

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

Sumitomo Mitsui Banking Corporation

(Million of Yen)

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

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

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

(Appended Table)

1. Stockholders' equity

(1) Balance sheet

(Million of Yen)

Balance sheet items	Amount	Remarks	Ref. No.
Capital stock	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-a
Capital surplus	2,481,273	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	2,002,047		1-c
Treasury stock	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
Total stockholders' equity	6,044,314		

(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	6,044,314	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	4,042,266		1a
of which: retained earnings	2,002,047		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	169,708		2
Income taxes related to above	60,365		

(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	109,342	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

(Million of Yen)

Balance sheet items	Amount	Remarks	Ref. No.
Other assets	1,640,040		3
of which: prepaid pension cost	223,626		
Income taxes related to above	79,543		

(2) Composition of capital

(Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Prepaid pension cost	144,082		15

4. Deferred tax assets

(1) Balance sheet (Million of Yen)

Balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	62,223		4-a
Deferred tax liabilities for land revaluation	38,230		4-b
Tax effects on other intangible assets	60,365		
Tax effects on prepaid pension cost	79,543		

(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)	-	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)	163,901	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.	
Amount exceeding the 10% threshold on specified items	-		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)	163,901		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	(14,730)		5

(2) Composition of capital (Million of Yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Net deferred gains on hedges	(12,648)	Excluding those items whose valuation differences arising from hedged items are recognized as "Total valuation and translation adjustments"	11

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

(1) Balance sheet (Million of Yen)

Balance sheet items	Amount	Remarks	Ref. No.
Trading assets	3,532,413	Including trading account securities and derivatives for trading assets	6-a
Money held in trust	2,399		6-b
Securities	27,970,511		6-c
Loans and bills discounted	60,839,409	Including subordinated loans	6-d
Trading liabilities	2,915,357	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)	589,299		
Common Equity Tier 1 capital	-		18
Additional Tier 1 capital	-		39
Tier 2 capital	-		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	589,299		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	718,986		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	159,230		40
Tier 2 capital	125,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	434,755		73

Note:

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