

Financial Results
for the six months
ended September 30, 2022
- Supplementary Information -

Sumitomo Mitsui Financial Group, Inc.

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Notes: 1. Consolidated: Consolidated figures of Sumitomo Mitsui Financial Group, Inc.

2. Non-consolidated: Non-consolidated figures of Sumitomo Mitsui Banking Corporation ("SMBC")

This document contains "forward-looking statements" (as defined in the U.S. Private Securities Litigation Reform Act of 1995), regarding the intent, belief or current expectations of us and our managements with respect to our future financial condition and results of operations. In many cases but not all, these statements contain words such as "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "probability," "risk," "project," "should," "seek," "target," "will" and similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those expressed in or implied by such forward-looking statements contained or deemed to be contained herein. The risks and uncertainties which may affect future performance include: deterioration of Japanese and global economic conditions and financial markets; our ability to successfully implement our business strategy through our subsidiaries, affiliates and alliance partners; exposure to new risks as we expand the scope of our business; incurrence of significant credit-related costs; and declines in the value of our securities portfolio. Given these and other risks and uncertainties, you should not place undue reliance on forward-looking statements, which speak only as of the date of this document. We undertake no obligation to update or revise any forward-looking statements.

Please refer to our most recent disclosure documents such as our annual report on Form 20-F and other documents submitted to the U.S. Securities and Exchange Commission, as well as our earnings press releases, for a more detailed description of the risks and uncertainties that may affect our financial conditions and our operating results, and investors' decisions.

1. Income analysis

Consolidated

(Millions of yen)

		Six months ended Sep. 30, 2022	Change	Six months ended Sep. 30, 2021
Consolidated gross profit	1	1,632,355	201,070	1,431,285
Net interest income	2	873,589	161,392	712,197
Trust fees	3	3,044	414	2,630
Net fees and commissions	4	588,293	33,422	554,871
Net trading income	5	(102,445)	(224,603)	122,158
Net other operating income	6	269,873	230,446	39,427
General and administrative expenses	7	(962,562)	(86,628)	(875,934)
Equity in gains (losses) of affiliates	8	52,079	21,353	30,726
Consolidated net business profit	9	721,872	135,795	586,077
Total credit cost	10	(83,113)	(56,451)	(26,662)
Credit costs	11	(93,631)	(40,637)	(52,994)
Write-off of loans	12	(44,520)	3,792	(48,312)
Provision for reserve for possible loan losses	13	(38,651)	(38,651)	—
Others	14	(10,460)	(5,778)	(4,682)
Gains on reversal of reserve for possible loan losses	15	—	(8,124)	8,124
Recoveries of written-off claims	16	10,518	(7,690)	18,208
Gains (losses) on stocks	17	92,108	10,928	81,180
Other income (expenses)	18	(4,796)	5,771	(10,567)
Ordinary profit	19	726,071	96,043	630,028
Extraordinary gains (losses)	20	(1,397)	1,871	(3,268)
Gains (losses) on disposal of fixed assets	21	(511)	(688)	177
Losses on impairment of fixed assets	22	(885)	2,380	(3,265)
Income before income taxes	23	724,674	97,915	626,759
Income taxes - current	24	(146,053)	(33,333)	(112,720)
Income taxes - deferred	25	(47,692)	6,987	(54,679)
Profit	26	530,927	71,568	459,359
Profit attributable to non-controlling interests	27	(5,500)	(2,209)	(3,291)
Profit attributable to owners of parent	28	525,427	69,359	456,068

Notes: 1. Amounts less than 1 million yen are rounded down. Figures in parenthesis indicate the amount of loss or decrease.

2. Consolidated gross profit = (Interest income - Interest expenses) + Trust fees + (Fees and commissions - Fees and commissions payments)
+ (Trading income - Trading losses) + (Other operating income - Other operating expenses)

Number of consolidated subsidiaries and affiliates

		Sep. 30, 2022	Change	Mar. 31, 2022
Consolidated subsidiaries	29	184	3	181
Equity method affiliates	30	116	4	112

SMBC non-consolidated

(Millions of yen)

		Six months ended Sep. 30, 2022	Change	Six months ended Sep. 30, 2021
Gross banking profit	1	928,221	181,664	746,557
Gross domestic profit	2	437,254	42,718	394,536
Net interest income	3	353,332	54,602	298,730
Trust fees	4	1,021	65	956
Net fees and commissions	5	94,613	8,721	85,892
Net trading income	6	(482)	(668)	186
Net other operating income	7	(11,230)	(20,000)	8,770
Gains (losses) on bonds	8	(16,825)	(23,278)	6,453
Gross international profit	9	490,967	138,946	352,021
Net interest income	10	258,157	68,306	189,851
Net fees and commissions	11	127,540	46,518	81,022
Net trading income	12	(196,460)	(231,910)	35,450
Net other operating income	13	301,730	256,033	45,697
Gains (losses) on bonds	14	(46,527)	(67,824)	21,297
Expenses (excluding non-recurring losses)	15	(443,752)	(25,467)	(418,285)
Overhead ratio	16	47.8%	(8.2%)	56.0%
Personnel expenses	17	(196,000)	(29,418)	(166,582)
Non-personnel expenses	18	(220,673)	4,384	(225,057)
Taxes	19	(27,077)	(432)	(26,645)
Banking profit (before provision for general reserve for possible loan losses)	20	484,469	156,197	328,272
Gains (losses) on bonds	21	(63,352)	(91,103)	27,751
Core banking profit (20-21)	22	547,822	247,302	300,520
excluding gains (losses) on cancellation of investment trusts	23	516,527	247,054	269,473
Provision for general reserve for possible loan losses	24	32,917	32,917	—
Banking profit	25	517,387	189,115	328,272
Non-recurring gains (losses)	26	23,998	(63,551)	87,549
Credit costs	27	(96,487)	(93,375)	(3,112)
Gains on reversal of reserve for possible loan losses	28	—	(16,904)	16,904
Recoveries of written-off claims	29	25	(11,133)	11,158
Gains (losses) on stocks	30	84,209	26,595	57,614
Other non-recurring gains (losses)	31	36,251	31,266	4,985
Ordinary profit	32	541,386	125,564	415,822
Extraordinary gains (losses)	33	(371)	2,488	(2,859)
Gains (losses) on disposal of fixed assets	34	(32)	(297)	265
Losses on impairment of fixed assets	35	(339)	2,785	(3,124)
Income before income taxes	36	541,014	128,051	412,963
Income taxes - current	37	(129,819)	(40,010)	(89,809)
Income taxes - deferred	38	(11,439)	25,496	(36,935)
Net income	39	399,755	113,537	286,218
Total credit cost (24+27+28+29)	40	(63,544)	(88,493)	24,949
Provision for general reserve for possible loan losses	41	32,917	23,184	9,733
Write-off of loans	42	(3,712)	(3,610)	(102)
Provision for specific reserve for possible loan losses	43	(91,700)	(98,876)	7,176
Losses on sales of delinquent loans	44	(798)	2,212	(3,010)
Provision for loan loss reserve for specific overseas countries	45	(275)	(270)	(5)
Recoveries of written-off claims	46	25	(11,133)	11,158

