

## 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		
<b>(Assets)</b>			
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)		
<b>Total assets</b>	<b>125,910,020</b>		
<b>(Liabilities)</b>			
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		
<b>Total liabilities</b>	<b>119,355,573</b>		
<b>(Net assets)</b>			
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	
<b>Total stockholders' equity</b>	<b>5,762,995</b>		
Net unrealized gains on other securities	742,338		
Net deferred gains on hedges	23,301		
Land revaluation excess	25,810		
<b>Total valuation and translation adjustments</b>	<b>791,451</b>		
<b>Total net assets</b>	<b>6,554,446</b>		
<b>Total liabilities and net assets</b>	<b>125,910,020</b>		

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	Ref. No.
Capital stock	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-a
Capital surplus	2,481,273	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	1,722,256		1-c
Treasury stock	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
<b>Total stockholders' equity</b>	<b>5,764,523</b>		

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
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		1a
of which: retained earnings	1,722,256		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

(Million of Yen)

Balance sheet items	Amount	Remarks	Ref. No.
Intangible fixed assets	167,159		2
Income taxes related to above	59,458		

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Goodwill (including those equivalent)	—		8
Other intangible assets other than goodwill and mortgage servicing rights	107,700	Software and other	9
Mortgage servicing rights (net of related tax liability)	—		
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

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Other assets	1,894,382		3
of which: prepaid pension cost	218,272		
Income taxes related to above	77,639		

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Prepaid pension cost	140,632		15

## 4. Deferred tax assets

## (1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	185,941		4-a
Deferred tax liabilities for land revaluation	39,190		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	Basel III Template No.
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.	10
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	—		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)	283,002		75

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

## (1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks	Ref. No.
Net deferred gains on hedges	22,223		5

## (2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
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"	11

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

## (1) Balance sheet

(Million of Yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Trading assets	4,085,739	Including trading account securities and derivatives for trading assets	6-a
Money held in trust	2,372		6-b
Securities	41,332,289		6-c
Loans and bills discounted	59,770,763	Including subordinated loans	6-d
Trading liabilities	3,590,373	Including trading account securities sold and derivatives for trading liabilities	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.