

# Capital Ratio Information (Consolidated)

Sumitomo Mitsui Banking Corporation and Subsidiaries

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

		Millions of yen
March 31		2012
Tier 1 capital:	Capital stock .....	¥ 1,770,996
	Capital surplus .....	2,717,397
	Retained earnings .....	1,299,484
	Treasury stock .....	(210,003)
	Cash dividends to be paid .....	(24,330)
	Foreign currency translation adjustments .....	(139,425)
	Stock acquisition rights .....	94
	Minority interests .....	1,539,385
	Goodwill and others .....	(301,643)
	Gain on sale on securitization transactions .....	(38,103)
	Amount equivalent to 50% of expected losses in excess of reserve .....	(15,072)
	Total Tier 1 capital (A) .....	6,598,778
Tier 2 capital:	Unrealized gains on other securities after 55% discount .....	176,804
	Land revaluation excess after 55% discount .....	35,755
	General reserve for possible loan losses .....	43,327
	Excess of eligible reserves relative to expected losses .....	—
	Subordinated debt .....	2,454,262
	Total Tier 2 capital .....	2,710,151
	Tier 2 capital included as qualifying capital (B) .....	2,710,151
Deductions:	(C) .....	258,567
Total qualifying capital:	(D) = (A) + (B) – (C) .....	¥ 9,050,362
Risk-weighted assets:	On-balance sheet items .....	¥34,477,578
	Off-balance sheet items .....	6,954,799
	Market risk .....	1,134,685
	Operational risk .....	3,528,445
	Total risk-weighted assets (E) .....	¥46,095,509
Tier 1 risk-weighted capital ratio:	(A) / (E) × 100 .....	14.31%
Total risk-weighted capital ratio:	(D) / (E) × 100 .....	19.63%
Required capital:	(E) × 8% .....	¥ 3,687,640

(Millions of yen, except percentages)

		Year ended March 31, 2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,096,661		1a+2-1c-26
of which: capital and capital surplus	4,278,391		1a
of which: retained earnings	1,869,906		2
of which: treasury stock	—		1c
of which: cash dividends to be paid	51,636		26
of which: other than the above	—		
Stock acquisition rights to common shares	—		1b
Accumulated other comprehensive income and other disclosed reserves	—	654,954	3
Adjusted minority interests, etc. (amount allowed to be included in group Common Equity Tier 1)	146,706		5
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	33,773		
of which: minority interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	33,773		
Common Equity Tier 1 capital: instruments and reserves (A)	6,277,140		6
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
Total intangible assets (excluding those relating to mortgage servicing rights)	—	331,161	8+9
of which: goodwill (including those equivalent)	—	166,102	8
of which: other intangible assets other than goodwill and mortgage servicing rights	—	165,058	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	4,196	10
Net deferred losses on hedges	—	(27,567)	11
Shortfall of eligible provisions to expected losses	—	—	12
Gain on sale on securitization transactions	—	39,081	13
Gains and losses due to changes in own credit risk on fair valued liabilities	—	6,658	14
Prepaid pension cost	—	144,660	15
Investments in own shares (excluding those reported in the Net assets section)	—	96	16
Reciprocal cross-holdings in common equity	—	—	17
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	—	40,443	18
Amount exceeding the 10% threshold on specified items	—	—	19+20+21
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	19
of which: mortgage servicing rights	—	—	20
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	21
Amount exceeding the 15% threshold on specified items	—	—	22
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	23
of which: mortgage servicing rights	—	—	24
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	—		27
Common Equity Tier 1 capital: regulatory adjustments (B)	—		28
<b>Common Equity Tier 1 capital (CET1)</b>			
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	6,277,140		29

(Millions of yen, except percentages)

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

(Millions of yen, except percentages)

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

(Millions of yen)

Items	Year ended March 31, 2013
Required capital ((L) × 8%)	4,458,020

# Reconciliation of Regulatory Capital Elements Back to the Balance Sheet (Year ended March 31, 2013)

## Sumitomo Mitsui Banking Corporation and Subsidiaries

(Million of Yen)