Note: Amounts less than 1 million yen are rounded down. Figures in parenthesis indicate the amount of loss or decrease.

2. Interest spread (domestic)

SMBC non-consolidated

(%)

	Three months ended Jun. 30, 2022	Three months ended Sep. 30, 2022	Six months ended Sep. 30, 2022	Change	Six months ended Sep. 30, 2021
Yield on interest earning assets (A)			0.81	0.05	0.76
Interest earned on loans and bills discounted (C)	0.83	0.84	0.84	(0.01)	0.85
Interest earned on securities			1.24	0.53	0.71
Total cost of funding (including expenses) (B)			0.41	(0.04)	0.45
Cost of interest bearing liabilities			0.02	(0.00)	0.02
Interest paid on deposits, etc. (D)	0.00	0.00	0.00	(0.00)	0.00
Interest paid on other liabilities			0.10	(0.02)	0.12
Expense ratio			0.39	(0.04)	0.43
Overall interest spread (A) - (B)			0.40	0.09	0.31
Interest spread (C) - (D)	0.83	0.84	0.84	(0.01)	0.85

Reference: After deducting loans to the Japanese government, etc.

Interest earned on loans and bills discounted (E)	0.85	0.86	0.85	(0.01)	0.86
Interest spread (E) - (D)	0.85	0.86	0.85	(0.01)	0.86

3. Gains (losses) on securities

SMBC non-consolidated

(Millions of yen)

	Six months ended Sep. 30, 2022	Change	Six months ended Sep. 30, 2021
Gains (losses) on bonds	(63,352)	(91,103)	27,751
Gains on sales	26,718	(11,145)	37,863
Losses on sales	(82,678)	(72,586)	(10,092)
Gains on redemption	0	0	0
Losses on redemption	(7,392)	(7,373)	(19)
Losses on devaluation	—	—	—
Gains (losses) on stocks	84,209	26,595	57,614
Gains on sales	121,280	35,025	86,255
Losses on sales	(26,316)	(22,461)	(3,855)
Losses on devaluation	(10,753)	14,033	(24,786)

4. Unrealized gains (losses) on securities

Consolidated

(Millions of yen)

			Sep. 30, 2022				Mar. 31, 2022	
			Balance sheet amount	Net unrealized gains (losses)			Balance sheet amount	Net unrealized gains (losses) (b)
				(a)	(a) - (b)	Gains	Losses	
Held-to-maturity securities	1	116,248	(558)	(340)	—	558	25,741	(218)
Other securities	2	31,761,875	1,318,665	(958,544)	2,535,281	1,216,616	38,114,923	2,277,209
Stocks	3	3,222,441	1,790,732	(242,926)	1,825,860	35,127	3,403,392	2,033,658
Bonds	4	13,813,969	(67,233)	(17,159)	14,202	81,435	19,560,308	(50,074)
Japanese government bonds	5	9,988,100	(48,430)	(1,331)	590	49,021	15,774,197	(47,099)
Others	6	14,725,463	(404,834)	(698,459)	695,218	1,100,052	15,151,221	293,625
Foreign bonds	7	12,419,736	(1,049,331)	(600,546)	18,245	1,067,577	12,055,643	(448,785)
Other money held in trust	8	311	—	—	—	—	310	—
Total	9	31,878,435	1,318,106	(958,884)	2,535,281	1,217,175	38,140,975	2,276,990
Stocks	10	3,222,441	1,790,732	(242,926)	1,825,860	35,127	3,403,392	2,033,658
Bonds	11	13,930,218	(67,791)	(17,498)	14,202	81,994	19,586,050	(50,293)
Others	12	14,725,774	(404,834)	(698,459)	695,218	1,100,052	15,151,532	293,625

SMBC non-consolidated

(Millions of yen)

			Sep. 30, 2022				Mar. 31, 2022	
			Balance sheet amount	Net unrealized gains (losses)			Balance sheet amount	Net unrealized gains (losses) (b)
				(a)	(a) - (b)	Gains	Losses	
Held-to-maturity securities	13	22,300	(362)	(151)	—	362	22,300	(211)
Stocks of subsidiaries and affiliates	14	4,679,138	(3,148)	(17,598)	16,213	19,362	4,649,722	14,450
Other securities	15	27,572,185	968,151	(814,238)	2,024,293	1,056,142	34,290,501	1,782,389
Stocks	16	2,946,419	1,736,389	(225,559)	1,758,980	22,590	3,202,163	1,961,948
Bonds	17	13,881,064	(65,967)	(16,527)	14,202	80,170	19,625,238	(49,440)
Japanese government bonds	18	9,988,100	(48,430)	(1,331)	590	49,021	15,769,196	(47,099)
Others	19	10,744,702	(702,271)	(572,152)	251,110	953,381	11,463,099	(130,119)
Foreign bonds	20	9,025,716	(909,461)	(506,377)	11,730	921,191	8,970,483	(403,084)
Total	21	32,273,624	964,639	(831,989)	2,040,507	1,075,867	38,962,523	1,796,628
Stocks	22	3,411,763	1,736,959	(225,531)	1,759,550	22,590	3,665,507	1,962,490
Bonds	23	13,903,364	(66,330)	(16,679)	14,202	80,532	19,647,538	(49,651)
Others	24	14,958,496	(705,990)	(589,780)	266,753	972,743	15,649,477	(116,210)

Notes: 1. The figures above include negotiable certificates of deposit in "Cash and due from banks" and beneficiary claims on loan trust in "Monetary claims bought."

