

# Reconciliation of regulatory capital elements back to the balance sheet (Third Quarter ended December 31, 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	33,154,774		
Call loans and bills bought	1,132,632		
Receivables under resale agreements	841,407		
Receivables under securities borrowing transactions	5,334,623		
Monetary claims bought	4,238,606		
Trading assets	8,529,454	7-a	
Money held in trust	7,522		
Securities	28,378,420	3-b, 7-b	
Loans and bills discounted	72,872,067	7-c	
Foreign exchanges	2,195,795		
Lease receivables and investment assets	1,850,175		
Other assets	6,452,708		
Tangible fixed assets	2,756,609		
Intangible fixed assets	817,400	3-a	
Net defined benefit asset	202,586	4	
Deferred tax assets	141,082	5-a	
Customers' liabilities for acceptances and guarantees	7,442,760		
Reserve for possible loan losses	(652,784)		
<b>Total assets</b>	<b>175,695,844</b>		
<b>(Liabilities)</b>			
Deposits	97,806,259		
Negotiable certificates of deposit	14,291,035		
Call money and bills sold	3,185,059		
Payables under repurchase agreements	1,418,097		
Payables under securities lending transactions	5,234,663		
Commercial paper	3,212,421		
Trading liabilities	6,135,916	7-d	
Borrowed money	9,857,445	9-a	
Foreign exchanges	767,821		
Short-term bonds	1,420,899		
Bonds	5,763,664	9-b	
Due to trust account	730,717		
Other liabilities	7,459,365		
Reserve for employee bonuses	32,519		
Net defined benefit liability	39,340		
Reserve for executive retirement benefits	1,968		
Reserve for point service program	19,817		
Reserve for reimbursement of deposits	9,767		
Reserve for losses on interest repayment	123,963		
Reserve under the special laws	1,003		
Deferred tax liabilities	449,661	5-b	
Deferred tax liabilities for land revaluation	38,183	5-c	
Acceptances and guarantees	7,442,760		
<b>Total liabilities</b>	<b>165,442,354</b>		
<b>(Net assets)</b>			
Capital stock	2,337,895	1-a	
Capital surplus	757,095	1-b	
Retained earnings	4,026,998	1-c	
Treasury stock	(175,220)	1-d	
<b>Total stockholders' equity</b>	<b>6,946,768</b>		
Net unrealized gains on other securities	1,430,691		
Net deferred losses on hedges	(21,990)	6	
Land revaluation excess	35,511		
Foreign currency translation adjustments	121,365		
Remeasurements of defined benefit plans	(62,701)		
<b>Total accumulated other comprehensive income</b>	<b>1,502,877</b>		3
Stock acquisition rights	2,159	2, 8-a	
Minority interests	1,801,684	8-b	
<b>Total net assets</b>	<b>10,253,489</b>		
<b>Total liabilities and net assets</b>	<b>175,695,844</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	Ref. No.
Capital stock	2,337,895		1-a
Capital surplus	757,095		1-b
Retained earnings	4,026,998		1-c
Treasury stock	(175,220)		1-d
Total stockholders' equity	6,946,768		

## (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	6,946,768	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,094,990		1a
of which: retained earnings	4,026,998		2
of which: treasury stock (-)	175,220		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	2,159		2
of which: Stock acquisition rights issued by bank holding company	1,975		

## (2) Composition of capital (Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Stock acquisition rights to common shares	1,975		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	817,400		3-a
Securities	28,378,420		3-b
of which: goodwill attributable to equity-method investees	105,297		
Income taxes related to above	166,466		

## (2) Composition of capital (Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Goodwill (including those equivalent)	454,310		8
Other intangible assets other than goodwill and mortgage servicing rights	301,920	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	202,586		4
Income taxes related to above	71,849		

## (2) Composition of capital (Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Net defined benefit asset	130,737		15

## 5. Deferred tax assets

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred tax assets	141,082		5-a
Deferred tax liabilities	449,661		5-b
Deferred tax liabilities for land revaluation	38,183		5-c
Tax effects on other intangible assets	166,466		
Tax effects on net defined benefit asset	71,849		

## (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)	4,112	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)	4,217	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)	4,217		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	(21,990)		6

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Net deferred losses on hedges	(20,142)	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	8,529,454	Including trading account securities and derivatives for trading assets	7-a
Securities	28,378,420		7-b
Loans and bills discounted	72,872,067	Including subordinated loans	7-c
Trading liabilities	6,135,916	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	8,306		
Common Equity Tier 1 capital	8,306		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)	929,895		
Common Equity Tier 1 capital	138,838		18
Additional Tier 1 capital	978		39
Tier 2 capital	27,628		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	762,450		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	565,585		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	158,635		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)	281,950		73

## 8. Minority interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Stock acquisition rights	2,159		8-a
Minority interests	1,801,684		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	151,938		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	176,228		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	39,399		48-49

## 9. Other capital instruments

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Borrowed money	9,857,445		9-a
Bonds	5,763,664		9-b

## (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	351,426		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.