

## Composition of Leverage ratio as of March 31, 2016

<Sumitomo Mitsui Trust Holdings, Inc. >

[Consolidated]

(Millions of yen, except percentages)

Corresponding line # on Basel III disclosure template (Table2)	Corresponding line # on Basel III disclosure template (Table1)	Items	March 31, 2016	March 31, 2015
<b>On-balance sheet exposures</b>				
1		On-balance sheet exposures before deducting adjustment items	55,694,009	43,580,192
1a	1	Total assets reported in the consolidated balance sheet	58,229,948	46,235,949
1b	2	The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis (deduction)	-	-
1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)	-	-
1d	3	The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (except adjustment items) (deduction)	2,535,938	2,655,756
2	7	The amount of adjustment items pertaining to Tier1 capital (deduction)	197,805	204,240
3		Total on-balance sheet exposures (A)	55,496,204	43,375,952
<b>Exposures related to derivative transactions</b>				
4		Replacement cost associated with derivatives transactions, etc.	571,207	570,299
5		Add-on amount associated with derivatives transactions, etc.	889,596	760,819
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	494,847	672,492
6		The amount of receivables arising from providing cash margin, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework	-	-
7		The amount of deductions of receivables (out of those arising from providing cash variation margin) (deduction)	317,580	539,592
8		The amount of client-cleared trade exposures for which a bank or bank holding company acting as clearing member is not obliged to make any indemnification (deduction)		
9		Adjusted effective notional amount of written credit derivatives	77,279	53,809
10		The amount of deductions from effective notional amount of written credit derivatives (deduction)	70,900	47,800
11	4	Total exposures related to derivative transactions (B)	1,644,449	1,470,028
<b>Exposures related to repo transactions</b>				
12		The amount of assets related to repo transactions, etc.	436,834	446,995
13		The amount of deductions from the assets above (line 12) (deduction)	-	-
14		The exposures for counterparty credit risk for repo transactions, etc.	38,271	32,671
15		The exposures for agent repo transaction		
16	5	The Total exposures related to repo transactions, etc. (C)	475,106	479,667
<b>Exposures related to off-balance sheet transactions</b>				
17		Notional amount of off-balance sheet transactions	7,570,074	5,229,386
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (deduction)	4,803,025	2,774,318
19	6	Total exposures related to off-balance sheet transactions (D)	2,767,049	2,455,068
<b>Leverage ratio on a consolidated basis</b>				
20		The amount of capital (Tier1 capital) (E)	2,415,375	2,160,677
21	8	Total exposures (F) = (A)+(B)+(C)+(D)	60,382,809	47,780,716
22		Leverage ratio on a consolidated basis (G) = (E)/(F)	4.00%	4.52%

### The key drivers of material changes observed from the end of the previous reporting period to the end of the current reporting period

Due to implementation of negative interest rate policy by Bank of Japan ("BoJ"), surplus funds of trust account was diverted to banking account, which in turn caused current account with BoJ to increase, resulting in substantial increase of total exposures.