

**Explanation on reconciliation between balance sheet items and regulatory capital elements
as of September 30, 2023**

<Sumitomo Mitsui Trust Bank, Limited>
[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
(Assets)			
Cash and due from banks	22,176,859		
Call loans and bills bought	20,000		
Receivables under resale agreements	110,028		
Receivables under securities borrowing transactions	472,875		
Monetary claims bought	912,156		
Trading assets	2,209,971		
Money held in trust	100		6-a
Securities	8,056,287		2-b,6-b
Loans and bills discounted	32,722,624		6-c
Foreign exchanges	41,202		
Lease receivables and investment assets	693,742		
Other assets	4,340,945		6-d
Tangible fixed assets	229,190		
Intangible fixed assets	117,692		2-a
Assets for retirement benefits	240,806		3
Deferred tax assets	22,798		4-a
Customers' liabilities for acceptances and guarantees	607,793		
Allowance for loan losses	(107,990)		
Total assets	72,867,085		

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
(Liabilities)			
Deposits	38,189,055		
Negotiable certificates of deposit	7,411,118		
Call money and bills sold	87,498		
Payables under repurchase agreements	1,378,219		
Trading liabilities	2,089,800		
Borrowed money	7,229,871		8
Foreign exchanges	330		
Short-term bonds payable	3,103,416		
Bonds payable	2,049,589		
Borrowed money from trust account	4,794,839		
Other liabilities	3,120,680		6-e
Provision for bonuses	12,695		
Provision for directors' bonuses	-		
Provision for stocks payment	1,015		
Liabilities for retirement benefits	11,462		
Provision for reward points program	21,914		
Provision for reimbursement of deposits	2,856		
Provision for contingent losses	1,502		
Deferred tax liabilities	137,365		4-b
Deferred tax liabilities for land revaluation	2,381		4-c
Acceptances and guarantees	607,793		
Total liabilities	70,253,407		
(Net assets)			
Capital stock	342,037		1-a
Capital surplus	342,889		1-b
Retained earnings	1,549,830		1-c
Total shareholders' equity	2,234,756		
Valuation differences on available-for-sale securities	361,152		
Deferred gains (losses) on hedges	(6,044)		5
Revaluation reserve for land	(4,724)		
Foreign currency translation adjustments	20,270		
Adjustments for retirement benefits	(21,502)		
Total accumulated other comprehensive income	349,152	(a)	
Non-controlling interests	29,767		7
Total net assets	2,613,677		
Total liabilities and net assets	72,867,085		

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	342,037		1-a
Capital surplus	342,889		1-b
Retained earnings	1,549,830		1-c
Total shareholders' equity	2,234,756		

(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	2,234,756	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital stock and capital surplus	684,926		1a
of which: retained earnings	1,549,830		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) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Intangible fixed assets	117,692		2-a
Securities	8,056,287		2-b
of which: goodwill arising on the application of the equity method	-		

Associated deferred tax liabilities	34,073	
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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)	6,176		8
Other intangible assets (net of related deferred tax liabilities)	77,441	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 (assets for retirement benefits)

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Assets for retirement benefits	240,806		3
Associated deferred tax liabilities	73,749		

(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)	167,056		15

4. Deferred tax assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	22,798		4-a
Deferred tax liabilities	137,365		4-b
Deferred tax liabilities for land revaluation	2,381		4-c
Associated intangible fixed assets	34,073		
Associated assets for retirement benefits	73,749		

(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)	413	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)	720	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)	720		75

5. Deferred gains or losses on hedges

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred gains (losses) on hedges	(6,044)		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	(11,542)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

6. 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	100		6-a
Securities	8,056,287		6-b
Loans and bills discounted	32,722,624	Including subordinated debts	6-c
Other assets	4,340,945	Including derivatives	6-d
Other liabilities	3,120,680	Including derivatives	6-e

(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	196,428		
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)	196,428		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	119,205		
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	-		55
Amount below the thresholds for deduction (before risk weighting)	119,205		73

7. Non-controlling interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Non-controlling interests	29,767		7

(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)	14,545	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)	3,248	After reflecting amounts eligible for inclusion (after non-controlling interest adjustments)	48-49

8. Other capital instruments

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Borrowed money	7,229,871		8

(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	265,417		46