

Composition of Leverage Ratio

Sumitomo Mitsui Banking Corporation and Subsidiaries

(In million yen, %)

Corresponding line # on Basel III disclosure template (Table2)	Corresponding line # on Basel III disclosure template (Table1)	Items	As of June 30, 2020	As of March 31, 2020
On-balance sheet exposures (1)				
1		On-balance sheet exposures before deducting adjustment items	139,260,114	182,339,952
1a	1	Total assets reported in the consolidated balance sheet	160,416,149	206,089,633
1b	2	The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis (-)	—	—
1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)	—	—
1d	3	The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (except adjustment items) (-)	21,156,034	23,749,681
2	7	The amount of adjustment items pertaining to Tier 1 capital (-)	439,579	421,474
3		Total on-balance sheet exposures (a)	138,820,534	181,918,477
Exposures related to derivative transactions (2)				
4		Replacement cost associated with derivatives transactions, etc. (with the 1.4 alpha factor applied)		
		Replacement cost associated with derivatives transactions, etc.	3,730,075	6,246,855
5		Add-on amount for potential future exposure associated with derivatives transactions, etc. (with the 1.4 alpha factor applied)		
		Add-on amount associated with derivatives transactions, etc.	2,944,941	3,661,146
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	757,117	744,315
6		The amount of receivables arising from providing collateral, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework		
		The amount of receivables arising from providing cash margin, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework	—	—
7		The amount of deductions of receivables (out of those arising from providing cash variation margin) (-)	113,232	151,482
8		The amount of client-cleared trade exposures for which a bank acting as clearing member is not obliged to make any indemnification (-)		
9		Adjusted effective notional amount of written credit derivatives	24,038	83,014
10		The amount of deductions from effective notional amount of written credit derivatives (-)	—	—
11	4	Total exposures related to derivative transactions (b)	7,342,940	10,583,849
Exposures related to repo transactions (3)				
12		The amount of assets related to repo transactions, etc.	7,059,941	9,200,454
13		The amount of deductions from the assets above (line 12) (-)	—	—
14		The exposures for counterparty credit risk for repo transactions, etc.	285,209	401,975
15		The exposures for agent repo transaction		
16	5	Total exposures related to repo transactions, etc. (c)	7,345,151	9,602,429
Exposures related to off-balance sheet transactions (4)				
17		Notional amount of off-balance sheet transactions	59,871,484	55,713,902
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	37,581,664	35,281,098
19	6	Total exposures related to off-balance sheet transactions (d)	22,289,820	20,432,803
Leverage ratio on a consolidated basis (5)				
20		The amount of capital (Tier 1 capital) (e)	9,053,313	8,842,271
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	175,798,445	222,537,560
22		Leverage ratio on a consolidated basis ((e)/(f))	5.14%	3.97%
Leverage ratio on a consolidated basis (including deposits with the Bank of Japan) (6)				
		Total exposures (f)	175,798,445	
		The amount of deposits with the Bank of Japan	52,759,931	
		Total exposures (including deposits with the Bank of Japan) (f')	228,558,377	
		Leverage ratio on a consolidated basis (including deposits with the Bank of Japan) ((e)/(f'))	3.96%	

Note: The key drivers of material change observed from March 31, 2020 to June 30, 2020

Leverage ratio as of June 30, 2020 is higher than March 31, 2020 due to a decrease in the total exposures as a result of the exclusion of deposits with the Bank of Japan, based on the amendment of Japanese Financial Services Agency(JFSA) Notification on June 30, 2020, under the provision to Paragraph 4 of Article 6 of the notification of JFSA No. 11, 2019.