

Composition of capital as of March 31, 2014

<Sumitomo Mitsui Trust Holdings, Inc. >

[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	1,770,959	/	1a+2-1c-26
of which: capital stock and capital surplus	906,875	/	1a
of which: retained earnings	886,491	/	2
of which: treasury stock (deduction)	591	/	1c
of which: earnings to be distributed (deduction)	21,815	/	26
of which: others	-	/	
Subscription rights to common shares	47	/	1b
Accumulated other comprehensive income	40,719	162,879	3
Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	2,244	/	5
Amount allowed in group Common Equity Tier 1 subject to transitional arrangements	27,203	/	
of which: common share capital issued by subsidiaries and held by third parties	27,203	/	
Common Equity Tier 1 capital: instruments and reserves (A)	1,841,175	/	6
Common Equity Tier 1 capital: regulatory adjustments			
Intangible assets other than mortgage servicing rights *	34,704	138,817	8+9
of which: goodwill (including those equivalent)	19,374	77,497	8
of which: other intangible assets	15,329	61,319	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences *	727	2,911	10
Deferred gains or losses on derivatives under hedge accounting	(1,542)	(6,168)	11
Shortfall of eligible provisions to expected losses	19,827	79,308	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) *	19,327	77,309	15
Investments in own shares (excluding those reported in the Net assets section)	12	50	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)	6,446	25,785	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)	80,992	/	28
Common Equity Tier 1 capital (CET1)			
Common Equity Tier 1 capital (C) = (A)-(B)	1,760,182	/	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)	9,667		34-35	
Eligible Tier 1 capital instruments subject to phase out from Additional Tier 1 capital	395,000		33+35	
of which: directly issued and issued by special purpose vehicles	235,000		33	
of which: issued by subsidiaries	160,000		35	
Amount allowed in group Additional Tier 1 subject to transitional arrangements	5,874			
of which: foreign currency translation adjustment	5,874			
Additional Tier 1 capital: instruments (D)	410,541		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)	3,176	12,704	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	121,687			
of which: goodwill equivalents	74,136			
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	39,654			
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		42	
Additional Tier 1 capital: regulatory adjustments (E)	124,863		43	
Additional Tier 1 capital (AT1)				
Additional Tier 1 capital (F) = (D)-(E)	285,678		44	
Tier 1 capital (T1 = CET1 + AT1)				
Tier 1 capital (G) = (C)+(F)	2,045,861		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)	2,738		48-49	
Eligible Tier 2 capital instruments subject to phase out from Tier 2	686,327		47+49	
of which: directly issued and issued by special purpose vehicles	-		47	
of which: issued by subsidiaries	686,327		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	123,045			
of which: 45% of net unrealized gain on available-for-sale securities	123,696			
of which: 45% of revaluation reserve for land	(650)			
Tier 2 capital: instruments and provisions (H)	812,621		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)		13,108	52,435	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		52,565		
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		12,911		
of which: equivalent to 50% of shortfall of eligible provisions to expected losses		39,654		
Tier 2 capital: regulatory adjustments	(I)	66,814		57
Tier 2 capital (T2)				
Tier 2 capital	(J) = (H)-(I)	745,806		58
Total capital (TC = T1 + T2)				
Total capital	(K) = (G)+(J)	2,791,668		59
Total risk weighted assets				
Risk weighed assets subject to transitional arrangements		262,986		
of which: intangible assets other than mortgage servicing rights *		59,379		
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences *		2,911		
of which: defined-benefit pension fund net assets *		77,309		
of which: investments in own instruments		107		
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		123,278		
Total risk weighted assets	(L)	18,884,547		60
Capital ratios (consolidated)				
Common Equity Tier 1 capital ratio	(C)/(L)	9.32%		61
Tier 1 capital ratio	(G)/(L)	10.83%		62
Total capital ratio	(K)/(L)	14.78%		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)		160,409		72
Significant investments in the common stock of banking, financial and insurance entities (amount below the thresholds for deduction)		43,423		73
Mortgage servicing rights (amount below the thresholds for deduction)		-		74
Deferred tax assets arising from temporary differences (amount below the thresholds for deduction)		64,585		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		6,244		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		99,661		79
Capital instruments subject to phase out arrangements				
Current cap on Additional Tier 1 instruments subject to phase out arrangements		436,000		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