

# Reconciliation of regulatory capital elements back to the balance sheet (First Quarter ended June 30, 2014)

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		
<b>(Assets)</b>			
Cash and due from banks	32,466,293		
Call loans and bills bought	1,117,805		
Receivables under resale agreements	654,726		
Receivables under securities borrowing transactions	4,255,218		
Monetary claims bought	3,735,251		
Trading assets	7,461,825	7-a	
Money held in trust	8,217		
Securities	26,759,274	3-b, 7-b	
Loans and bills discounted	68,354,559	7-c	
Foreign exchanges	1,793,851		
Lease receivables and investment assets	1,814,547		
Other assets	4,547,659		
Tangible fixed assets	2,415,184		
Intangible fixed assets	815,473	3-a	
Net defined benefit asset	181,464	4	
Deferred tax assets	162,755	5-a	
Customers' liabilities for acceptances and guarantees	6,605,751		
Reserve for possible loan losses	(711,622)		
<b>Total assets</b>	<b>162,438,236</b>		
<b>(Liabilities)</b>			
Deposits	93,089,821		
Negotiable certificates of deposit	12,519,113		
Call money and bills sold	2,642,160		
Payables under repurchase agreements	2,253,007		
Payables under securities lending transactions	6,500,982		
Commercial paper	2,746,522		
Trading liabilities	5,210,817	7-d	
Borrowed money	8,576,344		
Foreign exchanges	575,421		
Short-term bonds	1,228,800		
Bonds	5,264,989	9	
Due to trust account	744,665		
Other liabilities	4,786,582		
Reserve for employee bonuses	18,403		
Net defined benefit liability	41,136		
Reserve for executive retirement benefits	1,727		
Reserve for point service program	20,531		
Reserve for reimbursement of deposits	13,191		
Reserve for losses on interest repayment	168,262		
Reserve under the special laws	843		
Deferred tax liabilities	180,216	5-b	
Deferred tax liabilities for land revaluation	38,270	5-c	
Acceptances and guarantees	6,605,751		
<b>Total liabilities</b>	<b>153,227,564</b>		
<b>(Net assets)</b>			
Capital stock	2,337,895	1-a	
Capital surplus	758,352	1-b	
Retained earnings	3,657,602	1-c	
Treasury stock	(175,133)	1-d	
<b>Total stockholders' equity</b>	<b>6,578,716</b>		
Net unrealized gains on other securities	1,014,927		
Net deferred losses on hedges	(44,471)	6	
Land revaluation excess	35,637		
Foreign currency translation adjustments	(11,437)		
Remeasurements of defined benefit plans	(70,151)		
<b>Total accumulated other comprehensive income</b>	<b>924,504</b>		3
Stock acquisition rights	1,914	2, 8-a	
Minority interests	1,705,536	8-b	
<b>Total net assets</b>	<b>9,210,672</b>		
<b>Total liabilities and net assets</b>	<b>162,438,236</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	Amount	Remarks
Capital stock	2,337,895	
Capital surplus	758,352	
Retained earnings	3,657,602	
Treasury stock	(175,133)	
Total stockholders' equity	6,578,716	

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

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	Amount	Remarks
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,578,716	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
of which: capital and capital surplus	3,096,247	
of which: retained earnings	3,657,602	
of which: treasury stock (-)	175,133	
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. Stock acquisition rights

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks
Stock acquisition rights	1,914	
of which: Stock acquisition rights issued by bank holding company	1,753	

Ref. No.
2

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	Amount	Remarks
Stock acquisition rights to common shares	1,753	
Stock acquisition rights to Additional Tier 1 instruments	-	
Stock acquisition rights to Tier 2 instruments	-	

Basel III Template No.
1b
31b
46

3. Intangible assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks
Intangible fixed assets	815,473	
Securities	26,759,274	
of which: goodwill attributable to equity-method investees	101,560	

Ref. No.
3-a
3-b

Income taxes related to above	161,764	
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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	Amount	Remarks
Goodwill (including those equivalent)	462,051	
Other intangible assets other than goodwill and mortgage servicing rights	293,217	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

4. Net defined benefit asset

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks
Net defined benefit asset	181,464	

Ref. No.
4

Income taxes related to above	64,443	
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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	Amount	Remarks
Net defined benefit asset	117,020	

Basel III Template No.
15

## 5. Deferred tax assets

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	162,755		5-a
Deferred tax liabilities	180,216		5-b
Deferred tax liabilities for land revaluation	38,270		5-c
Tax effects on other intangible assets	161,764		
Tax effects on net defined benefit asset	64,443		

## (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)	9,496	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)	187,588	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)	187,588		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	(44,471)		6

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Net deferred losses on hedges	(41,991)	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	7,461,825	Including trading account securities and derivatives for trading assets	7-a
Securities	26,759,274		7-b
Loans and bills discounted	68,354,559	Including subordinated loans	7-c
Trading liabilities	5,210,817	Including trading account securities sold and derivatives for trading liabilities	7-d

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	9,184		
Common Equity Tier 1 capital	9,184		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)	792,029		
Common Equity Tier 1 capital	91,007		18
Additional Tier 1 capital	862		39
Tier 2 capital	24,946		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	675,213		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	526,894		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	158,643		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)	243,251		73

## 8. Minority interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Stock acquisition rights	1,914		8-a
Minority interests	1,705,536		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	145,249		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	144,464		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	33,113		48-49

## 9. Other capital instruments

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Bonds	5,264,989		9

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	Amount	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	-		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	174,372		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.