

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 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)	70,823,624		69,984,803	
Cash Outflows (2)					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
2	Cash outflows related to unsecured retail funding	57,765,469	4,459,193	57,449,310	4,440,242
3	of which, Stable deposits	18,828,281	564,848	18,647,167	559,415
4	of which, Less stable deposits	38,937,187	3,894,344	38,802,142	3,880,827
5	Cash outflows related to unsecured wholesale funding	86,246,864	44,088,998	86,824,411	44,674,151
6	of which, Qualifying operational deposits	—	—	—	—
7	of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	79,669,435	37,511,568	80,673,098	38,522,837
8	of which, Debt securities	6,577,429	6,577,429	6,151,313	6,151,313
9	Cash outflows related to secured funding, etc.	137,940		142,636	
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	30,713,064	10,378,354	31,290,996	10,452,030
11	of which, Cash outflows related to derivative transactions, etc.	767,705	767,705	787,705	787,705
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	29,525,016	9,190,306	30,146,140	9,307,174
14	Cash outflows related to contractual funding obligations, etc.	8,630,597	4,694,900	8,106,941	4,439,636
15	Cash outflows related to contingencies	79,179,825	1,747,753	80,387,988	2,021,169
16	Total cash outflows	65,507,140		66,169,867	
Cash Inflows (3)					
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
17	Cash inflows related to secured lending, etc.	957,276	60,272	1,067,210	41,850
18	Cash inflows related to collection of loans, etc.	16,192,531	11,926,675	15,229,605	11,224,146
19	Other cash inflows	2,223,445	1,385,816	2,446,635	1,411,889
20	Total cash inflows	19,373,252	13,372,765	18,743,451	12,677,886
Non-Consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation	70,823,624		69,984,803	
22	Net cash outflows	52,134,375		53,491,980	
23	Non-consolidated liquidity coverage ratio (LCR)	135.8%		130.8%	
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, 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	65,616,580		64,354,797	
2	Securities	5,207,044		5,630,005	
3	of which, government bonds, etc.	3,337,964		3,804,778	
4	of which, municipal bonds, etc.	74,709		143,986	
5	of which, other bonds	446,586		314,290	
6	of which, stocks	1,347,783		1,366,950	
7	Total high-quality liquid assets (HQLA)	70,823,624		69,984,803	

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.