foreign currency funds	33.7	155.0	121.3
29	other	50.2	32.5	(17.7)
30	Net gains on bonds	(25.8)	(2.7)	23.1
31	Net gains from derivatives	28.0	25.1	(2.8)
32	Net fees and commissions and related profit	90.8	94.4	3.5
33	o/w Investment management consulting	20.6	20.5	(0.1)
34	Asset management/administration	33.3	34.5	1.2
35	Real estate brokerage	15.0	10.9	(4.0)
36	Stock transfer agency services	12.7	12.3	(0.3)
37	Inheritance related services	1.9	2.1	0.1
38	Corporate credit related	14.3	23.3	8.9
39	Net gains on bonds	(25.8)	(2.7)	23.1
40	Domestic bonds	(6.9)	(0.0)	6.8
41	Foreign bonds	(18.9)	(2.7)	16.2

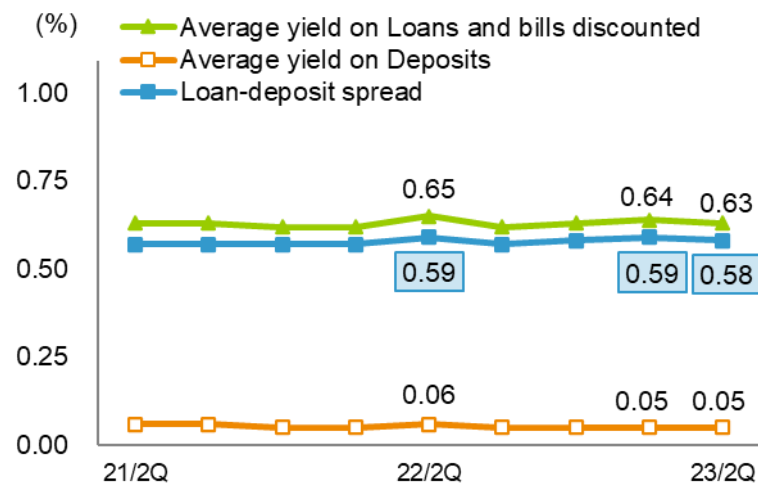
(*) Including dividend from subsidiaries (1HFY22:¥14.2bn, 1HFY23:¥41.3bn, YoY change: +¥27.1bn)

Net interest income (SuMi TRUST Bank)

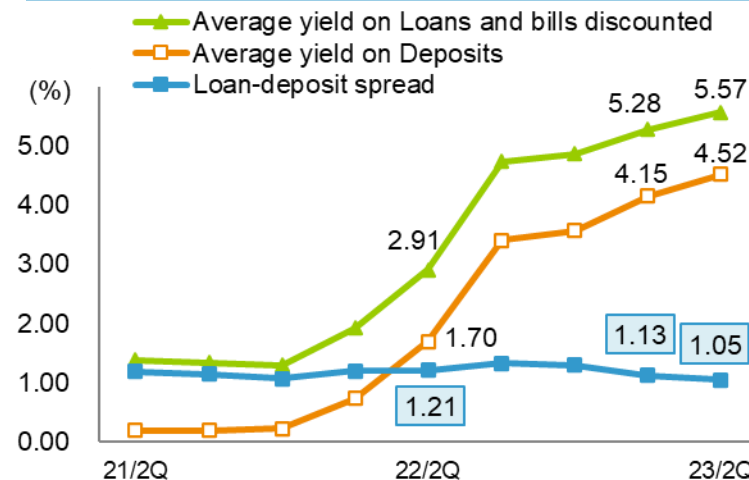
		1HFY23					
(Average balance: Yen trn) (Income/Expenses: Yen bn)		Average Balance	Change from 1HFY22	Average Yield	Change from 1HFY22	Income/ Expenses	Change from 1HFY22
1	Net interest income					(11.1)	(111.3)
2	Domestic business			0.46%	0.09%	109.4	21.8
3	Interest-earning assets	48.07	1.72	0.58%	0.08%	140.0	21.9
4	o/w Loans and bills discounted	24.87	0.25	0.63%	(0.01%)	79.5	0.2
5	Securities	3.83	(1.03)	2.97%	1.54%	57.0	21.9
6	Interest-bearing liabilities	47.37	1.66	0.12%	(0.01%)	(30.6)	0.0
7	o/w Deposits	29.11	1.66	0.05%	(0.00%)	(7.8)	0.1
8	Borrowings from trust a/c	4.54	0.27	0.47%	0.01%	(10.7)	(0.7)
9	Swaps	---	---	---	---	(4.7)	0.2
10	International business			(1.35%)	(1.52%)	(120.6)	(133.1)
11	Interest-earning assets	17.97	1.30	4.01%	2.27%	360.3	214.8
12	o/w Loans and bills discounted	7.61	0.67	5.43%	2.99%	207.0	121.9
13	Due from banks	2.63	(0.21)	4.82%	3.43%	63.4	43.5
14	Securities	3.36	0.55	4.32%	1.98%	72.6	39.7
15	Interest-bearing liabilities	17.93	1.08	5.36%	3.79%	(481.0)	(348.0)
16	o/w Deposits	6.90	0.13	4.34%	3.11%	(150.1)	(108.0)
17	NCD / USCP	7.46	0.66	4.95%	3.47%	(184.9)	(134.4)
18	Repo	1.12	(0.32)	5.33%	3.89%	(30.1)	(19.6)
19	Expenses on swaps	---	---	---	---	(72.2)	(55.5)
20	(+) Trust fees from principal guaranteed trust a/c					10.7	0.7
21	(+) Profit attributable to deployment of surplus foreign currency funds					155.0	121.3
22	Effective interest related earnings					154.7	10.7
23	Loan-deposit spread / income in domestic business			0.58%	(0.01%)	71.6	0.3
24	Loan-deposit spread / income in international business			1.09%	(0.12%)	56.8	13.8

(*) Including dividend from subsidiaries (1HFY22:¥14.2bn, 1HFY23:¥41.3bn, YoY change: +¥27.1bn)

