

## Reconciliation of regulatory capital elements back to the balance sheet

### Sumitomo Mitsui Financial Group, Inc. 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 June 30, 2018	As of March 31, 2018		
(Assets)				
Cash and due from banks	54,052,677	53,732,582		
Call loans and bills bought	2,166,048	1,881,879		
Receivables under resale agreements	2,800,962	827,892		
Receivables under securities borrowing transactions	5,719,671	8,337,700		
Monetary claims bought	4,772,209	4,730,770		
Trading assets	5,935,395	5,585,591	7-a	
Money held in trust	1,083	1,482		
Securities	24,030,620	25,712,709	3-b, 7-b	
Loans and bills discounted	74,384,030	72,945,934	7-c	
Foreign exchanges	2,566,421	2,166,190		
Lease receivables and investment assets	2,301,550	2,329,431		
Other assets	8,011,263	8,005,807		
Tangible fixed assets	3,589,617	3,475,131		
Intangible fixed assets	849,477	865,584	3-a	
Net defined benefit asset	391,650	383,418	4	
Deferred tax assets	21,428	27,609	5-a	
Customers' liabilities for acceptances and guarantees	9,020,737	8,575,499		
Reserve for possible loan losses	(503,850)	(536,088)		
<b>Total assets</b>	<b>200,110,993</b>	<b>199,049,128</b>		
(Liabilities)				
Deposits	118,336,855	116,477,534		
Negotiable certificates of deposit	10,918,752	11,220,284		
Call money and bills sold	1,179,485	1,190,928		
Payables under repurchase agreements	8,106,633	5,509,721		
Payables under securities lending transactions	2,781,697	7,186,861		
Commercial paper	2,721,596	2,384,787		
Trading liabilities	4,062,267	4,402,110	7-d	
Borrowed money	10,991,300	10,829,248	9-a	
Foreign exchanges	1,260,021	865,640		
Short-term bonds	1,208,600	1,256,600		
Bonds	9,464,680	9,057,683	9-b	
Due to trust account	1,232,467	1,328,271		
Other liabilities	6,337,545	6,348,202		
Reserve for employee bonuses	28,932	84,046		
Reserve for executive bonuses	-	3,861		
Net defined benefit liability	39,626	39,982		
Reserve for executive retirement benefits	1,635	2,026		
Reserve for point service program	23,017	22,244		
Reserve for reimbursement of deposits	14,836	17,765		
Reserve for losses on interest repayment	134,070	144,763		
Reserve under the special laws	2,578	2,397		
Deferred tax liabilities	494,139	455,234	5-b	
Deferred tax liabilities for land revaluation	30,519	30,539	5-c	
Acceptances and guarantees	9,020,737	8,575,499		
<b>Total liabilities</b>	<b>188,391,998</b>	<b>187,436,236</b>		
(Net assets)				
Capital stock	2,338,743	2,338,743	1-a	
Capital surplus	758,224	758,215	1-b	
Retained earnings	5,652,748	5,552,573	1-c	
Treasury stock	(82,213)	(12,493)	1-d	
<b>Total stockholders' equity</b>	<b>8,667,502</b>	<b>8,637,039</b>		
Net unrealized gains on other securities	1,783,662	1,688,842		
Net deferred gains or losses on hedges	(81,054)	(68,543)	6	
Land revaluation excess	36,809	37,097		
Foreign currency translation adjustments	4,448	36,906		
Remeasurements of defined benefit plans	57,339	59,121		
<b>Total accumulated other comprehensive income</b>	<b>1,801,206</b>	<b>1,753,424</b>		
Stock acquisition rights	2,567	2,823	2, 8-a	
Non-controlling interests	1,247,719	1,219,604	8-b	
<b>Total net assets</b>	<b>11,718,995</b>	<b>11,612,892</b>		
<b>Total liabilities and net assets</b>	<b>200,110,993</b>	<b>199,049,128</b>		

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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 June 30, 2018	As of March 31, 2018	Remarks	Ref. No.
Capital stock	2,338,743	2,338,743		1-a
Capital surplus	758,224	758,215		1-b
Retained earnings	5,652,748	5,552,573		1-c
Treasury stock	(82,213)	(12,493)		1-d
Total stockholders' equity	8,667,502	8,637,039		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 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	8,667,502	8,637,039	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,096,968	3,096,958		1a
of which: retained earnings	5,652,748	5,552,573		2
of which: treasury stock (-)	82,213	12,493		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. Stock acquisition rights

