

April 28, 2017

To whom it may concern:

Sumitomo Mitsui Trust Holdings, Inc.
(Securities Code: 8309 TSE, NSE)

Revision of consolidated earnings forecasts for the fiscal year 2016 ended March 31, 2017

Sumitomo Mitsui Trust Holdings, Inc. hereby announces that its consolidated earnings forecasts for the full fiscal year ended March 31, 2017 ("FY2016") are revised as follows:

1. Revision of consolidated earnings forecasts for FY2016 (for the period from April 1, 2016 to March 31, 2017)

(1) Outline of the revision

				(Billions of yen)	
		Ordinary profit	Net income attributable to owners of the parent		
(A) Previous forecast (announced on January 31, 2017)		265.0	170.0		
(B) Revised forecast		196.0	121.0		
(C) Change	(B - A)	(69.0)	(49.0)		
(D) Rate of Change (%)	(C/A x 100)	(26%)	(29%)		

(2) Reason for the revision

"Net business profit before credit costs" is expected to be significantly lower than the previous forecast, primarily due to decrease in market-related profit reflecting negative impact from sales of US Treasuries. "Ordinary profit" is expected to be 69 billion yen lower than the previous forecast due to increase in total credit costs resulting from downgrade of specific obligors in borrower classifications, while net gains on stocks on sales of strategic shareholdings is expected to be increased. As a result, "Net income attributable to owners of the parent" is estimated to be 49 billion yen lower than the previous forecast.

Total annual cash dividends per common share for the fiscal year ending March 31, 2017 (forecast)(*1) is not changed in consideration of reasons for revision of consolidated earnings forecasts mentioned above.

<Reference> Dividend forecast for FY2016 (announced on January 31, 2017)

					(Yen)
					Dividend per share on common share
	Interim dividend (actual)	Year-end dividend (forecast)	Annual dividend in total	Consolidated dividend payout ratio (*2)	
Dividend forecast	6.50	65.00	130.00	41.1%	

(*1) Sumitomo Mitsui Trust Holdings, Inc. consolidated its shares with a ratio of ten shares of common stock into one share on October 1, 2016. 65.0 yen of the year-end cash dividends per common share for the fiscal year ending March 31, 2017 (forecast) is calculated taking into account the consolidation of shares. Assuming that the share consolidation is exercised at the beginning of the fiscal year ending March 31, 2017 (forecast), total annual cash dividends per common share will be 130.0 yen, consisting of interim and year-end dividend of 65.0 yen per share each.

(*2) Consolidated dividend payout ratio = (Total amount of dividends for common shares / Net income attributable to owners of the parent) x 100

End

Regarding forward-looking statements contained in this release:

This release 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 but not limited to changes in managerial circumstances. By virtue of the aforementioned reasons, Sumitomo Mitsui Trust Holdings, Inc. hereby cautions against sole reliance on such forward-looking statements in making investment decisions.

(Reference)

<Definition of terms> Sumitomo Mitsui Trust Holdings (Consolidated): "SuMi TRUST Holdings" or "Consolidated"
Sumitomo Mitsui Trust Bank (Non-consolidated): "SuMi TRUST Bank" or "Non-Consolidated"

1. Outline of the earnings forecasts for FY2016

[Consolidated]

- (1) "Net business profit before credit costs" <1> is expected to decrease by 68.0 billion yen from the previous forecast to 232.0 billion yen, due mainly to decrease in market-related profit (non-consolidated basis).
- (2) "Ordinary profit" <2> is expected to decrease by 69.0 billion yen from the previous forecast to 196.0 billion yen, due to the above mentioned decrease in "Net business profit before credit costs" and increase of "Total credit costs" <4>, although "Net gains on stocks" <5> is expected to be improved.
- (3) As a result, "Net income attributable to owners of the parent" <3> is expected to decrease by 49.0 billion yen from the previous forecast to 121.0 billion yen.

[Non-consolidated]

- (1) "Net business profit before credit costs" <7> is expected to decrease by 75.0 billion yen from the previous forecast to 150.0 billion yen, due mainly to decrease in market-related profit reflecting negative impact from sales of US Treasuries.
- (2) "Ordinary profit" <12> is expected to decrease by 83.0 billion yen from the previous forecast to 117.0 billion yen, due to posting of 25.0 billion yen in "Total credit costs" <8> resulting from downgrade of specific obligors in borrower classifications, although "Net gains on stocks" <9> improved with sales of strategic shareholdings.
- (3) As a result, "Net income" <15> is expected to decrease by 57.0 billion yen from the previous forecast to 78.0 billion yen.

