

Financial Data:

Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings")

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Financial Data:

Consolidated Balance Sheets (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
As of September 30, 2017 and March 31, 2017

	Millions of Yen		Millions of U.S. Dollars
	As of Sep. 30, 2017	As of Mar. 31, 2017	As of Sep. 30, 2017
Assets:			
Cash and Due from Banks	¥ 26,142,143	¥ 26,944,478	\$ 231,880
Call Loans and Bills Bought	159,904	124,706	1,418
Receivables under Resale Agreements	75,310	83,888	668
Receivables under Securities Borrowing Transactions	631,532	480,453	5,602
Monetary Claims Bought	747,500	906,572	6,630
Trading Assets (Notes 1 and 7)	534,510	496,563	4,741
Money Held in Trust	1,490	1,650	13
Securities (Notes 1, 7, and 13)	5,234,392	5,127,717	46,429
Loans and Bills Discounted (Notes 2, 3, 4, 5, 6, 7, and 8)	28,342,609	28,040,446	251,398
Foreign Exchanges	32,772	16,189	291
Lease Receivables and Investment Assets	686,741	667,808	6,091
Other Assets (Note 7)	2,049,302	1,638,186	18,177
Tangible Fixed Assets (Notes 9 and 10)	217,944	225,814	1,933
Intangible Fixed Assets	206,893	214,790	1,835
Assets for Retirement Benefits	124,637	119,018	1,106
Deferred Tax Assets	22,632	23,243	201
Customers' Liabilities for Acceptances and Guarantees	423,483	458,010	3,756
Allowance for Loan Losses	(104,181)	(115,814)	(924)
Total Assets	¥ 65,529,618	¥ 65,453,725	\$ 581,246
Liabilities:			
Deposits (Note 7)	¥ 35,044,955	¥ 36,000,814	\$ 310,848
Negotiable Certificates of Deposit	6,966,238	7,326,617	61,790
Call Money and Bills Sold	1,363,588	54,089	12,095
Payables under Repurchase Agreements (Note 7)	1,624,326	1,063,737	14,408
Payables under Securities Lending Transactions (Note 7)	11,881	13,699	105
Trading Liabilities	345,958	366,879	3,069
Borrowed Money (Notes 7 and 11)	4,591,776	3,463,105	40,729
Foreign Exchanges	358	236	3
Short-Term Bonds Payable	695,138	904,248	6,166
Bonds Payable (Note 12)	1,560,962	1,385,098	13,846
Borrowed Money from Trust Account	8,750,039	10,274,143	77,613
Other Liabilities	1,160,072	1,151,325	10,290
Provision for Bonuses	13,828	16,331	123
Provision for Directors' Bonuses	60	259	1
Liabilities for Retirement Benefits	14,530	14,048	129
Provision for Reward Points Program	17,488	17,519	155
Provision for Reimbursement of Deposits	3,593	3,583	32
Provision for Contingent Losses	8,545	7,774	76
Deferred Tax Liabilities	153,969	137,501	1,366
Deferred Tax Liabilities for Land Revaluation (Note 9)	3,016	3,016	27
Acceptances and Guarantees	423,483	458,010	3,756
Total Liabilities	¥ 62,753,814	¥ 62,662,042	\$ 556,624
Net Assets:			
Total Shareholders' Equity:	¥ 2,074,326	¥ 2,031,623	\$ 18,399
Capital Stock	261,608	261,608	2,320
Capital Surplus	645,015	645,048	5,721
Retained Earnings	1,209,904	1,159,028	10,732
Treasury Stock	(42,203)	(34,061)	(374)
Total Accumulated Other Comprehensive Income:	454,398	430,992	4,030
Valuation Differences on Available-for-Sale Securities	495,663	476,848	4,397
Deferred Gains (Losses) on Hedges	(22,244)	(21,018)	(197)
Revaluation Reserve for Land (Note 9)	(6,381)	(6,067)	(57)
Foreign Currency Translation Adjustments	5,089	2,135	45
Adjustments for Retirement Benefits	(17,728)	(20,905)	(157)
Subscription Rights to Shares	803	577	7
Non-Controlling Interests	246,276	328,488	2,184
Total Net Assets	¥ 2,775,804	¥ 2,791,682	\$ 24,621
Total Liabilities and Net Assets	¥ 65,529,618	¥ 65,453,725	\$ 581,246

	Yen	U.S. Dollars
Net Assets per Share of Common Stock	¥ 6,645.15	\$ 58.94

See accompanying notes.

The figures in U.S. Dollars are converted from a yen basis for convenience at the rate of ¥112.74 to U.S.\$1.00, the exchange rate prevailing as of September 30, 2017.

Financial Data:

Consolidated Statements of Income (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the Six Months Ended September 30, 2017 and 2016

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2017	Six Months Ended Sep. 30, 2016	Six Months Ended Sep. 30, 2017
Income:			
Trust Fees	¥ 48,640	¥ 50,706	\$ 431
Interest Income:	208,500	175,085	1,849
Interest on Loans and Discounts	152,483	131,175	1,353
Interest and Dividends on Securities	38,274	32,752	339
Fees and Commissions	192,729	195,318	1,710
Trading Income	3,981	7,157	35
Other Ordinary Income	149,586	143,920	1,327
Other Income (Note 1)	34,721	23,020	308
Total Income	¥ 638,160	¥ 595,208	\$ 5,660
Expenses:			
Interest Expenses:	¥ 118,733	¥ 86,017	\$ 1,053
Interest on Deposits	46,579	35,502	413
Fees and Commissions Payments	43,256	41,885	384
Trading Expenses	61	766	1
Other Ordinary Expenses	113,171	102,852	1,004
General and Administrative Expenses (Note 2)	219,223	214,921	1,945
Other Expenses (Note 3)	23,549	12,898	209
Total Expenses	¥ 517,996	¥ 459,342	\$ 4,595
Income before Income Taxes	¥ 120,163	¥ 135,865	\$ 1,066
Income Taxes:	37,988	41,426	337
Current	30,024	32,146	266
Deferred	7,963	9,279	71
Net Income	82,175	94,439	729
Net Income Attributable to Non-Controlling Interests	6,748	6,517	60
Net Income Attributable to Owners of the Parent	¥ 75,427	¥ 87,922	\$ 669
		Yen	U.S. Dollars
Net Income per Share of Common Stock	¥ 197.49	¥ 229.50	\$ 1.75

See accompanying notes.

SuMi TRUST Holdings consolidated its shares with a ratio of ten shares of common stock into one share on October 1, 2016. Net income per share of common stock is calculated as if the consolidation of shares had occurred at the beginning of the fiscal year ended March 31, 2017.

Financial Data:

Consolidated Statements of Comprehensive Income (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the Six Months Ended September 30, 2017 and 2016

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2017	Six Months Ended Sep. 30, 2016	Six Months Ended Sep. 30, 2017
Net Income	¥ 82,175	¥ 94,439	\$ 729
Other Comprehensive Income (Loss):			
Valuation Differences on Available-for-Sale Securities	19,283	(47,621)	171
Deferred Gains (Losses) on Hedges	(1,597)	(7,501)	(14)
Foreign Currency Translation Adjustments	3,125	(12,088)	28
Adjustments for Retirement Benefits	3,185	5,019	28
Attributable to Equity-Method Affiliated Companies	(104)	(3,240)	(1)
Total Other Comprehensive Income (Loss)	¥ 23,893	¥ (65,432)	\$ 212
Comprehensive Income:	¥ 106,068	¥ 29,007	\$ 941
Comprehensive Income Attributable to Owners of the Parent	¥ 99,146	¥ 23,042	\$ 879
Comprehensive Income Attributable to Non-Controlling Interests	6,922	5,965	61

Financial Data:

Consolidated Statements of Changes in Net Assets (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the Six Months Ended September 30, 2017 and 2016

For the Six Months Ended September 30, 2017

	Millions of Yen				
	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Period	¥ 261,608	¥ 645,048	¥ 1,159,028	¥ (34,061)	¥ 2,031,623
Changes during the Period					
Cash Dividends			(24,864)		(24,864)
Net Income Attributable to Owners of the Parent			75,427		75,427
Purchase of Treasury Stock				(8,154)	(8,154)
Disposal of Treasury Stock		(0)		12	12
Purchase of Shares of Consolidated Subsidiaries		(32)			(32)
Reversal of Revaluation Reserve for Land			314		314
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Period	—	(32)	50,876	(8,141)	42,702
Balance at the End of the Period	¥ 261,608	¥ 645,015	¥ 1,209,904	¥ (42,203)	¥ 2,074,326

	Millions of Yen								
	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Period	¥ 476,848	¥ (21,018)	¥ (6,067)	¥ 2,135	¥ (20,905)	¥ 430,992	¥ 577	¥ 328,488	¥ 2,791,682
Changes during the Period									
Cash Dividends									(24,864)
Net Income Attributable to Owners of the Parent									75,427
Purchase of Treasury Stock									(8,154)
Disposal of Treasury Stock									12
Purchase of Shares of Consolidated Subsidiaries									(32)
Reversal of Revaluation Reserve for Land									314
Net Changes of Items Other Than Shareholders' Equity	18,814	(1,226)	(314)	2,954	3,177	23,405	226	(82,212)	(58,580)
Total Changes during the Period	18,814	(1,226)	(314)	2,954	3,177	23,405	226	(82,212)	(15,878)
Balance at the End of the Period	¥ 495,663	¥ (22,244)	¥ (6,381)	¥ 5,089	¥ (17,728)	¥ 454,398	¥ 803	¥ 246,276	¥ 2,775,804

See accompanying notes.

For the Six Months Ended September 30, 2016

	Millions of Yen				
	Shareholders' Equity				Total Shareholders' Equity
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	
Balance at the Beginning of the Period	¥ 261,608	¥ 645,106	¥ 1,087,195	¥ (27,097)	¥ 1,966,813
Changes during the Period					
Cash Dividends			(24,995)		(24,995)
Net Income Attributable to Owners of the Parent			87,922		87,922
Purchase of Treasury Stock				(6,932)	(6,932)
Disposal of Treasury Stock		(0)		4	3
Purchase of Shares of Consolidated Subsidiaries		(57)			(57)
Reversal of Revaluation Reserve for Land			33		33
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Period	—	(58)	62,959	(6,928)	55,972
Balance at the End of the Period	¥ 261,608	¥ 645,048	¥ 1,150,155	¥ (34,025)	¥ 2,022,786

	Millions of Yen								
	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Period	¥ 467,517	¥ (13,169)	¥ (5,819)	¥ 2,800	¥ (41,168)	¥ 410,160	¥ 421	¥ 327,116	¥ 2,704,511
Changes during the Period									
Cash Dividends									(24,995)
Net Income Attributable to Owners of the Parent									87,922
Purchase of Treasury Stock									(6,932)
Disposal of Treasury Stock									3
Purchase of Shares of Consolidated Subsidiaries									(57)
Reversal of Revaluation Reserve for Land									33
Net Changes of Items Other Than Shareholders' Equity	(48,162)	(7,787)	(33)	(13,940)	5,010	(64,913)	162	10	(64,740)
Total Changes during the Period	(48,162)	(7,787)	(33)	(13,940)	5,010	(64,913)	162	10	(8,767)
Balance at the End of the Period	¥ 419,354	¥ (20,957)	¥ (5,852)	¥ (11,140)	¥ (36,158)	¥ 345,246	¥ 584	¥ 327,126	¥ 2,695,744

See accompanying notes.

For the Six Months Ended September 30, 2017

	Millions of U.S. Dollars				
	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at the Beginning of the Period	\$ 2,320	\$ 5,722	\$ 10,281	\$ (302)	\$ 18,020
Changes during the Period					
Cash Dividends			(221)		(221)
Net Income Attributable to Owners of the Parent			669		669
Purchase of Treasury Stock				(72)	(72)
Disposal of Treasury Stock		(0)		0	0
Purchase of Shares of Consolidated Subsidiaries		(0)			(0)
Reversal of Revaluation Reserve for Land			3		3
Net Changes of Items Other Than Shareholders' Equity					
Total Changes during the Period	—	(0)	451	(72)	379
Balance at the End of the Period	\$ 2,320	\$ 5,721	\$ 10,732	\$ (374)	\$ 18,399

	Millions of U.S. Dollars								
	Accumulated Other Comprehensive Income						Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Valuation Differences on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Adjustments for Retirement Benefits	Total Accumulated Other Comprehensive Income			
Balance at the Beginning of the Period	\$ 4,230	\$ (186)	\$ (54)	\$ 19	\$ (185)	\$ 3,823	\$ 5	\$ 2,914	\$ 24,762
Changes during the Period									
Cash Dividends									(221)
Net Income Attributable to Owners of the Parent									669
Purchase of Treasury Stock									(72)
Disposal of Treasury Stock									0
Purchase of Shares of Consolidated Subsidiaries									(0)
Reversal of Revaluation Reserve for Land									3
Net Changes of Items Other Than Shareholders' Equity	167	(11)	(3)	26	28	208	2	(729)	(520)
Total Changes during the Period	167	(11)	(3)	26	28	208	2	(729)	(141)
Balance at the End of the Period	\$ 4,397	\$ (197)	\$ (57)	\$ 45	\$ (157)	\$ 4,030	\$ 7	\$ 2,184	\$ 24,621

See accompanying notes.

