

Composition of capital as of September 30, 2023

<Sumitomo Mitsui Trust Bank, Limited>

[Non-consolidated, International standard]

(Millions of yen, except percentages)

CC1:Composition of Capital				
Basel III template No.	Items	a	b	c
		September 30, 2023	June 30, 2023	Reference numbers to Reconciliation with the balance sheet
Common Equity Tier 1 capital: instruments and reserves				
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	1,895,449	1,944,154	
1a	of which: capital stock and capital surplus	685,103	685,103	
2	of which: retained earnings	1,248,542	1,259,051	
1c	of which: treasury stock (deduction)	-	-	
26	of which: earnings to be distributed (deduction)	38,196	-	
	of which: others	-	-	
1b	Subscription rights to common shares	-	-	
3	Valuation and translation adjustments	341,919	262,017	(a)
6	Common Equity Tier 1 capital: instruments and reserves (A)	2,237,369	2,206,171	
Common Equity Tier 1 capital: regulatory adjustments				
8+9	Intangible assets other than mortgage servicing rights *	69,047	66,922	
8	of which: goodwill (including those equivalent)	-	-	
9	of which: other intangible assets	69,047	66,922	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences *	-	5	
11	Deferred gains or losses on derivatives under hedge accounting	(25,406)	(61,810)	
12	Shortfall of eligible provisions to expected losses	14,008	11,982	
13	Securitisation gain on sale	722	765	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	6,711	7,326	
15	Defined-benefit pension fund net assets (prepaid pension expenses) *	187,875	186,901	
16	Investments in own shares (excluding those reported in the Net assets section)	-	-	
17	Reciprocal cross-holdings in common equity	-	-	
18	Investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	
19+20+21	Amount above the 10% threshold on the specified items	-	-	
19	of which: significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	-	
20	of which: mortgage servicing rights	-	-	
21	of which: deferred tax assets arising from temporary differences *	-	-	
22	Amount exceeding the 15% threshold on the specified items	-	-	
23	of which: significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	-	
24	of which: mortgage servicing rights	-	-	
25	of which: deferred tax assets arising from temporary differences *	-	-	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	252,959	212,092	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (C) = (A)-(B)	1,984,409	1,994,079	

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Additional Tier 1 capital: instruments					
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards	-	-	
	31b	Subscription rights to Additional Tier 1 instruments	-	-	
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards	270,000	270,000	
		Qualifying Additional Tier 1 instruments issued by special purpose vehicles	-	-	
33+35	Eligible Tier 1 capital instruments subject to phase out from Additional Tier 1 capital		-	-	
36	Additional Tier 1 capital: instruments (D)		270,000	270,000	
Additional Tier 1 capital: regulatory adjustments					
37	Investments in own Additional Tier 1 instruments		-	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments		-	-	
39	Investments in the Additional Tier 1 instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		-	-	
40	Significant investments in the Additional Tier 1 instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions		-	-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		-	-	
43	Additional Tier 1 capital: regulatory adjustments (E)		-	-	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital (F) = (D)-(E)		270,000	270,000	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (G) = (C)+(F)		2,254,409	2,264,079	
Tier 2 capital: instruments and provisions					
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as equity under applicable accounting standards		-	-	
	Subscription rights to Tier 2 instruments		-	-	
	Directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as liabilities under applicable accounting standards		265,417	232,980	
	Qualifying Tier 2 instruments issued by special purpose vehicles		-	-	
47+49	Eligible Tier 2 capital instruments subject to phase out from Tier 2 capital		-	-	
50	Provisions allowed in group Tier 2		-	-	
50a	of which: general allowance for credit losses		-	-	
50b	of which: excess amount of eligible provisions to expected losses		-	-	
51	Tier 2 capital: instruments and provisions (H)		265,417	232,980	

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Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments	-	-	
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	-	-	
54	Investments in the Tier 2 instruments and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-	
55	Significant investments in the Tier 2 instruments and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	1,540	
57	Tier 2 capital: regulatory adjustments (I)	-	1,540	
Tier 2 capital (T2)				
58	Tier 2 capital (J) = (H)-(I)	265,417	231,440	
Total capital (TC = T1 + T2)				
59	Total capital (K) = (G)+(J)	2,519,826	2,495,520	
Total risk weighted assets				
60	Total risk weighted assets (L)	22,668,454	22,264,199	
Capital ratios (non-consolidated)				
61	Common Equity Tier 1 capital ratio (C)/(L)	8.75%	8.95%	
62	Tier 1 capital ratio (G)/(L)	9.94%	10.16%	
63	Total capital ratio (K)/(L)	11.11%	11.20%	
Regulatory adjustments (before risk weighting)				
72	Investments in the instruments 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 (amount below the threshold for deduction)	192,011	182,488	
73	Significant investments in the common stock of banking, financial and insurance entities (amount below the thresholds for deduction)	60,857	60,880	
74	Mortgage servicing rights (amount below the thresholds for deduction)	-	-	
75	Deferred tax assets arising from temporary differences (amount below the thresholds for deduction)	-	6,998	
Provisions included in Tier 2 capital: instruments and provisions				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	-	-	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	5,494	4,679	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	-	-	
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach	114,237	113,802	
Capital instruments subject to phase out arrangements				
82	Current cap on Additional Tier 1 instruments subject to phase out arrangements	-	-	
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-	
84	Current cap on Tier 2 instruments subject to phase out arrangements	-	-	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-	

* Net of related deferred tax liabilities