

**Explanation on reconciliation between balance sheet items and regulatory capital elements  
as of September 30, 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	8,419,972		
Call loans and bills bought	768,849		
Receivables under resale agreements	109,593		
Receivables under securities borrowing transactions	307,593		
Monetary claims bought	629,433		
Trading assets	536,040		
Money held in trust	1,432		
Securities	5,267,349	2-b, 6-a	
Loans and bills discounted	24,490,282	6-b	
Foreign exchanges	10,985		
Lease receivables and investment assets	533,827		
Other assets	1,409,809	6-c	
Tangible fixed assets	225,832		
Intangible fixed assets	164,092	2-a	
Assets for retirement benefits	112,579	3	
Deferred tax assets	15,239	4-a	
Customers' liabilities for acceptances and guarantees	504,944		
Allowance for loan losses	(94,687)		
<b>Total assets</b>	<b>43,413,170</b>		

Items	Consolidated balance sheet (a)	Ref. No. of appendix	Basel III template No. under the Composition of capital disclosure
	Amount		
(Liabilities)			
Deposits	24,010,912		
Negotiable certificates of deposit	6,389,378		
Call money and bills sold	300,184		
Payables under repurchase agreements	1,096,905		
Payables under securities lending transactions	11,387		
Trading liabilities	250,574		
Borrowed money	2,113,420		
Foreign exchanges	70		
Short-term bonds payable	1,026,914		
Bonds payable	1,056,815	8	
Borrowed money from trust account	2,934,859		
Other liabilities	1,048,343	6-d	
Provision for bonuses	13,281		
Provision for director's bonuses	120		
Liabilities for retirement benefits	11,515		
Provision for reimbursement of deposits	3,637		
Provision for contingent losses	8,864		
Deferred tax liabilities	76,579	4-b	
Deferred tax liabilities for land revaluation	3,712	4-c	
Acceptances and guarantees	504,944		
<b>Total liabilities</b>	<b>40,862,421</b>		
(Net assets)			
Capital stock	261,608	1-a	
Capital surplus	754,267	1-b	
Retained earnings	918,133	1-c	
Treasury stock	(601)	1-d	
<b>Total shareholders' equity</b>	<b>1,933,407</b>		
Valuation difference on available-for-sale securities	320,447		
Deferred gains or losses on hedges	(17,582)	5	
Revaluation reserve for land	(6,198)		
Foreign currency translation adjustment	7,184		
Adjustments for retirement benefits	(12,695)		
<b>Total accumulated other comprehensive income</b>	<b>291,154</b>		3
Subscription rights to shares	232		1b
Minority interests	325,954	7	
<b>Total net assets</b>	<b>2,550,749</b>		
<b>Total liabilities and net assets</b>	<b>43,413,170</b>		

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	918,133		1-c
Treasury stock	(601)		1-d
Total shareholder's equity	1,933,407		

#### (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	1,824,407	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital stock and capital surplus	906,876		1a
of which: retained earnings	918,133		2
of which: treasury stock (deduction)	601		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	164,092		2-a
Securities	5,267,349		2-b
of which: goodwill arising on the application of the equity method	3,709		

Associated deferred tax liabilities	26,013	
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#### (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)	92,418		8
Other intangible assets (net of related deferred tax liabilities)	49,369		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	112,579		3

Associated deferred tax liabilities	40,124	
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#### (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)	72,454		15

### 4. Deferred tax assets

#### (1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	15,239		4-a
Deferred tax liabilities	76,579		4-b
Deferred tax liabilities for land revaluation	3,712		4-c

Associated intangible fixed assets	26,013	
Associated assets for retirement benefits	40,124	

#### (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)	2,349	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)	-	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)	-		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	(17,582)		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	(12,625)	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.
Securities	5,267,349		6-a
Loans and bills discounted	24,490,282	Including subordinated loans	6-b
Other assets	1,409,809	Including derivatives	6-c
Other liabilities	1,048,343	Including derivatives	6-d

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Investments in own capital instruments	5		
Common Equity Tier 1 capital	5		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	240,102		
Common Equity Tier 1 capital	19,743		18
Additional Tier 1 capital	6,782		39
Tier 2 capital	35,408		54
Amount below the thresholds for deduction (before risk weighting)	178,168		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	58,845		
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	5,600		55
Amount below the thresholds for deduction (before risk weighting)	53,245		73

7.Minority interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Minority interests	325,954		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)	2,646		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)	9,421		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)	2,784		48-49

8.Other capital instruments

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Bonds payable	1,056,815		8

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	-		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	30,000		46