

# 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: 374

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)  
Sumitomo Mitsui Asset Management Company, Limited (Investment advisory and investment trust management)  
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, 2017		As of September 30, 2016	
			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	8,322,973		7,608,387	
1a	of which: capital and capital surplus	3,096,937		3,095,197	
2	of which: retained earnings	5,351,360		4,791,135	
1c	of which: treasury stock (-)	12,480		175,404	
26	of which: cash dividends to be paid (-)	112,844		102,541	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	2,900		2,931	
3	Accumulated other comprehensive income and other disclosed reserves	1,389,359	347,339	727,310	484,873
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	174,786		164,809	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	30,754		48,142	
	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)	30,754		48,142	
6	Common Equity Tier 1 capital: instruments and reserves (A)	9,920,774		8,551,581	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	613,394	153,348	507,902	338,601
8	of which: goodwill (including those equivalent)	262,790	65,697	240,452	160,301
9	of which: other intangible assets other than goodwill and mortgage servicing rights	350,603	87,650	267,450	178,300
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,432	358	1,935	1,290
11	Net deferred gains or losses on hedges	(35,770)	(8,942)	49,482	32,988
12	Shortfall of eligible provisions to expected losses	38,579	9,644	20,047	13,365
13	Gain on sale on securitization transactions	49,323	12,330	34,677	23,118
14	Gains and losses due to changes in own credit risk on fair valued liabilities	1,861	465	3,349	2,233
15	Net defined benefit asset	183,563	45,890	95,667	63,778
16	Investments in own shares (excluding those reported in the Net assets section)	7,958	1,989	5,833	3,888
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)	860,341		718,894	
<b>Common Equity Tier 1 capital (CET1)</b>					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	9,060,432		7,832,687	

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2017		As of September 30, 2016		
			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	450,000		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)	219,963		198,679		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	812,928		928,869		
33	of which: instruments issued by bank holding companies and their special purpose vehicles	812,928		928,869		
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	8,214		(42,805)		
	of which: foreign currency translation adjustments	8,214		(42,805)		
36	Additional Tier 1 capital: instruments (D)	1,491,107		1,384,743		
<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)	65,312	16,328	48,039	32,026	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	102,179		235,052		
	of which: goodwill and others	85,026		205,251		
	of which: gain on sale on securitization transactions	12,330		23,118		
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	4,822		6,682		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—		—		
43	Additional Tier 1 capital: regulatory adjustments (E)	167,491		283,091		
<b>Additional Tier 1 capital (AT1)</b>						
44	Additional Tier 1 capital ((D)-(E)) (F)	1,323,616		1,101,651		
<b>Tier 1 capital (T1 = CET1 + AT1)</b>						
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	10,384,048		8,934,338		
<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	901,505		883,592	
	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)	49,182		45,514		
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	810,786		1,165,472		
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)	810,786		1,165,472		
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	77,722		84,517		
50a	of which: general reserve for possible loan losses	77,722		84,517		
50b	of which: eligible provisions	—		—		
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	216,478		322,371		
	of which: unrealized gains on other securities after 55% discount	210,292		309,515		
	of which: land revaluation excess after 55% discount	6,186		12,856		
51	Tier 2 capital: instruments and provisions (H)	2,055,676		2,501,469		

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2017		As of September 30, 2016	
			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Tier 2 capital: regulatory adjustments</b>					
52	Investments in own Tier 2 instruments	0	0	–	–
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)	40,000	10,000	30,000	20,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	27,198		51,945	
	of which: Tier 2 and deductions under Basel II	27,198		51,945	
57	Tier 2 capital: regulatory adjustments (I)	67,198		81,945	
<b>Tier 2 capital (T2)</b>					
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,988,478		2,419,523	
<b>Total capital (TC = T1 + T2)</b>					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	12,372,527		11,353,861	
<b>Risk weighted assets</b>					
	Total of items included in risk weighted assets subject to transitional arrangements	39,911		73,085	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	17,160		32,528	
	of which: net defined benefit asset	12,909		17,995	
	of which: significant investments in Tier 2 capital of Other Financial Institutions (net of eligible short positions)	6,966		16,898	
60	Risk weighted assets (L)	69,905,640		65,049,919	
<b>Capital ratio (consolidated)</b>					
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	12.96%		12.04%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	14.85%		13.73%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	17.69%		17.45%	
<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)	707,716		649,301	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	558,284		512,355	
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)	3,909		15,403	
<b>Provisions included in Tier 2 capital: instruments and provisions</b>					
76	Provisions (general reserve for possible loan losses)	77,722		84,517	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	89,383		93,222	
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	321,873		295,048	
<b>Capital instruments subject to transitional arrangements</b>					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	812,928		975,514	
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	61,617		–	
84	Current cap on Tier 2 instruments subject to transitional arrangements	1,017,141		1,220,569	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	–		–	

(Millions of yen)

Items	As of September 30, 2017	As of September 30, 2016
Required capital ((L) × 8%)	5,592,451	5,203,993

(Millions of yen, except percentages)

Basel III Template No.	Items	As of March 31, 2017	
			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	8,013,333	
1a	of which: capital and capital surplus	3,095,242	
2	of which: retained earnings	5,036,756	
1c	of which: treasury stock (-)	12,913	
26	of which: cash dividends to be paid (-)	105,752	
	of which: other than the above	-	
1b	Stock acquisition rights to common shares	3,206	
3	Accumulated other comprehensive income and other disclosed reserves	1,289,962	322,490
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	172,277	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	27,797	
	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)	27,797	
6	Common Equity Tier 1 capital: instruments and reserves (A)	9,506,577	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	629,840	157,460
8	of which: goodwill (including those equivalent)	274,818	68,704
9	of which: other intangible assets other than goodwill and mortgage servicing rights	355,022	88,755
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,350	837
11	Net deferred gains or losses on hedges	(32,470)	(8,117)
12	Shortfall of eligible provisions to expected losses	63,740	15,935
13	Gain on sale on securitization transactions	46,740	11,685
14	Gains and losses due to changes in own credit risk on fair valued liabilities	2,761	690
15	Net defined benefit asset	174,987	43,746
16	Investments in own shares (excluding those reported in the Net assets section)	9,135	2,283
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)	898,087	
<b>Common Equity Tier 1 capital (CET1)</b>			
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	8,608,490	

(Millions of yen, except percentages)

Basel III Template No.	Items	As of March 31, 2017		
			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	449,897	
		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)	234,697		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	812,928		
33	of which: instruments issued by bank holding companies and their special purpose vehicles	812,928		
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	13,015		
	of which: foreign currency translation adjustments	13,015		
36	Additional Tier 1 capital: instruments (D)	1,510,539		
<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)	64,035	16,008	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	108,814		
	of which: goodwill and others	89,162		
	of which: gain on sale on securitization transactions	11,685		
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	7,967		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—		
43	Additional Tier 1 capital: regulatory adjustments (E)	172,850		
<b>Additional Tier 1 capital (AT1)</b>				
44	Additional Tier 1 capital ((D)-(E)) (F)	1,337,689		
<b>Tier 1 capital (T1 = CET1 + AT1)</b>				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	9,946,179		
<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	898,911	
		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)	54,539		
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	873,116		
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)	873,116		
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	74,104		
50a	of which: general reserve for possible loan losses	74,104		
50b	of which: eligible provisions	—		
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	197,384		
	of which: unrealized gains on other securities after 55% discount	191,125		
	of which: land revaluation excess after 55% discount	6,259		
51	Tier 2 capital: instruments and provisions (H)	2,098,057		

(Millions of yen, except percentages)

Basel III Template No.	Items	As of March 31, 2017	
			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)	40,000	10,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	30,569	
	of which: Tier 2 and deductions under Basel II	30,569	
57	Tier 2 capital: regulatory adjustments	(I)	70,569
<b>Tier 2 capital (T2)</b>			
58	Tier 2 capital (T2) ((H)-(I))	(J)	2,027,488
<b>Total capital (TC = T1 + T2)</b>			
59	Total capital (TC = T1 + T2) ((G)+(J))	(K)	11,973,667
<b>Risk weighted assets</b>			
	Total of items included in risk weighted assets subject to transitional arrangements	38,835	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	16,711	
	of which: net defined benefit asset	12,010	
	of which: significant investments in Tier 2 capital of Other Financial Institutions (net of eligible short positions)	7,709	
60	Risk weighted assets	(L)	70,683,540
<b>Capital ratio (consolidated)</b>			
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))		12.17%
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))		14.07%
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))		16.93%
<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)	729,452	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	542,985	
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)	24,339	
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
76	Provisions (general reserve for possible loan losses)	74,104	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	84,683	
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	331,220	
<b>Capital instruments subject to transitional arrangements</b>			
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	812,928	
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	58,050	
84	Current cap on Tier 2 instruments subject to transitional arrangements	1,017,141	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	–	

(Millions of yen)

Items	As of March 31, 2017
Required capital ((L) × 8%)	5,654,683

## ■ Capital Requirements

September 30	Billions of yen	
	2017	2016
<b>Capital requirements for credit risk:</b>		
Internal ratings-based approach .....	5,071.9	4,694.4
Corporate exposures: .....	3,015.6	2,857.5
Corporate exposures (excluding specialized lending) .....	2,530.2	2,435.7
Sovereign exposures .....	45.6	41.1
Bank exposures .....	140.8	117.6
Specialized lending .....	299.1	263.1
Retail exposures: .....	738.5	606.9
Residential mortgage exposures .....	312.5	356.5
Qualifying revolving retail exposures .....	219.6	140.1
Other retail exposures .....	206.3	110.2
Equity exposures: .....	479.5	456.6
PD/LGD approach .....	371.5	298.3
Market-based approach .....	108.0	158.4
Simple risk weight method .....	57.8	94.1
Internal models method .....	50.2	64.3
Credit risk-weighted assets under Article 145 of the Notification .....	303.9	273.1
Securitization exposures .....	75.1	68.9
Other exposures .....	459.2	431.3
Standardized approach .....	551.9	580.2
Amount corresponding to CVA risk .....	181.8	208.7
CCP-related exposures .....	11.2	8.8
<b>Total capital requirements for credit risk .....</b>	<b>5,816.8</b>	<b>5,492.0</b>
<b>Capital requirements for market risk:</b>		
Standardized method .....	117.4	73.1
Interest rate risk .....	39.3	34.8
Equity position risk .....	59.0	18.4
Foreign exchange risk .....	1.3	2.0
Commodities risk .....	0.0	0.0
Options .....	17.8	17.8
Internal models approach .....	123.5	91.2
Securitization exposures .....	9.0	7.4
<b>Total capital requirements for market risk .....</b>	<b>249.9</b>	<b>171.6</b>
<b>Capital requirements for operational risk:</b>		
Advanced measurement approach .....	228.5	234.7
Basic indicator approach .....	54.1	43.7
<b>Total capital requirements for operational risk .....</b>	<b>282.6</b>	<b>278.5</b>
<b>Total amount of capital requirements .....</b>	<b>6,349.3</b>	<b>5,942.1</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 any 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	Virtually 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					
<b>September 30, 2017</b>										
J1-J3 .....	30,750.5	24,425.0	6,325.5	5,218.6	49.49%	0.06%	35.16%	—%	18.31%	
J4-J6 .....	14,895.9	13,097.9	1,798.0	659.8	50.57	0.76	34.20	—	51.87	
J7 (excluding J7R) .....	10,50.8	812.7	238.0	231.3	49.46	14.23	38.77	—	172.18	
Japanese government and local municipal corporations .....	51,372.2	51,030.2	342.0	145.1	49.38	0.00	35.30	—	0.01	
Others .....	4,477.9	4,292.3	185.5	91.5	49.38	0.82	43.92	—	56.88	
Default (J7R, J8-J10) .....	521.3	498.2	23.1	15.2	99.85	100.00	47.37	46.38	12.41	
<b>Total .....</b>	<b>103,068.5</b>	<b>94,156.4</b>	<b>8,912.2</b>	<b>6,361.4</b>	—	—	—	—	—	

	Billions of yen									
	Exposure amount			Undrawn amount			Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
	Total	On-balance sheet assets	Off-balance sheet assets	Total	Weighted average CCF					
<b>September 30, 2016</b>										
J1-J3 .....	25,718.1	20,390.0	5,328.2	5,225.4	49.50%	0.06%	35.74%	—%	18.72%	
J4-J6 .....	16,152.9	13,932.6	2,220.3	1,065.2	49.93	0.72	34.11	—	49.71	
J7 (excluding J7R) .....	715.3	674.0	41.3	17.0	49.44	15.81	34.19	—	149.22	
Japanese government and local municipal corporations .....	45,224.6	44,795.1	429.5	111.5	49.39	0.00	35.31	—	0.01	
Others .....	4,512.5	4,240.4	272.2	166.1	49.92	0.85	44.47	—	56.11	
Default (J7R, J8-J10) .....	658.2	629.6	28.6	0.1	82.54	100.00	47.13	46.48	8.08	
<b>Total .....</b>	<b>92,981.6</b>	<b>84,661.6</b>	<b>8,320.0</b>	<b>6,585.3</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					
<b>September 30, 2017</b>										
G1-G3.....	42,553.6	31,588.0	10,965.5	10,732.9	49.38%	0.12%	28.36%	—%	15.93%	
G4-G6.....	2,030.4	1,542.4	488.0	341.5	49.38	2.78	24.11	—	68.87	
G7 (excluding G7R) .....	303.1	180.0	123.1	184.8	49.38	17.16	24.80	—	126.69	
Others.....	657.7	206.1	451.6	31.2	50.12	1.00	25.90	—	25.16	
Default (G7R, G8-G10) .....	101.9	94.9	7.0	4.8	100.00	100.00	62.66	58.45	52.63	
<b>Total.....</b>	<b>45,646.8</b>	<b>33,611.5</b>	<b>12,035.3</b>	<b>11,295.1</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	

	Billions of yen									
	Exposure amount			Undrawn amount			Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
	Total	On-balance sheet assets	Off-balance sheet assets	Total	Weighted average CCF					
<b>September 30, 2016</b>										
G1-G3.....	32,971.4	23,933.3	9,038.1	8,065.7	49.39%	0.14%	29.04%	—%	18.35%	
G4-G6.....	2,154.9	1,434.3	720.6	396.5	49.39	3.06	22.55	—	65.80	
G7 (excluding G7R) .....	354.6	294.8	59.8	104.2	49.39	15.67	25.19	—	124.05	
Others.....	394.9	96.5	298.4	38.6	49.99	1.05	28.09	—	30.99	
Default (G7R, G8-G10) .....	87.6	81.6	6.0	2.8	100.00	100.00	70.40	66.25	51.88	
<b>Total.....</b>	<b>35,963.3</b>	<b>25,840.4</b>	<b>10,122.9</b>	<b>8,607.8</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	

B. Specialized Lending (SL)

Portfolio

a. Slotting Criteria Applicable Portion

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

September 30	Risk weight	Billions of yen					
		2017			2016		
		Project finance	Object finance	IPRE	Project finance	Object finance	IPRE
<b>Strong:</b>							
Residual term less than 2.5 years .....	50%	6.5	—	5.0	0.0	—	2.7
Residual term 2.5 years or more .....	70%	23.9	4.0	16.2	26.7	2.5	11.9
<b>Good:</b>							
Residual term less than 2.5 years .....	70%	38.7	—	—	30.5	—	4.0
Residual term 2.5 years or more .....	90%	9.9	—	2.5	14.5	—	10.5
Satisfactory .....	115%	26.1	—	12.3	24.5	0.8	18.1
Weak.....	250%	—	0.1	—	—	—	—
Default .....	—	3.5	—	1.6	3.1	—	0.0
<b>Total.....</b>		<b>108.6</b>	<b>4.1</b>	<b>37.6</b>	<b>99.4</b>	<b>3.2</b>	<b>47.2</b>

