

Capital Structure Information

Sumitomo Mitsui Banking Corporation

(Millions of yen, except percentages)

Basel III Template No.	Items	As of December 31, 2017	Amounts excluded under transitional arrangements	As of September 30, 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	6,237,092		6,088,810	
1a	of which: capital and capital surplus	3,337,824		3,337,824	
2	of which: retained earnings	2,899,268		2,943,083	
1c	of which: treasury stock (-)	-		-	
26	of which: cash dividends to be paid (-)	-		192,097	
	of which: other than the above	-		-	
1b	Stock acquisition rights to common shares	-		-	
3	Valuation and translation adjustment and other disclosed reserves	1,377,787	344,446	1,191,148	297,787
	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)	7,614,879		7,279,958	
Common Equity Tier 1 capital: regulatory adjustments					
8+9	Total intangible assets (excluding those relating to mortgage servicing rights)	127,546	31,886	127,749	31,937
8	of which: goodwill (including those equivalent)	-	-	-	-
9	of which: other intangible assets other than goodwill and mortgage servicing rights	127,546	31,886	127,749	31,937
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	(52,926)	(13,231)	(42,017)	(10,504)
12	Shortfall of eligible provisions to expected losses	14,887	3,721	11,274	2,818
13	Gain on sale on securitization transactions	49,702	12,425	49,323	12,330
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	-	-
15	Prepaid pension cost	154,617	38,654	154,306	38,576
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)	293,828		300,635	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,321,051		6,979,322	

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	600,000		450,000	
		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	611,547		611,046		
	Total of items included in Additional Tier 1 capital: items subject to transitional arrangements	(166)		(147)		
	of which: foreign currency translation adjustments	(166)		(147)		
36	Additional Tier 1 capital: instruments (D)	1,211,381		1,060,898		
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)	61,008	15,252	61,008	15,252	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	14,286		13,740		
	of which: gain on sale on securitization transactions	12,425		12,330		
	of which: amount equivalent to 50% of shortfall of eligible provisions to expected losses	1,860		1,409		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-		
43	Additional Tier 1 capital: regulatory adjustments (E)	75,295		74,748		

Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)	1,136,085		986,149	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,457,136		7,965,472	
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	906,750		906,295	
	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	777,890		812,203	
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	222,437		190,742	
	of which: unrealized gains on other securities after 55% discount	217,314		185,601	
	of which: land revaluation excess after 55% discount	5,122		5,141	
51	Tier 2 capital: instruments and provisions (H)	1,907,078		1,909,240	
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	1,860		1,409	
	of which: Tier 2 and deductions under Basel II	1,860		1,409	
57	Tier 2 capital: regulatory adjustments (I)	121,860		121,409	

Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,785,217		1,787,831	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	10,242,354		9,753,304	
Risk weighted assets					
	Total of items included in risk weighted assets subject to transitional arrangements	70,429		70,796	
	of which: intangible assets (excluding those relating to mortgage servicing rights)	8,710		8,724	
	of which: prepaid pension cost	10,558		10,537	
	of which: significant investments in Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	42,867		42,867	
60	Risk weighted assets (L)	51,706,234		50,790,646	
Capital ratio					
61	Common Equity Tier 1 risk-weighted capital ratio ((C)/(L))	14.15%		13.74%	
62	Tier 1 risk-weighted capital ratio ((G)/(L))	16.35%		15.68%	
63	Total risk-weighted capital ratio ((K)/(L))	19.80%		19.20%	
Regulatory adjustments					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	344,460		332,506	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	526,954		526,972	
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)	3,024		2,445	
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	275,182		271,119	

Capital instruments subject to transitional arrangements					
82	Current cap on Additional Tier 1 instruments subject to transitional arrangements	618,678		618,678	
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	1,008,620		1,008,620	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	-		-	