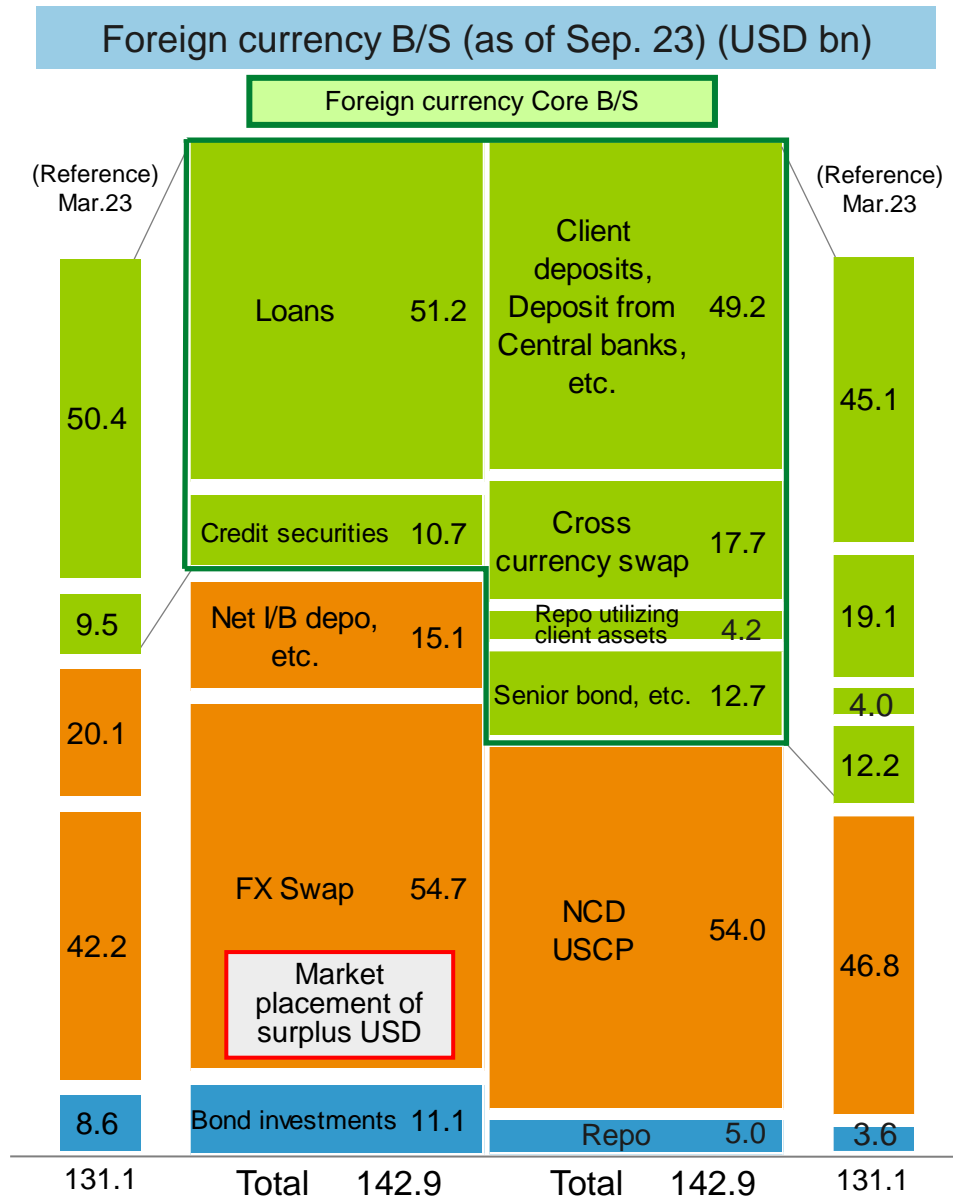
Domestic loan-deposit spread (quarterly)



International loan-deposit spread (quarterly)



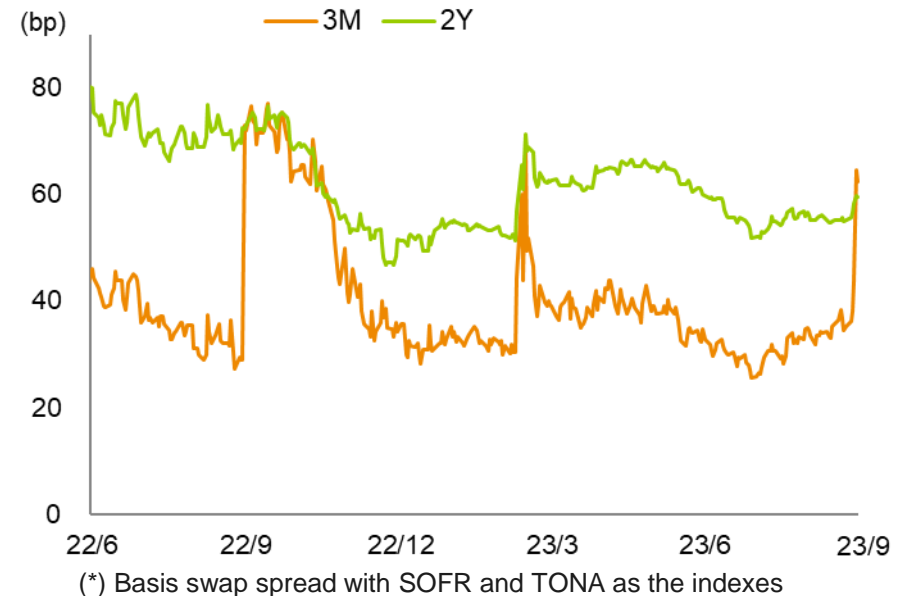
(Reference) Status of foreign currency balance sheet (SuMi TRUST Bank)



Foreign currency ALM management

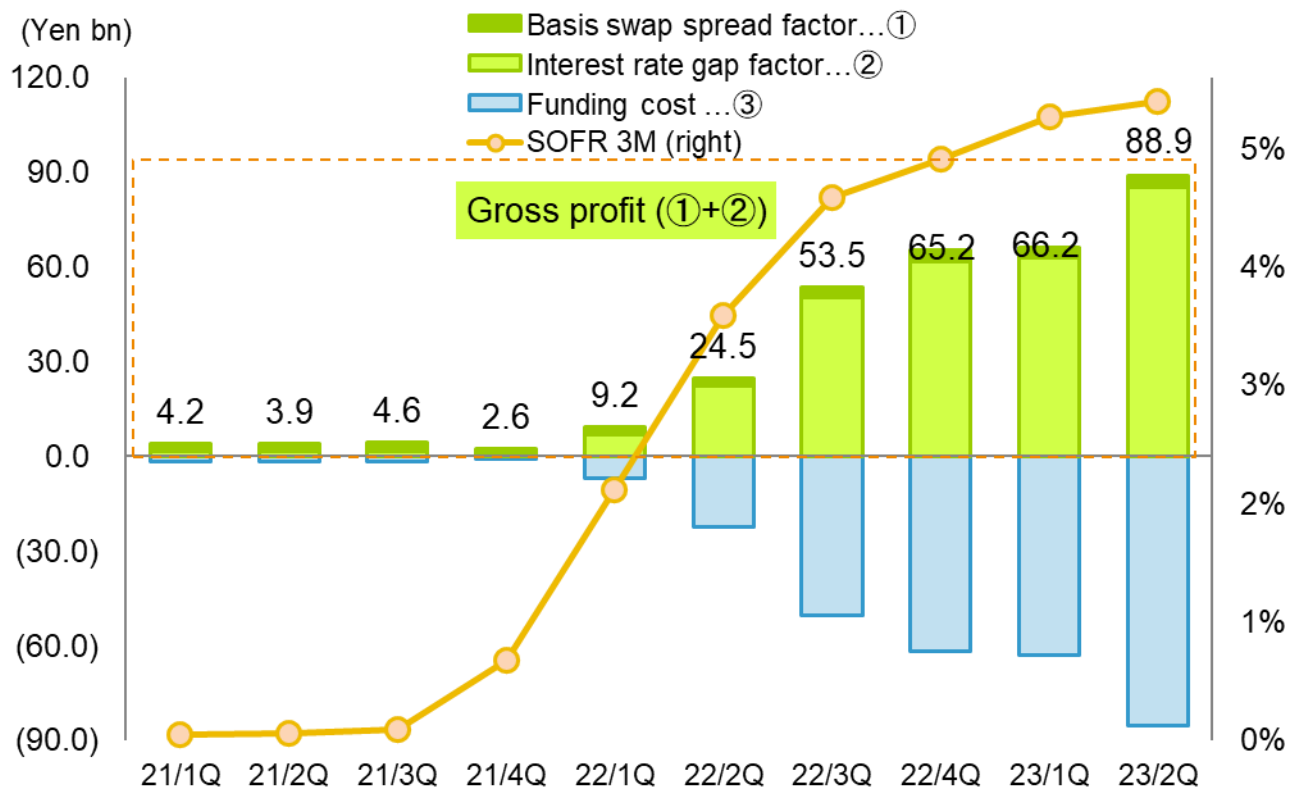
- ◆ Loans and credit investment securities constitute foreign currency Core B/S assets, which are funded utilizing stable sources such as “sticky” client deposits, deposits from central banks, long-term yen CCS, client asset repos and senior bonds.
- ◆ Short term funds sourced through NCD/USCP markets are categorized as contingent funding buffer, and the funds are utilized as short-term funds in the interbank or foreign exchange market.

