

Capital Structure Information

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Millions of yen, except percentages)

Basel III Template No.	Items	As of June 30, 2017	Amounts excluded under transitional arrangements	As of March 31, 2017	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	6,737,560		6,534,395	
1a	of which: capital and capital surplus	3,531,371		3,519,653	
2	of which: retained earnings	3,206,189		3,045,979	
1c	of which: treasury stock (-)	-		-	
26	of which: cash dividends to be paid (-)	-		31,237	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	-		-	
3	Accumulated other comprehensive income and other disclosed reserves	1,164,239	291,059	1,154,101	288,525
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	182,882		183,880	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	12,687		13,024	
	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)	12,687		13,024	
6	Common Equity Tier 1 capital: instruments and reserves (A)	8,097,370		7,885,402	
Common Equity Tier 1 capital: regulatory adjustments					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	215,255	53,813	215,215	53,803
8	of which: goodwill (including those equivalent)	41,921	10,480	43,542	10,885
9	of which: other intangible assets other than goodwill and mortgage servicing rights	173,333	43,333	171,672	42,918
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,017	254	1,297	324
11	Net deferred gains or losses on hedges	(34,252)	(8,563)	(30,148)	(7,537)
12	Shortfall of eligible provisions to expected losses	8,448	2,112	-	-
13	Gain on sale on securitization transactions	47,698	11,924	46,740	11,685

14	Gains and losses due to changes in own credit risk on fair valued liabilities	2,355	588	2,761	690
15	Net defined benefit asset	176,859	44,214	172,582	43,145
16	Investments in own shares (excluding those reported in the Net assets section)	20	5	24	6
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)	417,402		408,473	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,679,967		7,476,928	

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	450,000		450,000	
		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)	26,870		24,315		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	608,591		607,479		
33	of which: instruments issued by banks and their special purpose vehicles	608,591		607,479		
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	1,012		7,117		
	of which: foreign currency translation adjustments	1,012		7,117		
36	Additional Tier 1 capital: instruments (D)	1,086,474		1,088,912		
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)	64,025	16,006	64,035	16,008	

	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	24,667		23,591	
	of which: goodwill and others	11,686		11,906	
	of which: gain on sale on securitization transactions	11,924		11,685	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	1,056		-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	88,693		87,626	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)	997,781		1,001,285	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,677,749		8,478,214	
Tier 2 capital: instruments and provisions					
	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	904,930		905,332	
	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)	5,526		5,039	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	843,742		873,368	
47	of which: instruments issued by banks and their special purpose vehicles	843,742		873,368	
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	6,682		13,348	
50a	of which: general reserve for possible loan losses	6,682		6,900	
50b	of which: eligible provisions	-		6,448	

	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	182,656		177,022	
	of which: unrealized gains on other securities after 55% discount	176,413		170,772	
	of which: land revaluation excess after 55% discount	6,243		6,250	
51	Tier 2 capital: instruments and provisions (H)	1,943,538		1,974,111	
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)	120,000	30,000	120,000	30,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	21,526		20,744	
	of which: Tier 2 and deductions under Basel II	21,526		20,744	
57	Tier 2 capital: regulatory adjustments (I)	141,526		140,744	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,802,012		1,833,366	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	10,479,761		10,311,580	
Risk weighted assets					
	Total of items included in risk weighted assets subject to transitional arrangements	32,646		32,764	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	10,485		10,307	
	of which: net defined benefit asset	12,157		11,846	
	of which: significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	9,288		9,914	
60	Risk weighted assets (L)	58,544,172		58,004,379	

Capital ratio (consolidated)					
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	13.11%		12.89%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	14.82%		14.61%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	17.90%		17.77%	
Regulatory adjustments					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	376,170		400,680	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	533,753		523,446	
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)	4,234		4,715	
Provisions included in Tier 2 capital: instruments and provisions					
76	Provisions (general reserve for possible loan losses)	6,682		6,900	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	24,365		20,271	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-		6,448	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	301,585		301,311	
Capital instruments subject to transitional arrangements					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	618,928		618,928	
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	1,017,264		1,017,264	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	-		-	