

Capital Ratio Information (Non-consolidated)

Sumitomo Mitsui Banking Corporation

■ 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	6,382,096	6,255,453	
1a	of which: capital and capital surplus	3,335,548	3,337,824	
2	of which: retained earnings	3,196,677	3,044,170	
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	Valuation and translation adjustment and other disclosed reserves	1,430,047	1,539,402	(a)
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,812,144	7,794,855	
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)	164,075	160,658	
8	of which: goodwill	–	–	
9	of which: other intangibles other than goodwill and mortgage servicing rights	164,075	160,658	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	–	–	
11	Net deferred gains or losses on hedges	(20,578)	(5,293)	
12	Shortfall of eligible provisions to expected losses	19,757	454	
13	Securitisation gain on sale	60,286	60,215	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	–	–	
15	Prepaid pension cost	222,859	193,931	
16	Investments in own shares (excluding those reported in the Net assets section)	–	–	
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)	446,401	409,966	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,365,742	7,384,889	

(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	—	—	
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments		173,000	466,652	
36	Additional Tier 1 capital: instruments (D)		1,273,000	1,566,652	
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	76,261	
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	76,261	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)		1,247,483	1,490,391	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)		8,613,226	8,875,280	
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		—	—	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions		488,222	625,890	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2		—	—	
50a	of which: general reserve for possible loan losses		—	—	
50b	of which: eligible provisions		—	—	
51	Tier 2 capital: instruments and provisions (H)		1,491,472	1,620,828	

(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)	1,441,472	1,470,828	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G) + (J))	(K)	10,054,699	10,346,108	
Risk weighted assets (6)					
60	Total risk-weighted assets (RWA)	(L)	49,574,518	49,001,855	
Capital ratio (7)					
61	Common Equity Tier 1 risk-weighted capital ratio ((C)/(L))		14.85%	15.07%	
62	Tier 1 risk-weighted capital ratio ((G)/(L))		17.37%	18.11%	
63	Total risk-weighted capital ratio ((K)/(L))		20.28%	21.11%	
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)		281,885	324,525	
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)		516,070	572,602	
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)		—	—	
Provisions included in Tier 2 capital: instruments and provisions (9)					
76	Provisions (general reserve for possible loan losses)		—	—	
77	Cap on inclusion of provisions (general reserve for possible loan losses)		3,671	2,694	
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”)		—	—	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		248,544	262,631	
Capital instruments subject to transitional arrangements (10)					
82	Current cap on AT1 instruments subject to transitional arrangements		371,207	494,943	
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		605,172	806,896	
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%)	3,965,961	3,920,148

■ CC2: Reconciliation of regulatory capital to balance sheet

Sumitomo Mitsui Banking Corporation

(Millions of yen)