Basis swap spread (*) (USD/JPY)

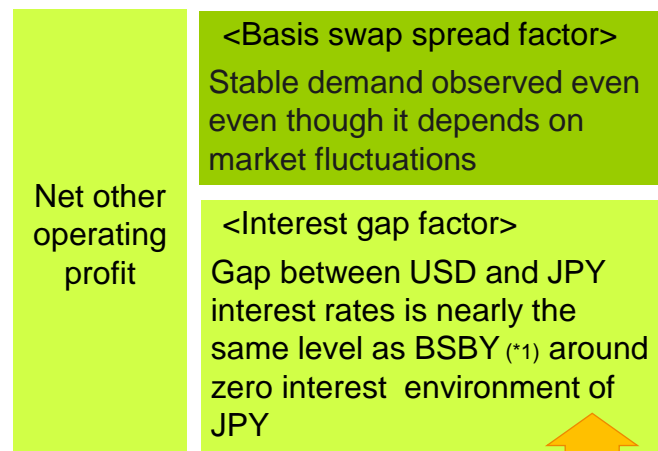


Profit structure of market deployment of surplus foreign currency

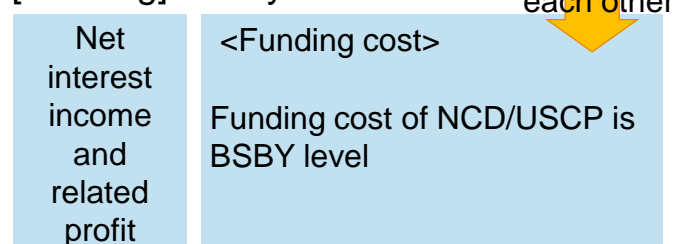
- Profit from FX swap consists of basis swap spread and interest rate gap. Interest rate gap is offset by USD funding costs
- Increased gross funding costs and investment profits due to rising US short-term interest rate. Net profit slightly increased YoY



[Investment] FX Swap



[Funding] Mainly NCD/USCP



(*1) Bloomberg Short-term Bank Yield Index

(*2) The above contents are simplified to promote understanding the structure of the operations, although actual profitability of market placement of surplus foreign currency changes depending on market environment. Figures show gross profits as sum of basis swap spread factor and interest gap factor. Funding costs are estimated by Libor until FY22/4Q and by BSBY from FY23/1Q.

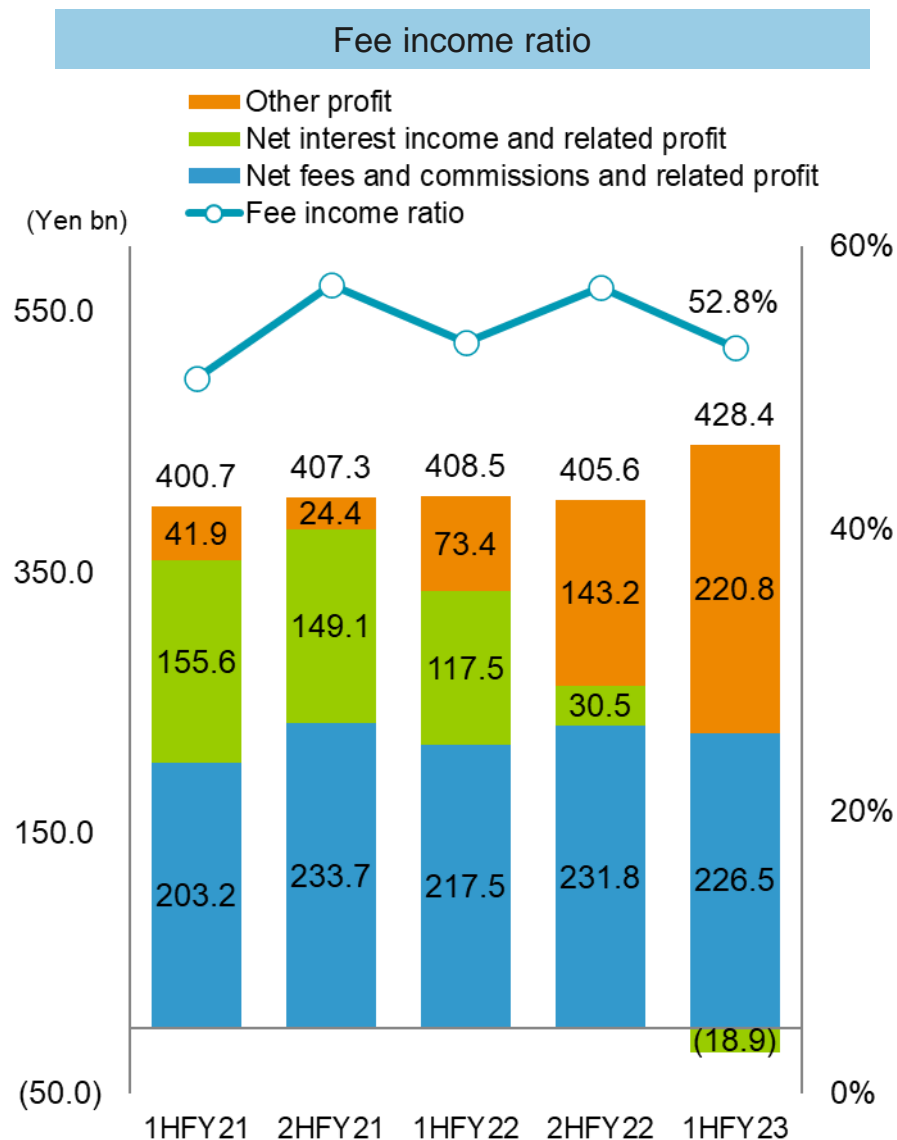
Net fees and commissions and related profit

