

# Basel III Information

## 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.

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

### ■ Scope of Consolidation

#### 1. Consolidated Capital Ratio Calculation

- Number of consolidated subsidiaries: 323

The names and primary business activities of the main consolidated subsidiaries are as follows.

Sumitomo Mitsui Banking Corporation (Commercial banking)  
SMBC Trust Bank Ltd. (Commercial banking and trust service)  
Sumitomo Mitsui Finance and Leasing Company, Limited (Leasing)  
SMBC Nikko Securities Inc. (Securities)  
SMBC Friend Securities Co., Ltd. (Securities)  
Sumitomo Mitsui Card Company, Limited (Credit card services)  
Cedyna Financial Corporation (Credit card services, Installment)  
SMBC Consumer Finance Co., Ltd. (Consumer loans)  
The Japan Research Institute, Limited (System engineering, data processing, management consulting, and economic research)  
THE MINATO BANK, LTD. (Commercial banking)  
Kansai Urban Banking Corporation (Commercial banking)  
Sumitomo Mitsui Banking Corporation Europe Limited (Commercial banking)  
Sumitomo Mitsui Banking Corporation (China) Limited (Commercial banking)  
SMBC Guarantee Co., Ltd. (Credit guarantee)  
SMBC Capital Markets, Inc. (Derivatives)

- Scope of consolidated subsidiaries for calculation of the consolidated capital ratio is based on the scope of consolidated subsidiaries for preparing consolidated financial statements.
- There are no affiliates to which the proportionate consolidation method is applied.

#### 2. Restrictions on Movement of Funds and Capital within Holding Company Group

There are no special restrictions on movement of funds and capital among SMFG and its group companies.

#### 3. 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)

Basel III Template No.	Items	As of September 30, 2015		As of September 30, 2014	
			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Common Equity Tier 1 capital: instruments and reserves</b>					
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	7,195,650		6,744,114	
1a	of which: capital and capital surplus	3,095,217		3,094,983	
2	of which: retained earnings	4,378,320		3,906,346	
1c	of which: treasury stock (-)	175,344		175,179	
26	of which: cash dividends to be paid (-)	102,542		82,035	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	2,338		1,864	
3	Accumulated other comprehensive income and other disclosed reserves	662,202	993,303	222,429	889,717
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	158,356		149,583	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	69,560		85,658	
	of which: non-controlling interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	69,560		85,658	
6	Common Equity Tier 1 capital: instruments and reserves (A)	8,088,108		7,203,650	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	282,603	423,905	151,107	604,429
8	of which: goodwill (including those equivalent)	149,216	223,825	91,437	365,751
9	of which: other intangible assets other than goodwill and mortgage servicing rights	133,386	200,080	59,669	238,677
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,699	2,549	1,333	5,333
11	Net deferred losses on hedges	(5,992)	(8,988)	(8,458)	(33,835)
12	Shortfall of eligible provisions to expected losses	18,259	27,389	12,371	49,487
13	Gain on sale on securitization transactions	18,998	28,498	8,494	33,977
14	Gains and losses due to changes in own credit risk on fair valued liabilities	1,951	2,927	909	3,636
15	Net defined benefit asset	102,403	153,604	24,801	99,206
16	Investments in own shares (excluding those reported in the Net assets section)	3,923	5,885	1,592	6,368
17	Reciprocal cross-holdings in common equity	-	-	-	-
18	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)	1,693	2,540	22,096	88,385
19+20+21	Amount exceeding the 10% threshold on specified items	-	-	-	-
19	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-	-	-
20	of which: mortgage servicing rights	-	-	-	-
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
22	Amount exceeding the 15% threshold on specified items	-	-	-	-
23	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-	-	-
24	of which: mortgage servicing rights	-	-	-	-
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	425,541		214,247	
<b>Common Equity Tier 1 capital (CET1)</b>					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,662,567		6,989,403	

(Millions of yen, except percentages)

Basel III Template No.		Items	As of September 30, 2015		As of September 30, 2014	
				Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Additional Tier 1 capital: instruments</b>						
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	-		-	
	31b	Stock acquisition rights to Additional Tier 1 instruments	-		-	
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	300,000		-	
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-		-	
34-35	Adjusted non-controlling interests, etc. (amount allowed to be included in group Additional Tier 1)	178,781		151,685		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,125,046		1,227,318		
33	of which: instrument issued by bank holding companies and their special purpose vehicles	1,125,046		1,227,318		
35	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	-		-		
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	87,755		18,827		
	of which: foreign currency translation adjustments	87,755		18,827		
36	Additional Tier 1 capital: instruments (D)	1,691,584		1,397,831		
<b>Additional Tier 1 capital: regulatory adjustments</b>						
37	Investments in own Additional Tier 1 instruments	-	-	-	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	-	-	
39	Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	16	24	167	671	
40	Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	63,455	95,182	31,727	126,910	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	278,753		398,022		
	of which: goodwill and others	236,560		339,302		
	of which: gain on sale on securitization transactions	28,498		33,977		
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	13,694		24,743		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-		
43	Additional Tier 1 capital: regulatory adjustments (E)	342,224		429,918		
<b>Additional Tier 1 capital (AT1)</b>						
44	Additional Tier 1 capital ((D)-(E)) (F)	1,349,359		967,913		
<b>Tier 1 capital (T1 = CET1 + AT1)</b>						
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	9,011,926		7,957,316		
<b>Tier 2 capital: instruments and provisions</b>						
46		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	657,002		318,907	
	Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-		-		
48-49	Adjusted non-controlling interests, etc. (amount allowed to be included in group Tier 2)	40,322		35,189		
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,423,997		1,544,170		
47	of which: instruments issued by bank holding companies and their special purpose vehicles	-		-		
49	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	1,423,997		1,544,170		
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	76,796		57,474		
50a	of which: general reserve for possible loan losses	76,796		57,474		
50b	of which: eligible provisions	-		-		
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	557,841		628,429		
	of which: unrealized gains on other securities after 55% discount	538,478		601,904		
	of which: land revaluation excess after 55% discount	19,362		26,524		
51	Tier 2 capital: instruments and provisions (H)	2,755,960		2,584,170		

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2015		As of September 30, 2014	
			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Tier 2 capital: regulatory adjustments</b>					
52	Investments in own Tier 2 instruments	—	—	—	—
53	Reciprocal cross-holdings in Tier 2 instruments	—	—	—	—
54	Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	325	487	5,333	21,335
55	Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	50,000	75,000	25,000	100,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	85,158		168,196	
	of which: Tier 2 and deductions under Basel II	85,158		168,196	
57	Tier 2 capital: regulatory adjustments (I)	135,483		198,530	
<b>Tier 2 capital (T2)</b>					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,620,476		2,385,640	
<b>Total capital (TC = T1 + T2)</b>					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	11,632,402		10,342,956	
<b>Risk weighted assets</b>					
	Total of items included in risk weighted assets subject to transitional arrangements	146,336		281,403	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	34,323		16,310	
	of which: net defined benefit asset	34,112		9,389	
	of which: Non-significant Investments in the capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	4,524		142,085	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	52,936		70,582	
60	Risk weighted assets (L)	65,364,586		64,713,463	
<b>Capital ratio (consolidated)</b>					
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	11.72%		10.80%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	13.78%		12.29%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	17.79%		15.98%	
<b>Regulatory adjustments</b>					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	795,223		704,695	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	476,505		267,812	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		—	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	4,966		73,037	
<b>Provisions included in Tier 2 capital: instruments and provisions</b>					
76	Provisions (general reserve for possible loan losses)	76,796		57,474	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	85,185		83,141	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	—		—	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	308,504		302,430	
<b>Capital instruments subject to transitional arrangements</b>					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	1,138,100		1,300,686	
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	—		—	
84	Current cap on Tier 2 instruments subject to transitional arrangements	1,423,997		1,627,426	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	1,137		—	

(Millions of yen)

Items	As of September 30, 2015	As of September 30, 2014
Required capital ((L) × 8%)	5,229,166	5,177,077

(Millions of yen, except percentages)

		As of March 31, 2015	
Basel III Template No.	Items		Amounts excluded under transitional arrangements
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,909,010	
1a	of which: capital and capital surplus	3,095,225	
2	of which: retained earnings	4,098,425	
1c	of which: treasury stock (-)	175,261	
26	of which: cash dividends to be paid (-)	109,379	
	of which: other than the above	-	
1b	Stock acquisition rights to common shares	2,085	
3	Accumulated other comprehensive income and other disclosed reserves	801,543	1,202,315
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	153,863	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	70,451	
	of which: non-controlling interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	70,451	
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,936,954	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	303,449	455,174
8	of which: goodwill (including those equivalent)	174,118	261,177
9	of which: other intangible assets other than goodwill and mortgage servicing rights	129,330	193,996
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,003	3,004
11	Net deferred losses on hedges	(11,477)	(17,216)
12	Shortfall of eligible provisions to expected losses	12,822	19,233
13	Gain on sale on securitization transactions	18,683	28,025
14	Gains and losses due to changes in own credit risk on fair valued liabilities	2,597	3,896
15	Net defined benefit asset	102,160	153,241
16	Investments in own shares (excluding those reported in the Net assets section)	3,954	5,931
17	Reciprocal cross-holdings in common equity	-	-
18	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)	26,239	39,359
19+20+21	Amount exceeding the 10% threshold on specified items	-	-
19	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
20	of which: mortgage servicing rights	-	-
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
22	Amount exceeding the 15% threshold on specified items	-	-
23	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
24	of which: mortgage servicing rights	-	-
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	460,433	
<b>Common Equity Tier 1 capital (CET1)</b>			
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,476,520	

(Millions of yen, except percentages)

		As of March 31, 2015		
Basel III Template No.	Items		Amounts excluded under transitional arrangements	
<b>Additional Tier 1 capital: instruments</b>				
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	
	31b	Stock acquisition rights to Additional Tier 1 instruments	—	
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—	
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	
34-35	Adjusted non-controlling interests, etc. (amount allowed to be included in group Additional Tier 1)	182,251		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,124,296		
33	of which: instrument issued by bank holding companies and their special purpose vehicles	1,124,296		
35	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	—		
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	93,785		
	of which: foreign currency translation adjustments	93,785		
36	Additional Tier 1 capital: instruments (D)	1,400,333		
<b>Additional Tier 1 capital: regulatory adjustments</b>				
37	Investments in own Additional Tier 1 instruments	—	—	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	
39	Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	203	304	
40	Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	63,453	95,180	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	284,571		
	of which: goodwill and others	246,929		
	of which: gain on sale on securitization transactions	28,025		
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	9,616		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—		
43	Additional Tier 1 capital: regulatory adjustments (E)	348,227		
<b>Additional Tier 1 capital (AT1)</b>				
44	Additional Tier 1 capital ((D)-(E)) (F)	1,052,105		
<b>Tier 1 capital (T1 = CET1 + AT1)</b>				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,528,626		
<b>Tier 2 capital: instruments and provisions</b>				
46		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	374,988	
		Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	
48-49	Adjusted non-controlling interests, etc. (amount allowed to be included in group Tier 2)	39,348		
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,423,997		
47	of which: instruments issued by bank holding companies and their special purpose vehicles	—		
49	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	1,423,997		
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	64,776		
50a	of which: general reserve for possible loan losses	64,776		
50b	of which: eligible provisions	—		
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	699,394		
	of which: unrealized gains on other securities after 55% discount	679,578		
	of which: land revaluation excess after 55% discount	19,816		
51	Tier 2 capital: instruments and provisions (H)	2,602,505		

(Millions of yen, except percentages)

		As of March 31, 2015	
Basel III Template No.	Items		Amounts excluded under transitional arrangements
<b>Tier 2 capital: regulatory adjustments</b>			
52	Investments in own Tier 2 instruments	—	—
53	Reciprocal cross-holdings in Tier 2 instruments	—	—
54	Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	4,043	6,065
55	Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	50,023	75,034
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	111,149	
	of which: Tier 2 and deductions under Basel II	111,149	
57	Tier 2 capital: regulatory adjustments	(I)	165,216
<b>Tier 2 capital (T2)</b>			
58	Tier 2 capital (T2) ((H)-(I))	(J)	2,437,289
<b>Total capital (TC = T1 + T2)</b>			
59	Total capital (TC = T1 + T2) ((G) + (J))	(K)	10,965,916
<b>Risk weighted assets</b>			
	Total of items included in risk weighted assets subject to transitional arrangements	210,891	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	32,434	
	of which: net defined benefit asset	33,867	
	of which: Non-significant Investments in the capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	64,835	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	52,936	
60	Risk weighted assets	(L)	66,136,801
<b>Capital ratio (consolidated)</b>			
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	11.30%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	12.89%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	16.58%	
<b>Regulatory adjustments</b>			
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	798,335	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	477,320	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	5,285	
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
76	Provisions (general reserve for possible loan losses)	64,776	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	84,065	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	—	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	312,347	
<b>Capital instruments subject to transitional arrangements</b>			
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	1,138,100	
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	—	
84	Current cap on Tier 2 instruments subject to transitional arrangements	1,423,997	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	43,258	

(Millions of yen)

Items	As of March 31, 2015
Required capital ((L) × 8%)	5,290,944

## ■ Capital Requirements

September 30	Billions of yen	
	2015	2014
<b>Capital requirements for credit risk:</b>		
Internal ratings-based approach .....	4,996.0	5,075.1
Corporate exposures: .....	3,075.1	3,045.0
Corporate exposures (excluding specialized lending) .....	2,608.1	2,543.7
Sovereign exposures .....	41.7	43.1
Bank exposures .....	152.7	164.3
Specialized lending .....	272.6	293.9
Retail exposures: .....	637.1	683.4
Residential mortgage exposures .....	383.5	420.6
Qualifying revolving retail exposures .....	131.0	124.7
Other retail exposures .....	122.6	138.1
Equity exposures: .....	491.3	471.8
PD/LGD approach .....	345.5	327.5
Market-based approach .....	145.8	144.3
Simple risk weight method .....	93.9	67.1
Internal models method .....	51.9	77.2
Credit risk-weighted assets under Article 145 of the Notification .....	286.7	396.9
Securitization exposures .....	77.6	76.0
Other exposures .....	428.2	402.1
Standardized approach .....	528.1	486.6
Amount corresponding to CVA risk .....	178.5	159.8
CCP-related exposures .....	8.2	6.6
<b>Total capital requirements for credit risk .....</b>	<b>5,710.9</b>	<b>5,728.0</b>
<b>Capital requirements for market risk:</b>		
Standardized method .....	69.1	77.7
Interest rate risk .....	44.1	42.3
Equity position risk .....	16.9	25.8
Foreign exchange risk .....	2.3	1.9
Commodities risk .....	0.2	5.3
Options .....	5.6	2.4
Internal models approach .....	61.5	114.7
Securitization exposures .....	—	—
<b>Total capital requirements for market risk .....</b>	<b>130.6</b>	<b>192.4</b>
<b>Capital requirements for operational risk:</b>		
Advanced measurement approach .....	204.6	186.0
Basic indicator approach .....	36.9	45.3
<b>Total capital requirements for operational risk .....</b>	<b>241.5</b>	<b>231.4</b>
<b>Total amount of capital requirements .....</b>	<b>6,083.0</b>	<b>6,151.7</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 Internal-Ratings Based (IRB) approach.  
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	
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	Borrowers Requiring Caution
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	Total				
<b>September 30, 2015</b>										
J1-J3 .....	26,091.9	20,798.9	5,293.0	4,923.6	50.40%	0.07%	35.14%	—%	19.05%	
J4-J6 .....	15,576.2	13,510.8	2,065.4	801.6	50.94	0.75	33.21	—	48.98	
J7 (excluding J7R) .....	861.5	816.7	44.8	13.3	50.38	15.59	33.06	—	143.98	
Japanese government and local municipal corporations .....	50,141.8	49,641.4	500.4	199.9	50.32	0.00	35.27	—	0.02	
Others .....	4,884.6	4,329.9	554.7	343.5	50.55	0.80	44.90	—	54.08	
Default (J7R, J8-J10) .....	833.1	797.4	35.7	0.2	88.92	100.00	47.29	46.39	11.28	
<b>Total .....</b>	<b>98,389.0</b>	<b>89,895.1</b>	<b>8,493.9</b>	<b>6,282.1</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	Total				
<b>September 30, 2014</b>										
J1-J3 .....	24,289.2	19,493.4	4,795.8	4,242.5	50.33%	0.07%	35.10%	—%	19.74%	
J4-J6 .....	15,575.8	13,498.4	2,077.4	779.3	50.70	0.79	32.62	—	48.90	
J7 (excluding J7R) .....	991.2	935.2	56.0	11.0	50.57	15.88	34.53	—	150.89	
Japanese government and local municipal corporations .....	43,118.2	42,683.0	435.1	192.1	50.25	0.00	35.34	—	0.03	
Others .....	4,822.5	4,410.5	412.0	80.5	50.68	0.78	44.62	—	51.47	
Default (J7R, J8-J10) .....	1,072.7	1,048.0	24.7	1.7	98.84	100.00	46.92	46.27	8.11	
<b>Total .....</b>	<b>89,869.5</b>	<b>82,068.5</b>	<b>7,801.0</b>	<b>5,307.1</b>	—	—	—	—	—	

Note: "Others" includes exposures guaranteed by credit guarantee corporations, exposures to public sector entities and voluntary organizations, 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 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	Weighted average CCF				
September 30, 2015										
G1-G3.....	37,546.5	27,743.1	9,803.4	9,512.4	50.32%	0.13%	30.53%	—%	18.67%	
G4-G6.....	2,452.6	1,549.7	902.9	493.7	50.32	3.11	22.78	—	66.51	
G7 (excluding G7R) .....	404.3	356.1	48.2	55.4	50.32	14.80	28.00	—	138.46	
Others.....	146.6	70.5	76.1	58.4	50.32	2.42	31.34	—	84.05	
Default (G7R, G8-G10) .....	107.9	83.0	25.0	21.5	100.00	100.00	54.34	50.08	53.25	
Total.....	40,657.9	29,802.3	10,855.6	10,141.4	—	—	—	—	—	

	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	Weighted average CCF				
September 30, 2014										
G1-G3.....	34,091.9	25,597.1	8,494.8	7,730.0	50.25%	0.13%	30.55%	—%	18.42%	
G4-G6.....	1,750.0	1,074.2	675.8	267.8	50.25	2.88	23.42	—	64.95	
G7 (excluding G7R) .....	137.8	111.8	26.0	32.1	50.25	14.47	24.56	—	124.04	
Others.....	130.7	58.2	72.5	50.7	50.25	2.21	31.97	—	86.00	
Default (G7R, G8-G10) .....	104.0	78.8	25.2	22.3	100.00	100.00	49.87	45.63	53.00	
Total.....	36,214.4	26,920.1	9,294.3	8,102.8	—	—	—	—	—	

