

Composition of capital as of September 30, 2013

<Sumitomo Mitsui Trust Bank, Limited.>

[Consolidated, International standard]

(Millions of yen, except percentages)

Items		Amounts excluded under transitional arrangements	Basel III template No.
Common Equity Tier 1 capital: instruments and reserves			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	1,718,107	/	1a+2-1c-26
of which: capital stock and capital surplus	834,296	/	1a
of which: retained earnings	886,116	/	2
of which: treasury stock (deduction)	-	/	1c
of which: earnings to be distributed (deduction)	2,305	/	26
of which: others	-	/	
Subscription rights to common shares	-	/	1b
Accumulated other comprehensive income	-	241,619	3
Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	-	/	5
Amount allowed in group Common Equity Tier 1 subject to transitional arrangements	16,038	/	
of which: common share capital issued by subsidiaries and held by third parties	16,038	/	
Common Equity Tier 1 capital: instruments and reserves (A)	1,734,145	/	6
Common Equity Tier 1 capital: regulatory adjustments			
Intangible assets other than mortgage servicing rights (net of related deferred tax liabilities)	-	175,207	8+9
of which: goodwill (including those equivalent)	-	114,875	8
of which: other intangible assets	-	60,332	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related deferred tax liabilities)	-	11,971	10
Deferred gains or losses on derivatives under hedge accounting	-	(4,147)	11
Shortfall of eligible provisions to expected losses	-	93,535	12
Securitization gain on sale	-	10,668	13
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	14
Defined-benefit pension fund net assets (net of related deferred tax liabilities)	-	149,888	15
Investments in own shares (excluding those reported in the Net assets section)	-	110	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)	-	42,878	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 (net of related deferred tax liabilities)	-	-	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 (net of related deferred tax liabilities)	-	-	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)	-	/	28
Common Equity Tier 1 capital (CET1)			
Common Equity Tier 1 capital (C) = (A)-(B)	1,734,145	/	29

Additional Tier 1 capital: instruments			
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards	-		31a
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)	10,347		34-35
Eligible Tier 1 capital instruments subject to phase out from Additional Tier 1 capital	339,000		33+35
of which: directly issued and issued by special purpose vehicles	339,000		33
of which: issued by subsidiaries	-		35
Amount allowed in group Additional Tier 1 subject to transitional arrangements	(123)		
of which: foreign currency translation adjustment	(123)		
Additional Tier 1 capital: instruments (D)	349,224		36
Additional Tier 1 capital: regulatory adjustments			
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)	-	27,694	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	171,057		
of which: goodwill equivalents	108,276		
of which: equivalent to intangible fixed assets recorded through business combination	5,344		
of which: equivalent to capital increase due to securitization transactions	10,668		
of which: equivalent to 50% of shortfall of eligible provisions to expected losses	46,767		
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		42
Additional Tier 1 capital: regulatory adjustments (E)	171,057		43
Additional Tier 1 capital (AT1)			
Additional Tier 1 capital (F) = (D)-(E)	178,167		44
Tier 1 capital (T1 = CET1 + AT1)			
Tier 1 capital (G) = (C)+(F)	1,912,313		45
Tier 2 capital: instruments and provisions			
Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as equity under applicable accounting standards	-		
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	-		46
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)	2,383		48-49
Eligible Tier 2 capital instruments subject to phase out from Tier 2 capital	772,118		47+49
of which: directly issued and issued by special purpose vehicles	772,118		47
of which: issued by subsidiaries	-		49
Provisions allowed in group Tier 2	573		50
of which: general allowance for credit losses	573		50a
of which: excess amount of eligible provisions to expected losses	-		50b
Amount allowed in group Tier 2 subject to transitional arrangements	168,607		
of which: 45% of net unrealized gain on available-for-sale securities	165,805		
of which: 45% of revaluation reserve for land	2,802		
Tier 2 capital: instruments and provisions (H)	943,683		51

Tier 2 capital: regulatory adjustments			
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)		-	102,501
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		-	5,900
Regulatory adjustments applied to Tier 2 subject to transitional arrangements		67,512	
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		20,744	
of which: equivalent to 50% of shortfall of eligible provisions to expected losses		46,767	
Tier 2 capital: regulatory adjustments	(I)	67,512	57
Tier 2 capital (T2)			
Tier 2 capital	(J) = (H)-(I)	876,170	58
Total capital (TC = T1 + T2)			
Total capital	(K) = (G)+(J)	2,788,483	59
Total risk weighted assets			
Risk weighed assets subject to transitional arrangements		448,262	
of which: intangible assets other than mortgage servicing rights (net of related deferred tax liabilities)		54,987	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related deferred tax liabilities)		11,971	
of which: defined-benefit pension fund net assets (net of related deferred tax liabilities)		149,888	
of which: investments in own instruments		272	
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		231,141	
Total risk weighted assets	(L)	18,415,851	60
Capital ratios (consolidated)			
Common Equity Tier 1 capital ratio	(C)/(L)	9.41%	61
Tier 1 capital ratio	(G)/(L)	10.38%	62
Total capital ratio	(K)/(L)	15.14%	63
Regulatory adjustments (before risk weighting)			
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)		152,246	72
Significant investments in the common stock of banking, financial and insurance entities (amount below the thresholds for deduction)		41,463	73
Mortgage servicing rights (amount below the thresholds for deduction)		-	74
Deferred tax assets arising from temporary differences (amount below the thresholds for deduction)		92,731	75
Provisions included in Tier 2 capital: instruments and provisions			
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to applicable of cap)		573	76
Cap on inclusion of provisions in Tier 2 under standardized approach		3,459	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		96,063	79
Capital instruments subject to phase out arrangements			
Current cap on Additional Tier 1 instruments subject to phase out arrangements		350,100	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		772,118	84
Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)		29,394	85