	(Yen bn)	SuMi TRUST Bank		SuMi TRUST Group (*1)	
		1HFY23	Change from 1HFY22	1HFY23	Change from 1HFY22
1 Net fees and commissions and related profit		94.4	3.5	226.5	8.9
2 Investment trust and insurance sales		20.5	(0.1)	20.5	(0.1)
3 Card		-	-	20.6	0.8
4 Asset management / administration		34.5	1.2	102.5	2.7
5 Profit (*2)		54.4	1.8	117.6	3.0
6 Fees paid out for outsourcing (*2)		(19.9)	(0.6)	(15.0)	(0.2)
7 Stock transfer agency services		12.3	(0.3)	24.9	2.7
8 Profit		20.5	1.5	24.9	2.7
9 Fees paid out for outsourcing		(8.1)	(1.9)	-	-
10 Real estate		14.4	(3.8)	27.6	(2.4)
11 Others (Loan arrangement fees, etc.)		12.5	6.6	30.1	5.1
12 Fee income ratio (*3)		32.0%	(3.6%)	52.8%	(0.4%)

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

(*2) Due to the partial revision of the intergroup adjustments in FY23, figures for SuMi TRUST Group are shown after adjustment, including those for past fiscal years. No impact on "Asset management / administration" figures.

(*3) Net fees and commissions and related profit / Gross business profit



Expenses

[SuMi TRUST Group]

(Yen bn)

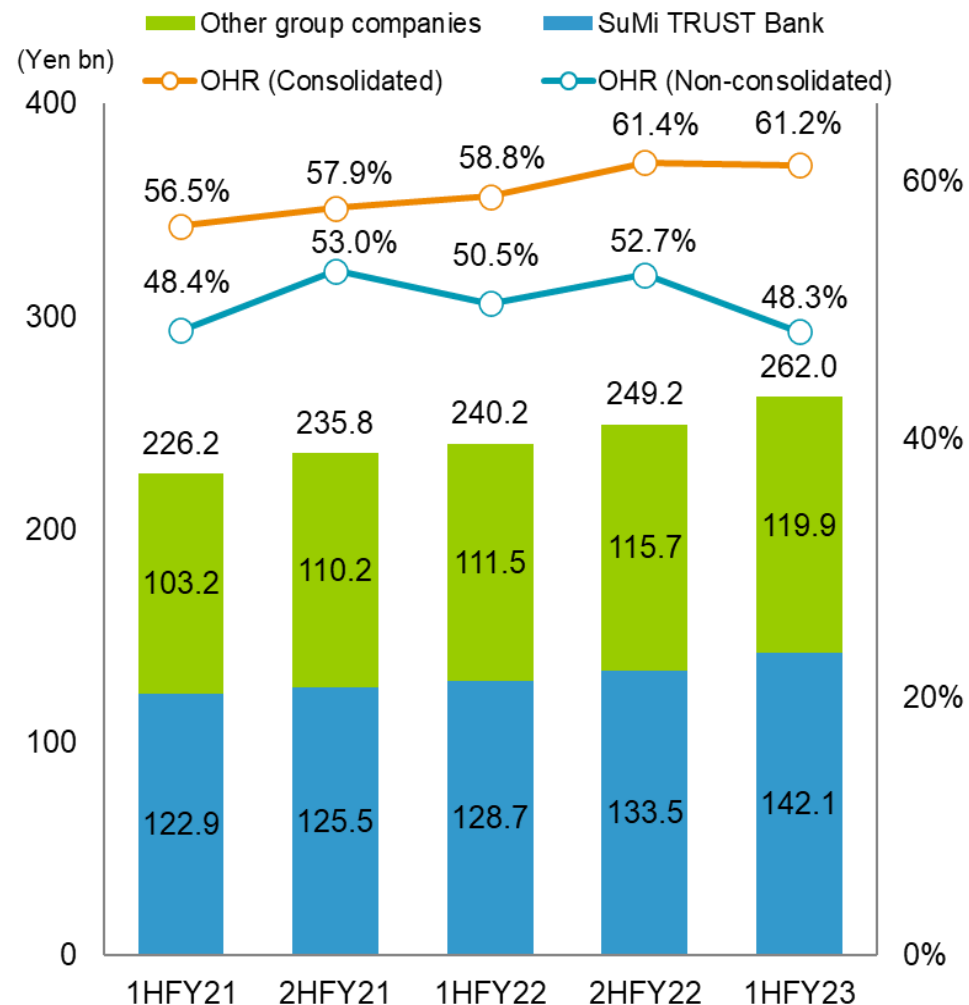
	1HFY22	1HFY23	Change
1 Personnel expenses	(109.9)	(118.2)	(8.3)
2 Non-personnel expenses excluding taxes	(123.0)	(136.6)	(13.6)
3 Taxes other than income taxes	(7.3)	(7.2)	0.1
4 Substantial G&A expenses	(240.2)	(262.0)	(21.8)
5 Overhead ratio	58.8%	61.2%	2.4%

[SuMi TRUST Bank]

(Yen bn)

	1HFY22	1HFY23	Change
6 Personnel expenses	(58.6)	(64.2)	(5.6)
7 Salaries etc.	(54.5)	(59.0)	(4.4)
8 Retirement benefit expenses	5.3	4.8	(0.4)
9 Others	(9.3)	(10.0)	(0.6)
10 Non-personnel expenses excluding taxes	(65.6)	(73.6)	(8.0)
11 IT system related costs	(23.5)	(26.8)	(3.2)
12 Others	(42.1)	(46.8)	(4.7)
13 Taxes other than income taxes	(4.5)	(4.2)	0.2
14 G&A expenses	(128.7)	(142.1)	(13.3)
15 Overhead ratio	50.5%	48.3%	(2.2%)

Breakdown of G&A expenses



Total credit costs and Non-Performing Loans (NPLs) based on Banking Act and Reconstruction Act

[Total credit costs]		1HFY22	1HFY23	Major factors (1HFY23)
(Yen bn)				
1	SuMi TRUST Bank	(8.9)	(0.6)	
2	General allowance for loan losses	4.3	(2.1)	Downgraded: Approx. ¥(9.0)bn Upgraded: Approx. +¥2.5bn Changes in loan balance, etc. (including recoveries of written-offs) Approx. +¥6.0bn
3	Specific allowance for loan losses	(12.6)	5.3	
4	Recoveries of written-off claims	0.4	0.2	
5	Losses on sales of claims, written-off	(1.0)	(4.1)	
6	Other group companies, etc.	0.0	(1.0)	SuMi TRUST Panasonic Finance ¥(1.0)bn
7	Total	(8.8)	(1.7)	