2. Net unrealized gains (losses) are valued at market prices as of the balance sheet date.

3. Other securities and Other money held in trust are measured at market prices. Unrealized gains (losses) indicate the difference between the acquisition costs (or amortized costs) and the balance sheet amounts.

Net unrealized gains (losses) on Other securities include gains (losses) which are recognized in the statements of income by applying fair value hedge accounting and accordingly not recorded directly to Net assets (both SMFG consolidated and SMBC non-consolidated). Gains of 2,122 million yen were recognized in the statements of income for the year ended March 31, 2022.

5. Balance of securities, classified by maturity

Balance of other securities with maturities and bonds of held-to-maturity

SMBC non-consolidated

(Billions of yen)

	Sep. 30, 2022					Mar. 31, 2022				
	1 year or less	More than 1 year to 5 years	More than 5 years to 10 years	More than 10 years	Total	1 year or less	More than 1 year to 5 years	More than 5 years to 10 years	More than 10 years	Total
Bonds	5,084.3	6,205.6	1,774.4	839.1	13,903.4	8,262.5	7,827.0	2,699.4	858.7	19,647.5
Japanese government bonds	4,454.7	4,641.9	541.7	349.8	9,988.1	7,755.1	6,205.6	1,451.5	356.9	15,769.2
Japanese local government bonds	-	294.8	760.2	11.0	1,066.0	0.1	283.2	830.6	11.4	1,125.4
Japanese short-term bonds	438.0	-	-	-	438.0	302.0	-	-	-	302.0
Japanese corporate bonds	191.6	1,268.9	472.5	478.3	2,411.3	205.3	1,338.2	417.2	490.3	2,451.0
Others	2,665.0	2,546.9	2,478.8	1,622.7	9,313.5	2,306.9	2,078.1	3,539.5	1,533.4	9,457.9
Total	7,749.3	8,752.6	4,253.2	2,461.8	23,216.8	10,569.4	9,905.1	6,238.8	2,392.1	29,105.4

6. Notional amount of interest rate swaps (under deferred hedge accounting),
classified by remaining maturity

SMBC non-consolidated

(Billions of yen)

	Sep. 30, 2022				Mar. 31, 2022			
	1 year or less	More than 1 year to 5 years	More than 5 years	Total	1 year or less	More than 1 year to 5 years	More than 5 years	Total
Receivable fixed rate / payable floating rate	5,457.7	22,840.6	8,262.8	36,561.1	5,781.8	18,220.7	8,883.6	32,886.2
Receivable floating rate / payable fixed rate	780.4	12,422.5	14,425.8	27,628.7	1,124.9	7,244.1	11,425.8	19,794.9
Receivable floating rate / payable floating rate	-	-	-	-	2,060.0	-	-	2,060.0
Total	6,238.0	35,263.1	22,688.6	64,189.8	8,966.8	25,464.9	20,309.4	54,741.1

7. Employee retirement benefits

Consolidated

(1) Projected benefit obligation

(Millions of yen)

		At the beginning of FY3/2023	Change	At the beginning of FY3/2022
Fair value of plan assets	(A)	1,643,211	15,470	1,627,741
Projected benefit obligation	(B)	1,061,029	(36,512)	1,097,541
Net surplus (deficit)	(A-B)	582,181	51,981	530,200
Net defined benefit asset		623,045	57,511	565,534
Net defined benefit liability		40,864	5,530	35,334
Measurements of defined benefit plans (before tax effect deduction)		(174,479)	10,546	(185,025)
Unrecognized prior service cost (deductible from the obligation)		(12,395)	9,258	(21,653)
Unrecognized net actuarial gain (loss)		(162,083)	1,289	(163,372)

(2) Retirement benefit expenses

(Millions of yen)

	Six months ended Sep. 30, 2022	Change	Six months ended Sep. 30, 2021
Retirement benefit expenses	(7,662)	(677)	(6,985)

SMBC non-consolidated

(1) Projected benefit obligation

(Millions of yen)

		At the beginning of FY3/2023	Change	At the beginning of FY3/2022
Projected benefit obligation	(A)	906,023	(43,251)	949,274
<Discount rate>		<0.61%>	<0.19%>	<0.42%>
Fair value of plan assets	(B)	1,514,831	10,183	1,504,648
Reserve for employee retirement benefits	(C)	—	—	—
Prepaid pension cost	(D)	428,164	61,866	366,298
Unrecognized prior service cost (deductible from the obligation)	(E)	(19,001)	2,651	(21,652)
Unrecognized net actuarial gain (loss)	(A-B-C+D-E)	(161,642)	5,781	(167,423)

(2) Retirement benefit expenses

(Millions of yen)

	Six months ended Sep. 30, 2022	Change	Six months ended Sep. 30, 2021
Retirement benefit expenses	(18,558)	(2,127)	(16,431)
Service cost	10,201	(534)	10,735
Interest cost on projected benefit obligation	2,763	770	1,993
Expected returns on plan assets	(19,372)	(215)	(19,157)
Amortization of unrecognized prior service cost	(1,325)	—	(1,325)
Amortization of unrecognized net actuarial gain (loss)	(15,938)	(2,878)	(13,060)
Others	5,114	731	4,383

8. Classification based on self-assessment and the Banking Act and the Reconstruction Act, and write-offs / reserves

SMBC non-consolidated, as of Sep. 30, 2022

(Billions of yen)

