

**Explanation on reconciliation between balance sheet items and regulatory capital elements
as of March 31, 2013**

<Sumitomo Mitsui Trust Holdings, Inc.>

[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 | 3,902,377 | | |
| Call loans and bills bought | 514,228 | | |
| Receivables under resale agreements | 91,911 | | |
| Receivables under securities borrowing transactions | 207,494 | | |
| Monetary claims bought | 491,805 | | |
| Trading assets | 716,594 | | |
| Money held in trust | 19,014 | 6-a | |
| Securities | 6,346,001 | 2-b, 6-b | |
| Loans and bills discounted | 22,391,660 | 6-c | |
| Foreign exchanges | 59,570 | | |
| Lease receivables and investment assets | 553,532 | | |
| Other assets | 1,446,809 | 3, 6-d | |
| Tangible fixed assets | 230,595 | | |
| Buildings | 74,233 | | |
| Land | 128,878 | | |
| Lease assets | 927 | | |
| Construction in progress | 609 | | |
| Other | 25,946 | | |
| Intangible fixed assets | 205,775 | 2-a | |
| Software | 88,355 | | |
| Goodwill | 106,791 | | |
| Lease assets | 112 | | |
| Other | 10,515 | | |
| Deferred tax assets | 75,685 | 4-a | |
| Customers' liabilities for acceptances and guarantees | 583,945 | | |
| Allowance for loan losses | (132,970) | | |
| Total assets | 37,704,031 | | |

| Items | Consolidated balance sheet ^(a) | Ref. No. of appendix | Basel III template No. under the Composition of capital disclosure |
|---|--|-------------------------|--|
| | Amount | | |
| (Liabilities) | | | |
| Deposits | 23,023,897 | | |
| Negotiable certificates of deposit | 4,103,517 | | |
| Call money and bills sold | 168,355 | | |
| Payables under repurchase agreements | 605,742 | | |
| Trading liabilities | 233,133 | | |
| Borrowed money | 1,169,032 | | |
| Foreign exchanges | 106 | | |
| Short-term bonds payable | 940,067 | | |
| Bonds payable | 986,363 | | |
| Borrowed money from trust account | 2,483,248 | | |
| Other liabilities | 1,023,319 | 6-e | |
| Provision for bonuses | 14,631 | | |
| Provision for director's bonuses | 187 | | |
| Provision for retirement benefits | 16,132 | | |
| Provision for reimbursement of deposits | 6,207 | | |
| Provision for contingent loss | 9,720 | | |
| Deferred tax liabilities | 1,825 | 4-b | |
| Deferred tax liabilities for land revaluation | 4,122 | 4-c | |
| Acceptances and guarantees | 583,945 | | |
| Total liabilities | 35,373,557 | | |
| (Net assets) | | | |
| Capital stock | 261,608 | 1-a | |
| Capital surplus | 752,973 | 1-b | |
| Retained earnings | 790,139 | 1-c | |
| Treasury stock | (93,164) | 1-d | |
| Total shareholders' equity | 1,711,556 | | |
| Valuation difference on available-for-sale securities | 161,522 | | |
| Deferred gains or losses on hedges | (17,154) | 5 | |
| Revaluation reserve for land | (5,457) | | |
| Foreign currency translation adjustment | (4,427) | | |
| Total accumulated other comprehensive income | 134,482 | | 3 |
| Subscription rights to shares | 19 | | 1b |
| Minority interests | 484,415 | 7 | |
| Total net assets | 2,330,474 | | |
| Total liabilities and net assets | 37,704,031 | | |

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. Therefore, they 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 | 261,608 | | 1-a |
| Capital surplus | 752,973 | | 1-b |
| Retained earnings | 790,139 | | 1-c |
| Treasury stock | (93,164) | | 1-d |
| Total shareholder's equity | 1,711,556 | | |

(2) Composition of capital

| Items in the composition of capital disclosure | Amount | Remarks | Basel III template No. |
|---|-----------|---|------------------------|
| Directly issued qualifying common share capital plus related capital surplus and retained earnings | 1,602,556 | Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed)) | |
| of which: capital stock and capital surplus | 905,582 | | 1a |
| of which: retained earnings | 790,139 | | 2 |
| of which: treasury stock (deduction) | 93,164 | | 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 | 205,775 | | 2-a |
| Securities | 6,346,001 | | 2-b |
| of which: goodwill arising on the application of the equity method | 6,857 | | |

| | | |
|-------------------------------------|--------|--|
| Associated deferred tax liabilities | 33,295 | |
|-------------------------------------|--------|--|

