

## Composition of capital as of June 30, 2019

<Sumitomo Mitsui Trust Bank, Limited>

[Non-consolidated, International standard]

(Millions of yen, except percentages)

CC1:Composition of Capital				
Basel III template No.	Items	a	b	c
		June 30, 2019	March 31, 2019	Reference numbers to Reconciliation with the balance sheet
<b>Common Equity Tier 1 capital: instruments and reserves</b>				
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	1,674,572	1,636,873	
1a	of which: capital stock and capital surplus	685,103	733,648	
2	of which: retained earnings	1,097,390	1,095,962	
1c	of which: treasury stock (deduction)	-	-	
26	of which: earnings to be distributed (deduction)	107,921	192,737	
	of which: others	-	-	
1b	Subscription rights to common shares	-	-	
3	Valuation and translation adjustments	413,828	442,226	
6	Common Equity Tier 1 capital: instruments and reserves (A)	2,088,401	2,079,100	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>				
8+9	Intangible assets other than mortgage servicing rights *	47,845	45,518	
8	of which: goodwill (including those equivalent)	-	-	
9	of which: other intangible assets	47,845	45,518	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences*	-	-	
11	Deferred gains or losses on derivatives under hedge accounting	(32,571)	(26,048)	
12	Shortfall of eligible provisions to expected losses	19,471	19,931	
13	Securitisation gain on sale	1,380	1,433	
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)*	121,330	118,421	
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)	-	-	
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)	157,455	159,257	
<b>Common Equity Tier 1 capital (CET1)</b>				
29	Common Equity Tier 1 capital (C) = (A)-(B)	1,930,945	1,919,843	

(Millions of yen, except percentages)

CC1:Composition of Capital					
Basel III template No.	Items	a	b	c	
		June 30, 2019	March 31, 2019	Reference numbers to Reconciliation with the balance sheet	
<b>Additional Tier 1 capital: instruments</b>					
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	340,000	340,000	
		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		-	-	
36	Additional Tier 1 capital: instruments (D)		340,000	340,000	
<b>Additional Tier 1 capital: regulatory adjustments</b>					
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)		-	-	
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		-	-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		-	-	
43	Additional Tier 1 capital: regulatory adjustments (E)		-	-	
<b>Additional Tier 1 capital (AT1)</b>					
44	Additional Tier 1 capital (F) = (D)-(E)		340,000	340,000	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>					
45	Tier 1 capital (G) = (C)+(F)		2,270,945	2,259,843	
<b>Tier 2 capital: instruments and provisions</b>					
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		310,000	270,000	
	Qualifying Tier 2 instruments issued by special purpose vehicles		-	-	
47+49	Eligible Tier 2 capital instruments subject to phase out from Tier 2 capital		219,301	239,264	
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		-	-	
51	Tier 2 capital: instruments and provisions (H)		529,301	509,264	

(Millions of yen, except percentages)

CC1:Composition of Capital				
Basel III template No.	Items	a	b	c
		June 30, 2019	March 31, 2019	Reference numbers to Reconciliation with the balance sheet
<b>Tier 2 capital: regulatory adjustments</b>				
52	Investments in own Tier 2 instruments	-	-	
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	-	-	
54	Investments in the Tier 2 instruments and other TLAC liabilities 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)	-	-	
55	Significant investments in the Tier 2 instruments and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	1,540	1,540	
57	Tier 2 capital: regulatory adjustments (I)	1,540	1,540	
<b>Tier 2 capital (T2)</b>				
58	Tier 2 capital (J) = (H)-(I)	527,761	507,724	
<b>Total capital (TC = T1 + T2)</b>				
59	Total capital (K) = (G)+(J)	2,798,706	2,767,568	
<b>Total risk weighted assets</b>				
60	Total risk weighted assets (L)	18,550,949	19,152,340	
<b>Capital ratios</b>				
61	Common Equity Tier 1 capital ratio (C)/(L)	10.40%	10.02%	
62	Tier 1 capital ratio (G)/(L)	12.24%	11.79%	
63	Total capital ratio (K)/(L)	15.08%	14.45%	
<b>Regulatory adjustments (before risk weighting)</b>				
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)	119,912	121,742	
73	Significant investments in the common stock of banking, financial and insurance entities (amount below the thresholds for deduction)	62,924	62,925	
74	Mortgage servicing rights (amount below the thresholds for deduction)	-	-	
75	Deferred tax assets arising from temporary differences (amount below the thresholds for deduction)	-	-	
<b>Provisions included in Tier 2 capital: instruments and provisions</b>				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to applicable of cap)	-	-	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	1,979	2,110	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to applicable of cap)	-	-	
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach	96,360	100,136	
<b>Capital instruments subject to phase out arrangements</b>				
82	Current cap on Additional Tier 1 instruments subject to phase out arrangements	116,700	116,700	
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	257,372	257,372	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	-	-	

\* Net of related deferred tax liabilities