

Reconciliation of regulatory capital elements back to the balance sheet (Third Quarter ended December 31, 2013)

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)
	Amount		
(Assets)			
Cash and due from banks	27,621,540		
Call loans and bills bought	1,226,246		
Receivables under resale agreements	433,996		
Receivables under securities borrowing transactions	4,229,670		
Monetary claims bought	3,585,458		
Trading assets	7,386,937	7-a	
Money held in trust	23,903	7-b	
Securities	26,920,907	3-b, 7-c	
Loans and bills discounted	68,160,382	7-d	
Foreign exchanges	1,771,667		
Lease receivables and investment assets	1,786,004		
Other assets	4,855,473	4	
Tangible fixed assets	2,273,805		
Intangible fixed assets	801,073	3-a	
Deferred tax assets	175,690	5-a	
Customers' liabilities for acceptances and guarantees	6,655,728		
Reserve for possible loan losses	(805,252)		
Total assets	157,103,235		
(Liabilities)			
Deposits	92,829,768		
Negotiable certificates of deposit	12,901,169		
Call money and bills sold	2,620,160		
Payables under repurchase agreements	1,911,793		
Payables under securities lending transactions	3,974,060		
Commercial paper	2,661,998		
Trading liabilities	5,646,355	7-e	
Borrowed money	5,447,580		
Foreign exchanges	497,842		
Short-term bonds	1,117,499		
Bonds	5,041,547		
Due to trust account	680,132		
Other liabilities	5,381,526		
Reserve for employee bonuses	33,837		
Reserve for employee retirement benefits	44,696		
Reserve for executive retirement benefits	1,827		
Reserve for point service program	19,357		
Reserve for reimbursement of deposits	7,597		
Reserve for losses on interest repayment	163,713		
Reserve under the special laws	762		
Deferred tax liabilities	124,539	5-b	
Deferred tax liabilities for land revaluation	38,705	5-c	
Acceptances and guarantees	6,655,728		
Total liabilities	147,802,200		
(Net assets)			
Capital stock	2,337,895	1-a	
Capital surplus	758,347	1-b	
Retained earnings	3,349,313	1-c	
Treasury stock	(175,067)	1-d	
Total stockholders' equity	6,270,489		
Net unrealized gains on other securities	1,089,526		
Net deferred losses on hedges	(69,084)	6	
Land revaluation excess	35,852		
Foreign currency translation adjustments	(47,608)		
Total accumulated other comprehensive income	1,008,686		3
Stock acquisition rights	1,658	2,8-a	
Minority interests	2,020,201	8-b	
Total net assets	9,301,035		
Total liabilities and net assets	157,103,235		

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	Amount	Remarks	Ref. No.
Capital stock	2,337,895		1-a
Capital surplus	758,347		1-b
Retained earnings	3,349,313		1-c
Treasury stock	(175,067)		1-d
Total stockholders' equity	6,270,489		

(2) Composition of capital (Millions 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	6,270,489	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,096,243		1a
of which: retained earnings	3,349,313		2
of which: treasury stock (-)	175,067		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	Amount	Remarks	Ref. No.
Stock acquisition rights	1,658		2
of which: Stock acquisition rights issued by bank holding company	1,514		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Stock acquisition rights to common shares	1,514		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	Amount	Remarks	Ref. No.
Intangible fixed assets	801,073		3-a
Securities	26,920,907		3-b
of which: goodwill attributable to equity-method investees	85,341		

Income taxes related to above

149,859

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Goodwill (including those equivalent)	464,935		8
Other intangible assets other than goodwill and mortgage servicing rights	271,619	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. Prepaid pension cost

(1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Other assets	4,855,473		4
of which: prepaid pension cost	233,204		

Income taxes related to above

82,534

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Prepaid pension cost	150,669		15

5. Deferred tax assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	175,690		5-a
Deferred tax liabilities	124,539		5-b
Deferred tax liabilities for land revaluation	38,705		5-c
Tax effects on other intangible assets	149,859		
Tax effects on prepaid pension cost	82,534		

(2) Composition of capital

(Millions 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)	11,760	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)	258,570	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)	258,570		75

6. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Net deferred losses on hedges	(69,084)		6

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Net deferred losses on hedges	(67,143)	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	Amount	Remarks	Ref. No.
Trading assets	7,386,937	Including trading account securities and derivatives for trading assets	7-a
Money held in trust	23,903		7-b
Securities	26,920,907		7-c
Loans and bills discounted	68,160,382	Including subordinated loans	7-d
Trading liabilities	5,646,355	Including trading account securities sold and derivatives for trading liabilities	7-e

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	9,296		
Common Equity Tier 1 capital	9,296		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)	912,076		
Common Equity Tier 1 capital	189,040		18
Additional Tier 1 capital	1,597		39
Tier 2 capital	67,250		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	654,188		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	508,520		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	158,649		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)	224,870		73

8. Minority interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Stock acquisition rights	1,658		8-a
Minority interests	2,020,201		8-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	148,523		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	139,359		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	33,081		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.