

## 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 June 30, 2019)	Reference to Template CC1	Reference to appended table
<b>Assets</b>			
Cash and due from banks	58,018,346		
Call loans and bills bought	1,552,415		
Receivables under resale agreements	5,959,002		
Receivables under securities borrowing transactions	3,583,687		
Monetary claims bought	4,625,271		
Trading assets	6,778,464		7-a
Money held in trust	366		
Securities	24,076,935		3-b, 7-b
Loans and bills discounted	77,964,216		7-c
Foreign exchanges	2,329,290		
Lease receivables and investment assets	256,908		
Other assets	7,796,441		7-d
Tangible fixed assets	1,501,670		
Intangible fixed assets	793,314		3-a
Net defined benefit asset	336,206		4
Deferred tax assets	20,731		5-a
Customers' liabilities for acceptances and guarantees	9,451,934		
Reserve for possible loan losses	(472,682)		
Total assets	204,572,522		
<b>Liabilities</b>			
Deposits	121,432,599		
Negotiable certificates of deposit	10,931,951		
Call money and bills sold	1,435,254		
Payables under repurchase agreements	10,782,691		
Payables under securities lending transactions	1,675,108		
Commercial paper	2,136,549		
Trading liabilities	4,730,915		7-e
Borrowed money	11,547,138		9-a
Foreign exchanges	1,294,507		

Short-term bonds	172,500		
Bonds	9,131,716		9-b
Due to trust account	1,578,275		
Other liabilities	6,411,607		7-f
Reserve for employee bonuses	28,933		
Net defined benefit liability	33,325		
Reserve for executive retirement benefits	1,056		
Reserve for point service program	24,698		
Reserve for reimbursement of deposits	5,798		
Reserve for losses on interest repayment	137,418		
Reserves under the special laws	2,847		
Deferred tax liabilities	373,969		5-b
Deferred tax liabilities for land revaluation	30,237		5-c
Acceptances and guarantees	9,451,934		
Total liabilities	193,351,035		
<b>Net assets</b>			
Capital stock	2,339,443		1-a
Capital surplus	691,542		1-b
Retained earnings	6,075,295		1-c
Treasury stock	(68,274)		1-d
Total stockholders' equity	9,038,005		
Net unrealized gains or losses on other securities	1,624,151		
Net deferred gains or losses on hedges	(5,675)		6
Land revaluation excess	36,497		
Foreign currency translation adjustments	8,617		
Accumulated remeasurements of defined benefit plans	(6,534)		
Total accumulated other comprehensive income	1,657,056	(a)	
Stock acquisition rights	4,062		2, 8-a
Non-controlling interests	522,362		8-b
Total net assets	11,221,487		
Total liabilities and net assets	204,572,522		

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 June 30, 2019	Remarks	Ref. No.
Capital stock	2,339,443		1-a
Capital surplus	691,542		1-b
Retained earnings	6,075,295		1-c
Treasury stock	(68,274)		1-d
<b>Total stockholders' equity</b>	<b>9,038,005</b>		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2019	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	9,038,005	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,030,985		1a
of which: retained earnings	6,075,295		2
of which: treasury stock (-)	68,274		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 June 30, 2019	Remarks	Ref. No.
Stock acquisition rights	4,062		2
of which: Stock acquisition rights issued by bank holding company	2,214		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2019	Remarks	Basel III Template No.
Stock acquisition rights to common shares	2,214		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 June 30, 2019	Remarks	Ref. No.
Intangible fixed assets	793,314		3-a
Securities	24,076,935		3-b
of which: goodwill attributable to equity-method investees	56,119		

Income taxes related to above	176,809	
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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2019	Remarks	Basel III Template No.
Goodwill (including those equivalent)	255,345		8
Other intangibles other than goodwill and mortgage servicing rights	417,279	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 June 30, 2019	Remarks
Net defined benefit asset	336,206	

Ref. No.
4

Income taxes related to above	102,639	
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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2019	Remarks
Net defined benefit asset	233,567	

Basel III Template No.
15

5. Deferred tax assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2019	Remarks
Deferred tax assets	20,731	
Deferred tax liabilities	373,969	
Deferred tax liabilities for land revaluation	30,237	

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

Tax effects on intangible fixed assets	176,809	
Tax effects on net defined benefit asset	102,639	

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2019	Remarks
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,696	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)	3,151	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)	3,151	

Basel III Template No.
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 June 30, 2019	Remarks
Net deferred gains or losses on hedges	(5,675)	

Ref. No.
6

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2019	Remarks
Net deferred gains or losses on hedges	(3,202)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"

Basel III Template No.
11

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

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2019	Remarks
Trading assets	6,778,464	Including trading account securities and derivatives for trading assets
Securities	24,076,935	
Loans and bills discounted	77,964,216	Including subordinated loans
Other assets	7,796,441	Including derivatives
Trading liabilities	4,730,915	Including trading account securities sold and derivatives for trading liabilities
Other liabilities	6,411,607	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 June 30, 2019	Remarks	Basel III Template No.
Investments in own capital instruments	5,467		
Common Equity Tier 1 capital	5,467		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)	802,933		
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)	802,933		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)	1,011,221		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	25,521		40
Tier 2 capital and other TLAC liabilities	82,325		55
Significant investments in the common stock of other financials that are below the thresholds for deductions (before risk weighting)	903,375		73

## 8. Non-controlling interests

## (1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of June 30, 2019	Remarks	Ref. No.
Stock acquisition rights	4,062		8-a
Non-controlling interests	522,362		8-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2019	Remarks	Basel III Template No.
Amount allowed in group CET1	2,103	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)	30-31ab-32
Amount allowed in group AT1	19,676	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	4,815	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 June 30, 2019	Remarks	Ref. No.
Borrowed money	11,547,138		9-a
Bonds	9,131,716		9-b

## (2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of June 30, 2019	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	684,699		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	985,496		46