

Liquidity Coverage Ratio Information (Non-consolidated)

Sumitomo Mitsui Banking Corporation

Since March 31, 2015, the “Liquidity Coverage Ratio” (hereinafter referred to as “LCR”), the liquidity ratio regulation under the Basel III, has been introduced in Japan. In addition to the application of uniform international standards, SMBC calculates its non-consolidated LCR using the calculation formula stipulated in the “Criteria for Evaluating the Soundness of Liquidity Status Set Forth by a Bank as a Benchmark for Judging its Soundness of Management, Based on the Provision of Article 14-2 of the Banking Act” (Notification No. 60 issued by the Japanese Financial Services Agency in 2014; hereinafter referred to as the “LCR Notification”).

■ Disclosure of Qualitative Information about Liquidity Coverage Ratio

1. Intra-period Changes in Non-consolidated LCR

As described on the following page, the LCR has remained stable since the introduction of the liquidity ratio regulation on March 31, 2015.

2. Assessment of Non-consolidated LCR

The LCR Notification stipulates the minimum requirement of the LCR at 100%. The LCR of SMBC (non-consolidated) exceeds the minimum requirements of the LCR having no cause for concern. In terms of the future LCR forecasts, SMBC does not expect significant deviations from the disclosed ratios. In addition, the actual LCR does not differ significantly from the initial forecast.

3. Composition of High-Quality Liquid Assets

Regarding the high-quality liquid assets allowed to be included in the calculation, there are no significant changes in locations and properties of currency denominations, categories and so on. In addition, in respect of major currencies (those of which the aggregate amount of liabilities denominated in a certain currency accounts for 5% or more of SMBC's total liabilities on the non-consolidated basis), there is no significant mismatch in currency denomination between the total amount of the high-quality liquid assets allowed to be included in the calculation and the amount of net cash outflows.

4. Other Information Concerning Non-consolidated LCR

SMBC has not applied “special provisions concerning qualifying operational deposits” prescribed in Article 29 of the LCR Notification and “increased liquidity needs related to market valuation changes on derivative or other transactions simulated through Scenario Approach” prescribed in Article 38 of the LCR Notification. Meanwhile, SMBC records “due to trust account,” etc. under “cash outflows based on other contracts” prescribed in Article 60 of the LCR Notification.

■ Disclosure of Quantitative Information about Liquidity Coverage Ratio (Non-Consolidated)

(In million yen, %, the number of data)

Item		Current Quarter (From 2021/1/1 To 2021/3/31)		Prior Quarter (From 2020/10/1 To 2020/12/31)	
High-Quality Liquid Assets (1)					
1	Total high-quality liquid assets (HQLA)	66,612,926		66,285,520	
Cash Outflows (2)					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
2	Cash outflows related to unsecured retail funding	53,117,750	4,120,809	52,126,232	4,044,495
3	of which, Stable deposits	17,023,400	510,702	16,697,276	500,918
4	of which, Less stable deposits	36,094,350	3,610,107	35,428,955	3,543,577
5	Cash outflows related to unsecured wholesale funding	74,486,347	36,762,591	72,001,032	34,889,632
6	of which, Qualifying operational deposits	—	—	—	—
7	of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	69,990,383	32,266,627	67,882,808	30,771,408
8	of which, Debt securities	4,495,964	4,495,964	4,118,224	4,118,224
9	Cash outflows related to secured funding, etc.		254,973		282,473
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	26,632,777	7,720,006	25,871,559	7,459,835
11	of which, Cash outflows related to derivative transactions, etc.	311,336	311,336	290,625	290,625
12	of which, Cash outflows related to funding programs	373,837	373,837	308,310	308,310
13	of which, Cash outflows related to credit and liquidity facilities	25,947,605	7,034,834	25,272,624	6,860,900
14	Cash outflows related to contractual funding obligations, etc.	7,300,044	3,629,715	6,982,154	3,509,675
15	Cash outflows related to contingencies	74,919,238	1,177,237	75,196,885	1,225,893
16	Total cash outflows		53,665,331		51,412,004
Cash Inflows (3)					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
17	Cash inflows related to secured lending, etc.	684,519	120,357	584,690	67,451
18	Cash inflows related to collection of loans, etc.	11,534,779	8,244,402	9,817,563	6,894,228
19	Other cash inflows	1,849,914	754,363	1,486,912	586,870
20	Total cash inflows	14,069,212	9,119,121	11,889,165	7,548,549
Non-Consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation		66,612,926		66,285,520
22	Net cash outflows		44,546,209		43,863,455
23	Non-consolidated liquidity coverage ratio (LCR)		149.5%		151.1%
24	The number of data used to calculate the average value		60		63

Notes: 1. The data after the introduction of the liquidity ratio regulation on March 31, 2015 is available on Sumitomo Mitsui Financial Group's website.
(https://www.smfg.co.jp/english/investor/financial/basel_3.html)

2. The average values are calculated based on daily data in accordance with Notification No. 7 issued by the Japanese Financial Services Agency in 2015. Some data such as attribute information of customers, is updated on the monthly or quarterly basis.

■ Breakdown of High-Quality Liquid Assets

(In million yen)

Item		Current Quarter (From 2021/1/1 To 2021/3/31)		Prior Quarter (From 2020/10/1 To 2020/12/31)	
1	Cash and due from banks	61,453,636		59,836,193	
2	Securities	5,159,290		6,449,326	
3	of which, government bonds, etc.	2,646,776		4,240,230	
4	of which, municipal bonds, etc.	202,239		85,933	
5	of which, other bonds	760,114		695,420	
6	of which, stocks	1,550,160		1,427,744	
7	Total high-quality liquid assets (HQLA)	66,612,926		66,285,520	

Note: The above amounts are those of high-quality liquid assets in accordance with the liquidity ratio regulation under the Basel III and do not correspond to the financial amounts.
The amounts stated are those after multiplying factors in the liquidity ratio regulation under the Basel III.