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

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

**(Exhibit)**

## 1. Stockholders' equity

## (1) Consolidated balance sheet

(Million of Yen)

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

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

## (2) Composition of capital

(Million of Yen)

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

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

## 2. Intangible assets

## (1) Consolidated balance sheet

(Million of Yen)

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

Ref. No.
2-a
2-b

Income taxes related to above	91,022
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## (2) Composition of capital

(Million of Yen)

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

Basel III Template No.
8
9
20
24
74

## 3. Prepaid pension cost

## (1) Consolidated balance sheet

(Million of Yen)

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

Ref. No.
3

Income taxes related to above	79,867
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## (2) Composition of capital

(Million of Yen)

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

Basel III Template No.
15

## 4. Deferred tax assets

## (1) Consolidated balance sheet

(Million of Yen)

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

Ref. No.

4-a

4-b

4-c

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

## (2) Composition of capital

(Million of Yen)

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

Basel III Template No.

10

21

25

75

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

## (1) Consolidated balance sheet

(Million of Yen)

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

Ref. No.

5

## (2) Composition of capital

(Million of Yen)

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

Basel III Template No.

11

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

## (1) Consolidated balance sheet

(Million of Yen)

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

Ref. No.

6-a

6-b

6-c

6-d

6-e

## (2) Composition of capital

(Million of Yen)

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

## 7. Minority interests

## (1) Consolidated balance sheet

(Million of Yen)

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

## (2) Composition of capital

(Million of Yen)

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

## Note:

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

# Capital Ratio Information (Nonconsolidated)

Sumitomo Mitsui Banking Corporation

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

		Millions of yen
March 31		2012
Tier 1 capital:	Capital stock .....	¥ 1,770,996
	Capital reserve .....	1,771,043
	Other capital surplus .....	710,229
	Other retained earnings.....	1,257,377
	Others.....	1,198,808
	Treasury stock .....	(210,003)
	Cash dividends to be paid .....	(24,330)
	Gain on sale on securitization transactions.....	(38,103)
	Amount equivalent to 50% of expected losses in excess of reserve .....	(34,359)
	Total Tier 1 capital (A) .....	6,401,659
Tier 2 capital:	Unrealized gains on other securities after 55% discount.....	172,669
	Land revaluation excess after 55% discount .....	29,327
	Subordinated debt .....	2,361,431
	Total Tier 2 capital .....	2,563,429
Deductions:	Tier 2 capital included as qualifying capital (B) .....	2,563,429
	(C) .....	305,528
Total qualifying capital:	(D) = (A) + (B) – (C) .....	¥ 8,659,560
Risk-weighted assets:	On-balance sheet items .....	¥30,526,896
	Off-balance sheet items .....	5,825,932
	Market risk.....	592,046
	Operational risk .....	2,574,143
	Total risk-weighted assets (E).....	¥39,519,018
Tier 1 risk-weighted capital ratio:	(A) / (E) × 100.....	16.19%
Total risk-weighted capital ratio:	(D) / (E) × 100 .....	21.91%
Required capital:	(E) × 8% .....	¥ 3,161,521

(Millions of yen, except percentages)

		Year ended March 31, 2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	5,712,886		1a+2-1c-26
of which: capital and capital surplus	4,042,266		1a
of which: retained earnings	1,722,256		2
of which: treasury stock	—		1c
of which: cash dividends to be paid	51,636		26
of which: other than the above	—		
Stock acquisition rights to common shares	—		1b
Valuation and translation adjustment and other disclosed reserves	—	788,911	3
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	—		
Common Equity Tier 1 capital: instruments and reserves (A)	5,712,886		6
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
Total intangible assets (excluding those relating to mortgage servicing rights)	—	107,700	8+9
of which: goodwill (including those equivalent)	—	—	8
of which: other intangible assets other than goodwill and mortgage servicing rights	—	107,700	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	847	10
Net deferred gains on hedges	—	25,437	11
Shortfall of eligible provisions to expected losses	—	34,635	12
Gain on sale on securitization transactions	—	39,081	13
Gains and losses due to changes in own credit risk on fair valued liabilities	—	—	14
Prepaid pension cost	—	140,632	15
Investments in own shares (excluding those reported in the Net assets section)	—	—	16
Reciprocal cross-holdings in common equity	—	—	17
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital ("Non-significant Investment") (amount above the 10% threshold)	—	—	18
Amount exceeding the 10% threshold on specified items	—	—	19+20+21
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	19
of which: mortgage servicing rights	—	—	20
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	21
Amount exceeding the 15% threshold on specified items	—	—	22
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	23
of which: mortgage servicing rights	—	—	24
of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	—		27
Common Equity Tier 1 capital: regulatory adjustments (B)	—		28
<b>Common Equity Tier 1 capital (CET1)</b>			
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	5,712,886		29

