

# Capital Ratio Information (Consolidated)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

The consolidated capital ratio is calculated using the method stipulated in “Standards for Bank Holding Company to Examine the Adequacy of Its Capital Based on Assets, Etc. Held by It and Its Subsidiaries Pursuant to Article 52-25 of the Banking Act” (Notification No. 20 issued by the Japanese Financial Services Agency in 2006; hereinafter referred to as “the Notification”).

In addition to the method stipulated in the Notification to calculate the consolidated capital ratio (referred to as “International Standard” in the Notification), SMFG has adopted the Advanced Internal Ratings-Based (AIRB) approach for calculating credit risk-weighted asset amounts and the Advanced Measurement Approach (AMA) for calculating the operational risk equivalent amount.

“Capital Ratio Information” was prepared based on the Notification, and the terms and details in the section may differ from the terms and details in other sections of this report.

## ■ Scope of Consolidation

Names of companies among subsidiaries of bank-holding companies (other financial institutions), with the Basel Capital Accord required amount, and total shortfall amount

Not applicable.

## ■ Capital Structure Information (Consolidated Capital Ratio (International Standard))

Regarding the calculation of the capital ratio, certain procedures were performed by KPMG AZSA LLC pursuant to “Treatment of Inspection of the Capital Ratio Calculation Framework Based on Agreed-Upon Procedures” (JICPA Industry Committee Practical Guideline No. 30).

The certain procedures performed by the external auditor are not part of the audit of consolidated financial statements. The certain procedures performed on our internal control framework for calculating the capital ratio are based on procedures agreed upon by SMFG and the external auditor and are not a validation of appropriateness of the capital ratio itself or opinion on the internal controls related to the capital ratio calculation.

		Millions of yen, except percentages
September 30		2012
Tier 1 capital:	Capital stock .....	¥ 2,337,895
	Capital surplus .....	758,633
	Retained earnings .....	2,415,978
	Treasury stock (-) .....	227,172
	Cash dividends to be paid (-) .....	67,697
	Foreign currency translation adjustments .....	(126,111)
	Stock acquisition rights .....	962
	Minority interests .....	1,988,168
	Goodwill and others (-) .....	495,753
	Gain on sale on securitization transactions (-) .....	39,063
	Amount equivalent to 50% of expected losses in excess of reserve (-) ....	39,492
	Total Tier 1 capital (A) .....	6,506,345
Tier 2 capital:	Unrealized gains on other securities after 55% discount .....	131,534
	Land revaluation excess after 55% discount .....	35,787
	General reserve for possible loan losses .....	59,334
	Subordinated debt .....	2,361,665
	Total Tier 2 capital .....	2,588,320
	Tier 2 capital included as qualifying capital (B) .....	2,588,320
Deductions*:	(C) .....	390,465
Total qualifying capital:	(D) = (A) + (B) – (C) .....	¥ 8,704,200
Risk-weighted assets:	On-balance sheet items .....	¥37,005,635
	Off-balance sheet items .....	7,645,677
	Market risk .....	1,211,867
	Operational risk .....	3,481,595
	Total risk-weighted assets (E) .....	¥49,344,776
Tier 1 risk-weighted capital ratio:	(A) / (E) × 100 .....	13.18%
Total risk-weighted capital ratio:	(D) / (E) × 100 .....	17.63%
Required capital:	(E) × 8% .....	¥ 3,947,582

\* “Deductions” refers to deductions stipulated in Article 8-1 of the Notification and includes willful holding of securities issued by other financial institutions and securities stipulated in Clause 2.

September 30

2013

Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,071,571		1a+2-1c-26
of which: capital and capital surplus	3,096,244		1a
of which: retained earnings	3,225,484		2
of which: treasury stock (-)	174,955		1c
of which: cash dividends to be paid (-)	75,201		26
of which: other than the above	—		
Stock acquisition rights to common shares	1,397		1b
Accumulated other comprehensive income and other disclosed reserves	—	868,212	3
Adjusted minority interests, etc. (amount allowed to be included in group Common Equity Tier 1)	141,097		5
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	132,112		
of which: minority interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	132,112		
Common Equity Tier 1 capital: instruments and reserves (A)	6,346,177		6
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
Total intangible assets (excluding those relating to mortgage servicing rights)	—	716,208	8+9
of which: goodwill (including those equivalent)	—	446,159	8
of which: other intangible assets other than goodwill and mortgage servicing rights	—	270,049	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	8,322	10
Net deferred losses on hedges	—	(58,811)	11
Shortfall of eligible provisions to expected losses	—	—	12
Gain on sale on securitization transactions	—	38,897	13
Gains and losses due to changes in own credit risk on fair valued liabilities	—	8,696	14
Prepaid pension cost	—	149,490	15
Investments in own shares (excluding those reported in the Net assets section)	—	7,467	16
Reciprocal cross-holdings in common equity	—	—	17
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	—	126,369	18
Amount exceeding the 10% threshold on specified items	—	—	19+20+21
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	19
of which: mortgage servicing rights	—	—	20
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	21
Amount exceeding the 15% threshold on specified items	—	—	22
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	23
of which: mortgage servicing rights	—	—	24
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	—		27
Common Equity Tier 1 capital: regulatory adjustments (B)	—		28
<b>Common Equity Tier 1 capital (CET1)</b>			
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	6,346,177		29

September 30

		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Additional Tier 1 capital: instruments</b>			
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—		31a
Stock acquisition rights to Additional Tier 1 instruments	—		31b
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		32
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Adjusted minority interests, etc. (amount allowed to be included in group Additional Tier 1)	131,871		34-35
Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,463,271		33+35
of which: instrument issued by bank holding companies and their special purpose vehicles	1,463,271		33
of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	—		35
Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(34,423)		
of which: foreign currency translation adjustments	(34,423)		
Additional Tier 1 capital: instruments (D)	1,560,719		36
<b>Additional Tier 1 capital: regulatory adjustments</b>			
Investments in own Additional Tier 1 instruments	—	—	37
Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	38
Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	—	1,190	39
Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	—	158,308	40
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	467,594		
of which: goodwill and others	428,696		
of which: gain on sale on securitization transactions	38,897		
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—		42
Additional Tier 1 capital: regulatory adjustments (E)	467,594		43
<b>Additional Tier 1 capital (AT1)</b>			
Additional Tier 1 capital ((D)-(E)) (F)	1,093,125		44
<b>Tier 1 capital (T1 = CET1 + AT1)</b>			
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	7,439,303		45
<b>Tier 2 capital: instruments and provisions</b>			
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	—		
Stock acquisition rights to Tier 2 instruments	—		
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		46
Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Adjusted minority interests, etc. (amount allowed to be included in group Tier 2)	30,949		48-49
Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,830,854		47+49
of which: instruments issued by bank holding companies and their special purpose vehicles	—		47
of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	1,830,854		49
Total of general reserve for possible loan losses and eligible provisions included in Tier 2	72,995		50
of which: general reserve for possible loan losses	44,762		50a
of which: eligible provisions	28,233		50b
Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	617,839		
of which: unrealized gains on other securities after 55% discount	584,359		
of which: land revaluation excess after 55% discount	33,479		
Tier 2 capital: instruments and provisions (H)	2,552,639		51

September 30

Millions of yen, except percentages

		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Tier 2 capital: regulatory adjustments</b>			
Investments in own Tier 2 instruments	—	—	52
Reciprocal cross-holdings in Tier 2 instruments	—	—	53
Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	—	52,286	54
Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	—	125,000	55
Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	160,237		
of which: Tier 2 and deductions under Basel 2	160,237		
Tier 2 capital: regulatory adjustments (I)	160,237		57
<b>Tier 2 capital (T2)</b>			
Tier 2 capital (T2) ((H)-(I)) (J)	2,392,402		58
<b>Total capital (TC = T1 + T2)</b>			
Total capital (TC = T1 + T2) ((G) + (J)) (K)	9,831,705		59
<b>Risk weighted assets</b>			
Total of items included in risk weighted assets subject to transitional arrangements	369,353		
of which: Non-significant Investments in the capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	213,678		
of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	88,189		
of which: significant investments in Tier 2 capital of Other Financial Institutions (net of eligible short positions)	25,085		
Risk weighted assets (L)	61,299,407		60
<b>Capital ratio (consolidated)</b>			
Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	10.35%		61
Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	12.13%		62
Total risk-weighted capital ratio (consolidated) ((K)/(L))	16.03%		63
<b>Regulatory adjustments</b>			
Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	621,200		72
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	219,855		73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	353,938		75
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
Provisions (general reserve for possible loan losses)	44,762		76
Cap on inclusion of provisions (general reserve for possible loan losses)	70,973		77
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	28,233		78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	287,432		79
<b>Capital instruments subject to transitional arrangements</b>			
Current cap on Additional Tier 1 instruments subject to transitional arrangements	1,463,271		82
Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	5,045		83
Current cap on Tier 2 instruments subject to transitional arrangements	1,830,854		84
Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	18,788		85

Millions of yen

September 30

2013

Items	
Required capital ((L) × 8%)	4,903,952

March 31

		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	5,585,856		1a+2-1c-26
of which: capital and capital surplus	3,096,526		1a
of which: retained earnings	2,811,474		2
of which: treasury stock (-)	227,373		1c
of which: cash dividends to be paid (-)	94,771		26
of which: other than the above	—		
Stock acquisition rights to common shares	1,140		1b
Accumulated other comprehensive income and other disclosed reserves	—	664,570	3
Adjusted minority interests, etc. (amount allowed to be included in group Common Equity Tier 1)	139,300		5
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	129,556		
of which: minority interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	129,556		
Common Equity Tier 1 capital: instruments and reserves (A)	5,855,852		6
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
Total intangible assets (excluding those relating to mortgage servicing rights)	—	668,853	8+9
of which: goodwill (including those equivalent)	—	400,969	8
of which: other intangible assets other than goodwill and mortgage servicing rights	—	267,884	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	9,897	10
Net deferred losses on hedges	—	(29,649)	11
Shortfall of eligible provisions to expected losses	—	—	12
Gain on sale on securitization transactions	—	39,149	13
Gains and losses due to changes in own credit risk on fair valued liabilities	—	6,658	14
Prepaid pension cost	—	144,783	15
Investments in own shares (excluding those reported in the Net assets section)	—	9,019	16
Reciprocal cross-holdings in common equity	—	—	17
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	—	169,361	18
Amount exceeding the 10% threshold on specified items	—	—	19+20+21
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	19
of which: mortgage servicing rights	—	—	20
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	21
Amount exceeding the 15% threshold on specified items	—	—	22
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	23
of which: mortgage servicing rights	—	—	24
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	—		27
Common Equity Tier 1 capital: regulatory adjustments (B)	—		28
<b>Common Equity Tier 1 capital (CET1)</b>			
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	5,855,852		29

Millions of yen, except percentages

March 31

		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Additional Tier 1 capital: instruments</b>			
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—		31a
Stock acquisition rights to Additional Tier 1 instruments	—		31b
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		32
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Adjusted minority interests, etc. (amount allowed to be included in group Additional Tier 1)	127,606		34-35
Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,463,271		33+35
of which: instrument issued by bank holding companies and their special purpose vehicles	1,462,821		33
of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	450		35
Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(97,448)		
of which: foreign currency translation adjustments	(97,448)		
Additional Tier 1 capital: instruments (D)	1,493,429		36
<b>Additional Tier 1 capital: regulatory adjustments</b>			
Investments in own Additional Tier 1 instruments	—	—	37
Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	38
Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	—	1,589	39
Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	—	157,149	40
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	520,261		
of which: goodwill and others	481,111		
of which: gain on sale on securitization transactions	39,149		
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—		42
Additional Tier 1 capital: regulatory adjustments (E)	520,261		43
<b>Additional Tier 1 capital (AT1)</b>			
Additional Tier 1 capital ((D)-(E)) (F)	973,168		44
<b>Tier 1 capital (T1 = CET1 + AT1)</b>			
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	6,829,021		45
<b>Tier 2 capital: instruments and provisions</b>			
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	—		
Stock acquisition rights to Tier 2 instruments	—		
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		46
Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Adjusted minority interests, etc. (amount allowed to be included in group Tier 2)	28,909		48-49
Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,830,854		47+49
of which: instruments issued by bank holding companies and their special purpose vehicles	—		47
of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	1,830,854		49
Total of general reserve for possible loan losses and eligible provisions included in Tier 2	67,313		50
of which: general reserve for possible loan losses	41,449		50a
of which: eligible provisions	25,864		50b
Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	506,575		
of which: unrealized gains on other securities after 55% discount	471,203		
of which: land revaluation excess after 55% discount	35,372		
Tier 2 capital: instruments and provisions (H)	2,433,653		51



March 31		Millions of yen, except percentages	
		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Tier 2 capital: regulatory adjustments</b>			
Investments in own Tier 2 instruments	—	—	52
Reciprocal cross-holdings in Tier 2 instruments	—	—	53
Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	—	73,250	54
Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	—	125,000	55
Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	76,663		
of which: Tier 2 and deductions under Basel 2	76,663		
Tier 2 capital: regulatory adjustments (I)	76,663		57
<b>Tier 2 capital (T2)</b>			
Tier 2 capital (T2) ((H)-(I)) (J)	2,356,989		58
<b>Total capital (TC = T1 + T2)</b>			
Total capital (TC = T1 + T2) ((G) + (J)) (K)	9,186,010		59
<b>Risk weighted assets</b>			
Total of items included in risk weighted assets subject to transitional arrangements	363,360		
of which: intangible assets other than mortgage servicing rights	(76,474)		
of which: Non-significant Investments in the capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	284,262		
of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	88,191		
of which: significant investments in Tier 2 capital of Other Financial Institutions (net of eligible short positions)	45,877		
Risk weighted assets (L)	62,426,124		60
<b>Capital ratio (consolidated)</b>			
Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	9.38%		61
Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	10.93%		62
Total risk-weighted capital ratio (consolidated) ((K)/(L))	14.71%		63
<b>Regulatory adjustments</b>			
Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	554,215		72
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	197,398		73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	506,519		75
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
Provisions (general reserve for possible loan losses)	41,449		76
Cap on inclusion of provisions (general reserve for possible loan losses)	70,845		77
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	25,864		78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	291,538		79
<b>Capital instruments subject to transitional arrangements</b>			
Current cap on Additional Tier 1 instruments subject to transitional arrangements	1,463,271		82
Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	162,585		83
Current cap on Tier 2 instruments subject to transitional arrangements	1,830,854		84
Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	203,428		85

March 31		Millions of yen
		2013
Items		
Required capital ((L) × 8%)		4,994,089

## ■ Capital Requirements

September 30	Billions of yen	
	2013	2012
<b>Capital requirements for credit risk:</b>		
Internal ratings-based approach .....	¥5,163.6	¥4,397.5
Corporate exposures: .....	3,119.3	2,701.6
Corporate exposures (excluding specialized lending) .....	2,591.1	2,283.8
Sovereign exposures .....	38.1	50.1
Bank exposures .....	170.4	107.3
Specialized lending .....	319.7	260.4
Retail exposures: .....	874.6	852.1
Residential mortgage exposures .....	463.4	425.0
Qualifying revolving retail exposures .....	115.5	118.1
Other retail exposures .....	295.8	308.9
Equity exposures: .....	407.3	308.9
Grandfathered equity exposures .....	209.4	145.5
PD/LGD approach .....	83.6	65.4
Market-based approach .....	114.3	98.0
Simple risk weight method .....	65.0	74.6
Internal models method .....	49.3	23.4
Credit risk-weighted assets under Article 145 of the Notification .....	313.7	134.3
Securitization exposures .....	96.1	115.6
Other exposures .....	352.7	285.1
Standardized approach .....	435.4	587.8
Amount corresponding to CVA risk .....	161.2	—
CCP-related exposures .....	5.1	—
Total capital requirements for credit risk .....	5,765.4	4,985.3
<b>Capital requirements for market risk:</b>		
Standardized measurement method .....	49.1	44.6
Interest rate risk .....	28.6	37.7
Equity position risk .....	15.6	4.6
Foreign exchange risk .....	1.1	0.5
Commodities risk .....	3.3	1.5
Options .....	0.5	0.2
Internal models method .....	110.4	52.4
Securitization exposures .....	—	—
Total capital requirements for market risk .....	159.4	96.9
<b>Capital requirements for operational risk:</b>		
Advanced measurement approach .....	202.8	224.9
Basic indicator approach .....	59.2	53.6
Total capital requirements for operational risk .....	262.0	278.5
<b>Total amount of capital requirements .....</b>	<b>¥6,186.8</b>	<b>¥5,360.8</b>

Notes: 1. Capital requirements for credit risk are capital equivalents to “credit risk-weighted assets × 8%” under the standardized approach and “credit risk-weighted assets × 8% + expected loss amount” under the IRB approach. Regarding exposures to be deducted from capital as of the end of September, 2012, the deduction amount is added to the amount of required capital.

2. Portfolio classification is after CRM.

3. “Securitization exposures” includes such exposures based on the standardized approach.

4. “Other exposures” includes estimated lease residual values, purchased receivables (including exposures to qualified corporate enterprises and others), long settlement transactions and other assets.