Financial Data:

Consolidated Statements of Cash Flows (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc. and its Consolidated Subsidiaries
For the Six Months Ended September 30, 2017 and 2016

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2017	Six Months Ended Sep. 30, 2016	Six Months Ended Sep. 30, 2017
Cash Flows from Operating Activities:			
Income before Income Taxes	¥ 120,163	¥ 135,865	\$ 1,066
Depreciation and Amortization	17,413	15,814	154
Impairment Losses	6,284	1,985	56
Amortization of Goodwill	4,734	4,731	42
Equity in Losses (Earnings) of Affiliated Companies	438	(3,006)	4
Increase (Decrease) in Allowance for Loan Losses	(11,632)	(2,012)	(103)
Increase (Decrease) in Provision for Bonuses	(2,503)	(2,809)	(22)
Increase (Decrease) in Provision for Directors' Bonuses	(199)	(195)	(2)
Decrease (Increase) in Assets for Retirement Benefits	(687)	502	(6)
Increase (Decrease) in Liabilities for Retirement Benefits	599	254	5
Increase (Decrease) in Provision for Reward Points Program	(30)	(304)	(0)
Increase (Decrease) in Provision for Reimbursement of Deposits	9	(35)	0
Increase (Decrease) in Provision for Contingent Losses	771	(216)	7
Interest Income	(208,500)	(175,085)	(1,849)
Interest Expenses	118,733	86,017	1,053
Loss (Gain) Related to Securities	(16,175)	(26,937)	(143)
Loss (Gain) on Money Held in Trust	(23)	(20)	(0)
Foreign Exchange Losses (Gains)	(23,070)	119,021	(205)
Loss (Gain) on Disposal of Fixed Assets	(8,735)	(383)	(77)
Net Decrease (Increase) in Trading Assets	(37,946)	(137,840)	(337)
Net Increase (Decrease) in Trading Liabilities	(20,920)	22,425	(186)
Net Decrease (Increase) in Loans and Bills Discounted	(303,603)	112,752	(2,693)
Net Increase (Decrease) in Deposit	(945,498)	6,175,729	(8,387)
Net Increase (Decrease) in Negotiable Certificates of Deposit	(360,379)	(1,843,694)	(3,197)
Net Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowings)	1,128,670	(256,137)	10,011
Net Decrease (Increase) in Due from Banks (excluding Due from the Bank of Japan)	37,323	930,493	331
Net Decrease (Increase) in Call Loans	132,429	828,788	1,175
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	(151,079)	(78,376)	(1,340)
Net Increase (Decrease) in Call Money	1,870,088	2,165,830	16,588
Net Increase (Decrease) in Payables under Securities Lending Transactions	(1,817)	110,821	(16)
Net Decrease (Increase) in Foreign Exchange—Assets	(16,582)	6,202	(147)
Net Increase (Decrease) in Foreign Exchange—Liabilities	122	(134)	1
Net Decrease (Increase) in Lease Receivables and Investment Assets	(18,933)	(30,955)	(168)
Net Increase (Decrease) in Short-Term Bonds Payable	(209,110)	(306,703)	(1,855)
Increase (Decrease) in Straight Bonds-Issuance and Redemption	115,990	(82,228)	1,029
Net Increase (Decrease) in Borrowed Money from Trust Account	(1,524,103)	(4,692,759)	(13,519)
Proceeds from Fund Management	216,177	184,127	1,917
Payments for Finance	(124,349)	(87,766)	(1,103)
Other, Net	(180,612)	(101,611)	(1,602)
Subtotal	¥ (396,545)	¥ 3,072,150	\$ (3,517)
Income Taxes (Paid) Refunded	(14,354)	(49,987)	(127)
Net Cash Provided by (Used in) Operating Activities	¥ (410,900)	¥ 3,022,162	\$ (3,645)

(Continued)

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2017	Six Months Ended Sep. 30, 2016	Six Months Ended Sep. 30, 2017
Cash Flows from Investing Activities:			
Purchase of Securities	¥ (3,441,005)	¥ (2,576,235)	\$ (30,522)
Proceeds from Sales of Securities	2,718,701	1,024,202	24,115
Proceeds from Redemption of Securities	459,249	930,949	4,074
Decrease in Money Held in Trust	150	—	1
Purchase of Tangible Fixed Assets	(4,287)	(5,503)	(38)
Proceeds from Sales of Tangible Fixed Assets	14,980	1,314	133
Purchase of Intangible Fixed Assets	(21,955)	(27,380)	(195)
Proceeds from Sales of Intangible Fixed Assets	—	0	—
Purchase of Shares of Affiliated Companies Accounted for by the Equity Method	(5,501)	(24,276)	(49)
Net Cash Provided by (Used in) Investing Activities	¥ (279,669)	¥ (676,928)	\$ (2,481)
Cash Flows from Financing Activities:			
Proceeds from Issuance of Subordinated Bonds and Bonds with Subscription Rights to Shares	109,358	99,350	970
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares	(49,614)	(50,000)	(440)
Purchase of Shares of Subsidiaries without Change in the Scope of Consolidation	(113)	(170)	(1)
Repayments to Non-Controlling Interests	(83,170)	—	(738)
Cash Dividends Paid	(24,853)	(24,983)	(220)
Cash Dividends Paid to Non-Controlling Interests	(5,805)	(5,745)	(51)
Purchase of Treasury Stock	(8,154)	(6,932)	(72)
Proceeds from Sales of Treasury Stock	12	3	0
Net Cash Provided by (Used in) Financing Activities	¥ (62,340)	¥ 11,521	\$ (553)
Effect of Exchange Rate Change on Cash and Cash Equivalents	¥ (12,102)	¥ (57,227)	\$ (107)
Net Increase (Decrease) in Cash and Cash Equivalents	¥ (765,012)	¥ 2,299,528	\$ (6,786)
Cash and Cash Equivalents at the Beginning of the Period	¥ 24,531,391	¥ 17,323,915	\$ 217,593
Cash and Cash Equivalents at the End of the Period (Note 1)	¥ 23,766,379	¥ 19,623,444	\$ 210,807

See accompanying notes.

Financial Data:

Notes to the Interim Consolidated Financial Statements (Unaudited)

Basis of Presentation of Financial Statements

The accompanying interim consolidated financial statements (banking account) have been prepared from the accounts maintained by Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings") and its consolidated subsidiaries (together, "SuMi TRUST Group") in accordance with accounting principles generally accepted in Japan and certain accounting and disclosure rules under the Financial Instruments and Exchange Act of Japan and the Banking Act of Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

In preparing these interim consolidated financial statements, the interim consolidated financial statements of SuMi TRUST Holdings issued in Japan have been reclassified and rearranged in order to present them in a form that is more familiar to readers outside Japan.

The interim consolidated financial statements are stated in Japanese yen, the currency of the country in which SuMi TRUST Holdings is incorporated and operates. The translation of Japanese yen amounts into U.S. dollar amounts is included solely for the convenience of readers outside Japan. The translation has been made at the rate of ¥112.74 to U.S. \$1, the approximate rate of exchange as of September 30, 2017. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

Amounts less than one million Japanese yen have been rounded down and amounts less than one million U.S. dollars have been rounded off. As a result, total balances may not be equal to the sum of individual amounts.

Significant Accounting Policies and Practices

1. Scope of Consolidation

- (1) Consolidated Subsidiaries as of September 30, 2017:
- 69 companies
 - Principal Company:
 - Sumitomo Mitsui Trust Bank, Limited
 - ("SuMi TRUST Bank")

Changes in the consolidated subsidiaries during the interim period ended September 30, 2017, are as follows:

Newly established NAMA Investment Partners, Inc. and one other company are included in the scope of consolidation for the interim period ended September 30, 2017.

STB Preferred Capital 3 (Cayman) Limited and three other companies are excluded from the scope of consolidation for the interim period due to their liquidation.

(2) Unconsolidated Subsidiaries

Principal Companies:

Hummingbird Co., Ltd.

ASIA GATEWAY I, L.P.

Hummingbird Co., Ltd. and 30 other companies are excluded from the scope of consolidation in accordance with Article 5, Paragraph 1, Item 2 of "Ordinance on Terminology, Forms and Preparation Methods of Interim Financial Statements, etc.," because those companies are operators engaged in leasing activities through silent partnership arrangements and their assets and profits/losses do not belong to them.

ASIA GATEWAY I, L.P. and other unconsolidated subsidiaries are excluded from the scope of consolidation because they are immaterial to the extent that excluding such companies from consolidation would not prevent a reasonable assessment of the corporate group's financial position and financial results. Such materiality is determined based on the size of their assets, ordinary income, net income (amount corresponding to SuMi TRUST Holdings' interest in subsidiaries), retained earnings (amount corresponding to SuMi TRUST Holdings' interest in subsidiaries), accumulated other comprehensive income (amount corresponding to SuMi TRUST Holdings' interest in subsidiaries), and other financial data.

2. Application of the Equity Method

- (1) Unconsolidated Subsidiaries Accounted for by the Equity Method:
- None

(2) Affiliated Companies Accounted for by the Equity

Method:

24 companies

Principal Companies:

SBI Sumishin Net Bank, Ltd.

Japan Stockholders Data Service Company, Limited

Changes in the affiliated companies accounted for by the equity method during the interim period ended September 30, 2017, are as follows:

BIDV-SuMi TRUST Leasing Co., Ltd. is included in the scope of the application of the equity method due mainly to the acquisition of its shares during the interim period.

(3) Unconsolidated Subsidiaries and Affiliated Companies that are not Accounted for by the Equity Method

Principal Companies:

Hummingbird Co., Ltd.

ASIA GATEWAY I, L.P.

Hummingbird Co., Ltd. and 30 other companies are excluded from the scope of application of the equity method in accordance with Article 7, Paragraph 1, Item 2 of "Ordinance on Terminology, Forms and Preparation Methods of Interim Financial Statements, etc.," because those companies are operators engaged in leasing activities through silent partnership arrangements, and their assets and profits/losses do not belong to the them.

ASIA GATEWAY I, L.P. and other unconsolidated subsidiaries and affiliated companies that are not accounted for by the equity method are excluded from the scope of application of the equity method because such exclusion would not materially affect the interim consolidated financial statements. Such materiality is determined based on the size of their net income (amount corresponding to SuMi TRUST Holdings' interest in subsidiaries and affiliated companies), retained earnings (amount corresponding to SuMi TRUST Holdings' interest in subsidiaries and affiliated companies), accumulated other comprehensive income (amount corresponding to SuMi TRUST Holdings' interest in subsidiaries and affiliated companies), and other financial data.

3. Interim Balance Sheet Dates of the Consolidated Subsidiaries

(1) The interim balance sheet dates of consolidated subsidiaries are as follows:

October 31:	2 companies
November 30:	1 company
February 28:	1 company
March 31:	5 companies
May 31:	1 company
June 30:	10 companies
July 24:	2 companies
July 31:	1 company
September 30:	46 companies

(2) Subsidiaries are consolidated using the interim financial statements as of the following dates:

- Subsidiaries with an interim balance sheet date of October 31: Provisionally prepared interim financial statements as of July 31
- A subsidiary with an interim balance sheet date of November 30: Provisionally prepared interim financial statements as of August 31
- A subsidiary with an interim balance sheet date of February 28: Provisionally prepared interim financial statements as of August 31
- Subsidiaries with an interim balance sheet date of March 31: Provisionally prepared interim financial statements as of September 30
- A subsidiary with an interim balance sheet date of May 31: Provisionally prepared interim financial statements as of August 31
- Subsidiaries with an interim balance sheet date of July 24: Provisionally prepared interim financial statements as of September 30
- Other subsidiaries: Interim financial statements as of their respective interim balance sheet dates.

Material transactions arising between the interim consolidated balance sheet date, September 30, 2017, and the above interim balance sheet dates of consolidated subsidiaries have been reflected in the interim consolidated financial statements.

4. Significant Accounting Policies

(1) Trading Assets/Liabilities and Income/Expenses

Trading account activities are conducted to seek profits by taking advantage of short-term fluctuations in interest rates, currency rates, financial markets or other indicators, or intermarket differences (for trading purposes). The fluctuations in such items are presented as "Trading Assets" or "Trading Liabilities" in the interim consolidated balance sheets on a trade-date basis, and gains and losses from such transactions are presented as "Trading Income" or "Trading Expenses" in the interim consolidated statements of income.

For the measurement of trading assets and trading liabilities, securities and monetary claims are stated at their fair values as of the interim consolidated balance sheet date, and trading-related financial derivatives, such as swaps, futures, and options, are stated at the amounts that would be settled if they were terminated on the interim consolidated balance sheet date.

Trading income and trading expenses include interest income or expenses, adjusting valuation differences of securities and monetary claims during the interim period and differences in resulting gains or losses from the settlement of financial derivatives assuming that the settlement was made in cash as of September 30, 2017.