Category of borrowers under self-assessment	NPLs based on the Banking Act and the Reconstruction Act	Classification under self-assessment				Reserve for possible loan losses	Reserve ratio	
		Classification I	Classification II	Classification III	Classification IV			
Bankrupt borrowers	Bankrupt and quasi-bankrupt loans 94.6 (i) (Change from Mar. 31, 2022: 15.5)	Portion of claims secured by collateral or guarantees, etc. 87.3 (a)	Fully reserved 7.4	Direct write-offs (*1)		Specific reserve 10.4 (*2)	100% (*3)	
Effectively bankrupt borrowers								
Potentially bankrupt borrowers	Doubtful loans 593.5 (ii) (Change from Mar. 31, 2022: 71.2)	Portion of claims secured by collateral or guarantees, etc. 323.2 (b)	Necessary amount reserved 270.3			220.8 (*2)	81.68% (*3)	
Borrowers requiring caution	Substandard loans 154.7 (Change from Mar. 31, 2022: 49.1)	Portion of Substandard loans secured by collateral or guarantees, etc. 41.4 (c)				General reserve for Substandard loans 42.3	37.21% (*3)	12.13% (*3)
	Past due loans (3 months or more) 3.2 (iii) (Change from Mar. 31, 2022: 1.0)							
	Restructured loans 151.5 (iv) (Change from Mar. 31, 2022: 48.2)							
	(Claims to Substandard borrowers)							
	Normal assets	Claims to Borrowers requiring caution, excluding claims to Substandard borrowers				General reserve 324.5 (*5)	4.11% [8.83%] (*4)	
Normal borrowers	115,760.6	Claims to Normal borrowers					0.11% (*4)	
Loan loss reserve for specific overseas countries						15.5		

Non-performing loan ratio 0.72% ((vi)/(v)) (Change from Mar. 31, 2022: (0.05)%)	Total 116,603.5 (v)	Total reserve for possible loan losses		571.2	Reserve ratio (*6)	
		D: Specific reserve + General reserve for Substandard loans		273.6	(D/C) 69.96%	
	A=(i)+(ii)+(iii)+(iv) 842.8 (vi) (Change from Mar. 31, 2022: 37.5)	B: Portion secured by collateral or guarantees, etc. (a)+(b)+(c) 451.8	C: Unsecured portion (A - B) 391.0		Coverage ratio ((B+D)/A) 86.06%	

*1 Includes direct reduction of 126.4 billion yen.

*2 Includes reserve for assets that are not subject to disclosure based on the Banking Act and the Reconstruction Act. (Bankrupt/Effectively bankrupt borrowers: 3.0 billion yen, Potentially bankrupt borrowers: 3.2 billion yen)

*3 Reserve ratios for claims on Bankrupt borrowers, Effectively bankrupt borrowers, Potentially bankrupt borrowers, Substandard borrowers and Borrowers requiring caution including Substandard borrowers are the proportion of the reserve for possible loan losses to each category's total claims, excluding the portion secured by collateral or guarantees, etc.

*4 Reserve ratios for claims on Normal borrowers and Borrowers requiring caution (excluding claims to Substandard borrowers) are the proportion of the reserve for possible loan losses to the respective claims of each category. The reserve ratio for unsecured claims on Borrowers requiring caution (excluding claims to Substandard borrowers) is shown in [].

*5 Includes Specific reserve for Borrowers requiring caution totaling 0.1 billion yen.

*6 The proportion of the reserve to the claims, excluding the portion secured by collateral or guarantees, etc.

9. Reserve for possible loan losses and reserve ratio

Consolidated

(Millions of yen, %)

	Sep. 30, 2022		(a) - (c)	Mar. 31, 2022	
	(a)	Reserve Ratio (b)		(c)	Reserve Ratio (d)
Reserve for possible loan losses	802,454	67.33	(15,330)	817,784	70.65
General reserve	486,765		(25,515)	512,280	
Specific reserve	294,211		9,753	284,458	
Loan loss reserve for specific overseas countries	21,477		433	21,044	
Amount of direct reduction	171,923		12,668	159,255	

SMBC non-consolidated

(Millions of yen, %)

	Sep. 30, 2022		(a) - (c)	Mar. 31, 2022	
	(a)	Reserve Ratio (b)		(c)	Reserve Ratio (d)
Reserve for possible loan losses	571,221	67.77	(17,987)	589,208	73.16
General reserve	324,361		(32,918)	357,279	
Specific reserve	231,333		14,655	216,678	
Loan loss reserve for specific overseas countries	15,527		276	15,251	
Amount of direct reduction	126,410		11,215	115,195	

Note: Reserve ratio (Reserve for possible loan losses / NPLs based on the Banking Act and the Reconstruction Act (Excluding Normal Assets)) is after direct reduction.

10. Non-performing loans (NPLs) based on the Banking Act and the Reconstruction Act, and coverage

Consolidated

(Millions of yen, %)

		Sep. 30, 2022		Mar. 31, 2022
		(a)	(a) - (b)	(b)
Bankrupt and quasi-bankrupt loans		111,811	12,555	99,256
Doubtful loans		711,414	67,533	643,881
Substandard loans		368,637	(45,785)	414,422
Past due loans (3 months or more)		14,244	691	13,553
Restructured loans		354,392	(46,476)	400,868
Total (A)		1,191,863	34,303	1,157,560
Normal assets		119,008,158	12,988,699	106,019,459
Grand total (B)		120,200,022	13,023,003	107,177,019
NPL ratio (A/B)		0.99	(0.09)	1.08

(Millions of yen)

		Sep. 30, 2022		Mar. 31, 2022
		(a)	(a) - (b)	(b)
Total coverage (C)		888,415	113,131	775,284
Reserve for possible loan losses (D)		334,901	(18,807)	353,708
Amount recoverable by guarantees, collateral and others (E)		553,513	131,938	421,575

(%)

Coverage ratio (C) / (A)	74.54	7.56	66.98
Coverage ratio calculated with total reserve for possible loan losses included in the numerator	113.77	6.70	107.07

(%)

Reserve ratio to unsecured assets (D) / (A - E)	52.46	4.40	48.06
Reserve ratio calculated with total reserve for possible loan losses included in the numerator	125.71	14.60	111.11

SMBC non-consolidated

(Millions of yen, %)

