Capital Ratio and Leverage Ratio Information (Non-consolidated)

Sumitomo Mitsui Banking Corporation

CC1: Composition of regulatory capital

(Millions of yen, except percentages)

Basel III Template No.	Items		a	b	c
			As of March 31,2023	As of March 31,2022	Reference to Template CC2
Common Equity Tier 1 capital: instruments and reserves (1)					
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings		6,540,958	6,371,952	
1a	of which: capital and capital surplus		3,335,548	3,335,548	
2	of which: retained earnings		3,276,915	3,079,860	
1c	of which: treasury stock (–)		–	–	
26	of which: national specific regulatory adjustments (earnings to be distributed) (–)		71,505	43,455	
	of which: other than the above		–	–	
1b	Stock acquisition rights to common shares		–	–	
3	Valuation and translation adjustment and other disclosed reserves		782,492	1,131,074	(a)
6	Common Equity Tier 1 capital: instruments and reserves	(A)	7,323,450	7,503,027	
Common Equity Tier 1 capital: regulatory adjustments (2)					
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)		198,417	173,276	
8	of which: goodwill		–	–	
9	of which: other intangibles other than goodwill and mortgage servicing rights		198,417	173,276	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)		0	–	
11	Net deferred gains or losses on hedges		(344,457)	(182,290)	
12	Shortfall of eligible provisions to expected losses		–	–	
13	Securitisation gain on sale		52,939	56,744	
14	Gains and losses due to changes in own credit risk on fair valued liabilities		32,631	16,670	
15	Prepaid pension cost		344,352	297,060	
16	Investments in own shares (excluding those reported in the Net assets section)		–	–	
17	Reciprocal cross-holdings in common equity		–	–	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)		–	–	
19+20+21	Amount exceeding the 10% threshold on specified items		–	–	
19	of which: significant investments in the common stock of financials		–	–	
20	of which: mortgage servicing rights		–	–	
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)		–	–	
22	Amount exceeding the 15% threshold on specified items		–	–	
23	of which: significant investments in the common stock of financials		–	–	
24	of which: mortgage servicing rights		–	–	
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)		–	–	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		–	–	
28	Common Equity Tier 1 capital: regulatory adjustments	(B)	283,884	361,462	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B))	(C)	7,039,566	7,141,565	

(Millions of yen, except percentages)

Basel III Template No.		Items		a As of March 31,2023	b As of March 31,2022	c Reference to Template CC2
Additional Tier 1 capital: instruments (3)						
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown		–	–	
	31b	Stock acquisition rights to Additional Tier 1 instruments		–	–	
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards		1,267,000	1,235,000	
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities		–	–	
33+35		Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments		–	–	
36		Additional Tier 1 capital: instruments	(D)	1,267,000	1,235,000	
Additional Tier 1 capital: regulatory adjustments						
37		Investments in own Additional Tier 1 instruments		–	–	
38		Reciprocal cross-holdings in Additional Tier 1 instruments		–	–	
39		Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)		–	–	
40		Significant investments in the Additional Tier 1 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		82,978	25,525	
42		Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		–	–	
43		Additional Tier 1 capital: regulatory adjustments	(E)	82,978	25,525	
Additional Tier 1 capital (AT1)						
44		Additional Tier 1 capital ((D)-(E))	(F)	1,184,021	1,209,474	
Tier 1 capital (T1 = CET1 + AT1)						
45		Tier 1 capital (T1 = CET1 + AT1) ((C)+(F))	(G)	8,223,587	8,351,039	
Tier 2 capital: instruments and provisions (4)						
46		Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown		–	–	
		Stock acquisition rights to Tier 2 instruments		–	–	
		Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards		766,614	753,772	
		Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities		–	–	
47+49		Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions		–	–	
50		Total of general reserve for possible loan losses and eligible provisions included in Tier 2		148,246	75,445	
50a		of which: general reserve for possible loan losses		–	–	
50b		of which: eligible provisions		148,246	75,445	
51		Tier 2 capital: instruments and provisions	(H)	914,860	829,217	

(Millions of yen, except percentages)

