

## Reconciliation of regulatory capital elements back to the balance sheet

### Sumitomo Mitsui Banking Corporation 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)
	As of March 31, 2016	As of March 31, 2015		
(Assets)				
Cash and due from banks	42,594,225	39,569,276		
Call loans and bills bought	1,291,365	1,326,965		
Receivables under resale agreements	494,949	746,431		
Receivables under securities borrowing transactions	7,964,208	6,447,116		
Monetary claims bought	4,183,995	4,128,907		
Trading assets	7,980,971	7,364,988	6-a	
Money held in trust	3	1		
Securities	25,153,750	29,559,334	2-b, 6-b	
Loans and bills discounted	77,331,124	75,119,565	6-c	
Foreign exchanges	1,577,167	1,907,667		
Lease receivables and investment assets	269,429	252,213		
Other assets	3,697,438	3,422,970		
Tangible fixed assets	1,167,627	1,073,206		
Intangible fixed assets	526,112	454,584	2-a	
Net defined benefit asset	198,637	367,953	3	
Deferred tax assets	66,570	68,265	4-a	
Customers' liabilities for acceptances and guarantees	6,407,272	6,289,881		
Reserve for possible loan losses	(496,178)	(540,134)		
<b>Total assets</b>	<b>180,408,672</b>	<b>177,559,197</b>		
(Liabilities)				
Deposits	111,238,673	101,503,889		
Negotiable certificates of deposit	14,740,434	14,032,798		
Call money and bills sold	1,220,455	5,873,123		
Payables under repurchase agreements	1,761,822	991,860		
Payables under securities lending transactions	5,309,003	7,833,219		
Commercial paper	3,018,218	3,352,662		
Trading liabilities	6,105,982	5,636,406	6-d	
Borrowed money	8,058,848	8,223,808	8	
Foreign exchanges	1,083,450	1,110,822		
Short-term bonds	367,000	545,700		
Bonds	5,450,145	5,663,566		
Due to trust account	944,542	718,133		
Other liabilities	4,853,664	5,098,781		
Reserve for employee bonuses	54,925	59,893		
Reserve for executive bonuses	1,767	2,567		
Net defined benefit liability	17,844	12,641		
Reserve for executive retirement benefits	743	759		
Reserve for point service program	1,249	1,798		
Reserve for reimbursement of deposits	16,979	20,870		
Reserve for losses on interest repayment	234	632		
Reserve under the special laws	1,129	755		
Deferred tax liabilities	275,887	514,070	4-b	
Deferred tax liabilities for land revaluation	32,203	34,550	4-c	
Acceptances and guarantees	6,407,272	6,289,881		
<b>Total liabilities</b>	<b>170,962,478</b>	<b>167,523,193</b>		
(Net assets)				
Capital stock	1,770,996	1,770,996	1-a	
Capital surplus	2,702,093	2,717,421	1-b	
Retained earnings	2,909,898	2,751,080	1-c	
Treasury stock	(210,003)	(210,003)	1-d	
<b>Total stockholders' equity</b>	<b>7,172,985</b>	<b>7,029,494</b>		
Net unrealized gains on other securities	1,255,877	1,756,894		
Net deferred gains or losses on hedges	61,781	(27,049)	5	
Land revaluation excess	39,348	38,943		
Foreign currency translation adjustments	58,693	114,413		
Remeasurements of defined benefit plans	(65,290)	44,216		
<b>Total accumulated other comprehensive income</b>	<b>1,350,409</b>	<b>1,927,419</b>		
Stock acquisition rights	249	198	7-a	3
Non-controlling interests	922,549	1,078,891	7-b	
<b>Total net assets</b>	<b>9,446,193</b>	<b>10,036,003</b>		
<b>Total liabilities and net assets</b>	<b>180,408,672</b>	<b>177,559,197</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	As of March 31, 2016	As of March 31, 2015	Remarks	Ref. No.
Capital stock	1,770,996	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-a
Capital surplus	2,702,093	2,717,421	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	2,909,898	2,751,080		1-c
Treasury stock	(210,003)	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
<b>Total stockholders' equity</b>	<b>7,172,985</b>	<b>7,029,494</b>		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	7,172,985	7,029,494	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	4,263,087	4,278,414		1a
of which: retained earnings	2,909,898	2,751,080		2
of which: treasury stock (-)	-	-		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. Intangible assets

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks	Ref. No.
Intangible fixed assets	526,112	454,584		2-a
Securities	25,153,750	29,559,334		2-b
of which: goodwill attributable to equity-method investees	36,559	82,257		
Income taxes related to above	118,778	98,622		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks	Basel III Template No.
Goodwill (including those equivalent)	183,682	230,346		8
Other intangible assets other than goodwill and mortgage servicing rights	260,210	207,873	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

## 3. Net defined benefit asset

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks	Ref. No.
Net defined benefit asset	198,637	367,953		3
Income taxes related to above	60,195	118,175		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks	Basel III Template No.
Net defined benefit asset	138,441	249,777		15

4. Deferred tax assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
Deferred tax assets	66,570	68,265	
Deferred tax liabilities	275,887	514,070	
Deferred tax liabilities for land revaluation	32,203	34,550	
Tax effects on other intangible assets	118,778	98,622	
Tax effects on net defined benefit asset	60,195	118,175	

Ref. No.
4-a
4-b
4-c

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,545	2,620	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Deferred tax assets arising from temporary differences (net of related tax liability)	3,700	6,443	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	-	-	
Amount exceeding the 15% threshold on specified items	-	-	
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	3,700	6,443	

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25
75

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
Net deferred gains or losses on hedges	61,781	(27,049)	

Ref. No.
5

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
Net deferred gains or losses on hedges	63,789	(25,563)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"

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11

6. Items associated with investments in the capital of financial institutions

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
Trading assets	7,980,971	7,364,988	Including trading account securities and derivatives for trading assets
Securities	25,153,750	29,559,334	
Loans and bills discounted	77,331,124	75,119,565	Including subordinated loans
Trading liabilities	6,105,982	5,636,406	Including trading account securities sold and derivatives for trading liabilities

Ref. No.
6-a
6-b
6-c
6-d

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks	Basel III Template No.
Investments in own capital instruments	49	139		
Common Equity Tier 1 capital	49	139		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)	445,253	691,075		
Common Equity Tier 1 capital	-	-		18
Additional Tier 1 capital	-	-		39
Tier 2 capital	-	-		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	445,253	691,075		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	934,997	1,032,340		
Amount exceeding the 10% threshold on specified items	-	-		19
Amount exceeding the 15% threshold on specified items	-	-		23
Additional Tier 1 capital	80,053	158,633		40
Tier 2 capital	125,000	125,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	729,943	748,706		73

## 7. Non-controlling interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks	Ref. No.
Stock acquisition rights	249	198		7-a
Non-controlling interests	922,549	1,078,891		7-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	175,353	163,992		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	17,660	25,321		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	3,069	2,359		48-49

## 8. Other capital instruments

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks	Ref. No.
Borrowed money	8,058,848	8,223,808		8

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	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	300,000	-		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	655,064	374,988		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.