

**Explanation on reconciliation between balance sheet items and regulatory capital elements  
as of June 30, 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	22,169,575		
Call loans and bills bought	20,000		
Receivables under resale agreements	111,030		
Receivables under securities borrowing transactions	478,996		
Monetary claims bought	813,474		
Trading assets	1,567,825		
Money held in trust	17,859		7-a
Securities	7,544,525		3-b,7-b
Loans and bills discounted	32,290,748		7-c
Foreign exchanges	38,601		
Lease receivables and investment assets	694,344		
Other assets	4,402,208		7-d
Tangible fixed assets	221,515		
Intangible fixed assets	136,640		3-a
Assets for retirement benefits	238,214		4
Deferred tax assets	8,155		5-a
Customers' liabilities for acceptances and guarantees	607,722		
Allowance for loan losses	(107,142)		
Total assets	71,254,295		

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	36,276,284		
Negotiable certificates of deposit	7,419,436		
Call money and bills sold	1,612,015		
Payables under repurchase agreements	1,175,291		
Trading liabilities	1,472,054		
Borrowed money	6,397,239		9-a
Foreign exchanges	2,923		
Short-term bonds payable	2,605,069		
Bonds payable	2,582,106		9-b
Borrowed money from trust account	5,115,428		
Other liabilities	2,968,649		7-e
Provision for bonuses	6,159		
Provision for directors' bonuses	52		
Provision for stocks payment	1,239		
Liabilities for retirement benefits	13,765		
Provision for reward points program	21,622		
Provision for reimbursement of deposits	3,028		
Provision for contingent losses	1,433		
Deferred tax liabilities	90,472		5-b
Deferred tax liabilities for land revaluation	2,381		5-c
Acceptances and guarantees	607,722		
<b>Total liabilities</b>	<b>68,374,374</b>		
<b>(Net assets)</b>			
Capital stock	261,608		1-a
Capital surplus	526,324		1-b
Retained earnings	1,799,705		1-c
Treasury stock	(3,800)		1-d
<b>Total shareholders' equity</b>	<b>2,583,838</b>		
Valuation differences on available-for-sale securities	312,743		
Deferred gains (losses) on hedges	(49,678)		6
Revaluation reserve for land	(6,855)		
Foreign currency translation adjustments	31,908		
Adjustments for retirement benefits	(22,349)		
<b>Total accumulated other comprehensive income</b>	<b>265,768</b>	(a)	
Subscription rights to shares	942		2
Non-controlling interests	29,372		8
<b>Total net assets</b>	<b>2,879,921</b>		
<b>Total liabilities and net assets</b>	<b>71,254,295</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	526,324		1-b
Retained earnings	1,799,705		1-c
Treasury stock	(3,800)		1-d
Total shareholders' equity	2,583,838		

#### (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	2,583,838	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital stock and capital surplus	787,933		1a
of which: retained earnings	1,799,705		2
of which: treasury stock (deduction)	3,800		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	942		2
of which: Subscription rights to shares issued by the bank holding company	942		

#### (2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Subscription rights to common shares	942		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	136,640		3-a
Securities	7,544,525		3-b
of which: goodwill arising on the application of the equity method	23,843		
Associated deferred tax liabilities	35,329		

#### (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)	43,659		8
Other intangible assets (net of related deferred tax liabilities)	81,495	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	238,214		4
Associated deferred tax liabilities	72,955		

#### (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)	165,258		15

5. Deferred tax assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	8,155		5-a
Deferred tax liabilities	90,472		5-b
Deferred tax liabilities for land revaluation	2,381		5-c
Associated intangible fixed assets	35,329		
Associated assets for retirement benefits	72,955		

(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)	430	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)	23,297	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)	23,297		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	(49,678)		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	(52,367)	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	17,859		7-a
Securities	7,544,525		7-b
Loans and bills discounted	32,290,748	Including subordinated debts	7-c
Other assets	4,402,208	Including derivatives	7-d
Other liabilities	2,968,649	Including derivatives	7-e

(2) Composition of capital

Items in the composition of capital	Amount	Remarks	Basel III template No.
Investments in own capital	31		
Common Equity Tier 1 capital	31		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	192,649		
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)	192,649		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	181,874		
Amount above the 10% threshold on the specified items	-		19
Amount exceeding the 15% threshold on the specified items	-		23
Additional Tier 1 capital	-		40
Tier 2 capital and other TLAC liabilities	1,540		55
Amount below the thresholds for deduction (before risk weighting)	180,334		73

8. Non-controlling interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Non-controlling interests	29,372		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)	14,671	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)	3,302	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	6,397,239		9-a
Bonds payable	2,582,106		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	232,980		46