Basel III Template No.	Items		a As of March 31,2023	b As of March 31,2022	c Reference to Template CC2
Tier 2 capital: regulatory adjustments (5)					
52	Investments in own Tier 2 instruments		–	–	
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities		–	–	
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)		–	–	
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		40,062	36,723	
57	Tier 2 capital: regulatory adjustments	(I)	40,062	36,723	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I))	(J)	874,798	792,494	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G)+(J))	(K)	9,098,386	9,143,534	
Risk weighted assets (6)					
60	Total risk-weighted assets (RWA)	(L)	65,103,047	61,895,306	
Capital ratios (7)					
61	Common Equity Tier 1 risk-weighted capital ratio ((C)/(L))		10.81%	11.53%	
62	Tier 1 risk-weighted capital ratio ((G)/(L))		12.63%	13.49%	
63	Total risk-weighted capital ratio ((K)/(L))		13.97%	14.77%	
Regulatory adjustments (8)					
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)		526,616	591,649	
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)		271,975	297,088	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)		–	–	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)		61	–	
Provisions included in Tier 2 capital: instruments and provisions (9)					
76	Provisions (general reserve for possible loan losses)		–	–	
77	Cap on inclusion of provisions (general reserve for possible loan losses)		5,010	2,638	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as “nil”)		148,246	75,445	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		291,919	293,978	
Capital instruments subject to transitional arrangements (10)					
82	Current cap on AT1 instruments subject to transitional arrangements		–	–	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)		–	–	
84	Current cap on T2 instruments subject to transitional arrangements		–	–	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)		–	–	

(Millions of yen)

Items	As of March 31,2023	As of March 31,2022
Required capital ((L) × 8%)	5,208,243	4,951,624

CC2: Reconciliation of regulatory capital to balance sheet

Sumitomo Mitsui Banking Corporation

(Millions of yen)

Items	a		b	c
	Balance sheet as in published financial statements		Reference to Template CC1	Reference to appended table
	As of March 31, 2023	As of March 31, 2022		
(Assets)				
Cash and due from banks	70,818,701	70,840,809		
Call loans	5,285,838	2,234,818		
Receivables under resale agreements	1,437,595	1,645,410		
Receivables under securities borrowing transactions	1,598,124	1,863,080		
Monetary claims bought	1,944,291	2,290,607		
Trading assets	2,379,930	2,025,767		6-a
Securities	32,210,394	38,238,579		6-b
Loans and bills discounted	94,307,397	87,671,294		6-c
Foreign exchanges	1,824,364	2,721,735		
Other assets	7,129,287	5,291,974		6-d
Tangible fixed assets	737,253	766,477		
Intangible fixed assets	285,986	249,750		2
Prepaid pension cost	496,328	428,164		3
Customers' liabilities for acceptances and guarantees	15,405,856	12,285,466		
Reserve for possible loan losses	(523,888)	(589,208)		
Total assets	235,337,464	227,964,729		
(Liabilities)				
Deposits	149,948,880	141,015,245		
Negotiable certificates of deposit	12,929,824	13,108,797		
Call money	774,968	680,893		
Payables under repurchase agreements	12,041,367	14,626,237		
Payables under securities lending transactions	370,514	305,779		
Commercial paper	1,292,198	1,229,180		
Trading liabilities	1,643,213	1,558,679		6-e
Borrowed money	21,905,262	26,700,215		7-a
Foreign exchanges	1,516,160	1,339,163		
Bonds	641,410	720,847		7-b
Due to trust account	2,277,046	2,321,699		
Other liabilities	6,991,747	4,255,764		6-f
Reserve for employee bonuses	13,542	12,584		
Reserve for executive bonuses	1,202	1,150		
Reserve for point service program	1,140	870		
Reserve for reimbursement of deposits	9,998	4,974		
Deferred tax liabilities	150,223	221,503		4-a
Deferred tax liabilities for land revaluation	27,952	29,193		4-b
Acceptances and guarantees	15,405,856	12,285,466		
Total liabilities	227,942,508	220,418,246		
(Net assets)				
Capital stock	1,770,996	1,770,996		1-a
Capital surplus	1,774,554	1,774,554		1-b
Retained earnings	3,276,915	3,079,860		1-c
Treasury stock	(210,003)	(210,003)		1-d
Total stockholders' equity	6,612,463	6,415,408		
Net unrealized gains or losses on other securities	1,040,472	1,288,414		
Net deferred gains or losses on hedges	(282,793)	(182,902)		5
Land revaluation excess	24,813	25,563		
Total valuation and translation adjustments	782,492	1,131,074	(a)	
Total net assets	7,394,955	7,546,483		
Total liabilities and net assets	235,337,464	227,964,729		

Note: The regulatory balance sheet is the same as the accounting balance sheet.