(2) Securities

(a) Under the accounting standards for financial instruments in Japan, SuMi TRUST Holdings is required to determine the purpose for holding each security and classify such security into (i) securities held for trading purposes ("Trading Securities"), (ii) debt securities intended to be held to maturity ("Held-to-Maturity Debt Securities"), (iii) equity securities issued by subsidiaries and affiliated companies, or (iv) all other securities that are not classified in any of the above categories ("Available-for-Sale Securities"). "Held-to-Maturity Debt Securities" are carried at amortized cost using the moving-average method (the straight-line method). Equity securities issued by unconsolidated subsidiaries and affiliated companies not accounted for by the equity method are stated at moving-average cost. Japanese stocks classified as "Available-for-Sale Securities" are valued at the

average market price during the final month of the interim period (cost of securities sold is calculated using primarily the moving-average method). "Available-for-Sale Securities" other than Japanese stocks are, in principle, valued at the market price at the interim balance sheet date (cost of securities sold is calculated using primarily the moving-average method). "Available-for-Sale Securities" for which their fair values are extremely difficult to be determined are carried at cost using the moving-average method.

Valuation differences on "Available-for-Sale Securities" are recorded as a separate component of net assets and reported in the interim consolidated balance sheets.

(b) Securities in money held in trust are classified and accounted for in the same manner as securities described in 4. (1) and 4. (2) (a) above.

(3) Financial Derivatives

Financial derivatives, excluding those for trading purposes, are stated at fair value.

(4) Depreciation and Amortization Methods

(a) Tangible fixed assets other than lease assets

Tangible fixed assets are depreciated using primarily the straight-line method.

Useful lives of major asset categories:

Buildings: 3 to 60 years

Others: 2 to 20 years

(b) Intangible fixed assets other than lease assets

Intangible fixed assets are amortized using the straight-line method. Software for internal use is amortized over the useful life specified by SuMi TRUST Holdings or the consolidated subsidiaries, which is generally five years.

Goodwill is amortized over a reasonable number of years, determined for each case, up to a maximum of 20 years. However, if immaterial, goodwill is expensed in its entirety in the year in which it arises.

(c) Lease assets

The lease assets under "Tangible Fixed Assets" and "Intangible Fixed Assets" that are related to finance leases that do not transfer ownership of the lease assets to lessees are depreciated using the straight-line method over the lease term, assuming a residual value of zero.

(5) Allowance for Loan Losses

The major domestic consolidated subsidiaries record allowance for loan losses in accordance with internally established criteria for write-offs and allowance for loan losses.

For claims against borrowers that have initiated special liquidation proceedings or other bankruptcy proceedings ("legal bankruptcy") and against borrowers that are in a substantially similar adverse condition ("virtual bankruptcy"), the allowance is provided based on the amount of claims, after the write-off stated below, net of the expected amount of recoveries from collateral and guarantees. For claims against borrowers that have not yet initiated bankruptcy proceedings, but are very likely to become bankrupt in the future ("possible bankruptcy"), an allowance is provided for the amount deemed necessary based on the overall assessment of the borrowers' solvency, after deducting the amount expected to be collected through the disposal of collateral or execution of guarantees from the claims.

For claims against large borrowers with certain credit risks and credit amounts that are classified as possible bankruptcy borrowers, restructured loan borrowers, or close-observation borrowers, if future cash flows from the collection of the principal and interest can be reasonably estimated, the allowance is provided for the difference between the present value of expected future cash flows discounted at the contracted interest rate prior to the loan restructuring and the carrying amount of the claim (the "estimated cash flow method").

For claims that are classified as other than those above, the allowance is provided based on the historical loan-loss ratios during a certain period.

All claims are assessed at branches and credit supervision departments based on the criteria for self-assessment of asset quality. The Risk Management Department, which is independent from operating sections, monitors the results of such assessments.

As for the other consolidated subsidiaries, the allowance for loan losses for general claims is provided based on the historical loan-loss ratios, and the allowance for loan losses for specific claims, such as possible uncollectible claims, is provided based on the estimate of unrecoverable amount for each claim.

For claims against borrowers who are legally bankrupt or virtually bankrupt with collateral or guarantees, claims against borrowers in legal or virtual bankruptcy, net of amounts expected to be collected through the disposal of collateral or through the execution of guarantees, are directly deducted from the original amount of claims. The deducted amount was ¥18,804 million (U.S. \$167 million) for the six months ended September 30, 2017.

(6) Provision for Bonuses

A provision for bonuses is provided for the estimated employee bonuses attributable to the current interim period.

(7) Provision for Directors' Bonuses

A provision for directors' bonuses is provided at some of the consolidated subsidiaries for the estimated directors' bonuses attributable to the current interim period.

(8) Provision for Reward Points Program

A provision for reward points program is provided for the use of points granted to holders of the Diners Club Card and other credit cards in the amount deemed necessary based on the estimated points to be used in the future.

(9) Provision for Reimbursement of Deposits in Dormant Accounts

At SuMi TRUST Bank, a provision for reimbursement of deposits in dormant accounts is provided for the deposits that were derecognized as liabilities under certain conditions. Such provision is provided against the estimated future reimbursement to be requested by customers based on the past reimbursement record.

(10) Provision for Contingent Losses

A provision for contingent losses is provided for losses associated with off-balance-sheet transactions and trust transactions in the amount deemed necessary based on the estimated possible future losses.

(11) Accounting for Retirement Benefits

In determining the retirement benefit obligations, SuMi TRUST Bank and some consolidated subsidiaries apply the method to attribute projected benefits to the interim period ended September 30, 2017, under the plan's benefit formula. Past service cost and actuarial gains or losses are expensed using the following methods:

Past service cost:

Past service cost is recognized using the straight-line method, primarily over 10 years, within the employees' average remaining service period at incurrence.

Actuarial gains or losses:

Actuarial differences are expensed using the straight-line method, primarily over 10 years, within the employees' average remaining service period, commencing from the next fiscal year of incurrence.

Some consolidated subsidiaries adopted the computational shortcut method in calculating liabilities for retirement benefits and retirement benefit expenses for lump-sum retirement benefit plans, recording liabilities at amounts to be required for voluntary termination at the end of the current interim period.

(12) Foreign Currency Translation

Assets and liabilities of SuMi TRUST Bank that are denominated in foreign currencies and overseas branch accounts are generally translated into yen at the exchange rates prevailing at the interim consolidated balance sheet date, except for shares of stocks in affiliated companies translated into yen at the exchange rates prevailing at the acquisition dates.

Assets and liabilities of other consolidated subsidiaries that are denominated in foreign currencies are translated into yen at the exchange rates prevailing at their respective interim balance sheet dates.

(13) Accounting for Leases

As for the consolidated subsidiaries in Japan, income and expenses arising from transactions of finance leases that do not transfer ownership to lessees are recognized as sales and costs of goods sold when lease payments are collected.

(14) Hedge Accounting

(a) Interest-related risk hedge

SuMi TRUST Bank manages interest rate risk arising from various assets and liabilities by using financial derivative transactions. Such transactions are generally treated as deferred hedges as specified in "Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry" (Japanese Institute of Certified Public Accountants ("JICPA") Industry Auditing Committee Report No. 24 of February 13, 2002, "Report No. 24"). To evaluate the effectiveness of hedges designed to offset market fluctuations, hedged items, such as deposits, loans and bills discounted, and hedging instruments, such as interest rate swaps, are grouped by duration to maturity. The effectiveness of hedges designed to fix cash flow is evaluated by verifying the correlation between the interest volatility factors for the hedged items and those for the hedging instruments.

In accordance with "Temporary Treatment for Accounting and Auditing concerning Application of Accounting Standard for Financial Instruments in Banking Industry" (JICPA Industry Auditing Committee Report No. 15), SuMi TRUST Bank has adopted "Macro Hedge Accounting" to account for certain interest-related derivatives, which are utilized to manage interest rate risk arising from transactions, such as loans and bills discounted, and deposits. Deferred gains (losses) on hedges in the interim consolidated balance sheet as of the end of the current interim period that have resulted from existing "Macro Hedge Accounting" are amortized over the remaining period designated under "Macro Hedge Accounting" for each hedging transaction.

Deferred losses on hedges associated with "Macro Hedge Accounting" during the current interim period ended September 30, 2017, totaled ¥114 million (U.S. \$1 million) (before tax effect).

(b) Currency-related risk hedge

SuMi TRUST Bank manages the foreign exchange risk arising from various assets and liabilities denominated in foreign currencies using financial derivative transactions. Such transactions are generally treated as deferred hedges as specified in "Treatment for Accounting and Auditing of Application of Accounting Standard for Foreign Currency Transactions in Banking Industry" (JICPA Industry Auditing Committee Report No. 25 of July 29, 2002, "Report No. 25"). The effectiveness of hedging instruments, such as cross-currency swaps and foreign exchange swaps, as a means of mitigating the foreign exchange risk arising from monetary claims and debts denominated in foreign currencies, is evaluated by verifying that the foreign currency positions of such hedging instruments are in amounts equivalent to the corresponding monetary claims and debts denominated in foreign currencies, which are the hedged items.

Additionally, transactions intended to hedge the foreign exchange risk associated with foreign currency-denominated securities (other than bonds) are treated as portfolio hedges. Fair value hedge accounting has been adopted to account for such transactions on the conditions that specific foreign currency-denominated securities are designated in advance as hedged items and that forward obligations exist in excess of the acquisition cost of such foreign currency-denominated securities on a foreign currency basis.

The foreign exchange risk associated with the investment in the shares of stocks of foreign subsidiaries and affiliated companies is individually hedged using forward exchange contracts denominated in the same currency, and foreign currency translation adjustments arising from the hedging instruments are included in "Foreign Currency Translation Adjustments."

(c) Stock-related risk hedge

SuMi TRUST Bank manages the risk of fluctuations in underlying stock prices of some "Available-for-Sale Securities" using financial derivative transactions. Such transactions are generally treated as fair value hedges and the effectiveness of those hedges is evaluated individually by a ratio analysis, i.e., a comparison of the hedged item with the changes in the fair values of the corresponding hedging instrument.

(d) Internal hedge transactions and others

Among derivative transactions of SuMi TRUST Bank that take place between consolidated subsidiaries or designated trading accounts and some other accounts, those interest rate swaps and cross-currency swaps designated as hedging instruments are carried out in accordance with standards for cover deals with external parties, which eliminate discretion and enable strict management on hedges pursuant to Report No. 24 and Report No. 25. Accordingly, income or expenses arising from such interest rate swaps and cross-currency swaps are recognized as profits or losses, or deferred, rather than eliminated.

Deferred hedge accounting has been adopted for certain assets and liabilities by individual transactions.

Other consolidated subsidiaries account for such transactions as deferred hedges or exceptional treatment for interest rate swaps by individual transactions.

(15) Scope of Cash and Cash Equivalents in the Interim Consolidated Statements of Cash Flows

The balance of "Cash and Cash Equivalents" in the interim consolidated statements of cash flows is equivalent to the balance of "Cash and Due from Banks" presented in the interim consolidated balance sheets (cash and due from the Bank of Japan for SuMi TRUST BANK and Japan Trustee Services Bank, Ltd. ("JTSB")).

(16) National and Local Consumption Taxes

National and local consumption taxes ("consumption taxes") payable by SuMi TRUST Holdings and its consolidated subsidiaries in Japan are accounted for by the tax-excluded method. However, any nondeductible consumption taxes associated with asset purchases are recorded as expenses in the current interim period.

Notes to the Interim Consolidated Balance Sheet

1. Securities

"Securities" include stocks and equity investments in unconsolidated subsidiaries and affiliated companies.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Stocks	¥ 88,888	\$ 788
Equity Investments	21,266	189

Unsecured securities borrowed under loan agreements and securities purchased under resale agreements and borrowing transactions with cash collateral that SuMi TRUST Holdings is permitted to sell or repledge.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Securities that are Further Collateralized	¥ 15,538	\$ 138
Securities that are Further Loaned	924,544	8,201
Securities Held without Selling or Repledging as of the End of the Current Period	64,986	576

2. Loans and Bills Discounted

Loans and bills discounted as of September 30, 2017, consist of the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Loans in Bankruptcy Proceedings	¥ 6,394	\$ 57
Other Delinquent Loans	49,292	437

Loans in bankruptcy proceedings are loans whose interest receivable is not recorded due to delinquency in principal or interest payments for a significant period or other reasons excluding loans that have been written off ("nonaccrual loans") and due to the reasons as prescribed in Paragraph 1, Items 3 and 4 of Article 96 of "Enforcement Ordinance for the Corporation Tax Act" (Cabinet Order No. 97 of 1965).

Other delinquent loans are nonaccrual loans other than (i) loans in bankruptcy proceedings and (ii) loans for which the terms of interest payments have been extended in connection with the borrower's business restructuring or to otherwise provide support.

3. Loans Past Due Three Months or More

There are no loans past due three months or more as of September 30, 2017.

Loans past due three months or more are those loans for which principal or interest payments are more than three months past due (calculated from the day following the contractual payment date), excluding loans classified as loans in bankruptcy proceedings or other delinquent loans.