As of September 2023, special loan loss provision of approx.¥22.0bn

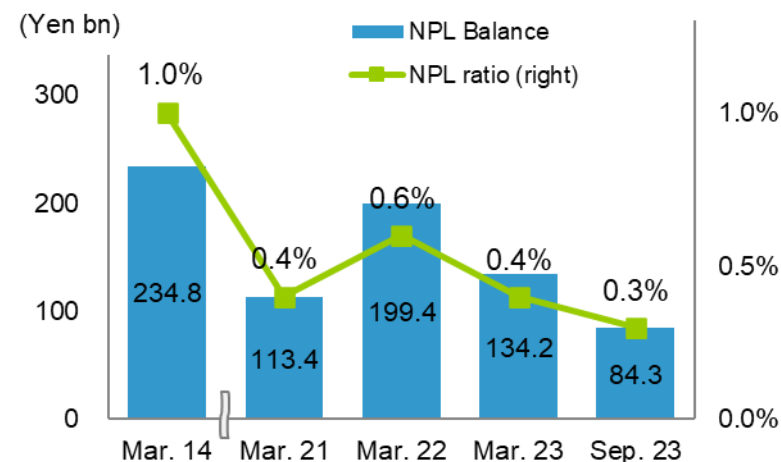
[Non-performing loans (NPLs) based on Banking Act and Reconstruction Act]

		Sep. 23	Coverage ratio (*1)	Allowance ratio (*2)	Change from Mar. 23
(Yen bn)					
8	NPL	84.3	65.2%	37.4%	(50.0)
9	NPL ratio (ratio to Total loan balance)	0.3%	---	---	(0.1%)
10	Bankrupt and practically bankrupt	9.0	100.0%	100.0%	0.5
11	Doubtful	36.1	83.4%	66.5%	(50.1)
12	Substandard	39.2	40.5%	8.7%	(0.3)
13	Loans past due 3 months or more	-	---	---	-
14	Restructured loans	39.2	---	---	(0.3)
15	Assets to borrowers requiring caution(excluding Substandard)	393.0	---	---	96.6
16	Assets to normal borrowers	32,977.7	---	---	885.6
17	Grand total	33,454.9	---	---	932.2

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

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

Total Balance and ratio of NPL



Securities portfolio

[Consolidated] (*1)

	(Yen bn)	Costs		Unrealized gains/losses	
		Sep. 23	Change from Mar. 23	Sep. 23	Change from Mar. 23
1 Available-for-sale securities		6,695.0	1,019.7	502.7	130.1
2 Japanese stocks		511.8	16.4	670.8	93.6
3 Japanese bonds		2,622.0	443.5	(9.3)	(8.9)
4 Others		3,561.1	559.7	(158.6)	45.4
5 Held-to-maturity securities		315.5	16.3	8.1	(1.8)

[SuMi TRUST Bank (Available-for-sale securities)] (*1)

6 Available-for-sale securities		6,531.5	1,009.0	514.1	127.8
7 Japanese stocks		487.5	15.8	691.7	93.4
8 Japanese bonds		2,622.0	443.5	(9.3)	(8.9)
9 o/w Government bonds		1,854.8	421.3	(7.7)	(6.2)
10 Others		3,421.9	549.6	(168.3)	43.4
11 Domestic investment		109.9	2.0	1.7	(0.0)
12 International investment		2,500.5	734.3	(74.0)	(44.0)
13 o/w US Treasury (*2)		1,067.0	416.5	(61.7)	(44.4)
14 Others (Investment trust, etc.)		811.4	(186.7)	(95.9)	87.5
15 o/w for hedging of strategic shareholdings (*3)		522.5	(103.7)	(128.6)	62.9

[SuMi TRUST Bank (Held-to-maturity securities)]

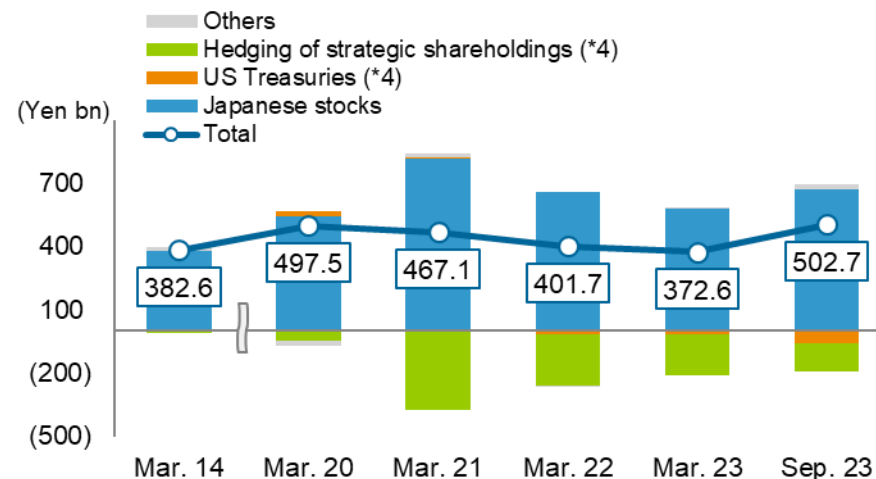
16 Held-to-maturity securities		315.4	16.3	8.1	(1.8)
17 o/w Government bonds		117.0	(0.1)	7.9	(2.7)
18 International investment		147.1	19.5	(0.1)	1.0

(*1) Not include stocks with no market price and investment partnership and others

(*2) Unrealized losses on US Treasury after adjusting PL from hedging transactions is ¥(36.8)bn

(*3) Of which hedging effect under capital regulation is recognized: Costs ¥468.9bn, Unrealized gains/losses ¥(105.6)bn

Unrealized gains/losses of AFS securities with fair value



(*4) SuMi TRUST Bank

Securities portfolio of Global markets (*5)

	(Yen bn)	10BPV (*6)		Duration (years) (*6)	
		Sep. 23	Change from Mar. 23	Sep. 23	Change from Mar. 23
19 JPY		6.3	1.0	2.9	(0.1)
20 Others (*7)		3.6	2.6	3.0	1.6

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

(*6) In the calculation of 10BPV and duration, investment balance hedging transactions were excluded

(*7) Total of securities denominated in USD, EUR and GBP

Capital

- Common Equity Tier 1 ratio: 10.73%. Down 0.06 ppt from Mar. 23 mainly due to increase RWA of foreign currency denominated assets as a result of JPY depreciation.
Pro-forma CET1 capital ratio on finalized Basel III: 9.7%. Improved by 0.2 ppt from Mar. 23 mainly due to elaborate on calculation of risk weight
- Both Leverage ratio and Liquidity coverage ratio maintained levels well in excess of regulatory requirements

<Capital and total risk-weighted assets (consolidated)>

	(Yen bn)	Mar. 23	Sep. 23	Change
1 Total capital ratio		13.24%	13.02%	(0.22%)
2 Tier 1 capital ratio		12.01%	11.90%	(0.11%)
3 Common Equity Tier 1 capital ratio		10.79%	10.73%	(0.06%)
4 Total capital		3,081.2	3,166.8	85.5
5 Tier 1 capital		2,793.5	2,894.4	100.9
6 Common Equity Tier 1 capital		2,509.7	2,609.9	100.1
7 Instruments and reserves		2,752.9	2,905.1	152.1
8 Accumulated other comprehensive income (*1)		204.2	352.9	148.7
9 Regulatory adjustments		(243.2)	(295.2)	(51.9)
10 Additional Tier 1 capital		283.7	284.5	0.8
11 Tier 2 capital		287.7	272.3	(15.3)
12 Total risk-weighted assets		23,256.8	24,308.9	1,052.0
13 Credit risk		20,411.9	21,412.5	1,000.6
14 Market risk		1,838.2	1,819.4	(18.7)
15 Operational risk		1,006.7	1,076.8	70.1

(*1) Valuation differences on Available-for-Sale Securities (Sep. 2023): ¥350.8bn
(Change from Mar. 2023: +¥92.6bn)

(*2) Calculated according to the revision of Financial Services Agency Notification (effective as of June 30, 2020). For reference, figures on item 17 and 20 are calculated according to the basis applied before the revision.

