

Capital Structure Information

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Millions of yen, except percentages)

Basel III Template No.	Items	As of December 31, 2015	Amounts excluded under transitional arrangements	As of September 30, 2015	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	7,037,198		6,831,236	
1a	of which: capital and capital surplus	4,263,086		4,263,092	
2	of which: retained earnings	2,774,112		2,759,178	
1c	of which: treasury stock (-)	-		-	
26	of which: cash dividends to be paid (-)	-		191,034	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	-		-	
3	Accumulated other comprehensive income and other disclosed reserves	698,851	1,048,276	633,739	950,609
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	173,821		168,706	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	7,423		7,323	
	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)	7,423		7,323	
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,917,294		7,641,005	
Common Equity Tier 1 capital: regulatory adjustments					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	167,954	251,931	157,496	236,245
8	of which: goodwill (including those equivalent)	68,731	103,096	70,384	105,576
9	of which: other intangible assets other than goodwill and mortgage servicing rights	99,223	148,834	87,112	130,669
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	559	838	827	1,240
11	Net deferred gains or losses on hedges	803	1,205	(4,156)	(6,234)
12	Shortfall of eligible provisions to expected losses	8,364	12,546	10,037	15,055
13	Gain on sale on securitization transactions	20,201	30,302	18,998	28,498

14	Gains and losses due to changes in own credit risk on fair valued liabilities	1,986	2,979	1,951	2,927
15	Net defined benefit asset	103,150	154,725	100,017	150,025
16	Investments in own shares (excluding those reported in the Net assets section)	33	50	31	47
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)	303,053		285,204	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,614,241		7,355,801	

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		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)	20,289		18,562		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	861,743		861,546		
33	of which: instruments issued by banks and their special purpose vehicles	861,743		861,546		
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	42,403		64,339		
	of which: foreign currency translation adjustments	42,403		64,339		
36	Additional Tier 1 capital: instruments (D)	1,224,436		1,244,449		
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)	32,020	48,030	63,455	95,182	

	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	156,515		134,637	
	of which: goodwill and others	119,939		98,612	
	of which: gain on sale on securitization transactions	30,302		28,498	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	6,273		7,527	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	188,535		198,093	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)	1,035,900		1,046,356	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,650,142		8,402,157	
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	658,493		657,249	
	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)	3,046		2,573	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,317,869		1,424,169	
47	of which: instruments issued by banks and their special purpose vehicles	1,317,869		1,424,169	
49	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	-		-	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	7,423		8,330	
50a	of which: general reserve for possible loan losses	7,423		8,330	
50b	of which: eligible provisions	-		-	

	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	611,896		529,954	
	of which: unrealized gains on other securities after 55% discount	592,618		510,620	
	of which: land revaluation excess after 55% discount	19,278		19,333	
51	Tier 2 capital: instruments and provisions (H)	2,598,729		2,622,278	
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)	50,573	75,860	50,644	75,966
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	64,754		72,852	
	of which: Tier 2 and deductions under Basel II	64,754		72,852	
57	Tier 2 capital: regulatory adjustments (I)	115,327		123,496	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,483,401		2,498,781	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	11,133,543		10,900,939	
Risk weighted assets					
	Total of items included in risk weighted assets subject to transitional arrangements	81,853		128,680	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	28,209		27,223	
	of which: net defined benefit asset	34,245		33,091	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	125		52,936	
	of which: significant investments in the Tier 2 capital of Other Financial Institutions(net of eligible short positions)	16,399		12,050	
60	Risk weighted assets (L)	59,757,704		57,371,983	

Capital ratio (consolidated)					
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	12.74%		12.82%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	14.47%		14.64%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	18.63%		19.00%	
Regulatory adjustments					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	622,658		620,877	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	748,033		737,831	
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)	3,329		6,695	
Provisions included in Tier 2 capital: instruments and provisions					
76	Provisions (general reserve for possible loan losses)	7,423		8,330	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	23,278		22,640	
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	304,679		294,875	
Capital instruments subject to transitional arrangements					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	866,500		866,500	
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		1,424,169	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	-		1,984	