4. Restructured Loans

Restructured loans as of September 30, 2017, consist of the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Restructured Loans	¥ 27,225	\$ 241

Restructured loans are those loans whose terms have been modified by reducing or waiving interest, granting interest payment extensions, granting principal repayment extensions, forgiving debt, or otherwise providing some arrangements favorable to the borrower in connection with the borrower's business restructuring or to otherwise provide support, excluding those loans classified as loans in bankruptcy proceedings, other delinquent loans, or loans past due three months or more.

5. Total of Bankruptcy, Delinquent Loans, Loans Past Due Three Months or More, and Restructured Loans

Total of bankruptcy, delinquent loans, loans past due three months or more, and restructured loans as of September 30, 2017, consists of the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Total of Bankruptcy, Delinquent Loans, Loans Past Due Three Months or More, and Restructured Loans	¥ 82,911	\$ 735

The amounts presented in Notes 2 through 5 are before deducting allowances for loan losses.

6. Bills Discounted

Bills discounted are treated as financial transactions in accordance with Report No. 24. SuMi TRUST Holdings has a right to freely sell or (re)pledge such commercial bills. The total face value of such bills is as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Bills Discounted	¥ 2,426	\$ 22

7. Assets Pledged as Collateral

Assets pledged as collateral as of September 30, 2017, consist of the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Assets Pledged as Collateral:		
Trading Assets	¥ 6,634	\$ 59
Securities	1,004,966	8,914
Loans and Bills Discounted	5,560,139	49,318
Other Assets	287,171	2,547
Total	¥ 6,858,911	\$ 60,838
Corresponding Liabilities to Assets Pledged as Collateral:		
Deposits	¥ 19,009	\$ 169
Payables under Repurchase Agreements	1,115,458	9,894
Payables under Securities Lending Transactions	11,881	105
Borrowed Money	3,109,980	27,585

In addition to the foregoing, the following assets have been pledged as collateral for settlement of exchange and others, or as a substitution of margin of futures and others.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Securities	¥ 517,886	\$ 4,594
Loans and Bills Discounted	198,176	1,758

“Other Assets” include initial margins of futures, security deposits, and cash collateral paid for financial instruments. Such amounts are as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Initial Margins of Futures Markets	¥ 7,030	\$ 62
Security Deposits	40,441	359
Cash Collateral Pledged for Financial Instruments-Assets	681,145	6,042

8. Overdraft Facility Agreements and Commitment Lines of Credit

Overdraft facility agreements and committed lines of credit are agreements to extend a certain amount of credit at the customer’s request as long as the terms of the agreement have not been violated. The amount of unused credit under such agreements is as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Amount of Unused Credit under such Agreements	¥12,430,940	\$110,262
Attributable to Agreements Expiring within One Year or which May Be Unconditionally Canceled at Any Time	8,513,830	75,517

The balance of unused credit will not necessarily affect the future cash flows of the consolidated subsidiaries because most of these agreements expire without credit being extended. Most of these agreements contain clauses allowing the consolidated subsidiaries to reject requests for credit outright or reduce the credit limits due to changes in financial circumstances, the need to preserve claims, or other reasonable causes. Besides requesting collateral, such as real estate or securities, as necessary at the time of entering into the agreement, SuMi TRUST Holdings has also adopted other measures to keep its credit sound, such as periodically assessing the condition of customers’ businesses following internal procedures and revising agreements, as necessary.

9. Revaluation Reserve for Land

In accordance with the Act on Revaluation of Land (Act No. 34, promulgated on March 31, 1998), land for commercial use of SuMi TRUST Bank was revalued, and the amount equivalent to the taxes on the resulting valuation difference was recorded as a “Deferred Tax Liability for Land Revaluation” in liabilities, and the amount net of such differences was recorded as a “Revaluation Reserve for Land” in net assets.

Revaluation date: March 31, 1999

Revaluation method prescribed by Paragraph 3 of Article 3 of the Act:

The revaluation is calculated by reasonably adjusting the value of land based on the posted prices for benchmark properties as prescribed by Item 1 of Article 2 of the “Order for Enforcement of the Act on Revaluation of Land” (Cabinet Order No. 119, promulgated on March 31, 1998) and the land assessments under Item 4 of Article 2 of the same Order.

10. Accumulated Depreciation of Tangible Fixed Assets

Accumulated depreciation of tangible fixed assets as of September 30, 2017, consists of the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Accumulated Depreciation of Tangible Fixed Assets	¥ 145,536	\$ 1,291

11. Borrowed Money

Borrowed money includes subordinated borrowings with lower priority for fulfillment of obligation than other debts.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Subordinated Borrowings	¥ 105,000	\$ 931
Subordinated Borrowings with a Debt Relief Clause at the Contractual Point of Non-Viability	10,000	89

12. Bonds Payable

Bonds payable includes subordinated bonds.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Subordinated Bonds	¥ 761,470	\$ 6,754
Subordinated Bonds with a Debt Relief Clause at the Contractual Point of Non-Viability	460,000	4,080

13. Guarantee Obligations on Corporate Bonds Placed through Private Securities Offerings

The bonds presented under "Securities" include guarantee obligations on corporate bonds that were placed through private securities offerings (Article 2, Paragraph 3 of the Financial Instruments and Exchange Act).

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Guarantee Obligations on Corporate Bonds Placed through Private Securities Offerings	¥ 111,829	\$ 992

14. Principal of Guaranteed Trust Accounts

The principal amount of the trusts held by SuMi TRUST Bank through guaranteed trust agreements is as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Money Trusts	¥ 3,345,219	\$ 29,672
Loan Trusts	9,769	87

Notes to the Interim Consolidated Statement of Income

1. Other Income

Other income for the six months ended September 30, 2017, consists of the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Gain on Sales of Stocks and Other Securities	¥ 10,530	\$ 93
Reversal of Allowance for Loan Losses	5,168	46

2. General and Administrative Expenses

General and administrative expenses for the six months ended September 30, 2017, consist of the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Salaries and Allowances	¥ 87,152	\$ 773

3. Other Expenses

Other expenses for the six months ended September 30, 2017, consist of the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Expenses on Stock-Related Derivatives	¥ 1,306	\$ 12
Losses on Investment in Partnerships	1,284	11
Losses on Devaluation of Stocks and Other Securities	0	0

Notes to the Interim Consolidated Statement of Changes in Net Assets

1. Class and Number of Issued Shares of Common Stock and Treasury Stock

The class and number of issued shares of common stock and treasury stock for the six months ended September 30, 2017, consist of the following:

	Thousands of Shares				Number of Shares Outstanding at the End of the Current Period
	Authorized	Number of Shares Outstanding at the Beginning of the Current Period	Increase	Decrease	
For the Six Months Ended September 30, 2017					
Number of Issued Shares:					
Common Share	850,000	390,348	—	—	390,348
Treasury Stock:					
Common Share		7,810	2,004 ¹⁾	2 ²⁾	9,811

(Notes)

1) The number of shares of common stock held as treasury stock increased by 4 thousand shares due to the purchase of odd-lot or less than one thousand shares and by 2,000 thousand shares due to the acquisition of treasury stock, which was resolved at the meeting of the Board of Directors held on July 27, 2017.

2) The number of shares of common stock held as treasury stock decreased by 0 thousand shares due to purchase requests from odd-lot or less than one thousand shareholders and by 2 thousand shares due to the transfer of shares upon exercise of stock option rights.

2. Subscription Rights to Shares

Subscription rights to shares for the six months ended September 30, 2017, consist of the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
SuMi TRUST Holdings		
Subscription Rights to Shares as Stock Options	¥ 803	\$ 7
Consolidated Subsidiary (Nikko Asset Management Co., Ltd.)		
Subscription Rights to Shares as Stock Options	—	—

3. Dividends

(1) Dividends paid for the six months ended September 30, 2017, consist of the following:

Resolution	Type of Shares	Cash Dividends Declared	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen (Millions of U.S. Dollars)	Yen (U.S. Dollars)		
June 29, 2017					
Ordinary General Meeting of Shareholders	Common Share	¥ 24,864 (\$221)	¥ 65.00 (\$0.58)	March 31, 2017	June 30, 2017

(2) Dividends with a record date during the current interim period ended September 30, 2017, but whose effective date is after September 30, 2017, are as follows:

Resolution	Type of Shares	Cash Dividends Declared	Dividend Resource	Cash Dividends per Share	Record Date	Effective Date
		Millions of Yen (Millions of U.S. Dollars)		Yen (U.S. Dollars)		
November 14, 2017						
Board of Directors' Meeting	Common Share	¥ 24,734 (\$219)	Retained Earnings	¥ 65.00 (\$0.58)	September 30, 2017	December 4, 2017

Note to the Interim Consolidated Statement of Cash Flows

1. Reconciliation of Cash and Cash Equivalents

The following table reconciles cash and cash equivalents in the interim consolidated statements of cash flows and cash and due from banks in the interim consolidated balance sheets as of September 30, 2017.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Cash and Due from Banks	¥ 26,142,143	\$ 231,880
Due from Consolidated Subsidiaries in Japan Involving in Trust Banking Business (excluding Due from the Bank of Japan)	(2,375,763)	(21,073)
Cash and Cash Equivalents	¥ 23,766,379	\$ 210,807

Leases

1. Finance Leases

As a lessee:

Finance leases that do not transfer ownership of the lease assets to lessees

1) Description of lease assets

i) Tangible fixed assets

Mainly store buildings and office equipment

ii) Intangible fixed assets

Software

2) Method for depreciating and amortizing lease assets

Refer to "(4) Depreciation and Amortization Methods" of "4. Significant Accounting Policies" in the Significant Accounting Policies and Practices.

2. Operating Leases

As a lessee:

Total future lease payments under non-cancelable operating leases as of September 30, 2017, are as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Due in One Year or Less	¥ 2,259	\$ 20
Due in More than One Year	8,672	77
Total	¥ 10,931	\$ 97

As a lessor:

Total future lease payments under non-cancelable operating leases as of September 30, 2017, are as follows:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Due in One Year or Less	¥ 1,480	\$ 13
Due in More than One Year	1,182	10
Total	¥ 2,662	\$ 24

Financial Instruments

Fair Values of Financial Instruments

The carrying amounts on the interim consolidated balance sheets and fair values of financial instruments as of September 30, 2017, as well as the differences between these values are presented below. The fair values of unlisted shares are excluded from the following table, because such fair values are extremely difficult to be determined (See Note 2).

	Millions of Yen			Millions of U.S. Dollars		
	Sep. 30, 2017			Sep. 30, 2017		
	Carrying Amount	Fair Value	Difference	Carrying Amount	Fair Value	Difference
(1) Cash and Due from Banks (*1)	¥ 26,142,044	¥ 26,142,044	¥ —	\$ 231,879	\$ 231,879	\$ —
(2) Call Loans and Bills Bought	159,904	159,904	—	1,418	1,418	—
(3) Receivables under Resale Agreements	75,310	75,310	—	668	668	—
(4) Receivables under Securities Borrowing Transactions	631,532	631,532	—	5,602	5,602	—
(5) Monetary Claims Bought (*1)	726,476	727,260	783	6,444	6,451	7
(6) Trading Assets Trading Securities	117,555	117,555	—	1,043	1,043	—
(7) Money Held in Trust	1,390	1,390	—	12	12	—
(8) Securities Held-to-Maturity Debt Securities	201,240	223,821	22,581	1,785	1,985	200
Available-for-Sale Securities	4,777,802	4,777,802	—	42,379	42,379	—
(9) Loans and Bills Discounted Allowance for Loan Losses (*2)	28,342,609 (93,847)			251,398 (832)		
	28,248,761	28,499,677	250,915	250,566	252,791	2,226
(10) Foreign Exchanges	32,772	32,772	—	291	291	—
(11) Lease Receivables and Investment Assets (*1)	684,650	695,122	10,472	6,073	6,166	93
Total Assets	¥ 61,799,441	¥ 62,084,194	¥ 284,753	\$ 548,159	\$ 550,685	\$ 2,526
(1) Deposits	¥ 35,044,955	¥ 35,078,101	¥ 33,145	\$ 310,848	\$ 311,142	\$ 294
(2) Negotiable Certificates of Deposit	6,966,238	6,966,238	—	61,790	61,790	—
(3) Call Money and Bills Sold	1,363,588	1,363,588	—	12,095	12,095	—
(4) Payables under Repurchase Agreements	1,624,326	1,624,326	—	14,408	14,408	—
(5) Payables under Securities Lending Transactions	11,881	11,881	—	105	105	—
(6) Borrowed Money	4,591,776	4,597,409	5,633	40,729	40,779	50
(7) Foreign Exchanges	358	358	—	3	3	—
(8) Short-Term Bonds Payable	695,138	695,138	—	6,166	6,166	—
(9) Bonds Payable	1,560,962	1,595,090	34,127	13,846	14,148	303
(10) Borrowed Money from Trust Account	8,750,039	8,750,039	—	77,613	77,613	—
Total Liabilities	¥ 60,609,267	¥ 60,682,173	¥ 72,906	\$ 537,602	\$ 538,249	\$ 647
Derivative Transactions (*3)						
Derivative Transactions Not Qualifying for Hedge Accounting	¥ 147,439	¥ 147,439	¥ —	\$ 1,308	\$ 1,308	\$ —
Derivative Transactions Qualifying for Hedge Accounting	(64,514)	(64,514)	—	(572)	(572)	—
Total Derivative Transactions	¥ 82,924	¥ 82,924	¥ —	\$ 736	\$ 736	\$ —

(*1) The allowance for credit losses corresponding to "Cash and Due from Banks," "Monetary Claims Bought," and "Lease Receivables and Investment Assets" is directly deducted from the carrying amounts on the interim consolidated balance sheets, because the balance of the allowance is immaterial.