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					
		2015			2014		
		Project finance	Object finance	IPRE	Project finance	Object finance	IPRE
Strong:							
Residual term less than 2.5 years .....	50%	0.0	—	4.7	73.9	—	0.9
Residual term 2.5 years or more .....	70%	20.9	3.0	8.0	392.2	—	4.7
Good:							
Residual term less than 2.5 years .....	70%	34.8	—	3.2	60.9	—	3.3
Residual term 2.5 years or more .....	90%	14.1	—	3.8	345.6	—	4.1
Satisfactory .....	115%	26.4	—	11.9	27.0	—	24.3
Weak.....	250%	10.9	—	1.3	81.8	—	2.0
Default .....	—	3.8	—	0.0	6.4	—	1.6
Total.....		111.0	3.0	33.0	987.9	—	40.8

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

September 30	Risk weight	Billions of yen	
		2015	2014
Strong:			
Residual term less than 2.5 years .....	70%	8.5	2.6
Residual term 2.5 years or more .....	95%	2.7	6.3
Good:			
Residual term less than 2.5 years .....	95%	118.9	72.9
Residual term 2.5 years or more .....	120%	56.0	62.9
Satisfactory .....	140%	135.2	85.9
Weak.....	250%	2.4	8.0
Default .....	—	—	—
Total.....		323.8	238.6

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

(a) Project 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, 2015</b>									
G1-G3.....	3,106.2	2,157.2	949.0	1,048.2	50.32%	0.29%	28.84%	—%	42.20%
G4-G6.....	189.2	159.6	29.5	34.4	50.32	2.77	33.01	—	105.84
G7 (excluding G7R) .....	19.2	18.0	1.2	—	—	18.42	31.56	—	181.89
Others.....	—	—	—	—	—	—	—	—	—
Default (G7R, G8-G10) .....	18.6	18.5	0.1	0.1	100.00	100.00	59.41	55.15	53.25
<b>Total .....</b>	<b>3,333.2</b>	<b>2,353.3</b>	<b>979.9</b>	<b>1,082.7</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

	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, 2014</b>									
G1-G3.....	1,743.2	1,361.8	381.4	598.8	50.25%	0.34%	29.56%	—%	43.49%
G4-G6.....	128.1	113.0	15.2	7.9	50.25	2.43	16.69	—	52.97
G7 (excluding G7R) .....	28.7	26.5	2.2	1.6	50.25	17.14	50.92	—	282.26
Others.....	—	—	—	—	—	—	—	—	—
Default (G7R, G8-G10) .....	7.8	7.8	—	—	—	100.00	52.02	47.78	53.00
<b>Total .....</b>	<b>1,907.9</b>	<b>1,509.0</b>	<b>398.8</b>	<b>608.3</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

(b) 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, 2015</b>									
G1-G3.....	218.1	174.1	44.0	38.2	50.32%	0.30%	15.62%	—%	23.77%
G4-G6.....	31.5	30.4	1.1	—	—	3.65	19.19	—	71.63
G7 (excluding G7R) .....	—	—	—	—	—	—	—	—	—
Others.....	—	—	—	—	—	—	—	—	—
Default (G7R, G8-G10) .....	0.0	0.0	—	—	—	100.00	91.97	87.71	53.25
<b>Total .....</b>	<b>249.6</b>	<b>204.5</b>	<b>45.1</b>	<b>38.2</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

	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, 2014</b>									
G1-G3.....	175.4	139.2	36.2	41.9	50.25%	0.25%	17.38%	—%	25.78%
G4-G6.....	15.9	11.9	4.0	—	—	3.56	24.85	—	88.98
G7 (excluding G7R) .....	0.7	0.7	—	—	—	13.75	13.10	—	59.59
Others.....	—	—	—	—	—	—	—	—	—
Default (G7R, G8-G10) .....	0.0	0.0	—	—	—	100.00	92.40	88.16	53.00
<b>Total .....</b>	<b>192.1</b>	<b>151.8</b>	<b>40.3</b>	<b>41.9</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

(c) 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, 2015</b>									
J1-J3 .....	680.8	603.9	77.0	2.2	50.32%	0.05%	25.91%	—%	11.51%
J4-J6 .....	584.1	470.6	113.6	—	—	1.17	31.89	—	73.57
J7 (excluding J7R) .....	12.5	5.5	7.1	—	—	17.02	19.75	—	89.67
Others .....	251.3	243.0	8.2	12.2	50.32	1.05	31.99	—	34.10
Default (J7R, J8-J10) .....	23.5	4.0	19.5	—	—	100.00	43.64	42.46	14.75
<b>Total .....</b>	<b>1,552.3</b>	<b>1,326.9</b>	<b>225.4</b>	<b>14.4</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

	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
September 30, 2014									
J1-J3 .....	484.8	416.5	68.3	2.1	50.25%	0.06%	27.26%	—%	13.95%
J4-J6 .....	808.1	693.5	114.7	0.2	50.25	1.25	32.49	—	74.52
J7 (excluding J7R) .....	—	—	—	—	—	—	—	—	—
Others .....	202.0	195.2	6.8	13.0	50.25	1.35	36.10	—	38.72
Default (J7R, J8-J10) .....	31.0	2.7	28.3	—	—	100.00	32.00	31.15	10.63
<b>Total .....</b>	<b>1,526.0</b>	<b>1,307.9</b>	<b>218.1</b>	<b>15.3</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

(2) Retail Exposures

A. Residential Mortgage Exposures

Portfolio

	Billions of yen							
	Exposure 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					
<b>September 30, 2015</b>								
Mortgage loans								
PD segment:								
Not delinquent								
Use model .....	11,984.3	11,957.1	27.2	0.45%	34.17%	—%	23.76%	
Others .....	449.8	449.8	—	1.04	51.70	—	69.34	
Delinquent .....	94.4	89.9	4.5	19.82	37.16	—	194.92	
Default .....	195.5	195.4	0.2	100.00	36.89	35.24	20.66	
<b>Total .....</b>	<b>12,724.0</b>	<b>12,692.1</b>	<b>31.9</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	

	Billions of yen							
	Exposure 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					
September 30, 2014								
Mortgage loans								
PD segment:								
Not delinquent								
Use model .....	12,221.1	12,188.6	32.5	0.46%	35.34%	—%	24.82%	
Others .....	495.4	495.4	—	1.07	53.27	—	73.40	
Delinquent .....	108.9	103.7	5.2	21.06	38.02	—	203.60	
Default .....	214.5	214.3	0.2	100.00	38.32	36.36	24.61	
<b>Total .....</b>	<b>13,039.9</b>	<b>13,002.0</b>	<b>37.9</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	

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					
	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
Balance		Increase								
<b>September 30, 2015</b>										
Card loans										
PD segment:										
Not delinquent .....	819.0	712.4	104.7	1.9	227.4	46.02%	2.60%	83.11%	—%	61.52%
Delinquent.....	16.7	16.1	0.7	—	3.4	19.45	27.63	77.43	—	211.69
Credit card balances										
PD segment:										
Not delinquent .....	1,489.7	869.8	330.9	288.9	4,294.2	7.71	0.97	71.74	—	22.26
Delinquent.....	8.2	6.9	1.2	—	—	—	76.76	72.16	—	124.16
Default .....	24.2	21.6	2.6	—	—	—	100.00	80.57	74.16	80.14
<b>Total .....</b>	<b>2,357.8</b>	<b>1,626.8</b>	<b>440.1</b>	<b>290.9</b>	<b>4,525.0</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

	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
Balance		Increase								
<b>September 30, 2014</b>										
Card loans										
PD segment:										
Not delinquent .....	758.1	656.0	100.0	2.1	215.5	46.40%	2.48%	83.09%	—%	59.68%
Delinquent.....	16.6	15.9	0.7	—	3.4	19.58	25.72	76.79	—	207.35
Credit card balances										
PD segment:										
Not delinquent .....	1,455.2	783.5	329.2	342.5	4,190.8	7.86	0.98	72.88	—	22.77
Delinquent.....	5.7	4.7	1.0	—	—	—	75.48	72.85	—	129.54
Default .....	26.8	23.7	3.1	—	—	—	100.00	80.97	74.78	77.37
<b>Total .....</b>	<b>2,262.3</b>	<b>1,483.8</b>	<b>433.9</b>	<b>344.6</b>	<b>4,409.7</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

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			Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
	Exposure amount						
	Total	On-balance sheet assets	Off-balance sheet assets				
<b>September 30, 2015</b>							
Business loans							
PD segment:							
Not delinquent							
Use model.....	1,029.6	1,011.6	18.0	0.96%	48.24%	—%	42.96%
Others .....	207.0	205.9	1.1	0.81	42.59	—	35.27
Delinquent.....	101.6	100.1	1.5	6.41	43.39	—	68.93
Consumer loans							
PD segment:							
Not delinquent							
Use model.....	323.1	322.5	0.6	0.80	41.86	—	34.07
Others .....	135.7	134.1	1.6	1.63	54.04	—	65.16
Delinquent.....	26.8	26.6	0.2	16.35	45.70	—	92.95
Default .....	74.5	74.3	0.2	100.00	53.85	50.01	47.96
Total .....	1,898.1	1,875.1	23.0	—	—	—	—

	Billions of yen			Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
	Exposure amount						
	Total	On-balance sheet assets	Off-balance sheet assets				
<b>September 30, 2014</b>							
Business loans							
PD segment:							
Not delinquent							
Use model.....	1,031.6	1,015.4	16.2	1.00%	48.28%	—%	43.66%
Others .....	209.7	208.5	1.2	0.85	43.65	—	36.91
Delinquent.....	123.2	121.7	1.5	6.36	43.98	—	69.59
Consumer loans							
PD segment:							
Not delinquent							
Use model.....	323.3	322.5	0.8	0.88	43.28	—	36.70
Others .....	140.6	138.8	1.8	1.67	55.70	—	67.72
Delinquent.....	37.6	37.2	0.4	16.52	46.56	—	94.94
Default .....	91.0	90.8	0.2	100.00	53.76	49.97	47.35
Total .....	1,957.0	1,934.9	22.1	—	—	—	—

Notes: 1. "Business loans" includes apartment construction loans. Following implementation of our domestic business structure revision started in April 2014, "Domestic Corporate Exposures" includes SME loans because their grading system is integrated into that of Corporate 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	
	2015	2014
Market-based approach.....	580.1	464.0
Simple risk weight method.....	326.9	231.5
Listed equities (300%).....	199.8	134.4
Unlisted equities (400%).....	127.1	97.1
Internal models method.....	253.2	232.5
PD/LGD approach.....	3,817.1	3,591.4
Total.....	4,397.2	4,055.4

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

##### b. PD/LGD Approach

September 30	Billions of yen					
	2015			2014		
	Exposure amount	Weighted average PD	Weighted average risk weight	Exposure amount	Weighted average PD	Weighted average risk weight
J1-J3.....	3,462.5	0.05%	100.50%	3,131.0	0.06%	100.73%
J4-J6.....	202.2	0.45	162.66	224.5	0.52	170.87
J7 (excluding J7R).....	2.6	10.64	564.87	5.6	11.02	574.60
Others.....	149.5	0.30	165.27	230.0	0.21	126.35
Default (J7R, J8-J10).....	0.3	100.00	1,125.00	0.2	100.00	1,125.00
Total.....	3,817.1	—	—	3,591.4	—	—

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 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	
	2015	2014
Exposures under Article 145 of the Notification.....	1,548.2	1,587.3

(4) Analysis of Actual Losses

A. Year-on-Year Comparison of Actual Losses

SMFG recorded an increase of ¥112.9 billion in total credit costs (the total of the general reserve, non-performing loan write-offs and gains on collection of written-off claims) compared to the same period of the previous fiscal year, amounting to ¥24.1 billion on a consolidated basis for the first half of fiscal year 2015. This is primarily attributable to a decrease in gain on reversal of allowance for loan losses at SMBC.

SMBC recorded an increase of ¥96.6 billion in total credit costs compared to the same period of the previous fiscal year, which resulted in a gain on reversal of allowance for loan losses of ¥27.6 billion on a non-consolidated basis for the first half of fiscal year 2015. This is due primarily to lower gain on reversal of allowance for loan losses on loans to large borrowers.

Total Credit Costs

	Billions of yen					
	First half of Fiscal 2015 (A)	First half of fiscal 2014 (B)	First half of fiscal 2013	Increase (decrease) (A) – (B)	Fiscal 2014	Fiscal 2013
SMFG (consolidated) total.....	24.1	(88.8)	(39.6)	112.9	7.8	(49.1)
SMBC (consolidated) total .....	(21.4)	(122.2)	(68.0)	100.8	(65.4)	(113.3)
SMBC (non-consolidated) total .....	(27.6)	(124.2)	(78.3)	96.6	(80.1)	(123.9)
Corporate exposures .....	(23.0)	(76.7)	(64.6)	53.6	(40.6)	(122.8)
Sovereign exposures .....	(0.0)	(5.2)	0.3	5.2	(6.0)	0.3
Bank exposures.....	0.1	(0.3)	(0.6)	0.3	(0.7)	(0.9)
Residential mortgage exposures.....	(0.0)	(0.2)	(0.1)	0.2	(0.3)	(0.1)
QRRE.....	(0.0)	(0.1)	(0.1)	0.1	(0.1)	(0.0)
Other retail exposures .....	(1.0)	(4.4)	(1.0)	3.4	(2.6)	(0.5)

- 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 (non-consolidated).



## B. Comparison of Estimated and Actual Losses

	Billions of yen							
	Fiscal 2015				Fiscal 2014			
	Estimated loss amounts		Actual loss amounts		Estimated loss amounts		Actual loss amounts	
	After deduction of reserves	(First half of fiscal 2015)	(First half of fiscal 2015)	After deduction of reserves	(First half of fiscal 2014)	(Fiscal 2014)	(Fiscal 2014)	
SMFG (consolidated) total.....	—	—	24.1	—	—	(88.8)	7.8	
SMBC (consolidated) total .....	—	—	(21.4)	—	—	(122.2)	(65.4)	
SMBC (non-consolidated) total.....	513.1	153.9	(27.6)	642.5	171.1	(124.2)	(80.1)	
Corporate exposures.....	483.0	139.0	(23.0)	523.6	128.1	(76.7)	(40.6)	
Sovereign exposures.....	9.1	3.8	(0.0)	12.7	1.4	(5.2)	(6.0)	
Bank exposures.....	10.7	7.2	0.1	8.5	4.2	(0.3)	(0.7)	
Residential mortgage exposures.....	3.9	3.5	(0.0)	2.9	2.3	(0.2)	(0.3)	
QRRE.....	0.0	0.0	(0.0)	0.0	(0.0)	(0.1)	(0.1)	
Other retail exposures .....	6.4	5.5	(1.0)	94.8	40.7	(4.4)	(2.6)	

	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)	(Fiscal 2013)	After deduction of reserves	(First half of fiscal 2012)	(Fiscal 2012)	(Fiscal 2012)	
SMFG (consolidated) total.....	—	—	(39.6)	(49.1)	—	—	48.0	173.1
SMBC (consolidated) total .....	—	—	(68.0)	(113.3)	—	—	(14.1)	70.6
SMBC (non-consolidated) total.....	871.2	171.2	(78.3)	(123.9)	940.1	245.4	(24.4)	19.5
Corporate exposures.....	734.0	123.6	(64.6)	(122.8)	765.9	164.9	(17.7)	10.7
Sovereign exposures.....	5.6	4.1	0.3	0.3	22.0	11.4	(0.6)	(0.3)
Bank exposures.....	11.4	6.1	(0.6)	(0.9)	14.9	5.5	0.0	(0.4)
Residential mortgage exposures.....	5.2	4.3	(0.1)	(0.1)	3.7	2.9	0.3	0.2
QRRE.....	0.0	(0.0)	(0.1)	(0.0)	0.1	(0.0)	0.0	0.1
Other retail exposures .....	114.9	38.2	(1.0)	(0.5)	133.5	65.6	1.4	9.7

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			
	2015		2014	
		Of which assigned country risk score		Of which assigned country risk score
0% .....	7,041.0	634.7	7,126.8	578.4
10% .....	0.0	—	0.0	—
20% .....	1,181.8	635.5	1,111.1	647.6
35% .....	0.4	—	0.5	—
50% .....	111.7	7.3	90.1	9.7
75% .....	3,292.7	—	3,148.7	—
100% .....	3,517.5	2.4	3,110.6	1.9
150% .....	93.9	0.0	97.1	0.0
250% .....	90.3	—	97.9	—
1250% .....	0.1	—	0.0	—
Others.....	0.0	—	0.0	—
<b>Total .....</b>	<b>15,329.5</b>	<b>1,279.9</b>	<b>14,783.0</b>	<b>1,237.7</b>

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.

