

**Explanation on reconciliation between balance sheet items and regulatory capital elements
as of March 31, 2022**

<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	17,925,030	17,925,031		
Call loans	5,000	5,000		
Receivables under resale agreements	150,741	150,741		
Receivables under securities borrowing transactions	652,534	652,534		
Monetary claims bought	123,567	123,567		
Trading assets	1,048,258	1,048,258		
Money held in trust	99	99		
Securities	7,951,169	7,951,168		6-a
Loans and bills discounted	30,916,363	30,916,363		6-b
Foreign exchanges	29,494	29,494		
Other assets	2,922,768	2,922,768		6-c
Tangible fixed assets	184,334	184,334		
Intangible fixed assets	77,756	77,756		2
Prepaid pension expenses	252,869	252,869		3
Customers' liabilities for acceptances and guarantees	426,405	426,405		
Allowance for loan losses	(136,300)	(136,300)		
Total assets	62,530,092	62,530,092		

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
(Liabilities)				
Deposits	32,898,724	32,898,724		
Negotiable certificates of deposit	6,809,644	6,809,644		
Call money	932,640	932,640		
Payables under repurchase agreements	1,485,033	1,485,033		
Trading liabilities	906,686	906,686		
Borrowed money	7,335,261	7,335,261		7
Foreign exchanges	15,362	15,362		
Short-term bonds payable	1,845,782	1,845,782		
Bonds payable	1,371,604	1,371,604		
Borrowed money from trust account	4,298,827	4,298,827		
Other liabilities	2,066,310	2,066,310		6-d
Provision for bonuses	9,599	9,599		
Provision for directors' bonuses	98	98		
Provision for stocks payment	569	569		
Provision for retirement benefits	940	940		
Provision for reimbursement of deposits	3,626	3,626		
Provision for contingent losses	1,649	1,649		
Deferred tax liabilities	67,628	67,628		4-a
Deferred tax liabilities for land revaluation	2,388	2,388		4-b
Acceptances and guarantees	426,405	426,405		
Total liabilities	60,478,786	60,478,786		
(Net assets)				
Capital stock	342,037	342,037		1-a
Capital surplus	343,066	343,066		1-b
Retained earnings	1,121,938	1,121,938		1-c
Total shareholders' equity	1,807,041	1,807,041		
Valuation differences on available-for-sale securities	291,152	291,152		
Deferred gains (losses) on hedges	(42,431)	(42,431)		5
Revaluation reserve for land	(4,456)	(4,456)		
Foreign currency translation adjustments	-	(0)		
Total valuation and translation adjustments	244,263	244,263	(a)	
Total net assets	2,051,305	2,051,305		
Total liabilities and net assets	62,530,092	62,530,092		

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	1,121,938		1-c
Total shareholders' equity	1,807,041		

(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	1,807,041	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	1,121,938		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	77,756		2
Associated deferred tax liabilities	23,808		

(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)	53,947	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	252,869		3
Associated deferred tax liabilities	77,428		

(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)	175,440		15

4. Deferred tax assets

(1) Non-consolidated balance sheet

Non-consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax liabilities	67,628		4-a
Deferred tax liabilities for land revaluation	2,388		4-b
Associated intangible fixed assets	23,808		
Associated prepaid pension expenses	77,428		

(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)	31,220	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)	31,220		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	(42,431)		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	(61,694)	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	7,951,169		6-a
Loans and bills discounted	30,916,363	Including subordinated debts	6-b
Other assets	2,922,768	Including derivatives	6-c
Other liabilities	2,066,310	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	95,249		
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)	95,249		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	67,622		
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)	66,072		73

7. Other capital instruments

(1) Non-consolidated balance sheet

Non-consolidated balance sheet items	Amount	Remarks	Ref. No.
Borrowed money	7,335,261		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	270,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	339,855		46