

Reconciliation of regulatory capital elements back to the balance sheet (Second Quarter ended September 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		
(Assets)			
Cash and due from banks	36,435,315		
Call loans and bills bought	1,194,366		
Receivables under resale agreements	706,527		
Receivables under securities borrowing transactions	5,531,806		
Monetary claims bought	3,853,422		
Trading assets	7,863,023	7-a	
Money held in trust	7,889		
Securities	26,243,721	3-b, 7-b	
Loans and bills discounted	70,560,645	7-c	
Foreign exchanges	2,123,155		
Lease receivables and investment assets	1,815,050		
Other assets	5,420,025		
Tangible fixed assets	2,538,991		
Intangible fixed assets	817,522	3-a	
Net defined benefit asset	192,230	4	
Deferred tax assets	151,833	5-a	
Customers' liabilities for acceptances and guarantees	7,075,331		
Reserve for possible loan losses	(627,255)		
Total assets	171,903,603		
(Liabilities)			
Deposits	95,106,774		
Negotiable certificates of deposit	14,634,431		
Call money and bills sold	4,401,120		
Payables under repurchase agreements	1,374,565		
Payables under securities lending transactions	7,943,348		
Commercial paper	2,705,530		
Trading liabilities	5,327,233	7-d	
Borrowed money	8,594,460		
Foreign exchanges	602,386		
Short-term bonds	1,272,300		
Bonds	5,615,399	9	
Due to trust account	770,424		
Other liabilities	6,213,980		
Reserve for employee bonuses	46,010		
Net defined benefit liability	39,695		
Reserve for executive retirement benefits	1,883		
Reserve for point service program	19,971		
Reserve for reimbursement of deposits	11,655		
Reserve for losses on interest repayment	145,889		
Reserve under the special laws	916		
Deferred tax liabilities	294,843	5-b	
Deferred tax liabilities for land revaluation	38,256	5-c	
Acceptances and guarantees	7,075,331		
Total liabilities	162,236,412		
(Net assets)			
Capital stock	2,337,895	1-a	
Capital surplus	757,087	1-b	
Retained earnings	3,906,346	1-c	
Treasury stock	(175,179)	1-d	
Total stockholders' equity	6,826,149		
Net unrealized gains on other securities	1,163,113		
Net deferred losses on hedges	(43,870)	6	
Land revaluation excess	35,622		
Foreign currency translation adjustments	23,534		
Remeasurements of defined benefit plans	(66,252)		
Total accumulated other comprehensive income	1,112,147		3
Stock acquisition rights	2,040	2, 8-a	
Minority interests	1,726,853	8-b	
Total net assets	9,667,190		
Total liabilities and net assets	171,903,603		

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	757,087		1-b
Retained earnings	3,906,346		1-c
Treasury stock	(175,179)		1-d
Total stockholders' equity	6,826,149		

(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	6,826,149	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,094,983		1a
of which: retained earnings	3,906,346		2
of which: treasury stock (-)	175,179		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	2,040		2
of which: Stock acquisition rights issued by bank holding company	1,864		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Stock acquisition rights to common shares	1,864		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	817,522		3-a
Securities	26,243,721		3-b
of which: goodwill attributable to equity-method investees	102,523		
Income taxes related to above	164,509		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Goodwill (including those equivalent)	457,189		8
Other intangible assets other than goodwill and mortgage servicing rights	298,347	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. Net defined benefit asset

(1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Net defined benefit asset	192,230		4
Income taxes related to above	68,223		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Net defined benefit asset	124,007		15

5. Deferred tax assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	151,833		5-a
Deferred tax liabilities	294,843		5-b
Deferred tax liabilities for land revaluation	38,256		5-c
Tax effects on other intangible assets	164,509		
Tax effects on net defined benefit asset	68,223		

(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)	6,666	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)	73,037	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)	73,037		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	(43,870)		6

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Net deferred losses on hedges	(42,294)	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	7,863,023	Including trading account securities and derivatives for trading assets	7-a
Securities	26,243,721		7-b
Loans and bills discounted	70,560,645	Including subordinated loans	7-c
Trading liabilities	5,327,233	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	7,960		
Common Equity Tier 1 capital	7,960		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)	842,686		
Common Equity Tier 1 capital	110,482		18
Additional Tier 1 capital	839		39
Tier 2 capital	26,669		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	704,695		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	551,450		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	158,638		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)	267,812		73

8. Minority interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Stock acquisition rights	2,040		8-a
Minority interests	1,726,853		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	149,583		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	151,685		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	35,189		48-49

9. Other capital instruments

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Bonds	5,615,399		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	318,907		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.