## ■ Credit Risk Mitigation (CRM) Techniques

### Exposure Balance after CRM

September 30	Billions of yen			
	2015		2014	
	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.....	136.1	51.3	85.8	65.7
Corporate exposures.....	45.4	50.6	42.6	65.7
Sovereign exposures.....	—	—	—	—
Bank exposures.....	90.7	0.7	43.2	—
Standardized approach.....	4,557.5	—	5,368.0	—
<b>Total.....</b>	<b>4,693.6</b>	<b>51.3</b>	<b>5,453.8</b>	<b>65.7</b>

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			
	2015		2014	
	Guarantee	Credit derivative	Guarantee	Credit derivative
Internal Ratings-Based (IRB) approach.....	9,548.8	375.9	8,853.3	335.0
Corporate exposures.....	8,940.1	375.9	7,974.8	335.0
Sovereign exposures.....	333.3	—	514.7	—
Bank exposures.....	162.9	—	237.7	—
Residential mortgage exposures.....	112.5	—	126.1	—
QRRE.....	—	—	—	—
Other retail exposures.....	—	—	—	—
Standardized approach.....	41.2	—	31.4	—
<b>Total.....</b>	<b>9,590.0</b>	<b>375.9</b>	<b>8,884.7</b>	<b>335.0</b>

## ■ 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	
	2015	2014
Gross replacement cost .....	5,417.1	5,582.3
Gross add-on amount .....	4,104.8	4,518.2
Gross credit equivalent amount .....	9,522.0	10,100.5
Foreign exchange related transactions .....	3,147.6	2,795.5
Interest rate related transactions .....	6,114.7	7,001.0
Gold related transactions .....	—	—
Equities related transactions .....	148.5	185.3
Precious metals (excluding gold) related transactions .....	—	—
Other commodity related transactions .....	79.6	77.3
Credit default swaps .....	31.5	41.5
Reduction in credit equivalent amount due to netting .....	4,356.0	5,730.7
Net credit equivalent amount .....	5,166.0	4,369.8
Collateral amount .....	38.8	25.0
Eligible financial collateral .....	38.8	25.0
Other eligible IRB collateral .....	—	—
Net credit equivalent amount (after taking into account the CRM effect of collateral) .....	5,127.1	4,344.8

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

##### Credit Default Swaps

September 30	Billions of yen			
	2015		2014	
	Notional principal amount		Notional principal amount	
	Total	Of which for CRM	Total	Of which for CRM
Protection purchased .....	597.7	375.9	650.3	335.0
Protection provided .....	318.2	—	433.0	—

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, 2015			First half of fiscal 2015			
	Underlying asset amount			Securitized amount	Default amount	Loss amount	Gains/losses on sales
Total	Asset transfer type	Synthetic type					
Claims on corporates .....	10.0	0.1	9.9	—	4.7	24.2	—
Mortgage loans .....	1,270.1	1,270.1	—	85.0	0.7	0.3	5.7
Retail loans (excluding mortgage loans) .....	—	—	—	—	—	—	—
Other claims .....	49.9	2.1	47.8	—	—	—	—
<b>Total .....</b>	<b>1,330.0</b>	<b>1,272.3</b>	<b>57.7</b>	<b>85.0</b>	<b>5.4</b>	<b>24.4</b>	<b>5.7</b>

	Billions of yen						
	September 30, 2014			First half of fiscal 2014			
	Underlying asset amount			Securitized amount	Default amount	Loss amount	Gains/losses on sales
Total	Asset transfer type	Synthetic type					
Claims on corporates .....	15.1	1.4	13.7	—	7.8	22.1	—
Mortgage loans .....	1,270.0	1,270.0	—	89.9	0.8	0.2	7.1
Retail loans (excluding mortgage loans) .....	—	—	—	—	—	—	—
Other claims .....	91.4	3.3	88.1	—	—	—	—
<b>Total .....</b>	<b>1,376.6</b>	<b>1,274.8</b>	<b>101.8</b>	<b>89.9</b>	<b>8.6</b>	<b>22.3</b>	<b>7.1</b>

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									
	2015					2014				
	Term-end balance		Amounts subject to a 1250% risk weight			Term-end balance		Amounts subject to a 1250% risk weight		
September 30	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		
Claims on corporates .....	4.8	1.6	3.3	2.3	—	8.5	4.1	4.4	3.7	—
Mortgage loans .....	272.0	272.0	—	24.3	47.5	250.2	250.2	—	26.0	42.5
Retail loans (excluding mortgage loans) .....	—	—	—	—	—	—	—	—	—	—
Other claims .....	1.1	0.5	0.7	0.2	—	36.5	0.5	36.0	1.1	—
<b>Total .....</b>	<b>278.0</b>	<b>274.1</b>	<b>3.9</b>	<b>26.9</b>	<b>47.5</b>	<b>295.3</b>	<b>254.8</b>	<b>40.4</b>	<b>30.8</b>	<b>42.5</b>

##### b. Risk Weights

	Billions of yen							
	2015				2014			
	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 .....	0.1	—	0.1	0.0	35.7	—	35.7	0.5
100% or less .....	0.3	—	0.3	0.0	0.4	—	0.4	0.0
650% or less .....	1.0	—	1.0	0.2	0.1	—	0.1	0.0
Less than 1250% .....	0.0	—	0.0	0.0	0.0	—	0.0	0.0
1250% .....	276.6	274.1	2.5	28.5	259.1	254.8	4.3	32.6
<b>Total .....</b>	<b>278.0</b>	<b>274.1</b>	<b>3.9</b>	<b>28.7</b>	<b>295.3</b>	<b>254.8</b>	<b>40.4</b>	<b>33.1</b>

(C) Resecuritization Exposures

There are no amounts that represent “resecuritization exposures.”

B. As Sponsor

(A) Underlying Assets

	Billions of yen					
	September 30, 2015			First half of fiscal 2015		
	Underlying asset amount			Securitized amount	Default amount	Loss amount
Total	Asset transfer type	Synthetic type				
Claims on corporates .....	967.7	967.7	—	4,017.0	49.4	59.1
Mortgage loans .....	—	—	—	—	—	—
Retail loans (excluding mortgage loans)....	501.9	501.9	—	232.4	1.1	2.5
Other claims .....	32.2	32.2	—	7.4	0.8	0.0
<b>Total .....</b>	<b>1,501.8</b>	<b>1,501.8</b>	<b>—</b>	<b>4,256.8</b>	<b>51.3</b>	<b>61.6</b>

	Billions of yen					
	September 30, 2014			First half of fiscal 2014		
	Underlying asset amount			Securitized amount	Default amount	Loss amount
Total	Asset transfer type	Synthetic type				
Claims on corporates .....	916.0	916.0	—	3,143.5	44.3	41.4
Mortgage loans .....	—	—	—	—	—	—
Retail loans (excluding mortgage loans)....	223.4	223.4	—	33.9	0.1	1.1
Other claims .....	39.0	39.0	—	114.0	0.8	0.3
<b>Total .....</b>	<b>1,178.5</b>	<b>1,178.5</b>	<b>—</b>	<b>3,291.5</b>	<b>45.2</b>	<b>42.7</b>

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									
	2015					2014				
	Term-end balance		Amounts subject to a 1250% risk weight	Increase in capital equivalent		Term-end balance		Amounts subject to a 1250% risk weight	Increase in capital equivalent	
Total	On-balance sheet assets	Off-balance sheet assets				Total	On-balance sheet assets			
September 30										
Claims on corporates .....	767.3	744.9	22.5	0.0	—	706.1	706.1	—	—	—
Mortgage loans .....	—	—	—	—	—	—	—	—	—	—
Retail loans (excluding mortgage loans) .....	445.8	445.4	0.4	—	—	205.4	205.4	—	—	—
Other claims .....	24.8	24.8	—	—	—	30.8	30.8	—	—	—
<b>Total .....</b>	<b>1,237.9</b>	<b>1,215.0</b>	<b>22.9</b>	<b>0.0</b>	<b>—</b>	<b>942.2</b>	<b>942.2</b>	<b>—</b>	<b>—</b>	<b>—</b>

## b. Risk Weights

	Billions of yen							
	2015				2014			
	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 .....	1,233.4	1,210.5	22.9	7.6	935.0	935.0	—	5.7
100% or less .....	4.5	4.5	—	0.2	7.3	7.3	—	0.2
650% or less .....	—	—	—	—	—	—	—	—
Less than 1250% .....	—	—	—	—	—	—	—	—
1250% .....	0.0	0.0	—	0.0	—	—	—	—
<b>Total .....</b>	<b>1,237.9</b>	<b>1,215.0</b>	<b>22.9</b>	<b>7.8</b>	<b>942.2</b>	<b>942.2</b>	<b>—</b>	<b>6.0</b>

### (C) Resecuritization Exposures

There are no amounts that represent “resecuritization exposures.”

### (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									
	2015					2014				
	Term-end balance			Amounts subject to a 1250% risk weight	Increase in capital equivalent	Term-end balance			Amounts subject to a 1250% risk weight	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 .....	770.2	375.8	394.4	32.6	—	471.0	161.0	310.0	30.2	—
Mortgage loans .....	158.4	158.4	—	—	—	69.9	69.9	—	—	—
Retail loans (excluding mortgage loans) .....	250.2	243.9	6.3	—	—	173.7	171.0	2.7	—	—
Other claims .....	16.1	15.9	0.2	—	—	—	—	—	—	—
<b>Total .....</b>	<b>1,194.9</b>	<b>794.0</b>	<b>400.9</b>	<b>32.6</b>	<b>—</b>	<b>714.6</b>	<b>401.9</b>	<b>312.6</b>	<b>30.2</b>	<b>—</b>

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

2. “Retail loans (excluding mortgage loans)” includes balances of ¥3.6 billion as of September 30, 2015 and ¥3.3 billion as of September 30, 2014 for the securitization exposures which includes loans whose credit risk are relatively high, such as U.S. subprime loans.

## b. Risk Weights

	Billions of yen							
	2015				2014			
	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 .....	1,074.0	787.6	286.4	5.6	574.8	382.3	192.5	3.0
100% or less .....	4.2	4.2	—	0.3	34.6	18.9	15.6	1.3
650% or less .....	2.2	2.2	—	0.5	—	—	—	—
Less than 1250% .....	—	—	—	—	—	—	—	—
1250% .....	114.5	—	114.5	34.6	105.2	0.7	104.5	32.0
<b>Total .....</b>	<b>1,194.9</b>	<b>794.0</b>	<b>400.9</b>	<b>40.9</b>	<b>714.6</b>	<b>401.9</b>	<b>312.6</b>	<b>36.3</b>

Note: The risk weight of “100% or less” includes balances of ¥3.6 billion as of September 30, 2015 and ¥3.3 billion as of September 30, 2014 for the securitization exposures which includes loans whose credit risk are relatively high, such as U.S. subprime loans.

## (B) Resecuritization Exposures

### a. Underlying Assets by Asset Type

	Billions of yen									
	2015					2014				
	Term-end balance			Amounts subject to a 1250% risk weight	Increase in capital equivalent	Term-end balance			Amounts subject to a 1250% risk weight	Increase in capital equivalent
Total	On-balance sheet assets	Off-balance sheet assets	Total			On-balance sheet assets	Off-balance sheet assets			
September 30										
Claims on corporates .....	0.3	0.3	—	0.1	—	0.6	0.6	—	0.1	—
Mortgage loans .....	—	—	—	—	—	—	—	—	—	—
Retail loans (excluding mortgage loans) .....	—	—	—	—	—	—	—	—	—	—
Other claims .....	0.5	0.2	0.3	0.2	—	0.9	0.4	0.5	0.4	—
Total .....	0.8	0.5	0.3	0.3	—	1.5	1.0	0.5	0.5	—

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

2. "Other claims" includes securitization products.

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

### b. Risk Weights

	Billions of yen								
	2015				2014				
	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			
September 30									
20% or less .....	0.4	0.2	0.1	0.0	0.9	0.5	0.4	0.0	0.0
100% or less .....	0.2	—	0.2	0.0	0.1	—	0.1	0.0	0.0
650% or less .....	—	—	—	—	—	—	—	—	—
Less than 1250% .....	—	—	—	—	—	—	—	—	—
1250% .....	0.3	0.3	—	0.3	0.5	0.5	—	0.5	0.5
Total .....	0.8	0.5	0.3	0.3	1.5	1.0	0.5	0.5	0.5

## 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 as 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			
	2015		2014	
	Balance sheet amount	Fair value	Balance sheet amount	Fair value
Listed equity exposures .....	4,099.8	4,099.8	3,776.0	3,776.0
Equity exposures other than above.....	279.5	—	283.5	—
Total.....	4,379.3	—	4,059.5	—

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

	Billions of yen	
	First half of fiscal 2015	First half of fiscal 2014
	Gains (losses) .....	32.2
Gains on sale .....	42.9	57.4
Losses on sale .....	7.7	1.0
Devaluation .....	3.0	3.4

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

September 30	Billions of yen	
	2015	2014
Unrealized gains (losses) recognized on consolidated balance sheets but not on consolidated statements of income.....	1,963.9	1,591.4

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

September 30	Billions of yen	
	2015	2014
Unrealized gains (losses) not recognized on consolidated balance sheets or consolidated statements of income .....	(40.8)	(45.4)

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

September 30, 2015	Billions of yen				
	Loans, etc.	Bonds	Derivatives	Others	Total
<b>Domestic operations (excluding offshore banking accounts)</b>					
Manufacturing.....	9,426.4	137.5	216.0	2,764.3	12,544.2
Agriculture, forestry, fishery and mining .....	193.3	3.5	6.0	33.9	236.7
Construction .....	1,175.7	14.5	3.0	234.3	1,427.5
Transport, information, communications and utilities.....	6,013.1	48.9	151.7	1,135.6	7,349.4
Wholesale and retail .....	6,234.6	37.0	137.9	848.3	7,257.9
Financial and insurance.....	42,898.1	341.0	1,650.6	1,676.4	46,566.1
Real estate, goods rental and leasing .....	9,018.0	391.7	49.9	422.7	9,882.3
Services .....	5,282.3	34.8	55.0	635.9	6,008.0
Local municipal corporations .....	1,296.2	62.0	9.3	16.9	1,384.3
Other industries .....	26,246.5	15,886.1	267.9	5,795.9	48,196.5
Subtotal .....	107,784.2	16,956.9	2,547.4	13,564.3	140,852.8
<b>Overseas operations and offshore banking accounts</b>					
Sovereigns.....	7,611.7	1,042.5	17.0	17.0	8,688.1
Financial institutions .....	6,763.8	484.2	1,627.2	827.5	9,702.7
C&I companies .....	22,613.3	205.6	842.4	832.0	24,493.3
Others.....	5,332.6	883.3	90.9	2,455.8	8,762.6
Subtotal .....	42,321.3	2,615.7	2,577.5	4,132.3	51,646.8
<b>Total.....</b>	<b>150,105.5</b>	<b>19,572.6</b>	<b>5,124.9</b>	<b>17,696.6</b>	<b>192,499.6</b>

September 30, 2014	Billions of yen				
	Loans, etc.	Bonds	Derivatives	Others	Total
<b>Domestic operations (excluding offshore banking accounts)</b>					
Manufacturing.....	8,837.4	166.3	215.2	2,617.5	11,836.3
Agriculture, forestry, fishery and mining .....	160.0	3.9	5.8	33.7	203.4
Construction .....	1,166.7	33.4	3.6	208.9	1,412.6
Transport, information, communications and utilities.....	5,942.8	61.1	112.0	925.3	7,041.2
Wholesale and retail .....	5,944.6	35.9	151.8	830.0	6,962.2
Financial and insurance.....	35,593.0	358.3	1,838.3	1,815.1	39,604.7
Real estate, goods rental and leasing .....	8,538.8	307.5	45.4	400.9	9,292.7
Services .....	5,284.6	45.5	52.0	611.7	5,993.8
Local municipal corporations .....	1,588.2	216.5	9.2	15.8	1,829.6
Other industries .....	28,164.4	14,332.1	160.4	5,398.5	48,055.4
Subtotal .....	101,220.5	15,560.3	2,593.7	12,857.4	132,231.8
<b>Overseas operations and offshore banking accounts</b>					
Sovereigns.....	6,727.2	1,190.5	14.5	14.5	7,946.9
Financial institutions .....	6,366.8	398.9	1,137.1	752.4	8,655.2
C&I companies .....	19,477.9	252.1	541.3	536.6	20,808.0
Others.....	4,709.5	807.8	56.0	2,410.9	7,984.2
Subtotal .....	37,281.4	2,649.4	1,749.0	3,714.4	45,394.3
<b>Total.....</b>	<b>138,501.9</b>	<b>18,209.7</b>	<b>4,342.7</b>	<b>16,571.8</b>	<b>177,626.1</b>

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, 2015	Billions of yen				
	Loans, etc.	Bonds	Derivatives	Others	Total
To 1 year.....	39,629.7	7,779.1	766.7	942.0	49,117.5
More than 1 year to 3 years.....	18,025.1	3,408.9	1,311.7	1,540.6	24,286.3
More than 3 years to 5 years.....	16,810.4	5,582.4	1,281.6	1,318.9	24,993.2
More than 5 years to 7 years.....	7,318.1	477.9	457.7	486.4	8,740.1
More than 7 years.....	25,461.4	2,324.3	1,307.2	1,174.3	30,267.2
No fixed maturity.....	42,860.9	—	—	12,234.5	55,095.3
Total.....	150,105.5	19,572.6	5,124.9	17,696.6	192,499.6

September 30, 2014	Billions of yen				
	Loans, etc.	Bonds	Derivatives	Others	Total
To 1 year.....	38,724.3	2,875.9	691.5	858.4	43,150.1
More than 1 year to 3 years.....	16,377.8	8,976.2	1,047.3	1,408.5	27,809.8
More than 3 years to 5 years.....	15,363.8	3,038.8	1,349.3	1,487.6	21,239.6
More than 5 years to 7 years.....	6,347.9	1,584.1	511.3	469.2	8,912.5
More than 7 years.....	24,968.8	1,734.8	743.2	881.8	28,328.6
No fixed maturity.....	36,719.4	—	—	11,466.2	48,185.5
Total.....	138,501.9	18,209.7	4,342.7	16,571.8	177,626.1

- 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 Geographical Region

September 30	Billions of yen	
	2015	2014
Domestic operations (excluding offshore banking accounts) .....	1,412.9	1,712.0
Overseas operations and offshore banking accounts.....	176.2	150.1
Asia.....	47.8	32.9
North America.....	53.5	37.4
Other regions.....	74.9	79.8
Total.....	1,589.1	1,862.1

- 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	
	2015	2014
Domestic operations (excluding offshore banking accounts)		
Manufacturing.....	177.0	217.1
Agriculture, forestry, fishery and mining .....	3.0	8.1
Construction.....	39.5	74.6
Transport, information, communications and utilities.....	167.7	157.4
Wholesale and retail .....	187.3	215.5
Financial and insurance.....	9.8	11.2
Real estate, goods rental and leasing .....	261.4	388.8
Services .....	151.0	189.7
Other industries .....	416.2	449.6
Subtotal .....	1,412.9	1,712.0
Overseas operations and offshore banking accounts		
Financial institutions.....	1.0	3.0
C&I companies .....	141.0	141.6
Others.....	34.2	5.5
Subtotal .....	176.2	150.1
Total.....	1,589.1	1,862.1

- 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				
	September 30, 2015 (A)	March 31, 2015 (B)	September 30, 2014	March 31, 2014	Increase (decrease) (A) – (B)
General reserve for possible loan losses.....	387.0	387.0	371.9	473.2	—
Loan loss reserve for specific overseas countries .....	0.7	0.7	0.8	0.7	—
Specific reserve for possible loan losses .....	600.4	647.1	699.7	784.6	(46.7)
Domestic operations (excluding offshore banking accounts) .....	541.3	590.0	662.9	745.6	(48.7)
Overseas operations and offshore banking accounts.....	59.1	57.1	36.8	39.0	2.0
Asia.....	27.4	28.6	15.0	14.3	(1.2)
North America.....	8.5	5.4	3.9	3.3	3.1
Other regions .....	23.2	23.1	17.9	21.4	0.1
Total.....	988.1	1,034.8	1,072.4	1,258.5	(46.7)

