

## Composition of Leverage Ratio

Sumitomo Mitsui Banking Corporation

(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	
<b>On-balance sheet exposures (1)</b>					
1		On-balance sheet exposures before deducting adjustment items	130,096,964	171,987,707	
	1a	1	Total assets reported in the balance sheet	149,354,330	193,963,791
	1b	3	The amount of assets that are deducted from the total assets reported in the balance sheet (except adjustment items) (-)	19,257,365	21,976,084
2		7	The amount of adjustment items pertaining to Tier 1 capital (-)	450,568	427,366
3			Total on-balance sheet exposures (a)	129,646,396	171,560,340
<b>Exposures related to derivative transactions (2)</b>					
4		Replacement cost associated with derivatives transactions, etc. (with the 1.4 alpha factor applied)			
		Replacement cost associated with derivatives transactions, etc.	3,274,566	3,412,019	
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.	2,253,453	2,201,998	
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	552,126	497,394	
6		The amount of receivables arising from providing collateral, provided where deducted from the balance sheet pursuant to the operative accounting framework			
		The amount of receivables arising from providing cash margin, provided where deducted from the balance sheet pursuant to the operative accounting framework	—	—	
7		The amount of deductions of receivables (out of those arising from providing cash variation margin) (-)	288,987	225,519	
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	—	—	
10		The amount of deductions from effective notional amount of written credit derivatives (-)	—	—	
11	4	Total exposures related to derivative transactions (b)	5,791,159	5,885,893	
<b>Exposures related to repo transactions (3)</b>					
12		The amount of assets related to repo transactions, etc.	4,410,789	6,907,318	
13		The amount of deductions from the assets above (line 12) (-)	—	—	
14		The exposures for counterparty credit risk for repo transactions, etc.	222,661	366,826	
15		The exposures for agent repo transaction			
16	5	Total exposures related to repo transactions, etc. (c)	4,633,451	7,274,144	
<b>Exposures related to off-balance sheet transactions (4)</b>					
17		Notional amount of off-balance sheet transactions	57,535,653	53,501,369	
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	33,970,034	31,790,200	
19	6	Total exposures related to off-balance sheet transactions (d)	23,565,618	21,711,168	
<b>Leverage ratio (5)</b>					
20		The amount of capital (Tier 1 capital) (e)	8,186,015	7,959,801	
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	163,636,624	206,431,546	
22		Leverage ratio ((e)/(f))	5.00%	3.85%	
<b>Leverage ratio (including deposits with the Bank of Japan) (6)</b>					
		Total exposures (f)	163,636,624		
		The amount of deposits with the Bank of Japan	51,547,106		
		Total exposures (including deposits with the Bank of Japan) (f')	215,183,731		
		Leverage ratio (including deposits with the Bank of Japan) ((e)/(f'))	3.80%		

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.