(*3) Average figures in 2QFY2023. "Change from Mar. 23" represents the comparison to figure for 4QFY2022 calculated in the same manner

<Major factors of change in capital adequacy ratios>

[Capital]

(1) Common Equity Tier 1 capital: +¥100.1bn

- Net income: +¥44.0bn
- Valuation differences on AFS (considering valuation differences on hedging items): +¥97.3bn
- Dividend: ¥(40.0)bn

[Risk-weighted assets]

(2) Credit risk: +¥1,000.6bn

- Increase in foreign currency-denominated assets due to JPY depreciation : approx. +¥800.0bn

<Other ratios required in prudential regulations (consolidated)>

	(Yen bn)	Sep. 23	Change from Mar. 23
16 Leverage ratio (*2)		5.21%	(0.15%)
17 Including current account with the Bank of Japan		3.86%	(0.09%)
18 Tier 1 capital		2,894.4	100.9
19 Total exposure (*2)		55,466.4	3,349.1
20 Including current account with the Bank of Japan		74,965.3	4,303.4
21 Liquidity coverage ratio (*3)		151.6%	13.3%
22 Total high-quality liquid assets		20,631.0	1,179.4
23 Net cash outflows		13,603.0	(455.8)

(Reference) Revision of earnings forecasts for FY2023 (announced in October 30)

- Net business profit: Revised up ¥10.0bn to ¥330.0bn due to steady business progress.
- Net income: Revised forecaste to ¥85.0bn, a decreased of ¥115.0bn YoY, due to reduction of bear funds with low B/E
- Dividend per share: Remains unchanged from original forecast for FY2023, considering business progress and capital adequacy

	(Yen bn)	FY22 Actual	FY23 Forecast	Change from FY22	Change from Initial Plan
1	Net business profit before credit costs	324.6	330.0	5.3	10.0
2	SuMi TRUST Bank	245.9	263.0	17.0	4.0
3	Substantial gross business profit	814.1	860.0	45.8	10.0
4	SuMi TRUST Bank (*)	508.1	548.0	39.8	4.0
5	Other group companies (*)	305.9	312.0	6.0	6.0
6	Substantial G&A Expenses	(489.5)	(530.0)	(40.4)	-
7	SuMi TRUST Bank	(262.2)	(285.0)	(22.7)	-
8	Other group companies	(227.2)	(245.0)	(17.7)	-
9	Total credit costs	(10.4)	(20.0)	(9.5)	-
10	Net gains on stocks	3.0	(160.0)	(163.0)	(175.0)
11	Other non-recurring profit	(31.4)	(35.0)	(3.5)	-
12	Ordinary profit	285.8	115.0	(170.8)	(165.0)
13	Net income	191.0	85.0	(106.0)	(115.0)
14	SuMi TRUST Bank	169.1	65.0	(104.1)	(119.0)
15	Dividend per common share (Yen)	210	220	+10	-

(*) SuMi TRUST Bank includes dividends from subsidiaries (FY22(actual) :¥30.1bn, FY23(forecast) : approx.¥42.0bn)
 Other group companies includes offset elimination of transaction between group companies related above dividends (FY22(actual):¥(30.1bn), FY23(forecast): approx. ¥(42.0bn))

【Differences from original forecast】

(1) Net business profit: +¥10.0bn vs original forecast

- Substantial gross business profit: Revised up the forecasts of both SuMiTB and group companies, due to strong performance in corporate credit-related fees and favorable stock market condition and weaker yen.
- Substantial G&A Expenses: Progressed generally in line with original forecast

(2) Total credit costs: remains unchanged

- Total credit costs: Limited losses due to allowance and partial reversal of provisions. Maintain ¥(20.0)bn based on past results, while no specific client is considered

(3) Net gains on stocks: ¥(175.0)bn vs original forecast

- Drastically reduced bear funds with low B/E through FY2023, to reduce risks of fluctuations in future periodic earnings

【Shareholder return policy [announced on May 12, 2023]】

- ✓ Dividend per share will be progressive, while aiming to increase the dividend per share through profit growth. The dividend payout ratio will be determined at 40% or above.
- ✓ Share repurchase will be implemented flexibly on the premise of securing sufficient capital, while balancing the use of capital for medium-to-long term profit growth and the effects of better capital efficiency

Fee business: Invest management consulting

- Total income posted ¥20.5bn, same level as 1HFY2022. Decreased sales fees of investment trust. Increased administration fees due to increase of balance
- Total balance increased by ¥617.2bn to ¥7,996.3bn from Mar. 2023. Growth of market value was approx.¥460.0bn

Income from marketing of investment products

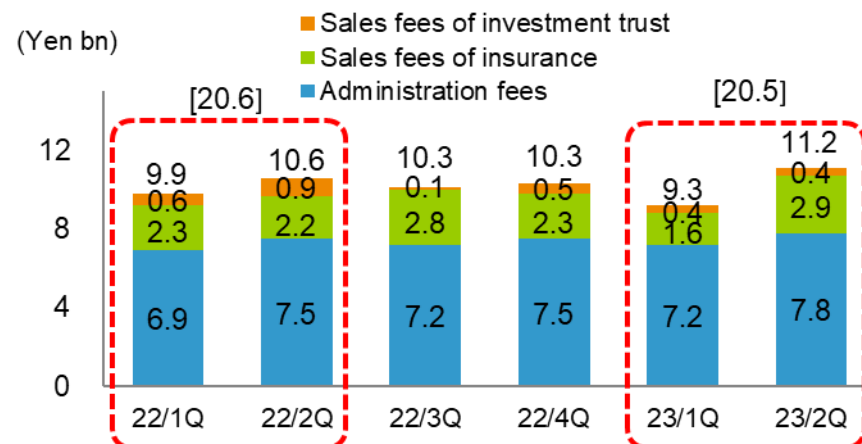
	(Yen bn)	1HFY22	1HFY23	Change	FY23 Original Plan
1 Income total		20.6	20.5	(0.1)	41.0
2 Sales fees of investment trust		1.5	0.8	(0.6)	2.5
3 Sales fees of insurance		4.5	4.6	0.0	9.5
4 Administration fees		14.5	15.0	0.5	29.0