Items	a		b		c	d
	Balance sheet as in published financial statements		Under regulatory scope of consolidation		Reference to Template CC1	Reference to appended table
	As of March 31, 2019	As of March 31, 2018	As of March 31, 2019	As of March 31, 2018		
(Assets)						
Cash and due from banks	54,205,583	49,030,209	54,205,583	49,030,209		
Call loans	2,134,392	1,417,562	2,134,392	1,417,562		
Receivables under resale agreements	3,364,070	499,738	3,364,070	499,738		
Receivables under securities borrowing transactions	1,222,284	3,140,151	1,222,284	3,140,151		
Monetary claims bought	1,470,872	1,239,394	1,470,872	1,239,394		
Trading assets	1,534,100	1,723,878	1,534,100	1,723,878		6-a
Securities	24,336,638	25,916,718	24,328,778	25,905,947		6-b
Loans and bills discounted	76,401,807	73,896,163	76,401,807	73,896,163		6-c
Foreign exchanges	1,627,105	2,143,021	1,627,105	2,143,021		
Other assets	2,895,757	3,020,300	2,895,757	3,020,300		6-d
Tangible fixed assets	802,501	798,476	802,501	798,476		
Intangible fixed assets	236,352	231,429	236,352	231,429		2
Prepaid pension cost	321,031	279,360	321,031	279,360		3
Customers' liabilities for acceptances and guarantees	9,078,706	7,921,169	9,078,706	7,921,169		
Reserve for possible loan losses	(275,185)	(319,868)	(275,185)	(319,868)		
Reserve for possible losses on investments	(7,363)	(14,559)	(7,363)	(14,559)		
Total assets	179,348,654	170,923,146	179,340,794	170,912,376		
(Liabilities)						
Deposits	116,091,103	110,243,226	116,084,925	110,236,473		
Negotiable certificates of deposit	11,581,605	11,264,807	11,581,605	11,264,807		
Call money	796,761	928,117	796,761	928,117		
Payables under repurchase agreements	7,364,577	4,383,418	7,364,577	4,383,418		
Payables under securities lending transactions	418,912	3,073,423	418,912	3,073,423		
Commercial paper	1,634,811	1,522,354	1,634,811	1,522,354		
Trading liabilities	1,348,931	1,422,824	1,348,931	1,422,824		6-e
Borrowed money	15,567,626	14,023,257	15,392,856	13,552,461		7
Foreign exchanges	1,213,861	915,154	1,213,861	915,154		
Bonds	2,910,794	3,211,548	2,910,794	3,211,548		
Due to trust account	1,292,699	1,276,907	1,292,699	1,276,907		
Other liabilities	1,659,172	2,391,909	1,657,565	2,386,166		6-f
Reserve for employee bonuses	13,285	14,163	13,285	14,163		
Reserve for executive bonuses	937	978	937	978		
Reserve for point service program	468	966	468	966		
Reserve for reimbursement of deposits	7,425	17,307	7,425	17,307		
Deferred tax liabilities	374,529	359,803	374,529	359,803		4-a
Deferred tax liabilities for land revaluation	30,259	30,539	30,259	30,539		4-b
Acceptances and guarantees	9,078,706	7,921,169	9,078,706	7,921,169		
Total liabilities	171,386,468	163,001,878	171,203,913	162,518,585		
(Net assets)						
Capital stock	1,770,996	1,770,996	1,770,996	1,770,996		1-a
Capital surplus	1,774,554	1,776,830	1,774,554	1,776,830		1-b
Retained earnings	3,196,504	3,044,175	3,196,677	3,044,170		1-c
Treasury stock	(210,003)	(210,003)	(210,003)	(210,003)		1-d
Total stockholders' equity	6,532,053	6,381,999	6,532,225	6,381,995		
Net unrealized gains or losses on other securities	1,427,008	1,519,691	1,427,008	1,519,691		
Net deferred gains or losses on hedges	(22,444)	(6,286)	(22,542)	(6,383)		5
Land revaluation excess	25,568	25,863	25,568	25,863		
Foreign currency translation adjustments	—	—	13	230		
Total valuation and translation adjustments	1,430,131	1,539,268	1,430,047	1,539,402	(a)	
Non-controlling interests	—	—	174,606	472,393		
Total net assets	7,962,185	7,921,268	8,136,880	8,393,790		
Total liabilities and net assets	179,348,654	170,923,146	179,340,794	170,912,376		

(Appended Table)

1. Stockholders' equity

(1) Balance sheet

(Millions of yen)

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	1,774,554	1,776,830	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	3,196,677	3,044,170		1-c
Treasury stock	(210,003)	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
Total stockholders' equity	6,532,225	6,381,995		

(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	6,532,225	6,381,995	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,335,548	3,337,824		1a
of which: retained earnings	3,196,677	3,044,170		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) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks	Ref. No.
Intangible fixed assets	236,352	231,429		2
Income taxes related to above	72,276	70,771		

(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	—	—		8
Other intangibles other than goodwill and mortgage servicing rights	164,075	160,658	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. Prepaid pension cost

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks	Ref. No.
Prepaid pension cost	321,031	279,360		3
Income taxes related to above	98,171	85,428		

(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.
Prepaid pension cost	222,859	193,931		15

4. Deferred tax assets

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
Deferred tax liabilities	374,529	359,803	
Deferred tax liabilities for land revaluation	30,259	30,539	
Tax effects on intangible fixed assets	72,276	70,771	
Tax effects on prepaid pension cost	98,171	85,428	

Ref. No.
4-a
4-b

(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)	—	—	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
Deferred tax assets arising from temporary differences (net of related tax liability)	—	—	This item does not agree with the amount reported on the 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)	—	—	

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10

21
25
75

5. Deferred gains or losses on derivatives under hedge accounting

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
Net deferred gains or losses on hedges	(22,542)	(6,383)	

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	(20,578)	(5,293)	Excluding those items whose valuation differences arising from hedged items are recognized as "Total valuation and translation adjustments"

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11

6. Items associated with investments in the capital of financial institutions

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
Trading assets	1,534,100	1,723,878	Including trading account securities and derivatives for trading assets
Securities	24,328,778	25,905,947	
Loans and bills discounted	76,401,807	73,896,163	Including subordinated loans
Other assets	2,895,757	3,020,300	Including derivatives
Trading liabilities	1,348,931	1,422,824	Including trading account securities sold and derivatives for trading liabilities
Other liabilities	1,657,565	2,386,166	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	—	—		
Common Equity Tier 1 capital	—	—		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)	281,885	324,525		
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)	281,885	324,525		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)	591,586	798,863		
Amount exceeding the 10% threshold on specified items	—	—		19
Amount exceeding the 15% threshold on specified items	—	—		23
Additional Tier 1 capital	25,516	76,261		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)	516,070	572,602		73

7. Other capital instruments

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks	Ref. No.
Borrowed money	15,392,856	13,552,461		7

(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