

Liquidity Coverage Ratio Information (Consolidated)

Sumitomo Mitsui Financial Group, Inc. 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, Sumitomo Mitsui Financial Group calculates its consolidated LCR 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 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 Sumitomo Mitsui Financial Group (consolidated) exceeds the minimum requirements of the LCR, having no cause for concern. In terms of the future LCR forecasts, Sumitomo Mitsui Financial Group 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 Sumitomo Mitsui Financial Group’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

Sumitomo Mitsui Financial Group has not applied “special provisions concerning qualifying operational deposits” prescribed in Article 28 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 37 of the Liquidity Ratio Notification. Meanwhile, Sumitomo Mitsui Financial Group records “due to trust account,” etc. under “cash outflows based on other contracts” prescribed in Article 59 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 2023/1/1 To 2023/3/31)		Prior Quarter (From 2022/10/1 To 2022/12/31)	
High-Quality Liquid Assets (1)					
1	Total high-quality liquid assets (HQLA)	80,150,918		79,404,764	
Cash Outflows (2)					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
2	Cash outflows related to unsecured retail funding	61,179,680	4,766,056	60,870,757	4,747,364
3	of which, Stable deposits	19,349,431	582,405	19,176,770	577,352
4	of which, Less stable deposits	41,830,248	4,183,650	41,693,987	4,170,012
5	Cash outflows related to unsecured wholesale funding	91,220,784	46,429,418	91,315,452	46,423,484
6	of which, Qualifying operational deposits	—	—	—	—
7	of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	84,423,623	39,632,257	85,023,797	40,131,829
8	of which, Debt securities	6,797,161	6,797,161	6,291,654	6,291,654
9	Cash outflows related to secured funding, etc.	293,877		288,727	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	34,835,137	12,144,525	35,621,538	12,430,452
11	of which, Cash outflows related to derivative transactions, etc.	2,183,937	2,183,937	2,399,495	2,399,495
12	of which, Cash outflows related to funding programs	420,341	420,341	357,150	357,150
13	of which, Cash outflows related to credit and liquidity facilities	32,230,858	9,540,247	32,864,892	9,673,806
14	Cash outflows related to contractual funding obligations, etc.	12,336,029	9,226,027	11,507,657	8,795,102
15	Cash outflows related to contingencies	82,387,279	1,950,039	83,476,054	2,223,081
16	Total cash outflows	74,809,944		74,908,213	
Cash Inflows (3)					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
17	Cash inflows related to secured lending, etc.	7,951,685	858,311	7,091,061	834,733
18	Cash inflows related to collection of loans, etc.	14,665,456	9,705,732	14,228,592	9,494,856
19	Other cash inflows	4,657,445	2,830,310	4,767,112	2,893,902
20	Total cash inflows	27,274,587	13,394,354	26,086,766	13,223,492
Consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation	80,150,918		79,404,764	
22	Net cash outflows	61,415,590		61,684,720	
23	Consolidated liquidity coverage ratio (LCR)	130.5%		128.7%	
24	The number of data used to calculate the average value	60		62	

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 2023/1/1 To 2023/3/31)	Prior Quarter (From 2022/10/1 To 2022/12/31)
1	Cash and due from banks	72,771,661	71,732,711
2	Securities	7,379,257	7,672,052
3	of which, government bonds, etc.	4,390,198	4,654,372
4	of which, municipal bonds, etc.	204,398	210,739
5	of which, other bonds	877,544	876,485
6	of which, stocks	1,907,115	1,930,453
7	Total high-quality liquid assets (HQLA)	80,150,918	79,404,764

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.