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				
	September 30, 2015 (A)	March 31, 2015 (B)	September 30, 2014	March 31, 2014	Increase (decrease) (A) – (B)
General reserve for possible loan losses.....	387.0	387.0	371.9	473.2	—
Loan loss reserve for specific overseas countries .....	0.7	0.7	0.8	0.7	—
Specific reserve for possible loan losses .....	600.4	647.1	699.7	784.6	(46.7)
Domestic operations (excluding offshore banking accounts) .....	541.3	590.0	662.9	745.6	(48.7)
Manufacturing.....	76.5	83.7	101.4	110.0	(7.2)
Agriculture, forestry, fishery and mining .....	2.4	2.9	3.3	3.0	(0.5)
Construction .....	18.2	20.0	34.0	38.4	(1.8)
Transport, information, communications and utilities.....	78.2	81.9	53.9	63.7	(3.7)
Wholesale and retail.....	71.4	79.2	96.7	115.1	(7.8)
Financial and insurance.....	7.4	8.2	9.1	10.9	(0.8)
Real estate, goods rental and leasing .....	95.8	109.1	137.0	173.0	(13.3)
Services.....	59.6	68.1	81.8	89.9	(8.5)
Other industries .....	131.8	136.9	145.7	141.6	(5.1)
Overseas operations and offshore banking accounts.....	59.1	57.1	36.8	39.0	2.0
Financial institutions .....	0.3	0.3	2.7	2.9	—
C&I companies .....	40.9	43.7	30.7	34.1	(2.8)
Others .....	17.9	13.1	3.4	2.0	4.8
Total.....	988.1	1,034.8	1,072.4	1,258.5	(46.7)

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 2015	First half of fiscal 2014
Domestic operations (excluding offshore banking accounts)		
Manufacturing.....	0.1	(0.2)
Agriculture, forestry, fishery and mining .....	0.0	(0.0)
Construction .....	0.1	(0.0)
Transport, information, communications and utilities.....	1.0	0.1
Wholesale and retail .....	0.0	(1.0)
Financial and insurance.....	(0.0)	(0.0)
Real estate, goods rental and leasing .....	0.0	(0.2)
Services .....	(0.1)	0.0
Other industries .....	30.5	29.4
Subtotal .....	31.6	28.1
Overseas operations and offshore banking accounts		
Financial institutions .....	—	—
C&I companies .....	—	—
Others.....	2.9	1.4
Subtotal .....	2.9	1.4
Total.....	34.5	29.5

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

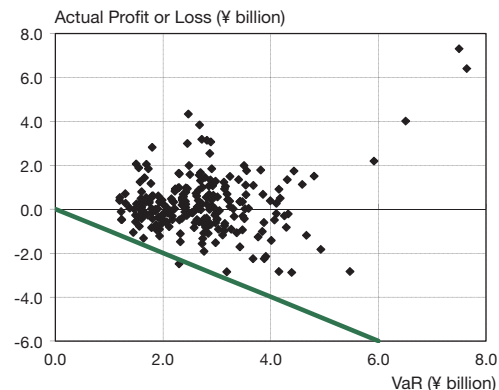
### 1. VaR Results (Trading Book)

	Billions of yen			
	First half of fiscal 2015		First half of fiscal 2014	
	VaR	Stressed VaR	VaR	Stressed VaR
September 30.....	2.2	3.2	3.3	7.8
Maximum.....	4.3	9.4	5.6	13.2
Minimum.....	1.2	1.8	1.7	2.7
Average.....	2.3	3.9	3.4	7.9

- 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 is calculated on a daily basis by using the historical simulation method for the holding period of one day, one-sided confidence interval of 99.0%, and measurement period of 1 year (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 2014 to September 2015 are shown below. The data point below the diagonal line indicates a loss exceeding VaR for that day. Only one data point under the diagonal line has been observed, which demonstrates that the SMFG Group's VaR model with a one-sided confidence interval of 99.0% is sufficiently reliable.



## ■ Interest Rate Risk in Banking Book

### VaR Results (Banking Book)

	Billions of yen	
	First half of fiscal 2015	First half of fiscal 2014
	September 30.....	40.4
Maximum.....	45.7	45.0
Minimum.....	34.4	37.8
Average.....	39.7	41.4

- 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.

## ■ Reconciliation of Regulatory Capital Elements Back to the Balance Sheet (As of September 30, 2014 and 2015)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

Items	(Millions of yen)		Cross-reference to Appended Table	Reference # of Basel III common disclosure template under the Composition of Capital Disclosure (Basel III Template)
	Consolidated balance sheet as in published financial statements			
	As of September 30, 2015	As of September 30, 2014		
(Assets)				
Cash and due from banks	43,387,549	36,435,315		
Call loans and bills bought	1,376,648	1,194,366		
Receivables under resale agreements	771,420	706,527		
Receivables under securities borrowing transactions	6,499,677	5,531,806		
Monetary claims bought	4,069,880	3,853,422		
Trading assets	7,680,304	7,863,023	7-a	
Money held in trust	6,125	7,889		
Securities	28,049,702	26,243,721	3-b, 7-b	
Loans and bills discounted	74,510,685	70,560,645	7-c	
Foreign exchanges	1,966,358	2,123,155		
Lease receivables and investment assets	1,936,679	1,815,050		
Other assets	5,583,659	5,420,025		
Tangible fixed assets	2,866,897	2,538,991		
Intangible fixed assets	821,466	817,522	3-a	
Net defined benefit asset	376,995	192,230	4	
Deferred tax assets	121,880	151,833	5-a	
Customers' liabilities for acceptances and guarantees	7,245,750	7,075,331		
Reserve for possible loan losses	(617,936)	(627,255)		
<b>Total assets</b>	<b>186,653,748</b>	<b>171,903,603</b>		
(Liabilities)				
Deposits	102,099,448	95,106,774		
Negotiable certificates of deposit	15,469,008	14,634,431		
Call money and bills sold	6,218,629	4,401,120		
Payables under repurchase agreements	1,081,106	1,374,565		
Payables under securities lending transactions	8,258,001	7,943,348		
Commercial paper	3,108,581	2,705,530		
Trading liabilities	5,551,679	5,327,233	7-d	
Borrowed money	9,983,873	8,594,460	9-a	
Foreign exchanges	863,970	602,386		
Short-term bonds	1,567,500	1,272,300		
Bonds	6,970,903	5,615,399	9-b	
Due to trust account	597,296	770,424		
Other liabilities	6,233,612	6,213,980		
Reserve for employee bonuses	54,667	46,010		
Net defined benefit liability	37,568	39,695		
Reserve for executive retirement benefits	1,975	1,883		
Reserve for point service program	19,615	19,971		
Reserve for reimbursement of deposits	15,176	11,655		
Reserve for losses on interest repayment	127,572	145,889		
Reserve under the special laws	1,353	916		
Deferred tax liabilities	476,225	294,843	5-b	
Deferred tax liabilities for land revaluation	33,998	38,256	5-c	
Acceptances and guarantees	7,245,750	7,075,331		
<b>Total liabilities</b>	<b>176,017,514</b>	<b>162,236,412</b>		
(Net assets)				
Capital stock	2,337,895	2,337,895	1-a	
Capital surplus	757,321	757,087	1-b	
Retained earnings	4,378,320	3,906,346	1-c	
Treasury stock	(175,344)	(175,179)	1-d	
<b>Total stockholders' equity</b>	<b>7,298,192</b>	<b>6,826,149</b>		
Net unrealized gains on other securities	1,431,893	1,163,113		
Net deferred losses on hedges	(16,619)	(43,870)	6	
Land revaluation excess	37,887	35,622		
Foreign currency translation adjustments	146,258	23,534		
Remeasurements of defined benefit plans	56,086	(66,252)		
<b>Total accumulated other comprehensive income</b>	<b>1,655,506</b>	<b>1,112,147</b>		3
Stock acquisition rights	2,559	2,040	2, 8-a	
Non-controlling interests	1,679,975	1,726,853	8-b	
<b>Total net assets</b>	<b>10,636,234</b>	<b>9,667,190</b>		
<b>Total liabilities and net assets</b>	<b>186,653,748</b>	<b>171,903,603</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

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Capital stock	2,337,895	2,337,895		1-a
Capital surplus	757,321	757,087		1-b
Retained earnings	4,378,320	3,906,346		1-c
Treasury stock	(175,344)	(175,179)		1-d
Total stockholders' equity	7,298,192	6,826,149		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	7,298,192	6,826,149	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,095,217	3,094,983		1a
of which: retained earnings	4,378,320	3,906,346		2
of which: treasury stock (-)	175,344	175,179		1c
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	31a

2. Stock acquisition rights

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Stock acquisition rights	2,559	2,040		2
of which: Stock acquisition rights issued by bank holding company	2,338	1,864		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Stock acquisition rights to common shares	2,338	1,864		1b
Stock acquisition rights to Additional Tier 1 instruments	—	—		31b
Stock acquisition rights to Tier 2 instruments	—	—		46

3. Intangible assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Intangible fixed assets	821,466	817,522		3-a
Securities	28,049,702	26,243,721		3-b
of which: goodwill attributable to equity-method investees	43,449	102,523		
Income taxes related to above	158,407	164,509		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Goodwill (including those equivalent)	373,041	457,189		8
Other intangible assets other than goodwill and mortgage servicing rights	333,467	298,347	Software and other	9
Mortgage servicing rights	—	—		
Amount exceeding the 10% threshold on specified items	—	—		20
Amount exceeding the 15% threshold on specified items	—	—		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	—		74

4. Net defined benefit asset

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Net defined benefit asset	376,995	192,230		4
Income taxes related to above	120,988	68,223		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Net defined benefit asset	256,007	124,007		15

## 5. Deferred tax assets

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Deferred tax assets	121,880	151,833		5-a
Deferred tax liabilities	476,225	294,843		5-b
Deferred tax liabilities for land revaluation	33,998	38,256		5-c
Tax effects on other intangible assets	158,407	164,509		
Tax effects on net defined benefit asset	120,988	68,223		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	4,248	6,666	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets arising from temporary differences (net of related tax liability)	4,966	73,037	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	
Amount exceeding the 10% threshold on specified items	—	—		21
Amount exceeding the 15% threshold on specified items	—	—		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	4,966	73,037		75

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

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Net deferred losses on hedges	(16,619)	(43,870)		6

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Net deferred losses on hedges	(14,980)	(42,294)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

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

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Trading assets	7,680,304	7,863,023	Including trading account securities and derivatives for trading assets	7-a
Securities	28,049,702	26,243,721		7-b
Loans and bills discounted	74,510,685	70,560,645	Including subordinated loans	7-c
Trading liabilities	5,551,679	5,327,233	Including trading account securities sold and derivatives for trading liabilities	7-d

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Investments in own capital instruments	9,809	7,960		
Common Equity Tier 1 capital	9,809	7,960		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)	800,311	842,686		
Common Equity Tier 1 capital	4,233	110,482		18
Additional Tier 1 capital	40	839		39
Tier 2 capital	813	26,669		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	795,223	704,695		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	760,143	551,450		
Amount exceeding the 10% threshold on specified items	—	—		19
Amount exceeding the 15% threshold on specified items	—	—		23
Additional Tier 1 capital	158,638	158,638		40
Tier 2 capital	125,000	125,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	476,505	267,812		73

## 8. Non-controlling interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Stock acquisition rights	2,559	2,040		8-a
Non-controlling interests	1,679,975	1,726,853		8-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	158,356	149,583		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	178,781	151,685		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	40,322	35,189		48-49

## 9. Other capital instruments

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Borrowed money	9,983,873	8,594,460		9-a
Bonds	6,970,903	5,615,399		9-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	300,000	—		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	657,002	318,907		46

## 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 (As of March 31, 2015)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

(Millions 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)
	As of March 31, 2015		
<b>(Assets)</b>			
Cash and due from banks	39,748,979		
Call loans and bills bought	1,326,965		
Receivables under resale agreements	746,431		
Receivables under securities borrowing transactions	6,477,063		
Monetary claims bought	4,286,592		
Trading assets	7,483,681	7-a	
Money held in trust	7,087		
Securities	29,633,667	3-b, 7-b	
Loans and bills discounted	73,068,240	7-c	
Foreign exchanges	1,907,667		
Lease receivables and investment assets	1,909,143		
Other assets	6,156,091		
Tangible fixed assets	2,770,853		
Intangible fixed assets	819,560	3-a	
Net defined benefit asset	376,255	4	
Deferred tax assets	127,841	5-a	
Customers' liabilities for acceptances and guarantees	7,267,713		
Reserve for possible loan losses	(671,248)		
<b>Total assets</b>	<b>183,442,585</b>		
<b>(Liabilities)</b>			
Deposits	101,047,918		
Negotiable certificates of deposit	13,825,898		
Call money and bills sold	5,873,123		
Payables under repurchase agreements	991,860		
Payables under securities lending transactions	7,833,219		
Commercial paper	3,351,459		
Trading liabilities	5,664,688	7-d	
Borrowed money	9,778,095	9-a	
Foreign exchanges	1,110,822		
Short-term bonds	1,370,800		
Bonds	6,222,918	9-b	
Due to trust account	718,133		
Other liabilities	6,728,951		
Reserve for employee bonuses	73,359		
Reserve for executive bonuses	3,344		
Net defined benefit liability	38,096		
Reserve for executive retirement benefits	2,128		
Reserve for point service program	19,050		
Reserve for reimbursement of deposits	20,870		
Reserve for losses on interest repayment	166,793		
Reserve under the special laws	1,124		
Deferred tax liabilities	601,393	5-b	
Deferred tax liabilities for land revaluation	34,550	5-c	
Acceptances and guarantees	7,267,713		
<b>Total liabilities</b>	<b>172,746,314</b>		
<b>(Net assets)</b>			
Capital stock	2,337,895	1-a	
Capital surplus	757,329	1-b	
Retained earnings	4,098,425	1-c	
Treasury stock	(175,261)	1-d	
<b>Total stockholders' equity</b>	<b>7,018,389</b>		
Net unrealized gains on other securities	1,791,049		
Net deferred losses on hedges	(30,180)	6	
Land revaluation excess	39,014		
Foreign currency translation adjustments	156,309		
Remeasurements of defined benefit plans	47,667		
<b>Total accumulated other comprehensive income</b>	<b>2,003,859</b>		3
Stock acquisition rights	2,284	2, 8-a	
Non-controlling interests	1,671,738	8-b	
<b>Total net assets</b>	<b>10,696,271</b>		
<b>Total liabilities and net assets</b>	<b>183,442,585</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

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Capital stock	2,337,895		1-a
Capital surplus	757,329		1-b
Retained earnings	4,098,425		1-c
Treasury stock	(175,261)		1-d
Total stockholders' equity	7,018,389		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	7,018,389	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,095,225		1a
of which: retained earnings	4,098,425		2
of which: treasury stock (-)	175,261		1c
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	31a

2. Stock acquisition rights

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Stock acquisition rights	2,284		2
of which: Stock acquisition rights issued by bank holding company	2,085		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Stock acquisition rights to common shares	2,085		1b
Stock acquisition rights to Additional Tier 1 instruments	—		31b
Stock acquisition rights to Tier 2 instruments	—		46

3. Intangible assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Intangible fixed assets	819,560		3-a
Securities	29,633,667		3-b
of which: goodwill attributable to equity-method investees	92,771		

Income taxes related to above	153,707		
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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Goodwill (including those equivalent)	435,296		8
Other intangible assets other than goodwill and mortgage servicing rights	323,327	Software and other	9
Mortgage servicing rights	—		
Amount exceeding the 10% threshold on specified items	—		20
Amount exceeding the 15% threshold on specified items	—		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		74

4. Net defined benefit asset

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Net defined benefit asset	376,255		4

Income taxes related to above	120,853		
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## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Net defined benefit asset	255,401		15

## 5. Deferred tax assets

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Deferred tax assets	127,841		5-a
Deferred tax liabilities	601,393		5-b
Deferred tax liabilities for land revaluation	34,550		5-c
Tax effects on other intangible assets	153,707		
Tax effects on net defined benefit asset	120,853		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	5,008	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets arising from temporary differences (net of related tax liability)	5,285	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	
Amount exceeding the 10% threshold on specified items	—		21
Amount exceeding the 15% threshold on specified items	—		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	5,285		75

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

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Net deferred losses on hedges	(30,180)		6

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Net deferred losses on hedges	(28,694)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

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

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Trading assets	7,483,681	Including trading account securities and derivatives for trading assets	7-a
Securities	29,633,667		7-b
Loans and bills discounted	73,068,240	Including subordinated loans	7-c
Trading liabilities	5,664,688	Including trading account securities sold and derivatives for trading liabilities	7-d

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Investments in own capital instruments	9,886		
Common Equity Tier 1 capital	9,886		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)	874,552		
Common Equity Tier 1 capital	65,599		18
Additional Tier 1 capital	507		39
Tier 2 capital	10,109		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	798,335		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	761,011		
Amount exceeding the 10% threshold on specified items	—		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	158,633		40
Tier 2 capital	125,057		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	477,320		73

## 8. Non-controlling interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Stock acquisition rights	2,284		8-a
Non-controlling interests	1,671,738		8-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	153,863		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	182,251		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	39,348		48-49

## 9. Other capital instruments

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Borrowed money	9,778,095		9-a
Bonds	6,222,918		9-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	374,988		46

## 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.

## Leverage Ratio Information (Consolidated)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

### ■ Composition of Leverage Ratio

(In million yen, %)

