

Reconciliation of regulatory capital elements back to the balance sheet

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Millions of yen)

Items	Consolidated balance sheet as in published financial statements		Cross-reference to Appended Table	Reference # of Basel III common disclosure template under the Composition of Capital Disclosure (Basel III Template)
	As of September 30, 2018	As of March 31, 2018		
(Assets)				
Cash and due from banks	54,237,812	52,122,407		
Call loans and bills bought	2,360,764	1,881,879		
Receivables under resale agreements	3,869,305	1,675,693		
Receivables under securities borrowing transactions	1,566,439	3,562,107		
Monetary claims bought	4,531,451	4,550,592		
Trading assets	2,536,196	2,408,549	6-a	
Money held in trust	0	0		
Securities	24,521,906	25,217,287	2-b, 6-b	
Loans and bills discounted	78,904,248	75,853,934	6-c	
Foreign exchanges	2,363,570	2,164,196		
Lease receivables and investment assets	233,476	252,507		
Other assets	4,270,745	3,923,004		
Tangible fixed assets	1,391,636	1,410,800		
Intangible fixed assets	306,681	311,810	2-a	
Net defined benefit asset	392,807	377,768	3	
Deferred tax assets	24,549	28,789	4-a	
Customers' liabilities for acceptances and guarantees	8,189,849	7,373,185		
Reserve for possible loan losses	(314,286)	(387,022)		
Total assets	189,387,158	182,727,495		
(Liabilities)				
Deposits	120,066,969	117,227,296		
Negotiable certificates of deposit	11,740,153	11,455,284		
Call money and bills sold	913,277	740,928		
Payables under repurchase agreements	9,099,143	5,256,519		
Payables under securities lending transactions	699,650	3,324,893		
Commercial paper	2,545,112	2,385,705		
Trading liabilities	1,936,458	1,907,416	6-d	
Borrowed money	14,614,147	13,973,112	8	
Foreign exchanges	1,095,327	906,429		
Bonds	3,453,015	3,255,697		
Due to trust account	1,373,949	1,328,271		
Other liabilities	3,986,538	3,983,839		
Reserve for employee bonuses	23,688	32,826		
Reserve for executive bonuses	-	1,333		
Net defined benefit liability	5,672	6,552		
Reserve for executive retirement benefits	597	671		
Reserve for point service program	548	966		
Reserve for reimbursement of deposits	12,391	17,765		
Deferred tax liabilities	441,448	427,853	4-b	
Deferred tax liabilities for land revaluation	30,423	30,539	4-c	
Acceptances and guarantees	8,189,849	7,373,185		
Total liabilities	180,228,366	173,637,092		
(Net assets)				
Capital stock	1,770,996	1,770,996	1-a	
Capital surplus	1,966,353	1,970,412	1-b	
Retained earnings	3,718,567	3,451,151	1-c	
Treasury stock	(210,003)	(210,003)	1-d	
Total stockholders' equity	7,245,914	6,982,557		
Net unrealized gains on other securities	1,487,109	1,509,249		
Net deferred gains or losses on hedges	(102,523)	(66,918)	5	
Land revaluation excess	36,576	37,042		
Foreign currency translation adjustments	23,508	12,710		
Remeasurements of defined benefit plans	54,869	60,463		
Total accumulated other comprehensive income	1,499,540	1,552,547		
Stock acquisition rights	-	-	7-a	
Non-controlling interests	413,336	555,298	7-b	
Total net assets	9,158,791	9,090,403		
Total liabilities and net assets	189,387,158	182,727,495		

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Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appended Table)

1. Stockholders' equity

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2018	As of March 31, 2018	Remarks	Ref. No.
Capital stock	1,770,996	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-a
Capital surplus	1,966,353	1,970,412	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	3,718,567	3,451,151		1-c
Treasury stock	(210,003)	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
Total stockholders' equity	7,245,914	6,982,557		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2018	As of March 31, 2018	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	7,245,914	6,982,557	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,527,346	3,531,406		1a
of which: retained earnings	3,718,567	3,451,151		2
of which: treasury stock (-)	-	-		1c
of which: other than the above	-	-		
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	-	-	Stockholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effectively bankruptcy	31a

