

**Explanation on reconciliation between balance sheet items and regulatory capital elements  
as of September 30, 2021**

<Sumitomo Mitsui Trust Holdings, Inc.>

[Consolidated]

(Millions of yen)

CC2:Reconciliation of regulatory capital to balance sheet			
Items	a	c	d
	Consolidated balance sheet	Ref. No.of Composition of capital	Ref. No. of appendix
<b>(Assets)</b>			
Cash and due from banks	18,907,222		
Call loans and bills bought	6,000		
Receivables under resale agreements	156,180		
Receivables under securities borrowing transactions	684,652		
Monetary claims bought	762,179		
Trading assets	850,204		
Money held in trust	17,331		
Securities	7,064,541		3-b,7-a
Loans and bills discounted	30,569,851		7-b
Foreign exchanges	32,246		
Lease receivables and investment assets	692,678		
Other assets	2,597,749		7-c
Tangible fixed assets	225,120		
Intangible fixed assets	117,834		3-a
Assets for retirement benefits	240,068		4
Deferred tax assets	15,299		5-a
Customers' liabilities for acceptances and guarantees	513,140		
Allowance for loan losses	(117,647)		
<b>Total assets</b>	<b>63,334,654</b>		

CC2:Reconciliation of regulatory capital to balance sheet			
Items	a	c	d
	Consolidated balance sheet	Ref. No.of Composition of capital	Ref. No. of appendix
<b>(Liabilities)</b>			
Deposits	33,078,438		
Negotiable certificates of deposit	8,139,000		
Call money and bills sold	56,924		
Payables under repurchase agreements	1,520,979		
Trading liabilities	762,783		
Borrowed money	6,057,246		9-a
Foreign exchanges	1,226		
Short-term bonds payable	2,486,962		
Bonds payable	1,862,748		9-b
Borrowed money from trust account	4,173,870		
Other liabilities	1,743,527		7-d
Provision for bonuses	14,520		
Provision for directors' bonuses	2		
Provision for stocks payment	588		
Liabilities for retirement benefits	14,077		
Provision for reward points program	19,535		
Provision for reimbursement of deposits	3,825		
Provision for contingent losses	1,597		
Deferred tax liabilities	88,634		5-b
Deferred tax liabilities for land revaluation	2,388		5-c
Acceptances and guarantees	513,140		
<b>Total liabilities</b>	<b>60,542,020</b>		
<b>(Net assets)</b>			
Capital stock	261,608		1-a
Capital surplus	576,114		1-b
Retained earnings	1,654,367		1-c
Treasury stock	(2,721)		1-d
<b>Total shareholders' equity</b>	<b>2,489,368</b>		
Valuation differences on available-for-sale securities	326,859		
Deferred gains (losses) on hedges	(47,675)		6
Revaluation reserve for land	(6,739)		
Foreign currency translation adjustments	5,867		
Adjustments for retirement benefits	(3,867)		
<b>Total accumulated other comprehensive income</b>	<b>274,445</b>	(a)	
Subscription rights to shares	1,017		2
Non-controlling interests	27,802		8
<b>Total net assets</b>	<b>2,792,634</b>		
<b>Total liabilities and net assets</b>	<b>63,334,654</b>		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

## Appendix

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

### 1.Shareholders' equity

#### (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Capital stock	261,608		1-a
Capital surplus	576,114		1-b
Retained earnings	1,654,367		1-c
Treasury stock	(2,721)		1-d
Total shareholders' equity	2,489,368		

#### (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	2,489,368	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital stock and capital surplus	837,722		1a
of which: retained earnings	1,654,367		2
of which: treasury stock (deduction)	2,721		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.Subscription rights to shares

#### (1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Subscription rights to shares	1,017		2
of which: Subscription rights to shares issued by the bank holding company	1,017		

#### (2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Subscription rights to common shares	1,017		1b
Subscription rights to Additional Tier 1 instruments	-		31b
Subscription rights to Tier 2 instruments	-		46

### 3.Intangible assets

#### (1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Intangible fixed assets	117,834		3-a
Securities	7,064,541		3-b
of which: goodwill arising on the application of the equity method	27,069		

Associated deferred tax liabilities	25,587	
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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)	60,420		8
Other intangible assets (net of related deferred tax liabilities)	58,895	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

### 4.Defined-benefit pension fund net assets (assets for retirement benefits)

#### (1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Assets for retirement benefits	240,068		4

Associated deferred tax liabilities	73,522	
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#### (2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Defined-benefit pension fund net assets (assets for retirement benefits) (net of related deferred tax liabilities)	166,546		15

5. Deferred tax assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	15,299		5-a
Deferred tax liabilities	88,634		5-b
Deferred tax liabilities for land revaluation	2,388		5-c

Associated intangible fixed assets	25,587	
Associated assets for retirement benefits	73,522	

(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)	619	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets arising from temporary differences (net of related deferred tax liabilities)	22,766	This item does not agree with the amount reported on the consolidated 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)	22,766		75

6. Deferred gains or losses on hedges

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred gains (losses) on hedges	(47,675)		6

(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	(46,837)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

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

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Securities	7,064,541		7-a
Loans and bills discounted	30,569,851	Including subordinated debts	7-b
Other assets	2,597,749	Including derivatives	7-c
Other liabilities	1,743,527	Including derivatives	7-d

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Investments in own capital	8		
Common Equity Tier 1 capital	8		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	116,052		
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)	116,052		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	184,574		
Amount above the 10% threshold on the specified items	-		19
Amount exceeding the 15% threshold on the specified items	-		23
Additional Tier 1 capital	10		40
Tier 2 capital and other TLAC liabilities	1,540		55
Amount below the thresholds for deduction (before risk weighting)	183,024		73

8.Non-controlling interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Non-controlling interests	27,802		8

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	-	After reflecting amounts eligible for inclusion (after non-controlling interest adjustments)	5
Qualifying Additional Tier 1 instruments issued by special purpose vehicles	-		30-31ab-32
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	11,575	After reflecting amounts eligible for inclusion (after non-controlling interest adjustments)	34-35
Qualifying Tier 2 instruments issued by special purpose vehicles	-		46
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	2,106	After reflecting amounts eligible for inclusion (after non-controlling interest adjustments)	48-49

9.Other capital instruments

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Borrowed money	6,057,246		9-a
Bonds payable	1,862,748		9-b

(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	270,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	326,134		46