

## Capital Structure Information

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Millions of yen, except percentages)

Basel III Template No.	Items	As of September 30, 2017	Amounts excluded under transitional arrangements	As of September 30, 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	6,688,945		7,037,689	
1a	of which: capital and capital surplus	3,531,372		4,256,812	
2	of which: retained earnings	3,349,670		2,972,017	
1c	of which: treasury stock (-)	-		-	
26	of which: cash dividends to be paid (-)	192,097		191,140	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	-		-	
3	Accumulated other comprehensive income and other disclosed reserves	1,234,428	308,607	672,986	448,657
5	Adjusted non-controlling interests, etc. (amount allowed to be included in group Common Equity Tier 1)	186,741		175,784	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	12,220		5,542	
	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)	12,220		5,542	
6	Common Equity Tier 1 capital: instruments and reserves (A)	8,122,336		7,892,002	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	214,336	53,584	266,370	177,580
8	of which: goodwill (including those equivalent)	40,532	10,133	106,584	71,056
9	of which: other intangible assets other than goodwill and mortgage servicing rights	173,804	43,451	159,785	106,523
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	969	242	853	568
11	Net deferred gains or losses on hedges	(33,253)	(8,313)	53,278	35,518
12	Shortfall of eligible provisions to expected losses	-	-	2,549	1,699
13	Gain on sale on securitization transactions	49,323	12,330	34,677	23,118

14	Gains and losses due to changes in own credit risk on fair valued liabilities	1,861	465	3,349	2,233
15	Net defined benefit asset	181,082	45,270	93,594	62,396
16	Investments in own shares (excluding those reported in the Net assets section)	22	5	26	17
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)	414,343		454,698	
<b>Common Equity Tier 1 capital (CET1)</b>					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,707,993		7,437,303	

<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	450,000		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)	28,412		18,821		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	611,046		665,369		
33	of which: instruments issued by banks and their special purpose vehicles	611,046		665,369		
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	2,124		(46,176)		
	of which: foreign currency translation adjustments	2,124		(46,176)		
36	Additional Tier 1 capital: instruments (D)	1,091,582		938,014		
<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)	65,312	16,328	48,039	32,026	

	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	23,798		100,513	
	of which: goodwill and others	11,467		76,545	
	of which: gain on sale on securitization transactions	12,330		23,118	
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	-		849	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	89,110		148,552	
<b>Additional Tier 1 capital (AT1)</b>					
44	Additional Tier 1 capital ((D)-(E)) (F)	1,002,472		789,461	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,710,465		8,226,765	
<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	906,295		883,599	
	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)	5,657		3,223	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	812,203		1,166,979	
47	of which: instruments issued by banks and their special purpose vehicles	812,203		1,166,979	
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	28,864		6,427	
50a	of which: general reserve for possible loan losses	6,475		6,427	
50b	of which: eligible provisions	22,389		-	

	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	192,849		296,256	
	of which: unrealized gains on other securities after 55% discount	186,671		283,418	
	of which: land revaluation excess after 55% discount	6,177		12,838	
51	Tier 2 capital: instruments and provisions (H)	1,945,869		2,356,486	
<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)	120,000	30,000	30,000	20,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	20,591		45,625	
	of which: Tier 2 and deductions under Basel II	20,591		45,625	
57	Tier 2 capital: regulatory adjustments (I)	140,591		75,625	
<b>Tier 2 capital (T2)</b>					
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,805,278		2,280,860	
<b>Total capital (TC = T1 + T2)</b>					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	10,515,743		10,507,625	
<b>Risk weighted assets</b>					
	Total of items included in risk weighted assets subject to transitional arrangements	32,725		61,987	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	10,679		25,480	
	of which: net defined benefit asset	12,740		17,528	
	of which: significant investments in the Tier 2 capital of Other Financial Institutions (net of eligible short positions)	8,667		16,898	
60	Risk weighted assets (L)	57,348,399		56,246,841	

<b>Capital ratio (consolidated)</b>					
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	13.44%		13.22%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	15.18%		14.62%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	18.33%		18.68%	
<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)	346,497		475,558	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	541,833		741,387	
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)	2,991		6,387	
<b>Provisions included in Tier 2 capital: instruments and provisions</b>					
76	Provisions (general reserve for possible loan losses)	6,475		6,427	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	23,974		23,442	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	22,389		-	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	294,538		280,304	
<b>Capital instruments subject to transitional arrangements</b>					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	618,928		742,714	
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		1,220,717	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	-		-	