Sales volume / balance

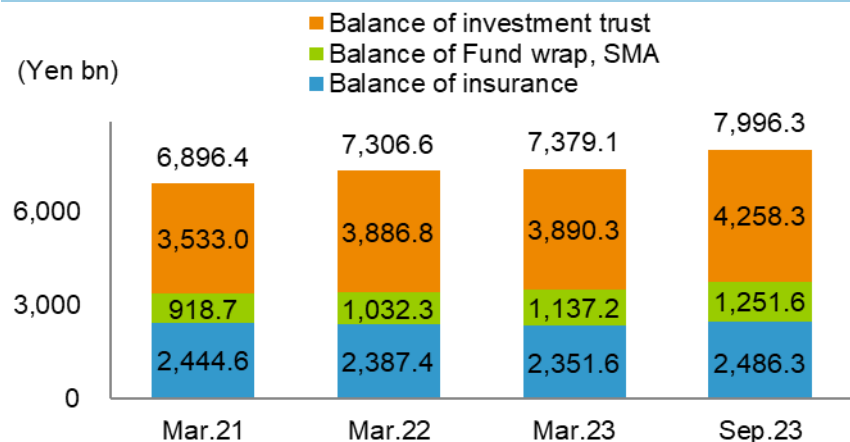
	(Yen bn)	1HFY22	1HFY23	Change	FY23 Original Plan
5 Sales volume total		608.2	661.6	53.4	1,300.0
6 Investment trust		357.8	383.7	25.9	750.0
7 Fund wrap, SMA		117.3	117.6	0.2	200.0
8 Insurance		133.0	160.2	27.2	350.0

	(Yen bn)	Mar. 23	Sep. 23	Change	Mar. 24 Original Plan
9 Balance total		7,379.1	7,996.3	617.2	7,830.0
10 Investment trust		3,890.3	4,258.3	368.0	4,170.0
11 Fund wrap, SMA		1,137.2	1,251.6	114.4	1,280.0
12 Insurance		2,351.6	2,486.3	134.7	2,380.0

Income from marketing (quarterly)



Balance



Fee business: Real estate

- Corporate real estate brokerage (SuMi TRUST Bank): Decreased by ¥4.0bn YoY to ¥10.9bn mainly due to decrease in large transactions
- Retail real estate brokerage (SuMi TRUST Realty): Maintained strength and increased by ¥1.2bn YoY to ¥12.3bn

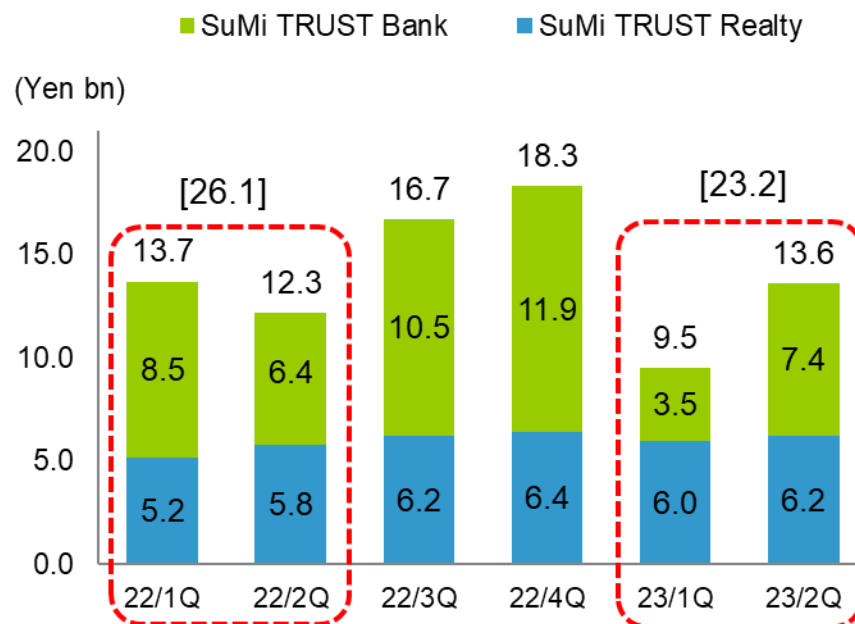
Income (group base)

		1HFY22	1HFY23	Change	FY23 Original Plan
		(Yen bn)			
1	Real estate brokerage fees	26.1	23.2	(2.8)	59.0
2	SuMi TRUST Bank	15.0	10.9	(4.0)	35.0
3	SuMi TRUST Realty	11.0	12.3	1.2	24.0
4	Real estate trust fees, etc.	3.1	3.4	0.2	6.5
5	Net other real estate profit	0.8	0.9	0.1	2.0
6	SuMi TRUST Bank	(0.0)	0.0	0.0	-
7	Group companies	0.8	0.9	0.0	2.0
8	Total	30.1	27.6	(2.4)	67.5
9	o/w SuMi TRUST Bank	18.2	14.4	(3.7)	41.5

Assets under management / administration

		Mar. 23	Sep. 23	Change
		(Yen bn)		
10	Securitized real estate	24,182.3	25,933.0	1,750.6
11	Assets under custody from J-REITs	17,023.4	17,671.1	647.6
12	Assets under management	658.4	668.1	9.7
13	Private placement funds	367.9	377.6	9.7
14	J-REITs	290.5	290.5	-

Real estate brokerage fees (quarterly)



Fee business: Asset management/administration

- AUM increased by ¥4.2trn to approx. ¥126trn from Mar.23 mainly due to growth of market value
- AUC increased in domestic businesses and global custody mainly due to growth of market value

Assets under management (AUM)

	(Yen trn)	Mar. 23	Sep. 23	Change
1 Assets under management		121.4	125.7	4.2
2 SuMi TRUST Bank (*1)		7.6	8.5	0.8
3 Private asset		5.4	6.2	0.7
4 SuMi TRUST AM		85.9	85.7	(0.2)
5 Nikko AM		27.8	31.4	3.6

(*1) Not include duplicate amount from re-entrustment to SuMi TRUST AM and Nikko AM

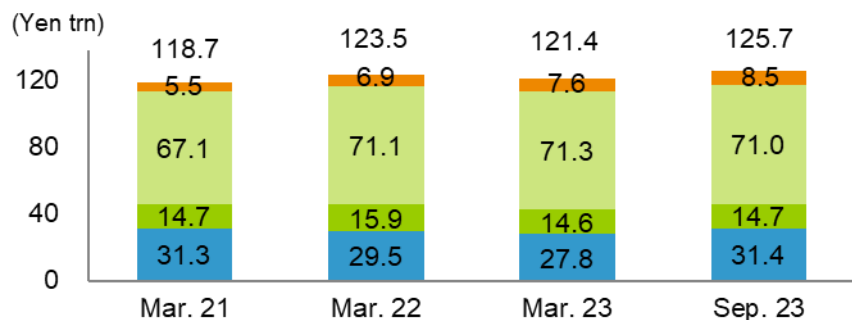
Assets under custody/administration (AUC)

