

Net Stable Funding Ratio Information (Consolidated)

Sumitomo Mitsui Banking Corporation 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, SMBC calculates its consolidated NSFR 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 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

SMBC has not applied the “special provisions pertaining to interdependent assets and liabilities” prescribed in Article 101 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 SMBC (consolidated) exceeds the minimum requirements of the NSFR, having no cause for concern. In terms of the future NSFR forecasts, SMBC 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:	9,116,633	0	85,000	2,205,967	11,407,601	9,320,918	0	85,000	2,146,686	11,552,605
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	9,116,633	0	85,000	1,963,220	11,164,854	9,320,918	0	85,000	1,939,350	11,345,268
3	Other capital instruments that are not included in the above category	0	0	0	242,746	242,746	0	0	0	207,336	207,336
4	Funding from retail and small business customers; of which:	59,463,019	0	0	35,516	54,499,442	59,485,735	0	0	33,125	54,538,364
5	Stable deposits	18,944,174	0	0	0	17,996,965	19,361,529	0	0	0	18,393,452
6	Less stable deposits	40,518,844	0	0	35,516	36,502,476	40,124,205	0	0	33,125	36,144,911
7	Wholesale funding; of which:	65,965,447	59,879,765	5,674,398	17,959,663	54,254,791	63,229,400	59,261,887	3,920,493	18,653,567	52,917,618
8	Operational deposits	–	–	–	–	–	–	–	–	–	–
9	Other wholesale funding	65,965,447	59,879,765	5,674,398	17,959,663	54,254,791	63,229,400	59,261,887	3,920,493	18,653,567	52,917,618
10	Liabilities with matching interdependent assets	–	–	–	–	–	–	–	–	–	–
11	Other liabilities; of which:	632,434	3,921,668	0	84,218	103,225	662,174	4,829,096	0	95,187	99,095
12	Derivative liabilities	–	–	–	0	–	–	–	–	0	–
13	All other liabilities and equity not included in the above categories	632,434	3,921,668	0	84,218	103,225	662,174	4,829,096	0	95,187	99,095
14	Total available stable funding	–	–	–	–	120,265,060	–	–	–	–	119,107,682
Required stable funding (RSF) items (2)											
15	HQLA	–	–	–	–	2,060,911	–	–	–	–	2,167,849
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:	1,476,954	32,963,898	11,748,073	65,080,395	73,700,113	1,624,451	37,436,599	9,481,482	62,342,812	70,910,316
18	Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	0	4,061,392	81,820	27,975	107,839	0	4,399,408	77,241	38,103	90,882
19	Loans to- and repo transactions with- financial institutions (not included in item 18)	149,413	7,391,846	4,796,232	9,292,473	12,906,992	299,604	10,948,752	3,002,387	8,604,801	11,896,644
20	Loans and repo transactions-related assets (not included in item 18, 19 and 22); of which:	946,694	20,015,179	6,250,727	41,885,355	48,758,787	947,538	20,660,924	5,643,102	39,602,811	46,785,057
21	With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	773	2,194,936	492,502	1,499,214	1,913,380	206	2,222,614	369,503	1,677,500	2,007,406
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	380,846	1,199,538	326,119	3,256,718	3,915,938	377,307	1,131,235	463,223	3,439,097	4,093,720
25	Assets with matching interdependent liabilities	–	–	–	–	–	–	–	–	–	–
26	Other assets; of which:	3,681,469	859,733	149,091	7,445,416	11,637,638	3,337,601	853,721	93,679	7,242,953	11,287,452
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)	–	–	–	573,230	487,245	–	–	–	526,284	447,342
29	Derivative assets	–	–	–	581,260	581,260	–	–	–	809,603	809,603
30	Derivative liabilities (before deduction of variation margin posted)	–	–	–	163,594	163,594	–	–	–	89,658	89,658
31	All other assets not included in the above categories	3,681,469	859,733	149,091	6,127,330	10,405,536	3,337,601	853,721	93,679	5,817,406	9,940,848
32	Off-balance sheet items	–	–	–	105,907,716	2,083,185	–	–	–	101,366,590	2,018,357
33	Total required stable funding	–	–	–	–	89,676,871	–	–	–	–	86,522,969
34	Consolidated net stable funding ratio (NSFR)	–	–	–	–	134.1%	–	–	–	–	137.6%