

(Table 2) Capital Ratio (BIS Guidelines)

<Sumitomo Mitsui Financial Group (Consolidated)>

(Billions of yen)

	FY04 Actual	FY05 Plan	FY06 Plan	FY07 Plan	FY08 Plan
Capital stock	1,352.7	1,352.7	1,352.7	1,352.7	1,352.7
Noncumulative perpetual preferred stock	-	-	-	-	-
Capital surplus	974.3	974.3	974.3	974.3	974.3
Retained earnings	285.6	717.2	1,173.9	1,693.7	2,303.5
Minority interests in consolidated subsidiaries	1,012.9	1,059.4	1,082.7	1,108.4	1,136.5
Preferred securities	816.9	812.7	812.7	812.7	812.7
Net unrealized losses on other securities	-	-	-	-	-
Treasury stock	(269.9)	(270.0)	(270.0)	(270.0)	(270.0)
Foreign currency translation adjustments	(79.9)	(76.0)	(76.0)	(76.0)	(76.0)
Goodwill	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Consolidated adjustment account	(13.4)	(6.5)	(3.5)	-	-
Others	-	-	-	-	-
Total Tier I	3,262.3	3,751.0	4,234.0	4,783.0	5,421.0
<Tax effect>	<1,552.9>	<1,380.0>	<1,080.0>	<740.0>	<340.0>
Unrealized gains on securities	317.1	269.0	269.0	269.0	269.0
Land revaluation excess	67.1	41.0	41.0	41.0	41.0
General reserve for possible loan losses	633.5	633.5	633.5	633.5	633.5
Perpetual subordinated liabilities	880.0	987.3	1,108.3	1,182.3	1,204.3
Others	-	-	-	-	-
Total upper Tier II	1,897.6	1,930.8	2,051.8	2,125.8	2,147.8
Dated subordinated liabilities, preferred stock	1,657.3	1,616.2	1,508.2	1,551.2	1,421.2
Others	-	-	-	-	-
Total lower Tier II	1,657.3	1,616.2	1,508.2	1,551.2	1,421.2
Total Tier II	3,555.0	3,547.0	3,560.0	3,677.0	3,569.0
<Amounts counted as qualifying capital>	<3,262.3>	<3,547.0>	<3,560.0>	<3,677.0>	<3,569.0>
Tier III	-	-	-	-	-
Deductions	(504.4)	(584.0)	(610.0)	(639.0)	(670.0)
Total capital	6,020.1	6,714.0	7,184.0	7,821.0	8,320.0

(Billions of yen)

Risk-adjusted assets	60,552.6	62,700.0	64,700.0	66,600.0	69,600.0
On-balance-sheet items	54,897.9	57,050.0	59,050.0	60,950.0	63,950.0
Off-balance-sheet items	5,300.9	5,300.0	5,300.0	5,300.0	5,300.0
Others*2	353.9	350.0	350.0	350.0	350.0

(%)

Capital ratio	9.94	10.70	11.10	11.74	11.95
Tier I ratio	5.38	5.98	6.54	7.18	7.78

*1 Assumptions on yen / dollar exchange rate: \$1=105.00 yen.

*2 Obtained by dividing amounts equivalent to market risk by 8%.

*3 Capital ratio is calculated based on the current BIS guideline, although "Basel II" is expected to apply from FY06 onward.

Capital ratio based on the new guideline will be disclosed in "Progress Report on the Plan for Strengthening the Financial Base."

(Table 2) Capital Ratio (BIS Guidelines)

<Sumitomo Mitsui Banking Corporation (Consolidated)>

(Billions of yen)

	FY04 Actual	FY05 Plan	FY06 Plan	FY07 Plan	FY08 Plan
Capital stock	665.0	665.0	665.0	665.0	665.0
Noncumulative perpetual preferred stock	-	-	-	-	-
Capital surplus	1,603.5	1,603.5	1,603.5	1,603.5	1,603.5
Retained earnings	(6.3)	337.3	734.0	1,193.8	1,733.6
Minority interests in consolidated subsidiaries	1,026.1	1,029.1	1,045.4	1,063.6	1,082.8
Preferred securities	816.9	812.7	812.7	812.7	812.7
Net unrealized losses on other securities	-	-	-	-	-
Treasury stock	-	-	-	-	-
Foreign currency translation adjustments	(81.1)	(78.0)	(78.0)	(78.0)	(78.0)
Goodwill	-	-	-	-	-
Consolidated adjustment account	-	-	-	-	-
Others	-	-	-	-	-
Total Tier I <Tax effect>	3,207.3 <1,505.1>	3,557.0 <1,330.0>	3,970.0 <1,030.0>	4,448.0 <690.0>	5,007.0 <290.0>
Unrealized gains on securities	305.4	257.0	257.0	257.0	257.0
Land revaluation excess	67.1	41.0	41.0	41.0	41.0
General reserve for possible loan losses	612.0	612.0	612.0	612.0	612.0
Perpetual subordinated liabilities	880.0	987.3	1,108.3	1,182.3	1,204.3
Others	-	-	-	-	-
Total upper Tier II	1,864.5	1,897.3	2,018.3	2,092.3	2,114.3
Dated subordinated liabilities, preferred stock	1,657.3	1,616.2	1,508.2	1,551.2	1,421.2
Others	-	-	-	-	-
Total lower Tier II	1,657.3	1,616.2	1,508.2	1,551.2	1,421.2
Total Tier II <Amounts counted as qualifying capital>	3,521.8 <3,207.3>	3,513.5 <3,513.5>	3,526.5 <3,526.5>	3,643.5 <3,643.5>	3,535.5 <3,535.5>
Tier III	-	-	-	-	-
Deductions	(238.9)	(295.0)	(301.0)	(311.0)	(325.0)
Total capital	6,175.6	6,775.5	7,195.5	7,780.5	8,217.5