Corresponding line # on Basel III disclosure template (Table2)	Corresponding line # on Basel III disclosure template (Table1)	Item	As of September 30, 2015	As of September 30, 2014
<b>On-balance sheet exposures (1)</b>				
1		On-balance sheet exposures before deducting adjustment items	164,385,551	
1a	1	Total assets reported in the consolidated balance sheet	186,653,748	
1b	2	The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis (-)	—	
1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)	—	
1d	3	The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (except adjustment items) (-)	22,268,197	
2	7	The amount of adjustment items pertaining to Tier 1 capital (-)	474,054	
3		Total on-balance sheet exposures (a)	163,911,496	
<b>Exposures related to derivative transactions (2)</b>				
4		Replacement cost associated with derivatives transactions, etc.	2,067,770	
5		Add-on amount associated with derivatives transactions, etc.	2,910,530	
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	546,543	
6		The amount of receivables arising from providing cash margin, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework	—	
7		The amount of deductions of receivables (out of those arising from providing cash variation margin) (-)	546,543	
8		The amount of client-cleared trade exposures for which a bank or bank holding company acting as clearing member is not obliged to make any indemnification (-)		
9		Adjusted effective notional amount of written credit derivatives	492,813	
10		The amount of deductions from effective notional amount of written credit derivatives (-)	293,363	
11	4	Total exposures related to derivative transactions (b)	5,177,750	
<b>Exposures related to repo transactions (3)</b>				
12		The amount of assets related to repo transactions, etc.	7,271,098	
13		The amount of deductions from the assets above (line 12) (-)	—	
14		The exposures for counterparty credit risk for repo transactions, etc.	31,786	
15		The exposures for agent repo transaction		
16	5	Total exposures related to repo transactions, etc. (c)	7,302,885	
<b>Exposures related to off-balance sheet transactions (4)</b>				
17		Notional amount of off-balance sheet transactions	58,948,157	
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	39,530,327	
19	6	Total exposures related to off-balance sheet transactions (d)	19,417,830	
<b>Leverage ratio on a consolidated basis (5)</b>				
20		The amount of capital (Tier 1 capital) (e)	9,011,926	
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	195,809,962	
22		Leverage ratio on a consolidated basis ((e)/(f))	4.60%	

(In million yen, %)

Corresponding line # on Basel III disclosure template (Table2)	Corresponding line # on Basel III disclosure template (Table1)	Item	As of March 31, 2015
On-balance sheet exposures (1)			
1		On-balance sheet exposures before deducting adjustment items	160,371,631
1a	1	Total assets reported in the consolidated balance sheet	183,442,585
1b	2	The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis (-)	—
1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)	—
1d	3	The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (except adjustment items) (-)	23,070,954
2	7	The amount of adjustment items pertaining to Tier 1 capital (-)	514,287
3		Total on-balance sheet exposures (a)	159,857,344
Exposures related to derivative transactions (2)			
4		Replacement cost associated with derivatives transactions, etc.	2,197,309
5		Add-on amount associated with derivatives transactions, etc.	3,322,792
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	615,854
6		The amount of receivables arising from providing cash margin, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework	—
7		The amount of deductions of receivables (out of those arising from providing cash variation margin) (-)	615,854
8		The amount of client-cleared trade exposures for which a bank or bank holding company acting as clearing member is not obliged to make any indemnification (-)	
9		Adjusted effective notional amount of written credit derivatives	491,723
10		The amount of deductions from effective notional amount of written credit derivatives (-)	294,754
11	4	Total exposures related to derivative transactions (b)	5,717,070
Exposures related to repo transactions (3)			
12		The amount of assets related to repo transactions, etc.	7,223,495
13		The amount of deductions from the assets above (line 12) (-)	—
14		The exposures for counterparty credit risk for repo transactions, etc.	59,050
15		The exposures for agent repo transaction	
16	5	Total exposures related to repo transactions, etc. (c)	7,282,545
Exposures related to off-balance sheet transactions (4)			
17		Notional amount of off-balance sheet transactions	56,677,029
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	38,217,588
19	6	Total exposures related to off-balance sheet transactions (d)	18,459,440
Leverage ratio on a consolidated basis (5)			
20		The amount of capital (Tier 1 capital) (e)	8,528,626
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	191,316,401
22		Leverage ratio on a consolidated basis ((e)/(f))	4.45%

## Liquidity Coverage Ratio Information (Consolidated)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

Since March 31, 2015, the “liquidity coverage ratio” (hereinafter referred to as “LCR”), the liquidity regulation under the Basel III, has been introduced in Japan. In addition to the application of uniform international standards, SMFG calculates its consolidated LCR using the calculation formula stipulated in the “Criteria for Evaluating the Soundness of Liquidity Status Set Forth by a Bank Holding Company as a Benchmark for Judging the Soundness of Management of Itself and its Subsidiaries, etc., Based on the Provision of Article 52-25 of the Banking Act, and Which Are Also the Criteria to be Referred to for Judging the Soundness of Management in Banks” (Notification No. 62 issued by the Japanese Financial Services Agency in 2014; hereinafter referred to as the “LCR Notification”). Meanwhile, SMFG discloses its LCR in compliance with “Matters Related to the Status of the Soundness of Management Concerning Liquidity Separately Specified by the Commissioner of the Japanese Financial Services Agency, Based on the Provision of Article 19-2, Paragraph 1, Item 5 (e) of the Ordinance for Enforcement of the Banking Act, etc.” (Notification No. 7 issued by the Japanese Financial Services Agency in 2015).

### ■ Disclosure of Qualitative Information about Liquidity Coverage Ratio

#### 1. Intra-period Changes in Consolidated LCR

As described in “Disclosure of Quantitative Information about Liquidity Coverage Ratio” on the following page, the monthly average LCR in the prior and current quarters ended June 30 and September 30, 2015 performed steadily with no significant fluctuation.

#### 2. Assessment of Consolidated LCR

The LCR Notification stipulates that the minimum requirement of LCR for 2015 is set at 60.0% and from 2016 onwards, the LCR is raised in increments of 10.0% in stages, reaching 100.0% in and after 2019 (see table below).

	2015	2016	2017	2018	2019 onwards
The minimum requirement of LCR .....	60.0%	70.0%	80.0%	90.0%	100.0%

LCR of SMFG exceeds the minimum requirements of LCR for 2015 (60.0%) and for 2019 onwards (100.0%), having no cause for concern. SMFG does not expect that the future LCR forecasts will differ significantly from the announced ratios.

In addition, the actual LCR do not differ significantly from the initial forecasts.

#### 3. Composition of High-Quality Liquid Assets

The high-quality liquid assets held by SMFG that are allowed to be included in the calculation of LCR include deposits with central banks, highly-rated bonds and cash. As described in “Disclosure of Quantitative Information about Liquidity Coverage Ratio” on the following page, the amount of such high-quality liquid assets exceed the amount of net cash outflows.

Meanwhile, currency denominations, categories and location, etc. of the high-quality liquid assets allowed to be included in the calculation have not shown any significant changes.

In addition, in respect of major currencies (those of which the aggregate amount of liabilities denominated in a certain currency accounts for 5.0 % or more of SMFG’s total liabilities), there is no significant mismatch in currency denomination between the total amount of the high-quality liquid assets allowed to be included in the calculation and the amount of net cash outflows.

#### 4. Other Information Concerning Consolidated LCR

SMFG has not applied “special provisions concerning qualifying operational deposits” prescribed in Article 28 of the LCR Notification and “increased liquidity needs related to market valuation changes on derivative or other transactions simulated through scenario approach” prescribed in Article 37 of the same Notification.

Meanwhile, SMFG records “cash outflows related to small-sized consolidated subsidiaries,” etc. under “cash outflows based on other contracts” prescribed in Article 59 of the LCR Notification.

## ■ Disclosure of Quantitative Information about Liquidity Coverage Ratio

Sumitomo Mitsui Financial Group

(In million yen, %, the number of data)

Item		Current Quarter (From 2015/7/1 To 2015/9/30)		Prior Quarter (From 2015/4/1 To 2015/6/30)	
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
<b>High-Quality Liquid Assets (1)</b>					
1	Total high-quality liquid assets (HQLA)	47,324,771		46,126,810	
<b>Cash Outflows (2)</b>					
2	Cash outflows related to unsecured retail funding	47,227,822	3,703,413	47,030,105	3,690,676
3	of which, Stable deposits	14,572,512	437,175	14,470,143	434,104
4	of which, Less stable deposits	32,655,310	3,266,238	32,559,962	3,256,572
5	Cash outflows related to unsecured wholesale funding	53,887,456	31,007,450	52,879,048	29,584,376
6	of which, Qualifying operational deposits	—	—	—	—
7	of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	46,874,256	23,994,249	45,978,094	22,683,422
8	of which, Debt securities	7,013,200	7,013,200	6,900,954	6,900,954
9	Cash outflows related to secured funding, etc.	56,768		89,013	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	19,054,357	6,543,716	18,403,421	6,413,775
11	of which, Cash outflows related to derivative transactions, etc.	1,596,048	1,596,048	1,687,479	1,687,479
12	of which, Cash outflows related to funding programs	530,210	530,210	520,415	520,415
13	of which, Cash outflows related to credit and liquidity facilities	16,928,099	4,417,457	16,195,527	4,205,881
14	Cash outflows related to contractual funding obligations, etc.	7,719,856	5,371,669	7,252,565	5,396,565
15	Cash outflows related to contingencies	62,501,225	890,402	61,775,595	898,791
16	Total cash outflows	47,573,417		46,073,197	
<b>Cash Inflows (3)</b>					
17	Cash inflows related to secured lending, etc.	4,314,035	329,194	5,039,948	265,522
18	Cash inflows related to collection of loans, etc.	4,602,827	2,996,050	4,320,309	2,765,666
19	Other cash inflows	3,250,783	1,726,730	3,301,164	1,424,343
20	Total cash inflows	12,167,644	5,051,973	12,661,421	4,455,530
<b>Consolidated Liquidity Coverage Ratio (4)</b>					
21	Total HQLA allowed to be included in the calculation	47,324,771		46,126,810	
22	Net cash outflows	42,521,444		41,617,666	
23	Consolidated liquidity coverage ratio (LCR)	111.2%		110.8%	
24	The number of data used to calculate the average value	3		3	

The same information is also available on SMFG's website. ([http://www.smfg.co.jp/english/investor/financial/basel\\_3.html](http://www.smfg.co.jp/english/investor/financial/basel_3.html))



# Basel III Information

## Capital Ratio Information (Consolidated)

Sumitomo Mitsui Banking Corporation and Subsidiaries

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

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2015		As of September 30, 2014	
			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Common Equity Tier 1 capital: instruments and reserves</b>					
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,831,236		6,722,252	
1a	of which: capital and capital surplus	4,263,092		4,278,385	
2	of which: retained earnings	2,759,178		2,608,552	
1c	of which: treasury stock (-)	-		-	
26	of which: cash dividends to be paid (-)	191,034		164,685	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	-		-	
3	Accumulated other comprehensive income and other disclosed reserves	633,739	950,609	213,817	855,268
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	168,706		158,379	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	7,323		9,230	
	of which: non-controlling interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	7,323		9,230	
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,641,005		7,103,679	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	157,496	236,245	86,800	347,201
8	of which: goodwill (including those equivalent)	70,384	105,576	48,980	195,920
9	of which: other intangible assets other than goodwill and mortgage servicing rights	87,112	130,669	37,820	151,281
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	827	1,240	597	2,388
11	Net deferred losses on hedges	(4,156)	(6,234)	(8,050)	(32,200)
12	Shortfall of eligible provisions to expected losses	10,037	15,055	7,369	29,476
13	Gain on sale on securitization transactions	18,998	28,498	8,494	33,977
14	Gains and losses due to changes in own credit risk on fair valued liabilities	1,951	2,927	909	3,636
15	Net defined benefit asset	100,017	150,025	24,151	96,605
16	Investments in own shares (excluding those reported in the Net assets section)	31	47	14	56
17	Reciprocal cross-holdings in common equity	-	-	-	-
18	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)	-	-	-	-
19+20+21	Amount exceeding the 10% threshold on specified items	-	-	-	-
19	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-	-	-
20	of which: mortgage servicing rights	-	-	-	-
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
22	Amount exceeding the 15% threshold on specified items	-	-	-	-
23	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-	-	-
24	of which: mortgage servicing rights	-	-	-	-
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	285,204		120,285	
<b>Common Equity Tier 1 capital (CET1)</b>					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,355,801		6,983,394	

(Millions of yen, except percentages)

Basel III Template No.		Items	As of September 30, 2015		As of September 30, 2014	
				Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Additional Tier 1 capital: instruments</b>						
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	/	—	/
	31b	Stock acquisition rights to Additional Tier 1 instruments	—	/	—	/
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	300,000	/	—	/
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	/	—	/
34-35	Adjusted non-controlling interests, etc. (amount allowed to be included in group Additional Tier 1)	18,562	/	12,049	/	
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	861,546	/	839,318	/	
33	of which: instrument issued by banks and their special purpose vehicles	861,546	/	839,318	/	
35	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	—	/	—	/	
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	64,339	/	(2,324)	/	
	of which: foreign currency translation adjustments	64,339	/	(2,324)	/	
36	Additional Tier 1 capital: instruments (D)	1,244,449	/	849,042	/	
<b>Additional Tier 1 capital: regulatory adjustments</b>						
37	Investments in own Additional Tier 1 instruments	—	—	—	—	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	—	—	
39	Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	—	—	—	—	
40	Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	63,455	95,182	31,727	126,910	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	134,637	/	190,547	/	
	of which: goodwill and others	98,612	/	141,831	/	
	of which: gain on sale on securitization transactions	28,498	/	33,977	/	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	7,527	/	14,738	/	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—	/	—	/	
43	Additional Tier 1 capital: regulatory adjustments (E)	198,093	/	222,274	/	
<b>Additional Tier 1 capital (AT1)</b>						
44	Additional Tier 1 capital ((D)-(E)) (F)	1,046,356	/	626,767	/	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>						
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,402,157	/	7,610,162	/	
<b>Tier 2 capital: instruments and provisions</b>						
46		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	657,249	/	319,414	/
		Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	/	—	/
48-49	Adjusted non-controlling interests, etc. (amount allowed to be included in group Tier 2)	2,573	/	2,177	/	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,424,169	/	1,545,063	/	
47	of which: instruments issued by banks and their special purpose vehicles	1,424,169	/	1,531,063	/	
49	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	—	/	14,000	/	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	8,330	/	9,639	/	
50a	of which: general reserve for possible loan losses	8,330	/	9,639	/	
50b	of which: eligible provisions	—	/	—	/	
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	529,954	/	601,624	/	
	of which: unrealized gains on other securities after 55% discount	510,620	/	575,141	/	
	of which: land revaluation excess after 55% discount	19,333	/	26,483	/	
51	Tier 2 capital: instruments and provisions (H)	2,622,278	/	2,477,921	/	

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2015		As of September 30, 2014	
			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Tier 2 capital: regulatory adjustments</b>					
52	Investments in own Tier 2 instruments	–	–	–	–
53	Reciprocal cross-holdings in Tier 2 instruments	–	–	–	–
54	Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	–	–	–	–
55	Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	50,644	75,966	25,000	100,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	72,852	/	148,350	/
	of which: Tier 2 and deductions under Basel II	72,852	/	148,350	/
57	Tier 2 capital: regulatory adjustments (I)	123,496	/	173,350	/
<b>Tier 2 capital (T2)</b>					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,498,781	/	2,304,571	/
<b>Total capital (TC = T1 + T2)</b>					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	10,900,939	/	9,914,733	/
<b>Risk weighted assets</b>					
	Total of items included in risk weighted assets subject to transitional arrangements	128,680	/	127,409	/
	of which: intangible assets (excluding those relating to mortgage servicing rights)	27,223	/	13,761	/
	of which: net defined benefit asset	33,091	/	8,932	/
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	52,936	/	70,582	/
	of which: significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	12,050	/	23,780	/
60	Risk weighted assets (L)	57,371,983	/	57,128,928	/
<b>Capital ratio (consolidated)</b>					
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	12.82%	/	12.22%	/
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	14.64%	/	13.32%	/
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	19.00%	/	17.35%	/
<b>Regulatory adjustments</b>					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	620,877	/	708,913	/
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	737,831	/	511,221	/
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	–	/	–	/
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	6,695	/	4,717	/
<b>Provisions included in Tier 2 capital: instruments and provisions</b>					
76	Provisions (general reserve for possible loan losses)	8,330	/	9,639	/
77	Cap on inclusion of provisions (general reserve for possible loan losses)	22,640	/	25,300	/
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	–	/	–	/
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	294,875	/	290,129	/
<b>Capital instruments subject to transitional arrangements</b>					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	866,500	/	990,286	/
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	–	/	–	/
84	Current cap on Tier 2 instruments subject to transitional arrangements	1,424,169	/	1,627,622	/
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	1,984	/	–	/

(Millions of yen)

Items	As of September 30, 2015	As of September 30, 2014
Required capital ((L) × 8%)	4,589,758	4,570,314

(Millions of yen, except percentages)

		As of March 31, 2015	
Basel III Template No.	Items		Amounts excluded under transitional arrangements
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,697,893	
1a	of which: capital and capital surplus	4,278,414	
2	of which: retained earnings	2,751,080	
1c	of which: treasury stock (-)	-	
26	of which: cash dividends to be paid (-)	331,601	
	of which: other than the above	-	
1b	Stock acquisition rights to common shares	-	
3	Accumulated other comprehensive income and other disclosed reserves	770,967	1,156,451
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	163,992	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	7,344	
	of which: non-controlling interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	7,344	
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,640,198	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	175,288	262,932
8	of which: goodwill (including those equivalent)	92,138	138,208
9	of which: other intangible assets other than goodwill and mortgage servicing rights	83,149	124,724
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,048	1,572
11	Net deferred losses on hedges	(10,225)	(15,338)
12	Shortfall of eligible provisions to expected losses	887	1,330
13	Gain on sale on securitization transactions	18,683	28,025
14	Gains and losses due to changes in own credit risk on fair valued liabilities	2,597	3,896
15	Net defined benefit asset	99,911	149,866
16	Investments in own shares (excluding those reported in the Net assets section)	55	83
17	Reciprocal cross-holdings in common equity	-	-
18	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)	-	-
19+20+21	Amount exceeding the 10% threshold on specified items	-	-
19	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
20	of which: mortgage servicing rights	-	-
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
22	Amount exceeding the 15% threshold on specified items	-	-
23	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
24	of which: mortgage servicing rights	-	-
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	288,245	
<b>Common Equity Tier 1 capital (CET1)</b>			
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,351,952	

(Millions of yen, except percentages)

