

CC2: Reconciliation of regulatory capital to balance sheet

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

(Millions of yen)

Items	a	b	c
	Consolidated balance sheet as in published financial statements (As of Mar. 31, 2020)	Reference to Template CC1	Reference to appended table
Assets			
Cash and due from banks	61,768,573		
Call loans and bills bought	896,739		
Receivables under resale agreements	8,753,816		
Receivables under securities borrowing transactions	5,005,103		
Monetary claims bought	4,559,429		
Trading assets	7,361,253		7-a
Money held in trust	353		
Securities	27,128,751		3-b, 7-b
Loans and bills discounted	82,517,609		7-c
Foreign exchanges	2,063,284		
Lease receivables and investment assets	219,733		
Other assets	8,298,393		7-d
Tangible fixed assets	1,450,323		
Intangible fixed assets	753,579		3-a
Net defined benefit asset	230,573		4
Deferred tax assets	26,314		5-a
Customers' liabilities for acceptances and guarantees	9,308,882		
Reserve for possible loan losses	(479,197)		
Total assets	219,863,518		
Liabilities			
Deposits	127,042,217		
Negotiable certificates of deposit	10,180,435		
Call money and bills sold	3,740,539		
Payables under repurchase agreements	13,237,913		
Payables under securities lending transactions	2,385,607		
Commercial paper	1,409,249		
Trading liabilities	6,084,528		7-e
Borrowed money	15,210,894		9-a
Foreign exchanges	1,461,308		

Short-term bonds	379,000		
Bonds	9,235,639		9-b
Due to trust account	1,811,355		
Other liabilities	7,011,967		7-f
Reserve for employee bonuses	73,868		
Reserve for executive bonuses	3,362		
Net defined benefit liability	35,777		
Reserve for executive retirement benefits	1,270		
Reserve for point service program	26,576		
Reserve for reimbursement of deposits	4,687		
Reserve for losses on interest repayment	142,890		
Reserves under the special laws	3,145		
Deferred tax liabilities	257,384		5-b
Deferred tax liabilities for land revaluation	30,111		5-c
Acceptances and guarantees	9,308,882		
Total liabilities	209,078,615		
Net assets			
Capital stock	2,339,964		1-a
Capital surplus	692,003		1-b
Retained earnings	6,336,311		1-c
Treasury stock	(13,983)		1-d
Total stockholders' equity	9,354,296		
Net unrealized gains or losses on other securities	1,371,407		
Net deferred gains or losses on hedges	82,257		6
Land revaluation excess	36,878		
Foreign currency translation adjustments	(32,839)		
Accumulated remeasurements of defined benefit plans	(92,030)		
Total accumulated other comprehensive income	1,365,673	(a)	
Stock acquisition rights	2,064		2, 8-a
Non-controlling interests	62,869		8-b
Total net assets	10,784,903		
Total liabilities and net assets	219,863,518		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appended Table)

1. Stockholders' equity

(1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2020	Remarks	Ref. No.
Capital stock	2,339,964		1-a
Capital surplus	692,003		1-b
Retained earnings	6,336,311		1-c
Treasury stock	(13,983)		1-d
Total stockholders' equity	9,354,296		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2020	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	9,354,296	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,031,968		1a
of which: retained earnings	6,336,311		2
of which: treasury stock (-)	13,983		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. Stock acquisition rights

(1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2020	Remarks	Ref. No.
Stock acquisition rights	2,064		2
of which: Stock acquisition rights issued by bank holding company	2,064		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2020	Remarks	Basel III Template No.
Stock acquisition rights to common shares	2,064		1b
Stock acquisition rights to Additional Tier 1 instruments	—		31b
Stock acquisition rights to Tier 2 instruments	—		46

3. Intangible fixed assets

(1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2020	Remarks	Ref. No.
Intangible fixed assets	753,579		3-a
Securities	27,128,751		3-b
of which: goodwill attributable to equity-method investees	49,139		
Income taxes related to above	167,935		

(2) Composition of capital (Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2020	Remarks	Basel III Template No.
Goodwill (including those equivalent)	237,333		8
Other intangibles other than goodwill and mortgage servicing rights	397,450	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

4. Net defined benefit asset

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2020	Remarks
Net defined benefit asset	230,573	
Income taxes related to above	70,372	

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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2020	Remarks
Net defined benefit asset	160,200	

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5. Deferred tax assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2020	Remarks
Deferred tax assets	26,314	
Deferred tax liabilities	257,384	
Deferred tax liabilities for land revaluation	30,111	
Tax effects on intangible fixed assets	167,935	
Tax effects on net defined benefit asset	70,372	

Ref. No.
5-a
5-b
5-c

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2020	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,390	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
Deferred tax assets arising from temporary differences (net of related tax liability)	4,128	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	4,128	

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10
21
25
75

6. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2020	Remarks
Net deferred gains or losses on hedges	82,257	

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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2020	Remarks
Net deferred gains or losses on hedges	84,324	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"

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

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2020	Remarks
Trading assets	7,361,253	Including trading account securities and derivatives for trading assets
Securities	27,128,751	
Loans and bills discounted	82,517,609	Including subordinated loans
Other assets	8,298,393	Including derivatives
Trading liabilities	6,084,528	Including trading account securities sold and derivatives for trading liabilities
Other liabilities	7,011,967	Including derivatives

Ref. No.
7-a
7-b
7-c
7-d
7-e
7-f

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2020	Remarks	Basel III Template No.
Investments in own capital instruments	3,567		
Common Equity Tier 1 capital	3,567		16
Additional Tier 1 capital	—		37
Tier 2 capital	0		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)	679,784		
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)	679,784		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)	1,015,803		
Amount exceeding the 10% threshold on specified items	—		19
Amount exceeding the 15% threshold on specified items	—		23
Additional Tier 1 capital	25,525		40
Tier 2 capital and other TLAC liabilities	82,643		55
Significant investments in the common stock of other financials that are below the thresholds for deductions (before risk weighting)	907,634		73

8. Non-controlling interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2020	Remarks	Ref. No.
Stock acquisition rights	2,064		8-a
Non-controlling interests	62,869		8-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2020	Remarks	Basel III Template No.
Amount allowed in group CET1	1,155	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	5
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	30-31 ab-32
Amount allowed in group AT1	9,400	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	34-35
Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	46
Amount allowed in group T2	1,546	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	48-49

9. Other capital instruments

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Mar. 31, 2020	Remarks	Ref. No.
Borrowed money	15,210,894		9-a
Bonds	9,235,639		9-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Mar. 31, 2020	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	684,797		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	961,464		46