

Consolidated Statements of Cash Flows

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2019	2020	2020
Cash flows from operating activities:			
Income before income taxes.....	¥ 1,123,579	¥ 888,646	\$ 8,167
Depreciation.....	269,010	209,198	1,923
Losses on impairment of fixed assets.....	9,610	65,106	598
Amortization of goodwill.....	25,919	17,533	161
Net (gains) losses on step acquisitions.....	(2,285)	(22,040)	(203)
Equity in net (gains) losses of affiliates.....	(61,145)	(56,051)	(515)
Net change in reserve for possible loan losses.....	(60,213)	13,411	123
Net change in reserve for employee bonuses.....	(16,467)	3,103	29
Net change in reserve for executive bonuses.....	(757)	201	2
Net change in net defined benefit asset and liability.....	(25,570)	101,532	933
Net change in reserve for executive retirement benefits.....	(196)	(84)	(1)
Net change in reserve for point service program.....	1,704	2,627	24
Net change in reserve for reimbursement of deposits.....	(9,828)	(3,249)	(30)
Net change in reserve for losses on interest repayment.....	2,830	(4,703)	(43)
Interest income.....	(2,488,904)	(2,456,364)	(22,575)
Interest expenses.....	1,157,482	1,179,770	10,842
Net (gains) losses on securities.....	(101,219)	(143,877)	(1,322)
Net (gains) losses from money held in trust.....	(0)	(0)	(0)
Net exchange (gains) losses.....	(148,278)	118,815	1,092
Net (gains) losses from disposal of fixed assets.....	3,944	54	0
Net change in trading assets.....	477,890	(1,859,195)	(17,087)
Net change in trading liabilities.....	(1,603,188)	1,930,360	17,741
Net change in loans and bills discounted.....	(3,152,247)	(4,839,243)	(44,474)
Net change in deposits.....	5,039,495	5,064,595	46,545
Net change in negotiable certificates of deposit.....	(73,017)	(982,400)	(9,029)
Net change in borrowed money (excluding subordinated borrowings).....	1,418,493	4,844,384	44,521
Net change in deposits with banks.....	1,520,423	(1,455,747)	(13,379)
Net change in call loans and bills bought and others.....	(6,235,713)	(812,970)	(7,471)
Net change in receivables under securities borrowing transactions.....	4,240,226	(907,630)	(8,341)
Net change in call money and bills sold and others.....	6,097,354	4,256,015	39,114
Net change in commercial paper.....	(95,014)	(882,878)	(8,114)
Net change in payables under securities lending transactions.....	(5,374,040)	572,787	5,264
Net change in foreign exchanges (assets).....	446,136	(346,503)	(3,184)
Net change in foreign exchanges (liabilities).....	298,550	296,890	2,729
Net change in lease receivables and investment assets.....	(53,975)	17,309	159
Net change in short-term bonds (liabilities).....	(51,200)	294,500	2,707
Issuance and redemption of bonds (excluding subordinated bonds)....	467,587	152,729	1,404
Net change in due to trust account.....	24,502	458,581	4,215
Interest received.....	2,435,453	2,471,480	22,714
Interest paid.....	(1,116,584)	(1,201,792)	(11,045)
Other, net.....	489,142	386,091	3,548
Subtotal.....	4,879,488	7,370,996	67,742
Income taxes paid.....	(283,245)	(283,536)	(2,606)
Net cash provided by (used in) operating activities.....	4,596,242	7,087,460	65,136

(Continued)

Year ended March 31	Millions of yen		Millions of U.S. dollars
	2019	2020	2020
Cash flows from investing activities:			
Purchases of securities	¥(26,615,239)	¥(35,544,708)	\$(326,668)
Proceeds from sale of securities	17,969,410	23,204,983	213,261
Proceeds from redemption of securities	10,078,569	9,550,000	87,768
Purchases of money held in trust.....	(2)	(284)	(3)
Proceeds from sale of money held in trust	1,094	321	3
Purchases of tangible fixed assets	(510,213)	(103,052)	(947)
Proceeds from sale of tangible fixed assets	104,451	19,206	177
Purchases of intangible fixed assets.....	(139,329)	(147,784)	(1,358)
Purchase of stocks of subsidiaries resulting in change in scope of consolidation	*2 (57,182)	(17,365)	(160)
Proceeds from sale of stocks of subsidiaries resulting in change in scope of consolidation	*3 174,702	27,021	248
Net cash provided by (used in) investing activities	1,006,260	(3,011,660)	(27,678)
Cash flows from financing activities:			
Repayment of subordinated borrowings.....	(8,000)	(8,000)	(74)
Proceeds from issuance of subordinated bonds and bonds with stock acquisition rights	—	139,405	1,281
Redemption of subordinated bonds and bonds with stock acquisition rights	(27,539)	(113,000)	(1,039)
Dividends paid.....	(245,594)	(255,771)	(2,351)
Repayments to non-controlling stockholders	(212,537)	(436,500)	(4,012)
Dividends paid to non-controlling stockholders	(77,185)	(16,922)	(156)
Purchases of treasury stock.....	(70,094)	(100,088)	(920)
Proceeds from disposal of treasury stock.....	294	483	4
Purchase of stocks of subsidiaries not resulting in change in scope of consolidation	—	(234,159)	(2,152)
Proceeds from sale of stocks of subsidiaries not resulting in change in scope of consolidation	7,837	—	—
Net cash provided by (used in) financing activities	(632,819)	(1,024,554)	(9,416)
Effect of exchange rate changes on cash and cash equivalents.....	166,646	(74,480)	(685)
Net change in cash and cash equivalents.....	5,136,329	2,976,764	27,357
Cash and cash equivalents at the beginning of the fiscal year.....	47,983,114	53,120,963	488,199
Net change in cash and cash equivalents resulting from business combinations between subsidiaries	—	79	1
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	1,519	—	—
Cash and cash equivalents at the end of the fiscal year.....	*1 ¥ 53,120,963	*1 ¥ 56,097,807	\$ 515,557