## Internal Ratings-Based (IRB) Approach

### Exposures by Asset Class

#### (1) Corporate Exposures

##### A. Corporate, Sovereign and Bank Exposures

##### (A) Obligor Grading System

Obligor Grade		Definition	Borrower Category
Domestic Corporate	Overseas Corporate		
J1	G1	Very high certainty of debt repayment	Normal Borrowers
J2	G2	High certainty of debt repayment	
J3	G3	Satisfactory certainty of debt repayment	
J4	G4	Debt repayment is likely but this could change in cases of significant changes in economic trends or business environment	
J5	G5	No problem with debt repayment over the short term, but not satisfactory over the mid to long term and the situation could change in cases of significant changes in economic trends or business environment	Borrowers Requiring Caution
J6	G6	Currently no problem with debt repayment, but there are unstable business and financial factors that could lead to debt repayment problems	
J7	G7	Close monitoring is required due to problems in meeting loan terms and conditions, sluggish/unstable business, or financial problems	
J7R	G7R	Of which Substandard Borrowers	
J8	G8	Currently not bankrupt, but experiencing business difficulties, making insufficient progress in restructuring, and highly likely to go bankrupt	Potentially Bankrupt Borrowers
J9	G9	Though not yet legally or formally bankrupt, has serious business difficulties and rehabilitation is unlikely; thus, effectively bankrupt	Effectively Bankrupt Borrowers
J10	G10	Legally or formally bankrupt	Bankrupt Borrowers

#### (B) Portfolio

##### a. Domestic Corporate, Sovereign and Bank Exposures

	Billions of yen								
	Exposure amount			Undrawn amount		Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
	Total	On-balance sheet assets	Off-balance sheet assets	Total	Weighted average CCF				
September 30, 2013									
J1-J3 .....	¥22,763.8	¥17,787.6	¥4,976.2	¥3,977.3	75.00%	0.06%	36.04%	—%	18.47%
J4-J6 .....	14,839.8	12,565.0	2,274.9	737.4	75.00	0.74	32.28	—	47.62
J7 (excluding J7R) .....	1,136.9	1,023.6	113.2	43.4	75.00	12.56	30.74	—	128.60
Japanese government and local municipal corporations ....	34,312.0	33,977.4	334.5	95.3	75.00	0.00	35.45	—	0.04
Others .....	5,050.4	4,622.0	428.4	55.6	75.00	1.01	38.73	—	54.02
Default (J7R, J8-J10) .....	1,441.0	1,399.3	41.6	0.5	100.00	100.00	47.66	47.22	5.46
Total .....	¥79,543.8	¥71,375.0	¥8,168.9	¥4,909.4	—	—	—	—	—

	Billions of yen					Weighted average CCF	Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
	Exposure amount			Undrawn amount						
	Total	On-balance sheet assets	Off-balance sheet assets	Total						
September 30, 2012										
J1-J3 .....	¥19,354.1	¥14,396.9	¥4,957.2	¥3,714.3	75.00%	0.07%	34.92%	— %	16.75%	
J4-J6 .....	14,080.3	11,475.5	2,604.8	880.5	75.00	0.75	29.90	—	42.08	
J7 (excluding J7R) .....	1,438.8	1,224.7	214.1	63.1	75.00	12.28	28.16	—	116.58	
Japanese government and local municipal corporations ....	32,900.3	32,672.7	227.7	75.0	75.00	0.00	35.22	—	0.03	
Others .....	4,964.8	4,544.5	420.4	51.8	75.00	1.06	37.46	—	50.64	
Default (J7R, J8-J10) .....	1,414.8	1,285.6	129.2	0.3	100.00	100.00	49.46	48.37	13.61	
Total .....	¥74,153.2	¥65,599.9	¥8,553.3	¥4,785.0	—	—	—	—	—	

Note: "Others" includes exposures guaranteed by credit guarantee corporations, exposures to public sector entities and voluntary organizations, and exposures to obligors not assigned obligor grades because they have yet to close their books (for example, newly established companies), as well as business loans and standardized SME loans of more than ¥100 million.

b. Overseas Corporate, Sovereign and Bank Exposures

	Billions of yen								
	Exposure amount			Undrawn amount		Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
	Total	On-balance sheet assets	Off-balance sheet assets	Total	Weighted average CCF				
<b>September 30, 2013</b>									
G1-G3.....	¥29,256.6	¥20,821.4	¥8,435.2	¥6,015.6	75.00%	0.16%	30.96%	—%	21.15%
G4-G6.....	1,252.6	664.6	588.0	250.2	75.00	2.72	21.12	—	54.09
G7 (excluding G7R) .....	176.3	139.1	37.3	28.2	75.00	23.13	22.86	—	121.10
Others.....	161.5	72.4	89.1	33.4	75.00	2.12	33.96	—	99.18
Default (G7R, G8-G10) .....	76.2	70.4	5.8	—	—	100.00	64.75	60.64	51.35
<b>Total .....</b>	<b>¥30,923.3</b>	<b>¥21,768.0</b>	<b>¥9,155.3</b>	<b>¥6,327.5</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

	Billions of yen								
	Exposure amount			Undrawn amount		Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
	Total	On-balance sheet assets	Off-balance sheet assets	Total	Weighted average CCF				
<b>September 30, 2012</b>									
G1-G3.....	¥23,476.5	¥16,857.2	¥6,619.2	¥4,093.2	75.00%	0.15%	30.68%	—%	17.36%
G4-G6.....	1,435.2	577.6	857.6	163.8	75.00	3.49	15.69	—	41.61
G7 (excluding G7R) .....	171.1	127.3	43.8	30.1	75.00	22.70	22.15	—	117.08
Others.....	70.8	48.3	22.5	10.7	75.00	1.95	33.23	—	79.99
Default (G7R, G8-G10) .....	84.9	76.0	8.9	2.0	100.00	100.00	67.80	64.08	46.44
<b>Total .....</b>	<b>¥25,238.5</b>	<b>¥17,686.4</b>	<b>¥7,552.0</b>	<b>¥4,299.9</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

B. Specialized Lending (SL)

Portfolio

a. Slotting Criteria Applicable Portion

(a) Project Finance, Object Finance and Income-Producing Real Estate (IPRE)

September 30	Risk weight	Billions of yen					
		2013			2012		
		Project finance	Object finance	IPRE	Project finance	Object finance	IPRE
<b>Strong:</b>							
Residual term less than 2.5 years .....	50%	¥ 134.9	¥ —	¥ 1.5	¥ 142.0	¥1.5	¥15.9
Residual term 2.5 years or more .....	70%	891.8	0.1	5.7	1,162.6	1.5	3.1
<b>Good:</b>							
Residual term less than 2.5 years .....	70%	117.9	—	3.0	35.2	1.0	—
Residual term 2.5 years or more .....	90%	978.0	—	2.0	187.6	—	9.1
Satisfactory .....	115%	213.6	—	16.8	41.0	—	20.3
Weak.....	250%	66.5	—	1.2	56.1	—	—
Default .....	—	9.2	—	2.2	20.3	—	3.6
<b>Total .....</b>		<b>¥2,412.0</b>	<b>¥0.1</b>	<b>¥32.3</b>	<b>¥1,645.0</b>	<b>¥4.1</b>	<b>¥52.1</b>

(b) High-Volatility Commercial Real Estate (HVCRE)

September 30	Risk weight	Billions of yen	
		2013	2012
<b>Strong:</b>			
Residual term less than 2.5 years .....	70%	¥ —	¥ —
Residual term 2.5 years or more .....	95%	—	—
<b>Good:</b>			
Residual term less than 2.5 years .....	95%	61.0	57.1
Residual term 2.5 years or more .....	120%	119.5	85.7
Satisfactory .....	140%	71.9	76.4
Weak.....	250%	8.9	8.2
Default .....	—	—	—
<b>Total .....</b>		<b>¥261.2</b>	<b>¥227.4</b>

b. PD/LGD Approach Applicable Portion, Other Than Slotting Criteria Applicable Portion

(a) Object Finance

	Billions of yen								
	Exposure amount			Undrawn amount					
	Total	On-balance sheet assets	Off-balance sheet assets	Total	Weighted average CCF	Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
<b>September 30, 2013</b>									
G1-G3.....	¥125.5	¥ 86.3	¥39.2	¥36.6	75.00%	0.40%	17.71%	—%	32.05%
G4-G6.....	10.9	9.7	1.3	—	—	2.46	43.18	—	138.91
G7 (excluding G7R) .....	8.8	8.3	0.5	—	—	32.36	5.09	—	27.95
Others.....	—	—	—	—	—	—	—	—	—
Default (G7R, G8-G10) .....	0.7	0.7	—	—	—	100.00	67.10	62.99	51.35
Total .....	¥145.9	¥105.0	¥40.9	¥36.6	—	—	—	—	—

	Billions of yen								
	Exposure amount			Undrawn amount					
	Total	On-balance sheet assets	Off-balance sheet assets	Total	Weighted average CCF	Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
<b>September 30, 2012</b>									
G1-G3.....	¥137.1	¥ 95.8	¥41.3	¥ 6.9	75.00%	0.44%	24.57%	—%	39.10%
G4-G6.....	8.0	7.9	0.0	6.7	75.00	2.43	24.23	—	72.34
G7 (excluding G7R) .....	3.4	3.4	—	—	—	25.59	11.25	—	62.41
Others.....	3.1	—	3.1	—	—	2.85	35.00	—	122.67
Default (G7R, G8-G10) .....	7.2	6.6	0.6	0.0	100.00	100.00	63.98	60.27	46.44
Total .....	¥158.8	¥113.7	¥45.0	¥13.6	—	—	—	—	—

(b) Income-Producing Real Estate (IPRE)

	Billions of yen								
	Exposure amount			Undrawn amount					
	Total	On-balance sheet assets	Off-balance sheet assets	Total	Weighted average CCF	Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
<b>September 30, 2013</b>									
J1-J3 .....	¥ 480.9	¥ 435.8	¥ 45.2	¥ —	—%	0.05%	28.76%	—%	13.42%
J4-J6 .....	771.5	721.3	50.2	—	—	1.18	29.79	—	56.33
J7 (excluding J7R) .....	23.3	23.3	—	—	—	8.66	30.00	—	115.55
Others.....	120.6	113.7	6.9	8.7	75.00	9.06	37.85	—	51.19
Default (J7R, J8-J10).....	50.5	36.5	14.0	—	—	100.00	34.10	33.59	6.39
Total .....	¥1,446.9	¥1,330.6	¥116.3	¥8.7	—	—	—	—	—

	Billions of yen								
	Exposure amount			Undrawn amount					
	Total	On-balance sheet assets	Off-balance sheet assets	Total	Weighted average CCF	Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
<b>September 30, 2012</b>									
J1-J3 .....	¥ 464.9	¥ 440.4	¥ 24.5	¥ —	—%	0.05%	28.71%	—%	11.80%
J4-J6 .....	1,056.4	927.8	128.6	—	—	1.11	30.53	—	61.16
J7 (excluding J7R) .....	59.8	45.6	14.1	—	—	13.29	27.60	—	120.19
Others.....	73.9	72.0	1.9	2.4	75.00	9.19	31.35	—	54.86
Default (J7R, J8-J10).....	33.9	28.1	5.8	—	—	100.00	26.27	25.07	15.00
Total .....	¥1,688.9	¥1,513.9	¥175.0	¥2.4	—	—	—	—	—

(2) Retail Exposures

A. Residential Mortgage Exposures

Portfolio

	Billions of yen						
	Exposure amount						
	Total	On-balance sheet assets	Off-balance sheet assets	Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
September 30, 2013							
Mortgage loans							
PD segment:							
Not delinquent							
Use model.....	¥12,334.3	¥12,296.0	¥38.3	0.47%	36.68%	—%	26.60%
Others .....	548.5	548.5	—	1.06	54.76	—	75.45
Delinquent.....	127.2	121.5	5.8	22.15	39.68	—	215.39
Default .....	236.4	236.1	0.2	100.00	38.28	36.31	24.62
Total .....	¥13,246.4	¥13,202.1	¥44.3	—	—	—	—

	Billions of yen			Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
	Exposure amount						
September 30, 2012	Total	On-balance sheet assets	Off-balance sheet assets				
Mortgage loans							
PD segment:							
Not delinquent							
Use model.....	¥10,883.0	¥10,837.7	¥45.3	0.44%	38.68%	—%	26.67%
Others .....	605.7	605.7	—	1.13	56.87	—	82.72
Delinquent.....	95.2	88.8	6.4	25.59	43.68	—	237.36
Default .....	224.8	224.5	0.3	100.00	37.27	35.60	20.87
Total.....	¥11,808.7	¥11,756.6	¥52.1	—	—	—	—

Notes: 1. "Others" includes loans guaranteed by employers.

2. "Delinquent" loans are past due loans and loans to obligors categorized as "Borrowers Requiring Caution" that do not satisfy the definition of default stipulated in the Notification.

## B. Qualifying Revolving Retail Exposures (QRRE)

### Portfolio

	Billions of yen									
	Exposure amount				Undrawn amount		Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
	Total	On-balance sheet assets		Off-balance sheet assets	Total	Weighted average CCF				
		Balance	Increase							
September 30, 2013	Total	Balance	Increase	Off-balance sheet assets	Total	Weighted average CCF	Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
Card loans										
PD segment:										
Not delinquent .....	¥ 685.0	¥ 605.2	¥ 77.6	¥ 2.3	¥ 202.8	38.26%	2.31%	83.14%	—%	56.95%
Delinquent.....	16.9	16.3	0.6	—	3.6	16.37	23.53	76.78	—	206.74
Credit card balances										
PD segment:										
Not delinquent .....	1,286.5	718.4	315.4	252.8	4,094.7	7.70	1.04	73.37	—	23.73
Delinquent.....	5.1	4.2	0.9	—	—	—	75.96	73.69	—	129.13
Default .....	28.9	25.8	3.1	—	—	—	100.00	81.61	75.30	78.82
Total.....	¥2,022.3	¥1,369.8	¥397.5	¥255.1	¥4,301.1	—	—	—	—	—

	Billions of yen										
	Exposure amount				Undrawn amount						
		On-balance sheet assets		Off-balance sheet assets		Weighted average CCF	Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight	
September 30, 2012	Total	Balance	Increase		Total						
Card loans											
PD segment:											
Not delinquent .....	¥ 628.1	¥ 565.6	¥ 60.1	¥ 2.4	¥ 191.0	31.45%	2.36%	83.71%	—%	58.54%	
Delinquent.....	17.2	16.6	0.6	—	3.5	15.86	24.03	77.39	—	213.90	
Credit card balances											
PD segment:											
Not delinquent .....	1,210.9	674.3	308.6	228.0	4,046.7	7.63	1.10	74.59	—	25.51	
Delinquent.....	5.2	4.3	0.9	—	—	—	76.93	75.21	—	126.44	
Default .....	33.9	30.4	3.5	—	—	—	100.00	82.40	76.31	76.09	
Total .....	¥1,895.3	¥1,291.2	¥373.7	¥230.4	¥4,241.2	—	—	—	—	—	

Notes: 1. The on-balance sheet exposure amount is estimated by estimating the amount of increase in each transaction balance and not by multiplying the undrawn amount by the CCF.

2. "Weighted average CCF" is "On-balance sheet exposure amount ÷ Undrawn amount" and provided for reference only. It is not used for estimating on-balance sheet exposure amounts.

3. Past due loans of less than three months are recorded in "Delinquent."

### C. Other Retail Exposures

#### Portfolio

	Billions of yen						
	Exposure amount						
	Total	On-balance sheet assets	Off-balance sheet assets	Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
September 30, 2013							
Business loans							
PD segment:							
Not delinquent							
Use model.....	¥1,360.3	¥1,343.3	¥17.0	0.98%	54.20%	—%	49.00%
Others .....	340.7	339.4	1.3	0.62	53.29	—	26.02
Delinquent.....	262.3	260.1	2.2	24.96	57.23	—	100.63
Consumer loans							
PD segment:							
Not delinquent							
Use model.....	319.0	317.9	1.0	0.98	44.05	—	39.25
Others .....	147.9	146.0	1.9	1.73	56.64	—	69.62
Delinquent.....	42.9	42.4	0.5	17.47	47.65	—	99.14
Default .....	196.3	195.9	0.3	100.00	64.65	58.51	76.78
Total.....	¥2,669.3	¥2,645.1	¥24.3	—	—	—	—

	Billions of yen			Weighted average PD	Weighted average LGD	Weighted average ELdefault	Weighted average risk weight
	Exposure amount						
September 30, 2012	Total	On-balance sheet assets	Off-balance sheet assets				
Business loans							
PD segment:							
Not delinquent							
Use model.....	¥1,196.4	¥1,179.4	¥17.0	0.96%	53.29%	—%	48.41%
Others .....	351.5	350.2	1.2	0.62	56.77	—	25.79
Delinquent.....	292.6	289.9	2.7	30.71	59.85	—	100.73
Consumer loans							
PD segment:							
Not delinquent							
Use model.....	167.7	166.4	1.3	1.38	46.42	—	50.61
Others .....	153.6	152.1	1.4	1.79	57.92	—	72.10
Delinquent.....	45.8	45.5	0.3	18.24	48.80	—	103.52
Default .....	194.2	194.0	0.2	100.00	65.37	60.96	55.05
Total.....	¥2,401.8	¥2,377.6	¥24.2	—	—	—	—

Notes: 1. "Business loans" includes apartment construction loans and standardized SME loans.

2. "Others" includes loans guaranteed by employers.

3. "Delinquent" loans are past due loans and loans to obligors categorized as "Borrowers Requiring Caution" that do not satisfy the definition of default stipulated in the Notification.

### (3) Equity Exposures and Credit Risk-Weighted Assets under Article 145 of the Notification

#### A. Equity Exposures

#### Portfolio

##### a. Equity Exposure Amounts

September 30	Billions of yen	
	2013	2012
Market-based approach.....	¥ 387.3	¥ 363.9
Simple risk weight method .....	223.3	257.5
Listed equities (300%) .....	126.2	150.4
Unlisted equities (400%).....	97.0	107.1
Internal models method.....	164.0	106.4
PD/LGD approach .....	818.3	612.9
Grandfathered equity exposures.....	2,468.9	1,715.8
Total .....	¥3,674.4	¥2,692.7

Notes: 1. The above exposures are "equity exposures" stipulated in the Notification and differ from "stocks" described in the consolidated financial statements.

2. "Grandfathered equity exposures" amount is calculated in accordance with Supplementary Provision 13 of the Notification.

## b. PD/LGD Approach

	Billions of yen					
	2013			2012		
September 30	Exposure amount	Weighted average PD	Weighted average risk weight	Exposure amount	Weighted average PD	Weighted average risk weight
J1-J3 .....	¥585.2	0.05%	108.33%	¥442.5	0.06%	109.42%
J4-J6 .....	44.9	0.84	203.58	36.8	0.88	191.70
J7 (excluding J7R) .....	2.1	9.12	545.67	2.9	8.73	419.70
Others .....	185.9	0.23	133.29	130.5	0.41	142.56
Default (J7R, J8-J10) .....	0.2	100.00	1125.00	0.3	100.00	—
Total .....	¥818.3	—	—	¥612.9	—	—

Notes: 1. The above exposures are “equity exposures” stipulated in the Notification to which the PD/LGD approach is applied and differ from “stocks” described in the consolidated financial statements.

2. “Others” includes exposures to overseas corporate entities.

3. Weighted average risk weight for September 30, 2013 is calculated by including the amount derived by multiplication of the expected loss by a risk weight of 1250% in the credit risk-weighted assets.

## B. Credit Risk-Weighted Assets under Article 145 of the Notification

### Portfolio

September 30	Billions of yen	
	2013	2012
Exposures under Article 145 of the Notification .....	¥1,335.3	¥616.8

## (4) Analysis of Actual Losses

### A. Year-on-Year Comparison of Actual Losses

SMFG recorded total credit costs (the total of the general reserve, non-performing loan write-offs, and gains on collection of written-off claims) decreased by ¥87.6 billion on a consolidated basis in the first half of fiscal 2013, a net reversal of ¥39.6 billion compared with the corresponding period of the previous fiscal year. This result is mainly attributable to the net reversal at SMBC on a non-consolidated basis.

