

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 “Liquidity Ratio 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 Liquidity Ratio Notification stipulates the minimum requirement of the LCR at 100%. The LCR of SMBC 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), 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 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 (Non-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)	68,088,748		68,855,171	
Cash Outflows (2)					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
2	Cash outflows related to unsecured retail funding	55,956,145	4,326,272	55,238,670	4,277,265
3	of which, Stable deposits	18,142,202	544,266	17,817,236	534,517
4	of which, Less stable deposits	37,813,942	3,782,006	37,421,433	3,742,748
5	Cash outflows related to unsecured wholesale funding	78,820,308	40,233,733	76,001,247	38,047,141
6	of which, Qualifying operational deposits	—	—	—	—
7	of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	73,086,922	34,500,347	70,947,809	32,993,703
8	of which, Debt securities	5,733,385	5,733,385	5,053,437	5,053,437
9	Cash outflows related to secured funding, etc.	235,907		258,666	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	27,062,312	8,516,868	26,149,144	8,098,717
11	of which, Cash outflows related to derivative transactions, etc.	396,832	396,832	324,777	324,777
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	26,351,674	7,806,230	25,545,908	7,495,480
14	Cash outflows related to contractual funding obligations, etc.	7,867,773	4,225,417	7,799,312	4,122,783
15	Cash outflows related to contingencies	74,099,572	1,470,137	74,060,982	1,401,897
16	Total cash outflows	59,008,337		56,206,471	
Cash Inflows (3)					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
17	Cash inflows related to secured lending, etc.	931,536	84,294	966,705	157,405
18	Cash inflows related to collection of loans, etc.	15,508,966	11,485,178	11,526,392	8,193,901
19	Other cash inflows	1,878,247	953,360	2,194,662	756,113
20	Total cash inflows	18,318,750	12,522,833	14,687,760	9,107,421
Non-Consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation	68,088,748		68,855,171	
22	Net cash outflows	46,485,504		47,099,050	
23	Non-consolidated liquidity coverage ratio (LCR)	146.4%		146.1%	
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, 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	63,841,865		62,904,204	
2	Securities	4,246,882		5,950,967	
3	of which, government bonds, etc.	2,055,127		3,654,448	
4	of which, municipal bonds, etc.	303,877		292,076	
5	of which, other bonds	422,473		423,093	
6	of which, stocks	1,465,403		1,581,348	
7	Total high-quality liquid assets (HQLA)	68,088,748		68,855,171	

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.