

Composition of capital as of March 31, 2015

<Sumitomo Mitsui Trust Bank, Limited.>

[Non-consolidated, International standard]

(Millions of yen, except percentages)

Basel III template No.	Items	March 31, 2015	Amounts excluded under transitional arrangements	March 31, 2014	Amounts excluded under transitional arrangements
Common Equity Tier 1 capital: instruments and reserves					
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	1,691,791		1,648,729	
1a	of which: capital stock and capital surplus	834,289		834,296	
2	of which: retained earnings	892,047		845,004	
1c	of which: treasury stock (deduction)	-		-	
26	of which: earnings to be distributed (deduction)	34,545		30,571	
	of which: others	-		-	
1b	Subscription rights to common shares	-		-	
3	Valuation and translation adjustments	200,929	301,394	48,598	194,393
	Amount allowed in group Common Equity Tier 1 subject to transitional arrangements	-		-	
6	Common Equity Tier 1 capital before regulatory adjustments (A)	1,892,721		1,697,328	
Common Equity Tier 1 capital: regulatory adjustments					
8+9	Intangible assets other than mortgage servicing rights *	12,308	18,462	11,651	46,604
8	of which: goodwill (including those equivalent)	-	-	-	-
9	of which: other intangible assets	12,308	18,462	11,651	46,604
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences *	-	-	304	1,217
11	Deferred gains or losses on derivatives under hedge accounting	(2,187)	(3,280)	(311)	(1,247)
12	Shortfall of eligible provisions to expected losses	22,476	33,714	20,390	81,561
13	Securitization gain on sale	2,509	3,764	1,523	6,094
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	-	-
15	Defined-benefit pension fund net assets (prepaid pension expenses) *	48,614	72,921	29,241	116,967
16	Investments in own shares (excluding those reported in the Net assets section)	-	-	-	-
17	Reciprocal cross-holdings in common equity	-	-	-	-
18	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)	6,658	9,987	6,292	25,168
19+20+21	Amount above the 10% threshold on the specified items	-	-	-	-
19	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	-	-	-	-
20	of which: mortgage servicing rights	-	-	-	-
21	of which: deferred tax assets arising from temporary differences *	-	-	-	-
22	Amount exceeding the 15% threshold on the specified items	-	-	-	-
23	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	-	-	-	-
24	of which: mortgage servicing rights	-	-	-	-
25	of which: deferred tax assets arising from temporary differences *	-	-	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	90,380		69,091	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (C) = (A)-(B)	1,802,341		1,628,236	

(Millions of yen, except percentages)

Basel III template No.	Items	March 31, 2015	Amounts excluded under transitional arrangements	March 31, 2014	Amounts excluded under transitional arrangements	
Additional Tier 1 capital: instruments						
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards	-	-	-	
	31b	Subscription rights to Additional Tier 1 instruments	-	-	-	
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	-	-	-	
		Qualifying Additional Tier 1 instruments issued by special purpose vehicles	-	-	-	
33+35	Eligible Tier 1 capital instruments subject to phase out from Additional Tier 1 capital	160,000		269,000		
	Amount allowed in group Additional Tier 1 subject to transitional arrangements	(0)		(0)		
	of which: foreign currency translation adjustment	(0)		(0)		
36	Additional Tier 1 capital: instruments (D)	159,999		268,999		
Additional Tier 1 capital: regulatory adjustments						
37	Investments in own Additional Tier 1 instruments	-	-	-	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	-	-	
39	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)	2,759	4,138	4,564	18,256	
40	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	-	-	-	-	
	Regulatory adjustments applied to Additional Tier 1 subject to transitional arrangements	20,622		46,875		
	of which: equivalent to capital increase due to securitization transactions	3,764		6,094		
	of which: equivalent to 50% of shortfall of eligible provisions to expected losses	16,857		40,780		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-		
43	Additional Tier 1 capital: regulatory adjustments (E)	23,381		51,439		
Additional Tier 1 capital (AT1)						
44	Additional Tier 1 capital (F) = (D)-(E)	136,618		217,560		
Tier 1 capital (T1 = CET1 + AT1)						
45	Tier 1 capital (G) = (C)+(F)	1,938,960		1,845,796		
Tier 2 capital: instruments and provisions						
46		Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as equity under applicable accounting standards	-	-	-	
		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	30,000		-	
		Qualifying Tier 2 instruments issued by special purpose vehicles	-		-	
47+49	Eligible Tier 2 capital instruments subject to phase out from Tier 2 capital	574,183		686,327		
50	Provisions allowed in group Tier 2	-		-		
50a	of which: general allowance for credit losses	-		-		
50b	of which: excess amount of eligible provisions to expected losses	-		-		
	Amount allowed in group Tier 2 subject to transitional arrangements	202,615		134,739		
	of which: 45% of net unrealized gain on available-for-sale securities	201,744		132,731		
	of which: 45% of revaluation reserve for land	871		2,007		
51	Tier 2 capital: instruments and provisions (H)	806,799		821,066		

(Millions of yen, except percentages)

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Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments	-	-	-	-
53	Reciprocal cross-holdings in Tier 2 instruments	-	-	-	-
54	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)	7,146	10,720	13,856	55,427
55	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
	Regulatory adjustments applied to Tier 2 subject to transitional arrangements	18,584		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	1,727		9,782	
	of which: equivalent to 50% of shortfall of eligible provisions to expected losses	16,857		40,780	
57	Tier 2 capital: regulatory adjustments (I)	25,731		65,560	
Tier 2 capital (T2)					
58	Tier 2 capital (J) = (H)-(I)	781,067		755,506	
Total capital (TC = T1 + T2)					
59	Total capital (K) = (G)+(J)	2,720,027		2,601,302	
Total risk weighted assets					
	Risk weighed assets subject to transitional arrangements	140,402		297,906	
	of which: intangible assets other than mortgage servicing rights *	18,462		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 *	72,921		116,967	
	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	49,018		133,115	
60	Total risk weighted assets (L)	18,653,814		18,614,784	
Capital ratios					
61	Common Equity Tier 1 capital ratio (C)/(L)	9.66%		8.74%	
62	Tier 1 capital ratio (G)/(L)	10.39%		9.91%	
63	Total capital ratio (K)/(L)	14.58%		13.97%	
Regulatory adjustments (before risk weighting)					
72	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)	198,479		157,770	
73	Significant investments in the common stock of banking, financial and insurance entities (amount below the thresholds for deduction)	29,140		34,977	
74	Mortgage servicing rights (amount below the thresholds for deduction)	-		-	
75	Deferred tax assets arising from temporary differences (amount below the thresholds for deduction)	-		45,954	
Provisions included in Tier 2 capital: instruments and provisions					
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to applicable of cap)	-		-	
77	Cap on inclusion of provisions in Tier 2 under standardized approach	1,612		3,539	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal rating-based approach (prior to applicable of cap)	-		-	
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach	100,662		100,199	
Capital instruments subject to phase out arrangements					
82	Current cap on Additional Tier 1 instruments subject to phase out arrangements	272,300		311,200	
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	-		-	
84	Current cap on Tier 2 instruments subject to phase out arrangements	600,536		686,327	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	-		74,956	

* net of related deferred tax liabilities