(*2) A general allowance for loan losses and specific allowances for loan losses are deducted from "Loans and Bills Discounted."

(*3) Derivative transactions recorded in "Trading Assets" and "Trading Liabilities" or in "Other Assets" and "Other Liabilities" are presented collectively. Receivables and payables arising from derivative transactions are presented on a net basis. Negative figures represent a liability balance after netting.

(Note 1) Method for Calculating Fair Values of Financial Instruments

Assets

(1) Cash and Due from Banks, (2) Call Loans and Bills Bought, (3) Receivables under Resale Agreements, (4) Receivables under Securities Borrowing Transactions, and (10) Foreign Exchanges

These instruments with transactions without stated maturities are stated at their carrying amounts because the carrying amounts approximate fair value. For transactions with stated maturities, corresponding instruments are stated at their carrying amounts because most of such transactions have short contractual terms (one year or less) and the carrying amounts approximate fair value.

(5) Monetary Claims Bought

Monetary claims bought at counterparties' quoted prices or dealer/broker-quoted prices are stated at such prices. Fair values for all other such claims are calculated by classifying them according to their internal ratings and maturities and discounting future cash flows to their present values.

(6) Trading Assets

Bonds and other securities held for trading purposes are stated at dealers association prices or counterparties' quoted prices. For short-term corporate bonds, their fair values are calculated by discounting future cash flows to their present values.

(7) Money Held in Trust

Securities managed as trust assets in money held in trust, which are individually managed with the principal objective of securities portfolio management, are stated at quoted market prices or dealer/broker-quoted prices. Notes regarding money held in trust by holding purposes are presented under the "Money Held in Trust" section.

(8) Securities

Stocks are stated at quoted market prices. Bonds are stated at quoted market prices, dealer association prices, counterparties' quoted prices, or dealer/broker-quoted prices. Investment trusts are stated at published reference prices.

Fair values of privately placed bonds guaranteed by SuMi TRUST Bank are calculated by classifying them according to their internal ratings and maturities, and discounting future cash flows to their present value.

Notes regarding securities by holding purposes are presented under the "Securities" section.

(9) Loans and Bills Discounted

Fair values of loans and bills discounted are calculated by grouping loans according to loan terms, internal ratings, and maturities; and discounting the aggregate principal and interest by the assumed interest rate for similar new loans. However, variable-rate loans for which their carrying amounts are deemed to approximate fair value, due to the nature of the loan or the borrower's credit situation subsequent to the execution of the loans, are stated at their carrying amounts.

For claims executed to borrowers who went into legal bankruptcy, virtual bankruptcy, and possible bankruptcy, estimated loan losses are calculated based on the present value of estimated future cash flows or the expected recoverable amounts from collateral or guarantees. Therefore, fair values for these claims are stated at the amounts by deducting the allowance for loan losses from the amounts in the interim consolidated balance sheets at the interim consolidated balance sheet date, because such deducted amounts approximate fair value.

Loans without stated maturities (as the amount of credit is limited to the value of the collateral or due to some other special characteristics) are stated at their carrying amounts as the carrying amounts are deemed to approximate fair value because of the expected repayment periods and the interest terms.

(11) Lease Receivables and Lease Investment Assets

Fair values of lease receivables and investment assets are calculated by grouping these assets according to their internal ratings and maturities, and discounting the aggregate principal and interest by the assumed interest rate for similar new agreements.

Liabilities**(1) Deposits and (2) Negotiable Certificates of Deposit**

Demand deposits are stated at the amount that would have to be paid on demand at the interim consolidated balance sheet date (carrying amount).

Yen fixed-rate time deposits are grouped by product type and stated at the present value of their future cash flows discounted by the rates that would be paid on new deposits. Fixed-rate time deposits with short maturities (one year or less) and floating-rate time deposits are generally stated at their carrying amounts because the carrying amounts approximate fair value.

(3) Call Money and Bills Sold, (4) Payables under Repurchase Agreements, (5) Payables under Securities Lending Transactions, (7) Foreign Exchanges, (8) Short-Term Bonds Payable, and (10) Borrowed Money from Trust Accounts

The obligations without stated maturities are stated at the amounts that would have to be paid on demand at the interim consolidated balance sheet date (carrying amount). Obligations with stated maturities are stated at their carrying amounts, because they have short contractual terms (one year or less) and the carrying amounts approximate the fair values.

(Note 2) The amounts of financial instruments on the interim consolidated balance sheets whose fair values are extremely difficult to be determined are as stated below, and such amounts are not included in the market value information for financial instruments presented under the "Assets, (5) Monetary Claims Bought" or "Assets, (8) Available-for-Sale Securities" section.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
	Carrying Amount	Carrying Amount
Monetary Claims Bought	¥ 20,644	\$ 183
Securities	145,193	1,288
Unlisted Stocks (*3)	73,603	653
Investments in Associations	59,497	528
Others (*3)	12,092	107
Total	¥ 165,838	\$ 1,471

(*1) The above financial instruments are excluded from the fair value disclosure because there are no quoted market prices, and therefore, there is no reliable measure of fair value.

(*2) Stocks in subsidiaries and affiliated companies are not included in the above table.

(*3) During the current interim period ended September 30, 2017, impairment losses of ¥0 million (U.S. \$0 million) were recognized for "Others."

(6) Borrowed Money

Borrowed money at variable rates is stated at their carrying amounts. The carrying amounts are deemed to approximate fair value because such amounts reflect short-term market interest rates, and there have been no significant changes in credit condition subsequent to undertaking the borrowed money.

Fair values of borrowed money at fixed rates are calculated by discounting their future cash flows by the assumed interest rate on similar borrowings. Fair values for obligations with short maturities (one year or less) are stated at their carrying amounts because they approximate fair value.

(9) Bonds Payable

Bonds issued by SuMi TRUST Holdings and its consolidated subsidiaries are stated at market prices, if such prices are available. Fair values for other bonds are calculated by discounting future cash flows to their present values by the assumed interest rate on issuance of similar bonds.

Derivatives

Notes regarding fair values of derivatives are presented under the "Derivatives" section.

Securities

- *1. In addition to the "Securities" presented in the interim consolidated balance sheets, the following information includes loan-backed trust deeds reported under "Monetary Claims Bought."
- *2. "Stocks in Subsidiaries and Affiliated Companies" are presented as a note to the interim financial statements.

1. Held-to-Maturity Securities with Fair Value

Held-to-maturity securities with fair value as of September 30, 2017, consist of the following:

September 30, 2017	Millions of Yen		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	¥ 123,492	¥ 143,371	¥ 19,879
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	29,000	29,411	411
Other Securities	131,222	133,630	2,408
Foreign Bonds	45,948	48,242	2,293
Others	85,273	85,388	114
Subtotal	283,715	306,413	22,698
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	¥ —	¥ —	¥ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Securities	2,798	2,796	(2)
Foreign Bonds	2,798	2,796	(2)
Others	—	—	—
Subtotal	2,798	2,796	(2)
Total	¥ 286,513	¥ 309,210	¥ 22,696

September 30, 2017	Millions of U.S. Dollars		
	Carrying Amount	Fair Value	Difference
Securities for which Fair Value Exceeds Carrying Amount			
Government Bonds	\$ 1,095	\$ 1,272	\$ 176
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	257	261	4
Other Securities	1,164	1,185	21
Foreign Bonds	408	428	20
Others	756	757	1
Subtotal	2,517	2,718	201
Securities for which Fair Value Does Not Exceed Carrying Amount			
Government Bonds	\$ —	\$ —	\$ —
Local Government Bonds	—	—	—
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other Securities	25	25	(0)
Foreign Bonds	25	25	(0)
Others	—	—	—
Subtotal	25	25	(0)
Total	\$ 2,541	\$ 2,743	\$ 201

2. Available-for-Sale Securities

Available-for-sale securities as of September 30, 2017, consist of the following:

September 30, 2017	Millions of Yen		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	¥ 1,396,394	¥ 568,271	¥ 828,122
Bonds	721,524	718,179	3,345
Government Bonds	238,019	237,956	62
Local Government Bonds	1,806	1,792	14
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	481,699	478,430	3,268
Other Securities	723,749	705,701	18,048
Foreign Stocks	16,604	13,931	2,672
Foreign Bonds	512,415	507,994	4,420
Others	194,730	183,774	10,955
Subtotal	2,841,668	1,992,152	849,516
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	¥ 75,570	¥ 86,091	¥ (10,520)
Bonds	155,904	156,380	(475)
Government Bonds	15,033	15,044	(10)
Local Government Bonds	3,002	3,032	(29)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	137,867	138,303	(436)
Other Securities	1,739,685	1,869,145	(129,460)
Foreign Stocks	1	1	—
Foreign Bonds	921,486	937,613	(16,127)
Others	818,196	931,530	(113,333)
Subtotal	1,971,160	2,111,617	(140,457)
Total	¥ 4,812,828	¥ 4,103,769	¥ 709,059

September 30, 2017	Millions of U.S. Dollars		
	Carrying Amount	Acquisition Cost	Difference
Securities for which Carrying Amount Exceeds Acquisition Cost			
Stocks	\$ 12,386	\$ 5,041	\$ 7,345
Bonds	6,400	6,370	30
Government Bonds	2,111	2,111	1
Local Government Bonds	16	16	0
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	4,273	4,244	29
Other Securities	6,420	6,260	160
Foreign Stocks	147	124	24
Foreign Bonds	4,545	4,506	39
Others	1,727	1,630	97
Subtotal	25,206	17,670	7,535
Securities for which Carrying Amount Does Not Exceed Acquisition Cost			
Stocks	\$ 670	\$ 764	\$ (93)
Bonds	1,383	1,387	(4)
Government Bonds	133	133	(0)
Local Government Bonds	27	27	(0)
Short-Term Corporate Bonds	—	—	—
Corporate Bonds	1,223	1,227	(4)
Other Securities	15,431	16,579	(1,148)
Foreign Stocks	0	0	—
Foreign Bonds	8,174	8,317	(143)
Others	7,257	8,263	(1,005)
Subtotal	17,484	18,730	(1,246)
Total	\$ 42,690	\$ 36,400	\$ 6,289

3. Impairment of Securities

Securities other than securities whose fair values are extremely difficult to be determined, or those deemed to be trading securities, are treated as impaired when their fair values have declined significantly from the acquisition cost and it is deemed unlikely to recover the acquisition cost. Such securities are recorded at their fair values in the interim consolidated balance sheets. The difference between the acquisition cost and the fair values is recognized as an impairment loss.

Impairment losses on securities were not recognized during the current interim period.

The criteria for determining whether the fair values of securities have significantly declined are as follows:

For securities whose issuers are classified as "normal" under the asset self-assessment, a decline of 50% or more in the fair values compared with the acquisition cost; for securities whose issuers are classified as "close-observation borrowers," a decline of 30% or more in the fair values compared with the acquisition cost. In addition, the fair values of some securities are deemed unrecoverable and impairment losses are recognized when their fair values have declined more than 30% but less than 50% from the acquisition cost and the fair values have continued to decline over a certain period.

Money Held in Trust

1. Held-to-Maturity Money Held in Trust

There is no held-to-maturity money held in trust as of September 30, 2017.

2. Other Money Held in Trust (other than those held for trading purposes or held-to-maturity)

Other money held in trust (other than those held for trading purposes or held-to-maturity) as of September 30, 2017, consists of the following:

September 30, 2017	Millions of Yen				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
Other Money Held in Trust	¥ 1,490	¥ 1,071	¥ 418	¥ 418	¥ —

September 30, 2017	Millions of U.S. Dollars				
	Carrying Amount	Acquisition Cost	Difference	Positive Difference	Negative Difference
Other Money Held in Trust	\$ 13	\$ 10	\$ 4	\$ 4	\$ —

(Note) The amount of "Difference" is net of "Positive Difference" and "Negative Difference."

Valuation Differences on Available-for-Sale Securities

The following table shows components of "Valuation Differences on Available-for-Sale Securities" in the interim consolidated balance sheets.

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Valuation Differences		
Available-for-Sale Securities	¥ 708,761	\$ 6,287
Other Money Held in Trust	418	4
Total Valuation Differences	709,180	6,290
Amount Equivalent to Deferred Tax Assets (Liabilities)	(214,820)	(1,905)
Total (before Adjustment for Non-Controlling Interests and Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies)	494,359	4,385
Non-Controlling Interests	(324)	(3)
Parent Company's Portions in Available-for-Sale Securities Owned by its Affiliated Companies	1,628	14
Valuation Differences on Available-for-Sale Securities	¥ 495,663	\$ 4,397

(Notes)

1) Foreign currency translation adjustments on available-for-sale securities, for which fair values are extremely difficult to be determined, are included in the "Available-for-Sale Securities" under "Valuation Differences."

