

Consolidated Statements of Cash Flows

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2018	2019	2019
Cash flows from operating activities:			
Income before income taxes.....	¥ 1,108,850	¥ 1,123,579	\$ 10,122
Depreciation	281,535	269,010	2,424
Losses on impairment of fixed assets.....	49,900	9,610	87
Amortization of goodwill.....	25,225	25,919	234
Gains on step acquisitions.....	—	(2,285)	(21)
Equity in (gains) losses of affiliates.....	(38,992)	(61,145)	(551)
Net change in reserve for possible loan losses.....	(67,041)	(60,213)	(542)
Net change in reserve for employee bonuses.....	10,570	(16,467)	(148)
Net change in reserve for executive bonuses.....	821	(757)	(7)
Net change in net defined benefit asset and liability	(36,499)	(25,570)	(230)
Net change in reserve for executive retirement benefits.....	(244)	(196)	(2)
Net change in reserve for point service program	637	1,704	15
Net change in reserve for reimbursement of deposits	3,704	(9,828)	(89)
Net change in reserve for losses on interest repayment.....	(11,939)	2,830	26
Interest income.....	(2,165,788)	(2,488,904)	(22,423)
Interest expenses	775,560	1,157,482	10,428
Net (gains) losses on securities.....	(142,228)	(101,219)	(912)
Net (gains) losses from money held in trust	(0)	(0)	(0)
Net exchange (gains) losses	323,045	(148,278)	(1,336)
Net (gains) losses from disposal of fixed assets	4,710	3,944	36
Net change in trading assets	1,475,948	477,890	4,305
Net change in trading liabilities	(796,943)	(1,603,188)	(14,443)
Net change in loans and bills discounted	761,992	(3,152,247)	(28,399)
Net change in deposits	6,079,437	5,039,495	45,401
Net change in negotiable certificates of deposit.....	(472,574)	(73,017)	(658)
Net change in borrowed money (excluding subordinated borrowings).....	59,482	1,418,493	12,779
Net change in deposits with banks.....	(1,359,236)	1,520,423	13,698
Net change in call loans and bills bought and others	(338,019)	(6,235,713)	(56,178)
Net change in receivables under securities borrowing transactions..	422,690	4,240,226	38,200
Net change in call money and bills sold and others	2,059,841	6,097,354	54,931
Net change in commercial paper	108,893	(95,014)	(856)
Net change in payables under securities lending transactions.....	(168,890)	(5,374,040)	(48,415)
Net change in foreign exchanges (assets)	(453,061)	446,136	4,019
Net change in foreign exchanges (liabilities).....	183,504	298,550	2,690
Net change in lease receivables and investment assets.....	26,591	(53,975)	(486)
Net change in short-term bonds (liabilities)	131,000	(51,200)	(461)
Issuance and redemption of bonds (excluding subordinated bonds)	860,316	467,587	4,213
Net change in due to trust account.....	147,294	24,502	221
Interest received.....	2,121,086	2,435,453	21,941
Interest paid	(756,202)	(1,116,584)	(10,059)
Other, net.....	(768,910)	489,142	4,407
Subtotal	9,446,071	4,879,488	43,959
Income taxes paid	(103,276)	(283,245)	(2,552)
Net cash provided by (used in) operating activities	9,342,794	4,596,242	41,408

(Continued)

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2018	2019	2019
Cash flows from investing activities:			
Purchases of securities	¥(23,726,100)	¥(26,615,239)	\$(239,777)
Proceeds from sale of securities	13,528,011	17,969,410	161,887
Proceeds from redemption of securities	8,357,784	10,078,569	90,798
Purchases of money held in trust	(1)	(2)	(0)
Proceeds from sale of money held in trust	1,957	1,094	10
Purchases of tangible fixed assets	(712,563)	(510,213)	(4,597)
Proceeds from sale of tangible fixed assets	302,362	104,451	941
Purchases of intangible fixed assets	(136,079)	(139,329)	(1,255)
Proceeds from sale of intangible fixed assets	3	—	—
Purchases of stocks of subsidiaries resulting in change in scope of consolidation	*2 (161,851)	*2 (57,182)	(515)
Proceeds from sale of stocks of subsidiaries resulting in change in scope of consolidation	*3 (848,822)	*3 174,702	1,574
Net cash provided by (used in) investing activities	(3,395,299)	1,006,260	9,065
Cash flows from financing activities:			
Repayment of subordinated borrowings	(10,000)	(8,000)	(72)
Proceeds from issuance of subordinated bonds and bonds with stock acquisition rights	254,747	—	—
Redemption of subordinated bonds and bonds with stock acquisition rights	(180,033)	(27,539)	(248)
Dividends paid	(218,569)	(245,594)	(2,213)
Repayments to non-controlling stockholders	(135,000)	(212,537)	(1,915)
Dividends paid to non-controlling stockholders	(61,986)	(77,185)	(695)
Purchases of treasury stock	(142)	(70,094)	(631)
Proceeds from disposal of treasury stock	521	294	3
Purchases of stocks of subsidiaries not resulting in change in scope of consolidation	(6)	—	—
Proceeds from sale of stocks of subsidiaries not resulting in change in scope of consolidation	0	7,837	71
Net cash provided by (used in) financing activities	(350,468)	(632,819)	(5,701)
Effect of exchange rate changes on cash and cash equivalents	(93,874)	166,646	1,501
Net change in cash and cash equivalents	5,503,152	5,136,329	46,273
Cash and cash equivalents at the beginning of the fiscal year	42,478,393	47,983,114	432,280
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	1,568	1,519	14
Cash and cash equivalents at the end of the fiscal year	*1 ¥ 47,983,114	*1 ¥ 53,120,963	\$ 478,567