

## Composition of capital as of September 30, 2014

<Sumitomo Mitsui Trust Holdings, Inc. >

[Consolidated, International standard]

(Millions of yen, except percentages)

Items		Amounts excluded under transitional arrangements	Basel III template No.
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	1,800,640	/	1a+2-1c-26
of which: capital stock and capital surplus	906,876	/	1a
of which: retained earnings	918,133	/	2
of which: treasury stock (deduction)	601	/	1c
of which: earnings to be distributed (deduction)	23,766	/	26
of which: others	-	/	
Subscription rights to common shares	232	/	1b
Accumulated other comprehensive income	58,230	232,923	3
Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	2,646	/	5
Amount allowed in group Common Equity Tier 1 subject to transitional arrangements	27,358	/	
of which: common share capital issued by subsidiaries and held by third parties	27,358	/	
Common Equity Tier 1 capital: instruments and reserves (A)	1,889,108	/	6
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
Intangible assets other than mortgage servicing rights *	28,357	113,430	8+9
of which: goodwill (including those equivalent)	18,483	73,935	8
of which: other intangible assets	9,873	39,495	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences *	469	1,879	10
Deferred gains or losses on derivatives under hedge accounting	(2,525)	(10,100)	11
Shortfall of eligible provisions to expected losses	20,394	81,579	12
Securitization gain on sale	1,406	5,627	13
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	14
Defined-benefit pension fund net assets (assets for retirement benefits) *	14,490	57,963	15
Investments in own shares (excluding those reported in the Net assets section)	1	4	16
Reciprocal cross-holdings in common equity	-	-	17
Investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	3,948	15,794	18
Amount above the 10% threshold on the specified items	-	-	19+20+21
of which: significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	-	19
of which: mortgage servicing rights	-	-	20
of which: deferred tax assets arising from temporary differences *	-	-	21
Amount exceeding the 15% threshold on the specified items	-	-	22
of which: significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	-	23
of which: mortgage servicing rights	-	-	24
of which: deferred tax assets arising from temporary differences *	-	-	25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	/	27
Common Equity Tier 1 capital: regulatory adjustments (B)	66,544	/	28
<b>Common Equity Tier 1 capital (CET1)</b>			
Common Equity Tier 1 capital (C) = (A)-(B)	1,822,563	/	29

<b>Additional Tier 1 capital: instruments</b>				
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards	-		31a	30
Subscription rights to Additional Tier 1 instruments	-		31b	
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	-		32	
Qualifying Additional Tier 1 instruments issued by special purpose vehicles	-			
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	9,421		34-35	
Eligible Tier 1 capital instruments subject to phase out from Additional Tier 1 capital	385,000		33+35	
of which: directly issued and issued by special purpose vehicles	225,000		33	
of which: issued by subsidiaries	160,000		35	
Amount allowed in group Additional Tier 1 subject to transitional arrangements	5,747			
of which: foreign currency translation adjustment	5,747			
Additional Tier 1 capital: instruments (D)	400,168		36	
<b>Additional Tier 1 capital: regulatory adjustments</b>				
Investments in own Additional Tier 1 instruments	-	-	37	
Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	38	
Investments in the Additional Tier 1 instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	1,356	5,425	39	
Significant investments in the Additional Tier 1 instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	-	40	
Regulatory adjustments applied to Additional Tier 1 subject to transitional arrangements	119,356			
of which: goodwill equivalents	70,967			
of which: equivalent to intangible fixed assets recorded through business combination	1,972			
of which: equivalent to capital increase due to securitization transactions	5,627			
of which: equivalent to 50% of shortfall of eligible provisions to expected losses	40,789			
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		42	
Additional Tier 1 capital: regulatory adjustments (E)	120,713		43	
<b>Additional Tier 1 capital (AT1)</b>				
Additional Tier 1 capital (F) = (D)-(E)	279,455		44	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>				
Tier 1 capital (G) = (C)+(F)	2,102,019		45	
<b>Tier 2 capital: instruments and provisions</b>				
Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as equity under applicable accounting standards	-		46	
Subscription rights to Tier 2 instruments	-			
Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	30,000			
Qualifying Tier 2 instruments issued by special purpose vehicles	-			
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	2,784		48-49	
Eligible Tier 2 capital instruments subject to phase out from Tier 2	629,614		47+49	
of which: directly issued and issued by special purpose vehicles	-		47	
of which: issued by subsidiaries	629,614		49	
Provisions allowed in group Tier 2	408		50	
of which: general allowance for credit losses	408		50a	
of which: excess amount of eligible provisions to expected losses	-		50b	
Amount allowed in group Tier 2 subject to transitional arrangements	170,815			
of which: 45% of net unrealized gain on available-for-sale securities	171,710			
of which: 45% of revaluation reserve for land	(895)			
Tier 2 capital: instruments and provisions (H)	833,622		51	

<b>Tier 2 capital: regulatory adjustments</b>				
Investments in own Tier 2 instruments		-	-	52
Reciprocal cross-holdings in Tier 2 instruments		-	-	53
Investments in the Tier 2 instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		7,081	28,326	54
Significant investments in the Tier 2 instruments of banking, financial and insurance entities that are outside of the scope of regulatory consolidation, net of eligible short positions		1,120	4,480	55
Regulatory adjustments applied to Tier 2 subject to transitional arrangements		48,890		
of which: investments in the instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions		8,100		
of which: equivalent to 50% of shortfall of eligible provisions to expected losses		40,789		
Tier 2 capital: regulatory adjustments	(I)	57,091		57
<b>Tier 2 capital (T2)</b>				
Tier 2 capital	(J) = (H)-(I)	776,530		58
<b>Total capital (TC = T1 + T2)</b>				
Total capital	(K) = (G)+(J)	2,878,550		59
<b>Total risk weighted assets</b>				
Risk weighed assets subject to transitional arrangements		192,014		
of which: intangible assets other than mortgage servicing rights *		37,523		
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences *		1,879		
of which: defined-benefit pension fund net assets *		57,963		
of which: investments in own instruments		11		
of which: investments in the instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions		94,636		
Total risk weighted assets	(L)	20,522,021		60
<b>Capital ratios (consolidated)</b>				
Common Equity Tier 1 capital ratio	(C)/(L)	8.88%		61
Tier 1 capital ratio	(G)/(L)	10.24%		62
Total capital ratio	(K)/(L)	14.02%		63
<b>Regulatory adjustments (before risk weighting)</b>				
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 (amount below the threshold for deduction)		178,168		72
Significant investments in the common stock of banking, financial and insurance entities (amount below the thresholds for deduction)		53,245		73
Mortgage servicing rights (amount below the thresholds for deduction)		-		74
Deferred tax assets arising from temporary differences (amount below the thresholds for deduction)		-		75
<b>Provisions included in Tier 2 capital: instruments and provisions</b>				
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to applicable of cap)		408		76
Cap on inclusion of provisions in Tier 2 under standardized approach		5,030		77
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal rating-based approach (prior to applicable of cap)		-		78
Cap on inclusion of provisions in Tier 2 under internal ratings-based approach		102,630		79
<b>Capital instruments subject to phase out arrangements</b>				
Current cap on Additional Tier 1 instruments subject to phase out arrangements		436,000		82
Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)		-		83
Current cap on Tier 2 instruments subject to phase out arrangements		686,327		84
Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)		-		85

\* net of related deferred tax liabilities