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2018	As of March 31, 2018	Remarks	Ref. No.
Stock acquisition rights	2,567	2,823		2
of which: Stock acquisition rights issued by bank holding company	2,567	2,823		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2018	As of March 31, 2018	Remarks	Basel III Template No.
Stock acquisition rights to common shares	2,567	2,823		1b
Stock acquisition rights to Additional Tier 1 instruments	-	-		31b
Stock acquisition rights to Tier 2 instruments	-	-		46

## 3. Intangible assets

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2018	As of March 31, 2018	Remarks	Ref. No.
Intangible fixed assets	849,477	865,584		3-a
Securities	24,030,620	25,712,709		3-b
of which: goodwill attributable to equity-method investees	25,949	27,520		
Income taxes related to above	178,135	181,373		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2018	As of March 31, 2018	Remarks	Basel III Template No.
Goodwill (including those equivalent)	285,351	292,318		8
Other intangible assets other than goodwill and mortgage servicing rights	411,940	419,413	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

## 4. Net defined benefit asset

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2018	As of March 31, 2018	Remarks	Ref. No.
Net defined benefit asset	391,650	383,418		4
Income taxes related to above	119,567	116,950		

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2018	As of March 31, 2018	Remarks	Basel III Template No.
Net defined benefit asset	272,082	266,468		15

## 5. Deferred tax assets

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2018	As of March 31, 2018	Remarks
Deferred tax assets	21,428	27,609	
Deferred tax liabilities	494,139	455,234	
Deferred tax liabilities for land revaluation	30,519	30,539	
Tax effects on other intangible assets	178,135	181,373	
Tax effects on net defined benefit asset	119,567	116,950	

Ref. No.

5-a

5-b

5-c

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 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)	1,472	1,432	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)	1,418	3,997	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)	1,418	3,997	

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## 6. Deferred gains or losses on derivatives under hedge accounting

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2018	As of March 31, 2018	Remarks
Net deferred gains or losses on hedges	(81,054)	(68,543)	

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## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2018	As of March 31, 2018	Remarks
Net deferred gains or losses on hedges	(80,019)	(67,433)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"

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## 7. Items associated with investments in the capital of financial institutions

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2018	As of March 31, 2018	Remarks
Trading assets	5,935,395	5,585,591	Including trading account securities and derivatives for trading assets
Securities	24,030,620	25,712,709	
Loans and bills discounted	74,384,030	72,945,934	Including subordinated loans
Trading liabilities	4,062,267	4,402,110	Including trading account securities sold and derivatives for trading liabilities

Ref. No.

7-a

7-b

7-c

7-d

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2018	As of March 31, 2018	Remarks	Basel III Template No.
Investments in own capital instruments	7,465	7,981		
Common Equity Tier 1 capital	7,465	7,981		16
Additional Tier 1 capital	-	-		37
Tier 2 capital	0	0		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)	781,422	699,361		
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 deductions (before risk weighting)	781,422	699,361		72
Significant investments in the capital of Other Financial Institutions, net of eligible short positions	748,208	748,831		
Amount exceeding the 10% threshold on specified items	-	-		19
Amount exceeding the 15% threshold on specified items	-	-		23
Additional Tier 1 capital	81,640	81,640		40
Tier 2 capital	50,000	50,000		55
Significant investments in the common stocks of Other Financial Institutions that are below the thresholds for deductions (before risk weighting)	616,568	617,191		73

## 8. Non-controlling interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2018	As of March 31, 2018	Remarks	Ref. No.
Stock acquisition rights	2,567	2,823		8-a
Non-controlling interests	1,247,719	1,219,604		8-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2018	As of March 31, 2018	Remarks	Basel III Template No.
Amount allowed to be included in group Common Equity Tier 1	335	332		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	230,102	224,359		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	53,920	49,810		48-49

## 9. Other capital instruments

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2018	As of March 31, 2018	Remarks	Ref. No.
Borrowed money	10,991,300	10,829,248		9-a
Bonds	9,464,680	9,057,683		9-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 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	597,969	599,794		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	1,001,293	993,367		46