		Sep. 30, 2022		Mar. 31, 2022
		(a)	(a) - (b)	(b)
Bankrupt and quasi-bankrupt loans		94,647	15,479	79,168
Doubtful loans		593,488	71,160	522,328
Substandard loans		154,703	(49,124)	203,827
Past due loans (3 months or more)		3,200	(966)	4,166
Restructured loans		151,503	(48,158)	199,661
Total (A)		842,839	37,514	805,325
Normal assets		115,760,613	12,437,145	103,323,468
Grand total (B)		116,603,452	12,474,658	104,128,794
NPL ratio (A/B)		0.72	(0.05)	0.77

(Millions of yen)

		Sep. 30, 2022		Mar. 31, 2022
		(a)	(a) - (b)	(b)
Total coverage (C)		725,360	83,967	641,393
Reserve for possible loan losses (D)		273,551	(9,914)	283,465
Amount recoverable by guarantees, collateral and others (E)		451,810	93,882	357,928

(%)

Coverage ratio (C) / (A)	86.06	6.42	79.64
Coverage ratio calculated with total reserve for possible loan losses included in the numerator	121.38	3.77	117.61

(%)

Reserve ratio to unsecured assets (D) / (A - E)	69.96	6.60	63.36
Reserve ratio calculated with total reserve for possible loan losses included in the numerator	146.08	14.38	131.70

Note: Reserve for possible loan losses is sum of general reserve for substandard loans and specific reserve.

11. Results of off-balancing of NPLs

SMBC non-consolidated

(Billions of yen)

		Sep. 30, 2022 (a)	(a) - (b)	NPLs newly classified during the six months ended Sep. 30, 2022	Amount of off-balancing	Mar. 31, 2022 (b)
	Bankrupt and quasi-bankrupt loans	94.6	15.5	11.7	3.8	79.2
	Doubtful loans	593.5	71.2	199.9	(128.7)	522.3
	Total	688.1	86.6	211.6	(124.9)	601.5
Result of measures connected to off-balancing (*1)		81.9				70.4

Breakdown of off-balancing by factor (*2)	Disposition by borrowers' liquidation	(0.5)
	Reconstructive disposition	(0.0)
	Improvement in debtors' performance due to reconstructive disposition	0.0
	Loan sales to market	(17.2)
	Direct write-offs	(79.3)
	Others	(27.9)
	Collection / repayment, etc.	(11.9)
	Improvement in debtors' performance	(16.1)
Total		(124.9)

*1 The measures connected to off-balancing are legal reorganizations and other similar measures, corporate splits to good companies and bad companies, partial direct write-offs of retail exposure to individuals and small- and medium-sized enterprises, and trusts to RCC for the purpose of revitalization which is scheduled to be off-balanced before the maturity.

*2 1. "Disposition by borrowers' liquidation" refers to abandonment or write-off of loans involved in bankruptcy liquidation proceedings (bankruptcy or special liquidations).
 2. "Reconstructive disposition" refers to abandonment of loans involved in reconstructive bankruptcy proceedings (corporate reorganization and civil rehabilitation), debt forgiveness involved in special mediation or other types of civil mediation, or debt forgiveness for restructuring involved in private reorganization.

12. Loan portfolio, classified by industry

SMBC non-consolidated

(1) Loans and bills discounted, classified by industry

(Millions of yen, %)

	Sep. 30, 2022			Mar. 31, 2022	
	(a)	Ratio	(a) - (b)	(b)	Ratio
Domestic offices (excluding Japan offshore banking accounts)	59,170,472	100.0	1,190,742	57,979,730	100.0
Manufacturing	8,548,972	14.4	55,086	8,493,886	14.6
Agriculture, forestry, fisheries and mining	319,818	0.5	37,362	282,456	0.5
Construction	790,810	1.3	77,935	712,875	1.2
Transportation, communications and public enterprises	5,817,190	9.8	206,238	5,610,952	9.7
Wholesale and retail	4,880,902	8.3	173,084	4,707,818	8.1
Finance and insurance	7,756,424	13.1	409,949	7,346,475	12.7
Real estate	9,155,159	15.5	241,777	8,913,382	15.4
Goods rental and leasing	2,099,609	3.6	(51,928)	2,151,537	3.7
Various services	4,723,561	8.0	(57,183)	4,780,744	8.2
Municipalities	489,047	0.8	(16,656)	505,703	0.9
Others	14,588,975	24.7	115,077	14,473,898	25.0
Overseas offices and Japan offshore banking accounts	36,858,991	100.0	7,167,427	29,691,564	100.0
Public sector	324,482	0.9	47,326	277,156	0.9
Financial institutions	2,600,479	7.1	309,748	2,290,731	7.7
Commerce and industry	31,679,699	85.9	6,359,890	25,319,809	85.3
Others	2,254,330	6.1	450,463	1,803,867	6.1
Total	96,029,464	—	8,358,170	87,671,294	—

(2) NPLs based on the Banking Act and the Reconstruction Act, classified by industry, and reserve ratio

(Millions of yen, %)

	Sep. 30, 2022			Mar. 31, 2022
	(a)	Reserve ratio	(a) - (b)	(b)
Domestic offices (excluding Japan offshore banking accounts)	539,667	79.9	(30,845)	570,512
Manufacturing	235,270	88.5	(30,473)	265,743
Agriculture, forestry, fisheries and mining	2,939	63.5	(855)	3,794
Construction	7,309	53.9	304	7,005
Transportation, communications and public enterprises	43,496	98.0	7,665	35,831
Wholesale and retail	64,421	61.6	(5,283)	69,704
Finance and insurance	7,651	58.5	(193)	7,844
Real estate	35,788	62.6	(5,807)	41,595
Goods rental and leasing	461	46.9	48	413
Various services	105,226	53.8	6,893	98,333
Municipalities	—	—	—	—
Others	37,102	100.0	(3,143)	40,245
Overseas offices and Japan offshore banking accounts	303,171	56.4	68,358	234,813
Public sector	—	—	—	—
Financial institutions	—	—	—	—
Commerce and industry	269,413	56.4	61,318	208,095
Others	33,758	56.1	7,040	26,718
Total	842,839	70.0	37,514	805,325

Note: Reserve ratio

= (Reserve for possible loan losses) / (Assets excluding amounts recoverable due to guarantees, collateral and others) X 100

Reserve for possible loan losses is sum of general reserve for substandard loans and specific reserve.