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

September 30	Risk weight	Billions of yen	
		2017	2016
<b>Strong:</b>			
Residual term less than 2.5 years .....	70%	10.5	11.5
Residual term 2.5 years or more .....	95%	8.2	3.8
<b>Good:</b>			
Residual term less than 2.5 years .....	95%	52.6	115.6
Residual term 2.5 years or more .....	120%	76.8	57.1
Satisfactory .....	140%	287.8	164.6
Weak.....	250%	5.0	3.3
Default .....	—	—	—
<b>Total.....</b>		<b>441.0</b>	<b>356.0</b>

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

(a) Project Finance

	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, 2017</b>										
G1-G3.....	3,751.0	2,711.5	1,039.4	1,124.7	49.38%	0.29%	25.38%	—%	37.91%	
G4-G6.....	279.9	222.2	57.7	90.2	49.38	2.51	26.97	—	87.04	
G7 (excluding G7R) .....	62.9	58.2	4.7	1.7	49.38	17.23	35.59	—	192.45	
Others.....	—	—	—	—	—	—	—	—	—	
Default (G7R, G8-G10) .....	45.0	43.7	1.3	0.1	100.00	100.00	55.84	51.63	52.63	
<b>Total .....</b>	<b>4,138.8</b>	<b>3,035.6</b>	<b>1,103.1</b>	<b>1,216.7</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	

	Billions of yen									
	Exposure amount			Undrawn amount			Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
	Total	On-balance sheet assets	Off-balance sheet assets	Total	Weighted average CCF	Total				
<b>September 30, 2016</b>										
G1-G3.....	3,300.4	2,296.6	1,003.8	975.9	49.39%	0.32%	28.01%	—%	43.48%	
G4-G6.....	215.1	167.1	48.0	61.5	49.39	2.94	32.03	—	105.54	
G7 (excluding G7R) .....	33.4	26.6	6.8	0.8	49.39	15.19	36.70	—	197.51	
Others.....	—	—	—	—	—	—	—	—	—	
Default (G7R, G8-G10) .....	30.6	30.6	—	—	—	100.00	54.59	50.44	51.88	
<b>Total .....</b>	<b>3,579.5</b>	<b>2,520.9</b>	<b>1,058.6</b>	<b>1,038.1</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	

(b) Object Finance

	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, 2017</b>										
G1-G3.....	210.2	182.0	28.2	20.2	49.38%	0.27%	12.12%	—%	15.52%	
G4-G6.....	37.8	36.6	1.2	—	—	3.18	6.46	—	20.26	
G7 (excluding G7R) .....	0.1	0.1	—	—	—	17.00	45.00	—	256.05	
Others.....	—	—	—	—	—	—	—	—	—	
Default (G7R, G8-G10) .....	5.2	4.6	0.6	—	—	100.00	61.52	57.31	52.63	
<b>Total .....</b>	<b>253.3</b>	<b>223.3</b>	<b>30.0</b>	<b>20.2</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	

	Billions of yen									
	Exposure amount			Undrawn amount			Weighted average PD	Weighted average LGD	Weighted average EL <sub>default</sub>	Weighted average risk weight
	Total	On-balance sheet assets	Off-balance sheet assets	Total	Weighted average CCF	Total				
<b>September 30, 2016</b>										
G1-G3.....	201.1	163.5	37.6	24.2	49.39%	0.33%	11.03%	—%	15.97%	
G4-G6.....	16.6	15.7	0.9	—	—	3.37	22.86	—	84.15	
G7 (excluding G7R) .....	0.3	0.3	—	—	—	14.63	45.00	—	247.42	
Others.....	—	—	—	—	—	—	—	—	—	
Default (G7R, G8-G10) .....	0.0	0.0	—	—	—	100.00	91.00	86.85	51.88	
<b>Total .....</b>	<b>218.0</b>	<b>179.5</b>	<b>38.5</b>	<b>24.2</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, 2017</b>									
J1-J3 .....	1,054.3	916.1	138.1	2.8	49.38%	0.04%	23.22%	—%	10.95%
J4-J6 .....	369.4	329.2	40.2	—	—	0.69	29.88	—	54.73
J7 (excluding J7R) .....	7.4	7.4	—	—	—	26.33	5.00	—	28.53
Others .....	422.4	404.7	17.7	30.8	49.38	0.37	29.06	—	24.09
Default (J7R, J8-J10) .....	—	—	—	—	—	—	—	—	—
<b>Total .....</b>	<b>1,853.4</b>	<b>1,657.5</b>	<b>196.0</b>	<b>33.5</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, 2016</b>									
J1-J3 .....	944.7	844.7	100.0	2.8	49.39%	0.03%	21.73%	—%	9.87%
J4-J6 .....	324.2	252.9	71.3	—	—	1.19	24.33	—	54.23
J7 (excluding J7R) .....	12.2	5.4	6.9	—	—	26.03	19.65	—	106.98
Others .....	287.3	274.9	12.4	16.8	49.39	0.80	30.12	—	29.37
Default (J7R, J8-J10) .....	—	—	—	—	—	—	—	—	—
<b>Total .....</b>	<b>1,568.5</b>	<b>1,377.9</b>	<b>190.6</b>	<b>19.6</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, 2017</b>							
Mortgage loans							
PD segment:							
Not delinquent							
Use model .....	11,615.6	11,595.3	20.3	0.43%	30.13%	—%	20.66%
Others .....	367.3	367.3	—	1.00	53.22	—	69.40
Delinquent .....	89.6	87.9	1.7	17.99	34.39	—	177.80
Default .....	149.3	149.2	0.0	100.00	34.16	32.32	23.03
<b>Total .....</b>	<b>12,221.8</b>	<b>12,199.7</b>	<b>22.1</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				
<b>September 30, 2016</b>							
Mortgage loans							
PD segment:							
Not delinquent							
Use model .....	11,863.7	11,839.5	24.2	0.44%	33.72%	—%	23.17%
Others .....	407.7	407.7	—	1.02	51.37	—	67.28
Delinquent .....	93.6	91.5	2.1	18.66	36.49	—	190.78
Default .....	165.2	165.1	0.1	100.00	35.55	33.79	22.07
<b>Total .....</b>	<b>12,530.3</b>	<b>12,503.9</b>	<b>26.4</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, 2017</b>										
Card loans										
PD segment:										
Not delinquent .....	939.3	775.2	100.4	63.6	244.7	41.04%	2.93%	81.20%	—%	64.80%
Delinquent.....	16.1	15.4	0.7	—	2.8	23.29	28.32	77.57	—	214.06
Credit card balances										
PD segment:										
Not delinquent .....	2,499.2	1,459.5	688.2	351.5	9,036.6	7.62	1.71	68.89	—	30.33
Delinquent.....	7.5	6.4	1.1	—	—	—	78.23	72.06	—	118.77
Default .....	47.6	43.0	3.4	1.2	—	—	100.00	84.09	73.79	128.73
<b>Total .....</b>	<b>3,509.5</b>	<b>2,299.4</b>	<b>793.8</b>	<b>416.3</b>	<b>9,284.0</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, 2016</b>										
Card loans										
PD segment:										
Not delinquent .....	872.0	764.7	105.5	1.7	235.6	44.77%	2.71%	83.02%	—%	63.40%
Delinquent.....	15.6	15.0	0.7	—	3.1	21.45	27.41	77.05	—	210.39
Credit card balances										
PD segment:										
Not delinquent .....	1,556.2	901.6	344.9	309.7	4,510.3	7.65	1.00	71.97	—	22.60
Delinquent.....	6.9	5.9	1.0	—	—	—	77.38	72.03	—	122.31
Default .....	26.6	23.7	2.9	—	—	—	100.00	80.17	73.54	82.81
<b>Total .....</b>	<b>2,477.3</b>	<b>1,710.9</b>	<b>455.0</b>	<b>311.5</b>	<b>4,749.0</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, 2017</b>							
Business loans							
PD segment:							
Not delinquent							
Use model.....	1,009.1	992.1	17.1	0.84%	47.54%	—%	40.06%
Others .....	202.7	201.7	1.0	0.66	40.07	—	30.53
Delinquent.....	65.4	64.5	0.9	6.42	41.98	—	66.96
Consumer loans							
PD segment:							
Not delinquent							
Use model.....	1,648.7	1,017.3	631.4	1.61	49.52	—	55.77
Others .....	126.1	125.1	1.0	1.53	55.33	—	65.52
Delinquent.....	21.5	19.2	2.3	23.38	51.28	—	112.67
Default .....	79.6	78.8	0.9	100.00	64.09	54.37	121.48
<b>Total .....</b>	<b>3,153.2</b>	<b>2,498.7</b>	<b>654.5</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

	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, 2016</b>							
Business loans							
PD segment:							
Not delinquent							
Use model.....	1,028.3	1,009.9	18.4	0.88%	47.99%	—%	41.02%
Others .....	203.8	202.8	1.1	0.69	41.70	—	32.55
Delinquent.....	82.6	81.5	1.1	6.33	42.69	—	67.77
Consumer loans							
PD segment:							
Not delinquent							
Use model.....	326.2	325.7	0.5	0.74	44.43	—	36.31
Others .....	131.8	130.4	1.4	1.59	53.37	—	63.86
Delinquent.....	19.2	19.1	0.1	16.34	47.87	—	97.66
Default .....	63.6	63.3	0.3	100.00	52.11	48.55	44.48
<b>Total .....</b>	<b>1,855.5</b>	<b>1,832.6</b>	<b>22.9</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

- 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	
	2017	2016
Market-based approach.....	646.8	625.7
Simple risk weight method.....	187.3	329.6
Listed equities (300%).....	66.9	208.7
Unlisted equities (400%).....	120.4	120.9
Internal models method.....	459.5	296.1
PD/LGD approach.....	4,119.7	3,332.9
Total.....	4,766.5	3,958.6

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					
	2017			2016		
	Exposure amount	Weighted average PD	Weighted average risk weight	Exposure amount	Weighted average PD	Weighted average risk weight
J1-J3.....	3,642.9	0.05%	100.42%	3,075.7	0.05%	100.50%
J4-J6.....	147.1	0.28	146.91	168.2	0.32	154.58
J7 (excluding J7R).....	19.0	10.35	564.37	2.0	11.30	578.96
Others.....	310.7	0.17	128.35	86.4	0.45	170.43
Default (J7R, J8-J10).....	0.1	100.00	1,125.00	0.7	100.00	1,125.00
Total.....	4,119.7	—	—	3,332.9	—	—

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

2. "Others" includes exposures to overseas corporate entities.

3. Weighted average risk weight 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	
	2017	2016
Exposures under Article 145 of the Notification.....	1,379.1	1,252.4

(4) Analysis of Actual Losses

A. Year-on-Year Comparison of Actual Losses

SMFG recorded a decrease of ¥20.7 billion in total credit costs (the total of non-performing loan write-offs, gain on reversal of reserve for possible loan losses and gains on collection of written-off claims) compared to the same period of the previous fiscal year, amounting to ¥34.1 billion on a consolidated basis for the first half of fiscal year 2017.

SMBC recorded a decrease of ¥17.5 billion in total credit costs compared to the same period of the previous fiscal year, which resulted in a gain on reversal of reserve for loan losses of ¥25.5 billion on a non-consolidated basis for the first half of fiscal year 2017. This is due primarily to the collection of claims from obligors for whom a large amount of reserves was provisioned in the past.

Total Credit Costs

	Billions of yen					
	First half of fiscal 2017 (A)	First half of fiscal 2016 (B)	First half of fiscal 2015	Increase (decrease) (A) – (B)	Fiscal 2016	Fiscal 2015
SMFG (consolidated) total.....	34.1	54.8	24.1	(20.7)	164.4	102.8
SMBC (consolidated) total .....	(26.2)	4.8	(21.4)	(30.9)	63.3	13.9
SMBC (non-consolidated) total .....	(25.5)	(8.0)	(27.6)	(17.5)	61.1	(3.2)
Corporate exposures .....	(29.8)	(1.5)	(23.0)	(28.3)	64.0	0.1
Sovereign exposures .....	2.1	(0.5)	(0.0)	2.5	(0.1)	(1.7)
Bank exposures.....	(0.1)	(0.1)	0.1	0.1	(0.3)	(0.1)
Residential mortgage exposures.....	(0.0)	(0.0)	(0.0)	0.0	(0.1)	0.0
QRRE.....	(0.0)	(0.0)	(0.0)	0.0	(0.0)	0.0
Other retail exposures .....	(0.0)	(0.9)	(1.0)	0.9	(0.3)	(1.8)

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 2017				Fiscal 2016			
	Estimated loss amounts		Actual loss amounts		Estimated loss amounts		Actual loss amounts	
	After deduction of reserves	(First half of fiscal 2017)	After deduction of reserves	(First half of fiscal 2016)	After deduction of reserves	(First half of fiscal 2016)	(Fiscal 2016)	(Fiscal 2016)
SMFG (consolidated) total.....	—	—	34.1	—	—	54.8	164.4	
SMBC (consolidated) total .....	—	—	(26.2)	—	—	4.8	63.3	
SMBC (non-consolidated) total.....	438.5	179.6	(25.5)	461.2	167.8	(8.0)	61.1	
Corporate exposures.....	416.2	170.0	(29.8)	438.3	157.9	(1.5)	64.0	
Sovereign exposures.....	9.0	5.9	2.1	8.9	5.3	(0.5)	(0.1)	
Bank exposures.....	7.9	4.8	(0.1)	7.5	4.1	(0.1)	(0.3)	
Residential mortgage exposures.....	2.0	1.8	(0.0)	2.3	2.0	(0.0)	(0.1)	
QRRE.....	0.0	0.0	(0.0)	0.0	0.0	(0.0)	(0.0)	
Other retail exposures .....	3.5	2.9	(0.0)	4.2	3.5	(0.9)	(0.3)	

	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)	(Fiscal 2015)	After deduction of reserves	(First half of fiscal 2014)	(Fiscal 2014)	After deduction of reserves	(Fiscal 2014)
SMFG (consolidated) total.....	—	—	24.1	102.8	—	—	(88.8)	7.8
SMBC (consolidated) total .....	—	—	(21.4)	13.9	—	—	(122.2)	(65.4)
SMBC (non-consolidated) total.....	513.1	153.9	(27.6)	(3.2)	642.5	171.1	(124.2)	(80.1)
Corporate exposures.....	483.0	139.0	(23.0)	0.1	523.6	128.1	(76.7)	(40.6)
Sovereign exposures.....	9.1	3.8	(0.0)	(1.7)	12.7	1.4	(5.2)	(6.0)
Bank exposures.....	10.7	7.2	0.1	(0.1)	8.5	4.2	(0.3)	(0.7)
Residential mortgage exposures.....	3.9	3.5	(0.0)	0.0	2.9	2.3	(0.2)	(0.3)
QRRE.....	0.0	0.0	(0.0)	0.0	0.0	(0.0)	(0.1)	(0.1)
Other retail exposures .....	6.4	5.5	(1.0)	(1.8)	94.8	40.7	(4.4)	(2.6)

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			
	2017		2016	
		Of which assigned country risk score		Of which assigned country risk score
0% .....	9,817.4	935.6	7,824.7	836.3
10% .....	13.4	—	9.0	—
20% .....	1,494.9	710.0	1,268.6	678.5
35% .....	73.6	—	54.9	—
50% .....	98.6	16.0	128.3	4.2
75% .....	1,805.7	—	3,430.0	—
100% .....	4,720.7	2.8	3,954.0	2.3
150% .....	79.5	0.0	101.2	0.0
250% .....	138.5	—	107.3	—
1250% .....	1.3	1.2	0.1	—
Others.....	0.8	—	0.1	—
Total .....	18,244.3	1,665.6	16,878.1	1,521.4