Basel III Template No.		Items	As of March 31, 2015	
				Amounts excluded under transitional arrangements
<b>Additional Tier 1 capital: instruments</b>				
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	/
	31b	Stock acquisition rights to Additional Tier 1 instruments	—	/
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—	/
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	/
34-35	Adjusted non-controlling interests, etc. (amount allowed to be included in group Additional Tier 1)	25,321	/	
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	860,796	/	
33	of which: instrument issued by banks and their special purpose vehicles	860,796	/	
35	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	—	/	
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	68,648	/	
	of which: foreign currency translation adjustments	68,648	/	
36	Additional Tier 1 capital: instruments (D)	954,766	/	
<b>Additional Tier 1 capital: regulatory adjustments</b>				
37	Investments in own Additional Tier 1 instruments	—	—	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	
39	Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	—	—	
40	Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	63,453	95,180	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	131,540	/	
	of which: goodwill and others	102,850	/	
	of which: gain on sale on securitization transactions	28,025	/	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	665	/	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—	/	
43	Additional Tier 1 capital: regulatory adjustments (E)	194,994	/	
<b>Additional Tier 1 capital (AT1)</b>				
44	Additional Tier 1 capital ((D)-(E)) (F)	759,772	/	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,111,724	/	
<b>Tier 2 capital: instruments and provisions</b>				
46		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	374,988	/
		Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	/
48-49	Adjusted non-controlling interests, etc. (amount allowed to be included in group Tier 2)	2,359	/	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,424,169	/	
47	of which: instruments issued by banks and their special purpose vehicles	1,424,169	/	
49	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	—	/	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	9,848	/	
50a	of which: general reserve for possible loan losses	9,848	/	
50b	of which: eligible provisions	—	/	
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	671,467	/	
	of which: unrealized gains on other securities after 55% discount	651,680	/	
	of which: land revaluation excess after 55% discount	19,787	/	
51	Tier 2 capital: instruments and provisions (H)	2,482,833	/	

(Millions of yen, except percentages)

		As of March 31, 2015	
Basel III Template No.	Items		Amounts excluded under transitional arrangements
<b>Tier 2 capital: regulatory adjustments</b>			
52	Investments in own Tier 2 instruments	–	–
53	Reciprocal cross-holdings in Tier 2 instruments	–	–
54	Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	–	–
55	Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	50,000	75,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	95,379	
	of which: Tier 2 and deductions under Basel II	95,379	
57	Tier 2 capital: regulatory adjustments	(I)	145,379
<b>Tier 2 capital (T2)</b>			
58	Tier 2 capital (T2) ((H)-(I))	(J)	2,337,454
<b>Total capital (TC = T1 + T2)</b>			
59	Total capital (TC = T1 + T2) ((G) + (J))	(K)	10,449,179
<b>Risk weighted assets</b>			
	Total of items included in risk weighted assets subject to transitional arrangements	132,839	
	of which: intangible assets other than mortgage servicing rights	25,478	
	of which: net defined benefit asset	32,903	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	52,936	
	of which: significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	17,835	
60	Risk weighted assets	(L)	58,277,062
<b>Capital ratio (consolidated)</b>			
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	12.61%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	13.91%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	17.93%	
<b>Regulatory adjustments</b>			
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	691,075	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	748,706	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	–	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	6,443	
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
76	Provisions (general reserve for possible loan losses)	9,848	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	22,831	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	–	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	299,355	
<b>Capital instruments subject to transitional arrangements</b>			
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	866,500	
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	–	
84	Current cap on Tier 2 instruments subject to transitional arrangements	1,424,169	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	44,040	

(Millions of yen)

		As of March 31, 2015
Items		
Required capital ((L) × 8%)		4,662,165

## ■ Reconciliation of Regulatory Capital Elements Back to the Balance Sheet (As of September 30, 2014 and 2015)

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Millions 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)
	As of September 30, 2015	As of September 30, 2014		
(Assets)				
Cash and due from banks	43,195,496	36,220,060		
Call loans and bills bought	1,376,648	1,194,366		
Receivables under resale agreements	771,420	706,527		
Receivables under securities borrowing transactions	6,470,655	5,504,201		
Monetary claims bought	3,926,974	3,735,471		
Trading assets	7,581,209	7,734,279	6-a	
Money held in trust	1	1		
Securities	27,983,877	26,182,006	2-b, 6-b	
Loans and bills discounted	76,676,449	72,447,280	6-c	
Foreign exchanges	1,966,358	2,123,155		
Lease receivables and investment assets	249,749	214,888		
Other assets	2,787,844	2,853,430		
Tangible fixed assets	1,123,197	1,002,026		
Intangible fixed assets	463,712	446,797	2-a	
Net defined benefit asset	368,190	187,192	3	
Deferred tax assets	62,721	82,458	4-a	
Customers' liabilities for acceptances and guarantees	6,198,361	6,124,054		
Reserve for possible loan losses	(489,385)	(499,123)		
<b>Total assets</b>	<b>180,713,484</b>	<b>166,259,075</b>		
(Liabilities)				
Deposits	102,592,124	95,561,937		
Negotiable certificates of deposit	15,928,508	14,925,231		
Call money and bills sold	6,218,629	4,401,120		
Payables under repurchase agreements	1,081,106	1,374,565		
Payables under securities lending transactions	8,258,001	7,913,071		
Commercial paper	3,109,663	2,705,530		
Trading liabilities	5,524,764	5,307,369	6-d	
Borrowed money	9,025,672	7,012,717	8	
Foreign exchanges	863,970	602,386		
Short-term bonds	719,600	463,900		
Bonds	5,866,650	5,075,056		
Due to trust account	597,296	770,424		
Other liabilities	4,545,241	4,702,138		
Reserve for employee bonuses	43,133	34,431		
Net defined benefit liability	12,285	15,370		
Reserve for executive retirement benefits	660	690		
Reserve for point service program	1,162	1,512		
Reserve for reimbursement of deposits	15,176	11,655		
Reserve for losses on interest repayment	527	701		
Reserve under the special laws	984	547		
Deferred tax liabilities	386,986	219,838	4-b	
Deferred tax liabilities for land revaluation	33,998	38,256	4-c	
Acceptances and guarantees	6,198,361	6,124,054		
<b>Total liabilities</b>	<b>171,024,506</b>	<b>157,262,510</b>		
(Net assets)				
Capital stock	1,770,996	1,770,996	1-a	
Capital surplus	2,702,099	2,717,391	1-b	
Retained earnings	2,759,178	2,608,552	1-c	
Treasury stock	(210,003)	(210,003)	1-d	
<b>Total stockholders' equity</b>	<b>7,022,271</b>	<b>6,886,937</b>		
Net unrealized gains on other securities	1,397,229	1,145,591		
Net deferred losses on hedges	(12,029)	(41,826)	5	
Land revaluation excess	37,816	35,551		
Foreign currency translation adjustments	107,233	(2,905)		
Remeasurements of defined benefit plans	54,099	(67,323)		
<b>Total accumulated other comprehensive income</b>	<b>1,584,348</b>	<b>1,069,085</b>		
Stock acquisition rights	221	175	7-a	
Non-controlling interests	1,082,137	1,040,367	7-b	
<b>Total net assets</b>	<b>9,688,978</b>	<b>8,996,565</b>		
<b>Total liabilities and net assets</b>	<b>180,713,484</b>	<b>166,259,075</b>		

3

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

(Appended Table)

1. Stockholders' equity

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Capital stock	1,770,996	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-a
Capital surplus	2,702,099	2,717,391	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	2,759,178	2,608,552		1-c
Treasury stock	(210,003)	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
Total stockholders' equity	7,022,271	6,886,937		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	7,022,271	6,886,937	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	4,263,092	4,278,385		1a
of which: retained earnings	2,759,178	2,608,552		2
of which: treasury stock (-)	—	—		1c
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	31a

2. Intangible assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Intangible fixed assets	463,712	446,797		2-a
Securities	27,983,877	26,182,006		2-b
of which: goodwill attributable to equity-method investees	33,271	91,411		
Income taxes related to above	103,241	104,207		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Goodwill (including those equivalent)	175,960	244,900		8
Other intangible assets other than goodwill and mortgage servicing rights	217,782	189,101	Software and other	9
Mortgage servicing rights	—	—		
Amount exceeding the 10% threshold on specified items	—	—		20
Amount exceeding the 15% threshold on specified items	—	—		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	—		74

3. Net defined benefit asset

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Net defined benefit asset	368,190	187,192		3
Income taxes related to above	118,147	66,435		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Net defined benefit asset	250,043	120,756		15



#### 4. Deferred tax assets

##### (1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Deferred tax assets	62,721	82,458		4-a
Deferred tax liabilities	386,986	219,838		4-b
Deferred tax liabilities for land revaluation	33,998	38,256		4-c
Tax effects on other intangible assets	103,241	104,207		
Tax effects on net defined benefit asset	118,147	66,435		

##### (2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,068	2,985	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets arising from temporary differences (net of related tax liability)	6,695	4,717	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	
Amount exceeding the 10% threshold on specified items	—	—		21
Amount exceeding the 15% threshold on specified items	—	—		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	6,695	4,717		75

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

##### (1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Net deferred losses on hedges	(12,029)	(41,826)		5

##### (2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Net deferred losses on hedges	(10,390)	(40,250)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

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

##### (1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Trading assets	7,581,209	7,734,279	Including trading account securities and derivatives for trading assets	6-a
Securities	27,983,877	26,182,006		6-b
Loans and bills discounted	76,676,449	72,447,280	Including subordinated loans	6-c
Trading liabilities	5,524,764	5,307,369	Including trading account securities sold and derivatives for trading liabilities	6-d

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Investments in own capital instruments	79	70		
Common Equity Tier 1 capital	79	70		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)	620,877	708,913		
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)	620,877	708,913		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	1,023,080	794,859		
Amount exceeding the 10% threshold on specified items	—	—		19
Amount exceeding the 15% threshold on specified items	—	—		23
Additional Tier 1 capital	158,638	158,638		40
Tier 2 capital	126,610	125,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	737,831	511,221		73

## 7. Non-controlling interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Stock acquisition rights	221	175		7-a
Non-controlling interests	1,082,137	1,040,367		7-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	168,706	158,379		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	18,562	12,049		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	2,573	2,177		48-49

## 8. Other capital instruments

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Borrowed money	9,025,672	7,012,717		8

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	300,000	—		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	657,249	319,414		46

## 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 (As of March 31, 2015)

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Millions 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)
	As of March 31, 2015		
<b>(Assets)</b>			
Cash and due from banks	39,569,276		
Call loans and bills bought	1,326,965		
Receivables under resale agreements	746,431		
Receivables under securities borrowing transactions	6,447,116		
Monetary claims bought	4,128,907		
Trading assets	7,364,988	6-a	
Money held in trust	1		
Securities	29,559,334	2-b, 6-b	
Loans and bills discounted	75,119,565	6-c	
Foreign exchanges	1,907,667		
Lease receivables and investment assets	252,213		
Other assets	3,422,970		
Tangible fixed assets	1,073,206		
Intangible fixed assets	454,584	2-a	
Net defined benefit asset	367,953	3	
Deferred tax assets	68,265	4-a	
Customers' liabilities for acceptances and guarantees	6,289,881		
Reserve for possible loan losses	(540,134)		
<b>Total assets</b>	<b>177,559,197</b>		
<b>(Liabilities)</b>			
Deposits	101,503,889		
Negotiable certificates of deposit	14,032,798		
Call money and bills sold	5,873,123		
Payables under repurchase agreements	991,860		
Payables under securities lending transactions	7,833,219		
Commercial paper	3,352,662		
Trading liabilities	5,636,406	6-d	
Borrowed money	8,223,808	8	
Foreign exchanges	1,110,822		
Short-term bonds	545,700		
Bonds	5,663,566		
Due to trust account	718,133		
Other liabilities	5,098,781		
Reserve for employee bonuses	59,893		
Reserve for executive bonuses	2,567		
Net defined benefit liability	12,641		
Reserve for executive retirement benefits	759		
Reserve for point service program	1,798		
Reserve for reimbursement of deposits	20,870		
Reserve for losses on interest repayment	632		
Reserve under the special laws	755		
Deferred tax liabilities	514,070	4-b	
Deferred tax liabilities for land revaluation	34,550	4-c	
Acceptances and guarantees	6,289,881		
<b>Total liabilities</b>	<b>167,523,193</b>		
<b>(Net assets)</b>			
Capital stock	1,770,996	1-a	
Capital surplus	2,717,421	1-b	
Retained earnings	2,751,080	1-c	
Treasury stock	(210,003)	1-d	
<b>Total stockholders' equity</b>	<b>7,029,494</b>		
Net unrealized gains on other securities	1,756,894		
Net deferred losses on hedges	(27,049)	5	
Land revaluation excess	38,943		
Foreign currency translation adjustments	114,413		
Remeasurements of defined benefit plans	44,216		
<b>Total accumulated other comprehensive income</b>	<b>1,927,419</b>		3
Stock acquisition rights	198	7-a	
Non-controlling interests	1,078,891	7-b	
<b>Total net assets</b>	<b>10,036,003</b>		
<b>Total liabilities and net assets</b>	<b>177,559,197</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

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Capital stock	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-a
Capital surplus	2,717,421	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	2,751,080		1-c
Treasury stock	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
Total stockholders' equity	7,029,494		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	7,029,494	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	4,278,414		1a
of which: retained earnings	2,751,080		2
of which: treasury stock (-)	—		1c
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	31a

2. Intangible assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Intangible fixed assets	454,584		2-a
Securities	29,559,334		2-b
of which: goodwill attributable to equity-method investees	82,257		
Income taxes related to above	98,622		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Goodwill (including those equivalent)	230,346		8
Other intangible assets other than goodwill and mortgage servicing rights	207,873	Software and other	9
Mortgage servicing rights	—		
Amount exceeding the 10% threshold on specified items	—		20
Amount exceeding the 15% threshold on specified items	—		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		74

3. Net defined benefit asset

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Net defined benefit asset	367,953		3
Income taxes related to above	118,175		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Net defined benefit asset	249,777		15

#### 4. Deferred tax assets

##### (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Deferred tax assets	68,265		4-a
Deferred tax liabilities	514,070		4-b
Deferred tax liabilities for land revaluation	34,550		4-c
Tax effects on other intangible assets	98,622		
Tax effects on net defined benefit asset	118,175		

##### (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,620	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets arising from temporary differences (net of related tax liability)	6,443	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	
Amount exceeding the 10% threshold on specified items	—		21
Amount exceeding the 15% threshold on specified items	—		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	6,443		75

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

##### (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Net deferred losses on hedges	(27,049)		5

##### (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Net deferred losses on hedges	(25,563)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

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

##### (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Trading assets	7,364,988	Including trading account securities and derivatives for trading assets	6-a
Securities	29,559,334		6-b
Loans and bills discounted	75,119,565	Including subordinated loans	6-c
Trading liabilities	5,636,406	Including trading account securities sold and derivatives for trading liabilities	6-d

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Investments in own capital instruments	139		
Common Equity Tier 1 capital	139		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)	691,075		
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)	691,075		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	1,032,340		
Amount exceeding the 10% threshold on specified items	—		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	158,633		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)	748,706		73

## 7. Non-controlling interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Stock acquisition rights	198		7-a
Non-controlling interests	1,078,891		7-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	163,992		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	25,321		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	2,359		48-49

## 8. Other capital instruments

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Borrowed money	8,223,808		8

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	374,988		46

## 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.

## Leverage Ratio Information (Consolidated)

Sumitomo Mitsui Banking Corporation and Subsidiaries

### ■ Composition of Leverage Ratio

(In million yen, %)

Corresponding line # on Basel III disclosure template (Table2)	Corresponding line # on Basel III disclosure template (Table1)	Item	As of September 30, 2015	As of September 30, 2014
On-balance sheet exposures (1)				
1		On-balance sheet exposures before deducting adjustment items	159,523,466	
1a	1	Total assets reported in the consolidated balance sheet	180,713,484	
1b	2	The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis (-)	—	
1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)	—	
1d	3	The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (except adjustment items) (-)	21,190,017	
2	7	The amount of adjustment items pertaining to Tier 1 capital (-)	331,865	
3		Total on-balance sheet exposures (a)	159,191,601	
Exposures related to derivative transactions (2)				
4		Replacement cost associated with derivatives transactions, etc.	2,080,802	
5		Add-on amount associated with derivatives transactions, etc.	2,912,464	
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	546,543	
6		The amount of receivables arising from providing cash margin, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework	—	
7		The amount of deductions of receivables (out of those arising from providing cash variation margin) (-)	546,543	
8		The amount of client-cleared trade exposures for which a bank acting as clearing member is not obliged to make any indemnification (-)		
9		Adjusted effective notional amount of written credit derivatives	492,813	
10		The amount of deductions from effective notional amount of written credit derivatives (-)	293,363	
11	4	Total exposures related to derivative transactions (b)	5,192,717	
Exposures related to repo transactions (3)				
12		The amount of assets related to repo transactions, etc.	7,242,075	
13		The amount of deductions from the assets above (line 12) (-)	—	
14		The exposures for counterparty credit risk for repo transactions, etc.	31,759	
15		The exposures for agent repo transaction		
16	5	Total exposures related to repo transactions, etc. (c)	7,273,834	
Exposures related to off-balance sheet transactions (4)				
17		Notional amount of off-balance sheet transactions	53,328,196	
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	35,381,692	
19	6	Total exposures related to off-balance sheet transactions (d)	17,946,503	
Leverage ratio on a consolidated basis (5)				
20		The amount of capital (Tier 1 capital) (e)	8,402,157	
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	189,604,657	
22		Leverage ratio on a consolidated basis ((e)/(f))	4.43%	

(In million yen, %)

Corresponding line # on Basel III disclosure template (Table2)	Corresponding line # on Basel III disclosure template (Table1)	Item	As of March 31, 2015
On-balance sheet exposures (1)			
1		On-balance sheet exposures before deducting adjustment items	155,497,153
1a	1	Total assets reported in the consolidated balance sheet	177,559,197
1b	2	The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis (-)	—
1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)	—
1d	3	The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (except adjustment items) (-)	22,062,043
2	7	The amount of adjustment items pertaining to Tier 1 capital (-)	340,643
3		Total on-balance sheet exposures (a)	155,156,510
Exposures related to derivative transactions (2)			
4		Replacement cost associated with derivatives transactions, etc.	2,208,431
5		Add-on amount associated with derivatives transactions, etc.	3,326,000
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	615,854
6		The amount of receivables arising from providing cash margin, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework	—
7		The amount of deductions of receivables (out of those arising from providing cash variation margin) (-)	615,854
8		The amount of client-cleared trade exposures for which a bank acting as clearing member is not obliged to make any indemnification (-)	—
9		Adjusted effective notional amount of written credit derivatives	491,723
10		The amount of deductions from effective notional amount of written credit derivatives (-)	294,754
11	4	Total exposures related to derivative transactions (b)	5,731,400
Exposures related to repo transactions (3)			
12		The amount of assets related to repo transactions, etc.	7,193,548
13		The amount of deductions from the assets above (line 12) (-)	—
14		The exposures for counterparty credit risk for repo transactions, etc.	58,999
15		The exposures for agent repo transaction	—
16	5	Total exposures related to repo transactions, etc. (c)	7,252,547
Exposures related to off-balance sheet transactions (4)			
17		Notional amount of off-balance sheet transactions	51,113,302
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	34,046,090
19	6	Total exposures related to off-balance sheet transactions (d)	17,067,211
Leverage ratio on a consolidated basis (5)			
20		The amount of capital (Tier 1 capital) (e)	8,111,724
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	185,207,669
22		Leverage ratio on a consolidated basis ((e)/(f))	4.37%



## Liquidity Coverage Ratio Information (Consolidated)

Sumitomo Mitsui Banking Corporation and Subsidiaries

Since March 31, 2015, the “liquidity coverage ratio” (hereinafter referred to as “LCR”), the liquidity regulation under the Basel III, has been introduced in Japan. In addition to the application of uniform international standards, SMBC calculates its consolidated LCR using the calculation formula stipulated in the “Criteria for Evaluating the Soundness of Liquidity Status Set Forth by a Bank as a Benchmark for Judging its Soundness of Management, Based on the Provision of Article 14-2 of the Banking Act” (Notification No. 60 issued by the Japanese Financial Services Agency in 2014; hereinafter referred to as the “LCR Notification”). Meanwhile, SMBC discloses its LCR in compliance with “Matters Related to the Status of the Soundness of Management Concerning Liquidity Separately Specified by the Commissioner of the Japanese Financial Services Agency, Based on the Provision of Article 19-2, Paragraph 1, Item 5 (e) of the Ordinance for Enforcement of the Banking Act, etc.” (Notification No. 7 issued by the Japanese Financial Services Agency in 2015).

