

**Explanation on reconciliation between balance sheet items and regulatory capital elements  
as of March 31, 2023**

<Sumitomo Mitsui Trust Holdings, Inc.>

[Consolidated]

(Millions of yen)

CC2:Reconciliation of regulatory capital to balance sheet			
Items	a	b	c
	Consolidated balance sheet	Ref. No.of Composition of capital	Ref. No. of appendix
<b>(Assets)</b>			
Cash and due from banks	21,602,473		
Call loans and bills bought	24,006		
Receivables under resale agreements	110,003		
Receivables under securities borrowing transactions	436,093		
Monetary claims bought	970,058		
Trading assets	1,514,603		
Money held in trust	16,136		7-a
Securities	6,933,067		3-b,7-b
Loans and bills discounted	31,810,926		7-c
Foreign exchanges	47,445		
Lease receivables and investment assets	688,933		
Other assets	3,839,561		7-d
Tangible fixed assets	222,588		
Intangible fixed assets	130,969		3-a
Assets for retirement benefits	232,625		4
Deferred tax assets	10,729		5-a
Customers' liabilities for acceptances and guarantees	562,523		
Allowance for loan losses	(129,998)		
Total assets	69,022,746		

CC2:Reconciliation of regulatory capital to balance sheet			
Items	a	b	c
	Consolidated balance sheet	Ref. No.of Composition of capital	Ref. No. of appendix
<b>(Liabilities)</b>			
Deposits	35,387,287		
Negotiable certificates of deposit	7,461,005		
Call money and bills sold	1,912,878		
Payables under repurchase agreements	1,030,780		
Trading liabilities	1,472,636		
Borrowed money	6,039,543		9-a
Foreign exchanges	847		
Short-term bonds payable	2,332,377		
Bonds payable	2,501,760		9-b
Borrowed money from trust account	4,332,472		
Other liabilities	3,038,112		7-e
Provision for bonuses	19,136		
Provision for directors' bonuses	402		
Provision for stocks payment	1,064		
Liabilities for retirement benefits	13,720		
Provision for reward points program	21,282		
Provision for reimbursement of deposits	3,028		
Provision for contingent losses	1,344		
Deferred tax liabilities	65,585		5-b
Deferred tax liabilities for land revaluation	2,381		5-c
Acceptances and guarantees	562,523		
<b>Total liabilities</b>	<b>66,200,172</b>		
<b>(Net assets)</b>			
Capital stock	261,608		1-a
Capital surplus	546,146		1-b
Retained earnings	1,803,002		1-c
Treasury stock	(22,933)		1-d
<b>Total shareholders' equity</b>	<b>2,587,824</b>		
Valuation differences on available-for-sale securities	258,240		
Deferred gains (losses) on hedges	(48,470)		6
Revaluation reserve for land	(6,855)		
Foreign currency translation adjustments	24,531		
Adjustments for retirement benefits	(23,187)		
<b>Total accumulated other comprehensive income</b>	<b>204,259</b>	(a)	
Subscription rights to shares	945		2
Non-controlling interests	29,545		8
<b>Total net assets</b>	<b>2,822,574</b>		
<b>Total liabilities and net assets</b>	<b>69,022,746</b>		

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

## Appendix

### 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	546,146		1-b
Retained earnings	1,803,002		1-c
Treasury stock	(22,933)		1-d
Total shareholders' equity	2,587,824		

#### (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	2,587,824	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital stock and capital surplus	807,755		1a
of which: retained earnings	1,803,002		2
of which: treasury stock (deduction)	22,933		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	945		2
of which: Subscription rights to shares issued by the bank holding company	945		

#### (2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Subscription rights to common shares	945		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	130,969		3-a
Securities	6,933,067		3-b
of which: goodwill arising on the application of the equity method	24,316		
Associated deferred tax liabilities	32,999		

#### (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)	46,042		8
Other intangible assets (net of related deferred tax liabilities)	76,243	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	232,625		4
Associated deferred tax liabilities	71,244		

#### (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)	161,380		15

5. Deferred tax assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	10,729		5-a
Deferred tax liabilities	65,585		5-b
Deferred tax liabilities for land revaluation	2,381		5-c
Associated intangible fixed assets	32,999		
Associated assets for retirement benefits	71,244		

(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)	427	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)	46,719	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)	46,719		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	(48,470)		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	(49,287)	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.
Money held in trust	16,136		7-a
Securities	6,933,067		7-b
Loans and bills discounted	31,810,926	Including subordinated debts	7-c
Other assets	3,839,561	Including derivatives	7-d
Other liabilities	3,038,112	Including derivatives	7-e

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Investments in own capital	37		
Common Equity Tier 1 capital	37		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	179,145		
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)	179,145		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	179,303		
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)	177,753		73

8. Non-controlling interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Non-controlling interests	29,545		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)	13,750	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)	3,049	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	6,039,543		9-a
Bonds payable	2,501,760		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	270,630		46