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			
	2017		2016	
	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.....	132.9	56.0	148.5	58.0
Corporate exposures.....	48.0	56.0	47.7	57.6
Sovereign exposures.....	—	—	—	—
Bank exposures.....	84.9	—	100.9	0.4
Standardized approach.....	6,006.2	—	5,042.1	—
<b>Total.....</b>	<b>6,139.0</b>	<b>56.0</b>	<b>5,190.6</b>	<b>58.0</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			
	2017		2016	
	Guarantee	Credit derivative	Guarantee	Credit derivative
Internal Ratings-Based (IRB) approach.....	10,531.9	311.1	8,495.4	341.8
Corporate exposures.....	9,851.5	311.1	7,911.1	341.8
Sovereign exposures.....	309.7	—	300.6	—
Bank exposures.....	284.5	—	183.6	—
Residential mortgage exposures.....	86.3	—	100.2	—
QRRE.....	—	—	—	—
Other retail exposures.....	—	—	—	—
Standardized approach.....	55.7	—	42.8	—
<b>Total.....</b>	<b>10,587.6</b>	<b>311.1</b>	<b>8,538.3</b>	<b>341.8</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	
	2017	2016
Gross replacement cost .....	4,814.3	6,133.9
Gross add-on amount .....	4,970.9	4,053.6
Gross credit equivalent amount .....	9,785.2	10,187.5
Foreign exchange related transactions .....	3,483.7	3,528.2
Interest rate related transactions .....	5,828.7	6,354.4
Gold related transactions .....	—	—
Equities related transactions .....	322.0	190.0
Precious metals (excluding gold) related transactions .....	—	—
Other commodity related transactions .....	109.7	65.8
Credit default swaps .....	41.2	49.0
Reduction in credit equivalent amount due to netting .....	3,366.5	4,094.2
Net credit equivalent amount .....	6,418.7	6,093.3
Collateral amount .....	0.6	30.9
Eligible financial collateral .....	0.6	30.9
Other eligible IRB collateral .....	—	—
Net credit equivalent amount (after taking into account the CRM effect of collateral) .....	6,418.1	6,062.4

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

##### Credit Default Swaps

September 30	Billions of yen			
	2017		2016	
	Notional principal amount		Notional principal amount	
	Total	Of which for CRM	Total	Of which for CRM
Protection purchased .....	567.6	311.1	708.4	341.8
Protection provided .....	415.5	—	468.6	—

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, 2017			First half of fiscal 2017			
	Underlying asset amount			Securitized amount	Default amount	Loss amount	Gains/losses on sales
Total	Asset transfer type	Synthetic type					
Claims on corporates .....	106.2	—	106.2	—	2.2	25.1	—
Mortgage loans .....	1,439.0	1,439.0	—	171.0	0.9	0.1	9.9
Retail loans (excluding mortgage loans) .....	—	—	—	—	—	—	—
Other claims .....	—	—	—	—	—	—	—
<b>Total .....</b>	<b>1,545.2</b>	<b>1,439.0</b>	<b>106.2</b>	<b>171.0</b>	<b>3.1</b>	<b>25.2</b>	<b>9.9</b>

	Billions of yen						
	September 30, 2016			First half of fiscal 2016			
	Underlying asset amount			Securitized amount	Default amount	Loss amount	Gains/losses on sales
Total	Asset transfer type	Synthetic type					
Claims on corporates .....	7.9	0.0	7.8	—	3.2	24.7	—
Mortgage loans .....	1,291.3	1,291.3	—	161.7	0.7	0.2	15.8
Retail loans (excluding mortgage loans) .....	—	—	—	—	—	—	—
Other claims .....	0.3	0.3	—	—	—	—	—
<b>Total .....</b>	<b>1,299.5</b>	<b>1,291.6</b>	<b>7.8</b>	<b>161.7</b>	<b>3.9</b>	<b>24.8</b>	<b>15.8</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									
	2017					2016				
	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 .....	107.4	107.4	—	1.5	—	4.5	1.5	3.0	1.8	—
Mortgage loans .....	316.9	316.9	—	23.4	61.7	327.2	327.2	—	23.7	57.8
Retail loans (excluding mortgage loans) .....	—	—	—	—	—	—	—	—	—	—
Other claims .....	—	—	—	—	—	0.3	0.3	—	0.0	—
<b>Total .....</b>	<b>424.2</b>	<b>424.2</b>	<b>—</b>	<b>24.9</b>	<b>61.7</b>	<b>331.9</b>	<b>329.0</b>	<b>3.0</b>	<b>25.5</b>	<b>57.8</b>

##### b. Risk Weights

	Billions of yen								
	2017				2016				
	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 .....	104.4	104.4	—	0.7	0.0	—	—	0.0	0.0
100% or less .....	1.2	1.2	—	0.1	1.0	—	—	1.0	0.1
650% or less .....	0.1	0.1	—	0.0	0.1	—	—	0.1	0.0
Less than 1250% .....	—	—	—	—	—	—	—	—	—
1250% .....	318.4	318.4	—	26.4	330.8	329.0	—	1.8	27.0
<b>Total .....</b>	<b>424.2</b>	<b>424.2</b>	<b>—</b>	<b>27.1</b>	<b>331.9</b>	<b>329.0</b>	<b>—</b>	<b>3.0</b>	<b>27.2</b>

### (C) Resecuritization Exposures

There are no amounts that represent “resecuritization exposures.”

## B. As Sponsor

### (A) Underlying Assets

	Billions of yen					
	September 30, 2017			First half of fiscal 2017		
	Underlying asset amount			Securitized amount	Default amount	Loss amount
Total	Asset transfer type	Synthetic type				
Claims on corporates .....	948.1	948.1	—	2,702.9	78.8	93.3
Mortgage loans .....	—	—	—	—	—	—
Retail loans (excluding mortgage loans)....	1,130.3	1,130.3	—	322.6	1.8	6.9
Other claims .....	47.8	47.8	—	20.8	0.0	0.0
Total .....	2,126.3	2,126.3	—	3,046.3	80.6	100.1

	Billions of yen					
	September 30, 2016			First half of fiscal 2016		
	Underlying asset amount			Securitized amount	Default amount	Loss amount
Total	Asset transfer type	Synthetic type				
Claims on corporates .....	855.8	855.8	—	2,918.1	42.6	61.4
Mortgage loans .....	—	—	—	—	—	—
Retail loans (excluding mortgage loans)....	695.0	695.0	—	179.8	1.3	4.7
Other claims .....	6.7	6.7	—	—	—	—
Total .....	1,557.6	1,557.6	—	3,097.9	43.9	66.1

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									
	2017					2016				
	Term-end balance		On-balance sheet assets	Off-balance sheet assets	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	Total					On-balance sheet assets			
September 30										
Claims on corporates .....	757.6	717.4	40.3	0.1	—	651.3	646.8	4.5	0.1	—
Mortgage loans .....	—	—	—	—	—	—	—	—	—	—
Retail loans (excluding mortgage loans) .....	548.8	548.8	—	—	—	440.6	440.6	—	—	—
Other claims .....	40.0	40.0	—	—	—	3.6	3.6	—	—	—
Total .....	1,346.5	1,306.2	40.3	0.1	—	1,095.5	1,091.0	4.5	0.1	—

## b. Risk Weights

	Billions of yen							
	2017				2016			
	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 .....	1,329.4	1,289.2	40.3	8.1	1,075.5	1,071.0	4.5	6.9
100% or less .....	17.0	17.0	—	0.8	20.0	20.0	—	0.5
650% or less .....	—	—	—	—	—	—	—	—
Less than 1250% .....	—	—	—	—	—	—	—	—
1250% .....	0.1	0.1	—	0.1	0.1	0.1	—	0.1
<b>Total .....</b>	<b>1,346.5</b>	<b>1,306.2</b>	<b>40.3</b>	<b>9.0</b>	<b>1,095.5</b>	<b>1,091.0</b>	<b>4.5</b>	<b>7.4</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									
	2017					2016				
	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 .....	1,094.3	624.7	469.6	26.1	—	656.0	333.9	322.0	24.6	—
Mortgage loans .....	19.9	19.9	—	—	—	65.8	65.8	—	—	—
Retail loans (excluding mortgage loans) .....	689.6	573.4	116.2	0.6	—	416.6	338.7	77.9	—	—
Other claims .....	7.1	7.1	—	0.1	—	11.0	10.7	0.3	0.1	—
<b>Total .....</b>	<b>1,811.0</b>	<b>1,225.2</b>	<b>585.8</b>	<b>26.8</b>	<b>—</b>	<b>1,149.4</b>	<b>749.2</b>	<b>400.2</b>	<b>24.7</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 ¥5.6 billion as of September 30, 2017 and ¥5.1 billion as of September 30, 2016 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							
	2017				2016			
	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 .....	1,689.6	1,211.6	478.1	9.6	999.9	696.2	303.8	5.4
100% or less .....	12.5	12.4	0.1	0.9	52.9	52.9	—	2.7
650% or less .....	0.6	0.6	—	0.2	—	—	—	—
Less than 1250% .....	—	—	—	—	—	—	—	—
1250% .....	108.3	0.6	107.6	28.4	96.6	0.1	96.5	26.1
<b>Total .....</b>	<b>1,811.0</b>	<b>1,225.2</b>	<b>585.8</b>	<b>39.0</b>	<b>1,149.4</b>	<b>749.2</b>	<b>400.2</b>	<b>34.2</b>

Note: The risk weight of “100% or less” includes balances of ¥5.6 billion as of September 30, 2017 and ¥5.1 billion as of September 30, 2016 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									
	2017					2016				
	Term-end balance		Off-balance sheet assets	Amounts subject to a 1250% risk weight	Increase in capital equivalent	Term-end balance		Off-balance sheet assets	Amounts subject to a 1250% risk weight	Increase in capital equivalent
Total	On-balance sheet assets	Total				On-balance sheet assets				
September 30										
Claims on corporates .....	—	—	—	—	—	0.1	0.1	—	0.1	—
Mortgage loans .....	—	—	—	—	—	—	—	—	—	—
Retail loans (excluding mortgage loans) .....	—	—	—	—	—	—	—	—	—	—
Other claims .....	0.1	0.0	0.1	0.0	—	0.4	0.1	0.4	0.0	—
<b>Total .....</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>—</b>	<b>0.5</b>	<b>0.1</b>	<b>0.4</b>	<b>0.1</b>	<b>—</b>

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									
	2017					2016				
	Term-end balance		Off-balance sheet assets	Required capital		Term-end balance		Off-balance sheet assets	Required capital	
Total	On-balance sheet assets	Total				On-balance sheet assets				
September 30										
20% or less .....	0.1	—	0.1	0.0		0.4	—	0.4	0.0	
100% or less .....	—	—	—	—		—	—	—	—	
650% or less .....	—	—	—	—		—	—	—	—	
Less than 1250% .....	—	—	—	—		—	—	—	—	
1250% .....	0.0	0.0	—	0.0		0.1	0.1	—	0.1	
<b>Total .....</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>		<b>0.5</b>	<b>0.1</b>	<b>0.4</b>	<b>0.1</b>	

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

(A) Securitization Exposures (Excluding Resecuritization Exposures)

a. Underlying Assets by Asset Type

	Billions of yen									
	2017					2016				
	Term-end balance		Off-balance sheet assets	Amounts subject to a 100% risk weight	Increase in capital equivalent	Term-end balance		Off-balance sheet assets	Amounts subject to a 100% risk weight	Increase in capital equivalent
Total	On-balance sheet assets	Total				On-balance sheet assets				
September 30										
Claims on corporates .....	0.0	0.0	—	0.0	—	—	—	—	—	—
Mortgage loans .....	—	—	—	—	—	—	—	—	—	—
Retail loans (excluding mortgage loans) .....	7.6	7.6	—	7.6	—	7.3	7.3	—	7.3	—
Other claims .....	1.3	1.3	—	1.3	—	0.1	0.1	—	0.1	—
<b>Total .....</b>	<b>9.0</b>	<b>9.0</b>	<b>—</b>	<b>9.0</b>	<b>—</b>	<b>7.4</b>	<b>7.4</b>	<b>—</b>	<b>7.4</b>	<b>—</b>

Note: There are no amounts that represent "securitization exposures subject to the measurement of the comprehensive risk held."

b. Risk Weights

	Billions of yen									
	2017					2016				
	Term-end balance		Off-balance sheet assets	Required capital		Term-end balance		Off-balance sheet assets	Required capital	
Total	On-balance sheet assets	Total				On-balance sheet assets				
September 30										
Less than 100% .....	—	—	—	—		—	—	—	—	
100% .....	9.0	9.0	—	9.0		7.4	7.4	—	7.4	
<b>Total .....</b>	<b>9.0</b>	<b>9.0</b>	<b>—</b>	<b>9.0</b>		<b>7.4</b>	<b>7.4</b>	<b>—</b>	<b>7.4</b>	

(B) Resecuritization Exposures

There are no amounts that represent "resecuritization exposures."

## ■ Equity Exposures in Banking Book

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

September 30	Billions of yen			
	2017		2016	
	Balance sheet amount	Fair value	Balance sheet amount	Fair value
Listed equity exposures .....	4,295.8	4,295.8	3,649.6	3,649.6
Equity exposures other than above.....	211.1	—	208.1	—
Total.....	4,506.9	—	3,857.7	—

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

	Billions of yen	
	First half of fiscal 2017	First half of fiscal 2016
Gains (losses) .....	51.5	17.4
Gains on sale .....	55.8	30.4
Losses on sale .....	1.3	8.0
Devaluation .....	3.0	5.0

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	
	2017	2016
Unrealized gains (losses) recognized on consolidated balance sheets but not on consolidated statements of income.....	2,382.7	1,626.0

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

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

September 30	Billions of yen	
	2017	2016
Unrealized gains (losses) not recognized on consolidated balance sheets or consolidated statements of income .....	14.9	(8.9)

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, 2017	Billions of yen				
	Loans, etc.	Bonds	Derivatives	Others	Total
<b>Domestic operations (excluding offshore banking accounts)</b>					
Manufacturing.....	9,875.4	123.2	256.1	3,108.8	13,363.4
Agriculture, forestry, fishery and mining .....	410.5	6.5	2.3	33.9	453.2
Construction .....	1,352.3	20.8	7.5	324.3	1,704.9
Transport, information, communications and utilities.....	6,457.3	118.5	147.9	1,145.4	7,869.1
Wholesale and retail .....	6,434.3	25.9	120.2	920.1	7,500.5
Financial and insurance.....	48,316.5	456.3	2,215.7	1,523.2	52,511.6
Real estate, goods rental and leasing .....	10,215.3	362.7	56.0	373.1	11,007.1
Services .....	5,514.5	48.9	42.9	1,112.6	6,718.8
Local municipal corporations .....	1,070.4	125.3	9.6	26.1	1,231.4
Other industries .....	30,014.5	10,887.5	288.3	6,257.9	47,448.3
Subtotal .....	119,660.9	12,175.6	3,146.5	14,825.4	149,808.4
<b>Overseas operations and offshore banking accounts</b>					
Sovereigns.....	9,018.0	1,638.8	13.5	12.9	10,683.2
Financial institutions .....	8,428.4	603.6	2,260.4	1,039.1	12,331.5
C&I companies .....	26,115.5	221.1	872.1	930.9	28,139.6
Others.....	5,488.2	1,162.5	124.8	2,892.6	9,668.1
Subtotal .....	49,050.0	3,626.1	3,270.7	4,875.5	60,822.3
<b>Total.....</b>	<b>168,710.9</b>	<b>15,801.7</b>	<b>6,417.2</b>	<b>19,700.9</b>	<b>210,630.6</b>

