

Composition of capital as of March 31, 2014

<Sumitomo Mitsui Trust Bank, Limited.>

[Non-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	1,648,729	/	1a+2-1c-26
of which: capital stock and capital surplus	834,296	/	1a
of which: retained earnings	845,004	/	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
Valuation and translation adjustments	48,598	194,393	3
Amount allowed in group Common Equity Tier 1 subject to transitional arrangements	-	/	
Common Equity Tier 1 capital before regulatory adjustments (A)	1,697,328	/	6
Common Equity Tier 1 capital: regulatory adjustments			
Intangible assets other than mortgage servicing rights *	11,651	46,604	8+9
of which: goodwill (including those equivalent)	-	-	8
of which: other intangible assets	11,651	46,604	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences *	304	1,217	10
Deferred gains or losses on derivatives under hedge accounting	(311)	(1,247)	11
Shortfall of eligible provisions to expected losses	20,390	81,561	12
Securitization gain on sale	1,523	6,094	13
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	14
Defined-benefit pension fund net assets (prepaid pension expenses) *	29,241	116,967	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)	6,292	25,168	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)	69,091	/	28
Common Equity Tier 1 capital (CET1)			
Common Equity Tier 1 capital (C) = (A)-(B)	1,628,236	/	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	-			
Eligible Tier 1 capital instruments subject to phase out from Additional Tier 1 capital	269,000		33+35	
Amount allowed in group Additional Tier 1 subject to transitional arrangements	(0)			
of which: foreign currency translation adjustment	(0)			
Additional Tier 1 capital: instruments (D)	268,999		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)	4,564	18,256	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	46,875			
of which: equivalent to capital increase due to securitization transactions	6,094			
of which: equivalent to 50% of shortfall of eligible provisions to expected losses	40,780			
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		42	
Additional Tier 1 capital: regulatory adjustments (E)	51,439		43	
Additional Tier 1 capital (AT1)				
Additional Tier 1 capital (F) = (D)-(E)	217,560		44	
Tier 1 capital (T1 = CET1 + AT1)				
Tier 1 capital (G) = (C)+(F)	1,845,796		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	-			
Eligible Tier 2 capital instruments subject to phase out from Tier 2 capital	686,327		47+49	
Provisions allowed in group Tier 2	-		50	
of which: general allowance for credit losses	-		50a	
of which: excess amount of eligible provisions to expected losses	-		50b	
Amount allowed in group Tier 2 subject to transitional arrangements	134,739			
of which: 45% of net unrealized gain on available-for-sale securities	132,731			
of which: 45% of revaluation reserve for land	2,007			
Tier 2 capital: instruments and provisions (H)	821,066		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)		13,856	55,427	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		50,563		
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		9,782		
of which: equivalent to 50% of shortfall of eligible provisions to expected losses		40,780		
Tier 2 capital: regulatory adjustments	(I)	65,560		57
Tier 2 capital (T2)				
Tier 2 capital	(J) = (H)-(I)	755,506		58
Total capital (TC = T1 + T2)				
Total capital	(K) = (G)+(J)	2,601,302		59
Total risk weighted assets				
Risk weighed assets subject to transitional arrangements		297,906		
of which: intangible assets other than mortgage servicing rights *		46,604		
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences *		1,217		
of which: defined-benefit pension fund net assets *		116,967		
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		133,115		
Total risk weighted assets	(L)	18,614,784		60
Capital ratios				
Common Equity Tier 1 capital ratio	(C)/(L)	8.74%		61
Tier 1 capital ratio	(G)/(L)	9.91%		62
Total capital ratio	(K)/(L)	13.97%		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)		157,770		72
Significant investments in the common stock of banking, financial and insurance entities (amount below the thresholds for deduction)		34,977		73
Mortgage servicing rights (amount below the thresholds for deduction)		-		74
Deferred tax assets arising from temporary differences (amount below the thresholds for deduction)		45,954		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)		-		76
Cap on inclusion of provisions in Tier 2 under standardized approach		3,539		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		100,199		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