### ■ Disclosure of Qualitative Information about Liquidity Coverage Ratio

#### 1. Intra-period Changes in Consolidated LCR

As described in “Disclosure of Quantitative Information about Liquidity Coverage Ratio” on the following page, the monthly average LCR in the prior and current quarters ended June 30 and September 30, 2015 performed steadily with no significant fluctuation.

#### 2. Assessment of Consolidated LCR

The LCR Notification stipulates that the minimum requirement of LCR for 2015 is set at 60.0% and from 2016 onwards, the LCR is raised in increments of 10.0% in stages, reaching 100.0% in and after 2019 (see table below).

	2015	2016	2017	2018	2019 onwards
The minimum requirement of LCR .....	60.0%	70.0%	80.0%	90.0%	100.0%

LCR of SMBC exceeds the minimum requirements of LCR for 2015 (60.0%) and for 2019 onwards (100.0%), having no cause for concern. SMBC does not expect that the future LCR forecasts will differ significantly from the announced ratios.

In addition, the actual LCR do not differ significantly from the initial forecasts.

#### 3. Composition of High-Quality Liquid Assets

The high-quality liquid assets held by SMBC that are allowed to be included in the calculation of LCR include deposits with central banks, highly-rated bonds and cash. As described in “Disclosure of Quantitative Information about Liquidity Coverage Ratio” on the following page, the amount of such high-quality liquid assets exceed the amount of net cash outflows.

Meanwhile, currency denominations, categories and location, etc. of the high-quality liquid assets allowed to be included in the calculation have not shown any significant changes.

In addition, in respect of major currencies (those of which the aggregate amount of liabilities denominated in a certain currency accounts for 5.0 % or more of SMBC’s total liabilities), there is no significant mismatch in currency denomination between the total amount of the high-quality liquid assets allowed to be included in the calculation and the amount of net cash outflows.

#### 4. Other Information Concerning Consolidated LCR

SMBC has not applied “special provisions concerning qualifying operational deposits” prescribed in Article 29 of the LCR Notification and “increased liquidity needs related to market valuation changes on derivative or other transactions simulated through scenario approach” prescribed in Article 38 of the same Notification.

Meanwhile, SMBC records “cash outflows related to small-sized consolidated subsidiaries,” etc. under “cash outflows based on other contracts” prescribed in Article 60 of the LCR Notification.

## ■ Disclosure of Quantitative Information about Liquidity Coverage Ratio

Sumitomo Mitsui Banking Corporation

(In million yen, %, the number of data)

Item		Current Quarter (From 2015/7/1 To 2015/9/30)		Prior Quarter (From 2015/4/1 To 2015/6/30)	
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
<b>High-Quality Liquid Assets (1)</b>					
1	Total high-quality liquid assets (HQLA)	47,235,024		46,049,374	
<b>Cash Outflows (2)</b>					
2	Cash outflows related to unsecured retail funding	47,227,937	3,703,418	47,030,189	3,690,681
3	of which, Stable deposits	14,572,602	437,178	14,470,201	434,106
4	of which, Less stable deposits	32,655,336	3,266,240	32,559,988	3,256,574
5	Cash outflows related to unsecured wholesale funding	53,658,479	30,765,785	52,613,020	29,308,243
6	of which, Qualifying operational deposits	—	—	—	—
7	of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	46,537,145	23,644,451	45,729,532	22,424,755
8	of which, Debt securities	7,121,334	7,121,334	6,883,488	6,883,488
9	Cash outflows related to secured funding, etc.	49,224		75,989	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	19,128,074	6,564,445	18,488,706	6,441,328
11	of which, Cash outflows related to derivative transactions, etc.	1,594,106	1,594,106	1,685,397	1,685,397
12	of which, Cash outflows related to funding programs	527,106	527,106	519,301	519,301
13	of which, Cash outflows related to credit and liquidity facilities	17,006,862	4,443,234	16,284,008	4,236,629
14	Cash outflows related to contractual funding obligations, etc.	5,986,728	3,648,693	5,799,196	3,952,335
15	Cash outflows related to contingencies	56,138,573	715,040	55,415,541	723,261
16	Total cash outflows	45,446,606		44,191,835	
<b>Cash Inflows (3)</b>					
17	Cash inflows related to secured lending, etc.	4,285,766	329,194	5,014,540	265,522
18	Cash inflows related to collection of loans, etc.	4,211,991	2,796,806	3,921,208	2,561,889
19	Other cash inflows	3,055,825	1,538,657	2,966,917	1,099,873
20	Total cash inflows	11,553,581	4,664,657	11,902,665	3,927,283
<b>Consolidated Liquidity Coverage Ratio (4)</b>					
21	Total HQLA allowed to be included in the calculation	47,235,024		46,049,374	
22	Net cash outflows	40,781,949		40,264,552	
23	Consolidated liquidity coverage ratio (LCR)	115.8%		114.3%	
24	The number of data used to calculate the average value	3		3	

The same information is also available on SMFG's website. ([http://www.smfg.co.jp/english/investor/financial/basel\\_3.html](http://www.smfg.co.jp/english/investor/financial/basel_3.html))

## Capital Ratio Information (Non-consolidated)

Sumitomo Mitsui Banking Corporation

### Capital Structure Information (Non-consolidated Capital Ratio (International Standard))

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2015		As of September 30, 2014	
			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Common Equity Tier 1 capital: instruments and reserves</b>					
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,122,595		6,135,298	
1a	of which: capital and capital surplus	4,031,192		4,042,266	
2	of which: retained earnings	2,282,438		2,257,716	
1c	of which: treasury stock (-)	-		-	
26	of which: cash dividends to be paid (-)	191,034		164,685	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	-		-	
3	Valuation and translation adjustment and other disclosed reserves	520,999	781,499	214,442	857,770
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	-		-	
6	Common Equity Tier 1 capital: instruments and reserves (A)	6,643,595		6,349,741	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	56,933	85,400	24,954	99,819
8	of which: goodwill (including those equivalent)	-	-	-	-
9	of which: other intangible assets other than goodwill and mortgage servicing rights	56,933	85,400	24,954	99,819
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	-	-
11	Net deferred losses on hedges	(37,108)	(55,663)	(15,712)	(62,849)
12	Shortfall of eligible provisions to expected losses	34,940	52,410	20,845	83,380
13	Gain on sale on securitization transactions	18,998	28,498	8,494	33,977
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	-	-
15	Prepaid pension cost	74,708	112,063	36,828	147,312
16	Investments in own shares (excluding those reported in the Net assets section)	-	-	-	-
17	Reciprocal cross-holdings in common equity	-	-	-	-
18	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)	-	-	-	-
19+20+21	Amount exceeding the 10% threshold on specified items	-	-	-	-
19	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-	-	-
20	of which: mortgage servicing rights	-	-	-	-
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
22	Amount exceeding the 15% threshold on specified items	-	-	-	-
23	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-	-	-
24	of which: mortgage servicing rights	-	-	-	-
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	148,472		75,410	
<b>Common Equity Tier 1 capital (CET1)</b>					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	6,495,123		6,274,330	

(Millions of yen, except percentages)

Basel III Template No.		Items	As of September 30, 2015		As of September 30, 2014	
				Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Additional Tier 1 capital: instruments</b>						
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	-	/	-	/
	31b	Stock acquisition rights to Additional Tier 1 instruments	-	/	-	/
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	300,000	/	-	/
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-	/	-	/
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	861,546	/	839,318	/	
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(202)	/	(545)	/	
	of which: foreign currency translation adjustments	(202)	/	(545)	/	
36	Additional Tier 1 capital: instruments (D)	1,161,344	/	838,773	/	
<b>Additional Tier 1 capital: regulatory adjustments</b>						
37	Investments in own Additional Tier 1 instruments	-	-	-	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	-	-	
39	Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	-	-	-	-	
40	Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	63,692	95,538	31,846	127,384	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	54,703	/	75,667	/	
	of which: gain on sale on securitization transactions	28,498	/	33,977	/	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	26,205	/	41,690	/	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	/	-	/	
43	Additional Tier 1 capital: regulatory adjustments (E)	118,395	/	107,513	/	
<b>Additional Tier 1 capital (AT1)</b>						
44	Additional Tier 1 capital ((D)-(E)) (F)	1,042,948	/	731,259	/	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>						
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	7,538,072	/	7,005,590	/	
<b>Tier 2 capital: instruments and provisions</b>						
46		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	658,860	/	326,537	/
		Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-	/	-	/
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,412,068	/	1,533,640	/	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	-	/	-	/	
50a	of which: general reserve for possible loan losses	-	/	-	/	
50b	of which: eligible provisions	-	/	-	/	
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	514,787	/	587,868	/	
	of which: unrealized gains on other securities after 55% discount	498,572	/	565,566	/	
	of which: land revaluation excess after 55% discount	16,215	/	22,301	/	
51	Tier 2 capital: instruments and provisions (H)	2,585,716	/	2,448,046	/	

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2015		As of September 30, 2014	
			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Tier 2 capital: regulatory adjustments</b>					
52	Investments in own Tier 2 instruments	—	—	—	—
53	Reciprocal cross-holdings in Tier 2 instruments	—	—	—	—
54	Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	—	—	—	—
55	Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	50,000	75,000	25,000	100,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	26,205	/	41,690	/
	of which: Tier 2 and deductions under Basel II	26,205	/	41,690	/
57	Tier 2 capital: regulatory adjustments (I)	76,205	/	66,690	/
<b>Tier 2 capital (T2)</b>					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,509,511	/	2,381,356	/
<b>Total capital (TC = T1 + T2)</b>					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	10,047,583	/	9,386,946	/
<b>Risk weighted assets</b>					
	Total of items included in risk weighted assets subject to transitional arrangements	237,169	/	323,162	/
	of which: prepaid pension cost	24,247	/	13,122	/
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	182,392	/	277,366	/
60	Risk weighted assets (L)	49,888,406	/	50,302,392	/
<b>Capital ratio</b>					
61	Common Equity Tier 1 risk-weighted capital ratio ((C)/(L))	13.01%	/	12.47%	/
62	Tier 1 risk-weighted capital ratio ((G)/(L))	15.10%	/	13.92%	/
63	Total risk-weighted capital ratio ((K)/(L))	20.14%	/	18.66%	/
<b>Regulatory adjustments</b>					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	482,426	/	592,647	/
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	651,340	/	515,277	/
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	/	—	/
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	—	/	—	/
<b>Provisions included in Tier 2 capital: instruments and provisions</b>					
76	Provisions (general reserve for possible loan losses)	—	/	—	/
77	Cap on inclusion of provisions (general reserve for possible loan losses)	2,190	/	2,299	/
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	—	/	—	/
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	270,899	/	270,527	/
<b>Capital instruments subject to transitional arrangements</b>					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	866,150	/	989,886	/
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	—	/	—	/
84	Current cap on Tier 2 instruments subject to transitional arrangements	1,412,068	/	1,613,792	/
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	16,282	/	—	/

(Millions of yen)

Items	As of September 30, 2015	As of September 30, 2014
Required capital ((L) × 8%)	3,991,072	4,024,191

(Millions of yen, except percentages)

		As of March 31, 2015	
Basel III Template No.	Items		Amounts excluded under transitional arrangements
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,038,295	
1a	of which: capital and capital surplus	4,042,266	
2	of which: retained earnings	2,327,629	
1c	of which: treasury stock (-)	-	
26	of which: cash dividends to be paid (-)	331,601	
	of which: other than the above	-	
1b	Stock acquisition rights to common shares	-	
3	Valuation and translation adjustment and other disclosed reserves	651,493	977,239
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	-	
6	Common Equity Tier 1 capital: instruments and reserves	(A) 6,689,788	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	54,502	81,753
8	of which: goodwill (including those equivalent)	-	-
9	of which: other intangible assets other than goodwill and mortgage servicing rights	54,502	81,753
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
11	Net deferred losses on hedges	(49,439)	(74,159)
12	Shortfall of eligible provisions to expected losses	25,304	37,957
13	Gain on sale on securitization transactions	18,683	28,025
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
15	Prepaid pension cost	79,484	119,226
16	Investments in own shares (excluding those reported in the Net assets section)	-	-
17	Reciprocal cross-holdings in common equity	-	-
18	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)	-	-
19+20+21	Amount exceeding the 10% threshold on specified items	2,040	3,060
19	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	2,040	3,060
20	of which: mortgage servicing rights	-	-
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
22	Amount exceeding the 15% threshold on specified items	-	-
23	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
24	of which: mortgage servicing rights	-	-
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	Common Equity Tier 1 capital: regulatory adjustments	(B) 130,575	
<b>Common Equity Tier 1 capital (CET1)</b>			
29	Common Equity Tier 1 capital (CET1) ((A)-(B))	(C) 6,559,212	

(Millions of yen, except percentages)

Basel III Template No.		Items	As of March 31, 2015	
				Amounts excluded under transitional arrangements
<b>Additional Tier 1 capital: instruments</b>				
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	/
	31b	Stock acquisition rights to Additional Tier 1 instruments	—	/
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—	/
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	/
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	860,796	/	
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(210)	/	
	of which: foreign currency translation adjustments	(210)	/	
36	Additional Tier 1 capital: instruments	(D) 860,586	/	
<b>Additional Tier 1 capital: regulatory adjustments</b>				
37	Investments in own Additional Tier 1 instruments	—	—	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	
39	Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	—	—	
40	Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	63,692	95,538	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	47,003	/	
	of which: gain on sale on securitization transactions	28,025	/	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	18,978	/	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—	/	
43	Additional Tier 1 capital: regulatory adjustments	(E) 110,695	/	
<b>Additional Tier 1 capital (AT1)</b>				
44	Additional Tier 1 capital ((D)-(E))	(F) 749,890	/	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F))	(G) 7,309,102	/	
<b>Tier 2 capital: instruments and provisions</b>				
46		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	376,262	/
		Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	/
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,412,068	/	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	—	/	
50a	of which: general reserve for possible loan losses	—	/	
50b	of which: eligible provisions	—	/	
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	654,063	/	
	of which: unrealized gains on other securities after 55% discount	637,394	/	
	of which: land revaluation excess after 55% discount	16,668	/	
51	Tier 2 capital: instruments and provisions	(H) 2,442,394	/	

(Millions of yen, except percentages)

		As of March 31, 2015	
Basel III Template No.	Items		Amounts excluded under transitional arrangements
<b>Tier 2 capital: regulatory adjustments</b>			
52	Investments in own Tier 2 instruments	–	–
53	Reciprocal cross-holdings in Tier 2 instruments	–	–
54	Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	–	–
55	Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	50,000	75,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	18,978	
	of which: Tier 2 and deductions under Basel II	18,978	
57	Tier 2 capital: regulatory adjustments	(I)	68,978
<b>Tier 2 capital (T2)</b>			
58	Tier 2 capital (T2) ((H)-(I))	(J)	2,373,415
<b>Total capital (TC = T1 + T2)</b>			
59	Total capital (TC = T1 + T2) ((G) + (J))	(K)	9,682,518
<b>Risk weighted assets</b>			
	Total of items included in risk weighted assets subject to transitional arrangements	252,584	
	of which: prepaid pension cost	25,797	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	183,151	
60	Risk weighted assets	(L)	51,232,836
<b>Capital ratio</b>			
61	Common Equity Tier 1 risk-weighted capital ratio ((C)/(L))		12.80%
62	Tier 1 risk-weighted capital ratio ((G)/(L))		14.26%
63	Total risk-weighted capital ratio ((K)/(L))		18.89%
<b>Regulatory adjustments</b>			
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	524,368	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	734,569	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	–	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	–	
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
76	Provisions (general reserve for possible loan losses)	–	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	2,386	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	–	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	278,163	
<b>Capital instruments subject to transitional arrangements</b>			
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	866,150	
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	–	
84	Current cap on Tier 2 instruments subject to transitional arrangements	1,412,068	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	60,062	

(Millions of yen)

Items	As of March 31, 2015
Required capital ((L) × 8%)	4,098,626



## ■ Reconciliation of Regulatory Capital Elements Back to the Balance Sheet (As of September 30, 2014 and 2015)

Sumitomo Mitsui Banking Corporation

(Millions 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)
	As of September 30, 2015	As of September 30, 2014		
(Assets)				
Cash and due from banks	39,992,676	33,802,357		
Call loans	643,983	618,406		
Receivables under resale agreements	535,997	393,134		
Receivables under securities borrowing transactions	2,326,634	797,509		
Bills bought	—	19,710		
Monetary claims bought	1,061,202	1,019,274		
Trading assets	3,251,465	3,791,827	6-a	
Securities	28,513,860	26,763,465		
Loans and bills discounted	68,796,863	65,778,476	6-c	
Foreign exchanges	1,849,057	2,016,288		
Other assets	1,960,487	1,923,243		
Tangible fixed assets	822,174	778,966		
Intangible fixed assets	209,931	193,659	2	
Prepaid pension cost	275,474	285,800	3	
Customers' liabilities for acceptances and guarantees	6,623,332	6,314,286		
Reserve for possible loan losses	(351,607)	(355,043)		
Reserve for possible losses on investments	(23,992)	(77,251)		
<b>Total assets</b>	<b>156,487,541</b>	<b>144,064,112</b>		
(Liabilities)				
Deposits	92,002,876	85,496,463		
Negotiable certificates of deposit	15,883,208	14,974,230		
Call money	5,033,082	3,351,288		
Payables under repurchase agreements	84,417	723,892		
Payables under securities lending transactions	5,673,506	4,580,117		
Commercial paper	2,341,129	2,028,604		
Trading liabilities	2,552,196	2,740,084	6-d	
Borrowed money	8,871,945	7,058,826		
Foreign exchanges	921,485	635,576		
Short-term bonds	21,000	25,000		
Bonds	5,211,015	4,572,916		
Due to trust account	596,792	770,114		
Other liabilities	2,680,476	3,144,838		
Reserve for employee bonuses	13,256	12,777		
Reserve for point service program	797	793		
Reserve for reimbursement of deposits	13,842	10,354		
Deferred tax liabilities	313,406	213,636	4-a	
Deferred tax liabilities for land revaluation	33,589	37,778	4-b	
Acceptances and guarantees	6,623,332	6,314,286		
<b>Total liabilities</b>	<b>148,871,358</b>	<b>136,691,578</b>		
(Net assets)				
Capital stock	1,770,996	1,770,996	1-a	
Capital surplus	2,470,198	2,481,273	1-b	
Retained earnings	2,281,995	2,256,957		
Treasury stock	(210,003)	(210,003)	1-d	
<b>Total stockholders' equity</b>	<b>6,313,187</b>	<b>6,299,224</b>		
Net unrealized gains on other securities	1,370,782	1,128,860		
Net deferred losses on hedges	(94,252)	(79,723)		
Land revaluation excess	26,466	24,171		
<b>Total valuation and translation adjustments</b>	<b>1,302,996</b>	<b>1,073,309</b>		
<b>Total net assets</b>	<b>7,616,183</b>	<b>7,372,534</b>		
<b>Total liabilities and net assets</b>	<b>156,487,541</b>	<b>144,064,112</b>		

Note: The non-consolidated capital 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 Act" (Notification No. 19 of 2006, the Financial Services Agency). The above capital ratio is calculated using the following balance sheet accounts reported on the consolidated financial statements.