September 30, 2016	Billions of yen				
	Loans, etc.	Bonds	Derivatives	Others	Total
<b>Domestic operations (excluding offshore banking accounts)</b>					
Manufacturing.....	9,193.2	128.1	307.8	2,660.2	12,289.3
Agriculture, forestry, fishery and mining .....	339.7	7.9	2.7	28.4	378.7
Construction .....	1,249.5	19.4	5.0	235.1	1,509.0
Transport, information, communications and utilities.....	6,415.1	67.4	190.9	1,142.6	7,816.1
Wholesale and retail .....	5,981.0	17.4	234.8	947.9	7,181.1
Financial and insurance.....	39,989.7	452.1	1,765.7	1,353.8	43,561.3
Real estate, goods rental and leasing .....	9,601.7	362.2	71.6	385.8	10,421.4
Services .....	5,614.6	28.9	67.2	1,173.5	6,884.1
Local municipal corporations .....	1,089.2	79.9	12.5	23.6	1,205.2
Other industries .....	30,220.1	9,863.3	328.4	5,570.8	45,982.6
Subtotal .....	109,693.7	11,026.7	2,986.7	13,521.8	137,228.8
<b>Overseas operations and offshore banking accounts</b>					
Sovereigns.....	5,479.5	1,188.9	16.4	15.4	6,700.2
Financial institutions .....	5,817.3	678.7	2,030.1	799.6	9,325.6
C&I companies .....	20,859.4	149.7	946.4	956.7	22,912.2
Others.....	4,721.2	1,042.7	82.2	2,240.5	8,086.7
Subtotal .....	36,877.5	3,059.9	3,075.1	4,012.2	47,024.7
<b>Total.....</b>	<b>146,571.2</b>	<b>14,086.5</b>	<b>6,061.8</b>	<b>17,534.0</b>	<b>184,253.5</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, 2017	Billions of yen				
	Loans, etc.	Bonds	Derivatives	Others	Total
To 1 year.....	43,867.6	3,737.7	1,053.5	1,307.5	49,966.3
More than 1 year to 3 years.....	18,656.7	5,428.2	1,334.8	1,439.9	26,859.6
More than 3 years to 5 years.....	18,137.1	2,129.5	1,217.9	1,047.8	22,532.2
More than 5 years to 7 years.....	6,931.3	361.6	488.0	490.5	8,271.4
More than 7 years.....	26,996.2	4,144.6	2,322.4	1,397.6	34,860.9
No fixed maturity.....	54,122.0	—	0.6	14,017.6	68,140.2
Total.....	168,710.9	15,801.7	6,417.2	19,700.9	210,630.6

September 30, 2016	Billions of yen				
	Loans, etc.	Bonds	Derivatives	Others	Total
To 1 year.....	39,392.1	3,073.1	808.8	964.3	44,238.3
More than 1 year to 3 years.....	16,496.8	3,221.4	1,440.0	1,375.6	22,533.8
More than 3 years to 5 years.....	16,857.2	3,922.2	1,298.7	1,276.7	23,354.7
More than 5 years to 7 years.....	7,096.9	472.2	603.7	501.8	8,674.6
More than 7 years.....	25,302.5	3,397.6	1,910.5	1,459.8	32,070.4
No fixed maturity.....	41,425.8	—	—	11,955.8	53,381.7
Total.....	146,571.2	14,086.5	6,061.8	17,534.0	184,253.5

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

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

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

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

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

### (1) By Geographical Region

September 30	Billions of yen	
	2017	2016
Domestic operations (excluding offshore banking accounts).....	1,042.4	1,169.8
Overseas operations and offshore banking accounts.....	208.8	156.0
Asia.....	38.9	37.6
North America.....	43.8	34.4
Other regions.....	126.1	84.0
Total.....	1,251.2	1,325.8

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	
	2017	2016
Domestic operations (excluding offshore banking accounts)		
Manufacturing.....	133.8	165.8
Agriculture, forestry, fishery and mining.....	2.5	2.9
Construction.....	32.7	34.0
Transport, information, communications and utilities.....	73.8	100.4
Wholesale and retail.....	135.1	159.0
Financial and insurance.....	4.7	5.6
Real estate, goods rental and leasing.....	159.6	185.7
Services.....	128.0	134.4
Other industries.....	372.2	382.0
Subtotal.....	1,042.4	1,169.8
Overseas operations and offshore banking accounts		
Financial institutions.....	2.8	2.5
C&I companies.....	126.6	107.7
Others.....	79.4	45.8
Subtotal.....	208.8	156.0
Total.....	1,251.2	1,325.8

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, 2017 (A)	March 31, 2017 (B)	September 30, 2016	March 31, 2016	Increase (decrease) (A) – (B)
General reserve for possible loan losses.....	424.2	431.5	377.9	395.5	(7.3)
Loan loss reserve for specific overseas countries .....	1.1	1.5	1.2	1.3	(0.4)
Specific reserve for possible loan losses .....	470.6	501.4	529.5	530.1	(30.8)
Domestic operations (excluding offshore banking accounts) .....	384.6	422.2	462.7	457.9	(37.6)
Overseas operations and offshore banking accounts.....	86.0	79.2	66.8	72.2	6.8
Asia.....	26.4	22.0	17.0	19.0	4.4
North America.....	11.5	7.7	7.3	15.3	3.8
Other regions .....	48.1	49.5	42.6	37.9	(1.4)
Total .....	895.9	934.4	908.6	926.9	(38.5)

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, 2017 (A)	March 31, 2017 (B)	September 30, 2016	March 31, 2016	Increase (decrease) (A) – (B)
General reserve for possible loan losses.....	424.2	431.5	377.9	395.5	(7.3)
Loan loss reserve for specific overseas countries .....	1.1	1.5	1.2	1.3	(0.4)
Specific reserve for possible loan losses .....	470.6	501.4	529.5	530.1	(30.8)
Domestic operations (excluding offshore banking accounts) .....	384.6	422.2	462.7	457.9	(37.6)
Manufacturing.....	47.5	56.1	67.6	60.0	(8.6)
Agriculture, forestry, fishery and mining .....	2.2	2.3	2.7	2.6	(0.1)
Construction .....	14.6	14.6	15.6	13.7	0.0
Transport, information, communications and utilities.....	30.8	55.5	60.9	69.8	(24.7)
Wholesale and retail.....	53.6	55.0	61.5	63.9	(1.4)
Financial and insurance.....	3.4	3.7	4.3	6.7	(0.3)
Real estate, goods rental and leasing .....	69.0	74.7	80.1	81.3	(5.7)
Services .....	53.9	56.8	56.6	48.0	(2.9)
Other industries .....	109.6	103.5	113.4	111.9	6.1
Overseas operations and offshore banking accounts.....	86.0	79.2	66.8	72.2	6.8
Financial institutions .....	0.3	0.2	0.2	0.3	0.1
C&I companies .....	66.2	64.8	52.4	65.9	1.4
Others .....	19.5	14.2	14.0	6.0	5.3
Total .....	895.9	934.4	908.6	926.9	(38.5)

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 2017	First half of fiscal 2016
Domestic operations (excluding offshore banking accounts)		
Manufacturing.....	0.1	(0.1)
Agriculture, forestry, fishery and mining .....	0.0	0.1
Construction .....	0.3	0.2
Transport, information, communications and utilities.....	0.0	(0.1)
Wholesale and retail .....	0.3	0.1
Financial and insurance.....	0.0	(0.0)
Real estate, goods rental and leasing .....	0.0	0.0
Services .....	0.8	0.2
Other industries .....	39.3	31.3
Subtotal .....	41.0	31.7
Overseas operations and offshore banking accounts		
Financial institutions .....	—	—
C&I companies .....	2.4	(0.2)
Others.....	2.0	3.6
Subtotal .....	4.4	3.4
Total .....	45.3	35.1

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

## ■ Market Risk

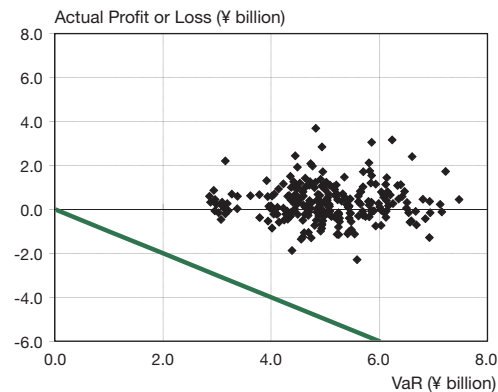
### 1. VaR Results (Trading Book)

	Billions of yen			
	First half of fiscal 2017		First half of fiscal 2016	
	VaR	Stressed VaR	VaR	Stressed VaR
September 30.....	5.5	5.6	3.3	4.6
Maximum.....	6.9	14.5	4.7	9.4
Minimum.....	3.0	4.3	2.6	4.2
Average.....	5.2	7.7	3.5	6.2

- 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 2016 to September 2017 are shown below. A data point under the diagonal line indicates a loss exceeding VaR for that day. There has been no points observed under the diagonal line, 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 2017	First half of fiscal 2016
	September 30.....	44.9
Maximum.....	50.7	49.3
Minimum.....	41.2	40.2
Average.....	46.1	44.8

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

## ■ Reconciliation of Regulatory Capital Elements Back to the Balance Sheet (As of September 30, 2016 and 2017)

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, 2017	As of September 30, 2016		
(Assets)				
Cash and due from banks	49,333,064	39,289,020		
Call loans and bills bought	1,952,757	1,332,654		
Receivables under resale agreements	1,198,627	746,170		
Receivables under securities borrowing transactions	9,589,363	7,453,809		
Monetary claims bought	4,667,042	3,855,571		
Trading assets	6,235,885	7,312,065	7-a	
Money held in trust	2,544	4,315		
Securities	24,426,107	21,864,561	3-b, 7-b	
Loans and bills discounted	81,162,078	75,966,141	7-c	
Foreign exchanges	2,506,683	1,546,229		
Lease receivables and investment assets	2,374,127	2,345,220		
Other assets	8,051,523	7,383,293		
Tangible fixed assets	3,574,624	2,875,970		
Intangible fixed assets	926,137	1,005,907	3-a	
Net defined benefit asset	329,413	228,967	4	
Deferred tax assets	55,253	119,901	5-a	
Customers' liabilities for acceptances and guarantees	8,525,224	7,231,260		
Reserve for possible loan losses	(607,966)	(588,279)		
<b>Total assets</b>	<b>204,302,493</b>	<b>179,972,782</b>		
(Liabilities)				
Deposits	119,938,693	110,746,141		
Negotiable certificates of deposit	12,896,156	10,180,560		
Call money and bills sold	1,890,031	1,159,907		
Payables under repurchase agreements	3,794,797	1,964,416		
Payables under securities lending transactions	9,344,314	6,469,282		
Commercial paper	2,333,488	2,052,828		
Trading liabilities	4,639,549	5,546,469	7-d	
Borrowed money	10,696,045	7,099,948	9-a	
Foreign exchanges	1,126,460	816,229		
Short-term bonds	1,190,100	1,124,100		
Bonds	8,578,207	7,092,842	9-b	
Due to trust account	1,215,144	1,035,457		
Other liabilities	5,695,922	6,284,843		
Reserve for employee bonuses	57,785	51,146		
Net defined benefit liability	57,352	56,255		
Reserve for executive retirement benefits	2,175	2,069		
Reserve for point service program	22,394	20,968		
Reserve for reimbursement of deposits	8,721	12,326		
Reserve for losses on interest repayment	119,204	184,813		
Reserve under the special laws	2,037	1,474		
Deferred tax liabilities	436,139	365,307	5-b	
Deferred tax liabilities for land revaluation	31,244	32,167	5-c	
Acceptances and guarantees	8,525,224	7,231,260		
<b>Total liabilities</b>	<b>192,601,191</b>	<b>169,530,819</b>		
(Net assets)				
Capital stock	2,338,743	2,337,895	1-a	
Capital surplus	758,193	757,301	1-b	
Retained earnings	5,351,360	4,791,135	1-c	
Treasury stock	(12,480)	(175,404)	1-d	
<b>Total stockholders' equity</b>	<b>8,435,817</b>	<b>7,710,928</b>		
Net unrealized gains on other securities	1,687,457	1,249,967		
Net deferred gains or losses on hedges	(45,882)	80,617	6	
Land revaluation excess	37,650	39,410		
Foreign currency translation adjustments	41,074	(107,012)		
Remeasurements of defined benefit plans	16,400	(50,797)		
<b>Total accumulated other comprehensive income</b>	<b>1,736,699</b>	<b>1,212,184</b>		3
Stock acquisition rights	3,192	3,190	2, 8-a	
Non-controlling interests	1,525,591	1,515,659	8-b	
<b>Total net assets</b>	<b>11,701,301</b>	<b>10,441,962</b>		
<b>Total liabilities and net assets</b>	<b>204,302,493</b>	<b>179,972,782</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, 2017	As of September 30, 2016	Remarks	Ref. No.
Capital stock	2,338,743	2,337,895		1-a
Capital surplus	758,193	757,301		1-b
Retained earnings	5,351,360	4,791,135		1-c
Treasury stock	(12,480)	(175,404)		1-d
Total stockholders' equity	8,435,817	7,710,928		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	8,435,817	7,710,928	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,096,937	3,095,197		1a
of which: retained earnings	5,351,360	4,791,135		2
of which: treasury stock (-)	12,480	175,404		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, 2017	As of September 30, 2016	Remarks	Ref. No.
Stock acquisition rights	3,192	3,190		2
of which: Stock acquisition rights issued by bank holding company	2,900	2,931		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Stock acquisition rights to common shares	2,900	2,931		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, 2017	As of September 30, 2016	Remarks	Ref. No.
Intangible fixed assets	926,137	1,005,907		3-a
Securities	24,426,107	21,864,561		3-b
of which: goodwill attributable to equity-method investees	30,241	33,157		
Income taxes related to above	189,637	192,561		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Goodwill (including those equivalent)	328,488	400,753		8
Other intangible assets other than goodwill and mortgage servicing rights	438,254	445,750	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, 2017	As of September 30, 2016	Remarks	Ref. No.
Net defined benefit asset	329,413	228,967		4
Income taxes related to above	99,959	69,522		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Net defined benefit asset	229,453	159,445		15

## 5. Deferred tax assets

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks	Ref. No.
Deferred tax assets	55,253	119,901		5-a
Deferred tax liabilities	436,139	365,307		5-b
Deferred tax liabilities for land revaluation	31,244	32,167		5-c
Tax effects on other intangible assets	189,637	192,561		
Tax effects on net defined benefit asset	99,959	69,522		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,791	3,225	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)	3,909	15,403	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)	3,909	15,403		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, 2017	As of September 30, 2016	Remarks	Ref. No.
Net deferred gains or losses on hedges	(45,882)	80,617		6

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	(44,712)	82,470	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, 2017	As of September 30, 2016	Remarks	Ref. No.
Trading assets	6,235,885	7,312,065	Including trading account securities and derivatives for trading assets	7-a
Securities	24,426,107	21,864,561		7-b
Loans and bills discounted	81,162,078	75,966,141	Including subordinated loans	7-c
Trading liabilities	4,639,549	5,546,469	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, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Investments in own capital instruments	9,947	9,722		
Common Equity Tier 1 capital	9,947	9,722		16
Additional Tier 1 capital	—	—		37
Tier 2 capital	0	—		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)	707,716	649,301		
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 deductions (before risk weighting)	707,716	649,301		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	689,924	642,421		
Amount exceeding the 10% threshold on specified items	—	—		19
Amount exceeding the 15% threshold on specified items	—	—		23
Additional Tier 1 capital	81,640	80,066		40
Tier 2 capital	50,000	50,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deductions (before risk weighting)	558,284	512,355		73

## 8. Non-controlling interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks	Ref. No.
Stock acquisition rights	3,192	3,190		8-a
Non-controlling interests	1,525,591	1,515,659		8-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	174,786	164,809		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	219,963	198,679		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	49,182	45,514		48-49