2) The valuation difference of ¥790 million (U.S. \$7 million) on available-for-sale securities composing assets held by associated companies is included in "Available-for-Sale Securities" under "Valuation Differences."

3) The unamortized portion of valuation difference as of the interim consolidated balance sheet date arising from the reclassification of the holding purpose of securities is included in "Available-for-Sale Securities" under "Valuation Differences."

Derivatives

1. Derivative Transactions Not Qualifying for Hedge Accounting

Derivative transactions not qualifying for hedge accounting are grouped by type of underlying transaction. The notional amounts (or the amount equivalent to the principal specified in the contracts), the fair values, and the valuation differences as of the interim consolidated balance sheet date, as well as the methods for determining such fair values are presented below. The notional amounts do not reflect the market risk associated with the derivatives.

(1) Interest-Related Transactions

Interest-related transactions not qualifying for hedge accounting as of September 30, 2017, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2017				Sep. 30, 2017			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
Listed								
Interest Futures								
Sold	¥ 64,377,366	¥ 32,182,644	¥ 15,487	¥ 15,487	\$ 571,025	\$ 285,459	\$ 137	\$ 137
Purchased	62,993,084	30,646,426	(15,864)	(15,864)	558,747	271,833	(141)	(141)
Interest Options								
Sold	4,369,672	182,635	(610)	(14)	38,759	1,620	(5)	(0)
Purchased	3,124,195	84,696	647	65	27,712	751	6	1
OTC								
Forward Rate Agreements								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Interest Rate Swaps								
Fixed Interest Rate Receivable/ Floating Interest Rate Payable	78,607,149	65,278,972	1,140,821	1,140,821	697,243	579,022	10,119	10,119
Floating Interest Rate Receivable/ Fixed Interest Rate Payable	76,816,087	61,936,304	(1,114,379)	(1,114,379)	681,356	549,373	(9,885)	(9,885)
Floating Interest Rate Receivable/ Floating Interest Rate Payable	21,835,616	16,010,832	1,168	1,168	193,681	142,016	10	10
Interest Options								
Sold	5,700,116	5,641,278	(2,627)	17,774	50,560	50,038	(23)	158
Purchased	2,861,418	2,800,172	15,788	6,981	25,381	24,837	140	62
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 40,431	¥ 52,041			\$ 359	\$ 462

(Notes)

1) The above transactions are stated at their fair values and valuation differences are recorded in the interim consolidated statements of income.

2) The fair values of listed derivative transactions are based on the closing prices on the Tokyo Financial Exchange and other exchanges. The fair values of over-the-counter (OTC) derivative transactions are calculated using the net present value method or option-pricing models.

(2) Currency-Related Transactions

Currency-related transactions not qualifying for hedge accounting as of September 30, 2017, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2017				Sep. 30, 2017			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
Listed								
Currency Futures								
Sold	¥	—	¥	—	¥	—	¥	—
Purchased		—		—		—		—
Currency Options								
Sold		—		—		—		—
Purchased		—		—		—		—
OTC								
Currency Swaps		3,746,561		2,824,927		24,050		24,050
Forward Exchange Contracts								
Sold		7,986,349		361,754		(113,566)		(113,566)
Purchased		11,719,448		406,693		204,232		204,232
Currency Options								
Sold		1,329,908		594,106		(44,833)		9,615
Purchased		1,148,521		492,455		38,385		(8,876)
Others								
Sold		—		—		—		—
Purchased		—		—		—		—
Total				¥108,268		¥115,455		\$ 960
								\$ 1,024

(Notes)

1) The above transactions are stated at their fair values and valuation differences are recorded in the interim consolidated statements of income.

2) The fair values are calculated using the net present value method or option-pricing models.

(3) Stock-Related Transactions

Stock-related transactions not qualifying for hedge accounting as of September 30, 2017, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2017				Sep. 30, 2017			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
Listed								
Stock Index Futures								
Sold	¥ 75,094	¥ —	¥ (1,065)	¥ (1,065)	\$ 666	\$ —	\$ (9)	\$ (9)
Purchased	66,643	—	538	538	591	—	5	5
Stock Index Options								
Sold	43,317	—	(650)	(335)	384	—	(6)	(3)
Purchased	7,235	—	14	(6)	64	—	0	(0)
OTC								
OTC Stock Options								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
OTC Stock Swaps								
Volatility of Stock Price and Other Receivable/ Short-Term Floating Interest Rate Payable	5,000	5,000	272	272	44	44	2	2
Short-Term Floating Interest Rate Receivable/ Volatility of Stock Price and Other Payable	5,000	5,000	(272)	(272)	44	44	(2)	(2)
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ (1,163)	¥ (868)			\$ (10)	\$ (8)

(Notes)

1) The above transactions are stated at their fair values and valuation differences are recorded in the interim consolidated statements of income.

2) The fair values of listed derivative transactions are based on the closing prices on the Osaka Exchange and other exchanges. The fair values of OTC derivative transactions are calculated using the net present value method or option-pricing models.

(4) Bond-Related Transactions

Bond-related transactions not qualifying for hedge accounting as of September 30, 2017, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2017				Sep. 30, 2017			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
Listed								
Bond Futures								
Sold	¥ 2,925,023	¥ —	¥ 23,665	¥ 23,665	\$ 25,945	\$ —	\$ 210	\$ 210
Purchased	2,778,253	—	(21,581)	(21,581)	24,643	—	(191)	(191)
Bond Future Options								
Sold	74,645	—	(308)	(41)	662	—	(3)	(0)
Purchased	45,096	—	29	(89)	400	—	0	(1)
OTC								
Bond Forward Contracts								
Sold	168,743	—	865	865	1,497	—	8	8
Purchased	147,471	—	(353)	(353)	1,308	—	(3)	(3)
Bond Options								
Sold	8,760	—	(18)	19	78	—	(0)	0
Purchased	43,724	2,505	468	117	388	22	4	1
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ 2,767	¥ 2,603			\$ 25	\$ 23

(Notes)

1) The above transactions are stated at their fair values and valuation differences are recorded in the interim consolidated statements of income.

2) The fair values of listed derivative transactions are based on the closing prices on the Osaka Exchange and other exchanges. The fair values of OTC derivative transactions are calculated using option-pricing models.

(5) Commodity-Related Transactions

There are no commodity-related transactions not qualifying for hedge accounting as of September 30, 2017.

(6) Credit Derivative Transactions

Credit derivative transactions not qualifying for hedge accounting as of September 30, 2017, consist of the following:

	Millions of Yen				Millions of U.S. Dollars			
	Sep. 30, 2017				Sep. 30, 2017			
	Notional Amount		Fair Value	Valuation Difference	Notional Amount		Fair Value	Valuation Difference
Total	Over One Year	Total			Over One Year			
OTC								
Credit Default Swaps								
Sold	¥ 77,900	¥ 76,900	¥ 1,513	¥ 1,513	\$ 691	\$ 682	\$ 13	\$ 13
Purchased	142,336	141,336	(4,377)	(4,377)	1,263	1,254	(39)	(39)
Others								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total			¥ (2,864)	¥ (2,864)			\$ (25)	\$ (25)

(Notes)

- 1) The above transactions are stated at their fair values and valuation differences are recorded in the interim consolidated statements of income.
- 2) The fair values are calculated using the net present value method.

- 3) "Sold" represents transactions under which the credit risk has been assumed, and "Purchased" represents transactions under which the credit risk has been transferred to another party.

2. Derivative Transactions Qualifying for Hedge Accounting

Derivative transactions qualifying for hedge accounting are grouped by type of underlying transaction. The notional amounts (or the amount equivalent to the principal specified in the contracts) and the fair values as of the interim consolidated balance sheet date, as well as the methods for determining such fair values are presented below. The notional amounts do not reflect the market risk associated with the derivatives.

(1) Interest-Related Transactions

Interest-related transactions qualifying for hedge accounting as of September 30, 2017, consist of the following:

Major Hedged Item	Millions of Yen			Millions of U.S. Dollars			
	Sep. 30, 2017			Sep. 30, 2017			
	Notional Amount		Fair Value	Notional Amount		Fair Value	
Total	Over One Year	Total		Over One Year			
Deferral Method							
Interest Rate Swaps	Interest-Earning/Bearing Financial Assets/Liabilities such as Loans and Bills Discounted, Available-for-Sale Securities (Bonds), Deposits, and Bonds Payable						
Fixed Interest Rate Receivable/ Floating Interest Rate Payable		¥ 4,216,238	¥ 2,183,883	¥ 4,175	\$ 37,398	\$ 19,371	\$ 37
Floating Interest Rate Receivable/ Fixed Interest Rate Payable		1,254,791	1,196,063	(29,732)	11,130	10,609	(264)
Interest Futures							
Sold		—	—	—	—	—	—
Purchased		—	—	—	—	—	—
Interest Options							
Sold		—	—	—	—	—	—
Purchased		—	—	—	—	—	—
Others							
Sold		—	—	—	—	—	—
Purchased		—	—	—	—	—	—
Exceptional Treatment for Interest Rate Swaps							
Interest Rate Swaps	Borrowed Money						
Fixed Interest Rate Receivable/ Floating Interest Rate Payable		—	—	—	—	—	—
Floating Interest Rate Receivable/ Fixed Interest Rate Payable		800	800	(Note 3)	7	7	(Note 3)
Total				¥ (25,556)			\$ (227)

(Notes)

1) Deferred hedge accounting stipulated in Report No. 24 is applied, in principle.
2) Fair values are calculated mainly using the net present value method or option-pricing models.

3) Interest rate swaps to which exceptional treatment is applied are accounted for as part of the borrowings being hedged; therefore, their fair values are included in the fair value of "Borrowed Money" presented under "Financial Instruments."

(2) Currency-Related Transactions

Currency-related transactions qualifying for hedge accounting as of September 30, 2017, consist of the following:

Major Hedged Item	Millions of Yen			Millions of U.S. Dollars			
	Sep. 30, 2017			Sep. 30, 2017			
	Notional Amount		Fair Value	Notional Amount		Fair Value	
Total	Over One Year	Total		Over One Year			
Deferral Method							
Currency Swaps	Loans and Bills Discounted and Securities Denominated in Foreign Currencies	¥ 3,378,798	¥ 1,355,631	¥ (38,082)	\$ 29,970	\$ 12,024	\$ (338)
Forward Exchange Contracts							
Sold		9,492	—	(52)	84	—	(0)
Purchased		1,720	—	55	15	—	0
Others							
Sold		—	—	—	—	—	—
Purchased		—	—	—	—	—	—
Method of Including Foreign Currency Translation Adjustments Arising from the Hedging Instruments in "Foreign Currency Translation Adjustments"							
Forward Exchange Contracts	Investment in the Shares of Subsidiaries and Affiliated Companies						
Sold		¥ 39,749	¥ —	¥ (878)	\$ 353	\$ —	\$ (8)
Purchased		—	—	—	—	—	—
Total				¥ (38,957)			\$ (346)

(Notes)

1) Deferred hedge accounting stipulated in Report No. 25 is applied, in principle. 2) Fair values are calculated mainly using the net present value method.

(3) Stock-Related Transactions

There are no stock-related transactions qualifying for hedge accounting as of September 30, 2017.

(4) Bond-Related Transactions

There are no bond-related transactions qualifying for hedge accounting as of September 30, 2017.

Stock Option Plans

1. Expenses Recorded and Account Used in Connection with Stock Options during the Current Interim Period

General and Administrative Expenses: ¥237 million (U.S. \$2 million)

2. Description of Stock Options Granted during the Current Interim Period

The details of the stock options granted during the six months ended September 30, 2017, are as follows:

	Sumitomo Mitsui Trust Holdings, Inc. Series 7 Subscription Rights to Shares
Number of Eligible Persons and Their Position	26 directors and officers of Sumitomo Mitsui Trust Holdings, Inc. 41 directors and officers of Sumitomo Mitsui Trust Bank, Limited Total 67
Number of Stock Options Granted by Class of Share	61,300 shares of common stock (Note)
Grant Date	July 28, 2017
Vesting Conditions	1) A holder of the Subscription Rights to Shares may exercise the rights from the following day when he or she no longer holds a position as a director or officer of SuMi TRUST Holdings and SuMi TRUST Bank. 2) If a holder of Subscription Rights to Shares is deceased and the entirety of the Subscription Rights to Shares is inherited by a single legal heir ("inheritor of the rights"), the Subscription Rights to Shares may be exercised by the inheritor of the rights. If the inheritor of the rights is deceased, heirs of the inheritor of the rights may not inherit the Subscription Rights to Shares.
Eligible Service Period	Not fixed
Exercise Period	August 31, 2017 to July 27, 2047
Exercise price	¥1 (U.S. \$0.01)
Fair Unit Value on the Grant Date	¥3,870 (U.S. \$34.33)

(Note) Converted into the number of equivalent shares.

Consolidated Subsidiary (Nikko Asset Management Co., Ltd.)

Nikko Asset Management Co., Ltd. granted stock options during the six months ended September 30, 2017. However, disclosure is omitted as the effects of the stock options granted on SuMi TRUST Group's financial position, financial results, and cash flows are immaterial.