(3) Consumer loans outstanding

(Millions of yen)

	Sep. 30, 2022		Mar. 31, 2022
	(a)	(a) - (b)	(b)
Consumer loans	11,690,915	(90,607)	11,781,522
Housing loans	10,955,023	(90,545)	11,045,568
Self-residential purpose	8,973,090	(23,887)	8,996,977
Other consumer loans	735,891	(63)	735,954

(4) Loans to small- and medium-sized enterprises, etc.

(Millions of yen, %)

	Sep. 30, 2022		Mar. 31, 2022
	(a)	(a) - (b)	(b)
Outstanding balance	34,323,577	457,041	33,866,536
Ratio to total loans	58.0	(0.4)	58.4

Note: Outstanding balance includes loans to individuals.

13. Loan portfolio, classified by country

SMBC non-consolidated

(1) Loans outstanding, classified by major domicile

(Millions of yen, %)

	Sep. 30, 2022			Mar. 31, 2022	
	(a)	Ratio	(a) - (b)	(b)	Ratio
Asia	9,262,884	25.8	1,289,799	7,973,085	27.9
Indonesia	304,344	0.8	52,530	251,814	0.9
Thailand	1,207,497	3.4	193,176	1,014,321	3.6
Korea	445,128	1.2	61,782	383,346	1.3
Hong Kong	2,285,694	6.4	249,776	2,035,918	7.1
China	249,471	0.7	24,045	225,426	0.8
Taiwan	676,333	1.9	109,053	567,280	2.0
Singapore	2,162,377	6.0	305,430	1,856,947	6.5
India	919,225	2.6	146,602	772,623	2.7
Others	1,012,815	2.8	147,405	865,410	3.0
Oceania	2,545,575	7.1	394,622	2,150,953	7.5
Australia	2,440,318	6.8	390,429	2,049,889	7.2
Others	105,257	0.3	4,193	101,064	0.3
North America	13,117,691	36.6	3,556,223	9,561,468	33.4
United States	10,555,202	29.4	2,997,376	7,557,826	26.4
Others	2,562,489	7.2	558,847	2,003,642	7.0
Central and South America	2,238,323	6.2	508,424	1,729,899	6.1
Brazil	446,279	1.2	113,130	333,149	1.2
Panama	463,809	1.3	68,583	395,226	1.4
Others	1,328,235	3.7	326,711	1,001,524	3.5
Western Europe	5,749,233	16.0	948,810	4,800,423	16.8
United Kingdom	1,494,604	4.2	51,764	1,442,840	5.0
Ireland	897,790	2.5	384,869	512,921	1.8
Netherlands	950,188	2.6	208,387	741,801	2.6
Others	2,406,651	6.7	303,790	2,102,861	7.4
Eastern Europe	225,107	0.6	12,078	213,029	0.7
Russia	168,422	0.5	2,628	165,794	0.6
Others	56,685	0.1	9,450	47,235	0.1
Others	2,754,654	7.7	590,416	2,164,238	7.6
Total	35,893,467	100.0	7,300,372	28,593,095	100.0

Note: Classified by domicile of debtors.

(2) NPLs based on the Banking Act and the Reconstruction Act, classified by domicile

(Millions of yen, %)

	Sep. 30, 2022			Mar. 31, 2022	
	(a)	Reserve Ratio	(a) - (b)	(b)	
Overseas Offices and Japan offshore banking accounts	303,171	56.4	68,358	234,813	
Asia	156,461	66.8	58,358	98,103	
Oceania	—	—	—	—	
North America	91,440	33.2	13,287	78,153	
Central and South America	22,907	80.7	2,174	20,733	
Western Europe	16,841	43.9	(17)	16,858	
Eastern Europe	—	—	—	—	
Others	15,520	63.9	(5,444)	20,964	

Notes: 1. Reserve ratio

= (Reserve for possible loan losses)/(Assets excluding amounts recoverable due to guarantees, collateral and others) X 100

Reserve for possible loan losses is sum of general reserve for substandard loans and specific reserve.

2. Classified by domicile of debtors.

14. Balance of deposits and loans

SMBC non-consolidated

(1) Average balance of deposits and loans

(Millions of yen)

	Six months ended Sep. 30, 2022 (a)	(a) - (b)	Six months ended Sep. 30, 2021 (b)
Deposits	146,359,027	11,813,179	134,545,848
Domestic units	115,386,996	5,668,014	109,718,982
Loans	93,647,600	12,055,737	81,591,863
Domestic units	53,796,050	1,261,772	52,534,278

Note: Deposits do not include negotiable certificates of deposit.

(2) Balance of deposits and loans, classified by type of depositor

(Millions of yen)

	Sep. 30, 2022 (a)	(a) - (b)	Mar. 31, 2022 (b)
Deposits	147,864,317	6,849,072	141,015,245
Domestic deposits (excluding Japan offshore banking accounts)	119,365,875	662,519	118,703,356
Individuals	57,138,082	1,016,023	56,122,059
Corporates	62,227,793	(353,504)	62,581,297
Loans	96,029,464	8,358,170	87,671,294
Domestic offices (excluding Japan offshore banking accounts)	59,170,472	1,190,742	57,979,730
Overseas offices and Japan offshore banking accounts	36,858,991	7,167,427	29,691,564

Note: Deposits do not include negotiable certificates of deposit.

Reference:

(Billions of yen)

	Sep. 30, 2022 (a)	(a) - (b)	Mar. 31, 2022 (b)
Balance of investment trusts	3,191.0	14.4	3,176.6
Balance to individuals	2,606.1	21.6	2,584.5

Note: Balance of investment trusts is recognized on a contract basis and measured according to each fund's net asset balance at the period-end.

