

## Composition of capital as of September 30, 2013

<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	1,724,278	/	1a+2-1c-26
of which: capital stock and capital surplus	906,875	/	1a
of which: retained earnings	839,764	/	2
of which: treasury stock (deduction)	544	/	1c
of which: earnings to be distributed (deduction)	21,816	/	26
of which: others	-	/	
Subscription rights to common shares	29	/	1b
Accumulated other comprehensive income	-	212,532	3
Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	1,984	/	5
Amount allowed in group Common Equity Tier 1 subject to transitional arrangements	32,427	/	
of which: common share capital issued by subsidiaries and held by third parties	32,427	/	
Common Equity Tier 1 capital: instruments and reserves (A)	1,758,719	/	6
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
Intangible assets other than mortgage servicing rights (net of related deferred tax liabilities)	-	182,529	8+9
of which: goodwill (including those equivalent)	-	109,127	8
of which: other intangible assets	-	73,402	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related deferred tax liabilities)	-	13,518	10
Deferred gains or losses on derivatives under hedge accounting	-	(6,128)	11
Shortfall of eligible provisions to expected losses	-	93,536	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)	-	110,705	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)	-	41,975	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
<b>Common Equity Tier 1 capital (CET1)</b>			
Common Equity Tier 1 capital (C) = (A)-(B)	1,758,719	/	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)	10,774		34-35	
Eligible Tier 1 capital instruments subject to phase out from Additional Tier 1 capital	465,000		33+35	
of which: directly issued and issued by special purpose vehicles	235,000		33	
of which: issued by subsidiaries	230,000		35	
Amount allowed in group Additional Tier 1 subject to transitional arrangements	1,991			
of which: foreign currency translation adjustment	1,991			
Additional Tier 1 capital: instruments (D)	477,765		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)	-	19,767	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	165,309			
of which: goodwill equivalents	102,528			
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	46,768			
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		42	
Additional Tier 1 capital: regulatory adjustments (E)	165,309		43	
<b>Additional Tier 1 capital (AT1)</b>				
Additional Tier 1 capital (F) = (D)-(E)	312,455		44	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>				
Tier 1 capital (G) = (C)+(F)	2,071,175		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	-			
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)	2,950		48-49	
Eligible Tier 2 capital instruments subject to phase out from Tier 2	772,118		47+49	
of which: directly issued and issued by special purpose vehicles	-		47	
of which: issued by subsidiaries	772,118		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	150,862			
of which: 45% of net unrealized gain on available-for-sale securities	151,618			
of which: 45% of revaluation reserve for land	(755)			
Tier 2 capital: instruments and provisions (H)	926,505		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)		98,416	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		5,900	55
Regulatory adjustments applied to Tier 2 subject to transitional arrangements		67,184	
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		20,416	
of which: equivalent to 50% of shortfall of eligible provisions to expected losses		46,768	
Tier 2 capital: regulatory adjustments (I)		67,184	57
<b>Tier 2 capital (T2)</b>			
Tier 2 capital (J) = (H)-(I)		859,320	58
<b>Total capital (TC = T1 + T2)</b>			
Total capital (K) = (G)+(J)		2,930,496	59
<b>Total risk weighted assets</b>			
Risk weighed assets subject to transitional arrangements		408,096	
of which: intangible assets other than mortgage servicing rights (net of related deferred tax liabilities)		68,057	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related deferred tax liabilities)		13,518	
of which: defined-benefit pension fund net assets (net of related deferred tax liabilities)		110,705	
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		215,542	
Total risk weighted assets (L)		18,506,776	60
<b>Capital ratios (consolidated)</b>			
Common Equity Tier 1 capital ratio (C)/(L)		9.50%	61
Tier 1 capital ratio (G)/(L)		11.19%	62
Total capital ratio (K)/(L)		15.83%	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)		153,385	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)		88,346	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)		573	76
Cap on inclusion of provisions in Tier 2 under standardized approach		3,982	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		96,124	79
<b>Capital instruments subject to phase out arrangements</b>			
Current cap on Additional Tier 1 instruments subject to phase out arrangements		490,500	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