

Capital Structure Information

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

(Millions of yen, except percentages)

Basel III Template No.	Items	As of March 31, 2015	Amounts excluded under transitional arrangements	As of March 31, 2014	Amounts excluded under transitional arrangements
Common Equity Tier 1 capital: instruments and reserves					
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,909,010		6,312,342	
1a	of which: capital and capital surplus	3,095,225		3,096,244	
2	of which: retained earning	4,098,425		3,480,085	
1c	of which: treasury stock (-)	175,261		175,115	
26	of which: cash dividends to be paid (-)	109,379		88,872	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	2,085		1,634	
3	Accumulated other comprehensive income and other disclosed reserves	801,543	1,202,315	175,594	702,376
5	Adjusted minority interests, etc. (amount allowed to be included in group Common Equity Tier 1)	153,863		150,155	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	70,451		104,846	
	of which: minority interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	70,451		104,846	
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,936,954		6,744,573	
Common Equity Tier 1 capital: regulatory adjustments					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	303,449	455,174	153,911	615,647
8	of which: goodwill (including those equivalent)	174,118	261,177	95,584	382,338
9	of which: other intangible assets other than goodwill and mortgage servicing rights	129,330	193,996	58,327	233,309
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,003	3,004	2,617	10,470
11	Net deferred losses on hedges	(11,477)	(17,216)	(11,761)	(47,047)
12	Shortfall of eligible provisions to expected losses	12,822	19,233	-	-
13	Gain on sale on securitization transactions	18,683	28,025	8,136	32,545

14	Gains and losses due to changes in own credit risk on fair valued liabilities	2,597	3,896	1,106	4,424
15	Net defined benefit asset	102,160	153,241	15,465	61,860
16	Investments in own shares (excluding those reported in the Net assets section)	3,954	5,931	1,518	6,074
17	Reciprocal cross-holdings in common equity	-	-	-	-
18	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)	26,239	39,359	22,783	91,133
19+20+21	Amount exceeding the 10% threshold on specified items	-	-	-	-
19	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-	-	-
20	of which: mortgage servicing rights	-	-	-	-
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
22	Amount exceeding the 15% threshold on specified items	-	-	-	-
23	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-	-	-
24	of which: mortgage servicing rights	-	-	-	-
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	460,433		193,776	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,476,520		6,550,796	

Additional Tier 1 capital: instruments						
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	-		-	
	31b	Stock acquisition rights to Additional Tier 1 instruments	-		-	
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	-		-	
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-		-	
34-35	Adjusted minority interests, etc. (amount allowed to be included in group Additional Tier 1)	182,251		145,035		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,124,296		1,212,074		
33	of which: instrument issued by bank holding companies and their special purpose vehicles	1,124,296		1,212,074		
35	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	-		-		
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	93,785		21,791		
	of which: foreign currency translation adjustments	93,785		21,791		
36	Additional Tier 1 capital: instruments (D)	1,400,333		1,378,900		
Additional Tier 1 capital: regulatory adjustments						
37	Investments in own Additional Tier 1 instruments	-	-	-	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	-	-	
39	Non-significant Investments in the Additional Tier 1 capital of Other Financial Institutions, net of eligible short positions (amount above 10% threshold)	203	304	212	848	
40	Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	63,453	95,180	31,729	126,916	

	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	284,571		383,420	
	of which: goodwill and others	246,929		350,875	
	of which: gain on sale on securitization transactions	28,025		32,545	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	9,616		-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	348,227		415,361	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)	1,052,105		963,538	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,528,626		7,514,335	
Tier 2 capital: instruments and provisions					
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	-		-	
	Stock acquisition rights to Tier 2 instruments	-		-	
	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	374,988		-	
	Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-		-	
48-49	Adjusted minority interests, etc. (amount allowed to be included in group Tier 2)	39,348		34,422	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,423,997		1,627,426	
47	of which: instruments issued by bank holding companies and their special purpose vehicles	-		-	
49	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	1,423,997		1,627,426	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	64,776		60,709	
50a	of which: general reserve for possible loan losses	64,776		53,383	
50b	of which: eligible provisions	-		7,325	

	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	699,394		506,578	
	of which: unrealized gains on other securities after 55% discount	679,578		480,004	
	of which: land revaluation excess after 55% discount	19,816		26,574	
51	Tier 2 capital: instruments and provisions (H)	2,602,505		2,229,136	
Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments	-	-	-	-
53	Reciprocal cross-holdings in Tier 2 instruments	-	-	-	-
54	Non-significant Investments in the Tier 2 capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	4,043	6,065	6,402	25,611
55	Significant investments in the Tier 2 capital of Other Financial Institutions(net of eligible short positions)	50,023	75,034	25,000	100,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	111,149		150,650	
	of which: Tier 2 and deductions under Basel II	111,149		150,650	
57	Tier 2 capital: regulatory adjustments (I)	165,216		182,052	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,437,289		2,047,083	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	10,965,916		9,561,418	
Risk weighted assets					
	Total of items included in risk weighted assets subject to transitional arrangements	210,891		284,115	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	32,434		15,718	
	of which: net defined benefit asset	33,867		5,795	
	of which: Non-significant Investments in the capital of Other Financial Institutions, net of eligible short positions (amount above the 10% threshold)	64,835		151,410	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	52,936		70,582	
60	Risk weighted assets (L)	66,136,801		61,623,294	

Capital ratio (consolidated)					
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	11.30%		10.63%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	12.89%		12.19%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	16.58%		15.51%	
Regulatory adjustments					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	798,335		648,713	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	477,320		226,344	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-		-	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	5,285		247,009	
Provisions included in Tier 2 capital: instruments and provisions					
76	Provisions (general reserve for possible loan losses)	64,776		53,383	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	84,065		77,702	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-		7,325	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	312,347		291,554	
Capital instruments subject to transitional arrangements					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	1,138,100		1,300,686	
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	-		-	
84	Current cap on Tier 2 instruments subject to transitional arrangements	1,423,997		1,627,426	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	43,258		126,722	