SMBC recorded a net reversal of ¥78.3 billion in total credit costs on a non-consolidated basis in the first half of fiscal 2013, a decrease of ¥53.9 billion compared with the corresponding period of the previous fiscal year. This result is primarily due to further control over deterioration through our individualized extensive cares for customers' conditions in the middle of the recovery of economic environment. Along with this, main factors behind the result are a net reversal of reserve for possible loan losses from the past as a result of improvement in the business conditions of obligors, appreciation in the valuation of mortgage collateral, and disposal of mortgaged properties, and the recent decline in the reserve ratio due to a downtrend in loan losses.

### Total Credit Costs

	Billions of yen					
	First half of fiscal 2013 (A)	First half of fiscal 2012 (B)	First half of fiscal 2011	Increase (decrease) (A) – (B)	Fiscal 2012	Fiscal 2011
SMFG (consolidated) total .....	¥(39.6)	¥48.0	¥28.0	¥(87.6)	¥173.1	¥121.3
SMBC (consolidated) total .....	(68.0)	(14.1)	12.1	(53.9)	70.6	91.7
SMBC (nonconsolidated) total .....	(78.3)	(24.4)	2.9	(53.9)	19.5	58.6
Corporate exposures .....	(64.6)	(17.7)	(11.7)	(46.9)	10.7	57.5
Sovereign exposures .....	0.3	(0.6)	(0.8)	0.9	(0.3)	(0.2)
Bank exposures .....	(0.6)	0.0	2.4	(0.6)	(0.4)	(0.0)
Residential mortgage exposures .....	(0.1)	0.3	0.1	(0.4)	0.2	0.2
QRRE .....	(0.1)	0.0	0.0	(0.1)	0.1	(0.0)
Other retail exposures .....	(1.0)	1.4	6.6	(2.4)	9.7	10.5

Notes: 1. The above amounts do not include gains/losses on “equity exposures,” “exposures on capital market-driven transactions (such as bonds)” and “exposures under Article 145 of the Notification” that were recognized as gains/losses on bonds and stocks in the statements of income.

2. Exposure category amounts do not include general reserve for Normal Borrowers.

3. Bracketed fiscal year amounts indicate gains generated by the reversal of reserve, etc.

4. Credit costs for “Residential mortgage exposures” and “QRRE” guaranteed by consolidated subsidiaries are not included in the total credit costs of SMBC (nonconsolidated).

## B. Comparison of Estimated and Actual Losses

	Billions of yen							
	Fiscal 2013				Fiscal 2012			
	Estimated loss amounts		Actual loss amounts		Estimated loss amounts		Actual loss amounts	
	After deduction of reserves		(First half of fiscal 2013)		After deduction of reserves		(First half of fiscal 2012) (Fiscal 2012)	
SMFG (consolidated) total.....	¥ —	¥ —	¥(39.6)		¥ —	¥ —	¥48.0	¥173.1
SMBC (consolidated) total .....	—	—	(68.0)		—	—	(14.1)	70.6
SMBC (nonconsolidated) total .....	871.2	171.2	(78.3)		940.1	245.4	(24.4)	19.5
Corporate exposures.....	734.0	123.6	(64.6)		765.9	164.9	(17.7)	10.7
Sovereign exposures.....	5.6	4.1	0.3		22.0	11.4	(0.6)	(0.3)
Bank exposures.....	11.4	6.1	(0.6)		14.9	5.5	0.0	(0.4)
Residential mortgage exposures.....	5.2	4.3	(0.1)		3.7	2.9	0.3	0.2
QRRE.....	0.0	(0.0)	(0.1)		0.1	(0.0)	0.0	0.1
Other retail exposures .....	114.9	38.2	(1.0)		133.5	65.6	1.4	9.7

	Billions of yen							
	Fiscal 2011				Fiscal 2010			
	Estimated loss amounts		Actual loss amounts		Estimated loss amounts		Actual loss amounts	
	After deduction of reserves		(First half of fiscal 2011) (Fiscal 2011)		After deduction of reserves		(First half of fiscal 2010) (Fiscal 2010)	
SMFG (consolidated) total.....	¥ —	¥ —	¥28.0	¥121.3	¥ —	¥ —	¥105.8	¥217.3
SMBC (consolidated) total .....	—	—	12.1	91.7	—	—	81.1	159.8
SMBC (nonconsolidated) total .....	1,062.7	213.9	2.9	58.6	1,204.3	417.2	43.3	94.3
Corporate exposures.....	889.3	132.2	(11.7)	57.5	1,021.1	277.4	29.0	71.9
Sovereign exposures.....	12.4	1.8	(0.8)	(0.2)	7.8	6.3	2.6	5.4
Bank exposures.....	14.9	4.7	2.4	(0.0)	30.5	19.2	(5.7)	(14.0)
Residential mortgage exposures.....	3.8	2.9	0.1	0.2	4.1	3.2	0.1	0.3
QRRE.....	0.1	(0.0)	0.0	(0.0)	0.1	(0.0)	0.0	(0.1)
Other retail exposures .....	142.3	77.4	6.6	10.5	140.8	111.2	13.6	34.0

Notes: 1. Amounts on consumer loans guaranteed by consolidated subsidiaries or affiliates as well as on “equity exposures” and “exposures under Article 145 of the Notification” are excluded.

2. “Estimated loss amounts” are the EL at the beginning of the term.

3. “After deduction of reserves” represents the estimated loss amounts after deduction of reserves for possible losses on substandard borrowers or below.

## ■ Standardized Approach

### Exposure Balance by Risk Weight Segment

September 30	Billions of yen			
	2013		2012	
	Of which assigned country risk score		Of which assigned country risk score	
0% .....	¥ 5,779.2	¥ 44.2	¥ 6,375.8	¥ 37.4
10% .....	206.1	—	263.4	—
20% .....	962.7	406.4	917.7	355.8
35% .....	0.9	—	1,067.3	—
50% .....	92.8	5.0	332.5	33.7
75% .....	2,882.4	—	3,532.1	—
100% .....	2,659.4	0.6	3,935.7	2.1
150% .....	108.5	0.0	134.2	0.0
250% .....	100.6	—	—	—
1250% .....	0.0	—	0.0	—
Others.....	—	—	0.0	—
Total .....	¥12,792.5	¥456.2	¥16,558.8	¥429.0

Notes: 1. The above amounts are exposures after CRM (but before deduction of direct write-offs). Please note that for off-balance sheet assets the credit equivalent amount has been included.

2. “Securitization exposures” have not been included.

3. Of items with a risk weight of 1250% as of September 30, 2012 recorded here are those that are deducted from capital.



## ■ Credit Risk Mitigation (CRM) Techniques

### Exposure Balance after CRM

September 30	Billions of yen			
	2013		2012	
	Eligible financial collateral	Other eligible IRB collateral	Eligible financial collateral	Other eligible IRB collateral
Advanced Internal Ratings-Based (AIRB) approach .....	¥ —	¥ —	¥ —	¥ —
Foundation Internal Ratings-Based (FIRB) approach .....	64.9	57.1	86.4	25.3
Corporate exposures .....	50.5	57.1	86.4	25.3
Sovereign exposures .....	—	0.0	—	—
Bank exposures .....	14.4	—	—	—
Standardized approach .....	4,325.4	—	2,913.6	—
Total .....	¥4,390.3	¥57.1	¥3,000.0	¥25.3

Note: For exposures to which the AIRB approach was applied, eligible collateral is separately taken into account in Loss Given Default (LGD) estimates.

September 30	Billions of yen			
	2013		2012	
	Guarantee	Credit derivative	Guarantee	Credit derivative
Internal Ratings-Based (IRB) approach .....	¥9,143.3	¥285.5	¥7,372.7	¥182.5
Corporate exposures .....	8,234.3	285.5	6,655.0	182.5
Sovereign exposures .....	462.4	—	264.3	—
Bank exposures .....	303.0	—	291.0	—
Residential mortgage exposures .....	143.6	—	162.4	—
QRRE .....	—	—	—	—
Other retail exposures .....	—	—	—	—
Standardized approach .....	31.0	—	59.7	—
Total .....	¥9,174.4	¥285.5	¥7,432.4	¥182.5

## ■ Derivative Transactions and Long Settlement Transactions

### Credit Equivalent Amounts

#### (1) Derivative Transactions and Long Settlement Transactions

##### A. Calculation Method

Current exposure method

##### B. Credit Equivalent Amounts

September 30	Billions of yen	
	2013	2012
Gross replacement cost .....	¥5,400.2	¥6,094.0
Gross add-on amount .....	3,933.9	3,322.2
Gross credit equivalent amount .....	9,334.1	9,416.2
Foreign exchange related transactions .....	2,266.9	2,260.2
Interest rate related transactions .....	6,784.3	6,938.0
Gold related transactions .....	—	—
Equities related transactions .....	130.8	74.8
Precious metals (excluding gold) related transactions .....	—	—
Other commodity related transactions .....	79.5	73.6
Credit default swaps .....	72.7	69.5
Reduction in credit equivalent amount due to netting .....	5,723.7	5,928.0
Net credit equivalent amount .....	3,610.3	3,488.2
Collateral amount .....	16.6	25.6
Eligible financial collateral .....	16.6	25.6
Other eligible IRB collateral .....	—	—
Net credit equivalent amount (after taking into account the CRM effect of collateral) .....	¥3,593.7	¥3,462.6

#### (2) Notional Principal Amounts of Credit Derivatives

##### Credit Default Swaps

September 30	Billions of yen			
	2013		2012	
	Notional principal amount		Notional principal amount	
	Total	Of which for CRM	Total	Of which for CRM
Protection purchased .....	¥915.6	¥285.5	¥757.6	¥182.5
Protection provided .....	777.6	—	702.9	—

Note: "Notional principal amount" is defined as the total of "amounts subject to calculation of credit equivalents" and "amounts employed for CRM."

## ■ Securitization Exposures

### 1. Portfolio (Credit Risk)

#### (1) Securitization Transactions as Originator

##### A. As Originator (Excluding as Sponsor)

##### (A) Underlying Assets

Billions of yen							
September 30, 2013				First half of fiscal 2013			
Underlying asset amount							
	Total	Asset transfer type	Synthetic type	Securitized amount	Default amount	Loss amount	Gains/losses on sales
Claims on corporates .....	¥ 4.5	¥ 4.5	¥ —	¥ —	¥ 1.7	¥ 1.6	¥ —
Mortgage loans .....	1,243.6	1,243.6	—	69.2	0.8	0.2	3.7
Retail loans (excluding mortgage loans) .....	18.1	0.7	17.4	—	10.5	19.6	—
Other claims .....	142.7	9.4	133.3	—	—	—	—
Total .....	¥1,408.9	¥1,258.3	¥150.7	¥69.2	¥13.0	¥21.5	¥3.7

Billions of yen							
September 30, 2012				First half of fiscal 2012			
Underlying asset amount							
	Total	Asset transfer type	Synthetic type	Securitized amount	Default amount	Loss amount	Gains/losses on sales
Claims on corporates .....	¥ 11.6	¥ 11.6	¥ —	¥ —	¥ 2.9	¥ 2.7	¥ —
Mortgage loans .....	1,335.7	1,335.7	—	62.9	0.6	0.2	5.5
Retail loans (excluding mortgage loans) .....	98.3	76.9	21.3	—	10.4	19.1	—
Other claims .....	199.2	15.2	184.1	—	—	—	—
Total .....	¥1,644.9	¥1,439.5	¥205.4	¥62.9	¥13.9	¥22.1	¥5.5

Notes: 1. The above amounts include the amount of underlying assets securitized during the term without entailing "securitization exposures."

2. "Default amount" is the total of underlying assets which are past due three months or more and defaulted underlying assets.

3. Asset type classification is based on the major items in the underlying assets for each transaction.

4. "Other claims" includes claims on Private Finance Initiative (PFI) businesses and lease fees.

5. Following Articles 230 and 248 of the Notification, there are no amounts that represent "exposure to products subject to early amortization provisions" to investors.

6. There are no amounts that represent "assets held for securitization transactions."

#### (B) Securitization Exposures (Excluding Resecuritization Exposures)

##### a. Underlying Assets by Asset Type

Billions of yen										
2013						2012				
September 30	Term-end balance			Amounts subject to a 1250% risk weight	Increase in capital equivalent	Term-end balance				Increase in capital equivalent
	Total	On-balance sheet assets	Off-balance sheet assets			Total	On-balance sheet assets	Off-balance sheet assets	To be deducted from capital	
Claims on corporates .....	¥ 6.2	¥ 6.2	¥ —	¥ 1.1	¥ —	¥ 10.6	¥ 10.6	¥ —	¥ 1.7	¥ —
Mortgage loans .....	216.6	216.6	—	27.5	38.9	220.6	220.6	—	31.9	39.0
Retail loans (excluding mortgage loans) .....	6.6	0.5	6.1	4.5	0.0	33.3	25.9	7.4	29.4	0.1
Other claims .....	80.4	0.6	79.9	2.0	—	138.4	1.2	137.3	1.7	—
Total .....	¥309.8	¥223.9	¥86.0	¥35.1	¥38.9	¥402.9	¥258.3	¥144.6	¥64.7	¥39.1

##### b. Risk Weights

Billions of yen								
2013					2012			
September 30	Term-end balance			Required capital	Term-end balance			Required capital
	Total	On-balance sheet assets	Off-balance sheet assets		Total	On-balance sheet assets	Off-balance sheet assets	
20% or less .....	¥ 48.5	¥ 1.6	¥46.9	¥ 0.5	¥115.4	¥ 5.6	¥109.8	¥ 1.3
100% or less .....	31.7	—	31.7	0.9	28.4	1.0	27.4	0.8
650% or less .....	1.2	—	1.2	0.1	1.0	—	1.0	0.1
Less than 1250% .....	—	—	—	—	—	—	—	—
1250% .....	228.4	222.3	6.1	37.2	258.1	251.7	6.4	64.7
Total .....	¥309.8	¥223.9	¥86.0	¥38.7	¥402.9	¥258.3	¥144.6	¥66.9

Note: Of items with a risk weight of 1250% as of September 30, 2012 recorded here are those that are deducted from capital.

(C) Resecuritization Exposures

There are no amounts that represent “resecuritization exposures.”

(D) Amount of Credit Risk-Weighted Assets Calculated Using Supplementary Provision 15 of the Notification

	Billions of yen	
September 30	2013	2012
Amount of credit risk-weighted assets calculated using Supplementary Provision 15 of the Notification...	¥—	¥1.0

B. As Sponsor

(A) Underlying Assets

	Billions of yen					
	September 30, 2013			First half of fiscal 2013		
	Underlying asset amount					
	Total	Asset transfer type	Synthetic type	Securitized amount	Default amount	Loss amount
Claims on corporates .....	¥ 828.6	¥ 828.6	¥—	¥2,492.5	¥49.1	¥46.0
Mortgage loans .....	—	—	—	—	—	—
Retail loans (excluding mortgage loans)...	133.4	133.4	—	148.0	1.1	1.5
Other claims .....	41.1	41.1	—	6.7	1.1	0.5
Total .....	¥1,003.1	¥1,003.1	¥—	¥2,647.1	¥51.3	¥48.0

	Billions of yen					
	September 30, 2012			First half of fiscal 2012		
	Underlying asset amount					
	Total	Asset transfer type	Synthetic type	Securitized amount	Default amount	Loss amount
Claims on corporates .....	¥462.2	¥462.2	¥—	¥2,313.2	¥45.5	¥42.5
Mortgage loans .....	—	—	—	—	1.0	1.0
Retail loans (excluding mortgage loans)...	134.0	134.0	—	207.4	6.1	6.4
Other claims .....	54.6	54.6	—	12.4	1.5	1.3
Total .....	¥650.9	¥650.9	¥—	¥2,533.0	¥54.1	¥51.2

Notes: 1. The above amounts include the amount of underlying assets securitized during the term without entailing “securitization exposures.”

2. “Default amount” is the total of underlying assets which are past due three months or more and defaulted underlying assets.

3. “Default amount” and “Loss amount” when acting as a sponsor of securitization of customer claims are estimated using the following methods and alternative data, as in some cases it can be difficult to obtain relevant data in a timely manner because the underlying assets have been recovered by the customer.

(1) “Default amount” estimation method

- For securitization transactions subject to the ratings-based approach, the amount is estimated based on information on underlying assets obtainable from customers, etc.
- For securitization transactions subject to the supervisory formula, the amount is estimated based on obtainable information on, or default rate of, each obligor. Further, when it is difficult to estimate the amount using either method, it is conservatively estimated by assuming that the underlying asset is a default asset.

(2) “Loss amount” estimation method

- For securitization transactions subject to the ratings-based approach, the amount is the same amount as the “Default amount” estimated conservatively in (1) above.
- For securitization transactions subject to the supervisory formula, when expected loss ratios of defaulted underlying assets can be determined, the amount is estimated using the ratios. When it is difficult to determine the ratios, the amount is the same amount as the “Default amount” estimated conservatively in (1) above.

4. Asset type classification is based on the major items in the underlying assets for each transaction.

5. “Other claims” includes lease fees.

6. Following Articles 230 and 248 of the Notification, there are no amounts that represent “exposure to products subject to early amortization provisions” to investors.

7. There are no amounts that represent “assets held for securitization transactions.”

(B) Securitization Exposures (Excluding Resecuritization Exposures)

a. Underlying Assets by Asset Type

	Billions of yen									
	2013					2012				
	Term-end balance		Amounts subject to a 1250% risk weight			Term-end balance		To be deducted from capital		
	Total	On-balance sheet assets	Off-balance sheet assets	Increase in capital equivalent		Total	On-balance sheet assets	Off-balance sheet assets	Increase in capital equivalent	
September 30										
Claims on corporates .....	¥638.3	¥638.3	¥—	¥0.1	¥—	¥357.1	¥153.0	¥204.1	¥—	¥—
Mortgage loans .....	—	—	—	—	—	—	—	—	—	—
Retail loans (excluding mortgage loans).....	121.2	121.2	—	—	—	122.6	46.0	76.6	—	—
Other claims .....	34.8	34.8	—	—	—	49.6	36.0	13.6	—	—
Total .....	¥794.3	¥794.3	¥—	¥0.1	¥—	¥529.2	¥235.0	¥294.3	¥—	¥—

## b. Risk Weights

	Billions of yen							
	2013				2012			
	Term-end balance				Term-end balance			
September 30	Total	On-balance sheet assets	Off-balance sheet assets	Required capital	Total	On-balance sheet assets	Off-balance sheet assets	Required capital
20% or less .....	¥788.7	¥788.7	¥—	¥5.0	¥523.0	¥230.3	¥292.7	¥3.3
100% or less .....	5.5	5.5	—	0.3	6.2	4.6	1.5	0.3
650% or less .....	—	—	—	—	—	—	—	—
Less than 1250% .....	—	—	—	—	—	—	—	—
1250% .....	0.1	0.1	—	0.1	—	—	—	—
Total .....	¥794.3	¥794.3	¥—	¥5.3	¥529.2	¥235.0	¥294.3	¥3.6

Note: Of items with a risk weight of 1250% as of September 30, 2012 recorded here are those that are deducted from capital.

