

Composition of capital as of June 30, 2021

<Sumitomo Mitsui Trust Holdings, Inc.>

[Consolidated, International standard]

(Millions of yen, except percentages)

CC1:Composition of Capital				
Basel III template No.	Items	a	b	c
		June 30, 2021	March 31, 2021	Reference numbers to Reconciliation with the balance sheet
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	2,428,999	2,387,881	
1a	of which: capital stock and capital surplus	837,723	837,723	
2	of which: retained earnings	1,594,089	1,581,096	
1c	of which: treasury stock (deduction)	2,813	2,815	
26	of which: earnings to be distributed (deduction)	-	28,122	
	of which: others	-	-	
1b	Subscription rights to common shares	1,021	1,024	
3	Accumulated other comprehensive income	263,516	277,756	(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)	2,693,537	2,666,661	
Common Equity Tier 1 capital: regulatory adjustments				
8+9	Intangible assets other than mortgage servicing rights *	91,786	90,437	
8	of which: goodwill (including those equivalent)	35,416	38,070	
9	of which: other intangible assets	56,370	52,366	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences *	172	172	
11	Deferred gains or losses on derivatives under hedge accounting	(41,902)	(40,649)	
12	Shortfall of eligible provisions to expected losses	-	-	
13	Securitisation gain on sale	1,066	1,111	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	3,705	-	
15	Defined-benefit pension fund net assets (assets for retirement benefits) *	164,466	160,369	
16	Investments in own shares (excluding those reported in the Net assets section)	34	94	
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)	219,327	211,535	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (C) = (A)-(B)	2,474,209	2,455,126	

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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	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)		11,246	11,590	
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)		281,246	281,590	
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)		-	-	
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		10	-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		-	-	
43	Additional Tier 1 capital: regulatory adjustments (E)		10	-	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital (F) = (D)-(E)		281,236	281,590	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (G) = (C)+(F)		2,755,445	2,736,717	
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		330,668	335,153	
	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)		2,167	2,105	
47+49	Eligible Tier 2 capital instruments subject to phase out from Tier 2 capital		85,790	85,790	
47		of which: directly issued and issued by special purpose vehicles	-	-	
49		of which: issued by subsidiaries	85,790	85,790	
50	Provisions allowed in group Tier 2		27,820	32,718	
50a		of which: general allowance for credit losses	3,285	3,280	
50b		of which: excess amount of eligible provisions to expected losses	24,535	29,437	
51	Tier 2 capital: instruments and provisions (H)		446,448	455,767	

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Tier 2 capital: regulatory adjustments				
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	
Tier 2 capital (T2)				
58	Tier 2 capital (J) = (H)-(I)	444,908	454,227	
Total capital (TC = T1 + T2)				
59	Total capital (K) = (G)+(J)	3,200,354	3,190,944	
Total risk weighted assets				
60	Total risk weighted assets (L)	20,014,533	20,243,399	
Capital ratios and buffers (Consolidated)				
61	Common Equity Tier 1 capital ratio (C)/(L)	12.36%	12.12%	
62	Tier 1 capital ratio (G)/(L)	13.76%	13.51%	
63	Total capital ratio (K)/(L)	15.99%	15.76%	
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	7.76%	7.51%	
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)	141,112	134,244	
73	Significant investments in the common stock of banking, financial and insurance entities (amount below the thresholds for deduction)	170,242	165,595	
74	Mortgage servicing rights (amount below the thresholds for deduction)	-	-	
75	Deferred tax assets arising from temporary differences (amount below the thresholds for deduction)	28,189	23,744	
Provisions included in Tier 2 capital: instruments and provisions				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	3,285	3,280	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	11,617	11,187	
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")	24,535	29,437	
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach	94,280	97,352	
Capital instruments subject to phase out arrangements				
82	Current cap on Additional Tier 1 instruments subject to phase out arrangements	54,500	54,500	
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	85,790	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	62,529	69,699	

* Net of related deferred tax liabilities