	(Yen trn)	Mar. 23	Sep. 23	Change
[Domestic]				
6 Investment trust (*2)		87.6	92.8	5.1
7 Non investment trust (*2)		96.1	97.5	1.4
[Overseas]	(USD 10bn)			
8 Global custody (*3)		38.8	39.8	0.9
9 Fund administration		9.1	9.0	(0.1)

(*2) Entrusted balance of SuMi TRUST Bank

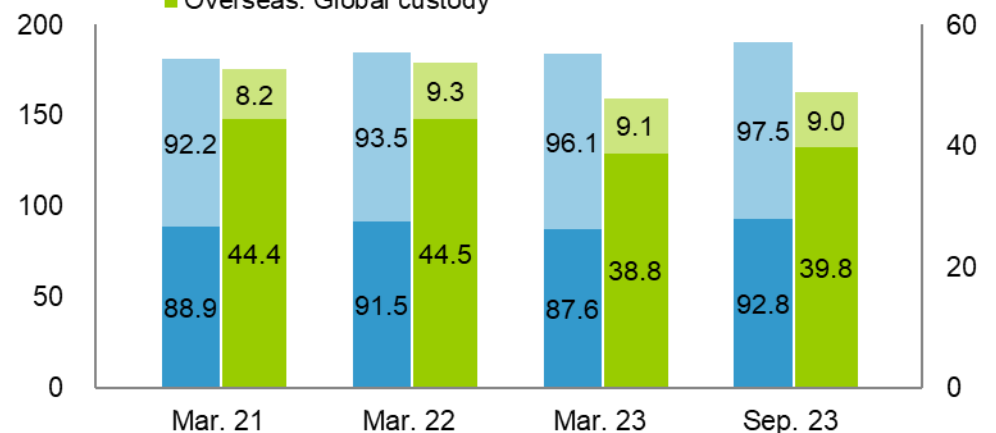
(*3) Combined figures of SuMi TRUST Bank, SuMi TRUST Bank (U.S.A) and SuMi TRUST Bank (Lux.)

■ SuMi TRUST Bank
■ SuMi TRUST AM (Non investment trust)
■ SuMi TRUST AM (investment trust)
■ Nikko AM



USD/JPY	110.65	122.38	133.54	149.53
TOPIX	1,954.00	1,946.40	2,003.50	2,323.39

■ Domestic: Non investment trust
■ Domestic: Investment trust
■ Overseas: Fund administration
■ Overseas: Global custody



Loan/Investment: Credit portfolio (SuMi TRUST Bank)

- Individual: New mortgage loans continued to decline, due to intensifying of interest rate competition. Balance was almost flat
- Corporate credit: Continue to shift to product lending. Increase in balance was mainly due to product lending (foreign currency) and JPY depreciation

Individual clients

	(Yen bn)	1HFY22	1HFY23	Change	FY23 Original Plan
1 Annual amount of new loans to individuals		444.0	374.4	(69.5)	900.0
2 Mortgage loans		395.9	340.9	(55.0)	800.0

	(Yen bn)	Mar. 23	Sep. 23	Change	Mar. 24 Original Plan
3 Outstanding of individual loans		11,094.4	11,071.8	(22.5)	11,100.0
4 Mortgage loans		10,461.5	10,434.0	(27.4)	10,300.0

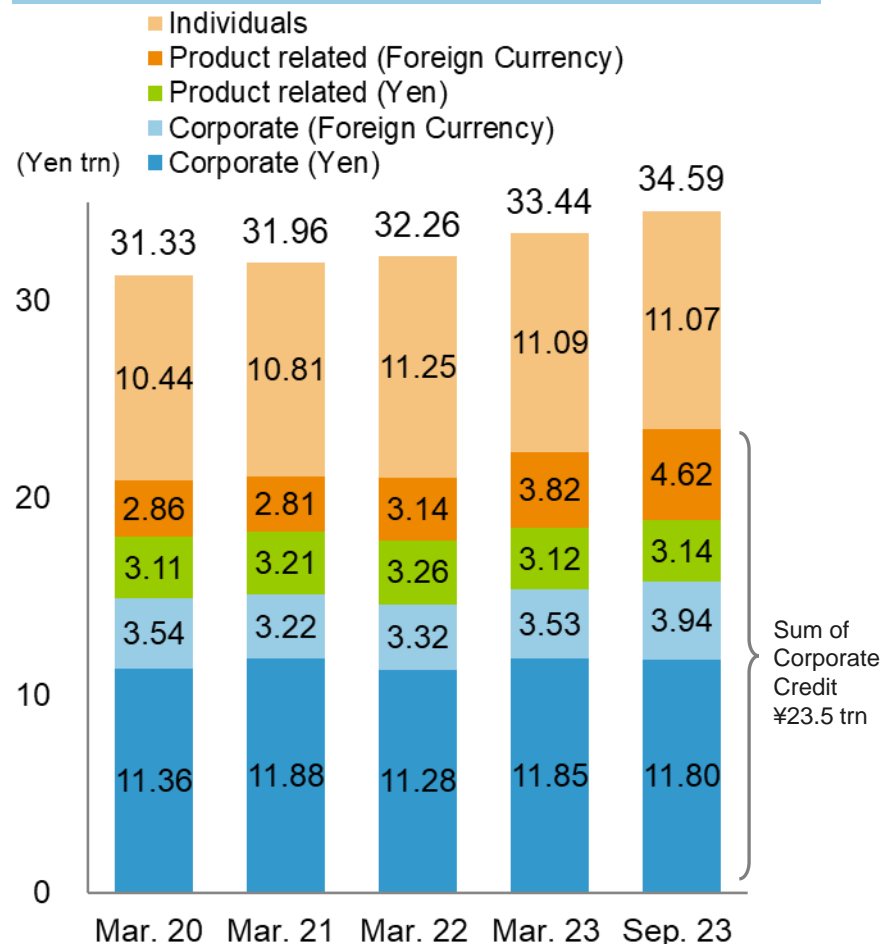
Corporate clients

	(Yen bn)	Mar. 23	Sep. 23	Change(*2)	Mar. 24 Original Plan
5 Corporate lending(Yen)		11,859.6	11,809.4	(50.2)	11,900.0
6 Corporate lending(Foreign Currency)		3,533.6	3,943.6	410.0	3,500.0
7 Product related (Yen)		3,128.7	3,149.6	20.8	3,300.0
8 Product related (Foreign Currency)		3,824.9	4,620.2	795.2	4,200.0
9 Total balance of credit for corporates(*1)		22,347.0	23,522.9	1,175.8	22,900.0
10 Product related		6,953.7	7,769.8	816.0	7,500.0

(*1) Balance of equity investment(excluding strategic shareholdings) is ¥538.6bn on Sep. 23

(*2) Impact of foreign exchange: Corporate lending(Foreign Currency) approx. ¥400.0bn,
Product related (Foreign Currency) approx. ¥460.0bn

Credit portfolio balance



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”

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”