[Consolidated]

(Billions of yen)

	FY2016			
	3QFY2016 (cumulative total) (actual) (A)	Revised forecast (B)	Previous forecast (C)	Change (B - C)
1 Net business profit before credit costs	207.3	232.0	300.0	(68.0)
2 Ordinary profit	201.5	196.0	265.0	(69.0)
3 Net income attributable to owner of the parents	130.1	121.0	170.0	(49.0)
4 Total credit costs	1.4	(29.0)	(15.0)	(14.0)
5 Net gains on stocks	21.0	36.0		
6 Losses on devaluation of stocks	(0.7)	(4.0)		

[Non-consolidated]

7 Net business profit before credit costs	147.9	150.0	225.0	(75.0)
8 Total credit costs	4.4	(25.0)	(10.0)	(15.0)
9 Net gains on stocks	19.9	31.0		
10 Losses on devaluation of stocks	(0.7)	(9.0)		
11 Other non-recurring profit	(25.6)	(39.0)		
12 Ordinary profit	146.7	117.0	200.0	(83.0)
13 Extraordinary profit	(3.0)	(6.0)		
14 Income before income taxes	143.7	111.0		
15 Net income	102.2	78.0	135.0	(57.0)

2. Cost and net unrealized gains/losses of "Available-for-sale securities" with fair value (Banking account, after impairment)

Consolidated net unrealized gains/losses of "Available-for-sale securities" <16> is expected to increase by approximately 104.0 billion yen from the end of December, 2016 to 685.0 billion yen, due mainly to realization of unrealized loss of "Others" through sales of US Treasuries in the fourth quarter of FY2016. Consolidated cost of "available-for-sale securities" <16> is expected to be 3,970 billion yen decreased by approximately 660 billion yen, due mainly to the sales of US Treasuries and Japanese stocks.

[Consolidated]

(Billions of yen)

	Dec. 2016 (actual)		Mar. 2017 (forecast)		Change	
	Cost	Fair value	Cost	Fair value	Cost	Fair value
16 Available-for-sale securities	4,635.2	581.5	3,970.0	685.0	(665.2)	103.5
17 Japanese stocks	678.3	712.4	670.0	730.0	(8.3)	17.6
18 Japanese bonds	940.4	0.9	840.0	2.0	(100.4)	1.1
19 Others	3,016.4	(131.7)	2,460.0	(47.0)	(556.4)	84.7

[Non-consolidated]

20 Available-for-sale securities	4,596.6	601.2	3,920.0	704.0	(676.6)	102.8
21 Japanese stocks	650.3	737.5	640.0	754.0	(10.3)	16.5
22 Japanese bonds	970.9	(0.6)	880.0	0.0	(90.9)	0.6
23 Others	2,975.3	(135.5)	2,400.0	(50.0)	(575.3)	85.5
24 US Treasuries	1,350.1	(96.9)	780.0	(17.0)	(570.1)	79.9

3. Problem assets based on the Financial Reconstruction Act

(Banking a/c and principal guaranteed trust a/c combined, after partial direct written-off)

Total balance of "Problem assets based on the Financial Reconstruction Act" is expected to be approximately 70.0 billion yen ("Ratio to total balance" <1>: 0.2%), remaining the same level as the end of December, 2016.
 "Substandard debtors (excl. (a))" is expected to increase by 170.0 billion yen from the end of December, 2016 to 556.0 billion yen, due to downgrade of specific obligors in borrower classifications.

[Non-consolidated]

(Billions of yen)

	Mar. 2016 (actual) (A)	Sep. 2016 (actual) (B)	Dec. 2016 (actual) (C)	Mar. 2017 (forecast) (D)	Change (D—C)
1 Ratio to total balance	0.3%	0.3%	0.2%	0.2%	0.0%
2 Problem assets based on the Financial Reconstruction	90.1	77.0	70.7	71.0	0.3
3 Bankrupt and practically bankrupt	11.9	9.9	8.6	8.0	(0.6)
4 Doubtful	44.9	36.9	36.1	35.0	(1.1)
5 Substandard (a)	33.2	30.1	26.1	28.0	1.9
6 Substandard debtors (excl. (a))	368.3	377.6	387.3	556.0	168.7
7 Ordinary assets	27,205.0	27,262.8	28,456.0	28,110.0	(346.0)
8 Total balance	27,663.4	27,717.4	28,914.0	28,737.0	(177.0)

(Billions of yen)

	Mar. 2017 (forecast)				
	Balance	Coverage ratio	Status of coverage and allowance (*)	Allowance ratio	
9 Bankrupt and practically bankrupt	8.0	100%	Specific allowance	3.5	100%
			Coverage	4.5	-----
10 Doubtful	35.0	90%	Uncovered	3.5	65%
			Specific allowance	6.5	
			Coverage	25.0	
11 Substandard	28.0	90%	Uncovered	3.0	20%
			General allowance	0.5	
			Coverage	24.5	
12 Ordinary	28,666.0	-----	General allowance	78.0	-----

(*) Other than the above mentioned, there are Reserves for loan trust and Reserves for JOMT (Jointly-operated money trust) of 0.1 billion yen.

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