(Billions of yen)

	Six months ended Sep. 30, 2022 (a)	(a) - (b)	Six months ended Sep. 30, 2021 (b)
Sales of investment trusts to individuals	367.1	(36.9)	404.0
Sales of pension-type insurance to individuals	75.4	46.6	28.8

15. Deferred tax assets and liabilities

(Billions of yen)

SMBC non-consolidated			Sep. 30, 2022	Change from Mar. 31, 2022	Mar. 31, 2022
(a) Total deferred tax assets	(b-c)	1	387.9	52.4	335.5
(b) Subtotal of deferred tax assets		2	600.4	51.1	549.3
Reserve for possible loan losses and write-off of loans		3	215.1	(2.1)	217.2
Taxable write-off of securities		4	212.2	3.6	208.6
Others		5	173.1	49.6	123.5
(c) Valuation allowance		6	212.5	(1.3)	213.8
(d) Total deferred tax liabilities		7	414.7	(142.3)	557.0
Net unrealized gains on other securities		8	329.8	(161.5)	491.3
Others		9	84.9	19.2	65.7
Net deferred tax assets	(a-d)	10	(26.8)	194.7	(221.5)
Amount corresponding to net deferred losses on hedges included in line 5 and net unrealized gains on other securities included in line 8		11	(250.9)	211.1	(462.0)
Others		12	224.1	(16.4)	240.5

SMBC recognized deferred tax assets pursuant to paragraph 19 (classification 2) of the "Implementation Guidance on Recoverability of Deferred Tax Assets" (ASBJ Guidance No.26). This is due to the fact that SMBC has generated steady taxable income, excluding amounts arising from extraordinary factors, in all of the current and past three fiscal years.

Reference: Income of final tax return before deducting operating loss carryforwards for the last 3 years

(Billions of yen)

	FY3/2020	FY3/2021	FY3/2022	1H, FY3/2023
Income of final tax return before deducting operating loss carryforwards	540.5	546.5	655.5	429.5

Note: The figure for 1H, FY3/2023 was estimated in interim closing.

16. Capital ratio (BIS guidelines)

(Basel III basis)

Consolidated

(Billions of yen, %)

	Sep. 30, 2022 [Preliminary]		Mar. 31, 2022
	(a)	(a) - (b)	
(1) Total capital ratio (4) / (7)	15.63	(0.93)	16.56
(2) Tier 1 capital ratio (5) / (7)	14.64	(0.82)	15.46
(3) Common equity Tier 1 capital ratio (6) / (7)	13.69	(0.76)	14.45
(4) Total capital	12,193.5	209.8	11,983.8
(5) Tier 1 capital	11,415.4	229.2	11,186.2
(6) Common equity Tier 1 capital	10,681.8	223.5	10,458.4
(7) Risk weighted assets	77,971.4	5,621.3	72,350.1
(8) Required capital (7) X 8%	6,237.7	449.7	5,788.0
(9) Leverage Ratio	4.83	(0.34)	5.17

SMBC consolidated

(1) Total capital ratio	14.36	(1.42)	15.78
(2) Tier 1 capital ratio	13.31	(1.22)	14.53
(3) Common equity Tier 1 capital ratio	11.61	(1.06)	12.67
(4) Leverage Ratio	4.34	(0.48)	4.82

SMBC non-consolidated

(1) Total capital ratio	12.73	(2.04)	14.77
(2) Tier 1 capital ratio	11.53	(1.96)	13.49
(3) Common equity Tier 1 capital ratio	9.73	(1.80)	11.53
(4) Leverage Ratio	3.86	(0.65)	4.51

17. ROE

Consolidated

(%)

	Six months ended Sep. 30, 2022		Six months ended Sep. 30, 2021
	(a)	(a) - (b)	
ROE (denominator: Total stockholders' equity)	10.3	0.9	9.4

Note:

$$\text{ROE (denominator: Total stockholders' equity)} = \frac{(\text{Profit attributable to owners of parent}) \times (\text{Number of days in a year (365 days)}) / (\text{Number of days in the period (183 days)})}{\{(\text{Total stockholders' equity at the beginning of the period}) + (\text{Total stockholders' equity at the end of the period})\} / 2} \times 100$$

18. Earnings targets and dividends forecast for FY3/2023

(1) Earnings targets

Consolidated

(Billions of yen)

	FY3/2023	FY3/2022 Result
Consolidated net business profit	1,265.0	1,152.9
Total credit cost	(210.0)	(274.4)
Ordinary profit	1,120.0	1,040.6
Profit attributable to owners of parent	770.0	706.6

SMBC non-consolidated

(Billions of yen)

	FY3/2023	FY3/2022 Result
Banking profit (before provision for general reserve for possible loan losses)	840.0	721.9
Total credit cost	(80.0)	(161.1)
Ordinary profit	850.0	746.0
Net income	590.0	546.3

(2) Dividends forecast

(Yen)

	FY3/2023		FY3/2022
	Interim	Annual	Result
Dividend per share for common stock	115	230	210

Reference:

(Billions of yen)

	FY3/2023		FY3/2022
	Interim	Annual	Result
Total dividend	157.7	310.3	287.9

Reference: Financial Statements of SMBC

1. Condensed balance sheet

SMBC non-consolidated

(Millions of yen)

	Sep. 30, 2022 (a)	(a) - (b)	Mar. 31, 2022 (b)
Assets			
Cash and due from banks	65,991,341	(4,849,468)	70,840,809
Call loans	7,075,668	4,840,850	2,234,818
Receivables under resale agreements	1,178,424	(466,986)	1,645,410
Receivables under securities borrowing transactions	1,884,837	21,757	1,863,080
Monetary claims bought	2,316,004	25,397	2,290,607
Trading assets	3,157,387	1,131,620	2,025,767
Securities	31,630,177	(6,608,402)	38,238,579
Loans and bills discounted	96,029,464	8,358,170	87,671,294
Foreign exchanges	2,713,664	(8,071)	2,721,735
Other assets	9,544,304	4,252,330	5,291,974
Tangible fixed assets	769,906	3,429	766,477
Intangible fixed assets	262,992	13,242	249,750
Prepaid pension cost	463,605	35,441	428,164
Customers' liabilities for acceptances and guarantees	16,259,230	3,973,764	12,285,466
Reserve for possible loan losses	(571,221)	17,987	(589,208)
Total assets	238,705,788	10,741,059	227,964,729

Note: Amounts less than 1 million yen are rounded down.

