

# Capital Ratio

Sumitomo Mitsui Banking Corporation and Subsidiaries

## Consolidated Capital Ratio

		Millions of yen		
		September 30, 2006	September 30, 2005	March 31, 2006
Tier I capital:	Capital stock.....	¥ 664,986	¥ 664,986	¥ 664,986
	Capital surplus .....	1,603,512	1,603,512	1,603,512
	Retained earnings .....	448,757	290,063	242,524
	Foreign currency translation adjustments .....	(52,757)	(64,127)	(44,568)
	Stock acquisition rights .....	4	—	—
	Minority interests .....	1,025,875	1,037,158	1,074,933
	Goodwill and others .....	(5)	(7)	(6)
	Subtotal (A) .....	<b>3,690,374</b>	<b>3,531,587</b>	<b>3,541,382</b>
Tier II capital:	45% of unrealized gains on other securities .....	648,516	395,212	605,793
	45% of unrealized gains on land .....	39,709	39,875	39,934
	General reserve for possible loan losses .....	694,015	575,383	722,147
	Qualifying subordinated debt .....	2,595,141	2,710,942	2,657,378
	Subtotal .....	<b>3,977,382</b>	<b>3,721,413</b>	<b>4,025,254</b>
	Tier II capital included as qualifying capital (B) ....	<b>3,690,374</b>	<b>3,531,587</b>	<b>3,541,382</b>
Deductions:	(C) .....	<b>264,544</b>	263,081	308,195
Total capital:	(D) = (A) + (B) - (C) .....	<b>¥ 7,116,203</b>	<b>¥ 6,800,093</b>	<b>¥ 6,774,569</b>
Risk-adjusted assets:	On-balance-sheet.....	<b>¥58,769,353</b>	¥54,609,727	¥56,513,824
	Off-balance-sheet.....	<b>6,363,767</b>	5,747,789	5,990,301
	Asset equivalent of market risk .....	<b>364,429</b>	411,599	383,276
	Subtotal (E) .....	<b>¥65,497,549</b>	<b>¥60,769,116</b>	<b>¥62,887,402</b>
Capital ratio:	(D) / (E) × 100.....	<b>10.86%</b>	11.19%	10.77%

## Nonconsolidated Capital Ratio

		Millions of yen		
		September 30, 2006	September 30, 2005	March 31, 2006
Tier I capital:	Capital stock.....	¥ 664,986	¥ 664,986	¥ 664,986
	Capital reserve .....	665,033	665,033	665,033
	Other capital surplus .....	702,514	702,514	702,514
	Other retained earnings .....	676,709	—	—
	Voluntary reserves .....	—	221,502	221,502
	Unappropriated retained earnings at end of period (year) .....	—	350,825	271,368
	Others .....	838,728	830,042	840,794
	Subtotal (A) .....	<b>3,547,973</b>	<b>3,434,905</b>	<b>3,366,200</b>
Tier II capital:	45% of unrealized gains on other securities .....	637,941	383,762	593,853
	45% of unrealized gains on land .....	33,225	33,356	33,345
	General reserve for possible loan losses .....	553,458	393,220	572,536
	Qualifying subordinated debt .....	2,523,141	2,671,942	2,605,378
	Subtotal .....	<b>3,747,767</b>	<b>3,482,281</b>	<b>3,805,114</b>
	Tier II capital included as qualifying capital (B) ....	<b>3,547,973</b>	<b>3,434,905</b>	<b>3,366,200</b>
Deductions:	(C) .....	<b>104,290</b>	108,278	95,734
Total capital:	(D) = (A) + (B) - (C) .....	<b>¥ 6,991,656</b>	<b>¥ 6,761,532</b>	<b>¥ 6,636,666</b>
Risk-adjusted assets:	On-balance-sheet.....	<b>¥54,511,090</b>	¥50,631,175	¥52,482,811
	Off-balance-sheet.....	<b>6,047,594</b>	5,329,245	5,676,962
	Asset equivalent of market risk .....	<b>305,602</b>	343,555	303,674
	Subtotal (E) .....	<b>¥60,864,287</b>	<b>¥56,303,976</b>	<b>¥58,463,447</b>
Capital ratio:	(D) / (E) × 100.....	<b>11.48%</b>	12.00%	11.35%