

## Capital Structure Information

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

(Millions of yen, except percentages)

Basel III Template No.	Items	As of June 30, 2016	Amounts excluded under transitional arrangements	As of March 31, 2016	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	7,536,055		7,351,752	
1a	of which: capital and capital surplus	3,095,215		3,095,202	
2	of which: retained earning	4,616,228		4,534,472	
1c	of which: treasury stock (-)	175,389		175,381	
26	of which: cash dividends to be paid (-)	-		102,541	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	2,791		2,635	
3	Accumulated other comprehensive income and other disclosed reserves	749,820	499,880	875,680	583,787
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	162,930		164,550	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	39,951		48,257	
	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)	39,951		48,257	
6	Common Equity Tier 1 capital: instruments and reserves (A)	8,491,549		8,442,875	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	485,095	323,397	451,805	301,203
8	of which: goodwill (including those equivalent)	223,377	148,918	223,573	149,048
9	of which: other intangible assets other than goodwill and mortgage servicing rights	261,718	174,478	228,232	152,154
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,520	1,013	1,282	855
11	Net deferred gains or losses on hedges	53,767	35,845	34,278	22,852
12	Shortfall of eligible provisions to expected losses	37,541	25,027	34,496	22,997
13	Gain on sale on securitization transactions	32,497	21,665	30,051	20,034

14	Gains and losses due to changes in own credit risk on fair valued liabilities	4,589	3,059	5,089	3,392
15	Net defined benefit asset	90,405	60,270	84,995	56,663
16	Investments in own shares (excluding those reported in the Net assets section)	2,866	1,911	4,424	2,949
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)	708,285		646,423	
<b>Common Equity Tier 1 capital (CET1)</b>					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,783,263		7,796,451	

<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)	194,499		183,267		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	935,111		961,997		
33	of which: instruments issued by bank holding companies and their special purpose vehicles	935,111		961,997		
35	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	-		-		
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(5,536)		34,817		
	of which: foreign currency translation adjustments	(5,536)		34,817		
36	Additional Tier 1 capital: instruments (D)	1,424,073		1,480,082		
<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)	48,025	32,016	48,032	32,021	

	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	224,963		196,827	
	of which: goodwill and others	190,784		165,294	
	of which: gain on sale on securitization transactions	21,665		20,034	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	12,513		11,498	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	272,988		244,860	
<b>Additional Tier 1 capital (AT1)</b>					
44	Additional Tier 1 capital ((D)-(E)) (F)	1,151,085		1,235,221	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,934,349		9,031,672	
<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	783,576		655,064	
	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)	45,151		42,036	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,197,431		1,220,569	
47	of which: instruments issued by bank holding companies and their special purpose vehicles	-		-	
49	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	1,197,431		1,220,569	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	83,626		78,017	
50a	of which: general reserve for possible loan losses	83,626		78,017	
50b	of which: eligible provisions	-		-	

	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	308,894		345,673	
	of which: unrealized gains on other securities after 55% discount	296,034		332,809	
	of which: land revaluation excess after 55% discount	12,860		12,863	
51	Tier 2 capital: instruments and provisions (H)	2,418,680		2,341,360	
<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)	75,000	50,000	75,000	50,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	58,666		62,109	
	of which: Tier 2 and deductions under Basel II	58,666		62,109	
57	Tier 2 capital: regulatory adjustments (I)	133,666		137,109	
<b>Tier 2 capital (T2)</b>					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,285,014		2,204,250	
<b>Total capital (TC = T1 + T2)</b>					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	11,219,364		11,235,923	
<b>Risk weighted assets</b>					
	Total of items included in risk weighted assets subject to transitional arrangements	71,023		68,865	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	32,050		31,824	
	of which: net defined benefit asset	17,041		16,093	
	of which: significant investments in Tier 2 capital of Other Financial Institutions (net of eligible short positions)	16,156		16,156	
60	Risk weighted assets (L)	65,501,993		66,011,621	

<b>Capital ratio (consolidated)</b>					
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	11.88%		11.81%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	13.63%		13.68%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	17.12%		17.02%	
<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)	609,381		620,209	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	540,650		522,466	
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)	28,140		9,700	
<b>Provisions included in Tier 2 capital: instruments and provisions</b>					
76	Provisions (general reserve for possible loan losses)	83,626		78,017	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	94,411		88,359	
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	298,376		309,031	
<b>Capital instruments subject to transitional arrangements</b>					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	975,514		975,514	
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	1,220,569		1,220,569	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	-		30,203	