(Appended Table)

1. Stockholders' equity

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2023	As of March 31, 2022	Remarks	Ref. No.
Capital stock	1,770,996	1,770,996	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-a
Capital surplus	1,774,554	1,774,554	Including eligible Tier 1 capital instruments subject to transitional arrangement	1-b
Retained earnings	3,276,915	3,079,860		1-c
Treasury stock	(210,003)	(210,003)	Eligible Tier 1 capital instruments subject to transitional arrangement	1-d
Total stockholders' equity	6,612,463	6,415,408		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2023	As of March 31, 2022	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	6,612,463	6,415,408	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,335,548	3,335,548		1a
of which: retained earnings	3,276,915	3,079,860		2
of which: treasury stock (–)	–	–		1c
of which: other than the above	–	–		
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	–	–	Stockholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effectively bankruptcy	31a

2. Intangible fixed assets

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2023	As of March 31, 2022	Remarks	Ref. No.
Intangible fixed assets	285,986	249,750		2

Income taxes related to above	87,569	76,473	

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2023	As of March 31, 2022	Remarks	Basel III Template No.
Goodwill	–	–		8
Other intangibles other than goodwill and mortgage servicing rights	198,417	173,276	Software and other	9
Mortgage servicing rights	–	–		
Amount exceeding the 10% threshold on specified items	–	–		20
Amount exceeding the 15% threshold on specified items	–	–		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	–	–		74

3. Prepaid pension cost

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2023	As of March 31, 2022	Remarks	Ref. No.
Prepaid pension cost	496,328	428,164		3

Income taxes related to above	151,975	131,104	

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2023	As of March 31, 2022	Remarks	Basel III Template No.
Prepaid pension cost	344,352	297,060		15

4. Deferred tax assets

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2023	As of March 31, 2022	Remarks	Ref. No.
Deferred tax liabilities	150,223	221,503		4-a
Deferred tax liabilities for land revaluation	27,952	29,193		4-b

Tax effects on intangible fixed assets	87,569	76,473	
Tax effects on prepaid pension cost	151,975	131,104	

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure		As of March 31, 2023	As of March 31, 2022	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)		0	—	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets arising from temporary differences (net of related tax liability)		61	—	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.	
	Amount exceeding the 10% threshold on specified items	—	—		21
	Amount exceeding the 15% threshold on specified items	—	—		25
	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	61	—		75

5. Deferred gains or losses on derivatives under hedge accounting

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2023	As of March 31, 2022	Remarks	Ref. No.
Net deferred gains or losses on hedges	(282,793)	(182,902)		5

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2023	As of March 31, 2022	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	(344,457)	(182,290)	Excluding those items whose valuation differences arising from hedged items are recognized as "Total valuation and translation adjustments"	11

6. Items associated with investments in the capital of financial institutions

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2023	As of March 31, 2022	Remarks	Ref. No.
Trading assets	2,379,930	2,025,767	Including trading account securities and derivatives for trading assets	6-a
Securities	32,210,394	38,238,579		6-b
Loans and bills discounted	94,307,397	87,671,294	Including subordinated loans	6-c
Other assets	7,129,287	5,291,974	Including derivatives	6-d
Trading liabilities	1,643,213	1,558,679	Including trading account securities sold and derivatives for trading liabilities	6-e
Other liabilities	6,991,747	4,255,764	Including derivatives	6-f

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure		As of March 31, 2023	As of March 31, 2022	Remarks	Basel III Template No.
Investments in own capital instruments		—	—		
	Common Equity Tier 1 capital	—	—		16
	Additional Tier 1 capital	—	—		37
	Tier 2 capital	—	—		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities		—	—		
	Common Equity Tier 1 capital	—	—		17
	Additional Tier 1 capital	—	—		38
	Tier 2 capital and other TLAC liabilities	—	—		53
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)		526,616	591,649		
	Common Equity Tier 1 capital	—	—		18
	Additional Tier 1 capital	—	—		39
	Tier 2 capital and other TLAC liabilities	—	—		54
	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deductions (before risk weighting)	526,616	591,649		72
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		395,016	359,337		
	Amount exceeding the 10% threshold on specified items	—	—		19
	Amount exceeding the 15% threshold on specified items	—	—		23
	Additional Tier 1 capital	82,978	25,525		40
	Tier 2 capital and other TLAC liabilities	40,062	36,723		55
	Significant investments in the common stock of other financials that are below the thresholds for deductions (before risk weighting)	271,975	297,088		73

