

Composition of capital as of September 30, 2023

<Sumitomo Mitsui Trust Holdings, Inc.>

[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	2,551,302	2,583,838	
1a	of which: capital stock and capital surplus	787,939	787,933	
2	of which: retained earnings	1,807,031	1,799,705	
1c	of which: treasury stock (deduction)	3,660	3,800	
26	of which: earnings to be distributed (deduction)	40,008	-	
	of which: others	-	-	
1b	Subscription rights to common shares	886	942	
3	Accumulated other comprehensive income	352,961	265,768	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	-	-	
6	Common Equity Tier 1 capital: instruments and reserves (A)	2,905,149	2,850,548	
Common Equity Tier 1 capital: regulatory adjustments				
8+9	Intangible assets other than mortgage servicing rights *	125,692	125,154	
8	of which: goodwill (including those equivalent)	41,462	43,659	
9	of which: other intangible assets	84,229	81,495	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences *	413	430	
11	Deferred gains or losses on derivatives under hedge accounting	(12,807)	(52,367)	
12	Shortfall of eligible provisions to expected losses	7,300	3,845	
13	Securitisation gain on sale	832	879	
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 (assets for retirement benefits) *	167,071	165,258	
16	Investments in own shares (excluding those reported in the Net assets section)	10	31	
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)	295,223	250,558	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (C) = (A)-(B)	2,609,926	2,599,990	

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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	-	-	
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)		14,546	14,671	
33+35	Eligible Tier 1 capital instruments subject to phase out from Additional Tier 1 capital		-	-	
33	of which: directly issued and issued by special purpose vehicles		-	-	
35	of which: issued by subsidiaries		-	-	
36	Additional Tier 1 capital: instruments (D)		284,546	284,671	
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)		284,546	284,671	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (G) = (C)+(F)		2,894,472	2,884,662	
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		-	-	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		3,248	3,302	
47+49	Eligible Tier 2 capital instruments subject to phase out from Tier 2 capital		-	-	
47	of which: directly issued and issued by special purpose vehicles		-	-	
49	of which: issued by subsidiaries		-	-	
50	Provisions allowed in group Tier 2		3,713	3,462	
50a	of which: general allowance for credit losses		3,713	3,462	
50b	of which: excess amount of eligible provisions to expected losses		-	-	
51	Tier 2 capital: instruments and provisions (H)		272,378	239,745	

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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)	272,378	238,205	
Total capital (TC = T1 + T2)				
59	Total capital (K) = (G)+(J)	3,166,851	3,122,867	
Total risk weighted assets				
60	Total risk weighted assets (L)	24,308,911	23,761,343	
Capital ratios and buffers (Consolidated)				
61	Common Equity Tier 1 capital ratio (C)/(L)	10.73%	10.94%	
62	Tier 1 capital ratio (G)/(L)	11.90%	12.14%	
63	Total capital ratio (K)/(L)	13.02%	13.14%	
64	Total of bank CET1 specific buffer requirements	3.06%	3.05%	
65	of which: Capital conservation buffer requirement	2.50%	2.50%	
66	of which: Countercyclical buffer requirement	0.06%	0.05%	
67	of which: Bank G-SIB and/or D-SIB additional requirements	0.50%	0.50%	
68	CET1 available after meeting the bank's minimum capital requirements	5.02%	5.14%	
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)	202,676	192,649	
73	Significant investments in the common stock of banking, financial and insurance entities (amount below the thresholds for deduction)	183,831	180,334	
74	Mortgage servicing rights (amount below the thresholds for deduction)	-	-	
75	Deferred tax assets arising from temporary differences (amount below the thresholds for deduction)	543	23,297	
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)	3,713	3,462	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	16,919	16,220	
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	115,781	114,634	
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