(2) Composition of capital

| Items in the composition of capital disclosure | Amount | Remarks | Basel III template No. |
|--|---------|---------|------------------------|
| Goodwill (net of related deferred tax liabilities, including those equivalent) | 113,649 | | 8 |
| Other intangible assets (net of related deferred tax liabilities) | 65,688 | | 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. |
|----------------------------------|-----------|---------|----------|
| Other assets | 1,446,809 | | 3 |
| of which: prepaid pension cost | 166,606 | | |

| | | |
|-------------------------------------|--------|--|
| Associated deferred tax liabilities | 59,379 | |
|-------------------------------------|--------|--|

(2) Composition of capital

| Items in the composition of capital disclosure | Amount | Remarks | Basel III template No. |
|---|---------|---------|------------------------|
| Defined-benefit pension fund net assets (net of related deferred tax liabilities) | 107,226 | | 15 |

4. Deferred tax assets

(1) Consolidated balance sheet

| Consolidated balance sheet items | Amount | Remarks | Ref. No. |
|---|--------|---------|----------|
| Deferred tax assets | 75,685 | | 4-a |
| Deferred tax liabilities | 1,825 | | 4-b |
| Deferred tax liabilities for land revaluation | 4,122 | | 4-c |

| | | |
|------------------------------------|--------|--|
| Associated intangible fixed assets | 33,295 | |
| Associated prepaid pension cost | 59,379 | |

(2) Composition of capital

| Items in the composition of capital disclosure | 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) | 23,768 | This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities. | 10 |
| Deferred tax assets arising from temporary differences (net of related deferred tax liabilities) | 138,670 | This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities. | |
| Amount above the 10% threshold on the specified items | 14,275 | | 21 |
| Amount exceeding the 15% threshold on the specified items | - | | 25 |
| Amount below the thresholds for deduction (before risk weighting) | 124,394 | | 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 | (17,154) | | 5 |

(2) Composition of capital

| Items in the composition of capital disclosure | Amount | Remarks | Basel III template No. |
|--|---------|--|------------------------|
| Deferred gains or losses on derivatives under hedge accounting | (3,542) | 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. |
|----------------------------------|------------|------------------------------|----------|
| Money held in trust | 19,014 | | 6-a |
| Securities | 6,346,001 | | 6-b |
| Loans and bills discounted | 22,391,660 | Including subordinated loans | 6-c |
| Other assets | 1,446,809 | Including derivatives | 6-d |
| Other liabilities | 1,023,319 | Including derivatives | 6-e |

(2) Composition of capital

| Items in the composition of capital disclosure | Amount | Remarks | Basel III template No. |
|---|---------|---------|------------------------|
| Investments in own capital instruments | 129 | | |
| Common Equity Tier 1 capital | 129 | | 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 | 312,971 | | |
| Common Equity Tier 1 capital | 47,835 | | 18 |
| Additional Tier 1 capital | 22,701 | | 39 |
| Tier 2 capital | 113,257 | | 54 |
| Amount below the thresholds for deduction (before risk weighting) | 129,177 | | 72 |
| 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 | 49,716 | | |
| Amount above the 10% threshold on the specified items | - | | 19 |
| Amount exceeding the 15% threshold on the specified items | - | | 23 |
| Additional Tier 1 capital | 7,222 | | 40 |
| Tier 2 capital | 5,450 | | 55 |
| Amount below the thresholds for deduction (before risk weighting) | 37,044 | | 73 |

7.Minority interests

(1) Consolidated balance sheet

| Consolidated balance sheet items | Amount | Remarks | Ref. No. |
|----------------------------------|---------|---------|----------|
| Minority interests | 484,415 | | 7 |

(2) Composition of capital

| Items in the composition of capital disclosure | 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) | 1,861 | | 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) | 13,526 | | 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) | 2,660 | | 48-49 |