7. Other capital instruments

(1) Balance sheet

(Millions of yen)

Balance sheet items	As of March 31, 2023	As of March 31, 2022	Remarks	Ref. No.
Borrowed money	21,905,262	26,700,215		7-a
Bonds	641,410	720,847		7-b
Total	22,546,672	27,421,062		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2023	As of March 31, 2022	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	1,267,000	1,235,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	766,614	753,772		46

Composition of Leverage Ratio

(In million yen, %)

Corresponding line # on Basel III disclosure template (Table2)	Corresponding line # on Basel III disclosure template (Table1)	Items		As of March 31, 2023	As of March 31, 2022
On-balance sheet exposures (1)					
1		On-balance sheet exposures before deducting adjustment items		151,924,241	148,005,600
1a	1	Total assets reported in the balance sheet		177,795,337	169,370,816
1b	3	The amount of assets that are deducted from the total assets reported in the balance sheet (except adjustment items) (-)		25,871,095	21,365,216
2	7	The amount of adjustment items pertaining to Tier 1 capital (-)		625,749	495,863
3		Total on-balance sheet exposures	(a)	151,298,492	147,509,736
Exposures related to derivative transactions (2)					
4		Replacement cost associated with derivatives transactions, etc. (with the 1.4 alpha factor applied)			
		Replacement cost associated with derivatives transactions, etc.		1,984,843	1,823,389
5		Add-on amount for potential future exposure associated with derivatives transactions, etc. (with the 1.4 alpha factor applied)			
		Add-on amount associated with derivatives transactions, etc.		3,326,932	2,623,161
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.		799,059	1,075,654
6		The amount of receivables arising from providing collateral, provided where deducted from the balance sheet pursuant to the operative accounting framework			
		The amount of receivables arising from providing cash margin, provided where deducted from the balance sheet pursuant to the operative accounting framework		—	—
7		The amount of deductions of receivables (out of those arising from providing cash variation margin) (-)		99,504	688,742
8		The amount of client-cleared trade exposures for which a bank acting as clearing member is not obliged to make any indemnification (-)			
9		Adjusted effective notional amount of written credit derivatives		—	—
10		The amount of deductions from effective notional amount of written credit derivatives (-)		—	—
11	4	Total exposures related to derivative transactions	(b)	6,011,330	4,833,463
Exposures related to repo transactions (3)					
12		The amount of assets related to repo transactions, etc.		3,035,720	3,508,491
13		The amount of deductions from the assets above (line 12) (-)		—	—
14		The exposures for counterparty credit risk for repo transactions, etc.		239,786	209,839
15		The exposures for agent repo transaction			
16	5	Total exposures related to repo transactions, etc.	(c)	3,275,507	3,718,330
Exposures related to off-balance sheet transactions (4)					
17		Notional amount of off-balance sheet transactions		70,838,317	81,550,515
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)		39,153,765	52,501,700
19	6	Total exposures related to off-balance sheet transactions	(d)	31,684,551	29,048,815
Leverage ratio (5)					
20		The amount of capital (Tier 1 capital)	(e)	8,223,587	8,351,039
21	8	Total exposures ((a)+(b)+(c)+(d))	(f)	192,269,881	185,110,346
22		Leverage ratio ((e)/(f))		4.27%	4.51%
		Minimum leverage ratio requirement		3.00%	3.00%
Leverage ratio (including deposits with the Bank of Japan) (6)					
		Total exposures	(f)	192,269,881	185,110,346
		The amount of deposits with the Bank of Japan		57,542,126	58,593,913
		Total exposures (including deposits with the Bank of Japan)	(f’)	249,812,008	243,704,259
		Leverage ratio (including deposits with the Bank of Japan) ((e)/(f’))		3.29%	3.42%