

Capital Structure Information

Sumitomo Mitsui Banking Corporation

(Millions of yen, except percentages)

Basel III Template No.	Items	As of March 31, 2016	Amounts excluded under transitional arrangements	As of March 31, 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	6,228,421		6,038,295	
1a	of which: capital and capital surplus	4,031,192		4,042,266	
2	of which: retained earnings	2,414,507		2,327,629	
1c	of which: treasury stock (-)	—		—	
26	of which: cash dividends to be paid (-)	217,277		331,601	
	of which: other than the above	—		—	
1b	Stock acquisition rights to common shares	—		—	
3	Valuation and translation adjustment and other disclosed reserves	785,705	523,803	651,493	977,239
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	—		—	
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,014,126		6,689,788	
Common Equity Tier 1 capital: regulatory adjustments					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	91,707	61,138	54,502	81,753
8	of which: goodwill (including those equivalent)	—	—	—	—
9	of which: other intangible assets other than goodwill and mortgage servicing rights	91,707	61,138	54,502	81,753
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	—	—	—
11	Net deferred gains or losses on hedges	30,158	20,105	(49,439)	(74,159)
12	Shortfall of eligible provisions to expected losses	43,929	29,286	25,304	37,957
13	Gain on sale on securitization transactions	30,051	20,034	18,683	28,025
14	Gains and losses due to changes in own credit risk on fair valued liabilities	—	—	—	—
15	Prepaid pension cost	116,591	77,727	79,484	119,226
16	Investments in own shares (excluding those reported in the Net assets section)	—	—	—	—
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	—	—	2,040	3,060
19	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	—	—	2,040	3,060
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)	312,437		130,575	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	6,701,689		6,559,212	

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	—		—	
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	698,497		860,796		
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(268)		(210)		
	of which: foreign currency translation adjustments	(268)		(210)		
36	Additional Tier 1 capital: instruments (D)	998,229		860,586		
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)	45,756	30,504	63,692	95,538	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	34,677		47,003		
	of which: gain on sale on securitization transactions	20,034		28,025		
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	14,643		18,978		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—		—		
43	Additional Tier 1 capital: regulatory adjustments (E)	80,434		110,695		

Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)	917,795		749,890	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	7,619,484		7,309,102	
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	656,085		376,262	
	Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—		—	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,210,344		1,412,068	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	—		—	
50a	of which: general reserve for possible loan losses	—		—	
50b	of which: eligible provisions	—		—	
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	310,455		654,063	
	of which: unrealized gains on other securities after 55% discount	299,682		637,394	
	of which: land revaluation excess after 55% discount	10,772		16,668	
51	Tier 2 capital: instruments and provisions (H)	2,176,885		2,442,394	
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)	75,000	50,000	50,000	75,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	14,643		18,978	
	of which: Tier 2 and deductions under Basel II	14,643		18,978	

57	Tier 2 capital: regulatory adjustments (I)	89,643		68,978	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,087,242		2,373,415	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	9,706,726		9,682,518	
Risk weighted assets					
	Total of items included in risk weighted assets subject to transitional arrangements	140,505		252,584	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	16,700		17,689	
	of which: prepaid pension cost	21,232		25,797	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	86,416		183,151	
60	Risk weighted assets (L)	49,829,205		51,232,836	
Capital ratio					
61	Common Equity Tier 1 risk-weighted capital ratio ((C)/(L))	13.44%		12.80%	
62	Tier 1 risk-weighted capital ratio ((G)/(L))	15.29%		14.26%	
63	Total risk-weighted capital ratio ((K)/(L))	19.47%		18.89%	
Regulatory adjustments					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	336,156		524,368	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	657,720		734,569	
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)	—		—	
Provisions included in Tier 2 capital: instruments and provisions					
76	Provisions (general reserve for possible loan losses)	—		—	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	2,295		2,386	
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	269,384		278,163	

Capital instruments subject to transitional arrangements					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	742,414		866,150	
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	1,210,344		1,412,068	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	42,804		60,062	