

Net Stable Funding Ratio Information (Consolidated)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

Since September 30, 2021, the “Net Stable Funding Ratio” (hereinafter referred to as “NSFR”), the liquidity ratio regulation under the Basel III, has been introduced in Japan. In addition to the application of uniform international standards, Sumitomo Mitsui Financial Group calculates its consolidated NSFR using the calculation formula stipulated in the “Criteria for Evaluating the Soundness of Liquidity Status Set Forth by a Bank Holding Company as a Benchmark for Judging the Soundness of Management of Itself and its Subsidiaries, etc., Based on the Provision of Article 52-25 of the Banking Act, and Which Are Also the Criteria to be Referred to for Judging the Soundness of Management in Banks” (Notification No. 62 issued by the Japanese Financial Services Agency in 2014; hereinafter referred to as the “Liquidity Ratio Notification”).

■ Disclosure of Qualitative Information about Net Stable Funding Ratio

1. Intra-period Changes in Consolidated NSFR

As described on the following page, the NSFR has remained stable since the introduction of the liquidity ratio regulation on September 30, 2021.

2. Special Provisions Pertaining to Interdependent Assets and Liabilities

Sumitomo Mitsui Financial Group has not applied the “special provisions pertaining to interdependent assets and liabilities” prescribed in Article 99 of the Liquidity Ratio Notification to its NSFR.

3. Other Information Concerning Consolidated NSFR

The Liquidity Ratio Notification stipulates the minimum requirement of the NSFR at 100%. The NSFR of Sumitomo Mitsui Financial Group (consolidated) exceeds the minimum requirements of the NSFR, having no cause for concern. In terms of the future NSFR forecasts, Sumitomo Mitsui Financial Group does not expect significant deviations from the disclosed ratios. In addition, the actual NSFR does not differ significantly from the initial forecast.

■ Disclosure of Quantitative Information about Net Stable Funding Ratio (Consolidated)

(In million yen, %)

Item		Current Quarter (From 2022/1/1 To 2022/3/31)					Prior Quarter (From 2021/10/1 To 2021/12/31)				
		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
Available stable funding (ASF) items (1)											
1	Capital; of which:	12,127,748	0	85,000	1,609,971	13,822,720	12,257,208	0	85,000	1,632,989	13,975,197
2	Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital (excluding the proportion of Tier 2 instruments with residual maturity of less than one year) before the application of capital deductions	12,127,748	0	85,000	1,367,363	13,580,111	12,257,208	0	85,000	1,425,773	13,767,981
3	Other capital instruments that are not included in the above category	0	0	0	242,608	242,608	0	0	0	207,215	207,215
4	Funding from retail and small business customers; of which:	59,457,858	0	0	35,516	54,494,767	59,482,778	0	0	33,125	54,535,853
5	Stable deposits	18,943,568	0	0	0	17,996,390	19,364,539	0	0	0	18,396,312
6	Less stable deposits	40,514,289	0	0	35,516	36,498,377	40,118,239	0	0	33,125	36,139,541
7	Wholesale funding; of which:	65,216,355	65,270,243	5,772,536	18,071,262	54,403,049	62,449,436	64,221,641	4,035,379	18,763,732	53,077,061
8	Operational deposits	—	—	—	—	—	—	—	—	—	—
9	Other wholesale funding	65,216,355	65,270,243	5,772,536	18,071,262	54,403,049	62,449,436	64,221,641	4,035,379	18,763,732	53,077,061
10	Liabilities with matching interdependent assets	—	—	—	—	—	—	—	—	—	—
11	Other liabilities; of which:	559,495	10,156,474	0	216,994	69,583	562,629	11,837,848	0	225,204	64,498
12	Derivative liabilities	—	—	—	0	—	—	—	—	0	—
13	All other liabilities and equity not included in the above categories	559,495	10,156,474	0	216,994	69,583	562,629	11,837,848	0	225,204	64,498
14	Total available stable funding	—	—	—	—	122,790,120	—	—	—	—	121,652,611
Required stable funding (RSF) items (2)											
15	HQLA	—	—	—	—	2,275,942	—	—	—	—	2,502,077
16	Deposits held at financial institutions for operational purposes	372,422	17,623	0	0	195,023	258,026	19,960	0	0	138,993
17	Loans, repo transactions-related assets, securities and other similar assets; of which:	1,476,555	34,886,104	9,696,766	68,065,279	75,090,251	1,624,413	37,660,165	8,699,171	64,977,107	72,511,251
18	Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	0	7,549,006	81,820	7,119	55,077	0	7,466,327	77,241	30,124	83,082
19	Loans to- and repo transactions with- financial institutions (not included in item 18)	149,331	5,815,185	2,731,290	10,753,544	13,099,011	299,566	8,095,092	2,208,043	9,761,528	12,228,112
20	Loans and repo transactions-related assets (not included in item 18, 19 and 22); of which:	946,694	20,219,070	6,263,180	43,106,871	49,825,767	947,538	20,707,136	5,651,231	40,820,538	47,846,994
21	With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	773	2,379,630	492,502	1,499,214	1,926,246	206	2,246,614	369,503	1,677,500	2,019,103
22	Residential mortgages; of which:	0	295,941	293,173	10,617,873	8,010,554	0	296,278	295,526	10,657,998	8,044,009
23	With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	0	158,555	158,098	6,545,977	4,413,212	0	158,639	158,378	6,555,958	4,419,881
24	Securities that are not in default and do not qualify as HQLA and other similar assets	380,530	1,006,899	327,301	3,579,870	4,099,840	377,307	1,095,330	467,127	3,706,916	4,309,053
25	Assets with matching interdependent liabilities	—	—	—	—	—	—	—	—	—	—
26	Other assets; of which:	3,669,439	1,587,172	149,091	14,266,632	18,424,398	3,308,337	1,593,725	93,679	14,139,487	18,134,301
27	Physical traded commodities, including gold	0	—	—	—	0	0	—	—	—	0
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs (including those that are not recorded on consolidated balance sheet)	—	—	—	737,012	626,460	—	—	—	662,423	563,060
29	Derivative assets	—	—	—	857,551	857,551	—	—	—	1,037,878	1,037,878
30	Derivative liabilities (before deduction of variation margin posted)	—	—	—	172,367	172,367	—	—	—	97,146	97,146
31	All other assets not included in the above categories	3,669,439	1,587,172	149,091	12,499,701	16,768,019	3,308,337	1,593,725	93,679	12,342,038	16,436,216
32	Off-balance sheet items	—	—	—	111,772,213	2,237,651	—	—	—	105,865,711	2,143,085
33	Total required stable funding	—	—	—	—	98,223,267	—	—	—	—	95,429,710
34	Consolidated net stable funding ratio (NSFR)	—	—	—	—	125.0%	—	—	—	—	127.4%