## 9. Other capital instruments

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks	Ref. No.
Borrowed money	10,696,045	7,099,948		9-a
Bonds	8,578,207	7,092,842		9-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	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	450,000	300,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	901,505	883,592		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, 2017)

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, 2017		
<b>(Assets)</b>			
Cash and due from banks	46,865,538		
Call loans and bills bought	1,872,144		
Receivables under resale agreements	899,897		
Receivables under securities borrowing transactions	8,760,390		
Monetary claims bought	4,420,377		
Trading assets	6,755,428	7-a	
Money held in trust	3,439		
Securities	24,631,792	3-b, 7-b	
Loans and bills discounted	80,237,322	7-c	
Foreign exchanges	1,723,867		
Lease receivables and investment assets	2,395,597		
Other assets	7,355,845		
Tangible fixed assets	3,101,642		
Intangible fixed assets	946,506	3-a	
Net defined benefit asset	314,922	4	
Deferred tax assets	63,001	5-a	
Customers' liabilities for acceptances and guarantees	8,090,111		
Reserve for possible loan losses	(646,215)		
<b>Total assets</b>	<b>197,791,611</b>		
<b>(Liabilities)</b>			
Deposits	117,830,210		
Negotiable certificates of deposit	11,880,937		
Call money and bills sold	2,088,019		
Payables under repurchase agreements	2,715,752		
Payables under securities lending transactions	7,444,655		
Commercial paper	2,311,542		
Trading liabilities	4,704,931	7-d	
Borrowed money	10,786,713	9-a	
Foreign exchanges	683,252		
Short-term bonds	1,125,600		
Bonds	8,129,232	9-b	
Due to trust account	1,180,976		
Other liabilities	6,880,273		
Reserve for employee bonuses	77,375		
Reserve for executive bonuses	3,045		
Net defined benefit liability	59,110		
Reserve for executive retirement benefits	2,347		
Reserve for point service program	21,744		
Reserve for reimbursement of deposits	15,464		
Reserve for losses on interest repayment	156,775		
Reserve under the special laws	1,745		
Deferred tax liabilities	335,908	5-b	
Deferred tax liabilities for land revaluation	31,596	5-c	
Acceptances and guarantees	8,090,111		
<b>Total liabilities</b>	<b>186,557,325</b>		
<b>(Net assets)</b>			
Capital stock	2,337,895	1-a	
Capital surplus	757,346	1-b	
Retained earnings	5,036,756	1-c	
Treasury stock	(12,913)	1-d	
<b>Total stockholders' equity</b>	<b>8,119,085</b>		
Net unrealized gains on other securities	1,542,308		
Net deferred gains or losses on hedges	(42,077)	6	
Land revaluation excess	38,109		
Foreign currency translation adjustments	65,078		
Remeasurements of defined benefit plans	9,034		
<b>Total accumulated other comprehensive income</b>	<b>1,612,453</b>		3
Stock acquisition rights	3,482	2, 8-a	
Non-controlling interests	1,499,264	8-b	
<b>Total net assets</b>	<b>11,234,286</b>		
<b>Total liabilities and net assets</b>	<b>197,791,611</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, 2017	Remarks	Ref. No.
Capital stock	2,337,895		1-a
Capital surplus	757,346		1-b
Retained earnings	5,036,756		1-c
Treasury stock	(12,913)		1-d
Total stockholders' equity	8,119,085		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	8,119,085	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,095,242		1a
of which: retained earnings	5,036,756		2
of which: treasury stock (-)	12,913		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, 2017	Remarks	Ref. No.
Stock acquisition rights	3,482		2
of which: Stock acquisition rights issued by bank holding company	3,206		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Stock acquisition rights to common shares	3,206		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, 2017	Remarks	Ref. No.
Intangible fixed assets	946,506		3-a
Securities	24,631,792		3-b
of which: goodwill attributable to equity-method investees	33,029		

Income taxes related to above	192,234	
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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Goodwill (including those equivalent)	343,523		8
Other intangible assets other than goodwill and mortgage servicing rights	443,777	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, 2017	Remarks	Ref. No.
Net defined benefit asset	314,922		4

Income taxes related to above	96,187	
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## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Net defined benefit asset	218,734		15

## 5. Deferred tax assets

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2017	Remarks	Ref. No.
Deferred tax assets	63,001		5-a
Deferred tax liabilities	335,908		5-b
Deferred tax liabilities for land revaluation	31,596		5-c
Tax effects on other intangible assets	192,234		
Tax effects on net defined benefit asset	96,187		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	4,188	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)	24,339	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)	24,339		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, 2017	Remarks	Ref. No.
Net deferred gains or losses on hedges	(42,077)		6

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	(40,588)	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, 2017	Remarks	Ref. No.
Trading assets	6,755,428	Including trading account securities and derivatives for trading assets	7-a
Securities	24,631,792		7-b
Loans and bills discounted	80,237,322	Including subordinated loans	7-c
Trading liabilities	4,704,931	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, 2017	Remarks	Basel III Template No.
Investments in own capital instruments	11,419		
Common Equity Tier 1 capital	11,419		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)	729,452		
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 deductions (before risk weighting)	729,452		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	673,029		
Amount exceeding the 10% threshold on specified items	—		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	80,044		40
Tier 2 capital	50,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deductions (before risk weighting)	542,985		73

## 8. Non-controlling interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2017	Remarks	Ref. No.
Stock acquisition rights	3,482		8-a
Non-controlling interests	1,499,264		8-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	172,277		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	234,697		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	54,539		48-49

## 9. Other capital instruments

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2017	Remarks	Ref. No.
Borrowed money	10,786,713		9-a
Bonds	8,129,232		9-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	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	449,897		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	898,911		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, 2017	As of September 30, 2016
On-balance sheet exposures (1)				
1		On-balance sheet exposures before deducting adjustment items	178,729,373	156,311,673
1a	1	Total assets reported in the consolidated balance sheet	204,302,493	179,972,782
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) (-)	25,573,120	23,661,109
2	7	The amount of adjustment items pertaining to Tier 1 capital (-)	910,239	679,425
3		Total on-balance sheet exposures (a)	177,819,133	155,632,247
Exposures related to derivative transactions (2)				
4		Replacement cost associated with derivatives transactions, etc.	2,350,561	2,674,966
5		Add-on amount associated with derivatives transactions, etc.	4,129,044	3,097,868
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	615,358	601,449
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) (-)	615,358	601,449
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	498,792	614,055
10		The amount of deductions from effective notional amount of written credit derivatives (-)	478,319	509,786
11	4	Total exposures related to derivative transactions (b)	6,500,078	5,877,105
Exposures related to repo transactions (3)				
12		The amount of assets related to repo transactions, etc.	10,787,990	8,199,979
13		The amount of deductions from the assets above (line 12) (-)	—	—
14		The exposures for counterparty credit risk for repo transactions, etc.	414,932	167,702
15		The exposures for agent repo transaction		
16	5	Total exposures related to repo transactions, etc. (c)	11,202,923	8,367,682
Exposures related to off-balance sheet transactions (4)				
17		Notional amount of off-balance sheet transactions	64,828,699	58,055,409
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	42,963,395	38,590,884
19	6	Total exposures related to off-balance sheet transactions (d)	21,865,304	19,464,524
Leverage ratio on a consolidated basis (5)				
20		The amount of capital (Tier 1 capital) (e)	10,384,048	8,934,338
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	217,387,440	189,341,559
22		Leverage ratio on a consolidated basis ((e)/(f))	4.77%	4.71%

(In million yen, %)

Corresponding line # on Basel III disclosure template (Table2)	Corresponding line # on Basel III disclosure template (Table1)	Item	As of March 31, 2017
On-balance sheet exposures (1)			
1		On-balance sheet exposures before deducting adjustment items	173,317,789
1a	1	Total assets reported in the consolidated balance sheet	197,791,611
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) (-)	24,473,822
2	7	The amount of adjustment items pertaining to Tier 1 capital (-)	945,091
3		Total on-balance sheet exposures (a)	172,372,697
Exposures related to derivative transactions (2)			
4		Replacement cost associated with derivatives transactions, etc.	2,059,221
5		Add-on amount associated with derivatives transactions, etc.	3,492,391
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	617,273
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) (-)	617,273
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	555,356
10		The amount of deductions from effective notional amount of written credit derivatives (-)	518,520
11	4	Total exposures related to derivative transactions (b)	5,588,449
Exposures related to repo transactions (3)			
12		The amount of assets related to repo transactions, etc.	9,660,288
13		The amount of deductions from the assets above (line 12) (-)	—
14		The exposures for counterparty credit risk for repo transactions, etc.	674,034
15		The exposures for agent repo transaction	
16	5	Total exposures related to repo transactions, etc. (c)	10,334,322
Exposures related to off-balance sheet transactions (4)			
17		Notional amount of off-balance sheet transactions	64,061,261
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	42,687,096
19	6	Total exposures related to off-balance sheet transactions (d)	21,374,165
Leverage ratio on a consolidated basis (5)			
20		The amount of capital (Tier 1 capital) (e)	9,946,179
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	209,669,634
22		Leverage ratio on a consolidated basis ((e)/(f))	4.74%

## 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”).

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

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

As described on the following page, the LCR has remained stable with no significant fluctuation since the introduction of the liquidity regulation on March 31, 2015.

#### 2. Assessment of Consolidated LCR

The LCR Notification stipulates that the minimum requirement of the LCR for 2017 is set at 80.0% and from 2018 onwards, the minimum requirement of 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 the LCR .....	60.0%	70.0%	80.0%	90.0%	100.0%

The LCR of consolidated SMFG exceeds the minimum requirements of the LCR for 2017 (80.0%) 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 does not differ significantly from the initial forecast.

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

The high-quality liquid assets held by consolidated SMFG that are allowed to be included in the calculation of the LCR include deposits with central banks, highly-rated bonds and cash. As described on the following page, the amount of such high-quality liquid assets exceeds the amount of net cash outflows. Meanwhile, currency denominations, categories and locations, 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 on the consolidated basis), there is no significant mismatch in the 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 LCR 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 (Consolidated)

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

Item		Current Quarter (From 2017/7/1 To 2017/9/30)		Prior Quarter (From 2017/4/1 To 2017/6/30)	
<b>High-Quality Liquid Assets (1)</b>					
1	Total high-quality liquid assets (HQLA)	58,307,346		57,442,386	
<b>Cash Outflows (2)</b>					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
2	Cash outflows related to unsecured retail funding	52,045,380	4,028,796	51,207,146	3,975,713
3	of which, Stable deposits	16,815,303	504,645	16,367,456	491,208
4	of which, Less stable deposits	35,230,077	3,524,152	34,839,690	3,484,506
5	Cash outflows related to unsecured wholesale funding	61,976,467	31,677,928	62,109,018	31,467,942
6	of which, Qualifying operational deposits	—	—	—	—
7	of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	56,203,359	25,904,820	56,252,836	25,611,759
8	of which, Debt securities	5,773,108	5,773,108	5,856,182	5,856,182
9	Cash outflows related to secured funding, etc.	192,303		110,071	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	20,885,543	7,433,042	21,537,843	7,556,697
11	of which, Cash outflows related to derivative transactions, etc.	1,677,499	1,677,499	1,755,469	1,755,469
12	of which, Cash outflows related to funding programs	478,533	478,533	513,003	513,003
13	of which, Cash outflows related to credit and liquidity facilities	18,729,511	5,277,010	19,269,371	5,288,225
14	Cash outflows related to contractual funding obligations, etc.	9,034,914	6,175,975	9,531,227	6,419,764
15	Cash outflows related to contingencies	70,664,866	1,277,019	69,372,408	1,275,954
16	Total cash outflows	50,785,063		50,806,141	
<b>Cash Inflows (3)</b>					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
17	Cash inflows related to secured lending, etc.	6,645,397	297,401	5,714,523	340,299
18	Cash inflows related to collection of loans, etc.	4,494,893	2,967,389	4,334,641	2,806,689
19	Other cash inflows	3,821,656	1,756,021	3,901,563	1,826,285
20	Total cash inflows	14,961,947	5,020,811	13,950,727	4,973,274
<b>Consolidated Liquidity Coverage Ratio (4)</b>					
21	Total HQLA allowed to be included in the calculation	58,307,346		57,442,386	
22	Net cash outflows	45,764,252		45,832,867	
23	Consolidated liquidity coverage ratio (LCR)	127.4%		125.3%	
24	The number of data used to calculate the average value	62		62	

Notes: 1. The data following the introduction of the liquidity regulation on March 31, 2015 is 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))

2. The average values are calculated based on daily data in accordance with Notification No. 7 issued by the Japanese Financial Services Agency in 2015. For attribute information on customers and some data on consolidated subsidiaries, etc., monthly or quarterly data is used.

## ■ Breakdown of High-Quality Liquid Assets

(In million yen)

Item		Current Quarter (From 2017/7/1 To 2017/9/30)		Prior Quarter (From 2017/4/1 To 2017/6/30)	
1	Cash and due from banks	50,026,456		48,478,052	
2	Securities	8,280,890		8,964,333	
3	of which, government bonds, etc.	5,724,466		6,715,614	
4	of which, municipal bonds, etc.	180,900		171,948	
5	of which, other bonds	659,886		388,950	
6	of which, stocks	1,715,638		1,687,821	
7	Total high-quality liquid assets (HQLA)	58,307,346		57,442,386	

Note: The above amounts are the amounts of high-quality liquid assets in accordance with the liquidity regulation under the Basel III and do not correspond to the financial amounts. The amounts stated are the amounts after multiplying factor in the liquidity regulation under the Basel III.



