

Capital Structure Information

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2015	Amounts excluded under transitional arrangements	As of September 30, 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	6,831,236		6,722,252	
1a	of which: capital and capital surplus	4,263,092		4,278,385	
2	of which: retained earnings	2,759,178		2,608,552	
1c	of which: treasury stock (-)	-		-	
26	of which: cash dividends to be paid (-)	191,034		164,685	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	-		-	
3	Accumulated other comprehensive income and other disclosed reserves	633,739	950,609	213,817	855,268
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	168,706		158,379	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	7,323		9,230	
	of which: non-controlling interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	7,323		9,230	
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,641,005		7,103,679	
Common Equity Tier 1 capital: regulatory adjustments					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	157,496	236,245	86,800	347,201
8	of which: goodwill (including those equivalent)	70,384	105,576	48,980	195,920
9	of which: other intangible assets other than goodwill and mortgage servicing rights	87,112	130,669	37,820	151,281
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	827	1,240	597	2,388
11	Net deferred losses on hedges	(4,156)	(6,234)	(8,050)	(32,200)
12	Shortfall of eligible provisions to expected losses	10,037	15,055	7,369	29,476
13	Gain on sale on securitization transactions	18,998	28,498	8,494	33,977

14	Gains and losses due to changes in own credit risk on fair valued liabilities	1,951	2,927	909	3,636
15	Net defined benefit asset	100,017	150,025	24,151	96,605
16	Investments in own shares (excluding those reported in the Net assets section)	31	47	14	56
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)	-	-	-	-
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)	285,204		120,285	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,355,801		6,983,394	

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	300,000		-	
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-		-	
34-35	Adjusted non-controlling interests, etc. (amount allowed to be included in group Additional Tier 1)	18,562		12,049		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	861,546		839,318		
33	of which: instrument issued by banks and their special purpose vehicles	861,546		839,318		
35	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	-		-		
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	64,339		(2,324)		
	of which: foreign currency translation adjustments	64,339		(2,324)		
36	Additional Tier 1 capital: instruments (D)	1,244,449		849,042		
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)	-	-	-	-	
40	Significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	63,455	95,182	31,727	126,910	

	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	134,637		190,547	
	of which: goodwill and others	98,612		141,831	
	of which: gain on sale on securitization transactions	28,498		33,977	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	7,527		14,738	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deduction	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	198,093		222,274	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)	1,046,356		626,767	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,402,157		7,610,162	
Tier 2 capital: instruments and provisions					
	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	-		-	
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	657,249		319,414	
	Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-		-	
48-49	Adjusted non-controlling interests, etc. (amount allowed to be included in group Tier 2)	2,573		2,177	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,424,169		1,545,063	
47	of which: instruments issued by banks and their special purpose vehicles	1,424,169		1,531,063	
49	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	-		14,000	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	8,330		9,639	
50a	of which: general reserve for possible loan losses	8,330		9,639	
50b	of which: eligible provisions	-		-	

	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	529,954		601,624	
	of which: unrealized gains on other securities after 55% discount	510,620		575,141	
	of which: land revaluation excess after 55% discount	19,333		26,483	
51	Tier 2 capital: instruments and provisions (H)	2,622,278		2,477,921	
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)	-	-	-	-
55	Significant investments in the Tier 2 capital of Other Financial Institutions(net of eligible short positions)	50,644	75,966	25,000	100,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	72,852		148,350	
	of which: Tier 2 and deductions under Basel II	72,852		148,350	
57	Tier 2 capital: regulatory adjustments (I)	123,496		173,350	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,498,781		2,304,571	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	10,900,939		9,914,733	
Risk weighted assets					
	Total of items included in risk weighted assets subject to transitional arrangements	128,680		127,409	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	27,223		13,761	
	of which: net defined benefit asset	33,091		8,932	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	52,936		70,582	
	of which: significant investments in the Tier 2 capital of Other Financial Institutions(net of eligible shortpositions)	12,050		23,780	
60	Risk weighted assets (L)	57,371,983		57,128,928	

Capital ratio (consolidated)					
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	12.82%		12.22%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	14.64%		13.32%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	19.00%		17.35%	
Regulatory adjustments					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	620,877		708,913	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	737,831		511,221	
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)	6,695		4,717	
Provisions included in Tier 2 capital: instruments and provisions					
76	Provisions (general reserve for possible loan losses)	8,330		9,639	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	22,640		25,300	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-		-	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	294,875		290,129	
Capital instruments subject to transitional arrangements					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	866,500		990,286	
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	1,424,169		1,627,622	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	1,984		-	