Segment Information

1. Reportable Segment Information

SuMi TRUST Group's reportable segments are defined as operating segments for which discrete financial information is available and which is regularly reviewed by the Board of Directors in determining resources to be allocated to the segments and in assessing their business performance.

SuMi TRUST Group comprises SuMi TRUST Bank Group (SuMi TRUST Bank and its consolidated subsidiaries) and other consolidated subsidiaries, and SuMi TRUST Bank Group is treated as a reportable segment, "SuMi TRUST Bank." The main activity of the reportable segment is presented below:

SuMi TRUST Bank: Trust banking business

2. Method for Calculating Income, Profit or Loss, Assets, Liabilities, and Other Items by Reportable Segment

The accounting policies used for the reportable segments are the same as those presented under "Significant Accounting Policies and Practices," and the amount of segment profit presented for the reportable segments is "Income before Income Taxes."

Prices used for internal transactions among segments are the same as the prices used for transactions with unaffiliated customers.

3. Ordinary Income, Profit or Loss, Assets, Liabilities, and Other Items by Reportable Segment

The details and amounts of income, profit or loss, assets, liabilities, and other items by reportable segment for the six months ended September 30, 2017, are as follows:

Six Months Ended September 30, 2017	Millions of Yen					
	Reportable Segment		Others	Total	Adjustment	Reported Amount
SuMi TRUST Bank	Total					
Income:						
Unaffiliated Customers	¥ 621,046	¥ 621,046	¥ 18,605	¥ 639,652	¥ (1,492)	¥ 638,160
Intersegment	8,418	8,418	51,348	59,767	(59,767)	—
Total	¥ 629,465	¥ 629,465	¥ 69,954	¥ 699,419	¥ (61,259)	¥ 638,160
Segment Profit	¥ 115,586	¥ 115,586	¥ 37,110	¥ 152,697	¥ (32,533)	¥ 120,163
Segment Assets	¥ 54,763,740	¥ 54,763,740	¥13,210,515	¥ 67,974,255	¥ (2,444,636)	¥ 65,529,618
Segment Liabilities	¥ 52,149,585	¥ 52,149,585	¥11,554,834	¥ 63,704,420	¥ (950,605)	¥ 62,753,814
Others						
Depreciation and Amortization	¥ 13,955	¥ 13,955	¥ 3,458	¥ 17,413	¥ —	¥ 17,413
Amortization of Goodwill	4,984	4,984	—	4,984	(249)	4,734
Interest Income	211,122	211,122	38,412	249,534	(41,034)	208,500
Interest Expenses	118,833	118,833	5,255	124,089	(5,355)	118,733
Equity in Losses of Affiliated Companies	(438)	(438)	—	(438)	—	(438)
Gains on Disposal of Fixed Assets	9,102	9,102	—	9,102	—	9,102
Loss on Disposal of Fixed Assets	335	335	31	366	—	366
Impairment Loss	6,284	6,284	—	6,284	—	6,284
Unamortized Balance of Goodwill	89,556	89,556	—	89,556	(3,748)	85,808
Investment in Affiliated Companies						
Accounted for by the Equity Method	88,756	88,756	—	88,756	—	88,756

Six Months Ended September 30, 2017	Millions of U.S. Dollars					
	Reportable Segment		Others	Total	Adjustment	Reported Amount
	SuMi TRUST Bank	Total				
Income:						
Unaffiliated Customers	\$ 5,509	\$ 5,509	\$ 165	\$ 5,674	\$ (13)	\$ 5,660
Intersegment	75	75	455	530	(530)	—
Total	\$ 5,583	\$ 5,583	\$ 620	\$ 6,204	\$ (543)	\$ 5,660
Segment Profit	\$ 1,025	\$ 1,025	\$ 329	\$ 1,354	\$ (289)	\$ 1,066
Segment Assets	\$ 485,753	\$ 485,753	\$ 117,177	\$ 602,929	\$ (21,684)	\$ 581,246
Segment Liabilities	\$ 462,565	\$ 462,565	\$ 102,491	\$ 565,056	\$ (8,432)	\$ 556,624
Others						
Depreciation and Amortization	\$ 124	\$ 124	\$ 31	\$ 154	\$ —	\$ 154
Amortization of Goodwill	44	44	—	44	(2)	42
Interest Income	1,873	1,873	341	2,213	(364)	1,849
Interest Expenses	1,054	1,054	47	1,101	(48)	1,053
Equity in Losses of Affiliated Companies	(4)	(4)	—	(4)	—	(4)
Gains on Disposal of Fixed Assets	81	81	—	81	—	81
Loss on Disposal of Fixed Assets	3	3	0	3	—	3
Impairment Loss	56	56	—	56	—	56
Unamortized Balance of Goodwill	794	794	—	794	(33)	761
Investment in Affiliated Companies						
Accounted for by the Equity Method	787	787	—	787	—	787

(Notes)

- 1) The figures represent income in substitution for net sales to be presented by companies in other industries.
- 2) The figures under "SuMi TRUST Bank" represent consolidated amounts.
- 3) "Others" includes SuMi TRUST Holdings and its consolidated subsidiaries other than SuMi TRUST Bank group companies.

- 4) The figures shown under "Adjustment" represent the consolidation adjustments for internal transactions and include realized valuation differences arising from business combinations.
- 5) Segment profits have been adjusted to "Income before Income Taxes" as presented in the interim consolidated statements of income.

Related Information

1. Information by Services

Information by service for the six months ended September 30, 2017, is as follows:

Six Months Ended September 30, 2017	Millions of Yen			
	Trust Banking Business	Leasing Business	Others	Total
Income:				
Unaffiliated Customers	¥ 391,617	¥ 115,891	¥ 130,651	¥ 638,160

Six Months Ended September 30, 2017	Millions of U.S. Dollars			
	Trust Banking Business	Leasing Business	Others	Total
Income:				
Unaffiliated Customers	\$ 3,474	\$ 1,028	\$ 1,159	\$ 5,660

(Notes)

- 1) The figures represent income in substitution for net sales to be presented by companies in other industries.
- 2) "Trust Banking Business" comprises income of SuMi TRUST Bank and JTSB.

2. Geographic Information

(1) Income

Ordinary Income by geographical area for the six months ended September 30, 2017, consists of the following:

Millions of Yen				
Japan	Americas	Europe	Asia and Oceania	Total
¥ 522,564	¥ 53,409	¥ 25,195	¥ 36,990	¥ 638,160

Millions of U.S. Dollars				
Japan	Americas	Europe	Asia and Oceania	Total
\$ 4,635	\$ 474	\$ 223	\$ 328	\$ 5,660

(Notes)

- 1) The figures represent income in substitution for net sales to be presented by companies in other industries.
- 2) Income related to transactions by SuMi TRUST Holdings, its domestic consolidated banking subsidiaries (excluding overseas branches), and other domestic consolidated subsidiaries are presented under "Japan." Income related to transactions by overseas branches of domestic consolidated banking subsidiaries and foreign consolidated subsidiaries are presented under "Americas," "Europe," or "Asia and Oceania" based on the location of each overseas branch and subsidiary, reflecting their geographical proximity.

(2) Tangible Fixed Assets

More than 90% of SuMi TRUST Group's tangible fixed assets on the interim consolidated balance sheets are located in Japan; accordingly, tangible fixed assets by geographical area are not presented.

3. Information by Major Customer

Due to highly diversified income-generating transactions between SuMi TRUST Group and a significantly large number of SuMi TRUST Group's customers, transactions are not classified by counterparty; accordingly, information by major customer is not presented.

Information Related to Losses on Impairment of Fixed Assets by Reportable Segment

Information is not provided in this section because the same information is disclosed in the "Segment Information" section.

Information Related to Amortization of Goodwill and Unamortized Balance of Goodwill by Reportable Segment

Information is not provided in this section because the same information is disclosed in the "Segment Information" section.

Information Related to Gain on Negative Goodwill by Reportable Segment

There is no gain on negative goodwill by reportable segment during the six months ended September 30, 2017.

Per Share of Common Stock Information

1. Net Assets per Share of Common Stock and Basis for Calculation

The details of net assets per share of common stock and the basis for calculation for the six months ended September 30, 2017, are as follows:

Six Months Ended September 30, 2017	Net Assets [Millions of Yen] (Numerator)	The Number of Shares of Common Stock Outstanding [Thousands of Shares] (Denominator)	Amount per Share of Common Stock [Yen]
Net Assets as Reported	¥ 2,775,804		
Less:	247,079		
Subscription Rights to Shares	803		
Non-Controlling Interests	246,276		
Net Assets Attributable to Common Shareholders	¥ 2,528,724	380,536	¥ 6,645.15

Six Months Ended September 30, 2017	Net Assets [Millions of U.S. Dollars] (Numerator)	The Number of Shares of Common Stock Outstanding [Thousands of Shares] (Denominator)	Amount per Share of Common Stock [U.S. Dollars]
Net Assets as Reported	\$ 24,621		
Less:	2,192		
Subscription Rights to Shares	7		
Non-Controlling Interests	2,184		
Net Assets Attributable to Common Shareholders	\$ 22,430	380,536	\$ 58.94

2. Net Income per Share of Common Stock and Basis for Calculation, and Fully-Diluted Net Income per Share of Common Stock and Basis for Calculation

The details of net income per share of common stock, fully-diluted net income per share of common stock, and each basis for calculation for the six months ended September 30, 2017, are as follows:

Six Months Ended September 30, 2017	Net Income (Loss) [Millions of Yen] (Numerator)	Average Number of Shares of Common Stock Outstanding [Thousands of Shares] (Denominator)	Amount per Share of Common Stock [Yen]
Net Income per Share of Common Stock			
Net Income Attributable to Owners of the Parent	¥ 75,427		
Net Income Not Attributable to Common Shareholders	—		
Net Income Related to Common Stock that is Attributable to Owners of the Parent	¥ 75,427	381,922	¥ 197.49

Six Months Ended September 30, 2017	Net Income (Loss) [Millions of U.S. Dollars] (Numerator)	Average Number of Shares of Common Stock Outstanding [Thousands of Shares] (Denominator)	Amount per Share of Common Stock [U.S. Dollars]
Net Income per Share of Common Stock			
Net Income Attributable to Owners of the Parent	\$ 669		
Net Income Not Attributable to Common Shareholders	—		
Net Income Related to Common Stock that is Attributable to Owners of the Parent	\$ 669	381,922	\$ 1.75

Six Months Ended September 30, 2017	Adjustments to Net Income [Millions of Yen]	Effect of Dilutive Securities [Thousands of Shares]	Fully Diluted Amount per Share of Common Stock [Yen]
Fully-Diluted Net Income per Share of Common Stock			
Adjustments to Net Income Attributable to Owners of the Parent	¥ —		
Effect of Dilutive Securities:			
Subscription Rights to Shares		139	¥ 197.42

Six Months Ended September 30, 2017	Adjustments to Net Income [Millions of U.S. Dollars]	Effect of Dilutive Securities [Thousands of Shares]	Fully Diluted Amount per Share of Common Stock [U.S. Dollars]
Fully-Diluted Net Income per Share of Common Stock			
Adjustments to Net Income Attributable to Owners of the Parent	\$ —		
Effect of Dilutive Securities:			
Subscription Rights to Shares		139	\$ 1.75

The potential shares that are excluded from calculation of fully-diluted net income per share of common stock because they have no dilutive effect are as follows:

1) SuMi TRUST Holdings

Series 1 Subscription Rights to Shares (Stock Options)	SuMi TRUST Holdings Common Stock	22,600 shares
Series 2 Subscription Rights to Shares (Stock Options)	SuMi TRUST Holdings Common Stock	21,900 shares
Series 3 Subscription Rights to Shares (Stock Options)	SuMi TRUST Holdings Common Stock	39,300 shares

2) Consolidated Subsidiaries (Nikko Asset Management Co., Ltd.)

Subscription Rights to Shares (Stock Options)	Nikko Asset Management Common Stock	13,294,400 shares
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Significant Subsequent Event

There are no significant subsequent events.

