

Composition of capital as of March 31, 2014

<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	1,754,560		1a+2-1c-26
of which: capital stock and capital surplus	834,296		1a
of which: retained earnings	950,835		2
of which: treasury stock (deduction)	-		1c
of which: earnings to be distributed (deduction)	30,571		26
of which: others	-		
Subscription rights to common shares	-		1b
Accumulated other comprehensive income	39,010	156,042	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	14,363		
of which: common share capital issued by subsidiaries and held by third parties	14,363		
Common Equity Tier 1 capital: instruments and reserves (A)	1,807,935		6
Common Equity Tier 1 capital: regulatory adjustments			
Intangible assets other than mortgage servicing rights *	33,113	132,452	8+9
of which: goodwill (including those equivalent)	20,473	81,895	8
of which: other intangible assets	12,639	50,556	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences *	643	2,575	10
Deferred gains or losses on derivatives under hedge accounting	(1,255)	(5,020)	11
Shortfall of eligible provisions to expected losses	19,826	79,307	12
Securitization gain on sale	1,488	5,955	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) *	19,326	77,305	15
Investments in own shares (excluding those reported in the Net assets section)	-	-	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)	6,797	27,191	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)	79,942		28
Common Equity Tier 1 capital (CET1)			
Common Equity Tier 1 capital (C) = (A)-(B)	1,727,992		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	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)	9,184		34-35	
Eligible Tier 1 capital instruments subject to phase out from Additional Tier 1 capital	269,000		33+35	
of which: directly issued and issued by special purpose vehicles	269,000		33	
of which: issued by subsidiaries	-		35	
Amount allowed in group Additional Tier 1 subject to transitional arrangements	4,182			
of which: foreign currency translation adjustment	4,182			
Additional Tier 1 capital: instruments (D)	282,367		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)	4,640	18,561	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	126,084			
of which: goodwill equivalents	78,534			
of which: equivalent to intangible fixed assets recorded through business combination	1,940			
of which: equivalent to capital increase due to securitization transactions	5,955			
of which: equivalent to 50% of shortfall of eligible provisions to expected losses	39,653			
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		42	
Additional Tier 1 capital: regulatory adjustments (E)	130,725		43	
Additional Tier 1 capital (AT1)				
Additional Tier 1 capital (F) = (D)-(E)	151,642		44	
Tier 1 capital (T1 = CET1 + AT1)				
Tier 1 capital (G) = (C)+(F)	1,879,635		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	-		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)	2,096		48-49	
Eligible Tier 2 capital instruments subject to phase out from Tier 2 capital	686,327		47+49	
of which: directly issued and issued by special purpose vehicles	686,327		47	
of which: issued by subsidiaries	-		49	
Provisions allowed in group Tier 2	509		50	
of which: general allowance for credit losses	509		50a	
of which: excess amount of eligible provisions to expected losses	-		50b	
Amount allowed in group Tier 2 subject to transitional arrangements	136,180			
of which: 45% of net unrealized gain on available-for-sale securities	134,172			
of which: 45% of revaluation reserve for land	2,007			
Tier 2 capital: instruments and provisions (H)	825,114		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)		14,113	56,452	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		1,140	4,560	55
Regulatory adjustments applied to Tier 2 subject to transitional arrangements		52,947		
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		13,293		
of which: equivalent to 50% of shortfall of eligible provisions to expected losses		39,653		
Tier 2 capital: regulatory adjustments	(I)	68,200		57
Tier 2 capital (T2)				
Tier 2 capital	(J) = (H)-(I)	756,913		58
Total capital (TC = T1 + T2)				
Total capital	(K) = (G)+(J)	2,636,548		59
Total risk weighted assets				
Risk weighed assets subject to transitional arrangements		266,013		
of which: intangible assets other than mortgage servicing rights *		48,616		
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences *		2,575		
of which: defined-benefit pension fund net assets *		77,305		
of which: investments in own instruments		-		
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		137,516		
Total risk weighted assets	(L)	18,783,256		60
Capital ratios (consolidated)				
Common Equity Tier 1 capital ratio	(C)/(L)	9.19%		61
Tier 1 capital ratio	(G)/(L)	10.00%		62
Total capital ratio	(K)/(L)	14.03%		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)		158,386		72
Significant investments in the common stock of banking, financial and insurance entities (amount below the thresholds for deduction)		43,486		73
Mortgage servicing rights (amount below the thresholds for deduction)		-		74
Deferred tax assets arising from temporary differences (amount below the thresholds for deduction)		67,759		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)		509		76
Cap on inclusion of provisions in Tier 2 under standardized approach		5,354		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		99,576		79
Capital instruments subject to phase out arrangements				
Current cap on Additional Tier 1 instruments subject to phase out arrangements		311,200		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)		74,956		85

* net of related deferred tax liabilities