

Capital Structure Information

Sumitomo Mitsui Banking Corporation

(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
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	6,433,280		6,122,595	
1a	of which: capital and capital surplus	4,027,283		4,031,192	
2	of which: retained earnings	2,597,137		2,282,438	
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	Valuation and translation adjustment and other disclosed reserves	821,930	547,953	520,999	781,499
	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)	7,255,211		6,643,595	
Common Equity Tier 1 capital: regulatory adjustments					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	93,692	62,461	56,933	85,400
8	of which: goodwill (including those equivalent)	-	-	-	-
9	of which: other intangible assets other than goodwill and mortgage servicing rights	93,692	62,461	56,933	85,400
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	122,985	81,990	(37,108)	(55,663)
12	Shortfall of eligible provisions to expected losses	27,919	18,613	34,940	52,410
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	-	-	-	-
15	Prepaid pension cost	116,131	77,420	74,708	112,063
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	-	-	-	-
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)	395,406		148,472	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	6,859,804		6,495,123	

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	-		-	
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	665,369		861,546		
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(479)		(202)		
	of which: foreign currency translation adjustments	(479)		(202)		
36	Additional Tier 1 capital: instruments (D)	964,889		1,161,344		
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	32,424		54,703		
	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	9,306		26,205		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-		
43	Additional Tier 1 capital: regulatory adjustments (E)	78,181		118,395		

Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)	886,708		1,042,948	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	7,746,512		7,538,072	
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	885,837		658,860	
	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	1,170,380		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	288,214		514,787	
	of which: unrealized gains on other securities after 55% discount	277,448		498,572	
	of which: land revaluation excess after 55% discount	10,765		16,215	
51	Tier 2 capital: instruments and provisions (H)	2,344,432		2,585,716	
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)	30,000	20,000	50,000	75,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	9,306		26,205	
	of which: Tier 2 and deductions under Basel II	9,306		26,205	

57	Tier 2 capital: regulatory adjustments (I)	39,306		76,205	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,305,125		2,509,511	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	10,051,638		10,047,583	
Risk weighted assets					
	Total of items included in risk weighted assets subject to transitional arrangements	141,100		237,169	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	17,062		18,478	
	of which: prepaid pension cost	21,148		24,247	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	85,990		182,392	
60	Risk weighted assets (L)	48,914,069		49,888,406	
Capital ratio					
61	Common Equity Tier 1 risk-weighted capital ratio ((C)/(L))	14.02%		13.01%	
62	Tier 1 risk-weighted capital ratio ((G)/(L))	15.83%		15.10%	
63	Total risk-weighted capital ratio ((K)/(L))	20.54%		20.14%	
Regulatory adjustments					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	354,452		482,426	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	676,035		651,340	
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)	2,103		2,190	
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	261,137		270,899	

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)	-		16,282	