Financial Data:

Non-Consolidated Balance Sheets (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.
As of September 30, 2017 and March 31, 2017

	Millions of Yen		Millions of U.S. Dollars
	As of Sep. 30, 2017	As of Mar. 31, 2017	As of Sep. 30, 2017
Assets:			
Current Assets:			
Cash and Due from Banks	¥ 1,287	¥ 1,747	\$ 11
Securities	65,000	62,000	577
Prepaid Expenses	6	26	0
Income Tax Refunds Receivable	10,072	11,186	89
Other Current Assets	1,880	1,758	17
Total Current Assets	78,247	76,718	694
Non-Current Assets:			
Tangible Fixed Assets	0	0	0
Intangible Fixed Assets	0	0	0
Investments and Other Assets:	1,964,669	1,891,388	17,427
Investment Securities	652	652	6
Investments in Subsidiaries and Affiliated Companies (Stocks)	1,493,922	1,530,642	13,251
Long-Term Loans Receivable from Subsidiaries and Affiliated Companies	470,000	360,000	4,169
Other Investments	94	94	1
Total Non-Current Assets	1,964,670	1,891,389	17,427
Total Assets	¥ 2,042,917	¥ 1,968,108	\$ 18,121
Liabilities:			
Current Liabilities:			
Accrued Expenses	¥ 2,533	¥ 2,577	\$ 22
Income Taxes Payable	2	11	0
Provision for Bonuses	119	71	1
Other Current Liabilities	164	123	1
Total Current Liabilities	2,820	2,783	25
Non-Current Liabilities:			
Bonds Payable	544,300	468,000	4,828
Long-Term Loans Payable	10,000	10,000	89
Other Non-Current Liabilities	10	36	0
Total Non-Current Liabilities	554,310	478,036	4,917
Total Liabilities	¥ 557,130	¥ 480,820	\$ 4,942
Net Assets:			
Total Shareholders' Equity:			
Capital Stock	261,608	261,608	2,320
Capital Surplus:	1,041,472	1,041,473	9,238
Legal Capital Surplus	702,933	702,933	6,235
Other Capital Surplus	338,539	338,539	3,003
Retained Earnings:	224,105	217,690	1,988
Other Retained Earnings:	224,105	217,690	1,988
Retained Earnings Brought Forward	224,105	217,690	1,988
Treasury Stock—At Cost	(42,203)	(34,061)	(374)
Subscription Rights to Shares	803	577	7
Total Net Assets	¥ 1,485,787	¥ 1,487,288	\$ 13,179
Total Liabilities and Net Assets	¥ 2,042,917	¥ 1,968,108	\$ 18,121

Financial Data:

Non-Consolidated Statements of Income (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.
For the Six Months Ended September 30, 2017 and 2016

	Millions of Yen		Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2017	Six Months Ended Sep. 30, 2016	Six Months Ended Sep. 30, 2017
Operating Income:			
Dividends Received from Subsidiaries	¥ 34,365	¥ 34,520	\$ 305
Fees and Commissions Received from Subsidiaries	1,303	2,132	12
Total Operating Income	35,668	36,652	316
Operating Expenses:			
General and Administrative Expenses	1,531	1,091	14
Total Operating Expenses	1,531	1,091	14
Operating Profit	34,137	35,560	303
Non-Operating Income	3,163	2,270	28
Non-Operating Expenses	6,018	5,404	53
Income before Income Taxes	31,281	32,426	277
Income Taxes:			
Current	2	0	0
Net Income	¥ 31,279	¥ 32,425	\$ 277
		Yen	U.S. Dollars
Net Income per Share of Common Stock	¥ 81.90	¥ 84.64	\$0.73

SuMi TRUST Holdings consolidated its shares with a ratio of ten shares of common stock into one share on October 1, 2016. Net income per share of common stock is calculated as if the consolidation of shares had occurred at the beginning of the fiscal year ended March 31, 2017.

Financial Data:

Non-Consolidated Statements of Changes in Net Assets (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.
For the Six Months Ended September 30, 2017 and 2016

For the Six Months Ended September 30, 2017

	Millions of Yen					
	Shareholders' Equity					
	Capital Stock	Capital Surplus			Retained Earnings	
		Legal Capital Surplus	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings Retained Earnings Brought Forward	Total Retained Earnings
Balance at the Beginning of the Period	¥ 261,608	¥ 702,933	¥ 338,539	¥ 1,041,473	¥ 217,690	¥ 217,690
Changes during the Period						
Cash Dividends					(24,864)	(24,864)
Net Income					31,279	31,279
Purchase of Treasury Stock			(0)	(0)		
Disposal of Treasury Stock						
Net Changes of Items Other Than Shareholders' Equity						
Total Changes during the Period	—	—	(0)	(0)	6,414	6,414
Balance at the End of the Period	¥ 261,608	¥ 702,933	¥ 338,539	¥ 1,041,472	¥ 224,105	¥ 224,105

	Millions of Yen			
	Shareholders' Equity		Subscription Rights to Shares	Total Net Assets
	Treasury Stock	Total Shareholders' Equity		
Balance at the Beginning of the Period	¥ (34,061)	¥ 1,486,710	¥ 577	¥ 1,487,288
Changes during the Period				
Cash Dividends		(24,864)		(24,864)
Net Income		31,279		31,279
Purchase of Treasury Stock	(8,154)	(8,154)		(8,154)
Disposal of Treasury Stock	12	12		12
Net Changes of Items Other Than Shareholders' Equity			226	226
Total Changes during the Period	(8,141)	(1,726)	226	(1,500)
Balance at the End of the Period	¥ (42,203)	¥ 1,484,984	¥ 803	¥ 1,485,787

For the Six Months Ended September 30, 2016

	Millions of Yen					
	Shareholders' Equity					
	Capital Stock	Capital Surplus			Retained Earnings	
		Legal Capital Surplus	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings Retained Earnings Brought Forward	Total Retained Earnings
Balance at the Beginning of the Period	¥ 261,608	¥ 702,933	¥ 338,540	¥ 1,041,474	¥ 217,175	¥ 217,175
Changes during the Period						
Cash Dividends					(24,995)	(24,995)
Net Income					32,425	32,425
Purchase of Treasury Stock						
Disposal of Treasury Stock			(0)	(0)		
Net Changes of Items Other Than Shareholders' Equity						
Total Changes during the Period	—	—	(0)	(0)	7,430	7,430
Balance at the End of the Period	¥ 261,608	¥ 702,933	¥ 338,539	¥ 1,041,473	¥ 224,605	¥ 224,605

	Millions of Yen			
	Shareholders' Equity			Total Net Assets
	Treasury Stock	Total Shareholders' Equity	Subscription Rights to Shares	
Balance at the Beginning of the Period	¥ (27,097)	¥ 1,493,160	¥ 421	¥ 1,493,582
Changes during the Period				
Cash Dividends		(24,995)		(24,995)
Net Income		32,425		32,425
Purchase of Treasury Stock	(6,932)	(6,932)		(6,932)
Disposal of Treasury Stock	4	3		3
Net Changes of Items Other Than Shareholders' Equity			162	162
Total Changes during the Period	(6,928)	501	162	663
Balance at the End of the Period	¥ (34,025)	¥ 1,493,661	¥ 584	¥ 1,494,246

For the Six Months Ended September 30, 2017

	Millions of U.S. Dollars					
	Shareholders' Equity					
	Capital Stock	Capital Surplus			Retained Earnings	
		Legal Capital Surplus	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings Retained Earnings Brought Forward	Total Retained Earnings
Balance at the Beginning of the Period	\$ 2,320	\$ 6,235	\$ 3,003	\$ 9,238	\$ 1,931	\$ 1,931
Changes during the Period						
Cash Dividends					(221)	(221)
Net Income					277	277
Purchase of Treasury Stock			(0)	(0)		
Disposal of Treasury Stock						
Net Changes of Items Other Than Shareholders' Equity						
Total Changes during the Period	—	—	(0)	(0)	57	57
Balance at the End of the Period	\$ 2,320	\$ 6,235	\$ 3,003	\$ 9,238	\$ 1,988	\$ 1,988

	Millions of U.S. Dollars			
	Shareholders' Equity		Subscription Rights to Shares	Total Net Assets
	Treasury Stock	Total Shareholders' Equity		
Balance at the Beginning of the Period	\$ (302)	\$ 13,187	\$ 5	\$ 13,192
Changes during the Period				
Cash Dividends		(221)		(221)
Net Income		277		277
Purchase of Treasury Stock	(72)	(72)		(72)
Disposal of Treasury Stock	0	0		0
Net Changes of Items Other Than Shareholders' Equity			2	2
Total Changes during the Period	(72)	(15)	2	(13)
Balance at the End of the Period	\$ (374)	\$ 13,172	\$ 7	\$ 13,179

Financial Data:

Statements of Trust Account (Unaudited)

Sumitomo Mitsui Trust Holdings, Inc.
As of September 30, 2017 and March 31, 2017

	Millions of Yen		Millions of U.S. Dollars
	As of Sep. 30, 2017	As of Mar. 31, 2017	As of Sep. 30, 2017
Assets:			
Loans and Bills Discounted (Note 2)	¥ 1,351,339	¥ 1,410,062	\$ 11,986
Securities	106,598,513	103,771,344	945,525
Securities Held for Investment Trust	46,436,342	42,087,460	411,889
Foreign Investment for Investment Trust	25,758,436	23,484,192	228,476
Beneficiary Rights	612,780	551,399	5,435
Securities Held in Custody Accounts	20,225,307	20,114,059	179,398
Monetary Claims	25,203,754	22,531,739	223,556
Tangible Fixed Assets	14,199,934	13,643,670	125,953
Intangible Fixed Assets	199,155	178,180	1,767
Other Claims	8,828,487	9,220,210	78,308
Call Loans	4,451,846	3,483,568	39,488
Loans to Banking Account	8,750,039	10,274,143	77,613
Cash and Due from Banks	9,251,870	10,377,250	82,064
Total Assets	¥ 271,867,807	¥ 261,127,280	\$ 2,411,458
Liabilities:			
Money Trusts (Note 3)	¥ 33,668,988	¥ 33,903,070	\$ 298,643
Pension Trusts	13,973,536	14,828,508	123,945
Property Formation Benefit Trusts	17,757	17,575	158
Loan Trusts (Note 4)	10,183	10,683	90
Securities Investment Trusts	70,969,422	69,115,219	629,496
Money in Trust Other Than Money Trusts	20,640,310	17,798,660	183,079
Securities in Trust	20,225,303	20,114,053	179,398
Money Claims in Trust	19,784,701	16,802,843	175,490
Real Estate in Trust	89,030	109,383	790
Composite Trusts	92,488,573	88,427,281	820,371
Total Liabilities	¥ 271,867,807	¥ 261,127,280	\$ 2,411,458

See Notes to the Interim Statements of Trust Account (Unaudited).

Notes to the Interim Statements of Trust Account (Unaudited)

1. Trust Accounts

Under the Trust Act of Japan, trust activities must be administered separately from a commercial banking business. As a result, assets accepted in trust must be segregated from the assets held by SuMi TRUST Holdings. Within the general category of trust accounts, each trust account is segregated from other trust assets. Accordingly, the interim financial statements of SuMi TRUST Holdings do not reflect SuMi TRUST Holdings' records as to the assets accepted in trust, which are maintained separately under the trust account.

Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by SuMi TRUST Bank, and such guaranteed principal as of September 30, 2017, is ¥3,354,988 million (U.S. \$29,759 million).

The translation of Japanese yen amounts into U.S. dollar amounts is included solely for the convenience of readers outside Japan. The translation has been made at the rate of ¥112.74 to U.S. \$1, the approximate rate of exchange as of September 30, 2017. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

Amounts less than one million Japanese yen have been rounded down and amounts less than one million U.S. dollars have been rounded off. As a result, the total may not be equal to sum of individual amounts.

Each amount presented in the interim statements of trust account as of March 31 and September 30, 2017, is the sum of trust accounts in SuMi TRUST Bank and JTSB. Entrust amounts between these consolidated subsidiaries for asset management are excluded from the amounts presented in the statements of trust account.

2. Loans and Bills Discounted

Under certain trust agreements, repayment of the principal of customers' trust assets are guaranteed by SuMi TRUST Bank, and loans on such guaranteed trust assets as of September 30, 2017, include the following:

	Millions of Yen	Millions of U.S. Dollars
	Sep. 30, 2017	Sep. 30, 2017
Loans in Bankruptcy Proceedings	¥ —	\$ —
Other Delinquent Loans	4,870	43
Loans Past Due Three Months or More	—	—
Restructured Loans	51	0
Total	¥ 4,922	\$ 44

3. Balance of Money Trusts

The principal amount of certain money trusts is guaranteed and the balance of these accounts is as follows:

	Millions of Yen		Millions of U.S. Dollars	
	Sep. 30, 2017		Sep. 30, 2017	
Assets:				
Loans and Bills Discounted	¥	43,996	\$	390
Securities		29		0
Other		3,301,453		29,284
Total	¥	3,345,480	\$	29,674
Liabilities:				
Principal	¥	3,345,219	\$	29,672
Allowance for Impairment of Guaranteed Trust Principal		92		1
Other		167		1
Total	¥	3,345,480	\$	29,674

In the case of certain money trusts, the principal amount is guaranteed, and as the above table indicates, an allowance for the impairment of guaranteed trust principal is set aside by SuMi TRUST Bank. The figures in the table include funds entrusted from other trusts managed by SuMi TRUST Bank.

4. Balance of Loan Trusts

The balance of loan trusts is as follows (the figures in the table include funds entrusted from other trusts managed by SuMi TRUST Bank):

	Millions of Yen		Millions of U.S. Dollars	
	Sep. 30, 2017		Sep. 30, 2017	
Assets:				
Loans and Bills Discounted	¥	—	\$	—
Securities		—		—
Other		10,183		90
Total	¥	10,183	\$	90
Liabilities:				
Principal	¥	9,769	\$	87
Special Reserve Fund		50		0
Other		363		3
Total	¥	10,183	\$	90

As in certain money trusts, the principal amount of loan trusts is guaranteed, and as the above table indicates, a special reserve fund is set aside by SuMi TRUST Bank.