## (C) Resecuritization Exposures

There are no amounts that represent “resecuritization exposures.”

## (D) Amount of Credit Risk-Weighted Assets Calculated Using Supplementary Provision 15 of the Notification

September 30	Billions of yen	
	2013	2012
Amount of credit risk-weighted assets calculated using Supplementary Provision 15 of the Notification...	¥ —	¥ —

## (2) Securitization Transactions in which the Group is the Investor

### (A) Securitization Exposures (Excluding Resecuritization Exposures)

#### a. Underlying Assets by Asset Type

	Billions of yen									
	2013					2012				
	Term-end balance					Term-end balance				
September 30	Total	On-balance sheet assets	Off-balance sheet assets	Amounts subject to a 1250% risk weight	Increase in capital equivalent	Total	On-balance sheet assets	Off-balance sheet assets	To be deducted from capital	Increase in capital equivalent
Claims on corporates .....	¥366.6	¥93.9	¥272.7	¥45.6	¥—	¥269.5	¥ 81.0	¥188.5	¥40.9	¥—
Mortgage loans .....	85.9	85.9	—	—	—	62.7	62.7	—	—	—
Retail loans (excluding mortgage loans) .....	76.7	76.7	—	—	—	18.0	3.9	14.1	0.4	—
Other claims .....	6.9	6.9	—	—	—	16.1	16.1	—	—	—
Total .....	¥536.1	¥263.4	¥272.7	¥45.6	¥—	¥366.4	¥163.8	¥202.6	¥41.4	¥—

Note: Asset type classification is based on the major items in the underlying assets for each transaction.

## b. Risk Weights

	Billions of yen							
	2013				2012			
	Term-end balance				Term-end balance			
September 30	Total	On-balance sheet assets	Off-balance sheet assets	Required capital	Total	On-balance sheet assets	Off-balance sheet assets	Required capital
20% or less .....	¥412.1	¥232.6	¥179.4	¥ 1.9	¥256.8	¥128.7	¥128.1	¥ 1.2
100% or less .....	30.0	30.0	—	1.2	34.4	34.4	—	1.7
650% or less .....	—	—	—	—	—	—	—	—
Less than 1250% .....	—	—	—	—	—	—	—	—
1250% .....	94.0	0.7	93.3	48.3	75.2	0.7	74.5	41.4
Total .....	¥536.1	¥263.4	¥272.7	¥51.3	¥366.4	¥163.8	¥202.6	¥44.2

Note: Of items with a risk weight of 1250% as of September 30, 2012 recorded here are those that are deducted from capital.

## (B) Resecuritization Exposures

### a. Underlying Assets by Asset Type

	Billions of yen									
	2013					2012				
	Term-end balance		Amounts subject to a 1250% risk weight	Increase in capital equivalent		Term-end balance		To be deducted from capital	Increase in capital equivalent	
September 30	Total	On-balance sheet assets	Off-balance sheet assets			Total	On-balance sheet assets	Off-balance sheet assets		
Claims on corporates .....	¥0.5	¥0.5	¥—	¥0.1	¥—	¥1.4	¥1.2	¥0.2	¥0.3	¥—
Mortgage loans .....	—	—	—	—	—	—	—	—	—	—
Retail loans (excluding mortgage loans) .....	—	—	—	—	—	0.2	—	0.2	—	—
Other claims .....	1.2	0.6	0.5	0.6	—	0.8	0.5	0.2	0.5	—
Total .....	¥1.7	¥1.2	¥0.5	¥0.7	¥—	¥2.4	¥1.7	¥0.7	¥0.8	¥—

Notes: 1. Asset type classification is based on the major items in the underlying assets for each transaction.

2. "Other claims" includes transactions whose major underlying asset is securitization product.

3. Credit risk mitigation (CRM) techniques are not applied to the resecuritization exposures.

### b. Risk Weights

	Billions of yen							
	2013				2012			
	Term-end balance		Required capital		Term-end balance		Required capital	
September 30	Total	On-balance sheet assets	Off-balance sheet assets		Total	On-balance sheet assets	Off-balance sheet assets	
20% or less .....	¥0.9	¥0.5	¥0.4	¥0.0	¥1.1	¥0.4	¥0.7	¥0.0
100% or less .....	0.1	—	0.1	0.0	—	—	—	—
650% or less .....	—	—	—	—	—	—	—	—
Less than 1250% .....	—	—	—	—	—	—	—	—
1250% .....	0.7	0.7	—	0.8	1.3	1.3	0.0	0.8
Total .....	¥1.7	¥1.2	¥0.5	¥0.8	¥2.4	¥1.7	¥0.7	¥0.8

Note: Of items with a risk weight of 1250% as of September 30, 2012 recorded here are those that are deducted from capital.

## (C) Amount of Credit Risk-Weighted Assets Calculated Using Supplementary Provision 15 of the Notification

September 30	Billions of yen	
	2013	2012
Amount of credit risk-weighted assets calculated using Supplementary Provision 15 of the Notification...	¥—	¥—

## 2. Portfolio (Market Risk)

### (1) Securitization Transactions as Originator

There are no amounts that represent "securitization transactions where the Group serves as the originator."

### (2) Securitization Transactions in which the Group is the Investor

There are no amounts that represent "securitization transactions where the Group serves as the investor."

## ■ Equity Exposures in Banking Book

### 1. Consolidated Balance Sheet Amounts and Fair Values

September 30	Billions of yen			
	2013		2012	
	Balance sheet amount	Fair value	Balance sheet amount	Fair value
Listed equity exposures .....	¥3,358.9	¥3,358.9	¥2,089.3	¥2,089.3
Equity exposures other than above .....	322.3	—	506.8	—
Total .....	¥3,681.2	¥—	¥2,596.0	¥—

### 2. Gains (Losses) on Sale and Devaluation of Equity Exposures

	Billions of yen	
	First half of fiscal 2013	First half of fiscal 2012
Gains (losses) .....	¥60.4	¥(132.9)
Gains on sale .....	66.2	25.1
Losses on sale .....	2.0	4.5
Devaluation .....	3.8	153.4

Note: The above amounts are gains (losses) on stocks and available-for-sale securities in the consolidated statements of income.

### 3. Unrealized Gains (Losses) Recognized on Consolidated Balance Sheets but Not on Consolidated Statements of Income

	Billions of yen	
September 30	2013	2012
Unrealized gains (losses) recognized on consolidated balance sheets but not on consolidated statements of income.....	¥1,226.1	¥185.0

Note: The above amount is for stocks of Japanese companies and foreign stocks with market prices.

### 4. Unrealized Gains (Losses) Not Recognized on Consolidated Balance Sheets or Consolidated Statements of Income

	Billions of yen	
September 30	2013	2012
Unrealized gains (losses) not recognized on consolidated balance sheets or consolidated statements of income.....	¥(34.6)	¥(25.8)

Note: The above amount is for stocks of affiliates with market prices.

## ■ Exposure Balance by Type of Assets, Geographic Region, Industry and Residual Term

### 1. Exposure Balance by Type of Assets, Geographic Region and Industry

	Billions of yen				
September 30, 2013	Loans, etc.	Bonds	Derivatives	Others	Total
Domestic operations (excluding offshore banking accounts)					
Manufacturing.....	¥ 9,451.5	¥ 251.9	¥ 238.8	¥ 2,354.1	¥ 12,296.3
Agriculture, forestry, fishery and mining .....	179.2	4.1	4.7	28.4	216.5
Construction .....	1,177.7	50.6	4.4	193.5	1,426.1
Transport, information, communications and utilities.....	5,817.7	172.8	104.4	893.3	6,988.2
Wholesale and retail .....	5,843.1	49.0	180.1	823.3	6,895.5
Financial and insurance.....	23,357.6	460.7	1,432.5	1,776.6	27,027.3
Real estate, goods rental and leasing .....	8,350.6	243.7	40.2	374.7	9,009.1
Services .....	5,028.0	96.8	40.3	596.0	5,761.1
Local municipal corporations .....	1,720.0	316.9	10.3	12.8	2,060.0
Other industries .....	26,902.3	16,761.2	134.3	4,015.1	47,813.0
Subtotal .....	¥ 87,827.6	¥18,407.8	¥2,190.0	¥11,067.8	¥119,493.2
Overseas operations and offshore banking accounts					
Sovereigns.....	¥ 6,048.5	¥ 1,109.7	¥ 9.3	¥ 8.8	¥ 7,176.3
Financial institutions .....	4,795.0	300.4	920.9	784.7	6,801.0
C&I companies .....	16,696.8	246.0	436.3	431.2	17,810.3
Others.....	4,031.3	212.2	36.5	1,636.8	5,916.8
Subtotal .....	¥ 31,571.6	¥ 1,868.3	¥1,403.0	¥ 2,861.6	¥ 37,704.4
Total .....	¥119,399.2	¥20,276.1	¥3,593.0	¥13,929.4	¥157,197.6

	Billions of yen				
September 30, 2012	Loans, etc.	Bonds	Derivatives	Others	Total
Domestic operations (excluding offshore banking accounts)					
Manufacturing.....	¥ 9,242.3	¥ 234.6	¥ 371.9	¥1,563.4	¥ 11,412.2
Agriculture, forestry, fishery and mining .....	198.5	3.3	9.5	24.0	235.3
Construction .....	1,203.0	44.5	6.4	148.5	1,402.5
Transport, information, communications and utilities.....	5,359.8	185.3	171.4	621.1	6,337.5
Wholesale and retail .....	5,469.5	57.7	395.6	523.9	6,446.7
Financial and insurance.....	12,267.3	503.4	1,191.1	323.7	14,285.5
Real estate, goods rental and leasing .....	8,026.5	279.2	53.2	315.0	8,674.0
Services .....	4,469.9	101.3	58.4	525.3	5,154.9
Local municipal corporations .....	2,306.7	493.3	13.3	6.0	2,819.3
Other industries .....	25,121.5	30,905.5	95.3	3,626.6	59,748.8
Subtotal .....	¥73,665.1	¥32,808.2	¥2,366.1	¥7,677.5	¥116,516.8
Overseas operations and offshore banking accounts					
Sovereigns.....	¥ 4,117.3	¥ 1,013.7	¥ 8.6	¥ —	¥ 5,139.6
Financial institutions .....	3,121.0	407.6	644.7	18.8	4,192.1
C&I companies .....	12,333.1	218.7	423.3	—	12,975.1
Others.....	2,466.6	235.5	18.2	1,095.6	3,815.8
Subtotal .....	¥22,038.1	¥ 1,875.5	¥1,094.8	¥1,114.3	¥ 26,122.7
Total .....	¥95,703.1	¥34,683.7	¥3,460.9	¥8,791.8	¥142,639.5

Notes: 1. The above amounts are exposures after CRM.

2. The above amounts do not include "securitization exposures" and "credit risk-weighted assets under Article 145 of the Notification."

3. "Loans, etc." includes loans, commitments and off-balance sheet assets except derivatives, and "Others" includes equity exposures, standardized approach applied funds, and CVA risk equivalent amount exposures, etc.

4. "Domestic operations" comprises the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. "Overseas operations" comprises the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.

## 2. Exposure Balance by Type of Assets and Residual Term

September 30, 2013	Billions of yen				
	Loans, etc.	Bonds	Derivatives	Others	Total
To 1 year .....	¥ 34,694.2	¥ 6,693.7	¥ 553.4	¥ 707.8	¥ 42,649.2
More than 1 year to 3 years.....	15,963.9	7,298.6	631.0	966.4	24,859.8
More than 3 years to 5 years.....	14,580.8	3,397.4	1,558.3	1,907.7	21,444.2
More than 5 years to 7 years.....	5,448.9	2,262.6	246.0	378.8	8,336.4
More than 7 years.....	24,813.4	623.8	604.2	781.9	26,823.3
No fixed maturity .....	23,897.9	—	—	9,186.7	33,084.6
Total .....	¥119,399.2	¥20,276.1	¥3,593.0	¥13,929.4	¥157,197.6

September 30, 2012	Billions of yen				
	Loans, etc.	Bonds	Derivatives	Others	Total
To 1 year .....	¥31,170.0	¥10,063.7	¥ 374.9	¥ 211.4	¥ 41,820.0
More than 1 year to 3 years.....	13,868.9	9,208.2	705.3	457.5	24,239.9
More than 3 years to 5 years.....	12,018.4	10,048.0	1,407.3	586.9	24,060.6
More than 5 years to 7 years.....	4,885.6	1,840.0	232.9	156.4	7,115.0
More than 7 years.....	23,751.4	3,523.7	740.4	152.3	28,167.7
No fixed maturity .....	10,008.8	—	—	7,227.4	17,236.2
Total .....	¥95,703.1	¥34,683.7	¥3,460.9	¥8,791.8	¥142,639.5

Notes: 1. The above amounts are exposures after CRM.

2. The above amounts do not include "securitization exposures" and "credit risk-weighted assets under Article 145 of the Notification."

3. "Loans, etc." includes loans, commitments and off-balance sheet assets except derivatives, and "Others" includes equity exposures, standardized approach applied funds, and CVA risk equivalent amount exposures, etc.

4. "No fixed maturity" includes exposures not classified by residual term.

## 3. Term-End Balance of Exposures Past Due 3 Months or More or Defaulted and Their Breakdown

### (1) By Geographic Region

September 30	Billions of yen	
	2013	2012
Domestic operations (excluding offshore banking accounts) .....	¥2,174.3	¥2,564.2
Overseas operations and offshore banking accounts.....	109.2	127.5
Asia .....	30.1	21.6
North America.....	6.2	39.5
Other regions .....	72.9	66.4
Total .....	¥2,283.5	¥2,691.7

Notes: 1. The above amounts are credits subject to self-assessment, including mainly off-balance sheet credits to obligors categorized as "Substandard Borrowers" or lower under self-assessment.

2. The above amounts include partial direct write-offs (direct reductions).

3. "Domestic operations" comprises the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. "Overseas operations" comprises the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries, and the term-end balances are calculated based on the obligor's domicile country.

### (2) By Industry

September 30	Billions of yen	
	2013	2012
Domestic operations (excluding offshore banking accounts)		
Manufacturing.....	¥ 273.9	¥ 276.6
Agriculture, forestry, fishery and mining .....	4.3	6.8
Construction .....	105.3	116.0
Transport, information, communications and utilities.....	223.6	265.0
Wholesale and retail .....	273.6	326.3
Financial and insurance .....	15.2	21.9
Real estate, goods rental and leasing .....	626.2	665.4
Services .....	235.9	299.9
Other industries .....	416.3	586.3
Subtotal .....	¥2,174.3	¥2,564.2
Overseas operations and offshore banking accounts		
Financial institutions .....	¥ 2.7	¥ 8.9
C&I companies .....	104.3	116.7
Others .....	2.2	1.9
Subtotal .....	¥ 109.2	¥ 127.5
Total .....	¥2,283.5	¥2,691.7

Notes: 1. The above amounts are credits subject to self-assessment, including mainly off-balance sheet credits to obligors categorized as "Substandard Borrowers" or lower under self-assessment.

2. The above amounts include partial direct write-offs (direct reductions).

3. "Domestic operations" comprises the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. "Overseas operations" comprises the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.



#### 4. Term-End Balances of General Reserve for Possible Loan Losses, Specific Reserve for Possible Loan Losses and Loan Loss Reserve for Specific Overseas Countries

##### (1) By Geographic Region

	Billions of yen				Increase (decrease) (A) – (B)
	September 30, 2013 (A)	March 31, 2013 (B)	September 30, 2012	March 31, 2012	
General reserve for possible loan losses.....	¥ 486.7	¥ 539.3	¥ 539.9	¥ 593.3	¥ (52.6)
Loan loss reserve for specific overseas countries .....	0.8	0.0	0.0	0.2	0.8
Specific reserve for possible loan losses .....	967.3	1,042.7	1,056.8	1,071.3	(75.4)
Domestic operations (excluding offshore banking accounts).....	919.6	990.7	1,001.3	1,008.2	(71.1)
Overseas operations and offshore banking accounts.....	47.7	52.0	55.5	63.1	(4.3)
Asia .....	15.2	15.0	14.4	12.9	0.2
North America.....	5.2	12.2	19.2	22.3	(7.0)
Other regions .....	27.3	24.8	21.9	27.9	2.5
<b>Total .....</b>	<b>¥1,454.8</b>	<b>¥1,582.0</b>	<b>¥1,596.7</b>	<b>¥1,664.8</b>	<b>¥(127.2)</b>

Notes: 1. "Specific reserve for possible loan losses" includes partial direct write-offs (direct reductions).

2. "Domestic operations" comprises the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. "Overseas operations" comprises the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries, and the term-end balances are calculated based on the obligor's domicile country.

##### (2) By Industry

	Billions of yen				Increase (decrease) (A) – (B)
	September 30, 2013 (A)	March 31, 2013 (B)	September 30, 2012	March 31, 2012	
General reserve for possible loan losses.....	¥486.7	¥539.3	¥ 539.9	¥ 593.3	¥ (52.6)
Loan loss reserve for specific overseas countries .....	0.8	0.0	0.0	0.2	0.8
Specific reserve for possible loan losses .....	967.3	1,042.7	1,056.8	1,071.3	(75.4)
Domestic operations (excluding offshore banking accounts).....	919.6	990.7	1,001.3	1,008.2	(71.1)
Manufacturing.....	127.6	133.2	119.9	121.3	(5.6)
Agriculture, forestry, fishery and mining .....	3.1	3.5	3.8	3.0	(0.4)
Construction .....	57.2	60.5	61.2	66.0	(3.3)
Transport, information, communications and utilities.....	90.8	98.4	95.1	65.5	(7.6)
Wholesale and retail.....	135.7	145.8	137.8	139.5	(10.1)
Financial and insurance.....	11.3	12.2	11.7	11.9	(0.9)
Real estate, goods rental and leasing .....	233.7	262.1	275.8	287.6	(28.4)
Services .....	112.2	123.0	124.1	127.2	(10.8)
Other industries .....	148.0	152.0	171.9	186.2	(4.0)
Overseas operations and offshore banking accounts.....	47.7	52.0	55.5	63.1	(4.3)
Financial institutions .....	2.7	5.6	6.7	10.6	(2.9)
C&I companies .....	43.8	44.8	47.8	51.6	(1.0)
Others .....	1.2	1.6	1.0	0.9	(0.4)
<b>Total .....</b>	<b>¥1,454.8</b>	<b>¥1,582.0</b>	<b>¥1,596.7</b>	<b>¥1,664.8</b>	<b>¥(127.2)</b>

Notes: 1. "Specific reserve for possible loan losses" includes partial direct write-offs (direct reductions).