Balance sheet account	(Millions of yen)		Cross-reference to Appended Table	Reference # of Basel III common disclosure template under the Composition of Capital Disclosure (Basel III Template)
	Amount reported on the consolidated financial statements			
Securities	28,500,281	26,749,886	6-b	3
Borrowed money	8,001,772	6,211,031	7	
Retained earnings	2,282,438	2,257,716	1-c	
Net deferred losses on hedges	(94,411)	(80,138)	5	
Total valuation and translation adjustments	1,302,499	1,072,212		

(Appended Table)

1. Stockholders' equity

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Capital stock	1,770,996	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-a
Capital surplus	2,470,198	2,481,273	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	2,282,438	2,257,716		1-c
Treasury stock	(210,003)	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
Total stockholders' equity	6,313,630	6,299,983		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,313,630	6,299,983	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	4,031,192	4,042,266		1a
of which: retained earnings	2,282,438	2,257,716		2
of which: treasury stock (-)	—	—		1c
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	31a

2. Intangible assets

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Intangible fixed assets	209,931	193,659		2
Income taxes related to above	67,598	68,884		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Goodwill (including those equivalent)	—	—		8
Other intangible assets other than goodwill and mortgage servicing rights	142,333	124,774	Software and other	9
Mortgage servicing rights	—	—		
Amount exceeding the 10% threshold on specified items	—	—		20
Amount exceeding the 15% threshold on specified items	—	—		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	—		74

3. Prepaid pension cost

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Prepaid pension cost	275,474	285,800		3
Income taxes related to above	88,702	101,659		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Prepaid pension cost	186,771	184,140		15

#### 4. Deferred tax assets

##### (1) Balance sheet

(Millions of yen)

Balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
Deferred tax liabilities	313,406	213,636	
Deferred tax liabilities for land revaluation	33,589	37,778	
Tax effects on other intangible assets	67,598	68,884	
Tax effects on prepaid pension cost	88,702	101,659	

Ref. No.
4-a
4-b

##### (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	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)	—	—	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)	—	—	

Basel III Template No.
10
21
25
75

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

##### (1) Balance sheet

(Millions of yen)

Balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
Net deferred losses on hedges	(94,411)	(80,138)	

Ref. No.
5

##### (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
Net deferred losses on hedges	(92,772)	(78,562)	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

(Millions of yen)

Balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
Trading assets	3,251,465	3,791,827	Including trading account securities and derivatives for trading assets
Securities	28,500,281	26,749,886	
Loans and bills discounted	68,796,863	65,778,476	Including subordinated loans
Trading liabilities	2,552,196	2,740,084	Including trading account securities sold and derivatives for trading liabilities

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

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	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)	482,426	592,647		
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)	482,426	592,647		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	935,570	799,508		
Amount exceeding the 10% threshold on specified items	—	—		19
Amount exceeding the 15% threshold on specified items	—	—		23
Additional Tier 1 capital	159,230	159,230		40
Tier 2 capital	125,000	125,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	651,340	515,277		73

## 7. Other capital instruments

## (1) Balance sheet

(Millions of yen)

Balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks	Ref. No.
Borrowed money	8,001,772	6,211,031		7

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	300,000	—		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	658,860	326,537		46

## 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 (As of March 31, 2015)

Sumitomo Mitsui Banking Corporation

(Millions 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)
	As of March 31, 2015		
<b>(Assets)</b>			
Cash and due from banks	37,008,665		
Call loans	539,916		
Receivables under resale agreements	417,473		
Receivables under securities borrowing transactions	2,012,795		
Monetary claims bought	1,047,498		
Trading assets	3,627,862	6-a	
Securities	29,985,267		
Loans and bills discounted	68,274,308	6-c	
Foreign exchanges	1,798,843		
Other assets	2,460,344		
Tangible fixed assets	812,383		
Intangible fixed assets	200,966	2	
Prepaid pension cost	293,082	3	
Customers' liabilities for acceptances and guarantees	6,721,131		
Reserve for possible loan losses	(394,140)		
Reserve for possible losses on investments	(82,321)		
<b>Total assets</b>	<b>154,724,079</b>		
<b>(Liabilities)</b>			
Deposits	91,337,714		
Negotiable certificates of deposit	14,022,064		
Call money	4,579,940		
Payables under repurchase agreements	350,010		
Payables under securities lending transactions	5,113,896		
Commercial paper	2,551,652		
Trading liabilities	2,754,739	6-d	
Borrowed money	8,096,070		
Foreign exchanges	1,172,969		
Short-term bonds	25,000		
Bonds	5,095,577		
Due to trust account	717,529		
Other liabilities	3,672,970		
Reserve for employee bonuses	13,738		
Reserve for executive bonuses	644		
Reserve for point service program	1,119		
Reserve for reimbursement of deposits	19,589		
Deferred tax liabilities	444,863	4-a	
Deferred tax liabilities for land revaluation	34,141	4-b	
Acceptances and guarantees	6,721,131		
<b>Total liabilities</b>	<b>146,725,363</b>		
<b>(Net assets)</b>			
Capital stock	1,770,996	1-a	
Capital surplus	2,481,273	1-b	
Retained earnings	2,327,186		
Treasury stock	(210,003)	1-d	
<b>Total stockholders' equity</b>	<b>6,369,453</b>		
Net unrealized gains on other securities	1,726,573		
Net deferred losses on hedges	(124,906)		
Land revaluation excess	27,593		
<b>Total valuation and translation adjustments</b>	<b>1,629,261</b>		
<b>Total net assets</b>	<b>7,998,715</b>		
<b>Total liabilities and net assets</b>	<b>154,724,079</b>		

Note: The non-consolidated capital 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 Act" (Notification No. 19 of 2006, the Financial Services Agency). The above capital ratio is calculated using the following balance sheet accounts reported on the consolidated financial statements.

(Millions of yen)			
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	29,971,688	6-b	
Borrowed money	7,226,652	7	
Retained earnings	2,327,629	1-c	
Net deferred losses on hedges	(125,084)	5	
Total valuation and translation adjustments	1,628,732		3

(Appended Table)

1. Stockholders' equity

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Capital stock	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-a
Capital surplus	2,481,273	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	2,327,629		1-c
Treasury stock	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
Total stockholders' equity	6,369,896		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,369,896	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		1a
of which: retained earnings	2,327,629		2
of which: treasury stock (-)	—		1c
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	31a

2. Intangible assets

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Intangible fixed assets	200,966		2
Income taxes related to above	64,711		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Goodwill (including those equivalent)	—		8
Other intangible assets other than goodwill and mortgage servicing rights	136,255	Software and other	9
Mortgage servicing rights	—		
Amount exceeding the 10% threshold on specified items	—		20
Amount exceeding the 15% threshold on specified items	—		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		74

3. Prepaid pension cost

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Prepaid pension cost	293,082		3
Income taxes related to above	94,372		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Prepaid pension cost	198,710		15



#### 4. Deferred tax assets

##### (1) Balance sheet (Millions of yen)

Balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Deferred tax liabilities	444,863		4-a
Deferred tax liabilities for land revaluation	34,141		4-b
Tax effects on other intangible assets	64,711		
Tax effects on prepaid pension cost	94,372		

##### (2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
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.	10
Deferred tax assets 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.	
Amount exceeding the 10% threshold on specified items	—		21
Amount exceeding the 15% threshold on specified items	—		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	—		75

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

##### (1) Balance sheet (Millions of yen)

Balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Net deferred losses on hedges	(125,084)		5

##### (2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Net deferred losses on hedges	(123,598)	Excluding those items whose valuation differences arising from hedged items are recognized as "Total valuation and translation adjustments"	11

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

##### (1) Balance sheet (Millions of yen)

Balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Trading assets	3,627,862	Including trading account securities and derivatives for trading assets	6-a
Securities	29,971,688		6-b
Loans and bills discounted	68,274,308	Including subordinated loans	6-c
Trading liabilities	2,754,739	Including trading account securities sold and derivatives for trading liabilities	6-d

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	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)	524,368		
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)	524,368		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	1,023,901		
Amount exceeding the 10% threshold on specified items	5,101		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)	734,569		73

## 7. Other capital instruments

## (1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2015	Remarks	Ref. No.
Borrowed money	7,226,652		7

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2015	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	376,262		46

## 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.

## Liquidity Coverage Ratio Information (Non-consolidated)

Sumitomo Mitsui Banking Corporation

Since March 31, 2015, the “liquidity coverage ratio” (hereinafter referred to as “LCR”), the liquidity regulation under the Basel III, has been introduced in Japan. In addition to the application of uniform international standards, SMBC calculates its non-consolidated LCR using the calculation formula stipulated in the “Criteria for Evaluating the Soundness of Liquidity Status Set Forth by a Bank as a Benchmark for Judging its Soundness of Management, Based on the Provision of Article 14-2 of the Banking Act” (Notification No. 60 issued by the Japanese Financial Services Agency in 2014; hereinafter referred to as the “LCR Notification”). Meanwhile, SMBC discloses its LCR in compliance with “Matters Related to the Status of the Soundness of Management Concerning Liquidity Separately Specified by the Commissioner of the Japanese Financial Services Agency, Based on the Provision of Article 19-2, Paragraph 1, Item 5 (e) of the Ordinance for Enforcement of the Banking Act, etc.” (Notification No. 7 issued by the Japanese Financial Services Agency in 2015).

### ■ Disclosure of Qualitative Information about Liquidity Coverage Ratio

#### 1. Intra-period Changes in Non-consolidated LCR

As described in “Disclosure of Quantitative Information about Liquidity Coverage Ratio” on the following page, the monthly average LCR in the prior and current quarters ended June 30 and September 30, 2015 performed steadily with no significant fluctuation.

#### 2. Assessment of Non-consolidated LCR

The LCR Notification stipulates that the minimum requirement of LCR for 2015 is set at 60.0% and from 2016 onwards, the LCR is raised in increments of 10.0% in stages, reaching 100.0% in and after 2019 (see table below).

	2015	2016	2017	2018	2019 onwards
The minimum requirement of LCR .....	60.0%	70.0%	80.0%	90.0%	100.0%

LCR of SMBC exceeds the minimum requirements of LCR for 2015 (60.0%) and for 2019 onwards (100.0%), having no cause for concern. SMBC does not expect that the future LCR forecasts will differ significantly from the announced ratios.

In addition, the actual LCR do not differ significantly from the initial forecasts.

#### 3. Composition of High-Quality Liquid Assets

The high-quality liquid assets held by SMBC that are allowed to be included in the calculation of LCR include deposits with central banks, highly-rated bonds and cash. As described in “Disclosure of Quantitative Information about Liquidity Coverage Ratio” on the following page, the amount of such high-quality liquid assets exceed the amount of net cash outflows.

Meanwhile, currency denominations, categories and location, etc. of the high-quality liquid assets allowed to be included in the calculation have not shown any significant changes.

In addition, in respect of major currencies (those of which the aggregate amount of liabilities denominated in a certain currency accounts for 5.0 % or more of SMBC’s total liabilities), there is no significant mismatch in currency denomination between the total amount of the high-quality liquid assets allowed to be included in the calculation and the amount of net cash outflows.

#### 4. Other Information Concerning Non-consolidated LCR

SMBC has not applied “special provisions concerning qualifying operational deposits” prescribed in Article 29 of the LCR Notification and “increased liquidity needs related to market valuation changes on derivative or other transactions simulated through scenario approach” prescribed in Article 38 of the same Notification.

Meanwhile, SMBC records “due to trust account,” etc. under “cash outflows based on other contracts” prescribed in Article 60 of the LCR Notification.

## ■ Disclosure of Quantitative Information about Liquidity Coverage Ratio

Sumitomo Mitsui Banking Corporation

(In million yen, %, the number of data)

Item		Current Quarter (From 2015/7/1 To 2015/9/30)		Prior Quarter (From 2015/4/1 To 2015/6/30)	
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
<b>High-Quality Liquid Assets (1)</b>					
1	Total high-quality liquid assets (HQLA)	42,119,552		41,262,727	
<b>Cash Outflows (2)</b>					
2	Cash outflows related to unsecured retail funding	42,126,317	3,274,861	41,909,737	3,260,550
3	of which, Stable deposits	13,401,096	402,033	13,294,350	398,830
4	of which, Less stable deposits	28,725,222	2,872,828	28,615,388	2,861,720
5	Cash outflows related to unsecured wholesale funding	49,601,068	28,704,329	48,653,059	27,321,450
6	of which, Qualifying operational deposits	—	—	—	—
7	of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	42,755,149	21,858,411	42,035,894	20,704,286
8	of which, Debt securities	6,845,919	6,845,919	6,617,164	6,617,164
9	Cash outflows related to secured funding, etc.	42,172		64,920	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	17,591,040	5,872,061	16,943,659	5,735,958
11	of which, Cash outflows related to derivative transactions, etc.	961,050	961,050	1,040,644	1,040,644
12	of which, Cash outflows related to funding programs	527,106	527,106	519,301	519,301
13	of which, Cash outflows related to credit and liquidity facilities	16,102,884	4,383,905	15,383,714	4,176,014
14	Cash outflows related to contractual funding obligations, etc.	2,746,956	1,796,557	2,420,355	1,943,462
15	Cash outflows related to contingencies	54,679,076	688,062	54,169,568	696,167
16	Total cash outflows	40,378,041		39,022,507	
<b>Cash Inflows (3)</b>					
17	Cash inflows related to secured lending, etc.	1,031,920	327,489	997,347	261,401
18	Cash inflows related to collection of loans, etc.	4,561,992	3,387,399	4,059,741	2,936,207
19	Other cash inflows	1,825,622	1,151,903	1,306,915	616,075
20	Total cash inflows	7,419,534	4,866,791	6,364,003	3,813,682
<b>Non-consolidated Liquidity Coverage Ratio (4)</b>					
21	Total HQLA allowed to be included in the calculation	42,119,552		41,262,727	
22	Net cash outflows	35,511,251		35,208,825	
23	Non-consolidated liquidity coverage ratio (LCR)	118.6%		117.1%	
24	The number of data used to calculate the average value	3		3	

The same information is also available on SMFG's website. ([http://www.smfg.co.jp/english/investor/financial/basel\\_3.html](http://www.smfg.co.jp/english/investor/financial/basel_3.html))

## 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 and liabilities (loans, bonds, 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”)

Administrative action or written ordinance by which the Financial Services Agency officially informs Japanese banks of regulations regarding capital adequacy ratio.

### 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.

### CCP-related exposure

Exposure to a central counterparty (CCP) that interposes itself between counterparties to contracts traded in one or more financial markets, becoming the buyer to every seller and the seller to every buyer and thereby ensuring the future performance of open contracts.

### CDS

Abbreviation for Credit Default Swap  
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.

### CVA (credit value adjustment) amount

Capital charges for market-price fluctuation of derivatives transaction due to deteriorated creditworthiness of a counterparty.

### EL

Abbreviation for Expected Loss  
Average loss expected to occur over the coming one year.

### High-quality liquid assets (HQLA)

Assets that can be converted into cash without significant loss of value under stress events, and for which there is no impediment to conversion into cash.

### Historical simulation method

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

### Internal models approach

Methods of measuring market risk equivalent amount as the value at risk (VaR) calculated with models determined by each bank.

### 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 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.

### LCR Notification

Administrative action and written ordinance for official notification to the general public of regulations concerning LCR of financial institutions in Japan which are decided by the Japanese Financial Services Agency based on the Basel Agreement.

### 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.

### Liquidity coverage ratio (LCR)

Indicator of liquidity regulations under the Basel III which has been applied in stages starting from March 31, 2015.  
LCR regulations require banks to hold high-quality liquid assets more than a certain amount in order to cover total cash outflows over a 30-day period under stress events.

### Market-based approach

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

### Market risk equivalent amount

Pursuant to the Basel Capital Accord, the required capital amount imposed on the market-related risk calculated for the four risk categories of mainly the trading book: interest rates, stocks, foreign exchange and commodities.

### Net cash outflows

Amount obtained after subtracting the amount of cash inflows from the amount of cash outflows under stress events.

### 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.

**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).

**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.

**Small-sized consolidated subsidiaries**

Small-sized consolidated subsidiaries that have extremely small impact on the level of consolidated LCR.

**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.

**Standardized method**

Method of calculating market risk using formula determined by the Financial Services Agency.

**Trading**

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

**Underlying assets**

General term used for assets which serve as the source of payments for principal and interest for securitization exposures, etc.

**VaR**

Abbreviation for Value at Risk  
Forecasted maximum loss incurred by the relevant portfolio under certain probability.