

Basel III Information

Capital Ratio Information (Consolidated)

Sumitomo Mitsui Banking Corporation and Subsidiaries

■ CC1: Composition of regulatory capital

(Millions of yen, except percentages)

Basel III Template No.	Items	a	b	c
		As of March 31,2019	As of March 31,2018	Reference to Template CC2
Common Equity Tier 1 capital: instruments and reserves (1)				
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	7,120,831	6,856,015	
1a	of which: capital and capital surplus	3,527,346	3,531,406	
2	of which: retained earnings	3,743,614	3,451,151	
1c	of which: treasury stock (–)	–	–	
26	of which: national specific regulatory adjustments (earnings to be distributed) (–)	150,128	126,541	
	of which: other than the above	–	–	
1b	Stock acquisition rights to common shares	–	–	
3	Accumulated other comprehensive income and other disclosed reserves	1,434,667	1,552,547	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	2,181	333	
6	Common Equity Tier 1 capital: instruments and reserves (A)	8,557,681	8,408,896	
Common Equity Tier 1 capital: regulatory adjustments (2)				
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	281,339	239,397	
8	of which: goodwill (including those equivalent)	26,214	31,588	
9	of which: other intangibles other than goodwill and mortgage servicing rights	255,125	207,809	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,208	1,213	
11	Net deferred gains or losses on hedges	(45,242)	(65,809)	
12	Shortfall of eligible provisions to expected losses	–	–	
13	Securitisation gain on sale	60,286	60,215	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	3,940	2,646	
15	Net defined benefit asset	225,610	262,547	
16	Investments in own shares (excluding those reported in the Net assets section)	3	–	
17	Reciprocal cross-holdings in common equity	–	–	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	–	–	
19+20+21	Amount exceeding the 10% threshold on specified items	–	–	
19	of which: significant investments in the common stock of financials	–	–	
20	of which: mortgage servicing rights	–	–	
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	–	–	
22	Amount exceeding the 15% threshold on specified items	–	–	
23	of which: significant investments in the common stock of financials	–	–	
24	of which: mortgage servicing rights	–	–	
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	–	–	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	–	–	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	528,146	500,211	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	8,029,535	7,908,684	

(Millions of yen, except percentages)

Basel III Template No.	Items	a	b	c
		As of March 31,2019	As of March 31,2018	Reference to Template CC2
Additional Tier 1 capital: instruments (3)				
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	—
	31b	Stock acquisition rights to Additional Tier 1 instruments	—	—
	32	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
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)		23,795	30,026
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments		173,000	466,652
33	of which: instruments issued by banks and their special purpose vehicles		173,000	466,652
35	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)		—	—
36	Additional Tier 1 capital: instruments (D)		1,296,795	1,596,678
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments		—	—
38	Reciprocal cross-holdings in Additional Tier 1 instruments		—	—
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)		—	—
40	Significant investments in the Additional Tier 1 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		25,516	81,640
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		—	—
43	Additional Tier 1 capital: regulatory adjustments (E)		25,516	81,640
Additional Tier 1 capital (AT1)				
44	Additional Tier 1 capital ((D)-(E)) (F)		1,271,279	1,515,038
Tier 1 capital (T1 = CET1 + AT1)				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)		9,300,814	9,423,723
Tier 2 capital: instruments and provisions (4)				
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown		—	—
	Stock acquisition rights to Tier 2 instruments		—	—
	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards		1,003,250	994,937
	Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities		—	—
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group T2)		5,921	3,488
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions		488,222	625,890
47	of which: instruments issued by banks and their special purpose vehicles		488,222	625,890
49	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)		—	—
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2		7,664	33,097
50a	of which: general reserve for possible loan losses		7,477	6,210
50b	of which: eligible provisions		187	26,886
51	Tier 2 capital: instruments and provisions (H)		1,505,059	1,657,414

(Millions of yen, except percentages)