2. "Domestic operations" comprises the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. "Overseas operations" comprises the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.

## 5. Loan Write-Offs by Industry

	Billions of yen	
	First half of fiscal 2013	First half of fiscal 2012
Domestic operations (excluding offshore banking accounts)		
Manufacturing.....	¥ 0.1	¥ 4.8
Agriculture, forestry, fishery and mining .....	0.0	0.2
Construction .....	0.1	0.2
Transport, information, communications and utilities.....	0.4	1.4
Wholesale and retail .....	(0.0)	4.4
Financial and insurance.....	(0.0)	(0.1)
Real estate, goods rental and leasing .....	(0.3)	(4.9)
Services .....	(0.3)	3.0
Other industries .....	38.5	43.0
Subtotal .....	¥38.5	¥52.0
Overseas operations and offshore banking accounts		
Financial institutions .....	¥ —	¥ 0.0
C&I companies .....	0.3	2.2
Others.....	1.2	0.9
Subtotal .....	¥ 1.5	¥ 3.1
Total .....	¥40.0	¥55.1

Note: "Domestic operations" comprises the operations of SMFG, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. "Overseas operations" comprises the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.

## Market Risk

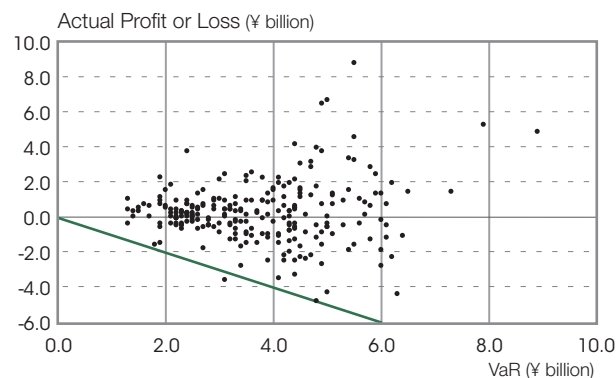
### 1. VaR Results (Trading Book)

	Billions of yen			
	First half of fiscal 2013		First half of fiscal 2012	
	VaR	Stressed VaR	VaR	Stressed VaR
September 30.....	¥1.4	¥ 2.3	¥2.1	¥3.1
Maximum.....	6.5	15.7	3.2	4.5
Minimum.....	1.3	2.3	1.6	2.2
Average .....	3.6	8.0	2.2	3.3

Notes: 1. The VaR results for a one-day holding period with a one-sided confidence interval of 99.0%, computed daily using the historical simulation method based on four years of historical observations.  
2. The stressed VaR results for a one-day holding period with a one-sided confidence interval of 99.0%, computed daily using the historical simulation method based on 12 months of historical observations (including the stress period).  
3. Specific risks for the trading book are excluded.  
4. Principal consolidated subsidiaries are included.

### 2. Back-Testing Results (Trading Book)

The results of back-testing for the one-year period from October 2012 to September 2013 are shown below. The data point below the diagonal line indicates a loss exceeding VaR for that day. Only one day during the period had an actual loss that exceeded VaR. It demonstrates that the SMFG VaR model is sufficiently reliable, with a one-sided confidence interval of 99.0%.



## ■ Interest Rate Risk in Banking Book

### 1. VaR Results (Banking Book)

	Billions of yen	
	First half of fiscal 2013	First half of fiscal 2012
September 30.....	¥37.7	¥31.2
Maximum.....	47.5	35.2
Minimum.....	29.9	27.3
Average .....	38.8	30.8

Notes: 1. The VaR results for a one-day holding period with a one-sided confidence interval of 99.0%, computed daily using the historical simulation method based on four years of historical observations.

2. Principal consolidated subsidiaries are included.

### 2. Outlier Framework (Sumitomo Mitsui Banking Corporation and Subsidiaries)

In the event the economic value of a bank declines by more than 20% of total capital as a result of interest rate shocks, that bank would fall into the category of “outlier bank,” as stipulated under the Pillar 2 of Basel Capital Accord.

This ratio, known as the outlier ratio, was 0.9% at SMBC on a consolidated basis at September 30, 2013, substantially below the 20% criterion.

	Billions of yen	
	2013	2012
September 30	Decline in economic value	Decline in economic value
Impact of Yen interest rates.....	¥37.5	¥112.6
Impact of U.S. dollar interest rates.....	39.3	142.5
Impact of Euro interest rates .....	6.4	4.8
Total .....	¥90.4	¥272.7
Percentage of total capital .....	0.9%	3.0%

Notes: 1. “Decline in economic value” is the decline of present value after interest rate shocks (1st and 99th percentile of observed interest rate changes using a one-year holding period and five years of observations).

2. Figure for “Percentage of total capital” for September 30, 2012 is percentage of Tier 1 + Tier 2.

## ■ Reconciliation of Regulatory Capital Elements Back to the Interim Balance Sheet

### Reconciliation of regulatory capital elements back to the balance sheet (Second Quarter ended September 30, 2013)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

(Million of Yen)

Items	Consolidated balance sheet as in published financial statements	Cross-reference to Appended Table	Reference # of Basel III common disclosure template under the Composition of Capital Disclosure (Basel III Template)
	Amount		
(Assets)			
Cash and due from banks	25,007,372		
Call loans and bills bought	1,017,319		
Receivables under resale agreements	342,000		
Receivables under securities borrowing transactions	3,939,146		
Monetary claims bought	3,236,642		
Trading assets	6,918,858	7-a	
Money held in trust	23,799	7-b	
Securities	27,300,480	3-b, 7-c	
Loans and bills discounted	65,696,779	7-d	
Foreign exchanges	1,548,198		
Lease receivables and investment assets	1,748,235		
Other assets	4,159,465	4	
Tangible fixed assets	2,093,026		
Intangible fixed assets	782,461	3-a	
Deferred tax assets	228,979	5-a	
Customers' liabilities for acceptances and guarantees	6,113,493		
Reserve for possible loan losses	(813,907)		
<b>Total assets</b>	<b>149,342,349</b>		
(Liabilities)			
Deposits	90,280,756		
Negotiable certificates of deposit	11,619,977		
Call money and bills sold	2,174,334		
Payables under repurchase agreements	1,664,541		
Payables under securities lending transactions	3,484,071		
Commercial paper	2,472,168		
Trading liabilities	5,468,620	7-c	
Borrowed money	5,753,508		
Foreign exchanges	412,054		
Short-term bonds	994,400		
Bonds	4,796,328		
Due to trust account	681,721		
Other liabilities	4,012,781		
Reserve for employee bonuses	50,625		
Reserve for employee retirement benefits	44,222		
Reserve for executive retirement benefits	1,663		
Reserve for point service program	19,047		
Reserve for reimbursement of deposits	8,791		
Reserve for losses on interest repayment	188,071		
Reserve under the special laws	666		
Deferred tax liabilities	85,148	5-b	
Deferred tax liabilities for land revaluation	38,724	5-c	
Acceptances and guarantees	6,113,493		
<b>Total liabilities</b>	<b>140,365,719</b>		
(Net assets)			
Capital stock	2,337,895	1-a	
Capital surplus	758,348	1-b	
Retained earnings	3,225,484	1-c	
Treasury stock	(174,955)	1-d	
<b>Total stockholders' equity</b>	<b>6,146,773</b>		
Net unrealized gains on other securities	927,647		
Net deferred losses on hedges	(60,893)	6	
Land revaluation excess	35,882		
Foreign currency translation adjustments	(34,423)		
<b>Total accumulated other comprehensive income</b>	<b>868,212</b>		3
Stock acquisition rights	1,528	2,8-a	
Minority interests	1,960,115	8-b	
<b>Total net assets</b>	<b>8,976,629</b>		
<b>Total liabilities and net assets</b>	<b>149,342,349</b>		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

**(Appended Table)**

1. Stockholders' equity

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Capital stock	2,337,895	
Capital surplus	758,348	
Retained earnings	3,225,484	
Treasury stock	(174,955)	
Total stockholders' equity	6,146,773	

Ref. No.
1-a
1-b
1-c
1-d

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,146,773	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
of which: capital and capital surplus	3,096,244	
of which: retained earnings	3,225,484	
of which: treasury stock (-)	174,955	
of which: other than the above	—	
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	Stockholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effectively bankruptcy

Basel III Template No.
1a
2
1c
31a

2. Stock acquisition rights

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Stock acquisition rights	1,528	
of which: Stock acquisition rights issued by bank holding company	1,397	

Ref. No.
2

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Stock acquisition rights to common shares	1,397	
Stock acquisition rights to Additional Tier 1 instruments	—	
Stock acquisition rights to Tier 2 instruments	—	

Basel III Template No.
1b
31b
46

3. Intangible assets

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Intangible fixed assets	782,461	
Securities	27,300,480	
of which: goodwill attributable to equity-method investees	82,764	
Income taxes related to above	149,017	

Ref. No.
3-a
3-b

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Goodwill (including those equivalent)	446,159	
Other intangible assets other than goodwill and mortgage servicing rights	270,049	Software and other
Mortgage servicing rights	—	
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	

Basel III Template No.
8
9
20
24
74

4. Prepaid pension cost

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Other assets	4,159,465	
of which: prepaid pension cost	231,496	
Income taxes related to above	82,005	

Ref. No.
4

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Prepaid pension cost	149,490	

Basel III Template No.
15

## 5. Deferred tax assets

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Deferred tax assets	228,979	
Deferred tax liabilities	85,148	
Deferred tax liabilities for land revaluation	38,724	
Tax effects on other intangible assets	149,017	
Tax effects on prepaid pension cost	82,005	

Ref. No.
5-a
5-b
5-c

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	8,322	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Deferred tax assets arising from temporary differences (net of related tax liability)	353,938	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	353,938	

Basel III Template No.
10

21
25
75

## 6. Deferred gains or losses on derivatives under hedge accounting

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Net deferred losses on hedges	(60,893)	

Ref. No.
6

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Net deferred losses on hedges	(58,811)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"

Basel III Template No.
11

## 7. Items associated with investments in the capital of financial institutions

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Trading assets	6,918,858	Including trading account securities and derivatives for trading assets
Money held in trust	23,799	
Securities	27,300,480	
Loans and bills discounted	65,696,779	Including subordinated loans
Trading liabilities	5,468,620	Including trading account securities sold and derivatives for trading liabilities

Ref. No.
7-a
7-b
7-c
7-d
7-e

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	7,467		
Common Equity Tier 1 capital	7,467		16
Additional Tier 1 capital	—		37
Tier 2 capital	—		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	—		
Common Equity Tier 1 capital	—		17
Additional Tier 1 capital	—		38
Tier 2 capital	—		53
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	801,046		
Common Equity Tier 1 capital	126,369		18
Additional Tier 1 capital	1,190		39
Tier 2 capital	52,286		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	621,200		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	503,164		
Amount exceeding the 10% threshold on specified items	—		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	158,308		40
Tier 2 capital	125,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	219,855		73

## 8. Minority interests

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Stock acquisition rights	1,528		8-a
Minority interests	1,960,115		8-b

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	141,097		5
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		30-31ab-32
Amount allowed to be included in group Additional Tier 1	131,871		34-35
Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		46
Amount allowed to be included in group Tier 2	30,949		48-49

## Note:

Amounts in the "Composition of capital disclosure" are based on those before considering under transitional arrangements and includes "Amounts excluded under transitional arrangements" disclosed in "Capital Structure Information" as well as amounts included as regulatory capital. In addition, items for regulatory purpose under transitional arrangement are excluded from this table.



**Reconciliation of regulatory capital elements back to the balance sheet  
(Year ended March 31, 2013)**

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

(Million of Yen)

Items	Consolidated balance sheet as in published financial statements	Cross-reference to Appended Table	Reference # of Basel III common disclosure template under the Composition of Capital Disclosure (Basel III Template)
	Amount		
(Assets)			
Cash and due from banks	10,799,291		
Call loans and bills bought	1,353,746		
Receivables under resale agreements	273,217		
Receivables under securities borrowing transactions	3,494,398		
Monetary claims bought	1,540,516		
Trading assets	7,765,554	7-a	
Money held in trust	22,789	7-b	
Securities	41,306,731	3-b, 7-c	
Loans and bills discounted	65,632,091	7-d	
Foreign exchanges	2,226,427		
Lease receivables and investment assets	1,684,800		
Other assets	4,367,634	4	
Tangible fixed assets	1,983,772		
Intangible fixed assets	790,860	3-a	
Deferred tax assets	374,258	5-a	
Customers' liabilities for acceptances and guarantees	6,009,575		
Reserve for possible loan losses	(928,866)		
<b>Total assets</b>	<b>148,696,800</b>		
(Liabilities)			
Deposits	89,081,811		
Negotiable certificates of deposit	11,755,654		
Call money and bills sold	2,954,051		
Payables under repurchase agreements	2,076,791		
Payables under securities lending transactions	4,433,835		
Commercial paper	1,499,499		
Trading liabilities	6,119,631	7-e	
Borrowed money	4,979,460		
Foreign exchanges	337,901		
Short-term bonds	1,126,300		
Bonds	4,750,806		
Due to trust account	643,350		
Other liabilities	3,989,794		
Reserve for employee bonuses	59,855		
Reserve for executive bonuses	4,037		
Reserve for employee retirement benefits	44,579		
Reserve for executive retirement benefits	2,420		
Reserve for point service program	19,319		
Reserve for reimbursement of deposits	11,195		
Reserve for losses on interest repayment	245,423		
Reserve under the special laws	481		
Deferred tax liabilities	68,120	5-b	
Deferred tax liabilities for land revaluation	39,683	5-c	
Acceptances and guarantees	6,009,575		
<b>Total liabilities</b>	<b>140,253,582</b>		
(Net assets)			
Capital stock	2,337,895	1-a	
Capital surplus	758,630	1-b	
Retained earnings	2,811,474	1-c	
Treasury stock	(227,373)	1-d	
<b>Total stockholders' equity</b>	<b>5,680,627</b>		
Net unrealized gains on other securities	755,753		
Net deferred losses on hedges	(32,863)	6	
Land revaluation excess	39,129		
Foreign currency translation adjustments	(97,448)		
<b>Total accumulated other comprehensive income</b>	<b>664,570</b>		3
Stock acquisition rights	1,260	2,8-a	
Minority interests	2,096,760	8-b	
<b>Total net assets</b>	<b>8,443,218</b>		
<b>Total liabilities and net assets</b>	<b>148,696,800</b>		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

**(Appended Table)**

1. Stockholders' equity

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Capital stock	2,337,895	
Capital surplus	758,630	
Retained earnings	2,811,474	
Treasury stock	(227,373)	
Total stockholders' equity	5,680,627	

Ref. No.
1-a
1-b
1-c
1-d

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Directly issued qualifying common share capital plus related capital surplus and retained earnings	5,680,627	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
of which: capital and capital surplus	3,096,526	
of which: retained earnings	2,811,474	
of which: treasury stock (-)	227,373	
of which: other than the above	—	
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	Stockholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effectively bankruptcy

Basel III Template No.
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1a
2
1c

31a
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2. Stock acquisition rights

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Stock acquisition rights	1,260	
of which: Stock acquisition rights issued by bank holding company	1,140	

Ref. No.
2

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Stock acquisition rights to common shares	1,140	
Stock acquisition rights to Additional Tier 1 instruments	—	
Stock acquisition rights to Tier 2 instruments	—	

Basel III Template No.
------------------------

1b
31b
46

3. Intangible assets

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Intangible fixed assets	790,860	
Securities	41,306,731	
of which: goodwill attributable to equity-method investees	25,811	

Ref. No.
3-a
3-b

Income taxes related to above	147,818	
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(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Goodwill (including those equivalent)	400,969	
Other intangible assets other than goodwill and mortgage servicing rights	267,884	Software and other
Mortgage servicing rights	—	
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	

Basel III Template No.
------------------------

8
9

20
24
74

4. Prepaid pension cost

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Other assets	4,367,634	
of which: prepaid pension cost	224,719	

Ref. No.
4

Income taxes related to above	79,935	
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(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Prepaid pension cost	144,783	

Basel III Template No.
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15
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## 5. Deferred tax assets

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Deferred tax assets	374,258	
Deferred tax liabilities	68,120	
Deferred tax liabilities for land revaluation	39,683	
Tax effects on other intangible assets	147,818	
Tax effects on prepaid pension cost	79,935	

Ref. No.
5-a
5-b
5-c

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	9,897	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Deferred tax assets arising from temporary differences (net of related tax liability)	506,519	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	506,519	

Basel III Template No.
10

21
25
75

## 6. Deferred gains or losses on derivatives under hedge accounting

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Net deferred losses on hedges	(32,863)	

Ref. No.
6

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Net deferred losses on hedges	(29,649)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"

Basel III Template No.
11

## 7. Items associated with investments in the capital of financial institutions

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Trading assets	7,765,554	Including trading account securities and derivatives for trading assets
Money held in trust	22,789	
Securities	41,306,731	
Loans and bills discounted	65,632,091	Including subordinated loans
Trading liabilities	6,119,631	Including trading account securities sold and derivatives for trading liabilities

Ref. No.
7-a
7-b
7-c
7-d
7-e

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	9,019		
Common Equity Tier 1 capital	9,019		16
Additional Tier 1 capital	—		37
Tier 2 capital	—		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	—		
Common Equity Tier 1 capital	—		17
Additional Tier 1 capital	—		38
Tier 2 capital	—		53
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	798,416		
Common Equity Tier 1 capital	169,361		18
Additional Tier 1 capital	1,589		39
Tier 2 capital	73,250		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	554,215		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	479,547		
Amount exceeding the 10% threshold on specified items	—		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	157,149		40
Tier 2 capital	125,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	197,398		73

## 8. Minority interests

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Stock acquisition rights	1,260		8-a
Minority interests	2,096,760		8-b

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	139,300		5
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		30-31ab-32
Amount allowed to be included in group Additional Tier 1	127,606		34-35
Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		46
Amount allowed to be included in group Tier 2	28,909		48-49

## Note:

Amounts in the "Composition of capital disclosure" are based on those before considering under transitional arrangements and includes "Amounts excluded under transitional arrangements" disclosed in "Capital Structure Information" as well as amounts included as regulatory capital. In addition, items for regulatory purpose under transitional arrangement are excluded from this table.