(Millions of yen, except percentages)

		Year ended March 31, 2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Additional Tier 1 capital: instruments</b>			
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—		31a
Stock acquisition rights to Additional Tier 1 instruments	—		31b
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		32
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,113,621		33+35
Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(1,461)		
of which: foreign currency translation adjustments	(1,461)		
Additional Tier 1 capital: instruments (D)	1,112,160		36
<b>Additional Tier 1 capital: regulatory adjustments</b>			
Investments in own Additional Tier 1 instruments	—	—	37
Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	38
Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	—	—	39
Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	—	159,230	40
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	56,398		
of which: gain on sale on securitization transactions	39,081		
of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	17,317		
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—		42
Additional Tier 1 capital: regulatory adjustments (E)	56,398		43
<b>Additional Tier 1 capital (AT1)</b>			
Additional Tier 1 capital ((D)-(E)) (F)	1,055,761		44
<b>Tier 1 capital (T1 = CET1 + AT1)</b>			
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	6,768,647		45
<b>Tier 2 capital: instruments and provisions</b>			
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	—		
Stock acquisition rights to Tier 2 instruments	—		
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—		46
Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		
Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,815,516		47+49
Total of general reserve for possible loan losses and eligible provisions included in Tier 2	—		50
of which: general reserve for possible loan losses	—		50a
of which: eligible provisions	—		50b
Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	482,672		
of which: unrealized gains on other securities after 55% discount	453,422		
of which: land revaluation excess after 55% discount	29,250		
Tier 2 capital: instruments and provisions (H)	2,298,189		51

(Millions of yen, except percentages)

		Year ended March 31, 2013	
Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Tier 2 capital: regulatory adjustments</b>			
Investments in own Tier 2 instruments	—	—	52
Reciprocal cross-holdings in Tier 2 instruments	—	—	53
Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	—	—	54
Significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	—	125,000	55
Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	17,317		
of which: Tier 2 and deductions under Basel 2	17,317		
Tier 2 capital: regulatory adjustments (I)	17,317		57
<b>Tier 2 capital (T2)</b>			
Tier 2 capital (T2) ((H)-(I)) (J)	2,280,871		58
<b>Total capital (TC = T1 + T2)</b>			
Total capital (TC = T1 + T2) ((G) + (J)) (K)	9,049,519		59
<b>Risk weighted assets</b>			
Total of items included in risk weighted assets subject to transitional arrangements	437,568		
of which: intangible assets other than mortgage servicing rights	9,594		
of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	368,863		
of which: significant investments in Tier 2 capital of Other Financial Institutions (net of eligible short positions)	45,877		
Risk weighted assets (L)	48,594,764		60
<b>Capital ratio (consolidated)</b>			
Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	11.75%		61
Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	13.92%		62
Total risk-weighted capital ratio (consolidated) ((K)/(L))	18.62%		63
<b>Regulatory adjustments</b>			
Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	603,168		72
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	358,161		73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	283,002		75
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
Provisions (general reserve for possible loan losses)	—		76
Cap on inclusion of provisions (general reserve for possible loan losses)	2,593		77
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	—		78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	255,975		79
<b>Capital instruments subject to transitional arrangements</b>			
Current cap on Additional Tier 1 instruments subject to transitional arrangements	1,113,621		82
Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	123,735		83
Current cap on Tier 2 instruments subject to transitional arrangements	1,815,516		84
Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	201,724		85