2. Intangible assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2018	As of March 31, 2018	Remarks	Ref. No.
Intangible fixed assets	306,681	311,810		2-a
Securities	24,521,906	25,217,287		2-b
of which: goodwill attributable to equity-method investees	16,795	18,861		
Income taxes related to above	89,753	91,273		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2018	As of March 31, 2018	Remarks	Basel III Template No.
Goodwill (including those equivalent)	29,160	31,588		8
Other intangible assets other than goodwill and mortgage servicing rights	204,562	207,809	Software and other	9
Mortgage servicing rights	-	-		
Amount exceeding the 10% threshold on specified items	-	-		20
Amount exceeding the 15% threshold on specified items	-	-		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	-		74

3. Net defined benefit asset

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2018	As of March 31, 2018	Remarks	Ref. No.
Net defined benefit asset	392,807	377,768		3
Income taxes related to above	119,795	115,220		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2018	As of March 31, 2018	Remarks	Basel III Template No.
Net defined benefit asset	273,012	262,547		15

4. Deferred tax assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2018	As of March 31, 2018	Remarks
Deferred tax assets	24,549	28,789	
Deferred tax liabilities	441,448	427,853	
Deferred tax liabilities for land revaluation	30,423	30,539	
Tax effects on other intangible assets	89,753	91,273	
Tax effects on net defined benefit asset	119,795	115,220	

Ref. No.

4-a

4-b

4-c

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2018	As of March 31, 2018	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	981	1,213	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
Deferred tax assets arising from temporary differences (net of related tax liability)	867	1,617	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
Amount exceeding the 10% threshold on specified items	-	-	
Amount exceeding the 15% threshold on specified items	-	-	
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	867	1,617	

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5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2018	As of March 31, 2018	Remarks
Net deferred gains or losses on hedges	(102,523)	(66,918)	

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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2018	As of March 31, 2018	Remarks
Net deferred gains or losses on hedges	(101,793)	(65,809)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"

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6. Items associated with investments in the capital of financial institutions

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2018	As of March 31, 2018	Remarks
Trading assets	2,536,196	2,408,549	Including trading account securities and derivatives for trading assets
Securities	24,521,906	25,217,287	
Loans and bills discounted	78,904,248	75,853,934	Including subordinated loans
Trading liabilities	1,936,458	1,907,416	Including trading account securities sold and derivatives for trading liabilities

Ref. No.

6-a

6-b

6-c

6-d

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2018	As of March 31, 2018	Remarks	Basel III Template No.
Investments in own capital instruments	-	-		
Common Equity Tier 1 capital	-	-		16
Additional Tier 1 capital	-	-		37
Tier 2 capital	-	-		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	-	-		
Common Equity Tier 1 capital	-	-		17
Additional Tier 1 capital	-	-		38
Tier 2 capital	-	-		53
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)	307,248	331,209		
Common Equity Tier 1 capital	-	-		18
Additional Tier 1 capital	-	-		39
Tier 2 capital	-	-		54
Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	307,248	331,209		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	665,321	828,222		
Amount exceeding the 10% threshold on specified items	-	-		19
Amount exceeding the 15% threshold on specified items	-	-		23
Additional Tier 1 capital	0	81,640		40
Tier 2 capital	50,000	150,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	615,321	596,582		73

7. Non-controlling interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2018	As of March 31, 2018	Remarks	Ref. No.
Stock acquisition rights	-	-		7-a
Non-controlling interests	413,336	555,298		7-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2018	As of March 31, 2018	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	330	333		5
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-	-		30-31ab-32
Amount allowed to be included in group Additional Tier 1	23,719	30,026		34-35
Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-	-		46
Amount allowed to be included in group Tier 2	5,538	3,488		48-49

8. Other capital instruments

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of September 30, 2018	As of March 31, 2018	Remarks	Ref. No.
Borrowed money	14,614,147	13,973,112		8

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of September 30, 2018	As of March 31, 2018	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	1,100,000	1,100,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	1,007,765	994,937		46