# Capital Ratio Information (Consolidated)

Sumitomo Mitsui Banking Corporation and Subsidiaries

## ■ Capital Structure Information (Consolidated Capital Ratio (International Standard))

September 30		Millions of yen, except percentages
		2012
Tier 1 capital:	Capital stock .....	¥ 1,770,996
	Capital surplus .....	2,717,397
	Retained earnings .....	1,564,604
	Treasury stock (-) .....	210,003
	Cash dividends to be paid (-) .....	127,816
	Foreign currency translation adjustments .....	(122,828)
	Stock acquisition rights .....	101
	Minority interests .....	1,372,500
	Goodwill and others (-) .....	194,358
	Gain on sale on securitization transactions (-) .....	38,956
	Amount equivalent to 50% of expected losses in excess of reserve (-) ....	29,650
	Total Tier 1 capital (A) .....	6,701,984
Tier 2 capital:	Unrealized gains on other securities after 55% discount .....	98,564
	Land revaluation excess after 55% discount .....	35,787
	General reserve for possible loan losses .....	28,647
	Subordinated debt .....	2,363,414
	Total Tier 2 capital .....	2,526,413
Deductions*:	Tier 2 capital included as qualifying capital (B) .....	2,526,413
	(C) .....	285,875
Total qualifying capital:	(D) = (A) + (B) - (C) .....	¥ 8,942,522
Risk-weighted assets:	On-balance sheet items .....	¥32,134,343
	Off-balance sheet items .....	6,693,493
	Market risk .....	1,169,104
	Operational risk .....	2,787,048
	Total risk-weighted assets (E) .....	¥42,783,989
Tier 1 risk-weighted capital ratio:	(A) / (E) × 100 .....	15.66%
Total risk-weighted capital ratio:	(D) / (E) × 100 .....	20.90%
Required capital:	(E) × 8% .....	¥ 3,422,719

\* "Deductions" refers to deductions stipulated in Article 8-1 of the Notification and includes willful holding of securities issued by other financial institutions and securities stipulated in Clause 2.

September 30

2013

Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,424,285		1a+2-1c-26
of which: capital and capital surplus	4,278,391		1a
of which: retained earnings	2,284,654		2
of which: treasury stock (-)	—		1c
of which: cash dividends to be paid (-)	138,760		26
of which: other than the above	—		
Stock acquisition rights to common shares	—		1b
Accumulated other comprehensive income and other disclosed reserves	—	864,951	3
Adjusted minority interests, etc. (amount allowed to be included in group Common Equity Tier 1)	148,579		5
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	35,461		
of which: minority interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	35,461		
Common Equity Tier 1 capital: instruments and reserves (A)	6,608,325		6
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
Total intangible assets (excluding those relating to mortgage servicing rights)	—	386,846	8+9
of which: goodwill (including those equivalent)	—	218,866	8
of which: other intangible assets other than goodwill and mortgage servicing rights	—	167,980	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	3,593	10
Net deferred losses on hedges	—	(57,583)	11
Shortfall of eligible provisions to expected losses	—	—	12
Gain on sale on securitization transactions	—	38,866	13
Gains and losses due to changes in own credit risk on fair valued liabilities	—	8,696	14
Prepaid pension cost	—	149,267	15
Investments in own shares (excluding those reported in the Net assets section)	—	55	16
Reciprocal cross-holdings in common equity	—	—	17
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	—	—	18
Amount exceeding the 10% threshold on specified items	—	—	19+20+21
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	19
of which: mortgage servicing rights	—	—	20
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	21
Amount exceeding the 15% threshold on specified items	—	—	22
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	23
of which: mortgage servicing rights	—	—	24
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	—		27
Common Equity Tier 1 capital: regulatory adjustments (B)	—		28
<b>Common Equity Tier 1 capital (CET1)</b>			
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	6,608,325		29

September 30

		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Additional Tier 1 capital: instruments</b>			
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—		31a
Stock acquisition rights to Additional Tier 1 instruments	—		31b
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		32
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Adjusted minority interests, etc. (amount allowed to be included in group Additional Tier 1)	13,482		34-35
Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,080,317		33+35
of which: instrument issued by banks and their special purpose vehicles	1,080,317		33
of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	—		35
Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(49,562)		
of which: foreign currency translation adjustments	(49,562)		
Additional Tier 1 capital: instruments (D)	1,044,238		36
<b>Additional Tier 1 capital: regulatory adjustments</b>			
Investments in own Additional Tier 1 instruments	—	—	37
Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	38
Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	—	—	39
Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	—	158,308	40
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	208,020		
of which: goodwill and others	169,153		
of which: gain on sale on securitization transactions	38,866		
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—		42
Additional Tier 1 capital: regulatory adjustments (E)	208,020		43
<b>Additional Tier 1 capital (AT1)</b>			
Additional Tier 1 capital ((D)-(E)) (F)	836,217		44
<b>Tier 1 capital (T1 = CET1 + AT1)</b>			
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	7,444,543		45
<b>Tier 2 capital: instruments and provisions</b>			
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	—		
Stock acquisition rights to Tier 2 instruments	—		
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		46
Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Adjusted minority interests, etc. (amount allowed to be included in group Tier 2)	2,657		48-49
Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,831,075		47+49
of which: instruments issued by banks and their special purpose vehicles	1,817,217		47
of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	13,858		49
Total of general reserve for possible loan losses and eligible provisions included in Tier 2	58,912		50
of which: general reserve for possible loan losses	10,198		50a
of which: eligible provisions	48,713		50b
Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	606,431		
of which: unrealized gains on other securities after 55% discount	573,004		
of which: land revaluation excess after 55% discount	33,427		
Tier 2 capital: instruments and provisions (H)	2,499,076		51



		Millions of yen, except percentages	
September 30		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Tier 2 capital: regulatory adjustments</b>			
Investments in own Tier 2 instruments	—	—	52
Reciprocal cross-holdings in Tier 2 instruments	—	—	53
Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	—	—	54
Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	—	125,000	55
Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	145,890		
of which: Tier 2 and deductions under Basel 2	145,890		
Tier 2 capital: regulatory adjustments (I)	145,890		57
<b>Tier 2 capital (T2)</b>			
Tier 2 capital (T2) ((H)-(I)) (J)	2,353,186		58
<b>Total capital (TC = T1 + T2)</b>			
Total capital (TC = T1 + T2) ((G)+(J)) (K)	9,797,729		59
<b>Risk weighted assets</b>			
Total of items included in risk weighted assets subject to transitional arrangements	147,252		
of which: intangible assets other than mortgage servicing rights	15,706		
of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	88,189		
of which: significant investments in Tier 2 capital of Other Financial Institutions (net of eligible short positions)	25,085		
Risk weighted assets (L)	54,343,623		60
<b>Capital ratio (consolidated)</b>			
Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	12.16%		61
Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	13.69%		62
Total risk-weighted capital ratio (consolidated) ((K)/(L))	18.02%		63
<b>Regulatory adjustments</b>			
Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	685,789		72
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	439,488		73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	286,657		75
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
Provisions (general reserve for possible loan losses)	10,198		76
Cap on inclusion of provisions (general reserve for possible loan losses)	19,513		77
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	48,713		78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	276,477		79
<b>Capital instruments subject to transitional arrangements</b>			
Current cap on Additional Tier 1 instruments subject to transitional arrangements	1,114,071		82
Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	—		83
Current cap on Tier 2 instruments subject to transitional arrangements	1,831,075		84
Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	18,683		85

		Millions of yen
September 30		2013
Items		
Required capital ((L) × 8%)		4,347,489

Millions of yen, except percentages

March 31

2013

Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,096,661		1a+2-1c-26
of which: capital and capital surplus	4,278,391		1a
of which: retained earnings	1,869,906		2
of which: treasury stock (-)	—		1c
of which: cash dividends to be paid (-)	51,636		26
of which: other than the above	—		
Stock acquisition rights to common shares	—		1b
Accumulated other comprehensive income and other disclosed reserves	—	654,954	3
Adjusted minority interests, etc. (amount allowed to be included in group Common Equity Tier 1)	146,706		5
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	33,773		
of which: minority interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	33,773		
Common Equity Tier 1 capital: instruments and reserves (A)	6,277,140		6
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
Total intangible assets (excluding those relating to mortgage servicing rights)	—	331,161	8+9
of which: goodwill (including those equivalent)	—	166,102	8
of which: other intangible assets other than goodwill and mortgage servicing rights	—	165,058	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	4,196	10
Net deferred losses on hedges	—	(27,567)	11
Shortfall of eligible provisions to expected losses	—	—	12
Gain on sale on securitization transactions	—	39,081	13
Gains and losses due to changes in own credit risk on fair valued liabilities	—	6,658	14
Prepaid pension cost	—	144,660	15
Investments in own shares (excluding those reported in the Net assets section)	—	96	16
Reciprocal cross-holdings in common equity	—	—	17
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	—	40,443	18
Amount exceeding the 10% threshold on specified items	—	—	19+20+21
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	19
of which: mortgage servicing rights	—	—	20
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	21
Amount exceeding the 15% threshold on specified items	—	—	22
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	23
of which: mortgage servicing rights	—	—	24
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	—		27
Common Equity Tier 1 capital: regulatory adjustments (B)	—		28
<b>Common Equity Tier 1 capital (CET1)</b>			
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	6,277,140		29

March 31

		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Additional Tier 1 capital: instruments</b>			
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—		31a
Stock acquisition rights to Additional Tier 1 instruments	—		31b
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		32
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Adjusted minority interests, etc. (amount allowed to be included in group Additional Tier 1)	16,217		34-35
Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,114,071		33+35
of which: instrument issued by banks and their special purpose vehicles	1,113,621		33
of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	450		35
Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(108,123)		
of which: foreign currency translation adjustments	(108,123)		
Additional Tier 1 capital: instruments (D)	1,022,165		36
<b>Additional Tier 1 capital: regulatory adjustments</b>			
Investments in own Additional Tier 1 instruments	—	—	37
Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	38
Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	—	369	39
Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	—	157,149	40
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	226,552		
of which: goodwill and others	187,471		
of which: gain on sale on securitization transactions	39,081		
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—		42
Additional Tier 1 capital: regulatory adjustments (E)	226,552		43
<b>Additional Tier 1 capital (AT1)</b>			
Additional Tier 1 capital ((D)-(E)) (F)	795,612		44
<b>Tier 1 capital (T1 = CET1 + AT1)</b>			
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	7,072,753		45
<b>Tier 2 capital: instruments and provisions</b>			
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	—		
Stock acquisition rights to Tier 2 instruments	—		
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		46
Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Adjusted minority interests, etc. (amount allowed to be included in group Tier 2)	2,080		48-49
Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,831,075		47+49
of which: instruments issued by banks and their special purpose vehicles	1,813,075		47
of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	18,000		49
Total of general reserve for possible loan losses and eligible provisions included in Tier 2	59,426		50
of which: general reserve for possible loan losses	10,501		50a
of which: eligible provisions	48,924		50b
Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	495,978		
of which: unrealized gains on other securities after 55% discount	460,658		
of which: land revaluation excess after 55% discount	35,319		
Tier 2 capital: instruments and provisions (H)	2,388,560		51

March 31		Millions of yen, except percentages	
		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Tier 2 capital: regulatory adjustments</b>			
Investments in own Tier 2 instruments	—	—	52
Reciprocal cross-holdings in Tier 2 instruments	—	—	53
Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	—	21,046	54
Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	—	125,000	55
Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	74,848		
of which: Tier 2 and deductions under Basel 2	74,848		
Tier 2 capital: regulatory adjustments (I)	74,848		57
<b>Tier 2 capital (T2)</b>			
Tier 2 capital (T2) ((H)-(I)) (J)	2,313,712		58
<b>Total capital (TC = T1 + T2)</b>			
Total capital (TC = T1 + T2) ((G) + (J)) (K)	9,386,465		59
<b>Risk weighted assets</b>			
Total of items included in risk weighted assets subject to transitional arrangements	193,481		
of which: intangible assets other than mortgage servicing rights	(15,881)		
of which: Non-significant Investments in the capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	58,467		
of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	88,191		
of which: significant investments in Tier 2 capital of Other Financial Institutions (net of eligible short positions)	45,877		
Risk weighted assets (L)	55,725,255		60
<b>Capital ratio (consolidated)</b>			
Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	11.26%		61
Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	12.69%		62
Total risk-weighted capital ratio (consolidated) ((K)/(L))	16.84%		63
<b>Regulatory adjustments</b>			
Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	640,003		72
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	434,850		73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	420,075		75
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
Provisions (general reserve for possible loan losses)	10,501		76
Cap on inclusion of provisions (general reserve for possible loan losses)	21,284		77
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	48,924		78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	280,447		79
<b>Capital instruments subject to transitional arrangements</b>			
Current cap on Additional Tier 1 instruments subject to transitional arrangements	1,114,071		82
Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	123,785		83
Current cap on Tier 2 instruments subject to transitional arrangements	1,831,075		84
Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	203,452		85

March 31		Millions of yen
		2013
Items		
Required capital ((L) × 8%)		4,458,020

## ■ Reconciliation of Regulatory Capital Elements Back to the Interim Balance Sheet

### Reconciliation of regulatory capital elements back to the balance sheet (Second Quarter ended September 30, 2013)

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Million of Yen)

Items	Consolidated balance sheet as in published financial statements	Cross-reference to Appended Table	Reference # of Basel III common disclosure template under the Composition of Capital Disclosure (Basel III Template)
	Amount		
(Assets)			
Cash and due from banks	24,798,192		
Call loans and bills bought	1,017,319		
Receivables under resale agreements	342,000		
Receivables under securities borrowing transactions	3,906,046		
Monetary claims bought	3,139,103		
Trading assets	6,835,917	6-a	
Money held in trust	14,911	6-b	
Securities	27,249,396	2-b, 6-c	
Loans and bills discounted	67,014,369	6-d	
Foreign exchanges	1,548,198		
Lease receivables and investment assets	177,502		
Other assets	1,964,745	3	
Tangible fixed assets	850,723		
Intangible fixed assets	408,860	2-a	
Deferred tax assets	162,546	4-a	
Customers' liabilities for acceptances and guarantees	5,196,430		
Reserve for possible loan losses	(700,510)		
Total assets	143,925,752		
(Liabilities)			
Deposits	90,486,077		
Negotiable certificates of deposit	11,817,077		
Call money and bills sold	2,175,635		
Payables under repurchase agreements	1,662,841		
Payables under securities lending transactions	3,482,979		
Commercial papers	2,472,168		
Trading liabilities	5,440,552	6-e	
Borrowed money	3,744,605		
Foreign exchanges	412,054		
Short-term bonds	190,800		
Bonds	4,611,733		
Due to trust account	681,721		
Other liabilities	2,695,818		
Reserve for employee bonuses	37,832		
Reserve for employee retirement benefits	16,037		
Reserve for executive retirement benefits	661		
Reserve for point service program	1,624		
Reserve for reimbursement of deposits	8,791		
Reserve for losses on interest repayment	905		
Reserve under the special laws	344		
Deferred tax liabilities	22,959	4-b	
Deferred tax liabilities for land revaluation	38,724	4-c	
Acceptances and guarantees	5,196,430		
Total liabilities	135,198,375		
(Net assets)			
Capital stock	1,770,996	1-a	
Capital surplus	2,717,397	1-b	
Retained earnings	2,284,654	1-c	
Treasury stock	(210,003)	1-d	
Total stockholders' equity	6,563,045		
Net unrealized gains on other securities	938,370		
Net deferred losses on hedges	(59,664)	5	
Land revaluation excess	35,808		
Foreign currency translation adjustments	(49,562)		
Total accumulated other comprehensive income	864,951		3
Stock acquisition rights	130	7-a	
Minority interests	1,299,248	7-b	
Total net assets	8,727,376		
Total liabilities and net assets	143,925,752		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

**(Appended Table)**

1. Stockholders' equity

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Capital stock	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement
Capital surplus	2,717,397	Including eligible Tier 1 capital instruments subject to transitional arrangement
Retained earnings	2,284,654	
Treasury stock	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement
Total stockholders' equity	6,563,045	

Ref. No.
1-a
1-b
1-c
1-d

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,563,045	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
of which: capital and capital surplus	4,278,391	
of which: retained earnings	2,284,654	
of which: treasury stock (-)	—	
of which: other than the above	—	
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	Stockholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effectively bankruptcy

Basel III Template No.
1a
2
1c
31a

2. Intangible assets

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Intangible fixed assets	408,860	
Securities	27,249,396	
of which: goodwill attributable to equity-method investees	70,617	
Income taxes related to above	92,630	

Ref. No.
2-a
2-b

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Goodwill (including those equivalent)	218,866	
Other intangible assets other than goodwill and mortgage servicing rights	167,980	Software and other
Mortgage servicing rights	—	
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	

Basel III Template No.
8
9
20
24
74

3. Prepaid pension cost

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Other assets	1,964,745	
of which: prepaid pension cost	231,149	
Income taxes related to above	81,882	

Ref. No.
3

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Prepaid pension cost	149,267	

Basel III Template No.
15

## 4. Deferred tax assets

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Deferred tax assets	162,546	
Deferred tax liabilities	22,959	
Deferred tax liabilities for land revaluation	38,724	

Ref. No.

4-a

4-b

4-c

Tax effects on other intangible assets	92,630	
Tax effects on prepaid pension cost	81,882	

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,593	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Deferred tax assets arising from temporary differences (net of related tax liability)	286,657	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	286,657	

Basel III Template No.

10

21

25

75

## 5. Deferred gains or losses on derivatives under hedge accounting

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Net deferred losses on hedges	(59,664)	

Ref. No.

5

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Net deferred losses on hedges	(57,583)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"

Basel III Template No.

11

## 6. Items associated with investments in the capital of financial institutions

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Trading assets	6,835,917	Including trading account securities and derivatives for trading assets
Money held in trust	14,911	
Securities	27,249,396	
Loans and bills discounted	67,014,369	Including subordinated loans
Trading liabilities	5,440,552	Including trading account securities sold and derivatives for trading liabilities

Ref. No.

6-a

6-b

6-c

6-d

6-e



## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	55		
Common Equity Tier 1 capital	55		16
Additional Tier 1 capital	—		37
Tier 2 capital	—		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	—		
Common Equity Tier 1 capital	—		17
Additional Tier 1 capital	—		38
Tier 2 capital	—		53
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	685,789		
Common Equity Tier 1 capital	—		18
Additional Tier 1 capital	—		39
Tier 2 capital	—		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	685,789		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	722,797		
Amount exceeding the 10% threshold on specified items	—		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	158,308		40
Tier 2 capital	125,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	439,488		73

## 7. Minority interests

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Stock acquisition rights	130		7-a
Minority interests	1,299,248		7-b

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	148,579		5
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		30-31ab-32
Amount allowed to be included in group Additional Tier 1	13,482		34-35
Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		46
Amount allowed to be included in group Tier 2	2,657		48-49

## Note:

Amounts in the "Composition of capital disclosure" are based on those before considering under transitional arrangements and includes "Amounts excluded under transitional arrangements" disclosed in "Capital Structure Information" as well as amounts included as regulatory capital. In addition, items for regulatory purpose under transitional arrangement are excluded from this table.



