

## Capital Structure Information

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2016	Amounts excluded under transitional arrangements	As of September 30, 2015	Amounts excluded under transitional arrangements
<b>Common Equity Tier 1 capital: instruments and reserves</b>					
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	7,037,689		6,831,236	
1a	of which: capital and capital surplus	4,256,812		4,263,092	
2	of which: retained earnings	2,972,017		2,759,178	
1c	of which: treasury stock (-)	-		-	
26	of which: cash dividends to be paid (-)	191,140		191,034	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	-		-	
3	Accumulated other comprehensive income and other disclosed reserves	672,986	448,657	633,739	950,609
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	175,784		168,706	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	5,542		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)	5,542		7,323	
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,892,002		7,641,005	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	266,370	177,580	157,496	236,245
8	of which: goodwill (including those equivalent)	106,584	71,056	70,384	105,576
9	of which: other intangible assets other than goodwill and mortgage servicing rights	159,785	106,523	87,112	130,669
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	853	568	827	1,240
11	Net deferred gains or losses on hedges	53,278	35,518	(4,156)	(6,234)
12	Shortfall of eligible provisions to expected losses	2,549	1,699	10,037	15,055
13	Gain on sale on securitization transactions	34,677	23,118	18,998	28,498

14	Gains and losses due to changes in own credit risk on fair valued liabilities	3,349	2,233	1,951	2,927
15	Net defined benefit asset	93,594	62,396	100,017	150,025
16	Investments in own shares (excluding those reported in the Net assets section)	26	17	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)	454,698		285,204	
<b>Common Equity Tier 1 capital (CET1)</b>					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,437,303		7,355,801	

<b>Additional Tier 1 capital: instruments</b>						
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)	18,821		18,562		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	665,369		861,546		
33	of which: instruments issued by banks and their special purpose vehicles	665,369		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	(46,176)		64,339		
	of which: foreign currency translation adjustments	(46,176)		64,339		
36	Additional Tier 1 capital: instruments (D)	938,014		1,244,449		
<b>Additional Tier 1 capital: regulatory adjustments</b>						
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)	48,039	32,026	63,455	95,182	

	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	100,513		134,637	
	of which: goodwill and others	76,545		98,612	
	of which: gain on sale on securitization transactions	23,118		28,498	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	849		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)	148,552		198,093	
<b>Additional Tier 1 capital (AT1)</b>					
44	Additional Tier 1 capital ((D)-(E)) (F)	789,461		1,046,356	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,226,765		8,402,157	
<b>Tier 2 capital: instruments and provisions</b>					
	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	883,599		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)	3,223		2,573	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,166,979		1,424,169	
47	of which: instruments issued by banks and their special purpose vehicles	1,166,979		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	6,427		8,330	
50a	of which: general reserve for possible loan losses	6,427		8,330	
50b	of which: eligible provisions	-		-	

	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	296,256		529,954	
	of which: unrealized gains on other securities after 55% discount	283,418		510,620	
	of which: land revaluation excess after 55% discount	12,838		19,333	
51	Tier 2 capital: instruments and provisions (H)	2,356,486		2,622,278	
<b>Tier 2 capital: regulatory adjustments</b>					
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)	30,000	20,000	50,644	75,966
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	45,625		72,852	
	of which: Tier 2 and deductions under Basel II	45,625		72,852	
57	Tier 2 capital: regulatory adjustments (I)	75,625		123,496	
<b>Tier 2 capital (T2)</b>					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,280,860		2,498,781	
<b>Total capital (TC = T1 + T2)</b>					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	10,507,625		10,900,939	
<b>Risk weighted assets</b>					
	Total of items included in risk weighted assets subject to transitional arrangements	61,987		128,680	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	25,480		27,223	
	of which: net defined benefit asset	17,528		33,091	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	83		52,936	
	of which: significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	16,898		12,050	
60	Risk weighted assets (L)	56,246,841		57,371,983	

<b>Capital ratio (consolidated)</b>					
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	13.22%		12.82%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	14.62%		14.64%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	18.68%		19.00%	
<b>Regulatory adjustments</b>					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	475,558		620,877	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	741,387		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)	6,387		6,695	
<b>Provisions included in Tier 2 capital: instruments and provisions</b>					
76	Provisions (general reserve for possible loan losses)	6,427		8,330	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	23,442		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	280,304		294,875	
<b>Capital instruments subject to transitional arrangements</b>					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	742,714		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	1,220,717		1,424,169	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	-		1,984	