

CC1: Composition of regulatory capital

Sumitomo Mitsui Banking Corporation

(Millions of yen, except percentages)

Basel III Template No.	Items	a	b	c
		As of September 30, 2019	As of June 30, 2019	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	6,088,642	6,509,193	
1a	of which: capital and capital surplus	3,335,548	3,335,548	
2	of which: retained earnings	3,240,668	3,173,645	
1c	of which: treasury stock (-)	—	—	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	487,573	—	
	of which: other than the above	—	—	
1b	Stock acquisition rights to common shares	—	—	
3	Valuation and translation adjustment and other disclosed reserves	1,506,792	1,444,474	(a)
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,595,435	7,953,667	
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)	158,988	160,907	
8	of which: goodwill	—	—	
9	of which: other intangibles other than goodwill and mortgage servicing rights	158,988	160,907	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	—	
11	Net deferred gains or losses on hedges	111,098	77,992	
12	Shortfall of eligible provisions to expected losses	21,022	13,567	
13	Securitisation gain on sale	60,650	58,356	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	—	—	
15	Prepaid pension cost	232,132	227,433	
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)		583,892	538,257	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)		7,011,542	7,415,410	
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	1,185,000	1,185,000	
		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		—	173,000	
36	Additional Tier 1 capital: instruments (D)		1,185,000	1,358,000	
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)		25,525	25,521	

42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		—	—	
43	Additional Tier 1 capital: regulatory adjustments (E)		25,525	25,521	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)		1,159,474	1,332,478	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)		8,171,016	8,747,889	
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		997,145	988,376	
	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		416,422	452,523	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2		—	—	
50a	of which: general reserve for possible loan losses		—	—	
50b	of which: eligible provisions		—	—	
51	Tier 2 capital: instruments and provisions (H)		1,413,568	1,440,900	
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)		82,379	82,325	
57	Tier 2 capital: regulatory adjustments (I)		82,379	82,325	

Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I))	(J)	1,331,189	1,358,575
Total capital (TC = T1 + T2)				
59	Total capital (TC = T1 + T2) ((G)+(J))	(K)	9,502,205	10,106,464
Risk weighted assets (6)				
60	Total risk-weighted assets (RWA)	(L)	50,591,441	49,923,932
Capital ratios (7)				
61	Common Equity Tier 1 risk-weighted capital ratio ((C)/(L))		13.85%	14.85%
62	Tier 1 risk-weighted capital ratio ((G)/(L))		16.15%	17.52%
63	Total risk-weighted capital ratio ((K)/(L))		18.78%	20.24%
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)		225,575	266,921
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)		520,396	520,514
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)		—	—
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)		4,316	2,836
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")		—	—
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		252,796	252,513
Capital instruments subject to transitional arrangements (10)				
82	Current cap on AT1 instruments subject to transitional arrangements		371,207	371,207
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		605,172	605,172
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")		—	—