**Reconciliation of regulatory capital elements back to the balance sheet  
(Year ended March 31, 2013)**

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Million of Yen)

Items	Consolidated balance sheet as in published financial statements	Cross-reference to Appended Table	Reference # of Basel III common disclosure template under the Composition of Capital Disclosure (Basel III Template)
	Amount		
(Assets)			
Cash and due from banks	10,655,801		
Call loans and bills bought	1,353,746		
Receivables under resale agreements	273,217		
Receivables under securities borrowing transactions	3,454,499		
Monetary claims bought	1,426,281		
Trading assets	7,619,413	6-a	
Money held in trust	14,883	6-b	
Securities	41,294,005	2-b, 6-c	
Loans and bills discounted	66,665,737	6-d	
Foreign exchanges	2,226,427		
Lease receivables and investment assets	164,189		
Other assets	2,195,969	3	
Tangible fixed assets	843,653		
Intangible fixed assets	409,001	2-a	
Deferred tax assets	295,860	4-a	
Customers' liabilities for acceptances and guarantees	5,117,140		
Reserve for possible loan losses	(806,702)		
<b>Total assets</b>	<b>143,203,127</b>		
(Liabilities)			
Deposits	89,337,354		
Negotiable certificates of deposit	11,978,554		
Call money and bills sold	2,956,172		
Payables under repurchase agreements	2,076,791		
Payables under securities lending transactions	4,399,084		
Commercial papers	1,499,499		
Trading liabilities	6,084,053	6-e	
Borrowed money	2,910,334		
Foreign exchanges	337,901		
Short-term bonds	277,500		
Bonds	4,585,859		
Due to trust account	643,350		
Other liabilities	2,604,970		
Reserve for employee bonuses	45,241		
Reserve for executive bonuses	3,378		
Reserve for employee retirement benefits	15,776		
Reserve for executive retirement benefits	1,267		
Reserve for point service program	2,632		
Reserve for reimbursement of deposits	11,195		
Reserve for losses on interest repayment	1,017		
Reserve under the special laws	159		
Deferred tax liabilities	17,116	4-b	
Deferred tax liabilities for land revaluation	39,683	4-c	
Acceptances and guarantees	5,117,140		
<b>Total liabilities</b>	<b>134,946,036</b>		
(Net assets)			
Capital stock	1,770,996	1-a	
Capital surplus	2,717,397	1-b	
Retained earnings	1,869,906	1-c	
Treasury stock	(210,003)	1-d	
<b>Total stockholders' equity</b>	<b>6,148,297</b>		
Net unrealized gains on other securities	754,804		
Net deferred losses on hedges	(30,781)	5	
Land revaluation excess	39,055		
Foreign currency translation adjustments	(108,123)		
<b>Total accumulated other comprehensive income</b>	<b>654,954</b>		3
Stock acquisition rights	120	7-a	
Minority interests	1,453,718	7-b	
<b>Total net assets</b>	<b>8,257,091</b>		
<b>Total liabilities and net assets</b>	<b>143,203,127</b>		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

**(Appended Table)**

1. Stockholders' equity

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Capital stock	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement
Capital surplus	2,717,397	Including eligible Tier 1 capital instruments subject to transitional arrangement
Retained earnings	1,869,906	
Treasury stock	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement
Total stockholders' equity	6,148,297	

Ref. No.
1-a
1-b
1-c
1-d

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,148,297	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
of which: capital and capital surplus	4,278,391	
of which: retained earnings	1,869,906	
of which: treasury stock (-)	—	
of which: other than the above	—	
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	Stockholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effectively bankruptcy

Basel III Template No.
1a
2
1c
31a

2. Intangible assets

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Intangible assets	409,001	
Securities	41,294,005	
of which: goodwill attributable to equity-method investees	13,182	

Ref. No.
2-a
2-b

Income taxes related to above	91,022
-------------------------------	--------

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Goodwill (including those equivalent)	166,102	
Other intangible assets other than goodwill and mortgage servicing rights	165,058	Software and other
Mortgage servicing rights	—	
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	

Basel III Template No.
8
9
20
24
74

3. Prepaid pension cost

(1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Other assets	2,195,969	
of which: prepaid pension cost	224,528	

Ref. No.
3

Income taxes related to above	79,867
-------------------------------	--------

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Prepaid pension cost	144,660	

Basel III Template No.
15

## 4. Deferred tax assets

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Deferred tax assets	295,860	
Deferred tax liabilities	17,116	
Deferred tax liabilities for land revaluation	39,683	

Ref. No.

4-a

4-b

4-c

Tax effects on other intangible assets	91,022	
Tax effects on prepaid pension cost	79,867	

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	4,196	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Deferred tax assets arising from temporary differences (net of related tax liability)	420,075	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	420,075	

Basel III Template No.

10

21

25

75

## 5. Deferred gains or losses on derivatives under hedge accounting

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Net deferred losses on hedges	(30,781)	

Ref. No.

5

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Net deferred losses on hedges	(27,567)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"

Basel III Template No.

11

## 6. Items associated with investments in the capital of financial institutions

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Trading assets	7,619,413	Including trading account securities and derivatives for trading assets
Money held in trust	14,883	
Securities	41,294,005	
Loans and bills discounted	66,665,737	Including subordinated loans
Trading liabilities	6,084,053	Including trading account securities sold and derivatives for trading liabilities

Ref. No.

6-a

6-b

6-c

6-d

6-e

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	96		
Common Equity Tier 1 capital	96		16
Additional Tier 1 capital	—		37
Tier 2 capital	—		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	—		
Common Equity Tier 1 capital	—		17
Additional Tier 1 capital	—		38
Tier 2 capital	—		53
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	701,863		
Common Equity Tier 1 capital	40,443		18
Additional Tier 1 capital	369		39
Tier 2 capital	21,046		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	640,003		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	716,999		
Amount exceeding the 10% threshold on specified items	—		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	157,149		40
Tier 2 capital	125,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	434,850		73

## 7. Minority interests

## (1) Consolidated balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Stock acquisition rights	120		7-a
Minority interests	1,453,718		7-b

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	146,706		5
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		30-31ab-32
Amount allowed to be included in group Additional Tier 1	16,217		34-35
Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		46
Amount allowed to be included in group Tier 2	2,080		48-49

## Note:

Amounts in the "Composition of capital disclosure" are based on those before considering under transitional arrangements and includes "Amounts excluded under transitional arrangements" disclosed in "Capital Structure Information" as well as amounts included as regulatory capital. In addition, items for regulatory purpose under transitional arrangement are excluded from this table.

# Capital Ratio Information (Nonconsolidated)

Sumitomo Mitsui Banking Corporation

## ■ Capital Structure Information (Nonconsolidated Capital Ratio (International Standard))

September 30		Millions of yen, except percentages
		2012
Tier 1 capital:	Capital stock .....	¥ 1,770,996
	Capital reserve .....	1,771,043
	Other capital surplus .....	710,229
	Other retained earnings .....	1,472,891
	Others .....	1,181,064
	Treasury stock (-) .....	210,003
	Cash dividends to be paid (-) .....	127,816
	Gain on sale on securitization transactions (-) .....	38,956
	Amount equivalent to 50% of expected losses in excess of reserve (-) ....	49,389
	Total Tier 1 capital (A) .....	6,480,059
Tier 2 capital:	Unrealized gains on other securities after 55% discount .....	98,288
	Land revaluation excess after 55% discount .....	29,384
	Subordinated debt .....	2,254,900
	Total Tier 2 capital .....	2,382,573
Deductions*:	Tier 2 capital included as qualifying capital (B) .....	2,382,573
	(C) .....	306,193
Total qualifying capital:	(D) = (A) + (B) - (C) .....	¥ 8,556,439
Risk-weighted assets:	On-balance sheet items .....	¥28,605,223
	Off-balance sheet items .....	5,694,793
	Market risk .....	581,934
	Operational risk .....	2,229,591
	Total risk-weighted assets (E) .....	¥37,111,543
Tier 1 risk-weighted capital ratio:	(A) / (E) × 100 .....	17.46%
Total risk-weighted capital ratio:	(D) / (E) × 100 .....	23.05%
Required capital:	(E) × 8% .....	¥ 2,968,923

\* "Deductions" refers to deductions stipulated in Article 20-1 of the Notification and includes willful holding of securities issued by other financial institutions.

September 30

		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	5,905,554		1a+2-1c-26
of which: capital and capital surplus	4,042,266		1a
of which: retained earnings	2,002,047		2
of which: treasury stock (-)	—		1c
of which: cash dividends to be paid (-)	138,760		26
of which: other than the above	—		
Stock acquisition rights to common shares	—		1b
Valuation and translation adjustment and other disclosed reserves	—	933,875	3
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	—		
Common Equity Tier 1 capital: instruments and reserves (A)	5,905,554		6
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
Total intangible assets (excluding those relating to mortgage servicing rights)	—	109,342	8+9
of which: goodwill (including those equivalent)	—	—	8
of which: other intangible assets other than goodwill and mortgage servicing rights	—	109,342	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	—	10
Net deferred gains on hedges	—	(12,648)	11
Shortfall of eligible provisions to expected losses	—	41,245	12
Gain on sale on securitization transactions	—	38,866	13
Gains and losses due to changes in own credit risk on fair valued liabilities	—	—	14
Prepaid pension cost	—	144,082	15
Investments in own shares (excluding those reported in the Net assets section)	—	—	16
Reciprocal cross-holdings in common equity	—	—	17
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	—	—	18
Amount exceeding the 10% threshold on specified items	—	—	19+20+21
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	19
of which: mortgage servicing rights	—	—	20
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	21
Amount exceeding the 15% threshold on specified items	—	—	22
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	23
of which: mortgage servicing rights	—	—	24
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	—		27
Common Equity Tier 1 capital: regulatory adjustments (B)	—		28
<b>Common Equity Tier 1 capital (CET1)</b>			
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	5,905,554		29

September 30

		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Additional Tier 1 capital: instruments</b>			
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—		31a
Stock acquisition rights to Additional Tier 1 instruments	—		31b
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		32
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,080,317		33+35
Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(1,162)		
of which: foreign currency translation adjustments	(1,162)		
Additional Tier 1 capital: instruments (D)	1,079,155		36
<b>Additional Tier 1 capital: regulatory adjustments</b>			
Investments in own Additional Tier 1 instruments	—	—	37
Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	38
Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	—	—	39
Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	—	159,230	40
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	59,489		
of which: gain on sale on securitization transactions	38,866		
of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	20,622		
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—		42
Additional Tier 1 capital: regulatory adjustments (E)	59,489		43
<b>Additional Tier 1 capital (AT1)</b>			
Additional Tier 1 capital ((D)-(E)) (F)	1,019,666		44
<b>Tier 1 capital (T1 = CET1 + AT1)</b>			
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	6,925,220		45
<b>Tier 2 capital: instruments and provisions</b>			
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	—		
Stock acquisition rights to Tier 2 instruments	—		
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		
Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,815,516		47+49
Total of general reserve for possible loan losses and eligible provisions included in Tier 2	—		50
of which: general reserve for possible loan losses	—		50a
of which: eligible provisions	—		50b
Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	592,652		
of which: unrealized gains on other securities after 55% discount	564,507		
of which: land revaluation excess after 55% discount	28,144		
Tier 2 capital: instruments and provisions (H)	2,408,168		51

Millions of yen, except percentages

September 30

		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Tier 2 capital: regulatory adjustments</b>			
Investments in own Tier 2 instruments	—	—	52
Reciprocal cross-holdings in Tier 2 instruments	—	—	53
Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	—	—	54
Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	—	125,000	55
Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	20,622		
of which: Tier 2 and deductions under Basel 2	20,622		
Tier 2 capital: regulatory adjustments (I)	20,622		57
<b>Tier 2 capital (T2)</b>			
Tier 2 capital (T2) ((H)-(I)) (J)	2,387,546		58
<b>Total capital (TC = T1 + T2)</b>			
Total capital (TC = T1 + T2) ((G) + (J)) (K)	9,312,766		59
<b>Risk weighted assets</b>			
Total of items included in risk weighted assets subject to transitional arrangements	471,170		
of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	423,509		
of which: significant investments in Tier 2 capital of Other Financial Institutions (net of eligible short positions)	25,085		
Risk weighted assets (L)	47,937,482		60
<b>Capital ratio (consolidated)</b>			
Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	12.31%		61
Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	14.44%		62
Total risk-weighted capital ratio (consolidated) ((K)/(L))	19.42%		63
<b>Regulatory adjustments</b>			
Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	589,299		72
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	434,755		73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	163,901		75
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
Provisions (general reserve for possible loan losses)	—		76
Cap on inclusion of provisions (general reserve for possible loan losses)	2,031		77
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	—		78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	256,095		79
<b>Capital instruments subject to transitional arrangements</b>			
Current cap on Additional Tier 1 instruments subject to transitional arrangements	1,113,621		82
Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	—		83
Current cap on Tier 2 instruments subject to transitional arrangements	1,815,516		84
Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	21,357		85

Millions of yen

September 30

2013	
Items	
Required capital ((L) × 8%)	3,834,998



March 31

2013

Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	5,712,886		1a+2-1c-26
of which: capital and capital surplus	4,042,266		1a
of which: retained earnings	1,722,256		2
of which: treasury stock (-)	—		1c
of which: cash dividends to be paid (-)	51,636		26
of which: other than the above	—		
Stock acquisition rights to common shares	—		1b
Valuation and translation adjustment and other disclosed reserves	—	788,911	3
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	—		
Common Equity Tier 1 capital: instruments and reserves (A)	5,712,886		6
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
Total intangible assets (excluding those relating to mortgage servicing rights)	—	107,700	8+9
of which: goodwill (including those equivalent)	—	—	8
of which: other intangible assets other than goodwill and mortgage servicing rights	—	107,700	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	847	10
Net deferred gains on hedges	—	25,437	11
Shortfall of eligible provisions to expected losses	—	34,635	12
Gain on sale on securitization transactions	—	39,081	13
Gains and losses due to changes in own credit risk on fair valued liabilities	—	—	14
Prepaid pension cost	—	140,632	15
Investments in own shares (excluding those reported in the Net assets section)	—	—	16
Reciprocal cross-holdings in common equity	—	—	17
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	—	—	18
Amount exceeding the 10% threshold on specified items	—	—	19+20+21
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	19
of which: mortgage servicing rights	—	—	20
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	21
Amount exceeding the 15% threshold on specified items	—	—	22
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	23
of which: mortgage servicing rights	—	—	24
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	—		27
Common Equity Tier 1 capital: regulatory adjustments (B)	—		28
<b>Common Equity Tier 1 capital (CET1)</b>			
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	5,712,886		29

March 31

2013

Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Additional Tier 1 capital: instruments</b>			
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—		31a
Stock acquisition rights to Additional Tier 1 instruments	—		31b
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		32
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,113,621		33+35
Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(1,461)		
of which: foreign currency translation adjustments	(1,461)		
Additional Tier 1 capital: instruments (D)	1,112,160		36
<b>Additional Tier 1 capital: regulatory adjustments</b>			
Investments in own Additional Tier 1 instruments	—	—	37
Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	38
Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	—	—	39
Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	—	159,230	40
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	56,398		
of which: gain on sale on securitization transactions	39,081		
of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	17,317		
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—		42
Additional Tier 1 capital: regulatory adjustments (E)	56,398		43
<b>Additional Tier 1 capital (AT1)</b>			
Additional Tier 1 capital ((D)-(E)) (F)	1,055,761		44
<b>Tier 1 capital (T1 = CET1 + AT1)</b>			
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	6,768,647		45
<b>Tier 2 capital: instruments and provisions</b>			
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	—		
Stock acquisition rights to Tier 2 instruments	—		
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		
Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,815,516		47+49
Total of general reserve for possible loan losses and eligible provisions included in Tier 2	—		50
of which: general reserve for possible loan losses	—		50a
of which: eligible provisions	—		50b
Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	482,672		
of which: unrealized gains on other securities after 55% discount	453,422		
of which: land revaluation excess after 55% discount	29,250		
Tier 2 capital: instruments and provisions (H)	2,298,189		51

Millions of yen, except percentages

March 31

		2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Tier 2 capital: regulatory adjustments</b>			
Investments in own Tier 2 instruments	—	—	52
Reciprocal cross-holdings in Tier 2 instruments	—	—	53
Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	—	—	54
Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	—	125,000	55
Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	17,317		
of which: Tier 2 and deductions under Basel 2	17,317		
Tier 2 capital: regulatory adjustments (I)	17,317		57
<b>Tier 2 capital (T2)</b>			
Tier 2 capital (T2) ((H)-(I)) (J)	2,280,871		58
<b>Total capital (TC = T1 + T2)</b>			
Total capital (TC = T1 + T2) ((G) + (J)) (K)	9,049,519		59
<b>Risk weighted assets</b>			
Total of items included in risk weighted assets subject to transitional arrangements	437,568		
of which: intangible assets other than mortgage servicing rights	9,594		
of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	368,863		
of which: significant investments in Tier 2 capital of Other Financial Institutions (net of eligible short positions)	45,877		
Risk weighted assets (L)	48,594,764		60
<b>Capital ratio (consolidated)</b>			
Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	11.75%		61
Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	13.92%		62
Total risk-weighted capital ratio (consolidated) ((K)/(L))	18.62%		63
<b>Regulatory adjustments</b>			
Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	603,168		72
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	358,161		73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	283,002		75
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
Provisions (general reserve for possible loan losses)	—		76
Cap on inclusion of provisions (general reserve for possible loan losses)	2,593		77
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	—		78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	255,975		79
<b>Capital instruments subject to transitional arrangements</b>			
Current cap on Additional Tier 1 instruments subject to transitional arrangements	1,113,621		82
Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	123,735		83
Current cap on Tier 2 instruments subject to transitional arrangements	1,815,516		84
Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	201,724		85

Millions of yen

March 31

2013	
Items	
Required capital ((L) × 8%)	3,887,581

## ■ Reconciliation of Regulatory Capital Elements Back to the Interim Balance Sheet

### Reconciliation of regulatory capital elements back to the balance sheet (Second Quarter ended September 30, 2013)

Sumitomo Mitsui Banking Corporation

(Million of Yen)

Items	Balance sheet as in published financial statements	Cross-reference to Appended Table	Reference # of Basel III common disclosure template under the Composition of Capital Disclosure (Basel III Template)
	Amount		
(Assets)			
Cash and due from banks	22,371,159		
Call loans	345,105		
Receivables under resale agreements	244,394		
Receivables under securities borrowing transactions	741,472		
Bills bought	39,411		
Monetary claims bought	779,242		
Trading assets	3,532,413	6-a	
Money held in trust	2,399	6-b	
Securities	27,985,221		
Loans and bills discounted	60,839,409	6-d	
Foreign exchanges	1,470,994		
Other assets	1,640,040	3	
Tangible fixed assets	739,398		
Intangible fixed assets	169,708	2	
Deferred tax assets	62,223	4-a	
Customers' liabilities for acceptances and guarantees	5,387,422		
Reserve for possible loan losses	(530,017)		
Reserve for possible losses on investments	(90,934)		
Total assets	125,729,064		
(Liabilities)			
Deposits	81,241,588		
Negotiable certificates of deposit	11,897,351		
Call money	1,662,525		
Payables under repurchase agreements	1,238,024		
Payables under securities lending transactions	1,695,034		
Commercial paper	1,905,945		
Trading liabilities	2,915,357	6-e	
Borrowed money	3,705,779		
Foreign exchanges	421,150		
Short-term bonds	25,000		
Bonds	4,241,796		
Due to trust account	681,721		
Other liabilities	1,673,308		
Reserve for employee bonuses	11,312		
Reserve for point service program	929		
Reserve for reimbursement of deposits	7,617		
Deferred tax liabilities for land revaluation	38,230	4-b	
Acceptances and guarantees	5,387,422		
Total liabilities	118,750,095		
(Net assets)			
Capital stock	1,770,996	1-a	
Capital surplus	2,481,273	1-b	
Retained earnings	2,000,804		
Treasury stock	(210,003)	1-d	
Total stockholders' equity	6,043,071		
Net unrealized gains on other securities	925,454		
Net deferred gains on hedges	(13,870)		
Land revaluation excess	24,312		
Total valuation and translation adjustments	935,897		
Total net assets	6,978,968		
Total liabilities and net assets	125,729,064		

Note: The nonconsolidated capital adequacy ratio is calculated based on the consolidated financial statements which include special purpose vehicles and other equivalent entities in accordance with Article 15 of "Criteria for Judging Whether A Financial Institution's Capital Is Sufficient in Light of the Assets Held, etc. under the Provision of Article 14-2 of the Banking Law" (Notification No. 19 of 2006, the Financial Services Agency). The above capital adequacy ratio is calculated using the following balance sheet accounts reported on the consolidated financial statements.