Basel III Template No.	Items		a	b	c
			As of March 31,2019	As of March 31,2018	Reference to Template CC2
Tier 2 capital: regulatory adjustments (5)					
52	Investments in own Tier 2 instruments		—	—	
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities		—	—	
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)		—	—	
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		50,000	150,000	
57	Tier 2 capital: regulatory adjustments	(I)	50,000	150,000	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I))	(J)	1,455,059	1,507,414	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G) + (J))	(K)	10,755,873	10,931,137	
Risk weighted assets (6)					
60	Total risk-weighted assets (RWA)	(L)	52,910,688	51,707,483	
Capital ratio (consolidated) (7)					
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))		15.17%	15.29%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))		17.57%	18.22%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))		20.32%	21.14%	
Regulatory adjustments (8)					
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)		289,593	331,209	
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)		567,146	596,582	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)		—	—	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)		220	1,617	
Provisions included in Tier 2 capital: instruments and provisions (9)					
76	Provisions (general reserve for possible loan losses)		7,477	6,210	
77	Cap on inclusion of provisions (general reserve for possible loan losses)		29,069	22,963	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as “nil”)		187	26,886	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		243,795	259,290	
Capital instruments subject to transitional arrangements (10)					
82	Current cap on AT1 instruments subject to transitional arrangements		371,357	495,143	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)		—	—	
84	Current cap on T2 instruments subject to transitional arrangements		610,358	813,811	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)		—	—	

(Millions of yen)

Items	As of March 31, 2019	As of March 31, 2018
Required capital ((L) × 8%)	4,232,855	4,136,598

■ CC2: Reconciliation of regulatory capital to balance sheet

Sumitomo Mitsui Banking Corporation and Subsidiaries

(Millions of yen)

Items	a		b	c
	Consolidated balance sheet as in published financial statements		Reference to Template CC1	Reference to appended table
	As of March 31, 2019	As of March 31, 2018		
(Assets)				
Cash and due from banks	55,747,048	52,122,407		
Call loans and bills bought	2,665,744	1,881,879		
Receivables under resale agreements	5,082,709	1,675,693		
Receivables under securities borrowing transactions	1,440,159	3,562,107		
Monetary claims bought	4,582,886	4,550,592		
Trading assets	2,452,825	2,408,549		6-a
Money held in trust	0	0		
Securities	23,469,621	25,217,287		2-b,6-b
Loans and bills discounted	79,792,401	75,853,934		6-c
Foreign exchanges	1,715,759	2,164,196		
Lease receivables and investment assets	247,835	252,507		
Other assets	3,571,248	3,923,004		6-d
Tangible fixed assets	1,409,802	1,410,800		
Intangible fixed assets	375,389	311,810		2-a
Net defined benefit asset	324,672	377,768		3
Deferred tax assets	23,399	28,789		4-a
Customers' liabilities for acceptances and guarantees	8,121,131	7,373,185		
Reserve for possible loan losses	(332,343)	(387,022)		
Total assets	190,690,293	182,727,495		
(Liabilities)				
Deposits	123,190,830	117,227,296		
Negotiable certificates of deposit	11,335,486	11,455,284		
Call money and bills sold	572,778	740,928		
Payables under repurchase agreements	8,743,386	5,256,519		
Payables under securities lending transactions	680,051	3,324,893		
Commercial paper	2,291,813	2,385,705		
Trading liabilities	1,818,610	1,907,416		6-e
Borrowed money	15,988,948	13,973,112		8
Foreign exchanges	1,196,960	906,429		
Bonds	2,955,282	3,255,697		
Due to trust account	1,352,773	1,328,271		
Other liabilities	2,929,172	3,983,839		6-f
Reserve for employee bonuses	34,283	32,826		
Reserve for executive bonuses	1,249	1,333		
Net defined benefit liability	4,457	6,552		
Reserve for executive retirement benefits	669	671		
Reserve for point service program	468	966		
Reserve for reimbursement of deposits	7,936	17,765		
Deferred tax liabilities	446,993	427,853		4-b
Deferred tax liabilities for land revaluation	30,259	30,539		4-c
Acceptances and guarantees	8,121,131	7,373,185		
Total liabilities	181,703,543	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	3,743,614	3,451,151		1-c
Treasury stock	(210,003)	(210,003)		1-d
Total stockholders' equity	7,270,960	6,982,557		
Net unrealized gains or losses on other securities	1,426,493	1,509,249		
Net deferred gains or losses on hedges	(47,281)	(66,918)		5
Land revaluation excess	36,531	37,042		
Foreign currency translation adjustments	24,371	12,710		
Accumulated remeasurements of defined benefit plans	(5,446)	60,463		
Total accumulated other comprehensive income	1,434,667	1,552,547	(a)	
Stock acquisition rights	2,210	—		7-a
Non-controlling interests	278,910	555,298		7-b
Total net assets	8,986,749	9,090,403		
Total liabilities and net assets	190,690,293	182,727,495		