(Millions of yen)			
	Sep. 30, 2022 (a)	(a) - (b)	Mar. 31, 2022 (b)
Liabilities			
Deposits	147,864,317	6,849,072	141,015,245
Negotiable certificates of deposit	14,563,142	1,454,345	13,108,797
Call money	876,444	195,551	680,893
Payables under repurchase agreements	12,819,034	(1,807,203)	14,626,237
Payables under securities lending transactions	219,661	(86,118)	305,779
Commercial paper	1,227,039	(2,141)	1,229,180
Trading liabilities	2,057,078	498,399	1,558,679
Borrowed money	20,537,074	(6,163,141)	26,700,215
Foreign exchanges	1,664,352	325,189	1,339,163
Bonds	719,101	(1,746)	720,847
Due to trust account	2,226,616	(95,083)	2,321,699
Other liabilities	10,410,455	6,154,691	4,255,764
Reserve for employee bonuses	11,738	(846)	12,584
Reserve for executive bonuses	—	(1,150)	1,150
Reserve for point service program	907	37	870
Reserve for reimbursement of deposits	2,246	(2,728)	4,974
Deferred tax liabilities	26,761	(194,742)	221,503
Deferred tax liabilities for land revaluation	29,132	(61)	29,193
Acceptances and guarantees	16,259,230	3,973,764	12,285,466
Total liabilities	231,514,336	11,096,090	220,418,246
Net assets			
Capital stock	1,770,996	—	1,770,996
Capital surplus	1,774,554	—	1,774,554
Capital reserve	1,771,043	—	1,771,043
Other capital surplus	3,510	—	3,510
Retained earnings	3,436,172	356,312	3,079,860
Other retained earnings	3,436,172	356,312	3,079,860
Voluntary reserve for retirement allowances	1,656	—	1,656
Voluntary reserve	219,845	—	219,845
Retained earnings brought forward	3,214,671	356,313	2,858,358
Treasury stock	(210,003)	—	(210,003)
Total stockholders' equity	6,771,720	356,312	6,415,408
Net unrealized gains (losses) on other securities	723,335	(565,079)	1,288,414
Net deferred gains (losses) on hedges	(329,154)	(146,252)	(182,902)
Land revaluation excess	25,550	(13)	25,563
Total valuation and translation adjustments	419,731	(711,343)	1,131,074
Total net assets	7,191,452	(355,031)	7,546,483
Total liabilities and net assets	238,705,788	10,741,059	227,964,729

Note: Amounts less than 1 million yen are rounded down.

2. Condensed income statement

SMBC non-consolidated

(Millions of yen)

	Six months ended Sep. 30, 2022 (a)	(a) - (b)	Six months ended Sep. 30, 2021 (b)
Ordinary income	2,032,709	909,731	1,122,978
Interest income	1,189,217	555,016	634,201
<i>Interest on loans and discounts</i>	<i>754,817</i>	<i>308,599</i>	<i>446,218</i>
<i>Interest and dividends on securities</i>	<i>226,323</i>	<i>85,054</i>	<i>141,269</i>
Trust fees	1,061	78	983
Fees and commissions	317,927	50,360	267,567
Trading income	8,192	(27,445)	35,637
Other operating income	387,402	322,356	65,046
Other income	128,907	9,365	119,542
Ordinary expenses	1,491,323	784,168	707,155
Interest expenses	577,727	432,108	145,619
<i>Interest on deposits</i>	<i>171,005</i>	<i>153,534</i>	<i>17,471</i>
Fees and commissions payments	95,813	(4,866)	100,679
Trading losses	205,136	205,136	—
Other operating expenses	96,902	86,324	10,578
General and administrative expenses	430,670	23,250	407,420
Other expenses	85,072	42,216	42,856
Ordinary profit	541,386	125,564	415,822
Extraordinary gains	352	(783)	1,135
Extraordinary losses	724	(3,270)	3,994
Income before income taxes	541,014	128,051	412,963
Income taxes - current	129,819	40,010	89,809
Income taxes - deferred	11,439	(25,496)	36,935
Total income taxes	141,258	14,513	126,745
Net income	399,755	113,537	286,218

Note: Amounts less than 1 million yen are rounded down.

3. Statement of changes in net assets

SMBC non-consolidated

Six months ended September 30, 2022

(Millions of yen)

	Capital stock	Capital surplus		Retained earnings			Treasury stock	Total stockholders' equity
		Capital reserve	Other capital surplus	Other retained earnings				
				Voluntary reserve for retirement allowances	Voluntary reserve	Retained earnings brought forward		
Balance at the beginning of the period	1,770,996	1,771,043	3,510	1,656	219,845	2,858,358	(210,003)	6,415,408
Changes in the period								
Cash dividends						(43,455)		(43,455)
Net income						399,755		399,755
Reversal of land revaluation excess						12		12
Net changes in items other than stockholders' equity in the period								
Net changes in the period						356,312		356,312
Balance at the end of the period	1,770,996	1,771,043	3,510	1,656	219,845	3,214,671	(210,003)	6,771,720

(Millions of yen)

	Valuation and translation adjustments				Total net assets
	Net unrealized gains (losses) on other securities	Net deferred gains (losses) on hedges	Land revaluation excess	Total valuation and translation adjustments	
Balance at the beginning of the period	1,288,414	(182,902)	25,563	1,131,074	7,546,483
Changes in the period					
Cash dividends					(43,455)
Net income					399,755
Reversal of land revaluation excess					12
Net changes in items other than stockholders' equity in the period	(565,078)	(146,252)	(12)	(711,343)	(711,343)
Net changes in the period	(565,078)	(146,252)	(12)	(711,343)	(355,030)
Balance at the end of the period	723,335	(329,154)	25,550	419,731	7,191,452

Note: Amounts less than 1 million yen are rounded down.