

**Explanation on reconciliation between balance sheet items and regulatory capital elements
as of September 30, 2014**

<Sumitomo Mitsui Trust Bank, Limited.>

[Consolidated]

(Millions of yen)

Items	Consolidated balance sheet ^(a)	Ref. No. of appendix	Basel III template No. under the Composition of capital disclosure
	Amount		
(Assets)			
Cash and due from banks	7,438,437		
Call loans and bills bought	411,849		
Receivables under resale agreements	109,593		
Receivables under securities borrowing transactions	307,593		
Monetary claims bought	629,433		
Trading assets	536,040		
Money held in trust	1,432		
Securities	5,134,088	2-b, 6-a	
Loans and bills discounted	24,412,632	6-b	
Foreign exchanges	10,985		
Lease receivables and investment assets	533,827		
Other assets	1,413,483	6-c	
Tangible fixed assets	233,051		
Intangible fixed assets	148,299	2-a	
Assets for retirement benefits	112,381	3	
Deferred tax assets	18,181	4-a	
Customers' liabilities for acceptances and guarantees	504,944		
Allowance for loan losses	(94,660)		
Total assets	41,861,595		

Items	Consolidated balance sheet ^(a)	Ref. No. of appendix	Basel III template No. under the Composition of capital disclosure
	Amount		
(Liabilities)			
Deposits	23,988,302		
Negotiable certificates of deposit	6,490,378		
Call money and bills sold	300,184		
Payables under repurchase agreements	1,096,905		
Payables under securities lending transactions	11,387		
Trading liabilities	250,574		
Borrowed money	2,143,276	8	
Foreign exchanges	70		
Short-term bonds payable	1,026,914		
Bonds payable	1,025,150		
Borrowed money from trust account	1,487,632		
Other liabilities	1,038,385	6-d	
Provision for bonuses	12,766		
Provision for director's bonuses	120		
Liabilities for retirement benefits	10,724		
Provision for reimbursement of deposits	3,637		
Provision for contingent loss	8,864		
Deferred tax liabilities	68,788	4-b	
Deferred tax liabilities for land revaluation	3,712	4-c	
Acceptances and guarantees	504,944		
Total liabilities	39,472,721		
(Net assets)			
Capital stock	342,037	1-a	
Capital surplus	601,259	1-b	
Retained earnings	971,657	1-c	
Total shareholders' equity	1,914,954		
Valuation difference on available-for-sale securities	339,522		
Deferred gains or losses on hedges	(16,822)	5	
Revaluation reserve for land	650		
Foreign currency translation adjustment	5,069		
Adjustments for retirement benefits	(44,127)		
Total accumulated other comprehensive income	284,292		3
Minority interests	189,627	7	
Total net assets	2,388,874		
Total liabilities and net assets	41,861,595		

Note

(a) The regulatory scope of consolidation is the same as the accounting scope of consolidation.

Appendix

Note: Amounts in the "Composition of capital" are based on those before considering under transitional arrangements. They therefore include "Amounts excluded under transitional arrangements" disclosed in "Composition of capital disclosure" and exclude items for regulatory purpose under transitional arrangement from these tables.

1.Shareholder's equity

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Capital stock	342,037		1-a
Capital surplus	601,259		1-b
Retained earnings	971,657		1-c
Total shareholder's equity	1,914,954		

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	1,805,954	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital stock and capital surplus	834,296		1a
of which: retained earnings	971,657		2
of which: treasury stock (deduction)	-		1c
of which: others	-		
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards	-	Shareholders' equity attributable to preferred shares with a loss absorbency at the point of non-viability	31a

2.Intangible assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Intangible fixed assets	148,299		2-a
Securities	5,134,088		2-b
of which: goodwill arising on the application of the equity method	3,709		

Associated deferred tax liabilities	18,514	
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(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Goodwill (net of related deferred tax liabilities, including those equivalent)	97,666		8
Other intangible assets (net of related deferred tax liabilities)	35,827		9
Mortgage servicing rights (net of related deferred tax liabilities)	-		
Amount above the 10% threshold on the specified items	-		20
Amount exceeding the 15% threshold on the specified items	-		24
Amount below the thresholds for deduction (before risk weighting)	-		74

3. Defined-benefit pension fund net assets (prepaid pension cost)

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Assets for retirement benefits	112,381		3

Associated deferred tax liabilities	40,054	
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(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Defined-benefit pension fund net assets (net of related deferred tax liabilities)	72,327		15

4. Deferred tax assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	18,181		4-a
Deferred tax liabilities	68,788		4-b
Deferred tax liabilities for land revaluation	3,712		4-c

Associated intangible fixed assets	18,514	
Associated assets for retirement benefits	40,054	

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related deferred tax liabilities)	1,953	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets arising from temporary differences (net of related deferred tax liabilities)	2,320	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	
Amount above the 10% threshold on the specified items	-		21
Amount exceeding the 15% threshold on the specified items	-		25
Amount below the thresholds for deduction (before risk weighting)	2,320		75

5. Deferred gains or losses on hedges

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred gains or losses on hedges	(16,822)		5

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Deferred gains or losses on derivatives under hedge accounting	(11,864)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

6. Investments in the capital of financial entities

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Securities	5,134,088		6-a
Loans and bills discounted	24,412,632	Including subordinated loans	6-b
Other assets	1,413,483	Including derivatives	6-c
Other liabilities	1,038,385	Including derivatives	6-d

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Investments in own capital instruments	-		
Common Equity Tier 1 capital	-		16
Additional Tier 1 capital	-		37
Tier 2 capital	-		52
Reciprocal cross-holdings in capital instruments	-		
Common Equity Tier 1 capital	-		17
Additional Tier 1 capital	-		38
Tier 2 capital	-		53
Investments in the instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital	252,185		
Common Equity Tier 1 capital	22,631		18
Additional Tier 1 capital	12,067		39
Tier 2 capital	41,448		54
Amount below the thresholds for deduction (before risk weighting)	176,038		72
Significant investments in the instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	58,850		
Amount above the 10% threshold on the specified items	-		19
Amount exceeding the 15% threshold on the specified items	-		23
Additional Tier 1 capital	-		40
Tier 2 capital	5,600		55
Amount below the thresholds for deduction (before risk weighting)	53,250		73

7.Minority interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Minority interests	189,627		7

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	-		5
Qualifying Additional Tier 1 instruments issued by special purpose vehicles	-		30-31ab-32
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	8,850		34-35
Qualifying Tier 2 instruments issued by special purpose vehicles	-		46
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	2,027		48-49

8.Other capital instruments

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Borrowed money	2,143,276		8

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	-		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	30,000		46