

Liquidity Coverage Ratio Information (Consolidated)

Sumitomo Mitsui Banking Corporation and Subsidiaries

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 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 “Liquidity Ratio Notification”).

■ Disclosure of Qualitative Information about Liquidity Coverage Ratio

1. Intra-period Changes in 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 Consolidated LCR

The Liquidity Ratio Notification stipulates the minimum requirement of the LCR at 100%. The LCR of SMBC (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 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 Consolidated LCR

SMBC has not applied “special provisions concerning qualifying operational deposits” prescribed in Article 29 of the Liquidity Ratio 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 Liquidity Ratio Notification. Meanwhile, SMBC records “due to trust account,” etc. under “cash outflows based on other contracts” prescribed in Article 60 of the Liquidity Ratio Notification.

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

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

Item		Current Quarter (From 2022/1/1 To 2022/3/31)		Prior Quarter (From 2021/10/1 To 2021/12/31)	
High-Quality Liquid Assets (1)					
1	Total high-quality liquid assets (HQLA)	74,459,548		75,405,664	
Cash Outflows (2)		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
2	Cash outflows related to unsecured retail funding	58,985,062	4,596,337	58,212,433	4,540,957
3	of which, Stable deposits	18,635,637	560,782	18,329,456	552,054
4	of which, Less stable deposits	40,349,424	4,035,554	39,882,977	3,988,902
5	Cash outflows related to unsecured wholesale funding	82,444,560	41,786,803	79,645,014	39,645,931
6	of which, Qualifying operational deposits	—	—	—	—
7	of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	76,634,212	35,976,455	74,568,684	34,569,601
8	of which, Debt securities	5,810,347	5,810,347	5,076,330	5,076,330
9	Cash outflows related to secured funding, etc.	233,725		281,839	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	29,836,255	9,548,868	28,914,627	9,212,666
11	of which, Cash outflows related to derivative transactions, etc.	1,127,967	1,127,967	1,178,279	1,178,279
12	of which, Cash outflows related to funding programs	313,805	313,805	278,458	278,458
13	of which, Cash outflows related to credit and liquidity facilities	28,394,483	8,107,095	27,457,889	7,755,928
14	Cash outflows related to contractual funding obligations, etc.	7,649,186	5,398,020	7,686,975	5,417,870
15	Cash outflows related to contingencies	74,017,085	1,556,439	73,738,363	1,484,947
16	Total cash outflows	63,120,194		60,584,212	
Cash Inflows (3)		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
17	Cash inflows related to secured lending, etc.	2,317,435	100,304	2,096,939	169,889
18	Cash inflows related to collection of loans, etc.	14,922,330	10,590,434	10,882,572	7,256,213
19	Other cash inflows	2,538,172	1,259,271	2,938,358	1,137,778
20	Total cash inflows	19,777,938	11,950,011	15,917,870	8,563,881
Consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation	74,459,548		75,405,664	
22	Net cash outflows	51,170,183		52,020,330	
23	Consolidated liquidity coverage ratio (LCR)	145.5%		144.9%	
24	The number of data used to calculate the average value	59		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 and data on consolidated subsidiaries, is updated on the monthly or quarterly basis.

■ Breakdown of High-Quality Liquid Assets

(In million yen)

Item		Current Quarter (From 2022/1/1 To 2022/3/31)	Prior Quarter (From 2021/10/1 To 2021/12/31)
1	Cash and due from banks	69,172,031	68,679,230
2	Securities	5,287,517	6,726,434
3	of which, government bonds, etc.	2,596,993	4,042,905
4	of which, municipal bonds, etc.	342,021	309,737
5	of which, other bonds	883,098	792,442
6	of which, stocks	1,465,403	1,581,348
7	Total high-quality liquid assets (HQLA)	74,459,548	75,405,664

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.