(Billions of yen)

Risk-adjusted assets	58,244.5	60,400.0	62,400.0	64,300.0	67,300.0
On-balance-sheet items	52,589.4	54,750.0	56,750.0	58,650.0	61,650.0
Off-balance-sheet items	5,303.1	5,300.0	5,300.0	5,300.0	5,300.0
Others*2	352.0	350.0	350.0	350.0	350.0

(%)

Capital ratio	10.60	11.21	11.53	12.10	12.21
Tier I ratio	5.50	5.88	6.36	6.91	7.43

*1 Assumptions on yen / dollar exchange rate: \$1=105.00 yen.

*2 Obtained by dividing amounts equivalent to market risk by 8%.

*3 Capital ratio is calculated based on the current BIS guideline, although "Basel II" is expected to apply from FY06 onward.

Capital ratio based on the new guideline will be disclosed in "Progress Report on the Plan for Strengthening the Financial Base."

(Table 2) Capital Ratio (BIS Guidelines)

<Sumitomo Mitsui Banking Corporation (Non-consolidated)>

(Billions of yen)

	FY04 Actual	FY05 Plan	FY06 Plan	FY07 Plan	FY08 Plan
Capital stock	665.0	665.0	665.0	665.0	665.0
Noncumulative perpetual preferred stock	-	-	-	-	-
Capital reserve	1,009.9	665.0	665.0	665.0	665.0
Other capital surplus	357.6	702.5	702.5	702.5	702.5
Earned surplus reserve	-	-	-	-	-
Voluntary reserves	221.5	221.5	221.5	221.5	221.5
Profit brought forward to next year	68.5	402.1	778.8	1,208.6	1,718.4
Others*2	784.3	818.9	819.2	818.4	818.6
Preferred securities	776.7	812.7	812.7	812.7	812.7
Net unrealized losses on other securities	-	-	-	-	-
Treasury stock	-	-	-	-	-
Goodwill	-	-	-	-	-
Total Tier I	3,106.8	3,475.0	3,852.0	4,281.0	4,791.0
<Tax effect>	<1,502.2>	<1,330.0>	<1,030.0>	<690.0>	<290.0>
Unrealized gains on securities	293.0	245.0	245.0	245.0	245.0
Land revaluation excess	59.6	33.5	33.5	33.5	33.5
General reserve for possible loan losses	417.6	417.5	417.5	417.5	417.5
Perpetual subordinated liabilities	880.0	987.3	1,108.3	1,182.3	1,204.3
Others	-	-	-	-	-
Total upper Tier II	1,650.1	1,683.3	1,804.3	1,878.3	1,900.3
Dated subordinated liabilities, preferred stock	1,618.3	1,577.2	1,469.2	1,512.2	1,392.2
Others	-	-	-	-	-
Total lower Tier II	1,618.3	1,577.2	1,469.2	1,512.2	1,392.2
Total Tier II	3,268.4	3,260.5	3,273.5	3,390.5	3,292.5
<Amounts counted as qualifying capital>	<3,106.8>	<3,260.5>	<3,273.5>	<3,390.5>	<3,292.5>
Tier III	-	-	-	-	-
Deductions	(95.6)	(156.0)	(156.0)	(156.0)	(156.0)
Total capital	6,118.0	6,579.5	6,969.5	7,515.5	7,927.5

(Billions of yen)

Risk-adjusted assets	54,034.5	56,100.0	58,100.0	60,000.0	63,000.0
On-balance-sheet items	48,910.7	51,000.0	53,000.0	54,900.0	57,900.0
Off-balance-sheet items	4,818.9	4,800.0	4,800.0	4,800.0	4,800.0
Others*3	304.9	300.0	300.0	300.0	300.0

(%)

Capital ratio	11.32	11.72	11.99	12.52	12.58
Tier I ratio	5.74	6.19	6.63	7.13	7.60

*1 Assumptions on yen / dollar exchange rate: \$1=105.00 yen.

*2 Amounts of Minority interests in consolidated subsidiaries and Foreign currency translation adjustments.

*3 Obtained by dividing amounts equivalent to market risk by 8%.

*4 Capital ratio is calculated based on the current BIS guideline, although "Basel II" is expected to apply from FY06 onward.

Capital ratio based on the new guideline will be disclosed in "Progress Report on the Plan for Strengthening the Financial Base."