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 March 31, 2019	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	3,743,614	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	7,270,960	6,982,557		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	7,270,960	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	3,743,614	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 fixed assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks	Ref. No.
Intangible fixed assets	375,389	311,810		2-a
Securities	23,469,621	25,217,287		2-b
of which: goodwill attributable to equity-method investees	14,211	18,861		

Income taxes related to above	108,261	91,273	
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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks	Basel III Template No.
Goodwill (including those equivalent)	26,214	31,588		8
Other intangibles other than goodwill and mortgage servicing rights	255,125	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 March 31, 2019	As of March 31, 2018	Remarks	Ref. No.
Net defined benefit asset	324,672	377,768		3

Income taxes related to above	99,062	115,220	
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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks	Basel III Template No.
Net defined benefit asset	225,610	262,547		15

4. Deferred tax assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
Deferred tax assets	23,399	28,789	
Deferred tax liabilities	446,993	427,853	
Deferred tax liabilities for land revaluation	30,259	30,539	
Tax effects on intangible fixed assets	108,261	91,273	
Tax effects on net defined benefit asset	99,062	115,220	

Ref. No.
4-a
4-b
4-c

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2019	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)	2,208	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)	220	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)	220	1,617	

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10
21
25
75

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
Net deferred gains or losses on hedges	(47,281)	(66,918)	

Ref. No.
5

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks
Net deferred gains or losses on hedges	(45,242)	(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 March 31, 2019	As of March 31, 2018	Remarks
Trading assets	2,452,825	2,408,549	Including trading account securities and derivatives for trading assets
Securities	23,469,621	25,217,287	
Loans and bills discounted	79,792,401	75,853,934	Including subordinated loans
Other assets	3,571,248	3,923,004	Including derivatives
Trading liabilities	1,818,610	1,907,416	Including trading account securities sold and derivatives for trading liabilities
Other liabilities	2,929,172	3,983,839	Including derivatives

Ref. No.
6-a
6-b
6-c
6-d
6-e
6-f

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks	Basel III Template No.
Investments in own capital instruments	3	—		
Common Equity Tier 1 capital	3	—		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 and other TLAC liabilities	—	—		53
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	289,593	331,209		
Common Equity Tier 1 capital	—	—		18
Additional Tier 1 capital	—	—		39
Tier 2 capital and other TLAC liabilities	—	—		54
Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deductions (before risk weighting)	289,593	331,209		72
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	642,662	828,222		
Amount exceeding the 10% threshold on specified items	—	—		19
Amount exceeding the 15% threshold on specified items	—	—		23
Additional Tier 1 capital	25,516	81,640		40
Tier 2 capital and other TLAC liabilities	50,000	150,000		55
Significant investments in the common stock of other financials that are below the thresholds for deductions (before risk weighting)	567,146	596,582		73

7. Non-controlling interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks	Ref. No.
Stock acquisition rights	2,210	—		7-a
Non-controlling interests	278,910	555,298		7-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks	Basel III Template No.
Amount allowed in group CET1	2,181	333	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	5
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	30-31ab-32
Amount allowed in group AT1	23,795	30,026	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	34-35
Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	46
Amount allowed in group T2	5,921	3,488	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	48-49

8. Other capital instruments

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks	Ref. No.
Borrowed money	15,988,948	13,973,112		8

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2019	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	1,003,250	994,937		46