# 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, 2017		As of September 30, 2016	
			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	6,688,945		7,037,689	
1a	of which: capital and capital surplus	3,531,372		4,256,812	
2	of which: retained earnings	3,349,670		2,972,017	
1c	of which: treasury stock (-)	-		-	
26	of which: cash dividends to be paid (-)	192,097		191,140	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	-		-	
3	Accumulated other comprehensive income and other disclosed reserves	1,234,428	308,607	672,986	448,657
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	186,741		175,784	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	12,220		5,542	
	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)	12,220		5,542	
6	Common Equity Tier 1 capital: instruments and reserves (A)	8,122,336		7,892,002	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	214,336	53,584	266,370	177,580
8	of which: goodwill (including those equivalent)	40,532	10,133	106,584	71,056
9	of which: other intangible assets other than goodwill and mortgage servicing rights	173,804	43,451	159,785	106,523
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	969	242	853	568
11	Net deferred gains or losses on hedges	(33,253)	(8,313)	53,278	35,518
12	Shortfall of eligible provisions to expected losses	-	-	2,549	1,699
13	Gain on sale on securitization transactions	49,323	12,330	34,677	23,118
14	Gains and losses due to changes in own credit risk on fair valued liabilities	1,861	465	3,349	2,233
15	Net defined benefit asset	181,082	45,270	93,594	62,396
16	Investments in own shares (excluding those reported in the Net assets section)	22	5	26	17
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)	414,343		454,698	
<b>Common Equity Tier 1 capital (CET1)</b>					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,707,993		7,437,303	

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2017		As of September 30, 2016		
			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	450,000	/	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)	28,412	/	18,821	/	
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	611,046	/	665,369	/	
33	of which: instruments issued by banks and their special purpose vehicles	611,046	/	665,369	/	
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	2,124	/	(46,176)	/	
	of which: foreign currency translation adjustments	2,124	/	(46,176)	/	
36	Additional Tier 1 capital: instruments (D)	1,091,582	/	938,014	/	
<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)	65,312	16,328	48,039	32,026	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	23,798	/	100,513	/	
	of which: goodwill and others	11,467	/	76,545	/	
	of which: gain on sale on securitization transactions	12,330	/	23,118	/	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	—	/	849	/	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—	/	—	/	
43	Additional Tier 1 capital: regulatory adjustments (E)	89,110	/	148,552	/	
<b>Additional Tier 1 capital (AT1)</b>						
44	Additional Tier 1 capital ((D)-(E)) (F)	1,002,472	/	789,461	/	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>						
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,710,465	/	8,226,765	/	
<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	906,295	/	883,599	/
		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)	5,657	/	3,223	/	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	812,203	/	1,166,979	/	
47	of which: instruments issued by banks and their special purpose vehicles	812,203	/	1,166,979	/	
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	28,864	/	6,427	/	
50a	of which: general reserve for possible loan losses	6,475	/	6,427	/	
50b	of which: eligible provisions	22,389	/	—	/	
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	192,849	/	296,256	/	
	of which: unrealized gains on other securities after 55% discount	186,671	/	283,418	/	
	of which: land revaluation excess after 55% discount	6,177	/	12,838	/	
51	Tier 2 capital: instruments and provisions (H)	1,945,869	/	2,356,486	/	

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2017		As of September 30, 2016	
			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)	120,000	30,000	30,000	20,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	20,591		45,625	
	of which: Tier 2 and deductions under Basel II	20,591		45,625	
57	Tier 2 capital: regulatory adjustments (I)	140,591		75,625	
<b>Tier 2 capital (T2)</b>					
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,805,278		2,280,860	
<b>Total capital (TC = T1 + T2)</b>					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	10,515,743		10,507,625	
<b>Risk weighted assets</b>					
	Total of items included in risk weighted assets subject to transitional arrangements	32,725		61,987	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	10,679		25,480	
	of which: net defined benefit asset	12,740		17,528	
	of which: significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	8,667		16,898	
60	Risk weighted assets (L)	57,348,399		56,246,841	
<b>Capital ratio (consolidated)</b>					
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	13.44%		13.22%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	15.18%		14.62%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	18.33%		18.68%	
<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)	346,497		475,558	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	541,833		741,387	
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)	2,991		6,387	
<b>Provisions included in Tier 2 capital: instruments and provisions</b>					
76	Provisions (general reserve for possible loan losses)	6,475		6,427	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	23,974		23,442	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	22,389		—	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	294,538		280,304	
<b>Capital instruments subject to transitional arrangements</b>					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	618,928		742,714	
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	1,017,264		1,220,717	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	—		—	

(Millions of yen)

Items	As of September 30, 2017	As of September 30, 2016
Required capital ((L) × 8%)	4,587,871	4,499,747

(Millions of yen, except percentages)

Basel III Template No.	Items	As of March 31, 2017	
			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	6,534,395	
1a	of which: capital and capital surplus	3,519,653	
2	of which: retained earnings	3,045,979	
1c	of which: treasury stock (-)	-	
26	of which: cash dividends to be paid (-)	31,237	
	of which: other than the above	-	
1b	Stock acquisition rights to common shares	-	
3	Accumulated other comprehensive income and other disclosed reserves	1,154,101	288,525
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	183,880	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	13,024	
	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)	13,024	
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,885,402	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	215,215	53,803
8	of which: goodwill (including those equivalent)	43,542	10,885
9	of which: other intangible assets other than goodwill and mortgage servicing rights	171,672	42,918
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,297	324
11	Net deferred gains or losses on hedges	(30,148)	(7,537)
12	Shortfall of eligible provisions to expected losses	-	-
13	Gain on sale on securitization transactions	46,740	11,685
14	Gains and losses due to changes in own credit risk on fair valued liabilities	2,761	690
15	Net defined benefit asset	172,582	43,145
16	Investments in own shares (excluding those reported in the Net assets section)	24	6
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)	408,473	
<b>Common Equity Tier 1 capital (CET1)</b>			
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,476,928	

(Millions of yen, except percentages)

Basel III Template No.	Items	As of March 31, 2017		
			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	450,000	
		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)	24,315		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	607,479		
33	of which: instruments issued by banks and their special purpose vehicles	607,479		
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	7,117		
	of which: foreign currency translation adjustments	7,117		
36	Additional Tier 1 capital: instruments (D)	1,088,912		
<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)	64,035	16,008	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	23,591		
	of which: goodwill and others	11,906		
	of which: gain on sale on securitization transactions	11,685		
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	—		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—		
43	Additional Tier 1 capital: regulatory adjustments (E)	87,626		
<b>Additional Tier 1 capital (AT1)</b>				
44	Additional Tier 1 capital ((D)-(E)) (F)	1,001,285		
<b>Tier 1 capital (T1 = CET1 + AT1)</b>				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,478,214		
<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	905,332	
		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)	5,039		
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	873,368		
47	of which: instruments issued by banks and their special purpose vehicles	873,368		
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	13,348		
50a	of which: general reserve for possible loan losses	6,900		
50b	of which: eligible provisions	6,448		
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	177,022		
	of which: unrealized gains on other securities after 55% discount	170,772		
	of which: land revaluation excess after 55% discount	6,250		
51	Tier 2 capital: instruments and provisions (H)	1,974,111		

(Millions of yen, except percentages)

Basel III Template No.	Items	As of March 31, 2017	
			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)	120,000	30,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	20,744	
	of which: Tier 2 and deductions under Basel II	20,744	
57	Tier 2 capital: regulatory adjustments	(I)	140,744
<b>Tier 2 capital (T2)</b>			
58	Tier 2 capital (T2) ((H)-(I))	(J)	1,833,366
<b>Total capital (TC = T1 + T2)</b>			
59	Total capital (TC = T1 + T2) ((G)+(J))	(K)	10,311,580
<b>Risk weighted assets</b>			
	Total of items included in risk weighted assets subject to transitional arrangements	32,764	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	10,307	
	of which: net defined benefit asset	11,846	
	of which: significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	9,914	
60	Risk weighted assets	(L)	58,004,379
<b>Capital ratio (consolidated)</b>			
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))		12.89%
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))		14.61%
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))		17.77%
<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)	400,680	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	523,446	
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)	4,715	
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
76	Provisions (general reserve for possible loan losses)	6,900	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	20,271	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	6,448	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	301,311	
<b>Capital instruments subject to transitional arrangements</b>			
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	618,928	
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	1,017,264	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	–	

(Millions of yen)

Items	As of March 31, 2017
Required capital ((L) × 8%)	4,640,350

## ■ Reconciliation of Regulatory Capital Elements Back to the Balance Sheet (As of September 30, 2016 and 2017)

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, 2017	As of September 30, 2016		
(Assets)				
Cash and due from banks	47,819,202	39,099,012		
Call loans and bills bought	1,952,757	1,332,654		
Receivables under resale agreements	2,037,807	746,170		
Receivables under securities borrowing transactions	3,470,616	7,451,991		
Monetary claims bought	4,514,984	3,718,373		
Trading assets	2,346,929	7,219,515	6-a	
Money held in trust	0	3		
Securities	23,968,348	21,767,145	2-b, 6-b	
Loans and bills discounted	84,235,689	78,742,567	6-c	
Foreign exchanges	2,504,825	1,546,229		
Lease receivables and investment assets	290,472	265,943		
Other assets	4,015,840	4,321,519		
Tangible fixed assets	1,433,409	1,133,814		
Intangible fixed assets	341,892	525,463	2-a	
Net defined benefit asset	324,944	223,988	3	
Deferred tax assets	51,556	60,172	4-a	
Customers' liabilities for acceptances and guarantees	7,354,080	6,048,956		
Reserve for possible loan losses	(461,105)	(449,315)		
<b>Total assets</b>	<b>186,202,251</b>	<b>173,754,205</b>		
(Liabilities)				
Deposits	120,594,388	111,341,791		
Negotiable certificates of deposit	13,626,156	10,860,560		
Call money and bills sold	914,331	1,159,907		
Payables under repurchase agreements	3,797,113	1,964,416		
Payables under securities lending transactions	3,802,884	6,454,075		
Commercial paper	2,333,488	2,053,258		
Trading liabilities	2,023,299	5,544,260	6-d	
Borrowed money	12,638,869	7,454,656	8	
Foreign exchanges	1,172,082	816,229		
Short-term bonds	—	205,400		
Bonds	3,556,595	4,669,250		
Due to trust account	1,215,144	1,035,457		
Other liabilities	3,342,494	4,524,511		
Reserve for employee bonuses	28,744	37,603		
Net defined benefit liability	14,921	17,800		
Reserve for executive retirement benefits	816	761		
Reserve for point service program	867	893		
Reserve for reimbursement of deposits	8,721	12,326		
Reserve for losses on interest repayment	29	43		
Reserve under the special laws	—	1,188		
Deferred tax liabilities	410,271	274,511	4-b	
Deferred tax liabilities for land revaluation	31,244	32,167	4-c	
Acceptances and guarantees	7,354,080	6,048,956		
<b>Total liabilities</b>	<b>176,866,543</b>	<b>164,510,029</b>		
(Net assets)				
Capital stock	1,770,996	1,770,996	1-a	
Capital surplus	1,970,379	2,695,819	1-b	
Retained earnings	3,349,670	2,972,017	1-c	
Treasury stock	(210,003)	(210,003)	1-d	
<b>Total stockholders' equity</b>	<b>6,881,042</b>	<b>7,228,830</b>		
Net unrealized gains on other securities	1,519,633	1,159,436		
Net deferred gains or losses on hedges	(42,736)	86,943	5	
Land revaluation excess	37,581	39,341		
Foreign currency translation adjustments	10,620	(115,441)		
Remeasurements of defined benefit plans	17,935	(48,636)		
<b>Total accumulated other comprehensive income</b>	<b>1,543,035</b>	<b>1,121,643</b>		3
Stock acquisition rights	292	259	7-a	
Non-controlling interests	911,337	893,443	7-b	
<b>Total net assets</b>	<b>9,335,708</b>	<b>9,244,175</b>		
<b>Total liabilities and net assets</b>	<b>186,202,251</b>	<b>173,754,205</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, 2017	As of September 30, 2016	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	1,970,379	2,695,819	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	3,349,670	2,972,017		1-c
Treasury stock	(210,003)	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
Total stockholders' equity	6,881,042	7,228,830		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,881,042	7,228,830	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,531,372	4,256,812		1a
of which: retained earnings	3,349,670	2,972,017		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, 2017	As of September 30, 2016	Remarks	Ref. No.
Intangible fixed assets	341,892	525,463		2-a
Securities	23,968,348	21,767,145		2-b
of which: goodwill attributable to equity-method investees	21,317	31,939		
Income taxes related to above	95,288	113,452		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Goodwill (including those equivalent)	50,665	177,641		8
Other intangible assets other than goodwill and mortgage servicing rights	217,255	266,308	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, 2017	As of September 30, 2016	Remarks	Ref. No.
Net defined benefit asset	324,944	223,988		3
Income taxes related to above	98,590	67,997		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Net defined benefit asset	226,353	155,990		15



#### 4. Deferred tax assets

##### (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks	Ref. No.
Deferred tax assets	51,556	60,172		4-a
Deferred tax liabilities	410,271	274,511		4-b
Deferred tax liabilities for land revaluation	31,244	32,167		4-c
Tax effects on other intangible assets	95,288	113,452		
Tax effects on net defined benefit asset	98,590	67,997		

##### (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,211	1,422	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)	2,991	6,387	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)	2,991	6,387		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, 2017	As of September 30, 2016	Remarks	Ref. No.
Net deferred gains or losses on hedges	(42,736)	86,943		5

##### (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	(41,566)	88,796	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, 2017	As of September 30, 2016	Remarks	Ref. No.
Trading assets	2,346,929	7,219,515	Including trading account securities and derivatives for trading assets	6-a
Securities	23,968,348	21,767,145		6-b
Loans and bills discounted	84,235,689	78,742,567	Including subordinated loans	6-c
Trading liabilities	2,023,299	5,544,260	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, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Investments in own capital instruments	28	44		
Common Equity Tier 1 capital	28	44		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)	346,497	475,558		
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)	346,497	475,558		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	773,473	871,453		
Amount exceeding the 10% threshold on specified items	—	—		19
Amount exceeding the 15% threshold on specified items	—	—		23
Additional Tier 1 capital	81,640	80,066		40
Tier 2 capital	150,000	50,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	541,833	741,387		73

## 7. Non-controlling interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks	Ref. No.
Stock acquisition rights	292	259		7-a
Non-controlling interests	911,337	893,443		7-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	186,741	175,784		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	28,412	18,821		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	5,657	3,223		48-49

## 8. Other capital instruments

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks	Ref. No.
Borrowed money	12,638,869	7,454,656		8

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	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	450,000	300,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	906,295	883,599		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, 2017)

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, 2017		
<b>(Assets)</b>			
Cash and due from banks	44,992,414		
Call loans and bills bought	1,872,144		
Receivables under resale agreements	2,199,733		
Receivables under securities borrowing transactions	3,609,903		
Monetary claims bought	4,265,954		
Trading assets	2,666,417	6-a	
Money held in trust	0		
Securities	24,181,601	2-b, 6-b	
Loans and bills discounted	83,314,483	6-c	
Foreign exchanges	1,722,104		
Lease receivables and investment assets	282,505		
Other assets	3,586,135		
Tangible fixed assets	1,121,670		
Intangible fixed assets	339,674	2-a	
Net defined benefit asset	310,588	3	
Deferred tax assets	59,928	4-a	
Customers' liabilities for acceptances and guarantees	6,927,918		
Reserve for possible loan losses	(506,515)		
<b>Total assets</b>	<b>180,946,664</b>		
<b>(Liabilities)</b>			
Deposits	118,424,659		
Negotiable certificates of deposit	12,595,937		
Call money and bills sold	844,519		
Payables under repurchase agreements	2,737,947		
Payables under securities lending transactions	3,190,161		
Commercial paper	2,312,289		
Trading liabilities	2,131,143	6-d	
Borrowed money	11,981,546	8	
Foreign exchanges	718,940		
Short-term bonds	—		
Bonds	3,987,749		
Due to trust account	1,180,976		
Other liabilities	4,524,079		
Reserve for employee bonuses	34,990		
Reserve for executive bonuses	922		
Net defined benefit liability	16,788		
Reserve for executive retirement benefits	867		
Reserve for point service program	1,189		
Reserve for reimbursement of deposits	15,464		
Reserve for losses on interest repayment	40		
Reserve under the special laws	—		
Deferred tax liabilities	378,740	4-b	
Deferred tax liabilities for land revaluation	31,596	4-c	
Acceptances and guarantees	6,927,918		
<b>Total liabilities</b>	<b>172,038,471</b>		
<b>(Net assets)</b>			
Capital stock	1,770,996	1-a	
Capital surplus	1,958,660	1-b	
Retained earnings	3,045,979	1-c	
Treasury stock	(210,003)	1-d	
<b>Total stockholders' equity</b>	<b>6,565,632</b>		
Net unrealized gains on other securities	1,397,396		
Net deferred gains or losses on hedges	(39,174)	5	
Land revaluation excess	38,041		
Foreign currency translation adjustments	35,589		
Remeasurements of defined benefit plans	10,773		
<b>Total accumulated other comprehensive income</b>	<b>1,442,626</b>		3
Stock acquisition rights	276	7-a	
Non-controlling interests	899,656	7-b	
<b>Total net assets</b>	<b>8,908,192</b>		
<b>Total liabilities and net assets</b>	<b>180,946,664</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, 2017	Remarks	Ref. No.
Capital stock	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-a
Capital surplus	1,958,660	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	3,045,979		1-c
Treasury stock	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
Total stockholders' equity	6,565,632		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,565,632	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,519,653		1a
of which: retained earnings	3,045,979		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, 2017	Remarks	Ref. No.
Intangible fixed assets	339,674		2-a
Securities	24,181,601		2-b
of which: goodwill attributable to equity-method investees	23,744		
Income taxes related to above	94,399		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Goodwill (including those equivalent)	54,427		8
Other intangible assets other than goodwill and mortgage servicing rights	214,591	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, 2017	Remarks	Ref. No.
Net defined benefit asset	310,588		3
Income taxes related to above	94,860		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Net defined benefit asset	215,728		15

