

Capital Structure Information

Sumitomo Mitsui Banking Corporation

(Millions of yen, except percentages)

Basel III Template No.	Items	As of December 31, 2016	Amounts excluded under transitional arrangements	As of September 30, 2016	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	5,965,832		6,433,280	
1a	of which: capital and capital surplus	3,415,184		4,027,283	
2	of which: retained earnings	2,550,648		2,597,137	
1c	of which: treasury stock (-)	-		-	
26	of which: cash dividends to be paid (-)	-		191,140	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	-		-	
3	Valuation and translation adjustment and other disclosed reserves	835,290	556,860	821,930	547,953
	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)	6,801,122		7,255,211	
Common Equity Tier 1 capital: regulatory adjustments					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	94,062	62,708	93,692	62,461
8	of which: goodwill (including those equivalent)	-	-	-	-
9	of which: other intangible assets other than goodwill and mortgage servicing rights	94,062	62,708	93,692	62,461
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	(25,410)	(16,940)	122,985	81,990
12	Shortfall of eligible provisions to expected losses	26,561	17,707	27,919	18,613
13	Gain on sale on securitization transactions	35,193	23,462	34,677	23,118
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	-	-
15	Prepaid pension cost	115,409	76,939	116,131	77,420
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	7,779	5,186	-	-
19	of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	7,779	5,186	-	-
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)	253,597		395,406	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	6,547,525		6,859,804	

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	700,151		665,369		
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(261)		(479)		
	of which: foreign currency translation adjustments	(261)		(479)		
36	Additional Tier 1 capital: instruments (D)	999,889		964,889		
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	45,756	30,504	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	32,316		32,424		
	of which: gain on sale on securitization transactions	23,462		23,118		
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	8,853		9,306		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-		
43	Additional Tier 1 capital: regulatory adjustments (E)	78,072		78,181		

Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)	921,816		886,708	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	7,469,342		7,746,512	
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	912,857		885,837	
	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	1,016,764		1,170,380	
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	353,409		288,214	
	of which: unrealized gains on other securities after 55% discount	342,656		277,448	
	of which: land revaluation excess after 55% discount	10,752		10,765	
51	Tier 2 capital: instruments and provisions (H)	2,283,031		2,344,432	
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	30,000	20,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	8,853		9,306	
	of which: Tier 2 and deductions under Basel II	8,853		9,306	

57	Tier 2 capital: regulatory adjustments (I)	38,853		39,306	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,244,177		2,305,125	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	9,713,519		10,051,638	
Risk weighted assets					
	Total of items included in risk weighted assets subject to transitional arrangements	154,030		141,100	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	17,129		17,062	
	of which: prepaid pension cost	21,017		21,148	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	85,990		85,990	
60	Risk weighted assets (L)	51,901,820		48,914,069	
Capital ratio					
61	Common Equity Tier 1 risk-weighted capital ratio ((C)/(L))	12.61%		14.02%	
62	Tier 1 risk-weighted capital ratio ((G)/(L))	14.39%		15.83%	
63	Total risk-weighted capital ratio ((K)/(L))	18.71%		20.54%	
Regulatory adjustments					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	496,118		354,452	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	694,828		676,035	
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)	2,378		2,103	
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	276,684		261,137	

Capital instruments subject to transitional arrangements					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	742,414		742,414	
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		1,210,344	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	-		-	