Balance sheet account	Amount reported on the consolidated financial statements	Cross-reference to Appended Table	Reference # of Basel III common disclosure template under the Composition of Capital Disclosure (Basel III Template)
Securities	27,970,511	6-c	
Retained earnings	2,002,047	1-c	
Net deferred gains on hedges	(14,730)	5	
Total valuation and translation adjustments	933,875		3

**(Appended Table)**

1. Stockholders' equity

(1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks
Capital stock	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement
Capital surplus	2,481,273	Including eligible Tier 1 capital instruments subject to transitional arrangement
Retained earnings	2,002,047	
Treasury stock	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement
Total stockholders' equity	6,044,314	

Ref. No.
1-a
1-b
1-c
1-d

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,044,314	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
of which: capital and capital surplus	4,042,266	
of which: retained earnings	2,002,047	
of which: treasury stock (-)	—	
of which: other than the above	—	
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	Stockholders' equity attributable to preferred shares with a loss absorber clause upon entering into effectively bankruptcy

Basel III Template No.
1a
2
1c
31a

2. Intangible assets

(1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks
Intangible fixed assets	169,708	
Income taxes related to above	60,365	

Ref. No.
2

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Goodwill (including those equivalent)	—	
Other intangible assets other than goodwill and mortgage servicing rights	109,342	Software and other
Mortgage servicing rights	—	
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	

Basel III Template No.
8
9
20
24
74

3. Prepaid pension cost

(1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks
Other assets	1,640,040	
of which: prepaid pension cost	223,626	
Income taxes related to above	79,543	

Ref. No.
3

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Prepaid pension cost	144,082	

Basel III Template No.
15

## 4. Deferred tax assets

## (1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks
Deferred tax assets	62,223	
Deferred tax liabilities for land revaluation	38,230	
Tax effects on other intangible assets	60,365	
Tax effects on prepaid pension cost	79,543	

Ref. No.
4-a
4-b

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Deferred tax assets arising from temporary differences (net of related tax liability)	163,901	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	163,901	

Basel III Template No.
10

21
25
75

## 5. Deferred gains or losses on derivatives under hedge accounting

## (1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks
Net deferred gains on hedges	(14,730)	

Ref. No.
5

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Net deferred gains on hedges	(12,648)	Excluding those items whose valuation differences arising from hedged items are recognized as "Total valuation and translation adjustments"

Basel III Template No.
11

## 6. Items associated with investments in the capital of financial institutions

## (1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks
Trading assets	3,532,413	Including trading account securities and derivatives for trading assets
Money held in trust	2,399	
Securities	27,970,511	
Loans and bills discounted	60,839,409	Including subordinated loans
Trading liabilities	2,915,357	Including trading account securities sold and derivatives for trading liabilities

Ref. No.
6-a
6-b
6-c
6-d
6-e

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	—		
Common Equity Tier 1 capital	—		16
Additional Tier 1 capital	—		37
Tier 2 capital	—		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	—		
Common Equity Tier 1 capital	—		17
Additional Tier 1 capital	—		38
Tier 2 capital	—		53
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	589,299		
Common Equity Tier 1 capital	—		18
Additional Tier 1 capital	—		39
Tier 2 capital	—		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	589,299		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	718,986		
Amount exceeding the 10% threshold on specified items	—		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	159,230		40
Tier 2 capital	125,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	434,755		73

## Note:

Amounts in the "Composition of capital disclosure" are based on those before considering under transitional arrangements and includes "Amounts excluded under transitional arrangements" disclosed in "Capital Structure Information" as well as amounts included as regulatory capital. In addition, items for regulatory purpose under transitional arrangement are excluded from this table.



**Reconciliation of regulatory capital elements back to the balance sheet  
(Year ended March 31, 2013)**

Sumitomo Mitsui Banking Corporation

(Million of Yen)

Items	Balance sheet as in published financial statements	Cross-reference to Appended Table	Reference # of Basel III common disclosure template under the Composition of Capital Disclosure (Basel III Template)
	Amount		
(Assets)			
Cash and due from banks	9,416,357		
Call loans	487,175		
Receivables under resale agreements	229,826		
Receivables under securities borrowing transactions	701,890		
Bills bought	27,792		
Monetary claims bought	795,514		
Trading assets	4,085,739	6-a	
Money held in trust	2,372	6-b	
Securities	41,347,000		
Loans and bills discounted	59,770,763	6-d	
Foreign exchanges	1,319,175		
Other assets	1,894,382	3	
Tangible fixed assets	733,157		
Intangible fixed assets	167,159	2	
Deferred tax assets	185,941	4-a	
Customers' liabilities for acceptances and guarantees	5,391,645		
Reserve for possible loan losses	(616,593)		
Reserve for possible losses on investments	(29,280)		
Total assets	125,910,020		
(Liabilities)			
Deposits	80,006,438		
Negotiable certificates of deposit	11,921,899		
Call money	2,450,065		
Payables under repurchase agreements	1,704,650		
Payables under securities lending transactions	2,654,478		
Commercial paper	1,499,499		
Trading liabilities	3,590,373	6-e	
Borrowed money	2,963,075		
Foreign exchanges	351,885		
Short-term bonds	20,000		
Bonds	4,277,003		
Due to trust account	643,350		
Other liabilities	1,817,920		
Reserve for employee bonuses	11,436		
Reserve for executive bonuses	665		
Reserve for point service program	1,945		
Reserve for reimbursement of deposits	10,050		
Deferred tax liabilities for land revaluation	39,190	4-b	
Acceptances and guarantees	5,391,645		
Total liabilities	119,355,573		
(Net assets)			
Capital stock	1,770,996	1-a	
Capital surplus	2,481,273	1-b	
Retained earnings	1,720,728		
Treasury stock	(210,003)	1-d	
Total stockholders' equity	5,762,995		
Net unrealized gains on other securities	742,338		
Net deferred gains on hedges	23,301		
Land revaluation excess	25,810		
Total valuation and translation adjustments	791,451		
Total net assets	6,554,446		
Total liabilities and net assets	125,910,020		

Note: The nonconsolidated capital adequacy ratio is calculated based on the consolidated financial statements which include special purpose vehicles and other equivalent entities in accordance with Article 15 of "Criteria for Judging Whether A Financial Institution's Capital Is Sufficient in Light of the Assets Held, etc. under the Provision of Article 14-2 of the Banking Law" (Notification No. 19 of 2006, the Financial Services Agency). The above capital adequacy ratio is calculated using the following balance sheet accounts reported on the consolidated financial statements.

Balance sheet account	Amount reported on the consolidated financial statements	Cross-reference to Appended Table	Reference # of Basel III common disclosure template under the Composition of Capital Disclosure (Basel III Template)
Securities	41,332,289	6-c	3
Retained earnings	1,722,256	1-c	
Net deferred gains on hedges	22,223	5	
Total valuation and translation adjustments	788,911		

**(Appended Table)**

1. Stockholders' equity

(1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks
Capital stock	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement
Capital surplus	2,481,273	Including eligible Tier 1 capital instruments subject to transitional arrangement
Retained earnings	1,722,256	
Treasury stock	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement
Total stockholders' equity	5,764,523	

Ref. No.
1-a
1-b
1-c
1-d

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Directly issued qualifying common share capital plus related capital surplus and retained earnings	5,764,523	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
of which: capital and capital surplus	4,042,266	
of which: retained earnings	1,722,256	
of which: treasury stock (-)	—	
of which: other than the above	—	
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	Stockholders' equity attributable to preferred shares with a loss absorber clause upon entering into effectively bankruptcy

Basel III Template No.
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1a
2
1c

31a
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2. Intangible assets

(1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks
Intangible fixed assets	167,159	

Ref. No.
2

Income taxes related to above	59,458	
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(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Goodwill (including those equivalent)	—	
Other intangible assets other than goodwill and mortgage servicing rights	107,700	Software and other
Mortgage servicing rights (net of related tax liability)	—	
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	

Basel III Template No.
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8
9

20
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24
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74
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3. Prepaid pension cost

(1) Balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Other assets	1,894,382	
of which: prepaid pension cost	218,272	

Ref. No.
3

Income taxes related to above	77,639	
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(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Prepaid pension cost	140,632	

Basel III Template No.
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15
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## 4. Deferred tax assets

## (1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks
Deferred tax assets	185,941	
Deferred tax liabilities for land revaluation	39,190	
Tax effects on other intangible assets	59,458	
Tax effects on prepaid pension cost	77,639	

Ref. No.

4-a

4-b

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	847	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Deferred tax assets arising from temporary differences (net of related tax liability)	283,002	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	283,002	

Basel III Template No.

10

21

25

75

## 5. Deferred gains or losses on derivatives under hedge accounting

## (1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks
Net deferred gains on hedges	22,223	

Ref. No.

5

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks
Net deferred gains on hedges	25,437	Excluding those items whose valuation differences arising from hedged items are recognized as "Total valuation and translation adjustments"

Basel III Template No.

11

## 6. Items associated with investments in the capital of financial institutions

## (1) Balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks
Trading assets	4,085,739	Including trading account securities and derivatives for trading assets
Money held in trust	2,372	
Securities	41,332,289	
Loans and bills discounted	59,770,763	Including subordinated loans
Trading liabilities	3,590,373	Including trading account securities sold and derivatives for trading liabilities

Ref. No.

6-a

6-b

6-c

6-d

6-e

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	—		
Common Equity Tier 1 capital	—		16
Additional Tier 1 capital	—		37
Tier 2 capital	—		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	—		
Common Equity Tier 1 capital	—		17
Additional Tier 1 capital	—		38
Tier 2 capital	—		53
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	603,168		
Common Equity Tier 1 capital	—		18
Additional Tier 1 capital	—		39
Tier 2 capital	—		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	603,168		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	642,392		
Amount exceeding the 10% threshold on specified items	—		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	159,230		40
Tier 2 capital	125,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	358,161		73

## Note:

Amounts in the "Composition of capital disclosure" are based on those before considering under transitional arrangements and includes "Amounts excluded under transitional arrangements" disclosed in "Capital Structure Information" as well as amounts included as regulatory capital. In addition, items for regulatory purpose under transitional arrangement are excluded from this table.

## Glossary

### Advanced Measurement Approach (AMA)

Based on the operational risk measurement methods used in the internal management of financial institutions, this is a method for obtaining the operational risk equivalent amount by calculating the maximum amount of operational risk loss expected over a period of one year, with a one-sided confidence interval of 99.9%.

### Back-testing

Method of verifying the validity of models by comparing the model value and actual value. For instance, in the case of VaR, comparing and verifying the value of VaR and the profit or loss amount.

### Banking

Market operations which gain profits by controlling interest rates and term period for assets (funds, bonds, etc.) and liabilities (deposits, etc.).

### Basic Indicator Approach (BIA)

A calculation approach in which an average value for the most recent three years derived by multiplying gross profit for the financial institution as a whole by certain level (15%) is deemed to be the operational risk equivalent amount.

### Calculation of credit risk-weighted assets under Article 145 of the Notification

Method used for calculating the credit risk-weighted assets for the fund exposure, etc. There is a method of making the total credit risk-weighted asset of individual underlying asset of funds, etc. as the relevant exposure of the credit risk-weighted asset; or a method of applying the risk weight determined based on the formation of underlying assets to the relevant exposure.

### Capital adequacy ratio notification ("the Notification")

Pursuant to the Basel Capital Accord, it is used to officially notify the public of decisions made by the Financial Services Agency on financial regulations.

### CCF

Abbreviation for Credit Conversion Factor

Ratio required for converting off-balance sheet items such as guarantees or derivatives into on-balance sheet credit exposure equivalents.

### Credit Default Swap (CDS)

Derivative transactions which transfer the credit risk.

### Credit Risk Mitigation (CRM) Techniques

Method of reducing credit risk by guarantees, collateral and purchase of credit derivatives, etc.

### Credit risk-weighted assets

Total assets (lending exposures, including credit equivalent amount of off-balance sheet transactions, etc.) which is reevaluated according to the level of credit risk.

### Current exposure method

One of the methods for calculating the credit exposure equivalents of derivative transactions, etc. Method of calculating the equivalents by adding the amount (multiplying the notional amount by certain rate, and equivalent to the future exposure fluctuation amount) to the mark-to-market replacement cost calculated by evaluating the market price of the transaction.

### EL

Abbreviation for Expected Loss

Average loss expected to occur over the coming one year.

### Historical simulation method

Method of simulating future fluctuations without the use of random numbers, by using historical data for risk factors.

### Internal models method

One of the methods of market-based approach using the VaR model to calculate the loss for shares held by the bank applying the Internal Ratings-Based Approach, and dividing such loss amount by 8% to obtain the credit risk-weighted asset of the equity exposure.

### The Internal Ratings-Based (IRB) Approach

A method of calculating the risk-weighted asset by applying PD (Probability of Default) estimated internally by financial institution which conducts sophisticated risk management. There are two methods to calculate exposures to corporate client, etc.: the Advanced Internal Ratings-Based (AIRB) Approach and the Foundation Internal Ratings-Based (FIRB) Approach. The former uses self-estimated LGD and EAD values, while the latter uses LGD and EAD values designated by the authorities.

### LGD

Abbreviation for Loss Given Default

Percentage of loss assumed in the event of default by obligor; ratio of uncollectible amount of the exposure owned in the event of default.

### Market-based approach

Method of calculating the risk-weighted assets of equity exposures, etc., by using the simple risk weight method or internal model method.

### Object finance

For providing credit for purchasing ships or aircrafts, the only source of repayments for the financing should be profits generated from the said tangible assets; and the said tangible assets serve as collaterals, and having an appreciable extent of control over the said tangible assets and profits generated from the said tangible assets.

### Operational risk equivalent amount

Operational risk capital requirements under the Basel Capital Accord capital adequacy regulations.

### Originator

The term "originator" is used in the case that SMFG is directly or indirectly involved in the formation of underlying assets for securitization transactions when SMFG has the securitization exposure; or the cases of providing the back-up line for ABCP issued by the securitization conduit for the purpose of obtaining exposure from the third party, or providing ABL to the securitization conduit (as sponsor).

### Outlier framework

Monitoring standard for interest rate risk in the banking book, as set forth in the Pillar 2 of Basel Capital Accord.

### PD

Abbreviation for Probability of Default

Probability of becoming default by obligor during one year.

### Project finance

Out of credit provided for specified businesses such as electric power plants and transportation infrastructure, the only source of repayments is profits generated from the said businesses, and the collateral is tangible assets of the said businesses, and having an appreciable extent of control over the said tangible assets and profits generated from the said tangible assets.

### Qualifying Revolving Retail Exposures (QRRE)

Exposure which may fluctuate up to the upper limit set forth by an agreement according to the individual's voluntary decision, such as card loan and credit card, etc., and the upper limit of the exposure without any collateral is 10 million yen or less.

### Risk weight

Indicator which indicates the extent of credit risk determined by the types of assets (claims) owned. Risk weight becomes higher for assets with high risk of default.

**Securitization transaction**

It is a transaction which stratifies the credit risk for the underlying assets into more than two exposures of senior/subordinated structure and has the quality of transferring part of or entire exposure to the third party.

**Simple risk weight method**

One of market-based approaches for calculating the risk-weighted asset amount for the equity exposure, etc. by multiplying the listed shares and unlisted shares with the risk weights of 300% and 400%, respectively.

**Slotting criteria**

For risk-weighted asset calculation under the Internal Ratings-Based (IRB) Approach, it is a method of mapping the credit rating to the risk-weight in 5 levels set forth by the Financial Services Agency for Specialised Lending.

**Specialized Lending (SL)**

General term used for project finance, object finance, commodity finance and lending for commercial real estate.

**The Standardized Approach (SA)**

Method of calculating risk-weighted assets by multiplying each obligor classification (corporation, financial institution, country, retail, etc.) by the risk-weight designated by the authorities.

**Trading**

Market operations which gain profits by taking advantage of fluctuations of market prices in the short-term or price differences among markets.

**VaR**

Abbreviation for Value at Risk

Forecasted maximum loss incurred by the relevant portfolio under certain probability.