

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 2023/1/1 To 2023/3/31)					Prior Quarter (From 2022/10/1 To 2022/12/31)				
		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:	7,394,955	0	0	2,484,223	9,879,179	7,025,006	0	0	2,380,508	9,405,515
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	7,394,955	0	0	2,110,355	9,505,311	7,025,006	0	0	2,037,802	9,062,809
3	Other capital instruments that are not included in the above category	0	0	0	373,868	373,868	0	0	0	342,705	342,705
4	Funding from retail and small business customers; of which:	57,936,395	37,883	0	24,695	53,156,441	58,147,184	37,687	0	0	53,344,449
5	Stable deposits	19,097,901	0	0	0	18,143,006	19,561,277	0	0	0	18,583,213
6	Less stable deposits	38,838,494	37,883	0	24,695	35,013,435	38,585,907	37,687	0	0	34,761,235
7	Wholesale funding; of which:	68,132,136	49,404,973	5,290,107	19,801,110	56,867,665	63,866,174	51,806,161	4,103,123	16,907,905	51,406,623
8	Operational deposits	–	–	–	–	–	–	–	–	–	–
9	Other wholesale funding	68,132,136	49,404,973	5,290,107	19,801,110	56,867,665	63,866,174	51,806,161	4,103,123	16,907,905	51,406,623
10	Liabilities with matching interdependent assets	–	–	–	–	–	–	–	–	–	–
11	Other liabilities; of which:	872,026	1,553,904	2,524	11,577	1,262	1,129,949	1,677,188	0	0	0
12	Derivative liabilities	–	–	–	11,577	–	–	–	–	–	0
13	All other liabilities and equity not included in the above categories	872,026	1,553,904	2,524	0	1,262	1,129,949	1,677,188	0	0	0
14	Total available stable funding	–	–	–	–	119,904,549	–	–	–	–	114,156,588
Required stable funding (RSF) items (2)											
15	HQLA	–	–	–	–	2,847,314	–	–	–	–	2,685,090
16	Deposits held at financial institutions for operational purposes	329,735	0	0	0	164,867	414,795	0	0	0	207,397
17	Loans, repo transactions-related assets, securities and other similar assets; of which:	1,513,028	33,860,902	9,455,543	66,020,875	73,863,596	1,592,048	37,139,916	9,024,591	66,197,721	74,775,000
18	Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	0	1,974,750	5,542	0	2,771	0	1,750,504	0	0	6,435
19	Loans to- and repo transactions with- financial institutions (not included in item 18)	231,235	11,043,763	2,903,814	11,493,136	14,667,703	294,599	13,918,733	2,714,004	11,733,681	15,307,343
20	Loans and repo transactions-related assets (not included in item 18, 19 and 22); of which:	865,008	19,278,512	5,805,311	41,416,700	47,779,705	884,923	19,808,319	5,611,029	41,160,944	47,828,858
21	With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	726	2,140,746	319,619	948,512	1,372,676	147	2,015,704	298,151	995,664	1,391,327
22	Residential mortgages; of which:	0	292,102	290,846	10,416,813	7,867,606	0	291,296	290,875	10,334,580	7,811,041
23	With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	0	159,189	158,928	6,390,795	4,313,075	0	158,321	157,906	6,322,187	4,267,535
24	Securities that are not in default and do not qualify as HQLA and other similar assets	416,784	1,271,773	450,028	2,694,225	3,545,809	412,525	1,371,062	408,682	2,968,515	3,821,321
25	Assets with matching interdependent liabilities	–	–	–	–	–	–	–	–	–	–
26	Other assets; of which:	7,884,646	461,276	81,100	2,867,123	11,130,938	7,872,859	537,636	74,423	2,930,077	11,087,337
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)	–	–	–	548,216	465,984	–	–	–	522,952	444,509
29	Derivative assets	–	–	–	0	0	–	–	–	50,120	50,120
30	Derivative liabilities (before deduction of variation margin posted)	–	–	–	100,493	100,493	–	–	–	109,015	109,015
31	All other assets not included in the above categories	7,884,646	461,276	81,100	2,218,413	10,564,460	7,872,859	537,636	74,423	2,247,989	10,483,692
32	Off-balance sheet items	–	–	–	110,972,819	2,166,577	–	–	–	108,676,241	2,189,870
33	Total required stable funding	–	–	–	–	90,173,294	–	–	–	–	90,944,697
34	Non-Consolidated net stable funding ratio (NSFR)	–	–	–	–	132.9%	–	–	–	–	125.5%