

**Composition of capital as of March 31, 2021**

&lt;Sumitomo Mitsui Trust Holdings, Inc.&gt;

[Consolidated, International standard]

(Millions of yen, except percentages)

CC1:Composition of Capital				
Basel III template No.	Items	a	b	c
		March 31, 2021	December 31, 2020	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	2,387,881	2,404,460	
1a	of which: capital stock and capital surplus	837,723	841,770	
2	of which: retained earnings	1,581,096	1,565,513	
1c	of which: treasury stock (deduction)	2,815	2,823	
26	of which: earnings to be distributed (deduction)	28,122	-	
	of which: others	-	-	
1b	Subscription rights to common shares	1,024	1,037	
3	Accumulated other comprehensive income	277,756	174,754	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	-	-	
6	Common Equity Tier 1 capital: instruments and reserves (A)	2,666,661	2,580,252	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>				
8+9	Intangible assets other than mortgage servicing rights *	90,437	103,818	
8	of which: goodwill (including those equivalent)	38,070	40,575	
9	of which: other intangible assets	52,366	63,242	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences *	172	339	
11	Deferred gains or losses on derivatives under hedge accounting	(40,649)	(47,386)	
12	Shortfall of eligible provisions to expected losses	-	-	
13	Securitisation gain on sale	1,111	1,045	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	
15	Defined-benefit pension fund net assets (assets for retirement benefits) *	160,369	73,396	
16	Investments in own shares (excluding those reported in the Net assets section)	94	8	
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)	211,535	131,221	
<b>Common Equity Tier 1 capital (CET1)</b>				
29	Common Equity Tier 1 capital (C) = (A)-(B)	2,455,126	2,449,030	

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<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	270,000	270,000	
		Qualifying Additional Tier 1 instruments issued by special purpose vehicles	-	-	
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)		11,590	12,919	
33+35	Eligible Tier 1 capital instruments subject to phase out from Additional Tier 1 capital		-	-	
33		of which: directly issued and issued by special purpose vehicles	-	-	
35		of which: issued by subsidiaries	-	-	
36	Additional Tier 1 capital: instruments (D)		281,590	282,919	
<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)		281,590	282,919	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>					
45	Tier 1 capital (G) = (C)+(F)		2,736,717	2,731,950	
<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		335,153	338,635	
	Qualifying Tier 2 instruments issued by special purpose vehicles		-	-	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		2,105	2,410	
47+49	Eligible Tier 2 capital instruments subject to phase out from Tier 2 capital		85,790	162,184	
47		of which: directly issued and issued by special purpose vehicles	-	-	
49		of which: issued by subsidiaries	85,790	162,184	
50	Provisions allowed in group Tier 2		32,718	30,438	
50a		of which: general allowance for credit losses	3,280	2,947	
50b		of which: excess amount of eligible provisions to expected losses	29,437	27,490	
51	Tier 2 capital: instruments and provisions (H)		455,767	533,668	

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<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)	454,227	532,128	
<b>Total capital (TC = T1 + T2)</b>				
59	Total capital (K) = (G)+(J)	3,190,944	3,264,079	
<b>Total risk weighted assets</b>				
60	Total risk weighted assets (L)	20,243,399	20,209,728	
<b>Capital ratios and buffers (Consolidated)</b>				
61	Common Equity Tier 1 capital ratio (C)/(L)	12.12%	12.11%	
62	Tier 1 capital ratio (G)/(L)	13.51%	13.51%	
63	Total capital ratio (K)/(L)	15.76%	16.15%	
64	Total of bank CET1 specific buffer requirements	3.00%	3.00%	
65	of which: Capital conservation buffer requirement	2.50%	2.50%	
66	of which: Countercyclical buffer requirement	0.00%	0.00%	
67	of which: Bank G-SIB and/or D-SIB additional requirements	0.50%	0.50%	
68	CET1 available after meeting the bank's minimum capital requirements	7.51%	7.51%	
<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)	134,244	122,086	
73	Significant investments in the common stock of banking, financial and insurance entities (amount below the thresholds for deduction)	165,595	160,567	
74	Mortgage servicing rights (amount below the thresholds for deduction)	-	-	
75	Deferred tax assets arising from temporary differences (amount below the thresholds for deduction)	23,744	34,310	
<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 application of cap)	3,280	2,947	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	11,187	9,633	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	29,437	27,490	
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach	97,352	96,649	
<b>Capital instruments subject to phase out arrangements</b>				
82	Current cap on Additional Tier 1 instruments subject to phase out arrangements	54,500	109,000	
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-	
84	Current cap on Tier 2 instruments subject to phase out arrangements	85,790	171,581	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	69,699	-	

\* Net of related deferred tax liabilities