

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 Sep. 30, 2019)	Reference to Template CC1	Reference to appended table
Assets			
Cash and due from banks	57,733,385		
Call loans and bills bought	1,560,773		
Receivables under resale agreements	7,023,069		
Receivables under securities borrowing transactions	4,225,444		
Monetary claims bought	4,531,909		
Trading assets	7,163,908		7-a
Money held in trust	276		
Securities	27,067,238		3-b, 7-b
Loans and bills discounted	78,658,306		7-c
Foreign exchanges	1,948,631		
Lease receivables and investment assets	241,208		
Other assets	7,941,002		7-d
Tangible fixed assets	1,483,885		
Intangible fixed assets	785,010		3-a
Net defined benefit asset	344,096		4
Deferred tax assets	18,040		5-a
Customers' liabilities for acceptances and guarantees	9,170,798		
Reserve for possible loan losses	(450,318)		
Total assets	209,446,667		
Liabilities			
Deposits	122,568,545		
Negotiable certificates of deposit	11,461,490		
Call money and bills sold	1,435,491		
Payables under repurchase agreements	14,383,071		
Payables under securities lending transactions	2,360,780		
Commercial paper	1,688,944		
Trading liabilities	5,240,066		7-e
Borrowed money	11,151,369		9-a
Foreign exchanges	1,168,539		

Short-term bonds	127,500		
Bonds	9,461,081		9-b
Due to trust account	1,548,905		
Other liabilities	5,759,934		7-f
Reserve for employee bonuses	48,666		
Net defined benefit liability	32,928		
Reserve for executive retirement benefits	1,096		
Reserve for point service program	25,303		
Reserve for reimbursement of deposits	4,102		
Reserve for losses on interest repayment	126,581		
Reserves under the special laws	2,847		
Deferred tax liabilities	434,627		5-b
Deferred tax liabilities for land revaluation	30,168		5-c
Acceptances and guarantees	9,170,798		
Total liabilities	198,232,842		
Net assets			
Capital stock	2,339,964		1-a
Capital surplus	691,985		1-b
Retained earnings	6,188,945		1-c
Treasury stock	(14,189)		1-d
Total stockholders' equity	9,206,705		
Net unrealized gains or losses on other securities	1,662,827		
Net deferred gains or losses on hedges	7,968		6
Land revaluation excess	36,456		
Foreign currency translation adjustments	(27,087)		
Accumulated remeasurements of defined benefit plans	(4,661)		
Total accumulated other comprehensive income	1,675,503	(a)	
Stock acquisition rights	4,065		2, 8-a
Non-controlling interests	327,550		8-b
Total net assets	11,213,825		
Total liabilities and net assets	209,446,667		

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 Sep. 30, 2019	Remarks
Capital stock	2,339,964	
Capital surplus	691,985	
Retained earnings	6,188,945	
Treasury stock	(14,189)	
Total stockholders' equity	9,206,705	

Ref. No.
1-a
1-b
1-c
1-d

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2019	Remarks
Directly issued qualifying common share capital plus related capital surplus and retained earnings	9,206,705	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
of which: capital and capital surplus	3,031,950	
of which: retained earnings	6,188,945	
of which: treasury stock (-)	14,189	
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

Basel III Template No.

1a

2

1c

31a

2. Stock acquisition rights

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2019	Remarks
Stock acquisition rights	4,065	
of which: Stock acquisition rights issued by bank holding company	2,214	

Ref. No.
2

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2019	Remarks
Stock acquisition rights to common shares	2,214	
Stock acquisition rights to Additional Tier 1 instruments	—	
Stock acquisition rights to Tier 2 instruments	—	

Basel III Template No.
1b
31b
46

3. Intangible fixed assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2019	Remarks
Intangible fixed assets	785,010	
Securities	27,067,238	
of which: goodwill attributable to equity-method investees	53,876	

Ref. No.
3-a
3-b

Income taxes related to above	175,346	
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(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2019	Remarks
Goodwill (including those equivalent)	248,928	
Other intangibles other than goodwill and mortgage servicing rights	414,613	Software and other
Mortgage servicing rights	—	
Amount exceeding the 10% threshold on specified items	—	
Amount exceeding the 15% threshold on specified items	—	
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	

Basel III Template No.
8
9

20

24

74

4. Net defined benefit asset

(1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2019	Remarks	Ref. No.
Net defined benefit asset	344,096		4
Income taxes related to above	105,027		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2019	Remarks	Basel III Template No.
Net defined benefit asset	239,068		15

5. Deferred tax assets

(1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2019	Remarks	Ref. No.
Deferred tax assets	18,040		5-a
Deferred tax liabilities	434,627		5-b
Deferred tax liabilities for land revaluation	30,168		5-c
Tax effects on intangible fixed assets	175,346		
Tax effects on net defined benefit asset	105,027		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2019	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,286	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets arising from temporary differences (net of related tax liability)	2,834	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	—		21
Amount exceeding the 15% threshold on specified items	—		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	2,834		75

6. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2019	Remarks	Ref. No.
Net deferred gains or losses on hedges	7,968		6

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2019	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	10,487	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	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 Sep. 30, 2019	Remarks	Ref. No.
Trading assets	7,163,908	Including trading account securities and derivatives for trading assets	7-a
Securities	27,067,238		7-b
Loans and bills discounted	78,658,306	Including subordinated loans	7-c
Other assets	7,941,002	Including derivatives	7-d
Trading liabilities	5,240,066	Including trading account securities sold and derivatives for trading liabilities	7-e
Other liabilities	5,759,934	Including derivatives	7-f

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2019	Remarks	Basel III Template No.
Investments in own capital instruments	5,334		
Common Equity Tier 1 capital	5,334		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)	743,722		
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)	743,722		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)	1,007,271		
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	82,379		55
Significant investments in the common stock of other financials that are below the thresholds for deductions (before risk weighting)	899,366		73

8. Non-controlling interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Sep. 30, 2019	Remarks	Ref. No.
Stock acquisition rights	4,065		8-a
Non-controlling interests	327,550		8-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 30, 2019	Remarks	Basel III Template No.
Amount allowed in group CET1	1,882	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	8,503	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	2,143	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 Sep. 30, 2019	Remarks	Ref. No.
Borrowed money	11,151,369		9-a
Bonds	9,461,081		9-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Sep. 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	685,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	993,366		46