#### 4. Deferred tax assets

##### (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2017	Remarks	Ref. No.
Deferred tax assets	59,928		4-a
Deferred tax liabilities	378,740		4-b
Deferred tax liabilities for land revaluation	31,596		4-c
Tax effects on other intangible assets	94,399		
Tax effects on net defined benefit asset	94,860		

##### (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,621	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)	4,715	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)	4,715		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, 2017	Remarks	Ref. No.
Net deferred gains or losses on hedges	(39,174)		5

##### (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	(37,685)	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, 2017	Remarks	Ref. No.
Trading assets	2,666,417	Including trading account securities and derivatives for trading assets	6-a
Securities	24,181,601		6-b
Loans and bills discounted	83,314,483	Including subordinated loans	6-c
Trading liabilities	2,131,143	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, 2017	Remarks	Basel III Template No.
Investments in own capital instruments	30		
Common Equity Tier 1 capital	30		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)	400,680		
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)	400,680		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	753,490		
Amount exceeding the 10% threshold on specified items	—		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	80,044		40
Tier 2 capital	150,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	523,446		73

## 7. Non-controlling interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2017	Remarks	Ref. No.
Stock acquisition rights	276		7-a
Non-controlling interests	899,656		7-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	183,880		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	24,315		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	5,039		48-49

## 8. Other capital instruments

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2017	Remarks	Ref. No.
Borrowed money	11,981,546		8

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	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	450,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	905,332		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, 2017	As of September 30, 2016
On-balance sheet exposures (1)				
1		On-balance sheet exposures before deducting adjustment items	167,535,269	151,278,476
1a	1	Total assets reported in the consolidated balance sheet	186,202,251	173,754,205
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) (-)	18,666,982	22,475,729
2	7	The amount of adjustment items pertaining to Tier 1 capital (-)	461,723	411,433
3		Total on-balance sheet exposures (a)	167,073,545	150,867,042
Exposures related to derivative transactions (2)				
4		Replacement cost associated with derivatives transactions, etc.	2,040,429	2,702,044
5		Add-on amount associated with derivatives transactions, etc.	3,107,465	3,105,886
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	615,358	601,449
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) (-)	615,358	601,449
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	86,789	614,055
10		The amount of deductions from effective notional amount of written credit derivatives (-)	86,789	509,786
11	4	Total exposures related to derivative transactions (b)	5,147,895	5,912,199
Exposures related to repo transactions (3)				
12		The amount of assets related to repo transactions, etc.	5,508,424	8,198,161
13		The amount of deductions from the assets above (line 12) (-)	—	—
14		The exposures for counterparty credit risk for repo transactions, etc.	377,992	167,691
15		The exposures for agent repo transaction	—	—
16	5	Total exposures related to repo transactions, etc. (c)	5,886,417	8,365,852
Exposures related to off-balance sheet transactions (4)				
17		Notional amount of off-balance sheet transactions	59,283,120	52,159,812
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	39,258,151	34,580,233
19	6	Total exposures related to off-balance sheet transactions (d)	20,024,969	17,579,578
Leverage ratio on a consolidated basis (5)				
20		The amount of capital (Tier 1 capital) (e)	8,710,465	8,226,765
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	198,132,827	182,724,674
22		Leverage ratio on a consolidated basis ((e)/(f))	4.39%	4.50%

(In million yen, %)

Corresponding line # on Basel III disclosure template (Table2)	Corresponding line # on Basel III disclosure template (Table1)	Item	As of March 31, 2017
On-balance sheet exposures (1)			
1		On-balance sheet exposures before deducting adjustment items	162,047,155
1a	1	Total assets reported in the consolidated balance sheet	180,946,664
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) (-)	18,899,509
2	7	The amount of adjustment items pertaining to Tier 1 capital (-)	453,155
3		Total on-balance sheet exposures (a)	161,594,000
Exposures related to derivative transactions (2)			
4		Replacement cost associated with derivatives transactions, etc.	1,970,160
5		Add-on amount associated with derivatives transactions, etc.	2,620,126
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	617,273
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) (-)	617,273
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	121,281
10		The amount of deductions from effective notional amount of written credit derivatives (-)	108,987
11	4	Total exposures related to derivative transactions (b)	4,602,580
Exposures related to repo transactions (3)			
12		The amount of assets related to repo transactions, etc.	5,809,637
13		The amount of deductions from the assets above (line 12) (-)	—
14		The exposures for counterparty credit risk for repo transactions, etc.	652,754
15		The exposures for agent repo transaction	
16	5	Total exposures related to repo transactions, etc. (c)	6,462,392
Exposures related to off-balance sheet transactions (4)			
17		Notional amount of off-balance sheet transactions	58,401,965
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	38,860,189
19	6	Total exposures related to off-balance sheet transactions (d)	19,541,775
Leverage ratio on a consolidated basis (5)			
20		The amount of capital (Tier 1 capital) (e)	8,478,214
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	192,200,748
22		Leverage ratio on a consolidated basis ((e)/(f))	4.41%



## 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”).

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

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

As described on the following page, the LCR has remained stable with no significant fluctuation since the introduction of the liquidity regulation on March 31, 2015.

#### 2. Assessment of Consolidated LCR

The LCR Notification stipulates that the minimum requirement of the LCR for 2017 is set at 80.0% and from 2018 onwards, the minimum requirement of 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 the LCR .....	60.0%	70.0%	80.0%	90.0%	100.0%

The LCR of consolidated SMBC exceeds the minimum requirements of the LCR for 2017 (80.0%) 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 does not differ significantly from the initial forecast.

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

The high-quality liquid assets held by consolidated SMBC that are allowed to be included in the calculation of the LCR include deposits with central banks, highly-rated bonds and cash. As described on the following page, the amount of such high-quality liquid assets exceeds the amount of net cash outflows. Meanwhile, currency denominations, categories and locations, 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 on the consolidated basis), there is no significant mismatch in the 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 LCR 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 (Consolidated)

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

Item		Current Quarter (From 2017/7/1 To 2017/9/30)		Prior Quarter (From 2017/4/1 To 2017/6/30)	
<b>High-Quality Liquid Assets (1)</b>					
1	Total high-quality liquid assets (HQLA)	57,090,548		56,282,542	
<b>Cash Outflows (2)</b>					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
2	Cash outflows related to unsecured retail funding	52,045,475	4,028,803	51,207,249	3,975,721
3	of which, Stable deposits	16,815,341	504,646	16,367,499	491,209
4	of which, Less stable deposits	35,230,134	3,524,157	34,839,751	3,484,512
5	Cash outflows related to unsecured wholesale funding	61,351,850	31,046,279	61,719,453	31,070,238
6	of which, Qualifying operational deposits	—	—	—	—
7	of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	55,828,060	25,522,489	55,991,296	25,342,081
8	of which, Debt securities	5,523,790	5,523,790	5,728,157	5,728,157
9	Cash outflows related to secured funding, etc.	181,767		98,273	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	20,801,134	7,222,602	21,456,642	7,351,408
11	of which, Cash outflows related to derivative transactions, etc.	1,401,964	1,401,964	1,471,501	1,471,501
12	of which, Cash outflows related to funding programs	476,852	476,852	513,003	513,003
13	of which, Cash outflows related to credit and liquidity facilities	18,922,317	5,343,785	19,472,138	5,366,905
14	Cash outflows related to contractual funding obligations, etc.	5,381,928	4,035,905	5,804,053	4,293,429
15	Cash outflows related to contingencies	64,834,342	1,119,759	63,531,080	1,119,232
16	Total cash outflows	47,635,115		47,908,302	
<b>Cash Inflows (3)</b>					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
17	Cash inflows related to secured lending, etc.	1,913,048	296,164	1,677,057	338,997
18	Cash inflows related to collection of loans, etc.	4,103,733	2,762,884	3,865,922	2,553,209
19	Other cash inflows	2,400,274	1,219,941	2,338,278	1,247,029
20	Total cash inflows	8,417,055	4,278,989	7,881,257	4,139,235
<b>Consolidated Liquidity Coverage Ratio (4)</b>					
21	Total HQLA allowed to be included in the calculation	57,090,548		56,282,542	
22	Net cash outflows	43,356,126		43,769,067	
23	Consolidated liquidity coverage ratio (LCR)	131.6%		128.5%	
24	The number of data used to calculate the average value	62		62	

Notes: 1. The data following the introduction of the liquidity regulation on March 31, 2015 is 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))

2. The average values are calculated based on daily data in accordance with Notification No. 7 issued by the Japanese Financial Services Agency in 2015. For attribute information on customers and some data on consolidated subsidiaries, etc., monthly or quarterly data is used.

## ■ Breakdown of High-Quality Liquid Assets

(In million yen)

Item		Current Quarter (From 2017/7/1 To 2017/9/30)		Prior Quarter (From 2017/4/1 To 2017/6/30)	
1	Cash and due from banks	49,205,220		47,752,643	
2	Securities	7,885,328		8,529,899	
3	of which, government bonds, etc.	5,653,840		6,642,196	
4	of which, municipal bonds, etc.	120,282		109,639	
5	of which, other bonds	602,083		317,186	
6	of which, stocks	1,509,122		1,460,879	
7	Total high-quality liquid assets (HQLA)	57,090,548		56,282,542	

Note: The above amounts are the amounts of high-quality liquid assets in accordance with the liquidity regulation under the Basel III and do not correspond to the financial amounts. The amounts stated are the amounts after multiplying factor in the liquidity regulation under the Basel III.

## 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, 2017		As of September 30, 2016	
			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	6,088,810		6,433,280	
1a	of which: capital and capital surplus	3,337,824		4,027,283	
2	of which: retained earnings	2,943,083		2,597,137	
1c	of which: treasury stock (-)	-		-	
26	of which: cash dividends to be paid (-)	192,097		191,140	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	-		-	
3	Valuation and translation adjustment and other disclosed reserves	1,191,148	297,787	821,930	547,953
	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)	7,279,958		7,255,211	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	127,749	31,937	93,692	62,461
8	of which: goodwill (including those equivalent)	-	-	-	-
9	of which: other intangible assets other than goodwill and mortgage servicing rights	127,749	31,937	93,692	62,461
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	-	-
11	Net deferred gains or losses on hedges	(42,017)	(10,504)	122,985	81,990
12	Shortfall of eligible provisions to expected losses	11,274	2,818	27,919	18,613
13	Gain on sale on securitization transactions	49,323	12,330	34,677	23,118
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	-	-
15	Prepaid pension cost	154,306	38,576	116,131	77,420
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)	300,635		395,406	
<b>Common Equity Tier 1 capital (CET1)</b>					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	6,979,322		6,859,804	

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2017		As of September 30, 2016		
			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	450,000	/	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	611,046	/	665,369	/	
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(147)	/	(479)	/	
	of which: foreign currency translation adjustments	(147)	/	(479)	/	
36	Additional Tier 1 capital: instruments (D)	1,060,898	/	964,889	/	
<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)	61,008	15,252	45,756	30,504	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	13,740	/	32,424	/	
	of which: gain on sale on securitization transactions	12,330	/	23,118	/	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	1,409	/	9,306	/	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	/	-	/	
43	Additional Tier 1 capital: regulatory adjustments (E)	74,748	/	78,181	/	
<b>Additional Tier 1 capital (AT1)</b>						
44	Additional Tier 1 capital ((D)-(E)) (F)	986,149	/	886,708	/	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>						
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	7,965,472	/	7,746,512	/	
<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	906,295	/	885,837	/
		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	812,203	/	1,170,380	/	
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	190,742	/	288,214	/	
	of which: unrealized gains on other securities after 55% discount	185,601	/	277,448	/	
	of which: land revaluation excess after 55% discount	5,141	/	10,765	/	
51	Tier 2 capital: instruments and provisions (H)	1,909,240	/	2,344,432	/	

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2017		As of September 30, 2016	
			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)	120,000	30,000	30,000	20,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	1,409		9,306	
	of which: Tier 2 and deductions under Basel II	1,409		9,306	
57	Tier 2 capital: regulatory adjustments (I)	121,409		39,306	
<b>Tier 2 capital (T2)</b>					
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,787,831		2,305,125	
<b>Total capital (TC = T1 + T2)</b>					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	9,753,304		10,051,638	
<b>Risk weighted assets</b>					
	Total of items included in risk weighted assets subject to transitional arrangements	70,796		141,100	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	8,724		17,062	
	of which: prepaid pension cost	10,537		21,148	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	42,867		85,990	
60	Risk weighted assets (L)	50,790,646		48,914,069	
<b>Capital ratio</b>					
61	Common Equity Tier 1 risk-weighted capital ratio ((C)/(L))	13.74%		14.02%	
62	Tier 1 risk-weighted capital ratio ((G)/(L))	15.68%		15.83%	
63	Total risk-weighted capital ratio ((K)/(L))	19.20%		20.54%	
<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)	332,506		354,452	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	526,972		676,035	
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)	2,445		2,103	
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	271,119		261,137	
<b>Capital instruments subject to transitional arrangements</b>					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	618,678		742,414	
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	1,008,620		1,210,344	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	—		—	

(Millions of yen)

Items	As of September 30, 2017	As of September 30, 2016
Required capital ((L) × 8%)	4,063,251	3,913,125

(Millions of yen, except percentages)

Basel III Template No.	Items	As of March 31, 2017	
			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	5,997,169	
1a	of which: capital and capital surplus	3,337,824	
2	of which: retained earnings	2,690,582	
1c	of which: treasury stock (-)	-	
26	of which: cash dividends to be paid (-)	31,237	
	of which: other than the above	-	
1b	Stock acquisition rights to common shares	-	
3	Valuation and translation adjustment and other disclosed reserves	1,110,652	277,663
	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) 7,107,822	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	128,279	32,069
8	of which: goodwill (including those equivalent)	-	-
9	of which: other intangible assets other than goodwill and mortgage servicing rights	128,279	32,069
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
11	Net deferred gains or losses on hedges	(28,183)	(7,045)
12	Shortfall of eligible provisions to expected losses	23,124	5,781
13	Gain on sale on securitization transactions	46,740	11,685
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
15	Prepaid pension cost	152,821	38,205
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) 322,783	
<b>Common Equity Tier 1 capital (CET1)</b>			
29	Common Equity Tier 1 capital (CET1) ((A)-(B))	(C) 6,785,039	

(Millions of yen, except percentages)

Basel III Template No.	Items	As of March 31, 2017		
			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	450,000	
		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		607,479	
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements		(160)	
	of which: foreign currency translation adjustments		(160)	
36	Additional Tier 1 capital: instruments (D)		1,057,318	
<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)		61,008	15,252
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements		14,575	
	of which: gain on sale on securitization transactions		11,685	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses		2,890	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		—	
43	Additional Tier 1 capital: regulatory adjustments (E)		75,584	
<b>Additional Tier 1 capital (AT1)</b>				
44	Additional Tier 1 capital ((D)-(E)) (F)		981,733	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)		7,766,772	
<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		905,332	
	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		873,744	
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		175,432	
	of which: unrealized gains on other securities after 55% discount		170,218	
	of which: land revaluation excess after 55% discount		5,214	
51	Tier 2 capital: instruments and provisions (H)		1,954,510	

(Millions of yen, except percentages)

