

**Explanation on reconciliation between balance sheet items and regulatory capital elements  
as of March 31, 2020**

<Sumitomo Mitsui Trust Bank, Limited>

[Non-consolidated]

(Millions of yen)

CC2:Reconciliation of regulatory capital to balance sheet				
Items	a	b	c	d
	Non-consolidated balance sheet	Under regulatory scope of consolidation	Ref. No.of Composition of capital	Ref. No. of appendix
(Assets)				
Cash and due from banks	12,916,014	12,916,015		
Call loans	71,236	71,236		
Receivables under resale agreements	1,220,761	1,220,761		
Receivables under securities borrowing transactions	740,658	740,658		
Monetary claims bought	64,146	64,146		
Trading assets	609,158	609,158		
Money held in trust	99	99		
Securities	6,625,035	6,625,034		6-a
Loans and bills discounted	29,953,513	29,953,513		6-b
Foreign exchanges	36,952	36,952		
Other assets	1,650,474	1,650,474		6-c
Tangible fixed assets	189,926	189,926		
Intangible fixed assets	70,937	70,937		2
Prepaid pension expenses	186,272	186,272		3
Customers' liabilities for acceptances and guarantees	359,757	359,757		
Allowance for loan losses	(98,191)	(98,191)		
Total assets	54,596,753	54,596,753		

CC2:Reconciliation of regulatory capital to balance sheet				
Items	a	b	c	d
	Non-consolidated balance sheet	Under regulatory scope of consolidation	Ref. No.of Composition of capital	Ref. No. of appendix
<b>(Liabilities)</b>				
Deposits	30,537,466	30,537,466		
Negotiable certificates of deposit	6,112,992	6,112,992		
Call money	201,249	201,249		
Payables under repurchase agreements	1,558,919	1,558,919		
Payables under securities lending transactions	-	-		
Trading liabilities	371,950	371,950		
Borrowed money	5,973,015	5,973,015		7
Foreign exchanges	23,724	23,724		
Short-term bonds payable	1,136,819	1,136,819		
Bonds payable	415,368	415,368		
Borrowed money from trust account	4,750,289	4,750,289		
Other liabilities	1,026,229	1,026,229		6-d
Provision for bonuses	9,909	9,909		
Provision for directors' bonuses	74	74		
Provision for stocks payment	219	219		
Provision for retirement benefits	736	736		
Provision for reimbursement of deposits	4,867	4,867		
Provision for contingent losses	1,440	1,440		
Deferred tax liabilities	91,860	91,860		4-a
Deferred tax liabilities for land revaluation	2,439	2,439		4-b
Acceptances and guarantees	359,757	359,757		
<b>Total liabilities</b>	<b>52,579,329</b>	<b>52,579,329</b>		
<b>(Net assets)</b>				
Capital stock	342,037	342,037		1-a
Capital surplus	343,066	343,066		1-b
Retained earnings	1,020,763	1,020,763		1-c
Total shareholders' equity	1,705,866	1,705,866		
Valuation differences on available-for-sale securities	363,461	363,461		
Deferred gains (losses) on hedges	(48,002)	(48,002)		5
Revaluation reserve for land	(3,901)	(3,901)		
Foreign currency translation adjustments	-	(0)		
Total valuation and translation adjustments	311,558	311,557	(a)	
<b>Total net assets</b>	<b>2,017,424</b>	<b>2,017,424</b>		
<b>Total liabilities and net assets</b>	<b>54,596,753</b>	<b>54,596,753</b>		

## Appendix

Note: Amounts in the "Composition of capital" exclude items for regulatory purpose under transitional arrangement.

### 1.Shareholders' equity

#### (1) Non-consolidated balance sheet

(Millions of yen)

Non-consolidated balance sheet items	Amount	Remarks	Ref. No.
Capital stock	342,037		1-a
Capital surplus	343,066		1-b
Retained earnings	1,020,763		1-c
Total shareholders' equity	1,705,866		

#### (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	1,705,866	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital stock and capital surplus	685,103		1a
of which: retained earnings	1,020,763		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) Non-consolidated balance sheet

Non-consolidated balance sheet items	Amount	Remarks	Ref. No.
Intangible fixed assets	70,937		2
Associated deferred tax liabilities	21,721		

#### (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)	49,216	Excluding goodwill, mortgage servicing rights (software, etc.)	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) Non-consolidated balance sheet

Non-consolidated balance sheet items	Amount	Remarks	Ref. No.
Prepaid pension expenses	186,272		3
Associated deferred tax liabilities	57,036		

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Defined-benefit pension fund net assets (prepaid pension expenses) (net of related deferred tax liabilities)	129,235		15

4. Deferred tax assets

(1) Non-consolidated balance sheet

Non-consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax liabilities	91,860		4-a
Deferred tax liabilities for land revaluation	2,439		4-b
Associated intangible fixed assets	21,721		
Associated prepaid pension expenses	57,036		

(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) Non-consolidated balance sheet

Non-consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred gains (losses) on hedges	(48,002)		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	(37,200)	Excluding those items whose valuation differences arising from hedged items are recognized as "Valuation and translation adjustments"	11

6. Investments in the capital and other TLAC liabilities of financial entities

(1) Non-consolidated balance sheet

Non-consolidated balance sheet items	Amount	Remarks	Ref. No.
Securities	6,625,035		6-a
Loans and bills discounted	29,953,513	Including subordinated debts	6-b
Other assets	1,650,474	Including derivatives	6-c
Other liabilities	1,026,229	Including derivatives	6-d

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Investments in own capital	-		
Common Equity Tier 1 capital	-		16
Additional Tier 1 capital	-		37
Tier 2 capital	-		52
Reciprocal cross-holdings in the capital and other TLAC liabilities	-		
Common Equity Tier 1 capital	-		17
Additional Tier 1 capital	-		38
Tier 2 capital and other TLAC liabilities	-		53
Investments in the capital and other TLAC liabilities 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	105,516		
Common Equity Tier 1 capital	-		18
Additional Tier 1 capital	-		39
Tier 2 capital and other TLAC liabilities	-		54
Amount below the thresholds for deduction (before risk weighting)	105,516		72
Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	64,527		
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 and other TLAC liabilities	1,540		55
Amount below the thresholds for deduction (before risk weighting)	62,987		73

7. Other capital instruments

(1) Non-consolidated balance sheet

Non-consolidated balance sheet items	Amount	Remarks	Ref. No.
Borrowed money	5,973,015		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	340,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	306,584		46