

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 Dec. 31, 2019)	Reference to Template CC1	Reference to appended table
Assets			
Cash and due from banks	57,116,179		
Call loans and bills bought	1,224,784		
Receivables under resale agreements	6,812,876		
Receivables under securities borrowing transactions	4,001,983		
Monetary claims bought	5,145,865		
Trading assets	6,112,474		7-a
Money held in trust	217		
Securities	28,283,273		3-b, 7-b
Loans and bills discounted	80,339,428		7-c
Foreign exchanges	2,294,395		
Lease receivables and investment assets	239,266		
Other assets	9,069,607		7-d
Tangible fixed assets	1,487,467		
Intangible fixed assets	781,740		3-a
Net defined benefit asset	350,595		4
Deferred tax assets	15,322		5-a
Customers' liabilities for acceptances and guarantees	9,616,327		
Reserve for possible loan losses	(452,365)		
Total assets	212,439,441		
Liabilities			
Deposits	124,474,270		
Negotiable certificates of deposit	11,686,656		
Call money and bills sold	1,314,633		
Payables under repurchase agreements	14,034,730		
Payables under securities lending transactions	1,581,348		
Commercial paper	1,920,267		
Trading liabilities	4,703,914		7-e
Borrowed money	10,510,084		9-a
Foreign exchanges	1,268,205		

Short-term bonds	324,000		
Bonds	9,633,063		9-b
Due to trust account	1,905,937		
Other liabilities	7,356,828		7-f
Reserve for employee bonuses	40,041		
Net defined benefit liability	33,497		
Reserve for executive retirement benefits	1,182		
Reserve for point service program	25,631		
Reserve for reimbursement of deposits	2,199		
Reserve for losses on interest repayment	116,494		
Reserves under the special laws	2,989		
Deferred tax liabilities	463,179		5-b
Deferred tax liabilities for land revaluation	30,074		5-c
Acceptances and guarantees	9,616,327		
Total liabilities	201,045,558		
Net assets			
Capital stock	2,339,964		1-a
Capital surplus	692,065		1-b
Retained earnings	6,243,496		1-c
Treasury stock	(14,212)		1-d
Total stockholders' equity	9,261,313		
Net unrealized gains or losses on other securities	1,814,464		
Net deferred gains or losses on hedges	(54,937)		6
Land revaluation excess	36,987		
Foreign currency translation adjustments	2,034		
Accumulated remeasurements of defined benefit plans	(3,653)		
Total accumulated other comprehensive income	1,794,896	(a)	
Stock acquisition rights	4,141		2, 8-a
Non-controlling interests	333,531		8-b
Total net assets	11,393,883		
Total liabilities and net assets	212,439,441		

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 Dec. 31, 2019	Remarks	Ref. No.
Capital stock	2,339,964		1-a
Capital surplus	692,065		1-b
Retained earnings	6,243,496		1-c
Treasury stock	(14,212)		1-d
Total stockholders' equity	9,261,313		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2019	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	9,261,313	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,032,030		1a
of which: retained earnings	6,243,496		2
of which: treasury stock (-)	14,212		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 Dec. 31, 2019	Remarks	Ref. No.
Stock acquisition rights	4,141		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 Dec. 31, 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 Dec. 31, 2019	Remarks	Ref. No.
Intangible fixed assets	781,740		3-a
Securities	28,283,273		3-b
of which: goodwill attributable to equity-method investees	52,023		

Income taxes related to above

175,595

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2019	Remarks	Basel III Template No.
Goodwill (including those equivalent)	242,901		8
Other intangibles other than goodwill and mortgage servicing rights	415,266	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 Dec. 31, 2019	Remarks	Ref. No.
Net defined benefit asset	350,595		4
Income taxes related to above	106,983		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2019	Remarks	Basel III Template No.
Net defined benefit asset	243,611		15

5. Deferred tax assets

(1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of Dec. 31, 2019	Remarks	Ref. No.
Deferred tax assets	15,322		5-a
Deferred tax liabilities	463,179		5-b
Deferred tax liabilities for land revaluation	30,074		5-c
Tax effects on intangible fixed assets	175,595		
Tax effects on net defined benefit asset	106,983		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 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)	335	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)	4,254	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)	4,254		75

6. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet (Millions of yen)

Consolidated balance sheet items	As of Dec. 31, 2019	Remarks	Ref. No.
Net deferred gains or losses on hedges	(54,937)		6

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2019	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	(53,019)	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 Dec. 31, 2019	Remarks	Ref. No.
Trading assets	6,112,474	Including trading account securities and derivatives for trading assets	7-a
Securities	28,283,273		7-b
Loans and bills discounted	80,339,428	Including subordinated loans	7-c
Other assets	9,069,607	Including derivatives	7-d
Trading liabilities	4,703,914	Including trading account securities sold and derivatives for trading liabilities	7-e
Other liabilities	7,356,828	Including derivatives	7-f

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2019	Remarks	Basel III Template No.
Investments in own capital instruments	5,732		
Common Equity Tier 1 capital	5,732		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)	795,609		
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)	795,609		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)	1,034,160		
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	82,862		55
Significant investments in the common stock of other financials that are below the thresholds for deductions (before risk weighting)	925,772		73

8. Non-controlling interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of Dec. 31, 2019	Remarks	Ref. No.
Stock acquisition rights	4,141		8-a
Non-controlling interests	333,531		8-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 2019	Remarks	Basel III Template No.
Amount allowed in group CET1	1,967	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	9,157	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	2,498	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 Dec. 31, 2019	Remarks	Ref. No.
Borrowed money	10,510,084		9-a
Bonds	9,633,063		9-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of Dec. 31, 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	975,765		46