

**Explanation on reconciliation between balance sheet items and regulatory capital elements
as of March 31, 2015**

<Sumitomo Mitsui Trust Bank, Limited.>

[Non-consolidated]

(Millions of yen)

Items	Balance sheet	Ref. No. of appendix	Basel III template No. under the Composition of capital disclosure
	Amount		
(Assets)			
Cash and due from banks	8,170,551		
Call loans	205,075		
Receivables under resale agreements	136,188		
Receivables under securities borrowing transactions	310,806		
Monetary claims bought	117,318		
Trading assets	793,552		
Securities	5,039,688	6-a	
Loans and bills discounted	25,826,433	6-b	
Foreign exchanges	12,732		
Other assets	1,341,573	6-c	
Tangible fixed assets	196,564		
Buildings	62,394		
Land	110,497		
Lease assets	1,832		
Construction in progress	1,770		
Other	20,069		
Intangible fixed assets	45,478	2	
Software	41,251		
Lease assets	43		
Other	4,183		
Prepaid pension expenses	179,627	3	
Customers' liabilities for acceptances and guarantees	396,865		
Allowance for loan losses	(66,997)		
Total assets	42,705,462		

Items	Balance sheet	Ref. No. of appendix	Basel III template No. under the Composition of capital disclosure
	Amount		
(Liabilities)			
Deposits	24,855,580		
Negotiable certificates of deposit	6,758,067		
Call money	847,690		
Payables under repurchase agreements	462,942		
Trading liabilities	405,224		
Borrowed money ^(a)	2,128,188	7	
Foreign exchanges	140		
Short-term bonds payable	727,157		
Bonds payable	952,607		
Borrowed money from trust account	1,644,822		
Other liabilities	1,108,508	6-d	
Provision for bonuses	9,657		
Provision for director's bonuses	110		
Provision for retirement benefits	640		
Provision for reimbursement of deposits	3,598		
Provision for contingent loss	8,533		
Deferred tax liabilities	163,270	4-a	
Deferred tax liabilities for land revaluation	3,322	4-b	
Acceptances and guarantees	396,865		
Total liabilities	40,476,928		
(Net assets)			
Capital stock	342,037	1-a	
Capital surplus	492,252	1-b	
Retained earnings	891,919	1-c	
Total shareholders' equity	1,726,208		
Valuation difference on available-for-sale securities	512,775		
Deferred gains or losses on hedges	(10,357)	5	
Revaluation reserve for land	(93)		
Total valuation and translation adjustments	502,324		3
Total net assets	2,228,533		
Total liabilities and net assets	42,705,462		

Note

- (a) Borrowed money includes ¥160,000 million of subordinated borrowings which are included in "Eligible Tier 1 capital instruments subject to phase out from Additional Tier 1 capital" in the Composition of capital disclosure.

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 disclosure" and exclude items for regulatory purpose under transitional arrangement from these tables.

1.Shareholder's equity

(1) Balance sheet

(Millions of yen)

Balance sheet items	Amount	Remarks	Ref. No.
Capital stock	342,037		1-a
Capital surplus	492,252		1-b
Retained earnings	891,919		1-c
Total shareholder's equity	1,726,208		

(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	1,726,337	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital stock and capital surplus	834,289		1a
of which: retained earnings	892,047		2
of which: treasury stock (deduction)	-		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) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Intangible fixed assets	45,478		2

Associated deferred tax liabilities	14,707	
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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)	-		8
Other intangible assets (net of related deferred tax liabilities)	30,771		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 expenses)

(1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Prepaid pension expenses	179,627		3
Associated deferred tax liabilities	58,091		

(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)	121,536		15

4. Deferred tax assets

(1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Deferred tax liabilities	163,270		4-a
Deferred tax liabilities for land revaluation	3,322		4-b
Associated intangible fixed assets	14,707		
Associated prepaid pension expenses	58,091		

(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)	-	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) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Deferred gains or losses on hedges	(10,357)		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	(5,467)	Excluding those items whose valuation differences arising from hedged items are recognized as "Valuation and translation adjustments"	11

6. Investments in the capital of financial entities

(1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Securities	5,039,688		6-a
Loans and bills discounted	25,826,433	Including subordinated loans	6-b
Other assets	1,341,573	Including derivatives	6-c
Other liabilities	1,108,508	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	-		
Common Equity Tier 1 capital	-		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	239,890		
Common Equity Tier 1 capital	16,645		18
Additional Tier 1 capital	6,898		39
Tier 2 capital	17,867		54
Amount below the thresholds for deduction (before risk weighting)	198,479		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	29,140		
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	-		55
Amount below the thresholds for deduction (before risk weighting)	29,140		73

7. Other capital instruments

(1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Borrowed money	2,128,188		7

(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