

Net Stable Funding Ratio Information (Non-consolidated)

Sumitomo Mitsui Banking Corporation

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 non-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 Non-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 Non-consolidated NSFR

The Liquidity Ratio Notification stipulates the minimum requirement of the NSFR at 100%. The NSFR of SMBC (non-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 (Non-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:	7,546,483	0	85,000	2,178,509	9,809,992	7,880,570	0	85,000	2,123,606	10,089,177
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	7,546,483	0	85,000	1,935,762	9,567,245	7,880,570	0	85,000	1,916,269	9,881,840
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:	56,164,588	0	0	35,531	51,502,754	56,298,979	0	0	33,140	51,643,128
5	Stable deposits	18,381,874	0	0	0	17,462,780	18,818,134	0	0	0	17,877,227
6	Less stable deposits	37,782,713	0	0	35,531	34,039,974	37,480,845	0	0	33,140	33,765,901
7	Wholesale funding; of which:	64,732,797	54,902,382	5,581,195	17,954,023	52,134,199	61,647,496	54,172,483	3,801,317	18,631,211	50,715,588
8	Operational deposits	—	—	—	—	—	—	—	—	—	—
9	Other wholesale funding	64,732,797	54,902,382	5,581,195	17,954,023	52,134,199	61,647,496	54,172,483	3,801,317	18,631,211	50,715,588
10	Liabilities with matching interdependent assets	—	—	—	—	—	—	—	—	—	—
11	Other liabilities; of which:	572,272	1,768,272	1,112	0	556	689,711	2,437,468	0	0	0
12	Derivative liabilities	—	—	—	0	—	—	—	—	0	—
13	All other liabilities and equity not included in the above categories	572,272	1,768,272	1,112	0	556	689,711	2,437,468	0	0	0
14	Total available stable funding	—	—	—	—	113,447,502	—	—	—	—	112,447,894
Required stable funding (RSF) items (2)											
15	HQLA	—	—	—	—	2,042,195	—	—	—	—	2,147,791
16	Deposits held at financial institutions for operational purposes	293,497	0	0	0	146,748	293,441	0	0	0	146,720
17	Loans, repo transactions-related assets, securities and other similar assets; of which:	1,925,501	29,885,346	10,969,848	62,117,509	69,927,452	1,955,177	34,428,639	8,650,626	59,445,160	67,314,637
18	Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	0	1,997,368	81,820	0	40,910	0	2,567,132	77,241	7	38,628
19	Loans to- and repo transactions with- financial institutions (not included in item 18)	627,496	9,011,600	4,804,316	10,027,336	13,897,063	644,276	12,248,040	2,978,119	9,585,322	13,057,033
20	Loans and repo transactions-related assets (not included in item 18, 19 and 22); of which:	917,158	17,375,246	5,482,441	38,467,526	44,249,998	933,592	18,192,400	4,912,411	36,124,012	42,396,259
21	With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	773	1,743,894	297,935	1,125,078	1,345,183	206	1,844,643	261,671	1,183,636	1,441,288
22	Residential mortgages; of which:	0	295,775	293,003	10,429,051	7,887,652	0	296,273	295,503	10,475,316	7,925,252
23	With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	0	158,542	158,081	6,357,155	4,290,463	0	158,633	158,354	6,373,276	4,301,124
24	Securities that are not in default and do not qualify as HQLA and other similar assets	380,846	1,205,355	308,265	3,193,594	3,851,826	377,307	1,124,793	387,349	3,260,501	3,897,463
25	Assets with matching interdependent liabilities	—	—	—	—	—	—	—	—	—	—
26	Other assets; of which:	8,601,136	607,353	134,698	3,085,960	11,661,565	7,966,365	869,127	88,775	2,914,245	11,697,165
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)	—	—	—	407,234	346,149	—	—	—	440,973	374,827
29	Derivative assets	—	—	—	362,428	362,428	—	—	—	519,815	519,815
30	Derivative liabilities (before deduction of variation margin posted)	—	—	—	99,635	99,635	—	—	—	57,733	57,733
31	All other assets not included in the above categories	8,601,136	607,353	134,698	2,216,661	10,853,351	7,966,365	869,127	88,775	1,895,721	10,744,787
32	Off-balance sheet items	—	—	—	103,942,483	2,005,997	—	—	—	99,794,804	1,956,139
33	Total required stable funding	—	—	—	—	85,783,959	—	—	—	—	83,262,453
34	Non-Consolidated net stable funding ratio (NSFR)	—	—	—	—	132.2%	—	—	—	—	135.0%