Basel III Template No.	Items	As of March 31, 2017	
			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)	120,000	30,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	2,890	
	of which: Tier 2 and deductions under Basel II	2,890	
57	Tier 2 capital: regulatory adjustments	(I)	122,890
<b>Tier 2 capital (T2)</b>			
58	Tier 2 capital (T2) ((H)-(I))	(J)	1,831,619
<b>Total capital (TC = T1 + T2)</b>			
59	Total capital (TC = T1 + T2) ((G)+(J))	(K)	9,598,392
<b>Risk weighted assets</b>			
	Total of items included in risk weighted assets subject to transitional arrangements	72,106	
	of which: prepaid pension cost	10,436	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	42,995	
	of which: significant investments in Tier 2 capital of Other Financial Institutions (net of eligible short positions)	9,914	
60	Risk weighted assets	(L)	51,575,789
<b>Capital ratio</b>			
61	Common Equity Tier 1 risk-weighted capital ratio ((C)/(L))	13.15%	
62	Tier 1 risk-weighted capital ratio ((G)/(L))	15.05%	
63	Total risk-weighted capital ratio ((K)/(L))	18.61%	
<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)	386,929	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	524,160	
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)	2,412	
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	277,287	
<b>Capital instruments subject to transitional arrangements</b>			
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	618,678	
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	1,008,620	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	—	

(Millions of yen)

Items	As of March 31, 2017
Required capital ((L) × 8%)	4,126,063



## ■ Reconciliation of Regulatory Capital Elements Back to the Balance Sheet (As of September 30, 2016 and 2017)

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, 2017	As of September 30, 2016		
(Assets)				
Cash and due from banks	43,529,923	35,298,147		
Call loans	1,525,292	940,558		
Receivables under resale agreements	770,942	528,769		
Receivables under securities borrowing transactions	3,044,605	2,527,556		
Monetary claims bought	1,272,119	964,209		
Trading assets	1,605,930	2,736,443	6-a	
Securities	24,295,598	22,525,289		
Loans and bills discounted	76,231,805	71,081,261	6-c	
Foreign exchanges	2,424,200	1,547,217		
Other assets	2,670,630	2,551,675		
Tangible fixed assets	810,253	821,713		
Intangible fixed assets	230,030	224,941	2	
Prepaid pension cost	277,848	278,812	3	
Customers' liabilities for acceptances and guarantees	7,933,259	6,736,789		
Reserve for possible loan losses	(349,605)	(324,775)		
Reserve for possible losses on investments	(19,813)	(41,983)		
<b>Total assets</b>	<b>166,253,022</b>	<b>148,396,626</b>		
(Liabilities)				
Deposits	106,907,529	98,956,852		
Negotiable certificates of deposit	12,919,152	10,646,973		
Call money	1,059,561	868,032		
Payables under repurchase agreements	2,838,175	725,474		
Payables under securities lending transactions	3,466,201	3,290,068		
Commercial paper	1,369,682	1,220,018		
Trading liabilities	1,397,857	2,382,454	6-d	
Borrowed money	12,614,328	7,369,910		
Foreign exchanges	1,182,751	853,671		
Bonds	3,502,294	4,052,155		
Due to trust account	1,196,281	1,013,637		
Other liabilities	1,686,758	1,983,085		
Reserve for employee bonuses	13,303	13,414		
Reserve for point service program	734	771		
Reserve for reimbursement of deposits	6,898	10,654		
Deferred tax liabilities	356,032	245,777	4-a	
Deferred tax liabilities for land revaluation	30,877	31,801	4-b	
Acceptances and guarantees	7,933,259	6,736,789		
<b>Total liabilities</b>	<b>158,481,680</b>	<b>140,401,541</b>		
(Net assets)				
Capital stock	1,770,996	1,770,996	1-a	
Capital surplus	1,776,830	2,466,290	1-b	
Retained earnings	2,943,331	2,595,812		
Treasury stock	(210,003)	(210,003)	1-d	
<b>Total stockholders' equity</b>	<b>6,281,155</b>	<b>6,623,095</b>		
Net unrealized gains on other securities	1,517,104	1,139,955		
Net deferred gains or losses on hedges	(53,162)	204,028		
Land revaluation excess	26,245	28,005		
<b>Total valuation and translation adjustments</b>	<b>1,490,187</b>	<b>1,371,989</b>		
<b>Total net assets</b>	<b>7,771,342</b>	<b>7,995,084</b>		
<b>Total liabilities and net assets</b>	<b>166,253,022</b>	<b>148,396,626</b>		

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

Balance sheet account	(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	24,282,020	22,511,710	6-b	3
Borrowed money	11,997,082	6,697,813	7	
Retained earnings	2,943,083	2,597,137	1-c	
Net deferred gains or losses on hedges	(53,676)	203,123	5	
Total valuation and translation adjustments	1,488,935	1,369,884		

(Appended Table)

1. Stockholders' equity

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of September 30, 2017	As of September 30, 2016	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	1,776,830	2,466,290	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	2,943,083	2,597,137		1-c
Treasury stock	(210,003)	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
Total stockholders' equity	6,280,907	6,624,421		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,280,907	6,624,421	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,337,824	4,027,283		1a
of which: retained earnings	2,943,083	2,597,137		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, 2017	As of September 30, 2016	Remarks	Ref. No.
Intangible fixed assets	230,030	224,941		2
Income taxes related to above	70,343	68,787		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Goodwill (including those equivalent)	—	—		8
Other intangible assets other than goodwill and mortgage servicing rights	159,686	156,154	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, 2017	As of September 30, 2016	Remarks	Ref. No.
Prepaid pension cost	277,848	278,812		3
Income taxes related to above	84,966	85,260		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Prepaid pension cost	192,882	193,551		15

#### 4. Deferred tax assets

##### (1) Balance sheet

(Millions of yen)

Balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks	Ref. No.
Deferred tax liabilities	356,032	245,777		4-a
Deferred tax liabilities for land revaluation	30,877	31,801		4-b
Tax effects on other intangible assets	70,343	68,787		
Tax effects on prepaid pension cost	84,966	85,260		

##### (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	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 September 30, 2017	As of September 30, 2016	Remarks	Ref. No.
Net deferred gains or losses on hedges	(53,676)	203,123		5

##### (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	(52,521)	204,976	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 September 30, 2017	As of September 30, 2016	Remarks	Ref. No.
Trading assets	1,605,930	2,736,443	Including trading account securities and derivatives for trading assets	6-a
Securities	24,282,020	22,511,710		6-b
Loans and bills discounted	76,231,805	71,081,261	Including subordinated loans	6-c
Trading liabilities	1,397,857	2,382,454	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, 2017	As of September 30, 2016	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)	332,506	354,452		
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)	332,506	354,452		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	753,233	802,296		
Amount exceeding the 10% threshold on specified items	—	—		19
Amount exceeding the 15% threshold on specified items	—	—		23
Additional Tier 1 capital	76,261	76,261		40
Tier 2 capital	150,000	50,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	526,972	676,035		73

## 7. Other capital instruments

## (1) Balance sheet

(Millions of yen)

Balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks	Ref. No.
Borrowed money	11,997,082	6,697,813		7

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	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	450,000	300,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	906,295	885,837		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, 2017)

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, 2017		
<b>(Assets)</b>			
Cash and due from banks	41,652,508		
Call loans	1,465,117		
Receivables under resale agreements	523,913		
Receivables under securities borrowing transactions	3,184,379		
Monetary claims bought	1,125,434		
Trading assets	1,879,342	6-a	
Securities	24,342,369		
Loans and bills discounted	75,585,256	6-c	
Foreign exchanges	1,663,102		
Other assets	2,383,307		
Tangible fixed assets	815,808		
Intangible fixed assets	230,984	2	
Prepaid pension cost	275,175	3	
Customers' liabilities for acceptances and guarantees	7,565,562		
Reserve for possible loan losses	(389,726)		
Reserve for possible losses on investments	(20,808)		
<b>Total assets</b>	<b>162,281,729</b>		
<b>(Liabilities)</b>			
Deposits	105,590,771		
Negotiable certificates of deposit	12,263,091		
Call money	1,009,469		
Payables under repurchase agreements	1,359,017		
Payables under securities lending transactions	3,076,425		
Commercial paper	1,390,123		
Trading liabilities	1,472,340	6-d	
Borrowed money	12,026,497		
Foreign exchanges	737,961		
Bonds	3,944,061		
Due to trust account	1,160,014		
Other liabilities	2,879,318		
Reserve for employee bonuses	14,134		
Reserve for executive bonuses	612		
Reserve for point service program	1,058		
Reserve for reimbursement of deposits	13,602		
Deferred tax liabilities	329,253	4-a	
Deferred tax liabilities for land revaluation	31,230	4-b	
Acceptances and guarantees	7,565,562		
<b>Total liabilities</b>	<b>154,864,546</b>		
<b>(Net assets)</b>			
Capital stock	1,770,996	1-a	
Capital surplus	1,776,830	1-b	
Retained earnings	2,689,638		
Treasury stock	(210,003)	1-d	
<b>Total stockholders' equity</b>	<b>6,027,462</b>		
Net unrealized gains on other securities	1,399,125		
Net deferred gains or losses on hedges	(36,110)		
Land revaluation excess	26,704		
<b>Total valuation and translation adjustments</b>	<b>1,389,719</b>		
<b>Total net assets</b>	<b>7,417,182</b>		
<b>Total liabilities and net assets</b>	<b>162,281,729</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	24,328,791	6-b	
Borrowed money	11,412,841	7	
Retained earnings	2,690,582	1-c	
Net deferred gains or losses on hedges	(36,710)	5	
Total valuation and translation adjustments	1,388,315		3

(Appended Table)

1. Stockholders' equity

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2017	Remarks	Ref. No.
Capital stock	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-a
Capital surplus	1,776,830	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	2,690,582		1-c
Treasury stock	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
Total stockholders' equity	6,028,406		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,028,406	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,337,824		1a
of which: retained earnings	2,690,582		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, 2017	Remarks	Ref. No.
Intangible fixed assets	230,984		2
Income taxes related to above	70,635		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Goodwill (including those equivalent)	—		8
Other intangible assets other than goodwill and mortgage servicing rights	160,349	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, 2017	Remarks	Ref. No.
Prepaid pension cost	275,175		3
Income taxes related to above	84,148		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Prepaid pension cost	191,027		15



#### 4. Deferred tax assets

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

Balance sheet items	As of March 31, 2017	Remarks	Ref. No.
Deferred tax liabilities	329,253		4-a
Deferred tax liabilities for land revaluation	31,230		4-b
Tax effects on other intangible assets	70,635		
Tax effects on prepaid pension cost	84,148		

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

Composition of capital disclosure	As of March 31, 2017	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, 2017	Remarks	Ref. No.
Net deferred gains or losses on hedges	(36,710)		5

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

Composition of capital disclosure	As of March 31, 2017	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	(35,228)	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, 2017	Remarks	Ref. No.
Trading assets	1,879,342	Including trading account securities and derivatives for trading assets	6-a
Securities	24,328,791		6-b
Loans and bills discounted	75,585,256	Including subordinated loans	6-c
Trading liabilities	1,472,340	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, 2017	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)	386,929		
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)	386,929		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	750,421		
Amount exceeding the 10% threshold on specified items	—		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	76,261		40
Tier 2 capital	150,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	524,160		73

## 7. Other capital instruments

## (1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2017	Remarks	Ref. No.
Borrowed money	11,412,841		7

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2017	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	450,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	905,332		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”).

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

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

As described on the following page, the LCR has remained stable with no significant fluctuation since the introduction of the liquidity regulation on March 31, 2015.

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

The LCR Notification stipulates that the minimum requirement of the LCR for 2017 is set at 80.0% and from 2018 onwards, the minimum requirement of 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 the LCR .....	60.0%	70.0%	80.0%	90.0%	100.0%

The LCR of non-consolidated SMBC exceeds the minimum requirements of the LCR for 2017 (80.0%) 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 does not differ significantly from the initial forecast.

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

The high-quality liquid assets held by non-consolidated SMBC that are allowed to be included in the calculation of the LCR include deposits with central banks, highly-rated bonds and cash. As described on the following page, the amount of such high-quality liquid assets exceeds the amount of net cash outflows. Meanwhile, currency denominations, categories and locations, 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 on the non-consolidated basis), there is no significant mismatch in the 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 LCR 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 (Non-consolidated)

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

Item		Current Quarter (From 2017/7/1 To 2017/9/30)		Prior Quarter (From 2017/4/1 To 2017/6/30)	
<b>High-Quality Liquid Assets (1)</b>					
1	Total high-quality liquid assets (HQLA)	51,515,071		51,315,612	
<b>Cash Outflows (2)</b>					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
2	Cash outflows related to unsecured retail funding	44,319,911	3,442,168	43,617,542	3,398,819
3	of which, Stable deposits	14,148,144	424,444	13,763,773	412,913
4	of which, Less stable deposits	30,171,766	3,017,724	29,853,769	2,985,906
5	Cash outflows related to unsecured wholesale funding	57,314,172	29,209,424	57,958,409	29,549,422
6	of which, Qualifying operational deposits	—	—	—	—
7	of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	51,939,061	23,834,313	52,397,342	23,988,356
8	of which, Debt securities	5,375,111	5,375,111	5,561,066	5,561,066
9	Cash outflows related to secured funding, etc.	173,954		92,204	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	19,167,567	6,458,432	19,860,707	6,529,939
11	of which, Cash outflows related to derivative transactions, etc.	712,690	712,690	701,905	701,905
12	of which, Cash outflows related to funding programs	476,852	476,852	513,003	513,003
13	of which, Cash outflows related to credit and liquidity facilities	17,978,025	5,268,889	18,645,799	5,315,031
14	Cash outflows related to contractual funding obligations, etc.	4,397,514	2,526,063	4,955,010	2,885,652
15	Cash outflows related to contingencies	64,260,595	1,011,946	62,961,747	1,034,108
16	Total cash outflows	42,821,986		43,490,144	
<b>Cash Inflows (3)</b>					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
17	Cash inflows related to secured lending, etc.	1,507,574	287,483	1,220,135	315,039
18	Cash inflows related to collection of loans, etc.	4,494,809	3,309,749	4,033,475	2,888,679
19	Other cash inflows	1,804,038	1,017,852	1,785,333	1,087,122
20	Total cash inflows	7,806,421	4,615,083	7,038,943	4,290,840
<b>Non-consolidated Liquidity Coverage Ratio (4)</b>					
21	Total HQLA allowed to be included in the calculation	51,515,071		51,315,612	
22	Net cash outflows	38,206,903		39,199,305	
23	Non-consolidated liquidity coverage ratio (LCR)	134.8%		130.9%	
24	The number of data used to calculate the average value	62		62	

Notes: 1. The data following the introduction of the liquidity regulation on March 31, 2015 is 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))

2. The average values are calculated based on daily data in accordance with Notification No. 7 issued by the Japanese Financial Services Agency in 2015. For attribute information on customers etc., monthly or quarterly data is used.

## ■ Breakdown of High-Quality Liquid Assets

(In million yen)

Item		Current Quarter (From 2017/7/1 To 2017/9/30)		Prior Quarter (From 2017/4/1 To 2017/6/30)	
1	Cash and due from banks	44,289,233		43,518,445	
2	Securities	7,225,838		7,797,168	
3	of which, government bonds, etc.	5,113,237		6,078,009	
4	of which, municipal bonds, etc.	107,063		105,564	
5	of which, other bonds	496,416		152,716	
6	of which, stocks	1,509,122		1,460,879	
7	Total high-quality liquid assets (HQLA)	51,515,071		51,315,612	

Note: The above amounts are the amounts of high-quality liquid assets in accordance with the liquidity regulation under the Basel III and do not correspond to the financial amounts. The amounts stated are the amounts after multiplying factor in the liquidity regulation under the Basel III.

## 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.

### 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 are 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 clients, 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 the 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 since March 31, 2015.  
The 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 the 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.

**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  
The maximum loss that can be expected to occur with a certain degree of probability when holding a financial asset portfolio for a given amount of time.