

**Explanation on reconciliation between balance sheet items and regulatory capital elements
as of March 31, 2014**

<Sumitomo Mitsui Trust Holdings, Inc.>

[Consolidated]

(Millions of yen)

Items	Consolidated balance sheet (a)	Ref. No. of appendix	Basel III template No. under the Composition of capital disclosure
	Amount		
(Assets)			
Cash and due from banks	6,916,949		
Call loans and bills bought	651,552		
Receivables under resale agreements	88,069		
Receivables under securities borrowing transactions	289,377		
Monetary claims bought	936,435		
Trading assets	537,029		
Money held in trust	13,344	6-a	
Securities	5,764,450	2-b, 6-b	
Loans and bills discounted	23,824,035	6-c	
Foreign exchanges	12,114		
Lease receivables and investment assets	540,204		
Other assets	1,333,355	6-d	
Tangible fixed assets	229,583		
Buildings	74,202		
Land	127,735		
Lease assets	1,601		
Construction in progress	1,219		
Other	24,823		
Intangible fixed assets	210,536	2-a	
Software	110,362		
Goodwill	92,670		
Lease assets	94		
Other	7,409		
Assets for retirement benefits	150,153	3	
Deferred tax assets	17,128	4-a	
Customers' liabilities for acceptances and guarantees	485,384		
Allowance for loan losses	(110,289)		
Total assets	41,889,413		

Items	Consolidated balance sheet (a)	Ref. No. of appendix	Basel III template No. under the Composition of capital disclosure
	Amount		
(Liabilities)			
Deposits	24,123,328		
Negotiable certificates of deposit	5,100,179		
Call money and bills sold	200,005		
Payables under repurchase agreements	1,291,641		
Trading liabilities	214,104		
Borrowed money	1,906,117		
Foreign exchanges	124		
Short-term bonds payable	904,882		
Bonds payable	1,057,772		
Borrowed money from trust account	2,941,748		
Other liabilities	1,139,718	6-e	
Provision for bonuses	15,415		
Provision for director's bonuses	255		
Liabilities for retirement benefits	11,311		
Provision for reimbursement of deposits	3,917		
Provision for contingent losses	8,800		
Deferred tax liabilities	39,705	4-b	
Deferred tax liabilities for land revaluation	3,954	4-c	
Acceptances and guarantees	485,384		
Total liabilities	39,448,370		
(Net assets)			
Capital stock	261,608	1-a	
Capital surplus	754,267	1-b	
Retained earnings	886,491	1-c	
Treasury stock	(591)	1-d	
Total shareholders' equity	1,901,775		
Valuation difference on available-for-sale securities	229,637		
Deferred gains or losses on hedges	(12,585)	5	
Revaluation reserve for land	(5,761)		
Foreign currency translation adjustment	7,343		
Adjustments for retirement benefits	(15,033)		
Total accumulated other comprehensive income	203,599		3
Subscription rights to shares	47		1b
Minority interests	335,620	7	
Total net assets	2,441,043		
Total liabilities and net assets	41,889,413		

Note

(a) The regulatory scope of consolidation is the same as the accounting scope of consolidation.

Appendix

Note: Amounts in the "Composition of capital" are based on those before considering under transitional arrangements. They therefore include "Amounts excluded under transitional arrangements" disclosed in "Composition of capital" and exclude items for regulatory purpose under transitional arrangement from these tables.

1.Shareholder's equity

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Capital stock	261,608		1-a
Capital surplus	754,267		1-b
Retained earnings	886,491		1-c
Treasury stock	(591)		1-d
Total shareholder's equity	1,901,775		

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	1,792,775	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
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: others	-		
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards	-	Shareholders' equity attributable to preferred shares with a loss absorbency at the point of non-viability	31a

2.Intangible assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Intangible fixed assets	210,536		2-a
Securities	5,764,450		2-b
of which: goodwill arising on the application of the equity method	4,201		

Associated deferred tax liabilities	41,216	
-------------------------------------	--------	--

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Goodwill (net of related deferred tax liabilities, including those equivalent)	96,871		8
Other intangible assets (net of related deferred tax liabilities)	76,649		9
Mortgage servicing rights (net of related deferred tax liabilities)	-		
Amount above the 10% threshold on the specified items	-		20
Amount exceeding the 15% threshold on the specified items	-		24
Amount below the thresholds for deduction (before risk weighting)	-		74

3. Defined-benefit pension fund net assets (prepaid pension cost)

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Assets for retirement benefits	150,153		3

Associated deferred tax liabilities	53,515	
-------------------------------------	--------	--

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Defined-benefit pension fund net assets (net of related deferred tax liabilities)	96,637		15

4. Deferred tax assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	17,128		4-a
Deferred tax liabilities	39,705		4-b
Deferred tax liabilities for land revaluation	3,954		4-c

Associated intangible fixed assets	41,216	
Associated assets for retirement benefits	53,515	

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related deferred tax liabilities)	3,639	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets arising from temporary differences (net of related deferred tax liabilities)	64,585	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.	
Amount above the 10% threshold on the specified items	-		21
Amount exceeding the 15% threshold on the specified items	-		25
Amount below the thresholds for deduction (before risk weighting)	64,585		75

5. Deferred gains or losses on hedges

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred gains or losses on hedges	(12,585)		5

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Deferred gains or losses on derivatives under hedge accounting	(7,710)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

6. Investments in the capital of financial entities

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Money held in trust	13,344		6-a
Securities	5,764,450		6-b
Loans and bills discounted	23,824,035	Including subordinated loans	6-c
Other assets	1,333,355	Including derivatives	6-d
Other liabilities	1,139,718	Including derivatives	6-e

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Investments in own capital instruments	63		
Common Equity Tier 1 capital	63		16
Additional Tier 1 capital	-		37
Tier 2 capital	-		52
Reciprocal cross-holdings in capital instruments	-		
Common Equity Tier 1 capital	-		17
Additional Tier 1 capital	-		38
Tier 2 capital	-		53
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	274,066		
Common Equity Tier 1 capital	32,232		18
Additional Tier 1 capital	15,880		39
Tier 2 capital	65,544		54
Amount below the thresholds for deduction (before risk weighting)	160,409		72
Significant investments in the instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	49,123		
Amount above the 10% threshold on the specified items	-		19
Amount exceeding the 15% threshold on the specified items	-		23
Additional Tier 1 capital	-		40
Tier 2 capital	5,700		55
Amount below the thresholds for deduction (before risk weighting)	43,423		73

7.Minority interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Minority interests	335,620		7

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	2,244		5
Qualifying Additional Tier 1 instruments issued by special purpose vehicles	-		30-31ab-32
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	9,667		34-35
Qualifying Tier 2 instruments issued by special purpose vehicles	-		46
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	2,738		48-49