(Millions of yen)

Items	Year ended March 31, 2013
Required capital ((L) × 8%)	3,887,581

■ Reconciliation of Regulatory Capital Elements Back to the Balance Sheet (Year ended March 31, 2013)  
Sumitomo Mitsui Banking Corporation

(Million of Yen)

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

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

Balance sheet account	Amount reported on the consolidated financial statements	Cross- reference to Appended Table	Basel III Template
Securities	41,332,289	6-c	
Retained earnings	1,722,256	1-c	
Net deferred gains on hedges	22,223	5	
Total valuation and translation adjustments	788,911		3

**(Exhibit)**

## 1. Stockholders' equity

## (1) Balance sheet

(Million of Yen)

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

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

## (2) Composition of capital

(Million of Yen)

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

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

1a
2
1c

31a
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## 2. Intangible assets

## (1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks
Intangible fixed assets	167,159	

Ref. No.
2

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

(Million of Yen)

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

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

8
9

20
24
74

## 3. Prepaid pension cost

## (1) Balance sheet

(Million of Yen)

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

Ref. No.
3

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

(Million of Yen)

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

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

15
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## 4. Deferred tax assets

## (1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks
Deferred tax assets	185,941	
Deferred tax liabilities for land revaluation	39,190	

Ref. No.
4-a
4-b

Tax effects on other intangible assets	59,458	
Tax effects on prepaid pension cost	77,639	

## (2) Composition of capital

(Million of Yen)

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

Basel III Template No.
10

21
25
75

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

## (1) Balance sheet

(Million of Yen)

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

Ref. No.
5

## (2) Composition of capital

(Million of Yen)

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

Basel III Template No.
11

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

## (1) Balance sheet

(Million of Yen)

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

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

## (2) Composition of capital

(Million of Yen)

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

## Note:

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

## Glossary

### ABL

Abbreviation for Asset Based Lending of having movable assets as collateral such as accounts receivable and/or inventory.

### 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%.

### Banking

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

### Basic Indicator Approach (BIA)

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

### 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.

### CDS

Abbreviation for Credit Default Swap

Derivative transactions which transfer the credit risk.

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

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

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

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

### Credit Risk Mitigation (CRM) Techniques

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

### Credit risk-weighted assets

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

### Current exposure method

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

### EL

Abbreviation for Expected Loss

Average loss expected to occur over the coming one year.

### Historical simulation method

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

### Internal models method

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

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

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

### LGD

Abbreviation for Loss Given Default

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

### Market-based approach

Method of calculating the risk 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 capital adequacy regulations, 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.

### Object finance

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

### Operational risk equivalent amount

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

### Originator

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

### PD

Abbreviation for Probability of Default

Probability of becoming default by obligor during one year.

### Phased rollout

Under the Basel Capital Accord (credit risk, operational risk), it is a transition made by certain group companies planning to apply the Internal Ratings-Based Approach or the Advanced Measurement Approach after the implementation of such methods on consolidated-basis.

### 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.

### Resecuritization transaction

Out of securitization transactions, it is a transaction with securitization exposure for part of or entire underlying assets. However, in the case that all of underlying assets is the single securitization exposure and the transaction's risk characteristics are substantively unchanged prior to or after the securitization, the transaction is excluded from the resecuritization transactions.

**Risk capital**

The amount of required capital, which is statistically calculated from the historical market fluctuations, default rates, etc., to cover an unexpected loss arising from risks of business operations. It differs from the minimum regulatory capital requirements, and it is being used in the risk management framework voluntarily developed by financial institutions for the purpose of internal management.

**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.

**Servicer risk**

The risk of becoming unable to claim for the collectives, in cases of which bankruptcy of the supplier/servicer occurs prior to collecting receivables, in securitization and purchased claims transactions.

**Simple risk weight method**

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

**Slotting criteria**

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

**Specialized Lending (SL)**

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

**The Standardized Approach (SA)**

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

**Trading**

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

**Underlying assets**

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

**VaR**

Abbreviation for Value at Risk

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